THE INFLUENCE OF ELECTRONIC WORD OF MOUTH ON AUDIENCE SATISFACTION THROUGH AUDIENCE LOYALTY ON MOVIES IN SOCIAL MEDIA

by Zeplin Tarigan

THE INFLUENCE OF ELECTRONIC WORD OF MOUTH ON AUDIENCE SATISFACTION THROUGH AUDIENCE LOYALTY ON MOVIES IN SOCIAL MEDIA

[1]Ribut Basuki, [2]Hotlan Siagian, [2]Zeplin Jiwa Husada Tarigan
[1]Faculty of Language and Literature, Petra Christian University, Indonesia
[2]Faculty of Business and Economics, Petra Christian University, Indonesia
rbasuki@petra.ac.id, hotlan.siagian@petra.ac.id, zeplin@petra.ac.id

Abstract

The use of internet technology with social media as a form of customer engagement can empower film fans in Indonesia. The development of high-speed internet in Indonesia makes it easy for users to easily access movie trailers and distribute them on social media websites in the form of videos. Movie trailers can allow consumers to observe and watch films in a small way by forming a precise picture. The social media sites used actively adopt the right features and are shared with users to encourage and develop social interaction among users. This study obtained a questionnaire of 512 respondents using google Forms. The study results were obtained using Partial Least Square; namely, first, electronic of mouth had an impact on the satisfaction of film audiences. Second, the electronic mouth affects the loyalty of film audiences. Third, audience satisfaction affects the loyalty of film viewers on social media. The research contributes to the theory of consumer satisfaction and the contribution of practice in building the loyalty of Indonesian film audiences.

Keywords: electronic word of mouth, audience satisfaction, audience loyalty, social media

1. INTRODUCTION

Social media is developing rapidly after developing information technology, especially in mobile phones with the internet (Bakar & Bidin, 2014). Social media has been a common community in expressing opinions in the form of the views that community members can read. Users are increasingly using the role of social media to communicate and discuss one member with other members. Social media is now also used as a promotional tool for companies to introduce products to their users. Using social media, organizations can use online systems to conduct internal audits and provide satisfaction for auditors and auditees (Sutapa et al., 2017). Social media users have displayed a variety of actions to obtain information about products or services in the social network. The box office of the movie business can leverage social media communities to solve customer concerns and make social media the primary mode of consumer engagement (Oh et al., 2017). Opinions, positive or negative, and actual statements by consumers who have used the products or services of a company can be accessed by many people through the internet. Social media has changed organizations in promoting the products or services they produce. Social media is changing how companies promote where users/consumers can now modify and even control how an organization's brand is formed and disseminated quickly. Companies use social media to deliver films released using a platform that can be seen and read and allow comments by users (Nanda et al., 2018). The internet has become an important requirement for a person to access information and communicate with others online. Social media helps personal interactions with others online and can provide information to other members in the form of electronic word of mouth (e-WOM) to purchase products or goods at the box office (Baek et al., 2017).

Social media has also changed the mindset of individuals in communicating, relating, contacting and learning about the company's product offerings. A company's ability to facilitate the rapid flow of information and provide feedback and intensive interaction with customers is increasingly critical to

business success. Customers will remember and even be able to talk about the company positively and recommend it to others. Social media provides a platform for uploading opinions or reviews as well as sharing experiences, knowledge accumulation, and organizational learning (Lam et al., 2016). Social media as electronic word of mouth (e-WOM) greatly determines the company's advantages in promoting products or services. Companies can predict consumer behavior from volume and positive or negative sentiment (Cabosky, 2016). Positive opinions expressed will have a positive impact on other members on social media and vice versa. If there is more volume and negative sentiment will build negative opinions for other members (Nanda et al., 2018). The active involvement of music festival users in posting products or brands that have been purchased is electronic promotion word of mouth (e-WOM). However, if users are disappointed with the product they have purchased, they will become aggressive attackers on the product or brand (Hudson and Hudson, 2013).

