CHAPTER I
INTRODUCTION

1.1. BACKGROUND

Due to the necessities and efficiency of the time, everything has changes dramatically quickly, the expansion of the internet for both personal and professional use has greatly aided in the active pursuit of new knowledge. The digital economic transformation, which is a driver of economic growth in Indonesia, needs to be optimized, according to Deputy Minister of Finance (Wamenkeu) Suahasil Nazara. From 2021 to 2025, the digital economy in Indonesia is expected to grow by 20%, reaching USD 146 billion. The deputy of finance came to the conclusion that a wide range of sectors, including the financial sector, government, education, health, trade, and industry, were included in Indonesia's goal of expanding the digital economy.

Social media platforms have provided businesses a way to grow and specifically target their consumers. According to We Are Social and Hootsuite's The Digital 2022 Global Overview Report, Indonesia saw a total gain of 21 million social media users (+12.6 percent) between 2021 and 2022. The record stated that Indonesia's internet user statistics in 2022 are more than 204 million people. While Indonesia's social media users in 2022 are more than 190 million people (Figure 1.1). In the right picture (Figure 1.1) it is seen the average number of internet accesses per day is more than 8 hours, it includes almost 5 hours accessing the

internet, and almost 4 hours using computers/laptops and tablets. It also leads to the possibility for some businesses to reach them with the proper digital assets.

Figure 1.1 Essential Digital Headlines and Daily Time Spent Using in the Internet

(Source: WeAreSocial.com, 2022)

In their daily lives, Indonesians mostly utilize social media, particularly the internet, to find new information (80,1%), fresh ideas and knowledge (72,9%), and to still stay in touch with friends (68,2%) (Figure 1.2).
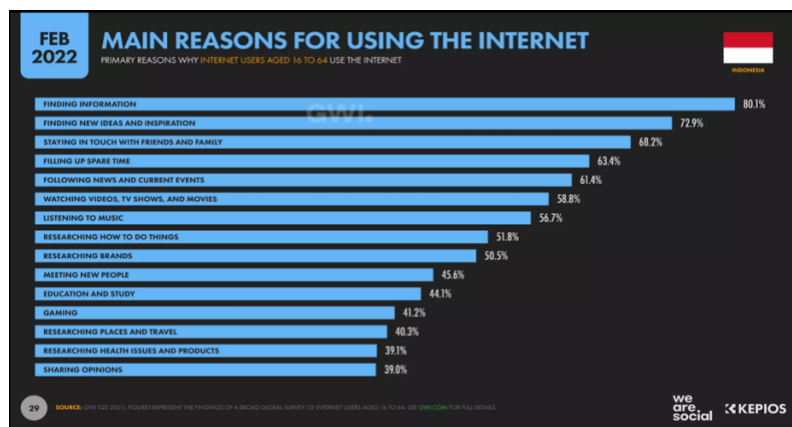

Figure 1.2 Essential Digital Headlines and Daily Time Spent Using the Internet
(Source: WeAreSocial.com, 2022)

Supporting viewpoints, there is an intense drive these days, particularly for business, to utilize marketing communication as a technique to boost customer loyalty, brand loyalty, and engagement. According to financeonline.com, business-to-business organizations

frequently use digital marketing to effectively launch and promote their brands (Figure 1.3). Currently, 52% of business use SEO when creating and updating blogs. To promote their brands and interact with customers, almost 40% of enterprises or companies tried to publish an e-book and start social media accounts. Around 40% of firms also utilized email to disseminate their newsletter to their whole customer base, and 36% of them used a digital calendar to a schedule events.
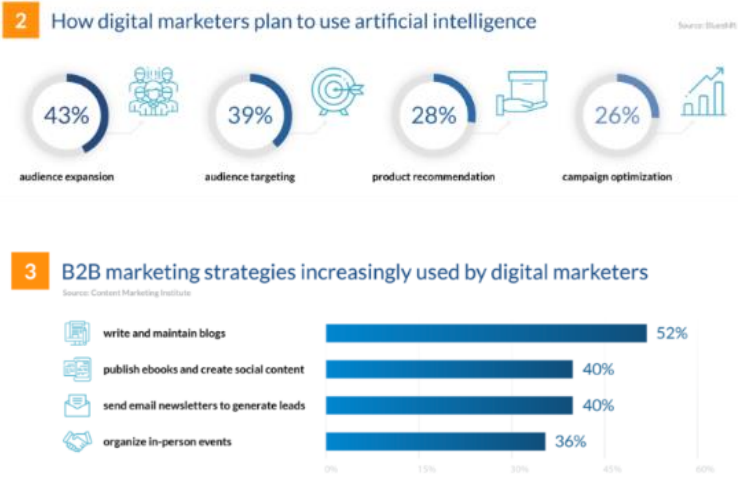

Figure 1.3 Data sensitivity index score of Asia-based ride-hailing and taxi applications in 2022
(Source: Statista.com, 2022)

