EXPLORE THE CULTURE AND BEAUTY OF MALANG WITH SAHID MONTANA

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ABSTRACT

Sahid Montana is one of the 3 star hotels located in Malang City. The hotel is very close to downtown Malang and traditional nuances. In order increase the market of the hotel, Sahid Montana trying to enter international market. The he method that used to achieved this purpose is through tourism, esspecially in Malang city, Indonesia. This tourism program also have another purpose. The purpose is to develop existing tourism in the city of Malang. Sahid Montana trying to offer some interesting packages such as the natural state of Malang to attract foreign consumers of this city.

To be better known to foreign levels, make Sahid Montana appear marketing with event-level events abroad. Sahid Montana aslo make a cooperation with another party in order to achieved their purpose. The party are travel agency, government, Sahid Montana Group, ect. This cooperation also give benefits for each side.

This distribution channel and marketing methods has been choosed by team 12, because have more benefits, and easy to be implemented. The partnershp’s benefits of this method are for Sahid Montana, another party, government and tourism industry in Malang city. Beside it, the marketing’s benefits are bigger range of promotion, lowwer cost and high effectivenes and efficiency.

Keywords: Hotel Sahid Montana, Tour Packages, Marketing Strategy, International
1. COMPANY PROFILE

An upscale local brand in major urban centers, gateway cities and resort destinations in strategic location across the Indonesia archipelago, Sahid Hotels is a dynamic hotel brand full of cultural wealth located in each of Indonesia's 33 provinces, with 2,843 rooms available.

Sahid Hotels help streamline projects in the most time-efficient and cost effective manner to ensure your property opens strong. Sahid Hotels have assumed leadership in Indonesia’s hospitality industry by providing all the comforts and conveniences of home to millions of visitors at their hotels located in major business centers and popular holiday areas across the country. In fact, the Sahid group’s family of hotels has grown to become one of the nation's largest independent hotel chain.

At Malang, Sahid Montana is one of the 3 star hotels in Malang that was built in 1987. As a part of hotel chain Sahid Group that has been expanding in the last 20 years throughout Indonesia, Sahid Hotel Malang operates as a wholly-owned entity. Sahid Montana Malang consists of Sahid Montana Malang (SHM1) and Sahid Montana Dua Malang (SHM2) (previously Griyadi Hotel).

1.1 Sahid Montana’s Vision

Being a leader in hospitality management both nationally and internationally.

Be a profitable company for the shareholders and stakeholders

1.2 Sahid Montana’s Mission

Offer a comprehensive range of services to ensure maximum return on investment to its owners and investors.

Provide optimal service either at the time of planning, development time and during operation of the hotel.

Deliver organized structure for marketing, e-commerce, local and national sales programs.

Develop human resources to establish a strong and lasting foundation in the organization.

1.3 More Data about Sahid Montana Hotel

Website

Sahid Montana’s group’s : http://www.sahidhotels.com/about-us
Sahid Montana Malang’s : http://www.sahidmontana.com/satu/

PIC of Sahid Montana: Umar / +62 341 362751

Hotel Address : Jl. Kahuripan No.9, Kauman, Klojen, Kota Malang, Jawa Timur 65111, Indonesia
1.4 **Current Situation**

Sahid Montana still rely on travel agents. So tourism recommendations are managed by travel agents. Sahid montana only provides stay facilities for tourists.

2. **COMPANY READINESS**

![Score Chart](image)

**Graphic 2.1 Company Analysis Readiness Illustration**

From the data above, Sahid Montana is one of the company that classified as good company and ready to serve foreign customers. From the Human Resource side, this company has quite a good score. This is because all of their employee, especialy in the front office must able to speak in English. With this skill, they can communicate with foreigner. But, they don’t have any experience to tell about the description / tales of the destination.

This hotel also has unique value that the can present the traditional atmosphere of Indonesia. This is the value that most of foreigner are looking for. Beside the unique value, the facility and the services are good enough. They don’t get the full scores because the experiences with foreigner are still a little. In the “company cooperation” side, Sahid Montana has lot of channel and collaboration. They also has a lot of experiences. With this fact, our team give Shid Montana an excellent score (10 point).

From the promotion side, this company also ready to give a special prices if our team get a big party of foreigner. With this fact, our team can conclude that Sahid Montana can cooperate well with us. Because of that, they have a good score.
3. RECOMMENDED SERVICE IDEA

Because our team have chosen Sahid Montana hotel, the ideas our team have are make a tour pack. Our team have 2 recommendation pack, consist Summer Day Pack and Back to Village Pack. In the Summer Day pack package our team offer, tourists will be taken to the two beaches in the south of Malang. The concept of this tour package is ecotourism, where tourists will travel while preserving. This concept our team choose because foreign tourists are aware of the importance of ecotourism and the concept is favored by the community abroad.

