

The Role of Social Media Marketing in Building Customer Loyalty among Millennials

Frans Sudirjo¹, Dasa Rahardjo Soesanto²

¹Fakultas Ekonomika dan Bisnis, Universitas 17 Agustus 1945 Semarang

²Universitas Utpadaka Swastika

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ABSTRACT

This study investigates the role of social media marketing in building customer loyalty among Indonesian millennials. A quantitative research approach was employed to examine the relationship between social media marketing activities and customer loyalty. Data were collected from 150 Indonesian millennial respondents who actively use social media and engage with brand-related content. The measurement instrument used a five-point Likert scale, and the collected data were analyzed using the Statistical Package for the Social Sciences (SPSS) version 25. The results of simple linear regression analysis indicate that social media marketing has a positive and significant effect on customer loyalty, with a regression coefficient of 0.693 and a significance value below 0.05. The coefficient of determination (R^2) of 0.445 suggests that social media marketing explains 44.5% of the variance in customer loyalty. These findings highlight the importance of content quality, interaction, information sharing, and trust in strengthening long-term relationships with millennial consumers. The study provides practical implications for businesses in Indonesia to optimize social media marketing strategies in order to enhance customer loyalty and sustain competitive advantage in the digital marketplace.

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Corresponding Author:

Name: Frans Sudirjo

Institution Address: Fakultas Ekonomika dan Bisnis, Universitas 17 Agustus 1945 Semarang

e-mail: frans-sudirjo@untagsmg.ac.id

1. Introduction

The rapid development of digital technology has significantly transformed the way businesses interact with consumers, particularly through social media platforms [1]. In Indonesia, the widespread adoption of social

media such as Instagram, TikTok, Facebook, and X (formerly Twitter) has reshaped marketing communication strategies, enabling firms to engage with customers in a more interactive, personalized, and real-time manner [2]. Social media marketing has become a crucial

tool for organizations seeking not only to increase brand awareness but also to build long-term relationships with customers in an increasingly competitive marketplace [3].

Among various consumer segments, millennials represent one of the most influential and attractive target markets for businesses. Indonesian millennials, generally defined as individuals born between the early 1980s and the late 1990s, are highly familiar with digital technologies and actively use social media in their daily lives. This generation tends to rely on social media not only for social interaction but also for information search, product evaluation, and purchase decision-making [4]. As a result, their perceptions and experiences with social media marketing activities play a critical role in shaping attitudes toward brands and influencing post-purchase behaviors, including loyalty [5].

Customer loyalty has long been recognized as a key determinant of business sustainability and competitive advantage. Loyal customers are more likely to engage in repeat purchases, recommend brands to others, and exhibit resistance to competitors' offerings [6]. In the digital era, however, customer loyalty is no longer built solely through product quality or price competitiveness. Instead, it increasingly depends on how effectively brands communicate, interact, and create value for customers through digital channels, particularly social media [7]. Effective social media marketing can foster emotional connections, trust, and engagement, which are essential elements in the development of customer loyalty [8].

Despite the growing importance of social media marketing, empirical evidence on its role in building customer loyalty among Indonesian millennials remains limited and fragmented [9]. Previous studies have tended to focus on outcomes such as brand awareness, purchase intention, or customer engagement, while fewer have directly examined how social media marketing activities influence customer loyalty, particularly in emerging market contexts like Indonesia [10]. Furthermore, differences in

cultural characteristics, digital behavior, and patterns of social media usage suggest that findings from developed countries may not be fully applicable to Indonesian consumers, highlighting the need for more context-specific empirical investigation.

In addition, the increasing intensity of competition on social media platforms presents significant challenges for businesses [11]. Millennials are exposed to a vast volume of marketing content on a daily basis, which can reduce attention and weaken brand attachment if marketing efforts are not perceived as relevant, interactive, and trustworthy [12]. Based on these considerations, this study aims to analyze the role of social media marketing in building customer loyalty among Indonesian millennials using a quantitative approach, with data collected from 150 millennial respondents through a Likert-scale questionnaire and analyzed using SPSS version 25, in order to contribute to the existing literature and provide practical insights for marketers in designing effective social media strategies tailored to this segment in Indonesia.

