

The Role of e-marketing and Customer Oriented on Business Performance Through Customer Loyalty and Hotels Competitive Advantage

Leo Hutagalung¹ , Poltak Sinaga² , Jacob Tan³ , Martinus Tukiran⁴

^{1,2,3,4}Universitas Pelita Harapan, Indonesia

E-mail : leo.hutagalung@gmail.com

ABSTRACT

The purpose of this study is to analyze the relationship between e-marketing and customer loyalty, competitive advantage, business performance, either directly or through customer oriented and customer loyalty mediation. In this study using quantitative methods and data analysis techniques Structural Equation Modeling (SEM) using SmartPLS 3.0 software. This research was conducted in the population in this study were all in Banten Province, namely 442 hotels. While the sample unit is the Banten Province hotel, which is 158 hotels. While the sample selection method uses non-probability sampling methods. Data collection in this study was carried out using an online questionnaire. After the questionnaires were sent to the respondents as many as 158 questionnaires, the next step was to evaluate the returned questionnaires, namely the questionnaires that returned 132 and did not return totaling 26 questionnaires. significant effect on competitive advantage, e-marketing has a significant effect on business performance, customer oriented has no significant effect on customer loyalty, customer oriented has no significant effect on competitive advantage, Customer Oriented has no significant effect on business performance, customer loyalty has a significant effect on business performance, competitive advantage has no significant effect on business performance, e-marketing has no significant effect on business performance through customer loyalty, e-marketing has no significant effect on business performance through competitive advantage, customer oriented has no significant effect on business performance through customer loyalty customer oriented has no significant effect on business performance through competitive advantage.

Keywords: e-marketing , customer loyalty, competitive advantage, business performance, customer oriented, customer loyalty

INTRODUCTION

In the era of industrial revolution, the development of hospitality in Indonesia has experienced rapid development. Along with the development and growth of the tourism sector, the demand for the need for the provision of hotel rooms in supporting the tourism sector is also

experiencing development. The number of accommodation businesses in Indonesia from year to year shows an increase. The number of hotels in Banten province during the period 2014-2018 has increased from year to year. From as many as 298 hotel units spread across regencies and cities in Banten in 2014 to 442 hotel units. in 2018 or an increase of 144 units (48.32 percent) over a period of four years. The highest increase

in the number of hotels occurred in 2017 where in total the number of hotels increased by 71 units or an increase of 22.68 percent compared to the previous year. In 2018, the number of non-star hotels seemed to increase more drastically than star hotels. Meanwhile, when compared to the previous year, the highest increase in the number of hotels by city occurred in Lebak Regency, with the addition of around 42 non-star hotels. The beauty of nature and the construction of various infrastructures in Lebak Regency would be enough reasons for the need for adequate hotels in the district. If we explore further, in the last five years, namely 2014-2018, it can be seen that the increase in star hotels in Banten is greater than non-star hotels, both in terms of the number of hotels, rooms, and beds. This indirectly shows that star hotels, with all the facilities provided, are starting to become the belle of tourists and business people who stay in Banten.

According to Adwan et al. (2019) The increasing number of accommodation businesses will have an impact on the increasingly fierce competition in the hotel industry in Indonesia. In conditions of increasingly fierce competition in the hotel industry, the efforts of every hotel manager to increase the occupancy rate of hotel rooms and ideally reach 100% each day will become increasingly difficult. The problem is how to increase the occupancy rate because it is already difficult to reach the break event point. So basically the main problems faced by the hospitality business are low room occupancy rates and high operating costs. According to Bazazo et al. (2017) one of the marketing strategies that can be done to increase the occupancy rate of hotel rooms is to reduce the price or room rate (Jawa Pos, 2005). If competition is sharp enough, there will often be tariff wars by setting prices lower than the prices set by competitors to attract more buyers (Yoeti, 2003). Lower rates and monitoring of value can be important strategies for filling vacant rooms . However , with increasingly fierce competition conditions and many hotel managers who are also implementing price reduction strategies , the

price reduction strategy alone is not enough to attract customers .

According to Bui et al. (2006) hotels cannot rely on the old, traditional ways without any effort from management to provide good service to customers in the form of an integrated marketing strategy. So the strategy of reducing hotel room prices must also be accompanied by offering better facilities and services to customers. According to Chang et al. (2009) in order to survive in the competition, hotel management needs to use a new perspective in marketing that is more marketing-oriented with competitive prices and good service. Pricing decisions must be consistent with the overall marketing strategy. According to Cheng et al. (2013) the value of a service is not determined by the price alone, but by the benefits that buyers get when consuming the service, and the prices of alternative services owned by competitors). In other words, hotel marketing requires planning and marketing-oriented marketing strategies in order to increase hotel profits which are ultimately expected to improve hotel performance. The purpose of this study is to analyze the relationship between e-marketing and customer loyalty, competitive advantage, business performance, either directly or through mediation of customer oriented and customer loyalty.

Hypotheses Development

Relationship between e-marketing and Customer Loyalty

The theory of e-marketing by Adwan et al. (2019) stated that e-marketing will have a positive effect on increasing customer loyalty. According to research conducted by Cheng et al. (2013), Christopher (2021), El-Gohary (2013) stated that an increase in e-marketing will encourage an increase in the customer loyalty variable. Meanwhile, research conducted by xxx states that an increase in the e-marketing variable will encourage an increase in the customer loyalty variable. According to research conducted by Adwan et al. (2019); Bazazo et al. (2017) and Bui et al. (2006) stated that e-marketing has a

significant influence on the customer loyalty variable. Based on theoretical studies and previous studies, the following hypotheses are formulated:

Hypothesis 1: There is a positive influence between e-marketing and Customer Loyalty

Relationship between e-marketing and Competitive Advantage

The theory of e-marketing by Fernandes et al. (2020), Hua et al. (2019) stated that e-marketing will have a positive effect on increasing Competitive Advantage. According to research conducted by El-Gohary (2013), Fernandes et al. (2020), Hua et al. (2019), Iddris et al. (2015), Kandampully et al. (2000) stated that the increase in e-marketing will encourage an increase in the Competitive Advantage variable. While the research conducted by Iddris et al. (2015), Kandampully et al. (2000) states that an increase in the e-marketing variable will encourage an increase in the Competitive Advantage variable. According to research conducted by Christopher (2021), El-Gohary (2013) states that e-marketing has a significant influence on the Competitive Advantage variable. Based on theoretical studies and previous studies, the following hypotheses are formulated:

