THE INFLUENCE OF *SOCIAL MEDIA MARKETING* ON *BRAND EQUITY*, *BRAND TRUST* AND *BRAND LOYALTY* ON TRAVELOKA INSTAGRAM

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Keywords:	Abstract
social media marketing, brand trust, brand equity, brand loyalty, online travel agents	This research is entitled "The Effect of *Social Media Marketing* on *Brand Equity*, *Brand Trust*, and *Brand Loyalty* on Traveloka Instagram". The main focus is to understand the influence of social media marketing activities on *brand trust, brand equity, and brand loyalty* on Traveloka's Instagram *platform*. The background of this research is based on the estimation that the tourism industry in Indonesia is growing rapidly along with the widespread use of social media which affects marketing methods. The phenomenon in this study was explored using a questionnaire survey method using a *Likert* scale with the criteria of Instagram social media users and Traveloka applications in the DKI Jakarta area and SEM-PLS analysis. The purpose of this research is to identify the influence of *social media marketing* on Traveloka's *brand trust*, *brand equity*, and *brand loyalty* on Instagram. This is important given the growth of Indonesia's tourism sector and the important role of social media in the marketing strategy of *online travel agents* (OTAs). The results showed that *social media marketing* has a significant influence on *brand equity*, *brand trust*, and *brand loyalty*. In addition, the factor that needs to be considered is *brand trust* because it has the greatest influence than other variables, which indicates that consumers' trust in the brand affects their perception of value and their desire to remain loyal to the brand. The benefits of this research include theoretical contributions in the field of management, especially in the aspects of *social media marketing*, *brand trust*, brand *equity,* and *brand loyalty*, as well as practical benefits for

Tarisa[1] , Refi Rifaldi Windya Giri[2]

academics and companies in planning marketing strategies and business development.

INTRODUCTION

Social media, as a relatively new marketing method, has opened up opportunities to create more effective interactions between companies and customers (Ardiansyah & Sarwoko, 2020). Social media marketing is now an important component of digital marketing strategies, with its significant contribution to customer loyalty and increased sales (Ebrahim, 2019). According to Kim & Ko (2012), social media marketing encompasses a wide range of activities, from providing entertainment to influencing consumers' purchase intentions. These activities not only enrich the consumer experience, but also have an impact on brand value and future purchase intentions and behavior (Chen and Lin, 2019). In this context, Instagram social media has proven effective in shaping *trust*, *equity*, and *loyalty* from users (Haudi et al., 2022). As one example, Traveloka is the most popular OTA application in Indonesia, with a percentage of users reaching 84.62% (Statista, 2023), and even ranked first in the top brand award (Topbrand, 2023). Although Traveloka dominates the market, their marketing channel distribution through social media is ranked in the bottom 3 according to (Similarweb, 2024). In recent years, the growth of internet users in Indonesia has had a significant impact on various aspects of life, such as lifestyle, purchasing systems, and business growth (Giri et al., 2022). In particular, the *e-commerce* industry, including *Online Travel Agencies (OTAs)*. OTAs have an important role in supporting the growth of the tourism industry in Indonesia (Himawan & Faisal, 2020). The Indonesian tourism industry utilizes the internet on social media to make it easier for people to find information and plan travel (Rinaldi et al., 2024). The presence of various OTA options in Indonesia has triggered intense competition between similar companies in an effort to provide superior services for consumers (Suhendra & Millanyani, 2021). This suggests that there is potential to affect the level of *brand trust*, *brand equity*, and *brand loyalty* in Traveloka if competitors offer more attractive promotions on social media. Therefore, this study aims to develop an understanding of the impact of social media marketing activities, especially on the Instagram application, on *brand trust, brand equity,* and *brand* loyalty.

Tarisa[1] , Refi Rifaldi Windya Giri[2]

in the OTA industry, with Traveloka.

LITERATURE REVIEW

Marketing Management

Marketing management, as a combination of skills and knowledge, selects target markets and efforts to acquire, and and expand the number of customers through the delivery, creation, and communication of the best customer value (Kotler et al., 2022: 29).

Consumer Behavior

Consumer behavior is the study of how people, groups, or organizations determine, use, and dispose of goods, experiences, and concepts to meet their interests and their impact on customers and society (Mothersbaugh & Hawkins, 2016: 6).

Social Media Marketing

Social media marketing is the act of managing interactions and advertisements through social networks to increase brand awareness and targeted audience participation (Chaffey & Chadwick, 2022:30). It involves supporting interactions between customers and companies and utilizing the influence and recommendations of online communities (Chen & Lin, 2019).

