# ANALYSIS OF E-MARKETING MIX TO CONSUMER PURCHASE DECISIONS TRAVELOKA

# Benidictus Prastowo Jati Mahendratmo<sup>1</sup>, Maya Ariyanti<sup>2</sup>

<sup>1-2</sup>School of Economics & Business, Telkom University, INDONESIA.

<sup>1</sup>jmjatimahendratmo@gmail.com, <sup>2</sup>ariyanti@telkomuniversity.ac.id

## **ABSTRACT**

Technology development, especially internet are increasing from year to year. The number of internet users in Indonesia has increased from 88.1 million in 2014 to 132.7 million in 2016. From that ammout of internet user's number, 61% of internet users use mobile phone media and half of Indonesian consumers plan to buy airplane tickets (55%) online and make hotel reservations (46%) in the next six months. Seeing this opportunity, Ferry Unardi created the Traveloka site, a website that offers Indonesian public services. A few years later, Traveloka transformed into the most popular online travel agent (OTA) in Indonesia. Although it has become the most popular OTA in Indonesia, in fact the number of percentage of transactions per number of visits is only around 2.4%-6% still in the under other OTAs in Indonesia.

This research will be measured user perceptions of e-marketing mix variables (products (services), prices, promotions, personalization, privacy, customer service, community, security, site design and consumer purchasing decisions. In addition, this study also evaluates the effect of e-marketing mix variables on Traveloka consumer purchasing decisions.

The methods used in this research was a quantitative method through consumer survey. Applied technique of sampling was a simple random sampling. There were 400 users as respondents. Meanwhile, all those data were analyzed through Structural Equation Model (SEM) and SmartPLS3 software. Based on the results of data processing, it is known that price, personalization and site design have a significant effect on consumer purchasing decisions. In addition, it turns out that the purchase decision can be explained by the e-marketing mix variable at 58.49%.

Keywords: Traveloka, OTA, E-Marketing Mix, Purchase Decisions

### INTRODUCTION

Technology development, especially internet are increasing year by year. According to a survey conducted by the Indonesian Internet Service Providers Association (APJII, 2016), the number of internet users in Indonesia has increased from 88.1 million in 2014 to 132.7 million Indonesians or 51.8% of the total Indonesian population in 2016. From that amount more than 50% are young people. There are also variety of the tools that used, from mobile phones (61%), computers (58%) and tablets (39%) (Nielsen, 2014).

The tendency of Indonesian people who like to use the Internet in their daily lives also affected in their daily actions where they prefer having transaction using the internet. According to (Laudon, 2012), an activity in a transaction that using the internet or websites is called e-commerce. In a survey conducted by (Nielsen, 2014), about half of Indonesian consumers having plan to buy airline tickets by online (55%) and make hotel reservations (46%) in the next six months. Four out of ten consumers (40%) having plan to buy electronic books (ebook). In addition, nearly four out of ten consumers plan to buy clothes / accessories

/ shoes (37%), and the last, more than a third of consumers having plan to buy event tickets by online (34%). This shows that Indonesian consumers have started to move towards the digital economy by exploiting the use of the Internet in their daily activities.

Seeing this opportunity that Indonesians like to travel, Ferry Unardi created Traveloka site, which is a website that offers Indonesian public services. There are many product choices from Traveloka (Traveloka, 2018). The product from Traveloka consists of 7 services that consist of Airplane Tickets, Hotels, Train Tickets, Aircraft + Hotels, Credit & Internet Packages, Activities and Recreation, and Bill Payments. With 7 available services from Traveloka products, Traveloka has its own place in the customer's heart. From there Traveloka began to grow and develop into one of the best airline ticket reservation startups in Southeast Asia.

Based on a survey from Nusaresearch, Traveloka is the most popular hotel and airplane ticket booking site in Indonesia. With brand awareness of 89.4% it can be said that almost 9 out of 10 people have heard "Traveloka" brand and as many as 68.8% of Nusaresearch respondents visited Traveloka site. Other than that, Traveloka also became the highest in the terms of "top of mind" that can make people keep remembering Traveloka (Dailysocial, 2018). Although according to a survey conducted by Nusaresearch, Traveloka is very dominant in its field, but as a market leader it turns out that from 250,000 page views every day at Traveloka, viewers that make transactions or purchases are just 2% - 5% which is annualized around 1.8 million up to 4.5 million transactions (Maxmanroe, 2018) and this number is still below the other online travel agent (OTA) numbers such as ticket.com and pegipegi.com. If it is seen from the total population of Indonesia, it is not surprising if three large OTAs compete with each other because the market share in Indonesia is still widely available to work on.

