



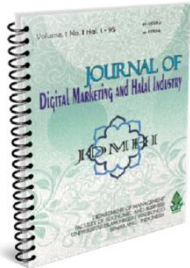
Digitalization, Branding, and Network Collaboration Strategy among SMTEs: Preliminary Qualitative Analysis

Windi Novia Ratri Wardhani^{1*}, Purnomo Purnomo², Ratih Pratiwi³, Saipul Nasution⁴

^{1,2,3}*Universitas Wahid Hasyim Semarang, Indonesia*

⁴*Universitas Islam Sultan Sharif Ali, Brunei Darussalam*

ARTICLE INFO



Article history:

Received 4 June 2023

Accepted 26 October 2023

Published 30 December 2023

Keywords:

Digitization; Branding and Networking Collaboration; Service Reputation Culture; SMTEs

ABSTRACT

The primary objective of this research is to develop strategies enabling Small and Medium Tourism Enterprises (SMTEs) to effectively navigate and actively participate in digital transformation and collaborative networks. Employing a qualitative methodology with the application of Quantitative Strategic Planning Matrix (QSPM) analysis, data for this study is gathered through direct observations and interviews involving stakeholders in the tourism industry, local government, village authorities, and tourism business associations such as PHRI (Persatuan Hotel dan Restoran Indonesia) and BPW (Badan Pariwisata Wisatawan). The key findings underscore the significance of (1) fostering a positive service reputation culture, (2) involving diverse stakeholders in establishing a sustainable tourism destination management system, and (3) reinforcing tourism promotion efforts through the strategic use of expanded digital media channels. The practical implications of this research extend to providing tangible guidance for SMTEs to actively enhance their services for tourists. The distinctive contributions of this study manifest in three key dimensions. Firstly, the introduction of the service reputation culture as an innovative approach supports the evolution of novel services in the tourism industry. Secondly, it addresses the underexplored research theme of SMTEs, filling a significant knowledge gap. Thirdly, the utilization of QSPM analysis in this study showcases originality, as this analytical method is rarely employed in analogous contexts. Consequently, this research contributes unprecedented insights to the strategic understanding of SMTEs within the realm of service reputation culture, paving the way for innovative and informed approaches in the tourism industry.

Introduction

Karimunjawa Jepara Biosphere Reserve (KJM) covers 3 (three) districts in Central Java, namely Karimunjawa Islands and Muria

Mountains in Jepara Regency; Muria Mountains in Kudus Regency; and Pati Regency, with a total area of 1,236,083.97 hectares. These conservation areas benefit from good collaboration and coordination, supported by diverse stakeholder groups,

* Corresponding author. email: windi@unwahas.ac.id
DOI: <http://dx.doi.org/10.21580/jdmhi.2023.5.2.18905>

including conservation area managers, provincial and district/city local governments, universities, NGOs, the private sector, and local communities involved in proposing PES as part of UNESCO's Human and Biosphere Programme (MAB). Biosphere reserves are management concepts that combine the conservation of biological resources and their ecosystems with the interests of sustainable socioeconomic development to achieve a balanced relationship between humans and the environment (biosphere). Jepara Regency is included in three management zones in the biosphere reserve, namely the core zone as a conservation area for biological resources and ecosystems, the buffer zone as a life support area in the core area and the bridge for the development of biological resources in the region, the transition zone, and the transition zone as a development area, especially for activities aimed at sustainable economic development.

The KJM Biosphere Reserve has implemented a crucial measure in promoting sustainable economic development by introducing its distinctive branding logo. The primary purpose of this logo is to enhance the value for the local community and attract investments across different sectors. Establishing an inclusive branding strategy that resonates with all societal segments and engaging with diverse institutions necessitates collaborative support from stakeholders, including the media. Despite the potential of the KJM Biosphere Reserve branding logo, which inherently integrates local resources, there has been a lack of adoption by Small and Medium Tourism Enterprises (SMTEs) in the three districts, hindering its promotion and application to their products.

Tourism activities boost a region's economy and become a significant contributor to job

creation and global economic development, as well as stimulate economic growth, innovation, and job creation (Wardhani, 2020). However, the involvement of Indonesian Micro Tourism Small Enterprises (SMEs) in the global market is still low. The limited involvement of Indonesian SMEs in the global market is caused by lack of information about market opportunities, inadequate logistics infrastructure, and low competitiveness of national SME products. Therefore, a new approach is needed to achieve dynamic performance in tourism SMEs. SMTEs promotes environmental protection and produces new technologies for production. It not only encourages industrial development but also encourages investment in human resources to improve competitiveness and sustainability while considering ecosystem preservation. SME resilience starts with building agility through the development of high-quality networks and enhanced digital capabilities, which will serve as tools in the face of future change (ASHARI et al., 2014; Coles et al., 2017; Nguza-Mduba B, 2023; Santoso & Cahyani, 2022; Sigala, 2017; Stankov & Gretzel, 2021; Wardhani et al., 2023)

Digitization is an important element that represents a shift from conventional systems to digital methods to improve the effectiveness and efficiency of SME business and operational processes (Nuryanti et al., 2023; Ruiz-Alba et al., 2020). The digitalization of SMEs encourages tourism practitioners and creative industries to change their management practices from conventional to modern (Pech & Vrchota, 2022). Digital entrepreneurship is the process of creating entrepreneurial value using various socio-technical drivers to support the acquisition, processing, distribution, and consumption of

digital information. (Balsmeier & Woerter, 2019; Fabrizio et al., 2022; Nuryanti et al., 2023)

Building a strong network with other business stakeholders can also serve as a way to expand business opportunities and gain recognition in the market on a much larger scale (Brownhilder Ngek Neneh, 2017). The structure of the tourism network can significantly affect tourism performance (Aidil & Thamrin, 2020). Research on tourism network effects usually focuses on micro perspectives, mainly exploring the benefits/disadvantages of being part of a tourism network (Nguyen et al., 2022), but how the network structure affects the performance of the tourism industry has not been clearly explained (Nguyen et al., 2022)(Wardhani & Purnomo, 2021)(Zhu & Liu, 2022).

