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The Influence of Product Quality and Digital Marketing on Customer Loyalty in Coffee Bean Products at Titik Tuju Kediri

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Abstract:

The aim of this research is to partially determine the influence of product quality and digital marketing and simultaneously on customer loyalty to coffee bean products at Point Tuju Kediri. The population in this study were customers who bought coffee bean products with a sample of 96 respondents. The sampling technique is to use Non Probability Sampling . This research basically focuses on marketing issues especially to find out how much influence product quality and digital marketing have on loyalty customer. Based on results study And analysis Which has done, so can concluded that: Product quality partially has a significant effect on customer loyalty to coffee bean products in Point Tuju Kediri and digital marketing partially has no effect on customer loyalty. Product quality and digital marketing simultaneously have a significant effect on customer loyalty to coffee bean products in Point Tuju Kediri .

Keywords: product quality, digital marketing, customer loyalty,

INTRODUCTION

Along with the progress and development of the times, there has been an increase in welfare and changes in the lifestyle of Indonesian people which have an impact on fulfilling their refreshing needs, one of which is visiting a coffee shop. The results of research conducted by Nielsen show that the number of coffee shop visitors has almost tripled in the last three years from 1.2 million people aged 10 years and over in 2011, to 3.5 million in 2013 (Kusumasasti & Djumilah Hadiwidjojo, 2017) . No different from developments in big cities in Indonesia, coffee shops are also developing in Kediri City. Because the numbers are increasing, competition is increasing which is becoming a challenge and threat for coffee shop entrepreneurs. The challenge is how to get and maintain loyal consumers, and the threat is if their consumers prefer other coffee shops. Loyal consumers are those who are willing to come back to the coffee shop of their choice and provide recommendations to others. Customer loyalty is very important for

entrepreneurs who want to maintain the survival of their coffee shop business. This makes coffee shop entrepreneurs compete to provide the best quality products and services, because customer satisfaction is something that will have an impact on loyalty (Christine, 2021) .

Regarding marketing, currently, the business world is no longer the monopoly of large companies with strong capital since the birth of Web 2.0. George W. Bush's high-budget, low-impact "War on Terrorism" concept has been defeated by Barack Obama's "Change" concept, which approached and invited potential voters to be encouraged to make changes for their country. Obama's marketing concept is certainly an attraction in itself. This is because there is an impression that Obama places himself in the same position as potential voters, namely people who want change for their country (Sidi, 2018) .

Keeping customers happy and loyal is a challenge for companies and the best way to survive the competition. (Hasanuddin et al., 2020) say that customer loyalty is people who buy regularly and repeatedly, they continuously and repeatedly come to the same place to satisfy their desires by having a product or getting a service and paying for that product.

Product quality also has an influence in increasing loyalty. There are complaints about discrepancies between the expected product and the product received, stating that low quality products will carry a big risk, namely unfaithful consumers. However, if quality is paid attention to and even strengthened with intensive advertising, then consumer loyalty will be easily obtained (Purnama et al., 2022) .

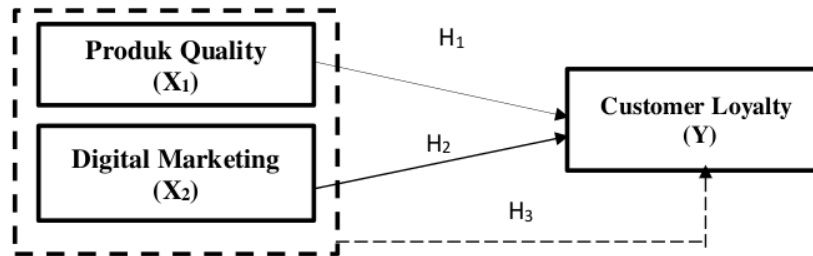
Digital marketing can be defined as a method in which products and services are promoted through digital distribution channels. Digital marketing is also referred to as electronic marketing and includes digital or online advertising, which sends marketing messages to customers (Azizah & Aransyah, 2023) .

