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# 5-Star Luxury Hotels' Instagram Performance as a Digital Marketing Strategy during the Travelling Restriction

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#### Abstract

**Purpose**: This study aims to enhance knowledge and improvement in online digital marketing, especially to increase domestic customers at 5-star luxury hotels in Nusa Dua, Bali, Indonesia.

**Research methods**: Qualitative descriptive analysis technique is used to explain the development of digital marketing function towards tourism business. The object study is 5-star luxury hotels in Nusa Dua.

**Findings**: Instagram performance during travel restriction and review in 4Ps marketing mix; product, price, place, and promotion. A strategy to increase and promote activities to meet customer needs in various occasion.

**Implication**: Instagram has significant role in selling and promoting every brand of 5-star luxury hotels in Nusa Dua and its significant improvement following the updated technology progress and customer demand.

Keywords: social media, instagram, luxury hotel, hotel promotion.

## INTRODUCTION

Nowadays digital technology is a crucial platform to meet everyone needs, as well as when planning a worldwide travel. Every information and recommendation can be easily accessible in only one click on mobile phone or laptop. It is very obvious that more and more hotels use the opportunity through digital technology media as most effective way to target the customers. It is pointed out that digitalization is a new form of communication between producers and consumers of tourist services, becoming a source of competitive advantages of tourist organizations (Natocheeva et al., 2020). For many countries, tourism is the foundation of economy development (Popescu et al., 2015). Furthermore, special attention indicated the importance of developing sustainability tourism as the most promising segment. Every major segment of the market is developing with the help of digital technologies, using them to increase sales, brand awareness, and create certain trends related to the company's or organization's activities (Natocheeva et al., 2020). Despite the obligation to use digital media to

promote today's tourism, it must be understood that this evolution also implies significant changes for the players in the sector (Carvalho & Carvalho, 2020).

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At 5-star luxury hotels in Bali, the author found an interesting review that instagram is now becoming a main platform to touch customer engagement in digital marketing segment. Instagram as a marketing platform is not a new phenomenon, social media in the context of B2C is widely researched, with its developed concepts and constructs, becoming an integral part of consumers' modern lives (Lamberton & Stephen, 2016). This increase in popularity has been exploited in a number of ways in B2C, and often forms a large part of a company's marketing strategy (Ngai et al., 2015). Companies are able to communicate with consumers at a much lower cost than ever before through social media (Ngai et al., 2015), generating content online quickly and cheaply to develop brand presence (Ngai et al., 2015). However, the extent to which this theory is applicable to other business model domains such as B2B, Mixed B2C/B2B and B2B2C domains is relatively under-researched (Moore et al., 2013). B2C social media is a trending topic in new era and is an important tool for advertising, and the use of it has enhanced the marketing field of many 5-star luxury hotels in Bali. The marketers are making big efforts to know how to use social media for marketing, since it helps companies know their customers' needs, interact with them, and build company's trust.

Social media as part of digital marketing has been rapidly increased due to globalization impact and developing in all industry. People are using social media as a trustful online platform to seek any information, most of potential customers gone through virtual travel in social medias prior to journey. In regards of tourism, many hotels management are investing considerable efforts to showcase the product and service through social media to gain targeted market with showcasing unique selling points. However, tapping the best target required a great online selling in order to satisfied tourist needs and expectation.