Therefore, to fill in those gaps, the urgency of this research lies in the need to analyze opportunity and strength factors, as well as weaknesses and threats, as well as mapping collaborative partnership patterns in the development of Digital-based SMEs in Jepara Regency tourism villages. Furthermore, it is important to examine the role of the KJM Biosphere Reserve branding logo in the development of SMEs to improve community welfare. This research will reveal the phenomena that occur and explore in depth the following aspects: (1) Community involvement in digitizing SME products and services; (2) Network patterns and the role of the KJM Biosphere Reserve Branding Logo in the development of SMEs in Jepara Regency tourism villages.

Literature Review

Service Reputation Culture

The concept of "service reputation culture" results from the integration of the Service-Dominant Logic (SDL) and Resource-Based Theory (RBT). SDL, emphasizing the creation of value through interactions and prioritizing understanding and alignment with customer needs (Customer-Centric Focus), acknowledges the central role of customers in the value creation process (Karpen et al., 2012). Furthermore, the Resource-Based Theory perspective sees the service reputation culture as a valuable intangible resource (Nurhilalia et al., 2019). Elements such as the delivery of high-quality services, consistency, and reliability contribute to the creation of a positive reputation, becoming a distinctive resource for competitive advantage. Consequently, the service reputation culture becomes a strategic resource that enhances the organization's capabilities and competitiveness.

The three approaches of service reputation culture—Customer-Centric, Employee Engagement and Training, and Continuous Improvement—demonstrate interconnectedness with SDL and RBT. The Customer-Centric Approach, prioritizing customer needs and offering personalized services, aligns with SDL principles and is considered a valuable resource contributing to competitive advantage within the RBT framework. Similarly, the Employee Engagement and Training Approach, empowering and training employees, resonates with SDL principles of value creation and is viewed as a valuable resource enhancing organizational capabilities in the RBT perspective. Lastly, the Continuous Improvement Approach, focusing on ongoing enhancement, aligns with the dynamic nature of SDL and is considered a valuable resource

contributing to organizational capabilities over time within the RBT framework.

In summary, the establishment and maintenance of a service reputation culture stem from both SDL and RBT perspectives. The emphasis on customer-centricity, employee empowerment, and continuous improvement not only aligns with the principles of value creation but also contributes to the development of valuable resources, ultimately enhancing the organization's competitive position within the dynamic service ecosystem.

Digitalization

The digitalization of SMEs has become a crucial aspect, representing a shift from conventional to digital systems as an effort to improve the effectiveness and efficiency of business and operational processes for MSMEs (Ruiz-Alba et al., 2020). A number of studies have explored the relationship between digitalization, partnership networks, and branding in MSME development (Nuryanti et al., 2023; Pech & Vrchota, 2022).

The digitalization of MSMEs encourages stakeholders in the creative economy to change their business management from conventional practices to modern practices. This goes beyond the use of technology for product sales; Digitalization enables financial management, monitoring business cash flow, attracting visitors, gaining destination reputation, obtaining destination references and MSME product development, as well as online procurement of raw materials. As a result, digitalization plays an important role in the overall business process. This not only facilitates expansion into a wider market to attract more customers but also adds a professional touch to the business. This is

especially evident when MSMEs embrace digital platforms, such as having a website and a social media presence (Cenamor et al., 2019, 2019; Chansamut, 2023; Choudhary & Walia, 2019; Ding et al., 2022; Domi et al., 2019; Erlangga et al., 2021; Jaish et al., 2023; Kaur, 2017; Kerdpitak, 2022; Nuryanti et al., 2023; Teng et al., 2022).

Digital entrepreneurship involves entrepreneurial value creation using a variety of socio-technical drivers to support the acquisition, processing, distribution, and consumption of digital information. The contribution of digital entrepreneurship to the economy has garnered significant interest from academia and various industries in research. The concept is multidisciplinary and interdisciplinary, involving technology-related ecosystems and practices. Despite being at its peak, digital entrepreneurship has brought monumental changes in the way entrepreneurs run their businesses (Fabrizio et al., 2022; Zaheer et al., 2019; Ngoason, 2018).

Branding

The various destinations and travel platforms included in the study showed a better understanding of destination branding strategies, creative content, and destination identity as driving factors in destination promotion. The choice of destination branding must be in line with its potential, representing attractions and values while showcasing the uniqueness that sets it apart from other destinations (Tran & Rudolf, 2022; Seraphin et al., 2018).

Networking Collaboration

Building a strong network with other businesses can be a way to open up wider business opportunities and become known in the market on a much larger scale.

Furthermore, networks in tourism are recognized as a set of interacting and beneficial elements in tourism innovation, market expansion and information diffusion, local growth, and stimulating regional development from previous research. The structure of the tourism network can have a significant impact on tourism performance. However, research on tourism network effects usually focuses on micro perspectives, mainly exploring the benefits/drawbacks of being part of a tourism network, while global tourism development can be seen as an evolution of tourism networks. However, how the network structure affects the performance of the tourism industry has not been clearly outlined. (Nguyen et al., 2022; Zem, 2016; Valeri, 2016; Van der Zee & Vanneste, 2015; Zhu & Liu, 2022; Della Corte & Aria, 2014; Lemmetyinen & Go, 2009; Zhu & Liu, 2022)

Method, Data, and Analysis

The methodology employed for this study is qualitative. The research was conducted in the tourism village of Jepara Regency, situated within the supporting and transition zone of the KJM Biosphere Reserve. The qualitative research method utilized the Quantitative Strategic Planning Matrix (QSPM) approach, which represents the final stage of strategy formulation analysis involving the selection of the most optimal alternative. Data support for the study was sourced from various entities, including the management of Jepara Regency tourism villages, such as the Jepara Regency government, Keling Village Government, Karimunjawa Village Government, Aji Village Government, managers of Tempur tourism village, tour boat managers, and the head of Coffee Artisans in Tempur.

Result and Discussion

Internal environmental assessment involves a thorough examination of the strengths and weaknesses of tourism areas within the KJM Biosphere Reserve. Through interviews with various informants, both internal factors, such as strengths (S) and weaknesses (W), and external factors, including opportunities (O) and threats (T), were identified. Important strengths in the internal landscape of the KJM Biosphere Reserve include its significant potential for natural tourism, a rich diversity of traditions, cultures, and historical sites, increased investment in culinary and tourism ventures, the growing openness of local communities to tourists, Karimunjawa's status as a strategically vital national tourist destination, and the availability of sufficient supporting facilities in the region.

