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## The Role of Branding in Increasing Revisit to Agritourism at Jatiluwih in Bali

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### Abstract

#### Keywords:

brand  
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satisfaction,  
loyalty, Bali

Competitiveness of Bali tourism lays on the variety of attractions offered to visitors. Subak-based agritourism in Jatiluwih is one of the competitiveness of cultural based of Bali tourism which offer an amazing rice field terrace and variety of agritourism activities. Understanding the role of brand destination in influencing satisfaction of visitors is very important. Evaluating relationship between satisfaction and intention to be loyal are crucial. The research objectives were: (i) to analyze the influence of brand awareness, brand image and brand association of Jatiluwih agritourism to perceive quality (satisfaction) of foreign tourists in visiting Jatiluwih, and (ii) to evaluate relationship between satisfaction of foreign tourist to their loyalty. Research was conducted at Jatiluwih of Bali Province in the periods of June up to August 2019. The number of respondents was 207 foreign tourists who were visiting Jatiluwih. Structural Equation Model (SEM) was developed and data was analyzed by using Smart PLS-3 based on the five-point Likert scale. The results show that (i) brand awareness, brand images and brand association of subak-based agritourism in Jatiluwih significantly influenced satisfaction of foreign tourist, (ii) satisfaction of foreign tourist significantly influenced their loyalty, (iii) Awareness to a brand, create images to a brand and can associate a brand before visiting a destination have proved that brand destination of Jatiluwih have been an informational signal for visitors who intent to visit Jatiluwih agritourism in Bali.

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## INTRODUCTION

In the economy system, theoretically, growth in one sector will impact in the growth in other sectors following the concept of supply-demand interactions. Tourism, agriculture and industry are three sectors which will interact each other. Agriculture play a role as a primary sector, tourism as a secondary sector, and industry as a tertiary sector. It has long been known that positive impact of tourism could stimulate development of industrial sectors which will result in increasing income, job opportunity, and foreign exchange earnings. Negative impact of tourism development, in fact, results in slowly destroy agricultural sector through land use change, employment and water supply. To keep agriculture from destroy, agritourism is type of tourism attraction which can be believe to minimize the negative impact of tourism development through the concept of trend back to nature (Hjalager, 1996). Fleischer & Tsur (2000); Sznajder et al. (2009); Telfer (2000); and Torres (2002) noted that trend back to nature is one the fastest growing tourism industry which has already well established in Europe, Australia, and New Zealand and has been an economic development for the local community in the rural area.

Even though tourism has contributed to the income earning, tourism cannot be self- supporting since it depends on the availability of ecosystem services especially for nature-based tourism which highly depend on the uniqueness of the heritage site offered in a destination (Suryawardani & Wiranatha, 2016). These kind of agritourism activities have been found in agritourism in Bali. The fact that competitiveness of Bali tourism stays on the variety of attractions offered to the visitors. Jatiluwih rice field terrace, for example, has been well managed for centuries by traditional farmers' organizations in managing irrigation system called "subak". Since Jatiluwih has been inscribed in the UNESCO World Heritage List, it has become more popular as a tourist destination.

The use of unique design incorporating a name, logo and slogan is commonly used to differentiate brand from its competitors. A brand in the modern marketing offers values to distinctive it from competitors. As tourism is a chain of services, added values should be integrated into every activity from pre-visitation through the post-visitation. Establishing brand is important as a symbol of quality and reability (Harris & De Chernatony, 2001; Krishnan & Hartline, 2001; Middleton et al., 2009). Understanding the power of brand destination of Jatiluwih in influencing visitors to visit Jatiluwih is important either brand awareness, brand association or brand images. Objectives of the research are: (1) To analyze influence of brand awareness to perceived quality (satisfaction) of foreign tourists in visiting Jatiluwih agritourism; (2) To analyze influence of brand images to perceived quality (satisfaction) of foreign tourists in visiting Jatiluwih agritourism; (3) To analyze influence of brand association to perceived quality (satisfaction) of foreign tourists in visiting Jatiluwih agritourism; (4) To analyze influence of perceived quality (satisfaction) to brand

loyalty of foreign tourists in visiting Jatiluwih agritourism; and (5) To analyze the role of branding in increasing revisit at agritourism in Jatiluwih Bali.

