# INFLUENCED FACTORS OF BRAND ADVOCACY: THE CASE OF GEN Y CONSUMERS' ONLINE TRAVEL AGENT IN INDONESIA

**Dina Fatimah[1], Dwina Maretta[2], Siti Nadhilah[3], Ricardo Indra[4], Z. Hidayat[5]**
[1,2,3] Communication Department, BINUS Graduate Program – Master of Strategic Marketing Communication, Bina Nusantara University, Jakarta, Indonesia
[4,5] Senior lecturers of Communication Department, BINUS Graduate Program – Master of Strategic Marketing Communication, Bina Nusantara University, Jakarta, Indonesia
Email: dina.fatimah001@binus.ac.id, dwina.maretta@binus.ac.id, siti.nadhilah@binus.ac.id, ricardo.indra@binus.ac.id, z.hidayat@binus.edu

**Abstract**

Brand advocacy is a fundamental component of a marketing strategy that is created from a genuine relationship with consumers. This research aimed to discover the brand advocacy perceived by Gen Y consumers online travel agents in Indonesia. This study collected 100 samples by purposive sampling technique with the statistical analysis used is Structural Equation Model (SEM). The results of this study prove that customer satisfaction positively affects brand advocacy, customer satisfaction positively affects customer trust, and customer trust positively affects brand advocacy.

**Keywords:** Brand Advocacy, Customer Satisfaction, Customer Trust, Online Travel Agent

## Introduction

Indonesia is well known as a country with a diversity of natural, cultural, and historical beauties (Jaelani, 2017). Indonesia also has many regions and islands that attract many visitors. Therefore, tourism has become a priority sector in Indonesia's economic development because Indonesia has become one of the most favorite destinations, especially in Asian countries (Soeroso & Susilo, 2014). According to BPS-Statistic Indonesia 2018, The arrival of foreign tourists to Indonesia has increased compared to the previous year, from 14.04 million in 2017 to 15.81 million in 2018. The increase in foreign tourists to Indonesia in 2018 is expected to continue to increase in the next few years (Harding et al., 2018). In addition, according to Statista data, Indonesia is now ranked fifth as the most significant internet user country in the world, amounting to 143.26 million from 3.49 billion internet users worldwide as of March 2019 (Sugiarti, Sari, & Hadiyat, 2020). Many conveniences and information can be accessed and obtained from the Internet. The business world has also begun to proliferate because of the Internet (Reimsbach-Kounatze, 2015). One of them is the Online Travel Agent (OTA) activity, a branch of commerce that is starting to be widely used and in demand.

With the development of the tourism industry and the growth of internet users in Indonesia, the number of Online Travel Agents (OTA) has also increased (Rosyidi, 2019). This increase can also be supported by digitalization and the convenience customers have to book hotels, flights, transportation, and others, which can be done online anytime and anywhere. Research to Google, Temasek, and Bain & Company in the e-Conomy SEA 2021 report, Southeast Asia's digital economy market reached $100 billion in 2019 and $120 billion in 2021 (Fraser et al., 2021). Meanwhile, online travel's gross merchandise value (GMV) was the second largest, reaching $34 billion, and Indonesia's OTA ecosystem has grown by 20 percent yearly since 2015. It is projected that Indonesia's online travel market until 2025 will still be superior in Southeast Asia (Sanny, Julianto, Savionus, & bin Yus Kelena, 2022). Startups that offer online travel services in Indonesia alone have more than fifty OTAs. from 2010 to 2018, the Indonesian travel industry proliferated. According to a survey conducted by DailySocial, more than 71.4% of Indonesians use OTA to plan their trips. Although the OTA industry in Indonesia has promising potential, there are still several challenges that will be faced by players in the OTA industry (Zhaoyang, Sliwinski, Martire, & Smyth, 2018).
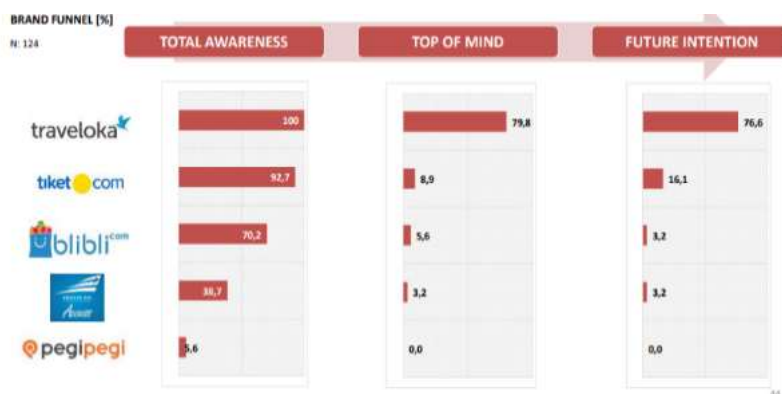