The vehicles our team provide are jeep cars. The reason for choosing this vehicle is to increase the atmosphere of tourist adventure. On the other hand, because there is a rocky road conditions, so it is safer to use a jeep car. The first beach to go is Kondang Merak beach. Estimated arrival at the location is 10:30 am, and tourists will be taken to the rehabilitation site slow loris. In this place tourists will be able to play and feed the lemurs, while learning about the uniqueness and conservation of these animals on the island of Java. This will be a distinct value as they will have a unique experience of meeting the loris directly and participating in maintaining their existence.

After that tourists will be taken to a place to eat that provides a variety of typical seafood menu. The menu our team offer is sate tuna, oseng octopus, grilled lobster, and other fish. Our team will serve the food with a picnic concept on the shore of peacock famous, so tourists will get a beautiful view of the beach while having lunch. After lunch slesai, the next activity is snorkeling. One of the uniqueness of peacock famous beaches is the presence of coral reefs with a relatively large size with a lot of numbers. Not only enjoy the beauty, tourists our team also invite to try to clear the shoots - coral reefs while diving. With this activity, the sustainability of coral reefs will also be maintained.

After playing at the Kondang Merak beach, the next tourist destination is the beach of Asmara Bay. The approximation to the location is at 15.30 WIB. This beach is known as an unfortunate version of the king ampat version, as there are several small island islands by the sea. On this beach tourists will be invited to enjoy the beauty of the reef when the sea water receded. Sahh one of the uniqueness of this beach is a sloping beach, so tourists can walk further down in the low tide. Tourists will on this beach until 5:30 so will feel the sensation of sunset on the beach of Asmara Bay.

The required fee for this package is Rp 1,070,000, - for 4 persons, consisting of rent jeep + gasoline (Rp 550.000, -), entrance fee (Rp 60.000, -), Lunch (Rp 200.000, -), snorkeling (Rp 200.000, -), Teluk Asmara Ticket (Rp 60.000, -). Our team also offer video recording and editing services, so travelers will have memories to remember in the future. For this service, the fee charged is Rp 200.000, - (Edit, GoPro, Drone).

4. COUNTRY SELECTION

There is no specific country are taken. Because more cooperate to pick up foreign guests from travel agents. So not directly related to the client. They can enter Hotel Sahid Montana with OTA (Online Travel Agent). Rarely see foreign guests who directly call the hotel and their average through travel agents or OTA.
Usually many tourists who choose to use travel agents because they come in groups. Hotel Sahid Montana is more pursuing to travel agents, because they bring tourists in groups and make many rooms booked. If OTA, only order 1 or 2 rooms.

But when team 12 observe from the promotion that sahid group did, first they want to target south east asian country. They have organized Table Top in the 3 countries. They are Thailand, Malaysia, and Singapura. our team can see that they targeted the nearest country first, after that they will increase the company scope.

5. MARKETING PLAN

5.1 Segmentation

Market segmentation and targeting have been shown to improve the sellers’ capacity to identify market opportunities, and to make clear adjustments to their product, prices, distribution channels and promotional mixes (Kotler, 1999; Wind, 1978). Segmentation of Sahid Montana Hotel are OTA, government, and corporate, and travel agency. The highest segment is government. The second is corporate (mice) Sahid Montana is chasing guests who have meetings and three meals and two coffeebreaks. So they come to meetings and stay at Hotel Sahid Montana for two to three days. It does not close the possibility of corporate as well as from BRI and BCA, but the scale is quite small and the most remains a government

OTA is the customer’s segmentation that came from travel application. This segmentation has random customer and can not predicted well. The last segmentation is from tour agency. Sahid Montana hotel establish a cooperation between the hotel and tour agency. The number of customer from this segmentation is high compared to others.

5.2 Positioning

According to Tjiptono and Chandra said that positioning is (2012: 1) "The way the product, brand, or organization of the company is perceived relative to the product, brand or organization of competitors by current and prospective customers". Positioning is an important factor for company. With positioning, market will know the differences of a company compared to others.

For positioning Hotel Sahid Montana already has a good positioning. Sahid Montana’s positioning itself more lead to the concept of heritage. At this time many hotels that carry the concept of a modern concept of the building until the employees are quite stylish. For Hotel Sahid Montana more towards heritage and traditional.

5.3 Targeting

Choosing the target of a business is important. Kotler (1999, 153) said “Targeting have been shown to improve the sellers capacity to identify market opportunities, and make clear adjustment to their product, price, distribution channel, and promotional mixed”. If a company has a clear target of market, this company can maximized their resource to get maximum potential of targeted segment. The company can decrease loss that may occur if don’t have clear target.

