# Utilitarian, hedonic, and social values on e-commerce customer loyalty: mediating role of customer satisfaction

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**ABSTRACT**

**Purpose —** *The objective of this research is to examine how utilitarian value, hedonic value, and social value influence customer loyalty in e-commerce, as well as to investigate whether customer satisfaction can serve as a mediator.*

**Method —** *A quantitative research methodology was employed in this study, utilizing students from Soloraya as the population. The primary means of data collection was through the distribution of questionnaires, which were designed using a Likert scale. The study consisted of 105 respondents, and data analysis was conducted using Partial Least Squares (PLS) analysis with SMARTPLS software. PLS-SEM analysis comprises two models: an outer model and an inner model.*

**Result —** *We found that utilitarian value, hedonic value, and social value had a positive and significant impact on customer loyalty, as well as customer satisfaction. Furthermore, utilitarian value, hedonic value, and social value were observed to have a positive and significant impact on customer satisfaction. In addition, the findings also indicate that customer satisfaction plays a mediating role in the relationship between utilitarian value, hedonic value, social value, and customer loyalty.*

**Contribution —** *The present study provides valuable insights to the academic community by expanding knowledge in the marketing field, specifically with regards to the influence of utilitarian, hedonic, social value, and customer satisfaction on customer loyalty. Moreover, this study has the potential to make a significant contribution to the advancement of the e-commerce subsector in Indonesia by presenting novel and relevant information.*

***Keywords:*** *utilitarian, hedonic, social value, customer satisfaction, customer loyalty, e-commerce*

## INTRODUCTION

It is crucial for e-commerce marketers to heed the opinions and input of their customers as they are the ones who use their products and services. Such feedback can help in the development of an effective marketing strategy. As the primary goal of businesses is to generate substantial profits through the selling of goods and services, it is imperative to understand the factors that can influence consumers' purchasing decisions. Consumers engage in purchasing, comparing, and sharing various products and services in both online and offline settings (Martín-Consuegra et al., 2019).

According to Kotler and Keller (2016), establishing strong and enduring relationships with customers is the ultimate objective of all marketers and is often the key to achieving long-term marketing success. In contemporary business, companies strive to enhance customer loyalty by prioritizing their efforts in this direction. Effective marketing communication plays a crucial role in nurturing the relationship between a company and its customers. Its purpose is not limited to encouraging an initial purchase but also to ensure customer satisfaction post-purchase, thereby increasing the likelihood of repeat purchases or customer loyalty. The act of customer loyalty itself refers to the actions taken by customers to ensure that they engage in repeat purchases or repurchase transactions (Suprajang et al., 2019).

Customer satisfaction refers to the pleasurable fulfillment of customer expectations. It is an emotional response experienced by customers after making a purchase, which can range from anger and displeasure to indifference, enthusiasm, or joy. The degree to which customers believe that a service has met or exceeded their expectations is what determines customer satisfaction. This assessment is typically made following a transaction or a comparison between what was anticipated and what was actually experienced (Islam et al., 2021). Measuring customer satisfaction is crucial because customers are the ones who feel the quality of the service provided. The quality of service should be viewed from the perspective of customer needs and perceptions as consumers (Dash et al., 2021).

To assess consumer behavior in offline e-commerce, it is essential to consider utilitarian value. When making purchases based on utilitarian value, customers tend to evaluate products with greater objectivity. This evaluation process ultimately leads to greater customer satisfaction with e-commerce, as customers are more likely to perceive greater value from their benefits (Achmad et al., 2020).

When analyzing consumer behavior in e-commerce, it is important to consider hedonic value as a significant factor. Hedonic value is based on pleasurable experiences and sensations and is more subjective and individualized than utilitarian value, which is task-oriented. The more customers enjoy positive experiences and pleasure, the better they perceive the value of e-commerce. Additionally, social value has been identified as an important factor in influencing consumer behavior by Rintamäki et al. (2006). The influence of social value on customer satisfaction has also been investigated in the context of social commerce in China by Evelina et al. (2020).

