

The Influence of Service Quality and Digital Marketing on Tourist Decisions Brand Image as an Intervening Variable (Study on Wapa di Ume Resort & SPA Ubud)

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Abstract

This study aims to analyse the influence of service quality and digital marketing on the decision-making process of tourists. Furthermore, its objective is to evaluate the impact of service quality and digital marketing on brand image. Moreover, this study aims to examine how brand image influences the connection between service quality, digital marketing, and tourist decision-making at the Wapa di Ume Resort & Villas Ubud. The approach used in the study utilises a purposive sampling procedure. The population under investigation comprises all tourists who have utilized or are already utilizing lodging services or staying at the Wapa di Ume Resort & Spa Ubud Hotel. The study utilizes quantitative data. The research relies on original data as its primary source of knowledge. The study used the Partial Least Squares (PLS) methodology for data analysis, utilizing the SmartPLS software, specifically SmartPLS 4.0. The research findings indicate that both service quality and digital marketing exert a substantial and favorable influence on tourists' decision-making. Furthermore, the quality of service and the implementation of digital marketing strategies also contribute positively to the perception and reputation of a company. Moreover, the perception of a brand greatly impacts the choices made by tourists. Brand image has a role in connecting service quality and digital marketing to tourist decisions.

Keywords: service quality, digital marketing, brand image, tourist decisions.

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1. Introduction

The tourist sector is a prominent industry that significantly contributes to the socio-economic growth of the Indonesian population. The tourist sector is characterized by its collaborative nature. Tourism is defined as a complex system of interactions including tourists, business suppliers, the government, tourist destinations, and the local residents of tourist locations. The government continues to prioritize the tourist industry due to its potential to serve as the main catalyst for the nation's economy (Elistia, 2020).

Bali Province is one of the highest contributors to Indonesia's tourism sector. The island of Bali has been known as one of the world's tourism destinations. Various international activities have been held in Bali, which further strengthens the existence of Bali as one of the world's best tourist destinations. The exponential growth of the tourism sector in Bali is characterized by a surge in visitor arrivals, enhancements in facilities and infrastructure, and a rise in the number of tourism lodgings, notably hotels. Data from the Central Statistics Agency (BPS) shows that there are 3,528 accommodation business units in Bali in 2022. Of these, as many as 406 business units or 12.3% are star hotels with a total number of rooms of 58,706 units. The following is data on the number of hotels and hotel rooms per regency/city in Bali Province in 2022.

The hospitality industry is one of the most competitive sectors. In the competition to attract attention and win the hearts of customers, hotels compete to provide a variety of attractive facilities and services. The existence of a hotel as

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a means of resting for visitors, both from abroad and domestic visitors, is one of the keys to the success of the tourism industry in Indonesia (Farhan, 2023).

Hospitality businesses engaged in service companies, especially accommodation services, have a role as accommodation service providers for tourists (customers) who need lodging. Hospitality organizations analyze consumer behavior to comprehend the motivations and mechanisms behind customers' willingness to purchase products or utilize accommodation services, as well as to identify the aspects that impact their decision-making process. There is no more important factor in customers' decision-making process than the quality of service. Many things influence a consumer's decision to buy, including the state of the economy, available funds, technological advancements, political climate, cultural norms, product offerings, pricing, geographic area, sales events, tangible proof, individuals involved, and operational procedures. These aspects influence the consumer's attitude and aid in their cognitive processing of information to determine which products to buy (Enre et al., 2020).

2. Literature Review

In Amar et al. (2023) did a study to examine how digital marketing and service quality influence consumer purchasing decisions. The variables under investigation in this study encompass digital marketing and service quality. This study is primarily focused on the purchasing decision variable. Quantitative research methodologies are employed in this study. When choosing a sample for this study, researchers made sure there would be at least ten times as many people surveyed as there were products utilised for assessment. Linear regression analysis is the technique used. According to the results, digital marketing features do not significantly influence consumers' final purchasing decisions. When considering a purchase, the variable of service quality is both helpful and significant. Using Sinestesa Coffeeshop in Pati as an example, Yuliana and Maskur (2022) looked at how factors including product quality, pricing perception, service quality, and location influenced consumers' purchasing decisions. Those who frequent Sinestesa Coffeeshop Pati are the primary subjects of the research. To obtain a sample of 100 respondents, the researcher in this study employed purposive sampling, a method for choosing samples based on certain criteria. This study uses primary data, and its research instrument is a questionnaire. Numerous statistical tests, such as F-tests, determination coefficients, reliability tests (alpha Cronbach), and loading factor validity tests were included in the study. using multiple linear regression and t-tests for hypothesis testing. The results of this study show that customers' decision-making while purchasing a product is positively and significantly impacted by quality. On the other hand, real purchases are not much impacted by price perception. Furthermore, the level of service has a favorable and noteworthy effect on purchasing decisions, and location also has a favorable and significant impact on purchasing decisions.

