

## The Role of Electronic Customer Relationship Management and Affecting Customer Loyalty

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**Abstract:** This article aims to analyze the impact of E-CRM mediated by satisfaction on consumer loyalty among Facebook and Instagram users in Malang City. The research sample consisted of 89 users. The questionnaire was distributed via Google Forms as direct data collection from respondents. The data was then analyzed using structural equation modeling partial least squares (SEM-PLS), which was used to answer the research hypothesis. The results of the study indicate that E-CRM does not affect loyalty. In contrast, E-CRM significantly affects satisfaction, which in turn affects loyalty, and satisfaction mediates the effect of E-CRM on loyalty. Implications for further research suggest comparing loyalty on other online shopping applications.

**Keywords:** E-CRM; Satisfaction; Loyalty

**Abstrak:** Tujuan artikel ini untuk menganalisis E-CRM yang dimediasi oleh kepuasan terhadap loyalitas konsumen pada pengguna facebook dan Instagram di Kota Malang. Sampel penelitian sebanyak 89 pengguna. Kuesioner disebarluaskan melalui google form sebagai pendataan langsung dari responden. Selanjutnya data dianalisis dengan menggunakan structural equation modeling partial least square (SEM-PLS), yang kemudian digunakan untuk menjawab hipotesis penelitian. Hasil penelitian menunjukkan E-CRM tidak berpengaruh terhadap loyalty, kemudian E-CRM berpengaruh signifikan terhadap satisfaction, satisfaction berpengaruh signifikan terhadap loyalty dan satisfaction memediasi pengaruh antara E-CRM terhadap loyalty. Implikasi untuk penelitian lebih lanjut menyarankan membandingkan loyalty pada aplikasi belanja online yang lain.

**Kata Kunci:** E-CRM; Kepuasan; Loyalitas

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## INTRODUCTION

The internet has become the hub of many people's activities in the current digital era, and online marketing is thought to be the most successful strategy (Saeed et al., 2023). One technique that incorporates new media into marketing plans is online marketing. The Internet is the most important and powerful driver for change in the modern world, affecting companies of all kinds. Online marketing tactics and digital media are playing a bigger part in helping businesses and brands boost client loyalty and sales volume in this increasingly sophisticated digital age (Chen, 2020). Online marketing employs a variety of methods and approaches, including social media, email, display advertising, and search engine optimization. Internet marketing aims to reach potential customers using the platforms they use to read, search, shop, and socialize online (Schwarzl & Grabowska, 2015).

There are numerous ways for e-commerce platforms to design and execute in response to the competition in today's market. Competition has been growing daily, as seen by changes in consumer behavior following the advent of digital technology. Nowadays, businesses realize the value of services and marketing strategy due to the growing awareness of the significance of customer pleasure and loyalty. Therefore, e-commerce's current challenge is to develop a devoted clientele. Customer pleasure has the potential to foster loyalty. In addition to adapting to the wants and preferences of their consumers, businesses should focus on other factors in order to make them feel comfortable and increase customer satisfaction. E-commerce must offer top-notch customer service and develop a compelling marketing plan to sustain client satisfaction and foster engagement. (A. Manaf et al., 2018).

Customers are satisfied when they purchase online due to the ease and speed of the purchasing procedure, which allows them to shop from any location by simply using the internet network (Romadhoni et al., 2015). A customer's evaluation of a good or service based on their online shopping experience is known as e-satisfaction. Website design that can help customers with online transactions has an impact on customer happiness (Sharma., 2017). As a form of research innovation, satisfaction in this study is used as a mediating variable. Satisfied customers will convey positive messages to other potential customers virtually through email, websites, mailing lists, or testimonials posted on the company's website. Thus, companies must always be ready and responsive in serving customers through the internet when there are questions or complaints after online transactions from customers (Sihotang et al., 2022).

