**Application of Green Marketing to Improving Occupancy at Asung Villa and Guesthouse**

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**Abstract:** The condition of global warming and the onslaught of hotel development that is increasingly developing will have an impact on the environment, thus growing awareness for the hotel industry to pay more attention to the environment by applying the concept of green marketing. This study aims to determine the application of green marketing in Asung Villa and Guesthouse and the relationship between green marketing in increasing room occupancy in Asung Villa and Guesthouse. Furthermore, this study aims to apply green marketing to increase Asung Villa and Guesthouse occupancy. The variables used in this study were green marketing and occupancy. The four elements of green marketing are green products, green prices, green places, and green promotions. The informant in this study is a team from Sales & Marketing because they know in detail about the information related to this research, namely the application of the concept of green marketing in Asung Villa and Guesthouse. The data analysis used in this study is descriptive qualitative and descriptive statistics. The results of this analysis show that: 1) The application of green marketing in Asung Villa and Guesthouse very much follows the standards of the green marketing mix consisting of green products, green prices, green places, and green promotion; 2) There is a high linkage of 92.92% between the implementation of green marketing in increasing room occupancy in Asung Villa and Guesthouse.

**Keywords:** green product, green price, green place, green promotion, occupancy

**History Article:** Submitted October 2022

# Introduction

# Bali’s economy is largely supported by the tourism sector (Chin et al., 2017; Mimaki et al., 2022; Sutama et al., 2017). Several new economic activities and regions are being developed to support the tourism sector in Bali, such as the creative economy, maritime tourism, and ecotourism in Canggu, Ubud, Nusa Dua, Seminyak, Jimbaran, Sanur, Kintamani, Tabanan, and several other places. Even in a pandemic situation, it turns out that Bali still has its charm for local and foreign tourists (Antara, 2016). Here is a graph of foreign and domestic tourist visits to Bali over the past four years.

Source: Central Statistics Agency of Bali Province and Bali Provincial Tourism Office 2022

**Figure 1.** Number of foreign tourists and domestic tourists visiting Bali

## Figure 1 shows that the number of foreign tourist visits increased in 2019. Then in 2020, the number of tourist visits decreased drastically due to the Covid-19 outbreak that entered Indonesia. It is known that the number of domestic tourist visits also experienced a drastic decrease in 2020. The government lowered regulations so that all activities outside the home are restricted so that tourists cannot travel or visit unless there is something urgent (Japutra & Situmorang, 2021). It has made Ngurah Rai Airport several times closed to international flights. The tourism sector is feeling the devastating impact of this pandemic (Kock et al., 2020; Sánchez-Cañizares et al., 2021).

## As a first step in fixing the adverse impact of Covid-19 on the tourism sector, the government held the G20 event from December 2021 to mid-2022 in Bali. With the optimism that the situation of Bali tourism is gradually improving, it also impacts the development of accommodation business services, especially hospitality.

## According to (Krestanto, 2019; Panungkelan et al., 2018), to face the competition, companies must appear more competitive in offerings must be attractive. In addition to the fierce competition, developing increasingly developing hotels will impact the environment (Alsmadi, 2007; Antara, 2016). This condition is strengthened by the issue of global warming, which is currently hotly becoming the discussion of the world’s population to raise awareness to pay more attention to the environment (Balaji et al., 2019).

## Innovative companies respond to the issue of global warming and environmental damage as a way to attract consumers and the public, namely by applying the concept of green marketing as a marketing strategy (Angeline, 2015; Kusuma et al., 2017). Companies implementing green marketing are products marketed in international markets such as hotels. The company’s benefits from applying the green marketing concept, namely green marketing, can ensure sustainable long-term growth with profitability (Rahmawati et al., 2022).

## Tourists visiting Bali, especially the Canggu area, are mostly teenagers to adults who like the natural, beautiful, and comfortable environment. Therefore, it makes most tourists choose to stay in a place that does provide such facilities. So that Asung Villa and Guesthouse, which has indeed implemented the concept of green marketing, has become in demand by most tourists. It is supported by data on room occupancy rates in Asung Villa and Guesthouse in the last four years, as shown in Table 1.

## **Table 1.** Asung Villa and Guesthouse room occupancy

|  |  |  |  |
| --- | --- | --- | --- |
| Month | 2019 | 2020 | 2021 |
| January | 85% | 80% | 30% |
| February | 88% | 85% | 30% |
| March | 87% | 70% | 30% |
| April | 85% | 60% | 30% |
| May | 85% | 50% | 30% |
| June | 85% | 50% | 35% |
| July | 87% | 40% | 30% |
| August | 88% | 40% | 35% |
| September | 88% | 40% | 35% |
| October | 90% | 35% | 35% |
| November | 92% | 30% | 40% |
| December | 92% | 30% | 40% |
| Average | 88% | 51% | 33% |

## Source: Occupancy Asung Villa and Guesthouse, 2022

## Table 1 shows that the occupancy rate of Asung Villa and Guesthouse rooms in 2019 was very high, then decreased in March 2020 and rose again in August 2021. Asung Villa and Guesthouse has implemented green marketing to increase occupancy. Based on the above problems, the author is interested in researching “The Application of Green Marketing in Increasing Occupancy in Asung Villa and Guest House.”