“The Influence of Digital Marketing, Price, Testimonials, and Service Quality on Purchase Decisions at Dinara Ubud Hotel Before and During the Covid-19 Period” is an empirical study conducted by Pane and Mertayasa (2022) with the aim of examining the effects of these factors on consumers' decisions to make reservations for stays at the Dinara Ubud Hotel. Pricing and digital marketing have no bearing on what people decide to buy, according to the study. Purchase decisions are significantly and observably impacted by customer reviews and service quality. Research has indicated that consumer buying choices are greatly impacted by digital marketing, cost, testimonials, and the quality of service.

Research conducted by Hartono & Praptiningsih (2022) entitled The Influence of Product Quality Perception, Service Quality Perception, Price Perception, and Social Media Marketing on Bicycle Purchase Decisions at Seped Shop.

3. Research Method and Materials

This study employs an associative research design and quantitative approach. The purpose of this research is to examine how the Wapa di Ume Resort & Spa Ubud Hotel's service quality and digital marketing impact the decision-making processes of tourists. The mediating role of brand image is also investigated in this study. We shall examine how these factors interact with one another.

The study population comprises persons who have resided at the Wapa di Ume Resort & Spa Ubud. The authors employed a nonprobability sampling methodology in their study, which is a kind of sampling that does not allow for the estimation of the likelihood of each item in the population being included in the sample. Purposive sampling, a nonprobability sampling technique, was used to choose the samples for this investigation. In order to gather information, the researcher carefully chooses respondents based on certain criteria and factors. Respondents must be tourists who have been at the Wapa di Ume Resort & Spa Ubud Hotel or who are actively using the facilities of the hotel.

Qualitative and quantitative information are both included in this study. The subjective viewpoints of the participants regarding the statements presented in the questionnaire make up the qualitative data in this study. The study's quantitative data includes percentages showing the respondents' tendency to reply. There are two types of data used in this study: primary and secondary. Information gathered from study participants themselves is known as primary data. This is done by having them answer specific questions on questionnaires that focus on the variables being examined. Meanwhile, the secondary data comes from the website, namely the www.bps.go.id and management of the Wapa di Ume Resort & Spa Ubud Hotel. Researchers will distribute the questionnaire online in google form format. The questionnaire will be distributed to tourists using the snowball sampling technique (Paramita et al., 2021) by providing links either through social media such as WhatsApp, Line, or through electronic media such as Short Message Service (SMS).

4. Results and Discussion

4.1. Results of Research Data Analysis

Table 1. Path Coefficient Test Results

	Relationship Between Variables	Koefisien (Original Sample)	T Statistic	P Value	Information
H1	X1 (Quality of service) -> Y (Traveller's decision)	0,345	3.312	0.001	Significant Positive
H2	X2 (Digital marketing) -> Y (Traveller's decision)	0,289	3.027	0.002	Significant Positive
H4	X1 (Quality of service) -> M (Brand image)	0,588	6.165	0.000	Significant Positive
H5	X2 (Digital marketing) -> M (Brand image)	0,266	2.550	0.0011	Significant Positive
H3	M (Brand image) -> Y (Travellers' decision)	0,283	2.535	0.011	Significant Positive

Information from Table 1, then the results of hypothesis testing can be determined as described in the following description:

- The decision-making process for travellers has been greatly impacted by the high level of service. With a value of 0.345, the correlation coefficient for hypothesis 1 (H1) is highly significant. A t-statistic of 3.312, more than the essential value of 1.96, and a p-value of 0.011, both of which are below the significance level of 0.050, lend credence to this. Thus, hypothesis 1 (H1) can be validated. The findings demonstrate a direct and favorable relationship between the level of service excellence and the decision-making process of visitors, implying that superior service quality results in a rise in tourists' choices.
- Digital marketing has had a notable and favourable impact on travellers' decision-making process. A statistically significant link is indicated by the path coefficient of 0.289 for hypothesis 2 (H2). The t-statistic of 3.027 (t-statistic > 1.96) and the p-value of 0.002 < 0.050 provide support for this. This allows us to confirm the second hypothesis (H2). The results show a correlation between the digital marketing platform's effectiveness and the improvement in tourists' decision-making process.
- The brand's image has been positively and significantly impacted by the service quality. The t-statistic for hypothesis 3 (H3) is 6.165 (t-statistic > 1.96) and the p-value is 0.000 < 0.050, indicating that the coefficient is 0.588, which is statistically significant. Thus, hypothesis 3 (H3) can be verified. The observed findings suggest a direct relationship between the level of service and the reputation of the business.
- Digital marketing has significantly and positively influenced how brands are perceived. The coefficient for hypothesis 4 (H4) is 0.266, indicating a statistically significant relationship. Results showing a p-value of 0.011 (less than the significance level of 0.050) and a t-statistic of 2.550 (above the crucial value of 1.96) corroborate this. Thus, hypothesis 4 (H4) can be validated. The gathered findings indicate that a more efficient execution of digital marketing results in a greater increase in brand reputation.
- There is strong evidence that brand image influences travelers' decisions in a good way. Statistical significance is indicated by a t-statistic of 2.535 (t-statistic > 1.96), which demonstrates a considerable positive path coefficient of 0.283 in the result. Additionally, the p value of 0.011 < 0.050 further supports the statistical significance of the finding. Thus, it is possible to confirm hypothesis 5 (H5). The findings demonstrate a direct and favorable

