THE APPLICATION OF PROMOTION MIX IN INCREASING THE ROOM OCCUPANCY AT THE SAMAYA SEMINYAK

Ni Putu Dian Prabawati Devi¹, Budi Susanto², I Ketut Suarja³, I Gusti Agus Mas Krisna Komala Sari⁴

^{1,2,3,4}Tourism Business Management, Politeknik Negeri Bali Kampus Bukit Jimbaran, Bali Telp 62 361 701081 Ext 196 dianprabawati19@gmail.com

ABSTRACT

The purpose of this study is to determine the influence of promotion costs against occupancy rooms at The Samaya Seminyak. The data in this research is a secondary data regarding the cost of promotion and occupancy of the rooms at The Samaya Seminyak. Data analysis is simple regression analysis. The findings of this research is that the cost of promotion has positive and significant effect on room occupancy. Whereas, based on the results of the analysis of the coefficient of correlation and determination, the influence of promotion costs against occupancy rooms at The Samaya Seminyak is very strong, amounting to 68.6%, while the rest which amounts to 31.4% is influenced by other factors which is not examined in this study.

Keywords: Promotional Mix, Costs, Room Occupancy.

I. INTRODUCTION

Tourism industry is one of the sectors with the most potential to be developed as a source of acquisition of tax and revenue of the country. Therefore, the development of tourism industry is done as well as possible, with support by all parties including the communities who depend on the tourism sector. Bali is one tourist destination which is a favorite destination in the world because of its natural charm, cultural diversity and hospitality of its inhabitants. Cultural diversity, the hospitality of the people, as well as the beauty of the panorama which Bali has can attract the number of tourist visits to Bali. The number of tourists to Bali from year to year has increased significantly.

In the current era of globalization many to be one of the needs of most travelers. Don't be surprised if the current development is growing rapidly in Bali to fill the needs of tourists who visit to Bali. One of the developing tourist area in Bali is Seminyak provides private villas, hotels, restaurants and bars of international class. The distance from Ngurah Rai International Airport to Seminyak is only about 11 km so that the accessibility will become more easy. The Samaya Seminyak is one of the accommodation providers that have been known with services and facilities characteristic of boutique hotels.

The application of promotion mix to reach the target residential areas that have been determined. Promotion mix consists of five elements such us : Advertising, Personal Selling, Publicity, Sales Promotion, Direct Marketing which is in the application of promotion mix is certainly there are costs incurred in promotional activities. In connection with the application of promotion mix that is done The Samaya Seminyak to continue to be able to increase the number of room occupancy, then on the basis that the authors are interested to conduct research on whether there is influence of the application of promotion mix that has been done on the level of occupancy of rooms at The Samaya Seminyak.

II. LITERATURE REVIEW

1. Marketing.

According to Assauri (2014:5), marketing is an effort to provide and deliver goods or services to the right people and time and the right price with the promotion of appropriate communication. According to Sunyoto (2015:191), marketing is a business function that identifies consumer needs and wants that must be satisfied by the activities of other human generating tool unique needs, in the form of goods and services.

2. The Marketing Mix.

According to Alma in the M. League Suryadana and Vanny Octavia (2015 : 139) marketing mix strategy is a mix of activities-marketing activities, so that the sought after combination of a maximum to bring the most satisfactory results. According to Kotler and Keller in M. League Suryadana and Vanny Octavia (2015 : 139) marketing mix is a set of marketing tools that work together to influence the market where companies strive to achieve certain things. The four components are known as the "4Ps", namely product, price, place and promotion.

3. Promotion.

According to Kotler and Armstrong (2008:72) Promotion is an activity undertaken by the company in an effort to communicate a product to the consumer so that it can affect purchase intention of consumers towards the company's products. Activities that communicate the product advantages and persuade targeted customers to buy it". According Buchari Alma (2014:179) Promotion is a form of marketing communication is a marketing activity that tries to spread information, influence, and remind the target market for the company and its products to willing to accept, buy and loyal to the products offered to the company is concerned.