## This study aims to determine the application of green marketing in Asung Villa and Guesthouse and to find the relationship between green marketing and increasing room occupancy in this location.

# Method

This research was conducted at Asung Villa and Guesthouse located on Jl. Danau Batur, Tibubeneng, North Kuta District, Badung Regency, Bali Province. 081339590228 phone. The distance between Asung Villa and Guesthouse to Ngurah Rai International Airport is 16 Km using four-wheeled or two-wheeled vehicles. This study object is applying green marketing to increase occupancy in Asung Villa and Guesthouse.

The variables used in this study are green marketing and occupancy. This study’s operational definition of variables is four elements of green marketing: green product, green price, green place, green promotion, and occupancy.

Quantitative data in this study are data from questionnaires and occupancy data in Asung Villa and Guesthouse. Qualitative data in this study were obtained from interviews with the sales & marketing team and observational data stated in field notes (transcripts) at Asung Villa and Guesthouse. The primary data in this study are interview data, observation data, and questionnaire data. Secondary data from this study are literature review, previous research, Asung Villa and Guesthouse history, and job description.

In this study, the sampling method used was the purposive sampling method. The informant in this study is a team from Sales & Marketing because they know in detail about the information related to this research, namely the application of the concept of green marketing in Asung Villa and Guesthouse.

The data collection method in this study uses observation, interviews, questionnaires, literature
studies, and documentation. Researchers used qualitative descriptive analysis to decipher the information obtained through interviews with the sales &marketing team related to the application of green marketing in increasing occupancy in Asung Villa and Guesthouse. The data analysis procedure in this qualitative research consists of data presentation (data display), data reduction, data verification (data verification), and conclusion drawing (Sugiyono, 2018).

# Result and Discussion

A recapitulation of the respondent’s responses to the implementation of green products can be seen in Table 2. It shows that the average green product score is 4.38. Therefore, Asung Villa and Guest House has implemented green
products that align with green marketing standards. The green product indicator in this study was measured using two dimensions, namely durable products, and recycling products. The durable product indicator has the highest average score of the two dimensions, with a value of 4.45. This result indicates that Asung Villa and Guest House is a very suitable
Implementing durable room facilities can increase the number of guests staying. Therefore, it is very suitable for implementing durable room facilities that can increase the number of rooms sold and is very suitable for increasing hotel revenue (Ahadian & Pratomo, 2013).

The recapitulation of the results of respondents’ responses to the implementation of green prices can be seen in Table 3. It shows that the average green price score is 4.66. Asung Villa and Guest House has implemented a green price that aligns with green marketing standards. The green price indicator in this study was measured using three dimensions. Of the three dimensions with the highest average score, the sub-indicator of affordable prices by offering environmentally friendly facilities has a value of 4.71. This result indicates that Asung Villa and Guest House is very suitable for implementing affordable prices with hotel facilities that are environmentally friendly and can increase the number of guests staying.

Table 4 shows that the average green place score is 4.86. It means that Asung Villa and Guest House has implemented a green place that is very much in line with green marketing standards. The green place indicator in this study was
measured using three dimensions. Of the three dimensions, all of them have a high average score with a score of 4.86. This result indicates that Asung Villa and Guest House is very suitable for implementing an environmentally friendly hotel location (strategic, green access and comfortable parking) that can increase the number of guests staying. It is very
suitable to implement an environmentally friendly hotel location (strategic, green access, and comfortable parking) which can increase the number of rooms sold. Implementing an environmentally friendly hotel location (strategic, green access, and convenient parking) is also very suitable, increasing the hotel’s revenue.

Table 5 shows that the average green promotion score is 4.69. It means that Asung Villa and Guest House has implemented green promotion that is very in line with green marketing standards. The green promotion indicators in this study are measured using two dimensions: promotion by paying attention to the environment and promotion to raise environmental issues (Alsmadi, 2007). Of the two dimensions with the highest average score is the promotion dimension, which pays attention to the environment, with a value of 4.88. It indicates that Asung Villa and Guest House is very suitable for implementing promotions by paying attention to the environment (using social media). Therefore, it can increase the number of guests staying and the number of rooms sold, as stated by Chung (2000).