relationship between brand image and tourists' decision-making. This implies that when the brand image improves, visitors are more inclined to make decisions in support of the brand.

4.1.1. Indirect Influence Testing

Furthermore, the influence of indirect relationships can be seen from the results of the specific indicator effect test in the Table 2.

Table 2. Indirect Influence Test Results

Variable	Original sample (O)	T statistics (O/STDEV)	P values	Information
X1 (Quality of service) -> M (Brand image) -> Y (Travellers' decision)	0,167	2,135	0,033	Significant Positive
X2 (Digital marketing) -> M (Brand image) -> Y (Travellers' decision)	0,075	1,980	0,037	Significant Positive

Based on Table 2, the results of indirect influence between variables are obtained as follows:

- According to the correlation study, the brand image (M) significantly influences the decision-making process (Y) of visitors (X1), which is an indirect effect of service quality (X1). Our t-statistic of 2.135 and correlation value of 0.167 greatly above the essential criteria of 1.96. That the p-value of 0.033 was lower than the significance criterion of 0.050 gave more evidence of the considerable indirect influence.
- A t-statistic of 1.980 and a correlation coefficient of 0.075 were found for digital marketing (X2) in the correlation study, which is higher than the important requirement of 1.96. As with the true value, the p-value is smaller at the 0.050 threshold of significance. From what we can tell, digital marketing greatly influences vacation choices (Y) via the medium of brand image (M).

4.1.2. Mediation Variable Examination

This study seeks to investigate the mediation variables that contribute to defining the degree to which brand image elements act as intermediates in the indirect impact of service quality and digital marketing on tourist decisions. The existence of indirect influence in this study is clearly evidenced by the elucidation of the analytical findings presented in Table 3.

Table 3. Recapitulation of Mediation Variable Testing Results

Variable Mediation	Effect				Information
	(A)	(B)	(C)	(D)	
Quality of service (X1) → Brand image (M) → Traveller's Decision (Y)	0,167 (Sig.)	0,345 (Sig.)	0,588 (Sig.)	0,283 (Sig.)	Partial Mediation
Digital marketing (X2) → Brand image (M) → Traveller's Decision (Y)	0,075 (Sig.)	0,289 (Sig.)	0,266 (Sig.)	0,283 (Sig.)	Partial Mediation

Remarks: significance (Sig.) = t-statistic > 1.96 at $\alpha = 5\%$

- Indirect influence of independent variables on bound variables
- the direct influence of the independent variable on the bound variable
- the direct influence of the independent variable on the mediation variable
- the direct effect of the mediating variable on the bound variable”

Upon thorough examination of the results from the study of the four effects (effects A, B, C, and D), it can be definitively proven that the intervention of the mediation variable satisfies the following criteria:

- If the effects of C and D are statistically significant, whereas the effect of A is not statistically significant, then the model demonstrates full mediation.
- If the impacts of variables C, D, and A are substantial, then the model provides evidence of partial mediation.
- If the standardized path coefficient of effect A is nearly identical to the path coefficient of effect B, then the model does not provide evidence of mediation.

d. If either the C or D effect is shown to be insignificant, then the model does not provide evidence for mediation.

Table 3 provides evidence that brand image acts as a partial mediation variable, according to the criteria used to examine the mediation impact. To be more convincing of the mediation effect in this study, the VAF test was carried out. The VAF is obtained by dividing the Coefficient of Indirect Influence by (Coefficient of Indirect Influence + Direct Influence). A VAF score above 80% indicates that M's role is a complete mediation. M is classified as a partial mediator when the VAF value falls between 20% and 80%. However, if the VAF value is below 20%, the mediation effect is nearly nonexistent.

