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## **PREFACE**

Indonesian Tourism Journal is a renowned academic publication that focuses on various aspects of tourism in Indonesia. It serves as a platform for researchers, scholars, and practitioners to showcase their work, exchange ideas, and contribute to the development of the tourism industry in Indonesia. Journal covers a wide range of topics including tourism management, sustainable tourism, cultural heritage, ecotourism, marketing, and policy development. It provides valuable insights into the challenges and opportunities faced by the Indonesian tourism industry and offers potential solutions to enhance its growth and competitiveness. Indonesian Tourism Journal aims to promote a deeper understanding of tourism in Indonesia by featuring original research articles, case studies, and literature reviews. It provides a comprehensive and up-to-date source of knowledge for anyone interested in exploring the complexities and dynamics of Indonesian tourism. With its rigorous peer-review process and high editorial standards, the Indonesian Tourism Journal ensures the credibility and reliability of the published content.

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# Hexahelix collaboration in developing halal tourism in Indonesia

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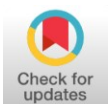
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### Abstract:

Tourism collaboration is to create a series of tourism programs or activities that are more diverse, attractive, and sustainable to attract tourists to visit an area or tourist destination on an ongoing basis. The purpose of the Hexahelix collaborative research in the development of halal tourism in Indonesia is to examine the potential for halal tourism in Indonesia and how this potential can be optimally and sustainably developed through collaboration between Government, community, academia, private sector, law and the mass media which have their respective roles. The method of using post-positivism qualitative research sees reality as a construction continuously developed through subjective experiences, so post-positivism qualitative research emphasizes in-depth interpretation and understanding related to phenomena. Logical analysis can identify errors or weaknesses in an argument or ensure that the conclusions drawn from the argument are correct and consistent. The results show that the hexahelix collaboration significantly contributes to accelerating halal tourism development in Indonesia. In this study, it was also found that the development of halal tourism in Indonesia has enormous potential as a type of tourism trending and experiencing rapid growth in Indonesia and the world. Thus, it is hoped that the development of halal tourism in Indonesia can be successful and provide greater benefits for economic development and people's welfare.

**Keyword:** Hexahelix, Collaboration, Halal Tourism



## INTRODUCTION

Halal tourism is a type of tourism that is friendly to the culture and beliefs of Muslims. Halal tourism allows Muslim tourists to taste the beauty of nature and culture without violating religious rules (El-Gohary, 2016; Junaidi, 2020). Several important things in Halal Tourism are halal food, accommodation that provides prayer facilities, and tourist objects that do not conflict with Islamic values (Prayag, 2020; Ratnasari et al., 2020). Halal tourism is increasingly popular and developing worldwide as a response to the increasing tourism demand among Muslim tourists (Battour et al., 2018; Mohsin et al., 2016) refers to tourism activities that do not violate Islamic religious rules, such as not consuming food that is not halal or haram, avoiding tourist attractions that provide

inappropriate entertainment or violating religious morals, and following other regulations following Islamic teachings (Boğan & Sarıışık, 2019; Widagdyo, 2015).

Halal tourism can be joined by anyone who wants to uphold religious values and preserve good manners in tourism activities (Biancone et al., 2019; Moshin et al., 2020). Halal tourism also provides great economic opportunities for the development of the tourism industry and contributes to income from the tourism sector in various countries (Harahsheh et al., 2020; Suhartanto et al., 2020; Talib et al., 2014). As a country with a majority Muslim population, Halal Tourism is one of the main attractions of tourism in Indonesia (Han et al., 2019; Vargas-Sánchez & Moral-Moral, 2020) can attract Muslim tourists from all over the world to visit Indonesia and explore the natural beauty and culture of Indonesia. Halal tourism is also a solution for Muslim tourists who have special needs, such as finding halal places to eat, places of worship, and accommodation that respects religious traditions (Battour et al., 2010; Musfiroh et al., 2021; Widhasti et al., 2017). Halal tourism can also boost the economy by opening up new business opportunities in the tourism service sector (Pamukcu & Sariisik, 2021; Ratnasari, 2020).

Halal Tourism can promote its rich cultural and historical heritage to Muslim tourists worldwide, such as visits to Islamic boarding schools, historical sites, and beautiful gardens (Battour & Ismail, 2016; Henderson, 2016; Vargas & Moral, 2019). Halal tourism will benefit the people of Indonesia, especially those who live in tourist areas (Battour et al., 2022; Carboni & Janati, 2016). The development of tourist areas is an effort to create more attractive and quality tourism destinations to increase the number of tourist visits and benefit from the tourism sector (Rachmiatie et al., 2020; Rojabi et al., 2023). So, Halal Tourism is very important to increase Indonesia's tourism potential, benefit the economy, and respect the needs of Muslim tourists in Indonesia. Based on researchers' findings, the factual problem of halal tourism in Indonesia is the lack of collaboration between stakeholder parties (Suhartanto et al., 2021).

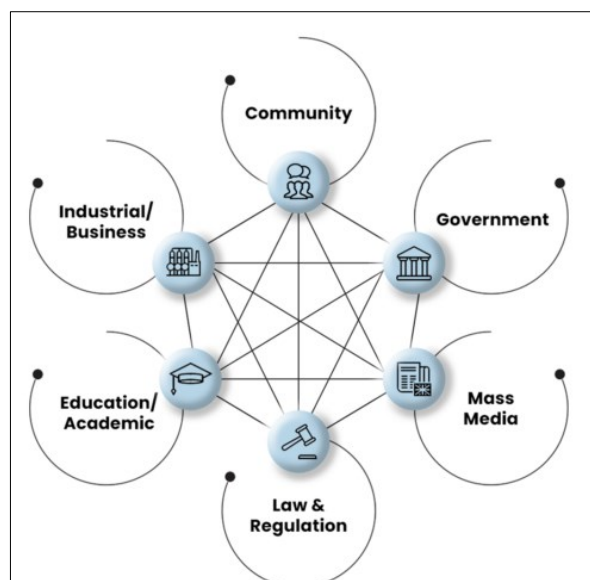


Figure 1. The Hexahelic Collaboration Concept  
Source: processed by researchers, 2023

Strong collaboration between all related parties will strengthen the development of halal tourism in Indonesia. This collaboration enables knowledge, resource, and risk

sharing in developing the industry (Dwiyanto, 2017; Haryono, 2012). A collaborative approach to creating formal innovation and solving problems with sustainable stakeholder engagement (Lathrop & Ruma, 2010; Scott & Boyd, 2020). The Hexahelix collaboration is a framework for collaboration between six main parties in the innovation ecosystem (Hidayaturrahman et al., 2021). Each party has a unique role and responsibility in building a sustainable innovation ecosystem.

This collaboration promotes a symbiotic relationship between various parties to achieve a common goal. Hexahelix can be applied in various contexts, including technology development, community development, and business. This model is based on the concept that the greatest innovation value can be generated through collaboration between all parties involved in the innovation process, not just between researchers or companies. In this model, each party has unique roles and responsibilities that can complement each other to achieve common innovation goals. This research aims to gain a deeper understanding of the importance of collaboration in the development of halal tourism in Indonesia. This research also aims to identify the most effective hexahelix collaboration model in facilitating the development of halal tourism in Indonesia. In addition, this research also aims to provide recommendations that can assist the government and related institutions in promoting and developing halal tourism in Indonesia sustainably. In this way, it is expected to increase Indonesia's competitiveness in the global arena in the field of halal tourism.

## **RESEARCH METHOD**

The post-positivism qualitative research method is a qualitative research approach that criticizes the positivist paradigm in social research. This method aims to understand complex phenomena through direct observation and combines subjective and objective approaches in research (Clark, 1998; Groff, 2004). In the post-positivism qualitative research method, researchers not only focus on empirical substance obtained through processed data generated in developing explanations but also try to understand the context of human life surrounding the phenomenon under study (Creswell, 2003).

Post-positivism qualitative research methods use a theory-fit framework, allowing researchers to incorporate their theoretical understanding of the phenomenon under study in their analytical process. This helps researchers understand the social meaning embodied in phenomena and enables them to generate a more detailed understanding of social complexity. Researchers conducting logical analysis test the truth of an argument by using substantive thinking on facts and phenomena in logic. This involves assessing the correspondence between premises and conclusions.

## **RESULT AND DICUSSION**

### **Challenges and Obstacles to Developing Halal Tourism in Indonesia**

The development of halal tourism in Indonesia has challenges and obstacles that must be overcome to succeed. Some of the challenges and obstacles that may be faced are as follows:

1. Low awareness and understanding: There is still a lack of understanding and awareness about halal tourism among Indonesian people. Many people still don't know what halal tourism is and its benefits. Effective education and promotion must be done to increase awareness and knowledge about halal tourism.

2. Inadequate infrastructure: Adequate infrastructure is very important to support the development of halal tourism. Some areas still have limited facilities, such as mosques, halal restaurants, and accommodations following Islamic rules. The Government needs to play an active role in improving this infrastructure to support the development of halal tourism.
3. The Availability of human resources requires a trained workforce in the hotel, restaurant and tourism industries. However, there is still a shortage in the Availability of human resources who are trained in the field of halal tourism. The necessary training and education need to be increased to meet the needs of this industry.
4. Unclear regulations: Clear and consistent regulations are important for developing halal tourism. However, there are still deficiencies in regulations related to halal tourism in Indonesia. The Government needs to ensure that regulations support the development of halal tourism and provide legal certainty for industry players.
5. Ineffective promotion: Effective promotion is needed to introduce halal tourism to Indonesians and foreign tourists. Promotion must be done as well as possible to attract tourists and create a positive image of halal tourism in Indonesia. Collaboration with various parties, such as airlines, travel agents, and tour operator agencies, is also needed to promote halal tourism.
6. Global competition: Halal tourism is not only a focus in Indonesia but also in other countries. Competition with other countries that are also developing halal tourism can be a challenge that Indonesia must face. Indonesia needs to strengthen its superiority by presenting various quality tourist destinations to remain competitive.
7. Regional gaps: The development of halal tourism has not been evenly distributed throughout Indonesia. Several regions are still lagging in the development of halal tourism, both in terms of infrastructure and promotion. The Government needs to pay more attention to these lagging areas to increase the development of halal tourism evenly.

In facing these challenges and obstacles, the Government, industry players and the community must work together to develop halal tourism in Indonesia. Support from various parties and strong commitment will be the key to success in facing this challenge.

### **Hexahelix Collaboration in Developing Halal Tourism in Indonesia**

The Hexahelix collaboration in the development of halal tourism in Indonesia is a collaboration between six elements in the development of halal tourism which can be explained as follows:

#### **1. Government**

The Government has an important role in the Hexahelix collaboration (six factors involved in the development of innovation and the creative economy) in halal tourism in Indonesia. Some of the roles the Government can play include:

- a. Determine clear directions and regulations related to halal tourism, such as halal standards, halal certification, and development of halal tourism products. The government can do several things to determine clear directions and regulations related to halal tourism. With clear regulations and directions, entrepreneurs in the tourism industry can effectively develop halal tourism businesses and accommodate the increasing demand for Muslim tourists. At the same time, halal tourism can strengthen the local economy and generate significant economic benefits.



- b. Encouraging the acceleration of infrastructure development and facilities supporting halal tourism. Steps that can be taken to accelerate the development of infrastructure and facilities that support halal tourism are as follows:
- Identify the potential for halal tourism and determine priorities for infrastructure development which are the main needs. This is done so that the development of infrastructure and facilities that support halal tourism can be oriented towards the needs and desires of halal tourists.
  - Collaborating with related parties, such as the Government, private institutions and local communities, to accelerate the development of infrastructure and facilities that support halal tourism. This cooperation can be done through partnerships or investments to accelerate the required infrastructure and facilities development.
  - Encouraging the hotel sector to develop halal accommodations, such as rooms equipped with Qibla, prayer equipment, and halal food. In addition, training and education can also be held for hotel employees to understand the needs and desires of halal tourists.
  - Expanding the network of prayer stops at various tourist spots to make it easier for halal tourists to perform their prayers. This can be done by collaborating with mosques or other related parties and paying attention to complete functionality and facilities.
  - Encouraging the development of halal culinary centres, which can offer a variety of regionally typical halal culinary delights. Developing a halal culinary centre can also stimulate the growth of the area's halal food and beverage industry.
- c. Increasing the promotion of halal tourism in Indonesia through various media and platforms, both domestically and abroad. Various ways can be done to increase the promotion of halal tourism in Indonesia through various media and platforms:
- Creating websites and social media highlighting halal tourism in Indonesia, such as halal culinary tours, hotels, and Muslim-friendly tourist attractions.
  - Collaborating with culinary entrepreneurs and halal hotels to create attractive and informative promotional videos, which can be promoted through social media and websites.
  - Holding events focusing on halal tourism, such as halal culinary festivals or other events.
  - Involve well-known media and bloggers in disseminating information about halal tourism in Indonesia.
  - Organizing training and workshops for tourism and hotel entrepreneurs so they can provide friendly services for Muslim tourists.
  - Designing attractive and affordable halal tour packages to attract tourists from various countries.
- Promoting halal tourism in Indonesia through various media and platforms is hoped to attract Muslim tourists from various countries to come to Indonesia and become repeat visitors.
- d. Providing adequate funding and technical assistance for halal tourism industry players, including improving the quality of products and services, marketing strategy plans, and technology and innovation support. The level of awareness of the importance of halal tourism is increasing, but not many industry players can meet the

standard requirements to become halal tourism. Therefore, there needs to be adequate funding and technical assistance for halal tourism industry players so they can improve the quality of the products and services they offer. The funding program can be in the form of providing business loans, capital assistance, or training in developing business strategies. Overall, funding support and technical assistance will help halal tourism industry players to meet the standard requirements to become a superior and competitive halal tourist destination in the global market.

- e. Collaborate with stakeholders such as halal business associations, universities and research institutions, the halal community and the private sector. In developing the halal industry, collaboration with relevant stakeholders is very important to ensure that the industry is built following internationally recognized halal principles and standards.
- f. Organizing creative economy events and events to increase the visibility of halal tourism products and services and increase the entrepreneurial spirit and independence of business actors in this field. This is an important and effective step in promoting and increasing the halal tourism industry, which can positively impact the country's economy. Events such as exhibitions, bazaars, culinary festivals, workshops, seminars and competitions will allow businesses to introduce their products and services to the public and potential customers. In this context, the Government needs to provide support in the form of facilities and policies that support the growth of creative industries and halal tourism. To create a conducive environment and enable funding and capital for local business actors and foreign investment. Creative economic activities will help increase the visibility of halal tourism products and services, create jobs, and advance the national economy and sustainable tourism.

With the government's role continuing to encourage the development of halal tourism in Indonesia, it is hoped that Hexahelix can be formed in synergy and have a positive impact on the Indonesian economy and its people. Overall, it can be concluded that the government's role in developing halal tourism in Indonesia is very important. The government as a regulator and manager of natural and cultural resources must be able to create conducive conditions for business actors and tourist attractions to develop and offer comprehensive and quality halal tourism services. The government must also encourage collaboration between related sectors, such as tourism, religion, health, education, culinary and creative industries to improve the quality and diversity of halal tourism products. In this case, the government can provide incentives, training and technical support for those who want to get involved in the halal tourism industry.

In addition, the Government must also ensure that there are accurate and reliable halal standards and certificates to ensure that tourism products and services meet halal standards following Islamic teachings. The Government can also actively promote halal tourism through marketing and promotional campaigns on the international and domestic levels. With collaboration, Indonesia has great potential to become the main halal tourist destination in the world. This success will increase the tourism sector's contribution to the national economy.

## 2. Private

The development of halal tourism in Indonesia is a promising business opportunity for the private sector. As a country with a majority Muslim population,

Indonesia has great potential to develop halal tourism by attracting Muslim tourists from within and outside the country. Along with the increasing market demand for halal tourism, the private sector can take advantage of this opportunity by investing in halal tourism businesses such as hotels that apply halal principles, halal restaurants, Muslim-friendly tourist attractions, etc. The private sector has an important role in the development of halal tourism in Indonesia. One is as an infrastructure developer, such as halal hotels, restaurants, and family-friendly and halal-certified tourist attractions.

Halal-certified is a label or certificate showing that a product or service meets the standards set by a recognized and trusted halal authority. Halal certificate-halal certification concerns materials and product processing, including lugar, completeness of equipment, processing site, and processing and distribution processes. Manufacturers or service providers who have obtained halal certificates have ensured that their products or services do not contain haram ingredients and have been processed according to Islamic rules and principles. Halal certificates are very important for Muslim consumers as they ensure the product is safe and compliant with Sharia law.

