

# ANALYSIS OF GENERIC STRATEGIES IN THE DEVELOPMENT OF MELBY'LS HILL RESORT BUSINESS IN KUMELEMBUAY URBAN VILLAGE, EAST TOMOHON SUB-DISTRICT, TOMOHON CITY

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**Abstract-**The purpose of this research is to analyze the internal environment (strengths and weaknesses), the external environment (opportunities and threats) and the application of generic strategies that can help Melby'LS Hill Resort, in the Mezel plantation in running its business, as a newcomer to a tourist attraction in Kumelembuay urbanVillage. East Tomohon sub-District, Tomohon City. The research method used by the researcher is a qualitative method because the data collected and the analysis are more qualitative in nature. Data collection techniques used in this study were interviews and observation. In this study, the researcher determined the informants by means of purposive sampling. Sources of informants used in this study are: Owners of Melby'LS Hill Resort, and people who are given the power to oversee the development of Melby'LS Hill Resort, as well as tourist visitors at competitors Melby'LS Hill Resort. Data collection techniques used in this study were interviews and observation. The stages carried out by researchers in carrying out this research, namely: preliminary survey, preparation of instruments, observation, interviews, collecting supporting data, determining and determining competitors, compiling the final report of the research. The results showed that competitors from Melby'LS Hill Resort were Puncak Tetetana, Tuur Ma'asering, Puncak Rurukan and Wale Ti'siri. Analysis of the internal and external environment can be seen that the main competitor of Melby 'LS Hill Resort is Tuur Ma'asering. The implementation of the generic strategy by Melby'LS Hill Resort can be done by implementing a comprehensive cost advantage, differentiation and focus on its business segments.

**Keywords: Generic Strategy, Tourism Object.**

## 1. INTRODUCTION

The tourism sector has a very large influence on the national economy of a country. Coupled with the purchasing power of the people who are so good, the tourism sector will become a mainstay in the Indonesian economy, including North Sulawesi. The tourism sector will increase demand, especially consumption and will increase exports of services and of course which will significantly increase the country's foreign exchange. The role of the tourism sector nationally will be increasingly important, in line with developments and contributions made through foreign exchange earnings, and of course on income in tourist areas, and will certainly encourage increased investment and employment as well as business development in the tourism sector.

The contribution of the tourism sector to national income includes the increase in hotel and restaurant occupancy rates, the transportation sector, the handicraft industry and others. The multiplier effect of tourism can and is able to accelerate economic growth and job creation. The development of tourism objects will of course be related to investment, as well as contributions to regional income, including Regional Original Revenue. This is an opportunity as well as a challenge for the provincial and district governments to continue to spur to develop the tourism sector in North Sulawesi. To answer these opportunities and challenges, many new tourist objects have sprung up in the North Sulawesi area, especially in Kumelembuay Urban Village in East Tomohon sub-district, Tomohon City, one of which is Melby'ls Resort. As one of the new tourist destinations that have not been inaugurated. Currently still in the development stage, of course there are many things that must be

considered by the management of Melby's Resort in entering the Tourism Industry. Melby's Resort management must be able to build creativity and imagination to be able to enter the Tourism Industry as a potential newcomer who can compete and build cooperation contracts in the network to achieve the expected goals and objectives.

For this reason, researchers will help Melby's Resort management to analyze the existing competition by mapping the location of its competitors within  $\pm 5$  kilometers and registering competitors, as well as identifying what potential they have, and comparing with the existing potential at Melby's Resort. In this case, the researcher will help the management of Melby's Resort to be able to think strategically in advancing, and developing its business, so that it can survive the competition that arises in running its business as a "Tourism Object". Based on the description in the background above, the problems in this research can be formulated as follows: 1). How does Melby's Resort management analyze the internal and external environment before entering the competition in the Tourism Industry as a newcomer? 2). To what extent is the implementation of the generic strategy by Melby's Resort in its business development?

