

THE INFLUENCE OF DIGITAL MARKETING, PROMOTION, AND SERVICE QUALITY ON CUSTOMER REPURCHASE INTENTION AT HUB22 LOUNGE & BISTRO SURABAYA

Florensia Vivin Ardisa¹, J. E. Sutanto², Michael Ricky Sondak³

Culinary Business, Universitas Ciputra Surabaya^{1,3}

Magister Management Universitas Ciputra Surabaya²

Email: fvivinardisa@student.ciputra.ac.id¹, je.sutanto@ciputra.ac.id², michael@ciputra.ac.id³

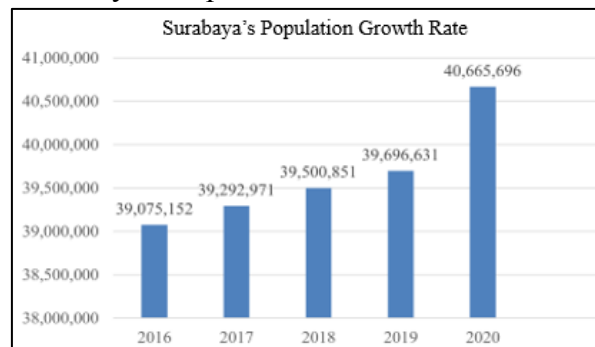
Abstract: The study entitled “The Influence of Digital Marketing, Promotion, and Service Quality on Customer Repurchase Intention at Hub22 Lounge & Bistro Surabaya” has four objectives, namely: (1) Knowing the effect of digital marketing on repurchase intention partially, (2) Knowing the effect of promotion on repurchase intention partially, (3) Knowing the effect of service quality on repurchase intention partially, (4) Knowing the effect of digital marketing, promotion, service quality on repurchase intention simultaneously. Hub22 Lounge & Bistro Surabaya is a business engaged in food and beverages. This research uses quantitative methods. The population in this study was the customers of Hub22 Lounge & Bistro who made transactions for the last six months. The sample in this study amounted to 140 respondents. Data collected through the distribution of questionnaires were distributed online using SPSS version 26. The results of this study are: (1) Digital Marketing partially has a significant effect on repurchase intention, (2) Promotion partially has a significant effect on repurchase intention, (3) Service quality partially has a significant effect on repurchase intention, and (4) Digital marketing, promotion, service quality simultaneously have a significant effect on repurchase intention.

Keywords: *Digital Marketing, Promotion, Repurchase Intention, Service Quality*

1. Introduction

Indonesia is a country where the population continues to rise every year. The rise in population occurred in Indonesia's major cities, one of which was Surabaya. The improvement in Surabaya continues as time passes. Surabaya's population has grown by 1,590,544 people in the last five years. The following graph shows Surabaya's population growth over the last five years, from 2016 to 2020.

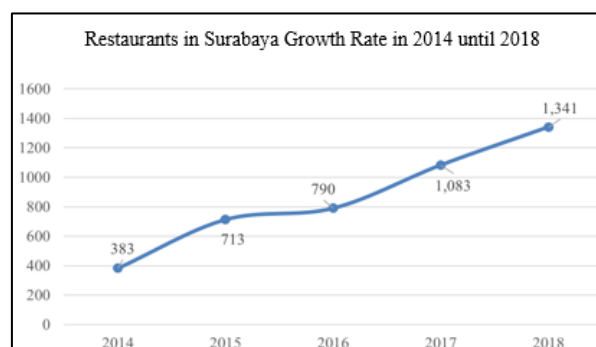
Figure 1.1 Surabaya's Population Growth Rate in 2016 until 2020



Source: Badan Pusat Statistik (2021)

Surabaya's population continues to grow, resulting in an increase in new businesses. The culinary business is one of the most common types of business. The culinary business has grown in popularity since it is a growing industry to work in. Food is a basic human requirement, so it will always be sought after and purchased.

Figure 1.2 Restaurants in Surabaya Growth Rate in 2014 until 2018



Source: Badan Pusat Statistik Kota Surabaya (2019)

The number of restaurants and restaurants in Surabaya is constantly increasing, as shown in Table 1.2. The rise in the food industry has resulted in an increased number of culinary businesses, one of which is the Hub22 Lounge & Bistro restaurant. Many businesses have closed due to increasing competition and a lack of returning consumers. Due to the high level of competition, restaurant owners must be able to develop positive relationships with customers for their restaurant to be visited again.