Hypothesis 2: There is a positive effect between e-marketing and Competitive Advantage

Relationship between e-marketing and Business Performance

The theory of e-marketing by Mousavi (2012); Nasihatkon et al. (2016); Pešek et al. (2010); Rather et al. (2017) stated that e-marketing will have a positive influence on increasing Business Performance. According to research conducted by Hua et al. (2019), Iddris et al. (2015), Kandampully et al. (2000) stated that an increase in e-marketing will encourage an increase in the Business Performance variable. Meanwhile, research conducted by Christopher (2021), El-Gohary (2013), Fernandes et al. (2020), Hua et al. (2019), Iddris et al. (2015) stated that an increase in the e-marketing variable will encourage an increase in the Business

Performance variable. According to research conducted by Cheng et al. (2013), Christopher (2021), El-Gohary (2013) , Fernandes et al. (2020) states that e-marketing has a significant influence on the Business Performance variable. Based on theoretical studies and previous studies, the following hypotheses are formulated:

Hypothesis 3: There is a positive influence between e-marketing and Business Performance

Relationship between Customer Oriented and Customer Loyalty

Competitive Advantage Theory by Tsiotsou et al. (2011); Trihas et al. (2013) stated that Customer Oriented will have a positive influence on increasing customer loyalty. According to research conducted by Kandampully et al. (2000). stated that an increase in Customer Oriented will encourage an increase in the customer loyalty variable. Meanwhile, research conducted by Hua et al. (2019), Iddris et al. (2015), Kandampully et al. (2000). states that an increase in the e-Customer Oriented variable will encourage an increase in the customer loyalty variable. According to research conducted by Iddris et al. (2015), Kandampully et al. (2000) stated that e-marketing has a significant influence on the customer loyalty variable. Based on theoretical studies and previous studies, the following hypotheses are formulated:

Hypothesis 4: There is a positive influence between Customer Oriented and Customer Loyalty

Relationship between Customer Oriented and Competitive Advantage

Competitive Advantage Theory by Pešek et al. (2010); Rather et al. (2017); Salem et al. (2013) stated that Customer Oriented will provide a positive influence to increase Competitive Advantage. According to research conducted by Singh et al. (2018); Sheikh et al. (2018) that an increase in Customer Oriented will encourage an increase in the Competitive Advantage variable. While the research conducted by Fernandes et al. (2020), Hua et al. (2019), Iddris et al. (2015), Kandampully et al. (2000) states that an increase in the e-Customer Oriented variable will

encourage an increase in the Competitive Advantage variable. According to research conducted by El-Gohary (2013), Fernandes et al. (2020), Hua et al. (2019) states that e-marketing has a significant effect on the Competitive Advantage variable. Based on theoretical studies and previous studies, the following hypotheses are formulated:

Hypothesis 5: There is a positive influence between Customer Oriented and Competitive Advantage

Relationship between Customer Oriented and Business Performance

Competitive Advantage Theory by Sheikh et al. (2018); Tsiotsou et al. (2011); Trihas et al. (2013) stated that Customer Oriented will have a positive influence on increasing Business Performance. According to research conducted by Sheikh et al. (2018); Tsiotsou et al. (2011); Trihas et al. (2013) stated that an increase in Customer Oriented will encourage an increase in the Business Performance variable. While the research conducted by Hua et al. (2019) states that an increase in the Customer Oriented variable will encourage an increase in the Business Performance variable. According to research conducted by Hua et al. (2019), Iddris et al. (2015), Kandampully et al. (2000) stated that e-marketing has a significant influence on the Business Performance variable. Based on theoretical studies and previous studies, the following hypotheses are formulated:

Hypothesis 6: There is a positive influence between Customer Oriented and Business Performance

Relationship between Customer Loyalty and Business Performance

Customer Loyalty Theory by El-Gohary (2013) states that Customer Loyalty will provide a positive influence for increasing Business Performance. According to research conducted by Adwan et al. (2019) stated that an increase in Customer Loyalty will encourage an increase in the Business Performance variable. Meanwhile, research conducted by Pešteek et al. (2010); Rather et al. (2017); Salem et al. (2013); Siakalli

et al. (2017); Singh et al. (2018) states that an increase in the Customer Loyalty variable will encourage an increase in the Business Performance variable. According to research conducted by Kandampully et al. (2000) stated that Customer Loyalty has a significant influence on the Business Performance variable. Based on theoretical studies and previous studies, the following hypotheses are formulated:

Hypothesis 7 : There is a positive influence between Customer Loyalty and Business Performance

Relationship between Competitive Advantage and Business Performance

Customer Loyalty Theory by Kandampully et al. (2000) stated that Competitive Advantage will have a positive effect on increasing Business Performance. According to research conducted by Fernandes et al. (2020), Hua et al. (2019), Iddris et al. (2015) stated that an increase in Competitive Advantage will encourage an increase in the Business Performance variable. Meanwhile, research conducted by Hua et al. (2019), Iddris et al. (2015), Kandampully et al. (2000) states that an increase in the Competitive Advantage variable will encourage an increase in the Business Performance variable. According to research conducted by Iddris et al. (2015), stated that Competitive Advantage has a significant influence on the Business Performance variable. Based on theoretical studies and previous studies, the following hypotheses are formulated:

Hypothesis 8: There is a positive influence between Competitive Advantage and Business Performance

Relationship between e-marketing and Business Performance through Customer Loyalty

The theory of e-marketing by Bui et al. (2006) stated that e-marketing will have a positive effect on increasing Business Performance through Customer Loyalty. According to research conducted by Christopher (2021), El-Gohary (2013) , Fernandes et al. (2020) stated that an increase in e-marketing will encourage an increase in the Business Performance variable

through Customer Loyalty. Meanwhile, research conducted by Kandampully et al. (2000) stated that an increase in the e-marketing variable will encourage an increase in the Business Performance variable through Customer Loyalty. According to research conducted by, Fernandes et al. (2020), Hua et al. (2019), Iddris et al. (2015), Kandampully et al. (2000) stated that e-marketing has a significant influence on the Business Performance variable through Customer Loyalty. Based on theoretical studies and previous studies, the following hypotheses are formulated:

Hypothesis 9 : There is a positive influence between e-marketing and Business Performance through Customer Loyalty

Relationship between e-marketing and Business Performance through Competitive Advantage

The theory of e-marketing by Bui et al. (2006), Chang et al. (2009) stated that e-marketing will have a positive effect on increasing Business Performance through Competitive Advantage. According to research conducted by Adwan et al. (2019); Bazazo et al. (2017) stated that an increase in e-marketing will encourage an increase in the Business Performance variable through Competitive Advantage. While the research conducted by Kandampully et al. (2000) stated that an increase in the e-marketing variable will encourage an increase in the Business Performance variable through Competitive Advantage. According to research conducted by Iddris et al. (2015), Kandampully et al. (2000) stated that e-marketing has a significant influence on the Business Performance variable through Competitive Advantage. Based on theoretical studies and previous studies, the following hypotheses are formulated:

Hypothesis 10: There is a positive influence between e-marketing and Business Performance through Competitive Advantage

Relationship between Customer Oriented and Business Performance through Customer Loyalty

The Customer Oriented Theory by Bui et al. (2006), Chang et al. (2009) stated that Customer

Oriented will provide a positive influence for increasing Business Performance through Customer Loyalty. According to research conducted by Adwan et al. (2019); Bazazo et al. (2017) and Bui et al. (2006), Chang et al. (2009) stated that an increase in Customer Oriented will encourage an increase in the Business Performance variable through Customer Loyalty. While the research conducted by Iddris et al. (2015), Kandampully et al. (2000) states that an increase in the Customer Oriented variable will encourage an increase in the Business Performance variable through Customer Loyalty. According to research conducted by xxx states that Customer Oriented has a significant influence on the Business Performance variable through Customer Loyalty. Based on theoretical studies and previous studies, the following hypotheses are formulated:

Hypothesis 11: There is a positive influence between Customer Oriented and Business Performance through Customer Loyalty

Relationship between Customer Oriented and Business Performance through Competitive Advantage

Customer Oriented Theory by El-Gohary (2013), Fernandes et al. (2020), Hua et al. (2019) states that Customer Oriented will provide a positive influence for increasing Business Performance through Competitive Advantage. According to research conducted by Fernandes et al. (2020), Hua et al. (2019), Iddris et al. (2015) stated that an increase in Customer Oriented will encourage an increase in the Business Performance variable through Competitive Advantage. Meanwhile, research conducted by Cheng et al. (2013), Christopher (2021), El-Gohary (2013) , Fernandes et al. (2020), Hua et al. (2019), Iddris et al. (2015), Kandampully et al. (2000). states that an increase in the Customer Oriented variable will encourage an increase in the Business Performance variable through Competitive Advantage. According to research conducted by Adwan et al. (2019); Bazazo et al. (2017) and Bui et al. (2006), Chang et al. (2009), Cheng et al. (2013) stated that Customer Oriented has a significant influence on the

Business Performance variable through Competitive Advantage. Based on theoretical studies and previous studies, the following hypotheses are formulated:

Hypothesis 12: There is a positive influence between Customer Oriented and Business Performance through Competitive Advantage.

METHOD

This study uses quantitative methods and data analysis techniques Structural Equation Modeling (SEM) using SmartPLS 3.0 software. When the research is faced with questions in the form of identifying the dimensions of a concept or construct and at the same time wanting to measure the influence or degree of relationship between factors whose dimensions have been identified, SEM is an alternative answer that is worth considering.

This research was conducted in the population in this study were all in Banten Province, namely 442 hotels. While the sample unit is the Banten Province hotel, which is 158 hotels. While the sample selection method uses non-probability sampling methods or non-randomly sampling methods. Data collection in this study was carried out using techniques and procedures, namely online questionnaires. Questionnaire is the main instrument in collecting primary data. After the questionnaires were sent to the respondents as many as 158 questionnaires, the next step was to evaluate the returned questionnaires, namely 132 (78%), and 26 questionnaires (22%).

Research Model

Based on theoretical studies and previous studies, the research model is structured as follows:

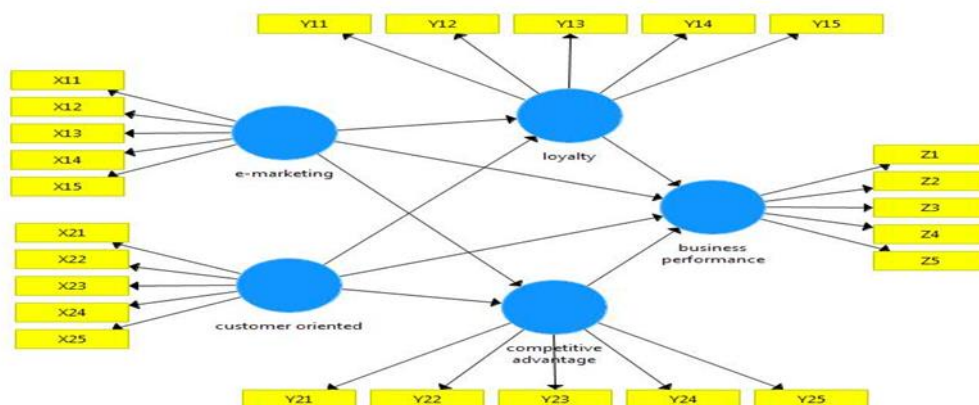


Fig 1. Research Model

In this study there are 12 hypotheses as follows:

Hypothesis 1: There is a positive influence between e-marketing and Customer Loyalty

Hypothesis 2: There is a positive effect between e-marketing and Competitive Advantage

Hypothesis 3: There is a positive influence between e-marketing and Business Performance

Hypothesis 4: There is a positive influence between Customer Oriented and Customer Loyalty

Hypothesis 5: There is a positive influence between Customer Oriented and Competitive Advantage

Hypothesis 6: There is a positive influence between Customer Oriented and Business Performance

Hypothesis 7 : There is a positive influence between Customer Loyalty and Business Performance

Hypothesis 8: There is a positive influence between Competitive Advantage and Business Performance

Hypothesis 9 : There is a positive influence between e-marketing and Business Performance through Customer Loyalty

Hypothesis 10: There is a positive influence between e-marketing and Business Performance through Competitive Advantage

Hypothesis 11: There is a positive influence between Customer Oriented and Business Performance through Customer Loyalty

Hypothesis 12: There is a positive influence between Customer Oriented and Business Performance through Competitive Advantage

Data Processing Stages

1. Reliability Test

According to Purwanto et al (2021) reliability is a measure of the internal consistency of indicators of a construct that shows the degree to which each indicator shows a general latent construct. According to Purwanto et al (2020) the reliability requirement is a measure of the stability and consistency of the results (data) at different times. To test the reliability of the construct in this study used the value of composite reliability. A variable is said to meet construct reliability if it has a composite reliability value > 0.7 and a Cronbach alpha value > 0.7 has a good level of reliability for a variable (Purwanto et al, 2019).

