The Influence of Social Media Against Customer Retention (Case Study on J.Co)

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Abstract

This research discusses the influence of social media to retain event retention. The development of E-Commerce in Indonesia resulted in the development of the concept of crowd sourcing in order to ‘Grow’ the business from ideas expressed by consumers. This research uses a quantitative descriptive research method and multiple regression, and the sample of the consumer research is J.Co. event incorporated in social media; J.Co. research results obtained screened there bothered influence of social media on customer retention and dimensions of social media that affect customer retention is a media richness and self-presentation. These studies suggest that matter to enhance consumer loyalty that leads to increased customer retention, providing a reward, responding to customer complaints quickly, and using the traditional media like by radio or magazine to support communication between consumers with producers.

Keywords: Social Media, Customer Retention, J.Co.

1. Introduction

Economic development in Indonesia in 2010 increase especially on the economy of the middle class, where the economy medium numbered 131 million lives and has been increased by 50 million from 2003 until 2010. Improving the economy of the middle class, indicates increase purchase behavior especially the purchase of technological devices that have internet access namely gadgets so. Purchase gadgetry are associated with lifestyle trend current society in consuming information from the previous traditional patterned switches becoming digital. By transferring the consumption patterns of traditional information is becoming digital and there is easy to gain access to the internet, make consumers always want to be connected with the digital world that provides various types of information always renewables in real-time. This is supported by the data of study done by Yahoo! TNS Net Index 2011, which stated that the internet access through mobile devices increased from 48% to 58% in the time frame of the
last two years (chip.co.id). The presence of the digital world into the middle of the community, facilitate consumers in interact with one another.

The use of the social media in Indonesian society is experiencing a significant development, according to statistics from the Socialbakers quoted by tribunnews.com stated that Facebook User Indonesia occupies the third stage of the number of users of 43.06 million users, and according to data released by Facebook quoted by tribunnews.com that Facebook users who use the gadgetry of 300 million users from all over the world. According to data released by the Ac Nielsen quoted by Marketing Magazine Mixed (Marketing Mixed 2012), said that as many as 91% of Indonesian society that have digital access have a Facebook account and as much as 27% have a Twitter account.

The phenomenon that happened made the various producer to brand makes the social media as an opportunity to perform marketing communications to approach consumers. For a new brand to take advantage of social media is of course has the purpose to increase brand recognition and awareness, get new customers and acquisitions consumers, but for a brand that has long do marketing communication with social media will certainly make an effort to manage and maintain customers who have acquired through marketing communication with the social media [5]. The effort to maintain consumers are known as customer retention, according to Homburg and Bruhn quoted by Gerpott, rams, and Schindler (2001), stated that the customer retention efforts aimed to manage the business relationship established between the suppliers and consumers. Customer retention is to be done for the company that has been doing marketing communication activity long enough so that the consumers who have been achieved not migrating to registered competitors.

Competitive competition in the sector food and beverages especially light foods be donut and cakes and pastries, make the manufacturer perform various efforts in communicating the brand and a broad selection of products. Virtual world which became the phenomenon with its social media then potentials being sought by the manufacturer as one of the opportunity to chase the consumers and perform communications with customers. One of the donut producers in Indonesia that using social media is J.Co Donuts & Coffee (J.Co), which is the company products in the land. along with time, emerged competitors that produce similar products with J.Co, and perform a similar marketing communication activities with J.Co. To anticipate the competitors is J.Co Donuts & Coffee need to consider the effort that might be done, one only with the use of social media.
2. The Study of the Theory

2.1. Integrated marketing communication

*Integrated Marketing Communication* (IMC) according to Belch and Belch (2012) is a strategy business process used to develop, execute, evaluate, measure, a brand communication program for a certain period of time to the consumers, customers, employees and other target both to internal and external audiences of the company. According to Kotler and Keller (2012) IMC is the means to inform, persuade and remind consumers directly or indirectly about the products and brands that the company sell.

Based on the definitions of IMC above it can be concluded that the IMC is a concept of a planned communication strategy, integrated process of communication between directly or indirectly, is stating the products and brands and be persuaded, and can be applied to the customers and the relevant third parties with the message communicated. Keller (2008) stated that the IMC is a representation of the voice of the brand and other brands can build relationships with customers.

According to Kotler and Keller (2012) the company to achieve the goal of communication, companies can use a tool called *marketing communication mixed*. Kotler and Keller (2012) proposed that *marketing communication mixed* consists of eight communication model, namely:

1. **Advertising**

   Is all forms of paid nonpersonal presentation and promotion of ideas, products and services by the sponsor is known through printed media (newspapers and magazines), broadcast media (TV and radio), network media (telephone cable, satellite, wireless), electronic media (cassettes, video tape, video disc, A CD-ROM, Web Page) and media display (Billboards, Signs, Posters).

2. **Sales Promotion**

   A variation of the short-term incentives to encourage try or buy a product or service including consumer promotions as samples, coupons, and premiums, trade promotions such as advertising and display allowances; business team and sales promotion as the contest sales representative.

3. **Events and Experiences**

   Is an activity that is sponsored by the company and the program is designed to create a daily or specific from brand related to the interaction of consumers, including sport, art entertainment, and activities that are not formally.
4. Public Relations and leading

A variation of the program is internally directed to employees and externally addressed to consumers, another company, the government and the media to promote or protect the image of the company or as individual product communication.

5. Direct Marketing

Using email, telephone facsimile or the internet to communicate directly with or collect response, or conversation from a specific customer and have the prospect.

6. Interactive Marketing

Online activity and the program that is designed to approach the customer is a good prospect, directly or indirectly to raise public awareness of, improve the image and obtain the products and services.

7. Word of “Marketing"

Public Relations orally, writing or with electronic communication, related to the benefits or the experience of the purchase or use of products and services.

8. Personal Selling

The face to face interaction with one or more prospective buyers with the purpose of creating exposure, answer questions and get out.