Furthermore, weakness (W) is an internal organizational factor that can hinder or limit the improvement of public services in the KJM Biosphere Reserve. These include the potential of tourism villages that do not yet have proper mapping, limited community understanding of the benefits of biosphere reserves, unsystematic management of tourism destinations, no involvement from Village-Owned Enterprises (Bumdes) and Micro, Small and Medium Enterprises (MSMEs), delayed transition to sustainable tourism, limited digital technology knowledge among SME operators, The impact of changes in ocean currents on marine life, abandoned mangrove areas, and sectoral marketing and promotion of tourism villages.

The external environment presents opportunities and threats that shape the activities and progress of the organization. These external factors, covering both micro

and macro-environmental aspects, include opportunities such as comprehensive, modern, and open communication and information exchange patterns within the world biosphere reserve network, UNESCO's designation of the PES area as a biosphere reserve, government support, and collaboration with world-class organizations for the development of SMEs in the KJM Biosphere Reserve area, an effective sustainable development model in the networked world biosphere reserve, and rapid advances in digital technology.(Wang, 2007)

Threats present unfavorable conditions for the KJM Biosphere Reserve, including: better management of tourist attractions in other regions, intense competition between regions to attract tourists, intensive promotion and marketing of tourism by other regions, the opening of new land in the Mount Muria forest for industrial expansion such as resorts

and factories, and the presence of many ticket brokers for Karimunjawa boat trips.

Internal environment analysis is performed using the Internal Factor Evaluation (IFE) matrix. The IFE matrix utilizes the weighting and assessment of the strengths and weaknesses of each factor to obtain a weighted value. These weights and assessments were obtained from questionnaires filled out by competent informants involved in the development of the KJM Biosphere Reserve project. The questionnaire generates weights using a comparison matrix, while the scoring is given on a scale from "Not Important at All" (1) to "Very Important" (4). The weighted value is obtained by multiplying the weight by the rank. The sum of all factors results in an IFE score.(Puyt et al., 2020)

Based on the results of the internal factor questionnaire, an IFE (Internal Factor Evaluation) matrix can be prepared as follows:

Table 1
Internal Factor Evaluation (IFE)

Not	Internal Determinants	W	R	V
Strength				
1	S1 Rich Cultural Heritage: Jepara offers a rich cultural heritage, offering tourists a unique and authentic experience.	0.084	4	0.292
2	S2 Natural Beauty: The region has natural attractions, including scenic views and coastal areas, increasing its appeal to tourists.	0.072	3	0.234
3	S3 Artisan Traditions: Jepara is famous for its skilled craftsmen, especially in wood crafts, providing a distinctive selling point for tourism.	0.081	3	0.254
4	S4 Local Community Involvement: The community is actively involved and supports tourism initiatives, fostering a welcoming environment.	0.060	4	0.211
5	S5 Homestay Potential: The presence of local homestays and community-based accommodations can provide tourists with an immersive cultural experience.	0.074	4	0.269
6	S6 Proximity to Strategic Location: Jepara's location close to strategic tourist destinations contributes to its potential as a hub for travelers.	0.079	3	0.237
Sub Amount		0.450		1.497
Debilitation				
7	W1 Limited Infrastructure: Inadequate infrastructure, including roads, transportation, and utilities, can hamper the overall tourism experience.	0.056	2	0.090
8	W2 Lack of Digital Presence: Inadequate online visibility and promotion can limit the reach and awareness of Jepara's tourism offerings.	0.063	1	0.086
9	W3 Sustainability Challenges: The transition to sustainable tourism practices may be slow, posing environmental and cultural sustainability challenges.	0.065	2	0.122

Not		Internal Determinants	W	R	V
10	W4	Skills Gap: Some tourism service providers may not have the necessary skills, affecting the quality of services offered.	0.051	2	0.077
11	W5	Seasonal Dependence: Tourism activities may be highly dependent on a particular season, leading to fluctuations in visitor numbers.	0.063	2	0.094
12	W6	Competition with Nearby Destinations: Nearby travel destinations can give rise to strong competition, requiring unique strategies to stand out.	0.065	2	0.114
13	W7	Limited Cultural Promotion: Inadequate promotion of local culture and heritage can result in lost opportunities to attract culturally inclined tourists.	0.056	1	0.077
14	W8	The absence of an established tourist information center can hinder visitors' ability to navigate and explore the region effectively.	0.065	2	0.114
15	W9	Challenges in Waste Management: Ineffective waste management practices can contribute to environmental degradation, impacting destination attractiveness and sustainability efforts.	0.067	2	0.109
Sub Amount			0.550		0.882
Total Value			1.000		2.379

The value categories for the IFE matrix are: Weak: 1.00-1.99, Average: 2.00-2.99, Strong: 3.00-4.00.

Based on the IFE matrix table, a total weighted score of 2,379 places the internal factors of the KJM Biosphere Reserve at a moderate level. This indicates a balanced assessment of the strengths and weaknesses of the reserves. Breaking down the IFE analysis, strength factors contributed a total score of 1.497, indicating relatively strong internal factors for harnessing potential strengths and overcoming weaknesses, while weaknesses accounted for a total score of 0.882.

The main strength, scoring 0.292, lies in the great potential of the KJM Biosphere Reserve for natural tourism. On the other hand, the main drawback, with a score of 0.122, is attributed to the unsystematic management of tourist destinations. These insights provide a

Table 2

External Factor Evaluation (EFE)

Not		External Determination Factor	W	R	V
Opportunity					
1	O1	Global Biosphere Reserve Network Communication: The world's biosphere reserve network facilitates comprehensive, modern, and open patterns of	0.108	3	0.365

foundation for strategic planning to optimize strengths and mitigate weaknesses in biosphere reserves.