Knowledge relating to the use of social media in hotel industry is particularly improving. This study is an instagram performance review to four of 5-star luxury hotels available in Nusa Dua, they are The St. Regis Bali Resort, The Mulia Bali, The Ritz-Carlton Bali, and The Apurva Kempinski Bali. The author had discussion with some team in each hotel and with few research studies, papers, or cases exploring how social media integrates with other digital and multichannel management approaches in this section of the economy, ecology and social culture. Sustainable Development, a program that involves a global commitment to achieve economic growth, including social and environmental sustainability in all countries (Rodríguez-Díaz & Pulido-Fernández, 2020). The study is structured a systematic literature review is carried out that contains of 20 academic articles and websites, also 4 instagram accounts. This study also considers the degree in which instagram is implemented marketing activities, specifically focus on the topics as digital marketing platform and how the strategy to attract more customers and covert business to hotels. The specific issue happened since festive season by end of December 2020 the local government raised announcement of PCR test and Antigen test as conditions to travel to Bali. Followed with Government regulation stated by Coordinating Minister of Economics Affairs Mr. Airlangga Hartanto that PSBB (Pembatasan Sosial Berskala Besar or Large Scale Social Restrictions) is applied for Java and Bali from 11 January until 25 January 2021 refers to Government Regulation (Peraturan Pemerintah) Number 21 Year 2020 regarding prevention of Covid-19 spreading possibility. The restriction then had multiple extension by Government and Local Authority with impacted hotels' general occupancy in Bali dropped into 0 - 5% at daily average. With this critical issue the four of 5-star luxury hotels in Nusa Dua, Bali has put strategy in instagram to have hotel's marketing information and updated promotion, which is the focal point of this study.

Refer to the study, it has an objective purpose to maximize social media platform to raise promotion awareness thru instagram. The 4W + 1H objectives are:



Figure 1. Purpose of the study with 4W + 1H objectives (Processed data, 2021).

The aim of this study is to identify the advantages that 5-star luxury hotel in Nusa Dua, Bali able to gain from using social media in digital marketing. Future benefits of using instagram in the domestic market business are also to be discussed later in the upcoming chapters.

# **RESEARCH METHODS**

The method used is descriptive qualitative (Mukhtar, 2013), "A qualitative descriptive research method is a method used by researchers to find knowledge or theories about research at certain time". Qualitative methods answer the problems and objectives of this study involving a number of information. Data collection is based on document study. Qualitative data analysis through stages

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of reduction, categories and classifications, determining themes, and drawing conclusions (Darmana, 2019).

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Social media refers to the world's new way of interaction between people and companies in different regions. It is known to be quite beneficial in terms of investments. Marketing methods are increasing their efficiency through the use of social media. However, in this study of B2C marketing is concentrated on, how is the value equity, relationship equity, brand equity and customer equity gained from social media marketing activities leads to customer purchase intention as main goal of business development. By this study also the 5-star luxury hotels may have insight of maximizing strategy usage on social media with results in higher exchange of information, connection and assistance among partners and customers.



Figure 2. Marketing methods.

Social media enhances the performance of companies and makes it easier to accomplish given tasks. In order to engage with new partners, B2C marketers are increasingly adopting social media websites in their investments (Michaelidou et al., 2011), despite the fact that various boundaries which exist, are hindering the concept of using social media in the digital marketing.

	stregisbali 🤗 Message 🔺 🗸 ···
ST REGIS BALI	1,447 posts 76.4k followers 289 following The St. Regis Bali Resort Hotel Resort Indulge in refined luxury of The St. Regis Bali Resort for your next exquisite escape in Nusa Dua:
	bit.ly/StRegisBali-Offer

Figure 3. Instagram account of St. Regis Bali (Processed data, 2021).



Figure 4. Instagram account of The Mulia Bali (Processed data, 2021).

	ritzcarltonbali 🤗 Message 🔹 💉 💉
THE RITZ-CARLTON	850 posts 56.4k followers 833 following
	The Ritz-Carlton, Bali
	Beach Resort
	Contact us via WhatsApp : +62-8191-849-8988
	Stay Longer Save More. Min 4 nights stay. Enjoy a memorable staycation in Bali
	linktr.ee/rcbali

Figure 5. Instagram account of The Ritz-Carlton Bali (Processed data, 2021).

	kempinskibali Message 💵 🗠 😶
The Apurva Kempinski	745 posts 76.4k followers 112 following
BALL	The Apurva Kempinski Bali
	Hotel
	👸 Global Overall Hotel of the Year by World Luxury Hotel Awards
	😈 Traveller's Choice Award by TripAdvisor
	💬 +62811-3970-262
	kempinski.com/bali

Figure 6. Instagram account of The Apurva Kempinski Bali (Processed data, 2021).

