

## **POPULARIZING THE EXISTANCE OF MALANG AND BATU WITH KIRANA TOUR AND TRAVEL**

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### **ABSTRACT**

The globalization era and the next decades are a crucial time for the relationship between tour and travel and sustainable development. The need to preserve the world's inherent assets for future generations is becoming an imperative goal not only for tour and travel, but also for all other industries that use the earth's natural resources. The scale of tour and travel's contribution to the global economy and its potential for enabling sustainable development are becoming more real for governments, entrepreneurs, and others who involved in tour and travel industry.

Nowadays, Tour and travel's are tourism industries that become one of the largest industries in the world. Economically, it creates jobs and contributes to increase Gross Domestic Product (GDP), as well as brings in capital investment and exports. Socially and culturally, tour and travel offers the opportunity of providing jobs for minority and disadvantaged groups, creating adequate training in management skills, education and technology to local people and increasing incomes in rural and local economies, thereby contributing to the alleviation of poverty in developing countries. Environmentally, it is essential for tour and travel to maintain an optimal balance of its natural resources to ensure the ongoing arrival of tourists to destinations.

In Kirana Tour and Travels, marketing strategy will be based mainly on make sure customers know about the existence of Kirana and the services that Kirana's give. Because the purpose is to make the right information available to the right target customers. This will be done through implementing a market penetration strategy that will make sure that Kirana's tour and travel is well known and respected in the tourism industry. Kirana make sure that the prices take into consideration customers budgets, know that it exists, and how to contact Kirana. The marketing always communicate the sense of quality in every picture, every promotion, and every publication. Kirana's promotional strategy will involve integrating advertising, events, personal selling, public relations, direct marketing and the Internet (specially in media social), details of which are provided in the marketing section of this plan.

**Keywords:** *tourism, Kirana tour and travels, digital marketing, media social, malang batu tourism, nusantara project.*

## **1. COMPANY PROFILE**

PT KIRANA ANUGERAH TERINDAH or well-known as Kirana Tour and Travel was established in 1st October 1997, supported by experienced professionals, the fleet is safe and comfortable, will serve customers in a professional manner by prioritizing customer needs thoroughly in your tour. Because the motto "More Than Enough" has been the Kirana's motto in serving customers.

### **1.1 Kirana's Vision (cited from Kirana Tour and Travels website)**

Kirana as tour organizer in complete the needs in the field of tourism as well as bridging programs the Government motion in each step in the field of tourism, and provide transportation for the fulfillment of the tour operators the relic in East Java.

### **1.2 Kirana's Mission**

The best just for you.

Serve you with love and honesty.

Smile and Love.

Together we are the smile and compassion.

Now more affordable.

Better with us.

### **1.3 Kirana's Organizational Structure**

Ir Immanuel Ustradi Osiyo MBA (owner).

Lia Anjaini (manager).

Other staff.

Freelance workers.

### **1.4 Current Situation**

Nowadays Kirana's tour and travel had a lot of rivals in tourism field. They are trying to dropped Kirana by give their customers very cheap tour package. It's been a great challenge for this company, so more interesting promotion are needed.

