

CHAPTER I

INTRODUCTION

1.1. Background Research

The world economy has increased with the development of the various technologies that are available today. The economy is the center of human civilization to survive. With the turn around time that goes on, the more varied economy system one with the convenience of shopping through our E-Commerce system. There are many types of developing e-commerce in the world, but there are only a few types of e-commerce that developed in Indonesia. One type of e-commerce which is currently thriving in Indonesia is a type of e-commerce marketplace. Marketplace is a place online where sellers can create an account and peddling wares. One of the advantages of selling in the marketplace sellers do not need to create a site or 2 personal online store. Sellers need only to provide the product photo and upload it that was then equipped with the products description. Furthermore, if there are buyers who want to buy the products offered, the seller will be given notification by the system of e-commerce.

Nanjing is a city in Jiangsu Province, administratively a part of southern China. Its position is very strategic to the sea. Not wrong, when a city is also often called Jiangning or Nanjing became the capital of 10 Dynasties by the ruler. Today, the old town is transformed into a metropolitan city. Building skyscrapers sprouting in the city. Such was the perceived second travel

together groups of journalists along with other Thai Lion Air flight to Nanjing on May 19-20 December 2016. The city of Nanjing municipality in the South of Yangzi River downstream and crossed by the river course Qinhuai has an area of approximately 860 square kilometers with a population of over 8 million people. Has become a political and economic Center at the Yangtze River delta region for hundreds of years. Nanjing is also a connecting transportation in the eastern part of Cina and the Yangtze River estuary. Nanjing is a famous tourist town, with many historic places. Nanjing has become the economic center of the area of the estuary of the Yangtze River for hundreds of years. In 2003, the gross domestic Income (GDP) per capita is ¥27128 (approximately US \$3280, ranking 31st among 659 cities in Cina).

In the research I'm doing, I will focus exposes about e-commerce in Cina and in particular against the using IE Indonesia Student, a company based in Nanjing. In the country of China e-commerce service is also various many kinds there are Taobao, Tmall, Pingduoduo. Therefore to get target my research, will only be focused on the use of Alibaba Taobao.

Therefore to get target my research, will only be focused on using globalization in particular Cina, almost all of the company's products and services are developed in the country as well as Internasional Alibaba Taobao. The level of competition to be the best section is absolutely necessary so that the company has achieved a strong defense. The level of competition to be the best section is absolutely mandatory achieved like this also to delivery service company in Cina. The phenomenon of current business activities service

delivery of goods is rampant e-commerce the company has a strong defense. Airfreight services acts as an intermediary between buyers and sellers. Delivery of the goods involved in e-commerce transactions are not only limited to the domestic sphere alone but also internationally.

Cina, e-commerce is the largest market in the world, and now become one of the benchmarks in the real world. It is influenced by the way the use of the mobile consumer, social innovation model of e-commerce, and development of a digital model that easy payments reliably. E-commerce growth cycle very clear. According to the PwC economic quarterly Q1 2017, retail sale online national goods and services reached 1.40 trillion yuan in the first quarter, 32.1% higher then a year ago. By comparison, retail sales of physical stores rose by 7.2%.

Purchase Decisions is very important in business economics, because it will affect the success rate of a person or company in possession of the business. There are several factors that affect the purchasing decisions of customers such as level of product quality, pricing, and quality of delivery of the goods.

1.2 Identification and Restrictions Problems

1.2.1 Identification Problems

Background based on research, we can identify some of the issues that will be discussed:

1. Level of service quality of Alibaba Taobao in providing foreign language variations is still low.

2. Level of service of Alibaba Taobao in the logistic dimension still low.
3. Accuracy in several dimensions such as just in time, the right product, the right price, right quantity, right customer, right and the quality is still low.
4. Quality of the services that are available have yet to guarantee the realization of consumer loyalty.
5. Still there are some stores in Alibaba Taobao has a low value.
6. Not yet available of the complete official shop some products that have a well-known brand.

1.2.2 Restrictions Problems

1. This study was performed on college students who are in Indonesia city of Nanjing that already has been using the service application Alibaba Taobao at least twice. Because it is assumed that a period of assessment of consumer services provided invaluable Alibaba Taobao more clearly. As well as aged 20 years and above.
2. Authors restrict the sample by type of job as a freshman and have income allowance of around 1 million and above.
3. Authors restrict this research are assumed to be associated with consumer satisfaction as measured through the quality of service, product quality, price, and delivery of goods.

1.2.3 Formulation Problems

Based on the above background, the issues to be addressed in this study are:

1. How to influence the quality of the product against the satisfaction of consumer e-commerce users Taobao Alibaba ?
2. How the influence of logistics cycle towards consumer satisfaction on a consumer e-commerce users Taobao Alibaba ?
3. How to influence the product quality to increased service quality on consumer e-commerce users Taobao Alibaba ?
4. How to influence prices to increased service quality on consumer e-commerce users Taobao Alibaba ?
5. How the influence of logistic cycle against to increase of service quality on consumer e-commerce users Taobao Alibaba ?
6. How to influence the quality of service of consumer satisfaction on consumer e-commerce users Taobao Alibaba ?
7. How to influence the quality of service of consumer loyalty?

1.2.4 Objective

As for the purpose of this research is:

1. To determine whether there is influence of service quality of Alibaba Taobao to the customer satisfaction.
2. To determine whether there is influence of service quality of Alibaba Taobao to the customer confidence.

3. To determine whether there is influence of service quality of Alibaba Taobao to the customer loyalty through customer satisfaction.

1.2.5 Benefits Research

The benefits that can be drawn from this study are as follows:

1. Practical Benefits

For companies it is expected that this study can provide an overview for the Alibaba Taobao Company in order to constantly improve the performance and quality of e-commerce.

2. Theoretical Benefits

The results of this study are expected to be useful as a reference more comprehensive, especially presenting empirical evidence about the analysis of impact of service quality on customer loyalty through customer satisfaction E-commerce of Alibaba Taobao in the Nanjing China.