



DEPARTEMEN PENDIDIKAN NASIONAL
UNIVERSITAS INDONESIA
FAKULTAS EKONOMI
PROGRAM STUDI MAGISTER MANAJEMEN

**PROGRAM STUDI
MAGISTER MANAJEMEN -
MASTER OF BUSINESS ADMINISTRATION**

KARYA AKHIR

**THE IDEAL
INTEGRATED MARKETING COMMUNICATIONS (IMC)
FOR CEMARA HOTEL**

Diajukan oleh

**CITRA BANGUN
0606146015**

T
23072

**UNTUK MEMENUHI SEBAGIAN DARI SYARAT – SYARAT
GUNA MENCAPAI GELAR PROGRAM STUDI
MAGISTER MANAJEMEN- MASTER OF BUSINESS ADMINISTRATION**

2008




UNIVERSITAS INDONESIA
FAKULTAS EKONOMI
PROGRAM STUDI MAGISTER MANAJEMEN

TANDA PERSETUJUAN KARYA AKHIR

Nama : Citra Bangun
Nomor Mahasiswa : 0606146015
Konsentrasi : MM-MBA
Judul Karya Akhir : **The Ideal Integrated Marketing Communications (IMC) for
Cemara Hotel**

Ketua Program Studi
Tanggal.....Magister Manajemen


Dr. Rhenald Kasali

Tanggal Penguji Karya Akhir


: Prof. Dr. Jacques TRAHAND

Tanggal..... Pembimbing Karya Akhir


: Bpk. J. Daniel Rembeth, MBA



BERITA ACARA PRESENTASI KARYA AKHIR

Pada hari *SENIN*, tanggal *28 APRIL* 2008, telah dilaksanakan presentasi Karya Akhir dari mahasiswa dengan

Nama : Citra Bangun

No. Mhs : 0606146015

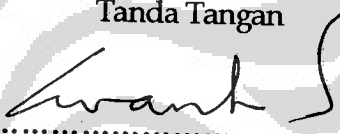
Konsentrasi : MM - MBA

Presentasi tersebut diuji oleh tim penguji yang terdiri dari :

Nama :


Tanda Tangan

1. Dr. Avanti Fontana
(Ketua)




.....

2. Prof. Jacques TRAHAND
(Anggota 1)



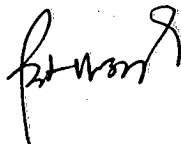
.....

3. John Daniel Rembeth, MBA
(Anggota 2/Pembimbing)



.....

Mengetahui,



Ratna Wardani, MM
Kepala Bagian Administrasi Akademik

The Declaration Letter of Thesis Authentication

The undersigned hereof:

Name : **Citra Bangun**
Student Number/ID : **0606146015**
Concentration : **MM-MBA**

hereby declare as follows :

1. The title of the thesis :

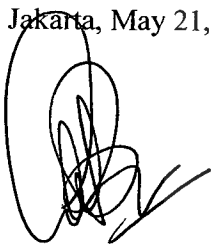
The Ideal Integrated Marketing Communications for Cemara Hotel

Related research for this thesis is of my own effort/study/piece of work.

2. Every idea or quotation from other people's work in forms of publication or other forms in this thesis has been admitted in accordance to the standard of reference procedure in the Master of Management Program Faculty of Economics, University of Indonesia.
3. I also declare that this thesis was written by full guidance and support from my advising supervisor **Mr. John Daniel Rembeth, MBA**

If one day there was evidence that showed academic deception done by me, then my academic degree that I have already obtained could be taken away according to the regulation of Master of Management Program, Faculty of Economics University of Indonesia.

Jakarta, May 21, 2008



(Citra Bangun)

ACKNOWLEDGEMENT

I realize that my success cannot be achieved without the help of God and many people. I am greatly thankful to God, the Almighty, for loving and supporting me in accomplishing many things in my life, including finishing my thesis. I owe many people who help and support me in writing my thesis. My love, gratified, and thankful to:

1. Mr. John. D Rembeth, MBA. for his time and guidance. I can only say thank you for all of your passion in guiding my thesis. Again and again, thank you!
2. Mr. Rhenald Kasali, Ph.D as Head of MM Program, Dr. Irwan Adi Ekaputra as Secretary of MM Program, Mr. Firmansyah, Ph.D and Dr. Avanti Fontana, S.E. as Head of MM-MBA Program.
3. All of the MM-UI professors and staffs who provide me with knowledge, great experience and help. *Superb* is an ideal word for all of you.....Again, Thank you!
4. All of the Grenoble professors who taught me new experience and knowledge. Spending time with all of you has been a great experience for us, MM-MBA 2006 students. *Merci Beaucoup!*
5. My entire classmate in MM-MBA 2006 who give me a great experience and friendship. I will miss our joke and chitchat and I hope our friendship will last forever. Mr. Edwin, Erwin, Fany, Hans and Muslim, you're my guardian; I learn so many things from you. Girls....Dinora, Dian, Estie, Jesly, Icha.....you're rocks! Eri, Nova, Meidi, Hasan, Sugiarto, Poltak, Andi, Riyanto.....I always have pleasant moment with all of you. If one of you is not member of this class, MM-MBA'06 is never been existed. I can only say, "My success is our success, and your success is my success."

6. My parent, Armin Bangun and Listiasari Tanuwidjaja, for their constant support in many ways. You always give me support when I felt given up. Your love and support means everything for me. Thank you and I love you always!
7. My family, especially my brother and sister. Thank you for the big support. For my sister, I give my love and thankful especially to you. Without you sis....I might have been given up. I love you all!
8. Cemara Marketing department. Thank you for your constant support. I always enjoy our conversation. Cheers!
9. Cemara staff. Thank you so much for everything. The entire staff is always being positive. Your support means love to me. Thanks friends! I achieve my goal because of you.

This thesis is my appreciation for my dad. I always want to grant you something, and this thesis is only my small gift to you.

I also realize that this piece of writing may not be excellent and need much more improvement. However, I still hope that my thesis can be benefit for other MMUI students, especially who love hotel industry.

Now I am gladly quote Dag Hammarskjold (1905 – 1961):

For all that has been, thanks. For all that will be, yes.

March, 2008

Writer

EXECUTIVE SUMMARY

Welcoming 'Visit Indonesia Year 2008' will be a great experience for Cemara Hotel. Tourism business is one of the biggest revenue for Indonesia. Indonesia consists of many cultures that attract many travelers from around the world. Bali has been the main destination; however, Jakarta as the capital city is the main stopover as well. Accommodation or Hotel industry is part of tourism business in Indonesia, and hotel is the major point, which needed to make the tourism business succeed. The level of accommodation or room occupancy rate in Hotels can be the concentration level. The higher the occupancy rate can be determined as higher number of visitors.

Cemara Hotel is a three stars hotel, located in Central Jakarta. The hotel has 102 rooms and various facilities. The hotel is an independent hotel, which is managed independently. Cemara Hotel combines classic modern architecture design with rich, warm furnishings, and soft neutral tones. The hotel design evokes a feeling of refreshing and comforting. The notion of home is built upon comfort and tranquility. The hotel offers an ideal location, reasonable rate, and truly genuine hospitality from the staffs.

The hotel targets corporate guests and travelers. Corporate guests are guests whose accommodation has been arranged and paid by the company. Travelers consist of leisure guest, business guests, and transit guests. Leisure guests are guests who stay in the hotel for leisure purpose. Business guests are guests who stay in the hotel for business purpose. Transit guests are guests who stay in the hotel only for short time because they will continue their journey directly. Travelers pay the hotel with personal account. Travelers are also included foreign guests who come from outside of Indonesia.

The objective of this thesis is to determine the accurate integrated marketing communications (IMC) for each target market. To determine it, the writer ought to ensure that

management and employee has the same perspective. Based on the reason that employee is the main actor who transfers the brand to the customer.

In writing this thesis, the writer conducted library research, field research (interview, survey, and observation), and analysis study. Some data were obtained from the Hotel and other sources related to the topic. Interviews are generated to local guest and foreign guests.

Since the Hotel started its operation in 1993, the hotel is never performing intense marketing communications, such as advertising. Cemara Hotel performs passive marketing communications by performing personal selling to companies. The hotel rarely performs marketing communications to travelers. Most of the time, the travelers knew the hotel directly. The hotel only accomplishes promotion, and it is not frequent. Therefore, the hotel has massive word of mouth since many guests knew Cemara Hotel from their family or friends.

Integrated Marketing Communications consists of advertising, direct marketing, personal selling, sales promotion, public relation, and internet marketing. Each tool has benefit and detriment. An independent hotel has limited budget for marketing because they are not able to combine the communication with other hotels. Independent hotel is also less well-known compare to the chain hotel. Therefore, the hotel needs to evaluate the accurate marketing communication for the target markets to be able to compete with other hotels, especially chain hotel.

Corporate guests are unique target market since the company accomplishes most of the accommodation arrangement. Personal selling is the most accurate target market since it performs direct response and personal sales. By performing personal selling, the hotel can directly generate the direct response from the company. The hotel is also able to evaluate future sales from the company. The hotel is usually communicating through the contact person. The contact person is responsible arranging the company's employee and guests'

accommodation. He or she ensures that the hotel is able to accommodate the guests according to the company budget and requirements. By performing personal selling, the contact person is able to directly questioning, and the hotel is able to directly response to the question. Therefore, the hotel is able to perform based on the company requirement. If the trust is already built, the sales will be continuously.

Direct marketers use a database for improving selections of market segments, stimulating repeat purchase, cross-selling and building customer relationship management. Direct marketing that is useful for Cemara Hotel is Telemarketing. Telephone makes the interaction flexible and permits immediate feedback because it allows interaction between participants within the same communication event when both of sender and receiver might be geographically distant. Telemarketing helps the sales personnel to follow up the company after they perform personal selling. The other direct marketing tools are door-to-door and direct mail. Both of the tools are useful for promotion needs.

Sales promotion is important to the hotel in order to boost the sales. As a hotel, Cemara Hotel needs to perform sales promotion. Hotel' sales promotion aims to value added and value increasing. Cemara Hotel's value added is hospitality, cleanness, and convenience. The value increasing can be discount pricing and payment term. Discount pricing is needed when the company has limited budget. The company also needs payment term because it is not easy to generate cash outflow from the company, especially if the amount is immense.

Travelers are unique target market because they are very varying. Sales promotion is the accurate marketing communications for travelers. Promotion is one of the ways that make decision-making easier for consumer. Sales promotion is the way to boost the sales. As a hotel, Cemara Hotel needs to generate immediate sales because the product is limited. Guests like sales promotion because they feel the value of product or service is increase. Sales promotion makes the hotel livelier, for example: by obtaining food and beverage promotion,

and many more. The absolute cost of sales promotions low, and allows for a high degree of control. The management will be able to decide the occurrence of sales promotion. It is suitable for hotel that the level of demand sometimes unpredictable.

The hotel needs to perform direct marketing tools using mail, internet, door-to-door and others. The direct marketing needs to be combine for sales promotion for sales intention. Direct marketing is able to generate the feedback directly. The hotel usually has theirs database that will be useful if the hotel is able to do direct marketing effectively. Therefore, the hotel needs to be carefully choosing the Medias when performing the direct marketing.

Internet marketing is the accurate tool for foreign guests since the hotel has limited marketing budget and foreign guests come from various countries. The most accommodating internet marketing for the hotel is website and email. Through website, Cemara hotel can provide useful and needed information, and foreign guests can easily gathering the hotel information through the hotel website. The website can also be the advertising media, direct mail media, sales promotion media, and many more. Email helps the hotel communicate with foreign guest. Through email, the hotel is also able to perform personal selling, sales promotion, and others. Internet marketing is the ideal tool to communicate with foreign guests.

Public relations must be performed to all target market. Public relations is the credibility builder. Hotel is a service industry. Therefore, grand hospitality and guests' satisfaction are very important. Good image helps the hotel in promoting the hotel and building positive image. Customer is the main target of public relation. Customer satisfaction needs to be developed to create retention and loyalty. In addition, the hotel ought to interact with public, private, commercial, non-profit organization, and communities in a regular basis. Good relationship creates public confession and networking.

Cemara Hotel as an independent hotel has limited resource for marketing communications. Independent hotel has less databases, networking, and budget. In conclusion, effective integrated marketing communications is very important. The marketing communication tools cannot be set independently. It needs to be connected one to another in order to be successful. In performing the personal selling, the sales personnel combine it with advertising, sales promotion in order to be successful. Internet marketing is also a medium to advertise, sales promotion, and personal selling. To successfully communicating with all target market, marketing communications needs to be integrated.

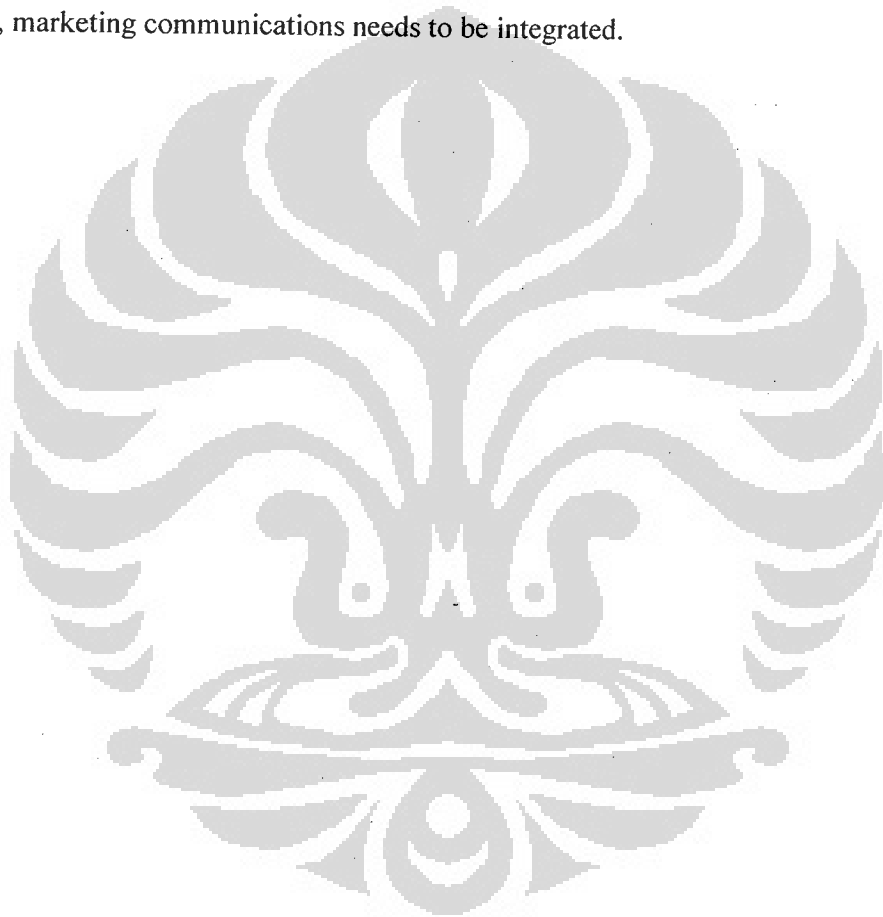


TABLE OF CONTENT

ACKNOWLEDGEMENT	i
EXECUTIVE SUMMARY	iii
TABLE OF CONTENT	viii
LIST OF EXHIBITS	xv
LIST OF TABLES	xvi
LIST OF CHARTS	xvii
LIST OF ATTACHMENTS	xxi
CHAPTER I INTRODUCTION	
1.1. Background	1
1.2. Problem Identification	2
1.3. Objective of the Research	3
1.4. Research Method	3
1.5. Thesis Outline	4
CHAPTER II THEORITICAL STUDY	
2.1. Service Marketing	6
2.1.1. High Contact Service	6
2.1.2. Low Contact Service	7
2.1.3. Service Marketing Mix	7
2.2. Hotel and Hospitality Business	7
2.3. Brand	9
2.3.1. Brand Equity	9
2.3.1.1. Brand Awareness	10
2.3.1.2. Brand Image	11
	viii

2.3.1.3. The Benefits from Brand Equity	11
2.3.1.4. Communication Strategies	12
2.3.2. The Anatomy of a Brand Relationship	12
2.3.2.1. Acquisition versus Retention	12
2.3.2.2. Trust	13
2.3.2.3. Intensity	13
2.3.2.4. Managing Expectation	14
2.3.3. Benefits of Brand Relationship	14
2.3.4. Brand Messages	14
2.4. Communication Process	15
2.4.1. Influence of the Communication Process	17
2.4.1.1. Influence Media within Communication Process	17
2.4.1.2. Influence of People on the Communication Process	18
2.4.2. Word of Mouth Communication	18
2.4.3. Process of Adoption	19
2.5. Consumers Behaviors	20
2.6. Segmenting and Targeting	22
2.7. Integrated Marketing Communications (IMC)	24
2.7.1. Advertising	26
2.7.1.1. Four main advertising frameworks	27
2.7.1.2. The Strong and the Weak Theories of Advertising	27
2.7.1.3. The Media	28
2.7.1.4. The Cost	28
2.7.2. Direct Marketing	29
2.7.2.1. The Role of Direct Marketing in the IMC Program	29

2.7.2.2. Direct Marketing Strategies and Media	30
2.7.2.3. Direct Selling	30
2.7.2.4. The Advantage and Disadvantage of Direct Marketing	30
2.7.3. Personal Selling	31
2.7.3.1. Relationship Marketing	31
2.7.3.1.1. SFA and CRM	32
2.7.3.2. Face to face Selling	32
2.7.3.3. Compensation and Rewards	33
2.7.3.4. The Cost of Personal Selling	33
2.7.3.5. Personal Selling Responsibilities	33
2.7.3.6. Personal Selling and Other Promotional Tools	33
2.7.3.7. The Advantages and Disadvantages of Personal Selling	35
2.7.4. Sales Promotion	35
2.7.4.1. Consumer-Oriented Sales Promotion or Pull Strategies	36
2.7.4.2. Trade-Oriented Sales Promotion or Push Strategies	38
2.7.5. Public Relations	39
2.7.5.1. Corporate Communication	40
2.7.5.2. Marketing Public Relation (MPR)	40
2.7.5.3. Word of Mouth	41
2.7.5.4. Social Marketing	41
2.7.6. Internet Marketing	41
2.7.6.1. Advertising on the Internet	42
2.7.6.2. Sales Promotion on Internet	43
2.7.6.3. Personal Selling in Internet	43
2.7.6.4. Public Relation on the Internet	43

2.7.6.5. Direct Marketing on the Internet	43
2.7.6.6. The Advantages and Disadvantages of the Internet	44

CHAPTER III INDUSTRY and COMPANY PROFILE

3.1. Tourism and Hotel Industry in Indonesia	45
3.2. CEMARA HOTEL	50
3.2.1. History	50
3.2.2. Hotel Services and Facilities	52
3.2.3. The Description of Cemara Hotel and the Uniqueness	53
3.2.3.1. Location	53
3.2.3.2. Lobby and Lobby Lounge	53
3.2.3.3. Coffee Shop and Room Service	54
3.2.3.4. Cybernet	54
3.2.3.5. Business Center, Money Changer, Drug Store and Art Shop, Airport Transportation	55
3.2.3.6. Laundry and Dry Cleaning	55
3.2.3.7. Swimming Pool	56
3.2.3.8. Giriloka Spa	56
3.2.3.9. Rooms	56
3.2.3.10. Meeting Rooms	57
3.2.4. The Hotel Concept	58
3.2.4.1. Vision and Mission	59
3.2.4.2. The Motto	59
3.2.4. Competitive Advantage	59
3.2.5. Competitors	60
3.2.5.1. Main Competitors	60

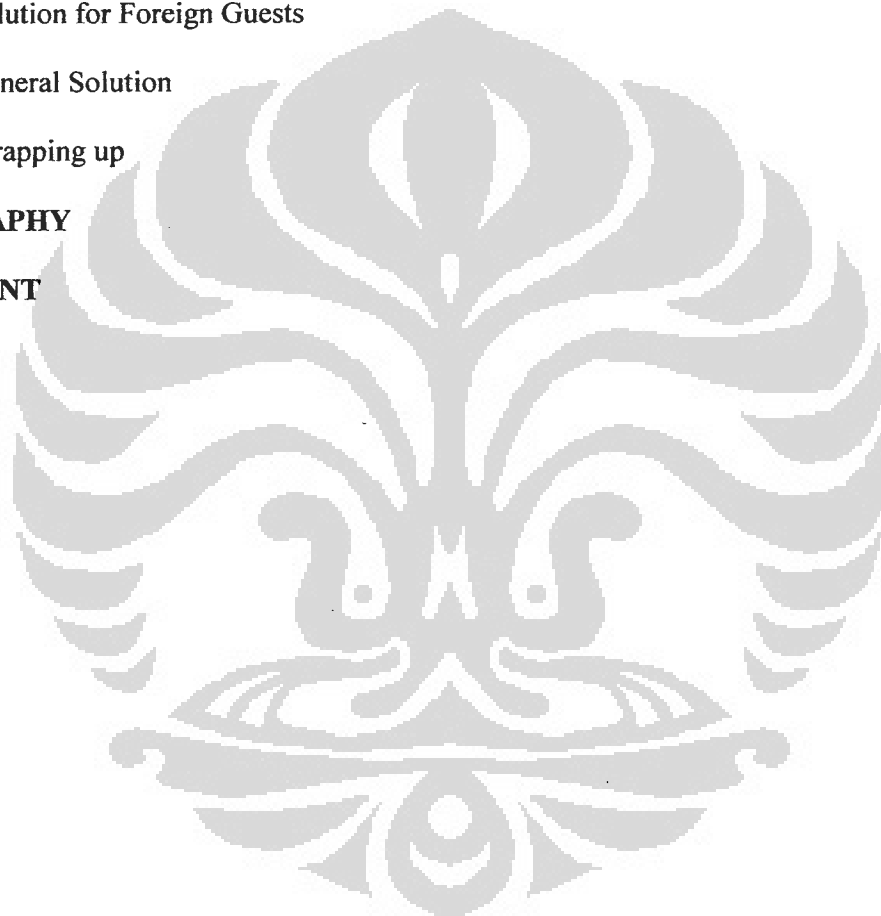
3.2.5.2. Secondary Competitors	63
3.2.6. Target Market	64
3.2.7. Hotel Staff	65
3.2.8. Organizational Structure	66
3.2.9. Sales and Marketing Strategy	67
3.2.10. Cemara Hotel Data	69

CHAPTER IV ANALYSIS

4.1. Respondent Profile	74
4.1.1. Gender	75
4.1.2. City of Origin	76
4.1.3. Purpose of Visiting Jakarta (Cemara Hotel)	77
4.1.4. Familiarity of the Hotel	78
4.1.5. Purpose of Visiting Cemara Hotel	79
4.1.6. Age	80
4.1.7. Time of Visit	81
4.1.8. Profession	82
4.1.9. Income per Month	83
4.1.10. Education	84
4.2. Tourism and Hotel Industry	84
4.3. Hotel	85
4.3.1. High Contact Services	85
4.3.2. Service Marketing Mix	86
4.3. Target Market	87
4.4. Brand Analysis	89
4.4.1. Brand from Management Perspective	90

4.4.2. Brand from Employee Perspective	92
4.4.2.1. Conclusion from Employee Perspective	96
4.4.3. Brand from Customer Perspective	97
4.4.3.1 Local Respondents	97
4.4.3.2. Foreign Respondents	101
4.4.3.3. Brand Image based on Interviews	103
4.4.4. Brand Analysis	103
4.4.4.1. Brand Awareness	104
4.4.4.2. Brand Image	105
4.4.4.3. Brand Relationship	106
4.4.4.4. Brand Message	108
4.5. Marketing Communications	108
4.5.1. Advertising	109
4.5.2. Direct Marketing	118
4.5.3. Personal Selling	127
4.5.4. Sales Promotion	137
4.5.5. Public Relations	142
4.5.6. Internet Marketing	147
CHAPTER V CONCLUSION	154
5.1. Brand	156
5.2. Communication	157
5.3. Target Market	158
5.4. Integrated Marketing Communication	158
5.4.1. Advertising	158
5.4.2. Direct Marketing	159

5.4.3. Personal Selling	160
5.4.4. Sales Promotion	162
5.4.5. Public Relations	162
5.4.6. Internet Marketing	163
CHAPTER VI RECOMMENDATION	165
6.1. Solution for Company (Corporate Guests)	165
6.2. Solution for Travelers (Non-Corporate Guests)	170
6.3. Solution for Foreign Guests	174
6.4. General Solution	177
6.5. Wrapping up	179
BIBLIOGRAPHY	184
ATTACHMENT	187



LIST OF EXHIBITS

Exhibit 2-1	: The Service Marketing System for a High Contact Service	6
Exhibit 2-2	: Leveraging Brand Meaning from Various Sources	10
Exhibit 2-3	: The Brand Awareness Pyramid	11
Exhibit 2-4	: A Model of the Communication Process	15
Exhibit 2-5	: Model of Response Process	16
Exhibit 2-6	: The Level of Audience Aggregation	17
Exhibit 2-7	: Process of Adoption	19
Exhibit 2-8	: The Cognitive Decision Process	21
Exhibit 2-9	: Income and Social Class Distribution	23
Exhibit 2-10	: IMC Process Model	25
Exhibit 2-11	: Media Market Place 2001	28
Exhibit 2-12	: Types of Sales Promotion Activities	36
Exhibit 3-1	: Number of Visitors and Growth in the World by Destination	45
Exhibit 3-2	: Number of Foreign Visitor Arrivals to Indonesia by Port Of Entry	46
Exhibit 3-3	: Jakarta Hotel Market Highlights (2H 2006)	47
Exhibit 3-4	: Room Occupancy Rate of Classified Hotel in Ten Main Tourism Province Destination	48
Exhibit 3-5	: Room Occupancy Rate in Classified Hotel by Province (In Percentage)	48
Exhibit 3-6	: Organizational Structure	66
Exhibit 4-1	: Management Perspective	91
Exhibit 5-1	: Communication & the Service Marketing Triangle	155

LIST OF TABLES

Table 3-1	: Rooms & In-rooms Facilities	57
Table 3-2	: Meeting Rooms Type	58
Table 3-3	: Corporate Lists	70
Table 3-4	: Local & Foreign Guests	71
Table 3-5.a	: Average Room Rate (ARR) – First Quarter, 2006	71
Table 3-5.b	: Average Room Rate (ARR) – Second Quarter, 2006	72
Table 3-6	: Sales Report (2006)	72
Table 3-7	: Sales Report (2007)	73
Table 4-1	: Employee perspective in the Hotel Brand	93
Table 4-2	: The Hotel Atmosphere and First-time Identified the Hotel	97
Table 4-3	: The Hotel Atmosphere and First Visit	98
Table 4-4	: The Hotel Atmosphere and Number of Visit per Month	98
Table 4-5	: Favorite Facility	99
Table 4-6	: First Visit and Number of Visit in One Year	101
Table 4-7	: Purpose of Visiting Jakarta and Brand Image	101
Table 4-8	: Purpose of Visiting Jakarta and Favorite Facility	102
Table 4-9	: Number of Visit per Month and First Visit (Local Guest)	105
Table 4-10.a	: Advertising Cost (based on Location)	114
Table 4-10.b	: Line (Mini) Advertising Cost	114
Table 4-11	: When Personal Selling is a Major Element of the Communication Mix	132

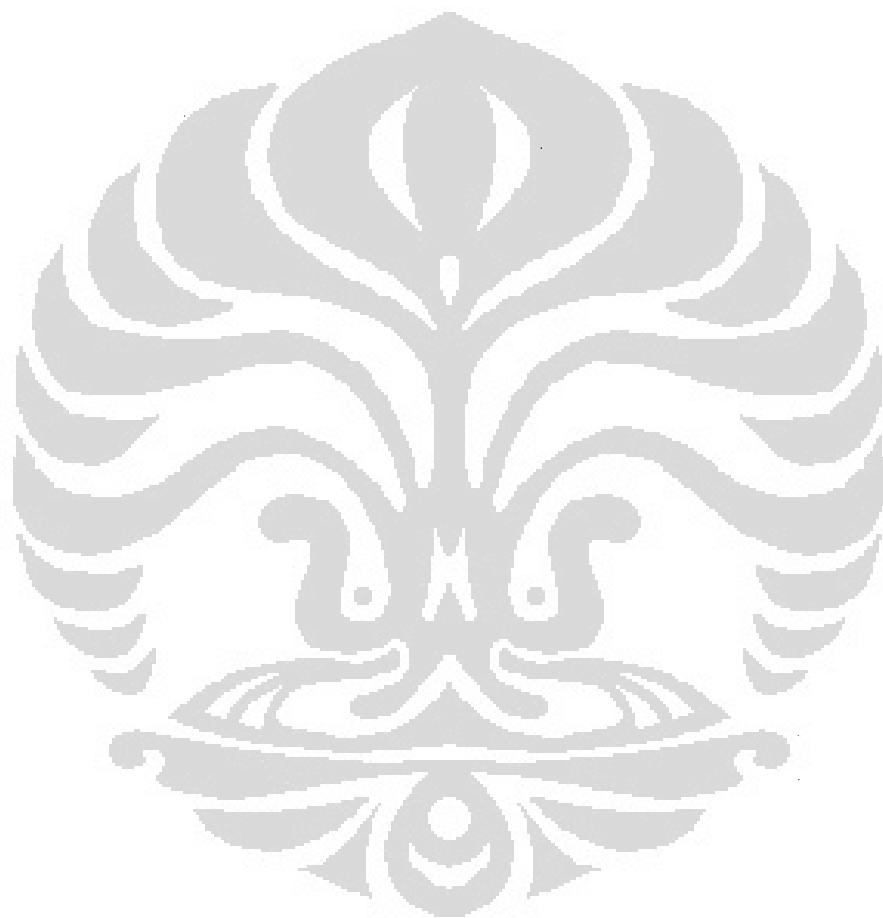
LIST OF CHARTS

Chart 4.1.a	: Gender (Local Respondent)	75
Chart 4.1.b	: Genders (Foreign Respondent)	75
Chart 4.2.a	: City Origin (Local Respondents)	76
Chart 4.2.b	: Origins (Foreign Respondents)	77
Chart 4.3.a	: Purpose of Visiting Jakarta (Local Respondents)	77
Chart 4.3.b	: Purpose of Visiting Jakarta (Foreign Respondents)	78
Chart 4.4.a	: Familiarity of the Hotel (Local Respondents)	78
Chart 4.4.b	: Familiarity of the Hotel (Foreign Respondents)	79
Chart 4.5.a	: Purpose of Visiting Cemara Hotel (Local Respondents)	79
Chart 4.5.b	: Purpose of Visiting Cemara Hotel (Foreign Respondents)	80
Chart 4.6.a	: Age (Local Respondents)	80
Chart 4.6.b	: Age (Foreign Respondents)	81
Chart 4.7	: Time when Visiting Cemara Hotel (Local Respondents)	81
Chart 4.8.a	: Professions (Local Respondents)	82
Chart 4.8.b	: Professions (Foreign Respondents)	82
Chart 4.9.a	: Revenue per Month (Local Respondents)	83
Chart 4.9.b	: Revenue per Month (Foreign Respondents)	83
Chart 4.10	: Level of Education (Local Respondents)	84
Chart 4.11	: Purpose of Visiting Cemara Hotel (Local and Foreign Respondents)	88
Chart 4-12	: Positive Factor (Employee Perspective)	96
Chart 4-13	: Level of Satisfaction (Foreign Guests)	102
Chart 4-14	: How Do You Know CH (Male)	116

Chart 4-15	: How Do You Know CH (Female)	116
Chart 4-16	: You Have Seen CH Advertisement (e.g. in tabloid, magazine, etc)	117
Chart 4-17	: CH Advertisement Is Very Interesting and Informative	117
Chart 4-18	: CH Sales & Marketing Frequently Perform Courtesy Call	122
Chart 4-19.a	: CH Brochure Is Very Interesting	122
Chart 4-19.b	: CH Brochure Is Interesting (Foreign)	123
Chart 4-20.a	: CH Brochure Is Very Informative	123
Chart 4-20.b	: CH Brochure Is Very Informative (Foreign)	124
Chart 4-21.a	: CH Blitz Is Very Interesting and Informative	124
Chart 4-21b	: Cemara Blitz Is Interesting and Informative (Foreign)	125
Chart 4-22	: CH Banner Is Interesting and Informative	125
Chart 4-23.a	: CH Employees Understand About CH Program	126
Chart 4-23.b	: CH Employee Understand About CH Program (Foreign)	126
Chart 4-24	: You Have Good Relationship with CH Sales & Marketing	133
Chart 4-25	: CH Sales & Marketing Frequently Visit Your Office	134
Chart 4-26	: CH Sales Kits Is Interesting and Informative	134
Chart 4-27	: You Obtain Enough Information from Sales & Marketing Department	135
Chart 4-28	: CH Sales & Marketing Makes You Visit CH	135
Chart 4-29.a	: You Have Bought CH Room Voucher from Travel Agent	136
Chart 4-29.b	: You Have Bought CH Voucher in Travel Agent before (Foreign)	136
Chart 4-30	: CH Employees Are Expert in Doing the Sales (Foreign)	137

Chart 4-31	: CH Employees Are Expert in Promoting the Hotel and Facilities	137
Chart 4-32.a	: You Know CH Promotion Program	140
Chart 4-32.b	: You Know CH Promotion Program (Foreign)	140
Chart 4-33.a	: CH Promotion Program Is Interesting and Informative	141
Chart 4-33.b	: CH Promotion Program Is Interesting and Informative (Foreign)	141
Chart 4-34.a	: Well-served When Complaining to CH	144
Chart 4-34.b	: Well-served When Complaining to CH (Foreign)	145
Chart 4-35	: You Got Recommendation about CH from Your Family and Friends	145
Chart 4-36.a	: You Will Recommend CH to Your Family and Friends	146
Chart 4-36.b	: You Will Recommend CH to Your Family and Friend (Foreign)	146
Chart 4-37	: Tourist Arrivals in ASEAN	147
Chart 4-38	: Tourist Arrivals in Indonesia	147
Chart 4-39.a	: You Are Familiar with CH Website	151
Chart 4-39.b	: You Are Familiar with CH Website (Foreign)	151
Chart 4-40	: You Are Expecting Promotion Programs through CH Website (Foreign)	152
Chart 4-41	: You Are Expecting Be Able To Make Reservation through Website (Foreign)	152
Chart 4-42	: Your Email to CH Is Always Well-respond by the Staff (Foreign)	153
Chart 6-1	: Experience in Cemara Hotel	178

Chart 6-2	: Expected Marketing Communications	180
Chart 6-3	: Expecting Marketing Communications (Corporate/Business Purpose)	181
Chart 6-4	: Expected Promotion	181



LIST OF ATTACHMENTS

ATTACHMENT 1	Survey (Indonesian Respondent)	187
ATTACHMENT 2	Survey 2 (Foreign Respondent)	195
ATTACHMENT 3	Respondent Profiles (Local Respondent)	201
ATTACHMENT 4	Brand (Local Respondent)	203
ATTACHMENT 5	IMC (Local Respondent)	204
ATTACHMENT 6	How Do You Know CH (Local Respondent)	206
ATTACHMENT 7	Favorite IMC (Local Respondent)	206
ATTACHMENT 8	Expected Promotion (Local Respondent)	207
ATTACHMENT 9	Respondent Profiles (Foreign Respondent)	208
ATTACHMENT 10	Brand Related (Foreign Respondent)	209
ATTACHMENT 11	IMC (Foreign Respondent)	211
ATTACHMENT 12	Building	213
ATTACHMENT 13	Lobby and Side Wing	213
ATTACHMENT 14	Rooms	215
ATTACHMENT 15	Coffee Shop	216
ATTACHMENT 16	Facilities	217
ATTACHMENT 17	Advertising Sample	221

CHAPTER I

INTRODUCTION

1.1. Background

Minister for Culture and Tourism, Jero Wacik officially launched Visit Indonesia Year 2008 on 26 December 2008. It means that the government supports Indonesia tourism industry. Therefore, Accommodation or Hotel industry as a part of tourism business in Indonesia should support the government program as well.

Hotel is divided into chain hotel and independent hotel. Independent hotel is owned and managed by the owner. Independent hotel has less networking and resources compare to the chain hotel. Therefore, independent hotel needs further strategy. One of the central strategies is Integrated Marketing Communications (IMC). Integrated Marketing Communications is *a cross-functional process for creating and nourishing profitable relationships with customers and other stakeholders by strategically controlling or influencing all messages sent to these groups and encouraging data-driven, purposeful dialogue with them* (Duncan, 2002, 8). To be successful, hotel needs accurate integrated marketing communications for their target market. Communication is important because it ought to be well received, and able to build trust.

Cemara Hotel is a 3-star hotel, which is managed independently. On December 11th, 1993, Cemara Hotel was opened. The hotel is located at Jalan Cemara No.1, Menteng, Central Jakarta. Since then, the hotel has growth from 42 rooms to 102 rooms. The hotel combines classic modern architecture design with rich, warm furnishings, and soft neutral tones. The design evokes a feeling of refreshing and comforting. The notion of home is built upon comfort and tranquility. Each area in the hotel is finished perfectly with artistic painting and sculpture. The hotel offers an ideal location, reasonable rate, and truly genuine hospitality.

Cemara Hotel is a business hotel that targets corporate guest. The company usually arranges accommodation for their employees and guests. The hotel needs to build their communication with the company that generally through the contact person. Corporate guests more and less represent 60 percent of the occupancy. Beside company, the hotel also serves personal guests or travelers. Personal guest usually stays in the hotel for leisure or holiday purpose, but some of them stay in for business purposes. Cemara hotel has also become an interactive accommodation for foreign tourist that represents more and less 15 – 20 percent of occupancy.

Passing through the year, the competition has also been growth. At first, the hotel has only competed with other independent hotels. Today, the hotel competes with other independent hotel and chain hotels. Competing with chain hotels is more complicated because they have more networking and resource. Therefore, the hotel needs to have effective and accurate integrated marketing communications to keep up their position.

Integrated marketing communications consists of advertising, direct marketing, personal selling, sales promotion, public relations, and internet marketing. Each has advantages and disadvantages. By analyze each tools, we can determine the accurate integrated marketing communications for the hotel. Moreover, Cemara Hotel will able to implement better communication with the guests.

1.2. Problem Identification

Hotel has limited revenue, especially for small and medium hotels. Cemara Hotel has 102 rooms. If the rooms are fully occupied, they cannot fulfill another demand. Because of limited revenue, the marketing communication should obtain direct respond from the guests. The expected direct response is sales. Moreover, because of limited revenue, Cemara Hotel has limited budget for the marketing activities. Chain hotel can perform combined advertising,

direct marketing and others with other hotels in the same chain to save their cost. In addition, Cemara Hotel has various target markets, which are corporate, personal, and foreign guests. Different target market needs special communication techniques.

Specified problems can be determined as:

- What is the accurate and effective Integrated Marketing Communications (IMC) for Cemara Hotel, as an independent hotel, which has limited resource to be precisely received by the target markets?

1.3. Objective of the Research

Objective of the paper are:

1. To analyze the brand from management, employee, and customer perspective.
2. To determine marketing communication tools that fit with the hotel qualification.
3. To resolve the integrated marketing communications for every target market.

By doing the research, Cemara Hotel can resolve the effective integrated marketing communications that affect to brand equity, sales, and profit. The writer hopes the hotel can be growth and keep exist in the tourism industry.

1.4. Research Method

The research methods that are used in this thesis consist of:

- Library Research

Library research is collecting data from various sources related to the problem identification. It comes from textbook, articles from newspaper, journal, and internet.

- Field Research

1. Interview with the Hotel management, employee, and guests

The interview is intended for to get depth understanding from the actors.

2. Survey

The survey is intended for supporting the analysis based on facts.

3. Observation of Hotel operation, especially in Marketing Department

- Analysis Study

Collected data from various sources will be analyzed to get the accurate conclusion.

1.5. Thesis Outline

The thesis covers five chapters that be composed of:

Chapter I: Introduction

The introductory chapter represents a general picture of the thesis. It states background, problem identification, objective of the thesis, research method, and outline.

Chapter II: Theoretical Study

The theoretical study comprise theories and theoretical approach used in analyzing the problem and taking conclusion.

Chapter III: Industry and Company Profile

The industry and company profile describe the hotel industry and general picture of the hotel.

Chapter IV: Analysis

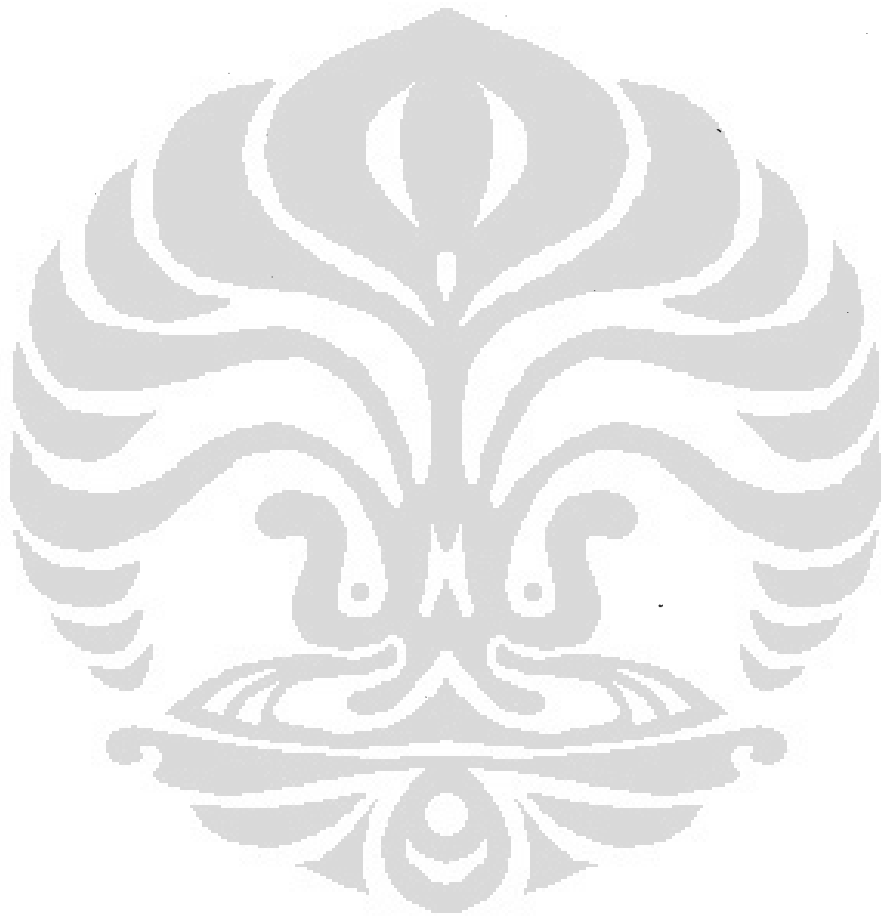
This chapter discusses the data. The analysis covers problems and potential solutions by covering the advantages and disadvantage of each solution. The analysis is link to the theory in Chapter II.

Chapter V: Conclusion

In this chapter, the writer tries to conclude the analysis study. By establish the analysis; the writer hopes to find accurate and effective IMC for Cemara Hotel.

Chapter VI: Recommendation

In this chapter, the writer gives the recommendations for Cemara Hotel to fulfill accurate communication for each target market.



CHAPTER II

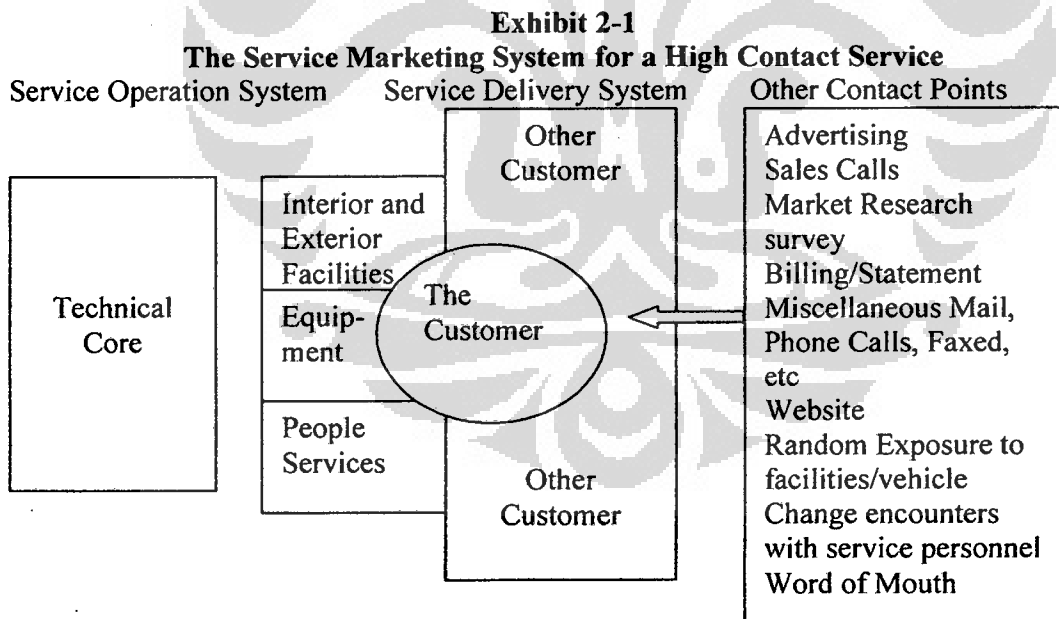
THEORITICAL STUDY

2.1. Service Marketing

The definition of services are described as “*Services* are deeds, processes, and performance” (Zeithaml and Bitner, 2000, 3). Services are intangible, heterogeneous, simultaneous production and consumption, and perishable. Service industry consists of the high contact and low contact.

2.1.1. High Contact Services

High contact needs the interaction throughout service delivery between customers and industry. It includes hotel, health club, and others. Service Marketing system for a high contact service is explained in the Exhibit 2-1.



Source: Christopher Lovelock and Jochen Wirtz, *Service Marketing*, Prentice-Hall, p.53

2.1.2. Low Contact Service

Low contact service involves little, if any, physical contact between customers and service provider. The contact takes place through medium of electronic or physical distribution channels.

2.1.3. Service Marketing Mix

The traditional marketing mix contains only 4 P's (product, price, place, and promotion). When applying to the service industry, the 4 P's is modified into 8 P's, which are people, physical evidence and process. *People* are the human actors that play roles in the service industry and influence the buyer's perception. "*Physical evidence* is the environment in which the service is delivered and where the firm and customer interact, and any tangible components that facilitate performance of communication of the service" (Zeithaml and Bitner, 2000, 25). *Process* is the flow of activities when the service is being delivered.

2.2. Hotel and Hospitality Business

The hotel definition is various, one of them is

"A *hotel* is an establishment that provides paid lodging, usually on a short-term basis. Hotels often provide a number of additional guest services such as a restaurant, a swimming pool, and some hotels have conference services and meeting rooms and encourage groups to hold conventions and meetings at their location" (www.wikipedia.com, 12 November 2007).

Hotel is a hospitality business, where service is the primary factor. According to national surveys, the top requirements of guests are quality of service, cleanliness, and facilities. It is important to satisfy your guest to attain return guest and promotion. It is important to get know the guest (Hayter and Allmark, 2007, 5-8):

1. How the guest find out about the hotel

The basis for business decision, confirm hunches, provide different insight:

- i. Advertisement, special promotions and paid-for entries by considering the cost, the right wording, design, and size.
 - ii. Tourist board, tourist information centers
 - iii. Past guests who are recommended the hotel
 - iv. The recommendation by someone in the town (do locals regard the hotel as being expensive or cheap?), from sign in local shop, going past the building (what impression does it give?)
2. What the guest has come for or to do
 - i. Business people
 - ii. Transit
 - iii. Leisure
3. What the guest has spent
 - i. The rooms (expensive or inexpensive rooms, stayed because of the special discount)
 - ii. Other facilities
4. Which room the guest occupied

The choices of rooms might be from the view, quietness, color scheme, size, furnishing, different floors, and others. Regular guests might have their own favorite room.
5. What special requests the guest has made

By knowing it, it will increase the guest satisfaction
6. Personal details

It can be the birthday date, wedding anniversary, and others. By keeping the record and give surprise to the guest, the guest will be highly appreciated.

7. Contact details

The information is available in the registration record.

2.3. Brand

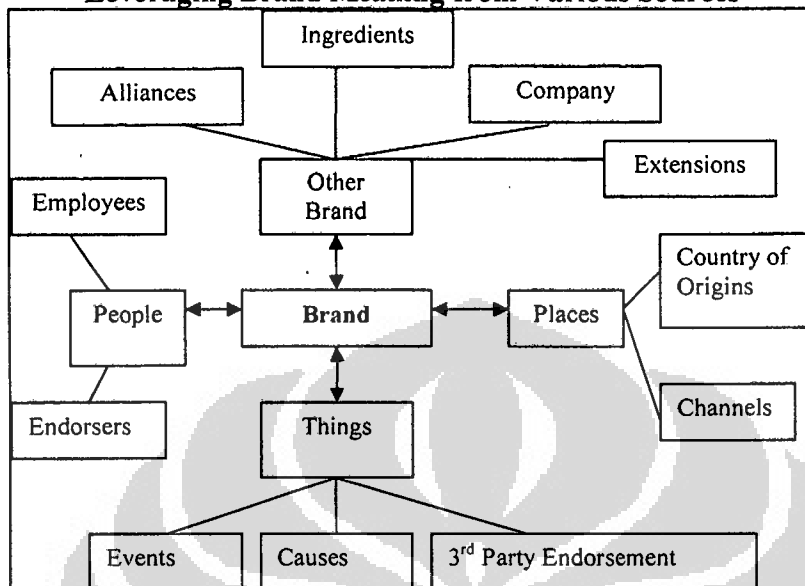
According to American Marketing Association (AMA), “a *brand* is a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition” (Keller, 1998, 2). Customer uses brand names and symbols to identify the specific product they have tried before. Brand transfer product and service into something larger than the product itself. Brand is more than the product itself. The products may include scope, attributes, uses, quality/value, and functional benefits. However, brand includes the product and their components, which includes organizational associations, brand personality, symbols, brand/customer relationships, self-expressive benefits, emotional benefits, user imagery, and country of origin.

2.3.1. Brand Equity

To enhance Brand Equity, it is accomplished through the initial positive brand identity and supported by marketing that forge favorable, strong, and unique association with the brand in consumer mind. Sustained marketing communications are required to create favorable, strong association with the brand. Building the brand equity comprise three strategies, which are “speak for itself”, “message-driven approach”, and “leveraging” strategy. Exhibit 2-2 explains how a brand can leverage associations by connecting with other brands, places, things, and people. By connecting with other brands, they create co-branding relation. The goal of increasing the brand equity is to create brand loyalty in the consumer’s

mind. Customer based brand equity occurs when the consumer has a high level of awareness and familiarity with the brand and have the brand associations in the customer's mind.

