

Location and Price Dynamics Impact on Purchase Intentions: A Case of Bali

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Abstract

Purpose of the Study: This study's primary objective is to explore the influence of location and pricing on tourists' accommodation purchase intentions in Bali. By doing so, it seeks to shed light on the key factors that shape tourists' decisions when selecting accommodations in this popular tourist destination.

Methodology: The research methodology employed in this study encompasses Multiple Linear Regression, the Coefficient of Determination, t-tests, and F-tests, all executed using the statistical software SPSS. A total of 103 respondents were targeted, resulting in 100 eligible respondents who met the criteria. Data collection was conducted using Google Forms, from August 1st to October 1st, 2023.

Main Findings: The primary findings of this research indicate that both location and pricing have a substantial and positive impact on tourists' purchase intentions in Bali. This suggests that tourists are significantly influenced by these factors when making decisions about where to stay during their visit.

Applications of the Study: The insights generated by this study have practical applications in various fields, including tourism management, marketing strategies, and the hospitality industry. Stakeholders in Bali's tourism sector can leverage this information to make informed decisions about location selection and pricing strategies to attract more visitors.

Novelty/Originality of the Study: What sets this study apart is its focus on the specific context of Bali and its exploration of the interplay between location, pricing, and purchase intentions. This research contributes to perspectives and valuable knowledge to the existing body of literature in the field, offering practical implications for both academia and the tourism industry.

INTRODUCTION

In the modern context of Bali's hotel industry, the escalation of competition has become increasingly pronounced, necessitating a higher level of innovation and strategic acumen from hotel operators to stand out in a crowded market. This challenge has become even more acute in the wake of the post-pandemic era, a period marked by significant upheavals in the global tourism sector. The pandemic has not only altered tourist behaviors and expectations but has also imposed new operational challenges for hotels, ranging from health and safety protocols to adapting to digital transformation (Cuomo et al., 2021; Pitana, Damanik, et al., 2022).

To maintain a competitive edge, hotels in Bali must adopt innovative marketing strategies that are not only effective in attracting tourists but also in fostering loyalty and repeat business. This entails a deep understanding of emerging market trends, changing consumer preferences, and the evolving landscape of travel post-COVID-19. Hotels need to leverage data analytics to gain insights into customer needs and preferences, enabling them to tailor their offerings and marketing messages more precisely.

One of the fundamental marketing strategies often employed by hotels involves the utilization of the traditional marketing mix, a concept known as the 4Ps, which comprises Product, Price, Promotion, and Place (Armstrong & Kotler, 2003; Dimitrios et al., 2023). However, in the realm of service marketing, there is a recognized extension of this framework, adding three supplementary elements: People, Process, and Physical Evidence, thereby expanding the traditional 4Ps into the comprehensive 7Ps model (Panuju, 2019). The incorporation of these additional dimensions acknowledges the unique challenges faced by service-oriented businesses, such as hotels, in delivering an exceptional customer experience.

In the context of Bali, the recent global pandemic has had a profound impact. The once-thriving tourism hub faced severe disruptions in the wake of travel restrictions, lockdowns, and health concerns. Consequently, hotels and other stakeholders in the industry had to adapt rapidly to these unprecedented circumstances. The post-pandemic era has necessitated a reevaluation of marketing strategies and pricing policies (Pitana, Pitana, et al., 2022; Saputra & Pitana, 2023).

Within this framework, pricing policy has emerged as a pivotal component of hotels' strategic positioning. Setting the right pricing strategy is paramount and involves making well-informed decisions in alignment with the target market, the portfolio of products and services offered, and the evolving competitive landscape. Price remains one of the most crucial attributes evaluated by tourists, and hotel managers must recognize its pivotal role in shaping tourists' attitudes and decisions (Ahmed, 2020; Noone & Mattila, 2009). Bali hotels have had to reconfigure pricing strategies not only to attract tourists but also to ensure the safety and well-being of guests. This entails implementing dynamic pricing models that

consider factors such as demand fluctuations, health and safety measures, and market sentiment. Additionally, hotels need to communicate their commitment to health and hygiene standards, offering reassurance to potential guests in an environment of heightened awareness.

