THE EFFECT OF EXPERIENTIAL MARKETING AND e-WOM ON CUSTOMER LOYALTY
(CASE STUDY: D-LINOW RESTAURANT)

PENGARUH PENGALAMAN PEMASARAN DAN e-WOM TERHADAP LOYALITAS PELANGGAN
(STUDI KASUS: D-LINOW RESTAURANT)

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Abstract: Tourism is currently an activity that directly monitors and engages the community, thus bringing various benefits to local and surrounding communities. Even tourism has extraordinary energy, which is able to make local people experience metamorphosis in various aspects. Tourism has many benefits for the community, even for the state, the benefits of tourism can be seen from various aspects / aspects, namely the benefits of tourism in terms of economic, socio-cultural, environmental and employment opportunities. D-Linow Restaurant is the one of Tourism in Tomohon. The visitors who have visited the D-Linow Restaurant tourism site usually share their experiences through social media. So that other people can also see their posts. And with the experience and posts on social media about the tourist attractions, many attracted the attention of other visitors. The purpose of this study was to determine whether *The Effect of Experiential Marketing and e-WOM on Customer Loyalty at D-Linow Restaurant*. This research uses quantitative methods. To achieve this goal, the researchers distributed questionnaires and the sample used 100 respondents. The results of this study indicate that experiential marketing and e-commerce have a significant positive effect on customer loyalty.

Keywords: Experiential Marketing, e-WOM, Customer Loyalty

Abstrak: *Pariwisata saat ini merupakan kegiatan yang secara langsung memantau dan melibatkan masyarakat, sehingga membawa berbagai manfaat bagi masyarakat lokal dan sekitarnya. Bahkan pariwisata memiliki energi yang luar biasa, yang mampu membuat masyarakat lokal mengalami metamorfosis di berbagai aspek. Pariwisata mempunyai banyak manfaat bagi masyarakat, bahkan bagi negara manfaat pariwisata dapat dilihat dari berbagai aspek / aspek yaitu manfaat pariwisata dari segi ekonomi, sosial budaya, lingkungan dan kesempatan kerja. Restoran D-Linow merupakan salah satu Tempat Wisata di Tomohon. Pengunjung yang pernah berkunjung ke lokasi wisata Restoran D-Linow biasanya membagikan pengalamannya melalui media sosial. Sehingga orang lain juga bisa melihat postingannya. Dan dengan pengalaman serta postingan di media sosial tentang tempat wisata tersebut, banyak menarik perhatian pengunjung lainnya. Tujuan dari penelitian ini adalah untuk mengetahui apakah Pengaruh Experiential Marketing dan e-WOM terhadap Loyalitas Pelanggan pada Restoran D-Linow. Penelitian ini menggunakan metode kuantitatif. Untuk mencapai tujuan tersebut, peneliti menyebarkan kuisioner dan sampel yang digunakan 100 responden. Hasil penelitian ini menunjukkan bahwa experiential marketing dan e-commerce berpengaruh positif signifikan terhadap loyalitas pelanggan.*

Kata kunci: Pemasaran Eksperiensial, e-WOM, Loyalitas Pelanggan

INTRODUCTION

Research Background

Nowadays, Tourism is an activity that directly touches and engages the community, thus bringing a variety of benefits to the local and surrounding communities. Even tourism is said to have extraordinary energy, which is able to make local people experience metamorphose in various aspects. Tourism has many benefits for the community even for the country though, the benefits of tourism can be seen from various aspects / aspects, namely the benefits of tourism in terms of economic, social, cultural, environmental, social and scientific value, as well as employment opportunities and opportunities.

North Sulawesi tourism is currently at a high level, the figure above shows the number of tourist visits in North Sulawesi, which has increased every year. In North Sulawesi especially in Tomohon, there have D-linow Restaurant that have many visitors, during holidays or weekends, almost all tourism objects in Tomohon City are filled with visitors, one of which is D-linow Restaurant. The visitors spend their time off with family at the tourism site. With the increase in visitors to tourism sites in the City of Tomohon today. Visits of foreign and domestic tourists in Tomohon increasing every year. It can be used as a factor supporting the development of tourism in Tomohon.

The development of the internet and growth of the online consumer, internet advertisement has been an increasing source of information for consumers (Tsao and Sibley, 2004). Internet marketing has changed the ways of communication and sharing information and interest. The rapid growth of internet marketing providing marketer a new avenue to gain the customers.