Based on the customer's perspective, satisfaction can be interpreted as something expected by customers or a goal that must be achieved from product consumption and service use (Tukiran et al., 2021). A customer's evaluation of a good or service based on their online shopping experience is known as e-satisfaction. Website design that can help customers with online transactions has an impact on e-satisfaction (A. Manaf et al., 2018). High levels of customer satisfaction can lower price sensitivity, lower failure and marketing costs, lower operating costs brought on by an increase in the number of customers, boost advertising effectiveness, and improve a company's reputation. They can also increase customer loyalty and prevent customer turnover (Setiawan & Patricia, 2022).

The effects of competitive advantage tactics in e-marketing on e-loyalty were examined in a comparative investigative study using Porter's model. The results demonstrated that the model's variables, particularly cost advantage, which

significantly affects customer satisfaction, had a favorable impact on customer e-loyalty. Furthermore, as customer happiness plays a significant role in determining loyalty, other similar studies have shown that banks can use e-CRM to boost customer satisfaction (Shafiee et al., 2016); (Fitriana, 2019). If e-marketing is the process of providing customers with value, then e-CRM is the technology that keeps that value given.(Sasono et al., 2021). Customer relationship management done electronically is known as e-CRM (Herman et al., 2021).

E-CRM is the technology that maintains the value that is provided to customers, if e-marketing is the process of doing so. One type of customer relationship management that is done online is called e-CRM (Fitriana, 2019). The use of digital communication tools to consistently encourage the use of online services is known as e-CRM and optimize business connections with current customers. In light of this knowledge, it is thought that having e-CRM on a business's website will encourage users to stay on it (e-Loyalty). In an era of interconnected society, it is anticipated that e-CRM implementation would yield substantial value for both businesses and customers (Nurrohman et al., 2023).

The grand theory guiding this research is (Oliver, 2015). Consumer Loyalty Theory. This research explicitly states that the loyalty variable was adopted from Oliver (1999), which uses the indicators of cognitive, affective, conative, and action. Oliver's loyalty framework is considered a grand theory in marketing and consumer behavior because it explains the sequential stages of loyalty formation from cognition (beliefs), to affect (attitude), to conation (intention), and finally to action (behavior).

This study uses Facebook and Instagram as social media platforms. Facebook is the most popular social media application in Indonesia, with a penetration rate of 81 percent (Hidayat et al., 2023). Facebook is the platform of choice for advertising due to its role as a connector between individuals, encompassing communication, expression, and business. For business people, Facebook is considered very profitable as a means of promotion or advertising because Facebook has an extensive reach, not limited to friends, but to everyone around the world (Mazzucchelli et al., 2021).

Transactions through Facebook make it easy for users to view product catalogs, read comments, make purchases, and still be able to interact with their friends (Shanmugam et al., 2016). Because of these advantages, many organizations or companies are now switching to Facebook Commerce to grow their businesses. However, many organizations and companies have not fully leveraged the advantages Facebook offers for e-commerce. Facebook Marketplace is Facebook's newest online marketplace, 100% free to find, buy, and sell any product on Facebook based on location, allowing users to sell and search for any product in the vicinity of their current location. There, users can find and sell used or new items ranging from fashion products, smartphones, electronic devices, to vehicles and real estate products such as houses, shops, land, and so on (Nova, 2023)

Apart from Facebook, another social media platform that is widely used for business is Instagram. Instagram is the social media platform most often used by influencers because it allows them to interact directly with their followers through likes or comment sections, or what is commonly known as mass-self communication (Chaudhary, 2021). Instagram is an even more effective tool for business promotion because it joined the trend in 2010. Due to Instagram's widespread usage as a social media platform, several international businesses have adopted it as a marketing strategy. It is a crucial marketing tool that makes sharing business information easier.

Marketers may interact with their customers on Instagram by sharing images and videos and leaving comments; obtaining likes and comments from customers is a way to gather their input (Chaudhary, 2021).

As businesses continue to grow, challenges and competition in capturing market share are becoming increasingly fierce (Razak, 2022). To obtain a competitive advantage, businesses must use their resources effectively and efficiently. To thrive in the face of competition, every business must create a marketing plan, and one such plan should be a marketing mix that incorporates digital marketing (Safitri et al., 2024). It is anticipated that this business plan will affect the organization's long-term objectives, industry survival, and financial and non-financial profits (Dewi & Warmika, 2017).

