

SOCIAL RESPONSIBILITY AS COMPETITIVE ADVANTAGE IN GREEN BUSINESS

Proceeding 11th International Annual Symposium on Management
Batu - East Java, Indonesia, 15th-16th March 2014



11th INSYMA
international annual
symposium on
management

PROCEEDING

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FOREWORD

INSYMA has become a tradition of its own for the management department of Universitas Surabaya. For more than a decade this event has become a forum for academics and practitioners to share knowledge. Every year management department always brings the latest theme that becomes an important issue for the development of science.

This year, INSYMA raise the theme "***SOCIAL RESPONSIBILITIES AS A COMPETITIVE ADVANTAGE IN GREEN BUSINESS***". This theme interesting, considering that at this time all the business need to be more accountable to the public and the environment. Corporate social responsibility is not only an obligation, otherwise it would be a distinct competitive advantage for the company.

Hundreds of scientific papers are sent to a conference committee, and the results of a rigorous selection of more than 100 elected. This paper is derived from a variety of authors, both within and outside the country, academics and practitioners. All the articles are then presented at the symposium and documented in these proceedings.

We hope that these proceedings can contribute to the development of science and business practices. Hopefully you can enjoy and gain valuable lessons from this article collection. We look forward to your participation in next INSYMA.

Batu, East Java, Indonesia
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Meeting, Incentive, Convention, Exhibition (MICE) as a potential market challenges to enhance the city branding of surabaya in facing global tourism

ABSTRACT

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Tourism is one sector that has helped support the Indonesian economy. Effort have been made to improve the quality of tourism in Indonesia, and to specific areas of the country. Practically all major Indonesian cities have their own branding strategies to increase the city's appeal and attractiveness (Parkerson and Saunders, 2004).

The growth of specific intend tourism object such as golf, rafting and also MICE (Meeting, Incentive, Conference and Exhibition) which show some proofs to get foreign and domestic tourists attention to come to East Java and Surabaya as well.

Globalization led to a growing number of tourists worldwide, there are an increasing number of tourists coming to Indonesia, spesifically to the city of Surabaya. In the year of 2008 there are 48,417 tourists coming to Surabaya. And in the year of 2009 that number increased to 136,539 tourists, 116,829 tourists in 2010 and 83,247 in 2011 . Of all those numbers, most of them coming to Surabaya for their MICE activities. In 2008, about 63% of them coming to Surabaya to do their MICE activities. That percentage increased to 82% in 2009, 84% in 2010 then in 2011 increased to 85%. Indonesian government has set up 10 MICE destination cities, which one of them is the city of Surabaya.

Looking at this big potential growth of MICE industry, it is important to improve the element of hospitality in Surabaya in supporting the growth of MICE industry, both for domestic and international tourists. This research has a purpose to describe through analyzing the preparation of Surabaya which has "*Sparkling Surabaya*" as its city branding. In advance, as the conclusion, it will be discussed about the obstacles and the solutions of marketing strategy to enhance the city branding of Surabaya.

Keyword : City marketing, MICE, City Branding.

Meeting, Incentive, Convention, Exhibition (MICE) as a potential market challenges to enhance the city branding of Surabaya in facing global tourism

ABSTRAK

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Pariwisata merupakan salah satu sektor yang mendukung perekonomian Indonesia. Upaya telah dilakukan untuk meningkatkan kualitas pariwisata di Indonesia umumnya dan di daerah-daerah tertentu di wilayah Indonesia. Hampir semua kota-kota besar di Indonesia memiliki *brand strategy* masing-masing untuk meningkatkan daya tarik kotanya. (Parkerson dan Saunders, 2004).

Pertumbuhan wisata yang spesifik dan intensif seperti golf, arung jeram dan juga MICE (*Meeting, incentive, Conference and Exhibition*) telah membuktikan akan adanya perhatian dari wisatawan domestik maupun asing untuk datang ke Surabaya khususnya dan Jawa Timur.

