

The Effect of Advertising, Sales Promotion, E-Word of Mouth and E-Trust on Customer Loyalty with Satisfaction as an Intervening Variable during Special Event Day Shopee

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Abstract: The Harbolnas event (Online Shopping Day) became an extraordinary success story because Harbolnas was able to generate 129 million average website visits per month from Indonesian buyers in particular, and around 6 million to 12 million more Shopee orders throughout Southeast Asia which almost increased by 3 times. compared to normal days (Bahrah et al., 2021) Even though the Harbolnas event was able to attract customers to visit, it has not explicitly explored what causes these customers to be interested in making transactions and making purchases continuously on Shopee e-commerce. Customer loyalty is still one of Shopee's concerns with the current tight competition because customer loyalty is quite volatile. The high level of competition between e-commerce causes customers to easily move from place to place because many similar companies offer interesting innovations and aggressively carry out various marketing strategies. The above phenomenon needs to be considered by Shopee e-commerce to provide marketing stimulation to customers. The marketing stimulus that is most widely used by other e-commerce is by doing advertising, sales promotion, e-WOM, e-trust.

Keywords: Event Day Shopee, Advertising, Sales Promotion, E-WOM, E-Trust, Satisfaction, Customer Loyalty.

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I. Introduction

The use of the internet is very popular among the younger generation (millennial generation) including among students. Most students always follow the development of technology, science and information. Yulisetiari et al., 2017 found that most students often discussed online shops rather than offline shops. E-commerce is their alternative if they want to shop for a product. Students who live in East Java Province are very consumptive and are the best prospective online shopping customers Shopee became the top online shopping platform in Indonesia in the first half of 2021, from January to the middle of the year, seen from the total number of application downloads and the total monthly active users based on the research results of the mobile application market research company App Annie. One of Shopee's e-commerce strategies is to hold shopping events or often called Harbolnas (Online Shopping Day). Harbolnas was held as a form of promotion and Shopee's main weapon in attracting consumers to visit. Every year, sales during Harbolnas increase rapidly. This resulted in Harbolnas not only appearing on September 9th, however, Shopee chose to expand its marketing expansion by holding Harbolnas on the same date and month every month such as Shopee Day 11.11 and 12.12 following the success path of Harbolnas 9.9 "Super Shopping Day".

The Harbolnas event became an extraordinary success story because Harbolnas was able to generate 129 million average website visits per month from Indonesian buyers in particular, and around 6 million to 12 million more Shopee orders throughout Southeast Asia which almost increased by 3 times compared to normal days (Bahrah et al., 2021). Even though the Harbolnas event was able to attract customers to visit, it has not explicitly explored what causes these customers to be interested in making transactions and making purchases continuously on Shopee e-commerce. Continuous purchases are called loyalty.

II. Literature Review

Kotler and Keller (2009:175) loyalty is a strongly held commitment to repurchase or subscribe to a particular product or service in the future despite situational influences and marketing efforts that have the potential to cause behavioral switching. Shopee hopes to have many loyal customers. Customer loyalty is still one of Shopee's concerns with the current tight competition because customer loyalty is quite volatile. The high level of competition between similar e-commerce causes customers to easily move from place to place because

many similar companies offer interesting innovations and aggressively carry out various marketing strategies. The above phenomenon needs to be considered by Shopee e-commerce to provide marketing stimulation to customers. Marketing stimuli that are most widely used by other e-commerce are advertising, sales promotion, e-WOM, e-trust.

Kotler Philip (2005:658) states that advertising is any form of non-personal presentation, promotion of ideas, goods or services by a particular sponsor that requires payment. Advertising can be placed in all types of media. In Miller's research (2012), it is stated that viewers will see at least 100 to 1,000 media advertisements from several sources every day. Incessant advertising can sharpen customer memory. Ade and I Made (2020), Shodiq & Hidayat (2021) proves that advertising has a positive effect on customer loyalty. It is said that when a company is able to reach its target audience effectively and efficiently it will be very easy for the brand to be remembered by consumers so that it makes consumers loyal or loyal to the products they offer. However, this is contrary to from Danish (2019) which states that advertising has no significant effect on customer loyalty. This is because the advertising language used is too excessive so that the general public feels that there is an element of fraud in the advertisement which makes the advertisement have a negative effect on customer loyalty. The advertising indicators by Shihab et al. (2022) there are four, namely: Information, Transformation, Emotion Stimulation, Practical Use.

Shopee activities will increasingly get the attention of the general public if stimulated by sales promotion activities. Sales promotion has more to do with increasing consumer attention. Forms of sales promotion carried out to increase loyalty include price discounts, shopping coupons, cashback, coins and free shipping. According to Tjiptono and Chandra (2012:367), sales promotion are all forms of short-term offers or incentives aimed at buyers, retailers, or wholesalers and are designed to obtain a specific and immediate response so that, after a sales promotion is carried out, the company expects reciprocity to occur. feedback in the form of consumer loyalty or the creation of consumer loyalty. LW Azizi et al. (2019), WMS Hutabarat & Prabawani (2020), Irwinsyah & Nurlatif (2020), show that sales promotion has an influence on loyalty, the higher the intensity of sales promotion given to customers, the higher customer loyalty, however, the results of this study contradict by Iswati & Lestari (2021) shows that sales promotion has no effect on customer loyalty with customer satisfaction as an intervening variable because when an online store provides promotions it only has a temporary effect when a promotion occurs, so after entering the intervening variable customer satisfaction there is no impact. that affect customer loyalty. Temporary customer satisfaction is not able to affect loyalty.