2. Literature Review

2.1 Social Media Marketing

Social media marketing refers to the use of social media platforms and online communities to promote products, services, and brands through interactive and user-centered communication that emphasizes two-way interaction between firms and consumers [13]. Unlike traditional marketing, it enables consumers to actively participate in content creation, information sharing, and brand-related interactions through features such as comments, likes, shares, reviews, and direct messaging, allowing firms to build closer and more personal relationships with their audiences [14]. Scholars view social media marketing as a strategic process that integrates content creation, consumer engagement, and

relationship management, where effectiveness is not limited to promotional messages but also involves delivering valuable information, entertaining content, and responsive interactions aligned with consumer needs and preferences. In this context, social media functions both as a communication channel and a relationship-building tool that influences consumer attitudes and behaviors, with key dimensions commonly discussed in the literature including content quality, interaction, information sharing, entertainment, customization, and trust, which collectively shape consumers' perceptions of the effectiveness of social media marketing [15], [16].

2.2 *Millennials and Social Media Usage*

Millennials are often characterized as a digitally native generation that has grown alongside the rapid development of the internet and social media technologies, and in Indonesia they constitute a large proportion of the population as well as one of the most active groups of social media users [17]. This generation uses social media not only for social interaction but also for entertainment, information seeking, self-expression, and consumption-related activities, while exhibiting behavioral patterns that differ from older generations [18]. Previous studies show that millennials are more likely to seek peer opinions, read online reviews, and interact with brands on social media before making purchasing decisions, and they tend to value authenticity, transparency, and meaningful social interaction in brand communication [19]. Consequently, their strong reliance on social media makes them particularly sensitive to the quality of social media marketing

activities, as positive experiences with brand content and interactions can foster favorable attitudes, emotional attachment, and long-term outcomes such as customer loyalty, whereas irrelevant or overly aggressive marketing content may result in disengagement and weakened brand attachment [20].

2.3 *Customer Loyalty*

Customer loyalty is generally defined as a customer's favorable attitude and commitment toward a brand, reflected in repeated purchase behavior and positive word-of-mouth recommendations, encompassing both behavioral and attitudinal dimensions [21]. Behavioral loyalty refers to actual repeat purchasing behavior, while attitudinal loyalty involves emotional attachment, trust, and a willingness to recommend the brand to others [22]. From a marketing perspective, loyalty is a critical organizational asset because loyal customers tend to generate more stable revenue, lower marketing costs, and higher lifetime value, making customer retention more cost-effective than customer acquisition in highly competitive markets. In the digital era, however, customer loyalty is increasingly shaped by experiential and relational factors rather than purely transactional elements, as online interactions, brand communities, and digital engagement influence customers' perceptions and emotional bonds with brands, with social media playing a particularly important role in strengthening loyalty through continuous interaction, personalized communication, and value co-creation between brands and consumers [21], [23].

2.4 Relationship Between Social Media Marketing and Customer Loyalty

A growing body of literature indicates that social media marketing plays a significant role in influencing customer loyalty through interactive communication and relationship-oriented strategies that foster trust, satisfaction, and emotional attachment [24]. When consumers perceive social media marketing efforts as informative, engaging, and trustworthy, they are more likely to develop positive brand attitudes and sustain long-term relationships [25]. Empirical studies demonstrate that factors such as content quality, responsiveness, trust, information sharing, and user-generated content positively affect customer loyalty by enhancing credibility, reducing perceived risk, and strengthening consumers' sense of belonging and identification with a brand [8]. For millennial consumers in particular, the impact of social media marketing on loyalty tends to be stronger due to their high level of digital engagement and reliance on social platforms for consumption-related decisions, as they are more inclined to reward brands that actively interact with them, respond to feedback, and deliver meaningful content, making social media marketing a strategic tool for building loyalty within this segment [26].

2.5 Research Framework and Hypothesis Development

Based on the reviewed literature, social media marketing is conceptualized as an important antecedent of customer loyalty among Indonesian millennials. Social media marketing activities that emphasize high-quality content, interactive communication, effective information

sharing, and trust-building are expected to positively influence customer loyalty. These activities enhance consumers' emotional attachment, satisfaction, and commitment to the brand, which ultimately lead to loyal behavior.

