The Influence of Social Media, Content Marketing on Purchasing Decisions Through Customer Engagement Online Travel Agent

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Abstract: The online travel agent (OTA) business is affected by rapid advances in digital technology. The purpose of this research is to study how content marketing and social media usage influence consumers' decision to make a purchase through their engagement with the Traveloka App. This research utilizes a quantitative method known as Partial Least Square - Structural Equation Modeling (PLS-SEM). Data was collected through questionnaires distributed to 200 people in Jabodetabek who use Traveloka and have purchased tickets within the last six months. The results show that content advertising and social media have a positive and significant influence on customer engagement and purchase decisions; the higher the customer engagement, the more likely they are to buy. This study also found that customer engagement acts as an intervening variable that affects purchase. The findings of this study have significant consequences for digital marketing strategies in the OTA industry, particularly in terms of how businesses can increase customer engagement to encourage them to make better purchasing decisions. The research suggests that to increase customer engagement and improve the quality of content and interactions on social media is crucial. Ultimately, marketing campaigns and product sales through digital platforms will become more effective.

Keyword: Online Travel Agent (OTA), Digital Marketing, Customer Engagement, Content Marketing, Purchase Decisions

INTRODUCTION

In this growing digital era, technological advances have changed almost all aspects of human life, including the way we live our daily lives. (Alfi et al., 2023). This technological development has greatly affected the tourism and travel sector, which is one of the sectors that has been heavily influenced by the digitalization of technology. (Hanief, 2018). With the advent of the internet, people have changed the way they search for information about tourist attractions, as well as the way they book tickets, hotels, and other travel services. (Ferdianto & Supardi, 2022).

In recent years, the online travel agent (OTA) industry has seen a significant increase. OTAs are digital platforms that offer various types of travel services online, such as booking airplane tickets, trains, hotels, and tour packages. (Oktavia & Putri, 2020). With the existence of OTAs, customers can plan and book their trips quickly and easily, without having to visit a travel agent in person. One of the most well-known OTAs in Indonesia is Traveloka, which now dominates the market.

However, competition in this industry is getting tougher despite the rapid development of OTAs. Players in the industry must constantly evolve and find new methods to attract customers' attention. Digital marketing, especially through content marketing and social media, is considered effective in reaching a wider audience and increasing customer engagement. (Alinda et al., 2024).

Rapid advances in the digital world have influenced the marketing strategies of almost all types of businesses (Hendrian et al., 2023). Companies use marketing strategies that combine online and offline strategies to reach a wider target market in the marketing 4.0 era. (Salsabilla & Siregar, 2022).. The main goal of a business is to achieve a predetermined sales target. However, with the development of technology, companies now face the challenge of constantly innovating to attract new customers and entice them to buy products. Therefore, to stay competitive with competitors, business growth must keep abreast of the latest marketing and technology trends. (Amalia Nina et al., 2023).

Since the lockdown caused by the COVID-19 pandemic, consumer behavior has undergone significant changes (Kamaludin Yusup et al., 2020). The pandemic significantly changed the way people live their daily lives, it also triggered an increase in the use of social media, online shopping, and content consumption. (A. Fauzi et al., 2023). Such changes have resulted in a vast digital landscape, which forces businesses to build and strengthen their online presence to reach and interact with target audiences.

Digital transformation has been accelerated by the COVID-19 pandemic, and the travel and tourism sector is no exception. The pandemic caused up to 70 million people in Indonesia to lose their air transportation jobs, according to data from Travel.kompas.com. This has also been felt by people who have very limited mobility due to rules restricting activities outside the home. This condition clearly has an impact on the number of people watching street advertisements such as Out Of Home. Conditions like this become a unique marketing challenge for companies. Companies are finally shifting from offline advertising to online advertising.

The number of online travel agent (OTA) bookings increased from pre-pandemic 24% to 33% in 2021, and is expected to increase to 36% in 2024, according to a press release issued by the Indonesia Investment Authority.

Despite progress, Traveloka and other OTAs still face a number of issues, such as limited infrastructure in some places and uneven service availability. It is possible that OTA adoption will be limited by technological limitations such as internet connectivity, especially in regions with less developed infrastructure. The OTA market is highly competitive, with many competitors competing to attract users (Adiva et al., 2019). Traveloka continues to innovate to remain influential in market penetration. However, to survive and thrive in the midst of fierce competition, OTAs must implement marketing strategies that are in line with current trends.

Although Traveloka has been using various digital marketing approaches, there are still some issues to be addressed. Optimizing the use of social media and content marketing to increase customer engagement is a key issue for Traveloka. Purchasing decisions and overall business performance can be negatively affected by low customer engagement.

