

## THE EFFECTIVENESS OF ONLINE MARKETING TRENDS : B2B AND B2C APPLICATION.

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### ABSTRACT

*This research aims to determine the effectiveness of online marketing using B2C (Business to Consumer) and B2B (business to business) at Movenpick Resort and Spa Jimbaran, Bali. This research used qualitative methods used a case study approach. Methods of data collection has used library research with previous research and field research with observation, interviews and documentation.*

*The results showed that online marketing using B2B (Business to Business) and B2C (Business to Consumer) was very effective for the sales process at Mövenpick Resort and Spa Jimbaran, Bali it's seen from the data provided by the sources which showed that the sales period 01 January 2017 - 01 January 2019 the biggest sale is through the internet, that is by using CRS (central reservation system) which is connected from OTA (Online Travel Agent), amounting to 73.2 percent. Whereas sales using the official website from Mövenpick, namely [www.movenpick.com](http://www.movenpick.com) or MHR.com are only 6.3 percent. Sales obtained by the front desk / walk in, telephone and office reservation are only 0.1 percent.*

**Keywords :** B2B (Business to Business), B2C (Business to Consumer), E-commerce, Online Marketing

### INTRODUCTION

The development of science and technology has changed the world. One of them is with the third generation of industrial revolution or 3.0 revolution that is marked by the emergence of digital technology and the internet.

Afterward, the fourth generation of industrial revolution, or the 4.0 revolution, has discovered a new pattern when disruptive technology is present so quickly and threatens the existence of incumbent companies.

In connection with the 3.0 revolution, where all things are digital, and together with the 4.0 revolution which strengthened all sectors of the world economy due to the Great Shifting decade. The emergence of the 4.0 revolution shall not only be a revolution in the field of technology, but also must be accompanied by a cultural and human behavior revolution as well.

As it is well known, the world's largest and highly developed economy sector is the tourism sector, especially the hotel hospitality business. With the 3.0 revolution based on digital-based technology, sales and marketing also began to experience a shift, and should adjust to the revolution of the 4.0 revolution. In the 3.0 revolution most people had started using the B2C (Business to Consumer) e-commerce platform, in this case the company's official website, to make residential reservations. However, many of those who make room occupancy reservations using the official website of the company still often also ask for clarification directly from the hotel by communicating with the reservation which results in direct booking customers through manual method, which causes ineffectiveness of the sales process using an e-

commerce platform or the company's official website because of the unclear information contained in the e-commerce platform or the company's official website that is used.

Effectiveness is a basic element to achieve the goals or objectives that have been determined in every organization, activity or program. An activity is called effective if it achieves the goals or objectives as specified. According to Ravianto (2014: 11), the notion of effectiveness is how well the work is done, the extent to which people produce outputs as expected. That is, if a job can be completed in accordance with planning, in terms of time, cost, and quality, then it can be said to be effective.

The definition of marketing according to the American Marketing Association in Kotler and Keller (2009: 5), is "an organizational function and a series of processes to create, communicate, and provide value to customers and to manage customer relationships in ways that benefit the organization and its stakeholders". According to Philip Kotler and Armstrong (2007: 18), "marketing is as a managerial social process that makes individuals and groups get what they need and want through the creation and mutual exchange of products and values with others."

From the two definitions above, it can be concluded that the exchange process is realized in the form of goods and services that is provided, and then distributed to consumers in order to meet their needs.

With the 4.0 revolution, the hotel management has immediately changed the marketing pattern used by completing the product information offered and using a design that can attract customers. Then develop cooperation with e-commerce platforms that move as B2B (Business to Business) that are expected to sustain sales of a business.

E-Commerce is the sale or purchase of goods and services, between companies, households, individuals, governments, and the public or other private organizations conducted through computers on network media. Goods and services are ordered through the network, but payment and delivery of goods or services can be made at the end. Understanding Electronic Business is the process by which an organization or company carries out business processes on a network channel in an electronic media, Ahmadi (2013: 7)

E-Commerce actually takes the form of selling and buying. Further transactions are enabled by the addition of electronic developments such as computers and various other transmission media, and most importantly, the internet. E-Commerce is the process of purchasing goods and services via the internet using secure connections and electronic payments, Sulianta (2009: 10).