In addition, the private sector can also contribute to promoting halal tourism in Indonesia through effective marketing and promotion, collaboration with the Government in participating in halal tourism promotion activities, and special training for workers involved in the tourism industry to provide good services, according to halal principles. With the private sector's involvement, halal tourism development in Indonesia will be further accelerated and is expected to impact the Indonesian economy and its people positively. In addition, the private sector can also provide various tourism activities following halal principles, such as halal culinary tours, halal shopping tours, and cultural tours that are friendly to Muslim families.

The private sector can also promote Indonesia's halal tourism industry internationally through various digital and social media platforms, such as halal tourism websites, halal travel applications, and all social media platforms targeting Muslim travellers. Not to be left behind, the private sector can play a role as customers and users of halal tourism services, which in turn triggers the growth of this industry by providing increased income for businesses and increasing the trust of Muslim tourists to visit Indonesia. Therefore, the private sector must take the initiative and actively develop Indonesian halal tourism to strengthen Indonesia's position as the world's leading destination.

#### Community

The community is very important in the Hexahelix collaboration in developing halal tourism in Indonesia. In addition, the community must also maintain local traditions and culture, which are the hallmarks of halal tourism in Indonesia. With the community's support, halal tourism development in Indonesia can be faster and run well and become one of the great potentials for national economic development. The following are some of the roles of the community in the collaboration:

- a. Become an active consumer of halal tourism: Communities have an important role in strengthening Indonesia's demand for halal tourism products. By becoming active consumers of halal tourism, the community can help the tourism industry improve the quality of halal tourism products available in Indonesia. Being an active consumer of halal tourism means actively seeking and selecting halal tourism products and services that comply with halal principles, from the Availability of halal food, accommodation, and transportation, to activities that follow Islamic teachings. In

addition, active halal tourism consumers will also be involved in improving the quality of halal tourism products and services by providing constructive input and feedback. They will also participate in halal tourism programs such as training, workshops and seminars to enrich their knowledge and choices of available halal tourism options.

- b. **Introducing halal tourist destinations:** The public can also contribute to promoting and introducing halal tourist destinations in Indonesia to domestic and foreign communities. This can be done by utilizing social media, blogs, or online discussion forums. Introducing halal tourist destinations by the public is an effort to introduce and promote tourist destinations that comply with halal principles recognized by Muslims. This involves people living in halal tourist destinations, such as halal restaurant owners, halal hoteliers, and other tourism workers who participate in introducing these tourist destinations to Muslim tourists. The public can actively promote halal tourist destinations through social media, blogs or websites, as well as collaboration with related parties such as government agencies or the tourism industry. This aims to expand the reach of halal tourist destinations and increase the number of Muslim tourists visiting these places.
- c. **Improving the quality of halal tourism products:** The public can also provide input and feedback on the halal tourism products they have visited. This can help the tourism industry improve the quality of its products and services. Improving the quality of halal tourism products is an effort to increase the value and service of products that meet halal standards. This includes the development of infrastructure, facilities, promotion and management of tourist destinations by halal and sharia principles. The aim is to attract Muslim visitors who want to travel safely and comfortably religiously and fulfil their needs based on halal principles, such as food, drink, tourist attractions, and accommodations that follow their beliefs. The emphasis on improving the quality of halal tourism products also aims to increase the competitiveness of tourist destinations in the tourism industry.
- d. **Becoming an agent of change:** Being an agent of change by the community in halal tourism means being a pioneer or initiative in changing or improving the quality and service in the halal tourism industry, which pays attention to consumers' religious, health and safety aspects. As agents of change, the community must have a strong understanding of the concepts and values of halal tourism and play an active role in promoting and developing the potential of halal tourism in their region or community. Thus, being an agent of change in halal tourism contributes to increasing halal economy and creating a better and more sustainable community life.

In the Hexahelix collaboration, the role of the community is an important part of the development of halal tourism in Indonesia. With awareness and active participation from the community, it is hoped that the halal tourism industry can develop better and provide maximum benefits for the people of Indonesia. From the various information obtained, it can be concluded that the role of the community is very important in the development of halal tourism in Indonesia. As consumers of halal tourism, the community must provide support and active participation in developing halal tourism, namely by promoting halal tourism and acting as a good agent for halal tourism. In addition, the community must also participate in improving infrastructure and evaluating the quality of services provided by halal tourism business managers. The community must also participate in maintaining and preserving nature and the environment around halal tourism so that it can be used as an attraction for tourists.

### 3. Academics

Academics are very important in Hexahelix's collaboration in developing halal tourism in Indonesia. Academics have knowledge and expertise in academia, which is invaluable in strengthening collaboration between Hexahelix groups. Following are some of the roles of academics in the Hexahelix collaboration for the development of halal tourism in Indonesia:

- a. Building communication networks: Academics can help build and strengthen communication networks between Hexahelix groups. They can facilitate dialogue between different groups and help identify potential collaborations that can be forged.
- b. Provide data and knowledge: Academics can provide data and initial knowledge about the halal tourism industry in Indonesia. They can help identify challenges and opportunities in the industry and provide suggestions and recommendations for further development.
- c. Technical assistance: Academics can provide technical assistance in developing halal tourism products and services. They can assist with research, development and testing of products and services, as well as assist with staff training and teaching of best practices.
- d. Broaden the scope of collaboration: Academics can help broaden the scope of collaboration between Hexahelix groups. They can forge links with other academic institutions and organizations in the tourism industry and contribute to developing innovations and stronger relationships.
- e. Provide research and evaluation support: Academics can be a valuable resource in conducting research and evaluating the results of collaboration in the development of halal tourism. This can help measure the collaboration's success and find ways to increase its output and impact.

Thus, the role of academics is very important in achieving the goals of the Hexahelix collaboration for the development of halal tourism in Indonesia. They can help improve the quality of products and services, broaden the scope of collaboration, and measure and enhance the impact of collaboration.

### Law

The role of law or regulation is very important to help regulate and form a conducive environment for the Hexahelix collaboration. Several legal or regulatory roles that can be played in the development of halal tourism in Indonesia include:

- a. Setting and monitoring halal standards: In halal tourism, halal standards are very important to ensure the quality of halal products and services. Therefore, the Government can play an important role in making regulations related to halal standards and monitoring their implementation by industry players. Setting and monitoring halal standards in halal tourism ensures that all food, drinks and tourism activities comply with halal principles. Several ways to regulate and monitor halal standards in halal tourism are as follows:
  - Halal Certification: Tour companies must have halal certification from an authorized agency or institution to guarantee that the tourism and food products served comply with halal standards.
  - Employee training and certification: All employees related to Halal tourism must receive training on Halal standards, including Halal food, beverage and

management systems. They must also obtain halal certification to ensure that the food and drinks they serve are truly halal.

- **Monitoring and testing:** The tourism company must conduct periodic testing and monitoring of the food and beverage ingredients used to ensure they are truly Halal. This can be done by conducting an internal audit or using the services of a third-party expert in the halal field.
- **Have clear and open information:** Tour companies must provide clear and open information to guests about the Halal standards they apply and how they maintain Halal purity in Halal tourism.
- **Meet specific requirements:** Tour companies must understand specific requirements in halal, such as the use of certain ingredients or certain requirements in the food and drinks served.

By adhering to strict Halal standards, Halal tourism companies can ensure that the tourism and food products they provide comply with Halal principles and will be more attractive to Muslim travellers.

- b. **Infrastructure development:** The Government can play an important role in providing the infrastructure needed to develop halal tourism, such as halal food and other supporting facilities.
- c. **Law enforcement:** Strict law enforcement measures against industry players who violate halal standards and business ethics can help maintain the quality and reputation of the halal tourism industry in Indonesia. The stringent law enforcement steps that can be taken against industry players who violate halal standards and business ethics in the field of halal tourism include:
  - **Formation of a halal industry oversight team** comprising various related parties such as the Ministry of Tourism, the Indonesian Ulema Council (MUI), and the Food and Drug Supervisory Agency (BPOM). This team is tasked with supervising and monitoring Indonesia's halal tourism industry players.
  - **Provision of strict sanctions** against halal tourism industry players who violate halal standards and business ethics. Sanctions include fines, revocation of business licenses, termination of cooperation with other business actors, and criminal charges.
  - **Education and outreach** to the public and industry players regarding the importance of maintaining the quality and reputation of the halal tourism industry in Indonesia. This can be done through outreach, seminars and campaigns that related agencies routinely carry out.
  - **Increasing the quality and number of competent halal auditors** to conduct several audits of all industry players in the halal tourism sector.
  - **Development of a database** related to products and halal tourism industry players in Indonesia that can assist relevant agencies in monitoring and supervising halal industry players.

With stringent law enforcement measures against industry players who violate halal standards and business ethics, it is hoped that this will help maintain the quality and reputation of the halal tourism industry in Indonesia and make it a superior and quality halal tourist destination in the eyes of the world.

- d. **Providing incentives:** To encourage the halal tourism industry to develop, the Government can provide incentives in the form of ease of licensing, tax exemptions,

and subsidies for developing the halal tourism business. The Government can also open up opportunities to obtain funds or loans with low-interest rates to develop the halal tourism business. It can also incentivize halal tourism industry players who implement environmentally friendly business practices. This can be done by providing certification or awards to environmentally friendly businesses and helping them access environmentally friendly resources such as renewable energy and green technology. These incentives are expected to help increase the competitiveness of the Indonesian halal tourism industry and bring significant economic and social benefits to the people of Indonesia.

- e. Creating a conducive investment climate: In forming clear and consistent regulations to create a conducive investment climate for industry players, which can help increase investment in the development of halal tourism in Indonesia. Clear and consistent regulations are key to creating a conducive investment climate for industry players, including halal tourism development in Indonesia. This regulation must cover various aspects, such as an easy and transparent licensing process, business security and stability, and compliance with strict halal requirements. In addition, the Government also needs to provide incentives and assistance to industry players to accelerate the development of the halal tourism business, such as lighter taxation or capital loans with low interest. Thus, industry players can feel encouraged and assisted in developing their businesses. Clear and consistent regulations can also open opportunities for local and international investors to invest in halal tourism. This can increase investment, create new jobs, and boost the country's economy. In the long term, this effort can help Indonesia become a world centre for halal tourism and enhance the country's positive image on the world stage. Therefore, the Government must ensure that regulations and policies for the development of halal tourism continue to be improved and developed according to industry developments.

With a measurable legal or regulatory role in the development of halal tourism, Hexahelix's collaboration in this field can run more effectively and bring greater benefits to all parties involved. With measurable laws or regulations, the development of halal tourism can be carried out following applicable regulations and does not cause problems in the future. In addition, laws or regulations can also protect consumer rights and ensure that the products and services offered are halal and of high quality.

#### 4. Mass media

The mass media supports Hexahelix's collaboration in developing halal tourism in Indonesia. The mass media plays an important role in the development of halal tourism. As a source of information that can be accessed widely, the mass media can help promote and introduce halal tourist destinations to a wider audience. Through various types of media such as television, radio, print, online and social media, the mass media can bring information about halal products, services and tourist destinations to the public that is easily accessible. Here are some of the roles of the mass media in this regard:

- a. As a liaison and information, The mass media can become a liaison between Hexahelix and the public by providing information about the halal tourism development program that will be carried out. The mass media can also convey information related to halal tourism villages, halal products, halal cuisine, and activities that will be held.

- b. Assist promotion; Through the mass media, Hexahelix can promote activities to develop halal tourism. Various activities such as seminars, workshops, training, and others can be promoted to the wider community. The mass media can also be a means of promotion for products and services resulting from the development of halal tourism.
- c. Education and awareness: The mass media can provide education and awareness to the public about the importance of halal tourism and how its development can positively impact the economy and society. The mass media can provide information about halal tourism villages, products, and cuisine through articles, news, or videos.
- d. Increase community involvement; Through the mass media, the public can participate in the halal tourism development program by Hexahelix. For example, the mass media can hold a photo or video contest about halal tourism or halal products that trigger public participation.

Thus, the role of the mass media is very important in supporting the success of the Hexahelix collaboration in developing halal tourism in Indonesia. In addition, the mass media can also help increase public awareness about the need for halal tourism. By providing coverage on the development of halal tourism in various destinations worldwide, the mass media can provide education about the basic values and principles that underlie the concept of halal tourism. This information can help the public to understand the importance of implementing halal tourism practices, thus increasing demand for and opportunities for developing halal tourism. However, the mass media's role in halal tourism development also has challenges. One of the main challenges is the information gap between the mass media and the public.

Some groups in society may lack access or cannot access information through the mass media. Therefore, the Government and halal tourism industry players must ensure that halal tourism information and promotion are also available through other means such as brochures, public lectures, or live events. Overall, the mass media can be an important partner in the development of halal tourism. By increasing public awareness of the need for halal tourism and providing active participation in the promotion and development of halal tourism, the mass media can help strengthen this industry as an integral part of the global tourism sector.

## **CONCLUSION**

Based on the research, the involvement of all the aspects mentioned above is very important in the development of halal tourism in Indonesia. Namely, the Government must build cooperation with other stakeholders as a form of collaboration initiation by involving public participation. As consumers and business owners, the community is very influential in introducing and developing halal tourism potential in their respective regions. Academics also play a role in strategic concept development studies in sustainable halal tourism. Then the private sector as a halal tourism business developer is also very important in creating quality and competitive halal tourism products. The law is also important in ensuring the security and safety of halal tourism and providing legal protection for halal tourism entrepreneurs. The role of the mass media in promoting halal tourism is also vital in generating awareness and interest in tourists, both from within and outside the country, to visit Indonesia.

With all parties' collaboration, halal tourism development in Indonesia can continue to grow and develop. Therefore, efforts to increase the involvement of all parties



must continue to be carried out so that halal tourism in Indonesia can grow and be known worldwide. Collaboration between all halal tourism stakeholders in Indonesia will be the key to success in developing halal tourism in the future. A strong synergy is needed between the Government, industry players and the community to strengthen the halal tourism ecosystem. The Government's role in this regard is very important, especially in establishing clear regulations, providing financial support, and meeting safety and health standards for halal tourists.

In addition, industry players must be able to provide friendly and attractive services for halal tourists, such as accommodation, halal food and drinks, as well as activities that comply with Sharia rules. Equally important, the community as beneficiaries needs to develop a culture of halal tourism to build the trust of halal tourists. Good collaboration between halal tourism stakeholders is expected to produce an appropriate strategy to develop the potential for halal tourism in Indonesia, improve the local economy, and bring in more halal tourists in the future.

## ACKNOWLEDGEMENT

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## Interpolation of local potential parameters in allocating village fund formulation as an effort to development of local-based tourism

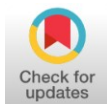
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#### Abstract:

The development of Indonesia tourism today has experienced a significant increase. This is inseparable from the role of great tourism potential in Indonesia. The village tourism sector can be developed through cultural wealth, education, and ecotourism. However, issues have arisen in the efforts to manage tourism, particularly in rural areas, due to the suboptimal role of the government in managing tourism potential. Conversely, in order to optimize village authority, Villages Law provides financial assistance in the form of Village Funds, which come from a basic allocation fund of 90% that is the same for all villages, plus a formulation fund of 10% which represents the difference in the amount of village funds received between villages. The formulation fund is adjusted to the Number of Population (25%), Number of Poor (35%), Village Area (10%) and geographical difficulty (30%). Unfortunately, the division of parameters is consumptive and not productive, in the sense that there is no division of parameters for the local potential of villages that differ from one village to another. Therefore, the author initiated the idea of adding parameters to the village's local potential in the distribution of village fund formulation funds. The research method used in this scientific work is normative juridical. The addition of local potential parameters in the distribution of village fund formulation funds includes the potential of the village tourism sector. With the implementation of this idea, it is expected to optimize tourism management efforts and increase the potential of the tourism sector in Indonesia.

**Keyword:** Interpolation; Village Fund; Local-based tourism



### INTRODUCTION

Article 18 paragraph (1) of the Indonesia Constitution 1945 states that Indonesia is a unitary state consisting of regions. In article 18 paragraph (1), it is stated that the division of regions is divided into provincial areas which are further divided into regencies and cities, where the structure of local government is regulated by law. It is determined later in the next paragraph that local governments are empowered to exercise the widest possible autonomy, except for matters determined by law as a matter of the central government. The autonomous nature of the region is given by the central government

based on laws and regulations to the smallest government unit that can regulate its own household, namely the village government (Kusuma, 2014).

Juridically based on Village Law, a village is a legal community unit that has territorial boundaries that are authorized to regulate and manage government affairs, local community interests based on community initiatives, rights of origin, and/or traditional rights that are recognized and respected in the government system of Indonesia. The village should be the center of economy and development because of the availability of materials and labor that is quite cheap and the means of transportation, communication and electricity that will benefit the rural economy. However, the reality on the ground shows that economic development in rural areas is far behind when compared to economic development in urban areas (Sunarso, 2020). There are several things that cause the economic condition of the village cannot keep pace with the economic condition in the city.

