

# The Effect of Customer Experience and Omnichannel Integration on Customer Loyalty through Customer Engagement and Customer Satisfaction as Mediation

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#### Abstract:

This study aims to measure the impact of customer experience and channel integration on customer loyalty, with customer engagement and satisfaction as mediation variabel in omnichannel context on customers who buy fashion products through websites. The research method used is Structural Equation Modeling (SEM) Analysis using SmartPLS. This research is quantitative with purposive sampling method, involving 280 samples. At the end of the research period, 331 responses from users of the omnichannel online shopping system on the website were obtained to be analyzed. The results of the analysis show that customer experience and channel integration significantly positively affect customer engagement, satisfaction, and loyalty, so this hypothesis is accepted. In addition, customer engagement and satisfaction mediate the relationship between customer experience and channel integration with customer loyalty, so this hypothesis is also accepted.

#### Keywords: Customer Engagement; Customer Experience; Customer Loyalty; Customer Satisfaction; Integration Channel

# 1. Introduction

In recent decades, the growth of digital transformation has greatly influenced the development of new business models. In order to be successful in the digital world, it is necessary to implement changes in service, distribution, and promotion channels (Cuesta-Valiño et al., 2023), Furthermore, the continuous development of online channel integration is also a key factor. Rigby posits that there is an emerging focus on omnichannel retail with the aim of providing a seamless customer experience through shopping channels (M. Gao & Huang, 2021). In light of the evolving customer shopping patterns, it is imperative that omnichannel management evolve to ensure the delivery of optimal customer service. In accordance with the expectancy disconfirmation theory, customer satisfaction can be determined by customers who undergo the purchasing process and subsequently confirm their expectations. The confirmation process is defined as a comparison between expectations and perceptions. (Yüksel & Yüksel. 2001) posits that the expectancy disconfirmation theory can be applied to consumers during the purchase stage, which can serve as a standard reference point in product assessment. In this context, repurchase is also a significant factor. (Sari & Padmantyo, 2023) posit that this occurs as a result of a loyal attitude towards the product, which gives rise to an interest in repurchase. According to Gultom, it is essential for all owners and actors in business to have an impact on consumers that is both effective and conducive to customer loyalty (Jennifer & Laulita, 2023). Repeat purchases across multiple omnichannel platforms are influenced by factors such as customer loyalty, engagement, satisfaction, and overall experience.

This suggests that customer loyalty has a positive effect on customer experience, which is reflected in the smoothness of shopping on the system. Customer experience is usually formed through the purchase process on an e-retailer platform. This experience then influences the customer's decision to continue or cancel the transaction, depending on the perceived value of the product. A positive customer experience depends on the customer's success in completing the purchase on the e-retailer platform. Conversely, a negative customer experience is caused by failure to complete the purchase (Zaid & Patwayati, 2021). Therefore, it can be concluded that the key to a successful customer experience is the ability to create a positive customer experience.

(Cuesta-Valiño et al., 2023) The interaction between customer experience, engagement and satisfaction has the potential to influence customer loyalty. In addition, customer experience and engagement have a significant impact on omnichannel platforms. In an omnichannel context, customer engagement encompasses the ongoing relationship between a customer and a product facilitated by multiple channels, with the goal of providing a



consistent customer engagement experience. Indicators of success in customer engagement are increased consumption and demand for a particular product. (Zaid & Patwayati, 2021). When the integration channel is functioning optimally, customers can engage with it without encountering any obstacles. Furthermore, the integration channel enables the combination of good and interconnected online integration channels (Pasaribu et al., 2022). Integration channels affect customer satisfaction because better service quality boosts satisfaction. Customer satisfaction is essential for a product's success, as happy customers are more likely to buy again. Therefore, the more effective the services, the higher the customer satisfaction. As a result, integration channels contribute positively to customer satisfaction (Tomas & Fitriningrum, 2022).

