CHAPTER I
INTRODUCTION

A. Initial Idea

As we know, that the hospitality industry has been growing so fast in the present times, I have considered in making a guesthouse accommodation in Manado, North Sulawesi. The one reason I chose this as my main topic of my feasibility study is because, Manado has been growing well in terms of tourist's income. According to Mustika (2019), as a writer in DetikTravel, she mentioned how Chinese tourists has dominated North Sulawesi, making it a total of 80% of the foreign tourists overall in the province. This proves how well the growth of tourism there.

North Sulawesi, as a growing province in Indonesia, peak my interest in making this business. Not just that through foreign tourists, but also to many citizens from rural areas around Manado, like for example, Amurang, Kotamobagu, Kotabunan, Malompar, etc. came for business purposes as well. This leads to my understanding that the needs to make accommodation that could lead both tourists to be interested, which is a low-cost accommodation, like a guesthouse. As the writer of the study, I understand completely that business in this industry needs a lot of dedication to be able to achieve the goal.

Location is a very important aspects in a business strategic management. As the writer, I would like to emphasize the study as business which focus on its location and timing. Sudarwan (2019), a writer in Bisnis.com, mentioned that, Marthedy Tenggehi, as the Head of Distribution Division of North Sulawesi

Central Statistics Agency, said that during the first 2 months of this year the total number of foreign tourist visits had reached 22,266 people, which has been an increased by how the total of tourist from last January-February 2018 is 19,299 people. Moreover, based on the information from the Central Bureau of Statistics (2019), it has been proven that since the last June 2019, the total tourist has reached 61,930 people, which have resulted in an increase since last June 2018, which in total is 59,125 people.

FIGURE 1

Development of Number of Foreign Tourist Visits Year 2018 - June 2019
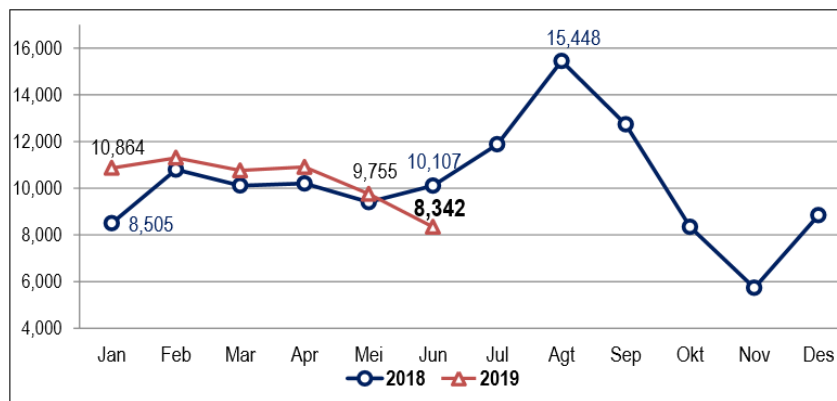
Source: Central Bureau of Statistics (2019)

This proves how well the growth is; moreover, flight companies has been opening a direct way from China to Manado. Ikanubun (2019) has mentioned that Sriwijaya has finalized the flight, as well. Not just through aircrafts, but as well through ships. Sudarwan (2019) wrote that *Pelabuhan Indonesia IV (Persero)* is ready to build another harbor called the "Manado Marine Bay", which will support tourism in North Sulawesi. Sudarwan interviewed Farid Padang, as the Director of *Pelindo IV*, which he mentioned that, "The construction of this port is also to support the Manado City Government program as a Tourism City"

TABLE 1
Development of Passenger by Sea Transportation in North Sulawesi

Year/Month	Voyage inside the Country		Total
	Debarkation	Embarkation	
June 2018	69.183	69.742	138.925
May 2019	56.891	51.889	108.780
June 2019	70.526	64.995	135.521
Development (%)			
m to m	23.97	25.26	24.58
y to y	1.94	-6.81	-2.45
c to c	6.83	-0.64	3.14

Source: Central Bureau of Statistics (2019)

According to the Central Bureau of Statistics (2019), the development of passenger by sea transportation and air transportation in North Sulawesi is not a low number. The number of passengers using the sea transportation in North Sulawesi on June 2019 is 135,521 people, it increase by 24.58% compared to May 2019, and decreased by 2.45% compared to June 2018. The total passengers is 70,526 people or 52% from the total passengers. While the number of passengers departing in June 2019 were as many as 64,995 people, which is increased by 25.26% compared to the previous month, and decreased by 6.81% compared to the same month in 2018.

