The influence of social media marketing and service quality on customer satisfaction as an intervening variable towards the purchase decision of chest freezer products at PT. Royal Sutan Agung

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ABSTRACT

The objective of this research is to find out the influence of social media marketing and service quality towards purchase decision through customer satisfaction as intervening variable at Royal Sutan Agung LLC., Medan. The number of samples used in this research are 78 customers of Royal Sutan Agung LLC., Medan. The sampling technique that is used in this research is the convenience sampling method. Location of the research is located at Royal Sutan Agung LLC., Medan. The data collection method that is used is by using questionnaires that has been tested previously in validity and reliability. Data analysis method that is used by using path analysis. The results of this research are social media marketing has positive and significant influence towards purchase decision, service quality has positive and significant influence towards purchase decision, social media marketing has positive and significant influence towards customer satisfaction, service quality has positive and significant influence towards customer satisfaction, customer satisfaction has positive and significant influence towards purchase decision, social media marketing has an indirect positive and significant influence towards purchase decision through customer satisfaction and service quality has an indirect positive and significant influence towards purchase decision through customer satisfaction at Royal Sutan Agung LLC., Medan.

Keywords: social media marketing, service quality, customer satisfaction, purchase decision

1. INTRODUCTION

The world has entered the era of globalization, where globalization is the process in which the world becomes increasingly interconnected as a result of massive increases in trade and cultural exchanges. This process refers to the increased economic integration worldwide, especially through the movement of goods, services, and capital across borders, including the movement of people (labor) and knowledge (technology) across international boundaries. Advances in transportation and telecommunications infrastructure, including the emergence of telegraphs and the internet, are important factors in globalization that further encourages the interdependence of economic and cultural activities (Shah et al., 2023). Globalization encourages and strengthens interactions between various regions and populations worldwide (Mushtaq et al., 2023). Online trading has become a common practice and tends to be an option to create a more effective and efficient trading system.

Consumers are the reason for the continuity of a business because without consumers, products cannot be sold (Fahlevi et al., 2023). It can be concluded that consumers play a crucial role in business. Therefore, every company must strive to make its consumers happy. Happy consumers come from the service provided by the company. Services indicate that the company is serious about its business activities to win the hearts of consumers. Good service quality will affect consumers' decisions in choosing a company and the results that the company will obtain. The better the quality of service provided by the company, the higher the level of happiness of the consumers should be. Therefore, service quality plays a crucial role in shaping consumer happiness and is closely related to creating profits for the company.

Consumers who feel happy have a higher percentage of returning and reordering, and these returning consumers tend to become loyal consumers, contributing to the growth of the company. However, every company needs to face fierce
competition from other companies, even from around the world. Every company strives to win the hearts of consumers, so each company needs to improve its quality and implement new marketing strategies. To compete globally, companies need to enhance the producer's ability to sell high-quality products to ensure that consumer expectations are always met. Happy consumers are a valuable asset to the company because happy consumers have the potential to attract new consumers to purchase products or services from the company.

Purchasing decisions are the final decisions made by consumers to buy a product or service by considering, evaluating, or combining knowledge in choosing two or more available alternative products or services in terms of quality, price, promotion, convenience, location, service, and others. Researchers use the purchase decision variable in this study because purchasing decisions are worth investigating given the increasing number of product and service variants continuously circulating, leading to the need for various considerations, evaluations, and assessments of a product before making a purchase decision. Purchase decisions play a vital role for a company because they can improve or provide advantages to the company by enhancing the marketed products or services. The purchase decision process begins when consumers realize a problem or a need for a desired or necessary product or service, and the purchase process occurs when someone prefers, selects, and buys a specific branded product.

Arofah Ulfa (2018) stated in her research that purchase decisions are something important to consider because they will be a consideration for the next marketing strategy to be carried out by the company. The success of a company in influencing consumers' purchasing decisions is strongly supported by its efforts to communicate with consumers by building brand awareness among consumers through marketing strategies and innovating new product variants. One of the factors that influence purchasing decisions is social media marketing. In the research by Indriyani and Suri (2020), it was shown that social media has an influence on consumer purchase decisions, and consumer motivation significantly affects purchasing decisions.

According to Tjiptono (2019), service quality is a level of excellence that is expected, and control over this level of excellence in meeting customer desires can be determined by comparing consumers' perceptions of the service they receive with the service they actually expect (Sutia et al., 2023).

Royal Sutan Agung LLC. has marketed the GEA brand since 1995. The company has been a pioneer in the sale of commercial refrigeration and kitchen equipment. The products include various categories of high-quality and reliable products. One of them is the chest freezer, a freezer that functions as a place to store groceries, ready-to-eat food, and beverages at very cold temperatures. Chest freezers are typically used by food companies or restaurants to store and freeze fresh fish, meat, chicken, shrimp, ice cream, and other frozen foods to extend their shelf life. The natural air circulation from the freezer preserves the shelf life of food, allowing meat and vegetables to be stored safely for several months. This refrigeration machine cools everything very efficiently. This is certainly beneficial for housewives or even a business opportunity for those who want to venture into the culinary field because they can sell anything for a long time without compromising the quality of the food served.

As the food and beverage industry in Indonesia is rapidly growing, Royal Sutan Agung LLC. has expanded its branch offices to several major cities in Indonesia to ensure product distribution consistency, expand sales networks, and provide services throughout the country. These cities include Banjarmasin, Medan, Makassar, Palembang, Pekanbaru, Surabaya, Semarang, and Yogyakarta.

