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Evaluation of the Success of the Digital Marketing Implementation of the Reyog Ponorogo Equipment with the Wijayanto Information's System Success Model Approach and Millennial Culture as a Moderating Variable



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ABSTRACT

This study aims to evaluate the success of the Ponorogo reyog digital marketing system using the Wijayanto Information System success model approach, and the value of millennial culture as a moderating variable. The method used is a quantitative research approach, with a sample of 250 respondents, namely users at start-up reyogku.com and ukmreyog.solution17.com. data analysis using SEM. The results showed that product quality had an effect on use, use had an effect on benefits, and millennial cultural values moderated the quasi, influence of product quality on digital marketing use of Reyog Ponorogo devices. recommendations from the results of this study are the need for digital literacy for reyog Ponorogo craftsmen so that they are able to do marketing through digital marketing, millennial culture in trading products that have historical or cultural values has an important role, so it is necessary to instill cultural values in the millennial generation through digital media.

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1. Introduction

Digital marketing is not only focused on technology, but on humans (marketers), how to use technology in building relationships with other humans (customers) to build and significantly increase sales (Ryan, 2014). The features of digital marketing media that are user centric. Digital technology allows customers to be one of the parties that contribute to the formation of products, so that by providing media that can accommodate customer desires in terms of these contributions will increasingly make customers feel they have control over the product through the feedback provided, so that it will provide positive value to customers (Rapitasari, 2016).

Digital Marketing Strategy is a marketing strategy that utilizes growing information technology. The main purpose of implementing the Digital Marketing strategy is to build communication between producers and customers, more precisely to communicate brands in building trust and brand loyalty to customers. Loyalty is the result of the accumulation of repeated satisfaction, so conceptually it can be concluded that there is a connection between the implementation of Digital Marketing strategies to increase customer satisfaction (Rapitasari, 2016).

The digital marketing application for the Ponorogo Reyog device is located on the websites ukmreyog.solution17.com and reyogku.com, which we will hereinafter refer to as [ukmreyog](http://ukmreyog.com). Digital marketing for Ponorogo reyog equipment is a multi-seller, multi-buyer buying and selling application, as is generally the case for buying and selling platforms that already exist today. The initial planning of this system was for resellers of reyog craftsmen and accessories typical of Ponorogo as well as those sold specifically for products that were closely related to the city of Ponorogo, but in its development the sellers were free, because craftsmen and handicrafts from Ponorogo reyog during the covid 19 pandemic were empty of buyers.

Digital marketing for the Ponorogo Reyog device is equipped with an automatic postage (shipping) feature, which is a feature to calculate shipping costs based on the location of the seller, the location of the buyer and the choice of the delivery service agent. Postage prices can be directly known and added to the product price. As the name implies, multi seller multi buyer, this application can accommodate many sellers and many buyers. We can register, with a certain mechanism, both as a seller and as a buyer. Each seller and buyer each has an account that will be used in transactions on this application. The advantage of using this application compared to other applications lies in the products that are sold closely related to the city of Ponorogo, so that prospective buyers do not have to bother looking for, sorting and choosing the products to be purchased.

This application is built using the PHP and HTML programming languages with a mysql database wrapped in the well-known Codeigniter version 3 framework template, thus enabling this application to be widely developed, making it easier to explore applications to make transactions both as a seller and as a buyer, starting from opening the application. This application can be opened using either a PC, laptop or Android phone. Make sure your device has a web browser, internet explorer (IE), mozilla, chrome or web browser of your choice. We type the application url, namely: <https://ukmreyog.solution17.com/> on the browser of our PC or laptop device, then press enter, after we can access either using the browser or through the android application, we will be taken to the main page, which is the page on where we can shop, register and log in as a seller or as a buyer and complete transactions. Here is the initial view of the application.

Analysis of the success of information systems can be done using several models including: DeLone and McLean (2003), Ifinedo (2007), Chien and Tsaur (2007), Wei and Loong (2009), Hameed et al. (2012), Wijayanto (2018), where the model consists of five variables, namely: product quality, use, net benefits, top management support, and organizational culture. The failure of Information Technology Implementation in the digital marketing business process is not due to technical factors but rather to non-technical problems, namely: human factors, processes, and work organization. Digital marketing that is

successful in improving its performance through the use of information systems depends on the readiness of human resources, so it is important to evaluate the success of the system (Wijayanto, 2020).

