
The Effect of Digital Marketing Strategy, Brand Awareness, and Customer Satisfaction on Shopee Customer Loyalty in Batam with Customer Engagement as a Mediator

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Abstract

The rapid development of digital technology has transformed marketing strategies in Indonesia, especially in e-commerce. Shopee, as a leading e-commerce platform, employs digital marketing strategies to attract consumers and maintain their loyalty. However, to stay competitive, it is crucial to understand the factors influencing customer loyalty, such as brand awareness, customer satisfaction, and customer engagement. Analyze the impact of digital marketing strategies, brand awareness, and customer satisfaction on Shopee's customer loyalty. Examine the role of customer engagement as a mediating variable in these relationships. This study uses a quantitative approach with a causal design. The sample consists of 200 active Shopee users in Batam. Data was collected using a six-point Likert scale questionnaire and analyzed using Structural Equation Modeling (SEM) based on Partial Least Squares (PLS-SEM). The results indicate that digital marketing strategies, brand awareness, and customer satisfaction positively influence customer loyalty and customer engagement. Customer engagement serves as a partial mediator in the relationship between these three variables and customer loyalty. The study concludes that factors like digital marketing strategies, brand awareness, and customer satisfaction influence customer loyalty, with customer engagement acting as a mediator that strengthens these effects.

INTRODUCTION

The development of digital technology has triggered a major transformation in the way companies reach and interact with their consumers. One of the most significant impacts of this digital era is the increasing relevance of Digital Marketing in business strategies, especially in the e-commerce sector. In Indonesia, the e-commerce industry has grown very rapidly in the past decade. The increasing penetration of the internet and the use of smartphones in various major cities and second-tier cities such as Batam have also accelerated this growth. In this context, digital marketing strategy is the main key in winning the hearts and loyalty of consumers (López García et al. 2019; Nasti et al. 2024; Razak 2024).

Shopee occupies a position as one of the most dominant e-commerce platforms in Indonesia, when viewed from the number of internet users who access the platform. According to the 2025 Internet Penetration Survey by APJII, Shopee is accessed by 53.22% of Indonesian internet users, far outperforming other platforms such as TikTok Shop (27.37%), Tokopedia (9.57%), and Lazada (9.09%). These findings show Shopee's position as a major player that

has a wide reach in the national e-commerce market. Shopee's dominance is influenced by a combination of a holistic digital marketing strategy and interactive features that attract consumers. Features such as live shopping, daily promotions, gamification integration, and easy-to-use digital logistics and payment systems have become part of the ecosystem that helps Shopee maintain its competitive advantage.

In addition, an independent survey conducted by research institutions such as Ipsos (2025) shows that 62% of respondents rate Shopee as the platform that helps MSME growth the most, indicating that this platform is not only popular among end consumers, but also among small and medium-sized business people who increasingly rely on digital channels to expand their market share.

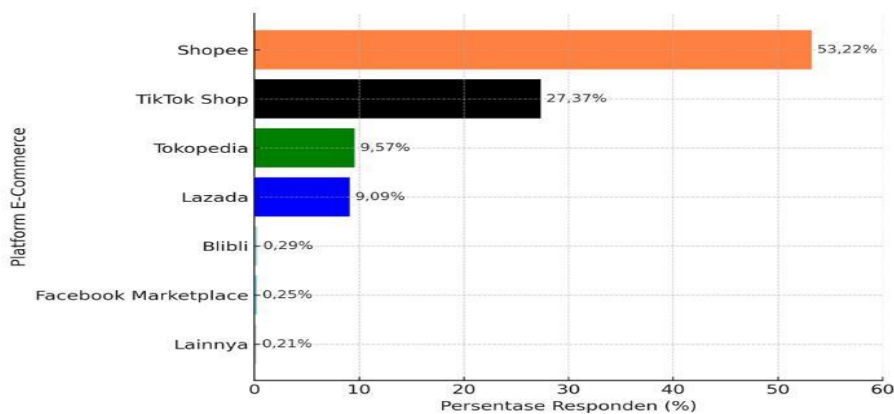


Figure 1. E-commerce Most Frequently Accessed by Indonesians

Source: GoodStats (2025)

