

Analysis of the Effect of Experience Quality and Flow Experience on Behavioral Intention Mediated by Satisfaction on Millennial Travelers

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ABSTRACT

The purpose of this research is to study the influence of Quality Experience and Flow of Experience on Satisfaction and Behavioral Intentions in the millennial generation of PT Tour & Travel Provider. This research uses quantitative methods using Structural Equation Modeling (SEM) using SMARTPLS 3.0 software. The population of this study is followers of Tour & Travel Provider on Instagram and prefers Tour & Travel Provider on Facebook Fanspage with 140,000 participants, with sampling techniques using random sampling. From the results of this study it has been proven that Experience Quality has a significant influence on Satisfaction and Behavior Intention. The Flow of Experience also has a significant effect on Satisfaction but not significantly on Behavioral intention. Satisfaction is also not significant for Behavioral Intention in using tour & travel services.

Keywords

Experience Quality, Flow Experience, Satisfaction, Behavioral Intention

Introduction

Over the last six decades, the tourism sector has grown rapidly and is very diverse and of its kinds. Tourism has become one of the largest and fastest growing economic sectors. In 1950 the number of international arrivals was 25 million; in 1980, there were 227 million; in 1990 this number was around 435 million, in 2015 it was 1186 million and is estimated to reach 1.8 billion in 2030. A study from the UNWTO(2020) on 15,000 people who have traveled abroad from 15 countries with the highest outbound revealed that respondents strongly support the move -the following steps. The Travel and Tourism sector in 2018 was ranked second after Manufacture in influencing world economic growth (WTTC, 2019).

The ability of the Tourism Industry to interact and integrate with various sectors and other industry categories, allows this industry to continue to develop and grow sustainably from upstream to downstream. From the upstream side, tourism is a sector that helps increase employment for 109 million workers, and grew by 3.8% globally in 2017. In the same year, tourism directly helped increase visitor export growth by 4.5% and investment growth in this sector by 4.1% globally (T.Rochelle, 2017). From the downstream side, it is clear that the Food and Beverage industry is directly affected by the development of tourism.

The development of the tourism industry sector has experienced developments every year. Many tourists visiting Indonesia from early 2009 reached more than 6 million people and continued to increase until 2019 reached more than 15 million people or tourists from all countries.

Number of Indonesian tourist visits the domestic economy grew by around 5% accompanied by improved public purchasing power which supported an increase in the number of trips and spending by domestic tourists (wisnus). According to data from the Central Statistics Agency (BPS), the number of domestic tourists traveling in 2018 grew 12.37% to 303.4 million times compared to the previous year. In fact, in five years (2013-2018) domestic travel has increased by more than 21%. Likewise, domestic spending in 2018 grew 12.89% to Rp 291 trillion compared to Rp 246.85 trillion in the previous year. In the last five years (2013-2018), domestic spending increased by 63.6% (BPS, 2019). Generation Y is known as the millennial generation or Generation Y uses instant communication technology such as email, sms. Instant message (DeVaney, 2015). This is because generation Y is a generation that grew up in the booming internet era. As the largest population, of course, the millennial generation will play a big role in the demographic era. Generation Y will take control of the wheels of development,

especially in the economic sector, which is expected to lead the Indonesian nation towards a more advanced and dynamic development.

Why are millennials important? According to T.Rochelle(2017) for businesses involved in the tourism industry sector, it is difficult to ignore millennial tourists as they constitute about one fifth of international tourists and generated over US \$ 180 billion in annual tourism revenue in 2016, growing at a CAGR of 30 % during 2007–2016. Launched on Travel.detik.com, tourism trends are always changing all the time. Various factors also influence, one of which is the generation that is always talked about, Millennial. According to data from the Central Statistics Agency (BPS) quoted in the 2019 Indonesia Millennial Report, the millennial generation is projected to become the generation that dominates Indonesia's demographic structure. Of the several phenomena and potentials above, academics have carried out important studies to be able to study individual behavior related to the tourism industry, especially tourists who choose a tourist destination, and study on behavior towards this intention will greatly help the government and industry to design a bigger concept information offered by players in the tourism industry.

The next step is to prove whether these allegations are related, the things that affect Satisfaction and Behavioral Intention to the millennial generation, whether with Experience Quality or with Experience Flow, which was found by several previous studies that examined how sales promotions, employees and environmental conditions have an impact. on people's perceptions of quality, perceptions of value and customer loyalty, and on the image of a tourist destination (Esmaili et al., 2017), (Chen et al., 2017). (Sánchez-Rebull et al., 2018), (Adinegara et al., 2017) and also how it impact satisfaction of tourist and intention to revisit (Wu et al., 2017), (Rajaratnam et al., 2015).