Meanwhile, the passengers using air transportation on June 2019 is 187,546 people. The number of passengers who departed were 92,856 people, which is increased by 5.75% compared to May 2019, and decreased by 25.24% compared to the same month in 2018. While the number of passengers coming in June 2019 were 94,690 people, which is increased by 17.11% compared to the previous month, and decreased by 19.25% compared to the same month in 2018.

TABLE 2

Development of Passenger by Air Transportation in North Sulawesi According to Types of Flights

Year/Month	Domestic Flights		International Flights		Total		TOTAL
	Departure	**Arrival**	**Departure**	**Arrival**	**Departure**	**Arrival**	
June 2018	113.496	106.545	10.706	10.720	124.202	117.265	241.467
May 2019	76.012	70.150	11.793	10.705	87.805	80.855	168.660
June 2019	83.500	85.500	9.356	9.190	92.858	94.690	11.20
Developments (%)							
m to m	9.85	21.88	-20.66	-14.15	5.75	17.11	11.20
y to y	-26.43	-19.75	-12.61	-14.27	-25.24	-19.25	-22.33
c to c	-20.72	-23.65	6.48	5.62	-18.28	-21.04	-19.66

Source: Central Bureau of Statistics (2019)

There are some decreased amount in the records. However, the number of passengers are not small. We can also see how it improved from month to month as well. This could act as the proof where North Sulawesi is expanding fast in terms of tourists.

TABLE 3

Room Occupancy Rate of a Non-Star Hotel at North Sulawesi

	Month - Year			Growth (%)	
Description	June-2018	May-2019	June-2019	June 2019 to May 2019	June 2019 to June 2018
Total	68.79	53.24	60.48	13.60	-12.08

Source: Central Bureau of Statistics (2019)

According to the Central Bureau of Statistics (2019), the occupancy rate of the accommodation in June 2019 is 60.48%, which is increased by 7.24% when compared to last month, and decreased by 12.08% compared to the same month last year. We can see that the result are all above 50%, and this could be a sign that accommodation are important for the tourism in North Sulawesi.

TABLE 4

Room Occupancy Rate of a Non-Star Hotel According to Province

Province	2014	2015	2016	2017	2018
DKI JAKARTA	53.20	60.13	62.04	66.37	68.23
BALI	51.07	60.32	60.08	50.66	57.62
SULAWESI UTARA	46.51	64.56	63.38	76.26	66.16
SULAWESI TENGAH	57.18	64.16	56.51	56.59	42.21
SULAWESI SELATAN	42.99	48	49.70	53.90	52.68
SULAWESI TENGGARA	31.18	50.67	52.14	50.76	67.16
GORONTALO	33.82	46.20	36.39	49.76	59.77
SULAWESI BARAT	-	-	-	36.31	61.37
MALUKU	-	-	-	44.57	39.59
MALUKU UTARA	-	-	-	58.86	51.49
INDONESIA	50.13	57.25	56.50	59.53	59.75

Source: Central Bureau of Statistics (2019)

To be a comparison with other provinces with similar economics rate, we can see from Table 4, how North Sulawesi has a higher occupancy rate than most of the provinces. We can see also the similarity of Jakarta and North Sulawesi, which can be come to terms that the occupancy rate has reached almost the same as the metropolitan city according to its ratio. We can see how North Sulawesi has achieved over than 50%. This can prove that the tourist is increasing in the past years. Although there are some decrease. It is still higher than the other province.

This business would target to middle-low market segmentation. As the author, considering the conditions and environments of North Sulawesi, this target segment will best suit the feasibility study. We can see that North Sulawesi's Gross Regional Domestic Produce (Table 5) shows that the size of economy is still quite low comparing to other big cities of Indonesia, especially in terms of accommodation, where in this case that the author understood the approximate expenses in the province.

TABLE 5

Gross Regional Domestic Product (GRDP) of Manado City at Current Prices by Industry, (million rupiahs), 2013-2017

