

International Journal of Applied Finance and Business Studies



La company de la company de

# The Influence of Digital Marketing and Advertising on Customer Satisfaction with Price as a Moderating Variable (Case Study of Online Shopping at Shopee)

Hilton<sup>1</sup>, Marudut Sianturi<sup>2</sup>, Salman Faris<sup>3</sup>, Rosita<sup>4</sup>

ABSTRACT

<sup>1-4</sup>Department of Economics, Universitas Prima Indonesia, Medan, Indonesia

# ARTICLEINFO

Article history: Received May 30, 2022 Revised Jun 15, 2022 Accepted Jun 29, 2022

Keywords:

Digital Marketing, Advertising, Customer Satisfaction; Price This study aims to determine and analyze the influence of digital marketing and advertising on customer satisfaction with price as a moderating variable which is motivated by the development of the era and technology in the digital world through social media. Fraud, the number of sellers, advertisements that do not match the facts, and prices that do not match the quality are the main factors for the decline in customer satisfaction at Shopee. The theory used in this research is the theories of Marketing Management, which are related to digital marketing, advertising, customer satisfaction and price. The research method used by the researcher is a quantitative approach. Methods of data collection is done by online questionnaires and documentation studies. The analytical method used is SEM-PLS, coefficient of determination (R2), hypothesis testing (P values), and analysis of moderating variables (effect size). The population used is Shopee ecommerce users who are domiciled in Medan and the number of samples is 100 respondents using accidental sampling. The results show that digital marketing and advertising have an effect on customer satisfaction and can be moderated by price although it is not significant with a coefficient of determination of 0.573 which indicates that digital marketing and advertising have an effect on customer satisfaction which is moderated by price with a percentage level of 57.3% while the rest 42.7% is another factor that is not studied. Based on the overall results of the study, it can be concluded that digital marketing and advertising have an effect on customer satisfaction which can be moderated by price.

This is an open-access article under the CC BY-NC license.



#### Corresponding Author:

Salman Faris

Department of Economics,

Universitas Prima Indonesia, Medan

Jl. Sampul No.4, Sei Putih Bar., Kec. Medan Petisah, Kota Medan, Sumatera Utara 20118, Indonesia Email: salmanfaris@unprimdn.ac.id

#### 1. INTRODUCTION

Industry 4.0 is an all-digital era where everything can be done digitally. This also applies to the trade industry, because digital media is quite extensive and able to reach producers and consumers from various regions. In recent years, the company's awareness of the importance of digital media has increased, this increase is due to the company's concern in getting new consumers, which is increasingly fierce competition. The public's need for information is also increasing which makes digital media an effective and efficient means to reach consumers.

Various digital media have an important role in providing information to the public. The internet in particular is very helpful for people to get the latest news updates. Electronic mail or e-mail can

send the latest offers to its customers who need the latest information through subscriptions. Digital media is the choice of many people to obtain information because it is efficient, can be read anytime and anywhere without carrying large sheets such as newspapers and magazines. This is an interesting concern for companies to compete to take advantage of market developments through digital media. The importance of the role of local, national and international digital media cannot be denied. The media, especially the internet, are the main sources of information in certain regions.

Advertising and marketing that is applied digitally, has brought together consumers with the desired product in new and various ways that can attract consumers' attention. Therefore, how to reach consumers through digital platforms and accurate and quality advertisements plays an important role in shaping consumer satisfaction. The more accurate and quality the marketing and advertising offered, the higher the satisfaction felt by customers. The company will be successful in obtaining a large number of customers if it is considered to be able to provide satisfaction for customers. However, in reality with online shopping there are still many things that cause consumer dissatisfaction. Below Figure 1.3 is the result of a study on online shopping behavior and consumer perceptions of an e-commerce platform in 2017.



Figure 1. Results of the study of online shopping behavior in one of Indonesia's e commerce

From the results of the study in Figure 1.1, we can see that customer satisfaction can be influenced by several factors which are not new to consumers anymore.

