



The Effect of Interactivity, Cost Effectiveness, and Compatibility on the Use of Social Media and its Implications for Organizational Performance

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Abstract: The purpose of this research is to examine the influence of interactivity, cost effectiveness, compatibility through social media usage and the implications toward organizational performance. Analytical technique used in testing the hypothesis is by Structural Equation Model (SEM) method. The respondent in this research were 220 manager, from 14 Hotels of Indonesian stated-owned enterprises located in the islands of Bali, Java and Sumatra. The result showed that interactivity, cost effectiveness, and compatibility significantly influence social media usage, and the social media usage has a significant effect on organizational performance and entrepreneurial orientation. The result also showed that entrepreneurial orientation as mediating variable between social media usage and organizational performance.

Keywords: Interactivity, Cost Effectiveness, Compatibility, Social Media Usage, Entrepreneurial Orientation, Organizational Performance

INTRODUCTION

In the digital era, this has brought changes to the hospitality industry. Many uses of social media for hotel marketing, which is one example of changes that occur due to technology. In fact, today almost everyone depends on the technology itself. This has become a promising potential for using social media for hotel marketing. There is no need to spend large funds to advertise on television or magazines, to market products through social media.

Indonesia ranks 4th and Jakarta ranks 3rd for the most active Facebook user in the world. This shows the magnitude of the potential that can be used to develop new opportunities or simply to be able to survive in competitive competition. The use of social media can change the style of communication more interactively and participatively, this results in the relationship between the company and its consumers becoming more intense, more personal and equal (horizontal). The use of social media makes consumers can comment directly about what is being done even what is happening with the company. A company can communicate with its customers more easily and closely, by only creating one account or fanpages on social media (Facebook or Twitter).

Many companies use social media to: 1) connect with their customers; 2) listen to the main stakeholders; 3) providing customer service; 4) developing valuable content for consumers; 5) involving consumers in product formulation and development (Pride, Huges&Kapoor, 2017). Although the popularity of social media is a recent phenomenon, many businesses have used it to achieve its goals, whether it for long-term such as awareness and brand reputation, or short-term goals such as generating sales (Pride et. al., 2017).

According to the results of the research by Odoom, Dorson, and Acheampong (2017), the use of social media is positively influenced by 3 (three) factors, namely: interactivity, cost effectiveness, and compatibility. The research was conducted in Ghana. This is in line with research conducted in Malaysia by Ainin, Parveen, Moghavvemi, Jaafar, and Shuib (2015) which prove that interactivity, cost effectiveness, and compatibility have a positive effect on Facebook, while trusts have no effect.

The Effect of Interactivity, Cost Effectiveness, and Compatibility on the Use of Social Media and its Implications for Organizational Performance

Social media facilitates two-way communication between customers and organizations. Organizations that utilize the latest social media technology seem to outperform their competitors and report benefits such as lower costs and better efficiency (Harris and Rea, 2009). It is therefore important to investigate the specific impact of social media on organizational performance (Parveen, Jaafar, and Ainin, 2016). Research conducted by Parveen et. al. (2016) in Malaysia found that the use of social media has a strong positive impact on organizational performance in 3 (three) aspects, namely: 1). reduce costs (cost reduction); 2). improve customer relations (improved customer relations); 3). improve information accessibility (enhanced information accessibility).

Social media also positively influences entrepreneurial orientation, according to Parveen et. al. (2016). Entrepreneurial orientation is the methods, practices and decision-making styles that managers use to act in entrepreneurship. This includes processes such as: 1). experiment with promising new technologies; 2). willing to take advantage of new product market opportunities; 3). has a tendency to do business at risk (Lumpkin and Dess, 1996). According to Parveen et. al. (2016), the effect of using technology or social media on organizational entrepreneurial orientation is rarely studied.

Entrepreneurial orientation refers to the company's strategic orientation, capturing the appreciation of visionary entrepreneurs for the style, methods and practices of decision makers (Lumpkin and Dess, 1996). The results of previous research from Wang, Thornhill, and De Castro (2017) prove that new businesses with entrepreneurial orientation such as innovative, proactive, and risk decision makers achieving superior performance. The results of the study of Wiklund and Shepherd (2003) have proven that entrepreneurial orientation has a positive effect on company performance.

THEORETICAL FRAMEWORK AND HYPOTHESIS

Organizational performance or organization performance is the goal of running a company. Therefore the success of a company can be seen from its performance. Performance measurement is a measurement of the results of the implementation of the strategy, if it is considered good it will be used as a measure for the performance of the next period. If the indicator used as a measure of performance increases, the strategy has been well implemented (Anthony and Govindarajan, 2001). Gray, Matear, and Matheson (2002) argue that performance can be divided into 3 (three) measures, namely: measured by business performance (market share, profit, company sales growth compared to competitors), marketing performance (customer satisfaction and loyalty and brand awareness) company against competitors), and other performance measures (Return on Investment and total sales).

