

The application of hotel strategies based on factor analysis to improve the number of events at The Trans Resort Bali

I Putu Yana Arya Kusuma ^{1*}, I Nyoman Rajin Aryana ², I Gusti Agung Mas Krisna Komala Sari ³

^{1,2,3} Tourism Department, Politeknik Negeri Bali, Indonesia

*Corresponding Author: yanaarya18@gmail.com

Abstract: This research was conducted at The Trans Resort Bali, a 5-stars hotel located in Seminyak, Badung, Bali. The purposes of this research was to found out the factors affected the customers' decision to hold an event, found out the most dominant factor and found out the strategies should be applied to maintain the factors and improve the number of events at The Trans Resort Bali. The sample was 74 respondents using cluster sampling technique. The steps taken in data processing was looking for the results of the validity test and the reliability test of the data, after that factor analysis consist of 6 steps. Based on the results of the research, there were 4 factors affecting the customers' decision to hold events at The Trans Resort Bali. These factors are facility and environmental factors with a percentage of the variance of 46.193%, service quality factors with a percentage of the variance of 5.928%, information factors with a percentage of the variance of 5.503% and promotion factors with a percentage of the variance of 5.294%. The value of the accuracy of the model is 60% with a residual of 40%. From the 4 factors were found the most dominant factor which is facilities and environment factors consist of 4 variables, namely (1) Ballroom & Boardroom that is luxurious and spacious, (2) attractive and luxurious venue design, (3) strategic hotel location and (4) complete meeting and event facilities.

Keywords: customer decisions, events, factor analysis

History Article: Submitted 30 September 2020 | Revised 18 January 2021 | Accepted 26 January 2021

How to Cite: Kusuma, I. P. Y. A., Aryana, I. N. R., & Sari, I. G. A. M. K. K. (2021). The application of hotel strategies based on factor analysis to improve the number of events at The Trans Resort Bali. *Journal of Applied Sciences in Travel and Hospitality*, 4(1), 27–34.

Introduction

The Trans Resort Bali is one of the Hotels Indonesia brands under Chairul Tanjung or CT Corp Company and it is located on Sunset Road Street Seminyak. The Trans Resort Bali has 184 rooms and 16 villas consisting of 178 Premier Rooms, 6 Celebrity Suites, 15 One Bedroom Villas, 1 Presidential Villa, and facilities that can support guests' comfort to provide accommodation provided with special events at the hotel such as : Swimming Pool, Restaurant, Bar, Ballroom & Boardroom, Kids Club, Fitness Center, SPA, Roof Bar, Club Lounge, Arsa Boutique, free Wi-Fi, 24-hour Room Service, Laundry and others. In addition, The Trans Resort Bali is ranked 8th according to Trip Advisor of 163 hotels in Seminyak, from several hotels such as: The Legian, The Oberoi Beach Resort and The Seminyak Beach Resort.

One of the contributors to the level of tourist visits to Bali is mice and non-mice tourists. MICE are interpreted as a tourist convention, with limitations: the business of convention services, incentive travel, and exhibitions to provide services for a meeting of a group of people (statesmen, businessmen, scholars, etc.) to discuss issues related to mutual interests. MICE industry (Meeting, Incentive, Convention and Exhibition) is a tourism sector that is currently experiencing rapid development and is one of the major industries in the world. The development of the MICE industry is part of the industry today which creates opportunities for a variety of types of tourism activities to realize quality services. Based on the data from the 2018 International Congress and Convention Association (ICCA), Indonesia got 36th positions in the World with a total of 122 meetings and got 11th positions in Asia Pacific (ICCA, 2018). Bali also occupies the first position in Indonesia after Yogyakarta and Jakarta with a total of 40 meetings.

Seeing the potential possessed, then in Bali has the potential to hold events and MICE. One of the facilities needed is accommodation and venue.

