




The Influence of Social Media Marketing and Service Quality on Brand Image and its Implications for Customer Retention at 4 Star Hotels in Pontianak City

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ARTICLE INFO	ABSTRACT
<p><i>Keywords:</i> Social Media Marketing, Service Quality, Brand Image, Customer Retention</p> <p><i>Received:</i> 23 November 2024 <i>Revision:</i> 23 December 2024 <i>Received:</i> 25 January 2025</p> <p>©2025 Wahyudi, Barkah, Listiana: This is an open access article distributed under conditions Attributed to Creative Commons 4.0 International.</p> 	<p>This research analyzes the influence of Social Media Marketing and Service Quality on Brand Image and its implications for Customer Retention at 4 star hotels in Pontianak City. Using a quantitative approach, this research involved 150 respondents selected using purposive sampling. Data was collected through questionnaires and analyzed using the Structural Equation Modeling - Partial Least Squares (SEM-PLS) method. The results show that Social Media Marketing and Service Quality have a positive effect on Brand Image, which functions as a mediator in the relationship between the two and Customer Retention. These findings emphasize the importance of social media marketing strategies and improving service quality to create a positive brand image, which in turn increases customer loyalty. Recommendations are provided to improve marketing activities, service quality and customer loyalty programs. This research is expected to provide insight for hotel managers in increasing competitiveness in an increasingly competitive market. Apart from that, the results of this research can also be a reference for further research in exploring other factors that influence customer retention in the hotel industry. Thus, this research contributes to the development of theory and practice in the field of marketing and service management.</p>

INTRODUCTION

The hotel industry in Pontianak City is facing increasingly fierce competition, especially with increasing customer expectations in the digital era. Social media has become a key platform that allows hotels to reach customers in a more personal and interactive way. According to Yadav and Rahman (2018), marketing strategies via social media are able to create meaningful experiences for customers and encourage brand loyalty in various sectors, including hospitality. In addition, Kim and Ko (2012) stated that social media marketing increases customer attachment to brands, especially in service-based industries.

In addition to social media marketing, service quality is an important factor in creating a positive customer experience and maintaining loyalty. Based on the SERVQUAL model by Parasuraman et al. (1988), service quality consists of five main dimensions: reliability, responsiveness, assurance, empathy, and physical evidence. Research by Annisa et al. (2021) supports that these dimensions are significant to customer satisfaction and loyalty in the hospitality sector. This finding is also in line with research by Ismail and Yunan (2016), which shows that service quality has a significant effect on customer retention when the service is consistent with their expectations.

Brand image (*Brand Image*) also plays an important role as a mediator between *Social Media Marketing, Service Quality, And Customer Retention*. According to Keller (1993), brand image is defined as the customer's perception of a brand, which is formed through the associations attached to the brand. The study by Cheraghalizadeh et al. (2022) show that a positive brand image can increase loyalty through the emotional bond between customers and the brand. In the hospitality context, Karjaluoto et al. (2019) found that a strong brand image influences customers to return, especially when an emotional connection with the brand has been formed.

Customer retention or *Customer Retention* is a critical element in the sustainability of the hotel business. Kotler and Keller (2016) emphasize that retaining customers is more profitable than finding new customers, because loyal customers tend to make repeat purchases and provide positive recommendations. Research by Reichheld and Scheffer (2000) found that increasing retention by 5% could increase company profitability by up to 95%. Therefore, this research highlights the importance of social media marketing and service quality for creating a positive brand image, which ultimately strengthens customer loyalty.

This research is very relevant because it fills the gap in understanding how social media marketing strategies and service quality influence brand image, which ultimately influences customer retention. The contribution of this paper includes enriching theory by integrating these variables in the context of the hotel industry, as well as providing practical insights for hotel managers in Pontianak in increasing their competitiveness.

LITERATURE STUDY

Customer Satisfaction Theory

The Theory of Planned Behavior (TPB) is a theory that is widely used to explain the relationship between attitudes, intentions and human behavior. This

theory was introduced by Ajzen (1991) and states that a person's behavior is influenced by intention, which is the result of three main components:

1. Attitude Toward the Behavior: A person's positive or negative attitude towards a certain behavior.
2. Subjective Norm: Social influence or other people's views that are relevant to individual behavior.
3. Perceived Behavioral Control: The individual's perception of the ease or difficulty of carrying out the behavior.