Technology (gadgets and the internet), geographic changes and changes in purchasing power have slowly but surely changed the behavior and values held by humans. Urban middle-class millennials are people who have unique behaviors and values caused by the attachment of these three entities. The urban middle-class millennial society is an open-minded, individualist, and multicultural society that gives rise to millennial culture.

The millennial generation faces challenges in the digital era, so that digital culture appears as a manifestation of changing times. The millennial generation is one generation that is always receptive when faced with something. They are always open to innovation, so they quickly adapt to the digital world. The millennial generation is considered as a generation that has its own attitudes, values, and characteristics, and many startup companies are progressing under the leadership of the millennial generation.

The formulation of the problem in this study are: 1) Does product quality affect the use of digital marketing for Reyog Ponorogo devices? 2) Does the use of digital marketing for the Ponorogo reyog device affect the benefits, and 3) Do millennial cultural values moderate the influence of product quality on use in the use of digital marketing for Ponorogo Reyog devices?.

2. Literature Review

The Wijayanto Information System Success Model (2018) states that the success of information systems is determined by several variables, namely: 1) Product quality as measured by system quality, information quality and service quality, 2) Use, 3) Benefits, 4) top management support, and 5) organizational culture. With the interaction between variables as follows: Product quality affects the use of the information system, use affects the benefits, the effect of product quality on the use of information systems in the moderation of top management support, and the influence of the use of information systems on benefits in the moderation of the organization culture (Wijayanto, 2020). The complete model is as shown in Figure 1.

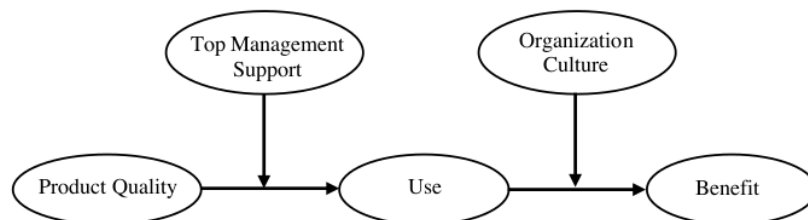


Figure 1. Wijayanto Information's System Success Model (2018)

The development in this study is, the top management support variable, adapted to the implementation of digital marketing for the Ponorogo Reyog device which is more dominated by the millennial generation, then it is replaced with a millennial culture, and organizational culture is removed because in this study the users of the system are individuals or not organizations. The research model developed is as shown in Figure 2.

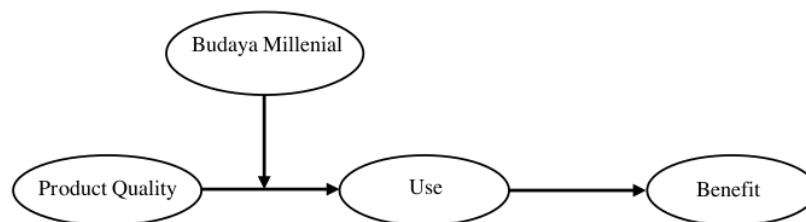


Figure 2. Model development in research

Research hypothesis H1: Product Quality has an effect on use, H2: Use affects benefits, H3: Millennial culture moderates the influence of product quality on use.

Definition of Millennial Generation

¹ The millennial generation is a generation born in the period from 1980 to 2000 which is known as the turn of the millennium between the era of digital technology starting to enter everyday life. The millennial generation is also called a young person, ranging from 20 to 34 years. This age is equivalent to the average age of college students. This generation uses social media more in their daily activities. Technologies that are often used by millennials such as Instagram, Facebook, Twitter, Whatsapp and other social media.

Millennial Cultural Values Millennial

¹ Generation According to Yuswohady in the Millennial Trends article (2016) Millennial Generation is the generation born in the early 1980s to 2000s. This generation is often referred to as Gen-Y, Net Generation, Generation WE, Boomerang Generation, Peter Pan Generation, and others. They are called the millennial generation because they are the generation that lives at the turn of the millennium. Simultaneously in this era digital technology began to penetrate into all aspects of life. Generation Y uses a lot of instant communication technology such as email, SMS, instant messaging and social media such as Facebook and Twitter, IG and others, so in other words Generation Y is the generation that grew up in the booming internet era.

