



# The Development Strategy of World Heritage Tourism in Indonesia

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## Abstract

Semarang Old City area is one of the historic areas in Indonesia that should be conserved. This study examines the development strategy of the Old City area as a world heritage site to support the competitiveness of the region. This study used a SWOT analysis, R/C ratio, and Analytic Hierarchy Process (AHP). The preservation of the Old City area is needed in order to protect the area from the incessant negative aspects of city development. There is also a need to control the development of the region aim so that it does not not lose its historical identity and unique culture. The results of the study stated that this area has developed into a huge potential tourist destination and attraction. This is even though it should be revitalized soon to keep the environmental quality. Results also show that the economic aspect of the activities of businessmen in the Old City area is very beneficial because it has a value of R/C ratio more than one. Besides that, there are some priorities in the development strategy of the Old City area such as infrastructure development, improving the quality of human resources, product promotion and sustainable tourism marketing, strengthening the management and institutional role, and also further developing the potential tourism attractions of this area.

**Keywords:** Semarang Old City, tourism, World Heritage, competitiveness, Indonesia

## Introduction

Semarang city is the capital city of Central Java which is also known as one of the large cities in Indonesia. This city has three main aspects of sustainable city development. They are city development with an emphasis on the balance between the economic aspects, the environment, and the protection of cultural heritage. Nowadays, Semarang has also been nominated into the National Inheritance for 10 cities proposed as World Heritage to UNESCO by the Indonesian Government. UNESCO gives assistance in the protection of world heritage sites in the Middle East, such as those threatened or ruined by prolonged conflict (Groizard & Santana, 2018). This is could be the chance to empower the potential in the right way for Semarang City as the cultural heritage site. Semarang City has a lot of tourist attractions that need to be protected and developed by the Government in order to encourage regional economic growth. Tourism is a sector that gives positive impacts to the economy of a country, based on that the Government and the other stakeholders need to develop tourism through



the best tourism strategic planning (Emira & Arslanturkb, 2015). Tourism is then seen as a strategic sector to be developed to encourage economic activity. The impact of the tourism development of an area not only increases revenue for the region but also encourages economic growth. The development will enhance the progress of other sectors, such as human resources, technology, trade, and services. The success of tourism development depends on the success of a well-managed tourist attraction, how tourists feel satisfied, and how they become loyal customers (Xie, 2011). The Government should know the necessities, expectations, and the characteristic of the tourists. Government has to be careful, observant, and wise to explore the attractions to develop tourism in any area, and especially for heritage areas like Semarang City. Some researchers said that transportation facilities, accommodation facilities, trained and educated human resources, and also environmental conservation are the core factors that support the tourism development (Bunruamkaewa & Murayamaa, 2011; Mishra, Deep & Choudhary, 2015).

Semarang City has an interesting tourism attraction called Semarang Old City area. That is categorized as a cultural tourism attraction. Semarang Old City area is a region in Semarang which became the center of trade in the middle 19-20<sup>th</sup> centuries and presents the atmosphere of past times. The attraction of the Old City area is its historical buildings and unique cultural value. Because of these, a lot of local and foreign tourists are visiting this Old City. Some of the tourist attractions are Gabare, Tawang Railway Station, Blenduk Church, Susteran Ordo Franciscan, Mberok Bridge, Bank of Export-Import Indonesia, PT Djakarta Lloyd, and others.

The Government of Semarang City has made efforts so that the Old City area becomes one of the world heritage sites. This was by revitalizing and repairing historic buildings without eliminating the authenticity and cultural elements. Thus, these are the attractions of investors to invest and develop their business in the Old City area. The problems faced in the development of the Old City area of Semarang are that a large number of historical buildings are still dormant and have not been renovated since the building's ownership by private parties. This makes the Government not have the right to repair historic buildings in this area. Ownership of the building by the private persons hampers revitalization. In addition to the problem of ownership, infrastructure and environmental issues are at the forefront of the problem needing a solution. Based on the statement before, the purpose of this study was to analyze the tourism development of the Old City area in Semarang City and to enhance its competitiveness as tourism cultural objects.