Figure 1: Behaviors and Preferences of Indonesian Millennial Consumers on E-commerce Applications in 2019

Two startups that have successfully competed in this industry are Traveloka and Tiket.com, where they have succeeded in leading Gen Y consumers. Based on the data obtained from the results of the "Behaviors and Preferences of Indonesian Millennial Consumers on E-commerce Applications in 2019", Traveloka is "the most popular ticket and hotel booking application, with the highest number of respondents willing to use it in the future." Moreover, followed by Tiket.com (Hayu, 2019).

The world is increasingly reliant on information sharing, and while all generations are becoming increasingly tech-savvy about sharing their experiences, Gen Y is leading the charge. In 2020, the year of the demographic bonus begins, the Gen Y is currently aged between 20-40 years old (Krbová, 2016). This is the productive age that will be the backbone of the Indonesian economy. Three years before the era occurred (2017), the number of Gen Y was dominant compared to other generations. According to Susenas,

the number of Gen Y reaches around 88 million people, or 33.75 percent of the total population of Indonesia (Husein, Herdiansyah, & Putri, 2021). According to Tapscott (2009), Gen Y Indonesia is said to be a digital native because 98.2 percent have used smartphones to access the Internet. They have a high intensity of using smartphones up to 6 hours per day to carry out chat/messaging activities, social networking, to purchase services and goods online (Hayu, 2019). Gen Y, as a consumer, changes the market and marketing, not only because they have enormous purchasing power and influence. Social sharing is second nature for Gen Y, and word of mouth has a global reach. As a result, Gen Y represents an unprecedented opportunity to create enthusiastic brand advocates. When companies provide outstanding customer satisfaction to Gen Y, online reputation will increase and brand loyalty (Edwards, 2017).

The presence of many online travel agents nowadays will require a large amount of money to communicate the brand to the public. The number of advertising costs can be avoided by increasing brand advocacy. Brand advocacy is the behavior of consumers saying something good about a brand to others and inviting that person to buy the product. Based on previous research, factors such as customer trust have an essential role in improving brand advocacy (Hossain, Shams, Amin, Reza, & Chowdhury, 2019). Meanwhile, this study looks at the influenced factors of brand advocacy perceived by Gen Y consumers online travel agents in Indonesia, considering several variables, specifically customer satisfaction and trust.

**Research Mtehods**
In the context of a brand, trust is defined as a feeling of security that consumers get that the brand will meet its consumption expectations based on the perception that the brand is reliable and the brand's intense presence of consumers. According to Rotter (1967) and Reast (2005), customer trust combines expectations that hold on to the individual, in other words, being trustworthy. Thus, when the brand is reliable and increases customer desires, it is said to be trustworthy when it can be relied on to fulfill customer desires, thereby affecting loyalty.

In addition, there is a feeling of liking or not someone about a product after he has compared the product's performance with his expectations which is called customer satisfaction. Customer satisfaction will be achieved when customers become more loyal and buy more if the company introduces new products. Besides, it improves existing products, provides favorable comments about the company and its products, pays less attention to competitors' brands and advertisements, and is less sensitive to price. Satisfying the wants and needs of the customers will have a positive impact on the company. If consumers feel satisfied with a product, of course, these consumers will always use or consume the product continuously. In addition, customers will also recommend the product to others.

This type of study is causal research. The causal relationship in this study is to reveal the effect of customer satisfaction and trust on brand advocacy, especially on consumers of Gen Y online travel agents in Indonesia. The approach used in this study is

a quantitative method. This approach is used to study the population of Gen Y consumers online travel agents in Indonesia. This study collected 100 samples by purposive sampling with the following conditions: respondents aged 20-40 years old, using an online travel agent, which is Traveloka.com or Tiket.com, and had visited one of these sites at the latest six last month (Bull-Otterson et al., 2020).

