



The Effects of Social Media Marketing and Experiential Marketing on Repurchase Intention with Brand Trust on Full-Service Airline

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Abstract. The significant increase in peoples' interest in using air transportation to travel and the rise in information technology development become the main business opportunities for the Indonesian Aviation Industry. One of the important keys for the corporation to survive business competition is customers' repurchase intention. A corporation needs to conduct various activities to maintain customers' commitment gained after purchasing a product or service for future repurchasing intentions. Therefore, this quantitative research aims to acknowledge the effect of social and experiential marketing on repurchase intention with brand trust in full-service airlines. The random sampling technique was used to obtain data from 166 customers who have used air transportation at least two times in the last three years. Partial Least Square Structural Equation Modelling (PLS-SEM) was used for hypothesis testing as a research instrument. The analytical results indicated that experiential and social media marketing activities indirectly affect repurchase intention through brand trust. On the other hand, brand trust directly affects repurchase intention. Based on the empirical results, it provided management and academic implications as further references.

Keywords: Brand Trust · Experiential Marketing · Repurchase Intention · Social Media Marketing

1 Introduction

Indonesia has a population of approximately 270 million and consists of over 17,000 islands [1]. This has a positive impact on air transportation which in turn significantly affects the aviation industry.

Given the size of the domestic market, the airline industry has been one of the country's most growing sectors in the past five years despite the Covid-19 pandemic, which had a detrimental impact from 2020 to 2022. Traffic passengers of domestic routes in Indonesia as show in Table 1.

Due to increasing growth in the domestic market, the full-service and low-cost airlines in the country have become highly competitive. One full-service airline with a top

Table 1. Traffic Passengers of Domestic Routes in Indonesia.

Airlines	Traffic Passengers (in Million) & Growth (%)								
	2017	2018	%	2019	%	2020	%	2021	%
Garuda Indonesia	17.6	17.3	-1.9%	14.7	-15.0%	4.2	-71.7%	3.1	-25.5%
Batik Air	5.8	7.1	22.9%	6.5	-9.0%	3.9	-40.2%	4.8	23.8%
Sriwijaya	6.3	6.3	-0.3%	3.8	-39.1%	1.0	-74.9%	0.6	-38.4%
Citilink	6.1	7.6	25.3%	6.7	-12.6%	3.4	-49.3%	5.3	56.0%
Lion Air	20.8	21.0	1.2%	14.0	-33.6%	8.2	-41.2%	6.2	-24.0%
Super Air Jet								0.4	
Air Asia	1.1	1.4	27.3%	2.8	99.3%	0.9	-67.3%	0.6	-32.1%
Other Airlines	3.5	3.4	-1.9%	2.0	-42.0%	0.5	-72.7%	0.6	7.9%
Total	61.1	64.1	4.9%	50.4	-21.5%	22.0	-56.3%	21.5	-2.1%

brand index and implemented experiential marketing is Garuda Indonesia [2]. According to Table 1, the market share of Garuda Indonesia has been experiencing a gradual decline compared to Batik Air, a full-service airline.

Alongside the accelerated development of information technology and communication, the increasing number of internet and social media users is an interesting fact that needs further exploration, as shown in Fig. 1 from a business perspective, social media marketing offers lower benefits than conventional marketing methods. Corporate organizations tend to engage in various marketing movements, such as advertisements in diverse online media, to pull purchasing power to buy the offered products.

An alternative to enhance the competitive nature of airlines is by sustaining the repurchasing intention of their passengers since loyal customers are relatively less price-sensitive and can be effectively reached through low-cost social media such as Instagram,

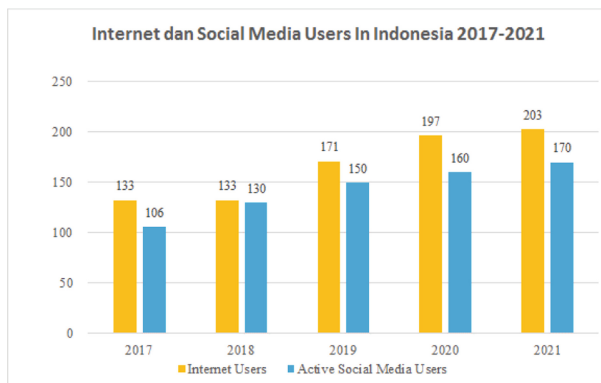


Fig. 1. Growth of the Social Media and Internet Users in Indonesia from 2017 to 2021 Represented in Millions of People.

YouTube, Twitter, and Facebook. According to Schmitt [3], experiential marketing is an approach to creating a holistic experience when using the product. This is realized through the five senses, affection, creative thinking, and customers' experiences as a result of interacting with others, social circumstances, lifestyle, and culture related to the development of sensation, feeling awareness, and action (relate).