GEA operates based on the "One-Stop-Supply" concept, where employees work with a focus on customer happiness. Trained sales staff will try to identify customer needs and recommend the right equipment to help improve the efficiency and effectiveness of their businesses. With a customer-oriented approach, Royal Sutan Agung LLC. aims to be a supportive partner for its customers.

Committed to ensuring customer satisfaction, Royal Sutan Agung LLC. offers service and maintenance points in various cities in Indonesia that can be contacted through a call center, email, and social media. GEA offers various products with different functions, including storage units, display units, distribution units, and marketing units for fresh, frozen, and chilled food and beverages. However, there have been complaints from customers regarding delayed responses to email inquiries and slow response times to direct messages on social media. This issue is acknowledged by the Manager of Royal Sutan Agung LLC., Medan, who states that the social media marketing service is still in the development stage, and the social media admin staff are relatively new and have not fully understood the company's products as a whole.

Although Royal Sutan Agung LLC. branch in Medan follows established operational standards from the headquarters in terms of marketing, product delivery, information provision, and payments, not all customers are satisfied, especially regarding repair services due to the limited availability of spare parts and slow service handling. However, the management of Royal Sutan Agung LLC. Medan branch considers this situation relative as it is challenging to satisfy every customer.

Sales at Royal Sutan Agung LLC. Medan branch have not consistently met the desired targets over the past five years. This can be seen in the following table 1.

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales Target (Rupiah)</th>
<th>Actual Sales (Rupiah)</th>
<th>Achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>12.167,000,000</td>
<td>12.167,000,000</td>
<td>Not Achieved</td>
</tr>
<tr>
<td>2019</td>
<td>14.789,400,000</td>
<td>15.211,000,000</td>
<td>Achieved</td>
</tr>
<tr>
<td>2020</td>
<td>14.789,400,000</td>
<td>15.211,000,000</td>
<td>Achieved</td>
</tr>
<tr>
<td>2021</td>
<td>9.155,000,000</td>
<td>9.155,000,000</td>
<td>Not Achieved</td>
</tr>
<tr>
<td>2022</td>
<td>9.125,000,000</td>
<td>9.125,000,000</td>
<td>Not Achieved</td>
</tr>
</tbody>
</table>

Source: Royal Sutan Agung LLC. branch in Medan

Based on the data provided above, it is evident that Royal Sutan Agung LLC. Medan branch experienced an increase in sales from 2018 to 2020, with the sales target being achieved only in 2020. However, the situation took a downturn in 2021 and 2022, with sales declining.

Given this issue, the author is interested in investigating the connection between the problems in social media marketing and service quality with purchasing decisions through customer...
satisfaction as an intervening variable. The reason for choosing customer satisfaction as variable Z is due to inconsistencies in previous research, such as:

1. In Eli's study (2021), it was found that social media marketing did not have a positive influence on purchase decisions.

2. In Otaviasih's study (2022), it was revealed that while social media marketing had an impact on purchase decisions, it did not affect customer satisfaction. Purchase decisions did not significantly influence customer satisfaction either. Social media marketing did not affect customer satisfaction through purchase decisions.

3. In Ramadani's research (2019), it was concluded that service quality did not have a significant effect on purchase decisions.

4. In Mardhotillah and Saino's study (2013), it was shown that there is a simultaneous influence between service quality and purchase decisions.

Due to these discrepancies, the author is interested in conducting research at Royal Sutan Agung LLC. Medan branch with the title: "The Impact of Social Media Marketing and Service Quality with Customer Satisfaction as an Intervening Variable on the Purchase Decision of Chest Freezer Products at Royal Sutan Agung LLC".

### 2. LITERATURE REVIEW

#### Purchase Decision

Buy decision is the process by which a consumer makes a purchase by combining information and selecting two or more available product choices, influenced by factors such as price, quality, promotion, location, convenience, service, and others. According to Kotler (2019), "consumer purchase decisions are decisions that can be influenced by an individual's psychological factors such as perception, motivation, belief, attitude, and learning. Therefore, in making purchase decisions, an individual goes through stages of purchase decisions that begin with recognizing the need for a product."

According to Yenny (2022), "purchase decisions are a stage in the purchase decision process. Before post-purchase behavior enters the purchase decision phase, consumers are already presented with various alternatives. In this phase, consumers take action based on the choices made when deciding to purchase a product or service."

#### Social Media Marketing

The definition of social media marketing, according to Singh and Diamond (2019), is "a technique that exploits social media (content created by ordinary people using easily accessible and measurable technology, such as microblogs, social networks, blogs, podcasts, bookmarks, message boards, wikis, and vlogs)."

According to Irwan (2019), "social media marketing can be seen as a new field and new business practice related to marketing goods, services, information, and ideas through online social media."

From the various opinions above, it can be concluded that the definition of social media marketing is the utilization of technology, channels, and social media software with the aim of creating communication, delivery, exchange, and value offerings for stakeholders in an organization.

#### Service Quality

Service quality is the fundamental basis for determining customer satisfaction. In this context, a company can be considered good if it can provide products or services that meet consumer needs. Good quality products and services have a significant impact on increasing customer satisfaction.

