



Strategic Business Adaptations and Growth Opportunities for Cahya Bali Resort in Bali's Competitive Coastal Environment

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ABSTRACT: This research analyzes the strategy adaptation and growth opportunities for Cahya Bali Resort in a high-competitive property industry in Bali. The research focuses in identifying factors that influence customers' purchase decision in deciding to purchase property in Bali and to find the gaps between the factors that is considered important by customers and the factors that is perceived by PT. CBR as the important factors for customers. The need of this research arises from the stagnant sales in the project. The research employs quantitative and qualitative methods. The quantitative data is collected through a questionnaire that is participated by 178 respondents with various demographic segments. The results are analyzed descriptively using the cross-tabulation method. The qualitative data gathering is conducted to further explore the factors and to triangulate the data from questionnaires. The qualitative data is conducted by interviews with both external and internal parties that are involved in Cahya Bali Resort. From the interview result, the data is analyzed with coding method to explore the factors that appears the most. This research employs the 7Ps marketing mix approach as the parameter of the factors and suggested that there are gaps of between the factors that is perceived important by customers and by the management of PT. CBR. For customers, the important factors involve Place, Price, People and Product category. While for the management of PT. CBR, the important factors involve Place, People, Price, and Product. Although it may seem similar but the sub-factors in the 7Ps marketing mix differs between customers and the management of PT. CBR. The gap identification calls for strategy adaptations to answer customer. Further to the strategy adaptation, this research also suggested the growth opportunity for Cahya Bali Resort.

KEYWORDS: 7Ps Marketing Mix, Cross-tabulation, Growth Opportunity, Property, Strategy Adaptation.

INTRODUCTION

Indonesia, being the fourth most populated nation globally and possessing the largest economy in Southeast Asia, is currently experiencing a significant and profound transformation. As the nation undergoes expansion and development, the economy experiences growth. Economic growth fosters business expansion, wages growth, and increased employment, resulting in higher disposable income. Increased disposable income enhances individuals' confidence in improving their living situations. The pursuit of excellence, safety, and an improved standard of living motivates the need for homes that provide more than just accommodation, but rather an elevated way of life. The demand for property frequently surges during periods of strong economic growth, making the property industry a reliable indication of a thriving economy. The growth of the economy establishes a mutually beneficial relationship in which it both influences and is influenced by the growth in the property sector. The real estate sector plays a significant role in the country's Gross Domestic Product (GDP) by engaging in operations such as property rental, leasing, selling, buying, and property management, primarily involving land and buildings.

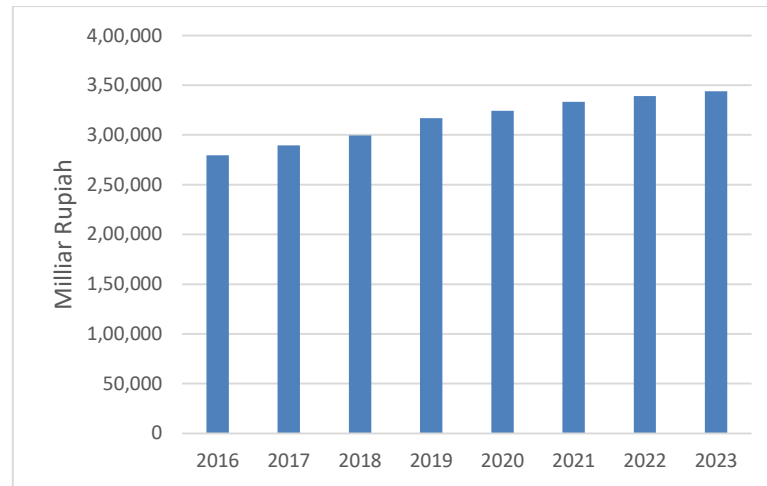


Figure 1. Contribution from real estate sector to GDP at 2010 constant
Source: Central Bureau of Statistics

Bali, an island in Indonesia, is renowned for its pristine beaches, scenic view, and natural landscape. It has long been a popular tourist spot, attracting both domestic and foreign visitors. Due to the increase in tourism, the development in Bali has experienced significant growth. Tourism has played a crucial role in fuelling Bali's economic expansion, serving as a major source of revenue from both international and domestic visitors. The growth of tourism has significantly contributed to the development of many regions in Bali, including Kuta, Seminyak, Ubud, and more recently, Canggu. These regions have seen a significant transformation, transitioning from a tranquil location to a bustling area due to the extensive growth of commercial spaces, restaurants, and businesses that now populate the streets. This expansion is also accompanied by an increase in the need for housing. This phenomenon has been occurring for several decades shifting from one area to another. Once the infrastructure of a certain place reaches a point of excessive congestion, the crowd relocates to a less packed space and re-establishes the pattern. Many developers try to capture this momentum, with both small up-and-coming developers and large-scale developers vying to construct developments. PT. CBR, a prominent developer in Indonesia, anticipated this tendency almost ten years ago. Anticipating the ongoing expansion towards the western side of the island, CBR made the decision to invest in developing the area in Tabanan.

The prominent tourist destinations in Bali in the year 2015 included Kuta, Seminyak, and Ubud. Over time, the expansion expanded to Canggu, which subsequently transformed into a lively district featuring restaurants, stores, hotels, cafes, and beach clubs. PT. CBR saw the potential development to their location and made the decision to proceed with its development. However, after 8 years the sales performance of Cahya Bali Resort has been slow. The stagnant sales can be attributed to several factors, like the cancellation of sales due to the Covid-19 pandemic, the underdevelopment of the project, and the remote location. This issue leads to the exploration of the factors that resulted the stagnant sales. This study is meant to explore the issue and find a strategy to overcome the issue.

LITERATURE REVIEW

Functional Strategy

Functional level strategy refers to a cohesive and synchronized collection of purpose and policies that guides the operations inside certain functional areas or departments, such as marketing, finance, or human resources (Andrews, 1987). Kotler et al., (2020) highlight the correlation between marketing strategy and wider functional strategy, asserting that financial success frequently hinges on marketing proficiency. A company defines their marketing strategy which define their customers and thorough planning of their marketing mix and tools to apply its marketing strategy. This planning takes place at the business unit, product, and market levels, guaranteeing a thorough and efficient company strategy which then suggest that marketing strategy is not merely a functional strategy but an integral component of business strategy.

