The Effect of Social Media Marketing and E-Service Quality on User Satisfaction and Grab Services the Impact on Customer Loyalty in Medan City

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Abstract
The purpose of this study was to determine and analyze the effect of social media marketing and e-service quality on the satisfaction and loyalty of Grab application service users in Medan City. The sample selection in this study used non-probablity sampling because it did not provide equal opportunities for each member of the population to be sampled. The sampling method in this study was purposive sampling of 133 respondents. Data analysis performed is path analysis. The results of sub-1 analysis show that social media marketing and e-service quality have a positive and significant effect on satisfaction. While the results of sub-2 analysis show that social media marketing and e-service quality have a positive and significant effect on loyalty through satisfaction.
Keywords: Social media marketing, e-service quality, satisfaction, loyalty.

I. Background of the problem

Along with the development of current technological advances there are many applications that introduce motorcycle taxi ordering services using technology and have service standards. Currently there are many online application providers known as Gojek, go-ride, Uber bike, Grab bike, Blu-jek, two-wheeled taxi, Oke Jek, Ojek Syar'i. Bang Jack, and so on. The large number of online-based transportation services makes all companies vying with each other in creating services that meet consumer expectations in order to be able to create customer loyalty.**gojek**strengthen its position as a technology platform in Southeast Asia. Changes to the logo that becomes a markerGojek evolution, from service***ride-sharing***,become an integrated ecosystem that moves people, goods, and money. Gojek's achievements since its launch five years ago are proof of the trust of partners, consumers, partners, businesses and investors in the vision and business model that has been developed to beat Grab service users.The following is comparative data for Gojek service users who beat Grab.
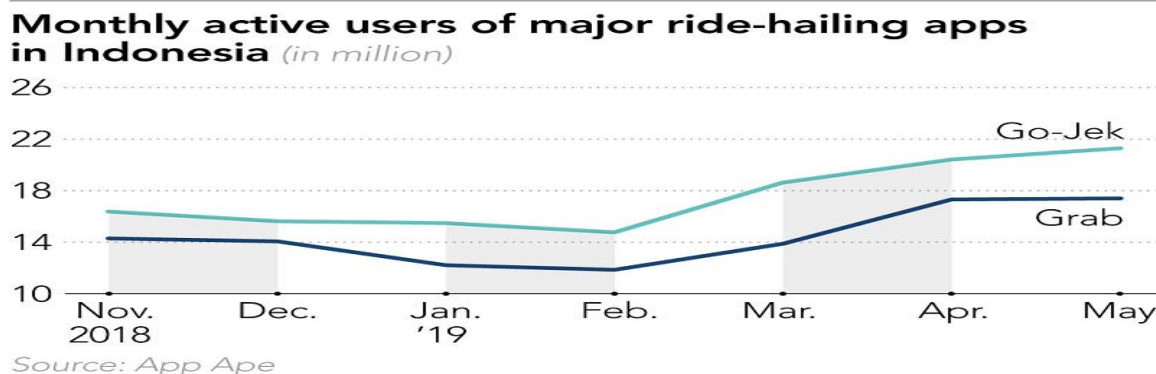

**Figure 1 : Comparison of Gojek and Grab Users, (2019)**

Based on Figure 1 it can be seen that the number of gojek users is higher than Grab. So it is important for every transportation service company to create a strategy that can increase user loyalty.According to Kotler and Keller (2016: 138) defining customer loyalty isdeeply held commitment to buy or re-patronize a preferred product or service in the future, even though situational influences and marketing efforts have the potential to causeswitching customers. Loyalty is influenced by several factors including social media marketing and customer satisfaction. Social media marketing refers to the use of social media for the promotion of business products or services. While customer satisfaction itselfa measure that determines how well a company's product or service meets customer expectations. it becomesone of the most important indicators related to customer purchases and loyalty. The following are the results of a pre-survey related to Grab customer loyalty in Medan City:

Table 1 Pre-survey of Grab Customer Loyalty in Medan City

No	Statement	Answer				Total
		Yes	%	No	%	
1	I will continue to use Grab's services in the long term	30	60	20	40	50
2	I will recommend Grab services to other users	35	70	15	30	50
3	I'm not interested in using transportation services other than Grab	40	80	10	20	50
4	I feel confident that Grab's services are the best	37	74	13	26	50

Source: Pre-survey results, (2023)

Based on the results of a pre-survey conducted on 50 respondents using the Grab application service, there were still respondents who answered no to each statement given. This indicates that the loyalty of Grab application service users still needs to be reviewed. The decrease in customer loyalty is due to the presence of customers who are not satisfied with the services provided.The trend of using digital platforms and electronic trading transactions (e-commerce) in Indonesia shows a significant increasing trend amid the Covid-19 pandemic.
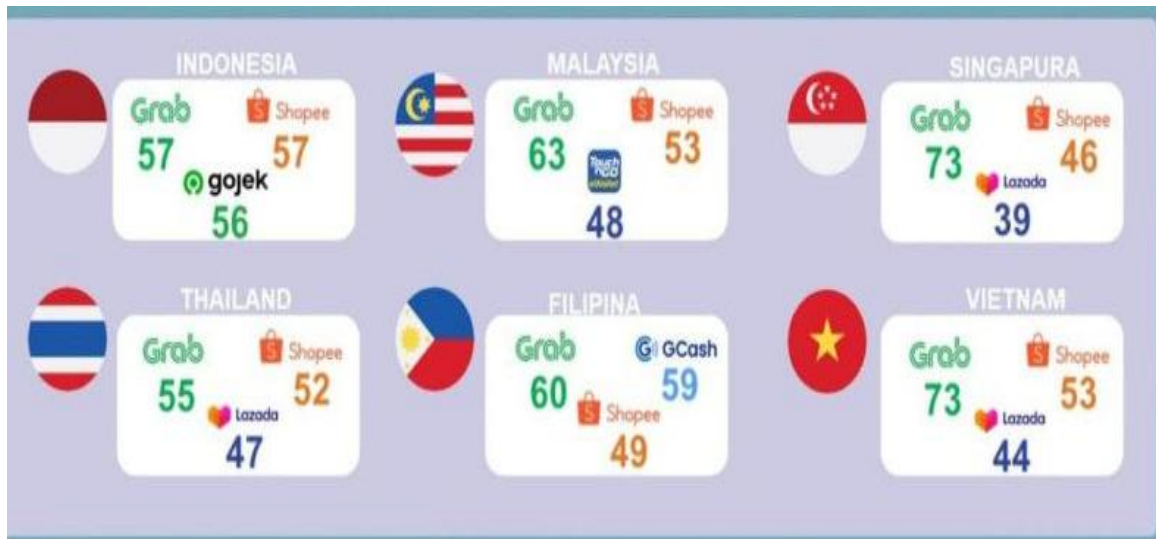
Source: Ipsos, (2021)

Figure 2 Satisfaction survey, (2021)

Based on the results of a survey conducted by Ipsos, (2021).The Grab transportation service application and the buying and selling site Shopee get the highest level of satisfaction among users of digital services in Indonesia. However, there are still customers who are dissatisfied with using grab services. Overall, 45% of respondents said they were dissatisfied with the online shopping/transaction experience, the reasons being high shipping costs, unreliable product or service reviews, and high product prices and the lack of service provided by drivers when delivering orders. In addition, the lack of social media marketing is also a factor that needs attention in maintaining customer satisfaction and loyalty.

II. Literature review

Social Media Marketing

Social media is social media via the internet and social media provides marketers with extraordinary opportunities to reach consumers in their social communities and build more personal relationships with them (Kelly., Kerr., & Drennan, 2010). According to Gunelius (2011), social media marketing is any form of direct or indirect marketing that is used to build awareness, recognition, recall, and taking action on a brand, business, product, person, or other thing that is packaged using tools. on the social web, such as blogging, microblogging, social networking, social bookmarking, and content sharing. According to Kim and Ko (2012), social media marketing is a two-way communication that seeks empathy with users,

Kim and Ko (2012) describe social media marketing or social media marketing as consisting of five dimensions, namely entertainment, interaction, trendyness, customization, and word of mouth (WOM).