According to Irawan and Handi (2019), "service quality consists of two concepts: service and quality, with the meaning of service quality focusing on efforts to meet customer needs and desires as well as the timeliness of delivery in meeting consumer expectations. Service quality depends greatly on three things: technology, systems, and humans." According to Oktavian (2019), "good service quality can improve marketing because consumers are motivated to share good stories about service or business with others."

According to Kirsna (2019), "service quality is a result that must be achieved and implemented through actions. Where the actions are intangible and easily lost but can be remembered and felt."

From the above definitions, it can be concluded that service quality is the ability of a company to provide service and timely delivery in meeting customer needs and expectations. Service quality can be measured by the extent of the difference between reality and what is expected by consumers from the service they receive. If the service received is as expected, then the service quality is considered good or positive. However, if the service offered is worse than the expected service, service quality is considered negative or poor. Therefore, the high or low service quality depends on the service provider's ability to consistently provide service as per consumer expectations.

#### Customer Satisfaction

The success of a company is inseparable from customer satisfaction. Customer satisfaction is a critical factor in building a business. Satisfied customers will undoubtedly boost a company's sales. Customer satisfaction has a positive impact on the company, both directly and indirectly. Satisfied customers will continue to make purchases or use services consistently, leading to increased sales or product usage.

According to Kotler and Keller (2019), "customer satisfaction is a person's feeling of pleasure or disappointment that arises after comparing the performance or results of a product thought about with the performance expected. " Tjiptono (2019) defines it as "the feeling of pleasure or anger of a person that arises from comparing the performance and expectations of a product."

Based on the opinions of these experts, it can be concluded that customer satisfaction is the level of emotion or feeling experienced by customers after comparing what they received with what they expected. If what customers receive meets their expectations, they will naturally feel satisfied. Meeting customer satisfaction is undoubtedly the desire of every company because it is a crucial factor for the company's survival and can enhance its competitiveness.
Conceptual Framework

Brous, Janssen, and Herder (2019) stated that with the help of the internet, online marketing can gather more data that can be used by decision-makers in collecting the information needed for each decision-making process. Furthermore, online marketing is motivation that originates from non-marketing factors, namely technical factors that naturally influence marketing emotions. The proper and appropriate implementation of online product marketing strategies will undoubtedly have a positive impact on consumers' attitudes and perceptions of services, such as ease of finding products, accuracy of product information, ease and security of doing business, and good seller responses to consumer comments. With positive consumer attitudes and perceptions, online sellers can influence consumers in making choices, purchases, and using the offered products.

By utilizing the broad reach of social media marketing, the use of social media is no longer limited to being just a communication tool but can also be used as a means of marketing, promotion, and reaching consumers globally in a short time using minimal funds. Based on the opinions above, it can be concluded that social media marketing influences purchase decisions.

By providing good service quality that meets or exceeds consumer expectations, consumers will feel comfortable, satisfied, and confident in making purchase decisions or even repurchasing the same product consistently. Therefore, it can be concluded that service quality has an influence on purchase decisions.

According to Bhaskara, Satriyo, Mandey, and Nelwan (2019), "high levels of customer satisfaction create emotional attachment to a particular product, thus fostering customer loyalty. With higher customer satisfaction, it is expected that customers will become more loyal by continually consuming products produced by the entrepreneur."

The higher the level of satisfaction experienced by consumers, the higher the likelihood of them making purchase decisions. Satisfied consumers with a product they are currently using will continuously make purchase decisions for the same product because they believe that the product or service they receive meets their needs. Therefore, it can be concluded that customer satisfaction influences purchase decisions.

The use of social media in marketing aims to create interaction and communication between marketers and consumers. One of the interactions and communications is to understand consumer needs and satisfaction with the products offered. Therefore, it can be concluded that the better a social media marketing system, the higher customer satisfaction will be. This indicates that social media marketing has an impact on customer satisfaction.

In their research, Agus (2019) found that motivated employees tend to have a clear understanding of the importance of service quality, which results in the delivery of excellent service that positively impacts customer satisfaction and loyalty. Several researchers support the notion that service quality is one of the key drivers of customer satisfaction. Furthermore, other researchers have also found that service quality may have a significant effect on customer satisfaction and other consumer behavior outcomes. Customer satisfaction can be described as a consumer's feelings or attitudes towards a product or service if it meets their expectations and utility. Customer satisfaction plays a crucial role in influencing future purchase decisions by consumers.

Customer satisfaction is a crucial factor in building and maintaining long-term relationships with customers. Some studies also show that customers who are dissatisfied with a service will share their experiences with more than three other people. Therefore, it is not surprising that many companies are beginning to prioritize service quality. This demonstrates a strong connection between service quality and customer satisfaction.

Solomon (2019) states, "Consumer assessments displayed on social media, showing how happy or unhappy they are with purchasing a particular product or service, can encourage prospective consumers to solidify their beliefs in an effort to acquire products or services from a business."

Based on these theories, it can be assumed that social media marketing has an influence on purchase decisions through customer satisfaction.