Traveloka also has shortcomings when it comes to retaining customers and building brand loyalty, although they manage to attract many users through digital marketing. Many customers only use the OTA service once or twice, and they are not sure if they will use it again

in the future. This suggests that there is a need for a more efficient approach to building lasting customer relationships.

This study aims to analyze the effect of media marketing on customer engagement at OTA Traveloka, analyze the effect of content on customer engagement at OTA Traveloka, analyze social media marketing at OTA Traveloka on purchasing decisions, analyze the effect of content marketing on purchasing decisions at OTA Traveloka, analyze the effect of engagement as an intermediary variable between social marketing and content marketing on decisions at OTA Traveloka.

This research is expected to make a significant contribution to the development of digital marketing strategies in the OTA sector, in terms of increasing customer engagement and driving purchasing decisions.

This research has several advantages, both practically and academically. In practice, the results of this research can be used by Traveloka and other OTA companies to develop more effective marketing to increase customer engagement and purchase decisions. In addition, this research can also provide deep insights into the importance of customer engagement in the context of digital marketing.

It is hoped that this study will add to the literature on digital marketing, particularly with regard to the OTA industry in Indonesia. In addition, this study can serve as a reference for future research that wants to explore the relationship between social media marketing, content marketing, customer engagement, and purchasing decisions.

METHOD

This study aims to evaluate how social media advertising and content advertising impact consumer purchasing decisions with customer engagement as an intervening variable in the online travel agent (OTA) Traveloka. This study uses a quantitative method, namely Partial Least Square - Structural Equation Modeling (PLS-SEM). This approach was chosen because PLS-SEM has the ability to evaluate causal relationships between complex latent variables and has the ability to handle rather small but significant model indicators.

This study uses a quantitative survey to collect data from respondents directly and then analyze it to find out how the variables are impacted. Data was collected through questionnaires distributed to Traveloka customers in Jabodetabek who have made a purchase in the last six months.

Traveloka application users in the Jabodetabek area who have purchased tickets within the last six months are the subjects of this study. For this research, a purposive sampling method was used, which means that respondents were selected based on criteria relevant to the research. The number of samples used for this study was 200 respondents. This is in accordance with the theoretical measurement guidelines (H. Fauzi et al., 2021)which proposes that the sample size should be at least five times the number of indicators used in the model.

The tool used was a questionnaire with a Likert scale. The questionnaire consists of two main parts; the first contains questions about the demographic characteristics of the respondents; the second is the statements that measure the research variables, namely content marketing, customer engagement, and purchase decisions. Strongly disagree (1) to strongly agree (5) are the five points in the Likert scale used.

Data was collected through a questionnaire distributed online through the Google Forms platform. Respondents who met the research criteria received the questionnaire via email and social media. To ensure that the sample collected was representative, data collection was conducted over two months.

Before the data is processed further, validity and reliability tests are conducted to ensure that the instruments used in this study are valid and reliable. To evaluate construct validity, reliability is measured by looking at the filler factor value, where indicators are considered valid if their value is more than 0.7. Cronbach's Alpha and Composite Reliability values are

also used to evaluate reliability, where indicators are considered reliable if their value is more than 0.7.

SmartPLS 3.0 software was used to analyze the collected data using the PLS-SEM method. Some of the main stages in this analysis are as follows:

1) Outer Model Analysis to determine the relationship between indicators and latent constructs; this includes tests of convergent validity (with AVE values) and discriminant validity (with HTMT values).
2) Inner model analysis to determine the relationship between latent constructs. This includes the coefficient test to determine the strength of the model and the R-Square test to determine the causal relationship between variables.
3) Hypothesis testing is done by checking the t-statistic and p-value of the path coefficients. If the t-statistic value is greater than 1.96 and the p-value is less than 0.05, the hypothesis is accepted.

Preparation, data collection, data analysis, and report writing were all part of the research conducted over six months. Data was collected online and focused on respondents living in Greater Jakarta.

This study has several limitations, one of which is that its scope is limited to the Greater Jakarta area. As a result, the results may not be generalizable to other regions in Indonesia. In addition, there is a possibility that the respondents are not truly representative of the wider population due to the survey method used.
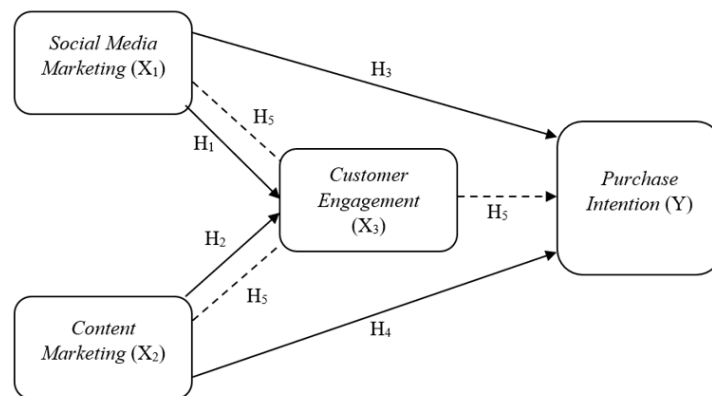
Figure 1. Framework

