Effect of Social Media Marketing on Visit Intention and Willingness to Pay Premium Price for Ecotourism

I Gede Darma Sadu¹, Kevin Reagan Tan², Nadya Permata Setiawan³, Evelyn Hendriana⁴

Bina Nusantara University, Jakarta, Indonesia

Email: <u>i.sadu@binus.ac.id</u>¹, <u>kevin.tan@binus.ac.id</u>², <u>nadya.permata@binus.ac.id</u>³, evelyn.hendriana@binus.ac.id⁴

Abstract

Demand for ecotourism is increasing due to higher awareness of environmental damage and the hype in social media. To minimize over-tourism, the government is considering charging higher prices for ecotourism destinations that may cause a decline in the number of visitors. While the Theory of Planned Behavior (TPB) has been frequently used to explain tourists' visit intention, it has not integrated the perceived social media marketing as the determinant of its antecedents and looked at the subsequent impact of visit intention, such as willingness to pay premium price. This study aims to examine the effect of perceived social media marketing on visit intention and willingness to pay premium price by using TPB as its theoretical basis and Komodo National Park as a study context. Data from 265 millennial and Generation Z tourists were tested using PLS-SEM that showed significant effects of perceived social media marketing on attitude toward the destination, subjective norms, and destination image, which together with perceived behavioral control subsequently affected visit intention. Finally, visit intention stimulates tourists' willingness to pay a premium price to visit the destination.

Keywords:

destination image, ecotourism, social media marketing, theory of planned behavior, visit intention, willingness to pay premium

INTRODUCTION

Sustainable tourism has slowly gained its strength since it offers a middle line between protecting environmental assets, capital growth, and development (Sharpley, 2020). This happens when travelers seek out travel options that place an emphasis on environmental conservation and sustainability as a result of the effects of pollution, climate change, and habitat destruction becoming more obvious and frequent (HIDYARKO et al., 2021). Travelers will look for experiences—like ecotourism—that assist local people and encourage cultural preservation as they grow more conscious of the social and economic inequalities present in the tourism sector (HIDYARKO et al., 2021). The importance of sustainable development tourism has been noticed in the last two decades as it became a standard that defines the future of various sectors, such as ecotourism and nature-based tourism (Grilli et al., 2021). One popular type of sustainable tourism is ecotourism (Suárez-Rojas et al., 2023) which is using natural resources without damaging or taking them away with a focus on preserving the resources (Tanaka & Wakamatsu, 2018).

Although sustainable tourism has slowly gained awareness, studies on sustainable tourism are limited and commonly focus on green hotels (Fauzi et al., 2024) and willingness to pay (WTP hereafter) premium prices (Alzaydi & Elsharnouby, 2023; Li et al., 2023). Most studies apply the theory of planned behavior (TPB) hereafter) to understand tourists' intention to perform sustainable

Effect of Social Media Marketing on Visit Intention and Willingness to Pay Premium Price for Ecotourism tourism (Lee et al., 2021). Even though TPB has a good predictive power to explain consumer behavior, including in the context of green and sustainable products, it does not accommodate the emergence of social media (Y. Sun & Wang, 2019). Today's society, especially young generations, tends to rely on social media as a reliable information source (Y. Cheng et al., 2024). While the theory of planned behavior (TPB) is often used to understand tourist intentions, it overlooks the influence of social media, which is increasingly relied upon by today's society, especially among young generations (W. Cheng et al., 2024). Social media marketing significantly shapes tourists' perceptions and visit intentions, underscoring its importance in promoting sustainable tourism (Gaffar et al., 2022). This study aims to examine the impact of social media marketing on tourists' intention to visit ecotourism destinations, particularly Komodo National Park in Indonesia, a UNESCO biosphere reserve (Fauzi et al., 2024). Komodo, known for its biodiversity and cultural significance, requires preservation efforts despite the high costs involved (Y. Sun & Wang, 2019). Today's society, especially young generations, tends to rely on social media as a reliable information source (W. Cheng et al., 2024). This research seeks to enhance understanding of social media marketing's role in shaping visit intentions and willingness to pay premium prices for ecotourism destinations.