Characteristics of the Millennial Generation based on the literature from the Hitss.com article, it is known that there are several kinds of characteristics of the millennial generation, namely: 1) millennials trust user generated content (UGC) more than unidirectional information, 2) millennials prefer cellphones over TV, 3) millennials must have social media, 4) millennials don't like reading conventionally, 5) millennials tend to be disloyal but work effectively, 6) millennials tend to do cashless transactions, 7) millennials know more about technology than their families, 8) millennials use technology and information, 9) Millennials tend to be more lazy and consumptive. Millennial culture leads to cyberculture, which is a culture where all cultural activities are carried out in an unlimited virtual world (Heru, 2015), The millennial generation in Indonesia is currently more dominated by a generation that is more indifferent to the social conditions around them such as the political world or economic developments in the country, there is an identity crisis for young people. Most of them only care about developing a free and hedonic lifestyle and have an unrealistic and too idealistic vision, which is important to be stylish.

3. Research Method

The population of this study are users of the digital marketing system reyogku.com and ukmreyog.solution17.com. which amounted to 500, the research sample was taken randomly as many as 250 respondents with consideration of SEM as an analytical tool that requires more than 100 data. This study uses a quantitative research approach with primary data sources extracted directly from digital marketing users of the Ponorojo reyog device, through a questionnaire.

Variable Operational Definitions, and Variable Measurement Techniques The operational definition of a variable is as follows:

- a. Product quality is the quality of the combination of hardware and software in an information system. Focus on the performance of the system, including: how well the capabilities of hardware and software can provide information on user needs from the aspects of ease of use, integration, understanding, and response speed (DeLone & McLean, 2003), regarding the accuracy of presentation, actual, time period, relevant, and complete (O'Brien, 2006), appearance, reliability, responsiveness, and assurance (Parasuraman et al. 1988).
- b. Use refers to how often users use information systems, willingness to use, and motivation to use (DeLone & McLean, 2003).
- c. Benefit is the benefit obtained by individual users and the benefits obtained by the organization including: increased productivity, reduced operational costs, and organizational effectiveness (DeLone & McLean, 2003).
- d. Millennial culture is values that have emerged due to the presence of digital technology, with indicators: 1) millennials trust user generated content (UGC) more than unidirectional information, 2) millennials prefer cellphones over TV, 3) millennials are required to have social media, 4) Millennials don't like reading conventionally, 5) Millennials tend to be disloyal but work effectively, 6) Millennials tend to do cashless transactions, 7) Millennials know more about technology than their families, 8) Millennials use technology and information, 9) Millennials tend to be more lazy, and consumptive.

Data analysis using Structural Equation Modeling (SEM) on the Amos 22 program. The analysis phase is carried out in two stages, namely estimating without entering interaction variables to get the loading factor and error variance values from the latent variable exogenous product quality, and estimating the model by including variables. interaction and loading factor values for interaction variables. Measurement of the model feasibility test index, as shown in table 1.

Table 1. Model Feasibility Test Index

Goodness if Fit Index	Cut off Value
χ^2 -chi-square	< df dengan $\alpha = 0,05$
Significance Probability	$\geq 0,05$
RMSEA	$\leq 0,08$
GFI	$\geq 0,90$
AGFI	$\geq 0,90$
CMIN/DF	$\leq 2,00$
TLI	$\geq 0,95$
CFI	$\geq 0,95$

4. Results and Discussion

The results of hypothesis testing that have been carried out using the complete SEM analysis tool are as shown in Table 2.

Table 2. Critical Ratio Value and Significance of Effect Between Variables

interaction	CR	P value	Result
USE <--- PQ	4.782	.000	signifikan
NET <--- USE	3.716	.000	signifikan
USE <--- Interaksi PQ.GM	3.926	.000	signifikan

Product Quality Hypothesis Test Results have an effect on Use (H1)

Hypothesis 1 states that product quality has an effect on digital marketing use. The estimated parameter for testing hypothesis 1 is seen from the critical ratio (CR) and p value. The results of the CR test obtained a value of 4.782 or above ± 1.96 for a significant level of 5%, this indicates that system quality has a positive effect on use. The results of hypothesis testing when viewed from the p value obtained a value of 0.000 or below 0.05, this indicates that product quality has a significant effect on use, so it can be concluded that the hypothesis is supported. The results of the analysis with Amos for the estimation of the product quality measurement model are as shown in Figure 3, and the results of the model suitability test are as shown in Table 3.