Establishing an effective pricing strategy in post-pandemic requires a keen understanding of market dynamics, customer expectations, and the evolving competitive landscape. By strategically aligning pricing with these considerations, hotels can not only attract tourists but also contribute to the revival and sustained growth of Bali's tourism sector in the challenging post-pandemic scenario. In addition to considering pricing as a crucial component of their business strategy, entrepreneurs and business owners actively seek ways to gain a competitive edge. This often involves seizing available business opportunities and implementing effective marketing strategies, with a particular emphasis on the selection of a suitable location for their operations (Fan et al., 2023; Permathaswari & Pitanatri, 2023). The choice of location is paramount, as it can significantly influence the achievement of business objectives. Opting for a business location that is in close proximity to the target market is not only a prudent strategic move but also enhances convenience for travelers trying to reach the business premises.

It is noteworthy that many hotels and accommodations in Bali boast highly advantageous and strategic locations. However, a key challenge arises from the limitations in public transportation access, particularly with respect to buses, and the prevalence of narrow roadways leading to these establishments, which often result in congested traffic conditions. This transportation inconvenience becomes a significant factor influencing the considerations of potential consumers when choosing accommodations in Bali.

Against this backdrop, there is a pressing need for a more comprehensive and nuanced exploration of the impact of location and pricing on purchasing intent. Furthermore, the continuous growth of the accommodations sector in Bali over the past few decades has raised a plethora of questions concerning consumers' purchasing intentions. Consequently, conducting a thorough and rigorous investigation into the interplay between location, pricing, and purchasing intent within the Bali tourism context is not only warranted but also holds the potential to provide valuable insights for businesses operating in the region.

Given these factors, it is evident that a robust and empirically grounded research endeavor aimed at examining the effects of location and pricing on purchasing intent in the vibrant and dynamic Bali tourism industry is both timely and pertinent. Such research can shed light on the intricate relationships between these factors and contribute to the body of knowledge that informs strategic decision-making for businesses, ultimately fostering sustainable growth and competitiveness in the post-pandemic era.

LITERATURE REVIEW

Marketing Mix

The concept of the marketing mix assumes a pivotal role in crafting effective business strategies. Marketing mix serves as a strategic framework meticulously designed to harmonize the objectives of both hospitality establishments and their discerning clientele. At its core, the marketing mix integrates four fundamental variables: product, price, promotion, and distribution system (Cahyani et al., 2021; McCabe, 2019).

Within the realm of hospitality, these four interconnected elements of the marketing mix converge to form the foundation upon which effective service delivery and customer satisfaction hinge. The formulation of marketing policies within the hospitality context requires a delicate balance among these variables, with the ultimate goal of achieving a harmonious equilibrium that resonates with the diverse preferences and expectations of a multifaceted traveler base.

As the field of marketing continues to evolve in response to changing dynamics, this framework has expanded to encompass a comprehensive 7Ps model. This enriched framework introduces additional dimensions, including people (personnel), processes, and physical evidence, to complement the traditional 4Ps construct. In the context of the hospitality sector, this expanded marketing mix framework acknowledges the multifaceted nature of service-oriented businesses, where the guest experience is paramount (Charles Chancellor, 2012; Yang et al., 2014). Hotels and resorts strategically deploy these controlled marketing tools as part of their orchestrated efforts to elicit the desired responses from their target market.

The marketing mix is aptly characterized as a set of meticulously managed marketing instruments deftly employed by hospitality establishments. These tools are systematically orchestrated to resonate with the prevailing market dynamics, beckoning guests with tailored experiences and services that seamlessly align with their distinctive needs and desires. This calibrated approach extends beyond the mere provision of services to encompass the astute development of products and experiences meticulously tailored to cater to the discerning tastes and preferences of today's diverse and sophisticated travelers.