1) Entertainment

Entertainment is the result of the fun and play that arises from the experience through social media. The hedonic perspective views social media users as pleasure seekers who are being entertained and amused, and also experiencing joy.

2) Interaction

Social interaction is an important motivator for creating content. Through social media can provide assistance to consumers and a place to discuss and exchange ideas.

3) trendy

Consumers more often turn to various types of social media to obtain information, because they trust information sources from companies to communications sponsored through traditional promotional activities.

4) Customization

The level or level of customization describes the extent to which a service is adjusted to meet individual preferences.

5) Word of mouth (WOM)

Social media can connect interactions between online consumers and other consumers about brands through word of mouth.

E-Service Quality

According to Zeithaml et al (2009: 115) e-service quality is defined as the extent to which a website facilitates efficient and effective shopping, purchasing and delivery. E-service quality as a meeting between consumer expectations without direct interaction in the services provided. E-Service Quality According to Tjiptono (2012:28) has 4 characteristics, namely:

1) Intangibility

Services differ significantly from physical goods. If the item is an object, tool, material or thing that can be seen, touched and felt with the five senses; then services are actually deeds, actions, experiences, processes, performance, or efforts that are abstract in nature. If goods can be owned, then services tend to only be consumed but cannot be owned (non-ownership). Services are intangible, meaning they cannot be seen, tasted, smelled, heard or touched before being bought and consumed. A service consumer cannot judge the outcome of a service before he experiences or consumes it himself

2) Variation (Heterogeneity)

Services are variable or heterogeneous because they are non-standardized output, meaning that the form, quality and type vary greatly, depending on who, when and where the service is produced. There are three factors that cause variability in service quality, namely:

a. customer cooperation or participation during service delivery

b. employee morale/motivation in serving customers

c. company workload

3) Inseparability

Goods are usually produced first, then sold, then consumed. While services are generally sold first, then produced and consumed at the same time and place. The interaction between the service provider and the customer is a special feature in the marketing of the service concerned. Both affect the outcome of the service in question. In this relationship between the service provider and the customer, the effectiveness of the service staff is a critical element. The implication is that the success or failure of the service concerned is supported by the organization's ability to effectively carry out the recruitment and selection process, performance appraisal, compensation system, training and development of its employees.

4) Not Durable (Perishability)

Perishability means that a service is a perishable commodity, unable to be stored for future reuse, resold, or returned. Service demand is also fluctuating and changing, the impact is that service companies often experience

difficult problems. Therefore service companies design strategies to be better at running their business by adjusting demand and supply.

According to Zeithaml et al (2009: 116) there are 4 indicators of E-Service Quality Indicators, namely:

1) Efficiency

The ability of customers to find information related to products and the ease of accessing and leaving the website with minimal effort.

2) Reliability

With regard to the technical functionality of the site in question, especially to what extent the site is available and functioning as it should

3) fulfillment

Includes accuracy of service promises, availability of product stock, and delivery of products according to the promised time

4) Privacy

In the form of guarantees to what extent the site is safe and protects user information data

Customer satisfaction

Customer satisfaction is one thing that has an important role in business. Consumer satisfaction is a major milestone in the success of a company. Therefore, in an effort to fulfill consumer satisfaction, companies must be observant in knowing shifting consumer needs and desires which change at any time. If producers can produce products and services in accordance with what consumers want and need, consumers will feel satisfied. Each consumer has a different level of satisfaction. Consumers can experience one of three levels of general satisfaction, namely if the performance is below expectations, the customer will feel disappointed, but the performance is in line with expectations, the consumer will feel satisfied and if the performance exceeds expectations, the consumer will feel very satisfied, happy or excited.

Measuring customer satisfaction (Tjiptono, 2014: 368-369) has six core concepts, which are as follows.