The aim of this study is to evaluate how customer experience and channel integration affect customer loyalty, with customer engagement and customer satisfaction as mediators, specifically within the omnichannel shopping environment, focusing on the fashion category. This is corroborated by a survey indicating that Indonesians tend to prefer shopping for fashion products in e-commerce (omnichannel) over physical stores, with 58% of respondents in the first semester of 2022 (Databoks, 2022). indicating this preference. E-commerce (omnichannel) is also more popular for shopping because it is renowned for its effective integration channel system. In a well-integrated channel, there are various elements that can positively impact the omnichannel customer context, including promotions, information access, order fulfillment, customer service, products, prices, and information transactions (Pasaribu et al., 2023). (Nguyen & Nguyen, 2022), posit that the quality of channel integration in e-commerce (omnichannel) is contingent upon the presence of a positive relationship with customers. The situation can be seen from Zalora e-commerce, which is considered the largest e-commerce platform in the fashion sector. In the second quarter of 2022, Zalora recorded 2,990,000 monthly visitors on its website (Iprice, 2019). Consequently, customer engagement also encompasses customer experience with buyer interaction in the channel, which is expected to reduce the likelihood of customers making poor judgments about the offers provided (Rachmawati & Utami, 2020).

Previous research has demonstrated that customer experience can positively influence repurchase intention (Sari & Padmantyo, 2023). This is also corroborated by (Kristanti, 2022), which demonstrates that customer experience exerts a positive influence on customer engagement. Nevertheless, further research is necessary, particularly in diverse industrial sectors and cultural contexts (Tomas & Fitriningrum, 2022). In light of the aforementioned research, this article will present a new research model and a more specific industry, namely the fashion industry. In this study, the mediating variables are customer satisfaction and customer engagement. The research objective is to identify and analyze the impact of channel integration and customer experience on customer loyalty, with customer satisfaction and customer engagement acting as mediating variables.

# 2. Literature Review

# Relationship between Customer Experience and Customer Engagement

The customer experience can be defined as a combination of experiences, including those related to the use of a product or service. These experiences should be designed to create a positive and memorable experience that encourages customers to use the product repeatedly (Wiyata et al., 2020). Alternatively, customer experience can be understood as a cognitive or perceptual recognition that motivates each customer or consumer (Zaid & Patwayati, 2021). The quality of a customer's experience directly influences their level of engagement. Positive interactions with a brand or company foster deeper emotional connections and a greater willingness to actively participate (Sari & Padmantyo, 2023). Customer engagement is a strategy aimed at pleasing customers by offering greater value than rivals. This fosters customer confidence and participation in upcoming connections. (Santoso, 2020). Furthermore, customer engagement encompasses interactivity and the customer experience (Widodo et al., 2021). The results of research reviewed (Cuesta-Valiño et al., 2023) and supported by (Kristanti, 2022), (Zaid & Patwayati, 2021), (Sari & Padmantyo, 2023), and (Rachmawati & Utami, 2020) Show that customer experience positively and significantly impacts customer engagement

H1: Customer engagement shows a positive and significant response to customer experience

Relationship between Customer Experience and Customer Satisfaction

The objective of all companies is to achieve customer satisfaction. In general, consumers who are satisfied with a product or brand tend to maintain their use of it, make repeat purchases, and even share their positive experiences with others (Pritjahjono et al., 2023). Satisfied customers tend to remain loyal to the brand or company,



whereas those who feel disappointed with the quality of the product or service are less likely to purchase it again (Sabrina et al., 2022). A superior customer experience is associated with higher customer satisfaction (Zaid & Patwayati, 2021). The customer experience exerts a direct influence on customer satisfaction. The customer's perception of the product or service, whether positive or negative, directly affects their level of satisfaction with it (Sianipar et al., 2023). The company will experience a number of benefits as a result of customer satisfaction. One of the primary benefits is the long-term value derived from customer loyalty to products and services (Rahayu & Faulina, 2022). The results of research reviewed by (Cuesta-Valiño et al., 2023), Customer experience is shown to have a significant positive influence on customer satisfaction. This finding is supported by (Pritjahjono et al., 2023), (Rahayu & Faulina, 2022), (Sabrina et al., 2022), (Sianipar et al., 2023), and (Zaid & Patwayati, 2021)

H2: customer experience shows a positive and significant response to customer satisfaction