Social Media Marketing Activities

Social media marketing activities involve using promotional concepts to invite customers to become active brand and product advocates through relevant *online* information (Yadav & Rahman, 2018). As explained by (Kim and Ko; Ebrahim, 2019), there are five important aspects in social media marketing activities, namely *customization, entertainment*, *interaction*, *word of mouth,* and *trendiness*.

Instagram Social Media

Instagram social media has become popular since the advent of the first social networks. The growth of internet usage through smart phones and tablets has further changed our marketing options (Chaffey & Smith, 2017: 504). According to (Chaffey & Smith, 2017:616) Instagram has a uniqueness that sets it apart from other social media platforms. This opens up various opportunities for creative visual storytelling.

Brand Trust

Tarisa[1] , Refi Rifaldi Windya Giri[2]

Brand trust is a relationship between consumers and brands that is influenced by a sense of trust that the brand will fulfill their needs well and their needs. *Brand trust* also involves expectations of the intensity and reliability of customer relationships with the brand (Haudi et al., 2022). According to (Chaudhuri & Holbrook; Ebrahim, 2019) *Brand trust* is the readiness of consumers to believe in the ability of a brand to deliver performance as expected.

Brand Equity

According to (Kotler et a.l, 2022: 238) Brand equity or commonly referred to as brand equity is a financial assessment of a brand that reflects the additional value in the company's valuation due to its ownership of the brand. Furthermore, according to (Mothersbaugh & Hawkins, 2016: 341) brand equity is the perception that consumers have of a brand beyond the functional characteristics of its products. For example, consumers are willing to pay more to buy products from certain brands even though the products are identical to products from other brands.

Brand Loyalty

According to Mothersbaugh & Hawkins (2016: 638), brand loyalty can be defined as a consumer's emotional relationship with a brand, service, or store. Loyal consumers show their commitment through statements such as "I am very loyal to a brand, I always use the services of that brand" this commitment reflects the high level of trust and preference that consumers feel for the brand or company.

Research Hypothesis

According to Sekaran & Bougie (2016: 83) the research hypothesis can be interpreted as a temporary statement, but it can be tested. Hypotheses can define what the author expects as empirical information. In this study, the authors used Ebrahim (2019) as a theoretical basis for finding existing phenomena. Referring to the research theory and framework above, the hypothesis of this study is:

 H1*: Social media marketing activities have* a positive influence on brand trust on Traveloka Instagram.

According to Research (Pentina et al., 2013), the relationship between user personality and social media affects brand trust. The findings confirm the importance of trust in user behavior, such as the desire to continue using the platform in the future and

Tarisa[1] , Refi Rifaldi Windya Giri[2]

provide recommendations.

H2: *Social media marketing activities have* a positive influence on brand equity on Traveloka Instagram**.**

By marketing on social media platforms, companies have the opportunity to present product information through interesting content, which in turn fosters good brand perception in the eyes of consumers (Nam et al., 2011). when a marketer uses social media to strengthen a brand, this generally means increasing brand equity (Prasetio et al., 2022).

H3: *Social media marketing activities have* a positive influence on brand loyalty on Traveloka Instagram.

Godey et al. (2016) show that an effective social media presence can generate positive perceptions among consumers, potentially increasing brand loyalty.

H4: *Brand trust has a* positive influence on brand equity on Traveloka Instagram.

Consumer trust in brands is believed to have a direct impact on brand value, strengthening consumer perceptions of the brand (Ebrahim, 2019).

H5: *Brand trust has a* positive influence on brand loyalty on Traveloka Instagram.

Trust in a brand will have a positive impact on brand loyalty. In the realm of marketing, trust serves as a trigger for building and maintaining long-term relationships, and acts as a substitute for equity that creates brand uniqueness and *distinctiveness*, which is embedded in the minds of consumers (Ebrahim, 2019).

H6: *Brand equity has a* positive effect on brand loyalty on Traveloka Instagram.

