The Impact of Novelty and Meaningfulness Creative Marketing Program on Hotel Performance

Antonius Singgih Setiawan, Lina, and Agustinus Widyartono
Fakultas Bisnis Akuntansi Universitas Katolik Musi Charitas

Email: singgih@ukmc.ac.id

Abstract: At present, the hotel business is dealing with increasingly competitive competition. Creative marketing methods are developed to anticipate the competition. The implementation of creative marketing programs is a form of new strategies in the hotel industry. This study aims to prove the impact of the novelty and meaningfulness of creative marketing programs on hotel performance. The study is conducted with quantitative methods using primary data through a survey of owners/hotel general managers in Palembang city. A total of 75 questionnaires are distributed to the owners/hotel general managers. The number of questionnaires used in this study is 65 (87%). Structural Equation Modeling (SEM) Partial Least Squares (PLS) analysis using Warp PLS version 5.0 software is used to test of hypothesis. The results of the study indicate that the novelty and meaningfulness creative marketing program has a positive effect on the hotel's performance in Palembang city.

Keywords: novelty creative marketing program, meaningfulness creative marketing program, hotels performance.


Kata kunci: program pemasaran kreatif kebaharuan, program pemasaran kreatif kebermaknaan, kinerja hotel.
INTRODUCTION

This past decade, the hotel industry in the South Sumatera region experienced rapid growth, this growth is a direct impact of the growth of economic and business activities (Setiawan et al., 2019b). The increase in the growth of the hotel industry in this region is greatly influenced by the number of activities held in the province of South Sumatra, especially the city of Palembang (Setiawan and Rahmawati, 2017). An international event that had a direct impact on the addition of new hotel operations in Palembang was the 2018 Asian Games sporting event (Setiawan et al., 2019a).

In 2018, the Statistic Indonesia of South Sumatera Province reported the number of star-rated hotels in Palembang was 59 hotels (BPS, 2018b), while non-star hotels operated in Palembang with 122 hotels (BPS, 2018c). Meanwhile, the average star-rated hotel in the 2018-star room occupancy rate was 59.27%. This number decreased by 0.89 points when compared to 2017 (60.16%). Meanwhile, the average hotel occupancy of non-star hotels in 2018 as a whole was 36.86%. The number rose to 0.83 points compared to 2017 which was 36.03%. (BPS, 2018a). The data shows the phenomenon of the developing hotel industry but there is a relatively dynamic level of competition in the hotel industry in the city of Palembang, this is related to the average occupancy rate which is still below 75%. This is consistent with the explanation of (Setiawan et al., 2019b) that the development of the hotel industry in the Sumatra region is very promising but there is dynamic competition.

The hotel business world that is facing increasingly fierce competition requires the right strategy to get optimal performance (Setiawan, 2016). One strategy that is developing in the hotel business world is a digital marketing strategy. This is as explained by (Law et al., 2010). That tourism businesses including hotels are both customer-oriented and information-intensive have increasingly adopted e-business models to achieve their organizational goals. This explains why hotel entrepreneurs need to know, hotel guests prefer online booking channels (Liu and Zhang, 2014). Therefore, the effective use of a website is a vital requirement for hotel businesses to support relationships with their customers, and to get a larger market segment (Law et al., 2010). To deal with competition and create satisfaction for customers, every entrepreneur must be able to think innovatively and creatively to create new strategies and strengthen their competitive space in the industry they are working on (Slater et al., 2010).

Creative marketing strategies are activities that are developed to promote products/services that selectively target markets and support the achievement of the company's business goals (Ishaq and Hussain, 2016). Therefore (Ishaq and Hussain, 2016) explained that marketing creativity is a step towards the conception of typical practices in the company's marketing function. Creative marketing is needed to provide a complete understanding of how companies work effectively to conduct sales practices (Terkan, 2014). (Andrews, 1996) explains that to be creative, marketing programs must contain new ideas for the product categories to be marketed.