Using satisfaction as a mediating variable, this study looks at how Electronic Customer Relationship Management (E-CRM) affects customer loyalty among Facebook and Instagram users. There are a number of research gaps, despite the fact that the study offers insightful information about the connection between E-CRM, satisfaction, and loyalty. First, the study's findings are limited in their generalizability because it only looks at Facebook and Instagram users in one location. The novelty of this research lies in its focus on Facebook and Instagram as social commerce platforms, a context that is still underexplored compared to traditional e-commerce or banking studies. Unlike previous findings that positioned E-CRM as a direct driver of loyalty, this study demonstrates that E-CRM does not directly influence consumer loyalty but works through satisfaction as a mediating variable. This provides fresh theoretical insight by extending Oliver's Consumer Loyalty Theory into the social media commerce environment, showing that loyalty is not built solely on digital relationship tools but depends on how those tools enhance user satisfaction. This study aims to examine how consumer loyalty is impacted by Electronic Customer Relationship Management (E-CRM), with satisfaction as a mediating variable. Specifically, it aims to determine whether E-CRM directly influences loyalty, whether E-CRM significantly affects satisfaction, and whether satisfaction in turn strengthens loyalty and mediates the relationship between E-CRM and loyalty.

## LITERATURE REVIEW

### **Electronic Customer Relationship Management (E-CRM)**

The relationship marketing strategy known as E-CRM cannot be derogated. The number of online purchases is increasing and surpassing traditional client purchases (Mokha & Kumar, 2022). E-commerce pays attention to updating and integrating websites. Online marketers attempt to persuade consumers to increase the frequency of their online purchases by offering them incentives to switch. While concentrating on web channels, E-CRM uses multi-channel marketing. Its main objective is to establish a connection with a potential client (Quyen & Sayapina, 2020).

Technology is used in online customer relationship management to identify clients and handle their demands. Therefore, it enables organizations to establish a direct relationship with target management (Younis et al., 2024). Pre-service, at-service, and post-service are the three stages of the e-CRM transaction features, and they all help to improve customer satisfaction and build stronger online relationships (Oumar et al., 2017). This demonstrates that if e-CRM elements are implemented differently by each organization, the degree of customer happiness will vary as well. The degree of client satisfaction will increase if a business can effectively manage a

connection, whether it be online or offline. Additionally, the studies cited above show that increasing client loyalty requires the presence of customer happiness. This is due to the fact that customer happiness and e-CRM features alone are not the only factors that determine the existence of client loyalty (Younis et al., 2024). According to some earlier research, e-CRM significantly and favorably affects customer satisfaction (Nikou et al., 2016); (Zatalini & Pamungkas, 2017).

### **E satisfaction**

Any website's initial buying experience has a significant influence. (Oliver, 2015) clarified, however, that the customer experience which is predicated on making repeated purchases from the website is essentially linked to online satisfaction. (Slack & Singh, 2020) Customer satisfaction gauges how satisfied customers are with a good, service, or encounter. This emotional analysis is based on emotions, judgment, and engagement (Strenitzerová & Gaňa, 2018). Questions, surveys, and collection techniques are all used in e-commerce and e satisfaction. Without knowing their e-satisfaction, it is impossible to identify dissatisfied clients. Business ties are terminated by dissatisfied customers, and a firm with a high attrition rate will not be able to endure and differentiate itself in the marketplace. Consequently, the potential loss is assessed by the perpetual appraisal of e-satisfaction. The company is going to fail.