**Exhibit 2-2
Leveraging Brand Meaning from Various Sources**



Source: Kevin Lane Keller, "Brand synthesis: The Multidimensionality of Brand Knowledge," *Journal of Consumer Research* 29 (March 2003), 598.

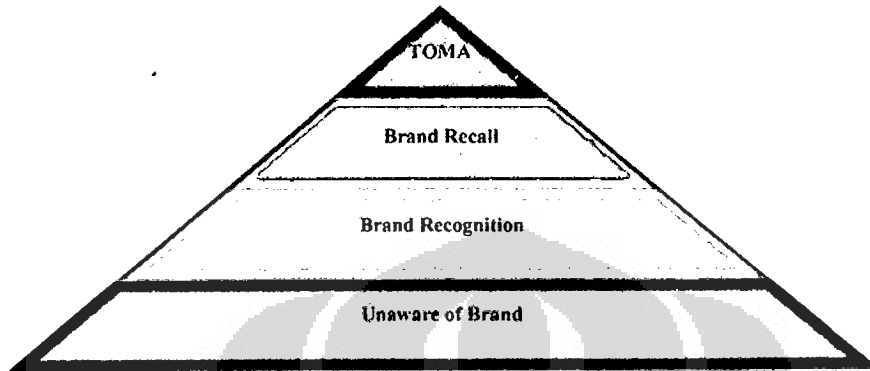
In general, most marketing people agree that brand equity is defined in terms of the marketing effects uniquely attributable to the brand. For branding strategies to be successful and brand equity to be created, consumers must be convinced that there are meaningful differences among brands in the products and services. The sources of brand equity are brand awareness and brand image.

2.3.1.1. Brand Awareness

"*Brand awareness* is created by increasing the familiarity of the brand through repeated exposure and strong assumptions cues" (Alba and Hutchinson, 1987, 411-453). Whether the brand name comes to mind when consumers think about particular product or service, called brand awareness. Brand Awareness is the first dimension from Brand Knowledge. Two levels of brand awareness is brand recognition and brand recall. Exhibit 2-3 shows us the brand

awareness progression. Top of Mind Awareness exists when the company's brand is the first brand that consumers recall when thinking about brand in particular category.

**Exhibit 2-3
The Brand Awareness Pyramid**



Source: David A. Aaker, *Managing Brand Equity* (New York: Free Press, 1991), 62

2.3.1.2. Brand Image

The second dimension of Brand Knowledge is Brand Image. Brand Image relates with the type of brand association and favorability, strength, and uniqueness from the brand association. An association is the thoughts and feelings that consumers have about the brand. The five brand-related personality dimensions can be determined as sincerity, excitement, competence, sophistication, and ruggedness. A positive brand image is created by marketing programs that link strong, favorable, and unique associations to the brand in memory.

2.3.1.3. The Benefits from Brand Equity

A number of benefits can result from a strong brand, in terms of both greater revenue and lower costs. The benefits are:

- Greater loyalty
- Less vulnerability to competitive marketing actions

- Less vulnerability to marketing crises
- Larger margins
- More inelastic consumer response to price increases
- More elastic consumer response to price decreases
- Greater trade cooperation and support
- Increased marketing communication effectiveness
- Possible licensing opportunities
- Additional brand extension opportunities

2.3.1.4. Communication Strategies

The role of marketing communications is to contribute to brand equity by establishing the brand in memory and linking strong, favorable, and unique associations to it. From the perspective of customer-based brand equity, marketers ought to evaluate all possible communication options available to create knowledge structures according to effectiveness criteria as well as cost considerations.

2.3.2. The Anatomy of a Brand Relationship

Traditionally, marketing communications focused on developing and sending brand message to create sales. Today, the aim is to create customer's relationship; however, it does not mean that the transaction is being ignored.

2.3.2.1. Acquisition versus Retention

A company should be focus more on retention of current customer rather than on acquisition of new customers. Customer can easily change their mind in buying product or

service. It is the reason why retention of current customers is more important. It is not easy to build the brand loyalty, thus the company need to take a good care of the current customers.

2.3.2.2. Trust

The main reason customer often buy particular brand is the trust they have for the brand. To create trust, they must be able to generate good reputation. The research shows to construct trust, there are some factors to influence it, which are:

- a. *Satisfaction* is determined by inputs, including positive brand performance and attributes
- b. *Consistency* is communicated by product and service; the company position uniformity.
- c. *Accessibility* is when customer has problems, the company reacts immediately.
- d. *Responsiveness* is quick respond when there are questions, complaints, and others.
- e. *Commitment* relates to customer's feeling that the company has their interest at heart rather than doing, saying only for sales.
- f. *Affinity* comes when customer identify with a brand and have the relation to other people who use it.
- g. *Linking* is happened when people put a good word or good testimony about the brand.

2.3.2.3. Intensity

Intensity is the relationship or the strength. The intensity of a brand relationship varies for each customer and the products. The level of relationship intensity is from awareness,

identify, connected, community until advocacy, which is the highest level of brand relationship intensity.

2.3.2.4. Managing Expectation

It means to create realistic promises in the brand message. If the promise is too high, the customer will lost their trust after using the brands. If it is too low, the customer cannot build trust to use the brand.

2.3.3. Benefits of Brand Relationship

The benefit of relationship influences in costs and sales or profits. In costs, the impacts are it is cost less to sell to current customers, the relationships amortize costs of acquisition, local customers are brand advocates reducing marketing communications cost, and satisfied customers take less handholding. In the impacts in sales or profits are local customers buy more, loyalty increases long-term customer value, decreasing defections increases sales, and disappointed customer spread negative word of mouth then reducing sales revenue.

2.3.4. Brand Messages

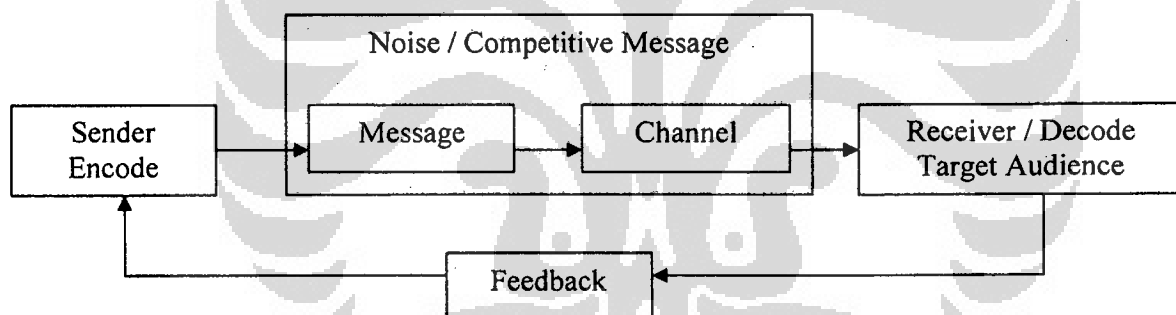
The definition of *Brand Messages* are “all the messages customers and other stakeholders receive from and about the brand” (Duncan, 2002, 128). The four sources of brand messages are planned message, product messages, service message, and unplanned messages. Planned messages are using advertising, sales promotion, personal sales, merchandising material, events, sponsorship and to name a few in delivering the message. Product message consists of product’s design, performance, pricing, and distribution. Service message comes from the service representative, receptionist, secretaries, delivery people, and all other representatives

of a company. Un-planned messages speak about with the company or brand related news, gossip, rumors, and others

2.4. Communication Process

Communication defined as “the passing of information, the exchange of ideas, or the process of establishing a commonness or oneness of thought between sender and receiver” (Belch and Belch, 2007, 137). It relates with five W: who says (source), what to (message), whom through (recipient), which channel (medium), and what effect (action). The communication process is explained in the Exhibit 2-4, from the sender to the receiver and feedback between them, there is noise that intrudes on communication process.

Exhibit 2-4
A Model of the Communication Process



Source: George E. Belch and Michael A. Belch, Advertising and Promotion, McGraw-Hill, 7th edition, p.139

According to AIDA model, *Personal selling* is one of the stages that a sales person must take to the customer. The model explains that buyers will pass some steps, which are attention, interest, desire, and action, before the purchasing decision. The hierarchy of effects model shows “the process by which advertising works, it assumes a consumer passes through a series of steps in sequential order from initial awareness of product and service before actual purchase” (Lavidge and Steiner, 1961: 59-62). The other two models, innovation adoption

model and information processing model, are in the same concept with the two concept previously explained (Exhibit 2-5)

**Exhibit 2-5
Model of Response Process**

	AIDA	Hierarchy of effects	Innovation adoption	Information Processing
Cognitive Stage	Attention	Awareness Knowledge	Awareness	Presentation Attention Comprehension
Affection Stage	Interest Desire	Liking Preference Connection	Interest Evaluation	Yielding Retention
Behavioral Stage	Action	Purchase	Trial Adaptation	Behavior

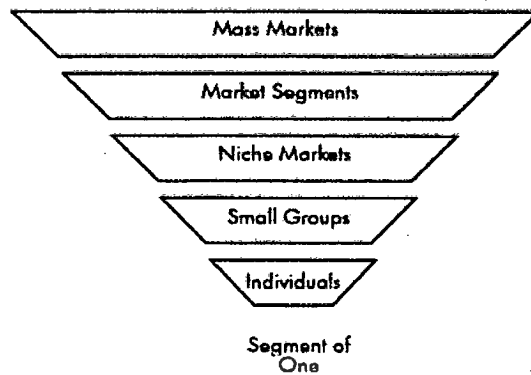


Source : George E. Belch and Michael A. Belch, Advertising and Promotion, McGraw-Hill, 7th edition, p.146

A good communication model comprise the understanding of target audience, perfect medium, creativity, also efficiency and effectiveness. Creativity means the ability to generate fresh idea, unique that can be used as a solution to the communication problems. The communication should be effective and efficient because the communication is not free, hence, the company budget will be effectively used.

The two types of communication are direct (one to one, one to group, and team to group) and indirect (paid media, unpaid media, and special media). Exhibit 2-6 shows the level of audience aggregation. The way people are communicating should be in line with the level of audience they try to attract.

Exhibit 2-6 The Level of Audience Aggregation



Source: John D. Rembeth, International Marketing Communications class lecture, 2007

2.4.1. Influence of the Communication Process

2.4.1.1. Influence of Media within Communication Process

Technological advance permit people to conduct marketing communications at electronic speeds. The media consists of TV, radio, internet, flyers and so on. The internet provides opportunity for real dialogue with customers. Direct advertising is concerned with advertising messages delivered through email while indirect advertising is concerned with messages that are made available for customers to access at their leisure (websites). The interactivity increased the speed of communication. The linear model assumes information content to be essentially one-dimensional. According to Media Richness Theory, face-to-face is the richest medium since there is direct feedback. The scale starts with face-to-face, telephone, email, letter, note, memo, special report, fliers and bulletins. It means the richer the media, the greater the level of ambiguity.

2.4.1.2. Influence of People on the Communication Process

There are two categories:

1. Two-step flow of communication

The model depicts information flowing via media channels to particular types of people (opinion leader and opinion formers). The implication is that the mass media do not have a direct and all-powerful effect over the audiences.

2. Multi-step flow of communications

The process involves interaction among all parties to the communication process.

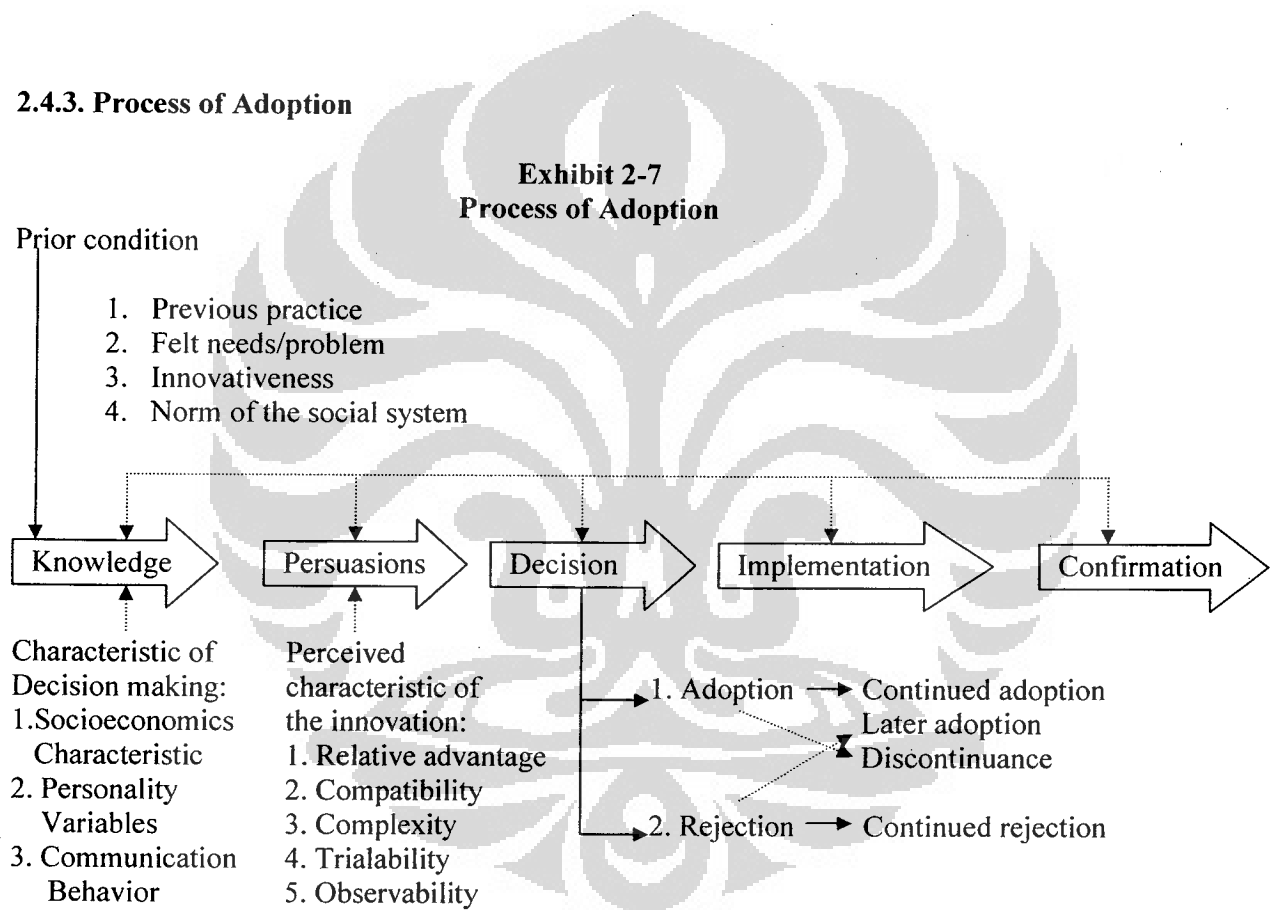
2.4.2. Word of Mouth Communication

Successful communication is characterized by interaction and word-of-mouth communication can assist and enrich the communication process. Personal influence upon the communication process is important if communication is to be successful. Customers use word-of-mouth recommendations to provide information and to support and reinforce their purchasing decision. According to Berkman and Gilson: "In comparison to advertising messages, word of mouth communications are more robust" (Fill, 2005, 47). The four main categories of output word –of-mouth:

1. Product involvement: people tend to discuss pleasurable matters or not, thus, they talk about experience.
2. Self-involvement: dissonance can be reduced as the purchaser seeks reassurance about the decision.

3. Other involvement: products can assist motivations to help others and to express feeling, and the feeling can be released through a sense of sharing the variety of benefits that products can bestow.
4. Message involvement: the final motivation to discuss products is derived from messages that surround the product itself, in business-to-business market, seminars, and others, which provide the means to provoke conversation and so stimulate word-of-mouth recommendation.

2.4.3. Process of Adoption



Source: Chris Fill, Marketing Communications, Prentice-Hal, 4th edition, p.53

Mass communication is more effective in the earlier phase of adoption process, and forms that are more interpersonal are more appropriate at the later stages.

2.5. Consumers Behaviors

Consumer behavior relates to “the process and activity people engage in when searching for, selecting, purchasing, using evaluating, and disposing of products and service to satisfy their needs and wants” (Rembeth in *International Marketing Communications 2nd lecture*, 2007, slide 22). In making the purchasing decision, consumers pass by some steps, which are problem recognition, information search, alternative evaluation, purchase decision, and post purchase decision. The post-purchase decision includes the complaints, feedback, and others.

Three buying behavior situation consist of:

1. Cognitive Decision Making

It is based on type of information processing and problem solving. At first, they think about it, search for the information, comparing product features, rationally evaluate the alternatives, and make decision that is as objective as possible. The emotion often plays role in this model. The prospect and customers are likely to use rational criteria when considering expensive product, un-familiar product, infrequently purchased product, or high-involvement product category. Then they also evaluate it rationally, and if it is positive, there will be repeated purchase. Refer to Exhibit 2-5 for the brand decision-making steps based on the cognitive style. The route is think → feel → do.

2. Experiential Decision Making

Customer recognized problems and opportunities from an emotional perspective. The experiential approach aims to intensify the customer’s level of involvement with brand; hence, there will be emotional involvement. The path for experiential processing: impulse is do → feel → think. Moreover, the path for experiential processing: feel → do → think.

3. Habit / Repeat Decision Making

There is little or no information search or evaluation of choices but there is ongoing evaluation of brand's performance. The example of it is just in time ordering. The steps are recognizing problem or opportunity, making buying decision, and reviewing decision. The path is do → think → feel

**Exhibit 2-8
The Cognitive Decision Process**

Steps	Psychological Dimension
1. Problem / Opportunity recognition	Needs and wants Attention Selective perception
2. Information search	Awareness Brand knowledge Central / peripheral processing Active and passive processing
3. Evaluation of choices	Cognitive / affective response Evoked sets Preference and conviction Likeability Source credibility
4. Behavior, action	Sample, visit, try / buy
5. Review of buying decision, repeat buy	Cognitive and conditioned learning Learning from satisfaction and dissatisfaction Cognitive dissonance

Source: Tim Duncan, *Integrated Marketing Communications*, Boston: McGraw-Hill, Irwin, 2002, p.169

Relates to Exhibit 2-8 (the needs in problem recognition), human needs, based on Maslow's Hierarchy of Needs, consist of:

1. Physiological needs (hunger, thirst)
2. Safety needs (security, protection)

3. Social needs (sense of belonging, love)
4. Esteem needs (recognition, status)
5. Self-actualization needs (realization, self development)

There are two ways in searching the information, which are internal source and external source. The internal source relates with the information that is stored in the memory. The external source relates with personal source (friends, relatives, co-workers), market-controlled source (ads, sales persons, in-store display), public sources (print articles, news reports), and personal experience (handling, testing, using).

2.6. Segmenting and Targeting

The definition of *segmenting* is “grouping customers or prospects according to common characteristic, needs, wants, and/or desires, and targeting is analyzing, evaluating, and prioritizing those market segments deemed most profitable to pursue” (Duncan, 2000:238).

The steps of segmenting and targeting:

1. Identify the most profitable current customers
2. Create profiles of this segments
3. Target these segment to increase retention and customer growth
4. Use profitable-customers profiles to locate prospect segments
5. Evaluate prospect segment
6. Target prospect segments that are most likely to respond
7. Continue testing responsiveness of prospect segments with similar profiles.

The types of market segmentation are:

1. Behavior or Benefit Segments

It involves segmenting a market according to product usage. Customer in every product category can be divided into heavy users, medium users, light users, and non-users.

2. Demographic Segments

It relates with age, education, income, gender, occupation, family size, family life stage, residence type, ethnicity, religion, and geography.

3. Psychographic Segments

It relates with interest, opinion, attitudes, personality, social class, values, and lifestyle activity.

4. Relationship Segments

It will be determined by no-loyalty, inertia loyalty, latent loyalty, and premium loyalty.

According to Rhenald Kasali, the social economic class can be divided into A+, A, B+, B, C+, and C by looking at the level of income

**Exhibit 2-9
Income and Social Class Distribution**

Income and Social Class Distribution		
	Monthly Income per Month	
Class	Luxurious minded	Unpretentious minded
A	> 8 million	> 2 million
A	6 - 8 million	1 - 2 million
B+	4 - 6 million	0.7 – 1 million
B	0.7 - 4 million	0.3 – 0.7 million
C+	0.3 - 0.7 million	0.1 – 0.3 million
C	< 0.3 million	< 0.1 million

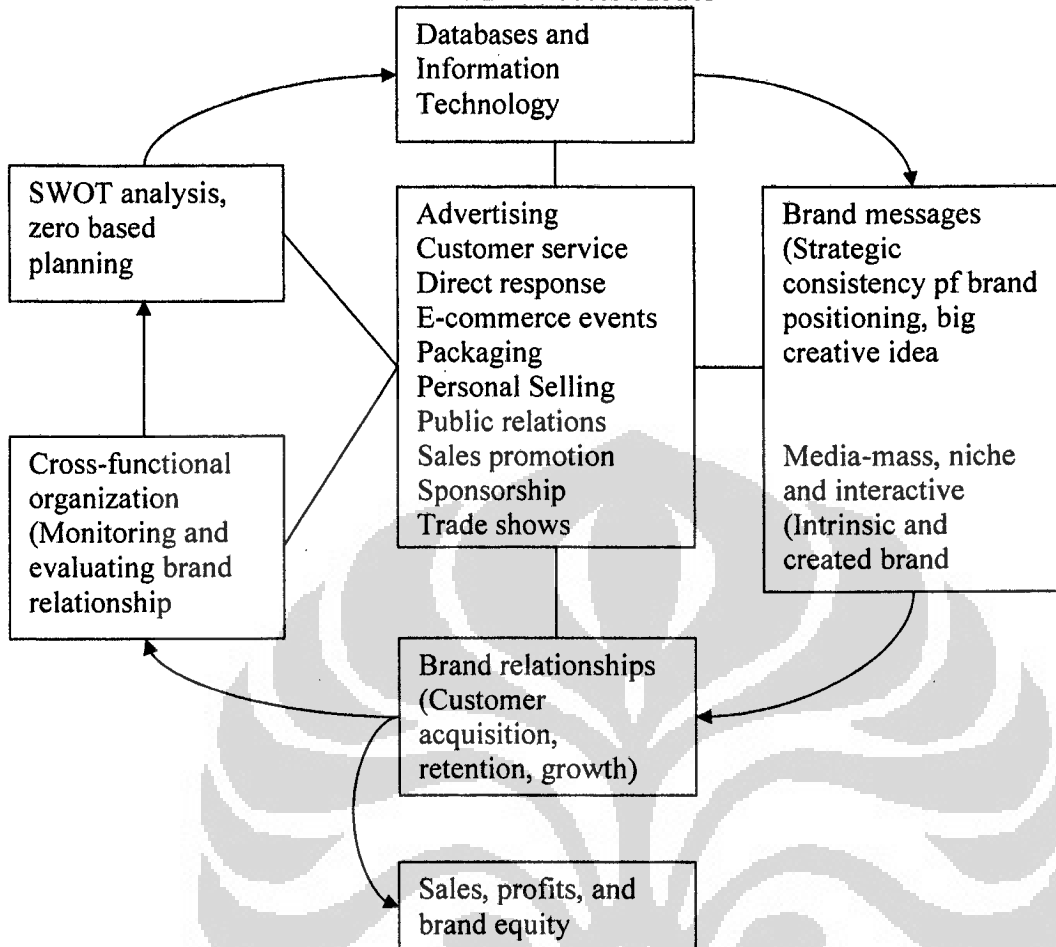
Source: Rhenald Kasali, *Membidik Pasar Indonesia: Segmentasi Targeting, Positioning*, 2000, Gramedia, p.212-213

2.7. Integrated Marketing Communications (IMC)

The definition of *Integrated Marketing Communications* (IMC) is “a process for managing the customer relationships that drive brand value” (Duncan, 2002, 8). A successful IMC program requires the marketers to find the right combination of the communication tools and technique. IMC major elements consist of:

1. Cross functional process. All company's major departments that touch the customer must have a way of working together in planning and monitoring the brand.
2. Creating and nourishing stakeholder relationships. It means attracting new customers then interact with them to find ways to satisfy the needs and wants.
3. Profitable customer relationships. It helps the IMC identifies the more profitable customers and direct a greater relationship with them.
4. Strategically controlling or influencing all messages. The company sends message how it makes its product, how product perform, how to set prices, what kind of services, what kind of store, how to sells, and how the employee acts. It relates to marketing mix that can be controllable.
5. Encouraging purposeful dialogue. Communication should be effective and efficient because the customers are tired of intrusive telemarketing calls, junk mail, and others. Exhibit 2-10 illustrates the IMC process model

**Exhibit 2-10
IMC Process Model**



Source: Tim Duncan, *Integrated Marketing Communications*, Boston: McGraw-Hill, Irwin, 2002, p.9

One of the IMC planning is the zero-based planning process. The first step is analyzing SWOT, which summarizes internal (strengths, weaknesses) and external (opportunities, threats) brand related condition. The second step is analyze target and relationship, means analyzing the various customer and prospect segments then determines which should be targeted. The third step is determining Marketing Communications (MC) objective, means determining what marketing communications program should be accomplished. The fourth step is developing strategies and rationales, mean choosing the brand messages and means of delivery. The fifth step is determining the budget, which is applicable to the company budget.

The sixth step is determining the accurate timing. The seventh step is testing the market MC mixes. The last step is to evaluate the effectiveness for future communication planning.

Traditional marketing uses Marketing mix that is inside-out focus (Product, Price, Place, and Promotion) as the concept. IMC is the outside-in thinking. Thus, it shifts from internal focus to external focus. Product shifts to customer, price shifts to cost, place shifts to convenience, and promotion shifts to communication. The IMC uses the promotional mix as a tool. The IMC focus is different from the traditional marketing focus.

Promotional mix is the basic tools used to accomplish an organization's communication objective. Traditionally, the promotional mix has included four elements, which are advertising, sales promotion, publicity or public relations, and personal selling. However, in the modern day, promotional mix has added direct marketing and internet marketing. Each has certain advantages.

2.7.1. Advertising

Advertising is defined as “any paid form of non-personal communication about an organization, product, service, or idea by an identified sponsor” (Alexander, in Belch and Belch, 2007, 17). The effect of advertising is uncertain, although it is costly. The functions of advertising are informing, influencing, reminding and increase salience, adding value, and assisting other company effort.

“Mass Media advertising consist of non-personal, one-way, planned message paid for by an identified sponsor and disseminated to a broad audience in order to influence their attitudes and behavior” (Duncan, 2002, 506). Advertising can be classified in term of media used, audience targeted, geographical reach, and the objective focus. The strengths include the ability to reach large markets cost effectively and the ability to build strong brands by creating

a brand personality. The limitation relates primarily to media waste, low credibility, and clutter.

2.7.1.1. Four main advertising frameworks

The frameworks were developed by Hall (1992) and O'Malley (1991), which are:

a. The sales framework

It is based on the premise that the level of sales is the only factor that is worth to determine the effectiveness of advertising campaign.

Advertising is considered to have a short-term direct impact on sales.

b. The persuasion framework

Gradually moving buyers through a number of sequential steps effect persuasion.

c. The involvement framework

Involvement with the product develops because of involvement with the advertisement. The involvement works by drawing members of the target audience into the advertisement.

d. The salience framework

The strategy is being difference with other advertisements in the product class.

2.7.1.2. The Strong and the Weak Theories of Advertising

Advertising can persuade someone to buy a product that he or she has never previously purchased. However, it is also believed that a consumers' pattern of brand purchases is driven more by habit than by exposure to promotional messages. Advertising improves the

consumer's knowledge, on the other hand, consumers are regarded as selective in determining which advertisements they observe and only perceive those which products.

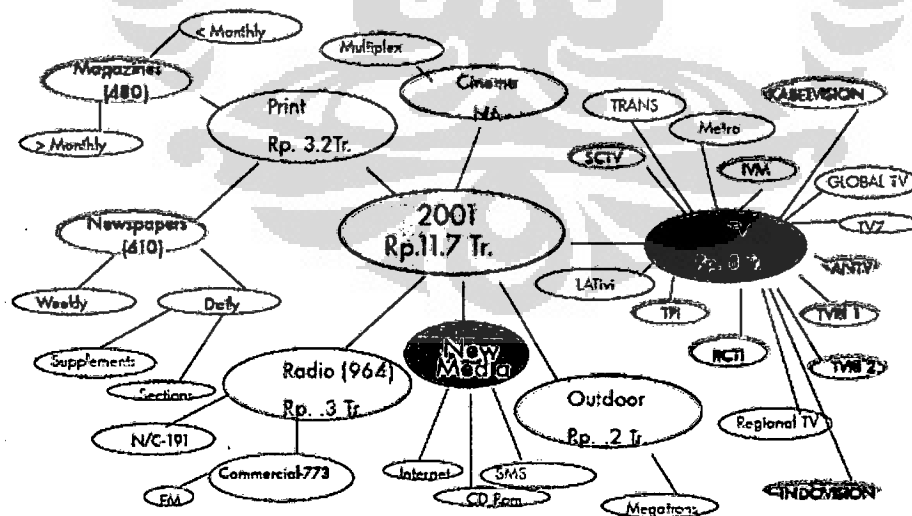
2.7.1.3. The Media

There are many medias can be used in doing advertising. There are TV, radio, newspaper, cinema, mobile billboards or simply billboards, magazines, newspaper, direct mail, point of sales, internet, yellow-pages, in-flight movie, in-store media (sign, banners, video display), and many more.

2.7.1.4. The Cost

Advertising is very costly. The cost of advertising is always growing since there are more and more products or services in the market. Each advertising media that is available for advertisement has its own strengths and weaknesses. Exhibit 2-11 shows the advertising media in Indonesia in 2001.

**Exhibit 2-11
Media Market Place 2001**



Source: John D. Rembeth, *Integrated Marketing Communications lecture*

2.7.2. Direct Marketing

Direct marketing is “a system of marketing by which organizations communicates directly with target customers to generate a response or transactions” (Belch and Belch, 2007, 447). Direct marketer seeks a direct response. The objective of the program is normally behavior, for example: votes, contribution, and/or sales. Many organization use direct marketing to build image, maintain customer satisfaction, and inform customers in an attempt for future actions. To segment and target their markets, direct marketers use a database. The database will be useful for improving selections of market segments, stimulating repeat purchase, cross-selling and building customer relationship management (CRM).

2.7.2.1. The Role of Direct Marketing in the IMC Program

Direct marketing activities support and are supported by other elements of the promotional mix:

1. Combining direct marketing with advertising

The direct marketing is in itself a form of advertising, through mail, print, or TV. It usually contains a toll free number or mailing information form for direct response. An advertisement sometimes will be sent through direct mail.

2. Combining direct marketing with public relations

Public response often employs direct response technique. Sometime public relations include toll-free numbers or website in the promotional materials.

3. Combining direct material with personal selling

Telemarketing and direct selling are two methods of personal selling

4. Combining direct marketing with sales promotion

Sales promotion event may support the direct marketing effort.

5. Combining direct marketing with support media

2.7.2.2. Direct Marketing Strategies and Media

Direct marketing employs numbers of media, including direct mail, telemarketing, direct-response broadcasting, internet, and print. Each medium is performing specific functions, and generally follow a one- or two-step approach. In the one-step approach, the medium is used directly to obtain an order. The two-step approach may involve the use of more than one medium.

Direct mail is the unsolicited mail that the customer is used to receive. Catalogs are usually used in conjunction with the traditional sales. The use of broadcast media relates with direct-response advertising, example: magazines subscription, and support advertising. Telemarketing is sales by telephone. The problems of telemarketing are fraud, deception, and annoyance. The new media is electronic teleshopping, which is an online shopping and information retrieval service accessed through personal computers.

2.7.2.3. Direct Selling

Direct selling is the direct, personal presentation, demonstration, and sales of products and service to customers in their homes. The three forms of direct selling are:

- a. Repetitive person-to-person selling
- b. Non-repetitive person-to-person selling

2.7.2.4. The Advantage and Disadvantage of Direct Marketing

The direct marketing advantages include its selective reach, segmentation, frequency, flexibility, timing, personalized and custom messages, low costs, and the ability to measure program effectiveness. The disadvantages are image problems, the proliferating sale and use of database, lack of content support, and the intrusive nature of the medium.

2.7.3. Personal Selling

Personal selling involves selling through a person-to-person communications process. This direct and interpersonal communication lets the sender immediately receive and evaluate feedback from the receiver, called *dyadic communication* (between two people or group).

When preparing of personal selling, the tasks contain:

1. Determine the information to be exchanged
2. Examine promotional mix alternatives
3. Evaluate the relative effectiveness of alternatives
4. Determine cost-effectiveness

The functions of personal sales include retaining current customers and acquiring new customers. The process of personal selling involves generating leads, qualifying leads, making sales calls, closing the sale, and following-up to build and maintain the customer relationship. The qualified leads are prospects that “(1) have a real need or opportunity that the brand can address, (2) have the ability to pay for the goods or services, (3) have the authority to buy, and (4) are approachable” (Belch and Belch, 2007, 622).

2.7.3.1. Relationship Marketing

Relationship marketing is “an organization’s effort to develop a long-term, cost-effective link with individual customers for mutual benefit” (Copulsky and Wolf, 1990, 16-20). The sales rep tries to establish the long-term bond. Rather than just selling, the sales department works with marketing to use techniques like database marketing, tracking promotional effects to improve the relationship. It includes the Customer Relationship Management (CRM), and it can be accomplished by building accurate database and building the relationship based on the data in database. The relation is based on trust.

2.7.3.1.1. SFA and CRM

Sales Force Automation (SFA) is applying information technology to personal selling. CRM programs include sales force automation (44 percent of CRM use), customer service and technical support (27 percent), help desk (20 percent), tracking of field service technicians (6 percents), and support for planning, executing, and tracking marketing campaigns (3percent).

2.7.3.2. Face to face Selling

According to Hayter and Allmark (89 – 90), in doing the Face to face selling, we need to remember DIPADA (Define, Prove, Acceptance, Desire, and Ask).

1. Define

Why does the client want to spend the money in the first place?

2. Identify

When you know what they want to buy, hopefully, be able to tell them that your venue is the best for them

3. Proof

Proof that your product or service is the most suitable for your client

4. Acceptance

After finish explaining, move on to something else

5. Desire

Identify the most important point of interest for clients

6. Ask

It is important to have the closing sale.

2.7.3.3. Compensation and Rewards

Both are the compensation system in the personal selling. Traditionally, compensation is based on sales volume. Now, salespersons are being evaluated and reward not only for sales but also for how long customers have bought from the company (retention), how much customer has increased their quantity purchase (customer growth), and also customer satisfaction from being served by the salespersons.

2.7.3.4. The Cost of Personal Selling

Personal selling constitutes a substantial portion of the communications effort and may account for most of the promotional budget. The cost per sales call seems outrageous compare with cost per message delivered through other media. Personal selling is exclusive way to communicate, yet the return may be greater than those from other program elements may.

2.7.3.5. Personal Selling Responsibilities

Three categories to classify salespeople are order taking, creative selling, and missionary sales (Ligos, 2002, 32-40). The job requirement include (1) locating prospective customers, (2) determining customers' needs and wants that are not being satisfied, (3) recommending a way to satisfy these needs and/or wants, (4) demonstrating the capabilities of the firm and its products for providing this satisfaction, (5) closing the sale and taking the order, (6) following up and servicing the account.

2.7.3.6. Personal Selling and Other Promotional Tools

1. Combining Personal Selling and Advertising

Combining advertising and personal selling is likely to improve reach, reduce costs, and increase the probability of a sale.

2. Combining Personal Selling and Public Relations

The personal selling agent is often the firm's best source of public relations because in day-to-day activity, the sales person represents the company. Therefore, many companies involve their sales person in the community activities as the public relations.

3. Combining Personal Selling and Direct Marketing

The research found that integrating direct marketing, especially telemarketing, into the sales operations makes their sales effort more effective. It is because the cost of sales call and the cost associated with closing the sales are already very high so by combining with sales, it will be valued. Direct Marketing Association (2000) stated that many marketers have reduced the cost by combining telemarketing and sales efforts, for example: a typical telesales call costs about 11 cents for each \$1 in revenue generated.

4. Combining Personal Selling and Sales Promotion

The sales force presents many sales promotions targeted to resellers. Flip chart and specialties ads are designed to assist salesperson in their presentation, serve as reminders, or just create goodwill. Sales promotion is targeted at the sales force itself by providing incentives, like cash bonuses, free trips, and other.

5. Combining Personal Selling with the Internet

Internet is used to provide product information, generate leads, screen prospects, and build and market from database. With the development of internet, the interaction can be done by online. Through Website, the salesperson can do presentation about the products and services.

2.7.3.7. The Advantages and Disadvantages of Personal Selling

The advantages include:

1. Allowing for two-way interaction
2. Tailoring of the message
3. Lack of distraction
4. Involvement in the decision process
5. Source of research information

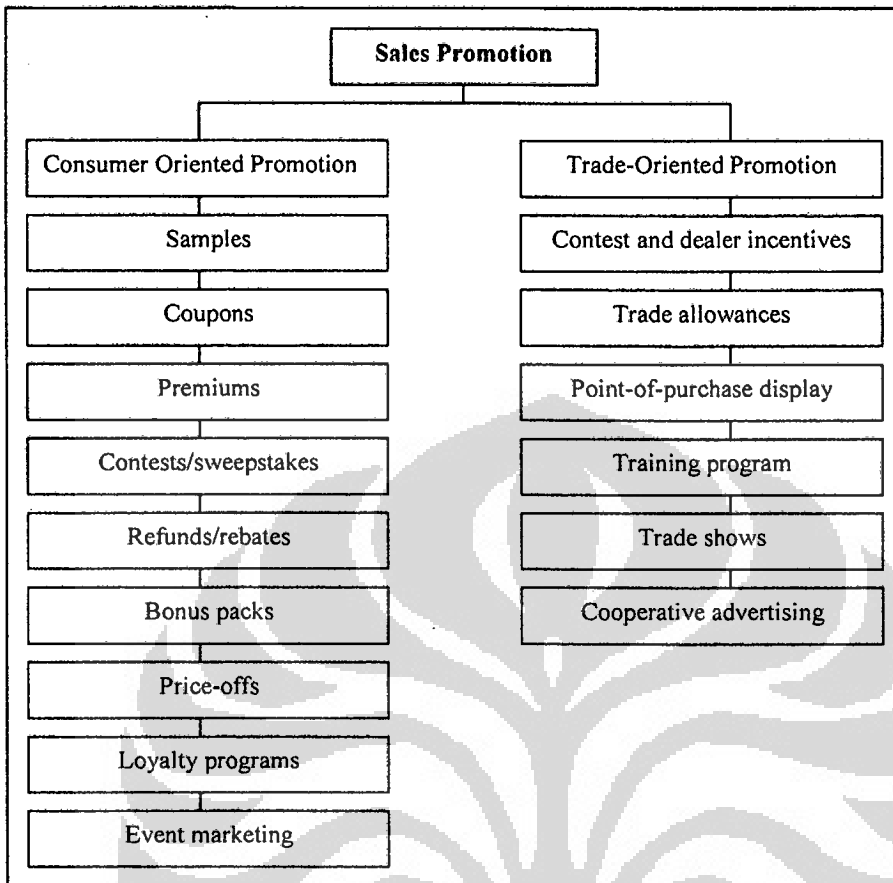
The disadvantages include:

1. Inconsistent messages
2. Sales force/management conflict
3. High cost
4. Poor reach
5. Potential ethical problem

2.7.4. Sales Promotion

Sales promotion is “a direct inducement that offers an extra value or incentive for the product to the sales force, distributors, or ultimate consumer with the primary objective of creating an immediate sale” (Haugh, 1983, M44). The sales promotion motivates customers at different points in the brand decision process, while advertising is used to create awareness. Exhibit 2-12 demonstrates the type of sales promotion, which can be broken into two major categories: consumer-oriented and trade-oriented promotions

Exhibit 2-12
Types of Sales Promotion Activities



Source: George E. Belch and Michael A. Belch, Advertising and Promotion, McGraw-Hill, 7th edition, p.496

The reasons for the increase in sales promotion include the growing power of retailers, declining brand loyalty, increased promotional sensitivity, brand proliferation, fragmentation of the consumer market, short-term focus, increase accountability, competition, and clutter.

2.7.4.1. Consumer-Oriented Sales Promotion or Pull Strategies

The basic goal of most consumer-oriented sales promotion program is to stimulate purchase of a brand. Furthermore, the marketers are also trying to obtain trial and repurchase,

increase consumption of an established brand, defend current customers, target a specific market segment, and enhance integrated marketing communications.

a. Sampling

Consumers are given some quantity of a product for no charge to induce trial. Sampling fits for the product that is relatively low unit value, divisible, and the purchase cycle is relatively short.

b. Coupon

It is the most popular sales promotion technique. Coupons make the possibility to offer price reduction only to those consumers who are price sensitive. Coupons generate trial and encourage repeated purchase. Coupon also supports the trade up to more expensive product. Nevertheless, the company must be-careful because coupon can reduce the company profits, and it is hard to determine the quantity and the timing.

c. Premiums

A *premium* is “an offer of an item of merchandise or services either free or at a low price that is an extra incentive for purchaser” (Belch and Belch, 2007, 516).

d. Contests and Sweepstakes

According to Sales (1998: 164-66), consumers have a “pot of gold at the end of the rainbow mentality” and think they can win the big prizes being offered in the contest and sweepstakes. Contest is where consumer competes for the prizes, and sweepstakes is where the winner is determined purely by chance.

e. Refund and Rebates

Refund (or rebate) is the return a portion of the product purchase price.

Refund can encourage repeat purchase.

f. Bonus Pack

It offers the consumer an extra amount of a product at the regular price by providing extra units.

g. Price-Off Deals

It offered right on the package through specially marked price packs.

h. Loyalty Program

It is the membership programs to give special customers extra discount.

i. Event Marketing

A company brand is linked to an event or activity for creating experience for promotion.

2.7.4.2. Trade-Oriented Sales Promotion or Push Strategies

The objectives are to targeted marketing intermediaries, such as wholesalers, retailers, and others, and the goals to target the marketing intermediaries are to obtain distribution for new products, maintain trade support for established brands, encourage retailers to display established brands, and build retail inventories. The types include:

a. Contest and Incentives

The incentive is used to attract the third party to actively sell the product or service.

b. Trade Allowance

Trade allowance is the most common trade promotion. It is a discount or deal offered to third parties to encourage them. *Promotional allowance* is the discount that is given to the reseller by performing certain promotional or merchandising activities to support their brand.

c. Display and Point-of-Purchase Materials

A good position helps to boost sales and increase promotion.

d. Sales Training Program

Training program to the third party will increase their knowledge about the product that will be sold.

e. Trade Shows

It is a forum where manufacturers can display their product to current and prospective buyers.

f. Cooperative Advertising

Cost of advertising is shared by more than one party.

2.7.5. Public Relations

A public relations is “management of communication between an organization and its publics” (Grunig and Hunts, 1984, 6). The types of public relations are:

1. Corporate relation, the responsibility include:
 - a. issue management
 - b. community relation
 - c. government relation
 - d. industry relation
2. Crisis management

3. Marketing public relations or brand publicity
4. Media relation
5. Employee relation
6. Investor relation

2.7.5.1. Corporate Communication

Public relations are responsible for managing the company image; marketing is responsible for managing the product brand. Public relation has two different kinds of advertising; (1) Public service announcement, which are ads for non-profit organizations that run on time and space is provided by media, (2) Corporate advertising, which are ads designed to build awareness of a company. A corporate communication program is built through their mission and vision.

2.7.5.2. Marketing Public Relation (MPR)

It is the use of non-paid media to deliver positive brand information designed to positively influence current and prospect customers. A good public relation can affected the brand awareness through word of mouth. Public relations department provide media representative with publicity ideas in the form of new release. The internet has been changed the publicity fundamentals, through email or website.

The strengths of MPR are: (1) buildings climate of acceptance and its brand, (2) increasing brand awareness, (3) increasing credibility and believability of brand claims, (4) breaking through commercial message clutter by using news and human interest, (5) reaching hard-to-reach audiences through articles in special interest and trade publication, (6) reaching other stakeholder, and (7) doing these things in a cost effectiveness. The limitations of MPR

include (1) the lack of control over publicity, (2) the difficulty quantifying impact, and (3) the inability of public relation to guarantee frequency of exposure to the message over time.

2.7.5.3. Word of Mouth

Word of Mouth is a powerful tool because it has high level of credibility. *Guerrilla marketing* applies to “edgy, unconventional campaigns that generate word of mouth”; *viral marketing* is “a buzzword in internet marketing to refer to the way communication spread on the internet” (Belch and Belch, 2007, 558). Word of mouth is economical because it is not rely on the media. According to Holmes (2000: 30-37), Word of Mouth can, however, be reinforced by “media stories, which is where public relations comes in”.

2.7.5.4. Social Marketing

Social marketing is “a type of public relations campaign that uses a variety of other marketing communication functions to promote a social program or cause” (Belch and Belch, 2007, 559).

2.7.6. Internet Marketing

The “*www*” or *World Wide Web* is the most development in the internet industry. *Website* is “the place where providers make information available to users of the internet” (Belch and Belch, 2007, 471). It requires a combination of creativity, effective marketing, and continual updating of the site. In the internet marketing, the communication objectives are:

1. Create awareness
2. Generate interest
3. Disseminate information
4. Create image

5. Create strong brand
6. Stimulate trial
7. E-commerce is direct selling of goods and service through internet

2.7.6.1. Advertising on the Internet

Internet is also an advertising medium. It employs a variety of forms, include:

1. Banners ads : the vast majority of advertising on the Net
2. Sponsorships: a company pays to sponsor a section of a site.
3. Pop-Ups/Pop-Under
4. Interstitials: “ads that appear on your screen while you are waiting for site’s content to download” (Belch and Belch, 2007, 477)
5. Push technologies: it allows companies to “push” message.
6. Link: a visitor of a website may click to get more information from another website.
7. Paid search: The advertisement will only be paid when the consumers click on the ad.
8. Behavioral targeting: The advertisers can choose their target consumer by using the website surfing behavior (identifying the Internet Protocol-IP information)
9. Contextual Ads: The ads is placed based on the content of the website
10. Rich Media: “A broad range of interactive digital media that exhibit dynamic motion taking advantage if enhanced sensory features, such as video, audio, and animation” (www.wikipedia.com, 14 November 2007).

2.7.6.2. Sales Promotion on Internet

Internet provides sales promotion; moreover, it is a very effective medium for it. Companies make programs that interest the customer. Many companies offer interesting prize to attract consumers by doing interactive programs. *Yahoo!* has started its own reality show, *Apprentice*-like.

2.7.6.3. Personal Selling in Internet

Internet has big impact in the personal selling, either in positive or negative way. Web is the source of information that will support the selling effort. Visitors can search information about the product and service. In the same way, the visitors become the database for the company, so they can do the follow-up later. Web also stimulates trial. Many companies use internet to improve their one-to-one relationships by providing more information in more timely and efficient manner. However, the internet can be reach by everyone, so it is threat that may take away the job opportunity.

2.7.6.4. Public Relation on the Internet

Many sites devote part of the contents for the public relation. They will provide information about their philanthropic activities, annual report and more. The web is usually designed interactively where the customer can directly give their feedback. In a crisis, it is also a perfect medium for providing information.

2.7.6.5. Direct Marketing on the Internet

The direct marketing on the internet can be divided into two perspectives: direct marketing tool for communications objectives and e-commerce.

1. Direct Mail

It is the electronic version of the regular mail. The Direct Marketing Association estimates that email volume may reach as much as \$2.7 trillion by 2007 in Statistical Fact Book (2005). However, because of high volume of SPAM (junk mail), there is regulation about it and anti-spam software. The customer has option of the subject of personalization, the one that they want to receive or not. Still, studies have shown the effectiveness of email.

2. Infomercial

Infomercial is commonly found in the Net, an online travel company to promote destinations, and others.

3. E-commerce

The direct sales in the internet have been very massive. According to Davis in "E-Commerce to Surge 21 Percent" (www.mediapost.com, 2005: 1-2), "Online sales reached \$142.5 billion by the fourth quarter in 2005". Moreover based on Direct Marketing Association in Statistical Fact Book (2005), "business-to-business sales exceeded \$6 trillion in 2004".

2.7.6.6. The Advantages and Disadvantages of the Internet

The advantages include: (1). Target marketing, (2) Message tailoring, (3) Interactive capabilities, (4) Information access, (5) Sales Potential, (6) Creativity, (7) Exposure, (8) Speed, and (9) Complement to IMC. The disadvantages: (1) Measurement problem, (2) Annoyance, (3) Clutter, (4) Potential for deception, (5) Privacy, (6) Poor reach, and (7) Irritation.

CHAPTER III

INDUSTRY and COMPANY PROFILE

3.1. Tourism and Hotel Industry in Indonesia

Tourism business is one of the biggest income for a country, because of that; the government tries to promote Indonesia tourism to all over the world. Because of the globalization, the world has been changing. Asia becomes one of the target destinations due to the spectacular natural resources. Furthermore, nowadays, Asia provides huge business prospect. Asia, especially Pacific Asia, becomes the target destination of visitors (Exhibit 3-1). The condition supports the Indonesia Tourism industry.

Exhibit 3-1
Number of Visitors and Growth in the World by Destination
1990 - 2005

Destination Area	Number of Visitors (In Million)			Estimate Average Growth (in Percentage)
	1990	2000	2005	
Europe	287	397	525	3
East / Pacific				
Asia	53	122	229	8
America	94	138	195	4
Africa	15	25	37	5
Middle East	8	14	21	5
South Asia	3	6	11	7
TOTAL	460	702	1,018	4

Source: Bisnis Indonesia. Indonesia Perlu Kompak Mengharapi Peringatan Berkunjung. Feb 24, 2001

Indonesia beautiful nature has become the attraction for tourist to visit Indonesia. Jakarta as the capital city of Indonesia is the major business district for the country. Looking at Exhibit 3-2, the Soekarno-Hatta, Jakarta's International Airport, has been one of the ports to be commonly visit, thus it means Jakarta has high number of visitors. The total passenger arrivals at Soekarno-Hatta International Airport in 2006 reached 14,813,328 people, an increase of 7.3% compared with 2005 level. International arrivals grew by 2.8%, whilst domestic arrivals grew by 8.4%. If Bali is a tourism city, Jakarta is a business city. However, Jakarta is still a city that is a stopover for tourists due to their position as a capital of Indonesia. As a business district, the major visitors are not only foreigners but the citizen from outside of Jakarta also.