No.	Industry	2013	2014	2015	2016	2017
A	Agriculture Forestry & Fishing	408.592	482.186	532.418	558.651	590.134
B	Mining & Quarrying	18.443	19.483	21.305	22.695	23.229
C	Manufacturing Industry	771.697	837.781	882.362	916.356	1.033.603
D	Electricity & Gas Supply	10.026	12.295	15.921	18.394	21.977
E	Water Supply, Sewerage, Waste Management, & Remedial Activities	19.001	21.864	24.233	25.806	26.756
F	Construction	2.322.693	2.409.525	2.609.250	2.704.392	2.975.481
G	Wholesale & Retail Trade; Repair of Motor Vehicle & Motorcycles	3.678.194	4.014.231	4.563.664	4.886.603	5.425.922
H	Transportation & Warehousing	2.967.026	3.887.573	4.782.735	5.636.635	6.154.254
I	Accomodation & Food Services	1.055.731	1.214.068	1.410.625	1.643.401	1.810.590
J	Information & Communication	1.980.705	2.152.639	2.461.831	2.725.461	3.065.796
K	Financial Services & Insurance	1.663.148	1.780.256	1.939.544	2.332.691	2.601.202
L	Real Estate	503.711	579.639	636.185	678.775	743.202
M, N	Business Services	41.926	49.261	56.885	64.136	74.966
O	Public Administration, Defence & Compulsory Social Activities	2.147.486	2.532.650	2.823.892	3.039.179	3.251.764
P	Education	701.628	797.192	912.568	987.096	1.042.555
Q	Human Health & Social Work	908.880	993.667	1.093.911	1.207.577	1.310.044
R,S, T,U	Other Services	678.099	713.310	787.445	883.343	981.871
	GRDP	**19.876.987**	**22.497.621**	**25.554.774**	**28.331.189**	**31.133.346**

Source: Central Bureau of Statistics (2018)

To conclude, the main concept of the feasibility study would be a guesthouse, with a bed and breakfast services applied. Services will include, a 24-hour front desk, free Wi-Fi, room cleaned daily, air-conditioning rooms, etc. This would be the most appropriate business that could be in the trends of the citizens in North Sulawesi. The guesthouse will be considered to be a non-star hotel with a limited number of rooms.

Design and construction will be themed into a more natural environmental,

like an aesthetical ocean view, considering how Manado is popular with diving spot. Basically, the plan would made it look more colorful, and unique.

The hotel will accommodate units of shop house, located in Marina Shopping Walk Manado (M-Walk). The location is a 3-minutes walk to a harbor which have access to Bunaken, and a 5-minutes walk to a Manado Harbor, which is the main harbor for North Sulawesi in terms of travel and trading. Not just that, it is also close to the *Kampung China* and *Pasar 45*, which is said respectively to be a tourist destination and major commerce business area.

From what so far that has been explained thoroughly, there might be some risks and errors in making the business feasibility study. The location of the planning is still in the development of marketing strategies, where there might be a need of few attentions on it. There might be obstacles in finding respondents from out of the country. However, with this feasibility study, as the author hope that the society have an additional attention to this business, which helps in any opportunities that could enhance the future strategies for a development in terms of tourism or economics.

B. The Objectives

There are two purposes in this business feasibility study, namely the major objectives and the minor objectives. The following are the major and minor objectives in this research.

1. Major Objectives

The main purpose of this business feasibility study is to calculate how feasible it is in making a guesthouse accommodation in Manado, North Sulawesi. By

applying a Bed and Breakfast concept to the guesthouse and considering future opportunities, may this plan be a stepping stone to a new business. With the existence of this thoughts, planning, and considerations, it is expected that the study could be able to minimize the risk of future losses due to uncertainties that might occur, to understand the weakness and disadvantages, and to oversee opportunities and advantages in developing the business. Moreover, this study would identify basic aspects such as marketing, operational, organization, human resources, and financial, which in return could help in the decision making for the future plans.

2. Minor Objectives

The second or minor objectives of the feasibility study are in the following:

a. Creating new job opportunities for job seeker that are interested;

b. As a comparison information for investors;

c. As a reference for other researcher who wants to create a similar business by innovating on existing concepts;

d. To help the local government to understand the needs of the surrounding community through analysis of demand and supply;

e. For academic purposes.

C. Methodology Research

According to Walliman (2011, p.7), research method is:

> The techniques you use to do research. They represent the tools of the trade, and provide you with ways to collect, sort and analyse information so that you can come to some conclusions. If you use the right sort of methods for your particular type of research, then you should be able to convince other people that your conclusions have some validity.

Research is a human effort to find new knowledge, solve or find solutions

to problems and create knowledge (Timotius, 2017). There are two types of data source that will be used in helping the study's research method, which are:

1. Quantitative

According to Smith (2015, p. 1), quantitative research is:

> A research that requires the reduction of phenomena to numerical values in verbal data – for example, answers to questionnaire items – the nature of the response is prescribed by the need for quantitative analysis, and this verbal material must be transformed into number for that quantitative analysis to be carried out.