A wide range of attractions can be found in Jatiluwih such as rice field terraces panorama, farming activities based on traditional farming practices (Subak), religious ceremonies related to the farming activities (on certain days). Tourists' activities at the rice fields including sightseeing (taking photos), trekking, cycling, having coffee break and/or lunch) have been given attentions by tourists. Previous study which implemented branding strategy was found in previous research done by Suryawardani (2010) on Branding strategies for agribusiness enterprises. Meanwhile to improve competitiveness of agritourism, study on strategy prioritization for sustainable tourism in Bali, Indonesia: Focusing on local agricultural products analytical hierarchy process (AHP) approach undertaken by Suryawardani & Wiranatha (2016) was followed. Study on optimizing the potential of local products also support this research by reviewed study undertaken by Suryawardani et al. (2014) on Destination Marketing Strategy in Bali Through Optimizing The Potential of Local Products.

## **RESEARCH METHODS**

### **Research Location, Time and Number of Respondents**

Research was conducted at Jatiluwih subak-based agritourism at Tabanan Regency of Bali Province in the periods of June up to August 2019. The number of respondents was 207 foreign tourists who were visiting subak-based agritourism in Jatiluwih.

### **Data Analysis**

Structural Equation Model (SEM) was developed to analyze relationship between brand awareness, brand association and brand image to perceived quality as well as relationship between perceived quality to the loyalty of foreign tourist to revisit Jatiluwih. Data was analyzed by using Smart-PLS. Version 3.0 which was previously assessed based on the five-point Likert scale.

Implementation of Structural Equation Model (SEM) in this research follows previous studies in analyzing relationship between variables in consumer behavior, such as Patricia et al. (2020) on their research "Farmers' Capacity for Jatiluwih Agrotourism Management and Its Effects on Tourists' Satisfaction and Intention to Revisit". Purnami & Suryawardani (2018) used SEM in analyzing The Effect of the Quality of Services on the Visitors, Satisfaction and Desire to Pay a Revisit to the Bali Pulina Agrotourism. Rahman et al. (2019) implemented their research on The Influence of Services' Quality on Intention to Revisit through Mediation of Satisfaction of Visitors at Sasak Sade Village, Central Lombok, West Nusa Tenggara. Widari et al. (2020) analyze their research by using SEM on Roles of Farmers in the Development of Belimbing Village Agrotourism and Its Effect on Satisfaction and Loyalty of Tourists. Aridayanti et al. (2020) used SEM in analyzing Millennial Tourists in Bali: Motivation, Satisfaction and Revisit Intention.

## **RESULT AND DISCUSSION**

Results of confirmatory analysis are as follow, see Figure 1

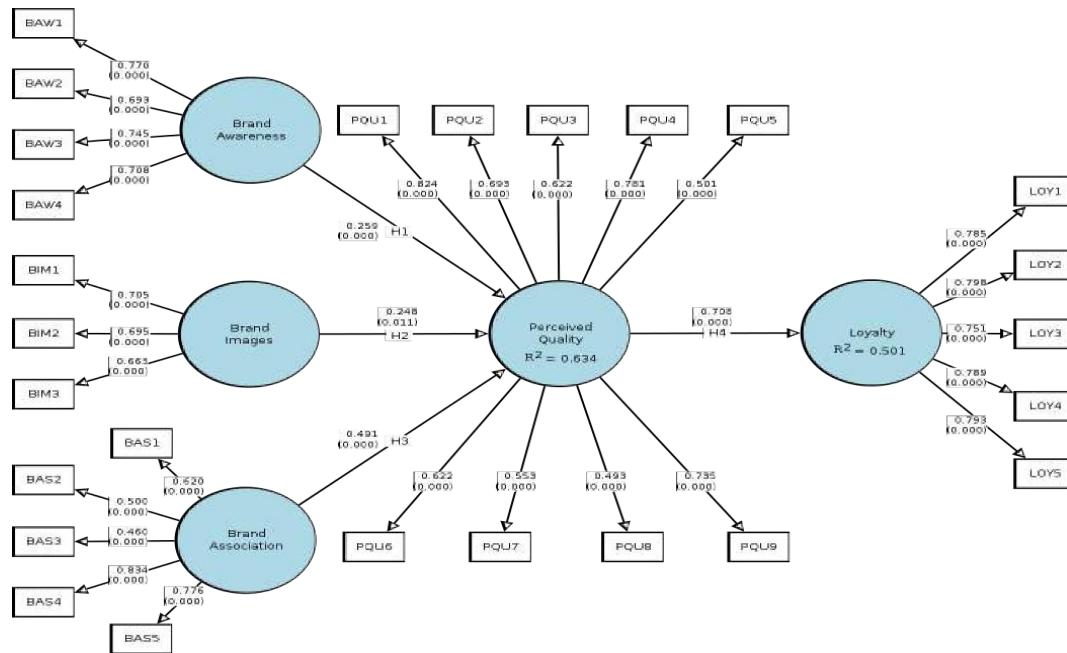


Figure 1. Output Model of Confirmatory Analysis of Jatiluwih Agritourism Bali

**Results of Structural Analysis**

Results of path coefficients between latent exogenous and latent endogenous can be seen in the Table 1.

