

The Role of Social Media Benefits in Affecting Purchase Intention to Reserve a Liveaboard Phinisi Trip in Labuan Bajo

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Abstract

Tourism has emerged as a key driver of economic growth, leading to a significant emphasis on maximizing consumption within the industry. As one of Indonesia's prominent tourism destinations, Bali is renowned for its natural beauty and rich culture, attracting not only domestic travelers but also tourists from around the world. Recognizing the global popularity of Bali, the Indonesian Ministry of Tourism and Creative Economy launched the '10 Bali Baru' program, aiming to promote and enhance the appeal of ten other local tourist destinations to rival Bali's success. Among these destinations is Labuan Bajo, which offers tropical landscapes and a unique experience with Liveaboard Phinisi trips. This study focuses on bolstering the tourism industry in Labuan Bajo through social media marketing efforts that can attract tourism consumers' intention to book Liveaboard Phinisi tours. In order to achieve this, a quantitative approach was employed, gathering data from over 200 survey respondents in Indonesia and conducting data analysis using PLS-SEM. The research findings offer valuable marketing insights to increase purchase intention for domestic tourism products through effective social media marketing strategies.

Keywords: Liveaboard Phinisi; Purchase Intention, Social Media Marketing, Tourism Destination

A. INTRODUCTION

Tourism has emerged as a major driving force behind a country's economic growth, making it one of the most significant industries focused on maximizing consumption. Indonesia's most popular tourist destination, Bali, is renowned for its natural and cultural attractions, attracting domestic and international travelers. Consequently, Bali has gained global recognition, surpassing other tourist spots in Indonesia (Merdeka, 2022).

To further promote and enhance the popularity of other local tourist destinations besides Bali, the Indonesian Ministry of Tourism and Creative Economy launched the '10 Bali Baru' or '10 New Balis' program. This initiative aims to draw attention to ten destinations, including Labuan Bajo, an Eastern Indonesian domestic tourism spot with breathtaking island landscapes reminiscent of Bali's natural beauty. In 2022, Labuan Bajo beat its records for the number of domestic tourists visiting, attracting 158,817 visitors, of which 56,767 were foreigners, and 102,050 were locals (detik.com, 2022). However, despite Labuan Bajo's accomplishments, Bali remains far ahead with a staggering 10,940,928 tourists, comprising 2,118,771 foreigners and 8,822,157 locals (CNN Indonesia, 2022).

Recently, researchers have been investigating tourism consumption from various perspectives, encompassing airport, hotel, and souvenir consumption, as well as specific areas like online bookings through travel agencies. A standout feature of Labuan Bajo is its Phinisi tour services, which offer a distinctive Liveaboard concept. Phinisi refers to a traditional Indonesian sailing vessel originally associated with the Bugis people, a seafaring ethnic group from South Sulawesi (Gammara Liveaboard Phinisi, 2023).

The Liveaboard concept entails vacation trips on Phinisi ships, providing tourists with onboard facilities resembling a 'living' experience, such as bedrooms, bathrooms, dining rooms, kitchens, and more, all designed within a unique architectural style blending traditional Bugis-Makassar cultural elements with

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influences from early 19th-century European and American ships (Tapaningtyas, 2021; Yacht Sourcing, 2020). This distinctive product could be Labuan Bajo's winning strategy in captivating consumers within the Indonesian tourism industry.

However, there is a need for a more specific approach to attract consumers' interest in booking a Liveboard Phinisi trip in Labuan Bajo. The process of service consumption involves three stages: pre-purchase, service encounter, and post-process (Dube-Rioux, Schmitt, & Leclerc, 1989). During the pre-purchase stage, customers actively search for information, engage with others, evaluate available options, and ultimately make purchase decisions (Pedraja & Yagüe, 2001). Wang & Li (2022) emphasize that purchase intention is a rational and deliberate decision-making process where customers conduct extensive research and rely on information such as reviews, quality, price, and safety policies. Social media benefits have significantly influenced customer purchase decisions during this stage, as shown in studies by Song & Yoo (2016) and other recent research (Hu & Zhu, 2022; Jamil et al., 2022; Leong et al., 2022).