The interest in social media marketing goes back to the advantages that the 5-star luxury hotels able to gain when using these sites in their activities. Hotels should first understand and handle the obstacles that prevent the ability to utilize social media sites. Afterwards, they will be able to take full advantage from utilizing social media in their marketing activities. When hotels takes a decision to utilize social media for marketing and communication they should be aware of what social media can serve and how to reach their customers. Here are instagram accounts detail completed with opening year and follower amount.



Figure 7. Instagram accounts of 5-star luxury hotels in Nusa Dua, Bali, source of October 2021 (Processed data, 2021).

In order to reach the aim of this study and answer review questions, a qualitative study will be carried out in this review organized as a case study. The Marketing Mix "4Ps" theory was born in United States, with the proposing of marketing mix theory. In 1953, Neil Borden created marketing mix which means that the market demanding is more or less largely replying on the marketing variables or selling factor. In order to find some market impacts, the enterprises must be effective in combining these elements to meet market demand and to maximize profits. McCarthy in 1960 in summarized marketing mix elements as four categories: Product, Price, Place and Promotion by J. Cha., 2009 (UKEssays, 2018).

## FINDINGS

The study did review the 4Ps Marketing mix on each hotels and identifying how is social media integrated especially into the promotion segment, social media channel utilization as well as the importance of social media through the engagement cycle.

Hotel	The St. Regis	The Mulia Bali	The Ritz-Carlton	The Apurva
Name	Bali Resort		Bali	Kempinski Bali
Product	access	<ul> <li>Local 5-star luxury hotel chain</li> <li>Direct beach access</li> <li>Great service</li> <li>Half facilities open during pandemic</li> </ul>	access	<ul> <li>International 5- star luxury hotel chain</li> <li>Direct beach access</li> <li>Great service</li> <li>Full facilities open during pandemic</li> <li>New hotel</li> </ul>

Table 1. 4Ps Marketing mix of 5-star luxury hotels in Nusa Dua.

Price	<ul> <li>Price strategy maintained</li> <li>Maintaining pricing in the market during pandemic</li> </ul>	<ul> <li>Price strategy maintained</li> <li>Maintaining the continue with aggressive pricing in the market during pandemic</li> <li>Aggressive discount in some time during pandemic</li> </ul>	<ul><li>maintained</li><li>Aggressive pricing in the</li></ul>	<ul> <li>Price strategy maintained</li> <li>Maintaining pricing in the market during pandemic</li> <li>Aggressive discount in some time during pandemic</li> </ul>
Place	<ul><li>channels open</li><li>Fine market</li><li>coverage</li><li>Half</li></ul>	<ul> <li>Luxury area and green zone of Nusa Dua, Bali</li> <li>B2B and B2C channels open</li> <li>Fine market coverage</li> <li>Half inventory open for selling</li> </ul>	Nusa Dua, Bali • B2B and B2C channels open	<ul> <li>Luxury area and green zone of Nusa Dua, Bali</li> <li>B2B and B2C channels open</li> <li>Great market coverage due to fully working team during pandemic</li> <li>Full inventory open for selling</li> </ul>
Promotion	Post with	<ul> <li>Shows about lifestyle and repost from guest or influencer who stayed</li> <li>Main hastag #escapetomuli a #nusadua #theluxuryasia #GegerBeach #TLPicks #ForbesTravel Guide #tasteintravel #bbctravel #natgeotravelpi c #lonelyplanet #bestvacations #luxuryworldtra veler</li> <li>Expose more foreigners post</li> </ul>	<ul> <li>Get the less post amount compare to others</li> <li>Main hastag #DiIndonesiaAja #RCMemories #ritzcarlton #ritzcarltonbali</li> <li>Expose more lifestyle</li> </ul>	<ul> <li>Exploring variously of restaurants, promotion, team members, etc.</li> <li>No hastag</li> <li>Daily exposure</li> <li>Main likes on post with ocean, pool, Koral restaurant and Nyepi Video</li> <li>Get the most increase followers</li> </ul>

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Another interesting fact the author found is The Apurva Kempinski Bali as the newest hotel among the 5-star luxury hotel in Nusa Dua, succeed in getting the most engagement by doing daily exposure. With this marketing strategy, the customers who follow will get daily post to remind them regarding the property and get more interest, this is a very potential result of converting the business into hotel. Below is the data of instagram exposure on Q1 2021, where 1<sup>st</sup> travelling restriction happened in year 2021.