According to Strauss and Frost (2012: 412) Business to Consumer (B2C) is marketing products for end consumers. Business to customer (B2C) is a business that provides services or sales of goods or services to individual consumers or groups directly. In other words, the business that you do is directly related to consumers, not companies or other businesses. As an example in hospitality industries is the use of the hotel's official website that can be used as a standard for room reservation. For that we need things that attract new visitors and encourage repeat visits, an online marketing must pay close attention to the seven C's of effective website designs, namely (Kotler and Armstrong, 2008):

1. Context: layout and site design.
2. Content: Text, images, sound and video that make up the contents of the website.
3. Community: the way a site allows communication between users.
4. Customization: the ability of the site to adapt itself to different users or allow users to personalize the site.
5. Communication: the way the site allows site communication with users, users with sites or two-way communication.
6. Connection: the level of site relationships with other sites.
7. Commerce: the capability of the site to enable trade transactions.

Business to business (B2B) According to Strauss and Frost (2012: 412) is the marketing of products for businesses, governments, and institutions for the needs of business operations, such as components in business products, or for resale. Business to business (B2B) is a transaction that is carried out electronically or physically and occurs between one business entity to another. B2B is the sale of products or services provided by the business and is intended for other businesses, not to customers. For example, sales of room occupancy through other party intermediaries who also market other hotel room occupancy, for instance, the Booking.com, Expedia, Traveloka platforms etc.

Increased sales volume is something that is expected by the seller of the product or service it sells. Increased sales volume can be done by retaining old customers or finding new customers.

One company that uses online marketing or e-commerce is Mövenpick Resort and Spa Jimbaran, Bali. Mövenpick Resort and Spa Jimbaran, Bali is a 5 star family hotel in the Jimbaran area.

Based on the results of gathering information obtained by the author, there are several issues that become problems in marketing by using online shopping sites, one of which is the cooperation and management costs that are quite high. This cost must be paid by the company to be able to participate in trade competition by using online shopping sites that are rife in use today. Thus the formulation of the problem in this research is as follows: how effective is online marketing by using B2C (Business to Consumer) and B2B (Business to Business)?

This study refers to previous research conducted by Aryawan, I Wayan and Ridwan Ahmad, students of Dwijendra University, with the title "The Effectiveness of E-Commerce Implementation in Increasing the Occupancy of Watermark Hotel and Spa Jimbaran Badung ", the results of this study indicated that the application of e-commerce is very effective in increasing the occupancy at Watermark Hotel and Spa Jimbaran Badung seen from the strategies used and based on the results of marketing data collection using e-commerce.

The purpose of this study was to determine the effectiveness of online marketing by using B2C (Business to Consumer) and B2B (Business to Business) at Mövenpick Resort and Spa Jimbaran, Bali. The benefits of this research is contributing to science in the form of scientific publications,

## RESEARCH METHODOLOGY

The research approach used in this study is a qualitative approach, which generally aims to develop concepts or develop understanding of a phenomenon. Qualitative research is research that does not use statistics but through data collection, analysis, and then data shall be interpreted. Qualitative research is research that is descriptive and tend to use the method or approach analysis of case studies. Case study data can be obtained from all parties concerned, in other words in this study, it is collected from various sources (Nawawi, 2003: 1).

Case study will be less detailed if it is only focused on certain phases or one particular aspect before obtaining a general overview of the case. On the other hand case study will lose its meaning if it is only intended to obtain a general picture but without finding something or some specific aspects that need to be studied intensively and deeply. Good case studies must be done directly in the real life of the case being investigated. Nevertheless, the case study data can be obtained not only from the cases studied, but also can be obtained from all parties that are aware with the case and know the case very well. In other words, data in case studies can be obtained from various sources, but it is limited in the cases to be investigated (Nawawi, 2003: 2).

With regard to the method of collecting the required data, the authors used the following phases:

- a. Library Research. Aims to strengthen ideas in analyzing and evaluating the results of field research. A strong foundation is needed from theories from reading books, previous research results, scientific magazines, and other sources related to this research.
- b. Field Research. Conducted through a review of the object of research, namely Mövenpick Resort and Spa Jimbaran, to obtain data that is real, precise, and accurate. The techniques used are:
  - i) Observation, according to Sugiyono (2013: 45), observation as a data collection technique has more specific characteristics when compared to other techniques, because observation is not limited to people but also to natural objects another. In this research, the intended observation is to visit or observe Mövenpick Resort and Spa Jimbaran, to look closely at the process of using marketing strategies to increase sales.
  - ii) Structured interview, Sugiyono (2010: 233) suggests a structured interview using interview guidelines that have been arranged systematically and completely for data collection. In this study, structured interviews were conducted, namely conducting question and answer on resource persons related to the research object, namely Ariyadnya Dewi as Revenue director, and Mrs. Wayan Yuniaathi as e-commerce Manager.
  - iii) Documentation, this method is the collection of data in the form of photographs or documents that can complement data that cannot be obtained in observations, and interviews.