Moving to the external environment, the External Factor Evaluation (EFE) matrix is used to identify the most impactful factors affecting the development of the KJM Biosphere Reserve. A survey, involving expert opinion and a questionnaire with assigned weights and ratings, helps gauge the significance of each opportunity and threat. This weighted value for external factors contributes to determining the strategic approach necessary for the development of biosphere reserves. This integration of internal and external analysis sets the stage for comprehensive and informed decision-making in steering the KJM Biosphere Reserve towards sustainable and impactful growth.

		communication and information sharing, providing opportunities for collaborative initiatives and knowledge exchange.			
2	O2	UNESCO designation: UNESCO's designation of the Karimunjawa Jepara Muria area as a biosphere reserve enhances its global recognition, attracts environmentally conscious tourists and encourages sustainable development.	0.111	3	0.376
3	O3	Government and Organization Support: Support from governments and world-class organizations for the development of Small and Medium Tourism Enterprises (SMEs) within the Biosphere Reserve area creates opportunities for sustainable tourism growth.	0.108	4	0.433
4	O4	Effective Sustainable Development Models: The effective sustainable development model of the world's network of biosphere reserves provides a valuable framework to guide environmentally friendly and socially responsible tourism practices.	0.121	4	0.425
5	O5	Rapid Digital Technology Advancement: The rapid development of digital technology paves the way for innovative and efficient tourism management, improving visitor experience and operational processes.	0.095	4	0.333
		Sub Amount	0.544		1.932
		Threat			
6	T1	Competition from Other Tourist Destinations: Better management of tourist attractions in other regions and intense competition between regions pose a threat to attract tourists to the Karimunjawa Jepara Muria Biosphere Reserve.	0.079	2	0.157
7	T2	Intensive Tourism Promotion by Competitor Regions: Other regions engaging in aggressive tourism promotion and marketing efforts may divert potential visitors away from the Biosphere Reserve, impacting its market share.	0.089	3	0.266
8	T3	Ticket Scalping Problem: The presence of many brokers selling Karimunjawa boat tickets poses a threat to the integrity of the ticketing system and can lead to a negative tourist experience.	0.095	3	0.273
9	T4	Industrial Expansion in Forest Areas: The clearing of new land in the forests of the Muria Mountains for industrial expansion, such as resorts and factories, poses an environmental threat and may reduce the natural attractiveness of the Biosphere Reserve.	0.085	2	0.149
10	T5	Environmental Impact of Industrial Expansion: Industrial expansion in forest areas, including the clearing of new land in the Muria Mountains, poses environmental threats such as deforestation, habitat disturbance, and potential harm to biodiversity. This can have a negative impact on the ecological balance and attractiveness of the Karimunjawa Jepara Muria Biosphere Reserve.	0.108	3	0.352
		Sub Amount	0.456		1.197
		Entire	1.000		3.129

The value categories for the EFE matrix are: Low: 1.00-1.99, Medium: 2.00-2.99, High: 3.00-4.00.

After examining the IFE matrix table, the KJM Biosphere Reserve came up with a strong weighted total score of 3,129, indicating a formidable position in the external environment. Digging into the analysis, the

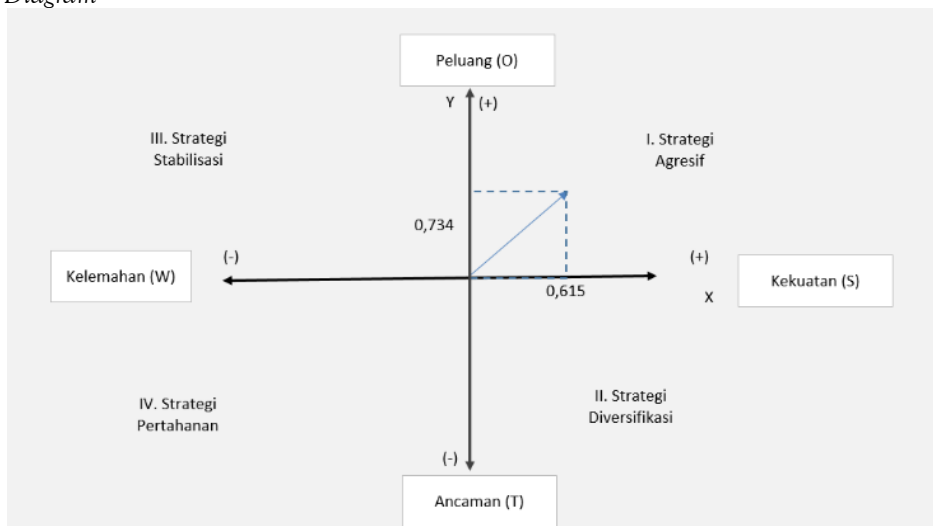
EFE Opportunity factor garnered a total score of 1,932, demonstrating management's prowess at taking advantage of existing opportunities. Taken together, threat factors garnered a total score of 1,197, revealing management's ability to effectively address challenges.

This signifies that the management of the KJM Biosphere Reserve is adept at seizing opportunities and navigating potential threats.

While local governments demonstrate competence in regional competition, more comprehensive strategies are still needed to counter threats and optimize opportunities in external factors, ultimately building a strong competitive advantage for the region. Notable opportunities include "Government and Organization Support" with a score of 0.433. In contrast, the main threat was "Environmental Impact of Industrial Expansion" which recorded a score of 0.352. From data processing and analysis, it becomes clear that internal strengths outweigh weaknesses, presenting valuable assets for further development pursuits. In addition, the external environment maintains an advantageous position because opportunities outweigh threats. To ensure a strategic

Figure 1

SWOT Diagram



The results of data analysis on the SWOT diagram resulted in a coordinate of 0.47; 0.76, placing it in quadrant 1, which indicates an aggressive strategy. This indicates a very favorable situation. Based on the analysis of internal and external factors, several

approach based on a holistic assessment of these internal and external factors, a reduction in total strengths and weaknesses on the X-axis and a reduction in total opportunities and threats on the Y-axis are carried out. This intricate evaluation lays the foundation for drawing up a strategic roadmap that is in line with the overarching goals of sustainable and competitive development for the KJM Biosphere Reserve.

X coordinates = $S - W = 1.497 - 0.882 = 0.615$

Coordinates Y = $O - T = 1.932 - 1.197 = 0.734$

In this way, the numbers obtained on both axes (X and Y = 0.615 and 0.734 are positive. For more details, see Figure 4.1 below.

alternative development strategies can be formulated by maximizing strengths and opportunities while minimizing weaknesses and threats. SWOT analysis has resulted in the formulation of eight alternative tourism development strategies in the KJM Biosphere

Reserve.

