International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

The Role of E-Commerce in the Management of Online Travel Agents

Dwi Endaryanti[1], Evada Rustina[2]*, Ade Riawan[3], Hastuti Pertiwi Bima Putri[4], Sumarwanto[5]

[1,3,4] Akademi Pariwisata Indraphrasta, Jalan Bantul km 6.5 Yogyakarta, Daerah Istimewa Yogyakarta, Indonesia
[2,5] Akademi Ketatalaksanaan Pelayaran Niaga Bahtera, Jl. Bantul No.1221, Gedongkiwo, Kec. Mantrijeron, Kota Yogyakarta, Daerah Istimewa Yogyakarta, Indonesia

Correspondimg author : evadarustina7@gmail.com

Abstract

The rapid development of technology encourages companies, especially in the hospitality sector, to follow the online sales market, one of which is Cavinton Hotel Yogyakarta. e-Commerce is part of Electronic Business which is carried out using electronic transmission by experts and business people. The purpose of this study is to examine how the role of E-Commerce in managing online travel agents at Cavinton Hotel Yogyakarta. This research uses a qualitative approach with data collection methods including observation, interviews, documentation and literature studies. From the results of the study, it was found that the role carried out by E-Commerce in managing an online travel agent to attract customers to book rooms at Hotel Cavinton Yogyakarta By Tritama Hospitality is very influential in increasing revenue.

Keywords: Role, E-Commerce, Online Travel Agent

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

INTRODUCTION

Tourism is one of Indonesia's mainstay sectors as a foreign exchange earner because Indonesia is a country that has natural beauty and cultural diversity (A. K. Jaelani et al., 2020). Cooperation in international and regional forums such as the United Nations World Tourism Organisation (UNWTO) and the Pacific Asia Association is very important, especially for cooperation in training, investment and exchange of experiences. Indonesia also needs to review and follow up on ecotourism programs developed by UNWTO (Zhao & Ritchie, 2007). This program is in line with the idea of sustainable development, where the preservation of natural tourism objects must be maintained, especially considering its function as a maintainer of natural balance. With the idea of sustainable development, it will increasingly attract foreign tourists so that many tourists will come to Indonesia and make the tourism industry in Indonesia grow (A. Jaelani, 2017). With the development of the tourism industry in Indonesia, we cannot deny that foreign and domestic tourists need accommodation to support their travel activities such as lodging or hotels (Goodwin, 2002). The rapid tourism sector in Yogyakarta certainly affects accommodation, especially lodging (Hampton, 2003). Moreover, Yogyakarta is a tourist city that is often a destination for foreign tourists because it is still very attached to historical elements and cultural heritage (D. J. Timothy, 1998). Yogyakarta has been known by many tourists, both local and international, one of which is because of its hospitality and culture along with the karmic system in the community that can attract visitors to come. With so many tourists visiting Yogyakarta, there is also a need for lodging or hotels that are sufficient to support the accommodation needs of tourists (Hampton, 2003).

The hotel is one of the fastest-growing accommodation facilities in Yogyakarta. The appearance of the hotel is not only centralized in the middle, now it has spread to the outskirts of the city (D. Timothy & Teye, 2009). The development of the hotel has led to an increase in the number of rooms in Yogyakarta, resulting in tighter competitiveness between hotels to get guests. Guests also get the advantage to choose a hotel with a better price as desired (Amoako et al., 2012). Seeing this reality, hotels are required to be active and creative and take advantage of all ways to attract as many guests as possible, both through direct selling, sales calls, travel agents (offline) and most recently using online travel agents. The hotel is one of the fastest-growing accommodation facilities in Yogyakarta (Darojat & Abdurahim, 2022). The appearance of the hotel is not

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

only centralized in the middle, now it has spread to the outskirts of the city. The development of the hotel has led to an increase in the number of rooms in Yogyakarta, resulting in tighter competitiveness between hotels to get guests. Guests also get the advantage to choose a hotel with a better price as desired. Seeing this reality, hotels are required to be active and creative and take advantage of all ways to attract as many guests as possible, both through direct selling, sales calls, travel agents (offline) and most recently using online travel agents.

