

ANALYSIS OF THE EFFECT OF DIGITAL CUSTOMER EXPERIENCE ON CUSTOMER LOYALTY THROUGH EMOTIONAL MARKETING AND CUSTOMER SATISFACTION FOR INDIHOME CUSTOMERS

Yessi Claudia Sianipar¹, Syafrizal Helmi Situmorang², Rulianda Purnomo Wibowo³

¹Master Management Program, Post Graduate School, Universitas Sumatera Utara

²Faculty of Economic and Business, Universitas Sumatera Utara

³Faculty of Agriculture, Universitas Sumatera Utara

Corresponding E-mail: yicsianipar@gmail.com

Abstract

Some of the conclusions obtained from this research are as follows following: Digital customer experiences significantly influence customer satisfaction. This shows that the greater the digital customer experience value that can be felt by customers, the customer satisfaction will increase. Digital customer experiences significantly influence emotional marketing. In this study, the relationship between these two variables is the closest of all variables because it has the highest path coefficient and t values. This shows that the greater the value of the digital customer experience, the greater the emotional marketing that customers can feel. emotional marketings significantly influence customer satisfaction. This shows that the greater the value of emotional marketing that can be felt by customers, the customer satisfaction will increase. emotional marketings significantly influence customer loyalty. This means that the greater the value of emotional marketing that can be felt by customers, the customer loyalty will increase. Customer satisfactions significantly influence customer loyalty. This shows that the greater the value of customer satisfaction, the greater customer loyalty will be. Digital customer experiences significantly influence customer loyalty through customer satisfaction. Digital customer experiences significantly influence customer loyalty through emotional marketing. emotional marketings significantly influence customer loyalty through customer satisfaction. Digital customer experiences significantly influence customer satisfaction through emotional marketing. Digital customer experiences significantly influence customer loyalty through emotional marketing and customer satisfaction.

Keywords: *Digital customer experience, customer satisfaction, emotional marketing, customer loyalty*

1. INTRODUCTION

The rapid development of technology has caused a significant shift in the level of community needs. One of them is the need for the internet, which has become a primary need for society, especially in big cities. The Internet reaches every inhabited area of the planet and connects billions of people. The internet reaches ships at sea, planes in the air, and vehicles on land. Internet-connected devices surround humans, and include security systems, vending machines, surveillance cameras, and televisions and other common household appliances (Comer, 2020). One of the internet products that is widely used by people in Indonesia is Indihome. Indihome is a fixed broadband internet service owned by a state-owned company, PT Telkom Indonesia (Persero), Tbk, which was officially launched in 2015. Indihome provides many package options to the public which include internet, TV and telephone services. According to the Annual Report, Digitalization For A Better Future, Telkom has Indihome's market share reaching up to 80.2% by the end of 2021 with a total of 8.6 million subscribers (Telkom, 2021). However, when viewed from previous years the value of this market share has decreased, as shown in Figure 1.1. Indihome's market share has continued to decline in the last three years (2019, 2020 and 2021).

ANALYSIS OF THE EFFECT OF DIGITAL CUSTOMER EXPERIENCE ON CUSTOMER LOYALTY THROUGH EMOTIONAL MARKETING AND CUSTOMER SATISFACTION FOR INDIHOME CUSTOMERS

Yessi Claudia Sianipar, Syafrizal Helmi Situmorang, Rulianda Purnomo Wibowo

As the market leader, Indihome is not immune from competition, because there are many competitors who offer internet services at lower prices. Of course, Telkom needs to have a special strategy so that customers do not switch to competitors and can continue to acquire new customers so that the target number of subscribers in 2023 can be reached at 10.2 million. The existence of threats from competitors who offer lower prices can greatly affect customers and potential customers who tend to be price sensitive. According to Day (2022), price-sensitive customers demand high quality and reliability, and lower prices. If observed, most competitors are currently conducting a price war to be able to attract as many customers as possible. Meanwhile, Telkom always avoids price wars, because this strategy can have bad consequences for the company's profits, where Telkom as a state company is entrusted with being able to provide dividends as a source of state revenue to Indonesia, as written in the Law of the Republic of Indonesia Number 19 of 2003 concerning State-owned enterprises.