Grab is the market leader in the rapidly increasing "digital ecosystem," which merges transportation, the digital ecosystem, e-commerce, and information and communication technologies into one ecosystem of smartphone-based applications (Silalahi, Handayani, & Munajat, 2017). In six countries in Southeast Asia, Grab, a company with headquarters in Singapore, provides transportation services. utilizing could technology for smartphones, it provides courier, logistics, food delivery, and ride-hailing services (Figure 1.4).
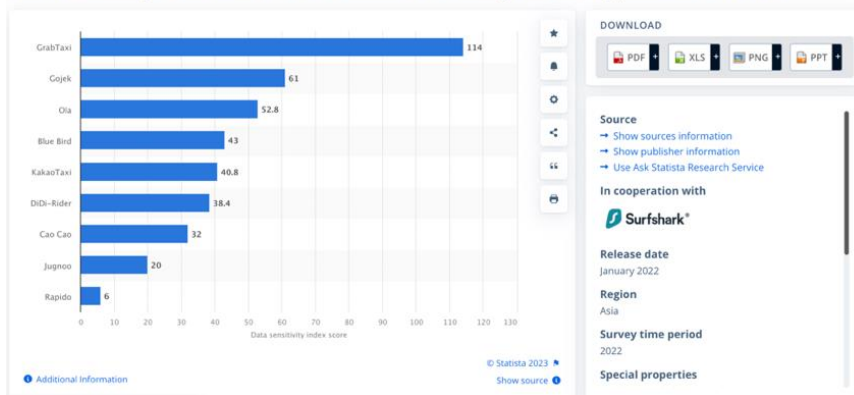
Figure 1.4 Data sensitivity index score of Asia-based ride-hailing and taxi applications in 2022
(Source: Statista.com, 2022)

According to Alemi, Circella, Mokhtarian, and Handy (2019), over time, this form of ecosystem assumed the functions of more traditional options like taxis, traditional market compliances, and user integration. Given these advantages, grab engages with customers or consumers using original 4.0 and 5.0 marketing techniques. Simply put, marketing 4.0 blends offline and online customer outreach techniques. The early approaches to developing enhanced information and communication systems, according to Choo et al. (2013), only provided minor advantages to businesses. They were based on consumer information that was devoid of the vendor's viewpoint, such as the opinion and justification, were intended for a very specific group of users.

The first social media marketing (SMM) that integrates marketing 4.0 and 5.0. According to Santoso (2017), SMM is a type of advertising that employs social media technologies such as social networking, microblogging, and blogging to enhance awareness, recognition, recall, or even action for a brand, product, business, person, or organization. Social media marketing makes it easier for businesses to communicate with their customers

online. Marketers have utilized a range of ways to retain consumers loyal to their brands, including brand characteristics, traditional marketing mix variables, and new marketing approaches such as events, sponsorships, one-on-one marketing activities, and Internet marketing. marketing, and social media marketing (Keller, 2008; Kotler and Keller, 2007).

With the subsequent advertisements for Grab transportation services, dubbed #KeepKalem (Figure 1.5), Grab Indonesia launched new Brand Ambassadors in 2022. In terms of business views, virtually every social media site has been exploited to increase customer loyalty and profit. This call's action consist of Grab's various online advertising campaigns, formats, and challenges that it provides to let customers know "what is happening in Grab." The purpose of using Raffi Ahmad as a Grab's Brand Ambassadors is to profit from current market conditions and "happening" events, especially in Indonesia. A dash of digital media activity is necessary to carry out the campaigns entire journey and make it more recognizable among customers. Grab primarily uses YouTube Ads, Facebook, Twitter, LinkedIn, Instagram, and other social media platforms to promote word about the #KeepKalem Campaign. The main features of this website include the ability to search for, view, and share original movies anywhere in the world (Budiargo, 2015;47).
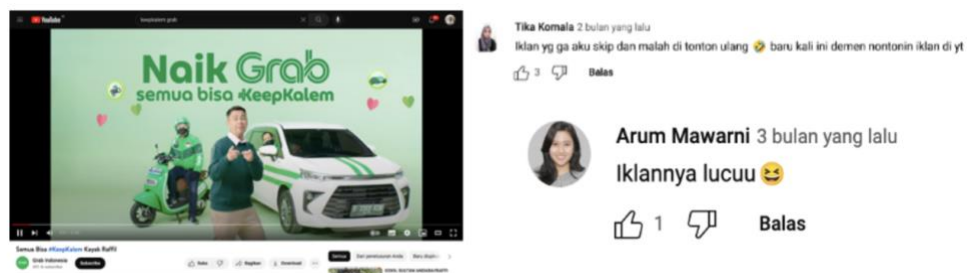

Figure 1.5 The example of the #KeepKalem campaign in YouTube Ads and the feedback from the comment section
(Source: YouTube Grab Indonesia, 2022)

5

The #KeepKalem campaign's impact, which has been broadcast live on YouTube, is outstanding. People are really interested in advertising that makes them happy and excited, thus in certain situations, people won't skip the commercial and will sincerely watch it all the way through (Figure 1.5). The same applies for other digital platform including LinkedIn, Instagram, Twitter, and Facebook. The same patterns that Grab employed for YouTube Ads were also used by Grab. It also suggests the excitement of those who genuinely appreciated the #KeepKalem social media advertisements (on Twitter and Instagram) (Figure 1.6), as well as their awareness of the implicit promotion made by Grab whenever its transportation services are used along with the #KeepKalem campaign.

Figure 1.6 The example of Grab campaign on Twitter, Email Blast, and Instagram
(Source: Twitter and Instagram Official of Grab Indonesia, 2022)

During their ongoing campaigns, Grab naturally followed the trends of utilizing social media marketing and email blasts to sell their brand or services (Figure 1.6). Grab Indonesia appears to have been active on all social media networks, including Twitter and Instagram, for the previous ten years. They also leverage two-way communication to make users and customers feel visible and included.