The mediation test conducted in this study using the VAF technique has fulfilled numerous criteria. Firstly, it was observed that the direct influence was significant (a) in the absence of the brand image variable (M) in the model. Furthermore, once the brand image variable (M) is incorporated into the model, it is shown that the indirect influence (b x c) also exhibits statistical significance. Pathways b and c are also noteworthy. Next, compute the VAF using the following formula:

$$\begin{aligned} \text{VAF} &= (0,588 \times 0,283)/(0,345 + 0,588 \times 0,283) \\ &= 0,1664/0,5114 \\ &= 0,32538 \text{ atau } 32,53 \text{ percent.} \end{aligned}$$

Given that the VAF value (32.53 percent) falls within the range of 20% to 80%, it can be classified as exhibiting partial mediation. Therefore, the variable of brand image (M) acts as a mediator in the impact of service quality on tourist decisions.

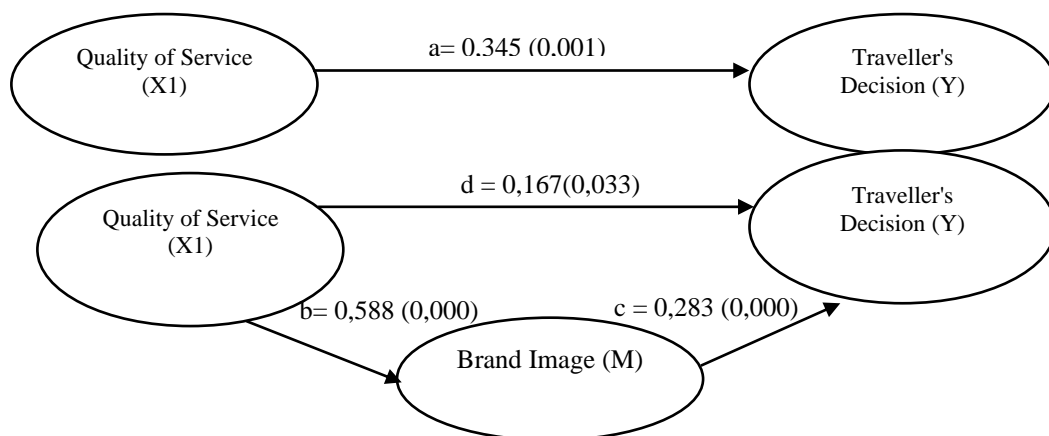


Figure 1. Mediation Testing of Brand Image Variables on the Relationship between Service Quality and Tourist Decisions

Another way to find out how digital marketing mediates between brand image and tourist decisions is to calculate the VAF:

$$\begin{aligned} \text{VAF} &= (0,266 \times 0,283)/(0,289 + 0,266 \times 0,283) \\ &= 0,075278/0,364278 \\ &= 0,2066 \text{ atau } 20,66 \text{ percent.} \end{aligned}$$

Given that the VAF score (20.66 percent) falls within the range of 20% to 80%, it can be classified as partial mediation. Therefore, the variable of brand image (M) acts as a partial mediator in the impact of digital marketing on tourist decisions. For more details, see Figure 2.

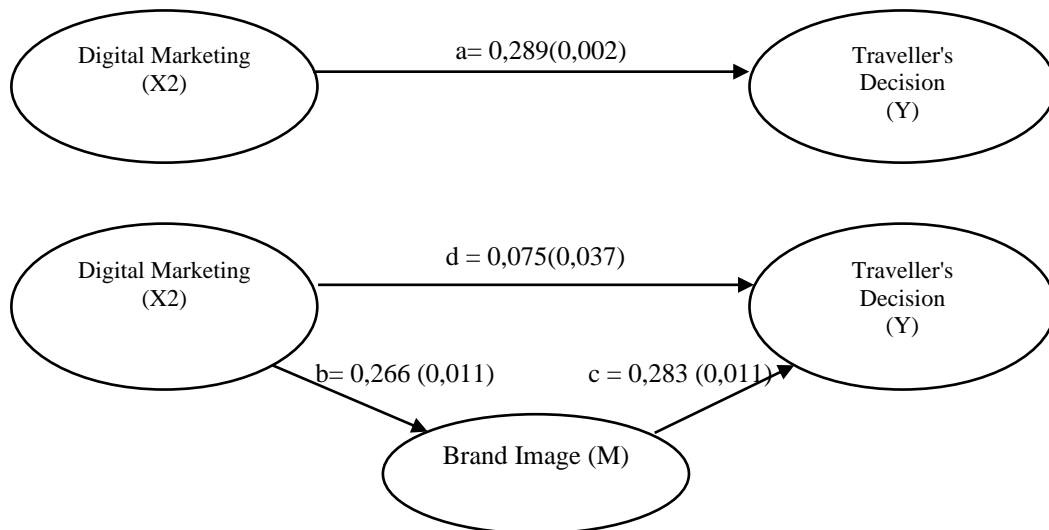


Figure 2. Testing the Mediation of Brand Image Variables on the Relationship between Digital Marketing and Traveler Decisions

