THE EFFECT OF SOCIAL MEDIA MARKETING AND ONLINE TRAVEL AGENTS TOWARDS THE BOOKING INTENTION OF HOTEL IN SURABAYA

Antonius Reza & Natalia Christiani
Universitas Ciputra Surabaya

Abstract: Hotel occupancy rate in Surabaya experienced a declining since 2017 with the average room occupancy rate was 54%. For hotel to be able to make a profit, occupancy rate must be at least 60%. As a result of this declining in occupancy, hotels in Surabaya begin to rely on e-commerce platforms as their marketing strategy to overcome this occupancy issues. Strategy that commonly used is by maximize the use of social media marketing and online travel agents. This research aims to discover whether social media marketing and Online travel agents have significant effects to the booking intention of hotel in Surabaya. This research sample uses the domestic people whoever use social media and online travel agents as a source to searching hotel information and booked a hotel room in Surabaya within a period of January 2019 to October 2019. Data research is collected by using a likert scale questionnaire that is distributed to 104 respondents. Then it proceeded by multiple linear regression similarity model with SPSS. The result shows that social media marketing has positive and significant effect towards the booking intention of hotel in Surabaya and online travel agents also has positive and significant effect towards the booking intention of hotel in Surabaya.

Keywords: social media marketing, online travel agents, the booking intention of hotel

INTRODUCTION

The advent of the Internet and social media has changed the way humans communicate and make new opportunities in marketing strategies, which offers new possibilities of interaction between customers and brands. An attempt to marketing products or services using internet media can also be called E-Marketing. E-marketing is the marketing side of E-commerce in general e-commerce (electronic commerce) means as online transactions conducted by business and individuals (Morrish, 2016). The majority of global population use e-commerce as a tool to search for information and purchase desired product. -commerce products that have the biggest spending in worldwide market is travel categories with the total spent on travel reach 750.7 billion dollars and majority of 42% spend on accommodation product (wearesocial, 2019). This data shows that accommodation market in the world has a very promising market.

Indonesia categorized as one of the countries with a fairly large number of accommodation businesses this proven by research conducted by Badan Pusat Statistik Indonesia. One of the cities in Indonesia that affected by the development of this accommodation is Surabaya. The number of accommodations in Surabaya
continues to grow each year, especially the Hotel. According to Badan Pusat Statistik Surabaya, the number of hotels in Surabaya that had been inaugurated by the government reached 228 hotels in 2017. This shows the development of hotels in Surabaya is also very promising, but because of this growth competition between hotels in Surabaya is also increasingly fierce. Because of that, hotel occupancy rate in Surabaya experienced a declining. According to Perhimpunan Hotel dan Restaurant Indonesia (PHRI) Jawa timur, during the first semester of 2017 the average room occupancy rate was 54% then in the second semester, it ranged from 51 percent to 52 percent each month. For hotel to be able to make a profit, hotel occupancy rate must be at least 60%.

on both e-commerce platforms. With the existence of these two e-commerce platforms, an entrepreneur who engaged in the hospitality industry can be greatly benefitted. Therefore, an entrepreneur needs the opportunity creation mindset to be able to utilize this condition intelligently and effectively for developing and marketing their business. By utilizing these two e-commerce sites, an entrepreneur who engage in hospitality businesses can create various strategies that can be plus value for the business that also can solve the problem of this decreasing occupancy. Therefore, the researcher wants to know “The Effect of Social Media Marketing and Online Travel Agents towards the Booking Intention of Hotel in Surabaya.”

METHOD
1. Research Design

The research method used by the researcher is quantitative approach. Quantitative research method uses data collection by gathering data in numerical form and analyze with the aid of mathematical to explore and explain and issue or research phenomenon (Apuke, 2017).

2. Sampling Procedure

The population of this research is the domestic people whoever booked a hotel room in Surabaya. This study will use purposive sampling and Rao Purba formula to determine the size of the sample. The sample size used in this research is 104 respondents of with 5% error of margin.

3. Measures Independent Variables

According As’ad & Al Hadid (2014, as cited in Elyadi, 2018) stated that the indicators of social media marketing are as follow: (1) Online communities, (2) Interaction, (3) Sharing of content, (4) Accessibility, and (5) Credibility.

According to Li (2018) stated that the indicators of online travel agents are as follow: (1) Interactive service quality, (2) Ease of use, (3) Information Quality, and (4) Visual Appeal.

4. Dependent Variables

According to to (Gu & Law, 2015, as cited in Park et al., 2017), the indicators of the booking intention of hotel are as follow: (1) Scarcity, (2) Popularity, and (3) Customers Ratings.

Out on both e-commerce platforms. With the existence of these two e-commerce platforms, an entrepreneur who engaged in the hospitality industry can be greatly benefitted. Therefore, an entrepreneur needs the opportunity creation mindset to be able to utilize this condition intelligently and effectively for developing and marketing their business. By utilizing
these two e-commerce sites, an entrepreneur who engage in hospitality businesses can create various strategies that can be plus value for the business that also can solve the problem of this decreasing occupancy. Therefore, the researcher wants to know “The Effect of Social Media Marketing and Online Travel Agents towards the Booking Intention of Hotel in Surabaya” perceived quality, and serviceability, and its effects on customer satisfaction Emaline.