The second variable in this study is email blast exposure. According to Merisavi and Raulas (2004), sending clients emails on a regular basis increases their brand loyalty. According to another study finding by Faribozi E, and Zehedifard, M. (2012), email marketing is a sort of direct marketing that uses email to send promotional or fundraising materials to targeted targets. Email marketing encompasses any email sent to a consumer, whether they are current or future customers. Grab also employs email marketing and email blasting strategies. An active or inactive user utilizes email as the medium and sends out a flood of messages to several new clients to tell them of updates to ongoing campaigns or promotions. At first, it worked, and based on AI data and people's enthusiasm, the message safely reaches every consumer's or user's email. Email blast use, however, could be a little unsafe and unpleasant for users or clients (Figure 1.7). When assessing the effectiveness of email marketing, it is critical to include customer satisfaction with brands, brand perception, and perceived utility of emails as important elements in brand loyalty.
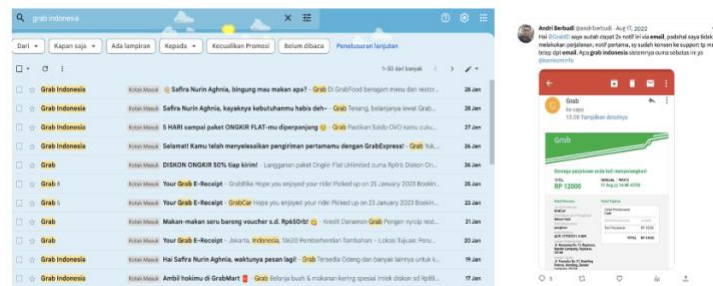

Figure 1.7 The example of the Email Blast and the effect on consumers
(Source: Authors email and Twitter Grab Indonesia, 2022)

Based on the data shown previously, the repeating message detected in the Author's emails (the left photo) that has the same context and details appears to be spammy. There is

also proof from Grab drivers who, by coincidence, received a notification about receiving a Rp 12,000 payment despite not activating their Grab application (the right photo), or it appears that an error program was accidentally communicated through a Grab driver. These actions may have an impact on the brand loyalty that Grab has already established.

Figure 1.8 Indonesia Ride-Hailing Market Share by Sales
(Source: Measureable.Ai, 2022)

The views are also supported by the fact that Grab Indonesia's market shares are declining in the first quarter (Q1) of 2022 (Figure 1.8). Grab Indonesia continued to dominate the market in 2021, claiming 57% of it. However, as of July 2022, Gojek had taken over the top place, accounting for about 52% of the market share for mobility spending. The online ride-hailing business is currently led by Uber, with Grab coming in second.

Given Grab Indonesia's shrinking market share and AI error issues, this may have an impact on user or consumer loyalty of Grab Indonesia.

1.2. RESEARCH PROBLEM

As one of Asia's top online ride-hailing services, grab employs numerous strategies as a creative marketing strategy to connect with its users. Grabs' approach involved combining email marketing and social media marketing on each platform to reach customers effectively.

At first, it works. People are extremely excited to watch commercial promotions through adverts on each social media platform. Meanwhile, according to the background data, social media marketing exposure may have a favorable effect on the Grab application, such as boosting their product services so it can be more accessible to every user. In fact, Grab are still in the second place while Gojek are leading the market share by sales in 2022 (based on measureable.ai)

On the other hand, the marketing strategy also incorporated email blast exposure. It believes that using email blast exposure is one of the very proactive ways to get in touch personally with their users because of the enormous improvement in Information Technology (IT) and the method of disseminating information via email marketing or email blast that is currently at its peak. Due to the results of the email blast exposure, such as an undelivered message or spamming content, this method could have a negative effect on Grab application itself.

Based on the problem described above, the research problem of this study is, "Do social media marketing exposure and email-blast exposure have an influence on brand loyalty of Grab application?"

1.3. RESEARCH OBJECTIVE

Describing the influence of social media marketing exposure and Email - blast exposure on brand loyalty of Grab application.

1.4. RESEARCH SIGNIFICANCE

1.4.1 Academic Significance

This current research study is supposed to give evidentiary contributions in using the Honeycomb Model by Kietzmann, the email blast exposure which is a Theory of Flow by Hoffman and Novak, and the five levels of the Pyramids of brand loyalty that designed by Aeker. These theories also lead to verifying the output of this research and are critical in the study of marketing communication.

1.4.2 Practical Significance

This current data can be used as a reference source for Grab Indonesia and other online ride-hailing businesses in strengthening their brand loyalty with using developing creative marketing communication ways.

1.4.3 Social Significance

This research is anticipated to be helpful to society such as consultant communication or businesses who used digital media approaches in terms of providing some general understanding of the influence of social media marketing exposure and Email blast exposure.

1.5.   THEORITICAL FRAMEWORK

1.5.1   State of The Art

Several studies have been carried out with this research, therefore some of the studies that have been carried out previously will be described and explained.