Technology continues to grow rapidly (Rustina, Lestari, et al., 2023).The rapid development of technology encourages companies, especially in the hospitality sector, to follow the online sales market, one of which is Cavinton Hotel Yogyakarta. Hotel Cavinton Yogyakarta managed by Tritama Hospitality is one of the 4-star hotels located in the Malioboro Area, a famous street for tourists which is also the centre of Yogyakarta's business district and 5 minutes to the royal palace. This hotel provides 208 rooms with 26 superior twin rooms, 11 deluxe king rooms, 89 deluxe twin rooms, 58 executive king rooms, 12 executive twin rooms, 3 royal suite rooms, 1 royal executive suite room, and 1 president suite room. It is also equipped with a ballroom that can accommodate up to 400 guests with a theatre layout, junior ballroom, several meeting rooms and also free functions supported by standard equipment (Atmoko, 2018).

Rooms at Hotel Cavinton Yogyakarta provide guests with a flat-screen TV, air conditioning, a deposit box, a work desk, and a study lamp. Inside the room is also equipped with a refrigerator and water heater. Featuring a standing shower and toilet seat, the private bathroom comes with a hairdryer, mirror, amenities and free toiletries. The royal suite room is also equipped with a bathtub and the royal executive suite room is equipped with a Jacuzzi that can be used to soak and relax the body and relax tense muscles due to all-day activities. Each hotel has the main goal to provide the best service for each guest who stays at its hotel. That way, the hotel has automatically promoted quality and quantity to guests (Hendriyati & Santoso, 2021). Likewise, the success or failure of a hotel is influenced by the good performance of each employee and continuous cooperation between departments. If everything goes well, guests will feel satisfied with hotel services and hotel income will increase. Talking about the operation of a hotel, it cannot be separated from the role of the departments in it, one department that plays an

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

important role in the world of hospitality is the Front Office where E-Commerce is in it (O'Fallon & Rutherford, 2010).

Electronic Commerce or commonly referred to as e-Commerce, is part of Electronic Business (business conducted using electronic transmission), by experts and business people (Vladimir, 1996). In general, E-Commerce can be defined as all forms of trade transactions/trade of goods or services (trade of goods and services) using electronic media. E-Commerce started in 1995 when the Netscape.com portal website received the first advertisements from large companies (Wen et al., 2001). Doing business on the Internet has had a great influence on various types of businesses. Likewise, real estate and the travel industry are growing dramatically. In Indonesia, not a few hotels have brought their business into the era of e-Commerce. Offer and sell products in the form of services through the Internet (Abbasian Fereidouni & Kawa, 2019)s. The Internet is a revolution in hotel marketing and online booking which has a very important role in the hotel business. In the E-Commerce section, it is required to be able to manage a good online travel agent to attract guests to choose to stay at their hotel because considering that in Yogyakarta there are many hotels spread from the middle of the city to the suburbs. And in every hotel, there must also be a revenue target that must be generated from the online travel agent itself which will later become one of the revenue contributors to achieve overall revenue levels. From the background above, researchers want to examine how the role of E-Commerce in managing online travel agents at Cavinton Hotel Yogyakarta.

METHOD

This study uses a qualitative approach, where researchers intend to analyze phenomena about what is experienced by research subjects using descriptive data in the form of written or spoken language from people and actors in a special natural context by utilizing various scientific methods (Rustina, Pratama, et al., 2023). This research was conducted at Hotel Cavinton Yogyakarta By Tritama Hospitality, located at Jalan Letjen Suprapto No.1, Ngampilan, Yogyakarta City, Special Region of Yogyakarta 55261. This research was conducted during the author's work at Hotel Cavinton Yogyakarta By Tritama Hospitality in the E-Commerce section which started in March 2022 until now. This study uses several data collection methods that are by the qualitative approach,

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

including (1) Observation Method, observation method is often a complement to data obtained from in-depth interviews and surveys (Supartini et al., 2022). Researchers used observation methods and direct interviews with respondents which included colleagues and several staff and employees at Hotel Cavinton Yogyakarta by Tritama Hospitality. Observations were carried out while researchers were working from March to the present. Observation activities are carried out to process and process objects with the intention of feeling and then understanding knowledge of a phenomenon based on knowledge and ideas that have been known before, to obtain the necessary information. The process is to collect data through careful observation and review directly in the research field to find out the conditions that occur or prove their correctness from a research design that is being carried out. (2) Interview Method, the interview method is also a process of obtaining information to collect data in the form of information in research using face-to-face questions and answers between interviewers and respondents/interviewees, with or without using interview guidelines (Iswanto et al., 2023). (3) Documentation Method, The documentation method according to Arikunto (2006: 231) is looking for data on variables in the form of notes, transcripts, books, newspapers, magazines, inscriptions, meeting minutes, agendas and so on (Suganjar et al., 2022). (4) Literature method/ library method, literature study delivered by Widyanto et al., (2022). According to him, the literature study is a data collection technique by reviewing books, literature, notes, and various reports related to the problem to be solved. Researchers made Hotel Cavinton Yogyakarta By Tritama Hospitality the object of research, especially the Front Office department. Researchers attempt to analyze how the role of E-Commerce in managing online travel agents to increase hotel revenue.