Accordingly, this study proposes the following hypothesis:

H1: Social media marketing has a positive and significant effect on customer loyalty among Indonesian millennials.

3. Research Methods

This study employs a quantitative research design with a causal-explanatory approach to examine the effect of social media marketing on customer loyalty among Indonesian millennials. A quantitative approach is appropriate because it enables the measurement of relationships between variables using numerical data and statistical techniques, while the explanatory design aims to identify and explain the influence of social media marketing activities on customer loyalty based on empirical evidence [27]. The population of this study consists of Indonesian millennials aged approximately 25–40 years who actively use social media and have experience interacting with brand-related content. Given the large and undefined population size, a non-probability sampling technique was applied using purposive sampling, resulting in 150 valid respondents who met the criteria of being Indonesian millennials, actively using platforms such as Instagram, TikTok, Facebook, or X, and having followed or interacted with at least one brand on social media [27].

Primary data were collected through a structured online questionnaire designed to measure respondents' perceptions of social media marketing and customer loyalty [27]. All questionnaire items were measured using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree), allowing respondents to indicate the degree of their

agreement and facilitating quantitative analysis. The questionnaire consisted of two main sections: the first gathered demographic information such as age, gender, and primary social media platform used, while the second contained measurement items for the study variables [28]. Social media marketing, as the independent variable, was measured using indicators adapted from previous studies, including content quality, interaction, information sharing, and trust. Customer loyalty, as the dependent variable, was measured through indicators reflecting both attitudinal and behavioral aspects, such as intention to repurchase, willingness to recommend the brand, and commitment to continue using the brand despite alternative options.

Before hypothesis testing, the measurement instruments were evaluated for validity and reliability to ensure data quality. Validity testing was conducted through correlation analysis between each item and its total score, while reliability was assessed using Cronbach's alpha, with values above 0.70 indicating acceptable internal consistency. Data analysis was performed using SPSS version 25 and involved several stages, including descriptive statistical analysis, validity and reliability testing, and classical assumption tests covering normality, multicollinearity, and heteroscedasticity [29]. Hypothesis testing was conducted using simple linear regression analysis to examine the effect of social media marketing on customer loyalty, with a significance level of 0.05; a significance value below this threshold indicated a statistically significant effect of social media marketing on customer loyalty among Indonesian millennials.

4. Results and Discussion

4.1 Respondent Characteristics

This study analyzed data from 150 Indonesian millennial respondents who actively use social media. Based on demographic analysis, 78 respondents (52.0%) were female and 72 respondents (48.0%) were male. In terms

of age, 62 respondents (41.3%) were aged 25–30 years, 58 respondents (38.7%) were aged 31–35 years, and 30 respondents (20.0%) were aged 36–40 years. Regarding primary social media platforms used, Instagram was the most dominant platform with 68 respondents (45.3%), followed by TikTok with 46 respondents (30.7%), Facebook with 22 respondents (14.7%), and X with 14 respondents (9.3%). In addition, 124 respondents (82.7%) stated that they follow more than two brands on social media, indicating a high level of exposure to social media marketing activities among the respondents.

Descriptive analysis was conducted to examine respondents' perceptions of social media marketing and customer loyalty, and the results indicate generally positive evaluations. The overall mean score for the social media marketing variable was 4.02, reflecting a high level of agreement among respondents. In particular, content quality achieved a mean score of 4.10 with a standard deviation of 0.56, suggesting that brand content on social media is perceived as relevant and attractive. The interaction indicator recorded a mean score of 4.05 (SD = 0.59), indicating favorable perceptions of brand responsiveness and engagement, while information sharing obtained a mean score of 3.95 (SD = 0.61), showing that social media is viewed as a useful source of product and brand-related information. Trust also received a relatively high mean score of 3.98 (SD = 0.58), indicating that respondents generally have confidence in brand communication on social media platforms.

Customer loyalty likewise demonstrated high levels, with an overall mean score of 4.08. The intention to repurchase indicator recorded a mean score of 4.12 (SD = 0.55), and willingness to recommend the brand to others achieved the highest mean score of 4.15 (SD = 0.53), reflecting strong advocacy intentions among respondents. Commitment to continue using the brand showed a mean score of 3.98 (SD = 0.57). Taken together, these findings suggest that respondents exhibit strong loyalty tendencies

toward brands they engage with on social media, reinforcing the importance of effective social media marketing in fostering customer loyalty.

