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# **Marketing Mix Strategy Implementation** for Business Plan at LH Hotel

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Business in the field of hospitality services is indeed the main attraction for investors and entrepreneurs in starting a business. Hospitality is a business company that provides room accommodation for a place to rest. Usually the hospitality services those who come to go on vacation, meetings, or work. Hotel is one of the supporting factors of tourism to increasing a number of hotel populations' makes hoteliers have to compete to make more value offered to customers from other hotels. It's not only buildings and services offered also marketing factors also affect the success of the hotel business, including promotion, communication to the community through events and campaigns using digital marketing. Various existing hotels each has advantages, from building infrastructure, hotel functions, hotel location, services, to the theme they have. All of these factors are strengths and uniqueness that distinguishes them from others. However, how to convey this uniqueness to the community is not an easy mission. There is a need for market research to determine existing needs and strategies for market penetration.

Keywords: Marketing Mix, 7P, STP.

# 1. INTRODUCTION

Nowadays, business competition is getting tougher, technological advances make it easier to get information and make movements in advancing business [1]. This happened to the hotel business to collect a rapid information technology makes hotels easy to find and the check-in process that does not need to come directly to the hotel, just by using the application can already see the desired hotel. Starting from the price, location and facilities can be adjusted to the needs. Even so, the marketing factor remains a crucial thing for hoteliers to do. PT. Levina Heldi Gemilang implements a marketing mix at LH Hotel which is described using 7P, (Product, Place, Price, Promotion, People, Processes, Physical evidence) [2, 3].

# 2. METHODOLOGY

A. Marketing Objectives and Targets

PT. Levina Heldi Gemilang has marketing goals and objectives to be achieved within a certain period of time, namely: short term, medium term and long term (See Table I, II, and III).

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No	Short-term Goals				
1	Branding with a marketing target in the first year of the LH Hotel brand, which is				
	a three-star hotel with anti-thesis facilities already known by its special community				
	in Bekasi City to reach 15% occupancy, we do massive socialization to introduce				
	our brand to prospective customers at car free day events or socialization events				
	at private companies, State Own Enterprises (SOEs) and Civil Servants				
2	Collaborating with a hotel reservation application with a marketing objective to				
	make a hotel reservation agreement between PT. Levina Heldi Gemilang such as:				
	traveloka, pegi-pegi.com and mister aladin to improve our services to prospective				
	customers, the target in the first year has reached 15% of visitors to the Online				
	Travel Agent (OTA) application.				
3 Gives promos on certain events with a marketing target in the first year					
	reaches 15% occupancy for the visit of our prospective hotel customers. We will				
	inform you via the website, traveloka, pegi-pegi.com, and Mr. Aladin with this				
	package. at LH Hotel on certain occasions.				
4	Perform marketing using social media (voutube, facebook, instagram, and etc.)				
	with marketing targets in the first year reaching 15% occupancy to make				
	advertisements on social media (voutube, facebook, instagram, etc.) we also do				
	media Periodic maintenance.				
5	Conducting MICE activities (meetings, incentives, conferences, exhibitions) with				
	marketing goals in the first year reaching 15% of MICE activities carried out to				
	trigger employee performance to work better, control is done through monitoring				
	and evaluating employee performance in each meeting with employees				

#### **Table II.** PT. Levina Heldi Gemilang Medium-term goals

No	Medium-term goals				
1	Develop digital marketing with a marketing target of reaching 100% to				
	support LH Hotels through digital marketing such as updating vlog content				
	for YouTube, Facebook and Instagram by evaluating viewers and customers				
	every time they maintain digital marketing.				
2	Make a customer loyalty program with marketing goals in the third year has				
	reached 100% in terms of achieving occupancy to the customers of LH Hotel,				
	by monitoring the SOP of the hotel.				

Figure III. PT. Levina Heldi Gemilang Long-term goals

No	Long-term goals
1	Rent advertising boards with marketing targets in the sixth year to reach
	100% promoting the LH Hotel brand in cities around Bekasi, by evaluating
	hotel visitors at each marketing meeting
2	Conducting marketing using electronic media with a marketing target of the
	seventh year has reached 100% promotion carried out in electronic media
	such as: television, laptops and gadgets, by evaluating hotel visitors at every
	meeting with marketing