However, to be creative, novelty is not enough, a creative marketing program must also have meaning for potential buyers (Andrews, 1996). However, (Ishaq et al., 2016) explained that every company including the hotel industry is in a competitive environment would be very difficult to create innovative marketing strategies. Therefore, strategic marketing strategy innovation can only develop if the company can become a
unique company and make effective planning, and must implement it very seriously (Ishaq and Hussain, 2016). The problem is, there are still many companies that have not implemented creativity in their marketing programs (Wadden, 2011).

The idea of creative marketing arises when various perspectives on market needs, technological advances, have become important considerations for management (Andrews, 1996). The emergence of marketing through social media and the internet has brought about major changes in consumption patterns and consumer culture (Lee and Lau, 2018). At present, various hotel booking channels have been developed, including hotel websites and online travel agent websites (Liu and Zhang, 2014). OTA is an important channel for hotel marketing, hotel industry managers must pay attention to how to provide hotel information through the OTA website (Pan et al., 2013). The hotel marketing technique through OTA has two main advantages, first, the hotel can actively use digital information in its marketing activities and get feedback in the form of reviews from its website. Second, a hotel can have a conversation management strategy with its customers in the form of responses or guest reviews as a hotel evaluation material offered by users or customers (Pelsmacker et al., 2018).

OTA which currently has a growing increase market in the city of Palembang is OYO. The OYO Hotels and Homes Indonesia (OYO) platform increased significantly in Palembang to 200 percent (Anonymous, 2019a). Since it was officially operated in Palembang in October 2018, in less than a year, more than 50 properties have joined as OYO partners in Palembang, and have become the favorite choice of customers with a total of more than 63 thousand bookings until the turn of III-2019 (Anonymous, 2019b). Information regarding the growth of digital marketing in the hotel industry has been very advanced. (Pelsmacker et al., 2018) state that hotel managers must make digital marketing plans, therefore, it is important for hotel managers to activate digital marketing through online marketing channels.

(Pelsmacker et al., 2018) explained that the impact of a hotel digital marketing strategy on hotel performance lies in online reviews on hotel marketing sites. Furthermore, (Pelsmacker et al., 2018) explain that two main components of online reviews can drive hotel performance, namely first, a hotel can actively utilize digital information in its marketing efforts by using information and metrics from reviews on online sites providing links or integrating with third parties reviews on the web site. Second, a hotel can have a conversation management strategy with its customers (for example, responses to guest reviews, encouraging guests to post comments). Both of these will be input and evaluation material for management to create a strategy of continuous improvement for the hotel so that it will ultimately have a positive effect on improving hotel performance.

However, the growth of digital marketing practices in the hotel industry has not been adequately followed by the development of research literature on this issue, particularly the issue of OTA affiliation decisions on hotel performance. This was stated by (Pelsmacker et al., 2018) who referred to the literature of (Levy et al., 2013); (Cantallops and Salvi, 2014); and (Melo et al., 2017) that, literature and research the relationship between digital marketing and performance in the hotel industry still gets a limited portion. This gives an opportunity for research on hotel decisions to affiliate with OTA. Therefore, research is conducted to answer whether hotels affiliated with OTA will have a positive influence on the achievement of hotel performance.
The decision of the hotel management affiliated with OTA is for a number of fundamental reasons. (Dabrowski et al., 2019) explain that marketing innovation can be identified from the meaning of the marketing program, marketing programs that are made can be relevant and meet the expectations and needs of customers. On the other hand, (Dabrowski et al., 2019) also explain that marketing must also show a novelty in carrying out marketing methods. Digital marketing is a new method because it will be felt like a marketing method that is different from the usual and has a revolutionary change in supporting customers need.

Therefore, an interesting problem to look at in this study is what is the basis for hotel owners/management decisions in making decisions to affiliate with OTA as one of the methods for marketing their hotels. Whether the decision to market hotels through OTA is based on understanding the digital marketing paradigm as a marketing program that meets the needs of meaning for customers. In addition, whether the decision to market hotels through OTA is also interpreted as a novelty marketing model in the digital era. These two things become important to be agreed because, the new paradigm in the era of digital marketing in the hotel industry has two dimensions of creative marketing with meaningfulness and novelty dimensions (Dabrowski et al., 2019; Sigala and Chalkiti, 2015).