Customers are encouraged to be loyal and satisfied when using online shopping applications by emotional ties, which can take the shape of positive emotions like contentment and loyalty. (Ramli et al., 2024) asserts that although customers are quite satisfied, they are unable to determine the level of satisfaction among their e-customers. Their allegiance is directly correlated with their degree of enjoyment. E-customer contentment with a website tends to rise in tandem with e-customer satisfaction with a website, according to study by (Febriyanti et al., 2025). The long-term relationship between the consumer and the website determines e-customer satisfaction, which can be the key to the success of an e-customer loyalty business. According to some earlier research, e satisfaction significantly and favorably affects customer satisfaction (Tri Atmojo & Widodo, 2022); (Widia & Imanuddin, 2020)

### **Consumer Loyalty**

(Singh et al., 2023) customer satisfaction is when a product or service can successfully meet customer needs at a good and pleasant level resulting from the performance achieved. According to (Ozok et al., 2007) a business can increase customer loyalty by fostering direct connection between consumers and sellers. (Jones & Taylor, 2007) provide indicators of customer loyalty that encompass three different aspects: 1) behavioral loyalty, 2) attitude loyalty, and 3) cognitive loyalty. According to (Dilla & Ngatno, 2020) customer loyalty is a behavior that is shaped by the mindset of a loyal person in general. Customer satisfaction is the first step towards forming customer loyalty. Satisfaction is the level of satisfaction that results from comparing performance or perceived results to expectations. A customer who is extremely satisfied is more loyal; loyalty and satisfaction are closely related (Hutabarat & Prabawani, 2020).

The following is the hypothesis for this study, which is based on the statements of the several researchers mentioned above:

H1: E CRM has positive significant effect on customer loyalty  
H2: E CRM has positive significant effect on customer satisfaction  
H3: customer satisfaction has positive significant effect on customer loyalty  
H4 : E-CRM has significant effect on *Loyalty* through *Satisfaction*

## RESEARCH METHOD

This study employs quantitative research. The research subjects are consumers who use *Facebook* and *Instagram* social media in Malang City. Because the population size is not known precisely, this study uses *purposive sampling* because it aligns with the study's objective of not making generalizations (Memon et al., 2025). The specific characteristics used are Facebook and Instagram users who have purchased products on these social media platforms and actively use them in Malang City. Thus, a sample of 130 people was obtained using the formula of 13 indicators multiplied by 10. The research instrument used was a questionnaire with a Likert scale and was distributed using Google Forms.

E-CRM was adopted from (Lam et al., 2013) using the indicators of *perceived reward*, *preferential treatment*, *interpersonal communication*, and *direct mail*. Furthermore, the satisfaction variable was adopted from (Ranjbarian et al., 2012) with the indicators of *convenience*, *merchandising*, *site design*, *security*, and *serviceability*. Finally, the loyalty variable was adopted from (Oliver, 1999) with the indicators of *cognitive*, *affective*, *conative*, and *action*. The SmartPLS 3 application was utilized to analyze the data using structural equation modeling (SEM-PLS). In the testing, the structural model (Inner Model) was bootstrapped, which included hypothesis testing and model fit testing, after the model assessment (Outer Model) was evaluated using algorithms and validity and reliability tests were conducted.

## RESULT AND DISCUSSION

### Result

#### Validity Test

All variables (E-CRM, satisfaction, and loyalty) are included in Table 1, which displays the results of the convergent validity test on the outer model. Since the factor loading value for each variable is higher than 0.70, it can be said that all of the constructs are legitimate.

Table 2 indicates that each construct's AVE (Average Variance Extracted) values satisfy the validity requirements. According to the suggested criteria, AVE value greater than 0.50 indicates that the construct or latent variable has good convergent validity.

The E-CRM variable has a Cronbach's alpha value of 0.951, satisfaction 0.815, and loyalty 0.862, which is greater than 0.70, as well as a composite reliability value of each variable has a value greater than 0.70, according to the reliability test in Table 3. Thus, it can be said that the constructions used in this investigation are reliable, have good internal consistency and trustworthy.