The indicators in this research questionnaire are the adoption of previous research, such as customer satisfaction developed by Bodet (2008) and Sureshchandar, Rajendran, and Anantharaman (2002), customer trust by Isaeva et al. (2020), Mukherjee and Nath (2007), and brand advocacy by Kemp, Childers, and Williams (2012). The research questionnaire used a six-point Likert scale to measure the importance of different variables of brand advocacy which were identified in the model developed in figure 2 (Walter, Mueller, & Helfert, 2000; Leninkumar, 2017; Hoq, Sultana, & Amin, 2010). The collected questionnaires were analyzed using the Smart PLS version 3.0 software followed by the PLS method.
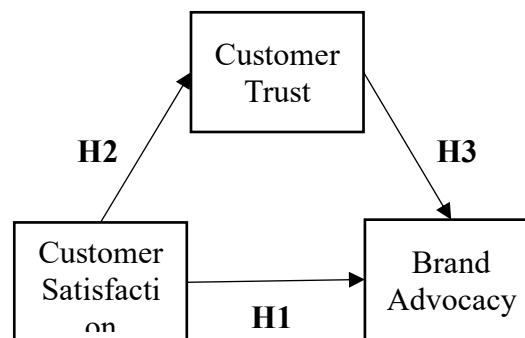
Figure 1: Research Model

Hypothesis 1: Customer satisfaction has a positive impact on brand advocacy.

Hypothesis 2: Customer satisfaction has a positive impact on customer trust.

Hypothesis 3: Customer trust mediates the relationship of customer satisfaction with brand advocacy

**Table 1.**
**Construct's dimensions and operational definitions**

| Construct | Operational definition | Dimensions/Indicators | References |
|---|---|---|---|
| Customer Trust | | I believe in making transactions on the online travel agent sites I visit because they have a positive reputation. | Isaeva et al. (2020), Mukherjee and Nath (2007) |
| | | I feel confident in the safety of transacting online on that site. | |
| | | I feel comfortable using the site. | |
| Customer Satisfaction | Customer's satisfaction in using the OTA app. | The online travel agent site I visited offered a product that met my needs. | Bodet (2008) & Sureshchandar, Rajendran, &Anantharaman (2002) |
| | | The products I bought on the site matched my expectations. | |
| | | If the product I buy doesn't meet my expectations, I believe the site's customer service can help solve my problem. | |
| Brand Advocacy | | I recommend and support people who want to use the online travel agent sites I visit. | Kemp, Childers, & Williams (2012) |
| | | I discuss the site with other people. | |
| | | I advise others to use the site. | |

**Result and Discussion**

The survey, which was generated from 100 respondents, obtained the following results: 80 percent or 80 respondents are Traveloka users, and the remaining 20 percent or 20 respondents are Tiket.com users; 39 percent of respondents are in the 25-29 years age group, followed by 31 percent of respondents in the 20-24 year age group, 14 percent of respondents in the 30-34 year age group and 16 percent of respondents in the 35- 40 year age group; the way respondents access online travel agent sites is dominated by respondents using applications on cell phones, namely 70 percent; The frequency of ordering products through online travel agents in a year is dominated by respondents who order less than three times a year with a percentage of 47 percent; for online bookings, they use online travel agents for hotel bookings and airplane ticket bookings, namely 78 percent, and 73 percent.