## **Literature Review**

Competitiveness always has a positive relationship with innovation (Estevao, Cristina & Ferreira, 2009). Progress in the tourism sector will encourage the competitiveness of a region, and particularly also encourage the competitiveness of a tourism object or destination. Nowadays, heritage tourism has become one of the tourists' favorite experiences. They visit tourism objects to learn about local culture, see the historical buildings and interact with the local communities. Heritage tourism is defined as tourist activities to visit heritage sites, it is different to cultural tourism because heritage tourism places more emphasis on the 'place' and tourism activities should be on the site while cultural tourism is not placed on the tourist attractions aspect due to the idea that learning a culture should not always be at the cultural sights (Poria, Reichel & Biran, 2006; Lee & Lee, 2015; Ramiresa, 2018). Moreover, World Heritage Sites are defined by UNESCO as special places to visit and have activities, such as National Parks, forests, mountains, lakes, islands, deserts, buildings, complexes, regions,



cities and the countryside which have been registered on the international heritage program administered by the UNESCO world heritage committee (UNESCO, 2016).

Some of the criteria of the world heritage site are as follows (UNESCO, 2016):

- a. Symbolizes a masterpiece of human creativity
- b. Presenting the primacy of human values that do not change during a certain period in terms of architecture, technology, monumental arts, town-planning or landscape design.
- c. Having specificity or evidence that there's never been a civilization in the past which has left or has vanished.
- d. The embodiment of a building, architectural or adorable technological object and has a depiction of the important stages in the history of human civilization.
- e. Close to linkages with an event or particular traditions, the thoughts, beliefs, artistic and literary traditions.

Cultural tourism is an activity of the kind of tourism where travelers are invited and are motivated to learn, know, and feel the cultural atmosphere when it's 'for real' in a tourist destination (Richarda, 2018). Moreover, in cultural tourism, the presence of modern technology especially social media, becomes a challenge and opportunities arise for the tourism business actors to develop marketing to promote the attractions to the potential tourists (Lee and Lee, 2015; Surugui and Surugui, 2015).

## Methodology

This study uses the methods of *action research*. The research survey was conducted to find out the situation and condition of the object of research, business conditions in the current quarter of the Old City, along with the strategy of the development area in the future. Primary data was collected through interviews with respondents who were guided by a structured questionnaire in the area of the research. The respondents were cluster managers and all stakeholders concerned. The sample of respondents consisted of the businessmen in the Old City area of Semarang, numbering 32 respondents, and key-persons from among academics, businessmen, local governments, and community leaders (Academy, Business, Government and Community/ABGC) each sent one person.

Secondary data was obtained through reading documents from various relevant agencies: Department of Tourism and Culture of Semarang City; Department of cooperatives and Small Medium Enterprises of Semarang City; Central Bureau Statistics of Semarang City; The Old City Area Property Management (BPK2L) of Semarang City, as well secondary sources including academic journals and books.

The method of analysis was to use a mixed quantitative and qualitative approaches as a combined approach (Creswell, Clark & Plano, 2007). The analysis tools used included: (1) AHP (Analytical Hierarchy Process), (2) Analysis of Strength, Weakness, Opportunity, and Threats (SWOT), and (3) Business profitability analysis with R/C ratios. The Analytical Hierarchy Process AHP can help to manage and a manager to chose the ideal location and investment potential for the establishment and it can help to know the objectives of the organization and the processes used in its decision making (Kundakci, Adali & Tuisik, 2015). The AHP can be applied to the tourism sector in areas such as airlines, shopping, hospitality, tourism objects, and restaurants. The details of the purpose, method, and output of this study can be seen in Table 1.