Furthermore, (Dabrowski et al., 2019); (Sigala and Chalkiti, 2015) explain that, the level of understanding of the hotel owner/manager about the hotel's creative marketing dimensions can ultimately lead to the achievement of better hotel performance. To that end, several studies have tried to look at the effects of digital marketing strategy mechanisms on hotel performance (Pelsmacker et al., 2018). This explanation was also confirmed by (Yfantidou et al., 2019) that innovation and creativity of hotel managers will be a trigger to improve hotel performance, where innovation and creativity are also related to the selection of marketing programs that have meaningfulness and novelty. For this reason, organizations must determine creative marketing strategies and have the ability to implement them effectively to create optimal company performance (Ishaq and Hussain, 2016). However, this issue still needs further testing, especially in the developing hotel industry in Palembang. This is based on the argument that the hotel industry in Palembang is starting to grow but with an average occupancy rate that is still relatively low.

Based on this explanation, this research tries to identify what is really the reason the hotel owner/manager decides to affiliate with OTA in implementing their hotel digital marketing program. Furthermore, this study will also try to see whether the dimensions of meaningfulness and novelty as creative marketing paradigms have a positive impact on improving hotel performance. For this reason, this research will be conducted on industrial hotels in the Palembang city area affiliated with the OTA Platform, which is OYO Hotels and Homes Indonesia. This is based on some of the reasons discussed in the previous section.

THEORITICAL REVIEW

The novelty and meaningfulness of the digital marketing paradigm. (Sharma, 2014) explains that the concept of creative marketing helps management to choose the right marketing program to keep the company's "brand" still "top of mind" even when
customers don't think about it. Marketing activities based on creativity will consistently bring profit in business. Creativity helps create big demand and will make a profit if done at the right time (Sharma, 2014). Creativity is an effort to create original and valuable products or activities that involve new and fresh ideas or plans that are marked with imagination and expression (Terkan, 2014). Creativity offers new insights and ideas which ultimately become innovative solutions to solve problems (Pitta et al., 2008).

Creative marketing strategies are very important for product differentiation and positioning because meaningful differentiation can affect a company's profitability by offering something unique and useful to consumers (Wadden, 2011). Creativity is the most important factor that determines the competitiveness of companies to win the increasingly dynamic competition (Pitta et al., 2008). One of the most significant impacts of the globalization of the business world is the empowerment of consumers or customers as citizens of the world. Therefore, technology as a new media is believed to be the most sophisticated tool in creating human relations in the world (Terkan, 2014). Nowadays, social media and internet has a role in creative marketing (Sharma, 2014). Therefore it is reasonable if the development of internet-based communication technology has brought a big influence on economic and business, in particular, has an important impact on communication (Narsa and Pratiwi, 2014; Nosihana and Yaya, 2016; Abdullah et al., 2017; Saud et al., 2019). Furthermore, the internet has brought a huge influence on business life including marketing activities especially digital marketing. The internet has brought a huge influence on business life including marketing activities especially digital marketing.

Digital marketing has entered into new business opportunities (Khmiadashvili, 2019). Digitalization is an important part that must be applied to business models in the hotel industry, to support the success of its operations (Rendon et al., 2014). This is growing because there are changes made by consumers in many places. Now, many consumers choose to use online channels in purchasing (Wang and Goldfarb, 2017). (Lien et al., 2015) explain that, nowadays, many recreational tourists increasingly choose to book hotels online with consideration of convenience and to save costs and time.

For this reason, the ability to generate creative ideas in marketing programs to increase market needs is key for companies to achieve business success (Im and Workman, 2016). In addition to increasing the company's ability to adapt to environmental changes, creative marketing strategies also encourage meaningful product differentiation. Creative marketing strategies also create innovative products, promotion processes and market positioning (Wadden, 2011). The most creative and innovative businesses have opportunities that enable them to create new competitive advantages or rediscover the advantages they have ever had (Slater et al., 2010).