**Table 2**
**Respondents Profile**

| Variable | Category | Frequency | Percentage |
|---|---|---|---|
| Gender | Male | 24 | 24 |
| | Female | 76 | 76 |
| Age | 20-24 | 31 | 31 |
| | 25-29 | 39 | 39 |
| | 30-34 | 14 | 14 |
| | 35-40 | 16 | 16 |
| Location | Jakarta | 37 | 37 |
| | Bogor | 15 | 15 |
| | Depok | 10 | 10 |
| | Tangerang | 24 | 24 |
| | Bekasi | 14 | 14 |
| Educational level | High school | 3 | 3 |
| | Diploma | 8 | 8 |
| | Bachelor | 80 | 80 |
| | Master | 8 | 8 |
| | PhD | - | - |
| | Other | 1 | 1 |
| The average amount of expenses per month | < Rp 1.000.000 | 11 | 11 |
| | Rp 1.000.000 – Rp 5.000.000 | 55 | 55 |
| | Rp 5.000.001 – Rp 10.000.000 | 27 | 27 |
| | > Rp 10.000.000 | 7 | 7 |
| The frequency of ordering products through online travel agents in a year | < 3 times a year | 47 | 47 |
| | 3 – 5 times a year | 40 | 40 |
| | > 5 times a year | 13 | 13 |
| Device to access travel agent online sites | Through the application on the mobile phone | 70 | 70 |
| | Through a browser on a laptop or computer | 5 | 5 |
| | Through an application on a mobile phone and a browser on a laptop/computer | 25 | 25 |
| Features used when accessing travel agent online sites | Airplane ticket booking | 73 | 73 |
| | Hotel reservations | 78 | 78 |
| | Car rental | 5 | 5 |
| | Train ticket booking | 40 | 40r |

**Table 3**
**Discrimination Validity Result**

|  | BA | CS | CT |
|---|---|---|---|
| Brand Advocacy | 0.882 |  |  |
| Customer Satisfaction | 0.419 | 0.819 |  |
| Customer Trust | 0.397 | 0.722 | 0.906 |

The discriminant validity in this study used the Fornell–Larcker criterion to identify the compatibility of the proposed model. Therefore, the discriminant validity is confirmed positively in the model used in this study.

**Table 4**

**Reliability Test Result**

|  | Composite Reliability | Cronbach's Alpha | AVE | Conclusion |
|---|---|---|---|---|
| Brand Advocacy | 0.913 | 0.861 | 0.778 | Reliable |
| Customer Satisfaction | 0.857 | 0.750 | 0.671 | Reliable |
| Customer Trust | 0.932 | 0.891 | 0.821 | Reliable |

Table 2 shows that the three variables have a composite reliability value >0.6. Based on these results, each variable is declared to have met the construct reliability.
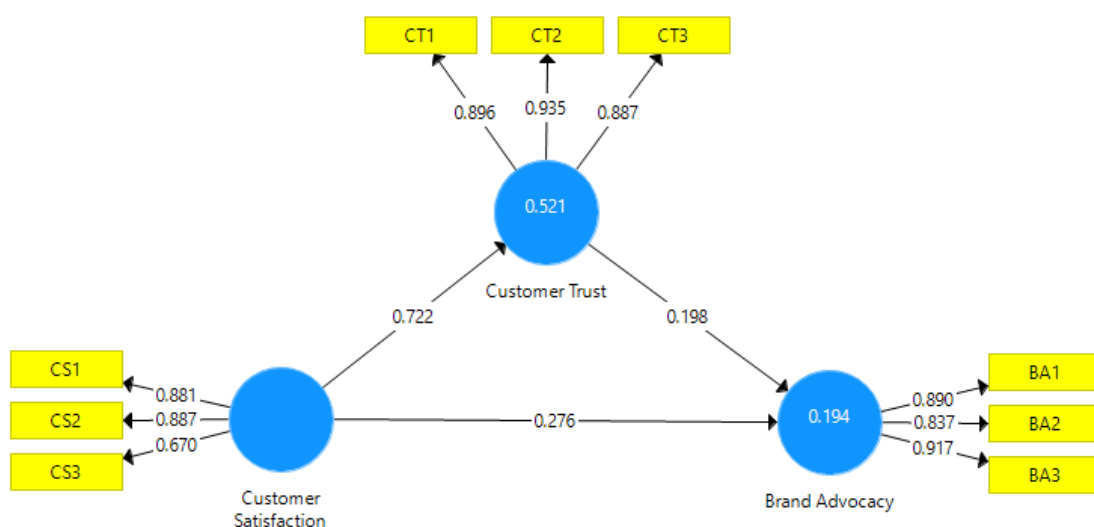


**Figure 3: Path Analysis Model**

The validity of the indicators that compose a construct can be seen from the loading factor value. In figure 3, all proxies have an outer loading factor value greater than 0.7. It can be concluded that all indicators are suitable indicators that can reflect each related variable. For the measurement results of the Average Variance Extracted (AVE), it is recommended that the AVE value should be greater than 0.5. Table 2 shows that the AVE value of each variable is more significant than 0.5. Therefore it can be concluded that the variables used are valid and reliable.

