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Competitiveness of Tourism Destinations: An Extended Criteria of Resource-Based View

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Abstract

This research aims to increase the tourism destination competitiveness for the city of Malang. This research uses the extended criteria of Resource-based View (RBV): VRIOLU (Valuable, Rare, Inimitable, Organization, Large Market, Unmet Need) to analyze tourism destination competitiveness for the city of Malang. A qualitative approach with a case study research design is adopted in this research. Data was collected using data triangulation, such as an in-depth interview with the informants, direct observation in the form of field notes, and picture documentation. The data was analyzed manually by the researchers using thematic analysis. In this research, VRIOLU, the extended criteria of RBV is proven that it can be used as a tool to analyze tourism destination competitiveness by giving the researchers a framework to get the answers from the informants to achieve the research aim. Suggestions to improve the tourism destination competitiveness for the city of Malang include: (1) Actively promoting the added value that can be given by the city of Malang to the visitors; (2) Forming a tourism board to manage the city of Malang as a tourism destination in a holistic manner; (3) Creating synergistic promotion between the stakeholders of tourism operator and governments.

Keywords: Tourism Destination Competitiveness, Resource-based View, VRIOLU

JEL Classification Code: M31, Z30, Z32

1. Introduction

Indonesia is an archipelago country with many islands that offers various cultures and tourist attractions. The Travel and Tourism Competitiveness Report 2019 ranks Indonesia 40th out of 140 countries overall with a Travel and

Tourism Competitiveness Index score of 4.3. It is a two steps improvement from Indonesia's 2017 position of 42nd out of 136 countries overall with an index score of 4.2. The 2015 report ranks the price competitiveness of Indonesia's tourism sector as the 3rd out of 141 countries. It mentions that Indonesia has quite good travel and tourism policy and enabling conditions (ranked 9th). The country also scores quite well on natural and cultural resources (ranked 17th). (World Economic Forum, 2020). Research in tourism destination competitiveness is very crucial because, in many previous studies about tourism destination, competitiveness is perceived as an important factor in the success of tourism destination (Ching-Yaw et al., 2008; Crouch & Ritchie, 1999; Enright & Newton, 2004; Kozak & Rimmington, 1999; Mihalič, 2000). However, there is not much research about tourism destination competitiveness for the cities and districts in Indonesia. The city of Malang is the second-largest city in East Java Indonesia. It has a total of 84 tourist attractions which consist of a combination of heritage tourist attractions, tourism kampong (a kampong that is designed by the local community using a particular theme like a certain color or concept), a theme park, shopping center, and culinary tourism. The city of Malang also has an increasing number of hotels and restaurants to accommodate

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the increasing number of visitors. The opening of the Pandaan-Malang highway in the year 2019 makes the journey from various neighboring cities to the city of Malang much shorter. The number of visitors that visit the city of Malang in the year 2019 was also increasing, however, the length of stay is still relatively low (below 2 nights).

This research focuses on how to increase tourism destination competitiveness for the city of Malang because the increase of tourism destination competitiveness is identical to the ability of the tourism destination to attract more visitors and to make the visitors stay longer in the tourism destination (Zainuddin et al., 2016). The result of the analysis of the tourism destination competitiveness can be used as a base for policymakers and the stakeholders in tourism destination to formulate strategies to improve the competitiveness of the tourism destination. This research focuses on domestic visitors because the number of domestic visitors in Indonesia and the city of Malang is much bigger compared to the number of international visitors. This research aims to increase the tourism destination competitiveness for the city of Malang.

The research question of this research is how to increase tourism destination competitiveness to increase domestic visitors' length of stay in the city of Malang? To answer these research questions there are three sub-questions to be answered namely:

1. How is the condition of the tourism destination in the city of Malang?
2. How is the condition of tourism destination competitiveness in the city of Malang?
3. How to create a strategy to increase tourism destination competitiveness in the city of Malang?

This research aims to answer the research question by conducting an investigation using a case study in three steps, namely:

1. Analyzing the condition of the tourism destination in the city of Malang.
2. Analyzing the condition of the tourism destination competitiveness in the city of Malang.
3. Formulating strategies to increase tourism destination competitiveness for the city of Malang.