The role of social media in companies impacts companies in the form of knowledge-based advantages, information-rich social networks, information flow, and knowledge sharing (Lam et al., 2016). Social media is growing rapidly through the development of information technology, provides users with quick access and increased satisfaction with movie trailers on social media (Tarigan et al., 2020). Individual participation in using social media such as Youtube for those who like and dislike videos is relaxing entertainment, providing reviews in the form of comments, and uploading them for other users to read. Information obtained by other users can increase satisfaction in using social media (Khan, 2017). Online shopping in Vietnam in providing recovery services with interactive fairness positively impacts customer satisfaction and customer loyalty (Phan et al., 2021). Based on the discussion above, this study investigates the effect of e-WOM on audience satisfaction through audience loyalty to films on social media.

2. LITERATURE REVIEW

2.1. Electronic word of mouth

Companies need to create corporate discussion forums (CDS) on social media by involving and gathering customer groups and other related components with diverse backgrounds to discuss product issues and company promotions, customer satisfaction, collaboration, and creating new things that can develop the company. Customer involvement in conveying ideas to the company can empower other members through open innovation. Organizations that can leverage external and internal information with big data tend to have a knowledge-based advantage over competitors. Companies' social media by empowering communication with customers becomes more efficient and cost-effective (Lam et al., 2016). Social media users can read reviews from other members and make reviews of a product purchased at the box office as a form of electronic word of mouth (Baek et al., 2017).

Social media as a movie promotion strategy used by movie studios provides facilities for customers to give opinions or reviews through Facebook and organize in a fun way. At the same time, Twitter can be used to retweet positive writing on social media with electronic word of mouth obtained from the audience (Nanda et al., 2018). Electronic word of mouth (e-WOM) occurs when a consumer shares opinions and information with other customers or members of the community with each other about products, services, or organizations. Positive electronic word of mouth (e-WOM) provides purchasing behavior more positively by other consumers, while negative electronic word of mouth (e-WOM) tends to give the buying behavior of other members to negative direction (Cabosky, 2016). Indicators used for the electronic word of mouth (e-WOM) is an open social media to read reviews from other members, trust the reviews that

members wrote of the community, and write opinions or reviews on products online (Baek et al., 2017; Cabosky, 2016; Nanda et al., 2018).

2.2. Audience satisfaction

Users who have purchased products need to be maintained by the company to be satisfied and become an effective and efficient promotional strategy in the form of electronic word of mouth (Hudson and Hudson, 2013). End-user satisfaction is the sum of various emotions and viewpoints on the delivery of information in the form of products or services (Bakar and Bidin, 2014). Customer satisfaction refers to customers' feelings of joy or disappointment due to comparing perceived product or service performance (or results) to customer expectations. The auditor's satisfaction with performing audits is higher since the auditor does not have enough time to coordinate and await document confirmation (Sutapa et al., 2017). Movie box offices introducing products through social media with Facebook, Twitter, and Youtube need to build good relationships with users to provide increased business value (Oh et al., 2017). The information technology system provided can be utilized as a document database, and auditors can view it at any time. Aside from that, there is a community in the organization between auditors and auditees to balance the two groups' viewpoints so that cooperation can be successful. It refers to client satisfaction with information systems as a whole. This truth is one of the most important considerations (Tarigan et al., 2020). The satisfaction felt by hotel users can provide a good brand and increase hotel user loyalty (Jani & Han, 2014). Social media can be used as a communication tool for fellow members in the community to help each other in providing reviews of products that have been purchased so that customers become a vital role in repurchasing a product's movie box office (Baek et al. 2017). Users who have purchased the product need to be maintained by the product producing company to be satisfied. This will become an effective and efficient promotional strategy as electronic word of mouth (e-WOM). Procedural fairness and outcome fairness as dimensions of services recovery impact customer satisfaction and are unable to influence customer loyalty (Phan et al., 2021). Indicators used in customer satisfaction are proposed by Tarigan et al. (2020). Namely, online movies are fun, online movies have a good impact, online movies are the right choice, online movies make you happy, and online movies are the right entertainment.

