

Laviosing: Virtual Reality (VR) 360 0 Videos as A Marketing Strategy Promotion of Village Tourism

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Abstract. 360-degree virtual reality (VR) video is used in tourism marketing but is still uncommon in Indonesia. This technology is viewed as an efficient tourism marketing strategy since it provides users with an immersive, enjoyable, and unforgettable experience that cannot be attained through other conventional media. Osing Tourist Village in Banyuwangi Regency is one of the tourist villages that has utilized 360-degree video as a marketing tool. Hence, it is essential to test the marketing effect of deploying VR 360 based on virtual reality and then move to consumers' tourism-related buy intentions. This study investigates the experiential marketing variables influencing a person's decision to visit Osing Tourist Village extensively. Sensing, emotion, thought, and action were the factors used in this study. A total of 178 participants aged 20 to 55 years were surveyed. This study used the Partial Least Square (PLS) data analysis technique. The results indicated that the determinant variables of experiential marketing (sense, feel, think, and act) had a considerable and beneficial impact on visitors' purchase intentions. The ramifications of this study can be utilized as a point of reference for future research so that the use of virtual reality (VR) 360-degree videos can be implemented in many additional Indonesian tourist communities.

1 Introduction

Technological advancements have assumed a pivotal role in the global context, profoundly impacting human existence across diverse domains. The utilization of technology for marketing attractions and destinations has become increasingly prevalent within the tourist sector, particularly in the wake of the Covid-19 pandemic. The tourist industry has extensively incorporated technologies such augmented reality (AR), virtual reality (VR), and various other technical advancements. Nevertheless, virtual reality (VR) has transformed the approach to tourism marketing, replacing traditional methods with cutting-edge technology that offers enhanced and dependable insights into tourist locations. This is mostly due to the unique experiential dimension that VR gives.

The 360-degree video format is widely recognized and commonly employed, serving as an integral component of virtual reality (VR) experiences. Virtual reality (VR) utilizing the 360-degree video format is renowned for its high level of accessibility. In addition to this, it

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is widely recognized for its cost-effectiveness, as the 360-degree video format can be conveniently viewed through both desktop and mobile devices. The YouTube platform provides creators with the capability to access and distribute 360-degree videos to their viewers.

According to the Global Traveler Survey conducted in 2019, which encompassed 20 countries including Indonesia, it was observed that over 75% of Indonesian visitors held elevated anticipations for their travel encounters facilitated by augmented reality/virtual reality (AR/VR) technology. According to a study conducted by Tussyadiah et al [1], virtual reality (VR) has the ability to influence consumer attitudes and behavior by creating a sense of presence in a virtual environment. This, in turn, can enhance individuals' comfort and satisfaction levels, while also expanding the possibilities for prospective tourists to consider visiting certain destinations. The study done by Yuan et al. [2] provides empirical evidence supporting the notion that technological attributes within virtual reality (VR), such as visual clarity and interactive capabilities, exert a favorable influence on users' cognitive processing of information. The features of information presence and quality in virtual reality (VR) travel material have a good impact on tourists and play a significant role in influencing the marketing strategy of destinations. Marketing has been shown to have the capacity to generate heightened interest in travel experiences [3];[4]. In this context, virtual reality (VR) emerges as a pioneering medium for marketing that has exhibited its ability to augment the overall tourism encounter.

A multitude of previous research endeavors have been undertaken to examine the phenomenon of employing virtual reality (VR). Nevertheless, the utilization of virtual reality (VR) for tourism marketing purposes in Indonesia remains constrained. The objective of this study is to assess the impact of virtual experience marketing on the purchase intention of potential visitors. Hence, the primary aim of this research is to investigate the impact of key experience factors, specifically (sense, feel, think, and act), on the intents of visitors to make purchases. The main aim of this research is to provide an academic contribution towards the development of tourism in the Osing Traditional Tourism Village located in Banyuwangi. The utilization of virtual reality (VR) as a marketing tool has been utilized by this town, thereby demonstrating its embrace of digitalization within its marketing strategy. In order to achieve the aforementioned objective, researchers have created a 360-degree video, which has been subsequently incorporated into the YouTube channel accessible at <https://www.youtube.com/watch?v=s4e3wzaa9P0&t=4s>. Prospective tourists are able to partake in the aesthetic pleasures of tourism within this hamlet by use of virtual reality technology.