In 2019 The Trans Resort Bali has achieved several awards, such as: Bali Leading Resort from Bali Tourism Award, Best International Restaurant and Best Rooftop Bar from Best Now Bali Magazine, The Seven Star Luxury Hospitality and Lifestyle Award from Seven Star Award and Indonesia Leading MICE Resort from Indonesia Travel and Tourism Award. From the award, The Trans Resort Bali is the right choice for guests to stay with a luxurious experience and very suitable to be a venue for events and MICE. The Trans Resort Bali has a large Ball-room in the Seminyak area and a meeting room which is very suitable for customers who will hold an event or MICE. Several companies, organizations, governments and national and international educational institutions that have organized events at The Trans Resort Bali, such as: HSBC, HM Sampoerna, MSK Australia, BPJS, Ministries, Rotary Clubs, Intel Oil, Schulmberger, EMS Australia Conference, The Yak Magz, Stenden University, Australia Award, Diamond International School. The number of events held at The Trans Resort Bali in 2017 - 2019 can be seen in Figure 1 below.



(Source: Sales & Marketing of The Trans Resort Bali, 2019)

Figure 1. Number of Event Hold at The Trans Resort Bali in 2017-2019

Figure 1 shows that the number of events held at The Trans Resort Bali continues to increase every year. In 2017 there are 450 events which are the beginning of the second year but have not been able to achieve the target of 600 total events. In 2018, the number of events held at The Trans Resort Bali increased to 613 events and was still below the target of 720. In 2019, it increased to 776 events but did not meet the event target of 840 events. From 2017 to 2019 the number of events held at The Trans Resort Bali continues to increase but has not been able to meet the targets given by the company. This is of course due to the many factors' constraints experienced by The Trans Resort Bali Hotels therefore it has not been able to reach the target number of events. Before determining the best strategy to increase the number of customers who hold events at The Trans Resort Bali, the importance thing to knowing and identifying the decision factors of customers choosing at The Trans Resort Bali to hold events that will be achieve the targets set by the company.

Methodology

The Research was conducted at The Trans Resort Bali, especially in the Sales and Marketing Department. This hotel is a 5-star hotel which is located at Sunset Road Street Seminyak, Badung, Bali, Indonesia. The object of this research was The Application of Hotel Strategies Based on Factor Analysis to Improve the Number of Events at The Trans Resort Bali. The types of data used in this research is Quantitative and Qualitative data. (Sugiyono, 2014). The Data Sourced in this research was two data, namely Primary and Secondary data (Sugiyono, 2014). The Primary data that directly from the researcher is the interview with the hotel management and collecting questionnaire from the customer was held events at The Trans Resort Bali. For the secondary data was from the hotel information, the meeting packages and the others data that associated in this research. The population in this research was the

customers that held events at The Trans Resort Bali. The sampling technique is cluster sampling was divided into 3 groups, namely event organization (65), company (120), and the government (100) the totals is 285 customers was counted with Slovin technique (Sujarweni and Endrayanto P, 2012: 17) to get the final sample of 74 respondents. The method of data collection in this research is carried out by several stages, namely observation, interviews, documentation, literature research, and questionnaire. The instrument test used validity and reliability test 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 74. The r-table value with a degree of freedom of $n-2$ or 72 is 0.193 that the question items on the questionnaire are declared valid if they have a value of more than 0.193 r-count. Reliability test is a test conducted with the aim of knowing the extent to which the results of measurements are reliable when measurements are repeated. The level of reliability is generally acceptable at a value of Cronbach's alfa 0.70 (Sugiyono, 2014). The analysis technique used in this research is a factor analysis with 6 steps, that are Formulate the problems, Create matrix correlation, Determination of number factors, rotation factors, Interpretation of factors, and determination of model accuracy.