# Relationship between Integration Channel and Customer Engagement

As outlined by (Cao & Li, 2015), Channel integration involves coordinating the purpose, design and deployment of channels to create synergies for the company while offering unique benefits to customers. In the context of omnichannel retailing, channel integration is particularly important. It is essential that companies foster close collaboration between their various channels to ensure synchronized operations. Channel integration refers to the coordination of various interaction methods used by businesses, such as websites, physical stores, and other channels, to ensure a seamless and consistent customer experience (Tomas & Fitriningrum, 2022). The omnichannel strategy is a marketing approach that integrates online and offline channels with the objective of facilitating customer engagement and facilitating the purchase decision-making process (Simatupang et al., 2021). This strategy is essential to tackle the various challenges resulting from changes in the retail industry's business environment, which has primarily depended on online channels. Additionally, it must address the limitations of the multi-channel strategy that has been developed previously (Bahri & Istiharini, 2020). The objective of omnichannel is to facilitate a convenient and straightforward user experience for customers, enabling them to fulfill their needs (Pasaribu et al., 2022). The integration of channels has been demonstrated to have a significant influence on customer engagement, as evidenced by the findings of the research reviewed by (Lee et al., 2019).

H3: integration channel shows a positive and significant response to customer engagement **Relationship between Integration Channel and Customer Satisfaction** 

The term "integration channel" refers to the coordination and integration of various marketing channels with the objective of creating a seamless and impactful customer experience. The "omnichannel integration channel" is a marketing strategy that combines all in-store, online, and offline marketing channels into a unified approach (Pasaribu et al., 2022). Furthermore, the omnichannel approach facilitates enhanced service delivery in terms of channel connectivity, data integration, information consistency, flexibility in channel switching, and the provision of personalised services tailored to the specific needs of each customer (Bahri & Istiharini, 2020). If this channel is implemented effectively, it can reduce barriers for customers, accelerate the purchasing process, and enhance overall customer satisfaction (Tomas & Fitriningrum, 2022). The integration of interactions across multiple channels has been found to influence consumer intentions to repurchase. As a result of the increased connectivity afforded by digital marketing and integrated channels, customer satisfaction. The quality of service provided by the company directly impacts customer satisfaction (Pasaribu et al., 2023). Integrating channels is shown to have a significant positive influence on customer satisfaction, as evidenced by the findings of research reviewed by (Tomas & Fitriningrum, 2022), (Fitri et al., 2022) dan (Lazaris et al., 2021).

H4: integration channel shows a positive and significant response to customer satisfaction

# Relationship between Customer Engagement and Customer Loyalty

Customer engagement is a psychological process that involves the emotional aspects of customers in order to establish and maintain relationships between customers and companies, with the ultimate goal of encouraging customer loyalty (Saputra, 2022). As (Reitz, 2012), customer engagement represents a pivotal element in attaining a company's competitive advantage, serving as a strategy to cultivate customer loyalty. Customer engagement is a crucial aspect for businesses, as it can facilitate the development of strong relationships between customers and companies. This, in turn, can lead to an increase in customer loyalty, which can subsequently influence business decisions (Utami & Saputri, 2020). The greater the customer engagement that is established, the more loyal the customer will be (Baskara & Pranaditya, 2022). Positive customer engagement can facilitate the establishment of long-term relationships between customers and brands, which in turn leads to increased customer loyalty and,



ultimately, increased revenue (Darmadi et al., 2021). The results of research reviewed by (Baskara & Pranaditya, 2022) and supported by (Zaid & Patwayati, 2021), (M. Gao & Huang, 2021), (Zhafira et al., 2023), (Saputra, 2022), (Utami & Saputri, 2020).

H5: customer engagement shows a positive and significant response to customer loyalty

# Relationship between Customer Satisfaction and Customer Loyalty

As defined by (Kotler & Keller, 2008), satisfaction is a subjective emotional state that arises from a comparison between the perceived effectiveness of a product or result and one's expectations. Brand loyalty is defined as the customer's preference for a particular brand over other brands. Brand loyalty is frequently quantified by the frequency of repeat purchases or brand awareness (Darmadi et al., 2021). If the product meets the customer's expectations, the customer will be satisfied. When a product performs in a manner that exceeds expectations, customers experience satisfaction and, in some cases, even happiness (Pritjahjono et al., 2023). Subsequently, customers engage in regular or continuous purchases with a long-term commitment (Zaid & Patwayati, 2021). It can be concluded that the level of satisfaction is often a factor that leads to the level of customer loyalty in the long term (Salem et al., 2022). The results of research reviewed by (Pritjahjono et al., 2023) and supported by (Zaid & Patwayati, 2021), (Cotarelo et al., 2021), (Salem et al., 2022), (Darmadi et al., 2021), (Saputra, 2022).

