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REVITALIZING SPACES URBAN THROUGH STRATEGIC PLANNING: A CASE STUDY OF CITRA NIAGA'S CONTRIBUTION TO LOCAL ECONOMIC GROWTH

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Abstract: The study examines the role of strategic planning in revitalizing urban spaces and its impact on local economic growth. The revitalization of Citra Niaga District in Samarinda, East Kalimantan, is taken as a case study where the area is currently transforming from a once-stagnant business centre into a vibrant creative hub through strategic planning initiatives. A qualitative case study approach is employed to provide a comprehensive overview of the phenomenon. Data were gathered through intensive observation, interviews, and documentation. Research informants were selected using a purposive sampling to obtain rich historical insights and experiences regarding the overall condition of the area. The findings indicate that the implementation of a comprehensive strategic plan-which include product innovation, human resources capacity building, and digital promotion-is the key strategy for restoring the area's economic vitality. The success of this urban revitalization is a result of a planned and strategic approach that integrated community – based initiatives with targated policy support and it's pivotal for building a strong city branding and creating a sustainable city.

Keywords: Strategic Planning, Urban Revitalization, Local Economic, Smart and Sustainable City

1. Introduction

Cities around the world are currently at the forefront of the global rivalry due to increased economic integration and faster urbanization. Cities' functions have evolved beyond simple administrative duties to become major hubs for innovation, talent, and investments (Vergara-Perucich, 2019). But ironically, despite this initiative, a large number of historic sites and once-thriving core business areas are suffering from severe urban deterioration. This phenomenon is characterized by economic stagnation, a decline of the physical built environment, and, most seriously, the degradation of social and cultural life within metropolitan areas (UN-Habitat, 2021). If this trend is not systematically taken seriously, it will negatively impact the city's economic competitiveness, limit the increase of municipal revenue, and worsen inequality. Therefore, in order to ensure future urban resilience and sustainability, the necessity for urban revitalization has changed from being a primarily cosmetic intervention to a strategic, comprehensive need that includes social, economic, and environmental rejuvenation (Abdo et al., 2019).

Past failures in urban renewal projects, which were frequently characterized by reactive and ad-hoc approaches, have necessitated a fundamental paradigm shift in planning science, establishing strategic planning as the core foundation for successful outcomes (Neuman, 1998). Strategic planning introduces a new disciplinary framework centered on governance, which effectively integrates diverse actors and interests to formulate a long-term vision and a cohesive roadmap. This approach yields more fundamental and sustainable solutions than fragmented, short-term interventions (J. M. Bryson et al., 2018)

Modern strategic planning is necessary due to its ability to integrate three globally recognized dimensions of urban development: Smart City, City Branding, and Sustainable City. Strategy-led revitalization enables cities to monetize unique assets, build multi-stakeholder coalitions, and design interventions focused on long-term economic objectives (UN-Habitat, 2021). This integration is crucial for enhancing urban resilience (Sharifi et al., 2024). In this context, the

Smart City concept extends beyond technology; it emphasizes the leverage of data to boost economic competitiveness, where the revitalization of stagnant business districts into creative hubs directly manifests a Smart Economy. These hubs function as incubators for digitally literate entrepreneurs (Indah, 2025; Landry, 2008; Purba et al., 2025). Furthermore, the successful revitalization of historical assets provides invaluable input for City Branding, a strategic effort to establish a unique and positive urban image (Kavaratzis & Hatch, 2013).

The traditional image of Samarinda City has frequently been dominated by its identity as a "mining city." Consequently, revitalizing cultural assets, such as the Citra Niaga district—a recipient of the prestigious Aga Khan Award for Architecture (AKAA)—is crucial. This effort represents a strategic maneuver to construct a more balanced, cultural, and progressive urban narrative (Indah, 2025). The third pillar of strategic development, the Sustainable City, is grounded in three fundamental dimensions: economic viability, social equity, and environmental protection. This concept mandates urban planning that is adaptive, inclusive, and technologically enabled, emphasizing policy integration and deep community engagement (Wheatley & Wheatley, 2024). In this regard, revitalization focused on harnessing local potential (e.g., handicrafts and Micro, Small, and Medium Enterprises (MSMEs) within Citra Niaga) effectively strengthens social capital, fosters a resilient local economy, and ensures the inclusive distribution of development benefits, thereby aligning with core principles of urban sustainability (Newman & Jennings, 2008)

This research concentrates on the Citra Niaga Area, Samarinda, as its primary case study. This district possesses a unique architectural and socio-economic history, notably as an urban artifact that won the Aga Khan Award for Architecture (AKAA) in the 1980s, yet currently faces stagnation and functional decline (Ramadhan & Suryadjaja, 2024). Preliminary data, including a study by Indah (2025), indicates internal vulnerabilities among local Micro, Small, and Medium Enterprises (MSMEs), characterized by a lack of innovation and traditional management practices. This status puts the area at risk of becoming a mere "unique urban artifact" stripped of its vital functionality. In response to these challenges, and recognizing the area's crucial historical value for City Branding, the Samarinda City Government has initiated a strategic revitalization effort, transforming the district into a vibrant creative hub, as corroborated by recent media reports (Hasrullah Hasrullah et al., 2024).

