Assessing social media marketing activities and customer equity activities influencing customer loyalty to clothing thrifting in Yogyakarta

Aditya Ainurrisqi Rais[1], Anas Hidayat[2]

[1,2]Department of Management, Faculty of Business and Economics, Universitas Islam Indonesia

ARTICLE INFO

ABSTRACT

Marketing activities using social media have been carried out by providers of products, goods, and services to attract consumers. However, there have not been many studies that measure social media marketing activities and customer equity activities regarding value equity and relationship equity and their impact on customer loyalty. This study analyzes the influence of social media marketing and customer equity activities on loyalty to thrifting clothing in Yogyakarta. Design quantitative research with a statistical approach. The study was conducted by distributing questionnaires to respondents focused on consumers of thrifted clothing in Yogyakarta, with as many as 332 respondents using a google form. The research sample was determined by convenience sampling. Analysis of data using a structural equation model with AMOS. The results show that social media marketing has a significant influence on value equity ($p= 0.000$), customer loyalty ($p= 0.011$), and relationship equity ($p= 0.000$), while customer loyalty is significantly influenced by value equity ($p= 0.000$) and relationship equity ($p= 0.000$). Hence, social media marketing and equity activities significantly affect customers loyalty to clothing thrifting in Yogyakarta.

Corresponding Author:

Aditya Ainurrisqi Rais,
Department of Management, Faculty of Business and Economics,
Universitas Islam Indonesia,
Gedung Ace Partadiredja, Ring Road Utara, Condongcatur, Depok, Sleman, Yogyakarta 55283, Indonesia
Email: aditraiz69@gmail.com/18311235@students.uii.ac.id

INTRODUCTION

Social media marketing has experienced rapid development, especially during the COVID-19 pandemic (Yadav & Rahman, 2018). The increase in social media marketing response, in addition to benefiting both parties indirectly, has a good impact on the environment, including educating people to protect the environment without having to come to the place to shop (Mertha Adnyana & Sudaryati, 2022). The rapid development of technology has made selling and marketing goods and services through social media increasingly popular. Social media can be a way to start quickly and instantly and increase equity (C.-F. Chen & Myagmarsuren, 2011). Therefore, social media offers marketers the opportunity to connect directly with customers, strengthen communication, and offer

the highest value proposition to customers regardless of location (Kim & Ko, 2012; Li et al., 2021; Yadav & Rahman, 2018).

Motivation for the use of social media in individuals is a process of finding information, providing information, entertainment, relaxation, and social interaction (Zhang et al., 2014). Social media is needed by organizations and companies as a tool and media to carry out marketing communications in two or more directions. Several studies state that using social media as a marketing medium is very effective, apart from the low cost and without the need for in-person meetings by potential buyers, so it is efficient and effective (Arora et al., 2019; Paulose & Shakeel, 2022). Zhang et al. (2014) support social media marketing agencies (SMMA) to respond to environmental stimuli in retail and e-commerce. A social media marketing agency has five dimensions: interactivity, informativeness, personalization, trendiness, and WOM (Childers et al., 2019). The five activities summarize various consumer perceptions of SMMA in e-commerce (Hafez, 2021; Yadav & Rahman, 2017).

Social media applications as a marketing instrument have been widely carried out, including in the fashion world (Cooke et al., 2022; Gomes et al., 2022). Fashion is considered one of the many meanings that a social group uses to convey the identity of a social group to another social group. The function of fashion, which was initially only as a body protector, has now changed its function as a self-identity in society by following ongoing fashion trends (Sharma et al., 2022; Yadav & Rahman, 2018). The growing trend requires someone to keep up with the trend by consuming fashion products that are favored at more affordable prices, for example, by purchasing clothes that have been used (*thrifting*) (Hall & Chester, 2021; Yangzom, 2021). Clothes used and resold are a fashion trend, especially among teenagers. The popularity of used clothing is increasing because most people consider used clothes unique and classic fashion. Hence, increasing people's buying interest in used clothing products. A buying interest is a consumer behavior that reacts to an object and indicates a desire to buy an item (Eman, 2022; Sparavec et al., 2022).