First, Trang Vu Thi Thu and Quynh Vu Thi Phuong (2021) did the study titled *"The Impact of Social Media Marketing on Brand Loyalty."* The purpose of this research is to investigate the specific situation surrounding Samsung cellphones in Vietnam, as well as how social media marketing may influence consumer brand loyalty. The findings demonstrate a substantial association between brand loyalty and the six social media marketing activity components: entertainment, interaction, trendiness, customization, word-of-mouth marketing, and promotion. Furthermore, given certain discrepancies in responses from different age groups and genders in each category toward the dimensions employed on social networking platforms, the firm is encouraged to make a higher emphasis on the role of entertainment and marketing. The author recommends that Instagram and YouTube platforms be carefully maintained to attract and keep larger following. This study shares certain similarities with the author's research in terms of study focus, which is on social media marketing (SMM) and brand loyalty. However, this study's research object is Samsung Smartphones in Vietnam, whereas the author aims to research online ride-hailing in utilizing social media marketing exposure on brand loyalty on Grab application.

Second, Vjosa MULLATAHIR and Fatos UKAJ (2019) conducted the study, which was titled *"The Effects of E-marketing Communicators on Brand Loyalty: The Case of*

Mobile Telephone Operators in Kosovo". The study's goal is to evaluate e-marketing communication in Kosovo's mobile carrier market. The findings indicate that e-Marketing communication is an important factor in developing a favorable perception of a brand, improving customer happiness, and cultivating customer commitment and loyalty to mobile carrier companies in Kosovo. Additionally, earlier studies have shown that e-marketing communication has a favorable, considerable impact on brand loyalty as well as a large impact on consumer satisfaction and brand image. Brand loyalty is eventually significantly impacted by these impacts. The author's research and this study's focus on email marketing or email blast on brand loyalty both have parallels. However, this study's research object is Kosovo's market for mobile sharing, whereas the author aims to research consumers who commonly in using online ride-hailing specifically Grab application.

Third, Tanveer Ahmed and Azrin Saeed (2020) did a study titled *"The Impact of Social Media Marketing on Urban Youth Brand Loyalty: Through Facebook Marketing."* This research looks at how social media marketing affects the loyalty of urban young people in Bangladesh. However, the use of the internet and social media for marketing and creating brand loyalty through advertising is still relatively new in the country. The findings of this study show that it not only has a solid base but also has the ability to go even further. As a result, both established and developing brands and businesses should embrace social media marketing as a cutting-edge yet crucial approach to capture consumers' attention and foster brand loyalty among urban millennials. In terms of research focus, this study matches up with the authors, particularly social media

marketing on brand loyalty. And the researcher's object is a social media application called Facebook. In contrast, the author's research focuses on Grab, an online ride-hailing program.

Fourth, Man Qiutong, Wenzhou-Kean University Md. Jahidur Rahman (2019) did the study titled *"The Impact of Cosmetics Industry Social Media Marketing on Brand Loyalty: Evidence from Chinese Collage Students."* The purpose of this research is to find out how social media marketing affects cosmetics consumers' brand loyalty. The study revealed that social media marketing has a positive effect on college students' devotion to specific cosmetic brand names. Successful campaigns, relevant material, up-to-date information, popular content, and a diverse range of applications and platforms all revealed a positive, high correlation with college students' commitment to cosmetic firms. In order to compete in today's cutthroat marketplace, the author counsels' cosmetics enterprises to focus social media marketing to develop relationship of trust with college student clients. The difference between the author's research and this research is that., the research focuses on social media marketing on brand loyalty, and has a research object that focuses on the cosmetics industry with the population for this research is around Chinese college students whereas the author's research focuses on the online ride-hailing application specifically Grab yet also the population for the author's research is a college students who commonly used Grab for their daily basis.

Fifth, Gana Duwa (2019) did the study titled *"The Influence of Email Marketing Towards Brand Loyalty of Lazada.co.id"*. The study's goal is to look at the effect of email marketing on brand loyalty at Lazada.co.id. To examine the relationship between email

marketing and brand loyalty, a simple regression analysis, F-test, and T-test were employed. This study's sample size was limited to 100 participants who were Lazada.co.id customers who had received email marketing from Lazada.co.id. The sample method was purposeful, and the study tool contained questions regarding brand loyalty, demographic background, and email marketing. The test employ's reliability and validity tests. To evaluate the data for use in simple regression analysis. the T-test was utilized for hypothesis testing, Email marketing has a favorable and significant impact on brand loyalty.

In summary, there are numerous similarities between the author's research and the five earlier studies mentioned above, particularly when it comes to the topic of brand loyalty. As a result, this study can offer a more thorough knowledge and more information on how brand loyalty is impacted by social media marketing and email blast exposure. This study shares certain similarities with the author's research in terms of the study's focus, which is on email marketing toward brand loyalty. However, this study's research mainly focuses on e-commerce for the object, meanwhile, the author focuses on online ride-hailing applications which as Grab for the object of this research.

1.5.2   Research Paradigm

The positivist paradigm is the research paradigm. This is related to the idea that objective truth may be discovered and that the search for truth can be accomplished without consideration for values. According to the positivist paradigm, social science research will be completed using natural science methodologies (Crotty, 1998).

Researchers utilize empirical tests and positivist paradigm approaches to comprehend the objects. This demonstrated that positivist academics' research findings and conclusions meet high requirements of validity and reliability and may be extrapolated to a sizable section of the population (Cohen, 2007). (2004) (Johnson and Onwuegbuzie).

1.5.3   Social Media Marketing Exposure

Exposure is simply described as a consumer interacting with marketing communications (Shimp, 2014: 182). In contrast, Shores (in Kriyantono, 2014: 209) describes exposure as reading activities, seeing, and hearing media messages, or having experience and paying attention to the message that occurs in people or groups.

