



Regular article

The Influence of Customer Experience and Social Media Marketing on Customer Loyalty Through Customer Satisfaction at Teraseduh Medan

Samuel Morales Pandapotan Simanjuntak^{a*}, Beby Karina Fawzee Sembiring, Amlys Syahputra Silalahi^c

^a Master of Management Sciences, Faculty of Economics and Business, University of North Sumatra, Medan, Indonesia

^b Master of Management Sciences, Faculty of Economics and Business, University of North Sumatra, Medan, Indonesia

^c Master of Management Sciences, Faculty of Economics and Business, University of North Sumatra, Medan, Indonesia

ARTICLE INFO

Article history:

Received 05 January 2026

Accepted 20 January 2026

Available online 10 March 2026

Keywords:

Customer experience

Social media marketing

Customer satisfaction

Customer loyalty

Coffee shop

ABSTRACT

The coffee shop industry in Medan City has experienced significant growth, but faces challenges in maintaining customer loyalty. This study analyzes the influence of customer experience and social media marketing on customer loyalty through customer satisfaction at Teraseduh Medan, a coffee shop that experienced a decrease in visits from 680 visitors per day (2022) to 420 visitors (2024). Using a quantitative method with PLS-SEM analysis on 135 respondents selected through purposive sampling, data were collected through a structured questionnaire. The results showed that customer experience had a positive and significant effect on customer satisfaction ($\beta=0.441$, $p=0.000$) and customer loyalty ($\beta=0.324$, $p=0.000$). Social media marketing has a positive and significant effect on customer satisfaction ($\beta=0.513$, $p=0.000$) and customer loyalty ($\beta=0.201$, $p=0.036$). Customer satisfaction was proven to mediate the relationship between customer experience ($\beta=0.146$, $p=0.002$) and social media marketing ($\beta=0.170$, $p=0.002$) on customer loyalty, and showed the strongest direct influence on customer loyalty ($\beta=0.331$, $p=0.000$), explaining the 40.6% variance in customer loyalty decisions. These findings confirm that digital marketing strategies should be prioritized through consistent and authentic quality improvement of customer experiences, as well as the utilization of interactive social media content to strengthen satisfaction and drive customer loyalty in the specialty coffee industry.

© 2026 Journal of Business Management. Published by Indonesian Journal Publisher (ID Publishing).

This is an open-access article under the CC BY-NC-ND license

(<http://creativecommons.org/licenses/by-nc-nd/4.0/>).

* Corresponding author.

E-mail address: tugas24.a@gmail.com (S. M. P. Simanjuntak)

Introduction

Indonesia is a country with high coffee consumption, with the average per capita coffee consumption in Medan City reaching 8,818 grams per week, far exceeding tea consumption which is only 1,127 grams per week (Central Statistics Agency, 2024). This phenomenon reflects the transformation of coffee drinking culture from conventional traditions to modern lifestyles, especially among the younger generation who make coffee shops as a third place to socialize, work, and relax (Maulana et al., 2021; Tirtayasa, 2022).

The growth of the coffee shop industry in Indonesia has changed the competitive landscape of the culinary business. According to Harahap & Absah (2020), coffee shops in Indonesia can be categorized into three

segments: idealistic coffee shops that focus on the authenticity of coffee taste and manual brewing processes, pragmatic shops that adapt market tastes with a wide variety of menus, and international coffee shops that prioritize modern atmosphere and global service standards. In the midst of this fierce competition, the ability to maintain customer loyalty is the key to business sustainability.

Teraseduh, a coffee shop located on Jl. Bukit Barisan I No. 11A, Glugur Darat II, East Medan District, faced a similar challenge. Despite having a clear positioning in the local coffee shop segment, Teraseduh experienced a significant decrease in customer visits. This indicates that there are problems in marketing strategies and customer experience management that need to be studied more deeply.

Previous research shows that customer experience has a crucial role

in shaping customer loyalty. Makudza (2021) found that effective customer experience management can improve customer retention in the banking industry. In the context of the culinary industry, Pei et al. (2020) emphasized that a positive customer experience, including staff service, shopping environment, and service procedures, has a significant effect on customer satisfaction. Setiawan et al. (2021) further confirmed that customer experience not only has a direct effect on customer loyalty, but is also mediated by customer satisfaction.

