CHAPTER II
LITERATURE REVIEW

2.1 Theoritical Background

2.1.1 Instagram Marketing

There has been tremendous growth in the use of social media platforms for the example is Instagram over the past decade (Chen and Qasim, 2021). People are using these platforms to communicate with one another, and popular brands use them to market their products. Social activities have been brought from the real world to the virtual world courtesy of social networking sites. Messages are sent in real time which now enables people to interact and share information. As a result, companies consider social media platforms as vital tools for succeeding in the online marketplace (Jamil et al., 2022). This is also aligned with the goals of social media marketing especially Instagram to engage consumers in online social locations where consumers naturally spend time (Evans & McKee, 2010). Social media marketing is a form of marketing that uses social media to market a product, service, brand or issue by utilizing tools on social media such as Instagram and other media sharing sites (Alfian & Nilowardono, 2019). With the existence of social media marketing, it is easier for companies to interact with their consumers online. The costs incurred are not too large and there is no time limit as long as you are connected to the internet. Social media marketing is a system that allows marketers to engage, collaborate, interact and utilize the intelligence of the people who participate in it for marketing purposes (Chikandiwa et al., 2013).

According to Neti (Neti, 2011), the advantages of using social media marketing Instagram are: (1) It provides a window for marketers to not only present products or services to customers but also listen to customer complaints and suggestions, (2) It makes it easier for marketers to identify different groups among multiple groups, who in turn can become brand evangelists and help the organic growth of a brand, (3) All of this is done at almost zero cost because most social media are free. Lempert (Mangold & Faulds, 2009) states that customers more often turn to various types of social media to find information and make purchasing decisions. Foux

(Mangold & Faulds, 2009) states that social media is perceived by consumers as a more reliable source of information about products and services than company-sponsored communications transmitted through traditional elements of the promotional mix.

According to Chris Hauer (Arief & Millianyani, 2015), there are four C as indicators in Social Media Marketing Instagram, namely: (1) Context, how to form a story or information such as the form of a message itself, the use of language and the content of the message. In short how to "frame our stories". (2) Communication, how to share stories or information as well as we listen, respond, and grow in ways that make users feel comfortable and the message is conveyed well. (3) Collaboration, how to work together to make things better. That is by collaborating between an account or company and its users on social media to make good things more effective and efficient. (4) Connection, how to maintain the relationship that has been built. We can do something that is sustainable so that users feel closer to the company that uses social media.

2.1.2 Product Quality

According to Kotler and Keller (2016), quality is the totality of features and characteristics of a product or service that depend on its ability to satisfy stated or implied needs. According to W. J. Stanton (in Bakti et al., 2020) states a product is a set of tangible and intangible attributes, including packaging, color, price, manufacture's and retailer, which the buyer may accept as offering want satisfaction. attributes both tangible and intangible, this relates to color, price, manufacturer's good name, shop's good name, factory and reseller services received by buyers to satisfy their desires. Meanwhile, according to Kotler and Armstrong (2018), product quality is a characteristic of a product or service that provides the ability to meet customer needs and is dependent on its ability to satisfy stated or implied customer needs.

According to Tjiptono (2015), if a company wants to maintain its competitive advantage in the market, the company must understand what dimensional aspects are used by consumers to differentiate the products that the company sells with

competitors' products. The dimensions of product quality are: (1) Performance, related to the basic operating characteristics of a product. (2) Features, are product characteristics designed to improve product functions or increase consumer interest in the product. (3) Reliability, is the probability that the product will work satisfactorily or not within a certain period of time. The less the possibility of damage, the more reliable the product is. (4) Conformance to specifications, namely the extent to which the basic operating characteristics of a product meet certain specifications from consumers or no defects are found in the product. (5) Durability, which means how long the durability of a product before it must be replaced with a new one. The greater the frequency of consumer use of the product, the greater the durability of the product. (6) Aesthetic, related to how the appearance of the product can be seen from the appearance, taste, smell, and shape of the product. (7) Perceived quality, is the result of measurements carried out indirectly because there is a possibility that consumers do not understand or lack information about the product.