The price is raised first, what is meant is that before the price of the product is marketed in the form of a promo or discount, the basic price of the product has been raised first and then a discount is given. This is tantamount to offering consumers normal prices without discounts. The discount price is not accurate, this problem is almost the same as point 1 above where the price after the discount becomes inaccurate in calculation which makes customers reluctant to buy and feel dissatisfied with the offer. Items do not match the picture, this incident is no longer common. Because many sellers sell products that do not match the pictures shown in the catalog. The images in the catalog are manipulated or edited in such a way that they look perfect but in reality after being received by consumers it is different from what was previously described. Goods sent damaged are also the biggest problem in achieving customer satisfaction. The customer pays for a new product but gets a defective product to the detriment of the customer.

The current of development has brought changes in people's lifestyles in seeking information, moving to digital media. This flow of change has also brought people's shopping lifestyle to shift from a traditional one to an online shopping lifestyle. This flow of change has resulted in many manufacturers competing to provide their products from digital media such as websites, online stores, and social media applications that provide more information and transactions can easily be done without having to go to a place to sell goods or services. Consumer behavior is changing due to the benefits of digital media being more time efficient, practical and cost effective.

÷

Things that can be utilized through digital media are advertising and marketing. Along with the development of the trade industry and the business world, competition in the struggle for market share is getting tougher, companies are required to be able to utilize their resources effectively and efficiently with the aim of benefiting the company and excelling in the competition. Each company is expected to be able to make a marketing strategy in the competition so as not to be left behind, one of which is to have a marketing strategy with digital marketing. This strategy aims to provide financial, non-financial benefits and survive in the trading industry and achieve company goals for the long term in the future.

To help achieve the company's goals, pricing strategy is also influential. Because the price also affects the decision of buyers and customer satisfaction. Especially in a state of economic recession that hit each country caused by the COVID-19 pandemic, demanding consumers to be wiser in managing finances. Therefore, the researcher chose Price as the moderating variable to analyze how the effect of Price on Digital Marketing and Advertising. In this study, digital marketing and advertising variables will be investigated in one of the largest e-commerce sites in Indonesia with a case study on Shopee. Shopee is an online shopping company with the largest online platform in Southeast Asia and Taiwan. Shopee has implemented various marketing methods and strategies which will be a useful case study site.

Shopee really pays attention to old customers and potential new customers with various strategies and ways to stay in touch with their customers, be it through digital marketing or advertising. Therefore, Shopee is very active in updating the approach and communication methods with new customers or potential customers. The problem faced by Shopee in Medan at this time is that there is still customer dissatisfaction. In the midst of the many choices of online shops at Shopee, customers tend to be confused in choosing the right store and switch to offers whose prices are according to their needs and types of products according to their respective wishes. If there is a store that does not meet customer expectations, then a sense of dissatisfaction arises. Followed by the number of advertisements that are considered by customers to be less trustworthy because what is told in the advertisement does not match what is actually happening in the buying and selling trade. This problem needs to be analyzed on the occurrence of customer dissatisfaction with the aim of being able to find out the influence of digital marketing and advertising on customer satisfaction.

#### 2. RESEARCH METHOD

The research method used by the researcher is a quantitative approach. Methods of data collection is done by online questionnaires and documentation studies. The analytical method used is SEM-PLS, coefficient of determination (R2), hypothesis testing (P values), and analysis of moderating variables (effect size). The population used is Shopee e-commerce users who are domiciled in Medan and the number of samples is 100 respondents using accidental sampling. Data collection using questionnaires and data analysis using SEM PLS.

