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## JOURNAL OF APPLIED SCIENCES IN TRAVEL AND HOSPITALITY

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Finally, we would like to thank the external reviewers from Politeknik Pariwisata Makassar, Politeknik Negeri Bandung, Sekolah Tinggi Pariwisata Sahid, Universitas Udayana, Universitas Pendidikan Ganesha, and also internal reviewers Politeknik Negeri Bali, for their help and hard work in improving the articles published in this edition. We hope that the JASTH article can fulfill the repertoire of applied science and become a reference for writers and researchers in applied tourism.

Badung, September 11<sup>th</sup> 2020

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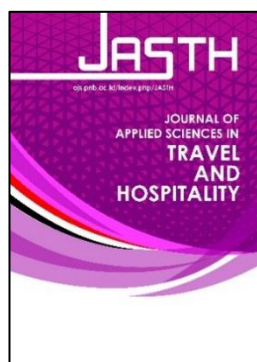
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# Factors Affecting Tourist's Decision to Stay at The Sakala Resort Bali

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## Abstract

This research aims to determine the right strategy based on factors analysis to attract tourists to stay at The Sakala Resort Bali. The problem of this research is to find out the factors attracting tourist to stay at The Sakala Resort Bali and the strategy to improve number of tourists. Sample selection of 91 respondents with probability sampling technique using simple random. Data processing was done by SPSS software version 23.0 for Windows. Analysis techniques used are factor analysis. The results showed that there are five factors affecting the decision of tourists to stay at The Sakala Resort Bali. These factors are branding, guarantee, environment, service quality, and expectation factor. The cumulative of the 5 factors is 64.616% and the accuracy of the model obtained by 43.0% with the residual 57%. The most dominant factor affects the level of customer satisfaction is the branding factor that has the highest total variant consisting of 5 variables such as the hotel name is well known, various room types, hotel has swimming pool & supporting facilities, affordable room rates, competitive room rates, and Information from the website is quite comprehensive. The strategy that can be implemented was based on the variables and each factor.

**Keywords:** *factor analysis, tourist decision, hotel*

## INTRODUCTION

Bali has various types of hotels. Hotel is public housing facilities for tourists by providing room service, food and beverage providers, and accommodation with payment conditions that divided into several types, including 1-star hotel, 2-stars hotel, 3-stars hotel, 4-stars hotel, and 5-stars hotel (Lawson, Davis, Crouter, & O'Neill, 2013). Whereas for 5-star hotels in generally located in Kuta Main Street, Ubud and Nusa Dua area.

The Sakala Resort Bali Nusa Dua is a 5-stars hotel located in Nusa Dua area on Pratama Street no 95, Benoa, Kuta Selatan, Badung Regency. The Sakala Resort Bali has 247 rooms, 14 villas, and facilities that can support guests' comfort for stays at the hotel like bars, restaurants, pools, SPA, meeting rooms, ballrooms, room service, garden, Fitness Center, and Club Lounge. Each department has duties and functions in supporting the smooth running hotel operations such as the accounting department, sales and marketing

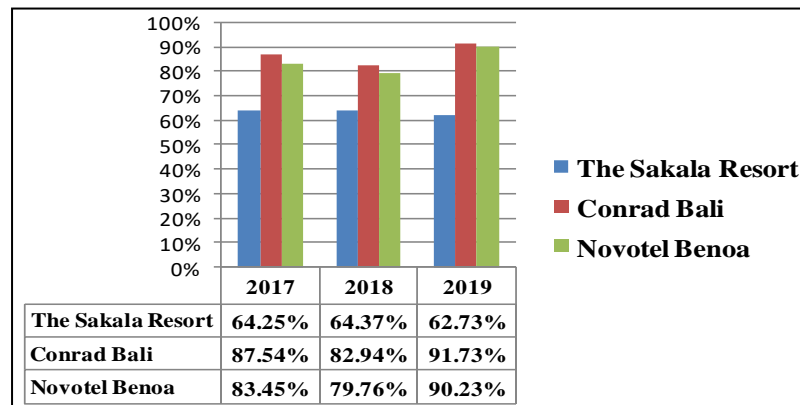
department, front office department, food and beverage department, housekeeping department, SPA department, engineering, laundry, and human resource department.

Sales and Marketing Department has the most important position in room sales, both in terms of Offline Travel Agent and Online Travel Agent (Gremier, Hoffman, Keaveney, & Wright, 2000). Marketing strategy is the marketing logic implemented with the hope that business units can achieve marketing goals (Kotler, 2017). This strategy is used to attract the attention of the company that hotels are very necessary to get income (Parwata & Wijaya, 2018).

There are several factors determine tourists stay at the main hotel at The Sakala Resort Bali. These factors include seven components based on the concept of the marketing mix, namely product, price, promotion, place, people, process, and physical evidence (Kanten & Darma, 2017). When viewed from the advantages possessed by The Sakala Resort Bali is the first in terms of its roomy design, classy modern with marble decorations on each wall, besides that the concept of a beach club owned by The Sakala Resort Bali named Sakala Beach Club is the main attraction because this beach club has an indoor and outdoor area. Modern and traditional themed indoor room to hold a wedding reception (chapel), while an outdoor space that directly faces the sea with a stretch of Nusa Dua Beach where tourists can do activities such as swimming, relaxing, and sunbathing. Compared with competitors from The Sakala Resort Bali, like Conrad Hotel and Novotel Nusa Dua that has location opposite the beach in the sense of indirectly dealing with the beach. When tourists want to go to the beach, have to cross first to get to The Sakala Beach Club. The area of The Sakala Beach Club is also limited, it makes the capacity to accommodate for tourists who want for just sunbathe is limited.

The marketing mix is one of marketing elements that should be considered to implement the marketing strategy and positioning to be run successfully (Syah, Lupiyoadi, & Tjiptadi, 2016). The marketing mix shows factors to consider when deciding on a marketing strategy of a company (Salman, Tawfik, Samy, & Artal-Tur, 2017). The application of the concept of marketing mix is certainly affecting the occupancy rate in The Sakala Resort Bali as shown in Figure 1 below, which shows the occupancy rate at The Sakala Resort Bali from 2017 until 2019 and its comparison with the occupancy rate of its competitors namely the Conrad Hotel and Novotel Benoa.





(Source: Sales & Marketing Department of Sakala Resort Bali, Conrad Hotel, Novotel Benoa, 2020)

**Figure 1.** Room Occupancy Average at Hotel The Sakala Resort Bali and Competitor Hotels (Conrad Hotel and Novotel Benoa)

Data from the figure above was the occupancy rate of rooms at The Sakala Resort Bali Hotel in 2017-2019. Compared with competitor hotels of The Sakala Resort Bali, those are Conrad Hotels and Novotel Benoa Hotel Bali, which have the same type of room that consists of the Standard Room, Deluxe Room to Suite Room and Villa with a similar price that between IDR 900,000, --/night up to IDR 1,700,000, --/night (Source: Public Rate Room Rate Hotel, 2020) for a Standard Room. The average room occupancy rate per year from 2017 to 2019 which can be seen in Figure 1, the occupancy rate at The Sakala Resort was still below 65%, while its competitors were already above 75%.

Based on background above the writer interest to research about “Factors Affecting Tourist’s Decision to Stay at The Sakala Resort Bali.” Factor analysis is a technique for analyzing the interdependence of multiple variables simultaneously. The purpose of factoring analysis is to simplify the form of the relationship between several variables that are examined into fewer factors (Suliyanto, 2012). The purpose of this research is to analyze what factors affecting the tourist’s decision to stay at The Sakala Resort Bali and to determine strategies that can be implemented to increase the number of tourist stay at The Sakala Resort Bali.

## RESEARCH METHOD

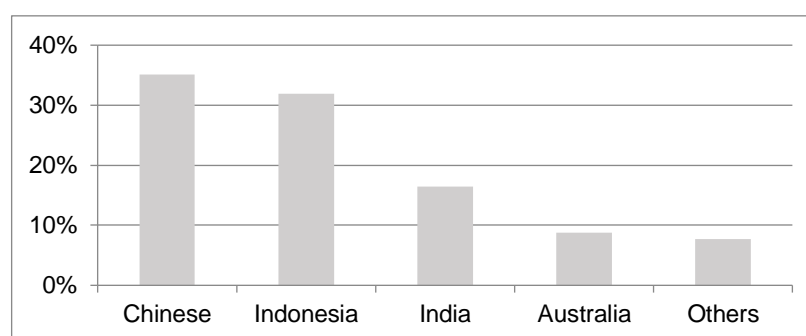
This research was conducted at The Sakala Resort Bali located in Pratama Street No. 95, Benoa, Kuta Selatan, Badung, Bali 80363, Indonesia. It takes 15 kilometers away or about 30 minutes from I Gusti Ngurah Rai International Airport. The object of this research was focused on the marketing mix factors that affecting the tourist’s decision to stay at The Sakala Resort Bali. Two types of data used in this research was quantitative and qualitative approach (Sugiyono, 2016). While the source of the data in the form of primary data source

by questionnaire that was given to the guest at The Sakala Resort Bali (Sugiyono, 2016). The questionnaire in this study was given to the guest that stayed at The Sakala Resort Bali. Form of secondary data such as history of the hotel, excursions, and other data that is associated with this research (Sugiyono, 2016).

The population in this study was 1,000 guests and was counted by Slovin's technique (Sujarweni & Utami, 2012) to get the sample of 91 respondents. The sampling technique in this study was the probability sampling technique using simple random sampling (Sugiyono, 2016). The trial was to test the validity and reliability of the questionnaire that was used. The validity test is done by comparing the correlation (r-count) of each score on the question item and the total score with an r-table value of free degree  $n-2$ , where  $n$  is the number of respondents used, in this case of 91. The r-table value with a degree of freedom of  $n-2$  or 89 is 0.173 that the question items on the questionnaire are declared validly if they have a value of more than 0.173 r-counts. The reliability test was used for measuring whether the questionnaire has been reliable and trustworthy as a data collection tool. The questionnaire is reliable when the value of Cronbach's Alpha is greater than 0.7. Cronbach's Alpha value closer to 1 indicates that the questionnaire is increasingly reliable (Sugiyono, 2014).

## RESULTS AND DISCUSSION

The characteristic of respondents in this research used 91 respondents that were classified based on their age from 23-50 years. Based on their gender was male of 43 and female of 48. According to their purpose of the stay, 59 respondents were business and 32 respondents were holiday. Based on the country was divided into several countries that can be seen in Figure 2 below.



(Source: Processed Data, 2020)

**Figure 2.** Characteristic of Respondents Based on Country

Figure 2 showed that most of the respondents of this research were the guests coming from Chinese (35.16%) and Indonesian (31.87%), because The Sakala Resort Bali was



dominated by the guests who came from China and Indonesia. Followed respondents are Indian (16.48%), Australian (8.79%), and others (British, Malaysian, & France) (7.68%).

Data analysis in this research is factor analysis from Atahena and Utama (2016) with the result as follows;

### Creating a Correlation Matrix

The things that need to be done that factor analysis can be carried out, the first is determining the amount of the Bartlett's Test of Sphericity which is used to determine whether there is a significant correlation between variables, and the second is the Kaiser Mayer Olkin (KMO) Measure of Sampling Adequacy used to measure the adequacy of the sample (Atahena and Utama, 2016).

The criteria of conformity in the use of factor analyze is if the value of KMO above than 0.5. The magnitude of the value of Bartlett's Test of Sphericity and the value of the Keiser Meyer Olkin (KMO) Measure of Sampling Adequacy can be seen in the following Table 1.

**Table 1.** KMO and Bartlett's Test of Sphericity

Kaiser-Meyer-Olkin Adequacy.	Measure of Sampling	0.854
Bartlett's Test of Sphericity	Approx. Chi-Square	830.823
	Df	190
	Sig.	0.000

(Source: Processed Data, 2020)

Based on Table 1, obtained a value of 830.823 Bartlett's Test of Sphericity with a significant of 0.000 to mean on this research, there is a significant correlation between the variable and the results of calculations of KMO 0.854 greater than 0.5 and level significantly less than 0.05 then KMO test have been eligible and worthy to be analyzed further so that the adequacy of the sample included in the intermediate category.

### Determine the Number of Factors

The determination of the number of factors in which each factor is a combination of several factors that are interconnected (correlated) is based on the amount of Eigenvalue, the percentage of the variance of each factor that appears. The factors chosen are factors that have an Eigenvalue>1. Based on the percentage of variance, a factor can be considered by consumers if it has a value greater than 5% (Atahena and Utama, 2016). It can be seen on Table 2.

**Table 2.** Total Variance Explained

Factors	<i>Eigen Values</i>	<i>% of Variance</i>	<i>Cumulative %</i>
1	7.459	37.297	37.297
2	1.549	7.745	45.041
3	1.524	7.620	52.662
4	1.321	6.606	59.268
5	1.070	5.348	64.616

(Source: Processed Data, 2020)

The result of determining the number of factors is becoming five factors. The determination of the number of these factors are based on the value of Eigenvalue above than 1 which is factor 1 with Eigenvalue 7.559, factor 2 with Eigenvalue 1.549, factor 3 with Eigenvalue 1.524, factor 4 with Eigenvalue 1.321, and factor 5 with the value of Eigenvalue 1.070. That can be interpreted there are five groups of factors that affect the decision of the tourists to stay at The Sakala Resort Bali by showing that the five groups of factors are able to explain the variant as much 64.616%.

### Factors Rotation and Naming the Factors

Varimax rotation method was used for the data rotated from primary data to become simple factor data and make easier to interpret the data. Data from the component matrix have to rotate to become Rotation Component Matrix by seen from the loading factor each variable.

**Table 3.** Result of Naming Factors

No	Factor	Variables	Loading Factor	% of Variance
1	Branding	The hotel name is well known	0.703	16.457%
		Various room types	0.785	
		Hotel has swimming pool & supporting facilities	0.768	
		Affordable room rates	0.588	
		Competitive room rates	0.502	
		Information from the website is quite comprehensive	0.652	
2	Guarantee	Information about hotel can be obtained from brochures & internet	0.684	14.940%
		Information can be by obtained by oral information	0.750	
		Employee services can be trusted	0.580	
		Employee give information about the hotel's product correctly	0.670	
		Fast hotel service stairs towards guest needs and complaints	0.646	
3	Environment	The Sakala Resort Bali has strategic location	0.699	13.977%
		The employees are friendly and polite in service	0.577	
		Design of building in accordance with the pictures appropriate with the website or brochure	0.817	
		Directions, lobby or waiting room facilities are adequate.	0.705	
4	Service Quality	Reserving the room is easy and quickly	0.808	9.966%
		Hotel has spacious and secure parking	0.742	
		Clean and tidy employee's uniform	0.560	
5	Expectation	Room rates in accordance with the facilities	0.613	9.275%
		There are discounts when booking an order	0.764	

(Source: Processed Data, 2020)

The result of rotation conducted, 20 variables were formed into five factors, where it shows that all variables can be formed into the factors and this is interpreted as follows;

#### **1. Branding Factor**

Branding factor has a percentage of variance of 16.457%. This means that the variables that are included in the branding factor is able to explain the factors affecting the tourist's decision to stay at The Sakala Resort Bali of 16.457%. Variable that has the highest value in the branding factor is the various room types with the loading factor as much 0.785.

#### **2. Guarantee Factor**

Guarantee factor has a percentage of variance of 14.940%. This suggests that variables that belong to the guarantee factor are able to explain about the factors affecting the decision of tourists to stay at The Sakala Resort Bali by 14.940%. The variable that has the highest value in the factor of the guarantee is information can be obtained by oral information with loading factor as much 0.750.

#### **3. Environment Factor**

Environment factor has a percentage of variance of 13.977%. This suggests that variables that belong to environment factor are able to explain the factors that affecting the decision of the tourist to stay at the Sakala Resort Bali to be 13.977%. The variable that has the highest value in the environment factor is the design of buildings in accordance with the pictures appropriate with the website or brochure with the loading factor as much 0.817.

