

ANALYZE THE ROLE OF SOCIAL MEDIA IN INCREASING CUSTOMER LOYALTY IN SHOPEE'S DIGITAL E-COMMERCE BUSINESS

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ABSTRACT

The development of information technology, especially social media, has brought significant changes in the way businesses operate and interact with customers. In the era of digital business, social media has become one of the important tools in building digital business loyalty with its customers. The purpose of this study is to analyze the role of social media in increasing customer loyalty in digital businesses. This research uses qualitative research methods. The data collection technique was carried out by a literature study obtained from Google Scholar and social media from Shopee's E-commerce digital business. The data that has been collected is then analyzed thematically. The results showed that social media plays a role in increasing customer loyalty by increasing customer satisfaction and service quality through customer interaction, promotional media, offering gifts, and sharing interesting content.



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Introduction

The development of information technology, especially social media, has brought significant changes in the way businesses operate and interact with customers, especially in the development of digital business. The development of digital business and e-commerce has experienced rapid progress in recent years (Febriyantoro & Arisandi, 2018). This makes e-commerce one of the businesses with excellent prospects in the world of trade (Effendi, 2020).

In the digital business era, social media has become one of the important tools in building digital business loyalty with its customers. Social media has become a powerful tool for expanding business reach, increasing brand visibility, and creating more direct interactions with customers. Social media platforms like Facebook, Instagram, Twitter, and LinkedIn, businesses can make it easier for businesses to communicate with customers in real time. Business people can promote products and services, provide the latest information, and respond quickly to questions and input from customers (Febriyamntoro & Ariyandi, 2018).

This utilization of social media helps in building strong customer loyalty. Customer loyalty refers to the level of customer commitment to continue using a

particular product or service consistently and resubscribe or make repeat purchases in the future. This loyalty means customers remain loyal despite the influence of situations or marketing efforts that can affect behavior change (Ismail, 2017).

One of these efforts is implemented by Shopee's digital business. Shopee is a leading e-commerce platform in Southeast Asia and Taiwan. Released in 2015, Shopee provides an online shopping platform that has been customized for each region, providing customers with an easy, safe, and fast shopping experience (Sheu & Chang, 2022). With the support of a reliable payment system and logistics, Shopee is the main choice for customers to shop online (Nurmawati, 2019).

In previous research conducted by (Sawitri & Chusumastuti, 2021), the research examined the role of TikTok social media in the context of beauty masks. Another study conducted by (Rizal, Irwan, & Yunus, 2022) examined the role of Instagram and Facebook social media in the context of mobile token fantasy. So that the absence of research in the context of Shopee's digital business is the novelty of this research. In addition, this study also adds social media Twitter which has never been studied before in increasing customer loyalty (Pramiana & Wahyudah, 2022). The purpose of this study is to analyze the role of social media including Instagram and Twitter in increasing customer loyalty to Shopee's digital business.

Research Methods

The object of this research is Shopee's Ecommerce digital business. This study used qualitative research methods. Qualitative research methods mean that the research does not rely on evidence-based mathematical logic, numerical principles, or statistical methods. The focus of qualitative research is to understand and analyze the form and content of human behavior and its qualities, without transforming them into quantitative entities. In qualitative research, the data collected is more descriptive and centered on a deep understanding of the phenomenon under study (Hamid & Prasetyowati, 2021). Data collection techniques are carried out by literature studies obtained from Google Scholar and social media from Shopee's digital Ecommerce business. The data that has been collected is then analyzed thematically. The limitations of this study were social media Instagram and Twitter.

Results and Discussion

Social media has also become an important channel for building a loyal customer community and network, by sharing relevant and interesting content, businesses can attract interest and maintain customer attention consistently (Du Plessis, 2017). Efforts made by Shopee in increasing customer loyalty on social media are by increasing customer interaction. This direct interaction allows businesses to better understand customer needs and wants, to better tailor marketing and service strategies.



Figure 1. Shopee's interactions with customers on Twitter

This interaction can also be a form of customer service. Service is an important factor that supports sales in culinary centers. Providing the best service to all consumers is a step that needs to be taken so that consumers feel satisfied and want to return to buy the products that have been provided. Consumers must be satisfied with the services provided by culinary center owners (Permata & Azmi, 2020).

Shopee can also utilize Instagram and Twitter social media as tools to announce various promotions, discounts, and special offers to its followers or loyal customers, by using these platforms, Shopee can effectively reach its audience and attract customers' attention to the attractive offers they offer.



Figure 2. Promotional announcements on Instagram media

With efforts to announce promotions and discounts through social media, Shopee creates a sense of exclusivity for its followers. Customers who feel they are getting special and exclusive offers tend to feel more valued and benefited. This encourages them to shop more often and take advantage of the opportunities provided. In addition, announcements through social media allow Shopee to increase interaction with customers. Customers can respond directly via comments, direct messages, or retweets, which provides an opportunity for Shopee to respond quickly to questions and provide support. Shopee can hold contest campaigns and prize offers through Instagram and Twitter as a strategy to increase customer engagement and create greater passion in interacting with brands.



Figure 3. Offer prizes through Instagram social media

Contest campaigns and prize offers can create passion and enthusiasm among customers. Customers will feel challenged to participate and strive to win prizes, thus increasing engagement and interaction with the brand. Customers who engage in contest campaigns and earn prizes tend to feel more attached to the brand. Customers feel valued and recognized for their participation, thus strengthening the relationship between the customer and the brand. Giveaways can increase customer satisfaction because they provide an opportunity for customers to feel appreciated and get prizes or products for free. This effort is by (Agustima & Yoestini, 2012) that to increase customer loyalty there are various ways including service quality and customer satisfaction. Shopee can use social media such as Instagram and Twitter to inform customers about the latest products, exclusive collections, and latest offers.