Social media marketing can be defined as an online advertising strategy comprising the cultural use of social networks, cyberspace, news, and opinion-sharing sites for communication [4]. According to As'ad and Alhadid [5], this media comprises numerous aspects, including online communities, sharing content, accessibility, interaction, and credibility.

Customers usually consider the brand name when purchasing products and services. Trust is one of the factors that aid in developing relationships with customers in the future [6]. According to Dharmayana and Rahanatha [7], customers' trust in a brand is an essential factor that is consistently built and maintained because it directly impacts repurchase interest.

Brand trust is defined as the assurance of a product regarding its capability to perform the promised functions [8]. Negative experiences shared by customers on social media impact brand trust. This research uses it as a mediating variable, considering that its presence in social networks plays a relevant role in providing customers information, creating awareness, and familiarity. Therefore, social media indirectly affects customers' repurchase intention.

Repurchase intention is a customer's plan to willingly make repeated future purchases [9]. The more customers are curious about repurchasing a product or service, the greater the intent is to develop a long-term connection with the company. Based on the earlier mentioned background, this research analyzed the effect of experiential and social media marketing on repurchase intention using brand trust as a mediating variable.

1.1 Development of Hypotheses

Figure 2 show conceptual framework as follow:

- H1: Experiential Marketing significantly affects Repurchase Intention.
- H2: Social Media Marketing significantly affects repurchase Intention.
- H3: Brand Trust significantly affects Repurchase Intention.
- H4: Experiential Marketing significantly affects Brand Trust.
- H5: Social Media Marketing significantly affects Brand Trust.

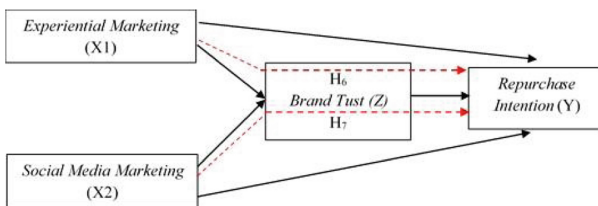


Fig. 2. Conceptual Framework.

H6: Brand Trust mediates the effect of Experiential Marketing on Repurchase Intention.

H7: Brand Trust mediates the effect of Social Media Marketing on Repurchase Intention.

2 Method

This quantitative research adopted a design associative approach. According to Siregar [10], this method specifies the correlation between two or more variables. This research used experimental and social media marketing as independent variables, while repurchase intention as the dependent, and brand trust as a mediating variable. The hypotheses proposed were an initial assumption to elaborate on the connection between the variables studied. Furthermore, the trial process was completed in May 2022.

The research population was all passengers of Garuda Indonesia. The samples were mainly customers who had flown more than once and accessed the social media handle of Garuda Indonesia from March to May 2022. The simple random sampling technique was employed. According to Hair et al. [11], the representative samples are dependent on the number of indicators multiplied by 5 or 10. A total of 30 indicators were used in this research and based on it, the following were realized ($5 \times 30 = 150$) and ($10 \times 30 = 300$). In addition, 166 respondents were employed.

This research adopted the Structural Equation Model (SEM) to measure the intensity of each variable to analyze the data and hypotheses using the Smart PLS version 3.2.9.

3 Result and Discussion

3.1 Evaluation of the Measurement Model (Outer Model)

The evaluation of the measurement model was conducted to specify the relationship between the indicators and their latent variables. This procedure defines how they relate to one another. The analysis results are used to ensure the suitability of the measurement validity and reliability with the outcome shown in Tables 2, 3, and 4.

The corresponding questions tested the reliability of these items. Factor loading was used to present the extent some questions can measure the construct. The threshold value of 0.6 represented individual reliability [11]. Table 2 show Outer loading value.

Table 2 shows that the outer loading value and that of AVE indicators are greater than 0.5, therefore, these constructs have good convergent validity.

Reliability of outer model show by Table 3.

Based on Table 3, the composite reliability value of each variable was above 0.7. Therefore, the model fulfilled the values of both Cronbach's Alpha and Composite Reliability.

Cross loading value show by Table 4.

According to Table 4, the correlation values of brand trust, media marketing, and repurchase intention are more significant. Briefly, all latent constructs of each variable illustrated good convergent discriminant validity.

Table 2. Outer loading value.

Variable	Indicator	Outer Loading	AVE
Experiential Marketing (EM)	X1.1.1	0.766	0.634
	X1.1.2	0.820	
	X1.2.1	0.797	
	X1.2.2	0.762	
	X1.3.1	0.772	
	X1.3.2	0.713	
	X1.4.1	0.824	
	X1.4.2	0.847	
	X1.5.1	0.816	
Social Media Marketing (SMM)	X1.5.2	0.835	0.559
	X2.1.1	0.655	
	X2.1.2	0.700	
	X2.2.1	0.743	
	X2.2.2	0.751	
	X2.3.1	0.751	
	X2.3.2	0.800	
	X2.4.1	0.797	
	X2.4.2	0.746	
	X2.5.1	0.727	
	X2.5.2	0.794	
Brand Trust (BT)	Z1.1.1	0.866	0.757
	Z1.1.2	0.843	
	Z1.2.1	0.909	
	Z1.2.2	0.861	
Repurchase Intention (RI)	Y1.1.1	0.802	0.705

Table 3. Reliability of outer model.