According to Boyd & Ellison (2008) and Kietzmann et al. (2011), social media refers to websites that provide user profile creation and make user relationships visible. It also refers to web-based applications that include functionality for sharing, relationships, groups, conversations, and profiles. According to Diga and Kelleher (2009), social media refers to "social media sites" or a group of information technologies that make networking and interactions easier (Kapoor et al. 2017; Oestreicher-Singer & Zalmanson 2013).

According to Yadav & Rahman (2017), social media marketing (SMM) is "a process by which organization create, communicate, and deliver online marketing offers social media platforms to build and sustain stakeholders connections that enhance stakeholder value by facilitating engagement, information, sharing, delivering personalized purchase recommendations, and word of mouth generation among stakeholders about existing and

trending products and services. "Due to a range of features, digital networks provide flexibility and make it simple to reach large audiences (Brakus et al., 2009).

SMM uses a range of platforms, such as media, online tools, virtual platforms, and media, which includes various types of videos, blogging, photos, recordings, podcasts, and so on. Facebook, YouTube, Twitter, Instagram, and other prominent sites have all been previously addressed. Consumer-brand interactions are significantly improved when customers can engage with the brand frequently, laying the groundwork for the establishment of client loyalty (Fournier, 1998). (Merisavo & Raulas, 2004).

According to William and Cottrell (2000), SMM is a creative form of business promotion that is applied as a part of an online network. Marketing professionals are quick to see social media marketing's benefit as a branding opportunity given that it is a business-to-customer (B2C) channel. Through networking, communication, and community building, social media is a tool that assist organizations in building customer loyalty (McKee, 2010). Users have access to social media tools that have the potential to affect how consumers decide what to buy. The main objective of social media marketing is to influence consumers' purchase decisions by motivating them to spread the word about a good product or service to their friends and family (WOM). Virtual communities are a sizeable network that will affect consumer behavior, according to studies by Fotis et al. (2012) and Valck et al. (2013). The opportunity to advertise its content challenges Grab itself to stand out from other online ride-hailing services and raises the brand value for Grab itself as a result of knowing that Grab uses this method to promote their campaigns as well.

The hashtag campaigns #KeepKalem, #SIKAATSquad, #PercayaSemuaBisaDiAtur, #PercayaPangkalBisa, and #AntiNgaret for Grab's greatest campaign of 2022 gave rise to the idea that social media marketing exposure would be advantageous for their efforts. The campaign's two primary taglines, #KeepKalem and #PercayaPangkalBisa, are listed below. The Major Brand Ambassadors for each of the GrabID campaigns are Raffi Ahmad and Nagita Slavina, and the Common Celebrity Endorsers for their Minor Campaigns which are still in line with their Major Campaigns—are Refal Hadi, Doripu, Marlo Ernesto, Inul Daratista, Rina Nose, Haruka Nakagawa, and Gamcul.

Social media marketing exposure can be understood in the context of social media marketing as a scenario in which consumers get knowledge or information from reading, seeing, and hearing activities and content distributed through marketers' social media. Therefore, one way to determine audience exposure to social media marketing is to inquire about their knowledge of the products or material that marketers offer via their social networks.

1.5.4 Email Blast Exposure

Exposure is characterized as a situation in which customers engage with a marketing message. When seen in the context of an email blast, exposure to an email blast may be understood as the events that occur when customers or users interact with messages or learn information through content that is part of a blast that comes from an email or is more often known as a newsletter. In this study, a corporation or company delivers a convincing message to the audience that will later be sent directly to the user's email

address. An email message may include images, animated gifts, text- and symbol-based subtitles, and other visual elements. The email contains a variety of ideas, such as subscribe buttons (supposed to be following) or unsubscribe buttons (indicating that you are not interested in or following the content offered.

Email is a modern form of communication that has transformed how businesses do themselves. Email makes it easier to share information quickly, removes geographical barriers, lowers the cost of interaction, and gives business owners the freedom to receive communication from anywhere in the world. One of the following sub-sets is an email blast: Email marketing is a type of direct advertising that involves sending communications to a target audience about products or charitable causes. However, it refers to encouraging repeat business and customer loyalty, as well as sending email updates to strengthen a business's relationship with its present or former clients. Send emails to potential clients or persuade current clients to make an immediate purchase.

According to the report, businesses still frequently utilize email to communicate with their consumers. The distribution of a single email to a large number of "subscribers" is known as "mass email," "bulk email," or "email blast exposure" (Bulk email, n.d.). Typically, responses to these emails are unsuccessful. Informal emails (such as content announcements, product updates, newsletters, and internal updates) and transactional emails (also known as "one-to-one emails triggered by specific actions like completing a purchase") are two categories in which HubSpot, a content marketing company with over 30,000 clients in over 90 countries, explains how mass marketing emails fit (Hussain,

2016). Mass email has long been the subject of considerable testing and study by businesses, with a focus on data-driven metrics and results.

The important notes of Grab's email blast itself are the information about their ongoing campaigns, which are #KeepKalem, #SIKAATSquad, #PercayaBisaDiAtur, #PercayaPangkalBisa, and #AntiNgaret, as can be seen by the numerous newsletter that Grab had and sent them using email blast to the potential users. The number of promotions and discounts that are constantly evolving and changing when using Grab services such as Grab Unlimited have also been sent to user emails. Additionally, their newsletter contains many visuals and important information that can be accessed through user emails.

