# The Influence of Social Media Instagram, WhatsApp, and Paxel Market on Customer Loyalty of UMKM Pastel Soponyono Jatiroto

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**Abstract:** In the current era of globalization, technological progress is very rapid, especially in information and communication technology which plays a strategic and very important role in human life, one of which is social media. The developments and changes that have occurred in Social Media have had a major impact, especially on business ventures. Like UMKM Pastel Soponyono Jatiroto who started selling products through social media, Instagram, WhatsApp, and the Paxel Market website. This proves that Pastel Soponyono Jatiroto's MSMEs have been able to adapt to technological changes. To promote products and make it easier for customers to choose products offered by UMKM Soponyono Jatiroto Pastel, the company uses social media, Instagram, WhatsApp, and the Paxel Market website. This encourages consumers to be content with the products and services they receive and to remain devoted UMKM Pastel Inspononyono Jatiroto. This study tries to ascertain the impact of social media platforms including Instagram, WhatsApp, and the website Paxel Market on customer loyalty for UMKM Pastel Soponyono Jatiroto. The study's participants were 75 respondents with purposive sampling. The method used is the quantitative method. The results showed that the use of social media, Instagram, WhatsApp, and the Paxel Market website significantly affected customer loyalty at the Soponyono Jatiroto Pastel MSMEs.

**Keywords:** Social Media, Instagram, WhatsApp, Paxel

## INTRODUCTION

The Covid-19 pandemic has dramatically impacted the Indonesian economy due to a pandemic often referred to as Coronavirus. Several companies are experiencing Work From Home policies; some have decided to lay off their employees mass layoffs. The Covid-19 pandemic has also harmed MSMEs. According to BPS data, there were 64.2 million MSMEs in existence as of 2018. MSMEs account for 97% of the labor force and 99% of all employment, contributing 60.3% of the overall GDP. The number of MSMEs certainly significantly influences the expansion of employment opportunities. In addition, due to activity constraints, businesses must also predict customer behavior. With the use of digital technology, consumers are doing more activities at home. In today's digital era, social media has a significant role as a communication tool where every user can share information and knowledge and connect with business people to carry out buying and selling activities. The data can be seen in Figure 1 below.
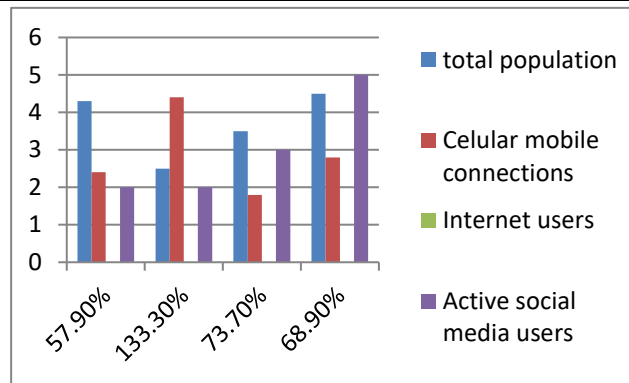
**Figure 1. Worldwide Internet User Data**
Source : WeareSocial and Hootsuit 2022

From the data on the increase in the number of internet users in 2022, it can be seen that this figure indicates that more than 74% of the population in Indonesia, or more than half of the world's population, already use the internet. As time goes by, in Jatiroto District, many culinary businesses have sprung up, including snacks such as Pastels. The goal of this study is Pastel Soponyono Jatiroto, located on Jl. Raya Lumajang – Jember, Kaliboto Kidul, Jatiroto, Lumajang Regency, now utilizes digital media in the form of social media in online sales via Instagram, WhatsApp, and Paxel Market. Total sales of Soponyono Jatiroto Pastel, as presented in Table 1. that is:

**Table 1. Total Sales of Soponyono Jatiroto Pastel Products**

| No | Month | Number of Product Sales Year 2022 |
|----|-----------|-----------------------------------|
| 1  | January   | 13,223 |
| 2  | February  | 13,456 |
| 3  | March     | 13,709 |
| 4  | April     | 11,345 |
| 5  | May       | 14,995 |
| 6  | June      | 14,560 |
| 7  | July      | 13,667 |
| 8  | August    | 14,500 |
| 9  | September | 14,523 |
| 10 | October   | 14,880 |

Source: Pastel Soponyono Jatiroto

The sales figures in Table 1 demonstrate that Ramadan, a month of fasting caused a decrease in sales of the original Jatiroto Pastel Soponyono in April, while the Idul Fitri holiday caused an increase in sales in May. Every month, the number of sales of Pastel Soponyono products experiences a slightly different increase and decrease. Pastel Soponyono always hopes consumers will continue to be interested in and buy products from Pastel Soponyono Jatiroto.