2 Literature Review

Experiential marketing is a concept which states that the experience felt by consumers both before consuming goods/services, when consuming goods/services and post-consumption is the most important part in the field of marketing. This of course affects someone to consume the goods/services again. Dholakia and Zhao [5] further state that experiential marketing will not only trigger consumers to consume impulsively but can also influence subsequent purchasing decisions [6]. Several prior studies have posited that the correlation between the quality of the tourist experience, perceived value, satisfaction, and behavioral intentions has a direct influence on perceived satisfaction within the realm of experiential marketing research in the domain of tourism [7];[8].

According to Schmitt, the progress of conventional marketing implementation is still ongoing as it adapts to technological advancements. A significant aspect of this adaptation involves the perception of consumers as rational decision-makers who carefully evaluate the benefits and costs associated with consuming goods and services. The emergence of the

industrial revolution has resulted in substantial changes in the realms of knowledge, communication, and branding. Consequently, it becomes imperative to shift our perspective from conventional approaches to more contemporary ones, wherein the focus lies on providing clients with captivating experiences that evoke emotions, amusement, and indelible memories. Schmitt [9] proposed a framework consisting of five experiential marketing modules for assessing aspects, namely: feel, feel, act, think, and relate. In conjunction with Schmitt's scholarly investigation, Brakus undertakes a comprehensive examination of the four elements of experiential marketing, namely sensory experience, affective experience, intellectual experience, and behavioral experience, from the standpoint of brand perception [10].

The assessment of technological utilization, prerequisites, and the level of user satisfaction holds significant importance within the marketing framework of virtual reality (VR) experiences. Moreover, it is crucial to integrate the Schmitt strategic experience module with other widely used virtual reality assessment modules. This research draws upon the Schmitt strategic experience module to offer the variables and assumptions generated from two viewpoints. These perspectives include the assessment indicators of the VR technological component and the experience indicators of users across numerous dimensions.

2.1 Sensory Experience

The trip experience encompasses the establishment of a connection with the location through several sensory channels [11]. The physical sensations resulting from sensory encounters play a crucial role in shaping individuals' evaluations of their trip experiences within the setting of virtual reality [12]. Consequently, the sensory experiences of visitors hold significant influence in shaping their perceptions, emotions, and behavioral intentions. By offering sensory experiences that cater to the five senses of visitors, a venue has the potential to augment visitor happiness with their sensory encounter, consequently elevating the overall quality of their experience and perceived value. The enhanced quality and perceived value have the potential to foster stronger connections or reinforce pre-existing connections between tourism locations and visitors. This link has the potential to lead to the establishment of a physical attachment, characterized by dependence on and identification with a certain objective.

The concept of "sensory experience" refers to the perceptual encounter that individuals undergo when they are stimulated by external sensory inputs. The assessment of sensory experience encompasses three primary indicators: technical usability, sensory stimulation, and sensory immersion.

When considering the VR 360 format, virtual digital experiences are designed to facilitate users' comprehension of product specifics or pertinent functional information through visual, auditory, gustatory, and tactile stimuli. These stimuli aim to evoke excitement and satisfaction in users, thereby enhancing the product's value proposition and influencing users' purchasing inclination and desire.

2.2 Emotional Experience

The concept of "feel" holds significant importance within the framework of an experience marketing approach. The quality of service and the friendliness exhibited by the waiter or staff can significantly influence customer satisfaction. In order to facilitate a comprehensive understanding of a product or service by consumers, producers must consider the consumer's state, particularly with regard to their perceived mood. The conversion of consumers into customers is contingent upon their perception of suitability with the items or services being supplied. Consequently, it is imperative to identify the opportune moment, namely when

consumers are in a positive emotional state, in order to ensure that these products and services are capable of delivering an indelible and memorable experience. The favorable influence on consumer loyalty. The experience of happy emotions can enhance customers' ability to engage in optimistic thinking.

The primary objective of Feel is to elicit emotional responses by employing various stimuli, such as events, agents, and objects, as a strategic approach to influence the emotions and moods of consumers. By utilizing signs of emotional responses derived from past marketing interactions.