### 3. RESULTS AND DISCUSSIONS

### 3.1 Results of the Analysis of Moderating Variables

The direct influence between the independent variable (X), the intervening variable (Y), and the moderating variable (Z) in this study can be seen in the following table:

Table 1. Results of Direct Effe	ect
---------------------------------	-----

Path Coefficients								
Mean, STDEV, T-Values, P-Values	Confidence Intervals	Confidence Inte	rvals Bias Corrected	Samples				
		Original Sample (O)	Sample Mean (M)	Standard Devia	tion (STDEV)	T Statistics ([O/STDEV])	P Values	
Digital Marketing (X1) -> Kepuasan Pelanggan (Y1)		0.147	0.185	0.099		1.496	0.138	
Digital Marketing (X1) * Harga (Z) -> I	Kepuasan Pelanggan (Y1)	0.105	0.102		0.067	1.583	0.116	
Harga (Z1) -> Kepuasan Pelanggan (Y	(1)	0.450	0.441		0.096	4.679	0.000	
Periklanan (X2) -> Kepuasan Pelangga	an (Y1)	0.336	0.320		0.097	3.457	0.001	
Periklanan (X2) * Harga (Z) -> Kepuas	an Pelanggan (Y1)	0.045	0.039		0.055	0.806	0.422	
auraa, Data praaaaa	a alith Case ant	0.0004						

Source: Data processed with SmartPLS, 2021.

Hilton,et al-The Influence Of Digital Marketing And Advertising On Customer Satisfaction With Price As A Moderating Variable (Case Study Of Online Shopping At Shopee)

The magnitude of the direct influence of digital marketing (X1) on customer satisfaction (Y) is 0.147; advertising (X2) on customer satisfaction (Y) is 0.336. There is a direct positive effect between price (Z) on customer satisfaction (Y) and advertising (X2) on customer satisfaction (Y).

Table 2. Results of Indirect Effects

lotal indirect effects								
Mean, STDEV, T-Values, P-Values	Confidence Intervals	Confidence Inte	ervals Bias Corrected	Samples				
		Original Sample (O)	Sample Mean (M)	Standard Devi	ation (STDEV)	T Statistics ( O/STDEV )	P Values	
Digital Marketing (X1) -> Kepuasan Pe	langgan (Y1)							
Digital Marketing (X1) * Harga (Z) -> K	epuasan Pelanggan (Y1)							
Harga (Z1) -> Kepuasan Pelanggan (Y	1)							
Periklanan (X2) -> Kepuasan Pelangga	n (Y1)							
Periklanan (X2) * Harga (Z) -> Kepuasa	in Pelanggan (Y1)							
		_						

Source: Data processed with SmartPLS, 2021.

There is no indirect effect in this model.

Tatal Indiana Effects

Table 3. R-Square Table

R Square

Matrix	🟥 R Square	÷	R Square Adju	usted	
			R Square	R Squ	are Adjus
Kepuasan Pe	langgan (Y1)		0.573		0.551

Source: Data processed with SmartPLS, 2021.

Based on the table above, the R-Square value of Customer Satisfaction is 0.573, it is hereby explained that digital marketing (X1) and advertising (X2) can explain customer satisfaction (Y) of 57.3%.

# 3.2 Moderation Effect

Table 4. Moderation Effect Test Results

f Square						
Matrix 👫 f Square						Copy to
	Digital Marketing (X1)	Digital Marketing (X1) * Harga (Z)	Harga (Z1)	Kepuasan Pelanggan (Y1)	Periklanan (X2)	Periklanan (X2) * Harga (Z)
Digital Marketing (X1)				0.023		
Digital Marketing (X1) * Harga (Z)				0.020		
Harga (Z1)				0.219		
Kepuasan Pelanggan (Y1)						
Periklanan (X2)				0.110		
Periklanan (X2) * Harga (Z)				0.004		

Source: Data processed with SmartPLS, 2021.

Based on Table 4 it can be concluded that the price can moderate digital marketing on customer satisfaction but the effect is not so large, namely 0.02. While the effect of advertising on customer satisfaction can also be moderated by price but less influential because it is below 0.02, which is 0.004.