One of the factors that causes the rural economy to be unable to keep pace with urban economic conditions is the backwash effect that develops in rural areas, on the other hand the spread effect is more developed in urban areas. Spread effects are forces that have a positive influence, a beneficial influence that encourages progress and development. On the contrary, backwash effects are forces that have a negative influence, or a detrimental influence that will hinder economic development. Some evidence that encourages the development of the backwash effect is the habits or culture of people who smell religious, demonstrations effects, low work ethic, and prioritize prestige over achievement (Sunarso, 2020).

In addition to the backwash effect, other factors that affect rural economic inequality are the narrow opportunities for rural community participation in development, as a result of lack of exploitation and ownership of production assets, low commodity exchange rates, and low human resource capabilities. Economic inequality between cities and villages has increased after the economic crisis in Indonesia (Iryanti, 2014). This then has an impact on the number of urban residents who are greater than rural residents with a percentage of 56% versus 44%. The sharply increasing inequality between the urban economy and the rural economy negatively affects Indonesia, even though one of the government's main objectives is to carry out equity, especially in the development sector (Gemasaba, 2017). So that efforts and strategic steps are needed to balance or minimize economic inequality between the economy of residents in villages and the economy of residents in cities.

Law Number 6 of 2014 concerning Villages emerged to improve the previous laws and regulations governing villages, which were considered unable to accommodate interests and needs and restore the existence of villages as the lowest level of government that has the right to manage their own households without leaving customs. One of them is an increase in funds received by villages in the Village Opinion and Expenditure Budget (APBDes). Funds managed by villages include Village Original Revenue, Regional Tax Revenue Sharing and District/City Regional Levies, part of the Central and Regional Financial Balance Fund received by Districts/Municipalities, budget allocations from the State Budget, financial assistance from the Provincial and District/City Budgets, as well as non-binding grants and donations from third parties.

The provision of direct assistance in the form of Village Fund Allocation is a tangible manifestation of the government in an effort to develop villages by supporting

the improvement of physical and non-physical infrastructure of villages. With this support, it is hoped that there will be an improvement in the standard of living of rural communities and empowerment of rural communities to increase community power towards independent community conditions (Ismail, 2016). Village Minister Regulation Number 5 of 2015 mandates the use of village funds to finance the development and empowerment of rural communities (TNPPK, 2016).

The provision of direct assistance in the form of Village Fund Allocation is a tangible manifestation of the government in an effort to develop villages by supporting the improvement of physical and non-physical infrastructure of villages. With this support, it is hoped that there will be an improvement in the standard of living of rural communities and empowerment of rural communities to increase community power towards an independent community condition (Oleh, 2014). This breakthrough in village fund reform is effective enough to reduce rural poverty, reinforced by Lin's research in China which proves that economic growth in China is supported by fiscal reforms accompanied by rural reforms (Sukanto & Azwardi, 2014).

In line with the priority objectives of using village funds, the tourism sector is a potential sector that is in accordance with the priority objectives of using village funds both in terms of development and community empowerment. Development in the village as a whole has the essence of including: 1) the village where the village government runs its government; 2) villages where villagers practice their life and religious patterns and gather in a harmony of life that reflects the karmic system of the community; 3) villages where villagers do leisure and recreational activities to hang out in the nature of their villages; 4) villages where the community has attitudes, behaviors to protect, maintain and utilize ownership of cultural arts, environment, traditional values that can encourage the sustainability of the promotion of the village itself (Jumarding, 2021).

So that the tourism sector through tourism villages can be categorized as a form of village development based on the essence of village development. While the tourism sector as a potential sector owned by the community can be explored and optimized for its existence with the aim of improving the community's economy as well as classifying tourism as a form of community empowerment (Nurhajati, 2018). The tourism sector is a potential and even strategic sector for some villages in Indonesia. Villages can not only take advantage of natural resource management (KKNM, 2017) as a means of community development and empowerment, but also other sectors such as tourism, education, local culture to boost village income potential (Mustafa, 2017). Tourism development requires the role of the government in terms of distribution and allocation in accordance with the needs in managing the tourism sector in rural areas (Plaituka, 2014).

The village fund allocation consists of a Base Allocation of 90% plus a Formulation Allocation of 10%. Each village gets an equal Basic Allocation in the details of the village fund allocation of 90% based on the principle of justice. To adjust to village conditions, a Formulation Allocation of 10% of the total village funds is disbursed as a differentiator in the amount of village fund receipts obtained between villages. The amount of 10% of the formula allocation fund is determined based on several variables, including the number of villagers (weight 25%), the number of rural poor (weight 35%), the area of the village area (weight 10%), and the level of geographical difficulty (weight 30%) (Mulyani, 2016).

According to the Chairman of Committee I of the Regional Representative Council of the Republic of Indonesia, Ahmad Muqowam, the allocation with a ratio of 90:10 from

village funds is considered unfair to village heads because the difference is only 10% of the total village fund receipts, while the condition of villages in each region varies (Satrio, 2017). The Government of Indonesia through the Director General of Financial Balance of the Ministry of Finance plans to reduce the Basic Allocation fund from 90% to 80%, while the Formulation Fund is increased from 10% to 20% (Sawitri, 2017).

However, the problem is, in the variables or parameters of the distribution of the Formulation Fund does not cover the development of the tourism sector specifically. The existing parameters only focus on development and poverty alleviation but do not accommodate development and community service in the tourism sector as a potential sector and even become a strategic sector in some villages. Therefore, the author initiated a system in the form of adding local potential parameters in the parameters of the Village Fund Formulation Fund as an effort to strengthen tourism development and empowerment. The idea was outlined in a scientific paper entitled "Interpolation of Local Potential Parameters in Allocating Village Fund Formulation as an Effort to Development of Local-based Tourism.

## **RESEARCH METHOD**

This type of research is normative juridical or also called doctrinal legal research where researchers examine secondary legal materials (Soemitro, 1988), then continue with research on primary data in the field to answer problems that are the focus of research that conceptualizes law. The approach method used in this study is using a statutory approach and Conceptual. Statute approach, which involves examining the legal regulations regarding the implementation of village fund distribution and allocation in Indonesia today (Marzuki, 2007). Conceptual approach, namely by examining and understanding the concepts of distribution flow and allocation of village funds and the division of parameters in the formulation fund (Ibrahim, 2007).

The legal material search technique in this research is conducted through documentation study and literature review via printed books and literature, as well as from literature and news portals available on the internet To obtain the necessary legal materials, the researcher will conduct legal material searches in several strategic literature centers around the author's research area, including the Documentation and Legal Information Center (PDIH) of the Faculty of Law at Brawijaya University, the Central Library of Brawijaya University, and the Public Library and Archives of Malang City.

All legal materials that have been successfully collected are then inventoried, classified, and analyzed using descriptive analysis with the aim of outlining various legal issues, in order to find appropriate solutions and provide new formulations within the parameters or variables of village funds, specifically the local potential parameter that distinguishes village revenues adjusted to the diverse rural conditions in Indonesia Descriptive method, which is a method used to study existing issues in society, as well as the prevailing norms in everyday life and specific situations (Nazir, 2005).

The purpose of this descriptive writing is to create a systematic, factual, and accurate depiction or portrayal of facts, characteristics, and relationships among phenomena, in order to find a solution. After the analysis process, the synthesis process is carried out by drawing and connecting the formulation of the problem, the purpose of writing, and the discussion conducted Next, general conclusions are drawn, followed by recommending several things as efforts to transfer ideas.

## **RESULT AND DICUSSION**

Village funds according to Minister of Finance Regulation number 241 of 2014 concerning the Implementation of Transfer Accountability to Regional and Village Funds are funds sourced from the state budget intended for those transferred through the district and city budgets which are used to finance the administration of government, implementation of development, community development. Village funds are one of the crucial issues in the Village Law, calculating the budget based on the number of villages by considering the population, poverty rate, area, and geographical difficulty level in order to improve welfare and equitable distribution of village development.

Based on Law Number 6 of 2014 concerning Villages, the authority is given to regulate and manage its authority in accordance with the needs and priorities of the village. This means that village funds will be used to mark the overall authority according to the needs and priorities of the village funds, but, considering that village funds are sourced from Central Expenditure, to optimize the use of village funds, the government is given the authority to set priorities for the use of village funds to support village development programs and village community empowerment. The priority of using these funds remains in line with the authority that the village is responsible for.

According to Law Number 6 of 2014 concerning Villages in Article 72 paragraph (1) concerning sources of village income, letter d states "village fund budget which is part of the balance fund received by the District/City". Furthermore, in paragraph (4) of the same Article it is stated that "the village fund budget should be referred to in paragraph (1) point d at least 10% of the balanced funds received by the District/City in the regional revenue and expenditure budget after deducting special allocation funds". In the transition period, before the village fund reaches 10%, the village fund budget is met through reallocation of Central Expenditure from village "village-based programs", ministries/agencies submit budgets for programs based on ministers and ministers who carry out government affairs in the field of national development planning to be designated as sources of village funds.

The existence of Law Number 6 of 2014 concerning Villages is the legal basis for the recognition of villages as an autonomous region of their own. In relation to fiscal decentralization which is the subject of the enactment of the law is related to 10% of funds from the state budget for villages throughout Indonesia, where each village will receive approximately 1 billion per year. The distribution of the budget is almost uniform around 1 billion even though the government's management capacity is very diverse, this will be anticipated through fiscal decentralization rules that regulate the size of the village budget based on its needs and to manage through government regulations.

Village funds are managed in an orderly manner, comply with the provisions of laws and regulations, are efficient, economical, effective, transparent, and responsible by taking into account a sense of justice and propriety and prioritizing the interests of the local community. The government budgets Village Funds nationally in the State Budget every year. This Village Fund Allocation Policy (AAD) is one of them, this policy was issued by the government in an effort to overcome problems in the village area, both development, government, and social problems. This is strengthened by Law Number 23 of 2014 which is strengthened by Government Regulation Number 72 of 2005 which provides legal certainty for the financial balance of villages and districts / cities. Based



on Government Regulation Number 72 of 2005 article 68 paragraph 1 letter c, villages obtain Village Fund Allocation (AAD).

The allocation given is the right of the village. Previously, villages did not get clarity on budgets to manage development, government and social affairs. Through AAD, villages have the opportunity to manage development, government and social society autonomously. By utilizing ADD, villages can also play a more active role in driving village empowerment. ADD comes from the government's financial balance fund. Village Fund Allocation or ADD is the financial part obtained from tax revenue sharing and part of the central and regional financial balance fund received by the district. The source of income of the village as a whole is used to mark all the authorities that are the responsibility of the village. The funds are used to finance Village Government programs in carrying out government activities and community empowerment, with the aim of:

1. Improve the administration of village government in carrying out government, development and community services in accordance with their authority.
2. Improve the ability of community institutions in the village in planning, implementing and controlling development in a participatory manner in accordance with the potential of the village.
3. Increase income equality, employment opportunities and business opportunities for rural communities.
4. Encourage the improvement of community self-help.

According to the Regulation of the Minister of Home Affairs Number 37 of 2007 concerning Guidelines for Village Financial Management, article 18 states that the Village Fund Budget comes from the District/City APBD sourced from the share of the Central and Regional Financial Balance Fund received by the District/City for villages at least 10% (ten percent). The Village Revenue and Expenditure Budget, hereinafter referred to as APBDes, is an annual village financial plan that is discussed and approved jointly by the village government and the Village Consultative Body established by village regulations and the Village Allocation Fund contained in the District Government Financial Assistance includes:

1. Village Government Apparatus Income Allowance (TPAPD)
2. Village Fund Budget
3. Allowance for local taxes and levies
4. Other aid donations from the district.

The distribution of the Village Fund Budget (ADD) can be seen based on the main independent variable and additional independent variables with the following details:

1. The principle of equity is the amount of the same share of the Village Fund Budget (ADD) for each region or what is called the minimum Village Fund Allocation (ADD). Village Fund Allocation (ADD) of the main independent variable is 70% and the additional independent variable is 30%.
2. The fair principle is the amount of the Village Fund Allocation (ADD) which is divided proportionally for each region based on the value of village weights calculated by certain formulas and variables or Proportional Village Fund Allocation (ADD) (ADDP), the main proportional variable of 60% and the additional proportional variable of 40%.

The main independent variable is the variable that is considered most important to determine the value of the village weight. The main variables are aimed at gradually

reducing the gap in community welfare and public basic services between villages and overcoming poverty in the structure of the community in the village. The main independent variables include:

1. Poverty indicators
2. Indicators of basic education
3. Health indicators
4. Village affordability indicators

While the so-called additional variables are variables that can be added by each region. Additional variables include:

1. Population indicator
2. Area indicator
3. Indicators of economic potential
4. Indicator of the number of community units (Hamlets)

The amount of village funds for each village as referred to in article 11 paragraph (1) of Government Regulation Number 60 of 2014 concerning Village Funds Sourced from the State Budget, is calculated based on the number of villagers, village area, village poverty rate and geographical difficulty. The number of villages is the number of villages determined by the minister, and the poverty rate is the percentage of households holding Social Protective Cards. The number of villagers, the area of the village, and the number of rural poverty as referred to in paragraph (2) are calculated by weight:

1. 30% (thirty hundredths) of the total villagers;
2. 20% (twenty hundredths) of the village area; and
3. 50% (fifty hundredths) for rural poverty.

The geographical difficulty of each village is used as a multiplier factor for the calculation as referred to in paragraph (3). The amount of village funds for each village as referred to in paragraph (1) is calculated by:

1. Village Fund for a village = Village Fund ceiling of the district/city x [(30% x percentage of the number of villagers concerned to the total population of the village in the district/city concerned) + (20% x percentage of the area of the village concerned to the total area of the village in the district/city concerned) + (50% x percentage of households holding Social Protection Cards to the total number of village households in the district/city concerned)]; and
2. The calculation results as referred to in letter a are adjusted to the level of geographical difficulty of each village.
3. The level of geographical difficulty as referred to in paragraph (4) is determined by factors which include Availability of basic services, Infrastructure conditions, Transportation; and Village-to-district communication.

While the benefits of holding ADD for villages include: Villages can save development costs, villages can manage their own development projects; Each village gets equitable development so that it is better able to provide services to the village community; Villages obtain budget certainty for village government operational expenditures; Villages can handle village problems quickly without having to wait for programs from the District/City Government; Villages are no longer only dependent on self-help in managing village governance, development and social issues; Can encourage the creation of democratization in the village; Can encourage the creation of direct supervision from the community to suppress deviations.

With the ADD, village governments are required to improve the performance of village government administration, improve village public services and encourage effectiveness and efficiency in village governance. The ADD policy is prepared by the district/city government to protect, improve the welfare of rural people, as well as to fulfill village rights. The process of preparing ADD in Districts / Municipalities through;

1. Formulate ideas or come up with initiatives/initiatives;
2. Establish an ADD policy drafting team;
3. Carry out the process of formulating and determining policies as well as transparent and participatory;
4. Socialize and implement ADD policies properly and accountably.

To avoid abuse in implementing or implementing ADD policies, it is necessary to have strong institutions in the village, so that the funds can be managed properly. The basic principles in managing ADD are participatory, open, responsible, and pay attention to equality. Therefore, in order for the implementation of ADD to realize the welfare of rural communities, supervision and evaluation involving all components of the village community are needed.

Thus, the distribution of village funds, especially Formula Funds, is actually still considered not to accommodate the interests and needs of a village area fairly because each village in addition to receiving the same amount of basic allocation of village funds is also a parameter used as a determinant of obtaining funds that may distinguish the nominal village funds obtained between villages. Referring to several laws and regulations that are currently still in force, the formulation fund of 10% of village funds is distributed fairly and equitably to villages in Indonesia with the aim of community development and empowerment.

The distribution of funds for the formulation is based on four parameters or variables (Mulyani, 2016): 1) Number of Villagers (weight 25%); 2) Number of Rural Poor (weight 35%); 3) Total Area (10%); 4) Geographical difficulty (30%). There is even a plan for the Ministry of Finance of the Republic of Indonesia to increase the amount of formulated funds which is now 10% of total village funds to 20% of total village funds and the discourse is planned to be realized in 2018 (Sawitri, 2017). With the various efforts that have been made by the government, village funds should have become a support for the community's economy, especially the priority purpose of using village funds not only for development but also community empowerment.