2.2. Word of “Marketing”

According to Kotler and Keller (2012) consumer using word of “marketing (WOM) to repeatedly talk about the brand every day from the media and entertainment products such as movies and TV shows, and publications. A positive WOM occasionally occurs with its advertisement small but can only managed and facilitated.

2.2.1. Social media marketing

1. Social Media

Social Media according to Richter and Postulates (2007) is an online application, the means and media which is intended to facilitate interaction, collaboration and sharing the material. Other definitions of social media is a group of internet based application
that is built on the basis of the ideological and web technology 2.0, which allows happened the creation and exchange of which is produced from the user content [11].

While according to Kotler (2012) social media is a means for consumers to share the text, images, audio and video information with each other and with the company and vice versa.

M public social according to Kotler (2012) is divided into three types namely:

1. **Online Communities and forums**

   *Online communities* and forums formed by consumers and a group of consumers without the influence of advertising and affiliate company or get support from the company where the members who joined in *online communities* can communicate with the company and one member with other members through post, instant messaging, and chat discussions about the special interest related to the products and brands.

2. **The gers Blog**

   Blog is the note the journal online or search for which is updated periodically and is an important channel for the *Word of “*.

3. **Social Networks**

   *Social networks* is a significant strength in the marketing of good *business to customer* and *business to business*. *Social networks* can be a social networking site such as Facebook, MySpace, LinkedIn, and Twitter.

2. **Social Media Marketing**

   *Social media marketing* consists of efforts to use social media to persuade consumers a company, to use the products and/or services worth (Esponsible, 2010), Rognerud (2008) stated that *social media marketing* is a form of market internet which seeks to achieve the goal of brand marketing and communication through participation in various social media network. According to Neti (2011) *social media marketing* consists of efforts to use social media to persuade consumers that one company, products and/or services which means, *social media marketing* is marketing that uses the community – online community, social networking, marketing blog and the other.

   According to Kaplan and Haenlein (2010) there are two elements in the *social media* is media research. (*Social presence*, media richness and social patterns (self-presentation, self-disclosure). *Social presence* is defined by Short et al. (1976) as voice
contact, visual and physical that occurs when there is a process of communication, according to the Kaplan and Haenlein (2010) social presence influenced by the intimacy and immediacy. Media richness according to the call log and Lengel (1986) in Kaplan and Haenlein based on the goal of communication is to reduce uncertainty and disbelief on when an information conveyed. Self-presentation according to Goffman (1959) was quoted by Kaplan and Haenlein is the desire to control the impression to other people on the one side had a purpose to influence others to get benefits such as creating a positive impression to the father-in-law, create consistent branding on one personality identity as a stylish clothes perceived to young and trendy. Self-disclosure according to the Kaplan and Haenlein (2010) is a critical step that is important in the development of a close relationship (like during relationships) but can occur between the stranger, as example is talking about personal issues with someone who sit beside them in the plane. Self-disclosure is done through self-good consciously or unconsciously opening personal information (e.g., thoughts, feelings, love, not love) that is consistent with a description of the individuals who want to be displayed.

2.3. Relationship marketing

According to Baran, Galka, and Strunk (2008), relationship marketing focus to maintain an ongoing relationship with customers and build long-term bond; Kotler and Keller (2012) stated that relationship marketing aims to build customer satisfaction relationship between consumers and businesses in the long term to get and maintain business, while Bruhn (2003) holds that relationship marketing encompass all actions to the analysis, planning, realization of, and controlling the steps that trigger, stabilize, intensify, and reactive business relationships with companies, especially the customer, and for downloading copyrighted common values. Kotler and Keller (2012) stated that there are three aspects of the relationship in the wake up in relationship management, namely relationship with event or called as customer relationship management, relations with channel (suppliers, distributors, dealers, agencies), and the relationship with the partners (employee, shareholders, investors and analyst). The relationship is illustrated in the following diagram.
2.4. Customer relationship management

The company started to focus on *customer relationship management* after a paradigm change the orientation of the organization of the traditional consumer oriented company only to get *profit* be modern (namely oriented company to give priority to consumer satisfaction). Kotler and Keller (2012) stated that the companies that successfully placing customers on the most important position in business activities.

With there is the paradigm that customers is the party who must be most preferred more first by the company makes the necessary lifetime relationship between the company and its customers, or called as *customer relationship management*. According to Kotler and Keller (2012), *Customer Relationship Management (CRM)* is the process of preparing detailed information carefully about the customer and each customer meeting experience with the brand and products to maximize customer loyalty. While according to Keller (2008) CRM is the use of data systems and application by the company to track consumer activities and manage the interaction between the customer and the company.

CRM is the whole process to build and maintain relationships that benefit customers by providing a superior consumer value and satisfaction [13], while according to the Wall Street Journal quoted by Baran, et al. (2008) CRM is the process of storing and analyzing a large amount of data that is produced by the phone sales, the purchase of consumer care center and the actual sales, should produce more insights into the behavior of the customer.

By studying the definitions of CRM above, obtained the conclusion that CRM is the process of processing information about the customer to build and maintain and maximize customer loyalty by providing a superior customer value and the value of customer satisfaction. According to Baran, et al. 2008 the goal of CRM is to identify, maintain and find the right customers and encourage them to do the repetition of purchase.

2.4.1. Customer retention

*Customer retention* is the strategy to build a good relationship between the company and its customers with the purpose of creating a loyal customers with how to motivate consumers to want to buy the product is continuously [30]. According to Bruhn (2003), *customer retention* aims to maintain the maximum number of customers who benefit or the customer that shows the characteristic will be beneficial in the future. While
according to Zhang, Dixit, and Friedmann (2010), customer retention is the probability of consumers will be active in business relationships.

Based on the definitions are, customer retention is the efforts of the company to build relationships with customers, maintain the maximum number of customers and increase the possibility of activeness consumers in business relationships. According to research done by Zhang, et al. (2010) obtained the discovery that customer loyalty has a positive influence in the formation of customer retention.