# B. Segmenting

PT. Levina Heldi Gemilang makes segmentation for customers such as Civil Servants, private employees, SOEs employees who are traveling out of town, and Bekasi City tourist. According to Badan Pusat Statistik (BPS) the number of Civil Servants at the Center in 2016 was 918,444 people consisting of 547,625 people (men) and 370,819 (women) besides Civil Servants (Regency / city in 2016) 3,154,124 people consisting of 1,503 .655 people (men) and 1,650,469 people (women). In addition, Badan Pusat Statistik (BPS) added, the labor force in February 2017 around 131.55 million people consisting of private companies and state-owned companies that provided them, potential market for lodging places (hotels) located in the regency / city of Bekasi. The Tourism and Culture Office of Bekasi City recorded that the number of domestic and foreign tourists increased by two years by 14,223 people (2016-2018). Nevertheless, the arrival of tourists to the City of Patriot is not for a vacation. However, for business and work purposes. In 2016, there were 609,187 visitors coming over Bekasi City. The details 60,918 visitors came from abroad, then the remaining 548,269 domestic visitors. Then in 2017 the number went up to 623,410 people, which consisted of abroad as many as 62,341 people. And visitors who came from within the country as many as 561,069 people.

# C. Segmenting

From the results of segmenting analysis, the targeting LH Hotel is as follows:

**Table IV.** LH Hotel Targeting

<u> </u>				
VARIABLE	DESCRIPTION			
Geographic: Region	Bekasi			
Profession	Private employees, BUMN, PNS and tourists			
	1,315,500 people (1%) and 43,743 people			
Man power population	(1%) and 62,341 people (10%)			
Company	94 companies (1%)			
Demographic: Age	23 - 57 years old			
Gender	Man and woman			
Education	High School - College			

The Hotel LH target is focused on percentage of segmentation that has been set from the total workforce in February 2017 over 131.55 million people consisting of private and BUMN employees, we only target 1% to 1,315,544 people, from civil servant segmenting of 4,374,349 people we set a target of 10% so that it became 437,435 people and from segmenting tourists visiting Bekasi city in 2017 amounted to 623,410 people we are targeting 10% so we focus on the target of 62,341 people visiting the Bekasi city.

Targeting the number of LH Hotel guests is estimated at 55,536 people per year. With the registered number of companies according to the Census of Registered Company Data in Bekasi in 2016, we obtain 9437 companies, if in one company there were 60 employees, the target customer was 10% for companies in Bekasi.

### D. Positioning

LH hotel positioning consists of several things such as: 24-hour check-out system, check-in process in less than one minute, digital based operation, 3-star hotel antithesis (adequate lighting, restaurant tastes guarantee delicacy, optional bolsters, optional amenities different colors, free laundry for 1 kg, free 1.5L mineral water), Bekasi-Airport area shuttle service and competitive prices, ball room and working space. The 24-hour check-out system is positioned at the LH hotel because most hotels impose a check-in process at 2pm and check-out max at 12 noon the next day, while at LH Hotel the 24-hour check-out process means check in at 2 noon and check out at 2 noon the next day. The check-in process takes less than 1 minute to be positioned at the LH hotel because the customer at the time of the check-in process can be done at our check-in machine rather than through a receptionist who will provide an output card to enter the room according to the order. Digital based operations are positioning at LH Hotel because the digital system has provided paperless services from the booked room process to making a payment then checking in. all processes can be done through the customer's smart phone. The antithesis of 3-star hotels in LH hotels has become a positioning because it provides different services to customers that are rarely found in 3-star hotels such as: adequate lighting in each room, restaurant tastes guarantee delicacy, optional bolsters, optional colors, amenities for different colors 1 kg, free 1.5L mineral water).

The Bekasi-Airport area pick-up service makes the company a service for customers who make positioning because it is a free shuttle service for customers who stay overnight will make flights through the airport. Ballroom and working space are facilities that can be ordered through meeting packages for LH Hotel customers (Corporate or Personal). In terms of price and service comparisons with competitors, LH Hotels have lower prices with good facilities.

#### 3. RESULT AND DISCUSSION

# A. Marketing Mix Business to Customer

Business to Customer marketing mix is the marketing strategy of company that sells goods or services to individual customers directly.

# B. Product

Products are all forms of business results offered to the market to be used or consumed so that they can meet the needs and desires of customers. PT. Levina Heldi Gemilang offers several products and services in hotels that have competitive advantages with its competitors, including a 24-hour check-in and check-out system and 3-star hotel antithesis. This 24-hour check-in and checkout system means that if there are hotel customers who have checked in through our facilities such as travel agent website (Traveloka, Tiket.com, pegipegi.com, mister aladin and customer service), the starting time will be counted 24 hours for check out. Currently there are many products and services that hotels offer to customers, we present products and services that are slightly different from current competitors, this point makes LH hotel products and services a competitive advantage for PT. Levina Heldi Gemilang. The LH Hotel products and services in the form of antithesis 3-star hotels that we offer:

Table V. Competitive Advantage LH Hotel

No.	Competitive Advantage Services and Facilities				
1.	Easy check-in and check-out process				
2.	Check-in process takes less than a minute				
3.	Check in 24 hours and use of rooms 24 hours				
4.	Have a standard SOP with superior quality control				
5.	Room facilities that have multiple contact types (Europe, Asian, and US) with a				
٥.	greater number than hotels in general				
6.	Room facilities that have more adequate lighting settings				
7.	Room facilities that have optional optional bolsters				
8	Laundry facilities are free of charge for 1 kg and the rest are subject to				
٥	relatively cheap rates with a minimum length of stay of 2 days				
9	Restaurant facilities with guaranteed taste and quality, varied menus, and				
9	affordable prices				
10	Substitution of mineral drinking water from 600ml to 1.5 L				
11	Ballroom with a capacity of 500 people that can be rented as a meeting place				
11	and wedding / birthday event				
12	Ballroom models that can be split into 9 mini ballrooms				
13	Working space				

# C. Price

The price in question is the amount of money that must be paid by the customer to get the product offered. PT. Levina Heldi Gemilang provides a benchmark of competitive prices with its competitors, this is evidenced by the cheaper rental rates per night with facilities not found in other 3star class hotels, LH hotel while maintaining the quality of service that has become a commitment from management.

Table VI. LH Hotel and Competitor Price

	Hotel Santika Bekasi	Primebiz Cikarang	Hotel Amaris	LH Hotel
Pric	IDR 530.000	IDR 475.206	IDR 388.429	IDR 429.900

#### D. Place

Place is a location or place where your company will carry out economic activities (business). PT. Levina Heldi Gemilang really pays attention to strategic locations to facilitate the reach of customers and make it one of the attractions and values for guests or customers who want to feel the beauty of the city of Bekasi. Location is the most important thing in determining the development of the room rental business. Strategically located with employee and employee segmentation, LH Hotel is located in South Bekasi with an area of approximately 3000 m2 close to the Lagoon Kumala Apartment and

Grand Metropolitan Mall which is one of the icon malls to hang out, taste a variety of culinary that are on duty and shopping centers in South Bekasi. The location was chosen based on data from the integrated Bekasi city planning and on the main roadside.

#### E. Promotion

Promotion is a method used to market a product / service in order to increase the number of customers. PT. Levina Heldi Gemilang promotes through Digital marketing such as: making Facebook Ads and Websites as well as promotion through travel agencies by introducing our hotel branding, establishing travel agency collaborations [4]. As well as conducting Collaborative Ties with potential companies such as State-Owned Enterprises (SOEs) and private offices, government by providing special discounted rates (Special rate) and resident meeting packages. Fair Hotel events are held once a month at these activities we hold a promo stay package that gets a special discount with the same facilities.

#### F. People

Human resource factors determine whether a company is progressing or not. We cannot deny that this factor plays an important role in making a progress or even a setback from a company. PT. Levina Heldi Gemilang treats people as capital (human capital), then the company can obtain greater profits. That is, do not just treat humans as resources (human resources), but look at them as capital. This is certainly different from when humans are considered as a resource, which can be fired at any time when it is no longer productive. That is, human capital is not positioning humans as capital like machines, but rather can help decision makers focus on human development in order to improve the quality of the organization or company. PT. Levina Heldi Gemilang conducts recruitment with standardization in the field of hospitality on an international scale determined by LH Hotel management.

# G. Process

This process includes how companies serve the demands of each of their customers, ranging from consumers ordering (orders) until they finally get what they want. PT. Levina Heldi Gemilang has a less than a minute check-in process that is conducted on receptionist officers, this process is a competitive advantage among 3star hotel competitors.

# H. Physical Evidence

Physical appearance of the place of business will explain how the arrangement of buildings both interior and interior, lightning system. PT. Levina Heldi Gemilang has 4 types of hotel room types, namely: standard room, deluxe room, executive room and premiere room. The advantages offered by LH Hotel rooms are better lighting systems, optional bolsters, cleanliness, 4 pieces of socket in the room, drinking water with a capacity of 1.5 liters of

two bottles, amenities with different colors. LH Hotel with 4 types of rooms with antithesis facilities is a competitive advantage among 3-star hotel competitors.

#### I. Marketing Mix Business to Business

Business marketing mix is the marketing strategy of a company that sells or services goods and services to corporate customers not directly through individuals. The Business to Business Marketing mix method used by PT. Levina Heldi Gemilang is a NICE consisting of: Networking, Interaction, Commitment and Experience.