Studies about tourism generally agree that a competitive tourism destination brings a positive impact on the wellbeing of the local resident economically (Crouch & Ritchie, 1999; Dwyer & Kim, 2003). However, there is no general agreement in the definition of tourism destination competitiveness and how to measure it (Croes, 2005; Gomezelj & Mihalič, 2008; Papatheodorou & Song, 2005). Some of the researchers were using a model to analyze tourism destination competitiveness

(Crouch, 2010; De Keyser & Vanhove, 1994; Dragičević et al., 2009; Dwyer et al., 2002; Enright & Newton, 2004; Evans et al., 1995; Faulkner et al., 1999; Hassan, 2000; Ritchie & Crouch, 2010). Some of the most frequently used models to analyze destination competitiveness are the models that were created by De Kayser and Vanhove (1994), Conceptual Model of Destination Competitiveness by Crouch and Ritchie (1999), and the Integrated Model of Destination Competitiveness by Dwyer and Kim (2003) and Dwyer et al. (2003). In the context of the company in general, some of the previous researchers were using the criteria from on Resource-based View by Barney (1991) and Barney and Clark (2007) namely VRIO (Valuable, Rare, Inimitable, Organization) as the criteria for the resources that can be used to achieve competitive advantage. However, the criteria have been criticized by some of the researchers for its limitation in prediction (Hinterhuber, 2013), for its inability to analyze the opportunity in the market (Srivastava et al., 2001), and for the lack of ability to analyze the process to achieve competitive advantage (Priem & Butler, 2001).

Despite all the criticism, VRIO criteria from RBV is still used by various researchers as a tool to analyze the resources for the company to achieve a competitive advantage. Some of the researchers even modify VRIO so it can be used in a various context such as VRISO - 'S' stands for sustainability (Simão, 2010); the criteria used in the context of tourism with the additional criteria 'L' that stands for Limited to Substitute (Muharto, 2018; Hinterhuber, 2013) adding variable 'L' and 'U' so it became VRIOLU, 'L' stands for Large Market and 'U' stands for Unmet need to improve the ability of the original criteria of RBV as a tool to analyze resources that can be used to achieve competitive advantage (Hinterhuber, 2013).

This research uses the extended criteria of Resource-based View (RBV) by Hinterhuber (2013) namely VRIOLU to analyze destination competitiveness for the city of Malang. Hinterhuber (2013) used VRIOLU in the company setting to be able to improve the prediction ability of the original criteria. So far there is no research that has used the criteria of VRIOLU in the context of tourism. Previous research on the tourism destination competitiveness in Malang city and Malang district was about a strategy to achieve competitive advantage in Boon Pring tourism village using SWOT analysis by Rustantono, et al. (2020) and research about tourism destination competitiveness for the city of Malang in the context of Sharia tourism destination by Prajawati (2020).

Based from some of the previous studies on tourism destination competitiveness that has been explained above, here are some of the summarize research gap:

1. Destination competitiveness is an important factor in the success of tourism destinations (Ching-Yaw et al., 2008; Crouch & Ritchie, 1999; Enright & Newton, 2004; Kozak & Rimmington, 1999; Mihalič, 2000).

2. Some of the previous researchers were using models to measure tourism destination competitiveness (Crouch, 2010; De Keyser & Vanhove, 1994; Dragičević et al., 2009; Dwyer et al., 2002; Enright & Newton, 2004; Evans et al., 1995; Faulkner et al., 1999; Hassan, 2000; Ritchie & Crouch, 2010).
3. Some of the previous researchers were using VRIO criteria to measure tourism destination management (Massukado-Nakatani & Teixeira, 2009) and to measure tourism destination competitiveness (Huy & Khin, 2016).
4. Simão (2010) added the variable 'S' (Sustainable) to VRIO so the criteria of resources to achieve competitiveness VRISO can be used in the context of sustainable tourism development planning (Simão, 2010).
5. Muharto (2018) added the variable 'L' (Limited to Substitute) to VRIO so the criteria of competitive resources VRIOL can be used in the context of tourism (Muharto, 2018).
6. Hinterhuber (2013) added the variable 'L' and 'U' to VRIO so the criteria of resources competitiveness in the company context become VRIOLU and he claimed that this extended version of VRIO able to measure the competitiveness of the resources better (Hinterhuber, 2013).
7. Previous research on tourism destination competitiveness in the city of Malang and district of Malang was about strategy on how to increase competitive advantage in Boon Pring tourism village using SWOT analysis by Rustantono et al. (2020) and tourism destination competitiveness of the city of Malang as Sharia tourism destination by Prajawati (2020).