Exhibit 3-2
Number of Foreign Visitor Arrivals to Indonesia by Port Of Entry
1997 – 2006

Year	Port Of Entry					Total
	Soekarno Hatta	Ngurah Rai	Polonia	Batam	Other Port	
1997	1,457,340	1,293,657	174,724	1,119,238	1,140,284	5,185,243
1998	883,016	1,246,289	70,441	1,173,392	1,233,278	4,606,416
1999	819,318	1,399,571	76,097	1,248,791	1,183,743	4,727,520
2000	1,029,888	1,468,207	84,301	1,134,051	1,347,770	5,064,217
2001	1,049,471	1,422,714	94,211	1,145,578	1,441,646	5,153,620
2002	1,095,507	1,351,176	97,870	1,101,048	1,387,799	5,033,400
2003	921,737	1,054,143	74,776	1,285,394	1,130,971	4,467,021
2004	1,005,072	1,525,994	97,087	1,527,132	1,165,880	5,321,165
2005	1,105,202	1,454,804	109,034	1,024,758	1,308,303	5,002,101
2006	1,147,250	1,328,929	110,405	1,012,711	1,272,056	4,871,351

Source: www.bps.go.id, 17 December 2007

Accommodation or Hotel industry is part of tourism business in Indonesia, and hotel is the major point, which is needed to make the tourism business succeed. One of the

concentrations that can be looked is from the level of accommodation or room occupancy rate in Hotels. The higher the occupancy rate can be determined as higher number of visitors. The 3 star hotels have the highest occupancy rate based on the research (Exhibit 3-3). Moreover, the non-CBD has the biggest supply for the hotel rooms. According to the Knight Frank research, the occupancy rates of 3 and 4-star hotels in 2006 was declining compare to the year 2005. The average room rates of Jakarta star rating remain stable. The three star hotel's average room rate is Rp.283, 771. - (US\$31.46), it is -4.90% (in Rupiah) compare to the first quarter in 2006. Exhibit 3-4 shows us that DKI Jakarta is still the main tourism province based on the room occupancy rate, except for the holiday seasons which Bali room occupancy is higher. Exhibit 3-5 shows that Jakarta has one of the highest occupancy in year 2001–2005.

**Exhibit 3-3
Jakarta Hotel Market Highlights (2H 2006)
2006**

	Existing Supply	Occupancy
Overall existing supply and demand	22.200 rooms	62.21%
Distribution by Star-Rating		
3-star hotels	6,109 rooms	67.86%
4-star hotels	6,790 rooms	66.80%
5-star hotels	9,301 rooms	55.15%
Distribution by Location		
CBD area	7,790 rooms	35.69%
Non CBD area	14,410 rooms	64.31%

Source: Knight Frank / P.T Willsons Properti Advisindo

Exhibit 3-4
Room Occupancy Rate of Classified Hotel in Ten Main Tourism Province Destination
2007

Province	2007					
	February	March	April	May	June	July
North Sumatera	44.25	52.21	48.16	46.19	46.89	50.10
West Sumatera	37.70	31.77	35.29	47.01	42.94	51.89
DKI Jakarta	57.39	52.07	53.82	53.74	57.84	59.09
West Java	31.65	49.97	48.44	38.37	38.90	41.09
Central Java	34.13	30.17	30.87	32.58	38.16	39.39
DI Yogyakarta	38.20	48.13	44.28	42.18	46.30	60.39
East Java	47.23	45.17	41.68	37.44	37.19	39.90
Bali	48.91	45.05	46.60	57.70	58.50	58.69
North Sulawesi	38.75	39.28	35.60	43.97	48.98	49.61
South Sulawesi	25.55	29.52	27.66	38.39	39.78	37.73
Total	46.08	46.36	46.63	48.60	50.51	52.49

Source: www.bps.go.id, 17 December 2007

Exhibit 3-5
Room Occupancy Rate in Classified Hotel by Province (in Percentage)
2001 - 2005

Province	2001	2002	2003	2004	2005
Nanggroe Aceh Darussalam	39.25	54.42	48.14	48.73	47.47
North Sumatera	44.12	39.57	38.20	37.43	42.05
West Sumatera	36.42	36.56	40.31	40.24	38.68
R i a u	45.34	45.12	46.23	42.10	40.22
J a m b i	31.59	34.26	34.59	34.81	35.72
South Sumatera	41.71	40.55	42.42	36.71	34.68
Bengkulu	23.86	31.57	28.53	21.77	30.39
Lampung	55.41	58.58	53.03	45.56	47.54
Kep. Bangka Belitung	-	33.89	33.63	38.14	34.67
DKI Jakarta	46.14	48.08	48.76	51.08	54.53
West Java	37.36	37.83	40.05	37.77	37.00
Central Java	40.00	40.61	40.52	43.21	41.74
DI Yogyakarta	40.57	40.94	47.99	45.64	43.04
East Java	43.27	46.73	44.70	48.29	45.60
B a n t e n	-	31.55	34.60	33.26	32.00
B a l i	56.69	50.56	48.70	47.80	46.37

West Nusa Tenggara	28.85	27.46	26.92	32.54	35.95
East Nusa Tenggara	34.73	34.58	43.52	43.86	46.71
West Kalimantan	43.30	50.52	48.13	40.49	39.76
Central Kalimantan	64.08	62.99	63.94	42.70	62.95
South Kalimantan	50.87	43.21	44.68	46.98	51.40
East Kalimantan	51.49	61.12	59.19	54.50	53.55
North Sulawesi	33.29	44.13	49.68	51.92	51.55
Central Sulawesi	35.13	38.03	53.91	52.93	51.55
South Sulawesi	27.77	32.06	40.94	38.17	36.70
South East Sulawesi	41.07	30.01	31.06	43.61	47.30
Gorontalo	-	-	-	-	-
Maluku	15.89	15.40	38.88	48.11	51.02
Maluku Utara	-	60.44	33.27	23.50	33.02
Papua	49.55	38.70	32.02	34.78	43.25
Indonesia	44.79	44.28	45.03	44.98	45.03

Source: www.bps.go.id, 17 December 2007

The market outlook for year 2007 is relative good, glance at the supply and demand of the accommodation. There was no new hotel supply completed during the second half of 2006. Some hotel rooms have undergone changes of use. Some rooms have been converted into entertainment center (Emeralda and Alexis Hotels), and other hotels convert their rooms into additional meeting rooms to cater for the high demand for such facilities. The total number of proposed supply for 2008-2009 comprises 1,891 rooms; over 50% of the proposed supply is 5-star hotels, including Kempinski in Grand Indonesia. Based on the data, there will be no supply completed in 2007, as well as stable demand, the overall occupancy and average room rate will remain stable. The biggest impact in the future is 5-star hotels regarding the high supply.

3.2. CEMARA HOTEL

3.2.1. History

By seeing the opportunity in Hotel Business especially in Central business in Jakarta, so on 18 September 1992, a company named P.T BANGUN CEMARA HOTEL which is based in Jakarta start its business, with it legal number from the Judicial Affairs Department is C2-9739.HT.01.01TH'92 and it major business is Hotel's Industry. Cemara Hotel is a three stars hotel, and it is a family business.

On December 11, 1993, Cemara Hotel was opened. It is located at Jalan Cemara No.1, Menteng, and Central Jakarta with total of 42 rooms. Along the business development, Cemara Hotel has developed their room capacity and the facilities, consist of:

- 11 December 1993: 42 rooms, consist of:
 - Studio rooms = 6 rooms
 - Superior rooms = 31 rooms
 - Deluxe rooms = 4 rooms
 - Suite rooms = 1 room
 - Facilities: Business Center and Coffee Shop
- In 1995, there was the first stage of the development. Cemara Hotel added their room capacity into 72 rooms, built a lobby lounge and a new meeting room that is located in ground floor, called 'CEMARA I'.
- In 1998, the second stage of development was begun by adding more rooms and facilities. Hotel Cemara added 30 more rooms. The total rooms become 102 rooms. In the same year, they also added 3 meeting rooms (Total of 4 meeting rooms, located in 5th floor), swimming pool, fitness center, and lounge that previously was a 'Cemara 1' meeting room, the 'Cemara 1' was moved to the 5th floor together with

CEMARA 2, CEMARA 3 and CEMARA 4. The type of rooms become:

- Superior rooms = 55 rooms
 - Executive Twin rooms = 12 rooms
 - Triple rooms = 12 rooms
 - Deluxe rooms = 19 rooms
 - Suite rooms = 4 rooms
- Looking into the market demand, Cemara Hotel has changed again their rooms' allocation by adding more triple rooms and superior rooms. The type of rooms become:
 - Superior rooms = 64 rooms
 - Triple rooms = 15 rooms
 - Deluxe rooms = 19 rooms
 - Suite rooms = 4 rooms
 - In 2000 until today, the rooms type become
 - Superior rooms = 72 rooms
 - Superior Twin = 30 rooms
 - Superior Single = 42 rooms
 - Triple rooms = 7 rooms
 - Deluxe rooms = 19 rooms
 - Suite rooms = 4 rooms
 - In the end of 2005, Cemara Hotel added new facilities, that is Spa and Healthy Massage by cooperate with Giriloka Spa.
 - In 2007, there was extensions for 3 rooms, located in 5th floor (506 – deluxe, 502 and 504 – superior twin. The propose is to dual-functions

the rooms, consist of rooms and meeting rooms (upon request). In the same time, Cemara renovated their meeting rooms (Cemara 1 – 4) in order to make it bigger. The goal is to fulfill market demand and catching new market, which is wedding reception.

3.2.2. Hotel Services and Facilities

As mention above, Cemara is a three stars hotel with 102 rooms, the type of rooms are:

- Superior rooms = 72 rooms
 - Superior Twins = 30 rooms
 - Superior Single = 42 rooms
- Triple rooms = 7 rooms
- Deluxe rooms = 19 rooms
- Suite rooms = 4 rooms

The facilities and products, which provided by the hotel, are:

- Swimming Pool
- Lobby Lounge
- 24 hours Coffee Shop and Room Services
- Cybernet Lounge
- Business Center
- Money Changer
- Giriloka Spa
- Drug Stores and Art Shop
- Laundry and Dry Cleaning
- Airport Transportation

- Personal Safe Deposit Box
- TV cables
- Function Rooms and Wedding Hall

3.2.3. The Description of Cemara Hotel and the Uniqueness

Cemara Hotel combines classic modern architecture design with rich, warm furnishings, and soft neutral tones. The hotel design evokes a feeling of refreshing and comforting. The notion of home is built upon comfort and tranquility. Each area in the hotel is finished perfectly with artistic painting and sculpture. The hotel offers an ideal location, reasonable rate, and truly genuine hospitality from the staffs.

3.2.3.1. Location

Cemara Hotel is strategically located in the city center and walking distance to Business district Thamrin offices, Bank, Embassy offices and shopping center Sarinah, Plaza Indonesia, Live and Entertainment area EX Plaza, Hard Rock Café, Jakarta Theater, Jl.Sabang shops, and Jl. Jaksa tourist area. It is also only 2 km from Gambir Railway station and 45 minutes drives to Soekarno-Hatta International Airport. The hotel is adjacent to the Presidential Palace and National Monuments. Therefore, Cemara Hotel has a strategic location with strategic surrounding environments.

3.2.3.2. Lobby and Lobby Lounge

The lobby is the image of warmth from the hotel. The light color wood accent supports the image of the warmth. When entering the hotel, the guest will be greeted by friendly door attendant and reception staffs. Going straight through a corridor, the guest will find an amazing Balinese painting hanging in the corridor. The painting represent human life from

birth to the death under the Balinese lifestyle, and the painting is made in colorful and huge canvas. Passing the corridor, guests will enter the lobby lounge. Lobby lounge is also having warm wood tones furnished perfectly with sculpture and fine art. The lobby lounge is a perfect place to meet and greet guest, and allowing them to gather their friends and family.

3.2.3.3. Coffee Shop and Room Service

The coffee shop is located precisely in the right wing of the lobby. Their commitment is to served guests '24-7', by means they are ready to serve the guests at any time. The chef lets the guests discover the wonders of authentic Indonesian traditions cuisine, Asian and Western favorites. Mealtime throughout the stay means the chance to discover the culinary stops in Cemara's Coffee Shop. An extensive ala carte menu of delightful specialties for discerning gourmet is available through out the day. A great culinary is supported by the freshness and completeness of their beverage. All juice is served naturally and fresh, and other beverages are served up with full of flavor. The Coffee Shop is also furnished with warm wood color combine with elegant buffet section. Moreover, sometimes, guests can enjoy life music. The capacity in the coffee shop is 80 persons. In addition, the guests can pamper themselves with the coziness of their rooms, and dine in a wide raging gourmet from our 24 hours in-room dining facility, a cool soda accompanying the favorite TV's sporting or movie features.

3.2.3.4. Cybernet

Cybernet is a lounge, located in the Lobby Lounge. A place allows guests to use the computer and internet services. Three computers with cable internet are ready to be used. It is an excellent place to interact with the office, to chat with your family and friends, or even to play game and have fun. It is only one corner where you can meet your colleagues, business

colleagues and spend a quite moment to unwind and surfing internet exploring the world while enjoying coffee or tea.

3.2.3.5. Business Center, Money Changer, Drug Store and Art Shop, Airport Transportation

Business Center is located in the lobby lounge and ready to serve the guests for office needs, such as secretarial service, photocopy, scanning, bookbinder, ticket reservation, post and courier, and so on. It opens from nine to five, and ready to serve the guests during the working hours. Airport Transportation and Moneychanger are provided, and handled in Front Office department. The rate is comparable with the market rate, thus guest feels convenience to exchange their currency. Guest can directly arrange their transportation to/from airport or other destination (city tours) in Cemara Hotel. They are ready to serve by providing a new Toyota Inova, a Toyota Avanza and a bus, with capacity of 19 people. All can be chartered at any time and in affordable rate. Drug store is located beside the reception counter. It is undersized but able to serve the guest's needs, like shampoo, combs, basic prescription, and others. The art shop can be found in the lobby lounge, and sells antics sculpture and Chinese art. All the above facilities are provided gazing at the guests' needs.

3.2.3.6. Laundry and Dry Cleaning

Cemara Hotel will lighten up the guest's luggage by providing laundry and dry cleaning service. It means that guests do not need to bring all of their clothes because they can directly send to the laundry service, and the clothes will be ready in the same day. This facility includes express service if the guest needs it sooner.

3.2.3.7. Swimming Pool

The swimming pool is located in the Cemara's rooftop terrace. It is designed in Balinese style. While swimming, the guest will be pampering by amazing scenery. After swimming, you can enjoy your meals in the pool terrace.

3.2.3.8. Giriloka Spa

Giriloka spa is the newest facility in Cemara Hotel added in the end of 2005. Cemara Hotel cooperates with Giriloka spa to build their new sanctuary in Cemara's Pool Terrace. This newest facility has been substituted the Fitness center. The management approved the idea considering the market demand, that in today condition, people are looking for sanctuary place where they are able to pamper themselves. This newest sanctuary was build with Balinese style, and focusing on the healthy and cleanness. This is a place where guests can be relaxing, refreshing, spending a quite moment to leave behind their hectic days in the hand of professional spa and healthy therapist. The therapies contain of traditional massage, relaxing aromatherapy massage, slimming massage, shirodara, reflexology, and many more. It served daily from 08:00 to 23:00.

3.2.3.9. Rooms

Cemara hotel makes the guest feel like at home while away from home with spacious and comfort with a cozy bed with luxurious comforting duvet and a functional bathroom. In the comfort of the twin, single, deluxe and suite rooms, the guests can enjoy the individual Air Condition system, cable TV, mini-bar, hair dryer, daily newspaper, complimentary 2 bottles of mineral water everyday, laundry services, I.D.D call, dial-up internet connection, personal Safe Deposit Box and 24 hours room services. Table 3-1 provides more detail information about room and in-room facilities,

Table 3-1
Cemara Hotel
Rooms & In-rooms Facilities
2007

Rooms	Size	Facilities
Single/ Twin	6.80 x 3.50 m2	Comfort Duvet, IDD telephone, cable TV, mini-bar, AC with individual control, hair dryer, laundry service, daily newspaper, complimentary 2 bottles of mineral water everyday, dial-up internet connection, and 24 hours room service
Deluxe	6.80 x 5.00 m2	Comfort Duvet, extra pillow, complimentary tea and coffee maker, connecting room available, IDD telephone, cable TV, mini-bar, AC with individual control, bath up available, hair dryer, laundry service, daily newspaper, complimentary 2 bottles of mineral water everyday, dial-up internet connection, and 24 hours room service
Triple	7.50 x 4.00 m2	Three bed in room (1 double + 1 single), Comfort Duvet, IDD telephone, cable TV, mini-bar, AC with individual control, hair dryer, laundry service, daily newspaper, complimentary 3 bottles of mineral water everyday, dial-up internet connection, and 24 hours room service
Suite	8.00 x 4.00 m2	Luxuriously furnished, Comfort Duvet, extra pillow, complimentary tea and coffee maker, IDD telephone, cable TV, mini-bar, AC with individual control, bath-up available, hair dryer, laundry service, daily newspaper, complimentary 2 bottles of mineral water everyday, dial-up internet connection, and 24 hours room service

Source: Cemara Hotel

3.2.3.10. Meeting Rooms

All fully air conditioned meeting rooms are located on the 5th floor of the hotel, for the best privacy and atmosphere. Full and personalized attention is given by their well – trained staffs, associated with years of convention planning experience. The hotel also provides a ballroom for special big banquet event. A cozy pre-function area gives direct access to the pool area. Additional up-to-date technical equipment includes portable PA/AV appliances. It is a perfect place to support the guest's event. They provide various rooms which able to accommodate various event, such as meeting, seminar, training, other company gathering, and

wedding banquet. The service is supported by standard meeting facilities, including pads, pencils, one overhead projector, internet access, two microphones, one flipchart, mints, and mineral water. Table 3-2 shows the detail meeting rooms' information.

Table 3-2
Cemara Hotel
Meeting Rooms Type
2006-2007

Function Room Name	Room Size	Theatre Style	Class Room Style	U-Shape Style	Standing/cocktail party
Cemara I	13 x 5.30 m ²	80 pax	50 pax	40 pax	90 pax
Cemara II	5.26 x 6.20 m ²	30 pax	18 pax	14 pax	Nil
Cemara III	7.15 x 6.20 m ²	60 pax	24 pax	20 pax	Nil
Cemara IV	7.15 x 6.20 m ²	60 pax	24 pax	20 pax	Nil
Ballroom	19.56 x 6.20 m ²	150 pax	75 pax	60 pax	350 pax
Wedding Hall & Pool side	Up to 600 pax				

Source: Cemara Hotel

3.2.4. The Hotel Concept

The success point of a Hotel is not only because of the beauty and modernization of the building and the skill, but it comes from the managerial capacity, vision and the support from each department also. Cemara Hotel is built as a Three Star Hotel with a special characteristic like Business Hotel, which combines with the unique and artistic of a Boutique Hotel

3.2.4.1. Vision and Mission

The vision and mission of the hotel are:

- To put Cemara Hotel as one of the Three Star Hotel which known as a Hotel that has facilities and services like a four star Hotel.
- To give the friendliest hospitality to each guest
- Keep trying to raise the company income and its employee benefit with fair calculation
- To put Cemara Hotel as one Hotel which help the Indonesian Tourism Development especially in Jakarta

3.2.4.2. The Motto

“Cemara Hotel motto is “The Hotel with the Finest Service.”

Based on vision, mission and motto, the management and staff are working regarding the guest's necessity. It means that the hotel is very flexible. It is the reason why the hotel is changing their facilities and the room types. In addition, they are also ready to change the layout of the guest room according to the guest's needs, for example; if the intention of guest is to have meeting in the room, the management and staff are always ready to change the layout from bedroom into a meeting room.

3.2.4. Competitive Advantage

Cemara Hotel is located in the Central of Jakarta, and in the business district, where the surrounding are the main offices, shopping centers so it is very convenience to go almost everywhere. In the same time, Cemara Hotel provides many meeting rooms to accompany the room facilities. The other hotel competitors are also having meeting rooms but not as many as or as big as Cemara Hotel. A company is used to hold conference or meeting in small group

and in a big group depends on their needs. Most of the competitors provide small size meeting rooms, and it means that Cemara Hotel can grab the market for companies who want to held big conference.

At the same time, Cemara Hotel provides 4–star services to maintain their customers because the owner himself personally manages the Hotel. For the company who rent more than two rooms, the hotel offers free transportation to the office. They are also very flexible in doing the services. In some cases, the guests want to have dinner buffet at the pool terrace, and although Cemara Hotel does not have the program for it, they will arrange it because of the guest's demand. Therefore, the excellence of service is one of their main competitive advantages.

3.2.5. Competitors

Cemara Hotel is a located in business districts. In addition, there are many three-star hotel competitors in the same area. Some competitors are very look alike, in the room types and quantity, facilities, others. Some competitors are smaller and having less facilities compare to Cemara Hotel. Therefore, the competitors consist of two categories, main competitors and secondary competitors.

3.2.5.1. Main Competitors

1. Ibis Tamarin
 - Competitiveness:
 1. Number of Rooms = 126 rooms
 2. Located in face of Jl.Wahid Hasyim, which means they are more strategic than Cemara Hotel
 3. International Chain

4. Huge Networking
 5. Working in a chain
 6. Facilities: Swimming Pool, Fitness Center, Travel agent, Meeting rooms, coffee shop, Bakery shop, and In-rooms spa
- Weaknesses:
 1. The rooms are small
 2. Only have standing shower
 3. Small Meeting Rooms
 4. Located very near to Jalan Sabang, so their Food and Beverage is low in sales because of big competition from Jalan Sabang.

2. Ibis Arcadia

- Competitiveness:
 1. Number of Rooms = 92 rooms
 2. Located in face of Jl.Wahid Hasyim, which means they are more strategic than Cemara Hotel
 3. International Chain
 4. Huge Networking
 5. Working in a chain
 6. Facilities: Coffee shop and in-rooms spa
- Weaknesses:
 1. Limited lobby area
 2. Less Room types
 3. Only 1 meeting room
 4. Limited Parking lot

5. No swimming pool
6. Located very near to Jalan Sabang, so their Food and Beverage is low in sales because of big competition from Jalan Sabang.

2. Treva Hotel

- Competitiveness:

1. Number of Rooms = 174 rooms
2. Located in Jalan Cikini
3. 174 Total Rooms
4. Various room types
5. Facilities: Swimming pools, Meeting rooms, and Coffee shop

- Weaknesses:

1. The location is less strategic compare to Jalan Wahid Hasyim and Jalan Cemara
2. Small meeting rooms

3. Bintang Griya Wisata

- Competitiveness:

1. Number of Rooms = 93 rooms
2. Meeting Rooms = 5 (up to 100 pax)
3. Facilities: Coffee shop, Business center, Lounge, and Spa

- Weaknesses:

1. The location is less strategic compare to Jalan Wahid Hasyim and Jalan Cemara
2. Aged hotel

4. Sofyan Cikini Hotel

- Competitiveness

1. Number of Rooms = 91 rooms
2. Various types of rooms
3. Meeting Rooms = 4 (Capacity 50,30,20,10 pax)
4. Facilities: Coffee shop, Business center, and Herbal bar

- Weaknesses:

1. The location is less strategic compare to Jalan Wahid Hasyim and Jalan Cemara

5. Sofyan Betawi Hotel

- Competitiveness

1. Number of Rooms = 110 rooms
2. Various types of rooms
3. Meeting Rooms = 3 (Capacity 200, 50, 30, 20 pax)
4. Facilities: Coffee shop, Business center, and Herbal bar

- Weaknesses:

1. The location is less strategic compare to Jalan Wahid Hasyim and Jalan Cemara

3.2.5.2. Secondary Competitors

All of the Hotels below have basic facilities (e.g. coffee shop), one or no meeting room and fewer rooms sold (less than 80 rooms).

- Paragon Hotel
- Cipta 1 Hotel

- Cipta 2 Hotel
- Rotta Hotel
- Bumi Johar Hotel
- Setiabudi Hotel
- Formule 1 Hotel

The perfect location becomes the competitive advantage and threat in the same time. Cemara Hotel is located in the end way of Jalan Wahid Hasyim, and along the road, there are six three-star hotels, in addition to that, there are two more hotels located only meters with Cemara Hotel. In words, their competitors surround Cemara Hotel. Furthermore, there are many restaurants and cafes, like in Jalan Sabang, so it will be directly competing with their Food and Beverage.

3.2.6. Target Market

Cemara Hotel is targeting middle to high-income class, who is visiting Jakarta. Moreover, they are specifically targeting a company who arranges accommodation for their employees or guests when doing business. The employees or guests are usually from outside of Jakarta. Besides, they are also targeting companies who want to hold meeting or to do training. In this case, the company will arrange the accommodation, meals, and meeting rooms for it. The guests appreciate for the convenience and the serenity when staying in Cemara Hotel. In addition, they need a place, which has facilities to support their activities. Their belief in doing business is services excellence. They are hoping for the loyalty from the guest. They confidence by doing good service, guests will do repeated consume. Additionally, Cemara Hotel is always trying to maintain the regular guests, either personal guest or corporate guest.

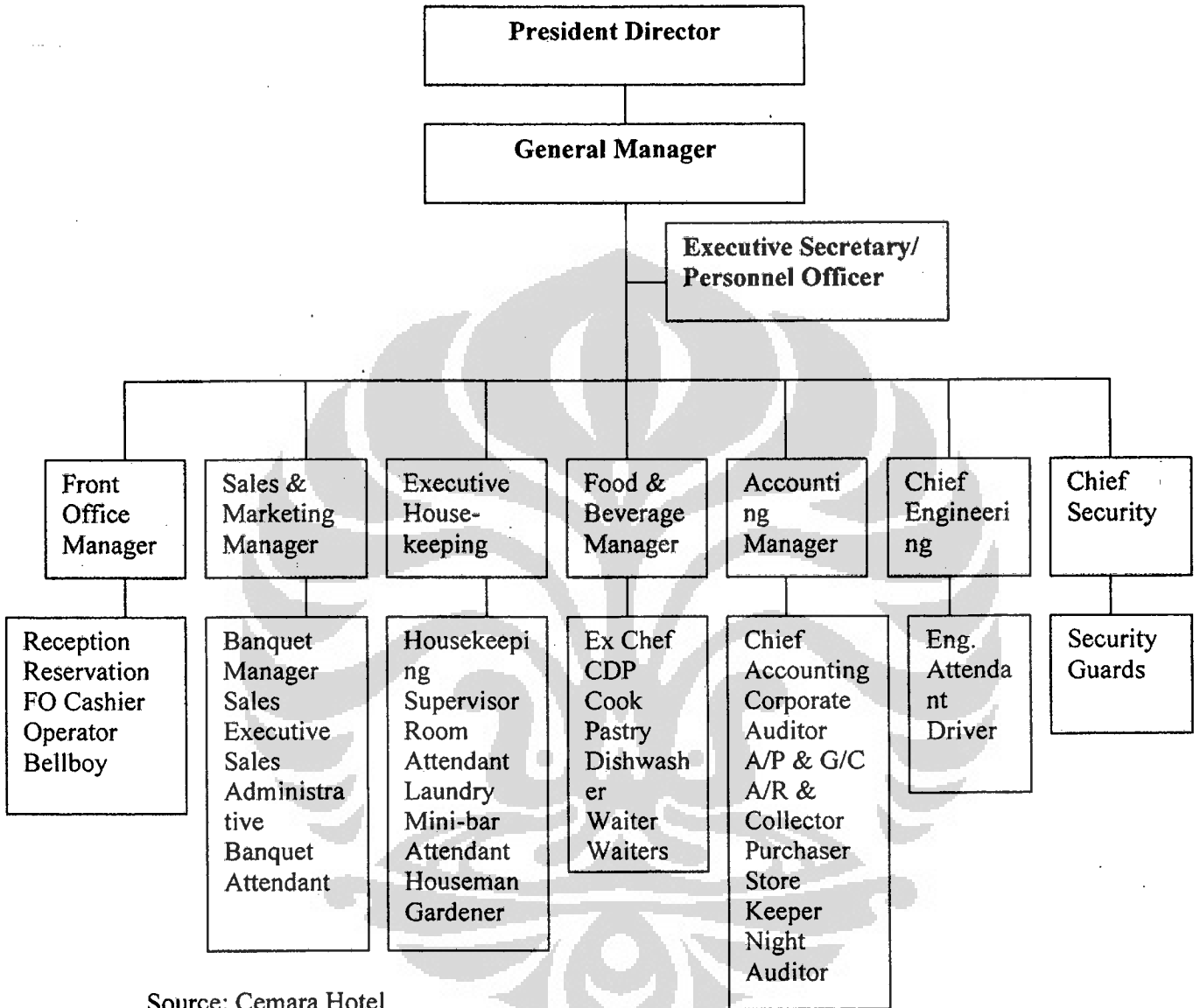
3.2.7. Hotel Staff

Today, there are 87 employees in Cemara Hotel. Almost of staff in departments are working in shift, except for corporate auditor, marketing, accounting, business centre, and purchasing. The contract employees are hired under 2 years contract before becoming permanent employee. Moreover, before going into a contract, the employees must fulfill 3 months probation. The contracted employees and permanent employees are receiving their salary plus service points. Other than contracted employees, there are also daily workers. Daily workers, on the other hand, receive wages based on how many days in month they are working. There are three shifts in a hotel. The first shift is from 7 am to 3 pm, the second shift is from 3 pm to 11 pm, and the third shift is from 11 pm to 7 am. For the third shift, only man is working based on the national regulation. In addition to the employees, there are also trainees from tourism local high schools and vocational schools. These trainees are not receiving any payment, except for their meals. The training is valid for three months.

The statute for recruitment is mostly based on the educational degree and experience. Most of the case, the management is likely choosing based on experience compare to the degree, though it is still under consideration. Training is done inside the hotel, and some outside training are done now and then. The head of department and the owner are marking the performance.

3.2.8. Organizational Structure

**Exhibit 3-8
Cemara Hotel
Organizational Structure
2007**



3.2.9. Sales and Marketing Strategy

In the marketing department, there is job segregation between room and banquet. However, the segregation is not really emerging. Although there is a person in-charge of banquet and room, but the segregation is not really happening. All sales personnel are working in a team to the succession of the hotel and increase the room occupancy and banquet revenue. The sales and marketing strategies for 2007 consist of:

1. Updating database, maintaining existed companies
 - Follow-up Government
 - Follow-up Non-Government
 - Follow-up Travel Agent
2. Updating new companies
3. Voucher complimentary to attract repeated guests
4. Gift and souvenirs as a promotion strategy
5. Create new company profile as new sales' kit for presentation
6. Promote events in printed media
7. Visit competitors' hotel to get up-dated situation every week
8. Telemarketing and Sales Call
9. Sales trip to grab companies outside Jakarta

Most of the activities in Sales and Marketing department are concentrated in corporate or company since Cemara Hotel is a business hotel. The non-corporate guest is updated and followed up by the Front Office department. The Front Office department is not very active in following up the personal guests. The personal guest is usually came by themselves, the hotel gives them the good service to make sure the guests feel happy and come back to Cemara Hotel. If there is an event or promotion program, they might send 'sms' to the regular guest or company's contact person.

In Cemara Hotel, the advertising is very rare to be performed. The advertisements that had been done are in Tempo magazine and Media Indonesia about a wedding promotion and room rate promotion. The reasons are budget and effectiveness. The rooms in Cemara Hotel are only 102 rooms and the other revenues are limited, it is only come from food and beverage, meetings, and other sundry revenues. Advertising is very expensive and the goal is for brand awareness at the first time. Each marketing activities done by the hotel marketing team hopes to be directly affected to the sales. Promotions are also not very often to be done, and it is because most of the guests are companies and they already have their own programs and budget. The sales and marketing is often adjusting the cost to the company budget by, in advance, discussing to the management. Cemara Hotel is very flexible in doing their sales.

The marketing communication that frequently be done by Cemara's Sales and Marketing are sales call and courtesy call. Normally, the company who has activity planning gives call to Cemara Hotel to arrange it with the hotel. The sales and marketing manager manages carefully the databases. They will give the companies, that the activities decreases, a courtesy call to get the information behind it and arrange meeting to promote Cemara's newest programs. They manage the databases by actively contact the contact persons from the company. Giving one complimentary voucher for 20 room nights is one way to attract the guests. They also have gifts as a politeness souvenir.

Cemara Hotel cooperates with travel agencies to increase the sales and promotional. The big and active travel agents are Kaha tours, Indotel travel & tours, Haryono travel & tours, and M.G Holiday. The travel agencies are mostly local travel agencies who are active in outside Jakarta and in the airport. Cemara Hotel is very careful in cooperating with small travel agencies, and they usually do not have account in the Cemara Hotel. Consequently, the payment should be direct or cash basis. However, the big and active travel agencies have

account in Cemara Hotel, so the payment is settled monthly. The cooperation is usually based on commission.

Besides those programs and activities, Cemara Hotel also works together with Pace Tea (2006 – 2007), Giriloka spa (2005 – 2008), and Indosat (2007 – 2012) to develop their facilities. Those facilities will be used as a promotional tool to the guest. By cooperating with Pace Tea and Giriloka Spa, Cemara Hotel can promote their hotel as an advance hotel, which presents extra facilities. With Indosat, the hotel will be benefit with strong cell phone network (signal). They promote it as one of their strength as a business hotel.

Until today, Cemara Hotel has not finished launching their new website. Although they have their own website www.cemarahotel.com , it has not finished yet. Nevertheless, it is already available and offers some information. Foreign guests can directly send an email to cemara@centrin.net.id to make reservation. The email address has been used not only for foreigners but for the local company also.

3.2.10. Cemara Hotel Data

Cemara Hotel has always has the highest average room rates than the competitors. For the room sold, Cemara Hotel is always in the 'big five', and it is because the other hotels have more rooms to be sold. However, the Food and Beverage revenue is higher than the competitors because of the banquet revenue and lesser competition from restaurants or cafes near by Cemara Hotel. The room sold comes from more or less 60 percent corporate and 40 percents non-corporate. For that reason, the hotel is concentrated as a business hotel. Table 3-3 thru Table 3-6 represents Cemara Hotel records.

Until today, there are 1798 companies under 44 categories in the Cemara's databases (Table 3-3). According to the Sales and Marketing Manager, more and less 80 percent of

those companies are still active or productive. For the category 32,33,35,39, and 40, it is non-company and the account is inactive.

**Table 3-3
Cemara Hotel
Corporate Lists
1993-2007**

Category	Industry	#'s	Category	Industry	#'s
1	Insurance	51	22	Food & Beverage	39
2	Bank	42	23	Textile	11
3	Finance	16	24	Transportation	18
5	United Nation	16	25	Cable News & Journalist	47
6	Embassy	32	26	Sea & Airlines	30
7	LSM	74	27	Tour & Travels	233
8	Local LSM	195	28	Multi Marketing	9
9	Department	40	29	Education	74
10	BUMN	22	30	Production House	21
11	Government (non-dept)	49	31	Export/Import	-
12	Telecommunication	54	32	Complimentary	-
13	Electronic & Electric	27	33	Bill Pending	-
14	Computer	27	34	Retailer & Trading	101
15	Pharmacy	50	35	Regular Guest	-
16	Chemical Industry	11	36	Professional Service	114
17	Mining	59	37	Forestry	4
18	Machine & Engineering	49	38	Property	12
19	Wood & Forestry	22	39	Employee	-
20	Stone Processing	5	40	Marketing Package	-
21	Contractor	46			

Category	Industry	#'s
41	Garment	9
42	OTHERS	165
43	Cosmetically	12
44	Argo business	12

Source: Cemara Hotel

Table 3-4
Cemara Hotel
Local & Foreign Guests
2007

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept
Local	76.14%	78.09%	79.78%	70.58%	77.86%	79.11%	76.64%	76.61%	76.17%
Foreign	23.86%	21.91%	20.22%	29.42%	22.14%	20.89%	23.36%	23.39%	23.83%

Source: Cemara Hotel

Table 3-5.a
Cemara Hotel
Average Room Rate (ARR)
First Quarter, 2006

Hotel	Jan	Feb	Mar	Apr	May	Jun
Cemara Hotel	296,172.61	296,353.76	293,842.46	288,289.64	285,935.27	282,391.81
Ibis Thamarin	247,178.10	255,849.99	246,852.16	249,539.50	246,439.20	244,175.81
Ibis Arcadia	235,539.46	243,827.27	239,886.92	239,640.60	239,734.30	239,734.30
Treva Hotel Bintang	261,654.85	268,138.76	249,709.62	247,940.12	248,829.46	248,829.46
Griya	220,354.12	214,309.10	220,910.39	224,007.21	222,347.27	226,985.06

Source: Cemara Hotel

Table 3-5.b
Cemara Hotel
Average Room Rate (ARR)
Second Quarter, 2006

Hotel	Jul	Aug	Sep	Oct	Nov	Dec
Cemara Hotel	285,802.48	278,879.51	284,306.23	278,839.19	280,080.00	286,413.74
Ibis Thamarin	245,307.27	243,389.26	241,324.93	238,777.98	241,136.08	237,733.45
Ibis Arcadia	238,966.23	238,118.01	239,177.51	232,238.68	241,163.62	236,734.74
Treva Hotel	247,223.89	246,885.38	240,569.53	237,567.10	237,922.54	238,450.60
Bintang Griya	222,722.17	222,023.00	221,684.12	212,276.59	216,242.56	218,943.58

Source: Cemara Hotel

Table 3-6
Cemara Hotel
Sales Report
2006

Description	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Corporate ARR	53.96%	55.78%	55.87%	58.57%	57.59%	56.54%	45.93%	58.48%	64.60%	53.06%	67.05%	65.76%	58.25%
	279,195	273,140	278,987	273,306	273,784	270,050	268,109	261,290	271,573	262,534	265,061	276,998	270,918
NON CORP. ARR	46.04%	44.22%	44.30%	41.43%	42.41%	43.36%	54.07%	41.52%	35.40%	46.94%	32.95%	34.24%	41.75%
	316,068	325,647	312,652	309,470	302,436	298,448	300,801	278,879	307,545	297,268	310,638	304,500	306,920

Source: Cemara Hotel

**Table 3-7
Cemara Hotel
Sales Report
2007**

Description	Jan	Feb	Mar	Apr	May
Corporate	58.20%	56.32%	63.97%	64.17%	66.87%
ARR	271,539	265,429	268,537	270,783	269,481
NON					
CORP.	41.80%	43.68%	36.03%	35.83%	33.13%
ARR	316,844	343,731	318,263	317,991	317,176

Source: Cemara Hotel

CHAPTER IV

ANALYSIS

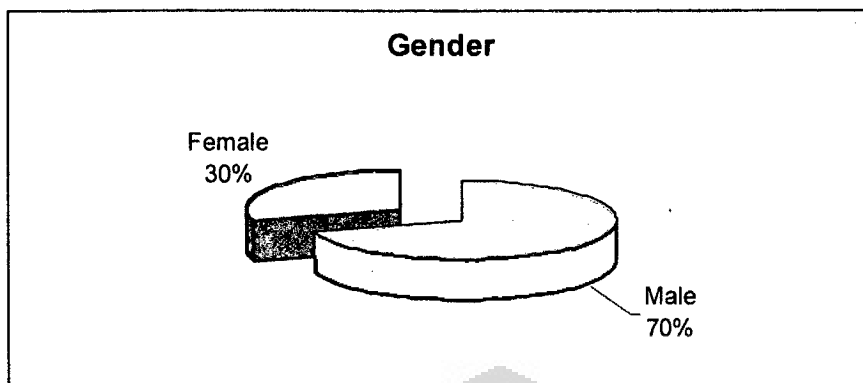
In this chapter, the writer will analyze the effective marketing communications tools for Cemara Hotel based on the observations, interviews, survey, and analysis study. At the beginning, the analysis will cover the brand analysis. Brand analysis covers the perception of the internal and external aspects. The internal aspects consist of management and employee perspective of brand 'Cemara Hotel'. The external aspects consist of businesses and customers perspective of the brand. After the brand analysis, writer tries to find the accurate marketing communications tools for Cemara Hotel by considering the effectiveness and financial ability.

4.1. Respondent Profile

The respondents of questioner are divided into two parts. The first part targets local respondent or guest. The second part targets foreign respondent or guest. Number of questioners is 150, consist of 100 questioners for local guests and 50 questioners for foreign guests. However, the valid data came from 60 local respondents and 33 foreign respondents. Therefore, number of valid questioners is 93.

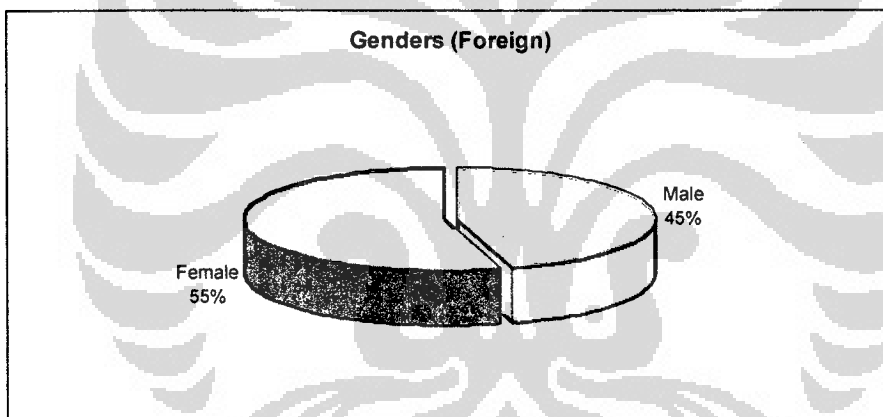
4.1.1. Gender

Chart 4.1.a Gender (Local Respondent)



From the total of valid survey (60 questioners), 70% of the local respondents are male, and the remains, 30%, are female.

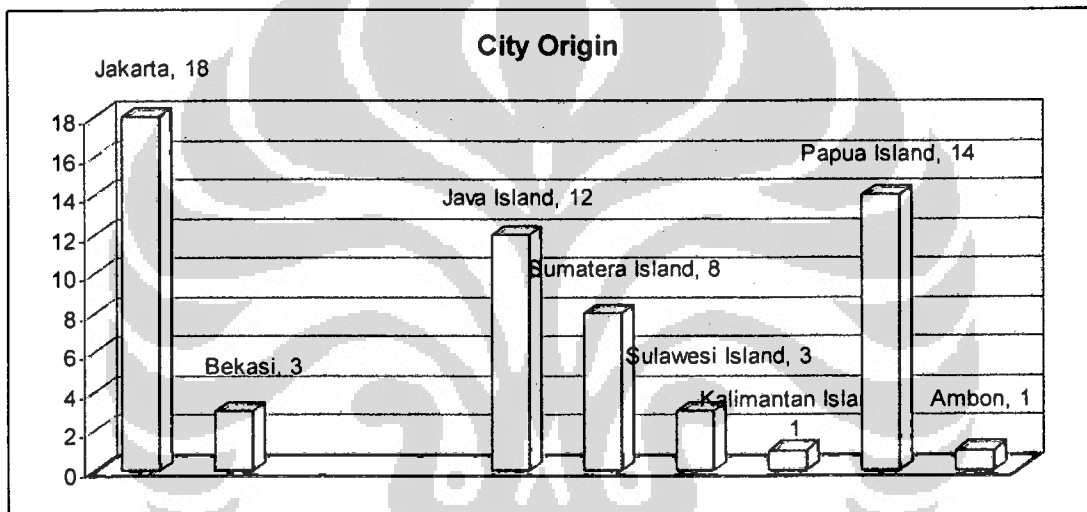
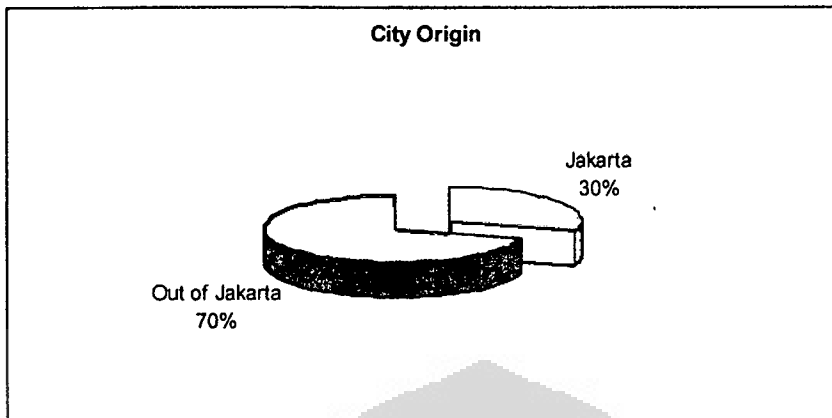
Chart 4.1.b Genders (Foreign Respondent)



From the total of valid survey (33 questioners), obtained from foreign respondents, 55% of the respondents are female, and the remains, 45%, are male.

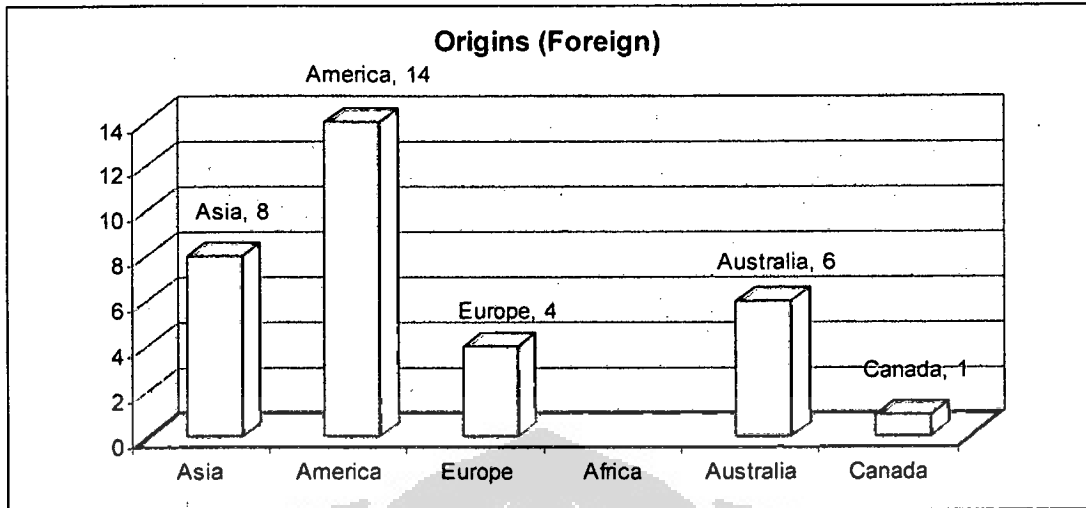
4.1.2. City of Origin

Chart 4.2.a City Origin (Local Respondents)



From the total of valid survey (60 questioners), obtained from local respondents, 70% of the respondents come from outside of Jakarta, and the remains, 30%, comes from Jakarta. Number of respondents come from Jakarta is 18 respondents, the remains come from outside of Jakarta. The highest number of local respondents comes from outside of Jakarta, originate from Papua island (14), Java island (12), and Sumatera island (8).

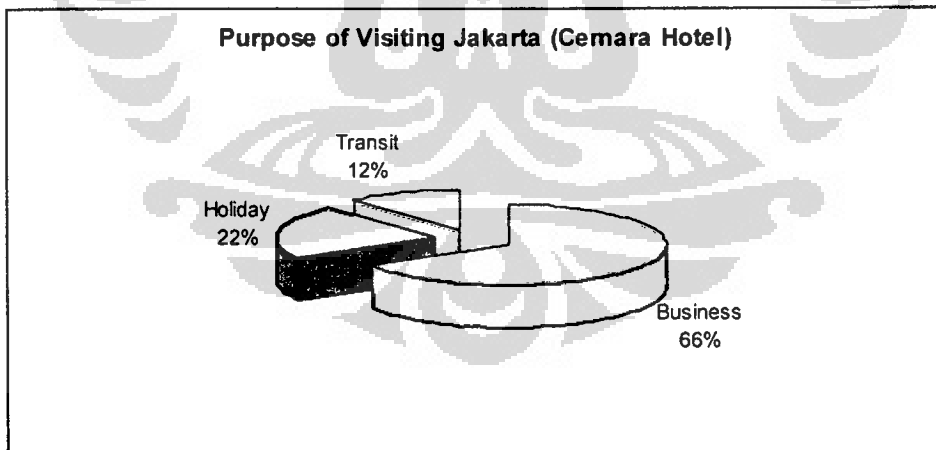
Chart 4.2b Origins (Foreign Respondents)



From the total of valid survey (33 questioners), obtained from foreign respondents, the highest number of respondents originate from America (14), Asia (8), and Australia (6). The remains come from Europe (4) and Canada (1).

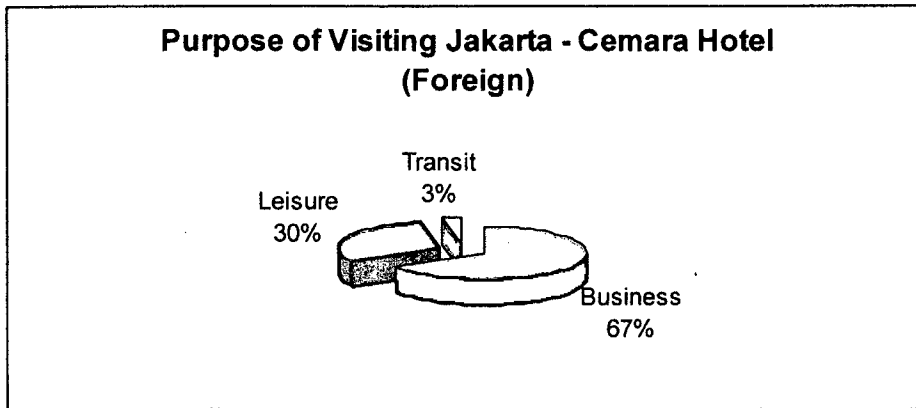
4.1.3. Purpose of Visiting Jakarta (Cemara Hotel)

Chart 4.3.a Purpose of Visiting Jakarta (Local Respondents)



From the total of valid survey (60 questioners), obtained from local respondents, the majority of surveyed visits Jakarta (Cemara Hotel) for business needs (66%), and the other visits Cemara Hotel for leisure (22%) and transit (12%).

