

MARKETING STRATEGY TO INCREASE CUSTOMER SATISFACTION AT KB RESTAURANT OF AYANA HOTEL

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Abstract

The marketing mix is a key element in marketing strategy within the Food & Beverage (F&B) industry, encompassing product, price, place, and promotion (4P). This research aims to understand how these elements are applied at KB Restaurant, Rimba Ayana Hotel, to achieve customer satisfaction and boost sales. Using a qualitative approach, data was collected through in-depth interviews, direct observations, and internal documents related to the restaurant's marketing strategy. This research uses a qualitative approach with data collection techniques through in-depth interviews and direct observations at KB Restaurant, Rimba Ayana Hotel. The research respondents consist of the restaurant manager, staff, and several purposively selected customers. Additional data was obtained from the restaurant's internal documents related to the marketing strategies employed. Data analysis was conducted using thematic techniques to identify relevant patterns related to the application of the marketing mix.

The findings reveal that KB Restaurant relies on high-quality F&B products that combine local flavors with international trends, regularly updating its menu based on customer feedback. The pricing strategy reflects the middle to upper market segment, focusing on the value perceived by customers. The restaurant's exclusive location within Rimba Ayana Hotel and its natural surroundings serve as a major attraction, while promotion is conducted through social media and collaborations with influencers to expand market reach. In conclusion, the application of the marketing mix at KB Restaurant has successfully improved the restaurant's performance with innovative products, competitive pricing, a strategic location, and effective digital promotions. These elements of the marketing mix are interconnected and significantly impact the restaurant's ability to attract and retain customers within the hospitality industry.

Keywords: analysis, marketing, mix, restaurant

A. INTRODUCTION

The marketing mix is a crucial component in marketing strategy, especially in the Food & Beverage (F&B) industry. This component encompasses product, price, place, and promotion (4Ps), which help companies create effective strategies to meet customer needs and achieve business goals (Suhendra, 2016). The current development of the Food and Beverage (F&B) industry shows dynamic and continuous growth, driven by changes in lifestyle, technology, and consumer preferences. This growth in the F&B industry encourages hotel and restaurant management to implement various efforts to improve customer satisfaction. Changes and developments in the F&B industry today are influenced by several key trends such as the shift toward healthy menus, digitalization and technology, personalized and exclusive experiences, product and service innovation, and environmental awareness (San, Yee and Qureshi, 2020).

The shift toward healthy and sustainable menus today reflects consumer awareness of health conditions. Consumers are becoming increasingly conscious of health and sustainability. Trends such as plant-based food, organic, and local foods are increasingly in demand. The demand for low-sugar, low-calorie, and gluten-free food is also rising. Digitalization and technology include developments that transform how restaurants operate through technologies such as online ordering, cloud kitchens, QR code menus, and contactless payment systems. Likewise, the use of food delivery applications like GrabFood and GoFood has become increasingly widespread. Developments in consumer demands in the F&B sector involve providing personalized and exclusive experiences. The F&B industry now focuses not only on taste but also on the customer experience, such as unique themes, fine dining, and interactive concepts. Product and service innovation also plays a role, with innovative menus and collaborations with renowned chefs becoming strategies to attract consumer attention. Trends such as *food pairing* (food-beverage combinations) and fusion food (a mix of various culinary cultures) are also increasingly popular. Consumers in the F&B industry today have a growing

level of environmental awareness, prompting restaurant management to minimize food waste and reduce the use of single-use plastics.

The marketing mix (4P: Product, Price, Place, Promotion) is the key to success for restaurants in achieving competitive advantage in the F&B industry (Adi Pratama and Diwyarthi, 2024). Regarding Product, restaurants offer high-quality, innovative menus that align with market trends. For example, focusing on healthy food or a signature dish that differentiates them from competitors. In terms of Price, restaurant management implements competitive pricing that balances quality and the value provided to consumers. Flexible pricing strategies, such as discounts or special packages, can attract more customers. For Place (Location and Distribution), management ensures that restaurants are located strategically, comfortably, and provide ease of services such as delivery or take-away to reach customers. Regarding Promotion, restaurant management uses digital marketing strategies through social media, influencers, and online promotions, which are effective in reaching a broader audience (Adi Pratama *et al.*, 2024). Hosting culinary events or collaborating with other brands can also increase awareness. By optimally utilizing the marketing mix, restaurants can create competitive advantages, build customer loyalty, and expand their market.