**Table 1. The Purpose, Research Method, and Research Output**

Research's Purposes	Research's Methods	Research's outputs
Identification the mapping of strength, weakness, opportunities, and threat	SWOT analysis	The internal and external cluster conditions
Business identification in the Old City area	R/C ratio analysis	Business profitability of Small and Medium Enterprise supporting in a cluster area
Arranging the development strategy of the tourism cluster	Hierarchy Process (AHP) analysis	Area development strategy basically on cluster
Arranging execution planning of an area development	FGD and indepth interview.	Planning execution of an area development

## Result and Discussion

### SWOT Analysis of Semarang Old City

Mondal and Haque (2017) stated that a SWOT analysis should be based on two main categories as follows:

1. Analysis of the internal factors.  
It is analyzing the strengths and weaknesses of the internal environment which is impacted. Strength and weakness are the factors in the system that could have hindered the organization from achieving its goals.
2. External factor analysis.  
It analyzes the opportunities and threats relevant to the external environment. Opportunities and threats are considered as exogenous factors that facilitate and restrict the systems in reaching its objectives.

Tourism destinations in a developing cluster or region will develop if they follow the increasing development of the cluster as well as the existence of the multiplier effect of the environment around it. Semarang Old City tourism cluster is potential destination in Semarang city because it presents the cultural and historical tourism in the form of buildings in the past times with its unique architecture and high art value (Nicolaidis, 2014).. Visitors will be taken back to the Netherlands colonial atmosphere era when visiting the Old City. Historic buildings of the Netherlands colonial era in the Old City area consist of Gabare, Tawang Railway Station, Blenduk Church, Susteran Ordo Franciscan, Mberok Bridge, Bank Export-Import Indonesia, PT Djakarta Lloyd, and others. In addition to presenting a unique architectural design, the Old City area has easy and quick access from Semarang city center. A study by Reihanian, Mahmood, Kahrom and Hin (2012) stated that the power (strength) of a tourist destination such as a unique ecosystem, a high art value, easy access to the airport, and others must be developed effectively to attract tourists.

The groundbreaking of the Old City became a world heritage site to UNESCO, and this opened opportunities for more development in the future. Semarang City Government will pay more attention to the World Heritage Site in Semarang City in the future. The businessmen have started doing business in the region, in activities such as restaurants, boutiques, souvenir stores, photo services, and others. The Department of Cooperatives and Small Medium Enterprises of Semarang City founded the Gallery of Small Medium



Enterprises with the purpose to introduce distinctive products of Semarang City to the tourists. The more the area is developed the more it will have an impact on increasing investor interest. Thus, this area will give a positive impact such as reducing unemployment and increasing income for local people. The study of Zhang (2012) stated that a powerful control system will encourage regional development and potentially create rapid growth.

**Table 2. SWOT Analysis of Semarang Old City Tourism Area**

<b>Strength</b>	<b>Weakness</b>
a. This object presents cultural and historical tourism attractions. b. The architecture of the building is unique and worth a high art. c. This object has a large area (45 hectares). d. Strategic Location: easily accessible and close to the city center	a. Most of the ownership of the buildings are private. b. Frequent traffic jams around the area. c. Poor hygiene condition. d. The process of revitalizing the Old City going on slowly.
<b>Opportunity</b>	<b>Threat</b>
a. Becoming one of the world heritage sites by UNESCO in 2020. b. People's interest in cultural tourism has increased. c. This area has a potential tourism-based business opportunity. d. Concern from the Government.	a. The rising sea level of Marina beach (flood) b. The number of criminality c. The intense competition to become one of the world heritage sites by UNESCO in 2020. d. Similar competitors.