One approach for marketing is to use the internet to help their business. This may be performed so that business owners can reach attract more and more customers through online marketing. Marketing is one of the most crucial aspects of a company's success, and because it has evolved towards a more modern approach, it has been known as digital marketing (Pranoto, Jasmani and Marayasa, 2019). Giving promotions can also be one of the most significant things to do at this time because it allows you to communicate with customers and potentially generates the customer's intention to repurchase the product. Companies can develop successful long-term and short-term interaction relationships between companies and customers in introducing, marketing, and selling a product (Aulia,2020).

Customers that receive excellent service are more likely to return. According to Saselah et al. (2019), excellent and consistent service quality will show customers that the service given is the best. So customer satisfaction will increase, which will result in customers returning to utilize services on a regular basis, at last becoming loyal and returning again.

2. Research Method

This study uses quantitative research methods to obtain the results of the study. This study obtained data in the form of numbers obtained through respondents. The population in this study were the consumers of Hub22 Lounge & Bistro Surabaya who made transactions in the last six months. According to Hair et al. (2014), the ideal number of samples used in this study has a minimum of five to a maximum of ten times the number of indicators in the study. Researchers used a maximum value of 10 to determine the sample in this study, and because this study had 14 indicators, the sample to be obtained was 14×10 . In this research, the researcher used a purposive sampling technique because the criteria that must be met by the respondent is that the respondent has made a minimum transaction of two times at Hub22 Lounge & Bistro Surabaya and is aged between 18–45 years.

3. Results and Discussion

3.1 Respondent Description

The subject of this study were customers from Hub22 Lounge & Bistro Surabaya who made transactions at least twice in the last six months.

Table 3.1 Respondent Description

Variable		Frequency	Percentage
Gender	Male	64	45.7%
	Female	76	54.3%
Age	18-24 Years	92	65.7%
	25-31 Years	16	11.4%
	32-38 Years	11	7.9%
	39-45 Years	21	15%

Source: Processed Data (2022)

As seen in Table 4.1, there are a total of 140 respondents, of which 64 are male and 104 are female. In terms of age, at the age range of 18 years to 24 years, there is 65.7%, at the age range of 25 years to 31 years, there is 11.4%, at the age range of 32 years to 38 years, there is 7.9%, at the age range of 39 years to 45 years, there is 15%.

3.2 Instrument of Test Result

The validity test in this study uses Pearson correlation, where if the value of Sig. < 0.05 then the instrument is declared valid. The reliability test in this study used the Cronbach's Alpha (α) > 0.60. When the Cronbach's alpha value was above 0.60, the instrument was declared reliable or consistent. The study shows instrument test result, such as validity and reliability tests with the analysis as follows:

Table 3.2 Validity and Reliability Test

Indicator	Correlation (r)	(Sig.)	Description	Cronbach Alpha if Item Deleted	Cronbach Alpha	Description
-----------	-----------------	--------	-------------	--------------------------------	----------------	-------------

X1.1	0.753	0.000	Valid	0.691	0.703	Reliable
X1.2	0.832	0.000		0.559		
X1.3	0.794	0.000		0.577		
X2.1	0.790	0.000	Valid	0.660	0.736	Reliable
X2.2	0.790	0.000		0.660		
X2.3	0.850	0.000		0.625		
X3.1	0.749	0.000	Valid	0.732	0.774	Reliable
X3.2	0.806	0.000		0.686		
X3.3	0.752	0.000		0.750		
X3.4	0.785	0.000		0.708		
Y.1	0.771	0.000	Valid	0.760	0.801	Reliable
Y.2	0.771	0.000		0.760		
Y.3	0.821	0.000		0.750		
Y.4	0.809	0.000		0.736		

Source: Processed Data SPSS 26 Version (2022)

The validity test results on table 4.2 show there are three questionnaire questions on the Digital Marketing (X_1) variable, and these three questions meet the requirements that can be said to be valid because they have a significant value of less than 0.05. There are three questionnaire questions on the Promotion (X_2) variable, and these three questions meet the requirements that can be said to be valid because they have a significant value of less than 0.05.

There are four questionnaire questions on the Service Quality (X_3) variable, and these four questions meet the requirements that can be said to be valid because they have a significant value less than 0.05. There are four questionnaire questions on the Repurchase Intention (Y) variable, and these four questions meet the requirements that can be said to be valid because they have a significant value of less than 0.05.