The originality of this research is: there is no previous research that is using the extension criteria of RBV namely VRIOLU by Hinterhuber (2013) to analyze tourism destination competitiveness using a qualitative approach. Even though the analysis in this research is contextual and not meant to be generalized, the analytical generalization still can be made by conducting the same research using step by step that is provided in this research, the similar result can be achieved in different settings. The result of this case study also will give additional understanding about tourism destination competitiveness as a concept that is complicated to explain (Dwyer & Kim, 2003).

2. Literature Review

2.1. Tourism Destination Competitiveness

Before we elaborate further about tourism destination competitiveness, first of all, we will discuss tourism

destination. According to Cooper (2016), conceptually, tourism destinations cannot be separated from the tourism industry that consists of organization and facility that is available to accommodate the need of the visitors. Tourism destination is a complex system that consists of a few components such as business network, organization, and infrastructure that can be used to increase the experience of visitors (Kozegar Kaleji et al., 2017). Cooper (2016) stated that tourism destination is a combination of 4 aspects, the questions about tourism destination in this research will be based on these four aspects such as:

1. Attraction: tourist attractions which include natural tourist attractions and man-made.
2. Amenities: facilities in tourist destinations which include: accommodation such as hotel/ homestay, Restaurant, food and beverage outlet and souvenir shop.
3. Access (Accessibility) which includes: the availability of access through the airport, seaport, availability of road, and means of transportation for domestic and international visitors.
4. Ancillary services: tourism bureau and tourist information center (Cooper, 2016).

This research assumes that the tourism destination consists of four aspects such as attraction, amenities, access, and ancillary services (Cooper, 2016).

2.2. Resource-Based View

This research is based on the criteria of the company's resources that can be utilized to achieve competitive advantage by Resource-based View (RBV) such as VRIO (valuable, rare, inimitable, and organization) as a conceptual framework on how to increase tourism destination competitiveness for the city of Malang. The competitive advantage of a company depends on the resources and capabilities that are needed for the competition so the strategy is created based on the internal resources (Barney, 1991; Barney & Clark, 2007). The four criteria for the resources that can be used to achieve competitive advantage using the analysis based on RBV are:

- a. Value: Resources must be able to add value to an organization.
- b. Rare: How many companies have the same resources?.
- c. Inimitable: Does this resource easily imitated by the other companies?.
- d. Organization: Is the company able to organize resources to be used optimally? (Barney & Clark, 2007).

Initially, RBV was used to analyze resources in the company setting to achieve a competitive advantage in

the context of the company generally. However in its development, the criteria to achieve competitive advantage in RBV such as VRIO is modified to be used in the various context namely: 1) Previous researchers added the variable *S* (sustainable) to VRIO, so the criteria to achieve competitive advantage VRISO can be used in the context of sustainable tourism planning (Simão, 2010); 2) Previous researchers added the variable *L* (limited to substitute) to VRIO so the criteria to achieve competitive advantage VRIOL can be used in the context of tourism (Muharto, 2018); 3) Previous researchers added the variable *L* (large market) *U* (Unmet need) to VRIO so the criteria VRIOLU can be used to achieve competitive advantage for the company in a better manner. In this research extended criteria of resource-based view is used to analyze resources to achieve tourism destination competitiveness to be able to improve the analysis ability of the original criteria of RBV.

3. Methodology

3.1. Research Paradigm

This research aims to answer the ‘how’ question which is how to increase tourism destination competitiveness for the city of Malang. Tourism destination is a contextual matter because every destination is different even though some of the places offer similar tourist attractions such as beach, waterfall, and theme park. Every tourism destination has its own characteristic that is shaped by the local culture, location, and different nuance. This reasoning serves as a basis for the researchers to use interpretivism as the research paradigm. Interpretivism believes that reality is built based on multiple realities (Phillimore & Goodson, 2004). Interpretivism is similar to the constructivism paradigm, the term that is used by Creswell (2014) that assumes that people build meaning when they are engaging with the world. People try to make sense of their interaction process with the world based on their experience and exposure that shape their point of view (Creswell, 2014).

