

Strategy Analysis Of Eclipse Hotel Yogyakarta During The Covid-19 Pandemic On Market Segmentation Changes

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Abstract.

The tourism sector is a sector that can increase regional income. Tourism opens up business opportunities and employment opportunities for people in the area. However, in early 2020, the world was shocked by the covid-19 virus outbreak, which hit the world of the tourism industry and the creative economy in Indonesia. Eclipse Hotel Yogyakarta is one of the star hotels in the Prawirotaman Street area of Yogyakarta that was affected. This research aims to find out how Eclipse Hotel Yogyakarta's strategy adapts to changes in the customer market during the covid-19 pandemic. The research method used is qualitative. This approach involves the use of data collection techniques based on interviews with Eclipse Hotel Yogyakarta employees and observations made during internships at the hotel. The data collected from the interviews will be analyzed using the content analysis method. The results obtained in this study are the COVID-19 pandemic has an influence on changes in market segmentation and has an impact on marketing strategies and service adjustments at Eclipse Hotel Yogyakarta made to meet the needs of market segments before the pandemic. The marketing strategy carried out by Eclipse Hotel Yogyakarta is to use social media increase customers.

Keywords: Covid-19 Pandemic, Market Segmentation, and Eclipse Hotel Yogyakarta.

I. INTRODUCTION

Eclipse Hotel Yogyakarta is one of the star hotels in the Yogyakarta Prawirotaman area. Eclipse Hotel is located at 35 Prawirotaman Street, Brontokusuman, Mergangsan, Yogyakarta City, Special Region of Yogyakarta, and is 3-star hotel. This hotel offers easy access to the city and tourist areas such as Malioboro, Beringharjo Market, North Alun Alun, and Yogyakarta Palace. The tourism sector is one of the efforts to increase regional income [1]. Tourism opens business opportunities and employment opportunities for people in the area. However, at the beginning of 2020, the world was shaken by the outbreak of the Covid-19 virus, which hit the tourism industry and the creative economy in Indonesia. Then the President of Indonesia, Joko Widodo, made instructions, namely Large-Scale Social Restrictions (PSBB). The content of the instruction is to prohibit all countries or cities that have the most impact on Covid-19 from entering their border areas. The presence of the Covid-19 virus pandemic has changed the prospects for the tourism industry and the behavior of consumers or tourists who have adapted to new normal conditions. Therefore, tourism industry players should immediately adapt to the new normal 'disruption' to survive and rise [2]. The tourism industry, especially hotels, is one of the sectors that has been badly affected by the COVID-19 pandemic.

So, to accelerate the hotel sector's economic recovery in particular, it requires regulations that can strengthen this change, such as both regulations from the central and regional governments that can encourage the tourism industry, especially hotels to return to referring to the health protocol [3]. The practical problem that existed at Eclipse Hotel Yogyakarta was that before the Covid-19 pandemic, the market segment was foreign tourists. At the beginning before the arrival of the pandemic, Eclipse Hotel Yogyakarta collaborated with foreign agencies, but since the Covid-19 pandemic, foreigners are not allowed to enter Indonesian territory. The author raises the issue of "new strategy segmenting" or a new segment strategy. The practical problem that existed in the company was that before the pandemic, the Eclipse Hotel Yogyakarta customer market was foreign tourists. Eclipse hotel Yogyakarta has carried out forms of cooperation with foreign agencies such as pressing contracts. Since the pandemic, which prohibits foreigners from entering Indonesian territory. Therefore, the author raises the issue of "entry new market" or entering a new market. So, what the author wants to research is how Eclipse Hotel Yogyakarta can adapt to existing changes, such as entering new markets which might change the market from foreign tourists to local tourists.

II. LITERATURE REVIEW

Market segmentation is the process of dividing a broad market into smaller groups based on similar characteristics, needs and preferences [4]. The purpose of market segmentation is to identify consumer groups that are more homogeneous in terms of needs and wants, so that companies can develop more effective and efficient marketing strategies for each segment. In market segments, companies can provide products or services that are more targeted, increase customer satisfaction, and optimize profits [5].

Market Segmentation Benefits

Market segmentation has significant benefits for companies. Some of the main benefits of market segmentation are as follows [6]:

1. Introduction of Market Opportunities

By understanding the needs and preferences of consumers in each segment, companies can identify existing market opportunities. This allows companies to develop new products or services to suit specific market demands.