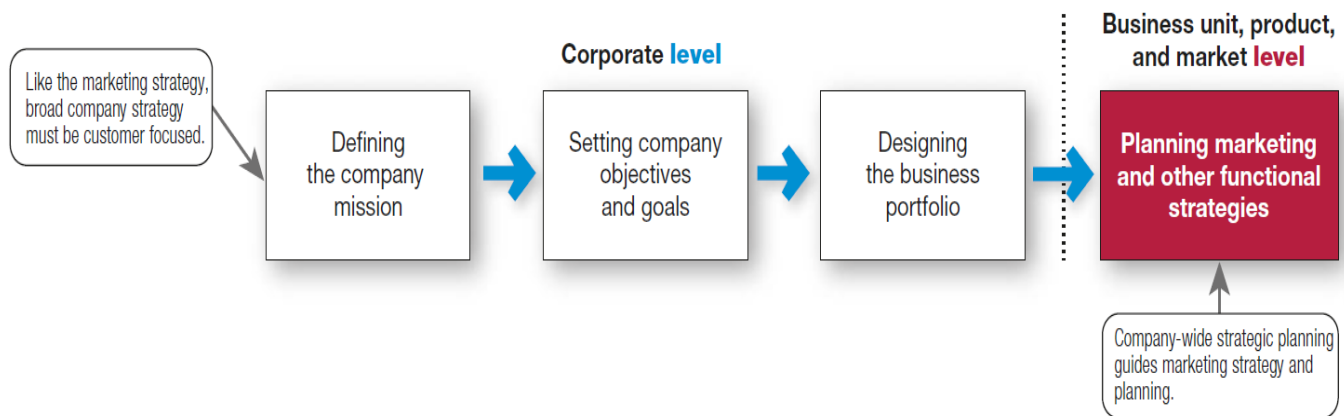


Figure 2. Steps in Strategic Planning

Source: Kotler et al., 2020

In planning which marketing strategy to be applied, a company has to first understand the external and internal environment in which its business operates. The external and internal environment could be analysed by using PESTEL, Porter’s Five Forces, VRIO and SWOT analysis. According to Kotler and Armstrong (2016), company nowadays realized that they could not appeal to all buyers thus many companies have moved from mass marketing to targeting marketing, defining which market they will prioritize to focus their marketing efforts on. The planning of this strategy employs marketing segmentation, targeting and positioning (STP) which is important to help company tailor their products.

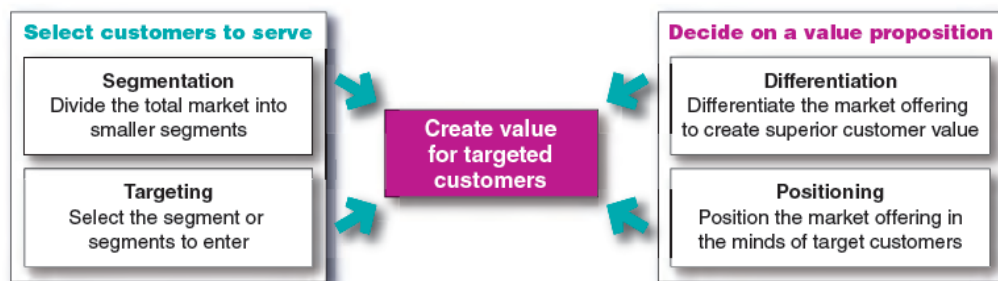


Figure 3. Customer-Driven Market Strategy

Source: Kotler & Armstrong (2016)

This marketing approach is focused on meeting the needs of customers by dividing them into segments, selecting specific segments to target, and positioning products or services in a way that maximizes the effectiveness of marketing activities. Market segmentation is the process of categorizing customers into smaller groups based on demographic, psychographic, or behavioural criteria. Targeting enables organizations to efficiently allocate resources by concentrating on undifferentiated, micro, differentiated, or focused marketing strategies. Positioning entails defining a unique selling point and developing a distinct position in the market. This entails identifying a competitive edge, selecting an appropriate strategy, and proficiently conveying and advertising the position to the market.

Along with marketing STP, a company also needs to understand the market demand. Kotler & Armstrong (2016) emphasize the importance of understanding market demand and consumer preferences to succeed in today's competitive marketplace. They suggest that companies must differentiate themselves from competitors and enhance customer satisfaction by delivering greater value. Kotler & Armstrong challenge the 4P marketing mix, which includes product, price, promotion, and place, which was initially classified by McCarthy in 1960. The 4Ps has further developed to 7Ps, this marketing mix has emerged as a crucial idea in marketing,

...serving as a strategic instrument that companies employ to attain their desired market reaction (Kotler & Armstrong, 2016). Each element is strategically crafted to impact product demand. By effectively matching these elements with the target market and brand positioning, the company can achieve profitability.