2.3 Thinking Experience

According to Schmitt "Think" is a type of experience that aims to create cognitive, problem solving that invites consumers to think creatively. The objective of this initiative is to encourage customers to actively participate in the process of creative thinking and to foster a heightened sense of awareness through a cognitive approach that leads to a reassessment of the organization, its offerings, and its services. In think there are two concepts, namely:

- 1) Convergent Thinking. This specific form is a thought that may arise including rational problems that can be reasoned with.
- 2) Divergent Thinking. Divergent thinking includes the ability to come up with new ideas, flexibility (the ability to adapt to the existence of the company), the ability to come up with extraordinary ideas.

Marketers employ VR marketing applications in 360 video formats to convey pertinent product information by leveraging their comprehension of cognitive, system, and user interest inclinations. These applications effectively showcase the performance and functionalities of appropriate goods and services, thereby mitigating uncertainties and aiding users in decision-making processes. Furthermore, they prompt users to engage in cognitive reflection, fostering creative thinking and facilitating a comprehensive understanding of the product. Consequently, users develop strong convictions and exhibit heightened intentions to utilize the product, ultimately influencing their propensity to make a purchase.

2.4 Action Experience

According to Schmitt, the Act is an experiential phenomenon that seeks to exert impact on consumer behavior, lifestyle, and interactions. The Act aims to facilitate a consumer experience pertaining to the corporeal form, way of life, and social engagements. This action has a beneficial impact on the establishment of client loyalty. When an action is capable of exerting influence on customer behavior and lifestyle, it is likely to yield a favorable effect on customer loyalty due to the perception that the product or service aligns with their way of life. In contrast, if consumers perceive that the product or service does not align with their lifestyle, it will detrimentally affect their level of customer loyalty. Actions that pertain to the entirety or entirety-related aspects. Based on the description above, the hypothesis in this study is: 1) sensory experience influences visit intention; 2) emotional experience influences visit intention; 3) thinking experience influences visit intention; and 4) Action experience influences visit intention.

3 Method

The approach employed in this study is an associative method. The associative strategy is a commonly employed research approach aimed at investigating the correlation or association between two or more variables. The main aim of this study is to provide a thorough

explanation of the influence of each independent variable. This study examines the influence of sensory experience (X1), emotional experience (X2), thinking experience (X3), and action experience (X4) on the variable of visit intention (Y) (Figure 1). The research methodology employed in this study is quantitative in nature.

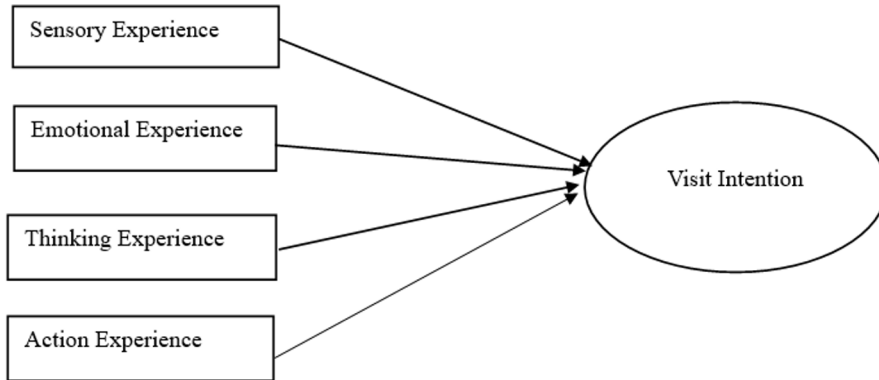


Fig. 1. Research Design

This study utilizes a population of individuals who have accessed VR video content in the 360 formats on YouTube Laviosing. The exact number of users within this community is currently unknown. Hence, the present study employed a purposive sample technique, wherein the selection of participants was based on certain considerations and criteria that needed to be fulfilled. The criteria employed in this study encompass individuals who are potential visitors, possess prior expertise with the VR 360 Laviosing video format, and reside within the region of East Java. The researchers administered surveys to a sample of 200 participants, however, only 178 of the disseminated questionnaires were successfully returned to the researchers.