Kotler (2019) mentions, "Prospective customer expectations met due to the provision of good service quality tend to make prospective customers decide to purchase a company's products or services. If expectations are not met, of course, a purchase will not occur." Based on these theories, it can be assumed that service quality has an influence on purchase decisions through customer satisfaction. Based on the explanations provided, the conceptual framework in this writing is:

![Figure 1. Conceptual Framework](image)

Research Hypotheses

H1: Social Media Marketing has an influence on purchasing decisions at Royal Sutan Agung LLC., Medan branch
H2: Service quality has an influence on purchasing decisions at Royal Sutan Agung LLC., Medan branch
H3: Customer satisfaction has an influence on purchasing decisions at Royal Sutan Agung LLC., Medan branch
H4: Social Media Marketing has an influence on customer satisfaction at Royal Sutan Agung LLC., Medan branch
H5: Service quality has an influence on customer satisfaction at Royal Sutan Agung LLC., Medan branch
H6: Social Media Marketing has an influence on purchasing decisions through customer satisfaction at Royal Sutan Agung LLC., Medan branch
H7: Service quality has an influence on purchasing decisions through customer satisfaction at Royal Sutan Agung LLC., Medan branch
3. RESEARCH METHODOLOGY

Location and Timing of Research
This research was conducted at Royal Sutan Agung LLC., Medan branch, located on Talun Kenas Street, Deli Serdang. The research was conducted from April 2023 to September 2023.

Population and Sample
The population in this study is the consumers at Royal Sutan Agung LLC., Medan branch, in the city of Medan. The population size in this study consists of 78 respondents who are consumers of Royal Sutan Agung LLC., Medan branch. The sample used in this study also consists of 78 respondents. The selection of the population as the sample is in accordance with Arikunto (2020), who states that "if the population size is less than 100, the entire population can be taken as the sample. However, if the number of respondents is greater than 100, then the sample can be taken as 10%-15% or 20%-25% of the total population." The sampling technique used in this study is a census sampling technique. The reason for using a census sampling technique is that all members of the population are taken as samples.

Operational Definition of Variables
The operational definitions of the variables in this study can be seen in the following table 2:

<table>
<thead>
<tr>
<th>Variable</th>
<th>Definition</th>
<th>Indicator</th>
<th>Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social media marketing (X1)</td>
<td>Social media marketing is the utilization of technology, channels, and software from social media with the aim of creating valuable communication, delivery, exchange, and offers for stakeholders in an organization</td>
<td>Likert</td>
<td></td>
</tr>
<tr>
<td>Service Quality (X2)</td>
<td>Service quality is the company's ability to provide service and timely meet the needs and expectations of consumers</td>
<td>Likert</td>
<td></td>
</tr>
<tr>
<td>Customer Satisfaction (Z)</td>
<td>Customer satisfaction is the level of emotion or feeling of consumers after comparing what they received with what they expected</td>
<td>Likert</td>
<td></td>
</tr>
<tr>
<td>Purchase Decision (Y)</td>
<td>Purchase decision is a final decision made by consumers to buy a product or service after going through various stages of searching for information, evaluating various options, and finding a solution that suits their needs</td>
<td>Likert</td>
<td></td>
</tr>
</tbody>
</table>

Data Collection Technique
In this study, the researcher used a questionnaire to collect data. The questionnaire provided will contain a list of questions prepared by the researcher, which can be answered directly by the respondents themselves by choosing one of the five available options.

Validity Test
Validity is a measure that indicates the extent to which the validity level of research instruments such as questionnaires. The questionnaire's questions can be considered valid if they are related to each other and always fall between 0 and 1. Conversely, if the questions in the questionnaire are unrelated to each other, they can be considered to have a low level of validity. To measure the validity level, the researcher will use the SPSS program with the Pearson formula (Arikunto, 2019), which is:

\[
r = \frac{\sum xy}{\sqrt{\sum x^2 \sum y^2}}
\]

where:
- \(x\) = \(X - \bar{X}\)
- \(y\) = \(Y - \bar{Y}\)
- \(\bar{X}\) = the average score of \(X\)
- \(\bar{Y}\) = the average score of \(Y\)

Reliability Test
Reliability testing is a test used to demonstrate how much data is presented without errors to measure data stability and data consistency from research instruments such as questionnaires.

In this study, data reliability will be tested using the Cronbach's Alpha formula (Arikunto, 2019) with the assistance of SPSS:

\[
r_{11} = \left(1 - \frac{\sigma_b^2}{\sigma_t^2}\right)\left(\frac{k}{k-1}\right)
\]

where:
- \(r_{11}\) = instrument reliability
- \(k\) = the number of items or questions
- \(\sum \sigma_b^2\) = the sum of item variances
- \(\sigma_t^2\) = total variance

Path Analysis
Path analysis is a method used to depict and test a model of causality between variables. According to Arikunto (2019), "path analysis analyzes the cause-and-effect relationships that occur in multiple regression models if the independent variables directly and indirectly affect the dependent variable."