Entrepreneurial orientation is an important asset for companies in competing in the electronic environment (Colton et. al., 2010). Entrepreneurial orientation is the decision-making practice, managerial philosophy, and strategic behavior that is entrepreneurial, with entrepreneurship referring to 3 (three) components, namely: innovation, proactivity, and risk taking (Anderson, Covin, and Slevin, 2009). So that entrepreneurial orientation can be said to be an intangible asset of an organization that allows companies to gain and maintain their competitive advantage, which is useful for achieving superior organizational performance. This refers to the theory of Resources Base View (RBV).

The definition of interactivity according to Liu and Shrum (2002) is the extent to which two or more communication parties can act on each other, on the communication media, and on the message, and the extent to which the influence is synchronized. Ha and James (1998) describe interactivity to embrace the ability of users to provide content in response to sources of communication partners. Thus interactivity is characterized as two-way communication between the company and/or among customers (Goldfarb and Tucker, 2011). Sundar, Kalyanaraman, and Brown (2003) conceptualize two main classifications of interactivity: Functional interactivity, which consists of features found on social sites that allow users to interact in several modes;

The Effect of Interactivity, Cost Effectiveness, and Compatibility on the Use of Social Media and its Implications for Organizational Performance

Contingency interactivity, which occurs when user roles can be exchanged and actors respect each other. For example on Facebook and Twitter, which allows contextual interactivity among the public by offering a type of communication relationships that are often lacking from websites (Saffer, Sommerfeldt, and Taylor, 2013).

Experts have recommended social media as a cost-effective and efficient platform, available for marketers (Ainin et. al., 2015). In addition to a relatively cheaper platform, social media enables sharing of collaborative content to people who are geographically dispersed, effectively (Korda and Itani, 2013). The cost of reaching customers spread geographically will be higher through traditional media. Hoffman and Fodor (2010) also stated that adopting social media would result in significant cost savings. However, social media is a cost-effective technology, and organizations can communicate directly with their customers at relatively low costs (Kaplan and Haenlein, 2010).

Compatibility is the extent to which innovation is in accordance with the values that exist today in the organization, and current needs (Rogers, 1995). Compatibility has been considered an important factor for adoption of innovation (Wang et. al., 2010). When technology is compatible with work application systems, companies will tend to consider adopting the new technology (Ainin et. al., 2015). There is a lot of literature on how the compatibility between technologies influences competition between companies, and what currently exists shows that users in the market prefer to use technology with a wide range of areas (unlimited) (Immorlica, 2007).

Various definitions of social media exist today, because social media is still growing and constantly changing. According to Pride et. al. (2017), social media is about people, about culture and participation, which means that people can now discuss, vote, connect and advocate much easier than before. According to Parveen et. al. (2016), social media has changed the way business is done. This enables open communication that helps organizations understand customer needs and also motivates organizations to proactively respond to customer needs. According to Samuel (2017), advertising through social media presents two distinct advantages: (1). Consumers are not always aware that they are advertised and can receive advertisements more easily; (2). The basis of social media advertising is concise, and very targeted, unlike traditional advertising.

Based on the theory and results of previous studies, this study will examine the factors that influence social media usage, and how the influence of the use of social media usage on organizational performance, which is mediated by the Entrepreneurial orientation.

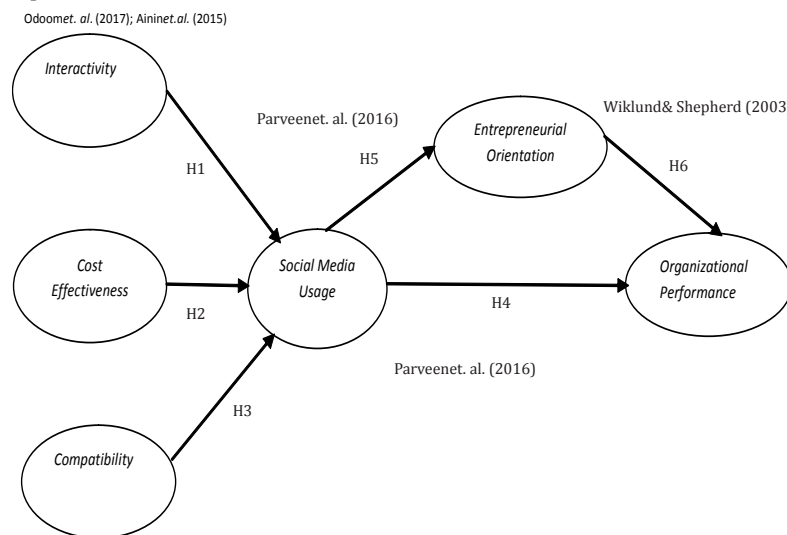


Fig1. Conceptual Framework

The Effect of Interactivity, Cost Effectiveness, and Compatibility on the Use of Social Media and its Implications for Organizational Performance