This revitalization policy aligns with the city's macro vision, formally articulated in Samarinda Mayor Regulation (Perwali) No. 79 of 2022 regarding the Samarinda Smart City Plus Masterplan 2022-2025. This vision guides the city toward a "Sustainable Smart City Based on Participation towards Samarinda as the City of Civilization Center" (Peraturan Wali Kota Samarinda 79-2022, 2022). Citra Niaga is a key pillar of this vision, particularly within the Smart Economy and Smart Living dimensions. The full realization of this role is implemented through strategic interventions across three main areas: product innovation, human resource (HR) capacity building, and digital promotion (Peraturan Walikota Samarinda Nomor 8 Tahun 2018, 2018). Consequently, Citra Niaga provides an ideal case study for testing the hypothesis that the synergy between leveraging existing physical assets and implementing integrated strategic planning can significantly impact the development of Smart City Branding and a Sustainable City within Samarinda's urban development.

Figure 1: Citra Niaga Planning Principles
Source: (Ahaddin, 2022)

This research is urgent in describing the strategic role of the three core pillars of urban development. First, the study seeks to detail the action strategies of the *Smart City Plus Masterplan* (Mayor Regulation 79 of 2022) at the micro-implementation level. The analysis of product innovation and digital promotion will provide empirical evidence of the execution of the Smart Economy pillar by Micro, Small, and Medium Enterprises (MSMEs) within the designated creative hub (Khaerani et al., 2025). Second**,** amidst the momentum of establishing the New Capital City (IKN) Nusantara, the transformation of Citra Niaga into a creative hub presents a critical narrative for Samarinda to transition its image from a mining-dependent city to one centred on trade, creative services, and cultural tourism. This research posits that urban revitalization is the primary level of intervention for City Branding efforts aimed at attracting non-mining investment and domestic and international tourists to Samarinda. Third, this case study provides a holistic view of sustainability**,** where economic endurance is achieved through local Human Resources (HR) and community capacity building. This approach merges cultural heritage preservation with economic resilience, a focus that underscores the vital role of human and digital capital for achieving Sustainable City goals (Indah et al., 2025)

In line with the background, phenomena, and urgency outlined, the primary focus of this study is to describe and thoroughly analyze the revitalization process of the Citra Niaga Area. Specifically, the research seeks to answer the central question concerning the strategic elements—namely, product innovation, HR capacity building, and digital promotion—implemented in the revitalization efforts. The study aims to analyze the implementation of these business management strategies across three macro dimensions: (1) the recovery of local economic vitality**,** (2) the reinforcement of Samarinda's city branding, and (3) the laying of a foundation for sustainable city development**.** Overall, the objectives of this research are to: describe the role of the comprehensive strategic plan as the driving force for revitalization; analyze the demonstrable impact of the implemented business strategies on local economic vitality (measured through increased business activity and visitor traffic); and analyze the contribution of Citra Niaga's success toward strengthening city branding and realizing the city's sustainable vision, as mandated in the Samarinda *Smart City Plus* Mayor Regulation 2022-2025.

2. Literature Review
Strategic Planning

Strategic Planning is a dominant and crucial management instrument. It identifies and implements strategies that secure the competitiveness and performance of organizations in both the public and private sectors (J. M. Bryson et al., 2018). Strategic Planning is broadly recognized as a fundamental framework essential for enhancing these entities' effectiveness, competitiveness, and overall performance (Gandrita & Rosado, 2022)

According to J. Bryson & George (1996), the core purpose of Strategis Planning is to reinforce and sustain organizational achievement, with a sharp focus on cohesive and enduring outcomes. It is an intentional, disciplined, and structured process that synergistically integrates strategic thinking, acting, and learning (J. M. Bryson et al., 2018).