In the context of this research, TPB is used to explain how customers' attitudes toward hotel services (through service quality experiences and social media interactions) shape their intentions to remain loyal to the brand. Customer loyalty behavior, such as repeat purchases or advocacy, is influenced by how they assess the quality of service and social media marketing conducted by the hotel.

According to TPB, a strong intention to behave loyally will increase if customers have a positive experience that creates a good attitude towards the brand, are influenced by social support, and feel confident that they are able to continue using hotel services. This theory is a relevant basis for understanding the factors that drive Customer Retention.

Service Quality

Service Quality, which is measured using the five dimensions of SERVQUAL—reliability, responsiveness, assurance, empathy, and tangibles (Parasuraman et al., 1988)—is an important factor in creating customer satisfaction and loyalty. Annisa et al. (2021) found that good service quality, especially in the hotel industry, plays a significant role in shaping brand image and increasing customer retention.

Social Media Marketing

Social Media Marketing (SMM) is a digital marketing strategy that utilizes social media platforms to build relationships with customers. According to Kim and Ko (2012), the main elements of SMM include entertainment, interaction, trendiness, customization, and word of mouth. Yadav and Rahman's (2018) study shows that effective SMM increases customer engagement with brands, creates emotional connections, and drives customer loyalty. In the hospitality context, social media marketing helps build meaningful customer experiences and a positive brand image.

Brand Image

Brand Image, based on functional, symbolic and experiential components (Keller, 1993), is a perception formed from customer experiences and interactions with the brand. Cheraghalizadeh et al. (2022) stated that a positive brand image strengthens customers' emotional connection with the brand, which in turn increases loyalty. In the hospitality industry, a strong brand

image plays a role in building customer trust and desire to return to use the service.

Customer Retention

Customer Retention refers to a company's ability to retain customers. Indicators include repeat purchases, customer loyalty, and brand advocacy (Kotler and Keller, 2016). Research by Reichheld and Schefter (2000) states that increasing customer retention by 5% can increase profitability by up to 95%. In the context of 4-star hotels, customer retention is the key to business sustainability.

Relationship Between Research Variables

This research covers the influence of service quality on brand image (Ismail and Yunan, 2016), social media marketing on brand image (Kim and Ko, 2012), and brand image on customer retention (Cheraghalizadeh et al., 2022). In addition, brand image acts as a mediator between service quality and social media marketing on customer retention (Karjaluoto et al., 2019).

The interaction between these variables shows a positive and significant relationship: Service Quality, Social Media Marketing, Brand Image, and Customer Retention. This holistic perspective highlights the dynamics that shape customer behavior in the financial services context.

To test this relationship, the following hypothesis is proposed:

H1: Service Quality has a positive influence on Brand Image.

H2: Social Media Marketing has a positive influence on Brand Image.

H3: Brand Image has a positive influence on Customer Retention.

H4: Service Quality has a positive influence on Customer Retention.

H5: Social Media Marketing has a positive influence on Customer Retention.

H6: Brand Image mediates the relationship between Service Quality and Customer Retention.

H7: Brand Image mediates the relationship between Social Media Marketing and Customer Retention.

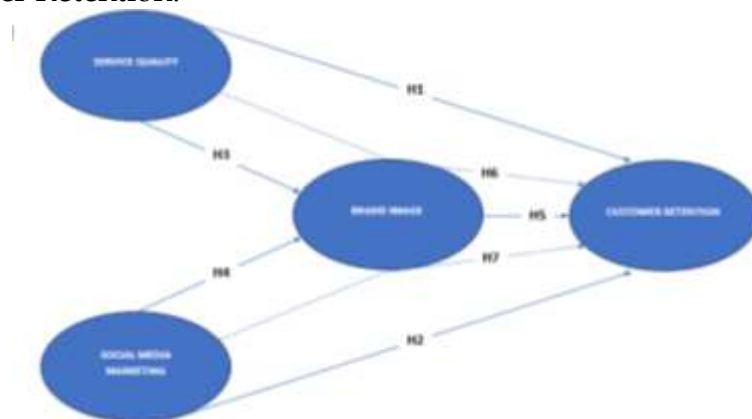


Figure 1. Conceptual Framework

METHODOLOGY

This research uses a quantitative approach with an explanatory research design to analyze the relationships between variables. The population in this

