

THE EFFECT OF E-SERVICE QUALITY, BRAND IMAGE, AND PROMOTION ON INTEREST IN BUYING PREMIUM SERVICES ON APPLICATIONS STREAMING MUSIC SPOTIFY ON STUDENT OF THE FACULTY OF ECONOMICS AND BUSINESS UNIMAL

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Abstract

This study aims to determine how the influence of e-service quality, brand image, and promotion on the interest in buying premium services on the Spotify music streaming application in students of the Faculty of Economics and Business, Malikussaleh University. The buying interest indicators used consist of transactional interest, referential interest, preferential interest, and exploratory interest. Then the e-service quality indicators used consist of efficiency, fulfillment of needs, system availability, privacy, speed of response, compensation, and service contact. Furthermore, brand image indicators consist of brand identity, brand personality, brand association, brand attitude and behavior, and brand benefits and advantages. The promotion indicators used consist of advertising, sales promotion, personal selling, public relations, and direct marketing. Where all these variables will be used using the Likert scale. The data used in this study is primary data obtained by distributing questionnaires to 210 students of the Faculty of Economics and Business, Malikussaleh University consisting of 5 majors or study programs. The data analysis technique used in this study is multiple linear regression analysis using the help of SPSS software version 26. The results showed that e-service quality, brand image, and promotion partially had a positive and significant effect on the interest in buying premium services on the Spotify music streaming application in students of the Faculty of Economics and Business, Malikussaleh University.

Keywords : *E-Service Quality, Brand Image, Promotion, And Buying Interest*

1. INTRODUCTION

Music constitutes an integral part of societies worldwide, serving as an art form that endeavors to fill the soul and express emotions through melodies. According to Noviani and Pratiwi (2020), the music industry initially amalgamated various music genres. The music industry flourished from the 1970s through the 1980s, reaching its pinnacle in the 1990s due to the emergence of young talents. Public enthusiasm for witnessing their musical idols on every stage was notably high. The rapid advancement in technology has influenced companies to alter their product marketing strategies. Technological progress that facilitates internet users across multiple devices can be utilized in various online platforms, such as social media, commonly frequented by potential consumers. Netti and Irwansyah (2018) elucidate that the rapid advancements in information technology have significantly transformed the way music is consumed. The current digital generation prefers streaming music online through their digital devices, where a survey conducted by the Indonesian Internet Service Providers Association (APJII) in 2021 revealed that 35% of the internet user population in Indonesia, approximately 46.9 million individuals, listens to music online.

The increasing number of streaming music applications available today intensifies the level of competition among them. According to a report published by Kompas.com citing Counterpoint Research, the market share of streaming music platforms grew by 32 percent year-over-year (YoY) until 2022 for global music app usage. Counterpoint's research indicates that the number of paid users of music streaming applications reached 358 million users and continues to be dominated by

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Spotify. As of 2022, Spotify continues to lead the industry with a market share of 35 percent, marking a 23 percent growth from the previous year. The Swedish-based platform accounted for 31 percent of the total revenue in the music streaming industry in 2021. Despite Spotify's dominance, significant growth has been experienced by the Apple Music platform (Hartman, 2023). In Indonesia, Spotify remains the most widely used music application among listeners. According to a report by Binus University, in 2022, a total of 46.9 million Indonesians utilized streaming services like Spotify, Youtube Music, Joax, among others, compared to traditional music sources such as CDs or DVDs. Particularly, Spotify stands out as the preferred music application in Indonesia (Rhesa, 2022).

The high usage of Spotify, as a music streaming application, is attributed to its various advantages that entice consumers towards purchases. Consumer purchase interest is a process that arises when consumers show interest in a product they need or desire. The level of interest reflects the consumer's willingness to buy. As per Karmila and Sunia (2020), purchase interest serves as a mediator between motivating factors and consumer behavior. It indicates a person's willingness and effort to try and engage with something, directly related to the consumer's behavior. One factor influencing consumer purchase interest is e-service quality, the quality of service provided in the electronic or online domain. The better the service received by customers, the higher their purchase interest tends to be. Wicaksono and Darmo (2018) define e-service quality as a company's ability to deliver services online through the internet and align it with consumer expectations. Earlier research by Sariyanti et al. (2022) found a positive and significant correlation between e-service quality and consumer purchase interest. However, Abid and Dinalestari (2019) found differing results, indicating no significant impact of e-service quality on consumer purchase interest.