3.2. Research Method, Research Strategy, and Timeline

A qualitative approach by using observation and interview as a method to collect the primary data is chosen in this research. A case study research strategy is used in this research because it is appropriate for understanding exploration of the activity, program, or a case that is tied in a certain time with various methods to collect data to gather detailed information (Creswell, 2014). This research is using various methods in gathering the data such as interviews, observation, data analysis from the statistical bureau. This research is cross-sectional research because data gathering

was conducted in 2 months and not conducted as a form of long-term observation.

3.3. Data Collection Method

Data was collected using data triangulation, primary data was collected from the in-depth interview with the informants, and direct observation in the form of field notes and picture documentation. The interview was more or less 30 minutes long with a face-to-face interview and using zoom meeting as a platform for the interview due to various reasons which include health and scheduling reasons. Secondary data was collected from the statistics bureau and tourism department in the city of Malang. This research is using purposive sampling with 5 key informants. A key informant is someone that has wide knowledge about the community and has the role of the source of information in the social and cultural. There is no limit in the number of informants (Patton, 2002). The informants were chosen based on their ability to provide rich data for the case being studied (Vasilios Priporas et al., 2012). The communication of the five informants was conducted at the same time, the sequence of the interview is based on the availability of the informants.

3.4. Data Validity

The validity of data in the qualitative method is measured based on the accuracy of the finding based on the point of view of the researchers, informants, and the readers (Creswell, 2014). To improve the validity of the result in this study, 4 terms for qualitative research validity that was created by Decrop (2004) is used:

1. Credibility is equal to the term internal validity in quantitative research. In this research credibility of the result is improved by the use of data triangulation for data collection methods namely: interview, field observation, and statistical data from the statistical bureau. Credibility in this research is also improved by using member checking as one of the techniques to increase the validity of the result (Creswell, 2014). The result of the interviews was analyzed to find the emerging theme and then returned to the informants. The analyzed result is returned to the informant instead of the transcript verbatim for member checking because it will decrease the feeling of discomfort when informants read the transcribed interview. The informants also have the opportunity to read the analyzed data and allow to add some more data if they have a concern that needs to be raised (Birt et al., 2016)
2. Transferability is associated with external validity which means how far the result of the study can be

generalized. In interpretive research with a qualitative approach that is highly contextual, it is not possible to generalize the result of the study statistically. The generalization for the qualitative approach is the analytic generalization that can be done by writing thick descriptions and describing the data collection process and data analysis in a detailed manner, so it will allow the other researchers and readers to judge whether the analysis of the data is conducted appropriately.

3. Dependability is associated with reliability in quantitative research. This research is using peer debriefing which involves other researchers reading the analysis and asking for the opinion to reduce the bias of the researchers.
4. Confirmability is associated with the objectivity of the result in quantitative research. The objectivity of this research is improved by writing step by step of data collection in a detailed manner and by doing self-reflection which is explaining how the result of the research is shaped by the interpretation of the researcher such as gender, culture, and social-economic background. The lead researcher was an avid traveler due to the nature of her previous work in the hospitality sector. During 12 years of her work, she has already visited various tourist destinations in more than 40 cities around the world. This is what makes her interested in researching tourism destinations. Currently, she lives in the city of Malang, a city that has no natural tourist attraction. All of the tourist attractions available in the city of Malang were man-made. She was curious about how to increase tourism destination competitiveness for the city of Malang as a tourism destination because previously she lived in Singapore which has a similar condition to the city of Malang, offering the only man-made tourist attractions yet Singapore able to attract many visitors. Singapore is also one of the countries in Southeast Asia with the highest position in tourism destination competitiveness based on a report from the World Economic Forum.