The quantitative methods uses data in a form of numbers and statistics. They are usually in tables, charts, figures, or other forms. It also focuses on gathering numerical data and generalizing it across different types of demographic or to explain a particular phenomenon (Babbie, 2010). Studies, made by using this analysis, can be replicated due to high level reliability that is guaranteed by the standardization of the procedures, by measuring instruments and the objectivity (FHI, 2006). Just what have been defined, quantitative methods uses questionnaire as the tool in collecting the data.

a. Questionnaire

The purpose of a questionnaire is to get information in order to find out whether a business will run smoothly and in accordance with the market desires to be able to fulfill the objective of the research. We can analyze the results from the answers obtained. There are 3 different types of questionnaire. They are the personally administered, electronic, and online questionnaires. Sekaran and Bougie (2016, p.143) states that personally administered questionnaires are cheaper and takes less time, the researcher

can collect complete responses faster, and it requires less skill. They also states that distributing electronic/online questionnaires is easy and fast. It is accessible to groups and individuals who would find it usually difficult to reach the questionnaire and could cover a larger geographic area faster. Overall it saves cost, time, and energy. However, in conducting a research, we need to identify the population, whereas the researcher should conduct the sampling from the subpopulation.

1) Probability Sampling

Sekaran and Bougie (2016, p.240) states that in probability sampling, the elements in the population have some known nonzero chance or probability of being selected as sample subjects. Probability sampling uses statistical theory to select randomly, a small group of people (sample) from an existing large population and then predict that all their responses together will match the overall population (Bhat, 2019). This could mean that whoever is chosen as the sample, they would become the representative from the population. A probability sampling method is any method of sampling that utilizes some form of random selection (Trochim, 2006).

a) Simple Random Sampling

Sekaran and Bougie (2016, p.242) defines that elements in the population has a known and equal chance of being selected as a subject in simple random sampling. Just like what the terms mean, this method selects sample randomly, whereas Bhat (2019) also explained the two ways in which the samples are chosen: Lottery

system and number generating software. This sampling technique usually works around large population.

b) Stratified Random Sampling

Sekaran and Bougie (2016, p.244) defines this as involving a process of stratification followed by random selection of subjects from each stratum. Stratified Random Sampling, also sometimes called proportional or quota random sampling, involves in dividing your population into homogeneous subgroups and then taking a simple random sample in each subgroup (Trochim, 2006). Members in each subgroups would usually have a distinction in one another to be able to identify your simple random sample. According to Bhat (2019), a common method is to arrange or classify by sex, age, ethnicity and similar ways. Members in each of these groups should be distinct in order for them.

c) Cluster Sampling

Cluster sampling is usually used to reduce the cost of sampling in large area. According to Lind, Marchal, and Wathen (2015, p.253), they are divided into clusters using geographic boundaries, from the clusters that have been selected, the sample will be randomly chosen. It usually analyzes population in which the sample consists of more than a few elements, for example, city, family, university etc. The clusters are then selected by dividing the greater population into various smaller sections (Bhat, 2019).

d) Systematic Random Sampling

Systematic sampling is an extended implementation of the same old probability technique. There's an equal opportunity for every member of a population to be selected using this sampling technique (Bhat, 2019). According to Lind, Marchal, and Wathen (2015, p.252), this sampling is started randomly, and then every *n*th member of the population is selected. So, for example, you can select every 8th member of the population.

2) Non-probability Sampling

According to Yin (2003), non-probability sampling is

> Often associated with case study research design and qualitative research. With regards to the latter, case studies tend to focus on small samples and are intended to examine a real life phenomenon, not to make statistical inferences in relation to the wider population.

In contrast with probability sampling, non-probability sample does not select sample to be selected randomly. Subjects in a non-probability sample are usually selected on the basis of their accessibility or by the personal judgment of the author (Explorable.com, 2009). According to Taherdoost (2016), this reseach is needed of a clear rationale to include individuals rather than others. In so, these are the types of sampling, he concluded:

a) Quota Sampling

Quota sampling is a non-random sampling technique in which participants are chosen on the basis of predetermined characteristics so that the total sample will have the same distribution of characteristics as the wider population (Davis, 2005). According to Bhat (2016), quota sampling needs to be

divided into a proportional amount. So, for example if your sample is 200, then the males should be 100, and the female should be 100.

b) Snowball Sampling

The researcher asks the initial subject to identify another potential subject who also meets the criteria of the research. The disadvantage of using a snowball sample is that it is hardly representative for the population (Explorable.com, 2009). This sampling system works like the referral program. Once the researchers find suitable subjects, they are asked for assistance to seek similar subjects to form a considerably good size sample (Bhat, 2016). This sampling is often use when your sample are difficult to find.