Previous studies have indicated that utilitarian, hedonic, and social values have an impact on customer satisfaction. A study conducted by Evelina et al. (2020) showed that utilitarian values had a significant impact on customer satisfaction. Another study conducted by Nggai & Anandya (2020) found that utilitarian and hedonic values had a significant effect on customer satisfaction for Shopee customers in Surabaya. However, the same study found that utilitarian and hedonic values did not have a significant effect on customer loyalty for Shopee customers in Surabaya. Additionally, risk perception was found to have no significant effect on customer satisfaction in the study.

This study adds a new element to previous research by introducing customer loyalty as the dependent variable and using customer satisfaction as the mediating variable. Unlike previous studies that focused on only one marketplace (Shopee), this research looked at three different marketplaces. The study takes into account the marketplace context and the characteristics of university students, which can affect their motivation to shop online either as a fulfillment of their needs or as an experience. The study also considers socio-demographic factors such as age, hometown, type of ecommerce, side job, job division, and the number of employees, to provide a more comprehensive understanding of consumer behavior in e-commerce.

Based on the explanation above, this study aims to examine the effect of utilitarian, hedonic, social value on e-commerce customer loyalty with customer satisfaction as a mediating variable.

**METHOD**

This study adopts a quantitative research methodology, which is founded on the positivist ideology and is commonly utilized for investigating specific groups or populations (Sugiyono, 2013). Purposive sampling, a type of non-probability sampling method, is utilized in this research, along with hypothesis testing, to

examine the characteristics of particular relationships or identify differences between the influence of two or more factors in a given context.

The study's population comprised of university students in Soloraya, and the sample was selected from this population. Malhotra (2006) suggests that the sample size should be at least four to five times the number of questions. Since there are 21 question indicators in this study, the minimum sample size required is obtained by multiplying the number of indicators by 5, which yields 105 respondents. However, not all the samples met the author's criteria. Thus, the final sample consisted of Soloraya students aged between 18 to 35 years who are familiar with and use e-commerce.

In this study, the data was collected through questionnaire distribution. The questionnaire was designed in a Likert scale format, with the interval scale being the most frequently used scale in questionnaire preparation. The Likert scale is considered an interval scale because the preference for the Strongly Agree statement is "higher" than Agree, and Agree is "higher" than Neutral. According to Sugiono (as cited in Sholeh, 2014), the Likert scale is utilized to measure individuals' or groups' attitudes, perceptions, and opinions about existing social phenomena. The Partial Least Square-Structural Equation Modeling (PLS-SEM) analysis was employed to predict and explore complex models with fewer data requirements (Gio et al., 2019). The PLS analysis technique was used to analyze the data in this study, with the SMARTPLS software being used to aid in the analysis.

**Hypotheses development**

*Utilitarian value and customer loyalty*

Subagio (2011) as cited in Rahmadilah & Sari (2021) explains that utilitarian value is the evaluation of the benefits received from acquiring high-quality products or services in terms of efficiency in time and effort. Meanwhile, Hsu & Lin (2016) define utilitarian value as the degree to which an individual believes that using a particular application can enhance their performance. According to the findings of Wardhana (2019) and Mirza (2022), utilitarian value has an impact on customer loyalty. Based on this explanation, the hypothesis in this study is as follows:

H1: Utilitarian value affects e-commerce customer loyalty

*Hedonic value and customer loyalty*

Kotler and Keller (2009) define hedonic value as the desire to seek enjoyment and avoid unpleasantness. Meanwhile, Griffin (2005) suggests that loyalty refers to a state of continuous purchasing behavior that occurs at least twice over a certain period. The findings from Widanti et al. (2019) and Zainurrafiqi et al. (2021) demonstrate that hedonic value can have an impact on customer loyalty. Based on this explanation, the hypothesis in this study is as follows:

H2: Hedonic value affects e-commerce customer loyalty

*Social value and customer loyalty*

Sulaeman et al. (2020) define social value as a value associated with the relationships between individuals in society. Customer loyalty, as stated by Seridaran & Mohd Noor (2021), refers to the loyalty of customers to the products and services provided by a company. Customers who have a long-standing emotional connection to a business may exhibit greater loyalty, as noted by Miharni Tjokrosaputro (2020). According to research conducted by Amelia & Ayani (2020) and Chatterjee et al. (2021), social value has the potential to impact customer loyalty. Based on this explanation, the hypothesis in this study is as follows:

H3: Social value affects e-commerce customer loyalty

*Utilitarian value and customer satisfaction*

Rahmadilah & Sari (2021) state that consumers shop based on their needs and either purchase or refrain from purchasing goods and services, with utilitarian value driving consideration of the quality and efficiency of the items. Li et al. (2021) define customer satisfaction as the level of contentment someone feels after comparing the performance or results of a product or service to their expectations. Studies conducted by Ramadhani & Soegiarto (2022) and Chatterjee et al. (2021) indicate that utilitarian value has an impact on customer satisfaction. Based on this explanation, the hypothesis in this study is as follows:

H4: Utilitarian value affects e-commerce customer satisfaction

*Hedonic value and customer satisfaction*

Subagyo (2011) defined hedonic value as a type of consumer evaluation that focuses on achieving happiness. This evaluation is based on the quality of a

pleasurable shopping experience, which includes enjoyment and the use of visualization to produce satisfaction. According to Tjiptono (2008) cited in Widya et al. (2019), loyalty is demonstrated by a customer's commitment to a retailer, brand, or supplier through regular repeat purchases, based on a positive attitude. The research findings of Ramadhani & Soegiarto (2022) and Handoyo & Mani (2021) suggest that hedonic value can impact customer satisfaction. Based on this explanation, the hypothesis in this study is as follows:

H5: Hedonic value affects e-commerce customer satisfaction


*Social value and customer satisfaction*

Sulaeman et al. (2020) define social value as a value that relates to interpersonal relationships within a society. Kotler (2002) describes customer satisfaction as an emotional response of contentment or disappointment that arises when an individual compares their expectations with the actual performance of a product or service. Research conducted by Anggoro (2018) and Khairiyah & Yunita (2018) shows that social value can have an effect on customer satisfaction. Based on this explanation, the hypothesis in this study is as follows:

H6: Social value affects e-commerce customer satisfaction


*Customer satisfaction and customer loyalty*

Bahrudin et al. (2016) state that when customers evaluate their purchase decisions and experiences with goods or services, this determines their satisfaction. Meanwhile, Oliver (1997) as cited in Zainurrafiqi et al. (2021) defines consumer loyalty as the commitment to regularly buy or use a preferred product or service, regardless of external factors or marketing strategies that may cause them to switch to a different option. Ulfa & Mayliza (2019) and Zainurrafiqi et al. (2021) have conducted studies that demonstrate the relationship between customer satisfaction and loyalty. Based on this explanation, the hypothesis in this study is as follows:

H7: Customer satisfaction affects e-commerce customer loyalty


*Utilitarian value on customer loyalty with customer satisfaction as the mediating variable*

Khonsari (2011) as cited in Lavuri et al. (2022) explain that utilitarian value is an objective and rational evaluation of value. This type of consumer attitude involves making purchasing decisions based on needs and considerations of

quality and efficiency. Djurwati (2019) defines customer loyalty as a strong commitment to regularly purchase a product or service from a particular brand, even in the face of situational or marketing influences from competitors. Rachmawaty's (2021) research shows that customer satisfaction may act as a mediator between utilitarian value and customer loyalty. Based on this explanation, the hypothesis in this study is as follows:

H8: Customer satisfaction is able to mediate the effect of utilitarian value on e-commerce customer loyalty

*Hedonic value on customer loyalty with customer satisfaction as the mediating variable*

Hedonic value is a value that affects the interest of consumers in using a product that is not necessary, but is based on subjective considerations, to fulfill their desires and emotional satisfaction. Griffin (2010) defines customer loyalty as regular purchasing behavior or the need to purchase at least twice within a certain time interval. The studies by Rachmawaty (2021) and Saygılı & Yalçıntekin (2021) suggest that customer satisfaction can act as a mediator in the relationship between hedonic value and customer loyalty. Based on this explanation, the hypothesis in this study is as follows:

H9: Customer satisfaction is able to mediate the effect of hedonic value on e-commerce customer loyalty

*Social value on customer loyalty with customer satisfaction as the mediating variable*

