

# THE DIFFERENCE IN MICE TOURIST SATISFACTION IN BALI AND JAKARTA

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**Abstract:** Due to the economic potential magnitude of tourism industry, the industry should be given more attention so that the industry can become foreign exchange and locally-generated revenue contributor. The demand for tourism continues to grow and this becomes an exciting opportunity. Manufacturers are increasingly convinced that the key to winning the competition lies in the ability to give satisfaction to the customers, in this case, tourist satisfaction. The increasing number of competitors in the tourism industry will make tourist object managers continue to improve their competitiveness. One type of tourism being paid attention by the government is the MICE tourism. There are 10 regions having been designated as the MICE tourist destinations and 3 potential regions being prepared to be the MICE tourist destinations. Of the 10 regions designated as the MICE tourist regions, Bali and Jakarta have been considered as successful. This success made the researchers interested in measuring the difference in the levels of satisfaction in the two regions, namely Jakarta and Bali. This study used probability sampling to get a sample of 200 respondents. The methods of analysis were descriptive analysis and verification analysis by using SPSS software version 16.0. Cartesian graphs were used to map the research indicators. The results of hypothesis testing showed that there was a significant difference in satisfaction in both tourist regions.

**Keywords:** *satisfaction, tourists*

## 1. Introduction

Tourism industry is a collection of tourism businesses mutually interlinked in order to produce goods and/or services to meet the needs of tourists in tourism management. One trendy type of tourism industry is the MICE tourism. MICE activities in Indonesia begin to grow and become popular among the people, and become one indicator of economic growth. MICE stands for Meetings, Incentives, Conferences and Exhibitions.

Some research indicates MICE tourists generally stay a bit longer because they join pre- and post-tour activities with various programs like ladies and children programs so that the overall tourist spending will be higher. As the MICE industry has multi-layer effects, the MICE can improve the economy of surrounding communities, because all stakeholders will be involved in the event. In addition, the unemployment rate will be reduced through MICE industry. The advantages of MICE industry are among others bringing large numbers of tourists, staying longer, international promotion impact, the amount of spending money, improving infrastructure, and increasing and strengthening national pride and diplomacy.

Competition in the MICE industry is very tight, especially with Singapore, Thailand, Hong Kong and Malaysia. However, Indonesia has many advantages, especially in terms of natural beauty and culture.

The government has designated 10 major cities and 3 potential cities of MICE destinations in Indonesia. The ten major cities are Medan, Padang/Bukit Tinggi, Batam, Jakarta, Bandung, Yogyakarta, Surabaya, Bali, Makassar and Manado; the three potential cities are Palembang, Lombok and Balikpapan. Domestic MICE activities also show a trend of encouraging progress, being carried out not only by businessmen, associations and education world, but also by the government and political parties, both on national and international scales. It can also be seen from increasing demands of government support from various parties ranging from promotions, delegate boosting, site visits and program enrichment when an event is held. Two provinces popular with tourists are Yogyakarta and Bali.

Various strategic measures to develop MICE in Indonesia are, among others, by co-marketing approach with the industry players. MICE as an industry has customers who cannot be released for granted, but need to be nurtured so that the tourists keep coming back. One way to keep the customers in this case is customer satisfaction. A satisfied customer will remain loyal for a long time. This study would analyze the levels of MICE tourist satisfaction and determine the factors that had low priority, the factors that needed to be maintained, the factors that had been rated as good, and the factors that were considered excessive by tourists.

## **2. Theoretical Bases**

### **2.1 Customer Satisfaction**

Customer satisfaction has become an important factor in the company because it brings positive benefits for the company. The importance of customer satisfaction is based on the view that business will be successful and profitable if the company can satisfy its costumers. Previous studies have proven that customer satisfaction affects customer loyalty (Cronin and Taylor, 1992; Fomel, 1992). Customer satisfaction helps a company get customers (Fornel, 1992; Halstead and Page, 1992). Customer satisfaction can also affect positive WOM (Word of Mouth] that becomes indirect advertising for the company (Halstead and Page, 1992; Fornell, 1992).

