



## Propose Marketing Strategies of Oasis Siliwangi Sport Hotel to Increase Brand Awareness and Purchase Intention

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**ABSTRACT:** After the outbreak of the COVID-19 pandemic in 2020, there was a rise in tourist visitors from different parts of Indonesia to Bandung, resulting in a direct boost in the occupancy rate of star hotels in the city. Because of this growth, numerous hotels developed, with the majority being 3-star establishments. The Oasis Siliwangi Sport Hotel is a three-star establishment in Bandung, offering a range of facilities and an ideal location. Oasis Siliwangi Sport Hotel in Bandung is now struggling with a lack of brand awareness, resulting in potential customers being unaware of the hotel's existence and room occupancy rates. Consequently, this has led to a decline in the intention to make reservations. The objective of this study is to determine the variables that influence the level of brand awareness for Oasis Siliwangi Sport Hotel and develop effective marketing strategies to enhance the likelihood of customers choosing to stay at Oasis Siliwangi Sport Hotel. Data collection comes from primary data and secondary data. The primary data collection strategy is quantitative, utilizing a questionnaire for consumer analysis and hypothesis testing. Secondary data will be acquired from national and international scientific journals, previous research, book literature, government reports, and other reliable source of internet sites. The survey was disseminated to 217 potential target market participants with prior experience lodging at the hotel. The gathered data is analyzed using SMART PLS. The research findings indicate that Advertising and Social Media Marketing positively influence Brand Awareness. Furthermore, brand awareness, price, and facilities influence customer's purchase intention. Based on these findings, several recommendations and strategies are made. These include create exciting bundling package and loyalty program, optimize promotion activities, utilize advertising to reach consumers, and strengthen hotel facility.

**KEYWORDS:** Brand Awareness, Hotel, Marketing Strategy, Purchase Intention.

### INTRODUCTION

Bandung, Indonesia's natural and culturally beautiful city, has significant tourism potential due to its numerous attractions. Despite the COVID-19 pandemic's impact in 2020, the number of tourists is expected to increase significantly in 2021, with an increase of 7,08% from 3.214.390 tourists in 2020 to 3.704.263 tourists in 2021 [1]. This growth presents a potential market for the hotel industry, with a high occupancy rate of hotel rooms. The occupancy rate of hotel rooms in Bandung will increase significantly in 2022 by 30,63% from 2021 to 2022 [2]. This allows entrepreneurs and current hotel owners to expand their operations. The hospitality industry in Bandung is also facing intense competition, with an increasing number of star and non-star hotels opening each year. The 3-star hotel industry in Bandung has seen a significant increase, with five hotels opening between 2018 and 2019 [3]. Existing hotels must innovate and upgrade themselves to compete. One example of this competition is Oasis Siliwangi Sport Hotel, a 3-star hotel in Bandung.

Oasis Siliwangi Sport Hotel was launched in 2009 under PT Prima Sarana Manunggal's name, "Oasis Siliwangi Boutique Hotel" due to its unique minimalist design and antique aesthetic. In 2017, it was rebranded to "Oasis Siliwangi Sport Hotel" due to its proximity to various sports venues and facilities. Oasis Siliwangi Sport Hotel is famous for its Olympic-size warm water swimming pool and children's swimming pool which has various games. Oasis Siliwangi Sport Hotel faces a problem with its occupancy rate, which is crucial for its business in the hospitality sector. After the COVID-19 pandemic, the hotel's average occupancy rate was 49.74% in 2022, but it is still below the 65% average in Bandung. The manager wishes for an increase in occupancy rates, but several months experienced a decrease in 2023 compared to 2022. The large number of competitors in the hotel sector means that hotels must increase brand awareness of potential customers in order to increase the number of guests staying at the hotel. The hotel must conduct marketing activities to address this issue to increase brand awareness. The target market may only know the product's name or have limited knowledge. To remain competitive in the hospitality industry, the hotel needs to increase brand awareness and



increase potential customers' purchase intentions with an effective marketing strategy to increase room occupancy rates and competitiveness.

## METHODOLOGY

The study implements an applied research technique, aiming to utilize the research results to efficiently solve specific challenges firms or institutions face [4]. This research will provide the business with valuable insights to enhance decision-making processes and effectively solve the difficulties encountered.