## II. RESEARCH METHODS

The research method used by the researcher is a qualitative method. This method is often called the naturalistic research method because the research is carried out in natural conditions. Sources of data, namely primary data and secondary data. Data collection techniques used in this study were interviews and observation. In this research, the researcher determined the informants by means of purposive sampling. Sources of informants used in this research are:

1. Owner of Melby's Hill Resort,
2. Persons who are given the power to oversee the construction of Melby's Hill Resort.
3. Tourist visitors at competitor Melby's Hill Resort

Data collection techniques used in this research were interviews and observation. The interview technique used in this research is a semi-structured interview, which is to find problems more openly, where the parties invited to the interview are asked for their opinions and ideas. From the use of this technique, it is hoped that researchers can dig deeper information from the resource persons. The stages carried out by researchers in carrying out this research, namely:

1. Researchers conducted a preliminary survey to the object of research in this case Melby's Hill Resort.
2. Preparation of research instruments.
3. Carry out observations to the object of research and its competitors.
4. Conduct interviews with relevant parties, such as the Owner of Melby's Hill Resort, people who are given the power to oversee the development of Melby's Hill Resort and tourist visitors at competitors Melby's Hill Resort.
5. Collecting supporting data.
6. Determine and determine competitors from Melby's Hill Resort and implementation of generic strategies.
7. Compile the final report of the research.

## III. DISCUSSION

### 3.1. Overview of Research Sites

Tomohon is a city located in a highland area in the City of North Sulawesi Province, Indonesia which has an area of 114.20 square kilometers located at 0° 18' 51" North Latitude and 124° 49' 40" East Longitude, has an area of 147.21 Km<sup>2</sup> and located at an altitude of 400-1500 meters above sea level with a temperature range of 18°C - 30°C. There are three mountains, namely Mount Lokon (1,579.6 m asl), Mount Tampusu (1,474 m asl) and Mahawu (1,331 m asl). Several rivers, such as the Ranowanko River, Sapa River, Sinambey River and 32 springs are scattered. In addition, there are two lakes, namely Lake Linow and Lake Pangolombian.

Tomohon is a city resulting from the division of Minahasa Regency, North Sulawesi into an autonomous region (City) with the enactment of Law no. 10 of 2003 concerning the Establishment of South Minahasa Regency and Tomohon City in North Sulawesi Province by the House of Representatives, Republic of Indonesia, whose inauguration was only carried out on August 4, 2003. The majority of the people who inhabit the city of Tomohon are the Tombulu Tribe, and the language of the people who live in Tomohon. The language used is Tombulu. Although in their daily life there are still many who use Manadoese and Indonesian accents, they also use Minahasa languages, such as Totemboan, Tountemboan, Toulour, Tombulu, and others. The regional language most often used in Tomohon City is Tombulu because it is an area of Tomohon City. Tomohon District is divided into several sub-districts, namely the North Tomohon Region consists of 10 urban villages, the Central Tomohon Region has 9 urban villages, the West Tomohon Region has 5 urban villages, the East Tomohon Region has 5 urban villages and the South Tomohon Region has 12 urban villages.

### 3.2. Tomohon City Vision and Mission

Vision : "Tomohon Forward, Competitive and Prosperous".

Mision :

- Preserving Tomohon as a Religious City
- Improving Community Welfare in Various Sectors
- Making Tomohon a World Tourism City
- Advancing Agricultural Systems in Order to Realize Food Ownership
- Realizing Clean, Effective and Integrity Government Services

### 3.3. Melby's Hill Resort

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Melby's Hill Resort is one of the potential tourist attractions in East Tomohon Sub-District, precisely located at Mezel Plantation, Kumelembuay, East Tomohon Sub-District. Currently Melby's Hill Resort has completed its construction phase and was inaugurated on May 18, 2021 to coincide with the birthday of the owner, named Ibu. Masje J. Solung. The name Melby's is a combination of the names of his children, Meilan and Gabriela. The location which is above the hills, the cool air and the attractive scenery make Melby's Hill Resort one of the interesting objects to visit. The entrance ticket to Melby's Hill Resort Kumelembuay Tomohon is only IDR. 10,000., per person for entrance tickets and rides vary depending on what rides will be taken. The distance from Manado City to the Melby's Hill Resort location is only about 1 (one) hour.