The strategy promoted by Traveloka to compete with other OTAs in order to improve consumer purchasing decisions at Traveloka is to use e-marketing mix. E-Marketing Mix is an upgrade from the marketing mix. According to (Kotler & Keller, 2016), marketing mix is a device of marketing tools used by companies to pursue company goals. These devices are product, price, promotion, place, people, process and physical evidence (7P) while E-marketing mix is an online marketing mix that uses  $4Ps+P^2C^2S^2$  components consisting of product, price, promotion, place, personalization, privacy, customer service, community, security and site design (Sam & Chatwin, 2014).

The strategy for using e-marketing mix is expected to improve the purchasing decision of Traveloka customers. The purchase decision consists of five stages, namely Problem Recognition, Information Search, Evaluation of Alternatives, Purchase Decision, and Postpurchase Behavior (Kotler & Keller, 2016).

In addition, many research questions were asked about how e-marketing mix can affect Traveloka customers? What is the purchase decision of Traveloka consumers? How can e-marketing mix effect partially on Traveloka's consumer purchasing decisions? This study aims to determine the effect of e-marketing mix consisting of products (services), price, promotion, personalization, privacy, customer service, community, security and site design on Traveloka consumer purchasing decisions.

## **MATERIAL AND METHODS**

# **Participants**

Respondents in this study amounted to 400 people (233 men and 134 women) who use the Traveloka service site at least once in the last 6 months.

## **Instruments**

The data collection tool was product questionnaire which involving 3 questions, price which involving 3 questions, promotion which involving 1 question, personalization which involving 1 question, privacy which involving 2 questions, customer service which involving 3 questions, community which involving 5 questions, security which involving 2 questions, site design which involving 3 questions and purchase decision which involving 5 questions.

**Table 1. Operationalization of Variables** 

Conceptual Definition	Indicator	Measurement Scale	
Product goods or services that can be offered to the market (online and	Many types of products offered (PROD1)	(Likert Scale)  1 = strongly disagree  2 = disagree  3 = neutral  4 = agree	
offline) to attract attention, acquisition, use or consumption that satisfy the wants or needs. (Kotler & Armstrong, 2012)	Products can meet consumer needs (PROD2)		
	There is a product warranty (PROD3)	5 = strongly agree	
Price A sum of money is charged for a	Imposition of product discounts (PRIC1)  Consumer's assumption that online	· (Likert Scale) 1 = strongly disagree	
product or service, or the total amount of value exchanged by a consumer to benefit from owning	product prices are cheaper than offline (PRIC2)	2 = disagree 3 = neutral	
or using a product or service. (Kotler & Armstrong, 2012)	Consider the price of competitors in determining the price of a product or service (PRIC3)	4 = agree 5 = strongly agree	
Promotion Activities that communicate a product or service and its superiority to customers and persuade them to buy the product or service. (Kotler & Armstrong, 2012)	Consumers easily find the desired item through online promotion (PROM1)	(Likert Scale)  1 = strongly disagree  2 = disagree  3 = neutral  4 = agree  5 = strongly agree	
Personalization Personalization on this website means that a consumer can log in on a sales website and make transactions using his own name specifically. (Kalyanam & McIntyre, 2002)	The goods or services offered are customized to one's personalization (PERS1)	(Likert Scale)  1 = strongly disagree  2 = disagree  3 = neutral  4 = agree  5 = strongly agree	
Privacy Control over someone's personal	Privacy of consumer data is something that should be safeguarded (PRIV1)	(Likert Scale) 1 = strongly disagree	
data on a sales website so that it doesn't publish to the public. (Kalyanam & McIntyre, 2002)	There is a consumer privacy policy in the business environment (PRIV2)	2 = disagree 3 = neutral 4 = agree 5 = strongly agree	
Customer Service Where consumers ask if they have questions. Usually a FAQ (Frequently Asked Questions) is provided on a website to make it easier for consumers. Chat technology is also usually used by customer service to communicate	Frequently Asked Questions help consumers deal with problems that often arise (CSRV1)  Live chat helps consumers deal with their problems (CSRV2)  Order tracking services help consumers monitor the goods or services ordered by them (CSRV3)	(Likert Scale) 1 = strongly disagree 2 = disagree 3 = neutral 4 = agree 5 = strongly agree	