1) Overall customer satisfaction

In this concept, the way to measure customer satisfaction is to directly ask customers how satisfied they are with a company's products or services. The assessment includes measuring the level of customer satisfaction with the products and/or services of the company concerned and comparing it with the level of customer satisfaction with competing companies.

2) Dimensions of customer satisfaction

Customer satisfaction is measured by four steps. First, identify the key dimensions of customer satisfaction. Second, asking customers to rate the company's products and/or services. Third, asking customers to rate competitors' products and/or services based on the same item. And fourth, asking customers to determine the dimensions that are important in assessing customer satisfaction.

3) Confirmation of expectations Satisfaction is measured based on the conformity/discrepancy between customer expectations and the performance of the company's products/services.

4) Repurchase intention In this concept, the method is to ask the customer directly whether to buy the product or use the company's services again.

5) Willingness to recommend (willingness to recommend) The willingness of customers to recommend products/services to friends or family is an important measure to be analyzed and acted on in the case of purchasing products/services where the repurchase is relatively long.

6) Customer dissatisfaction Customer dissatisfaction includes complaints, product returns, warranty costs, product recalls (withdrawal of products from the market), negative word of mouth, and defects (consumers switching to competitors).

Customer loyalty

Customer loyalty is a deeply held commitment to buy or re-patronize a preferred product or service in the future, even though situational influences and marketing efforts have the potential to cause customers to switch (Kotler & Keller, 2016: 38). This is because with a loyal attitude to the company, consumers will choose to use the company's products or services repeatedly and are not affected by the marketing strategies of other companies.Customer loyalty can also mean that customers are willing to invest in loyalty to a business that can provide an advantage over competitors (Ismanto, 2020: 161). If the customer is loyal to the company, the consumer can minimize the time spent searching for and evaluating alternative purchases. Customers can also avoid the learning process that takes time and effort to learn from new companies. Meanwhile, according to Tjiptono & Chandra (2016: 387) customer loyalty is a commitment that a customer has towards a brand, product and company reflected in attitudes and making repeat purchases. Customer loyalty or also known as consumer loyalty,The dimensions of customer/consumer loyalty include the following

1)   Recommended Company customers can make recommendations to those around them and tell people about the benefits of the products and services they offer. Say positive on benchmarks and provide advice to existing customers

2)   *Refuse*(refuse) It is the form or attitude that determines whether the client is truly loyal to us. If a customer is loyal, he will be very sensitive to other similar products. Then this customer prioritizes the product and refuses to offer other products

3)   *Repeat*Purchases These are problems or activities that reflect loyal customers who will buy reliable products again and again, so finding buyers who are committed to the products you offer is very helpful. With a constant purchasing index.

Based on the dimensions of customer loyalty above, we can confirm several indicators of customer loyalty as follows

1)   Make repeat purchases.
Is a purchase intention or an action taken by consumers with the aim of making purchases more than once

2)   Recommend to other parties
Is an act of suggesting or recommending to be carried out by consumers to other potential consumers regarding the products or services provided

3)   Don't intend to move
It is a good experience that arises from a product or service provided so that consumers are loyal to the product or service provided and are reluctant to switch

4)   Talk about positive things
A good impression felt by consumers towards a product or service provided so that it will automatically lead to satisfaction for the consumer by talking about positive things about the product or service.
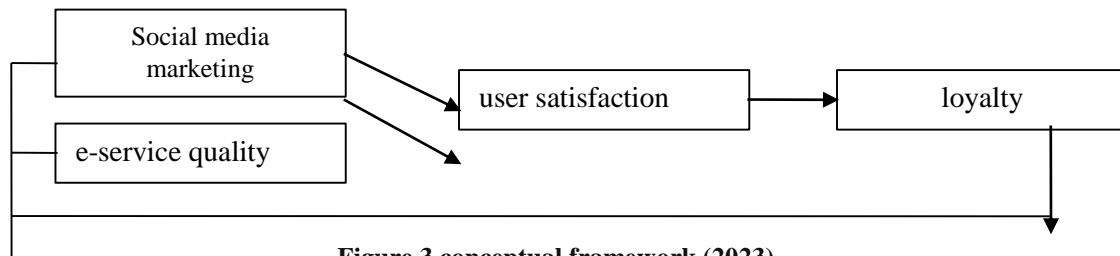
Figure 3 conceptual framework,(2023)