Today, the internet is very important for everyone. Through the internet various information can be disseminated and obtained easily. The internet is not only used by people to find some information and communicate with others, but also the internet can be used to share stories or experiences from someone, one example in sharing experiences is about someone who just made a tour from one of the tourism sites, they share experiences by posting a photo or retelling what they saw and felt at that place through the internet.

Research Objective

The research objectives are:
1. To analyze the significant effect of Experiential Marketing on Customer Loyalty at D-linow Restaurant
2. To analyze the significant effect of e-WOM on Customer Loyalty at D-Linow Restaurant

THEORETICAL REVIEW

Marketing

Marketing is the pith material for this research because marketing related with service quality, since researcher aimed to evaluate the service quality so, marketing become the main for this research. The definition of Marketing according to the American Marketing Association (AMA, 2011) Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. According to Kotler (2002) defines marketing as "the science and art of exploring, creating, and delivering value to satisfy the needs of a target market at a profit. Marketing identifies unfulfilled needs and desires. It defines, measures and quantifies the size of the identified market and the profit potential. It pinpoints which segments the company is capable of serving best and it designs and promotes the appropriate products and services.

Experiential Marketing

Kartajaya (2003:166) defining experiential marketing is a marketing concept that aims to form loyal consumers by touching their emotions and giving a positive feeling to the product and service. Smilansky (2009:13) defines experiential marketing is the process of identifying and satisfying consumer needs and lucrative aspirations, engaging consumers through two-way communication that brings brand personality to life and adds value to the target audience. Expressing experiential marketing as a marketing strategy that seeks to create experience in the use or use of products through product quality strategies, value added products, services and other variables that will bring deep memories or impressions to consumers, so that consumers will eventually become loyal to the product and eventually become a customer. *(Zarem 2000, p. 30).*

Electronic Word of Mouth (e-WOM)

Hennig-Thurau, Gwinner, Walsh and Gremler (2004) define electronic WOM as any positive or negative statement made by potential, actual or former customer about a product or company, which is made available to a multitude of people and institutions via the Internet and thus brings WOM into the electronic age. Online Word-Of-Mouth communication is cheaper, faster, and more effective than the other marketing tools (Dellarocas, 2003). In order to receive benefits from e-WOM, it is crucial to know exactly how consumers employ e-WOM messages to their advantage. The most effective strategy to optimize message adoption is to investigate which factors in the e-WOM message influence the decision-making process. Due to declining trust to traditional advertising, e-WOM has already become the most influential communication channel (Keller, 2007).

Consumer Behavior

Consumer Behavior is an activity or process related to how and why customers choose, buy and use a product or service in order to meet their needs or desires. Sopiah and Sangadji (2013: 7), Consumer behavior is an action that is directly involved in obtaining, consuming, and finishing the product or service, including processes that precede and follow these actions. Understanding consumer behavior is a job that is not easy for marketers because of the many variables that influence and these variables are mutually interacting. Consumer behavior is a complex and multi-dimensional process.
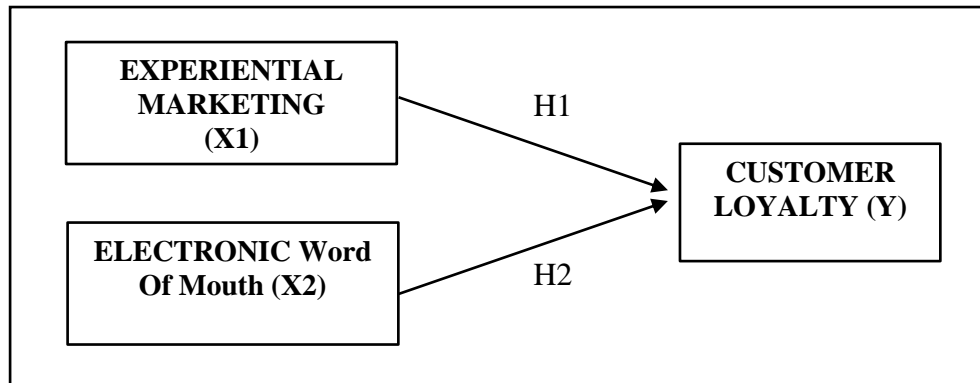
Customer Loyalty

The purpose of a business is to create customer satisfaction. In the tourism industry, customer loyalty is very important. Existence of customer loyalty can provide several benefits, including the relationship the relationship between the company and its customers will be harmonized so it will become a good consideration for customers to use the product or services from that company again. Loyal customer provide firms a consistent source of revenue (repeat and increased purchases) and for cost reduction (less promotional expenses), thus increasing profitability. Reichheld and Sasser (1990) find that loyal customers are willing to (1) re-buy products despite the fact that there are attractive competitive alternatives to cause switching, (2) spend money on trying product across the firm's product line offerings, (3) recommend the firm's goods or services to other consumers, and (4) give the company sincere suggestion (feedback) as to their needs and expectations.