with consumers. (Kalyanam &		
McIntyre, 2002)  Community Interaction between consumers and other consumers. This interaction is usually through a review of a product, whether it's giving a comment or rating on a website. That way, prospective customers can have more views about a product before buying it. (Kalyanam & McIntyre, 2002)	Reviews and ratings from consumers previously influenced subsequent consumer purchasing decisions (CMTY1)  Review and experience from previous consumers is more neutral than the explanation directly from the seller's website (CMTY2)  The large number of reviews on the website affects the purchasing decision (CMTY3)  Consistent review influences decisions (CMTY4)  Purchasing decisions are influenced by aliases or real names in the review (CMTY5)	(Likert Scale)  1 = strongly disagree  2 = disagree  3 = neutral  4 = agree  5 = strongly agree
Security Protection of data or important information belonging to consumers, can be in the form of consumer data, terminology and method of payment, up to consumer transaction data from parties who want to use it illegally. (Nuseir et al, 2010)	Securing customer data using encrypted data (SECR1)  Data confidentiality is guaranteed well (SECR2)	(Likert Scale)  1 = strongly disagree  2 = disagree  3 = neutral  4 = agree  5 = strongly agree
Site Design The basic appearance of a site that contains complete information on the product or service that it sells, the ease of accessing the website, the feeling of safe consumers in accessing the site. (Shergill & Chen, 2005)	Website appearance can be easily understood by consumers (STDG1)  The appearance of the website managed to attract consumer buying interest (STDG2)  The complete information on the products sold has been presented in full on the website (STDG3)	(Likert Scale)  1 = strongly disagree  2 = disagree  3 = neutral  4 = agree  5 = strongly agree
Purchase Decision	Problem recognition is the first stage in a purchasing decision (PURC1) Information search is the second stage in purchasing decisions (PURC2) Evaluation of alternatives is the third stage in purchasing decisions (PURC3) Purchase decisions are the fourth stage in purchasing decisions (PURC4) Post purchase behavior is the fifth stage in purchasing decisions (PURC5)	(Likert Scale)  1 = strongly disagree  2 = disagree  3 = neutral  4 = agree  5 = strongly agree

# **DATA ANALYSIS**

The analytical method used in this research is using PLS-SEM with two evaluation steps:

1. Evaluation of measurement (outer model) to assess the validity and reliability of the model through the validity of convergent and discriminant

2. Evaluation of structural (inner model) that aim to predict the relationship between latent variables

#### **RESULTS**

More comprehensive picture of the description of the respondents consisted of gender and age. The subjects consisted of 233 men (58.25%) and 167 women (41.75%). In term of age, 364 respondens (91%) were 18-37 years old (Y generation), 34 (8.50%) were 38-57 years old (X generation), 1 (0.25%) were more than 57 years old (baby boomers generation) and 1 (0.25%) were 8-17 years old (Z generation).

Descriptive data shows an overview of respondent's answers to statements contained in the questionnaire and the responses of respondents. In term of product, PROD2 was the strongest component with score 84.25 followed by PROD1 (84.20) and PROD3 (74.30) as weakness component. In term of price, PRIC1 was the strongest component with score 77.80 followed by PRIC3 (70.90), and PRIC2 (68.70) as weakness component. In term of promotion, PROM1 has score 78.95. În term of personalization, PERS1 has score 82.75.

In term of privacy, PRIV2 was the strongest component with score 77.15 and PRIV1 (75.60) as weakness component. In term of customer service, CSRV3 was the strongest component with score 77.25 followed by CSRV1 (72.45), and CSRV2 (69.45) as weakness component. In term of community, CMTY5 was the strongest component with score 80.00 followed by CMTY1 (79.80), CMTY4 (75.05), CMTY3 (84.60) and CMTY2 (72.95) as weakness component.

In term of security, SECR1 was the strongest component with score 82.20 and SECR2 (76.05) as weakness component. In term of site design, STDG1 was the strongest component with score 83.50 followed by STDG2 (80.15), and STDG3 (79.85) as weakness component. In term of purchase decision, PURC1 was the strongest component with score 84.95 followed by PURC5 (81.85), PURC4 (79.25), PURC3 (77.15) and PURC2 (74.20) as weakest component.

