



#### Research Article

# Understanding the Role of Social Media on Customer-based Brand Equity and Brand Engagement in Tourism in Indonesia

Yana Respati Dewi<sup>1\*</sup>, and Ali Ma Jianming<sup>2</sup>

#### **ORCID**

Yana Respati Dewi: https://orcid.org/0000-0003-1286-2188

#### Abstract.

This study aims to explain the relationship between social media and customer-based brand equity in understanding destination tourism. Furthermore, this study was also used to raise awareness about the importance of social media for marketing activities in every aspect. The method used was qualitative research with observation methods. This study is included in the category of secondary data obtained from previous studies. This is a field research which is carried out by observing and recording events on the object of research, in this case, visitors to tourist attractions. The study shows that there are two major reasons for social media's popularity among tourists. First, experiential tourism allows potential tourist to make their decision based on shared experiences available on social media. Second, social media allows tourists to be storytellers and improves the sense of belonging to the online community.

Keywords: social media, customer-based brand equity, brand engagement

Corresponding Author: Yana Respati Dewi; email: yana.respati.fe@um.ac.id

Published 31 July 2024

#### Publishing services provided by Knowledge E

© Dewi, Jianming. This article is distributed under the terms of the Creative Commons

Attribution License, which permits unrestricted use and redistribution provided that the original author and source are credited.

Selection and Peer-review under the responsibility of the BESS 2023 Conference Committee.

## 1. Introduction

In this era, technology and information development have an important role. At this time, the development of technology and information has an important role. The development of the two late changed the perspective of many people on how to communicate, cooperate and disseminate information. Social media is often also referred to as usergenerated communication which represents the source of information has changed tools and strategies so that the control of information is currently in the hands of consumers (Mangold & Faulds 2009) .The impact of social media on tourism may be seen in how people search an information before traveling. People now encouraged to talk about their vacation or their journey through social media. As a result, social media has altered how people make decision. People form opinions about a tourism agency based on what others have said about it. In 2011, more than 50% account on

**○** OPEN ACCESS

<sup>&</sup>lt;sup>1</sup>Department of Management, Faculty of Economics, Universitas Negeri Malang

<sup>&</sup>lt;sup>2</sup>Faculty of Economics and Management, The National University of Malaysia



social media (Van Belleghem et al. 2011) and companies are increasingly investing in social media, demonstrated by worldwide marketing spend on social media networking sited of \$4.3 billion (Debra Williamson 2011). Marketing always adapting its rules to meet the demands and changes in environment. With the rise of social media, the function of marketing in corporate development has undergone a significant transformation. Through social media, web technologies produce and submit their own content. Millions of people may access the material they publish for free and when advertisers don't have to pay anything when they insert their adverts on social media (M. Saravanakumar & T.Sugantha Lakshmi 2012)

Social media is now a growing phenomenon in marketing. Marketers are starting to comprehend the role that social media plays in their whole strategy and operations. Social media, which comprises online platforms for sharing and engaging in different activities, is a crucial tool for brands to interact with their customers (Murdough 2009). Marketers have used social media marketing in relatively short period of time for a variety of marketing objectives, including customer relationship management, service and sales promotion, branding research and social media is rated the most for branding. Almost 86% of marketers believe social media channels are an important component of their marketing.

Vacation travel are experiential, customer decisions are considered difficult and high risk. Hence, they put a lot of effort to get any substantial information. Consumer rely on the experience of previous or others traveler to plan vacations and reduce uncertainty. Online feedback on any places or destinations is seen as trustworthy or seems like recommendation by relatives. In United Stated, 82% of internet users are influenced by social media for their travel or holiday decisions (Fotis, Buhalis & Rossides 2012). Social media became a vital-information resources, provide access to other tourist's experiences, enable a story telling-post of travel activity by attractive content or image. online reviews and rating increase tourist perspective during their decision-making process (Gretzel 2006). Tourist also claims that they have been encouraged to visit a place, make a vacation's plan or maybe changes their plans to travel because of the picture or post of their relative on social media (Emi, 2014, travel-tourism report).