4. Promotion Mix.

A strategy to conduct of marketing activities is known as the marketing mix in which there are elements or variables of promotion. According to Kotler (2008:111) Promotion is a variety of activities conducted between the companies to communicate the benefits of its products and to persuade target consumers to buy it. Activities implementation of promotions also known by the term promotional mix, in which there are multiple variables or the tools to do promotional activities where the goal is to be able to reach the target consumer in a way that is as effective as possible. According to Machfoedz (2005:85) the promotional mix is a combination of sales, face-to-face, advertising, publicity, sales promotion and public relations that help penjualantujuan advertising. According to Kotler (2008: 264-312) elements of the promotional mix consists of five main devices, namely: Advertising, Sales Promotion, Public Relations and Publicity, Personal Selling, Direct Marketing.

5. The Occupancy Rate Of Rooms.

According to Sugiarto (2002 : 55) the level of room occupancy states is a state to what extent the number of rooms sold, if compared with the whole number of rooms capable of sale. Understanding the ratio of occupancy this is a measure of the success of the hotel in selling its main products, namely room.

According to Any (2005: 44), there are several factors that affect the level of room occupancy, such as location, services, price, promotion.

The location of the hotel has a very important role to attract the interest of the guests who come. The hotel's strategic location gives the advantage for the hotel because in general guests find the location of hotels in the area that has the appeal. A hotel located in the tourist area, shopping center, city center, entertainment center and has a high accessibility.

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Hotel needs to set service standards on the guest who comes so that guests feel cared for and got excellent service. Service standards must be unique and since has so that it can provide a touch that is memorable for guests staying in the hotel.

Basically the determination of room price is to obtain the maximum profit. As a company engaged in services in the determination of the price of the room must be balanced with the provision of a quality service and adequate facilities so that it can provide satisfaction for the guests who come and stay at the hotel. The room price of a hotel is determined based on the size and quality of rooms, facilities, the state and the excess are obtained.

Promotion is basically aims to inform more people that there are products offered for sale. A hotel in the process of selling and promoting their products should pay attention to the advantages and disadvantages that are owned so the hotel can manage it to be a force, an attraction or an important point in sales (key selling point) for the property. This is useful so that the room occupancy rate to achieve the target which is expected to provide benefits for the hotel.

III. RESEARCH METHODS

This research was conducted at The Samaya Seminyak, located in Jalan Laksmana, Seminyak, Badung, Bali. This study takes the object about the Application of the promotional mix at The Samaya Seminyak in improving the Dwelling Room.

The independent variable is a variable that affect or cause changes or the emergence of the dependent variable (Sugiyono, 2013:39). The independent variable (X) in this study is promotional costs incurred in the implementation of the promotional mix at The Samaya Seminyak. The dependent variable is a variable that is affected or which become due, because of the presence of the independent variable (Sugiyono, 2013:39). The dependent variable (Y) in this study is the level of residential rooms at The Samaya Seminyak.

Data collection in this research was conducted with the following techniques:

1. Observation Method.

The observation is to observe directly how the application of promotion mix which is done at The Samaya Seminyak.

2. The Interview Method

Conducting interviews with Sales & Marketing Departement of Promotion Mix that is made to increase Room Occupancy at The Samaya Seminyak.

3. Documentation Study

The collection of data through archives, documents, records associated with the application of promotion mix to increase room occupancy at The Samaya Seminyak

4. The Study Of Literature

The study of literature, which the author made to search for information by reading and quoting from books or other sources related to this research is the promotional mix and the level of residential rooms at The Samaya Seminyak.

The analysis technique used in this research is by using simple linear regression analysis using the computer program SPSS 21.

IV. RESULTS AND DISCUSSION

Description Of The Results Of Research

In this section the author will discuss the results of the research at The Samaya Seminyak. The author has got data in The Samaya Seminyak, which then the data is processed to obtain the results in this study. The author uses some of the techniques of analysis namely: Correlation Test, t Test, Simple Linear Regression Analysis, and analysis of determination. Before describing the results of the analysis, would the authors first describe the data cost of promotion as well as data on room occupancy at The Samaya Seminyak for the last 3 years, as follows:

| Year | Promotion Cost (Rp) | Room Occupancy (%) |
|------|---------------------|-----------------------|
| 2015 | 3.099.581.587 | 50.02 |
| 2016 | 3.616.398.188 | 55.73 |
| 2017 | 4.511.157.446 | 61.84 |

