

Digital Marketing and Entrepreneurial Marketing in Optimizing Millennial Consumer Loyalty through Consumer Satisfaction

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Abstract: Millennial generation loyalty to a product needs to be supported by a strategy that leads to digitalization and innovation. Evidence of the effect of digital marketing, entrepreneurial marketing on customer satisfaction is tested in this study. The effect of intervening consumer satisfaction on the relationship between digital marketing, entrepreneurial and consumer loyalty is included in the test. The population is the millennial generation who have visited Semarang and obtained 103 samples. The data analysis technique used regression and path analysis. The results of the study found a significant effect of digital marketing on consumer satisfaction (0.001) and consumer loyalty (0.000) and a significant influence of entrepreneurial marketing on consumer satisfaction (0.000). Consumer satisfaction is not proven to have an effect on consumer loyalty (0.163) so it is not proven to have an intervening effect. Digital marketing can be used to increase millennial consumer satisfaction and loyalty in the tourism sector. Future research can provide certain conditions for the sample so that the results are more optimal.

Keywords: *digital marketing, entrepreneurial marketing, consumer loyalty, consumer satisfaction*

1. Introduction

The development of the business world today requires business people to develop their business and maintain its sustainability. Therefore, consumers are expected to provide a sustainable response in the form of loyalty. Loyal customers will consistently spend the existing budget to buy products from the same seller (Kotler, 2017). According to Hayes (2009, p. 44) loyal customers will increase purchases in addition to promoting and recommending the company to their friends who in turn become new customers. This will encourage financial growth. (Huba & McConnell, 2007) describes consumer loyalty in several levels, one of which is customer satisfaction which is interpreted as the willingness of consumers to stay with the organization as long as their expectations are met. According to Kotler and Keller, high satisfaction will result in high customer loyalty where the company must ensure product performance exceeds customer expectations.

The tourism sector is set to be one of the priority sectors for national development and is expected to become a sector capable of moving other industrial sectors (indonesia.go.id, n.d.). Building the tourism industry will encourage the development of other industries because of the multiplier effect. The city of Semarang as the capital of the province of Central Java has a

large tourism potential. Various tourist attractions, both natural, religious and historical, exist in the city of Semarang. Increasing consumers is needed to optimize tourism for development.

The segment that has the potential to be targeted is the millennial generation. It is estimated that tourism consumers from the millennial generation in the next 10 years will reach 75% of the global market. The Asian tourism market in 2030 is projected to be 57% dominated by millennial tourists aged 15–34 years. Tourists aged 15–29 years turned out to account for about 23% of global tourists in 2016, and the number continues to increase from year to year (indonesia.go.id, nd) Indonesia itself has the tourism market potential of the 3rd largest millennial generation in Asia with a population millennials who reach 82 million people in 2020 (suryadevata.go.id, nd).

The millennial generation is unique in terms of the high intensity of using technology compared to the previous generation based on PEW research. Digitalization is a necessary effort to approach the millennial generation. (Yasmin et al., 2015) in his research found that to face the challenges of generation, digital channels in marketing have become an important part of the company's strategy. (Wibowo & Haryokusumo, 2020) prove the positive influence of the use of e-commerce applications, social media Instagram, digital marketing on instant online buying of millennial consumers.

Another characteristic of the millennial generation in terms of creativity. According to Suryadi (W et al., 2020)) the millennial generation is open to new things, being different and creative. Marketing for the millennial generation in this case needs to prioritize creativity and innovation. Entrepreneurial marketing as a marketing concept that is focused on innovation and developing ideas that are in accordance with market needs, is appropriate to be used as a marketing strategy among millennials. (Simms & Trott, 2007) stated that marketing activities based on the concept of entrepreneurship will determine the company's performance.

This research intends to understand the optimization of millennial consumer loyalty through consumer satisfaction by increasing digital marketing and entrepreneurial marketing, with the title Digital Marketing and Entrepreneurial Marketing research in Optimizing Millennial Consumer Loyalty through Consumer Satisfaction.

Consumer loyalty is understood as a consumer's commitment to a brand, store or supplier that is based on a positive attitude and is shown in consistent repeat purchases. Griffin (2010) suggests the characteristics of consumer loyalty as many as 4 characters :1) make regular purchases;2) buying outside the product/service line;3) recommend the product to others;4) demonstrate immunity from the attraction of similar products from competitors.

Customer satisfaction according to Kotler and Keller (2016) is seen from the level of customer feelings after comparing service performance with customer expectations. Oliver (2010) argues that satisfaction in terms of satisfying customer expectations. According to Hallowell (in Kiranmayi et.al, 2020) consumer satisfaction measures the needs, desires, expectations and expectations that are met. Assessment of consumer satisfaction according to Oliver (2010) is better to use the item b scale not only from the service side but also includes components in the service process. Indicators in consumer satisfaction according to Supranto's opinion (in (Gultom et al., 2020), namely: service responsiveness, professionalism and overall satisfaction with services.

Consumers who are satisfied with the goods or services consumed tend to repurchase the goods or services. Furthermore, the consumer is trying to recommend it to others. Kiranmayi

and Jesvina (2020) in their research on e-banking customer loyalty found that consumer satisfaction has a positive effect on consumer loyalty. Gultom et al found a positive effect of customer satisfaction and customer loyalty on star hotel customers.

