

THE INFLUENCE OF SHOWROOMING TOWARDS SEARCH PROCESS SATISFACTION THAT MEDIATED BY CUSTOMER EXPERIENCE IN THIS AGE OF TRANSFORMATION

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ABSTRACT

Showrooming is part of the multichannel that consumers can choose in this age of transformation. It is because the changing technology allowed them to search and gather information about a product in the physical store and purchase a suitable product online. However, the research regarding showrooming towards search process satisfaction from a customer perspective could be explored more. This research aims to analyze the showrooming effect through confidence and smart shopping feeling toward the search process satisfaction of Indonesian cosmetic consumers. The data were collected using questionnaires from 100 respondents with a non-probability technique, particularly judgmental sampling with specific criteria. Thus, the data were examined using the Sobel test to examine the mediating variable. Finally, the research result showed that showrooming has a significant influence on customer experience, including confident and smart shopping feeling as well as the customer experience influences search process satisfaction. Moreover, customer experience also has a significant role as a mediation variable between showrooming and search process satisfaction.

KEYWORDS: 1) SHOWROOMING 2) CUSTOMER EXPERIENCE
3) SEARCH PROCESS SATISFACTION 4) CONFIDENCE 5) SMART SHOPPING
FEELING

1. Introduction

Showrooming is part of a multichannel trend that shifts the consumers' way in conducting a transaction in this age of transformation mainly because of both technology support and interest from the customers' side in doing different ways of shopping. The use of technology or online medium to purchase while explore the product through offline stores is the characteristics of showrooomer, which is the opposite of webrooomer (Arora, Singha, and Sahney, 2017; Flavián et al., 2019; Gensler, Neslin, and Verhoef, 2017; Kang, 2018). Multiple channels are also found as the trigger that make consumers spend more money, purchase more products and make them more satisfied Chatterjee (2010) and Piercy (2012), since they will get more information and power during their purchase-decision process (Van Bruggen, Antia, Jap, Reinartz, and Pallas, 2010). Showrooming also facilitating shopping activities and make consumer more comfortable with shopping online (Stevens, 2016), and it increases consumer satisfaction (Herhausen et al., 2015), since they feel that they did the right purchase through search all the information needed by themselves (Voropanova, 2015). The high degree of confidence comes from the decreasing disproportionately of information and increases control over the purchase process, and less of an issue during seeking the low price in the multiple channels (Flavián et al., 2016; Rapp, Baker, Bachrach, Ogilvie, & Skinner, 2015). On the other words, all processes in gathering information will create a consumer experience, which then becomes a core to accomplish customer satisfaction (Verhoef et al., 2009).

Consumer experience is a crucial part of accomplishing customer satisfaction (Chandra, 2014). The previous research by Pauwels, Leeflang, Teerling, and Huizingh (2011) determined that the effective path to eliciting feelings of satisfaction is by letting the customer undergo the control, feel confident, and undergo smart shopping feelings. Smart shopping feelings are probably to occur in cross-channel shopping settings (Flavián et al., 2019), and the personal traits, such as thrift or expertise, can be affirmed by using multiple channels (Chiu et al., 2011). Based on those explanations, it can be stated that showrooming is part of multichannel to evoke consumer experience, both confidence and smart shopping feeling. However, the researcher found that the showrooming studies can be explored more, particularly referring to the previous research conducted by Flavián et al. (2019), which is only focusing on the webrooming impacts on satisfaction. Moreover, the researcher will fill this gap by replacing the webrooming variable with a showrooming variable, and analyze how showrooming influences search process satisfaction through the customers' search experience. This study also wants to prove the statement by Arora et al. (2017), whether the curiosity in touching and feeling the product motivates customers to visit the brick and mortar store before buying online. Moreover, this study adopts the research model from Flavián et al. (2019) with an emphasis on showrooming that gets less attention in his previous research. Therefore, in this study, the researcher focuses on the consumer's feeling of confidence and their feeling of being a smart shopper, as drivers of the influence of showrooming on search process satisfaction, especially in the cosmetics products. L'Oréal cosmetics will be the object of this research, since it is the number one cosmetic group founded by Eugene Schueller in 1909 (L'Oréal-Indonesia, 2017). In the past decades, that product has grown into double-sized in Indonesia market (Spencer, 2018).