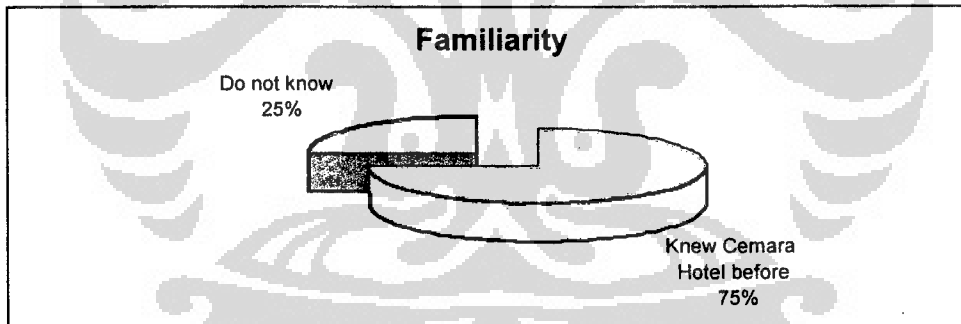
Chart 4.3.b Purpose of Visiting Jakarta (Foreign Respondents)



From the total of valid survey (33 questioners), obtained from foreign respondents, the majority of surveyed visits Jakarta (Cemara Hotel) for business needs (67%), and the other visits Cemara Hotel for leisure (30%) and transit (3%).

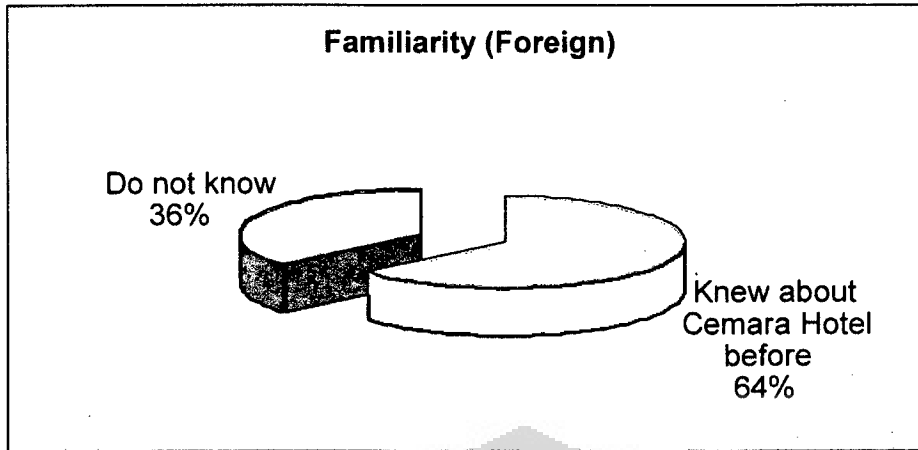
4.1.4. Familiarity of the Hotel

Chart 4.4.a Familiarity of the Hotel (Local Respondents)



From the total of valid survey (60 questioners), obtained from local respondents, 75% of the respondents are familiar with Cemara Hotel, and the remains, 25%, are no familiar or first visit to the hotel.

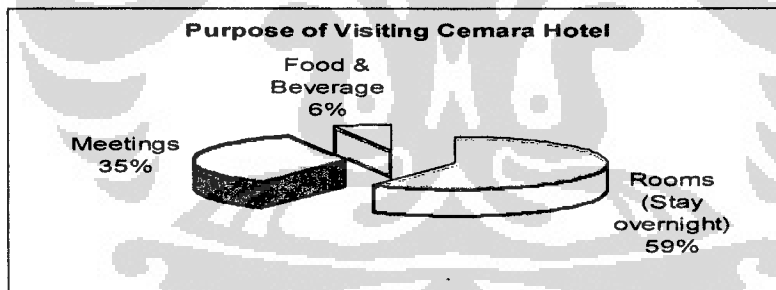
Chart 4.4.b Familiarity of the Hotel (Foreign Respondents)



From the total of valid survey (33 questioners), obtained from foreign respondents, 64% of the respondents are familiar with Cemara Hotel, and the remains, 36%, are no familiar or first visit to the hotel.

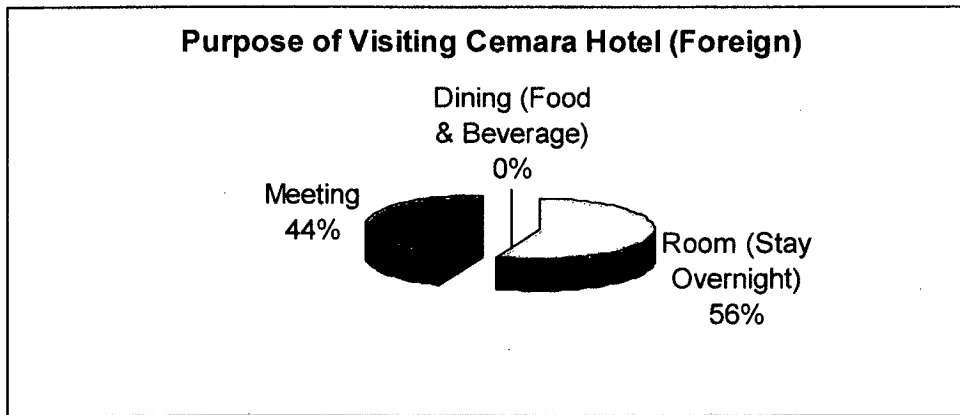
4.1.5. Purpose of Visiting Cemara Hotel

Chart 4.5.a Purpose of Visiting Cemara Hotel (Local Respondents)



From the total of valid survey (60 questioners), obtained from local respondents, 65% of the respondents visit Cemara Hotel to stay overnight (room), 27% of the respondents are having meetings in the hotel, and the remains, 8%, are having meals (food and beverage).

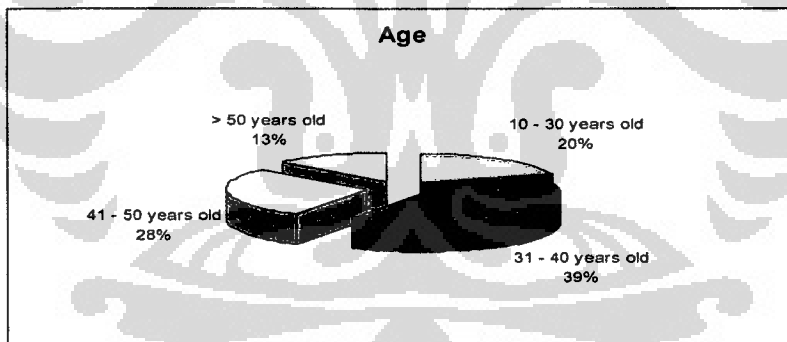
Chart 4.5.b Purpose of Visiting Cemara Hotel (Foreign Respondents)



From the total of valid survey (33 questioners), obtained from foreign respondents, 56% of the respondents visit Cemara Hotel to stay overnight (room), and 44% of the respondents are having meetings in the hotel.

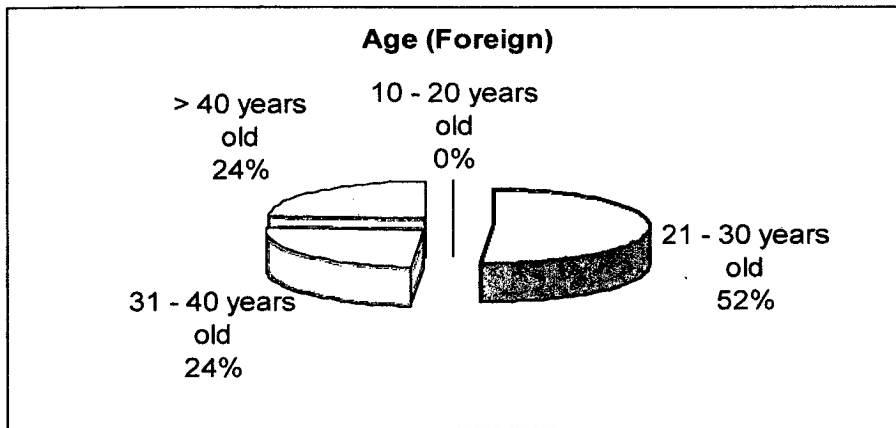
4.1.6. Age

Chart 4.6.a Age (Local Respondents)



From the total of valid survey (60 questioners), obtained from local respondents, the majority of surveyed is 31-40 years old (39%), the second is 41-50 years old (28%), the third is 10-30 years old (20%), and the remain is more than 50 years old (13%).

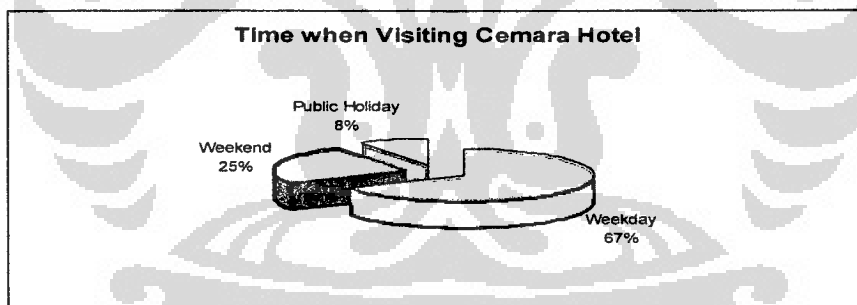
Chart 4.6.b Age (Foreign Respondents)



From the total of valid survey (33 questioners), obtained from foreign respondents, the majority of surveyed is 21-30 years old (56%), the second is 31-40 years old (24%) and more that 40 years old (24%). time

4.1.7. Time of Visit

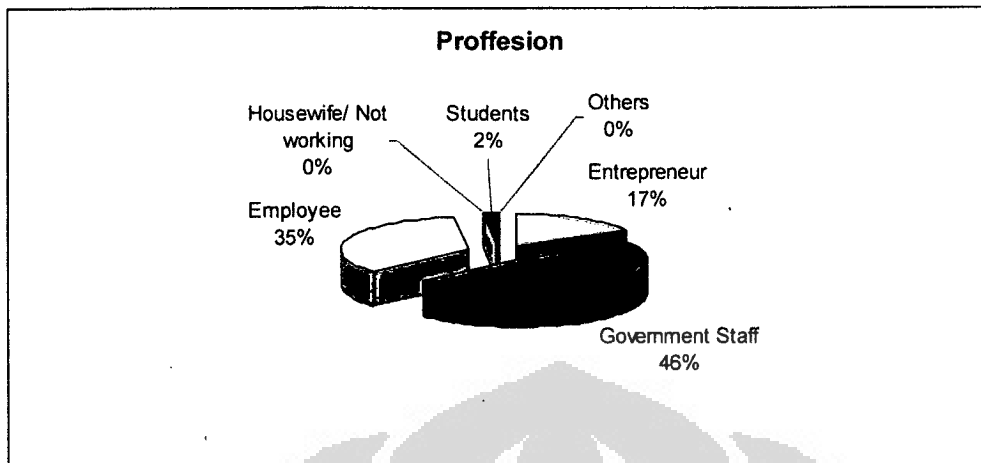
Chart 4.7 Time when Visiting Cemara Hotel (Local Respondents)



From the total of valid survey (60 questioners), obtained from local respondents, the majority of surveyed visits Cemara Hotel in weekdays (67%), and the other visits Cemara Hotel in the weekend (25%) and in public holiday (8%).

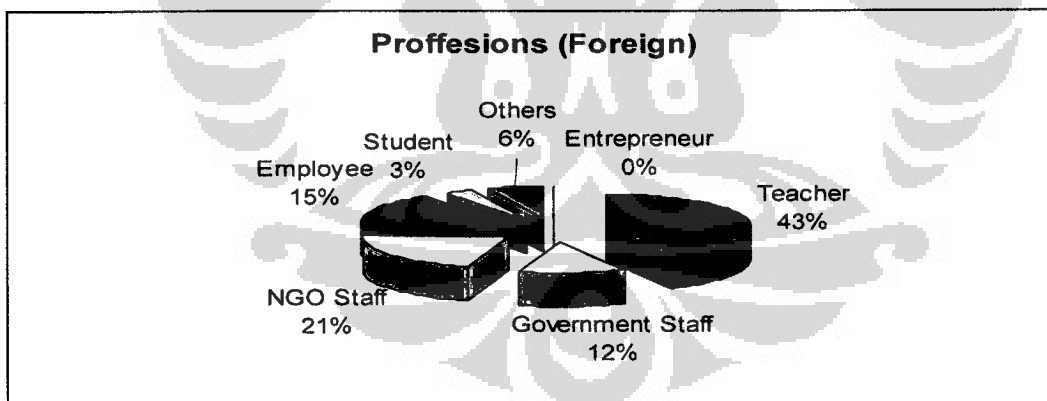
4.1.8. Profession

Chart 4.8.a Professions (Local Respondents)



From the total of valid survey (60 questioners), obtained from local respondents, the majority of surveyed are government staffs (46%), the second majority are employees (35%), followed by entrepreneurs (17%) and students (2%).

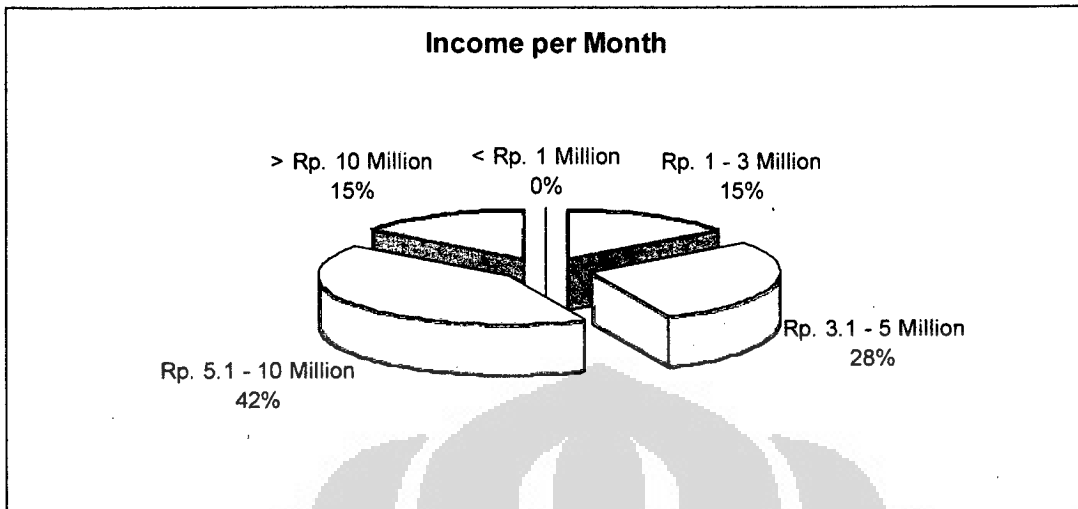
Chart 4.8.b Professions (Foreign Respondents)



From the total of valid survey (33 questioners), obtained from foreign respondents, the majority of surveyed are teachers (43%), the second majority are non-government officers (21%), followed by employees (15%), government staffs (12%), and students (3%).

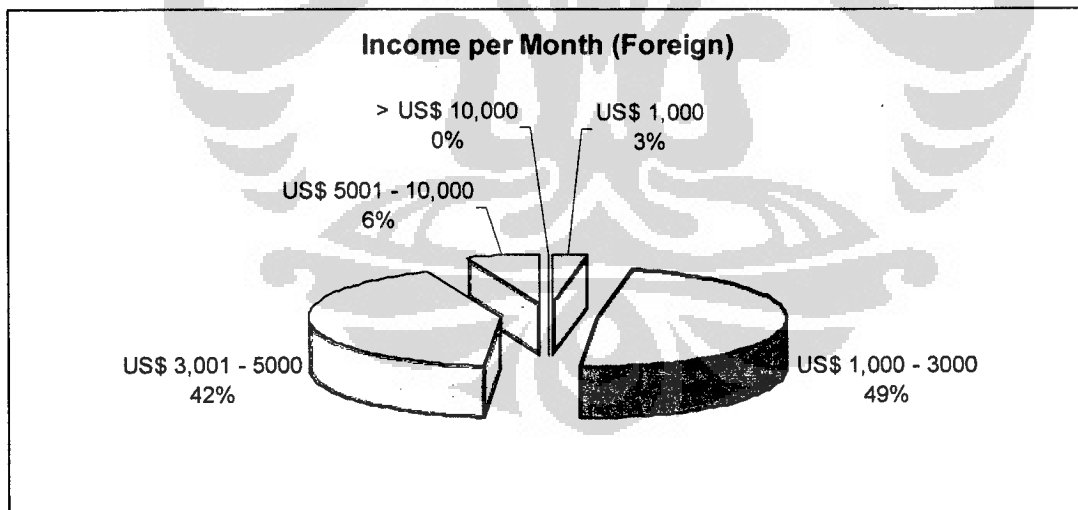
4.1.9. Income per Month

Chart 4.9.a Revenue per Month (Local Respondents)



From the total of valid survey (60 questioners), obtained from local respondents, the majority of surveyed income is Rp. 5.1 – 10 Million (42%), followed by Rp. 3.1 – 5 Million (28%), Rp. 10 Million (15%), and Rp. 1 – 3 Million (15%).

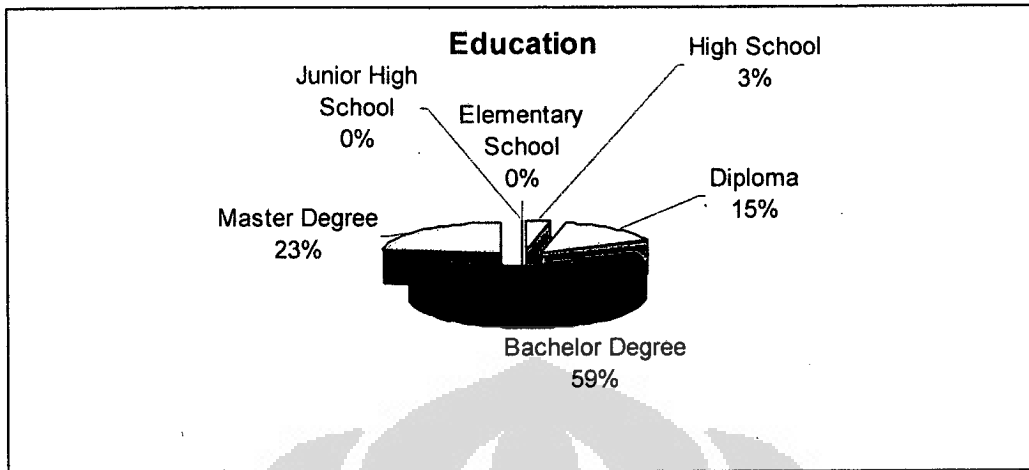
Chart 4.9.b Revenue per Month (Foreign Respondents)



From the total valid survey (33 questioners), obtained from foreign respondents, the majority of surveyed income is US\$ 1,000 – 3,000 (49%), followed by US\$ 3,001 – 5,000 (42%), US\$ 5,001 – 10,000 (6%), and US\$ 1,000 (3%).

4.1.10. Education

Chart 4.10 Level of Education (Local Respondents)



From the total valid survey (60 questioners), obtained from local respondents, the majority of surveyed has Bachelor degree (59%), followed Master degree (23%), Diploma (15%), and High School (3%).

4.2. Tourism and Hotel Industry

Tourism is one of the biggest incomes for a country, including in Indonesia. Jakarta, as the capital city, becomes a business district and a tourist stopover. Hotel is an accommodation that is needed to support the Jakarta tourism. Cemara Hotel is one of the hotels in Jakarta that supports and, in the same time, is benefited by the role of Jakarta as a capital city. On the other hand, the number of Hotels in Jakarta is lots, e.g. in 2006, 3-stars hotels has total room of 6,109 rooms, 4-stars hotels has 6,790 rooms, and 5-stars hotels has 9,301 rooms. It means that Cemara Hotel faces fierce competition in running their business. Each hotel needs to have their competencies and uniqueness, effective marketing communication to face the fierce of competition.

4.3. Hotel

Hotel is a part of service industry, means it is intangible, heterogeneous, simultaneous production and consumption, and perishable. The main product that is sold in the hotel is room. The secondary products are usually called hotel facilities, such as food and beverage (coffee shop), pastry, laundry, drug stores, rentals, telephone, internet, and others. The completeness of facilities depends on the hotel grade. The higher the 'star' or grade, the more facilities those hotels are provided.

As a service industry, hotel have limited product to be sold. The product is limited because the number of rooms in a hotel is limited. If a hotel has 100 rooms and all room is already sold out, another demand of room cannot be fulfilled. It is different with manufacturing company; they can produce as many as they want regarding the level of demand, if all production is running well.

The marketing communication is intended to communicate the brand to customers, either potential or regular customers. The communication creates awareness, loyalty, and sales. In hotel industry, the communication is more intended to the sales since the products are limited. By means, Cemara Hotel marketing communications should be effective and accurate with their goal, which is sales.

4.3.1. High Contact Services

Hotel is an industry who involves in the high contact services. The physical contact between customer and service provider is very high. Most of the contact is direct, in addition, rarely through medium of electronic or physical distribution channels. Hotel's staff is the main player because the service is delivered through them. The employee's perspective about the hotel brand is important because they are the main player. The perspective of brand between the management and employee should be similar for the reason that the message in

the communication process to be well delivered. Consequently, Cemara Hotel needs to ensure that management and employees should have the same perspective of the 'brand' in order to communicate it to the customer.

4.3.2. Service Marketing Mix

The service marketing mix is the development of traditional marketing mix. It contains product, price, place, promotion, people, physical evidence, and process. People as the human actor can influence the buyer's perception. In hotel, the people factor is hotel staffs. In addition, they play important role to communicate the brand of 'Cemara Hotel', and will influence the guest perception of 'Cemara Hotel'. As we know before that hotel is a service industry, and means human capital is the major factor. Hotel staffs serve the guest according to the service standard. One of the factors that make guests become regular guest (repeated visit) is the quality of service. In conclusion, 'people' is the main factor in hotel industry.

Physical evidence is *"the environment, in which the service is delivered, the place where the firm and customer interact, and any tangible components that facilitate performance of communication of the service"* (Zerthaml and Bitner, 2000, 25). The physical evidence is the hotel itself. The environment of a Hotel is the mirror of their personality. It relates with the cleanness, convenience, and uniqueness. According to national survey, the environment, such as cleanness, is one of the top requirements of guests' needs. Because the owner individually manages Cemara Hotel, it will be cared carefully. Cleanness is focal point in Cemara Hotel, and it shows from the hotel condition and surrounding. In Cemara Hotel, the environment illustrates convenience, homey, warmth, and cleanness. The combination of classic modern architecture design with rich, warm furnishings, and soft neutral tones by using wood to cover the wall brings the environment of homey and warmth. Each area in the hotel is finished

perfectly with artistic Indonesian painting and sculpture to bring the identity of Indonesia culture. The internal environment is one of the factor that attracting guests.

Process is the flow of activities when the service is being delivered. The hotel process is the service that is being performed by hotel staffs, for instance: check in process, check out process, room service process, and many more. The process should be performed according to the hotel standard of service. Cemara Hotel has their own standard of service performance in each department. The standard of service ensures that the flow of activities can be performed effectively.

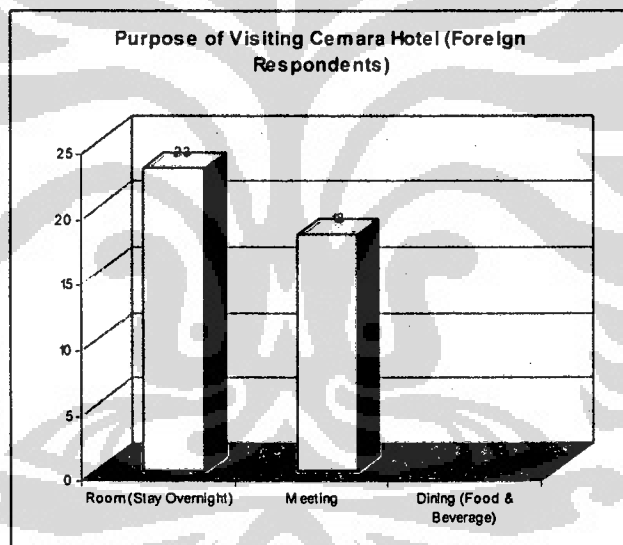
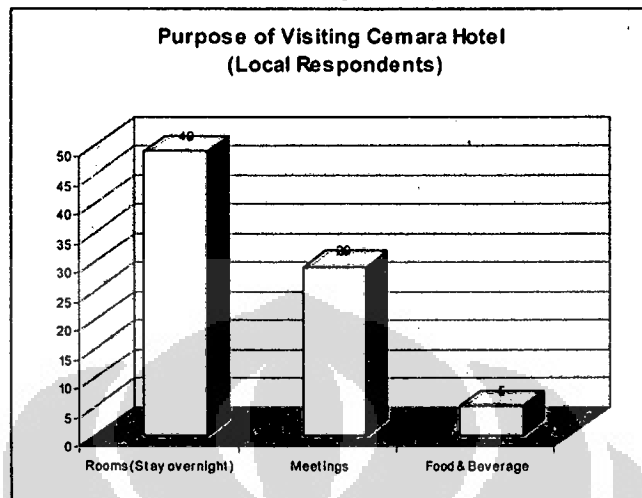
4.3. Target Market

Cemara Hotel is build as a Three Star Hotel with a special characteristic like Business Hotel, which combines with the unique and artistic of a Boutique Hotel. The first target customer is corporate guests, whose accommodation is arranged and paid by the company. They are business people who come to Jakarta for business needs, like meeting, seminar, conference, and training, as well business people who are from Jakarta (refer to Chart 4.2a). Relate to the reason, percentage of corporate guest is more and less 60 % compare to non-corporate guests (refers to Exhibit 3.13).

Refer to Chart 4.11, the guests might come for meeting or dining only, rather than stay-in. For local respondents, most of them come to Cemara Hotel for staying overnight (rooms). Another purpose is only to attend meetings held in the hotel. Some of guests stay and have meeting in the same time. This is the reason that in the total of survey is 60 (local respondents), but the total surveyed under category 'Purpose of Visiting Cemara Hotel' is 83. Guest might also come to the hotel for dining only; however, the number is not significant. For foreign respondents, the majority of respondents visit Cemara Hotel for stay-in (rooms),

and another purpose is to attend meeting in the hotel. Similar to the local respondents, some of the foreign respondents might stay-in (room) and having meeting in the same time.

Chart 4.11 Purpose of Visiting Cemara Hotel (Local and Foreign Respondents)



Besides corporate guests, Cemara Hotel is also targeting personal guests, which is more and less 40% from total guests. Personal guests are travelers and business guests. The business guests stay-in the hotel for business purpose but paying in personal account. Travelers come for leisure or transit purpose. In Cemara Hotel, the facilities are not only supporting business guest but leisure guest also, like swimming pool and giriloka spa. By

providing convenience ambience and grand hospitality, the hotel will able to attract both of corporate and non-corporate guests.

4.4. Brand Analysis

Brand is more than the name of the company product or services. According to American Marketing Association (AMA), a *brand* is a “name, term, sign, or design, or a combination of them, intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition (Keller, 1998, 2). Brand is larger than the product or service itself. It reflects the company, including how the company operates and behaves. To be effective in marketing communications, the company needs to identify the management, the employee, and the customers’ perspective about the brand. All of the perspective should be inline, meant the brand message is successfully being well transferred.

According to the observation, Cemara Hotel is a hotel located in Central Jakarta. The hotel is running well and profitable. Cemara Hotel combines classic modern architecture design with rich, warm furnishings, and soft neutral tones. The hotel design evokes a feeling of refreshing and comforting. The notion of home is built upon comfort and tranquility. Each area in the hotel is finished perfectly with artistic painting and sculpture. The hotel offers an ideal location, reasonable rate, and truly genuine hospitality from the staffs.

Cemara Hotel like any other hotels is a hospitality business, where service is the primary factor. Cemara Hotel also tries to fulfill the top requirement of guests, which are quality of service, cleanliness, and facilities. The main concept of the hotel is business hotel. Because of that, companies and governmental become the top clients of Cemara Hotel. However, Cemara Hotel also becomes tourist accommodation, especially foreigner, because of the hotel environment. As it is described in the Service Marketing Mix (Physical evidence – environment), Cemara Hotel brings the warmth feeling in Indonesian architecture that attract

tourist, adding to the fact, they also provide cleanness which is major factor for most of major foreign tourist.

4.4.1. Brand from Management Perspective

According to the owner, the architect (PT. Imesco Dito) found the name of 'CEMARA' incidentally. When PT. Imesco drawn the design or the architecture of hotel building, they put 'Cemara' as the brand in the drawing. They did it because it is related to the street name: 'Jalan Cemara No.1'. Then the owner felt that it is suitable so they did not change it.

However as discussed before that brand is more than a name, it also relates to the characteristic of the company. Therefore, the brand 'Cemara Hotel' from management perspective can be seen in the company vision. The vision and mission of the hotel are:

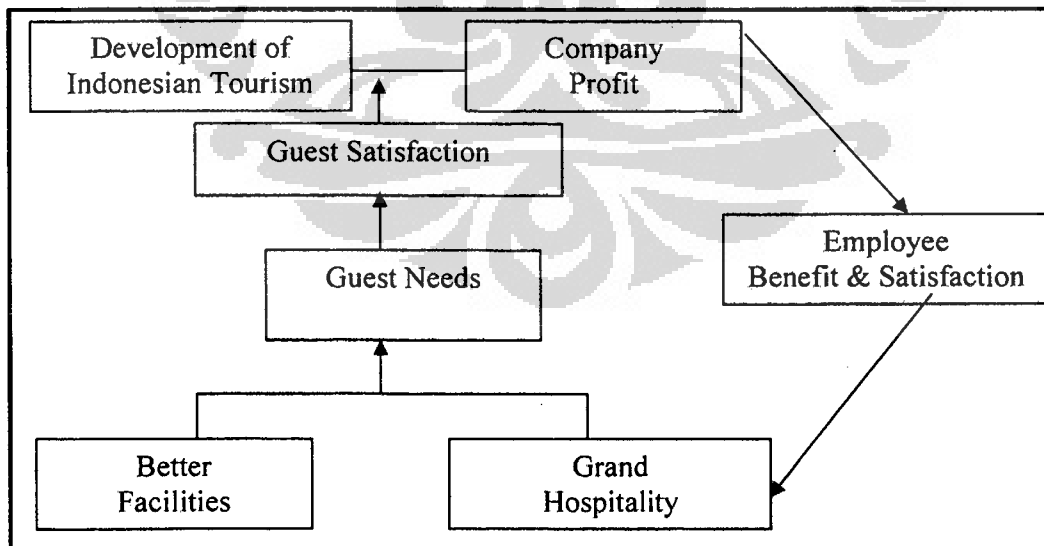
- To put Cemara Hotel as one of the Three Star Hotel which known as a Hotel that has facilities and services like a four star Hotel.
- To give the friendliest hospitality to each guest
- Keep trying to raise the company income and its employee benefit with fair calculation
- To put Cemara Hotel as one Hotel which help the Indonesian Tourism Development especially in Jakarta

The summary of the vision and mission is that Cemara Hotel is ready to give the best to their guests, including the facilities and services, and the grand hospitality. The management believes by giving better facilities, service and grand hospitality, it will satisfy their guests. It means Cemara Hotel can keep their business running; also, in the same time is being profitable. Cemara Hotel also realizes that employee is an important asset of the company, and it becomes the reason that employee benefit is stated in vision of the company. Cemara Hotel wants to ensure the level of fairness to make sure they can please their employee who is

the main actors in the company. Moreover, not forgetting the Indonesian tourism, Cemara Hotel wants to support the development of Indonesian tourism by giving the convenience accommodation and best quality of service.

According to the interview with the president director (owner), every guest who visits Cemara Hotel should experience the hospitality from every employee, convenience environment, and luxurious facilities. Cemara Hotel always gives their best effort to serve guests. From the owner statement, if a guest dine in the hotel, he or she should be served with grand hospitality by all staff and having a right quality of food and beverage, including the right size. The hotel is always providing high quality of facilities in order to satisfy the guest, for example, Cemara Hotel was just launching a new duvet, which uses high quality material that is usually used by 5-stars hotels. The owner also believes between himself and the employee has strong bond relationship, akin to family. If the employee is treated well, the employee will serve the guest well, which is the key model of Cemara Hotel grand hospitality.

**Exhibit 4-1
Management Perspective
Cemara Hotel**



Source: Cemara Hotel (Owner)

4.4.2. Brand from Employee Perspective

To get the employee perspective, the writer was using interviews to be able of getting depth answers. The total numbers of employees interviewed are 20 people (male and female). The interviews comprise of 6 department heads and 14 staffs. In addition, it covers employee perspectives of 'Cemara Hotel'.

One of the questions is about the definition of 'Cemara Hotel' brand. Most of the answers are pointed to the two things, which are 'Cemara' relates with a tree name and narrate to the street name because the hotel is located in Jalan Cemara. The writer concluded from employee perspectives:

- Cemara brand is identical to *a tree name*, which is *a Palm Tree*. A palm tree has characteristic to be protective since the tree is able to protect human from sun light and raining. In addition, it characterizes the warm feeling of wood and peacefulness. Therefore, Cemara Hotel is a building or place where people can stay, in the same time, feel warm, convenience, and homey.
- Cemara brand is also identical to the street name where the building is sited. From employee perspective, the choice of brand is accurate because it will be easier to remember and simple. For foreigner, since 'Cemara' is identical to Indonesian name, it expressed the Indonesian aspects in the architecture.

To go into more detail explanation, the perspectives are elaborated specifically. The categories are divided into 10 groups. The employees has been asked to describe the plus factors of Cemara Hotel, which they were able to provide more than one answer. The 10 factors are illustrated in the Table 4-1.

Table 4-1
Cemara Hotel
Employee perspective in the Hotel Brand
2007

Factors	Score
Convenience & Homey	25
Service Excellence	15
Reasonable Price	6
Food & Beverage	6
Strategic Location	13
Marketing	1
Architecture	2
Cleanness	10
Facilities (incl. MICE)	10
Quality of Room / Spacious	4

Source: Cemara Hotel (Employee perspective)

The 10 factors that are explained by employees are described as below:

1. Convenience and Homey

Cemara Hotel becomes the second home for the guests. The guests feel convenience and relax when visiting the hotel. From the decoration to the food selection, Cemara Hotel brings the notion of home.

2. Service Excellence

The staff has a very good relation with each guest, especially regular guests. They commit to serve guests by fulfilling their needs if applicable. The guests are treated friendly; therefore, they feel the notion of home when visiting Cemara Hotel. According to the employees, even some of the guests said that Cemara Hotel is their second home.

3. Reasonable Price

Compare to the other hotels, the room rate in Cemara Hotel is competitive. However, Cemara Hotel has flexibility in prices. By means, they might provide extra discount sometimes. Relates to marketing point of view, when a

company has limited budget, the hotel can arrange the accommodation, meetings, and others based on the company budget.

4. Food and Beverage

The menu in Cemara Hotel consist of Indonesian traditional cuisine, Asian, and Western cuisine. Nevertheless, the most favorite ones is Indonesian cuisine. In the buffet sections, Cemara Hotel provides varieties of Indonesian cuisine combining from many provinces in Indonesia. The taste is not purely traditional thus everyone, including foreigner, can enjoy the meal.

5. Strategic Location

Cemara Hotel is located in the central Jakarta. The hotel can be reached from many directions (e.g. Jalan Johar, Jalan Wahid Hasyim, and others) because it is located in the intersection. As a result, sometime when they have traffic, they have other alternatives to go to the hotel. The hotel is near to shopping center and business district for the guest's convenience.

6. Marketing Department

Cemara Hotel has a solid Marketing team. They consist of 1 Sales and Marketing Manager, 1 Banquet Manager, 1 Marketing Secretary, and 4 Banquet staffs. The relationship with every client is positive. The marketing department can easily communicate with the General Manager if they have special cases, such as company with a limited budget. The completeness of the meeting rooms' facilities supports the success of marketing department. Cemara Hotel has five meeting rooms, and the rooms are very spacious.

7. Architecture

The design of the hotel is not purely modern by providing the warm feeling in the tone color. From the outside, the design is simple like a house, but inside, they provide elegant style by combining modern and traditional ones.

8. Cleanness

According to employees, cleanness is one of the successful factors, especially for foreigners. The hotel is well maintained. The floor is shining, and the rooms are neat. Many foreigners prefer to stay in the international chain hotel, such as Ibis (from Accor group) because they believe that the hotel will have certain kind of standard, especially in the cleanness. Because of the well maintained, Cemara Hotel has been quite successful in grapping the foreign guests. The cleanness supports Cemara Hotel as a notion of home or be a second home of some guests. The cleanness supports the convenience feeling.

9. Facilities

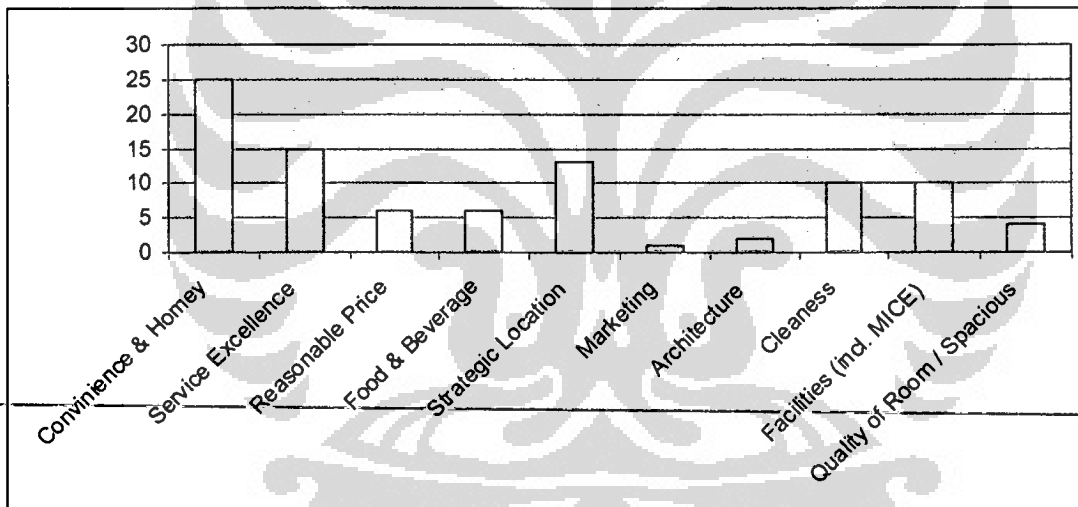
The facilities that are provided by the hotel are relatively complete, comparing to other 3-star hotels, especially the meeting rooms. The banquet facilities become the main feature for the hotel. Huge and varieties meeting rooms support the hotel, especially today's, when many companies prefer the accommodation package included meeting. The other facilities include swimming pool, business center, drug stores, cyber lounge, Giriloka spa, and others. One of the employees said that Cemara Hotel is a 3-star hotel with 4-star hotel quality. Many guest, refer to employee opinion, can have their private time when doing business in the hotel, for instance guest is able to arrange a private meeting with their business colleagues in the cyber lounge or in the private meeting room.

10. Quality of Rooms

The room is spacious compare to other 3-star hotels. The in-room facilities are well equipped. The design is elegant but simple. The quality of room facilities, for example: duvet, towel, and others, is superb. It is supported by a good maintenance from the staffs, especially housekeeping. A spacious, an elegant design, the quality standard, and a good maintenance evoke the guest convenience while staying in the hotel.

The comparison result of the employee opinion about the lead factors in Cemara Hotel can be seen in the Table 4-1 and Chart 4-12.

Chart 4-12
Cemara Hotel
Positive Factor (Employee Perspective)
2007



Source : Cemara Hotel (Employee perspective)

4.4.2.1. Conclusion from Employee Perspective

From the interviews, employee points that there are five factors as Cemara's plus side (*Please refer to exhibit 4-1 and 4-2*). The five factors are convenience, service excellence, strategic location, cleanness, and facilities. The employee believes the hotel's strength comes from the five factors. However, some of the other factors also support the five main factors if

we refer to the ten factors explanation. The quality of room supports the convenience factors because when the quality of room refers to a spacious, an elegant design, the quality standard, and a good maintenance, so, it supports guests' convenience. The marketing factor supports the service excellence factor because the marketing department gives their service excellence to serve and maintain the clients. Food and beverage parts of the facility factor because they provide a coffee shop as one of the facilities, which commits to serve high quality of meal while maintaining their standard.

4.4.3. Brand from Customer Perspective

4.4.3.1 Local Respondents

In the survey, guests are provided by five choices and one free opinion about the hotel's atmosphere. In those part, guests can choose more than one option. The results are stated as below:

1. Comparing the customer perspectives in relation to Cemara Hotel's atmosphere and the first time when the guest knew about Cemara Hotel

Table 4-2
Cemara Hotel
The Hotel Atmosphere and First-time Identified the Hotel
2007

	<1year	1-2 year	2-5 year	>5years	Total
Convenience	14	4	9	2	29
Cleanness	8	2	3	3	16
Simplicity	4	1	1	1	7
Service Excellence	8	7	8	1	24
Art Deco	1		1		2
Others:					
Accessibility	1				1
Homey	1				1

Source: Survey

2. Comparing the customer perspectives in relation to Cemara Hotel's atmosphere and the guest's first visit

Table 4-3
Cemara Hotel
The Hotel Atmosphere and First Visit
2007

	< 1year	1-2 year	2-5 year	>5 years	Total
Convenience	14	5	8	2	29
Cleanness	11		3	2	16
Simplicity	5		1	1	7
Service Excellence	12	5	7	1	25
Art Deco	1		1		2
Others:					
Accessibility	1				1
Homey	1				1

Source: Survey

3. Comparing the customer perspective in relation to Cemara Hotel's atmosphere and the number of visit per month

Table 4-4
Cemara Hotel
The Hotel Atmosphere and Number of Visit per Month

	Less than 1	1-4 times	> 4 times	Total
Convenience	11	15	2	28
Cleanness	8	6		14
Simplicity	4	2	1	7
Service Excellence	9	11	5	25
Art Deco	2			2
Others:				
Accessibility	1			1
Homey	1			1

Source: Cemara Hotel

4. Favorite facilities

Table 4-5
Cemara Hotel
Favorite Facility
2007

Facilities	Score
Coffee Shop	27
Swimming pool	3
Business Center	3
Cyber Lounge	4
Meeting rooms	9
Laundry	
Giriloka spa	5

Source: Survey

In Table 4-2, the comparison is between the customer perspectives on Cemara Hotel's atmosphere and the first time when the guest knew about Cemara Hotel. However, the result in Table 4-2 is relatively similar to the result in Table 4-3, which is the comparison of the customer perspectives in relation to Cemara Hotel's atmosphere and the guest's first visit. For instance for the convenience, the result in Table 4-2 is 29, and it is the same with the result provided in Table 4-3. The writer can conclude that most of the guests do not know about Cemara Hotel before their first visit to the hotel. From here, we can see that the marketing communication of Cemara Hotel is not too effective.

From the above table, convenience is the first rank chosen by guests. The second rank is service excellence, third rank is cleanness, the fourth rank is simplicity, the fifth rank is art deco, and last is others that contain of accessibility and homey. From the survey, convenience and service excellence are the main factor that the guests experience in Cemara Hotel.

In the table 4-5, the question is about Cemara Hotel facilities. The writer discussed the facilities to know customer perspective that is related to the brand because a completeness facility is part of the company vision. However, not the entire guest who had filled the survey

chose the facilities that they like. Besides, the highest rank is the coffee shop. Those mean that they did not exploit the hotel facilities when staying in Cemara Hotel. These facts support that most of the Cemara Hotel customer is business people, who most of them only need accommodation while doing a business trip. An executive usually does not have time to enjoy the hotel's facilities because they need to go to the office in the morning and go back to the hotel at night. He or she only enjoys the hotel food and beverage since the room can be packaged with breakfast.

From table 4-2, 4-3, and 4-4, the result shows that Cemara Hotel is identical with convenience. The next results are service excellence and cleanness. The others are simplicity, art deco, accessibility, and homey. Yet, homey can be considered as convenience because a person will feel convenience when they are at home. The identification of the atmosphere is important because it relates to the brand image. Brand includes the product and their components, and it includes organizational associations, brand personality, symbols, brand/customer relationships, self-expressive benefits, emotional benefits, user imagery, and country of origin. Therefore, it is important to analyze the atmosphere and facilities. From the survey, we can conclude that customer pictures Cemara Hotel as convenience place with service excellence from every staff and a clean place.

4.4.3.2. Foreign Respondents

**Table 4-6
Cemara Hotel
First Visit and Number of Visit in One Year
2007**

	1st visit	< 1 year	1 - 2 years ago	2 - 5 years ago	> 5 years ago	Total
< once	12					12
1 - 5 times		7	7	4		18
> 5 times		3				3
Uncertainty						0
Total	12	10	7	4	0	33

Source: Survey

Table 4-7 compares between guest's first visit (horizontal axis) and number of visit in one year (vertical axis). The majority of foreign guests are newcomers of the hotel, and some of them have known the hotel before (21 respondents). Most of the foreign respondents, who have visited Cemara Hotel before, visit Cemara Hotel more than one time a year.

**Table 4-7
Cemara Hotel
Purpose of Visiting Jakarta and Brand Image
2007**

	Convenience	Cleanness	Modest	Warmth	Hospitality	Art Deco	Total
Business	14	17	13	13	16	12	85
Leisure	11	11		11	11		44
Transit	11						11
Total	36	28	13	24	27	12	140

Source: Survey

Table 4-7 shows cross tabulation between the purpose of visiting Jakarta and brand image from foreigners' perspective. In determining the brand image from foreigners' perspective, they were able to choose more than one option. According to the result, convenience is the first factor of brand image, which is felt by foreign guests. It is followed by cleanness, hospitality, warmth, modest, and art deco.

However, clean becomes the first choice of foreign guests who come for business purpose, then followed by hospitality, cleanness, warmth, modest, and art deco. Leisure guests feel convenience, cleanness, warmth, and hospitality.

Chart 4-13 Level of Satisfaction (Foreign Guests)



Based on survey, the entire foreign guests are willing to stay or visit Cemara Hotel in their next visits. It is meant that the image of the hotel based on their perspective is very important.

**Table 4-8
Cemara Hotel
Purpose of Visiting Jakarta and Favorite Facility
2007**

	Coffee Shop	Swimming Pool	Business Center	Cyber Lounge	Meeting Rooms	Laundry	Giriloka Spa	Total
Business	15	9		3	6			33
Leisure	4	8		4				16
Transit				1				1
Total	19	17	0	8	6	0	0	50

Source: Survey

Table 4-8 is a cross tabulation between favorite facilities (horizontal axis) and the purpose of visiting Jakarta (vertical axis). The respondents were able to choose more than one option. The result shows that Coffee shop is the favorite facility, followed by swimming pool,

cyber lounge, and meeting rooms. Business people chose the coffee shop, however, leisure guest chose swimming pool as the favorite facilities

4.4.3.3. Brand Image based on Interviews

Besides survey, customer perspective about the brand is summarized from interview to the hotel's guests. The 30 interviews have been done. Below is guest opinions based on interviews:

- The brand 'Cemara' comes from their street name: Jalan Cemara
- Cemara Hotel is a place to work (Business place)
- Cemara Hotel as a second home
- Cemara Hotel is modern, yet traditional
- Cemara Hotel is a harmony place which gives peaceful to each guest
- Cemara Hotel has grand hospitality
- Cemara Hotel is a convenience place
- Cemara Hotel is strategically located
- Cemara Hotel has unique architecture inside the building
- Cemara Hotel is clean and peaceful

The most frequent opinion from guest is convenience place for stay and work, grand hospitality, cleanness, strategic location, and warmth architecture that support ease situations.

4.4.4. Brand Analysis

Brand transfer product and service into something larger than the product itself. The products may include scope, attributes, uses, quality/value, and functional benefits. Brand is started from company objective to be transferred to the employee. It is important to be well

transfer because employee is the main actor who does the work or company operation. Marketing communications is aspired to communicate the brand to customers, including potential customers. Therefore, the brand from management perspective or the company objective should be well transferred to the customer by effective marketing communications. With the same perception from all actors, it will be easier to communicate it

Initial positive brand identity, supported by marketing that forge favorable, strong and unique association with the brand in consumer mind accomplishes the Brand Equity. The goal of increasing the brand equity is to create brand loyalty in the consumer's mind. Customer based brand equity occurs when the consumer has a high level of awareness and familiarity to the brand and have the brand associations in the customer's mind. Like other companies, Cemara Hotel's brand objective is to achieve brand equity in the consumer mind. By having brand loyalty, Cemara Hotel can easily maintaining the consumer and the marketing communications will be more ease.

4.4.4.1. Brand Awareness

Brand name comes to the customer mind when they think about particular product or service, called brand awareness. For regular guest and regular company, they might already create brand awareness in their mind. It is the first dimension from Brand Knowledge. The main objective of Brand Awareness is to achieve Top of Mind Awareness (TOMA). When a company achieves the Top of Mind Awareness, it will be easy to hold customer, especially increasing the repeating purchase. As stated in the target market section, the customer split into corporate guests and personal guests. For corporate guest, the level of brand awareness can be reviewed from repeated activity, which is accomplished in Cemara Hotel. Until today, there are 1798 companies under 44 categories in the Cemara's databases. According to the Sales and Marketing Manager, more and less 80 percent of those companies are still

productive. For the individual guests, number of regular guests is moderate. There is no actual data to support it, however many of guests are regularly staying in Cemara Hotel consistent with the statement of Front Desk agents.

Table 4–9 illustrates the repeated purchase. The highest number of visit per month is between 1-4 times (22), second result is less than 1 time (19), and the last is more than 5 times a month (8). Consequently, the number of regular guest is moderate. Guests, who visit the hotel less than one time, are considered as a first in guest, especially when the first visit is less than 1 year. Guests who visit Cemara Hotel 4 times a year is regular guest, although the number of visit is not regularly once a month. The brand awareness is the foundation of Brand Recognition, Brand Recall, and even Top of Mind Awareness for some guests (regular guests). However, still many of potential guest is unaware of the hotel brand.

Table 4-9
Cemara Hotel
Number of Visit per Month and First Visit (Local Guest)
2007

	< 1 year	1-2 years ago	2-5 years ago	>5 years ago	Total
< 1 time	11	3	5		19
1-4 times	13	3	5	1	22
> 4 times	3	1	3	1	8
Total	27	7	13	2	

Source: Survey

4.4.4.2. Brand Image

Brand Image, the second dimension of Brand Knowledge, relates with the type of brand association and favorability, strength, and uniqueness from the brand association. An association is the thoughts and feelings that consumers have about the brand. The five brand-related personality dimensions consist of sincerity, excitement, competence, sophistication,

and ruggedness. The facets of sincerity are down-to-earth, honest, wholesome, and cheerful. The facets of excitement are daring, spirited, imaginative, and up-to date. The facets of competence are reliable, intelligent, and successful. The facets of sophistication are upper class and charming. The facets of ruggedness are outdoorsy and tough. Marketing programs that link strong, favorable, and unique associations to the brand in memory create a positive brand image.

