

The Influence of Store Atmosphere, Customer Delight and Product Completeness on Consumer Loyalty in Groceries Retail MSMES Suko Asri Market Kab. Sidoarjo Annisa Kaffi, Siti Mujanah

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Achmad Yanu Alif Fianto, Angga Dutahatmaja





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# **Preface**

Praise be to the presence of Tuhan Yang Maha Esa, because of His grace and grace, the Journal of Applied Management and Business (JAMB) can be published according to what was planned.

Journal of Applied Management and Business (JAMB) is a peer review journal published by Universitas Dinamika. This journal is published in July and December. Journal of Applied Management and Business (JAMB) is a learned journal in the management and marketing for a knowledge society, international and interdisciplinary in scope, JAMB keeps its readership well informed on all key aspects of business development, being an essential resource for policy makers and strategists across countries. Journal of Applied Management and Business (JAMB) is published in twice (Juli dan Desember) a year.

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**Editor in Chief** 

Martinus Sony Erstiawan, S.E., MSA



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# The Influence of Store Atmosphere, Customer Delight and Product Completeness on Consumer Loyalty in Groceries Retail MSMES Suko Asri Market Kab. Sidoarjo

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#### **ABSTRACT**

This study aims to determine the effect of Store Atmosphere, Customer Delight and Product Completeness on Consumer Loyalty in MSME Retail Groceries Suko Asri Market, Sidoarjo. This type of research is quantitative research. The population is all MSME Retail Groceries customers at Suko Asri Market, Sidoarjo. The number of samples is 75 people with purposive sampling process. Target customers who have shopped more than 1 time at MSME Retail Groceries Pasar Suko Asri Sidoarjo. The data collection method uses a survey method with a questionnaire as an instrument. Test the instrument using the Validity and Reliability Test, Multiple linear Classical Assumption Test, t test and R<sup>2</sup> test. From the results of the F test value, it shows that Store Atmosphere, Customer Delight and Product Completeness both have a significant effect on consumer loyalty, MSME Retail Grocery Market, Suko Asri Sidoarjo Market. Meanwhile, the results of the t test show that (1) Store atmosphere has an effect on consumer loyalty, (2) Customer delight has an effect on consumer loyalty, (3) Product completeness has an effect on consumer loyalty in MSMEs Retail Groceries Suko Asri Market, Sidoarjo.

#### Introduction

The Covid -19 pandemic that has occurred since the beginning of 2020 has had a significant impact on social life as well as declining economic performance in most countries in the world, including Indonesia. The existence of the lockdown (lockdown) has stopped economic activity suddenly and resulted in a decrease in supply chains all over the arena have been requested and disrupted. In a survey conducted by Thaha in 2020, more than 50% of MSMEs stated that they would go out of business within a few months. The impact of the Covid-19 pandemic on the MSME sector is undoubtedly significant for Indonesia's financial situation, as the contribution of MSMEs to the Indonesian economic system may be substantial in a variety of fields [1].

Entrepreneurship has a positive effect on the Indonesian economy, especially in overcoming unemployment and promoting sustainable businesses [2]. MSMEs are a type of business that has an important role in increasing the GDP (Gross Domestic Income) of a country, especially in Indonesia. Efforts to increase MSME sales [3]. The trade sector is one of the biggest contributors to the Sidoarjo district's GRDP (Gross

Regional Domestic Income), which is equal to 9.58% [4]. As people's mobility returns to normal, the retail business is starting to show some recovery. This can be proven by an increase in data from the Sidoarjo Regency statistical center that the trade sector's contribution to GRDP increased by 18.35% (better than 2020). Chairman of the Association of Indonesian Retailers (Aprindo) Roy Nicolas Mandey stated that the retail business in Indonesia is expected to grow up to 3% in 2022 and will be better than in 2021 [5]. In order to achieve this goal, the retail business should be restored, because its contribution is quite large to the national economy through household consumption. The contribution of household consumption to economic growth has reached more than 56% [4].

The marketing strategy turns out to be important for MSMEs to increase sales [6]. Whenever a company achieves its quality and quantity objectives within a certain time period, it is considered to be doing well [7]. Store atmosphere can also be used as a marketing tool to attract consumers to come. [8] explained The store atmosphere is the atmosphere created by the store to make customers feel at ease and at ease when selecting the products they want to buy. Maintaining consumer loyalty is a challenge for companies that must be pursued for the survival of the companystore atmosphere arrangement which can give a very interesting impression and provide convenience to consumers in visiting [9], because happy consumers are expected to make repeated purchases.

The strategy for a trader that can be done to increase customer loyalty is to make customers happy, this term is called customer delight. Customer Delight has an important influence on purchase intention consumer [10]. Justiceis one of the factors that has great potential to generate customer delight and is very influential in increasing customer purchase intentions. In this case, trust is recognized as an important indicator in developing loyalty [11]. Esteemis a condition where consumers feel they are getting excellent service from the company, giving rise to a feeling of "privileged". Finishing touch is a condition in which consumers feel that they have received facilities. Building long-term customer relationships is difficult when: Expectations and needs are not fully understood. next customer Management, the company must understand the wants and needs of its customers and can use existing resources to satisfy and retain customers [12].

Completeness of product types is one of the factors that influence customer loyalty as well as ways to attract customers. [13] stated that the product completeness variable includes the variety of goods sold in supermarkets and the availability of these goods sold in supermarkets. For a supermarket, completeness of merchandise is an important factor to attract consumers. Even though the selling price is higher than other supermarkets, because of the complete range of goods sold, this supermarket attracts many visitors.

Visitor loyalty is a behavior that arises as an area of action to things that result in the visitor's desire to be able to visit again [7]. Suko Asri Market is a traditional trading place that has 120 outlets consisting of more than 20 Groceries Retail MSMEs. This is in line with the results of an interview with UPT Pasar Suko Asri which stated that dealing with existing competitors is a challenge for a trader, therefore traders need to develop a strategy to create customer loyalty that aims to capture existing market share and ultimately can increase the profitability of their business.

#### **Research Methods**

In this study, a quantitative design will be used to collect data from respondents via a survey in the form of a questionnaire. This research was conducted at the Taman Suko Asri Traditional Market, Suko Legok Village, Kec. Sukodono, Kab. Sidoarjo 61258, the source of the data used in this study is primary data with a population of consumers at the Taman Suko Asri Traditional Market who have shopped more than 1 time at MSME Retail Groceries Pasar Suko Asri Sidoarjo. The number of population in this study is unknown, so The sample count must be at least five times the number of indicator variables [14]. The indicators in this study were 15 indicators so that a minimum of 75 samples were needed, so the total sample was 75 respondents who had shopped more than once at MSMEs Retail Groceries Pasar Suko Asri Sidoarjo.

# Result and Discussion

#### **Results**

Before analyzing the data, validity and reliability tests were first carried out. The validity test is intended to find out whether the questions posed are valid or not, while the A reliability test determines how well a measurement can produce results that are nearly identical when repeated measurements are taken on the same subject. In the validity test, a statement is said to be valid if rhitung is greater than rtabel. The validity test in this study shows that the r table in this study when dF = (n-2) = 73 (75) with a significance of 0.05 is 0.227 So declared valid. The statement items are declared reliable in the reliability test using the test criteria with a Cronbach's Alpha value greater than 0.60. This study also examines the traditional assumption test used to determine whether the data analysis can be continued with statistical parameters, namely the Multiple Regression Analysis Test, which includes the Normality, Multicollinearity, and Heteroscedasticity tests.

The normality test is carried out to find out whether the residual values are normally distributed or not, on the Kolmogorov - Smirnov test, the data is said to be normal if the Sign value is > 0.05. In this study, the significant value for the Kolmogrov - Smirnov section was 0.200 > 0.05, which means that all the variables in this study were normally distributed. Multicollinearity test aims to determine whether the relationship between independent variables has a multicorrelation problem or not. In this study it can be seen that the values of Tolerance and VIF for the Store atmosphere variables are 0.223 and 4.482, the customer delight variables are 0.320 and 3.130, and the Product Completeness variables are 0.121 and 8.265. These results indicate that the tolerance value is > 0.10 and the VIF value is < 10, so the heteroscedasticity test aims to show that the variables are not the same for all observations or observations.

### Multiple Regression Analysis

Regression analysis is an appropriate method of analysis used when one dependent variable is thought to be related to one or more independent variables in a study, in line with the findings of [15] states that the objectives and hypotheses expressed in this study, the data analysis method that can be applied is multiple regression analysis.

Table 1. Multiple Linear Regression Test Results

	Co	efficientsa			
Model		dardized ficients	Standardize d Coefficients	Т	Sig
	В	Std Error	Beta		
(Constant)	6,121	2,527			
Store Atmosphere	0,379	0,061	0,877	2,422	0,018
Customer Delight	0,743	0,120	0,735	6,182	0,000
Kelengkapan Produk	0,183	0,059	0,593	6,198	0,000

Source: Output SPSS Version 26.0

In the multiple linear regression test which shows the value of the store atmosphere variable has a value of 0.379, the customer delight variable has a value of 0.743, the product completeness variable has a value of 0.183 So based on the basic reference for decision making for the multiple linear regression test, namely all hypotheses are accepted, which means that all Store Atmosphere variables, Customer Delight, and Product Completeness have an influence on consumer loyalty.

#### F test

The F statistical test determines whether all of the independent variables have a joint effect on the dependent variable (dependent variable). Based on table 2 the ANOVA test above is obtained Fitung namely 50.524 > 2.73, and based on table F with a sig. namely 0.000 < 0.05. Judging from the basic reference for decision making for the F test, it can be concluded that Store Atmosphere, Customer Delight, and Product Completeness together influence Purchase Decisions.

T test

Table 2. T test (Partial)

Coefficients <sup>a</sup>					
	Unstandardized				
Model	Coefficients Std			t	Sig
	В	Error	Beta		
(Constant)	6,121	2,527			
Store Atmosphere	0,379	0,061	0,877	2,422	0,018
Customer Delight	0,743	0,120	0,735	6,182	0,000
Kelengkapan Produk	0,183	0,059	0,593	6,198	0,000

Source: Output SPSS Version 26.0

Based on the table 2 above, it can be concluded that each independent variable has its own effect on the dependent variable. The test was carried out using a significance level of 0.05 ( $\alpha$  = 5%). So that the hypothesis is accepted, which means that store atmosphere, customer delight and product completeness partially have an influence on consumer loyalty.

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# **Correlation Coefficient Analysis**

Correlation coefficient analysis is used to determine the direction and strength of a relationship between two or more variables. Direction is expressed in the form of positive and negative relationships, while the strength or weakness of the relationship is expressed in the magnitude of the correlation coefficient. Based on the results of the analysis, the information obtained is that Column R shows a correlation or relationship between variable X and variable Y of 0.825 or 82.5%, meaning that the correlation or relationship between variable X and variable Y has a strong relationship.

#### Discussion

#### The Effect of Store Atmosphere on Consumer Loyalty

The results showed that the Store atmosphere variable has a t-count value of 2.422 with a significance value of 0.018 less than 0.05 (0.018 < 0.05), so this study shows that the Store atmosphere has a partial effect on consumer loyalty at MSMEs Basic Food Suko Traditional Markets Asri Sidoarjo. This positive direction shows that Store atmosphereinfluence the buyer's emotional state that causes or influences the purchase. Emotional state will createStore appearance guaranteed by the store increases consumer loyalty to decide to make a purchase of the product. The same thing was also researched by [16] at Café Black Cup Coffee & Roastery, the results of his research showed that based on the results of hypothesis testing it was found that store atmosphere had a positive and significant influence on consumer loyalty at Café Black Cup Coffee & Roastery. Hypothesis which states that there is an influence of Store atmosphere on consumer loyalty is proven and the truth is accepted.

## The Effect of Customer Delight on Consumer Loyalty

The results showed that the customer delight variable has a t-count value of 6,182 with a significance value of 0.000 less than 0.05 (0.000 <0.05), so this study shows that customer delight has a partial effect on consumer loyalty in UMKM Sembako Traditional Market Suko Asri Sidoarjo. This positive direction shows that Customer delight affects customer reactions when they receive a service or product that exceeds their expectations [17]. The concept of customer delight is very useful in customers happy. The concept of delighting customers is expected to increase customer loyalty.

#### **Effect of Product Completeness on Consumer Loyalty**

The results showed that the product completeness variable had a t-count value of 6,198 with a significance value of 0.000 less than 0.05 (0.000 <0.05), so this study showed that product completeness had a partial effect on consumer loyalty at MSME Basic Foods in the Suko Traditional Market Asri Sidoarjo. This positive direction shows that The complete range of products available at the store will attract the attention of consumers to make purchases and retain consumers to make repeat purchases after purchasing from the company. [18] research entitled "The Influence of Product Completeness Factors, Product Quality and Product Image on Consumer Loyalty at Basmalah Market Karanggeneng" results show that the product completeness variable has a significant influence on the dependent variable consumer loyalty at Basmalah Market Karanggeneng.