However, there have not been many studies that reveal social media marketing activities and customer equity activities in buying or being interested in buying clothes that have already been used (*thrifting)*. This study analyzes the influence of social media marketing and customer equity activities on loyalty to thrifting clothing in Yogyakarta. The hope is that this research can provide an overview of the correlation between social media marketing activities and customer equity activities in terms of value equity and relationship equity in increasing sales results, company revenue, and customer loyalty for companies that have used the product.

RESEARCH METHOD

Quantitative research with a statistical approach was used in this study (Darwin et al., 2021). The study was conducted by distributing questionnaires tested for validity and reliability to 332 respondents through social media in the form of an online survey (google form). The questionnaire structure consists of parts I regarding social media marketing activities, part II regarding value equity, part III regarding relationship equity, and part IV regarding customer loyalty. All data used are primary data directly obtained from respondents in the field. The answer scale uses the Likert scale: one strongly disagrees to 5 strongly agree. The population of this study is people who live in Yogyakarta, have bought or used clothes (*thrifting*), are aged 16–30 years old, are classified as teenagers, and like branded *thrift*ed clothes. Sampling using a *simple random sampling* technique.

There are five hypotheses tested in this study, including 1) H1: Social media marketing has a positive effect on value equity; 2) H2: Social media marketing has a positive effect on customer loyalty; 3) H3: Social media marketing activities have a positive effect on relationship equity; 4) H4: Value equity has a positive effect on customer loyalty; 5) H5: Relationship equity has a positive effect on customer loyalty. All the data obtained are then analyzed descriptively and statistically. Descriptive analysis was carried out to tabulate the sociodemography of research respondents in the form of gender, age, education, opinion, purchasing factors, and purchase quantity. Furthermore,

statistical analysis was carried out to test the influence between variables using *the Structural Equation Model* (SEM) on the AMOS application. The hypothesis is accepted if the probability value is <0.05 and rejected if the probability value is >0.05 (Darwin et al., 2021).

RESULTS AND DISCUSSIONS

Descriptive analysis

Based on the results of the descriptive analysis, sociodemographic data of respondents consisting of the distribution of sex, age, education, income, and purchasing factors are presented in table 1. The characteristics of respondents in terms of equal sex and age are dominated by respondents aged 27–30 years with the last high school education. The respondent's purchase factor affects the shopping intention of used clothes (*thrifting*) in terms of product quality and quantity of purchases, a total of 1.

Table 1. Sociodemographic characteristics of respondents (n = 332)

Characteristic	Frequency (n = 332)	Percentage (%)
Gender		
Man	166	50
Woman	166	50
Age		
17–20 years	15	4.5
21-23 years old	97	29.2
24-26 years old.	32	9.6
27–30 years	188	56.6
Recent Education		
Diploma	36	10.8
Junior	1	0.3
S1	143	43.1
S2	5	0.15
Sma	147	44.3
Income		
< 1,500,000	68	20.5
> 4,500,000	43	13.0
1.500.00 - 2.500.000	126	40.7
2.500.000 - 3.500.00	57	17.2
3.500.000 - 4.500.000	32	9.6
Not working yet	6	0.18
Respondents' Purchasing Factors		
Price	41	12.3
Product Quality	226	68.1
Where to sell	2	0.6
Brand	44	13.3
Risk	15	4.5
Friend	4	1.2
Purchase Quantity		
One time	113	34.0
2-3 times.	94	28.3
4-5 times	23	6.9
> 5 times	64	19.3
Never	38	11.4

Testing of the hypothesis

Hypothesis testing in this study used AMOS version 24. The social media marketing variable has seven indicators, the value equity variable has three indicators, the relationship equity variable has three indicators, and the customer loyalty variable has three indicators. The normality test results from all the data were normally distributed with a *multivariate critical ratio (CR)* of 1.135 and a range of (+2.58 and –2.58). Further testing outliers obtained the highest value *of Mahalanobis c-square*d of

