

## **REPURCHASE INTENTION ANALYSIS ON DECISION MAKERS IN PURCHASING MEETING PACKAGE AT BUSINESS HOTEL IN BANDUNG**

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### **ABSTRACT**

*The MICE (Meeting, Incentive, Convention, and Exhibition) industry is set by the government as the flagship product of national tourism. This is because the MICE industry is also the top five contributors or the top 5 contributors along with shopping, culinary, heritage, and religious tourism. This research focuses on meeting packages at hotels in Bandung City which is also one of the supporting facilities for this sector. Analysis of repurchase intention is done to find out how big the level of a decision maker to conduct a meeting at a business hotel in Bandung. This research is important to know what things can increase their desire for repeat purchase that affects occupancy. The purpose of this study is also to find out what is the motivation of repurchase intention, along with its elements. In its implementation, this research used content analysis method and looked for information with semi-structured interview to 10 people. The results of this study indicate that repurchase intention is formed by the pull factor and the driving factor formed from 11 constituent elements, namely satisfaction, company policy, novelty seeking, pricing, facilities, location, F & B products, service, hotel image, bonus & privilege, and flexibility.*

**Keywords:** *repurchase intentions, hotel meeting packages, intrinsic and push & pull factors*

### **PRELIMINARY**

*In some developing countries, including Indonesia, sectors and efforts that are everywhere are called one of the components of the country's economic support. Increased income generated by the sector and work environment, two simple examples that are visible in plain view. But behind that, there is something better.*

*Bandung City as the provincial capital and the city with the highest density in West Java has been mentioned as a creative city also has one more term, namely as a tourist city. Right on September 25, 2013, Bandung City was designated as a world tourism city by UNESCO ([www.seputarjabar.com](http://www.seputarjabar.com)). Not without reason the growth of the number of hotels in the city of Bandung has become very rapid. With its function as the capital of West Java Province as well as the number of*

*creative industries that are increasingly mushrooming, it also contributes highly to the needs of accommodation and other business facilities. The MICE industry (Meeting, Incentive, Convention and Exhibition) was established by the government as a superior product of national tourism because of its significant contribution to foreign tourist arrivals and encouraging a large increase in the number of domestic tourist trips. This is because the MICE industry is also the top five contributors or the top 5 contributors, along with shopping and culinary tourism, heritage and religious tourism, marine tourism, and sports tourism. How also the influence of purchasing decisions on sales meeting packages is found in the presentation given by Howard 1974 (in Oliver, 1980) cited in the Cognitive Model of*

*the Antecedents and Consequences of Satisfaction Decisions which explicitly recognizes that satisfying experiences influence future purchases, there will also be repeated buying behavior by consumers. Most consumers agree that purchasing an unsatisfactory product will reduce the tendency to make a purchase.*

*The need for MICE support facilities will certainly continue to increase along with the development of the tourism industry in the city of Bandung. The author assesses, this research is important to know what motivates decision makers to make repurchases in order to improve the occupancy of the hotel.*

### **Tourism and MICE Industry**

*Tourism is a variety of tourism activities and is supported by various facilities and services provided by the community, employers, government and local governments (Undang-undang Kepariwisata No. 10 Tahun 2009 Bab I Pasal 1 Ayat 3). The MICE industry is part of the tourism concept. This is evidenced by the entry of the MICE industry into one type of tourism business in Undang-Undang Republik Indonesia No. 10 Tahun 2009 Pasal 14 ayat 1 tentang Usaha Pariwisata.*

*The MICE industry itself is written in Peraturan Menteri Pariwisata dan Ekonomi Pariwisata dan Ekonomi Kreatif Republik Indonesia Nomor 28 Tahun 2014, pada Bab 1 Pasal 1 Ayat 2 stated that the MICE Implementation Service Business (Meeting, Incentive Travel, Conference and Exhibition) hereinafter referred to as the PIKP Organizing Service Business, is the provision of services for a meeting of a group of people, organizing trips for employees and business partners in return for their achievements, and organizing exhibitions in order to disseminate information and promotion of goods and services on a national, regional and international scale.*

*Although the term MICE is often used for a particular event, MICE itself consists of 4*

*different types of activities, but this research only focuses on meeting points, ie meetings between 10 or more participants for a minimum of 4 hours at a place that has been rented.*

### **Meeting Package as an Important Part of a Business Hotel**

*In this study, the focus of the research is business activities that occur in a hotel, namely the cause of satisfaction in purchasing meeting packages. However, on the trip, the focus of the research was the decision makers, namely not only business tourists who travel or business activities, but also take part in the selection and purchase of meeting packages that are the needs of the company.*