Figure 8. Instagram performance in Q1 2021 (Processed data, 2021).

Due to the growing significance of social media in B2C marketing and the power shifting from organizations to individuals and online communities, further research is needed in terms of how social media is used as a strategic tool for managing relationships with various stakeholders. The four of 5-star luxury hotels in Nusa Dua, Bali went through in the evolution of their social media strategy. More study might be able to investigate how hotel and customer's relationships are managed on social media channels, and how social media actions result in the desired business outcomes. Not only understanding in theory how the strategy was made but also examining the development of the era that is known at this time technological advances in marketing becomes one of the things that should be mastered to increase occupancy and revenue in a hotel (Susanti et al., 2020). Specifically, a comparison between promotion exposure and product quality is carried out. This study results show that the more aggressive the promotion being shared and the more exposure done by hotels, the more consumers will see and turns lead into materialized business. Instagram as a social media becoming a thought leader, whereas hotels and customers use the channels for developing relationships in common interest.

Other important indication is that current generation is using instagram as source to find any interesting travelling information. Millennials are one the most

numerous generations in history, outnumbering even the generation of Baby Boomers (Scotland's National Tourism Organization, 2017). At the moment, they form almost one third of the world's population (Hamed, 2017), and one of the most influential generation when it comes to customer power (Şchiopu et al., 2016). Are the greatest working generation ever (Bochert et al., 2017). The commencement of this generation was mostly marked by the development of digital technologies and the expansion in their global use (Starĉević & Konjikušić, 2018). Millennials are also known as the GenNext, netGeneration, GenMe, Google generation, and Digital generation (Şchiopu et al., 2016), which clearly indicates that this generation is highly connected to digital technologies. Hence, millennials are most often identified as "digital natives", which is a term referring to people who grew up with digital technologies and are familiar with computers, the Internet and mobile devices from their early age (Starĉević & Konjikušić, 2018).

During travel restriction in 2021, hotels use social media in creating essential communications with their customers, and therefore, improve their customer relationships. However, when companies who listen to their customer's concerns and interests, respond to them and solve their problems after, companies will then be able to raise customer communications and interactions and will in return improve customer loyalty and increase customer satisfaction (Järvinen et al., 2012). As the objectives of instagram promotion is line with 5-star luxury hotels in regards of mutual business, they are also in line with the main objectives of marketing in utilizing social media and to improve current customer relationships and obtaining new customers. As for the available literature concerning the objectives of social media, there was no clear evidence if the utilization of social media on wider basis has changed the purposes of using digital marketing in B2C companies (Järvinen et al., 2012).

### CONCLUSION

The statistic fact shown that instagram promotion as digital technology has one of the biggest roles in communication worldwide. The role of social media marketing for tourism is highlighted, the characteristics of the marketing complex and its features for tourist activity are given. It has now become clear to policymakers, managers, and academics that the future of the tourism industry cannot be defined by the actions of individual entities or organizations, implying that a larger local and global movement towards sustainable tourism is needed. Promotion through online media which is now being carried out and it is considered effective because it is the current trend. This online media includes email blasts, social media, travel agents, radio, influencers, and also local media partners because with online media product information will be easier and faster to convey to customers.

In September 2015, during the Special Summit on sustainable development, the United Nations member states approved the 2030 Agenda for This study has some reviews of instagram development and impact to business promotions strategy, focusing to four brands of 5-star luxury hotels in Nusa Dua, Bali as the object. The power of social media able to drive to a certain direction due to its popularity usage. What will be the result of development and how we could gain more impact to domestic market business and raise awareness amongst internet reader within the country or in overseas, especially in current unprecedented situation and multiple extended travel restriction.

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