2. Validity Test

After the results of the test data are declared reliable, the next step is to test the validity including loading factor, AVE, Fornell Lacker Criterion and cross loading. The steps that need to be taken are selecting the outer loading menu to see the results of the loading factor test, then the discriminant validity menu to see the results of the Fornell Lacker criterion and cross loading tests. . According to Purwanto et al. (2020) The validity test is intended to measure the extent to which the accuracy and accuracy of a measuring instrument performs the function of its measuring instrument or provides appropriate measurement results by calculating the correlation between each statement with a total score. In this study, the measurement validity test consisted of convergent validity and discriminant validity.

In this study there are 12 hypotheses as follows:

Hypothesis 1: There is a positive influence between e-marketing and Customer Loyalty

Hypothesis 2: There is a positive effect between e-marketing and Competitive Advantage

Hypothesis 3: There is a positive influence between e-marketing and Business Performance

Hypothesis 4: There is a positive influence between Customer Oriented and Customer Loyalty

Hypothesis 5: There is a positive influence between Customer Oriented and Competitive Advantage

Hypothesis 6: There is a positive influence between Customer Oriented and Business Performance

Hypothesis 7 : There is a positive influence between Customer Loyalty and Business Performance

Hypothesis 8: There is a positive influence between Competitive Advantage and Business Performance

Hypothesis 9 : There is a positive influence between e-marketing and Business Performance through Customer Loyalty

Hypothesis 10: There is a positive influence between e-marketing and Business Performance through Competitive Advantage

Hypothesis 11: There is a positive influence between Customer Oriented and Business Performance through Customer Loyalty

Hypothesis 12: There is a positive influence between Customer Oriented and Business Performance through Competitive Advantage

Data Processing Stages

1. Reliability Test

According to Purwanto et al (2021) reliability is a measure of the internal consistency of indicators of a construct that shows the degree to which each indicator shows a general latent construct. According to Purwanto et al (2020) the reliability requirement is a measure of the stability and consistency of the results (data) at different times. To test the reliability of the construct in this study used the value of composite reliability. A

variable is said to meet construct reliability if it has a composite reliability value > 0.7 and a Cronbach's alpha value > 0.7 has a good level of reliability for a variable (Purwanto et al, 2019).

2. Validity Test

After the results of the test data are declared reliable, the next step is to test the validity including loading factor, AVE, Fornell Lacker Criterion and cross loading. The steps that need to be taken are selecting the outer loading menu to see the results of the loading factor test, then the discriminant validity menu to see the results of the Fornell Lacker criterion and cross loading tests. According to Purwanto et al. (2020) The validity test is intended to measure the extent to which the accuracy and accuracy of a measuring instrument performs the function of its measuring instrument or provides appropriate measurement results by calculating the correlation between each statement with a total score. In this study,

the measurement validity test consisted of convergent validity and discriminant validity.

RESULT and DISCUSSION

Reliability Test

According to Purwanto et al (2021) reliability is a measure of the internal consistency of indicators of a construct that shows the degree to which each indicator shows a general latent construct. According to Purwanto et al (2020) the reliability requirement is a measure of the stability and consistency of the results (data) at different times. To test the reliability of the construct in this study used the value of composite reliability. A variable is said to meet construct reliability if it has a composite reliability value > 0.7 and a Cronbach's alpha value > 0.6 has a good level of reliability for a variable (Purwanto et al, 2019). The composite reliability value of each indicator can be seen in table 1 below

Tabel 1. Reliability

Variables	Cronbach's Alpha	Composite Reliability
Business Performance	0.981	0.986
Competitive Advantage	0.976	0.982
Customer Oriented	0.995	0.996
e-Marketing	0.933	0.948
Loyalty	0.926	0.939

In table 1, it can be seen the results of the reliability test analysis using the SmartPLS tool which states that all composite reliability values are greater than 0.7, which means that all variables are reliable and have met the test criteria. Furthermore, the value of Cronbach's alpha also shows that all Cronbach's 'alpha' values are more than 0.6 and this indicates the level of reliability of the variable has also met the criteria.

Validity test

After the results of the test data are declared reliable, the next step is to test the validity including loading factor, AVE, Fornell Lacker Criterion and cross loading. The steps that need to be taken are selecting the outer loading menu to see the results of the loading factor test, then

the discriminant validity menu to see the results of the Fornell Lacker criterion and cross loading tests. According to Purwanto et al. (2020) The validity test is intended to measure the extent to which the accuracy and accuracy of a measuring instrument performs the function of its measuring instrument or provides appropriate measurement results by calculating the correlation between each statement with a total score. In this study, the measurement validity test consisted of convergent validity and discriminant validity.

1. Convergent Validity

Convergent validity is used to measure the correlation between item scores and construct scores, the higher the correlation the better the validity of the data (Purwanto, 2019). Measurement Measurement can be categorized

as having convergent validity if the loading factor value is > 0.7 (Purwanto et al, 2021). Figure 2 shows that all loading factors have a value of > 0.7 , so it can be concluded that all indicators have

met the criteria for convergent validity, because indicators for all variables have not been eliminated from the model.

