PROPOSED MARKETING STRATEGY TO INCREASE BRAND AWARENESS OF HOMESTAY (CASE STUDY OF VILLA WE LOZA)

FINAL PROJECT

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for the master's degree
from Institut Teknologi Bandung**

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(Master of Business Administration Program)**

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ABSTRACT

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The accommodation industry in Kerinci presents a growth opportunity for Villa We Loza, a homestay seeking to increase brand awareness and attract more visitors. This study aims to propose marketing strategies that increase brand visibility and competitiveness in the local accommodation market such as low brand recognition, limited promotional activities, and lack of differentiation in customer engagement strategies.

The study began with a comprehensive analysis of consumer insights gathered through a combination of in-depth interviews with 25 informants, to understand their perceptions and preferences. This was followed by an analysis of internal and external factors affecting Villa We Loza. External analysis used tools such as Porter's Five Forces and competitor benchmarking to evaluate market opportunities and threats.

The findings revealed that strategic location, affordable prices, implementation of cultural elements in the accommodation were Villa We Loza's key strengths, while limited promotional efforts and low online presence were key weaknesses. A SWOT analysis integrated these insights to form the basis of a TOWS matrix, outlining actionable strategies. Recommendations included leveraging digital marketing, improving service quality, enhancing customer experience, and forming partnerships with local tourism entities to build stronger brand awareness.

This study provides practical solutions for Villa We Loza to position itself as the main choice for tourists in Kerinci while contributing to the development of tourism in the area.

Keywords: consumer analysis, homestay, brand awareness, marketing strategy, TOWS Matrix.

ABSTRAK

USULAN STRATEGI PEMASARAN UNTUK MENINGKATKAN KESADARAN MEREK HOMESTAY (STUDI KASUS VILLA WE LOZA)

Oleh

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Industri penginapan di Kerinci menghadirkan peluang pertumbuhan bagi Villa We Loza, sebuah homestay yang berupaya meningkatkan kesadaran merek dan menarik lebih banyak pengunjung. Penelitian ini bertujuan untuk mengusulkan strategi pemasaran yang meningkatkan visibilitas merek dan daya saing di pasar akomodasi lokal seperti rendahnya pengenalan merek, terbatasnya kegiatan promosi, dan kurangnya diferensiasi dalam strategi keterlibatan pelanggan.

Kajian diawali dengan analisis komprehensif terhadap wawasan konsumen dikumpulkan melalui kombinasi wawancara mendalam dengan 25 informan, untuk memahami persepsi dan preferensi mereka. Selanjutnya di lakukan analysis faktor internal dan eksternal yang mempengaruhi Villa We Loza. Analisis eksternal menggunakan alat seperti Porter's Five Forces dan tolak ukur pesaing untuk mengevaluasi peluang dan ancaman pasar.

Temuan mengungkapkan bahwa lokasi yang strategis, harga yang terjangkau, penerapan elemen budaya pada penginapan adalah kekuatan utama Villa We Loza, sementara upaya promosi yang terbatas dan rendahnya kehadiran online merupakan kelemahan utama. Analisis SWOT mengintegrasikan wawasan ini untuk membentuk dasar matriks TOWS, yang menguraikannya strategi yang dapat ditindaklanjuti. Rekomendasinya mencakup pemanfaatan pemasaran digital, peningkatan kualitas layanan, peningkatan pengalaman pelanggan, dan pembentukan kemitraan dengan entitas pariwisata lokal untuk membangun kesadaran merek yang lebih kuat.

Penelitian ini memberikan solusi praktis bagi Villa We Loza untuk memposisikan dirinya sebagai pilihan utama wisatawan di Kerinci sekaligus berkontribusi terhadap pengembangan pariwisata di wilayah tersebut.

Kata Kunci: analisis konsumen, homestay, kesadaran merek, strategi pemasaran, TOWS Matrix.

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This final project is dedicated to my beloved family who always support me.

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CHAPTER II Literature Review

Chapter II, the Literature Review, presents the theoretical foundation and conceptual framework employed by the author to support the research.

II.1 Theoretical Foundation

To strengthen the research, the author draws upon information from various literature and prior studies, serving as a foundational basis and point of comparison. This section will elaborate on key concepts, including the definition of marketing strategy, brand awareness, and other relevant theories, to provide a robust framework for the study.

II.1.1 Marketing

Marketing serves as the cornerstone of business success by facilitating customer engagement, market penetration, and revenue generation (Kotler & Armstrong, 2018). Through strategic marketing efforts, businesses can effectively communicate their value propositions to target audiences, differentiate themselves from competitors, and build sustainable relationships with customers. Evidence suggests that companies with robust marketing capabilities tend to achieve superior financial outcomes compared to their counterparts with less emphasis on marketing activities. Marketing expenditures are associated with improved business performance metrics, including sales revenue, market share, and profitability (Homburg et al., 2009).

Marketing has evolved beyond mere selling and advertising to encompass a broader spectrum of activities aimed at satisfying customer needs and building long-term relationships (Kotler & Armstrong, 2018). In today's dynamic marketplace, successful marketing entails understanding consumer preferences, developing products that offer superior value, and engaging customers effectively through various channels. Modern marketing is rooted in a customer-centric approach, focusing on creating and exchanging value with customers (Kotler & Keller, 2018). By understanding and fulfilling customer needs, companies can cultivate strong relationships with their target audience, leading to enhanced brand loyalty and sustainable business growth.

II.1.2 Strategy

Strategy is a directed plan designed to achieve long-term goals or overcome specific challenges. In general, strategy involves making intelligent decisions and selecting the most effective action steps to achieve desired results. This involves identifying targets, evaluating the external and internal environment, developing appropriate action plans, as well as appropriate allocation of resources. In a business context, strategy encompasses various aspects, including marketing, financial, operational and product development strategies, which are used to achieve competitive advantage and meet long-term business goals (Johnson et al., 2017).