#### 3.3 DISCUSSION

# a. The Effect of Digital Marketing on Customer Satisfaction

The results of the path coefficient test between digital marketing and customer satisfaction have a parameter coefficient of 0.147 with a T-statistics significance of 1.496 < 1.96 and a P-value of 0.138 > 0.05. This shows that digital marketing has an effect on customer satisfaction but is not significant. The results of this study are in line with the research of Langgeng Sri Handayani and Rahmat Hidayat (2022) that digital marketing has an effect on customer satisfaction. The results of this study are in a effect on customer satisfaction. The results of this study are in a effect on customer satisfaction. The results of this study are in accordance with the theory of Lucyantoro and Moch (2017:41) that digital marketing has an effect on increasing customer satisfaction because it can provide customers with the same basic benefits as

÷

forms of marketing and offer customers several additional advantages, such as info and consumers can also search for information. product info provided in the form of social networks. So according to researchers, digital marketing is guite influential on customer satisfaction but not significant because digital marketing is enough to help meet the information needs that customers are looking for. b.

### The Effect of Advertising on Customer Satisfaction

The results of the path coefficient test between advertising and customer satisfaction have a parameter coefficient of 0.336 with a significance value of T-statistics 3.46 > 1.96 and a P-value of 0.001 < 0.05. This shows that advertising has a positive and significant effect on customer satisfaction. The results of this study are in line with Fajar (2016)'s research that advertising has a direct effect on customer satisfaction. The results of this study are in accordance with Sopiyan's theory (2020:1) that there is a significant influence between advertising on consumer satisfaction. A good advertisement is an advertisement that has a significant positive influence on consumer interest, it can be realized if the promotion is carried out intensively and consistently. If customer satisfaction increases, sales results will also increase. So it can be concluded by the researchers that advertising has an effect on customer satisfaction because the strategy and attractiveness of advertising can be a driving factor to increase customer satisfaction.

#### Price is able to moderate Digital Marketing so that it affects Customer Satisfaction C.

The results of the path coefficient test between price and digital marketing and customer satisfaction have a parameter coefficient of 0.105 with a T-statistics significance value of 1.58 < 1.96 and a Pvalue of 0.116 > 0.05. This shows that price cannot moderate digital marketing on customer satisfaction and is not significant. The researcher concludes that the effect of digital marketing on customer satisfaction can be moderated by price but not significantly.

#### Price is able to moderate Advertising so that it affects Customer Satisfaction d.

The results of the path coefficient test between price and advertising and customer satisfaction have a parameter coefficient of 0.045 with a T-statistics significance of 0.81 < 1.96 and a P-value of 0.42 > 0.05. This shows that price cannot moderate advertising on customer satisfaction and is not significant. The researcher concludes that the effect of advertising on customer satisfaction can be moderated by price but not significant.

#### CONCLUSION 4.

Based on the results of the research and discussion that have been described in the previous chapter, several conclusions can be drawn according to the hypothesis that has been proposed as follows: Digital marketing has no significant effect on customer satisfaction, which means that customer satisfaction is weakly affected by digital marketing. Advertising has a positive and significant effect on customer satisfaction, which means that advertising plays an important role in obtaining maximum customer satisfaction. Price is able to moderate digital marketing on customer satisfaction but is not significant, meaning that price cannot fully be a strong driving factor to help digital marketing get maximum customer satisfaction. Price is able to moderate advertising on customer satisfaction but it is not significant meaning that price cannot fully be a strong driving factor to help advertising get maximum customer satisfaction.

# REFERENCES

Alareeni (et.al). 2021. The Importance of New Technologies and Entreprenuership in Business Development: In The Context of Economic Diversity in Developing Countries. Berlin: Springer Nature.

Andi Gunawan Chakti. 2019. The Book Of Digital Marketing. Makassar: Celebes Media Perkasa Bancin, John Budiman, 2021, Citra Merek dan Word of Mouth (Peranannya Dalam Keputusan

Pembelian Mobil Nissan Grand Livina). Surabaya: CV. Jakad Media Publishing.