From table 4.2, the results from reliable tests show the Cronbach alpha value is bigger than 0.60, which means the data was reliable or consistent. It is also seen that the value of Cronbach's Alpha on the variable is greater than the value of Cronbach's Alpha if the item is deleted. So, it can be concluded that respondents' responses are declared reliable.

3.3 Classical Assumption Test

1) Normality Test

The normality test in this study was conducted using the Kolmogorov-Smirnov test method. The criteria can be seen if it has a significance value > 0.05 , which means that the distribution is normal. The results of the normality test utilizing the Kolmogorov-Smirnov test method are as follows:

Table 3.3 Normality Test Result

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		140
Normal Parameters ^{a,b}	Mean	0.0000000
	Std. Deviation	1.63706654
Most Extreme Differences	Absolute	0.047
	Positive	0.039

	Negative	-0.047
Test Statistic		0.047
Asymp. Sig. (2-tailed)		0.200 ^{c, d}
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		
d. This is a lower bound of the true significance.		

Source: Processed Data SPSS 26 Version (2022)

Based on Table 3.3, the normality test performed using the Kolmogorov-Smirnov test has a significant result of 0.200, so it can be said that the research data has a normal distribution.

2) Multicollinearity Test

A multicollinearity test is used to determine the correlation between independent variables in a regression equation. The measuring instrument used for the multicollinearity test is the Variance Inflation Factor (VIF) where, if the VIF value is < 10.00, then there is no multicollinearity. Here are the results of the multicollinearity test:

Table 3.4 Multicollinearity Test Result

Coefficients ^a			
Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Digital Marketing	0.328	3.049
	Promotion	0.210	4.770
	Service Quality	0.219	4.559
a. Dependent Variable: Repurchase Intention			

Source: Processed Data SPSS 26 Version (2022)

Based on Table 4.11, the VIF value of all variables is < 10.00. Thus, the study meets the assumption of multicollinearity free.

3) Heteroscedasticity Test

The heteroscedasticity test aims to determine the similarity of variance in the residuals. The study is said to be good if there is no heteroscedasticity. In this study, researchers used the Glejser test method to determine the heteroscedasticity test. When the value of Sig. > 0.05, there is no heteroscedasticity in the data. The results of the heteroscedasticity test are as follows:

Table 3.5 Result of The Heteroscedasticity Test

Variable	t	Sig.	Description
Digital Marketing	1.438	0.153	there is no heteroscedasticity
Promotion	-1.142	0.255	there is no heteroscedasticity
Service Quality	1.262	0.209	there is no heteroscedasticity

Source: Processed Data SPSS 26 Version (2022)

Based on Table 4.12, it can be seen that the residual value of all independent variables has a Sig value. > 0.05 , then it can be said that there is no heteroscedasticity in the data.

3.4 Hypothesis Test

A hypothetical test with multiple regression was conducted using the t-test and F tests.

1) Partial Test (t-Test)

A T-test was conducted to find out how much influence one independent variable has on the dependent variable, individually or partially. If the significance value (Sig.) < 0.05 , the independent variable partially has an influence on the dependent variable. The following are the results of the t-Test:

Table 3.6 Result of t-Test

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.052	0.500		2.102	.037
	Digital Marketing	0.602	0.100	.476	6.030	.000
	Promotion	0.292	0.127	.228	2.307	.023
	Service Quality	0.260	0.099	.200	2.073	.040
a. Dependent Variable: Repurchase Intention						

Source: Processed Data SPSS 26 Version

- a) Researchers use the following criteria to test the hypothesis of digital marketing variables:
 If the value of sig. < 0.05 , then H_0 is rejected and H_1 is accepted.
 If the value of sig. > 0.05 , then H_0 is accepted and H_1 is rejected.
 Based on Table 4.10, it is known that digital marketing has a Sig value. < 0.05 , which means H_0 is rejected and H_1 is accepted. So, the conclusion is that the digital marketing variable has a partially significant effect on the repurchase intention variable.
- b) Researchers use the following criteria to test the hypothesis of promotion variables:
 If the value of Sig. < 0.05 , then H_0 is rejected and H_1 is accepted.
 If the value of Sig. > 0.05 , then H_0 is accepted and H_1 is rejected.
 Based on Table 4.10, it is known that promotion has a sig value. < 0.05 , which means H_0 is rejected and H_1 is accepted. So, the conclusion is that the promotion variable has a partially significant effect on the repurchase intention variable.
- c) Researchers use the following criteria to test the hypothesis of service quality variables:
 If the value of sig. < 0.05 , then H_0 is rejected and H_1 is accepted.
 If the value of sig. > 0.05 , then H_0 is accepted and H_1 is rejected.