2.4.2. Customer loyalty

Customer Loyalty is when the customer has a profound positive feelings toward the company or brand \([30]\), according to Griffin (2002) customer loyalty is the manifestation of the behavior decision-making units to purchase continuously against the products or services a company is selected. While Lovelock and Writz (2007) stated that customer loyalty is used to describe a desire to continue to do a repeat pattern on a long time and recommend a product that is owned by the company to friends and associations.

From the definitions are then customer loyalty was a reflection of the behavior of consumers in making purchase decision-making as a result of have a profound positive feelings toward a product or specific brand, so that a desire to purchase repeatedly in a long time. According to Griffin (2002) there are four characteristics of loyal customers, namely:

1. To purchase repeatedly
2. Buy outside of your product line or services
3. Recommend other products
4. Shows immunity from competitors that offer similar products

Little and Marandi (2003) stated that customer loyalty is built based on the values of the following:

1. Satisfaction, In the aforementioned quotation is quoted by little and Marandi, Oliver (1981) proposed that satisfaction is a summary statement of the psychology that is produced from the hopes of emotional environment that felt through the experience when consuming.
2. Trust, according to Moorman, Deshpande and Zaltman (1993) in the book of the Little and Marandi (2003) trust is defined as the willingnes to rely on the exchange couple where one of them has self-confidence.

3. Commitment, according to Morgan and Hunt (1994) was quoted by little and Marandi (2003) commitment interpreted the couple exchange of trust relationship that is running on their spouse is very important to ensure maximum efforts at keeping the relationship.

3. Research Methodology

This research approach using quantitative approach. According to the hair, Bush & Ortinau (2003) quantitative research is the approach that is more concerned with the method of measurement and sampling because using deductive approach which emphasizes the priority of the detail on the data collection and analysis.

3.1. Type of research types

Malhotra (2010) stated that the design of the research is the framework of marketing research projects. According to Malhotra (2010) based on classification of purpose, this research including into the type of explanation because this research is describe and aims to test the hypothesis– hypothesis about causal relationship between the various variables examined. Therefore, this research aims to explain the influence of social media on customer retention.

Collected data on this research done in the period of 1 months the month of May 2012 to retrieve data in the field, namely by doing the survey to the respondents in accordance with the criteria samples. see that time period, this research including into the type of cross-sectional research, that is, researchers only doing field research to take one part of the symptoms (population) which is considered to be represented at a certain time [1].

3.2. Technique of data collection

The technique of data collection in this research using the two methods are the methods of the questionnaire and literature study method, and the data used for this research in progress is the primary data and secondary data. Primary data is defined as
data that is produced by the researchers specifically intended for one specific research problems [18].

a. The questionnaire

The primary data used in this research collected with survey methods using the tool of the questionnaire, according to Neumann (2003) a survey conducted by distributing the questionnaire, filling the questionnaire conducted by the self-administered questionnaire, namely the respondents were asked to answer the questionnaire itself has been created researchers.

Malhotra (2010) stated that there are 3 specific objectives of the questionnaire, namely:

- Translate the required information into a set of specific questions which respondents can give answers
- Increase, spur, and motivate respondents to engage in the interview, willing to cooperate and complete the interview, and
- Minimize the error response.

b. Literature Study

The second method is to use a library study method to collect secondary data. Secondary data is the literature of the proponents of the theory related to this research, the source of this data is obtained through the book, journals, magazines, and internet site.

3.3. Population and sample research

The population according to Malhotra (2010) is a combination of all elements that have a series of similar characteristics which is related to the interests of the research problem. So in this research, population that is examined is all consumers J.Co.

The sample is a part of the amount and the characteristics which is owned by the population [29]. In this research the technique of the withdrawal of the sample used is non-probability sampling, namely sampling techniques that do not provide the same opportunity for each element or members. Types of non-probability sampling used in this research is the technique of convenience sampling. According To now approaching (2003) convenience sampling refers to the collection of information from the members of the population is comfortable available to give it.
Then the selected sample is a member of the population and can easily provide the desired information. The main criteria in the selection of samples based on the definition of this technique are consumers J.Co that followed and joined in social media J.Co. It is obtained that the samples in this research is the consumers J.Co that followed and joined in social media J.Co. The number of samples used in this research is 110 the respondents.

The withdrawal of the sample is done by coming to the potential respondents, and done online now weakness through online is:

A. Respondents could not be asked if there is a question that is not clearly

B. The results of the questionnaire can be filled by anyone who should not be samples

C. Respondents often do not examine the answer, until there is a question that pass not in responsibility.

3.4. Processing and data analysis

The next steps after obtaining data and information from the charging of the questionnaire, preliminary data that have been selected will be given the code in accordance with the variables and the classification of variables and then collated, discussions took place using the Software SPSS (Statistical Program for Social Science) 19 For Windows. The steps done is to make the research model, drawing up the questionnaire, perform data collection, validity test and reliability and test is done model and the hypothesis using the method of multiple regression.

3.5. Research model

Based on the theory, through literature study on the journal and book that has been described in chapter II, so customer retention on the model of this research will be measured by customer loyalty (elements consist of satisfaction, trust, and commitment) that are described in the Figure 1, and this research examines the influence of social media on customer retention with elements of social media on the Figure 1 as follows:

Based on the research model the aforementioned research hypothesis in this research is as follows:

1. The hypothesis 1:
The variables *social presence* affect *customer retention*

H_{02}: variables *social presence* does not affect *customer retention*.