The path analysis method in this study forms two equations with two substructures, X1, X2 as independent variables, Y as the dependent variable, and Z as the mediating variable. These equations are elaborated below:

Structural equation 1, where \(Z = P_1 X_1 + P_2 X_2 + er\)

Where:
- \(P\) = path coefficient
- \(X1\) = social media marketing
- \(X2\) = service quality
- \(Z\) = customer satisfaction
- \(er\) = error
Structural equation 2, where \( Y = P_1 X_1 + P_2 X_2 + \text{er} \)

Where:
- \( P \) = path coefficient
- \( X_1 \) = social media marketing
- \( X_2 \) = service quality
- \( Y \) = purchase decision
- \( \text{er} \) = error

Hypothesis Testing
According to Arikunto (2019), "Partial hypothesis testing or t-test is a test used to assess the extent to which independent variables individually explain the dependent variable, either partially or separately." The formula used in partial hypothesis testing or t-test is as follows:

\[
t = \frac{r_p \sqrt{n-3}}{\sqrt{1-r_p^2}}
\]

Information:
- \( t \) = t-score which is subsequently compared to
- \( t_p \) = partial correlation found
- \( n \) = sample size

Sobel Test (Criteria for Meditation)
The Sobel test is a test used to analyze a mediating variable, where in this study, the mediating variable is customer satisfaction. The Sobel test is used to determine whether there is a relationship between the mediating variable and the independent and dependent variables. The Sobel test is employed to examine both the direct and indirect effects of the independent variable on the dependent variable through the mediating variable. The Sobel test is formulated as follows:

\[
Z = \frac{ab}{\sqrt{a^2 \text{SE}_b^2 + b^2 \text{SE}_a^2}}
\]

Where:
- \( a \) = regression coefficient of the independent variable on the mediating variable
- \( b \) = regression coefficient of the mediating variable on the dependent variable
- \( \text{SE}_a \) = standard error estimate of the influence of the independent variable on the mediating variable
- \( \text{SE}_b \) = standard error estimate of the influence of the mediating variable on the independent variable

4. RESEARCH FINDINGS AND DISCUSSION

Table 3. Respondent Characteristics Based on Gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Respondent</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>53</td>
<td>67.94</td>
</tr>
<tr>
<td>Female</td>
<td>25</td>
<td>32.06</td>
</tr>
<tr>
<td>Total</td>
<td>78</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Questionnaire, 2023

Based on Table 3, it can be observed that out of 78 respondents, there were 53 male respondents, which accounts for 67.94%, and 25 female respondents, which accounts for 32.06%.

Table 4. Respondent Characteristics Based on Age

<table>
<thead>
<tr>
<th>Age</th>
<th>Respondent</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-30 Years Old</td>
<td>29</td>
<td>37.17</td>
</tr>
<tr>
<td>31-40 Years Old</td>
<td>29</td>
<td>37.17</td>
</tr>
<tr>
<td>&gt; 40 Years Old</td>
<td>20</td>
<td>25.66</td>
</tr>
<tr>
<td>Total</td>
<td>78</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Questionnaire, 2023

Based on Table 4 it can be seen that out of 78 respondents, there were 29 respondents aged between 20 and 30 years, which accounts for 37.17%. Additionally, 29 respondents were aged between 31 and 40 years, which also accounts for 37.17%, and 20 respondents were aged above 40 years, accounting for 25.66%.

Table 5. Respondent Characteristics Based on Education

<table>
<thead>
<tr>
<th>Education</th>
<th>Respondent</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highschool</td>
<td>19</td>
<td>24.35</td>
</tr>
<tr>
<td>Diploma</td>
<td>11</td>
<td>14.10</td>
</tr>
<tr>
<td>Bachelor</td>
<td>44</td>
<td>56.41</td>
</tr>
<tr>
<td>Master</td>
<td>4</td>
<td>5.14</td>
</tr>
<tr>
<td>Total</td>
<td>78</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Questionnaire, 2023

Based on Table 5, it can be observed that out of 78 respondents, 19 respondents had completed high school, which accounts for 24.35%. Furthermore, 11 respondents had completed a diploma (D3), accounting for 14.10%, 44 respondents had completed a bachelor’s degree (Strata I), which accounts for 56.41%, and 4 respondents had completed a master’s degree (Strata II), accounting for 5.14%.

Validity Test
Validity testing is used to determine the validity or suitability of the questionnaire used by the researcher to obtain data from respondents. The Product Moment Pearson Correlation validity test uses the principle of correlating or connecting each item’s value with the total value obtained in the study. If the value recalculated is greater than the table value rtable, then the questionnaire is considered valid. However, if the value recalculated is less than the table value rtable, then the questionnaire is considered invalid.

Table 6. Validity Test for Purchase Decision Variable

<table>
<thead>
<tr>
<th>Statement</th>
<th>r-value</th>
<th>r-table</th>
<th>status</th>
</tr>
</thead>
<tbody>
<tr>
<td>The company has good product quality.</td>
<td>0.822</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>The company's products are varied.</td>
<td>0.756</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>The company's brand is quite well-known.</td>
<td>0.760</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>The company's brand is easily recognizable.</td>
<td>0.831</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>The company's products are easily accessible to buyers.</td>
<td>0.664</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>The company's products are always available at distributor agents.</td>
<td>0.591</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>The company's products are frequently purchased by consumers.</td>
<td>0.679</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>The company's products are always ordered at regular intervals.</td>
<td>0.756</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>The company's products are always sold out.</td>
<td>0.679</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>There are repeat purchases of the company’s products to the same consumers.</td>
<td>0.534</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>Payment methods with the company are easy.</td>
<td>0.635</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>Payment methods with the company are quite flexible.</td>
<td>0.831</td>
<td>0.300</td>
<td>valid</td>
</tr>
</tbody>
</table>

Source: Data processed with SPSS, 2023
Based on Table 6, all statements are valid because the corrected item-total correlation values for all statements are greater than or equal to 0.30 and can be used in the study.