**Table 2.** Respondents’ responses regarding green product

| Statement | Answer Frequency | Total Score | Mean | Criteria |
| --- | --- | --- | --- | --- |
| Strongly Disagree | Disagree | Neither Agree or Disagree | Agree | StronglyAgree |  |  |  |
| Implementing durable room amenities can increase the number of guests staying | 0 | 0 | 0 | 4 | 3 | 31 | 4.43 | Very Appropriate |
| Implementing durable room amenities can increase the number of rooms sold  | 0 | 0 | 0 | 4 | 3 | 31 | 4.50 | Very Appropriate |
| Implementing durable room facilities can increase hotel revenue | 0 | 0 | 0 | 3 | 4 | 32 | 4.43 | Very Appropriate |
| Average indicators of durable products | 94 | 4.45 | Very Appropriate |
| Hotel room amenities (toothbrushes, tissues, etc.) that can be recycled affect the number of guests staying | 0 | 1 | 0 | 2 | 4 | 30 | 4.21 | Very Appropriate |
| Recyclable hotel room amenities (toothbrushes, tissues, etc.) affect the number of guest rooms | 0 | 1 | 1 | 1 | 4 | 29 | 4.29 | Very Appropriate |
| Hotel room amenities (toothbrushes, tissues, etc.) that can be recycled affect hotel revenue | 0 | 1 | 0 | 1 | 5 | 31 | 4.40 | Very Appropriate |
| The average indicator provides recycled products | 90 | 4.30 | Very Appropriate |
| Average green product score | 184 | 4.38 | Very Appropriate |

Source: Processed data, 2022

**Table 3.** Respondents’ responses regarding green price

| Statement | Answer Frequency | Total Score | Mean | Criteria |
| --- | --- | --- | --- | --- |
| Strongly Disagree | Disagree | Neither Agree or Disagree | Agree | StronglyAgree |  |  |  |
| Affordable prices with hotel facilities that are packaged environmentally friendly can increase the number of guests staying | 0 | 0 | 0 | 2 | 5 | 33 | 4.71 | Very Appropriate |
| Affordable prices with eco-friendly hotel facilities can increase the number of rooms sold | 0 | 0 | 0 | 2 | 5 | 33 | 4.64 | Very Appropriate |
| Affordable prices with hotel facilities that are packaged environmentally friendly can increase hotel revenue | 0 | 0 | 0 | 3 | 4 | 32 | 4.62 | Very Appropriate |
| Average green price score | 98 | 4.66 | Very Appropriate |

 Source: Processed data, 2022

**Table 4.** Respondents’ responses regarding green place

| Statement | Answer Frequency | Total Score | Mean | Criteria |
| --- | --- | --- | --- | --- |
| Strongly Disagree | Disagree | Neither Agree or Disagree | Agree | StronglyAgree |
| Eco-friendly hotel locations (strategic, green access, and convenient parking) can increase the number of guests staying | 0 | 0 | 0 | 1 | 6 | 34 | 4.86 | Very Appropriate |
| Eco-friendly hotel locations (strategic, green access, and convenient parking) can increase the number of rooms sold | 0 | 0 | 0 | 1 | 6 | 34 | 4.86 | Very Appropriate |
| Eco-friendly hotel location (strategic, green access, and convenient parking) can increase hotel revenue | 0 | 0 | 0 | 1 | 6 | 34 | 4.86 | Very Appropriate |
| Average green price score | 102 | 4.86 | Very Appropriate |

Source: Processed data, 2022

**Table 5.** Respondents’ responses regarding green promotion

| Statement | Answer Frequency | Total Score | Mean | Criteria |
| --- | --- | --- | --- | --- |
| Strongly Disagree | Disagree | Neither Agree or Disagree | Agree | StronglyAgree |
| Promotions by paying attention to the environment (using social media) can increase the number of guests staying | 0 | 0 | 0 | 0 | 7 | 35 | 5.00 | Very Appropriate |
| Promotion by paying attention to the environment (using social media) can increase the number of rooms sold | 0 | 0 | 0 | 0 | 7 | 35 | 4.93 | Very Appropriate |
| Promotion by paying attention to the environment(using social media) canincrease hotel revenue | 0 | 0 | 0 | 1 | 6 | 34 | 4.71 | Very Appropriate |
| Average indicators of promotion by paying attention to the environment | 104 | 4.88 | Very Appropriate |
| Promoting hotels by raising environmental issues can increase the number of guests staying | 0 | 1 | 0 | 0 | 6 | 32 | 4.50 | Very Appropriate |
| Promoting hotels by raising environmental issues can increase the number of rooms sold | 0 | 1 | 0 | 1 | 5 | 31 | 4.43 | Very Appropriate |
| Promoting hotels by raising environmental issues can increase revenue | 0 | 1 | 0 | 1 | 5 | 31 | 4.57 | Very Appropriate |
| Average Indicators of Promotion raise environmental issues | 94 | 4.50 | Very Appropriate |
| Average green promotion score | 198 | 4.69 | Very Appropriate |

 Source: Processed data, 2022

# Discussion

## The analysis results show that Asung Villa and Guest House has developed a green marketing mix concept that is inseparable from the traditional concept of 4P (product, price, place, promotion). The recapitulation of respondents’ answers related to applying green marketing indicators can be seen in Table 6.

