

***The Influence of Gamification on Customer Retention and Loyalty: A
Case Study of Active Customers Domiciled in Situbondo City***

(Imam Abrori, S.E., M.M., as academic advisor)

Muhammad Naufal Mahdy

Digital Business Study Program

Department of Business

ABSTRACT

The development of the digital ecosystem has encouraged e-commerce companies to develop more interactive and user-experience-oriented marketing approaches. One widely implemented strategy is gamification, the integration of game elements into application systems to increase user engagement. On the Shopee platform, gamification is implemented through features such as points, challenges, prizes, and competition mechanisms designed to create a more engaging and participatory user experience. This study aims to analyze the effect of gamification on customer retention and loyalty among Shopee application users residing in Situbondo City. The approach used was quantitative with a survey method involving 50 respondents as the research sample. The data obtained were analyzed using linear regression to examine the relationship between gamification variables and customer retention and loyalty. The analysis results show that gamification has a positive and significant effect on both customer retention and loyalty. These findings indicate that the implementation of game elements in the application can increase customers' tendency to continue using the platform and build long-term commitment. Thus, gamification plays a role not only as a promotional tool but also as a relationship marketing strategy that supports the company's efforts to retain customers sustainably.

Keywords: Gamification, Customer Retention, Customer Loyalty, E-commerce, Shopee