H6: There is a positive and significant influence between customer satisfaction and customer loyalty **Customer engagement mediates the relationship between customer experience and customer loyalty** 

A positive customer experience with a product or service enhances the level of engagement with the brand (Sari & Padmantyo, 2023). This customer engagement involves deeper and ongoing interactions, such as providing feedback, participating in loyalty programs, or interacting on social media. When customers are actively engaged, they tend to feel more connected and satisfied with the brand (Darmadi et al., 2021). As a result, such engagement increases customer loyalty, which is evident from the propensity to make repurchases and provide product or service recommendations to others. Thus, customer engagement acts as an intermediary between customer experience and customer loyalty, as supported by the research reviewed (Zaid & Patwayati, 2021).

H7: Customer engagement mediates the relationship between customer experience and customer loyalty

Customer satisfaction mediates the relationship between customer experience and customer loyalty

A positive customer experience with a product or service results in increased satisfaction with the brand. Customer satisfaction is characterized by feelings of pleasure and contentment derived from the fulfillment of expectations and needs through a positive experience (Sabrina et al., 2022). This high satisfaction, in turn strengthens customer loyalty. Satisfied customers are more likely to maintain loyalty, make repeat purchases, and provide brand recommendations to others (Pritjahjono et al., 2023). Therefore, customer satisfaction acts as a mediator in the relationship between customer experience and customer loyalty, as has been demonstrated by the research reviewed (Keni & Sandra, 2021).

H8: Customer satisfaction mediates the relationship between customer experience and customer loyalty **Customer engagement mediates the relationship between integration channel and customer loyalty** 

Channel integration, which refers to the consistency and alignment of customer experiences across multiple touchpoints, such as physical stores, websites, and social media, has been demonstrated to contribute to increased customer interaction with brands (Tomas & Fitriningrum, 2022). When channel integration is executed effectively, customers perceive a seamless and consistent experience, which in turn increases their engagement (Pasaribu et al., 2023). This engagement encompasses more profound and active interactions with the brand, such as providing feedback, following the brand on social media, and participating in loyalty programs. This high level of customer engagement subsequently strengthens customer loyalty, as evidenced by the willingness of customers to continue using the product or service, make repeat purchases, and recommend the brand to others (Pritjahjono et al., 2023). H9: Customer engagement mediates the relationship between integration channel and customer loyalty

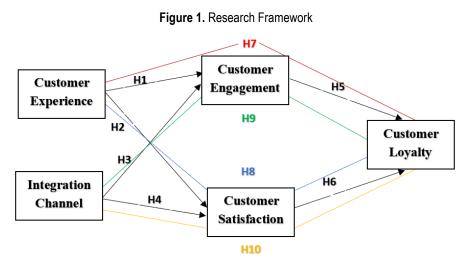
Channel integration ensures the consistency and smoothness of the customer experience at various points, both offline and online. This can increase customer satisfaction. When customers experience convenience and comfort through effective channel integration, they become more satisfied with their overall experience (Lazaris et al., 2021). This customer satisfaction is indicative of positive feelings resulting from the fulfillment of expectations. Consequently, customer satisfaction functions as a mediator in the relationship between channel integration and customer loyalty, as evidenced by the research reviewed (Fitri et al., 2022).