However, if studied holistically, the priority objectives of village funds, which in essence are for community development and empowerment, rely more on the development sector and do not minimally boost the potential of community empowerment which should be one of the priority objectives for using village funds. This latent condition causes people to depend on village funds for development and does not significantly self-reliant rural communities. In fact, reflecting on the previous discussion above, the tourism development sector in Indonesia is constrained by many obstacles that must be faced. Tourism as one of the authorities of local government can be a supporter of the economy and even the main focus of the community in an area. Various efforts have been made by the government in realizing tourism development, including in terms of supporting the development of tourism potential contained in the village or the program is known as a tourist village. The tourist village has its own uniqueness because there is local wisdom in it. Each tourist village promises its own advantages

based on geographical location, land construction, social typology, anthropology and sociology of its community, etcetera (Luthfy, 2017).

Village funds have been successfully implemented in Indonesia, although there are still some technical evaluations in their implementation. However, in its implementation, there is a blurring of support for the development of tourism or the local potential of a village because the parameters of the distribution of Formulation Fund revenues are not described in detail. Tourism is one of the local potentials of the region, but there is no parameter for the distribution of the Formulation Fund that specifically gives a quota to the development of tourism in the village. Hefrizal Handra recommended improving the policy on the use of village funds, especially in terms of managing the use of village funds through prioritizing certain sector spending, especially meeting basic needs in the fields of health, education and infrastructure, developing local economic potential, and utilizing natural resources and the environment (Handra, 2017).

Therefore, a concept of village fund reformulation is needed by adding local potential parameters as one of the determining variables for obtaining village funds by a village, keeping in mind the regional potential of each village is different. The addition of local potential parameters or variables in the Village Fund Formulation Fund is one of the government's efforts to support the development of tourism potential in rural areas in Indonesia. Not only focusing on the development sector, but the addition of local potential parameters can provide effectiveness in the use of village funds in the priority goal of village funds, namely community empowerment. Specifically, the addition of local potential can be beneficial as a financial injection for villages with regional potential that rely on socio-cultural aspects that grow and develop in the community, for example Panglipuran Traditional Village in Bali where the village still upholds its culture and customs, and residential layouts that are full of local wisdom (Fajrin, 2021).

Not only Panglipuran Traditional Village, but also optimization of local potential, especially tourism in rural areas, can also include all villages that focus on tourism development as their economic fulcrum. Even in general, the parameters of local potential not only cover the tourism sector, but also development in other sectors besides the tourism sector which is the main focus of development in a rural area that is adjusted to the potential of areas that can be managed such as the agricultural sector, plantations, animal husbandry, fisheries, etcetera. The sector is not only profit-based for people's livelihoods, but with good management it can provide more benefits if the sector is also managed as a natural resource-based tourism object. It also supports the creative industry in Indonesia based on natural resources (Mursito, 2014).

As an effort to accommodate local potential in village funds, there are several ways that can be studied as concrete steps to penetrate local potential parameters in village funds, especially to optimize the role of village funds in the development of tourism in rural areas. The first way can be taken by expanding the variable Total Area of Village Area, where in the current laws and regulations have a variable amount of 10% of the total village fund formulation funds which are 10% of the total village funds obtained by a village and as a differentiator of village fund acquisition between villages in Indonesia. The expansion can be accommodated through a draft ministerial regulation or presidential regulation, Where there is a discourse on policy changes in terms of the amount of general allocation funds and formulation funds in village funds. The accommodation of local potential parameters can be set out explicitly or implicitly or in

annexes or explanations to the regulatory plan. This is to provide space in the development of local potential that relies on geographical factors and the potential utilization and management of natural resources in a rural area.

However, in the first way there is a weakness that must be examined, namely regarding the proportionality of the parameters given to local potential because it must be divided by existing variables, namely the Total Area variable where the variable only has a percentage of 10% in the village fund formulation fund or about 1% of the total village fund so that it is potentially disproportionate and does not affect policies too much in managing local potential Through financial injections from village funds. So that there is a second mechanism in the reformulation of accommodation of local potential parameters in village funds. The mechanism is to add new variables in the village fund in addition to the four variables that already exist.

With the addition of a new variable, namely local potential in village funds. Currently, there are four variables in the village fund formulation fund, namely the Number of Village Population, the Number of Village Poor, the Total Area, and the Geographical Difficulty Level of each village. These four variables tend to meet the community consumer sector where village funds are used to be allocated to infrastructure development sectors such as buildings, bridges, road repairs and transportation systems, irrigation, electricity, communication sectors and other supporting infrastructure as physical infrastructure in rural areas (Sunarso, 2020). The infrastructure sector and other facilities supported by village funds should benefit the rural economy.

The technical implication of adding local potential variables in village fund formulation funds is a reduction in the percentage of village fund formulation funds on other variables. So that it can provide space for new variables, namely local potential variables so that they can be penetrated in village fund formulation funds. In some variables that tend to be oriented towards the consumer sector (not the productive sector) which has the potential to have an effect on community dependence on financial injections from village funds. If the formulation funds in village funds are allocated from other variables to local potential variables, it can optimize the productive sector of the community in terms of community empowerment by supporting rural potential, one of which is tourism.

The author recommends allocating the percentage of several variables from four variables determining the acquisition of formulation funds between villages. Variables that can be allocated to divert the consumer sector into a productive sector are a reduction in the variable percentage of the Number of Village Population and the variable Number of Rural Poor People Where both variables are full of consumptive interests and vulnerable to community dependence on meeting the needs and interests of the community from fulfilling village funds.

The variable Number of Villagers and the variable Number of Rural Poor have a fairly large percentage in allocating the total formulation funds amounting to 10% of the total village funds. The variable Number of Village Residents has a percentage of 25% of the total formulation funds, while the variable Number of Village Poor Residents has a variable amount of 35% of the total formulation funds. The percentage of these two variables is disproportionate and not optimal if it is not allocated to productive sectors

such as community empowerment in the field of regional potential such as tourism, agriculture, plantations, fisheries, etcetera.

To optimize the proportional percentage size, 5% of the variable percentage of the Number of Village Population can be allocated to local potential variables. Meanwhile, to increase financial allowances, 10% of the variable percentage of the number of rural poor people can be allocated to local potential variables. So that with the addition of one variable in the village fund formulation fund so that in the future the variable for determining the acquisition of local potential variables is increased from four variables to five variables. So that the formulation fund variables include 1) Number of Village Population (weight 20%); 2) Number of Rural Poor (weight 20%); 3) Total Area (weight 10%); 4) Geographical Difficulty (30% weighting); and 5) Local Potential (15% weighting). So that for local potential, one of which is tourism, it can be boosted by additional finance from the village fund formulation fund. In the future, local potential variables can be one of the supports so that a village with tourism potential increases the productivity of the village to become a tourist village.

## CONCLUSION

Indonesia is a multicultural country with abundant natural resource potential and spread across various regions in Indonesia, especially in rural areas that are still not fully touched by modernization. Each village in Indonesia has its own regional potential, including in the tourism sector both relying on culture, sociology of the community and natural wealth. However, there are still obstacles in optimizing the utilization of local potential, which is rooted in the lack of financial capital for the development of local potential in each region. Village funds, which are the latest program breakthroughs, are still unable to accommodate local potential because they focus on the consumer sector such as village infrastructure development.

Efforts that can be made to boost the utilization of local potential, especially the tourism sector, are to add variables or parameters of local potential to the village fund formulation fund, which is a differentiator of village fund acquisition between villages. To be able to penetrate local potential variables, you can use a mechanism to reduce the weight or percentage of other variables that are considered disproportionate because they are too focused on community consumption and are vulnerable to the effect of community dependence on village funds. The variable of local potential is added with a weight of 15% of the village fund formulation fund which is 10% of the total village fund. This addition is expected to increase the tourism sector in rural areas in Indonesia.

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## Collaboration of multi-stakeholder in integrated aid model for creative MSMEs in the tourism sector

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#### Abstract:

The goal of the study is to develop an integrated support model for small and medium-sized tourist firms that involves multi-stakeholder engagement. Specifically, this research identifies the mentoring model needed by SMEs in the tourism sector in Guci Hot Spring Tourism and Tegal Regency and navigates mentoring strategies that suit their needs by including multi-stakeholders. This research uses a qualitative approach with a case study of SMEs in the tourist area of Guci Hot Springs, Tegal Regency. Focus groups and in-depth interviews with SMEs in the tourist industry were employed for the purpose of gathering data. We analyzed 20 informants representing the SME sector in Guci Hot Springs consisting of fashion, culinary, and craft SMEs. Based on the qualitative data analysis carried out, the results state that the integrated assistance model covers substantive points such as marketing development, business permits and SME business entities, social media and information technology, and financial management. For more effective assistance, stakeholder involvement is very necessary. This study shows that stakeholders need their role and capacity to coordinate knowledge, management, and entrepreneurial spirit among SMEs in the tourism sector. As a result, this study's findings advance knowledge of how SMEs in the tourist industry may engage many stakeholders by using an integrated mentoring strategy.

**Keyword:** Collaboration, Multi-stakeholder, MSMEs



## INTRODUCTION

The involvement of the small and medium enterprise sector in tourism has received increasing attention from the government (Ariwibowo & Prasetyo, 2023; Sutjiatmi et al., 2023). Especially in the small and medium-scale creative industry sector, which can certainly be a special attraction in certain tourist destinations (Wardana et al., 2023). The creativity of residents around the destination needs to be honed to create souvenirs, crafts, clothing, and key chains with themes related to tourist destinations, which up to now are usually produced from outside the destination so that people around the tourist destination only benefit from sales alone (Fahmi et al., 2023). A country's economy may benefit from the creative economy in a number of ways,

including income generation, employment creation, export revenue growth, technological advancement, intellectual property expansion, and other societal functions (Rosyadi et al., 2020; Koleangan et al., 2023). The creative economy can be the backbone of the Indonesian economy (Landoni et al., 2020). The reason is this creative economy is capital-light (Soundararajan et al. 2019). After all, it can be done by everyone because it involves ideas and creativity and is sustainable (Dellisanti, 2023).

Collaboration among multi-stakeholders is crucial for developing an integrated aid model that supports creative Micro, Small, and Medium Enterprises (MSMEs) in the tourism sector. This approach recognizes the diverse range of stakeholders involved and the need for a coordinated effort to address the challenges faced by these enterprises. Identify the key stakeholders involved in the tourism sector, including government agencies, tourism boards, industry associations, financial institutions, educational institutions, non-governmental organizations (NGOs), and local communities. Understand the roles, responsibilities, and interests of each stakeholder to facilitate effective collaboration.

A recurrent subject in the literature is the significance of stakeholder participation in the tourist sector. The importance of stakeholders in destination marketing and tourism management is emphasized by (Mishra et al., 2023) and (Pujiyono et al., 2019), respectively. However, (Pujiyono et al. 2019) emphasizes the complexity of these collaborations, pointing out that communication problems and power disparities are the main obstacles. Both (Cehan et al., 2021) and (Zehrer & Hallmann, 2015) provide models for productive cooperation; (Remoaldo et al., 2020) emphasizes the engagement of the public, corporate, academic, and media sectors, while (Cehan et al., 2021) presents a multilayer network method to examine collaborative structures. All these studies highlight the necessity of an inclusive, balanced, and well-organized form of collaboration in the tourist industry.

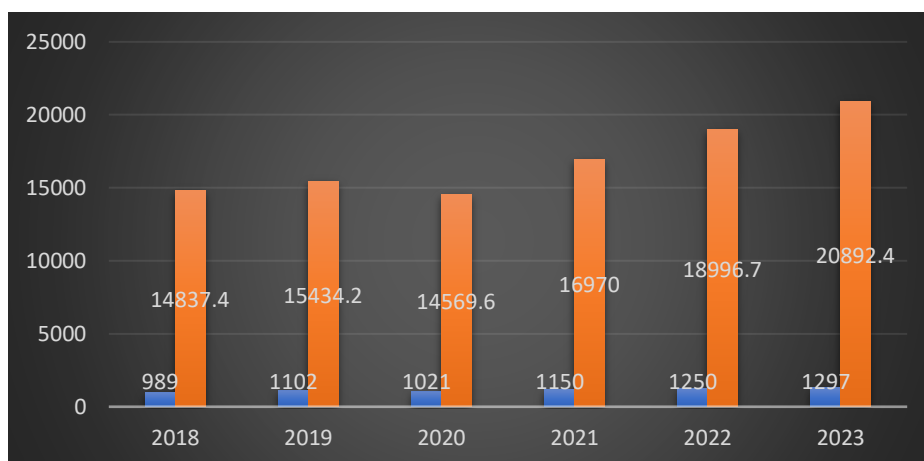


Figure 1 Contribution of Creative Economy to The Indonesian Economy  
Source: goodnewsfromindonesia.id and nasional.kontan.co.id

The creative industry sector contributes to the growth of gross domestic product, causing the global economic sector and global trade to grow significantly (Cicerone et al., 2021). The era of digitalization has also provided a broad path for the growth of creative industries. With the help of the sophistication of information technology in the

last few years, it has exceeded 14% in developing countries (Dellisanti, 2023). There is evidence that shows that countries in the south receive many benefits from trade in creative products compared to developed countries, where total world exports are 58%. In comparison, developed countries only receive 42%, but the impact of the creative economy is only being felt by large creative industries. This reality demonstrates the continued helplessness of many industrialized and emerging nations, particularly small and medium-sized economic entities (Arcos-Pumarola et al., 2023).

Even though their role is less important in the global economy, the contribution of SMEs to the national economy has been proven by several studies (Ho & Sheng, 2022). Paying laborers a pay, engaging in export-import trade, reducing poverty, and fostering economic expansion are all seen as crucial to the development of the country's economy for SMEs (ERIA, 2021). According to the national agency for creative economy in Indonesia, throughout the past six years, there has been a notable surge in the creative economy sector amounting to IDR 989 trillion or 7.4% of National GDP (2018), IDR 1,102 trillion or 7.7% of National GDP (2019), IDR 1,021.4 billion or 7.8% of National GDP (2020), IDR 1,150 trillion or 7.9% of national GDP (2021), IDR 1,250 trillion or 8% of national GDP (2022), and IDR 1,297 trillion or 8.1% of national GDP (2023).

The SME creative industry in the region, particularly in Central Java, has several challenges related to distribution and manufacturing. As a result, mentorship programs are desperately needed to improve knowledge and company management. In Central Java, SMEs are also big fans of mentoring programs. According to data, Central Java's SME population increased by 12.6 percent per year on average between 2020 and 2023. Three industries continue to dominate the creative sector in Central Java itself: crafts, fashion, and culinary arts.

Similar circumstances also transpired in Central Java's Tegal Regency. Even though 78,000 SMEs operated in Tegal in 2020. The development of creative industries is one of Tegal Regency's regional development strategies. This is achieved through improving the management of tourist attractions, boosting and fortifying village tourism's independence, bolstering tourism marketing, regulating price change indices, fortifying the role of traditional markets, and expanding MSMEs. They still must deal with poor technical proficiency, a lackluster entrepreneurial spirit, and a lack of understanding of company management. Given these circumstances, support for SMEs in the Tegal Regency is crucial. SMEs in Central Java require support in at least three areas: funding, product standards, and marketing access.

The relationship between the creative industry and tourism has been widely studied by several experts throughout the world (Richards, 2020). It even creates a discussion of what is usually called creative tourism, as is the case in several developed countries, by developing ocean destinations and then giving them a creative touch, such as in Hong Kong Bay, which displays the beauty of the sea around which towering skyscrapers rise at night. Decorated with a 3-dimensional decoration with creative lights (Sarantou et al., 2021; Li & Kovacs, 2021; Remoaldo et al., 2020)

Creative industry SMEs in the tourism sector have quite complex variables, although currently, they are still dominated by three sectors. These three sectors contribute to GDP growth every year with encouraging increases. Meanwhile, creative industry SMEs in the tourism sector also have stakeholders, of which the creative industry SME stakeholders in the tourism sector are parties who have an interest and

influence on the development of micro, small, and medium enterprises (MSMEs) operating in the tourism and creative economy sectors. These stakeholders can come from various sectors, such as government, private sector, society, media, and academia.

SMEs are a sector that often experiences difficulties in capital because, in general, the obstacles for SMEs are capital issues, in addition to the issue of creative workers who require special training. Still, we will map this issue in the discussion. The issue of creative SMEs in the tourism sector is even more complex because it is related to tourist destinations. These SMEs are attached to the destination area, so that they will depend on the conditions of tourist visits to the tourist destination. As happened at the Guci Tegal Hot Springs tourist attraction, although the creative SME sector is still limited to merchandise, culinary, and handicrafts. Based on initial studies, creative SMEs in the tourism sector have not received much mentoring for financial management, human resources, digital marketing mentoring, and other mentoring. Therefore, the author formulated assistance in managing creative SMEs in the tourism sector with multi-stakeholder collaboration.