RESULT & DISCUSSION

Based on observations and interviews that have been conducted, researchers found the roles of E-Commerce in managing online travel agents that can make many guests choose to book online to increase hotel revenue. Hotel Cavinton Yogyakarta By Tritama Hospitality, especially the Front Office department, namely e-commerce, has succeeded in attracting guests to be interested and book rooms at Hotel Cavinton Yogyakarta By Tritama Hospitality. The duties, responsibilities and roles of E-Commerce at Hotel Cavinton Yogyakarta By Tritama Hospitality include: Managing extranets such

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

as Agoda, Traveloka, Tiket.com, Pegi-Pegi, C-trip, D-EDGE, Expedia, MG Holiday, Booking.com, recapping rankings, scoring and guest review, setting & change rate plan, rate, allotment, and promotion, Join and setting campaigns, checking reservations and price suitability, closeout & open allotment.

The steps taken by E-Commerce to attract customers to be interested in booking rooms to meet the targets charged by management are by collaborating with online travel agents who have a good name based on references of colleagues and managers and making mutually beneficial agreements between both parties. In addition, by managing the extranet well and price input according to the room occupancy rate, if the room occupancy rate is still low then we adjust it to the price we lower and vice versa if the room occupancy rate is high. Furthermore, add promos at online travel agents such as free upgrade room, free dinner 1 pax, and free evening tea 1 pax. This method has proven to be able to have a positive effect on hotels so that many reservations come in online through online travel agents.

The role of good and optimal E-Commerce can increase room bookings because of the addition of these attractive promos. In addition, a lot of data is obtained that there are repeater guests who re-book rooms due to additional free room upgrade promos or free dinner and evening tea. The efforts made have proven to be able to have a positive effect on the hotel so that many reservations come in from online through online travel agents. The effect of adding the promo is evident because some guests at the time of check-in ask about the free upgrade room promo and also some repeater guests must ask whether the room gets the free upgrade room promo.

Good online travel agent management can affect increasing hotel revenue because the number of online reservations that come in will increase hotel revenue. So that the efforts of E-Commerce in managing a good online travel agent can attract guests to book rooms and can meet the targets charged by management. Management support in managing online travel agents is also very instrumental in efforts to increase hotel revenue through online travel agents, these forms of support include: providing adequate computer facilities to operate the extranet when in charge at the hotel, a smooth and uninterrupted internet network because online travel agents run 24 hours every day. Other supporting factors that affect the success of managing online travel agents include: The factor of an online travel agent startup is where there must be an understanding and

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

win-win solution in managing online travel agents. This is necessary so that there are no superior parties and do not want to cooperate properly. Competitor factors are parties who have the same business as our company and are considered competitors. The company must be able to manage and see competitors around the company quickly and carefully, especially regarding price, so that the company will immediately take positions and strategies in price so that it can compete and win, in addition to display and promotion. Market factors, online travel agent managers must be sensitive to the desires and market trends that are currently prevailing in the area around the hotel. Marketing strategies in a particular region or region are not necessarily suitable for use in other regions.

CONCLUSION

The role played by E-Commerce in managing an online travel agent to attract customers to book rooms at Hotel Cavinton Yogyakarta By Tritama Hospitality is very influential in increasing revenue. Where all E-Commerce at Hotel Cavinton Yogyakarta By Tritama Hospitality have carried out their duties and responsibilities properly and optimally. All efforts that have been made by E-Commerce in doing their duties can be achieved optimally. The increase in room bookings at Hotel Cavinton Yogyakarta By Tritama Hospitality can be achieved because it is supported by the role of responsible and professional E-Commerce. The role of good and optimal E-Commerce is very positive on the level of room sales. Room sales through online travel agents are proven to increase room occupancy so the role of E-Commerce in managing online travel agents has been done well so that the goal of increasing hotel revenue is achieved. The advantages of selling using an online travel agent are many compared to the disadvantages due to a wide range and are not limited by time and place as long as they are still connected to the internet network. In addition, online travel agents can be used as good promotional media and do not have country restrictions or can reach the whole world at a very low cost.

