THE INFLUENCE OF DIGITAL MARKETING, PROMOTION, AND SERVICE QUALITY ON CUSTOMER REPURCHASE INTENTION AT HUB22 LOUNGE & BISTRO SURABAYA

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Abstract: The study entitled “The Influence of Digital Marketing, Promotion, and Service Quality on Customer Repurchase Intention at Hub22 Lounge & Bistro Surabaya” has four objectives, namely: (1) Knowing the effect of digital marketing on repurchase intention partially, (2) Knowing the effect of promotion on repurchase intention partially, (3) Knowing the effect of service quality on repurchase intention partially, (4) Knowing the effect of digital marketing, promotion, service quality on repurchase intention simultaneously. Hub22 Lounge & Bistro Surabaya is a business engaged in food and beverages. This research uses quantitative methods. The population in this study was the customers of Hub22 Lounge & Bistro who made transactions for the last six months. The sample in this study amounted to 140 respondents. Data collected through the distribution of questionnaires were distributed online using SPSS version 26. The results of this study are: (1) Digital Marketing partially has a significant effect on repurchase intention, (2) Promotion partially has a significant effect on repurchase intention, (3) Service quality partially has a significant effect on repurchase intention, and (4) Digital marketing, promotion, service quality simultaneously have a significant effect on repurchase intention.

Keywords: Digital Marketing, Promotion, Repurchase Intention, Service Quality

1. Introduction
Indonesia is a country where the population continues to rise every year. The rise in population occurred in Indonesia’s major cities, one of which was Surabaya. The improvement in Surabaya continues as time passes. Surabaya’s population has grown by 1,590,544 people in the last five years. The following graph shows Surabaya’s population growth over the last five years, from 2016 to 2020.

Figure 1.1 Surabaya’s Population Growth Rate in 2016 until 2020

Source: Badan Pusat Statistik (2021)
Surabaya's population continues to grow, resulting in an increase in new businesses. The culinary business is one of the most common types of business. The culinary business has grown in popularity since it is a growing industry to work in. Food is a basic human requirement, so it will always be sought after and purchased.

**Figure 1.2 Restaurants in Surabaya Growth Rate in 2014 until 2018**

![Graph showing the growth rate of restaurants in Surabaya from 2014 to 2018](source)

The number of restaurants and restaurants in Surabaya is constantly increasing, as shown in Table 1.2. The rise in the food industry has resulted in an increased number of culinary businesses, one of which is the Hub22 Lounge & Bistro restaurant. Many businesses have closed due to increasing competition and a lack of returning consumers. Due to the high level of competition, restaurant owners must be able to develop positive relationships with customers for their restaurant to be visited again.

One approach for marketing is to use the internet to help their business. This may be performed so that business owners can reach attract more and more customers through online marketing. Marketing is one of the most crucial aspects of a company's success, and because it has evolved towards a more modern approach, it has been known as digital marketing (Pranoto, Jasmani and Marayasa, 2019). Giving promotions can also be one of the most significant things to do at this time because it allows you to communicate with customers and potentially generates the customer's intention to repurchase the product. Companies can develop successful long-term and short-term interaction relationships between companies and customers in introducing, marketing, and selling a product (Aulia, 2020).

Customers that receive excellent service are more likely to return. According to Saselah et al. (2019), excellent and consistent service quality will show customers that the service given is the best. So customer satisfaction will increase, which will result in customers returning to utilize services on a regular basis, at last becoming loyal and returning again.

2. **Research Method**

This study uses quantitative research methods to obtain the results of the study. This study obtained data in the form of numbers obtained through respondents. The population in this study were the consumers of Hub22 Lounge & Bistro Surabaya who made transactions in the last six months. According to Hair et al. (2014), the ideal number of samples used in this study has a minimum of five to a maximum of ten times the number of indicators in the study. Researchers used a maximum value of 10 to determine the sample in this study, and because this study had 14 indicators, the sample to be obtained was 14 x 10. In this research, the researcher used a purposive sampling technique because the criteria that must be met by
the respondent is that the respondent has made a minimum transaction of two times at Hub22 Lounge & Bistro Surabaya and is aged between 18–45 years.

3. Results and Discussion

3.1 Respondent Description

The subject of this study were customers from Hub22 Lounge & Bistro Surabaya who made transactions at least twice in the last six months.

| Variable | Frequency | Percentage |
|----------|-----------|------------|
| Gender   |           |            |
| Male     | 64        | 45.7%      |
| Female   | 76        | 54.3%      |
| Age      |           |            |
| 18-24 Years | 92  | 65.7%      |
| 25-31 Years | 16  | 11.4%      |
| 32-38 Years | 11  | 7.9%       |
| 39-45 Years | 21  | 15%        |

Source: Processed Data (2022)

As seen in Table 4.1, there are a total of 140 respondents, of which 64 are male and 104 are female. In terms of age, at the age range of 18 years to 24 years, there is 65.7%, at the age range of 25 years to 31 years, there is 11.4%, at the age range of 32 years to 38 years, there is 7.9%, at the age range of 39 years to 45 years, there is 15%.