The problem behind this research is how social media can create equity and also tourism engagement through visual displays that have been growing. The most important perceived value by users for participating online communities are functional benefits such as the ability to find information easily and the ability to share experience quickly. Other important factors in this context are psychological and hedonic (Chung & Buhalis 2008). Tourist's behavioral intention to use Facebook, the leading social media,



are influenced by information search, trust and sharing of travel experiences (Enter & Michopoulou 2013). Based on the results of research conducted by (Fotis, Buhalis & Rossides 2011) and (Gretzel & Fesenmaier 2001) shows that there are two major reasons for social media's popularity among tourist. First, the experiential tourism allows potential tourist to make their decision based on shared experiences available on social media. Second, social media allows tourist to be a story-tellers and improves the sense of belonging to online community

The main purposes of this study is explain the relationship between social media and customer based-brand equity in understanding of destination tourism. Furthermore, this study also used to raise awareness about the importance of social media for marketing activities in every aspect. The contribution of this study is, provides an insight into the existing literature on social media marketing study by engaging type of social media and customer-based brand equity. Beside, this study explain how social-psychologic research, so it could be said that this research is try to explain an important role of social media marketing in defining customer based brand equity which lead customer or any other potential customer to actually buy a product and build their loyalty.

### 2. Literature Review

Social media is frequently used to describe emerging types of media that encourage interactive engagement. Whether mobile or not all social media platforms are digital but not all digital content can be considered as a social media. Two characteristics define social media identity, social media offers some form of participation. Even though social networking sites like Facebook allow users to observe other people's content passively, social media is never completely passive. A profile that allows for the prospect of engagement must be created, at the very least. Social media and conventional media are distinct from one another by the presence of personal accounts on social media. Social media also promotes engagement which is consist with user participation. This interaction may be with a lifelong friend, family member or business. (Manning 2014).

The model of customer brand based equity has been widely discussed before in marketing research. The model developed by Aaker consists of awareness, perceive value, and loyalty. Destination awareness is the capacity of a prospective buyer to recognise or recall a destination and identify with a specific category of locations or destination (Aaker 1991). Aaker also explain that brand image is anything or an impression that appears in the mind of customer related to their memory of the brand. It is actually same as destination image but it refers to place or destination tourism.



The associations and impressions associate with a brand-or in this case- place will be strengthened by the increasing number of experiences in consuming a brand or as a result of the more frequent appearances of the brand in a medium that communicates a message to its consumers. Perceived quality is defined by Aaker (1991) as the customer's opinion of the general quality or superiority of the product or service relates to what the customer expects, the perceived quality cannot be determined objectively because it is the consumer's impression. Perceived quality forms a quality on the product in the eyes of customers. Perceptions of the overall product quality can determine the value or service and have a direct effect on consumer purchasing decision and their loyalty to the brand. It is also referred to destination in this research.

Understanding destination engagement is almost same as customer engagement. However, there is no universal agreement on what constitutes engagement's definition. For instance, while Brodie et al define customer engagement as a psychological condition that results from interactions between customers and a focal object. (Hollebeek 2013) define it as a consumer's positively valence brand-related cognitive, emotional, and behavioural activity during or related to focal consumer/brand interaction. Customer involvement is often believed to include cognitive, emotional, and behavioural aspects, reflecting the fact that it is multifaced. Adopted by those definition, we conceptualized that destination engagement as the intensity of individual's participation in and connection with destination's offerings.

One of the benefits obtained from the use of social media for tourist attractions is online branding with the main purpose of disseminating information which can later cause loyalty as the biggest impact of brand equity. Social media is a tool that can be managed by the Destination Management Organization (DMO) to develop sustainable tourism, consumer awareness of the existence of attractive tourist attractions and able to target more segmented targets. Social media can be influential to build brand awareness, encourage recognition and record so that in the end visitors will feel the engagement of a tourist destination.

# 3. Method

In this study, the method used was qualitative research with observation methods. The observation method is also one of the data collection techniques that are commonly used either directly from the field or through the process of observation, recording which is systematic, logical, objective and rational to various phenomena. In accordance with the purpose of this study which explains the relationship between social media and



customer-based-brand equity in understanding of destination tourism, observation in the form of descriptive to explain, provide and detail the symptoms or phenomena that occur

This study is included in the category of secondary data obtained from previous studies. The discussion about Consumer Engagement and Customer-Based Brand Equity has been discussed a lot in consumer research. Consumer research can be defined as the systematic collection, recording and analysis of data about consumers. This qualitative approach is to collect the results of research or studies with the same topic and the same research subjects to conclude and determine and identify what influences consumer-based-brand equity and consumer engagement formed by social media in the scope of tourism. The observation method used by the process of recording and reviewing research through content analysis of the content and message of the article

## 4. Result and Discussion

Until today, with a few notable exceptions that focused on effect of integrated marketing communication in context of tourists and hospitality destinations, there hasn't been much research on the impact of company-generated social media communication on CBBE. There are countless chances provided by social media for businesses to develop relationships with clients through online social networks (Rietveld et al. 2020). The impact of the material will depend on message sentiment, customer response and the consumer's intrinsic propensity for social media. The content is created using a variety of ways (Omar & Dequan 2020). The effect of social media on traveller awareness with the conclusion that business should invest in this kind of communication to expand and improve their understanding of potential customers (Dedeoğlu et al. 2020).