H_{11}: variables *social presence* affect *customer retention*

2. The hypothesis 2:

*Media richness variables* affect *customer retention*

H_{01}: *media richness variables* does not affect *customer retention*

H_{12}: *media richness variables* affect *customer retention*

3. The hypothesis 3:

The variables *self-presentation* affect *customer retention*

H_{01}: variables *self-presentation* does not affect *customer retention*

H_{13}: variables *self-presentation* affect *customer retention*

4. The hypothesis 4:

The variables *self-disclosure* affect *customer retention*

H_{01}: variables *self-disclosure* does not affect the *customer retention*

H_{14}: variables *self-disclosure* affect *customer retention*
3.6. Change research model

From the model of research on the Figure 1, then the change or the variables from this research will be described in Table 1:

<table>
<thead>
<tr>
<th>The Change</th>
<th>Dimensions</th>
<th>The Indicator</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Media</td>
<td>Social Presence</td>
<td>- Social Media J.Co can represent in interact - Social Media J.Co make the voice is represented - Social Media is the mediator of interaction - Social Media makes more near - Social Media is closer in conveying the idea</td>
<td>Kaplan and Haenlein (2010)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-Social Media reduce clarity. -Social Media add confidence to information -Social Media reduce ignorance -Discussion at social media help get information</td>
<td>Kaplan and Haenlein (2010)</td>
</tr>
<tr>
<td></td>
<td>Media Richness</td>
<td>-Social Media represents the personality -Social Media is a part of life style -Social Media express lifestyle -Social Media invites people to become part of the lifestyle</td>
<td>Kaplan and Haenlein (2010)</td>
</tr>
<tr>
<td></td>
<td>Self-presentation</td>
<td>-Reveal The things that are not preferable through social media -Reveals the preferred things through social media -Provide ideas through social media -Express Their Feelings when consuming through social media</td>
<td>Kaplan and Haenlein (2010)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-Service satisfaction -Sure will be of quality products -Will always select products from J.Co</td>
<td>Little and Marandi (2003)</td>
</tr>
</tbody>
</table>

3.7. Questionnaire

The questionnaire in this research are measured using Likert scale with the scale of the interval based on 6 categories of the answers. The interval scale is a scale of the variables in addition to differentiated and have degrees and assumed that they have a certain distance between a category and other categories in one variable [21]. Meanwhile according to the hair, Bush & Ortinau (2003) is currently the format of the number of points on the Likert scale not only 5 but 6 with a description of the ‘Strongly disagree’, ‘disagree’, ‘Somewhat disagree’, ‘Somewhat Agree’, ‘agree’, and ‘very agree’. The use of the Likert scale with 6 categories of the answers will help
respondents in determining his attitude regarding the statements that are written on the questionnaire research.

3.8. Data analysis descriptive statistics

Descriptive statistics used to describe the data that has been collected as is, without intended to make the conclusion that apply to the general public or generalized [29]. Analysis of descriptive statistics using frequency analysis and factor analysis. Frequency analysis is used to analyze the characteristics of respondents, while factor analysis is used for data reduction and summarization.

To know the response of the respondents on the statements in the questionnaire used mean or the average value over the answers respondents, which is used to see the tendency of the assessment of respondents on the statements in the questionnaire, this is done to make it easier for researchers interpret the answers of respondents and modes to view the answer to most of the respondents.

In this research, the variable social media and customer loyalty measured using Likert scale six points. Where the number 1 means of respondents very does not approve the statement, while number 6 means of respondents very agreed statement. To search for a range of the scale of measurement used the formula of the scale range as follows [27]:

$$RS = (m - n)/b$$

Where: m = highest value that may
N = the lowest value that may
B = the number of the class.

With the scale of the measurement Likert 6 points (1 = strongly disagree, until 5 = strongly agree), then the scale of the range is:

$$RS = (6 - 1)/6$$
$$RS = 0.833$$

Based on the amount of the scale, class category can be divided as shown on the Table 2:

3.9. Statistical analysis regression

Multiple regression analysis is a statistical procedure used to analyze associative relations between a metric dependent variables with one or more independent variables
The factor analysis is a technique that depend on each other, where the main purpose of this analysis is to define the structure of the subject among the variables which are found in the analysis process [9]. The calculation is done by using *multiple regression analysis*, because it is used to measure the influence of the dimensions in the independent variables which is the influence of social media dependent variables namely *customer retention*.

### 3.10. Validity test and reliability

Walizer and Wienir in Sugiyono (2005) stated that the validity is the level of compliance between a conceptual restrictions are given by the operational assistance has been developed. Validating testing shows how appropriate conceptualization researchers with the real situation [20]. A measurement scale can be said is valid when the exact measurements are done according to what should be measured.

The measurement of the validity of done by factor analysis to the results of the pretest to see the value of *kaiser-meyer-olkin measure of sampling adequacy*, *bartlett’s test of sphericity*, *anti-image matrices*, *total variance explained* and the *factor loading of component matrix*. The explanation of the measurement – the value measurement described in the following table:

<table>
<thead>
<tr>
<th>The value of the Mean</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1 &lt; \text{mean} \leq 1.833$</td>
<td>Very Low</td>
</tr>
<tr>
<td>$&lt; \text{mean} \leq 2.666$</td>
<td>Low</td>
</tr>
<tr>
<td>$&lt; \text{mean} \leq 3.499$</td>
<td>Quite Low</td>
</tr>
<tr>
<td>$&lt; \text{mean} \leq 4.332$</td>
<td>Quite High</td>
</tr>
<tr>
<td>$&lt; \text{mean} \leq 5.165$</td>
<td>High</td>
</tr>
<tr>
<td>$5.165 &lt; \text{mean} \leq 6$</td>
<td>Very High</td>
</tr>
</tbody>
</table>

*Source: The results of the analysis Researchers.*
3.11. Discussion of the results of the pre-test

In this research, researchers do pre-test which aims to test the quality of the research variable indicator. Pre-test done as much as one time to take as much as 30 the respondents who became a sample of research. From 30 fruit of the questionnaire from the withdrawal of the pre-test spread, entirely back and can be used to know the understanding of the respondents against the research instrument, done also validity test and the reliability of instruments of the questionnaire research.

Validity test is done using SPSS 19 for operating system windows and use guidelines value in the factor analysis to reveal the details of the questions in the questionnaire is true.

The reliability of a measure of internal consistency of the indicator that shows the level where the indicator said reliable. Data will be tested reliability test using Cronbach alpha. The timeout value can be received is 0,600. The size of the reliability of the research variables can be seen on the data presented in the Table 5 following:

Based on Table 5 is obtained that the fifth change reliable, and can be used for research.