#### **4. Service Quality Factor**

Service quality factor has a percentage of variance of 9.966%. This shows that the variables belong to the quality of service can explain about the factor affecting the decision of tourists to stay at The Sakala Resort Bali by 9.966%. The variable in the service quality factor about reserving the room easily and quickly has the highest loading factor of 0.808.

#### **5. Expectation Factor**

Expectation factor has a percentage of variance of 9.275%. This suggests that variables belong to the expectation factor are able to explain the factors affecting the decision of tourists to stay at The Sakala Resort Bali by 9.275%. The variable that has the highest value in the expectation factor is there are discounts when booking an order with a loading factor as much 0.764.

#### **Determine Model Accuracy**

Knowing the ability of a model to explain well the phenomenon of existing data, need to be tested with the technique of Principal Component Analysis (PCA) is to examine the residual amount between the correlations observed with reproductive correlation. Based on the results of this study, the resulting residual percentage is 43.0% or as much as 83 residual, that the accuracy of the model can be known and acceptable with the accuracy of

the model by 57.0% at a tolerance level of 10%, this means there are other factors that affect the decision of tourists to stay at The Sakala Resort Bali such as social factor and personal financial ability factor.

The result of factor analysis, it was found that branding factor has the greatest influence and dominance in affecting the tourist's decision to stay at The Sakala Resort Bali states that the quality of branding gives the appreciation and form a positive image for the tourist's decision. Branding is must to be the most effective tools to affect tourist impression, by giving the best service it could make the hotel name is well known (Neupane, 2015), beside that by providing various room types, swimming pool & supporting facilities, about the affordable room rates and competitive room rates the tourist impression will be increased. Information from the website is quite comprehensive, it makes the tourist easy to reach information about The Sakala Resort Bali.

The guarantee factor also greatly affects the tourist's decision to stay at The Sakala Resort Bali. Guarantee if all of the information about the hotel can be obtained from brochures & the internet and oral information. It makes easier and more effective to reach the potential guest around the world. Giving service and information that can be trusted from the employee must be impacted also.

This environment factor includes the hotel has strategic location, employees are friendly and polite in service, design of building in accordance with the pictures appropriate with the website or brochure, directions, lobby or waiting room facilities are adequate will run smoothly and qualify to increase tourist's decision to stay at The Sakala Resort Bali. All of these because the environment, including internal and external environment make tourist feel comfort and satisfied.

Service quality factor is one of the factors that affecting tourist's decision. Giving serve of the room is easy and quickly, cleanly and tidy employee's uniform trustworthy will reflect the company's credibility as this capability is related to provide accurate service from the first time without making any mistakes and unsatisfied.

The expectation factor is the lowest factor that affects the tourist's decision to stay at The Sakala Resort Bali. It must be about the room rates in accordance with the facilities and there are discounts when booking an order because a lot of tourists want at the affordable price for the room rate and the facilities must be accordance with 5-stars hotel standard.

## **CONCLUSIONS**

Based on the results of the analysis that has been done by using factor analysis on the tourist stayed at The Sakala Resort Bali from August to November 2019 period it can be concluded as follows; factors affecting tourist's decision to stay at The Sakala Resort Bali is

as much as five factors consists of factor 1 (Branding), this factor has a total variant of 16.457% and a factor that affects the decision of the most dominant tourist to stay at The Sakala Resort Bali. Factor 2 (Guarantee), the guarantee has a total variant of 14.940%. Factor 3 (Environment), environment factor has a total variant of 13.977%. Factor 4 (Service Quality), this factor has a total variant of 9.966%. Factor 5 (Expectation), the expectation factor has a total variant of 9.275%.

Based on the above conclusion, the writer would like to propose the suggestion as follows; increase promotion by internet and oral information for making good brand image and provide the logbook for data of any kind of guest needs and complaints. Taking into account the factors that affecting the tourist's decision to stay at The Sakala Resort Bali in the following ways: increase sales by improving the quality of service and hotel facilities. Increasing the service by educating and training the existing human resources like to provide maximum service and meet the standard operating procedure applicable at The Sakala Resort Bali. Intensify internal promotion that already exist in the hotel that is distributing brochures about information service and products owned by The Sakala Resort Bali to guests that staying at the hotel with the aim to attract guests to visit and provide all of the information about the hotel. In the end the number of tourists stay at The Sakala Resort Bali will be increasing.

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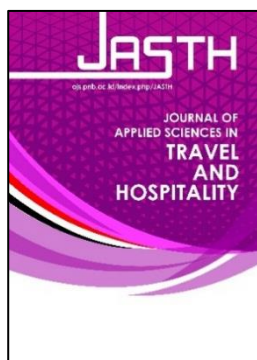
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# Analysis of Marketing Mix Strategies in Increasing Room Revenue on Grand Inna Kuta Bali

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## Abstract

This study discusses strategies in increasing revenue at Grand Inna Kuta with marketing mix. The purpose of this study was to analyze the strengths and weaknesses of the marketing strategies adopted by Grand Inna Kuta. The number of respondents used was 16 respondents, with a purposive sampling data collection technique. The method of primary data collection with a focus group discussion (FGD) method by involving several people from sales and marketing at Grand Inna Kuta. The analysis technique used is the SWOT analysis technique (Strengths, Weaknesses, Opportunities, and Threats). The results showed that 7 internal indicators that become strengths, and 4 internal indicators that become weaknesses. On the other hand, there are 3 external indicators that are opportunities, and there are 3 external indicators that threats. In the SWOT matrix analysis technique, there are 2 strategies were obtained to maximize strength and opportunity there are intensify the promotion to government market, and intensify the room packages based on the current season. Two strategies to maximize strengths to minimize threats which are adjust the room price to make it lower, and focus on the current target market. Two strategies to maximize opportunities by minimizing weaknesses which are rejuvenate or repair the room ambiance, and technology for paying method. Four strategies to minimize challenges and weaknesses contains of increase evaluating of the staff to work by giving rewards, train more about the skill quality for the staff, create support package, and make a promotion on airline.

**Keywords:** *marketing mix, sales and marketing, SWOT analysis, room revenue*

## INTRODUCTION

Grand Inna Kuta is one of the four-star resorts located in Kuta, Badung, Bali. Grand Inna Kuta has a variety of facilities that support the resort's operations, including: roof top, side bar pool, ground swimming pool, business center, spa and massage, and meeting rooms. With the concept of a city hotel and supporting facilities, Grand Inna Kuta is expected to attract potential customers to stay overnight. The highest room occupancy happened in October 2018 which increase 2.76% from the last year in the same month and the lowest room occupancy happened in March 2017 that only have 70.74% room occupancy, this was decreasing from March 2016 that have 75.52% Room Occupancy. In 2018, the room

occupancy is increasing very well, most of the months have their room occupancy increasing. In general, Grand Inna Kuta has a good performance to maintain or increase their room occupancy. Grand Inna Kuta has potential and attractive assets for prospective customers where there are 322 Rooms consisting of 3 categories, namely: Superior Room, Deluxe Room and, Suite Room. With the hotel assets owned, the Sales and Marketing Department of Grand Inna Kuta seeks to achieve company goals and win business competition in the hospitality industry by implementing a marketing mix strategy.

Marketing mix are elements of a company organization that can controlled by the company in communicating with guests and to satisfy the guests (Zeithaml and Bitner, 2008: 48) While (Sayeed, 2013) the 7P marketing mix is incorporated in a modern marketing system, i.e. product, price, place, promotion, people, physical evidence, and process. Definition of products according to Kotler (2009) is everything that can offered to the market to get attention, bought used, or consumed which can satisfy desires or needs. According to Kotler and Keller which is translated by Bob Sabran (2009: 67), price is one element marketing mix that produces income other elements produce cost. Kotler (2000: 96), in Sukotjo and Radix, (2010) stated that Channels distribution consists of a set of institutions that are do all activities (Functions) which used to distribute products and owner status from producer to consumer. According to Tjiptono (2008: 79) suggested that promotion is one of the determinants of success a marketing program to provide information about the existence of a product. According to (Grewal and Levy, 2010) in Martijono (2016) People who interact directly with consumers in providing services, is an important part of building loyalty. According to (Kotler and Armstrong, 2012) physical evidence is the environment, color, layout, and facilities additional. According to Assauri (2012: 118) people show the role of employees and customers in the marketing exchange process Poor design processes will lead to slow and ineffective service delivery; waste time and disappointing experiences.

The average revenue target of the rooms set by the management of Grand Inna Kuta is Rp. 90,806,785,000 with the realization of Rp. 76,174,189,598, so that a difference of Rp. 14,632,595,402, in units of a percentage of 16.06 percent lower than the target that has been set. Based on the description above, it is assumed that the marketing mix strategy implemented by Grand Inna Kuta has not been optimal for attracting overnight guests and resulted in the target of room sales not being reached. Based on that condition Grand Inna Kuta needs analyzing marketing strategy which will influence the room revenue by considering to internal factor as strengths and weaknesses and considering to external factor as opportunities and threats that make researcher is interested to conduct a research entitles "Analysis Of Marketing Mix Strategies In Increasing Room Revenue On Grand Inna Kuta, Bali".

## RESEARCH METHOD

This research is done at Grand Inna Kuta in the form of hotel that is located in Jalan Pantai Kuta Br. Pande Mas No.1, Kuta, Badung. Research object of this research are internal indicator and external indicator of marketing mix strategy by sales and marketing department. The method of determining the sample used in this study was purposive sampling, which is a sampling method that is determined by using certain criteria by researchers. Respondent in this research is the parties that know the detail information that related to this research and to fulfill some criteria such as: 1) Knowing the standard of pricing in order to determine the room price, 2) Having an ability to change the room price at anytime

The data collection technique that is being used during this research is by making direct observations on the object to be studied and recording the data needed in this study. Interview is frequent interviews too referred to as interviews or oral questionnaires, is a dialogue conducted by interviewer to obtain information from interviews (Suharsini (2006) in Suharsono (2019)). Interview is used by the researcher to dig some information that could help the researcher to get the data, documentation study is collecting a number of documents needed as material data information in accordance with research problems, such as maps, statistical data, number and names of employees, student data, population data; graphics, pictures, letters, photos, certificates, etc. Andriyani (2017) said questionnaire is written set of items used to measure the construct that has been determined and through certain compilation procedures, and Focus Group Discussion Focus group discussion will held by doing gathering discussion consist of management in sales and marketing at Grand Inna Kuta and sales executive.

Data analysis technique that is being used during this research are descriptive analysis and SWOT analysis. Those technique will be used to determine the alternative strategy that can be implemented to increase the room revenue. The position of the marketing mix will be shown after analyzing the indicator for each element include internal and external variable. Based on analysis of total score of internal and external factor by using model of Internal External (IE) matrix.

## RESULTS AND DISCUSSION

The strengths and weakness determine by the average of all internal indicators rating which is on (3.17). The number sourced from summarize all of internal indicator rating divided by number of internal indicators. The internal indicator rating that is more than 3.17 is expected to become the strength, and the internal indicator rating that is less than 3.17 is expected to become the weakness. Subsequent to summarize the weight and rating for every internal

indicator that belongs to strength or weakness, author continues to sort out the (IFAS Matrix) internal indicator internal strategic factor analysis summary matrix that can be seen from Table 1.

**Table 1. IFAS Matrix**

Internal Strategic Factor	Weight	Rating	Score
Strength:			
1. Variety of room packages	0.07	3.29	0.23
2. Suitable price	0.09	3.24	0.29
3. Affordable price	0.09	3.29	0.30
4. The location of hotel	0.09	3.65	0.33
5. Transportation for guest to access the hotel	0.08	3.18	0.25
6. Personal selling by sales department	0.08	3.24	0.26
7. Sales promotion to attract customer	0.08	3.41	0.27
8. Hospitality of the staff	0.09	3.18	0.29
Weakness:			
1. Variety of room category	0.08	3.06	0.24
2. Product knowledge of staff	0.09	2.88	0.26
3. Ambiance of rooms	0.08	2.65	0.21
4. Payment method	0.08	2.82	0.23
Total			3.16

(Source: Processed Data, 2020)

Opportunities and threats are determined the average rating of external indicator (2.91). The number sourced from summarize all of external indicator rating divided by number of external indicators. The external indicator rating that is more than 2.91 is expected to become the opportunity, and the internal indicator rating that is less than 2.91 is expected to become the threat. Subsequent to summarize the weight and rating for every external indicator that belongs to opportunities or threats, author continues to sort out the (EFAS Matrix) external indicator external strategic factor analysis summary matrix that can be seen from Table 2 below.

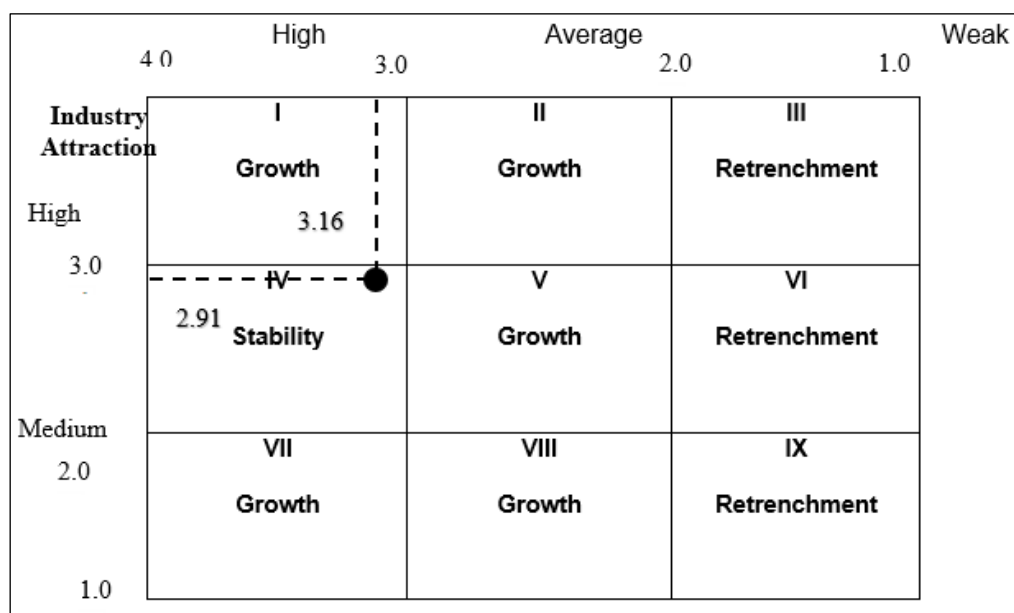
**Table 2. EFAS Matrix**

External Strategic Factor	Weight	Rating	Score
Opportunities:			
1. The commission for government officials is restricted by the law	0.16	3.12	0.50
2. Season condition	0.18	3.12	0.56
3. Government policy for tourist	0.17	2.94	0.50
Threats:			
1. Global economy condition	0.16	2.88	0.46
2. Expand the target market through the overseas	0.16	2.76	0.44
3. Flight ticket price	0.17	2.65	0.45
Total			2.91

(Source: Processed Data, 2020)

IE Matrix is used to find out the current business position. By knowing the internal and external score, the author be able to know on what the current business position. The vertical

line is identified as final internal score, and the horizontal line is identified as final external score. The meeting point between those 2 lines, is interpreted as the current business position. The current business position can be seen from Figure 1 below:



(Source: Data Processed, 2020)

**Figure 1. Internal and External Matrix (IE Matrix)**

**Table 3. SWOT Matrix**

<div> <div>IFAS</div> <div>EFAS</div> </div>	<b>Strengths (S)</b> <ol style="list-style-type: none"> <li>Variety of room packages</li> <li>Suitable price</li> <li>Affordable price</li> <li>The location of hotel</li> <li>Transportation for guest to access the hotel</li> <li>Personal selling by sales department</li> <li>Hospitality of staff</li> </ol>	<b>Weakness (W)</b> <ol style="list-style-type: none"> <li>Variety of room category</li> <li>Product knowledge of staff</li> <li>Ambiance of rooms</li> <li>Payment method</li> </ol>
	<b>Opportunities (T)</b> <ol style="list-style-type: none"> <li>The commission for government officials is restricted by the law</li> <li>Season condition</li> <li>Government policy for tourist</li> </ol>	<b>SO Strategies</b> <ol style="list-style-type: none"> <li>Intensify the promotion to government market</li> <li>Intensify the room packages based on the current season</li> </ol>
	<b>Threats (T)</b> <ol style="list-style-type: none"> <li>Global economy condition</li> <li>Expand the target market through the overseas</li> <li>Flight ticket price</li> </ol>	<b>WT Strategies</b> <ol style="list-style-type: none"> <li>Increase the evaluating of the staff to work by giving rewards</li> <li>Train more about the skill quality for the staff</li> <li>Create support package</li> <li>Make a promotion on airlines</li> </ol>

(Source: Data Processed, 2020)

There are 10 alternative strategies that can be implanted by management of Grand Inna Kuta in order to increase the room revenue by using SWOT Matrix. The SWOT matrix tool is used to create the strategy by analyzing the internal and external factor. The strategy for Grand Inna Kuta based on IFAS and EFAS matrix can be seen in Table 3.

