

The Effect of Integrated Marketing Communication on the Intentions to Reserve Rooms at Hotels in Denpasar-Bali

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Abstract. Bali is one of the centers of natural and cultural tourism with beautiful panorama, thereby making it easy to locate supporting facilities such as hotels in Denpasar, as the center of Bali in Indonesia. Integrated Marketing Communication (IMC), which is an important concept used to carefully deliver clear and consistent messages on a company's goods and services, is also utilized by this city. Therefore, determining the effect of Advertising (X1), Sales Promotion (X2), Experiences (X3), Public Relations & Publicity (X4), Interactive Marketing (X5), Word of Mouth (X6) and Personal Selling (X7) on the Intention to reserve rooms (Y) at Hotels in Denpasar is the objective of this study. Multiple linear regression analysis is used as the data analysis technique. The results revealed that Advertising (X1) has a negative and insignificant effect on the Intention to Reserve Rooms (Y) at Hotels in Denpasar. Meanwhile, Sales Promotion (X2), Experiences (X3), Public Relations & Publicity (X4), Interactive Marketing (X5), Word of Mouth (X6), and Personal Selling (X7) have a positive and significant effect.

Keywords: Integrated Marketing Communication; Advertising; Sales Promotion; Experiences

1 Introduction

In early 2019, with the eruption of Mount Agung, the number of tourists coming to Bali has decreased. The decline in tourists visiting Bali was due to appeals from each country to postpone and or cancel their trips to Bali. Besides that, there are also more levels of business competition in selling rooms, one of which is making a business strategy that is as attractive as possible with various aspects such as *Advertising, Event & Experience, Interactive marketing, Personal selling, Public relations and publicity, Sales Promotion, Word of mouth marketing*. More and more other competitors are using sufficient business strategies to attract tourists to reserve, so that the Hotel business strategy offered is also almost the same as other competitors, for example, such as Prama Sanur Beach Bali, Aston Denpasar Hotel and Convention Center, Maya Sanur Resort & Spa, Prime Plaza. Hotels where other hotels also provide almost the same things such as *Advertising, Event & Experience, Interactive marketing, Personal selling, Public relations and publicity, Sales Promotion, Word of mouth*

marketing. The definition of buying interest according to Assael (1992) is a behavior that appears in response to an object, which will lead to an intention to buy before the consumer actually makes a purchase or delays to buy or does not buy. Related to the present issue, however, the following description are provided some latest studies concerning to integrated marketing communication such as Cetin, Demirciftci, & Bilgihan, (2016); Gil-Soto, Armas-Cruz, Morini-Marrero, & Ramos-Henríquez, (2019); Liang, (2014); Mihart (Kailani), (2012); Porcu, del Barrio-García, Alcántara-Pilar, & Crespo-Almendros, (2019); Teubner & Graul, (2020). According to Ivanov (2012), a huge potential of information and communication and the opportunity of interaction with each other are provided by internet. Therefore, based on the background above, this current study aims to know the influence of *Advertising, Event & Experience, Interactive marketing, Personal selling, Public relations and publicity, Sales Promotion, Word of mouth marketing* on the intention to book a room at Hotels in Denpasar - Bali.

2 Research Method

2.1 Integrated Marketing Communication Mix

- a. Advertising. Tjiptono & Chandra (2012) grouped the advertising effects into three stages including cognitive responses, affective responses, and behavioral responses.
- b. Sales Promotion. According to Kotler & Keller (2012); [11] said that sales promotion includes marketing activities, in addition to personal selling, advertisements, and publications that manipulate consumer purchases and channel effectiveness.
- c. Events and Experiences. Company sponsors activities or programs to create interaction with consumers. Activities that are usually sponsored by companies are sports, arts, entertainment, and formal events.
- d. Interactive Marketing. Kotler & Keller (2012) states that interactive marketing is a program or online activity created to implicate consumers and directly or indirectly such as websites, search ads, display ads, email, Facebook, Twitter, YouTube and mobile marketing.
- e. Word of Mouth Marketing. Word of mouth is individual person communication that is carried out orally or in writing, either directly or using electronic communication media to share their impressions after buying and using a product or service (Kotler & Keller, 2012).
- f. Personal Selling. Personal selling is face-to-face interaction with one or more prospective buyers to make presentations, answer questions, and get orders Tjiptono & Chandra (2012). The implementation of promotion personal selling used salespeople and emphasizes two-way communication.

2.2 Population and Sample Determination Method

Population here includes all subjects and objects, as well as their characteristics and numbers. The population used in this study are visitors who make room reservations at hotels in Denpasar-Bali. Samples were taken using accidental sampling technique. In this sampling technique, the members of the sample are tourists who are found in several hotels in the study area with a sample size of 99 people.

2.3 Identification of Variable

The independent variable affects the dependent variable [12]. In this study the independent variables are *integrated marketing communication* (X) where the variable *integrated marketing communication* consists of *advertising* (X1), *sales promotion* (X2), events & experiences (X3), public relations & publicity (X4), *interactive marketing* (X5), word of mouth marketing (X6), and *personal selling* (X7). The dependent variable is a variable that becomes the result or is influenced by the independent variable. In this study the dependent variable is *intention to book a room* (Y).