Table 7. Validity Test for Social Media Marketing Variable

<table>
<thead>
<tr>
<th>Statement</th>
<th>r-value</th>
<th>r-table</th>
<th>status</th>
</tr>
</thead>
<tbody>
<tr>
<td>The company interacts with consumers through social media.</td>
<td>0.557</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>The company provides entertaining content to the public through social media.</td>
<td>0.799</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>The company communicates effectively with the public through social media content.</td>
<td>0.782</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>The company provides a platform to discussion to the public through social media content.</td>
<td>0.736</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>Information from the company is reliable.</td>
<td>0.788</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>The information provided by the company is related to the content created.</td>
<td>0.602</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>The messages sent by the company match the broadcasts.</td>
<td>0.573</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>The content created by the company is fit for public consumption.</td>
<td>0.662</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>The company has good credibility.</td>
<td>0.782</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>People are happy to share the company’s content with their friends or family.</td>
<td>0.662</td>
<td>0.300</td>
<td>valid</td>
</tr>
</tbody>
</table>

Source: Data processed with SPSS, 2023

Based on Table 7, all statements are valid because the corrected item-total correlation values for all statements are greater than or equal to 0.30 and can be used in the study.

Table 8. Validity Test for Service Quality Variable

<table>
<thead>
<tr>
<th>Statement</th>
<th>r-value</th>
<th>r-table</th>
<th>status</th>
</tr>
</thead>
<tbody>
<tr>
<td>The company has complete access to providing services</td>
<td>0.831</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>The company has sufficient equipment to provide services</td>
<td>0.524</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>Company employees are communicative</td>
<td>0.592</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>Company employees are friendly in providing their services</td>
<td>0.733</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>The company's services can be relied upon</td>
<td>0.663</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>The services provided by the company are trustworthy</td>
<td>0.733</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>The company is actively responsive in serving consumers</td>
<td>0.598</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>The explanations provided by company employees are clear</td>
<td>0.582</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>The company provides security in carrying out its services</td>
<td>0.831</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>The company can instill confidence in its services</td>
<td>0.804</td>
<td>0.300</td>
<td>valid</td>
</tr>
</tbody>
</table>

Source: Data processed with SPSS, 2023

Based on Table 8, all statements are valid because the corrected item-total correlation values for all statements are greater than or equal to 0.30 and can be used in the study.

Table 9. Validity Test for Customer Satisfaction Variable

<table>
<thead>
<tr>
<th>Statement</th>
<th>r-value</th>
<th>r-table</th>
<th>status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers are satisfied with the company’s products</td>
<td>0.784</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>Customers like the company’s products</td>
<td>0.772</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>Customers always choose the company’s products</td>
<td>0.731</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>Customers always prioritize the company’s products</td>
<td>0.662</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>Customers introduce the company’s products to other potential customers</td>
<td>0.527</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>Customers are happy to recommend the company’s products to other potential customers</td>
<td>0.705</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>Customer expectations for the company’s products are always met</td>
<td>0.784</td>
<td>0.300</td>
<td>valid</td>
</tr>
<tr>
<td>Customer expectations for the performance of the company’s products are always fulfilled</td>
<td>0.705</td>
<td>0.300</td>
<td>valid</td>
</tr>
</tbody>
</table>

Source: Data processed with SPSS, 2023

Based on Table 9, all statements are valid because the corrected item-total correlation values for all statements are greater than or equal to 0.30 and can be used in the study.

Reliability Test

After conducting the Product Moment validity test, to ensure that the questionnaire used is truly reliable as a data collection tool, it is necessary to test its reliability or level of confidence. Reliability, in general, is defined as something that can be trusted or a state of being trustworthy. The reliability test aims to assess the consistency of the questionnaire used by the researcher, making the questionnaire dependable. The reliability test aims to assess the consistency of an instrument used in research. Reliability testing is performed after all question items have been deemed valid. In this study, reliability was tested using Cronbach's Alpha method with the assistance of SPSS. The criterion for an instrument to be considered reliable is that the Cronbach’s Alpha value should be above 0.60.

Table 10. Reliability Test Results

<table>
<thead>
<tr>
<th>Variable</th>
<th>Cronbach's Alpha</th>
<th>Threshold</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decision to purchase</td>
<td>0.860</td>
<td>0.600</td>
<td>Reliable</td>
</tr>
<tr>
<td>Social media marketing</td>
<td>0.840</td>
<td>0.600</td>
<td>Reliable</td>
</tr>
<tr>
<td>Service quality</td>
<td>0.810</td>
<td>0.600</td>
<td>Reliable</td>
</tr>
<tr>
<td>Customer satisfaction</td>
<td>0.797</td>
<td>0.600</td>
<td>Reliable</td>
</tr>
</tbody>
</table>

Source: Data processed with SPSS, 2023

Cronbach’s Alpha values for the variables of purchase decisions, social media marketing, service quality, and customer satisfaction are greater than 0.60. This indicates that the questionnaires for these variables in this research are reliable and can be used to continue the study.