*Grammatically, decision maker means decision maker. Departing from this simple explanation, it can be concluded that the difference between the tourist business and the decision maker is quite high. The tourist business is considered to only conduct business activities, while the decision maker in this study is someone who has the authority to choose, make judgments, and make purchasing decisions in purchasing meeting packages.*

### **Repurchase Intention as Part of Consumer Behavior**

*Knowing consumer behavior is a must for any company to start marketing its products to achieve company goals. Studying consumer needs can provide guidance for companies to develop strategic steps for the development of new and old products, marketing channels, and other marketing mix elements.*

*In this study, the focus is on repurchase intention which is defined as repurchase intention and behavior which shows a willingness to recommend and disseminate positive information to service providers (Jang & Namkung 2009:5).*

### **Repurchase Intention Determinants**

*The related research stated by Yoon and Uysal in An Examination of The Effects of Motivation and Satisfaction on Destination Loyalty: A Structural Model*

(2005), *the strongest factor that forms revisit intention as well as satisfaction is motivation which is divided into two parts, namely push factors such as physical needs & wants and pull factors.*

## **METHOD**

*This research uses research methods content analysis method, where this method is often associated with the content of communication, because what is done is analyzing the results of both verbal and non-verbal communication. This method is considered by the writer as one of the most suitable methods for this research because its effectiveness considering this method uses semi-structured interviews and qualitative observations in data retrieval. The results of the interview are then made transcripts with the aim that there are no missed statements if giving instructions or responses that are expressed or implied. After making the transcript, then the author moves the answer into microsoft excel and classifies the response of the resource person by category. This category is found along with the running of the interview and based on the answers given by the resource person, which is then converted into probing, which is developing the answers given by the resource person from the interview guidelines used. So that eventually found new findings.*

*Based on the indicators above, the author also makes an interview guide to limit the problems discussed in this study. Following is the draft guidelines for interviewing this study:*

- 1. Knowing the profile of the resource person*
- 2. Identifying the experience of resource persons in conducting meetings in certain hotels.*
- 3. Identify the considerations and motivations of the speakers in the selection and repurchase meeting packages at the hotel.*

*The questions in the interview guidelines above can develop along with the*

*informant's answers and because this is a qualitative-descriptive research, which aims to get a theory, it is often found that different factors are mentioned by the resource person (questions and answers attached to the interview transcript sheet and attachment to the coding composition) and stated as new findings in the study.*

### **Method of Collecting Data**

*Data collection methods in this study use a combination of several ways that are considered effective and efficient, including:*

- 1. Interview*
- 2. Literature Study*
- 3. Documentation Study*

### **Data Analysis Technique**

*Data analysis techniques are the process of systematically searching and compiling data obtained from interviews, field notes, and documentation, by organizing data into categories, describing it into units, synthesizing, composing into patterns, choosing which ones important and will be learned, and make conclusions so that it is easy to understand by yourself or others. Qualitative data analysis is inductive, ie an analysis based on the data obtained, then developed into a hypothesis (Sugiyono, 2015).*

*This research can also be referred to as research with domain analysis, because the answers or responses of the resource persons are then grouped as domains (or also referred to as coding) which are considered as answers to the factors sought in this study based on the arguments given.*

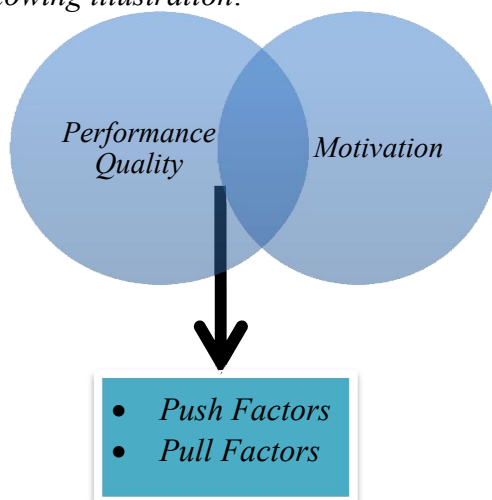
## **RESULTS AND STUDY**

*Interviews were carried out using purposive interview techniques which were then interviewed with 10 informants. The interview itself has a duration of around 12-15 minutes. All research results data are described based on pre-determined interview variables and guidelines, then develop along with the findings.*

*In the course of the interviews carried out, the author did not give instructions on what products became the standard in the*

completeness of meeting packages at the hotel. This is done because the writer wants to know what products and services are received by the speakers and what things come up in their minds or what is meant by top of mind.