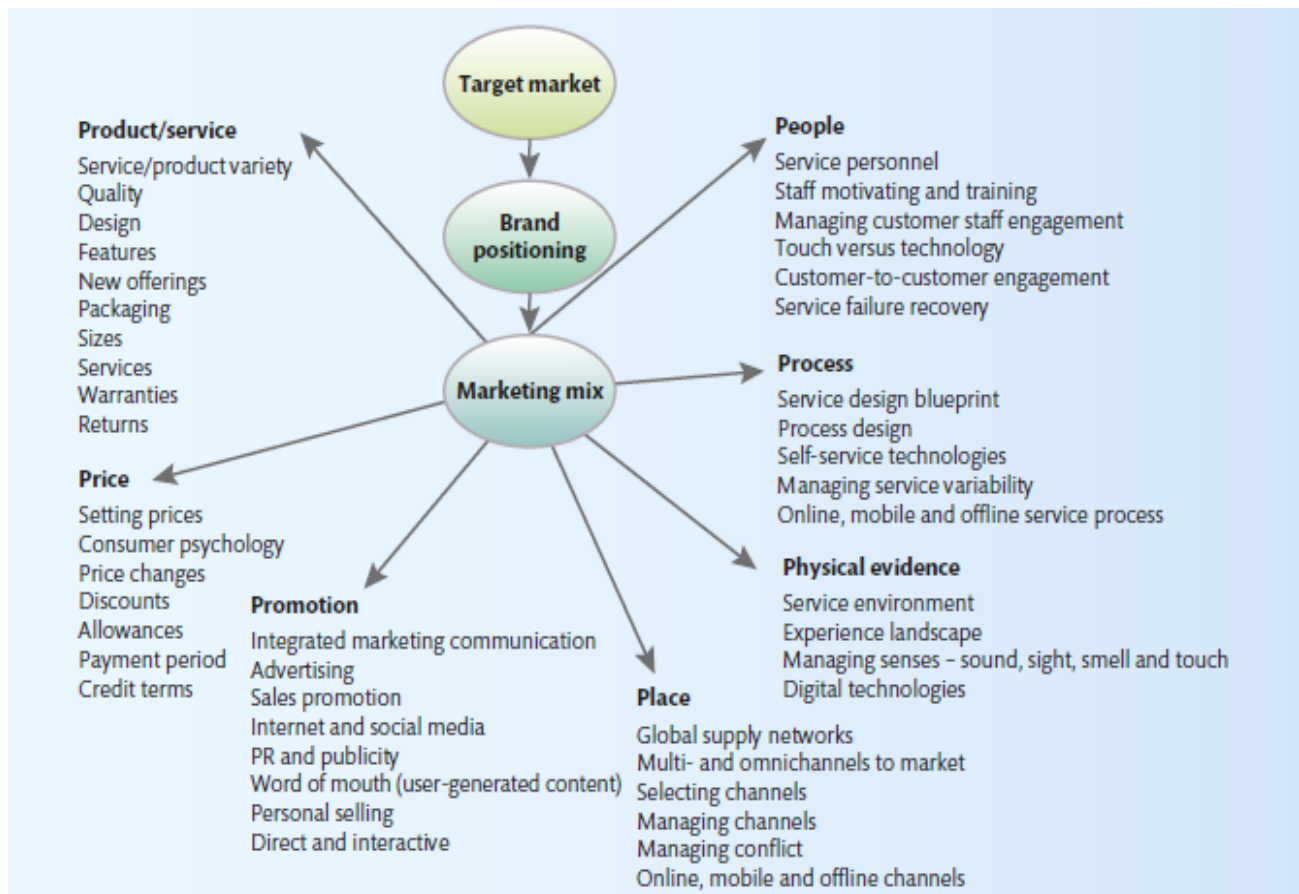


Figure 4. 7Ps Marketing Mix
Source: Kotler & Armstrong, 2016

Growth

Companies frequently pursue expansion, especially those that have shareholders. In order to attain sustainable expansion, corporations must take into account three crucial elements: the duration of growth, the origins of growth, and the routes to growth. Time horizons pertain to the specific periods of time that firms employ to strategize and forecast their growth objectives. Sources of growth refer to the origins or opportunities that enable a corporation to expand its business. Opportunities can be categorized into three domains: optimizing the core, diversifying into adjacent areas, and exploring unrelated avenues for growth.

When developing and implementing development strategies, firms need to take into account timeframes, sources of expansion, and methods of achieving growth. By prioritizing these factors, firms can more effectively allocate their resources and managerial emphasis, so ensuring long-term growth and achievement.

In 1957, H. Igor Ansoff developed a Growth Matrix, which is now considered one of the most valuable instruments for strategic planning. It offers a structured framework to assist organizations in strategizing for future business expansion. Ansoff's theory suggests that there are only four primary strategies for growth, however there may be several ways to implement these strategies. These four fundamental strategies are represented in the matrix below.



Figure 5. Ansoff's Matrix

Source: Ansoff (1957) in Foster and Grannel (2023)

The matrix assesses growth plans that utilize both current and emerging products and markets. The framework has four distinct strategies: market penetration, market development, product development, and diversification. Market penetration refers to the strategy of boosting sales of current items or services in an established market, which is considered the least risky approach. Market development entails the process of selling already existing items in new markets. This approach has a larger level of risk, but also presents a greater likelihood of achieving success. Product development involves the introduction of new items into current markets, hence expanding the range of available products. Diversification entails expanding into unfamiliar markets with novel products, which may be either connected or unrelated.

Related Studies

Research has indicated that there are factors that influence the decision to purchase a house, such as price, amenities, and location. Imalia & Aprileny (2020) suggest that price is the primary consideration of the Cileungsi housing complex, with natural ventilation and abundant parking being secondary factors. Kurniawan et al. (2020) identified that the most influential factors in millennial home purchases are structural characteristics, location, and financial aspects. In their study, Candy and Renato (2021) identified location, structural variables, attitude as the primary determinants, whereas financial and neighbourhood factors were deemed less influential. According to Sulastri & Prasetyo (2022), the primary elements influencing house purchase are strategic location and promotion. Additionally, parking facilities and media promotion are identified as important contributing aspects. According to Putranto et al. (2023), the research revealed that both product quality and brand image have a substantial influence on customer decision-making in Bali. In their study, Hidayati et al. (2023) discovered that environmental variables played a more prominent role during the Covid-19 pandemic. According to Jacky and Saputra (2024), they discovered that factors such as product quality, pricing, strategic location, promotion, and positive electronic word of mouth have a favourable impact on purchase intent in Batam City. All these studies show that location is a critical factor for customers when purchasing property, alongside pricing, structural attributes, quality, facility, brand image, marketing, and promotion. Location factor is highlighted by almost all the studies mentioned above.

This research is trying to find the factors that influence customer purchase decision in CBR project by employing the factors in 7Ps marketing mix with the framework below. The framework highlights the connection between an integrated business strategy and overall company performance. It outlines the role of marketing and sales divisions in aligning the strategic direction with operational aspects, influencing sales performance. Marketing strategies are influenced by both external and internal factors, aiming to optimize market competitiveness and profitability. The diagram emphasizes the importance of continuous control, monitoring, and adjustment of strategies based on sales performance, ensuring alignment with strategic goals and adaptability to the business environment.