Budiargo in (Yudha, 2022) Instagram is a popular social networking platform that many people use and visit and is kept from the attention of online business people. With all its advantages, Instagram has a comprehensive market worldwide. Various kinds of business opportunities and business information from a product can be found in every Instagram update of its users (Hendra, 2020). Instagram social media is very

influential on customer loyalty. In this study, Pastel Soponyono has used various social media such as Instagram, WhatsApp, and the Paxel Market Website, which can support increasing customer loyalty. Social media users provide convenience in the buying and selling process by MSMEs to market their products. They can minimize costs so customers can feel loyal to Pastel Soponyono. Sales through Pastel Soponyono Jatiroto's Instagram social media account have 7,604 followers. Currently, Pastel Soponyono, in marketing its products, always publishes its products with advertising designs that attract customers, and the Pastel Soponyono Instagram and WhatsApp account is made open so that new consumers can see Pastel Soponyono product posts and are interested in buying online on this Instagram and WhatsApp social media.

Apart from Instagram and WhatsApp social media, Paxel Market is no less important for business people. According to (Ferdinand, 2021) Paxel Market is a marketplace portal in the form of a website or application managed by Paxel for the convenience of shopping or selling a variety of local snack products and other necessities made by MSMEs and Indonesian retailers, ranging from regional culinary delights, health and beauty products, as well as equipment for packaging needs. In Pastel Soponyono's research, they also market through the Paxel Market Website, where you can make purchases online on the website. This strategy makes it easier for consumers to gain customer loyalty to the Jatiroto Soponyono Original Pastel with a long-distance location, so the customers are satisfied. Research that links customer satisfaction with customer loyalty is research conducted by (Qomariah 2012) and (Indarto et al. 2018) which states that satisfaction can increase customer loyalty. The renewal of this research with other research is found in the research object used. To test whether social media influences loyalty, the researcher wants to test it on the research object, namely Pastel Soponyono UMKM.A phenomenon in the rapidly growing business world, social media is one of the means of connecting. Information on social the news is immediate and has quite a significant impact on society. The research results are supported by the research of Effendy (2021), Oktaviani (2020) and Kurnia (2020), where Instagram social media marketing has a significant effect on customer loyalty.

## METHODS

### Research design

Descriptive research with a quantitative approach is the methodology used for this research. There are two types of data sources: primary and secondary. In contrast to secondary data which is information collected from published sources such as journals, books, articles and other sources, primary data is information that researchers receive directly (directly), such as via way of surveys.

### Population, Sample, Sampling

The participants in this study are Pastel Customers of Soponyono Jatiroto, and the population of this study is unknown. This study uses a purposive sampling technique. According to Sugiyono (Jesslyn, 2019), purposiveness is a technique for determining research samples with certain considerations that aim to make the data obtained more representative. Meanwhile, because there are 15 indicators utilized in this study. Then multiplied by 5 from the number of hands so that it is set to 15 x 5 = 75 respondents.

**Instruments**

Interviewing people served as the study's technique of gathering data and comprehending corresponding questionnaires with Soponyono Jatiroto Pastel customers. Data was collected using questionnaires in the form of questions or statements given to Pastel Soponyono Jatiroto customers, who were used as samples to obtain responses or assessments.

**Data Analysis Technique**

In this study, the analysis technique used was descriptive data analysis technique which was carried out using descriptive statistics, namely describing or describing the data collected by making generalizations of the research results. According to Sugiyono (Purnomo, 2020), descriptive statistics are statistics that are used to analyze data by describing the data that has been collected as it is without intending to make conclusions. The data processing instrument uses SPSS to test whether social media influences loyalty, starting from instrument testing, classical assumption testing, multiple regression testing and ending with hypothesis testing.

## RESULTS AND DISCUSSION

**General Description of the Research Object (Pastel UMKM Soponyono Jatiroto)**

One of the well-known MSMEs in the food industry, Jatiroto's Original Soponyono Pastel UMKM has been in operation since 1930. Mr. Hengky is the maker using premium ingredients and family recipes that have been passed down for generations, and are still made there today. It is located at Jl. Raya Lumajang-Jember District Jatiroto, Lumajang Regency. The production place of Pastel Soponyono Jatiroto is at Mr. Hengky's residence in Gg. Damai Perumnas, Kec, Jatiroto. One of the siblings that oversees the Soponyono Pastel company is Mr. Hengky, who collaborates with his kids on the Marketing Strategy section's promotion of Soponyono Jatiroto Pastel Products on various social media platforms.

