

ABSTRACT

Changes in behavior and shopping patterns have led to a shift in society towards online shopping, where beauty products have become an important necessity along with technological advances that have increased competition in e-commerce. Therefore, Sociolla as an online retail company engaged in beauty products innovates in the field of e-commerce by launching a new application called Soco by Sociolla. This application was created to make it easier for users to shop while reading articles and reviews. However, the implementation of this application is believed to provide an inadequate level of e-service quality which will have a negative impact on user satisfaction and loyalty. The complaints can be seen on the App Store, Play Store and Twitter. Complaints submitted are related to application performance, customer service refund policy, ease of navigation, transaction efficiency, item tracking and security in transactions on the application. The complaints filed by users have an impact on Soco by Sociolla's ranking which tends to be low. The purpose of this study was to determine how the Soco by Sociolla application increases customer loyalty in online shopping based on E-Commerce Innovation and E-Service Quality mediated by Customer Satisfaction in the Soco by Sociolla application.

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The research method used is quantitative method by distributing questionnaires via google form to 385 respondents who use the Soco by Sociolla application online. Furthermore, the data analysis technique used in this research is Structural Equation Modeling (SEM) which is assisted by SmartPLS 3.2.9 software.

According to the results of hypothesis testing, it is found that E-Commerce Innovation has a positive and significant effect on Customer Satisfaction. Furthermore, E-Commerce Innovation has a positive and significant effect on Customer Loyalty. Then, E-Service Quality has a positive and significant effect on Customer Satisfaction. Next, E-Service Quality has a positive and significant effect on Customer Loyalty. Then, Customer satisfaction has a positive and significant effect on Customer Loyalty. Furthermore, Customer Satisfaction can mediate E-Commerce Innovation with Customer Loyalty. And finally, Customer Satisfaction can mediate E-Service Quality with Customer Loyalty.

It can be concluded that each hypothesis is accepted from the seven tests conducted for this study. In terms of E-Commerce Innovation, E-Service Quality, Customer Satisfaction and Customer Loyalty in applications, this research is expected to provide benefits and insights for other researchers and companies. In addition, this research can also be used as evaluation material for Soco by Sociolla to be more creative in creating new features, increasing consistency in information dissemination, improving the quality of services offered, as well as providing more attractive promotions and offering a wider variety of products.

Keywords : *E-Commerce Innovation, E-Service Quality, Customer Satisfaction, Customer Loyalty, SEM, Soco by Sociolla.*