Literature Review

Based on Flow Experience theory, research examines the relationship between flow experience, positive emotions and loyalty to eco-friendly tourists (Qunming et al., 2017). The results reveal five dimensions of the ecotourism stream experience: Concentration on the task at hand, loss of self-awareness, time transformation,

autotelic experience, and challenge-skill balance. As hypothesized, the effects of time transformation, autotelic experience and challenge-skill balance on positive emotions were significant and positive. Concentration on the task at hand, Autotelic experience, challenge-skill balance and positive emotions positively affect the loyalty of tourists (Fritz & Avsec, 2007), (Csikszentmihalyi, 2000), (Pomfret, 2016), (Nolan, 2017). Thus, the model constructed in this study influences several factors, including: Experience Quality, which is the experience experienced such as feeling, thinking and learning by tourists when they involved in activities and attraction at the destination (Suhartanto et al., 2018), (Fernandes & Cruz, 2016), (Johnston & Kong, 2011), (Rawat & Mann, 2018). And then flow Experience can be described as feelings that arise when traveling. Satisfaction who feels satisfaction with their trip, all of which will shape the Behavioral intention of tourists (Domínguez-Quintero et al., 2019), (Aliman et al., 2016).

From the results of the pre-test and analysis above related to the tourism industry, it can be concluded that there is an influence of Experience Quality and Experience Flow on the Satisfaction and Behavioral Intention of tourists in the millennial generation. But there are some of the millennial generation who are just ordinary and don't even answer about WOM, Loyal and recommending to companies. Although the existing phenomenon shows that the potential for tourist market growth is high. Companies still can't make customers loyal, WOM and Recommend for several millennial generations. Even though there are many customers who have used Tour & Travel Provider services, the results above indicate that customers are still in doubt and even tend to be on a regular basis and do not answer whether they will still be WOM, Loyal and Recommend to the company if they have used Tour & Travel Provider or turn to a similar and better company.

So that the authors are interested in analyzing and examining the influence of tourist factors that make millennials Loyal, WOM and recommend. Part of the problem of this research is Behavioral Intention, How people can be Word-of-mouth, Recommend and Loyal.

Methodology

This research method uses the Structural Equation Modeling (SEM) technique with the Partial Least Square (PLS) approach used to explain whether there is a relationship between latent variables. This study uses a descriptive research method that compares two free variable (independent) which are Experience Quality and Flow of Experience, and one dependent variable (dependent) which is Behavioral Intention, and mediated by Satisfaction. This study also uses an associative research method because it looks for relationships that exist between one variable and another.

In this study, the analytical method used is the Structural Equation Modeling (SEM) analysis method with the alternative model Partial Least Square (PLS) where the data processing uses SMARTPLS 3.0 software. The sampling technique used is simple random sampling by taking the population of millennials that have purchase and travelled using tour & travel provider services. Data collection has been carried out using an online questionnaire to 100 respondents.

Results & Discussion

The validity of the construct by looking at the AVE value, that a good model is required with value of AVE of each construct is greater than 0.50.

Table 1. Average Variance Extracted

Variables	AVE
Behavioral Intention	0.609
Experience Quality	0.534
Flow Experience	0.545
Satisfaction	0.67

The result showed each variable are valid with the AVE value is above 0.50. The results of the discriminant validity using cross loading show that each indicator meets the requirements, which is above 0.600 (Hair et al., 2017).

Table 2. Cross Loading

	Int	Exp	Flow	Satis
INT_1	0.825	0.623	0.611	0.634
INT_2	0.814	0.630	0.556	0.559
INT_3	0.746	0.551	0.448	0.454

INT_4	0.731	0.575	0.668	0.535
EXP_Q10	0.560	0.731	0.633	0.550
EXP_Q11	0.509	0.710	0.558	0.572
EXP_Q12	0.542	0.776	0.603	0.562
EXP_Q16	0.602	0.732	0.613	0.602
EXP_Q21	0.607	0.775	0.650	0.616
EXP_Q22	0.492	0.689	0.641	0.625
EXP_Q6	0.539	0.683	0.533	0.459
EXP_Q8	0.606	0.742	0.529	0.616
FLOW_1	0.461	0.620	0.700	0.563
FLOW_2	0.597	0.620	0.765	0.608
FLOW_3	0.572	0.650	0.752	0.595
FLOW_5	0.496	0.489	0.727	0.437
FLOW_6	0.478	0.541	0.718	0.489
FLOW_7	0.631	0.661	0.766	0.674
SATIS_1	0.629	0.713	0.665	0.792
SATIS_2	0.526	0.632	0.659	0.842
SATIS_3	0.576	0.630	0.581	0.845
SATIS_4	0.568	0.602	0.608	0.794

Magnitude of the parameter coefficient for the Experience Quality variable on Behavioral Intention is 2.845 (T Statistic) is greater than 1.98 (T Table) shows that the Experience Quality variable has a significant influence on Behavioral Intention. The result is significant because the P value Experience quality is 0.005. So that each value of the Experience quality variable has increased by one unit, then the value of the Behavioral Intention variable will also increased significantly. From Table also, the original sample value is a positive value of 0.401. It can be concluded that, from the parameter coefficient in the original sample table of 0.401, which means that there is a positive relationship between Experience Quality and Behavioral Intention which means that Experience quality affects Behavioral Intention.