2.1.3 Customer Satisfaction

According to Kotler and Keller (Kotler & Keller, 2016), it indicates that customer satisfaction is a person's feelings of pleasure or disappointment that arise after comparing the performance (results) of the product in question with the performance or results expected. If performance falls below expectations, the customer is dissatisfied. If performance meets expectations, the customer is satisfied. If performance exceeds expectations, the customer is highly satisfied or delighted. A company is said to be wise if it measures its customer satisfaction regularly, because the key to retaining customers is satisfaction. Satisfaction is more defined from the perspective of customer experience after consuming or using a product or service. Satisfaction is a fulfillment response from customers. Satisfaction is the result of the customer's assessment that the product or service has provided a level of enjoyment where this level of fulfillment can be more or less (Sudaryono, 2016).

According to Tjiptono (Tjiptono, 2015), customer satisfaction is a key element in modern marketing thinking and practice. Competition can be won if the company

is able to create and retain customers. The creation of customer satisfaction can provide several benefits including the relationship between the company and its customers to be harmonious, provide a good basis for repeat purchases and create customer loyalty, and form positive recommendations that are profitable for the company.

According to According to Kotler & Armstrong (Kotler & Keller, 2016), the indicators used to measure consumer satisfaction are as follows: (1) Conformity of Expectations, is the degree of conformity between product performance expected by customers and perceived by customers. (2) Happy to Use, is the customers feeling about using a product. (3) Satisfied on Performance, \is the product's perceived performance relative to a buyer's expectation.

2.1.4 Repurchase Intention

Repurchase intention according to Hellier et al (Hellier et al., 2003) is an individual's consideration to repurchase the designated service from the same company, taking into account the current situation and circumstances that may occur. Repurchase Intention according to Peter & Olson (Tufahati et al., 2021) is a purchase activity that is carried out more than once or several times. The satisfaction that a consumer gets, can be encouraged by someone to make a repeat purchase, to be loyal to the product or to be loyal to where he bought the item so that consumers can tell good things to others.

According to Thamrin and Francis (Foster, 2019) repurchase intention is a purchase intention based on or experience of purchases that have been made in the past. High repurchase intention reflects a high level of satisfaction from consumers when deciding to adopt a product. The decision to adopt or reject a product arises after the consumer tries a product and then arises a feeling of liking or disliking the product. A sense of liking for a product arises when consumers have the perception that the product they use is of good quality and can fulfill or even the desires and expectations of consumers.

Buying behavior arises because it is preceded by an interest in buying, one of the reasons for buying interest is the perception that the product has good quality. So interest in buying arises from customers. According to Ferdinand (Ramadhan &

Santosa, 2017) repurchase intention can be identified through the following dimensions: (1) Transactional interest, the tendency to buy products. (2) Referential interest, is a person's tendency to refer to products to others. (3) Preferential Interest, interests that describe the behaviour of a person who has a primary preference for the product. Preferences can only be changed if something happens to the product. (4) Exploratory interest, describes the behaviour of a person seeking information about a product to support its positive properties of the product.

2.2 Empirical Study

Table 2.1
Empirical Study

No	Research Title	Variable	Researcher	Result
1.	The Effect of Social Media Marketing to Satisfaction and Consumer Response: Examining the Roles of Perceived Value and Brand Equity as Mediation	Social Media Marketing; Perceived Value; Brand Equity; Satisfaction; Consumer Response	Handri Dian Wahyudi Cesya Rizkika Parahiyanti (2021)	The results show that SMM directly affects perceived value and brand equity and indirectly affects satisfaction and consumer response.
2.	The Influence of Social Media Marketing on Apparel Brands' Customers' Satisfaction: The Mediation of Perceived Value	social media marketing perceived value, customers' satisfaction, apparel brands, social media strategic use, social media	Yongzhong Yang Zobi Khan Yu Zhang (2020)	SMMAs play an essential role in improving the brand perceived value and customers' satisfaction. The apparel brand's perceived value mediates the relationship between SMMAs and customers' satisfaction.