2. More Effective Marketing

By understanding the characteristics and needs of each segment, companies can develop more targeted marketing strategies. This includes selecting suitable distribution channels, more effective communication, price adjustments according to the target segment. A more focused marketing strategy can increase the effectiveness of marketing efforts and generate a higher return on investment.

3. Product Differentiation

Market segmentation allows companies to develop more specific and differentiated products or services. By understanding the needs and preferences of each segment, companies can tailor their products or services to meet unique needs. Thus, the company can differentiate itself from competitors and create added value for consumers.

4. Adjustment of Marketing Strategy.

Market segmentation helps companies adapt their marketing strategies to various target segments. This allows companies to optimize resource allocation and marketing efforts for each segment. Companies can identify the segments that have the most potential to generate high revenue and profits and direct their efforts towards those segments.

Market Segmentation Process

The market segmentation process involves the following steps [7]:

1. Identification of Consumer Needs and Preferences

The first step in the market segmentation process is to identify consumer needs and preferences. This can be done through market writing, surveys, interviews, and analysis of consumer data. The aim is to understand the different characteristics, behaviors, and preferences among consumers.

2. Consumer Grouping

Based on needs and preferences analysis, consumers are then grouped into more homogeneous segments. Grouping can be done based on demographic, geographic, behavioral, or psychographic criteria. Each segment must have characteristics that are consistent and distinguishable from other segments.

3. Determination of Segment Size and Potential

After the segments are identified, the next step is to determine the size and potential of each segment. This involves analyzing market data and estimating the number of consumers, market share, and growth potential for each segment.

4. Evaluation and Selection of Target Segments

In this step, the company evaluates and selects the most attractive and potentially profitable target segments. Evaluation is carried out based on criteria such as market size, growth potential, compatibility with the company's competitive advantage, and availability of resources to deal with the segment.

Market Segmentation Challenges

In order to achieve success in market segmentation, companies must overcome this challenge by utilizing accurate data, adopting a flexible approach, and continuously evaluating the marketing strategy implemented [8]. By involving consumers more specifically and better meeting their needs, companies can

gain competitive advantage and achieve sustainable growth in the market [9]. Although market segmentation has significant benefits, there are several challenges that companies can face in implementing a market segmentation strategy [10]. Some of the main challenges include:

1. Data Complexity

The market segmentation process requires comprehensive and complex data analysis. Companies need to collect accurate and relevant data about consumers to understand their preferences and needs. This can involve significant costs and difficulties in obtaining sufficient data.

2. Overlapping Segments

Sometimes, consumers can have overlapping characteristics among different segments. This can make segmenting the segments complicated and make it difficult for a company to develop the right marketing strategy for each segment.

3. Changes in Consumer Behavior

Consumer preferences and behavior may change over time. Market segments that were relevant at one time may no longer be relevant in the future. Companies must continuously monitor changes in consumer needs and preferences to ensure segmentation strategies remain relevant.

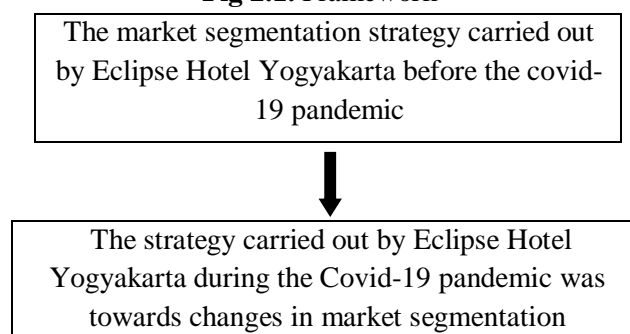
4. Intense Competition

Once an attractive and profitable market segment has been identified, it is likely that competitors will also try to enter the same segment. This can lead to stiff competition and require additional effort to maintain market share.

5. Resource Management

Market segmentation can require significant allocation of resources, especially in terms of customized product development and targeted marketing activities. Companies need to ensure that they have sufficient resources to properly manage and serve each segment.