Table 1. Data the Cost of Promotion and Room OccupancyAt The Samaya Seminyak 2015-2017

Based on Table 1 above can be seen the data the cost of promotion and room occupancy for last 3 years i.e. from the year 2015 – 2017 that was obtained by researchers at The Samaya Seminyak.In 2015 the cost of the promotion of Rp. 3,099,581,587 with a room occupancy of 50.02%, in 2016 the cost of the promotion of Rp. 3,616,398,188 with a room occupancy of 55.73%, and in 2017 the cost of the promotion of Rp. 4,511,157,446 with the level of occupancy of rooms 61.84%.

| | Ν | Minimum | Maximum | Mean | Std. Deviation |
|-----------------------|----|---------|---------|------------|-------------------|
| Х | 36 | .0460 | .7462 | .311861 | .1632796 |
| LnX | 36 | 176.438 | 204.305 | 19.391.322 | .6480801 |
| Y | 36 | .3143 | .8286 | .558617 | .1707318 |
| Valid N (listwise) | 36 | | | | |

Table 2. Descriptive Statistical Analysis

Based on Table 2, mean value of 55.87 means that the average level of occupancy of rooms at The Samaya Seminyak by 55.87%.

Regression

Simple linear regression analysis is a linear relationship between the independent variables (X) with the dependent variable (Y). This analysis is to determine the direction of relationship between the independent variables with the dependent variable if independent variable values increases or decrease. The data used is usually an interval scale or ratio. Simple linear regression analysis uses a variable cost of promotion as an

independent variable or variables X and a variable Y dependent variable is the room occupancy processed by using the SPSS as shown in following Table 3.

| Model | | Unstandardized Coefficients | | Standardized Coefficients | | |
|--------------------------|------------|--------------------------------|---------------|------------------------------|--------|------|
| | | В | Std. Error | Beta | L | Sig. |
| 1 | (Constant) | -3.673 | .491 | | -7.481 | .000 |
| | LnX | .218 | .025 | .828 | 8.623 | .000 |
| a. Dependent Variable: Y | | | | | | |

Table 3. Coefficients Regression

Based on the results of simple linear regression analysis above, it can be obtained regression Equation 1.

$$Y = 3.673 + 2.18 X \tag{1}$$

From these equations it can be interpreted that the constant of 3,673 has meaning if there is no cost of the promotion then the room occupancy rate amounted to 3,673. Regression coefficient which means that if the cost of promotion increases by one percent then the level of occupancy of rooms at The Samaya Seminyak will increase by 2.18%.

Correlation and Determination Analysis

The analysis of simple correlation is a statistical technique used to measure the strength of relationship between two variables and also to be able to know the form of the relationship between two variables with results that are quantitative. The strength of the relationship between the two variables in question is whether the relationship is weak, medium, or strong while the shape of the relationship is whether the form of correlation is Linear Positive or Linear Negative.

Based on these calculations, then the figures obtained by the correlation coefficient amounted to 0.828, means that the variable X (cost of promotion) have a very strong influence and positive impact on variable Y (room occupancy) as shown in Table 4. So, if cost of promotion is raised then it will be followed also by the increase in the occupancy rate of rooms.

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | |
|---------------------------------|-------|----------|----------------------|----------------------------|--|
| 1 | .828ª | .686 | .677 | .0970347 | |
| a. Predictors: (Constant), Ln X | | | | | |

Table 4. Analysis of correlation

Based on the results of analysis the coefficient of determination from the table above it can be seen that the magnitude of the influence of promotion costs against the room occupancy at The Samaya Seminyak is equal to 68.6%, while the rest which amounted to 31.4% is influenced by other factors not examined in this study.

V. CONCLUSION

The findings in this study shows that there is a positive relationship and significant between the cost of promotion and the level of occupancy of the rooms, where any increase in the cost of the promotion by one percent, then it will result in a room occupancy rate by 2.18. While based on the results of the analysis of the coefficient of correlation and determination, the influence of promotion costs against the level of occupancy of rooms at The Samaya Seminyak is very strong, amounting to 68.6%, while the rest which amounted to 31.4% is influenced by other factors not examined in this study.

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