No	Research Title	Variable	Researcher	Result
3.	Product Quality and Customer Satisfaction and Their Effect on Consumer Loyalty	Product Quality, Customer Satisfaction, Consumer Loyalty	Ernest Grace Rosita Manawari Girsang Sudung Simatupang Vivi Candra Novelyn Sidabutar (2021)	The influence of product quality variables has a positive and significant effect on consumer satisfaction. The result shows that when product quality is getting better, and satisfaction is achieved, loyalty will persist.
4.	Effect of Servivce Quality and Product Quality on Customer Satisfaction and Loyalty	Quality of service, product quality, customer satisfaction, consumer loyalty	Syariful Mahsyar Untung Surapati (2020)	The result of this research is that the quality of service has no significant effect on customer satisfaction, product quality has significant effect on customer satisfaction, and customer satisfaction has significant effect on consumer loyalty.
5.	The Effect of Product Quality on Customer's Satisfaction and Loyalty of EMN Brand in the Ecommerce Era	business strategy; consumer loyalty; customer satisfaction; electronic commerce; product quality.	Vivi Fitriyanti Sampurno Derriawan (2021)	The results showed that Product quality has a positive effect on customer satisfaction with p-value = 0.000 (<0.05) and a coefficient of 0.546.

No	Research Title	Variable	Researcher	Result
6.	The Influence of Social Media Marketing towards the Repurchase Intention with Brand Image as Mediating Variable	Social media marketing; repurchase intention; brand image	Fajar Yunia Wardi (2022)	Social media marketing has positive but not significantly affecting repurchases intention. Social media marketing has positive and significant effect toward repurchase intention mediated by brand image.
7.	The Role Of Social Media Marketing Towards Customer Repurchase Intention For Fashion Apparel With Brand Image As Mediating Variable (A Study In Levi Strauss & Co.)	Social Media Marketing, Brand Image, Repurchase Intention	Kana Octafikri Marphy (2021)	The result of this research indicated that social media marketing and brand image positively influence repurchase intention.
8.	Social Media Marketing through Instagram and Repurchase Intention: The Mediating Role of Customer Engagement	social media marketing, repurchase intention, customer engagement, Instagram	Freddy Pandapotan Simbolon Verencia Law (2022)	Findings show that social media marketing has a significant effect on customer engagement and repurchase intention. customer engagement affects repurchase intention.

No	Research Title	Variable	Researcher	Result
9.	The Effects of Experiential Marketing and Social Media Marketing on Repurchase Intention with Brand Trust as Variable Mediation for Wearing Klamby Hijab Fashion Products	Brand Trust, Experiential Marketing, Repurchase Intention, Social Media Marketing.	Anis Khoirunnisa Rina Astini (2021)	The findings of this study indicate that experiential marketing, social media marketing, and brand trust all have a positive and significant effect on repurchase intention.
10.	The Effect of Product Quality and Service Quality on Repurchasing Intention	product quality, service quality, repurchase intention.	Erwin Fiki Rizki Ratih Juliati Ardik Praharjo (2021)	There is a positive and significant effect of product quality on repurchase intention, and SQ on repurchase intention.
11.	The Effect of brand Image and Product Quality on Re-Purchase Intention with Customer Satisfaction as Intervening Variables in Consumers of Skincare Oriflame Users – a Study on Students of North Sumatra University, Faculty of Economics and Business	brand image, product quality, customer satisfaction, repurchase intention	Nitasri Murawaty Girsang Endang Sulistya Rini Parapat Gultom (2020)	Product quality influences repurchase intention. customer satisfaction influences repurchase intention. and customer satisfaction is able to mediate between product qualities and repurchase intention

No	Research Title	Variable	Researcher	Result
12.	Effect of Product Quality, Customer Satisfaction, Trust, and Brand Image on Repurchase Intention. Case Study: Halal Cosmetic Products	product quality; satisfaction; trust; brand image; repurchase	Irhamna Mandili Amron Zarkasih Rika Syahmewah Munthe Erni Wahyuni (2022)	The results showed that there was a positive and significant effect on the repurchase intention of halal cosmetic products. So that all hypotheses in this study are supported.
13.	Role of Consumer Satisfaction in Mediating Effect of Product Quality on Repurchase Intention	intention; product; quality; repurchase; satisfaction	Dewa Ayu Taman Sari I. G. A. K. Giantari (2020)	The results found that the quality of the product had a significant positive effect on repurchase intentions. Product quality has a significant positive effect on customer satisfaction. Consumer satisfaction has a significant positive effect on repurchase intentions. Consumer satisfaction acts as a partial mediating variable on the effect of the relationship of product quality on repurchase intentions.