The specific stages of strategic planning may differ across various organizations, yet the process consistently involves a core cycle to ensure long-term vitality and effectiveness. These key phases are:

a. Environmental Assessment: This analysis comprehensively evaluates the organization's or area's internal and external environments. The internal environment is assessed by identifying strengths and weaknesses**,** encompassing human resources (HR) capacity, physical assets, organizational structure, and technological capabilities. Concurrently, the external environment focuses on analyzing opportunities and threats originating externally, such as market trends, government policies, global economic conditions, social dynamics, and technological shifts.
b. Goal Setting and Vision Formulation: This stage entails establishing specific objectives and articulating the long-term vision as the primary strategic guidance.
c. Action Planning: This phase involves developing the detailed action plans to achieve the predefined objectives. Action planning critically bridges the gap between strategic conceptualization and tangible operational implementation. Successful strategic plans must be translated into clear, accountable operational tasks (George, 2021).

The development of strategic plans emphasizes that the formality of the process results in a detailed action plan, which specifically encompasses the following key elements (Boateng et al., 2015):

a. Strategic Initiatives: Determining major programs and projects to be executed (e.g., HR Capacity Building Programs, Digital Promotion Programs, or Product Innovation Curation Programs).
b. Resource Allocation: The designation of essential resources (budget, Human Resources, and technology) required for each proposed initiative.
c. Assignment of Responsibilities: Clearly defining the parties responsible (individuals, teams, or organizational units) for each scheduled activity.
d. Timeframe and Metrics: Establishing a specific implementation timeline alongside Key Performance Indicators (KPIs) necessary to monitor and periodically evaluate progress.

3Ps Framework: People, Process, and Plan

The People, Process, and Plan (3Ps) Framework is a model developed by Bert George (George, 2021) that offers evidence-based guidance for achieving successful strategic plan implementation in the public sector, comprising the following components:

a. People: This pillar focuses on identifying the actors involved in the entire SP process and assessing how the quality of their internal and external engagement influences the plan's outcomes.

b. Process: The Process pillar encompasses not only the formal SP steps—ranging from environmental assessment to goal setting—but also the dynamics of interaction, which must be informed by input from field-level actors. A successful process must constructively accommodate substantive conflicts among stakeholders, with the primary objective of comprehensively exploring strategic options.

c. Plan: The Plan pillar concentrates on the intrinsic quality of the strategic document itself. The plan must be clear, specific, and consistent. A high-quality strategic plan—such as a Smart City Masterplan—is a fundamental prerequisite that directly determines the smoothness and success of implementation. Conversely, an ambiguous plan will significantly impede the translation of strategy into effective operational actions.

Urban Revitalization

Urban revitalization emerges as a strategic response to the phenomenon of urban decay. This decay occurs when a city's core areas lose their characteristic identity because their existing scale and functions can no longer harmonize with the demands of modern urban development (Bipinchandra & Bhagat, 2020)

Urban revitalization serves as a strategic response to urban decay (Ogunnaike et al., 2025). It occurs when the central areas of a city lose their distinctive identity due to the fact that their current scale and functions are no longer compatible with the requirements of contemporary urban development. The notion is frequently used synonymously with terms like Redevelopment, Renewal, and Regeneration (Bipinchandra & Bhagat, 2020).

Revitalization is a long-term process that turns obsolescence into opportunities to address existing community needs by restoring and improving an area's vibrancy, productivity, and living standards. UN-Habitat (2021) defines revitalization of cities as essential for inclusive and sustainable recovery. This term emphasizes a paradigm change away from a process that only concentrates on physical rebuilding and toward one that must logically include social, economic, and geographical aspects.

The Objectives of Urban Revitalization

Contemporary revitalization has evolved beyond simple structural enhancements. It represents a transformative process designed to fortify the urban ecology through the following interrelated dimensions:

a. Spatial and Environmental Dimension: This entails revitalizing outdated urban spaces into practical, aesthetically pleasing, and engaging public areas (Hattab & Al Ani, 2020). In the context of Citra Niaga, this entails converting the antiquated district into a creative nexus or a modern commercial center.
b. Social Dimension: The objective is to elevate living standards, reduce inequality, and actively foster community engagement. Vergara-Perucich (2019), in The New Urban Crisis, warns that although revitalization aims to promote prosperity, it can exacerbate inequality and segregation if not implemented inclusively. Successful revitalization must provide a sustainable and equitable recovery for all stakeholders (UN-Habitat, 2021).
c. Economic Dimension: This entails transforming outdated or underperforming assets into novel economic prospects, as evidenced by Bipinchandra & Bhagat (2020). This is often accomplished by utilizing cultural and postindustrial heritage assets.

Smart and Sustainable City

The Smart and Sustainable City concept embodies a fundamental paradigm for modern urban planning and development in the 21st century (Gracias et al., 2023). This concept aims to integrate sophisticated digital technology (Smart City) with the fundamental concepts of sustainable development (Sustainable City) to improve the city's quality of life while simultaneously protecting environmental, human, and social capital (Pira, 2021).