Brand 'Cemara Hotel' from management perspective is that Cemara Hotel is ready to give their best effort to their guests, including the facilities and services, and the grand hospitality. The management believes by giving better facilities, service and grand hospitality will satisfy their guests. Brand 'Cemara Hotel' from employee's perspective are convenience, service excellence, strategic location, cleanness, and facilities. The employee believes that those five factors become the strength of the hotel, which supports the sales, especially for regular guest. Brand 'Cemara Hotel' from customer's perspective can be concluded as a convenience place with grand hospitality and can be functioning as second home while away from home. From the perspective, we can see the similarity. From all perspective, Cemara Hotel is a convenience place with grand hospitality. Brand image of Cemara Hotel describes competence and sincerity in the personality dimensions.

4.4.4.3. Brand Relationship

Today, marketing communications in not only focusing on developing and sending brand message to create sales but also creating customer relationship, however, not ignoring the sales transactions. Although Hotel is a service industry, but the service that should be sold is limited. For illustration, Hotel main product is rooms, when it is sold out, the seller cannot fulfill extra demands. Nevertheless, hotel ought to create customer relationship for long-term desires and creating loyalty.

Brand relationship is focusing on retention rather than on acquisition of new customers. Customers can easily change their mind in buying product and services. Cemara Hotel has focusing on the retention. In service industry, the customer hopes for sophistication of the service and product, e.g. rooms and facilities. To sum up, to create brand relationship, Cemara Hotel is not only responsible in marketing communications but also concentrating in the internal service to create brand equity by “speak for itself”.

Trust is the reason customer often buy particular brand. Cemara Hotel ought to have the same brand perspective between management and employee in the beginning to create internal value. The internal value supports the trust building for customer because the employee can be trustworthy when communicating with the customer. Trust can be created from satisfaction, consistency, accessibility, responsiveness, commitment, affinity, and linking.

From above perspectives, which come from management, employee, and customer, some factors of trust are already appeared. Satisfaction is noticed from the level of convenience that the guests feel when staying in Cemara Hotel. Accessibility, consistency, responsiveness, and commitment can be observed by the service excellence that is performed by employees. Linking is noticed when guests perform word of mouth promoting the hotel. The average of foreigner guest (2007) is 23.22%. However, Cemara Hotel is hardly ever performing marketing communications for foreigner. In conclusion, regular foreign guest or first in foreign guests can be captured because of the word of mouth between foreigners.

Finally, the benefit of relationship influences costs and sales. It is one of the reasons that Cemara Hotel can be profitable and keeps existing from 1994 even under severe competition in Hotel business. Furthermore, Cemara Hotel is moderately successful in increasing loyalty for regular guests.

4.4.4.4. Brand Message

The message from brand can be planned message, product message, service message, and unplanned message. Planned message can be transferred by using the marketing communications tools. Cemara Hotel needs planned message, such as promotion, personal sales, advertising, and many more to be in-depth discussed in marketing communications part. Product message, in Cemara Hotel, is the pricing or room rate, facilities, and room quality. Service Message, in Cemara Hotel, is the standard of services, which are done by all staffs. There might be also unplanned message of Cemara Hotel, such as gossips, rumors, and others that cannot be controlled by the hotel. The hotel needs to carefully creating their brand message by relating to the hotel vision and mission. Brand Message needs careful analyze to support the marketing communications.

4.5. Marketing Communications

Integrated Marketing Communications (IMC) is “a process for managing the customer relationships that drive brand value” (Duncan, 2002, 8). To create a successful IMC program requires marketers to find the right combination of the communication tools and technique. There are seven steps in IMC planning in using the zero-based planning process. The first step is analyzing SWOT. The second step is analyzing target and relationship. The third step is determining Marketing Communications (MC) objective, means determining what marketing communications program should be accomplished. The fourth step is developing strategies and rationales. The fifth step is determining the budget, which is applicable to the company budget. The sixth step is determining the accurate timing. The seventh step is testing the market MC mixes. Moreover, the last step is to evaluate the effectiveness for future communication planning. In the analysis, we are going to evaluate step three. Step one about analyzing SWOT has already been stated in Industry and Company Profile. Step two about

analyzing the target market and relationship has been discussed in part 4.3. Therefore, the analysis concentrates in determining the Marketing Communications tools.

Promotion mix is the marketing communications tool, and the basic tools that are used to accomplish an organization's communication objective. Traditionally, the promotional mix has four elements, which are advertising, sales promotion, publicity or public relations, and personal selling. However, in the modern day, promotional mix added direct marketing and internet marketing as their new elements. In this analysis, the writer will analyze the tools that fit to the hotel in order to create effective and affordable marketing communications.

4.5.1. Advertising

Advertising is described as “any paid form of non-personal communication about an organization, product, service, or idea by an identified sponsor” (Alexander, in Belch and Belch, 2007, 17). Advertising is costly, and the effect of it cannot be determined. Advertising focuses on informing, influencing, reminding and increasing salience, adding value, and assisting other company effort. Mass Media advertising consist of non-personal, one-way, planned message paid for by an identified sponsor and disseminated to a broad audience in order to influence their attitudes and behavior (Duncan, 2002, 506). The advantages of advertising consist of the ability to reach large markets cost effectively and the ability to build strong brands by creating a brand personality. The limitation of it relates primarily to media waste, low credibility, and clutter.

The role of advertising is to influence audience by informing or reminding them of the existence of a brand, also by persuading or helping them differentiate a product or organization in the market. Customer demands hotel if that they need the accommodation or other services. It differs from product that advertising can influence customer mind to buy a product although they do not need it.

Advertising can persuade someone to buy a product that he or she might never previously purchase. However, a consumer's pattern of brand purchases is sometimes driven by habit rather than by exposure to promotional messages. Therefore, the effectiveness of advertising cannot be accurately determined. Usually, customer will be familiar with a brand by having repeated advertisement. On the other hand, the sales effectiveness is complicated to be explicated. Advertising improves the consumer's knowledge, on the other hand, consumers are regarded to be selective in determining which advertisements they observe and only perceive those which products.

Advertising can reach huge audience by a simple message about the product or service. The main function of advertising is to communicate with specific audiences. For hotel, it is difficult to determine one segment. The market segments of hotel are mixture. Cemara Hotel is a hotel business, which the main segment is business people but the hotel also targets travelers. Business segment is also divided into government and corporate. Fundamentally, a hotel is never target a specific segment. The only segment that can be segregated is the 'level', which depends on the hotel rate. A 5 stars hotel that has higher price and more complete facilities will target high class market segment. The lower the hotel level ('star') targets lower set of market segment. The budget is main reason customer choose a hotel, after that, customer will choose the hotel that is suitable with their other criteria, such as facilities, location, and many more.

A business hotel is complicated to segmenting their specific market, for instance: a hotel has Indosat as their biggest market; it does not mean that telecommunication is their only target market. Therefore, it is impractical for a hotel to segment only one market, for example: telecommunication. A business hotel needs to target many companies, including governments. In one segment, such as Telecommunication, Indosat might be the biggest one,

but in other segment, such as Bank, BCA might be the biggest one. In conclusion, it is difficult to segment only one market.

In the other way, as a business hotel means that the hotel is interrelated with companies. In companies, they usually have a contact person, such as HRD, who arranges the accommodation for their officers or company's guest. Therefore, it seems ineffective to advertise because the one you need to persuade is the contact persons.

Cemara Hotel as a business hotel is also targeting travelers. For a business hotel, travelers are the second segment. The leisure guests in Cemara Hotel are varying since it comes from many cities and countries. It is difficult to segment them. To perform advertising for them, the hotel needs to have many advertisements since travelers come from various cities.

Devising how advertising is effective within a consumer's mind is difficult because customers are struggle in making their decisions. The messages must be tailored and relevant during each stage of a consumer's buying or decision making process. The messages are created in order to change the awareness, knowledge, and attitude of consumers towards a specific brand offered that influences decision-making pattern. The stages by Daniel Mayfield consist of:

Stage 1 – AWARENESS or Introduction to the Brand

A basic awareness of the product or service is the initial step to make the customer realizes a product is available to the consumer, whether they need or can afford it at any specific moment within their life, creates some form of awareness. The stage in life a person is in is defined by their financial status and current needs. Passing the word along through daily conversation can be used as an influential source of information; however, the initial introduction must be made through advertising for the customer knowing the brand or product.

Stage 2 - CONSIDERATION

In the consideration, a personal connection must begin to be made. In this stage, a product needs to meet the need of the consumer, which is crucial in the decision-making. The connection would then push them to later purchase or develop an affinity for a certain brand.

Stage 3 - REAFFIRMATION

The reaffirmation is ensuring that the connection does exist. It relates awareness of competitors and evaluation of preference. These stage needs positive associations are made with the product or brand that can come from influential friends and relatives and additional advertising messages in varying forms of media.

Stage 4 - CONFIRMATION

This stage is where the brand and product are viewed in a positive light and there is increased chance of recommendation to other consumers or action, however it does not always lead to action.

Stage 5 - ACTION

Reaffirmation and consideration come back into play both prior to the purchase and after to convince one that this decision is the correct one.

Stage 6 - REINFORCEMENT

This stage initiative to maintain the positive association the consumer initially had, and the consumer decides if the product actually did fulfill the need to be met as promised. This reinforcement comes from additional advertising initiatives and the actual experience with the product or brand after purchase. In the initiatives, the messages are designed to become part of the consumer's lifestyle and induce repeat usage and purchasing behavior.

Relate to the six stages, advertising needs to be performed continuously to be highly effective and achieve the reinforcement stage. If the advertising is rarely performed, the stage that can be achieved is awareness. If it is only one or two times, the level of awareness is low.

The advertising needs to be performed attractively and continuously so people will not forget the brand and switch to the other brand. For a hotel, the most important is guest satisfaction when visiting the hotel. If guests feel happy and satisfy, they will come back to visit the hotel. However, guests can change their choices when they see other hotel advertisement. It is because human always has big inquisitiveness. Therefore, the advertising should be performed delightfully and continuously.

There are four main advertising frameworks consist of sales framework, persuasion framework, involvement framework, and salience framework. The advertising that is performed by hotel fits with the sales framework that is oriented mainly to direct response work, which are sales. Advertising is considered to have a short-term direct impact on sales. The expectation of generating sales for Cemara Hotel in their advertising is mainly because of cost. Cemara Hotel, as independent hotel, has limited room to sale and limited budget for advertising. Frequent advertising is expensive, in the same time; hotel has limited number of rooms to be sold. Therefore, the hotel advertises for sales intention due to the budget.

There are two advertising costs. First is absolute costs, like the costs of buying the space in magazines, the time on television, cinema, radio, and many more. The cost is pricey and depends on the media and their rank. The more famous the magazine, the cost will be higher, in the same time, opportunity to reach the market is higher also. The advertising cost will directly impact on the cash flow. For instance: the cost of advertisement in KOMPAS newspaper (Sunday Edition) is 9 million rupiah for 15x10 cm. Table 4.10.a and b represent the cost of advertisement in newspaper per line. For Television, the cost can be up to millions rupiah per second and once a day. On the other hand, there are relative costs. Relative cost is the cost incurred to reach a member of target audience with the key message. Therefore, the cost of advertising is enormous.

Table 4-10.a
Advertising Cost (based on Location)

Keterangan	Zone 1 (Batavia)	Zone2 (Jawa)	Zone 3 (Nusantara)
Location	Jabodetabek	Jabodetabek, Jabar, Jateng, DI Yogya & Jatim	Jabodetabek, Jabar, Jateng, DIYogya, Jatim, Bali, NTB, NTT, Sumatera, Kalimantan, Sulawesi & Papua
Baris Biasa	Rp. 35.000,-	Rp. 39.000,-	Rp. 40.000,-
Baris Teks Warna	Rp. 54.000,-	Rp. 60.000,-	Rp. 62.000,-
Baris Background	Rp. 64.000,-	Rp. 70.000,-	Rp. 72.000,-

Source: www.pasangiklan.com, 2 January 2008

Table 4-10.b
Line (Mini) Advertising Cost

Iklan	Tarif/Brs	Ket
Baris KCM	15.000,00	
Baris Jakarta Post	25.000,00	
Baris Nova	24.000,00	
Baris Kompas	35.000,00	3 brs - 12 brs
Baris DropCaps Kompas	45.000,00	3 brs - 12 brs
Baris Background Biru	64.000,00	3 brs - 12 brs
Baris Background Pink	64.000,00	3 brs - 12 brs
Baris Background Hijau	64.000,00	3 brs - 12 brs
Baris Background Ungu	64.000,00	3 brs - 12 brs
Baris Kompas Teks Biru	54.000,00	3 brs - 12 brs
DropCaps Kompas Teks Biru	59.000,00	3 brs - 12 brs

Source: www.pasangiklan.com, 2 January 2008

Cemara Hotel rarely advertises their brand. The main reason is cost and effectiveness. The cost of advertisement is very expensive compare to the revenue. Cemara Hotel is medium company with limited product to sell. As a hotel, they can only sell 102 rooms per day plus other secondary revenues, for instance food, beverage, internet service, and many more. Therefore because of the revenue is limited, using advertising as a communication tool will be costly for the hotel.

Cemara Hotel is an independent hotel. Independent Hotel means the hotel is operated as individually. Independent hotel differs from chain hotel. Chain hotel is many hotels operate

under one management. When chain hotel advertises, they will advertise for many hotels in one advertisement. Accor, for instance, is a chain management. One of the members is Ibis Hotel. When executing their advertising, they will advertise for all of Ibis Hotels in Indonesia. Those are the reasons they are able to advertise frequently because the cost can be diverse. It is completely different from Independent Hotel. Independent Hotels, like Cemara Hotel, apply the cost of advertising only for one hotel. It is the reason why Independent Hotel is less likely to do the advertising.

If the advertising cannot catch the target market or is not attractive, it will be a high level of waste. It is harder to do pinpoint targeting with mass media advertising compared to other marketing communication tools. Advertising, especially mass media, is one-way communication, so it is not easy to ensure that the hotel perception can accurately be received by the potential customer. In addition, advertising has low credibility since customers recognize ads as paid messages delivered in behalf of a brand. As an independent hotel, Cemara Hotel competes with other hotels, including chain hotels when performing their advertisement. Consequently, clutter becomes the problem since so much of it is across all media. In the same time, they have a limited budget for advertisement compared to chain hotels. It is difficult for independent hotel to perform advertising.

Advertising media can be printed and electronic, such as newspaper, magazine, radio, television, pamphlet, poster, billboard, sticker, and others. The choice depends on product, budget, and target market. Advertisement that has been done by Cemara hotel is limited and not continuous. The only advertising frequently done by the hotel is advertising in yellow page or tourism industry book. They started to do further advertising in 2005. The advertisement is concentrated in printed media, particularly on newspaper and magazine that is mainly done in promotion magazines, for instance Wish, El John, Resto, and others. Most of advertisement is not continuous and for promotion used.

Cemara rarely advertise their brand so the level of effectiveness is limited. Random survey shows that only 14 percent from 42 guests (male) know Cemara Hotel from Tabloid or Newspaper. Only 6 percent from 18 guests (female) know Cemara Hotel from tabloid or newspaper.

Chart 4-14
How Do You Know CH (Male)

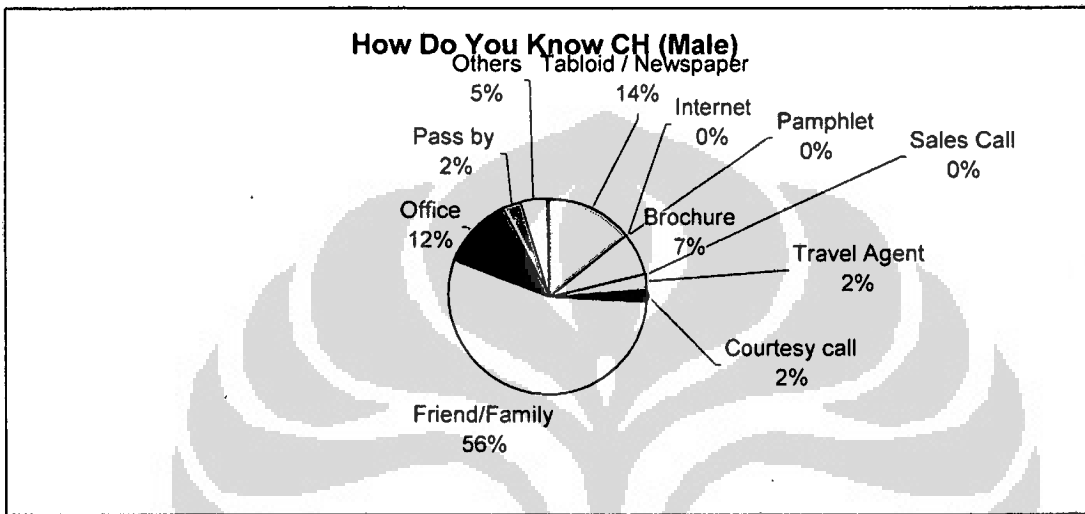
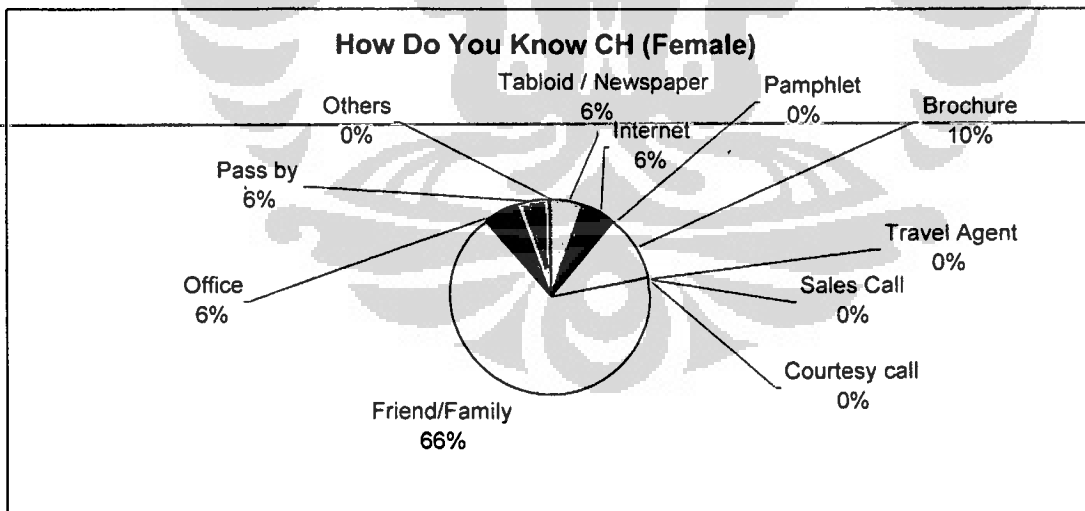


Chart 4-15
How Do You Know CH (Female)



Based on Chart 4-16, local respondents (33% disagree) is not familiar with the advertising. It illustrates that the advertising is not effective. The reason is the advertising is

not frequently performed and the intention is mostly for sales. Chart 4-17 also shows that the advertising is not attractive (33% very disagree). The reason might be that they never see the advertising before. The reasons that Cemara Hotel rarely executes the advertising are cost and effectiveness.

Chart 4-16
You Have Seen CH Advertisement (e.g. in tabloid, magazine, etc)

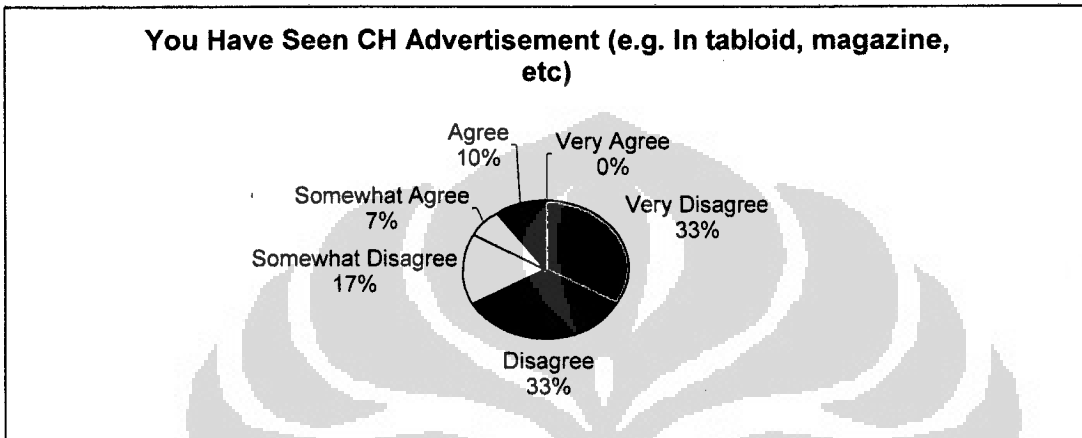
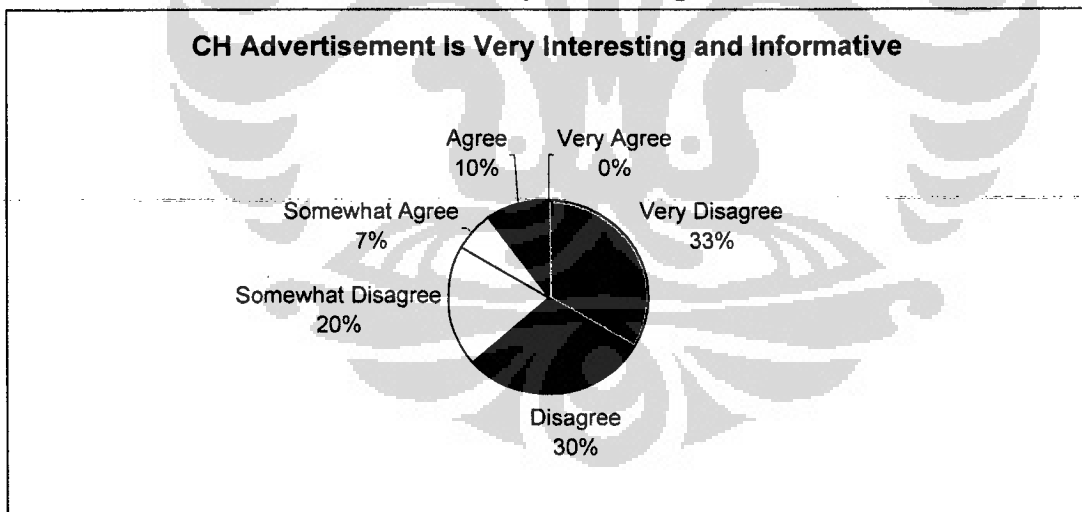


Chart 4-17
CH Advertisement Is Very Interesting and Informative



Cemara Hotel is never advertised in overseas. The main reasons are budget and coverage. Based on survey, the guests are come from the five continents so it is not easy to advertise due to the coverage. Furthermore, the cost of advertising in overseas is very costly. It is not

balance with the revenue that is generated from foreign guests, which is 20 percent from total occupancy. In addition, Cemara Hotel needs to do research if they want to advertise overseas for the purpose of accurate coverage. The only advertising that is possible for foreign guest is using internet technology that will be discussed in the next section (Internet Marketing).

Advertising intends to create awareness and loyalty. However, advertising is very pricey and the level of effectiveness is difficult to be measured. Cemara Hotel, as an independent hotel, has limited advertising budget due to the limited revenue and channel. It is difficult for Cemara Hotel to perform continuous advertising.

4.5.2. Direct Marketing

Direct marketing is “a system of marketing by which organizations communicates directly with target customers to generate a response or transactions” (Belch and Belch, 2007, 447). To segment and target their markets, direct marketers use a database for improving selections of market segments, stimulating repeat purchase, cross-selling and building customer relationship management. Direct marketing is all media activities to generate a series of communications and responses with existing and potential customers. Typically, direct marketing agencies work with many media including telephone, internet, direct mail, email, press, and posters.

Direct marketing for independent hotel can be effective because it is able to generate response from target customers. Hotel needs direct response in order to maintain and increase their service. As part of service industry, customer satisfaction is the main element. To segment and target their markets, direct marketers use a database for improving selections of market segments, stimulating repeat purchase, cross-selling and building customer relationship management. Cemara Hotel has a database, consisted of corporate guests and regular guests. Corporate guests handle by Marketing department and regular guests

(individual) handle by Front Office department. Until today, there are 1798 companies under 44 categories in the Cemara's databases. Their database has role as a storage, sorting and administrative device to assist direct and personalized communications.

Selecting media for direct marketing differs from selecting media for advertising because direct marketing is using direct response media that is a direct contact being made to customers in order to get solicited direct response. The main direct response media are direct mail, telemarketing and door-to-door activities because they are more personal, direct and evaluative.

Direct mail is personal advertising that personally addressed through postal service. For hotel, direct mail is relatively accurate to be performed. The hotel guest is varying. When people stay in a hotel, they have planned before. If they have no purpose, they will not stay in a hotel because hotel is not a necessity needs. However, direct mail can be sent to the personal guests in order to be 'keep in touch' with them and update them with hotel programs.

Direct mail can be addressed to companies that arrange the accommodation for their guests or employees for advertising and promotional needs. Existing companies need to be informed of the hotel promotional programs, which can be sent through postal. However, direct mail is also able to be sent to new company as hotel introductory. In addition, direct mail is sent to passive companies in order to catch their awareness.

Telephone makes the interaction flexible and permits immediate feedback. Telemarketing allows interaction between participants, immediate feedback and sets up opportunities to overcome objectives, all within the same communication event when both of sender and receiver might be geographically distant. Telemarketing is practical for an independent hotel, like Cemara Hotel. Because of limited budget, advertising seems difficult to be executed for independent hotel. Cemara Hotel. People highly appreciate with two-way contact because

they can directly response to it. In addition, for message sender, it is easier to transfer their message when having two-way communications.

By evaluating database, marketing department can perform telemarketing to inquire the company activity in the future and get direct feedback from the company. Marketing department is not 100 percent certain knowing about their guest satisfaction because they are not part of daily operation. By doing telemarketing, they are able to obtain direct feedback from the company. Telemarketing is also a tool to update the non-active company by generating their direct feedback and giving direct response. It is an effective tool to follow-up the company response after performing sales call or personal selling to new company. In addition, telemarketing is more affordable than personal selling. In conclusion, telemarketing can be an effective marketing communication tool for Cemara Hotel.

Door-to-door is cheaper than direct mail because there is no postage charge. Door-to-door is limited for Cemara Hotel because of geographical coverage. Door-to-door is optimal only for one city. However, as a hotel, most of their guests are from outside of Jakarta. To perform door-to-door outside of Jakarta is not efficient since they cannot directly control the distribution. In addition, door-to-door is not two-way communications so it will be more difficult to transfer the message since hotel is complex industry. However, door-to-door can be an effective tool for promotional needs. For instance, if Cemara Hotel has food festival, they can perform door-to-door to neighbors so the response can be directly generated.

For foreign guests, some of direct marketing tools are impossible to be performed, such as door-to-door, the use of radio and television (direct line number), and others. The possible tools are direct mail, telemarketing, and internet used. Most of the foreign guests come or visit Cemara Hotel for leisure need. In many cases, the company arranges foreign guests who come for business purpose. Thus, the target is only foreign guests who come for leisure purpose.

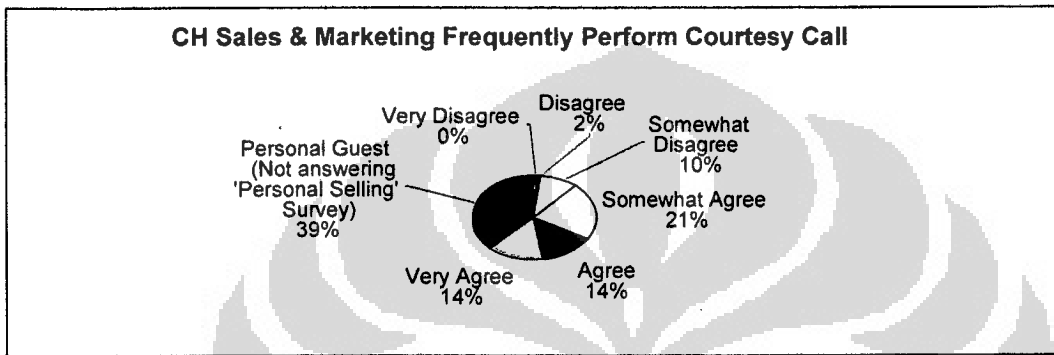
Telemarketing becomes inefficient to be performed because the level of cost. Telemarketing also seems inappropriate for personal guests, including foreign guests.

Direct mail is possible to be performed for foreign guests. The hotel can send mail as a gratitude for staying in Cemara Hotel. In addition, they might mail their promotion to the foreign guest. Foreign guest will highly appreciate to get that kind of attention from the hotel. Moreover, it supports the brand definition as a hotel with grand hospitality. The downbeats are cost of postal and the possibility they might not get the mail. The other way is through internet, and it will be discussed later in internet marketing section.

Brochure and blitz news can be used to support the direct marketing tools for Cemara Hotel. Brochure contains of hotel information and facilities. Cemara Blitz is monthly news about promotion programs and other hotel's information. The blitz is placed in every rooms and hotel public area. Door-to-door is performed when the hotel is having promotion programs, for instance: Indonesian Food Festive promo, and many more. Cemara blitz can be send by using door-to-door or direct mail as direct marketing tools.

Based on Chart 4-18, customer somewhat agree that the sales and marketing personnel frequently perform courtesy call to their office. Courtesy call is capable of generating direct feedback of the potential sales, in the same time, generating direct feedback of their previous visit. However, there is still 10 percent somewhat disagree and 2 percent disagree that the courtesy call is frequently performed.

Chart 4-18
CH Sales & Marketing Frequently Perform Courtesy Call



Survey shows that relatively guests like Hotel Brochure. Based on Chart 4-19.a, it shows 41 percent of local guests somewhat agree that the brochure is well design. However, there are still 31 percents of local guests somewhat disagree that the brochure is interesting. Based on Chart 4-19.b, 52 percent of foreign guests somewhat agree that the brochure is interesting, and only 15 percent somewhat disagree and 6 percent disagree. The attractiveness of brochure is important for catching guests' attention.

Chart 4-19.a
CH Brochure Is Very Interesting

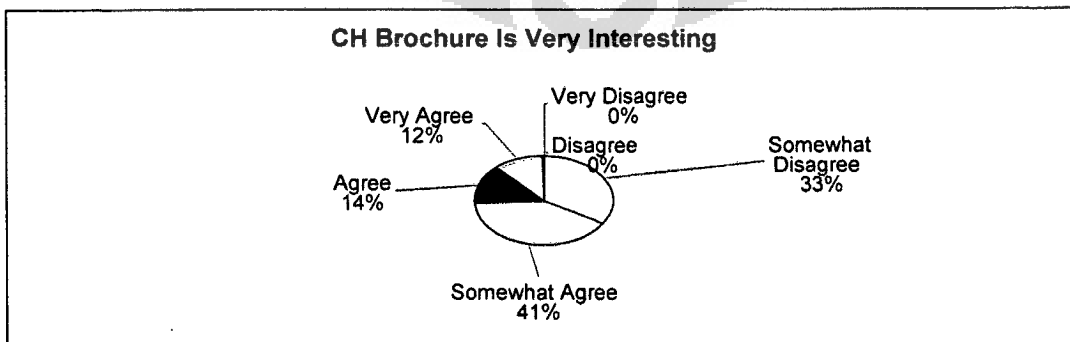
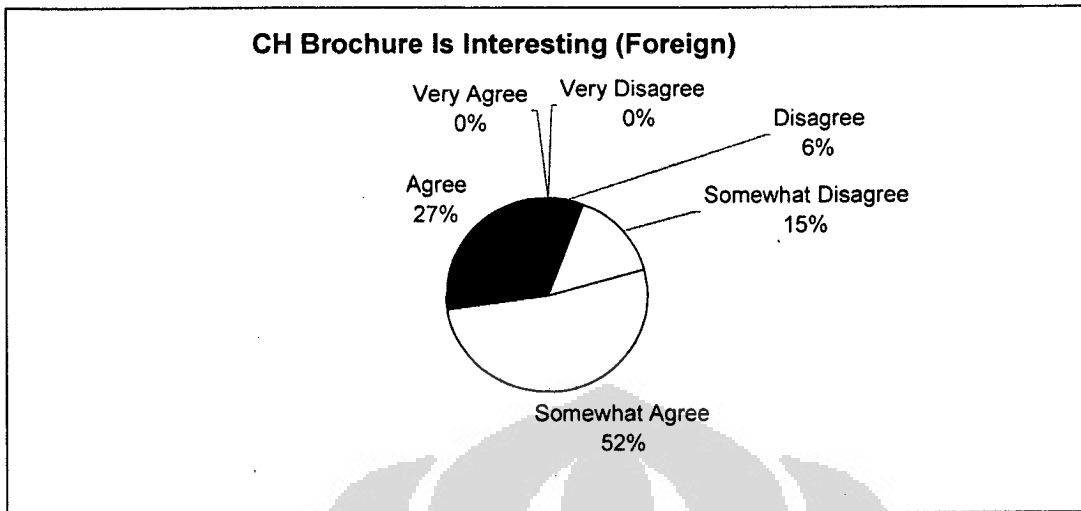


Chart 4-19.b
CH Brochure Is Interesting (Foreign)



Survey shows that relatively guests feel Hotel Brochure is informative. Based on Chart 4-20.a, it shows 38 percent of local guests somewhat agree that the brochure is informative. However, there are still 36 percents of local guests somewhat disagree that the brochure is informative. Based on Chart 4-20.b, 55 percent of foreign guests somewhat agree that the brochure is interesting, and only 12 percent somewhat disagree. It means the brochure needs to be made more informative for local guests.

Chart 4-20.a
CH Brochure Is Very Informative

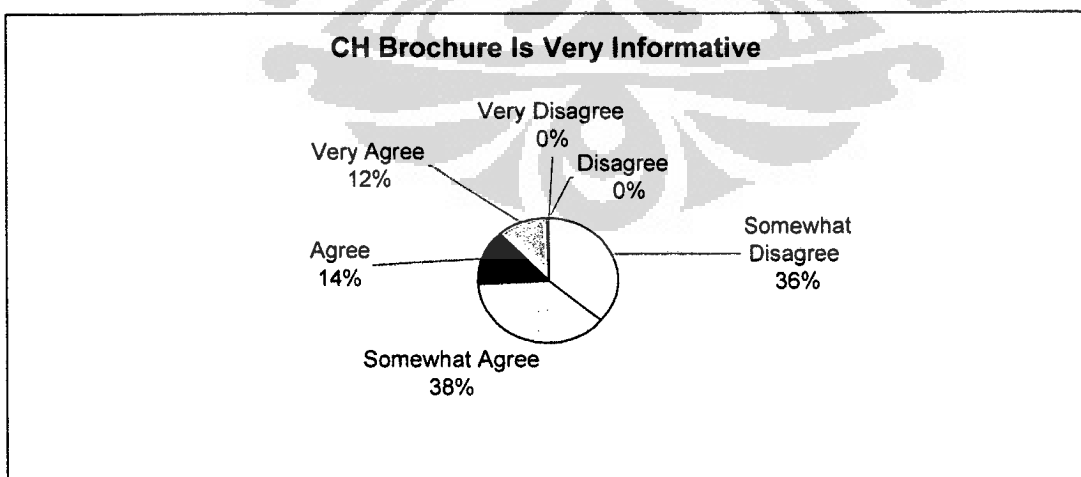
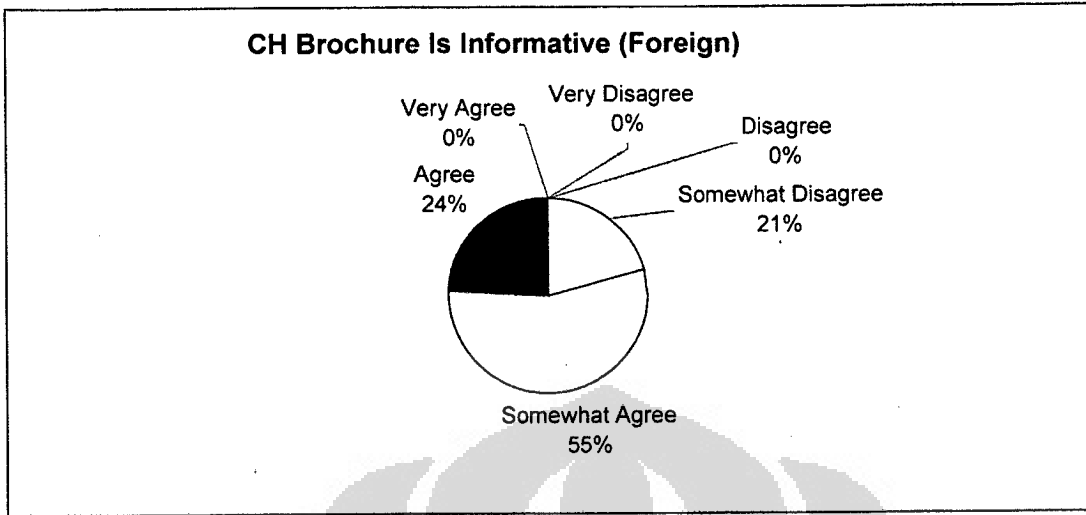


Chart 4-20.b
CH Brochure Is Informative (Foreign)



Survey shows that guests feel that the Cemara Blitz is interesting and informative. Based on Chart 4-21.a, it shows 47 percent of local guests agree that the blitz is interesting and informative. In addition, only 17 percent of local guest somewhat disagree. Based on Chart 4-21.b, 58 percent of foreign guests somewhat agree that the blitz is interesting and informative, and 15 percent is somewhat disagree and 12 percent disagree. Cemara Blitz gets more positive respond from local guests compare to the brochure. Local guests experience that the blitz is useful for them. Foreign guests still positive about the blitz, as they experience the brochure.

Chart 4-21.a
CH Blitz Is Very Interesting and Informative

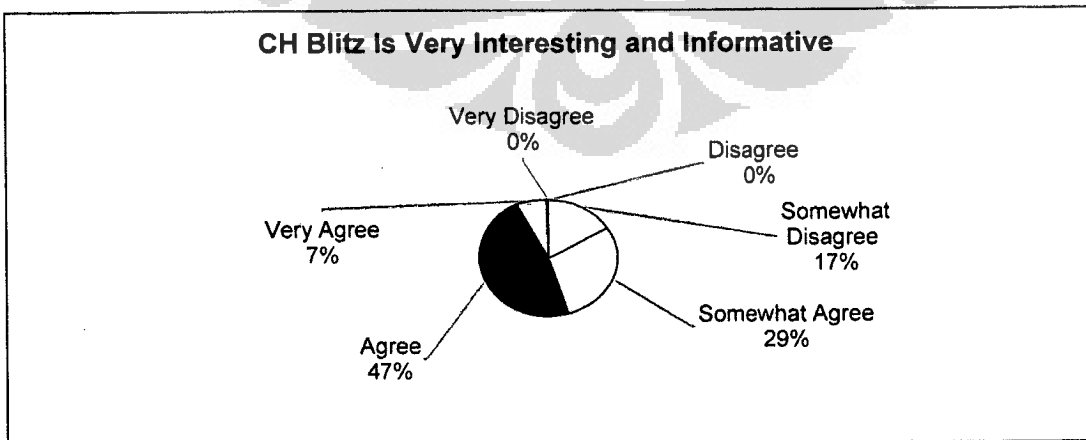
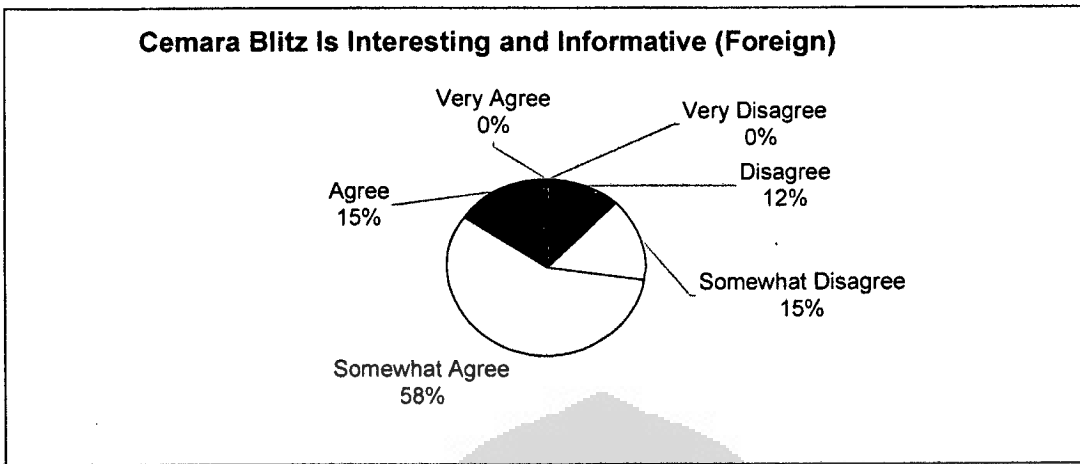
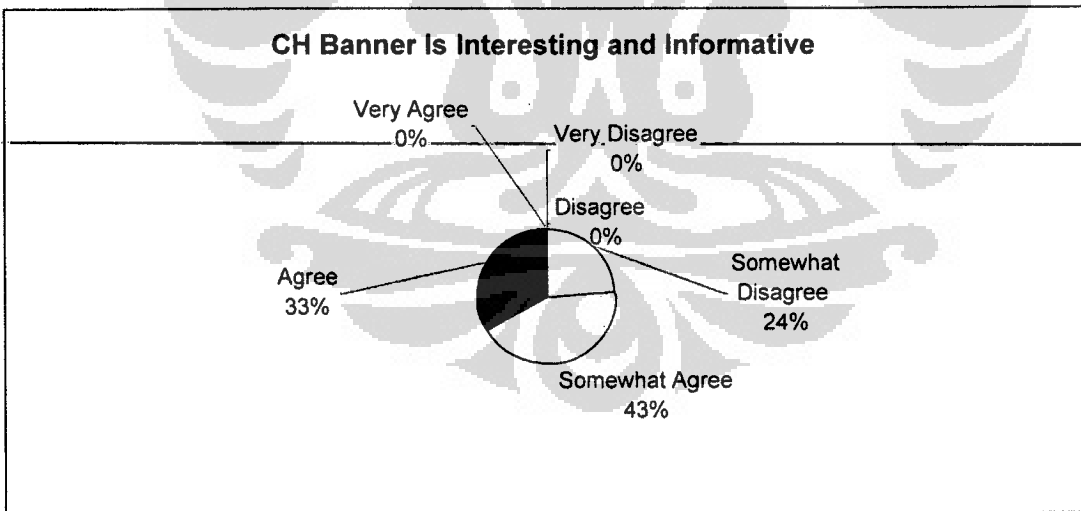


Chart 4-21.b
Cemara Blitz Is Interesting and Informative (Foreign)



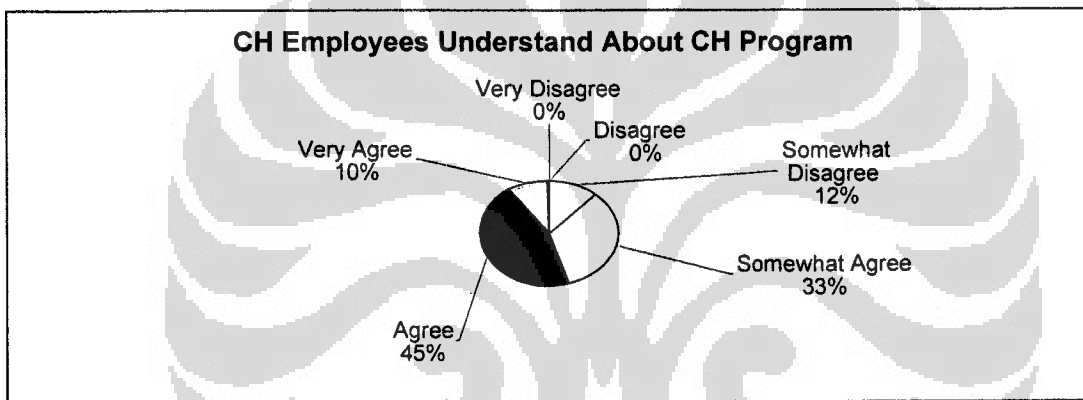
Survey shows that guests relatively agree that the banner is interesting and informative. Based on Chart 4-22, it shows 43 percent of local guests somewhat agree and 33 percent agree that the banner is interesting and informative. Only 24 percent of local guest somewhat disagree.

Chart 4-22
CH Banner Is Interesting and Informative

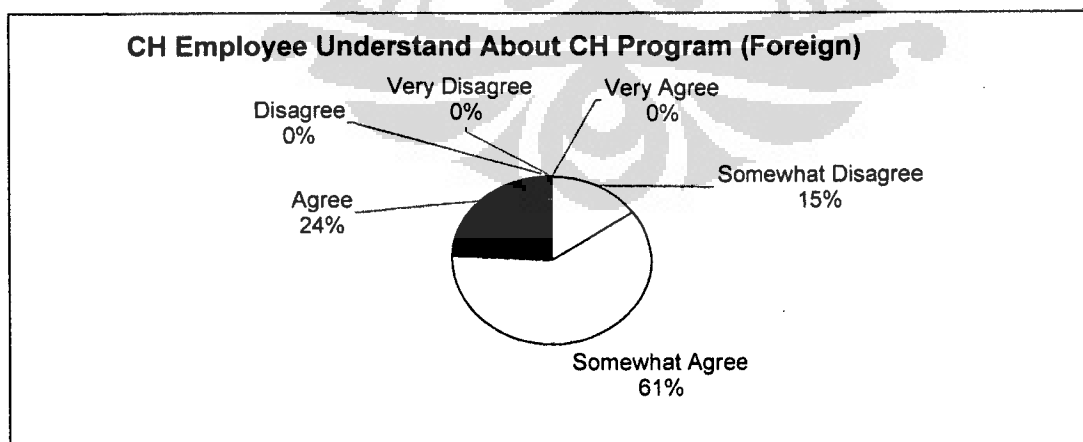


Survey shows that guests feel the employees understand about the programs, such as promotion programs and others. The programs can be in the brochure, blitz and others. Based on Chart 4-23.a, it shows 45 percent of local guests agree that the employees is understand and be able to provide helpful information. Only 12 percent of local guest somewhat disagree. Based on Chart 4-23.b, 61 percent of foreign guests somewhat agree that the blitz is interesting and informative, and 15 percent is somewhat disagree. The results show that both local and foreign guests have positive view toward the employees' knowledge of the hotel programs.

**Chart 4-23.a
CH Employees Understand About CH Program**



**Chart 4-23.b
CH Employee Understand About CH Program (Foreign)**



Direct marketing has benefit of coverage, segmentation, frequency, flexibility, timing, personalized and custom messages, low costs, and the ability to measure program effectiveness. However, the disadvantages consist of image problems, the proliferate sale and use of database, lack of content support, and the intrusive nature of the medium. Although Cemara Hotel has huge data in the database and 80 percent of it is still productive, the real productivity is not that large. Only some of the company is productive. The other might only has less than 10 room night a year. Large database is hard to manage. Telemarketing for large database might only waste cost without any real potential result. Direct marketing is a dependent tool, and needs integration with other marketing communications tools. However, direct marketing provides opportunity to improve levels of performance and customer satisfaction.

4.5.3. Personal Selling

Personal Selling involves face-to-face communication process. The function includes retaining current customers and acquiring new customers. Types of personal selling by determining the types of customer served through this communication process include intermediaries, industrial, professional, and consumer. The types of personal selling done by Cemara Hotel are intermediaries, professional, and consumer. Intermediaries involve selling offerings onward through a particular channel network to other resellers. In Cemara Hotel, the intermediary is mostly travel agents who sell room vouchers to the consumers. For professional, Cemara Hotel sells their rooms through company bookers if the company has events. For Consumer, Cemara Hotel directly contact with the retail trade and/or end-user consumers.

Cemara Hotel does not have large networking like chain hotel. Therefore, they hope to build long-term relationship to customer. Rather than just selling, the sales department roles

as marketing to use techniques like database marketing, tracking promotional effects to improve the relationship. The sales and marketing department build bond relationship rather than just sales. Part of relationship marketing is Sales Force Automation and Customer Relationship Program

The tasks of personal selling include order takers, order getters, order collectors, and order supporters. In the hotel, reception or front desk agent performs as order takers. Order getters are hotel Sales and Marketing staffs who might operate away from the organization and be able to take order. They use the art of persuasion. Front Desk Agent and Sales and Marketing staffs are also the order collectors, who gather orders without physically meeting the customers. They use electronic device such as telephone. Both of them are also order supporters who are secondary salespersons to confirm order.

The concept 'DIPADA' need to be master by sales and marketing staff, including front desk agent since both of them need to perform face-to-face selling. Define Identify, Proof, Acceptance, Desire, and Ask (DIPADA) technique will support their sales skill and communicate the brand.

Sales personnel provide information for buyers so that they are able the right decision. Sales personnel provide high credibility. Personal selling will increase the chance of sales because they directly meet and provide the information needed. The personnel are also able to observe buyer gesture. Front Desk Agent is able to observe the guests' gesture whether they need more information, as one of the 'DIPADA' technique. Sales and Marketing personnel also accomplish the same technique that involves generating leads, qualifying leads, making sales calls, closing the sale, and following-up to build and maintain the customer relationship. The qualified leads are "prospects that (1) have a real need or opportunity that the brand can address, (2) have the ability to pay for the goods or services, (3) have the authority to buy, and (4) are approachable" (Belch and Belch, 2007, 622).

To boost the performance of personal selling, the Hotel ought to have the accurate compensation system. Traditionally, compensation is based on sales volume but now, salespersons are being evaluated and reward not only for sales but also for how long customers have consumed from the company (retention), how much customer has increased their quantity purchase (customer growth), and customer satisfaction from being served by the salespersons. For hotel, they are not only providing one time sales but also service when guests are staying. The goal is retention, customer growth, and customer satisfaction. An independent hotel, who has limited budget or limited networking compare to chain hotel, needs to build good relationship to every guests for retention purpose.

By executing dyadic communications, Cemara Hotel is able to generate direct feedback. The guests will be able to focus their attention on the salesperson, and reduce the destruction or noise. The level of participation is also high, the hotel will able to tailor message in response to the feedback. By performing personal sales, the hotel is able to generate the immediate feedback that the sales will be closed or not. Hotel needs direct response because the product (rooms) is limited. If the room is already fully occupied, they are not able to provide more even if there is more demand. Therefore, Cemara Hotel needs to get direct feedback since the product is limited.

