

FACTORS INFLUENCING CUSTOMERS' LOYALTY TOWARDS GUESTS' SATISFACTION IN INAYA PUTRI BALI HOTEL AND RESORT

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ABSTRACT

This study aims at determining factors and the dominant ones that affect customers' loyalty in Inaya Putri Bali. The data was collected by applying purposive sampling method, with customer criteria which is long stay guests and guests' repeaters as well as using questionnaires. Having been collected the questionnaires, it was obtained 100 respondents in Inaya Putri Bali. The data was analyzed using the method of factor analysis in SPSS 22 software with 20 items of questions. The result of factor analysis reveals that there are 5 factors influencing loyalty in Inaya Putri Bali, namely (a) guest satisfaction, (b) service quality, (c) product quality, (d) price and (e) brand. These five factors that are considered to be the service endeavor of every hotel employees involved which is affected significantly the customers' loyalty due to an excellent performance of the employees. As a result, the customers are willing to return staying at Inaya Putri Bali for their next holiday in Bali.

Keywords: Customer loyalty, factor analysis, guests' satisfaction, repeated guests.

I. INTRODUCTION

Bali is the most popular tourist destination and to date tourism in Bali is growing very rapidly. With the number of tourist arrivals that continue to grow from year to year cause more and more facilities and infrastructure supporting the required tourism one of them Hotel. According to Utama (2017: 164), the Hotel is a business engaged in the field of accommodation professionally managed to generate profits by providing lodging services, meals, drinking, and other facilities. Along with the development of tourism and the increasing competition also caused by the many accommodations built, making the hotel provides various facilities and activities that can increase the comfort of guests. In addition to improving convenience, as for the strategies used to create consumers who are loyal to their products. But the effort to create and retain consumers that are the most important part of creating consumer loyalty is not a simple matter, because companies must integrate all business dimensions and determine how they should create value for their customers. By creating value for its consumers

will build customer loyalty and maintain it (Jill Griffin in Journal of Loyalty Review). Inaya Putri Bali Hotel and Resort is one of five-star hotel located in ITDC (Indonesian Tourism Development Corporation) area. Hotel located in Nusa Dua Lot S-3 Tourism Area has been built since 1983 and is a company incorporated in PT. HIN (Hotel Indonesia Natour). The theme of Indonesia is very thick to make this hotel different from other hotels located in the ITDC area. However, the uniqueness possessed by Inaya Putri Bali Hotel and Resort does not promise this hotel apart from the competition. This is because, Inaya Putri Bali Hotel and Resort has many competitors who have their own uniqueness and even have a strong brand. To that end, Inaya Putri Bali Hotel and Resort strives to maintain long staying guest and guest repeaters who already have loyalty to the hotel and choose Inaya Putri Bali Hotel and Resort as a place to stay. Loyalty is a deeply stubborn customer commitment to re-subscribe or re-purchase consistent products or services consistently in the future, although the influence of the marketing situation and efforts has the potential to cause behavioral change (Oliver in Sangadji and Sopiah, 2013: 104). Every guest who comes must have a reason why choosing Inaya Putri Bali Hotel and Resort as their place of stay and why they have loyalty to the hotel. Therefore, the authors are interested to know what factors affect the loyalty of the guests and what factors are most dominant influence the loyalty of guests to Bali Princess and Resort Resort and the author took the title "Factors Affecting Customer Loyalty In Bali Princess Hotel Inaya Resort".

II. LITERATURE REVIEW

Guest Satisfaction

According to Kotler (2005) in Sangadji and Sopiah (2013: 181), consumer satisfaction is a feeling of happiness or disappointment arises after comparing perceptions or impressions with the performance of a product and its expectations. After consuming the product, consumers will feel satisfaction or disappointment. Purchasing decisions are based on established judgments about the marketer's marketing value. Consumer expectations are based on past purchasing experience. Many successful companies today are succeeding in meeting consumers' expectations of product quality and service.