Griffin (2010) as cited in Robby (2017) explains that customer loyalty refers to a customer being considered loyal if they make at least two purchases within a certain time period. In Sulaeman et al. (2020)'s perspective, customer satisfaction is the result of customers' comparison of their wants, needs, and expectations with the perceived quality of goods or services, and satisfied customers tend to exhibit repeat purchases or customer loyalty to goods or services. If social value is incorporated into the marketing system, customer satisfaction can be enhanced, leading to strengthened customer loyalty. Firmansyah & Prihandono (2018) and Han et al. (2021) found that customer satisfaction can act as a mediator between social value and customer loyalty. Based on this explanation, the hypothesis in this study is as follows:

H10: Customer satisfaction is able to mediate the effect of social value on e-commerce customer loyalty

## RESULT AND DISCUSSION

## Structural model analysis (outer model)

Abdillah and Hartono (2015) define the outer model as a measurement model that explains how indicator blocks relate to latent variables. To determine the relationship specification between latent variables and their indicators, validity, reliability, and multicollinearity tests are performed through outer model testing.

**Figure 1.** Outer model
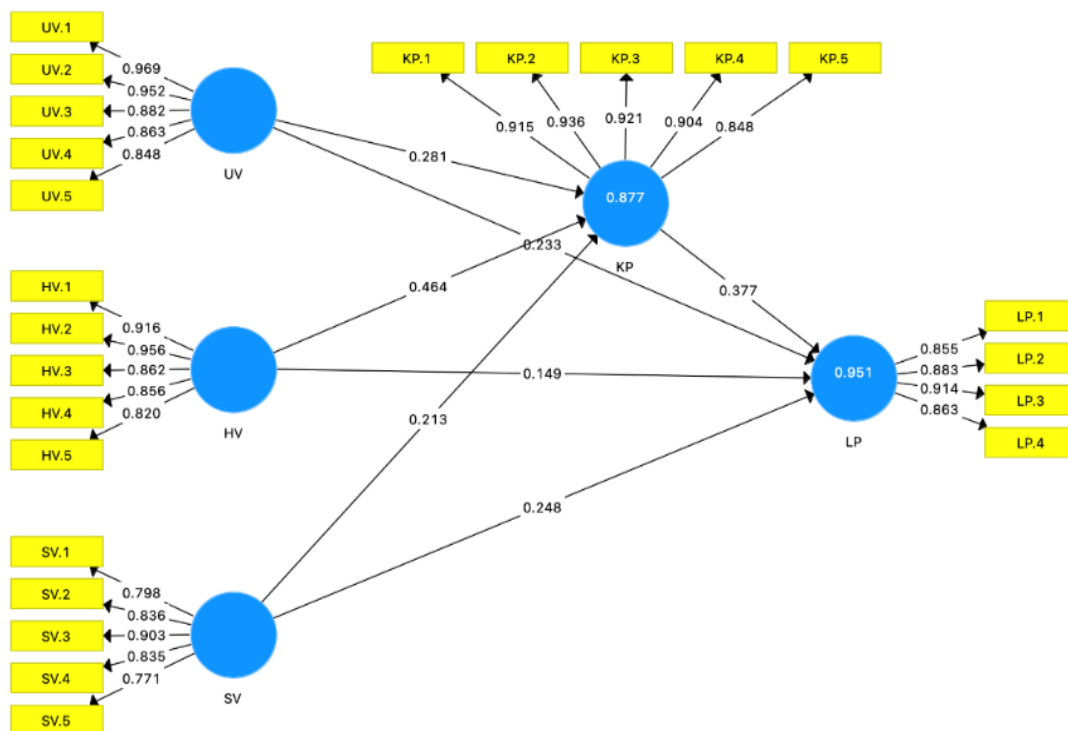


Source: processed data (2023)

According to Figure 1, all constructs in the outer model have indicator variables with valid outer loading values, meaning that all indicators can be used for further analysis. None of the indicator variables have an outer loading value higher than 0.5. The highest outer loading value is from the utilitarian value variable, which has an outer loading value of 0.969. The R Square value for the relationship between Utilitarian value, hedonic value, and social value on customer satisfaction is 0.877, while the R Square value for the relationship between Utilitarian value, hedonic value, and social value on customer loyalty is 0.951.