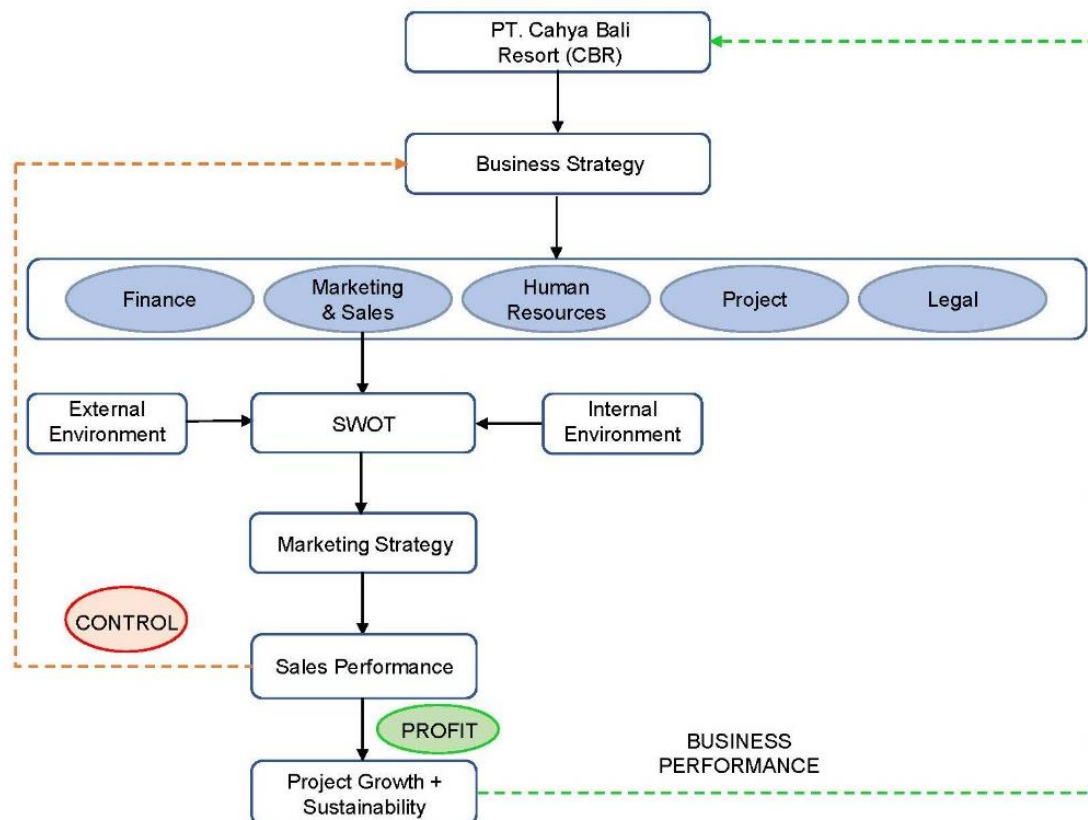


Figure 6. Conceptual Framework
Source: Author’s Analysis

METHODS

Data Collection

This research aims to identify factors influencing buyer decisions, identify gaps, and strengthen the project’s value proposition to ensure Cahya Bali Resort growth and sustainability. It will study customer preferences and gather comprehensive data through interviews and analysis tools. The findings will then suggest strategy formulation for implementation at the project.

Saunders et al. (2012) and Creswell & Creswell (2023) have made significant contributions to the field of research methods. Creswell & Creswell (2023) have suggested an explanatory sequential mixed method design, which entails gathering quantitative data beforehand and subsequently evaluating it to comprehend the qualitative outcomes which will be applied in this research.

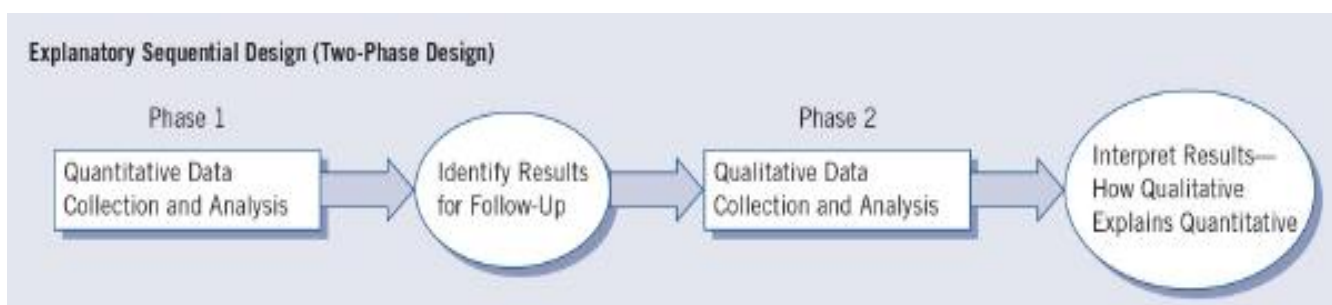


Figure 7. Explanatory Sequential Mixed Method Design
Source: Creswell & Creswell (2023)

The objective of the research is to identify customer preferences when buying a residential property in Bali. This will be achieved by using self-completed questionnaires which are often referred to as surveys (Saunders et al., 2012), which will be delivered online via web browser. The questionnaires will consist of closed-ended questions that include a combination of list and likert scale inquiries. The Likert-scale rating will be used to prompt respondents to articulate their thoughts. The data will be displayed in a linear format, as it is expected that responders will process the material in this manner (Dillman et al., 2014).

This study specifically targets individuals between the ages of 25 and 60 who have upper-middle and high-income levels as potential clients for Cahya Bali Resort. The income level is determined based on the World Bank Group's income classification. Based on the Indonesia Central Bureau of Statistics report in August 2023, the population of Indonesia between the ages of 25 and 60 is 136,939,250. Among this group, based on National Socio-Economic Survey (Susenas) 2021, 22.14% falls under the upper-middle income category, while 1.81% falls under the high-income category. The target sample size is calculated with Slovin's sampling formula with the margin of error of 7,5% and resulted in 178 samples.

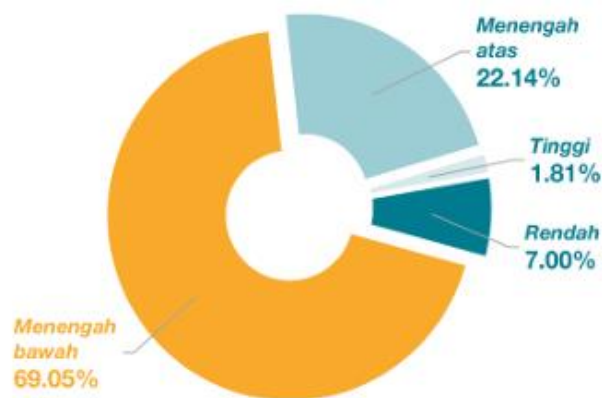


Figure 8. Population distribution in Indonesia based on income level of the year 2021

Source: Susenas 2021

After the analysis of the quantitative data, this study will continue with interviews with individuals who has completed the questionnaires in order to collect qualitative data. The interviews will be conducted using a semi-structured method, which involves asking open-ended questions that encourage detailed and progressive responses. The interviews will be performed through in-person methods, with a one-on-one interaction between the writer and the participant. The interviews will be documented using an audio recorder. Apart from both quantitative and qualitative data, the data will also be collected from the company's internal data.