31,688. Thus, data is declared to have no outliers because it obtains a *c-square* value that does not exceed 32. The subsequent analysis, namely the affirmative analysis, obtained construct reliability of all variables has shown a value of >0.7, and *the extracted variance* of each variable also has a value of ≥ 0.5; thus, the questionnaire used is reliable. Furthermore, the *Goodness of Fit Index (GOFI)* test has three criteria that are not fit, so it needs to be improved by modifying the model sourced from the *modification index* table by generating covariant correlations or eliminating indicators that have high MI (*Modification Index*) values. The results of the complete hypothesis testing using *Structural Equation Model* (SEM) analysis obtained regression weight are presented in figure 1 and table 2.
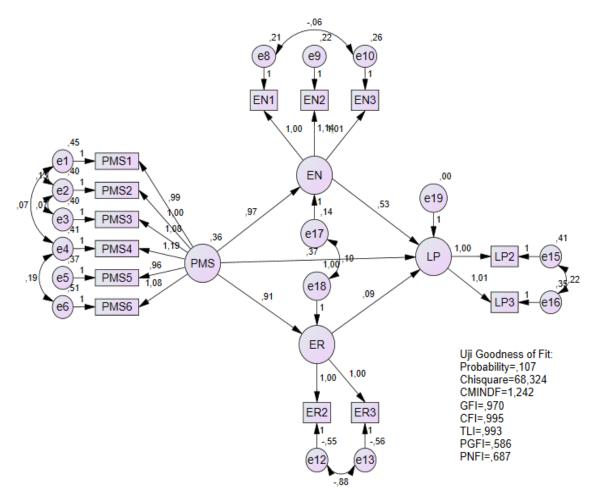

Figure 1. Hypothesis testing model between variables (*regression weight*)

Table 2. Hypothesis testing results between variables

	Estimate	SE.	CR.	P	Information
EN PMS←	0.972	0.086	11,329	0,000	Significant positives
LP PMS←	0.367	0.144	2,554	0.011	Significant positives
ER PMS←	0.912	0.082	11,142	0,000	Significant positives
LP EN←	0.530	0.125	4,242	0,000	Significant positives
LP ER←	0.088	0.019	4,757	0,000	Significant positives

The results of hypothesis testing are related to the influence of social media marketing activities on the equity value obtained *with a Critical Ratio* (CR) of 11,329 (>1.96) with a probability of 0.000 (p<0.05). Thus, social media marketing activities have a significant favorable influence on value equity in *thrifting* clothing in Yogyakarta. These results indicate that the better the social media marketing, the greater the equity value owned by *those thrifting* t-shirts in Yogyakarta. Social media marketing (SMM) is a two-way communication that seeks empathy with young users and even imposes familiar emotions associated with luxury brands on older age groups. In addition, their social media activities provide an opportunity to reduce misunderstandings and prejudices towards the brand and the influence of such activities on customer equity and purchase intentions. Previous research by Kim & Ko (2012) and Ismail (2017) supported the results of this study, which also stated that social media marketing could increase the equity value of a product or company. Zhang et al. (2014) formulated five dimensions that build social media marketing: interactivity, informativeness, personalization, following trends, and word of mouth. Therefore, to improve social media marketing, companies need to increase interaction with consumers, improve product and service information, improve personalization, pay attention to prevailing trends, and improve WOM.

The results of the second hypothesis test related to the effect of social media p gold on customer loyalty obtained a *critical ratio* (CR) value of 2,554 (>1.96) with a probability of 0.011 (*p*<0.05). Thus, there is a significant favorable influence between social media marketing and customer loyalty. Social media marketing is the right step to increase the loyalty of *Thrift* Store customers in Yogyakarta. Research findings indicate that *thrifting* clothing sellers should be more aggressive in social media marketing. According to Kotler & Keller (2021), the first goal of marketing is to create, communicate, and provide value. Therefore, marketing through social media means building, communicating, and providing value to a product to consumers through social media. Social media includes various applications, websites, social media, and other types of social media. The results align with Yanuar (2018), which states that social media marketing activities have a significant positive relationship with customer loyalty.