Referring to the calculation of the mediation effect with the VAF test, hypotheses 6 and 7 can be explained with the following explanation:

- The indirect impact of service quality on visitors' selections is mitigated by the brand's reputation. The mediation test yielded positive and statistically significant values for effects B, C, and D. Evidence of the indirect influence of the independent variable (service quality) lends credence to the idea that the intermediary variable (unspecified) has a major impact on the dependent variable (tourist decision). Customers' impressions of the brand can thereby lessen the impact of subpar service on their choice to buy. The findings suggest that the level of service significantly influences tourists' choices, especially when influenced by the brand image factor. Improved service quality can lead to an increase in tourist decisions. Wapa di Ume Resort & Spa Ubud Hotel, with its strong brand image, is likely to contribute to this growth.
- Indirectly influencing tourists' decisions is the way digital marketing is perceived, but the brand image can mitigate this effect. The findings of the mediation test were as follows: B, C, and D all had statistically significant positive values. Further, the study found that the mediation variable (A) significantly related the independent variable (digital marketing) to the dependent variable (tourist decision). Therefore, internet marketing has less of an impact on vacationers' ultimate decisions due to the brand's reputation. The findings suggest that internet marketing significantly impacts tourist choices, especially when the brand image factor is taken into account. Enhanced digital marketing conditions and a robust brand image among employees can result in a rise in tourist choices.

4.2. Discussion of Research Results

4.2.1. The Influence of Service Quality on Travelers' Decisions at Ume Resort & Villas Ubud

According to the data analysis, the service quality variable had a substantial impact on travelers' decisions (p -value = 0.001; $p = 0.05$). We can infer that service quality has a substantial impact on tourists' decisions because the t -value (3.312) is bigger than the critical t -value (1.96), the p -value (0.001) is less than the significance level (0.050), and the positive path coefficient (0.345) is bigger than the critical t -value. The hypothesis is therefore considered valid. The aforementioned findings indicate that an improved implementation of service quality at the Wapa di Ume Resort & Spa Ubud Hotel will positively impact travelers' decisions to stay there. And vice versa, the worse the implementation of the quality of service at the Wapa di Ume Resort & Spa Ubud, the less tourists will decide to visit.

The questionnaire distribution on service quality characteristics reveals that the indicator "X1.2 (assurance)" has the highest average value of 4.39. This means that the majority of Wapa di Ume Resort & Spa Ubud Hotel Consumers already feel safe during their stay at the Wapa di Ume Resort & Spa Ubud Hotel, so it makes a good assessment of the quality of service at the Wapa di Ume Resort & Spa Ubud Hotel.

According to consumer decision theory, there is a direct relationship between the quality of service and the decisions made by tourists. The quality of service is a crucial factor for service users, as many consumers tend to favor establishments that provide excellent service. This ensures that consumers feel at ease and contented with their experience, meeting their expectations (Handayani & Arifiansyah, 2022). High-quality service is defined as the ability of a firm or institution to deliver products and services that align with the desires, requirements, and expectations of guests. In general, service quality is usually used as the basis of service products, because the main products sold are high-quality services, and these services are purchased by customers. Therefore, the quality of service provided is the basis of service marketing. According to (Nurhalim, 2020), a Brand Image will be built based on the experience and information received by consumers while using the product. Consumers who already have a high level of image or impression of a brand, tend to be more loyal or more loyal to the brand so they do not hesitate to decide to use or buy the product.

Gulo et al. (2019) found a correlation between service quality traits and purchase decisions, and our analysis backs up their findings. According to Maharani (2019), studies have shown that customers' perceptions of service quality do not significantly impact their final purchase decisions. The results of this study are consistent with the investigations carried out by Handayani & Arifiansyah (2022), Hastoko & Stevany (2022), and Agarwal & Gowda (2020), which determined that service quality significantly influences the decision-making process for purchasing.

4.2.2. The Influence of Digital Marketing on Travelers' Decisions at Ume Resort & Villas Ubud

In terms of the impact on vacation choices, the data analysis revealed that the digital marketing variable's p-value was 0.002, compared to a significance threshold of 0.05. It is possible to assume that digital marketing significantly and positively affects the decisions made by visitors, given that the t-value is 3.027, which is over the crucial t-value of 1.96, and the p-value is 0.002, which is less than the significance level of 0.050. As a result, we accept the hypothesis as true. The results indicate that a higher level of digital marketing implementation at Hotel Wapa di Ume Resort & Spa Ubud leads to a greater enhancement in the traveler's decision-making process. Conversely, the more poorly digital marketing is implemented at the Wapa di Ume Resort & Spa Ubud Hotel, the fewer tourists will be influenced in their judgments.