2.3. Audience loyalty

Social media used by the company is aimed at customer service, customer relationship management, sales, and marketing public relations, and corporate social responsibility to build customer loyalty (Lam et al., 2016). The ability of businesses to create a system so that consumers can share their opinions more often on social media platforms and direct them in a positive direction is the company's business in introducing its products or brands (strategyCabosky, 2016). Consumers make observations on products and services and evaluate them after purchase. Consumers can express opinions or reviews on products and build communication with other members by sharing experiences using social media (Nanda et al., 2018). The company's ability to build consumer engagement on movie box office in social media personally and build interactive communication can increase economic performance (Oh et al., 2017). Music users' communication after purchasing a product becomes involved in social media to promote the product to other members or attack aggressively against the product (Hudson and Hudson, 2013).

Customer satisfaction and unhappiness with products or services have an impact on their future behavior. Satisfied customers are more likely to repurchase products and suggest them to others. (Jani & Han, 2014). Movie trailers users through social media provide an overview for other users, thereby increasing satisfaction. Movie trailer users read opinions and reviews from other users so that these users are also actively sharing information with interesting reviews for other members of a

community (Tarigan et al., 2020). Companies can use Youtube social media to promote products or brands to users. Organizations strive to attract as many users as possible. They pay attention to user engagement through reviews given with likes or dislikes on products to increase user loyalty (Khan, 2017). Recovery services provided by e-shopping services can increase customer loyalty by building interactive fairness (Phan et al., 2021). Indicators used in customer loyalty adopted Phan et al. (2021), recommending online films to social media community members, continuously using online movies in the future, and constantly visiting online film sites.

3. RESEARCH METHODS

The research approach used is a correlation test approach between one variable and another. In this study, we found an independent variable, a dependent variable, and an intermediate variable. The research model is shown in Figure 1.
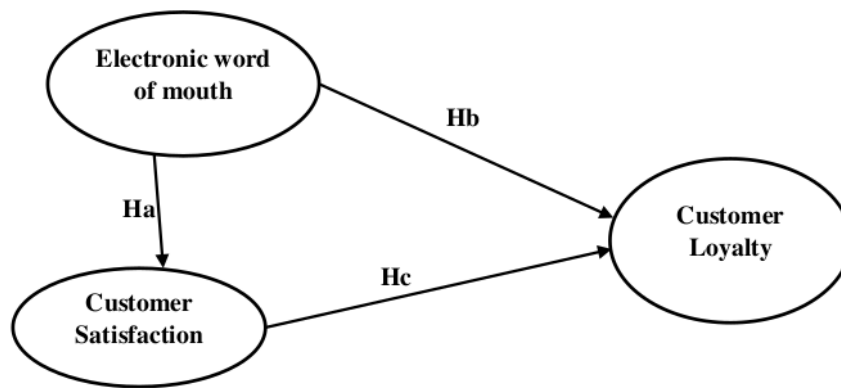

Figure 1. Customer Loyalty Research Model on Social Media The

research establishes the following hypothesis:

Ha: Electronic word of mouth (e-WOM) influence increasing customer satisfaction e-WOM)

Hb: Electronic word of mouth (WOM) can affect increasing customer loyalty

Hc: Customer satisfaction can affect increasing customer loyalty.

Research designed a questionnaire with a Likert scale of 1-5 (1= strongly disagree and 5= strongly agree) and distributed it to users who watch movies online in March 2020-March 2021. Data collection of online film users during the pandemic so that researchers sent a link to fill out online. The results of the questionnaire distribution obtained 512 respondents, which can be processed further. Data processing in this study used partial least squares. A validity test is obtained if it meets the requirements with a loading factor of ≥ 0.500. The reliability value that meets the criteria to be accepted is 0.700, while the average variance extracted (AVE) value is 0.500. The research hypothesis test will be obtained in bootstrapping. The percentage of the model to be able to describe the problem under study is obtained from the R-square value.