RESEARCH METHODS

This study focuses on middle and upper-class tourists as ecotourism tends to be pricier than conventional tourism. Targeting young tourists, particularly Millennials and Gen Z, was essential due to their higher education levels and increased concern for sustainability (Pan et al., 2022). Data were collected from Java, Kalimantan, and Sumatra, the main islands in Indonesia with the highest GDP and human development index. Convenience sampling was employed, selecting individuals who had viewed social media content related to Komodo National Park and expressed interest in visiting. The minimum sample size of 265 was determined based on the sample-to-item ratio (Hair et al., 2017).

Data collection utilized an online closed-ended questionnaire distributed via Google Forms. Perceived social media marketing covers entertainment, customization, interaction, e-WOM, and trendiness, adapted from (W. Sun et al., 2021). Destination image was measured across three dimensions—natural characteristics, tourist attractions, and social environment—each with four items adapted from (Woosnam et al., 2020). Antecedents of TPB, including attitude, subjective norms, and perceived behavioral control, were each assessed with four items from Hwang et al. (2020) and Pereira et al. (2022), visit intention and willingness to pay premium price were also measured with items from (Pereira et al., 2022). All items were measured using a 5-point Likert scale. Due to the complexity of the research model, this study utilized PLS-SEM since it extended TPB by integrating perceived social media marketing and willingness to pay a premium price.

RESULTS AND DISCUSSIONS

Data collection was gathered from 285 respondents. The majority were millennials (63.9%), well-educated with a minimum degree of diploma (93%), with average monthly spending of less than IDR 5 million (76.5%). Respondents were going on vacation at least once every year (95.4%). As shown in Table 1, all items met the minimum factor loading requirement of 0.7 and AVE ranging between 0.569 and 0.727, stating that the correspondences were valid. The construct reliability requirements were also fulfilled, with composite reliability between 0.757 and 0.913. Discriminant validity was tested based on HTMT ratios below 0.85 as per Table 2, which satisfied the requirements.

I Gede Darma Sadu, Kevin Reagan Tan, Nadya Permata Setiawan, Evelyn Hendriana **Table 1. Convergent Validity and Reliability**

	ne 1. Converg	Converg		Reliability	
Variable	Number of Items	Validi Factor Loading	AVE	Composite Reliability	Cronbach's Alpha
Perceived Social Media Marketing (PSMM):				j	
-Entertainment	4	0.793 – 0.819	0.646	0.879	0.817
-Customization	5	0.761 – 0.792	0.607	0.885	0.838
-Interaction	4	0.772 – 0.809	0.636	0.875	0.809
-e-WOM	3	0.851 – 0.858	0.717	0.884	0.803
-Trendiness	3	0.845 – 0.866	0.727	0.889	0.812
Destination Image (DI):					
-Natural Characteristics	4	0.811 - 0.871	0.715	0.909	0.867
-Tourist Attraction	4	0.821 - 0.842	0.695	0.901	0.854
-Social Environment	4	0.833 – 0.863	0.724	0.913	0.873
Subjective Norms (SN)	4	0.719 – 0.831	0.595	0.778	0.772
Perceived Behavioral Control (PBC)	4	0.718 – 0.808	0.599	0.786	0.778
Attitude (AT)	5	0.732 – 0.801	0.608	0.840	0.839
Visit Intention (IT)	4	0.733 – 0.783	0.569	0.757	0.750
Willingness to Pay Premium Price (WTP)	5	0.725 – 0.806	0.593	0.838	0.830