The measurement model (Outer Model) involves the relationship of each criterion representing a latent variable with each indicator. The focus of the measurement model assessment is on the validity of the component used to represent each construct as suggested by some researchers ((Hair et all, 2010) (Ghozali, 2014) ). The evaluation of measurement model (Outer Model) consists of construct validity, convergent validity, and discriminant validity.

The constract validity refers to the extent to which measuring devices can measure theoretical aspects. Loading factor and cross loading value which are higher than 0.50 are considered significant (Hair et all, 2010).

Sample Standard **Original T Statistics** P Mean **Deviation** Sample (O) (|O/STDEV|) Values (STDEV) **(M)** PROD1 <-PRODUCT 0.6839 5.81050 0.00 0.6652 0.1177 PROD2 <-PRODUCT 0.8335 0.8319 0.0560 14.8773 0.00 PROD3 <-PRODUCT 0.8102 0.8103 0.0603 13.4350 0.00 PRIC1 <- PRICE 0.7748 0.7699 0.0649 11.9456 0.00 PRIC2 <-PRICE 0.8334 0.8272 13.1090 0.00 0.0636 PRIC3 <-PRICE 0.8334 0.8416 0.0447 18.8711 0.00PROM1 <-PROMOTION 1.0000 1.0000 0.0000PERS1 <-PERSONALIZATION 1.0000 1.0000 0.0000 PRIV1 <-PRIVACY 0.9145 0.9129 0.0339 26.9543 0.00 PRIV2 <-PRIVACY 0.9218 0.9182 0.0391 23.5967 0.00 10.9136 CSRV1 <-CUSTOMER SERVICE 0.8026 0.7992 0.0735 0.00 0.1017CSRV2 <-CUSTOMER SERVICE 0.8082 0.7945 7.94660 0.00CSRV3 <-CUSTOMER SERVICE 0.78890.78310.0796 9.91220 0.00CMTY1 <-COMMUNITY 0.7584 0.7580 0.0587 12.9154 0.00

**Table 2. Loading Factor per Indicator** 

CMTY2 <-COMMUNITY	0.7547	0.7551	0.0639	11.8059	0.00
CMTY3 <-COMMUNITY	0.8121	0.8019	0.0609	13.3312	0.00
CMTY4 <-COMMUNITY	0.8497	0.8394	0.0451	18.8337	0.00
CMTY5 <-COMMUNITY	0.7046	0.7057	0.0775	9.08880	0.00
SECR1 <- SECURITY	0.8997	0.8968	0.0426	21.1392	0.00
SECR2 <- SECURITY	0.8807	0.8754	0.0438	20.0894	0.00
STDG1 <-SITE DESIGN	0.8878	0.8872	0.0249	35.6865	0.00
STDG2 <-SITE DESIGN	0.8811	0.8769	0.0365	24.1464	0.00
STDG3 <-SITE DESIGN	0.8718	0.8686	0.0457	19.0975	0.00
PURC1 <-PURCHASE DECISION	0.7176	0.7136	0.0673	10.6611	0.00
PURC2 <-PURCHASE DECISION	0.5423	0.5290	0.1190	4.55730	0.00
PURC3 <-PURCHASE DECISION	0.8097	0.8085	0.0435	18.6173	0.00
PURC4 <-PURCHASE DECISION	0.8673	0.8685	0.0344	25.2289	0.00
PURC5 <-PURCHASE DECISION	0.8184	0.8203	0.0464	17.6292	0.00

The result of analysis as in Table 2 shows all the indicators that measure the specific construct > 0.50 so that each construct has reached a predetermined minimum standard.

The convergent validity of the research tool refers to the extent to which the tool produces a response that represents a measured idea. The three main aspects used in measuring the validity of convergence are loading factor, composite reliability (CR) and average extracted (AVE) (Hair et all, 2010).