c) Convenience Sampling

Convenience sampling often helps to overcome many of the limitations associated with research. For example, using friends or family as part of sample is easier than targeting unknown individuals (Taherdoost, 2016). So basically, just like the meaning of its term, it is convenient, which means, samples are easily found and recruited. However, this maybe mean that the sample is not considered to be representation the whole population.

d) Purposive or Judgmental Sampling

According to Bhat (2016), this sampling is based on what the author thinks suitable for who to become the sample. It is purely based on the author's credibility and knowledge. To conclude,

whoever the author wishes is fit to be the sample representing the population.

2. Qualitative

According to Smith (2015, p.2), qualitative research involves:

> In collecting data in the form of naturalistic verbal reports – for example, interview transcripts or written accounts – and the analysis conducted on these is textual. Thus, the concern is with interpreting, which will be conveyed through detailed narrative reports of participants' perceptions, understanding or accounts of a phenomenon.

This research explores the meaning people is developing around their surroundings in terms of perception, feelings, experiences and other intangible characteristics around the subject of the research (Merriam, 2009). And so, in such there are some ways needed, to be able to conduct this research. These techniques are participation observation, in-depth interviews and group discussions reading related textual, artefacts and visual media (FHI, 2006).

a. Interviews

According to Boyce (2006), interviews involves in conducting intensive individual interviews with a small number of respondents to explore their perspectives on a particular idea, program or situation. According to Sekaran and Bougie (2016, p.113), there are many different types of interviews. Individual or group interviews may be unstructured or structured, and conducted face to face, by telephone, or online.

1) Unstructured Interview

Just like what the terms means, unstructured interview happens when the interviewer comes to the location and have not prepared a sequence-like questions. It comes with a lot of follow-up questions. According to Sekaran and Bougie (2016, p.113), a possible objective

of an unstructured interview is to bring some preliminary issues to the surface so that the researcher can determine what factors need further in-depth investigation. Unstructured interviews can be associated with a high level of bias and comparison of answers given by different respondents tends to be difficult due to the differences in formulation of questions (Dudovskiy, 2018).

2) Structured Interview

In contrast with unstructured interview, this type of interview has been planned before, arriving in the location, the interview will have a list of sequenced questions. It mainly consists of introduction, set of topics in logical order, and suggestions for probing sentences (Sekaran and Bougie, 2016, p. 115). Data analysis usually tends to be more straightforward because researcher can compare and contrast different answers given to the same questions (Dudovskiy, 2018).

b. Observations

According to Sekaran and Bougie (2016), observation through research involves:

> …going into "the field" – the factory, the supermarket, the waiting room, the office, or the trading room – watching what workers, consumers, or day traders do, and describing, analyzing, and interpreting what one has seen. Observational methods are best suited for research requiring non-self-report descriptive data.

He also mentioned about the four key dimensions that characterized the type of observation:

1) Controlled versus uncontrolled observational studies

A distinction can be made between observation conducted in

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controlled (or artificial) versus uncontrolled (or natural) settings (Sekaran and Bougie, 2016, p. 127). Controlled observation happened when observational research is being executed under conditions that have been arranged. Uncontrolled observation is an observational technique that makes no attempt to control, manipulate, or influence the situation.

2) Participant versus nonparticipant observation

In the case of nonparticipant observation, the researcher is never directly involved, but observes them from outside the visualized area, for instance via a one-way mirror or a camera. In participant observation, the researcher gathers data, like for example, participating in the daily life of the group or organization you wanted to have observations.

3) Structured versus unstructured observational studies

This study is when the observer has already determined set of categories of activities planned to be observed, it is called the structured observational study. Observing events that has been planned to be executed may also be a part of the plan as in many other forms of research. In such cases, the observer will record everything that is being observed, and so it is called the unstructured observational study.

4) Concealed versus unconcealed observation

Concealed observation is related to whether the members of the group under observation already know that they are being investigated for research purposes, which means they aren't aware of that fact. The

advantage of this is that the subjects are not influenced by the awareness that they are being observed. According to Sekaran and Bougie (2016, p. 129), reactivity or the extent to which the observer affects the situation under observation could be a major threat to the validity of the results of observational studies. Unconcealed observation is more obvious, perhaps upsetting the authenticity of the behavior under study.