Strategic management encompasses a series of decisions and actions aimed at determining the long-term performance of a company. Contrary to being a rigid procedural ritual, strategic management is an integrated process deeply ingrained in the organizational structure and culture of a company. It involves systematic scanning and analysis of both internal and external conditions, followed by the formulation and implementation of strategies aimed at achieving sustainable competitive advantage (Wandebori, 2019)

The process of strategic management entails the systematic collection of data, conducting surveys, engaging in discussions, and interviews to assess the internal and external conditions of the company. These activities, conducted by directors, managers, and employees, are not mere rituals but rather integral components of the company's strategic management process. Through these activities, organizations gain insights into their competitive landscape and formulate strategies, including functional and alliance strategies, to enhance their competitiveness and adaptability to market changes (Wandebori, 2019).

To evaluate the success of strategy formulation and implementation, a company's financial performance serves as a key indicator (Wandebori, 2019). Effective strategies enable a company to create value and maintain competitiveness. Strategic planning is categorized into several levels:

a. Corporate Strategy

Focuses on leveraging superior competencies by aligning diverse business products to achieve strategic competitiveness and above-average returns. It involves

direction-based strategies, like growth or retrenchment, and diversification strategies categorized into low, medium, and high levels.

b. Business Strategy

Encompasses competition and alliance strategies to strengthen market position and build competitive advantages. It includes cost leadership for efficiency-driven operations and differentiation strategies for quality and innovation-focused companies.

c. Cost Leadership Strategy

Aims at achieving cost efficiency across operations while maintaining customer satisfaction. Excessive cost focus, however, risks compromising brand trust.

d. Differentiation Strategy

Relies on unique product value, enabling premium pricing. Marketing strategies, branding, and building perceptions are essential to sustain this approach.

e. Focus Strategy

Targets niche markets, ideal for resource-limited companies like start-ups, avoiding direct competition with larger players.

f. Integrated Cost Leadership and Differentiation

Combines efficiency with uniqueness, leveraging technology to balance affordability and product distinctiveness.

g. Functional Strategy

Focuses on operational areas like marketing, HR, and finance, often guided by TOWS Matrix analysis to harness opportunities and mitigate risks.

II.1.3 Marketing Strategy

Marketing strategy refers to a comprehensive plan or roadmap designed to achieve specific marketing objectives set by an organization. It involves the identification of target markets, understanding consumer needs and preferences, and the development of tactics and initiatives to promote products or services effectively. Marketing strategy encompasses various elements such as market segmentation,

targeting, positioning, pricing, distribution channels, and promotional activities. It aims to create sustainable competitive advantages and generate long-term value for the organization (Kotler & Armstrong, 2018).

Marketing strategy plays a pivotal role in addressing business challenges and achieving organizational objectives. It provides a framework for businesses to effectively reach and engage with their target audience, differentiate themselves from competitors, and ultimately drive growth and profitability. In the context of increasing brand awareness, understanding and implementing an appropriate marketing strategy can help address brand awareness, thereby enhancing the overall performance and success of the business.

In planning an effective marketing strategy, several important components need to be considered carefully. Each component has a special role in forming a strong strategic foundation to achieve the set marketing goals. From market understanding to product development, from pricing to promotion, every step has an irreplaceable contribution to the overall success of the marketing strategy. The following are essential components of the marketing strategy (Kotler & Armstrong, 2018).

a. Market Segmentation: The process of dividing a heterogeneous market into smaller, more manageable segments based on shared characteristics, needs, or behaviors.

b. Targeting: Selecting specific segments of the market that align with the organization's goals and capabilities and focusing marketing efforts on serving those segments effectively.

c. Positioning: Developing a distinct and desirable brand image or perception in the minds of consumers relative to competitors based on key attributes or benefits offered by the product or service.

d. Product Development: Creating and enhancing products or services to meet the needs and preferences of target customers while also considering factors such as quality, features, and innovation.

e. Pricing Strategy: Determining the most appropriate pricing levels and strategies to maximize profitability, considering factors such as cost, competition, perceived value, and pricing elasticity.

f. Distribution Channels: Identifying and managing the most effective channels for distributing products or services to reach target customers efficiently and cost-effectively.

g. Promotion and Communication: Developing integrated marketing communication strategies to raise awareness, build brand equity, and influence purchase decisions through various channels such as advertising, public relations, sales promotion, and digital marketing.

II.1.3.1 Marketing Communication

Marketing communication is the process of delivering messages and information to target markets or consumers with the aim of promoting, building brand awareness, and influencing purchasing behavior. It involves various methods and communication channels to reach the target audience (Keller, 2013).

Four Main Marketing Communication Options:

1. Advertising and Promotion: Advertising and promotion is one of the main marketing communication options that includes the use of traditional media such as television, radio, print and online advertising to convey promotional messages to the target market.

2. Interactive Marketing: Interactive marketing involves direct interactions between brands and consumers through digital platforms such as websites, social media, and mobile applications. This allows consumers to actively engage with the brand and create a personalized experience.

3. Events and Experiences: Events and experiences involve organizing events or experiences specifically designed to build brand awareness and consumer engagement. This could be a promotional event, trade show, or hands-on experience with a product or service.

1. Mobile Marketing: Mobile marketing includes the use of mobile devices such as smartphones and tablets to deliver promotional messages and brand interactions to consumers. This includes the use of text messaging, mobile apps, and location-based campaigns.

II.1.4 Brand Awareness

Brand awareness is the ability of consumers to recognize and remember a brand. Brand awareness has an important role in influencing consumer behavior, especially in purchasing decisions. Creating a high level of brand awareness helps brands become part of consumers' considerations, increases the likelihood of purchase, and influences brand choices in the market. This includes two main aspects, namely brand recognition and brand recall.

II.1.4.1 Brand Recognition

Brand recognition is a consumer's ability to confirm previous exposure to a brand when presented with the brand as a cue or cue. In other words, consumers can recognize a brand when they see it in a store as one they have encountered before.

II.1.4.2 Brand Recall

Brand recall is a consumer's ability to recall a brand from memory when given a product category, a need fulfilled by that category, or a purchase or use situation as a cue or guide. In other words, consumers can recall a brand from their memory when they think of the product category or need that the brand fulfills (Keller, 2013).