On the other hand, digital transformation has changed the way businesses interact with customers. Social media marketing, especially through the Instagram platform, has become an important strategy in building brand awareness and engagement (Ali & Raza, 2023; Khoa & Huynh, 2023). However, the effectiveness of social media marketing in the context of coffee shops in Indonesia, especially in influencing customer satisfaction and loyalty, still requires more in-depth empirical studies.

The results of the pre-survey on 30 Teraseduh customers showed indications of problems that needed attention. Regarding customer loyalty, only 43.3% of respondents stated that they were loyal to buying Teraseduh products, 40% chose Teraseduh over other coffee shops, and 43.3% were willing to recommend to others. In terms of customer satisfaction, although 86.7% of respondents were willing to give positive reviews and suggestions, only 36.7% said they liked to buy the various products offered. The customer experience dimension shows that only 23.3% of respondents rated the room appearance attractive and comfortable environment, although 90% were satisfied with the staff's service. Meanwhile, social media marketing activities are still not optimal, with only 20% of respondents participating in polls and competitions, and 36.7% interested in lingering on Teraseduh's social media content.

Gaps between previous studies were also identified. Several studies have shown a positive influence of customer experience on loyalty (Makudza, 2021; Manyanga et al., 2022), however other studies have found that these influences are highly contextual and influenced by demographic factors (Pei et al., 2020). Regarding social media marketing, while Ali & Raza (2023) found a substantial influence on loyalty, Nalluri et al. (2023) identified that its effectiveness is highly dependent on the quality of the content and the type of platform used.

Based on the above phenomena and theoretical gaps, this study aims to analyze the influence of customer experience and social media marketing on customer loyalty through customer satisfaction in Teraseduh Medan. This research is expected to make a theoretical contribution to the development of customer loyalty models in the coffee shop industry, as well as practical implications for managing more effective marketing strategies in the digital era.

Method

This study uses a quantitative approach with an associative research type to identify causal relationships between variables (Sugiyono, 2019). The location of the research is Teraseduh Medan, Jl. Bukit Barisan I No. 11A, Glugur Darat II, East Medan District, held from October to November 2025.

The research population is Generation X, Generation Y, and Generation Z customers who visit Teraseduh with an unknown number of exactly. The sampling technique uses nonprobability sampling with the accidental sampling method. Based on the recommendations of Hair et al. (2021) who suggested that the sample size be at least 5 times the number of indicators, with 27 indicators in this study, the sample size was set as many as 135 respondents (5×27). Respondent criteria include: customers who have made purchases at least 2 times at Teraseduh.

The research variables consist of independent variables (Customer Experience and Social Media Marketing), dependent variables (Customer Loyalty), and intervening variables (Customer Satisfaction). Customer Experience is measured using sensory, social, and affective dimensions developed by Batat (2021). Social Media Marketing is measured based on the dimensions of interactivity, engagement, and reach (Tuten & Solomon, 2015). Customer Satisfaction is measured by the dimensions of product quality, service quality, and price (Kotler, 2016), while Customer Loyalty uses the dimensions of repurchase, retention, and referral (Kotler & Keller, 2016).

Data collection was carried out through a structured questionnaire with a Likert scale of 1-5. Validity and reliability tests were conducted on 30 respondents outside the study sample, showing all items were valid (corrected item-total correlation > 0.361) and reliable (Cronbach's Alpha ranged from 0.818-0.928). Data analysis using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS 3.0 software, including the evaluation of the outer model (convergent validity, discriminant validity, composite reliability) and inner model (R-square, path coefficient, effect size, predictive relevance) with a significance level of 5%.