A smart city is an urban area that uses data analytics, digital technology, and communication infrastructure to establish an environment conducive to efficient and effective public service. The primary objective is to enhance urban quality of life and fundamentally promote sustainability. By utilizing state-of-the-art technology, this idea integrates many urban areas, such as transportation, energy, healthcare, education, and government (Gracias et al., 2023).

In the meantime, sustainability enhances this framework by incorporating long-term social, economic, and environmental aspects. Wheatley & Wheatley (2024) asserts that the key to urban sustainability is the convergence of creative approaches, with green infrastructure, smart technology, legislative frameworks, and community involvement serving as fundamental pillars. Therefore, the Smart and Sustainable City (SSC) is a synergistic combination in which technology (smartness) is a driving force behind achieving sustainability objectives (Kaiser & Deb, 2025).

The absence of comprehensive indicator categories is a fundamental obstacle in the field of Smart and Sustainable City research. Pira, (2021) resolves this deficiency by suggesting a new taxonomy that integrates the shared characteristics of both the smart city and sustainability concepts. A framework comprising four primary categories: Socio-cultural, Economic, Environmental, and Governance. This taxonomy enables policymakers and academics to concurrently evaluate the smartness and sustainability dimensions of their projects.

Smart City and Sustainable Development Goals (SDGs)

The implementation of Smart City solutions is closely linked to achieving the Sustainable Development Goals (SDGs). Sharifi et al (2024) conducted a systematic review that suggests the responsible development of smart city solutions can significantly contribute to the advancement of the SDGs. The literature primarily concentrates on SDG11 (Sustainable Cities and Communities), SDG12 (Responsible Consumption and Production), SDG7 (Affordable and Clean Energy), and SDG6 (Clean Water and Sanitation).

Accelerated economic growth, improved operational efficiency, and enhanced innovation are among the reported co-benefits of smart city initiatives (Ogunnaike et al., 2025). Furthermore, potential trade-offs must be considered, including the persistent issue of the digital divide, the high cost of infrastructure enhancements, the rebound effects resulting from efficiency gains, and concerns regarding privacy and cybersecurity (Kaiser & Deb, 2025).

Challenges in Smart City Implementation

The Smart and Sustainable City concept has substantive potential; however, its implementation is challenged by a diverse array of obstacles.Khan et al (2020) have created a conceptual framework that identifies the critical challenges encountered by various organizations, including both private and public sectors. These obstacles encompass elements of legislation and policy, financing, infrastructure, and technology.

Gracias et al (2023) emphasize the importance of cross-sectoral collaboration (involving private, public, and governmental entities) and increased citizen awareness in order to surmount these implementation barriers. Sharifi et al (2024) also underscore the imperative of transparent multi-scalar governance mechanisms and a robust regulatory framework to guarantee that smart city solutions effectively facilitate the transition to sustainable and resilient cities.

3. Methods

This research employs a qualitative methodology through a singular instrumental case study design. The qualitative approach was selected due to the need for a comprehensive examination of the processes, context, and significance that underlie the strategic implementation of Samarinda City's Smart City plan, with a particular emphasis on the revitalization program for the Citra Niaga Area. The design of a single case study facilitates a comprehensive analytical focus, enabling us to investigate the precise impact of micro-strategies (Product Innovation, HR Capacity Building, Digital Promotion) on the macro-dimensions (Local Economic Recovery, City Branding, and Sustainable City). The Citra Niaga case is regarded as an optimal instrument for testing the hypothesis that the synergy between physical assets and integrated interventions can promote successful urban revitalization.

The primary data was collected through non-participatory observation and in-depth interviews. Purposive Sampling was employed to identify key informants, including actors from the Regional Development Planning Agency (Bappeda), the Cooperative and MSME Office, area administrators, and Micro, Small, and Medium Enterprise (MSME) actors as direct beneficiaries. Interviews were organized according to the People, Process, Plan (3Ps) framework in order to evaluate the strategic plan's quality, the dynamics of collaboration, and the capabilities of business actors. In addition to primary data, the researchers employed secondary data sourced from local government laws, the Samarinda City Mid-Term Development Plan (RPJMD), the Samarinda Smart City Masterplan 2018, scholarly papers, news outlets, and books.