Odoom et al. (2017) found a positive influence between interactivity and the use of social media. This is in line with the results of Ainin et al. (2015), that interactivity has a positive effect on Facebook usage. Facebook and Twitter, for example, enable interacting between the public contingency by offering a type of building communication relationships that are often lacking from websites (Saffer et. al., 2013). Cone (2008) states that having a social media presence is not enough for the organization. It is said that this must be complemented by customer interactions. Lovejoy et al. (2012), shows that interactive features such as 'like' and 'mention' replies allow organizations to communicate with their customers. Interactivity eventually bridges the gap created by differences in time and geographical location (Michaelidou et. al., 2011) to be the main consideration for adopting social media. Considering this, the first hypothesis for this study is as follows:

H1: Interactivity positively influences social media usage.

This research previously highlighted the importance of costs in the adoption and use of technology and found a direct and significant relationship between costs and technology adoption (Alam and Noor, 2009). Studies have found cost effectiveness to be an important variable in the application of new technologies (Chong and Chan, 2012). Social media is suitable for SMEs (Small and Medium Enterprises) because of low costs, low barriers to participation and low utilization of information technology needed to use it (Derham, Cragg, and Morrish, 2011). Historically, marketing spent on delivering messages was often through cash and was generally seen as a big expense (Weinberg and Pehlivan, 2011). Experts have recommended social media as an effective and efficient platform available for marketers (Ainin et. al., 2015). Research from Odoomet. al. (2017) found a positive influence between cost effectiveness and the use of social media. Likewise with the results of Aininet. al. research. al. (2015), that cost effectiveness has a positive effect on Facebook usage. Considering this, the second hypothesis for this study is as follows:

H2: Cost effectiveness positively influences social media usage.

Findings from empirical studies assessing compatibility constructs in new technologies have presented positive and negative results. Ramdani, Kawalek& Lorenzo (2009) for example, found compatibility to be an insignificant factor in the adoption of company systems. In the same case Low, Chen & Wu (2011) also found the impact of not significant compatibility in the application of cloud computing. Whereas on the contrary Hsu, Lu, and Hsu (2001) found a significant effect of compatibility in adopting MMS in a group of potential MMS users and indicated that they would adopt MMS if they felt that using MMS was in accordance with their values and beliefs. Likewise in the study of Odoomet. al. (2017), found a positive influence between compatibility and use of social media. This is in line with the results of Aininet. al. (2015), that compatibility has a positive effect on Facebook usage. Incorporating social media in business will be the most appropriate concept because it helps to effectively describe target customers and businesses will be able to spread the content of their products and services in an instant (Derham et al., 2011). Because many findings show inconclusive results, it is interesting to study the influence of compatibility on the use of social media. Considering this, the third hypothesis for this study is as follows:

H3: Compatibility positively influences social media usage.

Shuai and Wu (2011) found a positive relationship between the use of technology and organizational performance. This is in line with the results of Odoomet. al. (2017) who found that interactivity, cost effectiveness, and compatibility were very important factors for the use of social media, which led to the realization of some performance for SMEs. The results of his research show that there is a positive influence on the use of social media on the performance of SMEs. Whereas Parveen et. al. (2016), found that the use of social media has a strong positive impact on organizational performance in 3 (three) aspects, namely: reducing costs (increasing customer relations), and increasing information accessibility (enhanced information accessibility). Considering this, the fourth hypothesis for this study is as follows:

H4: Social media usage positively influences organizational performance.

The Effect of Interactivity, Cost Effectiveness, and Compatibility on the Use of Social Media and its Implications for Organizational Performance

Previous research from Parveen et. al. (2016) shows that the use of social media has a positive effect on entrepreneurial orientation. Likewise with Elliot and Boshoff (2005), found a significant relationship between entrepreneurial orientation and perceived success of internet marketing (perceived success of internet marketing). Mostafa et. al., (2006) also found that organizations with a high entrepreneurial orientation were more committed to the internet, and had higher performance compared to organizations with a low entrepreneurial orientation. Considering this, the fifth hypothesis for this study is as follows:

H5: Social media usage positively influences entrepreneurial orientation.