Research Model

The structural model of this study is formulated in two equations:

$$\text{Substructure Equation 1: } Z = 0.441X_1 + 0.513X_2 + e_1$$

$$\text{Substructure Equation 2: } Y = 0.324X_1 + 0.201X_2 + 0.331Z + e_2$$

Where:

X_1 = Customer Experience

X_2 = Social Media Marketing

Z = Customer Satisfaction

Y = Customer Loyalty

e = Error term

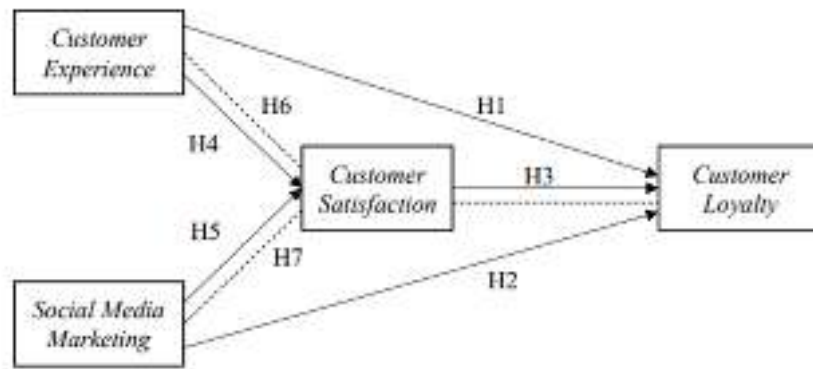


Figure 1. Conceptual framework

Results and Discussion

Respondent Characteristics

The results of the descriptive analysis showed that the majority of respondents were women (57%), aged 21-30 years (45.9%), with jobs as private/public employees (43.7%) and students/students (37%). This characteristic reflects Teraseduh's main target market, namely the productive young generation who have high purchasing power and mobility, and tend to seek a consumption experience that not only focuses on the product but also the atmosphere and social interaction.

Table 1. Characteristics of Respondents (N=135)

Characteristics	Categories	Frequency	Percentage (%)
Gender	Women	77	57,0
	Male	58	43,0
Age	21-30 years old	62	45,9
	31-40 years old	37	27,4
	41-50 years old	18	13,3
	< 20 years old	15	11,1
	> 50 years	3	2,2
Jobs	Private/State Employees	59	43,7
	Student/Student	50	37,0
	Self-employed	26	19,3

Descriptive Analysis of Variables

Descriptive analysis showed that the average value of the Customer Satisfaction variable had the highest score (4,178), followed by Customer Loyalty (3,999), Customer Experience (3,910), and Social Media Marketing (3,824). All variables were in the "Agree" category, indicating the respondents' positive perception of the overall aspect measured.

Table 2. Descriptive Analysis of Research Variables

Variable	Red	Categories
Customer Satisfaction (Z)	4,178	Strongly agree
Customer Loyalty (Y)	3,999	Agree
Customer Experience (X ₁)	3,910	Agree
Social Media Marketing (X ₂)	3,824	Agree

In the Customer Experience variable, the highest indicator was "I felt happy when I visited Teraseduh" (mean = 3,956), while the lowest value was "Teraseduh staff served well" (mean = 3,881). For Social Media Marketing, the highest scores were "I often engage in discussions on social media with Teraseduh" (mean = 3,881) and lowest at "I often participate in competitions on social media with Teraseduh" (mean = 3,770). Customer Satisfaction showed the highest score in "Teraseduh Service is responsive" (mean = 4,193) and lowest in "I feel satisfied with the product offered by Teraseduh" (mean = 4,163). In Customer Loyalty, the highest score was found in "I choose Teraseduh over other coffee shops" (mean = 4,037) and lowest in "I always buy Teraseduh products" (mean = 3,963).

Evaluation of Measurement Models (Outer Model)

The results of the outer model evaluation showed that all indicators were valid with an outer loading value of > 0.7 (ranging from 0.702-0.848). The Average Variance Extracted (AVE) value for all constructs is above 0.5 (Customer Experience = 0.620; Social Media Marketing = 0.637; Customer Satisfaction = 0.648; Customer Loyalty = 0.671), confirming good convergent validity. The composite reliability of all constructs > 0.7 (ranging from 0.880-0.940), indicating excellent instrument reliability.

Table 3. Measurement Model Evaluation Results

Variable	Cronbach's Alpha	Composite Reliability	AVE
Customer Experience (X ₁)	0,923	0,936	0,620
Social Media Marketing (X ₂)	0,928	0,940	0,637
Customer Satisfaction (Z)	0,818	0,880	0,648
Customer Loyalty (Y)	0,877	0,911	0,671

The discriminant validity test using the Heterotrait-Monotrait Ratio (HTMT) showed that all values were below 0.90 (ranging from 0.095-0.666), confirming that each construct has good discriminant validity and is completely different from the other.