2.4 Integrated Marketing Communication (X)

Integrated Marketing Communication is an independent variable in this study. Integrated marketing communication is a promotional medium with the concept of two-way communication, where this communication occurs between marketers and consumers. Where hotels in Denpasar-Bali use seven *integrated marketing mixes communication* which includes:

a) Advertising (X1)

Advertising is all forms of creative and clear presentation of information regarding goods or services that are non-personal in nature. As for the indicators of assessment in the advertising promotion media at hotels in Denpasar-Bali, namely:

1. The content of the message is clear, the information conveyed clearly by hotels in Denpasar-Bali.
2. The brochure looks attractive, the information displayed looks attractive.

b) Sales Promotion (X2)

Sales promotion is a promotional activity carried out in a short time with the aim of increasing sales significantly. As for the indicators of assessment in the sales promotion media at hotels in Denpasar-Bali, namely:

1. Giving a discount for every stay at hotels in Denpasar Bali.
2. Interesting incentives, an additional bonus for tourists who reserve rooms at hotels in Denpasar. -Bali.

c) Experiences (X3)

The Company sponsors activities or programs to create interaction with consumers. As for the indicators of assessment in the Media Events and Experiences at hotels in Denpasar-Bali, namely:

1. Creating experiences, in creating a good impression for tourists.
2. Uniqueness, there is a unique place in hotels in Denpasar - Bali.

d) Public Relations and Publicity (X4)

Public Relations and Publicity concerns all communication efforts to support public attitudes and opinions about the organization and its products. As for the indicators in the media *public relations and publicity* at hotels in Denpasar-Bali, namely:

1. Company image, gives a good impression to the public.
2. News credibility, reliable news about hotels in Denpasar – Bali.

e) Interactive Marketing (X5)

Interactive Marketing is an online activity and program involving tourists indirectly. As for the indicators in interactive marketing at hotels in Denpasar - Bali, namely:

- 1) Ease of interaction, easy interaction between customers and hotels.
- 2) Marketing through website interactivity, offers a place advantage through the Hotel website.

f) Word of Mouth (X6)

Word of Mouth is personal communication that is carried out orally, directly in writing, or using electronic communication media to convey an impression after buying and using a product or service. Meanwhile, the assessment indicators are in the WOM marketing media at hotels in Denpasar - Bali.

1. There are testimonies about hotels in online media which I can see.
2. Testimonials about hotels are important to me in making decisions.

g) Personal Selling (X7)

Personal Selling is face-to-face interaction with consumers directly to offer and provide information about a product. As for the indicators of assessment in personal selling media at hotels in Denpasar - Bali, namely:

1. Friendliness, being able to interact well with customers.
2. Service, able to provide good service to customers.

h) Intention to Reservation

Intention to Reservation is a behavior that appears in response to objects that indicate a customer's desire to make a purchase. The measurement scale indicators used by hotels in Denpasar - Bali are:

1. Being Interested in making reservations, that is, consumers' interest in creating excitement and satisfaction, for those who may give rise to the feeling of wanting to order.
2. In the future, it will be reserving again, namely tourists who have made reservations in the future will do it again.
3. Priority reservation is a priority for reservations when tourists return to visit.

2.5 Multiple Linear Regression Test Multiple

Linear regression test aims to determine the effect of each independent variable on the dependent variable, whether each of the independent variables has a positive or negative influence on the dependent variable and to predict the value of the dependent variable if the value of the independent variable increases or decrease.

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variable on the dependent variable, and predict the value of the dependent variable when the value of the independent variable increases or decreases.

Multiple linear regression is expressed in the form of a line equation Sugiyono (2010) as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \beta_7 X_7 + e \quad (1)$$

a) Test F

Test F is used to determine the significance level of the coefficient regression so it can be seen whether the influence of *integrated marketing communication* influence significant or not. The following are the steps in carrying out the F test:

Ho: $\beta = 0$, meaning that between independent variables (*Integrated Marketing Communication*) there is no significant effect simultaneously on the dependent variable Y (Intention to Reserve).

Hi: $\beta > 0$, meaning the independent variable X (*Integrated Marketing Communication*) has an effect which is positive and significant simultaneously on the dependent variable Y (Intention to Reserve).

b) Test t

Test t is employed to assess the significance level of each regression coefficient so that it can be seen whether the partial influence of *integrated marketing communication* on the intention to book a room is real (significant) or obtained by chance. Steps to analyze:

Ho: $\beta = 0$, meaning the independent variable X (*Integrated Marketing Communication*) has no partially significant effect on the dependent variable Y (Intention to Reserve).

Hi: $\beta > 0$, meaning the independent variable X (*Integrated Marketing Communication*) has a positive and partially significant effect on the dependent variable Y (Intention to Reserve).