Globalisasi menyebabkan meningkatnya jumlah wisatawan di seluruh dunia. Demikian juga yang datang ke Indonesia. Di Surabaya khususnya tahun 2008 ada 48.417 wisatawan yang datang ke Surabaya. Pada tahun 2009 jumlah tersebut meningkat menjadi 136.539 wisatawan, 116.829 wisatawan pada 2010 dan 83.247 pada tahun 2011. Dari semua angka-angka itu, sebagian besar dari mereka datang ke Surabaya untuk kegiatan MICE . Pada tahun 2008, sekitar 63% dari mereka yang datang ke Surabaya untuk melakukan kegiatan MICE. Persentase itu meningkat menjadi 82% pada tahun 2009, 84% pada tahun 2010 maka pada tahun 2011 meningkat menjadi 85%. Pemerintah Indonesia telah menyiapkan 10 kota tujuan MICE, yang salah satunya adalah kota Surabaya.

Melihat adanya potensi pertumbuhan yang besar di industri MICE ini, maka penting untuk meningkatkan unsur hospitaliti dan kesiapan lain yang terkait dengan kepariwisataan di Surabaya guna mendukung pertumbuhan industri MICE, baik bagi wisatawan domestik dan internasional. Penelitian ini bertujuan untuk menggambarkan Surabaya yang memiliki *branding* "Sparkling Surabaya" untuk kotanya melalui analisis pada berbagai pihak yang terkait. Sebagai kesimpulan, akan dibahas tentang hambatan dan solusi strategi pemasaran untuk meningkatkan branding kota Surabaya.

Keyword : City Branding, MICE , City Marketing strategy.

1. Introduction

Tourism has a big proportion of influence and also as a significant aspect in the globalization process. As the process of globalization requires the exchange products (material and/or service), knowledge and values, tourism also involving those matters as part of its process. As quoted from World Tourism Organization (WTO), Chawla stated:

“... tourism is the activity of people who travel to places outside their customary surroundings and stay there for leisure, business or other purposes for no longer than one year without interruption...”

As for Indonesians, managing tourism as an industry is a new field of work compare to other ASEAN countries. Other countries, such as: Malaysia, Thailand and Singapore, they already developing tourism as an industry since 1960. Meanwhile Indonesian started it from 1970. Even though it's still a new matter for Indonesians the development of tourism industry for the past thirty years has been significantly improved.

As an industry, tourism is a long process of work chain. Started from tour and travel services, transportation, accommodating hotel rooms, restaurants, tour guides, maintaining and developing tourism objects, etc. (Usman Rahman, 2009). In this case, tourism can also strengthen other economic sectors, creating new jobs, etc. Another word, the development of tourism industry has a multiplier effect (Harun, 2005).

The increasing progress of tourism industry needs an integrated cooperation from every aspect of its chain process that's supporting the tourism activities. In order to support those activities, tourism planning, coordination and marketing are the main factors in constructing a certain tourism system, including safety and security, by involving related government units and/or any related departments at that tourism object.

Tourism sector could be a dominant driver in the regional economy if the industrial process is programmed, planned and managed carefully, systematically and comprehensively. To reach the goal of integrated and well planned tourism development, a serious attention, thought and solutions must be given to any constraints appear in the middle of development process.

A set of process in creating strong brand image and precise positioning must be done. The quality of travel bureau, transportation mode, accommodation, hotels quality and service and also any other supporting matters need an improvement. A serious attention must be put to maintain the stability of security.

One of the significant effects of globalization phenomenon is the increasing number of people mobility around the world to visit other places out of their regions, including to visit the city of Surabaya.

Most of them travelling throughout the world to do their MICE activities. Facing that situation, the city of Surabaya does several developments, especially in developing MICE facilities. These efforts are done in order to accommodate those MICE tourists.

2. Conceptual Framework

According to Susan Strange, globalization happens at several phases, one of them is material life. Material life here means, what are the products and/or services a country needs to produce in order to survive the globalization challenges.