Fig 2.1. Framework



III. METHODS

This internship report employs a qualitative writing method. This approach involves the use of data collection techniques based on interviews with Eclipse Hotel Yogyakarta employees and observations made during their internships at the hotel. The data collected from the interviews will be analyzed using the content analysis method. The unit of analysis in this paper is managers or executives (stakeholders) and employees. The author will later ask questions to managers and employees about how the Eclipse Hotel strategy relates to changes in the customer market, such as during the Covid-19 pandemic. What are the steps taken by the company in changing the market from the Eclipse Hotel where previously the customers were foreign tourists, then when the pandemic came, which Indonesia did not accept foreigners, so like it or not, the company had to adapt to these changes. The observation method allows the writer to obtain in-depth and accurate data about the observed phenomena.

Observation can be done using various techniques, such as participant observation (when the writer is directly involved in the situation being observed) or non-participant observation (when the writer only observes from a distance without direct interaction). Observations were made during an internship at Eclipse Hotel Yogyakarta in the marketing department with 8 working hours. Observations were made by observing the marketing of Eclipse Hotel Yogyakarta, which has changed its market segmentation strategy after the

covid-19 pandemic. The results of these observations will be recorded in a written document which will be the primary data source in this report. Interviews at this writing were conducted at the Eclipse Hotel Yogyakarta. The purpose of this interview is to obtain information from respondents about the market segmentation strategy that was carried out before and changes in market segmentation during the Covid-19 pandemic. To find out the market segmentation strategy at Eclipse Hotel Yogyakarta, the author chose to use interview questions referred to by previous writings [11] as follows:

1. How was the market segmentation at Eclipse Hotel Yogyakarta before the COVID-19 pandemic?
2. What are the main characteristics of the market segment that was most dominant before the pandemic at Eclipse Hotel Yogyakarta?
3. How was the marketing strategy and service adjustment at Eclipse Hotel Yogyakarta carried out to meet the needs of market segments before the pandemic?
4. How have market segments changed during the COVID-19 pandemic at Eclipse Hotel Yogyakarta?
5. How has the market segmentation at Eclipse Hotel Yogyakarta changed during the COVID-19 pandemic?
6. Have there been shifts in the preferences and needs of certain market segments after the pandemic at Eclipse Hotel Yogyakarta?
7. How has Eclipse Hotel Yogyakarta adjusted its marketing strategy and product offerings to meet the changing needs of market segments after the pandemic?
8. What are the steps taken by Eclipse Hotel Yogyakarta to attract new market segments or maintain existing market segments after the pandemic?
9. Has there been a change in buying behavior or preferences of certain market segments since the COVID-19 pandemic at Eclipse Hotel Yogyakarta?
10. How does Eclipse Hotel Yogyakarta utilize technology or innovation in market segmentation to deal with challenges caused by the pandemic?

In this writing, the content analysis approach is used as a method of assessment. This approach was chosen because the data used in writing requires a descriptive explanation from the respondent. According to White & Marsh (2006), content analysis is a method that can be used in both qualitative and quantitative writing to systematically analyze written, verbal, or visual documents [12]. The data used in this content analysis comes from the results of interviews and observations of respondents. The information obtained during writing will be compiled in a content analysis table based on existing variables, such as market opportunity recognition, more effective marketing, product differentiation, and marketing strategy adjustments.

Table 1. Responden Profile

No	Name	Position	Length of Working
1	Ana Miarni	Executive Assistant Manager	12 th
2	Agus Siswanto	Housekeeper Staff	10 th
3	Yanti Septianingsih	Purchasing Staff	2.3 th
4	Adam Noor Helmi	Housekeeper manager	12 th
5	Istiana Tika	Front Desk Attendant	12 th

Source: Primary Data (2023)

IV. RESULT AND DISCUSSION

This writing describes the data collection findings in the field through observation and interviews. This data collection is then used as supporting analysis in this writing.

Observation

Internship activities at Eclipse Hotel Yogyakarta are carried out with a working time of 8 hours. In this case, the author pays attention to and observes the conditions in the field of how Eclipse Hotel Yogyakarta's strategy is to focus on the domestic market. The internship activities that the author did, among others, made several flyer designs such as room rates, meeting packages, romantic dinners, and birthday party packages. This observation was carried out through participant observation techniques, in which the

writer was directly involved in the observed situation, and non-participants when the writer only observed from a distance without direct interaction.

