

The Role of Brand Awareness in Mediation: the Effect of Promotion Mix on Purchase Intention at Hotel Aloft Bali Seminyak

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ARTICLE INFO

Keywords: Promotional Mix,
Brand Awareness, Purchase
Intention

Received : 15, May

Revised : 24, June

Accepted: 21, July

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ABSTRACT

Hotel competition during the COVID-19 pandemic has encouraged hotels to maximize their marketing strategies to influence consumer behavior. This study was conducted to determine the direct effect of the promotion mix on purchase intention and the indirect effect mediated by the brand awareness variable at the Aloft Hotel Bali Seminyak which has a new existence. The method used is quantitative and distributes questionnaires to 100 respondents who are determined through the unknown population formula. The data analysis technique used descriptive statistical analysis and path analysis. The researcher found that the promotion mix and brand awareness had a positive and significant effect on purchase intention, the promotional mix had a positive and significant effect on brand awareness.

INTRODUCTION

Purchase intention (purchasing interest) will appear if there is a positive stimulus that creates a motivation (Alwi, 2020) Purchase intention is said to be a response that appears to an object that can create interest or purchase intention (Kotler & Keller (Sulasno W. &, 2020). Positive impressions received by consumers can come from promotional activities. (Tristantin VV, 2013) suggests that one of the elements of the marketing mix that influences purchase intention is the promotion mix. The promotion mix is said to be marketing communication, namely in communicating products or services to the audience so that consumers can make purchasing decisions.

The promotion mix is one of the elements of the marketing mix as a promotional tool that is used persuasively in communicating values and establishing relationships with customers (Kotler & Armstrong, 2016). In addition to the promotion mix, according to Abdurachman (2004), buying interest can also be influenced by brand factors. The brand is said to be an identity that is used to differentiate the company. If a service company wants its existence to be known by the audience, it is necessary to have brand awareness. This brand awareness is indicated to encourage consumers to have an interest or interest in buying. The gap was found at the Aloft Bali Seminyak Hotel where seen in the group movement data which indicated low buying interest. The data shows that the number of group losses (choosing another hotel) and group cancellations have increased every year, which means negative. The low purchase intention is suspected because the promotional mix that is being carried out is still not effective so it affects consumer knowledge of a service product and creates low brand awareness.

Aloft Bali Seminyak has implemented the 5 elements of the promotion mix proposed by Tjiptono (2015), namely advertising, sales promotion, direct marketing, personal selling, and public relations. Even so, its relatively new existence makes Aloft Bali Seminyak need to maximize its promotion mix to be able to communicate its service products. One of the elements of the promotion mix that is being carried out is telemarketing. The low purchase intention is suspected because the promotional mix that is being carried out is still not effective so it affects consumer knowledge of a service product and creates low brand awareness. Aloft Bali Seminyak has implemented the 5 elements of the promotion mix proposed by Tjiptono (2015), namely advertising, sales promotion, direct marketing, personal selling, and public relations. Even so, its relatively new existence makes Aloft Bali Seminyak need to maximize its promotion mix to be able to communicate its service products. One of the elements of the promotion mix that is being carried out is telemarketing. The low purchase intention is suspected because the promotional mix that is being carried out is still not effective so it affects consumer knowledge of a service product and creates low brand awareness.

In addition, the telemarketing report that was carried out gave a response that the audience still had low brand awareness. The number of refused calls in telemarketing results has increased every month. The number of people who already have brand awareness and have an interest in making a purchase is

smaller when compared to the audience who refuse to get information about Aloft Bali Seminyak. So this research raises the brand awareness variable as a mediator between the promotion mix variable and purchase intention.

Based on the phenomena and empirical studies found, this research examines "the role of brand awareness in mediating the effect of the promotion mix on purchase intention at the Aloft Bali Seminyak Hotel"

LITERATURE REVIEW

Promotion Mix (X)

Promotional Mix is the specific mix that is used persuasively to communicate value and build relationships with customers (Kotler, 2016). The promotion mix consists of 5 elements (Tjiptono, 2015) namely advertising, sales promotion, direct marketing, personal selling, and public relations. A promotion mix can also be said for marketing communication. Kusniadji Inside (Alwi, 2020) argues that marketing communication is an activity that has the goal of conveying messages to consumers using various media, which is expected to result in changes in knowledge, changes in actions, and changes in attitudes.