Based on the observation, the main target market of Sahid Montana is mice (corporate) and tour agency. Sahid Montana choose this segmentation because it has more customer
compared to others. Besides, the number of customer relatively stable. This is the key point for Sahid Montana to sustain and get stable income.

5.4 Pricing Strategy

The objective of pricing strategy is stability of optimal price along maximizing current profit and quantity of sale (Dolgui & Proth, 2010). Beside that, Dolgui and Porth said (2010, 89) “the objective of pricing strategy is stability of optimal price along maximizing current profit and quantity of sale”. There is some objective in pricing strategy, wether to increase the customer (Cheap price), or gain more profit from some services, etc. Price has a big impact for any product, also in tourism industry.

In the tourism industry, there is a differences in price between domestic and foreigner. For example when visiting Mount Bromo the price for domestic and foreign tourists is different. However for the hotel there is no differences for the service pricing. Sahid Montana charge the same amount of money from domestic or foreiger. The different is in service that given to the foreigner. The example of special treatment is breakfast menu served different from the domestic visitor.

5.5 Distribution Channel

Philip Kotler (2007: 122) said, Distribution Channels is an organizational dependent device that is covered in a process that makes the product or service to be used or consumed by consumers or business users. Besides, according to Warren J Keegan (2003, 97), Distribution Channels are channels used by manufacturers to distribute the goods from producers to consumers or industrial users. From this definition, distribution channel is a method about how a product delivered to consumers.

Sahid Montana have 2 distribution channels. First, they have a big group (Sahid Montana Group) that help him in marketing. If for Montana itself when still not joined with Sahid is still lacking and who knows only the domestic community just like Malang and other East Java Province. Therefore, Sahid Group's marketing strategy is wider. Beside, they also have channels from travel agens. This channel occurs because of cooperation between Sahid Montana and travel agencies.

For the next development, team 12 suggest Sahid Montana increase one more channel. The channel is through e-marketing. The reason are the the range od e-marketing, low promotion cost, effectiveness and efficiency of promotion, etc. This method also suit for international marketing.

5.6 Promotion

Hotel Sahid Montana uses a common way, such as posters, brochures, pamphlets, and also social media in promotional strategies. For promotion there are two product that is first, one room and one room one food and drink.

Many promotions that have been done for example for the room when the Christmas event there is a package for example two days with the price of so much. There is also a menu mainstay promoted Hotel Sahid Montana like rice tongue stirred promoted through Radio Kencana and through car free day.

The most effective marketing methods for international marketing is e-marketing. El-Gohary (2010: 216) said, „e-marketing can be seen as a new philosophy and modern business practice involved with the marketing of goods, services, information and ideas via the Internet and other electronic devices“. E-marketing can be effective because it can reach
international market easily. It is different from konventional marketing that has distance restriction. If Sahid Montana keep use banner, poster, or event brochure, Sahid Montana will not reach their international market.

There are many form of e-marketing. The most common promotion strategy is through social media like Facebook ads, Instagram ads, Path, and also website. This methods also more effective because it has fixed segment. With this benefit, only the target will get the promotion, which means save more cost and decrease loss. Beside that, Sahid Montana can use their website to do e-maekering. Sahid Montana can make and upload videos about tourism’s places in Malang.

Made a cooperation with the provincial tourism office to hold a top table promoting East Java. After that, made a collaboration with the tourism office held table top in three countries namely Thailand, Malaysia, and Singapore.

Establish cooperation with domestic travel agents, but they sell their packages abroad for example like Germany. Travel agent has several types that enter the Hotel Sahid Montana, there are the nature of the series. Series is like selling the package started to come in Indonesia for example at Juanda Airport then to the city of Malang. Then when in the city of Malang is staying at the Hotel Sahid Montana

6. INTERNATIONALIZATION PROCESS

The government was record Sahid Montana as a hotel. Basically, hotel and travel agency is different in management system and law’s form. Because of Sahid Montana will coordinate the ideas, Sahid Montana must make subsidiary that focus in tourism. There are some conditions that must be done before enter international market. The first condition is the legal aspect. In Indonesia, Sahid Montana must have Tanda daftar usaha pariwisata (TDUP) for their subsidiary. There are some procedures to get TDUP permission from the government, the steps are (https://sipp.menpan.go.id/pelayanan-publik/jawa-barat/kabupaten-bandung/standar-pelayanan-tanda-daftar-usaha-pariwisata):