The restaurant management at Hotel Ayana also faces various challenges in F&B operations, including intense competition, changing consumer trends, operational cost pressures, high customer expectations, food waste management, technology and digital adaptation, as well as pandemic situations and recovery efforts. Intense Competition comes from various restaurants, modern cafes, and online food delivery services that offer diverse choices at more affordable prices. Changing Consumer Trends push restaurant management to follow trends of healthy, local, and sustainable food, which becomes challenging, especially in adapting menus to meet customer preferences (Putri *et al.*, 2021). Operational Cost Pressures arise from the high costs of quality raw materials, professional labor, and maintaining the service standards of five-star hotels. High Customer Expectations stem from the assumption that restaurants in five-star hotels provide exceptional quality in terms of food, presentation, and service. Failing to meet these standards can impact the hotel's reputation. Food Waste Management challenges management to reduce food waste without compromising service quality or customer comfort (Hurdawaty and Dhalillah, 2022). Technology and Digital Adaptation require restaurant management to integrate technologies such as online reservations, digital payments, and automated service systems, which demand significant investments and training. Pandemic and Recovery, especially post-COVID-19, where the primary challenge is to recover the F&B business, rebuild customer trust, and ensure strict safety and hygiene measures.

The development of the F&B industry is influenced by technology, consumer preferences, and global market demands that prioritize quality and sustainability. The marketing mix becomes a fundamental strategy for achieving competitive advantage, particularly in meeting increasingly complex customer needs. Restaurants in hotels like Ayana need to address operational challenges such as intense competition, cost management, and high customer expectations with innovative and adaptive approaches. Efforts to create high-quality and memorable culinary experiences will be the key to success in maintaining market share in the competitive F&B industry.

In this article, we discuss how the marketing mix is applied at KB Restaurant in Rimba Ayana Hotel through a qualitative research approach (Manajemen *et al.*, 2023). The objective of this study is to understand how the elements of the marketing mix are applied at KB Restaurant to achieve customer satisfaction and increase sales. This study

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also aims to analyze the impact of marketing mix strategies on the restaurant's performance within the hospitality industry, includes product, price, place, and promotion.

According to Kotler and Armstrong (2020), the product is at the core of all marketing activities. In the F&B industry, a product is not only what is consumed but also how it is presented and the experience it provides to the consumer (Indonesia, 2001). Today, product innovation and variety are key to winning competition, especially in the restaurant sector, where culinary trends and consumer preferences continually evolve. Lovelock and Wirtz (2016) add that products offered should fulfill the wants and needs of the target market while adapting to culinary trends.

Nagle and Müller (2017) emphasize that pricing strategies in the F&B industry should reflect the value perceived by consumers. In the hospitality sector, which typically targets middle- to upper-class customers, pricing must strike a balance between value and customer expectations (Setiadi, 2013). Kotler (2016) highlights that price is not merely the number customers pay, but it also represents the value offered by the product and the service provided.

Place in the marketing mix concerns how products or services can be easily accessed by customers. Lovelock and Wirtz (2016) state that place in the F&B industry plays a significant role in providing customer convenience and determining the dining experience (Journal et al., 2023). For the hospitality sector, location not only considers accessibility but also creates an ambiance that supports comfort and customer satisfaction (Bali, Pendahuluan and Masalah, 2021).

Promotion is a communication activity that aims to build customer relationships and raise awareness of the products offered. Belch and Belch (2020) argue that effective promotion should align with the characteristics of the target market and utilize appropriate media. In the digital era, social media promotions, influencer collaborations, and loyalty programs are common strategies in the F&B industry to attract customer attention and strengthen interaction and loyalty (Ayuni et al., 2019).

B. RESEARCH METHOD

A qualitative approach was used in this study to gain a deeper understanding of the application of the marketing mix at KB Restaurant. Data collection techniques included in-depth interviews, direct observation, and documentation ((Malhotra, 2013). In-depth Interviews: Interviews were conducted with the restaurant manager, staff, and a few purposively selected customers to gather in-depth perspectives on the marketing mix strategies implemented at KB Restaurant. Direct Observation: The researcher observed restaurant operations firsthand, including food presentation, staff-customer interactions, and the restaurant atmosphere. This observation aimed to understand how each element of the marketing mix is applied in practice. Documentation: Additional data was obtained from the restaurant's internal documents related to its marketing strategies, including information on products, pricing, location, and promotions. Thematic analysis was employed to identify relevant patterns and themes related to the application of the marketing mix.