Table.3 Significance of P-Value

	Ori	Mean	SD	t-stat	p
Exp>Int	0.401	0.39	0.141	2.845	0.005
Exp>Sat	0.485	0.48	0.1	4.841	0.000
Flow>Int	0.277	0.284	0.15	1.847	0.065
Flow>Sat	0.374	0.384	0.105	3.577	0.000
Sat>Int	0.175	0.185	0.105	1.665	0.097

The magnitude of the parameter coefficient for the Experience Quality variable on Satisfaction is 4,841 (t-sstatistic's) is greater than 1.98 (t-table) shows that the Experience Quality variable has a significant effect on Satisfaction. The effect is said to be significant because the P-value of Experience quality is also shown 0,000 which is below the 0.05. So, if each value of the Experience Quality variable has increased by one unit, then the value of the Satisfaction variable will also increase significantly. From Table, the original sample value is a positive value of 0.485. it can be concluded that, from the parameter coefficient in the original sample table of 0.485 which means that there is a positive relationship between Experience Quality and Satisfaction, which means that the higher the Experience Quality, the higher the Satisfaction.

The magnitude of the parameter coefficient for Flow Experience on Behavioral Intention is 1.847 (t-statistics) smaller than 1.98 (t-table), indicating that the Flow Experience variable does not have a significant effect on Behavioral Intention. The influence is said to be non-significant as well because the P-value of Flow Experience is 0.065, which is above the 0.05. So that each value of the Flow Experience variable has increased by one unit, then the value of the Behavioral intention variable will not increase significantly. Eventhough there is no significant relationship between Flow and Intention, From the original sample value show that there is a positive value of 0.277. It means that there is a positive relationship between Flow Experience and Behavioral Intentions.

The magnitude of the parameter coefficient for the Flow experience variable on Satisfaction is 3.577 (t-sstatistic's), greater than 1.98 (t-table), indicating that the Flow experience variable has a significant direct effect on Satisfaction. The influence is said to be significant because the P-value Flow Experience is 0,000 <0.05. So that each value of the Flow Experience variable has increased by one unit, then the Satisfaction variable value will also increase significantly. From Table also, the original sample value is a positive value of 0.374. So, it can be concluded that, from the parameter coefficient in the original sample table of 0.374 which means that the positive relationship between Flow Experience and Satisfaction is direct, which means that the

higher the Flow Experience, the higher the Satisfaction.

The magnitude of the parameter coefficient for the Satisfaction variable on Behavioral Intention is 1.665 (t-sstatistic's) smaller than 1.98 (t-table) indicating that the Satisfaction variable does not have a non-significant effect on Behavioral Intention. The effect is said to be non-significant because the P value of Satisfaction is 0.097 > 0.05. So that each value of the Satisfaction variable has increased by one unit, then the value of the Behavioral Intention variable will also increase by 1.665. From Table as well, the original sample value is a positive value of 0.175. So, it can be concluded that, from the parameter coefficient in the original sample table of 0.175, which means that there is a positive relationship between Satisfaction and Behavioral Intention.

Conclution & Recommendations

Companies must continue to improve their marketing strategy by creating creative tour packages with positive campaigns to attract tourists, for example domestic package tours such as "go-ice go-ice tours" or "spiritual tours" or "holiday inspiration in Yogyakarta". Evidence shows campaigns with emotional appeal taht show the experience of a tourist or a group of traveller are effective in influencing tourist motivation (Prayag et al., 2017). Surprise consumers are an important strategy in creating unforgettable experiences. Companies must also collaborate to develop tourism programs that combine activities with unexpected activities. For example, tourists visiting rural areas could have the opportunity to interact with the local community to create a quality experience that is being lived. Creativity and innovation are also important so that the products offered are superior to others, so that potential tourists can easily see them. In making a tour package, you must first be able to determine the type of tour package that will be made. For example, a natural tour package with Baluran National Park as a destination or a historical tour with Borobudur Temple as a destination.

In the consumer perspective, there are some things that are still lacking and need to be improved, namely the lack of a person's tendency to refer services to others and the lack of someone to return to travel. In this case, companies must be able to improve these perspectives related to

consumer intentions. For example, to increase a person's tendency to refer services to others, companies can improve marketing strategies related to word-of-mouth programs or loyalty programs. This certainly can attract tourists to recommend services to others. For example, "you will get free travel if you can invite 10 people to travel using this service" is one example. (towards the first point).

Limitation

The limitation of this study is that data search was carried out at the time of the Covid-19 pandemic which hit almost all countries globally, including Indonesia, especially Jakarta, where the tourism industry is the industry most affected. This, of course, is likely to affect changes in motivation and attitudes of individuals in general towards traveling. They are certainly in a state of waiting for the situation to get better. Another limitation is that this research was only conducted on the millennial generation. Of course, the results of this research are only limited to the millennial generation and cannot be implemented in segments outside of that.

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