The research sample was specifically selected to consist of Generation Z individuals aged between 18 and 26 years old. This age group was chosen because they constitute a significant proportion of Indonesia's population, accounting for 27.94% of the total population in 2020 (Badan Pusat Statistik, 2021). Additionally, individuals in this age range are entering a phase of increased economic independence and autonomy (Gibbons, 2022), and they possess growing purchasing power within the tourism and hospitality industry. Furthermore, Generation Z is the primary target market for many businesses in the tourism industry in the coming years. Being the most digitally savvy generation, they also offer valuable insights into social media marketing (Francis & Hoefel, 2018).

Thus, this paper aims to analyze the direct relationship between social media benefits and Gen-Z tourism customers' purchase intention to reserve Liveboard Phinisi services. Hence providing deeper insights within the social media marketing field for the Labuan Bajo tourism industry to grow and prosper.

B. RESEARCH METHOD

This study uses a quantitative research approach that employs an online survey or questionnaire method. The quantitative approach validates the relationship between Social Media Benefits (Monetary Benefits, Functional Benefits, Hedonic Benefits, and Socio-Psychological Benefits) and Purchase Intention toward Liveboard Phinisi services in travel planning to Labuan Bajo. Therefore, four hypotheses have been constructed for this research:

H1: Monetary Benefits Positively influences Purchase Intention

H2: Functional Benefits positively influences Purchase Intention

H3: Hedonic Benefits positively influence Purchase Intention

H4: Socio-Psychological Benefits Positively Influence Purchase Intention

This research focuses on Indonesian domestic tourism consumers, specifically those active on social media and belonging to the Gen-Z age range (18-26 years old) residing in Jakarta, Bogor, Depok, Tangerang, Bekasi, and Bandung, Indonesia. Due to the large population, a sampling technique filters respondents based on specific requirements. The target sample size adheres to the minimum of 200 samples recommended for marketing research by Malhotra (2010).

The questionnaire design is adapted from similar research to measure the relationship between variables. The survey will consist of multiple-choice questions to analyze the sociodemographic and behavioral information of the respondents. In order to assess the behavior of the respondents, several questions were asked regarding aspects such as frequency of traveling in a year, budgets spent on vacations, source of information most used, awareness of Liveboard Phinisi, and more. Meanwhile, to measure the operational variables, the questionnaire will follow into five Likert-scale questions (Malhotra, 2010).

The variable-measuring section started with the statement, "When I visit a tourism brand social media, I consider [...] important". Several indicators are made to adhere to the four beneficial dimensions of social media (Monetary Benefits, Functional Benefits, Hedonic Benefits, and Socio-Psychological Benefits) based on the studies of Wang & Fesenmaier (2004), Chung & Buhalis (2008), Kang (2011), and Song & Yoo (2016). The examples of items used for measuring the four beneficial dimensions are 1) "Offers of lower prices"; 2) "Latest information regarding the latest product"; 3) "Experience exchange"; 4) "Fun activities (example: giveaway, games)"; 5) "Building brand-customer relationship"; 6) "Discounts or special offers."

It then involved questions related to Purchase Intention, which included four indicators (Explorative Interest, Transaction Interest, Referential Interest, and Preferential Interest) based on Ferdinand (2002). The examples of items used for measuring purchasing intention are: 1) "Good promotion through social media influenced my desire to make a reservation for the Liveboard Phinisi Trip in Labuan Bajo," and 2) "The Liveboard Phinisi Trip in Labuan Bajo, which is well promoted through social media can be my main consideration when I want to reserve holiday accommodation."

PLS-SEM (Partial Least Squares Structural Equation Modeling) is the data analysis method used for this research. Partial Least Squares Structural Equation Modeling (PLS-SEM) is a multivariate statistical technique used to analyze the relationships between latent and observed variables (Riou, Guyon, & Falissard, 2016). As cited in Wong (2013), PLS-SEM is specially fitted for this research's model since it can deal with specific scenarios such as small sample sizes, applications with limited existing theories, prioritizing predictive accuracy, and when ensuring precise model specification is challenging (Bacon, 1999; Hwang et al., 2010; Wong, 2010).

C. RESULTS AND ANALYSIS

The PLS-SEM (Partial Least Squares Structural Equation Modeling) analysis starts with all the tests required before the hypothesis testing, comprising reliability, validity, and collinearity tests. The results show that this research's model construct passed through all of them.