Data Analysis

The quantitative data will be analysed using a descriptive method and cross tabulation method to examine relationships between variables while the qualitative data will be analysed separately using a code system and data triangulation to strengthen reliability and validity. As mentioned above, few frameworks will be employed to analyse company's standing, such as PESTEL, Porter's Five Forces, VRIO, and SWOT while the marketing strategy will be developed using tools like Segmentation, Targeting, and Positioning, 7Ps of marketing mix, and Ansoff's matrix.

RESULTS AND DISCUSSION

PESTEL

The PESTEL analysis of Cahya Bali Resort indicates that Indonesia's political stability is below the average of South East Asian countries. The government has strategically positioned Bali as a premier tourist destination through the organization of prestigious events and the implementation of legislation aimed at enticing tourists and investors. The purpose of these rules, such as the Special Economic Zone (SEZ) in the Sanur area and Kura Kura Bali, is to enhance infrastructure, create employment prospects, and boost property valuation.



In the economic sector, Bali has experienced a favorable year-on-year increase in economic growth from Q2 2021 to Q1 2023, demonstrating a robust economic advancement. The inflation rates have remained steady, with a mild year-on-year inflation rate of 3.54% and a decline in month-to-month inflation rates from 0.09% to -0.03%. Indications imply that consumer prices in Bali exhibit a notable level of stability, which is often advantageous for businesses. In Bali, the unemployment rate is 1.87%, which is lower than the national rate of 2.84% and significantly lower than the national rate of 4.82%. The data indicate that Bali's economic growth is strong, resulting in increased wages and expenditure, which could potentially lead to stronger investment in the property industry. The establishment of the Special Economic Zone (SEZ) discussed in the political part also appears to hold great potential for stimulating economic growth in Bali. The execution of these regulations could enhance the market reach of Cahya Bali Resort, benefiting both end users and investors and increasing the demand for the property.

Indonesia is projected to have a demographic dividend from 2030 to 2045, as it will have a bigger proportion of its population in the productive age group (15-64 years old) compared to the non-productive age group (65 years old and above). This has the potential to create a favourable investment climate and result in a rise in property values in Bali. The Covid-19 pandemic has fostered the adoption of remote work, resulting in Bali becoming a sought-after destination for both domestic and international tourists. The epidemic has also impacted the evolution of real estate and commercial spaces, including residential floor plans, outdoor areas, fitness amenities, and health-conscious dining establishments.

The advent of technology has facilitated the practice of working remotely, giving rise to the concept of "Digital Nomad" in Bali. In response to the phenomenon, The Indonesian government has established a B211A Visa, specifically designed for digital nomads, which is governed by Regulation no.6 of 2011. Aside from that, in the technology sector, property enterprises can exploit technology in multiple ways, including the implementation of home automation, virtual reality, artificial intelligence, and the optimization of internet platforms. Nevertheless, the swift changes in technology requires the company to adapt quickly and poses potential threats to security, such as unauthorized access to data and weaknesses in systems. It compels company to promptly adjust their strategies. Notwithstanding these difficulties, technology is still regarded as advantageous for the majority of sectors, including property, enabling enhancements in several areas.

Bali hosts sustainable development companies and implements eco-friendly development strategies to conserve the environment. Compliance with land use and zoning rules, coastal setback requirements, and environmental restrictions is necessary, which includes proper waste management methods and integration with neighbouring villages.

Overall, the PESTEL analysis suggests that the company works in a favourable environment with abundant opportunities, especially in terms of economic expansion, demographic changes, and favourable regulations. Although the organization faces risks like political instability and rapid technology advancements, it may strategically exploit the identified opportunities to minimize these risks and promote long-term success. In order to successfully navigate this ever-changing environment, it is imperative to prioritize innovation, adaptation, and sustainability.

Porter Five Forces

Cahya Bali Resort faces several challenges in the competitive landscape and market dynamics. The Porter's Five Forces analysis helps evaluate the intensity of competition, power of buyers, suppliers, threat of new entrants, and presence of substitute products or services.

The threat of new entrants is high due to the significant initial capital required for acquiring land, building infrastructure, and construction. Brand recognition is low pressure, as CBR ranks 3rd among 18 other companies globally. However, new developers are more flexible in terms of price, design, and operational flow, which poses a threat for PT. CBR. Regulatory compliance is low pressure, as developers need to comply with various regulations, which can be time-consuming and relatively expensive. Location availability is low pressure, as most prime locations, especially with beach access, have been acquired.

The threat of substitute products or services is low pressure, as customers may prefer properties close to mountains, cities, or tourist destinations. A sustainable approach is considered medium pressure, as large development is often perceived as a threat to the environment. Lifestyle preferences, such as the growing number of digital nomads or remote workers, also pose a threat to Cahya Bali Resort.

The bargaining power of buyers is high, as they have numerous options to choose when purchasing property in Bali. Switching costs are high pressure, as changes do not require switching costs for buyers as long as they have not paid for the down payment. Brand loyalty is low pressure, as CBR has established a good reputation and has a good relationship with suppliers.

The bargaining power of suppliers is low pressure, as there are many contractors and suppliers in Bali offering similar skills. Suppliers' impact in the development process is high pressure, as delays in delivery could reduce buyers' trust. Price sensitivity is low pressure, as CBR has developed good connections with suppliers, giving them an advantage in negotiating prices.

Rivalry among existing firms is high pressure, as the market becomes saturated with similar offerings to the same pool of buyers. Product differentiation is high pressure, as companies must differentiate their products and performance to stay competitive. On the other hand, the emergence of foreign developers also puts pressure on local developers to enhance their products and performance.

Exit barriers are high pressure, as the huge capital investment in the property industry creates a high barrier for companies to exit the market. Brand recognition and loyalty are low pressure, as Cahya Bali Resort has gained trust from buyers which led to repeat purchases, leveraging its position in the competitive market.