Tourism is known as a business activities in providing goods and services for the tourists concerning with the necessities in travelling. So tourism is an activity that consist of hundred element of business, include transportation like flight, cruise, train, tour agents, travel biroes, hotels , restourant, convention hall, etc. (Lundberg, et al., 1997:6)

In the global perspective, tourism is an economic industry that has a biggest position in the future, and called as “ the biggest earner and employer” (Yoeti, 1998:9). The definition of tourim will expand in more complex way in the future. This research concern with the tourism development that include the

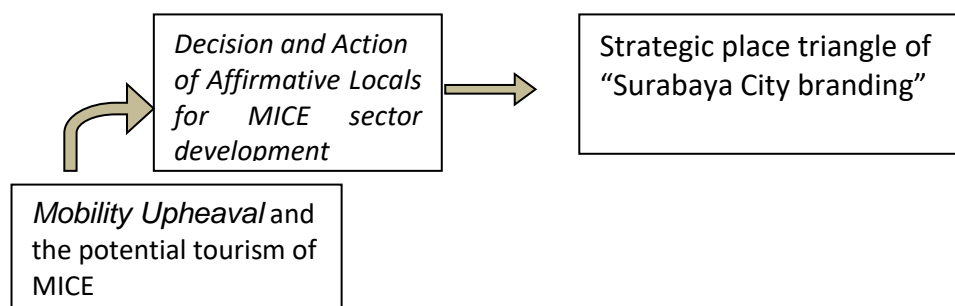
facilities, marketing, potential area and participation of all of parties in the tourism industry.

Globalization here is seen as a phenomenon that drives the swift currents of the world population mobility as a practice of spatial widening from one place to another place. In addition, globalization can also be seen as a phenomenon that leads to a culture of internationalization and the increasing global flows of goods and services. Globalization has generated a lot of tourists / travelers around the world to visit certain places (destinations / destinations) in other parts of the world, which in this case is the influx of foreign tourists to Surabaya, Indonesia (Rahmania, 2012).

The linkage between globalization that increases the mobility of the world population is creating an increase in the tourism industry, particularly the convention tourism, it makes big cities in the world are prepared to affirm this development, including the city of Surabaya, which is one of the largest cities in Indonesia. The city of Surabaya sees this development MICE tourism industry as a challenge and an opportunity to be one of the potential sectors of economic support in its region.

This study aims to provide an overview of the effects of globalization as indicated by the increased mobility of the world population thereby increasing the development of the tourism industry. Furthermore, it creates the potential for MICE tourism for major cities in the world including Surabaya. This study will also provide an explanation of the decision and local affirmative action over the city of Surabaya to support the development of MICE tourism industry. Furthermore, this decision is realized in the preparation of a strategic move in the form branding city of Surabaya.

Figure 1. Conceptual model





The usage of the term "mobility" here is to describe the widest possible movement and the movement of people in the world, whenever and whatever their purpose in traveling from one area to another (from a business trip to a professional journey, from tourism to terrorism, from political asylum to find a job , from legal to illegal migration). Coverage of cross-border activities of the world community recently is experiencing a very staggering number that could be concluded that their activity is a movement (mobility) which has a huge upheaval. One sector that has a great contribution in the dynamics of mobility Upheaval is the tourism sector. Tourism is one of the the world's largest industries, further data concerning professional travel (travel professionals), business and incentive (MICE activity) also illustrates the significant growth in the flow of the movement of people around the world.

MICE established as a specification of the concept of Convention Tourism, also it is emerged as a new phenomenon in the tourism industry that focuses on the accommodations for conventions, incentive travel and exhibitions. MICE or in Indonesian terminology can be called by convention tourism which can then be classified into the tourism industry. Meanwhile, the Indonesian government through the Ministry of Tourism, Post and Telecommunications No.. KM 108/HM.703/MPPT-91 formulate:

Congress, conferences or conventions, is a form of activity meeting a group of people (statesmen, businessmen, scholars, and etc.) to discuss issues relating to common interest.

According to Pendif, any kind of gathering (meeting) held at a hotel that has a hall (meeting room) can be put in the category of convention tourism. Similarly, various types of exhibition are also held outside the hotel is included. Subsequently a meeting or exhibition held outside the hotel, for example in the

convention center (convention hall) or in commercial centers (trade center), or even in buildings that meet the requirements can also be put in the category of convention tourism. In this study will be discussed the development of the local tourism industry devoted to convention tourism / MICE are influenced by the process of globalization and macro dynamics that brought

Affirmative locals are not trying to avoid the impact of the dynamics of globalization. They even claim to be the beneficiaries of globalization. Affirmative locals also absorb what is offered by globalization without releasing the characters and their fundamental principles that have become routine and their identity in a period of time long enough. Affirmative locals accept the assumption that the world is shrinking as a result of globalization, as such, they see this as an opportunity depreciation to enrich their locality.