### **1.5 Data about Kirana Tour and Travel contact**

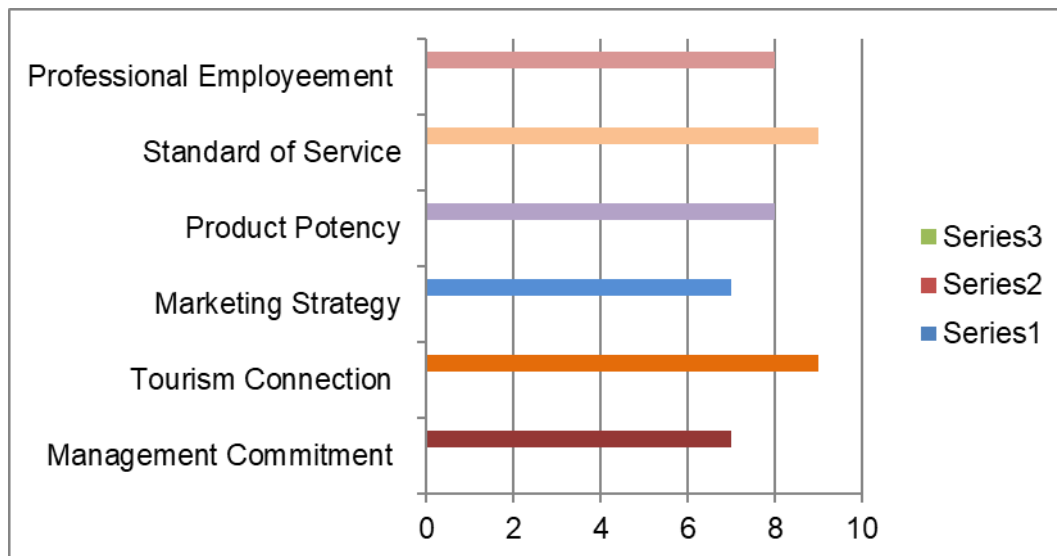
Address: Ruko Istana Dinoyo kav. D-16, Malang

Website: <http://www.kiranatours.com/>

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## 2. COMPANY READINESS ANALYSIS

### 2.1 Readiness level based on CORE (Company Readiness to Export) methods



**Table 1.** Readiness Level

Based on bar chart above we can conclude that Kirana Tour and Travel is ready for entering international market. We can see that tourism connection and standard of service got highest score. We give it score 9 because in Kirana Tour and Travel standard of service is priority, based on customers testimonial most of them said there is none amazing services like Kirana do. The manager said that most of customers complain about services in other tour that can't satisfy them. And then the second subject that got highest score is tourism connection. Because this company has so many cooperation with other company, such as Lion Air, Ever Green Aromatherapy, and Southern Horizon Vietnam. Lion Air is an international company that has been delivered people to abroad. Then we give 8 for professional employment and product potency because they have so many rivals in this part. For the last, we give 7 for marketing strategy and management commitment because their marketing is already going well but some companies do it too so they must compete to get customers. Their management commitment also already going well but it will be better if expanded.

## 3. RECOMMENDED SERVICE IDEA

Because most of us are in the Malang city, so we choose to develop tourism in Malang-Batu. The reasons why we choose those city:

Most of us are in Malang, so we can easily search and survey a beautiful place in Malang that can be a place for our tour package especially in for Malang-Batu tour.

Malang has so many beautiful place like Bali (we have beach, mountain, waterfall, etc) but still a few people know it because Malang still not famous as Bali.

The last few years we saw some foreigners come to Malang, so we think it's a chance to attract more foreigners to make Malang as their holiday destination. So people can also choose Malang for their holiday destination, not only choose Bali for their holiday.

We've been discussing with the manager about our idea to do more attention on Malang-Batu Tour and she said yes. We also suggest them to promote Malang-Batu tour more frequent in "Facebook" because there are so many people from all country in this world have joined with "Facebook". And there are a business application in "Facebook" so everyone can join with it for free, but if the company want to do more promotion they have to pay for advertise it (the price of advertising start from 10k rupiahs). The manager told us that they already have a "Facebook" for Kirana tour and travel but seldom use it. Then we suggest them to promote Malang-Batu tour in "Facebook" so they can often use it again. The manager agreed with our idea but with this agreement: we make the content for promote Malang-Batu city after it we send it via email, then they will publish it in Kirana's "Facebook". We think that we can attract tourist if we often publish the beautiful scenery of Malang and Batu city.