Table	2	Diag		ant 1	(7.1:	J:4
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		1	2	3	4	5	6	7
1	AT	0.319						
2	DI	0.559	0.439					
3	IT	0.389	0.281	0.599				
4	PBC	0.395	0.326	0.490	0.372			
5	PSMM	0.452	0.190	0.625	0.541	0.464		
6	SN	0.323	0.203	0.492	0.483	0.294		
7	WTP	0.319	0.439	0.599	0.372	0.464	0.477	

As shown in Table 3, visit intention significantly affected WTP premium price (β = 0.405, p<0.001) with coefficient of determination of 16.4%. Visit intention could be explained by all antecedents by 41.4%, where subjective norms gave the strongest effect (β = 0.274, p<0.001), followed by perceived behavioral control (β = 0.227, p<0.001), attitude (β = 0.216, p=0.002), and destination image (β = 0.214, p<0.001). Attitude was significantly influenced by perceived social media marketing (β = 0.295, p<0.001) and destination image (β = 0.192, p=0.007). Perceived social Journal of Management, Economic and Financial, Vol. 2, No. 4 July 2024

Effect of Social Media Marketing on Visit Intention and Willingness to Pay Premium Price for Ecotourism media marketing also affected destination image ($\beta = 0.312$, p<0.001) and subjective norms ($\beta = 0.402$, p<0.001).

Table 3. Hypothesis Testing

	Hypothesis	β	S.E	t-value	p-value	f^2
H1	IT à WTP	0.405	0.074	5.504	0.000	0.197
H2	AT à IT	0.216	0.074	2.933	0.002	0.063
Н3	SN à IT	0.274	0.068	4.051	0.000	0.097
H4	PBC à IT	0.227	0.059	3.813	0.000	0.067
H5	DI à AT	0.192	0.079	2.439	0.007	0.040
Н6	DI à IT	0.214	0.061	3.494	0.000	0.069
H7	PSMM à DI	0.312	0.072	4.323	0.000	0.108
H8	PSMM à AT	0.295	0.078	3.770	0.000	0.093
H9	PSMM à SN	0.402	0.070	5.778	0.000	0.193

Discussions

This research has examined and concluded that the effectiveness of social media marketing towards intention and willingness to pay a premium price for ecotourism by expanding the TPB is effective and positive influencing. The effects of perceived social media marketing on subjective norms, attitudes, and destination images are significant, supporting the findings of Wang et al. (2021), Yang et al. (2022), and Xie et al. (2023)The research has also examined that tourists' attitudes changed adequately by the effect of social media marketing as people are now more likely to get influenced by them, which supports (Alzaydi & Elsharnouby, 2023).

The positive effect of the destination image on attitude and intention is evident in this study using the ecotourism context. Even though the effect is relatively less significant compared to the others, it is in line with Pereira et al. (2022) and Khalil et al. (2022), where the tourist's perception of the destination urges them to visit the place of curiosity and motivation. All antecedents of TPB significantly affect visit intention, which is supported by previous studies (Hwang et al., 2020). This study confirms the positive effect of visit intention on willingness to pay premiums. Previous studies by Teeroovengadum (2019) also claim that tourists who are driven by environmental concern and knowledge-developing intentions tend to be more willing to pay for premium ecotourism destinations.

CONCLUSIONS

This study validates TPB to explain visit intention to ecotourism destinations, with subjective norms as the most influential factors, followed by perceived behavioral control and attitudes toward the destinations. It also confirms the effect of visit intention on WTP premium price. The integration of perceived social media marketing into TPB is supported, where perceived social media marketing affects the attitudes toward the destination and subjective norms. This study focuses on domestic tourists only, while the influential factors to visit intention and WTP premium price may differ between domestic and international tourists. Future studies may consider examining the model on international tourists. Despite this study confirming the significance of perceived social media marketing, destination image, and antecedents of TPB in stimulating visit intention to ecotourism destinations, their effects range from low to moderate. Further studies can incorporate the norm activation model (NAM) into the research model.

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