The city of Surabaya can then be categorized as local affirmative, because Surabaya showed no resistance to the current dynamics of globalization which in this case was brought by the dynamics of mobility Upheaval. Even as a reaction to the influx of globalization, Surabaya perform a variety of strategies and development that aims to take advantage of the phenomenon of shrinking world, where the boundaries states are started to fade and the world community increasingly find its easy way to get connected. One of the strategies and the progress that's being made Surabaya as micro agents in response to the dynamics of the macro is to undertake the development of city branding.

Parkenson and Saunders said that some cities do a branding strategy to increase its appeal in terms of tourism and bisnis. *Brand* (which is owned by a city) is not meant to be a product or service that is based on market power , the brand of a city based on a sector needs to improve its economy and to attract tourists and investor. Hudson and Hawkins also stated that this strategy is an essential element for a city in the process to achieve a better position than before. Thus, if the use of city branding strategy done optimally, then a city can provide large enough attraction for foreign tourists and can also add to the economic strength of the country . Surabaya using city branding strategy as a reaction in response to the inclusion of the dynamics of mobility Upheaval. In addition, to take advantage of

the influx of globalization through mobility Upheaval, Surabaya using this strategy to be known by the international community, and also to compete with other cities both nationally and internationally in the field of MICE. It is also supported by the strategic location of Surabaya has the potential to attract foreign tourists.

This study will discuss how the strategies of Surabaya city branding are done, taking into account the three core components of strategic place triangle, Sparkling Surabaya as the *Brand* were selected in order to develop the city of Surabaya into the international tourism market.

3. Methodologies

This type of research is explanative, the research aims to describe the relationship between two (or more) symptoms or variables. This study will describe the relationship between two concepts, namely, globalization and tourism industry, particularly the tourist industry convention in Surabaya. These variables are, globalization, mobility upheaval as macro dynamics, affirmative locals, and city branding of Surabaya.

Data collection was conducted in the following manner: Secondary data was collected from various sources, such as books, articles in magazines, journals, newspapers, papers, government publications, reports or records of the organization, and other reference load on the development of MICE tourism in general as well as development in Surabaya. While the interviews conducted with a number of speakers who have knowledge about the influence of globalization on the tourist industry convention in Surabaya, such as businesses related to MICE tourism, as well as some tourists from different nations in Surabaya.

In this study, the authors use qualitative data analysis techniques , the process, find and collate the collection of data obtained from interviews, field notes and other materials that are easy to understand so that it can be informed to others systematically. The process of data analysis in this study refers to Miles and Huberman that describes the activity in the analysis of qualitative data that

includes data reduction, the data display (presentation of data) , and conclusion drawing / verification.

The data reduction process is to select, focus, simplify, transform the data that emerged from the documents or related data that has been obtained , to get more specific pictures and simplify the data collection and the subsequent search for additional data if needed . Once the data is reduced, the next step is the presentation of the data analysis. Presentation of data needs to be done so that the data reduction results can be organized, arranged in a pattern of relationships, making it's easier to understand . The next steps in the process of qualitative data analysis in this study are the findings and draw conclusions based on conduct verification of data .

4. Analysis and Result

The phenomenon of globalization is contributing significantly to the spread of tourists to the farthest places on the planet, towards a single world community (single world society). The consequence of such a process of globalization is affecting on the development of tourism in the region around the world. International MICE tourism industry has increased both the quality and the quantity due to several factors . The first factor of globalization characterized by the depletion of boundaries between countries . As the result of business trips and attending an event that was in another country. Second, the rapid advancement of technology development that resulted in the development of the events also the offers of new business ideas are needed and can be presented to the world community. Third, the development of the internet can provide information about interesting events which are held in other parts of the world, which then could lead to the increasing presence of event participants from other countries. They can easily come to another state to attend such events.

4.1. Mobility Upheaval and the potential tourism of MICE

At the moment tourism emerged as a global phenomenon, about sixty years ago, not many are predicting the speed and strength of the development of the tourism sector, both in terms of the number of people of the world who travel across

borders as well as the economic impact of foreign exchange and revenue generators in each region as a tourist destination. In order to see the phenomenon of mobility upheaval in Surabaya easily, provided below is a table showing the dynamics tourists mobility in the city of Surabaya.