A hotel, as a part of service industry, needs to perform service excellence to gather retain sales. One of the ways is getting direct feedback to increase and achieve customer satisfaction. By doing face-to-face, the personnel will able to obtain truthful feedback because he or she is able to evaluate the gesture. Compare to telemarketing, he or she is not able to evaluate the gesture so the result might not optimal. People will be more appreciated if they have face-to-face communication.

Personal selling is able to mingle with other marketing communications tools, consist of advertising, direct marketing, public relation, sales promotion, and internet. Combining

advertising and personal selling is likely to improve reach, reduce costs, and increase the probability of a sale. For instance, they endorse about Cemara Coffee Shop while doing room sales. The personal selling agent is often the firm best source of public relation. By acting in a good way, the employees, including sales and marketing personnel, represent the company success. Hotel combines personal sales and direct marketing to create cost efficiency. Hotel Sales personnel are using sales kit to assist their presentation. The hotel usually offers annual additional benefit for high productive companies. It shows that the hotel is able to combine between personal selling and sales promotion. The hotel is benefited with the existence of internet, especially for foreign guests. By internet technology, the personnel are able to provide product information, generate leads, screen prospects, and build and market from database. The personal sales can be performed by interacting with guest by online.

Personal selling is important when the level of complexity in the relationship is medium to high. Hotel has complex relationship with their guest because they are not only selling one time product but service also. A hotel sells service so the relationship level is complex. After guests agree to pay for rooms does not mean that the relationship is ended. They still need to provide the service and after sales service, e.g. payment, guests comment. The sales personnel need to coordinate with other departments to provide the best service. The personnel need to have in-depth relationship to understand the guest needs. The complexity needs to be understood by buyer and seller in order that the right service is performed based on buyer needs. When the complexity high, personal sales is more benefit that advertising and public relation. Personal selling explains more critical points based on the buyer concern.

The level of buyer significance needs to be determined in order to exercise personal selling or not. For hotel, especially independent one, the level of buyer significance is high. For corporate guests, the level significance in Cemara Hotel is high because the hotel is a business hotel. Some companies send large number of guests in one year so the level of

significance is high to the hotel occupancy and revenue. For instance, if a company, who used to send many room nights in one year, suddenly stops sending their guest to Cemara Hotel, the impact is directly to the occupancy and revenue. It is intricate to persuade new company, trust needs to be built at the beginning. Moreover, building trust needs time and effort. Furthermore, personal selling allows the hotel gather information of one-year company activities (future sales). When the trust is already existed, company keeps using the same hotel. It is important for Cemara Hotel, who needs to generate direct sales.

The most important point to be considered is communication effectiveness. Advertising and other communications tools has different level of effectiveness. The highest communication effectiveness is through personal selling. Personal selling provides information that is accurately needed by guests. In business-to-business marketing, sales personnel need to explain further detail about the product and service. As discussed before, the hotel needs to generate immediate feedback regarding the sales to be potential or not since the product (rooms) is limited. Therefore, the sales personnel must build effective communication. On the other hand, independent hotel is less popular compare to chain hotels. Chain hotel, like Accor, has the standard that is already well known by people. Because of it, the communication for independent hotel needs to be more specifying, and the information needs to be more detail. It is not only about the main product, which is rooms, but other facilities also.

The communications that wants to be created is 'push' rather than 'pull' activities. In this case, personal selling is accurate one, especially for independent hotel whose network is limited, the use of sales force is suitable rather than advertising. Based on Table 4-11, the characteristic of independent hotel, such as Cemara Hotel, is fitter to personal selling rather than advertising. For Cemara Hotel, number of customer is small, buyers' information needs is high, size and importance of purchase is large, post-purchase service required definitely

important, product complexity is high, the level of sales is push, and pricing policy is definitely negotiate. Adapting all criteria, Cemara Hotel is supposed to perform personal sales.

Table 4-11
When Personal Selling is a Major Element of the Communications Mix

	Advertising relatively important	Personal Selling relatively important
Number of customers	Large	Small
Buyers' information needs	Low	High
Size and importance of purchase	Small	Large
Post-purchase service required	Little	A lot
Product complexity	Low	High
Distribution strategy	Pull	Push
Pricing policy	Set	Negotiate
Resources available for promotion	Many	Few

Source: Adapted from Cravens (1987)

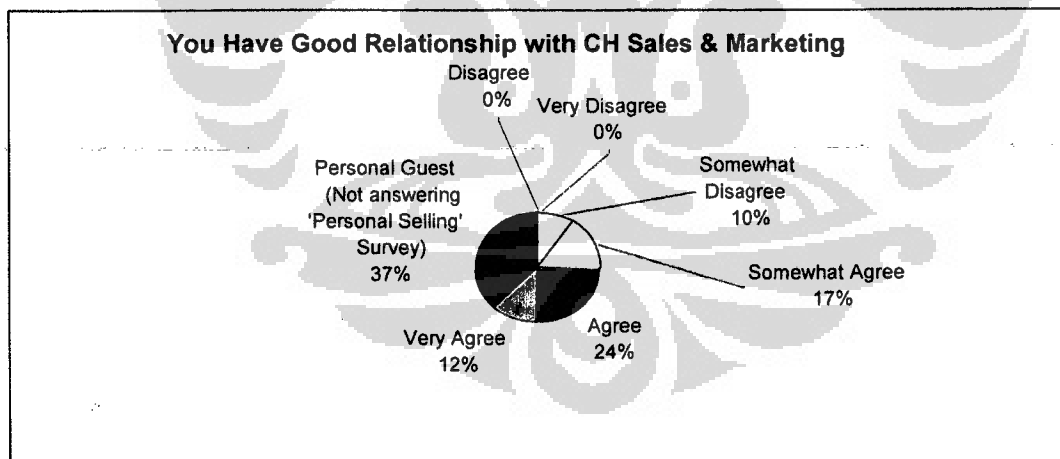
A good communication model comprise of the understanding of target audience, perfect medium, creativity, also efficiency and effectiveness. The communication should be effective and efficient because the communication is not free, hence, the company budget will be effectively used. Therefore, personal selling should be effective and accurately targeted. The role for salesperson is assisting buyer to find the best solution, consequently efficient and accuracy are important. For hotel, the goal toward it is direct sales.

One of the major disadvantages for personal selling is high cost. The cost per sales call seems outrageous compare with cost per message delivered through other media, yet the return may be greater than those from other programs may. In Cemara Hotel, Front Desk Agent and Sales and Marketing department are the ones who perform personal sales. Front Desk Agent usually sells to personal guests. Personal guests come to the hotel directly or make reservation by phone. In conclusion, the cost is not high since those are part of the Front Desk Agent tasks. On the other hand, personal selling performed by Sales and Marketing

Department produce high number of sales (room nights). In addition, the sales is usually continues for company when the trust is existed. The most important for the hotel is the first agreement. After it, the consumption usually continues since the company needs more effort to change to the other hotels. The company contact person is responsible accommodation arrangement for employees or guests, including their convenience, safety, and others. Therefore, it is impractical to directly changing without further inspection and arrangement, means more effort is needed when they want to exchange to other hotels. Because of it, repeated purchase is commonly existed when a company is already feeling secure.

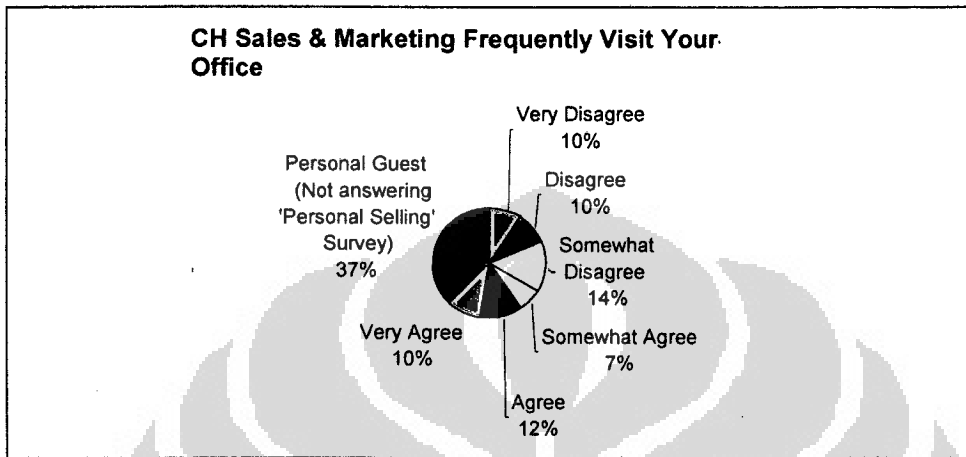
Based on chart 4-24, local customers agree that they have a good relationship with Sales and Marketing Department. Majority choose not to answer the question because they are personal guest , consist of 22% - Leisure guest, 12% - Transit guest, and personal guest with business purpose. Good relationship is important to build guests' confident to arrange their accommodation in Cemara Hotel. Moreover, building trust starts from good relationship.

Chart 4-24
You Have Good Relationship with CH Sales & Marketing



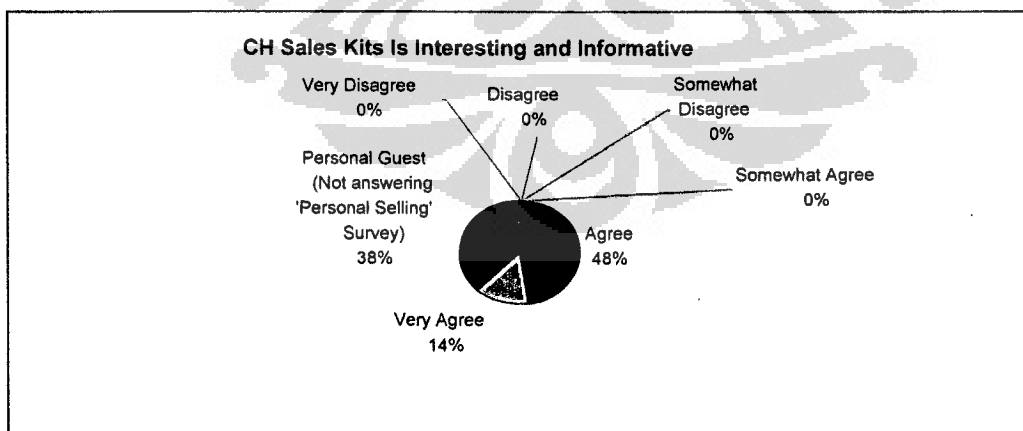
Based on chart 4-25, the guests somewhat disagree that the sales and marketing personnel frequently visit their office. It shows that sales and marketing personnel is not optimal yet in performing personal selling.

Chart 4-25
CH Sales & Marketing Frequently Visit Your Office



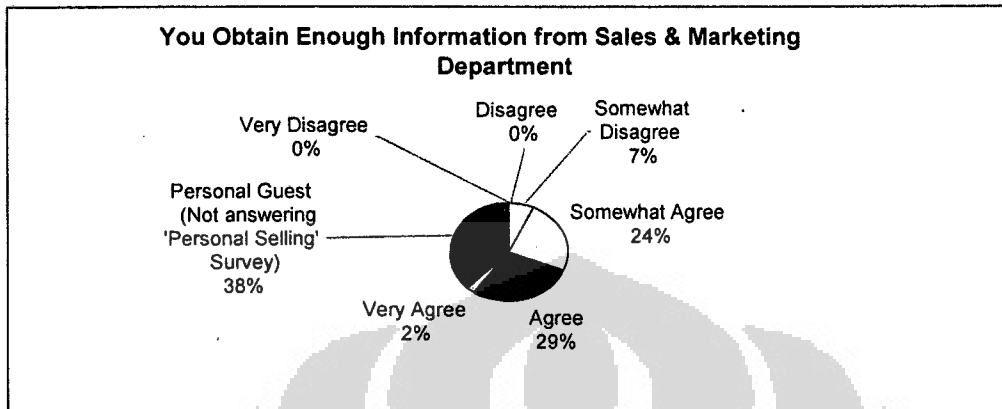
Based on Chart 4-26, customers agree that the hotel's sales kits are interesting and informative. The sales kits consist of brochure, meeting package, room price list, and hotel catalogs. Sales kits must support the success of personal selling. Therefore, it needs to be designed interestingly and informative.

Chart 4-26
CH Sales Kits Is Interesting and Informative



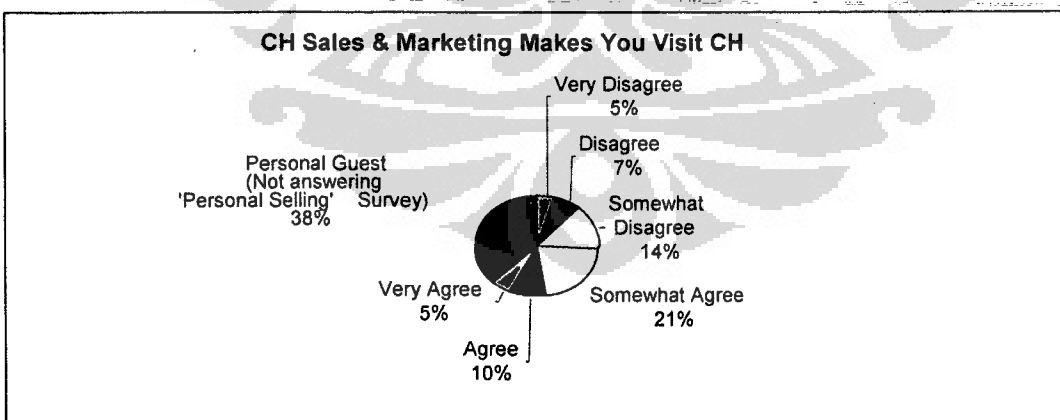
Based on Chart 4-27, customers agree that the sales and marketing personnel present enough information. Accurate information supports the trust building.

Chart 4-27
You Obtain Enough Information from Sales & Marketing Department



Based on Chart 4-28, the sales and marketing personnel is the one who persuades guests to visit the hotel. There is 21 percent of local customer that is somewhat agree with the survey. The personnel are able to persuade and present enough information answering all the doubt. However, 14 percent somewhat disagree, 7 percent disagree, and 5 percent very disagree with the opinion.

Chart 4-28
CH Sales & Marketing Makes You Visit CH



Based on Chart 4-29.a, 66 percent of guests is very disagreeing that they ever bought the room voucher from travel agent. It concludes that the personal selling through intermediary is

not successful yet. However, 61 percent of foreign guests somewhat agree that they have bought the room voucher before based on Chart 4-29.b. The personal selling through intermediary is successful for foreign guests. According to the sales and marketing department, they are never performing personal selling to foreign guests, except through website that is currently launched.

Chart 4-29.a
You Have Bought CH Room Voucher from Travel Agent

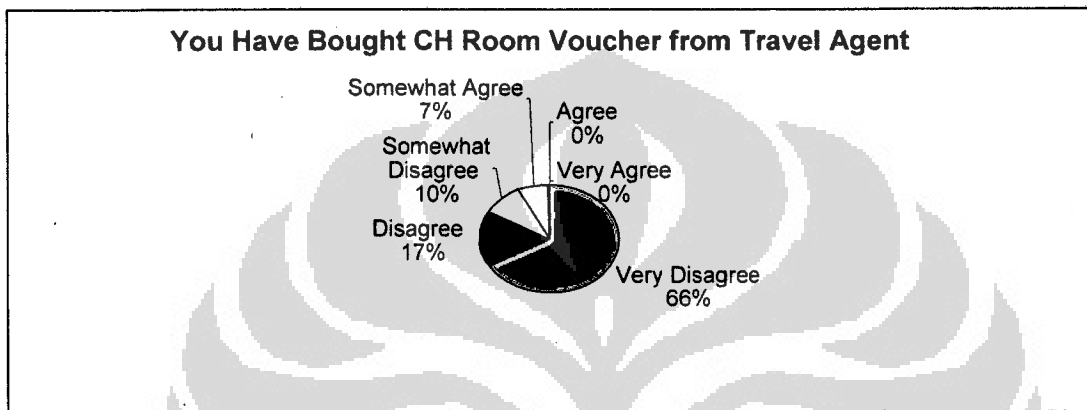
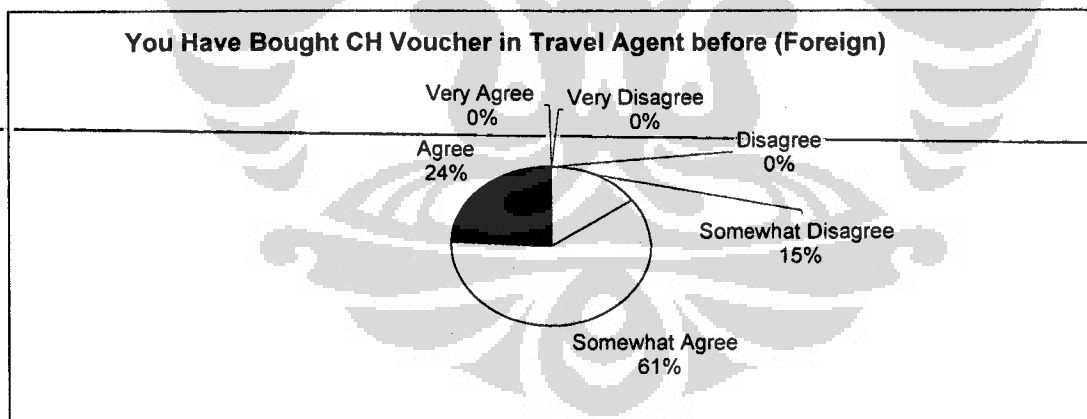


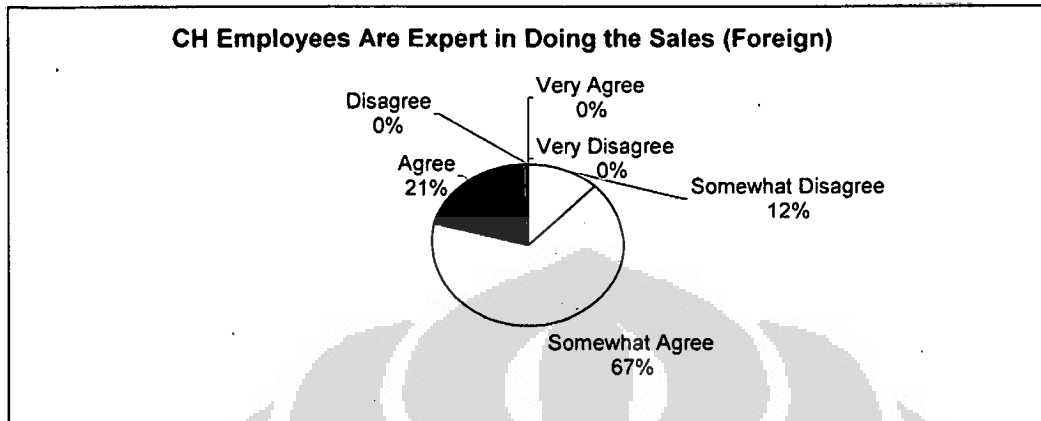
Chart 4-29.b
You Have Bought CH Voucher in Travel Agent before (Foreign)



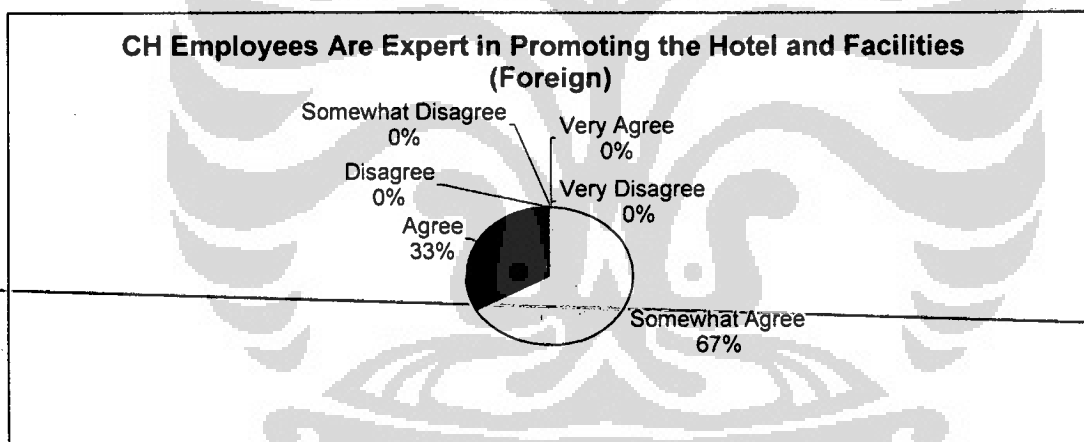
Based on Chart 4-30, the guests somewhat agree that the employee is skilled in performing the sales activities. Foreign guests usually directly come to the hotel, and the Front Desk Agent performs the personal selling to them. The Front Desk Agent is well skilled explaining and persuading the guests based on chart 4-31 that 67 percent agree with the

statement. It is important because the agent is not only selling but also communicate with guests to generate hospitality.

**Chart 4-30
CH Employees Are Expert in Doing the Sales (Foreign)**



**Chart 4-31
CH Employees Are Expert in Promoting the Hotel and Facilities (Foreign)**



4.5.4. Sales Promotion

Sales promotion main goal is to encourage the target audience to buy the product or service. Sales promotion can be customer oriented or trade oriented. Cemara Hotel targets the sales promotion for customer oriented and trade oriented. There are two-value orientations of sales promotion, which are value increasing and value adding. Value increasing is increasing

value by offering higher quality with lower price. Value adding is adding something to the product or price offering.

Value increasing can be discount pricing, money-off coupon, payment term (e.g. interest free credit), refund, guarantees, multipack, quantity increases, and buybacks. The value increasing performed by Cemara Hotel are discount pricing and payment term. The pricing in Cemara Hotel is flexible. For instance: they might give extra discount for guests traveling in-group. In addition, payment term is given to the company. The company with good credit history is able to get the payment delayed.

Value adding consists of samples, special feature, value packaging, product trial, in-pack gifts, in-mail gifts, piggy back gifts, gift coupons, information (e.g. brochure, catalogues), loyalty programs, and competition. Cemara Hotel gives samples, information, and loyalty programs in membership.

The basic goal of most consumer-oriented sales promotion program are sales, obtain trial, increase consumption, repurchase, and others. Sampling is unable to be performed in Cemara Hotel since the product (rooms) is limited. Sampling can be performed in secondary products, such as food, beverage, and many more. Coupon as a popular sales promotion technique can generate trial and encourage repeated purchase. Cemara Hotel cooperates with some magazine to perform advertising and sales promotion in the same time, e.g. Resto magazine give 25% discount coupon for dining in Cemara Coffee Shop. Price off is provided in Cemara Hotel, e.g. Fullboard package. The package contains room and meeting package, of course the price is cheaper than have it separately. The other is weekend rate, which offer extra discount in every weekend. In addition, Cemara Hotel provides membership card to give customer extra discount. Membership card provides discount for room, food and beverage.

Trade oriented targets marketing intermediaries, such as wholesalers, retailers, and others, and the goals to target the marketing intermediaries are to obtain distribution for new

products, maintain trade support for established brands, encourage retailers to display established brands, and build retail inventories. For hotel, the goal is sales, maintain trade support for established brands, encourage retailer to display established brands. The intermediaries are travel agents and Magazine or Newspaper Company that are working with incentives, promotion allowance, and display. Cemara Hotel cooperates with magazine and newspaper by bartering. Cemara Hotel is able to do promotion and advertising in exchange of meeting voucher or others.

Sales promotion is short terms, but the period is short, e.g. one-month special drink promotion, weekend rate promotion, and others. For hotel, short-term result is needed. Hotel operates 24-7, so the operation cost keeps running whether the room is full or empty. In order to be able to operate and generate revenue, the promotion needs to be directly successful.

The performance of some departments is evaluated by immediate sales. For instance: FB Supervisor is evaluated by sales on food and beverage. The FB supervisor is usually creating promotion to boost sales. Sales promotion is one way to increase the transaction. In addition, marketing manager must be accountable for their communication expenditure. Promotion is an activity that are more easily justified.

Promotion is one of the ways to support customer decision-making process. Cemara Hotel has wedding promotion package by discounting 2 millions rupiah plus other bonuses for diamond wedding package. Customer will be ease in making decision to choose the diamond package rather than other packages because the promotion package.

In addition, the absolute cost of sales promotion is low. Consequently, an independent hotel with limited promotion budget is able to construct it. In the same time, sales promotion allows high degree of control because the management is able to decide the occurrence of sales promotion. It is suitable for hotel that demand level is sometimes unpredictable.

Based on Chart 4-32.a, local respondent (33%) is disagreeing about the statement of familiarity of the hotel promotion program. Based on Chart 4-32.b, there is almost balance of somewhat agree (36%) and somewhat disagree (37%) on the statement (Foreign guest). It shows that the hotel promotion program needs to be improved.

Chart 4-32.a
You Know CH Promotion Program

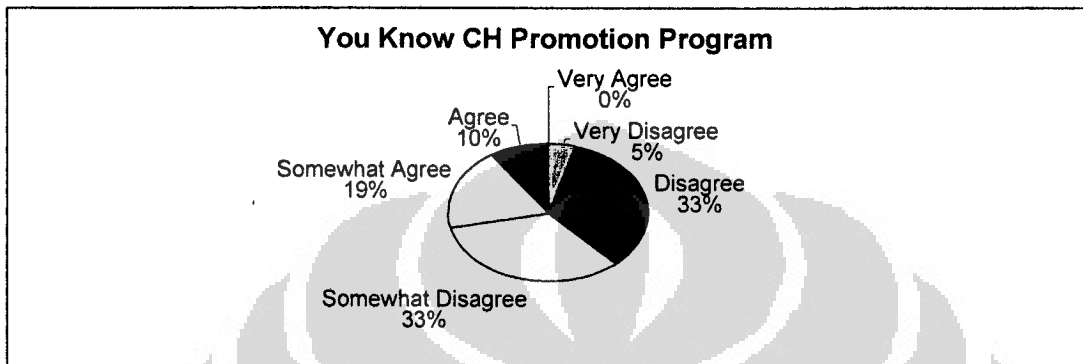
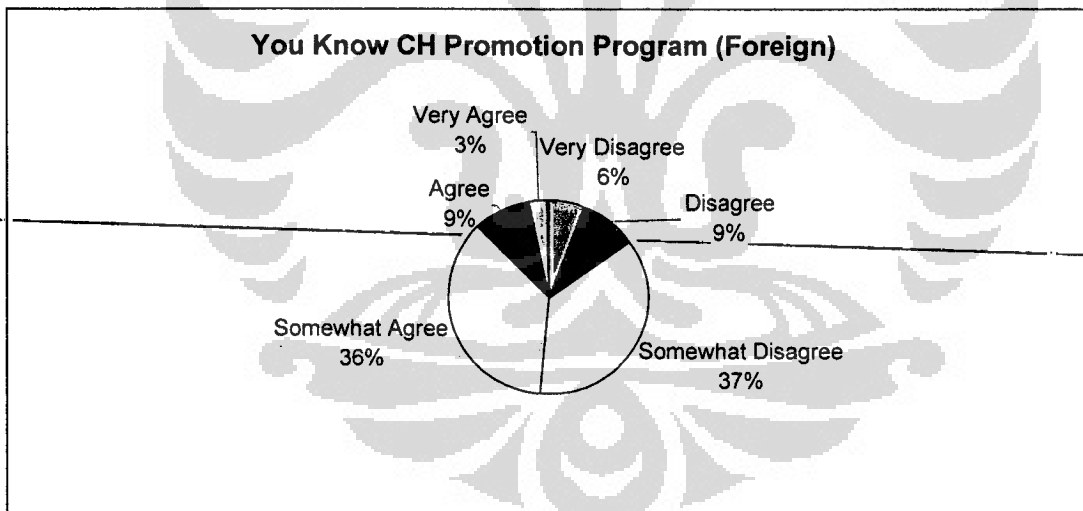


Chart 4-32.b
You Know CH Promotion Program (Foreign)



Based on Chart 4-33.a, local respondent (36%) is somewhat disagree that the promotion is interesting and informative. Foreign respondent (46%) is somewhat agree that the promotion is interesting and informative. However, there is still 36 percent of the foreign respondent somewhat disagree that the promotion program is interesting and informative

based on chart 4-33.b. The promotion program should be made interesting and informative so the goal of direct sales can be fulfilled.

Chart 4-33.a
CH Promotion Program Is Interesting and Informative

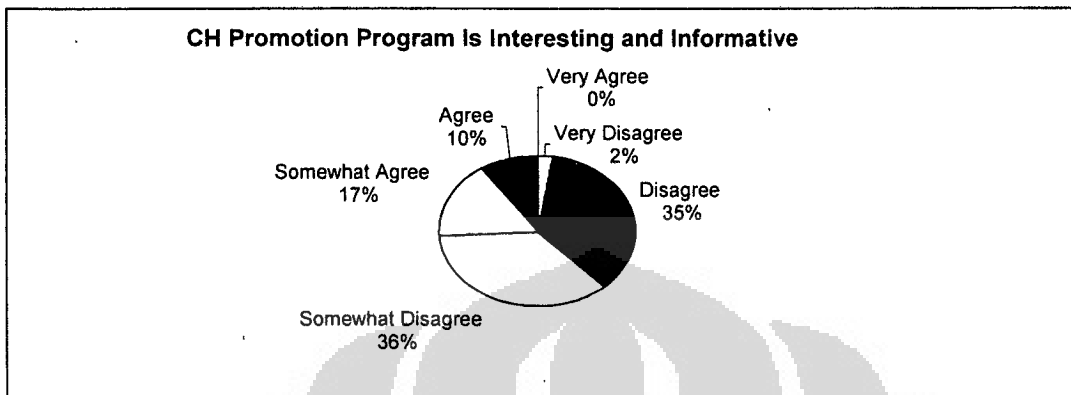
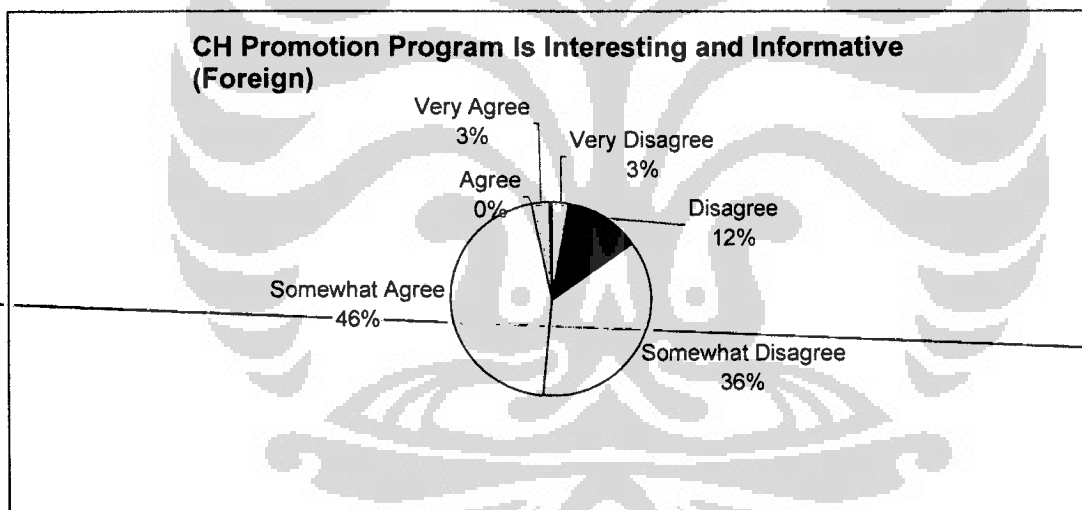


Chart 4-33.b
CH Promotion Program Is Interesting and Informative (Foreign)



The promotion program, performed by the hotel, has not optimal yet. It is presented from the survey result. To be more successful, the promotion program needs to be developed to boost the sales level.

4.5.5. Public Relations

Public relations is management of communication and relationship between an organizations and their stakeholders. Good relationships are developed by appreciating other stakeholders and trying to 'putting oneself in the shoes'. The main core groups of stakeholder consist of employee, financial groups (financial or investor relations), customers (media relations), and organizations (corporate public relations).

Employee represents a major opportunity to exploit word of mouth communication. Employees need to be motivated, involved, and stimulated to perform their tasks at a high level. As a service industry, employee becomes the main player in the organization. If they do not treated well, they would not perform well also. As a result, the guest will not acquire grand hospitality in the hotel. Based on Chart 4-14, most of guests (56%) know Cemara Hotel from their family or friends. It concludes that the level of word of mouth is high. People are usually more confident if their family and friend provide the information. Therefore, the effect of word of mouth is very significant. One way to establish word of mouth is start from employee. Word of Mouth is a powerful tool because it has high level of credibility, and it is economical because it is not rely on the media. In addition, Word of Mouth is able to be reinforced by media stories, which is where public relations comes in.

Customer is the main target of public relation. If the customer satisfied with the product or service, they will perform repeated purchase and speak positively about the product and organization. Treating customer properly is important because customer satisfaction is the main objective of a hotel. The main reasons guests stay in the hotel are security, cleanness, and convenience. Therefore, it is important to fulfill all of the factors based on customer needs in order to create customer satisfaction. Awareness and trust create goodwill and interest that support the sales and favorable word of mouth communication.

The brand that desires to be created by the management should be well transfer to the employee. Then employee is able to transfer it to customer. Although Cemara Hotel is already good enough in transferring their perspective to employee and customer, they need to be consistent with it. The success of the effort will create positive word of mouth and high level of trust.

Organization interacts with public, private, commercial, non-profit organization, and communities in a regular basis. Cemara Hotel is a business hotel who targets company. It is important for them to maintain a good relationship. In addition, the hotel should interact with their organization, e.g. PHRI (Indonesian hotel organization). The involvement can create public confession and networking.

Integrated marketing communications brings marketing and public relations closer together. It is the use of non-paid media to deliver positive brand information designed to positively influence current and prospect customers. A good public relation influences the brand awareness through word of mouth. Newest technology is through the internet that has been changed the publicity fundamentals, through email or website. By attaching the telephone number in receipt, brochure, laundry bag, and others, it supports the guest feedback to the hotel.

There are several public relations methods and techniques. Media relations involve media journalists and editors with information. Media relations contain press release, press conferences, and interviews. Cemara Hotel works together with some newspaper and magazine companies. Kompas and Jakarta Post is their partner since those newspapers are provided to guests when staying in the hotel. The cooperation can be used by the hotel to publish the hotel activities. For instance: Food rubric, wedding promotion, and others. The hotel can create interesting activities that can be published by the press, for example: Indonesian Food festive and many more. The hotel had made some of the promotion, like

Tumpeng special, Thai food promotion that was published in Media Indonesia in 2006. Some of the internal activities such as employee outbound, badminton tournament and others need to be published to support public relation. The publicity builds the company image. Media relations build credibility in customer relation.

Publicities and event activities can be distinguished to product, corporate and community event. By participating in some event, e.g. charitable event, local event, many mores, will build a good image to the hotel. Cemara Hotel has been participate in some of the local events, such as Jaksa Festive, and charitable, but has not been too active in it. The activities are usually generate a lot of local media coverage. However, the choice of event is critical because the event should satisfy the objective in communication plan.

Based on Chart 4-34.a, local respondents (43%) agrees that their complaint is well served. Moreover, Foreign respondent (43%) agrees that their complaint is also well served based on Chart 4-34.b. Handling complaint is important in a hotel. It is better when guests are complaining rather that not say anything about their disappointment because people can easily speak out their disappointment. When guests complain, the hotel gets the second chance to fix their image.

Chart 4-34.a
Well-served When Complaining to CH

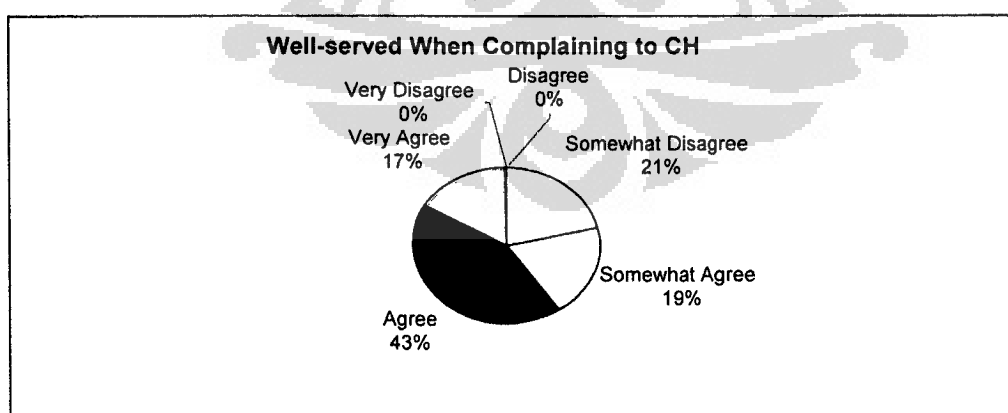
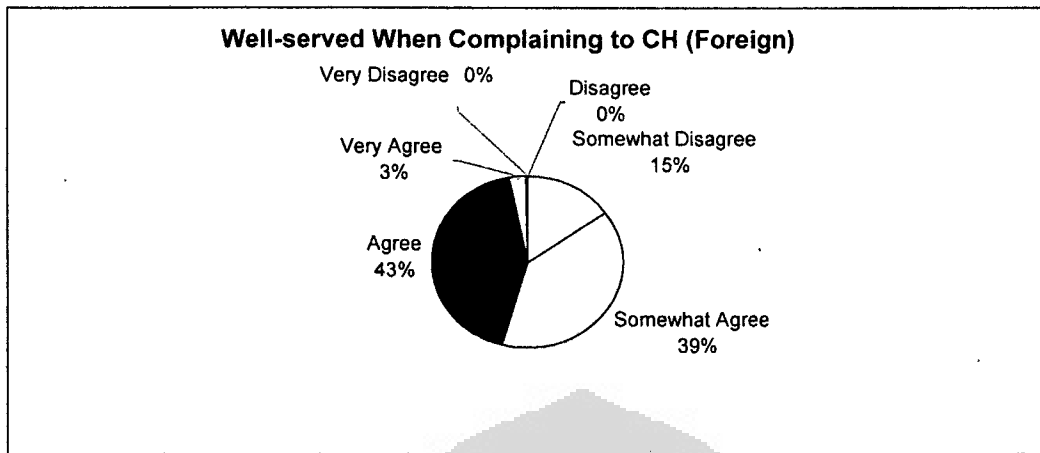
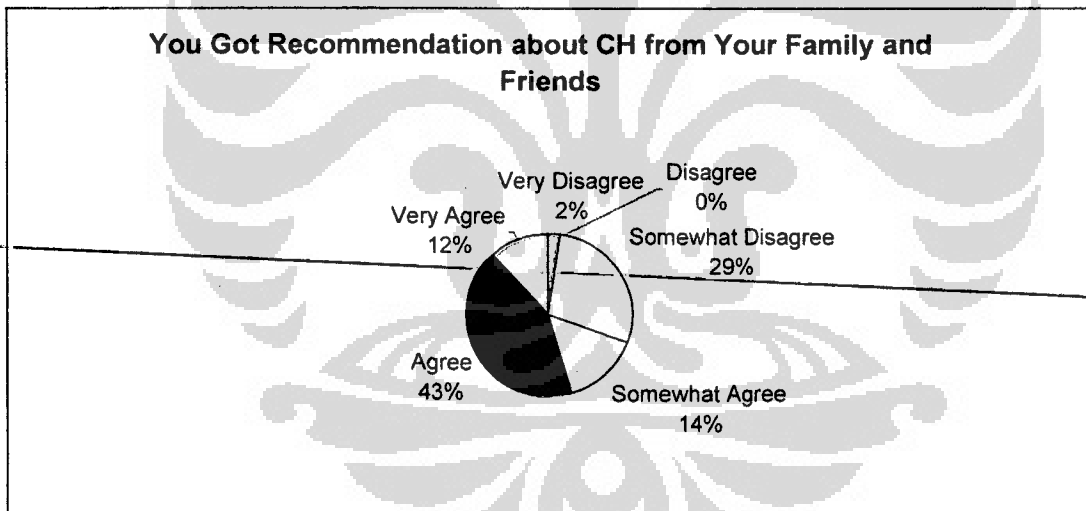


Chart 4-34.b
Well-served When Complaining to CH (Foreign)



Based on Chart 4-35, local respondents (43%) agree that they ever got recommendation from their family and friend. It seems that the level of word of mouth is high.

Chart 4-35
You Got Recommendation about CH from Your Family and Friends



Based on Chart 4-36.a, local respondent (57%) agrees that he or she will recommend the hotel to his or her family and friends. Foreign respondents (55%) somewhat agree that they also will recommend the hotel to their family and friends based on Chart 4-36.b.

Chart 4-36.a
You Will Recommend CH to Your Family and Friends

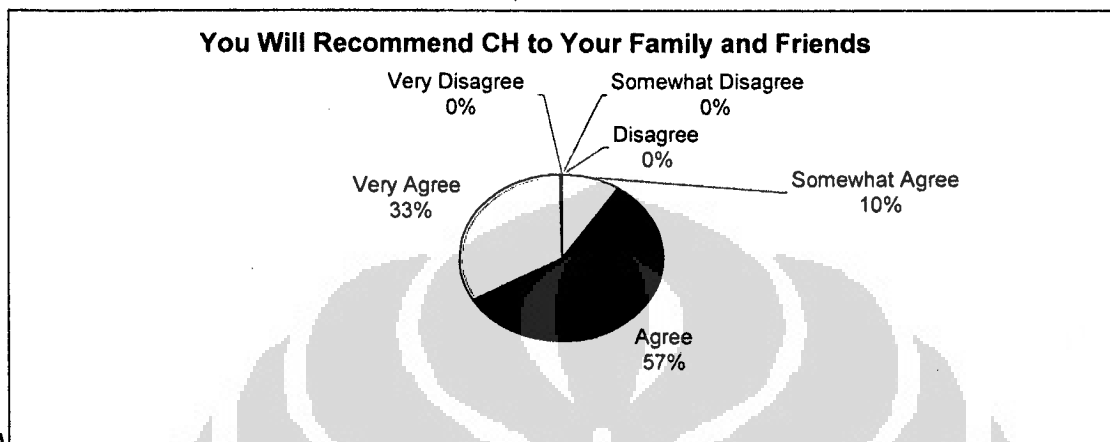
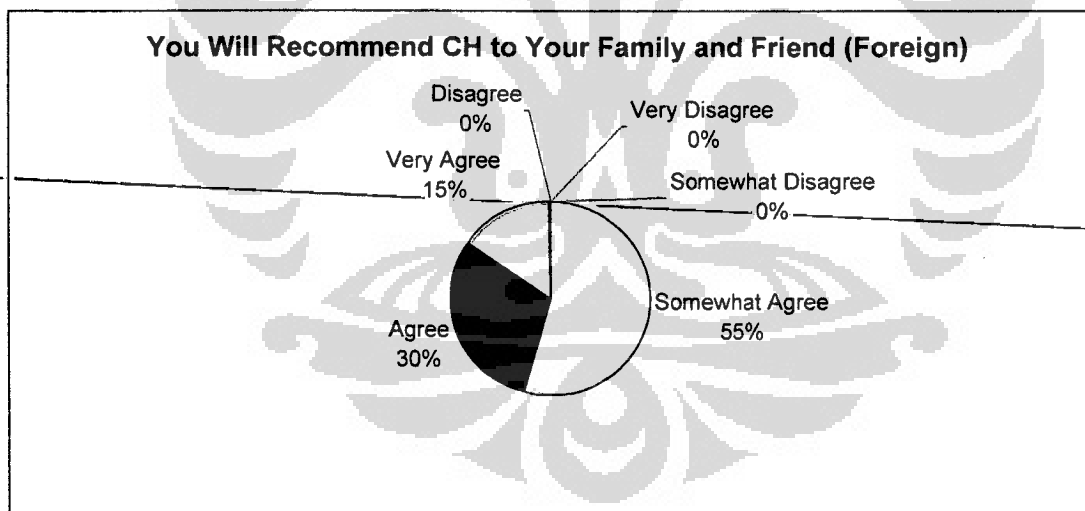


Chart 4-36.b
You Will Recommend CH to Your Family and Friend (Foreign)



The public relations have roles of creating goodwill, support the marketing of product and service, and develop the relationship. Public relations are one of the marketing communications, especially building brand image and relationship.

4.5.6. Internet Marketing

Tourism is a growing industry in Indonesia. From year 2004 to 2007, foreign tourist reaches 29 million. However, number of tourist is slightly decreasing from year 2004 to 2007. Nevertheless, tourism is still growing industry. It is the reason that Indonesian government sets 2008 as the year of 'Visit Indonesia'.

Chart 4-37
Tourist Arrivals in ASEAN



Source: www.aseansec.org, 3 February 2008

Chart 4-38
Tourist Arrivals in Indonesia



Source: www.aseansec.org, 3 February 2008

Internet is the newest technology in marketing communications tools. The new media allows one-to-one and many-to-many, greater dialogue, passive provision, individualized

marketing, personalized, information, and communities. *Website* is “the place where providers make information available to users of the internet (Belch and Belch, 2007, 471). In the internet marketing, the communication objectives are:

- Create awareness
- Generate interest
- Disseminate information
- Create image
- Create strong brand
- Stimulate trial
- E-commerce is direct selling of goods and service through internet

In the website, the hotel can provide useful and needed information. For hotel, it usually contains hotel facilities, such as rooms, restaurants, swimming pool, reservation and others. The goal is to promote the hotel and generate sales. The sales can be happened because guests can easily reserve their rooms through the hotel website. Cemara Hotel launched their website in 2007, and being finished in February 2008. The website contains hotel information and reservation tools.

For Cemara Hotel, website is highly useful for foreign guests since they are able to provide information and easily communicate with them. According to Kompas (Friday, December 7, 2007), Indonesia tourism has minim information provided to foreign guests. The research said that 56 percent of foreign tourists come to Indonesia after browsing in the internet. Internet is an effective tool since it has global reach and easy access for everyone. For the hotel, the website content should represent the hotel image and brand identity.

The website is aimed for every guest, especially foreign guests. As an independent hotel, Cemara Hotel does not have high marketing budget so it is impossible to advertise and promoting in overseas. Therefore, internet and website are practical tools that make the

possibility to reach the foreign guests. Since the goal is for foreign guests, the website is in English version as the international language.

The strengths of website are easy to set up and maintain, flexible, variety of information, high level of user involvement, high level of user convenience, range of service facilities, global reach, open all hours (reduced employment costs), low relative costs, and provide cost efficiencies in term of marketing research. The weakness of website are slow access and page downloading speeds, huge variability in website design and user friendliness, unsolicited email, security and privacy issue, inconsistent fulfillment standard, variability and speed of technology provision, lack of regulation, and online search time costs prohibitive for many users.

Beside website, internet has the role for advertising. The forms can be banner ads, sponsorship, pop-up and pop-under, interstitials, push technologies, link, paid search, behavioral targeting, contextual ads, and rich media. The most functional for the hotel is link. The hotel can cooperate with other website so they can link with each other. The most efficient is by cooperating with the related ones, such as government tourism website, travel agents, and others. Those will benefit the hotel since the possibility of being appeared is bigger. When people search for tourism, Cemara Hotel can be found out because it link with each other.

Sales promotion can also be performed on the internet; moreover, it is a very effective medium for it. The hotel can provide sales promotion in their website. They might offer special promotion to catch the attention. For instance: Online booking will automatically get 25 percent discount. The hotel is also able to promote their monthly promotion in online.

The most noticeable online direct marketing is email. By email, guests can easily contact the hotel, for either booking or asking for information. Email is a tool to save cost when communicating with foreign guests. By email, the hotel is able to communicate and promote

the hotel. The hotel can send their promoting program through email. However using email is not 100 percent safe because there are spam emails. Email still an obvious tool in direct marketing, especially for foreign guests. By sending promotion through email, foreign guest will still update with hotel activities. The email should be clean because it is unethical to send spam email in the hotel promotion program.

Website is a common tool for owner to publish material and information without recourse to the origin. It is like a brochure through website. Online has made one-way model of communication to a two-way model because some websites allow the respondent to provide their opinion. The respondent allows the respondents to send their opinion through email. By internet technology, they can easily send their comment to the hotel. Internet is a helpful tool for public relations.

Face-to-face personal communication over the internet is the hardest part, except through video conference. However, it is very uncommon to do it. Internet is an impersonal medium for direct personal communication. Internet is able to persuade the sales performance indirectly through sales management activities. Internet can provide product information, generate leads, screen prospects, and build and market from database. With the development of internet, the interaction can be done by online. Through Website, the salesperson can present their products and services. The interaction can also be done through email while selling the products.

Based on Chart 4-39.a, local respondent (38%) is very opposing the opinion that they are familiar to the hotel website. Foreign respondents (46%) are also very opposing the opinion that they are familiar with the hotel website based on chart 4-39.b. However the level of familiarity for foreign guest is more positive with 33 percent somewhat agree with the opinion.