3.2 Instrument of Test Result

The validity test in this study uses Pearson correlation, where if the value of Sig. < 0.05 then the instrument is declared valid. The reliability test in this study used the Cronbach's Alpha (α) > 0.60. When the Cronbach's alpha value was above 0.60, the instrument was declared reliable or consistent. The study shows instrument test result, such as validity and reliability tests with the analysis as follows:

| Indicator | Correlation (r) | (Sig.) | Description | Cronbach Alpha if Item Deleted | Cronbach Alpha | Description |
|-----------|----------------|--------|-------------|--------------------------------|----------------|-------------|
| X1.1      | 0.753          | 0.000  | Valid       | 0.691                          | 0.703          | Reliable    |
| X1.2      | 0.832          | 0.000  |             | 0.559                          |                |             |
| X1.3      | 0.794          | 0.000  |             | 0.577                          |                |             |
| X2.1      | 0.790          | 0.000  | Valid       | 0.660                          | 0.736          | Reliable    |
| X2.2      | 0.790          | 0.000  |             | 0.660                          |                |             |
| X2.3      | 0.850          | 0.000  |             | 0.625                          |                |             |
| X3.1      | 0.749          | 0.000  | Valid       | 0.732                          |                |             |
| X3.2      | 0.806          | 0.000  |             | 0.686                          |                |             |
| X3.3      | 0.752          | 0.000  |             | 0.750                          |                |             |
| X3.4      | 0.785          | 0.000  |             | 0.708                          |                |             |
| Y.1       | 0.771          | 0.000  | Valid       | 0.760                          | 0.801          | Reliable    |
| Y.2       | 0.771          | 0.000  |             | 0.760                          |                |             |
| Y.3       | 0.821          | 0.000  |             | 0.750                          |                |             |
| Y.4       | 0.809          | 0.000  |             | 0.736                          |                |             |

Source: Processed Data SPSS 26 Version (2022)
The validity test results on table 4.2 show there are three questionnaire questions on the Digital Marketing (X\textsubscript{1}) variable, and these three questions meet the requirements that can be said to be valid because they have a significant value of less than 0.05. There are three questionnaire questions on the Promotion (X\textsubscript{2}) variable, and these three questions meet the requirements that can be said to be valid because they have a significant value of less than 0.05.

There are four questionnaire questions on the Service Quality (X\textsubscript{3}) variable, and these four questions meet the requirements that can be said to be valid because they have a significant value less than 0.05. There are four questionnaire questions on the Repurchase Intention (Y) variable, and these four questions meet the requirements that can be said to be valid because they have a significant value of less than 0.05.

From table 4.2, the results from reliable tests show the Cronbach alpha value is bigger than 0.60, which means the data was reliable or consistent. It is also seen that the value of Cronbach's Alpha on the variable is greater than the value of Cronbach's Alpha if the item is deleted. So, it can be concluded that respondents’ responses are declared reliable.

### 3.3 Classical Assumption Test

#### 1) Normality Test

The normality test in this study was conducted using the Kolmogorov-Smirnov test method. The criteria can be seen if it has a significance value > 0.05, which means that the distribution is normal. The results of the normality test utilizing the Kolmogorov-Smirnov test method are as follows:

| One-Sample Kolmogorov-Smirnov Test | Unstandardized Residual |
|-----------------------------------|-------------------------|
| N                                 | 140                     |
| Normal Parameters\textsuperscript{a,b} | Mean | 0.0000000 |
|                                   | Std. Deviation | 1.63706654 |
| Most Extreme Differences          | Absolute | 0.047 |
|                                   | Positive | 0.039 |
|                                   | Negative | -0.047 |
| Test Statistic                    | 0.047 |
| Asymp. Sig. (2-tailed)            | 0.200\textsuperscript{-d} |

\textsuperscript{a} Test distribution is Normal.

\textsuperscript{b} Calculated from data.

\textsuperscript{c} Lilliefors Significance Correction.

\textsuperscript{d} This is a lower bound of the true significance.

Based on Table 3.3, the normality test performed using the Kolmogorov-Smirnov test has a significant result of 0.200, so it can be said that the research data has a normal distribution.