4. Result And Discussion

Evolution of the Citra Niaga Area as a Model for Urban Regeneration

The phenomenon of the Citra Niaga Area in Samarinda gives a classic depiction of the urban lifecycle. This district has undergone a significant transformation, transitioning from its status as a globally recognized architectural artifact (as evidenced by its previous accolades) to a period of profound urban decay. Ultimately, it has become the subject of strategic intervention within the Smart City vision framework.

a. Citra Niaga Pre-Revitalization (Initial Development – Late 1980s)

The Citra Niaga Area was initially conceived as an urban development project with a visionary approach. The district was designed as a commercial and shopping center to accommodate a diverse range of business actors, including both small and large-scale vendors selling typical East Kalimantan souvenirs and other commodities (Muliawan, 2020). The layout was inclusive, with a balanced distribution of business space: 60% was reserved for small-scale dealers, while the remaining 40% was allocated to medium and large-scale merchants. In terms of physical attributes, Citra Niaga offered 141 shop-houses (ruko), 79 stalls (kios), and 24 business sites (petak) (Muliawan, 2020).

The magnitude of capital dictated the distribution of business space. Large-scale merchants occupied shop-houses encompassing a total area of 16,870 square meters. Medium-scale merchants operated within designated stalls, while street vendors were allocated specific plots. The aggregate area designated for stalls and plots was 1,443 square meters (Samarinda City Archives). Moreover, the administration of Citra Niaga Market was characterized by a

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participatory democracy that involved a diverse array of stakeholders, including street vendors, shop owners, government bodies, entrepreneurs, and cooperatives. Additionally, the region was furnished with functional public spaces, such as a central gathering point and well-designed green open spaces that functioned as a stage for performances (bale pentas). In 1989, the project's accomplishment in fusing socio-cultural elements with contemporary spatial planning was recognized internationally with the renowned Aga Khan Award for Architecture (AKAA), which marked the culmination of this innovative urban development.

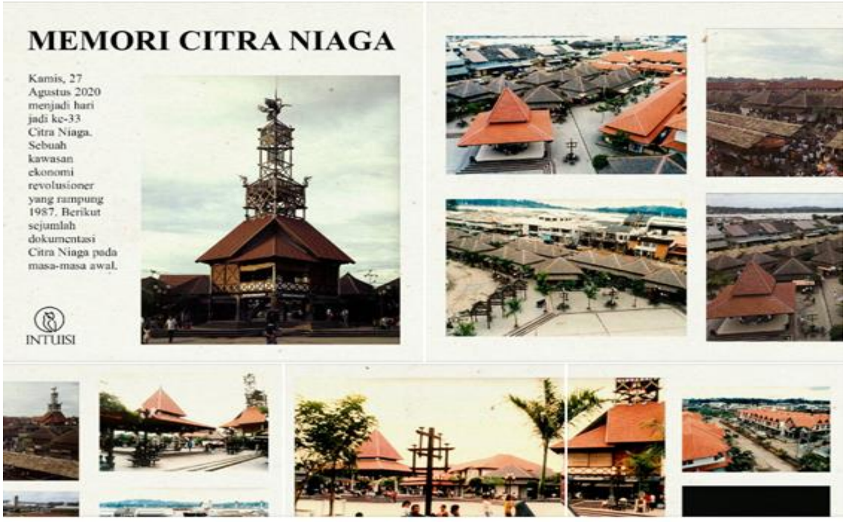

Figure 2. Citra Niaga Pre-Revitalization
Source: Sumber: https://web.facebook.com/intuisi.co

b. Period of Stagnation and Urban Decay (Late 1990s to 2020s)

Since the late 1990s, the Citra Niaga Area has entered a challenging period marked by significant functional and physical deterioration (urban decay). The primary catalyst for this decline was the rapid and massive development of modern shopping centers and malls. Consequently, Citra Niaga was gradually abandoned by both traders and visitors, effectively becoming a “forgotten center for Samarinda’s traditional handicrafts” and registering a drastic drop in visitor numbers.

This stagnation subsequently led to a decline in building functionality, inadequate supporting facilities, and the emergence of illegal parking practices. Even with the increase in infrastructure, which was demonstrated by the rise in business units to 350 plots, 25 stalls, and 137 shop-houses, Citra Niaga business owners still had to overcome other obstacles. These challenges included the increasing significance of digital transformation. At the same time, the majority of businesses still relied on traditional marketing management, suffered from a lack of product innovation, and failed to establish product differentiation that could serve as a unique selling proposition for Samarinda City.

c. The Ongoing Revitalization of Citra Niaga

The redevelopment of Citra Niaga was officially incorporated into the Samarinda Smart City Masterplan, as specified by Mayor Regulation No. 8 of 2018, emphasizing innovative city development. The objective of this Smart City Masterplan is to expedite the implementation of regional development strategies and initiatives in accordance with the Regional Spatial Plan (RTRW), with a particular emphasis on economic growth and spatial planning.