**Table 1. Validity Test Results**

Variable	Indicator	Factor Loadings	Results
E-CRM	X.1	0.799	Valid
	X.2	0.750	Valid
	X.3	0.871	Valid
	X.4	0.773	Valid
	X.5	0.847	Valid
	X.6	0.812	Valid
	X.7	0.858	Valid
	X.8	0.823	Valid
	X.9	0.831	Valid
	X.10	0.765	Valid
	X.11	0.824	Valid
	X.12	0.704	Valid
Satisfaction	Z.1	0.822	Valid
	Z.2	0.822	Valid
	Z.3	0.809	Valid
	Z.4	0.798	Valid
	Z.5	0.759	Valid
Loyalty	Y.1	0.717	Valid
	Y.2	0.898	Valid
	Y.3	0.744	Valid
	Y.4	0.849	Valid

Source: Processed Data, 2024

**Table 2. Average Variance Extracted**

Variable	AVE	Results
E-CRM	0.650	Valid
<i>Satisfaction</i>	0.644	Valid
<i>Loyalty</i>	0.649	Valid

Source: Processed Data, 2024

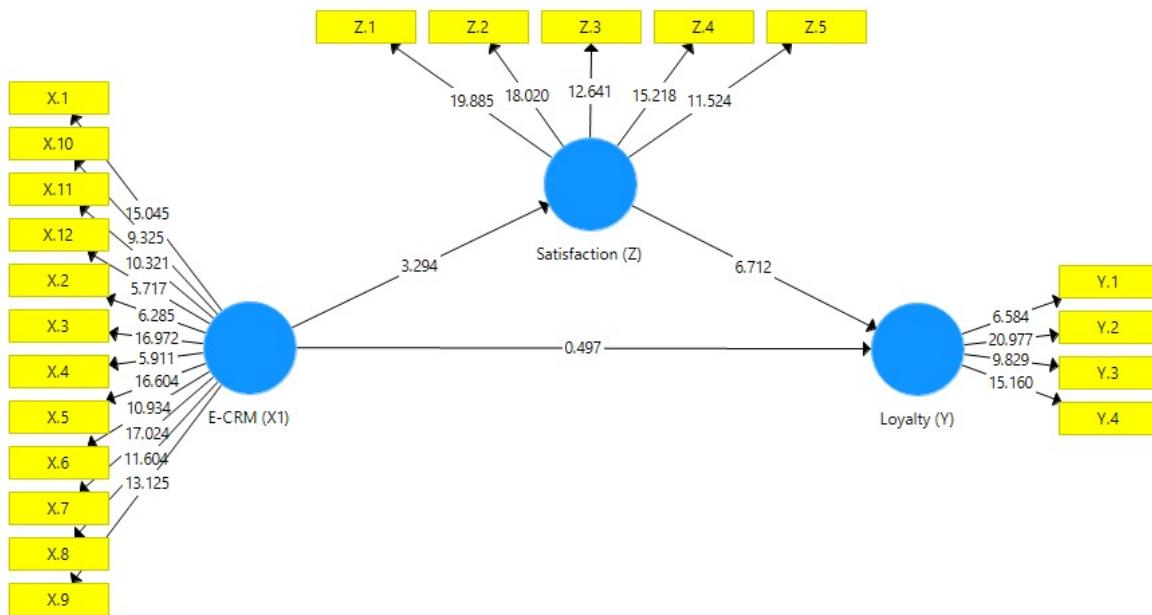
**Table 3. Reliability Test Results**

	Cronbach's Alpha	Composite Reliability	Conclusion
E-CRM	0.951	0.957	Reliable
<i>Satisfaction</i>	0.815	0.900	Reliable
<i>Loyalty</i>	0.862	0.880	Reliable

Source: Processed Data, 2024

### Structural Model (Inner Model)

The following are the results of the structural model, which can be seen in Figure 1 below.


**Figure 1. Inner Model estimation results**

Source: Output SmartPLS

**Table 4. Direct Effect**

Path Analysis		Original Sample	T-statistic	P-Value	Description
H <sub>1</sub>	E-CRM → Loyalty	0.060	0.497	0.620	Not Significant
H <sub>2</sub>	E-CRM → Satisfaction	0.435	3.294	0.001	Significant
H <sub>3</sub>	Satisfaction → Loyalty	0.584	6.712	0.000	Significant

Source: Processed Data, 2024

The t-statistic value of  $0.497 < 1.96$  and the p-value of  $0.620$ , which is greater than  $0.05$ , demonstrate that E-CRM cannot affect loyalty. To put it another way, user loyalty cannot be raised even with improved E-CRM on Facebook and Instagram. H<sub>1</sub> is thus rejected.