The emergence of innovative digital marketing strategies is an important part of the competition between e-commerce platforms, especially in attracting and retaining consumers. In the context of Digital Marketing, user engagement is seen as a crucial factor in building a relationship between consumers and brands/platforms. High interaction through digital features such as live streaming, content sharing, and personalization of experiences is an important indicator in encouraging consumer loyalty in this all-digital era. Nevertheless, national surveys and industry reports show that penetration rates, feature preferences, and shopping behaviors can differ between regions, especially between megacities with smaller or border areas such as Batam. Although national data illustrates the dominance of Shopee in general, the small number of studies that specifically examine the behavior of e-commerce consumers in Batam shows that there is a research gap related to the dynamics of Digital Marketing and consumer loyalty at the regional level.

This phenomenon creates an urgent research need to understand how Digital Marketing strategies, Brand Awareness, and customer satisfaction affect consumer loyalty in Batam, and the extent to which Customer Engagement plays a mediator in this context. This kind of research is important because the characteristics of local markets, including digital adoption rates, consumer preferences for e-commerce services, as well as purchasing behavior, can differ significantly from overall national conditions. The data is mostly sourced from the national or regional scale (Southeast Asia). In marketing practices, local strategies often produce different results due to variations in demographics, cultures, shopping habits, and consumer views of

digital media in each region. Batam City, as one of the industrial and trade centers in Indonesia with typical urban population characteristics and a fairly high digital adoption rate, provides an interesting context to re-test the effectiveness of the digital marketing strategy implemented by Shopee.

Rowi et al. (2024) stated that a Digital Marketing strategy that is personal, relevant, and often appears consistently will strengthen user engagement, which will ultimately build consumer loyalty to a brand or platform. This shows that Digital Marketing is not just a promotional tool, but also a medium to build emotional connections and meaningful experiences for users. The "The Most Trusted E-commerce" survey released by Kadence International on December 8, 2022 shows that customer satisfaction in online shopping is mainly influenced by the quality of user experience, transaction security, and service reliability, while promotion plays a supporting factor, not the main determinant of satisfaction. The results of this survey confirm that e-commerce consumers are increasingly rational and oriented towards the quality of interaction and trust in the Platform, not just short-term price incentives. The findings are relevant to the strategy implemented by Shopee, which relies on various forms of interactive Digital Marketing strategies such as Shopee Live, in-app games, flash sales, and personalized promotions. This strategy not only aims to increase transactions, but also encourage active consumer engagement through continuous interaction within the app. Data from Campaign Asia shows that interaction-based digital marketing approaches in Southeast Asia are able to significantly increase engagement rates and have a positive impact on e-commerce business performance.

On the other hand, consumer loyalty is one of the important aspects in long-term business sustainability, especially in the highly competitive e-commerce industry. Loyal consumers not only make repeat purchases, but also have the potential to become natural promoters through word of mouth or positive reviews on digital platforms. Therefore, building consumer loyalty cannot only rely on momentary discounts or short-term promotional strategies, but requires a more strategic approach through Digital Marketing designed to build authentic engagement, with the support of Brand Awareness and customer satisfaction.

The urgency of this research lies in the need to understand how Shopee's Digital Marketing strategy has a real impact on consumer loyalty in local areas such as Batam, by taking into account the role of Brand Awareness, customer satisfaction, and Customer Engagement as mediating variables. If Shopee nationally is able to create high engagement and increased conversions, then does the same pattern apply in Batam? Do users in Batam have the same positive digital experience? Do local factors such as application preferences, technology access, and consumption styles influence the effectiveness of the strategy? This research also has a uniqueness in the theoretical model used, namely by including Customer Engagement as a mediating variable in the relationship between Digital Marketing strategies, Brand Awareness, customer satisfaction, and consumer loyalty. This is based on the assumption that good Digital Marketing, combined with awareness and satisfaction, will increase engagement, and high engagement will encourage loyalty. This mediation model provides a more in-depth approach in understanding the mechanisms of how Digital Marketing strategies affect consumer loyalty, compared to the direct model alone. Although various studies have examined Digital Marketing and consumer behavior, empirical research that integrates Digital Marketing, Brand Awareness, customer satisfaction, Customer Engagement, and customer loyalty in the