Caroline. 2019. METODE KUANTITATIF. Surabaya: Media Sahabat Cendekia.

Didin Hadi Saputra (et.al). 2020. Digital Marketing: Komunikasi Bisnis Menjadi Lebih Mudah. Medan: Yayasan Kita Menulis.

Djunaidi, Firman Gazali. 2020. ANALISIS FAKTOR-FAKTOR YANG MEMPENGARUHI KEPUASAN KONSUMEN DALAM MENGGUNAKAN MINYAK KAYU PUTIH PADA KETEL WALBARUA DI DESA UBUNG. Pasuruan: Penerbit Qiara Media.

Hilton, et al-The Influence Of Digital Marketing And Advertising On Customer Satisfaction With Price As A Moderating Variable (Case Study Of Online Shopping At Shopee)

- Tengah: Penerbit Lakeisha. Firdaus. 2021. Metodologi Penelitian Kuantitatif: Dilengkapi Analisis Regresi IBM SPSS Statistics Version 26.0. Bengkalis: CV. DOTPLUS Publisher.
  - Firmansyah, M. Anang. 2018. Perilaku Konsumen (Sikap dan Pemasaran). Yogyakarta: Penerbit Deepublish.

Duli, Nikolaus. 2019. Metodologi Penelitian Kuantitatif: Beberapa Konsep Dasar Untuk Penulisan

Finnah Fourgoniah dan Muhammad Fikry Aransyah. 2020. Buku Ajar Pengantar Periklanan. Jawa

- Firmansyah, M. Anang. 2020. Komunikasi Pemasaran. Pasuruan: CV. Penerbit Qiara Media.
- Handayani (et.al). 2019. Konsep CB-SEM dan SEM-PLS Disertai Dengan Contoh Kasus Rajawali Pers. Depok: PT. Raja Grafindo Persada
- Hanief dan Wasis Himawanto. 2017. Statistik Pendidikan. Yogyakarta: Deepublish.

Skripsi & Analisa Data Dengan SPSS. Yogyakarta: Deepublish.