**3.4. Discussion**

**a. Competitor Identification**

To advance its business as a newcomer in the tourism industry in the form of "Tourism Objects" it is very necessary to have an identification process. In this case, the researcher will assist Melby's Hill Resort in identifying competitors who are around its location within ± 5 kilometers.

Kumelembuay Urban Village has many tourist objects that have their own charm and uniqueness. In this case, tourist attraction managers are competing to make their location as good as possible so that it can attract visitors. This is done to be able to attract visitors, to come back to the location of a tourist attraction, which they have visited before. Therefore, Melby's Hill Resort as a newcomer in the tourism industry in this case as a "Tourism Object" must be able to think about, design and how to manage this business so that it can run well. When researchers conducted a survey in March, Meybill's Hill Resort was still in the development stage and is still in the development stage. Judging by competitors from Melby's Hill Resort within ± 5 kilometers, there are more than 10 attractions that researchers can define as competitors from Meybil's Hill Resort. However, in this study the researchers only limited to 4 (four) main competitors, namely:

- a. Tetetana Peak
- b. Tuur Ma'asering
- c. Rurukan Peak
- d. Wale Ti'siri

The restriction on these four locations is based on the concept of thinking that the four "tourism objects" have beautiful views, are located on top of a hill and have a unique design.

**b. Internal and External Environmental Analysis ( SWOT Analysis )**

**Table 5.1**  
**SWOT Analysis**

Object Name	Strenght	Weakness	Opportunity	Treat
Melby's Hill Resort	<ul style="list-style-type: none"> <li>- Has an inn that is located on a hill.</li> <li>- Spacious parking lot</li> <li>- Very beautiful view (can see Lake Tondano from the right and Bitung city from the left</li> <li>- Supporting facilities such as toilets, shuttle buses, and clean toilets.</li> <li>- Has 2 (two) restaurants and relatively cheap food prices.</li> <li>- Adequate facilities (buses around Melby's Hills Resort, toilets, clean water, restaurants.</li> <li>- The location of a large and spacious tourist attraction</li> <li>- Rides (kora-kora, air bike, parasailing, ATV, horse riding, and interesting photo spots.</li> <li>- Entrance tickets to</li> </ul>	<ul style="list-style-type: none"> <li>- Access to tourist sites is still not good</li> <li>- Location far from the main road</li> </ul>	<ul style="list-style-type: none"> <li>- Extensive tourist sites can help Melby's Hill resort to build many other spots and rides.</li> <li>- An attractive view above the height can add to the selling point of Meybil's Hill Resort.</li> <li>- The existence of a camping ground available for nature lovers who want to enjoy the sunrise in the morning, can be one of the attractions to increase the interest of visitors to come back again.</li> </ul>	<ul style="list-style-type: none"> <li>- Many nearby and interesting tourist attractions are a threat to the business continuity of Melby 's Hill Resort</li> </ul>

	tourist attractions are cheap (IDR. 10,000). - The concept of a modern and natural building			
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The identification of the 4 (four) existing competitors of Melby'ls Hill Resort, according to researcher Tuur Ma'asering is the main competitor of Melby'ls because Tuur Ma'as often appears with its natural concept, namely the building is made of wood and bamboo, using a wooden roof, the surroundings are filled with palm trees and the arrangement is unique. During the survey and observation stages, the researchers found that visitors to Tuur Ma'asering, on average, had come to visit more than 1 (one) time. The unique concept is a photo spot to make Captikus drink (an alcoholic drink originating from North Sulawesi), free Sager or Captikus for visitors which is included in the ticket price, and yellowish lights that attract visitors.