H10: Customer satisfaction mediates the relationship between integration channel and customer loyalty

# 3. Method

This research is classified as causal research, which aims to explore potential cause-and-effect relationships between certain variables (Sugiyono, 2018). The survey method was used to investigate and evaluate the impact of customer experience and channel integration on customer loyalty, with customer engagement and customer satisfaction as mediating processes in omnichannel usage. Data analysis was conducted using quantitative methods. The research sample consisted of 331 users of the omnichannel online shopping system on the website, which exceeded the initial target of 280 people. The sample size was determined based on recommendations from (Hair et al., 2021), which suggests that the sample size should be at least 10 times greater than the number of indicators. In this study, the data analysis method used was Partial Least Squares - Structural Equation Modeling (PLS-SEM) using SmartPLS software version 3.2.9. This approach involves two stages of evaluation, namely the outer model and the inner model (Ghozali & Latan, 2020). This research is a type of quantitative research that uses a questionnaire as a primary data collection tool. The questionnaire was distributed directly to respondents via Google Forms from November 2023 to December 2023. Each variable is measured using a Likert scale consisting of options (1) strongly disagree, (2) agree, (3) neutral, (4) agree, (5) strongly agree. Indicators on customer experience variables are adapted from (W. Gao et al., 2021), customer engagement is adapted from (Cuesta-Valiño et al., 2023), channel integration is adapted from (Pasaribu et al., 2022), while indicators on customer satisfaction and customer loyalty variables are adapted from (Cotarelo et al., 2021).



# 4. Results and Discussion

# 4.1. Results

# **Test Outer Model**

In this study, convergent validity is evaluated using outer loadings and Average Variance Extracted (AVE). According to (Ghozali, 2021) and (Hair et al., 2019), indicators of a variable can be deemed valid if the outer loadings parameter value meets the prescribed threshold, with a value of >0.6, and Average Variance Extracted (AVE) >0.5. The results of the test indicate that all indicators pertaining to the customer experience, customer engagement, customer satisfaction, customer loyalty, and channel integration are valid. The following table presents the outer loadings value of each variable indicator utilized in the study.



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	Tabel 1. Discriminant Test Results (Outer loadings)						
	Customer Engagement	Customer Experience	Customer Loyalty	Customer Satisfaction	Integration Channel		
E1		0.796					
E2		0.834					
E3		0.762					
E4		0.820					
E5		0.811					
G1	0.740						
G2	0.821						
G3	0.825						
G4	0.816						
G5	0.856						
L1			0.779				
L2			0.855				
L3			0.826				
L4			0.732				
L5			0.859				
S1				0.699			
S2				0.812			
S3				0.830			
S4				0.710			
S5				0.783			
T1					0.727		
T2					0.745		
Т3					0.752		
T4					0.715		
T5					0.744		
T6					0.756		
T7					0.759		
T8					0.806		

# Tabel 1. Discriminant Test Results (Outer loadings)

Source: Primary data processed using Smart-PLS, 2024

Subsequently, the researchers conducted an evaluation of the measurement model with regard to convergent validity, utilising AVE as a parameter. The results of the measurement model evaluation with AVE demonstrate the validity of all variables in the study. This finding aligns with the theoretical framework proposed by (Ghozali, 2021) and (Hair et al., 2019), which posits that a variable is valid if its AVE value is greater than 0.5. The following table presents the results of the convergent validity test using AVE as a parameter.

Tabel 2. Validity Test Results (AVE)						
Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)			
0.871	0.876	0.906	0.660			
0.864	0.870	0.902	0.648			
0.870	0.880	0.906	0.659			
0.825	0.830	0.878	0.591			
0.889	0.892	0.912	0.564			
	Cronbach's Alpha 0.871 0.864 0.870 0.825	Cronbach's Alpha         rho_A           0.871         0.876           0.864         0.870           0.870         0.880           0.825         0.830	Cronbach's Alpha         rho_A         Composite Reliability           0.871         0.876         0.906           0.864         0.870         0.902           0.870         0.880         0.906           0.825         0.830         0.878			

Source: Primary data processed using Smart-PLS, 2024



Discriminant validity is an assessment based on the principle that indicators of different constructs should show low correlation. To assess discriminant validity, three criteria can be used: cross loadings, Fornell-Larcker criteria, and HTMT ratio. If one of these criteria is met, then the data is considered to pass the discriminant validity test.