II.1.5 Brand Image

Brand image refers to the perception or image that consumers have about a brand. It includes a series of associations formed in consumers' minds based on their experiences, information and perceptions of the brand. The importance of Brand Image is to build brand awareness, generate consumer preference and create competitive advantage (Keller, 2013).

Brand Image Elements:

    a. Brand Attributes

Descriptive features and characteristics that describe a particular product or service. For example, quality, design, performance or superior product features.

b. Brand Benefits

The personal value and meaning that consumers associate with certain product or service attributes. These can be functional benefits (e.g. comfort, efficiency) or emotional benefits (e.g. status, self-confidence).

II.1.6 Consumer Analysis

Consumer analysis is the process of gathering and analyzing information about consumers through market research to understand their needs, target markets, and demographics. This data is then utilized for effective market segmentation and further marketing strategies. Conducting consumer analysis is essential for predicting consumer behavior and profiling their characteristics, which is crucial for creating targeted marketing efforts.

II.1.6.1 Segmentation, Targeting and Positioning (STP) Analysis

STP analysis is a strategic approach in marketing which consists of three main steps: market segmentation, determining market targets, and brand positioning (Kotler & Keller, 2018). This approach helps companies understand their customers' needs and preferences better, as well as develop marketing strategies that suit each identified market segment.

II.1.6.2 Marketing Mix

Marketing mix analysis is an important approach in developing a comprehensive marketing strategy. The marketing mix consists of four main elements, known as the "4Ps": Product, Price, Place and Promotion (Kotler & Keller, 2018). Each of these elements is interrelated and plays an important role in shaping a brand image and influencing consumer purchasing decisions. Marketing mix analysis provides a comprehensive framework for planning and managing marketing strategies. By understanding and optimizing these 4P elements, companies can achieve their marketing goals and gain a competitive advantage in the market.
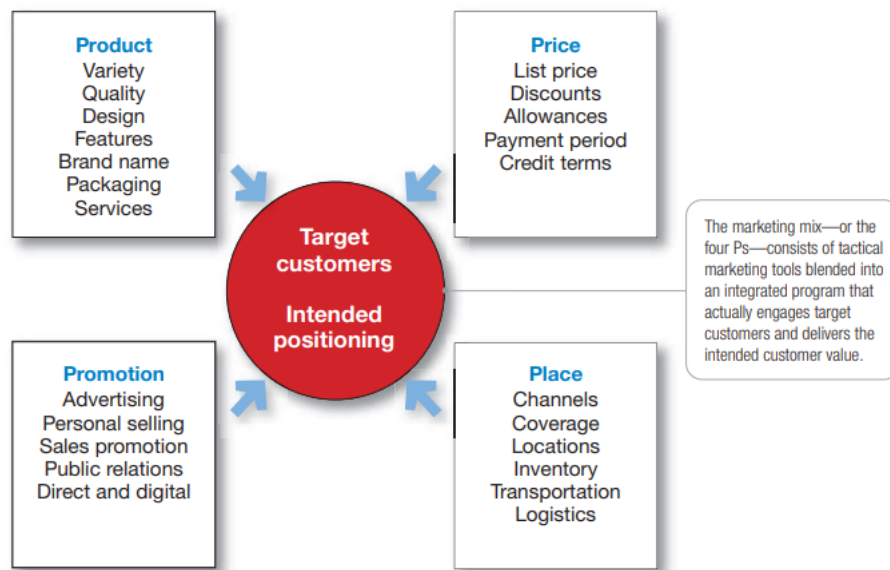
Figure II-1 Marketing Mix Analysis (Source: Kotler & Keller, 2018)

II.1.6.3 Point of Parity and Point of Differences

For a successful positioning strategy, a brand must balance strong PoP to stay competitive while highlighting distinctive PoD to attract its target audience.

II.1.6.3.1 Point of Parity

Point of Parity is an attribute or characteristic of a product or service that consumers consider important, essential, or mandatory in a particular product or service category. PoP helps a brand to be considered legitimate, convincing and credible in the eyes of consumers, and is the minimum baseline that must be met to compete in the market. Types of PoPs:

    a. Category

Is an attribute that is seen by consumers as essential or legitimate for a product or service in a particular category.

    b. Correlational

Is a negative association that arises from the existence of positive associations for the brand.

    c. Competitive

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Designed to address perceived weaknesses of the brand in the context of competitor differentiation.

II.1.6.3.2 Point of Difference

Point of Difference is an attribute or characteristic of a product or service that differentiates a brand from its competitors in the eyes of consumers. PoDs are things that consumers consider unique, interesting and desirable, and provide a competitive advantage for the brand in the market (Keller, 2013). Types of PoDs:

    a.   Desirable to Consumer

Is a product attribute or feature that is desired by consumers and shows direct relevance to consumer desires.

    b.   Deliverable by the Company

This is the company's ability to create and maintain brand associations with certain attributes, showing the company's readiness to meet market demand.

    c.   Differentiating from Competitors

Is a uniqueness or competitive advantage that differentiates a brand from its competitors, providing significant added value in the market.

II.1.7 Internal Analysis

Internal analysis is the first step in marketing planning, where the company evaluates internal factors that can affect its internal performance. Internal analysis also aims to identify competitive advantages, recognize weaknesses, and understand the company's resources and capabilities. The benefits include formulating effective marketing strategies, identifying development opportunities, and managing risks during the implementation of marketing strategies. The analysis includes resources that include tangible (financial, physical, organizational, technological) and intangible (human resources, reputation, and innovation. In addition, capabilities, core competencies and value chain capabilities are also analyzed (Khandelwal et al., 2020).

II.1.7.1 Resources Analysis

Resources are the assets or productive inputs that a company controls and utilizes to gain a competitive edge (Thompson et al., 2020). These resources are typically categorized into tangible and intangible forms.

II.1.7.1.1 Tangible Resources

Tangible resources refer to the physical assets that a company possesses, which can be observed, touched, and quantified (Wandebori, 2019). These include but are not limited to:

- Financial Resources: This encompasses the capital available to the organization, including cash reserves, investments, and revenue streams.
- Physical Resources: These are the tangible assets such as manufacturing plants, equipment, infrastructure, and real estate owned by the company.
- Organizational Resources: The skilled labor force, official reporting hierarchies
- Technological Resources: These include patents, proprietary technology, machinery, and software vital for operations.

