

WHAT DRIVES LOYALTY IN THE DIGITAL HOUSING MARKET? INSIGHTS FROM SOCIAL MEDIA MARKETING, CUSTOMER EXPERIENCE, AND PAYMENT EASE AMONG FIRST-TIME BUYERS

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Abstract

This study examines the influence of Social Media Marketing, Purchase Experience, and Ease of Payment on Customer Satisfaction and Customer Loyalty among first-time homebuyers in Jambi City. As digitalization accelerates across Indonesia's property sector, consumers rely increasingly on social media for information, and digital payment technologies have transformed transaction processes. A mixed-methods approach was adopted, combining quantitative analysis using Partial Least Squares Structural Equation Modeling (PLS-SEM) on 215 respondents with qualitative insights gathered through a Focus Group Discussion (FGD) involving property developers, banking institutions, industry associations, academics, and local government representatives. The findings indicate that all three exogenous variables significantly affect customer satisfaction and loyalty. Social media marketing enhances consumer trust through transparent digital information, while purchase experience significantly shapes satisfaction through responsive communication, clarity of administrative processes, and personalized assistance. Ease of payment emerges as the most influential driver of satisfaction, highlighting the rising consumer expectation for simplified, secure, and digitized mortgage and payment procedures. Customer satisfaction mediates the effects of the three exogenous variables on loyalty, demonstrating that emotional comfort and trust are key determinants of long-term consumer commitment. These findings provide strategic implications for property developers, financial institutions, and policymakers in strengthening marketing, service quality, and digital transformation within Indonesia's evolving property market.

Keywords: Digital Marketing, Purchase Experience, Ease of Payment, Customer Satisfaction, Customer Loyalty

Introduction

Digital transformation has significantly reshaped consumer behavior across industries, including highly traditional sectors such as property development. The proliferation of internet access and the rapid expansion of social media platforms have changed how individuals search for, evaluate, and make decisions about products and services (Dwivedi et al., 2020). In Indonesia, the digital ecosystem has grown rapidly, supported by increased smartphone penetration and shifting consumer preferences toward online information sources and virtual interactions. Younger generations—particularly millennials and early professionals—now dominate the segment of first-time homebuyers, and their purchasing journey is strongly influenced by digital touchpoints (REI, 2024).

In regional markets such as Jambi City, this trend is especially evident. Jambi's economy grew by 4.51% in 2024 (BPS Provinsi Jambi, 2024), improving purchasing power and fueling demand for residential properties. Alongside this economic growth, digital behavior among local consumers has intensified. Social media platforms such as TikTok and Instagram have become key sources of property information, reflecting broader global trends in digital consumption where visual, interactive content shapes consumer perceptions and decision-making (Dwivedi et al., 2020; Lemon & Verhoef, 2016).

The payments landscape has also undergone significant transformation. Bank Indonesia (2024) reported a 36% year-on-year increase in QRIS and e-wallet transactions, signaling growing consumer trust in digital payment systems. These developments align with the Technology Acceptance Model (Davis, 1989) and the Unified Theory of Acceptance and Use of Technology (Venkatesh et al., 2012), which highlight that perceived ease of use, usefulness, and trust greatly influence technology adoption—including digital payment methods. In the context of property purchases, where administrative complexity and transaction value are high, simplified and secure digital payment processes can significantly shape satisfaction and reduce perceived risk.

Existing literature also emphasizes the importance of customer experience throughout the entire consumer journey. Lemon and Verhoef (2016) argue that modern consumers evaluate brands not only based on product attributes but on the cumulative experience across multiple touchpoints. This aligns with the Customer Satisfaction–Loyalty Framework proposed by Oliver (1999), which posits that positive experiences—whether informational, emotional, or transactional—are prerequisites for loyalty formation.