In general, price is the main factor for consumers in determining their choice. However, price isn't the only factor considered. According to Day (2022), customer sensitivity to price does not mean they will accept cheap offers at low prices due to substandard performance or inadequate service. Several other considerations that are no less important for consumers in subscribing to the internet are network quality, speed in handling interruptions, and the convenience provided through available applications and features. Companies must be able to display the advantages of their products massively on these factors, which can touch the emotions of customers in today's digital era, where people receive information more easily and quickly. The average human makes decisions based on the influence of his emotional response, so it is important to pay attention to the logical and emotional aspects as a whole as two sides of a coin that cannot be separated.

Based on historical data for 2022 (Figure 1.2), from January to December, there was an increase in the number of subscribers who unsubscribed (churn) at their own request. The reason most customers stop is that they are dissatisfied with their internet services and get cheaper price offers from other providers such as First Media, Biznet Home, MNC Play, MyRepublic, NusaNet, and others. This problem is a challenge for companies to be able to reduce the number of churn in 2023. One thing that must be understood is that the task of the marketing unit is not only thinking about how to increase the number of customers, but also thinking about how to increase customer loyalty. Junichi Kato, The Managing Director of TMF Group Japan said that customer loyalty is one of the most important drivers for business performance, especially in professional service companies (Klaus, 2015). If customer loyalty is higher, then the number of churn is lower. Therefore, it is better if all marketing activities carried out by the company are customer oriented (customer centered). A good company will always put the customer as its main focus.

Through the description above, Indihome has offered many digital customer experiences to all of its customers. This digital customer experience is expected to be one of Indihome's competitive advantages. Based on previous research, digital customer experience influences loyalty by examining the mediating role of customer satisfaction variables. Therefore, this research was conducted to analyze the extent to which digital customer experience influences customer loyalty mediated by customer satisfaction and emotional marketing, which can not only enrich product connotations and accelerate product popularity, but also strengthen a company's sustainable development capabilities (Bin, 2023).

2. IMPLEMENTATION METHOD

This type of research is quantitative research that is associative. According to Sugiyono (2021), the quantitative research method can be interpreted as a research method based on the philosophy of positivism, used to research on certain populations or samples, collecting data using research instruments, data analysis is quantitative/ statistics, with the aim of testing the hypotheses that have been set. Meanwhile, according to Sugiyono (2021), associative research is research that asks about the relationship between two or more variables. The population is the entire element that will be used as a generalization area. The population element is the entire subject to be measured, which is the unit under study (Sugiyono, 2021). The population used in this study were all Indihome customers in the city of Medan, totaling 195,813 customers.

The data collected in this study are in the form of primary data and secondary data. Primary data is data collected by the researchers themselves directly from the first source or object of research conducted (Sinulingga, 2021). This primary data will be obtained directly from the answers to all research questions submitted to Indihome customers in the city of Medan, either through questionnaires or direct interviews with some respondents to obtain details of the answers that have been answered in the questionnaire. The technique used in sampling in this study is Stratified Random Sampling. Sugiyono (2015) suggests that the Stratified Random Sampling method is used when the population has members/elements that are not homogeneous and proportionally stratified. According to Sinulingga (2021) the strata in the population are basically levels that are relevant to the research objectives.

The analysis model in this study was carried out using the Partial Least Square (PLS) based Structural Equation Model (SEM) approach. The PLS-SEM method has become a popular method for estimating path models with latent variables and their relationships. The general objective of PLS-SEM analysis is to identify key success factors and sources of competitive advantage for constructing important targets such as customer satisfaction, customer loyalty, behavioral intention, and user behavior (Sarstedt, et.al, 2021). According to Hair, et.al (2021), PLS-SEM is very flexible in its modeling properties. In its basic form, the PLS-SEM algorithm requires all models not to include circular or loop relationships between latent variables in the structural model. Although causal loops are sometimes defined in business research, this characteristic does not limit the applicability of PLS-SEM, if such a model is required because Lohmöller's (1989) extension of the basic PLS-SEM algorithm makes it possible to deal with such types of models.

3. RESULTS AND DISCUSSION

3.1 Analysis and Discussion of Mediation in PLS

Evaluating the mediation model requires all measurement quality criteria and structural models to be met, it is important to ensure that the reflectively measured mediator construct shows a high level of reliability. After establishing the reliability and validity of the measurement model for mediators and other exogenous and endogenous constructs, it is important to consider all structural model criteria. However, for some things, such as a high collinearity value, it is not required because it is likely to result in a biased path coefficient (Hair, et.al., 2021).

