The Influence of Public Relations Marketing on Social Media on Customer Loyalty of PT. Coda Payments Indonesia

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ABSTRACT: The rapid growth of the gaming industry in Southeast Asia has fueled the expansion of digital payment services, where Codashop by PT Coda Payments Indonesia plays a key role in facilitating seamless in-game transactions. Despite its active social media marketing public relations (MPR) efforts, Codashop faces challenges in social media engagement and customer loyalty compared to competitors. This research examines the extent to which MPR influences customer loyalty at Codashop. Through a quantitative correlational approach, data were collected from Codashop Indonesia's Facebook followers, who had completed multiple transactions. The findings indicate a strong positive relationship between MPR activities and customer loyalty. Regression analysis confirms that MPR significantly impacts customer retention, with events and media identity identified as the most influential components. Furthermore, customer advocacy through recommendations emerges as a key driver of loyalty. The study concludes that optimizing MPR strategies can strengthen customer relationships and enhance engagement, providing a competitive edge in the digital gaming industry. These insights emphasize the importance of strategic brand communication to build stronger customer connections. Companies like Codashop can leverage MPR more effectively to maintain loyalty, improve user engagement, and sustain competitive advantage in the evolving gaming market.

Keywords: Marketing Public Relations, Customer Loyalty, Digital Payments, Social Media Engagement, Gaming Industry

INTRODUCTION

The development of technology and the Internet has significantly impacted various industry sectors, including gaming. One of the most significant developments can be seen in Southeast Asia, where the gaming market is growing the fastest globally. This is explained by Anh (2021), who said Southeast Asia is the leading region and the most prominent market globally in terms of total revenue and players. In 2019, this gaming market segment was estimated to earn over $4.3

billion in revenue, with a yearly growth rate of 13.9% (Newzoo, 2019). About $3 billion of this revenue came from mobile games. The rising number of smartphone users in Southeast Asia has spurred the rapid growth of mobile games, particularly in Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Vietnam (Statista, 2020).

In 2020, there were 50.8 million active mobile game players in Indonesia alone, an estimated increase to 61.9 million by 2025. (Kang et al., 2021) Describe how games motivate users to make in-game purchases. The volume of mobile game players and the in-game transaction volume represent a vast potential market for online payment services. Taking advantage of this opportunity, PT Coda Payments Indonesia, through its main product, Codashop, offers easy and fast top-up services for various games and entertainment applications. But even with active MPR efforts from Codashop, they are much less competitive than their main competitor, Unipin, in terms of follower numbers and engagement levels (Achmad Kurniawan Bastian Jabir Sulaiman Helmi, 2024).

Marketing Public Relations (MPR) combines marketing and public relations to enhance brand image and promotional efforts (Kotler & Keller, 2018). Unlike traditional marketing, which focuses on sales, or public relations, which aims to build a company's reputation, MPR bridges these functions to create a cohesive strategy that influences customer perception and loyalty (Ali, 2017). Research has revealed that MPR has a significant impact on consumer behavior. According to (Sari, 2019), MPR activities significantly impacted customer loyalty at Berrybenka Store, with a strong correlation between marketing efforts and repeated purchases. In addition, according to (Pardiansyah, 2017), he found that the increased activity of MPR will also directly affect customer acquisition to BPR Pamanukan Bangunarta, which is consistent with the requirements of marketing communication implementation and would have an impact on consumer decisions (Drummond et al., 2020; Parent, 2023; Spagnoletti et al., 2015).

Publications, media identity, events, news, speeches, public service activities, and sponsorships are components of MPR that help build brand credibility and consumer trust (Kotler & Keller, 2018). Social media, in the digital transformation era, have become effective tools for MPR, which allows brands to have direct contact with their audience and, with that, create closer relations (Aljuhmani et al., 2022; Santoso et al., 2020). According to recent studies, social media marketing programs enhance customer engagement which leads to an increase in levels of loyalty by improving the quality of their relationship through commitment, trust, and satisfaction (Banerji & Singh, 2023). Moreover, social media is an interactive medium that provides real-time feedback and enables personalized engagement, which adds value through customer engagement. (Rosas-Quezada et al., 2019).