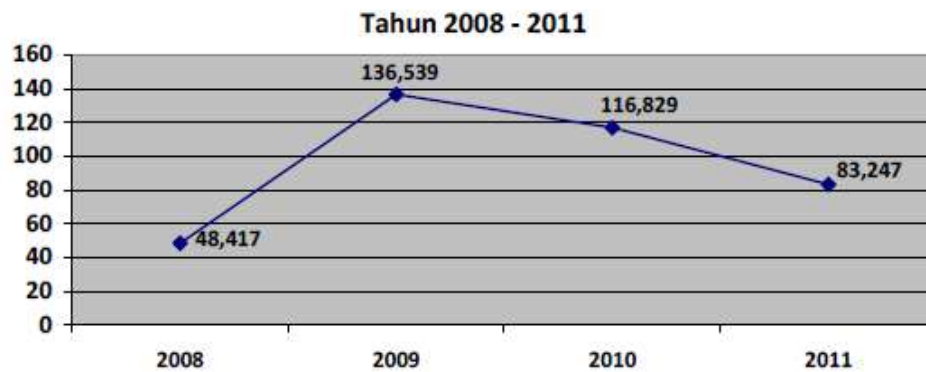


Figure 2. Foreign tourism of Surabaya

The number of tourists' mobility increased significantly from 2008 to 2009, however, it's declining in the year of 2011. This declining is caused by the global conditions at the time, namely the global economic crisis in 2008. Malaysia as the largest contributor of foreign tourists in the city of Surabaya was affected by the global economic crisis of 2008. In the fourth quarter of 2009, Malaysia began to feel the effects of the crisis. Malaysia's economic situation was affected by the global financial crisis that hit the world.

However, despite the decline in the number of foreign tourists coming to Surabaya, MICE travelers distribution still dominate the number of foreign tourists who visit to Surabaya. Below is a table that illustrates the increased dominance of MICE travelers in Surabaya;

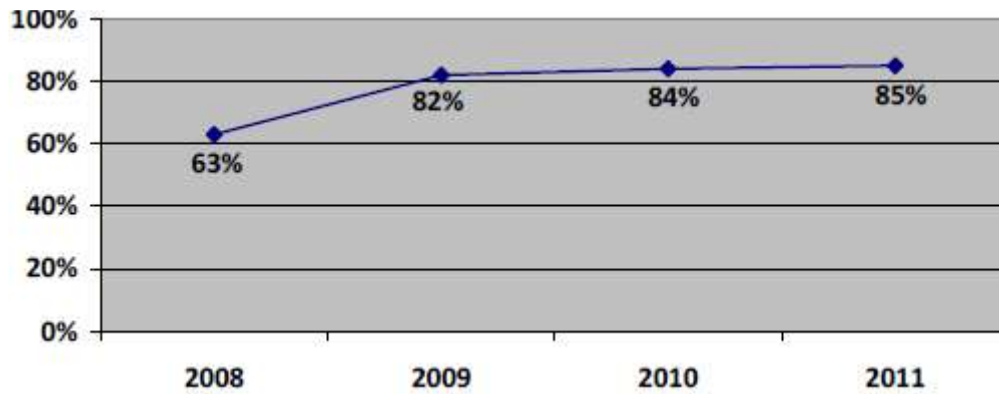


Figure 3. The growth of MICE foreign tourists' dominance

Dominance of MICE tourism has increased from year to year. This proves that MICE tourism trend, although decreased in quantity, but its percentage has increased each year.

Mobility as a macro dynamics could explain the movement of the people of the world, including international tourists from one area to another. The use of the term "mobility" here is to describe the widest possible movement and the movement of people around the world, whenever and whatever their purpose in traveling from one area to another (from a business trip to a professional journey, from tourism to terrorism, from political asylum to find a job, of legal migration to illegal).

Coverage of cross-border activities of the world community recently is experiencing a very staggering number that could be concluded that their activity is a movement (mobility) which has a huge upheaval. One sector that has a great contribution in the dynamics of mobility Upheaval is the tourism sector. Tourism is one of the the world's largest industries, further data concerning professional travel (travel professionals), business and incentive (MICE activity) also illustrates the significant growth in the flow of the movement of people around the world.