Brand Equity will show a positive effect on brand *loyalty.* When consumers are exposed to intensive social media marketing efforts, which create awareness and understanding related to the brand, it will indirectly strengthen customer commitment to the brand (Seo and Park, 2018).
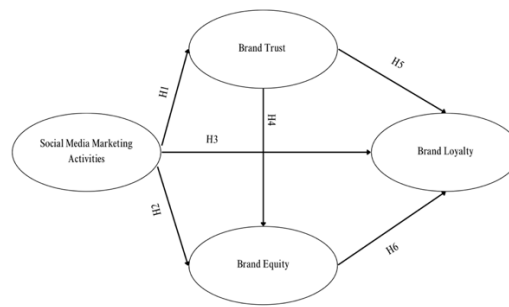
Tarisa[1] , Refi Rifaldi Windya Giri[2]

Figure 1. Framework of Thought
Source: Ebrahim (2019)

RESEARCH METHODS

This research methodology applies a quantitative approach to evaluate hypotheses by examining correlations between variables. This study uses a conclusive research design that aims to verify the relationships between variables that have been explored in previous literature. This study also used a causality design to identify the cause of a problem. The survey method in this study with the use of questionnaires was used to collect data from active Traveloka and Instagram users in Jakarta for 6 months. This study adopted a *non-contrived* setting where the researcher did not intervene in the subject's natural activities. The research design is *cross-sectional*, where data collection is carried out at one specific point in time. The operationalization of variables in this study includes the independent variable *social media marketing,* with dimensions such as *customization*, *entertainment*, *interaction*, *word of mouth,* and *trendiness*, and the dependent variable consists of *brand trust*, *brand equity,* and *trendiness.*

brand loyalty. The measurement in this study uses a *Likert* scale, which rates statements on a scale from 1 (strongly disagree) to 5 (strongly agree). Data collection was conducted through *online* questionnaires disseminated through various social media platforms. Data was obtained both from primary sources, namely direct respondents, and from secondary sources such as related literature. The sampling technique used is the *t* technique, with a minimum number of 385 respondents who are Instagram and Traveloka social media users in Jakarta.

Data Analysis Technique

Data analysis in this study involves statistical techniques to evaluate support for

Tarisa[1], Refi Rifaldi Windya Giri[2]

the hypotheses that have been made (Sekaran & Bougie, 2016: 24). Data analysis was conducted using descriptive statistics and Partial Least Squares Structural Equation Modeling *(PLS-SEM)*. Descriptive statistics are used to understand the characteristics of the data, while *PLS-SEM is* used to optimize the explanation of variance by endogenous latent variables. Evaluation of the measurement model *(outer model)* includes convergent validity test and discriminant validity test, as well as reliability test. Evaluation of the *inner* structural model includes testing the path coefficient, coefficient of determination *(R2)*, and *predictive relevance (Q2)*. Hypothesis testing is done by *bootstrapping*, with a *p-value* that is considered significant if it is less than 0.05.

RESULTS AND DISCUSSION

Outer Model

Outer model testing itself is carried out to measure the measurement of a construct known as the outer model in *(PLS-SEM)* showing the relationship between the construct and its indicator variables (Hair et al., 2021: 13). This test consists of a validity test with the stage, namely *HTMT*. Meanwhile, reliability tests based on *Cronbach's alpha* and *composite reliability* methods are used to measure reliability.

Table 1. HTMT Test Results

	Brand Equity	Brand Loyalty	Brand Trust	Social Media Marketing
Brand Equity				
Brand Loyalty	0.852			
Brand Trust	0.875	0.868		
Social Media Marketing Activities	0.878	0.863	0.887	

Source: Processed data (2024)

Based on Table 1, it states that all *HTMT* values are <0.900, which indicates good discriminant validity between constructs.

Table 3. Reliability Test Results

Variables	Cronbach's Alpha	Composite	Decision

Tarisa[1] , Refi Rifaldi Windya Giri[2]

| | **(>0.7)** | ***Reliability* (>0.7)** | |

Variables	***R-Square* Value**	**Percentage**	**Description**
Brand Trust	0.636	63,6%	Moderate

Social Media Marketing	0.927	0.938	Reliable
Brand Trust	0.861	0.905	Reliable
Brand Equity	0.796	0.880	Reliable
Brand Loyalty	0.843	0.905	Reliable

Source: Processed data (2024)

Table 3 shows the results of reliability testing using PLS 3.0 *software*. Based on the test results, it indicates that each latent variable already has a *Cronbach's Alpha* value and *Composite* Reliability> 0.7. Based on this, it can be concluded that the overall construct is reliable because it meets the criteria.

Inner Model

The inner model is the process of evaluating the structural model to determine the relationship between these constructs. The stages in evaluating the *structural* model are the coefficient of determination *(R²)* test (Hair et al., 2019: 767)

Table 5. Determinant Coefficient Test Results

Tarisa[1] , Refi Rifaldi Windya Giri[2]

Brand Equity	0.617	61,7%	Moderate
Brand Loyalty	0.648	64,8%	Moderate

Source: Processed data (2024)

The coefficient of determination indicates how much the model can explain the variation in the dependent variable with the criteria R^2 0.75 strong, 0.5 moderate, and 0.25 weak (Musyaffi et all, 2022: 138). In table 5 above, it is found that the *social media marketing* variable is able to explain the dependent variable contained in the model with a moderate influence.