The initial stage in analyzing the mediation of this research model was carried out by testing the significance of the relevant indirect effects based on the indirect effects values obtained which are shown in Table 1.

ANALYSIS OF THE EFFECT OF DIGITAL CUSTOMER EXPERIENCE ON CUSTOMER LOYALTY THROUGH EMOTIONAL MARKETING AND CUSTOMER SATISFACTION FOR INDIHOME CUSTOMERS

Yessi Claudia Sianipar, Syafrizal Helmi Situmorang, Rulianda Purnomo Wibowo

Table 1 Indirect Effects

	Original Sample (O)	Sample Means (M)	Standard Deviation (STDEV)	T Statistics ((O/STDEV))	2.5% CI	97.5% CI
DCX -> CS -> CL	0.094	0.095	0.033	2,876	0.036	0.158
EM -> CS -> CL	0.159	0.162	0.046	3,441	0.078	0.256
DCX -> EM -> CS -> CL	0.114	0.116	0.034	3,321	0.055	0.185
DCX -> EM -> CL	0.216	0.213	0.066	3,293	0.097	0.336
DCX -> EM -> CS	0.349	0.350	0.052	6,716	0.244	0.453

The next step is to ascertain whether the direct effect is significant for each of the variables associated with the mediating effect.

Table 2 Direct Effects

	Original Sample (O)	Sample Means (M)	Standard Deviations (STDEV)	T Statistics ((O/STDEV))	2.5% CI	97.5% CI
CS -> CL	0.325	0.328	0.078	4,176	0.186	0.468
DCX -> CS	0.288	0.289	0.073	3,940	0.138	0.430
DCX -> EM	0.714	0.714	0.031	23.135	0.651	0.768
EM -> CL	0.303	0.299	0.090	3,370	0.136	0.471
EM -> CS	0.489	0.491	0.067	7,291	0.351	0.616

Based on the values in Table 1 and Table 2 it can be concluded several points as follows:

1. The CS -> CL direct effect value was 0.325, while the CI interval value was 0.186 – 0.468 so it can be concluded that the DCX and EM variables mediate some of the effects on CS -> CL.
2. The direct effect value of DCX -> CS was 0.288, while the CI interval value was 0.138 – 0.39 so it can be concluded that the EM variable mediates some of the effects on DCX -> CS.
3. The direct effect value of EM -> CL is 0.303, while the CI interval value is 0.136 – 0.471 so it can be concluded that the DCX variable mediates some of the effects on EM -> CL.
4. The direct effect value of EM -> CS is 0.489, while the CI interval value is 0.351 – 0.616 so it can be concluded that the DCX variable mediates some of the effects on EM -> CS.
5. The DCX -> EM direct effect value is 0.714. However, the DCX variable is not mediated by any variable based on the original research model in Figure 4.1., because there is no arrow path leading to DCX.

The conclusion from points 1-4 above shows that the mediation relationship is included in partial mediation or partial mediation. According to Hair, et.al., (2021), partial mediation occurs when the mediator variable partially explains the relationship between exogenous and endogenous constructs. Partial mediation can take the form of complementary and competitive mediation, depending on the relationship between direct and indirect effects. In this study, points 1-4 above are included in partial mediation in the form of complementary mediation because the indirect and significant direct effects lead in the same direction. If seen in the table above, the emotional marketing variable is the variable that most mediates the other variables.

If you look at the average t value for indirect effects (3.929) and direct effects (8.382) the values are not that much different, so it can be stated that mediation is very influential in this study.

3.2 Research Hypothesis Testing

After a series of analyzes and discussions were carried out on the research model using the SmartPLS software, it was found that the research model was appropriate and then the hypothesis would be tested. The value that becomes the benchmark in testing this hypothesis is a t value greater than 1.96 with a p value of not more than 0.05, and the β coefficient is positive.