The Smart City Masterplan expressly mentioned the RTRW's objective of spatial arrangement: establishing Samarinda as a progressive city centered on trade, services, and industry. This further solidified Citra Niaga's designation as a Key Strategic Urban Area (Kawasan Strategis Kota – KSK).

The redevelopment project was then formally incorporated into the Smart City Plus Masterplan 2022-2025 under the Smart Economy and Smart Branding pillars, with the primary goal of making the area a New Economic Center and a popular tourist attraction. The Samarinda City Government strongly committed by designating roughly IDR 39.7 billion for Phase II Revitalization, encompassing infrastructure rehabilitation, facility enhancement, and the second phase of shop-house revitalization.

Figure 3. 4 Zoning of the Citra Niaga Revitalization Phases
Source: (Ahaddin, 2022)

The new spatial arrangement adopted a City Walk and Waterfront City approach to enhance the city's appearance and create shaded, orderly, safe, and comfortable public spaces. The area's function as a community gathering place was maintained, supported by the City Government by adding facilities like cafes and providing typical Kalimantan culinary offerings to diversify products and enhance attraction.

Figure 2. The Renewed Face of Citra Niaga

Source: Saputra (2025), kaltimkece.id (2024),

Table 1. Internal and External Environmental Analysis of Citra Niaga Revitalization

Dimension	Kategori	Description	Strategic Implication
Strengths	Historical & Architectural Heritage	Citra Niaga is the only area to receive the Aga Khan Award for Architecture (AKAA) in 1989. This provides strong differentiation and heritage value.	Market Differentiation to attract visitors with special interests (architecture, history), forming the foundation for authentic City Branding.
	Policy Legitimacy	The project is fully integrated and supported by the Samarinda Smart City Masterplan (Mayoral Reg. No. 8/2018 & No. 79/2022) under the Smart Economy & Smart Branding pillars.	Program Sustainability is guaranteed through fund allocation, political commitment, and alignment with the city's macro-development goals.
	Product Specialization	Clear identity as a central hub for distinct East Kalimantan souvenirs. These unique products are difficult for general malls to replicate.	The strategy should emphasize efforts to strengthen the niche market (tourists & collectors) and mitigate direct competition with modern retail.
	Commitment to Capital Expenditure Allocation	The large fund allocation (e.g., total of IDR 39.7 billion for Phase II) demonstrates the City Government's seriousness in addressing urban decay.	The area's function transforms into a creative hub supported by neat and aesthetically pleasing infrastructure.
Weaknesess	MSME Digital Capacity Gap	Most MSMEs still use traditional management, resulting in low e-commerce literacy.	This hinders the adoption of digital marketing, which is key to the Smart Economy strategy, necessitating intensive training.
	Communication Process	Lack of government communication with Citra Niaga traders. The implementation process is Top-Down and lacks participation.	This poses a risk of program failure by impeding coordination, rendering support programs (digital training) ineffective, and ultimately fostering distrust.
	Incomplate Supporting Infrastructure	Essential infrastructure, such as the Multi-Storey Parking Facility at the former Plaza 21 site, is still undergoing the planning and subsequent construction phases (i.e., not completed).	The unmitigated constraint on parking space incites customer dissatisfaction and impedes the desirability of the area for mass patronage.
	Low Level of Product Innovation	Lack of initiative among MSMEs for product	The market is easily saturated and struggles to

Dimension	Kategori	Description	Strategic Implication
		diversification that aligns with market trends.	compete with more varied modern products.
Opportunities	The Megatrend of Creative Economy and Digitalization	The national/global momentum towards the Creative Economy sector and Digitalization opens up extensive market opportunities beyond Samarinda.	A competitive strategy can be achieved by utilizing digital platforms (e-commerce, social media) to expand the product market reach.
	New Target Market Repositioning	The revitalization effort provides an avenue to strategically rebrand Citra Niaga as a youth-centric landmark, facilitated by the introduction of new cafes and culinary options.	The strategy aims to stimulate the district's vitality through the engagement of Millennial and Gen Z patrons, which is essential for ensuring sustainable socio-economic resilience.
	The Transformation of Urban Branding	Citra Niaga can serve as a catalyst for transforming Samarinda's narrative from a mining city into a center for trade, creative services, and culture.	A strategy to build City Competitiveness by enhancing overall investment and tourism appeal.
Threats	Gentrification and Concerns of Inclusivity	Increased attractiveness and investment lead to a sharp rise in land prices, property values, and rental rates in the area. This potentially pressures small and medium MSMEs as they must compete for space and new businesses (such as modern cafes and boutiques) that possess greater capital.	Ironically, gentrification creates negative impacts for the original target group. This strategic implication must be addressed through robust mitigation strategies. It is necessary to establish a trade-off between smart branding and social inclusivity.
	The Predominance of Modern Retail Competition	The existence of malls and shopping centers offering convenience and integrated facilities remains the primary competitor.	A price mitigation strategy is necessary. In this regard, Citra Niaga must prioritize experience, authenticity, and competitive pricing to attract visitors.
	The Volatility of Program Continuity	The deficiency within the process dimension poses a threat that the HR capacity building initiative may be discontinued following the completion of the physical infrastructure project.	Policy mitigation is necessary, taking the form of binding regulations that permanently anchor the digital assistance and MSME capacity building programs.