Customer satisfaction is different from customer loyalty. Customer satisfaction measures the fulfillment of customer expectations, while customer loyalty measures repurchases and relational ties. Customer satisfaction is important but not sufficient to create loyalty. In other words, the customer may be satisfied, but the customer will not necessarily be loyal (Shoemaker and Lewis, 1999). Oliver (1999) also states that satisfaction and loyalty cannot be a replacement for one another. Customer satisfaction is an antecedent of customer loyalty (Bennett and Thiele, 2004).

Customer satisfaction is determined by positive confirmation or disconfirmation, and customer dissatisfaction is determined by negative disconfirmation against expectations (Day, 1984; Oliver, 1980). In the early 1980s, customer satisfaction became increasingly popular and continued to be explored in a variety of marketing literature; customer satisfaction (expectation and disconfirmation paradigm), quality of service, the similarity of customer satisfaction and service quality, excitement, disappointment, customer loyalty, and the decision to switch were of popular discussion in the literature regarding customer satisfaction.

Oliver (1977) suggests that the paradigm of expectations and disconfirmation are two cognitive processes that exist in customer satisfaction because customers form expectations that become the reference to rate the performance of companies, whereas positive disconfirmation (performance exceeding expectations) and negative disconfirmation (performance lower than expected) are extremely influential in determining customer satisfaction and dissatisfaction.

Swan and Trawick (1981) conducted a study of expectations and evaluation of services and the intention to be a restaurant customer. Rust et al. (1994) suggested a more precise disconfirmation method, although there have had no comparative studies.

Oliver (1996) states that satisfaction is pleasurable fulfilment where customer expectations are met satisfactorily. Therefore, customer satisfaction is an evaluation of post-purchase of a customer. Parallel to the above opinion, Dimitris et.al. (2007) state that customer satisfaction is a comparison between the performance of services and customer expectations. According to Lovelock and Wright (2005), customer satisfaction is a post-purchase emotional reaction of customers which can be in the form of anger, dissatisfaction, annoyance, neutrality, joy or pleasure.

According to Kotler (2000), customer satisfaction is the level of customer's feelings after comparing the perceived service performance with expectations of service. Spreng et.al. (1996) state that customer's satisfied feeling arises when the customer exceeds his/her perception of service performance with the customer expectations. Oliver and De Sarbo (1988) state that customer satisfaction appears because of psychological conditions generated by emotional factors where customer's hope {expectation} is compared with the previous experience of customer {perception}. Zithaml et.al. (1996) state that customer satisfaction is a comparison between what is expected by the customer {expectation} and the perception of company's performance {perceived performance}.

Tjiptono (2005) states that customer satisfaction is the emotional response to the evaluation of consumption experience of a product or service.

When a consumer buys a product, he/she has an expectation about how the product functions (product performance). The product will function as follows:

- a. The product functions better than expected; this is referred to as positive disconfirmation. If this happens, the consumer will be satisfied.
- b. The product functions as expected; this is referred to as simple confirmation. The product does not give a sense of satisfaction, and the product does not disappoint the consumer. The consumer will have a neutral feeling.
- c. The product functions worse than expected; this is referred to as negative disconfirmation. The product which functions poorly, not complying with consumer

expectations, will lead to disappointment, so that the consumer will not be satisfied.

Customer satisfaction can be measured by various methods and techniques. According to Kotler and Armstrong (2001), there are four methods to measure customer satisfaction:

a. Complaints and Feedback System

A customer-oriented company will provide ample opportunity to its customers to submit suggestions and complaints, for example by providing suggestion boxes, comment cards and others.

b. Ghost Shopping

One way to get a picture of customer satisfaction is by employing a few people (ghost shoppers) to act or behave as potential buyers of the products from the company and from competitors. Then they will report the findings about the strengths and weaknesses of the company's and competitors' products on the basis of their experience in purchasing the products.

c. Lost Customer Analysis

The company will contact its customers, or at least seek out customers who have stopped buying products or who have switched to other suppliers, in order to know why the customers go away. An increase in the rate of lost customers shows the failure of the company to satisfy its customers.

d. Customer Satisfaction Survey

In general, research on customer satisfaction is conducted by a survey through various media either by phone, mail, or by direct interview. Having conducted a survey to the customers by the company, the company will obtain responses and feedback directly from the customers and will also give a sign that the company pays great attention to its customers.