local context is still relatively limited, especially in the city of Batam and on large-scale e-commerce platforms such as Shopee (Santoso & Lestari, 2023). Most previous research focused more on local brands, the MSME sector, or social media such as Instagram and TikTok. Therefore, this research is expected to fill the gap in the literature and make significant theoretical and practical contributions.

Directly, the findings of this study will provide an advantage for Shopee management in analyzing the extent to which their digital marketing strategy is functioning in the domestic market, as well as as a reference to formulate a more specific and appropriate approach to strengthen brand awareness, customer satisfaction, interaction, and consumer engagement. For other e-commerce players in Batam, the results of this study can also be a guide to recognize digital marketing strategies that have been proven effective as well as in building long-term relationships with customers.

RESEARCH METHOD

Research Object

Based on the analysis and elaboration of the problems that have been described in the previous chapter, the purpose of this study is to examine the impact of digital marketing strategies, brand awareness, and customer satisfaction on consumer loyalty, with customer involvement functioning as an intermediary variable, in the context of the Shopee e-commerce platform in the Batam area. The determination of the research object was carried out by considering the relevance between the characteristics of the respondents, the variables being studied, and the operational scope of the Shopee platform itself. The object in this study is an active user of the Shopee e-commerce platform domiciled in Batam City, with the unit of analysis being individual consumers who have made purchases through Shopee at least twice in the last three months, which will be filtered through questions in the questionnaire.

The selection of this object is motivated by the high penetration of Shopee's digital marketing among urban communities, as well as the importance of brand awareness, customer satisfaction, and consumer loyalty in maintaining a competitive advantage in the highly dynamic e-commerce industry. This research was conducted in the Batam City area, Riau Islands Province, which was chosen because it is one of the metropolitan cities with a high level of digital technology adoption and a strategic market for the development of national e-commerce, including Shopee. The study was not tied to a specific physical location, as the data was collected online through the dissemination of electronic questionnaires.

The respondents in this study are Shopee consumers in Batam who meet certain criteria, such as having made purchase transactions at least twice in the last three months, aged between 18 and 40 years, and knowing the promotional strategies or digital campaigns carried out by Shopee. This research is planned to last for ± 4 months, which includes the preparation stage, preparation of instruments, data collection, data analysis, and preparation of thesis reports. This research is quantitative with a causal approach, to examine the cause-and-effect relationship between independent variables, mediating variables, and dependent variables, and explain the relationship between variables in the context of consumer behavior on e-commerce platforms.

Data Collection Procedure

This study utilizes primary and secondary data as a foundation to empirically analyze the relationship between digital marketing strategy, customer engagement, and consumer loyalty

among users of the Shopee e-commerce platform in Batam. Primary data was collected directly from respondents who were the analysis unit in the study, namely active Shopee users who were domiciled in Batam City. The primary data collection technique was carried out through a survey method using an online questionnaire based on Google Form. This questionnaire was compiled using a 6-point Likert scale, ranging from "strongly disagree" to "strongly agree", to measure respondents' perception of the indicators of each research variable. The selection of the online questionnaire method is considered the most appropriate considering that the target respondent is a digital user who is used to using online platforms, and considers time and cost efficiency in the data collection process.

In addition to primary data, this study also uses secondary data obtained from various sources such as scientific journal articles, textbooks, publications from trusted research institutions. This secondary information is used to support the background of the problem, reinforce the urgency of the research, and explain the trends and developments of Digital Marketing in Indonesia in general and Batam in particular.