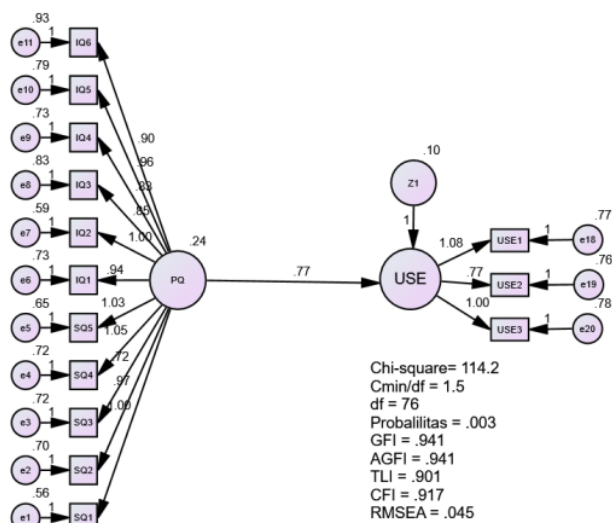


Figure 3. Estimated Product Quality Variable Measurement Model

Table 3. The results of the model fit test on the product quality construct

Goodness of Fit Index	Cut-off value	Hasil	Evaluation Model
Degree of freedom (df)		76	
Chi-square	< from chi-square Tabel to df = 2 (5.99)	114.2	good
Cmin/df	≤ 2.00	1.5	good
AGFI	≥ 0.90	0.941	good
GFI	≥ 0.90	0.941	good
TLI	≥ 0.95	0.901	good
CFI	≥ 0.95	0.917	good
RMSEA	≤ 0.08	0.045	good

Use hypothesis test results affect the net benefit

Hypothesis 2 states that use has a effect on the net benefits of digital marketing. The estimated parameter for testing hypothesis 2 is seen from the critical ratio (CR) and p value. The results of the CR test obtained a value of 3.716 or above ± 1.96 for a significant level of 5%, this indicates that use has a positive effect on net benefits. The results of hypothesis testing when viewed from the p value obtained a value of 0.000 or below 0.05, this indicates that use has a significant effect on net benefits, so it can be concluded that the hypothesis is supported. The results of the analysis with Amos for the estimation

of the use measurement model are as shown in Figure 4, and the results of the model suitability test are as shown in Table 4.

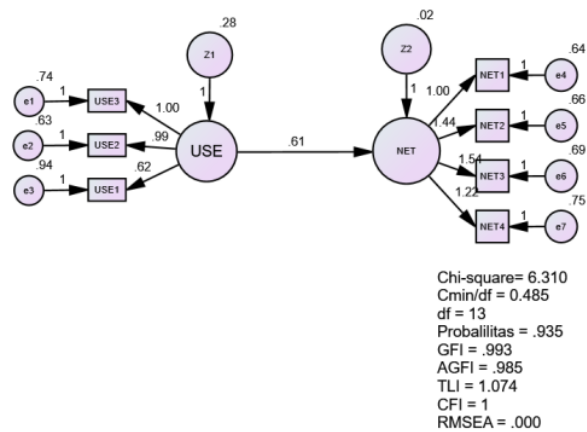


Figure 4. Estimated use variable Measurement Model

Table 3. The results of the model fit test on the product quality construct

Goodness of Fit Index	Cut-off value	Result	Evaluation Model
Degree of freedom (df)		13	
Chi-square	< from chi-square Tabel to df = 2 (5.99)	6.310	good
Cmin/df	≤ 2.00	0.485	good
AGFI	≥ 0.90	0.985	good
GFI	≥ 0.90	0.993	good
TLI	≥ 0.95	1.074	good
CFI	≥ 0.95	1	good
RMSEA	≤ 0.08	0.000	good