(Dabrowski et al., 2019) describe a creative marketing program that has two fundamental aspects, namely, having meaningfulness and novelty. Furthermore, (Dabrowski et al., 2019) explains how meaningfulness in a creative marketing program is a marketing program that can show an understanding of marketing activities that are appropriate and beneficial for its customers. Meanwhile, the novelty of a marketing program means that the implementation of a marketing program represents something unique and different from that implemented by competitors (Amabile and Pratt, 2016).
Hotel performance. Performance measurement systems and management performance are an important part of the success of the management cycle in business processes (Altin et al., 2018). The concept of performance measurement can help companies to track the process of achieving current performance so that the performance measurement process can also help companies to identify improvements needed for the company (Siemieniuch and Sinclair, 2002). Therefore, every firm can adopt the performance measurement system that is relevant to the strategic objectives, actions and results expected by the company (Lee and Yang, 2011). As in most types of industries, performance measurement and performance issues are also interesting to look at in the hospitality industry (Sainaghi et al., 2017).

To see performance, (Ittner and Larcker, 2003) explain how financial and financial perspectives are used to get views for organizations to see a performance. (Sainaghi, 2010) looks at performance indicators in the hotel industry based on three categories. First, the operational performance that includes occupancy, customer satisfaction and achievement of service quality. Second, an operational and financial performance which includes profit and volume, profit and service quality, as well as profit, volume, and customer decision. Third, financial performance that is financial ratios and financial margins.

Relation of novelty and meaningfulness of digital marketing on hotel performance. The difference between performance resulting from a creative process and the performance from an ordinary process is determined by the ability and characteristics of a person to focus on the process in assessing how the social environment can affect the outcome. This is very relevant to marketing modeling efforts which tend to focus on internal and external factors related to the characteristics of the individuals, groups, and companies involved (Fillis, 2020). The focus of marketing is to create a long-term profitable relationship between the company and customers. To that end, the relationship between the company and the customer must be based on trust and commitment, and create more efficient operations (Sharma, 2014).

(Dabrowski et al., 2019) believe that the creative marketing program is an important consequence that must be carried out by hotel industry managers because creative marketing methods have a tendency to steer hotels towards improving the company's financial performance. Without creativity the company will experience an inevitable decline in performance (Pitta et al., 2008). (Blal et al., 2018) found that hotels affiliated with Airbnb OTA had a positive influence on hotel sales performance. Previously, (Liu and Zhang, 2014) compared the performance of hotel use websites with the OTA website, the results, the OTA website performed better on hotel websites in various factors related to the intention of finding information and the intention to buy hotel's room by consumers.

The findings of (Pelsmacker et al., 2018) explains how the implementation of digital marketing will ultimately have a positive impact on hotel performance in Belgium. (Kang et al., 2014) found conclusions about the creative marketing alliance strategies meaningfulness and novelty had a positive performance on market performance in South Korea. Finally, (Dabrowski et al., 2019) found the results of the meaningfulness and novelty of the marketing program implemented by hotel managers positively affected the financial performance of hotels in Poland.
Other findings by (Ishaq and Hussain, 2016) show that the choice of creative marketing strategies has had a positive impact on company performance. Previously, (Andrews and Smith, 1996) concluded that creative marketing strategies had a significant impact on the firm’s business performance. (Slater et al., 2010) found the conclusion that marketing creativity and the effectiveness of marketing strategy implementation are positively related. (Naeem et al., 2011) found the conclusion that business performance excellence depends on the extent to which corporate marketing managers can develop creative marketing strategies because marketing strategies are more creative that can produce and maintain a competitive advantage over their competitors. Other findings obtained by (Hassan et al., 2013) which explains that the implementation of the development of creative marketing strategies has a positive impact on improving organizational performance.