# The Influence of Store Atmosphere, Customer Delight, and Completeness of Products on Consumer Loyalty

The results showed that the store atmosphere, customer delight and consumer loyalty variables calculated the F value of 50,524 > 2.73, and based on table F with a sig. ie 0.000 <0.05, this study shows that store atmosphere, customer delight and customer loyalty have a simultaneous effect on customer loyalty. This positive direction indicates that all the variables in this study are like the store atmosphere variablenamely the atmosphere of the store which is neatly arranged and also has a wide allocation of space will make customers remain loyal to MSMEs Retail Groceries Pasar Suko Asri Kab. Sidoarjo. And also customer delight, namely good and impressive service provided to consumers will make consumers not switch to shopping at MSMEs Retail Groceries Pasar Suko Asri Kab. Sidoarjo. As well as the completeness of products where MSMEs Retail Groceries Pasar Suko Asri Kab. Sidoarjo has a complete range of products that will keep consumers loyal to the store because consumers will find it more practical to shop to meet their needs. Thus the three variables stated that there is an influence of store atmosphere, customer delight, and product completeness on consumer loyalty. simultaneously or jointly declared proven and accepted the truth. This research is in line with research conducted by [19] with the title "The Influence of Store Atmosphere, Product Quality, Service Quality, and Customer Satisfaction on Customer Loyalty" The results show that the store atmosphere has a positive and significant effect on consumer loyalty at Matahari Department Store in Yogyakarta. And also research conducted [20] with the title "The Effect of Customer Delight on Customer Loyalty in Livingstone Café & Bakery Seminyak Bali" the results of the analysis found that customer delight has a positive and significant influence on customer loyalty at Livingstone Café & Bakery Seminyak Bali. As well as research conducted by [21] with the title "The Influence of Product Completeness, Price,

#### Conclusion

Store Atmosphere, Customer Delight, Product Completeness have a significant effect simultaneously on consumer loyalty, this is evidenced by the F test which shows a sig. 0.000 <0.050 so that the proposed hypothesis is accepted. This research shows that the better the Store Atmosphere, Customer Delight, and Product Completeness, the higher the consumer loyalty. The variable that has the most dominant influence on consumer loyalty to MSME products, Staple Food Market, Suko Asri district. Sidoarjo is the variable Customer delight, after that the variable store atmosphere and while the one with the least influence is the product completeness variable. this is evidenced by the multiple linear regression test which shows the value of the store atmosphere variable has a value of 0.379, the customer delight variable has a value of 0.743, the product completeness variable has a value of 0.183 So based on the basic reference for decision making for the multiple linear regression test, that is, all hypotheses are accepted, which means that all Store Atmosphere, Customer Delight, and Product Completeness variables have an influence on consumer loyalty.

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# Journal of Applied Management and Business Vol. 4, No. 1, July 2023, Page. 9 - 25



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# The Factors affecting Organizational Citizenship Behavior: Role of Organizational Commitment and Job Satisfaction

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#### **ABSTRACT**

This research was conducted to determine how much influence job satisfaction and organizational commitment have on the (OCB). The methodology that used in this study is a quantitative research method with descriptive analysis and verification analysis approaches. The sample used was 42 employees. The results showed that job satisfaction and organizational commitment had a significant effect on (OCB) which. Job satisfaction has a significant effect on (OCB), while organizational commitment has a significant effect on Organizational Citizenship Behavior (OCB). The results showed that organizational commitment contributes more to Organizational Citizenship Behavior (OCB) than job satisfaction.

#### Introduction

Changes that occur in the environment of external and internal organizations that are very fast require educational institutions to make strategic efforts in order to survive and develop in the midst of very tight and competitive competition. [1] Higher education is an educational institution that organizes higher education, can be in the form of universities, institutes, high schools, polytechnics or academies. In realizing the golden Indonesian generation 2045, universities play a role in building superior or quality human resources, which can keep pace with technological developments. This is in accordance with the objectives of higher education listed in Law No. 12 Article 5 concerning Higher Education, namely the production of graduates who master the branches of science or technology to meet national interests and increase national competitiveness Year 2012.

The Merdeka Belajar-Kampus Merdeka Program (hereinafter written MBKM) is one of the efforts made by universities in producing human resources that are ready to meet the demographic bonus era that is expected to occur in 2030, where the total productive age population is greater than the total non-productive age population. The MBKM program is intended to assist students in facing technological, social and cultural changes, as well as having the competencies and experience needed in the world of work.

Sekolah Tinggi Teknologi Bandung (hereinafter written STTB) is a private university that has implemented the MBKM program. Reporting from sttbandung.ac.id

four STTB students became the best graduates of the 2022 Bangkit Program, which is one of the MBKM programs. The subject of this study is STTB Baleendah Campus because STTB is not yet included in the best universities in Bandung and is less well known by the people of Bandung, especially STTB Baleendah Campus which was newly established in 2021.

STTB's vision is to become a competitive and superior university by 2025. STTB needs to synergize the vision of the organization with the expectations of students in achieving their vision. Human resources at STTB are required to always provide the best academic services, so that student needs can be achieved. Therefore, human resources are the main factor in the success that will be achieved by STTB because it is directly related to students. These human resources include educators or lecturers and educational staff, such as administrative officers, librarians, janitors, security officers, etc. (hereinafter written employees). employees become part of organizational competition, which determines the added value and success of the organization Employees as human resources become a very important element of management, because human resources are thinkers, planners and other resource drivers in an organization [2], [3].

Good employee management and development will increase the effectiveness and efficiency of the organization in carrying out its functions. Employees need to have maximum usefulness for the organization, especially employees at STTB, especially at STTB Baleendah Campus which sometimes still have to serve students and prospective students outside working hours. Organizations need employees who are willing to do more work than the demands of their duties, because changes in the work environment often occur, which causes group cooperation and work flexibility to be critical (Natasya, 2022: 36). Therefore, the human resources department needs to develop *Organizational Citizenship Behavior* (hereinafter written OCB) in employees.

Dennis W. Organ dalam [4] menyatakan bahwa OCB merupakan is *an extra role* behavior that is not included in the employee's job description and is not recognized in the formal *reward* system , but can improve the effectiveness and efficiency of organizational functions. However, the fact that OCB at STTB Baleendah Campus is included in the less high category, this can be seen based on the high level of delay and absenteeism of STTB Baleendah Campus employees. Employee attestability rates can be seen in Table 1.

Table 1. Delay Rate of STTB Baleendah Campus Employees in 2022

			F J	
Moon	Total Working	Total	Total	Delay Rate
	Days	Employees	Delay	
A	В	С	D	E = D/(B.C).100%
January	25	16	40	10.00%
<b>February</b>	26	29	81	10.74%
March	22	40	70	7.95%
April	23	44	223	22.04%
May	15	43	120	18.60%
June	25	43	200	18.60%
July	24	43	187	18.12%

Moon	Total Working	Total	Total	Delay Rate
	Days	Employees	Delay	•
A	В	С	D	E = D/(B.C).100%
August	25	43	219	20.37%
September	26	43	208	18.60%
Total	211	344	1348	145.04%
	Av	erage		24.17%

Source: HRD STTB Baleendah Campus (2022)

Based on Table 1. It can be seen that the employee delay rate at STTB Baleendah Campus per month is quite high, with an average of 24.17% from January 2022 to September 2022. The high level of employee delay indicates the low OCB of employees at STTB Baleendah Campus. According to Dennis W. The internal organs of Wulandari (2021: 17) one of the OCB indicators are compliance with organizational regulations, this indicator falls into the dimension *of conscientiousness*.

The lack of OCB employees at STTB Baleendah Campus can be caused by several factors. The factors that influence OCB include personality, employee morale, job satisfaction, work motivation, organizational culture, organizational commitment and leadership style. Based on the results of preliminary research conducted on 30 employees regarding suspected factors causes less high OCB at STTB Baleendah Campus, it can be known. That job satisfaction and organizational commitment have the lowest score compared to other factors, namely 3.13 for job satisfaction and 2.78 for organizational commitment. Therefore, job satisfaction and organizational commitment are the causes of the lack of OCB in employees of STTB Baleendah Campus.

Work is a positive or pleasant feeling that employees have about their work, which is based on the results of an evaluation of their work experience. Meanwhile, according to Philip M. Podsakoff et al. in [5]job satisfaction is the main factor that determines OCB. Employees who are satisfied with their work will find it easier to do additional work outside the demands of their duties.

Organizational commitment according to [6] is a form of attachment between employees and the organization, where employees are willing to accept organizational goals, values and decisions, and obey the organization. Dennis W. Internal organs state that employees who have high organizational commitment not only fulfill their obligations and responsibilities, but employees will volunteer to do tasks that are not their obligations. Furthermore, See [7] states that organizational commitment has a strong relationship with OCB.[8]

Based on the problems described above, the formulation of this research problem can be determined as follows: (1) How is employee job satisfaction at STTB Baleendah Campus; (2) How is the commitment of the employee organization to STTB Baleendah Campus; (3) How is the OCB of employees at STTB Baleendah Campus; (4) How much influence job satisfaction and organizational commitment to employee OCB at STTB Baleendah Campus, either partially or simultaneously.

## **Methods**

The research method used in this study is quantitative research method with descriptive and verificative analysis approaches. Furthermore, Verification research is

research that aims to determine the influence and relationship between two or more variables. Descriptive research was conducted to determine the description of Job Satisfaction, OC and OCB and verifiative research to determine the influence of each variable. The discussion in this research method includes population and samples, data collection techniques, test research instruments and data analysis methods will be explained as follows:

# Population and Sample

The population of this study is all employees or more precisely education staff at STTB Baleendah Campus which amounts to 42 employees. The sampling technique used in this study is saturated sampling, which is a sampling technique in which all members of the population are used as samples, which is carried out when the total study population is less than 100. Therefore, based on the sampling technique that has been established, the sample to be used in this study is the entire population, namely 42 employees.

# **Data Collection Techniques**

This study used data collection techniques with 2 sources, namely primary data sources and secondary data. The main source used in this study used primary data. The main data source in this study is primary data, namely data obtained directly (Sugiyono, 2019: 194), obtained from observation, interview and questionnaire distribution. While secondary data is obtained from books, journals, theses, theses, dissertations, the internet, and data from STTB Baleendah Campus.

#### **Instrument Test**

#### Test validity and reliability

The validity test is one of the research instrument tests used to show the degree of accuracy or validity between the data collected and the actual data that occurs in the object of research (Sugiyono, 2019: 175). A valid instrument means that it can be used to measure what it is supposed to measure. Validity tests can be performed by correlating the score of each item with the total score of that item. To find the value of the correlation coefficient, the Pearson Product Moment equation is used. According to Sugiyono (2019: 246) the Pearson *Product Moment* equation is as follows:

$$r_{xy} = \frac{n\sum XY - (\sum X)(\sum Y)}{\sqrt{\{n\sum X^2 - (\sum X)^2\}\{\sum Y^2 - (\sum Y)^2\}}}$$

X = JS

Y= OC

Z = OCB

According to the instrument it is said to be valid if the value of the correlation coefficient (r count)  $\geq 0.3$ , and it is said to be invalid if the value of the correlation coefficient (r<sub>count</sub>) < 0.3 Sugiyono (2019: 189). So, instruments that have a correlation coefficient (r<sub>count</sub>) of < 0.3 must be corrected or eliminated.

Reliability test is a research instrument test used to show the extent to which research instruments can be trusted, namely if the instrument is used repeatedly at different times to measure the same research object, it will produce the same or

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consistent data (Sugiyono, 2019: 176). The reliability test in this study used *the Alpha Cronbach* method, using SPSS for windows 25. The equation of the *Alpha Cronbach* method used is as follows:

$$r_{11} = \left(\frac{k}{k-1}\right)1 - \frac{\sum \sigma_i^2}{\sigma_t^2}$$

Nunnally explains that an instrument is said to be reliable if the value of Yusup (2018: 22) the Cronbach Alpha correlation coefficient is between 0.70 - 0.90. If the value of the coefficient < 0.70, then the instrument can be said to be unreliable and needs to be repaired or eliminated.

## **Data Analysis Methods**

# **Descriptive Analysis**

Descriptive analysis is aimed at knowing the value of independent variables, either one variable or more, without making comparisons or looking for relationships with other variables to be studied. This descriptive analysis is used to answer the formulation of problems number 1-3.

# **Verification Analysis**

Averifiative analysis is aimed at knowing the relationship between research variables, using statistical methods, then obtained research results that show whether the hypothesis is accepted or rejected. Averifiative analysis is used to answer problem formulation number 4.

# **Multiple Linear Regression Analysis**

Multiple linear regression analysis is used to determine the effect between two or more independent variables on the dependent variable, as well as how it affects the dependent variable if there is a change in the value of the independent variable(Sugiyono, 2019: 213). The multiple linear regression equation is as follows:

$$Y = a + \beta_1 X_1 + \beta_2 X_2 + e$$

Information:

Y: Bound variable (OCB)

a : Number of constants

 $\beta_1$ : Job satisfaction regression coefficient

 $\beta_2$ : Regression coefficient of organizational commitment

 $X_1$ : Independent variable of job satisfaction

 $X_2$ : Independent variable of organizational commitment

*e* : *Error* or other disorder factors affecting *OCB* 

#### Multiple Correlation Analysis

Multiple correlation analysis is used to determine the strength or closeness or degree of relationship between two or more independent variables together with one dependent variable. The multiple correlation analysis equation is as follows:(Sugiyono, 2019: 213)

$$R^2 = \frac{JK_{(reg)}}{\sum Y^2}$$

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Information:

 $R^2$ : Multiple correlation coefficient

 $JK_{\text{(reg)}}$ : Total squared of regression in deviation form

 $\Sigma^{Y2}$ : Total squared total correlation

If the value of  $R^2$  is equal to 1, then there is a positive relationship between variable X and variable Y. If the value of R2 is equal to -1, then there is a negative relationship between variable X and variable Y. Meanwhile, if the value of  $R^2$  is equal to 0, then there is no relationship between variable X and variable Y.