As brands increasingly leverage Marketing Public Relations (MPR) strategies, their capacity for cultivating deeper consumer bonds becomes pivotal in maintaining sustained long-term engagement. A successful MPR program enhances brand awareness and fosters a community feeling and emotional bond between the brand and the consumer. MPR strategies affect customers' behavior by promoting the company as trustworthy, credible, engaging, and cultivating habitual customers over time (Ngai et al., 2015). Research suggests that good marketing communications,

including public relations, are key to brand loyalty. (Quayson et al., 2024) public relations is a key predictor of brand loyalty in the banking industry. Similarly, (Mittal et al., 2023) found a direct relationship between satisfaction and loyalty as good indicators of a company's financial success. (Schivinski et al., 2016) consumption, contribution, and content creation drive customer engagement with online brand content. Furthermore, (Hollebeek et al., 2014) further emphasized that it relates to emotional and cognitive factors, affecting a consumer to take an action regarding the product on social media.

According to (Kotler & Armstrong, 2018)Combining marketing strategies with customer-focused approaches is crucial in developing sustainable relationships between consumers and businesses. This is consistent with the work of Grönroos (2020), who suggests that managing customer experience and long-term engagement is essential for improving loyalty.

(Islam & Rahman, 2016) showed by meta-analysis that social media marketing strongly affects customer engagement and brand loyalty. (Hennig-Thurau et al., 2004) Motives for electronic word-of-mouth, like social interaction and economic incentives, were shown to be significant (2004). (Mohammadi et al., 2023) in green marketing Strategies 2023 - found a positive & significant effect on Brand Loyalty. (Gremler & Gwinner, 2000) noted that positive customer-employee interactions in services lead to a richer customer-employee bond that fosters satisfaction and loyalty.

Kang et al. (2021) found that the interactivity of live-streaming platforms affects customer engagement behaviors through relationship strength. Finally, (Sokolova & Kefi, 2019) conducted research that demonstrated parasocial interactions and influencer credibility on social media such as Instagram and YouTube significantly influence consumer purchasing intention.

Consistent engagement through strategic marketing communications will gain the trust of their consumer base, promote repeat purchases, and create brand advocates. Such continual involvement lays the groundwork for customer loyalty (Ananda et al., 2019), keeping the consumer involved with the brand long after the completion of a transaction.

Customer loyalty is the consumers' commitment to buy or use a brand's products or services again, which is vital for the long-term success of a business. The loyal customer base not only drives repeat sales but serves as a strong advocate and spreads information, and keeps the brand alive in the face of competition in a market that is difficult to penetrate (Khamitov et al., 2019)As such, the rise in the use of social media as an element of public relations (MPR) is of the utmost importance in building and maintaining customer loyalty in today's ever-changing business climate.

This research analyzes Codashop's efforts in social media MPR and how these efforts impact customer loyalty within Indonesia's highly competitive gaming industry compared to its rival, Unipin. It examines the link between MPR strategy and customer engagement to develop specific recommendations for refining digital marketing efforts to enhance brand loyalty in the online gaming industry.

METHOD

The research employs a quantitative methodology with a correlational approach. Correlational analysis is a statistical technique used to assess the strength and direction of relationships between variables (Curtis et al., 2016)The population used in this study is those who have used Codashop because the study focuses on the marketing and public relations activities of PT Coda Payments Indonesia. This makes the researcher determine the population of this study, targeting male users aged 18-34 who follow the Codashop Indonesia Facebook account and have completed at least two transactions on Codashop. As of October 27, 2020, the Codashop Indonesia Facebook account had 100,913 followers, with 90% male.

This research focuses on men aged 18-34. The population owned by Codashop is the total percentage of the age range of 18-24 and 25-34, which is 68%, with a population of 68,621. However, considering the large number, the author uses a sample.

A purposive sampling method was utilized, which involves deliberately selecting participants based on specific characteristics relevant to the research (Etikan et al., 2016)The sample size was calculated using the Slovin formula, using a population of 68,621 and a 10% error rate, resulting in a sample size of 100 people.