## **RESEARCH METHOD**

The objective of this study is to develop a multi-stakeholder integrated mentorship model for creative SMEs in the tourist industry. To get the desired model, this research identifies the best criteria based on the perspective of SMEs. We explored four important topics based on MSP theory in detail after having discussions on acceptable features of mentoring with players in the creative sector, including SMEs, government agencies, and SME advocates. Using the following research questions: (a) What general problems do SMEs experience? (b) Based on their real demands, how do SME actors feel about the mentorship model? (c) Who are the possible supporters of SMEs among the stakeholders? (d) What possible responsibilities might stakeholders play in helping to fund mentoring initiatives? Regarding the potential role of stakeholders, we refer to the five strategic objectives developed by ASEAN for increasing the competitiveness and innovation of SMEs.

The perceptions and opinions of creative economy actors regarding the mentoring aspect were explored in depth to interpret the experiences and mentoring models obtained. Therefore, to understand the expected model of assistance in the context of the creative economy, this research uses a qualitative case study approach and not a quantitative approach. Tegal Regency, which has minimal program support, was chosen because of the low competitiveness of creative economy SME goods, namely at the Guci hot springs tourist destination. Even though the number of SMEs is growing, they still require support with marketing, product quality, and finance access. Aside from that, several current support initiatives do not incorporate different parties to boost SMEs' competitiveness in the creative economy.

SMEs will receive a range of services to enhance their capacities with the assistance of partners. This situation serves as an example of how important it is for SMEs to have all-encompassing support services from a range of knowledgeable stakeholders. Thus, a qualitative case study methodology would be better suitable for this kind of research.

According to (Gizzi & Rädiker, 2021), qualitative research places a strong emphasis on how reality is socially constructed. The goal of qualitative research

methodologies is to elucidate study respondents' sociocultural experiences and meanings concerning non-numerical events (Supriyanto, 2022). Case studies are employed to thoroughly examine the viewpoints of different actors concerning the mentorship models that are necessary for them. Case studies are a sort of qualitative study in which many perspectives are used to examine the intricacy and distinctiveness of a certain model (such as a mentorship model).

In-depth interviews and focus group discussions (FGD) with participants in the creative economy are used in this study. In addition to community activists in the creative economy and regional bureaucracies like the Department of Industry and Trade, the SMEs Agency, the Department of Development Planning Agency, and Manpower, Cooperatives, and SMEs Agency, they represent parties involved in the fashion, culinary, product design, and YouTube video industries. FGD was carried out to determine the model of assistance needed by SMEs. To choose the best mentorship model, players in the creative economy are invited to analyze the interview findings once they have been conducted.

When using a qualitative technique, the researcher is the primary instrument for data analysis, not other tools. In the data analysis process, the researcher's role is very important in interpreting the data. The researcher collected and interpreted data from FGDs and in-depth interviews from the perspective of the mentoring model. The data was then analyzed using the Multi-stakeholder Partnership theory, which focuses on the strategic role of Penta Helix actors in providing mentoring services to increase the capacity of SMEs.

This study solely gathers information from informants who are actively engaged in creative economic activities to produce more trustworthy and legitimate data. We also selected people who are knowledgeable about the growth of SMEs in the creative sector in tourist regions as informants. To guarantee that data processing is legitimate, many data sources are triangulated. Consequently, if a study's findings are corroborated by triangulating data from several sources, they have a high degree of trust. The number of informants in each area of the creative economy is shown in Table 1 below.

Table 1. Number of Informants

<b>Sector</b>	<b>Total</b>
<b>Culinary</b>	
Snack Food	2
Beverage	2
Café manager	1
<b>Fashion</b>	
Batik	2
Urban T-shirt	2
<b>Craft</b>	
Ceramic	1
Slipper	1
Social media community	3
Local government	4
Creative economy activist	2
<b>Total</b>	<b>20</b>

Source: Process Author, 2024

The phrases and utterances taken from informants for this qualitative report are shown as statements to assist scientists in articulating and clarifying ideas, illuminating comprehension, promoting emotions, and eliciting responses. Any information gleaned from data analysis is reported in this study using a single format for data presentation. The study results are then displayed in the quotation.

## **RESULT AND DISCUSSION**

Guci Tourism Creative UKM is a small and medium enterprise operating in the tourism sector in the Guci area, Tegal. Guci tourism creative SMEs offer various products and services related to the Guci tourist attraction, such as souvenirs, food, accommodation, transportation, and others. Guci Tourism Creative UKM seeks to improve the welfare of the surrounding community and develop Guci tourism potential, which has many attractions, such as hot springs, waterfalls, glass bridges, and glamping. Guci Tourism Creative UKM also collaborates with local governments and related parties to preserve the environment and culture in the Guci area. Guci Tourism Creative UKM is an example of a business that can combine creativity, innovation, and entrepreneurship to develop Indonesia's tourism sector.

### **Genuine Requirement for Mentoring**

To improve the performance of creative economy SMEs in the tourist industry, particularly at the Guci Tegal Hot Springs Tourist Object, the author developed an integrated mentoring approach based on the Penta Helix concept. Participating in this multi-stakeholder effort are representatives from academia, industry, government, the community, and the media. This study illustrates the Penta Helix actors' assistance to SMEs using the Penta Helix paradigm.

We discovered frequent issues with business and financial management because of a shortage of human resources from our interviews with SMEs (Arkum & Amar, 2022; Kokkaew et al., 2022; Boix-Domenech et al., 2021). Due to their lack of creativity and competition, most entrepreneurs lack confidence when it comes to their market orientation. Lack of a marketing plan is another major barrier, particularly for newly established SMEs that are content with their local market distribution.

Additionally, the mentoring model should incorporate the following crucial elements, as determined by the outcomes of the focus group discussions with resource persons: (a) financial management, (b) marketing, (c) intellectual property rights protection, (d) corporate legal business; (e) information technology use; and (f) business license. Giving SMEs the ability they need to run their businesses. It is intended that these five elements may be included in mentoring programs.

Support for financial management. SMEs' inability to grow their businesses is primarily due to inadequate financial management. A lot of SMEs are ignorant about financial management. Thus, it affects the efficacy and efficiency of a company. In addition, SMEs find it difficult to handle bank loan funds due to a lack of financial management capabilities. An extract from a conversation with two UKM informants is as follows:

*Accounting professionals who work with SMEs must possess financial management abilities, ranging from basic bookkeeping to effective and efficient*

*money management. The unequal distribution of capital is the root source of this issue. The financial management of SMEs may be connected to this. Due to a few poorly managed and stagnating commercial operations, it appears unjust. Even if the bank itself provides capital funding, access to money may be effectively expedited, particularly for those whose business operations are operating smoothly. (Gito, 45 years old, creative economy actor in the ceramic crafts sector, October 19, 2023). The challenge of choosing the most necessary items means that HR management needs to be carefully studied. Training needs to be administered consistently and in a suitable sequence. Training and education must consider the management challenges faced by SMEs. It should all be easy in the beginning. Talk about the balance sheet only. Sufficient assistance is required in bookkeeping, raw material procurement, and comprehending manufacturing costs. Because SMEs are still relatively tiny, this is easily understood. (Tari, 35 years old, creative economy actor in the ceramic crafts sector, October 19, 2023).*

Financial management encompasses three key activities: (a) securing working cash, (b) allocating and using funds, and (c) managing owned assets. SMEs typically lack strong financial management abilities. SMEs continued to manage their finances traditionally during our FGD sessions, which led to additional issues like (a) difficulties estimating earnings from company operations, (b) difficulty growing their firm, and even (c) notion that anything was wrong with their business. Good. There is no profit for the company. Marketing assistance. Marketing has an important relationship with SME performance (Malik et al., 2023). Economic value cannot be obtained if production is not absorbed by the market. Likewise, marketing will influence the sustainability of MSMEs.

The study's findings indicate that SMEs in the creative sector require support with marketing. If the product market is unknown, SMEs' participation in training programs to increase product quality may have been in vain. For SMEs to distribute the goods that consumers require, they must be aware of the market. An extract from an interview with participants in the creative economy about the need for marketing support is provided below:

*Help with marketing is vital, in my view. The production process is based on instruction and training provided in Yogyakarta. We can create and hold further training in Magelang. However, the obstacle is marketing our products on the national market. Even though in 2000, we succeeded in introducing our products to the Sumatran market, it is difficult for our products to keep up with the times. However, our products depend on whether the Guci tourist attraction is busy or not. If Gucci is busy, then we can sell our products, even though digital marketing has changed the concept of marketing our products. (Gito, 42 years old, An actor of the creative economy in the ceramic crafts industry, October 19, 2023). The general public's interest in SMEs and entrepreneurship, particularly among those with creative entrepreneurial skills, needs to grow. (Tari, 35 years old, creative economy actor in the ceramic crafts sector, October 19, 2023).*

We discovered through field study that SMEs in the Tegal Regency have marketing challenges. They determine that there is enough product inventory and that the market is still open. Their efforts were ultimately put on hold for several months due to their incapacity to read the market.

Assistance with intellectual property. According to (Echavarría-Arcila et al., 2023), SMEs find it difficult to manage their intellectual property rights efficiently due to bureaucratic processes and expenses (DitjenKI, 2023). As a result, even if they are unaware of their significance, SMEs frequently defend their intellectual property rights (Castaldi et al., 2024; Tang & Liu, 2024). Additionally, our informants think that support for intellectual property rights is crucial. Their need for support in the field of intellectual property rights is embodied in the following quote:

*Galgil T-shirts is a local business that has flourished at both national and international levels by offering Tegal language quotations along with Tegal features. Its features are still insufficient, though, as Tegal's widely shared traits are not given any further security, leaving them open to emulation or exploitation by other individuals or businesses. The lack of design protection and intellectual property rights is the issue facing players in the apparel industry as they try to create the creative economy. Galgil T-shirts has encountered challenges in the past while attempting to get licenses for the creation and defense of intellectual property. Situations such as these can jeopardize Kaos Galgil's artistic output. (Zk, 37 years old, creative economy actors in the clothing and clothing sector, 19 Oktober 2023). Intellectual property rights must be protected. But optimizing revenue is our main priority. Rights to intellectual property are unaffected in the event that the transaction fails. It is imperative that you never stay in your comfort zone. It is considerably better to foster creativity. Social punishment is still the appropriate classification for penalties for violating the copying policy. Even if the shape and design are almost similar, there is already a relevant agreement for accessory retailers in Guci since they are produced by the same craftsman. (Tati, 29 Years old, Ceramic trader and craftsman, October 19, 2023). I think mentoring is crucial, especially when it comes to copyright. The problem lies in the fact that, although we appear to understand copyright matters, we have no idea about trademark development. We don't think it matters in the end, although we've heard that trademark registration is costly. We still give product development priority. For example, as our company is still in its early stages, mentoring is crucial to increase our knowledge. (Tus, 45 years old, Batik craftsmen in the urn tourist attraction area, October 19, 2023)*

SMEs have not always considered intellectual property rights to be a top priority. The inventiveness offered by business actors is often copied by other business actors and is regarded as the standard. The tendency to imitate different business performance becomes engrained. As a result, companies that provide more affordable rates may copy newly established enterprises, such as "patterned shirts." Eventually, new players in the market will lead patterned T-shirts to disappear one by one. If the business actor has intellectual property rights for their goods, things will be different. Because of these intellectual property rights, it will be difficult for new companies to copy the company.

Mentoring for legal business entities. A study on business entities of SMEs in Indonesia was carried out by (Mishra & Kushwaha, 2023). The results indicate that SMEs need help from other parties and struggle to get their legal entity. According to our analysis, several SMEs also deal with it. Several informants have shared the following thoughts about the issues:



*Legal entities require a significant deal of mentoring. SMEs that have distinct legal identities may benefit from easier access to funding and tenders. (Zk, 37 years old, creative economy actors in the clothing and clothing sector, 19 Oktober 2023). I believe that established business actors require the legitimacy of business organizations more than others. Like us, many who are just starting a business don't even give it a second thought. But SMEs truly require this support. Because our business is in the field of batik art, all the patterns have been passed down from our parents, and although there are a few innovations in adding certain designs, they are not dominant. However, you still need protection, perhaps from the association! (Tus, 45 years old, Batik craftsmen in the urn tourist attraction area, October 19, 2023).*

According to research findings, controlling business papers is more crucial to innovative businesspeople than business legalities. Several factors come into play, such as (a) doubt about the company's potential to succeed, (b) lack of funding for getting permissions, and (c) challenges in obtaining business permits. This need contrasts with the actual situation, where the government is working to make licensing easier and release certain funding components. Mentorship in information technology. One area where small businesses fall short is in their information technology utilization (OECD, 2023). Information technology use may improve small enterprises' competitive edge, according to certain research. Several informants have voiced the following views about the significance of information technology mentoring:

*Any SME that wants to be known by consumers both locally and globally has to have an official website. For SMEs to consistently update their websites, fill up their material, and respond to inquiries from potential customers, IT personnel must be on board—a social media expert, at minimum. Training in the construction of websites is therefore essential. (Zk, 37 years old, creative economy actors in the clothing and clothing sector, 19 Oktober 2023). Marketing innovation must make use of current technologies, and corporate management must constantly be upbeat and never feel content with the status quo. In comparison to other places, Tegal is still trailing behind in the creative industry. (Tati, 29 Years old, Ceramic trader and craftsman, October 19, 2023).*

Based on the results of this research, mentorship in the field of information technology that supports SME marketing needs to be carried out by the government and stakeholders. With multi-stakeholder collaboration, the government can be helped in aiding creative MSMEs, especially in the tourism sector. Support for business permits. One thing impeding the growth of SMEs in developing nations is the legal and regulatory framework (Yarnis et al., 2022). As a result, rather than being focused on offering services, the bureaucracy that is tasked with issuing business permits tends to be normative. We discussed this matter with the informants as well. An extract on the necessity for SMEs in the creative economy sector to have technical support for business permit issuance is provided below:

*SMEs operating in the creative economy sector must get ongoing mentoring to obtain a business permit, sometimes referred to as a Surat Izin Usaha Perdagangan (SIUP) in Indonesia. But since we already have a higher permission, we don't need*

*it. SIUP, however, is typically used for administrative needs while working with other parties. Creative sectors that rely on technology may not be separated from the permission. Small and medium-sized enterprises (SMEs) aspire to grow constantly but are impeded by less friendly administrative conditions that eventually become roadblocks. (Zk, 37 years old, creative economy actors in the clothing and clothing sector, 19 Oktober 2023). It is also necessary to have mentoring during the business permit management procedure. We don't currently know anything regarding the business permission, etc. Product development and return on capital remain our primary priorities. (Gito, 42 years old, creative economy actor in the ceramic crafts sector, October 19, 2023).*

We discovered the shortcomings of two-way communication between corporate actors and government through a variety of debates. The number of SMEs in Banyumas that are not comparable to the service units is one of the major causes of the communication breakdown. As the one who makes policy, the government plays a significant role in assisting companies in growing.

### **Formulating an Integrated Assistance Model: Multi-stakeholder Collaboration**

In this study, mentoring aims to transfer mentors' business experience to SME players. In the meanwhile, skill development attempts to teach SME actors specialized skills from mentors. The creative community, the social media community, corporate actors, bureaucracy, and academia are the five strategic actors, or Penta Helix, that the mentorship model for creative economy players must engage from a multi-stakeholder viewpoint. Mentoring will no longer be the exclusive domain of one strategic player, as it is in the current scenario, thanks to the integration of these five actors.

Working together with several players, including corporations, governments, civil society, and impacted communities, to solve a shared issue or accomplish a common objective is known as multi-stakeholder collaboration. Utilizing each stakeholder's unique viewpoints, skill sets, networks, and resources may assist in developing more inclusive and successful solutions.