4. The Research Results and Discussion

In this chapter will be described the analysis and the interpretation of the data that has been obtained through the spread of research instruments. This chapter consists of the discussion about which presents a descriptive analysis of the characteristics
of respondents from the results of the research that has been processed so that the obtained results of the answer to each of the respondents and how far the variation of answers respondents. Then continued with the analysis and testing of the research model to answer the problem of research.

4.1. Discussion of descriptive statistics research

Descriptive statistics are the statistics used to analyze the data with how to describe or illustrate the data has been devised means as is without the means to make the
conclusion that apply to the general public or generalizations [29]. In this research, descriptive statistics done to explain and describe the various characteristics of the overall respondents based on gender, age, education deals, average expenditure per month, and the identification of respondents about social media that respondents follow. In addition the discussion of the descriptive from the answers of respondents will be done based on the mean (average) and a mode.

4.1.1. Characteristics of respondents

1. Gender

From 110 the respondents in this research, there are 62 the respondents is the respondents women, while as many as 48 people respondents type of gender man. Thus the majority of respondents in this research are women. More details can be seen in the Figure 2:

![Figure 2: Gender respondents. Source: Primary data processing; n = 110.](image)

2. Age

The age of the research respondents the majority aged 20–25 years by as much as 65 people respondents, then as much as 20 people respondents aged 26–30 years, 16 the respondents aged < 20 years, 5 the respondents aged > 35 years, and as much as 4
of the respondents aged 31–35 years. In this research respondents aged young adults is the majority of consumers J.Co.

3. The last education respondents

Based on formal education respondents the majority of respondents had educational background S1 namely 50 the respondents, then as much as 37 people respondents HIGH SCHOOL education background/equal, 15 the respondents education background diploma 3, and as much as 8 of the respondents education background S2.

4. Monthly average expenditure

Based on the average spending respondents every month that shows the status of the Social Economy (SSE), the majority of respondents as many as 22 respondents have less than Rp spending must,- (SES E), 20 the respondents have expenditures between Rp1.000.001,- - Rp1.500.000,- (SES C2), 20 the respondents have between spending. Rp700.001,- - Rp1.000.000,- (SES D), as much as 17 the respondents have between spending. Rp1.500.001,- - Rp operate.000,- (SES C1), as much as 17 the respondents have more expenditure of Rp such other.001,- (SES A), 14 the respondents have expend-
ditures between Rp operate.001,- - Rp such other.000,- (SES B).

When referring to the socio-economic status (SSE) AC Nielsen, the majority of respondents from the community economy class medium down as many as 62 the respondents from SES C2, D, and E. This shows that the product prices J.Co affordable
to consumers with the middle to lower economic class. In addition, many respondents located on the SES C2, D and E also influenced by the educational background of respondents the majority of SMA/equal, Diploma, and S1.

Figure 4: Education Deals Respondents. Source: Primary data processing; n = 110.

Figure 5: Expenditure of the average monthly respondents. Source: Primary data processing; n = 110.
5. Social media respondents

From all respondents who joined in the social media, as much as 61 people respondents expressed joined the social media Twitter J.Co, 29 the respondents expressed joined the social media Facebook J.Co, and as many as 20 people respondents expressed joined in social media Twitter and Facebook J.Co. For more details see Figure 6.

![Figure 6: Social media that followed the respondents. Source: Primary data processing; n = 110.](image)

4.2. Discussion of descriptive statistics per variables

The discussion of the statistics per variables done with the analysis of the *mean* and modes to know the tendency of the answers respondents on each dimensions. All the results of the *mean* and mode of a data processing results of research with application programs SPSS 19.

4.2.1. Variable social media

In this research social media variable has four dimensions, namely the dimensions of *Social Presence*, *Media Richness dimension*, dimensions *Self Presentation*, and the dimensions of the *self-disclosure*.
1. Dimensions of social presence

The first dimension of social media is social presence. Social presence can be interpreted as a contact that occurs when there is a communication process. Assessment of respondents on the dimensions of social presence can be seen through the value of the mean in the Table 6. The following.

<table>
<thead>
<tr>
<th>No.</th>
<th>The Indicator</th>
<th>Mean</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Using the social media J.Co can represent me in interacting with J.Co directly</td>
<td>4.45</td>
<td>High</td>
</tr>
<tr>
<td>2</td>
<td>Social Media J.Co is my broker in interacting with J.Co and other social media users</td>
<td>4.49</td>
<td>High</td>
</tr>
<tr>
<td>3</td>
<td>Using the social media J.Co make me closer with J.Co compared to the other way</td>
<td>4.25</td>
<td>Quite High</td>
</tr>
<tr>
<td>4</td>
<td>By joining in the social media J.Co make me closer in conveying the ideas and suggestions and complaints to J.Co</td>
<td>4.98</td>
<td>High</td>
</tr>
</tbody>
</table>

Source: Data processing result with SPSS 19.

In Table 6, seen that mean from most of the indicators are in the category of high. While the highest mean on the indicator no. 4 with the value of the mean 4.98, namely respondents stated that by joining in the social media J.Co make respondents closely with J.Co in conveying the ideas and suggestions and complaints. Mean on this indicator is higher than the mean on the other indicators.