*Convergent validity*

**Table 1.** Validity testing results of outer loading value

| Variable | Outer loading | Decision |
|----------|---------------|----------|
| UV.1 | 0,969 | Valid |
| UV.2 | 0,952 | Valid |
| UV.3 | 0,882 | Valid |
| UV.4 | 0,863 | Valid |
| UV.5 | 0,848 | Valid |
| HV.1 | 0,916 | Valid |
| HV.2 | 0,956 | Valid |
| HV.3 | 0,862 | Valid |
| HV.4 | 0,856 | Valid |
| HV.5 | 0,820 | Valid |
| SV.1 | 0,798 | Valid |
| SV.2 | 0,836 | Valid |
| SV.3 | 0,903 | Valid |
| SV.4 | 0,835 | Valid |
| SV.5 | 0,771 | Valid |
| KP.1 | 0,915 | Valid |
| KP.2 | 0,936 | Valid |
| KP.3 | 0,921 | Valid |
| KP.4 | 0,904 | Valid |
| KP.5 | 0,848 | Valid |
| LP.1 | 0,855 | Valid |
| LP.2 | 0,883 | Valid |
| LP.3 | 0,914 | Valid |
| LP.4 | 0,863 | Valid |

Source: processed data (2023)

According to the table above, all indicators of the research variables have many outer loading values greater than 0.7. This indicates that there are no indicators whose outer loading value is less than 0.5, and all indicators are considered valid for use in the research and can be further analyzed.

*Discriminant validity*

**Table 2.** Average Variance Extracted (AVE) of all variables

| Variable | AVE | Decision |
|----------|-----|----------|
| Utilitarian value | 0.818 | Valid |
| Hedonic value | 0.780 | Valid |
| Social value | 0.689 | Valid |
| Customer satisfaction | 0.820 | Valid |
| Customer loyalty | 0,773 | Valid |

Source: processed data (2023)

Ghozali & Latan (2018) state that an indicator is considered valid in terms of discriminant validity when its Average Variance Extracted (AVE) value is greater

than 0.5. The results in Table 2 reveal that the utilitarian value has an AVE value of 0.818, hedonic value has an AVE value of 0.780, social value has an AVE value of 0.689, customer satisfaction has an AVE value of 0.820, and customer loyalty has an AVE value of 0.773. These findings indicate that all variables in the study are valid based on the criterion for discriminant validity.

*Composite reliability*

Composite reliability is a measure that accurately represents the level of reliability in a construct. According to the general guideline established by the composite reliability score should exceed 0.7 (Abdillah and Hartono, 2015), The table below displays the outer loading values for each indicator on the research variables.

**Table 3.** Composite reliability

| Variable | Composite reliability |
|---|---|
| Utilitarian value | 0.957 |
| Hedonic value | 0.946 |
| Social value | 0.917 |
| Customer satisfaction | 0.958 |
| Customer loyalty | 0.932 |

Source: processed data (2023)

*Cronbach's alpha*

Abdillah and Hartono (2015) explain that Cronbach's α (alpha) is a statistical method utilized for assessing internal consistency in reliability tests or psychometric data of an instrument. A Cronbach Alpha score greater than 0.60 indicates that all indicators are considered reliable.

**Table 4.** Cronbanch's alpha

| Variable | Cronbanch's alpha |
|---|---|
| Utilitarian value | 0.943 |
| Hedonic value | 0.929 |
| Social value | 0.886 |
| Customer satisfaction | 0.945 |
| Customer loyalty | 0.902 |

Source: processed data (2023)

Table 4 above indicates that the Cronbach alpha score for all variables examined in this study exceeds 0.6, indicating that the reliability criteria have been met, and all constructs can be considered reliable.

## Structural model analysis (inner model)

The inner model is a model that predicts the causal relationship between hidden variables and detects collinearity between variables. This collinearity is one of the essential tests in SEM (Ghozali, 2010). The subsequent information shows the outcomes of the inner model analysis.