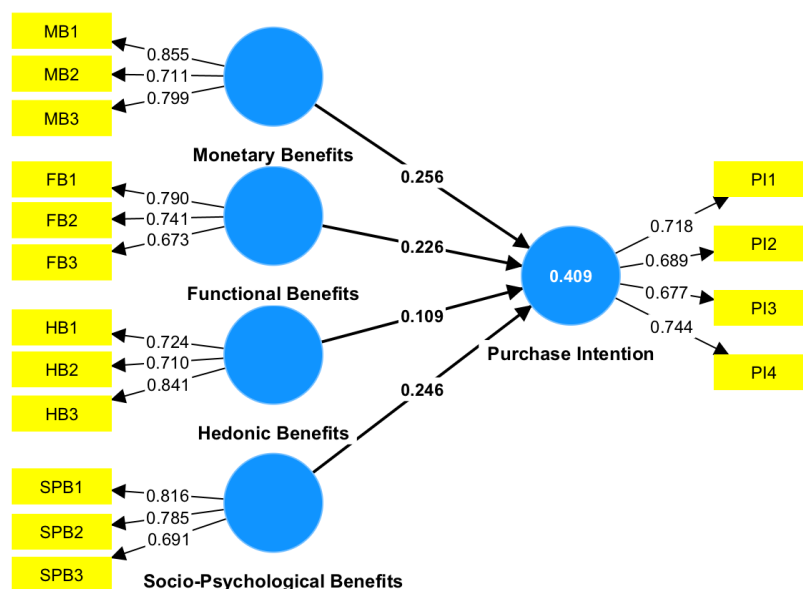


Figure 1. PLS-SEM Model Construct Research

The next stage of the study involved using bootstrapping to assess both the inner and outer models and examine the relationships between the variables as hypothesized. Several indicators were employed to evaluate the model's quality, including the coefficient of determination (R^2) and cross-validated redundancy (Q^2). According to Wong (2013), R^2 is analyzed to determine how accurately a model can predict outcomes, and its value ranges from 0 to 1. In this study, the bootstrapping analysis resulted in an R^2 value of 0.409 for Purchase Intention, indicating that the four latent variables (Monetary Benefits, Functional Benefits, Hedonic Benefits, and Socio-Psychological Benefits) explain 40.9% of the variance in Purchase Intention.

Furthermore, the researcher assessed the predictive significance of the Stone-Geisser test (Q^2), which measures the accuracy of predictions made by the model. A positive Q^2 score greater than zero confirms the predictive usefulness of a construct. After further analysis, the researcher found that the Q^2 score for the model was 0.369. The subsequent step involved calculating the Goodness of Fit (GoF) to ensure that the model accurately represents the observed data and contributes to a comprehensive fit.

Table 1. Goodness-of-Fit

Variable	R^2	Q^2
Purchase Intention	0.409	0.369
Goodness-of-Fit	0.236	

Source: research data, 2023

Hypothesis testing results are shown by assessing 'T-values' significance and examining the inner model's path coefficients. A hypothesis is only accepted if its T-value score is more than 1.96. Therefore, the hypothesis's accepted or rejected results are seen below.

Table 2. Hypothesis Testing

Hypothesis	T-Values	P-Values	Result
H1	3.532	0.000	Accepted
H2	2.884	0.004	Accepted
H3	1.599	0.110	Rejected
H4	3.199	0.001	Accepted

Source: research data, 2023

Hypothesis 1: Monetary Benefits positively influence Purchase Intention

Hypothesis 1 posited that Monetary Benefits would positively impact Purchase Intention. The data analysis confirmed the acceptance of Hypothesis 1, as its T-value score of 3.532 surpassed the standard value of 1.96 at a significance level of 0.05 (5%). This finding aligns with previous research conducted by Song and Yoo (2016), who also observed a positive relationship between Monetary Benefits and Purchase Intention.

Furthermore, the questionnaire responses indicated that the mean scores of indicators measuring the importance of discounts, special offers, and lower prices on social media were all above 4. Although one indicator measuring the significance of free coupons on social media had a slightly lower mean score than others, it still received a relatively high score of 3.874, close to 4. These scores collectively suggest that Monetary Benefits presented on social media, whether from brand pages or influencer accounts, play a crucial role in influencing the purchasing decisions of tourism consumers when it comes to Labuan Bajo Liveboard Phinisi promotions.