Not only tourism is a sector that is on the ranks of the largest industries in the world, but data on the professional travel, business and incentive also illustrates the significant growth in the flow of the movement of people around the world.

4.2. Decision and Action of Affirmative Locals for MICE sector development

Results of interviews with some foreign tourists regarding the demand of MICE facilities in Surabaya, namely Shaun Wellbourne-Wood, Ph.D., worked as Director of the International Science Festival for Our Future (SFOFF) as well as International Development Manager for the Sciences at The University of Western Australia MICE conducting student conferences and cultural exhibition expressed his opinions on Surabaya as follows:

“I chose Surabaya as the place to host my international event because I see Surabaya as ‘the gate’ to cover eastern part of Indonesia. And the second thing is that I need a representative and well facilitated venue, a proper accommodation, a good service of public transportation and an advanced information technology to support the success of my international event. I see Surabaya can fulfill those criteria with all the MICE venues Surabaya has.

MICE tourism needs a representative venue, adequate accommodation, good public transportation and advanced information technology to publicize the event in the media so that no information about the event can be a widespread internationally, following is the statement of MICE travelers from Japan Prof. Toshiharu Hase from Osaka University, Japan. Hase worked as Director of the Institute for Protein Research, Osaka University, regarding the MICE facilities in Surabaya. Prof. Hase stated that among so many places that have been visited in Indonesia, Surabaya is one of the few cities that has significant growth both in terms of infrastructure and public facilities. Here is the statement of Prof. Hase:

“As much as I’ve been travelling throughout Indonesia, Surabaya has made rapid development regarding its infrastructure and public facilities. People of Surabaya are much easier to bring about social positive change especially in science field. The healthcare and health facilities for public are well developed. Realizing those matters, I feel much satisfied to conduct an international guest lecture and to visit and have a cooperation with one of the biggest health institutes that Indonesia has which is in Surabaya. Aside from my international guest lecture event, during my stay in Surabaya I didn’t find myself having a hard time fulfilling my needs both of daily life and my leisure time.

Affirmative local as one of the four categories of local worlds that could explain the attitudes, reactions and responses that do Surabaya in the face of globalization and the entry into the macro dynamics of its local environment.

In principle, as stated by Rosenau affirmative local is a group of local people who do not reject and isolate themselves from the dynamics of globalization. They are able to adapt the ideas from outsiders and adapting them into local conditions without compromising their identity and integrity. They also think and adapt with foreign practices without changing their goals.

The hallmark of the city of Surabaya as affirmative locals can be seen from the openness and the positive response it does in response to the arrival of foreign tourists who have MICE needs. Just as disclosed by Commissioner Suparti, Kasubaghumas Polrestabas;

"Surabaya is a city that is quite comfortable, clean, beautiful and the people are easy to cooperate. There are so many government programs that require works together with the community. Some of these things are done successfully with people of Surabaya's support. " Surabaya is doing some development and construction that can facilitate the needs of special interest (MICE needs). With such an attitude Surabaya is in accordance with the hallmark of affirmative locals.

4.1. Strategic place triangle of “ Surabaya City Branding”

Policy and the respon of government city of Surabaya as an affirmatif local is the maing “Sparkling Surabaya as a city branding. Surabaya perform a variety of strategies to take advantages of the phenomenon of globalization that goes (the arrival of foreign tourists for MICE activities) into its territory. Surabaya these efforts by making itself MICE as an industry that could develop its business sector. As stated by one of the MICE industry practitioners in Surabaya;

“Surabaya, the capital city of East Java, is the second biggest city in Indonesia. With population of almost 3 millions, Surabaya is a very important city for doing trade and business as such the MICE industry. MICE becomes a crucial element for Surabaya's tourism strategy in the future and remains as the largest part of the field of travel business”.

Strategy undertaken by the city of Surabaya, to welcome the arrival of foreign tourists the MICE special interest, manifested in a number of policies. Here are the policies issued in order to develop MICE tourism.