Source: Primary Data, 2018

From the view of the microeconomy, the tourism area will give benefits such as create new opportunities, human resources empowerment, create a multiplier effect of the economy, and increase the role of local communities in the tourism industry. In terms of the macroeconomy, it will boost economic development and increase the competitiveness of the tourist destination (Boiko *et al.*, 2017). The study of Estevao *et al.* (2009) stated that a competitiveness cluster model of tourism could help identify tourism potential, thus helping the process of competitiveness in its management. If the cluster wants to remain in the competition it must have the ability to promote its latent power. Therefore, the cluster approach will certainly become part of the model developed in each region. The issue is that the optimal agglomeration should generate synergies for sustainable progress for efficiency and competitiveness of this region.

The problem of ownership of the buildings by the private sector in the Old City area is a barrier to the development of the region. Most of the buildings in the Old City area are private property. Besides that, the condition of the buildings poor since they were abandoned and no one took care of or renovated them. Semarang City Government does not have the right to renovate these buildings. The Government of Semarang City has a policy to give tax-free incentives to owners to fix the buildings in the Old City area (Building Permits) so that the buildings can be renovated by their owners. This policy seeks to encourage and stimulate the building owners to repair their buildings. Nicolaidis (2014) has shown that tourists love to view things that are original in look and feel and buildings that are authentic are attractive to many tourists who enjoy history and architecture. According to the results of their study, Wang, Li and Zheng (2015) said that decision making to determine the best strategy should maximize the power system itself and minimize the weaknesses of the system and then be eliminating the threats from outside. This applies to the renovation scheme.



As the tourism object, Semarang Old City Area faces some threats such as rising seawater and flooding, the number of crimes that disturb the comfort of travelers, and intense competition to become one of the World Heritage sites by the UNESCO in 2020, as well as a competitive tourist destination. The study of Zhang, (2012) however stated that the incompatibility between traditional culture and modern culture, incompatibility among development and protection of the surrounding communities, and the tourist destinations in this sort of competition can be a threat to the development of tourist destinations.

### Profitability Analysis Supporting Tourism Business Cluster

The success of a company or organization is influenced by the costs incurred and the income it has. This analysis aims to measure the feasibility of business in the Semarang Old City area to propose a plan for future business development. According to Tunde (2015), the Return of Cost Ratio (R/C Ratio) is used to find the feasibility of a business. The following profitability analysis presented one of the culinary efforts supporting of Semarang Old City tourism area.

**Cost:** The owners of the culinary business in the Semarang Old City area need a costing including fixed and variable costs. The total cost incurred by them for a month after assuming a fix rental period five years or 60 months are listed in Table 3.

**Table 3. List the Detail of Fixed Costs, Variable Costs, and Total Costs**

No	Types of Cost	Total Costs 5 years (IDR)	Total Costs in a Month (IDR)
1	Fixed Costs*	71.667.666,7	1.194.461
2	Variable Costs:	-	
	a. Raw material costs		15.000.000
	b. Electricity costs		3.000.000
	c. Marketing cost		2.000.000
	d. Retribution		1.000.000
	e. Labor costs		5000.000
	f. Other costs		2.190.567
	Total costs in a month		29.385.028

\*The assumption of fix rental period is 5 years or 60 months  
 Source: Primary Data, 2018

**Return:** Return is the sales value of production at each tourism area. The average of respondents return is IDR. 41.352.000 per month.

**Table 4. The Total Return of a Businessman**

No	Products	Price (IDR)	Total	Return (IDR)
1	Food	75.000	350	26.250.000
2	Beverage	35.000	350	12.250.000
3	Others			2.852.000
	Total Return in a month			41.352.000

Source: Primary Data, 2018

**Profit or Gain ( $\pi$ ):** Profit or gain is the calculation of the difference between the total receipts earned by total cost, calculation of profit in the Old City explained as follows:

$$\begin{aligned} \pi &= \text{IDR. } 41.352.000 - \text{IDR. } 29.385.028 \\ &= \text{IDR. } 11.966.972 \end{aligned}$$