Wang et. al. (2017) show that the influence of entrepreneurial orientation on company performance is more positive in new businesses that make cognitive, regulator, and normative efforts than those who do not do this legitimacy. Entrepreneurial scholars have attempted to explain performance by investigating entrepreneurial orientation of a company (firm marketing orientation/entrepreneurial orientation). Entrepreneurial orientation refers to the company's strategic orientation, capturing the appreciation of visionary entrepreneurs for the style, methods and practices of decision making (Lumpkin and Dess, 1996). Given the importance of entrepreneurship to company performance (McGrath et. al., 1996), entrepreneurial orientation can be an important measure of how companies organize. In line with the results of the study of Wiklund and Shepherd (2003) which prove that entrepreneurial orientation has a positive effect on company performance. Considering this, the sixth hypothesis for this study is as follows:

H6: Entrepreneurial orientation positively influences organizational performance.

METHODS

This study aims to test hypotheses (hypothesis testing). In this study the research variables tested were exogenous variables (independent variables), namely interactivity, cost effectiveness, and compatibility. Then endogenous variables (dependent variables) are social media usage and organizational performance, whereas entrepreneurial orientation is a mediating variable (mediating variable).

Table 1. Variable Indicator

Variable	Dimension	Indicator	Sources
Interactivity (x1)		<ol style="list-style-type: none"> 1. Our social media platform offers interactive communication with customers. 2. Offers interactive mechanism for value co-creation with our audience. 3. Ability to engage customers via mentions and replies with controlled message contents. 	Odoomet. al., 2016
Cost effectiveness (x2)		<ol style="list-style-type: none"> 1. We use social media to cut down cost on marketing communications. 2. Our social media platform saves costs relating to time and effort in marketing, branding, and customer service. 3. Social media is more effective to us than traditional media. 	Odoomet. al., 2016
Compatibility (x3)		<ol style="list-style-type: none"> 1. The chosen social media is compatible with with our existing IT infrastructure. 2. Social media is compatible with our business process and operations. 3. It is easy to integrate social media with our existing departmental strategies. 	Odoomet. al., 2016

The Effect of Interactivity, Cost Effectiveness, and Compatibility on the Use of Social Media and its Implications for Organizational Performance

Social Media Usage(y1)	1. SM for Marketing	<ol style="list-style-type: none"> 1. Advertise and promote product and services. 2. Conduct marketing research. 3. Get referrals (word of mouth via likes, shares, and followers). 	Parveen et. al., 2016; Papastathopoulou & Avlonis, 2009; Moen et. al., 2008; Elliot & Boshoff, 2005; Teo & Choo, 2001.
	2. SM for Customer Relations and Services	<ol style="list-style-type: none"> 1. Communicate with customers. 2. Receive customer feedback on existing & new product/services. 3. Reach new customers. 	
	3. SM for Information Accessibility	<ol style="list-style-type: none"> 1. Search for general information. 2. Search for competitor information. 3. Search for customer information 	
Entrepreneurial Orientation (y2)	1. Proactiveness	<ol style="list-style-type: none"> 1. Actively take actions to elicit the responses from the competitors. 2. Have strong ambitions to take the lead of the competitors. 3. Always invests more resources than the major competitors in forecasting and exploiting. 	Parveen et. al., 2016; Lin et. al., 2008
	2. Risk Taking	<ol style="list-style-type: none"> 1. To seek the sales growth, our organization is willing to execute some risky projects. 2. Even though the cost for some projects are high, under some conditions, our organization will still launch those projects. 3. Our organization can accept the uncertainties existing in the projects. 	
	3. Innovativeness	<ol style="list-style-type: none"> 1. Our organization frequently tries out new ideas. 2. Our organization seek out new ways to do things. 3. Our organization often the first to do marketing for new products and services. 	
Organizational Performances (y3)	1. Impact on Cost Reduction	<ol style="list-style-type: none"> 1. Reduced the cost of communication with customers. 2. Reduced the cost of advertising and promotion. 3. Reduced the cost of customer service and support. 	Parveen et. al., 2016; Molla & Heeks, 2007; Apigian et al., 2005; Elliot & Boshoff, 2005; Teo & Choo, 2001.
	2. Improved Customer Relation and Services	<ol style="list-style-type: none"> 1. Enhanced customer service. 2. Increased customer loyalty and retention. 3. Improved customer relationship. 	
	3. Enhanced Information Accessibility	<ol style="list-style-type: none"> 1. Enabled easier access to competitor information. 2. Enabled easier access to market information. 3. Enabled faster delivery of information to customer. 	

Furthermore, respondents were asked to respond to the statements above based on 5 Likert scales (1 = strongly disagree to 5 = strongly agree).