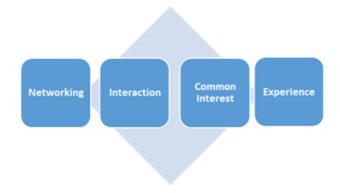


Figure I. NICE Method

#### J. Networking

Networking is a socioeconomic activity where a group of entrepreneurs recognizes, creates, or acts on business opportunities. In terms of making networking [5]. PT. Levina Heldi Gemilang applies an approach with companies that have the potential as our customers to continue such as private companies, State-Owned Enterprises (SOEs) and governments to establish cooperative ties in the form of corporate promotion for these companies, with mutually beneficial cooperation that is expected to advance and strengthen branding so that our customer companies will increasingly trusted. The task of marketing is to establish or create network.

#### K. Interaction

Interaction in this case is to communicate in order to create good relations with customers. PT. Levina Heldi Gemilang interacts with its customers through travel agent partners to providing facilities on website in the form of a FAQ to respond to the Question and Aswer (Q&A) of the customers (customers) who experience problems and provide a suggestion box (review) for customers who try the facilities of the LH Hotel.

#### L. Common Interest

Common interest is meant by providing financial value or price on a service product that can occur through an emotional bond that exists between consumers and marketers to achieve common interests. PT Levina Heldi Gemilang has a partnership of promotions for customers who place orders through these partners to generate

interest from customers. To arouse the interest of our customers, we will make a promo discount through our partners who are directly available at certain events such as: discounts for potential customers who have birthdays and discount on weekday.

#### M. Experience

Experience in this case is a story from a customer about his feelings over time. PT Levina Heldi Gemilang is very concerned about its customer experience and should be used as an evaluation and input for future improvement. We support the existence of reviews related to the experiences of LH Hotel customers to pour it through our website or partner website. The negative reviews given by customers will be made as very meaningful input and become a concern for us to make changes to services or facilities and positive reviews given by customers will always be improved as input forward to better serve customers.

### N. Sales Activity

The advantage sales force is a strength for the company, especially in the service sector. There are five dimensions to make an organization to succeed or achieve sales goals, namely sales force, sales people, activities, customer results and company results. The sales force conducted by LH Hotels is to approach State-Owned Enterprises (SOEs) and private companies located in Bekasi. Sales people conducted by LH hotel will be subject to a corporate rate promo for overnight rates at the hotel. Activities undertaken by the LH hotel are by making an MOU (cooperation agreement) if there are employees from state-owned and private companies who will stay at the LH hotel. On customer results (customer response) greatly affects the company, where if the customer gets good and satisfying service there will be many positive responses for the company and can even increase sales and as an additional direct promotion. LH hotel performs excellent services to customers who serve as culture in LH Hotel services. To get positive customer results is very difficult, it is easiest to get negative customer results so we must be able to evaluate all negative results for future improvement. At company results, how to sell products and services, market share, and company profitability. At LH Hotel, how to sell products with a marketing mix of 7 P (product, price, place, promotion. people, process and physical evidence) by considering these seven factors, it will maximize sales so that the company's profits will continue to increase.

#### O. Sales Team

LH hotel in conducting sales team / personnel with sales strategies through: Digital marketing (Social media and Website), Display Advertising, Outdoor Advertising, Word of Mouth, Event for Promotion. LH Hotel's digital marketing strategies through social media such as: Facebook by maximizing tools from Facebook Ads that aim to promote LH Hotel to Facebook users, collaborating with travel agents. Besides that, LH Hotel also builds its own Website which links to existing social media. Display advertising is used to carry out branding in a strategic location in the city center where there is an LH Hotel by using Banner, Flyer and backdrop. Outdoor advertising is used to do branding with partner companies such as SOEs, government offices and private offices can be done by creating joint events during corporate gatherings and massive socialization conducted by these agencies. The word of mouth strategy is very efficient because it uses customer reviews. The means used can be through intermediaries. Social media from consumers who have used LH Hotel by positive reviews can attract new customers to come to LH Hotel. The strategy of conducting events for promotion is felt to be very important to introduce LH Hotels to the public massively, example: Events held in malls with travel agents, conducting corporate gatherings and co-branding with companies. The marketing organizational structure at PT Levina Heldi Gemilang is led by a Sales Manager who oversees the Sales Executive, Sales Admin who is responsible for internal marketing processes such as monitoring the results of sales, collection. In addition, Sales Manager oversees Marketing and Public Relations who are responsible for external marketing processes such as analyzing, planner and relationship marketing.

# 4. CONCLUSIONS

The hotel business is indeed a business with good prospects, but with the condition that the marketing strategy is executed is also right. Understanding market conditions at any time is the mission of the market.

Utilizing technological developments to market products / services is considered very effective, supported by digital marketing campaigns to increase the existence of products / services sold. Understanding segments and targets is the first step to conducting sales activities. For promotion to be more effective and efficient, it is necessary to have a value that is conveyed to consumers, so that they are interested and have a reason why you should choose your product / service.

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