The result of the calculation shows that the average profit of the culinary business in Semarang Old City tourism area is IDR. 11.966.972 per month, with the following formula used:

$$R/C \text{ Ratio} = TR/TC \dots \dots \dots (1)$$

Note : RCR = Return of Cost Ratio, TR = Total Revenue, TC = Total Cost

$$\frac{R}{C} \text{ ratio} = \frac{Rp 41.351.666,67}{Rp 28.190.566,67} = 1,47$$

This result shows that the value of R/C Ratio business in Semarang Old City tourism Area is 1.47. It means the value is higher than 1, it shows that the business run in Semarang Old City tourism cluster has the feasibility of a fair business. According to Yunita (2017) if the food sector business has higher value of R/C Ratio than 1, it tends to increase profits and this makes it to be included in the feasible business category.

**The Development Strategy of Tourism Area Based on Cluster**

Based on the results of in-depth interviews and FGD with the owners of tourism business and key persons (A-B-G-C) in the tourism cluster development, there are 5 main aspects such as:

- (1) Infrastructure development, (2) Human resources development, (3) Product marketing, (4) Institutional aspects, and (5) Potential development.

Based on five these main aspects, each major aspect is detailed in some manner in more detail. The priority of the tourism cluster development strategy used AHP (Analytical Hierarchy Process) with the following stages involved therein:

**Consistency Test:** Table 5 shows that the matrix resulting from the process of the in-depth interview from the respondents was consistent. Indicated value of CR (Consistency Ratio) < 0.1

**Table 5. Eigenvalue, Consistency Index, and Consistency Ratio**

Criterion	Eigen Value	CI	CR	Consistency (CR<0.1)
Product Marketing	3,020140659	0,01007	0,017363	Consistent
Potential Development	4,292414008	0,097471	0,03249	Consistent
Human Resource Development	4,092699458	0,0309	0,034333	Consistent
Infrastructure Development	4,18043103	0,060144	0,066826	Consistent
Institutional	4,168919495	0,056306	0,062563	Consistent

Source: Primary Data, 2018

**The Final Weighting:** Furthermore, the results from analysis of the priority strategies is explained as follows: (1) Infrastructure development (0,5), (2) Human resources development (0,19), (3) Product marketing (0,12), (4) Institutional (0,1), and (5) Potential development (0,08). The results show that the development strategy for Semarang Old City consists of five (5) priority decision options as follows:

**Table 6. The Main Aspect Analysis of Development Tourism Cluster Strategy of Semarang Old City**

No	Criterion/Aspects	Aspect Quality	Sub-Criterion/Aspect	Quality Sub-Criterion	Final Quality of sub-Criterion
1	Infrastructure Development	0.5	Other Infrastructure	0.331	0.165
			Tourism facilities and Infrastructures	0.318	0.159
			Facility and Transportation Service	0.194	0.097
			Accommodations Development	0.158	0.079
2	Human Resource Development	0.19	Business Relation	0.563	0.107
			Managerial Courses	0.192	0.036
			Business Guidance	0.184	0.035
			Appropriate Technology Training	0.061	0.012
3	Product Marketing	0.12	Organizing exhibition/event	0.638	0.077
			Utilizing Information Technology	0.233	0.028
			Third-Party Partnership	0.129	0.015
4	Institutional	0.1	Increasing the Local Government Role	0.398	0.040
			Training and Coaching Group	0.294	0.029
			Improving the Management System	0.217	0.022
			Forming/developing Cooperative	0.091	0.009
5	Potential Development	0.08	Culture	0.721	0.058
			Developing Religious Tourism	0.127	0.010
			Developing Culinary Tourism	0.091	0.007
			Developing Water Tourism	0.054	0.004

Source: Primary Data, 2018

1) Infrastructure Development

The decision is very appropriate because of the attraction in Semarang Old City area where there are buildings containing a high historical value and which are also unique. Besides that, the buildings have a European-style of the middle-ages and have become part of the cultural heritage in Semarang City. Even though, this area has a small amount of infrastructure and public facilities it is still important. The infrastructure is in bad condition in parts with damaged roads and unhygiene public toilets, which are disturbing the convenience needs of visitors. Semarang City Government nonetheless continues to revitalize the infrastructure to make this destination become one of the world heritage sites of UNESCO.