**Results of Data Analysis**

**Validity test**

In Suharso's research (Tjoeng, 2014), Validity is a metric that demonstrates the instrument's level of accuracy against the concept under study. The value of the r table (n-2) where n is the quantity of samples, so the n used in this study is n( 75)-2=73, resulting in an r table of 0.1914.

## Table 2. Validity Test Result Data

| No | Variable | r count | r table 5 % (73) | Significance | Information |
|---|---|---|---|---|---|
| | Instagram (X1) | | | | |
| 1 | X1.1 | 0.77 | 0.1914 | 0.00 | Valid |
| 2 | X1.2 | 0.855 | 0.1914 | 0.00 | Valid |
| 3 | X1.3 | 0.871 | 0.1914 | 0.00 | Valid |
| | WhatsApp (X2) | | | | |
| 1 | X2.1 | 0.749 | 0.1914 | 0.00 | Valid |
| 2 | X2.2 | 0.863 | 0.1914 | 0.00 | Valid |
| 3 | X2.3 | 0.841 | 0.1914 | 0.00 | Valid |
| 4 | X2.4 | 0.819 | 0.1914 | 0.00 | Valid |
| | Paxel Market (X3) | | | | |
| 1 | X3.1 | 0.841 | 0.1914 | 0.00 | Valid |
| 2 | X3.2 | 0.868 | 0.1914 | 0.00 | Valid |
| 3 | X3.3 | 0.821 | 0.1914 | 0.00 | Valid |
| 4 | X3.4 | 0.77 | 0.1914 | 0.00 | Valid |
| | Customer Loyalty (Y) | | | | |
| 1 | Y1.1 | 0.824 | 0.1914 | 0.00 | Valid |
| 2 | Y1.2 | 0.794 | 0.1914 | 0.00 | Valid |
| 3 | Y1.3 | 0.754 | 0.1914 | 0.00 | Valid |
| 4 | Y1.4 | 0.742 | 0.1914 | 0.00 | Valid |

Source: Data obtained from the results of the questionnaire, processed by researchers using SPPS

Based on Table 2. shows that the correlation between each variable indicator is Instagram (X1), WhatsApp (X2), Paxel Market (X3), and customer loyalty (Y). Stating that r count > r table. The conclusion is that all the statement items are declared valid.

**Reliability Test**

This study used the reliability measurement of Cronbach Alpha (a) statistical questionnaire with the SPSS program.

## Table 3. Table of Reliability Test Results Data

| Variable | Cronbach's Alpha | Standard T Alpha | Information |
|---|---|---|---|
| Instagram (X1) | 0.779 | 0.70 | Reliable |
| WhatsApp (X2) | 0.831 | 0.70 | Reliable |
| Paxel Market (X3) | 0.844 | 0.70 | Reliable |

Source: Data obtained from the results of the questionnaire, processed by researchers using SPPS

The reliability test results for the variable instruments are shown in Table 3, Instagram (X1), WhatsApp (X2), Paxel Market (X3), and Customer Loyalty (Y) with a Cronbach's Alpha value > 0.70 so that each item of each variable is feasible to use as a measuring tool.

**Classical Assumption Test Results**

**Normality test**

According to Ghozali (Nurcahyo, 2018), to determine whether independent variables are normal or both have a normal distribution in a dependent variable regression model.
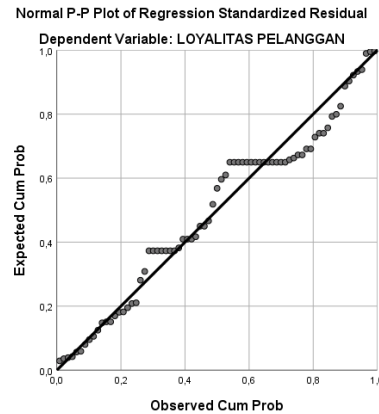
**Figure 2.** Normality Test Results

As seen in Figure 2, the data are normally distributed because they migrate toward the diagonal line as they are dispersed around it.

**Multicollinearity Test**

With this multicollinearity test, it can be seen if there is a strong or ideal relationship between the independent variables in the regression model.

