

ABSTRACT

The increasing number of internet users and the number of tourists in Indonesia, provides the potential for online-based businesses, especially in the field of accommodation and hotels commonly called online travel agents. Judging from the significant growth, there was intense competition in the online travel agent which made every online travel agent compete with each other in terms of price and promotion to attract the attention of consumers, besides in terms of strategy, product quality, application features, and OTA applications must be able to provide ease of use for consumers.

The purpose of this study is to find out how OTA marketing affects hotel room reservations with case studies in star hotels in Bali carried out on 7P variables. This research uses quantitative methods. The data collection method in this study was carried out through the distribution of questionnaires with simple random sampling method by taking a sample of 385 respondents in Indonesia who booked hotel rooms in Bali through an Online Travel Agent.

Data processing in this study uses the method of PLS (Partial Least Square) analysis with the SmartPLS 3.0 program to collect causality in the models that have been obtained. This research model uses the theory of Marketing Mix with its variables, namely product, price, promotion, place, people, process, and physical evidence.

The results showed that of the 7 variables in the marketing mix studied were product, price, promotion, place, people, process, and physical evidence, there were five variables, namely product, place, people, process and physical evidence which had a significant and positive effect on purchasing decisions, while price variables and promotion in this study have no significant effect on purchasing decisions.

Based on the results of the study, the physical evidence variable has a significant effect on purchasing decisions having the highest value among the other variables in the research hypothesis. This can be used as a reference for OTAs to continue to improve the performance contained in physical evidence variables such as displaying evidence of consumer transactions, attractive application designs and websites, providing tutorials for new users, and suitability of hotels installed on applications and websites in reality, because can significantly increase purchasing decisions.

Keywords: marketing mix; Online Travel Agent; PLS