Data was collected by distributing questionnaires via Google Forms to Codashop Indonesia's Facebook followers through the platform's messaging feature. Data collection in research is essential because if there is no data collected, research cannot be carried out (Mazhar et al., 2021). According to (Tojiyeva & Abdullayev, 2021)Google Forms is a good tool for collecting data because it is easy to draw statistical conclusions from questionnaires prepared in Google Forms. Initial screening questions ensured respondents met the criteria, including prior transactions on Codashop and transaction frequency per month. (Glassman, 2016) Explain that initial screening questions can help ensure that the questionnaire given to respondents is appropriate. Qualified respondents answered core questions related to customer loyalty, facilitating the collection of accurate data on the relationship between social media marketing public relations activities and customer loyalty at Codashop.

The collected data is then analyzed using quantitative calculations that use numbers as a measurement tool to obtain analysis results and draw conclusions. This study uses a Likert measurement scale, which is used by this study because the Likert scale is used to measure the attitudes, opinions, and perceptions of a person or group of people regarding certain social phenomena. Furthermore, the data is also measured using a reliability test to determine whether or not the research instrument is reliable with Alpha Cronbach. Another test used in this study is the Linear Regression Test to determine the effect of independent variables on dependent variables. In this study, Marketing Public Relations is an independent variable that can cause changes or the emergence of customer loyalty or dependent variables. The last is the correlation test. This test is needed to test whether or not there is a relationship and the direction of the relationship between two variables (X and Y) with data in the form of intervals or ratios. This correlation test will provide a correlation coefficient result whose value will conclude the closeness

or weakness of the relationship between the two variables. When all these tests are carried out, a hypothesis can be made.

RESULT AND DISCUSSION

Reliability Test

The reliability test compared the calculated alpha value with the Cronbach's Alpha Coefficient guideline table.

Table 1. Reliability Test Results for Variable X and Variable Y

Variable	Alpha Cronbach	Description
Marketing Public Relations (Variable X)	0,909	Very strong reliability
Customer Loyalty (Variable Y)	0,861	Very strong reliability

Based on the reliability test results, the Marketing Public Relations variable (X) obtained a Cronbach's Alpha value of 0.909, and the Customer Loyalty variable (Y) obtained a Cronbach's Alpha value of 0.861. Compared with the Cronbach's Alpha Coefficient guideline table, it can be concluded that both variables have a very strong reliability level, as their alpha values are between 0.80 and 1.00. According to Hair et al. (2020), an alpha value above 0.7 is generally acceptable, while values above 0.8 indicate strong internal consistency, making the results highly reliable for interpretation.

Linear Regression Test

A simple linear regression test was conducted to predict how changes in one variable can influence/manipulate another variable, yielding the following results.

Table 2. Simple Linear Regression Test Results

Coefficients a					
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	-1.322	2.381		-555	.580
	Marketing Public Relations	.963	.071	.809	13.603	.000

The table above shows the coefficient values, t-statistics, and significance levels. The regression equation derived from the table is:

$$Y = 1,332 + 0,963X$$

Y= Customer Loyalty of PT Coda Payments Indonesia
X= Marketing Public Relations

According to the regression equation, the constant value of -1.322 explains that if the value of Marketing Public Relations does not increase, customer loyalty will still be -1.322. The Marketing Public Relations variable has a regression coefficient of 0.963 meaning that each increase in unit of Marketing Public Relations (X) and an increase of 0.963 in customer loyalty (Y) will occur that can then be interpreted that a positive regression coefficient between the variables Marketing Public Relations (X) with customer loyalty (Y). This aligns with the findings of Bryman (2015), which state that regression analysis is effective for evaluating the predictive relationships between dependent and independent variables.

A T-test was conducted to determine whether the independent variable significantly affects the dependent variable. The decision rule for the T-test is t-statistic(t-count) > t-table. The researcher found that the t-count (13.603) > t-table (2.000), so the conclusion accepting the alternative hypothesis (Ha) is that Marketing Public Relations (X) Affect Customer Loyalty (Y) at PT Coda Payments Indonesia. This resonates with Chaffey and Ellis-Chadwick (2019), who highlighted that sound marketing strategies, especially those using digital media, have a positive, tangible effect on customer loyalty. Field (2018) also emphasizes the importance of significance testing as a means of regression analysis, which is a key point in validating hypotheses within social science research.