#### **4. COUNTRY SELECTION**

In few years later The Central Bureau of statistics (BPS) records the number of visits of foreign tourists in December 2017 reaching 1,11million tourists. That number is increase about 11,69% if compared to the number of foreign tourist who come to Indonesia on December 2015 (986 thousand tourists) .Based on data that we found from (Budiawati 2017) the countries that most often visit Indonesia are China (1,43 million tourists), Singapore (1,42 million tourists), Australia (1,18 million tourists), Malaysia (1,18 million tourists), and Japan (468 thousand tourists). So after know that data we agreed that our target must be in those country.

#### **5. MARKETING STRATEGY**

##### **Segmentation, Targeting, Positioning**

Segmentation:

Based on BPIR (n.d.), segmentation is a means of focusing attention onto the needs of groups of customers, rather than having a "one size that fits all approach". Gordon Wyner, (2002) vice president of Mercer Management Consulting, writes that effective segmentation enables companies to allocate investment resources towards targeted customers that are most likely to be attracted to offers. Success is measured in terms of how well the organisation acquires and retains profitable customers. Difference definition of segmentation:

"Segmentation is central to marketing strategy because different customer groups imply the need for different marketing mixes. The technique of segmenting a market also reveals profit opportunities and strategic matter for new competitors to challenge established market leaders" (Procedia, 2014).

Based on geographic: We choose people from big city such as Surabaya and Jakarta because most of them are looking for nature place for the holiday. And we also choose people from some another country such as China, Singapore, Australia, Malaysia, and Japan because most of them are really like to come to Indonesia for holiday and they also looking for a nature place to sunbathing, sightseeing/just enjoying the beauty of that place.

Based on demographic: We choose a big family and people from another country who has regular income because now we are focus on cheap price package but still prioritize quality of service.

Based on psychographic: We choose people who like to go to a nature place and have a regular budget so we can give them special price if they really want to take a Malang City tour with Kirana.

“The benefit of market segmentation lies in a tourist destination being able to specialize on the needs of a particular group and become the best in catering for this group.” (Dolnicar, 2008).

“The present work tests the effect of the online differentiation strategies employed by rural accommodation enterprises (RAEs) among different segments of the tourist population. More specifically, the following aspects are identified: (1) the different tourist segments that undertake rural tourism; (2) the various online differentiation strategies adopted by RAEs; and (3) the effect of these online differentiation strategies on tourist behavior, by segment (in terms of perceived value)” (Pena, 2014)

Targeting:

Based on The Economics Time (n.d.), target market is the end consumer to which the company wants to sell its end products too. Target marketing involves breaking down the entire market into various segments and planning marketing strategies accordingly for each segment to increase the market share.

Kirana Tour and Travels used to focused on people with middle up earnings. But nowadays their competitors are compete to make a low price tour so Kirana do it too. And now their target is people with low budget from big city in Indonesia and backpacker from another country especially China, Singapore, Australia, Malaysia, and Japan.

Positioning:

Based on Management Study Guide (n.d.), brand positioning refers to “target consumer’s” reason to buy your brand in preference to others. It is ensures that all brand activity has a common aim; is guided, directed and delivered by the brand’s benefits/reasons to buy; and it focusses at all points of contact with the consumer.

Kirana Tour and Travel is a tourism business that have a middle up price for middle up people. Because their motto is “More Than Enough” which means their quality of service is number one to make customers satisfy.

Much of the previous market segmentation research has focused on methods of positioning total markets into segments and rarely on how marketing managers actually use market segmentation in practice (James, 2014).

## **Pricing Strategy**

Kirana set a price for tour Malang-Batu city from 1.5 million rupiahs for 3 days 2 nights for domestic (the price for domestic and foreign tourists is different). That price applies to minimum 10 persons if less than 10 person the price can be more expensive. With 1.5 million rupiahs customers will get stay at 3 stars hotel, eat 3 times a day, pick up using elf (for 10 persons) and using bus (for more than 50 persons), 1 tour guide, and other facilities from Kirana Tour and Travels. For a large groups/company groups (more than 50 people) the price can be cheaper if you ask for a special price with owner/manager. Our terms of trade are:

No cancelation. If customers cancel their trip with Kirana they can't get refund, except they have sudden problems such as they got serious accident and should hospitalized/die they can get refund according to owner policy.