Despite these developments, empirical findings on the influence of social media marketing, purchase experience, and ease of payment on satisfaction and loyalty remain inconsistent. Moreover, studies focusing on first-time homebuyers in regional Indonesian markets are limited, leaving a gap in the literature regarding

how digital engagement and payment innovations shape behavior within this specific segment. This study seeks to address these gaps by examining the antecedents of satisfaction and loyalty among first-time homebuyers in Jambi City through an integrated digital marketing and consumer experience lens.

Literature Review

Social Media Marketing (SMM)

Social Media Marketing enables organizations to engage consumers through interactive, real-time, and personalized content. Platforms such as TikTok and Instagram influence how young consumers search for and evaluate property information (Dwivedi et al., 2020). Effective SMM incorporates interactivity, informativeness, entertainment value, credibility, and personalization, which reduce information asymmetry and strengthen digital trust (Erkan & Evans, 2021).

By shaping expectations and emotional responses, SMM influences satisfaction (Lemon & Verhoef, 2016) and contributes to loyalty formation (Oliver, 1999). In the property market, transparent and responsive digital content is particularly important for first-time homebuyers navigating high-stakes decisions.

Purchase Experience

Purchase experience encompasses cognitive, emotional, relational, and behavioral dimensions across the customer journey. Lemon and Verhoef (2016) argue that customer experience is cumulative across pre-purchase, purchase, and post-purchase stages. For property buyers, clarity of information, professional guidance, and empathy significantly reduce anxiety and enhance perceived value.

Research by Homburg, Jozić, and Kuehnl (2017) emphasizes that consistent, smooth interactions across touchpoints foster satisfaction. Relational warmth, administrative clarity, and trustworthy guidance are especially influential for novice buyers, who often depend on developers for reassurance.

Ease of Payment

Ease of payment reflects consumers' perceptions of convenience, clarity, accessibility, and security in financial transactions. In technology adoption theory, perceived ease of use is central to user acceptance (Davis, 1989), while UTAUT2 highlights effort expectancy and facilitating conditions as critical drivers of adoption (Venkatesh et al., 2012).

In Indonesia, digital payment systems such as QRIS and e-wallets continue to gain traction, with Bank Indonesia (2024) reporting substantial growth in transaction volume. Ease, flexibility, and security of digital payments significantly influence satisfaction (Fauzi, 2023; Lestari, 2021). For property buyers, simplified payment processes—especially for mortgages—reduce perceived risk and establish trust toward developers and financial institutions.

Customer Satisfaction

Customer satisfaction arises when experiences meet or exceed expectations (Oliver, 1999). Satisfaction is shaped by the cumulative impact of marketing communication, service interactions, and transaction processes (Lemon & Verhoef, 2016).

In property transactions, satisfaction reflects psychological comfort, emotional reassurance, and perceptions of fairness. Hapsari, Clemes, and Dean (2017) demonstrate that satisfaction mediates the relationship between consumer experience and loyalty, reinforcing its central role in determining long-term behavioral intentions.

Customer Loyalty

Customer loyalty comprises attitudinal commitment and behavioral intention to repurchase or recommend a product or service (Oliver, 1999). Positive experiences and consistent satisfaction strengthen loyalty through emotional connection and trust (Homburg et al., 2017).

In the digital property ecosystem, loyalty is shaped not only by product quality but also by seamlessness across marketing, purchase experience, and payment processes. SMM reinforces the emotional connection by enhancing transparency and responsiveness (Dwivedi et al., 2020), which is vital for first-time homebuyers making significant financial decisions.

Methods

The mixed-methods approach used in this study follows recommendations for combining quantitative explanatory analysis with qualitative contextual insights (Sekaran & Bougie, 2019). PLS-SEM was chosen due to its suitability for predictive modeling and complex structural relationships (Hair et al., 2021). Purposive sampling follows established guidelines for selecting respondents with relevant knowledge and experience (Sugiyono, 2022). The criteria for validity and reliability outer loadings ≥ 0.70 , AVE ≥ 0.50 , composite reliability ≥ 0.70 follow Hair et al. (2021). The mediation procedure follows Baron and Kenny (1986) and contemporary bootstrapping methods.