Based on the results of the questionnaire distribution on digital marketing variables, it shows that the highest average value is the indicator "X2.1 (Fulfillment)", with an average value of 4.64 which means that tourists consider that Wapa di Ume Resort & Spa Ubud Hotel has been able to provide services in accordance with what is marketed on the internet so that it is able to form good digital marketing.

According to marketing theory, the progress of internet technology has prompted changes in people's lifestyles, leading to digital marketing strategies that can have a favorable impact on tourist decisions. Presently, internet technology has engendered a keen fascination among individuals for online shopping. Arief et al. (2023) explain that there is a rationale for the change in people's behavior in marketing, which is shifting towards digital platforms to influence purchasing decisions. Digital marketing is a strategic approach that enables individuals to promote their website, products, or services using online platforms and engage with a bigger population that is more likely to provide marketing opportunities compared to traditional advertising methods. Effective utilization of digital marketing will enhance buying selections as consumers are progressively scrutinizing products.

Finding that digital marketing significantly contributed to the uptick in sales at Bali's Patra Hotel, this study's findings are in line with those of Sari and Suhardi (2023). The findings indicate that marketing through the internet influences the purchasing decisions of tourists positively. Multiple studies have demonstrated that digital marketing significantly and positively affects consumers' purchasing decisions (Angkie & Tanoto, 2019; Patsiotis et al., 2020; Arief et al., 2023; Dunakhe & Panse, 2022).

4.2.3. The Influence of Service Quality on Brand Image at Wapa di Ume Resort & Villas Ubud

According to the results, the impact of the service quality variable on the brand image was statistically insignificant ($p = 0.000$), much below the 0.05 level of significance. With a p-value of 0.000, which is less than the significance threshold of 0.050, a positive path coefficient of 0.588, and a t-value of 6.165, which is greater than the essential t-value of 1.96, the hypothesis is considered valid. As a result, it's safe to say that the service quality significantly affects the standing of the brand. This finding proves that the level of service at the Wapa di Ume Resort & Spa Ubud Hotel directly correlates to the impression that hotel makes on potential customers. On the other hand, if the Wapa di Ume Resort & Spa Ubud Hotel provides a low level of service, it would negatively impact the hotel's brand image. This study proposes that service quality is commonly perceived as a pivotal factor that might augment brand image. Marketing theory elucidates the relationship between service quality and brand image.

Service quality, in essence, refers to the fulfillment of customer expectations and the satisfaction of the service recipient. The construction of an image of a service is closely linked to quality, since it motivates consumers to establish a strong connection with the service provider. Over time, this relationship enables service businesses to thoroughly examine client expectations and requirements (Pamuji & Fachrodji, 2022). Ensuring exceptional service quality is crucial for attaining sustained success in the service sector. Service quality pertains to the consumer's assessment of the superiority and excellence of the encountered service. Customers who have favorable emotions and attitudes towards the service while using it are more likely to hold a positive view of the service provider. In the hospitality business, it is anticipated that customers would provide positive feedback when they are content with the level of service they receive (Khoo, 2022).

Research by Aisha (2017), which states that service quality and brand image are strongly and statistically significantly associated, is supported by this study's findings. The results of this study are in agreement with those of Adhitama et al. (2017), who found a strong relationship between brand perception and service quality features.

4.2.4. The Influence of Digital Marketing on the Brand Image of Wapa di Ume Resort & Villas Ubud

Analyses of the data demonstrated that the digital marketing variable's effect on brand image was statistically significant ($p=0.011$) when tested against a 0.05 significance level. With a t-value of 2.550 surpassing the important t-value of 1.96, a positive path coefficient of 0.266, and a p-value below the significance level of 0.050, we may infer that digital marketing significantly improves brand image. Therefore, the hypothesis is accepted. This outcome demonstrates that the more effectively Wapa di Ume Resort & Spa Ubud Hotel implements digital marketing, the more elevated the brand image will become. Similarly, the more poorly the digital marketing implementation is executed, the more the brand image of Wapa di Ume Resort & Spa Ubud Hotel would deteriorate.

This study demonstrates the significance of effective digital marketing in enhancing brand perception. Digital marketing refers to the practice of utilizing online channels to effectively engage with specific consumer groups (Chakraborty & Bhat, 2018). Digital marketing is the central aspect of an e-business, enabling a company to establish stronger relationships with customers, gain deeper insights into their preferences, enhance the value of a product, broaden the distribution network, and ultimately boost sales through various e-marketing initiatives.