P-value of  $0.001$ , which is less than  $0.05$ , and a t-statistic value of  $3.294 > 1.96$  demonstrate that E-CRM significantly affects satisfaction. In other words, user happiness can be raised more dramatically with stronger E-CRM on Facebook and Instagram. H<sub>2</sub> is therefore accepted.

Satisfaction has a significant effect on loyalty, as evidenced by a t-statistic value of  $6.712 > 1.96$  and a p-value of  $0.000$ , which is less than  $0.05$ . In other words, the higher the satisfaction of Facebook and Instagram users, the more significantly it can increase user loyalty. Therefore, H<sub>3</sub> is accepted.

Next, the PLS model is assessed through the *R-squared* of each independent variable. Table 5 shows the *R-square* values obtained from data analysis with SmartPLS.

**Table 5. R-square**

Variable	Adjusted R-square	Description
<i>Satisfaction</i>	0.361	Moderate
<i>Loyalty</i>	0.180	Low

Source: Processed Data, 2024

Additionally, this study makes use of two impacted independent variables: satisfaction and E-CRM. According to Table 5, the satisfaction variable's adjusted R-squared value is 0.361, falling into the strong category. Additionally, the loyalty variable's R-Square score of 0.180 falls into the weak category. The Q-Square predictive-relevance (Q<sup>2</sup>) score is then used to assess how well the structural model fits the inner model. The satisfaction and loyalty endogenous variables in this study have respective R-square values of 0.180 and 0.496.

The *Q-Square predictive-relevance* value is obtained using the formula:

$$Q^2 = 1 - (1 - 0.180)(1 - 0.361)$$

$$Q^2 = 1 - (0.524)$$

$$Q^2 = 0.476$$

$$Q^2 = 47.6 \text{ percent}$$

The predictive-relevance value of 47.6%, as shown by the above formula, indicates that the model used in this investigation is feasible. Additionally, the 47.6% predictive-relevance number suggests that the research data varies by 47.6%. Errors and additional factors that are not yet included in the model account for the remaining 52.4%. The fact that the PLS model was able to describe 47.6% of the total data suggests that it is a reliable model.

## Mediation Test

**Table 6. Total Effect**

Hypothesis	Mediation	Description
Total Effect (t-statistic)	<i>Satisfaction</i>	
E-CRM and <i>Loyalty</i>	3.239	Significant

Source: Processed Data, 2024

The hypothesis for the mediation effect is accepted since, according to Table 6, the total effect table of the bootstrapping iteration leads to the sixth hypothesis. The t-statistic value of the mediation variable is  $3.239 > 1.96$ , indicating that satisfaction can mediate the effect of E-CRM on loyalty. Thus, it can be said that great satisfaction affects how E-CRM affects Facebook and Instagram users' loyalty. H4 is therefore accepted.

## Discussion

### E-CRM on Loyalty

Based on the results of hypothesis testing, it is known that E-CRM does not affect the loyalty of Facebook and Instagram users so hypothesis 1 (H1) is rejected. E-CRM owned by Facebook and Instagram has no significant influence on the loyalty of its

users; in fact, the better the E-CRM, the less it can increase *loyalty*. This is because *Facebook* and *Instagram* users will not be able to increase their loyalty if they are only influenced by E-CRM. Therefore, E-CRM is not a significant element for users in their efforts to increase loyalty, as it is discovered in practice that consumers require price cuts in order to increase their loyalty.