**Figure 2**. Inner model
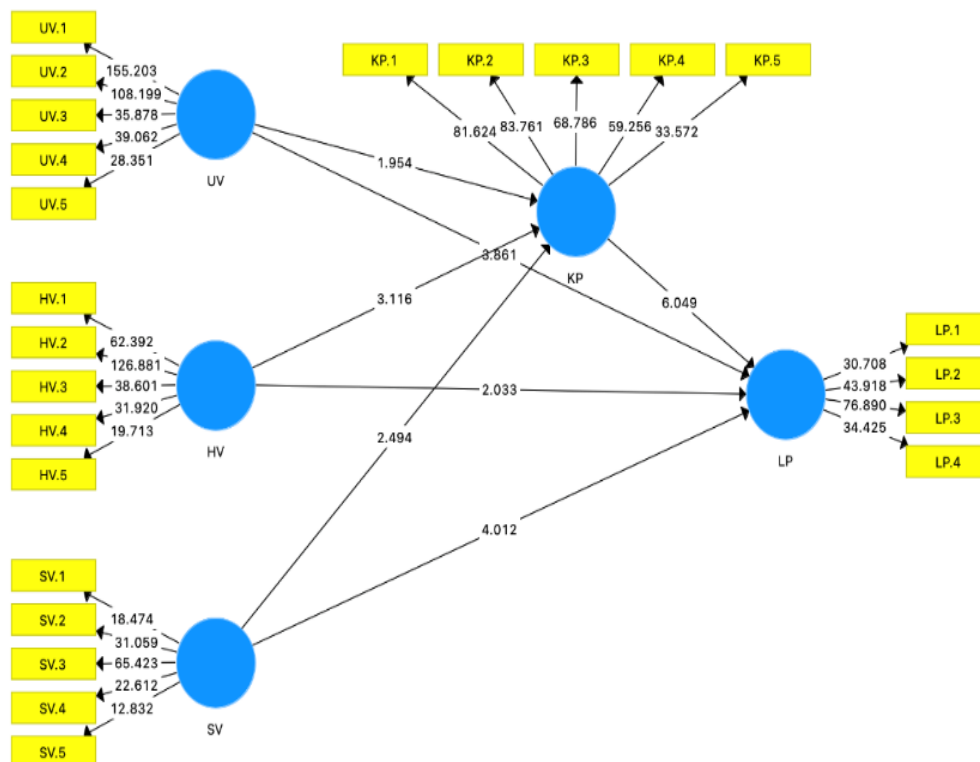


Source: processed data (2023)

Based on the data presented in Figure 2, it can be inferred that all hypotheses were accepted, as the t-statistic value for all constructs was greater than 1.96, indicating a positive and significant impact. The utilitarian value variable had the highest inner loading value of 155.203, while the relationship between customer satisfaction and customer loyalty had the highest t-statistic value of 6.04.

*Goodness-of-fit test*

The coefficient of determination, or R-square, measures the impact of independent variables on dependent variables. A higher R Square value suggests

a stronger impact. Based on Ghozali's (2015) classification, R-square values of 0.75, 0.50, and 0.25 indicate a strong, moderate, and weak model, respectively. The study's coefficient of determination is presented below.

**Table 5.** R-square value

|  | R-square |
| --- | --- |
| Customer satisfaction | 0.877 |
| Customer loyalty | 0.951 |

Source: processed data (2023)

Table 5 shows that the R-square is employed to examine the impact of utilitarian, hedonic, and social value variables on both customer satisfaction and loyalty. An R-square value of 0.877 or 87.7% indicates a strong relationship between these variables and customer satisfaction. Similarly, an R-square value of 0.951 or 95.1% suggests a strong relationship between the same variables and customer loyalty.

## Hypotheses testing

*Direct effect*

The direct effect was evaluated through the bootsrapping process. A p-value less than 0.05 suggests the presence of a direct effect between the variables. For this study, the significance value of 1.96 was used for the t-statistic (with a significant level of 5%).

**Table 6.** Direct effect

| Hypothesis | Influence | Original Sample | T-Statistics | p-value | Results |
| --- | --- | --- | --- | --- | --- |
| H1 | Utilitarian value -> Customer loyalty | 0.233 | 3.861 | 0.000 | Accepted |
| H2 | Hedonic value -> Customer loyalty | 0.149 | 2.033 | 0.021 | Accepted |
| H3 | Social value -> Customer Loyalty | 0.248 | 4.012 | 0.000 | Accepted |
| H4 | Utilitarian value -> Customer satisfaction | 0.281 | 1.945 | 0.026 | Accepted |
| H5 | Hedonic value -> customer satisfaction | 0.464 | 3.116 | 0.001 | Accepted |
| H6 | Social value -> Customer satisfaction | 0.213 | 2.494 | 0.006 | Accepted |
| H7 | Customer satisfaction -> Customer loyalty | 0.377 | 6.049 | 0.000 | Accepted |

Source: processed data (2023)

The initial hypothesis examines the impact of utilitarian value on customer loyalty in a positive and significant manner. Table 6 shows that the t-statistic is 3.861, with an effect of 0.233 and a p-value of 0.000. Therefore, the first hypothesis is supported. The second hypothesis tests whether hedonic value has a positive and significant influence on customer loyalty. Table 6 reveals a t-statistic value of 2.033, an effect of 0.149, and a p-value of 0.021. Accordingly, the second hypothesis is also accepted.