Customers will get facilities according to tour package that they take. Such as if they take the cheaper package they only get stay in 3 stars hotel.

## **Distribution Channel**

This hotel has 3 distribution channels. Their biggest channel is in Vietnam (Southern Horizon Vietnam). This company already collaborated with Kirana in marketing their tour (Kirana helps them to promote tour in Vietnam with Southern Horizon Vietnam and they helps Kirana to promote tour in Indonesia with Kirana Tour and Travels). And they also collaborated with Air Asia for tour in Asia countries. The last channel is their employee.

## **Promotion**

Kirana Tour and Travels promote tour using company moving car (some car with logo sticker in each side of car), advertising in newspaper, website, and broadcast. But this tour usually use promotion in company moving car and broadcast (in Whatsapp) for more because their clients more often see the promotion in Whatsapp and they have so many clients contact in there. Beside Whatsapp they also use Instagram and Facebook (@pergiramerame557755). They use more than 1 media social because its more effective, cheaper than advertise it in newspaper, and nowadays people prefer to search everything in media social. Especially for searching tourism place for their holiday.

*“Digital media and technologies now affect every single stage of the visitor’s journey to a destination, during his stay and even after this. The purpose, throughout this project was to develop a holistic digital marketing strategy targeting the decision-making process of planning a trip to Slovenia, providing useful visitor info while being in Slovenia and utilizing attractive social media tools for sharing their memorable experience upon their return home” (STB, 2012).*

*“Changes in consumer behavior require firms to rethink their marketing strategies in the digital domain. Currently, a significant portion of the associated research is focused more on the customer than on the firm. To redress this shortcoming, this study adopts the perspective of the firm to facilitate an understanding of digital marketing and social media usage as well as its benefits and inhibitors.” (Kelley School Of Business 2014 )*

Kirana Tour and Travel made a cooperation with one of the Vietnam tourism agent (Southern Horizon Vietnam) to promote tour in Indonesia with Kirana Tour and Travels. Also made a

cooperation with a few big company such as Air Asia and Ever Green Aromatherapy. Besides, Kirana join some big event such as Air Asia event, tourism expo, and others.

## **6. EXPORT PROCESS**

In Kirana Tour and Travel, export process is very simple. Customers just need to give down payment from tour package that customers choose and give name list to Kirana. Name list is list that contains names and tour participants contact. Based on data that we got in Passport Service Guide (n.d.), the Indonesian government requires a passport valid for at least six months from the date of arrival in Indonesia to enter the country. Indonesian authorities regularly deny entry to all foreign nationals who arrive with less than six months validity on their passports.

## **7. EXPORT RISK**

Potential danger and providing reasonable support during emergencies are significant liability. When something goes wrong on a trip, tour guide, owners, employees and third-party providers are often claimed. Many businesses are not able to survive the after that. Lawsuits of this nature are on the rise and awards are frequently worth millions of dollars. For real proof from the Theory *Maslow (1943)*, *safety is the basic need of human beings*. This sentence showed that in tourism industry, customers primary need is safety. So the owners and tour guide must prioritize consumer safety. Because once customers feel not safe while joining tour, then customers didn't want to use that tour again. The worse is customers will tell their friends about their bad experienxe while joining tour.

All business industries will face some risk from small risk until big risk. In tour and travel industries there are some risk may occur, not only because of nature but also because of human. The risk that occur because of nature such as unpredictable weather (weather forecast showed that in tour destination place the weather is sunny after arrive in there suddenly heavy rain come down) and natural disaster (for example the destination place for tour can not be visited because damaged by earthquake).