Data Analysis

The data analysis in this study uses Partial Least Square (SmartPLS) as a way to validate the measurement model and test hypotheses and analyses in multigroup. In terms of response, PLS can connect a set of independent variables and multiple dependent variables (responses). From the predictor side, PLS can process many independent variables even when the predictor displays multicollinearity (Garson, 2016). In this study, the Structural Equation Model (SEM) method was applied which allowed researchers to simultaneously estimate the complex relationships between several dependent and independent variables.

There are two popular SEM methods, namely CB-SEM (covariance-based structural equation model) which is a type of SEM used to confirm (or refute) theories and the underlying hypothesis, and PLS-SEM (partial least squares structural equation model) is a causal-predictive approach that explains variance in dependent variables and is rapidly evolving as a statistical modeling technique (Hair et al., 2021). In this study, the type of PLS-SEM is used because it is considered more appropriate to analyze and explain the relationship between variables.

RESULTS AND DISCUSSION

Research Results

This study involved as many as 200 respondents who were active users of the Shopee e-commerce platform and domiciled in Batam City. All respondents have met the purposive sampling criteria, namely having made purchases at least twice in the last three months, aged between 18 and 40 years, and knowing and having been exposed to Shopee's digital marketing campaigns. The characteristics of the respondents show that the data collected comes from relevant consumers who have direct experience in using Shopee services.

Based on age characteristics, the majority of respondents were in the age range of 21–30 years. This age group reflects a segment of consumers that has a high level of digital technology adoption and a relatively frequent intensity of e-commerce use. In terms of shopping experience, most respondents stated that they routinely take advantage of various Shopee features such as flash sales, free shipping vouchers, and Shopee Live. This shows that

respondents have an adequate level of engagement to assess Digital Marketing strategies, Brand Awareness, satisfaction, engagement, and loyalty to Shopee.

Descriptive statistical analysis was carried out to provide an initial overview of respondents' perceptions of each research variable. The measurement was carried out using a Likert scale of 1–6, where higher values indicate a stronger level of approval of the statements in the questionnaire. The results of the analysis show that the Digital Marketing Strategy variable has an average value (mean) of 4.82. This value indicates that respondents generally agree that Shopee's digital marketing activities, whether through social media, digital advertising, influencers, or interactive content, are considered attractive and easy to reach. The Brand Awareness variable obtained an average value of 4.75, which shows that Shopee has a very strong level of brand awareness in consumers' minds.

The Customer Satisfaction variable showed an average value of 4.78, which reflects that the majority of respondents are satisfied with Shopee's services, both in terms of ease of transactions, security, and service reliability. Furthermore, Customer Engagement has an average score of 4.76. This value shows that respondents are quite active in paying attention to Shopee content, interacting with the digital activities provided, and having an emotional closeness to the Shopee brand. The Consumer Loyalty variable has an average value of 4.91. These results indicate that respondents have a high tendency to continue using Shopee, recommending it to others, as well as making it the main e-commerce platform. Overall, the results of descriptive statistics show that all research variables are in the good to very good category.

Digital Marketing Strategy vs Shopee Consumer Loyalty in Batam.

The results of the hypothesis test show that the Digital Marketing strategy has a positive and significant influence on Shopee consumer loyalty in Batam. This finding indicates that the more effective the digital marketing strategy implemented by Shopee through social media, digital advertising, influencer marketing, and interactive content, the higher the level of consumer loyalty.

Theoretically, these results support the concept of digital relationship marketing which states that digital marketing functions not only as a communication tool, but also as a means of building long-term relationships with customers (Tiago & Veríssimo, 2014). A consistent and relevant Digital Marketing strategy is able to create positive perceptions and pleasant shopping experiences, thus encouraging consumers to continue using the same platform.

Empirically, these findings are in line with the research of Ande Putra & Indriani (2024) and Kurniawan et al. (2024) which found that Digital Marketing activities have a direct effect on e-commerce customer loyalty. In the context of Shopee in Batam, the intensity of campaigns such as flash sales, free shipping, and Shopee Live strengthens consumers' attachment to the Platform, so they are less likely to move to competitors.

Digital Marketing Strategy vs Customer Engagement of Shopee consumers in Batam.