RESULTS AND DISCUSSION

The data for this study came from questionnaires distributed to 234 people, and only 200 people were eligible for further analysis. The respondent criteria consisted of people aged 18 and above, living in Jabodetabek, and having purchased airplane tickets through Traveloka at least once in the past six months. The most common ages among respondents were between 18 and 24 years old (41.5%) and between 25 and 30 years old (38.5%).

To ensure that the research instruments are valid and reliable, validity tests were conducted with filler factors, and reliability tests with combined values and Cronbach's Alpha. The validity test results show that most of the instruments have a filler factor value of more than 0.7, which indicates that the instrument is valid for measuring the construct under study. The Cronbach's Alpha and Composite Reliability values also show that most instruments have filler factor values of more than 0.7.

Table 1. Construct Reliability and Validity

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)

Social Media Marketing (X1)	0.911	0.913	0.927	0.585
Content Marketing (X2)	0.922	0.923	0.934	0.587
Customer Engagement (X3)	0.933	0.934	0.944	0.626
Purchase Decision (Y)	0.843	0.849	0.888	0.585

Source: Data that has been processed by the author

The analysis results show that marketing through Traveloka's social media has a positive and significant impact on customer engagement with a path coefficient value of 0.213, or 21.3%. This shows that marketing through social media successfully increases customer engagement by making customers more involved with the content offered by Traveloka, which in turn can improve the relationship between customers and brands. Traveloka has used social media as an effective marketing tool, using promotional campaigns and influencers to attract audience attention and increase engagement.

In addition, Traveloka's content marketing, which consists of content such as articles, videos, and reviews, successfully attracts customers' attention and encourages them to interact further with the brand with a path coefficient value of 0.648, or 64.8%. These results show that content quality and relevance are crucial in building customer engagement.

Traveloka can strengthen relationships with customers and increase customer loyalty by presenting valuable content that is informative, educational, and relevant to customer needs.

With a path coefficient value of 0.117, or 11.7%, social media marketing can have a positive impact on customer purchasing decisions for products or services offered by Traveloka. This indicates that social media marketing has the ability to influence customers' decisions to purchase products or services offered by Traveloka. Customers who are exposed to marketing content on social media tend to be more aware of the existence of the product or service, which can have an impact on their decision to make a purchase.

By using engaging and interactive marketing strategies, Traveloka has successfully increased their product visibility on social media. This finding is in line with previous research which shows that social media marketing can increase brand awareness and influence consumer purchasing decisions.

With a path coefficient value of 0.429, or 42.9%, the content presented by Traveloka, whether in the form of articles, travel guides, or user reviews, provides customers with the information they need to make informed purchasing decisions. This finding shows that high-quality content not only helps customers understand the product or service, but also helps them make better decisions.

Customers' perception of goods or services can be influenced by relevant and useful content, which in turn encourages them to make a purchase. Therefore, content marketing is one of the important approaches that Traveloka should continue to develop to increase the purchasing choices of its consumers.

The results of the analysis show that customer engagement serves as an intervention factor that enhances the influence of content marketing and social media on purchasing decisions. With a path coefficient value of 0.712, or 71.2%, the effect of customer engagement on purchasing decisions shows that the more customer engagement, the more likely they will make a purchase.

These results suggest that customer engagement is not just a result of marketing efforts, it is also a factor that governs the relationship between marketing and purchase decisions. Engaged customers are more likely to have a stronger emotional connection with the brand,

which in turn causes them to become more loyal and prefer to purchase certain goods or services.

Table 2. Path Coefficient

	Customer Engagement (X3)	Content Marketing (X2)	Purchase Decision (Y)	Social Media Marketing (X1)
Customer Engagement (X3)			0.712	
Content Marketing (X2)	0.648		0.429	
Purchase Decision (Y)				
Social Media Marketing (X1)	0.213		0.117	

Source: Data that has been processed by the author

The results of this study provide important insights into how social media and content marketing can be used to increase customer engagement and drive their purchasing decisions. First, the results show that these two strategies have a significant influence on customer engagement and their purchasing decisions. This shows how important an effective digital marketing strategy is to drive customer engagement and their purchase decisions. This means that the main focus in Traveloka's marketing strategy should be an effort to increase customer engagement. By increasing customer engagement, Traveloka can increase customer loyalty and encourage them to buy the product again.