Evaluation of Structural Models (Inner Model)

The R-square value shows that Customer Experience and Social Media Marketing explain 44.0% of the variance in Customer Satisfaction ($R^2 = 0.440$), while Customer Experience, Social Media Marketing, and Customer Satisfaction simultaneously explain 40.6% of the variance in Customer Loyalty ($R^2 = 0.406$). These results indicate that the model has moderate predictive power (Hair et al., 2019).

The Q^2 predictive relevance value for Customer Satisfaction was 0.273 and Customer Loyalty was 0.261 (both > 0), confirming that the model has good predictive relevance. Effect size (f^2) analysis showed that Customer Experience had a moderate influence on Customer Loyalty ($f^2 = 0.131$) and a strong effect on Customer Satisfaction ($f^2 = 0.348$). Social Media Marketing showed a weak influence on Customer Loyalty ($f^2 = 0.046$) but a strong influence on Customer Satisfaction ($f^2 = 0.469$).

Table 4. Hypothesis Testing Results

Relationships	Path Coefficient (β)	t-Statistics	P-Value	Verdict
CE → CS	0,441	7,307	0,000	Accepted
CE → CL	0,324	4,056	0,000	Accepted
SMM → CS	0,513	8,226	0,000	Accepted
SMM → CL	0,201	2,101	0,036	Accepted
CS → CL	0,331	3,534	0,000	Accepted
CE → CS → CL	0,146	3,078	0,002	Accepted
SMM → CS → CL	0,170	3,162	0,002	Accepted

Description: CE = Customer Experience, SMM = Social Media Marketing, CS = Customer Satisfaction, CL = Customer Loyalty

Discussion

The Influence of Customer Experience on Customer Satisfaction and Customer Loyalty

Customer Experience has been proven to have a positive and significant effect on Customer Satisfaction ($\beta=0.441$, $p=0.000$) and Customer Loyalty ($\beta=0.324$, $p=0.000$). These findings are consistent with the servuction model that explains that customer experiences are formed through interactions between employees, systems and service facilities, as well as moments of direct contact with the organization (Furrer et al., 2024). In the context of Teraseduh, the quality of staff service (mean = 3,881), the comfort of the environment (mean = 3,919), and the positive sensory experience (visual, music, aroma, and taste with a mean ranging from 3,889-3,948) collectively form a perception of high value, which further increases customer satisfaction and loyalty.

These results confirm research by Pei et al. (2020) and Rasheed & Rashid (2024) which confirms that the customer experience dimension – including staff service, shopping environment, and service procedures – has a positive effect on customer satisfaction. In the perspective of perceived value theory, positive experiences create emotional,

functional, and social benefits that exceed the sacrifices made by customers, thus generating strong satisfaction and encouraging long-term loyalty (Sánchez-Fernández et al., 2020).

The Influence of Social Media Marketing on Customer Satisfaction and Customer Loyalty

Social Media Marketing shows a positive and significant influence on Customer Satisfaction ($\beta=0.513$, $p=0.000$), even stronger than Customer Experience. These findings affirm Instagram's strategic role as a platform to build customer engagement through informative, interactive, and relevant content. Based on the theory of uses and gratifications, customers use social media to meet their information, entertainment, and social interaction needs (Menon, 2022), so that an effective content strategy can increase satisfaction through fulfilling these needs.

Although Social Media Marketing also has a positive effect on Customer Loyalty ($\beta=0.201$, $p=0.036$), the effect is relatively weaker than Customer Experience. This indicates that social media activities are more effective in building awareness and early engagement, but the in-person experience in the shop remains a determining factor in forming long-term loyalty. These findings are in line with Ali & Raza (2023) and Khoa & Huynh (2023) who affirm that social media marketing has a substantial influence on loyalty, but its effectiveness is highly dependent on the consistency and authenticity of the content.

Empirical data showed that although respondents rated Teraseduh's social media content quite well (mean = 3,824), there was still room for improvement, especially in terms of competition and active engagement (mean = 3,770). This shows the need for a more interactive and engaging content strategy to increase customer engagement.