Table 3. Construct Reliability and Validity

	Cronbach's Alpha	Composite Reliability (CR)	Average Variance Extracted (AVE)
Product	0.6822	0.8210	0.6063
Price	0.7525	0.8583	0.6690
Promotion	1.0000	1.0000	1.0000
Personalization	1.0000	1.0000	1.0000
Privacy	0.8138	0.9148	0.8430
Customer service	0.7203	0.8420	0.6399
Community	0.8355	0.8839	0.6045
Security	0.7386	0.8842	0.7925
Site design	0.8547	0.9117	0.7749
Purchase decision	0.8082	0.8697	0.5773

Based on the result, it can be concluded as follows: (1) product construct with components PROD1-PROD3 has loading factor > 0.60, CR> 0.60 and AVE> 0.50, (2) price construct with components PRIC1-PRIC3 has loading factor > 0.60, CR> 0.60 and AVE> 0.50, (3) promotion construct with component PROM1 has loading factor > 0.60, CR> 0.60 and AVE> 0.50, (4) personalization construct with component PERS1 has loading factor > 0.60, CR> 0.60 and AVE> 0.50, (5) privacy construct with components PRIV1-PRIV2 has loading factor > 0.60, CR> 0.60 and AVE> 0.50, (6) customer service construct with components CSRV1- CSRV3 has loading factor > 0.60, CR> 0.60 and AVE> 0.50, (7) community construct with components CMTY1-CMTY5 has loading factor > 0.60, CR> 0.60 and AVE> 0.50, (8) security construct with components SECR1- SECR2 has loading factor > 0.60, CR> 0.60 and AVE> 0.50, (9) site design construct with components STDG1- STDG3 has loading factor > 0.60, CR> 0.60 and AVE> 0.50 and purchase decision construct with components PURC1- PURC5 has loading factor > 0.60, CR> 0.60 and AVE> 0.50.

The next model outer evaluation is discriminant validity using cross loadings and correlation between variables and AVE root. The result of cross loadings shows that the correlation value (loading) of each component in its construct is higher than the correlation of the component with the other construct (Table 4). Thus it can be said that the general model has met the cross loadings requirement.

**Table 4. Cross Loadings of Research Variables** 

	PRODUCT	PRICE	PROMOTION	PERSONALIZATION	PRIVACY	CUSTOMER SERVICE	COMMUNITY	SECURITY	SITE DESIGN	PURCHASE DECISION
PROD1	0.6839	0.3101	0.2336	0.2628	0.2422	0.2278	0.2311	0.2984	0.3783	0.2548
PROD2	0.8335	0.3671	0.2902	0.4552	0.2661	0.2344	0.2333	0.3900	0.4587	0.4237
PROD3	0.8102	0.4697	0.3465	0.2898	0.4023	0.4567	0.3286	0.3933	0.4110	0.4227
PRIC1	0.4864	0.7748	0.3145	0.2161	0.3966	0.3190	0.1924	0.3012	0.2466	0.3410
PRIC2	0.3580	0.8334	0.2740	0.2513	0.2279	0.2335	0.1432	0.2554	0.2211	0.3653
PRIC3	0.3864	0.8440	0.3799	0.3076	0.3553	0.3647	0.3112	0.3012	0.2516	0.4014
PROM1	0.3782	0.3965	1.0000	0.3798	0.2888	0.3645	0.3413	0.2965	0.3325	0.3990
PERS1	0.4395	0.3184	0.3798	1.0000	0.3204	0.3091	0.3494	0.4487	0.5236	0.5552
PRIV1	0.3478	0.3414	0.2770	0.3083	0.9145	0.3895	0.2312	0.5519	0.3370	0.3510
PRIV2	0.3789	0.3884	0.2538	0.2806	0.9218	0.4368	0.2122	0.4983	0.3603	0.3662
CSRV1	0.2631	0.3193	0.2915	0.2039	0.4845	0.8026	0.3517	0.4305	0.2893	0.3218
CSRV2	0.2958	0.2916	0.3415	0.2157	0.3156	0.8082	0.3908	0.2694	0.2700	0.2726
CSRV3	0.3983	0.2882	0.2512	0.3127	0.2782	0.7889	0.4098	0.2823	0.3273	0.3411
CMTY1	0.2801	0.229	0.2415	0.2635	0.2190	0.4700	0.7584	0.3126	0.2277	0.2829
CMTY2	0.2766	0.2566	0.2989	0.2864	0.2561	0.4258	0.7547	0.4057	0.3329	0.3603
CMTY3	0.2686	0.2210	0.3380	0.2486	0.1796	0.3859	0.8121	0.3235	0.3124	0.3151
CMTY4	0.2303	0.1853	0.2621	0.2822	0.1443	0.3578	0.8497	0.2642	0.3242	0.3252
CMTY5	0.2638	0.1502	0.1874	0.2676	0.1383	0.2476	0.7046	0.3085	0.3537	0.3788
SECR1	0.4320	0.2676	0.2301	0.4208	0.3963	0.3213	0.4126	0.8997	0.6212	0.5522
SECR2	0.4011	0.3581	0.3008	0.3766	0.6309	0.4169	0.3313	0.8807	0.5329	0.5087
STDG1	0.4821	0.2381	0.2405	0.4603	0.3410	0.2890	0.3439	0.6193	0.8878	0.5834
STDG2	0.4595	0.2546	0.2879	0.4112	0.3125	0.3176	0.3635	0.5477	0.8811	0.5843
STDG3	0.4683	0.2801	0.3478	0.5094	0.3494	0.3749	0.3649	0.5499	0.8718	0.6020
PURC1	0.3913	0.2207	0.2677	0.4546	0.2006	0.2277	0.3208	0.4331	0.6295	0.7176
PURC2	0.2463	0.2384	0.3686	0.2870	0.3441	0.2840	0.2867	0.3835	0.4010	0.5423
PURC3	0.4118	0.4042	0.3111	0.4360	0.2952	0.3078	0.3631	0.4920	0.4883	0.8097
PURC4	0.3888	0.4005	0.2820	0.4696	0.3376	0.3121	0.3214	0.4690	0.5072	0.8673
PURC5	0.3841	0.4349	0.3066	0.4340	0.3223	0.3634	0.3517	0.4778	0.4999	0.8184