The results of the study show that the Digital Marketing strategy has a positive and significant effect on Customer Engagement. These findings show that Shopee's digital marketing activities have succeeded in creating cognitive, emotional, and behavioral consumer engagement.

These results support the theory of the Customer Engagement framework from Hollebeek et al. (2014), which states that engaging and interactive digital interactions are able to trigger

attention, positive emotions, and active consumer participation. Shopee's digital content such as live streaming, games, and community-based campaigns encourages consumers not only as passive buyers, but as active participants in the Platform ecosystem. This study reinforces the findings of Kurniawan et al. (2024) and Saputra et al. (2024) who stated that the success of Digital Marketing is measured by its ability to build engagement, not just awareness. Thus, Shopee's digital marketing strategy in Batam has proven to be effective as an initial trigger for customer engagement

Brand Awareness vs Shopee consumer loyalty in Batam.

The test results show that Brand Awareness has a positive and significant influence on consumer loyalty. This confirms that a high level of brand awareness makes Shopee easier to remember, trust, and consistently choose by consumers. This finding is in line with the brand equity theory from Keller (2020), which states that Brand Awareness is the main foundation in building customer loyalty. When Shopee is in the top of mind, consumers tend to reduce perceived risk and speed up purchase decision-making.

Empirically, these results support the research of Dwi Anggita et al. (2023) and Huang & Benyoucef (2017), who stated that strong brand awareness contributes directly to loyalty on e-commerce platforms. In the competitive context of Batam, Shopee's success in building a strong brand identity is an important factor in retaining a customer base.

Brand awareness vs customer engagement of Shopee consumers in Batam.

The results of the study prove that Brand Awareness has a positive and significant effect on Customer Engagement. Consumers who have a high level of brand awareness tend to be more emotionally and behaviorally engaged with Shopee. These results support the view of Wirtz et al. (2019) who stated that brands with a high level of familiarity are more likely to build emotional interactions and connections with consumers. Brand Awareness creates a sense of security, psychological closeness, and initial trust that encourages consumers to interact more actively.

These findings are consistent with research by Rowi et al. (2024) which affirms that Brand Awareness is a prerequisite for the formation of Customer Engagement. In the context of Shopee, consumers who already know the brand well are more active in participating in digital campaigns and participating in interactive features.

Customer satisfaction vs Shopee consumer loyalty in Batam.

The test results show that customer satisfaction has a positive and significant effect on consumer loyalty. This means that the satisfaction felt by consumers with Shopee's services directly encourages repurchase behavior and long-term commitment. These findings support the Expectancy Disconfirmation Theory (EDT) which states that satisfaction arises when service performance meets or exceeds consumer expectations (Hinz et al., 2011). Repeated satisfaction will develop into stable loyalty.

These results are also in line with the research of Saputra et al. (2024) and Hartini & Ramadhan (2023) who found that satisfaction is the main determinant of loyalty in e-commerce. In this study, the ease of transactions, security, and quality of Shopee's services were proven to be key factors in shaping consumer loyalty in Batam.

Customer satisfaction vs customer engagement of Shopee consumers in Batam

The results of the study show that customer satisfaction has a positive and significant influence on Customer Engagement. Satisfied consumers tend to be more active in interacting,

participating, and engaging in Shopee's digital activities. Findings this reinforces the concept of Service-Dominant Logic (SDL) which states that value is created through continuous interaction between customers and companies. Satisfaction encourages consumers to engage more deeply as a co-creator of value.

These results are in line with Kadek Adi Martini et al. (2022) and Saputra et al. (2024) who stated that satisfaction is the main trigger for engagement. In the context of Shopee, satisfied consumers are more active in following Shopee Live, providing reviews, and interacting with promotional content.

Customer Engagement vs Shopee consumer loyalty in Batam.

The test results show that Customer Engagement has a positive and significant effect on consumer loyalty. This confirms that customer engagement is a key psychological mechanism in shaping long-term loyalty.