Our hierarchical stage proposal is built on destination awareness and image since tourists will assess destination brand equity using variety of criteria. Destination awareness can be interpreted using the associate network model as the strength of the tourist's association with destination brand. More recognition is anticipated to improve consumer's views of destination quality (Zollo et al. 2020). This statement has been widely analysing in many contexts such as consumer goods. From cognitive standpoint, destination image refers to tourist beliefs regarding the functional characteristics they find attractive (Zarezadeh & Gretzel 2020). In the other words, when tourist have a favourable impression of a destination, they are anticipated to link that impression to favourable expectations for quality, which will be compared with their overall perception



of the goods, services and experiences. In the service marketing literature, especially in the context of hospitality, there has been substantial research on the effect of perceived quality on brand loyalty (Liu et al. 2017). Quality in the context of tourist destinations relates to perceived quality such as infrastructure, lodging, cleanliness and security. Due to their impact on tourist behaviour such perceptions play a critical role in providing right social media. It tourist's assessments of a product are interpreted as destination perceived quality, seems reasonable to infer a positive association between destination quality and destination loyalty.

Customer engagement is defined as customer's behavioural expressions that are motivated by a brand or company and extend beyond a single transaction (Nyadzayo et al. 2020). Engagement is a mental state indicating frequent customer interactions with and a degree of commitment to, the focal object (i.e brand or in this case destination). Engagement drives relationship beyond transactions. The degree to which a customer relationship in this case with tourist location, is positive drives and determines all aspects of customer engagement, including conscious attention, enthusiastic participation, and social connection. Brand engagement serves as medium for consumers to get passionate and involved with the brand, to strengthen their commitment to the brand relationship and to incorporate their personal preferences in regard to the brand.

Social media is one of the keys to competitiveness in term of the extent to which tourism and the surrounding businesses function properly. Even the virtualization of tourist object contained in social media is an issue that is currently developing. Many studies proved the effectiveness of social media, however, on this study, there are five basic principles that are generated to understand in building an integrated information system on DMO (Destination Management Organization). This study provides important notes as follows: (1) language that used in social media, whether the social media display should visual element that are attractive and easy to read, easy to navigate and using right colours and fonts. (2) Pay attention to content, to way show what is in the area. The information presented must be up-to-date with a variety of interesting visuals such as photos, videos and stories on social media. (3) make audience involving and engaging in those content. (4) the important is the DMO' social media as a forum for communication between existing stakeholder and the development of this information system can provide complete and accurate information for consumers/tourists to prepare the visit. Helps tourism to get their personal experience and equity.

Tourism business employ internet technologies to create a competitive advantage in today fiercely competitive industry. More specific, social media which (Lange-Faria & Elliot 2012) refer as "modus-operandi of the 21st century" is idea to have a significant



impact on tourism industry. Social media has changed customer from being passive to active creators who can quickly share online (Hays et al. 2013). As a result, when social media uses the power of its users to influence others. Destination Marketing Organization (DMO) is responsible for marketing tourist destinations so that they have the potential for development and also for sustainability. Where social media facilitates its users to communicate and share content with each other, social media is also an important source for prospective tourists in looking for information ranging from prices, suppliers, availability to features (Buhalis & Foerste 2015). Even today, social media has become an important platform in marketing channels, even most DMO has dedicated their marketing costs for the development of activities on social media. Typical tourists nowadays not only use the information that DMO provides but also have access to a variety of opinion sources such as social media (Tussyadiah & Zach 2013). Users can communicate directly on social media with tourism organization. thus, social media allows their users to be active participants in the provision and dissemination of information that can have a significant impact on the success or failure of tourism organizations. This certainly requires the DMO to understand how tourists participate on social media. The most important perceived value by users for participating online communities are functional benefits such as the ability to find information easily and the ability to share experience quickly. Other important factors in this context are psychological and hedonic (Chung & Buhalis 2008). Tourist's behavioural intention to use Facebook, the leading social media, are influenced by information search, trust and sharing of travel experiences (Enter & Michopoulou 2013). Based on the results of research conducted by (Fotis et al. 2011) and (Gretzel & Fesenmaier 2001) shows that there are two major reasons for social media's popularity among tourist. First, the experiential tourism allows potential tourist to make their decision based on shared experiences available on social media. Second, social media allows tourist to be a story-tellers and improves the sense of belonging to online community

#### 5. Conclusion

Judging from the use of social media by tourists, there are three stages of travel, namely before traveling, during the trip and after traveling. (Fotis et al. 2011) also explained that social media is most widely used in the after-trip phase with the aim of sharing experiences with other users or relative. For the pre-trip phase, social media is used as a reference in the search for information about recommendations or to stay connected with the family. On the other hand, conveying the value of destinations to potential



tourists is a destination for tourism managers to use social media (Ružić & Biloš 2010). DMO uses social media to be able to add value to tourist destinations by providing accurate information, interacting directly with users and responsively communicating with users and following up on criticism or suggestions of previous visitors to minimize the presence of bad image on social media.