The prior research results show how the application of digital marketing and marketing programs can improve company performance. The implementation of digital marketing is an effort to practice creative marketing programs in the hotel industry. Prior research has proven that the creative marketing alliance strategies of meaningfulness and novelty improve company performance, however, this still needs to be proven that meaningfulness and novelty also have a positive impact on hotel industries in Indonesia, especially in the city of Palembang. Therefore, the hypothesis that will be proven in this study is;

**H1:** The novelty creative marketing program has a positive impact on hotel performance in Palembang city.

**H2:** The meaningfulness creative marketing program has a positive impact on hotel performance in Palembang city.

**METHODS**

The research sample is a hotel affiliated with OTA OYO in Palembang. Research data were collected using a questionnaire with a hotel owner/manager as respondents. The survey was aimed at 75 hotels, however, the data that can be further processed from this study are 65% or 87%, while the other 10 hotels cannot be surveyed for various reasons.

The hotel performance measurement instrument uses the instrument used by (Pelsmacker et al., 2018) adopted from (Grissemann et al., 2013); (Sainaghi, 2010); and (Zhou et al., 2007). Respondents were asked to identify hotel performance, whether or not increased, based on expectations after deciding to affiliate with the OTA OYO marketing program. The three indicator items are sales revenue, occupancy rate, and operating profit. The answer uses a 6 point scale (1 = Far below the estimate, 6 = far above the estimate).

The novelty of marketing programs using instruments from (Pelsmacker et al., 2018) adopted from (Im and Workman, 2016), using a 6-point scale, 1 = strongly disapproved until 6 = strongly agree. Respondents were asked to indicate their level of agreement to the 4 statements; (1) The hotel partnership model offered by OYO is a partnership model that is completely out of the marketing habits of most hotels, (2) The
The hotel partnership model offered by OYO can be considered a revolutionary partnership model, (3) The hotel partnership model offered by OYO can stimulate hotel owners in developing the hotel business, (4) The hotel partnership model offered by OYO shows an unusual way of solving problems in the hotel business.

The meaningfulness of the marketing program uses a modified instrument from (Pelsmacker et al., 2018) adopted from (Im and Workman, 2016), using a 6-point scale, 1 = strongly disagree until 6 = strongly agree. Respondents were asked to indicate their level of agreement to the 4 statements; (1) the hotel partnership model offered by OYO is a partnership model that is relevant to the needs and expectations of customers, (2) the hotel partnership model offered by OYO can be considered as a partnership model that is considered suitable to meet customer desires, (3) the hotel partnership model offered by OYO is suitable for the needs and expectations of customers, (4) the hotel partnership model offered by OYO is very useful for customers.

Hypothesis testing is performed using Structural Equation Modeling (SEM) Partial Least Squares (PLS) analysis. SEM-PLS analysis using Warp PLS software version 5.0. PLS testing is carried out in two stages. The first stage, testing the quality of the model based on model fit and quality indices consisting of three fit indicators namely, average path coefficient (APC), average R-squared (ARS), and average variance inflation factor (AVIF). The p-value criteria for APC and ARS are must be less than 0.05. Meanwhile, AVIF as an indicator of multicollinearity must have a value smaller than 5. The second stage, testing the research hypothesis based on the value of the path coefficients β and the significance of p-values (Kock, 2011).

However, the data collected through a questionnaire survey needs to be tested using data quality testing. (Hair et al., 2013) requires testing the reflective measurement model based on a composite reliability value of > 0.7, convergent validity (average variance extracted) of > 0.5, indicator reliability (loading) of > 0.7, but indicators with loading 0.4 - 0.7 can still be maintained if it does not increase AVE, and composite reliability above the specified limits. The last test to assess validity and reliability is discriminant validity testing. Testing discriminant validity can be done by comparing the AVE square root to the correlation value between constructs. The square root of each AVE construct must be greater than the highest correlation of the other constructs.