	Customer Engagement	Customer Experience	Customer Loyalty	Customer Satisfaction	Integration Channel
Customer	0.813	Lypenence	Loyany	Galisiaction	Channel
Engagement	0.010				
Customer	0.629	0.805			
Experience					
Customer	0.798	0.523	0.812		
Loyalty					
Customer	0.757	0.659	0.716	0.769	
Satisfaction					
Integration Channel	0.744	0.649	0.769	0.733	0.751

# Tabel 3. Discriminant Validity (Fornell Larcker)

Source: Primary data processed using Smart-PLS, 2024

To assess discriminant validity with the Fornell-Larcker criterion, the square root of the AVE for each construct must be greater than the correlation between the construct and other latent constructs (Hair et al., 2019). The test results show that all instruments used in this study are valid. This can be seen from the square root of the AVE which is higher than the correlation between latent constructs for each variable.

# Tabel 4. Reliability Test

	Cronbach's Alpha	Composite Reliability
Customer Engagement	0.871	0.906
Customer Experience	0.864	0.902
Customer Loyalty	0.870	0.906
Customer Satisfaction	0.825	0.878
Integration Channel	0.889	0.912

Source: Primary data processed using Smart-PLS, 2024

Reliability testing is also carried out to measure the internal consistency and accuracy of indicators. In this study, the parameters used for the reliability test are Cronbach's alpha and composite reliability. To ensure instrument reliability in exploratory research, the value must be greater than 0.6 for each parameter (Ghozali, 2021) dan (Hair et al., 2019). Based on the results of reliability testing, all research variables are considered reliable. This determination is based on the reliability value that has met the criteria. These values are presented in the table above.

# Test the Inner Model

1. Independent test result of direct mediation

Based on the table below, the results of the path coefficients test show the effect of the independent variables, namely customer experience and channel integration on the mediating variables, namely customer engagement and customer satisfaction. The table shows that customer experience and integration channel have a significant positive effect on the mediating variables, namely customer engagement and customer satisfaction. This is evidenced by the P value of 0.000 which is smaller than 0.05.



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Tabel 5. Results of the Direct Effect Test on Mediati
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X>M	T Statistics ( O/STDEV )	P Values	Information
Customer Experience -> Customer Engagement	5.570	0.000	H1: Positive Significant
Customer Experience -> Customer Satisfaction	6.198	0.000	H2: Positive Significant
Integration Channel -> Customer Engagement	12.796	0.000	H3: Positive Significant
Integration Channel -> Customer Satisfaction	11.379	0.000	H4: Positive Significant

Source: Primary data processed using Smart-PLS, 2024 Note: P <0.05, T statistic > 1.96

2. Findings from Direct Mediation Tests on Dependent Variables

Based on the table below, the test results show that customer engagement and customer satisfaction have a positive and significant influence on customer loyalty. Both variables are proven to be significant due to P values of 0.000, as well as T statistic values greater than 1.96.

Tabel 6. Analysis Results on the	Independent Direct Impact on De	ependent Variables (Direct Effects)

M>Y	T Statistics ( O/STDEV )	P Values	Information
Customer Engagement -> Customer Loyalty	11.530	0.000	H5: Positive Significant
Customer Satisfaction -> Customer Loyalty	4.748	0.000	H6: Positive Significant
Source: Primary data processed using Smart-PLS 2024			

Source: Primary data processed using Smart-PLS, 2024 Note: P <0.05, T statistic > 1.96

3. Results of independent tests directly affecting dependent

The results of the table below indicate that customer experience and channel integration have a positive and significant impact on customer loyalty, which is mediated by customer engagement and customer satisfaction. This is evidenced by a p-value of 0.000, as well as a statistical t-value greater than 1.96, which indicates the statistical significance of the effect.

#### Tabel 7. Results of Testing the Indirect Influence of Independent Variables on Dependent Variables Through Mediation (Indirect Effects)

	T Statistics ( O/STDEV )	P Values	Information
Customer Experience -> Customer Engagement -> Customer Loyalty	5.522	0.000	H7: Positive Significant
Customer Experience -> Customer Satisfaction -> Customer Loyalty	4.413	0.000	H8: Positive Significant
Integration Channel -> Customer Engagement -> Customer Loyalty	7.491	0.000	H9: Positive Significant
Integration Channel -> Customer Satisfaction -> Customer Loyalty	3.914	0.000	H10: Positive Significant

Source: Primary data processed using Smart-PLS, 2024 Note: P <0.05, T statistic > 1.96