study were customers of 4 star hotels in Pontianak City who had stayed in the last six months. A total of 150 respondents were selected as samples using a purposive sampling technique, with the sample size determined based on the Slovin formula. Research data was collected through a questionnaire designed with a 5 point Likert scale. Each variable in the research is measured using specific indicators, namely interaction, entertainment, trends and word of mouth for Social Media Marketing; reliability, responsiveness, assurance, empathy, and physical evidence for Service Quality; functional image, symbolic image, and experiential image for Brand Image; as well as repeat purchases, customer loyalty, and advocacy for Customer Retention. The collected data was analyzed using the Structural Equation Modeling - Partial Least Squares (SEM-PLS) method to evaluate the relationship and influence between variables in this research.

RESEARCH RESULT

The analysis uses Structural Equation Modeling (SEM) to investigate the relationship between main variables, including Social Media Marketing, Service Quality, Brand Image and Customer Retention in 4 Star Hotels in Pontianak City. The research process involves the following systematic steps to ensure the validity and reliability of the results:

1. **Problem Identification and Framework Development**

The study began by identifying key variables, namely Social Media Marketing, Service Quality, Brand Image, and Customer Retention. A conceptual framework was developed to hypothesize relationships between variables, as shown in Figure 1.

2. **Instrument Design and Data Collection**

A structured questionnaire is designed to measure constructs with a Likert scale. The questionnaire includes indicators of each variable. Data was collected from customers of 4 star hotels in Pontianak City who had stayed in the last 6 months. Sampling was carried out purposively.

3. **Data Preparation and Initial Analysis**

The data collected was filtered to determine completeness and consistency of responses. Descriptive statistics are used to describe the demographic profile of respondents.

4. **Evaluation of Measurement Models**

The measurement model was tested using SEM-PLS software. The steps are:

- a. Assess the Loading Factor to ensure the value is above the minimum threshold of 0.7.
- b. Evaluate Composite Reliability (CR) and Average Variance Extracted (AVE) for internal consistency.
- c. Conduct Fornell-Larcker Criterion analysis for discriminant validity.

5. **Structural Model Testing**

The structural model was analyzed to test the hypothesized relationships between variables. The steps include:

- a. Calculate the R-Square Value to assess the explanatory power of the model on the dependent variable.
- b. Conduct hypothesis testing to evaluate the direct influence of independent variables on the dependent.

- c. Using T-statistics and p-value for analysis of path coefficients and significance of relationships.