In the journal findings regarding similar studies, the authors found that motivational factors were divided into two parts based on the source of motivation, namely pull factors and push factors. However, the resource person felt that the two theories and definitions above were not representative of the findings of this study. Motivation, which is also logically divided into intrinsic and extrinsic, was also applied in the study found because it was considered to have a very close relationship. The author finally categorizes this second variable in the following illustration:



**Figure 1 Formation of Variable Pull & Push Factors**

**Source: Processed by Researchers (2017)**

With the interview guidelines that have been prepared previously, the authors finally classify which types of products fall into the category of push factors and pull factors based on the explanations contained in the previous study and find some other factors in the interview results.

### **1. Push Factors**

It is part of motivation caused by the personal and non-physical needs and desires of a decision maker.

#### **a. Satisfaction**

Is a determining factor that is very important for determining the level of revisit intention of a decision maker, so that if this indicator is not fulfilled, it is very unlikely that a decision maker will have a repurchase intention.

#### **b. Company Policy**

With the various forms of cooperation that are established between companies, of course a decision maker no longer has to bother himself to make a consideration to choose another hotel. In addition, company policy was also formed to provide benefits for both parties.

#### **c. Novelty Seeking**

The search for new things is certainly a familiar term for the tourism sector. But unexpectedly, this indicator appeared in the formation of repurchase intention indicators in the MICE business objectives, especially their preference in repurchase meeting packages.

### **2. Pull Factors**

Pull factors have more indicators than push factors. This certainly can be a good thing for hotel managers because it can create more motivation for decision makers to increase repurchase intention. Contrary to the nature of push factors, pull factors are stimuli that arise from outside a person who depends on the situation and conditions at that time. Here are the findings of pull factors:

#### **a. Price**

Resource preferences for prices are quite complicated because comparing prices are determined by the level of satisfaction, quality of products and services, and the suitability of the budget owned.

#### **b. Facilities**

Facilities include all the physical and non-physical needs needed in the meeting which are required to be available in good quality, such as high capacity meeting rooms, meeting tools & kits, and room audio.

#### **c. Location**

The location of the decision maker's preference is in the form of a strategic

location with high accessibility. This decision was also stated in order to facilitate meeting participants to reach meeting locations.

d. *Food & Beverage Products*

The decision maker's preference for this indicator is the variety of food & beverage products, good taste quality, and appropriate prices.

e. *Service*

Concentration on service leads to results with good service.

f. *Hotel Image*

The hotel image is an indicator of the business travelers because it involves the idea of a company that holds meetings in it. The suitability of the hotel's image with quality is also mentioned as one of the reasons this indicator is important.

g. *Bonus & Privilege*

Giving bonuses and privileges will certainly vary in conditions in various hotels, adjusted to existing policies. But the decision maker as a consumer always wants something that is maximal with the minimum effort possible, therefore this indicator is considered as the one considered.

h. *Flexibility*

Just like bonus & privilege indicators, flexibility will also be different according to consumer needs and hotel manager capacity.

These 11 findings are a more detailed factor compared to the previous findings which state that the driving factor is only defined as physical wants & needs and a pulling factor which is physical & non-physical products (Yoon and Uysal in *An Examination of The Effects of Motivation and Satisfaction on Destination Loyalty: A Structural Model*, 2005). Even so, of course in research there will be differences that depend on different places, times, and sources.

## CONCLUSION

Based on the research on repurchase intention analysis on the purchase of meeting packages at business hotels, several

indicators were generated which formed them based on the results of interviews and observations made. 11 indicators were found which then produced criteria that were in accordance with the preferences of the decision makers that had been summarized as described above. Of course there have been changes with the previous studies which only provided two indicators, while these 11 indicators are derived from these two factors.

After this research, the contribution that can be done academically and business is that it can increase the value of the findings indicators in order to develop and improve the decision maker's motivation in making repurchases.

### Implications

For further research or academics to be able to conduct more detailed and in-depth research related to the formation of motivations the decision maker for repurchasing a meeting package numbered in comparison with the sale of rooms or other hotel features by using a wider verbatim and more resource persons, so will bring a variety of answers and the possibility of finding new indicators.

### Limitations

1. Limited number of resource persons limited to 10 people.
2. The proximity of the environment between one resource person and another, so that they tend to have similar comments.
3. The results of the study did not have a high variation in the type of hotel.

### Advanced Research

Judging from the limitations that arise in this study, then further research can carry out research with a variety of backgrounds of higher informants and not only adrift to hotels in Bandung City, so the answers given can be more assertive.

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