These results support the theory of Hollebeek et al. (2014) which states that engagement functions as a psychological bond between customers and brands. Consumers who are cognitively, emotionally, and behaviorally engaged will have stronger attachment and resistance to competitors' offers. Empirically, these results are consistent with the research of Rowi et al. (2024) and Erryanjani et al. (2024), which show that engagement not only drives repurchase, but also advocacy behavior. In the context of Shopee in Batam, engagement is a determining factor for the success of a long-term loyalty strategy.

Customer Engagement mediates the influence of Digital Marketing strategies on Shopee consumer loyalty in Batam.

The results of the hypothesis test show that Customer Engagement is proven to mediate the influence of Digital Marketing strategies on Shopee consumer loyalty in Batam. These findings indicate that the influence of Digital Marketing strategies on loyalty does not only occur directly, but also through increased customer engagement as an intermediary mechanism.

Methodologically, the results of the indirect effect test on the PLS-SEM model show that the Digital Marketing Strategy → Customer Engagement → Consumer Loyalty pathway is significant. This indicates that Customer Engagement functions as a partial mediation, where the Digital Marketing strategy still has a direct influence on loyalty, but its strength increases when customer engagement is also taken into account.

These findings are in line with the Customer Engagement Theory put forward by Hollebeek et al. (2014), which states that effective digital marketing does not necessarily create loyalty, but first fosters cognitive, emotional, and behavioral consumer engagement. Shopee's Digital Marketing strategies such as live streaming, gamification, and interactive campaigns, encourage consumers to be actively engaged, which then forms long-term emotional attachment.

Empirically, the results of this study reinforce the findings of Aris Kurniawan et al. (2024) and Rowi et al. (2024) who stated that Customer Engagement is a significant mediator between Digital Marketing activities and e-commerce customer loyalty. Thus, Shopee consumer loyalty in Batam is not solely built through the intensity of digital promotions, but through the quality of interaction and experience felt by consumers while interacting with the Platform.

Customer Engagement mediates the influence of Brand Awareness on Shopee consumer loyalty in Batam.

The results of the study show that Customer Engagement plays a significant role as a mediating variable in the relationship between Brand Awareness and consumer loyalty. These findings suggest that high brand awareness is not enough to create loyalty if it is not followed by active consumer engagement with the brand.

Statistically, the results of the mediation test showed that the indirect pathway of Brand Awareness → Customer Engagement → Consumer Loyalty was significant, while the direct influence of Brand Awareness on loyalty remained significant. This indicates the occurrence of partial mediation, where Customer Engagement strengthens and explains the mechanism of Brand Awareness's influence on loyalty.

Theoretically, these findings support the Brand Relationship Theory model (Keller, 2020), which states that brand awareness is the initial stage in building a brand-customer relationship, but loyalty will only be formed when consumers are emotionally and behaviorally engaged with the brand. Brand Awareness creates familiarity, while Customer Engagement turns that familiarity into emotional attachment.

These results are also consistent with the research of Huang & Benyoucef (2017) and Putra & Sary (2024), which shows that Brand Awareness increases loyalty through increased customer engagement. In the context of Shopee, consumers who know the brand well tend to be more active in participating in digital campaigns, interacting with content, and participating in promotional activities, which ultimately strengthens loyalty.

Customer Engagement mediates the influence of customer satisfaction on Shopee consumer loyalty in Batam.

The test results showed that Customer Engagement significantly mediated the relationship between customer satisfaction and Shopee consumer loyalty in Batam. These findings confirm that customer satisfaction does not automatically generate loyalty, but works through increased customer engagement as an intermediary psychological mechanism.

Based on the results of the indirect effect in the PLS-SEM analysis, the Customer Satisfaction → Customer Engagement → Consumer Loyalty pathways show strong significance. Meanwhile, the direct influence of customer satisfaction on loyalty remains significant, so Customer Engagement is categorized as partial mediation.