## References

- [1] Aaker D. Managing brand equity: Capitalizing on the value of a brand name. New York: The Free Press; 1991.
- [2] Buhalis D, Foerste M. SoCoMo marketing for travel and tourism: Empowering cocreation of value. J Destin Marketing Manag. 2015;4(3):151–61.
- [3] Chung JY, Buhalis D. Information needs in online social networks. Inf Technol Tour. 2008;10(4):267–81.
- [4] Debra Williamson. 2011. Worldwide social network Ad spending: ARising Tide. eMarketer.
- [5] Dedeoğlu BB, Taheri B, Okumus F, Gannon M. Understanding the importance that consumers attach to social media sharing (ISMS): Scale development and validation. Tour Manage. 2020;76:103954.
- [6] Enter N, Michopoulou E. 2013. An investigation on the acceptance of Facebook by travellers for travel planning. E-review of Tourism Research. Retrieved from http://hdl.handle.net/10545/601172
- [7] Fotis J, Buhalis D, Rossides N. Social media impact on holiday travel planning: The case of the Russian and the FSU Markets. Int J Online Mark. 2011;1(4):1–19.
- [8] Gretzel U, Fesenmaier DR. Defining internet readiness for the tourism industry: Concepts and case study. Lectures in E-Commerce, hlm. Vienna: Springer Vienna; 2001. pp. 77–101.
- [9] Hays S, Page SJ, Buhalis D. Social media as a destination marketing tool: Its use by national tourism organisations. Curr Issues Tour. 2013;16(3):211–39.
- [10] Hollebeek LD. The customer engagement/value interface: An exploratory investigation. Australas Mark J. 2013;21(1):17–24.
- [11] Lange-Faria W, Elliot S. Understanding the role of social media in destination marketing. Tourismos. 2012;7:193-211. **Available** from: https://www.researchgate.net/publication/ 279554312\_Understanding\_the\_role\_of\_social\_media\_in\_destination\_marketing

DOI 10.18502/kss.v9i21.16662 Page 50



- [12] Liu MT, Wong IA, Tseng TH, Chang AW, Phau I. Applying consumer-based brand equity in luxury hotel branding. J Bus Res. 2017;81:192–202.
- [13] Saravanakumar M, Sugantha Lakshmi T. Social media marketing. Life Sci J. 2012;9(4).
- [14] Mangold WG, Faulds DJ. Social media: The new hybrid element of the promotion mix. Bus Horiz. 2009;52(4):357–65.
- [15] Manning, J. 2014. Definition and classes of social media, hlm. 1158–1162.
- [16] Murdough C. Social media measurement. J Interact Advert. 2009;10(1):94-9.
- [17] Nyadzayo MW, Johnson LW, Rossi M. Drivers and outcomes of brand engagement in self-concept for luxury fashion brands. J Fash Mark Manag. 2020;24(4):589–609.
- [18] Omar B, Dequan W. Personality traits and user motivation on Tiktok mobile vdeo usage [iJIM]. International Journal of Interactive Mobile Technologies. 2020;14(4):121.
- [19] Rietveld R, van Dolen W, Mazloom M, Worring M. What you feel, is what you like influence of message appeals on customer engagement on Instagram. J Interact Market. 2020;49(1):20–53.
- [20] Ružić D, Biloš A. Social media. Destination marketing organisations (DMOs)\*. Conference: Tourism & Hospitality Industry 2010. Croatia: New trends in tourism and hospitality management; 2010.
- [21] Tussyadiah I, Zach F. Social media strategy and capacity for consumer co-creation among destination marketing organizations. Information and Communication Technologies in Tourism 2013, hlm. Berlin, Heidelberg: Springer Berlin Heidelberg; 2013. pp. 242–53.
- [22] Van Belleghem S, Eenhuizen M, Veris E. SocialMedia around the world 2011. InSites Consulting; 2011.
- [23] Zarezadeh Z, Gretzel U. Iranian heritage sites on social media. Tour Anal. 2020;25(2):345–57.
- [24] Zollo L, Filieri R, Rialti R, Yoon S. Unpacking the relationship between social media marketing and brand equity: The mediating role of consumers' benefits and experience. J Bus Res. 2020;117:256–67.