- Herlina, Vivi. 2019. Panduan Praktis Mengolah Data Kuesioner Menggunakan SPSS. Jakarta: Elex Media Komputindo.
- Huwaida. 2019. Statistika Deskriptif. Banjarmasin: Poliban Press.
- Indrasari, Meithiana. 2019. Pemasaran dan Kepuasan Pelanggan. Jawa Timur: Unitomo Press.
- Kumar, Ranjit. 2018. Research Methodology: A Step-by-Step Guide for Beginners. California: SAGE. Liesander, Indra dan Diah Dharmayanti. "Pengaruh Digital Marketing Terhadap Organizational
- Performance Dengan Intellectual Capital dan Perceived Quality Sebagai Variabel Intervening Pada Industri Hotel Bintang Lima Di Jawa Timur," Jurnal Strategi Marketing, Vol. 4. 2017.
- Lucyantoro, Bagas Ilham dan Moch. Rizaldy Rachmansyah. "Penerapan Strategi Digital Marketing, Teori Antrian Terhadap Tingkat Kepuasan Pelanggan (Studi Kasus di MyBCA Ciputra World Surabaya". Jurnal Ekonomika'45 Surabaya. 2017.
- Mardia Mardia (et.al). 2021. Strategi Pemasaran. Medan: Yayasan Kita Menulis.
- Morrisan. 2015. Periklanan Komunikasi Pemasaran Terpadu. Jakarta: Kencana.
- Nuralam, Inggang Perwangsa. 2017. Etika Pemasar dan Kepuasan Konsumen dalam Pemasaran Perbankan Syariah. Malang: Universitas Brawijaya Press.
- Nurfebiaraning, Sylvie. 2017. Manajemen Periklanan. Yogyakarta: Deepublish.
- Nurmahmudah dan Rissa Nuryuniarti. 2019. Otak Atik Google-Forms: : Untuk Pembuatan Kuesioner Dan Quiz. Tasikmalaya: Edu Publisher.
- Poiler, Sara. 2019. Forward-looking External Search as a Driver for Innovation: An Empirical Analysis of the Value Contribution of Different Search Strategies for Corporate Foresight. Berlin: Springer.
- Qomariah, Nurul. 2021. Pentingnya Kepuasan Dan Loyalitas Pengunjung: Studi Pengaruh Customer Value, Brand Image, dan Atribut Produk Terhadap Kepuasan dan Loyalitas Pengunjung Pariwisata Pantai. Jember: Pustaka Abadi.
- Siregar dan Nana Trisna Mei Kabeakan. 2020. Pengaruh Persepsi Petani Atas Pelayanan Penyuluh Pertanian (Kehandalan dan Perhatian) terhadap Kepuasan Petani Program SRI di Kabupaten Serdang Bedagai). Medan: UMSU Press.
- Riyanto dan Aglis Andhita Hatmawan. 2020. Metode Riset Penelitian Kuantitatif Penelitian Di Bidang Manajemen, Teknik, Pendidikan dan Eksperimen. Yogyakarta: Deepublish.
- Rukajat. 2018. Pendekatan Penelitian Kuantitatif. Yogyakarta: Deepublish.
- Sa'adah. 2020. Kualitas Layanan, Harga, Citra Merek serta Pengaruhnya terhadap Kepuasan Konsumen. Sumedang : Penerbit LPPM.
- Salmiah et. al. 2020. Online Marketing. Medan: Yayasan Kita Menulis
- Santoso, Singgih. 2018. Konsep Dasar dan Aplikasi SEM dengan AMOS 24. Jakarta: Elex Media Komputindo.
- Sarwono, Jonathan. 2014. Metode Riset Online: Teori, Praktik, dan Pembuatan Aplikasi. Jakarta: Elex Media Komputindo.
- Sawlani, Dhiraj Kelly. 2021. DIGITAL MARKETING: BRAND IMAGES. Surabaya: Scopindo Media Pustaka.
- Siyoto dan Muhammad Ali Sodik. 2015. Dasar Metodologi Penelitian. Yogyakarta: Literasi Media Publishing.

Ϋ́

Sopiyan, Pipih. "Pengaruh Iklan dan Citra Merek Terhadap Kepuasan Konsumen (Studi Pada Konsumen Sepeda Motor Honda PT. Helmi Hendra Motor Maja Majalengka). Entrepreneur: Jurnal Bisnis Manajemen dan Kewirausahaan. Vol. 1 Nomor 2. 2020

Sudaryono. 2016. Metode Penelitian Pendidikan. Jakarta Timur: Prenada Media.

Sujarweni dan Lila Retnani Utami. 2019. The Master Book of SPSS. Bantul: Anak Hebat Indonesia. Sumarwan, Ujang. 2018. Riset Pemasaran dan Konsumen Seri 1. Bogor: PT. Penerbit IPB Press. Supriadi. 2018. Konsep Harga dalam Ekonomi Islam. GUEPEDIA.

Syahrir (et.al). 2020. Aplikasi Metode SEM-PLS dalam Pengelolaan Sumberdaya Pesisir dan Lautan. Bogor: PT. Penerbit IPB Press.

Warnadi dan Aris Triyono. 2019. Manajemen Pemasaran. Yogyakarta: Penerbit Deepublish.

Widarto Rachbini (et.al). 2020. METODE RISET EKONOMI & BISNIS: Analisis Regresi-SPSS & SEM-Lisrel. Jakarta: INDEF.

Widiyarti dan Suranto. 2020. Konsep Mutu dalam Manajemen Pendidikan Vokasi. Semarang: Alprin. Yoyo Sudaryo (et.al). 2020. Digital Marketing dan Fintech di Indonesia. Yogyakarta: Penerbit Andi Yuda Supriatna (et.al). 2019. Induksi Manajemen Pemasaran. Pasuruan: Penerbit Qiara Media.