Data collection comes from primary data and secondary data. Primary data will be acquired using several approaches, including observing and conducting interviews and questionnaires. The questionnaire design has closed questions with a five-level Likert scale, which will be assessed using an interval scale. The questionnaire will be conducted on a sample size of 217 individuals. The respondent in this research applies to the units under consideration that possess numerous attributes that closely match the components of the study. The research employed a non-probability sampling approach, which implies that the selection of respondents was not based on a comparable probability for each person to be included in the sample. The authors applied judgment while selecting volunteers and considered the practicality of gathering a sample [5]. Given that the survey questionnaire will be distributed via the Internet, it will be classified as an online survey. Secondary data will be acquired from national and international scientific journals, previous research, book literature, government reports, and other reliable source of internet sites.

The collected data will undergo quantitative analysis using the SMART PLS program. The software application known as SMART PLS is highly recognized in structural equation modelling, particularly for its implementation of the partial least squares equation models (PLS-SEM) methodology. The partial least-squares modelling of structural equations (PLS-SEM) is a suitable approach for conducting structural modelling in conditions where the data distribution indicates non-probability and the sample size is limited [6]. Marketers may utilize SEM to graphically examine the relationships between important factors to prioritize resources and better serve their clients and PLS is useful for structural equation modeling in actual research projects, especially when there are a few respondents, and the data distribution is biased [7].

## RESULT AND DISCUSSION

### A. Reliability Analysis

The reliability metric utilized in this study is frequently situated between the range of Cronbach's alpha and composite reliability, thus serving as a suitable middle point between these two metrics.

#### *Cronbach's alpha*

*Cronbach's alpha is a statistic that can be used as an alternate method to evaluate the precision of internal consistency. It follows the same criteria as composite reliability but tends to yield lower results in comparison. Reliability ratings ranging from 0.6 to 0.7 are often deemed acceptable, while levels from 0.8 and above are considered highly favorable. Values over 0.95, on the other hand, may suggest the presence of overlap. The following are the obtained results:*

**Table 1.** Cronbach's alpha (Author, 2023)

<b>Construct</b>	<b>Cronbach's Alpha</b>
Word of Mouth	0.661
Advertising	0.857
Social Media	0.896
Brand Awareness	0.903
Price	0.906
Facilities	0.882
Location	0.891
Purchase Intention	0.863



According to the findings presented in Table 1., the calculated values for Cronbach's alpha range from 0.661 to 0.906, which surpasses the established threshold of 0.60 in an amount that is statistically significant.

*Composite reliability*

Composite reliability is a metric used to assess the extent of internal consistency. Higher values of the composite reliability indicator suggest increased levels of reliability. It is imperative that the composite reliability remains above the minimum threshold of 0.60, as recognized acceptable in research. The following are the obtained results:

**Table 2.** Composite Reliability (Author, 2023)

<i>Construct</i>	<i>Composite Reliability</i>
Word of Mouth	0.811
Advertising	0.903
Social Media	0.928
Brand Awareness	0.939
Price	0.941
Facilities	0.918
Location	0.924
Purchase Intention	0.916

According to the findings presented in Table 2., the composite reliability measure exceeds 0.811, which is notably higher than the expected minimum threshold of 0.60.

**B. Validity Analysis**

This research used the methods of Convergent Validity and Discriminant Validity to assess the validity of the research findings.

*Convergent Validity*

This research used the methods of Convergent Validity and Discriminant Validity to assess the validity of the research findings. Convergent validity pertains to the assessment of the extent of correlation between different indicators of a specific construct, which collectively demonstrate concurrence. To ascertain convergent validity, it is imperative that the Average Variance Extracted (AVE) value above the threshold of 0.50, indicating a demonstration of competence. The following are the obtained results:

**Table 3.** Convergent Validity (Author, 2023)

<i>Construct</i>	<i>Average Variance Extracted (AVE)</i>
Word of Mouth	0,588
Advertising	0,700
Social Media Marketing	0,762
Brand Awareness	0,837
Price	0,842
Facilities	0,737
Location	0,754
Purchase Intention	0,785

According to the findings presented in Table 3., the average variance extracted (AVE) value for the entire construct above the threshold of 0.50. This observation suggests that all variables within the construct exhibit acceptable levels of convergent validity.