Source : Researcher's Data Management, 2025

Analyzing the internal and external environments within the Citra Niaga Area's revitalization process reveals extraordinary strategic potential supported by unique internal strengths.

However, this potential is overshadowed by operational weaknesses and critical external threats. Fundamentally, the district stands at the crossroads between successful planning (Plan) and the risk of implementation failure, particularly concerning the Process and People dimensions. To secure the program's success, Citra Niaga's strategy must pivot from focusing on physical outputs toward achieving socio-institutional outcomes. A crucial step is to mitigate the risk of program discontinuity through binding regulations that permanently anchor MSME assistance programs, while simultaneously addressing the threat of gentrification by formulating pro-local MSME policies.

3Ps Framework: Plan – Process – People

The advancement of the Citra Niaga Area exemplifies Samarinda City's macro-level strategic planning. This strategy design is based on the Mayor's Regulations (Perwali) for Smart City implementation. It aligns with the medium-term development goals specified in the Samarinda City Mid-Term Development Plan (RPJMD).

The strategic planning for this rehabilitation initiative indicates a discrepancy between the quality of the planning document (Plan) and the effectiveness of its implementation (Process), as well as the socio-economic impact experienced by business stakeholders (People). This finding aligns with the strategic framework proposed by (George, 2021), which underscores that the efficacy of public program implementation should be assessed through the equilibrium of three fundamental dimensions: Plan, Process, and People (3Ps).

a. The "Plan" Dimension: Strategic Alignment and Policy Legitimacy

The planning aspect of the Citra Niaga Area exhibits a robust and cohesive basis, portraying it as a paradigm of public policy formality and legitimacy. The strategic legitimacy of this rejuvenation derives from Samarinda Mayor's Regulations (Perwali) Number 8 of 2018 and Perwali No. 79 of 2022, which formally integrate the program into the Samarinda Smart City Masterplan framework (Samarinda City Government, 2018; 2022). The region's designation under the Smart Economy and Smart Branding pillars is not merely a label but a deliberate endeavor to mitigate urban decay (Abdo et al., 2019). This action exemplifies urban regeneration, which is designed to capitalize on the region's historical assets to establish new economic competitiveness.

This policy synergy validates that the revitalization initiative is a formally established (non-ad-hoc) strategy that is vertically aligned with the Regional Mid-Term Development Plan (RPJMD). The implementation through the Smart Branding pillar aims to redefine the area's role as a Creative Hub (Landry, 2008), with strategic objectives of attracting investment and engaging the productive age demographic.

b. The "Process" Dimension: Inconsistencies in Implementation and Communication Deficiencies

The literature on strategic planning underscores that effective public program execution significantly depends on inclusive approaches that involve all stakeholders (J. Bryson & George, 1996). Significant findings reveal a "deficiency in governmental communication with Citra Niaga traders" (Khaerani et al., 2025). In the context of Smart Cities, this communication insufficiency contradicts the idea of Co-creation of Value (Purba et al., 2025)

The development of Smart Cities should be achieved through collaboration; however, the Process in Citra Niaga is insufficiently participatory and top-down. This discrepancy indicates that the expensive Smart Branding programs are inadequately accepted or suboptimally employed by MSME participants. As a result, the documented plan becomes untenable due to its difficulty assimilating at the operational level.

Donating substantial funds (IDR 39.7 billion) for physical improvements and infrastructure demonstrates governmental commitment to the project (Saputra, 2025). Nevertheless, this allocation's magnitude indicates an output bias in the Process, a propensity to prioritize readily quantifiable physical outcomes (revitalization of infrastructure) over more intricate socio-economic outcomes (human resource capacity improvement).

The disproportionate emphasis on physical infrastructure and inadequate investment in inclusive human resource development and digital marketing. Researchers suggests that the operational Process has not implemented the plan comprehensively.