Brand

According to Aaker (1997) in Sangadji and Sopiah (2013: 322) states that "a mark is a distinguishing name and / or symbol (such as a logo, stamp, or pack) for the purpose of identifying the goods or services of a seller or seller distinguish it from goods produced by competitors".

Price

Price is one of the most important attributes evaluated by consumers, and managers must be fully aware of the role in shaping consumer attitudes (Sangadji and Sopiah, 2013: 206). In certain conditions consumers are very sensitive to the price so that the price of a product that is relatively higher than its competitors can eliminate the product from consumer considerations.

Product quality

Product quality is important to note, this is because consumer complaints are increasingly focused on the quality of a product purchased or used. The consumer's expectation of how the product functions is a quality standard that will be compared with the function or quality of the product that consumers actually feel. After consuming a product or service, consumers will have a feeling of satisfaction or dissatisfaction with the products or services consumed. According to Sangadji and Sopiah (2013: 190), Satisfaction will encourage consumers to buy or re-consume the product. Conversely, dissatisfied feelings will discourage consumers and stop purchasing and consuming the product.

Quality of Service

Kotler (2005) in Sangadji and Sopiah (2013: 99) formulates that quality is a dynamic condition associated with products, services, people, processes, and environments that meet or exceed expectations. Quality has a close relationship with customer satisfaction where quality provides an impetus to customers to forge a strong bond with the company. Service quality, According to Lewis and Booms (1983) in Wijaya (2011: 152), is a measure of how well the level of service provided is able to match customer expectations. Meanwhile, according to Wijaya (2011: 11) the quality of service is defined as the overall combination of product and service characteristics resulting from marketing, engineering, production and maintenance that make the

product and services can be used. There are five dimensions to measure the quality of service according to Parasuraman in Wijaya (2011: 155) that is tangible, reliability, responsiveness, assurance and empathy.

Loyalty

According to Oliver in Sangadji and Sopiah (2013: 104) states that loyalty is an in-depth customer commitment to re-subscribe or re-purchase consistent products or services consistently in the future, even though the influence of the marketing situation and efforts has the potential to causing behavioral changes. According to Griffin in Sangadji and Sopiah (2013: 113) suggests the benefits that will be obtained if the company has a loyal consumer, among others: 1. Can reduce marketing costs (because the cost to attract new customers more expensive) 2. Can reduce transaction costs 3. Can reduce the cost of consumer turnover or turn over (due to fewer consumer turnover) 4. Can increase cross sales that will enlarge the company's market share 5. Encouraging more positive word of mouth, assuming that loyal customers also mean satisfied ones 6. Can reduce the cost of failure (such as replacement cost and others). So in this study formed the frame of thought as shown in Figure 1.

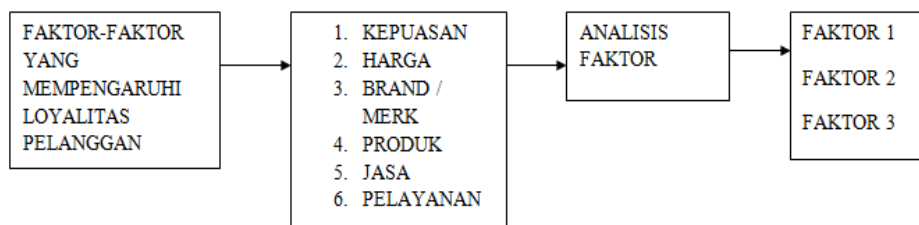


Figure 1. Frame of thought

The framework above is all the factors that affect consumer loyalty in this study. All factors will be tested in factor analysis. Factor analysis is used to group factors into new groups. The results of factor analysis will form new factors and will form new factor 1, new factor 2 and new factor ke-n (due to the number of unknown factors).

II. RESEARCH METHODS

This research took place at Inaya Putri Bali Hotel and Resort located at Nusa Dua Lot S-3 Tourism Area, Bali. The study was conducted from January to June 2018.