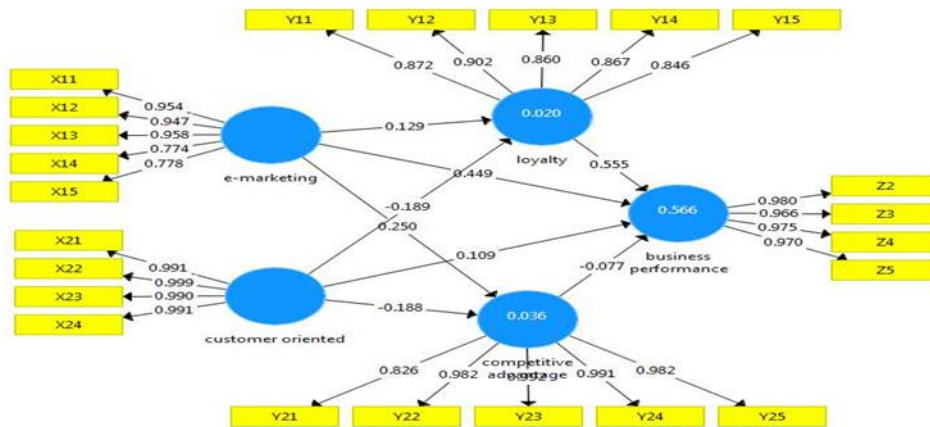


Fig 2. Convergen Validity

2. Discriminant validity

Discriminant validity is a test of construct validity by predicting the size of the indicator from each block (Purwanto et al, 2019). One of the discriminant validity can be seen by comparing the AVE value with the correlation between other constructs in the model. If the AVE root value is > 0.50 , it means that discriminant validity is reached (Purwanto et al, 2020).

Based on table 2, the AVE value for all variables is > 0.50 . So it can be said that the measurement model has been valid with discriminant validity. In addition, discriminant validity was also carried out based on the Fornell Larcker criteria measurement with the construct. If the construct correlation in each indicator is greater than the other constructs, it means that latent constructs can predict indicators better than other constructs (Purwanto et al, 2019).

The calculation can show on table 1.

Variables	AVE
Business Performance	0.986
Competitive Advantage	0.982
Customer Oriented	0.985
e-Marketing	0.786
Loyalty	0.756

Structural model (inner model)

The structural model (inner model) is the pattern of the relationship between the research variables. Evaluation of the structural model is by looking at the coefficients between variables and the value of the coefficient of determination (R²). The coefficient of determination (R²) essentially measures how far the model's ability to explain

variations in the dependent variable is. A value close to 1 means that the independent variables provide almost all the information needed to predict the variation of the dependent variable (Purwanto, 2021). This test aims to determine how much the independent variable model's ability to explain the dependent variable. The value of R square (R²) is a measure of the

proportion of the variation in the value of the affected variable which can be explained by the variable that influences it. According to Purwanto et al (2020) if in a study using more than two independent variables, then the adjusted r-square (adjusted R2) is used. The value of r square adjusted is a value that is always smaller than r square. The R2 value is close to 1, with the limiting criteria being divided into 3 classifications, namely:

If the value of R2 = 0.67 Model is substance (strong)
 If the value of R2 = 0.33 the model is moderate (medium)
 If the value of R2 = 0.19 the model is weak (bad)
 In this study, the adjusted r-square value (adjusted R2) is used, because it has more than two independent variables.

Tabel 3 . r-square adjusted

Variables	r-square adjusted
Business Performance	0.566
Competitive Advantage	0.036
Loyalty	0.020

In table 3 it can be explained that:

1. The adjusted R2 value of the independent variables e-marketing, customer oriented, customer loyalty and competitive advantage to the dependent variable Business Performance is 0.566. This value is categorized as moderate, so it can be concluded that the two independent variables have a moderate influence and level on the dependent variable. The independent variables e-marketing, customer Oriented, Customer Loyalty and Competitive Advantage contributed to the dependent variable Business Performance by 56.6% while the remaining 43.4% was influenced by other variables not discussed in this study.
2. The adjusted R2 value of the independent variable e-marketing and customer Oriented to the dependent variable loyalty is 0.020. This value is categorized as moderate, so

it can be concluded that the two independent variables have a bad influence on the dependent variable. The independent variable e-marketing, customer Oriented contributes to the dependent variable loyalty by 2% while the remaining 98% is influenced by other variables not discussed in this study.

3. The adjusted R2 value of the independent variable e-marketing and customer Oriented to the dependent variable Competitive Advantage is 0.036. This value is categorized as moderate, so it can be concluded that the two independent variables have a bad influence on the dependent variable. The independent variable e-marketing, customer Oriented contributes to the dependent variable Competitive Advantage by 3.6% while the remaining 96.4% is influenced by other variables not discussed in this study.

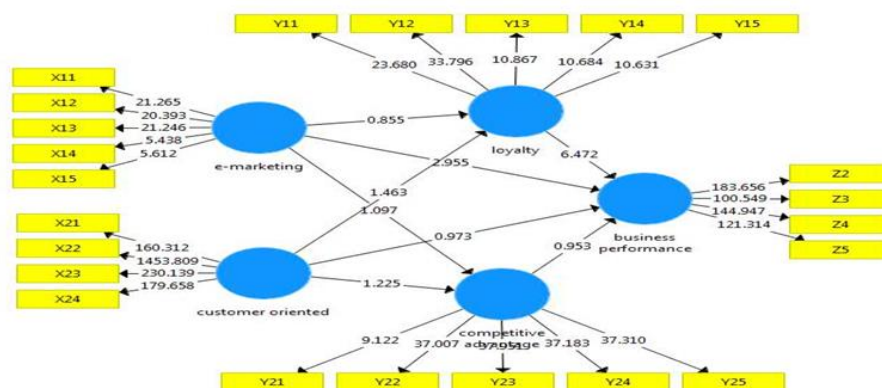


Fig 3. Hypotheses Testing

Hypothesis test

According to Purwanto et al (2021) After a research model is believed to be fit, a hypothesis test can be performed. The next step is to test the hypothesis that has been built in this study. In this case, the bootstrapping method is applied to the sample. Testing with bootstrapping is intended to minimize the problem of abnormal research data. The last step of the test using the smart PLS application is hypothesis testing and is carried out by looking at the results of the bootstrapping

value. This test is done by selecting the calculate menu and after that the menu options appear, then select bootstrapping, then the desired data will appear. The following are the results of the data test using bootstrapping. Hypothesis testing in this study can be known through regression weight by comparing the p-value with a significance level of 5% ($\alpha=5\%$). The hypothesis is said to be significant if it has a probability value ($p\text{-value} < 5\%$).