The results of the third hypothesis test related to the effect of social media marketing activities on relationship equity obtained a *Critical Ratio* (CR) value of 11.142 (>1.96) with a probability of 0.000 (*p*<0.05). Thus, there is a significant influence between social media marketing and relationship equity. These results indicate that social media marketing has increased relationship equity in selling thrifted clothing in Yogyakarta. These results are in line with the research of Nikmah (2017) and Yadav & Rahman (2018), which empirically proves the influence of social media marketing on relationship equity. Kotler & Keller (2021) describe the relationship in relational marketing terms. What is emphasized in relational marketing is to prioritize development, defense, and efforts to build close relationships with customers. Furthermore, Kim & Ko (2012) and Koay et al. (2020) added that to improve social media marketing, companies need to increase interaction with consumers, improve product and service information, improve personalization, pay attention to trends prevailing in society, and improve WOM (Farivar & Wang, 2022; Jaman & Sopiah, 2019; Malik et al., 2022). So, with these efforts, relationship equity can be built well in the management and marketing of *thrift*ed clothing in Yogyakarta.

The results of the fourth hypothesis test relating to the equity value to customer loyalty obtained a *Critical Ratio* (CR) value of 4.242 (>1.96) with a probability of 0.000 (p<0.05); thus, the value of equity has a positive and significant influence on customer loyalty. These results indicate that acquiring good value *in thrifting* clothing in Yogyakarta will increase customer loyalty. Therefore, managers should pay attention and strive to develop value equity in *thrifting* clothing in Yogyakarta. Equitas is defined as the owner's right to the enterprise's assets after deducting the liabilities on the balance sheet. Quantity refers to using the capital or wealth of a business entity and calculating it by utilizing the number of assets subtracted by liabilities. Value equity, the first driver of customer loyalty, constitutes an accurate proportion of what is taken with what is given (Farivar & Wang, 2022; Ibrahim, 2022; Lai et al., 2022). Thus, the optimal price-to-quality ratio describes

substantial value equity. In addition, equity value affects customer switching tendencies, a concept similar to customer loyalty (Yadav & Rahman, 2017). Value equity covers several aspects, namely the price quality of branded *thrifting* products on quality social media sites, convenience in online purchases, and flexibility of online purchases (Yadav & Rahman, 2018). Thus, the efforts to increase equity value by creating a good ratio between price and quality must be balanced. Furthermore, product and service providers need to increase consumer convenience in shopping online, and the flexibility of online purchase methods needs to be improved (Ebrahim, 2020; Smith et al., 2021).

The results of the fifth hypothesis test related to the effect of relationship equity on customer loyalty obtained a *Critical Ratio* (CR) value of 4,757 (>1.96) with a probability of 0.000 (p<0.05); thus, there is an influence of relationship equity on customer loyalty. The results of this study indicate that the better quality of relationships from *thrifting* clothing products in Yogyakarta will increase customer loyalty. According to Chiang & Jang (2007), the quality of the relationship is the degree of suitability to meet customer needs related to all products and quality. Products that have high quality are seen by how capable they are of meeting customer needs. The quality of the relationship represents a general evaluation of the strength of the relationship and the degree to which the relationship meets the needs and expectations of the parties involved based on a history of successful or unsuccessful meetings or events—research conducted by Chen & Chang (2013). To increase relationship equity, several aspects must be considered: creating a good impression on consumers and business partners, adjusting products and consumer needs, and improving hospitality and service quality (Ibrahim, 2021; Indra & Sugiyanto, 2022; Yadav & Rahman, 2018). Customer loyalty can be achieved through relationship equity, which includes repurchases from consumers, recommendations from consumers to potential buyers, and the intensity of visits to sites, websites, or applications will increase.

CONCLUSION

Social media marketing is essential and positively impacts building relationships and increasing customer loyalty. The results of the study showed that social media marketing had a significant influence on value equity ($p = 0.000$), customer loyalty ($p = 0.011$), and relationship equity ($p = 0.000$), while customer loyalty was significantly influenced by value equity ($p = 0.000$) and relationship equity (p = 0.000). Hence, social media marketing and equity activities significantly affect the loyalty of clothing customers. In the future, research is needed that measures the factors that affect customer loyalty in terms of external determinants and the role of mediation and moderation that can influence the role of social media marketing on customer loyalty.