II.1.7.1.2 Intangible Resources

Intangible resources refer to assets that are not physical or visible but hold significant value for an organization's operations and competitiveness. These resources encompass various aspects such as human capital, innovation capabilities, and brand reputation (Wandebori, 2019).

- Human Resources: This includes the knowledge, skills, trust, and collaborative abilities of employees within the organization. Human resources contribute to the intellectual capital and expertise required to drive innovation, execute strategies, and maintain competitive advantage.
- Innovation Resources: These resources pertain to the capacity for generating new ideas, scientific expertise, and the ability to innovate processes, products, or services. Innovation resources are essential for staying ahead in dynamic markets and meeting evolving consumer demands.
- Reputation Resources: Reputation assets encompass the brand name, the perception of product quality, durability, reliability, and overall positive reputation with stakeholders such as customers and suppliers. Building and maintaining a strong reputation can enhance customer trust, loyalty, and market.

II.1.7.1.3 Capabilites Analysis

Capabilities analysis refers to the process of assessing a company's unique strengths and abilities that enable it to achieve its strategic objectives and gain a competitive advantage. Unlike resources, which are the raw assets a company owns, capabilities represent the organization's capacity to effectively utilize those resources through processes, skills, and knowledge to perform particular activities. This analysis helps identify areas where a company can leverage its strengths, address weaknesses, and align its capabilities with market demands. A capability analysis involves evaluating various dimensions of the business, such as operational efficiency, innovation capabilities, marketing expertise, customer service, and technological advancements. It provides insight into how well a company can adapt to changes in the market, meet customer needs, and sustain its competitive position (Thompson et al., 2020).

II.1.7.1.4 Core Competencies

Core competencies refer to the unique strengths and capabilities that are central to a company's ability to deliver value and sustain a competitive advantage. These competencies often arise from a combination of knowledge, skills, and resources that allow an organization to perform particular activities more effectively than its competitors. Core competencies are crucial for building long-term competitive advantage, as they are difficult for competitors to replicate and can be leveraged to enter new markets or introduce new products.

According to Hitt et al (2015), for a company's capabilities to transform into core competencies, they must meet four key criteria: valuable, rare, costly to imitate, and non-substitutable. These criteria ensure that a company's core competencies provide a sustained competitive advantage in the marketplace.

d. Valuable

A capability must be valuable in the sense that it enables the company to exploit opportunities or neutralize threats in the environment. If a capability does not add value by meeting customer needs or improving operational efficiency, it cannot be considered a core competency.

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e. Rare

To be a core competency, the capability must be rare or unique within the industry. If many competitors possess the same capability, it no longer offers a distinctive advantage and may not be able to sustain a competitive edge.

f. Costly to Imitate

A core competency must be difficult or expensive for competitors to imitate. This could be due to factors such as the company's unique history, culture, proprietary technology, or specialized expertise that cannot be easily replicated.

g. Non-substitutable

A capability should not have readily available substitutes. If competitors can achieve the same results using alternative methods or resources, the competency loses its value as a source of competitive advantage.

II.1.7.2 Value Chain Activity

Value Chain refers to the series of activities or processes that a company undertakes to create value for its customers, from the initial stages of raw material sourcing to the final delivery of products or services. The value chain represents the full range of activities that a business goes through to bring a product or service to market, adding value at each step of the process. These activities can be categorized into primary and support activities, which together enable the company to build competitive advantages (Kotler, 2018).

II.1.7.2.1 Primary Activity

Primary activities in the value chain directly contribute to the creation and delivery of the product or service. These include:

- Inbound Logistics: Activities related to receiving, storing, and managing incoming materials or components.
- Operations: The core production or service delivery processes within the organization.
- Outbound Logistics: Activities involved in storing, packaging, and distributing the finished product or service to customers.

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- Marketing and Sales: Initiatives aimed at promoting, advertising, and selling the product or service to target customers.
- Service: Activities designed to support customers post-purchase, including installation, maintenance, and customer service.

II.1.7.2.2 Support Activity

Support activities provide the necessary infrastructure and resources to enable primary activities. These include:

- Procurement: The process of sourcing and acquiring the materials, supplies, and services needed for operations.
- Technology Development: Investments in research and development, innovation, and technology to enhance products or processes.
- Human Resource Management: Activities related to recruiting, training, and managing the workforce to ensure efficiency and productivity.

II.1.8 External Analysis

External analysis is a critical component of strategic management, aimed at assessing the opportunities and threats present in the external environment that may impact a company's performance and competitiveness (David, 2017). Meanwhile, according to Wandebori (2019), external analysis is conducted with the aim of identifying both opportunities and threats present in the macro environment, industry landscape, and competitive arena. This process involves a thorough examination of factors beyond the control of the company, including political, economic, socio-cultural, technological, environmental, and legal aspects. By scrutinizing these external factors, businesses can gain valuable insights into potential growth prospects as well as challenges that may impact their operations. By understanding the external environment comprehensively, companies can make informed strategic decisions and adapt their strategies to capitalize on opportunities and mitigate threats effectively.

II.1.8.1 General Environmental Analysis

General environmental analysis is a strategic analysis framework used to identify and understand macro environmental factors that can influence a company's performance and strategy (Johnson et al., 2017).

II.1.8.1.1 Political/Legal

Political aspects include factors such as government policy, political stability, industry regulations, and international relations. Changes in political policies or government regulations can have a significant impact on a company's operations and business strategy (Johnson et al., 2017).

II.1.8.1.2 Economic

Economic aspects include factors such as economic growth, inflation, interest rates, currency exchange rates, and market conditions. Changes in economic conditions can affect consumer purchasing power, production costs, and a company's ability to develop effective pricing strategies (Johnson et al., 2017).

II.1.8.1.3 Demography

Demographic factors refer to the statistical characteristics of a population that can have a significant impact on a company's external environment and strategy. In external analysis, demographic factors are crucial for understanding the market dynamics, consumer behavior, and overall market opportunities. These factors help businesses to identify key trends, target customer segments, and tailor their products or services to meet the needs of different demographic groups (Johnson et al., 2017).