Data analysis of this research was carried out with qualitative descriptive techniques. According to Miles & Huberman (1992: 16), it is stated that the process of data analysis consists of 3 processes, namely:

1. Data reduction.  
Data reduction is defined as the process of selecting, focusing on simplifying, abstracting, and transforming rough data that arises from written records in the field. Data reduction continues throughout the qualitative research-oriented project. Anticipation of data reduction was apparent when the research decided (often without being fully realized) the conceptual framework of the research area, the research problem, and which data collection approach that is chosen. During data collection, the next reduction stages (summarizing, coding, tracing themes, creating clusters, creating partitions, making memos) occurred. This data reduction / transformation will continue after the field study, until the final report is complete. Data reduction is part of the analysis. Data reduction is a form of analysis that sharpens, classifies, directs, disposes of unnecessary, and organizes data in such a way that the final conclusions can be drawn and verified. With data reduction, researchers do not need to interpret it as quantification. Qualitative data can be simplified and transformed in a variety of ways, namely: through rigorous selection, through summary or brief description, classifying it in a broader pattern, and so on. Sometimes it can also convert data into figures or ranks, but this action is not always recommended.
2. Presentation of data / data display  
Miles & Huberman limits a presentation as a collection of structured information that gives the possibility of drawing conclusions and taking action. They believe that better presentation is a primary way for valid qualitative analysis, which includes: various types of matrices, graphs, networks and charts. Everything is designed to combine information that is arranged in a coherent and easily accessible form. Thus an analyst can see what is happening, and determine whether to draw the correct conclusions or continue to proceed to do the analysis according to the suggestions told by the presentation as something that might be useful.
3. Conclusion / verification

According to Miles & Huberman, drawing conclusions is the result of research taken from the results of the reduction and presentation of data is a temporary conclusion. This temporary conclusion can still change if other strong evidence is found during the data verification process in the field. So the data verification process is carried out by the researchers going back into the field to collect data again that is possible to obtain other strong evidence that can change the results of the conclusions drawn. If the data obtained is the same as the data that has been obtained, standard conclusions can be drawn and subsequently included in the research report. In short, the meaning that emerges from the data must be tested for its truth, robustness, and compatibility.

## RESULTS AND DISCUSSION

### General description of research objects

Mövenpick Resort and Spa Jimbaran, Bali is a 5-star hotel with the big name of Mövenpick Resort and Spa in Indonesia. Located on Wanagiri street no. 1 Jimbaran, Badung, Bali, this hotel is famous as the Family 5 star hotel because the facilities provided are full of family atmosphere and because the location of the hotel itself is very strategic with other tourist attractions such as being in the Samasta lifestyle Village area where there are many restaurants, coffee shop, playing center, bookstore, minimart, shopping center for souvenirs etc. that are needed by the family for a simple vacation. Opened in March 2017, Mövenpick Resort and Spa Jimbaran, Bali is quite fast competing with other five-star hotels in the Jimbaran area of Bali seen from the many awards obtained by Mövenpick Resort and Spa Jimbaran, one of which was winning the Best Pre-Opening Hotel in Bali.

The results of observations and interviews conducted at Mövenpick Resort and Spa Jimbaran, Bali with Revenue Director, Mrs. Ariyadnya Dewi and E-commerce Manager Ms. Yuniathi, showed that the implementation of e-commerce was very instrumental in helping to increase the level of room sales. This can be seen from the data provided by the Mövenpick Resort and Spa Jimbaran, Bali, namely the data of room production report for the last 2 years. Figure 1.1 shows that the total sales of the rooms at the Mövenpick Resort and Spa Jimbaran, Bali comes from the OTA (online travel agent) and other e-commerce media. Sales of e-commerce media used by Mövenpick Resort and Spa Jimbaran, Bali is the official website of Mövenpick Resort and Spa Jimbaran, Bali, [www.movenpick.com](http://www.movenpick.com).

Figure 1.1  
Official Website of Mövenpick Resort and Spa Jimbaran, Bali.