This research was conducted with the intention to find some variables contained in this research into several factors. The determination of respondents in this study is determined based on purposive sampling method. According Sugiyono (2013: 218), purposive sampling method is a method of determining the sample with certain considerations. In this research, the sample is long stay guest and guest repeaters, and to know the number of samples can use Slovin formula that is

$$n = \frac{N}{1 + N \cdot e^2}$$
$$n = \frac{1000}{1 + 1000 \times 0.1^2} \quad (1)$$
$$n = 91 \text{ (rounded)}$$

Description:

n = Number of Sample

N = Total Population

e = Limits of Error Tolerance

In this study, the number of samples used are as many as 91 samples with the consideration that the more samples used it is expected to be more representative or reliable results obtained.

Factors used to determine consumer loyalty in this research are:

1. Guest satisfaction; Satisfaction over company performance, satisfaction with the services provided, satisfaction with the fulfillment of desired expectations, the desire to recommend to others.
2. Brand; The concept of self-concept with the brand, craze on a brand, brand satisfaction.
3. Price; Prices offered in accordance with the quality of the products provided, prices offered in accordance with the quality of services provided.
4. Product quality; Hotel facilities are as per the offered, availability of complete facilities, strategic hotel location.

5. Quality of Service; Hospitality service provided by employees, the information provided by the employee is clear and easy to understand, employees provide comfort to guests, satisfaction over employees who serve with full responsibility.
6. Service quality; Tidiness of employee appearance, display interior design lobby, restaurant and others, complete facilities available, the ability of employees to serve the guests with responsiveness, employee willingness to assist guests, have knowledge about hotel and outside hotel, Hospitality employees welcome guests, built good communication between guests and employees.

Data collection techniques used in this study are:

1. Observations conducted by researchers are coming directly to Inaya Putri Bali Hotel and Resort then request information to front office staff and Front Office Manager.
2. Interview In this study the interview was conducted with the leadership to obtain information about the general picture and information about the guest data at Inaya Putri Bali Hotel and Resort.
3. Documentation data collection methods are done by studying the documents relevant to the problems studied such as collecting and studying data from various references (journals and books related to the problems studied).
4. Questionnaire This questionnaire will be distributed to travelers who are long stay guest or guest repeaters of Putaya Bali Hotel and Resort with the aim of obtaining information on factors affecting guest loyalty at Inaya Putri Bali Hotel and Resort. Respondents from selected long stay guest are guests who have stayed for at least one week while respondents from guest repeaters are guests who have 5 times come to stay at Inaya Putri Bali and Resort.

In this research the technique used is factor analysis. Factor analysis technique is a set of procedures used to reduce and summarize data or variables without reducing information from the variables studied (Malhotra, 1993). Factor analysis used for this research is confirmatory factor analysis. The use of confirmatory factor analysis aims to confirm factors comprising guest satisfaction, Brand, Price, Product Quality, Service Quality and Service Quality which affect the loyalty of the guest. The data,

obtained by questionnaire distribution will then be processed by Exploratory Factor Analysis method in SPSS program.

III. RESULT AND DISCUSSION

Barlett's test of Sphericity (Table 1) obtained results with 0.000 significance, it shows that between variables correlated with significant provisions <0.05 . Table 1 shows KMO and Bartlett's test.

Table 1. KMO and Bartlett's Test

| | | |
|---|------------|---------|
| Kaiser- Meyer-Olkin Measure of Sampling Adequacy. | | .869 |
| Bartlett's Test of Sphericity | Chi Square | 817.875 |
| | df | 210 |
| | Sig. | .000 |

Kaiser Meyer Olkin Analysis (KMO)

The results of Kaiser Meyer Olkin analysis (Table 1) obtained 0.869 which the number is above 0.5. That way the variables that exist in this research can be processed further.

Determining Number of Factors

In the determination of the number of factors formed based on the value of eigenvalue > 1 . To find out how many factors are formed based on the value of eigenvalue with value > 1.00 . the results of the analysis can be seen in Table 2.