The results of the SWOT diagram analysis position the KJM Biosphere Reserve in quadrant 1, indicating an aggressive strategy due to its highly favorable situation. This comprehensive evaluation of internal and external factors has paved the way for the formulation of eight alternative tourism development strategies tailored to maximize strengths and opportunities while reducing weaknesses and threats within the KJM Biosphere Reserve.

Under the S-O Strategy, the emphasis lies on leveraging existing strengths and opportunities. It involves developing natural and cultural tourism potential to increase attractiveness, utilizing digital technology for broad tourism promotion, undertaking infrastructure development, and cultivating a culture of religious reputation within customs and traditions.

Instead, the W-O Strategy focuses on addressing weaknesses while seizing opportunities. Collaborative efforts with investors and stakeholders are proposed to encourage tourism development, creating a sustainable destination management system. In addition, providing training for SME operators and utilizing digital technology for potential mapping is also recommended.

Turning to the S-T Strategy, this approach centers on maximizing forces to counter threats effectively. These include showcasing the uniqueness of tourist destinations, establishing an easy-to-use reservation system, and implementing strict permits to organize industrial development near the KJM Biosphere Reserve.

Lastly, the W-T Strategy concentrates on minimizing weaknesses while mitigating threats. Increasing the professionalism of human resources in managing tourist destinations is recommended to reduce environmental damage, in addition to intensifying tourism promotion through wider use of digital media. These strategies collectively form a strong framework to steer the KJM Biosphere Reserve towards sustainable development and enhance competitiveness in the tourism landscape.

After getting a strategic alternative from SWOT analysis, the next step is to analyze QSPM. The calculation of the matrix is carried out by multiplying the weight of each factor of the strategy by the attractiveness score, as shown in the attached document. The table above shows that the Total Attractiveness Score (TAS) in the QSPM analysis obtained the highest score.

Table 3.

Strategy Order QSPM Matrix Analysis Results

Code	Strategy	BAG	Priority
SO-1	Increase the allure of natural and cultural tourism, making it more captivating to increase tourist interest.	4.78	11
SO-2	Making extensive use of digital technology for tourism promotion, providing a deeper introduction to the KJM Biosphere Reserve.	5.16	5
SO-3	Carry out comprehensive infrastructure development, including physical and soft structures.	5.41	6
SO-4	Fostering a service reputation culture to enrich the authenticity and attractiveness of tourism destinations.	5.75	2

WO-1	Fostering collaboration with investors to actively contribute to the development of KJM tourism areas.	5.43	3
WO-2	Involving various stakeholders in building a sustainable tourism destination management system within the KJM biosphere reserve.	5.71	1
WO-3	Provide targeted training for Small and Medium Tourism (SME) operators, increasing their understanding of the potential of the biosphere and its community benefits.	5.13	9
WO-4	Utilizing digital technology to map village potential, disseminate valuable information to the community about tourism prospects in the KJM biosphere reserve.	5.16	7
ST-1	Highlight the peculiarities of tourist destinations and the natural beauty of the area to compete effectively with other tourist destinations.	4.47	12
ST-2	Building an easy-to-use reservation system, simplifies the process for individuals who want to visit the KJM biosphere reserve area.	5.43	3
ST-3	Strengthen regulations by tightening industrial development permits near the KJM biosphere reserve.	4.47	12
WT-1	Improve the professionalism of human resources involved in managing tourist destinations, reducing the potential for environmental damage.	5.13	9
WT-2	Intensify tourism promotion efforts through the use of expanded and strategic digital media channels.	5.43	7

According to QSPM's analysis, the highest priority strategy is "Fostering a service reputation culture to enrich the authenticity and attractiveness of tourism destinations," achieving a TAS score of 5.75 (priority 1); the second strategy is "Involving various stakeholders in building a sustainable tourism destination management system within the KJM biosphere reserve, securing a score of 5.71. The third ranking strategy are "Intensify tourism promotion efforts through the use of expanded and strategic digital media channels.," and "Fostering collaboration with investors to actively contribute to the development of KJM tourism areas" obtaining a score of 5.43.

Discussion

Small and Medium Tourism Enterprises (SMTEs) can elevate their success by adopting strategies that focus on fostering a service reputation culture, engaging various stakeholders, intensifying digital media promotion, and fostering collaboration with investors. Firstly, cultivating a service

reputation culture involves prioritizing customer satisfaction through customer-centric practices and maintaining consistency and quality in service delivery. This not only enhances the visitor experience but also contributes to building a positive and enduring reputation for the tourism destination within the KJM Biosphere Reserve. This initiative entails instilling a mindset and a set of values among both staff and stakeholders that prioritize customer satisfaction and positive experiences. As demonstrated by Buhalis & Sinarta (2019) in their research, the achievement of success in tourism marketing is contingent on placing a robust emphasis on nurturing a nowness service quality. Rahman et al (2019) said that tourism quality services will attract more tourists and enhance their revisit intention. The resultant positive service quality emerges as a pivotal driver in accomplishing marketing objectives and constructing a resilient and sustainable tourism business (Buhalis & Amaranggana, 2015). How service can support the SMTEs meet their success is not only

involves the consistent delivery of exceptional service (Surahman et al., 2020) but this research entails the establishment of an organizational culture where service excellence is deeply ingrained in both the values and practices of the tourism enterprise.

Secondly, involving various stakeholders is crucial for building a sustainable tourism destination management system. Emphasizing local elements throughout the biosphere reserve is a key aspect of this branding strategy (Sinclair-Maragh & Simpson, 2021; Vellecco & Mancino, 2010; Wardhani, 2023). An essential aspect of the branding strategy involves placing emphasis on local elements (George, 2017; Rather et al., 2020). This means incorporating and highlighting aspects of the local culture, environment, or heritage in the branding efforts (Menayang & Marta, 2020). This not only adds authenticity to the branding but also fosters a connection with the local community and environment.