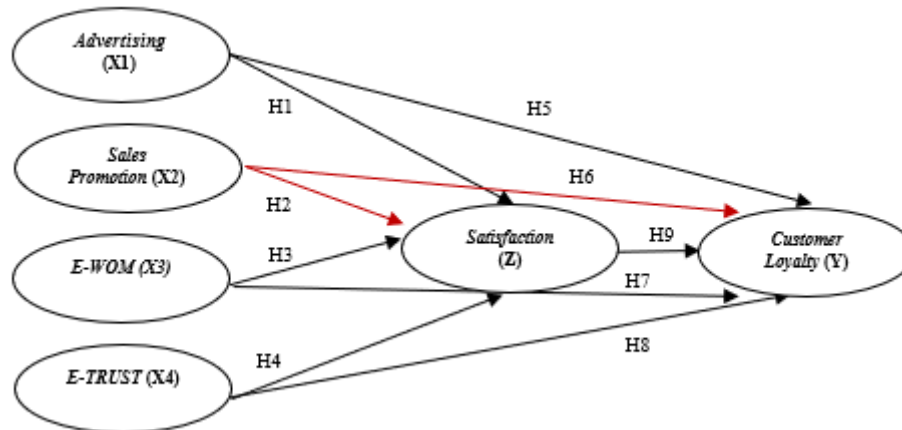
Most customers who shop online today rely on information shared by other people online so that a new term appears called electronic word of mouth (e-WOM). According to Thureau et al. (2004), e-WOM is a negative or positive statement made by actual, potential, or previous consumers about a product or company that can be accessed by many people or institutions online. Information from e-WOM is very influential on customer loyalty because e-WOM is used as customer consideration. MR Muis et al. (2020), B Wijaya et al. (2020), Adnyana et al. (2021), Widyaningsih et al. (2020) shows that e-WOM has an influence on loyalty. In their research, Nasirudin, Yulisetiari and Suroso (2018) state that word of mouth communication has 3 levels (word of mouth communication), namely: Customer do the talking, Customer do promotion, Customer do selling.

Customers who provide positive comments through e-WOM will help the company build trust in the eyes of the public or commonly called (e-trust). E-trust plays an important role in influencing customer commitment and loyalty relationships. Kasih & Moeliono (2020), A Liani & A Yusuf (2021), Rachman & Kusuma (2021), Nawangsari & Putri (2020), Gemilang & Soesanto (2021) shows that e-trust has an effect on loyalty because the more high e-trust or the level of consumer confidence in e-commerce, it will lead to strong loyalty to the e-commerce. E-trust will not appear suddenly but must be built from the start. This trust will later become the driving force in creating an effective relationship with customers. There are 3 indicators of e-trust in A Liani & A Yusuf's (2021) research, namely: Security, privacy, reliability.

The expected output from Shopee's e-commerce by prioritizing e-trust is customer satisfaction. The diversity of facilities and the convenience of the Indonesian people in making online purchases through e-commerce provide their own satisfaction for the e-commerce user community. According to Yulisetiari and Mawarni (2021) customer satisfaction needs to get special attention to the response of a product or service offered because basically satisfaction is the goal of the company. The more satisfied customers are, the more profitable the company will be, so customers will enjoy the same product or service again and become loyal to the company. Windasari et al. (2021), Mayang sari (2021), Yulisetiari and Mawarni (2021) show the results that customer satisfaction has a significant effect on customer loyalty, where customer loyalty will be created when customers are satisfied. Tjiptono (2007:101) states that the indicators of consumer satisfaction are as follows: Conformity of expectations, Ease of obtaining, Feelings after using.

III. Conceptual Model

The conceptual framework is prepared based on a review of the theory which is the main source in a research. Through a conceptual framework, researchers will find it easier to determine the research flow and also describe the main issues to be studied. The variables used in this study include the independent variables, namely advertising (X1), sales promotion (X2), e-WOM (X3), e-trust (X4), the dependent variable, namely customer loyalty (Y) and the intervening variable, namely satisfaction. The picture included in this conceptual framework is the relationship between advertising, sales promotion, e-wom, e-trust on customer loyalty on satisfaction. So schematically it can be described in a conceptual framework as follows:



Figurer 1. Conceptual Framework

HYPOTHESIS

The influence of advertising on satisfaction

The existence of an advertising program is expected to make it easier for consumers to find out and get information about a product during a Shopee day event so that it gives an impression and satisfaction for consumers in getting information at a Shopee day special event. This explanation is supported by several studies which state that advertising is one of the factors that can affect customer satisfaction (satisfaction). Shodiq & Hidayat (2021), Aprileny et al. (2021) stated that advertising has a positive effect on consumer satisfaction. Based on the theory and empirical evidence above, the research hypothesis proposed is as follows.