Hypothesis Testing for Sub Model II

Table 11. T-Test for Sub Model II Results

<table>
<thead>
<tr>
<th>Coefficients</th>
<th>Unstandardized</th>
<th>Standardized</th>
<th>t</th>
<th>Sig.</th>
<th>Tolerance</th>
<th>VIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>social media marketing</td>
<td>0.132</td>
<td>0.126</td>
<td>2.56</td>
<td>0.001</td>
<td>0.185</td>
<td>5.419</td>
</tr>
<tr>
<td>Service quality</td>
<td>0.283</td>
<td>0.184</td>
<td>2.136</td>
<td>0.034</td>
<td>0.179</td>
<td>2.673</td>
</tr>
<tr>
<td>Customer satisfaction</td>
<td>1.283</td>
<td>0.884</td>
<td>15.841</td>
<td>0.000</td>
<td>0.138</td>
<td>7.225</td>
</tr>
</tbody>
</table>

In the table provided, the t-test statistics were obtained as follows. For the variable "social media marketing" with a probability level of 0.001, the hypothesis is that social media marketing has a significant influence on purchase decisions. For the variable "service quality" with a probability level of 0.040, the hypothesis is that service quality has a significant influence on purchase decisions. For the variable "customer satisfaction" with a probability level of 0.000, the hypothesis is that customer satisfaction has a significant influence on purchase decisions.

Thus, the path analysis equation can be constructed as follows:

\[
Y = 0.126 X1 + 0.184 X2 + 0.884 Z
\]
The model equation implies the following:
Social media marketing variable = 0.126. A positive coefficient for the social media marketing variable indicates a positive and direct influence. This means that for each unit increase in the score of the social media marketing variable, the purchase decision variable will increase by 0.126 units. Service quality variable = 0.184. A positive coefficient for the service quality variable also indicates a positive and direct influence. This means that for each unit increase in the score of the service quality variable, the purchase decision variable will increase by 0.184 units. Customer satisfaction variable = 0.884. A positive coefficient for the customer satisfaction variable also indicates a positive and direct influence. This means that for each unit increase in the score of the customer satisfaction variable, the purchase decision variable will increase by 0.884 units. Next, to determine the magnitude of the influence of independent variables on the dependent variable, we will use the coefficient of determination in the table provided.

Table 12. Determination Test for Sub Model II

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.984a</td>
<td>.968</td>
<td>.967</td>
<td>917</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Customer Satisfaction, Social Media Marketing, Service Quality
b. Dependent Variable: Purchase Decision

The calculated R square value is 0.968. This means that 96.8% of the purchase decisions can be explained by the three independent variables, namely social media marketing, service quality, and customer satisfaction. The remaining 3.2% is explained by other variables that were not included in this study.

Path Analysis Sub model II
The variable social media marketing with a probability level of 0.005 indicates that the hypothesis that social media marketing has a significant effect on purchase decisions is supported. The coefficient for the variable social media marketing is 0.126, which is positively indicated, meaning that for every one-unit increase in the score of the social media marketing variable, the purchase decision variable increases by 0.126 units. Variable service quality = 0.184. A positively signed service quality variable means it has a direct influence, which implies that for every addition or increase in the unit score of the service quality variable, it will increase the purchase decision variable by 0.184 per one unit score. Variable customer satisfaction = 0.884. A positively signed customer satisfaction variable means it has a direct influence, which implies that for every addition or increase in the unit score of the customer satisfaction variable, it will increase the purchase decision variable by 0.884 per one unit score. The calculation result of R square is 0.968. This means that 96.8 percent of purchase decisions can be explained by the three independent variables, namely social media marketing, service quality, and customer satisfaction. The remaining 3.2 percent is explained by other variables that were not included in this study.

The analysis results indicate that the direct influence of social media marketing on purchase decisions is 0.126. Meanwhile, the indirect influence of social media marketing on purchase decisions through customer satisfaction is 0.158 x 0.126 = 0.019. Therefore, the total influence of the social media marketing variable on purchase decisions is the result of adding the direct and indirect influences, which amounts to 0.126 + 0.019 = 0.145. Based on the calculations, the direct influence is greater than the indirect influence. Therefore, it can be concluded that indirectly, social media marketing through customer satisfaction does not have a significant impact on purchase decisions.

Discussion
Social Media Marketing Influences Purchase Decision
The variable social media marketing has a regression coefficient of 0.126. A positively signed coefficient for the social media marketing variable means that it has a direct influence. This implies that for each increase or one-unit rise in the score of the social media marketing variable, the purchase decision variable increases by 0.126 per one unit score. This result aligns with the theory proposed by Brous, Janssen, and Herder (2019), which suggests that with the help of the internet, online marketing can gather more data for decision-makers to gather the necessary information for each decision-making process. Furthermore, online marketing is motivated by non-marketing factors, such as technical aspects that naturally affect marketing emotions. The effective and appropriate implementation of online product marketing strategies will undoubtedly have a positive impact on consumers' attitudes and perceptions of services, such as ease of product search, product information accuracy, ease and security of transactions, as well as sellers' positive responses to customer comments. With positive consumer attitudes and perceptions, online sellers can influence consumers in making choices, purchases, and using the offered products.

Service Quality Influences Purchase Decision
The variable service quality has a regression coefficient of 0.184. A positively signed coefficient for the service quality variable means that it has a direct influence. This implies that for each increase or one-unit rise in the score of the service quality variable, the purchase decision variable increases by 0.184 per one unit score. This finding aligns with the theory proposed by Wina and Siagian (2020), which explains that service quality significantly and positively influences purchase decisions. This indicates that the better the service quality, the higher the likelihood of purchase decisions made by consumers.