II.1.8.1.4 Socio-Culture

Socio-cultural aspects include factors such as values, norms, beliefs, and cultural trends that influence consumer behavior. Changes in consumer preferences or social trends may trigger new demand or change product and service preferences (Johnson et al., 2017).

II.1.8.1.5 Technological

The technological aspect includes technological advances, innovation, internet penetration, and the latest technological trends. Changes in technology can impact

production processes, product distribution, and interactions with customers, as well as create new opportunities for business innovation (Johnson et al., 2017).

II.1.8.1.6 Global

Global factors in external analysis refer to the broader international forces and trends that can impact a company's operations, strategy, and decision-making process. These factors are typically outside a company's control, but understanding and adapting to them is essential for business success in an increasingly interconnected world. Global factors often include economic, political, social, technological, and environmental changes that transcend national borders and influence global markets (Wandebori, 2019).

II.1.8.1.7 Physical

Physical factors refer to changes and developments in the physical environment that can influence a company's operations, strategy, and overall business practices. These factors include environmental changes, natural resource availability, climate conditions, and other physical elements that businesses must consider to remain sustainable and competitive. In an era of increasing environmental awareness and sustainability concerns, companies need to address physical factors in their planning and operations to avoid negative impacts on their long-term viability (Wandebori, 2019).

II.1.8.2 Industry Analysis

Industry analysis using Porter's Five Forces framework, developed by Michael Porter, is an important approach to understanding competitive dynamics within an industry. This framework identifies five main forces that shape the structure of an industry and determine the level of attractiveness of the industry (Porter, 2008).

II.1.8.2.1 Threat of New Entrants

The threat of new entrants describes how easy it is for new companies to enter a particular industry. Factors that influence this threat level include barriers to entry, such as high initial capital, fixed costs, government regulations, and product differentiation, acess to channel.

II.1.8.2.2 Bargaining Power of Buyers

Buyer sociability reflects how much power buyers have in influencing the price and quality of a product or service. Factors that influence buyer power include the number of buyers, availability of information, product substitutes, and relative importance.

II.1.8.2.3 Bargaining Power of Suppliers

Supplier relationships describe how much power suppliers have in determining the price and quality of raw materials or inputs provided to the company. Factors that influence supplier power include the availability of raw materials, the availability of alternatives, and the vertical integration of suppliers.

II.1.8.2.4 Threat of Substitute Products or Services

The threat of substitute products or services reflects how big a threat alternative products or services pose to existing products or services on the market. Factors that influence this threat level include the availability of substitute products, relative prices, and product quality.

II.1.8.2.5 Rivalry Among Competitor

The intensity of competition between competitors reflects how much competition there is in the industry, including in terms of price, product innovation and marketing strategy. Factors that influence competitive intensity include the number and strength of competitors, industry growth, and the level of product differentiation.

II.1.8.3 Competitor Analysis

Competitor analysis is a crucial aspect of strategic planning, providing insights into the competitive landscape and guiding decision-making processes. Competitor analysis involves assessing the strengths, weaknesses, strategies, and capabilities of competitors operating within the same industry or market segment. This analysis helps businesses understand their position relative to competitors and identify opportunities and threats in the market.

II.1.9 SWOT

SWOT analysis is an approach to evaluating the internal (strengths and weaknesses) and external (opportunities and threats) factors that influence an organization. Strengths and weaknesses are internal aspects that can be controlled by the organization, while opportunities and threats are external factors that are beyond the organization's control (Jhonson et al., 2017).

Figure II-2 SWOT Analysis (Source: Kotler & Keller, 2018)

II.1.10 TOWS Matrix

The TOWS matrix, built on SWOT analysis, helps organizations identify alternative strategies based on a combination of identified internal and external factors. These strategies focus on exploiting an organization's strengths, overcoming weaknesses, pursuing opportunities, and dealing with the threats it faces. (Jhonson et al., 2017).

Figure II-3 Marketing Mix Analysis (Source: Kotler & Keller, 2018)