III.   Research Methods

       This research is a quantitative associative study designed to determine the influence of the independent variables, namely social media marketing, e-service quality, satisfaction and loyalty. The method used in this study is a survey method, in which respondents are given several statements in the form of a questionnaire. The population in this study are Grab application users in Medan City. The research population is 200 respondents. Samples were taken using the slovin formula of 133 respondents. Data analysis was carried out by means of path analysis using the SPSS program.

IV.   Results and Discussion

Path Analysis Results Sub 1
Coefficient of Determination

Table 2. The coefficient of determination

Summary model b

Model	R	R Square	Adjusted R Square	std. Error of the Estimate
d1 i n e n s i o n 0	.867a	.752	.748	1.64877

a. Predictors: (Constant), e-service quality, social media marketing
b. Dependent Variable: customer satisfaction

Source: Results of SPSS data processing Version 23, (2023)
Based on Table 2, it is known that the Adjusted R Square value is 0.748. This value can be interpreted as the ability of the independent variable to influence the dependent variable of 0.748.

F Test (Simultaneous)
The simultaneous influence of social media marketing variables (X1) and e-service quality (X2) effect on customer satisfaction (Z) can be seen in Table 3:

Table 3 F Test (Simultaneously)
ANOVA b

Model		Sum of Squares	Df	MeanSquare	F	Sig.
1	Regression	1072,375	2	536,188	197,240	.000a
	residual	353,399	130	2,718		
	Total	1425,774	132			

a. Predictors: (Constant), e-service quality, social media marketing

b. Dependent Variable: customer satisfaction

Source: Results of SPSS data processing Version 23, (2023)

Based on Table 3, it is found that the Fcount value is 197,240 with a significant level of 0.000, which is less than an alpha of 0.05 (5%).

t test (Partial)

Table 4 presents the regression coefficient values, as well as statistical values for partial effect testing.

Table 4 (Partial) t test
Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	std. Error	Betas		
1	(Constant)	6006	.831		7,231	.000
	social media marketing	.743	.074	.730	10040	.000
	e-service quality	.136	.060	.164	2,262	.025

a. Dependent Variable: customer satisfaction

Source: Results of SPSS data processing Version 23, (2023)
Based on Table 4, the regression equation is obtained as follows.

$$Z = 6,006 + 0.743\ X1 + 0.136\ X2$$

Path Analysis Results Sub 2
Table 5 Determination Test
Summary model b

Model	R	R Square	Adjusted R Square	std. Error of the Estimate
d1inension0	.944a	.892	.889	1.19061

a. Predictors: (Constant), customer satisfaction, e-service quality, social media marketing
b. Dependent Variable: customer loyalty
Source: Results of SPSS data processing Version 23, (2023)

Based on Table 5, it is known that the Adjusted R Square value is 0.889. This value can be interpreted as the ability of the independent variable to influence the dependent variable of 0.889.

F Test (Simultaneous)

The simultaneous influence of social media marketing variables (X1) and e-service quality (X2) and customer satisfaction (Z) on loyalty (Y) can be seen in Table 6:

Table 6 Test F (simultaneously)

ANOVA b

Model		Sum of Squares	df	MeanSquare	F	Sig.
1	Regression	1504053	3	501,351	353,674	.000a
	residual	182,864	129	1,418		
	Total	1686,917	132			

a. Predictors: (Constant), customer satisfaction, e-service quality, social media marketing

b. Dependent Variable: customer loyalty

Source: Results of SPSS data processing Version 23, (2022)

Based on Table 6 it is found that the Fcount value is 353,674 with a significant level of 0.000 which is less than alpha 0.05 (5%).

t test (Partial)

Table 7 presents the values of the regression coefficients, as well as statistical values for partial effect testing.