Previous Study

Mei-Ying Wu and Li-Hsia Tseng (2014) Results showed that perceptions of experiential marketing differed significantly on some demographic variable; experiential marketing was positively related to customer satisfaction and customer loyalty; customer satisfaction and customer loyalty were positively related; and experiential marketing was a significant predictor of customer satisfaction and customer loyalty. The empirical results about experiential marketing were obtained from the online apparel retail industry.

Andriani Kusumawati (2011) The result shows that Experiential Marketing has significantly influenced the Customer Loyalty in Detailed Business and Customer Satisfaction as an intermediate variable. Based on this result, Hypermart of Malang Town Square should maintain and continue to provide a good experience to customers through experiential marketing so that it can increase their satisfaction. In addition, the need for the Hypermart of Malang Town Square continues to maintain and deliver customer satisfaction in order to achieve customer loyalty.

Putu Yudi Setiawan, Eka Afnan Troena, Armanu Noermijati (2014) The objective of this research was to examine the causal relationships among e-WOM, destination image, satisfaction and loyalty. A structural model consisting of those variables were developed based on literature review. This model was analyzed using Structural Equation Modeling (SEM). Sample of 150 domestic tourists were collected in major tourism destinations around Denpasar - Bali. Measurement items were adapted from existing scales found in marketing literature. The result shows that e-WOM has a significant direct effect on destination image, while it's indirect effect on satisfaction and loyalty are completely mediated by destination image. The findings offer important implications for tourism marketing theory and practice.

Conceptual Framework

Source: Data Processed 2020

Research Hypothesis
H1: There is a significant effect of experiential marketing on Customer Loyalty
H2: There is a significant effect of Electronic WOM on Customer Loyalty.

RESEARCH METHOD

Research Approach
        This is a quantitative research that emphasizes objective measurements and the statistical, mathematical, or numerical analysis of data collected through polls, questionnaires, and surveys, or by manipulating pre-existing statistical data using computational techniques. Survey method used as the source of primary data by distributing questionnaire to find out the influence of independent variables (X) which are Experiential Marketing and e-WOM and dependent variable (Y) which is Customer Loyalty

Population, Sample, and Sampling Technique
        The population of this research is the people who have visited and become customers of D-Linow Restaurant. The sample size of the research will be 100 respondents of customers that have visited D-Linow Restaurant. Sample method that can be used for this research is convenience sampling. Where potential respondents selected were those who visit D-Linow Restaurant.

Data Collection Method
        To collect the research data, primary data collection was used through questionnaires. A questionnaire is a research instrument consisting of a series of questions (or other type of prompts) for the purpose of gathering information from respondents.

Operational Definition of Research Variables
Table 1. Variable Definition

Variable	Definition	Indicators
Experiential Marketing (X1)	Experiential marketing is a marketing concept that aims to form loyal consumers by touching their emotions and giving a positive feeling to the product and service.	- Sense - Feel - Think - Act - Relate
Electronic Word of Mouth (X2)	Electronic WOM as any positive or negative statement made by potential, actual or former customer about a product or company, which is made available to a multitude of people and institutions via the internet and thus brings WOM into the electronic age.	- Online Consumer Review - Trustworthy - Loyalty

Customer Loyalty (Y)	Customer Loyalty is how customers will remain loyal D-linow restaurant or will come visit again more than once	- Repeat and increased purchases - Recommendation - Willing to pay more

Source: Author's Note, 2020

Validity and Reliability

Validity test use to measure the obtaining data are in line with the research concept. In other words, the instrument items used to obtain the data is correct and related with the concept of the research that will be conducted reliability test use to measure the consistency of instrument items. Reliability test defined as an index that showed how far instrument items can be trusted or dependable.

Multiple Linear Regression

Multiple Linear Regression is used in this research. Multiple Regression is a correlation coefficient indicates the strength of relationship between two variables, it gives us no idea of how much of the variance in the dependent or criterion variable will be explained when several independent variables are theorized to simultaneously influence it.This analysis is adopted when the researcher has one dependent variable which is presumed to be a function of two or more independent variables. The objective of this analysis is to make a prediction about the dependent variable based on its covariance with all the concerned independent variables.