#### 2) Multicollinearity Test

A multicollinearity test is used to determine the correlation between independent variables in a regression equation. The measuring instrument used for the
multicollinearity test is the Variance Inflation Factor (VIF) where, if the VIF value is < 10.00, then there is no multicollinearity. Here are the results of the multicollinearity test:

| Model           | Collinearity Statistics | Tolerance | VIF  |
|-----------------|-------------------------|-----------|------|
| (Constant)      |                         |           |      |
| Digital Marketing | 0.328                  | 3.049     |      |
| Promotion       | 0.210                   | 4.770     |      |
| Service Quality | 0.210                   | 4.559     |      |

a. Dependent Variable: Repurchase Intention

Source: Processed Data SPSS 26 Version (2022)

Based on Table 4.11, the VIF value of all variables is < 10.00. Thus, the study meets the assumption of multicollinearity free.

3) Heteroscedasticity Test

The heteroscedasticity test aims to determine the similarity of variance in the residuals. The study is said to be good if there is no heteroscedasticity. In this study, researchers used the Glejser test method to determine the heteroscedasticity test. When the value of Sig. > 0.05, there is no heteroscedasticity in the data. The results of the heteroscedasticity test are as follows:

| Variable           | t     | Sig. | Description                      |
|--------------------|-------|------|----------------------------------|
| Digital Marketing | 1.438 | 0.153| there is no heteroscedasticity   |
| Promotion          | -1.142| 0.255| there is no heteroscedasticity   |
| Service Quality    | 1.262 | 0.209| there is no heteroscedasticity   |

Source: Processed Data SPSS 26 Version (2022)

Based on Table 4.12, it can be seen that the residual value of all independent variables has a Sig value > 0.05, then it can be said that there is no heteroscedasticity in the data.

3.4 Hypothesis Test

A hypothetical test with multiple regression was conducted using the t-test and F tests.

1) Partial Test (t-Test)

A T-test was conducted to find out how much influence one independent variable has on the dependent variable, individually or partially. If the significance value (Sig.) < 0.05, the independent variable partially has an influence on the dependent variable. The following are the results of the t-Test:

| Model                        | Unstandardized Coefficients | Standardized Coefficients | t     | Sig. |
|------------------------------|-----------------------------|----------------------------|-------|------|

Source: Processed Data SPSS 26 Version (2022)
a. Researchers use the following criteria to test the hypothesis of digital marketing variables:
If the value of $\text{Sig.} < 0.05$, then $H_0$ is rejected and $H_1$ is accepted.
If the value of $\text{Sig.} > 0.05$, then $H_0$ is accepted and $H_1$ is rejected.

Based on Table 4.10, it is known that digital marketing has a $\text{Sig.} < 0.05$, which means $H_0$ is rejected and $H_1$ is accepted. So, the conclusion is that the digital marketing variable has a partially significant effect on the repurchase intention variable.

b. Researchers use the following criteria to test the hypothesis of promotion variables:
If the value of $\text{Sig.} < 0.05$, then $H_0$ is rejected and $H_1$ is accepted.
If the value of $\text{Sig.} > 0.05$, then $H_0$ is accepted and $H_1$ is rejected.

Based on Table 4.10, it is known that promotion has a $\text{Sig.} < 0.05$, which means $H_0$ is rejected and $H_1$ is accepted. So, the conclusion is that the promotion variable has a partially significant effect on the repurchase intention variable.

c. Researchers use the following criteria to test the hypothesis of service quality variables:
If the value of $\text{Sig.} < 0.05$, then $H_0$ is rejected and $H_1$ is accepted.
If the value of $\text{Sig.} > 0.05$, then $H_0$ is accepted and $H_1$ is rejected.

Based on Table 4.10, it is known that service quality has a $\text{Sig.} < 0.05$, which means $H_0$ is rejected and $H_1$ is accepted. So, the conclusion is that the service quality variable has a partially significant effect on the repurchase intention variable.

2) Simultaneous Test (F Test)
The F test was carried out to determine the effect of the independent variables together on the dependent variable. If the value ($\text{Sig.}$) $< 0.05$, then the independent variables simultaneously have a significant effect on the dependent variable. Here are the results of the F test using ANOVA:

| Model  | Sum of Squares | df | Mean Square | F     | Sig.  |
|--------|----------------|----|-------------|-------|-------|
| 1 Regression | 966.132  | 3  | 322.044     | 117.573 | .000^  |
| Residual            | 372.518  | 136| 2.739       |       |       |
| Total               | 1338.650 | 139|             |       |       |

a. Dependent Variable: Repurchase Intention
b. Predictors: (Constant), Service Quality, Digital Marketing, Promotion

Source: Processed Data (2022)
Researchers use the following criteria to test the hypothesis of all variables simultaneously:
If the value of sig. < 0.05, then \( H_0 \) is rejected and \( H_1 \) is accepted.
If the value of sig. > 0.05, then \( H_0 \) is accepted and \( H_1 \) is rejected.
Based on Table 4.1, it can be seen that all independent variables have a significance value of < 0.05, which means that all independent variables of digital marketing, promotion, and service quality simultaneously have a significant influence on the dependent variable of repurchase intention.