Theoretically, these results reinforce the Service-Dominant Logic (SDL) put forward by Vargo and Lusch (2016), which states that value and loyalty are created through continuous interaction between customers and companies. Satisfaction is the initial condition, but it's the active involvement of the customer that turns that satisfaction into a long-term commitment. These findings are in line with research by Saputra et al. (2024) and Kadek Adi Martini et al. (2022), which shows that Customer Engagement is the main bridge between satisfaction and loyalty on digital platforms. In the context of Shopee in Batam, satisfied consumers not only make repeat purchases, but also actively participate in interactive features such as Shopee Live, leave reviews, and recommend the Platform to others.

The results of this study confirm that an effective digital marketing strategy, high level of brand awareness, and good customer satisfaction have an important role in building consumer loyalty on the Shopee e-commerce platform in Batam. These findings support the

theory of digital marketing and relational marketing that states that continuous interaction and positive consumer experiences are key in creating long-term loyalty.

The role of Customer Engagement as a mediating variable shows that consumer engagement is an important mechanism that connects digital marketing activities with loyalty. Consumers who are emotionally engaged and actively interacting with brands tend to have stronger commitment and higher resistance to offers from competing platforms. Thus, the results of this study provide empirical evidence that Customer Engagement is a strategic element in managing customer relationships in the competitive e-commerce era.

Based on the results of the analysis, the priority order of influence on loyalty and engagement based on the path coefficient is: (1) Customer Engagement → Loyalty ($\beta = 0.34$); (2) Customer Satisfaction → Engagement ($\beta = 0.31$); (3) Customer Satisfaction → Loyalty ($\beta = 0.29$); (4) Brand Awareness → Engagement ($\beta = 0.27$); and (5) Brand Awareness → Loyalty ($\beta = 0.26$), with Digital Marketing as an antecedent through engagement. The main managerial implication is the strengthening of customer engagement as a driver of loyalty, because it has the greatest influence on loyalty.

Therefore, Shopee's strategic focus must be directed at improving the quality and intensity of consumer engagement, such as making engagement the main KPI of digital marketing, developing activity-based loyalty programs, and expanding interactive features such as Shopee Live and gamification to encourage cognitive, emotional, and behavioral interactions. Increasing customer satisfaction also has a strong influence on engagement and loyalty. The managerial implications include ensuring consistency of the user experience across digital touchpoints, improving complaint handling, and strengthening transaction security systems.

Brand awareness, although it affects engagement and loyalty, must be converted into interaction to avoid stopping at the introduction stage. Therefore, brand communication must focus on the transition from awareness to interaction, with a geo-targeted marketing approach in Batam to increase the relevance of the message. Digital marketing strategies should also be designed to create experiential value, not just exposure, with a focus on interactive content and the use of data analytics for personalization. Based on statistical priorities, the largest budget should be allocated to programs to increase engagement, followed by improving service quality and satisfaction, and strengthening brand awareness. Digital advertising should focus on content that triggers interactions to improve marketing efficiency and strengthen customer retention.

CONCLUSION

Based on the results of data analysis using the Structural Equation Modeling–Partial Least Squares (PLS-SEM) approach and testing ten research hypotheses, the conclusion of this study shows that digital marketing strategies have been proven to have a positive and significant effect on Shopee consumer loyalty in Batam, as well as on customer engagement. Digital marketing activities such as social media promotions, interactive content, and digital campaigns play a role in increasing consumers' tendency to make repeat purchases and maintain long-term relationships with Shopee. Brand awareness also has a positive influence on consumer loyalty and customer engagement, while customer satisfaction has a positive effect on customer loyalty and engagement. Furthermore, customer engagement acts as a

mediator that strengthens the influence between digital marketing strategies, brand awareness, and customer satisfaction on consumer loyalty. These findings are consistent with previous research showing that digital interaction and marketing personalization play an important role in building long-term relationships with customers. The results of this study also strengthen the theory that brand awareness is the main foundation in building consumer loyalty, and that customer satisfaction is a major determinant in creating long-term loyalty. Overall, this study proves that Shopee's consumer loyalty in Batam is formed through a relational mechanism involving digital marketing strategies, brand awareness, and customer satisfaction, with customer engagement as a mediating variable that connects the digital experience with consumer loyalty commitment.

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