*Discriminant Validity*

Discriminant validity holds significant value in the fields of research and statistical analysis, particularly within the domain of measurement and psychometrics. Discriminant validity occurs when each latent variable demonstrates a greater degree of shared variance with its corresponding set of indicators, as opposed to a different latent variable representing a separate set of indicators. The assessment of discriminant validity can be conducted using the Fornell and Lacker criterion. The Fornell and Lacker criterion states that for each latent variable, the average variance extracted (AVE) is expected to exceed the squared correlation with all other latent variables. The following are the obtained results:

**Table 4.** Discriminant Validity Result (Author, 2023)

Construct	Word of Mouth	Advertising	Social Media	Brand Awareness	Price	Facilities	Location	Purchase Intention
Word of Mouth	0,767							
Advertising	0,531	0,837						
Social Media Marketing	0,493	0,749	0,873					
Brand Awareness	0,380	0,668	0,683	0,915				
Price	0,450	0,701	0,740	0,698	0,918			
Facilities	0,453	0,583	0,611	0,414	0,583	0,858		
Location	0,450	0,517	0,558	0,398	0,505	0,759	0,868	
Purchase Intention	0,531	0,704	0,684	0,750	0,730	0,561	0,469	0,886

Based on the Table 4., The finding that the root of AVE exceeds the correlation value between latent variables suggests that all latent variables demonstrate satisfactory discriminant validity.

**C. Customer Analysis**

*R-Square*

The coefficient of determination, denoted as R-Square, provides an indication of the extent to which a research model accurately represents the underlying phenomenon. The following are the obtained results:

**Table 5.** Discriminant Validity Result (Author, 2023)

Construct	R-square	R-square Adjusted
Brand Awareness	0,523	0,516
Purchase Intention	0,672	0,666

According to the findings presented in Table 5., the R-square value of 0.516 indicates that the model consisting of the independent variables X1 (Word of Mouth), X2 (Advertising), X3 (Social Media Marketing), and the dependent variable Y (Brand Awareness) is capable of accounting for about 51% of the observed occurrence. The remaining 49% of the population cannot be accurately represented due to the presence of external variables that have an impact on Brand Awareness. The R-square value of 0.413 indicates that the model, consisting of the independent variables X1 (Brand Awareness), X2 (Price), X3 (Facilities), X4 (Location), and the dependent variable Y (Purchase Intention), can account



for approximately 41% of the observed occurrence. The remaining 59% of the data cannot be accurately represented due to the presence of external variables that have an impact on Purchase Intention.

*T-Statistic*

The t-value could potentially indicate the strength of the association between construct variables. The approval of the hypothesis provided in this research depends on the t-statistic value exceeding the t table value above 1.96. The following are the obtained results:

**Table 6.** T-Statistic Result (Author, 2023)

<i>Construct</i>	<i>T-Statistic</i>
Advertising → Brand Awareness	5,025
Brand Awareness → Purchase Intention	6,246
Facilities → Purchase Intention	2,013
Location → Purchase Intention	<b>0,401</b>
Price → Purchase Intention	4,091
Social Media Marketing → Brand Awareness	5,853
Word of Mouth → Brand Awareness	<b>0,388</b>

According to Table 6., 5 out of 7 variables show t-values more than 1.96. Therefore, it can be inferred that there is a positive influence between these variables. This data presents the findings of the respondents who concur that the factor of Advertising and Social Media Marketing has an influence on Brand Awareness. Additionally, it indicates that Facilities, Price, and Brand Awareness also influence Purchase Intention, as per the inquiry in the questionnaire. Consequently, with t-values less than 1.96 for Word of Mouth and Location, it can be inferred that Word of Mouth does not have an impact on Brand Awareness and Location does not influence Purchase Intention.

*P Values*

The acceptability of the hypothesis stated in this research depends on the p-value being less than 0.05. The following are the obtained results:

**Table 7.** P-Value Result (Author, 2023)

<b>Construct</b>	<b>P Values</b>
Advertising → Brand Awareness	0,000
Brand Awareness → Purchase Intention	0,000
Facilities → Purchase Intention	0,045
Location → Purchase Intention	<b>0,688</b>
Price → Purchase Intention	0,000
Social Media Marketing → Brand Awareness	0,000
Word of Mouth → Brand Awareness	<b>0,698</b>

According to Table IV. Out of the 7 variables, 5 of them have a p-value less than 0.05. This indicates that there is a positive influence between the variables. Consequently, out of the total of 7 observations, 2 of them exhibit a p-value less than 0.05. This leads to the conclusion that there is no significant impact of Word of Mouth on Brand Awareness, and Location does not have a significant influence on Purchase Intention.