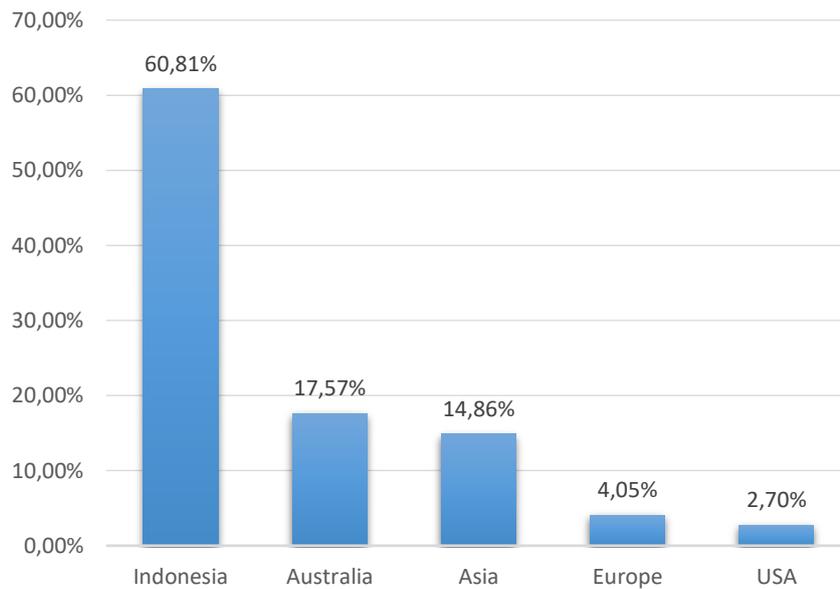
Table 1. Table of Validity and Reliability Test

Variable	R count	Validity
Known hotel names	0.641	Valid
Spacious and luxurious Ballroom & Boardroom	0.665	Valid
Diverse food in restaurants or catering	0.588	Valid
Complete meeting and event facilities	0.706	Valid
Event and Meeting package prices according with customer needs	0.657	Valid
Prices are according to the facilities and services	0.754	Valid
Competitive rates of event venues	0.619	Valid
There are discounts given when booking	0.592	Valid
Information about event venues and facilities can be obtained from brochures and the internet	0.628	Valid
Information about event venues and facilities can be seen in advertisements and media partners	0.627	Valid
Information about event facilities can be from mouth to mouth	0.655	Valid
Strategic hotel location	0.710	Valid
Easy to booking event venues	0.779	Valid
Hotel location is easily accessible	0.718	Valid
Attractive and luxurious venue design	0.663	Valid
Directions to the venue, lobby and restroom are adequate	0.716	Valid
Good, friendly and polite service	0.735	Valid
Cronbach's Alpha = 0.935 Reliable		

Qualitative Method is a research method based on post-positivism philosophy, used to examine the conditions of scientific objects. In this research a qualitative analysis used to find out and answer the strategies carried out to maintain the dominant factor and increase non dominant factor to improve number of events hold at The Trans Resort Bali.

Results and Discussions

The characteristic of respondents in this research used 74 respondents, based on gender is 51% male customers and 49% female customers. Based on the age the respondents age from 20-56 years old, based on customers segmentation was divided into several segmentation is from Event Organizer is 21.62%, Company 47.50%, Government 16.22% and other segments 14.86%. Based on the countries can be seen in Figure 2 below.



(Source: Data Process, 2020)

Figure 2. Number of Event Hold at The Trans Resort Bali in 2017-2019

Based on Figure 2 above, it can be seen that the percentage of customers coming from Indonesia is 60.81%, Australia 17.57%, Asia 14.86% and Europe 4.05% and America 2.70%. Judging from the results of the above research, the most customers who hold events and meetings at The Trans Resort Bali are from the State of Indonesia, because this hotel is one of the biggest brands in Indonesia under CT Corp and Trans Corp companies.

The Factor Analysis is the answer to the problem raised in this research which aims to determine the The Application of Hotel Strategies Based on Factor Analysis to Improve the Number of Events at The Trans Resort Bali is factor analysis from Utama (2016) with the result as follows:

1. Formulating the Problems

This step is determining the relevant variables in accordance with the objectives of the research, determining the number of variables. In this research there are 20 variables that are considered possible because they have met the validity test and reliability test.

2. Create Matrix Correlation

This step it is necessary to carry out a factor analysis, which is to determine the value of the Barlett's Test of Sphericity, which is used to determine whether there is a significant correlation between variables and the value of the Measure of Sampling Adequacy Keizer Meyer (KMO) Measure of Sampling Adequacy. The suitability criteria for using factor analysis is that if the KMO price is (0.9), it means that it is very satisfying, if the KMO price is (0.8), it is satisfactory, if the KMO price is (0.7), it means the medium, if the KMO price is (0.6) means enough, if the KMO price of (0.5) means it is unsatisfactory and if the price of KMO is less than (0.5) it cannot be accepted (Wibisono: 2003). The value of the Barlett's Test Sphericity and the Keizer Meyer Olkin (KMO) Measure of Sampling Adequacy can be seen in Table 2 below:

Table 2. KMO And Barlett's Test of Sphericity

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.902
Bartlett's	Approx. Chi-Square	779.600
Test of	Df	190
Sphericity	Sig.	0.000

Based on Table 2, obtained a value of 779.600 Bartlett test with significant of 0.000 to mean on this research, there is a significant correlation between the variable and the results of calculations of KMO 0.902 greater than 0.5 it means that it is very satisfying and level significantly less than 0.05 then KMO test have been eligible and worthy to be further analyzed.

3. Determination of Number Factors

This step will carry out the core process of factor analysis by extracting a set of variables so that one or more factors are formed. Each factor in determining the number of factors is a combination of several interrelated factors based on the magnitude of the eigen value, the value must be greater or equal to one, the percentage of variance is greater than 5% and the commulative value of variance must be greater than 50%, it can be seen in the Table 3 below:

Table 3. Total Variance Explained

Factors	Eigen Values	% of Variance	Commulative %
1	9.239	46.193	46.193
2	1.186	5.928	52.121
3	1.101	5.503	57.624
4	1.059	5.294	62.918

Based on Table 3 shown that the 20 variables are then grouped into 4 groups of factors based on an eigen value of more than 1, first factor with an eigen value of 9.239, second factor with an eigen value of 1.186, third factor with an eigen value of 1.101 and fourth factor with an eigen value of 1.059 can be interpreted that there are 4 groups of factors that affecting the customer's decision to hold an event at The Trans Resort Bali, by showing that the 4 groups of factors are able to explain the variable variance that affects as much as 62.918%.

4. Rotation Factors & Naming the factors

Factor rotation is used to simplify the factor matrix which has a structure that is still difficult to interpret, therefore it is sought by doing factor rotation. In this research the varimax rotation method is used, because this method is considered easier to reduce data into groups of factors that are strongly correlated so that it is easy to interpret. The minimum loading factor limit is 0.5 and variables that have a loading factor of less than 0.5 will be excluded from this model because it has no effect on these factors. The rotation factor results and naming factors can be seen in Table 4.

5. Interpretation of Factor

From the result of rotation conducted 20 variables are formed into 4 factors and have been interpreted of factors by grouping factors that have high loading factors into these factors. Interpretations of the results of factor analysis are as follows:

a. Factor of Facilities and Environment

Facilities and Environmental Factors have a percentage of variance of 46.193%. This means that the factors included in the Facility and Environmental factors can explain the factors that influence the customer's decision to hold an event at The Trans Resort Bali by 46.193%. The variable of "Has a spacious and luxurious Ballroom and Boardroom" has the highest loading factor on factor of Facilities and Environment. The facilities and environment factor are the biggest factors in this research, because The Trans Resort Bali always pays attention to its facilities, ranging from the luxury and completeness of the facilities owned by this hotel. As for environmental factors that are attractive and neat that make the atmosphere comfortable to hold events at The Trans Resort Bali.

b. Factor of Service Quality

Service Quality Factor has a percentage of variance of 5.928%. This means that the factors included in the Quality of Service can explain about the factors that influence the customer's decision to hold an event at The Trans Resort Bali by 5.928. The variable of "Good service, friendly, and polite services" has the highest loading factor on factor of Service Quality. The Service Quality factor is the second factor in this research, Service Quality is very important in hospitality because it creates customer satisfaction.

Table 4. Factor Naming Results

No.	Factors	Variables	Loading Factor	% of Variance
1	Facilities and Environment	Spacious and luxurious Ballroom & Boardroom (X1.2)	0.739	46.193%
		Attractive and luxurious venue design (X5.1)	0.705	
		Strategic hotel location (X4.1)	0.634	
		Complete meeting and event facilities (X1.4)	0.579	
		Good, friendly and polite service (X6.1)	0.722	
2	Service Quality	Quick response of hotel services towards guests needs and complaints (X7.1)	0.709	5.928%
		Employees have extensive knowledge (X6.2)	0.672	
		Good communication between employees and customers (X6.3)	0.668	
		Prices are according to the facilities and services (X2.2)	0.525	
		Information about event venues and facilities can be seen in advertisements and media partners (X3.2)	0.743	
3	Information	Information about event venues and facilities can be obtained from brochures and the internet (X3.1)	0.682	5.503%
		Event and Meeting package prices according with customer needs (X2.1)	0.621	
		Directions to the venue, lobby and restroom are adequate (X5.2)	0.518	
		Information about event facilities can be from mouth to mouth (X3.3)	0.711	
4	Promotion	Diverse food in restaurants or catering (X1.3)	0.678	5.294%
		Competitive rates of event venues (X2.3)	0.585	
		Easy to booking event venues (X4.2)	0.516	