Analyze The Role Of Social Media In Increasing Customer Loyalty In Shopee's Digital E-Commerce Business

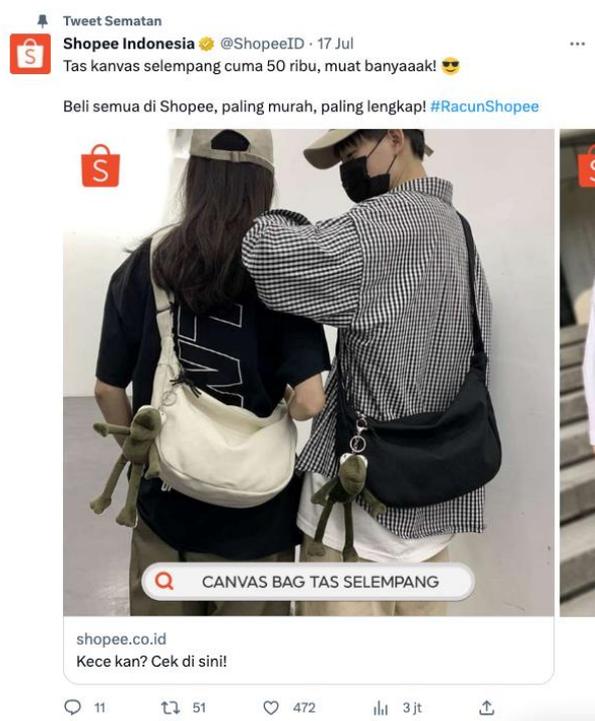


Figure 4. Product information via social media Twitter

By providing information about the latest products, Shopee can attract customers' attention and encourage them to explore new product options to increase customer loyalty (Arifiahani, 2018). Through social media platforms Instagram and Twitter, Shopee can also strategically use a variety of relevant and interesting content to increase interaction with customers and maintain their interest in the brand.

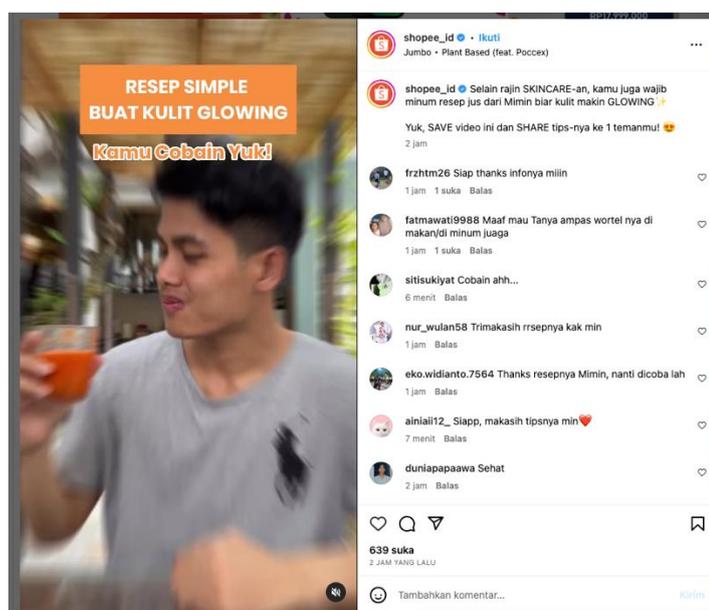


Figure 5. Shopee shares interesting content

The development of information technology has brought significant progress in collecting data on customer behavior and preferences in business, with the existence of advanced technology and systems, businesses can collect data from various sources, such as purchase transactions, customer interactions on social media, customer satisfaction surveys, and others. The collected data can then be processed and analyzed using sophisticated data analysis techniques, such as big data analytics, machine learning, and artificial intelligence. This data analysis allows businesses to identify trends and patterns that may be difficult to spot manually (Hartatik et al., 2023).

To understand these trends and patterns, businesses can make more informed decisions in improving customer experience. For example, businesses can identify customer preferences and tailor product or service offerings to better meet their needs. In addition, data can also be used to improve marketing strategies, for example by sending relevant and timely messages to customers, thereby increasing response and engagement rates (Sari et al., 2023).

Leveraging this sophisticated data analysis can improve customer experience, increase satisfaction, and build long-term relationships with customers. In addition, the collected data can also help businesses to optimize their operations, improve efficiency, and identify new opportunities for overall business growth (Grubor & Jakša, 2018).

Conclusion

Social media has an important role in increasing customer loyalty by increasing customer satisfaction and service quality through various interactions with customers. Through social media platforms, businesses can communicate directly with customers and respond to their requests, queries, or concerns quickly and efficiently. These positive, responsive interactions make customers feel valued and connected to the brand, so they are more likely to stay loyal and choose products or services from the business. In addition, social media is also an effective means of promoting products, services, and special offers to customers. By sharing information about discounts, exclusive offers, or promotional events, businesses can incentivize customers to shop more often and feel like they're getting added value from their purchases. Not only that, holding giveaways, contests, or loyalty programs on social media can also increase customer engagement. The attractive rewards and rewards offered will encourage active participation from customers, which in turn will help build a stronger relationship with the brand. Lastly, sharing relevant, interesting, and useful content on social media also contributes to increasing customer loyalty. Quality content about products, usage tips, or customer success stories will attract customer attention and engagement toward the brand.

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