### 3.5 Coefficient of Determination Analysis (R\(^2\))

The coefficient of determination (R\(^2\)) aims to measure how much the independent variable can affect the dependent variable. The coefficient of determination (R\(^2\)) has a range between 0 and 1 (0 \( \leq \) R\(^2\) \( \leq \) 1). The bigger the value of R\(^2\) (close to 1), the simultaneous effect of the independent variable on the dependent variable is considered strong, and if (R\(^2\)) is close to 0 then the simultaneous effect of the independent variable on the dependent variable is considered weak.

| Model Summary |
|---------------|
| Model | R | R\(^2\) Square | Adjusted R\(^2\) Square | Std. Error of the Estimate |
|-------|---|----------------|------------------------|---------------------------|
| 1     | 0.850\(^a\) | 0.722         | 0.716                  | 1.65502                   |

\(a.\) Predictors: (Constant), Service Quality, Digital Marketing, Promotion

Source: Processed Data SPSS 26 Version (2022)

Based on Table 4.15, it can be seen that the coefficient of determination is 0.722. This shows the variability value of digital marketing (X1), promotion (X2), and service quality (X3) variables of 72.2%. The remaining 27.8% is the variability of the repurchase intention variable, which can be explained by other variables not examined.

### Research Result Discussion

**a. Partial Effect of Digital Marketing on Repurchase Intention**

The results of the first hypothesis test show that digital marketing (X\(_1\)) has a significant relationship with repurchase intention (Y) at Hub22 Lounge & Bistro Surabaya. In this regard, it can be claimed that the more actively digital marketing is used, the higher the probability of customer repurchase intention. This study is supported by prior research (Susanti, 2021), which found that digital marketing had an indirect effect on repurchase intention via customer value and engagement. According to Subawa, Widhiasthini, and Suastika (2020), digital marketing has a good and significant effect on repurchase intention.

**b. Partial Effect of Promotion on Repurchase Intention**

The results of the second hypothesis test indicate that promotion (X\(_2\)) has a significant relationship with repurchase intention (Y) at Hub22 Lounge & Bistro Surabaya. In this regard, it can be said that the more frequent and good promotions offered by Hub22 Lounge & Bistro Surabaya, the higher the probability of customer repurchase intention. Riyanto and Kartini's (2021) earlier research found that promotion had a favorable and partially significant effect on repurchase intention. According to Ikhsan and Lestari's
(2021) research, the promotion has a good and considerable impact on repurchase intention. Repurchase intention is influenced by promotions (Fikri & Lisdayanti, 2020).

c. **Partial Effect of Service Quality on Repurchase Intention**
The results of the third hypothesis test indicate that service quality ($X_3$) has a significant relationship with repurchase interest ($Y$) at Hub22 Lounge & Bistro Surabaya. In this regard, it can be said that the higher the quality of service offered by Hub22 Lounge & Bistro Surabaya, the higher the probability of customer repurchase intention. This study is backed up by prior research (Peburiyanti & Sabran (2020), which found that service quality affects repurchase intention. According to Phuong and Trang (2018), service quality has a significant and positive impact on customer satisfaction, and customer satisfaction has a significant and positive impact on repurchase intention.

d. **Simultaneous Effect of Digital Marketing, Promotion, and Service Quality on Repurchase Intention**
The results of the fourth hypothesis test show that digital marketing ($X_1$), promotion ($X_2$), and service quality ($X_3$) all have a significant relationship with repurchase intention ($Y$), implying that increasing the use of digital marketing ($X_1$), promotion ($X_2$), and service quality ($X_3$) at Hub22 Lounge & Bistro at the same time can increase customer repurchase intention ($Y$).

4. **Conclusion**
Based on the results of the research that has been done, the following is the conclusion to be made:
1. Digital Marketing partially has a significant effect on repurchase intention.
2. Promotion partially has a significant effect on repurchase intention.
3. Service quality partially has a significant effect on repurchase intention.
4. Digital marketing, promotion, and service quality simultaneously have a significant effect on repurchase intention.

Suggestions further research can be done utilizing the same variables or other variables that were not used in this study. In terms of the research object, future researchers can employ different objects in different places to obtain a more diverse set of characteristics.

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