ACKNOWLEDGEMENTS

References

Arora, A., Bansal, S., Kandpal, C., Aswani, R., & Dwivedi, Y. (2019). Measuring social media influencer index-insights from Facebook, Twitter and Instagram. *Journal of Retailing and Consumer Services*, *49*, 86–101.

Chen, C.-F., & Myagmarsuren, O. (2011). Brand equity, relationship quality, relationship value, and customer loyalty: Evidence from the telecommunications services. *Total Quality Management & Business Excellence*, *22*(9), 957–974.

Chen, Y.-S., & Chang, C.-H. (2013). The determinants of green product development performance: Green dynamic capabilities, green transformational leadership, and green creativity. *Journal of Business Ethics*, *116*(1), 107–119.

Chiang, C.-F., & Jang, S. S. (2007). The effects of perceived price and brand image on value and purchase intention: Leisure travelers' attitudes toward online hotel booking. *Journal of Hospitality & Leisure Marketing*, *15*(3), 49–69.

Childers, C. C., Lemon, L. L., & Hoy, M. G. (2019). # Sponsored# Ad: Agency perspective on influencer marketing campaigns. *Journal of Current Issues & Research in Advertising*, *40*(3), 258–274.

Cooke, P., Nunes, S., Oliva, S., & Lazzeretti, L. (2022). Open Innovation, Soft Branding and Green Influencers: Critiquing 'Fast Fashion'and 'Overtourism.' *Journal of Open Innovation: Technology, Market, and Complexity*, *8*(1), 52.

Darwin, M., Mamondol, M. R., Sormin, S. A., Nurhayati, Y., Tambunan, H., Sylvia, D., Adnyana, I. M. D. M., Prasetiyo, B., Vianitati, P., & Gebang, A. A. (2021). *Quantitative approach research method* (T. S. Tambunan, Ed.; 1st ed.). CV Media Sains Indonesia.

Ebrahim, R. S. (2020). The role of trust in understanding the impact of social media marketing on brand equity and brand loyalty. *Journal of Relationship Marketing*, *19*(4), 287–308.

Eman, M. (2022). Determinants of Buying Interest in Recommended Brands. *Jurnal Mantik*, *6*(2), 2084–2090. https://doi.org/10.35335/mantik.v6i2.2648

Farivar, S., & Wang, F. (2022). Effective influencer marketing: A social identity perspective. *Journal of Retailing and Consumer Services*, *67*, 103026.

Gomes, M. A., Marques, S., & Dias, Á. (2022). The impact of digital influencers' characteristics on purchase intention of fashion products. *Journal of Global Fashion Marketing*, *13*(3), 187–204. https://doi.org/10.1080/20932685.2022.2039263

Hafez, M. (2021). The impact of social media marketing activities on brand equity in the banking sector in Bangladesh: the mediating role of brand love and brand trust. *International Journal of Bank Marketing*, *39*(7), 1353–1376.

Hall, S., & Chester, A.-B. (2021). Thrifting: Sustainable or Just a Trend? *Proceedings of Student Research and Creative Inquiry Day*, *5*.

Ibrahim, B. (2021). The nexus between social media marketing activities and brand loyalty in hotel facebook pages: A multi-group analysis of hotel ratings. *Tourism: An International Interdisciplinary Journal*, *69*(2), 228–245.

Ibrahim, B. (2022). Social media marketing activities and brand loyalty: A meta-analysis examination. *Journal of Promotion Management*, *28*(1), 60–90.

Indra, P., & Sugiyanto, S. (2022). Pengaruh Kualitas Produk Dan Kualitas Pelayanan Terhadap Kepuasan Pelanggan. *HUMANIS (Humanities, Management and Science Proceedings)*, *2*(2).

Ismail, A. R. (2017). The influence of perceived social media marketing activities on brand loyalty: The mediation effect of brand and value consciousness. *Asia Pacific Journal of Marketing and Logistics*, *29*(1), 129–144.