Based on the background of the problem identification problem above, the problem can be formulated, namely: is there a *partial* and simultaneous influence of product quality and digital marketing on customer loyalty to coffee bean products in Point Tuju Kediri.

METHOD

The above thinking can be described as a theoretical framework as in the picture:

Figure 1. Thinking Framework



Population is a generalization area consisting of objects and subjects that have certain qualities and characteristics determined by researchers to be studied and then conclusions drawn according to (Sugiyono, 2016). The population in this research are customers who buy coffee bean products at Point Tuju Kediri. With a total of around 96 respondents. Data analysis uses instrument tests and multiple regression analysis. Meanwhile, for hypothesis testing, use the t test and F test with data analysis tools using SPSS software. 23.

RESULT (Cambria, 11 pts)

A business in the field of *vintage style coffee & roastery* is a promising business in the current era, what is becoming a current trend is brewing *coffee* that is *authentic*, varied and has a distinctive taste and suits the tastes of Indonesian people, especially in the city of Kediri Raya. Built in a strategic location, it is a strong foundation for the development of this shop's business, especially with a peaceful and calm atmosphere even though it is right next to the main road. Careful calculations regarding the aspects of procurement of certain raw materials, well-maintained taste quality, mature finances, very affordable prices, comfortable atmosphere, controlled operations and effective *marketing* create broad segmentation which further improves the Point Tuju shop business to become a coffee shop and *supplier* coffee beans.

Multiple linear regression analysis is used to determine the magnitude of the influence of product quality variables, digital marketing on customer loyalty.

Table 1. Results of multiple linear regression analysis

		Coefficients ^a				
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	9,068	2,022		4,486	,000
	X1	,487	.101	,446	4,806	,000
	X2	,008	,070	.011	.117	,907

a. Dependent Variable: Y1

Source: processed primary data (2023)

The regression equation model that can be written from these results in the form of a *standardized regression equation* is as follows:

$$Y = 9.068 + 0.487X_1 + 0.008X_2$$

The regression equation can be explained as follows:

From this equation it can be seen that all independent variables have a positive effect on customer loyalty. Based on the equation, it can be seen that the most influential independent variable is the product quality variable with a coefficient of 0.487, followed by the digital marketing variable with a coefficient of 0.008, then the variable with the lowest influence is the Sales Promotion variable with a coefficient value of 0.277.

Based on the results of the t test that has been carried out, it is obtained mark as follows :

Table 2. T test

		Coefficients ^a				
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	9,068	2,022		4,486	,000
	X1	,487	.101	,446	4,806	,000
	X2	,008	,070	.011	.117	,907

a. Dependent Variable: Y1

Source: processed primary data (2023) .

Based on calculation in on so is known that: The product quality variable obtained a calculated t value of 4.806 significant at 0.000. Meanwhile, it is known that the t_{table} is equal to 4.806 which means t_{count} > t_{table} 1.98 and more variable significance values smaller than 0.05 (0.000 < 0.05). This shows that H₀ is rejected And H₁ accepted. With thereby so, quality product (X₁) partially or individually has a significant effect on loyaltycustomer (Y). The digital marketing variable obtained a calculated t value of 0.117 , not significant at 0.907. Meanwhile, it is known that the t_{table} is equal to 0.117 which means t_{count} < t_{table} 1.98 and the variable significance value is more greater than 0.05 (0.000 < 0.05). This shows that H₀ is accepted and H₂ rejected. Thus, digital marketing (X₂) partially or individually does not have a significant effect on loyaltycustomer (Y).

Based on results results test F the has done, obtained markas following :

		ANOVA ^a				
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	64,583	2	32,291	11,578	,000 ^b
	Residual	259,375	93	2,789		
	Total	323,958	95			

a. Dependent Variable: Y1

b. Predictors: (Constant), X2, X1

Source: data primary processed , (2023).