Email blast exposure can be understood as situations in which audiences learn about the goods or services that marketers are offering by reading, hearing, seeing, or experiencing them. Asking the audience about their knowledge of various newsletters or what information they learned from the product that they saw in the news by potential users can be done to gauge email blast exposure. The objective is to determine how much knowledge they have of current products.

1.5.5   Brand Loyalty

As stated by Chaudhuri and Holbrook (2001), Oliver (1997) defined loyalty as "a strongly felt commitment to repurchase, re-buy, or repeatedly use a preferred product or service, theoretically producing repetitive same-brand or same brand-set purchasing, despite situational factors and marketing efforts have the potential to trigger switching

behavior." Brand loyalty is crucial to marketers because it promotes consumer loyalty and often requires fewer marketing resources than luring new customers (Reichheld and Sasser 1990). Additionally, it raises the value of the brand (Aaker 1990; Uncles and Laurent 1997; Chaudhuri 1999). What consumers choose to purchase is significantly influenced by their desire for variety and the expansion of brand awareness in the fast-moving consumer goods categories (Choong, 1998). Consumers differ in terms of strength or character in their relationships with the brands (Fournier and Yao 1997), and it has been acknowledged that not all consumers are made equal (Hallberg, 1995)

Brand loyalty, according to David A. Aaker (1991), can be assessed by the number of brands purchased, the proportion of purchases, and future purchase intentions. Customers who are loyal to a brand will continue to purchase it even when it changes its offerings, for as by raising prices or altering some product attributes (Aaker, 1991). The five stages of brand loyalty are represented by the pyramid of brand loyalty created by Aaker (1991) (Figure 1.8). **Switchers**, who aren't dedicated to the brand, are among those with the lowest level of loyalty. These customers may always seek diversity, or they may be price-conscious and purchase the brand that is on sale. **Habitual consumers** who frequently stick with a brand rather than looking elsewhere exhibit the second level of brand loyalty. Consumers who paid the switching charge (**satisfied consumers**) and are happy with their purchase are on the third level. The effort, money, and performance risk involved in changing brands make them unwilling to do so. **Consumers who like brand because they have an emotional connection** to it make up the fourth group of customers. These customers develop a connection to the brand as a result of a successful long-term

20

relationship. **Committed** customers are the ones who remain loyal for the longest time. Despite price adjustments or brand loyalty, they will continue to buy the product because they are more connected to using or owning it than customers who simply like it (Aaker, 1991). Despite price adjustments or brand loyalty, they will continue to buy the product because they are more connected to using or owning it than customers who simply like it (Aaker, 1991).

Figure 1.9 The Brand Loyalty Pyramid
(Source: Aaker, 1991, p. 40*)*

1.5.6   The Influence of Social Media Marketing Exposure on Brand Loyalty

The influence of social media marketing exposure on brand loyalty can be explained by using a **Honeycomb Model**. This model is to understand the features of social media activities and aspects of users' experiences with the seven social media elements blocks (Kietzmann, 2011). Each block represents a single social media capability or feature that allows that feature to be configured with the social media user's experience, and the

number of those features influences the experience. This model provides compelling viewpoints to study the engagement requirements of media consumers and how they may evolve over time, offers adequate explanations for each component. These are not only the existing blocks, other blocks such as "trust" and "image" may be added in addition to reputation (Kietzmann, Silvestre, McCarthy, & Pitt, 2012, p. 117). By using this model, *the used of social media can develop the intention of user to use that brand which on the businesses point of view, can comprehending and leverage social media usage and features to develop strong brand loyalty.* **Identity, conversation, sharing, presence, relationship, reputation, and groups** are the seven components of the Honeycomb Model, according to Smiths (2007). **Identity**, according to Kietzmann (2002), is the extent to which individuals or groups utilize social media to publicly disclose personal information about themselves, such as their name, age, gender, occupation, and location. According to Keller (2001), creating a brand identity for social media is concerned with the possible effects that identity may have on brand recognition. Additionally, companies define those identities in response to the query of what their brands are.

On social media, a **conversation** is the volume of user-to-user contact. Most social media platforms are primarily used to foster contact among individuals and interest groups (Kietzmann, 2011) Through tweets, blogs, and status updates, consumers interact with the new people, share information, increase their confidence, and position themselves as opinion leaders. Others think that starting or joining online discussions will help them get their point through and have an impact on everything from political

campaigns to humanitarian concerns (Smith, 2007; Kietzmann, 2011). Additionally, companies use social media to advertise their brands to customers (Kietzmann, 2011).

When someone utilize social media, **sharing** refers to the volume of exchange, distribution, and receiving the occurs (Babac, 2011). Customers follow brands on social media or sign up for brand communities to fulfill their desire to belong to or be recognized by groups and symbols (Laroche, 2013). Customers join organizations based on these values and interests because they want to feel connected to other customers who share their goals and ambitions (Mangold & Faulds, 2009). When customers interact with brands on social media, they need to feel confident in the brand's trustworthiness and the veracity of the information being provided (Baird and Parasnis, 201). Online customers value honesty and dislike businesses that try to trick them or are dishonest. Online shoppers respect honesty, and they perceive manipulative and dishonest businesses. Customers are more open to discussing a company and its products when they feel knowledgeable about it, according to Mangold and Faulds (2009). Therefore, it is essential to offer accurate and comprehensive product information.