Additionally, it is worth noting that reserving a Liveboard Phinisi experience may require a considerable amount of money due to its all-inclusive nature, encompassing accommodations, consumption, entertainment, and more. The unique selling proposition of being on a ship further adds to the experience's value. The price for such an experience may exceed the budget range of Rp1,000,000 to Rp5,000,000, the range most commonly selected by respondents for a vacation to a domestic destination. As a result, Monetary Benefits displayed on social media, such as discounts, lower prices, and coupons,

may play an even more significant role in influencing the Purchase Intention of domestic tourism consumers.

Considering the comprehensive analysis that includes descriptive and statistical methods, it can be concluded that Monetary Benefits significantly positively influence the Purchase Intention of Labuan Bajo Liveaboard Phinisi.

Hypothesis 2: Functional Benefits positively influences Purchase Intention

The second hypothesis posited that Functional Benefits would positively influence Purchase Intention. After analyzing the data, it was found that this hypothesis was supported, as the T-value score of 2.884 exceeded the standard value of 1.96 at a significance level of 0.05 (5%). This finding is consistent with previous studies conducted by Chung and Buhalis (2008) and Song and Yoo (2016), which also observed a positive relationship between Functional Benefits and Purchase Intention.

Furthermore, all the indicators related to Functional Benefits achieved mean values above 4.5, indicating the significant importance of Functional Benefits for tourism consumers when making purchase decisions, particularly concerning Labuan Bajo Liveaboard Phinisi. Notably, one of the indicators measuring the importance of information or experience sharing on social media received the highest mean score among all other indicators in the model. This suggests that tourism consumers emphasize firsthand testimonies and experiences shared by others when deciding to reserve a Liveaboard Phinisi trip to Labuan Bajo. This observation aligns with the behavioral responses in the research, where social media emerged as the most preferred source of information for domestic trips. Additionally, a substantial number of respondents were not aware of the existence of Liveaboard Phinisi previously, indicating that a significant amount of information about Labuan Bajo Liveaboard Phinisi might not be readily available to tourism consumers without prior information searching efforts. This underscores the importance of Functional Benefits in shaping tourism consumers' Purchase Intention for Liveaboard Phinisi.

Considering the comprehensive analysis involving descriptive and statistical methods, it can be concluded that a significant positive relationship exists between Functional Benefits and Purchase Intention for Labuan Bajo Liveaboard Phinisi.

Hypothesis 3: Hedonic Benefits positively influence Purchase Intention

Hypothesis 3 proposed that Hedonic Benefits would positively impact Purchase Intention. However, upon further analysis, the hypothesis was rejected as its T-value score (1.599) was lower than the standard value of 1.96 at a significance level of 0.05 (5%). This finding contrasts with previous research by Song and Yoo (2016) and Kang (2011), which indicated a significant influence of Hedonic Benefits on Purchase Intention.

The questionnaire responses showed that all the indicators related to Hedonic Benefits received relatively high mean values, with each scoring 4. However, while respondents expressed the importance of entertainment provided by brands or influencers on social media, such as activities, communication, or content, this preference did not necessarily translate into a significant influence on the Purchase Intention of Labuan Bajo Liveaboard Phinisi. Tourism consumers consider other factors more significant in their decision-making process for purchasing tourism products, specifically Liveaboard Phinisi. Planning a trip or vacation involves multiple considerations beyond entertainment on social media, which could have influenced the data analysis outcome. Additionally, all the indicators of Hedonic Benefits had the lowest minimum scores, ranging between 1 and 2, compared to the other indicators that ranged between 2 and 3, which could also have affected the analysis results.

In conclusion, a comprehensive analysis integrating descriptive and statistical methods led to the finding that Hedonic Benefits have no significant influence on Purchase Intention. Despite tourism

consumers' preference for Hedonic Benefits in brands or influencers' social media, it does not necessarily lead to Purchase Intention. Recognizing and evaluating other factors is crucial when assessing the Purchase Intention of Labuan Bajo Liveaboard Phinisi.

Hypothesis 4: Socio-Psychological Benefits positively influence Purchase Intention

The fourth hypothesis suggested that Socio-Psychological Benefits would positively impact Purchase Intention. Upon analyzing the data collected in this research model, it was found that this hypothesis is supported, as its T-value score of 3.199 exceeds the standard value of 1.96 at a significance level of 0.05 (5%). This finding aligns with a previous study by Kang (2011), which also identified a positive relationship between Socio-Psychological Benefits and Purchase Intention. However, it contrasts with the study by Song and Yoo (2016), where no positive relationship between Socio-Psychological Benefits and Purchase Intention was observed.

