

IMPLEMENTATION OF ADVERTISING AND PERSONAL SELLING TO INCREASE ROOM OCCUPANCY AT THE TRANS RESORT BALI

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ABSTRACT

This research has been done to observe the implementation of advertising and personal selling at The Trans Resort Bali and the effect to increase room occupancy. Independent variables used in this research are advertising (X_1) and personal selling (X_2), while the dependent variable is the room occupancy (Y). The data which is used in this research are the primary data and secondary data. The primary data is by conducting interview with sales and marketing staff, and the secondary data is the cost of advertising, personal selling and the room occupancy. Data collection method which is used in this research are observation, interview, and documentation. As for data analysis technique used is multiple linear regression to explain the effect of advertising and personal selling to increase room occupancy at The Trans Resort Bali, and further processed by using SPSS 17. The advertising that has been done at The Trans Resort Bali are print advertising through flyer, newspaper and printed magazine, electronic advertising through TV channel, radio broadcast, and internet media, outdoor advertising through billboard, and specialty advertising through souvenirs such as pen, calendar, luggage tag, sport towel, and sales kit. The implemented personal selling activities that have been done are sales call to various travel agents, and domestic or foreign sales trip. The results of this research indicate that simultaneously and partially, both of the independent variables have a positive effect to the room occupancy. Based on the SPSS calculation in multiple determination analysis, the value of determination coefficient is 76,9%. It means the contribution of advertising (X_1) dan personal selling (X_2) is 76,9% to the room occupancy, while 23,1% can be influenced by the other factors not included in this research.

Keywords: advertising, personal selling, room occupancy.

INTRODUCTION

The increasing number of tourist arrivals that currently occur causes the business competition is also increased tightly, especially in the accommodation or hospitality industry, which is characterized by the increasing number of hotel development in Bali. Seminyak area becomes one of the area with a lot of construction of various hotel types, ranging from 3-star, 4-star to 5-star hotels which compete each other to offer a variety of products, services, and excellent facilities to attract tourists. Seeing the intense competition in the hospitality industry, the hotel management also perform various marketing activities including promotion. In the research of Rahadian, *et al* (2013: 777) argued that, the more intense the competition in the hospitality services, promotion is a way to attract consumers to the products offered. As has

been known that the success of a company in achieving the goals and objectives of the company is strongly influenced by the ability of the company to market its products to the consumer. This promotion is also expected to seize, maintain, as well as to increase sales volume.

In conducting promotions, hotel management can implement five main components of the promotional mix according to Kotler (2005: 264) such as advertising, personal selling, sales promotion, public relations and publicity, and direct marketing. One of the 5-star hotel in Seminyak area that apply this promotional mix concept is The Trans Resort Bali. This hotel which is located on Jalan Sunset Road was established since 2014 ago. As one of the newly established 3-year accommodation providers, this is a challenge for marketing management at The Trans Resort Bali to achieve their goals by applying various promotional activities to reach the market and enhance the competitiveness of the hotel business.

From a variety of promotional mix activities, advertising and personal selling are promotional activities that require a lot of money. According to Tjiptono quoted by Sandy, *et al.* (2014: 3), advertising is one of the most used promotional forms of the company in promoting its products, at least this can be seen from the amount of advertising budget that each company spends on the resulting brands. Advertising activities at The Trans Resort Bali start from advertising through print media such as brochures or flyers, newspaper and printed magazine, then through electronic media such as broadcast on TV, radio, and internet media. Outdoor advertising is done installing billboards in various strategic places. Specialty advertising is also done in the form of souvenirs.

According to Daryanto (2011), personal selling is a promotional activity conducted between individuals who often meet face-to-face aimed at creating, improving, mastering or maintaining mutually beneficial exchange relations between both parties. Personal selling activities at The Trans Resort Bali is done through sales call and sales trip activities to several travel agents or corporates either domestic or abroad.

Any expenses which used for the promotional activities above is done in the hope of increasing the room occupancy at The Trans Resort Bali. Here is the room occupancy at The Trans Resort Bali for the last 36 months from 2015-2017.

Table 1
 Room occupancy at The Trans Resort Bali on 2015-2017

Month	Room Occupancy (%)		
	2015	2016	2017
January	33.24	87.77	67.03
February	32.65	73.24	65.76
March	36.49	82.29	71.74
April	37.16	77.40	75.95
Mei	60.53	82.33	86.12
June	75.59	92.02	91.47
July	78.18	74.37	86.17
August	62.02	73.57	89.26
September	83.70	88.89	82.82
October	72.49	80.29	63.56
November	62.14	68.38	66.68
December	75.47	64.63	40.90
Average	59.14	78.77	73.95
Growth	-	19.63	-4.81

Source: Sales & Marketing Department, The Trans Resort Bali, 2018.