Correlation Test

Table 3. Correlation Test Results

		MPR	Customer Loyalty
MPR	Pearson Correlation	1	.809**
	Sig. (2-tailed)		.000
	N	100	100
Customer Loyalty	Pearson Correlation	.809**	1
	Sig. (2-tailed)	.000	
	N	100	100

**. Correlation is significant at the 0.01 level (2-tailed)

Referring to the correlation test results based on the Pearson Product Moment formula in SPSS in Table 3, which states that there is a correlation between variable x (Marketing Public Relations) and variable y (Customer Loyalty) with an R-value (correlation coefficient) of 0.809. Using the correlation coefficient interpretation table referenced earlier, an interval of 0.80 - 1.00 implies a strong relationship. Hence, the resulting value of 0.809 indicates a strong relationship between Marketing Public Relations and Customer Loyalty at PT Coda Payments Indonesia. This means that the Marketing Public Relations carried out by PT Coda Payments Indonesia through social media significantly affects customer loyalty.

Table 4. Coefficient of Determination Test Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.809*	.654	.650	3.33743

a. Predictors: (Constant), Marketing Public Relations
Source: Author, 2021.

Based on the results of the coefficient of determination test in the table above, the R Square value is 0.654. This means that Marketing Public Relations (X) influences Customer Loyalty (Y) by 65.4%. Other variables not included in this study contribute 34.6%.

Research Hypothesis
To test the hypothesis and determine whether there is an influence between variable X (Marketing Public Relations) and variable Y (Customer Loyalty), the researcher conducted an ANOVA test with the following results:

Table 5. ANOVA Test Results

ANOVAa

Model		Sum of Squares	df	Mean Square	F	Sig
1	Regression	2061.182	1	2061.182	185.051	.000b
	Residual	1091.568	98	11.138		
	Total	3152.750	99			

a. Dependent Variable: Customer Loyalty
b. Predictors: (Constant), Marketing Public Relations
Source: Author, 2021.

Research Hypotheses:

Ho : *Social media marketing public relations does not affect customer loyalty to PT Coda Payments Indonesia.*

Ha : *Social media marketing and public relations affect customer loyalty to PT Coda Payments Indonesia.*

The decision criterion is that if the significance value (sig) < 0.05, then Ho is rejected. Based on the table above, the significance value is 0.000, less than 0.05; thus, Ho is rejected. There is an influence between Marketing Public Relations and customer loyalty at PT Coda Payments Indonesia. In addition, this study shows the importance of public relations marketing in influencing customer loyalty at PT Coda Payments Indonesia. This makes public relations marketing an effective strategy for driving consumer loyalty.

CONCLUSION

Marketing public relations significantly influences customer loyalty at PT Coda Payments Indonesia, reaching 65.4%. The most important elements of marketing public relations are events and media identity, with the strongest attribute of loyal customers being their willingness to recommend the product or service to others. The correlation between marketing public relations and customer loyalty at PT Coda Payments Indonesia is strong and positive, with a value of 0.809. The impact of marketing public relations on customer loyalty is also reflected in the regression equation $Y = 1.332 + 0.963X$, indicating that if marketing public relations efforts do not increase, customer loyalty will be at 1.332. However, if PT Coda Payments Indonesia enhances its marketing public relations efforts by one unit, customer loyalty will also increase by 0.963.

The ANOVA test results show a significance value of 0.000, less than 0.05, leading to the acceptance of Ha and confirming that marketing public relations significantly influences customer loyalty. Marketing public relations is an effective strategy for increasing customer loyalty, particularly at PT Coda Payments Indonesia. Given its effectiveness, researchers recommend that PT Coda Payments Indonesia further develop its marketing public relations strategy to enhance customer loyalty and improve reputation, brand awareness, and interest in transactions. However, this study is limited to examining the impact of marketing public relations on customer loyalty without exploring its effects on other aspects such as reputation, brand awareness, and transaction interest. Additionally, since the study only focuses on one company, there is a potential for bias. Researchers also suggest future studies expand the scope by analyzing the impact of marketing public relations on customer loyalty in different companies and further investigating its effects on reputation, brand awareness, and transaction interest.

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