The structural model analysis (Inner Model) aims to test the developed hypotheses in order to examine the effect of exogenous variables on endogenous variables, consists of evaluation of  $R^2$  value and goodness of fit assessment (GoF). According to (Ghozali, 2014) there are criteria used to evaluate the structural models such as seeing the value of  $R^2$  for endogenous latent variables (0.67 = good, 0.33 = moderate, 0.19 = weak) and also evaluating GoF (Goodness of Fit)

**Table 5. R-Squares of Structural Model** 

	R Square	Conclusion
PURCHASE DECISION	0.5849	MODERAT

Based on the table above, we get the value  $R^2 = 0.5849$  for the PURCHASE DECISION variable. The  $R^2$  coefficient (R-square) shows how much influence the independent variable (X) has on the dependent variable (Y). So it can be concluded that the effect of product, price, promotion, personalization, privacy, customer service, community, security and site design (independent variables) on purchasing decisions (dependent variables) are in the Moderate category ( $R^2 = 0.5849$ ). Assessment of Goodness of Fit (GoF) is one way to verify SEM-PLS. The GoF index values as suggested by Wetzels et al. (2009) are 0.1 (small), 0.25 (medium) and 0.36 (large).

Table 6. Goodness of Fit

	Average Variance Extracted (AVE)	R Square	AVE x R Square	Conclusion
PURCHASE DECISION	0.5773	0.5849	0.5811	
	GoF		0.5811	Large

After ensuring that the model was used both outer and inner model, then hypotheses testing analysis was carried out by performing the path coefficient test as in the previous section. Evaluation of structural model can be seen from t-statistic value, if t-statistic value is greater than 1.96 (alpha 5%) or 2.56 (alpha 1%), it shows significant effect.

**Table 7. Hypothesis Testing** 

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	Standard Deviation (STERR)	T Statistics ( O/STERR )	Conclusion
PRODUCT -> PURCHASE DECISION	-0.0111	0.0074	0.0982	0.0982	0.1129	Not Significant
PRICE -> PURCHASE DECISION	0.1912	0.1885	0.0921	0.0921	2.0766	Significant
PROMOTION -> PURCHASE DECISION	0.0593	0.0466	0.0972	0.0972	0.6103	Not Significant
PERSONALIZATION -> PURCHASE DECISION	0.1836	0.1776	0.0931	0.0931	1.9718	Significant
PRIVACY -> PURCHASE DECISION	-0.0164	-0.0066	0.1133	0.1133	0.1443	Not Significant
CUSTOMER SERVICE -> PURCHASE DECISION	0.0103	0.0135	0.0896	0.0896	0.1155	Not Significant
COMMUNITY -> PURCHASE DECISION	0.0830	0.0937	0.1012	0.1012	0.8196	Not Significant
SECURITY -> PURCHASE DECISION	0.1695	0.1685	0.1177	0.1177	1.4405	Not Significant
SITE DESIGN-> PURCHASE DECISION	0.3628	0.3578	0.1261	0.1261	2.8768	Significant

#### DISCUSSION AND CONCLUSION

Descriptive findings indicate that male users are more than female users. Other findings indicate that respondents are dominated by users with 18-37 year olds who are Y generation (millennial).