**Table 1. Hypotheses Tested of Brand Destination of Jatiluwih**

Hypothesis	Exogeneous Variable	Endogeneous Variable	Original Sample	Standar Error	T-Statistics	
H <sub>1</sub>	Brand Awareness	δ Perceived Quality	0.259	0.058	4.506	**
H <sub>2</sub>	Brand Images	δ Perceived Quality	0.248	0.091	2.726	**
H <sub>3</sub>	Brand Association	δ Perceived Quality	0.491	0.078	6.287	**
H <sub>4</sub>	Perceived Quality	δ Loyalty	0.708	0.057	12.316	**

Source: Primary data (2016), processed

The results show that all hypotheses are significant. It can be seen that Perceived Quality (Satisfaction) significantly influenced by Brand Awareness, Brand Images, dan Brand Association which the highest influence was given by Brand Association (0.491).

Further structural analysis can be seen from significant relationship between perceived quality (satisfaction) and loyalty which was about 0.708 (or 70.8 percent). The result show that there was strong relationship between perceived quality (satisfaction) and loyalty. The results indicated that the more the perceived quality (satisfaction) the more loyalty will be.

Before undertaking interpretation of results of structural analysis, some researchers such Bollen (2002) and Tenenhaus et al. (2005) suggest that significance of the model need to be evaluated. The Table 2 shows some measurements that can be used to evaluate the significance of the developed Structural Equation Model which was analyzed by using the Smart PLS. The type of measurements are Composite Reliability (CR), Average Variance Extracted (AVE) and Coefficient determination ( $R^2$ ).

**Table 2. Results of Measurement Model of Brand Destination of Jatiluwih**

<b>Latent Variable</b>	<b>Type of Variable</b>	<b>Number of Indicators</b>	<b>Composite Reliability (CR)</b>	<b>Average Variance Extracted (AVE)</b>	<b>Coefficient of Determination (<math>R^2</math>)</b>
Perceived Quality	Endogeneous	9	0.869	0.431	0.634
Brand Loyalty	Endogeneous	5	0.888	0.614	0.501
Average	-	-	-	0.486 <sup>b</sup>	0.568

Source: Primary Data (2016), processed

It can be seen from the Table 2 that values of Coefficient of Determination ( $R^2$ ) for each endogenous latent. Refer to Chin et al. (2003) that latent endogenous with the value of  $R^2$  between 0.19 and 0.33 was categorized as weakly explained; between 0.33 and 0.67 was categorized as moderately explained; and dan above 0.67 was categorized as substantially explained. The results show that Perceived Quality and Brand Loyalty are two endogenous latents with moderately explained by corresponding exogeneous laten.

Based on the value of CR (Critical Ratio), the results show that all latents in the model have the value of CR which were higher that the threshold of 0.60. Referred to Chin et al. (2003), it can be concluded that all indicators in each latent variable has reliable internal consistency. These information are complementary information related to questionnaire reliability which were assessed through the amount of Alpha Cronbach.

The results show that AVE—which is the value of weighted average with weights obtained from the number of indicators for each latent variable. By using this formula, the value of GoF was 0.5252 which is higher than the value of threshold, that is 0.50 which indicates that the model can be acceptable and the analysis can be further continued.

## **Discussion**

The results show that destination branding significantly influenced visitors' behavior since they have planned to visit Jatiluwih, come and satisfy attractions in Jatiluwih and visitors' intention to be loyal visitors. These can be proved from statistical analysis results, such as:

Results of the hypotheses tested of brand destination of Jatiluwih, refer to The Table 1. Based on the value of T-Statistical analysis, the results show that

all hypotheses were significant. It can be seen that Perceived Quality (Satisfaction) significantly influenced by Brand Awareness, Brand Images, dan Brand Association which the highest influence was given by Brand Association (0.491). Further structural analysis can be seen from significant relationship between perceived quality (satisfaction) and loyalty which was about 0.708 (or 70.8 percent). The result show that there was strong relationship between perceived quality (satisfaction) and loyalty.