Coefficient of Determination Analysis

The analysis of the coefficient of determination is used to determine how much influence the independent variable has on the dependent variable, expressed by percentage. In this study, simultaneous and partial analysis of the coefficient of determination was carried out.

# Analysis of the coefficient of simultaneous determination

Simultaneous determination coefficient analysis was used to determine how much influence the variables of job satisfaction and organizational commitment to the OCB variables together. Here is the equation for the coefficient of simultaneous determination:

$$Kd = R^2 \times 100\%$$

Information:

Kd: Coefficient of determination

 $R^2$ : Square of multiple correlation coefficients

#### Analysis of the coefficient of partial determination

Analysis of the coefficient of partial determination was used to determine how much influence each variable of job satisfaction and organizational commitment had on the OCB variable. The equation for the coefficient of partial determination is as follows:

$$Kd = \beta \times Zero\ Order \times 100\%$$

Information:

β : Beta (standardized coefficient value)

Zero Order : Correlation matrix of independent variables with bound variables

#### **Result and Discussion**

This chapter describes the results of research conducted at STTB Baleendah Campus. The results of research and data processing were obtained from the distribution of questionnaires to 42 employees of STTB Baleendah Campus directly.

## Validity and Reliability Test Results

Uji research instrument conducted in this study is validity and reliability test. The research instrument test result data presented is data that has been declared valid and reliable only. The validity test in this study was carried out by comparing  $r_{\text{count}}$  and  $r_{\text{table}}$ . The results of the validity test of job satisfaction variables can be seen in Table 4.

Table 2. Recapitulation of Job Satisfaction Variable Validity Test Results (X1)

Items	${f r}$ calculate	<b>r</b> table	Decision
1	0.577	0.3	Valid
3	0.595	0.3	Valid
5	0.627	0.3	Valid
6	0.694	0.3	Valid
7	0.750	0.3	Valid
8	0.662	0.3	Valid
9	0.427	0.3	Valid
10	0.670	0.3	Valid
11	0.576	0.3	Valid
12	0.747	0.3	Valid
13	0.669	0.3	Valid
14	0.663	0.3	Valid
15	0.693	0.3	Valid
16	0.581	0.3	Valid
17	0.463	0.3	Valid
9	0.484	0.3	Valid
20	0.655	0.3	Valid

Source: Research Data Processing Results

Based on Table 2. It can be seen that the value of the correlation coefficient of each item of the statement  $> R_{table}$  is 0.304, also > a critical value of 0.30. The results of this test show that all statement items in the job satisfaction variable are said to be valid and worthy of being used as a measuring tool in this study. The results of the organizational commitment variable validity test can be seen in Table 3.

Table 3. Recapitulation of Organizational Commitment Variable Validity Test (X2)

Item	<b>r</b> hitung	$oldsymbol{r}$ tabel	Decision
10	0.670	0.3	Valid
11	0.576	0.3	Valid
12	0.747	0.3	Valid
13	0.669	0.3	Valid
14	0.663	0.3	Valid
15	0.693	0.3	Valid
16	0.581	0.3	Valid
17	0.463	0.3	Valid
19	0.484	0.3	Valid
20	0.655	0.3	Valid

Source: Research

Based on Table 3. It can be seen that the value of the correlation coefficient of each item of the statement >  $R_{\text{table}}$  is 0.304, also > a critical value of 0.30. The results of this test show that all statement items on the organizational commitment variable can be said to be valid. The results of the OCB variable validity test can be seen in Table 4.

Table 4. Recapitulation of OCB Variable Validity Test Results (Y)

Items	<b>r</b> calculate	<b>T</b> table	Decision
21	0.714	0.3	Valid
22	0.662	0.3	Valid
23	0.516	0.3	Valid
24	0.692	0.3	Valid
25	0.618	0.3	Valid
26	0.692	0.3	Valid
27	0.711	0.3	Valid
28	0.672	0.3	Valid
29	0.652	0.3	Valid
30	0.646	0.3	Valid
31	0.475	0.3	Valid
32	0.681	0.3	Valid
33	0.489	0.3	Valid
34	0.629	0.3	Valid
35	0.597	0.3	Valid
36	0.548	0.3	Valid
37	0.622	0.3	Valid
38	0.549	0.3	Valid
39	0.451	0.3	Valid
40	0.586	0.3	Valid
41	0.586	0.3	Valid
42	0.484	0.3	Valid
	O T	, 1	

Source: Research

Based on Table 4. It can be seen that the value of the correlation coefficient of each item the statement >  $R_{table}$  is 0.304, also > a critical value of 0.30. The results of this test show that all statement items on the OCB variable can be said to be valid. The reliability test in this study uses the *Alpha Cronbach* method, with the help of SPSS 25, where the research instrument can be said to be valid if the value of the correlation coefficient is greater than the critical value of 0.70. The reliability test results can be seen in Table 5.

Table 5. Variable Overall Reliability Test Results

Variable	Cronbach Alpha	<b>r</b> critical	Decision
Job Satisfaction	0.903	0.700	Reliable
Organizational Commitment	0.860	0.700	Reliable
OCB	0.917	0.700	Reliable

Source: Research

Table 5. shows that all statement items on the variables Job Satisfaction, Organizational Commitment and OCB can be said to be reliable and can provide consistent results.

# **Descriptive Analysis Results**

Based on the results of the frequency distribution table, the total average score of research variables was obtained which was then interpreted into a continuum line with an interval class of 0.80, so that employee responses regarding job satisfaction, organizational commitment and OCB at STTB Baleendah Campus were obtained. The results of the recapitulation of employee responses regarding job satisfaction can be seen in Table 6.

Table 6. Recapitulation of Employee Feedback Results on Job Satisfaction at STTB

Baleendah Campus				
Dimension	Total Score	Average		
The work itself	123	2.92		
Wages/Salaries	120	2.86		
Promotion	140	3.33		
Supervision	131	3.11		
Co workers	119	2.84		
Job Satisfaction	633	3.01		

Source: Research

Based on Table 6. regarding the recapitulation of employee responses to job satisfaction at STTB Baleendah Campus, a total average score regarding job satisfaction of 3.01 yait was obtained is at a continuum line interval of 2.61 - 3.40 with less high scale categories. So, it can be concluded that employee job satisfaction at STTB Baleendah Campus is included in the category of less high or employees are less satisfied with their work. As for the recapitulation of employee responses regarding organizational commitment, it can be seen in Table 7.

Table 7. Recapitulation of employee responses regarding OC

	<i>J</i> 1	0
Dimension	Total Score	Average
Affective Commitment	124	2.95
Sustainable Commitment	122	2.90
Normative Commitment	135	3.21
Organizational Commitmen	it 380	3.02

Source: Research

Based on Table 7. regarding the recapitulation of employee responses to organizational commitment, an average total score of 3.02 was obtained at the continuum line interval of 2.61 - 3.40 with a less high scale category, meaning that the employee's organizational commitment is less high, or employees are less committed to the organization. Furthermore, a recapitulation of employee responses regarding OCB can be seen in Table 8.

Table 8. Recapitulation of Employee Responses Regarding OCB

Dimension	Total Score	Average
Altruism	122	2.91
Conscientiousness	125	2.98

Dimension	Total Score	Average
Sportsmanship	139	3.31
Courtesy	137	3.26
Civic Virtue	128	3.05
OCB	651	3.11

Source: Research

Based on Table 8. regarding the recapitulation of employee responses to OCB, a total average OCB score of 3.11 was obtained, which was at a continuum line interval of 2.61 - 3.40 with a less high scale category, meaning that employee OCB is included in the less high category or employees have less voluntary behavior or *extra role*.



Figure 1. Continuum Line Categorization of Variables of Job Satisfaction, Organizational Commitment and OCB

#### Verification Analysis Results

Verifiative Analysis in this study uses multiple linear regression analysis, multiple correlation analysis, and determination coefficient analysis. The data used is data that has been converted into interval-scale data with the help of *the Method of Successive Interval* (MSI).

# Multiple Linear Regression Analysis Results

Multiple linear regression analysis is used to determine how the variable of job satisfaction and organizational commitment affects the OCB variable if there is a change in the value of the variable job satisfaction and organizational commitment. The results of multiple linear regression analysis can be seen in Table 9.

	Tuble 7. Wataple Effect Regression That yes Results									
	Coefficients <sup>a</sup>									
		Unstandardized Coefficients		Standardized Coefficients		a:	Correlations			
M	Model	В	Std. Error	Beta	t	Sig.	Zero- order	Partial	Part	
1	(Constant)	<mark>4.964</mark>	5.599		.887	.381				
	Kepuasan Kerja	<mark>.362</mark>	.155	.295	2.329	.025	.658	.349	.228	
	Komitmen Organisasi	<mark>.933</mark>	.207	.570	4.501	.000	.758	.585	.44(	

Table 9. Multiple Linear Regression Analysis Results

a. Dependent Variable: Organizational Citizenship Behavior

Source: SPSS Data Processing

Based on Table 9. A regression equation is obtained that explains the effect of job satisfaction and organizational commitment to OCB as follows:

$$Y = 4.964 + 0.362X_1 + 0.933X_2 + e$$

Based on the regression equation above, each variable can be described as follows:

- 1. The value of the OCB variable constant is 4.964, indicating that if the variables of job satisfaction and organizational commitment are zero, then the OCB variable is 4.964.
- 2. The value of the job satisfaction variable with a regression coefficient of positive 0.362, shows that if the job satisfaction variable increases by one unit, and organizational commitment is zero or constant, then the OCB will increase by 0.362.
- 3. The value of the organizational commitment variable with a regression coefficient of positive 0.933, shows that if the organizational commitment variable increases by one unit, and job satisfaction is zero or constant, then the OCB will increase by 0.933.
- 4. *Error* (*e*) is another disruptive factor or other independent variable that affects OCB apart from variables of job satisfaction and organizational commitment.

5.

### **Multiple Correlation Analysis Results**

Multiple correlation analysis is used to determine the strength or closeness or degree of relationship between variables of job satisfaction, organizational commitment, and OCB. The relationship between the variables under study can be known based on the correlation coefficient interpretation table. The results of multiple correlation analysis can be seen in Table 10.

Table 10. Multiple Correlation Analysis Results
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				Model Summ	ary <sup>b</sup>				
		р	A dimeted D	Ctd Eman of		Change S	Statis	tics	
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square	F	dfl	df2	Sig. F
		Square	Square	me Esminate	Change	Change	am	a12	Change
1	.792ª	.627	.607	7.364027	.627	32.716	2	39	.000

a. Predictors: (Constant), Komitmen Organisasi, Kepuasan Kerja

b. Dependent Variable: Organizational Citizenship Behavior

Source: SPSS Data Processing Results (2022)

Based on Table 10. It can be seen that the value of the multiple correlation coefficient between the variables of job satisfaction, organizational commitment and OCB is 0.792, the value is included in the coefficient interval 0.600 – 0.799 which is at a strong correlation level. so it can be concluded that there is a strong correlation or relationship between the variables of job satisfaction, organizational commitment, and OCB.

# **Results of Coefficient of Determination Analysis**

The analysis of the coefficient of determination is used to determine how much influence the variables of job satisfaction and organizational commitment have on the OCB variable, which is expressed as a percentage, either simultaneously or partially.

## Results of the Analysis of the Coefficient of Simultaneous Determination

The results of the simultaneous determination coefficient analysis were used to describe the influence between job satisfaction variables and organizational commitment to OCB variables together. The results of the analysis of the coefficient of simultaneous determination can be seen in Table 12.

Table 12. Results of the Analysis of the Coefficient of Simultaneous Determination

Model Summary <sup>b</sup>							
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate			
1	.792ª	<u>.627</u>	.607	7.364027			

a. Predictors: (Constant), Komitmen Organisasi, Kepuasan Kerja

b. Dependent Variable: Organizational Citizenship Behavior

Source: SPSS Data Processing Results (2022)

Based on Table 12. obtained the value of the coefficient of determination (*R Square*) of 0.627 or 62.70%. So, it can be concluded that together the variables of job satisfaction and organizational commitment have an influence of 62.70% on the OCB variable, while the remaining 37.30% are influenced by other variables that were not studied in this study.

# **Results of Partial Coefficient of Determination Analysis**

The results of the partial coefficient of determination analysis were used to describe the effect of each independent variable, namely job satisfaction and organizational commitment to the OCB variable, which can be seen in Table 13.

Table 13. Results of Partial Coefficient of Determination Analysis

	Coefficients <sup>a</sup>									
		Unstand Coeffi		Standardized Coefficients		a.	Co	rrelation	ıs	
M	1odel	В	Std. Error	Beta	τ	Sig.	Zero- order	Partial	Part	
1	(Constant)	4.964	5.599		.887	.381				
	Kepuasan Kerja	.362	.155	<mark>.295</mark>	2.329	.025	<mark>.658</mark>	.349	.228	
	Komitmen Organisasi	.933	.207	<u>.570</u>	4.501	.000	<mark>.758</mark>	.585	.440	

a. Dependent Variable: Organizational Citizenship Behavior

Source: SPSS Data Processing Results (2022)

Based on Table 13. It can be known the *Beta* and *Zero-order* values of each independent variable. The calculation of the partial coefficient of determination analysis can be seen in Table 14.