Interview Result

The Market Segmentation & The Main Characteristics of The Market Segment at Eclipse Hotel Yogyakarta before the COVID-19 Pandemic

Foreign tourists were the market segmentation of Eclipse Hotel Yogyakarta before Covid-19, however, there are also local tourists who are visitors at Eclipse Hotel Yogyakarta even though the number is only a small portion when compared to foreign tourists. The market segmentation carried out by Eclipse Hotel Yogyakarta serves to determine the right target market so that Eclipse Hotel Yogyakarta can serve consumers better which has an impact on increasing sales profits, increasing market share, communicating and promoting appropriately and strengthening the image of Eclipse Hotel Yogyakarta itself. Based on the interviews that have been conducted previously, the author concludes that all respondents in the interview stated that foreign tourists who visit as travelers or come to Yogyakarta for vacation purposes with an average length of stay of 1 week to 1 month are the main characteristics of the most dominant market segment before the pandemic at Eclipse Hotel Yogyakarta. The following are the results of interviews with 5 respondents regarding the main characteristics of the most dominant market segment before the pandemic at Eclipse Hotel Yogyakarta.

Marketing Strategies & Service Adjustments at Eclipse Hotel Yogyakarta Before The Pandemic & Market Segment Changes After The Pandemic COVID-19

Participating in national and international exhibitions, adjusting services to the needs of foreign tourists or travelers who stay overnight are marketing strategies used by Eclipse Hotel Yogyakarta. A hotel is a temporary lodging or resting place that will be used for tourists on vacation to a tourist area. Hotels are also one of the accommodations that are currently increasingly attracting foreign tourists [13]. Hotels are not only lodging places for tourists but also as MICE (Meeting, Incentive, Convention, and Exhibition) places. With the availability of adequate hotel facilities and good and quality services and making customers comfortable, it can attract tourists to want to stay longer, especially for foreign tourists who generally stay or stay for a duration of one to four weeks. Facilities and service adjustments according to the needs of customers staying are one of the marketing strategies that can be used.

Foreign tourists were the market segmentation of Eclipse Hotel Yogyakarta before covid-19, but after the covid-19 pandemic, the market segment of Eclipse Hotel Yogyakarta has changed to domestic tourists. The hospitality industry in Yogyakarta is one of the industries that has been hit hard and has a huge impact on the covid-19 pandemic. Many hotels were forced to close because they no longer had guests and the food and MICE businesses were no longer filled. During the pandemic from 2020, Indonesia has made restrictions on traveling to and from countries that are included in the red zone of transmission during the covid-19 pandemic with the aim of breaking the chain of transmission of covid-19, this step follows policies that have been implemented by several countries. This restriction policy has an impact on flight schedules to hospitality activities. The covid-19 pandemic has had a very significant impact on Eclipse Hotel Yogyakarta. Where before the pandemic every day customers were dominated by foreign tourists, but during the pandemic lasted from 2020 the number of foreign tourists decreased dramatically and was replaced by domestic tourists.

Market Segmentation & Service Preference at Eclipse Hotel Yogyakarta During The COVID-19 Pandemic

The price and turnover obtained by Eclipse Hotel Yogyakarta has decreased. In addition, the quality of service was reduced to adjust the changing market segment, namely domestic tourists. The change in market segment at Eclipse Hotel Yogyakarta requires the hotel to adjust prices and services again. Discount or price reduction is an effort to reduce the price directly on a product purchased at a certain time by the seller to consumers [9]. Discounts can also be interpreted as a form of adjustment that can be made by a company or industry so as not to lose buying interest or experience a significant decrease in purchasing power due to certain situations.

During the pandemic Eclipse Hotel Yogyakarta reduced its prices and services. From a standard 3-star hotel for foreign tourists to a 3-star hotel with local tourists, although the service changes are not too significant for some people such as a decrease in the standard of safety obtained, to a decrease in breakfast standards. The covid-19 pandemic has had a very significant impact on the Eclipse Hotel Yogyakarta business. Where before the pandemic every day most of the rooms in the hotel were filled with visitors from foreign tourists, but during the pandemic lasted from 2020 the room occupancy rate decreased and was dominated by domestic tourists. The pandemic also greatly affects the service and customer preferences provided by Eclipse Hotel Yogyakarta.