Based on previous explanations, researchers conducted research on aspects of aesthetics, durability, customer perceived quality, and serviceability of product quality and its effect on Emaline customer satisfaction. That research was entitled “The Effect of Aesthetics, Durability, Customer Perceived Quality, and Serviceability on Emaline Consumer Satisfaction”.

Ehsani and Ehsani (2014) conducted a study to review the effect of product quality and prices on customer satisfaction and consumer commitment to motor vehicles. The research was conducted using a quantitative approach to obtain the desired research results. The collected data were processed and analyzed by the SEM (Structural Equation Modeling) technique.

The results showed that product quality can affect consumer satisfaction. Rizwan et al. (2014) conducted a study to review matters that could affect the satisfaction and loyalty of consumers of Nokia products. The research was conducted using a quantitative approach to obtain the desired research results and comprehensively involves 170 respondents. The collected data were processed and analyzed by factor analysis techniques. The results showed
that product quality can affect consumer satisfaction. Yesenia and Siregar (2014) conducted a study to review the effect of service quality and product quality on consumer satisfaction and loyalty at Kentucky Fried Chicken. The research was conducted using a quantitative approach to obtain the desired research results and thoroughly involved 100 respondents. The collected data were processed and analyzed by the SEM (Structural Equation Modeling) technique. The results showed that product quality can have a significant effect on customer satisfaction. Yesenia and Siregar (2014: 16) suggest that product quality can have a significant effect on customer satisfaction. According to Andrias et al. (2015:21), aesthetics, durability, customer perceived quality, and serviceability have a significant effect on customer satisfaction. The conceptual model of this research as shown in Figure 1 and the research hypothesis is as follows:

H₁ Aesthetics has an effect on Emaline customer satisfaction.
H₂ Durability has an effect on Emaline customer satisfaction.
H₃ Customer perceived quality has an effect on Emaline customer satisfaction.
H₄ Serviceability has an effect on Emaline customer satisfaction.

METHOD

The researched variables are aesthetics, customer perceived quality, durability, consumer satisfaction and Serviceability. The samples taken in this study were 42 respondents who had purchased Emaline products more than once. The sampling was done randomly. The data were analyzed using multiple linear regressions.

RESULT

The subjects of this study can be characterized according to the times of product purchases as shown in Table 2

Table 2 The Distribution of Product Purchases from the Respondents

<table>
<thead>
<tr>
<th>No.</th>
<th>Times of Purchases</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2 times</td>
<td>22 persons</td>
<td>52.4%</td>
</tr>
<tr>
<td>2</td>
<td>3 times</td>
<td>19 persons</td>
<td>45.2%</td>
</tr>
<tr>
<td>3</td>
<td>More than 3 times</td>
<td>1 person</td>
<td>2.4%</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>42 persons</td>
<td>100%</td>
</tr>
</tbody>
</table>

Based on the data in Table 2, it turns out that the distribution is more dominated by customers who have made purchases 2 times (22 Emaline customers, or 52.4% of respondents).

Table 3 The Distribution of the Amount of Money Allocated by the Customers to Buy Products Similar to Emaline

<table>
<thead>
<tr>
<th>No.</th>
<th>The Distribution of the Amount of Money Allocated by the Customers to Buy Products Similar to Emaline</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>&lt; Rp1,000,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>2</td>
<td>Rp1,000,000 – Rp2,000,000</td>
<td>22 persons</td>
<td>52.4%</td>
</tr>
<tr>
<td>3</td>
<td>More than Rp2,000,000</td>
<td>20 persons</td>
<td>47.6%</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>42 persons</td>
<td>100%</td>
</tr>
</tbody>
</table>

Based on the data in Table 3, it turns out that the distribution is more dominated by customers who allocate Rp 1,000,000 to Rp
2,000,000 to buy products similar to Emaline (22 Emaline customers, or 52.4% of respondents).

The value of Cronbach's Alpha of lifestyle variable (X1), perception variable (X2), and purchase decision variable (Y) are all greater than 0.6, which means all research variables can be said to be reliable. The sig. value of F test is 0.05 (that is equal to 0.000), thus it can be concluded that aesthetics, durability, customer perceived quality, and serviceability variables simultaneously or jointly have a significant effect on the satisfaction of Emaline customer satisfaction.

The results of the t statistic test have shown that the significance value for the aesthetics variable is 0.018, which the value is smaller than 0.05, so it can be concluded that the aesthetics variable partially has a significant effect on the customer satisfaction variable. The significance value for variable durability is 0.005, which the value is smaller than 0.05, so it can be concluded that the durability variable partially has a significant effect on the variable customer satisfaction. The significance value for the customer perceived quality variable is 0.021, which the value is smaller than 0.05, so it can be concluded that the customer perceived quality variable partially has a significant effect on the customer satisfaction variable. The significance value for the serviceability variable is 0.001, which the value is smaller than 0.05, so it can be concluded that serviceability variables partially had a significant effect on customer satisfaction variables. The correlation coefficient obtained is equal to 0.958, so it can be said that the relationship between independent variables, namely aesthetics (X1), durability (X2), customer perceived quality (X3), and serviceability (X4) variables with dependent variables, namely consumer satisfaction variable is very strong or tight because the value of the correlation coefficient is close to number one. On the other hand, the coefficient of determination obtained is equal to 0.918, so it can be concluded that 91.8% of the variation in the variable customer satisfaction can be explained by aesthetics, durability, customer perceived quality and serviceability and the remaining 8.2% is influenced by other variables not included in the research.