#### **Intensify The Promotion To Government Market**

Doing sales call to Jakarta region or similar to Jakarta that becomes the central government that creating sales call activity becomes more efficient, and make more relation through the government officials to penetrate the government market and able to give a chance to stay at Grand Inna Kuta

#### **Intensify The Room Packages Based On The Current Season**

Enriching the room packages with the current season atmosphere. By presenting the atmosphere of Chinese New Year. This may be adjusted with the current or trending season atmosphere that happened present.

#### **Adjust The Room Price To Make It Lower**

Doing analyze the flight ticket price by contacting through the airlines official to know the current price from the other state or region to get to Bali. When the flight ticket price is higher than usual, it is recommended to make the room price a little bit lower, and when facing the global economy condition, where certain part of the world experience the inflation, and would like to do travel to Bali, it is suggested the turn the room price lower to gain or attract the customer that experience the inflation on their country can do travel.

#### **Focus On The Current Market**

Doing market penetration on the current target market at Grand Inna Kuta. It is not necessary to expand the target market and, by doing the sales call through travel agent to talk about inquiry that is available. Moreover, to maintain the friendship.

#### **Rejuvenate or Repair The Room Ambiance**

Making one standard that shows the cleanliness of the room as a reference that this room ambiance must be followed by other room. At the end, the customer will have the same perception about the room cleanliness, and by checking the room ambiance to make sure everything is well prepared to sell it to customer.

#### **Technology For Paying Method**

Updating or upgrading the technology for paying method, it is necessary to follow the current era, because whatever is popular in the society, the company must be able to follow it.

#### **Increase The Evaluating of The Staff To Work By Giving Rewards**

Giving rewards for the outstanding staff as a form of appreciation to the best staff in the company, you can provide bonuses or incentives that are worth the achievements. This



method will boost the enthusiasm of other staffs to make the best achievement for the company, and by Knowing the weakness and strength for every staff in the department as one staff compared to the other staff will not the same. The staffs have their own characteristic, in order to optimize the work performance, the leader of the department has to know the weakness and the strength of their subordinate. Moreover, it will maintain the friendship among the staff and the leader in the department.

### **Train More About The Skill Quality of The Staff**

Giving training to the staff regularly and periodically. Sometimes do the same work every day to make the staff become bored and bored. By doing so, it will increase and maintain the staff knowledge about the skill that will be needed to communicate with people around that comes from overseas. Moreover, it may maintain the friendship among the staff and the leader of the department.

### **Create Support Package**

Creating a new support or additional package for people who wants to stay at Grand Inna Kuta. The support package exists to muffle the variety of room category by giving the tourist with certain activity that is include with the support package. Meanwhile, the price for the package will be higher compared with room only but the package price will be much cheaper if the tourist reserve it separately.

### **Make a Promotion on Airlines**

One of the obstacles for tourist that love travelling is the flight ticket price. By making a contact through several airlines domestic or international may promote the hotel when the flight ticket price is increasing, this can be done by doing agreement contract rate with the airlines.

## **CONCLUSIONS**

By analyzing the internal indicator and external indicator through IFAS and EFAS matrix, it was found out the current position of the company is on the cell number 4 where the business is growing and developing. The main strategies are market penetration, focus on the current market, and product development. There were also two strategies given to maximize the strength and opportunity which intensifies the promotion to government market, and also the room packages based on the current season, two strategies to maximize the strengths in order to eliminate threats which is adjust the room price to make it lower, and focus on the current target market. two strategies to maximize the opportunities to eliminate the weaknesses contain of rejuvenating or repairing the room ambiance, and technology for paying method, and 4 strategies to minimize weaknesses and threats contain of increasing the evaluating of

the staff to work by giving rewards, training more about the skill quality for the staff, creating support package, and making a promotion on airline.

By analyzing the marketing mix internal indicator in order to find out the weakness and the strength of Grand Inna Kuta, it is found out that the price, place, and promotion is the strength that currently Grand Inna Kuta possesses. By developing the other elements, it is expected to turn the weakness into the strength of the company.

## ACKNOWLEDGMENT

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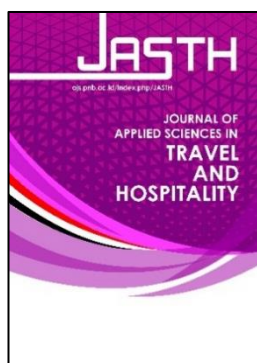
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# Analysis of Domestic Tourist Travel Preferences Post-Covid-19 Pandemic

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## Abstract

The purpose of this study was to reveal the travel preferences of domestic tourists post-covid-19 pandemics. Data was collected through questionnaires using purposive random sampling. The respondents were 300 people ranged from 17 to 55 years old. Besides surveys, data was obtained through literature studies. It is analyzed using quantitative descriptive analysis. The analysis of tourist characteristics showed most of the age group travel in post-pandemic ranged from 26-45 years old. Observed from gender, as much as 52.2% of female tourists were dominating this criterion. In education level, the majority are undergraduates (49.1%). Based on region, majority of tourist come from Bali (54 %). Private employees dominate as much as 38.07%. The results showed that most respondents made regular trips 1 to 5 times a year (90.5%). They chose to travel immediately after the pandemic, which was between 1-3-month (35.7%). Finances and travel costs were very important concerns for almost 71.3% of tourists. As much as 63.3% of tourist chose to travel with a partner and airplane were the main choice (71%). They prefer cheap homestays rather than expensive hotels (48.6%). The type of tourism chosen were dominated by nature tourism (58.7%). Most tourists preferred to arrange their own trips than the other option (47.7%). It is expected that the results will become a consideration for tourism industry managers to determine the right products and services based on tourists' preferences who will come in post-pandemic.

**Keywords:** *preferences, domestic tourists, post-pandemic*

## INTRODUCTION

Observed from the development of Indonesia's services balance, travel services have consistently shown positive contributions to this service with increasing value. In 2017, it was confirmed as much as USD 4.23 billion, which was higher than USD 3.64 billion in 2016. This is because the value of exports is greater than imports of travel services. Exports of USD 12.52 billion and imports of USD 8.29 billion revealed that the revenue of travel services from foreign tourists to Indonesia is greater than the excursions of Indonesian tourists abroad. Observed from the trend of service balance, the tourism service surplus has continued to increase over the past five years. Based on the publications of Bank Indonesia, this growth was because of an increase in services related to personal, cultural, and recreational services. Additionally, increase in the quality, quantity, and market expansion of passenger transportation services by resident business actors also effect this growth.

The following is a table of visits by foreign tourists, earning foreign exchange and spending per person.

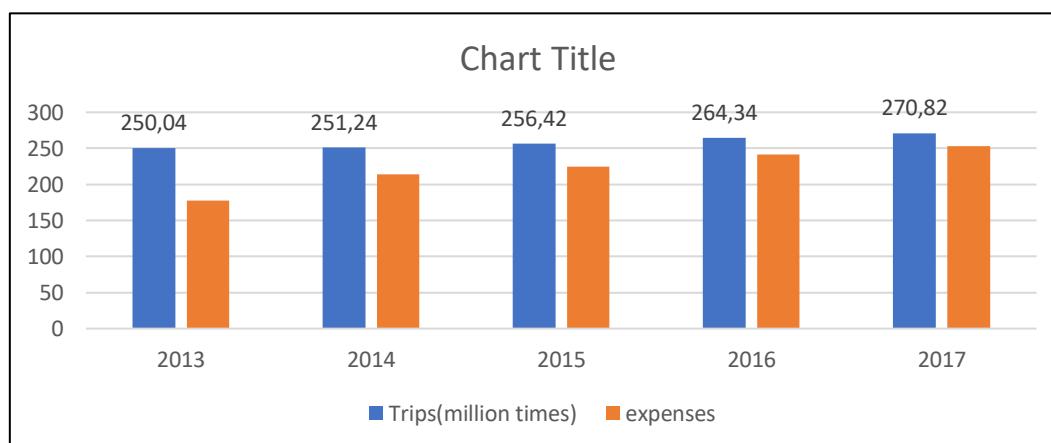
**Table 1.** Foreign Tourist Visit, Foreign Exchange Earnings and Expenditure Per Person 2012-2017

Year	Foreign Tourist		Average length of stay (days)	Foreign Exchange Earning		Average Expenditure Per Person	
	Total	Growth (%)		Total (million USD)	Growth (%)	Per day (USD)	Per visit (USD)
2012	8,004,462	5.16	7.7	9,121	6.62	147,22	1,134
2013	8,802,129	9.97	7.65	10,054	10.23	149,31	1,142
2014	9,435,411	7.19	7.66	11,166	11.06	154,42	1,183
2015	10,406,759	10.29	8.53	12,226	9.49	141,65	1,209
2016	12,023,971	15.54	8.39	12,440	1.75	131,64	1,104
2017	14,39,799	16.77		15,240	22.51		1,201

*Source: ministry of tourism, 2018*

Viewed from the expenditure structure, most of the expenditure spent on hotels and accommodation was (4%), followed by restaurants (20%), and domestic transportation (13%), while the other is for tourism services and souvenirs.

The following is the data on domestic tourists which shows significant trend. It illustrated 250 million trips in 2013 which increased to 270 million in 2017. This was by reason of the development of the consumption pattern of the millennial generation desired to organize more travel than others, besides the effect of the improving economic conditions. In addition, the total expenditure was also increased from 177 trillion rupiah in 2013 to 253 trillion rupiah in 2017.

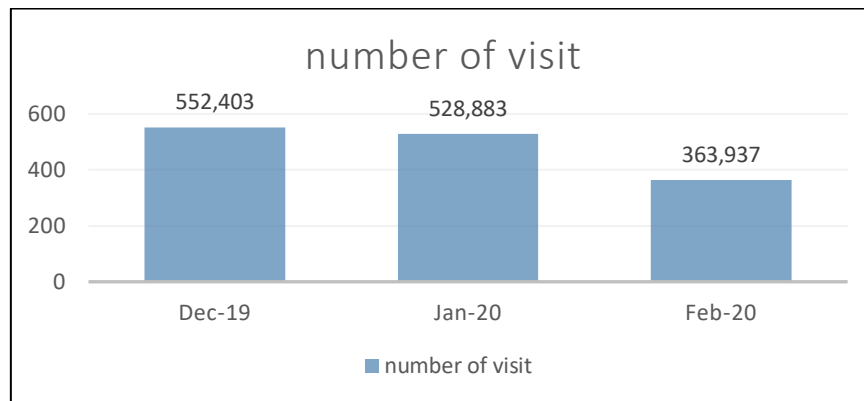


*Source: Ministry of Tourism, BPS, 2017*

**Figure 1.** Number of Trips and Expenses of Indonesian Tourists 2013-2017

However, travel activities in Indonesia, especially Bali, must stop in 2020 because of COVID-19 outbreak, which began spreading in Indonesia since February 2020. It was

followed by a state ban for citizens to travel abroad, including Bali. As a result of this, hotel occupancy decreased by 60 to 80%. The following is the data on foreign tourist visits to Bali in 2020.



Source: Central Bureau of Statistik, Bali Province, 2020

**Figure 1.** Number of Trips and Expenses of Indonesian Tourists 2013-2017

This condition results in the closure of thousands of hotels in Indonesia, including Bali and thousands of employees are put on furlough. The economy of the Balinese people has been greatly affected including the consumption patterns. Routines and expenses are selected for primary desires (the need for food and health products) compared to the need for extravagance chattels including travelling.

In the tourism sector, the pathway to new normal is to prepare various aspects. In Indonesia, it was declared by government based on the decree of the Minister of Home Affairs no 440-840 2020 on 27th May 2020. It is concerning guidelines for the new normal order productive and safe from Covid -19 for civil servant in the ministry of Home affairs and Regional Governments. It arranges health services, outdoor activities, workplace, educational services, business trip, event, and public transportation. The context of tourism becomes quality for the environment and health. Visitors will validate the condition of the tourism spot, whether there is already a systemized mitigation at the tourist spot, SOP or system that limits visitors to tourist attractions, is the visitor's health guaranteed, will the visitors safety guaranteed etc.

From this background, the author is interested in raising the issue of what are the travel preferences of domestic tourists in post-pandemic? This study aims to analyze the travel preferences of domestic tourists in post-pandemic. The theories that support this research are:



## **Tourist Motivation**

This research used theory proposed by Ryan (1991) regarding factors driving a person to travel. This theory was chosen because the option of tourism activities determined by tourist motivation. It explained the tourist's drive which influence the types of tourism facilities, types of activities, cost, companion and transportation. Various factors driving a person to travel according to Ryan (1991) explained as follows:

1. Escape. The desire to escape from an environment that feels mind-numbing, or boredom from daily work.
2. Relaxation. The desire for nourishment, which is also related to the motivation to escape above
3. Play. The desire to relish the joy through innumerable games which are the reappearance of childishness, and desire to disengage from glitches.
4. Strengthening family bond. The desire to strengthen kinship, especially in the context of visiting friends and relatives. Usually this tour is done together (group)
5. Prestige. The desire to show prestige by visiting a destination that shows class and lifestyle which is an encouragement to increase status or social standing
6. Social interaction. The desire to comprise in social interactions with colleagues or with the local communities.
7. Romance. The desire to meet people who can provide a romantic atmosphere or to fulfill sexual desires
8. Educational opportunities. The desire to perceive something new, study other people, other areas or to know other ethnic cultures. This is the dominant drive in tourism.
9. Self-fulfillment. The desire to replicate on ourselves because self-examination can usually be found when we experience new atmosphere.
10. Wish-fulfillment. The desire to realize dreams by savings money with the intention of travelling. This is very clear in the religious journey as part of a strong desire or impulse from within.

## **Preference**

According to Kotler (2000) consumer preferences indicate consumer preferences from a wide selection of existing service products. Preference is a fondness (inclination of the heart) to something. Preference is also defined as the choice of whether someone likes or dislikes a product. Meanwhile, according to Indarto (2011) consumer preferences are defined as subjective (individual) tastes, as measured by utility from various goods. Various attributes such as quality, price, promotion, and packaging attached to the product can affect consumer preferences.

## RESEARCH METHOD

The object of this research is people planned a tour regardless of their travel history. Data were collected using survey. Research instruments used was questionnaires. In addition, this research also collects data through literature study using literature or documents published by other parties. Respondents are individuals who answered a questionnaire consisting of three hundred respondents collected within a period of three months (May - July 2020). The sampling technique used was purposive random sampling. It is a sampling technique with certain considerations to achieve data which can represent the population (Sugiyono, 2010). This study consisted of quantitative and qualitative data. Quantitative data is data in form of tourist visits to certain region in Indonesia, meanwhile, qualitative data is in form of descriptions or information regarding the conditions of tourism in Bali and other area in Indonesia. This research used primary data, obtained through the results of distributing questionnaires to respondents spread across several regions in Indonesia, namely East Java, West Java, DKI Jakarta, Kalimantan, Sulawesi, Papua, East Nusa Tenggara and West Nusa Tenggara. Meanwhile, secondary data was the data used and published by non-processing organizations (Sangaji and Sopiah, 2010), including data from the Central Bureau of Statistics, the tourism office, and the results of previous studies. The data analysis applied was quantitative descriptive analysis, which is done by classifying a variable data based on their respective groups.