The data gathering methodology employed in this study was the dissemination of questionnaires. The measurement scale employed in this study is a five-point Likert scale, ranging from strongly disagree to strongly agree, with an interval of one between each response option. The measurement of respondents' answers involved the utilization of a Likert scale to assess the completion of the questionnaire. The scoring system assigned a value of 1 to responses indicating strong disagreement, a value of 2 to responses indicating disagreement, a value of 3 to responses indicating doubt, a value of 4 to responses indicating agreement, and a value of 5 to responses indicating strong agreement. The variables that have been assessed are transformed into indicators, which are then utilized as standards for constructing instrument items in the form of statements or questions, as outlined below.

The data processing methodology employed in this study involves the utilization of smartPLS SEM (Partial Least Square – Structural Equation Modeling) Software. The programming language PLS possesses the capability to elucidate the association between variables and conduct analyses within a single testing framework. The utilization of Partial Least Squares (PLS) by the author is justified due to the latent nature of the variable under investigation, which its indicators may assess. This enables the writer to conduct a comprehensive analysis, employing precise and meticulous calculations. Table 1 shows the variable used in this research and the references to enrichment.

Table 1. VR virtual experience strategic model variables, elements, item settings (for Desa Adat Osing), and references

Model Variables	Indicator	Measurement item	References
Sensory experience	Technical usability	VR video 360 can be used more easily	Lin et al[13]; Boboc et al [14]; [15]
	Sensory Irritation	VR video 360 has positively stimulated my senses	
	Sense Immersion	The utilization of VR video 360 enables virtual objects to achieve enhanced integration within the physical environment.	
		I am satisfied with the rendering effect, and I enjoy it.	
Emotional Experience	Interesting application	VR video 360 has aroused my interests and curiosity about the landscape of “Desa Adat Osing”	
	Emotional resonance	VR video 360 can give the illustration of real live society, cultural value, and folk spirit of “Desa Adat Osing”	
	Positive emotion	The utilization of virtual reality (VR) technology in the form of 360-degree videos elicits a range of positive emotional responses, including curiosity, happiness, excitement, and other similar sentiments.	
Thinking Experience	Information and usefulness	The utilization of VR video technology in the form of 360-degree videos facilitates a comprehensive comprehension of the cultural phenomenon known as "Desa Adat Osing."	
	Trigger thinking	The utilization of virtual reality (VR) film in a 360-degree format enables me to engage in a more profound and participatory manner when contemplating cultural significance.	
	Maintaining knowledge	Virtual reality (VR) videos in 360 degrees provide users with comprehensive information and enhanced expertise.	
Action experience	Instant interaction	The utilization of instant interaction virtual reality (VR) video has proven to be quite beneficial.	
	Interactive form	The interactive nature of virtual reality (VR) systems is inherently captivating.	
	Active participation	The immersive nature of VR video 360 elicits a strong desire inside me to engage actively and fully participate in the virtual environment, resulting in a heightened level of involvement.	
Visit Intention	Persuasive effect	The utilization of the VR video 360 prompted the emergence of a profound comprehension of the "Desa Adat Osing" concept.	
	Use intention	Want to use VR video 360 to visit the “Desa Adat Osing”	
	Visit intention	Want to purchase “Desa Adat Osing” in person	

4 Result And Discussion

4.1 Respondent Profile

In order to obtain a comprehensive understanding of the respondent's profile, it is necessary to gather information through the utilization of three demographic inquiries, namely

pertaining to gender, age, and occupation. The male gender constitutes a majority of the participants in this research, specifically accounting for 59% or 105 individuals. The remaining individuals in the sample are respondents who identify as female.

4.2 Measurement Models

4.2.1 Reliability

Reliability can be measured through two measures, namely the reliability of Cronbach's Alpha and Composite. The indicators vary from 0 and 1. The value is considered a good level of reliability when it has a value above 0.7. Cronbach's Alpha and Composite Reliability (CR) test results can be seen in Table 2.

Table 2. Cronbach's Alpha and Composite Reliability

Variables	Cronbach's Alpha	Composite Reliability (CR)
Sensory Experience	0.871	0.911
Emotional Experience	0.805	0.886
Thinking Experience	0.748	0.855
Action Experience	0.769	0.863
Visit Intention	0.788	0.854

Based on the table above, Cronbach's Alpha and Composite Reliability values for all variables above 0.7. Can be interpreted as reliable.