In Figure 7, it can be seen in the spread of the answers respondents have a tendency to answer agree with the whole question of social presence. This states that the respondents use social media as a means of interaction and represents the presence of respondents in conveying the idea, complaints and suggestions. And shows that the social media influence the behavior of the communication between respondents as consumers with J.Co, this is in line with that proposed by Kaplan and Haenlein (2010) that the higher social presence and the greater influence in the process of communication behavior.
2. Media richness dimensions

The second dimension of social media is that the *media richness*. Media richness can be interpreted by reducing uncertainty and lack of information through the communication process. The assessment of respondents on the *media richness dimension* can be seen through the value of the *mean* on the Table 7 following:

**Figure 7**: Frequency histogram dimensions of *social presence*.

**Table 7**: *Mean values* from dimensional *media richness*.

<table>
<thead>
<tr>
<th>No.</th>
<th>The Indicator</th>
<th>Mean</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>By accessing the social media J.Co reduce the ineffectiveness jelasan i about the information J.Co</td>
<td>4.78</td>
<td>High</td>
</tr>
<tr>
<td>2</td>
<td>By accessing the social media J.Co add my faith will information about J.Co</td>
<td>4.81</td>
<td>High</td>
</tr>
<tr>
<td>3</td>
<td>With the existence of a discussion at social media J.Co help me find the information that I need</td>
<td>4.63</td>
<td>High</td>
</tr>
</tbody>
</table>

Source: Data processing result with SPSS 19.

In Table 7, it can be seen that *mean* from all the indicators are in the category of high, while the highest mean on the indicator no. 2 with the value of the *mean* 4.81, namely respondents expressed with social media accessing J.Co add confidence will information about J.Co. *Mean* on this indicator is higher than the *mean* on the other...
indicators. Media richness Beradanya mean dimensions on the high category is then social media is the communication media that can reduce the uncertainty and disbelief will information.

In Figure 8, it can be seen in the spread of the answers respondents have a tendency to answer agree with all the questions about media richness. This states that the respondents with the existence of social media J.Co make diminished will be uncertain, unconvincing will information that is owned by J.Co and increasing the information will J.Co. In this social media is an effective media to reduce uncertainty and uncertainty also pop information consumers. This is in accordance with the proposed by the Kaplan and Haenlein (2010) much information is communicated and the proper media will be very effective to resolve uncertainty and a lack of information.

Figure 8: Histogram frequency of media richness dimensions. Source: Primary data processing; n = 110.

3. Dimensions self-presentation

Self-presentation is the third dimension of social media, self-presentation can be defined as the desire to create a positive impression with the influence of other people and create the image of the association that is consistent on one personality identity. The
The value of the *mean* from the dimension of the *self-presentation* can be seen in the Table 8. The following:

**Table 8: Mean values from dimensional *self-presentation*.**

<table>
<thead>
<tr>
<th>No.</th>
<th>The Indicator</th>
<th>Mean</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>I use social media J.Co because it represents my personality</td>
<td>3.56</td>
<td>Quite High</td>
</tr>
<tr>
<td>2</td>
<td>I use social media J.Co because J.Co is part of the lifestyle (lifestyle)</td>
<td>3.58</td>
<td>Quite High</td>
</tr>
<tr>
<td>3</td>
<td>I use social media J.Co because they want to express the J.Co as part of the lifestyle (lifestyle) to those around me</td>
<td>3.68</td>
<td>Quite High</td>
</tr>
<tr>
<td>4</td>
<td>I use social media J.Co because you want to invite the people around me to make J.Co as part of lifestyle (lifestyle)</td>
<td>3.55</td>
<td>Quite High</td>
</tr>
</tbody>
</table>

Source: Data processing result with SPSS 19.

In Table 8, it can be seen that on average the level of agreement of the respondents against the indicators of the dimension of the *self-presentation* ranged between 3.55 to 3.68. Based on the category of the value of the *mean*, shows located in the category is quite high and this shows that the respondents not room in the present themselves on while communicating with social media J.Co.

In Figure 9, it can be seen that the spread of the answers respondents on the indicator *self-presentation 1*, and *self-presentation 2* tend to somewhat agree. While on the indicator *self-presentation 3*, tend to agree, and indicators *self-presentation 4* tend to Somewhat disagree. This can be caused by respondents not using social media J.Co as a means to present the personality themselves.

4. **Dimensions self-disclosure**

The fourth dimension in social media is a *self-disclosure*. *Self-disclosure* is defined as developing a close relationship with through self-like feeling, love, not love, and thought. The value of the *mean* from the dimensions of the *self-disclosure* displayed on the Table 9 following:

From Table 9, it can be concluded that on average the level of agreement against the indicators of the dimension of the *self-disclosure* is located between 4.11 and 4.65. Based on the value of the class category *mean*, then for one indicator and three are located on the high category. While the two indicators are located in the category is
Figure 9: Frequency histogram dimensions self-presentation. Source: Primary data processing; n = 110.

Table 9: Mean values from dimensional self-disclosure.

<table>
<thead>
<tr>
<th>No.</th>
<th>The Indicator</th>
<th>Mean</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>I reveal things that I prefer from J.Co in social media J.Co</td>
<td>4.65</td>
<td>High</td>
</tr>
<tr>
<td>2</td>
<td>I provide ideas about J.Co in social media J.Co</td>
<td>4.11</td>
<td>Quite High</td>
</tr>
<tr>
<td>3</td>
<td>I reveal the feeling that I feel when consuming J.Co in social media J.Co</td>
<td>4.65</td>
<td>High</td>
</tr>
</tbody>
</table>

Source: Data processing result with SPSS 19.

quite high, it can be concluded that the respondents use social media to reveal the things that are preferred and express their feelings felt at the time consuming J.Co.

In Figure 10, it can be seen that the spread of the answers respondents tend to agree on all the indicators dimensions self-disclosure. This trend then researchers concluded that respondents in communicating through social media tend to express their feelings experienced when consuming, preferred things, advice complaints and ideas.

4.2.2. Variable customer loyalty

Consumer Loyalty is to describe the customer wants to continue to do a repeat pattern on a long time and recommend a product that is owned by the company to friends and associations. The value of the mean of this variable is shown in Table 10 as follows:
The 2nd ICVHE

Figure 10: Histogram frequency of the dimensions of the self-disclosure. Source: Primary data processing; n = 110.

Table 10: Mean values of variables customer loyalty.