Results and Discussion

Respondent Characteristics

The demographic profile of respondents depicts a predominantly young and digitally connected population. Most first-time homebuyers are in the 25–35 age group, a cohort typically characterized by high

digital literacy and strong reliance on online information when making major financial decisions. Social media usage patterns confirm this: TikTok is the most frequently used platform (38.60%), followed by Instagram (32.09%), with Facebook and YouTube used to a lesser extent. This pattern underscores the central role of visual and interactive content in shaping property-related awareness, evaluation, and preferences among first-time buyers.

In terms of payment behavior, respondents demonstrate a high degree of comfort with digital financial channels. Bank transfers dominate (76.74%), reflecting trust in established digital banking systems. Mortgage (KPR) financing represents 17.21%, aligning with the reliance of young families on institutional credit. Meanwhile, QRIS (6.05%) is commonly used for smaller initial payments such as booking fees. Collectively, these findings illustrate that the target segment is not only digitally engaged in information search but also increasingly accustomed to digital transaction mechanisms in the property domain.

Descriptive Analysis of Constructs

Descriptive analysis indicates that respondents hold generally positive perceptions of all key constructs:

1. Social Media Marketing (SMM) is rated favorably across dimensions, with interactivity (mean = 4.27) reflecting appreciation for prompt, responsive, and two-way communication via social media.
2. Purchase Experience is perceived as positive, especially when information is clear, sales staff are responsive, and administrative processes are transparent.
3. Ease of Purchase (Ease of Payment) is viewed as a crucial element of trust and comfort, emphasizing the importance of simple, secure, and flexible payment options.
4. Customer Satisfaction and Customer Loyalty both fall into high categories, suggesting that the majority of first-time homebuyers feel that their expectations are met and are inclined to maintain a positive relationship with the developer.

These descriptive tendencies provide an initial indication that digital engagement, supportive purchase experiences, and convenient payment mechanisms are closely associated with favorable overall impressions among first-time homebuyers.

Convergent Validity Outer Loadings

Convergent validity was assessed using outer loadings for each indicator. All loading values exceed 0.80, comfortably above the recommended threshold of 0.70, indicating that the indicators strongly represent their respective latent constructs (Hair et al., 2021). The outer loadings are presented in Table 1

Table 1. Outer Loadings of Measurement Model

Indicator	Customer Loyalty (Y)	Customer Satisfaction (Z)	Ease of Purchase (X3)	Purchase Experience (X2)	Social Media Marketing (X1)
X1.1					0.838
X1.2					0.859
X1.3					0.884
X1.4					0.820
X1.5					0.861
X2.1				0.905	
X2.2				0.935	
X2.3				0.905	
X2.4				0.940	
X3.1			0.912		
X3.2			0.873		
X3.3			0.907		
X3.4			0.819		
Y1	0.960				
Y2	0.848				
Y3	0.927				
Z1		0.899			
Z2		0.934			
Z3		0.918			
Z4		0.862			

All indicators exhibit strong loadings, confirming that the measurement model possesses robust convergent validity.

Reliability and AVE

Reliability and convergent validity were further assessed using Cronbach's Alpha, Composite Reliability (rho_a and rho_c), and Average Variance Extracted (AVE). As shown in Table 2, all Cronbach's Alpha and Composite Reliability values exceed 0.90 for most constructs, and AVE values are well above 0.50 for all constructs, confirming high internal consistency and adequate convergent validity.