4.2. Discussion

# Hypothesis 1

Statistical analysis shows that there is a strong correlation between customer experience and customer engagement, with a T-value of 5.570 and a significant P-value of 0.000, indicating a positive relationship. This study highlights the importance of customer experience as a key factor in increasing customer engagement among users of omnichannel fashion products on the website. Therefore, this study emphasizes that businesses need to prioritize improving customer experience to support customer engagement, which will ultimately increase business



profitability. The results of this study are consistent with the findings of previous research, (Cuesta-Valiño et al., 2023), (Zaid & Patwayati, 2021), (Sari & Padmantyo, 2023).

# Hypothesis 2

The statistical analysis reveals that the correlation of customer experience variables on customer satisfaction is substantial, with a T value of 6.198 and a significant P-value of 0.000, indicating a positive correlation. This study emphasizes customer satisfaction can be affected by various factors like price, quality, and external elements. To enhance customer satisfaction, it's essential to conduct market research and understand customer characteristics, enabling the creation of an effective customer experience that fosters satisfaction. This research is in line with the research findings (Cuesta-Valiño et al., 2023), (Pritjahjono et al., 2023), (Sabrina et al., 2022), (Zaid & Patwayati, 2021).

# Hypothesis 3

The statistical analysis reveals that the correlation of integration channels on customer engagement is substantial, with a T value of 12,796 and a significant P-value of 0.000, indicating a positive correlation. An integration channel is a system in a website, application, and so on. Of course, channel integration can be an important factor in adding "comfort" to customer engagement in these fashion products, especially the "fashion" category, of course, the character customers like to choose. Therefore, the development of integration channels must go through regular monitoring and pay attention to "user-friendly". Because if you pay attention to the convenience offered in the integration channel, of course, it can add further customer engagement value. This research is in line with the research findings (Lee et al., 2019).

#### Hypothesis 4

The statistical analysis reveals that the correlation of integration channels on customer satisfaction is substantial, with a T value of 11.379 and a significant P-value of 0.000, indicating a positive correlation. As before, ease of access and use in integration channels, such as ease of accessing information and performing various activities (transactions, feature searches, etc.), can build trust in the omnichannel. It is important to pay attention to integration channels in maintaining relationships with customers to achieve business goals, with the ultimate goal of maintaining customer satisfaction. This research is in line with the research findings (Fitri et al., 2022) and (Lazaris et al., 2021).

# Hypothesis 5

The statistical analysis reveals that the correlation of customer engagement on customer loyalty is substantial, with a T value of 11.530 and a significant P-value of 0.000, indicating a positive correlation. Customer engagement is more precisely a condition where customers feel the experience of using a system, such as omnichannel in this study. This engagement includes various aspects such as ease of use, transactions, reviews, and so on. It is very important in creating customer loyalty. Previous customer engagement in delivering engaging experiences influences loyalty, encouraging them to continue buying products through multiple channels (omnichannel). This research is in line with the research findings (Baskara & Pranaditya, 2022), (Zaid & Patwayati, 2021), (Zhafira et al., 2023).

# Hypothesis 6

Statistical analysis shows that there is a significant correlation between customer satisfaction and customer loyalty, with a T-value of 4.748 and a P-value of 0.000, indicating a positive relationship. When customers are satisfied with the omnichannel experience, it can increase their loyalty. Customer satisfaction is measured based on fulfilled expectations. In this study, customer satisfaction is identified as an important factor in building customer loyalty. Customer loyalty can be achieved by providing an efficient omnichannel system and attractive channel integration, which aims to offer quick solutions as well as active and informative communication to help customers. This research is consistent with previous research findings, (Salem et al., 2022), (Zaid & Patwayati, 2021), (Cotarelo et al., 2021).

# Hypothesis 7

The indirect correlation hypothesis shows that customer engagement acts as a mediator between customer experience and customer loyalty. This is supported by the T coefficient value of 5.522 and a P-value of 0.000, which indicates that the effect of customer experience on customer loyalty through customer engagement is significant (Zaid & Patwayati, 2021). In the preceding discussion, it was demonstrated that customer experience is a significant factor in the enhancement of customer loyalty. Nevertheless, the impact of customer experience on customer loyalty is not always straightforward; rather, it can be indirect, operating through customer engagement.