No	Research Title	Variable	Researcher	Result
14.	Role of Social media in the development of Islamic branding and its impact on purchase and repurchase intention for Ḥalāl Products: A Uses and Gratification Perspective	Islamic branding, Ḥalāl, social media, Uses and Gratification Theory, Purchase, Re-purchase, social media user satisfaction	Sanan Waheed Khan Tahir Mahmood Dr. Deeba Shahwar (2021)	analyzed using the partial least squares structural equation modeling technique in order to evaluate the relationship of social media usage, purchase, re-purchase and social media user satisfaction. Finally, it was empirically demonstrated that the gratification experienced by users through social media usage influences purchase intention. According to UGT, the findings contribute to how social media influences alternative assessments through the gratification of user needs, resulting in actions and motives leading to the purchase of products and services.

2.3 Relationship Among Variables

2.3.1 Instagram Marketing and Customer Satisfaction

Social media has changed the way people communicate and seek information about brands, so that customers able to discuss and share their experiences with certain brands (Nielsen, 2011). Social media provides an opportunity for companies to convey better communications to consumers and provide customer satisfaction with the information provided. Customer satisfaction as an impact caused by the use of social media in carrying out promotions and communications to customers, at least can provide the answers sought by customers regarding the products being marketed or the information provided provides benefits for customers such as promos or discounts so that this can boost the company's brand or even maintaining the brand's position in the market competition. Based on the results of the description above, it can be concluded that the hypothesis is as follows:

H1 : Instagram Marketing has a significant influence on Customer Satisfaction.

2.3.2 Product Quality and Customer Satisfaction

Product quality is everything that can meet the needs offered by the company for attention, demand, use by consumers. Product quality can affect consumer satisfaction. Satisfaction depends on the quality of the company's products, because the higher the level of product quality, the higher the level of customer satisfaction produced (Kotler & Keller, 2016). Consumers want the product they receive in accordance with their expectations. Quality can be categorized as a strategic weapon to compete with competitors. Because the role of product quality greatly determines the desires of these consumers so that with product quality a satisfaction will be achieved for consumers (Gaspersz, 2005). Based on the results of the description above, it can be concluded that the hypothesis is as follows:

H2 : Product Quality has a significant influence on Customer Satisfaction.

2.3.3 Instagram Marketing and Repurchase Intention

As a means of providing communication, sales and relationships with their customers, many brands have now turned to social media. This communication platform is perfect for sharing information and opinions. Social media is considered

more sincere to consumers because it communicates a brand. Repurchase intention is influenced by promotions if one of the goals of promotion is reminding consumers of the company's brand (Kotler & Armstrong, 2018). There are many promotions that can be done, one of it is Instagram. An important factor in increasing repurchase interest is to make consumers remember a brand or product with the help of promotional on social media. Based on the results of the description above, it can be concluded that the hypothesis is as follows:

H3 : Instagram Marketing has a significant influence on Repurchase Intention.

2.3.4 Product Quality and Repurchase Intention

Products that are of very good quality can give confidence to consumers who will repurchase these products (Girsang et al., 2020b). The results of Dana and Pramudana's research (Dana & Pramudana, 2021) show that product quality that is maintained and further improved will create repurchase intentions by consumers. Consumers who have previously experienced product quality will intend to repurchase at the same company (Mahendrayanti & Wardana, 2021). This is in line with the opinions of Aryadhe & Rastini (Aryadhe & Rastini, 2016), Ketut (Ketut, 2018), and Sari & Giantari (Sari & Giantari, 2020) which state that product quality has a positive and significant effect on repurchase intention. This opinion is also supported by Dana & Pramudana (Dana & Pramudana, 2021). Based on the results of the description above, it can be concluded that the hypothesis is as follows:

H4 : Product Quality has a significant influence on Repurchase Intention.

2.3.5 Customer Satisfaction and Repurchase Intention

Customer satisfaction is fundamental to company success, especially in an era of highly competitive business environment (Fang et al., 2011). It serves as one of the main drivers of post-purchase behavior, as the repurchase experience with satisfaction plays an important role as it helps shape the customer's future buying behavior especially in cases when the strategy effort is minimized.

The specific benefits of customer satisfaction for companies include: a positive impact on customer loyalty and has the potential to become a source of future income especially through repurchases (Tjiptono & Chandra, 2013).