Location

Viewed through the lens of the tourism and hospitality industry, the significance of location takes on an elevated dimension. In this sector, which thrives on attracting tourists and delivering exceptional guest experiences, the selection of an ideal location is foundational to achieving desired outcomes. When assessed from this industry's perspective, the role of location encompasses several pivotal aspects that profoundly influence its functioning and strategic decisions. This

discussion will delineate the multifaceted dimensions through which location assumes paramount importance in the context of the tourism and hospitality sector.

First and foremost, a well-chosen location can become a tourist attraction in itself. Whether it encompasses a beachfront property, a historically rich downtown setting, or an idyllic mountain retreat, the location often becomes an integral component of the overall hospitality experience. Hotels and resorts that offer breathtaking views of Bali's picturesque coastline, for instance, frequently command higher room rates and attract a larger influx of guests compared to those situated further inland.

Furthermore, accessibility assumes a crucial role in the tourism and hospitality domain. Travelers typically seek seamless access to popular attractions, transportation hubs, airports, and cultural sites. A strategically positioned hotel that provides convenient access to these points of interest enjoys a distinct competitive edge in enticing guests ([Crompton, 1979](#); [Paül i Agustí, 2018](#)).

In the fiercely competitive landscape of the industry, hotels and resorts frequently leverage their location as a unique selling proposition. A prime location can serve as a distinguishing factor, enabling establishments to charge premium rates and stand out amidst their competitors. Conversely, a location that offers fewer advantages may necessitate the implementation of innovative marketing strategies or price adjustments to maintain competitiveness. Guests' desire for an authentic local experience during their stay is another facet influenced by location. A well-situated hotel can grant guests easy access to local markets, restaurants, cultural events, and activities, thus enriching their overall experience and satisfaction.

The sustainability imperative has gained substantial traction in the contemporary tourism industry. Selecting a location that aligns with sustainable practices, such as minimizing environmental impact and actively supporting local communities, can significantly enhance a hotel's reputation and appeal to environmentally conscious travelers. Infrastructure is another critical dimension, as location dictates the available infrastructure for a hospitality establishment. A well-developed location equipped with reliable utilities, comprehensive transportation networks, and readily accessible emergency services ensures the smooth operation of a hotel, contributing to guest safety and satisfaction.

Lastly, location also exerts influence over market dynamics, including patterns of supply and demand. An astute comprehension of the specific dynamics of a location, encompassing factors such as seasonality and local events, is essential for crafting effective pricing and marketing strategies.

Price

Price, in the context of business and marketing, encompasses the intricate process of determining the compensation associated with the intrinsic value of a product or service. It holds a position of paramount significance, as it plays a pivotal role in shaping the perceived value of a product—a concept widely recognized and elucidated in marketing literature ([Chiang, 2018](#); [Soler & Gémard, 2016](#)). This foundational concept is commonly referred to as the theory of value, which underscores the intricate interplay between a product's price and how it is perceived by consumers.

The theory of value posits that the price attached to a product significantly influences how consumers perceive its worth. In essence, there exists a direct relationship where a higher price tends to elevate the perceived value of a product. This psychological phenomenon underscores the intricate dynamics at play between pricing strategies and consumer perceptions, a dynamic that businesses must adeptly navigate in their pursuit of success.

Pricing, therefore, transcends mere financial transactions; it constitutes a comprehensive management system that businesses employ to meticulously determine the appropriate base price for their products or services. This determination is a nuanced process that takes into account a multitude of factors, including production costs, competitive positioning, market demand, and the inherent perceived value of the offering.

Furthermore, pricing strategies encompass a broad spectrum of considerations, including but not limited to discounts, shipping costs, and various related variables. Discounts, for instance, can serve as potent tools to incentivize purchases, stimulate demand during specific periods, or reward loyal customers. Similarly, shipping costs play a pivotal role in shaping the overall price structure, with considerations extending to shipping methods, geographic reach, and alignment with customer expectations, all of which influence pricing decisions.