Consequently, an efficacious omnichannel strategy must facilitate an engaging customer experience and customer engagement in order to foster customer loyalty in the long term.

# Hypothesis 8

The indirect correlation demonstrates that customer satisfaction functions as a mediator between customer experience and customer loyalty. This finding is corroborated by a T-value of 4.413 and a P-value of 0.000, indicating that the effect of customer experience on customer loyalty through customer satisfaction is statistically significant. The results of this study are in accordance with those of previous studies in this field (Keni & Sandra, 2021). In this study, we examine how customer satisfaction acts as a mediator, transferring the impact of customer experience to customer loyalty. The relationship between customer experience and loyalty is not always direct, because customer satisfaction can be an intermediary factor. Thus, customer satisfaction acts as a mediator between customer experience and loyalty. In this context, loyalty refers to customers who consistently make purchases across omnichannel platforms due to their prior satisfaction.

# Hypothesis 9

The indirect correlation shows that customer engagement acts as a mediator between integration channels and customer loyalty. The T coefficient value of 6.705 and the P value of 0.000 indicate that the effect of channel integration on customer loyalty mediated by customer engagement is significant. Therefore, omnichannel strategies need to focus on improving channel integration and customer engagement to increase strong customer loyalty. Support from customer engagement mediation also helps to strengthen the effect of channel integration on customer loyalty, in accordance with the results of this study. **Hypothesis 10** 

The indirect correlation shows that customer satisfaction acts as a mediator between channel integration and customer loyalty. This finding is supported by the T coefficient value of 3.914 and a P value of 0.000, indicating that the effect of channel integration on customer loyalty through customer satisfaction is significant. This research is in line with the findings of (Fitri et al., 2022). The effect of integration channels on customer loyalty is conveyed through customer satisfaction, so it is important for integration channels to have a good system to increase customer satisfaction. This can create a higher level of customer loyalty and support the success of the omnichannel strategy.

4. In evaluating structural models using PLS, it is important to check the R Squares value of each endogenous latent variable as an indicator of the predictive reliability of the structural model. In accordance with the criteria (Hair et al., 2019), R Squares values of 0.75, 0.50, and 0.25 indicate strong, moderate, and weak models.

	R Square	Information
Customer Engagement	0.591	59.1 % (Moderate)
Customer Loyalty	0.666	66.6% (Moderate)
Customer Satisfaction	0.596	59.6% (Moderate)

# Tabel 8. R Square Test Results

#### Source: Primary data processed using Smart-PLS, 2024

In Table 8, the R square value for the customer engagement variable is 0.591. This indicates that customer experience, channel integration, customer loyalty, and customer satisfaction together explain 59.1% of the variability in customer engagement. The remaining 40.9% is explained by other factors not included in this study. Similarly, for the customer loyalty variable, the R square value is 0.666, indicating that the mentioned variables explain 66.6% of the variability of customer loyalty, with the remaining 33.4% unexplained. In addition, the R square value for the customer satisfaction variable is 0.596, indicating that the variables included explain 59.6% of the variability in customer satisfaction, while 40.4% is explained by other factors not included in this research model (Hair et al., 2019). A model above 0.50 means moderate.

# 5. SRMR test results



According to (Hu & Bentler, 1998), SRMR is an indicator to evaluate the fit of the correlation matrix in a model. An SRMR value of less than 0.1 or smaller indicates the fit of the model to the data. The results from table 9 show that the SRMR value is in accordance with this standard.

# Tabel 9. SRMR Test Results

	Original Sample (O)	Information
Saturated Model	0.068	6.8% (fit)
Estimated Model	0.077	7.7% (fit)

Source: Primary data processed using Smart-PLS, 2024

# 5. Conclusion

The findings show that customer experience and integration channels positively correlation on customer engagement, satisfaction, and loyalty. Customer engagement and satisfaction act as mediation between customer experience, integration channels, and customer loyalty. However, this research only includes omnichannel website users, so the data may not fully represent overall customer loyalty. Future studies should involve a broader population and consider additional variables not covered in this study.

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