## **2.2 Concept of Tourism**

### **Definitions of Tourism**

In a broad sense, tourism is a recreational activity beyond the domicile to escape from the daily routine or look for another ambience (Weber, et.al. 2006: 1). According to Wahab (2003: 3), tourism can be seen as something abstract, for example, as a phenomenon that depicts the departure of people within their own country (domestic tourism) or crossing of people at the border of a country (international tourism). Tourism

consists of three elements, namely human (the element of human as doer of tourism activities), place (the physical element actually covered by the activity itself), time (tempo element that is spent in the journey itself and the stay in the place of interest) as well as the tourism industry that provides services, attractions and ambience.

Indonesian Law No. 10 of 2009 on tourism explains that tourism is a wide range of tourist activities supported by a variety of facilities and services provided by the communities, businessmen, and government.

### **Nature and Characteristics of Tourism**

Tourism is a combination of goods and service products. Both are importantly needed and produced by the tourism industry. Basically, tourism is a unique activity with the following characteristics.

- a. Combination of tangible and intangible properties
- b. Inseparable nature
- c. Volatility
- d. Diversity
- e. Perishable nature
- f. Seasonality
- g. No-ownership

### **2.3. Hypothesis**

There was a significant difference in the MICE tourist satisfaction in Jakarta and Bali.

### **3. Methodology**

This was a conclusive research design. Conclusive research is the research designed to assist the decision-maker in determining, evaluating and selecting the best course of action to take in a given situation (Malholtra, 2007: 75). One process in a conclusive design is to explain the phenomena that become the background issues (descriptive)

### **3.1 Population and Sample**

The population of the study was the tourists coming to the tourist objects in the sample regions. According to Sugiono (2007), the sample size is 10 to 20 times the number of indicators. This study had two indicators: performance indicator and expectation indicator; the sample was taken at least 2 times 20, so as many as 200 people, with 100 people for each region.

### **3.2 Research Sites**

The study was conducted in two provinces which had been considered successful in implementing the MICE programs, namely Jakarta and Bali.

### **3.3 Data**

The main data of this study were the primary data from the respondents (tourists) and the secondary data from the Tourism Offices and Central Bureau of Statistics in each region. The techniques for collecting the data were questionnaire and documentation.

### **3.4 Analysis Techniques**

This was a conclusive research design. Conclusive research is the research designed to assist the decision-maker in determining, evaluating and selecting the best course of action to take in a given situation (Malholtra, 2007: 75). One process in a conclusive design is to explain the phenomena that become the background issues (descriptive) IPA (Importance Performance Analysis) was used to determine the factors that had low priority, the factors that needed to be maintained, the factors that had been rated as good, and the factors that were considered excessive by tourists.

To find the difference in the levels of satisfaction in the two sample cities, hypothesis testing with paired t-test was used. Paired t-test was used to verify whether there was any significant difference in tourist satisfaction of tourist objects in Jakarta and Bali. The hypotheses are:

$H_0: \beta_1 = 0$ : There was no difference in tourist satisfaction in both tourist regions

$H_a: \beta_1 \neq 0$ : There was a difference in tourist satisfaction in both tourist regions

If  $t\text{-calculated} > t\text{-table}$ ,  $H_0$  was rejected, and vice versa, using  $\alpha = 5\%$

## **4. Results and Discussion**

The indicators were as follows:

1. Tourist object services on the rides and outside the rides were accurate as promised
2. Tourist object services on the rides and outside the rides were not late
3. Tourist object services on the rides and outside the rides were consistent in terms of accuracy and delivery time
4. Alacrity of officials to serve you, on the rides or outside the rides
5. Fast-handling services by officials, on the rides or outside the rides
6. Quality of handling consumer complaints by officials, on the rides or outside the Rides.
7. Job skills of officials in their respective responsibilities
8. Courtesy of officials to serve visitors
9. Tourist objects had a reputation and achievements, including the managing Companies
10. Tourist objects had easy access and took advantage of the rides
11. Tourist objects had the ease of communicating with officials
12. The officials had the attitude in understanding the needs of visitors, on the rides or at the tourist site
13. Access roads to the tourist site
14. Atmosphere of tourist site in terms of neatness and cleanliness
15. Atmosphere of tourist site in terms of parking lots and access roads at the site
16. Atmosphere of tourist site in terms of greening
17. Diversity of the rides being offered
18. Quality of the rides being offered
19. Availability and cleanliness of public facilities, such as places of worship, toilets, rest areas, and public phones
20. Availability and cleanliness of food shopping (restaurants and the like), souvenirs and the like
21. Behaviors of other visitors, such as helping maintain cleanliness, tranquility and the like.

From the results of questionnaire, satisfaction indices were obtained by comparing the values of performance and expectation at each research site, as follows:

**Table 1**  
**Average Indices of MICE Tourist Satisfaction in Bali Province**

No	1	2	3	4	Total	Average	1	2	3	4	Total	Average



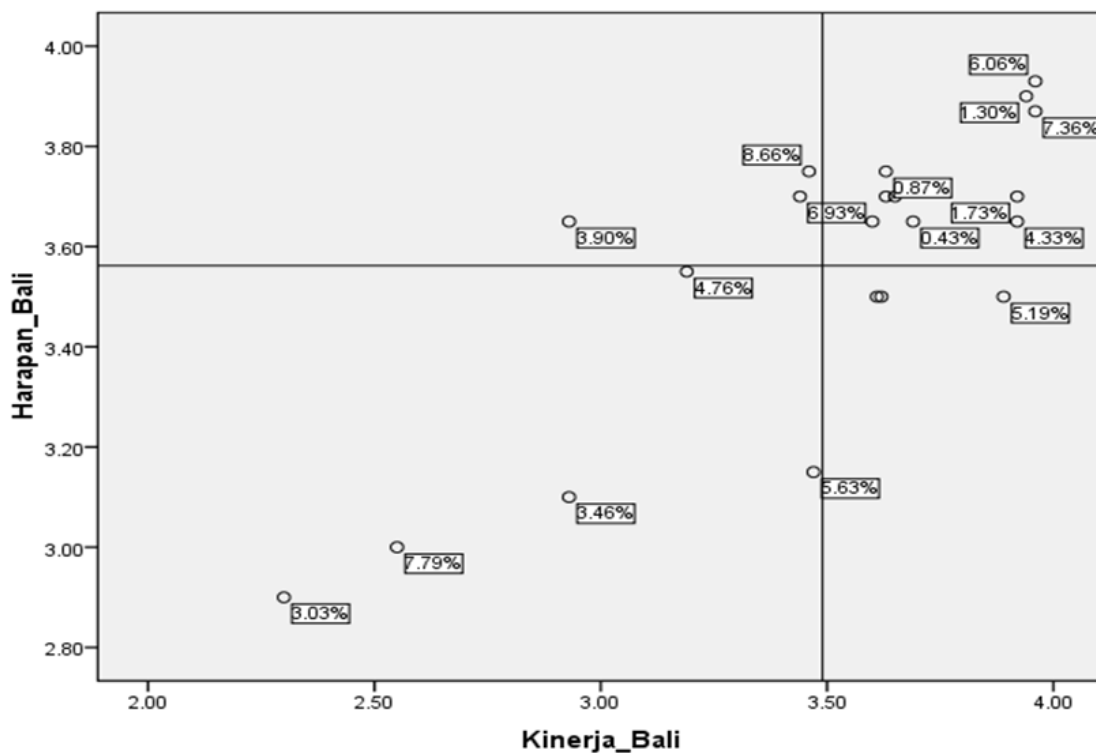
1	0	0	105	260	365	3.650	0	0	93	276	369	3.690	0.989	
2	0	10	45	320	375	3.750	0	2	105	256	363	3.630	1.033	
3	0	0	30	360	390	3.900	0	2	12	380	394	3.940	0.990	
4	0	0	90	280	370	3.700	0	0	24	368	392	3.920	0.944	
5	0	0	90	280	370	3.700	0	4	99	260	363	3.630	1.019	
6	0	0	150	200	350	3.500	0	2	108	252	362	3.620	0.967	
7	0	60	150	80	290	2.900	0	166	12	52	230	2.300	1.261	
8	0	50	120	140	310	3.100	0	102	15	176	293	2.930	1.058	
9	0	0	105	260	365	3.650	0	102	15	176	293	2.930	1.246	
10	0	0	105	260	365	3.650	0	0	24	368	392	3.920	0.931	
11	0	0	135	220	355	3.550	0	0	243	76	319	3.190	1.113	
12	0	0	150	200	350	3.500	0	4	21	364	389	3.890	0.900	
13	0	50	105	160	315	3.150	0	14	117	216	347	3.470	0.908	
14	0	0	21	372	393	3.930	0	2	6	388	396	3.960	0.992	
15	0	10	75	280	365	3.650	1	4	99	256	360	3.600	1.014	
16	0	0	90	280	370	3.700	0	0	168	176	344	3.440	1.076	
17	0	0	39	348	387	3.870	0	0	12	384	396	3.960	0.977	
18	0	70	90	140	300	3.000	0	104	123	28	255	2.550	1.176	
19	0	10	120	220	350	3.500	0	4	105	252	361	3.610	0.970	
20	0	0	75	300	375	3.750	0	0	162	184	346	3.460	1.084	
21	0	0	90	280	370	3.700	0	0	105	260	365	3.650	1.014	
			Average				3.562						3.490	