**Table 4. Multicollinearity Test Result Data**

| Variable | Tolerance | VIF | Information |
|---|---|---|---|
| Instagram (X1) | 0.534 | 1,873 | No Multicollinearity |
| WhatsApp (X2) | 0.273 | 3,688 | No Multicollinearity |
| Paxel Market (X3) | 0.303 | 3,306 | No Multicollinearity |

Source: Data obtained from the results of the questionnaire, processed by researchers using SPPS

Tolerance value > 0.1 and a VIF value < 10, which that in this instance the data does not have multicollinearity.

**Heteroscedasticity Test**

This Heteroscedasticity test seeks to identify differences between the residuals of an observation and other variants in a regression model.
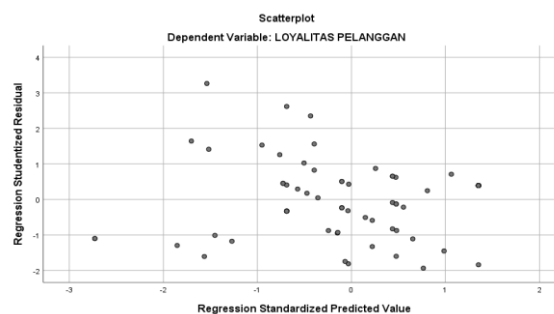


**Figure 3.** Heteroscedasticity Test Results

As shown in figure 3 that the points on the Y axis are randomly distributed above and below the value 0. One could argue that the regression model doesn't exhibit heteroscedasticity.

**Hypothesis testing**

**Multiple Linear Analysis**

Utilizing multiple linear regression to test the strength of the correlation and the effect of independent variables with more than two components (Suhayadi and Purwanto, 2004). The following can be formulated while use the regression equation model:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e$$

**Table 5. Data Results of Multiple Linear Analysis**

**Coefficients ᵃ**

| | | Unstandardized Coefficients | | Standardized Coefficients | |
|---|---|---|---|---|---|
| Model | | B | std. Error | Betas | Q |
| 1 | (Constant) | 4,047 | 1.426 | | 2,837 |
| | INSTAGRAM | ,451 | , 132 | ,367 | 3,419 |
| | WHATSAPP | .092 | ,144 | ,097 | ,643 |
| | PAXEL MARKET | ,341 | ,131 | ,373 | 2,611 |
| a. Dependent Variable: CUSTOMER LOYALTY | | | | | |

Source: Data obtained from the results of the questionnaire, processed by researchers using SPPS

As shown table 5. the following regression equation can be generated, namely:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e$$

$$Y = 4.047 + 0.451 + 0.092 + 0.341 + e$$

The following can be explained about the regression equation above:

1. A = A constant of 4.047 states that the variables Instagram (X1), WhatsApp (X2), and Paxel Market (X3) are considered constant, so customer loyalty to UMKM Pastel Soponyono Jatiroto has a positive relationship of 4.047.

2. With a value of 0.451, the Instagram variable (X1) has a positive coefficient direction on customer loyalty (Y). This means that for every addition of the Instagram variable by 1, the Instagram of UMKM Pastel Soponyono will grow by 0.451.

3. The coefficient of the WhatsApp variable (X2) is positive toward customer loyalty (Y) with a value of 0.092. This means that for every addition of the Instagram variable by 1, the WhatsApp on Pastel Soponyono UMKM will increase by 0.092.

4. Paxel market variable (X3) has a positive coefficient towards customer loyalty (Y) with a value of 0.341. This means that the Paxel Market for Pastel Soponyono MSMEs will increase by 0.341 every time the Paxel Market variable increases by 1.

**T-test**

A partial t test is necessary to examine how each dependent variable is affected by the independent variable, which is customer loyalty. Each t count has a significance column or comparing t count with t table both can be used to do this test.

### Table 6. Data Test Results t

| Variable | t count | Significance | Information |
|---|---|---|---|
| Instagram (X1) | 7,617 | 0.00 | Significant |
| WhatsApp (X2) | 7,366 | 0.00 | Significant |
| Paxel Market (X3) | 7,985 | 0.00 | Significant |

Source: Data obtained from the results of the questionnaire, processed by researchers using SPPS

As seen in Table 6. above, the following can be explained based on the t test findings, namely:

1. According to the t-test results, H0 is rejected and H1 is allowed since the t count of 7.617 from the t table of the Instagram variable has a significance value to customer loyalty with $0.00 < 0.05$.

2. The findings of the t-test indicate that H0 is rejected and H1 is approved since the t count of 7.366 from the t WhatsApp variable to customer loyalty has a significant value of $0.00 < 0.05$.

3. The t-test results showed that a t count of 7.985 from the pixel market variable to customer loyality. H0 is disregarded and H1 is allowed if the significance value is $0.00 < 0.05$.

