EFFECT OF E-MARKETING AND E-CRM ON E-LOYALTY: AN EMPIRICAL STUDY ON INDONESIAN MANUFACTURES

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ABSTRACT

The purpose of this research is to analyze the effect of e-marketing on e-loyalty, the effect of e-crm on e-loyalty of manufacture in Banten. The method used in this research is quantitative method, data collection method by distributing questionnaires to manufacturer manager. The questionnaire was distributed electronically using simple random sampling technique. The results of the questionnaire returned were 100 respondents. Based on the results of data analysis, it is concluded that e-marketing have a significant effect on e-loyalty. An increase in the e-marketing variable will be followed by an increase in e-loyalty and a decrease in the variable e-marketing will be followed by a decrease in e-loyalty. e-crm have a significant effect on e-loyalty. The novelty of this research is the variable relationship model of e-crm, e-loyalty and e-loyalty. The results of this study can become a reference reference for future research to be applied in other places or countries.

Key Words: e-loyalty, E-marketing, E-loyalty

I. INTRODUCTION

The Industrial Revolution 4.0 is a challenge in the industrial sector where information and communication technology is fully utilized to achieve the highest efficiency so as to produce a new digital-based business model. According to Adinugraha et al. (2021) and Alessa et al. (2021)Efforts that can be carried out by the company in order to maintain the existence of the company is to focus on building relationships with customers. One of the most important elements of a company when maintaining business is customer loyalty. Marketers are given demands to often innovate with the aim of getting new customers, and should be creative in order to retain consumers who have long used the goods and services provided by the company. According to Anas et al. (2020) and Alessa et al. (2021)The strategy for retaining customers should be bigger than the strategy for acquiring new customers. So from this, maintaining customer loyalty, marketers are not enough just by giving the promise of the best products and services, but good relationships with consumers with effective communication are elements that support consumer loyalty. In the midst of intense competition in manufacturing, it maintains consumer loyalty through enhancing its digital marketing strategy and customer relationship marketing. According to Dijkstra et al. (2010) and Desky et al. (2020)digital marketing doesn't just talk about how get consumers, but more on how approach the customer. Some marketing approach in the digital marketing era is not Just do product marketing, but earn reach of consumers through multiple relationships created between marketers and customers when before making a purchase, making a purchase, as well as after making a purchase on the product. According to Arif et al. (2021) and Desky et al. (2020)The relationship between marketers and customers is furthermore realizing customer relationship marketing addressed to all marketing activities intended for the formation, development, as well maintenance of the successful relationship between companies and consumers.
In a business, the competition is getting tougher as well increasingly growing consumer expectations are fueling companies to focus more on use retain owned consumers. Maintain existing market by expanding customer loyalty is the company’s strategic goal maintain business and product profits.

According to Juliana et al. (2021) and Kim et al. (2021) said that digital marketing includes marketing a variety that is used in most businesses in order to carry out marketing of all types of products as well services. According to Pujianti (2021) ; Dewi (2021) Customer relationship marketing, including a stages of the formation of a relational relationship that includes elements of create, maintain, and enhance value for consumer. In the world of marketing is now well known with the digital marketing era, in the following era marketers is no longer limited to various forms of advertising by using conventional media, such as print media and electronics, but can already use the media digital. With the following digital channels, marketers can get the opportunity to make efficiency at the cost promotion in order to create good relations on customers and provide increased loyalty consumers. According to Henseler et al. (2009); Iriani et al. (2021) and Juliana et al. (2021) Digital marketing in manufacturing guided by the use of marketing methods electronic equipment such as computers and smartphones in order to interact with customers. The applications of digital marketing are generally more many are guided by various technologies using the internet. Marketing activities should carried out intensively using computer media, both starting from the product offering, the payment as well delivery. According to Achmad (2021); Khoiri (2021) In the context of marketing, a global crisis got many organizations to start thinking and finding ways to save. Not being it is an open secret that it costs the most to the organization always comes from marketing costs and labor. So from this, business organizations should be smart observe opportunities to carry out marketing activities effective.

According to Araujo (2021); Erlangga (2020); Gunartin (2020) In digital marketing, there are quite a lot of constraints on digital marketing in Indonesia due to the need for maximum internet intake because many marketers do not yet have an understanding of digital media as a marketing medium which is actually very measurable compared to other marketing media. In customer relationship marketing itself, there are several problems that market players still frequently encounter, namely the very complex nature of customer relationship marketing, especially for companies that already control the market. According to Gunartin (2020); Imron (2021) implementing customer relationship marketing for many marketers is quite complicated, so that many companies that did not have time to implement this strategy, have collapsed first. Another significant obstacle is when marketers confuse customer relationship marketing as limited to customer service work, which in the end is limited to buying and selling relationships between marketers and consumers. Based on this theory, it can be interpreted that it is suspected that the factors that can influence purchasing decisions are public perceptions related to digital marketing, customer relationship marketing and consumer loyalty. According to Nugroho et al. (2020); Novitasari et al. (2021) conclude that digital marketing is a way that is able to provide an additional dimension that uniquely differentiates it from other products designed to satisfy similar needs. These differences can be rational and tangible (related to the product performance of the product) or symbolic, emotional and intangible (with regard to product representation).