Social Media Marketing Influences Customer Satisfaction
The variable social media marketing has a regression coefficient of 0.158. A positively signed coefficient for the social media marketing variable means that it has a direct influence. This implies that for each increase or one-unit rise in the score of the social media marketing variable, the customer satisfaction variable increases by 0.158 per one unit score. This calculation aligns with previous research conducted by Fadhli and Pratiwi (2021); Kemarawana and Chotim (2021); Sartika and Mulyana
(2022); Wahyudi and Parahiyanti (2021); Hasibuan and Perangin-angin (2022), which showed that social media marketing has a positive and significant influence on customer satisfaction. The use of social media in marketing aims to create interaction and communication between marketers and consumers. One of the interactions and communications is to understand consumer needs and their satisfaction with the offered products. Therefore, it can be concluded that the better a social media marketing system is, the higher customer satisfaction will be. This demonstrates that social media marketing has an influence on customer satisfaction.

**Service Quality Influences Customer Satisfaction**

The variable service quality has a regression coefficient of 0.981. A positively signed coefficient for the service quality variable means that it has a direct influence. This implies that for each increase or one-unit rise in the score of the service quality variable, the customer satisfaction variable increases by 0.981 per one unit score. This calculation aligns with previous research conducted by Agus (2019), who found that motivated employees tend to have a clear understanding of the importance of service quality, resulting in the delivery of excellent services that positively impact customer satisfaction and loyalty. Several researchers support the notion that service quality is one of the main drivers of customer satisfaction. Furthermore, other researchers have also found that service quality may have a significant effect on customer satisfaction and other consumer behaviors. Customer satisfaction can be described as the feelings or attitudes of consumers towards a product or service if it meets their expectations and utility. Customer satisfaction undoubtedly plays a significant role in influencing consumer decisions for future purchases.

**Customer Satisfaction Influences Purchase Decision**

The variable customer satisfaction has a regression coefficient of 0.884. A positively signed coefficient for the customer satisfaction variable means that it has a direct influence. This implies that for each increase or one-unit rise in the score of the customer satisfaction variable, the purchase decision variable increases by 0.884 per one unit score. This calculation aligns with the theory proposed by Bhaskara, Satriyo, Mandy, and Nelwan (2019), which states that "high levels of customer satisfaction create emotional attachment to a specific product, thus fostering customer loyalty. Because with increasing customer satisfaction, it is expected that customers will become more loyal, meaning they will continue to consume products produced by entrepreneurs."

**Direct Effect of Social Media Marketing on Purchase Decision Through Customer Satisfaction**

From the results of the Sobel test calculation above, a t-value of 4.192 was obtained, which is greater than the critical t-value of 1.663. This indicates that customer satisfaction can act as an intervening variable in the relationship between social media marketing and purchase decisions. The analysis shows that the direct effect of social media marketing on purchase decisions is 0.126. Meanwhile, the indirect effect of social media marketing on purchase decisions through customer satisfaction is 0.158 x 0.126 = 0.019. Therefore, the total effect of the social media marketing variable on purchase decisions is the sum of the direct and indirect effects, which is 0.126 + 0.019 = 0.145. Based on the calculations, the direct effect is greater than the indirect effect. Thus, it can be concluded that indirectly, social media marketing through customer satisfaction does not have a significant influence on purchase decisions.

**The direct effect of Service Quality on Purchase Decision Through Customer Satisfaction**

The analysis results indicate that the direct influence exerted by service quality on purchase decisions is 0.184. Meanwhile, the indirect influence of service quality on purchase decisions through customer satisfaction is 0.184 x 0.981 = 0.180. Therefore, the total influence of the service quality variable on purchase decisions results from the summation of both direct and indirect effects, which is 0.184 + 0.180 = 0.364. Based on the calculations, the direct effect is smaller than the indirect effect. Hence, it can be concluded that indirectly, service quality through customer satisfaction does not have a significant impact on purchase decisions.

**5. CONCLUSION**

Social media marketing has a positive and significant impact on purchasing decisions at Royal Sutan Agung LLC., Medan, meaning that the better the implementation of social media marketing, the better the purchasing decision rate.

Service quality has a positive and significant impact on purchasing decisions at Royal Sutan Agung LLC., Medan, meaning that the better the implementation of service quality, the better the purchasing decision rate. Social media marketing has a positive and significant impact on customer satisfaction at Royal Sutan Agung LLC., Medan, meaning that the better the implementation of social media marketing, the higher the level of customer satisfaction. Service quality has a positive and significant impact on customer satisfaction at Royal Sutan Agung LLC., Medan, meaning that the better the implementation of service quality, the higher the level of customer satisfaction. Customer satisfaction has a positive and significant impact on purchasing decisions at Royal Sutan Agung LLC., Medan, meaning that the better the implementation of customer satisfaction, the better the purchasing decision rate.

The influence of social media marketing on purchasing decisions will be much smaller when mediated by customer satisfaction. The direct influence of social media marketing is greater than the indirect influence. It can be concluded that purchasing decisions are more directly influenced by social media marketing. The influence of service quality on purchasing decisions will be much smaller when mediated by customer satisfaction. The direct influence of service quality is greater than the indirect influence. It can be concluded that purchasing decisions are more directly influenced by service quality.

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