<table>
<thead>
<tr>
<th>No.</th>
<th>The Indicator</th>
<th>Mean</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>I felt satisfied with the services provided by J.Co</td>
<td>5.00</td>
<td>High</td>
</tr>
<tr>
<td>2</td>
<td>I am sure to consume products from J.Co because the quality is good</td>
<td>5.16</td>
<td>High</td>
</tr>
<tr>
<td>3</td>
<td>I will always choose products from J.Co although competitors have similar products</td>
<td>4.59</td>
<td>High</td>
</tr>
</tbody>
</table>

Source: Data processing result with SPSS 19.

In Table 10, it can be seen that the value of the mean answers respondents tend to high. Where is the average level of agreement respondents against indicators ranged between 4.59 to 5.16. Based on the value of the class category mean, indicators are located on the high category. Higher values mean shows the average consumer respondents J.Co satisfied will the ministry J.Co.

In Figure 11, it can be seen that the spread of respondents to answer all the indicators have a tendency to agree. This can be seen in all the answers respondents more almost all respondents agreed to the indicator.
4.3. Multiple regression analysis dimensions in the change

In this research, researchers try to know about the influence of the dimensions that there is in the change of social media independent variables dependent variables customer loyalty. The dimensions are measured in this research is the dimension of the Social Presence and Media Richness, Self-presentation, and the Self-disclosure.

Multiple regression analysis *multiple regression* is used to see the influence of a number of independent variables $x_1, x_2, x_3, \ldots, x_n$ against the dependent variable $y$. The value of customer loyalty as dependent variables obtained from the regression factor (regression factor score). The value then are reorganized with value (regression factor score factor) from independent variables, namely social media dimension (Social Presence and Media Richness, Self-Presentation, Self-Disclosure). To test the influence of the independent variables and the dependent, will be displayed in the measurement Table 11 following:

Table 11 shows that the value of $R$ of 0.470, this shows the value of this correlation coefficient shows that the relationship between the four dimensions in social media independent variables and dependent variables customer loyalty is being. Then the value of $R^2$ on the aforementioned table shows that the customer loyalty and its variability of 22.1% and can be explained by social media variable that consists of social presence and media richness, self-presentation, and self-disclosure.
as 77.9% influenced by other factors outside the regression model such as the *reward* given, satisfaction of services provided, product prices and consumer behavior.

In Table 12, it can be seen that the value of the significance, 0.000 smaller than $\alpha < 0.05$. The value of the significance of pitch call shows that the five dimensions of social media independent variables (*social presence and media richness*, *self-presentation*, and *self-disclosure*) affect dependent variables customer loyalty. In addition to know the value of the regression coefficient from the social media research model of customer loyalty, indicated in Table 13:

<table>
<thead>
<tr>
<th>Independent variables</th>
<th>Regression coefficient</th>
<th>Standard Error</th>
<th>The value of T</th>
<th>Sig.</th>
<th>The significance of the Relationship</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planck</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social Presence</td>
<td>0.079</td>
<td>0.115</td>
<td>0.691</td>
<td>0.491</td>
<td>Not Significant</td>
</tr>
<tr>
<td>Media Richness</td>
<td>0.240</td>
<td>0.108</td>
<td>2.216</td>
<td>0.029</td>
<td>Significant</td>
</tr>
<tr>
<td>Self-presentation</td>
<td>0.391</td>
<td>0.099</td>
<td>2.930</td>
<td>0.004</td>
<td>Significant</td>
</tr>
<tr>
<td>Self-disclosure</td>
<td>0.002</td>
<td>0.102</td>
<td>0.19</td>
<td>0.985</td>
<td>Not Significant</td>
</tr>
</tbody>
</table>

Source: Data processing result with SPSS 19.
Based on the Table 13, so it can be known to the value of the significance of each of the dimensions in the social media variable. The dimension of the *social presence* and *self-disclosure* have the influence that is not significant for the variables customer loyalty value due to its significance in the 0.10 and the value of *t* count < *t* tables, while the dimension of the *media richness* and *self-presentation* have a significant influence on the variables customer loyalty because it has the value of the significance under 0.10 and the value of *t* count > *t* table. Thus in this research dimensions that have a significant influence is the dimension of the *media richness* and *self-presentation*. This can be caused by the Indonesian consumer characteristics that more have a tendency to search for information about a brand or a product with through the internet information search can be accepted with clear because companies use social media that always renewables information. Indonesian consumers tend to want to assert itself on the social media.

### 4.4. Analysis of the research hypothesis

In this research there are five fruit of the hypothesis that will be tested. Testing the hypothesis of this research is done by using the *t* statistics tests help in determining a relative about the importance of each of the variables in the research model, know the influence of each independent variables against the dependent variables partially (Rangkuti, 2005). Basis of the refutation of the hypothesis is the value of *t* located above the 1.659 or under -1.659. This is related to the value of the significance of the variables where the value of *t* that is located between the numbers and 1.659 -1.659 will have the value of the significance in the 0.05 that cause the value of the hypothesis was rejected.

<table>
<thead>
<tr>
<th>The Description</th>
<th>Coeff. Regression</th>
<th>Standard Error</th>
<th>The value of T</th>
<th>Sig.</th>
<th>The acceptance of the hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>The existence of the influence of Social Media with customer loyalty</td>
<td>0.437</td>
<td>0.087</td>
<td>5.050</td>
<td>-4.000</td>
<td>Accepted</td>
</tr>
</tbody>
</table>

Source: Data processing result with SPSS 19.

Based on Table 14, ‘*social media will affect customer loyalty*’. This hypothesis is tested using simple regression analysis where social media as a free variable and loyalty as a bound variable. Seen from Table 14 can be seen on the statistics Test states that there
is the influence of social media variable with a variable customer loyalty, where the value of the significance shows numbers 0.000 and under the value of 0.05 and the value of \( t \) count > \( t \) tables, 5.050 > 1.659. Thus it can be concluded that social media has the impact of customer loyalty in consumer J.Co.