c. Factor of Information

Factor Information about Venue Events has a percentage of variance of 5.503%. This means that the factors included in the Information about the Venue Event are able to explain the factors that influence the customer's decision to hold an event at The Trans Resort Bali by 5.503%. The variable of "Information about event venues and facilities can be seen in advertisements and media partners" has the highest loading factor on factor of Information. Information factor is the third factor in this research, Information about hotels and venues for the event is certainly very much needed for prospective customers who will hold the event.

d. Factor of Promotion

The appropriate price factor and ease of ordering have a percentage of variance of 5.294%. This means that the factors included in the appropriate price and ease of ordering can explain the factors that influence the customer's decision to hold an event at The Trans Resort Bali by 5.294%. The variable of "Information about event facilities can be mouth to mouth" has the highest loading factor on factor of Promotion. Promotion factor is the fourth or final factor in this research, Promotion factor can be called the lowest factor in this research, so this factor is not dominant in influencing the customer's decision to hold an event at The Trans Resort Bali. Promotion is certainly needed to increase the value of the interest in prospective customers in choosing and determining something.

6. Determination of Model Accuracy

The accuracy of the model can be seen from the number of residuals. Residuals are the observed correlation differences with those produced based on the results of the factor matrix. Based on the results of this research, the percentage of residuals generated from this test model is 40% or as many as 77 residuals on the basis of absolute values > 0.05, this indicates that the accuracy value of this test model is 60% obtained from the results of reproduced correlation with the level tolerance of 10%. This means that there are factors that affecting the customer's decision to hold an event at The Trans Resort Bali.

To determine the number of factors that can be accepted empirically can be done based on the amount of eigenvalue each factor is increasingly representative of these factors to repre-

sent a group of variables. The factors chosen are factors that have an eigenvalue > 1. Likewise, based on the percentage of variance a factor can be considered by consumers if it has a value greater than 5% (Rai Utama 2016). The most dominant factor that affects the customers' decision to hold the event at The Trans Resort Bali can be seen through the highest eigen value in factor analysis, namely the Facilities and Environment Factor with an eigenvalue of 9.239 and the percentage of variance 46.193%. In the Facilities and Environment, factor consists of 4 variables, namely: (1) Spacious and luxurious ballroom & boardroom, (2) Attractive and luxurious venue design, (3) Strategic hotel location, and (4) Complete meeting & event facilities.

Facilities and environment are the most important factors in showing the first impressions of customers or guests who are in Trans Resort Bali because guests can see, use, enjoy and feel the facilities and environment provided by this hotel. Therefore, a routine inspection must be carried out by all relevant departments and ensure that all facilities are safe and clean. In addition, the level of maintenance and cleanliness of facilities is still being done and must be improved, hotel management must also make guest experience feedback for guests or customers to evaluate and find out the shortcomings that the hotel has. Hotel Management must also always have innovations to create something new, therefore guests and customers do not get bored holding events at The Trans Resort Bali.

The lowest variable in this factor is easy for booking the event venue, with a loading factor value of 0.516. Easy for booking the event venue has little influence in the decision of tourists to hold an event at The Trans Resort Bali, so this hotel must have a variety of ways to book venue events. Based on interviews with hotel management, the strategy in booking event venues at The Trans Resort Bali is online and offline booking. This is done because The Trans Resort Bali has MICE International and domestic markets, so the Online Booking system can be done for overseas customers and offline for domestic customers, both platforms are very effective in booking venue and mice events. In addition, by collaborating with "Third Parties" such as Travel Agents can make it easier for customers, the Online Travel Agent also needs to create the buttons in the online application for reservations or online bookings for organizing events and rental events venue.