Table 4. Hypotheses Testing for Direct Effect

Hypotheses	P - Value	Result
e-Marketing-> Customer Loyalty	0.393	Not Significant
e-Marketing-> Competitive Advantage	0.273	Not Significant
e-Marketing-> Business Performance	0.002	Significant
Customer Oriented-> Customer Loyalty	0.221	Not Significant
Customer Oriented -> Competitive Advantage	0.144	Not Significant
Customer Oriented -> Business Performance	0.341	Not Significant
Customer Loyalty -> Business Performance	0.000	Not Significant
Competitive Advantage-> Business Performance	0.341	Not Significant

Relationship between e-marketing and Customer Loyalty

Based on the results of data analysis using SmartPLS obtained p value $0.393 > 0.050$ so it is concluded that e-marketing has no significant effect on Customer Loyalty, an increase in e-marketing variable will have an insignificant effect on increasing customer loyalty variables and decreasing e-marketing variables will have an effect not significant to the decrease in customer loyalty variable. This result is not in line with the research conducted by Sheikh et al. (2018); Tsiotsou et al. (2011); Trihas et al. (2013) that e-marketing has a positive and significant effect on Customer Loyalty.

Relationship between e-marketing and Competitive Advantage

Based on the results of data analysis using SmartPLS obtained p value $0.273 > 0.050$ so it can be concluded that e-marketing has no significant effect on Competitive Advantage, an increase in the e-marketing variable will have an insignificant effect on increasing the Competitive Advantage variable and a decrease in the e-marketing variable will have an effect not

significant to the decrease in the Competitive Advantage variable. This result is not in line with the research conducted by Labanauskaitė et al (2020); Lim (2010); Lončarić et al. (2015) that e-marketing has a positive and significant effect on Competitive Advantage.

Relationship between e-marketing and Business Performance

Based on the results of data analysis using SmartPLS obtained p value of $0.002 < 0.050$ so it can be concluded that e-marketing has a significant effect on Business Performance, increasing e-marketing variables will have a significant effect on increasing Business Performance variables and decreasing e-marketing variables will have a significant effect on decrease in the Business Performance variable. These results are in line with research conducted by Mousavi (2012); Nasihatkon et al. (2016); Peštek et al.(2010 that e-marketing has a positive and significant effect on Business Performance

Relationship between Customer Oriented and Customer Loyalty

Based on the results of data analysis using SmartPLS obtained p value of $0.144 > 0.050$ so it can be concluded that Customer Oriented has no significant effect on Customer Loyalty, an increase in the Customer Oriented variable will have an insignificant effect on increasing the customer loyalty variable and a decrease in the Customer Oriented variable will have an insignificant effect on decrease in customer loyalty variables. This result is not in line with the research conducted by Siakalli et al. (2017); Singh et al. (2018); Sheikh et al. (2018) that Customer Oriented has a positive and significant effect on Customer Loyalty.

Relationship between Customer Oriented and Competitive Advantage

Based on the results of data analysis using SmartPLS obtained p value of $0.221 > 0.050$ so it can be concluded that Customer Oriented has no significant effect on Competitive Advantage, an increase in the Customer Oriented variable will have an insignificant effect on increasing the Competitive Advantage variable and a decrease in the Customer Oriented variable will have an insignificant effect on reduction in the Competitive Advantage variable. This result is not in line with the research conducted by Singh et al. (2018); Sheikh et al. (2018); Tsiotsou et al. (2011); Trihas et al. (2013) that Customer Oriented has a positive and significant effect on Competitive Advantage

Relationship between Customer Oriented and Business Performance

Based on the results of data analysis using SmartPLS obtained p value of $0.903 > 0.050$ so it is concluded that Customer Oriented has no significant effect on Business Performance, an increase in the Customer Oriented variable will have an insignificant effect on increasing the Business Performance variable and a decrease in the Customer Oriented variable will have an

insignificant effect on decrease in the Business Performance variable. These results are not in line with the research conducted by Labanauskaitė et al (2020); Lim (2010); Lončarić et al. (2015); Mousavi (2012); Nasihatkon et al. (2016) that Customer Oriented has a positive and significant effect on Business Performance

Relationship between Customer Loyalty and Business Performance

Based on the results of data analysis using SmartPLS obtained p value $0.000 < 0.050$ so it can be concluded that Customer Loyalty has a significant effect on Business Performance, an increase in the Customer Loyalty variable will have a significant effect on increasing the Business Performance variable and a decrease in the Customer Loyalty variable will have a significant effect on the decrease in the Business variable. Performance. This result is not in line with the research conducted by Nasihatkon et al. (2016); Peštek et al. (2010); Rather et al. (2017); Salem et al. (2013) that Customer Loyalty has a positive and significant effect on Business Performance

Relationship between Competitive Advantage and Business Performance

Based on the results of data analysis using SmartPLS obtained p value $0.341 > 0.050$ so it is concluded that Competitive Advantage has no significant effect on Business Performance, an increase in the Competitive Advantage variable will have an insignificant effect on increasing the Business Performance variable and a decrease in the Competitive Advantage variable will have an insignificant effect on decrease in the Business Performance variable. This result is not in line with the research conducted by Nasihatkon et al. (2016); Peštek et al. (2010); Rather et al. (2017) that Competitive Advantage has a positive and significant effect on Business Performance.

Table 5. Hypotheses Testing for Undirect Effect

Hypotheses	P - Value	Result
e-Marketing -> Business Performance-> Customer Loyalty	0.421	Not Significant

e-Marketing -> Business Performance-> Customer Loyalty -> Competitive Advantage	0.514	Not Significant
Customer Oriented -> Business Performance-> Customer Loyalty	0.149	Not Significant
Customer Oriented -> Business Performance-> Customer Loyalty-> Competitive Advantage	0.522	Not Significant

Relationship between e-marketing and Business Performance through Customer Loyalty

Based on the results of data analysis using SmartPLS obtained p value of $0.421 > 0.050$ so that it can be concluded that e-marketing has no significant effect on Business Performance through Customer Loyalty, increasing e-marketing variables will have an insignificant effect on increasing Business Performance variables and decreasing e-marketing variables. will have an insignificant effect on the decrease in the Business Performance variable through Customer Loyalty. This result is not in line with the research conducted by Singh et al. (2018); Sheikh et al. (2018); Tsiotsou et al. (2011); Trihas et al. (2013) that e-marketing has a positive and significant effect on Business Performance through Customer Loyalty

Relationship between e-marketing and Business Performance through Competitive Advantage

Based on the results of data analysis using SmartPLS obtained p value $0.514 > 0.050$ so it can be concluded that e-marketing has no significant effect on Business Performance through Competitive Advantage, increasing e-marketing variables will have an insignificant effect on increasing Business Performance variables and decreasing e-marketing variables. will have an insignificant effect on the decrease in the Business Performance variable through Competitive Advantage. These results are not in line with research conducted by Lim (2010); Lončarić et al. (2015); Mousavi (2012) that e-marketing has a positive and significant effect on Business Performance through Competitive Advantage.

