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Digital Marketing on Gojek Consumer Loyalty



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Abstract

Consumer loyalty is the customer's willingness always to use the company's products in the long term, use them exclusively, and recommend the company's products to friends or colleagues. This study aims to determine the effect of digital marketing on Gojek's consumer loyalty. The sample in this study was Gojek consumers in Denpasar City. Determination of the sample in this study using a non-probability sampling method. The number of samples taken was 112 people. Collecting data using questionnaires. Data were analyzed using multiple linear regression analysis techniques. The results of this study indicate that digital marketing has a positive and significant effect on consumer loyalty.

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1 Introduction

Consumer loyalty is the result of an initial trial of a product which is strengthened through satisfaction so that it will lead to repeat purchases (Sinaga & Sugiarto, 2010). In essence, consumer loyalty is a relationship between companies and consumers. According to Lovelock & Wright (2005), consumer loyalty is customers' willingness to use company products in the long term, use them exclusively, and recommend company products to friends or colleagues. A good company always puts consumers at the center of business activities. From this, it is hoped that the company will always pay attention to and prioritize consumers in all activities carried out so that consumers are always the first party with the hope that they will feel satisfied and comfortable and ultimately become loyal to the company (Yadav et al., 2015; Kannan, 2017).

Innovation and creativity need to be carried out by companies in facing competition and developments in the business world, as well as to be able to achieve consumer loyalty, one of which is with sales promotions. Promotion is a factor that significantly encourages consumers to repurchase (Sholihat, 2018). Sales promotion relates to all activities carried out by the company to communicate the superiority of its products and persuade consumers to purchase these products (Pemayun & Ekawati, 2016). Sales promotions are designed to encourage consumers to buy larger or faster certain products or services by consumers and businesses in the short term (Rahmattia & Rinawati, 2019). Sales promotion is an activity used to increase the flow of goods or services from producers to final sales (Yoga & Paramartha, 2018; Dewi, 2020).

Digital marketing is another factor that also influences consumer loyalty. Digital marketing is promoting and finding markets through online digital media using various means, such as social networks (Purwana et al., 2017; Atzori et al., 2012; Dunbar et al., 2015). Digital marketing was born due to advanced technological developments with Web 2.0 accompanied by mobile technology (Kasali, 1998). Mobile technology is helpful for everyone who has an internet network to quickly get accurate information with just one hand. Digital marketing is also defined as marketing activities that use internet-based media (Wardhana, 2015). Digital channels offer opportunities for cost efficiencies to establish relationships with customers and increase customer loyalty.

Research by Heriyanto & Nurtjahjani (2018), Nugroho (2018), and Kuncoro & Sutomo (2018), found that sales promotions increase consumer loyalty, meaning that if there is a change in sales promotion, consumer loyalty will also change. In addition, previous research was conducted (Simanjuntak & Ardani, 2018) regarding the effect of sales promotions on consumer loyalty, which showed that advancements significantly impacted consumer loyalty. Similar research was also carried out by Lubis (2019), obtaining different results where sales promotions did not considerably affect customer loyalty.

Empirical studies by Sidi (2018), found that digital marketing increases consumer loyalty for products or services produced by companies. Similar research was conducted by Masito & Saino (2021) and Putri et al. (2021), who found that digital marketing positively affected consumer loyalty. Based on the description of the existing problems, it is necessary to research the effect of service quality, sales promotion, and digital marketing on Gojek's consumer loyalty in Denpasar City.

Literature review and hypothesis development

Kumar & Reinartz (2012), shows that digital marketing can get opportunities to make efficiencies in promotion costs to create good relationships with customers and provide increased consumer loyalty. The presence of digital marketing is due to the advancement of technological developments with Web 2.0 accompanied by mobile technology (Kasali, 1998). With mobile technology, everyone who has an internet network will quickly get accurate information in their hands. The results of other studies Sidi (2018), Masito & Saino (2021), and Putri et al. (2021), found that digital marketing has a positive effect on consumer loyalty.