## RESULTS AND DISCUSSION

The characteristics of domestic tourists who became respondents were observed from their age, gender, occupation/type of work and area of origin. From Table 2 can be concluded that most of the age group decided to travel after the pandemic were the majority of 26-45 age group. It was supported by Ryan and Huyton (2000) which found that in Northern Australia age influenced preference. Younger age tends to be more adventurous. In terms of gender, domestic tourists are dominated by female tourists at 52.2% compared to male tourists who are only 47.8%. In the level of education, most of the population who travel is the bachelor's degree (49.1%). This can be the basis for preparing appropriate information services according to the level of education of tourists, including tour guides who have competencies in accordance with the level of tourist education. In region of origin, the majority group originates from the Bali (54%). Most domestic tourists who will carry out their travels come from private workers at 38.07%. Thus, the management of tourist destinations needs to pay attention to the forms of tourist activities that become interest to workers and students.

**Table 2.** Socio-Demographic Characteristics of Domestic Tourists

No.	Respondent Profile	Category	Percentage %
1	Age group	17-25 years	28.6
		26 - 36 years	8.8
		37 - 45 years	15.17.5
		> 45 years	
2	Gender	Male	47.8
		Female	52.2
3	Education level	High school	7.0
		Diploma	29.0
		Bachelor	49.1
		Masters	12.1
		Doctoral	2.8
4	Area of origin	Bali	54.0
		East Java	6.7
		Central Java	3.0
		West Java	4.7
		DKI Jakarta	4.7
		Sumatra	2.0
		Sulawesi	2.0
		Kalimantan	5.0
		NTT	9.0
		NTB	4.0
		Papua	4.7
5	Occupation /Types of work	Students	26.6
		Civil servants	3,2
		Private employees	38.7
		Entrepreneur	29.9
		Etc	1.6

Source: analysis results, 2020

The table below are the results of the discussion regarding the preferences of domestic tourists in traveling seen from various indicator: They are Trip intensity, Destination, Cost consideration and Trip arrangement.

**Table 3.** Trips Intensity

No	Trips' frequency	Percentage
1	1-5 times	90.6 %
2	6-10 times	4.7 %
3	More than 10 times	4.7 %

Most of the respondents made regular trips 1 to 5 times a year, namely 90.5%. This shows that most respondents have quite high habits, needs and intensity to travel within one year.

**Table 4.** Destination

No	Area/Region	Percentage
1	Bali	41 %)
2	Java	17%
3	Sumatra	2.8%
4	Kalimantan	3%
5	NTB	4.7%
6	NTT	21%

From this table, Bali is the most planned place to be visited in the new normal era, which is 41 percent. People tend to stay within their countries for travel. People are more likely to stay within their countries on vacation travel, and larger families with young children are particularly likely to travel short distances. Thus, a country's tourism industry would do well to aggressively market tourism products to retain citizens of its own country (Lamondia, 2010).

**Table 5.** Cost Consideration

No	Indicator	Percentage
1	Very Important	71.3%
2	Important	26%
3	Less Important	2.7%

Financial considerations and travel costs are high priority concern for almost all tourists. This is evidenced with as much as 71.3% still realize price as the main consideration in post-pandemic travel. This is supported by Truonga and Shimizu (2017) which revealed that cost is a major consideration determining the demand for a destination.

**Table 6.** Trip Arrangement

No	Indicator	Percentage
1	Companion: - Alone - Couple - Family/relatives - Social Community	11.75% 63.3% 22% 3 %
2	Mode of transportation: - Personal vehicle - Travel transportation - Plane	15% 14 % 71%
3	Accommodation - Cheap homestay - 3 stars hotel - 4 stars hotel - 5 stars hotel	48.6% 31.9 % 15.2% 4.3%
4	Tour Types - Nature tourism - Adventure tourism - Marine tourism - Shopping Tourism - Pilgrimage Tourism	58.7 % 13.7 % 11.2 % 9.1% 7.3 %
5	Source of Purchase packages / types of tours  - Online travel agent - Offline travel agent - Self -arranged travel	  21.9% 30.4 % 47.7 %

As much as 63.3% of tourists preferred to travel with a partner (husband / wife / girlfriend). 71 % of people prefer to choose airplanes for transportation. In general, a tourist

destination's accessibility can also be improved by developing the transportation, infrastructure network or by improving connectivity between the network and tourist facilities. For example, the distance from a tourist's place of origin to the desired destination can be diminished by adding a direct link between the two locations within the transportation network. (Truonga and Shimizu, 2017). In terms of accommodation, cheap homestays are the main choice, namely 48.6%. In terms of tourism activity, 58.7% chose natural tourism such as enjoying the beauty of nature, the sea, mountains, and activities in the open air. This is conformable with the research of Lamondia (2010) which revealed that many travelers look forward to visiting national parks and nature reserves on holiday. As a result, these travelers are significantly more likely to travel to countries that have large land areas. Most of the tourists choose to arrange their own trips including tickets, accommodation, restaurants, and transportation services in the tourist destination (47.7%).

## **CONCLUSIONS**

From the results and discussion in the previous chapter, there are some conclusions drawn regarding the preferences of Indonesian tourists in post-pandemic tourism. Most of the respondents travel regularly 1 to 5 times a year, namely 90.5%. Tourist thinks that finances and travel costs are very important concerns for almost all tourists where 71.3% still consider price as a major consideration in post-pandemic travel. In term of companion, as much as 63.3% of tourists chose to travel with a partner and they preferred to use airplanes for the best transportation (71%). In terms of accommodation, cheap homestays are the main choice, namely 48.6%. Tourist preferred to conduct their travel in open air. This was shown in high figure namely 58.7% of tourist choose natural tourism such as enjoying the beauty of nature, the sea, mountains, and outdoor activities. In the arrangement, as much as 47.7% of tourists choose to arrange their own trips, including tickets, accommodation, restaurants, and transportation services in tourist destinations.

It can be suggested that this research can be a reference for tourism industry managers to anticipate the arrival of tourists in post pandemic and become a reference in an effort to meet the needs of tourists according to tourist preferences, in particular preparing the type of accommodation, the type of tourist favored, and the appropriate price.

## **ACKNOWLEDGMENT**

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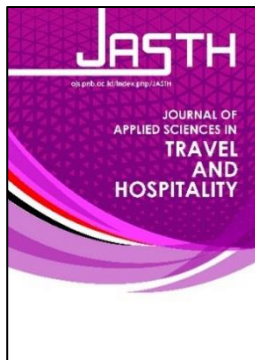
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# The Effectivity of E-Commerce in Increasing The Room Occupancy at Intercontinental Bali Resort, Jimbaran

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## Abstract

This study is based on the effectiveness of e-commerce implementation increasing room occupancy. It aims to find out how effective the implementation of e-commerce is and to find out the most effective variables in increasing the room occupancy at InterContinental Bali Resort. This research theoretically is expected to support other research by providing additional information regarding the development of e-commerce activities and practically is expected to be useful for hotel management to evaluate the effectiveness of e-commerce implementation. The data collection methods used in this research are documentation, interviews, and observations. The data analysis technique used is a quantitative analysis which is done through the calculation of the percentage of effectiveness using the effectiveness formula, and descriptive qualitative that is done to explain the information and data in the form of numbers collected during conducting research. Data processing is done using Microsoft Excel and the results of data analysis in the form of numbers, percentages, and graphs will be qualitative in the form of information to answer the problem formulation, make conclusions and suggestions for this research. The implementation of e-commerce which is examined in this research is through B2B and B2C strategies. Based on the analysis that has been done, the results show that the average effectiveness of e-commerce is reaching 100% or it is categorized as "Very Effective" and B2B strategy is more effective in contributing room occupancy because it can exceed the target to be achieved.

**Keywords:** *marketing, e-commerce, room occupancy*

## INTRODUCTION

Tourism is one of the major players in international commerce and the fastest growing economic sectors which represents one of the main income sources for many developing countries. As one of Indonesia's favourite tourism destinations, Bali was chosen as the travelers' choice top destination in 2017 by Trip Advisor Travellers Choice ratings. The high popularity of Bali as a tourist destination causes very tight competition among the hospitality business and its tourism industry especially hotels as they built to cater to the tourist needs. Hotel is one kind of accommodations that uses partly or fully the building to provide service for the public that is managed commercially (Ekaningrum, 2016: 41). Recognizing that 25.80%

of total hotels in Bali are built in Badung Regency makes a very competitive business cannot be avoided and create a fierce battlefield as companies fight to capture a similar type of guest (Statistic of Bali Province, 2019). With that competition, hotels in Bali compiled various marketing strategies in increasing room occupancy to be able to compete competitively. The success of a hotel in increasing room occupancy is inseparable from the efforts made by the Sales & Marketing Department in the form of e-commerce activities. The presence of e-commerce helps a Sales & Marketing Department to promote the products to the consumers through online portal and it can be accessed by all people in the world.

E-commerce is defined as a way to sell and buy goods (and services) through the internet network, but this of course, covers various aspects, included purchase transactions and fund transfers via computer networks (Nugroho, 2006: 5). There are four types of e-commerce based on their characteristics, such as Business to Business (B2B), Business to Customer (B2C), Customer to Customer (C2C), and Customer to Business (C2B) (Pratama, 2015: 10). However, this research is focusing to discuss the Business to Business (B2B) and Business to Customer (B2C). B2B is an online business communication system between business people, while the sellers in selling their products, do not interact and communicate directly with consumers. Whereas B2C can be interpreted as a type of electronic commerce where a company (Business) sells its products directly to buyers (Customers) or without using an intermediary (distributor).

**Table 1.** Room Night's Contribution by 2017-2019

Distribution Channel				
<i>Year</i>	<i>E-commerce Target</i>	<i>E-Commerce</i>	<i>Offline Travel Agent</i>	<i>Group</i>
2017	70,812	71,437	30,590	19,220
2018	71,295	68,555	29,326	19,239
2019	77,437	80,182	30,678	20,466

(Source: Sales and Marketing Department, 2019)

InterContinental Bali Resort is one of the five stars hotel that implemented e-commerce to win this tough competition. As can be seen on the above room nights contribution table, it is dominated by e-commerce. Meanwhile, according to these problems, the researcher has questions, is it all of the e-commerce activity contribute effectively to the hotel and how it effects? Therefore, the researcher raises the title "The Effectivity of E-Commerce in Increasing the Room Occupancy at InterContinental Bali Resort, Jimbaran". Effectivity means that the information must be in accordance with user needs in supporting a business process, including

information that must be presented in the right time, the right format so that it can be understood, consistent with the previous format, the contents are in accordance with current needs and complete or by following the needs and conditions (Mc Leod, 2007: 41). The purposes of this study are to find out how effective the implementation of e-commerce is and to find out the most effective variables in increasing the room occupancy at InterContinental Bali Resort.

## RESEARCH METHOD

The location of the study is at InterContinental Bali Resort, located at Uluwatu Street, No. 45, Jimbaran, South of Kuta, Bali. There is a total of 3 variables that have been used in this research, such as Business to Business (B2B), Business to Customer (B2C), and Room Occupancy. Variables are anything in the form of whatever is determined by researchers to be studied so that information is obtained about it, then conclusions are drawn (Sugiyono, 2014). The population used in this research is all the Online Travel Agencies (OTA) liaised with InterContinental Bali Resort and the sample only 10 OTA selected to be studied in this research. The data used in this study is quantitative data in form of target of the room nights to be achieved, the total of room night contribution (room sold), and room occupancy. In this study, the study documentation, interview, and observation are used to collect the data needed. Researches concerning effectivity of e-commerce to hotel's room occupancy had been done by some researches such as Caliskan (2013), Agag (2017), Elhaj (2016), Julyanti (2099), and Dewi (2018). However, they did not cover all aspects of e-commerce channel distributions as we do (Business to Business and Business to Customer). Besides that, the location they chose is different from the one that researcher do.

Data analysis technique used in this study are quantitative analysis and qualitative descriptive analysis. Quantitative analysis which is used to answer the problem identification through the effectiveness formula (Mahmudi, 2005), as below:

$$Effectiveness = \frac{Total\ of\ room\ sold}{Target\ of\ rooms\ to\ be\ sell} \times 100\%$$

The descriptive qualitative analysis technique used to describe the information obtained from the effectiveness calculation through the effectiveness formula, then the results of calculations and tabulation of data in the form of percentages, tables and graphs are then analyzed, presented, interpreted and systematically described.

## RESULTS AND DISCUSSION

### 1. The Effectivity of E-Commerce through B2B Implementation

Monthly	2017				2018				2019			
	R/S	Target	Effectivity	Criteria	R/S	Target	Effectivity	Criteria	R/S	Target	Effectivity	Criteria
Jan	2,915	2,884	101.07	VE	2,203	1,880	117.15	QE	3,505	3,467	101.08	VE
Feb	2,978	2,947	101.07	VE	2,584	2,112	122.34	QE	4,689	4,652	100.80	VE
March	2,955	2,924	101.07	VE	2,596	2,123	122.26	QE	3,609	2,973	121.39	VE
April	4,159	4,129	100.74	VE	2,753	2,268	121.37	QE	4,198	3,561	117.89	VE
May	3,750	3,719	100.84	VE	3,648	3,695	98.75	QE	2,743	2,706	101.37	VE
June	5,121	5,090	100.61	VE	3,119	3,206	97.28	QE	2,723	2,686	101.37	VE
July	5,309	5,278	100.58	VE	5,190	5,118	101.41	QE	5,274	5,235	100.74	VE
August	5,227	5,195	100.62	VE	5,829	5,707	102.13	QE	5,396	5,359	100.70	VE
Sept	3,013	2,981	101.06	VE	5,160	5,090	101.37	QE	5,256	5,219	100.71	VE
Oct	3,575	3,544	100.87	VE	5,179	5,108	101.40	QE	5,351	5,314	100.69	VE
Nov	2,145	2,294	93.51	E	3,158	3,242	97.41	QE	2,446	2,408	101.56	VE
Dec	1,287	1,503	85.63	QE	3,141	3,227	97.35	QE	2,919	2,882	101.29	VE
Total	42,434	42,487	99	E	44,561	42,777	104	VE	48,109	46,462	104	VE
Average	3,536	3,541			3,713	3,565			4,009	3,872		

(Source: Revenue Department InterContinental Bali Resort (data processed))

The result conducted from above table shown that in 2017 the implementation of OTA it is targeted to 42,487 room nights but the results can be achieved in the amount of 42,434 room nights, it is shown did not achieved the desire target by 0.12% and categorized ineffective. However, in 2018 and 2019 is exceed the desired target of and it is categorized that the implementation of OTA strategy can be said effective. Furthermore, based on the effectiveness calculation resulted that in 2017 and 2018 effectivity criteria are lies in "Effective" criteria with the result is 99%. Meanwhile in 2019, the effectivity calculation in the year 2019 shown that the effectivity criteria are lies in "Very Effective".