1. The Government has set MICE tourism as one of the main priorities of national tourism development are regulated by:
 - i. UU no. 9 1990 on tourism; Article 1 Paragraph 1 and Paragraph 3
 - ii. SK No. M.108/HM 703/MPT 91 Ministerial Decree Parpostel about the Convention Services Business, Travel and Exhibition.
 - iii. SK No.Kep.06/u/IV/1992 Director General of Tourism decisions in handling MICE tourism
2. MICE tourism development policies that exist in the province of East Java contained in the Local Regulation. 16 Year 1998 on Regional Tourism Development Master Plan for East Java 1999/2000- Year 2014/2015, mentions Surabaya as a sub-region with the development priorities of potential dominance convention / services.
3. Surabaya City Government establish an institutional policy campaign by Mayors. SK.No.188.45/30/436.1.2/2006 about team Surabaya Tourism Promotion Board (STPB), in developing MICE tourism.
4. MICE tourism development policy in the city of Surabaya Surabaya listed in the Strategic Plan, said:
 - a. Surabaya city serve as a MICE tourist destinations
 - b. Sparkling Surabaya vigorous held on the anniversary of Surabaya promoting MICE tourism in the city of Surabaya.

The private sector supporting the MICE tourism by developing facilities/building that can facilitate MICE activities both national and international level. In 2008-

2011 several convention and exhibition hall constructed as a respon of Surabaya fullfilling the need of foreign MICE activities.

In 2008, Dyandra and Co, a private firm that conduct in event organizer business and axhibition perform a joint venture with Gramedia group in constructing Gramedia Expo, the builing with 25 are to facilitate MICE activities in Surabaya, as stated in the website of Dyandra as follow:

“...In this sector of MICE, Surabaya already shows a leading role both regionally and nationally. It is a sub sector which Surabaya has the entire necessary infrastructures and massive under utilization of capacity. Surabaya is growing sustainable on an international level reputation and makes MICE tourism become the potential jewel in the Surabaya Tourism Market...”

“...To fulfill the great demand of MICE industry, Dyandra and Co. Present Gramedia Expo, an ultra modern building dedicated as a venue for MICE activities. Located in the center of Surabaya’s business district, Gramedia Expo becomes an ideal venue to hold different types of exhibitions or events from social to business activities...”

In 2009 as a respon of increasing the need of MICE both national and international, Grand City Convention and Exhibition Hall constructed (21000 are), located in the center city of Surabaya and that was the most strategic location as a central business district. Management of the building realized the importance of Surabaya and that located in the strategic location as a center of trading. He state that:

“...Surabaya is a very important city of services and trades, serving as the direction market for trades and central distribution of goods and services... Surabaya, therefore has been primary destination among urban to raise their level of living...

Surabaya has a strong character as a metropolitan city and the center of business and MICE as well. Peter Wood Ph.D. as a senior lecturer in Department of International Business and Asian Studies, Griffith Business School, Griffith University, Australia that conduct MICE in several days in Surabaya says that:

“After spending a couple of days going around Surabaya, it gives me a better and deeper understanding about Surabaya. As a busy city I see Surabaya has a big potential in order to be the center of business. That is also why from the very first place I chose Surabaya as the place to host my international guest lecture with the topic of managing international business cooperation. I see Surabaya has a good urban planning; eventhough traffic jam happen reguralry in several main roads, the city government respond it quite quickly by widening some main roads and

build some new alternative inner-city highways. Having this kind of good infrastructure without any doubt I'll say Surabaya is a representative city to conduct a MICE activity.”

The same comment were given by tourist from USIPP (United States-Indonesia Partnership Program). Those comment indicate that Surabaya step by step has conducting preparation due to the increasing of the MICE industry and use Sparkling Surabaya as a city Branding. With city branding, a city like Surabaya can create appeal to the tourism and also add the economic strength.

Place marketing means that the place it self must fullfilling needs and satisfy the customer. There are three kind of customer of the city, first is the citizens and society of the city that need a good public service. Second is TTI (Trader, Tourist and investor) both local and foreign. Third TDO (Talent, Developer and Organizer), including all part that contribute the competitive advantage of the place.

Creating a city branding as a marketing strategy need some stage. Started with the identification of segmenting and targetting and coninued with deciding the right positioning. The strong city marketing strategy need a strategy named “Strategic Place Triangle” that consist of three aspect as a key. First is the Segmenting-targeting and positioning. Second is creating differentiation and marketing mix and selling strategy. Third is the value that contain in the brand-service-process.

In general positioning is a strategy to place the product and brand in the mind of customer. But specifically positioning is a strategy of winning the trust and achieving the credibility of teritory to the TTI and TDO.