Jaman, D. R. N. I. W., & Sopiah, A. P. (2019). The Effect of Service Quality and Electronic Word of Mouth (E-WOM) Towards the Loyalty Through Brand Image (The Study on the Customers of Sriwijaya Air in Indonesia). *European Journal of Business and Management*, *11*(12).

Kim, A. J., & Ko, E. (2012). Do social media marketing activities enhance customer equity? An empirical study of luxury fashion brand. *Journal of Business Research*, *65*(10), 1480–1486.

Koay, K. Y., Ong, D. L. T., Khoo, K. L., & Yeoh, H. J. (2020). Perceived social media marketing activities and consumer-based brand equity: Testing a moderated mediation model. *Asia Pacific Journal of Marketing and Logistics*, *33*(1), 53–72.

Kotler, P., & Keller, K. L. (2021). *Manajemen Pemasaran jilid 2* (13th ed.). Erlangga.

Lai, M.-Y., Fotiadis, A. K., Abu-ElSamen, A., & Beede, P. (2022). Analysing the effect of membership and perceived trust on sport events electronic word-of-mouth (eWOM) intention. *Tourism Recreation Research*, *47*(1), 91–104.

Li, J., Kim, W. G., & Choi, H. M. (2021). Effectiveness of social media marketing on enhancing performance: Evidence from a casual-dining restaurant setting. *Tourism Economics*, *27*(1), 3–22.

Malik, A. Z., Thapa, S., & Paswan, A. K. (2022). Social media influencer (SMI) as a human brand–a need fulfillment perspective. *Journal of Product & Brand Management*, *ahead-of-print*.

Mertha Adnyana, I. M. D., & Sudaryati, N. L. G. (2022). The potency of green education-based blended learning in biology students at the Hindu University of Indonesia. *BIO-INOVED: Jurnal Biologi-Inovasi Pendidikan*, *4*(1), 1–9.

Nikmah, N. R. (2017). Relationship Marketing, Customer Satisfaction, Customer Commitment Dan Customer Loyalty (Studi Pada Sebuah Bank Nasional di Denpasar). *Competence: Journal of Management Studies*, *11*(2).

Paulose, D., & Shakeel, A. (2022). Perceived experience, perceived value and customer satisfaction as antecedents to loyalty among hotel guests. *Journal of Quality Assurance in Hospitality & Tourism*, *23*(2), 447–481.

Sharma, A., Fadahunsi, A., Abbas, H., & Pathak, V. K. (2022). A multi-analytic approach to predict social media marketing influence on consumer purchase intention. *Journal of Indian Business Research*, *14*(2), 125–149.

Smith, D., Jacobson, J., & Rudkowski, J. L. (2021). Employees as influencers: measuring employee brand equity in a social media age. *Journal of Product & Brand Management*, *30*(6), 834–853.

Sparavec, A., March, E., & Grieve, R. (2022). The dark triad, empathy, and motives to use social media. *Personality and Individual Differences*, *194*, 111647.

Yadav, M., & Rahman, Z. (2017). Measuring consumer perception of social media marketing activities in e-commerce industry: Scale development & validation. *Telematics and Informatics*, *34*(7), 1294–1307. https://doi.org/10.1016/j.tele.2017.06.001

Yadav, M., & Rahman, Z. (2018). The influence of social media marketing activities on customer loyalty: A study of e-commerce industry. *Benchmarking: An International Journal*, *25*(9), 3882–3905.

Yangzom, D. (2021). From rag trade to thrifting: the cultural economy of secondhand clothing. In *The Routledge Companion to Fashion Studies* (pp. 269–279). Routledge.

Yanuar, N. R. (2018). Pengaruh penggunaan Media Sosial Instagram sebagai Media Promosi terhadap Loyalitas Konsumen pada Frozento Homemade Ice Cream and Cafe di Samarinda. *EJournal Administrasi Bisnis*, *6*(3).

Zhang, H., Lu, Y., Gupta, S., & Zhao, L. (2014). What motivates customers to participate in social commerce? The impact of technological environments and virtual customer experiences. *Information & Management*, *51*(8), 1017–1030.