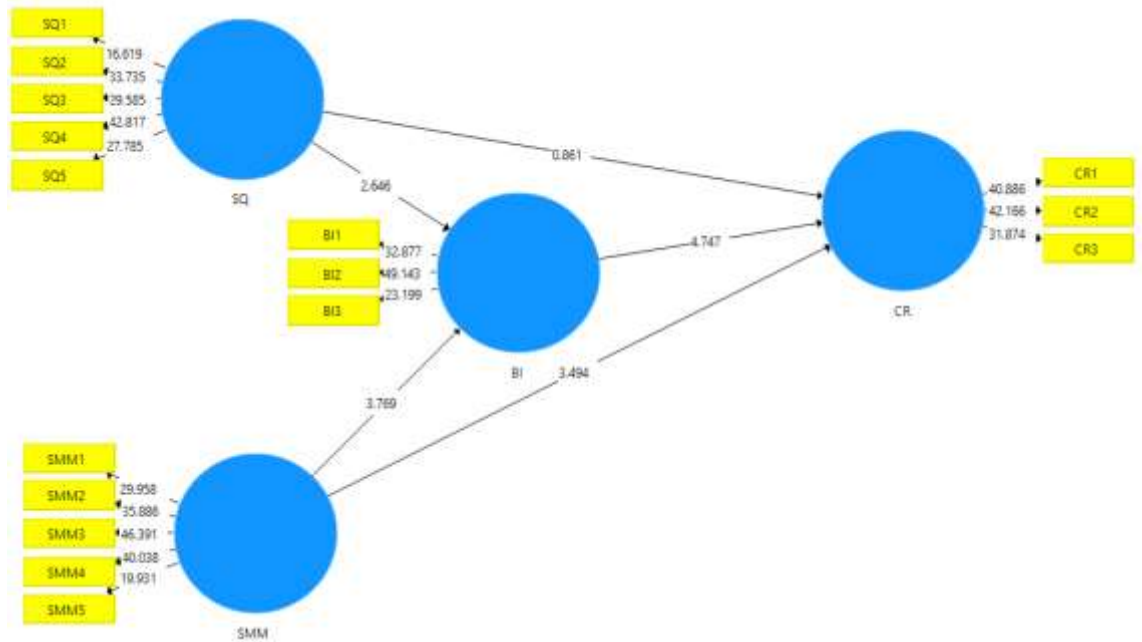


Figure 2. Structural Equation Modeling

Table 1. Path Coefficients and Significance Levels

	Original Sample	Sample Mean	Standard Deviation	t-Statistics	p-Value
BI -> CR	0.475	0.464	0.100	4.747	0.000
SMM -> BI	0.534	0.544	0.142	3.769	0.000
SMM -> CR	0.378	0.389	0.108	3.494	0.001
SQ->BI	0.370	0.356	0.140	2.646	0.008
SQ -> CR	0.087	0.083	0.100	0.861	0.389
SMM -> BI -> CR	0.254	0.248	0.073	3.465	0.001
SQ -> BI -> CR	0.176	0.170	0.084	2.095	0.037

The results of the analysis show different levels of significance in the relationships between the variables studied at CU Tri Tapang Kasih as follows:

1. **H1 (Supported):** Service Quality has a positive and significant relationship with Customer Satisfaction ($t = 2.155$, $p = 0.032$). This shows that improving service quality contributes to increasing customer satisfaction.

2. **H2 (Not Supported):** Service Quality does not have a significant relationship with Customer Trust ($t = 0.625$, $p = 0.532$). These results indicate that service quality does not directly influence customer trust.
3. **H3 (Strongly Supported):** Information Quality has a positive and very significant relationship with Customer Satisfaction ($t = 4.742$, $p = 0.000$). These findings emphasize the importance of quality information in increasing customer satisfaction.
4. **H4 (Strongly Supported):** Information Quality has a positive and very significant relationship with Trust ($t = 6.530$, $p = 0.000$). This shows that accurate and relevant information is very important in building customer trust.
5. **H5 (Supported):** Customer Satisfaction has a positive and significant relationship with Trust ($t = 2.540$, $p = 0.011$). Satisfied customers tend to develop higher levels of trust.
6. **H6 (Supported):** Customer Satisfaction has a positive and significant relationship with Customer Loyalty ($t = 3.139$, $p = 0.002$). Satisfaction is an important predictor of customer loyalty.
7. **H7 (Strongly Supported):** Trust has a positive and very significant relationship with Customer Loyalty ($t = 6.992$, $p = 0.000$). Trust is a key factor in building customer loyalty.

DISCUSSION

The findings from this research provide important insights about the findings from this research provide important insights into the relationship between Social Media Marketing, Service Quality, Brand Image, and Customer Retention. The results emphasize the interrelationships between variables, highlighting the mechanisms that drive brand image and customer retention.

The influence of Social Media Marketing on Brand Image, the research results show that Social Media Marketing has a positive and significant relationship with Brand Image ($t = 3.769$, $p = 0.000$). Social media activities that include interactive, relevant and interesting content have been proven to increase customers' positive perceptions of the brand. This is in line with the theory of Kim and Ko (2012), which states that elements such as entertainment and engagement in social media play an important role in building emotional connections with brands. Yadav and Rahman's (2018) study also supports these findings, showing that an effective social media strategy can increase brand loyalty.