Based on Table 4.10, it is known that service quality has a sig value. < 0.05 , which means H_0 is rejected and H_1 is accepted. So, the conclusion is that the service quality variable has a partially significant effect on the repurchase intention variable.

2) Simultaneous Test (F Test)

The F test was carried out to determine the effect of the independent variables together on the dependent variable. If the value (sig.) < 0.05 , then the independent variables simultaneously have a significant effect on the dependent variable. Here are the results of the F test using ANOVA:

Table 3.7 F Test Result

ANOVA ^a						
	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	966.132	3	322.044	117.573	.000 ^b
	Residual	372.518	136	2.739		
	Total	1338.650	139			
a. Dependent Variable: Repurchase Intention						
b. Predictors: (Constant), Service Quality, Digital Marketing, Promotion						

Source: Processed Data (2022)

Researchers use the following criteria to test the hypothesis of all variables simultaneously:

If the value of sig. < 0.05 , then H_0 is rejected and H_1 is accepted.

If the value of sig. > 0.05 , then H_0 is accepted and H_1 is rejected.

Based on Table 4.11, it can be seen that all independent variables have a significance value of < 0.05 , which means that all independent variables of digital marketing, promotion, and service quality simultaneously have a significant influence on the dependent variable of repurchase intention.

3.5 Coefficient of Determination Analysis (R^2)

The coefficient of determination (R^2) aims to measure how much the independent variable can affect the dependent variable. The coefficient of determination (R^2) has a range between 0 and 1 ($0 \leq R^2 \leq 1$). The bigger the value of R^2 (close to 1), the simultaneous effect of the independent variable on the dependent variable is considered strong, and if (R^2) is close to 0 then the simultaneous effect of the independent variable on the dependent variable is considered weak.

Tale 3.8 Coefficient of Determination Analysis (R^2) Result

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.850 ^a	0.722	0.716	1.65502
a. Predictors: (Constant), Service Quality, Digital Marketing, Promotion				

Source: Processed Data SPSS 26 Version (2022)

Based on Table 4.15, it can be seen that the coefficient of determination is 0.722. This shows the variability value of digital marketing (X1), promotion (X2), and service quality

(X3) variables of 72.2%. The remaining 27.8% is the variability of the repurchase intention variable, which can be explained by other variables not examined.

Research Result Discussion

a. Partial Effect of Digital Marketing on Repurchase Intention

The results of the first hypothesis test show that digital marketing (X_1) has a significant relationship with repurchase intention (Y) at Hub22 Lounge & Bistro Surabaya. In this regard, it can be claimed that the more actively digital marketing is used, the higher the probability of customer repurchase intention. This study is supported by prior research (Susanti, 2021), which found that digital marketing had an indirect effect on repurchase intention via customer value and engagement. According to Subawa, Widhiasthini, and Suastika (2020), digital marketing has a good and significant effect on repurchase intention.

b. Partial Effect of Promotion on Repurchase Intention

The results of the second hypothesis test indicate that promotion (X_2) has a significant relationship with repurchase intention (Y) at Hub22 Lounge & Bistro Surabaya. In this regard, it can be said that the more frequent and good promotions offered by Hub22 Lounge & Bistro Surabaya, the higher the probability of customer repurchase intention. Riyanto and Kartini's (2021) earlier research found that promotion had a favorable and partially significant effect on repurchase intention. According to Ikhsan and Lestari's (2021) research, the promotion has a good and considerable impact on repurchase intention. Repurchase intention is influenced by promotions (Fikri & Lisdayanti, 2020).

c. Partial Effect of Service Quality on Repurchase Intention

The results of the third hypothesis test indicate that service quality (X_3) has a significant relationship with repurchase interest (Y) at Hub22 Lounge & Bistro Surabaya. In this regard, it can be said that the higher the quality of service offered by Hub22 Lounge & Bistro Surabaya, the higher the probability of customer repurchase intention. This study is backed up by prior research (Peburiyanti & Sabran (2020), which found that service quality affects repurchase intention. According to Phuong and Trang (2018), service quality has a significant and positive impact on customer satisfaction, and customer satisfaction has a significant and positive impact on repurchase intention.

d. Simultaneous Effect of Digital Marketing, Promotion, and Service Quality on Repurchase Intention

The results of the fourth hypothesis test show that digital marketing (X_1), promotion (X_2), and service quality (X_3) all have significant a relationship with repurchase intention (Y), implying that increasing the use of digital marketing (X_1), promotion (X_2), and service quality (X_3) at Hub22 Lounge & Bistro at the same time can increase customer repurchase intention (Y).