2. Literature Review

Showrooming

Showrooming is part of the cross-channel process where the consumer searches and gathers information from the physical store, but they will purchase the product online (Flavián et al., 2019). Showrooming helps the consumer to find a suitable product confidently (Mehra, Kumar, and Raju, 2013). Showrooomer can straight away diagnose the product, and it refers to the capability of consumers to assess product characteristics, such as "touch and feel" aspects (Gupta, Su, and Walter, 2004a), that cannot be evaluated online. Furthermore, there are some

trigger factors to do offline from Marmol and Fernandez (2019) such as to gather stock availability information (product's availability, variety, and quality) that might be more informative than online viewing, physical atmosphere, and price (attractive offers).

Search Process Satisfaction

Creyer and Kozup (2003) defined that search-process satisfaction is satisfaction with the real information search process. The essential elements of customer experience management are satisfaction (Lemon and Verhoef, 2016). Shopping experience and chosen products are affecting the satisfaction of the consumer (Puccinelli et al., 2009). The total of subjective and objective knowledge of the consumer during the process is considering the level of consumers' information satisfaction (Shah and Marchionini, 2013). By comparing consumer expectation and the actual delivered performance psychologically will result in satisfaction (Lemon and Verhoef, 2016; Mehra et al., 2013). Research by Chandra (2014), Piercy (2012), and Rapp et al. (2015) stated that the critical outcome of cross-channel shopping is satisfaction. By comparing the single-channel information searches and multichannel searches Flavián et al. (2019), and Piercy (2012) found that multichannel information searches provide greater satisfaction. Thus, this study will focus on the search process satisfaction.

Consumer Confidence

The consumer's attitude toward choice decisions can be seen from their confidence (Rucker, Tormala, Petty, and Briñol, 2014). Moreover, Andrews (2016) stated that consumers think and act in a purchase situation determined by the confidence of the consumer. Consumers who are confident in making decisions show signs like an increase in willingness-to-pay (Thomas and Menon, 2007), high satisfaction (Heitmann, Herrmann, & Lehmann, 2007), and strong choice commitment (Clarkson et al., 2008). Rucker et al. (2014) stated that qualities (consistency, quantity, importance, ease-of-processing, source credibility, comprehensiveness, validity) of external information is reflected by the drivers of choice confidence.

Therefore, this study develops the hypotheses stated below in response to our curiosity towards the relationship between showrooming, consumer's confidence and search process satisfaction. The hypotheses are as follow:

H1: Showrooming has a positive impact on search process satisfaction

H2: Showrooming has a positive impact on confidence

H3: Confidence mediates the impact of showrooming on search process satisfaction

Consumer Smart Shopping Feeling

Consumers are always trying to minimize their spending of time (time-saving), money, and energy to gain suitable value from experience, and this phenomenon is called smart shopping (Atkins and Kim, 2011). Voropanova (2015) stated that smart shopping feelings will be retrieved while the information needed make the right choice in the shopping process. The smart shopper requires rational planning by purchasing only essential and formerly planned goods at a cheaper price (Atkins and Hyun, 2016; Voropanova, 2015). Therefore, this study develops the hypotheses stated below in response to our curiosity towards the relationship between showrooming, smart shopping feeling and search process satisfaction. The hypotheses are as follow:

H4: Showrooming has a positive impact on smart shopping feeling of consumer

H5: Smart shopping mediates the impact of showrooming on search process satisfaction