Another factor influencing consumer purchase interest is the brand image of a product. A strong brand image tends to incline consumers towards purchases due to the trust it instills in them. Brand image represents perceptions or mental pictures that customers hold about a brand. According to Fauziah and Mubarak (2019), a brand image is built based on impressions, thoughts, and experiences a person has with a brand. Nasrol et al., (2023) explained that brand image is the perception or mental representation that consumers have of a brand, encompassing various aspects such as image, reputation, associations, and experiences related to that brand.. Ahmad et al. (2020) found a positive and significant impact of brand image on consumer purchase interest, while Fatmalawati and Andriana (2021) obtained contrasting results, indicating no significant influence of brand image on consumer purchase interest. Promotion also plays a pivotal role in influencing consumer purchase interest. By creating awareness and familiarity, promotions contribute to increased consumer interest. Promotion constitutes a series of marketing activities aimed at enhancing awareness, interest, and sales of products or services to the target market. Karmila and Sunia (2020) highlight the significant role of promotion in maintaining continuity and improving marketing quality. Vachira et al., (2023) explained that promotion is a series of activities or strategies designed to enhance awareness, interest, and consumer purchases of a particular product, service, or brand. Kurnianingsih and Achsa (2022) discovered a positive and significant impact of promotion on consumer purchase interest, but Ramadoni (2020) found no significant influence of promotion on consumer purchase interest.

Based on the initial observations conducted, it was found that YouTube Music application is preferred more by Management Study Program students compared to other applications such as Spotify. Out of the total of 35 Management Study Program students sampled, 17 preferred using YouTube Music over Spotify and various other music applications. The appeal of YouTube Music among students lies in the option to purchase a single premium account, granting access to ad-free videos on the regular YouTube app while enjoying all songs through YouTube Music. Subsequently, interviews with several Management Study Program students from the Faculty of Economics and Business, Malikussaleh University, revealed reasons for their shift to YouTube Music over Spotify. The stability in pricing offered by YouTube Music was a major factor

compared to Spotify, which experiences occasional price fluctuations. Another issue raised was the lack of transactional interest among students, as they tend to enjoy music alongside videos, an option not available in Spotify. Consequently, students lack a reference interest or inclination to recommend Spotify to others, contributing to their low preferential interest in meeting their music listening needs. Furthermore, the students' diminished interest in using Spotify stems from difficulties in finding songs they genuinely like within the app. In instances of searching for specific songs, Spotify often fails to align with the preferences of these students (Interview results, May 22, 2023).

Subsequently, interviews with several Management Study Program students from the Faculty of Economics and Business, Malikussaleh University, revealed reasons for their shift to YouTube Music over Spotify. The stability in pricing offered by YouTube Music was a major factor compared to Spotify, which experiences occasional price fluctuations. Another issue raised was the lack of transactional interest among students, as they tend to enjoy music alongside videos, an option not available in Spotify. Consequently, students lack a reference interest or inclination to recommend Spotify to others, contributing to their low preferential interest in meeting their music listening needs. Furthermore, the students' diminished interest in using Spotify stems from difficulties in finding songs they genuinely like within the app. In instances of searching for specific songs, Spotify often fails to align with the preferences of these students (Interview results, May 22, 2023).

2. IMPLEMENTATION METHOD

This study was conducted among undergraduate students or students from the Faculty of Economics and Business at Malikussaleh University. The focus of this research involves students with purchasing interests, utilizing variables such as e-service quality, brand image, and promotion to analyze their impact on the purchase intention of premium services within the Spotify Music Streaming Application among students in the Faculty of Economics and Business at Malikussaleh University. The population used in this study comprises all active undergraduate students from the Faculty of Economics and Business at Malikussaleh University, encompassing the Management, Accounting, Development Economics, Islamic Economics, and Entrepreneurship study programs, totaling 3,095 students as obtained from the unimal.ac.id website. In this study, the author utilized the Hair formula to determine the appropriate sample size. According to Hair et al. (2014), when the sample size is excessively large, such as 400 respondents, the method becomes overly sensitive, making it challenging to achieve a good fit. It is suggested that a minimum sample size of around 5 to 10 observations per estimated parameter is adequate. An excessively large sample size may also hinder the attainment of a suitable model. Therefore, the recommended sample size for this research ranges between 100 and 200 respondents. The sample size used in this research comprises 210 respondents. Among these, 110 respondents are students from the Management study program, followed by 58 respondents from the Accounting study program. Furthermore, 14 respondents are from the Development Economics program, 24 respondents are from the Islamic Economics department, and 4 respondents originate from the Entrepreneurship study program.