Table 14. Calculation Results of Partial Coefficient of Determination Analysis

				J
Research Variable(A)	β(B)	Zero-Order	Result (B x C)	Yield (%)
		(C)		
Job Satisfaction (X1)	0.295	0.658	0.194	19.4%
Organizational Commitment (X2)	0.570	0.758	0.433	43.3%
Total			0.627	<b>62.7%</b>

Source: SPSS Data Processing Results (2022)

Based on Table 14. It is known that the job satisfaction variable has an influence of 19.40% while organizational commitment has an influence of 43.30% on the OCB variable. This suggests that the most dominant variable affecting OCB is organizational commitment.

#### Discussion

The discussion in this study is intended to answer the formulation of descriptive and verifiative problems, so that the real situation of job satisfaction, organizational commitment and OCB can be known at STTB Baleendah Campus.

## **Descriptive Analysis Discussion**

Based on the results of the recapitulation of employee responses, it can be seen that job satisfaction, organizational commitment and employee OCB at STTB Baleendah Campus are included in the less high category, this can be seen from each total average score, which is 3.01 for job satisfaction, 3.02 for organizational commitment, and 3.11 for

OCB. Each variable's total average score was in the interval 2.61 – 3.40 (less high category).

The lack of employee job satisfaction is caused by the salary / wages given are unfair or less in accordance with the position and work given. Based on observations and interviews with HRD staff, the salary / wages given are not in accordance with the principle of compensation because the organization has not been willing and able to provide salaries / wages in accordance with the position of employees. In addition, employee relationships with colleagues and superiors are less close or less harmonious. Based on observations and interviews with one

One employee, the lack of harmonious relationships with colleagues is caused by communication that does not work well and if there is a conflict between employees it is never resolved until it is completely resolved, so there are still complaints that are not conveyed and resolved.

Lack of employee commitment to the organization because organizational goals are not prepared to include employee needs or there are organizational values that are not in line with individual values, so employees lack trust and willingness to accept organizational policies, employees are less proud to be part of the organization and employees do not try hard in achieving organizational goals. In addition, organizations pay less attention to employees, so employees do not stay in the organization because they feel obligated. Employees who feel obligated to stay in the organization tend to have been given a lot of help by the organization, so employees do not want to disappoint the organization and worry about the views of other employees if they leave the organization. The lack of employee commitment to the organization can be caused by the time / length of work in the organization, because STTB Baleendah Campus was established in 2021, the majority of employees have not joined the organization long enough, while employee loyalty cannot be formed in a short time and employee loyalty can be formed if the organization pays attention to employees. Lack of employee OCB because the organization pays less attention to employees so that employee needs are less met, which can result in personal interests becoming more important than group interests and low employee initiative, so there needs to be prior orders or directions from superiors to do something both that is their responsibility and not or outside their responsibility, and employees speak less positively about the organization, This means that employees complain a lot and speak negatively about the organization.

# Discussion of Verification Analysis The Effect of Job Satisfaction on OCB

Based on the results of multiple linear regression analysis, it can be known that the significance value of the job satisfaction variable is 0.025, meaning < 0.05. This shows that job satisfaction has a significant effect on OCB. In addition, the value of the *product moment* correlation coefficient of job satisfaction of 0.658 shows that job satisfaction has a positive effect on OCB, this shows that if the value of job satisfaction increases by one unit, then the OCB value will increase by 0.658, and vice versa. Based on the results of the partial determination coefficient analysis, it can be known that the value of the partial determination coefficient of job satisfaction is 19.40%. This shows that the influence or contribution given by the job satisfaction variable to OCB is 19.40%.

Based on the results of the analysis, it can be concluded that job satisfaction has a positive and significant influence of 19.40% on OCB. This significant result is because employees are satisfied with the promotional opportunities provided by STTB Baleendah Campus. This can be seen from the perception of job satisfaction related to feeling positive or happy in some aspects of the main work that gets a positive response will be a driving factor for the stronger OCB, because employees tend to interpret their work seriously and responsibly as a form of self-expression of employees who have pleasant experiences with their work. Philip M. Podsakoff et al. in Stephen P. Robbins & Timothy A. Judge (2017: 124) explain job satisfaction as the main factor that determines OCB, besides that there is evidence that shows that there is a strong enough relationship between job satisfaction and OCB. In line with previous research conducted by Maulidia & Laksmiwati (2022), it shows that job satisfaction has an influence of 58.40% on OCB. Next Yanti & Supartha (2017) also shows that job satisfaction has a positive and significant effect on OCB.

# The Effect of Organizational Commitment to OCB

Based on the results of multiple linear regression analysis, it can be known that the significance value of the organizational commitment variable is 0.000, meaning < 0.05. This shows that organizational commitment has a significant effect on OCB. The value of the *product moment* correlation coefficient of organizational commitment of 0.758 shows that organizational commitment has a positive effect on OCB, so that if the value of organizational commitment increases by one unit, the OCB value will increase by 0.758, and vice versa. Based on the results of the partial determination coefficient analysis, it can be known that the value of the partial determination coefficient of organizational commitment is 43.30%. This shows that the influence or contribution given by the variable of organizational commitment to OCB is 43.30%.

Based on the results of the analysis, it can be concluded that organizational commitment has a positive and significant influence of 43.30% on OCB. This significant result is due to the responsibility that employees have in moving the organization forward. Therefore, employees do work based on their own desires or without coercion because employees have the responsibility to advance STTB Baleendah Campus. Dennis W. Internal Organ argues that employees who have high organizational commitment not only fulfill their obligations and responsibilities, but employees will volunteer to do tasks that are not their obligations. Furthermore, See C. O. Reilly & J. Chatman in Fred Mahardika &; Wibawa (2019: 7346)Luthans et al. (2021: 127) states that organizational commitment has a strong relationship with OCB.

Previous research conducted by Saraswati & Hakim (2019) showed that job satisfaction had an influence of 46% on OCB. Furthermore, Alamsari &; Laksmiwati (2021) show that organizational commitment has a positive and significant influence of 55.95% on OCB. Meanwhile, the results of research conducted by Perkasa (2020) and Prayitno (2022) show that organizational commitment has a positive and significant influence on OCB.

### Effects of Job Satisfaction and Organizational Commitment to OCB

Based on the value of the correlation coefficient of *product moment* job satisfaction and organizational commitment, which is 0.792, which shows that there is a strong correlation between job satisfaction, organizational commitment and OCB. Based on the

results of the simultaneous determination coefficient analysis, a coefficient of determination of 62.70% was obtained. This shows that the influence or contribution given by the variables of job satisfaction and organizational commitment to OCB is 62.70%. So, it can be concluded that job satisfaction and organizational commitment have a positive and significant influence of 62.70% on OCB where the remaining 37.30% is influenced by other variables that were not studied in this study.

Previous research conducted by Aisyah (2020), and Destiny & Ali (2020) showed that job satisfaction and organizational commitment had a positive and significant effect on OCB simultaneously. Furthermore, Anuar (2022) showed that simultaneously job satisfaction and organizational commitment had a positive and significant influence of 25.10% on OCB. While the results of Lubis' research (2017) show that simultaneously job satisfaction and organizational commitment have a positive and significant influence of 83.00% on OCB. Stephen P. Robbins & Timothy A. Judge (2017: 443) explain that employees who have low job satisfaction and organizational commitment also have low OCB. This shows that job satisfaction and organizational commitment have a positive effect on OCB.

The results showed that organizational commitment had a greater influence on OCB, which was 43.30%, while job satisfaction had an influence of 19.40%. This is contrary to the theory of Stephen P. Robbins & Timothy A. Judge (2017: 124) which states that job satisfaction is

the main factors that determine OCB. However, this can happen if employees have an attachment to the organization, especially normative commitments. Even though employees are less satisfied with their work, committed employees are less likely to leave the organization, because employees tend to stay because they have responsibilities to the organization (Sholikhah &; Frianto, 2022: 292). This section contains research results or experiments and analysis of research results or experimental results.

#### Conclusion

Based on the results of research and discussion on JS, OC and OCB, the following conclusions can be drawn: EJS is in the less high category with a total average score of 3.01. The organizational commitment of employees is in the less high category with a total average score of 3.02. OCB employees at STTB Baleendah Campus are in the less high category with a total average score of 3.11. Simultaneously, JS and OC have a significant influence on OCB by 62.70%. While partially, job satisfaction significant influence on OCB by 19.40% and OC has significant influence on OCB by 43.30 %.

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# Optimization of Integrated Digital Marketing in The Marketing Strategy of MSME Culinary Tourism Centers (SWK) Wonorejo City of Surabaya

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#### **ABSTRACT**

Micro, Small and Medium Enterprises (MSMEs) are an important sector in driving the Indonesian economy. The development and improvement of the MSME sector is also important to continue to strive for, one of which is through optimizing marketing strategies that are adapted to current technological and information developments. This study aims to analyze digital marketing strategies at SWK Wonorejo, Surabaya City. The research method used is descriptive qualitative with data triangulation approach. As for data collection techniques through interviews, observation, and documentation. The results showed that SWK Wonorejo combines segmentation analysis, targets and marketing mix design. In addition, an analysis of MSME sustainability and marketing implementation was carried out. MSME actors in SWK Wonorejo has marketed their products online through optimizing digital marketing media such as websites, Instagram, Google Business, and other media that can help market products effectively and efficiently.

#### Introduction

The rapid development of technology has had a positive impact on the sustainability of economic activities which can be carried out more effectively and flexibly through various internet media very easily. Today's technology users are very widespread from the age of children to adults and the elderly. This is reinforced by data from the Indonesian Internet Service Providers Association which records internet users in Indonesia in 2023 reaching 78.19 percent or 215,626,156 people out of a total population of 275,773,901 people [1]. The ease of operating internet media raises people's habits to continue to use internet media to fulfill people's needs and desires, such as the habit of buying products online. An all-digital lifestyle encourages providers of goods and services or Micro, Small and Medium Enterprises (MSMEs) to carry out marketing strategies for their products through the use of digital media [2].

The existence of the Micro, Small and Medium Enterprises (MSMEs) sector in Indonesia really needs to be considered, because the MSME sector can contribute to the progress of the Indonesian economy. According to the press release information of the Coordinating Ministry for Economic Affairs of the Republic of Indonesia, the contribution of MSMEs to the Gross Domestic Product (GDP) in 2021 is 61.07% or a value of 8,573.89 trillion rupiahs [3]. In addition to contributing to GDP, the MSME sector also has an impact on reducing the quantity of unemployment in Indonesia. So it really needs a sustainable improvement in the MSME sector, especially in increasing the profits of MSME actors in the current technological era through optimizing digital marketing in marketing strategies.

Digital marketing is an attempt to introduce products using the right digital media so that they can reach a wider range of consumers [4]. The realization of digital marketing is important, one of which is by Micro, Small and Medium Enterprises (MSMEs) to create a sustainable business through adaptation to technological developments [5]. In addition, through digital marketing, MSMEs can be better prepared to compete and carry out branding between similar MSME actors and business actors on a larger scale [6]. The application of digital marketing really requires creativity and accurate market analysis so that the marketing strategy carried out can run optimally and have a positive impact on the sustainability of the business being carried out.

Differentiation of digital marketing platforms is a great opportunity for MSME actors, with various platforms that are used by business actors to maximize their marketing strategy. The platforms that can be utilized include: Instagram, Facebook, Google Business, Website, Tiktok and marketplace platforms such as Shopee to make buying and selling transactions easier. This digital platform can indirectly reduce expenses that should be spent on promoting business products. However, the existence of digital media is only enough to maximize content creation and improve services for consumers. So as to create consumer loyalty to make repurchases [7].

The Culinary Tourism Center or called **Sentra Wisata Kuliner (SWK)** is one of the MSME sectors that continues to be developed by the Surabaya City Government. SWK is spread in various areas in the city of Surabaya, one of which is SWK Wonorejo which has a strategic location, which is close to the Surabaya seedling garden. This strategic location supports the success of the marketing strategy at SWK Wonorejo in the field of digital marketing, because it not only promotes MSME business products but can also promote various free facilities such as a park that can be used for various educational and other activities. The use of digital marketing at SWK Wonorejo is shown in Table 1 below:

Table 1. Use of Digital Marketing at SWK Wonorejo

	Media	User Company	Number of Followers	Number of Posts
1	Instagram	@swkwonorejo	87 people	48
2	WhatsApp	6285746129626		
3	Website	https://swkwonorejo.com/		
4	Google Business	Swkwonorejo		
5	Email	sentrawisatakulinerwonorejo@gmail.com		
6	Tiktok	@warungcakman	83 people	63

(Source: Swk Wonorejo Documentation)

Based on the utilization of the use of digital marketing carried out by SWK Wonorejo Surabaya City as a medium for marketing business products for MSME players, it is necessary to optimize digital marketing in the right marketing strategy so that a sustainable business is realized at SWK Wonorejo. The problem that will be answered in this research is how is the integrated digital marketing strategy implemented by MSME actors in SWK Wonorejo, Surabaya City?