Many E-CRM systems focus on automating marketing, sales, and service processes but do not create genuine *emotional bonds*. Customers may feel "managed" rather than valued, so loyalty doesn't develop. Since a customer's decision to stay loyal is heavily influenced by other important elements including customer satisfaction, experience, service quality, and other outside influences, E-CRM may not have an impact on loyalty (Kariman et al., 2022). If a company's e-CRM implementation isn't supported by excellent customer service, personalized interactions, or fails to address specific customer needs, its impact on loyalty can be diminished or even non-existent, with other factors potentially having a stronger influence (Annahli et al., 2023). This result support by (Nurrohman et al., 2023). Curiously, yet, the findings of this investigation corroborate those of (Darojat, 2020) research. This theory demonstrates how organismal or individual elements impact a person's reaction to a stimulus when it is associated with S-O-R (Stimulus-Organism-Response) hypothesis.

The relationship between client loyalty and Electronic consumer Relationship Management (E-CRM) is significantly affected by emotions and motivations, as they determine how customers perceive and respond to digital relationship-building efforts. E-CRM initiatives such as personalized communication, responsive service, and consistent engagement serve as stimuli that influence customers' emotional and motivational states. Customers are more likely to form an affective attachment to the brand and become more loyal when these interactions arouse good emotions like trust, satisfaction, and gratitude. Conversely, negative emotions such as frustration, indifference, or disappointment can weaken this relationship, even if the E-CRM system functions effectively from a technical standpoint. Motivation further moderates this link by influencing the direction and intensity of loyalty behavior. Customers with strong intrinsic motivation, who value relational trust and identification with the brand, tend to interpret E-CRM activities as meaningful and relationship-enhancing, which reinforces long-term loyalty. In contrast, those driven by extrinsic motivation, such as rewards or discounts, may exhibit only short-term loyalty that diminishes once external incentives fade. Therefore, how well digital interactions match customers' emotional experiences and motivational impulses will determine how E-CRM affects customer loyalty. When emotional satisfaction and motivational alignment coexist, E-CRM systems are most effective in fostering deep, enduring loyalty rather than transactional or temporary commitment.

These elements include of emotions, motivations, prior experiences, perceptions, and more. A reaction or action is the result of the person's reaction to this stimuli. The fact that this hypothesis has not been proven can be interpreted to mean that users do not always expect high E-CRM in order to increase their loyalty to using *Facebook* and *Instagram*. This may occur because each user is already willing to make transactions on *Facebook* and *Instagram*, even without good E-CRM from the application. They believe that their loyalty can be higher not because of E-CRM, but because of other factors, such as discounts and price suitability. The findings of this analysis complement those of a prior study by (Prismantoro, 2020) and (Marshellina & Prabowo, 2013)

### **E-CRM on *Satisfaction***

The conclusion that hypothesis 2 (H2) is accepted is based on the results of hypothesis testing, which show that E-CRM significantly affects satisfaction. According to the widely acknowledged theory, customer satisfaction is impacted by E-CRM as it is used by Facebook and Instagram programs. Customer loyalty rises with the quality of Facebook's and Instagram's E-CRM. According to the findings of descriptive statistical analysis, the majority of respondents' average answers about employees' E-CRMs agreed with the statements made in the survey. Thus, this study provides empirical evidence that user satisfaction might be impacted by the E-CRM that Facebook and Instagram applications own. According to the positive coefficient value, user satisfaction increases with the quality of the E-CRM that Facebook and Instagram programs.

Previous studies have shown that e-CRM has a significant and positive impact on customer satisfaction (Nikou et al., 2016); (Magatef et al., 2023). Pre-service, at-service, and post-service are the three stages of the e-CRM transaction features, and they all help to improve customer satisfaction and build stronger online relationships (Alhaiou et al., 2009). This demonstrates that if e-CRM elements are implemented differently by each organization, the degree of customer happiness will vary as well. The degree of client satisfaction will increase if a business can effectively manage a connection, whether it be online or offline. Additionally, the studies cited above show that increasing client loyalty requires the presence of customer happiness. This is due to the fact that customer satisfaction and e-CRM features alone are not the only factors that determine the existence of client loyalty (Oumar et al., 2017).