Based on Table 13, it is known that there are the influence between the dimensions of social media is media richness, self-presentation with a variable customer loyalty, where the value of the significance shows numbers 0.029; 0.004 and under the value of the alpha 0.1 and the value of \( t \) count > the value of the \( t \) tables, 2.216 > 1.659; 2.930 > 1.659. Thus it can be concluded that the dimensions of social media is media richness and self-presentation has the impact of customer loyalty in consumer J.Co. While other social media dimension (social presence and self-disclosure) does not have a significant impact on customer loyalty, this can be seen in the value of the significance of each of the dimensions shows the numbers in the value of 0.10 and the value of \( t \) count smaller than the value of the \( t \) table.

5. Conclusion

Development of information and technology in the middle of the Indonesian people make the changes consumption behavior patterns of information, change was seen by transferring the culture as read the information in the newspaper to read the information through electronic newspaper or by accessing a news site that always presents the latest news. Change the information consumption patterns have an impact on the economic sector with the emergence of E-commerce or in Indonesia better known with electronic trading.

Start with the increased electronic trading has the impact to the company, namely the company started exploiting digital or internet world presence to do electronic trading or company activities such as marketing. One of the activities with marketing through internet is with the use of social media such as Facebook and Twitter.

This research aims to find out the influence of social media on customer retention, and social media factors what affect customer retention. Based on the results of research analysis, it can be concluded the results of this research as follows:

1. The results of research done by researchers of 110 people respondents as samples namely consumers J.Co, who consume and follow social media J.Co known social media variable had an effect on the variables customer loyalty that means social media had an effect on the customer retention. This indicates that the use of social
media has the effect on the effort to maintain consumer, although on business
that moves on the low involvement products such as J.Co.

2. While based on the dimensions of the four dimensions of social media variable is
examined by the researchers only media richness dimension, and self-presentation
that had a significant influence on customer loyalty. variable with the value of
sig. $0.029 < 0.10$, and $0.004 < 0.10$. While the two other dimensions are the
dimensions of social presence and the dimensions of the self-disclosure does not
have a significant influence on the variables customer loyalty, because the value
of sig both the dimension $0.491 > 0.10$, and $0.985 > 0.10$.

5.1. Managerial implications

This research aims to know how the influence of social media on customer retention
and dimensions that there is in social media that affect customer retention. The sample
in this research is the consumers who consume J.Co and then follow the social media
J.Co. In this research social media as independent variables and customer loyalty that
measure customer retention as dependent variables.

The results of research done by the researchers, shows that the social media have
a positive impact on customer retention in the minds of respondents is consumers J.Co.
From the four dimensions of social media namely social presence and media richness,
self-presentation, and the self-disclosure. The dimension evaluated most significantly
affect social media is media richness, and self-presentation. From the results of research,
researchers see that respondents answered about media dimension presence have
mean values are in the category of high. This can be caused by respondents using social
media as a media to get information that is not yet known, the use of social media is
very helpful in obtain information because the interaction happened interactive.

The second dimension self-presentation provide a significant impact on customer
retention, influential the significance is caused respondents want to create the image
on himself with the associate on a positive impression. This can be seen from respon-
dents to post when they are in the baggage J.Co, or want to enjoy one of the products
J.Co. In addition respondents visible do posting about grievances that they experienced
at the time in baggage; as ever services and is very busy baggage J.Co that they attend.

While on the dimensions of social presence has no effect on customer retention, this
shows that consumers J.Co is not significantly affected by the communication activity
that occurs on the social media, caused respondents felt by doing posted in social
media is a communication contact and in addition to the discussion on social media has shown the process of interaction and contacts

The dimensions of the *self-disclosure* has no effect on *customer retention*, because respondents in doing a post on social media has expressed the feeling that felt, and the things that are preferred on when you want to show himself.

Researchers assess there are a few things that need to be noted by PT J.Co as the manufacturer J.Co to customer loyalty that can be done to increase the maximum *customer retention*. First PT J.Co must improve aspects of *media richness* on social media such as increasing the intensity of the gift of clear information about promo the promo and in the baggage which promo occur through social media J.Co, and emphasized the aspect of the *self-presentation* with the administrator of the social media cast interesting topics regarding J.Co that can cause the stimuli to customers to perform posting, then give a quick response to the complaints of that mention by consumers, besides using social media J.Co need to consider to give *reward* to customers who are loyal to J.Co, and using traditional media especially *below the line* like in the magazine, tabloid newspaper and in accordance with the characteristics of the consumers J.Co; and harmonize the message communicated through social media And the traditional media that are reinforced the message that you want to delivered.

### 5.2. Academic implications

Research on social media for *customer retention* research is in the field of knowledge that is still new research about social media is important to be done by the scholars to know how far the benefits that can be obtained from the use of social media to the marketing activities, especially regarding customer retention on the characteristics of the Indonesian people. In practice social media used to increase consumer awareness of a brand, but social media is not yet beyond as a media to maintain customer.

The need for further research about social media with emphasis on aspects of the category of product type, both of *low* and *high involvement*, then emphasizes the influence of positive attitude consumers, the influence of brand image and influence over purchasing decisions. The need for further social media research is because social media is part of the theory of IMC which is new, so required the development of science in order to make known the impact of social media usage against the aspects of marketing.
5.3. Suggestions

By doing this research, then expected for the company or any further researchers to consider the use of social media as a communication media delivery of marketing message to the consumer and so did he enhancements to the research on further research. Enhancements to the research was done in order to provide enhancements to the research that has been done previously, enhancements are among others:

1. Social Media is the new means of communication for the field of marketing and still requires the development as well as further proof of the effectiveness of the use of this facility for marketing communication activities and companies need human resources that have good communication capabilities to perform the transmission of the message between the brand to consumers. Because the communication activities through social media requires the arrangement of a good sentences so that the brand message can be well received in the mind of the consumer.

2. In order for the creation of an effective marketing communication activities, companies should use social media with integrated media promotional mixed other. And the message must be in harmony in every aspect of the media, so that the message can be received by both the message and the company achieved.

Further research should zoom in the number of respondents in order to improve the representation of research results with the state of the population actually.

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