Satisfied consumers will create a desire to continue to establish partnerships or an interest in repurchasing. This desire will arise if there is an equal perception between the consumer and the consumer about the various factors that influence satisfaction. In this case the company must be able to maintain and improve product quality, affordable prices, ease of obtaining products, product benefits, quality standards and brand quality, so as to make consumers satisfied compared to other products on the market. Based on the results of the description above, it can be concluded that the hypothesis is as follows:

H5 : Customer Satisfaction has a significant influence on Repurchase Intention.

2.3.6 Customer Satisfaction as a Mediation Variable

When customers are satisfied with the product quality or the information they got from social media of the shoes brand, it will provide a boost to the intention of the consumer to repurchase the shoes product. Most importantly, satisfying customers will have a positive effect on the repurchase intentions in the future (Ibzan et al., 2016). Based on the results of the description above, it can be concluded that the hypothesis is as follows:

H6 : Customer Satisfaction mediates the significant influence between Instagram Marketing and Repurchase Intention.

H7 : Customer Satisfaction mediates the significant influence between Product Quality and Repurchase Intention.

2.4 Conceptual Framework

Based on the explanation above, there is a relationship among variables that are considered important to the research. This research uses Instagram Marketing, Product Quality, Customer Satisfaction, and Repurchase Intention as the variables.

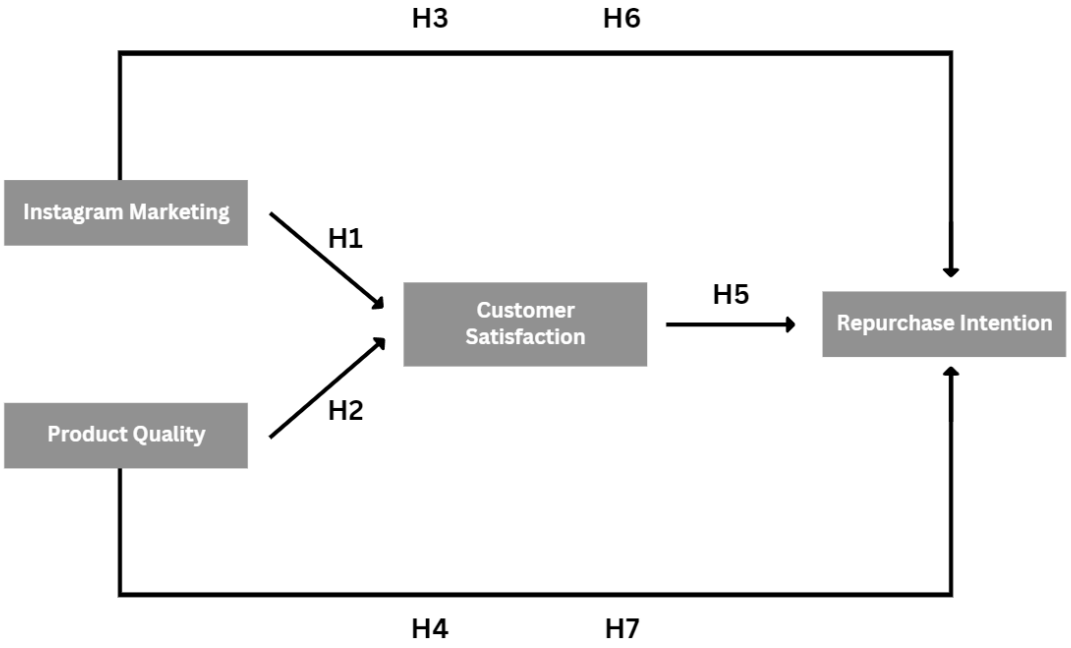


Figure 2. 1 Conceptual Framework

2.5 Hypothesis

The hypothesis is defined as a temporary answer to the research problem, explained from a theoretical basis or empirical study that needs to be proven (Sudaryono, 2019). the hypotheses are used in this research to answer the research problems is as follows:

H1 : Instagram Marketing has a significant influence on Customer Satisfaction.

H2 : Product Quality has a significant influence on Customer Satisfaction.

H3 : Instagram Marketing has a significant influence on Repurchase Intention.

H4 : Product Quality has a significant influence on Repurchase Intention.

H5 : Customer Satisfaction has a significant influence on Repurchase Intention.

H6 : Customer Satisfaction mediates the significant influence between Instagram Marketing and Repurchase Intention.

H7 : Customer Satisfaction mediates the significant influence between Product Quality and Repurchase Intention.