Variable	Cronbach's Alpha	Composite Reliability
Experiential Marketing	0.935	0.945
Social Media Marketing	0.915	0.927
Brand Trust	0.893	0.926
Repurchase Intention	0.915	0.935

Table 4. Cross Loading Value.

Indicator	EM	SMM	BT	RI
X1.1.1	0.766	0.599	0.545	0.587
X1.1.2	0.820	0.552	0.501	0.552
X1.2.1	0.797	0.576	0.510	0.603
X1.2.2	0.762	0.473	0.500	0.481
X1.3.1	0.772	0.594	0.499	0.561
X1.3.2	0.713	0.532	0.496	0.487
X1.4.1	0.824	0.598	0.555	0.621
X1.4.2	0.847	0.554	0.582	0.585
X1.5.1	0.816	0.573	0.547	0.585
X1.5.2	0.835	0.620	0.582	0.635
X2.1.1	0.393	0.655	0.308	0.324
X2.1.2	0.422	0.700	0.334	0.400
X2.2.1	0.434	0.743	0.345	0.396
X2.2.2	0.446	0.751	0.365	0.426
X2.3.1	0.448	0.751	0.416	0.461
X2.3.2	0.468	0.800	0.374	0.446
X2.4.1	0.603	0.797	0.544	0.581
X2.4.2	0.605	0.746	0.484	0.575
X2.5.1	0.618	0.727	0.553	0.583
X2.5.2	0.705	0.794	0.659	0.671
Z1.1.1	0.593	0.568	0.866	0.636
Z1.1.2	0.590	0.479	0.843	0.598
Z1.2.1	0.598	0.552	0.909	0.617
Z1.2.2	0.547	0.541	0.861	0.652
Y1.1.1	0.641	0.576	0.660	0.802
Y1.1.2	0.669	0.609	0.668	0.884
Y1.2.1	0.528	0.544	0.537	0.739
Y1.2.2	0.588	0.511	0.537	0.855
Y1.3.1	0.612	0.603	0.623	0.902
Y1.3.2	0.564	0.560	0.578	0.846

3.2 Evaluation of the Structural Model (Inner Model)

This inner model specifies the relationship between latent variables and evaluates the influence of the independent on the dependent variable. Coefficient of determination show by Table 5.

The brand trust variable has an R-squared value of 0.487. Therefore, social media and experiential marketing influence 48.7% of this variable. Furthermore, for the repurchase intention, the R-squared value is 0.644. Hence, 64.4% of this variable is affected by experiential and social media marketing as well as brand trust. Meanwhile, Q-squared states that when the value of predictive validity is greater than 0, the distributed data has good construction and predictive relationship.

The model is shown in Fig. 2.

Table 6 and Fig. 3 show a path coefficient, t-count, and p-values of +0.302, 2.410 > 1.96, and 0.008 < 0.05 on the influence of experiential marketing to repurchase intention. Therefore, there is a positive and significant effect on repurchase intention. Hence, customers tend to make repurchases because they enjoy the benefits of the products or services.

The social media marketing influences the repurchase intention with a path coefficient, t-count and p-values of +0.231, 2.356 > 1.96 and 0.009 < 0.05, respectively. Therefore, there is a positive and significant effect on repurchase intention. This implies

Table 5. Coefficient of Determination.

	R-squared	Q-squared
Brand Trust	48.70%	35.90%
Repurchase Intention	64.40%	44.30%

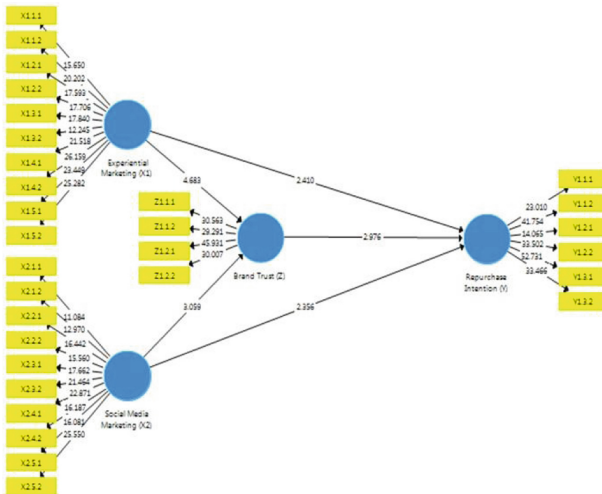


Fig. 3. Diagram of Research Path.

that customers are bound to willingly make repeated purchases due to their interest in various social media activities related to the product and services delivered by Garuda Indonesia. These include interactive reviews, content, or testimonials among loyal customer communities.