2) Human Resource Development

Human resources is one of the most important components in the management area of Semarang Old City. Well qualified and skilled human resources are expected to develop Semarang Old City area. A study from Fabac and Zver (2011) stated that the development of tourism needs to be conducted through a strategy briefing with the stakeholders, and involves some coaching, and training.

3) Product Marketing

Promotion and marketing of tourist destinations are indispensable for the development of the Old City. According to Ahmad Hakim, the marketing of the products in the Old City area are often held through events or exhibitions, music performances almost every weekend, and the Old City festival which is regularly held annually. The study of Wickramasinghe and Takano (2009) showed that tourism in Sri Lanka recovered after the tsunami in 2004 and this was through a proactive communication strategy and the



promotion of effective marketing. Based on that, the development of any tourism area needs good marketing strategies to promote the products on offer to tourists.

4) Institutional

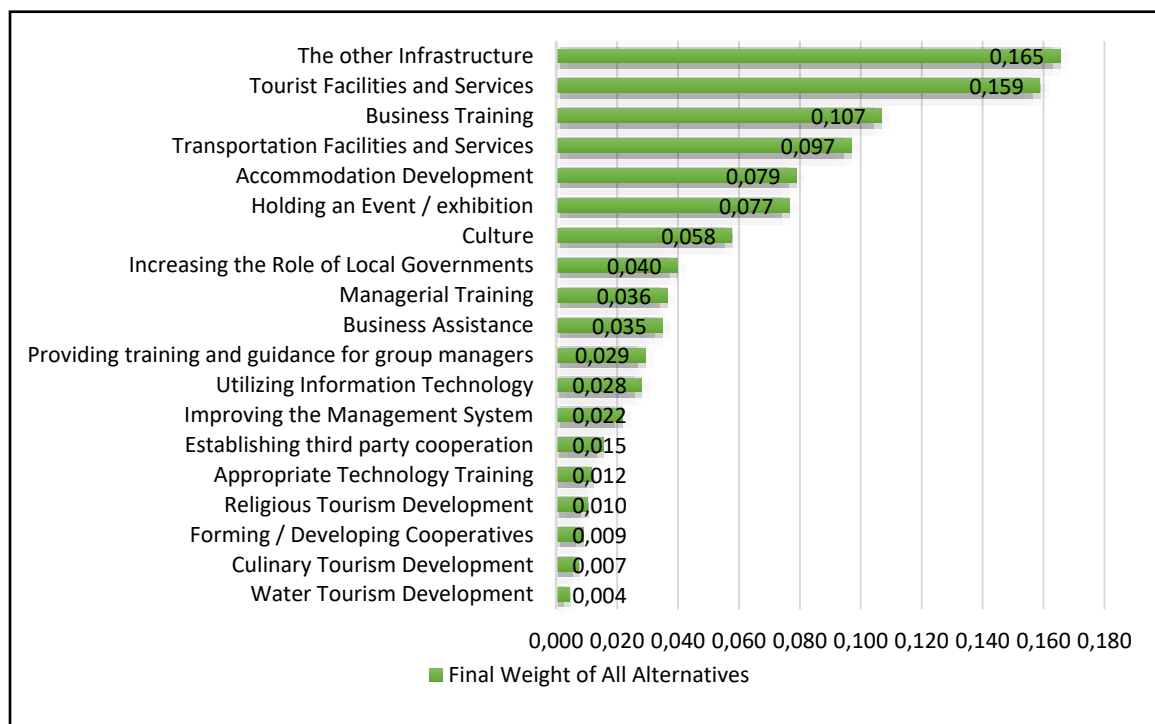
Cluster development strategy for Semarang Old City area is the optimization of the institutional strategy. One of the institutional development strategies is to involve the local government, stakeholders, and the business sector. Involving the stakeholders is a very important move that will lead to the sustainability of a project (Nicolaidis, 2015). It can be done by providing coaching and training to members and area managers, to correct the system management, and develop cooperation between all the members.