RESULT AND DISCUSSION

Result
Validity and Reliability

The validity test of experiential marketing (X1), e-WOM (X2), and customer loyalty (Y) are all valid. The variable is reliable because the value of Cronbach's Alpha is bigger than 0,6.

Result of Multiple Linear Regression Table 2. Case Processing Summary

Model		Unstandardized Coefficients		Beta
		B	Std. Error	
1	(Constant)	1,383	2.329	
	Experiential Marketing (X1)	.295	.057	.449
	e-WOM (X2)	.532	.109	.422

Source: Data Processed, 2020

Form of a multiple linear regression equation as follows: **Y = 1,383 + 0,295 + 0,532 + e**

From the multiple linear regression equation it can be concluded that:

The constant of the multiple linear regression in Table 4.5 is 1,383 and is positive, this explains that if experiential marketing and e-WOM are 0 (zero), then the value of customer loyalty is 1,383.

The regression coefficient for the experiential marketing variable is 0,295 and it positive, this explains that each change of one unit in experiential marketing while e-WOM is assumed to be constant, then the amount of customer loyalty will experience a change in increase of 0,295.

The regression coefficient for e-WOM is 0,532 and it positive, this explains that each change of one unit in e-WOM while experiential marketing is assumed to be constant, then the amount of customer loyalty will change, in an increase of 0,532.

Table 3. Table of R and R Square

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.809[a]	.654	.647	2,711

Source: Data Processed, 2020

The coefficient correlation (R) is 0.809; it means there is a strong relationship between independent variables with dependent variable. The coefficient of determination (R^2) measures the

ability of a model in explaining variation of dependent variable. In the other words that Experiential Marketing and e-WOM have strong relationship with Customer Loyalty.
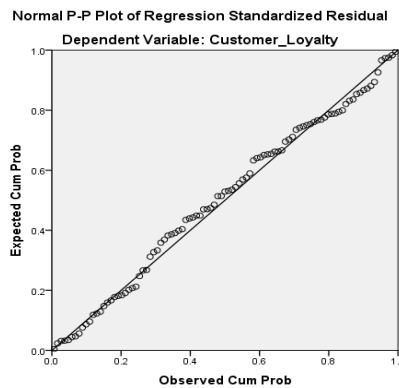

Figure 1 Table of Normality
Source: Data Processed, 2020

Figure 1 shows that the dots are spreading near to the diagonal line and follow the direction of the diagonal line. Therefore, the normality test is accepted which means the data of this research is normally distributed.
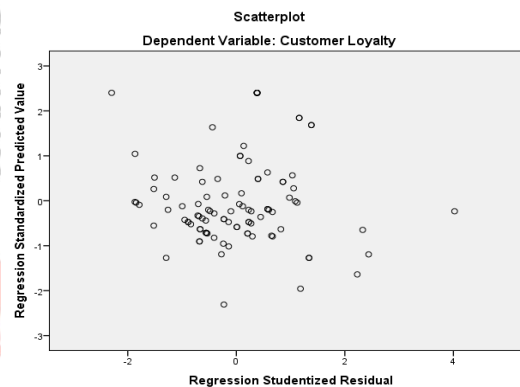

Figure 2. Heteroscedacity Test
Source: Data Processed, 2020

Based on the results of the output image, it shows that the parameter coefficient for all independent variables used in the study does not occur heteroscedasticity seen from the spread that spreads and does not form a certain pattern.

Table 5. Multicollinearity Test Coefficients[a]

Mode		Tolerance	VIF
1	(Constant)		
	Experiential Marketing (X_1)	.476	2,101
	e-WOM (X_2)	.476	2,101

Source: Processed Data, 2020

Table 5 shows that the tolerance value of Experiential Marketing is 0.476, and the tolerance value of e-Wom is 0.476. This means that the tolerance value of each variable> 0.1. And for the VIF value of Experiential Marketing is 2.101 and for e-Wom which is 2.101 which also means the value of each variable is less <10. So it

can be concluded that the independent variable does not have a multicollinearity relationship and can be used to predict Experiential Marketing and E-Wom on Customer Loyalty.

Table 6. T-Test
Partial Test (T-test Result)

Variable	Tcount	Sig
Experiential Marketing	5,191	.000
e-WOM	4,880	.000

Based on the table above by observing rows and columns t and sig, it can be explained as follows:
1. The value of t-count of Experiential Marketing (X_1) is 5,191 with the level significant of 0,000. Since the value of $t_{count} = 5,191 > t_{table} = 1,66071$. Because the value of $t_{count} > t_{table}$ and the level of sig. $< 0,05$, the result indicated that Experiential Marketing (X_1) partially has positive and significant influence on Customer Loyalty (Y).
2. The value t-count of e-WOM (X_2) is 4,880 with the level significant of 0.000. Since the value of $t_{count} = 4,880 > t_{table} = 1,66071$. Because the value of $t_{count} > t_{table}$ and the level of sig. $< 0,005$, the result indicated that e-WOM (X_2) partially has positive and significant influence on Customer Loyalty (Y).