Source: Results of Processing Primary Data 2016

The Cartesian graph was based on the results shown in Table 1. The graph shows the mapping of indicators of satisfaction asked to the tourists, as follows:

1. Indicators in the first quadrant or the indicators that needed to be maintained by tourist object management were as follows:
  - a. Tourist object services on the rides and outside the rides were accurate as promised
  - b. Tourist object services on the rides and outside the rides were not late
  - c. Tourist object services on the rides and outside the rides were consistent in terms of accuracy and delivery time
  - d. Alacrity of officials to serve you, on the rides or outside the rides
  - e. Tourist objects had a reputation and achievements, including the managing companies
  - f. Fast-handling services by officials, on the rides or outside the rides
  - g. Atmosphere of tourist site in terms of neatness and cleanliness
  - h. Atmosphere of tourist site in terms of parking lots and access roads at the site
  - i. Diversity of the rides being offered
  - j. Behaviors of other visitors, such as helping maintain cleanliness, tranquility and the like.
2. Indicators that still needed to be improved were as follows:
  - a. Tourist objects had a reputation and achievements, including the managing companies
  - b. Atmosphere of tourist site in terms of greening

- c. Availability and cleanliness of food shopping (restaurants and the like), souvenirs and the like
- 3. Indicators that needed to be prioritized were as follows:
  - a. Job skills of officials in their respective responsibilities
  - b. Courtesy of officialstoserve visitors
  - c. Tourist objects had the ease of communicating with officials
  - d. Quality of the rides being offered
- 4. Indicators which were considered excessive by MICE tourists in Bali were as follows:
  - a. Quality of handling consumer complaints by officials, on the rides or outside the rides
  - b. Officials had the attitude in understanding the needs of visitors, on the rides or at the tourist site
  - c. Access roads to the tourist site
  - d. Availability and cleanliness of public facilities, such as places of worship, toilets, rest areas, and public phones