C. FINDINGS AND DISCUSSION

Product

KB Restaurant is positioned as a venue that offers international dishes infused with local flavors, a concept that resonates with current culinary trends and diverse customer preferences. This product strategy aligns with Kotler's (2020) theory that the product is the core of the marketing mix. Kotler argues that in the food and beverage (F&B) industry, the product must stand out through quality, differentiation, and relevance to the target market. To maintain relevance, KB Restaurant frequently updates its menu based on trends and customer feedback, demonstrating a commitment to product innovation and responsiveness. KB Restaurant offers international dishes with a touch of local flavors

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tailored to culinary trends and customer preferences. Based on observations, the menu at the restaurant is regularly updated according to trends and customer feedback. Kotler's (2020) explained that the product is the core of the marketing mix. This theory supports the research result. frequent menu updates can heighten customer interest by providing novel dining experiences, which helps retain existing customers and attract new ones. (Mahardika & Gilang Gusti Aji, 2018). Product innovation and quality at KB Restaurant are considered essential factors in attracting customer interest and enhancing their satisfaction.

Interview data and observation results confirm that KB Restaurant's focus on quality and uniqueness appeals to customers, who view it as a distinguishing factor that sets the establishment apart from competitors. Product innovation, seen in the restaurant's unique blend of international and local flavors, is thus not only a differentiating factor but also essential for sustaining customer satisfaction. This approach aligns with the experiential aspect of product theory, which emphasizes that quality in taste, presentation, and originality contributes significantly to creating memorable dining experiences (Levitt, 1980). Hence, KB Restaurant's focus on quality and innovation reinforces its brand identity and enhances customer loyalty, as each visit promises something fresh and attuned to consumer trends.

Price

KB Restaurant's pricing strategy considers the middle- to upper-class demographic, particularly hotel guests, who expect a premium yet value-driven dining experience. The pricing at KB Restaurant takes into account the target market segment of hotel guests, predominantly from the middle- to upper-class demographics. Based on Nagle and Müller's (2017) pricing strategy theory, the pricing should reflect the value perceived by customers. an effective pricing strategy reflects the value perceived by customers and aligns with the brand's market positioning. In this case, KB Restaurant's prices are competitive within the hotel restaurant segment, balancing value perception with quality. The restaurant's pricing reflects not only the quality of ingredients and service but also the exclusivity of dining within a luxury hotel setting, creating a perception of enhanced value. The prices offered at KB Restaurant are competitive but also reflect the quality of the products and the exclusive dining experience. Interview results showed that customers feel the prices are justified by the quality they receive, supporting the current pricing strategy.

Interviews with customers revealed a general agreement that the prices are justified by the quality and ambiance offered at the restaurant, supporting the application of perceived value pricing. This aligns with Monroe's (2019) concept of perceived value, which asserts that customers' willingness to pay is directly related to their perception of the product's quality and its alignment with their expectations (Catenazzo and Fragnière, 2010). Additionally, consumers in the middle- and upper-class segments typically seek experiences that combine quality with value, a balance that KB Restaurant has achieved by incorporating customer feedback to fine-tune its pricing structure. Thus, Nagle and Müller's theory, combined with customer feedback, supports the effectiveness of the restaurant's pricing strategy in sustaining customer satisfaction and perceived value.

Place

The strategic location of KB Restaurant within Rimba Ayana Hotel gives it a unique advantage in terms of accessibility and ambiance, contributing significantly to customer satisfaction. KB Restaurant has the advantage of its location within the exclusive setting of Rimba Ayana Hotel, which not only provides easy access for hotel guests but also offers a

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comfortable atmosphere with natural scenery. According to Lovelock and Wirtz (2016), distribution in the F&B sector should prioritize accessibility and customer comfort, which KB Restaurant achieves by providing a convenient and scenic dining environment for hotel guests. The distribution within the F&B industry should prioritize accessibility and customer comfort (Abor & Bokpin, 2010). Observational data shows that the restaurant's tranquil ambiance and scenic views are major attractions that enhance customers' dining experiences at the restaurant (Arsana, Budi and Sulasmini, 2018). These explained that a comfortable and accessible location enhances the overall customer experience, making it easier for guests to visit and engage with the brand.

Observational data underscore the importance of KB Restaurant's tranquil atmosphere and natural scenery, which attract both hotel guests and external visitors seeking a premium dining experience. This setting enhances the value of dining at KB Restaurant, as the natural ambiance and peaceful environment offer an escape from daily routines and add an experiential quality to the meal. This aligns with environmental psychology theories, such as Mehrabian and Russell's (2019) Pleasure-Arousal-Dominance (PAD) model, which suggests that environmental factors like ambiance can positively affect emotional responses, encouraging customers to spend more time in and have a positive perception of the restaurant. Consequently, KB Restaurant's location within the hotel amplifies its appeal by merging scenic surroundings with fine dining, which elevates the overall dining experience and aligns with Lovelock and Wirtz's principles on accessibility and comfort.