Sources: Google, 2019

There are 13 OTA (online travel agents) that are in collaboration with Mövenpick Resort and Spa Jimbaran, Bali, including: Booking.com, Agoda.com, Expedia.com, Hotelbeds.com, Ctrip.com, DOTW (destination of the World), GTA, Miki Travel, Donvand Limited (Gullivers Direct Interface), Travco, Jac Travel, TUI Espana and Make my trip. The data shows that offline sales are only a small part of the total

sales. Room occupancy orders through offline sales were done in the form of reservation by email, reservation by call and walk in guest.

Figure 1.2  
One of the OTA (Online Travel Agent) websites, Expedia.com



Source: Google, 2019

According to Ms. Ariyadnya Dewi as Revenue director, there are several things done by Mövenpick Resort and Spa Jimbaran, Bali in conducting e-commerce based sales to increase sales, including:

1. Using smart promotion strategies.

The use of smart promotional strategies means to use the best price deals, hot deals, value deals, flash deals, mystery deals, reward points, special campaigns and free cancellation fees. All offers are used on the OTA and the official website of the hotel. However, the amount will depend on the number of sales from each OTA, in other words, the amount of rewards and promotions will be determined directly by the hotel. The ADR (Average Daily Rate) that is given is different between one OTA to another OTA, where the rate will be flexible as seen from the number of sales successfully made by the OTA. As an example, one of the biggest sales obtained by OTA in collaboration with Mövenpick Resort and Spa Jimbaran, Bali is Expedia.com, with so many sales obtained that Mövenpick Resort and Spa Jimbaran, Bali has VIP access on the Expedia website. Expedia is also given a special ADR in the sale of all types of rooms.

2. Using Online Advertising.

Not only by using promotional strategies carried out by using the best price deals, hot deals, value deals, flash deals, mystery deals, point rewards, special campaigns and free cancellation fees, Mövenpick Resort and Spa Jimbaran, Bali also utilizes the page on OTA to promote the hotel.

Being at the top of every page of OTA can invite intention from prospective consumer to visit and make purchases. It does not end there, Mövenpick Resort and Spa Jimbaran, Bali also uses the main page of the OTA to do promotions by issuing advertising that will suddenly appear on that page.

3. Number of rooms given to OTA (online travel agent)

Calculation of determining the number of rooms given to OTA that will be shown on each OTA's Page with the aim of attracting customers to immediately make room bookings is determined by hotel management. According to e-commerce manager Ms. Yuniathi, this was very effective for Mövenpick Resort and Spa Jimbaran, Bali to increase the number of room bookings. The hotel management will change the number of rooms available if you see a pretty good sales data from the OTA.

The promotion activities carried out above through OTA are recognized to be very effective according to the speakers (Ms. Ariyadnya Dewi and Ms. Yuniathi) as seen from the Production Report data provided for the last 2 years as in Figure 1.3 below:

Figure 1.3

**Production Report**

Hotel: Jimbaran Bali for dates: 01/01/2017 - 01/01/2019

		Current Year			Prior Year			Variance		
		Room Nights	Mix%	Revenue	Room Nights	Mix%	Revenue	Room Nights	Mix%	Revenue
Totals		<b>160.892</b>	<b>100,0%</b>	<b>201.915.896.683</b>	<b>131.155</b>	<b>100,0%</b>	<b>162.615.854.533</b>	<b>29.737</b>	<b>0,0%</b>	<b>39.290.000</b>
Hotel										
GDS	Sabre GDS	149	0,1%	407.202.000	142	0,1%	387.557.000	7	(0,0%)	19.645.000
Hotel	Central Reservation Office	149	0,1%	407.202.000	142	0,1%	387.557.000	7	(0,0%)	19.645.000
	Front Desk/Walk-In	<b>5.744</b>	<b>3,6%</b>	<b>7.737.665.572</b>	<b>5.269</b>	<b>4,0%</b>	<b>7.035.095.798</b>	<b>475</b>	<b>(0,4%)</b>	<b>702.569.774</b>
	Regional Sales Office	202	0,1%	395.304.759	150	0,1%	292.087.713	52	0,0%	103.217.045
	Telephone	3.187	2,0%	3.964.650.809	3.007	2,3%	3.762.740.527	180	(0,3%)	201.910.281
	Internet	544	0,3%	648.000.849	386	0,3%	479.328.288	158	0,0%	168.672.561
	MHR.com	1.811	1,1%	2.729.709.156	1.726	1,3%	2.500.939.269	85	(0,2%)	228.769.886
	Other Internet - CRS	<b>154.999</b>	<b>96,3%</b>	<b>193.771.029.111</b>	<b>125.744</b>	<b>95,9%</b>	<b>155.193.201.735</b>	<b>29.255</b>	<b>0,5%</b>	<b>38.577.827.375</b>
	Reservation Letter/Email/Fax	10.074	6,3%	19.766.385.189	8.176	6,2%	15.277.942.618	1.898	0,0%	4.488.442.571
	Other	22.345	13,9%	38.360.820.116	19.616	15,0%	32.406.275.826	2.729	(1,1%)	5.954.544.290
	Other Internet - Extranet	117.742	73,2%	131.551.033.926	95.373	72,7%	105.721.545.883	22.369	0,5%	25.829.488.042
		4.819	3,0%	4.071.467.534	2.564	2,0%	1.772.475.723	2.255	1,0%	2.298.991.811
		19	0,0%	21.322.347	15	0,0%	14.961.686	4	0,0%	6.360.661
Total		<b>321.635</b>	<b>100,0%</b>	<b>403.424.591.366</b>	<b>262.168</b>	<b>100,0%</b>	<b>324.844.152.067</b>	<b>59.467</b>		<b>39.319.687.150</b>