**Figure 1**  
**Cartesian Graph of MICE Tourists in Bali Province**

**Table 2**  
**Average Indices of MICE Tourist Satisfaction in Jakarta**

No	Expectation Multiplication Results							Performance Multiplication Results							Suitability Index
	1	2	3	4	5	Total	Average	1	2	3	4	5	Total	Average	
1	0	0	81	292	0	373	3.730	1	4	111	240	0	356	3.560	1.048
2	0	0	57	324	0	381	3.810	0	4	54	320	0	378	3.780	1.008
3	0	0	54	328	0	382	3.820	0	4	108	248	0	360	3.600	1.061
4	0	6	66	300	0	372	3.720	0	0	87	284	0	371	3.710	1.003
5	0	0	75	300	0	375	3.750	0	0	69	308	0	377	3.770	0.995
6	0	0	99	268	0	367	3.670	0	0	72	304	0	376	3.760	0.976
7	0	2	72	296	0	370	3.737	0	0	30	360	0	390	3.900	0.958
8	0	0	57	324	0	381	3.810	0	0	48	336	0	384	3.840	0.992
9	0	0	72	304	0	376	3.760	0	0	21	372	0	393	3.930	0.957
10	0	4	69	300	0	373	3.730	0	0	150	200	0	350	3.500	1.066
11	0	0	45	340	0	385	3.850	0	0	72	304	0	376	3.760	1.024
12	0	4	69	300	0	373	3.730	0	0	63	316	0	379	3.790	0.984
13	0	4	72	296	0	372	3.720	0	0	111	252	0	363	3.630	1.025
14	0	4	81	284	0	369	3.690	0	0	117	244	0	361	3.610	1.022
15	2	6	87	264	0	359	3.590	0	0	48	336	0	384	3.840	0.935
16	0	6	90	268	0	364	3.640	0	0	108	256	0	364	3.640	1.000
17	0	14	93	248	0	355	3.550	0	2	72	300	0	374	3.740	0.949
18	0	2	102	260	0	364	3.640	0	18	84	252	0	354	3.540	1.028
19	0	6	75	288	0	369	3.690	0	2	36	348	0	386	3.860	0.956
20	0	6	111	240	0	357	3.570	1	6	60	304	0	371	3.710	0.962
21	0	2	87	280	0	369	3.690	1	6	84	272	0	363	3.630	1.017
Average Total						7786	3.709						7810	3.719	0.997

Source: Results of Processing Primary Data 2016

As for the tourist region in Jakarta, MICE tourist evaluation in terms of the mapping was as follows:

1. Indicators to be retained were as follows:

- a. Tourist object services on the rides and outside the rides were not late
- b. Fast-handling services by officials, on the rides or outside the rides
- c. Job skills of officials in their respective responsibilities
- d. Courtesy of officialstoserve visitors
- e. Tourist objects had a reputation and achievements, including the managing Companies
- f. Tourist objects had the ease of communicating with officials
- g. Officialshad the attitude in understanding the needs of visitors, on the rides or at the tourist site.

2. Indicators that still needed to be improvedwere as follows:

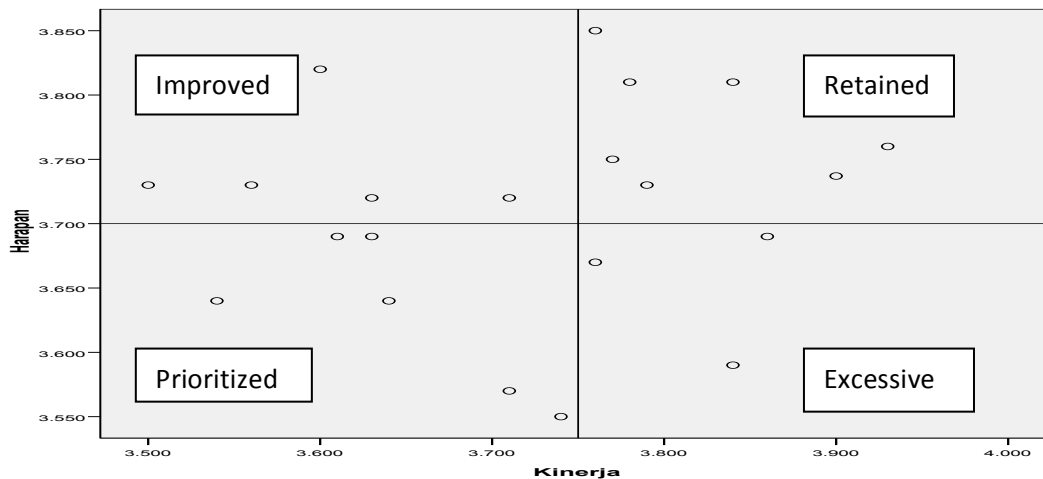
- a. Tourist object services on the rides and outside the rideswere accurate as promised
- b. Tourist object services on the rides and outside the rides were consistent in terms