The capacity to identify a peer's online reachability is known as **presence**. Everybody's location, whether it be in the virtual or physical worlds, is saved in the present dimension. The connection between the physical and digital worlds is the presence dimension (Kietzmann, 2011). Businesses must realize the benefits of having a robust social media presence for improved customer relationships and brand loyalty (Kietzmann, 2011). **Relationships** are the degree to which each person is connected to

others on social media (Kietzmann, 2011) Users of social media have the chance to interact with known or unknowing customers.

Users can create social networks and relationships through engagement. In addition to promoting customer happiness and loyalty, building relationships with customers (Lin & Lu, 2000; Sledgianowski & Kulviwat, 2009) is beneficial. Loyalty is defined as a positive opinion of a brand that manifest itself in dependable purchasing behavior (Senders, 2012). According to Keller (2001), making connection is concentrated on the potential effects of social media groups and relationship elements on consumers' brand loyalty.
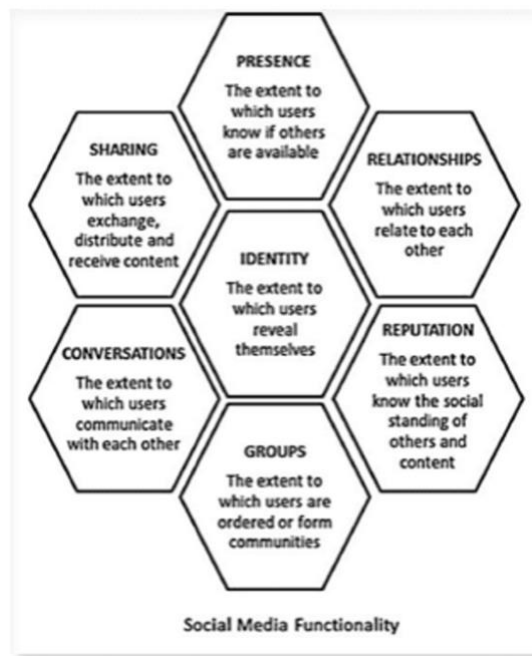

Figure 1.10

Honeycomb Model of Social Media
with its Functionality and Implications by Kietzmann et. al (2011)

1.5.7   The Influence of Email Blast Exposure on Brand Loyalty

The Theory of Flow can also be used to explain how email blast influencing brand loyalty. Hoffman and Novak (1996) were the first to use the notion of flow experience to describe online consumer behavior. They established the structural equation model of flow experience, finding that flow experience positively affects online consumers' **purchase intention**. The conceptualization of flow experience employed these perceived pleasure, perceived control, and concentration appear most frequently in empirical research on flow experience (Koufaris, 2002; Huang, 2003; Li & Browne, 2006; Guo & Poole, 2009). It has become a common practice and Koufaris (2002) finds that the three factors of flow experience all have positive correlation with online consumers' intended **repurchase behavior**. Flow is thought to be an inherently enjoyable experience. User happiness and the acceptance of information technology are strongly correlated with flow, according to Ghani and Deshpande.

Hoffman and Novak (1996) extended flow theory to digital situations for the first time. It suggested that providing consumers with an "ideal experience" may boost online marketers' success by extending the general application of flow to computer-mediated environments and promoting **repeat purchases** from certain other organizations. Because the internet is interactive, users might experience "flow" when browsing (Chen et al., 1999). The flow experience is a desired outcome of the internet connections between customers and organizations due of its marketing implications. When applied to the concept of online marketing, the use of email, e-advertising, and social media can all

satisfy users depending on how they operate. To put it another way, email, e-advertising, and social media can all satisfy users depending on how they operate.

In offline and online situations, the authors found that the dimensions of flow, the direction of influence, and the phases at which each dimension is positioned change noticeable and, in some cases, even contradictorily. Different construct names might relate to the same ideas in different contexts. The majority of flow models, according to the research, recommend utilizing a framework with three stages for the flow experience, flow, and flow repercussions.
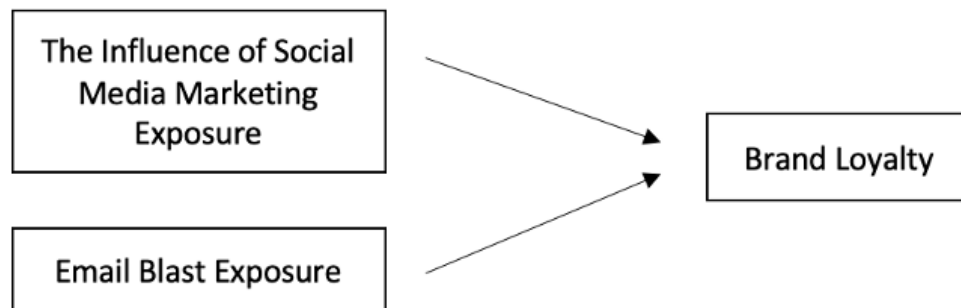

Figure 1.11 *Theoretical Framework*
(Source by Author)

1.6.   HYPHOTHESIS

H1: There is a positive influence of social media marketing exposure (X1) on brand loyalty of Grab application (Y).

H2: There is an influence of Email Blast exposure (X2) on brand loyalty of Grab application (Y).