Source: Mövenpick Resort and Spa Jimbaran, Bali, 2019 (processed data)

Based on Figure 1.3 above, it can be seen that for the sales period of January 1, 2017 – January 1, 2019 the largest sales were done via the internet, seen from B2B (business to business), namely by using the CRS (central reservation system) connected from OTA (Online Travel Agent), amounting to 87.1 percent. While sales using the official website of Mövenpick, namely [www.movenpick.com](http://www.movenpick.com) or MHR.com which is part of B2C (Business to Customer) is only 6.3 percent. Sales obtained conventionally, namely the front desk / walk in, telephone and office reservations are only 3.6 percent.

This shows that the development of digital-based sales is very rapid in 2018 with the support of the 4.0 revolution which will later experience developments that will make it easier for customers to book for room.

Based on interviews with the resource persons, there are several benefits obtained by Mövenpick Resort and Spa Jimbaran, Bali while using online sales or online marketing with the concept of e-commerce, as follows:

1. Sales and marketing with the concept of e-commerce is one of the marketing strategies that use internet network (unlimited network). So that the sales process is not limited by time and place or in other words, the sales are national and even international.
2. With the concept of e-commerce that uses internet and unlimited sales, it can help hotels in providing non-stop services to customers because tourists can make room bookings and hotel information searches without time limit or in other words customers can make transactions for 24 hours. This will also have an impact on the services will be received by the consumers. E-commerce helps hotels in providing fast service to customers, because of information search, hotel room purchases, payments, payment processing and giving or requesting information can be done quickly through the internet without having to make tourists come directly to the hotel.
3. The use of e-commerce concepts indirectly also reduces production costs for promotional activities such as the use of print promotion media (brochures, fact sheets, etc.).

## CLOSING

### Conclusions

Based on the results of the discussion and analysis that have been carried out, and in accordance with the objectives of the study, conclusions are drawn as follows;

1. The implementation of online marketing activities using B2B (Business to Business) and B2C (Business to Consumer) is very effective for the sales process at Mövenpick Resort and Spa Jimbaran, Bali.
2. B2B (Business to Business) used by Mövenpick Resort and Spa Jimbaran, Bali is by collaborating with OTA (online travel agent) while B2C (Business to Consumer) is using the official website of Mövenpick Resort and Spa Jimbaran, Bali, [www.movenpick.com](http://www.movenpick.com).
3. The application of online marketing activities using the concept of e-commerce is very effective in reducing production costs in marketing activities, for example by only giving commission as much as 1% of each room (sale per-room per-night) to an online travel agent.
4. Based on the data provided, the use of the concept of e-commerce also contributed a pretty good sales contribution to Mövenpick Resort and Spa Jimbaran, Bali seen from the increased sales through OTA in 2018.

### Suggestions

Suggestions that can be given to Mövenpick Resort and Spa Jimbaran, Bali are as follows:

1. Sales and Marketing Department should conduct online promotions more aggressively by creating new, different and varied promotions to make tourists more interested in staying at

- Mövenpick Resort and Spa Jimbaran, Bali.
2. Expanding the e-commerce networks by establishing more partnerships with other OTA (Online Travel Agents).

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