The results of testing through SEM analysis tool showed that the indicator "meet consumer needs" is the significant component of product. It means that "meet consumer needs" is the key in determining product. The more product that can meet consumer needs, it will create a better product and it will increase purchase desicion to a higher level. While the indicator "product discounts" is the significant component of price. It means that "product discounts" is the key values in determining price. The bigger product discount it will create a better "price" and will increase purchase decision to a higher level. The component "easily search for items online" is the significant component of promotion. The easier it is to find items online, it will create a better promotion and increase purchase decision to a higher level. The component "customizted products" is the significant component of personalization. More customized the products with someone, it will create a better personalization and increase purchase decision to a higher level. The component "consumer privacy policy in the business environment" is the significant component of privacy. It means that "consumer privacy policy in the business environment" is the key in determining privacy. The better privacy policy, it will create a better privacy and will increase purchase decision to a higher level. The component "order tracking service" is the significant component of customer service. The better order tracking service, it will create a better customer service and increase purchase decision to a higher level. The component "aliases or real names in the review" is the significant component of community. It means that "aliases or real names in the review" is the key in determining community. The more real someone's name in the revie place, it will create a better community and will increase purchase decision to a higher level. The component "data encryption" is the significant component of security. The better the level of security transaction, it will create a better security and increase purchase decision to a higher level. The component "easily understood by consumers" is the significant component of site design. It means that "easily understood by consumers" is the key values in determining site design. The more easily understood by consumers, it will create a better site design and will increase purchase decision to a higher level. The component "problem recognition" is the significant component of purchase decision. It means that "needs" is key in determining purchase decision. It means that "someone's need for an item" is the key values in determining purchase decision.

Among all the variables, personalization has the highest average score with 82.75 followed by site design (81.17), product (80.92), purchase decision (79.48), security (79.40), promotion (78.95), community (76.48), privacy (76.38), customer service (73.05) and price (72.47). It means that the suitability of consumer personalization to the needs of a product is important to support the other variables on products and finally will maintain purchasing decisions.

The e-marketing mix variables have significant and not significant influence on Traveloka consumer purchasing decisions. Product variables have no significant effect on purchasing decisions. Almost the same as research from (Nuseir et al., 2010), which states that the relationship between products and the decision to purchase goods by online can be fairly small. While other researchers such as (Mahmood & Khan, 2014), (Zhafira et al, 2013) and (Pungnirund, 2013) have different results where they assume that the product has a significant influence on purchasing decisions.

Unlike the case with variable prices, it has a significant influence on purchasing decisions. This case in line with research conducted by (Satit et al., 2012) and (Nuseir et al, 2010) where they argue that consumers expect the lowest price for a product or service offered by the seller before making a purchasing decision. Promotion variables have no significant effect on purchasing decisions. This is inversely proportional to the research conducted by (Satit et al., 2012) which says that there is a positive and significant relationship between promotional variables and consumer purchasing decisions.

Personalization variables have a significant influence on purchasing decisions. This is certainly in line with research from (Mandasari & Yuliana, 2014) which argues that a better variable will make consumers tend to make purchasing decisions on the site. Unlike the case with the variable privacy, this variable has no significant effect on purchasing decisions. Whereas according to (Shergill & Chen, 2005) it is stated that someone's data privacy is one of the reasons people make online purchases in New Zealand.

Consumer services also have no significant effect on purchasing decisions. Friendly customer service, will make consumers comfortable and feel cared for which leads to consumer purchasing decisions in the online store (Shergill & Chen, 2005). The relationship between community variables and purchasing decisions is not significant. Even though according to (Almana & Mirza, 2013), a review in the form of ewom (electronic word of mouth) becomes one of the references for prospective consumers in considering the purchase of an item or service.