A combined strategy leveraging both the intensification of tourism promotion efforts through digital media channels and fostering collaboration with investors can create a powerful and comprehensive approach for the development of KJM tourism areas. We called the third strategy as "Strengthen tourism promotion efforts through the use of expanded and strategic digital media channels, while fostering collaboration with investors to actively contribute to the development of the KJM tourism area." This integrated strategy aims to maximize promotional reach and enhance infrastructure and services for sustainable tourism growth. Fostering collaboration with investors plays a pivotal role in the development of tourism industries (Ammirato S et al., 2015; Chung et al., 2020; Ramayah et al., 2011). Actively seeking

partnerships with investors aligning with sustainable tourism practices can lead to improvements in tourism infrastructure, facilities, and services (Aureli & Del Baldo, 2019; Xu et al., 2021). This collaborative effort enhances the overall appeal and accessibility of the destination, contributing to its long-term success and growth.

By integrating these strategies SMTEs not only enhance their individual success but also contribute to the broader development and sustainability of tourism within the KJM biosphere reserve. The combination of fostering a service reputation culture, engaging various stakeholders, leveraging digital media for promotion, and collaborating with investors forms a holistic and effective approach to building a thriving, authentic, and sustainable tourism destination.

Conclusion

The findings of this study show several strategies that can be used to lift Small and Medium Tourism Enterprises (SMEs) in tourist villages in the KJM Biosphere Reserve. First, in the realm of tourism marketing, the implementation of strategies to retain customers and increase tourist visits can be realized through fostering a culture of service reputation. It involves personalized interactions such as greeting customers by name, providing comprehensive information, and seeking feedback on their experience. Attaining success in tourism marketing, customer retention, and the augmentation of tourist visits can be effectively realized through the cultivation of a service reputation culture. This encompasses the establishment of an environment or organizational ethos where the provision of outstanding service takes precedence. Secondly, the KJM Biosphere

Reserve logo appears as a valuable branding element for tourism products. Collaboration with local communities, government bodies, and other stakeholders ensures that tourism activities are conducted responsibly and with consideration for environmental and cultural preservation. Integrating sustainable and eco-friendly practices further contributes to the long-term success of tourism within the KJM Biosphere Reserve. Third, there are recommendations to strengthen tourism promotion efforts through the use of expanded and strategic digital media channels, while fostering collaboration with investors to actively contribute to the development of the KJM tourism area. Begin by identifying the key stakeholders relevant to the tourism destination. This may include understanding their interests, concerns, and potential contributions to local communities, government bodies, businesses, environmental groups, cultural organizations, and tourism associations. Actively involving local communities in the decision-making process is crucial for the success of sustainable tourism initiatives. The government can facilitate open and transparent communication channels with stakeholders; and hold regular meetings, workshops, and forums to encourage dialogue and collaboration. They also suggest creating platforms for stakeholders to express their views, share insights, and actively participate in decision-making processes.

Suggestion

In addition to current limitations, it is important to acknowledge that this research relies on qualitative analysis, and future research may benefit from combining quantitative methods to provide a more robust

and comprehensive assessment. Quantitative data collection techniques, such as surveys or statistical analysis, can offer a quantitative perspective on identified strategies to improve digitalization, CB KJM branding, and network collaboration among SMEs. Furthermore, this research mainly focuses on the perspectives and experiences of SMEs in the tourism sector in the KJM Biosphere Reserve area. Future research may broaden its scope to include the viewpoints of tourists, local communities, and relevant government stakeholders. This inclusive approach will offer a more holistic understanding of the challenges and opportunities around digitalization, branding and network collaboration in the tourism industry. In addition, the temporal scope of current research may limit its ability to capture evolving trends and emerging technologies. To address this, future research should consider adopting a longitudinal approach, allowing observation of changes and developments over an extended period. It will contribute valuable insights into the dynamic nature of the tourism industry in the KJM Biosphere Reserve and support the formulation of adaptive and forward-looking strategies. In summary, future research efforts should consider incorporating quantitative methods, broadening the range of participants' perspectives, and adopting a longitudinal approach to provide a more comprehensive understanding of the identified themes and ensure the relevance of research over time.

References

- Aidil, M., & Thamrin, T. (2020). Pengaruh market orientation dan networking terhadap kinerja usaha industri makanan oleh-oleh. *Jurnal Kajian Manajemen Dan Wirausaha*, 2(4), 179.

<https://doi.org/10.24036/jkmw02100360>

- Ammirato S, Felicetti, A. M., & Della Gala, M. (2015). "Rethinking tourism destinations: collaborative network models for the tourist 2.0." *Journal Knowledge-Based Development*, 6(3), 178-201.
<http://www.inderscience.com/info/inarticle.php?artid=72800>
- Ashari, H. A., Heidari, M., & Parvaresh, S. (2014). Improving SMTEsâ€™ Business Performance through Strategic Use of Information Communication Technology: ICT and Tourism Challenges and Opportunities. *International Journal of Academic Research in Accounting, Finance and Management Sciences*, 4(3).
<https://doi.org/10.6007/ijarafms/v4-i3/976>
- Aureli, S., & Del Baldo, M. (2019). Performance measurement in the networked context of convention and visitors bureaus (CVBs). *Annals of Tourism Research*, 75, 92-105.
<https://doi.org/10.1016/j.annals.2018.12.004>
- Balsmeier, B., & Woerter, M. (2019). Is this time different? How digitalization influences job creation and destruction. *Research Policy*, 48(8), 103765.
<https://doi.org/10.1016/j.respol.2019.03.010>
- Brownhilder Ngek Neneh. (2017). Customer orientation and SME performance: the role of networking ties. *African Journal of Economic and Management Studies*, 31.
- Buhalis, D., & Amaranggana, A. (2015). Smart Tourism Destinations Enhancing Tourism Experience Through Personalisation of Services. *Information and Communication Technologies in Tourism 2015*. <https://doi.org/10.1007/978-3-319-14343-9>
- Buhalis, D., & Sinarta, Y. (2019). Real-time co-creation and nowness service: lessons from tourism and hospitality. *Journal of Travel and Tourism Marketing*, 36(5), 563-582.
<https://doi.org/10.1080/10548408.2019.1592059>
- Cenamor, J., Parida, V., & Wincent, J. (2019). How entrepreneurial SMEs compete through digital platforms: The roles of digital platform capability, network capability and ambidexterity. *Journal of Business Research*, 100(April), 196-206.
<https://doi.org/10.1016/j.jbusres.2019.03.035>
- Chansamut, A. (2023). A Digital Supply Chain Model for Tourism Management in Thailand. *International Journal of Supply Chain Management*, 12(3), 73-76.
<https://doi.org/10.59160/ijscm.v12i3.6135>
- Choudhary, P., & Walia, S. (2019). Overtourism And Destination Reputation: An Analysis Of Stakeholders Perception. *Our Heritage*, 10(67), 1463-1474.
- Chung, M. G., Herzberger, A., Frank, K. A., & Liu, J. (2020). International Tourism Dynamics in a Globalized World: A Social Network Analysis Approach. *Journal of Travel Research*, 59(3), 387-403.
<https://doi.org/10.1177/0047287519844834>