5) Potential Development

The main potential of Semarang Old City areas is in its diverse cultural tourism attractions. This object has historical heritage buildings such as Blenduk Churches, Tawang Railway Station, Susteran Ordo Franciscan, Mberok Bridge, Export-Import Bank Indonesia, PT Djakarta Lloyd, and others have good heritage value. Various objects in those areas should be developed to become a cultural tour package or religious tour package. Such buildings can attract tourists to visit the area.

### Alternative Development Strategies of the Semarang Old City Area

After weighting is done, then it can be determined the priority policy or alternative to the development of the Old City area as follow:



**Figure 1:** The Final Weighting of The Total Alternatives  
**Source:** Primary Data, 2018

Figure 1 shows the order priority of the strategy cluster development in Semarang Old City area. The five priorities of the strategy in developing Old City area are: (1) The development



of infrastructure, (2) Tourism facilities and services, (3) Business training, (4) Development of facilities and transportation services, and (5) Development of accommodation.

### The Action Plans of the Development Area Through Tourism Cluster

Based on the selection of priority policies, the tourism cluster development follow-up plans of Semarang Old City are shown in Table 7. Action plans and objectives must be understood and implemented as well as possible by the parties involved in the efforts of the tourism cluster development.

**Table 7. Action Plans**

No	Action Plans	Targets	Related Actor
1	Cooperation Strengthening	Strengthening of the cooperation with stakeholders in the process of the Old City revitalization.	Local Government of Semarang City, Old City Area Property Management (BPK2L), Cluster Group, PT. Abi Praya, and Spatial Department of Semarang City
2	Product Quality Advantaging	Quality control for a souvenir of Semarang City in Small Medium Enterprise Old City	Cooperative Department and & Small Medium Enterprise of Semarang City, Old City Area Property Management (BPK2L), and Cluster Group
3	Human Resource Capacity Advantaging	Open recruitment potential tourism Cluster Manager of Semarang Old City	Old City Area Property Management (BPK2L), and Local Government of Semarang City
4	Management Quality Advantaging	Training and coaching for the Cluster Manager of the Semarang Old City tourism area	Old City Area Property Management (BPK2L), Tourism and Cultural Institution and Local Government of Semarang City
5	The creation of a business climate conducive and attract investor	Solutions for environmental and social problems, such as flood, thugs, bums, and beggars in Semarang Old City tourism cluster	Old City Area Property Management (BPK2L), and Local Government of Semarang City, Police Department of Semarang City, Social Department Semarang City

Source: Primary Data, 2018

**Cooperation Strengthening:** Semarang Old City area managers continue to strengthen cooperation with stakeholders. This is because the region needs support from the stakeholders. The revitalizing process of the Old City area tourism cluster to become a world heritage site of UNESCO in 2020 is continuously happening and ongoing. Ahmad Hakim, a manager of the Old City area (BPK2L) of Semarang city said that local authorities cooperate with the Semarang city, such as for example, PT. Abi Paraya and the Office of information and Spatial Design of Semarang city who are involved in the revitalization process of Semarang Old City cluster. Moreover, it is expected that the revitalization process should be completed in 2019.

According to Nur Aida, of the Staff development, reinforcement, and protection of Business Micro of Small Medium Enterprises and Cooperative Agency of Semarang City, in the construction of Small Medium Enterprises of the Old City, the Gallery is working with several parties namely PT Telkom Tbk Branch of Semarang City. This company provides assistance in providing loans for building that nowadays become the foundation of the Gallery of Small Medium Enterprises. PT Bank Negara Indonesia (BNI) Tbk also helped support the payment tools, such as the EDC engine which is hopefully helping the transaction processes in Small



Medium Enterprises of the Old City Gallery. The previous study stated that developing tourism assets and networks is a necessary tool for building trust in tourism development (Kelliher, 2018).