Purchase Intention

Purchase intent, a component of consumer behavior, reflects consumers' choices among various brands within a set of options and their eventual decision to make a purchase from the preferred alternative. It is the process through which consumers form their choices among several brands, eventually making a purchase based on various considerations ([Morrison et al., 2003](#); [Waheed et al., 2018](#)). Purchase intent is the consumer behavior where individuals express their desire to choose and consume a product. It arises when consumers are influenced by the quality and information of a product (Kotler, 2014). Based on the above descriptions, it can be inferred that purchase intent is a mental statement of consumers that reflects their plans to purchase a quantity of products with a specific brand.

METHODOLOGY

The research design employed in this study is quantitative. The researcher opted for a quantitative approach because the data collection, interpretation of information, and drawing conclusions in this research are based on numerical values. The

subjects under investigation in this study are primarily focused on tourists who visit and stay in Bali. The research instruments utilized in this study consist of questionnaires and documentary analysis. The questionnaire consists of 12 questions, derived from three variables: the independent variables of location (X1) and price (X2), as well as the dependent variable of purchase intention (Y), utilizing a Likert scale. The questionnaires were distributed online via Google Forms. The data analysis techniques employed to examine the influence of pricing strategies on occupancy rates encompass classical assumption tests, simple linear regression analysis, coefficient of determination analysis, and t-tests. These analyses were conducted with the assistance of SPSS software version 25.

The choice of a quantitative research design was driven by the need to quantify and systematically analyze the data pertaining to tourist behavior and the impact of pricing strategies on occupancy rates in Bali. Quantitative research allows for the collection of numerical data, facilitating statistical analysis to discern patterns, relationships, and statistical significance. In this case, the focus is on understanding the quantitative impact of pricing strategies on the occupancy levels of hotels and accommodations in Bali.

The research subjects, comprising tourists who visit and stay in Bali, were deemed suitable for this study, as their responses and behaviors can be quantified through structured questionnaires. These questionnaires serve as a valuable tool for gathering empirical data related to tourists' preferences, perceptions, and decisions regarding accommodation, especially in the context of pricing. The questionnaire distribution took place from August 1st to October 1st, 2023. A total of 103 respondents were targeted, resulting in 100 eligible respondents who met the criteria of being aged between 19 and 58 years. The characteristics of the respondents were collected based on gender, year of birth, country of origin, and frequency of leisure travel within one month. During this period, data was gathered from a diverse group of respondents, considering factors such as age, gender, nationality, and travel frequency, to ensure a comprehensive and representative sample for the research.

Additionally, the utilization of documentary analysis supplements the primary data collected through questionnaires. It allows for the examination of historical records, pricing strategies, and occupancy data from hotels and accommodations in Bali. This documentary evidence provides valuable insights into the pricing strategies employed and their potential impact on occupancy rates over time.

To analyze the data, a series of statistical techniques were applied. Classical assumption tests were conducted to ensure that the data met the necessary assumptions for subsequent statistical analyses. Simple linear regression analysis was employed to examine the relationship between pricing strategies and occupancy rates. The coefficient of determination analysis provided insights into the extent to which pricing strategies explain variations in occupancy rates. Finally, t-tests were conducted to determine the statistical significance of the observed relationships.

Hypotheses:

H0: Location and price have a positive but not significant impact on the purchase intention of accommodations in Bali.

H1: Location has a positive and significant impact on the purchase intention of accommodations in Bali.

H2: Price has a positive and significant impact on the purchase intention of accommodations in Bali.

H3: Both location and price have a positive and significant impact on the purchase intention of accommodations in Bali.

These hypotheses is formulated to investigate the relationships between location, price, and the purchase intention of accommodations in Bali. The null hypothesis (H0) suggests that while there is a positive relationship, it is not statistically significant. In contrast, the alternative hypotheses (H1, H2, and H3) propose that location, price, or both have a significant positive impact on the purchase intention of accommodations in Bali. This hypothesis testing will provide insights into the factors influencing tourists' decisions regarding accommodation choices in Bali.