The integrative methodology employed in this article's model presupposes that all parties involved in the growth of the SMEs currently in existence are already present but not fully integrated in a cooperative effort. As a result, cooperation between local governments, academic institutions, SMEs, and community networks is essential to the development of SMEs. Those parties have been around for a while, but they usually operate independently without a cohesive plan. The following quotes, taken from the interviews with creative economy advocates, highlight the necessity of cooperation between different stakeholders in the mentoring initiatives:

*The way things are now done, especially how the government and scholars view SMEs as recipients of social charity, is inappropriate. SMEs are commercial entities that are managed professionally rather than socially. A business strategy, a strategic plan, and development phases are necessary. People are smarter than the government because they succeed in the creative economy. The assistance is halted. The idea is to present the government as a helpful subsystem rather than as a superior one. Thus, even though 70% of UKMs have received help, mentorship, and workshops, these UKMs still require defined incubation. In the context of the creative economy in tourist areas, of course, creative economy actors must be*

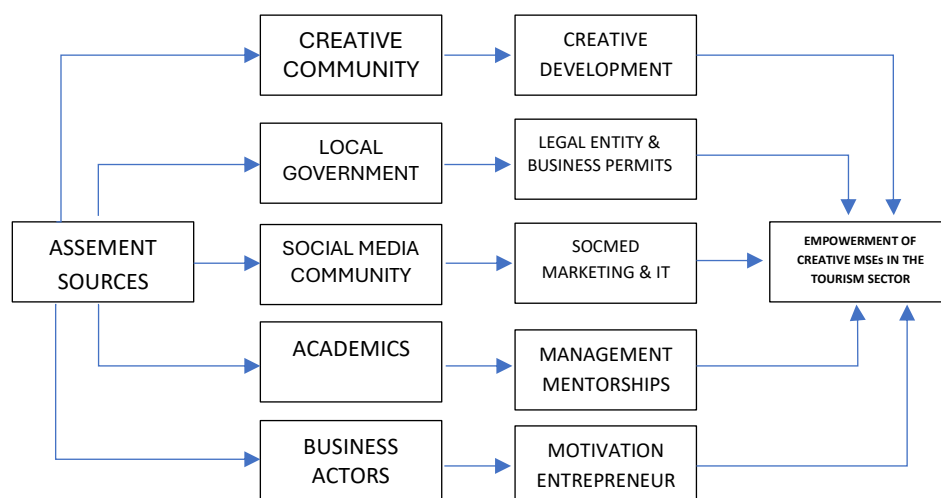
given mentoring in all matters related to product quality management, product design, and packaging design, including capital assistance. However, issues related to government assistance are not always the main problem for creative economy actors. They have mental steel; they are used to being ignored by the government, which only needs a 5-year window for electoral needs. (WD, 45 years old, Tegal Regency creative economy activist, November 29, 2023).

Universities and the government often view the training formula for SME actors as a significant advancement. That does not, however, have a significant effect on certain SMEs. The business actors contend that training ought to take place in SME players' business spaces as well as in central locations like meeting rooms:

To facilitate mentorship, especially for companions accompanying them at business places who might be able to choose the best and most appropriate solutions, training should be conducted formally based on the business categorization. Since my business is still small, I feel inadequate if I must go somewhere prestigious. Unfortunately, the government's training program appears to be nothing more than a formality. The training apparatuses are not industry-specific, so companies in the creative sector are forced to retrain their employees to make them fit the equipment that is now in use. (Zk, 37 years old, creative economy actors in the clothing and clothing sector, 19 Oktober 2023).

The SME stakeholders should be well-versed in the five programs that the SMEs need to participate in a collaborative model that is tailored to their goals of increased competitiveness at the ASEAN level. These programs include (a) innovation, technology, and productivity improvement; (b) development of financial management; (c) improvement of market access and globalization; (d) enhancing one's capacity to defend intellectual property rights; and (e) Enhancing entrepreneurship and developing human resources for the players in the creative economy. It is anticipated that these five initiatives will be able to support SMEs' growth in the creative economy.

Figure 2. Integration of the Mentoring Model for Empowering Creative SMEs in the Tourism Sector



Source: Author's Analysis, 2024

Each stakeholder in the integrated mentoring approach has a designated role according to the research. The capability supplied by the stakeholders should determine the roles that are implemented. Therefore, throughout the mentorship process, everyone is accountable even though it is only enforced on one specific actor. The image above is an adoption of (Rosyadi et al., 2020) research, which we then initiated into research on Creative SMEs in the tourism sector. The multi-stakeholder responsibilities in our integrated mentorship strategy for SMEs are as follows, based on our interview. The creative community comes first: A group where participants in the creative economy congregate and share ideas is known as a creative community. This community is crucial to the advancement of marketing, innovations, and human resources. Discussions and experience sharing on their creative economy activities, which lead to innovations and market expansions, may be used to improve human resources.

Product promotion and marketing are two other issues that SMEs deal with. SMEs typically advertise and promote their goods in both domestic and foreign markets during this period. In contrast to large enterprises, which often have the resources to market and promote their products, SMEs have financial constraints when it comes to doing so. The inadequacies in product promotion and marketing hinder the SMEs' ability to grow to their full potential. Moreover, in the recent global rivalry, many SMEs are helpless to compete with international items, which readily arrive at local marketplaces.

Additionally, local government authority: Up until recently, SMEs were not the government's top priority following Indonesia's independence in 1945. This is demonstrated by the fact that, up until 2008, there were no laws governing SMEs and no government restrictions. The growth of SMEs has been impeded by the lack of robust legal regulations (in the form of legislation). SMEs have been supervised and developed in accordance with a number of policies and guidelines pertaining to SMEs that government organizations have published.

Thirdly, the social media community: This group is particularly interested in how SMEs are developing on social media. The purpose of this group is to assist SMEs in embracing information technology advancements and promoting their goods to broader audiences. Fourthly, academics: By teaching SMEs in financial management and assisting them in obtaining their intellectual property rights, academics may support SMEs. Most small and medium-sized enterprises (SMEs) in Indonesia obtain the funds they require from personal savings, loans from friends and family, or money borrowed from moneylenders, or "renters" as they are known in Indonesia. In general, funding sources are not dependable in an enduring way. Meanwhile, many SMEs still don't fit the conditions to get loans from official financial institutions like banks. Therefore, outside assistance is required to help SMEs get out of their financial jam. With financial management training, academics may assist SMEs in gaining access to banks' financial services.

Finally, business players: By promoting SMEs' entrepreneurial growth to access global markets, business actors may assist SMEs. SME players may have prospective buyers because of their larger networks and knowledge of the market. The challenges that are now impeding SMEs in the creative economy are around how to sustain their operations over the long haul. The development of an entrepreneurial mindset can be facilitated by the mentorship of experienced business actors, who share their experiences of navigating difficult circumstances to maintain their firms.

The primary goal of this study is to develop an integrated mentorship model for innovative SMEs that involves several stakeholders in the tourist industry. We examined the mentoring requirements that SME actors anticipated based on the strategic goals of SME growth and the possible role of multi-stakeholders in assisting SME capacity development to create an integrated mentoring model based on the perspectives of SME actors. We present case study-based research findings in this part to bolster our integrated mentoring paradigm.

The growth of innovative SMEs in the tourist sector requires integrating prospective capital sources offered by stakeholders with the real support requirements that SMEs propose. This is evident from an analysis of the role of multi-stakeholders in the integrated mentoring model. The inability of SMEs to compete in the market can be attributed to their lack of technical expertise, poor entrepreneurship, and ignorance of business management. According to our research, small and medium-sized enterprises (SMEs) have a significant need for an integrated mentorship program that covers financial management, marketing, intellectual property rights protection, legal company entities, information technology use, and business permissions.

Multi-stakeholder collaborations, according to (Stott, 2022) will provide participants with a range of resources. Participants can use these resources to expand their capacity. Multi-party participation in mentorship programs within the creative economy sector will address the difficulties SMEs experience from market competitiveness. As a result, the mentorship program needs to be considered considering these SMEs' genuine needs.

According to our research, Penta Helix actors might serve as SMEs' mentors. Their expertise may be used to help SME actors become more knowledgeable and capable while also inspiring them to develop original and unique items. Our findings are consistent with other research that has demonstrated the benefits of a multi-stakeholder approach to innovation promotion (Carlisle et al., 2013; Saparita et al., 2023), knowledge creation (Gong et al., 2023; Holford, 2019), and collaborative solution development (van Laar et al., 2020).

## **CONCLUSION**

The study's findings further support the idea that Penta Helix participants' assistance to innovative SMEs in the tourist sector is tailored to each individual's background, skill set, and knowledge. Local governments can assist SMEs in acquiring business licenses and legal entities by serving as mentors. According to our research, academics and universities may assist SMEs in obtaining intellectual property rights and strengthening their ability for financial management. To boost entrepreneurial drive and provide SMEs with access to foreign markets, business actors can impart their knowledge and experience to SMEs. SMEs may improve their marketing capabilities with the help of the creative community. Finally, social media communities may support SMEs in advancing the use of social media technology to the expansion of the market for products in the creative economy.

This study suggested the establishment of a creative hub organization to guarantee the sustainability of MSP in an integrated mentorship model. Through interviews with proponents of the creative economy and local government organizations, the function of a creative hub organization as a firm incubator and provider of business

facilities and infrastructure, business growth and management, and technology aid was revealed. Furthermore, having a CEC that represents a range of stakeholders may help maintain mentoring programs by drawing in additional outside funding and support.

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## The interconnection between technology and economic through tourism sectors

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#### Abstract:

The paper provides evidence that technology enhances the efficacy, competitiveness, and economic performance of tourism enterprises. The paper investigates the ways in which technology enhances various aspects of the tourism industry, including distribution, marketing, and customer experiences. Additionally, it explores the impact on economic growth, employment generation, and revenue generation. The paper examines the relationship between technology and tourism via case studies and literature using a qualitative research approach. The article demonstrates the profound impact that technology has had on the tourism industry. Technology improves the economic performance, competitiveness, and efficacy of tourism businesses. Contemporary technologies such as virtual reality, augmented reality, artificial intelligence, and robotics facilitate novel tourist experiences, thereby enhancing the overall tourist experience and fostering the principles of sustainable tourism. The paper distinguishes itself through its exhaustive analysis of the multifaceted role of technology in the tourism industry, with a specific focus on how it enhances the efficiency and competitiveness of tourism enterprises while also stimulating economic expansion. It synthesises in a singular way how emerging technologies such as VR, AR, AI, and robots promote sustainable tourism and generate new visitor experiences

**Keyword:** Competitiveness, Economic, Marketing, Technology, Tourism



### INTRODUCTION

Technology has been a part of everyday life, many forms of technology have made human activity become easier, despite its potential to slowly replace humans, technology was meant to assist humans in their life, from the everyday routine of their occupation, technology has the potential to co-exist with humans. This form of co-existence is not only limited to several contexts, but in a broader context, including specific economic sectors like tourism. The tourism sector is one of the most potential sectors, namely nowadays, with the change of lifestyles, and individual hedonistic behavior to dispose of income, travelling has developed into a hobby, therefore, this can become an opportunity for tourism sectors.

However, the advantages and economic benefits for tourism sectors cannot be limited to just the tourism site, a multiplier effect can impact the surrounding area in which the tourism site is located. Businesses such as culinary, hotel, and gift shop establishments are a potential form of business if an area possesses a unique and interesting tourism site. The contribution of technology on the tourism sector has many potentials, for example, technology such as the laptop, tablets, and smartphone are used to scout for tourism sites, the social media post on one's account viewing of a tourism site can also attract visitors.

Furthermore, for the business owner, technology can be used as media to promote either the tourism site itself or the product they sell. This gives us insight into how technology may have affected economic activities that are achieved through tourism. But, more importantly, does technology have a significant effect on economic activities. According to (Haftu, 2019) technology impacts economics significantly through software development that helps business owners perform more accurate business report performance. Furthermore, social media, and an online market platform is also a part of technological contributions toward economic activities. Recent research (Nascimento et.al, 2019) have also provided this argument, it states that technology was already a concept integrated in a 4.0 economy.

The contribution of technology is illustrated through continuous improvement on methodologies, such as production methods, or marketing methods, both of these manage to be influenced by technology. Furthermore, the creation of new products has also provided strong potential since technology is capable of creating an environmentally friendly product as well as increasing the diversity of products. Economic activities have an infinite amount of diversity, economic activities are capable of expanding their areas of specialty, for example, one individual might sell tires, but not provide a service of installing them, therefore another individual can profit from this area. This also applies to many other sectors, namely tourism, as explained above, tourism has potential, and it is capable of creating a multipliers effect on every form of business surrounding the tourism site.

Technology can contribute in many ways, depending on whose applying it, as in the tourism sector and a site can also align with government responsibility. Technology can help in making a site becoming more interesting. Furthermore, automatic technology is applicable in providing services, especially in the hospitality industries (Bahrini & Qaffas, 2019). In addition, technology is also capable of functioning as a marketing tool. Technology, as a form of prescriptive knowledge, is based on the relationship between people and the physical environment and it is a consequence of human willingness to investigate, manipulate, and exploit natural phenomena and regularities.

A willingness to embrace and develop technology can lead to advancements that can be applied in the tourism sector, such as improvements in transportation, accommodation, and communication (Cinar, 2020). Technology in the tourism sector develops in many forms, some technology requires skills to be applied practicably such as the adoption of digital technologies in Enterprise Resource Planning (ERP) systems. These systems enhance the efficiency and productivity of firms in the accommodations and catering sector, which are a significant part of the tourism industry. This system integrate various functions into a single comprehensive system to streamline processes and information across the organization. This mechanism allows for the efficient

management of bookings, customer relationships, inventory, human resources, and financials within a unified platform.

Moreover, the use of Customer Relationship Management (CRM) software can improve the management of customer interactions and experiences, which are critical in the tourism sector, CRM systems compile data from a range of different communication channels, including a company's website, telephone, email, live chat, marketing materials, and more recently, social media, in which few known contribution of this system include (1) Personalized marketing; (2) Enhanced customer service; (3) Increased Efficiency; (4) Better decision making; (5) Improve customer retention; and (6) Maximizing revenue (Nicoletti et.al, 2020).

Technology plays a crucial role in enhancing the efficiency and competitiveness of tourism businesses, improving the overall tourist experience, and facilitating the marketing and distribution of tourism products and services (Goldfarb & Tucker, 2019). This helps us understand how we view technology. While some may fear technology will soon replace humans, technology in reality is capable of creating job opportunities in economic activities. Many jobs require precision, namely in the tourism sectors with businesses related to this area like hotels, and restaurants.

This form of businesses can acquire customers by promoting their products and services, therefore, technology becomes utilized to its full potential thus gaining new customers, or simply continuing to make old customers loyal. Many potentials of technology are yet to be discovered, especially in the rural area. Technology, in general, is capable of creating innovation, and these innovative creative ideas become a realization on the part a government that implements them. The government works to disseminate knowledge on how to use technology and increase the digital literacy, transition toward digital society, especially if it can reach rural area. The purpose of this paper is to explore the potential contribution of technology on the economy. This paper considers the tourism sector through its media. It will illustrate how technology affects the tourism sector such that it becomes a positive contribution towards economic activities.

## **RESEARCH METHOD**

This paper uses qualitative methods, using literature review as its approach this paper focus on empirical evidence including data and research to reviews and illustrate the role of technology in affecting tourism sectors to contribute toward economic activities alligning with the purpose of this paper. The data in this paper are gathered using google scholar, semantic scholar, and other sources containing scientific contents, in which this data are in the form of academic article such as original research article and review paper, other than these other scientific sources such as conference paper and book chapters were also used this in research.

Using search engine such as google scholar and semantic scholar the literature were filtered by using keyword and the object of this research which is tourism. To extract the data there will be a selection process to ensure that the empirical research contains relevant information needed for this research. Using deductive reasoning this paper will interpreted its result to provide relevant answers alligning to the objective of this paper. The step of deductive reasoning used by focusing on few aspect and the result were clasified and used to form a strong argument accumulated from diversity of paper in which the finding were similar. Further this paper will also contribute on providing

conclusions, implications, and possible recommendations on improvement for the next research under the similar themes.

## **RESULT AND DICUSSION**

Technology is an important aspect in human life, it helps assist us in everyday tasks. These tasks can be production purposes as well as learning purposes. The fact that technology is rapidly becoming advanced could potentially lead to a gap in individuals. This gap illustrates the capability of an individual to fluently use technology for their advantage, in terms of economic activity. Nowadays, the gap that exists between shop owners and online shop owners is very clear.

For example, the online shop owners have an advantage of having more promotional media such as facebook, instagram and other forms of social media such as online media. This will slowly distance the shop owner who operates without any online profile and potentially lead to a significant decline in their sales performance. Likewise, this illustration shows how shop owners are affected in the tourism industry. Technology predicts an increase in tourism performance through promotion and other forms of attraction leading to an increase in the number of visitors in the future. A tourism site contains many businesses such as hotels, culinary shops, and gift shops. The increasing performance of one tourism site will also influence the performance of the other business establishments around the tourism site.

Technology in the tourism sector will improve the performance of the tourism sector, thus it enhances the economic activities around any variety of tourism sites (Neunen & Scarles, 2021). Technology in tourism sectors changes travel in a significant way by changing the way business is conducted, and how tourism services and experiences are created and consumed. This research stated that by adopting technology tourism, organizations will be able to manage information more efficiently, possibly using this information to create attractive offers such as discounts, it also enhance process efficiencies, and facilitates global interaction among consumers (Pencarelli, 2020). Maintains that technological contributions in the tourism industry will increase economic performance overall with the application of digital business applications.

These applications provide support and knowledge among other industries in their area. Likewise, this form of technological application manages to improve the tourism experience for many individuals, the key to increasing competitiveness. This research demonstrates the importance of technology generally in tourism sectors. The improvement of technology also improve the tourism experience, for example technology has the capability to provide individuals with information about what they're about to see in the actual locations, this will spark an interest to visit the tourism site especially if one manages to provide clear information of what accommodations and facilities are available in that site.