4.2.2 Convergent Validity

Convergent validity using the Average Variance value extracted from each construct (AVE) is said to be valid if the AVE value was above 0.50 (Table 3).

Table 3. Average Variance Extracted

Variables	Average Variance Extracted (AVE)
Sensory Experience	0.720
Emotional Experience	0.722
Thinking Experience	0.663
Action Experience	0.677
Visit Intention	0.541

4.2.3 Discriminant validity

Table 4 is the discriminant validity of research.

Table 4. Discriminant Validity

	Action Experience	Emotional Experience	Sensory Experience	Thinking Experience	Visit Intention
Action Experience	0.823				
Emotional Experience	0.494	0.850			
Sensory Experience	0.513	0.704	0.849		
Thinking Experience	0.539	0.807	0.620	0.814	
Visit Intention	0.768	0.622	0.588	0.765	0.736

4.2.4 Structural Model

Figure 2 shows the result of SmartPLS analyzed of this study.

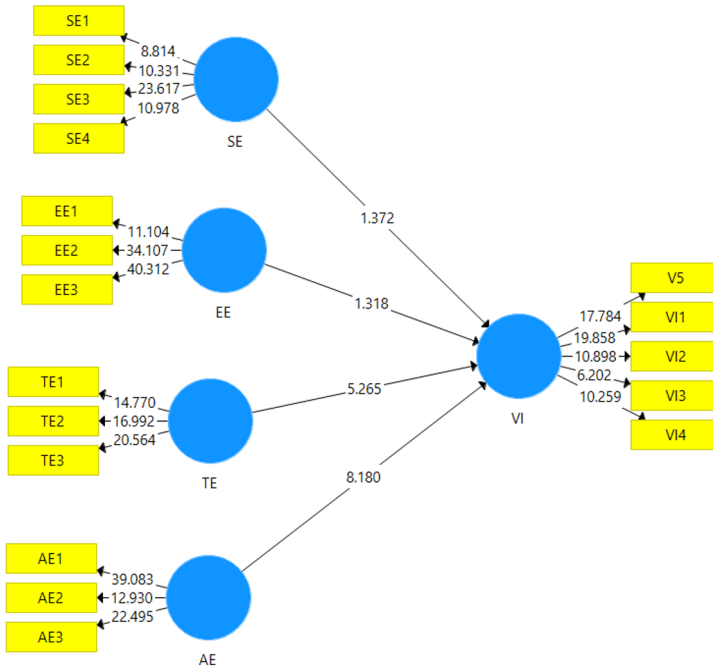


Fig. 2. Structural Model

4.2.5 Path Coefficient

Table 5. Path Coefficient

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ((O/STDEV))	P Values	Decision
AE → VI	0.491	0.503	0.060	8.180	0.000	Accepted
EE → VI	-0.117	-0.114	0.089	1.318	0.188	Rejected
SE → VI	0.080	0.090	0.058	1.372	0.171	Rejected
TE → VI	0.546	0.526	0.104	5.265	0.000	Accepted

Based on the data provided in the Table 5, it can be inferred that of the four associations investigated in this study, only two relationships displayed statistically significant findings, whilst the other two relationships did not exhibit statistical significance. The variable of action experience (AE) exerts an influence on the variable of visit intention (VI). The aforementioned result is substantiated by the statistical T value of 9.180, which exceeds the crucial value of 1.96, as well as the P value of 0.000, which falls below the significance level of 0.05. The variable representing thinking experience (TE) demonstrates a substantial influence on the variable denoting visit intention (VI), as evidenced by the t-statistic value of 5.265, surpassing the crucial value of 1.96, and the P value of 0.000, which falls below the significance level of 0.05. The statistical analysis reveals that there is no significant link between the measure of emotional experience (EE) and visit intention (VI). The evidence suggests that the t-statistic value of 1.318 is below the crucial value of 1.96, indicating a lack of statistical significance. Additionally, the p value of 0.188 exceeds the predetermined

significance level of 0.05. Moreover, it is evident that there is no statistically significant association between the sensory intention (SE) variable and the visit intention variable. This is supported by the t-statistic value of 1.372, which surpasses the critical value of 1.96, and the p value of 0.171, which exceeds the predetermined significance level of 0.05.