The results indicated that brand destination which consist of brand awareness, brand images and brand association of Jatiluwih agritourism create a signal for foreign tourists who want to escape from their routine activities to visit Jatiluwih Agritourism in Bali. Informational signal of brand destination can be seen from visitors' awareness regarding Jatiluwih before visiting Jatiluwih. The results also show that Jatiluwih has already created images in the visitors' mind before coming to see the real destination. Create images before visiting a destination has also been as part of informational signal. The results also show that visitors have also been associating attraction of rice field terrace in their mind before visiting the destination. Awareness to a brand, create images to a brand and can associate a brand before visiting a destination have proved that brand destination of Jatiluwih as informational signal for people who intent to visit a destination.

This research is inline with suggestion by Aaker (1991) that a good brand strategy should concentrate on attempts to achieve all of t dimension of brand equity such as brand awareness, brand images, brand association which will be a signal to influence satisfaction in order to win high loyalty of the brand. In addition, brand loyalty can strengthen the older components of brand equity and increase the brand competitiveness on the target market.

Regarding suggestion by Kotler & Gertner (2004) on dimension of marketing, they reveal that dimension of marketing consist of three cores namely, strategy, tactics and values. Strategy is a way to win mindshare, tactics are a way to win market share and values are a way to win heart share. They add three elements to connect those of three cores in order to reach mindshare, market share and heart share of consumer which are called 3i, namely brand identity, brand integrity and brand image. Regarding this research, the three i<sub>s</sub> can be more explained as follows:

#### **(i) Brand identity**

Brand will not be meaningful if there is no identity. Brand identity will be known by customer if supported by differentiation that is clear and solid differentiation compared to brand of competitors, so that the brand has a positioning in minds of consumers. Results of this research regarding brand identity can be explained through understanding of strong brand awareness of Jatiluwih agritourism in the foreign visitors' mind who visit Jatiluwih.

Regarding analysis of brand awareness of Jatiluwih agritourism, the results show that Jatiluwih agritourism is a "brand "of uniqueness of rice field terrace in Bali in foreign tourists' mind. This argument supported by the fact that visitors have already known Jatiluwih before they are doing real visitation to Jatiluwih

agritourism. Awareness of foreign tourist regarding the Jatiluwih can also be seen from the significant statements such as “Jatiluwih rice terrace comes first in my mind” and “uniqueness of cultural heritage landscape of Bali. These statements proved that foreign tourist have had already been aware that Jatiluwih is part of interesting nature based and cultural based tourism in Bali.

Brand awareness also needs to be connected with brand association. Regarding brand association in Jatiluwih, it was found that association of the brand have been significantly proved through some statements i.e., “attractions in Jatiluwih are more focus on environmental conservation meaning that it has been associated with back to nature activities which is basically provide physiological needs of visitors to have nature-based tourism attraction”, and it is also associated with “community-based tourism” which is the goal of sustainable tourism. This can be associated that attraction of agritourism in Jatiluwih has to be managed by the local community in order to gain more benefit from tourism development to the local community. Lastly, “landscape of rice terrace at Jatiluwih express the Balinese spirit”. This statement can be associated with the fact that attraction of agritourism in Jatiluwih is a part of Balinese believe in managing agricultural activities which have already been undertaken from the Balinese ancestor. Working hardly in managing water resource to irrigate rice paddies in the difficult landscape of rice terrace has expressed the Balinese spirit.

According to Kotler & Keller (2012), positioning must be supported by differentiation that will bring about creating a strong and positive brand image. Regarding this research, some statements related to typical attraction in Jatiluwih can create image, are as follow as: “typical scenery and host participation create images”. The other statements are “accommodation, accessibility and safety to visit Jatiluwih strengthen the image of Jatiluwih” as well as the statement “uniqueness of traditional irrigation system create images”. Regarding brand images of Jatiluwih, the results show that Jatiluwih agritourism has positive images in foreign tourists’ mind and creates as having different images compared to other types of agritourism in other places. Understanding images of Jatiluwih have been emerged through some statements, i.e., “image of typical scenery of Jatiluwih”, “host participation in supporting agriculture and tourism activities” and image of “uniqueness subak” as traditional organization in managing irrigation system based on local genius which has never been found in other places. The differentiation of attraction in Jatiluwih agritourism support positioning of positive brand image of Jatiluwih.