FINDINGS / RESULTS

1. Instrument Testing

Validity Test Results

Table 1: Summary of Validity Test Results

Variable	Item	r value	Results
Location (X1)	X1.1	0,744	Valid
	X1.2	0,488	Valid
	X1.3	0,726	Valid
	X1.4	0,665	Valid
Price (X2)	X2.1	0,679	Valid
	X2.2	0,713	Valid
	X2.3	0,677	Valid
Purchase Intention (Y)	Y1	0,495	Valid
	Y2	0,488	Valid
	Y3	0,759	Valid

	Y4	0,821	Valid
	Y5	0,779	Valid

Source: Survey Analysis

The results of the validity test reveal that the coefficient values for the individual indicator variables range from 0.488 to 0.821. Notably, all 12 statements, which function as indicators for both the independent and dependent variables in this study, demonstrate strong validity, as each of them surpasses the threshold value of 0.1966.

Reliability Test Results

Table 2: Summary of Reliability Test Results

Item	Total Statement Items	Cronbach's Alpha	Results
Location (X1)	4	0,721	Reliabel
Price (X2)	3	0,715	Reliabel
Purchase Intention (Y)	5	0,778	Reliabel

Source: Survey Analysis

The average Cronbach's alpha values for the Location variable (X1) is 0.721, for the Price variable (X2) is 0.715, and finally, for the Purchase Intention variable (Y), it is 0.778. All of these average values exceed 0.06, leading to the conclusion that all statement items across the research variables meet the data reliability assumption.

2. Classical Assumption Testing

Normality Test

Table 3: Results of Normality Test (One-sample Kolmogrov-Smirnov Test)

	Unstandardized Residual	
N		100
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	1.59660852
Most Extreme Differences	Absolute	.080
	Positive	.080
	Negative	-.058
Test Statistic		.080
Asymp. Sig. (2-Tailed)		.116

- a) Test distribution is Normal
- b) Calculated from data
- c) Lilliefors Significance Correction

The significance value (Asymp. Sig, 2-tailed) of 0.116 is greater than 0.005. Therefore, based on the decision-making criteria in the Kolmogorov-Smirnov normality test above, it can be concluded that the data follows a normal distribution. A normal distribution implies that the data used in this study exhibits a normal pattern, meaning that the data distribution within each variable does not show significant variations. Consequently, this study satisfies the assumption of normality and can proceed to the next tests.

Multicollinearity Test

Table 4: Results of Multicollinearity Test

Variabel	Collinearity Statistics		Results
	Tolerance	VIF	
Location (X1)	0,558	1,791	Free from Multicollinearity
Price(X2)	0,558	1,791	Free from Multicollinearity

The tolerance values for the Location and Price variables are 0.558, which means that the tolerance values for both independent variables are greater than 0.1. The VIF (Variance Inflation Factor) values for the Location and Price variables are 1.791, indicating that the VIF values for these two variables are less than 10. Based on these tolerance and VIF values, it can be concluded that there is no multicollinearity present.

This indicates that there is no significant issue of multicollinearity among the independent variables, Location and Price, in the analysis.

Heteroskedasticity Test

Table 5a: Results of Heteroskedasticity Test

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		

Constant	2.721	.813		3.347	0.001
Lokasi (X1)	.002	.057	.005	.038	.970
Harga (X2)	-.113	.076	-.199	-1.493	.139

The significance values (Sig.) reveal that all datasets possess values exceeding the threshold of 0.05, specifically 0.970 for the location variable and 0.135 for the price variable. Consequently, this observation is consistent with the heteroskedasticity test criteria, suggesting the absence of heteroskedasticity symptoms in this research.

Table 5b: Results of Heteroskedasticity Test

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Constant	3.336	1.384		2.411	0.18
Location (X1)	.525	.097	.436	5.434	.000
Price(X2)	.722	.129	.449	5.602	.000

Table 5b presents that the constant value stands at 3.336. The regression coefficients are 0.525 for the Location variable and 0.722 for the Price variable. From these values, a multiple linear regression equation is formulated as follows:

$$Y = 3.336 + 0.525X1 + 0.722X2.$$

t-test

Table 6: t-test results

Variable	t-test	Sig.	Results
Location (X1)	5,434	0,000	Positive and significant
Price(X2)	5,602	0,000	Positive and significant
Alpha (α) 0,05			

a. t-Test for Location Variable (X1) Impacting Purchase Interest (Y)