Promotion factor is also one of the most important in increasing the number of events, so there are strategies to increase this factor, namely: Join the event promotion (wedding expo, travel agent table top, event media) sales call to the company, media visit and creating promotion program about event venues with all the social media and website and email blast databases. Be active in all channels through above the line and below the line marketing. Always update with new promotions and maintain good relationships with media partners and third parties.

Conclusions

Based on the results of the data analysis and discussion that have been written in the previous chapter can be concluded as follows, Factors that Affect the customers' decision to hold the event at The Trans Resort Bali are 4 groups of factors that have been obtained, namely: The factor of Facilities & Environment with the percentage of variance 46.193% and eigenvalue 9,239. The factor of Service Quality with the percentage of variance 5.928% and eigenvalue 1,186. The factor of Information with the percentage of variance 5.503% and eigenvalue 1,101. Factor of Promotion with the percentage of variance 5.294% and eigenvalue 1,059. The most dominant factor is the Facilities and Environment Factor with an eigenvalue of 9.239 and the percentage of variance 46.193%.

Based on the factor analysis and conclusions above, the suggestions that can be given by the author for The Trans Resort Bali related to this research are as follows: Maximizing the promotion of Event Venues and Event Packages offered to customers by using the Promotion Mix strategy which consists of advertising, sales promotion, publicity, personal selling, direct marketing, and interactive media. Establish good relationships with third parties and media partners in making promotional event packages. Variable of "Easy for Booking Venue Event" is the lowest variable in the promotion factor, therefore, there is a need for innovations to make it easier for customers to order both online and offline. Create menus and buttons about Event

Packages, Wedding Packages, and Venue for Event Rental to make it more attractive on the website and work with Online Travel Agents so that overseas customers can easily place an order.

References

- Aithal, P. S. (2016). The concept of ideal strategy and its realization using white ocean mixed strategy. *International Journal of Management Sciences and Business Research*, 5(4), 171-179.
- Budi, A. P. (2013). *Manajemen Marketing Perhotelan*. Yogyakarta: Penerbit Andi.
- Getz, D. (2008). Progress in tourism management. *Science Direct*, 29, 403-428.
- Harikusmawan, Darma, and Mandala K. (2015). Faktor-faktor yang mempengaruhi keputusan wisatawan menginap di Villa Akasha Beach Estate Kerobokan Badung Bali. *E-Jurnal Manajemen*. 1182-1196.
- Kotler, P. & Keller, K. L. (2016). *Marketing Management 15th Edition/Global Edition*. England: Pearson.
- Patriani, N. K. T., Mataram, I. G. A. B., Oka, I. M. D., & Sadia, I. K. (2018). Analysis of receptionist service quality for the tourists' satisfaction at The Grand Inna Hotel Kuta. *Journal of Applied Sciences in Travel and Hospitality*, 1(3), 228.
- Santoso, S. (2014). *Panduan Lengkap SPSS Versi 20*. Jakarta: PT Elex Media Komputindo.
- Sari, I. G. A. M. K. K., Yulianthi, A. Y., & Sadguna, I. G. A. J. (2020). Faktor-faktor yang mempengaruhi keputusan wisatawan untuk menginap di Green Hotel di Kabupaten Badung Bali. *Jurnal Bisnis & Kewirausahaan*, 16(2), 177-188.
- Sugiyono. (2014). *Metode Penelitian Manajemen*. Bandung: Alfabeta.
- Sugiyono. (2016). *Metode Penelitian Kuantitatif, Kualitatif, dan R & D*. Bandung: Alfabeta
- Sujarweni, V. W. & Endrayanto, P. (2012). *Statistika untuk Penelitian*. Yogyakarta: Graha Ilmu.
- Utama, R. (2016). *Metode Penelitian Pariwisata & Hospitalitas*. Bali: Pustaka Larasan.
- Widiantari, Desi, dkk. (2017). Faktor-faktor yang mempengaruhi wisatawan menginap di Karma Royal Resort Candidasa, Karangasem-Bali. *Economic and Tourism Journal of Undhira*, 13, 189-196.