Secondly, the research findings show that high-quality and relevant content is essential for building customer engagement and influencing their purchase decisions. Content that is informative, educational, and suited to customer needs is able to provide customers with a pleasant experience, which increases their likelihood of purchasing goods.

The results of this study can be used by Traveloka when they create their digital marketing strategy. First, Traveloka must continue to increase customer engagement through interactive and relevant content. Second, high-quality content should be a top priority to attract customers' attention and influence their purchasing decisions. In addition, Traveloka needs to consider integrating their marketing efforts on social media with a comprehensive content marketing strategy, which not only includes product promotion but also provides useful information and educates customers. Thus, Traveloka can build stronger relationships with their customers, increase loyalty, and ultimately increase sales.

Overall, this study shows that content marketing and social media have a significant influence on consumer decisions to purchase products through increased customer engagement. To stay competitive in an increasingly tight market, Traveloka must continue to innovate and strengthen their digital marketing strategy. By utilizing the potential of social media and high-quality content, they can build stronger customer relationships. Ultimately, this will have a positive impact on Traveloka's growth and sustainability.

CONCLUSION

Social media marketing plays an important role in increasing customer engagement with brands or companies. Based on the data analysis conducted, social media marketing has a positive and significant impact on Traveloka's customer engagement. This shows that Traveloka's social media marketing strategy can build closer relationships with its customers by making them feel more involved with the company.

Traveloka can consider social media marketing as one of the main strategies that should be continuously developed because it allows them to deliver relevant and interesting information to customers and build two-way relationships with customers.

They found that content marketing, in addition to the use of social media, has a significant impact on customer engagement levels. Relevant, informative, and engaging content can build stronger relationships between consumers and businesses. In Traveloka's case, content distributed through various online platforms, such as articles, blogs, videos, and social media, has the ability to capture customers' attention and encourage them to engage more with the brand.

According to this study, Traveloka can strengthen its relationship with the audience and increase their likelihood of returning to use their services by providing content that suits the needs and interests of customers, thereby increasing the level of customer engagement. The analysis conducted in this study also shows that social media marketing has a positive influence on purchasing decisions. Customers who are exposed to marketing content on social media tend to be more aware of the existence of products or services offered by Traveloka, and this affects their decision to make a purchase.

Traveloka's social media marketing successfully attracts existing customers and attracts new customers by providing useful and interesting information. Promotional campaigns, influencers, and intimate interactions through social media have proven effective in encouraging customers to make purchases.

Content marketing plays an important role in consumers' decision-making about what they buy. Quality content from Traveloka, whether in the form of articles, travel guides, or user reviews, helps customers make better decisions by providing the information they need. Quality content also builds customer trust in the Traveloka brand.

In order to increase sales conversions, a good content marketing strategy must be continuously developed and tailored to the needs and preferences of customers because this research shows that customers who feel they get value from the content presented are more likely to make a purchase.

It was found that customer engagement is an intervening factor that enhances how social media advertising and content advertising influence consumer purchase decisions. High customer engagement with the brand increases their likelihood of making a purchase decision. This suggests that customer engagement is not only the result of marketing efforts, but also an element that regulates the relationship between marketing and purchase decisions.

Customers who engage with a particular brand tend to have stronger emotional ties and bonds with it. On the other hand, this relationship increases customer loyalty and increases their likelihood to purchase the goods again in the future. Therefore, the results of this study indicate that increasing customer engagement should be a major focus in Traveloka's marketing strategy. This finding has significant consequences for Traveloka when they create their digital marketing strategy. First, Traveloka should continue to enhance its social media profiles with interactive and relevant content to attract customers and influence their purchasing decisions. Second, the development of high-quality content should be a top priority.

In addition, Traveloka should consider incorporating a comprehensive content marketing strategy into their marketing campaigns on social media, which includes product promotion and providing useful information and education to customers. With this strategy, Traveloka can build stronger customer relationships, increase loyalty, and ultimately increase sales.

While this study has provided useful knowledge on how content marketing and social media marketing influence consumer purchasing decisions through customer engagement, there are some shortcomings that need to be noted. The results of this study only cover the Jabodetabek area, so it cannot be generalized to the whole of Indonesia. Therefore, to get a more comprehensive picture, future research should expand the geographical coverage and involve a larger sample.

In addition, only survey data was used in this study to measure customer engagement and their purchase decisions. To gain a better understanding of the factors that influence customer

engagement and OTA purchasing decisions, future research could consider using qualitative approaches such as case studies or in-depth interviews.

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