4. Conclusion

Based on the results of the research that has been done, the following is the conclusion to be made:

1. Digital Marketing partially has a significant effect on repurchase intention.
2. Promotion partially has a significant effect on repurchase intention.
3. Service quality partially has a significant effect on repurchase intention.
4. Digital marketing, promotion, and service quality simultaneously have a significant effect on repurchase intention.

Suggestions further research can be done utilizing the same variables or other variables that were not used in this study. In terms of the research object, future researchers can employ different objects in different places to obtain a more diverse set of characteristics.

References

- Aulia. (2020). Pengaruh Sales Promotion dan Personal Selling Terhadap Volume Penjualan Sepeda Motor Yamaha. *Jurnal Akuntansi Bisnis & Public*, 11(1), 1-9.
- Fikri, M., and Lisdayanti, A. (2020). Influence of Promotion Mix and Perceived Usefulness in Improving the Repurchase Intention of Linkaja Applications. *International Journal of Finance & Banking Studies*, 9(1), 76–84.
- Hair, J. F., Black, W. C., Babin, B. J., and Anderson, R. E. (2014). *Multivariate Data Analysis, Seventh Edition*. Harlow: Pearson.
- Ikhsan , and Lestari, R. (2021). Pengaruh Promotion, Perceived Value, E-Service Quality dan E-Trust Terhadap E-Repurchase Intention dan E-Loyalti Konsumen E-Commerce Tokopedia di Kota Banda Aceh. *MANEGGIO: Jurnal Ilmiah Magister Manajemen*, 4(2), 205-214.
- Peburiyanti, D., and Sabran. (2020). Pengaruh Promosi Penjualan, Variasi Produk dan Kualitas Pelayanan Terhadap Minat Beli Ulang Pada Butik Kanabini di Tenggara. *Jurnal Ekonomi dan Manajemen Indonesia*, 20(1), 29-39.
- Phuong, N. N., and Trang, T. T. (2018). Repurchase Intention: The Effect of Service Quality, System Quality, Information Quality, and Customer Satisfaction as Mediating Role: A PLS Approach of M-Commerce Ride Hailing Service in Vietnam. *Marketing and Branding Research*, 5(2), 78-91.
- Pranoto, Jasmani, and Marayasa, I. N. (2019). Pelatihan Digital Marketing Untuk Peningkatan Perekonomian Anggota Karang Taruna Al Barkah Di Kampung Cicayur - Tangerang. *Jurnal Pengabdian DHARMA LAKSANA Mengabdikan Untuk Negeri*, 1(2), 250 - 258.
- Riyanto, K., and Kartini, A. (2021). The Influence of Packaging, Branding and Sales Promotion on the Repurchase Intention Teh Botol Sosro at Has Fried Chicken Cikarang Restaurant. *Journal of Business, Management, and Accounting*, 3(2), 16-23.
- Saselah, J. D., Koleangan, R. A., and Kojo, C. (2019). Pengaruh Kualitas Pelayanan dan Kepuasan Pelanggan Terhadap Loyalitas Pelanggan Bengkel Resmi Toyota Service Station CV. Kombos Cabang Tendean. *Journal Ekonomi, Manajemen, Bisnis dan Akuntansi*, 7(4), 4809-4818.
- Susanti, D. (2021). Digital Marketing Pada Customer Value dan Customer Engagement Terhadap Repeat Purchase Pada Marketplace. *SULTANIST: Jurnal Manajemen dan Keuangan*, 9(2), 135-146.
- Subawa, N. S., Widhiasthini, N. W., and Suastika, N. P. (2020). The Effect of Experiential Marketing, Social Media Marketing, and Brand Trust on Repurchase Intention in Ovo Applications. *International Research Journal of Management, IT & Social Sciences*, 7(3), 11-21.