Promotion

KB Restaurant's promotional strategy encompasses social media marketing, loyalty programs, and collaborations with local influencers to increase visibility and engagement, particularly among younger demographics who are highly active on social media platforms. KB Restaurant promotes itself through social media, loyalty programs, and collaborations with local influencers. Based on Belch and Belch's (2020) promotion theory, an effective promotion strategy should include relevant messages and appropriate media to reach the targeted audience (Cretu & Brodie, 2007). Belch and Belch's (2020) promotion theory advocates for crafting messages that resonate with the target audience and choosing media that optimally reach that audience. In line with this theory, KB Restaurant's social media promotions are tailored to showcase menu highlights, special events, and the scenic ambiance, which appeal to potential customers by visually conveying the restaurant's unique experience. Interviews and observational data indicate that this digital marketing strategy has been effective in enhancing brand exposure and driving customer interaction, especially among younger customers who frequently engage with brands online (Putranto *et al.*, 1920). Interview and observation results indicate that this digital promotion strategy is effective in boosting exposure and fostering interaction with customers, particularly among younger demographics who are active social media users.

Additionally, KB Restaurant's loyalty programs incentivize repeat visits by offering rewards for frequent diners, which aligns with the customer retention theories of Reichheld and Teal (2016). Their theory posits that loyalty programs are effective tools for customer retention, as they create value for frequent customers and reinforce brand loyalty. By implementing these programs, KB Restaurant not only builds a base of loyal customers but also fosters positive word-of-mouth, which is a powerful promotional tool in the F&B industry. Collaborations with influencers further amplify this effect, as influencer endorsements attract social media-savvy customers who value peer recommendations and trust influencers' opinions (Cretu & Brodie, 2007). Therefore, KB Restaurant's promotional strategy effectively incorporates Belch and Belch's principles by

leveraging relevant media channels and targeted messaging to strengthen customer relationships and expand brand reach.

In conclusion, KB Restaurant successfully employs an integrated marketing mix strategy that leverages product innovation, competitive pricing, strategic location, and effective promotion to enhance customer satisfaction and loyalty. The restaurant's approach to regularly updating its menu to align with culinary trends and customer feedback underscores the importance of product as the core of the marketing mix (Kotler, 2020). Additionally, its pricing strategy, which reflects the value expected by its target middle- to upper-class demographic, aligns with Nagle and Müller's (2017) pricing theory, emphasizing that value perception is critical to sustaining customer satisfaction.

The advantageous location within Ayana Hotel complements the dining experience by providing an accessible and scenic environment that aligns with Lovelock and Wirtz's (2016) emphasis on accessibility and customer comfort. Finally, KB Restaurant's promotional efforts through social media, loyalty programs, and influencer collaborations demonstrate the effectiveness of using targeted media and messaging to connect with customers, particularly younger demographics, as per Belch and Belch's (2020) promotion theory.

Collectively, these marketing mix strategies enhance KB Restaurant's brand image, reinforce customer loyalty, and differentiate it in a competitive market. Future strategies could further explore emerging digital trends, such as virtual dining experiences and augmented reality, to attract tech-savvy customers. By continuing to align its offerings with customer preferences and emerging trends, KB Restaurant is well-positioned to sustain its appeal and competitive advantage in the dynamic F&B industry.

KB Restaurant's strategic marketing mix enhances customer satisfaction and loyalty by focusing on product quality, value-based pricing, location, and targeted promotion. Regular menu updates align with Kotler's (2020) product-centric theory, while competitive pricing meets middle- to upper-class expectations, supporting Nagle and Müller's (2017) value-based pricing approach. The restaurant's location within Rimba Ayana Hotel provides a tranquil dining experience, aligning with Lovelock and Wirtz's (2016) emphasis on accessibility. Targeted promotions through social media and influencers engage younger customers, reflecting Belch and Belch's (2020) principles.

This cohesive approach effectively positions KB Restaurant as a competitive choice in the F&B industry, fostering loyalty and aligning with customer expectations for quality and experience.

D. CONCLUSION

The study results show that the application of the marketing mix at KB Restaurant, Rimba Ayana Hotel, has proven effective in attracting and retaining customers. An innovative product strategy, competitive pricing, strategic location, and targeted digital promotion are significant factors in the restaurant's operational success. The study also indicates that each element of the marketing mix is interconnected and has a considerable impact on the restaurant's performance in the F&B industry, especially in the hospitality sector.

Theoretically, this study supports the view of Kotler and Keller (2016) that the marketing mix is key to creating an effective customer-focused marketing strategy. The pricing strategy

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theory of Nagle and Müller (2017) is also relevant in the pricing application at KB Restaurant, where prices are set by considering the value perceived by customers. Overall, the study confirms that effective application of the marketing mix can enhance customer satisfaction and business performance in the hospitality industry.

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