Table 2. Reliability and Convergent Validity

Construct	Cronbach's Alpha	rho_a	Composite Reliability (rho_c)	AVE
Customer Loyalty (Y)	0.899	0.912	0.937	0.833
Customer Satisfaction (Z)	0.925	0.926	0.947	0.817
Ease of Purchase (X3)	0.901	0.903	0.931	0.772
Purchase Experience (X2)	0.941	0.942	0.958	0.849
Social Media Marketing (X1)	0.906	0.910	0.930	0.727

All values satisfy commonly used thresholds (α , CR \geq 0.70; AVE \geq 0.50), indicating that the constructs are measured reliably and validly.

Coefficient of Determination (R²)

The explanatory power of the model was assessed using R-square (R²) values for the endogenous variables (Customer Satisfaction and Customer Loyalty). Table 3 summarizes the results.

Table 3. Coefficient of Determination (R²)

Construct	R ²	R ² Adjusted
Customer Loyalty (Y)	0.650	0.633
Customer Satisfaction (Z)	0.864	0.859

These results indicate that: Social Media Marketing, Purchase Experience, Ease of Purchase, and Satisfaction jointly explain 65.0% of the variance in Customer Loyalty. Social Media Marketing, Purchase Experience, and Ease of Purchase explain 86.4% of the variance in Customer Satisfaction.

Following common guidelines (Hair et al., 2021), these R² values can be classified as substantial, demonstrating that the model has strong explanatory power.

Effect Size (f²)

Effect size (f²) was examined to assess the contribution of each exogenous construct to the endogenous variables. Table 4 presents the f² values.

Table 4. Effect Sizes (f²)

Predictor	f ² on Customer Loyalty (Y)	f ² on Customer Satisfaction (Z)
Customer Satisfaction (Z)	0.187	–
Ease of Purchase (X3)	0.103	0.266
Purchase Experience (X2)	0.137	0.122
Social Media Marketing (X1)	0.107	0.171

Interpreting these values (0.02 = small; 0.15 = medium; 0.35 = large), satisfaction has a medium effect on loyalty (f² = 0.187). Ease of Purchase exerts a medium-to-strong effect on Satisfaction (f² = 0.266), while the other predictors display small-to-moderate effects. This pattern reinforces the central role of ease of purchase in shaping satisfaction, and the importance of satisfaction itself in driving loyalty.

Direct Effects (Path Coefficients)

The direct relationships among constructs were assessed using bootstrapping with 5,000 subsamples. Table 5 summarizes the path coefficients, t-statistics, and p-values.

Table 5. Direct Effects (Path Coefficients)

Path	β (Original Sample)	t-statistic	p-value
Customer Satisfaction (Z) \rightarrow Customer Loyalty (Y)	0.437	5.177	0.000
Ease of Purchase (X3) \rightarrow Customer Loyalty (Y)	0.356	4.553	0.000
Ease of Purchase (X3) \rightarrow Customer Satisfaction (Z)	0.462	3.796	0.000
Purchase Experience (X2) \rightarrow Customer Loyalty (Y)	0.296	2.692	0.010
Purchase Experience (X2) \rightarrow Customer Satisfaction (Z)	0.316	2.480	0.013
Social Media Marketing (X1) \rightarrow Customer Satisfaction (Z)	0.394	5.443	0.000
Social Media Marketing (X1) \rightarrow Customer Loyalty (Y) *	0.193	2.747	0.008

All estimated paths show positive and statistically significant effects at the 5% level ($t > 1.96$; $p < 0.05$). Collectively, these results indicate that: Social Media Marketing, Purchase Experience, and Ease of Purchase exert direct and meaningful contributions to Customer Satisfaction and Customer Loyalty. Customer Satisfaction functions as a key reinforcing mechanism that substantially strengthens Customer Loyalty.

Indirect Effects (Mediation)

To examine the mediating role of customer satisfaction, indirect paths via Satisfaction were tested. The results are provided in Table 6.