Proper utilization of digital marketing will enhance the brand's presence among consumers. In the current era, companies are placing great importance on their brand image in order to establish themselves as the top choice for consumers. Due to intense competition and rapid technological advancements, companies are employing various strategies to create a brand image that resonates with consumers. Companies enhance their brand image by leveraging contemporary technology, such as digital marketing. Presently, organizations extensively employ digital marketing to stay abreast of the current trends. To ensure that consumers retain a strong mental impression of the brand, marketers need to effectively convey brand identity through digital communication (Sari & Suhardi, 2023). The findings of Angkie & Tanoto (2019), Chakraborty & Bhat (2018), and Widyana (2020) align with the current research, demonstrating that digital marketing has a noteworthy and favorable impact on brand image.

4.2.5. The Influence of Brand Image on Travelers' Decisions at Ume Resort & Villas Ubud

A p-value of 0.011 was found for the brand image variable's effect on tourists' decisions, when compared to a significance level of 0.05. In light of the following: a p-value of 0.011 is less than the significance level of 0.050; a path coefficient value of 0.283 is positive; and a t-value of 2.535 is greater than the essential t-value of 1.96, suggesting that brand image considerably and favorably affects tourist decisions. Thus, we accept the theory. According to these findings, the likelihood that a tourist will book a room at the Wapa di Ume Resort & Spa Ubud Hotel increases as its reputation improves. And vice versa, the worse the brand image of the Wapa di Ume Resort & Spa Ubud Hotel, the less tourists will decide on the Wapa di Ume Resort & Spa Ubud Hotel.

The questionnaire distribution on the brand image variable reveals that the indicator "M.1 (corporate image)" has the highest average value of 4.47. Wapa di Ume Resort & Spa Ubud Hotel has gained significant recognition among the public, enabling it to establish a favorable brand reputation among travelers.

The strong correlation between brand image characteristics and travelers' decisions aligns with the theory of consumer behavior, which posits that the connection between all relevant information on the brand's products, services, and company is associative. This information is derived from firsthand consumer experience, encompassing both functional satisfaction and emotional satisfaction. The brand must not only possess ideal functionality and deliver the stated performance, but it must also possess the ability to comprehend consumer requirements, embody

values that align with particular consumer demands, and foster brand relationships through diverse communication channels. (Widyana, 2020)

customers are generally more inclined to purchase or utilize a product or service that already possesses a distinct identity (brand). This is because customers perceive products or services with an established brand to be more reliable and secure compared to those without a brand (Khoo, 2022). Moreover, according to Mahiri (2020), consumers consider Brand Image to be the paramount aspect of a product, since it effectively portrays the state and caliber of the product. Put simply, brand image is a crucial factor that can motivate consumers to make purchases.

Brand image significantly affects customers' purchase decisions, according to this study, which backs up the findings of Amron's (2018) research. Furthermore, these results are in line with those of Citra & Santoso (2016), Pradita & Yuli (2017), and Saleh et al. (2019), all of which show that consumers' perceptions of a brand significantly impact their purchasing decisions. So, it stands to reason that passengers' decision-making would rise in tandem with the brand's better perception.

4.2.6. The Role of Brand Image in Mediating the Influence of Service Quality on Tourist Decisions of Wapa di Ume Resort & Villas Ubud

The data shows that customers' perceptions of a brand (M) and their satisfaction with that brand's service (X1) influence their purchasing decisions (Y). The following statistical values provide evidence for this: p-value = 0.033, t-statistic = 2.135 (more than the critical value of 1.96), and correlation coefficient = 0.167. Confirmation of the sixth hypothesis came from the observation that brand image moderates the relationship between service quality and the purchase decisions made by tourists. Customer satisfaction has a substantial impact on their purchasing decisions, especially when the brand image variable is considered as a mediator. Wapa di Ume Resort & Spa Ubud Hotel has recently upgraded its service quality, which may encourage more guests to stay there. This is because the hotel has a solid reputation among travelers, which plays a role in their decision-making process.

Purchase decisions refer to the actions taken by persons who are directly responsible for making choices to acquire things offered by merchants. Consumer decision-making is the process of problem-solving in order to fulfill consumer desires and requirements. The role of marketers in influencing purchasing decisions is inseparable from the marketing mix. The marketing mix is a strategic approach used to accomplish both organizational and customer objectives in marketing. Product strategy is a key component of the marketing mix strategies. One viable product strategy that corporations can employ is brand creation. The brand of a product is a significant factor that influences consumers' purchasing decisions. The selection of a product brand by consumers is contingent upon the perception associated with the product. Companies must possess the capability to deliver optimal products or services that align with the specific requirements and preferences of consumers. Therefore, it is imperative for the company to enhance consumers' perception of its products in relation to its competitors. The company is now confronted with the challenge of establishing a brand image (Laoli & Hasan, 2020).