Based on the result of t-statistics and p-value calculations, the following are the summary results of the hypothesis.



Table 8. Hypothesis Analysis (Author, 2023)

Hypothesis	Description	Conclusion
H1	Word of Mouth has a positive influence on Brand Awareness	Rejected
H2	Advertising has a positive influence on Brand Awareness	Accepted
H3	Social Media Marketing has a positive influence on Brand Awareness	Accepted
H4	Brand Awareness has a positive influence on Purchase Intention	Accepted
H5	Price has a positive influence on Purchase Intention	Accepted
H6	Facilities has a positive influence on Purchase Intention	Accepted
H7	Location has a positive influence on Purchase Intention	Rejected

The study utilized the SMARTPLS software as a comprehensive analytical instrument to investigate the connections between word of mouth, advertising, and social media marketing with brand awareness and the associations between brand awareness, price, facilities, and location with purchase intention. The data were collected using a questionnaire, with a sample size of 217 participants, ensuring a representative sample of the target population. The study's findings provide strong evidence in favor of most of the hypotheses investigated, indicating a substantial correlation between the variables. The findings indicate that Advertising and Social Media Marketing positively impact Brand Awareness. This suggests that customers with strong exposure to advertising and social media marketing are more perceptive and knowledgeable about the presence of brands, a phenomenon known as brand awareness.

Nevertheless, there is a correlation between word of mouth and brand awareness. Moreover, the study demonstrates that Brand Awareness, Price, and Facilities favorably impact Purchase Intention. This demonstrates a positive correlation between consumer knowledge and familiarity with a business and their likelihood to purchase its services/products. Furthermore, the attractiveness of the business's price and facilities influences consumer purchasing decisions. Nevertheless, there is no positive correlation between Word of Mouth and Brand awareness, as well as Location and Purchase Intention. This implies the possibility of other variables that could potentially act as facilitators in this correlation.

### CONCLUSION

Oasis Siliwangi Sport Hotel, a 3-star hotel in Bandung, was founded in 2009. Oasis Siliwangi Sport Hotel is facing a challenge regarding brand awareness, specifically the limited understanding among potential consumers regarding the hotel's existence. To address the issue of awareness, hotels should enhance their efforts in implementing advertising and social media marketing campaigns, as these activities directly impact the level of hotel brand awareness. Besides that, Oasis Siliwangi Sport Hotel room occupancy rates in 2022 and early 2023 are lower than expected for other 3-star hotels in Bandung. The author has determined the variables that impact the buying intention of Oasis Siliwangi Sport Hotel. Upon thoroughly examining the company's internal and external contexts, it is evident that Oasis Siliwangi Sport Hotel must establish public brand awareness among potential consumers to enhance purchase intention. Their room rates and hotel amenities must also be appealing as they directly impact the customer's inclination to make a purchase.

### RECOMMENDATION

To improve the brand awareness of the Oasis Siliwangi Sport Hotel, it is proposed that the hotel enhance its marketing initiatives, with a particular emphasis on advertising and social media marketing. In addition, the organization can consider implementing the following suggested marketing approach:



1. Create exciting bundling package and loyalty program.
2. Optimize promotion activities.
3. Utilize advertising to reach consumers.
4. Strengthen hotel facility.

To summarize, executing the five suggested techniques offers a favorable prospect for Oasis Siliwangi Sport Hotel to improve consumer knowledge and boost the desire to make a purchase. Moreover, Oasis Siliwangi Sport Hotel must uphold and enhance brand awareness, pricing, and facilities, as these elements greatly influence consumer buying intentions. Oasis Siliwangi Sports Hotel can enhance its market position and cultivate enduring customer loyalty and engagement by efficiently addressing these factors.

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*Cite this Article: Widia Kintan Sabila Firdaus, Prawira Fajarindra Belgiawan (2023). Propose Marketing Strategies of Oasis Siliwangi Sport Hotel to Increase Brand Awareness and Purchase Intention. International Journal of Current Science Research and Review, 6(12), 8156-8162*