According to Nugroho et al. (2020); Novitasari et al. (2021) and Fabiyani et al. (2021) said that digital marketing includes a variety of marketing used in most businesses to carry out marketing of all types of products and services. Digital marketing is guided by marketing methods through the use of electronic equipment such as computers and smartphones so that they can interact with customers. According to Novitasari et al. (2021) and Fabiyani et al. (2021) conclude that digital marketing is a way that is able to provide an additional dimension that is uniquely different from other products designed to satisfy similar needs. Fabiyani et al. (2021) defines digital marketing as an exploitation of digital technology that is used to create a channel to reach potential recipients in order to achieve company goals by meeting consumer needs more effectively and digital marketing is a marketing practice that uses distribution channels to reach customers in a relevant, personal and cost-effective manner .

H1: e-marketing has a significant effect on e-loyalty

Customer relationship marketing includes a stage in the formation of a relationship that includes elements of create, maintain, and enhance value for consumers. According to Pramono et al. (2021) and Rahaman et al. (2021) with the following digital channels, marketers can get opportunities to make efficiency in promotional costs so that they can create good relationships with customers and provide increased consumer loyalty. Likewise, according to According to Purwanto et al. (2021) Rahaman et al. (2021) Customer relationship
marketing is a concept that symbolizes old ties based on mutual interests between companies and customers. Like parties (buyers & sellers) who are centered on a common goal. One of the goals that come from customer relationship marketing can be created by giving satisfaction to all customer needs from employees. According to Rahaman et al. (2021) states that customer relationship marketing is a form of digital marketing from a company that targets customers and establishes relevant digital marketing communications. According to Purwanto et al. (2021); Pramono et al. (2021) and Rahaman et al. (2021) adds that consumer loyalty is a phase where consumers continue to purchase goods and services and have a special relationship with the company and become a partner for the company.

H2: e-crm has a significant effect on e-loyalty

II. METHOD

The method used in this research is quantitative method, data collection method by distributing questionnaires to 100 managers of manufacture in banten. Data collection techniques in the following study used a questionnaire with a Likert scale of 1-5 with a total of 21 items of written statements given to 100 manufacturing managers to be filled in and returned later. Data analysis techniques in this study used the help of SmartPLS 3.3.3. Data analysis is used to find out the amount of influence of the e-marketing and e-crm variables and the dependent variable, namely Consumer Loyalty

Each closed question / statement item is given five answer options, namely: strongly agree (SS) score 5, agree (S) score 4, disagree (KS) score 3, disagree (TS) score 2, and strongly disagree (STS) ) score 1. The method for processing data is by using PLS and using the SmartPLS version 3.0 software as a tool. The population in this study were 100 managers of manufacture in Banten Indonesia. The questionnaire was distributed electronically using simple random sampling technique. The results of the questionnaire returned were 100 respondents

Based on the theoretical study and previous research above, the research model is as in Figure 1. While the research hypothesis is as follows:

H1: e-marketing has a significant effect on e-loyalty

H2: e-crm has a significant effect on e-loyalty

III. RESULT AND DISCUSSION

The results of research and data processing that have been obtained by researchers from respondents on the effect of digital marketing and customer relationship marketing on consumer loyalty. Researchers distributed questionnaires as many as 100 respondents. The questionnaire given to respondents contains 21 statement items. According to Hair et al. (2017) and Hair et al. (2018) The testing phase of the measurement model includes testing for convergent validity, discriminant validity and composite reliability. The results of the PLS analysis can be used to test the research hypothesis if all indicators in the PLS model have met the requirements of convergent validity, discriminant validity and reliability testing. According to Hair et al. (2019); Hair et al. (2012); Hair et al. (2017)) Convergent validity test is done by looking at the loading factor value of each indicator against the construct. In most references According to Hair et al. (2018) a factor weight of 0.5 or more is considered to have sufficiently strong validation to explain latent constructs In this study, the minimum limit for the accepted loading factor is 0.5, provided that the AVE value of each construct is > 0.5 . Based on the estimation results of the PLS model found all indicators have a loading factor value above 0.5 so that the model
has met the convergent validity requirements. According to Hair et al. (2012); Hair et al. (2017) and Hair et al. (2018) part from looking at the loading factor value of each indicator, convergent validity was also assessed from the AVE value of each construct. AVE for each complete construct can be seen in Table 2. According to Hair et al. (2018) the AVE value for each construct of this study is more than 0.5. So the convergent validity of this research model has met the requirements. The value of loadings, cronbach's alpha, composite reliability and Variance Extracted (AVE) shown in Table 2.