Hypothesis T₂

Result₂ Millennial cultural values moderate the effect of product quality on use. Hypothesis 3 states that millennial cultural values moderate the effect of product quality on digital marketing use. The estimated parameter for testing hypothesis 3 is seen from the critical ratio (CR) and p value. The results of the CR test obtained a value of 3.926 or above ± 1.96 for a significant level of 5%, this indicates that the interaction variable (millennial cultural values multiplied by product quality) has a positive effect on use. The results of hypothesis testing when viewed from the p value obtained a value of 0.000 or below 0.05, this indicates that the interaction variable has a positive effect on use, so it can be concluded that the hypothesis is supported. The results of the analysis with Amos for the estimation of the variable measurement model of millennial cultural values moderate product quality in use as shown in Figure 5 (phase 1), and Figure 6 (phase 2). The interaction variable between product quality and millennial cultural values has an effect on use with a probability value of 0.000, this indicates that the top management support variable is a moderator or a variable that moderates the effect of product quality on use, so it can be concluded that the hypothesis is supported. The effect of product quality on use is significant, and the influence of interaction variables on use is significant, so it can be concluded that the moderation type of millennial cultural values is quasi moderation.

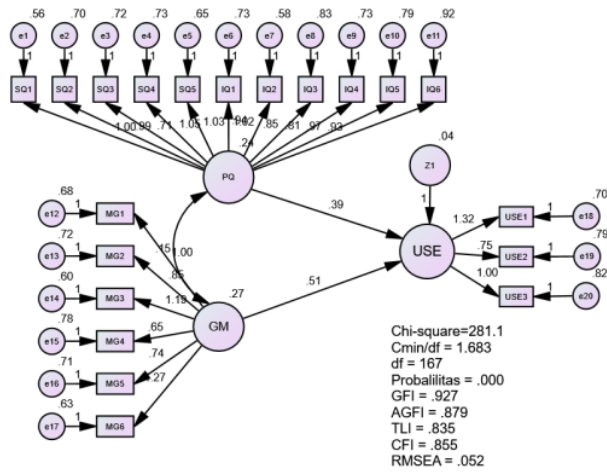


Figure 5. Phase I Research Model of Product Quality and millennial cultural values to use without interaction variables

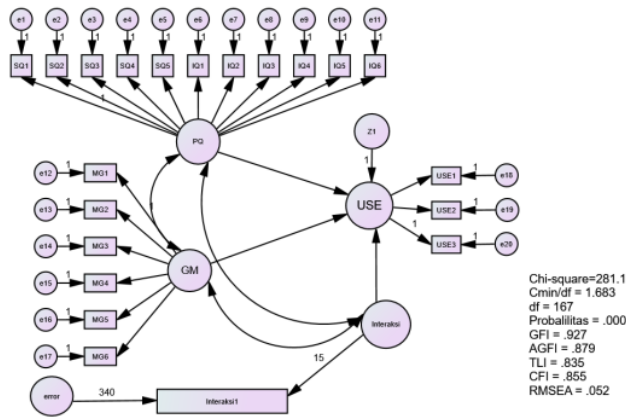


Figure 6. Phase I Research Model Product Quality and millennial cultural values to use with interaction variables

Discussion

Millennial cultural values in the implementation of digital marketing for Ponorogo reyog equipment increase the influence of product quality (system quality and information quality) on use, this shows that the tendency of the millennial generation to use digital marketing to meet their daily needs, as well as the tendency to market their products through market places has been carried out with activities that reflect millennial cultural values. The implementation of digital marketing for reyog Ponorogo reyogku.com and ukmreyog.solution17.com equipment for millennials is in line with agency theory which states that information technology allows organizations to reduce overall management costs, and allows to increase revenues, and management is able to reduce clerical work.

5. Conclusion

Based on the discussion in this study, the following conclusions can be drawn

- a. Product quality has an effect on use, this shows that product quality in marketing strategies in the digital era has an important role to increase use. the better the product quality of digital marketing for the Ponorogo reyog device, the more use it will be.
- b. Use of digital marketing for the Reyog Ponorogo device has an effect on benefits, this shows that increasing use will have an impact on benefits. Use of digital marketing for Reyog Ponorogo is one of the efforts to increase knowledge about Reyog Ponorogo through digital means.
- c. The value of millennial culture is proven to be a quasi moderation variable for product quality in use, this shows that the influence of product quality on use can be either stronger or weaker when millennial cultural variables play a role. Millennial cultural values in the digital marketing aspect have a significant role, especially in products that have historical value, or products left by the previous generation.

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