The Effect of Customer Satisfaction on Customer Loyalty

Customer Satisfaction was proven to have the strongest direct influence on Customer Loyalty ($\beta=0.331$, $p=0.000$). These findings confirm the perceived value theory which states that satisfaction arises when the perceived value of customers exceeds expectations, and this satisfaction is the main driver of loyalty formation which is reflected in repurchases, resistance to competitors, and positive recommendations (Almohaimmeed, 2019; Rane et al., 2023).

With the highest mean value among all variables (4,178), Customer Satisfaction at Teraseduh shows an excellent level, especially in the dimensions of service speed (mean = 4,193) and price affordability (mean = 4,178). This high satisfaction further translates into the tendency of customers to choose Teraseduh over competitors (mean = 4,037) and not be tempted by other coffee shop offers (mean = 4,030).

The Role of Customer Satisfaction Mediation

Customer Satisfaction has been proven to significantly mediate the relationship between Customer Experience ($\beta=0.146$, $p=0.002$) and Social Media Marketing ($\beta=0.170$, $p=0.002$) to Customer Loyalty. These findings confirm the view of Nosi et al. (2021) and Kamalaseana &

Sirisena (2021) that satisfaction is a psychological mechanism that bridges digital content exposure and service experience with loyalty actions.

The type of mediation that is formed is partial mediation, where Customer Experience and Social Media Marketing still have a direct influence on Customer Loyalty, but the influence is strengthened through the Customer Satisfaction mediation channel. This indicates that in order to maximize customer loyalty, Teraseduh needs to optimize both paths: direct influence through improving the quality of experience and social media content, and indirect influence through consistently increasing customer satisfaction.

Conclusion

This study confirms that digital marketing strategies through Social Media Marketing and effective Customer Experience management can build Customer Satisfaction which further encourages Customer Loyalty in specialty coffee products. Customer Experience and Social Media Marketing have a significant effect on Customer Satisfaction and Customer Loyalty, both directly and indirectly through Customer Satisfaction mediation. Customer Satisfaction shows the most powerful role in driving Customer Loyalty, explaining 40.6% of variance in the model.

Managerial Implications

Based on the research findings, Teraseduh Medan needs to:

1. Optimizing Customer Experience by focusing on improving the appearance of the room and environmental comfort (lowest mean = 3,881-3,896) through interior renovation, lighting arrangement, and music management that is more in line with customer preferences. Good staff service (mean = 3,881) needs to be maintained through consistent training and a reward system.
2. Strengthen Social Media Marketing by increasing the frequency and quality of interactive content, such as polls, competitions, and giveaways (lowest mean = 3,770) to increase engagement. Content should be more consistent, authentic, and showcase Teraseduh's unique selling proposition to reinforce differentiation.
3. Prioritizing Improving Customer Satisfaction through product innovation to increase menu variety (mean = 4,163), consistency of taste quality, and pricing strategies that remain competitive but reflect the value proposition of specialty coffee products.
4. Integrate Digital Strategy with Live Experience to amplify conversions from awareness to actual purchases and long-term loyalty. Loyalty rewards programs, memberships, and customer communities can be implemented to increase repeat purchases (mean = 3,963).