Marketing Strategy, Product Offerings & Steps to The Changing Needs of Market Segments After The Pandemic by Eclipse Hotel Yogyakarta

Eclipse Hotel Yogyakarta not only tries to promote its hotel services, but Eclipse Hotel Yogyakarta also creates interactions with consumers and potential customers. Eclipse Hotel Yogyakarta and potential customers and potential customers interact by replying to incoming direct messages and also replying to existing comments. In the author's findings, Eclipse Hotel Yogyakarta also re-uploads some photos uploaded by consumers through features on Instagram. Uploading content in the form of photos and videos by paying attention to upload time, quantity and quality of photos are things that must be considered by Eclipse Hotel Yogyakarta in conducting online marketing. The photo and video content is in the form of promotion and implementation of health protocols in the hotel area to convince consumers that Eclipse Hotel Yogyakarta meets the operational standards and health protocols that have been established during the Covid-19 pandemic. In addition, product offers are also made by providing discounts or discounts on room services. Many hotels provide special offers for staycation packages so as to attract domestic guests to vacation at their hotels.

Promotional efforts such as advertising and providing discounted room rates are ways for the Hospitality Industry to maintain its business amid the impact of the covid-19 pandemic, especially the economic impact arising from the pandemic resulting in increased financial risk. Since the emergence of the covid-19 pandemic outbreak, companies are required to strategize quickly in a short period of time. There are various creative and innovative strategies and policies taken by companies or organizations during the covid-19 pandemic in 2019-2020. The efforts made by each star hotel are to provide special prices to tourists who stay for weekly, monthly and even annual periods. In addition, discounts are also given to tourists who come directly (walk-in guests) to the hotel to book a room, discounts are one of the selected promotional alternatives. According to Hermawan, sales promotion is also an important part of a company's marketing communication strategy and sales promotion is a marketing activity that proposes added value. Sales promotion is a marketing activity that proposes the added value of a product (to get from just the existing value of the product) within a certain period of time to encourage consumer purchases, sales effectiveness or encourage efforts made by salespeople [14]. Lately, many companies have used social media to sell and promote their products and services, one of which is in the hospitality sector. Instagram and TikTok are social media applications that are widely used as promotional media during the covid-19 pandemic.

Preferences of Market Segments & Innovation at Eclipse Hotel Yogyakarta After the COVID-19 Pandemic

As part of an important segment of the tourism market, domestic or onward travelers are the main support for tourism sector revenue. However, the reality is that room prices, purchasing behavior and lifestyle of domestic tourists who stay overnight affect purchasing behavior towards interest in staying at hotels. Yogyakarta is one of the tourist destinations that is in demand by domestic tourists. Tourists are dominated by areas that have geographical proximity to Yogyakarta such as Central Java, East Java, West Java, and DKI Jakarta, so that the social class has also changed from the middle class, upper middle class (for foreign tourists) to middle and lower middle class.

TikTok is a video application that provides a variety of content that can entertain its users. The content has various types to be published and enjoyed by its users. Entertainment is the main reason for users to enjoy content and become part of the content on TikTok social media [15]. For this reason, TikTok presents various types of content in it to entertain users. Posts shared on TikTok generally consist of

entertainment content types such as vlogs, dance, humor, and lip-sync. These contents become the foundation for businesses to present and create appropriate advertisements for users. The content created must be in accordance with the target market to be achieved so that Eclipse Hotel Yogyakarta viewers increase.

V. CONCLUSION AND RECOMENDATION

Based on the results of the report on the implementation of the internship carried out at the Eclipse Hotel Yogyakarta, the author suggests the following conclusions, the COVID-19 pandemic has an influence on changes in market segmentation, changes occur from foreign tourists to domestic tourists & The COVID-19 pandemic has an influence on marketing strategies and service adjustments at Eclipse Hotel Yogyakarta are carried out to meet the needs of market segments before the pandemic, the marketing strategy carried out by Eclipse Hotel Yogyakarta is to use social media such as Instagram and TikTok in increasing customers.

Based on the results of the internship implementation report carried out at Eclipse Hotel Yogyakarta, the author has the following recommendations such as updating and improving hotel facilities, especially facilities that can attract the attention of tourists both foreign and domestic by creating certain programs that attract tourists and also increasing hotel cooperation with online travel agent companies is very helpful in supporting hotel services to guests, where guests benefit in the reservation process by not needing to come directly to the hotel but by only accessing the application from the online travel agent can make the reservation process easily and efficiently.

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