Purchase Intention (Y)

Purchase intention is one of the stages of consumer behavior in making purchasing decisions. Purchase intention is defined as a behavior that appears as a response to an object that creates a desire to make a purchase Kotler & Keller (Sulasno d. 2020) (Alma, 2000) suggests that there are influences that can encourage consumers to buy, namely the influence of promotions, the influence of colleagues or their desires and purchasing power. Indicators of consumer buying interest namely (Ferdinand, 2002)

- a. Transactional interest
- b. Referential interest
- c. Preferential interest
- d. Explorative interest

Brand Awareness (M)

Brands is said to be an identity that can provide differentiation between companies. If a company wants to be known and known by many people, it is necessary to create brand awareness in the minds of consumers. According to Aaker (Sitorus, 2022). Brand awareness is defined as the audience's ability to remember and recognize a brand in a certain product category. Brand awareness can be known through the level of awareness put forward by (Aaker, 1991) consisting of:

- a. Brand unaware,
- b. Brand recognition,
- c. Brand recall,
- d. And top of mind

METHODOLOGY

The research method used is quantitative. The primary data used is questionnaire distribution data to respondents and unstructured interviews with

Aloft Bali Seminyak marketing communication. The population in this study are local people who already know Aloft Bali Seminyak but have never stayed at the Aloft Bali Seminyak Hotel because the population is large and the exact number cannot be known, so this study uses the unknown population formula (Zahrowati, 2018):

$$n = \frac{Z\alpha^2}{4\mu}$$

where n is the sample, $Z\alpha^2$ is the degree coefficient (1.96) and μ (margin of error) 0.1. From the calculation results, rounding is done to the nearest tens, so that 100 respondents are obtained. The data analysis technique used is descriptive statistical analysis technique and path analysis.

RESULT

Data Description

The results of the research data were obtained by distributing questionnaires to 100 respondents using Google Forms. The distribution of the questionnaire was carried out during the period July 5 - 17 2022. The data analysis stage was carried out by testing the outer model and testing the inner model on the results of the questionnaire. The following is a description of the results of the recapitulation of the characteristics of the respondents.

1. Recapitulation of Respondent Characteristics

Table 1. Recapitulation of Respondent Characteristics

No	Characteristics	Domination	Amount
1	Age	18 - 25 Years	85
2	Gender	Woman	74
3	Work	Student / Student	63
4	Province	Bali	92
5	Resources	Social media	65

Source: Questionnaire Primary Data, 2022

Table 1 shows the recapitulation results in characteristics of 100 respondents based on age, gender, occupation, province of origin, and source of information. Age characteristics are dominated by respondents aged 18-25 years totaling 85 people. Ages 18-25 years belong to the millennial generation aged 15-34 years (Alvianna, 2020). This is in line with Aloft Bali Seminyak's target market, namely the millennial generation. The characteristics of respondents based on gender were predominantly female, totaling 74 people. Women tend to have an interest in attractive, Instagram-able, and vibrant places and women have an important role in making purchasing decisions.

Characteristics of respondents based on work dominated as students/students with a total of 63 people. Work will provide an income for someone it will affect the purchasing power they have (Ujang S & Fandy, 2019), but students are a group that still has low purchasing power because they do not yet earn, so in this case even though Aloft Bali Seminyak has reached its target market, it needs to be maximized in

targeting groups that have more high purchasing power by expanding information so that it can reach all Millennials market segment evenly. Respondents were dominated by people who came from Bali by 92 people. Based on the sources of information obtained, respondents know more about Aloft Bali Seminyak through social media. This indicates that the social media used by Aloft Bali Seminyak can reach market segments.

2. Outer Model Test Results (Validity and Reliability)

Data analysis used path analysis with smart-PLS software version 3.9. The results of the outer model are carried out by calculating the PLS Algorithm and producing output in the form of convergent validity, discriminant validity, Cronbach's alpha, and composite reliability (Pering, 2020).

- a. Validity test. The results of the convergent validity test showed that all constructs for each latent variable were declared valid because they met the requirements for a loading factor > 0.7 and had an AVE (Average Variance Extracted) value > 0.5 .
- b. Reliability Test. The results of the reliability test are determined by the value of Cronbach's alpha and composite reliability. Cronbach's alpha test results show that all constructs have a value of > 0.6 and a composite reliability value of > 0.7 . So that all constructs on each latent variable are declared reliable because they meet the requirements for Cronbach's alpha and composite reliability values.

3. Inner Model Test Results (Path Coefficients and Total Indirect Effects)

The results of bootstrapping calculations on the smart-PLS software version 3.9. The bootstrapping results are in the form of output path coefficients and total indirect effects. In the path coefficients table, there are original samples, t-statistical values, and p-values. Path coefficients are used to determine the relationship between promotional mix variables with purchase intention, promotional mix with brand awareness, and brand awareness with purchase intention. The following are the output path coefficients presented in Table 3.2 and hypothesis testing.