| Table 1. Cronbach’s Alpha, Composite Reliability, and Average Variance Extracted (AVE) |
|-------------------------------------|-----------|---------|----------|
| e-marketing                        | 0.918     | 1.034   | 0.911    | 0.977    |
| e-crm                              | 0.965     | 0.974   | 0.909    | 0.953    |
| e-loyalty                          | 0.927     | 0.952   | 0.945    | 0.923    |

Construction Reliability Testing

According to Hair et al. (2017) and Hair et al. (2018) construct reliability can be assessed from the Cronbach's alpha value and the composite reliability of each construct. The recommended composite reliability and cronbach's alpha value is more than 0.7. The results of the reliability test in Table 1 above show that all constructs have composite reliability and Cronbach's alpha values are greater than 0.7 (> 0.7). In conclusion, all constructs have met the required reliability.

Desriminant Validity Testing

Discriminant validity is done to ensure that each concept of each latent variable is different from other latent variables. According to Hair et al. (2019) the model has good discriminant validity if the AVE square value of each exogenous construct (the value on the diagonal) exceeds the correlation between this construct and other constructs (values below the diagonal). The results of the discriminant validity test in Table 4 show that all constructs have a square root value of AVE above the correlation value with other latent constructs (through the Fornell-Larcker criteria) so that it can be concluded that the model has met discriminant validity.

<table>
<thead>
<tr>
<th>Table 2. Discriminant Validity</th>
</tr>
</thead>
<tbody>
<tr>
<td>e-marketing</td>
</tr>
<tr>
<td>e-crm</td>
</tr>
<tr>
<td>e-loyalty</td>
</tr>
</tbody>
</table>

Hypothesis test

According to Hair et al. (2019); Hair et al. (2012); Hair et al. (2017) hypothesis testing in PLS is also known as the inner model test. This test includes a significance test for direct and indirect effects as well as a measurement of the magnitude of the influence of exogenous variables on endogenous variables. To determine the e-marketing and e-crm on e-quality, a direct and indirect effect test is needed. The effect test was performed using the t-statistic test in the partial least squared (PLS) analysis model using the SmartPLS 3.0 software. With the bootstrapping technique, the R Square value and the significance test value are obtained as shown in the table below:

<table>
<thead>
<tr>
<th>Table 3. R Square</th>
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<tbody>
<tr>
<td>e-loyalty</td>
</tr>
<tr>
<td>R Square Adjusted</td>
</tr>
</tbody>
</table>
Based on Table 3 above, the R Square value is 0.683 which means that the sales performance variable can be explained by the production and promotion cost variable of 56%, while the remaining 34% is explained by other variables not discussed in this study.

### Table 4. Hypotheses Testing

<table>
<thead>
<tr>
<th>Variable</th>
<th>Original Sample (O)</th>
<th>Sample Mean (M)</th>
<th>Standard Deviation</th>
<th>T Statistics</th>
<th>P Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>e-marketing -&gt; e-loyalty</td>
<td>0.121</td>
<td>0.067</td>
<td>0.212</td>
<td>3.121</td>
<td>0.013</td>
</tr>
<tr>
<td>e-crm -&gt; e-loyalty</td>
<td>-0.321</td>
<td>-0.354</td>
<td>0.225</td>
<td>2.334</td>
<td>0.002</td>
</tr>
</tbody>
</table>

**H1: e-marketing has a significant effect on e-loyalty**

Based on the results of the analysis in table 4, it is obtained T Statistics of 3.121 > 1.96 and P-Values 0.013 < 0.050 so that it can be concluded that H1 is accepted, e-marketing has significant effect on e-loyalty. An increase in the e-marketing variable will be followed by an increase in e-loyalty and a decrease in variable e-marketing will be followed by a decrease in e-loyalty. This Result is align with According to Henseler et al. (2009); Iriani et al. (2021) and Juliana et al. (2021) and Kim et al. (2021) that an increase in the e-marketing variable will be followed by an increase in e-loyalty and a decrease in variable e-marketing will be followed by a decrease in e-loyalty.

**H2: e-crm has a significant effect on e-loyalty**

Based on the results of the analysis in table 4, it is obtained T Statistics of 2.334 > 1.96 and P-Values of 0.002 < 0.050, so it can be concluded that H2 is accepted. e-crm has effect on sales performance. An increase in the variable e-crm will increase the e-loyalty variable and a decrease in the variable e-crm will decrease the e-loyalty variable. This result is align with According to Purwanto et al. (2021); Pramono et al. (2021) and Rahaman et al. (2021) that An increase in the variable e-crm will increase the e-loyalty variable and a decrease in the variable e-crm will decrease the e-loyalty variable.