**Product Quality Advantaging:** One of the actions in improving the quality of the products of Small Medium Enterprises in Old City tourism cluster is developing the Small Medium Enterprises Gallery. The purpose of this gallery is to become a promotion tool for the products sold to local and international tourists. This gallery sells premium products and it implements regulations for product selection. The market share of this gallery is among the medium and high classes consumer. Nur Aida, says that some of the Small Medium Enterprises in Semarang Old City tourism cluster are not registered yet in the service of cooperatives and Small Medium Enterprises of Semarang City. Based on this the Government needs to re-record every Small Medium Enterprises of Semarang Old City. The variation of the tourism product and identification can be used as a tool to build competitiveness and the sustainability of tourist destinations in this area (Benur & Bramwell, 2015).

**Human Resource Capacity Advantaging:** Human resources are the most important thing in the tourism management cluster of Semarang City. Human resources are the actors in the management, maintenance, organizing and maintaining the sustainability of tourism in Semarang Old City. Based on that, the human resources need to improve their quality and outputs. Ahmad Hakim stated said that the Government has opened recruitment for Semarang Old City managers every year. According to Fabac and Zver (2011) human resources development in a tourism destination is done through good training and ongoing coaching.

**Management Quality Advantaging:** Corruption, the coordination of human resources, Government and the related stakeholders are a major factor in the effective management of tourism destinations in Indonesia (Towner, 2016). According to Ahmad Hakim the way to improve the management quality of Semarang Old City is by training and coaching all stakeholders effectively. This is expected to improve the quality of management in the Old City. The Department of Culture and Tourism of Semarang City and the local Government of Semarang City invited mentors and experts to train the various levels of management in what is an ongoing process.

**The Creation of a Business Climate Conducive:** The problems faced in the revitalization process of Semarang Old City tourism cluster are a social problem (thugs, bums, and beggars). This problem needs to be solved as soon as possible because it will affect the convenience of visitors and business owners. The Old City Area of Property Management (BPK2L) is assisted by the Social Service of Semarang city and Police Department of Semarang city and this is to regulate thugs, bums, and beggars who roam the Old City tourism cluster. According to Ahmad Hakim, the manager of the Old City Area of Property Management (BPK2L) of the Old City, the resolution of social problems needs specific action in the Old City area by empowering the thugs to manage the Old City tourism cluster, with them becoming either a draftsman or a security guard. Thus, the thugs will have jobs and earn a living without having to be involved in criminality which disturbs tourists. Tomohara (2016) stated that there is favorable interaction between the foreign investor and the number of visitors in tourism objects. Thus, if the condition of the tourism objects makes the visitors comfortable, this tends to increase the number of visitors. Moreover, it also increases investor confidence to invest more of their funds in tourism development.



## Conclusion

Semarang Old City is the symbol of Semarang city and is becoming a potential tourist destination in Semarang city based on its many cultural attractions. The Old City became one of the world heritage sites tentative list candidates based on UNESCO recommendations. Based on that, it needs to get serious attention from the Government about the management and financial. Infrastructure improvement that is needed, this must be a major policy drive in the development of the Old City tourism area in Semarang City.

Semarang City Government must continue to creating a vigorous revitalization area and this must be an urgent task. Moreover, events and exhibitions are examples of the strategies for promoting this idea to both local and foreign tourists. Thus, the frequency and number of promotional events should be increased. It is expected this will attract interest from potential visitors. Business training for the managers of the Old City area is also needed so as to develop the tourism business sustainably.

Furthermore, the stakeholders need to increase the environmental quality by providing enough garbage cans, and empower thugs to detract from criminal activities and employ them as a security guard or parking attendant. This is expected to create a comfortable condition for visitors.

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