Table 7 t test (partial)

Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	std. Error	Betas		
1	(Constant)	1981	.710		2,790	006
	social media marketing	.786	071	.710	11043	.000
	e-service quality	.110	044	.123	2,494	014
	customer satisfaction	.162	063	.149	2,564	011

a. Dependent Variable: customer loyalty

Source: Results of SPSS data processing Version 23, (2023)

Based on Table 7, the regression equation is obtained as follows.

$$Y = 1,981 + 0.786\ X1 + 0.110\ X2 + 0.162Z$$

V. Discussion :

1.   The influence of social media marketing on Grab service user satisfaction

Social media marketing as the use of social media sites to carry out general marketing activities that can display interesting content so that it can attract the attention of the audience and trigger them to share this content which will help the company expand its reach. Social media is one of the main options for businesses to establish themselves competing in expanding a business. Effectiveness and efficiency in using social media is certainly the reason behind it all. The existence of good social media marketing can increase the satisfaction of Grab service users. This is because customer satisfaction is the main goal that needs to be maintained by every business actor. Satisfaction is seen as the main element that determines the success of a marketing organization. Social media marketing will also result in consumer involvement so that there is an active relationship between brands and consumers and can ultimately provide consumer satisfaction with products and services. This is in line with research conducted by(Agnihotri et al., 2016; Chen & Lin, 2019; Hanaysha, 2017; Ramanathan et al., 2017; Zhu & Chen, 2015)that social media marketing has a significant effect on satisfaction.

2.   Effect of e-service quality on Grab service user satisfaction

E-service quality or electronic service quality is a way to assess customer satisfaction from internet-based service providers which includes the process of purchasing and delivering products or services by measuring the ability of a website to provide effective and efficient shopping facilities. The measurement is carried out by assessing how the service is received by customers and comparing it with the service expected by customers based on the dimensions of service quality. The satisfaction of Grab service users greatly influences the company because customers are the result of income for a business, if there are more customers, it can increase revenue. an effort.

Conversely, if there is consumer dissatisfaction with the product, the price and quality of electronic services can cause these consumers to switch directions to similar businesses so that it can be detrimental to business actors. This is in line with research conducted by(Bressolles et al., 2014; Carlson & O'Cass, 2010; Cristobal et al., 2007; Herington & Weaven, 2009).

3.   The influence of social media marketing and e-service quality on loyalty through Grab service user satisfaction

Social media marketing is the utilization of resources and time by companies by building platforms to create brand loyalty to customers, which are used more effectively than traditional methods. A company is said to be wise if it measures its customer satisfaction regularly, because the key to retaining customers is satisfaction. Highly satisfied customers generally stay loyal longer, talk favorably about the company and its products, pay less attention to competing brands and offer product or service ideas to the company.Service quality influences and customer satisfaction will shape the intention to buy or reuse a product. It meansthe better the form of service provided and supported by a high level of satisfaction will certainly form customer loyalty. This is in line with research conducted by(Behjati et al., 2012; Khan et al., 2019; Sheng & Liu, 2010).

VI.   Conclusions and recommendations

Conclusion

1)   Social media marketing has a positive and significant effect on grab service user satisfaction in the city of Medan.

2)   E-service quality has a positive and significant effect on grab service user satisfaction in the city of Medan.

3)   Social media marketing has a positive and significant effect on the loyalty of grab service users in the city of Medan.

4)   E-service quality has a positive and significant effect on the loyalty of grab service users in the city of Medan.

5)   User satisfaction has a positive and significant effect on the loyalty of grab service users in the city of Medan.

6)   Social media marketing and e-service quality have a positive and significant effect on loyalty through Grab service user satisfaction in Medan City.

Suggestion

1)   Social media marketing can be further enhanced by using brand ambassadors who can attract users to continue using the Grab application. Brand ambassadors can further introduce the advantages of product applications as well as introduce Grab application features so that they are easier to use by the public so that user satisfaction and loyalty can be further increased.

2)   E-service quality can be further improved by providing training to drivers so that service quality is further improved by implementing courtesy and health protocols to the public so that user satisfaction and loyalty can be further increased.

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