### Literature Study

# **Digital Marketing Strategy**

Strategy is a plan that is prepared to achieve the desired and needed goals through the help of all the elements owned by the company in winning the competition that occurs [8]. Digital marketing is a transformation of new marketing techniques adapted to technological and information developments that aim to become a more effective link to consumers [9]. In addition, as an effort to increase consumer satisfaction. So as to build consumer loyalty or trust in the business products offered. Meanwhile, in another sense, Digital marketing is marketing as well as product promotion through the use of digital technology, such as websites, cellphones, advertisements and other electronic media [10]

Important elements in implementing a digital marketing strategy are divided into three, the first (Easy access), namely easy access to reach consumers and encouraging consumers to be interested in products through the distribution of digital technology. Second (Competitive edge), namely the existence of advantages possessed by businesses or businesses that are run through the use of web technology that can help identify patterns of behavior and comments related to consumer desires and needs. Furthermore, the third (Efficiency), namely the efficiency of product brand recognition through social media networks with the aim of increasing product awareness and minimizing ambiguity that can affect the image of a product brand[10].

The tools for optimizing integrated digital marketing are as follows [2],[9]:

# a. Search Engine Optimization (SEO)

Search Engine Optimization (SEO) is the process of optimizing websites through various techniques and tools, to make it easier for websites to be found in the highest or main searches. So that web visitors will continue to increase which can indirectly have an impact on increasing business profits [11].

#### b. Social Media Marketing (SMM)

Social Media Marketing (SMM) is the optimization of social networks with the aim of finding and directing social media users to visit business websites, Google business or marketplace platforms[12]. So, it is expected that there will be an increase in sales of products that have been offered.

# c. Content Marketing

Content Marketing is product brand marketing through image content, video content, and other content published on social media accounts, websites, and Google Business.

So, it is hoped that visitors to the platform will get the product information they want or need.

#### d. Email Marketing

Email Marketing or marketing through email media that aims to reach certain target consumers or users with more professional communication. So that it is hoped that it can improve collaboration with various stakeholders in order to realize a sustainable business and facilitate external operations or involve external parties.

#### e. Online Advertising

Online Advertising is a product marketing through paid facilities provided by the internet such as internet advertising with visualizations in the form of landing pages, wallpaper ads, paid search, floating ads and other visualizations[13].

# f. Landing Page Marketing

Landing Page Marketing is the first page of the website that is first seen by visitors when accessing the website. Landing Page Marketing can be made as attractive as possible so that the audience or web visitors are more interested in seeing the features that have been provided by the developer [14].

#### g. Mobile Marketing

Mobile Marketing is a digital marketing strategy aimed at reaching target consumers on smartphones, tablets and/or other devices through websites, email, social media and applications.

# h. Affiliate Marketing

Affiliate Marketing is a marketing strategy through the formation of partners (affiliates) to help promote products by giving commissions on product sales in accordance with agreed terms. Affiliate Marketing will help in increasing product sales with a faster period of time, so that the operational process can be sustainable.

#### i. Viral Marketing

Viral Marketing is a marketing strategy through social media that has the effect of facilitating the expansion of product information with a wider reach.

Based on the types of tools in optimizing marketing strategies through digital marketing, businesses or businesses can consider these types of tools. So that product marketing can be maximized.

#### Micro, Small and Medium Enterprises (MSMEs)

According to Constitution Number 11 of 2020, the definition of Micro, Small and Medium Enterprises is detailed as follows [15]:

- a. Micro-enterprises are productive businesses owned by individuals and/or individual business entities that meet the criteria for micro-enterprises.
- b. Small business is a productive economic enterprise that stands alone with individual ownership or a business entity that is not a subsidiary or a branch of a company that is owned or is a direct part of a medium or large business.
- c. Medium-sized businesses are productive economic enterprises that stand alone with individual ownership or business entities that are not part of their owned subsidiaries, medium-sized businesses have a total net worth or proceeds from sales that have been regulated in the law.

Micro, Small and Medium Enterprises (MSMEs) in their development have become high indicators in increasing community participation in the economic sector, in which MSMEs can be relied upon as a strategy in recovering the economy which is at the same time proof of support in carrying out government autonomy [16].

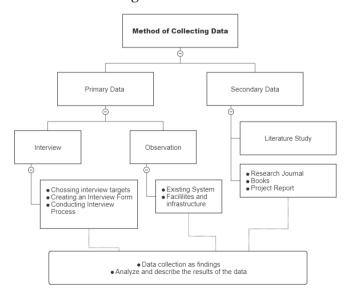
The development of MSMEs is sought by local governments, businesses, and communities to empower MSMEs through facilities, guidance, assistance, and providing assistance in strengthening the growth and increasing the capabilities and competitiveness of MSMEs. Meanwhile, the empowerment of MSMEs is pursued through climate growth and business development for Micro, Small and Medium Enterprises, so that they are able to grow and develop into strong and independent businesses [15].

# Sustainability of Micro, Small and Medium Enterprises (MSMEs)

The term sustainability or sustainability is closely related to sustainable development, the sustainability of Micro, Small and Medium Enterprises (MSMEs) can be interpreted as an effort to maintain a business that has been running by taking into account the conditions that occur both social and environmental aspects, so that the business is run can run continuously. Efforts to maintain a sustainable business can be initiated through an appropriate marketing strategy, namely by adapting to technological and information developments through digital marketing by utilizing digital media [17].

#### Research methods

This research is included in the category of applied research because it aims to obtain practical findings that can be implemented more broadly with a qualitative descriptive analysis research method. Qualitative descriptive research is research that is used to investigate, find, describe a phenomenon that occurs [18]. Data collection techniques through interviews and observation as primary data. While secondary data obtained through previous research sources that are relevant to the research conducted. The data collection method is show in figure 1 below:



# Figure 1. Method of Collecting Data (Source: Smart Draw)

The following describes the research method used based on the chart image above:

#### 1. Interview Method

Interview is a process of obtaining information for research purposes through question and answer to informants who the target of research are. The interviews conducted in this study were systematic interviews, namely using predetermined questions so that it would be easier to collect data completely and clearly. Preparation before the interview was carried out, namely determining the target interviewees and making a list of questions, which then followed the interview process which was carried out directly with several MSME actors at SWK Wonorejo. The following is a list of interview questions asked in table 2 below:

Table 2. Interview Ouestions

	Totale = Titter (10) Queestions
No.	Interview Questions
1.	How long have you been running your business at SWK Wonorejo?
2.	What products do you sell?
3.	How much do you earn each month?
4.	How is the product promotion that you have done?
5.	What are your obstacles in promoting your product?
6.	What do you hope for in the future for the continuity of your business?

(Source: Researcher Data)

#### 2. Observation Method

Observation is an observation activity carried out on the object of research. As for this study, the observations made were analyzing the systems or procedures that had been carried out at SWK Wonorejo and analyzing the quality and quantity of available facilities and infrastructure. Through the results of these observations, it is hoped that researchers will be able to find out more about the level of effectiveness of the marketing strategy that will be implemented at SWK Wonorejo.

## 3. Literature study

Literature study is an activity of collecting data through previous research that is relevant to the research that will be carried out. As for this study, secondary data was used through reviews of previous research journals, book works, and reports of community service activities carried out previously at SWK Wonorejo.

Methods of data collection from interviews, observations and literature studies that have been carried out, then the results of data collection and analysis and description of the results of the data that have been previously analyzed are carried out.

## **Results and Discussion**

# Research Result

Based on the results of interviews conducted, it is known that MSME actors have been selling at SWK Wonorejo for approximately five years, by trading various food,

snack and beverage products. As for food products such as meatballs, noodles, rawon, satay, curry, soup, and other types of food. Snack products provide types of snacks such as nuts, chips and sweet snacks and beverage products provide products such as chocolate ice, milk ice, Oyen ice and so on. MSME actors are known to get an income range of IDR 500,000 – IDR 2,000,000 every month. Of course, this income has not been deducted from the cost of renting a place and other operational expenses, so a strategy is needed to increase product sales for MSMEs.

As for the observation faced by SWK Wonorejo SMEs in promoting their products are the lack of knowledge and expertise in using digital media, the inability to take product photos and create attractive sales content, and not knowing the right marketing strategy in the current digitalization era. The hope of the UMKM in SWK Wonorejo for the business activities carried out is that it is easy to promote their products so that they attract many consumers so that the income they receive in the future can increase.

Based on the results of observations made, it is known that there is a sales system that has been running so far, namely the provisions that the products sold must be different for each MSME actor in order to minimize social problems that occur. This has a positive impact on MSMEs to always create new products that have not yet been sold at SWK Wonorejo. In addition, the sales system is still dominated offline, so it is said that digital media has not been used as a means of sales promotion to the fullest. Furthermore, observations regarding facilities and infrastructure at SWK Wonorejo are still limited, such as tables, chairs and toilets. In addition, the lack of maintenance and cleanliness of the area makes it look a little dirty, so this also affects the number of visitors. The location adjacent to the Wonorejo nursery should be a strategy to increase SWK Wonorejo visitors through a policy of moving entrances, so that visitors to the nursery can indirectly buy MSME products, whether food, snacks or drinks.

#### Segmenting, Targeting, and Positioning (STP) Strategy

MSME actors SWK Wonorejo conducts STP analysis in running a business, first on geographical segmentation, namely residents of the City of Surabaya, especially in the Wonorejo area, Rungkut Surabaya. However, it is possible for consumers from out of town to visit the seed garden tour, which is located right next to SWK Wonorejo, and it is also possible for consumers from out of town to order food or snacks at a certain time with prior agreement. This can be achieved through the use of digital media which makes it easy to communicate with consumers without meeting in person but online.

Furthermore, the demographic segmentation carried out by SWK Wonorejo City of Surabaya is based on age, where the age range is reached from children, adults and even the elderly. In order to attract consumers, the Wonorejo SWK management has provided free wifi facilities and sitting chairs. So that consumers who visit can be sure to enjoy the product while enjoying the coolness of the seedling garden. Meanwhile, psychographically, market segmentation is based on social class, lifestyle, or personal characteristics. In this case, SWK Wonorejo has a segmentation on social class that is reached from the lower, middle and upper classes. Likewise, lifestyles which reach a simple lifestyle, so that it can be said that the products offered by MSME actors SWK Wonorejo Surabaya City cover various groups.

Behavioral segmentation includes factors such as occurrence, benefits, user status, usage rate, and loyalty status. In terms of the incident factor, during the era of economic development there were a lot of food needs that experienced price spikes. With the SWK Wonorejo, people could buy food needs such as food at very affordable prices. On the benefit factor, the products offered are very varied, starting from food, drinks and snacks that can provide benefits for consumers of healthy food without preservatives or instant food so that it can certainly change a healthy lifestyle for the surrounding community. At the user level, SWK Wonorejo's location, which is strategically located adjacent to parks, shop houses, housing, student boarding houses, and student campuses, will certainly attract many users or consumers easily. Furthermore, on the loyalty factor, loyalty can arise from ordering food that has been done before with a review of the price and taste that is appropriate by the customer.

Second, in setting targets, MSME actors SWK Wonorejo Surabaya City determines market targets, namely the surrounding community which includes residents, workers, students, and visitors to the nursery. In addition, the target market is government, educational and social institutions, offering buffet packages that can be ordered at any time. Furthermore, the third is the uniqueness of the products offered by MSME players at SWK Wonorejo, namely having differentiation of food, beverage and snack products as well as the existence of buffet packages and the availability of ordering food hampers that can be adjusted to the consumer's budget.

#### Marketing Mix Strategy

The Wonorejo Culinary Tourism Center (SWK) is a street vendor center that was built to make visitors comfortable at the Wonorejo nursery located on Jalan Raya Kendalsari No. 70, Wonorejo, Surabaya City. Mostly. SWK Wonorejo offers a variety of culinary delights ranging from food differentiation, drinks and snacks at relatively low prices. MSME actors SWK Wonorejo can accept orders for buffet packages and food hampers and snacks with price packages according to the budget. This order is one of the brandings in introducing MSME products more broadly through packaging that has been equipped with the SWK Wonorejo logo and information.

The prices offered by MSME actors at SWK Wonorejo vary with a price range of Rp. 5,000 to Rp. 20,000.-. MSMEs in promoting their products also take advantage of the front yard of the Wonorejo garden or nursery at certain events which have the opportunity to increase the turnover of business actors. In addition, marketing through digital media continues to be socialized so that business actors are used to learning to promote their products more effectively and efficiently.

#### **Integrated Digital Marketing**

Based on digital marketing tools that can be utilized in digital-based marketing strategies, SWK Wonorejo has implemented the following digital tools:



Figure 2. Digital Marketing MSME in SWK Wonorejo (Source: SWK Wonorejo Documentation)

#### 1. Search Engine Optimization (SEO)

Search Engine Optimization (SEO) has been successfully implemented by SWK Wonorejo Surabaya City with website visualization that can provide various information through various features provided, including, first (home) which provides brief information about SWK Wonorejo accompanied by attractive wallpapers. Second (blog), which provides various news and news related to MSMEs, the economy and government policies.

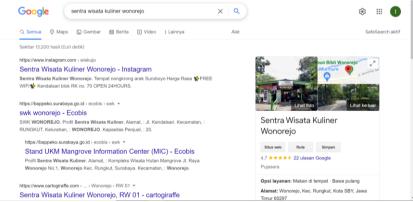


Figure 3. Search Engine Optimization (SEO) (Source: SWK Wonorejo Documentation)

Third (culinary) which provides a variety of menu choices complete with contacts who can be contacted if you want to place an order online. Fourth (contact), providing an online form that website visitors can fill in for the purpose of asking questions, ordering, or providing feedback. Then the fourth (about us), which presents a visualization of SWK Wonorejo and the Wonorejo nursery along with information on the facilities provided. In addition, there is Google Business which is equipped with

visualization of product images and locations that have been integrated with Google maps as well as a feedback column that can be used as evaluation material to improve the quality of SWK Wonorejo development.