Prepare the Requisite File and fill out the TDUP Application form

Applying for TDUP

Accepting TDUP Application Submission

Determine whether consultation is required with the Kasubid data collection and registration of the TDUP Permit

Advise on TDUP application submission

Ensure the requirements file is complete and correct

Returns the submission of a TDUP application for completion

Complete the shortage of the requirements file and reapply

Print the registration receipt and control card, and sign the Registration Receipt

Check the file and sign the file registration receipt and initialize the control card

Submit a receipt to the applicant
Printing TDUP Permissions
Inquire TDUP License
Sign TDUP on behalf of the Bupati
Give a Number and Submit it to the delivery counter
Submit TDUP to the Applicant

To get TDUP, first Sahid Montana must provide some conditions for the submission. The requirements are (http://dpmtk.id/index.php/persyaratan-tdup-tanda-daftar-usaha-pariwisata/):

- The photocopy of identity card
- Photo (3×4cm) with red background, 3 pieces
- Photocopy of Izin Gangguan (HO)
- Photocopy of SIUAU
- Photocopy of Deed of Incorporation that listed as business travel services
- Power of attorney and Photocopy of KTP who become receiver.
- Blue buffalo based Map

For this permission, Sahid Montana need to wait around 4 days. Sahid Montana also do not need to pay to get this permissions. After the legal aspects have been done, Sahid Montana can start the tourism programs. For the marketing of the tourism product, there is no need any permissions. Everyone can market tourism product as long as the information is real and accountability. Any media can be used from common methods (brochures, banner, poster, etc.) till modern methods (e-marketing).

7. RISK

Risk has been defined in a number of ways, but is often seen as the likelihood that an individual will experience the effect of danger (Short Jr, 1984). Beside, Lewis (1999, 65) warns that “focus on risk of a given magnitude may cloud our perception of a reality which might in fact be lesser or partial”. From this, Sahid Montana must paying an attention to the risk that may occur. With this method, Sahid Montana can decrease loss that may occur. Besides, Sahid Montana can anticipate any problem well.

There are some risk that may occur. The first risk is from Sahid Montana internal marketing. Kottler (2008, 180) said that, “Internal marketing is the task of recruiting, training, and motivating competent employees who want to serve customers well”. This is happened because this company don’t have any experience in doing tourism. Lack of experience make the company cannot give best services. Sahid Montana may give wrong treatment for their guest or give a wrong responses for every problems that may occur. Because of that, Sahid Montana must held a training for all employee. The purpose of this training is to give employee more experiences to handle different customer, from all over the world.

Another risk is the cultural differentiation. If Sahid Montana success in the implementation of international marketing’s system, this company will get more visitor from a lot of country that
they may not handle before. Because of that, Sahid Montana must ready either from the treatment that should this company give or the facility that gave for the customer.

More visitor will force Sahid Montana to have more employee (Human Resource) and room / facility. If they don’t have enough employee, this company cannot give best services that lead to dissatisfaction. The availability of room/facility also an importance aspect for enlarge this company.

8. RECOMENDATION

Every To handle the risk that may occur, this company must make some preparation. First, Sahid Montana must give special training for their employee, especially in handling foreign visitor. The training is about how to behave, problem solving, and personality. If the employee know how to behave, guest will feel more comfortable in Sahid Montana.

Next recommendation is doing international marketing step by step. The meaning of this is make the primary target of market place. After the primary target achieved this company will continue to the next target. With this strategy, Sahid Montana will have more time either training their employee or increase the hotel’s standart depens on the target country. Sahid Montana will be more focus and can handle the guest well.

For the human resource and room’s availability, Sahid Montana must make a long terms plan. Long term plan can help this company to grow constantly and stable. This company must set the target and the action if the targets are achieved. If this company does not set any target, this company will not grow well and tend to be stuck in the same position.

9. CONCLUSION

Based on the report, Sahid Montana is ready to enter international market. But before Sahid Montana can do it, there are some factor that must be fixed or increased. The main factor is the service system. This program biggest risk is the cultural differentiation between Indonesia and another country. There is a lot of differences tah can inhibit the program. Sahid Montana also need to increase the facility to international standart

Beside that, Sahid Montana must focus in e-marketing to increase their customer. E-marketing is good solution from this program, because the konvensional methods have some limitation. The biggest limitation is distance. Konvensional methods will hard to be implemented for international marketing. Therefore, Sahid Montana can use e-marketing to handle this problem.

Beside that, Sahid Montana must pay an attention to the right e-marketing’s methods for every country. This is because every country have different view point and perception. If the promotion was done in the wrong way, it will not give good response from market. So, Sahid Montana must use the right way and the marketing will more effective and efficient.
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