Table 6. Indirect Effects (Mediated by Customer Satisfaction)

Indirect Path	β (Original Sample)	t-statistic	p-value
Ease of Purchase (X3) → Customer Satisfaction (Z) → Customer Loyalty (Y)	0.237	3.236	0.003
Purchase Experience (X2) → Customer Satisfaction (Z) → Customer Loyalty (Y)	0.225	2.987	0.006
Social Media Marketing (X1) → Customer Satisfaction (Z) → Customer Loyalty (Y)	0.239	3.677	0.000

All indirect effects are positive and statistically significant, indicating that customer satisfaction functions as a substantive mediator linking SMM, Purchase Experience, and Ease of Purchase to Customer Loyalty. These findings are consistent with the Customer Satisfaction–Loyalty Framework (Oliver, 1999) and contemporary customer experience literature (Lemon & Verhoef, 2016; Hapsari et al., 2017).

Discussion

The findings of this study offer meaningful insights into how digital engagement, experiential quality, and transaction convenience shape customer satisfaction and loyalty among first-time homebuyers. The significant and positive effects observed across all structural paths reinforce the emerging understanding that property purchase decisions, particularly for novice buyers, are influenced not only by rational evaluations but also by emotional responses shaped through digital and interpersonal interactions. These results align with contemporary research emphasizing the shifting nature of consumer decision-making in digitally saturated environments, where online touchpoints increasingly frame expectations and guide early judgments (Dwivedi et al., 2020; Lemon & Verhoef, 2016).

The role of Social Media Marketing (SMM) in predicting both satisfaction and loyalty highlights the centrality of digital communication in today's property market. Platforms such as TikTok and Instagram offer visually immersive and interactive content, enabling buyers to explore housing options and developer reputations with greater immediacy. Prior studies show that social media fosters trust through transparency, informativeness, and two-way dialogue (Erkan & Evans, 2021). In the context of first-time buyers—who often navigate considerable uncertainty—the ability of SMM to reduce information asymmetry is particularly impactful. The current findings affirm the proposition that online interactions, when credible and responsive, cultivate expectations that meaningfully shape satisfaction (Lemon & Verhoef, 2016), which then translates into loyalty (Oliver, 1999).

Purchase Experience also demonstrated a significant effect on both satisfaction and loyalty, underscoring the importance of clear communication, empathy, and responsiveness throughout the buying journey. Previous work on customer experience management highlights that positive interactions across stages—whether cognitive, affective, or relational—reinforce consumers' sense of assurance and comfort (Homburg, Jozić, & Kuehnl, 2017). This is particularly relevant for first-time homebuyers, who often encounter complex legal and financial procedures for the first time. The findings resonate with Lemon and Verhoef's (2016) conceptualization that the customer journey comprises multiple interconnected touchpoints, where consistent support and transparency significantly influence overall satisfaction.

Ease of Purchase emerged as the strongest determinant of satisfaction, a finding that reflects broader trends in financial technology adoption. As digital payment systems become more prevalent and trusted—illustrated by national increases in QRIS and e-wallet usage (Bank Indonesia, 2024)—consumers increasingly expect seamless, secure, and flexible transaction processes, even in high-value markets such as property. This aligns with theoretical models of technology adoption, including the Technology Acceptance Model (Davis, 1989) and UTAUT2 (Venkatesh et al., 2012), which posit that perceived ease of use and effort expectancy significantly shape users' comfort and confidence. In the context of this study, buyers' perceptions of clarity and simplicity in mortgage processes and digital payment options appear to reduce psychological burden and enhance emotional reassurance, thereby elevating satisfaction more strongly than other factors.

Customer Satisfaction itself played a central mediating role between the antecedent variables and loyalty. This finding supports established theoretical perspectives suggesting that satisfaction acts as the emotional and cognitive bridge through which consumers translate their experiences into long-term commitment (Oliver, 1999). The mediating role observed aligns with empirical work demonstrating that satisfaction functions as a key mechanism linking service quality and value perceptions to loyalty outcomes (Hapsari, Clemes, & Dean, 2017). In this study, satisfaction integrates the influence of digital marketing, experiential clarity, and payment convenience into a unified evaluative judgment that ultimately strengthens loyalty. The significant mediation effects across all pathways reinforce the notion that loyalty is not merely a behavioral reaction but also reflects deeper emotional assurance formed through positive, consistent interactions.