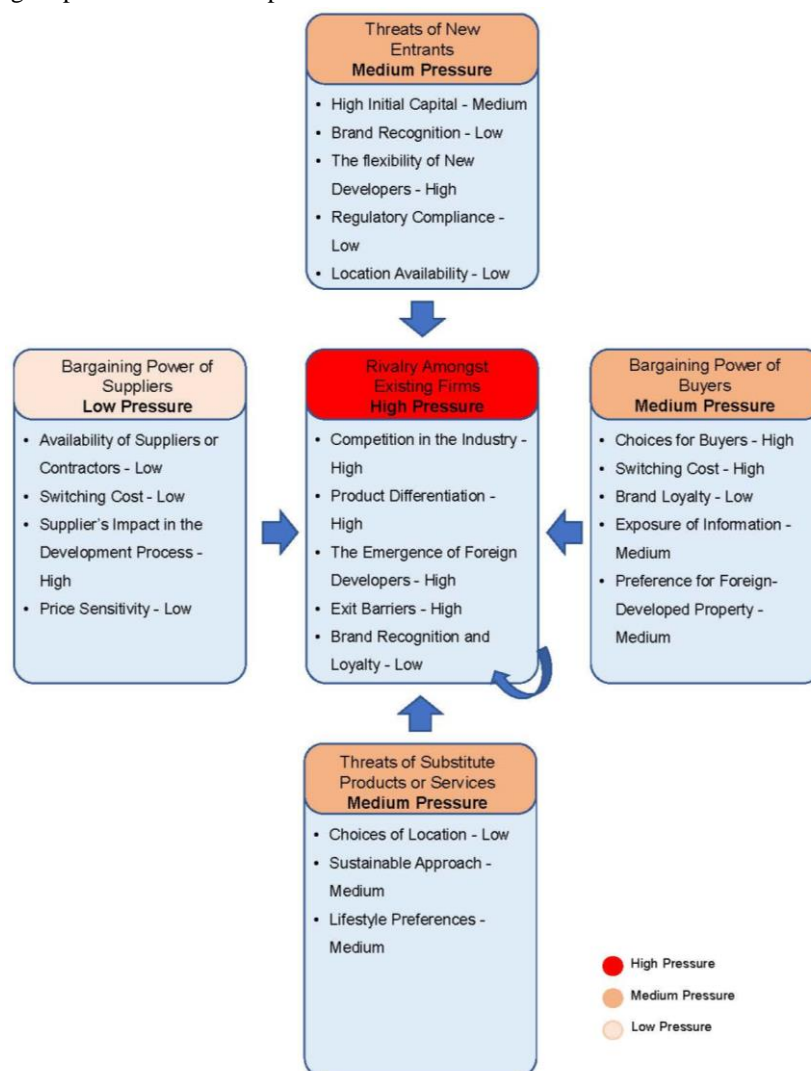


Figure 9. Porter Five Forces Analysis

Source: Author's Analysis

The Porter Five Forces analysis reveals that the market environment is highly competitive, with incumbent competitors exerting a large amount of pressure and new entrants and substitutes posing a medium level of threat. The bargaining power of both buyers and suppliers is generally low to medium, which indicates that CBR has some leverage in the negotiations that are taking



place. To thrive in this climate, the company must concentrate on differentiating its offerings, increasing brand recognition and loyalty, and effectively managing the competitive challenges through innovation and effective market positioning. Only then will it be able to prosper.

VRIO

The VRIO framework helps companies identify resources and capabilities that can lead to a sustained competitive advantage. Cahya Bali Resort has four criteria for sustained competitive advantage: a well-established brand, large land bank, beachfront location, and partnership access. Temporary competitive advantage includes human resources for development and compliance with legal and regulation. Competitive parity refers to valuable but not rare resources, such as property management and marketing ability. To enhance its market position, PT. CBR must ensure effective organization to capture these resources.

Table I. VRIO Analysis

Criteria	Valuable	Rare	Difficult to Imitate	Organized to capture value	Impact on..
Brand reputation as a well-established brand in property industry	Yes	Yes	Yes	Yes	Sustained Competitive Advantage
Large land bank	Yes	Yes	Yes	Yes	Sustained Competitive Advantage
Beachfront location	Yes	Yes	Yes	Yes	Sustained Competitive Advantage
Human resources to support the development	Yes	Yes	No		Temporary Competitive Advantage
Legal and regulatory compliance	Yes	Yes	No		Temporary Competitive Advantage
Property management	Yes	No			Competitive Parity
Partnership access	Yes	Yes	Yes	Yes	Sustained Competitive Advantage
Marketing ability to penetrate customer	Yes	No			Competitive Parity

SWOT

Cahya Bali Resort, located on a 1.4 km coast line, offers a scenic view and direct beach access. Its large landbank and well-established brand in the property industry have gained customer trust and allowed for expansion. However, the resort faces constraints in fast decision-making and is far from the town, making it difficult for foreigners to access the market. CBR's technology integration is also lacking, and the area has not yet developed, making it difficult to attract investors.

Opportunities for CBR include expanding its business to cater to foreigners, diversifying its products, adopting technology integration, and developing a loyalty program for loyal customers. Threats include the highly competitive property industry in Bali, the impact of natural disasters and pandemics on tourism, and the potential for economic downturns affecting the resort's investments. By addressing these challenges, Cahya Bali Resort can better plan for its future.

Segmentation, Targeting and Positioning

PT. CBR is analysing its marketing segmentation, targeting, and positioning to respond to competition pressure and industry changes. The major product segments include geographical, demographic, psychological, and behaviour. Geographic segmentation involves dividing the market into different geographical units, such as regions, cities, countries, and neighbourhoods. The majority buyers of CBR's products come from Indonesians with domicile in Jabodetabek, Jakarta Barat, Jakarta Selatan, and East Java. With the increasing number of expatriates living in Bali, CBR is starting to explore the foreigners' market.



Demographic segmentation divides the market according to variables involving age group, gender, income, and occupation. The majority buyers are of 40 years old and above (69%), followed by 31-40 years old (25%) and below 30 years old (6%). From the demographic segmentation, CBR could also explore the retiree segment, which is projected to reach one billion people worldwide as the government issued a 5-Year Limited Stay Visa for the elderly to accommodate this market segment.

Psychographic segmentation divides consumers based on attitudes, loyalty to the brand, and product usage. The majority of buyers purchase property for investment purposes, with 10% repeat buyers and 90% new buyers. To increase sales and growth, CBR could adapt their strategy by targeting these segments through differentiated and concentrated marketing.

Based on the segmentation and targeting, Cahya Bali Resort's marketing positioning could combine luxury with sustainability, catering to a broader market segment, including local and foreign investors, digital nomads, and retirees. By emphasizing luxury and sustainability, CBR can appeal to potential market segments and elevate its development as a responsible and ethical investment.