1.7. CONCEPTUAL DEFINITON

1.7.1 Social Media Marketing Exposure

Consumers that use, view, recognize, experience, and are interested in learning more about a campaign or an advertisement via social media platforms like Instagram, YouTube, Twitter, and Facebook are considered to have exposure in social media marketing.

1.7.2 Email Blast Exposure

An email blast exposure is defined as the amount of tendency of how information received by consumers, consumers' knowledge about the information of an ongoing campaign that Grab had and sent via email, the details of the contents that have been explicitly stated in the Grab newsletter, and the experience in getting Grab information via email.

1.7.3 Brand Loyalty on Grab Application

Consumers who prefer and loyalty to using Grab application over other online ride-hailing application.

1.8. OPERATIONAL DEFINITON

1.8.1 Social Media Marketing Exposure

The influence of Social Media Marketing can be measured using the following indicators:

1. Having the knowledge to mention the social media medium that Grabs used to advertise their product service

2. Having the knowledge to mention the types of campaigns that Grab had

3. Having the knowledge to mention Grab brand ambassadors

4. Having the knowledge to mention the celebrity endorsement that Grab used

5. Having the knowledge to mention the tagline that Grab used through Grab's social media

6. Having the knowledge to mention the promotion and discounts that Grab had

1.8.2   Email Blast Exposure

The Email blast exposure can be measured using the following indicators:

1. Having the knowledge to mention the message or information that has been frequently sent through respondents' emails

2. Having the knowledge to mention Grab product services that have been advertised through respondents' email

3. Having the knowledge about the explicit information through consumer Electric Receipt (e-receipt) that is sent by Email every time they purchase something using Grab application

1.8.3   Brand Loyalty

The brand loyalty of Grab application can be measured using the following indicators:

1. Grab as the Top-of-mind service for online ride-hailing

2. Respondents' belief in using Grab application over other online ride-hailing applications.

3. Respondents' satisfaction to use Grab application over other online ride-hailing applications.

4. Respondents to use Grab application over other online ride-hailing applications.

5. Respondents' attitude to using Grab application over other online ride-hailing applications.

1.9. RESEARCH METHOD

1.9.1 Research Type

The type of research is explanatory which aims to determine the influence of social media marketing exposure (X1) and email blast exposure (X2) on brand loyalty of Grab application (Y).

1.9.2 Population

The population in this study include men or women between the ages of 18 and 24 who lived in a big city in Indonesia, frequently use Grab applications, are active on social media, frequently use Email or Gmail to receive messages, and have made purchases through the Grab application in the past three months.

The reason the researcher chose the age between 18-24 years old is that the biggest proportion of social media users in Indonesia was between the ages of 18 and 24 years old,

with 14.8 percent of female users and roughly 15.9 percent of male users falling into this age range (Statisca.com, 2021).

1.9.3 Sampling

1.9.3.1 Sampling Technique

The sampling technique used in this study combines a non-probability sampling method with accidental sampling. Non-probability sampling is a sampling method that does not give each element or population member an equal chance to be selected as a sample (Sugiyono, 2016: 84). Accidental sampling is a sampling approach that relies on chance, meaning that anyone who just so happened to come across researchers might be utilized as a sample if they are eligible as a source of data.

1.9.3.2 Sampling Size

According to Roscoe's general guidelines (1975), a sample size for this study should be greater than 30 and fewer than 500 (Sekaran & Bougie, 2016). The sample for this study will consist of 100 people (or above) who lived in Indonesia's big cities and use email and social media to receive, see, and experience updated campaign information from Grab application.

1.9.4 **Data Type & Source**

The type and sources of data used in this study are primary data, or data collected directly from respondents through a questionnaire that they would take on their own (self-administration) on an internet platform.

1.9.5 **Data Collection Technique**

By asking the respondents a series of questions, the author employs a questionnaire as a collective technique. The responder will answer ach question on a questionnaire that includes both the independent and dependent variables as part of the data collecting process.

1.9.6 **Data Collection Instrument**

1.   Editing

Editing involves going through or re-choosing responses from respondents. This is done to avoid mistakes, contradictions, lies and misstatements (Singh, 2007).

2.   Coding

Organizing, categorizing, and mapping respondents' remarks usinf predetermined letter or numerical codes is known as "coding" (Singh, 2007).

3.   Tabulation

The tabular data is given in a row-and-column format, which makes it easy for readers to comprehend and understand the results (Singh, 2007).

1.9.7 Data Analysis

Simple Linear Regression analysis will be utilized in this study. Simple linear regression analysis is based on causal or functional correlations between one independent variable and one dependent variable (Sugiyono, 2014: 261). The main goal of using this regression is to estimate or predict the value of a dependent variable in relation to an independent variable so that assumptions can be made on how much the dependent variable will change when its value increases or decreases (Silaen & Sofar, 2014). The purpose of this method is to ascertain whether there is an influence of social media marketing exposure and email blast exposure on brand loyalty of Grab application. The form of a simple linear regression equation is as follows:

$$Y = a + bX$$

What it means by the form of simple linear regression stated above is:

Y = The dependent variable as the variable that is expected/predicted.

X = Independent variable, the variable value is known.

a = The coefficient as the intercept, if the value X=0, then the value of Y=a. The value of **a** can be interpreted as the contribution of other factors to Y variable.

b = Regression coefficient as the slope. The value of **b** is the magnitude of the change on variable Y when variable X changes.