H3: Digital marketing positively affects Gojek consumer loyalty in Denpasar City.

2 Materials and Methods

The population is Gojek consumers in Denpasar City, whose exact number is unknown (infinite). The determination of the sample in this study refers to Sugiyono as the provision is 5-10 times the number of indicators, where the number

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of hands in this study is 16. The number of samples used is 112 respondents. This study used a non-probability sampling technique with a purposive sampling method.

This sampling technique is used because the number of the population determined is not known with certainty. In this case, the researcher must know and assume that the chosen respondents can provide the information used by the problem under study. The data collection method used in this study is a questionnaire survey method. Researchers distributed questionnaires directly to respondents or by distributing questionnaires to Gojek consumers. The questionnaire will be measured using a Likert scale. The data analysis technique used in this study is a simple linear regression analysis.

3 Results and Discussions

Gojek is a technology-based company from Indonesia which initially served transportation via motorcycle taxi services. The company was founded in 2010 in Jakarta by Nadiem Makarim. Gojek's vision is to build something truly beneficial for Indonesia and to use technology to create a positive social impact. Gojek previously served its customers only with a call center in a 2015 application. When the Gojek application was created, there was an increase in orders from 3,000 per day to 10,000 per day (Source: https://www.gojek.com).

Such rapid developments have made Gojek quickly innovate to establish several services such as go food, go clean, go massage, etc. Gojek is the first unicorn company in Indonesia. As a form of Gojek's commitment to supporting a better, faster and more developed Indonesia, Gojek is now present in 167 cities and districts (Source: https://www.gojek.com). Gojek was able to develop so fast, but it was not spared because of the funding assistance that was not small from several investors. Gojek has also acquired many companies in Indonesia such as C42 Engineering and CodeIgnition, Pianta, LeftShift, etc. (Source: https://www.cnbcindonesia.com).

Table 1 Simple Regression Analysis

Variable	Regression Coefficient		t	Sig
	В	Std. Error		-
Digital Marketing	0,313	0,081	4,207	0,000
R^2 : 0,438				

Primary Data, 2023

Based on the test value, it can be seen from the statistics that the test falls on the rejection of H0 is rejected and H1 is accepted for the second hypothesis. This states the acceptance of the hypothesis that digital marketing positively and significantly affects Gojek consumer loyalty in Denpasar. The X3 variable coefficient is positive 0.313, meaning that digital marketing positively affects consumer loyalty. Research conducted by Sidi (2018), Masito & Saino (2021) and Putri et al. (2021), states that there is a significant positive influence between digital marketing and consumer loyalty.

Implication Managerial

The theoretical implications of the results of this study are to provide evidence of the development of consumer behavior. Consumer behavior is a variety of activities carried out by people when choosing, buying, and using goods and services to satisfy their needs and desires (De Groot et al., 2002; Armstrong et al., 2012). Theoretically, this study also shows that digital marketing positively and significantly affects consumer loyalty. When digital marketing increases, it has the potential to increase consumer loyalty (Becker-Olsen et al., 2006; Sheth, 2020).

The practical implications of this research are expected to be a consideration for the management of Gojek in developing the right strategy for carrying out marketing so that it is expected to maintain and increase the loyalty of Gojek consumers in the future. This research is also likely to be one of the references for other researchers who want to examine digital marketing and consumer loyalty (Roger-Monzó et al., 2015; Park et al., 2017).

4 Conclusion

There is a positive and significant influence of digital marketing on Gojek consumer loyalty in Denpasar. This means that the better the digital marketing, the more customer loyalty will increase. It is hoped that future researchers will not focus on the factors in this study, namely service quality, sales promotion, and digital marketing, but can add other factors that can affect consumer loyalty, such as service quality, product quality, and sales promotion. Future researchers are expected to be able to add or use other research objects.

Conflict of interest statement

The authors declared that they have no competing interests.

Statement of authorship

The authors have a responsibility for the conception and design of the study. The authors have approved the final article.

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