H1: advertising (X1) has a significant effect on satisfaction (Z) during the Shopee special event day

Effect of sales promotion on satisfaction

Sales promotion is the main key in marketing campaigns, consisting of incentive tools that are mostly short-term in nature, designed to stimulate the purchase of products or services more quickly or more by consumers or customers (Kotler and Keller, 2016: 622). The purpose of sales promotion is to attract new customers and increase satisfaction for existing customers. This explanation is supported by several studies which state that sales promotion is one of the factors that can affect customer satisfaction (satisfaction). LW Azizi et al. (2019) states that sales promotion has a positive effect on consumer satisfaction. Based on the theory and empirical evidence above, the research hypothesis proposed is as follows.

H2: Sales promotion (X2) has a significant effect on satisfaction (Z) during Shopee's special event day

The effect of e-wom on satisfaction

E-wom is considered as a powerful marketing communication medium for companies to influence consumers. Where the consumer experience in using a product, brand or service raises a positive recommendation because of a sense of satisfaction. This explanation is supported by several studies which state that e-wom is one of the factors that can affect consumer satisfaction. Wijaya et al. (2020) states that e-wom has a positive effect on consumer satisfaction. Ayuningtyas & Nugraha (2021) conclude that e-wom has a significant effect on consumer satisfaction. Based on the theory and empirical evidence above, the research hypothesis proposed is as follows.

H3: E-wom (X3) has a significant effect on satisfaction (Z) during the Shopee special event day

The effect of e-trust on satisfaction

Kasih & Moeliono (2020), Rachman & Kusuma (2021) state that e-trust has a positive effect on consumer satisfaction. Based on the theory and empirical evidence above, the proposed research hypothesis is as follows.

H4: E-trust (X4) has a significant effect on satisfaction (Z) during special Shopee day events

The effect of advertising on customer loyalty

Advertising can increase people's knowledge and change a person's attitude and because of that, advertising is able to persuade people who initially do not want to buy the brand, initially once and then repeatedly (Moriarty, et al, 2012:122). This explanation is supported by several studies which state that advertising is one of the factors that can affect consumer loyalty. Ade and I Made (2020) stated that advertising has a positive effect on customer loyalty. Based on the theory and empirical evidence above, the research hypothesis proposed is as follows.

H5: Advertising (X1) has a significant effect on customer loyalty (Y) during the Shopee special event day

Effect of sales promotion on customer loyalty

Sales promotion held by providing cashback, free shipping and discounted prices to consumers, this will have an influence on the creation of consumer loyalty in Shopee e-commerce so they don't want to switch to other e-commerce. This is in accordance with research conducted by WMS Hutabarat & Prabawani (2020) and Septiani (2020) which states that sales promotion has an effect on consumer loyalty. Based on the theory and empirical evidence above, the research hypothesis proposed is as follows.

H6: Sales promotion (X2) has a significant effect on customer loyalty (Y) during the Shopee special event day

The effect of e-wom on customer loyalty

The more frequent and more positive e-WOM consumers do on social media, the greater the level of consumer loyalty. This explanation is supported by several studies conducted by Muis et al. (2019) and Adnyana et al. (2021) which states that e-wom has an effect on customer loyalty. Based on the theory and empirical evidence above, the research hypothesis proposed is as follows.

H7: E-wom (X3) has a significant effect on customer loyalty (Y) during Shopee's special day event.

The effect of e-trust on customer loyalty

When a company can be trusted or relied on in fulfilling its promises in accordance with consumer expectations, it is able to form consumer loyalty. This explanation is supported by several studies from Gemilang & Soesanto (2021), Ayu Sari (2021) which state that e-trust is one of the factors that can affect customer loyalty. Based on the theory and empirical evidence above, the research hypothesis proposed is as follows.

H8: E-trust (X4) has a significant effect on customer loyalty (Y) during Shopee's special event day.

The effect of satisfaction on customer loyalty

Satisfaction if it is at a high level will provide benefits for the company, so that consumers enjoy the same product or service again. Research by Windasari et al. (2021), Mayang sari (2021), Yulisetiari and Mawarni (2021) show that customer satisfaction has a significant effect on customer loyalty. Based on the theory and empirical evidence above, the research hypothesis proposed is as follows.

H9: Satisfaction (Z) has a significant effect on customer loyalty (Y) during Shopee's special day event

IV. Conclusion

The results of this study indicate that advertising, sales promotion, e-WOM, e-trust partially have a significant positive effect on customer loyalty during Shopee's special event day. Advertising, sales promotion, e-WOM, e-trust partially have a significant positive effect on satisfaction at Shopee's special event day. customer loyalty partially has a significant positive effect on customer shopping satisfaction during Shopee's special event day. Sales promotion has the greatest direct or indirect influence on customer loyalty and customer shopping satisfaction during Shopee's special event day.

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