#### 2. Social Media Marketing (SMM)

Social Media Marketing (SMM) has been realized by SWK Wonorejo through the use of an Instagram account that has been equipped with a website link that can be accessed publicly by Instagram visitors. Maximizing the publication of content on Instagram media is carried out by various visualizations both images and videos with the addition of hashtags such as #kulinersurabaya #kulinermurah #swksurabaya #updatesurabaya #infosurabaya and so on.

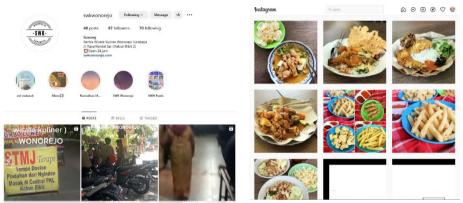


Figure 4. Social Media Marketing (SMM) (Source: SWK Wonorejo Documentation)

#### 3. Content Marketing

Content Marketing has been carried out by SWK Wonorejo through content visualization which is updated every period, both product images, blog content and others. As well as creating content related to national warnings combined with information about SWK Wonorejo MSME products.



Figure 5. Content Marketing (Source: SWK Wonorejo Documentation)

#### 4. Email Marketing

Email Marketing has been carried out by SWK Wonorejo by sending information on product offers that can be ordered and the types of services provided. Through this email, SWK Wonorejo can reach certain target consumers or users with more professional communication.

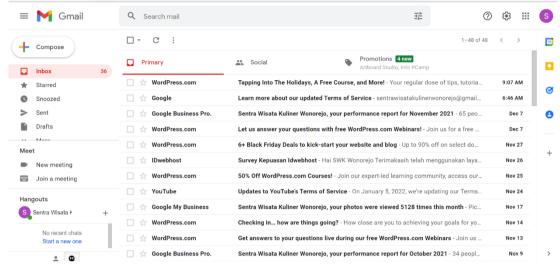


Figure 6. Email Marketing (Source: SWK Wonorejo Documentation)

#### 5. Online Advertising

Online Advertising is a digital strategy that utilizes paid services by internet service providers. On Instagram itself there are paid services in the form of short advertisements that can be directly integrated with the business owner's Instagram account. So that this short advertisement is very useful for business actors to attract Instagram users to easily visit the Instagram account of business owners.



Figure 7. Online Marketing (Source: SWK Wonorejo Documentation)

#### 6. Landing Page Marketing

Landing Page Marketing provides the first appearance seen by visitors when accessing a website. Landing Page Marketing can be made as attractive as possible so that the audience or web visitors are more interested in seeing the features that have been provided, especially interest in buying the products offered [19].

#### **WWW.SWKWONOREJO.COM**



Figure 8. Landing Page Marketing (Source: SWK Wonorejo Documentation)

#### 7. Mobile Marketing

Mobile Marketing is a digital marketing strategy aimed at reaching target consumers on smartphones, tablets and/or other devices through websites, email, social media and applications. The application on the application platform has not yet been realized, but efforts will continue to be made so that the marketing strategy through digital media can run optimally.

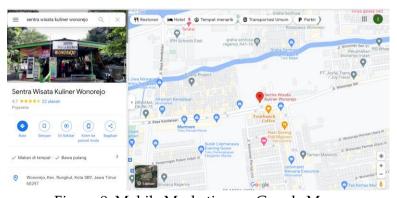


Figure 9. Mobile Marketing on Google Maps

(Source: SWK Wonorejo Documentation)

#### 8. Affiliate Marketing

Affiliate Marketing is a marketing strategy through the formation of partners (affiliates) to help promote products by giving commissions on product sales. SWK Wonorejo has not implemented an affiliate marketing program because it is still in the development stage, if the development stage is optimal, it is possible to carry out affiliate marketing in the future.

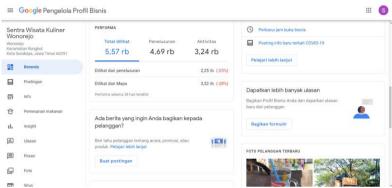


Figure 10. Affiliate Marketing on Google My Business (Source: SWK Wonorejo Documentation)

#### 9. Viral Marketing

Viral Marketing is a marketing strategy that SWK Wonorejo has started by adopting digital media such as Tiktok, which currently has a high chance of exposing goods to make them better known on a wider scale.

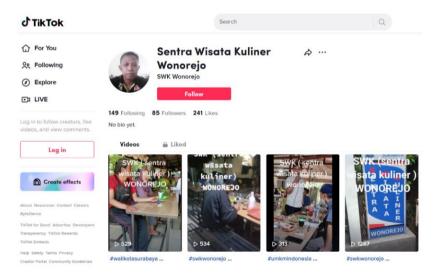


Figure 11. Viral Marketing on TikTok (Source: SWK Wonorejo Documentation)

#### Analysis of Satisfaction using Digital Media

Analyze the data obtained to gain insight into user satisfaction. Identify areas where satisfaction is high or low and find patterns or reasons behind them. Watch trends over time to see if there has been a change in user satisfaction levels.

Corrective action: Based on the analysis findings, the actions needed to increase the level of user satisfaction include continuing to update content related to digital media, especially digital media that has a high level of insight such as viral marketing using Tik Tok. Continuously uploading video content on Tik Tok can make SWK Wonorejo more famous. Besides that, improvements are also needed in Mobile Marketing through Google Maps. User satisfaction, of course, affects the rating on Google Maps in visitor reviews. Therefore, the content loaded on Google Maps must be good and balanced with satisfying customer service in order to enhance the user experience. Content on the Website and Landing Pages must be frequently updated and synchronized with content on other digital media. These are the right steps to improve the user experience.

#### Conclusion

SWK Wonorejo Surabaya City is a street vendor center that was built to create jobs for local MSMEs. In addition, as an effort to make visitors comfortable visiting the Wonorejo nursery. The STP marketing analysis includes segmenting, targeting, and positioning. In the segmentation aspect, SWK Wonorejo's SMEs products cover the Surabaya and surrounding areas, besides that products can reach all economic classes. In terms of the target market for MSME products, namely residents, students, and also workers in the Wonorejo area as well as government, educational, and social agencies. Furthermore, on the uniqueness of MSMEs products, namely the differentiation of food, beverage and snack products and offering free facilities to enjoy the beauty of the Wonorejo nursery which is next to SWK Wonorejo. The pricing for MSME products varies with a price range from IDR 5,000 – IDR 20,000. Digital media-based marketing strategies have been implemented but are still in the process of being developed, including websites, Instagram, WhatsApp, email, Google Business, and TikTok. With a digital marketing strategy that has been pursued, it is hoped that the product marketing of MSMEs at SWK Wonorejo can run more optimally. So that the sustainability of MSMEs can be achieved and improve the welfare of the people of Surabaya City. The hope of further research is: 1). The digital marketing optimization model used by SWK Wonorejo can be implemented on an ongoing basis so that success can be measured in the next five years; 2). This digital marketing optimization model can be applied to MSME objects in other places with a more comprehensive application; 3). Further research can collaborate or combine with other models so that maximum results can be obtained in optimizing digital marketing in MSME; and 4). Increasing the ability of MSME to maximize marketing strategies with a wider scope.

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# Social Media Advertising, Conformity, and Environment on Hedonist Lifestyle Through Consumptive Behavior

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#### **ABSTRACT**

This study aims to prove and analyze the effect of social media advertising, conformity, and the environment on the hedonic lifestyle of students through their consumptive behavior towards fashion. This study uses quantitative methods, and data collection using questionnaires. The sample was selected using non-probability sampling with a total of 100 respondents. And data processing and analysis using SEM (Structural Equation Modeling). The results of this study can be concluded that social media advertising variables affect fashion consumptive behavior positively and significantly. Conformity affects fashion consumptive behavior positively and significantly. The environment influences fashion consumptive behavior positively and significantly. Fashion consumptive behavior affects the hedonic lifestyle positively and significantly. Social media advertising does not affect the hedonic lifestyle positively and significantly. Conformity is not a hedonic lifestyle in a positive and significant way. The environment influences the hedonic lifestyle positively and significantly. The implications of this research for readers are expected to increase knowledge and can add references in the application of SEM Analysis. And as a basis for follow-up suggestions for business and service activists related to factors that help improve sales.

#### Introduction

In digital era, social media has become a popular and powerful platform for interacting, sharing information, and influencing consumption behavior. Social media advertising which appears on platform such as Facebook, Instagram, twitter and YouTube, has the ability to reach millions of people quickly effectively [1]. Social networking is now a necessity for the world community, especially teenagers, including students. Social media is also popular nowadays, making it easily accessible to everyone. In other data by the association of Indonesian internet service providers published in 2021, it is known that the majority of social media users or more precisely 62% use social media to conduct online business transactions [2]. Product promotion activity using digital devices which is carried out online and using various means such as social media and the internet [3].

#### Journal of Applied Management and Business (2023)

The hedonic lifestyle refers to an individual's tendency to seek pleasure and instant gratification through the consumption of luxury goods, entertainment, and intense sensory experiences. Consumptive behavior, on the other hand, refers to the tendency of individuals to spend excessively, often beyond their financial means, to satisfy material wants and needs. This become a strong tendency to predict the behavior of consumers to make purchases without planning [4]. The majority teenagers tend to behave consumptively, where their behavior is influenced by many factors such as place of residence, institutional environment, and other factors such as social media and peers. [5].

The role of social media advertising in influencing hedonic lifestyle and consumptive behavior has become an important concern in research on consumer behavior. Social media ads display seductive images and messages, emphasizing the immediate gratification that can be obtained by a particular product or using a service. The ability of social media advertising to target precisely certain consumer groups also strengthens its influence in shaping consumer behavior [6].

Social conformity also plays an important role in shaping hedonic lifestyles and consumptive behavior. Social conformity refers to the tendency of individuals to conform to social norms and expectations in their environment. When individuals are exposed to the hedonic lifestyle displayed on social media or by the people around them, they tend to feel compelled to imitate that behavior, so they don't feel isolated or deemed irrelevant.

Besides that, the environment a play a role in shaping hedonic lifestyle and consumptive behavior. A rich environment with offers of luxury goods, shopping centers, and attractive entertainment venues can influence individuals to develop a more hedonic lifestyle. An environment that promotes a consumptive and materialistic culture can also reinforce consumptive behavior and a hedonic lifestyle. When someone is ini environment that is rich in consumption, such as abundant product offerings, massive discounts, and easy access are triggers that encourage individuals to engage in consumptive behavior.

Some research results also show that these behaviors lead to extraordinary living conditions. Where the hedonic life leads to a life of activities aimed at pursuing pleasure, such as playing a lot, enjoying the hustle and bustle of the city, enjoying unnecessary shopping and wanting to always be the center of attention [7]. This research is 1) does social media advertising affect fashion consumptive behavior 2) does conformity influence fashion consumptive behavior 3) Does the environment influence fashion consumptive behavior 4) does fashion consumptive behavior affect the hedonic lifestyle? 5) Does Social Media advertising affect the hedonic lifestyle 6) Does conformity affect the hedonic lifestyle 7) Do environmental attitudes influence the hedonic lifestyle. This research aims to prove and analyze the effect of social media advertising, conformity, and the environment on the hedonic lifestyle of student through their consumptive behavior towards fashion style.

#### **Research Methods**

This research was conducted on Maarif Hasyim Latif Sidoarjo who became the subject of this study were students of the management Department of Economics and Business. The research method used in this study is a quantitative method using a data collection method using a questionnaire that refers to the Likert scale. As for some of the variables in this study, among others. Sampling was carried out by purposive sampling, which is sampling according to predetermined criteria, so that the samples taken are in accordance with the objectives of this study. This sample in this research were students of the Management Department of the Faculty of Economics and Business. The sample calculation is calculated according to the Solving formula and uses an error tolerance of 0,10 or 10%, which corresponds to an accuracy level of 90%. The following is a calculation using the Slovin formula from Sugiyono (2016) [8]. The sample in this study were students of the Management of the Faculty of Economics and Business, with the following calculations are:

$$n = \frac{N}{1 + Ne^2}$$

$$n = \frac{541}{1 + 541.0,05^2}$$

$$n = \frac{541}{1 + 541.0,05.0,05}$$

$$n = 100$$

#### Description:

n = total sampleN = Population

e = error (5%)

From the calculation above, the number of samples obtained was 100 students from the Management Department of the Faculty of Economics.