References

- Almohaimmed, B. (2019). Pillars of customer retention: An empirical study on the influence of customer satisfaction, customer loyalty, customer profitability on customer retention. *Serbian Journal of Management*, 14(2), 421-435.
- Ali, M., & Raza, M. (2023). The impact of social media marketing on customer loyalty. *Research Journal for Societal Issues*, 5(4), 197-209.
- Central Statistics Agency. (2024). *Average per capita coffee and tea consumption per week in Medan City*. Medan: BPS Medan City.
- Batat, W. (2021). How augmented reality (AR) is transforming the restaurant sector: Investigating the impact of "Le Petit Chef" on customers' dining experiences. *Technological Forecasting and Social Change*, 172, 121013.
- Franky, & Shah, T. Y. R. (2023). The effect of customer experience, customer satisfaction, and customer loyalty on brand power and willingness to pay a price premium. *Quantitative Economics and Management Studies*, 4(3), 437-452.
- Furrer, O., Landry, M., & Baillod, C. (2024). Managing customer-to-customer interactions: Revisiting older models for a fresh perspective. *Journal of Services Marketing*, 38(1), 71-86.
- Hair, J. F., Ortinau, D. J., & Harrison, D. E. (2021). *Essentials of marketing research* (5th ed.). McGraw-Hill Education.
- Harahap, R., & Absah, Y. (2020). Analysis of coffee shops in Medan. *Proceedings of the 3rd International Conference on Social and Political Development (ICOSOP 3 2019)*, 205-212.
- Kamalasena, B., & Sirisena, A. (2021). The impact of online communities and e-word of mouth on purchase intention of generation Y: The mediating role of brand trust. *Sri Lanka Journal of Marketing*, 7(1), 92-116.
- Khoa, B. T., & Huynh, T. T. (2023). The influence of social media marketing activities on customer loyalty: A study of e-commerce industry. *International Journal of Data and Network Science*, 7(1), 175-184.
- Kotler, P. (2016). *Marketing management* (15th ed.). Pearson Education.
- Kotler, P., & Keller, K. L. (2016). *Marketing management* (15th ed.). Pearson Prentice Hall.
- Makudza, F. (2021). Augmenting customer loyalty through customer experience management in the banking industry. *Journal of Asian Business and Economic Studies*, 28(3), 191-203.
- Manyanga, W., Makanyeza, C., & Muranda, Z. (2022). The effect of customer experience, customer satisfaction and word of mouth intention on customer loyalty: The moderating role of consumer demographics. *Cogent Business & Management*, 9(1).

- Maulana, R. R., Cahyono, U. J., & Muqoffa, M. (2021). Spatial distribution in the emergence of coffee shops in Surakarta. *IOP Conference Series: Earth and Environmental Science*, 778(1), 012031.
- Menon, D. (2022). Uses and gratifications of photo sharing on Instagram. *International Journal of Human-Computer Studies*, 168, 102917.
- Nalluri, V., Yang, K.-F., Chen, L.-S., & Yang, T.-Y. K. (2023). Exploring crucial social media marketing factors for improving customer satisfaction and customer loyalty in bed and breakfast sectors in Taiwan. *International Journal of Tourism Cities*, 9(2), 429-446.
- Nosi, C., Pucci, T., Melanthiou, Y., & Zanni, L. (2021). The influence of online and offline brand trust on consumer buying intention. *EuroMed Journal of Business*, 17(4), 550-567.
- Pei, X.-L., Guo, J.-N., Wu, T.-J., Zhou, W.-X., & Yeh, S.-P. (2020). Does the effect of customer experience on customer satisfaction create a sustainable competitive advantage? A comparative study of different shopping situations. *Sustainability*, 12(18), 7436.
- Rane, N. L., Achari, A., & Choudhary, S. P. (2023). Enhancing customer loyalty through quality of service: Effective strategies to improve customer satisfaction, experience, relationship, and engagement. *International Research Journal of Modernization in Engineering Technology and Science*, 5(5), 427-452.
- Rasheed, R., & Rashid, A. (2024). Role of service quality factors in word of mouth through student satisfaction. *Kybernetes*, 53(9), 2854-2870.
- Sánchez-Fernández, R., Gallarza, M. G., & Arteaga, F. (2020). Adding dynamicity to consumer value dimensions. *International Journal of Contemporary Hospitality Management*, 32(2), 853-870.
- Setiawan, B. E., Valdhavessa, D., Bambang, H., Marina, S., Desa, L., Bilqis, F. R., Agusinta, L., Hernawan, M. A., & Sidjabat, S. (2021). How to build customer loyalty: Through customer experience, perceived price, and customer satisfaction. *Turkish Journal of Computer and Mathematics Education*, 12(4), 1546-1554.
- Sugiyono. (2019). *Business research methods: Quantitative, qualitative, and R&D approaches* (2nd ed.). Alfabeta.
- Tirtayasa, S. (2022). Effect of product quality and service on customer loyalty with customer satisfaction as an intervening variable (Study on coffee shop in Medan). *International Journal of Science, Technology & Management*, 3(5), 1438-1444.
- Tuten, T. L., & Solomon, M. R. (2015). *Social media marketing: A strategic approach* (4th ed.). SAGE Publications.
- Wonua, A. R., Risdwiyanto, A., Sutaguna, I. N. T., & Rukmana, A. Y. (2023). Social media marketing and customer satisfaction. *Journal of Innovation Research Management*, 1(4), 50-60.