Table 2. Total Variance Explained

| Component | Initial Eigenvalues | | | Extraction Sums of Squared Loadings | | | Rotation Sums of Squared Loadings | | |
|-----------|---------------------|---------------|--------------|-------------------------------------|---------------|--------------|-----------------------------------|---------------|--------------|
| | Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % |
| 1 | 7.878 | 37.515 | 37.515 | 7.878 | 37.515 | 37.515 | 3.612 | 17.202 | 17.202 |
| 2 | 1.660 | 7.905 | 45.420 | 1.660 | 7.905 | 45.420 | 3.062 | 14.582 | 31.784 |
| 3 | 1.331 | 6.338 | 51.758 | 1.331 | 6.338 | 51.758 | 2.990 | 14.236 | 46.020 |
| 4 | 1.140 | 5.431 | 57.189 | 1.140 | 5.431 | 57.189 | 1.926 | 9.171 | 55.191 |
| 5 | 1.046 | 4.982 | 62.171 | 1.046 | 4.982 | 62.171 | 1.466 | 6.979 | 62.171 |
| 6 | .975 | 4.645 | 66.815 | | | | | | |
| 7 | .851 | 4.054 | 70.870 | | | | | | |
| 8 | .739 | 3.521 | 74.390 | | | | | | |
| 9 | .689 | 3.283 | 77.673 | | | | | | |
| 10 | .635 | 3.026 | 80.699 | | | | | | |
| 11 | .583 | 2.777 | 83.476 | | | | | | |
| 12 | .538 | 2.564 | 86.040 | | | | | | |
| 13 | .458 | 2.182 | 88.222 | | | | | | |
| 14 | .442 | 2.106 | 90.328 | | | | | | |
| 15 | .379 | 1.805 | 92.133 | | | | | | |
| 16 | .359 | 1.707 | 93.840 | | | | | | |
| 17 | .333 | 1.587 | 95.427 | | | | | | |
| 18 | .323 | 1.539 | 96.965 | | | | | | |
| 19 | .251 | 1.196 | 98.161 | | | | | | |
| 20 | .223 | 1.060 | 99.221 | | | | | | |
| 21 | .164 | .779 | 100.000 | | | | | | |

Extraction Method: Principal Component Analysis.

In Table 2, there are 21 indicators included for the factor analysis, there are 5 factors formed because from component 1 to component 5 shows the value of eigen value > 1 then the factoring process stops at 5 factors. So thus only 5 factors can be used. After forming a new factor from the Total Variance Explained table, the next step is to interpret the factors formed by looking at Table 3 (Rotated component matrix) for the distribution of the 21 indicators to form 5 factors.

Table 3. Rotated component matrix

| | Component | | | | |
|-----|-------------|-------------|-------------|-------------|-------------|
| | 1 | 2 | 3 | 4 | 5 |
| X1 | .758 | .151 | .210 | .131 | .098 |
| X2 | .720 | .312 | .137 | .187 | -.172 |
| X5 | .679 | .236 | .310 | .153 | .210 |
| X3 | .657 | .448 | .112 | -.003 | -.224 |
| X7 | .595 | .025 | .331 | .122 | .454 |
| X6 | .565 | .053 | .253 | .080 | .386 |
| X4 | .513 | .011 | .374 | .387 | -.093 |
| X20 | .282 | .761 | .106 | .099 | .087 |
| X18 | .129 | .734 | .179 | .134 | .161 |
| X17 | .082 | .659 | .234 | .229 | .135 |
| X19 | .289 | .584 | .166 | .303 | .021 |
| X14 | .309 | .058 | .708 | .117 | .078 |
| X8 | .300 | .115 | .659 | .201 | .230 |
| X9 | .256 | .345 | .589 | -.116 | -.270 |
| X16 | .239 | .416 | .568 | .131 | .137 |
| X15 | .249 | .214 | .557 | .190 | .128 |
| X13 | -.132 | .451 | .544 | .275 | -.119 |
| X11 | .268 | .194 | .050 | .776 | -.019 |
| X12 | .035 | .256 | .218 | .717 | .186 |
| X10 | .204 | .277 | .342 | .441 | -.215 |

Description:

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

Rotation converged in 13 iterations.