## **(ii) Brand equity**

According to Kotler & Gertner (2004), brand equity is value of a brand in the marketplace. More detail can be explained that brand equity is an added-value given to a brand associated with the name or symbol attached to a brand. A brand with high equity means that the brand has the ability to create positive response in the marketplace which mean that the brand is easily recognizable through advertising. A recognizable brand is a brand that can be recalled quickly and easily when needed.

Regarding brand equity of Jatiluwih, the results show that Jatiluwih

agritourism has had emerging brand equity. In fact, an added-value given to Jatiluwih can be seen from increasing farmers' income and surrounding community who live in the area of Jatiluwih. Tourism has proved to increase the community income. However, the results show that the name of Jatiluwih cannot be easily mentioned by foreign tourists who visit Jatiluwih, in fact, understanding landscape of rice field terrace is easier than mentioning the name of Jatiluwih. In fact, level of satisfaction of foreign tourists regarding a whole visit was statistically very high with the loading factor 0.735. This amount was higher than those of threshold amount which was about about 0.5. The level of satisfaction measures ratio between expectation compared to reality experience, meaning that foreign tourist has had their satisfaction experiences after visiting Jatiluwih agritourism. It can be precisely seen from the statement of "Visit experience is exactly visitor expected it to be which loading factor was 0.693". Positive perception can be seen from the statement "Visitor positive perception regarding think, feel, and emotion about Jatiluwih which has the loading factor = 0.7981". The results also show that foreign tourist was satisfy regarding activity in Jatiluwih agritourism from the statement of "Attraction in Jatiluwih was special and typically different with the loading factor of 0.593".

Regarding Jatiluwih tourist' attraction, the results show that Jatiluwih agritourism has been promoted through internet and also promoted by the people who have already visited Jatiluwih agritourism. It can be seen from the statement "Visitor found what has been promoted regarding Jatiluwih as cultural site which has the loading factor of 0.622". The results indicated that in creating product or services, promotion is crucially important.

Satisfaction regarding accessibility to get Jatiluwih also support the happiness of visitors in visiting Jatiluwih agritourism. The fact that satisfaction of visitors regarding the whole visit has proved that Jatiluwih agritourism destination is one of famous natural and cultural based tourism in Bali which need to be protected from negative impact of tourism development.

### **(iii) Brand Loyalty**

Brand loyalty is an attractiveness of customer to a brand. Customer do not want to switch to another brand and willing to promote a brand to the customers' network (Aaker, 1991). The results show that visitor who visit Jatiluwih were mostly loyal visitors. It can be seen from all statement, i.e., "will come back to visit Jatiluwih for the next holiday", "tend to choose Jatiluwih as the first attraction for the future visitation, will stay longer at Jatiluwih", "will promote the uniqueness of Jatiluwih agritourism and will recommend the uniqueness landscape of rice field terrace in Jatiluwih".

All of the above results are in line with Aaker (1991) finding that understanding the power of brand destination is very important either brand awareness, brand association or brand images. It can also be proved that brand destination creates a signal for potential visitors who want to travel and understanding the value of perceived quality (satisfaction) of products or services is strongly important in order to win the heart share of potential visitors which can results in visitors' satisfaction and will significantly influence visitors' loyalty



## CONCLUSION

Brand awareness significantly influenced perceived quality (satisfaction) of foreign tourists in visiting Jatiluwih agritourism. Brand images significantly influences perceived quality (satisfaction) of foreign tourists in visiting Jatiluwih agritourism. Brand association significantly influenced perceived quality (satisfaction) of foreign tourists in visiting Jatiluwih agritourism. Perceived Quality (satisfaction) significantly influenced brand loyalty of foreign tourists in visiting Jatiluwih agritourism. Awareness to a brand, create images to a brand and can associate a brand before visiting a destination have proved that brand destination of Jatiluwih as informational signal for people who intent to visit a destination. The results proved that the role of branding is really important in increasing revisit at agritourism in Jatiluwih.

## RECOMMENDATION

Further research needs to be focussed on specific digital branding of Jatiluwih which can stimulate awareness of visitor before visiting the destination. Connected marketing mix and collaborative customer care also need to be explored to be able to gain engagement of visitors and play a role as an advocate in promoting Jatiluwih Rice Field Terrace.

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