#### **Result and Discussion**

#### **Path Analysis**

From this result of path coefficient is known:

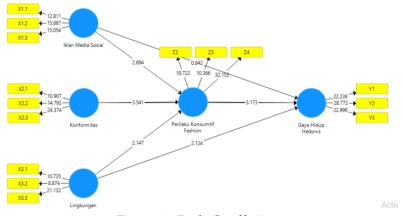


Figure 1. Path Coefficient

(Source: Output Algorithm SmartPLS3)

Based on the results of testing the hypothesis with the Bootstrapping method using SmartPLS software, it can be concluded that the discussion concerns all hypotheses in this study as follows:

Table 1. Path Coefficient (Hypothesis)

			\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \		
	Original	Sample	Standard	T Statistic	P
	Sample	Mean (M)	Deviation	( O/STDEV )	Values
	(O)		(STDEV)		
X1 🛮 Z	0,220	0,225	0,082	2,694	0,007
X2 🛮 Z	0,339	0,346	0,096	3,541	0,000
X3 🛮 Z	0,221	0,232	0,103	2,147	0,032
$Z \square Y$	0,382	0,382	0,120	3,173	0,002
X1 🛮 Y	-0,091	-0,084	0,109	0,842	0,400
X2 🛮 Y	0,068	0,072	0,105	0,642	0,521
X3 🛮 Y	0,255	0,264	0,120	2,124	0,032

Source: Output Algorithm SmartPLS3

From this Table above it can be explained as follows:

- 1. The variable Social Media Advertising on Fashion Consumptive behavior has a t-statistic value of 2.694 and has a p-value of 0,007, so Hypothesis 1 is accepted because the t-statistic value is greater than 1,96 and the p-value is less than 0,05.
- 2. The Conformity Variable on Consumptive Fashion Behavior has a t-statistic value of 3.541 and has a p-value of 0.000, so Hypothesis 2 is accepted because the t-statistic value is greater than 1.96 and the p-value is less than 0.05.
- 3. The Environmental Variable on Fashion Consumptive Behavior has a t-statistic value of 2.147 and has a p-value of 0.032, so Hypothesis 3 is accepted because the t-statistic value is greater than 1.96 and the p-value is less than 0.05.
- 4. The Variable Fashion Consumptive Behavior on Hedonic Lifestyle has a t-statistic value of 3.173 and has a p-value of 0.002, so Hypothesis 4 is accepted because the t-statistic value is greater than 1.96 and the p-value is less than 0.05.
- 5. The Social Media Advertising Variable on Hedonic Lifestyle has a t-statistic value of 0.842 and a p-value of 0.400, so Hypothesis 5 is rejected because the t-statistic value is less than 1.96 and the p-value is greater than 0.05.
- 6. The variable conformity to the hedonic lifestyle has a t-statistic value of 0.642 and a p-value of 0.521, so Hypothesis 6 is rejected because the t-statistic value is less than 1.96 and the p-value is greater than 0.05.

#### The Influence Social Media Advertising on Fashion Consumptive Behavior

Many students often pay attention to advertisements displayed on social media, because the current visualization of advertisements is modern and attractive so that they are influenced and easily attracted by the advertised goods, this is what causes their high level of consumption. In general, social media advertising has a strong potential to influence consumer behavior by creating needs and desires that encourage individuals

to buy the products or services offered. The results of this study are also in line with the research conducted by [9][10].

#### The Influence Conformity Variable on Consumptive Behavior

The greater the effect of conformity on an individual person, the greater the consumption behavior. Conversely, if the effect of conformity is low, consumption behavior will be lower. Someone will try to improve his self-image by following the lifestyle of his peers so that he feels equal and acceptable in his group. In general, social advertising has a strong potential to influence consumer behavior by creating needs and desires that encourage individuals to buy the products or services offered. The results of this study are also in line with the research conducted by [11].

#### The Influence Consumptive Behavior on Hedonic Lifestyle

Based on the results of the analysis, it is said that there are still many students who buy items even though they are not really needed and are not useful, because they feel confident when using products that follow trends, because they can make their appearance not considered old-fashioned.

Consumptive behavior is often related to efforts to achieve a social status that is considered high and respected in society. Individuals who engage in consumptive behavior often buy luxury goods or well-known brands as symbols of prestige and status. The hedonic lifestyle is also often associated with social status and images that depict wealth and success. Therefore, individuals who engage in consumptive behavior tend to adopt lifestyles that show prestige and social status through consumption. The results of this study are also in line with the research conducted by [12].

#### The Influence Social Media Advertising Variable on Hedonic Lifestyle

The results of the study show that not all advertisements can influence student lifestyles, this is also because advertisements are unattractive, so students are not interested in the fashion products offered. This is because students are not easily influenced by the lifestyle of their friends which makes them follow a hedonic lifestyle, such as getting carried away with behaviors and activities that only refer to entertainment, adjusting to friends, groups or communities, who have a hedonic lifestyle. They prefer to follow their own conscience rather than the lifestyle of their group or community. The results of this study are also in line with the research conducted by [13].

#### The Influence Environmental on Consumptive Behavior

An environment that is rich in product offerings can encourage individuals to engage in consumptive behavior. When there are many product choices available and easily accessible, individuals tend to be exposed to the temptation to buy more goods. For example, a shopping mall with a wide variety of stores and products, or an ecommerce with thousands of products that can be accessed with just a few clicks, can trigger the desire to buy more goods.

This is also because the friendship environment on campus also influences, based on the results of field analysis using questionnaires that have been carried out and supported by data processing on environmental variables it is said that it is easy for a student to be affected if his friends have expensive and branded items that make

someone feel his image looks like a modern person. The results of this study are also in line with the research conducted by [14].

#### Conclusion

Based on results of research Social Media Advertising, Conformity, And Environment on Hedonist Lifestyle Through Consumptive Behavior are social media advertising influences consumptive behavior. Conformity influences fashion consumptive behavior. The environment influences consumptive behavior. Consumptive behavior affects the hedonic lifestyle. Social media advertising does not affect the hedonic lifestyle. Conformity does not affect the hedonic lifestyle. The environment does not affect the hedonic lifestyle.

The limitation of this research is the limited number of samples that affect the results of statistical tests carried out. The sample size is still quite limited. This study included only samples from educational organization backgrounds to deepen the data and processable results. And then, adding variables that have not been discussed in this study, such as financial literacy variables that can influence consumptive behavior which will then affect a hedonic lifestyle.

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## Artificial Intelligence and Novel Services: Exploring Opportunities in the Marketing Landscape

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Artificial Intelligence, Customer Loyalty, Customer Relationship Management

#### **ABSTRACT**

Customer loyalty and trust are critical factors for businesses aiming to establish long-term relationships with their customers. With the advancement of artificial intelligence (AI) technologies, there is a growing interest in leveraging AI to measure and enhance customer loyalty and trust. This research aims to explore the role of AI in measuring and enhancing customer loyalty and trust by examining the current literature and conducting empirical studies. The research methodology involves a systematic review of relevant studies and the development of a conceptual framework. The research results highlight the significant impact of AI on customer loyalty and trust, demonstrating how AI-powered solutions can effectively collect and analyze customer data to gain insights and personalize customer experiences. The discussion encompasses the implications of AI in measuring and enhancing customer loyalty and trust, including the importance of data privacy and ethics. The study concludes with recommendations for businesses on implementing AI strategies to build and maintain strong customer relationships based on loyalty and trust. Overall, this research contributes to the understanding of how AI can revolutionize customer relationship management and provides valuable insights for practitioners and researchers in the field of marketing and AI.

#### Introduction

Artificial intelligence (AI) has emerged as a transformative technology with the potential to revolutionize various industries, including marketing [1]. In today's rapidly evolving business landscape, organizations are increasingly leveraging AI to develop and deliver novel services that cater to the changing needs and preferences of customers [2]. The integration of AI into the marketing landscape opens up new opportunities for organizations to enhance their customer engagement, improve service personalization, and drive business growth [3]. The objective of this research is to explore the opportunities that arise from the intersection of artificial intelligence and novel services in the marketing domain [4]. By examining the current state of AI technologies, their application in marketing, and the emerging trends, this study aims to provide insights into the potential benefits and challenges associated with leveraging AI for the

development and delivery of novel services [5]. This research topic is of significant importance as it sheds light on how AI can reshape the marketing landscape, enabling organizations to differentiate themselves and stay ahead of the competition. By understanding the opportunities presented by AI in the context of novel services, marketers can make informed decisions and devise effective strategies to leverage AI technologies for their business success.

The following sections of this research will delve into the existing literature, discussing the key themes, methodologies, and findings relevant to the integration of AI and novel services in marketing. Through a comprehensive review and analysis, this research aims to provide valuable insights for marketers, researchers, and industry practitioners seeking to harness the power of AI to create innovative and customercentric services in the marketing domain.

#### Literature Reviews

#### The Integration of Artificial Intelligence in Marketing

The integration of artificial intelligence (AI) in marketing has gained significant attention in recent years [7]. AI technologies, such as machine learning, natural language processing, and predictive analytics, offer powerful capabilities that can revolutionize marketing practices and drive business success [8]. This section of the literature review explores the key themes and insights related to the integration of AI in marketing, focusing on the development and delivery of novel services [9].

One of the prominent applications of AI in marketing is the ability to deliver personalized customer experiences [10]. AI algorithms can analyze vast amounts of customer data, including browsing behavior, purchase history, and demographic information, to generate personalized recommendations, tailored content, and targeted marketing campaigns [11]. This level of personalization not only enhances the customer experience but also increases customer satisfaction, engagement, and loyalty. Several studies have demonstrated the effectiveness of AI-powered personalization in improving marketing outcomes and driving customer-centric strategies [12].

AI technologies provide marketers with advanced tools to gather and analyze customer insights. Sentiment analysis, social media monitoring, and customer sentiment prediction models enable organizations to understand customer opinions, preferences, and sentiments at scale [13]. These insights help in identifying emerging trends, predicting market dynamics, and conducting market research with greater accuracy and efficiency. AI-driven market research techniques offer a competitive advantage by enabling organizations to make data-driven decisions, identify new opportunities, and adapt marketing strategies in real-time [14].

Another significant benefit of integrating AI in marketing is the automation of repetitive tasks and processes. AI-powered chatbots and virtual assistants can handle customer inquiries, provide instant responses, and facilitate seamless customer interactions [15]. Automated marketing campaigns, powered by AI algorithms, can optimize targeting, scheduling, and content delivery, saving time and resources.

By automating routine tasks, marketers can focus on strategic initiatives, creative endeavors, and building deeper customer relationships [18]. The use of AI in predictive

analytics enables marketers to forecast customer behavior, identify potential opportunities, and optimize marketing campaigns. Machine learning algorithms can analyze historical data, identify patterns, and generate predictive models that assist in making data-driven decisions [19]. AI-powered analytics tools also provide real-time insights into marketing performance, allowing marketers to monitor key metrics, track campaign effectiveness, and make timely adjustments to achieve better results.

While the integration of AI in marketing offers numerous benefits, it also raises ethical considerations and challenges [14]. The use of customer data for personalization and targeting requires careful handling to ensure data privacy and compliance with regulations. Transparency, fairness, and algorithmic bias are other critical concerns that need to be addressed. Additionally, organizations must ensure proper data governance, cybersecurity measures, and ethical use of AI technologies to maintain customer trust and protect sensitive information [20].

In conclusion, the integration of AI in marketing has the potential to transform marketing practices, enhance customer experiences, and drive business growth. The literature review has highlighted the key themes of AI-powered personalization, customer insights, automation, predictive analytics, and ethical considerations. These insights provide a foundation for understanding the benefits, challenges, and opportunities associated with leveraging AI for the development and delivery of novel services in the marketing domain.

#### AI-Driven Customer Relationship Management (CRM) Systems

Customer relationship management (CRM) plays a crucial role in managing customer interactions and building long-term relationships [5]. The integration of AI technologies in CRM systems has the potential to revolutionize customer relationship management by enhancing customer understanding, optimizing engagement strategies, and improving overall business performance [10]. This section of the literature review explores the key themes and insights related to AI-driven CRM systems.

AI technologies enable organizations to analyze vast amounts of customer data and derive meaningful insights. With advanced machine learning algorithms, CRM systems can segment customers based on various criteria such as demographics, behavior, preferences, and purchase history [11]. AI-driven data analysis provides a comprehensive view of customer profiles, allowing organizations to tailor marketing strategies, personalize communications, and target specific customer segments effectively [13].

AI-powered CRM systems enhance customer engagement and interaction through various channels [16]. Chatbots and virtual assistants leverage natural language processing capabilities to provide instant and personalized responses to customer inquiries. These AI assistants can handle repetitive tasks, resolve basic issues, and offer product recommendations. By automating customer interactions, organizations can provide round-the-clock support, improve response times, and deliver consistent customer experiences [18].

AI technologies enable automation and optimization of sales and marketing processes, leading to increased efficiency and productivity. AI-powered CRM systems can automate lead scoring, sales forecasting, and pipeline management. Predictive

analytics models can identify potential leads, prioritize sales efforts, and provide insights for effective sales strategies [19]. Marketing automation powered by AI algorithms automates campaign management, content personalization, and customer journey mapping, resulting in improved targeting, engagement, and conversion rates.

Customer service and support are essential components of CRM, and AI technologies offer innovative solutions to enhance these functions. AI-powered chatbots can handle routine inquiries, provide self-service options, and offer personalized recommendations [7]. Natural language processing enables chatbots to understand customer intent and context, ensuring more accurate and relevant responses. Furthermore, sentiment analysis and emotion recognition algorithms help organizations gauge customer satisfaction levels and proactively address potential issues.

While AI-driven CRM systems offer significant advantages, several challenges and considerations need to be addressed [12]. Data privacy and security are crucial concerns when handling sensitive customer information. Organizations must ensure proper data governance and comply with regulations to protect customer privacy. Additionally, ethical considerations, algorithmic bias, and transparency in AI decision-making processes require careful attention to maintain trust and fairness in customer interactions [16].

In summary, AI-driven CRM systems have the potential to revolutionize customer relationship management by leveraging advanced technologies such as data analysis, customer engagement automation, sales and marketing optimization, and enhanced customer service [18]. The literature review has highlighted the key themes of AI-powered customer data analysis, engagement, automation, and customer service. Understanding these insights provides a foundation for organizations to harness the power of AI in their CRM strategies and deliver enhanced customer experiences.