Technology has enhanced the performance in tourism sectors by transforming management and marketing methods evident in pursuit of a more advanced approach. This shift allows tourism markets and actors, including providers, stakeholders, intermediaries, and tourists, to both shape and be shaped by technology. Technological advances empower traditional and new tourism actors creating new markets, offerings, management practices, and competitive strategies. Technologies enable connectivity,

data utilization, and smartness, leading to the formation of complex tourism ecosystems that support interactions and collaborations among various actors (Sigala, 2020).

There is quite a significant difference before and after technology dominated the tourism sectors. Before technological application in the tourism industry which operated in a more traditional manner, businesses were relying on direct customer interactions and conventional marketing strategies. Meanwhile technological transformation has ushered in new business models, productivity gains, and market & consumer control, fundamentally altering the economic landscape of the tourism sector. Moreover, the value of the tourism industry is increasingly measured in views, likes, and stars, with personalized consumer data becoming central to business strategies (Gosling, 2021).

Several opportunities technology created in tourism sectors regarding its performance and economic opportunities related to this industry, which is smarter and more enhance customer services providing consumers with information and assistance to prepare their travel plans and enhance their tourism experience (Susanto et al., 2020). Next is the value created through multimedia, unlike the old times, nowadays a tourism site can record and display their site in any online media to attract tourists for potential future trips. Lastly, technology assists in promoting innovation and creative ideas, as many products are newly added such as local products which are often not noticed. With the help of technology these local products also help contribute to attracting tourists to the tourism site, therefore increasing the performance of both local businesses as well as the tourism site itself.

Performance of tourism sectors can be reflected from indonesia tourism sectors in which the number of international visitors (Tourist) were spiking up in 2022 which the number of international visitors that were dropping 61.57% in 2021 suddenly increased by 251,28% in 2022. The fact about covid-19 were causing a decreasing number of visitors in 2021, but the fact that these number were spiking up in 2022 is an evidence that people love to travel, and in this context is international visitors. To align this with the importance of technology in tourism sectors, we need to understand that for an information can only distributed overseas due to the existence of internet and gadget, and this illustrated that the existence of technology help to improve potential of tourism sectors to contribute more toward the economic in general. This illustration should be able to serve as reference for policy formulation to empower tourism communities in many rural areas.

### **Technological Role Toward Economic Performance**

Technology in terms of tourism has a tendency of explaining only the effect on tourism performance while in reality economic performance is integrated in this process, many businesses are helped with the presence of technology, digital business is a new trend. Many individuals with little to no academic requirements are capable of establishing a business nowadays. This has shown the shift in our society in which people have adapted with technology and have managed to use technology to their advantage. The forms of business have much diversity including many types of Micro, Small, and Medium Enterprise (MSME) operate mostly online or act as a dropshipper.

Some of these were operated in a tourism site, tourism site popularity and performance are affected by any kind of businesses built around it, this includes MSMEs such as hotels, and other forms of business near the tourism sites. This illustrates that tourism site performance is important to influence economic performance of the economic actors involved in the tourism industry, and one way in enhancing this

performance is to adopt and increase the usage of technology. Technology is capable of many tasks including large scale automatic promotion, which is a very important aspect in the tourism industry to attract consumers, the large amount of consumers will increase the probability of purchasing power which indirectly increases sales performance of MSMEs and other businesses near the tourism site.

Technology increases economic performance in the tourism industry in which technology has transformed global tourism by making it easier for consumers to access information, make reservations, and share their experiences through consumer-generated content and social media. The ability for any tourism entity to be judged, rated, recommended, or disapproved online has major repercussions for consumer perceptions and choices, directly impacting the economic success of businesses. Furthermore, online content influences customer flows and price settings, affecting inter-business and inter-destination competition. It also drives service innovation and host motivation, further contributing to the economic performance of local, national, and global tourism systems (Gosling, 2020).

(Pantano & Stylidis, 2021) maintain that the existence of technology, particularly social media, in the tourism sector is important for enhancing its economic performance. Social media serves as an innovative marketing tool that allows for the strategic promotion of tourism destinations and services. This strategic use of social media in tourism marketing can lead to an increase in the ability of a destination to attract tourists, thereby improving its economic performance.

Alligning with this idea, (Brida et al., 2020) explained that technological advances play a crucial role in enhancing the economic performance of the tourism sector. By providing desirable infrastructure facilities related to transport, telecommunications, hotels, restaurants, shops, and various other utilities, technology can significantly improve the experience for tourists. This, in turn, contributes to the growth of tourism in developing economies, leading to job creation, income generation, and an increase in foreign exchange reserves, which promotes economic development.

Technology is just a form of media or tools, there are methods and ways to use technology to its maximal potential, therefore in order to provide an optimal contribution toward economic performance of tourism sectors, technology has to be used correctly. Fostering the adoption of advanced technologies can be accomplished through the improvement of tourism-related infrastructure, making tourist destinations more accessible, attractive, and convenient. This approach will enhance not only the economic performance, but also the competitiveness of tourism sectors in general. In this way, government can play an important role to encourage the actors in tourism industries to adopt technology and intensely implement it in their business process (Richards, 2020).

Technology supports creative industries and facilitates the creation of new tourist experiences, thereby enhancing the tourism industry's economic performance through increased visitor numbers and optimized visitor experiences. (Tobias, 2022) maintains that a suitable strategy to enhance the economic performance of the tourism industry using technologies involves the concept of "playable cities." This approach leverages digital technologies to co-create, thus engaging urban environments that cater to both residents and tourists. By transforming cities into interactive and playful spaces, stakeholders can revitalize urban areas, making them more attractive and meaningful. This strategy fosters co-creation processes involving different stakeholders, including

local citizens, tourists, policymakers, and businesses, to democratize citizenship and empower participants through playfulness. A strategy that harnesses technology to increase economic performance significantly affects its ability to contribute to the economic performance of the tourism industry (Nunkoo et.al, 2020).

Effective resource allocation and policy differentiation, considering regional characteristics, are crucial for maximizing the economic benefits of tourism. Specifically, diversifying tourism products through strategic industrial planning can involve a wider variety of economic sectors in producing tourism-related outputs, thereby enhancing the overall economic performance of the tourism industry. Furthermore, the investment in certain infrastructures, such as transport, is vital to tourism growth, indicating that the strategic use of technology and infrastructure development can significantly impact the economic performance of the tourism industry.

The importance of technology in enhancing the economic performance of the tourism sector is multifaceted and profound. Technology facilitates the creation of new tourist experiences and supports the competitiveness of the tourism industry by enabling creative industries. This not only increases visitor numbers, but also optimizes visitor experiences, thereby boosting the economic performance of the sector. The concept of "playable cities" illustrates how digital technologies can transform urban environments into engaging spaces for both residents and tourists, fostering co-creation and democratizing citizenship, which in turn enhances the attractiveness and economic vitality of cities. Moreover, technology has revolutionized the way consumers access information, make reservations, and share their experiences, significantly impacting consumer perceptions and choices.

This digital transformation drives service innovation, motivates hosts, and influences customer flows and price settings, which are crucial for the economic success of tourism businesses and destinations. Social media, in particular, serves as an innovative marketing tool that strategically promotes tourism destinations and services, increasing their ability to attract tourists and improve economic performance. Additionally, technology plays a critical role in providing the necessary infrastructure for a seamless tourist experience, including transport, telecommunications, and hospitality services. This not only improves the experience for tourists but also contributes to the growth of tourism in developing economies, leading to job creation, income generation, and an increase in foreign exchange reserves, which are essential for economic development.

The presence of technology has also facilitated the emergence of digital businesses, including micro, small, and medium enterprises (MSMEs), many of which operate online or as dropshippers in tourism sites. The popularity and performance of tourism sites significantly affect these businesses, illustrating the interconnectedness of technology, tourism site performance, and the economic performance of actors within the tourism industry. Technology enables large-scale automatic promotion, which is crucial for attracting visitors to tourism sites, thereby indirectly increasing the sales performance of MSMEs and other businesses located near these sites. In summary, technology is indispensable for enhancing the economic performance of the tourism sector. It supports the creation of innovative touristic experiences, facilitates effective marketing through social media, provides essential infrastructure, and enables the



growth of digital businesses around tourism sites, all of which contribute to the overall economic vitality of the tourism industry.

### **Technology and Tourism**

Tourism sectors provide much potential, especially in the modern era where people love to travel and flex. This leaves us with a question, is the tourism sectors management and performance already at its peak, do these sectors need improvement or any assistance going forward. Tourism sectors as we know promote tourism activities, in this case most people recognize the tourism sector for its tourism site only, but this sector is also capable of bringing a multiplier effect resulting in a variety of forms of business. The tourism sites are built on many values, some are built on heritage while others embrace locals value as their main attractions.

During its development, one tourism site may only contain little to no accommodations which are most people needed when plan on a vacation or a trip. Taking advantage of technology, locals often establish motels, or hotels to provide hospitality to the tourists, moreover some other businesses at this point may follow, such as food and beverages, and lastly a gift shop which often crafts their own products by using local values or tradition as its symbols. Upon reflection, using the advantage of technology indicates that tourism act as a host for many kinds of businesses.

If the tourism site is not able to attract visitors it will also affect the other businesses performance around the site. The presence of technology builds enough potential for either the tourism site or the businesses around it to operate without dependency on the tourism site itself where they can promote their product online or sell it on the national market through distributors.

Technology has led to the development of e-tourism, which encompasses the digitalization of all processes and value chains in the tourism, travel, hospitality, and catering industries. This includes the use of the internet for making travel arrangements, such as reserving and booking travel and tourism products online, which has become a significant commercial sector. Furthermore, the deployment of mobile technology has fundamentally transformed tourism offerings by enhancing transactions through mobile devices and providing guides, even when the tourist is at the destination (Sari et.al, 2021).

Technology is capable of enhancing tourism industry and businesses located around the tourism site, due to the strategic role in the management and marketing of tourism channels, contributing to relationship enhancement and performance improvement in the sector (Leung, 2020). Technology has reshaped the structure of the tourism distribution channels, enhancing the competitive structure of the travel industry and playing a crucial role in its evolution. Technology also provides important knowledge leading to management and marketing performance improvement, direct effects on cost reduction and service differentiation, improved activities coordination and control, and it contribute to the globalization of the industry.

Reviewing the bigger picture, some of the opportunities technology has managed to provide in tourism sectors is (1) Social Networks to provide information and serve a role as marketing platform; (2) E-Tourism, this forms of technologies allow consumers to have book reservations, and obtain a brief image of the tourism site as well as obtaining information of what facilities and accommodation are available in that tourism site; and (3) Mobile Technology, this technology have numerous of function, which carried out all the functions of computer and tablets (Hamid et.al, 2021).

There are several reasons technology should exist in tourism sectors which are (1) Technology optimizes communication between travel service providers, travel agencies, and travelers, making it an integral part of the industry; (2) The rise of e-tourism and digitalized tourism and hospitality activities, such as online reservations, travel blogs, and e-tour guides, further underscores the importance of technology in enhancing the efficiency and accessibility of travel services; and (3) Technology plays a crucial role in adapting the industry's offerings to match changing tourism patterns and in devising new marketing strategies, which is essential for gaining success in the competitive marketplace (Khatri, 2019). There are significant differences in how a tourism site operates with and without technology (Xiang et.al, 2020).

Table 1. Outlining The Emerging Technologies

<b>Technology</b>	<b>Description</b>	<b>Benefits for Sustainable Tourism</b>	<b>New Visitor Experiences</b>
Virtual Reality (VR)	Immersive digital experience that simulates real-world environments	Reduce physical footprint, lower carbon emissions, and preserve fragile ecosystems	Virtual tours of sensitive sites, interactive experiences, and immersive storytelling
Augmented Reality (AR)	Overlays digital information onto real-world environments	Enhance visitor engagement, reduce paper waste, and promote responsible tourism practices	Interactive AR trails, gamified experiences, and personalized itineraries
Artificial Intelligence (AI)	Intelligent systems that can analyze and learn from data	Optimize resource allocation, reduce waste, and improve visitor satisfaction	AI-powered chatbots, personalized recommendations, and predictive analytics
Robots	Autonomous machines that can perform tasks independently	Assist with visitor management, reduce labor costs, and enhance the visitor experience	Robot-guided tours, automated customer service, and interactive exhibits
Geospatial Technology	Utilizes geographic information systems (GIS) to analyze and visualize spatial data	Improve resource allocation, reduce environmental impact, and enhance visitor understanding of destinations	Interactive maps, geotagged content, and location-based services
Blockchain	Distributed ledger technology that enables secure and transparent transactions	Securely record tourism transactions, promote transparency in supply chains, and reduce waste	Digital certificates of authenticity, secure payment systems, and transparent supply chain tracking

Technology	Description	Benefits for Sustainable Tourism	New Visitor Experiences
5G Networks	Next-generation wireless networks with high-speed data transfer capabilities	Enable seamless connectivity, enhance visitor experiences, and facilitate real-time data analysis	Fast data transfer for VR/AR experiences, real-time language translation, and instant access to destination information

Source: Analysis Author, 2024

With technology, the tourism industry has seen substantial changes in all aspects of the trip journey and everyday life, reshaping touristic behavior fundamentally. Technology provides the computing and networking capacity for the travel industry to develop and maintain systems for managing demand, enabling the development and implementation of new models, efficiencies, and processes for managing firms, places, and travelers themselves. Without technology, these advancements in efficiency, accessibility, and customer engagement would not be possible, indicating a less dynamic, less efficient, and potentially less customer-focused operation.

Tourism sectors will certainly be one of the sectors that will operate and they need to adopt technologies in the future, in which there are several advantages such as it may provide tourism sectors in the future with Increased Integration of Information Technologies. The strategic use of information technologies in the tourism industry is expected to continue growing, with advancements in eTourism research and the application of new technologies to enhance both operational efficiencies and customer experiences providing greater emphasis on social media and digital platforms. The role of social media and digital platforms in transforming identity, community, and culture within tourism will become more pronounced.

This includes leveraging these platforms for marketing, customer engagement, and creating personalized tourism experiences through the adoption of advanced technology. The integration of advanced technology such as virtual reality (VR) and augmented reality (AR) will further evolve, offering immersive and enhanced travel experiences. This will also include the utilization of artificial intelligence and robotics for frontline service interactions that focus on sustainable and mindful tourism. In the wake of the COVID-19 pandemic and growing environmental concerns, there will be a shift towards more sustainable and mindful tourism practices. Technology will play a crucial role in facilitating this shift by enabling more responsible travel behaviors and operations (Cai et.al, 2021).

The importance of technology in the tourism sector is multifaceted and profound, impacting every aspect of the industry from operational efficiencies to customer experiences. First, technology has revolutionized the way travel and tourism products are marketed, distributed, and consumed, leading to the development of e-tourism. This digitalization of processes and value chains enhances transactions, facilitates online reservations, and provides tourists with comprehensive guides and information, significantly improving the commercial sector of tourism. Moreover, technology plays a strategic role in the management and marketing of tourism channels, contributing to relationship enhancement and performance improvement within the sector. It reshapes

the structure of tourism distribution channels, enhances the competitive structure of the travel industry, and contributes to its globalization by offering cost reduction, service differentiation, and improved coordination and control of activities.

The deployment of mobile technology, in particular, has transformed tourism offerings by enabling transactions through mobile devices and providing guides and information even when the tourist is at the destination. This illustrates the broader opportunities technology provides in the tourism sector, such as leveraging social networks for information sharing and marketing, and enhancing the consumer experience through e-tourism and mobile technology. Furthermore, technology is crucial for adapting the industry's offerings to match changing tourism patterns and devising new marketing strategies. This is essential for gaining success in the competitive marketplace.

The integration of advanced technologies like virtual reality (VR), augmented reality (AR), artificial intelligence (AI), and robotics is expected to evolve further, offering immersive and enhanced travel experiences while also focusing on sustainable and mindful tourism practices in response to global challenges like the COVID-19 pandemic and environmental concerns. In summary, technology is indispensable in the tourism sector for optimizing communication, enhancing efficiency and accessibility of travel services, adapting to changing tourism patterns, and devising new marketing strategies.

## **CONCLUSION**

This paper investigates the significant impact of technology on the tourism sector, focusing on how advancements such as virtual reality, augmented reality, artificial intelligence, and robotics enhance various aspects of the industry including distribution, marketing, and customer experiences. It underscores the role of technology in driving economic growth, creating jobs, and generating revenue within tourism. Through qualitative research and case studies, the paper illustrates how technology improves the efficiency and competitiveness of tourism businesses, fosters sustainable tourism, and introduces innovative experiences for visitors.