### 2. The Effectivity of E-Commerce through B2C Implementation

Monthly	2017				2018				2019			
	R/S	Target	Effectivity	Criteria	R/S	Target	Effectivity	Criteria	R/S	Target	Effectivity	Criteria
Jan	1,944	1,923	101.10	VE	1,186	1,254	94.62	E	2,336	2,312	101.06	VE
Feb	1,985	1,964	101.05	VE	1,391	1,408	98.81	E	3,126	3,101	100.80	VE
March	1,970	1,949	101.07	VE	1,398	1,416	98.75	E	2,406	1,982	121.39	VE
April	2,774	2,752	100.78	VE	1,482	1,512	98.03	E	2,799	2,374	117.90	VE
May	2,500	2,479	100.84	VE	1,965	2,463	79.76	QE	1,829	1,804	101.39	VE
June	3,414	3,393	100.61	VE	1,679	2,137	78.57	QE	1,816	1,791	101.41	VE
July	3,540	3,519	100.60	VE	2,795	3,412	81.91	QE	3,516	3,490	100.74	VE
August	3,484	3,463	100.60	VE	3,138	3,805	82.49	QE	3,597	3,572	100.69	VE
Sept	2,008	1,988	101.03	VE	2,779	3,394	81.88	QE	3,504	3,479	100.71	VE
Oct	2,384	2,363	100.90	VE	2,789	3,405	81.90	QE	3,568	3,543	100.71	VE
Nov	1,730	1,529	113.13	VE	1,701	2,162	78.68	QE	1,630	1,606	101.52	VE
Dec	1,270	1,002	126.75	VE	1,692	2,151	78.63	QE	1,946	1,921	101.29	VE
Total	29,003	28,325	102	VE	23,994	28,518	84	QE	32,073	30,975	104	VE
Average	2,417	2,360			2,000	2,377			2,673	2,581		

(Source: Revenue Department InterContinental Bali Resort (data processed))

The result conducted from above table shown that in 2017 the implementation of B2C it is targeted to 28,325 room nights but the results can be achieved in the amount of 29,003 room nights, it is shown did not achieved the desire target by 2.34% and categorized effective. However, in 2018 the room night contribution did not achieve the desire target with the room night achieved is 23,994 from the target 28,518 and it is categorized ineffective. Meanwhile, in 2019 is exceed the desired target of and it is categorized that the implementation of B2C strategy can be said effective. Furthermore, based on the effectiveness calculation resulted that in 2017 effectivity criteria are lies in "Very Effective", in the year 2018 shown that the effectivity criteria are lies in "Quite Effective", in the year 2019 shown that the effectivity criteria are lies in "Very Effective".

### 3. Effectivity of E-Commerce Implementation in Increasing the Room Occupancy at InterContinental Bali Resort.

The implementation of e-commerce in increasing the room occupancy at InterContinental Bali Resort can be seen from the results of data calculations conducted by the Revenue Department. The data calculation is done to know how much contribution is made by the implementation of ecommerce in increase room occupancy at InterContinental Bali Resort, as follow:

**Table 2.** Contribution of E-Commerce to The Room Occupancy

Monthly	2017		2018		2019	
	Room Occ (%)	E-commerce Occ (%)	Room Occ (%)	E-commerce Occ (%)	Room Occ (%)	E-commerce Occ (%)
Jan	69.10	37.59	38.25	26.22	81.40	45.18
Feb	69.70	39.67	48.51	31.77	91.00	62.47
March	69.70	38.10	50.10	30.90	70.80	46.53
April	84.20	55.42	57.64	33.85	85.20	55.93
May	83.30	48.35	59.66	43.42	78.20	35.37
June	90.60	66.02	65.41	37.12	87.80	35.11
July	92.90	68.45	86.20	61.77	95.40	68.00
Aug	91.70	67.39	92.70	69.37	97.80	69.57
Sep	77.40	38.84	89.60	61.41	97.00	67.77
Oct	65.20	46.10	87.60	61.64	94.40	69.00
Nov	50.00	29.98	56.81	37.59	71.40	31.53
Dec	26.00	19.78	55.14	37.39	74.50	37.63
Average	72.48	46.31	65.64	44.37	85.41	52.01

*(Source: Revenue Department InterContinental Bali Resort (data processed, 2020))*

This contribution is used to provide an overview of the benefit of using the e-commerce, so it will assist in taking appropriate method in increasing room occupancy in the following year. In the year 2017 the contribution from e-commerce is 46.31% from the total room

occupancy is 72.48%. Furthermore, in 2018 the contribution of e-commerce decreased at 1.94% from the previous years, as shown that the contribution that achieved is 44.37% from the total room occupancy is 65.64%. This business declined because of the impact from the renovation program for several building at InterContinental Bali Resort, and the phenomena of Mount Agung eruption that happened on September 2017. Meanwhile, in 2019, some of the building have been renovated and the Sales and Marketing Department create special offers for the OTA, create several new room packages on the website to promote the new product, and the condition of Mount Agung is fully recovered. Therefore, it is increased the contribution by 7.64% from the previous year with the number of contributions is 52.01% from the total room occupancy achieved on this year is 85.41%. Referring to the previous research which develop the reservation of Online Travel Agent (OTA) to the Room Occupancy period 2015-2017, stated that the reservation in 2015 is 41% from the total room occupancy is 42%. In the year 2016, the total reservation of OTAs is 50% from the total room occupancy is 58% and on the year 2017 the total reservation from OTAs raised 51% from the total room occupancy is 59%. This percentages show that the contribution from OTAs distribution channel has great influence toward increased the room occupancy (Dewi, 2018).

#### 4. The Most Effective Variable in Increasing Room Occupancy at InterContinental Bali Resort

**Table 3.** Target of Room Night Contribution 2017 - 2019

Years	E-Commerce		B2B		B2C	
	Room Night	Occ (%)	Room Night	Occ (%)	Room Night	Occ (%)
2017	70,812	45.65	42,487	27.39	28,325	18.26
2018	71,295	45.96	42,777	27.58	28,518	18.38
2019	77,437	49.92	46,462	29.95	30,975	19.97
Total	219,544	47.18	131,726	28.31	87,818	18.87

(Source: Revenue Department (data processed, 2020))

**Table 4.** Room Night Contribution 2017 - 2019

Years	E-Commerce		B2B		B2C	
	Room Night	Occ (%)	Room Night	Occ (%)	Room Night	Occ (%)
2017	71,437	46.31	42,434	27.35	29,003	18.70
2018	68,555	44.37	44,561	28.73	23,994	15.47
2019	80,182	52.01	48,109	31.01	32,073	20.68
Total	220,174	47.56	135,104	29.03	85,070	18.28

(Source: Revenue Department (data processed, 2020))

By grouping the total target and total room night contribution achieved, the result shown that in 2017-2019 the implementation of e-commerce through the B2B strategy as overall is targeted at 131,726 room nights and the overall results at 135,104 rooms nights, which shown that it is exceed the target by 2.50%. While the implementation of e-commerce through the B2C strategy in the 2017-2019 period as overall is targeted at 87,818 room nights, but the overall results can be achieved at 85,070 room nights, which is shown that the implementation of B2C did not achieve the desired target of 3.13%. This result shown that B2B strategy is more effective when compared to the B2C strategy, since B2B could exceed the desire target.

## **CONCLUSIONS**

Based on result of data analysis, can be concluded that B2B has increased every year from 2017-2019 and is able to produce room night contribution which is exceed the target and it is categorized to be effective. However, the implementation of B2C is categorized ineffective since the overall contribution still below the desire target. Furthermore, the variables that give the most effective contribution to the room occupancy is Business to Business (B2B), as it is able to exceed the desire target, if compared with Business to Customer (B2C) variable.

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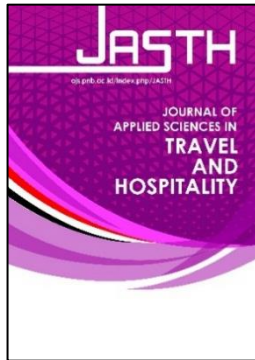
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# Public Relations Strategy in Strengthening Brand Image at Alila Villas Uluwatu Bali

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## Abstract

This research aims to formulate the most appropriate public relations strategy as an option in strengthening brand image that can apply by Alila Villas Uluwatu to take advantage of the opportunities and anticipate the existing threats by utilizing the strength and anticipate shortcomings. Thus, it can help to achieve the occupancy target. This research used sequential exploratory mixed methods; IE (Internal-External) Matrix, SWOT (Strengths Weaknesses Opportunities Threats) and QSPM (Quantitative Strategic Planning Matrix). This research used participation observation, semi-structured interview, questionnaires and documentation as data collecting methods. The study used a purposive sampling technic and the respondents consist of 7 people from the Sales & Marketing Department. The result of data analysis shows IFAS (Internal Factor Analysis Summary) score is 2.88 and EFAS (External Factor Analysis Summary) score is 2.80, which indicates the current position of public relations strategy is in cell V, which is of growth and stability in IE Matrix that requires horizontal integration. The SWOT analysis gives 7 alternative strategies, of which the highest TAS (Total Attractive Score) is 167.41 that generated by QSPM analysis. Thus, the main strategy that recommended which is the highest among the 7 of alternative strategies is allocating more budget to increase the number of hosted social influencers & media according to the target market and also for boosted branding contents on Facebook and Instagram.

**Keywords:** *strategy, public relations, brand image*

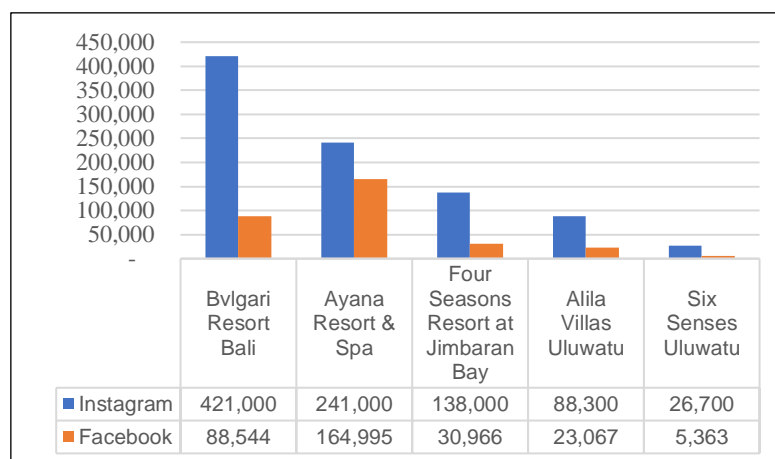
## INTRODUCTION

Building a brand image is very important for the company's sustainability in the long-term. The brand image includes knowledge, customers' opinion, and non-physical characteristics and physical products', also image that customers give to the product (Soltani et al, 2016: 24). Brand image intended to identify the goods or services of one seller or group of sellers and to differentiate them from the competitors (Kotler & Keller, 2012: 241). The brand image uses as a differentiating factor for Alila Villas Uluwatu that faces similar competitors such as Ayana Resort & Spa, Four Seasons Resort at Jimbaran Bay, Bvlgari Resort & Spa and Six Senses Uluwatu. The intended competitor determined by the location, market share and standard (star) of the hotel. A strong brand image generally is formed and developed by the Sales and Marketing Department, especially the Public Relations of Alila Villas Uluwatu in

establish and maintain two-way communication to earn understanding, acceptance and cooperation between some parties.

Alila recently being acquired by Hyatt Hotels Corporation in 2018, the resort should blend the image that also representing Hyatt Brand. Alila Villas Uluwatu has been building a brand image as a unique and sustainable resort for high-end travelers with the tagline "Surprisingly Different". One of the factors that needed in building and strengthening brand image is the strength of brand association (Keller, 2013). It means a brand should be more recognized than the competitors. One of the indicators used to measure it is the number of followers on social media accounts. The strategy used by the Public Relations of Alila Villas Uluwatu to develop this through collaboration with external parties such as the media and influencers in providing information to the public and maximizing social media channels. Although the hosted social media influencers and media were increasing over the years, there is no significant impact on the brand image. This assessment showed through social media comparison (Graph 1) and room occupancy (Table 1). Besides that, the Alila Villas Uluwatu's media event such as media gathering, press conference and press tour in the marketing department is less organized also the section should have work the online review as a priority, as we have received some bad reviews that causing this resort is facing a crisis of trust.

As mentioned earlier, the number of followers on social media will strengthen brand association. Instagram becomes an indispensable part of marketing for many companies in pioneering and building a brand image. Besides that, Facebook is also a kind of popular social media that currently integrated with Instagram. Based on Figure 1, Alila Villas Uluwatu ranked the 4th position compared to its competitors, with the total of Instagram's followers were 88,300 and Facebook Page's subscribers were 23,067.



(Source: Alila Villas Uluwatu Instagram (Data Processed), 2019)

**Figure 1.** Social Media Comparison

Observing the room occupancy over the years (Table 1) of among 57% - 61% occupancy level, it indicates the fluctuation and the target sales has not been achieved. As seen in Table 1, starting from 2015 to 2018, only in 2017, the management has been successfully reach the target. The variance between actual and targeted occupancy runs from 3%-12%. Brand image is one of the marketing tools that also help companies in increasing room occupancy. Consumers will be more likely to carry out the purchase to the brand with a positive and strong image (Setiadi, 2003: 180). Consumers could also often buy products with a famous brand because of the emotional factor with things that already known.

**Table 1.** Room Occupancy of Alila Villas Uluwatu from 2015 to 2018

No	Year	Actual	Target	Variance
1	2015	57%	60%	-3%
2	2016	47%	60%	-12%
3	2017	63%	52%	11%
4	2018	61%	67%	-5%

(Source: Sales & Marketing Department, Alila Villas Uluwatu 2019)

Based on this situation faced by the Alila Villas Uluwatu, the researcher is interested in formulating an alternative strategy that can apply to strengthen the hotel brand. This research conducted to optimize public relations role by formularizing strategies through assessing strength and weakness of the internal factor; defining the opportunity and threat of external factors so that the massive influences of public relations can be perceived.

## RESEARCH METHOD

This research took a place at Alila Villas Uluwatu, which is located at Jalan Belimbing Sari, Banjar Tambiyak, Desa Pecatu, Kuta Selatan, Badung. This research used sequential exploratory mixed model approach. Mixed methods involved the integration of both qualitative and quantitative data (Creswell, 2017:61). In the sequential exploratory approach, the literature presented in each phase in a way consistent with the method being used. First begins with qualitative data analysis then uses the findings in a second quantitative phase. The combination of the two methods aims to connect the results of the first stage of research and the next stage. This research design used to provide the best understanding and explore in further depth the research problems with comprehensive, valid, reliable and objective data (Creswell, 2017). Those combinations of some analysis technics were IE (Internal-External) Matrix, SWOT (Strengths Weaknesses Opportunities Threats) and QSPM (Quantitative Strategic Planning Matrix). Variables in this research were The Strength and Weakness of the

Internal Factors and The Opportunity and Threat of the External Factors of Alila Villas Uluwatu. The Internal factors were evaluated through public relations strategy approach by (Ruslan, 2013: 13) that consists of publications, event, news, community, inform/image, lobbying and social responsibilities; while the External factors were evaluated through the external business environment by (Salman, 2017) that consists of purse string, partnership, policy, people, perception and promotion. There were two types of data namely qualitative and quantitative, while the sources of data that used were primary and secondary data. The research data obtained through several techniques such as participant observation, semi-structured interview, questionnaires and documentation that involved 7 respondents from the Sales & Marketing department who know about the issue that studied.

Based on the sequential exploratory model approach (Sugiyono, 2012: 40), this research began from a qualitative analysis method with collected data through observation and interviews in where the problems occurred with the purpose to identify the internal and external factors of Alila Villas Uluwatu to the 7 respondents. The researcher in this phase also used literature reviews as guidance in established a hypothesis. This phase intended to explore and analyze the implementation of public relations strategy with PENCILS theory. The next stage was quantitative data analysis in which find hypothesis testing results through collecting the data by deployed questionnaires to all respondents. The interpretation of the entire analysis phase has generated IFAS-EFAS, IE (Internal-External) Matrix, SWOT Matrix analysis and QSPM analysis (Rangkuti, 2018) then conclude it and gave some suggestions.

## **RESULTS AND DISCUSSION**

### **Internal and External Analysis**

In achieving company purpose, there are strategies implemented by each company. The results of deployed questionnaires that used to explore public relations strategy were converted into the Internal Factor Analysis Summary (IFAS) matrix that shown in Table 2 below and the External Factor Analysis Summary (EFAS) matrix in Table 3, which is consist of the measurement of weighting, rating and score. Then all obtained assessments were used to find out the position of public relations strategy in the IE Matrix presented in Figure 1.