RESULTS

Based on Table 1, the performance data of OYO partner hotels in Palembang are on average 14.02 with a theoretical range of 3-18 and the actual range between 9-17. This shows that the performance level of OYO partner hotels in Palembang is relatively high. The novelty value data from the implementation of the marketing program is at an average of 19.46 with a priority range of 4-24, and the actual range between 15-25. This shows that the novelty value of the implementation of the marketing program is relatively high. Data on the meaningfulness of the implementation of the marketing program is at an average of 19.49 with a theoretical range of 4-24 and an actual range of 14-23. This shows that the meaningfulness of the marketing program implementation at OYO partner hotels in Palembang is also relatively high.
Table 1. Research Data

<table>
<thead>
<tr>
<th>Variable</th>
<th>Theoretical Range</th>
<th>Actual Range</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel performance</td>
<td>3 – 18</td>
<td>9 – 17</td>
<td>14,02</td>
<td>2,073</td>
</tr>
<tr>
<td>Novelty</td>
<td>4 – 24</td>
<td>15 – 24</td>
<td>19,46</td>
<td>2,208</td>
</tr>
<tr>
<td>Meaningfulness</td>
<td>4 – 24</td>
<td>14 – 23</td>
<td>19,49</td>
<td>2,093</td>
</tr>
</tbody>
</table>

Table 2. Validity and Reliability

<table>
<thead>
<tr>
<th>Variable</th>
<th>Loading</th>
<th>Composite Reliability</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel Performance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HR1</td>
<td>0.761</td>
<td>0.884</td>
<td>0.719</td>
</tr>
<tr>
<td>HR2</td>
<td>0.910</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HR3</td>
<td>0.867</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Novelty</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>N1</td>
<td>0.518</td>
<td>0.802</td>
<td>0.509</td>
</tr>
<tr>
<td>N2</td>
<td>0.772</td>
<td></td>
<td></td>
</tr>
<tr>
<td>N3</td>
<td>0.825</td>
<td></td>
<td></td>
</tr>
<tr>
<td>N4</td>
<td>0.702</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Meaningfulness</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>M1</td>
<td>0.603</td>
<td>0.823</td>
<td>0.541</td>
</tr>
<tr>
<td>M2</td>
<td>0.711</td>
<td></td>
<td></td>
</tr>
<tr>
<td>M3</td>
<td>0.854</td>
<td></td>
<td></td>
</tr>
<tr>
<td>M4</td>
<td>0.752</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 2 shows the results of the validity and reliability of research data. Research data were collected using a questionnaire instrument. The test results show the composite reliability value of each construct > 0.7. Likewise with the value of convergent validity (average variance extracted) each construct is at a value > 0.5. For the indicator reliability value (loading) almost all constructs > 0.7, however, there are two indicators that have a indicator reliability value < 0.7. Following the advice of (Hair et al., 2013), indicators with loading 0.4 - 0.7 can still be maintained if they do not increase AVE, and composite reliability above specified limits. Therefore, some indicators with loading < 0.7 are still maintained as construct indicators. The test results in Table 3 show the AVE square root value of each construct is greater than the highest correlation of the other constructs. Based on the test results shown in Tables 2 and 3 it can be concluded that the construct measurements in this research model are valid and reliable. For this reason, this research data is suitable for further testing.

Table 3. Discriminant validity

<table>
<thead>
<tr>
<th></th>
<th>Hotel performance</th>
<th>Novelty</th>
<th>Meaningfulness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel performance</td>
<td>0.714</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Novelty</td>
<td>0.256***</td>
<td>0.736</td>
<td></td>
</tr>
<tr>
<td>Meaningfulness</td>
<td>0.374***</td>
<td>0.464***</td>
<td>0.848</td>
</tr>
</tbody>
</table>

Square roots of average variances extracted (AVEs) shown on diagonal

*** significant at p < 0,01    ** significant at p < 0,05
Setiawan, Lina, and Widyartono: The Impact of Novelty and ...

Table 4 shows the model fit and quality indices of APC, ARS and AVIF values. Significant APC value <0.001, ARS value <0.001 are in the criteria below 5% (Kock, 2011). Likewise, the AVIF value of 1,086 is under the criteria under number 5 (Kock, 2011). Based on the results of these tests, the research model is fit so it is feasible to proceed with hypothesis testing.