**F Test Results (Simultaneous)**

### Table 7. Table of F Test Results (Simultaneous)

**ANOVA** [a]

| Model | | Sum of Squares | Df | MeanSquare | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 167,796 | 3 | 55,932 | 30,388 | ,000 [b] |
| | Residual | 130,684 | 71 | 1,841 | | |
| | Total | 298,480 | 74 | | | |

a. Dependent Variable: CUSTOMER LOYALTY
b. Predictors: (Constant), PAXEL MARKET, INSTAGRAM, WHATSAPP

Source: Data obtained from the results of the questionnaire, processed by researchers using SPPS

The results of the simultaneous test are shown in Table 7. Based on a comparison between f count 20.388 and f table 2.73, it is determined that the significant value is $0.00 < 0.05$.

**Test Results for the Coefficient of Determination (R2)**

To determine the model's level of ability to dependent variable, utilize the coefficient of determination (R2) and has a range from 0 to 1 ($0 < R2 < 1$). The fundamental weakness of using coefficients is that they can affect the number of independent variables (Ghozali, 2016).

### Table 8. Test Results for the Coefficient of Determination ($R^2$)

**Summary models**

| Model | R | R Square | Adjusted R Square | std. Error of the Estimate |
|---|---|---|---|---|
| 1 | ,750 [a] | ,562 | ,544 | 1.357 |

a. Predictors: (Constant), PAXEL MARKET, INSTAGRAM, WHATSAPP

Source: Data obtained from the results of the questionnaire, processed by researchers using SPPS

From Table 8, the Coefficient of Determination ($R^2$) value is 0.544. That way the change in loyalty is 54.4% of the influence of the variables Instagram, Whatsapp, and Paxel Market then from other variables 45.6% which are not measured in the regression.

## Discussion

### Social Media Social Media Instagram Has a Significant Influence on Customer Loyalty at UMKM Pastel Soponyono Jatiroto

The results of multiple linear analyses on the first hypothesis, which has been explained that Instagram has a positive coefficient direction on customer loyalty at the Pastel Soponyono Jatiroto MSME. The results of this analysis mean that the better and optimal in applying Instagram social media in sales transactions, the customer will be more loyal to UMKM Pastel Soponyono Jatiroto because, on social media Instagram, UMKM Pastel Soponyono provides convenience for consumers by displaying attractive products and on the Instagram account. Can also be connected to social media and other websites used by UMKM Pastel Soponyono Jatiroto. Based on research conducted by (Kurnia, 2020) and (Hendra,2020) brings evidence that the hypothesized result that the effect of marketing activities through Instagram social media on customer loyalty.

### WhatsApp Social Media Has a Significant Influence on Customer Loyalty at Pastel UMKM Soponyono Jatiroto

The results of multiple linear analysis on the second hypothesis, which has been described that WhatsApp has a positive coefficient direction on customer loyalty. WhatsApp social media significantly affects customer loyalty at Pastel Soponyono Jatiroto UMKM. The results of this analysis mean that the better and more optimal in applying WhatsApp social media in sales transactions, the customer will be more loyal to UMKM Pastel Soponyono because using WhatsApp social media has utilized the catalog feature that displays products and prices to make it easier for consumers to make purchase transactions. This finding concurs with research by (Nasution, 2022), which reveals that WhatsApp is one of the media that can be used to connect producers with consumers.

### Paxel Market's Social Media Has a Significant Influence on Customer Loyalty at Pastel UMKM Soponyono Jatiroto

The results of multiple linear analysis on the third hypothesis, described that the panel market has a positive coefficient direction on customer loyalty. Therefore, Soponyono Pastel MSMEs must maintain, and it will be even better if they optimize product descriptions more so customers will be more loyal to Soponyono Jatiroto Pastel MSMEs.This research aligns with that of (Puspitasari, 2013) that the Website has a big impact on how loyal customers are.

# CONCLUSION

The following conclusions from researchers obtained from the data and analysis that has been carried out in this study, namely Instagram, whatsApp and PaxelMarket have a significant effect on customer loyalty at UMKM Pastel Soponyono Jatiroto. The research results are supported by the research of Effendy (2021), Oktaviani (2020) and Kurnia (2020), where Instagram social media marketing has a significant effect on customer loyalty. In this study, Pastel Soponyono has used various social media such as Instagram, WhatsApp, and the Paxel Market Website, which can support increasing customer loyalty. Social media users provide convenience in the buying and selling process by MSMEs to market their products. They can minimize costs so customers can feel loyal to Pastel Soponyono.

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