II.2 Conceptual Framework

A Conceptual Framework is a general view of how you want to conduct your research (Charlesworth Author Services, 2022). In this case, the researcher wants to develop a framework that guides the analysis related to Villa We Loza's marketing strategy.
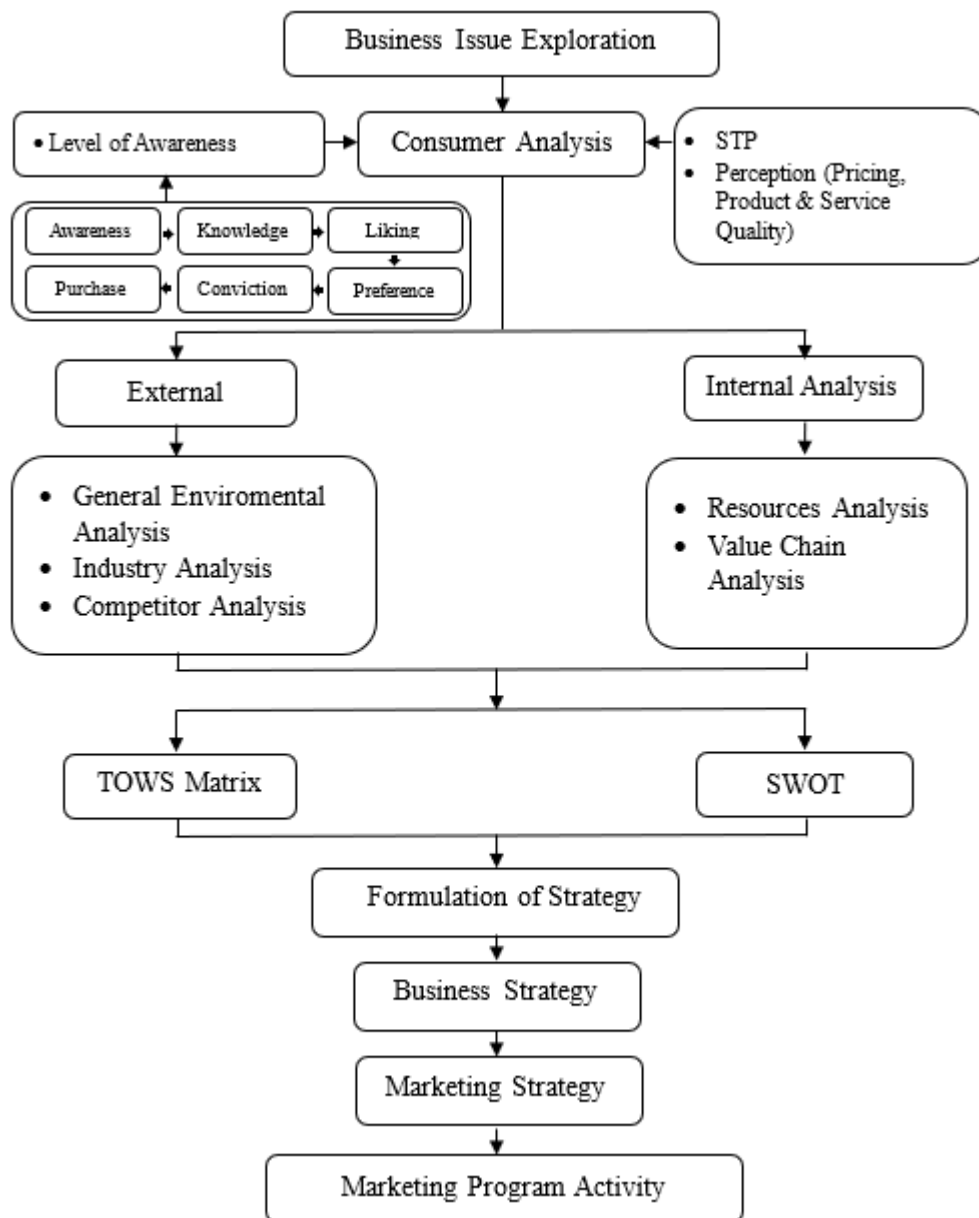

Figure II-4 Conceptual Framework (Source: The Author)

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CHAPTER III Research Methodology

III.1 Research Design

This research design outlines the systematic approach employed to address the business issues faced by Villa We Loza and formulate effective marketing strategies. The following is a flow chart of the research design:
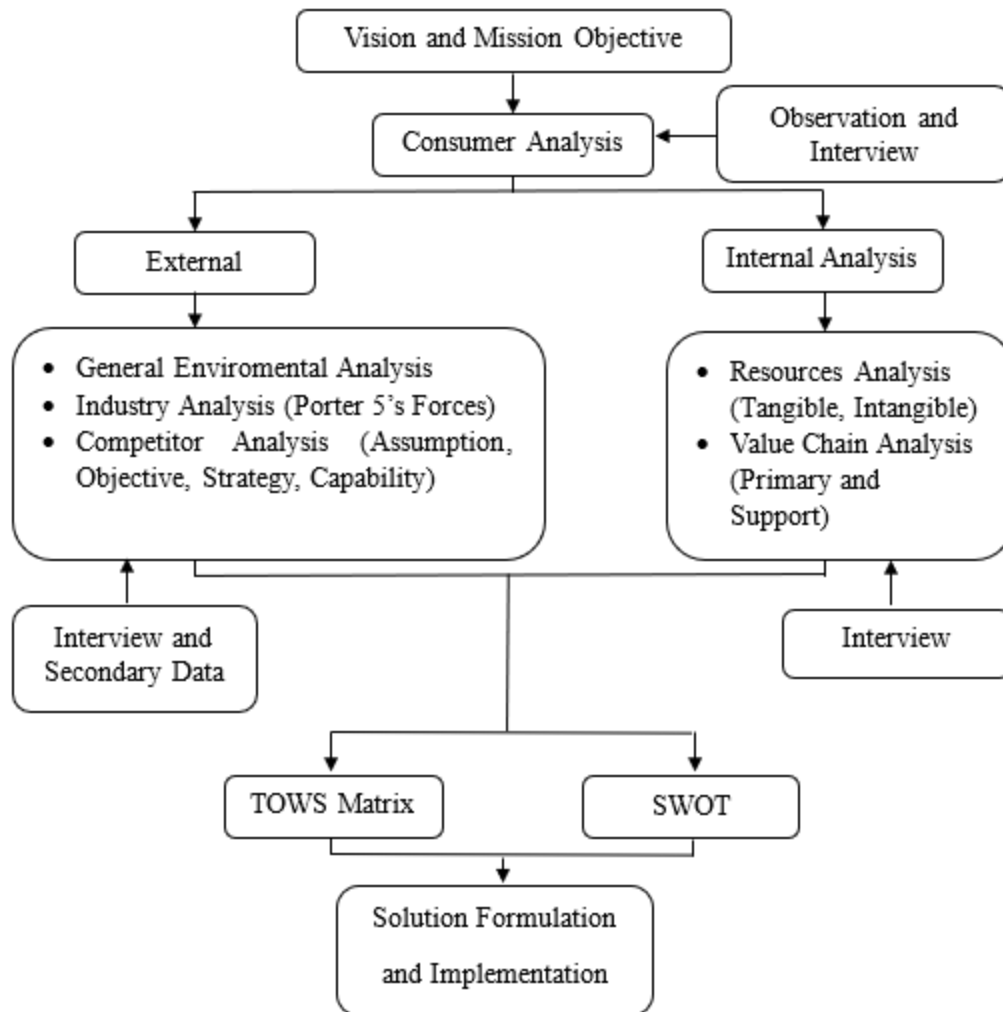

Figure III-1 Research Design (Source: The Author)

III.2 Data Collection Method

Data collection methods are an important stage in research design, as they allow the researcher to begin the process of collecting information relevant to the research. The first step in collecting data is to seek information from various sources that are relevant to the research topic. This research uses a qualitative method approach to understand the experiences, perceptions and preferences of guests staying at Villa We Loza. Qualitative methods were chosen because they allow researchers to explore complex and multidimensional aspects of the guest experience in greater depth. This approach provides space to explore the social, cultural and psychological contexts that influence guests' perceptions and responses to villa services and facilities. The relevant information is then extracted and recorded. Apart from that, researchers can also carry out direct observations in the field to gain a deeper understanding of the conditions relevant to Villa We Loza. In order to ensure a thorough study, the research makes use of both primary and secondary data.