The right positioning must support by the differentiation that can make the strong brand and high credibility.

The formulation of the Strategic place triangle of Surabaya City done by first, concidering the fact of the development of physic facilities. Second result of interviews with government of city of Surabaya, private sector who have a MICE business and the foreign tourist from different place as a MICE tourists in Surabaya.

Here is the strategic place triangle of Surabaya City, that consist of Positioning, Differentiation and Branding that relate each other.

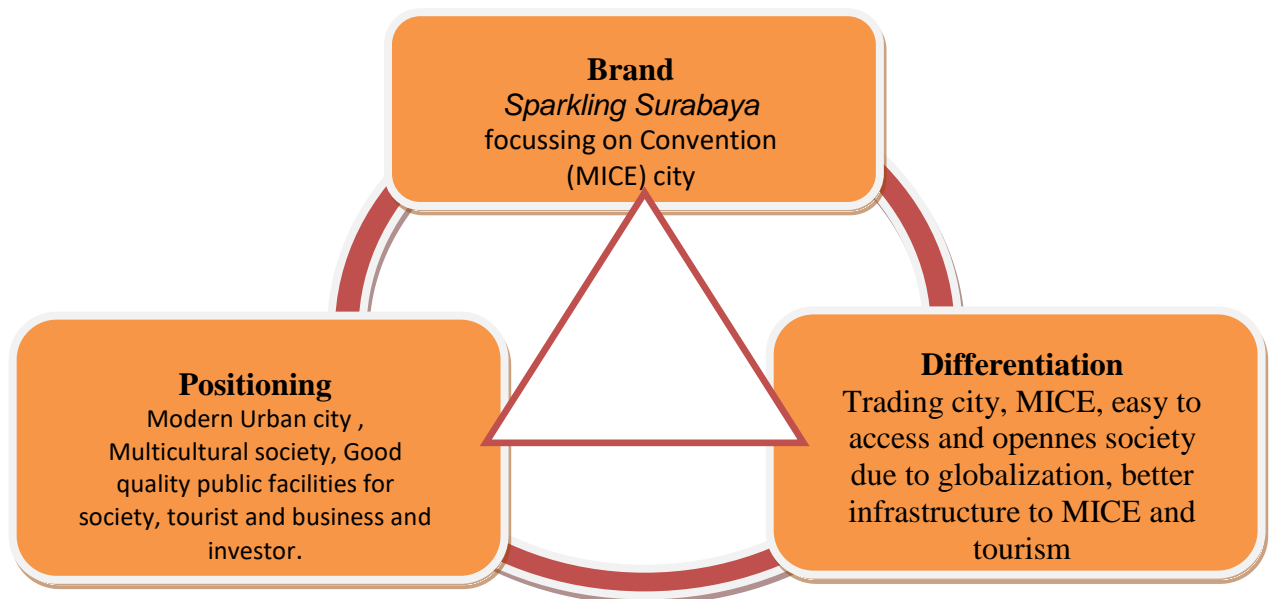


Figure 5. The strategic place triangle City of Surabaya

The positioning and differentiation owned by Surabaya is apt to support Sparkling Surabaya as a city branding with a focus on convention tourism as its City Branding. It will be marketed to the community both locally, regionally, and internationally. Branding is needed for the city in order to market its potential. The implementation of the strategy is already put in the policy concerning with MICE, and the strategic planning of Surabaya

5. Conclusion and contribution

Surabaya not only showed openness to the coming of foreign tourists in the globalization era through upheaval mobility, but also to react and formulate strategies to develop the MICE tourism sector. The reaction and strategies were carried out by Surabaya to take advantage from the existence of the phenomenon of globalization that brings upheaval MICE needs. The triangle "*Positioning Differentiation and Branding*" is used as a reference for positioning Surabaya's particular advantages with "Sparkling Surabaya" as a city Branding

Contribution of the paper is supporting Sparkling Surabaya as a powerful city branding can be achieved through a strong integration between the municipal government , the private sector and the community in Surabaya . Sparkling Surabaya is a brand created for the city of Surabaya is being developed and disseminated . Sparkling Surabaya specifically aims to strengthen its identity as a city of Surabaya Convention which will be increasingly recognized by the international community .

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