**Table 5**
**Hypothesis Test Result**

| | T-statistic | P-value | Hypothesis Result |
|---|---|---|---|
| H1: Customer Satisfaction ▢ Brand Advocacy | 2.119 | 0.035 | Supported |
| H2: Customer Satisfaction ▢ Customer Trust | 11.972 | 0.000 | Supported |
| H3: Customer Trust ▢ Brand Advocacy | 1.551 | 0.122 | Supported |

Based on table 3, the effect of customer satisfaction on brand advocacy produces a P-value of 0.035 with a T-statistic of 12.272> 1.29. Therefore, H1 is accepted. It is concluded that customer satisfaction positively affects online travel agents' brand advocacy. These results mean better customer satisfaction and increase online travel agent brand advocacy. The effect of customer satisfaction on customer trust results in a P-value of 0,000 with a T-statistic of 11,972 > 1.29, then H2 is accepted. It is concluded that customer satisfaction positively affects online travel agent customer trust.

This result means better customer satisfaction and will increase customer trust in online travel agents. The influence of customer trust on brand advocacy results in a P-value of 0.122 with a T-statistic of 1.551> 1.29, then H3 is accepted. It is concluded that customer trust positively affects online travel agents' brand advocacy. This result means better customer trust and will increase online travel agent brand advocacy.

The concept of customer satisfaction can be defined as the satisfaction that occurs after considering the evaluation of options that pays attention to purchasing decisions. Customer satisfaction is the feeling of liking / disliking a product after he has compared the product's performance with his expectations. Customers will be satisfied if the company can foster trust in its products. Satisfied customers will share good things with others and recommend buying the product. So, customer satisfaction affects brand advocacy. Based on these results, customer trust in the brand will lead to satisfaction. Satisfaction is more defined from the perspective of consumer experience after

consuming a product or service. Customer satisfaction shows the extent to which customers are satisfied with serving the transaction.

Trust in a brand is a feeling of security that consumers get that the brand will meet its consumption expectations which are based on the perception that the brand is reliable. The existence of an intense brand towards consumers, where customer trust combines expectations that hold on to individuals, in other words, can be trusted. Brand reputation is an essential factor affecting loyalty. Brand reputation can serve as the basis for customers to form a community of brand lovers. In this community, customers will usually exchange information about the development of new products produced by the company. Furthermore, the existence of this brand community positively impacts customer satisfaction.

**Conclusion**

From the empirical results and analysis, it is concluded that customer satisfaction has a significant positive effect on trust and indirectly to brand advocacy. Furthermore, customer satisfaction is the most significant indicator of satisfaction with the services provided. Therefore, the success of online travel agents is by providing products following consumer needs, products that follow consumer expectations, and maintaining consumer confidence properly by providing safety and comfort to consumers. So that it will encourage consumers to recommend the online travel agent used to other colleagues.

In this study, there are also research limitations. In future studies, the research model can be updated by adding new variables or indicators to improve the model used in this study. Therefore, the findings of further studies will be more accurate and may lead to a new result or continue to be the same as the results of this study. If the result stays the same, then this research model can be applied to Gen Y consumers.

For online travel agents, they should further enhance online shopping transactions safely and comfortably so that consumers feel satisfied when making transactions. Moreover, online travel agents must maintain the level of trust in each consumer because maintaining consumer trust is a success for online travel agents. That way, brand advocacy will also increase.