Table 3 P value

<i>hypothesis</i>	<i>Original Sample (O/β)</i>	<i>Sample Means (M)</i>	<i>Standard Deviations (STDEV)</i>	<i>T Statistics (O/STDEV)</i>	<i>P Values</i>
DCX -> CS	0.288	0.289	0.073	3,940	0.000
DCX -> EM	0.714	0.714	0.031	23.135	0.000
EM -> CS	0.489	0.491	0.067	7,291	0.000
EM -> CL	0.303	0.299	0.090	3,370	0.001
CS -> CL	0.325	0.328	0.078	4,176	0.000
DCX -> CS -> CL	0.094	0.095	0.033	2,876	0.004
DCX -> EM -> CL	0.216	0.213	0.066	3,293	0.001
EM -> CS -> CL	0.159	0.162	0.046	3,441	0.001
DCX -> EM -> CS	0.349	0.350	0.052	6,716	0.000
DCX -> EM -> CS -> CL	0.114	0.116	0.034	3,321	0.001

Based on Table 3 it can be concluded that all tested hypotheses meet the established benchmark criteria, so that it can be concluded as follows:

1. Direct Hypothesis

- a. Digital customer experiencesignificantly influence customer satisfaction. This is evidenced by the β coefficient which is positive, namely 0.288, the t value above 1.96, which is 3.94, and the p value below 0.05, which is 0. The results show that the greater the digital customer experience value that can be felt by customers, the will further increase customer satisfaction.
- b. Digital customer experiencesignificantly influence emotional marketing. This is evidenced by the positive β coefficient, which is 0.714, the t value above 1.96, which is 23.135, and the p value below 0.05, which is 0. The results of this study show that this relationship has a β coefficient and the greatest t value of all the existing hypotheses, so it can be concluded that these two variables have a very close relationship. where the factor that greatly influences the formation of emotional marketing for customers is the digital customer experience.
- c. emotional marketingsignificantly influence customer satisfaction. This is evidenced by the β coefficient which is positive, namely 0.489, the t value above 1.96, which is 7.291, and the p value below 0.05, which is 0. The results show that the higher the value of emotional marketing, the higher the customer satisfaction. increase.
- d. emotional marketingsignificantly influence customer loyalty. This is evidenced by the positive β coefficient, which is 0.303, the t value above 1.96, which is 3.370, and the p value below 0.05, which is 0.001. The results showed that the greater the value of emotional marketing felt by customers, the more customer loyalty would increase.
- e. Customer satisfactionsignificantly influence customer loyalty. This is evidenced by the positive β coefficient, which is 0.325, the t value above 1.96, which is 4.176, and the p value below 0.05, which is 0. The results show that the greater the value of

ANALYSIS OF THE EFFECT OF DIGITAL CUSTOMER EXPERIENCE ON CUSTOMER LOYALTY THROUGH EMOTIONAL MARKETING AND CUSTOMER SATISFACTION FOR INDIHOME CUSTOMERS

Yessi Claudia Sianipar, Syafrizal Helmi Situmorang, Rulianda Purnomo Wibowo

customer satisfaction felt by customers, the more loyalty will increase. customers (customer loyalty).

2. Indirect Hypothesis

- a. Digital customer experiencesignificantly influence customer loyalty through customer satisfaction. This is evidenced by the positive β coefficient, which is 0.094, the t value above 1.96, which is 2.876, and the p value below 0.05, which is 0.004. The results of the study show that customer satisfaction is able to mediate the relationship between digital customer experience and customer loyalty.
- b. Digital customer experiencesignificantly influence customer loyalty through emotional marketing. This is evidenced by the positive β coefficient, which is 0.216, the t value above 1.96, which is 3.293, and the p value below 0.05, which is 0.001. The research results show that emotional marketingable to mediate the relationship between digital customer experience and customer loyalty.
- c. emotional marketingsignificantly influence customer loyalty through customer satisfaction. This is evidenced by the positive β coefficient, which is 0.159, the t value above 1.96, which is 3.441, and the p value below 0.05, which is 0.001. The results of the study show that customer satisfaction is able to mediate the emotional marketing digital customer experience relationship to customer loyalty.
- d. Digital customer experiencesignificantly influence customer satisfaction through emotional marketing. This is evidenced by the positive β coefficient, which is 0.349, the t value above 1.96, which is 6.716, and the p value below 0.05, which is 0. The results show that emotional marketing is able to mediate the relationship between digital customer experience and customer satisfaction.
- e. Digital customer experiencesignificantly influence customer loyalty through emotional marketing and customer satisfaction. This is evidenced by the positive β coefficient, which is 0.114, the t value above 1.96, which is 3.321, and the p value below 0.05, which is 0.001. The results of the study show that emotional marketing and customer satisfaction are able to mediate the relationship between digital customer experience and customer loyalty.