Table 7. F-Test

Model		Sum of Squares	df	Mean Square	F	Sig.
		Simultaneously Test (F-test Result)				
1	Regression	1350,326	2	675,163	91,854	.000[b]
	Residual	712,984	97	7.350		
	Total	1063,310	99			

Source: Data Processed, 2020

From the F-test, by using significant value of 0.05 (α=0.05), because the significance level is less than 0.05 (0.000 < 0.05) and the calculate value of F_{count} is greater than F_{table} (91,854 ≥ 3,090). Since the F_{count} is greater than F_{table}, it means that the independent variable significantly affect the dependent variable simultaneously. Therefore, the alternative hypothesis is accepted.

Discussion
The purpose of this research is to see that experiential marketing and e-wom have a significant influence on customer loyalty at D-Linow Restaurant. In world tourism in North Sulawesi, D-linow Restaurant is included in one tourist destination that is visited by many people both at home and abroad. Based on primary data research obtained from distributing questionnaires with 100 respondents, who are customers who have visited the D-Linow Restaurant, the respondents were categorized by gender, place of residence, occupation and age.

The results of the questionnaire distributed to respondents showed that 62 (62%) of the respondents were female and were followed by male respondents, namely 38 (38%) and in the residential category, the respondents in this questionnaire resided outside the city of Tomohon, namely 71 (71%) and followed by respondents who live in the city of Tomohon, namely 29 (29%). And then in the job category shows that the questionnaire respondents are mostly students, namely 65 (65%), private 7 (7%), self-employed 5 (5%) and others 23 (23%). And in the last category, it is known that the oldest respondents are 22-27 years old with a presentation of 52 (52%) and are followed by respondents aged 17-21 years, namely 42 (42%) and the last respondents aged> 28 years, namely 6 (6%).

Furthermore, in the reliability and validity test to see the consistency of the answers and the validity of the questionnaire. The results of the reliability and validity tests of the data used show that all items in the questions are declared reliable and valid. Furthermore, the classical assumption testing includes normality, multicollinearity, heteroscedasticity tests using the Kolmogrov-Smirnov (KS) test method, and in this study, there were no symptoms of multicollinearity and heteroscedasticity, as well as normally distributed models.

In the test results the coefficient of determination (R^2) shows the value of R square or a coefficient of 0.654. This figure explains that customer loyalty at D-Linow Restaurant is influenced by experiential marketing and e-commerce by 0.654. This study also uses multiple linear regression analysis. To get precise and accurate

results from this method aims to analyze the influence of Experiential Marketing (X1) and e-WOM (X2) as independent variables on Customer Loyalty (Y) as the dependent variable.

This study also uses the F-test that the Experiential Marketing and e-WOM variables simultaneously have a significant effect on Customer Loyalty. Research using the T-test, got a significant value and it can be seen that not all variables partially have a significant effect. Experiential marketing and e-WOM have a positive and significant effect on Customer Loyalty.

CONCLUSION AND RECOMMENDATION

Conclusion
1. The results show that Experiential Marketing has a positive and significant effect on Customer Loyalty at D-Linow Restaurant, this can show that experiential marketing has a good impact on Customer Loyalty, So it can increase the visitors to come at D-linow Restaurant and become a Loyal Customer.
2. The results show that e-WOM has a positive and significant effect on Customer Loyalty at D-Linow Restaurant. as well as Experiential Marketing, e-WOM also have a good impact on Customer Loyalty at D-Linow Restaurant, the internet and social media are used to increase visitors by sharing their interesting experience so they can revisit D-Linow Restaurant and become Loyal Customer

Recommendation
1. D-linow Restaurant can continue to innovate and improve work so that customers can apply Experiential Marketing so that they can help other consumers in choosing tourism spots at D-linow Restaurant so that from these recommendations it can generate or increase customer loyalty to D-linow Restaurant.
2. D-linow Restaurant can continue to improve website sites or other social media (e-WOM) as a means of customers in expressing the services they get from D-linow Restaurant in the form of written story reviews on social media, so as to increase customer loyalty at D-Linow Restaurant.

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