The IFAS score obtained from the weighting of the internal indicators that multiplied with rating in each of the internal indicators. The internal factors in IFAS matrix divided into two categories are strengths and weaknesses. The details of IFAS matrix with a total score of 2.88 presented in Table 2.

**Table 2.** IFAS of Public Relations Strategy

No	Strength	Weight	Rating	Score
1	Variety of publication media	0.08	3.00	0.23
2	Intensity of publications through social media	0.08	3.71	0.28
3	Variety of news	0.07	2.86	0.19
4	Intensity of releasing news	0.07	3.29	0.23
5	Public relations activities that involves local community	0.07	3.14	0.21
6	Variety of goods that using Alila's signature	0.07	3.57	0.23
7	Consistency of building concept	0.06	3.57	0.21
8	Intensity of media call with press	0.07	3.29	0.24
9	Intensity in hosting social media influencer	0.08	3.29	0.25
10	Variety of CSR activities	0.06	3.29	0.21
11	Intensity of CSR activities	0.05	3.00	0.16
	Total	0.82	39.01	2.44
No	Weakness	Weight	Rating	Score
1	Intensity of creating publication contents	0.07	1.86	0.13
2	Variety of events	0.06	1.86	0.11
3	Intensity of events	0.05	1.71	0.09
4	Readiness in responding guest review and deliver it to related departments	0.07	1.57	0.11
	Total	0.25	7.00	0.44
Total Weight x Rating for Internal Factor				2.88

After analyzing the internal factors, it continued by the external factors which consist of opportunities and threats. This EFAS (External Factors Analysis Summary) will show the total score determined by multiplying the weight and rating of each indicator with a total score of 2.80 as shown in Table 3.

**Table 3.** External Factor Rating of Public Relations Strategy

No	Opportunity	Weight	Rating	Score
1	The availability of funding by chains in supporting branding	0.11	3.29	0.37
2	Mutually cooperation among hospitality chains	0.08	2.57	0.21
3	Intensity of beneficially campaign	0.08	2.57	0.21
4	Sustainability policy	0.11	3.29	0.37
5	Brand manager digital assets policy	0.10	3.29	0.33
6	Local people culture and hospitality	0.09	3.14	0.29
7	Characteristic and type of guests that have been visited Alila Villas Uluwatu	0.07	2.57	0.19
8	Type of external services on promotion	0.09	3.29	0.29
9	Credibility and rating of external services	0.09	3.29	0.29
	Total	0.83		2.55
No	Threats	Weight	Rating	Score
1	The activities of Alila Villas Uluwatu's surrounding in relation with competitor existence	0.09	1.86	0.16
2	Bad reviews given by guests about Alila Villas Uluwatu	0.08	1.14	0.09
	Total	0.08		0.25
Total Weight x Rating for External Factor				2.80

The next step is finding the position of Alila Villas Uluwatu's public relations strategy with IE Matrix. In the previous calculation, the score of current IFAS is 2.88 and the current EFAS score is 2.80. Through these scores, the position of public relations strategy of Alila Villas Uluwatu presented in Figure 2 below.

		2.88		
		High 3,0-4,00	Average 2,0-2,99	Weak 1,0-1,99
The Total Score of External Strategy Factor	High 3,0-4,00	I GROWTH (Concentration Through Vertical Integration)	II GROWTH (Concentration Through Horizontal Integration)	III RETRENCHMENT Turn Around
	Medium 2,0-2,99	IV STABILITY Wary	V GROWTH (Concentration Through Horizontal Integration)	VI RETRENCHMENT Captive Company or Divestment
			GROWTH Stability	
	Low 1,0-1,99	VII GROWTH (Concentric Diversification)	VIII GROWTH (Conglomerate Diversification)	IX LIQUIDITY (Bankrupt or Liquidation)
		The Total Score of Internal Strategy Factor		

**Figure 2.** IE Matrix of Public Relations Strategy

Figure 2 shows the position of the current strategy in cell V that is in growth and stability strategy. Growth strategy through horizontal integration is an activity to expand the company by increasing the types of products and services, companies in this cell can expand markets, production facilities, and technology through external development (Rangkuti 2018: 98). The result of horizontal integration is the ability to produce more revenue together compared to if they were to compete independently. Based on the result of the Internal-External (IE) Matrix, Alila is recently being acquired by Hyatt Hotels Corporation, the horizontal integration could blend the brand image into Hyatt Brand by applying PENCILS strategy. This horizontal integration wish to help the company expand into new markets including overseas. There are 7 alternative strategies generated from SWOT matrix as shown in Table 4.

**Table 4.** SWOT Matrix

IFAS EFAS	Strengths (S) S1,S2,S3,S4,S5,S6,S7,S8,S9,S10,S11	Weaknesses (W)W1,W2,W3,W4
Opportunities (O) O1,O2,O3,O4,O5, O6,O7,O8,O9	SO Strategies 1. Allocating more budget to increase the number of hosted social influencers & media according to the target market and also for boosted branding contents in Facebook and Instagram 2. Develop multi publication channels such as Twitter and YouTube account	WO Strategies 1. Create collaborative events among chains 2. Utilizing PR agencies to release testimonial - press release to overcome a crisis of trust.
Threats (T) T1,T2	ST Strategies 1. Conducting competitor research and benchmarking to increase the digital reputation and customer care 2. Create YouTubers and Photoshoot collaboration	WT Strategy 1. Create small-scale events such as giveaway and give complimentary to people who gave terrible reviews.

Based on Table 4, the detailed explanation presented as follows.

1. SO (Strength Opportunity) Strategies

Based on the strengths and opportunities of Alila Villas Uluwatu, there are two alternative strategies recommended in these SO strategies.

- a. As Alila Villas Uluwatu currently being acquired by Hyatt Hotels Corporation, it has provided a bigger platform that can help in strengthening the brand image. It should encompass branding's budget. This budget intended to increase the number of hosted social media influencers & media that meet the targeted public of Alila Villas Uluwatu. Those targets are Australia, the United Kingdom, the United States of America, South East Asia and currently is developing to Russia. Even though the intensity in hosting social media influencers becomes the major strength, when it compared into the other competitors, the average hosting were 5 influencers & media while Four Seasons Resort Bali at Jimbaran Bay was able to host up to 27 influencers and medias in a month based on the previous research by (Dika, 2018). Besides that, also a budget to boost branding content in social media. Through this paid feature, Alila Villas Uluwatu can publish branding contents such as carousel contents, CSR activities or brand campaign events that have been held to be seen by the massive public. The benefit of this feature is helping the Alila Villas Uluwatu in raising awareness by serving appropriate content based on user interests and based on user location.
- b. Alila Villas Uluwatu can develop multi publication channels. It can start by creating another social channel such as a Twitter and a YouTube because Alila Villas Uluwatu does not have YouTube account while others Alila's group and Hyatt Hotels Corporation are using these kinds of social channels.

2. ST (Strength Threat) Strategies

ST strategies use the strengths to tackle the threats faced by Alila Villas Uluwatu. There are two alternative strategies recommended in this ST strategy.

- a. Alila Villas Uluwatu should conduct competitor research and benchmarking to increase the digital reputation and customer care. Digital reputation and customer care here is regarding an application that can use to manage all social channels. It could be better if the management considers adding a new person in charge as a social media specialist, as the competitors did. Here is focused to listen, monitor and respond to the conversation happening. After that, scheduling time to respond all notifications and re-updating all digital marketing contents in social channels especially the latest photo about this property or promotion. This kind of strategy also suggested in previous research conducted by (Dika, 2018).



- b. Create collaborations with YouTubers and photoshoot collaboration. Photoshoot collaboration conduct with some magazine or talent agency. These collaborations will allow people to see the visual aspects of the resort through all detailed venue in some pictures and the real situation through video. Nowadays, YouTube becomes a famous platform to share the video in a wider scope. This channel can help this resort in branding also generates new inquiries.

### 3. WO (Weakness Opportunity) Strategies

WO strategies will be used to minimize the weaknesses and utilize the opportunities. There are two alternative strategies recommended in these WO strategies.

- a. Create collaborative events that involved all external environments. These events held by some hotels/resorts in the same chain. This event could be a press conference, anniversary event or wedding exhibition. The purpose is to reach more prospective public/markets and save the cost at the same time; also, can gain more publication distribution according to the target market when they are together holding a press conference or other media events. Comparing to the previous researches, organizing a media event helps the company in raising awareness of the hotel's brand image.
- b. Utilizing PR agencies to release a testimonial press release. Currently, the deployed press releases about Alila Villas Uluwatu only three types of press releases; basic press release, product release and executive statement release. PR agencies can develop another testimonial release that contains the story during people's stay at Alila Villas Uluwatu. PR agencies that have good credibility will have a complex strategy with a wider scope to overcome the crisis of trust.

### 4. WT (Weakness Threat) Strategy

WT strategy will be used to minimize the weaknesses and tackles the threat. The strategy that can apply is create small-scale events like give away and give complimentary to people who gave terrible reviews. This strategy is expected to make the guests or happy and satisfied. By this chance, the resort can ask the guests to create a positive review in TripAdvisor, Website, Google or Social Media with pictures in resort area as evidence and it can help the hotel to create a good image as an accommodation provider.

## **QSPM (Quantitative Strategic Planning Matrix) Analysis**

The last step of this research is to find out the most effective alternative public relations strategy that can be applied by Alila Villas Uluwatu. The summary of the QSPM assessment presented in Table 5.

As presented earlier in Figure 2, the current position of public relations strategy is in Cell V, which is of growth and stability in the IE Matrix that requires horizontal integration (Rangkuti

2018:98). The seven alternative strategies generated by SWOT Matrix were ranked by using QSPM based on the total attractive score (TAS) that given by respondents. The highest score gained from SO1, ST1 and WO1 strategy. The combination strategies can be the option that has to apply.

**Table 5.** Alternative PR Strategy by QSPM

Strategy Code	Strategy	TAS
SO1	Allocate more budget to increase the number of hosted social influencers & media according to the target market and also for boosted branding contents in Facebook and Instagram	167.41
ST1	Conducting competitor research and benchmarking to increase the digital reputation and customer care	149.74
WO1	Create collaborative events among chains	145.24
WT1	Create small-scale events such as giveaway and give complimentary to people who gave terrible reviews	142.51
ST2	Create YouTubers and photoshoot collaboration	140.91
SO2	Develop multi publication channels such as Twitter and YouTube account	138.78
WO2	Utilizing PR agencies to release testimonial-press release to overcome a crisis of trust	135.95

## CONCLUSIONS

Based on the previous results and discussion, the conclusions drawn as follow. Two factors that affect the public relations strategy in strengthening brand image at Alila Villas Uluwatu; The Strengths and Weaknesses of Internal factors and The Opportunities and Threats of External factors. Alila Villas Uluwatu has 11 Strengths and 4 Weaknesses of Internal Factors: 9 Opportunities and 2 Threats of External Factors. The appropriate strategies among seven alternative strategies that could be applied by Alila Villas Uluwatu are allocating more budget to increase the number of hosted social influencers & media according to the target market, also for boosted branding contents in Facebook and Instagram, conducting competitor research and benchmarking to increase digital reputation and customer care and create collaborative events among chains.

Some suggestion needs to be considered to make improvements in the future. Internal and external factors should work together in applying a combination of main alternative strategies also work in the reviews given by the public to earn public trust that affecting the brand image.

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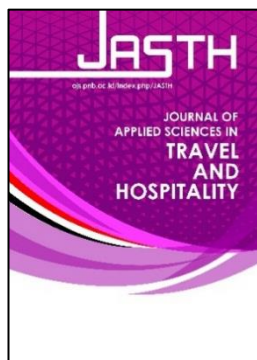
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# Analysis of Chinese Market Average Daily Rate (ADR) to Overall ADR at Conrad Bali Hotel

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## Abstract

This study aims to analyze the relationship and influence of the Chinese market Average Daily Rate (ADR) on the overall ADR at Conrad Bali Hotel. Data collection used in this study through observation, interview, and documentation. The analysis techniques used are descriptive statistics, correlation analysis, simple linear regression, and the coefficient of determination test ( $R^2$ ). The results of this study indicated that the Chinese market ADR (X) variable has a positive correlation with very strong category, overall ADR with a correlation value of 0.819. The coefficient regression is 1.085 and the coefficient determination shows that the influence of Chinese market ADR (X) on overall ADR (Y) is 66%. Thus, Chinese market can be an option to filling the occupancy when low seasons and a good target market when special occasion but should be followed by a necessary way to optimize its strength.

**Keywords:** *Average Daily Rate (ADR), overall ADR, Chinese market, correlation*

## INTRODUCTION

Hotels usually apply low room rate for Chinese market, which leaves the hotel business in a low profitability, yet hotels still keen to target this market segment. China is one of the biggest countries with a huge population. There are about 1.41 billion people live there with income per capita in 2019 at \$ 10,263.741 (<https://www.ceicdata.com/id/indicators>). China also ranked 57th for the prosperity index out of 167 countries around the world (<https://www.prosperity.com/globe/china>). Hence China becomes a potential market when it comes to tourism. In 2018, 5,572,142 tourists from China came to Bali to spend their leisure time and to have a holiday. Chinese market also dominated the visitors in Bali with 22.99 percent in 2018 (<https://travel.detik.com/travel-news/d-4368482/turis-china-dan-australia-terbanyak-liburan-ke-bali-sepanjang-2018>). It means that if we can bring them to the business, there will be much income and improvement in the tourism business, because there are a lot of visitors come to enjoy the destination. But there is a phenomenon which says that Chinese market will ruin the business and disturb the other potential market because of the price that needs to be adjusted if they want to attract Chinese market. Chinese people being very loud and hard to control are some of the reasons why people in Bali, especially in Hotel business hard to deal with Chinese (Respondent 1). The hotels also must adjust the rate of their rooms

to the cheaper rate if they want to attract the Chinese market. Those challenges also make the hotel hard to bring their business if it comes to Chinese market.

The hotel business is one of the important supporting product components in the whole of the tourism industry. With rooms as their main product, they accommodate the guests who come to Bali to have a beautiful time and enjoy their journey more by giving them a pleasant stay to enhance their experience of travelling. Even though hotels also selling food and beverage, but room is still their main product that also becomes their main source of income. Hence, the rate of their room is usually fantastically high but also gets along with the services that they provide. Every month, there will be an average daily rate (ADR) that will show the average room rate selling within a month (Oses, 2016). This ADR also reflects the competition of rate with the other hotel. Whether it is competitive enough, or too high to sell, or might it be too low. That is what will be reflected by the ADR every month.

Conrad Bali is one of the 5-star hotels in Bali. Having beach inside the resort and one of the properties of Hilton Worldwide make Conrad Bali become trusted and famous hotel among travelers and hotelier. The unique fact is Conrad Bali mostly has Chinese travelers as their guest. Chinese travelers also never out from the top three markets or visitors of Conrad Bali. This is also related to the rate that they sell, whether it is competitive or not for the Chinese market and is it affected the whole rate or in this case we say it as an average daily rate (ADR).

Starting by wondering how the Chinese market, especially the wholesaler rate affecting the average daily rate of a room at Conrad Bali, the writer found that it is interesting to prove the assumption of the bad effect caused by Chinese market on the overall ADR at Conrad Bali Hotel. The purpose of the research is divided into two, namely: 1. To identify the condition of Chinese market ADR at Conrad Bali. 2. To identify the impact of that condition to the ADR at Conrad Bali.

## **RESEARCH METHOD**

The data collection method used in this study are observation, interview, and documentation. Observation is an activity of monitoring the research object (Sugiyono, 2015). The observation method divided into two, which are participant and non-participant. the method that used in this study is non-participant. The data obtained is an overview of sales activity up to product selling. Interview is the way to get information from the person who knows and directly involved in the job or the study object (Sugiyono, 2015). The interviewees are someone who can provide accurate information that needed for the study. In this case, the interview was conducted with the Director of Sales, Sales Manager all market and Chinese market wholesale, and revenue analyst. Documentation was implemented as one of the data

collection methods, regarding overall ADR per month and ADR Chinese market from January 2016 to December 2018 that will be shown in million rupiahs.