H1: consumer satisfaction has a positive effect on consumer loyalty

The American Marketing Association (AMA) defines digital marketing as the activities, institutions, and processes facilitated by digital technology to create, communicate, and deliver value to consumers and other interested parties. Chaffey in (Yasmin et al., 2015)) defines digital marketing as the use of technology to assist marketing activities with the aim of increasing consumer knowledge using need adjustment. Elements of digital marketing vary through electronic devices, including online advertising, email marketing, social media, text messages, affiliate marketing and SE (Yasmin et.al, 2015)

The use of digital marketing by companies will provide interesting information for consumers. The convenience of knowing the products and services offered is obtained by consumers through digital marketing. Consumers will feel that their expectations are fulfilled by buying products from the company after easily recognizing the products offered through digital marketing. Digital marketing makes it easy for consumers to choose the products and services to buy from the company. Furthermore, consumers will feel that they recognize the product or service of the company so that they will want to recommend it to others. Research (Andi, 2018) on digital marketing in national banking companies found a positive influence on consumer satisfaction. (Purnomo et al., n.d.) in their research found that digital marketing has a positive effect on customer loyalty.

H2: digital marketing has a positive effect on consumer satisfaction

H3: digital marketing has a positive effect on consumer loyalty

Entrepreneurial marketing is recognized as exploiting attractive marketing opportunities by leveraging innovation to create goods and services that generate superior value (Miles et al., 2015). It refers to marketing and entrepreneurship work by focusing on how individuals and management teams accept risk in an innovative way and proactively utilize resources to create value in the market (Miles et.al, 2014). Viewed from the organizational function, entrepreneurial marketing is a process to create market opportunities, be innovative, have a willingness to face business risks or business risk management, and build relationships with customers through communication, as well as creating and delivering value (Shiratina et al., 2016).

Hidayatullah (2017) when researching the Jatim Park tourism vehicle in the application of entrepreneurial marketing found that consumer satisfaction was positively influenced by entrepreneurial marketing. The positive influence of entrepreneurial marketing on consumer loyalty also found in the research of Hidayatullah et al (2020) on millennial consumers of tourist rides.

H4: entrepreneurial marketing has a positive effect on customer satisfaction

H5: entrepreneurial marketing has a positive effect on consumer loyalty

The intervening role of the consumer satisfaction to the relation digital marketing, entrepreneurial marketing and consumer loyalty was also investigated.

2. Research Method

The population used is the millennial generation who have visited Semarang. The sample size in this study was 100. The sampling method was carried out by non-probability sampling with a sampling technique using purposive sampling. The data analysis technique used linear regression and path analysis. The use of linear regression analysis to determine the effect of digital marketing and entrepreneurial marketing on consumer satisfaction and consumer satisfaction on consumer loyalty. Path analysis is used to determine consumer satisfaction as an intervening variable between digital marketing and entrepreneurial marketing on consumer loyalty

3. Results and Discussion

3.1. Results

Data analysis using regression was preceded by classical assumption test. The data processing shows that there is no multicollinearity problem seen from the VIF value of 2,11 smaller than 10 and the Tolerance value of 0,474 greater than 0,1. The use of histogram and normal P-Plot in the normality test shows that the residual data is normally distributed so that there is no normality problem. Likewise, the heteroscedasticity test using a scatter plot shows that the data is free from the heteroscedasticity problem.

The t-test to determine the effect of the variable is as follows:

Tabel 1. T – test Result

Hipotesis	t	P	Result
Digital marketing → consumer satisfaction	3,586	0,001	significant
Entrepreunerial marketing → consumer satisfaction	7,060	0,000	significant
Digital marketing → consumer loyalty	4,197	0,000	significant
Entrepreunerial marketing → consumer loyalty	1,080	0,283	Not significant
Consumer Satisfaction → consumer loyalty	1,404	0,163	Not significant

The effect of intervening consumer satisfaction on the relationship of digital marketing, entrepreneurial marketing on consumer loyalty is not proven significantly because consumer satisfaction has no significant effect on consumer loyalty

3.2. Discussion

Digital marketing has a significant effect on consumer satisfaction. Digital marketing coverage that covers all social media makes consumers feel like visiting a fun tourist spot. Attractive digital marketing content and making it easier to find tourist attractions in Semarang makes consumers want to come back to visit tourist attractions and will recommend them to others. Entrepreneurial marketing makes tourism more diverse, following current trends so that consumers feel satisfied visiting tourist attractions. Entrepreneurial influence on consumer loyalty is not proven in this study. Evidence of a significant effect of consumer satisfaction on consumer loyalty has not been found in this

study. This result is possible when many consumers live in Semarang so they keep coming back to visit tourist attractions in Semarang even though they have low satisfaction.

4. Conclusion

The use of digital marketing in marketing strategies among millennials has a significant effect on increasing consumer satisfaction. Digital marketing also has a significant effect on consumer loyalty. Entrepreneurial marketing has a significant effect on increasing consumer satisfaction but has no effect on consumer loyalty. In this study, consumer satisfaction did not significantly affect consumer loyalty. Future research can use a more adequate sample so as to get better results.

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