- Coles, T., Warren, N., Borden, D. S., & Dinan, C. (2017). Business models among SMTEs: identifying attitudes to environmental costs and their implications for sustainable tourism. *Journal of Sustainable Tourism*, 25(4), 471-488. <https://doi.org/10.1080/09669582.2016.1221414>
- Della Corte, V., & Aria, M. (2014). Why strategic networks often fail: Some empirical evidence from the area of Naples. *Tourism Management*, 45, 3-15. <https://doi.org/10.1016/j.tourman.2014.03.010>
- Ding, R., Shi, F., & Hao, S. (2022). Digital Inclusive Finance, Environmental Regulation, and Regional Economic Growth: An Empirical Study Based on Spatial Spillover Effect and Panel Threshold Effect. *Sustainability (Switzerland)*, 14(7). <https://doi.org/10.3390/su14074340>
- Domi, S., Keco, R., Capelleras, J. L., & Mehmeti, G. (2019). Effects of innovativeness and innovation behavior on tourism smes performance: The case of albania. *Economics and Sociology*, 12(3), 67-85. <https://doi.org/10.14254/2071-789X.2019/12-3/5>
- Erlangga, H., Sunarsib, D., Pratamac, A., Nurjayad, Sintesa, N., Hindarsah, I., Juhaerig, & Kasmad. (2021). Effect of Digital Marketing and Social Media on Purchase Intention Of Smes Food Products. *Turkish Journal of Computer and Mathematics Education (TURCOMAT)*, 12(3), 3672-3678. <https://doi.org/10.17762/turcomat.v12i3.1648>
- Fabrizio, C. M., Kaczam, F., de Moura, G. L., da Silva, L. S. C. V., da Silva, W. V., & da Veiga, C. P. (2022). Competitive advantage and dynamic capability in small and medium-sized enterprises: a systematic literature review and future research directions. In *Review of Managerial Science* (Vol. 16, Issue 3, pp. 617-648). Springer Science and Business Media Deutschland GmbH. <https://doi.org/10.1007/s11846-021-00459-8>
- George, M.; (2017). The evolution of destination branding: A review of branding literature in tourism. *Journal of Tourism, Heritage & Services Marketing*, 3(1), 9-17. <https://doi.org/10.5281/zenodo.401370>
- Jaish, A. A., Rafiq Murdipi, Dzuljastri Abdul Razak, & Norhayati Mohd. Alwi. (2023). The Impact of Digitalization Towards the Sustainability of Malaysian SMEs: The Dynamic Capabilities Perspective. In *From Industry 4.0 to Industry 5.0 Mapping the Transitions* (Vol. 470, pp. 3-13).
- Karpen, I. O., Bove, L. L., & Lukas, B. A. (2012). Linking Service-Dominant Logic and Strategic Business Practice: A Conceptual Model of a Service-Dominant Orientation. In *Journal of Service Research* (Vol. 15, Issue 1, pp. 21-38). <https://doi.org/10.1177/1094670511425697>
- Kaur, G. (2017). the Importance of Digital Marketing in the Tourism Industry. *International Journal of Research - GRANTHAALAYAH*, 5(6), 72-77. <https://doi.org/10.29121/granthaalayah>

.v5.i6.2017.1998

- Kerdipitak, C. (2022). The effects of innovative management, digital marketing, service quality and supply chain management on performance in cultural tourism business. *Uncertain Supply Chain Management*, 10(3), 771-778. <https://doi.org/10.5267/j.uscm.2022.4.005>
- Lemmetyinen, A., & Go, F. M. (2009). The key capabilities required for managing tourism business networks. *Tourism Management*, 30(1), 31-40. <https://doi.org/10.1016/j.tourman.2008.04.005>
- Menayang, A. P., & Marta, R. F. (2020). Branding of North Sulawesi tourism through the hexagon of competitive identity. *Jurnal Studi Komunikasi (Indonesian Journal of Communications Studies)*, 4(2), 410. <https://doi.org/10.25139/jsk.v4i2.2474>
- Ngoasong, M. Z. (2018). Digital entrepreneurship in a resource-scarce context: A focus on entrepreneurial digital competencies. *Journal of Small Business and Enterprise Development*, 25(3), 483-500. <https://doi.org/10.1108/JSBED-01-2017-0014>
- Nguyen, T. Q. T., Johnson, P., & Young, T. (2022). Networking, coopetition and sustainability of tourism destinations. *Journal of Hospitality and Tourism Management*, 50, 400-411. <https://doi.org/10.1016/j.jhtm.2022.01.003>
- Nguza-Mduba B. (2023). How does the performance of SMTEs relate to perceptions of tourists: A case of the Eastern Cape Province. In *The Business and Management Review* (Vol. 14).
- Nurhilalia, Rahman Kadir, A., Mahlia, M., Jusni, & Aditya, H. P. K. P. (2019). Determinant of market orientation on SME performance: RBV and SCP perspective. *Journal of Distribution Science*, 17(9), 35-45. <https://doi.org/10.15722/jds.17.09.201909.35>
- Nuryanti, B. L., Hanifah, A. P., Cahyadi, A. I., & History, A. (2023). How business digitalization can effect the entrepreneurial growth. *International Journal of Financial, Accounting, and Management (IJFAM)*, 4(4), 449-462. <https://doi.org/10.35912/ijfam.v4i4.1256>
- Pech, M., & Vrchota, J. (2022). The Product Customization Process in Relation to Industry 4.0 and Digitalization. *Processes*, 10(3). <https://doi.org/10.3390/pr10030539>
- Puyt, R. W., Lie, F. B., Graaf, F. J. De, & Wilderom, C. P. (2020). *Origins of SWOT Analysis Richard*.
- Rahman, M., Rana, Md. S., Hoque, M. N., & Rahman, M. K. (2019). Brand perception of halal tourism services and satisfaction: the mediating role of tourists' attitudes. *International Journal of Tourism Sciences*, 19(1), 18-37. <https://doi.org/10.1080/15980634.2019.1592987>
- Ramayah, T., Lee, J. W. C., & In, J. B. C. (2011). Network collaboration and performance in the tourism sector. *Service Business*, 5(4), 411-428.