REFERENCES

Abbasian Fereidouni, M., & Kawa, A. (2019). Dark side of digital transformation in tourism. Intelligent Information and Database Systems: 11th Asian Conference, ACIIDS

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

2019, Yogyakarta, Indonesia, April 8–11, 2019, Proceedings, Part II 11, 510–518.

Amoako, G. K., Arthur, E., Bandoh, C., & Katah, R. K. (2012). The impact of effective customer relationship management (CRM) on repurchase: A case study of (GOLDEN TULIP) hotel (ACCRA-GHANA). African Journal of Marketing Management, 4(1), 17–29.

Atmoko, T. P. H. (2018). Strategi pemasaran untuk meningkatkan volume penjualan di Cavinton Hotel Yogyakarta. Journal of Indonesian Tourism, Hospitality and Recreation, 1(2), 83–96.

Darojat, P. A., & Abdurahim, A. (2022). Sharia hotel management strategy in facing covid-19 pandemic (a case study of namira sharia hotel yogyakarta). International Conference on Sustainable Innovation Track Accounting and Management Sciences (ICOSIAMS 2021), 164–167.

Goodwin, H. (2002). Local community involvement in tourism around national parks: opportunities and constraints. Current Issues in Tourism, 5(3–4), 338–360.

Hampton, M. P. (2003). Entry points for local tourism in developing countries: evidence from Yogyakarta, Indonesia. Geografiska Annaler: Series B, Human Geography, 85(2), 85–101.

Hendriyati, L., & Santoso, I. B. (2021). Strategi Pemasaran Food and Beverage Untuk Meningkatkan Penjualan Pada Masa Pandemi Covid-19 Di Cavinton Hotel Yogyakarta, Indonesia. Journal of Tourism and Economic, 4(1), 60–72.

Iswanto, I., Astriawati, N., Handojo, B., & Hendrawan, A. (2023). Efforts To Reduce Gaps In System And Procedure Irregularities At Ports. International Journal of Economics, Business and Innovation Research, 2(02), 58–66.

Jaelani, A. (2017). Halal tourism industry in Indonesia: Potential and prospects. International Review of Management and Marketing, 7(3), 25–34.

Jaelani, A. K., Handayani, I., & Karjoko, L. (2020). Development of tourism based on geographic indication towards to welfare state. International Journal of Advanced Science and Technology, 29(3s), 1227–1234.

O'Fallon, M. J., & Rutherford, D. G. (2010). Hotel management and operations. John Wiley & Sons.

Rustina, E., Lestari, S. S., Purba, D. C., Deriantoro, U., & Sulastomo, E. (2023). Operation of the Mardoc Application in the Operational Section of the Ship Certificate Service.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research, 2(03), 122–130.

Rustina, E., Pratama, D., Wisana, J., Moiyo, L., Endaryanti, D., & Utami, E. N. (2023). Pengaruh Layanan Kapal Terhadap Pendapatan PT. Pelabuhan Indonesia (Persero) Regional 1 Cabang Dumai. Meteor STIP Marunda, 16(1), 7–12.

Suganjar, S., Setiyantara, Y., Astriawati, N., & Safera, D. M. (2022). Deep Marine Map Utilization Management Supports the Use And Operation Of ECDIS On KM Ships. HODASCO 19. Asian Journal of Management, Entrepreneurship and Social Science, 2(04), 323–338.

Supartini, S., Iswanto, I., Astriawati, N., Dekanawati, V., & Alfanzuri, N. K. H. (2022). Pelayanan Jasa Impor Barang Dalam Masa Pandemi. Dinamika Bahari, 3(2), 114–123.

Timothy, D. J. (1998). Cooperative tourism planning in a developing destination. Journal of Sustainable Tourism, 6(1), 52–68.

Timothy, D., & Teye, V. (2009). Tourism and the lodging sector. Routledge.

Vladimir, Z. (1996). Electronic commerce: structures and issues. International Journal of Electronic Commerce, 1(1), 3–23.

Wen, H. J., Chen, H., & Hwang, H. (2001). E-commerce Web site design: strategies and models. Information Management & Computer Security, 9(1), 5–12.

Widyanto, H., Astriawati, N., Hanik, K., & Pertiwi, Y. (2022). Upaya PT Berlian Laju Tanker Tbk. Keluar Dari Suspensi Bursa Efek. Meteor STIP Marunda, 15(2), 528–535.

Zhao, W., & Ritchie, J. R. B. (2007). Tourism and poverty alleviation: An integrative research framework. Current Issues in Tourism, 10(2–3), 119–143.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.