3.3 Discussion of Managerial Implications

The research model obtained through the results of data processing using SmartPLS has shown that Digital Customer Experience (DCX) has the highest path coefficient value among all the relationships between existing variables as shown in Figure 1 the following.

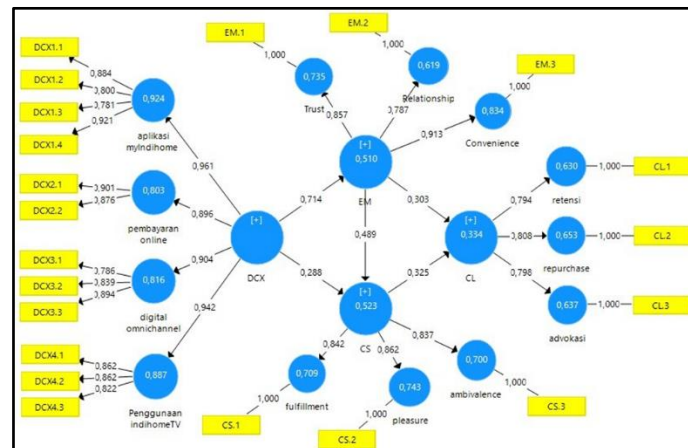


Figure 1 PLS Model Final Results

In the final stage of this study, interviews were conducted with thirty respondents in a random sample to find out why they gave a value to the questionnaire given, so that the researcher could obtain more detailed information on the research results. The following points for the final discussion are adjusted to the large number of variables along with managerial implications or strategic proposals for the company.

1. Digital Customer Experience (DCX) Implications

If we pay attention to it in more detail, the dimensions that are very influential in the Digital Customer Experience (DCX) variable are the myIndihome application, then the dimensions of using IndihomeTV, digital omnichannel, and online payments. This is because the majority of customers use the myIndihome application the most, starting from viewing product information and billing up to with reporting disturbances or complaints can be done. Customers no longer need to make calls to call centers which usually use up credit.

However, the problem that is often experienced by customers is that the application has problems such as errors when logging in, the application closes suddenly, the email or customer number is considered not registered. These three types of obstacles appear most frequently. Companies should focus more on addressing these constraints in the following ways:

- Preparing a team of programmers who are more reliable and always committed to making continuous improvements to the myIndihome application.
- Making Ratings & Reviews on the AppStore (Apple OS) and PlayStore (Android OS) one of the main KPIs in assessing the performance of the programmer team. The ratings (Ratings) of the myIndihome application until May 2023 are only 4.1/5.0 on the AppStore and 4.2/5.0 on the Playstore. In addition, the reviews (Reviews) also feature many complaints from customers so far.
- Routinely checks bugs in the application on an end-to-end basis. This inspection is carried out all day long, not only when there are complaints from customers. Therefore, it is necessary to have a shift schedule for the programmer team that oversees the smooth running of the application.
- Follow up on every customer complaint on the AppStore and PlayStore. However, sometimes customers also express their complaints through social media, so there needs to be a special team in the social media section that submits complaints about the use of the application to the programmer team.

- e) Provide socialization or certain tips to customers through social media about how to overcome common problems with applications. In some cases, apps installed on incompatible devices can also cause interference. In addition, device storage that is almost full can also cause applications to slow down

2. Emotional Marketing (EM) Implications

In the emotional marketing variable, the dimension that has the highest value is Convenience. As one of the impacts of the digital customer experience variable, customers can save time because of applications, online payments, social media as a source of up-to-date information so that customers no longer need to physically come to the office/plaza if they have complaints or other matters.

Companies must be able to make customers feel cared for, by responding to each complaint within the estimated time that the customer can still be patient. Most of the interviewed customers found it helpful to have the myIndihome application, which makes it easier for customers to report service disruptions. However, some people experienced that the report was handled for a long time. Therefore, companies must pay more attention to the number of technical teams who handle service disruptions, whether the number of disturbances that appear to customers is in accordance with the number. In addition, companies can provide outreach to customers so that more and more people know that reporting disturbances can also be done via Whatsapp, where customers are not charged when reporting, unlike when calling the 147 call center.