From the calculation above it is known that the F value is calculated as big as $11,578 > F_{table}$ of 1.98 or sig value. equal to $0,000 < 0,05$ which means H_0 is rejected and H_3 is accepted. Based on calculations in above it is proven that jointly (simultaneously) product quality (X_1), and digital marketing (X_2) influential significant to loyalty customer (Y).

DISCUSSION

This research provides very interesting results for further research to be carried out. Descriptive research results show that product quality has an effect on customer loyalty and *digital marketing* has no effect on customer loyalty to this coffee bean product. Explanation of each variable will be explained as follows :

Influence Quality Product to Loyalty Customer

Based on previous tests, the results showed that the calculated t value for product quality was $4,806 > 1,98$ and the significance value was $0,000 < 0,05$, so the hypothesis which stated that product quality had a significant effect on customer loyalty **was accepted** . This shows that customers always have confidence that the coffee products they buy meet their expectations. Coffee quality creates the customer experience, which can consist of things like taste, aroma, and consistency. A good experience can form long-term loyalty and customers will give positive reviews about the product to others. Positive reviews can influence potential customers' purchasing decisions and help build a loyal customer base. These results support previous research conducted by (Purnama et al., 2022) and (Hasanuddin et al., 2020) where the better the product quality, the higher the customer loyalty. Consumers will be loyal to the company if the

product is perceived to be of high quality and capable. satisfy their tastes.

Influence Digital Marketing towards Loyalty Customer

Based on previous tests, the results showed that the calculated t value for digital marketing was $0.177 < 1.98$ and the significance value was $0.917 > 0.05$, so the hypothesis which stated that digital marketing had a significant effect on customer loyalty **rejected**. This shows that in implementing digital marketing activities the use of Instagram social media is still not effective, because so far the content uploaded mostly consists of photos only. As is known, interesting content will definitely influence people to see it and spread quickly. Good content in digital marketing requires experts in that field. In addition to the resources and individuals responsible for carrying out marketing communications activities, digital marketing activities also require interaction from an active audience. This is important to achieve digital communication goals such as disseminating information, improving consumer perception, and certain goals. The majority of customers who come to the coffee shop because they have often visited and heard from friends and colleagues who have tasted product variants from the Point Seven coffee shop in the form of coffee which is served in various brewing methods which produce an authentic taste or a mixture of coffee and fruit. called *a signature*.

These results support previous research conducted by (Effendy et al., 2021) which found that digital marketing does not affect loyalty, however these results are not in accordance with other research findings from where digital marketing has a significant effect on customer loyalty (Masito, 2021).

Product Quality Variables, and Digital Marketing simultaneous Influential to Loyalty Customer.

This research is very interesting even though there are variables that do not have a significant effect on customer loyalty, namely the digital marketing variable, but simultaneously the product quality and *digital marketing variables* have an effect on customer loyalty.

This research is also supported by other research which shows that product quality and digital

marketing have a significant effect on product loyalty. So, to increase customer loyalty, it is recommended that shop management improve product quality, or at least maintain product quality, speed up the service process and increase the use of social media. (Sidi, 2018) . At the shop at the destination point itself, it can also be seen that many customers immortalize the activity by documenting the products from the destination coffee beans on the visitors' own social media as WhatsApp and Instagram stories.

CONCLUSION

This research basically focuses on marketing issues especially to find out how much influence product quality and *digital marketing* have on loyalty customer. Based on results study And analysis Which has done, so can concluded that: (1) Product quality partially has a significant effect on customer loyalty to coffee bean products in Point Tuju Kediri , (2) *Digital marketing* partially has no effect on customer loyalty to coffee bean products in Point Tuju Kediri, (3) Product quality and digital marketing simultaneously have a significant effect on customer loyalty to coffee bean products in Titik Tuju Kediri .

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