“The immediate impacts of the earthquake and tsunami on Japan's Travel & Tourism were extremely stark as international arrivals were down 50% in March and then 62% in April” (WTTC, 2012).

Risk that happen because of humans are suddenly the tour guide had a heart attack and the owner didn't have a backup so the tour was forced to cancel. The risk can also occur because of sudden diseases, Ruan-WQ, etc (2017) on May 2015, the recurrence of the Middle East Respiratory Syndrome (MERS) virus has received worldwide attention and has had a serious impact on the tourism industry and economic development in Korea.

## **8. RECOMMENDATION**

We recommend Kirana tour and travel to cooperate with local tour because they have so many destinations for tour but don't know how to promote it until overseas. Then pick a few destinations or activities and resolve to be a better expert at them than anyone else. Consumers now have access to so much travel information, particularly at their fingertips via the Internet that they have themselves become "generalist travel agents." When they seek help, they're seeking a true specialist. Build Kirana's reputation with real traveler reviews on a referral service such as joining "Trip Advisor". Then, highly recommend a Facebook Page for tour and travel business. Get customers to be fans and to post reviews of the services while joining Kirana tour. Engage them with insights and tips. It is fine to post some specials or deals, but a Facebook page is best used when it's less about selling and more about engaging with fans and being helpful with your knowledge.

Also keep in touch with customer because customer relationship is needed. It is an important thing in tour and travel business success. Because when customers feel comfortable and satisfy with one tour and travel, they will use it again while going to somewhere. When company success to make customers come back, it means they success to managing customers which is focus of building their loyalty by do understand your customers, do communicate with your customers, prepare good service for customers, always received customer feedback and handle customers with complaint well (Armstrong & Kotler, 2017; Ghani et al. 2016).

Nowadays so many company use digital marketing to increase their sales. We recommend Kirana Tour and Travels to use more than use non-digital promotion as a promotion media. Because there are so many advantages while using digital marketing as promotion media for example you can save money because you don't have to spend much money in promotion. One of digital marketing strategy tips according to Terrero (2013) is Get Great Content That Will Go Viral: "The way to achieve ROI with social media marketing is to have your customers spread content on your behalf. People want to share content that is remarkable," said Ben Arnon, VP, global brand partnerships at Wildfire, which is owned by Google. "Develop content that consumers will piggyback off of." In the travel advisor space, this could mean content that is funny or aspirational. Create or obtain content that provides travel tips to your audience or dream itineraries or something they will want to share with their friends. As a travel advisor, you have access to amazing experiences you can share with the world. Focus on how to turn those experiences into amazing content and make it easy for your audience to share.

## **9. CONCLUSION**

Kirana Tour and Travels is tourism company that already have so many customers in Malang and very ready to go international. Because Kirana Tour and Travels already have a cooperation with tourism company in other country such as Vietnam. And we can see from readiness table that Kirana have so many factors that can help to increase the company image and increase company income. The highest score in that table was tourism connection and standard of service. It can be seen from how Kirana Tour and Travels always give the best services for their customers. And Kirana was supported by trained human resources so they always can make customers satisfy. Kirana Tour and Travels used



to segmented on middle up economic class people because their price is too expensive for people in middle low economic class. They set expensive price because they prioritize quality of service. But now Kirana also segmented on people with middle low economic class because there are so many people who need low price package for tour. And also provides tour packages with flexible price so people can choose their own destination and Kirana will give them price as their destination.

In Malang city, Kirana Tour and Travels already known by so many people so we just help Kirana to increase their promotion strategies. We help Kirana increase their promotion in social media such as Facebook and Instagram. Kirana already have those social media but rarely used so we help them to use it as a promotion media. We give them some idea about how to make an interesting content and others. Because nowadays everyone has at least one media social. And so many companies are using media social to promote their product. There are so many advantages a company can get if using media social more than using brochure/others and a company doesn't have to spend much money on promotion.

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