- <https://doi.org/10.1007/s11628-011-0120-z>
- Rather, R. A., Najar, A. H., & Jaziri, D. (2020). Destination branding in tourism: insights from social identification, attachment and experience theories. *Anatolia*, 31(2), 229-243. <https://doi.org/10.1080/13032917.2020.1747223>
- Ruiz-Alba, J. L., Guesalaga, R., Ayestarán, R., & Morales Mediano, J. (2020). Interfunctional coordination: the role of digitalization. In *Journal of Business and Industrial Marketing* (Vol. 35, Issue 3). <https://doi.org/10.1108/JBIM-03-2019-0129>
- Santoso, L., & Cahyani, Y. T. (2022). Pentahelix's Collaboration In The Development of Halal Tourism For Sustainable Regional Economic Development. *Jurna Ekonomi Dan Perbankan Syariah*, 9(2), 222-238. <https://doi.org/10.1905/iqtishadia.v9i2.6822>
- Seraphin, H., Sheeran, P., & Pilato, M. (2018). Over-tourism and the fall of Venice as a destination. *Journal of Destination Marketing and Management*, 9(January), 374-376. <https://doi.org/10.1016/j.jdmm.2018.01.011>
- Sigala, M. (2017). Collaborative commerce in tourism: implications for research and industry. *Current Issues in Tourism*, 20(4), 346-355. <https://doi.org/10.1080/13683500.2014.982522>
- Sinclair-Maragh, G., & Simpson, S. B. (2021). Heritage tourism and ethnic identity: A deductive thematic analysis of Jamaican Maroons. *Journal of Tourism, Heritage and Services Marketing*, 7(1), 64-75. <https://doi.org/10.5281/zenodo.4521331>
- Stankov, U., & Gretzel, U. (2021). Digital well-being in the tourism domain: mapping new roles and responsibilities. *Information Technology and Tourism*, 23(1), 5-17. <https://doi.org/10.1007/s40558-021-00197-3>
- Surahman, I. G. N., Yasa, P. N. S., & Wahyuni, N. M. (2020). The Effect of Service Quality on Customer Loyalty Mediated by Customer Satisfaction in Tourism Villages in Badung Regency. *Jurnal Ekonomi & Bisnis JAGADITHA*, 7(1), 46-52. <https://doi.org/10.22225/jj.7.1.1626.46-52>
- Teng, X., Wu, Z., & Yang, F. (2022). Research on the Relationship between Digital Transformation and Performance of SMEs. *Sustainability (Switzerland)*, 14(10). <https://doi.org/10.3390/su14106012>
- Tran, N. L., & Rudolf, W. (2022). Social Media and Destination Branding in Tourism: A Systematic Review of the Literature. In *Sustainability (Switzerland)* (Vol. 14, Issue 20). MDPI. <https://doi.org/10.3390/su142013528>
- Valeri, M. (2016). Networking and cooperation practices in the Italian tourism business. *Journal of Tourism, Heritage & Services Marketing*, 2(2), 30-35. <https://doi.org/10.5281/zenodo.376333>
- Van der Zee, E., & Vanneste, D. (2015). Tourism networks unravelled; a review of

- the literature on networks in tourism management studies. In *Tourism Management Perspectives* (Vol. 15, pp. 46–56). Elsevier. <https://doi.org/10.1016/j.tmp.2015.03.006>
- Vellecco, I., & Mancino, A. (2010). Sustainability and tourism development in three Italian destinations: Stakeholders' opinions and behaviours. *Service Industries Journal*, 30(13), 2201–2223. <https://doi.org/10.1080/02642060903287500>
- Wang, K. C. (2007). A process view of SWOT analysis. *International Society for the Systems Sciences - 51st Annual Meeting of the International Society for the Systems Sciences, ISSS 2007*, 484–495.
- Wardhani, W. N., Pratiwi, R., Thohir, M., Mubarakah, L., Valen, J. D., Setiawan, A., Wahid Hasyim JIMenoreh Tengah, U. X., Semarang Jawa Tengah, K., & Alia, A. (2023). Kampung Wisata Purbayan: Harmonization of religious values and socio-cultural identity in community based tourism development. *Abdimas Dewantara*, 6(1), 42–49. <https://doi.org/10.30738/ad.v6i1.14656>
- Wardhani, W. N., & Purnomo, M. (2021). Religious Reputation Culture: a Community Based Tourism Development Approach. In *International Journal Management, Business and Social Sciences* (Vol. 1, Issue 2).
- Windi NR Wardhani. (2020). New Normal Mengarahkan Perilaku Baru di Industri Pariwisata. In *Manajemen Bisnis Di Era Pandemi Covid-19 & New Normal* (Vol. 1, pp. 69–82). Unissula Press.
- Xu, Y., Li, J., Belyi, A., & Park, S. (2021). Characterizing destination networks through mobility traces of international tourists-A case study using a nationwide mobile positioning dataset. *Tourism Management*, 104–195. <https://authors.elsevier.com/c/1bSt-xTbMqYwX>
- Zaheer, H., Breyer, Y., & Dumay, J. (2019). Digital entrepreneurship: An interdisciplinary structured literature review and research agenda. *Technological Forecasting and Social Change*, 148. <https://doi.org/10.1016/j.techfore.2019.119735>
- Zemła, M. (2016). Tourism destination: The networking approach. In *Moravian Geographical Reports* (Vol. 24, Issue 4, pp. 2–14). Czech Academy of Sciences. <https://doi.org/10.1515/mgr-2016-0018>
- Zhu, H., & Liu, J. (2022). Network Structure Influence on Tourism Industrial Performance: A Network Perspective to Explain the Global Tourism Development. *Applied Sciences (Switzerland)*, 12(12). <https://doi.org/10.3390/app12126226>