From all the research methods that has been identified and defined, hence, the author will conduct the collection of data by the categories:

1. Primary Data

   Primary data in the feasibility study of the "A Guesthouse Accommodation 'Momen' in Manado" will be collected through a survey method with questionnaires and through structured interviews.

   a. Survey Method with Questionnaire

   The purpose of data collection using this method is to get information in order to find out whether a business will run smoothly and in accordance with market desires. Questionnaires will be paper-based or online-based. As for there are stages in conducting sample selection, namely:

   1) Determine the population according to the research topic. The population in accordance with the feasibility study of this business are Indonesians, specifically in Sulawesi Utara.

   2) Determine the aspects that are owned by each element in the population which is sampled, namely the residents in Manado, both teenagers and adults, and some foreigners that is available.

3) Determine the sample technique to be used. In this business feasibility study, the author will choose simple random convenience sampling, which gives freedom in finding samples to act as respondents towards the questionnaire. In addition, the author will use the nonprobability sampling method by convenience sampling.

4) Determine the number of samples to be tested in the process of distributing questionnaires, which is five times the total number of questions related to 8P (Product, Price, Place, Promotion, People, Packaging, Programming and Partnership).

5) Execute the sample process. In conducting this stage, the questionnaire will contain questions with scales. Method of collecting information and is then analyzed based on the respondents with the *Likert* scale: 1 = Extremely Disagree, 2 = Disagree, 3 = Slightly Disagree, 4 = Slightly Agree, 5 = Agree, and 6 = Extremely Agree. The purpose of using the *Likert* scale is too reduce the answers of neutrality, and to be more constant in analyzing the reliability.

b. Structured Interview

Interviews will only be conducted if additional data is needed from competent speakers and can provide important valuable input regarding the business to be established.

2. Secondary Data

The author will use secondary data collection through:

a. Central Bureau of Statistics (*Badan Pusat Statistik*)

b. Official websites

    c.   Published Books (by online or library)

    d.   Journals

D. Theoretical Conceptual Review

"Momen" Hotel is a non-star hotel, which adapted several concept of hospitality industry. The hotel will adopt the concept of a downtown hotel, where its location is near the major commerce center of the city. However, the hotel will also adopt a bed and breakfast accommodation with 17 rooms inside, with a limited-service applied, because the hotel offers only guest rooms with limited food and beverage facilities, where we only provide breakfast. There will be no meeting or function space.

In this part of the proposal, as the author, I defined terms related to my main concept of the feasibility study, from understanding the concept of tourism, accommodation, the type of service, and the feature of the designated location; nevertheless, this helps with assessing the future strategies and ideas.

1.   Definition of *Tourism*

According to the NAU (2014), tourism is defined as:

> A collection of activities, services and industries that delivers a travel experience, including transportation, accommodations, eating and drinking establishments, retail shops, entertainment businesses, activity facilities and other hospitality services provided for individuals or groups traveling away from home.

As we all know that tourism is involved in the services that we are to experience when we are traveling, as well. Thus, tourism is the act and process of spending time away from home in pursuit of recreation, relaxation, and pleasure, while making use of the commercial provision of services (Walton, 2012). Not just for pleasure as well, tourism also focus on educational and

health purposes. According to Fletcher et al (2017), they have confirmed how the UNWTO has provided official classifications that is used to recommend the three basic forms of tourism for a country to differentiate:

a. Domestic Tourism

This tourism involves in the activities of the visitor within the country as a part of a domestic travel or part of an outbound trip. This type of tourism is the major form with 80% as their tourism activity.

b. Outbound Tourism

Outbound tourism is involves with the activities of the traveler that is outside the country, as part of an outbound trip or as a part of the domestic trip. To conclude, it can be both a domestic trip and visits outside the country.

c. Inbound Tourism

This type of tourism involves the activities of a non-resident visitor within a country on an inward trip.

2. Definition of *Accommodation*

According to the Merriam-Webster (2019), the literal meaning of *accommodation* would mean something supplied for convenience or to satisfy a need; such as lodging, food, and services or traveling space and related services. An accommodation, with simple understanding, would mean varieties of individuals will come and stay together in a place. To classify the accommodation, the tangible and intangible elements should be put into attention, such as personal service or the quality of products. (Poudel, 2013, p.6). However, there are some classification that will be based on basically on

the physical structure and measurable attributes of operation, for example, room size, room facility and availability of service. According to Clegg (2019), these are the list of the common types of accommodation:

a. Resorts

According to the Cambridge (2019), the literal meaning of a resort would be a place where many people go for rest, sport, or another stated purpose. However, a more specified definition would be from Xotels (2018), which they defines resort as a full service accommodation that is intended for guest, which their sole purpose is for recreation, and frequently is located in beaches, seashores, scenic, etc. They mentioned how a resort is a self-contained establishment, providing for most of a vacationer's needs while remaining on the premises, such as lodging, food, drink, sports, entertainment, shopping, etc.) A resort is where you can find an all-around service. It is convenient for families, because they would be offering kids-club, evening entertaining program, shopping etc.