Based on table 1, it can be seen that during the first 3 years since The Trans Resort Bali opened, the hotel began its career with room occupancy of 59.14% in 2015. In 2016, The Trans Resort Bali increased its room occupancy quite significant become 78.77%. Then the decrease in room occupancy occurred in the year 2017 that is equal to 73.95%.

In connection with that matter, it is important for the sales and marketing management at The Trans Resort Bali to evaluate the promotional activities of advertising and personal selling that have been applied, and how the effect of the implementation of promotional activities that issued a number of these costs to the room occupancy at The Trans Resort Bali.

Based on the background of problems that have been described above, the purpose of this research is to find out the implementation and the effect of advertising and personal selling activities in increasing the room occupancy at The Trans Resort Bali.

METHODOLOGY

The research was conducted in one of Bali's five-star hotels, The Trans Resort Bali, which is located at Jalan Sunset Road, Kerobokan Kelod, North Kuta, Badung Regency. The object of this research is the implementation of advertising and personal selling to increase the room occupancy in The Trans Resort Bali.

In this research there are two promotional activities that become research variables, such as advertising (X1) and personal selling (X2), while the dependent variable is the room occupancy (Y). (1) Advertising (X1) in this research is all of the promotional activities which consist of print advertising, electronic advertising, outdoor advertising and specialty advertising. (2) Personal selling (X2) in this research is all the form of sales call or sales trip activities. (3) Room occupancy (Y) in this research is the percentage of sold rooms compared with the total number of rooms capable for sale.

The data which is used in this research are the primary data and secondary data. The primary data is by conducting interview with sales and marketing staff, and the secondary data is the cost of advertising, personal selling and the room occupancy. Data collection method which is used in this research are observation, interview, and documentation. Data analysis technique used in this research are classic assumption test, hypothesis test (t-test and F-test), multiple linear regression, multiple determination analysis, partial correlation analysis, multiple correlation analysis, and statistical analysis test of standardized coefficients beta.

FINDINGS AND DISCUSSION

The Implementation of Advertising to Increase Room Occupancy

The printed advertising which applied by The Trans Resort Bali are brochure, flyer, newspaper and magazine. The distribution is done through sales calls, site inspection activities, or at certain events such as exhibitions. In addition to the flyer in hardcopy form, flyers are also sent in the form of e-flyers to all travel agent and corporate database owned by sales team. Other media which used are newspaper and magazine, whether published daily, monthly or yearly. For example, Tribun Bali, Tribun Makassar, Tribun Bandung, Bali Post, Jakarta Post, The Yak Magazine, Now Bali, etc. Electronic advertising and internet media is done through TV broadcast and radio, as well as through websites and social media like Facebook, Instagram, Twitter, and YouTube. Outdoor advertising by installing billboards is also done in various strategic places. Specialty advertising activities is done through the distribution of souvenirs in the form of pens, calendars, luggage tags, sport towel, and sales kits are also made through room amenities provided in-room for in-house guests, sales call activities to travel agents or other companies, and when the hotel attended a certain event.

The Implementation of Personal Selling to Increase Room Occupancy

Personal selling activity is done through sales call and sales trip to travel agents, corporate, government, and other types of companies either domestic or abroad. This activity is done individually by sales person based on their target market. The target of sales call and sales trip activities are divided into two, namely MICE and leisure. Sales trips are usually conducted periodically in each year according to the budget that has been determined. While the sales call activity is done regularly periodically, which is to visit 8 - 10 accounts per week per sales person. The things to do during the sales call or sales trip are to discuss the business being owned by the travel agent, the market trends of the last period, negotiate and decide what strategies and tactics will be planned in the future, and so on.

The Effect of Advertising and Personal Selling to Increase Room Occupancy

Table 2
 t-test Result
 Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-37.485	14.168		-2.646	.012
	Advertising	6.275	2.711	.308	2.314	.027
	Personal Selling	3.672	.795	.615	4.616	.000

a. Dependent Variable: Tingkat Hunian Kamar

Source: Results of SPSS Data Processing,

There is a partial positive influence between advertising to room occupancy at The Trans Resort Bali. This is evidenced from the results of the t-test for advertising variable (X1) where the value of t_{count} is equal to 2.314 while the value of t_{table} is 2.03452, with $t_{count} > t_{table}$, which means H_0 is rejected, and it indicates there is indeed a partially positive effect between advertising (X1) to room occupancy (Y) at The Trans Resort Bali.

There is a partial positive influence between personal selling to room occupancy at The Trans Resort Bali. This is evidenced from the results of the t-test for personal selling variable (X2) where the value of t_{count} is equal to 4.616 while the value of t_{table} is 2.03452, with $t_{count} > t_{table}$, which means H_0 is rejected, and it indicates there is indeed a partially positive effect between personal selling (X2) to room occupancy (Y) at The Trans Resort Bali.