3.5. Data Analysis Technique

In this research, the data was analyzed manually by the researchers. Thematic analysis is chosen as a data analysis technique in this research because of its ability to produce rich and complex data (Vaismoradi & Snelgrove, 2019). This research used 6 steps of thematic analysis by Nowell et al. (2017) namely: (1) Understanding the data, this can be done by prolonged engagement with the data; (2) Writing initial codes through the use of coding and reflexive journaling; (3) looking for theme through making a diagram to make the

relationship between theme makes sense; (4) Reviewing the theme can be done by researcher triangulation and checking whether there is enough reference for the phenomenon; (5) Defining and reviewing the theme can be done by peer debriefing and documentation of the peer debriefing; (6) Writing the report can be done by describing the process of coding in a detailed manner (Nowell et al., 2017).

Even though the 6 steps of data analysis here look linear, however in the field during the process of data collection, data analysis can be conducted at the same time. In this research, the data collection process and data analysis were conducted almost at the same time. Once the researcher had finished the interview, the transcript was quickly made to retain the nuance and the flow of the interview. The interviews from 5 key informants were gathered and a transcript verbatim for each interview was created. Thematic analysis was conducted manually as a part of familiarization with the data. The researcher then identifies the emerging theme to answer the research questions (Veal, 2006). Next, the similar identified themes are clustered to conclude the research.

4. Results and Discussion

Transcript verbatim was made for all the recorded interviews. The list of the interview questions can be found in the appendices. The interviews and data analysis process was conducted in Bahasa Indonesia and then translated into English. The informants' identity can be seen in Table 1.

The list of the theme based on the manual analysis can be seen in Table 2 in the appendices. The researchers found that the manual analysis was able to produce a richer theme because some of the informants' answers were not only based on the list of the questions prepared by the researchers. The informants explain about the topic that is not asked by the researchers but served as a very meaningful addition to the data to answer the research questions.

4.1. The Condition of Tourism Destination

The emerging themes from the first analysis were clustered again; for the condition of the tourist attractions the researchers clustered the theme under two categories:

1. Some of the things that need to be improved regarding the condition of tourism destination are:
 - Malang needs to have an iconic tourism destination.
 - Seven Charms of Tourism Destination (Sapta Pesona) needs to be implemented especially in the cleanliness aspect.
 - Ancillary services need to be optimally involved in doing synergistic promotion for tourism destinations in the city of Malang.

Table 1: Identity of Informants

No.	Name	Code	Position in the Tourism Organization	Previous position
1.	Ir. Gagoek Soenar Prawito	Goe	<ul style="list-style-type: none"> Head of Tourism Promotion Board for the city of Malang year 2016–2020. 	<ul style="list-style-type: none"> Head of Association Tour and Travel Bureau for the Great Malang (City of Malang, Malang District, and City of Batu).
2.	Mohamad Ansari	Ans	<ul style="list-style-type: none"> Vice head of Tour Guide Association for East Java Province year 2019–2024. 	<ul style="list-style-type: none"> Head of Tour Guide Association for the city of Malang year 2009-2019 Member of the Tourism Promotion Board for the city of Malang.
3.	Dr. Ida Ayu Made Wahyuni, SH., M.Si.	Ida	<ul style="list-style-type: none"> Head of Tourism, Youth and Sports Department for the city of Malang. 	<ul style="list-style-type: none"> Head of Culture and Tourism Department for the city of Malang (2010-2019). The department changed its name to the tourist, Youth, and Sports Department in the year 2020.
4.	Dwi Cahyono, SE.	Dwi	<ul style="list-style-type: none"> Head of Hotel and Restaurant Association for the year 2019–2024. Head of Tourism Promotion Board for East Java Province for the year 2010–2012. Vice of Chamber of Commerce in Tourism Sector for East Java Province. 	<ul style="list-style-type: none"> Head of Hotel and Restaurant Association for the city of Malang year 2009-2019.
5.	Agoes Basoeki, SH, SST. Par.	Bas	<ul style="list-style-type: none"> Head of Hotel and Restaurant Association for the city of Malang year 2019-current. A 5-star hotel manager in the city of Malang. 	<ul style="list-style-type: none"> Head of Tourism Promotion Board for the city of Malang year 2012–2015.

- Resources that uniquely belong to the city of Malang
 - Malang has heritage tourism, culinary tourism, and gastronomy tourism that can be combined together to form the uniqueness of the city of Malang.
 - The local community in the city of Malang is very creative in creating tourist attractions that can be seen from their initiative in creating tourism kampung.
 - The city of Malang also has enough resources such as good access with many hotels with a big hall to accommodate MICE tourism.