b. Hotels

According to Bardi (2010), hotel is a business that usually provides an accommodation and services, which may include reservations, suites, valet, public dining and banquet facilities, specialty shops, housekeeping service, concierge or laundry. And also, hotel can be categorized by different aspects. According to Barrows et al (2011), hotel can be categorized by price, function and location and market segment. Yoeti (1995) explains that a hotel must have some elements or requirements to be able to called that a "hotel". Moreover, he mentioned about the 4

elements; which are, the physic infrastructure and facilities, the quality of product and service, employees' attitude, and competitive price.

c. Hostels

A hostel is so far to be a low-cost, budget oriented accommodation which adds the principles of sharing. According to Merriam-Webster (2019), a hostel is an inexpensive lodging facility for travelers that has dormitory-style arrangements and sometimes offers meals and planned activities. To conclude, a hostel is an accommodation which will have a common similarities about having to share not so everything, but basically a room, or a common room.

d. Apartments

This accommodation is to be said a good place to stay for a longer period of time. They have provided facilities, like a kitchen. Moreover, there is a more personal space added to it. According to Leshnower (2019), a simple meaning of apartment can be divided into two, which are a living space in a residential building and any rented living space. Moreover, he continued that there are different types of apartment; like for example, a garden apartment, loft apartment, studio apartment, or penthouse.

e. Guesthouses

According to YourDictionary (2018), guesthouse would mean a separate facility from a main home that is made to provide accommodation for guests. A guesthouse will most probably be managed by its owner, and they would have a fewer rooms, around fifteen rooms (Walker, 2009). In conclusion with the definitions above, a guesthouse would be an

accommodation with a minimal room numbers, and has facilities like a hotel. However, the concept of a guesthouse would be like staying in one's house, so basically, it has a much more personal services added to it.

3. Classification of Hotel

Criteria for the classification of hotel types in Indonesia are officially found in government regulations, namely SK: Kep-22 / U / VI / 78 by the Director of Tourism. Hotel classifications are reviewed based on these factors:

a. Based on Guest Activities

1) Resorts

Resorts are typically located in picturesque settings and have 200 to 500 guestrooms. They provide a range of recreational facilities, depending on geographic location. Food and beverage outlets are available, ranging from informal to fine-dining restaurants.

2) Executive Conference Center

This type of hotel often in a secluded or suburban settings and have fewer than 300 guest rooms. These facilities, which offer well-designed learning environments, provide a variety of small meeting rooms and classrooms featuring full audiovisual and technological support. Meals and use of recreational facilities are often included in the quoted daily room rate.

3) Health Spas

They are often located in resort-type settings or as a part of a larger resort. It provides additional amenities focusing on needs ranging from losing weight, to reducing stress and to pampering oneself. Profits play

a very big part in fitness centers and spa, as resorts and hotel realize the significant revenue potential.

4) Casino Hotels

They are different from other hotels based on their operations. Casino hotels are similar to resorts, which provides mostly recreational activities. However, casino hotel's major revenue centers are the gaming operations.

5) Vacation Ownership

This type of accommodation can also referred to as timeshares and vacation intervals, which involves a shared ownership, in which buyers purchases the right to use such residential unit for a portion of the year, like contracted.

6) Ski Hotel

This is a hotel that provides an area for skiing.

7) Convention Hotel

These hotels are large, with more than 500 guestrooms. They offer extensive meeting and function space, typically including large ballrooms and exhibition area. Food and beverage operations tend to be expensive, with several restaurants and lounges, banquet facilities, and room service.

b. Based on Location

1) City Hotels

City hotel, just like its name, is located in city areas. They are near large office complexes and retail stores. Basically, by day, they are

near business destinations, and by night, there are close to entertainment centers. City hotels almost always command higher rates than suburban hotels. The reason is it is needed to cover the cost of land and also some other public facilities they have.

2) Urban Hotels

This hotels are located near the city, but not in the city.

3) Resort Hotels

Resort Hotels are hotels that are located in tourists area, where most of the guests come not for business purposes.