4. ANALYSIS AND DISCUSSION

The results of distributing questionnaires to online film users on a streaming platform were 512 respondents. These results are obtained for one year from the period March 2020-March 2021. The data collected will be used to test the hypotheses that have been determined previously—the characteristics of respondents who filled out the questionnaire are in Figure 1.
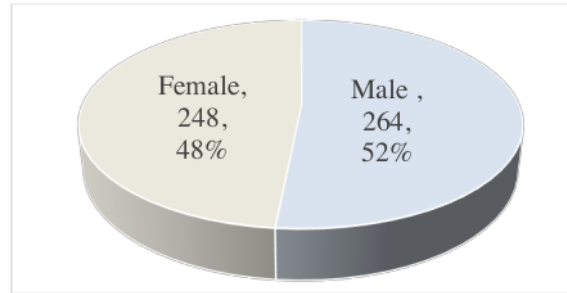

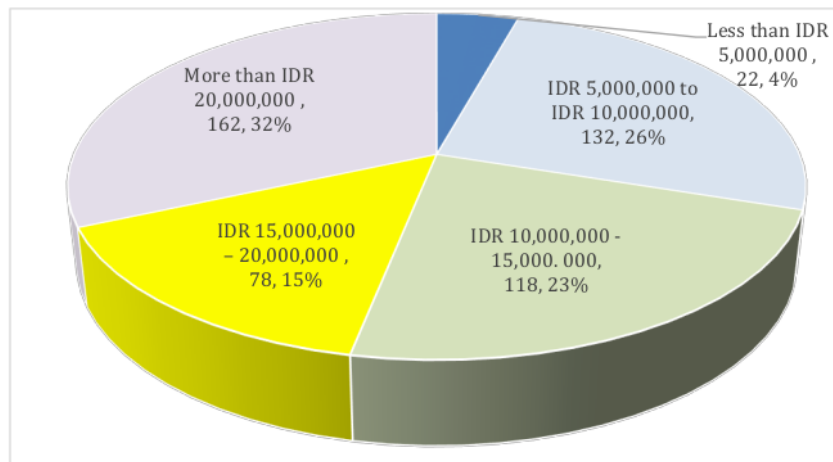Figure 2. Characteristics of Research Respondents Based on Gender

Figure 3. Characteristics of Research Respondents Based on Research Income

Figure 2 shows a balance between female and male respondents, while Figure 3 shows the largest income for users % (income > IDR 20,000,000.00). The results of data processing with partial least squares by obtaining the values of validity, reliability, and average variance extracted are shown in Table 1.

Table 1. Variable, item, reliability, ave and loading factor

Variable	Item	Item questionnaire statement	Factor Loading
e-WOM Reliability =0.786 AVE = 0.557	e-WOM1	Opening social media to read reviews from other members	0.857
	e-WOM 2	Trust reviews written by community members.	0.779
	e-WOM 3	Write opinions or reviews on products online	0.575

Customer satisfaction Reliability =0.710 AVE =0.542	CS1	Online movies are fun	0.585
	CS 2	Online movies have a good influence	0.748
	CS 3	Online movies are the right choice	0.685
	CS4	Online movies make happy	0.848
	CS5	Online movies are a great entertainment	0.738
Customer loyalty Reliability =0.732 AVE =0.503	CL1	Recommend online movies to members of the social media community	0.777
	CL 2	Continuously use online movies in the future	0.832
	CL 3	Visit online movie sites continuously	0.829

Data processing with PLS shows the research hypothesis test in the correlation between one variable and another variable obtained from the bootstrapping test shown in Figure 4 and Table 2.
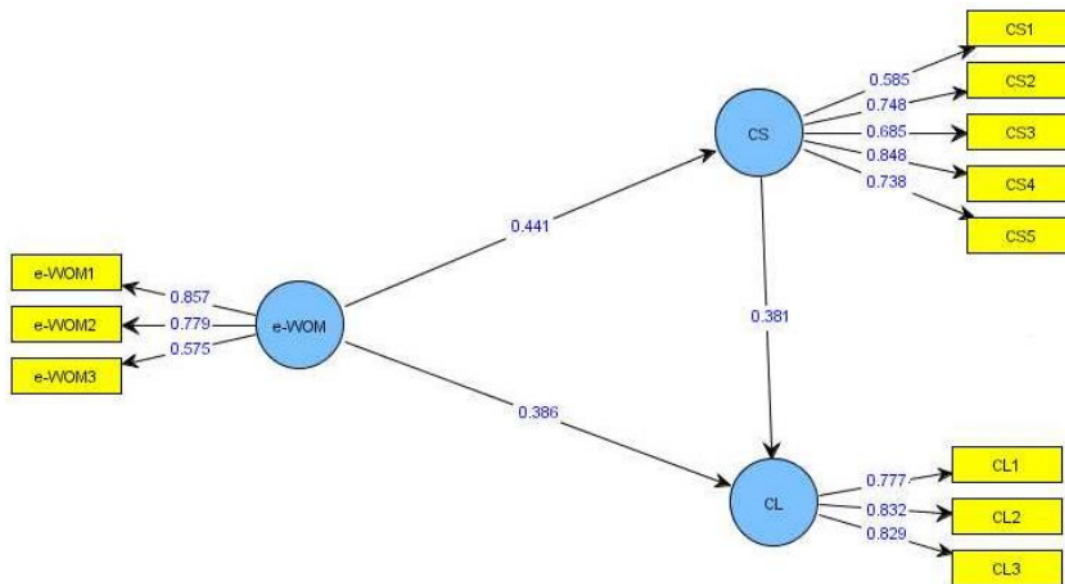