Chart 4-39.a
You Are Familiar with CH Website

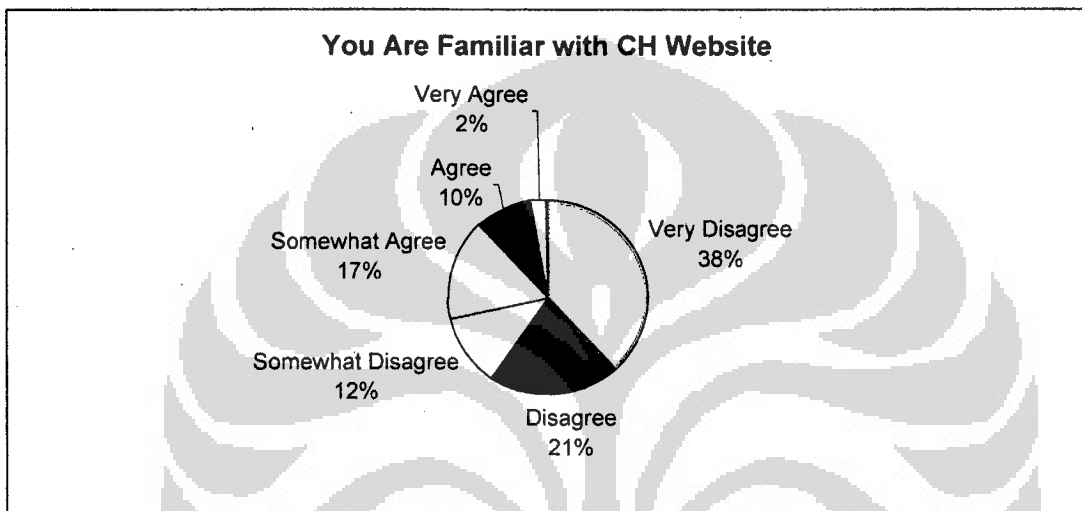
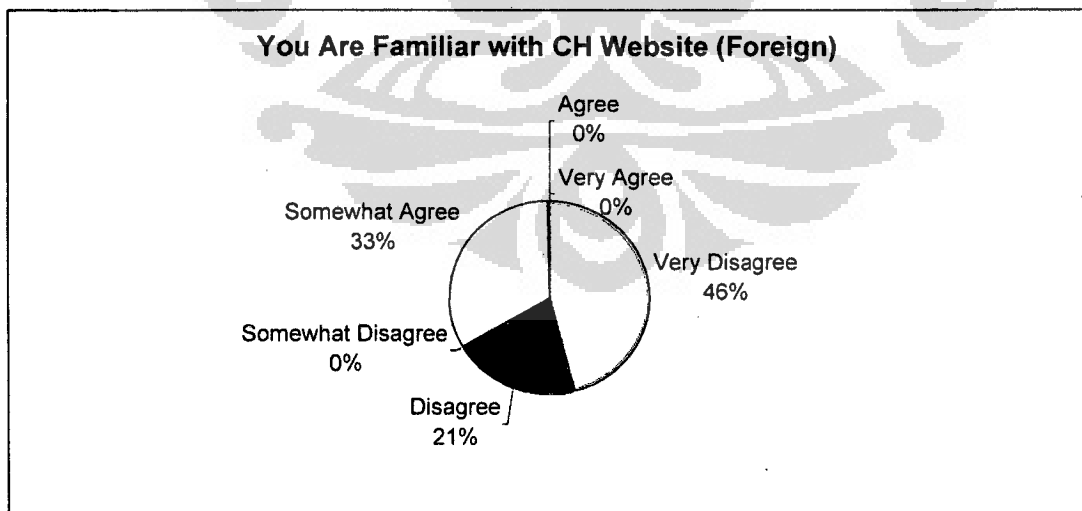
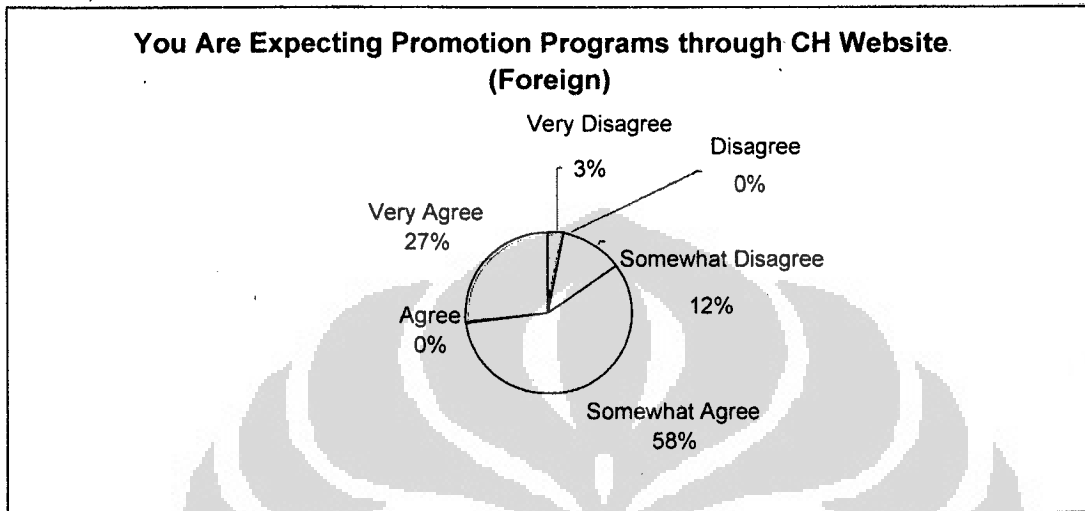


Chart 4-39.b
You Are Familiar with CH Website (Foreign)



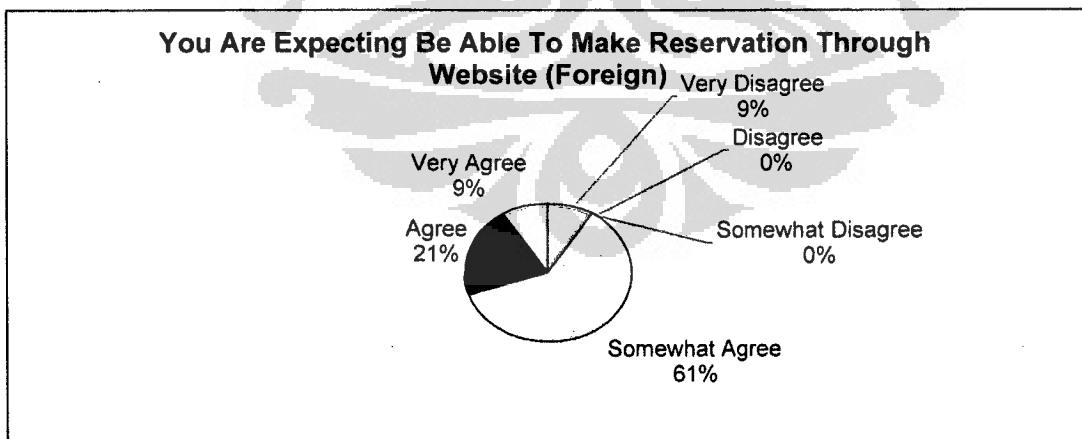
Based on Chart 4-40, foreign respondents (58%) somewhat agree that they are expecting promotion programs in the hotel website.

Chart 4-40
You Are Expecting Promotion Programs through CH Website (Foreign)



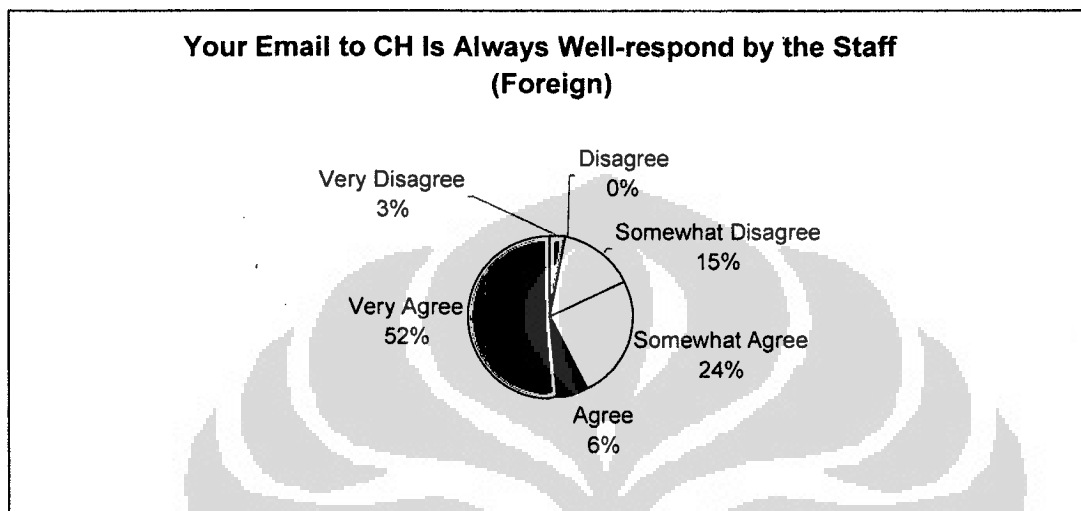
Based on Chart 4-41, foreign respondents (61%) somewhat agree to be able making their reservation through website. It means reservation through the hotel website will support guest communication with the hotel.

Chart 4-41
You Are Expecting Be Able To Make Reservation through Website (Foreign)



Based on Chart 4-42, foreign respondents (52%) agree that their email is always well respond. The communication through email has been existed, and then they need to build more in-depth internet marketing to develop the communication.

Chart 4-42
Your Email to CH Is Always Well-respond by the Staff (Foreign)



Website is the core of the internet marketing. Website needs to be evaluated carefully if progress and goals are to be achieved. Internet marketing is very helpful to reaching the foreign guests. They can easily obtain hotel information, send their comment, and interacting for sales purpose.

Internet marketing is more benefit for the foreign guests as integrated marketing communications. Indonesian people are not too familiar with the internet compare to foreigner. However, Cemara Hotel internet marketing has not been too productive. Until the end of 2007, foreign guest has been contacting the hotel through email. The other marketing tool for foreign guests is only through word of mouth. In 2008, the website is just completed. Today, guests will able to make reservation through the website (www.cemarahotel.com). Many other internet-marketing instruments are able to support the hotel marketing communications.

CHAPTER V

CONCLUSION

Welcoming the year of Visit Indonesia 2008 is a big challenge for Cemara Hotel. As one of the tourism sector, the hotel is eager to support the tourism by developing the hospitality. One of the ways is by increasing the marketing communications to their local and foreign guests.

Cemara Hotel is located in Jalan Cemara No.1, Menteng. The hotel has 102 rooms (Superior rooms = 72 rooms, Triple rooms = 7 rooms, deluxe rooms = 19 rooms, Suite rooms = 4 rooms). The facilities are Swimming Pool, Lobby Lounge, 24 hours Coffee Shop and Room Services, Cybernet Lounge, Business Center, Money Changer, Giriloka Spa, Drug Stores and Art Shop, Laundry and Dry Cleaning, Airport Transportation, Personal Safe Deposit Box, TV cables, Function Rooms and Wedding Hall.

Cemara Hotel is build as a Three Star Hotel with a special characteristic like Business Hotel, which combines with the unique and artistic of a Boutique Hotel. Their main target market is business people. Moreover, they are specifically targeting a company who wants to arrange accommodation for their employees or guest when doing business, or it is called corporate guests. The company usually arranges for the accommodation, meals, and meeting rooms for each guest. However, as a hotel, there are also travelers, who come for holiday or business needs (personal guests). Travelers can be local and foreign guests. Therefore, the target market is business guests (company) and travelers.

To communicate with the target market, the hotel must ensure that the message that wants to be transferred by the management is well defined by the employee. It is because that the

employee is the main actor who transfer the brand message. How the employee performs is how customer perceives the brand performance.

Effective marketing communications needs to identify the management, the employee, and the customers' perspective about the brand. All of the perspective should be similar so the brand message can be well transferred. Brand includes the product and their components, and it includes organizational associations, brand personality, symbols, brand/customer relationships, self-expressive benefits, emotional benefits, user imagery, and country of origin. Brand is the value that will be transferred.

**Exhibit 5-1
Communication & the Service Marketing Triangle**



Source: Zeithaml, Valarie A., and Bitner, Mary.J., (2000), *Services Marketing*, Boston: McGraw-Hill, Irwin, pp.447

The basic principle of Integrated Marketing Communications is communication. Therefore, the model of IMC is similar to the communication model. At first, there is a source, which is the company who wants to transfer the message to their target market.

Second, there is the message, which is the brand image that the company wants to be transferred. The message will be transferred through the channel (marketing communications tools). The target is customer, and the result is the customer's feedback (buy/not buy. Asking information, and many more). In the communication process, there will be noise, which can be the message conflict, clutter message, and inconsistency.

Marketing communications tools are the medium used by the hotel to transfer the brand of CEMARA HOTEL. The tools consist of advertising, direct marketing, sales promotion, personal selling, public relations, and internet marketing. Each tools have advantages and disadvantages that support the marketing communications.

5.1. Brand

The summary of the vision and mission includes splendid facilities and services, and the grand hospitality in order to satisfy their guests. In addition, the hotel realizes that employee is an important asset of the company. By please them, the employee will able to give their best service to each guest. In addition, Cemara Hotel wants to support the development of Indonesian tourism by giving the convenience accommodation and best quality of service.

Employee believes that Cemara Hotel has five factors that become hotel competitive advantage, which are convenience, service excellence, strategic location, cleanness, and facilities. The employee believes that those five factors become the strength of the hotel, which supports the sales, especially for repeated guest.

Customer perspective comes from two respondents, which are local guests and foreign guests. Based on Table 4-3 through 4-5, convenience is the first rank chosen by local guests, the second rank is service excellence, the third rank is cleanness, the fourth rank is simplicity, the fifth rank is art deco, and last is others that contain of accessibility and homey. From the surveys, we can conclude that convenience and service excellence are the main factor that

local guests experience in Cemara Hotel. The identification of the atmosphere relates to the brand. Brand is not only symbol and name, but also the products or services also. Brand is the product and their components, which are organizational associations, brand personality, symbols, brand/customer relationships, self-expressive benefits, emotional benefits, user imagery, and country of origin. Relates to the survey, customer pictures Cemara Hotel as convenience place with service excellence from every staff and a clean place.

5.2. Communication

Communication is defined as “the passing of information, the exchange of ideas, or the process of establishing a commonness or oneness of thought between sender and receiver” (Belch and Belch, 2004, 137). In marketing communications, the hotel needs to find effective communication for the guests. In table 2-4, the communication starts from sender sending message through channels then received by the receiver, afterward the receiver is able to give their feedback.

The two types of communication are direct (one to one, one to group, and team to group) and indirect (paid media, unpaid media, and special media). The way people are communicating should align with the level of audience they try to attract. The interactivity increases the speed of communication. Consistent with Media Richness Theory, face-to-face is the richest medium since there is direct feedback, followed by telephone, email, letter, note, memo, special report, fliers and bulletins.

The communication is successful if there is personal influence upon the communication process. Word-of-mouth communication can assist and enrich the communication process. Customers use word-of-mouth to provide information and to support and reinforce their purchasing decision. People will be more confident to use a product or service if their family or friend recommend it. Consumer behavior relates to the process and activity people engage

in when searching for, selecting, purchasing, using evaluating, and disposing of products and service to satisfy their needs and wants.

5.3. Target Market

Cemara Hotel is a business hotel, which target business travelers who are doing business in Jakarta. The company usually arranges the accommodation for their employee or guest. Other than that, the hotel also targets travelers or personal guests who come to Jakarta for holiday or business under personal account. Various target market makes the hotel need to exercise integrated marketing communications for different target market.

5.4. Integrated Marketing Communications

A successful IMC program requires the marketers to find the accurate combination of the communication tools and technique. Promotional mix is the basic tools used to accomplish an organization's communication objective, consist of advertising, sales promotion, publicity or public relations, personal selling, direct marketing and internet marketing. Each has certain advantages and disadvantage that influence company choose in performing the marketing communications.

5.4.1. Advertising

Advertising focuses on informing, influencing, reminding and increasing salience, adding value, and assisting other company effort. Mass Media advertising consist of non-personal, one-way, planned message paid for by an identified sponsor and disseminated to a broad audience in order to influence their attitudes and behavior (Duncan, 2002, 506). The advantages of advertising consist of the ability to reach large markets cost effectively and the

ability to build strong brands by creating a brand personality. The limitation of it relates primarily to media waste, low credibility, and clutter.

The hotel main target is corporate guests, thus it is difficult to perform the advertising since the target market is various. The hotel is also difficult to perform the advertising for travelers because they come from various cities and even countries. The main reason why advertising is not suitable for the hotel is cost. Advertising is very costly and needs to be performed repeatedly. Cemara Hotel as an independent hotel has limited budget for their marketing communications. Advertising, especially mass media, is one-way communications, so it is not easy to ensure that the hotel perception can accurately received by the potential customer. In addition, advertising has low credibility since customers recognize ads as paid messages delivered in behalf of a brand. As an independent hotel, Cemara Hotel competes with other hotels, including chain hotels when performing their advertisement. Consequently, clutter becomes the problem since so much of it across all media.

5.4.2. Direct Marketing

Direct marketing is all media activities to generate a series of communications and responses with existing and potential customers. Direct marketing has benefit of coverage, segmentation, frequency, flexibility, timing, personalized and custom messages, low costs, and the ability to measure program effectiveness. Typically, direct marketing agencies work with many media including telephone, internet, direct mail, email, press, and posters. The main direct response media are direct mail, telemarketing and door-to-door activities because they are more personal, direct and evaluative.

Telemarketing allows interaction between participants, immediate feedback and sets up opportunities to overcome objectives, all within the same communication event when both of sender and receiver might be geographically distant. Telemarketing is practical for Cemara

Hotel. Because of limited budget, advertising seems difficult to be executed for independent hotel. Cemara Hotel. People highly appreciate with two-way contact because they can directly response to it. In addition, for message sender, it is easier to transfer their message when having two-way communications. Telemarketing is also a tool to update the non-active company by generating their direct feedback and giving direct response. In addition, it is an effective tool to follow-up the company response after performing sales call or personal selling to new company. In fact, telemarketing is more affordable than personal selling.

Direct mail is personal advertising that personally addressed through postal service. Direct mail can be sent to the personal guests in order to be 'keep in touch' with them and update them with hotel programs. Direct mail can be addressed to companies that arrange the accommodation for their guests or employees for advertising and promotional needs. In addition, direct mail is sent to passive companies in order to catch their awareness. In addition, direct mail can also be sent to new company as hotel introductory.

Door-to-door is limited for Cemara Hotel because of geographical coverage. Door-to-door is optimal only for one city. However, as a hotel, most of their guests are from outside of Jakarta. To perform door-to-door outside of Jakarta is not efficient since they cannot directly control the distribution. In addition, door-to-door is not two-way communications so it will be more difficult to transfer the message. However, door-to-door can be an effective tool for promotional needs in the same city. For instance, if Cemara Hotel has food festival, they can perform door-to-door to neighbors so the response can be directly generated.

5.4.3. Personal Selling

Personal Selling involves face-to-face communication process. The function includes retaining current customers and acquiring new customers. Types of personal selling by determining the types of customer served through this communication process include

intermediaries, industrial, professional, and consumer. The types of personal selling done by Cemara Hotel are intermediaries, professional, and consumer. In Cemara Hotel, the intermediary is mostly travel agents who sell room vouchers to the consumers. For professional, Cemara Hotel sells their rooms through company contact person. Cemara Hotel also directly contact with the retail trade and/or end-user consumers.

By executing dyadic communications, Cemara Hotel is able to generate direct feedback. The guests will be able to focus their attention on the salesperson, and reduce the destruction or noise. The level of participation is also high, the hotel will able to tailor message in response to the feedback. The hotel is also able to generate the immediate feedback that the sales will be closed or not.

Personal selling is important when the level of complexity in the relationship is medium to high. A hotel sells service so the relationship level is complex. The hotel has high level of buyer significance. A company sends large number of guests in one year so the level of significance is high to the hotel occupancy and revenue. Personal selling generates depth information effectiveness because it provides information that is accurately needed by guests. Cemara Hotel has flexible pricing policy because they are able to provide special discount in special cases.

Personal selling is a perfect communication tools for corporate guests. The company's contact person needs depth information about the hotel before making the decisions. In the same time, the hotel can generate direct respond for the contact person. The consumption is continuous, thus the level of relationship that needs to be created is depth.

Through personal selling intermediaries, the hotel is able to save cost in communication with the target market from other cities. The most important thing is that Personal selling is the accurate solution to capture corporate guests, especially the new company.

5.4.4. Sales Promotion

Sales promotion main goal is to encourage the target audience to buy the product or service. Sales promotion creates two-value orientations, which are value increasing and value adding. Value increasing is increasing value by changing something, such as offering higher quality with lower price. Value adding is adding something to the product or price offering. Value increasing performed by Cemara Hotel for corporate guests are discount pricing and payment term. The hotel also offers flexible discount for personal guests. The hotel adds value by presenting coupons, gifts, and many more.

Promotion is one of the ways to support customer decision-making process. The absolute cost of sales promotion is low, thus it is affordable for Cemara Hotel as an independent hotel. In the same time, sales promotion allows high degree of control the occurrence of sales promotion is decided by the management. It is suitable for hotel that demand level is sometimes unpredictable. Sales promotion is suitable for new and existing customers. In addition, it fits for corporate and personal guests.

5.4.5. Public Relations

Public relations is management of communication and relationship between an organizations and their stakeholders, consist of employee, financial groups (financial or investor relations), customers (media relations), and organizations (corporate public relations). Employee represents a major opportunity to exploit word of mouth communication because Employees need to be motivated, involved, and stimulated to perform their tasks at a high level. Customer is the main target of public relation. Treating customer properly is important because customer satisfaction is the main objective of a hotel.

Integrated marketing communications brings marketing and public relations closer together. It is the use of non-paid media to deliver positive brand information designed to

positively influence current and prospect customers. A good public relation influences the brand awareness through word of mouth. Media relations involve media journalists and editors with information. Media can be a tool for public relations since it provides news to many people. Publicities and event activities can be distinguished to product, corporate and community event. By participating in some event, e.g. charitable event, local event, many mores, will build a positive image to the hotel. Public relations is important for both corporate guests and personal guests.

5.4.6. Internet Marketing

Internet is the newest technology in marketing communications tools. The new media allows one-to-one and many-to-many, greater dialogue, passive provision, individualized marketing, personalized, information, and communities. In the internet marketing, the communication objectives are creating awareness, generating interest, disseminating information, creating image, creating strong brand, stimulating trial, and providing E-commerce. In general, internet marketing consists of website and email.

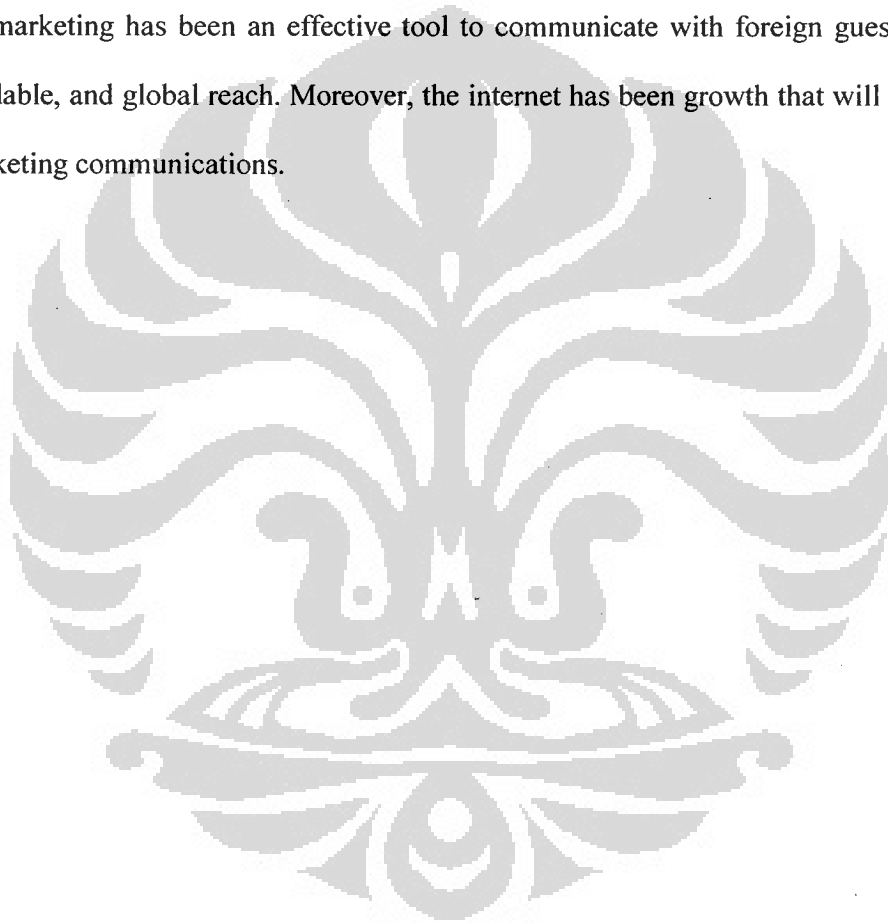
In the website, the hotel can provide useful and needed information. Website is easy to set up and maintain, flexible, variety of information, high level of user involvement, high level of user convenience, range of service facilities, global reach, open all hours (reduced employment costs), low relative costs, and provide cost efficiencies in term of marketing research. It is a perfect tool to communicate with foreign guests. Moreover, guests are able to make direct reservation (direct selling) through website. It is helpful for the guests and the hotel.

Today, guests are able to make their reservation through email (cemara@centrin.net.id). It is also a convenience way to communicate with guests, especially for foreign guests. Cemara Hotel has difficulty to communicate with foreign guests due to budget limitation, and

email can be the solution. In addition, guests are able to generate direct feedback to the hotel. In the same time, the hotel can send their direct response. Cemara Hotel is also able to send their promotion program or gratitude message to their guests through email.

Internet world has been growth. Today it is common to perform advertising through internet. The forms can be banner ads, sponsorship, pop-up and pop-under, interstitials, push technologies, link, paid search, behavioral targeting, contextual ads, and rich media. The most functional for the hotel is link.

Internet marketing has been an effective tool to communicate with foreign guests. It is simple, affordable, and global reach. Moreover, the internet has been growth that will support the hotel marketing communications.



CHAPTER VI

RECOMMENDATION

Cemara Hotel is an independent hotel that has a lot of competitive advantage in their product, pricing, and location. The hotel needs an effective integrated marketing communications (IMC) to present their brand to the target markets.

6.1. Solution for Company (Corporate Guests)

Corporate guests are unique target market since the company accomplishes most of the accommodation arrangement. The ideal marketing communications that are suitable for business travelers are:

1. Personal Selling

Cemara hotel as an independent hotel does not have large networking compare to the chain hotel. In addition, the hotel marketing communication needs to have direct impact on the sales. Personal selling is face-to-face communication. Personal selling will increase the chance of sales because they directly meet and provide the information needed.

Potential guests are able to gather the information that they are needed through personal selling. In the same time, sales personnel are able to provide clear and accurate information to potential guest. Communication through medium is more unclear compare to face-to-face communication. The hotel usually performs the personal selling to the company contact person. Contact person is the one who

responsible to arrange the accommodation for company's guests or employees. He or she knows what the company requirements and budget. Cemara Hotel sales personnel will be able to communicate and answer direct questions from the contact person. Contact persons will feel safe and secure since they can directly reach the hotel contact person if something is needed to be discussed. By personal selling, the sales personnel are also able to generate direct feedback that the sales will be happened now or later.

Personal Selling allows the guests or contact persons to obtain direct feedback to the hotel. Direct feedback is important since the hotel is hoping to perform service excellence. By doing face-to-face, the personnel will be able to generate truthful feedback because he or she is able to evaluate the gesture as well. People will highly appreciate if they have face-to-face communication.

According to Cravens (1987), personal selling is a major element of the communication mix is number of customer is small, buyer's information needs is high, size and importance of purchase is large, post-purchase service require is a lot, product complexity is high, distribution strategy is push, pricing policy is negotiate, and resource available for promotion is few. Hotel is part of that category. Therefore, personal selling is an accurate marketing communication for the hotel.

Survey result cannot prove that personal selling is the accurate tool because the survey is taken in the hotel surrounding. Moreover, the respondent is the hotel guests, who do not understand how communication can be accurately performed since their accommodation is arranged by the company contact person.

However, Cemara Hotel needs to increase their frequent visit to the new and existing companies. The hotel is not only need to perform personal selling to the

existing companies but also need to perform it to the new companies. It is important because they will need more information. Personal selling can help the hotel to build the relationship, especially building the trust.

Cemara Hotel should build their cooperation and relationship with the intermediaries. Travel agents as the intermediaries can support the hotel in communicating with their target market, especially from outside of Jakarta. It helps the hotel in the budget saving and effectiveness.

2. Direct Marketing

Direct marketing is all media activities to generate a series of communications and responses with existing and potential customers. Direct marketers use a database for improving selections of market segments, stimulating repeat purchase, cross-selling and building customer relationship management. Cemara Hotel has database consist of corporate guests and regular guests. Corporate guests are handled by Marketing department, and regular guests (personal guests) are handled by Front Office department.

Direct marketing that is useful for Cemara Hotel is Telemarketing. Telephone makes the interaction flexible and permits immediate feedback because it allows interaction between participants within the same communication event when both of sender and receiver might be geographically distant. Cemara Hotel wishes that their marketing communications to be efficient, and result directly to sales. People will be more appreciate with two-way contact because they can directly response to it. The hotel will directly recognize the potential sales, e.g. sales personnel will able to evaluate the feedback, answer questions, and understand the company activity that needs hotel accommodation. Moreover, for message sender, it is easier to transfer their message when having two-way communications.

Telemarketing allows the marketers acquire direct feedback from the company, and in the same time selling the product, which is room or other facilities. In operation, the marketing is usually not certain about their customer satisfaction so telemarketing is a way to recognize it. Telemarketing is also a tool to follow up the company that is not too productive anymore by generating their direct feedback, and a tool to follow up after marketing department performed sales call or personal selling to new company. In addition, the cost of telemarketing is cheaper than personal selling. In conclusion, telemarketing can be a helpful marketing communications tool for Cemara Hotel.

Telemarketing is more suitable for the existing corporate guests or company contact person since they already experience staying in the hotel. For new company, it is inappropriate to perform it because they have not experiencing the hotel. However, it can be used as an follow up tool after they perform the visit to the new companies.

Cemara Hotel should improve their database. Today, the number of database is massive, but it is not optimally used by the hotel. By using it optimally, they are able to differentiate the member and build more optimal strategy. In addition, it can improve the telemarketing.

The other direct marketing tools are direct mail and door-to-door. Direct mail and door-to-door are suitable tool for the hotel to if they have promotion programs. It promote the programs and helps guests in recognizing the brand. Promotion programs need direct respond from the guests. People are using the hotel accommodation if they have obligation. By having direct mail and door-to-door, it will attract people come to the hotel even if they do not have necessity. Cemara

hotel should exercise the other direct marketing tools, including direct mail, internet, email, and others to improve the communication.

3. Sales Promotion

Sales promotion is very important for Cemara Hotel to boost their sales. Sales promotion aims to value increasing and value adding. Value adding is adding something to the product or price offering. Cemara Hotel's value added is hospitality, cleanness, and convenience. Guest is able to get the value when they are staying in Cemara Hotel. Value increasing can be discount pricing, money-off coupon, payment term (e.g. interest free credit), refund, guarantees, multipack, quantity increases, and buybacks. The value increasing performed by Cemara Hotel are discount pricing and payment term.

Special discount and payment term are very important for company. Company usually produces many room nights in a year so they need special price. The more they produce, the more is the discount. That kind of promotion is very interesting for company because every company have their own spending budget. If the hotel can fit with the budget, the company will use the hotel accommodation continuously.

Company often needs term payment because it is complex to spending their cash, especially in large amount of cash. When the company arranges group accommodation, the amount of spending is not little. Therefore, they need some term of payment to the hotel. If Cemara Hotel is able to provide it, it will be a great sales promotion to the company.

The hotel might also give special promotion program to the company to attract them. Cemara Hotel may perhaps combine the room package with other benefits, for instance: discount for food and beverage, laundry discount, and many more.

Special package usually attract the company since it increase the company facilities to the guests.

Sales promotion fits for Cemara Hotel because it boosts the sales. The basic goal of most consumer-oriented sales promotion program is sales, obtain trial, increase consumption, repurchase, and others. It is important for the hotel to maintain the continuousness from the company productivity since the hotel is a business hotel.

Promotion is one of the ways that make decision-making easier for consumer. Special packages or programs make the company decision making easier. In addition, the absolute cost of sales promotions low. An independent hotel, like Cemara Hotel, with limited budget is able to perform it. In the same time, sales promotion allows for a high degree of control. The management will be able to decide the occurrence of sales promotion. The sales promotion can be turned on and off adjusted to the condition. It is suitable for hotel that the level of demand sometimes unpredictable. Control in small hotel is higher because they have limited revenue, so level of expenditure should be controllable.

6.2 Solution for Travelers (Non-Corporate Guests)

Leisure guest is a guest who visits Cemara Hotel for holiday. Transit guest is a guest who visits Cemara Hotel for short term before going to the destination city or country. Other than leisure and transit guests, non-corporate guests include guests who stay in Cemara Hotel for business purpose under personal payment. Exhibit 3-12 shows that, in average, 40% of the guest is non-corporate guests. Therefore, it is important to have effective marketing communication for leisure guests. The ideal marketing communications that are suitable for leisure travelers are:

1. Sales Promotion

Sales promotion main goal is to encourage the target audience to buy the product or service. The concept is the sales as explained before in business traveler's solution. Cemara Hotel aspires to value increasing and value adding. Cemara Hotel's value added is hospitality, cleanness, and convenience. Value increasing can be discount pricing, money-off coupon, payment term (e.g. interest free credit), refund, guarantees, multipack, quantity increases, and buybacks.

Cemara Hotel has their ability to create promotion in rooms or other facilities. On the weekend, they offer special weekend rate, which is more affordable than weekday to boost their weekend occupancy. The guests whom get the weekend promo before is performing repurchase. The hotel is also offering 15 minutes free massage upon check in. Those promotions help the spa revenue. The other promotions are in food and beverages, such as wine promotion, 'aneka soto' promotion, and many more. Cemara Hotel offers membership as their loyalty program. By having the promotion, it increases the guests spending in the hotel. Membership consists of special room discount, special discount in food and beverage and others.

However, the hotel promotion is not productive. Based on chart 4-32, most of local respondent (36%) is somewhat disagree that the promotion program is interesting and informative. To be successful, Cemara Hotel needs to improve their promotion program. The program will be successful if it is continuous and well defined. Nowadays, the promotion is rare, static, and not well defined. The information is verbal and not stated in promotion tools, e.g. banners and others. That is the reason that many guests do not know the promotion program (*refer to Chart 4-31a*).

Promotion is one of the ways that make decision-making easier for consumer. According to Lee (2002), the reasons of using sales promotion are as a reaction to competitor activities, as a form of inertia, as a way of meeting short-term sales objective, as a way of meeting long-term objective. To be more detail, the reasons are reach new customer, reduce distribution risks, reward behavior, retention, add value, induce action (sales), preserve cash flow, improve efficiency, integration, and assist segmentation.

In conclusion, sales promotion is an accurate marketing communication for non-corporate. It boosts sales, reach new customer, retention, and others. As a hotel, Cemara needs to get immediate sales. By performing sales promotion, the hotel is able to improve the room occupancy and other revenues.

Sales promotion create new ambience in the hotel. As a 3-star hotel, Cemara Hotel is not too immense so guests can feel bored if they stay in couple of days or frequently stay in it. By having the sales promotion, guests are able to experience different ambience every time staying or visiting Cemara Hotel.

Similar to previous explanation, the absolute cost of sales promotions low, and allows for a high degree of control. The management will be able to decide the occurrence of sales promotion. The sales promotion is performed based on the situation. It is suitable for hotel that the level of demand sometimes unpredictable.

Sales promotion is useful for new and existing customers. Cemara Hotel needs to improve their sales promotion programs since it is attractive to the new and existing customers. To support it, the hotel also needs to improve the promotion tools, is not relying only on the blitz. Interactive medium will support the promotion programs to be successful. The sales promotion also needs to be accurate promotion program by evaluating the sales performance. From the target

market information, the number of personal guests is higher than the number of corporate guests in July since it is the school holiday. Therefore, the promotion program should be adapted with the situation for the effectiveness reason.

2. Direct Marketing

Direct marketing is all media activities to generate a series of communications, in addition, responses with existing and potential customers. Typically, direct marketing agencies work with many media including telephone, internet, direct mail, email, press, and posters. The famous direct marketing tools are telemarketing, direct mail and door-to-door. However, telemarketing is difficult to be performed by the hotel for non-corporate guests because it is uncommon.

Direct marketing tools for non-corporate are using mail, internet, door-to-door and others. Cemara Hotel can combine the direct marketing with sales promotion. The tools need to be adapted with the promotion programs. If it is short-term promotion, the effective tool is door-to-door. For instance: the hotel promotes special food only for 1 week. The hotel is able to perform door-to-door in area surrounding the hotel to get direct result since the promotion is short-term.

The hotel has special database, which helps them to be familiar with the hotel. The database shows the specific guests are usually stay in Cemara Hotel in specific months. Therefore, the hotel can construct promotion based on the database. For instance: to celebrate independent day, the hotel construct special package (rooms and other facilities) when staying on that day. Then the hotel can send their promotion through direct marketing. They are able to use direct mail, internet, and many more. The newest technology is using *short-massage-system (sms)*. The hotel is able to store the guests' number and sending 'sms' to them. The content

can be promotion or courtesy. Internet technology also supports the direct marketing. The hotel information and description in website is one of the ways.

As an independent hotel, Cemara Hotel need to use the direct marketing tools effectively. Independent hotel has less budget and database compare to chain hotel. Therefore, effective direct marketing will create customer's action and retention. Direct mail, ecommerce, and mcommerce have low cost per contact. For independent hotel, those are more suitable.

Direct marketing is direct response media with the help of database. As a hotel, Cemara Hotel needs to have effecting marketing communications. The hotel usually has theirs database that will be useful if the hotel is able to do direct marketing effectively. Therefore, the hotel needs to be carefully choosing the medias when performing the direct marketing. A range of strategies can be identified that relate to the channel needs of target segment. Direct marketing can be performed for new and existing personal guests.

6.3. Solution for Foreign Guests

Foreign guest represent more and less 15 to 20 percent of the total guest. Therefore, it is important to have effective marketing communication for them. The accurate marketing communication is:

1. Internet Marketing

Internet is the newest media in marketing communication. The existing of internet to reach the foreign guests has benefited Cemara Hotel as an independent hotel. The other marketing communications are difficult to be performed by independent hotel. Cemara Hotel is located in Indonesia. They do not have branches in overseas so it is difficult to communicate with the foreign guests. The

main reason is cost. For chain hotel, they might have combined program, for instance: Accor group has combined advertising.

The most accommodating internet marketing for the hotel is website and email. *Website* is “the place where providers make information available to users of the internet (Belch and Belch, 2007, 471). Cemara hotel can provide useful and needed information in the website. Therefore, foreign guests will easily gathering the hotel information through the hotel website. The website is also able to be the advertising media, direct mail media, and many more. For instance: online reservation will automatically get 25 percent room discount. Moreover, the website can provide the reservation function so sales can be happened because guests can easily reserve their rooms through the hotel website. Cemara Hotel launched their website in 2007, and being finished in February 2008. The website contains hotel information and reservation tools.

The most noticeable online direct marketing is email. By email, guests can easily contact the hotel, for either booking or asking information. Email is a tool to save cost when communicate with foreign guests. By email, they will be able to communicate and promote the hotel. The hotel can send their promoting program through email. People can also directly send their feedback through email, and the hotel is able directly respond to it. Email makes the communication between hotel and foreign guest become simple.

The strengths of website consist of easy to set up and maintain, flexible, variety of information, high level of user involvement, high level of user convenience, range of service facilities, global reach, open all hours (reduced employment costs), low relative costs, and provide cost efficiencies in term of

marketing research. Therefore, it is an accurate marketing communication for foreign guests.

Internet can provide product information, generate leads, screen prospects, and build and market from database. The interaction can also be performed through internet. Through Website, the salesperson can do presentation about the products and services. The interaction of sales personnel and foreign guest can also be performed through email for selling the products and collecting feedback.

Today, the hotel will able to perform active website by linking with other websites. There are also banners ads, pop-ups/pop-under, interstitials, push technologies, and many more. The internet advance can be a big support to integrate internet marketing with other marketing communications, for example: pop-ups/pop-under can support the advertising through internet marketing.

Based on chart 4-39, majority of foreign respondent agree that they wish to be able making reservation through website. Internet marketing is very significant for foreign guests, especially in cost. Website and email are affordable so Cemara Hotel is able to perform it. In addition, internet is easy to do. The hotel does not need to research about the target market because website is general for everyone. Internet marketing provides hotel information, generate guest feedback, and support interaction for sales purpose.

Website is a practical marketing communications for new and existing guests since it can be access by everyone. However, email is more practical to the existing guests since the hotel needs to have the guests email address in order to send the message. Cemara Hotel also needs to improve their email function since it can be used not only for reservation purpose but also for promotion, advertising, and public relations tools. The website needs to be improved as well since it is not

operated perfectly. Cemara Hotel can use referencing technique so the website can be access accurately and immediately.

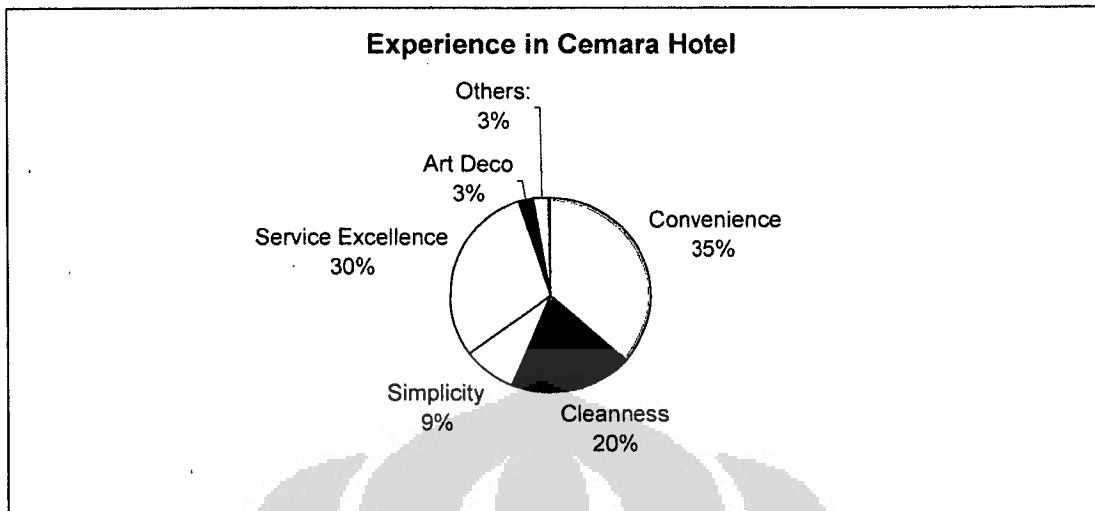
6.4. General Solution

1. Public Relation

Public relations is management of communication and relationship between an organizations and their stakeholders. The main core stakeholder groups consist of employee, financial groups (financial or investor relations), customers (media relations), and organizations (corporate public relations).

For hotel, it is important to have a good image in the society. People will feel comfort to use hotel that is respectable in the society. Employee is the major opportunity to use word of mouth communication. Employees need to be motivated, involved, and stimulated to perform their tasks at a high level. In a hotel, employee is the main player in the organization. If they do not treated well, they would not perform well as well. Based on Chart 6-1, service excellence is experienced by the guests (30%). It conclude that service excellence is one of the reason people exercise Cemara Hotel. Management transfers the brand equity to employee. Moreover, employee transfers the value to guest. Pleasded employee will treat guest well. One way to establish word of mouth starts from employee. Word of Mouth is a powerful tool because it has high level of credibility, and it is economical since it is not rely on the media. It can, however, be reinforced by media stories, which is where public relations comes in. Although Cemara Hotel is already good enough in transferring their perspective to employee and customer, they need to be consistent with it. The success of the effort will create positive word of mouth and high level of trust.

Chart 6-1
Experience in Cemara Hotel



Customer is the main target from public relation. Customer satisfaction creates product or service repurchase and speak positively about the product and organization. Treating customer appropriately is important for the guests because customer satisfaction is the main objective of a hotel. The main reasons guests stay in are security, cleanness, and convenience. Fulfilling all of the factors based on customer needs can create customer satisfaction. Awareness and trust create goodwill and interest that support the sales and favorable word of mouth communication.

Organization interacts with public, private, commercial, non-profit organization, and communities in a regular basis. Cemara Hotel is a business hotel who targets company so the hotel needs to build good relationship with organization. Cemara Hotel could interact with their organization, e.g. PHRI (Indonesian hotel organization). The involvement can create public confession and networking.

Cemara Hotel could cooperate with some newspaper and magazine companies. The media will help the hotel performing public relation. Media is able to publish the hotel activities, such as new facilities, employee outbound and others. The news can create positive image to the hotel. Company feels confident sending their guests to Cemara Hotel.

Public relations is needed to build the image to new and existing customers. Cemara Hotel is still need to increase their image. They are able to do it by increasing the media involvement in the company activities and social activities. Cemara Blitz can also be used as an image builder by including the company activities and employee performance, such as employee as the month, and others. The hotel also needs to be more active in the hotel organizations to increase their relationship with the society and build the hotel image in the organization. Finally, Cemara Hotel needs to improve their participation in the community event. There are Sabang and Jaksa festive one a year. To participate in it, the hotel can build their image and communicate their brand in the same time.

Public relations is a general marketing communications tools that needs to be performed for each target markets. It supports the hotel image. It is also effective marketing communications tools for new and existing target market.

6.5. Wrapping up

Brand is started from company objective, then transfer to the employee. Marketing communications is aspired to communicate the brand to customers, including potential customers. The same perception between management and employee create effective communication to the guests. Therefore, the communication between management, employee, and guest is very important.

Taking conclusion from all perspective, Cemara Hotel is a convenience place with grand hospitality. Brand image of Cemara Hotel describes competence and sincerity in the personality dimensions. Although the hotel is somewhat good enough in transforming the brand image, the hotel needs to build effective integrated marketing communications to the target market.

Based on Chart 6-2, sales promotion (46%) is the main marketing communications that is expected by guests. However, it is not the perfect answer because there are many other factors to be determined.

Chart 6-2
Expected Marketing Communications



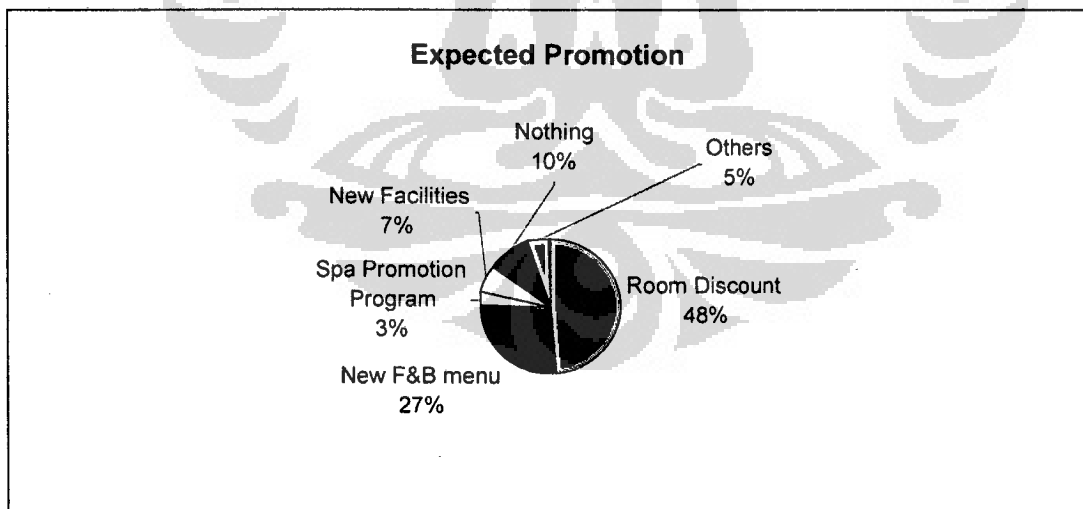
Sales promotion is the ideal solution for personal guests but not for other target markets. Based on Chart 6-3, sales promotion (32%) is the most expected marketing communications tool for corporate guests or business leisure. However, the opinion is generated from business guests, who come for business purpose that some of them might be personal guest with business purpose. Based on the survey, personal selling (22%) is also the favorite solution for business guests. It relates to the fact that personal selling is the most effective solution for corporate guests.

Chart 6-3
Expecting Marketing Communications (Corporate/Business Purpose)



However, sales promotion is the favorite marketing communications tool. People like promotion because they feel benefited from the program. Based on chart 6-4, the most expected sales promotion is room discount. It concludes that price is a significant factor for guests in making decisions at Cemara Hotel.

Chart 6-4
Expected Promotion



The most effective integrated marketing communications for a company are personal selling, direct marketing, sales promotion, and public relations. Personal selling is valuable

since the hotel is able to have close relationship to the contact person, to be able to give accurate information and to collect direct feedback of potential sales. The contact person can also get needed information because they are responsible for the arrangement of company accommodation. Direct marketing is useful to follow up the company activity and generate direct feedback because it is difficult to perform personal selling to each company. Direct marketing is one of the solutions to directly contact the company by spending less time and account than personal selling. Sales promotion is handy to stimulate the sales. Public relation is the key to generate grand hospitality.

The most effective marketing communications for non-company guests or leisure guests are sales promotion, direct marketing, and public relation. Sales promotion is important because it boost sales. People have tendency to be attracted by promotion because they feel benefit by buying at better deal. Direct marketing that is practical is the one that assist the promotion activities such as direct mail, internet, and many more. However, telemarketing is not accurate solution since it is uncommon to do telemarketing for personal guests in hotel industry. Public relation is aimed to support the grand hospitality and build trust.

The most effective marketing communications for foreign guest is internet marketing. It is effective because of the affordable cost, easy to use, and the range of coverage. It is impossible for independent hotel to perform advertising and direct mail to foreign guests. Foreign guests are not only come from one country but also varying so it will be difficult to specify the segment. Therefore, to perform other integrated marketing communication, the expenditure can be very pricey since it is consist of many countries and it is expensive to perform it. Internet marketing is ideal the solution. Website can provide the hotel information and generate information, including making reservation. Website is also economical and easy to be managed. Moreover, email supports the hotel communication with foreign guests. The hotel can generate feedback from foreign guests by email. The guests can make reservation

and inquire information through email. Therefore, email can support the personal selling. The hotel is also able to send their promotion activities through email to foreign database, means it support direct marketing.

The necessity integrated marketing communications for all target market is public relation. Positive public relation will increase trust. By having trust, it will be easy to communicate with others. Cemara Hotel accomplishes grand hospitality through the public relation. Advertising is costly for the independent hotel. However, it is important to perform advertising because advertisement is attractive and catchy. Public relation can be an affordable advertising for the hotel. Positive news increases the brand image of the hotel.

Advertising is costly for the independent hotel. To be able to perform it, barter can be the supreme solution. The hotel might be barter with room vouchers or meeting vouchers. The constructive advertising for Cemara Hotel ought to be related with promotion for the direct result. Cemara hotel is difficult to perform continues advertising due to the budget reason. Therefore, advertisement with promotion content is the accurate solution.

Cemara Hotel as an independent hotel has limited resource for marketing communications. Independent hotel has less databases, networking, and budget. In conclusion, effective marketing communications is very important. Personal selling is the most effective for company or corporate guests. Sales promotion is the most effective for personal guests. Moreover, internet marketing is the most effective for foreign guests. However, the marketing communications should be integrated. Personal selling is not only direct sales but also relates to advertising, promotion and other. Internet marketing supports personal selling, advertising, sales promotion, and other. The tool must be integrated for the successful of hotel marketing communications.