Brand image encompasses the assortment of beliefs, concepts, impressions, and understandings that individuals, groups, or society as a whole have about a specific brand. Consumers consider brand image to be the paramount aspect of a product, as it serves as a reflection of the product itself. Put simply, brand image is a crucial factor that can motivate consumers to make purchases. Consumers' interest in purchasing a product is directly proportional to the strength of the brand image associated with it (Huda, 2020). Modern consumers possess greater discernment in evaluating the quality of things, necessitating producers to persistently enhance the quality of their offerings. Marketers who neglect the quality of their products or services may suffer negative consequences. Enhancing product quality is crucial for enhancing the brand reputation among consumers, as the market is witnessing intensifying competition among motorbike manufacturers (Suryantari & Respati, 2022). Upon observing the quality of the products, consumers will instinctively seek to compare the quality of the services provided. In this scenario, it is imperative for the company to deliver service quality that can exert a greater influence, distinguishing it from the quality of competing services. Consequently, the quality of service becomes a pivotal factor for consumers to contemplate prior to making a purchase.

The provision of satisfactory service quality motivates consumers to make a purchase of the goods in issue. If a company is capable of delivering satisfactory service, either directly or indirectly, its service reputation will become widely known as the contentment experienced by its customers will be transmitted from one client to another in a chain, so drawing in a larger consumer base. The findings of Ayuningtyas et al. (2019), Suryantari & Respati (2022), Setiadi & Ekawati (2018), and Parasayu (2016) provide evidence that brand image might act as a mediating factor between service quality and purchasing decisions.

4.2.7. The Role of Brand Image in Mediating the Influence of Digital Marketing on the Decisions of Tourists at Wapa di Ume Resort & Villas Ubud

Digital marketing (X2) has a positive indirect effect on travel decisions (Y) through brand image (M), according to the study's VAF-based mediation test results. A correlation value of 0.075, a t-statistic of 1.980, and a p-value of 0.037 all corroborate this. The impact of digital marketing on travel decisions is thought to be mitigated by brand image. When taking the mediating variable of brand image into account, these results show that online marketing significantly affects tourist decisions. This means that tourists' decisions to visit can increase if the digital marketing implemented by Hotel Wapa at Ume Resort & Spa Ubud is getting better and there is a high brand image of Wapa di Ume Resort & Spa Ubud, so that in the end the decision of tourists will increase.

The most pressing matters to address are the marketing-related obstacles to the company's continued existence and viability. Consequently, marketers perceive digital marketing as a potential instrument for reaching customers. Previously, buyers would only tell seven or ten people about a product, but with social media, they can quickly share their experiences with other customers. When it comes to developing brands, digital marketing is also crucial. An intangible and subjective assessment of a brand by customers, consumer-based brand equity leads to an objective perception of value.

Indirectly, digital marketing can alter consumers' propensity to buy by shaping their perceptions of the brand. Effective use of digital marketing can improve brand image. Companies that have good digital will certainly make consumers more confident and make purchase decisions. Narayana & Rahanatha (2020) and Ayuningtyas et al. (2019). The latter study revealed that digital platforms have a substantial impact on the process of making purchasing decisions, with brand image serving as a mediating factor.

5. Conclusion

Drawing upon the findings of the research analysis and the discussion, the conclusion of this study can be summarized as follows:

- a. A positive and significant effect on the decision-making process of tourists is the service quality. This finding suggests that the Wapa di Ume Resort & Spa Ubud's ability to attract and retain customers is directly correlated to the efficacy of its service quality initiatives.
- b. The influence of digital marketing on passengers' choices is positive and strong. Based on these results, it seems like Hotel Wapa di Ume Resort & Spa Ubud's digital marketing efforts will provide better results in influencing guests' final booking decisions.
- c. Thirdly, the brand image is positively and significantly affected by service quality. This finding suggests that the quality of the brand image created by Wapa di Ume Resort & Spa Ubud is directly proportional to the level of service quality supplied to tourists.
- d. The public's opinion of a brand is positively and significantly affected by digital marketing. This result shows that Wapa di Ume Resort & Spa Ubud's brand image will improve in direct proportion to the efficacy of its digital marketing campaigns.
- e. The decision-making process of tourists is positively and significantly influenced by the brand image. This result shows that travelers are more likely to choose to stay at the Wapa di Ume Resort & Spa Ubud if they have a positive impression of the hotel's brand.
- f. Customers' perceptions of the brand can mitigate the effect of poor service on their purchasing decisions. Based on these results, it seems that enhancing the quality of service can have an effect on tourists' decisions. Additionally, the Wapa di Ume Resort & Spa Ubud possesses a strong brand image, which ultimately leads to an increase in the decision-making of tourists.
- g. Brand image is able to partially mediate the influence of digital marketing on travelers' decisions. This result means that tourists' decision to visit can increase if the digital marketing implemented by Wapa di Ume Resort & Spa Ubud is getting better and there is a high brand image of Wapa di Ume Resort & Spa Ubud, so that in the end the decision of tourists will increase.

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