The observed t-value (5.434) exceeds the critical t-value (1.661), and the significance value is less than the alpha level ($0.00 < 0.05$). This leads to the rejection of the null hypothesis (H_0) and the acceptance of the alternative hypothesis (H_a), suggesting a significant and positive influence of location on purchase interest.

b. t-Test for Price Variable (X2) Impacting Purchase Interest (Y)

Here, the calculated t-value (5.602) is greater than the critical t-value (1.661), and the significance value falls below the alpha threshold ($0.00 < 0.05$). Consequently, the null hypothesis (H_0) is rejected in favor of the alternative hypothesis (H_a), indicating that price significantly and positively affects purchase interest.

f-test

Table 7: ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	472,383	2	236,192	90,783	0,000 ^b
Residual	252,367	97	2,602		
Total	724,750	99			

The calculated F-value > table F-value = 90.783 > 3.94 and the significance value < $\alpha = 0.00 < 0.05$, therefore it can be concluded that the null hypothesis (H_0) is rejected and the alternative hypothesis (H_a) is accepted. This indicates that both location and price have a positive and significant impact on purchase interest.

Coefficient of Determination

Table 8: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0,807 ^a	0,652	0,645	1,613

In Table 9, the R-square value obtained from the coefficient of determination test is 0.652 or 65.2%. This implies that the independent variables explain 65.2% of the variance in the dependent variable, while the remaining 34.8% is accounted for by other variables not included in this study. The coefficient of determination in this research is 65.2%, indicating that the two independent variables, location and price, have a strong influence on the dependent variable, which is purchase interest.

Effective Contribution

Table 9: Results of Correlation and Multiple Linear Regression Analysis

Variable	Correlations	Standardized Coefficient Beta	R square
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Location (X1)	0,734	0,436	0,652
Price(X2)	0,739	0,449	

The Effective Contribution (EC) of the location variable (X1) to purchase interest (Y) is:

$$EC(X1)\% = \text{Beta}_{x1} \times r_{xy} \times 100\%$$

$$EC(X1)\% = 0.436 \times 0.734 \times 100\%$$

$$EC(X1)\% = 32.02\%$$

The effective contribution of the price variable (X2) to purchase interest (Y) is:

$$EC(X2)\% = 0.449 \times 0.739 \times 100\%$$

$$EC(X2)\% = 33.18\%$$

Based on the above calculations, it can be concluded that each independent variable contributes significantly to the purchase interest of tourists. Location (X1) contributes 32.02% and Price (X2) contributes 33.18% to tourists' purchase interest. Together, location and price account for 65.20% of the purchase interest at hotels in Bali, with the remaining 34.80% explained by other variables not included in this study.

DISCUSSION / ANALYSIS

1. Description of Location Variable (X1) Results

The location variable yielded an average response rating of 4.30 from the respondents, categorizing it as excellent. The statement "I find the location of my hotel easy to find through the internet" scored the highest at 4.59, indicating that respondents found the location of most hotels in Bali easy to locate. The lowest-scoring statement in the location variable was "I find the traffic in Bali is quite smooth," scoring 3.78. This suggests that access to hotels in Bali is often congested due to its strategic location.

2. Description of Price Variable (X2) Results

For the price variable, the overall average response from the respondents was 4.38, also classified as excellent. The highest-scoring statement in this category, at 4.49, was "I feel the facilities provided are worth the price." This indicates that respondents find the room rates at accommodation in Bali to be fair for the services and amenities provided. The lowest-scoring statement for the price variable was "I feel hotels should offers discounts more," with a score of 4.29, indicating a high interest in discounts among respondents and a perception of infrequent promotions.

3. Description of Purchase Interest Variable (Y) Results

For the purchase interest variable, the average response was 4.37, categorized as excellent. The highest-scoring statement, at 4.55, was "I search for information before staying" This suggests that most respondents are interested in researching promotions, products, and services of hotels in Bali prior to their stay period, although there is a lack of recommendations from others.