The technique employed in this study is multiple linear regression analysis, aimed at understanding the influence of independent variables—comprising e-service quality, brand image, and promotion—on the dependent variable, namely purchase intention. This analysis was processed using SPSS version 26. The multiple linear regression equation utilized in this research is as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$$

3. RESULTS AND DISCUSSION

3.1 Results

Regression analysis is a statistical method used to measure the relationship between one or more independent variables (called predictors or explanatory variables) and a dependent variable (called the response variable or dependent variable). The goal of regression analysis is to understand and measure how changes in one or more independent variables can predict or explain variations in the dependent variable. The outcomes of the partial regression analysis in this study are presented in the following table:

Table 1. Results Partial Regression Analysis

Variable	Unstandardized Coefficient		Standardized Coefficient Beta	t	Sig.
	B	Std. Error			
(Constant)	0,992	1,830		3,542	0,000
E-Service Quality	0,128	0,052	0,145	2,444	0,015
Brand Image	0,343	0,063	0,333	5,439	0,000
Promotion	0,322	0,064	0,305	4,992	0,000

Source: Data Processed (2023)

Based on the results of the partial regression analysis in the table above, the following conclusions were drawn:

1. The variable "e-service quality" obtained a significant value of 0.015, which is smaller than the set significance level of 0.05 ($0.015 < 0.05$), with a coefficient value of 0.128. Hence, it can be inferred that e-service quality has a positive and significant impact on purchase intention. Therefore, the hypothesis stating that e-service quality significantly affects the purchase intention of premium services on Spotify among students of the Faculty of Economics and Business at Unimal (H1 accepted).
2. The variable "brand image" obtained a significant value of 0.000, which is smaller than the set significance level of 0.05 ($0.000 < 0.05$), with a coefficient value of 0.343. Thus, it can be concluded that the brand image has a positive and significant influence on purchase intention. Consequently, the hypothesis stating that the brand image significantly affects the purchase intention of premium services on Spotify among students of the Faculty of Economics and Business at Unimal (H2 accepted).
3. The variable "promotion" obtained a significant value of 0.000, which is smaller than the set significance level of 0.05 ($0.000 < 0.05$), with a coefficient value of 0.322. Therefore, it can be concluded that promotion has a positive and significant impact on purchase intention. Consequently, the hypothesis stating that promotion significantly affects the purchase intention of premium services on Spotify among students of the Faculty of Economics and Business at Unimal (H3 accepted).

The coefficient of determination test aims to measure how well the model can explain the variation in the dependent variable. The coefficient of determination values range from 0 to 1, with classifications as follows: 0 (no correlation), 0 – 0.49 (weak correlation), 0.50 (moderate correlation), 0.51 – 0.99 (strong correlation), and 1.00 (perfect correlation). A low coefficient of determination implies that the independent variables' ability to explain the dependent variable is highly limited (Ghozali, 2018). The results of the coefficient of determination test in this study are presented in the following table:

Table 2. Result Coefficient of Determination Test

<i>Model</i>	<i>R</i>	<i>R Square</i>	<i>Adjusted R Square</i>	<i>Std. Error of The Estimate</i>
1	0,581	0,337	0,328	1,745

Source: Data Processed (2023)

The results from the coefficient of determination test in the table above indicate that the obtained adjusted R-squared value is 0.328. This suggests that the purchase interest in premium services on Spotify's music streaming application among students of the Faculty of Economics and Business at Unimal University is influenced by e-service quality, brand image, and promotion, accounting for approximately 32.8%. The remaining 67.2% of the purchase interest in premium services on Spotify's music streaming application among these students is influenced by other variables not utilized in this study. Hence, it can be concluded that these results exhibit a weak correlation as they fall within the range of 0 – 0.49 (weak correlation). The multiple linear regression analysis in this study was employed to determine the extent to which the variables of e-service quality, brand image, and promotion influence the purchase interest in premium services on Spotify's music streaming application among students of the Faculty of Economics and Business at Unimal University. Based on the findings of the conducted research, the obtained equation for multiple linear regression is as follows:

$$Y = 0,992 + 0,128X_1 + 0,343X_2 + 0,322X_3$$

Based on the results derived from the multiple linear regression equation above, the outcomes are outlined as follows:

1. The variable of e-service quality obtained a coefficient value of 0.128, indicating that an increase in the e-service quality provided by the Spotify application would correspond to an increase in the purchase interest for premium services among students at the Faculty of Economics and Business at Unimal University.
2. The variable of brand image obtained a coefficient value of 0.343, signifying that an enhancement in the brand image associated with the Spotify application would lead to an increase in the purchase interest for premium services among students at the Faculty of Economics and Business at Unimal University.
3. The variable of promotion obtained a coefficient value of 0.322, indicating that an escalation in the level of promotion executed by the Spotify application would result in an increased purchase interest for premium services among students at the Faculty of Economics and Business at Unimal University.

Based on the conducted research regarding the influence of e-service quality, brand image, and promotion on the purchase interest for premium services on Spotify's music streaming application among students at the Faculty of Economics and Business at Unimal University, the findings revealed that the variable with the highest impact is promotion, accounting for 34.3%. Meanwhile, the variable with the least impact is e-service quality, standing at 12.8%.

3.2 Discussion

The Effect of E-Service Quality on Interest Buying

Based on the research findings, the variable of e-service quality exhibits a significantly lower value than the utilized significance level, coupled with a positive coefficient value. Hence, it can be concluded that e-service quality significantly and positively influences purchase interest. Therefore, the hypothesis stating that e-service quality positively and significantly impacts the purchase interest for premium services on the Spotify music streaming application among students at the Faculty of Economics and Business at Unimal University is accepted (H1 accepted). The findings of this research align with previous studies conducted by Limwiryra and Kelly (2023) and Alawi et

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al. (2022), which found that e-service quality significantly and positively influences purchase interest. Additionally, these results are consistent with earlier research by Fauziah and Hasbi (2022) and Hasyim and Ali (2022), both of which concluded that e-service quality has a positive and significant impact on purchase interest.

The Effect of Brand Image on Interest Buying

The research findings suggest that the brand image variable exhibits a significant value lower than the set significance level and attains a positive coefficient. Therefore, it can be concluded that brand image significantly and positively influences purchase interest. Consequently, the hypothesis positing that brand image has a positive and significant effect on the purchase interest of premium services on the Spotify music streaming application among students from the Faculty of Economics and Business at Universitas Malikussaleh is accepted (H2 accepted). The research findings align with prior studies conducted by Fauziah and Hasbi (2022) and Ahmad et al., (2020), which discovered that brand image significantly and positively influences consumer purchase interest. Additionally, these findings correspond with the research conducted by Setiawati and Madiawati (2019) and Amron (2018), both of which also established that brand image has a significant and positive impact on consumer purchase interest.

The Effect of Promotion On Interest Buying

The research findings suggest that the variable of promotion exhibits a statistically significant value smaller than the utilized level of significance and yields a positive coefficient. Consequently, it can be concluded that promotion has a positive and significant impact on purchase interest. Therefore, the hypothesis stating that promotion significantly and positively influences the purchase interest of premium services on the Spotify music streaming application among students from the Faculty of Economics and Business at Universitas Malikussaleh is accepted (H3 accepted). Those findings align with previous studies conducted by Sariyanti et al., (2022) and Salsyabila et al., (2021), which found that promotion significantly and positively influences consumer purchase interest. Furthermore, this study's results are consistent with prior research by Karmila and Sunia (2020) and Suhatman et al., (2020), which also concluded that promotion significantly and positively impacts consumer purchase interest.

4. CONCLUSION

The results showed that e-service quality, brand image, and promotion partially had a positive and significant effect on the interest in buying premium services on the Spotify music streaming application in students of the Faculty of Economics and Business, Malikussaleh University. It's evidenced by the positive coefficients obtained for all independent variables, coupled with their significant values lower than the utilized significance level.

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