Additionally, all indicators related to Socio-Psychological Benefits received high mean scores above 4.5, indicating the significant preference of tourism consumers for Socio-Psychological Benefits when making purchase decisions. A positive community vibe and a strong consumer-brand relationship hold importance for tourism consumers and significantly influence their Purchase Intention when considering a Liveaboard Phinisi trip in Labuan Bajo. The results of the tested indicators demonstrate that capturing a tourism consumer's sense of belonging within the promoted tourism product through a positive consumer-brand relationship enhances the influence on Purchase Intention. Human connection plays a role in influencing a tourism consumer's mindset during the purchase decision-making process.

In conclusion, based on a comprehensive analysis incorporating both descriptive and statistical techniques, it can be inferred that Socio-Psychological Benefits significantly and positively influence the Purchase Intention of Labuan Bajo Liveaboard Phinisi.

D. CONCLUSION

Following in on the Indonesian government's program '10 Bali Baru' to elevate the tourism industries in 10 domestic tourism destinations, including Labuan Bajo, Labuan Bajo tourism industry players must elevate their strategies to popularize and increase the purchases of their products and service within Indonesian tourism consumers. To do so, one of the options that Liveaboard Phinisi brands can do is through social media marketing to attract Gen-Z tourism consumers. The Generation Z segmentation may help spread awareness of the services offered because they are the most digitally aware generation among other segmentations. With increasing purchasing abilities, they may be the main targeted market for tourism industries in years to come. Hence to achieve effective results, marketers can highlight social media benefits that are most significant in influencing Gen-Z tourism consumers' purchase intention. Based on these research findings, monetary, functional, and socio-psychological benefits significantly influence purchase intention to reserve a Liveaboard Phinisi trip in Labuan Bajo. Therefore, this research has several recommendations that marketers of Liveaboard Phinisi brands can implement in their brand's social media.

First, devise a marketing campaign on monetary benefits that offers substantial discounts and exclusive deals during peak periods, such as school breaks and special occasions like Christmas and New Year. Utilize social media ads to amplify these promotions and ensure they capture the attention of Gen-Z tourism consumers when they are actively planning their travel or vacation. By providing attractive incentives during these popular seasons, the destination can establish a brand as a top choice in the minds of Gen-Z travelers.

Secondly, partner with travel influencers on functional benefits to share their firsthand experiences through social media. Gen-Z tourism consumers place significant importance on testimonials from others when making purchasing decisions. Liveaboard Phinisi brands can collaborate with travel influencers by

providing them with a trip package in exchange for creating detailed video content that showcases the trip experience. This content can then be shared on both the influencer's and the brand's social media platforms, effectively reaching and engaging the target audience.

Thirdly, on socio-psychological benefits, Nurture a positive online community and build strong relationships between the brand and consumers on social media. Brands can achieve this by actively engaging with consumers daily through interactive content. For instance, they can create engaging topics like "Labuan Bajo destinations wishlist" on Instagram Stories and encourage consumers to participate by sharing their opinions in the comment sections. This approach fosters a sense of intimacy, togetherness, and trust with the consumers. Additionally, brands should maintain a friendly yet persuasive tone when interacting with consumers to promote their services. By doing so, consumers will feel a sense of belonging within the brand's offerings, which can strengthen the consumer-brand relationship.

The findings of this study hold practical implications that are highly relevant for local tourism and hospitality industry brands, especially those offering Liveboard Phinisi products and services. The research offers valuable insights and guidance to these brands, aiding them in developing effective marketing strategies, particularly in social media. Specifically, the study highlights the significance of prioritizing monetary, functional, and socio-psychological benefits when targeting Gen-Z tourism consumers, thereby increasing the likelihood of these consumers making a purchase.

By centering their marketing efforts around these crucial factors, Liveboard Phinisi brands can elevate their overall sales performance by attracting more inclined consumers to buy their products or services. A higher purchase intention indicates a positive perception of the brand and a strong interest in what it offers, thus increasing the probability of converting potential customers into actual buyers.

Future Research

In future research, scholars can utilize this model for studying other tourism products and diverse regions, thereby expanding the investigation's scope and applicability. It is recommended that researchers increase the sample size, target multiple regions, and incorporate mediating variables to achieve a more comprehensive and holistic understanding of the relationships between variables and explore additional factors influencing purchase intention. Further research on similar dependent variables, such as Booking Intention for hotels, could yield valuable insights into the broader tourism industry.

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