The influence of brand trust on repurchase intention comprises a path coefficient, t-count, and p-values of +0.375, 2.976 > 1.96, and 0.001 < 0.05, respectively. Therefore, it is positively and significantly influenced by repurchase intention, indicating that customers willingly make repeated purchases because they are convinced that buying the products of Garuda Indonesia can fulfill their expectations and needs. It can also be interpreted that increased customer trust determines higher repurchase intention. Brand trust is an essential attribute that requires maintenance and continuous development because it directly impacts repurchase interest [7].

The experiential marketing influence on brand trust comprises a path coefficient, t-count, and p-values of +0.468, 4.683 > 1.96, and 0.000 < 0.05, respectively. Therefore, it is positively and significantly affected by brand trust. It means that customers are willing to repurchase because they trust the delivery of the product and services. Similarly, the greater the brand experience, the better the customers' confidence.

The social media marketing on brand trust comprises a path coefficient, t-count, and p-values of +0.282, 3.059 > 1.96, and 0.001 < 0.05, respectively. Therefore, there is a positive and significant effect on brand trust. This means that customers tend to make repeated purchases willingly because they feel comfortable and are satisfied. Their purchasing intention is also triggered by social media reviews based on the perception that the brand is trustworthy.

In this research, the brand trust serves as a mediating variable. It mediates the influence of experiential marketing on repurchase intention, with a path coefficient, t-count, and p-values of + 0.175, 2.478 > 1.96, and 0.007 < 0.05, respectively. Therefore, it positively and significantly affects repurchase intention mediated by brand trust. Therefore,

Table 6. Result of Hypotheses Testing.

Hypotheses	Original Sample (O)	T statistics	P values
H ₁ : <i>Experiential Marketing</i> → <i>Repurchase Intention</i>	0.302	2.410	0.008
H ₂ : <i>Social Media Marketing</i> → <i>Repurchase Intention</i>	0.231	2.356	0.009
H ₃ : <i>Brand Trust</i> → <i>Repurchase Intention</i>	0.375	2.976	0.001
H ₄ : <i>Experiential Marketing</i> → <i>Brand Trust</i>	0.468	4.683	0.000
H ₅ : <i>Social Media Marketing</i> → <i>Brand Trust</i>	0.282	3.059	0.001
H ₆ : <i>Experiential Marketing</i> → <i>Brand Trust</i> → <i>Repurchase Intention</i>	0.175	2.478	0.007
H ₇ : <i>Social Media Marketing</i> → <i>Brand Trust</i> → <i>Repurchase Intention</i>	0.106	2.086	0.019

positive feedback triggers customers' willingness to make repurchases. The greater the trust, the higher customers' repurchases intentions.

The brand trust positively and significantly affect the repurchase intention of social media marketing. The path coefficient, t count, and p-values are $+0.106$, $2.086 > 1.96$, and $0.019 < 0.05$, respectively. Therefore, it positively and significantly affects repurchase intention moderated by brand trust. Subsequently, a positive response from social media marketing positively impacts customers' repurchase intentions.

Brand trust is the most significant factor that affects repurchase intention. The management is advised to maintain and improve brand trust, as well as ensure that their products and services have high market values in government institutions, private organizations, and state-owned enterprises. Some policies need to be implemented explicitly in those types of markets, such as flexible changes and market-oriented flight schedules.

Moreover, improving services in experiential marketing motivates customers to have a positive experience during their journey. This plan can be realized through the delivery of excellent services by all staff, prompt response to requests and complaints, and honesty and sincerity when serving customers, promoting them to make repeat purchases. It should be active in online social media activities, including sharing positive testimonies.

It is suggested that future research needs to include other variables that can also specify the repurchase intention of Garuda Indonesia customers, such as product and service quality, brand image, price, and electronic word-of-mouth. This is in addition to creating more awareness on the dominant factors that significantly influence customers' repurchase interest and trust. Therefore, collecting more samples is imperative to obtain precise results.

4 Conclusion

Referring to the results, conclusions are drawn as follow:

1. Experiential marketing positively and significantly affect repurchase intention.
2. Social media marketing significantly and positively affects repurchase intention.
3. Brand trust significantly and positively affects repurchase intention.
4. Experiential marketing significantly and positively affects brand trust.
5. Social media marketing positively and significantly affect brand trust.
6. Experiential marketing positively and significantly affect repurchase intention mediated by brand trust.
7. Social media marketing positively and significantly affect repurchase intention on brand trust.

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