Dina Fatimah, Maretta Dwina, Siti Nadhilah, Ricardo Indra, Z. Hidayat

**BIBLIOGRAFI**

Bull-Otterson, Lara, Gray, Elizabeth B., Budnitz, Daniel S., Strosnider, Heather M., Schieber, Lyna Z., Courtney, Joseph, García, Macarena C., Brooks, John T., Mac Kenzie, William R., & Gundlapalli, Adi V. (2020). Hydroxychloroquine And Chloroquine Prescribing Patterns By Provider Specialty Following Initial Reports Of Potential Benefit For Covid-19 Treatment—United States, January–June 2020. *Morbidity And Mortality Weekly Report*, *69*(35), 1210. Google Scholar

Edwards, R. Gary. (2017). *How Mobile Technology Is Transforming Workplace Performance*. Nudge Rewards Inc. Google Scholar

Fraser, Morgan, Stritzinger, Maximilian D., Brennan, Sean J., Pastorello, Andrea, Cai, Yongzhi, Piro, Anthony L., Ashall, Chris, Brown, Peter, Burns, Christopher R., & Elias-Rosa, Nancy. (2021). Sn 2021csp--The Explosion Of A Stripped Envelope Star Within A H And He-Poor Circumstellar Medium. *Arxiv Preprint Arxiv:2108.07278*. Google Scholar

Harding, Simon D., Sharman, Joanna L., Faccenda, Elena, Southan, Chris, Pawson, Adam J., Ireland, Sam, Gray, Alasdair J. G., Bruce, Liam, Alexander, Stephen P. H., & Anderton, Stephen. (2018). The Iuphar/Bps Guide To Pharmacology In 2018: Updates And Expansion To Encompass The New Guide To Immunopharmacology. *Nucleic Acids Research*, *46*(D1), D1091–D1106. Google Scholar

Hayu, Rina Suthia. (2019). Smart Digital Content Marketing, Strategi Membidik Konsumen Millennial Indonesia. *Jmk (Jurnal Manajemen Dan Kewirausahaan)*, *4*(1), 61–69. Google Scholar

Hossain, Md Aslam, Shams, Shahriar, Amin, Mahmud, Reza, Md Sumon, & Chowdhury, Tanvir Uddin. (2019). Perception And Barriers To Implementation Of Intensive And Extensive Green Roofs In Dhaka, Bangladesh. *Buildings*, *9*(4), 79. Google Scholar

Husein, Sabarina, Herdiansyah, Herdis, & Putri, L. G. Saraswati. (2021). Allocation To Gender Empowerment Towards Gender Equality Of Sustainable Development Goals. *Iop Conference Series: Earth And Environmental Science*, *716*(1), 12096. Iop Publishing. Google Scholar

Jaelani, Aan. (2017). Halal Tourism Industry In Indonesia: Potential And Prospects. *International Review Of Management And Marketing*, *7*(3), 25–34. Google Scholar

Krbová, Petra Krbová. (2016). Generation Y Attitudes Towards Shopping: A Comparison Of The Czech Republic And Slovakia. *Journal Of Competitiveness*, *8*(1). Google Scholar

Reimsbach-Kounatze, Christian. (2015). *The Proliferation Of "Big Data" And Implications For Official Statistics And Statistical Agencies: A Preliminary Analysis*. Google Scholar

Rosyidi, M. Iqbal. (2019). Indonesian Online Travel Agencies: Profiling The Services, Employment, And Users. *3rd International Seminar On Tourism (Isot 2018)*, 211–216. Atlantis Press. Google Scholar

Sanny, Lim, Julianto, Tita Dwi, Savionus, Serafim, & Bin Yus Kelena, Beni Widarman. (2022). Purchase Intention In The Fashion Industry On Local And International E-Commerce In Indonesia. *International Journal Of Asian Business And Information Management (Ijabim)*, *13*(2), 1–12. Google Scholar

Soeroso, Amiluhur, & Susilo, Y. Sri. (2014). Traditional Indonesian Gastronomy As A Cultural Tourism Attraction. *Editorial Board*, *45*. Google Scholar

Sugiarti, Yenny, Sari, Yenny, & Hadiyat, Mochammad Arbi. (2020). Peranan E-Commerce Untuk Meningkatkan Daya Saing Usaha Mikro Kecil Dan Menengah (Umkm) Sambal Di Jawa Timur. *Kumawula: Jurnal Pengabdian Kepada Masyarakat*, *3*(2), 298–309. Google Scholar

Zhaoyang, Ruixue, Sliwinski, Martin J., Martire, Lynn M., & Smyth, Joshua M. (2018). Age Differences In Adults' Daily Social Interactions: An Ecological Momentary Assessment Study. *Psychology And Aging*, *33*(4), 607. Google Scholar