Table 4. Model Fit and Quality Indices

<table>
<thead>
<tr>
<th>Model Fit Item</th>
<th>Value</th>
<th>Criteria</th>
<th>Relevance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average path coefficient (APC)</td>
<td>0.379 (P&lt;0.001)</td>
<td>p &lt; 0.05</td>
<td>Relevant</td>
</tr>
<tr>
<td>Average R-squared (ARS)</td>
<td>0.376 (P&lt;0.001)</td>
<td>p &lt; 0.05</td>
<td>Relevant</td>
</tr>
<tr>
<td>Average block VIF (AVIF)</td>
<td>1.086</td>
<td>AVIF &lt; 5</td>
<td>Relevant</td>
</tr>
</tbody>
</table>

Figure 1. Structural Model

Based on Figure 1 it can be seen that the novelty marketing program variable has a β coefficient of 0.30 with a value of p < 0.01 or is at a value of α 1%. This proves that there is a positive influence between the novelty marketing program on the performance of hotels that are affiliated with OTA OYO in the Palembang city area. This finding was confirmed based on data collected in the study. The data indicates that hotel companies affiliated with OTA OYO have a perception that the value of renewal from the implementation of the marketing program that they implement is relatively high. On the other hand, the hotel they manage has a higher performance than they expected before affiliating with OTA OYO. This shows that hotel performance has increased in performance.

Figure 1 also shows that the variable marketing program of meaningfulness has a coefficient β value of 0.46 with a value of p < 0.01 or is at a value of α 1%. This proves that there is a positive influence between the meaningfulness marketing program on the performance of hotels that are affiliated with OTA OYO in the city of Palembang. This finding was also confirmed based on data collected in the study. Research data indicate that hotel companies affiliated with OTA OYO have a relatively high perceived value of the meaningfulness of the marketing program they implement.

DISCUSSION

As explained in the analysis of the results of hypothesis testing in the previous section, the creative marketing program on novelty and meaningfulness has a positive
impact on hotel performance. The findings of this study prove that the implementation of a novelty and meaningful creative marketing program is relevant to the expectations and needs of customers. These findings confirm (Dabrowski et al., 2019). The research findings also showed better performance at hotels affiliated with OTA OYO. In this study, hotel performance was identified based on the level of sales revenue, occupancy rates, and operating profit.

The average respondent stated that the performance of the hotels they owned or that they managed had relatively higher performance than they had expected before affiliating with OTA OYO. This confirms that more and more hotel customers have used OTA to meet their needs. The research findings also support the explanation of (Lien et al., 2015) that more and more recreational tourists are choosing online methods to book hotels, this choice is based on comfort considerations and time and cost savings.

This finding also further confirms (Wadden, 2011) explanation that creative marketing strategies can encourage product differentiation and positioning, so meaningful differentiation can create profitability for companies because it offers something unique and useful for consumers. Plus that, the implementation of marketing via the internet has been responded by consumers by making major changes in consumption patterns and shopping culture including buying hotel services. Therefore, this finding also clarifies the findings of (Fillis, 2020) that there is a fundamental difference between performance resulting from creative processes and performance from ordinary processes.

The findings of this study also successfully support the findings of (Kang et al., 2014) that the creative marketing alliance strategy of meaningfulness and novelty has a positive impact on market performance in South Korea. This makes it clear that, marketing methods that can adapt to customer needs by implementing new creative ideas are the key to achieving business success (Im and Workman, 2016). Implementation of digital marketing programs by hotels that prioritize practical aspects, provide benefits for customers to be more efficient in cost and time, show real-time room availability, and display hotel profiles and reviews made by several previous customers have given an attraction for customers or prospects new customers to choose the hotel.