Security variables have no significant effect on purchasing decisions. Even though in online business security is very important. Starting from the consumer data, terms and methods of payment, to consumer transaction data (Nuseir et al, 2010). Site appearance has a significant effect on purchasing decisions. A good site certainly must have some basic criteria such as complete information on the product or service that they sells, ease of accessing the website, the customer's safe feeling in accessing the website and also the appearance of the website (Shergill & Chen, 2005).

The results of the regression show that price, personalization and appearance of the site are the three main variables that have a significant effect to improve consumer purchasing decisions. Through the 3 main variables that have a significant effect, Traveloka can make improvements. For example for prices, Traveloka can make a strategy by becoming a market leader in the e-commerce industry, especially OTA. For personalization, Traveloka can offer to the consumers the things that they need personally. For the display strategy, Traveloka can recruit creative young people who have new ideas on the issue of displaying the Traveloka website so that the Traveloka website is always fresh, easy to understand, simple and pleasing to consumers. In these ways it is expected to increase consumer purchasing decisions at Traveloka.

There are still some limitations from this study, such as the study sample that was only takes 6 months. Therefore, the sample still have relatively homogeneous characteristics and interests. The next phase of the study can add additional factors that influence Traveloka costumer's buying decision behaviors such as cultural, needs, social, personal and psychological factors.

#### REFERENCES

- [1] APJII. (2016). Penetrasi & Perilaku Pengguna Internet Indonesia. Jakarta: APJII.
- [2] Ghozali, I. (2014). Structural Equation Modeling Metode Alternatif Dengan Partial Least Squares (PLS). Semarang: Badan Penerbit Universitas Diponegoro Semarang.
- [3] Hair et all, J. F. (2010). *Multivariate Data Analysis*. Prentice-Hall.
- [4] Kalyanam, K., & McIntyre, S. (2002). The E-Marketing Mix: A Contribution of the E-Tailing Wars. *Journal of the Academy of Marketing Science: October 2002*, 1-39.
- [5] Kotler, P., & Armstrong, G. (2012). *Principles of Marketing (14th Ed)*. New Jersey: Prentice Hall.
- [6] Kotler, P., & Keller, K. L. (2016). *Marketing Management*. New Jersey: Pearson Education.
- [7] Laudon, K. d. (2012). *E-commerce 2012 Business Technology Society 8th Edition*. England: Pearson Education.
- [8] Mahmood, R., & Khan, S. M. (2014). Impact of Service Marketing Mixes on Customer Perception: A Study on Eastern Bank Limited, Bangladesh. *European Journal of Business and Management 2014*, 164-172.
- [9] Mandasari, V., & Yuliana, E. (2014). Analysis Of Online Purchase Decision Process At Gramedia Online Bookstore Using Customer Interface 8c. (Study Case In Www.Gramediaonline.Com 2014). *Telkom University*.
- [10] Nielsen. (2014). Konsumen Indonesia Mulai Menyukai Belanja Online. Nielsen. Retrieved from Nielsen
- [11] Nuseir et al, M. T. (2010). Evidence of Online Shopping: A Consumer Perspective. International Review of Business Research Papers Volume 6. Number 5. November 2010, 90-106.
- [12] Pungnirund, B. (2013). The Influences of Marketing Mix on Customer Purchasing Behavior at Chatuchak Plaza Market. World Academy of Science, Engineering and Technology International Journal of Economics and Management Engineering Vol:7 No:8 2013, 2373-2375.
- [13] Sam, K. M., & Chatwin, C. R. (2014). Measuring E-Marketing Mix Elements for Online Business. *Research Gate*, 1-15.
- [14] Satit dkk, R. P. (2012). The Relationship Between Marketing Mix And Customer Decision-Making Over Travel Agents: An Empirical Study. *International Journal of Academic Research in Business and Social Sciences 2012*, 522-530.
- [15] Shergill, G. S., & Chen, Z. (2005). Web-based shopping: consumers' attitudes towards online shopping in New Zealand. *Journal of Electronic Commerce Research*, 6(2), 2005, 79 94.
- [16] Zhafira dkk, N. H. (2013). The Analysis of Product, Price, Place, Promotion and Service Quality onCustomers' Buying Decision of Convenience Store: A Survey of Young Adult in Bekasi, West Java, Indonesia. *International Journal of Advances in Management and Economics* 2013, 72-78.