4.2. The Condition of Tourism Destination Competitiveness

The emerging themes for the condition of tourism destination competitiveness based on the VRIOLU criteria to analyze the resources in the tourism destination in the city of Malang are clustered into two:

- Resources that uniquely belong to the city of Malang that can be used to improve destination competitiveness:
 - The city of Malang has nice and cooling weather with unique storytelling about the heritage

building because the city of Malang is a tourism destination that was assigned by the Dutch during the colonialism era in early 1900.

- The city of Malang offers a different atmosphere that can be sensed from the traditional culture and the friendliness of the local people.
- The front liners in the tourism industry offer a good quality of service.
- The city of Malang has Aremania, a famous football supporters group for the local football club.
- The city of Malang is safe and orderly.

2. Negative aspect (things that can be improved):

- Tourism organizations are available but still working on their own. There is no synergy between the organization.

4.3. Strategy to Increase Tourism Destination Competitiveness

The emerging themes for the strategy questions include three suggestions:

- Marketing the city of Malang as a tourism destination has to involve tour and travel and other tourism

stakeholders in the city of Malang using synergy, innovation, and differentiation.

- The combination between differentiation and overall cost leadership is the best for the city of Malang. To be able to cater to a bigger market, it is important to offer the tourism product reasonably.
- Marketing has to be specifically based on the DOT (Destination, Time, and Origin).

The city of Malang needs to build or create something iconic that uniquely belongs to the city Malang. It can be in the form of tangible and intangible tourist attractions based on the local culture, for example, creating a walking tour for the heritage trail or campaign on local food that originally belongs to the city of Malang. Local food is something that originally belongs to a city or a place so it should be promoted as part of the tourist attraction in the form of culinary tourism. The recent previous research about tourism destination competitiveness by Long (2020) also mentioned that one of the factors that influence the competitiveness of the destination is culinary culture, therefore, it needs to be preserved and promoted. The importance of this aspect was also brought up by two informants that can be seen from their statements below.

“The strong points of the city of Malang are culinary and heritage, we need to build them.” (Goe)

“...and then culinary is also part of tourism, culinary in the city of Malang is very creative.” (Bas)

Culinary tourism can be combined with heritage tourism so it will become a tourist attraction that uniquely belongs to the city of Malang. The combination of these two aspects was mentioned in the study by Sumantri (2020), and also by one of the informants of this study.

“... as I said previously that the strength of the tourism destination for the city of Malang is in heritage tourism and then culinary tourism, of course, it is best that we can combine both aspects.” (Goe)

For a tourism destination that does not have an iconic natural tourist attraction, it is important to engage the local resident as part of the experience of the tourist destination. Change of behavior is needed especially in maintaining cleanliness as part of “7 Charms of Destination /Sapta Pesona” (criteria created by the Ministry of Tourism of Indonesia to achieve an ideal tourism destination which consists of: safe, organized, clean, cooling weather, beautiful, hospitality, and creating memories). These criteria were initially created in the 1980s after Indonesia joined the World Tourism Forum for the first time. These criteria served as a framework to achieve an ideal tourism destination, however, the application of this framework is not

optimally done. The government needs to do the campaign again to make sure that this is applied accordingly in all tourism destinations. Previously, when the government enforced the 7 Charm of a Tourism Destination, the tourism destination oblige only for a while, after a while the destination was not able to maintain cleanliness. One of the informants mentioned the importance of forming a habit, especially cleanliness. The government also needs to always come back and do reinforcement for example by giving a reward to the destination that is able to apply all the 7 Charms of the Tourism Destination for the campaign to work.

“East Java has Mount Bromo (as an iconic tourism destination) but the Sapta Pesona is not applied, when we want to go to the restroom, it is very dirty.” (Goe)

“I see that they are not applying Sapta Pesona. The core of tourism destinations in Sapta Pesona includes: Safe, Organized, Clean, Cooling Weather, Beautiful, Hospitality, and Memories.” (Goe)

The need for synergy in tourism organizations is mentioned twice as an emerging theme in the two research questions. The importance of collaboration of the tourism stakeholders for tourism development was also mentioned in the study by Purnomo et al. (2020). For the tourism destination competitiveness to increase all the stakeholders from the supply side especially the government and organizations need to work together in managing the tourism destination. Tourism organizations in the city of Malang are available but they still work on their own. The city of Malang needs a specific tourism organization that will manage all the tourist attractions which includes creating an event and joint promotion.