Table II. Marketing Segmentation, Targeting, and Positioning of CBR

Market Segmentation	Potential Market	Market Targeting	Positioning
Geographic	Foreigner market	Differentiated Marketing	Where luxury meets sustainability
Demographic	Retiree market	Concentrated Marketing	
Psychographic	a. Digital nomad segment	a. Differentiated Marketing	
	b. Environmental conscious segment	b. Concentrated Marketing	
	c. Technology-savvy segment	c. Differentiated Marketing	
Behavior	Idle-property owner segment	Concentrated Marketing	

7Ps Marketing Mix

Based on the questionnaires, the 7Ps marketing mix factors that plays a crucial role for property buyers in Bali, is 'Place' which scores 54% from the overall factors which aligns with most of the studies conducted by several researchers. 'Price' being of secondary importance scores at 29%, suggesting that cost is a significant factor. The importance of 'people', which includes customer service and interaction with agents, developers, and sellers, is rated as moderately significant, with a score of 11%. The 'Product' category, which encompasses the design, quality, and characteristics of the property, receives a score of 5%. On the other hand, both 'Physical Evidence' and 'Process' categories receive a score of 1%. The promotion scores 0%, signifying that marketing and promotional endeavours have no influence on the decision-making process.

Table III. 7Ps Marketing Mix Priorities

7P Factors	Category	n	%
7P Factors	Place	97	54%
	Price	51	29%
	People	19	11%
	Product	9	5%
	Physical Evidence	1	1%
	Process	1	1%
	Promotion	0	0%

In the questionnaires, the respondents were further asked about the importance of sub-factors in the 7Ps that are given in relation to the project. According to result, buyers give priority to 'Place' aspects such as neighbourhood, access. In the 'Price' category, the 'Return on Investment' (ROI) potential, resale value, and investment value. The 'People' category places emphasis on the developer's experience, community, building management, and after-sales service. The 'Product' category encompasses factors such as land and building area, design, amenities, materials, and product quality. The impact of physical evidence, such as the quality



of infrastructure and the house landscape, is rather minimal. The 'Process' category focuses on the access to information, negotiation process, agent role, and the developer's capability. The overall sub-factors importance is shown in Table III.

Table IV. 7Ps Marketing Mix Sub-Factors Priorities

7Ps Factors	Sub Category	Score	%
Place	Proximity to Urban Area/Town	211	29,6%
	Proximity to Social Center/Amenities	220	30,9%
	Nature	253	35,5%
	Access	257	36,1%
	Proximity to Airport	165	23,2%
	Neighbourhood	261	36,7%
Price	Investment Value	157	22,1%
	Maintenance Cost	138	19,4%
	Resale Value	158	22,2%
	ROI Potential	159	22,3%
People	Developer's Image	36	5,1%
	Developer's Experience	38	5,3%
	Communities	37	5,2%
	Building Management	37	5,2%
	Marketing Service	34	4,8%
	After Sales Service	37	5,2%
Product	Land and Building Area	13	1,8%
	Design	13	1,8%
	Facilities	13	1,8%
	Materials	13	1,8%
	Qualities	13	1,8%
Physical Evidence	Infrastructure Quality	4	0,6%
	Show Unit	3	0,4%
	House Landscape	4	0,6%
	Field Progress	3	0,4%
Process	Access to Information	4	0,6%
	Negotiation Process	4	0,6%
	Agent Role	4	0,6%
	Developer Capabilities (On Time Schedule)	4	0,6%
Promotion	Physical Media	0	0,0%
	Social Media	0	0,0%
	Discount	0	0,0%
	Cashback Promotion	0	0,0%
	Prize	0	0,0%
	Payment Convenience	0	0,0%
	Rental Warranty	0	0,0%



The survey found that 'Place', 'Neighbourhood', 'Access', 'Nature', 'Proximity to social centre', 'Town', and 'Airport' are the most essential considerations in buying property in Bali. 'Neighbourhood' is the most important element in all demographics except East Java, where it ranks fourth.

Regardless of the purpose of purchasing, the 'Place' sub-factors demonstrate that 'Neighbourhood' is the most important. The property and community are significant; however, Cahya Bali Resort's absence of an ecosystem may not meet client expectations. Customer access is the second most significant element, however Canggu is the primary route to CBR from the South of Bali, which is clogged due to development activity. Buyers of Bali property rank 'Nature' as the third most important sub-factor, therefore CBR's natural environment is an asset which according to Jacky & Saputra (2024), attractiveness and temptingness of location can boost consumer purchase interest. Due to its large size with proximity to the beach, and mountain view, Cahya Bali Resort is a promising place to relax and invest. According to respondents, it is important that Bali housing project must be near social hubs, schools, hospitals, retails, and eateries. CBR is 1 km from the nearest restaurant, 2 km from the national school, and 9 km from the hospital. Walkable convenience stores, pharmacy, and laundry are also needed. Buyers often struggle to find amenities and reconsider investing due to their proximity. The internal CBR team recognizes this and plans to provide these amenities soon.

Bali property buyers also consider price. Research shows that pricing strongly influences home purchase goals. When buying for investment, 'ROI potential' and 'resale value' are more crucial. For homeowners, 'investment value' trumps 'ROI potential'. Due to its 80-hectare site, broad coastline, high market demand, and expanding foreign population, Cahya Bali Resort (CBR) has significant ROI potential to exploit. The marketing general manager says 80% of purchasers are investors, thus property value increase is considered. The property's initial investment value ranks third in price however the high price may be offset by CBR's location, ROI potential, and product quality. Maintenance cost is the least important price component, yet it still affects property purchases.

In the 'People' category, developer experience is most important according to respondents, followed by building management, communities, after-sales service, image, and marketing. The 'People' category's importance varies by property purchase intent. Home buyers value 'Developer's experience', 'Building management', and 'Marketing service' while investors value 'Communities' and 'After sales service' when purchasing property in Bali. The developer's reputation is also crucial when buying a Bali property. The number of projects has given the CBR extensive experience in town-scale development, which is one of its assets. The respondents also stressed the importance of building management, where the company or developer manages units. CBR manages sold units while property management companies maintain rental ones. CBR's internal team also handles complaints, follow-ups, and repairs after sales. Customers' confidence in the residential building they'll live in depends on the company's reputation. With that said, CBR can boost sales with a good developer reputation. Residential purchasers demand more marketing services than investor buyers, thus this is another crucial factor. CBR's internal marketing team and third-party agents handle client inquiries, ensuring a smooth product knowledge to unit handover process.

In conclusion, respondents stressed the importance of building management, after-sales service, and the company's reputation in attracting purchasers. CBR may use their brand reputation to boost sales and stay ahead by concentrating on these elements.