Relationship between Customer Oriented and Business Performance through Customer Loyalty

Based on the results of data analysis using SmartPLS obtained p value $0.149 > 0.050$ so it can be concluded that Customer Oriented has no

significant effect on Business Performance through Customer Loyalty, an increase in the Customer Oriented variable will have an insignificant effect on increasing the Business Performance variable and a decrease in the Customer Oriented variable will have an effect not significant to the decrease in the Business Performance variable through Customer Loyalty. This result is not in line with the research conducted by Tsiotsou et al. (2011); Trihas et al. (2013) that Customer Oriented has a positive and significant effect on Business Performance through Customer Loyalty

Relationship between Customer Oriented and Business Performance through Competitive Advantage

Based on the results of data analysis using SmartPLS obtained p value $0.522 > 0.050$ so it can be concluded that Customer Oriented has no significant effect on Business Performance through Competitive Advantage, an increase in the Customer Oriented variable will have an insignificant effect on increasing the Business Performance variable and a decrease in the Customer Oriented variable will have an effect. not significant to the decrease in the Business Performance variable through Competitive Advantage. This result is not in line with the research conducted by Salem et al. (2013); Siakalli et al. (2017); Singh et al. (2018); Sheikh et al. (2018); Tsiotsou et al. (2011); Trihas et al. (2013) that Customer Oriented has a positive and significant effect on Business Performance through Competitive Advantage.

CONCLUSION

Based on the results of data analysis, it is concluded that e-marketing has no significant effect on customer loyalty, e-marketing has no significant effect on competitive advantage, e-

marketing has a significant effect on business performance,

customer oriented has no significant effect on customer loyalty, customer oriented has no significant effect on competitive advantage, customer oriented has no significant effect on business performance, customer loyalty has no significant effect on business performance, competitive advantage has no significant effect on business performance, e-marketing has no significant effect on business performance through customer loyalty, e-marketing has no significant effect on business performance through competitive advantage, customer oriented has no significant effect on business performance through customer loyalty, customer oriented has no significant effect on business performance through competitive advantage. Based on the importance of indicators of customer loyalty, this can be used as consideration for hotel managers to pay more attention to efforts to satisfy customers. departments to build coordination and implement decisions openly. Hotel managers to pay more attention to administrative innovation, namely flexible administration by providing conveniences to customers or hotel guests in the administrative process, for example payment methods can be made by cash, credit card, transfer , or sending invoices; or in the case of administration of filling in the registration card by filling in the registration card for guests who are staying for the first time, or for guests who are already hotel customers, the hotel simply provides a pre-registration card and the customer simply gives his signature because the customer data already exists in the guest history cards. The room occupancy rate leads to a more varied pattern, namely the room occupancy rate, food & beverage, and other services in a more balanced manner, so this can be used as consideration for hotel managers to be more creative in finding alternative sources of income for hotels. This is necessary in order to anticipate the increasingly fierce competition in star hotels. For researchers, research can be done on the influence of marketing strategies on the performance of five-star hotels, but by adding dimensions or indicators to performance variables, such as food & beverage, other

services, and length of stay, so that the performance variable has a wider dimension. The dimensions of food & beverage and other services are ideally applied in a situation where the competition for star hotels is getting tougher.

REFERENCES

- Al Adwan, A., Aladwan, K. M., & Al-Adwan, A. S. (2019). E-marketing strategic for Jordanian small business to increase sale in local e-market. *Academy of Strategic Management Journal*, 18(6), 1-13.
- Bazazo, I., Alansari, I., Alquraan, H., Alzgaybh, Y., & Masa'deh, R. E. (2017). The influence of total quality management, market orientation and e-marketing on hotel performance. *International Journal of Business Administration*, 8(4), 79.
- Bui, T. X., Le, T., & Jones, W. D. (2006). An exploratory case study of hotel e-marketing in Ho Chi Minh City. *Thunderbird International Business Review*, 48(3), 369-388.
- Chang, H. H., Wang, Y. H., & Yang, W. Y. (2009). The impact of e-service quality, customer satisfaction and loyalty on e-marketing: Moderating effect of perceived value. *Total quality management*, 20(4), 423-443.
- Cheng, B. L., & Rashid, M. Z. A. (2013). Service Quality and the Mediating Effect of Corporate Image on the Relationship between Customer Satisfaction and Customer Loyalty in the Malaysian Hotel Industry. *Gadjah Mada International Journal of Business*, 15(2).
- Christopher, A. O. (2021). E-marketing and the hotel business promotion: Prospect and challenges in selected hotels in Ado-Ekiti, Nigeria. *E3 Journal of Business Management and Economics.*, 11(1), 020-026.
- El-Gohary, H. (Ed.). (2013). *E-Marketing in Developed and Developing Countries: Emerging Practices: Emerging Practices*. IGI Global.