- of accuracy and delivery time
  - c. Alacrity of official to serve you, on the rides or outside the rides
  - d. Tourist objects had easy access and took advantage of the rides
  - e. Access roads to the tourist site
3. Indicators which were still rated by MICE tourists as having low priority were as follows:
- a. Atmosphere of tourist site in terms of neatness and cleanliness
  - b. Atmosphere of tourist site in terms of greening
  - c. Quality of the rides being offered
  - d. Availability and cleanliness of food shopping (restaurants and the like), souvenirs and the like
  - e. Behaviors of other visitors, such as helping maintain cleanliness, tranquility and the like.
4. Indicators which were considered excessive were as follows:
- a. Quality of handling consumer complaints by officials, on the rides or outside the rides
  - b. Atmosphere of tourist site in terms of parking lots and access roads at the site
  - c. Diversity of the rides being offered
  - d. Availability and cleanliness of public facilities, such as places of worship, toilets, rest areas, and public phones

Of the twenty-one indicators that have the same position in the same quadrant are the following indicators:

- a. Tourist object services on the rides and outside the rides were not late
- b. Fast-handling services by officials, on the rides or outside the rides

Both indicators were rated the same by the MICE tourists in both regions.



**Figure 2**  
**Cartesian Graph of MICE Tourists in Jakarta Province**

Then, difference test was used to find out if there was any difference in satisfaction in both regions which have been recognized as successful MICE tourism organizers. The results of t-test (difference test) in Bali and Jakarta were as follows:

**Paired Samples Statistics**

	Mean	N	Std. Deviation	Std. Error Mean
Pair 1 Satisfaction_Jakarta	100.2981	21	3.73910	.81594
Satisfaction_Bali	1.0315	21	.09968	.02175

**Paired Samples Correlations**

	N	Correlation	Sig.
Pair 1 Satisfaction_Jakarta & Satisfaction_Bali	21	.271	.234

**Paired Samples Test**

	Paired Differences					t	df	Sig. (2-tailed)
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
				Lower	Upper			
Pair 1 Satisfaction_Jakarta - Satisfaction_Bali	99.26662	3.71330	.81031	97.57634	100.95689	122.505	20	.000

The table above shows that the value of t-calculated (122.505) was greater than t- table (2.086); therefore,  $H_0$  was rejected and  $H_a$  was accepted. It means that there was a significant difference in the MICE tourist satisfaction in Jakarta and in Bali. It can also be concluded that the tourists coming to these two regions did not only come for MICE activities, but also expect to enjoy tourist objects in the regions. Bali and Jakarta have different unique features in terms of nature and culture.

## 5. Conclusions

The conclusions of this study are as follows:

1. There was a significant difference in satisfaction between MICE tourists in Jakarta and those in Bali
2. Indicators that still needed to be improved in Bali are indicators 9, 16, and 20, whereas for Jakarta are indicators 1,3,4,10, and 13.
3. The difference in the MICE tourist satisfaction in both tourist regions shows that each region has its own uniqueness although the coming tourists have the same purpose, in this case, for the MICE tourism, but they will also enjoy the tourist attractions in the regions.

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