Operational variables have to be defined to clarify the variables used in this study and discuss the scope of the research problem. The operational variable in this research are Chinese Market ADR (X) and overall ADR (Y). ADR represents the average room rental income per paid occupied room in a given period. Two ADRs being discussed are:

1. The rate per room that given by Conrad Bali to Chinese Market wholesale, which is the offered rate that determined and discussed by the sales team who handles the market from January 2018 to December 2018.
2. The whole rate per room per night per month in Conrad Bali that calculated by dividing room revenue with the total room that sold on that month. It will show the average room rate that they sell every month from January 2016 to December 2016.

“Data analysis is the process of systematically searching and arranging the interview transcript, field notes, and other materials that will be accumulate to increase the understanding of them and to present what have discovered to others” (Sugiyono, 2016). In this research, the analysis technics used are quantitative and qualitative technics. The quantitative technic is statistic descriptive, correlation analysis, and simple linear regression analysis. According to Sugiyono (2011) “quantitative analysis is used to analyze data by describing the data that has been collected as is without intending to draw a conclusion that apply to general”. The quantitative analysis was analyzed using Microsoft excel and SPSS program. The quantitative analysis used statistic descriptive analysis to find the mean and standard deviation of Chinese market ADR and overall ADR.

The next process was correlation analysis. Correlation analysis used to find the strength and form of correlation between Chinese market ADR and overall ADR. The next step was the classic assumption test, the test that needs to be completed before the regression analysis. There were four steps of the classic assumption test, included the linearity test, normality test, heteroscedasticity test, and autocorrelation test. The next process was the simple regression analysis to find the impact of Chinese market ADR on overall ADR. The last step was to determine the coefficient determination to know the percentage of the contribution given by Chinese market ADR to overall ADR. After all the analysis was done, the very last step is qualitative analysis which is to describe the result of quantitative analysis to create a better understanding about the study result (Miles and Hubberman, 2014).

## RESULTS AND DISCUSSION

### 1. Statistic Descriptive

Statistic descriptive analysis is a simple statistic (mean and standard deviation) that is used to analyze data by describing or giving the whole picture of the data that collected as it is without intending to make a conclusion that generally accepted. Table 1 below shows the result of statistic descriptive analysis result using SPSS 25.

**Table 1.** Statistic Descriptive Result

Descriptive Statistics			
	Mean	Std. Deviation	N
Overall ADR	1,738,221.33	312,994.93	36
Chinese Market ADR	1,515,203.39	236,365.89	36

From the above table it can be stated that:

- The sum of the data used in this research is 36 data. The data was taken from Chinese market ADR and overall ADR from the period of January 2016 – December 2018 (36 months).
- The average of Chinese market ADR at Conrad Bali Hotel is IDR 1,515,203.39 with IDR 236,365.89 as the standard deviation.
- The average of overall ADR at Conrad Bali Hotel is IDR 1,738,221.33 with IDR 312,994.93 as the standard deviation.

### 2. Correlation Analysis Result

Correlation analysis is an analysis technique used to measure the strength of the relationship between two variables, which could be strong, weak, or intermediate. This analysis also shows the form of correlation by percentage and it determines the strength of correlation between variable X and Y. Table 2 below shows the result of correlation analysis using SPSS 25.

**Table 2.** Correlation Analysis Result

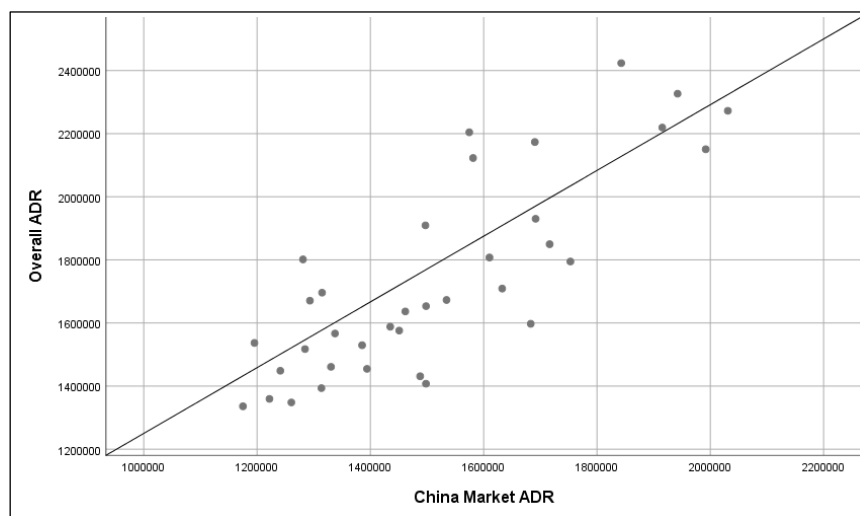
Correlations			
		Overall ADR	Chinese Market ADR
Pearson Correlation	Overall ADR	1.000	0.819
	Chinese Market ADR	0.819	1.000
N	Overall ADR	36	36
	Chinese Market ADR	36	36

The table above demonstrates that the Pearson Correlation row shows the correlation between variable X (Chinese market ADR) and variable Y (overall ADR). It shows 0.819 as its

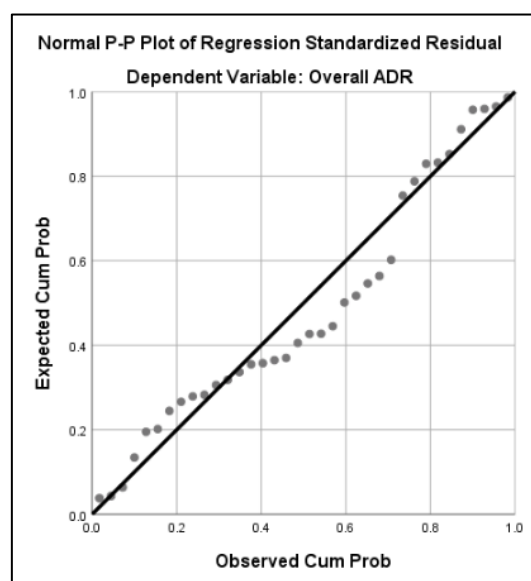
result of correlation. If the result of correlation analysis is between 0.80 – 0.100, it means that the correlation is very strong (Sugiyono, 2014). Since the result is 0.81, it means that the correlation between variables X and Y is very strong and it is a positive correlation because the result is near to +1. Therefore, if Chinese market ADR value increases, it will be followed by the increase of overall ADR and vice versa.

### 3. Classic Assumption Test

The scatter plot diagram (Figure 1) shows that the plots are moving from the left bottom to the right upper. It means that, variable X and Y have a linearity relationship, which if Chinese market ADR increasing in that value, overall ADR will also increase and vice versa. Thus, this test is passed, and the data is ideal to be used, in terms of its linearity.



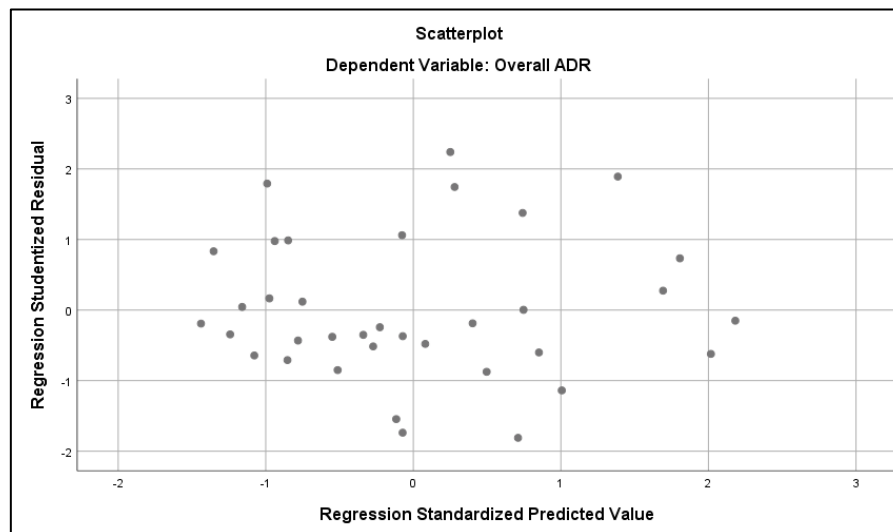
**Figure 1.** Scatter Plot Diagram



**Figure 2.** Normal Probability Plot Diagram



According to Ghozali (2011), the regression model is said to be normally distributed if the plotting data (points) that describe the actual data follow a diagonal line regularly, then the regression model is normally distributed. The diagram (Figure 2) shows that the plots are following the diagonal line regularly. Therefore, the data of Chinese market ADR and Overall ADR that used in this research is to fill the condition of normality test which is the data is normally distributed, so the data can be used for this regression analysis. According to Ghozali (2011), there are no symptoms of heteroscedasticity, if there are no clear patterns (bumpy, widened then narrowed) in scatterplots, and the points spread are above and below the number 0 on the Y-axis. The plot (Figure 3) shows that there are no clear patterns that form by the plots and also the points are above and below the number 0 on the Y-axis. Thus, variable X and Y in this research is free from heteroscedasticity symptom and it can be used for this regression analysis.



**Figure 3.** Heteroscedasticity Test

To determine the condition of the data, the value of Durbin-Watson needs to be in between  $d_u$  and  $4-d_u$  value. The value of  $4-d_u$  can be determined by looking into the Durbin-Watson table. Because the variable X is only one, so the value of  $d_u$  that needs to be seen is the  $k = 1$  column with  $n = 36$ , because the number of data used in this research is 36. The  $d_u$  value for one independent variable with 36 as the sum of data is 1.524. The  $d_u = 1.524$  and  $4-d_u = 2.476$ . Hence, the value of Durbin-Watson should be between 1.524 and 2.476. Since the Durbin-Watson value is 1.639 as shown by the table (Table 3), it means that there is no autocorrelation in variable X because the Durbin-Watson value fills the condition of this test.

Therefore, the data is free from autocorrelation and the data can be used for the next step, which is a simple regression analysis.

**Table 3.** Durbin-Watson Value

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.819 <sup>a</sup>	0.671	0.661	182141.087	1.639

#### 4. Simple Linear Regression Analysis

Table 4 shows that Constanta = 94,623.98 and coefficient regression = 1.085. By knowing that, the formula of simple regression analysis be operated, which is:

$$Y = a + bX$$

Overall ADR :  $Y = a + bX$

:  $Y = 94,623.98 + 1.085X$

:  $94,625.17(X)$

From the above equation, it can be analyzed that:

- The coefficient regression of variable X is 1.085 which is a positive number. This means if there is increasing in Chinese market ADR as much as 1 unit, it will increase the number of overall ADR as much as 1.085.
- The constant value is 94,623.98 which means that is the constant value of the overall ADR is 94,623.98. It means if (X=0), the value of overall ADR is 94,625.98.
- From the result, it can be concluded that Chinese market ADR has a positive impact to overall ADR. If the value of Chinese market ADR increase, the overall ADR will also increase and vice versa.

**Table 4.** Coefficient Table

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	94623.981	199681.416		0.474	0.639
	Chinese Market ADR	1.085	0.130	0.819	8.328	0.000

#### 5. SG Coefficient Determination

Table 5 shows that the R square value is 0.661. If we change it into percentage form, it will be 66% of the contribution that given by variable X to variable Y. Hence, Chinese market ADR contribute as much as 66% to overall ADR at Conrad Bali Hotel, and the other 34% is

the contribution by other variables that did not include in this research. Even though the rate of Chinese market is often lower than the overall ADR, which means it is lower than other markets, but the salesperson still targeting the Chinese market as their fixed customer.

**Table 5.** Model Summary Table

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.819 <sup>a</sup>	0.671	0.661	182141.087	1.639

Realizing that fact, there is, of course, a strategy used by the sales team of Conrad Bali to attract the Chinese market, since one of the characteristics of Chinese market is that they intend to have a lower price than other markets. On the other hand, it is also good for the hotel if they can increase the price of Chinese market in high and peak seasons, because of the correlation between Chinese market and Overall ADR is very strong. To make sure that the Chinese Market ADR is not too low, the hotel can increase the rate for Chinese market on a special occasion, like high and peak seasons especially when it is near to their festival because all of the prices are automatically increase because of high demand based on demand and supply theory. When the demand increase, the price will also automatically increase. By this chance, not only other markets, but the hotel can also increase the price of Chinese market. This will give an advantage to the hotel. Adjusting the rate, creating a promotion, and making contracts with Chinese market is a long worth process for the hotel business, because they have to make a good calculation to make sure that their rate adjustment and promotion do not become a boomerang for their revenue. The goal to attract Chinese market is simple, that is to fill the room and to get high occupancy, so their scarification on the rate and promotion will be paid off by a stable revenue and occupancy.

## CONCLUSIONS

Based on the data and the results of data analysis and discussion on Analysis results of Chinese market ADR to Overall ADR at Conrad Bali Hotel, and also referencing to the literature review that related to this research, it can be conclude that

- a. As presented by the ADR table and statistic descriptive table, Chinese market ADR is shown to have a lower value than overall ADR at Conrad Bali Hotel. However, it does not put the overall ADR at risk because the Chinese market ADR still has competitive price and not too low.
- b. Having Chinese market as one of the top market segment is good, especially for hotel occupancy, but the rate for Chinese market need to be controlled by revenue department

and monitoring the other competitor to make sure that the price is not too low and must be profitable.

- c. To make the rate of Chinese market ADR increases, the hotel could set a higher rate for this market segment during high and peak season, for example the period of Chinese New Year eve, so the ADR can be increased because of high demand.

## ACKNOWLEDGMENT

The writer would like to express sincere gratitude to the God for the strength that He gives to me to never give up, Director of Politeknik Negeri Bali, the Management of Tourism Department for the supporting facilities for this research matter, Prof. Ni Made Ernawati. PhD. and Dr. I Ketut Budarma, M.Par., MMTHRL for the unstoppable advice and support during this research period, Dr. I Gede Mudana, M.Si as the reviewer for this research, all the management of Conrad Bali Hotel that provides all the supporting data regarding this research and lastly, to my parent and all my friends who never stop on support and courage to given to me to finish this research.

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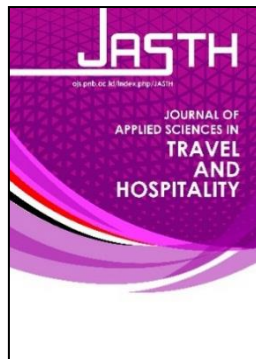
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## Personal Comment

Respondent 1: Ms. X (for the purpose of privacy, real name is not provided), female, sales manager, interview was done at Conrad Bali Hotel on Wednesday, October 16<sup>th</sup>, 2020.

# Marketing Strategy in Enhancing Competitive Advantage at Mercure Chamonix Center Hotel, France

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## Abstract

The purpose of research was to develop a marketing strategy that can be applied to Mercure Chamonix Centre Hotel, France in enhancing the competitive advantage. This research is qualitative research through direct observation, interviews, and the study of literature. Data analysis performed by Internal External Factors, IE matrix analysis, SWOT analysis and QSPM. The result of analysis showed the position of Mercure Chamonix Centre Hotel, France in IE Matrix is in the fifth Cell with the total weight score for internal factor is 2.989 and the external factor with the score of 2.856. the position is on Growth (Concentration Through Horizontal Integration) or stability (there is no change). In SWOT Matrix, it can be defined to 5 strategies: SO (1. Add products, especially foods according to the origin of guest 2. Improving promotion techniques), WO (Adjust prices with competitors on similar products according to the perception of guest through social media), ST (Increase promotion by adding media channels) and WT (Improve employee performance on all lines through regular training). QSPM analysis shows that the strategy should be prioritized: (1) SO1 with the total TAS 6.61; (2) SO2 with the total TAS 5.73; (3) ST1 with the total TAS 4.26; (4) WO1 with the total TAS 4.60; (5) with the total TAS 4.20. Based on QSPM analysis it can be suggested the appropriate new marketing strategy for Mercure Chamonix Centre Hotel is Add products, especially foods according to the origin of guest.