The utilization of sensory experience serves to enhance sensory stimulation, and within the realm of tourism, it has the potential to captivate the attention of users [15]. Nevertheless, the findings of our research failed to demonstrate a significant correlation between sensory experience and the intention to visit. Despite attempts to recreate sensory experiences through the utilization of virtual reality (VR) technology, namely in the form of 360-degree video format with enhanced visual clarity, it has proven insufficient in effectively enticing prospective visitors to explore the Osing Traditional Village just based on their exposure to such videos. This phenomenon may occur due to suboptimal video quality and the absence of explanatory dubbing that provides a clear background. The current development of the 360 video fails to effectively generate an engaging experience that sufficiently stimulates tourists to explore the Osing Traditional Village.

The findings of the study demonstrate that there is no significant impact of emotional experience on the intention to visit. The utilization of virtual reality (VR) in a 360-degree format allows users to effectively convey their emotional experiences, hence aiding in the processing of these experiences into visit intents. Nevertheless, there exists an inverse relationship with regards to the assertion that emotional experience serves to activate the emotional requirements of the user, including the activation of pleasant emotions as well as the generation of emotional resonance inside the user. The influence of emotional experiences on tourists' visit intentions and preferences is significant.

The influence of thinking experience on visit intention is evident in the cognitive processes of individuals. During the earliest phases, the utilization of VR 360 video format for cognitive purposes offers preliminary insights into tourism destinations, while also guiding prospective tourists towards a cognitive framework that amplifies their perception of those destinations and bolsters their overall image.

The influence of action experience on the intention to visit is substantial. In the realm of VR marketing, the utilization of the 360-video format is accompanied with a focus on meaningful interaction design. The primary objective of this design approach is to induce a state of unconscious immersion inside the user, thereby augmenting the overall experience of interaction. In this study, a methodology was devised to facilitate users' engagement with tourist places by using their five senses, without their conscious awareness of doing so.

Virtual reality (VR) has gained significant traction within the travel and tourism industry, with growing recognition of its potential to greatly enhance the visiting experience for prospective travelers. Regarded as a significant technological advancement with the potential to greatly enhance and influence the travel experience in contemporary times. Numerous prior research has investigated the impact of virtual reality (VR) on marketing tourism services, highlighting its potential to enhance the authentic experience for prospective visitors prior to their visits to various tourist destinations [16].

The findings of this study suggest that sensory experiences do not exert a significant influence on individuals' decision-making process when it comes to selecting tourism destinations. Conversely, an individual's cognitive encounter while utilizing virtual reality (VR) technology has a significant impact on their inclination to visit the Osing Traditional Village. When an individual engages in virtual reality (VR) experiences, the brain is stimulated to evoke cognitive processes that prompt contemplation of real-life situations, hence fostering motivation to physically explore and visit the Osing Traditional Village. The influence of action experience on visit intention to the Osing Traditional Village is evident. When utilizing virtual reality (VR), individuals are afforded the opportunity to engage with 360-degree videos, enabling them to exercise agency in selecting the videos they wish to

view while disregarding others they deem less desirable. Experiences of this nature offer individuals the liberty to engage in imaginative processes, so exerting an influence on their inclination to visit the Osing Traditional Village. The visit purpose of the Osing Traditional Village is not influenced by emotional experiences. The emotional experience of an individual is an intrinsic component that is regulated by the individual's emotional state.

5 Conclusion

Based on the findings of the study, it can be inferred that sensory experience does not exert a statistically significant influence on visit intention. The cognitive process of thinking has a substantial influence on individuals' intention to visit a particular location. The influence of action experience on the intention to visit is substantial. The influence of emotional experience on visit intention is not found to be statistically significant.

The study is limited in its focus to the application of virtual reality, specifically in the format of 360-degree video. The participants are limited to utilize the virtual reality 360 video format. Therefore, it is advisable that future research endeavors take into account the augmentation of the sample size in order to bolster the statistical power and boost the generalizability of the obtained results.

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