“Until now the organizations are still not managed in an integrated manner. They still manage on their own. Tourism destinations like Kampong Tourism, they have their own (organization) but still not integrated”. (Dwi)

“In Singapore, there is a specific organization that is managing tourism (Singapore Tourism Board), it is available everywhere. They are the think tank machine of the tourism, whenever there is a promotion or event they are the ones who will become the front liner.” (Goe)

The city of Malang also needs to promote itself as a MICE (Meetings, Incentive Travels, Congresses, Convention, and Exhibition) destination to be able to attract the visitors to stay longer because usually, the MICE events last for more than 2 days. Trišić (2018) mentioned that MICE tourism as part of business tourism will bring a greater impact for the economic benefit for a destination because MICE tourism can be conducted any

time of the year (Trišić, 2018). Two of the informants also mentioned that the city of Malang is actually capable of accommodating MICE tourism.

“Not only tourism but also for holiday and other things, for MICE activity the city of Malang is able to organize, meeting and then convention.” (Bas)

“Actually the availability of the airport serves as an indicator that the city can be categorized as a MICE city because the facility is able to accommodate it” (Ans)

For the strategy, the combination of the differentiation and overall cost leadership is suitable for the city of Malang, as has been mentioned by two informants offering something different is good but the most important thing is that we are able to offer it at a reasonable price.

“Not too expensive but giving a reasonable price is good.” (Bas)

“Hotels’ rooms in Malang are cheaper compared to the one in Batu city, for the price range (of the tourist attractions and product), the city of Malang is reasonably cheaper.” (Ida)

Marketing also has to be specifically based on the DOT (Destination, Origin, Timeline), for example, the long public holiday for Indonesian falls on Eid al-Fitr and Christmas, the content and timing of the promotion has to be based on those factors.

5. Conclusion

Based on the result of the study it can be concluded that tourism destination competitiveness for the city of Malang can be improved by actively promoting the added value that can be given by the city of Malang to the visitors such as cold weather, the hospitality of the local people and the quality of the service provided by the front liner in the hospitality industry in Malang. Storytelling also plays a big part in promoting a destination. Other cities might offer similar tourist attractions but the storytelling aspect will not be the same. Malang as a heritage destination offers different storytelling that can be used as a tool for promoting the city of Malang. Currently, the information about the city of Malang is still quite limited especially about the local culture and traditional food of Malang. The storytelling can be in the form of a short movie, or short promotion video so that when people mention visiting the city of Malang they will be able to associate the city with the local culture and the traditional food.

The city of Malang needs a tourism board as an organization that is able to manage the city of Malang as a tourism destination in a holistic manner. The combination

between differentiation and overall cost leadership strategy is useful to capture a bigger market for the city of Malang as a tourism destination. The strategy to improve tourism destination competitiveness can be applied by creating synergistic promotion between the stakeholder of tourism operator and government which includes a promotion for a free voucher if the visitors stay for two nights or more in the hotel in the city of Malang, they will get a voucher to be spent in the food outlet and restaurant in Malang. Offering free transport or shuttle to go to the tourist attraction in Malang is also one of the ways in synergy promotion involving the tour and travel services.

In this research, the criteria of tourism destination competitiveness VRIOLU is proven that it can be used as a tool to analyze tourism destination competitiveness. By using the VRIOLU criteria, the researchers are able to get the answers from the informants about the resources that uniquely belong to the city of Malang and can be utilized to improve the destination competitiveness of the city of Malang. However, the result of the analysis needs to be processed further by adding the questions about what needs to be done to improve the tourism destination competitiveness. While the result of this study cannot be generalized because the nature of the interpretive study is highly contextual, the steps for conducting the study can be adapted to other tourism destinations for analyzing tourism destination competitiveness. Further study on the perception of the visitors of Malang about the tourism destination competitiveness with a bigger number of samples and using quantitative approach should be conducted to be able to generalize the result of the study.