The Effect of Interactivity, Cost Effectiveness, and Compatibility on the Use of Social Media and its Implications for Organizational Performance

Table2. *Number of Respondents*

No.	Hotel	Lokasi	Responden
1.	Inaya Putra Bali*****	Nusa Dua, Bali	25
2.	Grand Inna Kuta****	Kuta, Bali	19
3.	Inna Bali Heritage***	Denpasar, Bali	7
4.	Grand Inna Bali Beach****	Sanur, Bali	74
5.	Inna Sindhu Beach Hotel & Resort***	Sanur, Bali	5
6.	Inna Bali Beach Resort***	Sanur, Bali	24
7.	Inna Bali Beach Garden***	Sanur, Bali	5
8.	Grand Inna Malioboro****	Yogyakarta, Central Java	9
9.	Grand Inna Samudera Beach****	PelabuhanRatu, West Java	5
10.	Grand Inna Tunjungan****	Surabaya, West Java	12
11.	Inna Tretes Hotel & Resort***	Pasuruan, East Java	17
12.	Grand Inna Medan****	Medan, North Sumatra	5
13.	Grand Inna Padang****	Muara - Padang, West Sumatra	6
14.	Inna Prapat Hotel & Resort***	Danau Toba, North Sumatra	7
Total Responden:			220

Source: Data Collection Results via Google Form (2018)

Based on the table above the sample size of this study is 220 people. This means that it meets the criteria of Hair, Anderson, and Black (2013) that the number of indicators (40 indicators) multiplied by 5 = 200 samples.

In this study the preliminary test (pre-test) was carried out first to measure validity and reliability. Validity tests are used to measure the validity or validity of a questionnaire. For pre-test with sample 71, the loading factor must reach 0.65. As for the actual study with 220 respondents, the factor loading limit must reach 0.40 (Hair et al., 2013).

Table3. *Validity Test Results*

Variable	Dimension	Indicator	Factor Loading		Decision
			Pre-test	Actual	
Organizational Performance	Cost Reduction	OPCR1	0.911	0.924	Valid
		OPCR2	0.949	0.959	Valid
		OPCR3	0.950	0.962	Valid
		OPCR4	0.893	0.929	Valid
	Improved Customer Relations & Services	OPCR51	0.899	0.898	Valid
		OPCR52	0.959	0.932	Valid
		OPCR53	0.896	0.914	Valid
	Improved Information Accessibility	OPIA1	0.937	0.934	Valid
		OPIA2	0.959	0.953	Valid
OPIA3		0.896	0.903	Valid	
Interactivity		I1	0.949	0.942	Valid
		I2	0.935	0.938	Valid
		I3	0.883	0.883	Valid
Cost Effectiveness		CE1	0.743	0.675	Valid
		CE2	0.883	0.893	Valid
		CE3	0.892	0.864	Valid
		CE4	0.719	0.820	Valid

The Effect of Interactivity, Cost Effectiveness, and Compatibility on the Use of Social Media and its Implications for Organizational Performance

<i>Compatibility</i>		C1	0.906	0.903	<i>Valid</i>
		C2	0.949	0.939	<i>Valid</i>
		C3	0.930	0.919	<i>Valid</i>
<i>Social Media Usage</i>	<i>SMU for Marketing</i>	SMM1	0.937	0.921	<i>Valid</i>
		SMM2	0.907	0.913	<i>Valid</i>
		SMM3	0.874	0.869	<i>Valid</i>
		SMM4	0.945	0.921	<i>Valid</i>
	<i>SMU for Customer service & relations</i>	SMCRS1	0.897	0.887	<i>Valid</i>
		SMCRS2	0.921	0.910	<i>Valid</i>
		SMCRS3	0.936	0.929	<i>Valid</i>
		SMCRS4	0.877	0.888	<i>Valid</i>
	<i>SMU for Information Accessibility</i>	SMIA1	0.925	0.928	<i>Valid</i>
		SMIA2	0.927	0.926	<i>Valid</i>
SMIA3		0.876	0.924	<i>Valid</i>	
<i>Entrepreneurial Orientation</i>	<i>Proactiveness</i>	EOP1	0.871	0.862	<i>Valid</i>
		EOP2	0.833	0.850	<i>Valid</i>
		EOP3	0.787	0.760	<i>Valid</i>
	<i>Risk Taking</i>	EORT1	0.779	0.806	<i>Valid</i>
		EORT2	0.899	0.889	<i>Valid</i>
		EORT3	0.869	0.846	<i>Valid</i>
	<i>Innovativeness</i>	EOI1	0.930	0.927	<i>Valid</i>
		EOI2	0.940	0.948	<i>Valid</i>
		EOI3	0.849	0.880	<i>Valid</i>

Source: Data Results with SPSS 23 (2018)

While reliability testing is related to the consistency, accuracy and predictability of a measuring instrument. Hair et.al. (2013) argue that the measurement of reliability ranges from 0 to 1, where the lowest acceptable limit is 0.6 to 0.7.