Hypothesis Test

The purpose of hypothesis testing is to assess whether the null hypothesis should be accepted and the alternative hypothesis should be rejected, or vice versa. The null hypothesis is assumed to be the initial truth until there is statistical evidence from sample data that shows the need to reject the null hypothesis. (Sekaran & Bougie, 2016: 184). According to (Hair et al., 2022: 780) in the *PLS* method, hypothesis testing is carried out using bootstrapping to obtain the *path coefficent*. The *path coefficient* is applied to show the relationship between variables, which can be positive or negative. The results of the hypothesis test calculation can also be seen in Table 6. as follows.

Table 6. Hypothesis Test Results

Hypothesis	Relationship between variables	*Path Coefficient*	*P-value* <0.05	Description
H1	SMMA -> BT	0.797	0.000	H1 is supported
H2	SMMA -> BE	0.493	0.000	H2 supported
H3	SMMA -> BL	0.388	0.000	H3 supported

Tarisa[1] , Refi Rifaldi Windya Giri[2]

H4	BT -> BE	0.334	0.001	H4 is supported
H5	BT -> BL	0.289	0.004	H5 is supported
H6	BE -> BL	0.195	0.010	H6 supported

Source: Processed data (2024)

The results of hypothesis testing for the six hypotheses can be seen from Table 6 which lists the *P-value* and *Path Coefficient* values. In the process of determining the results of the hypothesis, it is seen from the value (P-value <0.05). Therefore, based on the results of hypothesis testing, all hypotheses in this study can be accepted, which indicates that the null hypothesis is rejected or the alternative hypothesis is supported.

CONCLUSIONS AND SUGGESTIONS

Conclusion

From the findings of the studies that have been conducted related to the effect of *social media marketing activities* on *brand equity*, *brand trust*, and *brand loyalty* on Traveloka Instagram, it is found that all variables have a positive and significant effect. The results of descriptive analysis in this study also show that each variable has a smaller variation than the average value, which indicates that the data is consistently or homogeneously distributed, which indicates that the data is scattered homogeneously or consistently, which means that the results of this study can be used to determine the effect of social media marketing activities on brand equity, brand trust, and brand loyalty on Traveloka Instagram.

relied upon. This research was conducted using the SEM-PLS method on 385 samples of active Traveloka users for the last 6 months who live in the Jakarta area. This research has identified that *social media marketing activities have a* positive and significant effect on *brand trust*, *brand equity,* and *brand loyalty on* Traveloka's Instagram platform. With marketing activities on Instagram social media such as trendy, informative, fun, relevant, and shareable content, it is known to make users have trust in the brand and give a positive perception of Traveloka's brand value and will trigger consumer loyalty. In addition, the factor that needs to be considered is *trust* because it has the greatest influence than other variables, which indicates that consumers' trust in the brand affects their perception of value and their desire to remain loyal to the brand.

Tarisa[1] , Refi Rifaldi Windya Giri[2]

Advice

Theoretically, this study confirms the importance of social media marketing activities in shaping trust, brand value and brand loyalty. The findings state that *social media marketing* (SMM) significantly affects *brand trust*, *brand equity* and *brand loyalty*. This indicates that effective social media marketing activities, with trendy, interactive, and relevant content, can increase brand trust, value, and loyalty. Consumer *trust in the brand* proved to be the most significant variable. Suggestions for future research are to focus on the influence of SMM on *brand trust* in different industries and different object contexts.

As for practical advice, *online travel agents* companies such as Traveloka must improve their social media marketing strategies to strengthen *brand trust*, *brand equity*, and *brand loyalty*. Based on the research results, for *social media marketing activities* (SMM) variables, it is recommended to increase activities on social media with Interactive Content to provide memorable information and encourage active participation. For *brand trust* variables, it is necessary to increase service transparency through educational and interesting content about the services provided by Traveloka. On *brand equity*, it is important to promote personalized services such as Traveloka's features to strengthen consumers' perception of the values provided by Traveloka. Finally, in maximizing *brand loyalty*, the reintroduction of loyalty programs with exclusive benefits such as reward points is expected to increase customer loyalty to the Traveloka brand.

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