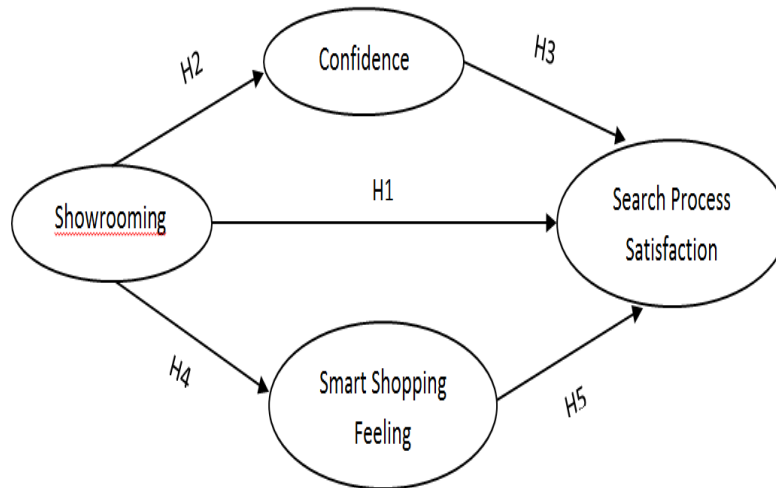


Figure 1: Research Model
 Source: Adopted from Flavián, Gurrea, & Orús (2019)

3. Research Methodology

Quantitative study has been chosen to measure every concept and relationship to every alternative in this research's result objective. Because the population size of L'Oréal Indonesia consumers is massive with an unknown amount, Slovin's formula was used to calculate the number of samples in this study. By using the formula, the calculations are as follows:

$$n = \frac{Z^2}{4(\text{Moe})^2} = \frac{(1.96)^2}{4(10\%)^2} = 96.04 = \text{rounded to } 100$$

n = sample size

Z = 1,96 score at a certain degree of significance (with 95% degree of confidence)

Moe = Margin of error (the maximum rate of error is 10%)

From the calculation above, then the research samples are 100 consumers of L'Oréal Indonesia. This research used the Likert scale and questionnaire for the data collection.

4. Results

Firstly, pre-test of validity and reliability to 30 respondents were conducted. Based on the results of the pre-test, it can be concluded that the data gathered were valid and reliable, thus all the questionnaire indicators can be used for the actual test. The demographics of 100 respondents in this research are in the millennial age (20 to 35 years old) who have used L'Oréal cosmetics. The majority of the respondents are between 20 to 24 years old (77%), between 25-29 years about 15% and the rest respondents are between 30 to 35 years (8%). Moreover, female respondents with a percentage of 83% dominate the respondents. The result of the validity and reliability test for the amount of 100 respondents also showed valid and reliable results. Moreover, the classical assumption (normality, multicollinearity, and heteroscedasticity) tests are used to determine the relation between variables. Based on the result, the data is normally distributed (Asymp. Sig. 2-tailed is 0.2 > 0.005), data is free from multicollinearity and heteroscedasticity.

Based on Table 1, it can be seen that the showrooming, confidence and smart shopping feeling influence search process satisfaction significantly, with all sig. values under 0.01 which are lower than $\alpha=0.05$. Those results mean that all variables have a direct effect, or on the other words, it can be stated that hypothesis 1, 3 and 5 are significantly proved. The result that stated showrooming has a significant influence towards search process satisfaction shows that offline search processes before online buying can help the consumer to sort the product well, this thing

will make the consumer feel satisfied while they are doing their search process. This research result supports Flavián et al. (2016) and Piercy (2012) research results that stated if multichannel information searches offer boost satisfaction. Based on showrooming variables descriptive-analytic such as product diagnostics, stock availability, physical store atmosphere, and price, these variables are relevant to describe the consumer. At the same time, they do their searching process of L'Oréal Indonesia products. This will lead to the consumer search process satisfaction.

Moreover, both hypothesis 2 and 4 also found significance which mean showrooming influences customer experience, both towards confidence and smart shopping feeling with sig. values under $0.01 < \alpha = 0.05$ (Table 1). The significant result of hypothesis two (H2) that stated showrooming has an impact in confidence also supports the previous statement by Flavián et al. (2016) that stated if the decreasing in lop-sidedness and increasing in control over the purchasing will increase the confidence degree. The confidence might occur since the consumers do their searching process about the product on site. Additionally, about the fourth hypothesis (H4), from Table 1 can be seen that the significant value is $0.000 < 0.05$ that means showrooming has an influence towards smart shopping feeling. This finding supports the research result by Gensler et al. (2017), which stated that if the ultimate thing that makes a showroom feel smart is when they can find lower prices or lower time spending in the purchase process.