Table4. *Reliability Test Results*

Variable	Dimension	Cronbach's Alpha		Decision
		Pre-test	Actual	
<i>Organizational Performance</i>	<i>Cost Reduction</i>	0.943	0.958	<i>Reliable</i>
	<i>Improved Customer Relations & Services</i>	0.900	0.900	<i>Reliable</i>
	<i>Improved Information Accessibility</i>	0.907	0.921	<i>Reliable</i>
<i>Interactivity</i>		0.911	0.910	<i>Reliable</i>
<i>Cost Effectiveness</i>		0.797	0.801	<i>Reliable</i>
<i>Compatibility</i>		0.920	0.910	<i>Reliable</i>
<i>Social Media Usage</i>	<i>SMU for Marketing</i>	0.934	0.925	<i>Reliable</i>
	<i>SMU for Customer Relations & Services</i>	0.927	0.923	<i>Reliable</i>
	<i>SMU for Information Accessibility</i>	0.890	0.917	<i>Reliable</i>
<i>Entrepreneurial Orientation</i>	<i>Proactiveness</i>	0.718	0.741	<i>Reliable</i>
	<i>Risk Taking</i>	0.798	0.800	<i>Reliable</i>
	<i>Innovativeness</i>	0.886	0.902	<i>Reliable</i>

Source: Data Results with SPSS 23 (2018)

Before the assessment of the research hypothesis test, the data normality assessment is carried out first and the Goodness of Fit model is assessed.

The Effect of Interactivity, Cost Effectiveness, and Compatibility on the Use of Social Media and its Implications for Organizational Performance

Table 5. Normality Test Results

Variable	min	max	skew	c.r.	kurtosis	c.r.
OPCR	-2.283	2.476	.043	.258	-.539	-1.631
OPCRS	-2.920	2.920	-.028	-.167	-.108	-.327
OPIA	-2.917	2.917	.025	.149	-.267	-.809
EOI	-2.484	2.108	.031	.187	-.511	-1.547
EORT	-2.356	2.892	.115	.698	-.484	-1.466
EOP	-2.925	2.925	.012	.071	-.210	-.636
SMM	-2.923	2.923	-.027	-.166	-.153	-.464
SMCRS	-2.917	2.917	-.012	-.070	-.106	-.322
SMIA	-2.918	2.918	-.008	-.050	-.073	-.220

Source: Data Processed with AMOS 23 (2018)

In the results of testing for normality, the value of Critical Ratio (C.R) skewness and kurtosis from all dimensions shows that the results have no dimensions with a value of C.R outside of (-) 2.58 and (+) 2.58. Because the value of C.R located between -2.58 and 2.58 proves that the dimensions of the variable are normally distributed.

Table 6. Goodness of Fit

Types of Goodness of Fit	Goodness of Fit Measure	Level of Acceptance (Hair et al., 2013)	Calculating Measure	Acceptable
Absolute Fit Measure	Chi-square	Small chi-square	436.854 (df = 143)	Poor
	p-value	p-value ≥ 0.05	0.000	Poor
Incremental Fit Measure	RMSE	<0.10	0.097	Good fit
	RMR	<0.10	0.000	Good fit
	NFI	>0.90 or close to 1	0.910	Good fit
	TLI	>0.90 or close to 1	0.925	Good fit
	CFI	>0.90 or close to 1	0.938	Good fit
Parsimonious Fit Measure	IFI	>0.90 or close to 1	0.938	Good fit
	AGFI	>0.90 or close to 1	0.770	Acceptable Fit
	PNFI	>0.90 or close to 1	0.761	Acceptable Fit

Source: The results of the questionnaire were processed with AMOS 23 (2018)

Hair et. al. (20103 states that from several testing criteria for Absolute Fit Measure, Incremental Fit Measure, and Parsimonious Fit Measure, if the results of one test are 'fit', it can be concluded that the model used is fit.