In addition, companies can carry out stricter supervision of the SLA (Service Level Agreement) time. SLA is a formal agreement between service providers such as Telkom and customers, regarding service commitments received and provided, with a number of performance measures. Customer service satisfaction is the company's key to survive and continue to grow. Companies need to pay more attention to the dimensions of this variable which consist of trust, relationship, and convenience which can be embedded in any policies related to customer experience. According to Drugău- Constantin (2018), the concept of emotional marketing (emotional marketing) as the ability to communicate powerfully through the use of different techniques that evoke feelings by adopting emotional marketing strategies that focus on multiple issues to get the message across. The reality is that most decisions are made based on "feelings and emotions." Psychologists have found that humans rethink and feel first. And when they encounter sensory information, the emotional part of the brain can process that information in one-fifth of the time needed by the cognitive part (Izard, 2013).

3. Implications of Customer Satisfaction (CS)

The variable customer satisfaction has three dimensions whose respective values are not much different from one another but the highest is satisfaction as pleasure. Customers will be very happy if their complaints are resolved immediately. When asked further in the interview, if there is a service interruption, the average customer does not mind having to wait for repairs as long as the clerk gives an estimated time for repairs and keeps promises according to the time that has been informed. Part of this variable is the result of mediation from emotional marketing variables. According to Nashem, et.al (2020), the role of emotional marketing here appears as a means of communicating with consumers or users and developing meaningful relationships with them, which allows satisfaction and loyalty to develop between them. After the emotional needs of customers

are met, it is very important to ensure that their satisfaction is maintained. Here are some ways that companies can do to maintain and even increase customer satisfaction:

- a) Providing the best network service and quality
- b) Ask for feedback as often as possible from customers.
- c) Receive customer opinion and identify related factors that may have an impact.
- d) Review each input and looking for solutions to be able to always be faster in resolving customer complaints.

4. Implications of Customer Loyalty (CL)

In the customer loyalty variable, the most influential dimension is repurchase where customers are willing to continue to subscribe and will not switch to another provider. As many as 18 out of 30 people said they were comfortable using Indihome and didn't want to be complicated anymore by changing providers because Indihome had very few interruptions in the last 1 year. This is also supported by the results of a questionnaire which shows a customer loyalty level of 4.41 based on the average Likert scale rating. According to Frassetto et.al (2017), building customer loyalty and maintaining it is not a matter of chance. On the other hand, management requires a lot of time and effort in designing a good and effective strategy so that it can produce a series of procedures that aim to provide the best service to customers. According to Sarantidou (2017), maintaining customer loyalty needs to go beyond satisfying their desire for good and distinctive service, because customers always want more, so it is very beneficial to adopt loyalty/reward programs, where these programs seek to increase their level of satisfaction and deepen their satisfaction. their loyalty to the brand.

Companies should not only pay attention to the number or quantity of customers, but also the quality of customers which can be judged by their level of loyalty. Customer loyalty can be seen from how long customers have used Indihome services. In addition, the company can also pay attention to competitors who enter the customer area and identify products or techniques to acquire customers. Based on the results of interviews that have been conducted, some customers sometimes need simple support when there is an event in their environment. The company must be able to provide a marketing budget to be able to meet the needs of residents in the area, where at the event the company can participate in promoting its products.

Based on the results of a survey of 271 respondents, 11.07% of customers were still not willing to recommend Indihome to others. Although most customers respond positively to In this statement, the company still needs to maximize its services in order to reduce the potential for customers to withdraw in the future.

5. Managerial Implications

Based on the results of the research above, the proposed strategy for its implications is as follows:

- a) Regarding the dimension that has the greatest value in the digital customer experience variable, it can be concluded that Telkom should pay more attention to the reliability, functionality, and UI/UX of the myIndihome application in order to be able to increase the value of customer loyalty in the end. This can be achieved by forming a team of programmers who are more reliable and on standby 24/7 as explained above in the previous sub-chapter.