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Appendices

Research Questions based on the research problem:

1. How is the condition of the tourism destination in the city of Malang.
 - How is the condition of the access to the city of Malang? Can all the tourist attractions be reached with public transport and personal vehicle?
 - Please explain about the tourist attraction in the city of Malang, does the attraction offer variety and interesting to visit?
 - What about the number of hotels and restaurants? Is it able to answer all the needs of the visitors?
 - What about ancillary services? Does tourism sector in the city of Malang is supported by the availability of tour and travel and other organization that is related to tourism and hospitality?
2. How is the condition of the tourism destination competitiveness in the city of Malang.
 - Valuable: Does the tourism destination in the city of Malang able to give added value to the visitors? Please explain in what form?
 - Rare: Does the tourist attraction in the city of Malang cannot be found in other places? Can you please give an example?
3. How to formulate a strategy to improve tourism destination competitiveness?
 - Inimitable: Does tourist attractions in the city of Malang are hard to imitate? If yes please explain further.
 - Organization: Does the tourism destination in the city of Malang has already organized appropriately? Is there any organization that manages the tourism destination in the city of Malang?
 - Large Market: Does the city of Malang as a tourism destination has a large target market? Who is the target market?
 - Unmet Need: What are the needs of the visitors that can be fulfilled in the city of Malang but cannot be fulfilled in other places?
 - What is the right strategy to improve tourism destination competitiveness in the city of Malang?
 - What do you think is the better strategy for tourism destination competitiveness for the city of Malang, differentiation strategy, cost leadership, or a combination of both?

Table 2: List of Theme Based on the Manual Analysis

List of Questions	List of Theme
<p>1. The condition of tourism destination in the city of Malang.</p>	<ul style="list-style-type: none"> • City of Malang, Malang district, and city of Batu cannot be separated in the context of tourism. • The city of Malang still does not have an iconic tourist attraction. • Sapta Pesona (Seven Charms of tourism destination) is still not yet applied especially in the cleanliness aspect. • Tourism in the city of Malang is organically born from the local community (bottom-up) tourism. • The condition of the access to the city of Malang as a tourism destination is good • Over Supply of the number of the hotel room. • The variety and number of hotel and restaurant is available and adequately catered for various type of visitors. • Heritage Tourism. • Culinary Tourism. • Gastronomy tourism. • The uniqueness of the city of Malang. • The creativity of the local community in creating a tourist attraction. • The city of Malang a MICE-destination. • Ancillary Services is not optimally playing its role in supporting the city of Malang as a tourism destination. • There is no synergy in promoting Malang as a tourism destination.
<p>2. Condition of tourism destination competitiveness for the city of Malang.</p>	<ul style="list-style-type: none"> • The quality of service is an added value that can be offered by the city of Malang as a tourism destination. • The city of Malang has nice and cooling weather. • The city of Malang has unique storytelling about the heritage building. • The city of Malang has a different nuance. • The city of Malang has uniqueness in the way of living and the traditional culture of the local people. • The city of Malang is a tourism destination that was assigned by the Dutch in early 1900 during colonialism. • Armenia (the football supporter of the local club in Malang) is part of the uniqueness of the city of Malang. • The city of Malang is offering a different atmosphere. • Organization in the tourism sector is still working on their own. • There is a need for the tourism board to organize the tourism activity and management not only the promotion. • The city of Malang geographically supporting its role as a tourism destination. • The city of Malang has a wide target market that includes domestic and international visitors. • The friendliness of the local people is part of the tourism destination competitiveness for the city of Malang. • The city of Malang is safe and orderly which is part of the 7 charms of tourism destination concept. • The great Malang is a part of one tourism destination.
<p>3. Strategy to increase tourism destination competitiveness for the city of Malang.</p>	<ul style="list-style-type: none"> • Promotion is part of the strategy to increase tourism destination competitiveness. • Using the framework DOT(Destination, Origin, and Timeline) as part of marketing strategy. • Asking Tour and Travel bureau to conduct marketing for tourism destination. • Synergy as part of the strategy to increase tourism destination competitiveness. • Innovation as part of the strategy to increase tourism destination competitiveness. • Differentiation strategy. • Offering reasonable price to visitors as part of the strategy to increase tourism destination competitiveness.