RESULTS AND DISCUSSION

The model and results of SEM testing can be seen below:

Table 7. Hypothesis Testing Results

	Hypothesis	Coeffisien	C.R	p-value	Conclusion
H1	Interactivity positively influences social media usage.	0.274	3.442	0.000	Supported
H2	Cost effectiveness positively influences social media usage.	0.337	2.992	0.003	Supported
H3	Compatibility positively influences social media usage.	0.352	3.142	0.002	Supported
H4	Social media usage positively influences organizational performance.	0.585	7.497	0.000	Supported

The Effect of Interactivity, Cost Effectiveness, and Compatibility on the Use of Social Media and its Implications for Organizational Performance

H5	<i>Social media usage positively influences entrepreneurial orientation.</i>	0.921	20.553	0.000	<i>Supported</i>
H6	<i>Entrepreneurial orientation positively influences organizational performance.</i>	0.432	5.783	0.000	<i>Supported</i>

Source: Data Processed with AMOS 23 (2018)

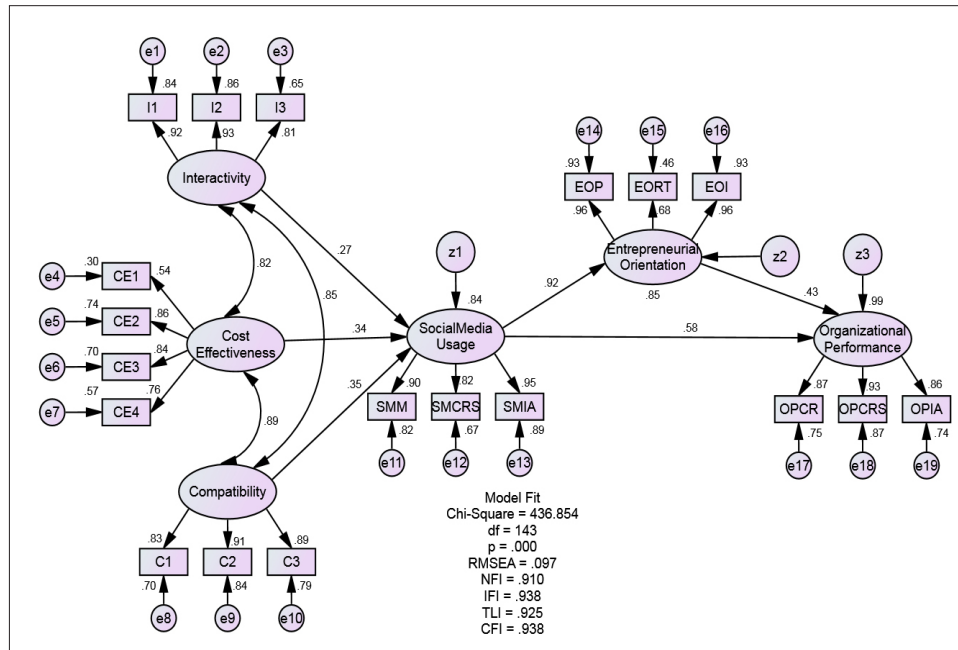


Fig2. Structural Equation Modeling (SEM) Standardized Estimates

In testing hypothesis 1, the results of data processing show that Interactivity has an effect on social media usage, has a coefficient of 0.274 which means that the higher the perception of interactivity, the higher the perception of social media usage. The test results on the value of CR (t-value) amounted to 3.442 greater than 1.96 or p-value of 0.000 < 0.05 (alpha 5%), it can be concluded statistically at the confidence level of 95% there is a positive effect of interactivity on social media usage. In testing hypothesis 2, the results of data processing show that cost effectiveness affects social media usage, has a coefficient of 0.337 which means that the higher the perception of cost effectiveness, the higher the perception of social media usage. The test results on the value of CR (t-value) amounted to 2.992 greater than 1.96 or the p-value of 0.003 < 0.05 (alpha 5%), it can be concluded statistically at the 95% confidence level there is a positive effect of cost effectiveness on social media usage. In testing hypothesis 3, the results of data processing show that compatibility affects social media usage, has a coefficient of 0.352 which means that the higher the perception of compatibility, the higher the perception of social media usage. The test results on the value of CR (t-value) is 3.142 greater than 1.96 or the p-value is 0.002 < 0.05 (alpha 5%), it can be concluded statistically at the 95% confidence level there is a positive influence on compatibility with social media usage.

In testing hypothesis 4, the results of data processing show that social media usage has an effect on organizational performance, has a coefficient of 0.585 which means that the higher the perception of social media usage, the higher the perception of organizational performance. The test results on the value of CR (t-value) amounted to 7.497 greater than 1.96 or at the p-value of 0.000 < 0.05 (alpha 5%), it can be concluded statistically at the confidence level of 95% there is a positive influence on social media usage towards organizational performance. In testing hypothesis 5, the results of data processing show that social media usage has an effect

The Effect of Interactivity, Cost Effectiveness, and Compatibility on the Use of Social Media and its Implications for Organizational Performance

on entrepreneurial orientation, having a coefficient of 0.921 which means that the higher the perception of social media usage, the higher the perception of entrepreneurial orientation. The test results on the value of CR (t-value) amounted to 20,553 greater than 1.96 or at the p-value of 0.000 <0.05 (alpha 5%), it can be concluded statistically at the confidence level of 95% there is a positive influence on social media usage towards entrepreneurial orientation.