From the above table, results can be done recapitulation of variables of new factors along with new names. Interpretation In this research yield 5 factors influencing customer loyalty at Inaya Putri Bali Hotel and Resort, the factors that result are:

1. The first factor consisting of satisfaction on the performance of the company (X1) with the loading factor factor of 0.758. Satisfaction with service given (X2) with loading factor value 0,720. The concept of self with brand (X5) with loading factor value 679. Satisfaction with fulfillment of desired expectation (X3) with loading factor value 657. Satisfaction of brand (X7) with loading factor value 0,595. Craze

on brand (X6) with loading factor value 0,565. The desire to recommend to others (X4) with a loading factor value of 0.513.

2. The second factor consisting of satisfaction with the fulfillment of desired expectations (X3) with a factor loading value 0.448. The establishment of good communication between guest and employee (X20) with loading factor value of 0.761. Employee willingness to assist guests (X18) with a factor loading factor of 0.734. The ability of employees in serving guests with responsiveness (X17) with a factor loading factor of 0.659. Knowledgeable about hotel and outside hotel (X19) with loading factor factor of 0.584.
3. The third factor consisting of employees provide comfort to the guest (X14) with a loading factor value of 0.708. The price offered in accordance with the given product quality (X8) with a loading factor value of 0.659. The price offered in accordance with the quality of services provided (X9) with a loading factor value of 0.589. Neatness of employee appearance (X16) with loading factor value 0.568. Satisfaction over employees who serve with full responsibility (X15) with a factor loading value of 0.557. The information provided by the employee is clear and easy to understand (X13) with a loading factor value of 0.544.
4. The fourth factor consisting of strategic hotel location (X11) with loading factor factor 0,776. Hospitality service provided by employees (X12) with a factor loading factor of 0.441.
5. The fifth factor consisting of satisfaction of the brand (X7) with the loading factor value of 0.454.

Discussion

Result of research about factors influencing customer loyalty at Inaya Putri Bali, using factor analysis technique resulted 5 factors influencing customer loyalty at Inaya Putri Bali. With a cumulative value of 70.328%, this explains that this factor influences customer loyalty to Inaya Putri Bali. And the remaining 29.672% influenced by other factors. Factors that formed in influencing customer loyalty at Inaya Putri Bali, among others:

1. Guest Satisfaction factor, because the highest factor loading factor is in (X1), that is satisfaction on company performance. This factor is the dominant factor affecting customer loyalty at Putaya Bali

2. Quality factor of service, because the highest factor loading factor is found in (X20) which is good communication between guest and employee.
3. Service quality factor, because the highest factor loading factor is found in (X14) ie the employee gives comfort to the guest.
4. Product quality factor, because the highest factor loading factor is found in (X11) that is strategic hotel location.
5. Brand factor, because the value of the highest loading factor found in (X7) is the satisfaction of the brand.

IV. CONCLUSION

Based on the results of research factors affecting customer loyalty at Inaya Putri Bali, it can be concluded as follows. Guest Satisfaction factor, because the highest factor loading factor is in (X1) that is satisfaction on company performance. This factor is the dominant factor affecting customer loyalty at Putaya Bali. With good performance from Bali Inaya Putri employees, the guests feel satisfied and have the desire to return to stay at Inaya Putri Bali. Quality factor of service, because the highest factor loading factor is found in (X20) which is good communication between guest and employee. Excellent service quality is felt by customers staying at Inaya Putri Bali to make the customers not feel disappointed and stay at the Bali princess inaya beriktnya vacation. Service quality factor, because the highest factor loading factor is found in (X14) ie the employee gives comfort to the guest. Convenience obtained by customer Inaya Putri Bali make this hotel into a hotel that is in demand by tourists. Product quality factor, because the highest factor loading factor is found in (X11) that is strategic hotel location. With a location that is close to the shopping center and also has direct access to the beach, making Inaya Putri Bali a favorite hotel for tourists. Brand factor, because the value of the highest loading factor found in (X7) is the

satisfaction of the brand. With a brand that is well known in the world of hospitality, making customers do not hesitate to stay at Putaya Bali.

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