- Fernandes Sampaio, C. A., Hernández Mogollón, J. M., & de Ascensão Gouveia Rodrigues, R. J. (2020). The relationship between market orientation, customer loyalty and business performance: A sample from the Western Europe hotel industry. *Tourism and Hospitality Research*, 20(2), 131-143.
- Hua, N., Hight, S., Wei, W., Ozturk, A. B., Zhao, X. R., Nusair, K., & DeFranco, A. (2019). The power of e-commerce: Does e-commerce enhance the impact of loyalty programs on hotel operating performance?. *International Journal of Contemporary Hospitality Management*.
- Iddris, F., & Ibrahim, M. (2015). Examining the relationships between e-Marketing adoption and Marketing Performance of Small and Medium Enterprises in Ghana. *Journal of Marketing and Consumer Research*, 10, 160-169.
- Kandampully, J., & Suhartanto, D. (2000). Customer loyalty in the hotel industry: the role of customer satisfaction and image. *International journal of contemporary hospitality management*.
- Labanauskaitė, D., Fiore, M., & Stašys, R. (2020). Use of E-marketing tools as communication management in the tourism industry. *Tourism Management Perspectives*, 34, 100652.
- Lim, W. M. (2010). Factor analysis of variables affecting e-marketing adoption by UK independent hotels. In *Information and Communication Technologies in Tourism 2010* (pp. 39-50). Springer, Vienna.
- Lončarić, D., & Radetić, N. (2015). The implementation of e-marketing in the hotel industry: The case of Istria county. *Zbornik Veleučilišta u Rijeci*, 3(1), 12-24.
- Mousavi, S. S. (2012). Effective Elements on E-Marketing strategy in Tourism Industry (Case study: Airlines, Tour Operator and Chain Hotels in Germany and Iran).
- Nasihatkon, B., Kheiri, J., & Miralbell, O. (2016). Social media and hotel e-marketing in Iran: The case of Parsian International Hotels. *Turyzm/Tourism*, 26(2), 15-21.
- Peštek, A., & Cicic, M. (2010). Application of e-marketing strategies in tourism sector in Bosnia and Herzegovina. In *Proceedings, 5th International Conference "An Enterprise Odyssey: From Crisis to Prosperity—Challenges for Government and Business* (pp. 132-145).
- Purwanto, A. (2021). Partial Least Squares Structural Squation Modeling (PLS-SEM) Analysis for Social and Management Research : A Literature Review. *Journal of Industrial Engineering & Management Research*, 2(4), 114 - 123.
<https://doi.org/10.7777/jiemar.v2i4.168>
- Purwanto, A., Asbari, M., & Santoso, T. (2021). Education Management Research Data Analysis: Comparison of Results between Lisrel, Tetrad, GSCA, Amos, SmartPLS, WarpPLS, and SPSS For Small Samples. *Nidhomul Haq : Jurnal Manajemen Pendidikan Islam*, 6(2), 382-399.
<https://doi.org/10.31538/ndh.v6i2.1575>
- Purwanto, Masduki Asbari, Teguh Iman Santoso, Vip Paramarta Denok Sunarsi (2021). Social and Management Research Quantitative Analysis for Medium Sample: Comparing of Lisrel, Tetrad, GSCA, Amos, SmartPLS, WarpPLS, and SPSS. *Jurnal Ilmiah Ilmu Administrasi Publik: Jurnal Pemikiran dan Penelitian Administrasi Publik*.9(2).518-532
- Purwanto, Masduki Asbari, Teguh Iman Santoso, Marissa Grace Haque, Nurjaya (2021). Marketing Research Quantitative Analysis for Large Sample: Comparing of Lisrel, Tetrad, GSCA, Amos, SmartPLS, WarpPLS, and SPSS. *Jurnal Ilmiah Ilmu Administrasi Publik: Jurnal Pemikiran dan Penelitian Administrasi Publik*.9(2).355-372
- Purwanto, A., Asbari, M., Santoso, T. I., Sunarsi, D., & Ilham, D. (2021). Education Research

- Quantitative Analysis for Little Respondents: Comparing of Lisrel, Tetrad, GSCA, Amos, SmartPLS, WarpPLS, and SPSS. *Jurnal Studi Guru Dan Pembelajaran*, 4(2), 335-348. <https://doi.org/10.30605/jsgp.4.2.2021.1326>
- Purwanto, A., Asbari, M., & Santoso, T. I. (2021). Analisis Data Penelitian Sosial dan Manajemen: Perbandingan Hasil antara Amos, SmartPLS, WarpPLS, dan SPSS Untuk Jumlah Sampel Medium. *International Journal of Social and Management Studies*, 2(4), 43–53. <https://doi.org/10.5555/ijosmas.v2i4.50>
- Purwanto, A., Asbari, M., & Santoso, T. I. (2021). Analisis Data Penelitian Marketing: Perbandingan Hasil antara Amos, SmartPLS, WarpPLS, dan SPSS Untuk Jumlah Sampel Besar. *Journal of Industrial Engineering & Management Research*, 2(4), 216 - 227. <https://doi.org/10.7777/jjemar.v2i4.178>
- Purwanto, A., Asbari, M., & Santosi, T. I. (2021). Analisis Data Penelitian Manajemen Pendidikan: Perbandingan Hasil antara Amos, SmartPLS, WarpPLS, dan SPSS Untuk Jumlah Sampel Kecil. *INTERNATIONAL JOURNAL OF SOCIAL, POLICY AND LAW*, 1(1), 111 - 121. <https://doi.org/10.8888/ijospl.v1i1.64>
- Rather, R. A., & Sharma, J. (2017). The effects of customer satisfaction and commitment on customer loyalty: Evidence from the hotel industry. *JOHAR*, 12(2), 41.
- Salem, I. E. B., El-Said, O. A., & Nabil, M. (2013). Determinants and effects of applying electronic marketing in Alexandria hotels: Current status and future trends. *Journal of Tourism and Hospitality*, 2(2), 112.
- Siakalli, M., Masouras, A., & Papademetriou, C. (2017). e-Marketing in the hotel industry: marketing mix strategies. In *Strategic Innovative Marketing* (pp. 123-129). Springer, Cham.
- Singh, A. S. H. O. K., & Rathore, D. S. (2018). Customers' satisfaction with E-Marketing Tools used by Budget Hotels of Udaipur. *South Asian Journal of Tourism & Heritage*, 18(2).
- Sheikh, A. A., Rana, N. A., Inam, A., Shahzad, A., & Awan, H. M. (2018). Is e-marketing a source of sustainable business performance? Predicting the role of top management support with various interaction factors. *Cogent Business & Management*, 5(1), 1516487.
- Tsiotsou, R. H., & Vlachopoulou, M. (2011). Understanding the effects of market orientation and e-marketing on service performance. *Marketing Intelligence & Planning*.
- Trihas, N., Mastorakis, G., Perakakis, E., & Kopanakis, I. (2013). Efficient e-marketing in tourism through a novel customer relationship management model. *GSTF Journal on Business Review (GBR)*, 3(1), 1-6.