Table 3
 F-test Result

ANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7420.786	2	3710.393	54.973	.000 ^a
	Residual	2227.341	34	67.495		
	Total	9648.127	36			

a. Predictors: (Constant), Personal Selling, Advertising

b. Dependent Variable: Tingkat Hunian Kamar

Source: Results of SPSS Data Processing.

There is a simultaneous positive influence between advertising and personal selling to room occupancy at The Trans Resort Bali. This is evidenced from the results of the F-test for advertising (X1) and personal selling (X2) where the value of F_{count} is equal to 54.973 while the value of F_{table} is 3.28, with $F_{count} > F_{table}$, which means H_0 is rejected, and it indicates there is indeed a simultaneous positive effect between advertising (X1) and personal selling (X2) to room occupancy (Y) at The Trans Resort Bali.

Table 4
 Multiple Determination Analysis Result

Model Summary ^b			
Model	R	R Square	Adjusted R Square
1	.877 ^a	.769	.755

a. Predictors: (Constant), Personal Selling, Advertising

b. Dependent Variable: Tingkat Hunian Kamar

Source: Results of SPSS Data Processing.

The amount of influence of the implementation of advertising and personal selling activities to room occupancy based on multiple determination analysis that is obtained R square value of 0.769 or 76.9%. That means, the contribution of promotion cost variable through advertising and personal selling to room occupancy is 76.9% while the rest of 23,1% influenced by other factors which is not included in this research like other promotion mix variable such as sales promotion, public relations and publicity, and direct marketing or other factors that can affect the room occupancy such as the influence of season, natural disasters, and so on.

The Most Dominant Variable between Advertising and Personal Selling

Table 5
 Statistical analysis test of standardized coefficients beta result

		Coefficients ^a			t	Sig.
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta		
1	(Constant)	-37.485	14.168		-2.646	.012
	Advertising	6.275	2.711	.308	2.314	.027
	Personal Selling	3.672	.795	.615	4.616	.000

a. Dependent Variable: Tingkat Hunian Kamar

Source: Results of SPSS Data Processing

The variables between advertising (X1) and personal selling (X2) which have the most dominant influence in increasing the occupancy of the room (Y) in The Trans Resort Bali, based on the value of Standardized Coefficients Beta produced, where advertising (X1) yields a value of 0.308 while the value of personal selling (X2) is 0.615. It can be concluded that the personal selling variable (X2) is the variable that has the highest value and becomes the variable with the most dominant influence to the room occupancy (Y) at The Trans Resort Bali.

CONCLUSIONS

Based on the discussion and analysis that has been done, there are several things that can be concluded, such as: (1) There are four types of advertising which applied by The Trans Resort Bali. They are print advertising through brochure, flyer, newspaper and magazine; electronic advertising through broadcast TV and radio, websites and social media; outdoor advertising by installing billboards in various strategic places; and specialty advertising activities is done through the distribution of souvenirs in the form of pens, calendars, luggage tags, sport towel, and sales kits. While, there are two types of personal selling which applied by The Trans Resort Bali. They are sales call and sales trip. These activities is done through promotion to travel agents, corporate, government, and other types of companies either domestic or abroad. (2) There is a partial positive influence between advertising to room occupancy at The Trans Resort Bali. This is evidenced from the results of the t-test for advertising variable (X1). There is a partial positive influence between personal selling to room occupancy at The Trans Resort Bali. This is evidenced from the results of the t-test for personal selling variable (X2). There is a simultaneous positive influence between advertising and

personal selling to room occupancy at The Trans Resort Bali. This is evidenced from the results of the F-test for advertising (X1) and personal selling (X2).

The contribution of promotion cost variable through advertising and personal selling to room occupancy is 76.9% while the rest of 23,1% influenced by other factors which is not included in this research like other promotion mix variable such as sales promotion, public relations and publicity, and direct marketing or other factors that can affect the room occupancy such as the influence of high and low season, natural disasters, and so on. (3) Personal selling variable (X2) is the variable that has the highest value and becomes the variable with the most dominant influence to the room occupancy (Y) at The Trans Resort Bali. This is evidenced from the results of the Statistical Analysis Test of Standardized Coefficients Beta.

Based on the results of the discussion, analysis, and observation during trainee period (PKL) for six months at The Trans Resort Bali, there are several suggestions that can be submitted to the management of The Trans Resort Bali. The management of The Trans Resort Bali should review the implementation of advertising and personal selling to increase room occupancy. Because based on this research, promotion cost especially for advertising still give a low effect to room occupancy. Promotional costs incurred for advertising can be allocated to other forms of advertising that are more effective. For example, printing brochures and flyers can be further suppressed and diverted with the use of e-flyers that utilize internet technology, will certainly be more cost-effective, more easily stored and remembered by the client. Sales call and sales trip activities which conducted by The Trans Resort Bali can also be more managed and scheduled with more structured, with more developing business and cooperation to travel agents or other companies.

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