4.2 Validity and Reliability Analysis

Validity testing was conducted using item-total correlation analysis. The results showed that all questionnaire items had correlation coefficients ranging from 0.48 to 0.79, exceeding the minimum acceptable value of 0.30. This indicates that all items were valid and appropriate for measuring the intended constructs. Reliability testing using Cronbach's alpha demonstrated strong internal consistency. The social media marketing variable achieved a Cronbach's alpha value of 0.892, while the customer loyalty variable recorded a value of 0.876. Both values exceed the recommended threshold of 0.70, confirming that the measurement instruments were reliable.

4.3 Regression Analysis Results

Simple linear regression analysis was conducted to examine the effect of social media marketing on customer loyalty, and the results indicate a positive and statistically significant relationship between the two variables. The regression equation obtained is $\text{Customer Loyalty} = 1.214 + 0.693 (\text{Social Media Marketing})$, where the regression coefficient for social media marketing ($\beta = 0.693$) shows that a one-unit increase in perceptions of social media marketing leads to an increase of 0.693 units in customer loyalty. The t-value of 10.87 with a significance level (p-value) of 0.000, which is below the 0.05 threshold, confirms that social media marketing has a significant effect on customer loyalty among Indonesian millennials.

Furthermore, the coefficient of determination (R^2) was 0.445, indicating that 44.5% of the variation in customer loyalty can be explained by social media marketing. This suggests that social media marketing plays a substantial role in shaping customer loyalty, although a considerable proportion of variance (55.5%) is influenced by other factors not

included in the model, such as product quality, price perception, brand image, or customer satisfaction.

4.4 Discussion

The results of this study empirically demonstrate that social media marketing plays a significant role in building customer loyalty among Indonesian millennials [23]. The positive regression coefficient and high t-value indicate that effective social media marketing activities substantially enhance loyalty-related attitudes and behaviors, thereby supporting the hypothesis that social media marketing has a positive and significant influence on customer loyalty [16], [26]. These findings confirm that social media is not merely a promotional tool, but also a strategic medium for strengthening long-term relationships between brands and millennial consumers.

The descriptive results further reveal that content quality and interaction are particularly valued by Indonesian millennials. High mean scores for these dimensions indicate that engaging, relevant, and interactive brand communication is essential in fostering emotional attachment and trust [21]. Brands that consistently deliver attractive content and actively engage in two-way communication are more likely to strengthen attitudinal loyalty, which in turn encourages behavioral loyalty such as repeat purchases and positive word-of-mouth [19]. In addition, trust emerged as a crucial element, as transparent and credible communication on social media helps sustain long-term customer relationships in an environment characterized by information overload and intense competition [18].

From a practical perspective, the finding that social media marketing explains 44.5% of the variation in customer loyalty underscores the strategic importance of social media for businesses targeting millennial consumers in Indonesia [15]. Companies are encouraged to prioritize high-quality content creation, responsive interaction, and credibility in their social media strategies to enhance customer loyalty [24], [25]. From a theoretical standpoint,

this study reinforces relationship marketing and digital engagement theories by providing quantitative evidence that social media marketing serves as a significant antecedent of customer loyalty within an emerging market context, particularly among digitally engaged millennial consumers.

5. Conclusion

This study concludes that social media marketing plays a significant role in building customer loyalty among Indonesian millennials, as empirical findings show that effective social media marketing activities positively influence loyalty reflected in repurchase intention, willingness to recommend, and commitment to continue using a brand. Regression analysis confirms that social media marketing explains a substantial

proportion of customer loyalty, highlighting digital engagement as a key determinant of long-term customer relationships within the millennial segment. Moreover, the results underscore the importance of high-quality content, interactive communication, effective information sharing, and trust-building in social media strategies, as Indonesian millennials respond more favorably to brands that provide meaningful, credible, and engaging interactions. Accordingly, businesses are encouraged to move beyond purely promotional approaches and adopt relationship-oriented social media marketing to foster sustainable loyalty, while future research may extend the model by incorporating additional variables such as customer satisfaction, brand image, or perceived value to achieve a more comprehensive understanding of loyalty formation in the digital context.

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