This finding also confirms (Sharma, 2014) which states that firms that carry out marketing activities that focus on creating long-term profitable relationships with customers based on trust, commitment, and creating more efficient operations will benefit more than vice versa. This also means that every entrepreneur who can think innovatively and creatively to create new strategies, and strengthen their competitive space in the industry they are working on will ultimately support optimal performance (Slater et al., 2010). Therefore it is reasonable if the creative marketing strategy is an activity developed to promote products/services to selectively target markets to support the achievement of the company's business goals, namely business profits (Ishaq and Hussain, 2016).

On the other hand, the implementation of the meaningfulness of the marketing program that shows the suitability between what is offered by the hotel and what is needed by customers (Dabrowski et al., 2019) is also confirmed in this study. This can be proven by empirical facts about hotel performance after affiliation with OTA exceeding the performance expected by hotel managers. Once again, one indicator used to see hotel
performance is the occupancy rate. This shows high performance which can be reflected by the high occupancy rate.

The findings of this study also reinforce (Wadden, 2011) that companies are not only required to provide novelty creativity, but companies must also be able to improve their ability to adapt to environmental changes by implementing creative marketing strategies that can encourage product differentiation to be more meaningful. Meaningfulness will be reflected in marketing programs that can show an understanding of marketing activities that are appropriate and beneficial for its customers (Dabrowski et al., 2019). Therefore it is reasonable if a meaningful creative marketing program can affect company profitability by offering something unique and useful for consumers (Wadden, 2011).

High occupancy determines the high number of hotel guests in utilizing the number of rooms sold by hotels through OTA. Finally, research findings that indicate the presence of hotel performance that exceed the expectations of managers after affiliation with OTA OYO based on occupancy levels, provide evidence that hotel managers have provided suitability marketing strategies with the expectations and needs of customers. There is an analysis that might explain the relationship of performance improvement with OTA affiliates. Based on the explanation of (Pelsmacker et al., 2018) that hotel managers will use online feedback found on the OTA website to track the attitudes, opinions, and satisfaction of guests so that management can be used as a basis for taking action to respond to feedback and evaluate service targets desired by consumers or make positive actions the other.

The feedback given by guests through the OTA website, and the positive response carried out by hotel management will encourage the hotel to make improvements which will ultimately have an impact on the creation of positive hotel performance. This is because, any constructive response to the service improvement plan for negative reviews followed by a commitment to continuous service improvement efforts for each positive review will encourage guests’ decisions to repurchase the hotel services provided (Pelsmacker et al., 2018). This is enough to explain that hotel managers have implemented meaningfulness marketing program in the hotel industry.

CONCLUSIONS

The results of research on the effect of implementing the novelty and meaningfulness dimensions as a creative marketing paradigm on improving hotel performance concluded that hotels that implement novelty marketing programs affiliated with OTA have a positive impact on the achievement of hotel performance. The results of the study also concluded that hotels that implement meaningfulness marketing programs affiliated with OTA have a positive impact on the achievement of hotel performance.

The findings of this study have important implications for hotel business owners and managers. There is a significant advantage when hotel business owners and managers implement digital marketing programs in affiliation with OTA. For this reason, hotel business owners or managers who have not yet implemented a marketing program affiliated with OTA should consider submitting their marketing programs through OTA. In addition to having a broad marketing reach, affiliating with OTA will provide quality
standards for hotel services that will be maintained. This will have an impact on the survival of the hotel business.

However, this study still has several limitations. This research has not identified hotel characteristics based on hotel class ratings, for example, based on star rating or melati rating. Identification of rating characteristics will potentially provide more comprehensive findings. This research also only focuses on hotels affiliated with OTA OYO. Further research needs to look at several other OTAs such as RedDoorz, Airy and others to be combined in one study. This needs to be considered for future research because each OTA has different standards, policies and marketing strategies. Therefore, the results of the research produced will provide more comprehensive findings and more generalizable.

REFERENCES


DOI: [http://dx.doi.org/10.24912/jm.v24i3.672](http://dx.doi.org/10.24912/jm.v24i3.672)