Taken together, these results illustrate that first-time homebuyers in Jambi City are navigating their purchase decisions within a digital ecosystem where information, experience, and convenience intersect to shape their perceptions. The interplay of social media influence, supportive purchase interactions, and frictionless payment processes reflects a broader evolution in consumer expectations, where transparency, simplicity, and emotional reassurance are paramount. These insights enrich the theoretical discourse on

digital customer experience and offer a nuanced understanding of how loyalty forms in high-involvement markets. They also emphasize that, for young and digitally fluent buyers, trust and comfort emerge not solely from the physical product but from the holistic journey through which the purchase unfolds.

Conclusion

This study concludes that Social Media Marketing, Purchase Experience, and Ease of Purchase jointly shape the satisfaction and loyalty of first-time homebuyers in Jambi City. Each of these antecedent variables exerts a significant positive influence on both satisfaction and loyalty, demonstrating that digital communication, supportive interpersonal interactions, and convenient payment systems have become essential components of the modern homebuying experience. Among these determinants, Ease of Purchase emerges as the strongest driver of satisfaction, emphasizing the importance of transparent, simple, and secure financial processes in enabling buyers to make confident decisions. Customer Satisfaction plays a pivotal mediating role, consolidating various digital, experiential, and transactional impressions into an emotional evaluation that ultimately strengthens long-term loyalty. Collectively, the findings reveal that first-time homebuyers do not base their decisions solely on product attributes but rather on the holistic experience that surrounds the purchase process, which increasingly unfolds within a digital ecosystem.

Based on these insights, several recommendations can be made for practitioners. Developers and marketers are encouraged to strengthen their presence on social media by adopting communication strategies that are not only promotional but also relational, transparent, and responsive. Enhancing the purchase experience through empathetic interaction, clear explanations, and supportive guidance can help reduce the anxiety often felt by first-time homebuyers as they navigate complex administrative procedures. Improving the clarity and accessibility of payment systems particularly through digital channels can further elevate buyer confidence and satisfaction. A customer-centered mindset that views the buying journey as an integrated experience rather than discrete touchpoints will allow developers to cultivate stronger trust and foster enduring relationships with buyers.

Despite its contributions, this study has several limitations. Its geographical focus on Jambi City limits the generalizability of the findings to broader regional or national contexts where market dynamics and digital behaviors may differ. The cross-sectional nature of the data restricts the ability to capture changes in satisfaction and loyalty over time, particularly as buyers progress through post-purchase stages. The reliance on self-reported measures may also introduce biases such as optimism or social desirability. Furthermore, the model focuses on only three antecedent variables, although other dimensions such as perceived value, brand reputation, perceived risk, or after-sales service may also meaningfully influence satisfaction and loyalty.

Future research may build upon these limitations by expanding the geographical scope to include comparisons across different cities or provinces, thereby offering a richer understanding of how regional differences shape digital engagement and homebuying behavior. Longitudinal research tracking buyers before, during, and after the purchase process would provide deeper insights into how satisfaction evolves over time and how loyalty is formed or eroded. Additional variables such as financial literacy, post-purchase service quality, or engagement with fintech innovations could be integrated to strengthen the predictive power of future models. Qualitative studies involving in-depth interviews with homebuyers, developers, and financial institutions may offer more nuanced perspectives on emotional drivers and pain points that quantitative models cannot fully capture. As digital transformation continues to influence consumer behavior, future research may also explore how emerging technologies such as automated mortgage systems, AI-driven property recommendation tools, and integrated digital ecosystems shape confidence, trust, and loyalty in property markets.

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