### IV. DISCUSSION

These results support according to Sena et al. (2020) and Suardhita et al. (2020) digital has a similar meaning to electronic digital marketing (e-marketing), both of which explain that management and electronic media are used for the application of digital marketing, meaning that the meaning of digital marketing is the use of digital technology as the formation of online channels. According Paramarta (2021); Pawar (2020) (online channels) to the market (websites, e-mail, databases, digital TV, as well as through various other actual innovations including blogs, feeds, podcasts, and social networks) are given benefits to digital marketing activities aimed at gaining profit, building and developing bonds with customers rather than expanding a directed approach so as to foster knowledge about consumers about the company, behavior, values and level of loyalty to product brands, then the communication is unified and will be targeted with online services which will later be tailored to the needs of each individual or individual customers. The customer relationship marketing variable proves that this variable has a positive and significant effect. This result is supported by According to Rudyanto et al. (2020) and Suardhita et al. (2020)), which reveals that there is a positive influence generated by customer relationship marketing on customer loyalty. The results in the following research are similar to Sirait’s (2018) previous research, based on the results of the t test that has been carried out, namely customer relationship marketing partially or simultaneously, and service quality has an influence on customer satisfaction. In this connection, customer relationship marketing is an active and broad perception, so it must be connected with other concepts, namely integrated problem communication. Although technological facilities exist.

According to Sunarsi (2020); Supriyadi (2020) Customer Relationship Marketing is a factor that is quite important and desirable to be given attention to users of a service. In order to create customer satisfaction, the services provided are desired as quality services. Customer Relationship Marketing is a concern of manufacture. That Customer relationship marketing is useful in fulfilling the needs and desires of its consumers, as well as its accuracy in providing ambition to consumers. In the results of other studies that have been carried out by Supriadi et al. (2020); Suheny et al. (2020) and Wanasida et al. (2021)said that customer relationship marketing has a significant impact on consumer loyalty. The results are also in line with research that has been carried out by Hermawan (2018), it can be proven by the results obtained, namely the customer relationship marketing variable has a significant effect on consumer loyalty or by increasing customer relationship marketing, consumer...
loyalty will increase. So, the management can follow up on renovations related to the arrangement of the customer approach offered.

According to Supriadi et al. (2020); Suheny et al. (2020) and Wanasida et al. (2021) conclude that consumer loyalty is committed to continuing to purchase products or services and has a high level of tolerance for situations that consumers do not want, for example the relationship between price and poor product quality. Loyal customers do not always mean that the customer is satisfied, but customers who get satisfaction are generally loyal customers. The following measures are able to describe whether or not consumers may switch to other products. According Muslimat (2021); Pujiati (2021); Dewi (2021) many factors influence customer loyalty, including digital marketing and customer relationship marketing.

Digital marketing can provide assistance in marketing to provide increased marketing performance and benefits. Digital channels offer opportunities to build relationships with customers and increase consumer loyalty. According to Anas et al. (2020) and Alessa et al. (2021) customer relationship marketing is a concept that symbolizes old ties based on mutual interests between companies and customers like parties (buyers & sellers) that are centered on a common goal. According to Adinugraha et al. (2021) and Alessa et al. (2021) adds that Consumer Loyalty is a phase where consumers continue to make purchases of goods and services and have a special relationship with the company and become a partner for the company. The conclusion from Purwanto et al. (2021); Pramono et al. (2021) and Rahman et al. (2021) research shows that simultaneously digital marketing and customer relationship marketing have a significant effect on consumer loyalty. In the following research supported by Rahaman et al. (2021) it is concluded that customer relationship marketing and brand trust simultaneously have a significant effect on customer loyalty. Supported by the indicators of consumer loyalty, the following research is implemented including repeated buying, resilience of consumer loyalty, and total reflection of the company's existence. Some of the indicators can be supported by explanations, namely digital marketing and customer relationship marketing that have a significant influence on consumer loyalty.

V. CONCLUSION

Based on the results of data analysis, it is concluded that e-marketing have a significant effect on e-loyalty. An increase in the e-marketing variable will be followed by an increase in e-loyalty and a decrease in the variable e-marketing will be followed by a decrease in e-loyalty. e-crm have a significant effect on e-loyalty. The novelty of this research is the variable relationship model of e-crm, e-loyalty and e-loyalty. The results of this study can become a reference reference for future research to be applied in other places or countries. This research can be applied as additional information for companies in marketing, especially for manufacturing companies to always improve digital marketing and be able to maintain customer relationship marketing with existing competitors so that consumer loyalty will always increase according to the target of the company. For future researchers who want to carry out the same research, in order to expand the results of the research and how to improve the existing research objects in other companies using different types of presentation. Being able to enter other independent variables will later get new results that are relevant in a study related to increased consumer loyalty.

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