4. Description of Research Results on the Influence of Location (X1) and Price (X2) on Purchase Interest (Y)

This study demonstrates that location and price positively and significantly influence purchase interest. This is evidenced by the t-test for location, where the calculated t-value > table t-value = 5.434 > 1.661, and the significance value < α = 0.00 < 0.05. The t-test for price showed a calculated t-value > table t-value = 5.602 > 1.661 and a significance value < α = 0.00 < 0.05, and the F-test revealed a calculated F-value > table F-value = 90.783 > 3.94, leading to the rejection of H0 and acceptance of Ha. The coefficient of determination was 0.652 or 65.2%, meaning the independent variables explain 65.2% of the dependent variable, with the remaining 34.8% explained by other variables not included in this study. A 65.2% determination coefficient indicates that location and price strongly influence purchase interest.

CONCLUSION

Based on the analysis of the data, the study draws the following conclusions:

- The location variable (X1), as indicated by the t-test and multiple linear regression, has a t-value that significantly exceeds the table value (5.434 > 1.661) and a significance level well below the alpha threshold (0.000 < 0.05). This demonstrates a significant and positive partial effect on the purchase interest (Y) in Bali accommodations.
- In the case of the price variable (X2), the findings are similar. The t-test and multiple linear regression show a t-value higher than the table value (5.602 > 1.661) and a significance level below the alpha threshold (0.000 < 0.05). This indicates that the price variable has a positive and significant partial impact on purchase interest (Y) in Bali accommodations.
- The analysis of the coefficient of determination shows that location and price jointly explain 65.2% of the variation in purchase interest. This suggests that these two independent variables, location and price, have a considerable influence on the dependent variable, which in this case is the purchase interest for accommodations in Bali. The remaining 34.8% of the variance is due to other factors not included in this study. Furthermore, the F-test results, with an F-value of

90.783 surpassing the critical value of 3.94 and a significance level below the alpha threshold ($0.000 < 0.05$), reinforce that location and price have a significant and joint positive influence on the purchase interest in Bali accommodations.

LIMITATION AND STUDY FORWARD

This study, while providing insightful conclusions, has certain limitations. Firstly, the research is confined to specific variables – location (X1) and price (X2) – and their impact on purchase interest in Bali accommodations. This focus excludes other potentially influential factors that could affect purchase interest, such as customer service quality, amenities, or cultural attractions nearby. Secondly, the study's geographical scope is limited to Bali, which might not reflect the dynamics of other tourist destinations. The findings, therefore, may not be generalizable to different contexts or regions. Additionally, the study relies on the responses of a particular group of respondents, which may not represent all tourists' views and experiences. Lastly, the remaining 34.8% of the variance in purchase interest not explained by the study's variables suggests that there are other significant factors influencing purchase decisions that were not explored.

Future research should aim to address these limitations. Expanding the scope to include additional variables such as service quality, amenities, cultural attractions, and environmental sustainability could provide a more comprehensive understanding of what influences tourists' purchase interest. Research could also be diversified geographically to include different tourist destinations, enhancing the generalizability of the findings. Moreover, future studies should consider a broader demographic to encompass a wider range of tourist experiences and preferences. Investigating the 34.8% of unexplained variance in purchase interest could unveil other critical factors influencing tourist decisions, providing valuable insights for the tourism industry. Additionally, longitudinal studies could be conducted to understand how these factors influence purchase interest over time, considering the dynamic nature of tourism trends and market changes..

CONFLICT OF INTEREST AND ETHICAL STANDARDS

There exists no conflict of interest with the current organisation and no unethical practices followed during the study.

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AUTHOR'S CONTRIBUTION

Author 1 is responsible for formulating the research questions, selecting the methodology, and overseeing data collection, ensuring the study's relevance and accuracy. Author 1 also played a significant role in analyzing and interpreting the data, linking the findings to broader theoretical frameworks.

Author 2, is in charge on the literature review and manuscript preparation, providing a comprehensive analysis of existing research to contextualize the study.

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