### ***Satisfaction and Loyalty***

Since it is well established that loyalty is significantly impacted by satisfaction, hypothesis 3 (H3) is accepted based on the findings of the hypothesis testing. According to the widely recognized theory, Facebook and Instagram users' loyalty is strongly impacted by their level of personal pleasure; the more satisfied a user is, the more loyal they will be. According to the findings of descriptive statistical analysis, the majority of respondents' average answers about user satisfaction agreed with the statements made in the survey. Thus, this study provides empirical evidence that user loyalty can be impacted by individual user pleasure. A positive coefficient value means that Facebook and Instagram users are more loyal when they are satisfied. When it comes to selecting which goods or services to purchase, consumer behavior is always evolving. In the end, customer pleasure leads to their loyalty to the product or service. (Utami et al., 2023). Most of the research in this review show that customer satisfaction has a considerable impact on customer loyalty. where customer happiness either directly or indirectly affects client loyalty. The substantial direct impact is demonstrated by (Islam et al., 2021); (Hult et al., 2019); (Kasiri et al., 2017).

### **The Effect of E-CRM on *Loyalty* through *Satisfaction***

The study's findings suggest that the relationship between loyalty and E-CRM may be mediated by satisfaction. These findings show that E-CRM's impact on loyalty can be substantial when customer satisfaction is high. Accordingly, a high level of user happiness can amplify the impact of E-CRM on loyalty. This is demonstrated by the direct impact of E-CRM, which has no effect on customer loyalty. The influence of these

two factors, however, becomes considerable after the mediating variable of consumer happiness. Additionally, since customer satisfaction makes the relationship between E-CRM and customer loyalty important even when its direct influence is negligible, it may be said that it is the ideal mediating variable. This suggests that improving the E-CRM owned by Facebook and Instagram will increase user loyalty and satisfaction. Loyalty and consumer satisfaction have a complicated relationship. There are dissatisfied and loyal customers if e-satisfaction is a loyalty lever, and unsatisfied and unfaithful customers on the other hand. The research of (Kaur, 2018) provides arguments for this connection between E-CRM and E-satisfaction on the one hand and loyalty on the other. Additionally, the findings of (Kaya et al., 2019); (Suariedewi, 2020); (Amin, 2016) confirmed that customer trust, online customization, and perceived service quality all had an impact on satisfaction. Online buyers can evaluate these dimensions. Therefore, improving these procedures has a positive effect on client loyalty and satisfaction in a specific way.

## CONCLUSION

According to the study's findings, E-CRM has been shown to directly raise customer satisfaction. Customer loyalty is not much impacted by E-CRM, though. Customer satisfaction may then function as a mediating factor in the relationship between E-CRM and customer loyalty. The majority of respondents said that they were highly satisfied, according to the summary of their responses. The relationship between E-CRM and customer loyalty may be impacted by high satisfaction.

Theoretically, this research contributes to the existing body of knowledge by extending Oliver's (1999) consumer loyalty theory into the context of social media commerce. While most prior studies examined E-CRM and loyalty within traditional e-commerce or banking settings, this research introduces a new understanding of how E-CRM operates in social commerce environments. The study demonstrates that E-CRM alone does not directly lead to customer loyalty; rather, it influences loyalty indirectly through customer satisfaction. This finding refines the theoretical model of loyalty formation by emphasizing satisfaction as a crucial mediating mechanism between technological relationship management and behavioral outcomes.

Practically, the study provides meaningful implications for social media marketers, online retailers, and digital strategists. It highlights that simply investing in E-CRM systems such as automated responses, personalized communication, or digital reward mechanisms is insufficient to foster user loyalty if those tools do not enhance customer satisfaction. Businesses using platforms like Facebook and Instagram should therefore focus on improving user experience, responsiveness, and emotional engagement in their E-CRM strategies. Moreover, the findings provide valuable guidance for policymakers and platform developers aiming to strengthen customer retention in the increasingly competitive social commerce landscape. It is advised to add research objects to other online purchasing applications and evaluate user loyalty across other applications for additional study. To further investigate the factors that can boost consumer loyalty, it is also advised to include additional mediating variables, such as pricing and discounts.

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