ANALYSIS OF THE EFFECT OF DIGITAL CUSTOMER EXPERIENCE ON CUSTOMER LOYALTY THROUGH EMOTIONAL MARKETING AND CUSTOMER SATISFACTION FOR INDIHOME CUSTOMERS

Yessi Claudia Sianipar, Syafrizal Helmi Situmorang, Rulianda Purnomo Wibowo

- b) Companies must pay attention to aspects that can make it easier for customers through various digital technologies offered to customers. According to Mihardjo et.al (2019), digitization plays an important role in today's competitive market and is related to the use of digital technology to change business models and provide new value-generating opportunities to the current business environment with the aim of moving towards digital business.
- c) Companies need to pay more attention to and explore customer characteristics, as well as routinely provide internal evaluations so that officers and employees involved in Indihome operations can be more sensitive and understand the emotional needs of customers.
- d) Companies need to ensure the level of customer satisfaction not only through service and service quality, but also make the feedback submitted on various channels both offline and online as material for continuous evaluation or improvement. According to Kotler (2003), a company may lose 80% of very dissatisfied customers, and maybe 40% of dissatisfied customers, about 20% of moderately satisfied customers. However, a company may only lose 1-2% of very satisfied customers. The moral is that the company should continue
- e) strive to exceed customer expectations, not just meet them. Loyal customers can usually influence the people around them to subscribe. Therefore, companies can take a personal approach to certain areas that have been entered by many competitors, and prepare budgets as a form of attention to customers. According to Cranage (2004) the direct benefit of retaining customers or customer retention is a reduction in marketing and advertising costs. Several studies also show that customers who are satisfied with a service will perform word-of-mouth communication.

According to Tjiptono (2015), a number of studies confirm the importance of customer retention strategies. Comprehensive research conducted by Bain & Company on a number of service industries in America found that customer loyalty is positively related to company profitability. The average profit per customer increases over time due to 6 main factors which are customer acquisition costs, basic profit, revenue growth, cost savings, referrals and price premiums.

The six factors which are also the economic benefits of retaining customers can be described as follows:

- a. New customer acquisition costs
Although it varies between industries and situations, it is generally 5-6 times more expensive to acquire a new customer than to maintain a satisfied one.
- b. Basic profits
In many service industries, the price paid by customers during the first year or even the first few years does not cover the costs of providing the service. In other cases, the price covers costs and generates a profit per customer in the first year. This profit is called the basic profit.
- c. Revenue growth
In most situations, existing customers can provide more business with the same manufacturer or service provider. This means that on average, customers contribute

more to the company's profit as the relationship between the company and the customer grows.

d. Cost savings

Over time, companies and customers learn from each other about what is expected and how to make it happen, so that the service process becomes smoother, saves time, and is relatively free from unnecessary errors. The implication is that the average operating cost per customer will decrease, which in turn will have a positive impact on profits.

e. Referrals

Satisfied old customers can convey positive words and recommend the company or product to friends, neighbors, relatives, co-workers and other parties. Conditions like this will bring in new customers which can be obtained at a lower cost than normal acquisition costs, thus having a positive impact on profits.

f. Premium price

In some cases, an introductory price discount is offered in order to entice new customers to switch suppliers and buy the company's products/services. While old customers usually pay higher prices than new customers. Existing customers have greater price tolerance and are not easily lured by competitors' price discounts.

4. CONCLUSION

Some of the conclusions obtained from this research are as follows following:

1. Digital customer experiences significantly influence customer satisfaction. This shows that the greater the digital customer experience value that can be felt by customers, the customer satisfaction will increase.
2. Digital customer experiences significantly influence emotional marketing. In this study, the relationship between these two variables is the closest of all variables because it has the highest path coefficient and t values. This shows that the greater the value of the digital customer experience, the greater the emotional marketing that customers can feel.
3. emotional marketing significantly influence customer satisfaction. This shows that the greater the value of emotional marketing that can be felt by customers, the customer satisfaction will increase.
4. emotional marketing significantly influence customer loyalty. This means that the greater the value of emotional marketing that can be felt by customers, the customer loyalty will increase.
5. Customer satisfaction significantly influence customer loyalty. This shows that the greater the value of customer satisfaction, the greater customer loyalty will be.
6. Digital customer experiences significantly influence customer loyalty through customer satisfaction.
7. Digital customer experiences significantly influence customer loyalty through emotional marketing.
8. emotional marketing significantly influence customer loyalty through customer satisfaction.
9. Digital customer experiences significantly influence customer satisfaction through emotional marketing.
10. Digital customer experiences significantly influence customer loyalty through emotional marketing and customer satisfaction.