4) Suburb Hotel

Suburban hotel tends to be smaller, and involve low to midrise structures. They are located on outskirts or suburb area of the city.

c. Based on Size and Capacity

1) Small hotel

Small hotel consist of total number of room below 150.

2) Average Hotel

Average hotel consists 150 to 299 rooms.

3) Above Hotel

Above hotel consists of 300 to 600 rooms.

4) Large Hotel

A large hotel consists of a minimal of 600 rooms

d. Based on Package Plan

1) American Plan

This plan consists of room charge and 3 meals, including breakfast,

lunch, and dinner.

2) Modified American Plan (MAP)

Modified American Plan will charge the room and also 2 meals, which included breakfast and lunch/dinner.

3) Continental Plan

Continental plan is the price where they include the room and includes a continental breakfast.

4) Bermuda Plan

Bermuda plan is similar with continental plan, but includes an American-style breakfast.

5) European Plan (EP)

This plan will only consists of room charge.

e. Based on Length of Stay

1) Transit Hotel

The average nights of guest staying will be 1 night.

2) Semi Residential Hotel

This hotel's average night of stay is around 2 weeks to 1 month.

3) Residential Hotel

Residential Hotel stays for a long period of time, with a minimum for 1 month.

f. Based on Number of Rooms and Condition

1) 1-Star Hotel

This hotel has a number of standard rooms, which is a minimum of 15 rooms with a bathroom, and a minimum area of 20 m^2.

2) 2-Star Hotel

A 2-Star hotel has a number of standard rooms, which are minimum of 20 rooms and 1 suite with an ensuite bathroom, standard room area is 22 m^2, and a suite room size is 44 m^2.

3) 3-Star Hotel

This hotel has a number of standard rooms, which are minimum 30 rooms, 2 suits rooms, and ensuite bathrooms. The standard area of the room has a minimum 24 m^2 and suites has a minimum 48 m^2

4) 4-Star Hotel

This hotel has a number of standard rooms, which are minimum 50 rooms, 3 suites, bathrooms inside, and the standard room area has to be a of minimum 24 m^2, and for suite is a minimum of 48 m^2

5) 5-Star Hotel

The 5-Star Hotel has to have a minimum of 100 rooms, 4 suites, ensuite bathrooms, and the standard room area will be 26 m^2, and for suite is 52 m^2

4. Other Hotel Classifications

Based on Barrows, Powers, and Reynolds (2012), there are some other accommodation that is classified by its distinctiveness of style or offerings, which are:

a. All-Suite Hotels

This type of hotel is having a guestrooms that are larger than the normal hotel room, which is around 500 square feet. They have facilities, such as a living area and kitchen area that are separated from the bedroom. This

hotel can be found in urban, suburban, and residential locations.

b. Extended-Stay Hotels

Extended-stay hotels have similar features, facilities, and amenities as all-suite hotels. However, the comparison between both would be that the room rates are often less, with daily, weekly, and monthly rates quoted. There are also no on-site food and beverage outlets in an extended-stay hotels.

c. Historic Conversions

This hotel have a historical significance and have been renovated to their original splendor. This hotel are classical themed and have great appeal to customers that wishes some historical environment with an additional comforts from the modern-days.

d. Boutique Hotels

Boutique hotels have a span of all price segments and are different in look and feel from traditional lodging properties. The interior design styles ranges from postmodern to homey. Soft attributes, such as image and atmosphere, typically distinguish these properties. Travelers' desires to be perceived as trendy, affluent, and artistic tie into boutique themes.

e. Bed-and-Breakfast

This accommodation has typically around 10 rooms. Breakfast is served and included in the room rate for these properties.

f. Luxury Hotel

Luxury hotel is at the top of the price category, which usually accommodates 150 to 500 guestrooms. These properties features an

upscale décor and furnishings and offer a full array of services and amenities. They provide concierge services and food and beverage operations, including a fine-dining restaurant, banquet facilities, and full room service.

g. Full-Service Hotel

They offer a wide range of services and facilities. In comparison with the budget/economy properties, there will be more public space and meeting/function space, with at least one food and beverage facility.

h. Select-Service Hotel

Select-service hotel are providing accommodations and some basic services. These are considered to be the fastest-growing category of hotels. These hotels offer limited food service operations and scaled-down meeting space but includes with lounge areas for working and socializing, breakfast, and internet access.

i. Limited-Service Hotel

This hotel offers guest room only. There is little or no public space, no meeting or function space, and usually no or very limited food and beverage facilities. The room rates are considered to be the lowerst for this type of lodging property. Terms used for this classification includes "budget" or "economy" hotel.