The classic assumption test was carried out in the study. Based on VIF value data from aesthetics, durability, customer perceived quality, and serviceability variables, the value is <10. This shows there is no multicollinearity problem in this study and it confirms the feasibility of multiple linear regression analysis techniques that were carried out. The Glejser test results show that the t sig. value is > 0.05, so it can be concluded that there are no symptoms of heteroscedasticity in the study and this confirms the feasibility of multiple linear regression analysis techniques in this study. The Durbin Watson value is 1.936, indicating that the Durbin Watson value is already between the dU - (4 - dU) range, so we can understand that autocorrelation did not occur in this study and it reinforces the serviceability of multiple linear regression analysis techniques in this study (according to the table Durbin Watson in Appendix F, the value of dU in this study is 1.72, so the value of Durbin Watson in the study is in the range of 1.72–2.28). Based on the sig.value data, in the Kolmogorov-Smirnov test, it was 0.613 (> 0.05), so the conclusion of the residuals was normally distributed and this reinforced the feasibility of multiple linear regression analysis techniques in this study. Linearity tests can be carried out through a test of linearity. The
criteria that apply, if the value of sig. in linearity is 0.05, it can be concluded that between independent variables and dependent variables there is a linear relationship. The data show that the sig. value on linearity of X1 to Y, X2 to Y, X3 to Y, and X4 to Y is 0.000 (0.05) each, and it shows that between independent variables and dependent variables, there is a linear relationship.

DISCUSSION

The first hypothesis of “aesthetics influences the satisfaction of Emaline customer” can be accepted. The explanation of the efforts or the implication for Emaline is related to the aesthetics variable is as follows.

The result of the research shows that aesthetics has a significant effect on the satisfaction of Emaline customer. Before the research (in this current time), there has been no scientific review conducted by Emaline to prove the influence of aesthetics on the satisfaction of Emaline customer. After the research, the implication for Emaline is that it needs to pay attention to the latest references to the color of the bags that are popular with consumers and models that are valued both by consumers. It is also implied that Emaline needs to improve models that are less favored (to know the model of a good bag or not, Emaline can conduct regular surveys to consumer).

The second hypothesis of “durability influences the satisfaction of Emaline customer” can be accepted. The explanation of the efforts or the implication for Emaline is related to the durability variable is as follows.

The result of the research shows that durability has a significant effect on the satisfaction of Emaline customer. Before the research (in this current time), there has been no scientific review conducted by Emaline to prove the influence of durability on the satisfaction of Emaline customer. After the research, the implication for Emaline is that it needs to consider producing products with better quality that are still affordable to the customer. It has to conduct a periodical survey (e.g., once every three months) to see the durability of its products, thus enabling Emaline to fix issues among its products and eventually improve them.

The third hypothesis of “customer perceived quality influences the satisfaction of Emaline customer” can be accepted. The explanation of the efforts or the implication for Emaline is related to the customer perceived quality variable is as follows.

The result of the research shows that customer perceived quality has a significant effect on the satisfaction of Emaline customer. Before the research (in this current time), there has been no scientific review conducted by Emaline to prove the influence of customer perceived quality on the satisfaction of Emaline customer. After the research, the implication for Emaline is that it needs to pay attention to: 1) Customer education to make them understand the characteristics of Emaline products. 2) Customer education on how to maintain Emaline product to retain their quality. 3) Periodical survey (e.g., once every three months) to see the durability of its products, thus enabling Emaline to fix issues among its products and eventually improve them.

The third hypothesis of “serviceability influences the satisfaction of Emaline customer” can be accepted. The explanation of the efforts or the implication for Emaline is related to the serviceability variable is as follows.
The result of the research shows that serviceability has a significant effect on the satisfaction of Emaline customer. Before the research (in this current time), there has been no scientific review conducted by Emaline to prove the influence of serviceability on the satisfaction of Emaline customer. After the research, the implication for Emaline is that it needs to pay attention to: 1) A clear communication line to receive complaints or questions from the customers. 2) A warranty program for the products to ensure that the customer feel satisfied and not to hesitate to buy Emaline products.

This research can conclude that aesthetics, durability, customer perceived quality and serviceability variables have a significant effect on the customer satisfaction variable. The research carried out only covers the field of fashion business and exclusive to Emaline customers, thus the result of this research is difficult to use in other business fields. This research uses a questionnaire to obtain data from the respondents considering the limited time that this research has, thus the answers collected from the questionnaire can be less profound.

For other research in the future, it is recommended to expand the scope of the research and examine other independent variables (for example: service quality) that can affect customer satisfaction.

REFERENCES