III.2.1 Type of Data

In qualitative research, the focus is on understanding deeper meanings, experiences, and perspectives rather than quantifiable data.

III.2.1.1 Primary Data

Primary data is collected directly from the source, emphasizing observations and interviews.

    a.   Observations

Observation is an important method in scientific research. This method involves direct observation of situations or activities that occur in specific locations. In the context of Villa We Loza, observations were carried out by directly observing various operational aspects and services offered by the villa. This observation helps researchers to understand the management process, interactions with guests, and environmental conditions around the villa in more depth.

    b.   Interviews

Interviews are another important method of data collection. In the context of Villa We Loza, interviews are conducted by interviewing the manager or villa staff to

gain a deeper understanding of various business aspects, policies and efforts made to improve the quality of service to guests. This interview can also help identify problems or challenges faced by the villa and the solutions that have been implemented.

The following is a structural approach to the interview process in the Villa We Loza research:

1. Pre-interview Preparation:
   - Before the interview is conducted, identify the research objectives and select relevant respondents, such as repeat guests, villa staff, managers or owners.
   - Prepare a structured list of questions covering various aspects of guest experience, service, amenities and expectations.
   - Schedule interviews taking into account the respondent's availability, and confirm the schedule with them beforehand.

2. Conducting Interviews:
   - Explain the purpose, scope and importance of respondents' participation in the research.
   - Ask questions according to the guide that has been prepared, and give respondents the opportunity to answer in detail.
   - Listen to respondents' responses carefully, and ask follow-up questions to gain deeper understanding.
   - Record respondent responses in detail for further analysis.

3. Evaluation and Analysis:
   - Transcribe recorded interviews into written text to facilitate analysis.
   - Identify patterns, key findings, and important information from interviews that are relevant to the research objectives.
   - Conduct thematic analysis to group and extract key themes, trends, and patterns from interview data.
   - Interpret analysis results holistically for a deeper understanding of guest experience and service quality at Villa We Loza.

4. Reporting and Follow-up:
   - Present interview results in a systematic and structured research report, including a summary of findings, interpretations and recommendations.

- Use findings from interviews as a basis for developing strategies for improving or developing services at Villa We Loza.
- Monitor and evaluate the implementation of recommendations by involving related parties and prepare appropriate follow-up steps if necessary.

Through a combination of observation and interview methods, researchers were able to collect comprehensive and in-depth data about Villa We Loza. This data can then be analyzed to understand guest preferences, perceptions and needs, as well as to identify areas that need improvement or further development.

III.2.1.2 Secondary Data

Secondary data will be sourced from various reputable outlets such as academic journals, industry reports, government statistics, and online articles. A comprehensive literature study will be conducted to gather relevant information about the hospitality and tourism industry in Kerinci, consumer trends, competitor analysis, and marketing strategies. This secondary data will aid in providing a broader context for understanding Villa We Loza's position in the market and identifying potential opportunities for growth and improvement.

III.3 Data Analysis Method

To effectively evaluate Villa We Loza's competitive position in the hospitality industry and develop strategies for growth and differentiation, the data analysis method encompasses both internal and external dimensions. The aim is to integrate external market dynamics with the company's internal capabilities to establish a sustainable competitive advantage. The analytical approach involves qualitative to gain comprehensive insights into the market, consumer preferences, competitive landscape, and potential growth opportunities.

III.3.1 Consumer Analysis

In analyzing consumer behavior, the data analysis method that is often used is the qualitative method. This approach allows researchers to gain an in-depth understanding of consumer perceptions, preferences, and motivations through observation, interviews, or content analysis. By exploring individual narratives, thought patterns, and experiences, qualitative methods help reveal insights that cannot be accessed through quantitative methods alone. Therefore, qualitative

methods become a valuable tool in understanding the dynamics of consumer behavior as a whole.

The principles in qualitative methods are the basic guidelines that guide research to ensure the reliability, validity, and meaningfulness of findings. These principles include:

    a.   Multiple Sources of Evidence

This principle emphasizes the importance of using multiple data sources in qualitative research. By obtaining information from various sources such as interviews, observations, and documents, researchers can obtain a comprehensive and in-depth perspective on the phenomenon under study. The use of multiple sources of evidence helps increase the diversity of data and ensures that research findings are strongly supported.

    b.   Convergence of Findings

This principle refers to the consistency and harmony of findings from various data sources. Even though the data comes from different methods, such as interviews, observations, or document analysis, the findings must support and strengthen each other. Convergence of findings adds confidence to the reliability of research results and strengthens the arguments built.

    c.   Consistency of Interpretation

This principle emphasizes the importance of consistency in interpreting qualitative data. Researchers must ensure that their interpretation of the data is consistent with findings found from various sources, as well as in accordance with the underlying conceptual or theoretical framework. By maintaining consistency of interpretation, researchers can strengthen the reliability and validity of research findings.

Conducting thematic analysis of interview transcripts and survey responses to identify key consumer preferences, behaviors, and perceptions related to accommodations, amenities, pricing, and overall guest experience.

III.3.2 Industry Analysis

Applying Porter's Five Forces framework to assess the competitive intensity and attractiveness of the hospitality industry in Kerinci and surrounding regions. This

involves analyzing factors such as the bargaining power of suppliers and buyers, threat of new entrants, threat of substitutes, and competitive rivalry.

III.3.3 Competitive Analysis

Competitive analysis is the process of evaluating and understanding competitors in a particular industry or market. The goal of this analysis is to identify competitors' strengths and weaknesses, as well as the opportunities and threats they face. By understanding the relative positions of competitors, a company can identify effective strategies to maintain or increase its market share. In competitive analysis, there are several key elements used to understand competitors and their business environment, namely Assumptions, Objectives, Strategies and Capabilities.