Table 2. Path Coefficients

	<i>Original Sample</i>	<i>Sample Mean (M)</i>	<i>STDEV</i>	<i>T-Statistics</i>	<i>P Value</i>
Promotion Mix -> Purchase Intention	0.458	0.465	0.110	4.152	0.000
Promotion Mix -> Brand Awareness	0.751	0.753	0.058	12,859	0.000
Brand Awareness-> Purchase Intentions	0.458	0.451	0.112	4,081	0.000

Source: Smart-PLS data processing, 2022

Table 2 shows the results of bootstrapping in knowing the direct relationship between variables seen in the path coefficients table.

- a. The relationship between promotion mix and purchase intention has a positive original sample value of 0.458, t-statistic 4.152 > 1.96, and a p-value of 0.000 < 0.05, this means that the promotion mix has a positive and significant effect on purchase intention, so hypothesis I is accepted.
- b. The relationship between the promotion mix and brand awareness has a positive original sample value of 0.751, the t-statistic value is 12,859 > 1.96 and the p-value is 0.000 < 0.05, this means that the promotion mix has a positive and significant effect on brand awareness, so hypothesis II is accepted.
- c. The relationship between brand awareness and purchase intention has a positive original sample value of 0.458, a t-statistic value of 4.081 > 1.96, and a p-value of 0.000 < 0.05, this means that brand awareness has a positive and significant effect on purchase intention, so hypothesis III is accepted.

4. Total Indirect Effects

The indirect relationship between the promotion mix and purchase intention is mediated by brand awareness through the calculation bootstrapping process in the Smart-PLS version 3.9 software and the output results of an indirect relationship can be seen in the total indirect effect table below.

Table 3. Total Indirect Effects

	<i>Original Sample (O)</i>	<i>T-Statistics</i>	<i>P-Values</i>
Promotion Mix -> Brand Awareness -> Purchase Intention	0.344	3,815	0.000

Source: Smart-PLS Bootstrapping Data Processing, 2022

Table 3 shows the indirect relationship between the promotion mix and purchase intention through the variable brand awareness as a mediator. The indirect relationship has a positive original sample value of 0.344, a t-statistic value of 3.815 > 1.96, and a p-value of 0.000 < 0.05. This means that the indirect relationship has a positive and significant relationship. In the results of the path coefficients, the promotion mix has a significant effect on purchase intention, so it means that brand awareness can mediate the effect of the promotion mix on purchase intention partially or partially mediated. The bootstrapping results produce an output in the form of a structural inner model that is connected to the t-statistic value.

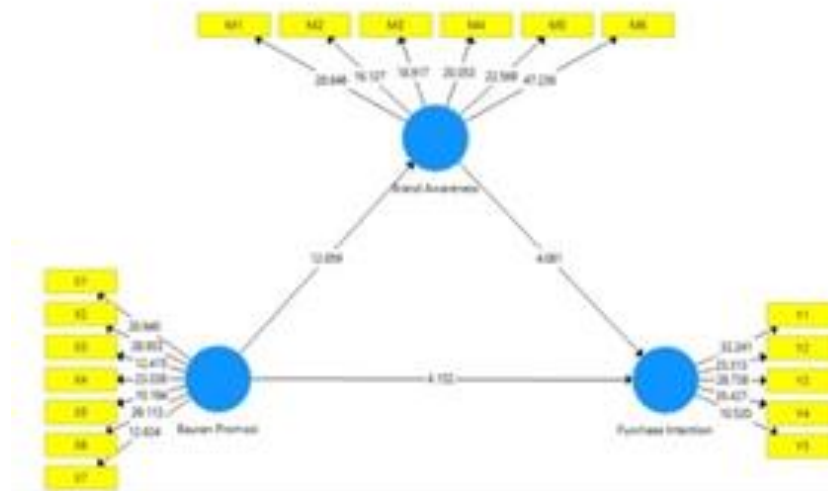


Figure 1. Inner Structural Model
 Source: Smart-PLS Data Processing, 2022

DISCUSSION

The results of data exposure through Smart-PLS produce direct and indirect relationship values between the promotion mix variables and purchase intention variables.

1. *The Promotion Mix Affects Purchase Intention*

The results of data exposure with a t-statistic value of $4.152 > 1.96$ and a p-value of $0.000 < 0.05$ state that the promotion mix has a positive and significant influence on purchase intention. This is in line with research conducted by (Tan, 2021), (Bahrunsyah, 2018) found that the promotion mix has a significant effect on purchase intention. (Tristantin VV, 2013) also explained that one of the elements of the marketing mix that influences consumer buying interest is the promotion mix. Promotional activities carried out by the company are one of the strategies to introduce its products or services to consumers (Manurung & Karneli in (Oktavia Winny Repi, 2020)

The messages conveyed by marketers will form a response that can influence consumer behavior because the promotional mix has a persuasive nature.