Table 1. Hypothesis Analysis Results

Model	B	Std Error	T	Sig.
Showrooming --> Search Process Satisfaction			4.185	< .001
Confidence --> Search Process Satisfaction			9.422	< .001
Smart Shopping Feeling --> Search Process Satisfaction			5.813	< .001
Showrooming --> Confidence			4.760	< .001
Showrooming --> Smart Shopping Feeling			4.818	< .001
Showrooming - Confidence - Search Process Satisfaction				< .001
a	.265 (a)	.056 (Sa)	4.760	
ab	.843 (b)	.106 (Sb)	7.932	
Showrooming - Smart Shopping Feeling - Search Process Satisfaction				0.001
a	.246 (a)	.051 (Sa)	4.818	
b	.594 (b)	.136 (Sb)	4.370	

Source: Primary Data (2020)

Based on the data from analysis results (Table 1) and Sobel tests (Figure 2 and Figure 3) that have been conducted, then the other results from this study showed that there is an indirect effect from showroaming to search process satisfaction, which mediated both by confidence and smart shopping feeling. The p-value of confidence variable and smart shopping feeling variable are 0.00004769 and 0.00120541 respectively, which less than $\alpha = 0.05$, thus it can be assumed if both confidence and smart shopping feeling have a mediator role. The result of hypothesis two (H2) about confidence mediates the impact of showroaming on search process satisfaction proved that confidence could increase consumer satisfaction, even though showroaming can affect satisfaction directly without confidence as a mediating variable. The researcher assumes that the partial mediation comes from the respondents that have used showroaming for more than once during their search process of L'Oréal Indonesia product.

On the other hand, the fourth hypothesis (H4) also can be stated that showroaming has an influence towards search process satisfaction that is partially mediated by smart shopping feeling. This finding supports the research from Darke and Dahl (2003) who studied and found a definite link among smart shopping feelings and satisfaction. Furthermore, based on the result, the hypothesis that said if smart shopping feeling mediates the impact of showroaming on search process satisfaction is accepted. However, since it is partially mediated, it also means that showroaming only still affects the search process satisfaction without any mediation. The researcher assumes that partial mediation comes from the product that is not really specific and fancy enough. Hence, as smart shoppers, there is no need to require rational planning by purchasing only essential and formerly planned goods at a lower price.

Input:		Test statistic:	Std. Error:	p-value:
a	0.265	Sobel test: 4.06667525	0.05493308	0.00004769
b	0.843	Aroian test: 4.04313851	0.05525287	0.00005274
s _a	0.056	Goodman test: 4.09062788	0.05461142	0.00004302
s _b	0.106	Reset all	Calculate	

Figure 2: Sobel Test of Confidence as a Mediation Variable

Input:		Test statistic:	Std. Error:	p-value:
a	0.246	Sobel test: 3.23759708	0.04513347	0.00120541
b	0.594	Aroian test: 3.20003038	0.04566332	0.00137413
s _a	0.051	Goodman test: 3.27651866	0.04459733	0.00105095
s _b	0.136	Reset all	Calculate	

Figure 3: Sobel Test of Smart Shopping Feeling as a Mediation Variable

5. Conclusions

The outcomes of the research disclose that showroaming is associated with search process satisfaction from shopping experience of the L'Oréal consumer. Both confidence and smart shopping feeling as part of consumers experience partially mediates the influence of showroaming towards search process satisfaction. Even though confidence and smart shopping feeling did not completely mediate search process satisfaction, the cosmetics brand still needs to realise that satisfaction still comes from the right purchase making or consumers' confidence as well as their smart shopping feeling (time and money savings).

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