Figure 4. PLS Test Results with Path Coefficient

Table 2. Hypothesis results of Customer Loyalty research on Social Media

Direct Effect	Path Coefficient	mean of subsamples	Standard deviation	T-Statistic
e-WOM -> CS	0.441	0.448	0.036	12155
e-WOM -> CL	0.386	0.389	0.044	8,763
CS -> CL	0.381	0.379	0.039	9.820

Based on the results in Figure 4 and Table 2, the researcher can analyze the research hypothesis with the results as follows: The first hypothesis (Ha) electronic word of mouth (e-WOM) can affect increasing customer satisfaction (CS) by 0.441 (t-statistics 12.155), the first hypothesis is accepted. The second hypothesis (Hb) Electronic word of mouth (e-WOM) can have an effect on increasing customer loyalty

(CL) by 0.386 (t-statistics 8.763) is declared acceptable because it is more than 1.96. The third hypothesis (Hc) Customer satisfaction can affect increasing customer loyalty (CL) by 0.381 (t-statistics 9.820), the third hypothesis is accepted. Obtaining the model's ability to understand the magnitude of predictive relevance is obtained at the Q-square value of 53.63% (R-square CS = 0.195; CL = 0.424). Therefore, the electronic word of mouth (e-WOM) variable can explain customer satisfaction (CS) and customer loyalty (CL) variables by 53.63%, and the rest is determined by other variables that have not been studied in this study.

5. DISCUSSION

Social media becomes important for users and becomes a habit they have in using the available time. Users use online platforms to enjoy movies that can be accessed on the internet. The results showed that electronic word of mouth (e-WOM) was able to increase customer satisfaction (CS) by 0.441. This relationship shows that opening social media to read reviews from other members and trusting reviews written by community members as a form of electronic word of mouth (e-WOM) can make online film users able to enjoy film stories. This condition makes online movie users happy. Therefore, online movies are the right entertainment and can have a good influence. The second hypothesis states that electronic word of mouth (e-WOM) can affect increasing customer loyalty (CL) by 0.386. This effect shows that users use electronic word of mouth (e-WOM) by reading reviews from other members about online film products and believing in reviews written by community members, thereby increasing the number of people who visit online film sites and use them continuously. The customer satisfaction that online movie users have by getting happiness when watching online movies and online movies becomes the right entertainment. They recommend online movies to members of the social media community on an ongoing basis as a form of loyalty. Therefore, customer satisfaction can affect increasing customer loyalty (CL) by 0.381. This research provides a theoretical contribution to developing marketing strategies with social media that are not limited by demographics and time. Practical contribution for companies that produce products or services to utilize social media as a strategy to introduce products in a fast time and relatively low cost.

6. CONCLUSION

The development of information technology is continuing, such as streaming technology, supported by the internet in providing data access. The use of the internet by users makes it possible to communicate and discuss personally on social media. Using social media by the community can be used to introduce products or brands owned by businesses. The research used to get online movies for users with several conclusions, namely electronic word of mouth (e-WOM), can influence increasing customer satisfaction and customer loyalty because users can open social media to read reviews from other members and believe in written reviews. Therefore, customer satisfaction can affect increasing customer loyalty. The customer satisfaction of online film users determines users to use online films repeatedly and recommend online movies to members of the social media community on an ongoing basis.

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