

CHAPTER I

INTRODUCTION

1.1 Background of the Study

HVS Asia-Pacific Hotel Operator Guide 2018 states that Indonesia is among the largest players in the hotel sector in Asia-Pacific. The research, published in December 2017, found that China was the dominant market leading hotel sector in Asia Pacific at 50% with 2.754 existing and 1.532 pipelines; Australia at 10% and India at 8%. The hotel industry in Indonesia is anticipated to see good expansion in the coming years with tourism revenues up by over 15 per cent in 2016, and ambitious industry growth plans in place. This is a result of powerful hospitality results in the previous half century.

Indeed, the complete supply of hotel rooms in 12 main Indonesian markets increased from 2011 to 2015, with an aggregate annual growth rate of 19%, according to HVS studies, a worldwide hospitality study company. The complete amount of branded rooms in this era jumped from 35,000 to up to 71,000. Indonesia has meanwhile been claimed to have 6 percent of the market share of 356 existing and 228 pipelines.

As the most noticeable industry in the hospitals industry, the hotel industry is witnessing a significant reverse that jeopardizes the industry's attractiveness to future buyers. Although the sector is expanding at an astronomical pace, several statistics have shown that the sector can only grow at an astronomically fast pace by taking a closer look at these statistics. In the last decades, the amount of competition within the hospitality industry has also risen so much, that not only fresh entry-level businesses in the sector but also those businesses that have been active for many years are under threat. The hotel is the largest and most visible subsection of all the different kinds of accommodation accessible for the tourist. It is typically considered a property providing guests who are only for a brief stay, with payment for accommodation, food and drink facilities. However, a contemporary hotel's view is more complicated because not every hotel offers

facilities like meals and drinks, while some hotels offer extra facilities for their customers, such as meeting rooms. (Talabi, 2015)

Marketing demonstrates its significance in any type of tourism and hotel sector, as it offers itself as an instrument for better managing hotel activities and it also helps to define suitable growth policies, with the primary aim of increasing economic performances. This would allow a business to move the market more effectively in order to guarantee a higher market share, allowing it to take the product or services for the clients and prospective clients, and develop a planned, well-established, well-structured marketing and promotional approach.

The marketing idea says that the corporation is more efficient than rivals in generating, providing and communicating client value on its selected target markets as the key to attaining its organizational objectives. The marketing concept is an elaborate explanation of the phenomenon based on four main problems, including marketing, client requirements, integrated communication in marketing and profitability. (Kazmi & Panda, 2015)

A solid marketing strategy is essential in any business to build a brand, attract new customers and maintain loyalty. There is no difference in the hospitality sector. Due to the importance of client loyalty, advertising managers and managers spend a great deal of time and money on brand awareness and continuing interconnected campaigning. These advertising attempts typically include both printed and digital collateral aimed at ex-guests and fresh customers.

The enormous rise in hotel numbers in Indonesia makes the sector highly competitive. Hotel restaurants assist to produce the entire environment of the property through the decor, menus and offered services. Previous investigators have noted that understanding the expectation of customers is a requirement to provide superior services. This research examined the role of the F&B services offering in improving the overall competitiveness of hotels in Indonesia by assessing client satisfaction rates in the food, services, prices and general atmosphere established by the F&B hotel department.

Grand Mercure Medan Angkasa Hotel which is located on Jl. Sutomo No.1, Medan city -North Sumatera is conveniently accessible for leisure and business hotel. The hotel is approximately 39 km away, Kuala Namu International Airport is a 60-minute drive and the train station is within short walking range. Spacious rooms, with free WiFi, modern décor, luxurious bedding and flat-scope TV, unrivaled for everyone. Up to 1200 people can stay in our Grand Ballroom. Grand Mercure offers an optimal venue in all our hotels around the world for meetings, conferences and activities. The properties of the hotels have a broad array of innovative installations with intuitive design and state-of - the-art facilities.

Based from the observation and interview with the hotel staff, the writer concluded that the hotel staffs still confused to choose the best marketing strategy in increasing Food and Beverage sale. This situation is not good for the long term survival of the hotel. Besides that, the staff must be more improve using social media such as Facebook, Instagram, Youtube and other social media for promote Hotel Grand Mercure Medan Angkasa. In other side, Marketing Communication must be more active trough *mas* media and improve their communication skill for a better result in the future. Therefore, the hotel must have a clear and targeted marketing strategy so that the number of customers can continue to grow in the future.

In this study, the researcher wants to analyze the role of food and beverage departement in order to attract customers of hotel Grand Mercure Medan Angkasa and write it in this thesis entitled “**The Analysis of Marketing Strategy of Hotel Grand Mercure Medan Angkasa in Increasing Food and Beverage Sale**”.

1.2 Research Focus

In order for research conducted more focused and easily in collecting and processing data, the scope of research is limited as follows. This study is only limited to Food and Beverage department in Hotel Grand Mercure Medan Angkasa on Sutomo Street No.1, West Medan, Medan City - North Sumatera which related with marketing strategy

1.3 Problem Limitation

Based on the description on the background of the study above, the research questions in this study are as follows:

1. How is the staff perception about marketing strategies that is being implemented by Food and Beverage department in Hotel Grand Mercure Medan Angkasa?
2. How is customer acceptance about marketing strategies that is being implemented by Food and Beverage department in Hotel Grand Mercure Medan Angkasa?
3. How is the effectiveness of marketing strategies that is being implemented by Food and Beverage department in Hotel Grand Mercure Medan Angkasa?

1.4 Research Objective

The research objective are as follows:

1. To describe the staff perception about marketing strategies being implemented by Food and Beverage department in Hotel Grand Mercure Medan Angkasa.
2. To describe customer acceptance about marketing strategies being implemented by Food and Beverage department in Hotel Grand Mercure Medan Angkasa.
3. To describe the effectiveness of marketing strategies being implemented by Food and Beverage department in Hotel Grand Mercure Medan Angkasa.

1.5 Benefit Of The Research

The benefit expected from this study are as follows:

1. Theoretically, the results of this study are expected to be useful to strengthen the theory in hospitality, especially about the role of food and beverage department in a hotel.
2. This research can provide an overview and knowledge about the role of food and beverage department in a hotel.

3. This research is expected to be used as a suggestion to give more attention about the role of food and beverage department in order to fulfill the customer's satisfaction.
4. The results of this research are expected to be used as a source of references who concerned in conducting related research in the future.

1.6 System Of Writing

The researchers compiled the writing with the following details:

- Chapter I : Introduction
This chapter contains background of the study, problem limitation, problem formulation, research objectives, benefit of the research, and the systems of writing.
- Chapter II : Literature Review
This chapter contains theoretical background, previous research, and framework of thinking.
- Chapter III : Research Methodology
This chapter will describe the research design used, the object of research, the method of data collection performed and the method of data analysis.
- Chapter IV : Data Analysis And Discussion
This chapter describes the overview of the research objects discussed in this study and describes the data analysis and the detailed discussion.
- Chapter V : Conclusion
This chapter contains the conclusions of what has been described in the previous chapters, and also contains suggestions for improvement for research development related to this research topic.