Therefore, the right time to visit this tour is the afternoon before evening. Because the light will make the location feel brighter, and can add to the attraction when taking pictures in the spot, the burning process for Captikus Making. So, it can be seen that Tuur Ma'asering until the end of the observation in September, was never empty of visitors. For Tetetana, Rurukan Peak, and Wale Ti'siri attractions, even though they have tourist locations close to Melby' Ls Hill Resort, they are not the main competitors. Although these three competitors have interesting and unique concepts, their concepts are not much different from those of other tourist attractions, namely most buildings are made of concrete, are located in mountainous areas, have interesting views, and limited photo concepts. There is nothing unique and different like what Tuur Ma'asering has to offer. Melby's Hill Resort, the building concept is mostly made of concrete. Therefore, the wide location owned by Melby's Hill Resort is an added value or other business opportunity for Melby' ls Hill Resort to build another interesting and unique concept, so that it can attract visitors to visit again.

**C. Melby'ls Hill Resort Generic Strategy Implementation**

There are three generic strategic approaches that can be applied by Melby'ls Hill Resort which will potentially outperform its competitors:

1. Overall cost advantage

The first strategy, which became increasingly prevalent in the 1970s due to the popularity of the experience curve concept, was to achieve overall cost advantage in the industry through a set of functional policies aimed at this primary goal. Cost advantage requires aggressive construction of efficient scale facilities, constant efforts to achieve cost reductions due to experience, tight control of costs and overhead (other costs), avoidance of marginal customers, and minimize costs in areas such as training and development, service, sales force, advertising, and others. When compared to other competitors, including the main competitor (Tuur Ma'asering) Melby' Ls Hill Resort, it comes with a lower cost concept. This low price is applied to entrance tickets, rides or attractions, and a varied food menu at affordable prices. The hope is that with this method, visitors can enjoy the atmosphere and beauty of Melby'ls Hill Resort at an affordable price. So, the visitors will come back for the umpteenth time.

2. Differentiation

The second generic strategy is to differentiate the products or services offered by the company, which is to create something new that is perceived by the industry as a whole as unique. Melby'ls Hill Resort offers something different to its visitors, namely providing special transportation for visitors to see the situation around a fairly wide tourist attraction, without visitors having to walk around tourist sites. In addition, development is still ongoing. The construction of new photo spots or the addition of new rides or attractions makes Melby'ls Hill Resort apply the concept of differentiation to attract visitors.

3. Focus

The last generic strategy is to focus on a particular buyer group, product line segment, or market geographic area; Like differentiation, focus can take many forms. If low cost and differentiation strategies are aimed at achieving their goals across all industries, then focus strategies are developed to best serve specific targets, and all functional policies are developed with this in mind. This strategy is based on the premise that the company will be able to serve its narrow strategic target more effectively and efficiently, compared to competitors competing more broadly. In this case, Melby's Hill Resort must be able to think about its market segment, namely the tourism industry that supports the economy of the surrounding community. In this case, the people of Kumelembuay Urban Village by focusing on selling existing lodging, photo spots, rides or attractions and maximizing the cleanliness of the location.

**IV. CONCLUSION**

The research can be concluded, as follows:

1. Competitors from Melby' ls Hill Resort are Tetetana Peak, Tuur Ma'asering, Rurukan Peak and Wale Ti'siri
2. By analyzing the internal and external environment, it can be seen that the main competitor of Melby'ls Hill Resort is Tuur Ma'asering.
3. The implementation of the generic strategy by Melby' Ls Hill Resort can be done by implementing a comprehensive cost advantage, differentiation and focus on its business segments.

Suggestions that the author can give to Melby'ls Hill Resort, namely:

1. So that the management of Melby'ls Hill Resort can think of a unique development concept so that it can attract more visitors.

2. Build and widen the entrance, so that visitors who want to come do not have to wait their turn to be able to enter tourist sites when conditions are crowded.
3. The manager of Melby's Hill Resort still maintains the concept of low cost, because this can be one of the determining factors for visitors to visit tourist objects.

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