**Keywords:** *marketing strategy, marketing mix, competitive advantage*

## INTRODUCTION

Hotels achieve and maintain competitive advantage and have great attention to competitive perspective (Porter, 1985 in Zhou, Brown and Dave, 2009) and the resource-based view (RBV) (Zhou, Brown, and Dave, 2009). In enhancing the competitive advantage, the marketer has to maintain its marketing. Marketing is a tool to meet customer satisfaction as well as to get profits for the company. Besides that, marketing plays a big role in creating customer values and managing profitable customer relationships or in other words as marketing is tool to satisfy customer needs (Kotler, et al. 2015). Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large (Wilkie, 2007)

this is in agreement with Kotler's (2012) opinion that marketing must be able to change the image of unpopular products and try to smooth out irregular demand. Marketing is managing profitable customer relationships to create value for the customer and capture value from customers in return (Kotler and Keller, 2003). In the marketing process, the customer must get value and the company must get the value from the customer in the form of profit (Chumaidiyah, 2014) because marketing is increasing woven into the fabric of every part of the business (West, Ford, and Ibrahim, 2015). By maintain the marketing of the company can maintain the strategy of marketing.

Marketing strategy is a marketing activity that combines all elements of the marketing mix so that the company's internal and external environment becomes harmonious (Kotler, et al. 2015). Marketing strategy is a combination of product, price, distribution, and promotion that is most suitable for certain customer groups (Peter, Olson and Grunet, 1999). With a marketing strategy, the company can create customer value and achieve profitable customer relationships (Kotler, et al. 2015: 70) and achieve company goals (Varadarajan, 2015). through marketing strategies, the company can adjust to market needs and requirements.

Marketing mix 4 Ps (product, Place, Price, and Promotion) has grown to 7 Ps with the addition of 3 Ps namely people, process and physical evidence and even 10 Ps is relevant to hotel service companies, tourism organizations, and other travel-related companies (Bojanic, 2016). The marketing mix element as an internal capability is an important factor resource to influence competitive advantage (Kotler, et. al. 2015). Salman, et. al. (2017) have conducted research and developed a new marketing model and the marketing mix component. Salman Model uses the total of 12 P with 9 P's for internal environment (product, price, place, promotion, people, process, policy, physical evidence, programming) and 6 Ps for external environment (promotion, perception, people, policy, partnership, purse string). The marketing mix model by Salman (2017) can applied in tourism industry to gain the competitive advantage. Competitive advantage is the company's position in a market that is superior to competitors from the company's ability to utilize internal strengths and respond to external environmental opportunities while avoiding external threats and internal weaknesses (Porter, 1985). The relationship between marketing mix and competitive advantage if the company can do something that cannot be done by a competitor it can be said as a competitive advantage.

To develop strategies, Strength, Weakness, Opportunities and Threats (SWOT) analysis can be used as a tool to analyse the strategic position of the business and its environment in order to create a business model of the company (Lupu et. al, 2016; Piercy & Giles, 1989; Ayub, et. al, 2013). To analyse the external environment, a company or organization must be able to identify all the opportunities and threats that potentially interfere with the company or organization (Rangkuti, 2018). But it still needs more analysing to define the appropriate

strategy can be applied in the company by combining SWOT and Quantitative Strategic Planning Matrix (QSPM) (David, David & David, 2009).

In a total of 23 four-star hotel, the rating of Mercure Chamonix Centre Hotel 82 (excellent). Among the excellent rating, Mercure Chamonix Centre Hotel is in the number 11 from 15 four-star hotel (luxury hotels guides, 2019). When viewed from its position Mercure Chamonix Centre Hotel needs to make breakthroughs and innovations to have a competitive advantage or be superior to its competitors. To win the competitiveness Mercure Chamonix Centre Hotel have to evaluate its strategy. Based on the background described above, the research questions are: What are the internal and external factors affecting Mercure Chamonix Centre Hotel in Enhancing the Competitive Advantage and What is the appropriate new marketing strategy that can be applied at Mercure Chamonix Centre Hotel in Gaining Competitive Advantage.

## **RESEARCH METHOD**

The study was conducted at Mercure Chamonix Center Hotel located in the city of Chamonix, precisely 39 Rue des Allobroges, 74400 Chamonix-Mont-Blanc. This research is qualitative with the company's internal and external factor of the marketing mix model by Salman (2017) as follows: (1) Internal environment Factor of 9 Ps are: Programming, physical Evidence, Policy, process, people, promotions, price, place, and product; (2) External environment factor of 6 Ps are: Purse string, partnership, policy, people, perception, promotion. Data collection was carried out on all hotel managers at the Mercure Chamonix Center hotel through interviews and questionnaires. The analysis phase used SWOT and QSPM.

## **RESULTS AND DISCUSSION**

### **Internal Factor Analysis**

The IFE matrix is used to find out the influence the Mercure Chamonix Center Hotel internal factors have. Internal environment analysis is done through identifying the hotel's internal factors to determine the strengths and weaknesses of the Mercure Chamonix Centre Hotel. After it is identified the next step is giving weight and rating for each variable, then re-analysis has been conducted after the IFE Matrix to give a more details and clear result. The IFE Matrix is to base on result of weight and rating using matrix IFE, the result of Matrix IFE can be seen in Table 1.

**Table 1.** Internal Factor Analysis Summary (IFAS)

No	Strengths	Weight	Rating	Score
1	The product is designed the market offering and its quality control	0.117	3.5	0.403
2	Product and service available conveniently located	0.117	3.4	0.392
3	Implies an environment that facilitates transaction or effect the expectation and those are ambient conditions, special layout, signs, and symbols	0.114	3.2	0.363
4	Rules and procedures mechanism and flow of activities by which services are delivered to the customers suit to the Procedure Standard	0.111	3.1	0.342
5	Technique by promoting products and services where customers can enjoy stop marvelous rewards provide by the 'bonus Point' program	0.114	3.0	0.341
6	Create message, choose media (communication) channels	0.114	3.0	0.341
7	Internal rules and regulation support the company	0.108	2.6	0.284
	Total	0.793		2.467
	Weaknesses	Weight	Rating	Score
1	The cost of the product and service to be sold affordable prices	0.102	2.5	0.255
2	All personal in the service process was on one side can employees and on other service, consumers are co-producers and another consumer as people who can influence the overall perception	0.105	2.5	0.267
	Total	0.207		0.522
	Total Weight x Score for the Internal Factors	1.000		2.989

Table 1 showed that the calculation results of total weights and rating for the internal factors is 2.989, above the average or in a very strong position of the overall strategic position in an effort to utilize its strengths and cover its weaknesses.

### External Factors Analysis

Matrix External Factor Analysis Summary (EFAS). After calculating the weight and rating then the next step is scoring each indicator to determine the total score. The EFE matrix is used to find out how much influence the Mercure Chamonix Center Hotel external factors have. The total value weighted in this matrix is the sum of the total multiplications of weights and ratings of each external strategic factor. In Table 2 can be seen that the results of multiplication of weights and rating for the external factors is 2.847, which is above the average of the overall strategies used.

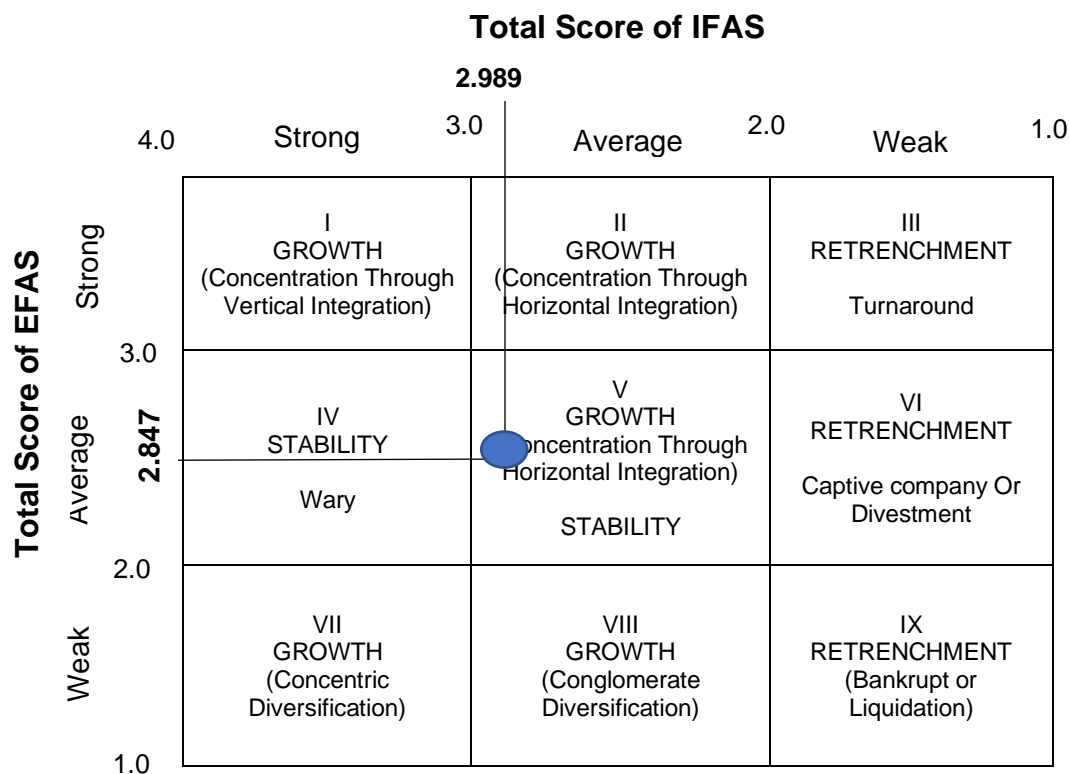


**Table 2.** External Factor Analysis Summary (EFAS)

No	Opportunities	Weight	Rating	Score
1	Stakeholder and the customer who is served daily support the company	0.174	3.3	0.574
2	It is a cognitive or knowing process through which persons make interpretations of the stimulus or situation they are faced with	0.179	3.2	0.573
3	The people who can help and support the company	0.159	2.9	0.461
4	External rules and regulation of the government support the company	0.174	2.8	0.487
	Total	0.686		2.095
	Threats	Weight	Rating	Score
6	Media Channel used for promotion	0.159	2.4	0.382
7	The funding source easy to get	0.154	2.4	0.370
	Total	0.313		0.751
	Total Weight x Score for the Internal Factors	1.000		2.847

### The Position of Mercure Chamonix Centre Hotel Internal – External Matrix

The average value of IFE is 2,986 and the average EFE is 2.847. This value shows the position of quadrant V which shows the strategy needed for the company today is Hold and Maintain strategy. IE matrix can be seen in Figure 1.



**Figure 1.** The Position of Mercure Chamonix Centre Hotel in Internal – External Matrix

As shown in Figure 1, it can be analyzed the position of Mercure Chamonix Centre Hotel is in the V cell that indicate the position base on IFAS and EFAS Matrix is in the growth strategy.

Expansion of the target market that is controlled by the Mercure Chamonix Center Hotel thus maximizing its marketing. For summer is more controlled Asian especially china it can be expanded with other Asian countries such as Japan Thailand Vietnam. Winter is more dominated by people who wish to ski, they mostly come from US, UK, Switzerland, Germany and it can be expended to other country such as: Italy, Spain, Mexico, Colombia, Argentina.

### The Position of Mercure Chamonix Centre Hotel in SWOT Matrix

The SWOT matrix produces several alternative strategies obtained from internal and external variables in accordance with the position of Mercure Chamonix Centre Hotel, France in the IE matrix, which is Grow and build strategies as shown in Table 3.

**Table 3.** SWOT Matrix of Mercure Chamonix Centre

EFAS IFAS	STRENGTHS (S) S1, S2, S3, S4, S5	WEAKNESSES (W) W1, W2
	STRATEGI SO	STRATEGI WO
OPPORTUNITIES (O) O1, O2, O3, O4	Add products, especially foods according to the origin of guest. Improving promotion techniques	Adjust prices with competitors on similar products according to the perception of guest through social media.
THREATS (T) T1, T2	STRATEGI ST  Increase promotion by adding media channels.	STRATEGI WT  Improve employee performance on all lines through regular training

The alternative strategies generated from the analysis of SWOT analysis, while taking into account the vision, mission, goals, and objectives of Mercure Chamonix Centre Hotel are as follows:

1. Add product, especially food according to the origin of guest. This strategy has a goal for guest who do not like European food, especially French food. They can choose the food they normally consume. this is usually intended for individuals because it is easier to manage, whereas for groups it is more difficult to manage if you have different choices. with products from the origin of guests, they will feel more comfortable at least with food that can satisfy them.
2. Improving the promotion technique, choosing media channels, and creating new product variations. improve techniques in promotion, by designing more attractive than before so that it can attract more guests than before.
3. Increase promotion by adding media channels. Add other media to expand the promotional area, France areas that may come to visit Chamonix but have not gotten information or areas outside of France.

4. Adjust prices with competitors on similar products according to the perception of guest through social media. This strategy aims to make guest have the perception of hotel products at least have the same quality as competitors.
5. Improve employee performance on all lines through regular training. By providing training, especially service, employee performance will increase significantly. Training will improve skills in service and also when dealing with guests. Their experience will increase and they will be trained to deal with a problem.

### **The Appropriate New Marketing Strategy That Can Be Applied at Mercure Chamonix Center Hotel in Gaining Competitive Advantage**

Based on data processed it can be summarized the result of the QSPM as shown in Table 4.

**Table 4.** Alternative Strategy

Strategy Code	Strategy	TAS
SO1	Add products, especially foods according to the origin of guest	6.61
SO2	Improving the promotion technique, choosing media channels, and creating new product variations.	5.73
ST1	Increase promotion by adding media channels	4.26
WO1	Adjust prices with competitors on similar products according to the perception of guest through social media	4.60
WT1	Improve employee performance on all lines through regular training	4.20

Table 4 showed the result of QSPM analysis it can be defined to 5 strategies: 1) Add products, especially foods according to the origin of guest with the highest Total Attraction Score (TAS) 6.61; 2) Improving promotion techniques with The Total Attraction Score 5.73; 3) Adjust prices with competitors on similar products according to the perception of guest through social media with The Total Attraction Score 4.60; 4) Adjust prices with competitors on similar products according to the perception of guest through social media. The Total Attraction Score 4.60; and 5) Improve employee performance on all lines through regular training with The Total Attraction Score 4.26.

Based on the analyzes has been done in the QSPM Matrix, it can be discussed the appropriate new marketing Strategy of Mercure Chamonix Centre hotel is adding products, especially foods according to the origin of guest. With the highest score of TAS 6.61. It is predicted the new marketing strategy can be enhancing the competitive advantage.

## **CONCLUSIONS**

Based on the discussion, it can be concluded that the internal and external factor it can be seen the position of Mercure Chamonix Centre Hotel, France in IE Matrix is in the fifth Cell with the total weight score for internal factor is 2.989 and the external factor with the score of

2.856. the position is on Growth (Concentration Through Horizontal Integration) or stability (there is no change). In SWOT Matrix, it can be defined to 5 strategies: SO (1. Add products, especially foods according to the origin of guest 2. Improving promotion techniques), WO (Adjust prices with competitors on similar products according to the perception of guests through social media), ST (Increase promotion by adding media channels) and WT (Improve employee performance on all lines through regular training). The alternative and the appropriate new marketing strategy that can be applied at Mercure Chamonix Center Hotel in Gaining Competitive Advantage is a strategy to improve and add menu variants according to guest problems so that it can enhance competitiveness advantages considering that 30 percent of the number of guests is non-European.

## ACKNOWLEDGMENT

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