The third hypothesis investigated the correlation between social value and customer loyalty. Table 6 shows a p-value of 0.000, a t-statistic value of 4.012, and an effect of 0.248. Therefore, the third hypothesis is supported. The fourth hypothesis examines whether utilitarian value has a positive and significant impact on customer satisfaction. Table 6 displays a p-value of 0.026, a t-statistic of 1.945, and an effect of 0.201. Hence, the fourth hypothesis is also accepted.

The fifth hypothesis investigates whether hedonic value has a positive and significant impact on customer satisfaction. Table 6 displays an effect size of 0.464, a p-value of 0.001, and a t-statistic of 3.116. Thus, the fifth hypothesis is supported. The sixth hypothesis examines the relationship between social value and customer satisfaction. Table 6 reveals a t-statistic value of 2.494, an effect of 0.213, and a p-value of 0.006. Therefore, the sixth hypothesis is also accepted. The seventh hypothesis tests whether there is a positive and significant correlation between customer loyalty and satisfaction. Table 6 shows a p-value of 0.000, a t-statistic of 6.049, and an effect of 0.377. Hence, the seventh hypothesis is supported.

### Indirect effect

When p-values are less than 0.05, they are considered significant. This indicates that the mediator variable plays a role in mediating the impact of exogenous variables on endogenous variables. In other words, the effect is not direct. Table 7 presents the values for the indirect model.

**Table 7.** Indirect effect

| Hypothesis | Influence | Original Sample | T-Statistics | p-value | Result |
|---|---|---|---|---|---|
| H8 | Utilitarian value -> Customer satisfaction -> Customer loyalty | 0.106 | 2.833 | 0.034 | Accepted |
| H9 | Hedonic value ->Customer satisfaction ->Customer loyalty | 0.175 | 2.643 | 0.004 | Accepted |

| | | | | | |
|---|---|---|---|---|---|
| H10 | Social value -> Customer satisfaction -> Customer loyalty | 0.080 | 2.645 | 0.004 | Accepted |

Source: processed data (2023)

The eighth hypothesis examines whether customer satisfaction can act as a mediator between utilitarian value and customer loyalty. The t-statistic value of 2.833, effect of 0.106, and p-value of 0.034 from Table 7 indicate that the eighth hypothesis is accepted. The ninth hypothesis evaluates whether customer satisfaction can mediate the relationship between hedonic value and customer loyalty. Table 7 displays a t-statistic value of 2.643, effect of 0.175, and p-value of 0.004, indicating that the ninth hypothesis is accepted. The tenth hypothesis tests whether customer satisfaction can mediate the relationship between social value and customer loyalty. Table 7 shows a t-statistic value of 2.645, effect of 0.080, and p-value of 0.004, suggesting that the tenth hypothesis is accepted.

## Discussion

### *Utilitarian value on customer loyalty*

According to Lavuri et al. (2022), Hanzaee and Khonsari (2011) argue that utilitarian value is assessed logically and objectively. Customers who prioritize utilitarian value aim to maximize the functional value of a product or service and save money. The study's results suggest that utilitarian value has a positive and significant effect on customer loyalty. These findings are consistent with previous studies conducted by Wardhana (2019) and Mirza (2022) that also found a positive and significant relationship between utilitarian value and customer loyalty.

### *Hedonic value on customer loyalty*

According to Lubis (2021), when consumers engage in impulse buying due to non-economic factors such as emotions, social influence, pleasure, or attachment to a product, hedonic shopping value becomes crucial. The extent to which customers value the enjoyment they derive from a product or service at the point of purchase can also be used to measure their loyalty to a brand. Since consumers tend to seek pleasurable experiences, it is likely that they will make repeat purchases. The study's results indicate that hedonic value has a significant and positive impact on customer loyalty, which is consistent with the findings of previous studies by Widanti et al. (2019) and Zainurrafiqi et al. (2021).