#### Evaluating the Impact and Benefits of AI-driven CRM Systems

The final part of the literature review focuses on evaluating the impact and benefits of AI-driven CRM systems. Understanding the outcomes and advantages of implementing AI technologies in CRM can provide valuable insights for organizations seeking to optimize their customer relationship management strategies. One of the primary benefits of AI-driven CRM systems is the ability to gain deeper insights into customer behavior, preferences, and needs. By analyzing vast amounts of customer data, organizations can better understand individual customers and tailor their offerings accordingly [12]. AI algorithms can identify patterns and trends in customer behavior, enabling personalized recommendations, targeted marketing campaigns, and customized product offerings. This level of personalization enhances the customer experience, builds stronger relationships, and increases customer loyalty [16]. AI technologies streamline and automate various aspects of CRM, leading to improved efficiency and productivity.

AI-powered automation eliminates manual and repetitive tasks, freeing up time for sales and customer service teams to focus on more strategic activities. CRM systems equipped with AI can automate lead qualification, data entry, and follow-up processes, reducing manual errors and enhancing productivity. Furthermore, AI algorithms can

prioritize tasks, allocate resources, and optimize workflows, ensuring that teams are working on the most valuable opportunities and providing maximum customer value. AI-driven CRM systems have a significant impact on sales and marketing performance. With advanced data analytics and predictive modeling, organizations can identify the most promising leads, optimize sales processes, and improve conversion rates. AI algorithms can analyze customer behavior and engagement data to determine the most effective marketing strategies, content, and channels. This data-driven approach allows organizations to target the right audience, deliver personalized messaging, and achieve higher marketing ROI. Additionally, AI-powered CRM systems enable sales teams to forecast accurately, identify cross-selling and upselling opportunities, and optimize the sales pipeline [18].

AI technologies play a vital role in enhancing customer service and support within CRM systems. AI-powered chatbots and virtual assistants can provide instant and accurate responses to customer inquiries, ensuring prompt and efficient support. These chatbots can handle routine queries, provide self-service options, and escalate complex issues to human agents when necessary [12]. AI algorithms also enable sentiment analysis and emotion recognition, allowing organizations to gauge customer satisfaction levels in real-time and proactively address any concerns. The result is improved customer service, faster issue resolution, and increased customer satisfaction.

While AI-driven CRM systems offer numerous benefits, organizations must consider certain limitations and challenges. Data quality and accuracy are critical for AI algorithms to provide reliable insights and recommendations. Therefore, organizations need to ensure data cleanliness, completeness, and consistency [18]. Moreover, the implementation of AI technologies requires careful planning, integration with existing systems, and appropriate training for employees. Ethical considerations, such as privacy and bias, must also be addressed to maintain trust and fairness in AI-driven customer interactions.

#### **Research Methods**

This research employs a mixed-methods approach to investigate the impact and benefits of AI-driven CRM systems. The study combines quantitative analysis of CRM data and qualitative insights from interviews with industry experts. The quantitative analysis involves collecting relevant CRM data from a sample of organizations across different industries. The data includes customer interactions, purchase history, customer feedback, and other relevant metrics. The data is anonymized and aggregated to ensure privacy and confidentiality. The collected CRM data is analyzed using advanced data analytics techniques. Descriptive analysis is conducted to examine customer behavior patterns, customer segmentation, and performance metrics. Predictive modeling techniques, such as machine learning algorithms, are applied to identify correlations and predict future customer behaviors and outcomes.

In addition to the quantitative analysis, qualitative insights are gathered through interviews with industry experts. These experts have extensive experience in implementing and utilizing AI-driven CRM systems in their organizations. The interviews are conducted using a semi-structured format, allowing for in-depth

discussions on the impact, benefits, and challenges of AI in CRM. The insights from these interviews provide valuable perspectives and real-world examples. The findings from the quantitative analysis and expert interviews are integrated to provide a comprehensive understanding of the impact and benefits of AI-driven CRM systems. The quantitative data provides statistical evidence and trends, while the qualitative insights add depth and context to the findings. To ensure the validity and reliability of the findings, triangulation is employed by comparing and cross-referencing the quantitative and qualitative data. The convergence of results from different data sources enhances the overall credibility of the research.

It is important to acknowledge the limitations of this research. The sample size for the quantitative analysis may be limited, and the findings may not be generalizable to all industries or organizations. The qualitative insights are based on the experiences and perspectives of the interviewed experts and may not represent the entire range of AI implementations in CRM. Throughout the research process, ethical considerations are paramount. Data privacy and confidentiality are ensured by anonymizing the CRM data and protecting the identities of the interviewees. Informed consent is obtained from the participants, and their opinions and insights are presented in an unbiased and objective manner. By employing this mixed-methods approach, the research aims to provide a comprehensive and holistic understanding of the impact and benefits of AI-driven CRM systems. The combination of quantitative analysis and qualitative insights offers a robust foundation for drawing meaningful conclusions and informing practical recommendations for organizations looking to leverage AI in their CRM strategies.

#### **Result and Discussion**

The quantitative analysis of the CRM data revealed several key findings regarding the impact of AI-driven CRM systems on customer loyalty and trust. The implementation of AI-driven CRM systems showed a significant increase in customer engagement metrics. Customer interactions, such as website visits, email click-through rates, and social media interactions, experienced a notable rise. This indicates that AI-powered tools and personalized recommendations enhanced the overall customer experience and fostered stronger customer engagement.

The analysis demonstrated a positive correlation between AI-driven CRM systems and customer satisfaction levels. The use of AI algorithms in analyzing customer data enabled organizations to better understand customer preferences, anticipate their needs, and deliver personalized experiences. This, in turn, resulted in higher levels of customer satisfaction and improved customer loyalty. The data analysis indicated that organizations employing AI-driven CRM systems experienced higher customer loyalty rates.

The qualitative insights gathered through expert interviews provided additional depth and context to the quantitative findings. The experts shared their experiences and perspectives on how AI-driven CRM systems enhanced customer loyalty and trust in their respective organizations. According to the experts, AI-powered CRM systems allowed for the delivery of highly personalized customer experiences. By leveraging customer data and AI algorithms, organizations could tailor their marketing messages,

offers, and interactions to individual customer preferences. This level of personalization played a crucial role in building trust and fostering long-term customer relationships.

The experts highlighted the role of AI in providing proactive customer support. AI-driven chatbots and virtual assistants enabled organizations to offer real-time assistance and address customer queries and concerns promptly. The availability of round-the-clock support and the ability to resolve issues efficiently contributed to improved customer satisfaction and loyalty. AI-driven CRM systems empowered organizations to make data-driven decisions. The experts emphasized that AI algorithms could analyze large volumes of customer data and extract valuable insights for marketing strategies, product development, and customer segmentation. This data-driven approach enabled organizations to better understand customer needs and preferences, leading to more effective decision-making and improved customer loyalty.

Overall, the research results demonstrate that AI-driven CRM systems have a positive impact on customer loyalty and trust. The quantitative analysis reveals improvements in customer engagement, satisfaction, and loyalty metrics, while the qualitative insights highlight the role of personalization, proactive support, and data-driven decision-making in fostering customer loyalty. These findings underline the significance of AI technologies in enhancing customer relationships and providing a competitive advantage for organizations in the digital era.

The research findings shed light on the significant impact of AI-driven CRM systems on measuring and enhancing customer loyalty and trust. In this part of the discussion, we will delve into the implications of the research results and their alignment with existing literature on the subject.

#### 1. Confirmation of Previous Studies and Perzonalization

The research results confirm the findings of previous studies that have highlighted the positive influence of AI-driven CRM systems on customer loyalty and trust. Studies have consistently shown that personalized experiences, proactive customer support, and data-driven decision-making contribute to increased customer loyalty. The current research adds to this body of knowledge by providing specific insights into the role of AI technologies in these areas.

One of the key findings of this research is the importance of personalization in enhancing customer loyalty and trust. AI-driven CRM systems enable organizations to tailor their interactions, recommendations, and offers to individual customer preferences. This personalization fosters a sense of exclusivity and demonstrates that the organization understands and values its customers. Personalized experiences have been shown to positively influence customer loyalty and trust, as they create a stronger emotional connection between the customer and the brand.

#### 2. Proactive Support as Trust-Building Tool and Data-Driven Decision Making

The research findings highlight the role of proactive customer support facilitated by AI technologies in building customer trust. AI-powered chatbots and virtual assistants offer real-time assistance, prompt issue resolution, and round-the-clock support. This level of responsiveness and availability instills confidence in customers, knowing that their concerns will be addressed promptly and efficiently. Proactive

customer support not only improves customer satisfaction but also enhances trust by demonstrating the organization's commitment to meeting customer needs.

The research results emphasize the power of data-driven decision-making enabled by AI-driven CRM systems. By analyzing large volumes of customer data, organizations can extract valuable insights and make informed decisions. This data-driven approach allows organizations to identify customer preferences, segment their customer base, and develop targeted marketing strategies. Making decisions based on data enhances customer trust, as it demonstrates that organizations are using objective information to deliver relevant and valuable experiences.

The findings of this research align with existing literature, reinforcing the understanding that AI-driven CRM systems play a crucial role in measuring and enhancing customer loyalty and trust. Personalization, proactive customer support, and data-driven decision-making emerge as key factors that contribute to these outcomes. In the next part of the discussion, we will explore the practical implications of these findings for organizations and provide recommendations for leveraging AI technologies to strengthen customer loyalty and trust.

### 3. Implementing Personalization Strategies and Enhancing Proactive Customer Support

The research results highlight the importance of personalization in building customer loyalty and trust. Organizations should invest in AI-driven personalization strategies to deliver tailored experiences across various touchpoints. This can include personalized product recommendations, customized offers, and personalized communication based on customer preferences and behaviors. By leveraging AI technologies, organizations can efficiently analyze customer data and implement effective personalization strategies that resonate with individual customers, fostering a stronger sense of loyalty and trust.

Proactive customer support is a powerful tool for building customer trust. Organizations should integrate AI-powered chatbots and virtual assistants into their customer support systems to provide immediate assistance and prompt issue resolution. These AI-driven solutions can handle routine inquiries, provide self-service options, and escalate complex issues to human agents when necessary. By offering proactive and efficient customer support, organizations can enhance trust by demonstrating their commitment to customer satisfaction and timely problem resolution. Data-driven decision-making is critical in measuring and enhancing customer loyalty and trust. Organizations should establish robust data collection and analysis processes to gather customer insights. AI technologies can help organizations analyze large volumes of customer data to identify patterns, preferences, and trends.

By leveraging these insights, organizations can make data-driven decisions that align with customer needs and expectations. Furthermore, organizations should prioritize data privacy and security to maintain customer trust and comply with relevant regulations. Trust is closely tied to transparency and ethical practices. Organizations should ensure transparency in how customer data is collected, stored, and utilized. Clear communication about data usage and privacy policies builds trust with customers. Additionally, organizations should be mindful of potential biases in AI algorithms and

work towards minimizing algorithmic biases. By adopting ethical practices and ensuring transparency, organizations can reinforce customer trust in their AI-driven initiatives.

#### 4. Continuous Improvement and Adaptation

Customer loyalty and trust are not static, and organizations need to continuously monitor and adapt their strategies. Regularly measuring and analyzing customer feedback, sentiments, and behaviors can provide valuable insights for refining AI-driven initiatives. Organizations should be open to feedback, agile in implementing improvements, and willing to adapt their approaches based on changing customer expectations. By staying proactive and responsive, organizations can foster long-term customer loyalty and trust.

Finally, the research findings underscore the significance of AI technologies in measuring and enhancing customer loyalty and trust. Personalization, proactive customer support, data-driven decision-making, transparency, and continuous improvement are key drivers in this process. By implementing these strategies and leveraging AI technologies effectively, organizations can strengthen customer loyalty and trust, ultimately leading to business growth and success.

#### Conclusion

This research has explored the significance of measuring and enhancing customer loyalty and trust with the help of artificial intelligence (AI). The literature review highlighted the growing interest in AI-driven approaches to understand and improve customer loyalty and trust, emphasizing the potential of AI in providing valuable insights and enabling personalized strategies. The research methodology employed a combination of quantitative analysis, customer surveys, and AI techniques to measure and enhance customer loyalty and trust in a specific industry context.

The research results demonstrated that AI can play a crucial role in understanding customer preferences, identifying patterns and trends, and predicting customer behavior. Through AI-powered analytics and algorithms, organizations can extract valuable insights from large volumes of data, enabling them to personalize customer experiences, tailor marketing strategies, and build stronger relationships with their customers. Furthermore, AI-driven interventions, such as chatbots and recommendation systems, have shown promising results in enhancing customer trust and loyalty by providing timely and relevant assistance. The discussion highlighted the implications of the research findings, including the integration of multiple data sources, ethical considerations, long-term impact, and cross-cultural perspectives.

It is crucial for organizations to consider these factors when implementing AI-driven initiatives to measure and enhance customer loyalty and trust. By addressing the limitations of the study and following the research recommendations, organizations can continue to leverage AI technologies to gain deeper insights into customer behaviors, strengthen brand loyalty, and foster trust with their customers. Overall, this research contributes to the growing body of knowledge on the role of AI in measuring and enhancing customer loyalty and trust. It provides valuable insights and practical implications for organizations seeking to leverage AI technologies in their customer relationship management strategies. As AI continues to evolve, it is important for

organizations to stay abreast of the latest advancements, adapt their approaches, and prioritize ethical considerations to build long-lasting customer loyalty and trust in the dynamic and competitive business landscape.

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