III.3.3.1 Assumptions

Competitor analysis is based on certain assumptions:
- Competitors strive to maximize their market share and profitability.
- Competitors have access to similar resources, technologies, and market information.
- Competitors aim to satisfy similar customer needs and preferences.
- Competitors' strategies and actions influence market dynamics and industry trends.

III.3.3.2 Objectives

The primary objectives of competitor analysis include:
- Identifying key competitors and their market positions.
- Assessing competitors' strengths, weaknesses, opportunities, and threats (SWOT analysis).
- Understanding competitors' strategies, goals, and objectives.
- Evaluating competitors' capabilities, resources, and market performance.
- Anticipating competitors' potential actions and responses to market changes.
- Formulating effective strategies to gain a competitive advantage.

III.3.3.3 Strategy

Competitor analysis involves various strategies and methodologies:

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- Market Segmentation: Identifying and categorizing competitors based on market segments, product offerings, geographic presence, or customer demographics.
- Data Collection: Gathering relevant data and information about competitors through primary research, secondary sources, market reports, and industry databases.
- SWOT Analysis: Analyzing competitors' strengths, weaknesses, opportunities, and threats to identify areas of competitive advantage or vulnerability.
- Benchmarking: Comparing key performance metrics, such as sales, market share, pricing, and customer satisfaction, against competitors to assess relative performance.
- Scenario Planning: Anticipating potential scenarios and outcomes based on competitors' likely strategies and market dynamics.
- Competitive Intelligence: Monitoring competitors' activities, product launches, marketing campaigns, and customer feedback to stay informed about market developments.

III.3.3.4 Capability

Competitor analysis requires certain capabilities and resources:

- Research Skills: Proficiency in gathering, analyzing, and interpreting market data and competitive intelligence.
- Analytical Skills: Ability to conduct SWOT analysis, identify patterns, and draw insights from competitor data.
- Strategic Thinking: Capacity to translate competitive insights into actionable strategies and tactical plans.
- Resource Allocation: Allocating sufficient resources, budget, and manpower to support ongoing competitor analysis activities.
- Technological Tools: Utilizing advanced software, analytics platforms, and market research tools to enhance data collection and analysis capabilities.

By employing a comprehensive data analysis method encompassing both qualitative and quantitative techniques, Villa We Loza can gain valuable insights into the market landscape, consumer preferences, competitive dynamics, and

growth opportunities. These insights will inform strategic decision-making and enable the development of effective marketing, operational, and expansion strategies to enhance the company's competitiveness and long-term success in the hospitality industry.

CHAPTER V Conclusion and Recommendation

Based on the research questions and objectives, the study has identified key insights and strategic recommendations to address the challenges faced by Villa We Loza in increasing its brand awareness and enhancing its market presence. The following are the detailed conclusions derived from the study:

V.1 Conclusion

V.1.1 Segmentation, Targeting, and Positioning

- Segmentation: The analysis revealed that Villa We Loza's key consumer segments include local travelers, families, and millennials who value affordability, convenience, and proximity to attractions. Demographic, psychographic, and behavioral factors, such as preference for eco-friendly accommodations and desire for unique travel experiences, play a significant role in shaping these segments.

- Targeting: Among the identified segments, families and young travelers (aged 25–55) are the most promising target markets. These groups show a higher tendency to prioritize homestays with a friendly atmosphere and personalized services.

- Positioning: Villa We Loza can differentiate itself from competitors by emphasizing its unique strengths, such as beautiful views, serene surroundings, and personalized services. Positioning itself as an affordable yet premium homestay that offers an authentic local experience will be well-received by target customers.

V.1.2 Enviromenment Scanning

- Villa We Loza operates in a competitive environment where consumers are heavily influenced by digital marketing channels, reviews, and peer recommendations. Understanding market dynamics through environmental scanning highlights opportunities such as leveraging social media and collaborating with local tourism boards.

- Challenges include increasing competition from other homestays and hotels in the area, price sensitivity among customers, and limited visibility on online travel platforms.

V.1.3 Proposed Marketing Strategy

- To increase brand awareness, Villa We Loza should adopt a multi-channel marketing approach. This includes leveraging digital marketing (e.g., social media ads, influencer collaborations), optimizing its presence on online booking platforms, and enhancing its website to provide a seamless booking experience.

- Developing partnerships with local tour operators and offering unique packages (e.g., "Stay and Explore Kerinci") can further appeal to target customers and create a distinctive brand image.

V.1.4 Marketing Strategy Implementation

- The proposed strategy should be gradual, starting with strengthening Villa We Loza's online presence and building a consistent brand message.

- Investing in consistent content creation, customer testimonials, and targeted online campaigns will be essential to create initial awareness.

- Long-term implementation involves gathering customer feedback and adjusting the strategy to align with market trends, ensuring continued growth in occupancy and revenue.

V.2 Recommendation

a. Marketing Campaign

- Social Media Strategy: Focus on creating engaging content, including customer stories, behind-the-scenes videos of the homestay, and aspects of Kerinci culture. Use platforms like Instagram and TikTok to reach a younger demographic.

- Search Engine Optimization (SEO): Improve the searchability of the website by including keywords like "best homestays in Jambi" or "affordable accommodations in Kerinci," thereby increasing its ranking in search engines.

- Review Management: Actively encourage satisfied customers to leave reviews on platforms like Google Reviews, TripAdvisor, and booking websites. Positive reviews significantly influence potential customers' decisions.

b. Collaboration Opportunities

- Partner with local travel agencies and ecotourism programs to attract eco-conscious travelers.
- Collaborate with travel influencers and bloggers to increase exposure to target segments.

c. Customer Retention Programs

- Implement loyalty programs that offer discounts or perks to repeat customers.
- Hold special events or promotions during peak travel seasons to encourage referrals.

d. Operational Improvements

- Focus on consistent service quality and train staff to deliver exceptional hospitality.
- Regularly update and maintain facilities to meet customer expectations for cleanliness and comfort.

e. Data-Driven Decision Making

- Use analytics tools to track campaign performance and consumer behavior, allowing for real-time strategy adjustments.
- Conduct regular surveys to stay informed about evolving consumer preferences.

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