The study also examines Cahya Bali Resort (CBR) 'Product' category. Respondents highlight the same importance on the product sub-factors which include land and building area, design, facilities, materials, and qualities.

The 'Physical Evidence' category highlights the significance of the infrastructure quality and house landscape while the 'Process' category emphasize the same importance on all the sub-factors which include access to information, negotiation process, agent role, and developer's capabilities.

Further to the result analysis, the interview with respondent and the Management of CBR are conducted to gain further insight from both customers and management point of view to see whether there is a discrepancy. The interview with customers explored deeper on what factors are the most important to them when deciding to purchase property in Bali while the interview with management explores what are the management's perception on the factors that influence customer purchase decision. The interview result was coded and was categorized to see which factors mentioned the most. Table IV. below shows the frequency of words mentioned in the interviews.



Table V. Interview Word Count

POTENTIAL CUSTOMERS			MANAGEMENT OF CBR		
Weight	Word	Category	Weight	Word	Category
12	Location	Place	11	Amenities	Place
9	Amenities	Place	11	Neighbourhood	Place
6	Price	Price	10	Credibility/brand	People
5	Building management	People	8	Nature	Place
5	Neighbourhood	Place	7	Location	Place
5	ROI	Price	5	Community	People
4	Credibility/brand	People	5	ROI	Price
4	Design	Product	4	Quality	Product
4	Nature	Place	3	Accessibility	Place
3	Accessibility	Place	3	Design	Product

Table IV shows that the important factors between customers and the management are different. While customers weighted on Place, Price, People and Product in sequential order, the management weighted on Place, People, Price and Product. The Price factor were customers’ third most considerable factor while for the management is the seventh. Apart from that, the management perceived that customers factors in People factor above Price factor. These discrepancies lead to inaccurate strategy employed by the company.

From the discrepancies, this research studies the strategies that has been conducted by the company to see the relevance and whether it needs strategy adaptation to accommodate customers’ preferences and Table V below shows the strategy mapping according to the findings and analysis.

Table VI. Strategies Adaptation

CURRENT STRATEGY	PROPOSED STRATEGY ADAPTATION	PIPELINE
‘Place’ category		
The development of amenities to support the neighborhood and to create ecosystem in the long run	To follow the current strategy. Apart from the current strategy, CBR could: 1. Consider shuttle bus services from key points like airport and shopping area to improve on the accessibility 2. Utilize the natural environment of their location by having events with certain community to increase the awareness of the location.	1. Mid-term program 2. Short-term program
‘Price’ Category		
CBR offered several payment modes to cater to customers’ needs	Apart from providing several payment methods, CBR needs to review their pricing strategy to accommodate customers expectation, and show a clear value. Showing a clear value such as potential ROI is crucial in the high-competitive environment and an attractive ROI is important to entice customers especially investors’ market.	Short-term program
‘People’ Category		
CBR partnered with third party building management to manage their rental units	To follow the current strategy. Additional to the current strategy, below are few approaches that could be considered:	1. Short-term program 2. Mid-term program



	<ol style="list-style-type: none"> 1. CBR needs to promote on the rental potential to entice customers. 2. With the good brand image, CBR could leverage their brand and build long-term relationship with buyers by developing loyalty program. 	
'Product' Category		
In the last few months, CBR started to target foreigners' market, offering leasehold property.	<ol style="list-style-type: none"> 1. To continue with current strategy as it aligns with the analysis of Marketing Segmentation, Targeting and Positioning 2. CBR could explore to expand their products to offer variety of products for targeted market such as retiree market, digital nomads and environmental conscious segment 3. To implement technology integration in the product. 	<ol style="list-style-type: none"> 1. Short-term program 2. Mid-term to long-term program 3. Mid-term program
'Promotion' Category		
CBR promotes their products through offline and online media. Recently, they adopted the digital marketing which according to the Management is still not enough to compete with competitors. The digital marketing is conducted through websites, social media, and virtual marketing gallery.	<ol style="list-style-type: none"> 1. CBR could consider to invest more on the digital marketing 2. CBR needs to consider the word-of-mouth referrals from buyers who have purchased the property 3. CBR could collaborate with communities to promote their project. 	<ol style="list-style-type: none"> 1. Short-term program 2. Short-term program 3. Short-term program

Based on the marketing strategy and marketing mix alignment, the research then suggests the path for CBR growth using Ansoff's matrix framework and the result is shown below.

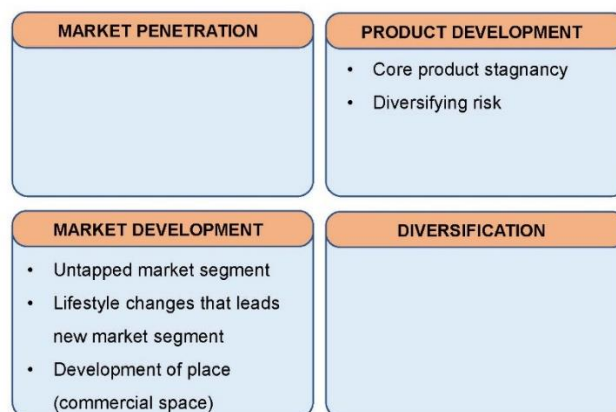


Figure 10. Ansoff's Matrix Mapping
 Source: Author's Analysis

Based on the analysis, both market development and product development are considered appropriate in order to achieve project growth. The objective of product development is to create novel items, cater to customer preferences, and mitigate risk through diversification while market development focuses on expanding into new markets, reaching underserved customer segments, and capitalizing on lifestyle changes. This strategy aims to attract both individual consumers and businesses in order to enhance economic opportunities and foster the growth of ecosystems in CBR.



CONCLUSIONS

This research reveals that customers are predominantly impacted by aspects such as place, price, people and product. In detail, customers place importance on factors such as the location of the area, ease of access, presence of natural surroundings, accessibility to amenities, and the potential for significant return on investment. Based on the findings, the management's perception on the factors that are important to customers are different hence create a gap in priorities. In order to enhance their position in the market, CBR has to fill in the gap by adapting their strategy to fit customers' needs. Apart from aligning their marketing mix, CBR should also diversify its business into untapped markets and foster a community-centric environment to grow the project and provide sustainability to the project.

Future studies could extend the research by exploring on how each factor contributes to buyer's purchase decision using the same method as conducted in this study. These studies would offer valuable insights to what factors that the property industry in Bali need to focus on in order to achieve the targeted sales.

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