3 Results and Discussion

3.1 Multiple Linear Regression Analysis

Regarding the classical assumption test above, with certainty it is inferred that the classical assumption test is passed by the regression model. The model employed in analyzing the variables that affect the intention to order is a multiple linear regression analysis model with the assistance of SPSS 15 for Windows software. In the multiple linear regression analysis model, the dependent variable is Intention to book a room, while the independent variables are Advertising, Sales Promotion, Experiences, Public Relations & Publicity, Interactive Marketing, Word Of Mouth and Personal Selling. Table 1 below consists of the multiple linear regression analysis results.

Table 1. The Results of Multiple Linear Regression Analysis

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1,735	1,109		1,565	,121
	X1	-,123	,129	-,094	-,948	,346
	X2	,197	,115	,151	1,716	,089
	X3	,289	,131	,204	2,203	,030
	X4	,213	,128	,160	1,667	,099
	X5	,239	,124	,182	1,938	,056
	X6	,199	,114	,164	1,737	,086
	X7	,279	,126	,213	2,203	,030

a. Dependent Variable: Y

From the multiple linear regression analysis results in table 1 above, the regression equation can be drawn up as follows:

$$Y = 1,735 - 0,123 X1 + 0.197 X2 + 0.289 X3 + 0.213 X4 + 0.239 X5 + 0.199 X6 + 0.279 X7$$

Meaning of the equation. The regression above can be elaborated below:

- $\alpha = 1,735$ means that the intention to reserve rooms (Y) will be considered by consumers if *Advertising* (X1), *Sales Promotion* (X2), *Experiences* (X3), *Public Relations & Publicity* (X4), *Interactive Marketing* (X5), *Word Of Mouth* (X6) and *Personal Selling* (X7) are constant or fixed values.
- $\beta_1 = -0.123$ states that *advertising* has a negative and insignificant effect, meaning that if *advertising* has increased by 1 unit, the intention to reserve a room has decreased by 0.123 units, predicting the other variables are persistent.
- $\beta_2 = 0.197$ states that *Sales Promotion* has a positive and significant effect, meaning that if the *Sales Promotion* increased by 1 unit then the Intention of Reserving would also increase by 0.197 units predicting the other variables are persistent.
- $\beta_3 = 0.289$ states that *experiences* have a positive and significant effect, meaning that if *experiences* have increased by 1 unit, the intention to reserve will also increase or increase by 0.289 units, predicting the other variables are persistent.
- $\beta_4 = 0.213$ states that *Public Relations & Publicity* has a positive and significant effect, meaning that if *Public Relations & Publicity* increased by 1 unit, the Intention of Reserving would also increase or increase by 0.213 units predicting the other variables are constant.
- $\beta_5 = 0.293$ states that *interactive marketing* has a positive and significant effect, meaning that if *interactive marketing* increased by 1 unit, the intention to reserve would also increase or increase by 0.293 units, assuming the other variables are persistent.
- $\beta_6 = 0.199$ states that *Word Of Mouth* has a positive and significant effect, meaning that if *Word Of Mouth* increased by 1 unit, the Intention of Reserving would also increase by 0.199 units predicting the other variables are persistent.
- $\beta_7 = 0.279$ states that *personal selling* has a positive and significant effect, meaning that if *personal selling* increased by 1 unit, the intention to reserve would also increase by 0.279 units, predicting the other variables are persistent.

3.2 Determination Test (Adjusted R²)

To determine how much the independent variable can explain the dependent variable, it is necessary to know the value of the coefficient of determination (*Adjusted R-Square*). The test results of determination *Adjusted R²* are as follows:

Table 2. Test Results of Determination (*adjusted R²*)
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,713 ^a	,509	,471	1,238

a. Predictors: (Constant), X7, X4, X2, X5, X6, X3, X1

Based on table 2 known value of adjusted R Square of 0.471 (47.1%). This shows that using the regression model obtained where the independent variables are *Advertising* (X1), *Sales Promotion* (X2), *Experiences* (X3), *Public Relations & Publicity* (X4), *Interactive Marketing* (X5), *Word Of Mouth* (X6) and *Personal Selling* (X7) has a good influence on the Intention of Reserving (Y), which is 47.1%. Meanwhile, the remaining 52.9% is effected by other variables which are not discussed in this research.

4 Conclusion

Based on the results of the above research it can be concluded that of the seven integrated marketing communication mixes which include the influence of integrated marketing communication, advertising, sales promotion, experience, public relations & publicity, interactive marketing, word of mouth, personal selling has a positive and significant effect on room reservation intentions. . This means that the intention to book cannot be encouraged by providing clear information about hotels in Denpasar. The results showed that Integrated Marketing Communication (X) which consists of Advertising (X1), Sales Promotion (X2), Experience (X3), Public Relations & Publicity (X4), Interactive Marketing (X5), Word Of Mouth (X6) and Personal Selling (X7) has a positive and significant effect simultaneously on the Intention of Reserving Room at Hotels in Denpasar. This is in accordance with the answer to the hypothesis which states that Integrated Marketing Communication has a positive and significant effect on Intention of Reserving Rooms. Based on the Simultaneous Test (Test F) that $F_{count} > F_{table}$, namely $13.471 > 2.19$, this shows that the Integrated Marketing Communication variable has a positive effect on the Intention to Book Hotels in Denpasar - Bali.

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