### Social value on customer loyalty

According to Sulaeman et al. (2020), social value is rooted in the necessity of social groups to establish regulations to manage the desires of individuals who are constantly evolving in various situations. Social value pertains to the values governing relationships between individuals in society. In the current competitive marketing landscape, it is essential for businesses to understand consumer behavior and make marketing decisions accordingly. Meanwhile, loyalty refers to consumers' consistent purchase of a particular brand (Kotler, 2016). The research results suggest that social value has a positive and significant effect on customer loyalty. This study's findings are consistent with those of Amelia & Ayani (2020) and Chatterjee et al. (2021), which found that social value has a positive and significant effect on customer loyalty.

### Utilitarian value on customer satisfaction

According to Rahmadilah and Sari (2021), consumers who approach purchases with a utilitarian mindset tend to make rational decisions based on logical considerations. These consumers prioritize practical aspects such as efficiency and achievement when selecting products. Utilitarian value is one factor that contributes to overall customer satisfaction. The results of the analysis indicate that utilitarianism has a significant and positive effect on customer satisfaction. These findings align with previous studies conducted by Ramadhani & Soegiarto (2022) and Chatterjee et al. (2021) which also found that utilitarianism has a favorable and significant impact on customer satisfaction.

### Hedonic value on customer satisfaction

Hedonic consumption refers to the aspects of consumer behavior related to the sensory, imaginative, and auditory aspects of their experience with a product or service (Vieira et al., 2022). Essentially, hedonic value is an evaluation of the emotional feelings that consumers experience when shopping, which are subjective and personal, such as pleasure, joy, and entertainment. Consumers expect product or service satisfaction to complement the enjoyment and happiness they experience when shopping. The analysis results show that hedonic value has a positive and significant impact on customer satisfaction. These findings are consistent with those of studies by Ramadhani & Soegiarto (2022) and Handoyo & Mani (2021), which found that hedonic value has a positive and significant impact on customer satisfaction.

### *Social value on customer satisfaction*

Social benefits refer to the social value that consumers derive from using a product or service, which is linked to increased self-esteem and social acceptance among others (Sulaeman et al., 2020). Marketers who focus on social value can improve their product quality and service system to increase customer satisfaction. The study's results indicate that social value has a positive and significant impact on customer satisfaction. These findings are consistent with research by Anggoro (2018) and Khairiyah and Yunita (2018), which found that social value has a significant influence on customer satisfaction.

### *Customer satisfaction on customer loyalty*

Oliver, as cited by J Supranto (2001) in (Bungatang & Reynel, 2021), defined satisfaction as the strength of a person's emotional response after comparing their perceived performance or outcomes with their expectations. This means that when consumers compare their expectations with their experience of a product, they will either feel satisfied or dissatisfied. Customer loyalty can result from satisfaction, which comprises several indicators such as emotional response, customer feedback, overall evaluation, performance measures, and perceived value. The analysis shows that customer satisfaction significantly and positively affects client loyalty. These findings are consistent with those of Ulfa & Mayliza, (2019) and Zainurrafiqi et al. (2021), who found that customer satisfaction has a significant impact on customer loyalty.

### CONCLUSION

The study examined the impact of utilitarian, hedonic, and social value on e-commerce customer loyalty, with customer satisfaction as a mediating variable. The analysis of the data and discussion of the results indicate that utilitarian value, hedonic value, social value, and customer satisfaction all have a positive and significant effect on customer loyalty. Additionally, utilitarian value, hedonic value, and social value have a positive and significant effect on customer satisfaction. The study found that customer satisfaction plays a mediating role in the relationship between utilitarian value, hedonic value, social value and customer loyalty.

The findings of this study can be utilized as a valuable resource or reference for addressing issues within the company. It can provide insights for planning and evaluating the company's performance, specifically in relation to the impact of

utilitarian, hedonic, and social value on customer loyalty, with customer satisfaction serving as a mediating factor.

In order to improve the generalization and accuracy of research results, it is recommended for future researchers to use a larger and more diverse sample of respondents. Additionally, other variables beyond utilitarian, hedonic, social value, customer satisfaction, and customer loyalty should be included.

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