REFERENCES

- Bin, Sheng. (2023). Social Network Emotional Marketing Influence Model of Consumers' Purchase Behavior. MDPI Switzerland.
- Charlesworth, Alan. (2021). Absolute Essentials of Digital Marketing. Routledge.
- Comer, Douglas E. (2019). The Internet Book: Everything You Need to Know about Computer Networking and How the Internet Works. CRC Press.
- Court, D., D. Elzinga, S. Mulder, and O. J. Vetvik. (2009). The Consumer Decision Journey. McKinsey Quarterly,
- Danks, N. P., & Ray, S. (2018). Predictions from Partial Least Squares Models. Bingley: Emerald.
- Day, George S. (2022). Marketing Strategy. Elgar.
- Drugău-Constantin, A. L. (2018). Emotional and cognitive reactions to marketing stimuli: Mechanisms underlying judgments and decision making in behavioral and consumer neuroscience. Economics, Management, and Financial Markets.
- Goodman, John A. 2009. Strategic Customer Service. AMACOM. Hall, Simon. (2020). B2B Digital Marketing Strategy. Kogan Page.
- Hair, J.F., Hult, G.T.M., Ringle, C.M., Sarstedt, M., Danks N.P., Ray, S. (2021). Partial Least Squares Structural Equation Modeling (PLS-SEM) Using R. Springer.
- Hair, J.F., Hult, G.T.M., Ringle, C.M. and Sarstedt, M. (2017). A Primer on Partial Least Squares Structural Equation Modeling (PLS-SEM) 2nd Edition. Sage Publications.
- Hasan, Ali. (2009). Marketing. Media Pressindo.
- He, X., Zhu, L., Sun, L., Yang, L. (2022). The influence of brand marketing on consumers' emotion in mobile social media environment.
- Ingwer, Mark. (2012). Empathetic Marketing. Palgrave Macmillan.
- Izard, C. E. (2013). Human emotions. Springer Science & Business Media.
- Jung, S.H. dan Chung, B.G. (2020). Influential Factors of Digital Customer Experiences on Purchase in the 4th Industrial Revolution Era.
- Klaus, Philipp. (2015). Measuring Customer Experience How To Develop And Execute The Most Profitable Customer Experience Strategies. Palgrave Macmillan.
- Kotler, P. (2003). Marketing Management 11th Ed. Upper Saddle River.
- Kotler, P. dan G. Armstrong. (2016). A Framework for Marketing Management. Pearson.
- Kotler, P., Kartajaya, H., dan Setiawan, I. (2017). Marketing 4.0. Wiley.
- Kotler, P. dan Armstrong, G. (2021). Principles of Marketing, 18th Edition. Pearson. Kotler, P., Kartajaya, H., dan Setiawan, I. (2021). Marketing 5.0. Wiley.
- Lemke, Fred. (2006). What Makes a Great Customer Experience. Cranfield University.
- Robinette, S., Brand, C., dan Lenz, V. (2001). Emotion Marketing. McGraw-Hill. Sekaran, U. (2016). Research Methods for Business: A Skill Building Approach. John Wiley & Sons.
- Shmueli, G., & Koppius, O. R. (2011). Predictive analytics in information systems research. MIS Quarterly.
- Sinulingga, Sukaria. (2018) "Metode Penelitian Ed. 3". USU Press.
- Situmorang, Syafrizal H. (2019). Analisis Data untuk Riset Manajemen dan Bisnis. USU Press.

- Sugiyono. (2016). “Metode Penelitian Kuantitatif, Kualitatif dan R&D”. Alfabeta. Telkom Indonesia. (2021). Laporan Tahunan 2021 : Digitalization For A Better Future.
- Tjiptono, Fanny. 2015. Strategi Pemasaran, Edisi 4. Andi Offset.
- Undang-Undang Republik Indonesia Nomor 19 Tahun 2003 Tentang Badan Usaha Milik Negara
- Wirtz, J. dan Lovelock, C. (2018). Essentials of Services Marketing. Pearson. Zeithaml, V.A., Bitner, M.J., dan Gremler, D.D. (2018). Service Marketing: Integrating Customer Focus Across The Firm 7th ed. McGraw- Hill.