BIBLIOGRAPHY

- Aaker, David A., (1991), *Managing Brand Equity*, New York: Free Press
- Aaker, David A and Joachimstaler, Erich., (2000), *Brand Leadership*, New York: Simon and Schuster Inc.
- Alba, Joseph W. & Hutchinson, J. Wesley, *Dimensions of Consumer Expertise*, Journal of Consumer Research, 13 (March, 1987), pp.411-453
- Belch, George E., and Belch, Michael A., (2007), *Advertising and Promotion: an Integrated Marketing Communication Perspective*, 7th edition, Boston: McGraw-Hill, Irwin, pp.137- 622
- Bovee, Courtland L., et. al., (1995), *Advertising Excellence*, New York: McGraw-Hill Inc.
- Copulsky, Jonathan R. and Wolf, Michael J., (1990), *Relationship Marketing: Positioning for the Future*, Journal of Business Strategy. July/August, pp.16-22
- Davis, Wendy, *E-Commerce to Surge 21 Percent*, www.mediapost.com, April 20, 2005, pp.1-2
- Direct Marketing Association, 2000
- Duncan, Tim, (2002), *Integrated Marketing Communications*, Boston: McGraw-Hill, Irwin, pp.8 -506
- Fill, Chris, (2005), *Marketing Communications*, 4th edition, England: Prentice-Hall, pp.47-128
- Grunig, James E. and Hunt, Todd, (1983), *Managing Public Relations*, New York: Holt, Rinehart & Winston, pp.6
- Haugh, Louis J., *Defining and Redefining*, Advertising Age, February 14, 1983, p.M44
- Sale, Richard, *Serving Up Sweeps*, Promo, August 1999, pp.70-78; *Sweepstakes Fever*, Forbes, October 3, 1998, pp.164-66
- Hayter, Roy and Allmark, Annette, *Please Your Guests*, London: Macmillan, pp.89-90
- Holmes, Paul A., *Guerilla Marketing: The Word on the Street*, Reputation Management 6, no.3, March 2000, pp.30-37
- http://209.85.175.104/search?q=cache:uMstuHL94mMJ:www.ciadvertising.org/student_accout/fall_00/adv382i/christiana/theory/planning.html+Hotel+Advertising+theory&hl=id&ct=clnk&cd=2&gl=id
- <http://www.aseansec.org>, 3 February 2008
- <http://www.bps.go.id>, 17 December 2007

<http://www.pasangiklan.com>, 2 January 2008

<http://www.wikipedia.com>, 12 November 2007

Indonesia Perlu Kompak Mengharapi Peringatan Berkunjung, Jakarta: Bisnis Indonesia, Feb 24, 2001

Kasali, Rhenald, (2000), *Membidik Pasar Indonesia: Segmentasi Targeting, Positioning*, Jakarta: Gramedia

Kotler, Philip, (2003), *Marketing Management*, New Jersey: Pearson, Education

Kotler, Philip, et. al., (2003), *Marketing Management: An Asian Perspective*, 3rd edition, Singapore: Pearson, Prentice Hall

Keller, Kevin L, *Brand synthesis: The Multidimensionality of Brand Knowledge*, Journal of Consumer Research 29, March 2003, pp.598

Keller, Kevin L., (1998), *Building, Measuring, and Managing Brand Equity*, New Jersey: Prentice Hall

Keller, Kevin L., (1998), *Strategic Brand Management*, 3rd edition, New Jersey: Prentice Hall, pp.2

Knight Frank / P.T Willsons Properti Advisindo

Lavidge, Robert J., and Steiner, Gary A., (1961), *A Model for predictive Measurements of Advertising Effectiveness*, Journal of Marketing 24, pp.59-62

Ligos, Melinda, (2002), *Gimme, Gimme, Gimme*, Sales & Marketing Management, pp.32-40

Lovelock, Christopher and Wirtz, Jochen, (2006), *Service Marketing*, New Jersey: Prentice Hall, pp.53

Myers, James H., *Segmentation and Positioning For Strategic Marketing Decisions*, Chicago: American Marketing Association

Ray, Michael L., (1982), *Advertising and Communication Management*, New Jersey: Prentice Hall, pp.5 - 8

Rembeth, John D., (2007), *International Marketing Communications class lecture*

Sale, Richard, "Serving Up Sweeps," Promo, August 1999, pp.70-78;"Sweepstakes Fever," Forbes, October 3, 1998, pp.164-66

Salomon, Michael R., (2007), *Consumer Behavior*, 7th edition, New Jersey: Pearson, Prentice Hall

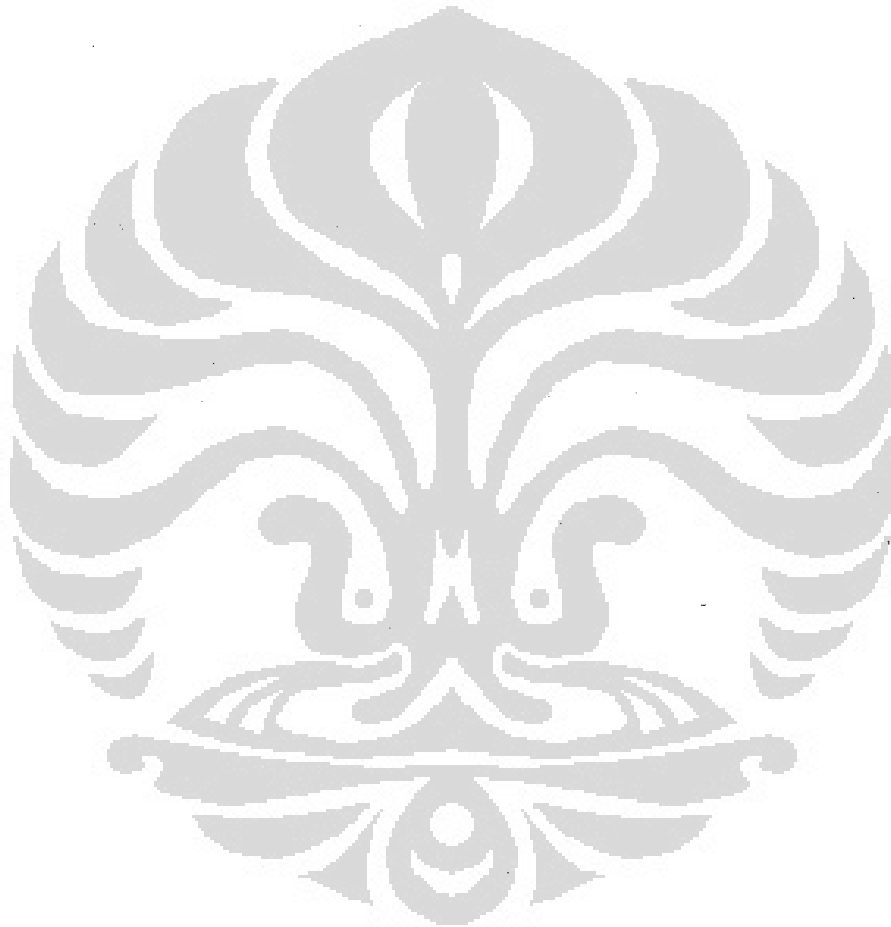
Shimp, Terence A., (2007), *Advertising and Promotion*, 7th edition, Mason: Thomson South Western

Statistical Fact Book, 2005, New York: Direct Marketing Association

Strong E.K., (1995), *The Psychology of Selling*, New York: McGraw-Hill, Irwin, pp.9

Taylor, Derek, (2001), *Hospitality Sales and Promotion*, Oxford: Butterworth, Heinemann

Zeithaml, Valarie A., and Bitner, Mary.J., (2000), *Services Marketing*, Boston: McGraw-Hill, Irwin, pp.3-447



ATTACHMENT 1

Survey 1 (Local Respondent)



Magister Manajemen
Fakultas Ekonomi Universitas Indonesia
Salemba - Jakarta

No. :

Tanda Tangan:

--

CEMARA HOTEL QUESTIONEER (Marketing Communications)

Responden Yth,

Saya, Citra Bangun, mahasiswa Magister Manajemen Universitas Indonesia (MMUI) yang sedang mengadakan penelitian Karya Akhir mengenai 'Cara Komunikasi Pemasaran yang tepat untuk Hotel Cemara'. Tidak ada jawaban benar dan salah. Semua data yang diperoleh dari kuisioner ini bersifat rahasia dan hanya digunakan untuk kepentingan akademik semata. Atas kesediaannya, Saya ucapkan banyak terima kasih.

Tujuan dari kuisioner

- Arti brand 'Cemara'
- Tool imc yang paling mempengaruhi perilaku konsumen,
- Pengaruh IMC dengan perilaku konsumen,

Screening & Perilaku Konsumen:

1	Apakah Anda berasal dari Jakarta atau Luar Jakarta ?	Jakarta	1
		Luar Jakarta	2

Jika anda berasal dari 'luar Jakarta', silakan lanjut ke pertanyaan kedua. Jika anda berasal dari Jakarta, silakan lanjut ke pertanyaan ke-tiga.

2	Atas tujuan apakah anda datang ke Jakarta ?	Business	1
		Liburan	2
		Transit	3
		Lain-lain	9

3	Apakah Anda pernah mendengar Hotel Cemara sebelumnya?	Ya	1
		Tidak	2

4	Atas tujuan apakah anda berkunjung ke Hotel Cemara ?	Menginap	1
		Meeting	2
		Makan & Minum	3
		Lain-lain	9

5	Kapan anda datang ke Hotel Cemara?	Hari Kerja (Weekdays)	1
		Hari Libur (Weekend)	2
		Hari Libur Nasional	3

Pertanyaan utama :

1. BRAND Hotel Cemara

6	Sejak kapan Anda mengetahui Hotel Cemara ?	< 1 tahun	1
		1 – 2 tahun yang lalu	2
		2 – 5 tahun yang lalu	3
		> 5 tahun yang lalu	4

7	Kapan Anda pertama kali mengunjungi Hotel Cemara?	< 1 tahun	1
		1 – 2 tahun yang lalu	2
		2 – 5 tahun yang lalu	3
		> 5 tahun yang lalu	4

8	Seberapa sering anda mengunjungi Hotel Cemara dalam sebulan?	Kurang dari 1 kali	1
		1-4 kali	2
		Lebih dari 4 kali	3

No:9, pilihan jawaban dapat lebih dari satu.

9	Atmosphere apakah yang anda rasakan ketika berkunjung ke Hotel Cemara?	Kenyamanan	1
		Kebersihan	2
		Kesedehanaan	3
		Keramah - tamahan	4
		Art deco	5
	Lainnya (tuliskan)		9

9	Atmosphere apakah yang anda rasakan ketika berkunjung ke Hotel Cemara?	
---	--	--

No:10, pilihan jawaban dapat lebih dari satu

10	Fasilitas apakah yang paling anda minati di Hotel Cemara ?	
	Coffee Shop (makanan & minuman)	1
	Kolam Renang	2
	Business Center	3
	Cyber Lounge (Internet Service)	4
	Meeting Rooms	5
	Laundry	6
	Giriloka Spa	7
	Lainnya	9

11. (Brand) Hotel Cemara bagi anda adalah

.....

.....

.....

.....

Komunikasi

No:12, pilihan jawaban dapat lebih dari satu

12	Darimanakah anda mengetahui Hotel Cemara pertama kali?	
	Majalah, koran, tabloid	1
	Internet	2
	Pamflet	3
	Brosur	4
	Sales call dari Tim Marketing Cemara	5
	Travel Agent	6
	Courtesy Call dari Tim Marketing Cemara (Word of Mouth)Teman/Keluarga	7 8
	Lainnya (tuliskan)	9

13	Apakah anda merasa Komunikasi Pemasaran Hotel Cemara sudah tepat?	
	Ya	1
	Tidak	2
	Jika 'Tidak', komunikasi pemasaran seperti apa yang anda harapkan?	
	
	
	

14	Apakah anda mempunyai Kartu membership Hotel Cemara?	Ya	1
		Tidak	2
	Jika 'YA', apakah kartu itu bermanfaat? Ya , dalam hal (kamar/Makan).....		1
		Tidak	2

No:15, pilihan jawaban dapat lebih dari satu

15	Kegiatan promosi apa sajakah yang selama ini membuat Anda tertarik mengunjungi Hotel Cemara?	Diskon kamar	1
		Menu makanan baru	2
		Promosi spa treatment	3
		Launching fasilitas baru (new duvet, new pillow, etc)	4
		Lainnya (tuliskan)	9

16	Apakah anda ingin mengunjungi Hotel Cemara kembali?	Ya	1
		Tidak	2

No:17, pilihan jawaban dapat lebih dari satu

17	Hal apakah yang membuat Anda ingin mengunjungi Hotel Cemara kembali?	Suasana yang nyaman	1
		Kelengkapan fasilitas	2
		Service yang ramah	3
		Makanan yang enak	4
		Lokasi yang strategis	5
		Lainnya (tuliskan)	9

18. Seberapa setujukah anda dengan pernyataan berikut ini untuk Hotel Cemara. Berikan jawaban anda menggunakan angka 1 sampai 5 dimana 1 berarti anda sangat tidak setuju dan 5 berarti anda sangat setuju dengan pernyataan tersebut

	Tidak Tahu	Sangat Tidak Setuju	Tidak Setuju	Kurang Setuju	Biasa saja	Setuju	Sangat Setuju
Public Relation							
Anda dilayani dengan baik ketika menggunakan service / fasilitas yang ada di Hotel Cemara	1	2	3	4	5	6	7
Dilayani dengan baik ketika melakukan komplain ke HC	1	2	3	4	5	6	7
Anda mendapat penerangan yang baik pada saat menanyakan informasi di HC (seperti: harga kamar, dll)	1	2	3	4	5	6	7
Service yang baik membuat anda mengunjungi HC	1	2	3	4	5	6	7
Anda mendapatkan rekomendasi dari teman atau keluarga tentang HC	1	2	3	4	5	6	7
Anda merekomendasikan HC kepada teman dan keluarga anda	1	2	3	4	5	6	7
Direct Marketing							
Brosur HC sangat menarik	1	2	3	4	5	6	7
Brosur HC sangat informative	1	2	3	4	5	6	7
Koran 'Cemara Blitz' sangat menarik dan informatif	1	2	3	4	5	6	7
Anda merasa spanduk HC sangat menarik dan informatif	1	2	3	4	5	6	7
Anda merasa karyawan HC cukup mengerti mengenai program-program HC	1	2	3	4	5	6	7
Anda sering mendapat 'courtesy' call dari tim Sales & Marketing HC	1	2	3	4	5	6	7

	Tidak Tahu	Sangat Tidak Setuju	Tidak Setuju	Kurang Setuju	Biasa saja	Setuju	Sangat Setuju
Personal Selling							
Anda mempunyai hubungan yang baik dengan Sales & Marketing HC	1	2	3	4	5	6	7
Sales & Marketing HC sering melakukan kunjungan ke kantor anda	1	2	3	4	5	6	7
Sales Blitz HC sangat menarik dan informatif	1	2	3	4	5	6	7
Anda mendapatkan informasi yang cukup dari Sales & Marketing HC	1	2	3	4	5	6	7
Sales & Marketing membuat anda mengunjungi HC	1	2	3	4	5	6	7
Anda pernah membeli voucher kamar HC di travel agent	1	2	3	4	5	6	7
Internet							
Anda pernah mengunjungi website HC	1	2	3	4	5	6	7
Website HC menarik dan informatif	1	2	3	4	5	6	7
OTHERS							
Anda pernah melihat iklan HC (di majalah, tabloid, dll)	1	2	3	4	5	6	7
Ikklan HC menarik dan informatif	1	2	3	4	5	6	7
Anda mengetahui program promosi HC	1	2	3	4	5	6	7
Program promosi HC menarik dan informative	1	2	3	4	5	6	7
Event (live music, dll) HC sudah cukup baik	1	2	3	4	5	6	7
Pelayanan HC sangat baik	1	2	3	4	5	6	7
Pelayanan HC yang baik membuat anda kembali berkunjung ke HC	1	2	3	4	5	6	7

Fasilitas HC sudah cukup lengkap	1	2	3	4	5	6	7
Kamar HC luas dan nyaman	1	2	3	4	5	6	7
Kamar HC yang luas dan nyaman membuat anda berkunjung kembali.	1	2	3	4	5	6	7
Kebersihan HC terjaga dengan baik	1	2	3	4	5	6	7
Anda merasa nyaman ketika berkunjung HC	1	2	3	4	5	6	7

19. Apa yang anda harapkan dari Hotel Cemara dalam melakukan komunikasi pemasaran?	
Iklan (Koran/Majalah)	1
Program Promosi	2
Promosi melalui internet (website)	3
Courtesy Call dari Staff Marketing	4
Penjualan langsung dari Staff Marketing	5
Lain-lain.....	9

Demografi

20	Jenis kelamin		
		Pria	1
		Wanita	2

21	Termasuk dalam kelompok manakah usia Anda?		
		10 – 30 thn	1
		30 – 40 thn	2
		40–50tahun	3
		> 50 tahun	4

22	Termasuk dalam kelompok manakah penghasilan anda per bulan		
		Kurang dari 1 juta	1
		1-3 juta	2
		3.1 – 5 juta	3
		5 -10 juta	4
		Lebih dari 10 juta	5

23	Di wilayah manakah tempat tinggal anda?	Jakarta	1
		Bekasi	2
		Tangerang	3
		Depok	4
		Daerah Jawa (diluar Jababeka)	5
		Daerah Sumatera	6
		Daerah Sulawesi.....	7
		Daerah Kalimantan	8
		Daerah Irian Jaya	9
		Lainnya (tuliskan)	10

24	Apakah pendidikan terakhir anda?	SD	1
		SMP	2
		SMA	3
		Diploma	4
		Sarjana (S1)	5
		S2/S3	6

25	Apakah Profesi Anda?	Wiraswasta	1
		Pegawai Negeri	2
		Pegawai Swasta	3
		Ibu Rumah Tangga/tidak bekerja	4
		Siswa/mahasiswa	5
		Lain-Lain.....	9

Terima Kasih

ATTACHMENT 2

Survey 2 (Foreign Respondent)



Magister Manajemen
Fakultas Ekonomi Universitas Indonesia
Salemba - Jakarta

No. :

Signature:

CEMARA HOTEL QUESTIONEER (Marketing Communications)

Dear Respondent,

My name is Citra Bangun, and I am a student of Magister Management University of Indonesia (MMUI) who is doing a thesis for Master Degree. My thesis is about 'The Ideal Marketing Communication Tools for Cemara Hotel'. There is no right or wrong answer. All data from this questioner is secret and only be used for academic purpose. I thank you for your time and willingness to fill the questioner.

The Purpose of Questioner:

- To know the meaning of brand 'Cemara Hotel'
- To know the effective IMC for Cemara Hotel
- To identify the consumer behavior that is influenced by the IMC

Screening and Consumer Behavior:

1.	What is your purpose visiting Jakarta?	Business	1
		Leisure	2
		Transit	3
	Others.....		9
2.	Have you heard about 'Cemara Hotel' before?	Yes	1
		No	2
3.	What is your purpose visiting Cemara Hotel?	Room (Stay Overnight)	1
		Meeting	2
		Dining (Food & Beverage)	3
	Others		9

Main Question:

1. BRAND Cemara Hotel

4. Since when do you know Cemara Hotel?	< 1 year	1
	1 – 2 years ago	2
	2 – 5 years ago	3
	> 5 years ago	4

5. When was your first visit to Cemara Hotel?	This is my first visit	1
	< 1 year	2
	1 – 2 years ago	3
	2 – 5 years ago	4
	> 5 years ago	5

6. How often do you visit Cemara Hotel in one year?	Less than 1	1
	1-5 times	2
	More that 5 times	3

7. If you come to Jakarta next time, you will stay in Cemara Hotel	Agree	1
	Disagree	2

No: 8, response can be more than one

8. What kind of atmosphere do you feel when visiting Cemara Hotel?	Convenience	1
	Cleanness	2
	Modest	3
	Warmth	4
	Hospitality	5
	Art Deco	6
	Others	9

No: 9, response can be more than one

9. What are your favorite facilities in Cemara Hotel?	Coffee Shop	1
	Swimming Pool	2
	Business Center	3
	Cyber Lounge (Internet Service)	4
	Meeting Rooms	5
	Laundry	6
	Giriloka Spa	7
	Others	9

10. Brand: Cemara Hotel for you means

.....

.....

.....

.....

Communication

No: 11, response can be more than one

11. How do you know Cemara Hotel at the first time?	Website (Internet)	1
	Brochure	2
	Travel Agent	3
	Friends/Family (Word of Mouth)	4
	Others	9

12. Do you have Cemara membership card?	Yes	1
	No	2
If yes, do you feel it is useful or no?	Yes (for: Food & Beverage, etc).....	1
	No	2

No: 13, response can be more than one

13. What kind of promotion activity do you like in Cemara Hotel?	Room Discount	1
	New Menu (Food & Beverage)	2
	Spa Treatment promotion	3
	New Facilities(new duvet, new pillow, etc)	4
	Others	9

No: 14, response can be more than one

14. What are Cemara Hotel competencies?	Convenience ambience	1
	Completeness of the Facilities	2
	Warmth Hospitality	3
	Perfect Food & Beverage	4
	Strategic Location	5
	Others _____	9

15. Question 15 is asking about you agreement or disagreement. The range is from 1 to 6, which 1 means you are very disagree with the statement and 6 means you are very agree with the statement.

	Very Dis-agree	Dis-Agree	Some-what Dis-Agree	Some-what Agree	Agree	Very Agree
Public Relation						
Cemara Hotel has Service Excellence in all department	1	2	3	4	5	6
You complaint is always well-respond	1	2	3	4	5	6
You get enough information from CH staffs (e.g.: facilities, room rate, etc	1	2	3	4	5	6
Direct Marketing						
CH Brochure is interesting	1	2	3	4	5	6
CH Brochure is informative	1	2	3	4	5	6
CH Brochure needs to be improved	1	2	3	4	5	6
'Cemara Blitz' is interesting and informative	1	2	3	4	5	6
CH employees can give useful information about the promotion programs	1	2	3	4	5	6
Personal Selling						
CH employees are expert in doing the sales	1	2	3	4	5	6
CH employees are expert in promoting the hotel and facilities	1	2	3	4	5	6
You have bought CH voucher in travel agent before	1	2	3	4	5	6
Internet						
You are familiar with CH website	1	2	3	4	5	6

CH website is interesting and informative	1	2	3	4	5	6
You want more promotion programs in CH website	1	2	3	4	5	6
You are expecting to make reservation through CH website	1	2	3	4	5	6
You are expecting CH promotion program to be sent to your email	1	2	3	4	5	6
You made reservation in CH by email	1	2	3	4	5	6
You email to CH is always well-respond by the staff	1	2	3	4	5	6
OTHERS						
CH service and hospitality are excellent	1	2	3	4	5	6
CH facilities are sophisticated	1	2	3	4	5	6
CH room is sophisticated	1	2	3	4	5	6
CH room is big enough and convenience	1	2	3	4	5	6
The hospitality make you come back to visit CH	1	2	3	4	5	6
The convenience make you come back to visit CH	1	2	3	4	5	6
You are familiar with CH promotion programs	1	2	3	4	5	6
The promotion program is interesting and informative	1	2	3	4	5	6
Many of your friends or family know about CH	1	2	3	4	5	6
You will recommend CH to your friend and family	1	2	3	4	5	6

16. What is your expectation for Cemara Hotel in doing the marketing communication?	
More Promotion Programs	1
More Promotion Programs sent by email (Mailing List)	2
Improving the website	3
Others.....	9

Demographic

17. Gender:	Male	1
	Female	2

18. Where do you come from?	Asian	1
	America	2
	Europe	3
	Africa	4
	Australia	5

19. Age:	10 – 20 years old	1
	20 – 30 years old	2
	30–40 years old	3
	> 40 years old	4

20. Income per month:	US\$1,000	1
	US\$1,000 - 3,000	2
	US\$ 3,000 – 5,000	3
	US\$ 5,000 – 10,000	4
	More than US\$ 10,000	5

21. Professions:	Entrepreneur	1
	Teacher	2
	Government worker	3
	Employee	4
	Student/University	5
	Others.....	9

Thank You

ATTACHMENT 3

Respondent Profiles (Local Respondent)

City Origin	
Jakarta	18
Out of Jakarta	42
Total	60

Familiarity	
Know Cemara Hotel before	45
Do not know	15
Total	60

Purpose of Visiting to Jakarta	
Business	40
Holiday	13
Transit	7
Total	60

Profession	
Entrepreneur	10
Government Staff	28
Employee	21
Housewife/ Not working	
Students	1
Others	
Total	60

Purpose of Visiting Cemara Hotel	
Business	40
Holiday	13
Transit	7
Total	60

Revenue per Month	
< Rp. 1 Million	
Rp. 1 - 3 Million	9
Rp. 3.1 - 5 Million	17
Rp. 5.1 - 10 Million	25
> Rp. 10 Million	9
Total	60

Purpose of Visits to Cemara Hotel	
Rooms (Stay overnight)	39
Meetings	16
Food & Beverage	5
Total	60

City Origin	
Jakarta	18
Bekasi	3
Tangerang	
Depok	
Java Island	12
Sumatera Island	8
Sulawesi Island	3
Kalimantan Island	1
Papua Island	14
Ambon	1
Total	60

Age	
10 - 30 years old	12
31 - 40 years old	23
41 - 50 years old	17
> 50 years old	8
Total	60

Time of Visiting Cemara Hotel	
Weekday	40
Weekend	15
Public Holiday	5
Total	60

Genders	
Male	42
Female	18
Total	60

ATTACHMENT 4

Brand (Local Respondent)

		Convenience	Cleanness	Simplicity	Service Excellence	Art Deco	Others	Total
Genders								
	Male	20	8	5	16	2	3	54
	Female	4	6	2	8			20
	Total	24	14	7	24	2	3	74
Age								
	10 – 30 years old	6	4	2	5	1		18
	30 – 40	10	8	2	8	1		29
	40 – 50	5	1	2	7		2	17
	> 50 years old	3	1	1	4			9
	Total	24	14	7	24	2	2	73
Income per month								
	< Rp. 1Million							0
	Rp 1 - 3 M	4	4	2	6	1	1	18
	Rp 3.1 - 5 M	8	6	2	5	1		22
	Rp 5.1 - 10 M	8	3	1	9			21
	> Rp 10M	4	1	2	4		1	12
	Total	24	14	7	24	2	2	73
City	Jakarta	3	3	1	6		1	14

	Bekasi	1			2			3
	Tangerang							0
	Depok							0
	Java Island	6	6	2	7	1		22
	Sumatera Island	5	3	2	1	1		12
	Sulawesi Island	2	1	1	1		1	6
	Borneo Island	1			1			2
	Papua Island	5	1	1	6			13
	Others	1						1
	Total	24	14	7	24	2	2	73
		Convenience	Cleanness	Simplicity	Service Excellence	Art Deco	Others	Total
Education								
	Elementary							0
	Secondary							0
	High School	1			2			3
	Diploma	3	4		4			11
	Bachelor	16	9	4	10	2	2	43
	Master / Phd	4	2	2	8			16
	Total	24	15	6	24	2	2	73
Profession								
	Entrepreneur	4	2	2	5		1	14
	Government Staff	10	6	3	15	1		35
	Employee	9	6	2	4	1		22
	Housewife/ Not working							0
	Students	1						1
	Others						1	1
	Total	24	14	7	24	2	2	73

ATTACHMENT 5

IMC (Local Respondent)

	Very Disagree	Disagree	Somewhat Disagree	Somewhat Agree	Agree	Very Agree	Personal Guest (Not answering 'Personal Selling' Survey)
Public Relation							
You are well-served when using the facilities in Cemara Hotel	0	0	1	9	21	29	0
Well-served when complaining to CH	0	0	13	11	26	10	0
You are getting good information when asking in Cemara Hotel (e.g. Room Rate)	0	0	0	11	21	27	0
Grand Hospitality make you visit CH	0	0	0	9	34	17	0
You got recommendation about CH from your family or friends	1	0	17	9	26	7	0
You will recommend CH to your friends and family	0	0	0	6	34	20	0
Direct Marketing							
CH brochure is very interesting	0	0	20	24	9	7	0
CH brochure is very informative	0	0	21	23	9	7	0
CH blitz' is very interesting and informative	0	0	10	17	29	4	0
CH street banner is interesting and informative	0	0	14	26	20	0	0
CH employee understand about CH programs	0	0	7	20	27	6	0
CH Sales & Marketing often does Courtesy call to your office	0	1	6	13	9	9	23

Personal Selling								
You have good relationship with Sales & Marketing CH	0	0	6	10	14	7	23	
CH Sales & Marketing often visits your office	6	6	9	4	7	6	23	
CH Sales Kits is very interesting and informative	0	0	0	0	29	9	23	
You got enough information from Sales & Marketing department	0	0	4	14	17	1	23	
CH Sales & Marketing makes you visit CH	3	4	9	13	6	3	23	
You have bought CH room voucher in travel agent	40	10	6	4	0	0	0	
Internet								
You have visited CH website	23	13	7	10	6	1	0	
CH website is very interesting and informative	23	11	9	11	4	1	0	
OTHERS								
You have seen CH advertisement (e.g. in tabloid, magazine)	20	20	10	4	6	0	0	
CH advertisement is very interesting and informative	20	18	12	4	6	0	0	
You know CH promotion program	3	20	20	11	6	0	0	
CH promotion program is very interesting and informative	1	21	21	10	6	0	0	
CH event (e.g. live music) is interesting	1	13	24	11	10	0	0	

ATTACHMENT 6

How Do You Know CH (Local Respondent)

										Others			
		Tabloid / Newspaper	Internet	Pamphlet	Brochure	Sales Call	Travel Agent	Courtesy call	Friend/Family	Office	Pass by	Others	Total
Genders													
	Male	6			3		1	1	23	5	1	2	42
	Female	1	1		2				12	1	1		18
	Total	7	1	0	5	0	1	1	35	6	2	2	60

ATTACHMENT 7

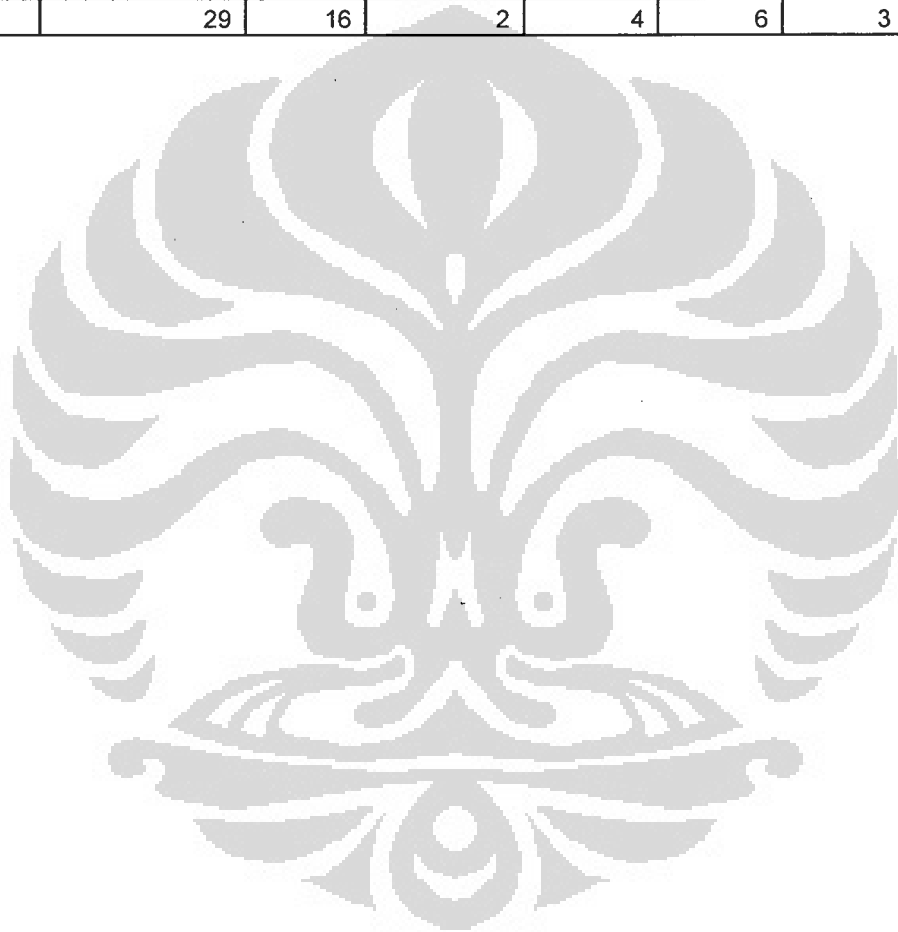
Favorite IMC (Local Respondent)

	Advertising	Promotion	Promotion through internet	Courtesy call from Marketing Staff	Direct Sales from Marketing Staff	Souvenir (Gift)	Total
Business	7	13	5	5	9	1	40
Holiday	2	9	2				13
Transit	1	6					7
	10	28	7	5	9	1	60

ATTACHMENT 8

Expected Promotion (Local Respondent)

	Room Discount	New F&B menu	Spa Promotion Program	New Facilities	Nothing	Others	
10 - 30 years old	3	5	1		2	1	12
31 - 40 years old	14	6		1	1	1	23
41 - 50 years old	8	3	1	1	3	1	17
> 50 years old	4	2		2			8
Total	29	16	2	4	6	3	60



ATTACHMENT 9

Respondent Profiles (Foreign Respondent)

Purpose of Visiting Jakarta	
Business	22
Leisure	10
Transit	1
Total	33

Familiarity	
Know about Cemara Hotel before	21
Do not know	12
Total	33

Purpose of Visiting Cemara Hotel	
Room (Stay Overnight)	15
Meeting	18
Dining (Food & Beverage)	
Total	33

Gender	
Male	15
Female	18
Total	33

Country Origin	
Asia	8
America	14
Europe	4
Africa	
Australia	6
Canada	1
Total	33

Professions	
Entrepreneur	
Teacher	14
Government Staff	4
NGO Staff	7
Employee	5
Student	1
Others	2
Total	33

Income per Month	
US\$ 1,000	1
US\$ 1,000 - 3000	16
US\$ 3,001 - 5000	14
US\$ 5001 - 10,000	2
> US\$ 10,000	
Total	33

Age	
10 - 20 years old	
21 - 30 years old	17
31 - 40 years old	8
> 40 years old	8
Total	33

ATTACHMENT 10

Brand Related (Foreign Respondent)

	Convenience	Cleanness	Modest	Warmth	Hospitality	Art Deco	Total
Business	14	17	13	13	16	12	85
Leisure	11	11		11	11		44
Transit	11						11
Total	36	28	13	24	27	12	140

	1st visit	< 1 year	1 – 2 years ago	2 – 5 years ago	> 5 years ago	
< once	12					12
1 - 5 times		7	7	4		18
> 5 times		3				3
Uncertainty						0
Total	12	10	7	4	0	33

If you come to Jakarta next time, will you stay in Cemara Hotel?	
Yes	33
No	0

Favorite Facilities in Cemara Hotel								
	Coffee Shop	Swimming Pool	Business Center	Cyber Lounge	Meeting Rooms	Laundry	Giriloka Spa	Total
Business	15	9		3	6			33
Leisure	4	8		4				16
Transit				1				1
Total	19	17	0	8	6	0	0	50

How do you know CH at the first time						
	Website	Brochure	Travel Agent	Family / Friend (Word of Mouth)	Office	Total
Business				15	7	22
Leisure				10		10
Transit				1		1
Total	0	0	0	26	7	33

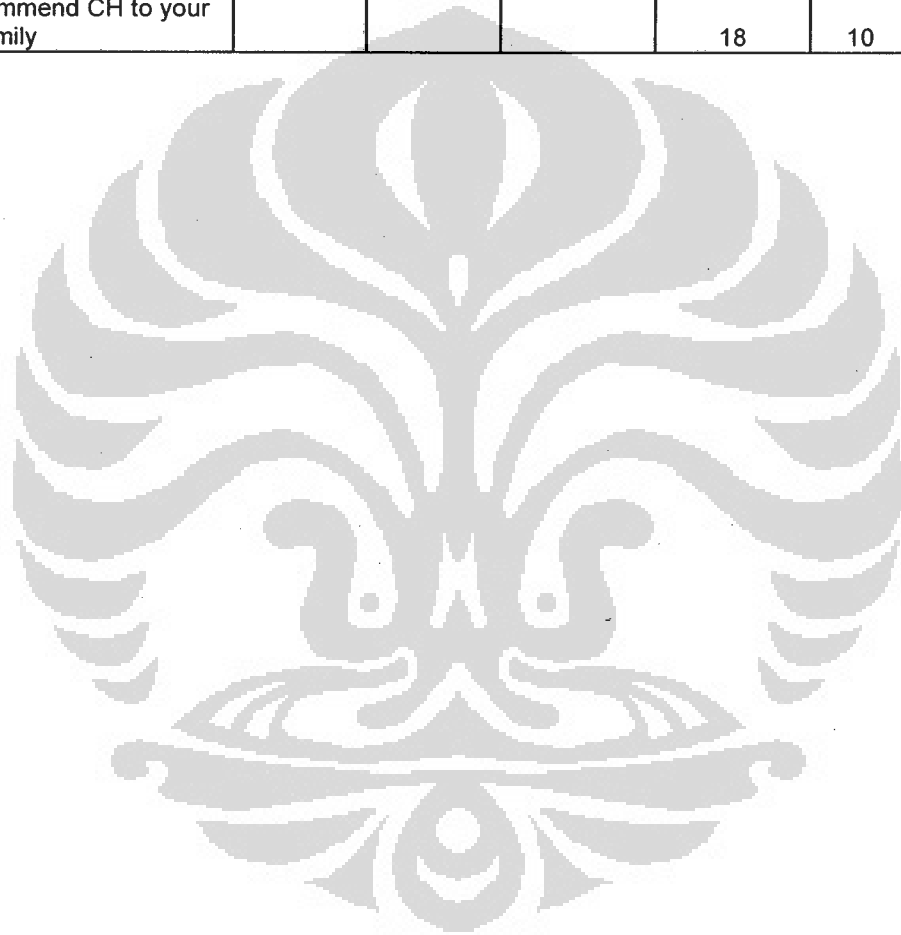
Main Competences						
	Convenience ambience	Completeness of the facilities	Warmth hospitality	Perfect Food & Beverage	Strategic Location	Total
Business	13	8	8	8	15	52
Leisure	8		1		9	18
Transit	1				1	2
Total	22	8	9	8	25	72

ATTACHMENT 11

IMC (Foreign Respondent)

	Very Disagree	Disagree	Somewhat Disagree	Somewhat Agree	Agree	Very Agree	Total
Public Relation							
Cemara Hotel has Service Excellence in all department			3	11	18	1	33
You complaint is always well-respond			5	13	14	1	33
You get enough information from CH staffs (e.g: facilities, room rate, etc			3	13	17		33
Direct Marketing							
CH Brochure is interesting		2	5	17	9		33
CH Brochure is informative			7	18	8		33
CH Brochure needs to be improved			7	17	5	4	33
'Cemara Blitz' is interesting and informative		4	5	19	5		33
CH employees can give useful information about the promotion programs			5	20	8		33
Personal Selling							
CH employees are expert in doing the sales			4	22	7		33
CH employees are expert in promoting the hotel and facilities				22	11		33
You have bought CH voucher in travel agent before	14	13		6			33
Internet							
You are familiar with CH website	15	7		11			33
CH website is interesting and informative	5	5	2	5		16	33
You want more promotion programs in CH website	1		4	19		9	33
You are expecting to make reservation through CH website	3			20	7	3	33
You are expecting CH promotion program to be sent to your email	10	8	5	8		2	33
You made reservation in CH by email	17		7	9			33
You email to CH is always well-respond by the staff	1		5	8	2	17	33

OTHERS							
CH service and hospitality are excellent				19	6	8	33
CH facilities are sophisticated		4	5	11	8	5	33
The hospitality make you come back to visit CH			7	15	8	3	33
The convinience make you come back to visit CH				19	7	7	33
You are familiar with CH promotion programs	2	3	12	12	3	1	33
The promotion program is interesting and informative	1	4	12	15		1	33
Many of your friends or family know about CH	1	16		14	1	1	33
You will recommend CH to your friend and family				18	10	5	33



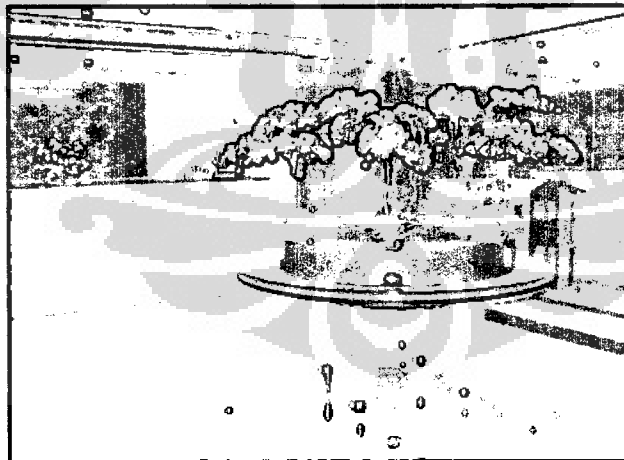
ATTACHMENT 12

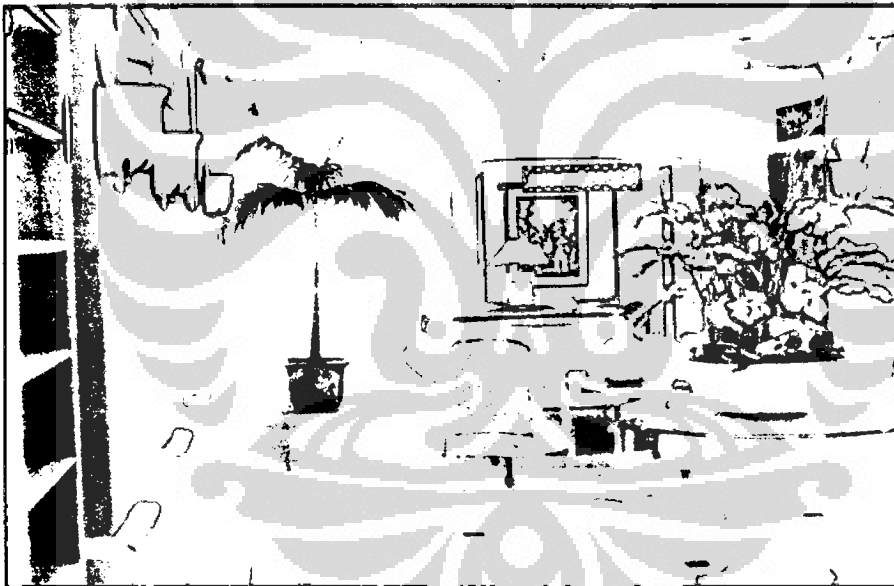
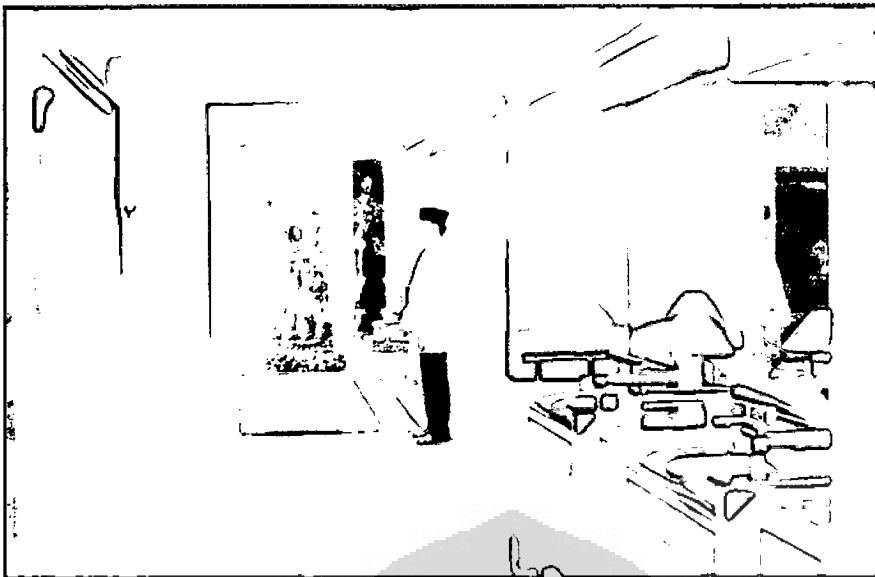
Building



ATTACHMENT 13

Lobby and Side Wing





ATTACHMENT 14

Rooms



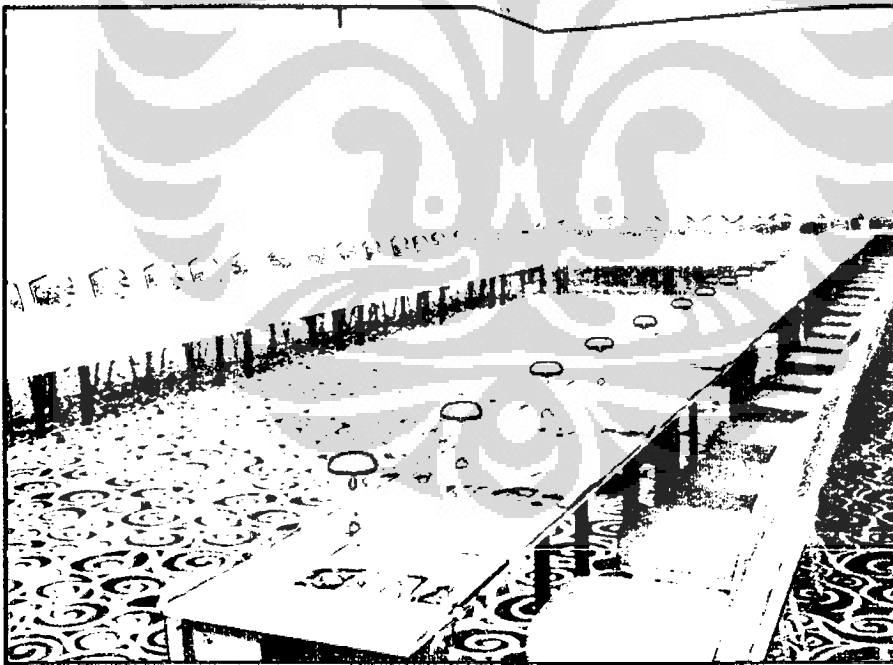
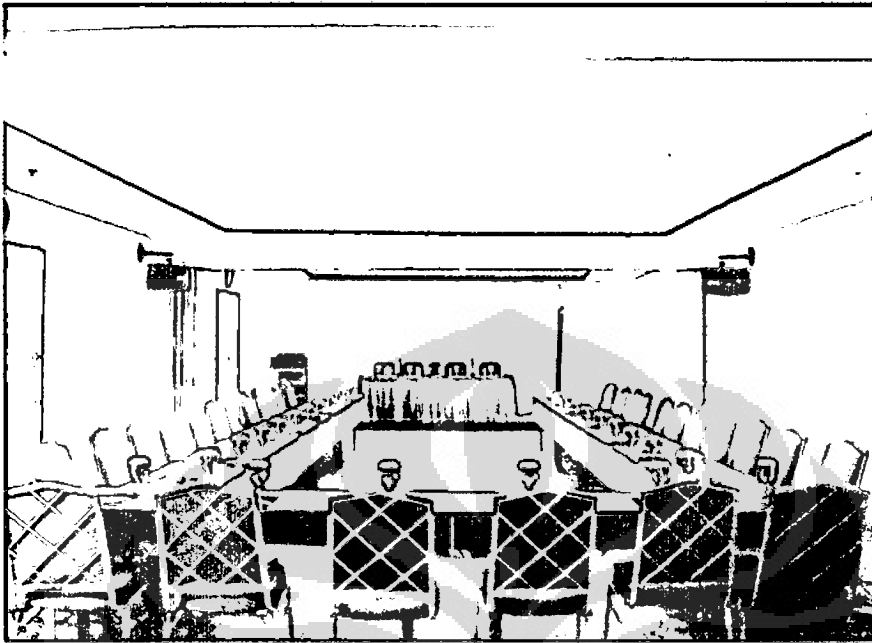
ATTACHMENT 15

Coffee Shop

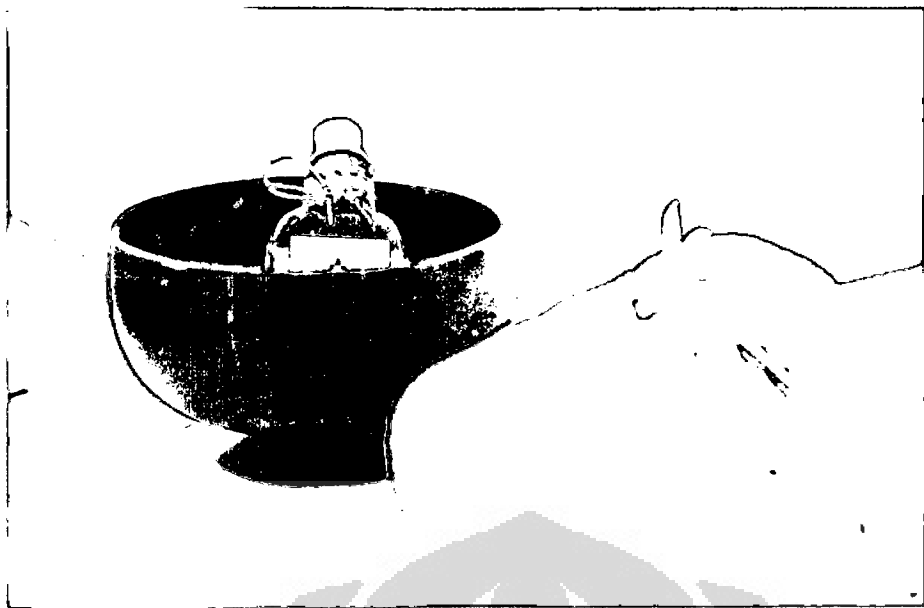


ATTACHMENT 16

Facilities









ATTACHMENT 17

Advertising Sample

Wedding Package

"Celebrate your cherished moment with us"
Our wedding specialist will organize the details of your reception according to your desire, including floral arrangement, entertainment and fine cuisine



Get the discount !!
Rp. 3 Millions
during promotion

Start from Rp. 28.800.000 net for 400 pax

Bonus :

- One night stay at Deluxe Room
- Family Buffet for 25 portions

CEMARA
Hotel

Jl. Cemara No. 1, Menteng, Jakarta 10350 - Indonesia
Phone +62 21 3908215, 3149985 (Hunting)
Fax +62 21 31924668, 31824417
E-mail : cemara@centra.net.id