2. *The Promotion Mix Affects Brand Awareness*

The results of the data presentation showed a t-statistic value of $12,859 > 1.96$ and a p-value of $0.000 < 0.05$ which stated that the promotion mix had a positive and significant effect on brand awareness. This finding is in line with research conducted by (Amba, 2021) who found promotion had a significant positive effect on brand awareness. The promotional mix is not only used for profit but also used as a tool to introduce a product or service (Rahadian, 2013) Hotels that are relatively new need to create brand awareness so that products or services can be better known and remembered by consumers. It can be said that the messages conveyed

through the promotion mix (advertising, sales promotion, personal selling, direct marketing, public relations) will influence changes in knowledge in the minds of consumers, to create brand awareness.

3. *Brand Awareness Influential on Purchase Intention*

The results of the data exposure show a t-statistic value of $4.081 > 1.96$ and a p-value of $0.000 < 0.05$ so that brand awareness has a positive and significant effect on purchase intention. This is in line with previous research (Repi, 2020) that brand awareness has a significant effect on purchase intention (purchase intention).

Promotional strategies that are carried out continuously will routinely form a memory in the minds of consumers. When the need for a product or service arises, then that brand is in memory and then continues to be a consideration in making a purchase (Bahrumsyah & Donant ((Repi, 2020))).

4. *The Role of Brand Awareness Can Mediate the Effect of the Promotion Mix on Purchase Intention*

The results of data exposure through the total indirect effect table, the relationship between the promotion mix and purchase intention which is mediated by the brand awareness variable has a t-statistic value of $3.815 > 1.96$ and a p-value of $0.000 < 0.05$, this indicates that the role of brand awareness can mediate the influence of the promotional mix on purchase intention. The theory explains that if the relationship variables (X) and (Y) have a significant effect and the indirect relationship has a significant effect, then the mediating variable has a partial role, and vice versa. Based on this theory, brand awareness can mediate partially or partially mediate. This is in line with research conducted by (Alwi, 2020) who found that brand awareness (brand awareness) can mediate the influence of the promotion mix on purchase intention (purchase intention). The messages conveyed through the elements of the promotion mix are expected to receive attention from the audience so that brand awareness is created and then consumers will respond by implementing the elements of purchase intention, namely transactional interest, referential interest, preferential interest, and interest. exploratory

CONCLUSION AND RECOMMENDATION

This study uses independent variables (promotion mix), dependent (purchase intention), and mediation (brand awareness), and data analysis is performed using path analysis (path analysis) on smart-PLS software version 3.9, it can be concluded:

1. The promotion mix has a significant effect on purchase intention with a t-statistic value of $4.152 > 1.96$ and a p-value of $0.000 < 0.05$. Hypothesis I is accepted
2. The promotion mix has a significant effect on brand awareness with a t-statistic value of $12,859 < 1.96$ and a p-value of $0.000 < 0.05$. Hypothesis II is accepted

3. Brand awareness has a significant effect on purchase intention with a t-statistic value of $4.081 > 1.96$ and a p-value of $0.000 < 0.05$. Hypothesis III is accepted.
4. The role of brand awareness is able to mediate the effect of the promotional mix on purchase intention partially (partial mediation) with a t-statistic value of $3.815 > 1.96$ and a p-value of $0.000 < 0.05$. Hypothesis IV is accepted.

Based on the results of data analysis and discussion, it can be suggested for Hotel Aloft Bali Seminyak:

1. Invite local to international influencers who are in line with the millennial target market and are able to influence bigger followers.
2. Doing sales promotions, one of which is by holding giveaways on holidays, so that you can increase the number of followers on social media.
3. Maximizing in making sales calls and telemarketing, so that brand awareness is increasing.

ADVANCED RESEARCH

It is recommended that future studies use the brand image variable as a mediating variable, to find out the public's view of the identity of Aloft Bali Seminyak

ACKNOWLEDGEMENT

The author would like to thank all parties involved in the process preparation of this research to completion, in particular to:

1. Drs. Ida Bagus Putu Puja as Director of the Bali Tourism Polytechnic
2. I Ketut Adhi Astawan, SE., M.Agb as Head of Academic Administration, Student Affairs and Cooperation of the Bali Tourism Polytechnic
3. I Gusti Agung Gede Witarsana, S.ST.Par., MM., CHE as the Coordinator of the Hotel Administration Study Program along with all the lecturers of the Hotel Administration Study Program
4. Ni Made Suastini, SE., MM as Supervisor I
5. I Dewa Putu Hendri Pramana as Supervisor II
6. Eric Prima Gozal as Hotel Manager along with all sales & marketing department staff of Hotel Aloft Bali Seminyak
7. All people who have helped in filling out the questionnaire
8. Beloved family, father, mother and brother of the writer
9. All parties that cannot be mentioned one by one.

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