## **Table 6.** Average respondent answer score & percentage of green marketing implementation

|  |  |  |
| --- | --- | --- |
| Green Marketing | Average Respondent Answer Score | Percentage of Implementation of Green Marketing Indicators |
| Green Product | 4.38 | 87.54% |
| Green Price | 4.66 | 93.17% |
| Green Place | 4.86 | 97.14% |
| Green Promotion | 4.69 | 93.81% |
| Average Score  | 4.65 | 92.92% |

 Source: Processed data, 2022

## Table 6 shows that the four green marketing indicators with the highest implementation percentage are in the place indicator, with a total value of 97.14%. It means that Asung Villa and Guest House is very suitable for implementing an environmentally friendly hotel location (strategic, green access, and comfortable parking) that can increase the number of guests staying. It is very suitable to implement an environmentally friendly hotel location (strategic, green access, and comfortable parking) which can increase the number of rooms sold. Implementing an environmentally friendly hotel location (strategic, green access, and convenient parking) is also very suitable, increasing the hotel’s revenue. The analysis also showed that the average Green Marketing Indicator Implementation percentage was 92.92%. Thus, it can be concluded that there is a linkage between green marketing in increasing occupancy in Asung Villa and Guesthouse by 92.92%.

## The results of this analysis follow the results of interviews conducted with marketing managers at Asung Villa and Guesthouse, which stated that Asung Villa and Guesthouse has implemented green marketing and green marketing needs to be applied. Then the sales and marketing department of Asung Villa and Guesthouse has implemented green marketing since the beginning of its opening. Therefore, the underlying thing that underlies Asung Villa and Guesthouse applies the concept of green marketing first because it is to participate in protecting the environment, which at the same time has a sustainable impact on room occupancy rates (Ajizah & Suharyono, 2017; Polonsky & Rosenberger, 2001).

## Examples of green marketing applied to Asung Villa and Guesthouse are quite diverse. Asung Villa and Guesthouse sorts organic and non-organic waste and collaborates with one of the plastic waste processing companies. Furthermore, Asung Villa and Guesthouse is trying to process it into fertilizer for kitchen waste. Asung Villa and Guesthouse also has safe waste disposal and does not pollute the environment. In addition, Asung Villa and Guesthouse uses recyclable amenities products. The location or location of Asung is also very environmentally friendly, as the building is near the rice field area (green area), and the most important thing is to have a comfortable parking lot and maintain cleanliness.

## The advantage of green marketing applied to Asung Villa, and Guesthouse is that it can maintain and increase room occupancy rates (Alsmadi, 2007). Then, applying green marketing makes Asung Villa and Guesthouse look very clean and beautiful. In addition, many guests are starting to be aware of the environmental damage caused by plastic waste or other hard-to-decompose materials, which will definitely cause guests to choose a hotel or residence that can maintain the environment properly.

## According to Asung Villa and Guesthouse, the disadvantage of green marketing is that it requires more manpower because the work that must be done is quite a lot and can be said to be complex. In addition, this concept requires more funds to pay employees. Environmentally friendly facilities and infrastructure are also indeed more expensive, and it is not spared that Asung Villa and Guesthouse also cooperate with waste processing companies, and others.

## The results of an interview with Asung Villa and Guesthouse regarding the question, “Is green marketing effectively applied in Asung Villa and Guesthouse to increase occupancy?”. The respondent stated, “In my personal opinion, green marketing is indeed very effective to be implemented in Asung. Hopefully, this will always have a good impact on guests, staff, and most importantly on the environment”.

## Based on the data analysis results and the interviews conducted, it can be concluded that there is a fairly high link between green marketing in increasing occupancy in Asung Villa and Guesthouse.

## The results of this study support the results of previous research by Kusuma et al. (2017), which stated that the Green marketing strategy has a significant positive effect on purchasing decisions to increase the occupancy level.

# Conclusion

 The application of green marketing in Asung Villa and Guesthouse very much follows the standard green marketing mix consisting of green products, green prices, green places, and green promotion. As a result, there is a high linkage of 92.92% between the implementation of green marketing in increasing room occupancy in Asung Villa and Guesthouse.

# Acknowledgment

The researcher would like to thank those who have helped, guided, and provided instructions, assistance, and encouragement from various parties. In this opportunity, we would like to express our deepest gratitude to the Management leaders and staff of Asung Villa And Guesthouse, who has helped a lot in providing the data and information needed to complete this article.

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