The influence of Service Quality on Brand Image, that Service Quality results also have a positive and significant influence on Brand Image ($t = 2.646$, $p = 0.008$). SERVQUAL dimensions such as reliability and empathy play an important role in shaping customers' positive perceptions of the brand (Parasuraman et al., 1988). However, these findings highlight that service quality does not only include technical aspects, but also includes emotional aspects that can improve brand image. Research by Annisa et al. (2021) and Ismail and Yunan (2016) also support that satisfying service experiences can strengthen brand image in the service industry.

The influence of Brand Image on Customer Retention, the results of Brand Image have a significant direct influence on Customer Retention ($t = 4.747$, $p = 0.000$). These results indicate that customers who have positive perceptions of the brand tend to be more loyal and make repeat purchases. This is consistent with Keller's (1993) theory, which explains that a strong brand image creates a deep emotional connection between customers and the brand. Research by Karjaluoto et al. (2019) also show that a positive brand image can increase customer loyalty, especially in highly competitive service contexts such as the hotel industry.

The influence of Social Media Marketing on Customer Retention, research results show that Social Media Marketing also has a direct relationship with Customer Retention ($t = 3.494$, $p = 0.001$). A well-designed social media strategy can increase customer engagement and strengthen their loyalty to the brand. This finding is consistent with research by Yadav and Rahman (2018), which highlights the importance of interactive communication in building long-term relationships with customers.

The results of this research also show that Brand Image plays a significant mediating role in the relationship between Social Media Marketing, Service Quality and Customer Retention. Brand Image mediates the relationship between Service Quality and Customer Retention ($t = 2.095$, $p = 0.037$) as well as between Social Media Marketing and Customer Retention ($t = 3.465$, $p = 0.001$). This shows that a positive brand image can optimize the impact of marketing strategies and quality services on customer loyalty. Research by Keller (1993) and Cheraghalizadeh et al. (2022) supports these findings by emphasizing the importance of brand image as a key factor in creating customer loyalty.

This research provides a theoretical contribution by strengthening understanding of the mediating role of Brand Image in the relationship between Social Media Marketing, Service Quality and Customer Retention. Practically, these findings provide guidance for hotel managers to prioritize social media marketing strategies and improve service quality to create a positive brand image. This, ultimately, will increase customer loyalty and business sustainability.

Overall, the results of this research provide valuable insights for designing more effective marketing and service strategies in the hotel industry in Pontianak City.

CONCLUSIONS AND RECOMMENDATIONS

This research concludes that there is a significant relationship between Social Media Marketing, Service Quality, Brand Image and Customer Retention in 4 star hotels in Pontianak City. The analysis results show that Social Media Marketing and Service Quality have a positive effect on Brand Image. Apart from that, Brand Image is proven to be a significant mediator in the relationship between these two variables and Customer Retention. The research results also show that Social Media Marketing has a direct influence on Customer Retention, while Service Quality does not have a direct influence but is mediated by Brand Image.

Based on the research results, several recommendations that can be proposed for 4 Star Hotels in Pontianak are as follows:

1. **Improved Social Media Marketing Strategy:** 4 star hotels in Pontianak City need to increase social media marketing activities through more interactive, relevant and interesting content to strengthen customer perceptions of the brand.
2. **Focus on Improving Service Quality:** To create a positive customer experience, hotels are advised to improve service quality by training staff, increasing responsiveness, and ensuring physical facilities are in optimal condition.
3. **Strengthening Brand Image:** Consistent and customer data-driven branding campaigns need to be designed to strengthen customers' emotional connection with the brand, which ultimately increases customer loyalty.
4. **Customer Loyalty Programs:** Implement customer loyalty programs to encourage repeat purchases and create long-term relationships with customers. These programs may include exclusive offers or rewards to loyal customers.

ADVANCED RESEARCH

This research has several limitations, including its focus on one city and quantitative methods. Therefore, it is recommended that future research could consider:

1. **Comparative Study:** Conduct research on hotels in various regions to understand differences in customer dynamics in various locations.
2. **Mixed-Method Approach:** Incorporate qualitative methods such as in-depth interviews or discussion groups to gain more detailed insight into customer perceptions.
3. **Exploration of Moderating Variables:** Examining moderating variables such as customer demographics, previous experience, or level of customer trust to see how these factors influence the relationship between variables.

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