In testing hypothesis 6, the results of data processing show that entrepreneurial orientation affects organizational performance, has a coefficient of 0.432 which means that the higher the perception of entrepreneurial orientation, the higher the perception of organizational performance. The test results on the CR value (t-value) amounted to 5,783 greater than 1.96 or at the p-value of 0.000 <0.05 (alpha 5%), it can be concluded statistically at the 95% confidence level there is a positive influence on entrepreneurial orientation organizational performance.

Then testing whether entrepreneurial orientation variables can mediate the influence of social media usage variables on organizational performance. The results obtained using the SOBEL test can be seen as below:

Table 8. Sobel Test

Influence between Latent Variables	C.R	p-value
Social media usage → organizational performance with entrepreneurial orientation as a mediating variable	5.567	0.000

Source: Results of processing with SOBEL test (2018)

Based on the results obtained it is known that entrepreneurial orientation mediates the influence of social media usage on organizational performance with a value of C.R (t-value) of 5.567 (C.R> 1.96) or p-value of 0.000 <0.05 (alpha 5%). The effect of mediating entrepreneurial orientation between social media usage and organizational performance is positive and significant. It means that the higher the perception of entrepreneurial orientation, the stronger the influence of social media usage on organizational performance. Also means that the perception of respondents is proactive, innovative and risk taking, further strengthening the company in using social media, which in turn can reduce costs, improve relationships and services to customers, and improve access to information whether it is information on new customers, old customers, or competitors.

CONCLUSION

Based on the results of the discussion of the research in the previous chapters, some conclusions can be drawn as follows: Interactivity has an effect on social media usage. The effect of interactivity on social media usage is positive and significant, with the most dominant element of Interactivity being in the element 'social media offers an interactive mechanism that creates added value for customers'. This shows that increasingly social media offers an interactive mechanism that will lead to increased social media usage. Cost effectiveness has an effect on social media usage. The effect of cost effectiveness on social media usage is positive and significant, with the most dominant element of cost effectiveness being the element 'social media increases branding'. This shows that the more social media can increase branding will lead to increased social media usage. Compatibility affects social media usage. The influence of compatibility on social media usage is positive and significant, with the most dominant compatibility element being the element of 'social media in accordance with hotel business operations'. This shows that the better the element of conformity/compatibility of social media with the operation of the hotel business will lead to increased social media usage. Social media usage has an effect on organizational performance.

The influence of social media usage on organizational performance is positive and significant, with the most dominant social media usage elements being on 'social media for information accessibility'. This shows that improving the use of social media, especially on social media for information accessibility will be able to improve organizational performance. Social media usage influences the entrepreneurial orientation. The influence

The Effect of Interactivity, Cost Effectiveness, and Compatibility on the Use of Social Media and its Implications for Organizational Performance

of social media usage on entrepreneurial orientation is positive and significant, with the most dominant social media usage elements being on 'social media for information accessibility. This shows that improving the use of social media, especially on social media for information accessibility, will be able to improve the entrepreneurial orientation. Entrepreneurial orientation influences organizational performance. The effect of entrepreneurial orientation on organizational performance is positive and significant, with the dominant element of entrepreneurial orientation having 2 (two) elements, namely the elements of proactiveness and innovativeness. This shows that the improvement of entrepreneurial orientation especially the elements of proactiveness and innovativeness will result in increased organizational performance.

Entrepreneurial Orientation can mediate the influence of social media usage on organizational performance. This shows that increasingly the perception of respondents is proactive, innovative and risk taking, further strengthening the use of social media, which in turn will improve organizational performance through reduced marketing costs, increased relationship and service to customers, and increased access to information. Information on new customers, old customers or competitors.

SUGGESTIONS FOR FURTHER RESEARCH

Taking into account the various limitations of this study, researchers provide practical suggestions for further research including: further research not only to research in the hospitality industry, but in manufacturing industries or educational institutions. The variables studied regarding the use of social media are not only positive but also the negative side of using social media. It is necessary to consider adding qualitative research, to deepen conclusions obtained from the results of quantitative research, so that more comprehensive and in-depth results are obtained. Further research is recommended to examine the online travel agent social media used by companies such as: traveloka, agoda, booking.com, tiket.com, bukalapak, and others.

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