

ABSTRACT

The cycle of economic activity in various regions in Indonesia, such as Central Java tremendously grow and give a significant impact toward several hotels, especially for three star hotels. The growth of the hotel is suspected as the impact of the hotel strategic management model. This issue is interesting to be empirically examined.

The main objective of this research are to formulate strategic, to increase competitive excellence and performance of three star hotels in Central Java by promoting the uniqueness and local character as the core of management and competence in their performance.

Stratification sampling method was done to collect data by interviewing the competent managers, hotel staffs, hotel guests, and also regulators in Central Java. The method used in this research is quatitative method, which the quantitative research used data analysis instrument, named PLS-SEM versi 6.0 software as the data analysis instrument.

The results indicated that the hotel might perform competitively whenever the variables of core competence, customer relationship management, and knowledge management run well. Hence, indeed need the strategy of co-management to empower the stake holders intensively.

Key-words: competitive, core-competence, customer, co-management, hotel, Indonesia