The deficiency in communication renders the following initiatives aimed at supporting physical revitalization—such as human resource capacity-building training and digital marketing assistance—vulnerable to inconsistency. Training is frequently delivered as a singular event, devoid of continuity. The Digitalization initiative, integral to the Smart Economy concept, is susceptible to failure. Micro, Small, and Medium Enterprises (MSMEs), already grappling with digital literacy obstacles, are likely to revert to conventional techniques upon the completion of the physical project and the cessation of support, resulting in fresh stagnation in the sector.

c. The "People" Dimension: The New Urban Crisis

This rejuvenation's most critical and demanding element is its adverse effect on the People dimension (small MSMEs), presenting an ethical dilemma concerning sustainable development objectives. The findings indicate that the effect of the revitalization approach, namely gentrification, can lead to significant increases in rental and operational expenses (Hasrullah Hasrullah et al., 2024). Gentrification is an inevitable outcome of effective urban infrastructure investment, yet, the program paradoxically threatens to marginalize the tiny MSME entities that constitute the area's original populace (Hasrullah Hasrullah et al., 2024). The increased aesthetics and city branding (Landry, 2008) directly contribute to class disparity (Landry, 2008)

Data from the Samarinda City Cooperative and MSME Office as of January 2024 shows that the total number of MSME entrepreneurs in the Citra Niaga area reached 1,234 entities. This reflects a substantial growth from 1,089 entrepreneurs in 2023, indicating rising economic activity and high public interest in investing in businesses within the area. Of this total, the gender proportion shows a male dominance (72% or 897 entrepreneurs) compared to females (28% or 337 entrepreneurs) (Hasrullah Hasrullah et al., 2024).

These findings strikingly confirm Richard Florida's thesis in The New Urban Crisis (Florida, 2017). Florida argues that the success of modern cities in attracting capital and talent (Smart Branding) often exacerbates segregation and leads to a failure in serving the middle and lower classes. Citra Niaga serves as a case study where the creative class invited to invest potentially displaces the traditional working class that has long occupied the area. The architectural enhancement of Citra Niaga, without explicit social mitigation policies (e.g., rental subsidies or price zoning), ethically sacrifices economic inclusion for the sake of branding gains.

This dilemma in planning ethics indicates that a technology-driven Plan (Smart) should be complemented by a human-centered Process (Sustainable). Citra Niaga's genuine success is not quantifiable by the magnitude of financial resources allocated or its aesthetic appeal but rather by the policy's effectiveness in safeguarding the sustenance and integration of the smallest MSMEs.

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Table 2. Strategic Solutions for Program Sustainability Mitigation

Action Strategic	Required Forms of Regulation
Institutionalization of Assistance	The formation of the Citra Niaga Area Management Unit (UPK), based on a Mayor's Regulation or a Special Decree, whose duties must include daily e-commerce assistance and facility maintenance.
Ensuring Sustainable Budgeting	Securing the allocation of recurrent funding (non-project-based) within the Regional Budget for MSME capacity building initiatives, mandating its integration into the annual Work Plan
Securing Digital Collaborations	A regulatory framework requiring Public-Private Partnerships (PPP) with digital platform operators or local tech startups, aimed at guaranteeing MSMEs in Citra Niaga continuous access to digital technologies and market channels.

Source : Researcher's Data Management, 2025

This strategic solutions table offers a transparent roadmap for converting internal process deficiencies into sustainable institutional advantages. The essence of this strategy is the fundamental shift from a temporary (project-based) approach, which predominantly focuses on physical outputs, to an institutional (permanent) approach, which prioritizes outcomes and people. Citra Niaga can ensure the sustainability of its program by mandating assistance processes through permanent regulations. It will effectively convert physical investment into economic growth, supported by highly competitive business actors (People). It will ultimately result in the realization of a Smart City vision that is not only technologically intelligent but also institutionally robust.

5. Conclusions

The Plan, Process, and People (3Ps) framework highlights a significant disparity between robust policy legitimacy (Plan) and the susceptibility of execution (Process and People), despite the program being underpinned by a coherent Smart City Masterplan, aimed at Smart Branding and converting the district into a Creative Hub. A hierarchical approach and a substantial lack of communication hinder the process dimension. This procedural deficiency jeopardizes the success of essential digital support and MSME capacity initiatives. Moreover, the disproportionate emphasis on physical products generates the

The prospect of gentrification within the social dimension simultaneously marginalizes small MSMEs—the initial target demographic—prioritizing branding and investment returns. Consequently, to ensure the program's enduring success, the approach must transition from a provisional Emphasis on tangible results directed towards a sustainable institutional framework that promotes socio-economic objectives. It requires the Implementation of mandatory regulations for policy mitigation to permanently establish MSME assistance programs, thereby ensuring sustainability and economic inclusion for the smallest business entities.

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