This important aspect which explains the pivotal role of technology within the tourism sector cannot be overstated. It has emerged as a fundamental driver of economic performance, fostering innovation, enhancing operational efficiencies, and revolutionizing the way tourism products and services are marketed and delivered. The adoption and integration of cutting-edge technologies such as virtual reality, augmented reality, artificial intelligence, and robotics not only promise to elevate the tourist experience but also to pave the way for sustainable tourism practices.

As the tourism industry continues to evolve in response to technological advancements, it is imperative for stakeholders to embrace these changes. By doing so, they can ensure the continued growth and competitiveness of the sector, contributing significantly to economic development, job creation, and income generation. The future of tourism, therefore, lies in the strategic leveraging of technology to unlock new possibilities, enhance global connectivity, and ensure a sustainable and prosperous future for the industry.

## **ACKNOWLEDGEMENT**

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## Building city branding of Yogyakarta as a cultural city: A youtube user-generated content analysis

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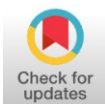
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### Abstract:

This study aims to analyze the role of social media in the form of Youtube in promoting the city branding of Yogyakarta, which has been known as a city of culture. Specifically, this research develops three research questions: 1) “What is the role of Youtube social media in promoting city branding of Yogyakarta?”, 2) “Does the cultural aspect appear as the main image of Yogyakarta on Youtube social media?”, 3) “What are the roles of individuals and institutions in the process of Yogyakarta city branding as a cultural city on social media Youtube?”. A total of 240 user-generated content on Youtube were collected via #yogyakarta over a period of 1 month. The content is then analyzed using content information analysis. This study adopts 12 different categories in order to analyze video content. Related to the research question, the research results show that social media plays an important role in creating city branding in Yogyakarta. In this case, users are able to describe Yogyakarta from various perspectives through social media (Youtube). Second, the cultural aspects identified are not the main aspects related to Yogyakarta, but local culinary delights and historical buildings. Nonetheless, these two aspects have a long history and connection with the culture in Yogyakarta. For the last question, the research results show that individuals play a bigger role in building Yogyakarta city branding than institutions. This shows that individuals are positioned not only as consumers of social media but also as producers of social media.

**Keyword:** City branding, Culture, User-generated content



## INTRODUCTION

Each region has its own tourism characteristics that make it unique and superior to other regions. Yogyakarta has been known as one of the popular tourist destinations in Indonesia where the hallmark of the tourism it offers is cultural tourism (Kencono & Iqbal, 2021). For this reason, Yogyakarta is known as the only region (precisely a province) in Indonesia that still maintains a system of government in the form of a kingdom or palace. Various kinds of local wisdom such as customs, traditions, culture, and arts are still maintained by the people of Yogyakarta until now in the midst of unstoppable modernity (Vitasurya et al., 2018). The unique nature of Yogyakarta is what attracts many tourists, both domestic and foreign, to come to Yogyakarta. Yogyakarta was even designated as the ASEAN cultural capital for the 2018-2020 period by the

ASEAN ministers for culture and the arts (ASEAN Ministers Responsible for Culture and Arts/AMCA) (Issundari et al., 2021).

Even though the main tourist destinations in Yogyakarta are cultural tourism, when compared to other regions in Indonesia (e.g. Bali), cultural tourism developed by Yogyakarta is still not fully optimized. According to the (Central Statistics Agency, 2019), before the COVID-19 pandemic period, the number of foreign tourists who came directly to Yogyakarta in 2019 was only 113,028 tourists. This number is much lower when compared to Bali which reached 6.2 million tourists or around 38% of the total foreign tourist arrivals to Indonesia in 2019. In fact, if observed, the two regions actually have almost the same characteristics of tourism, namely they both rely on tourism culture as a leading destination. Besides being famous for its beautiful natural attractions, Bali also combines cultural tourism to attract tourists.

In order to develop a tourist destination, an area is not only enough to have beautiful tourist attractions, but it is also important to carry out a marketing strategy to introduce the tourist area to tourists (Morrison, 2013). One of the tourism marketing strategies is to build city branding which is the slogan of a city. According to (Gertner, 2011), a place such as a city, region, or country needs to form and manage branding to attract tourists as well as to be able to compete at the global level. Place branding literature includes studies of various entities such as cities, districts, regions, countries and groups of countries (Költringer & Dickinger, 2015; Oguztimur & Akturan, 2016).

Agreed with (Acuti et al., 2018) who states that intense competition between regions as a result of globalization encourages many regions to develop city branding strategies in building a strong competitive identity. With branding, government agencies, and media companies can introduce their superior culture while differentiating it from competitors so as to have a positive impact on the tourism sector (Chen, 2018). Therefore, city branding is important as an effort to introduce the characteristics of the city to the wider community.

The city branding strategy can be built through social media in developing digital era (Ramadhani & Indradjati, 2023; Sutriadi et al., 2020). The emergence of social media as a feature of advances in information technology can shape and change marketing activities, including urban marketing (Gulbahar, M. O., Yildirim, 2015). With social media, city branding efforts are easier, more cost-effective, and more effective (Zhou & Wang, 2014). In addition, branding through social media with various texts and visuals that are relevant to the city also allows a wider audience to reach so that it attracts the attention of many people (Gümüş & Gümüş, 2016). In the end, social media as an innovative platform can be used by public institutions to interact with the community and other institutions in order to introduce their regional characteristics (Criado et al., 2013).

The term place branding (in this case city branding) can not only be understood as consumers or people who “experience” places, but also co-create and produce including sharing through their social media (Baka, 2015; Berrozpe et al., 2017; Lew, 2019; Scarles, 2011). This term is called user-generated content (UGC) which is one of the main forms of place branding efforts through social media and is considered capable of influencing people's perceptions of a place brand (Acuti et al., 2018). This is because users who create content through social media platforms can form a brand image (Culotta & Cutler, 2016).



According to (Zenker et al., 2017), residents are not only positioned as the target group of city branding efforts but can also initiate and legitimize branding activities so that residents play a central role in branding efforts. In this case, the more content about the city that is uploaded by users on social media, the more users participate in introducing the city not only to themselves but also to their followers. Thus, indirectly the city's branding efforts will be increasingly formed. For this reason, this research focuses on the use of social media through user-generated content as a strategy that is thought to be effective in introducing the identity of a city.

Previous literature has examined the role of user-generated content (UGC) in various social media for city branding or place branding (Acuti et al., 2018; Andéhn & Lucarelli, 2014; Glinska & Rudolf, 2019; Skinner, 2018; Taecharungroj, 2018). Analyzes how the role of user-generated content can influence the process of branding London and Florence as fashion cities on Instagram. The results show that UGC posted on Instagram can accelerate the process of establishing city branding in London and Florence as world fashion cities (Acuti et al., 2018). Explores user-generated content in the form of 149 photos uploaded on various social media (e.g Facebook, Instagram, and Webpage) as an effort to create a city branding identity in Greece. The findings confirm the importance of using social media as an effective tool to introduce the features and identities of various places in Greece (Skinner, 2018).

In another study, (Taecharungroj, 2018) used user-generated content on social media in the form of TripAdvisor and Google Maps to determine city branding identity in two metropolitan areas in Bangkok, namely Khaosan Road and Yaowarat (Bangkok Chinatown). These two areas are known as the paradise of street vendors and nightlife in Bangkok. The results of image and text analysis on social media show that content related to “kalilima” traders is the most prominent component and has become a separate identity for Bangkok. (Andéhn & Lucarelli, 2014) used social media in the form of Twitter to analyze the role of social media as a conceptualizer in shaping city branding in Stockholm.

By analyzing content uploaded on Twitter for 3 months, the study concluded that social media can support city branding efforts in Stockholm. In another study, (Glinska & Rudolf, 2019) diagnosed something that was characteristic of 34 cities in Poland and Ukraine through city branding efforts posted via social media in the form of Facebook. Involving 1700 user-generated content posted on Facebook by local governments, this research proves that cities in Poland have brand images of sincerity and joy, while cities in Ukraine have personalities of sincerity and competence.

Although studies on the contribution of user-generated content shared on various social media to efforts to create city branding have been growing recently, most of the studies focus only on textual information and images (e.g Twitter, Facebook, and Instagram), while social media use in the form of audio-visual or video such as Youtube is still limited. According to (Gkritzali et al., 2016), user-generated content in the form of videos is considered more able to project and describe city branding compared to posts in the form of text or images so that it has the potential to attract more social media users. This is because users tend to prefer moving images compared to still images (Chen, 2018).

According to the (Populix, 2022), as many as 94% of respondents in Indonesia have used YouTube in the past month, making it the most frequently accessed social

media platform in Indonesia. This is reinforced by the fact that Indonesia is also the country with the third largest number of YouTube users in the world after India and the United States. In addition, according to Google, there are more than 500 hours of new content uploaded to YouTube every minute. That translates to 30,000 hours of content per hour and 720,000 hours of content per day.

For this reason, this study uses user-generated content (UGC) uploaded on the Youtube platform to analyze its role in the city branding of Yogyakarta as a city of culture. This study develops three research questions, namely: H1: What is the role of Youtube social media in promoting the city branding of Yogyakarta?; H2: Does the cultural aspect appear as the main image of Yogyakarta on Youtube social media?; H3: What are the roles of individuals and institutions in the city branding process of Yogyakarta as a city of culture on Youtube social media?.

## **RESEARCH METHOD**

Data in the form of user-generated video content posted on Youtube using #yogyakarta was collected for one month from 21 January 2024 to 20 February 2024. The total videos (including short videos) verified were 240 videos for further analysis. Videos posted on Youtube include titles, hashtags, video content, video duration, comments, captions, number of likes/dislikes, number of video views, user identity, and video links in various categories. This study aims to identify the main associations related to Yogyakarta by analyzing user-generated content in the form of videos uploaded on Youtube. Specifically, whether the main association related to Yogyakarta is related to culture or not. Therefore, content analysis on the video is applied.

In order to analyze video content, this study classifies videos into 10 categories developed by (Choi et al., 2007) namely: Historic buildings and heritage (ancient palaces, monuments, works of art); Cultural events (traditional events); Parks and gardens (natural landscapes); Fashion (clothes, accessories, shopping centers); Tourism facilities and infrastructure (hotels, museums, tourist attractions); Entertainment (concerts, parties); Scenic view (bird's eye); Local cuisine and dining (food, drinks, restaurants, grocery stores); Recreation and sport (matches, stadiums, sporting activities); and People and local residents (locals, everyday life). In addition, to accommodate videos that do not fit into the 10 categories above, this study adds 2 other categories in the form of videos that are not related to the 10 categories above (Other1), and videos that are not related to Yogyakarta (Other2) according to the study by (Acuti et al., 2018).

Each video is classified into a maximum of three categories out of 12 categories because it considers the main aspects of the city that Youtube users want to convey. The purpose of classifying video content is to identify which dimensions or categories are strongly related to Yogyakarta. In the case of this study, the category of cultural events (traditional events) is an alleged category that is predicted to have a strong relationship with Yogyakarta as a city of culture. In order to know how the city is perceived by different stakeholders (Netzer et al., 2012), video posts on Youtube are also classified according to user identity (individuals and institutions/government). Technology has been a part of everyday life, many forms of technology have made human activity become easier, despite its potential to slowly replace humans, technology was meant to assist humans

in their life, from the everyday routine of their occupation, technology has the potential to co-exist with humans.

## **RESULT AND DICUSSION**

### **Unpacking Yogyakarta's City Branding on YouTube of Video Content and User Identity**

As mentioned in the methodology section, there is 240 video content related to #yogyakarta uploaded on Youtube. That means that on average around 30 videos related to Yogyakarta are uploaded on Youtube in one day. This amount is quite large for video-based social media like Youtube where the owner must have a higher "effort" to create content on Youtube compared to other social media. What's more, that doesn't include Youtube video content related to Yogyakarta without using hashtags. Most of the types of video content are in the form of short videos that have a short duration (1-2 minutes) (about 70%), some are generally videos with a longer duration, and only a few are in the form of live videos with a duration of up to hours

Regarding video content categories, 36.67% of video content is not related to the 10 city branding categories (Others1) and 31.67% of video content is not related to Yogyakarta (Others2). That means video content related to the 10 categories of city branding and related to Yogyakarta dominates. Video content unrelated to the 10 city branding categories (Others1) is mostly about politics, unrelated news, and unrelated songs. Meanwhile, most of the video content that is not related to Yogyakarta (Others2) tends to be about other regions such as Central Java. Please note that there is a lot of YouTube video content with #yogyakarta always followed by the hashtag “#” for other regions such as #jawatengah. That's why there is some YouTube content that isn't related to Yogyakarta but is related to other regions.

The top three categories of city branding in Yogyakarta from the most uploaded video content on Youtube are local food and cuisine with 12.08%, historical buildings with 10.83%, and Tourism facilities and infrastructure with 9.58%. Meanwhile, YouTube video content for cultural aspects which is represented by the cultural events category is only 2.5% and makes it in the last position with the Fashion category. Thus, automatically, this study finds evidence that cultural aspects are not the main thing related to Yogyakarta, and the categories related to Yogyakarta are local cuisine and historical buildings.

Table 1. Tabulation results for the Yogyakarta city branding category

<b>Category</b>	<b>Percentage</b>
Historic buildings and heritage	10.83%
Cultural events	2.5%
Parks and gardens	7.5%
Fashion	2.5%
Tourism facilities and infrastructure	9.58%
Entertainment	5.42%
Scenic view	8.75%
Local cuisine and dining	12.08%
Recreation and sport	3.33%
People and local residents	7.92%
Not related to 10 categories (Others1)	36.67%

<b>Category</b>	<b>Percentage</b>
Not related to Yogyakarta (Others2)	31.67%

Source: processed by the author, 2024

Total video: 240; Duration: 1 month (21 January – 20 February 2024) for the historic buildings and heritage category, there is a lot of Youtube content that tells about iconic buildings in Yogyakarta such as the Yogyakarta 0 km monument, Prambanan Temple, and various artistic heritage. Please note that Prambanan Temple and the 0 km monument are very famous buildings in Yogyakarta. In the cultural events category, some of the videos contain the holding of a Yogyakarta-themed cultural festival. In relation to this category, on 2-5 February 2023, the Ministry of Tourism and Creative Economy (KEMENPAREKRAF) held a cultural event themed "ASEAN Tourism Forum (ATF)" in Yogyakarta.

There are many Yogyakarta cultures displayed at this event. As much as 7.5% of video content about Yogyakarta uploaded on Youtube is related to aspects of parks and gardens or natural landscapes. Video content related to this category partially discusses famous natural sights in Yogyakarta such as Mount Merapi or Parangtritis Beach. Not much video content related to Yogyakarta city branding in the Fashion category (2.5%) in the last 1 month. However, from the video content analyzed, there are some that discuss batik and shopping centers in Yogyakarta.

In the tourism facilities and infrastructure category (hotels, museums, tourist attractions), approximately 9.58% of video content uploaded on Youtube is related to this category. As one of the regions that rely on the tourism sector as a leading sector, Yogyakarta is equipped with various supporting and main facilities that support the tourism sector. There are quite a number of YouTubers who create content related to this category, for example, famous tourist attractions in Yogyakarta (e.g Malioboro), museums, and others. There is as much as 5.42% of video content uploaded on Youtube related to the entertainment category. Most of the video content contains music concert events held in Yogyakarta. The scenic view is a category that is uploaded quite a lot in Yogyakarta with a percentage of 8.75%. Most of the video content in this category contains views of the beautiful city center of Yogyakarta.

This study found evidence that the local cuisine and dining categories (food, drinks, restaurants, grocery stores) are the categories most closely related to Yogyakarta. There are around 12.08% of videos uploaded in Yogyakarta related to this category. This result is not surprising because there are indeed many local foods in Yogyakarta. Most Youtube content creators choose to include local Yogyakarta specialties in their videos when they travel to create content. Some typical Yogyakarta foods that are often highlighted by Youtubers in their videos are "Brongkos" and "Gudeg". Some of the other content tells about restaurants, places to eat, or grocery stores in Yogyakarta.

As much as 3.33% of video content about Yogyakarta city branding on Youtube is related to the category of recreation and sport (matches, stadiums, sporting activities). Video content uploaded in this category is more towards football matches from local clubs and local community sports activities. In the last category, namely people and local residents, around 7.92% of the video content about Yogyakarta city branding

relates to this category. In this category, Youtube creator content highlights activities or important events related to local residents in Yogyakarta.

In terms of Youtube user identity, this research found evidence that as much as 80.42% of video content comes from individuals, while the remaining 19.58% comes from institutions such as the government and the media. This proves that the community is taking part in promoting the city branding of Yogyakarta. The video content is created by individuals, most of it is identified as the owner's name, and the other part is in the form of a Youtube channel name. Unfortunately, even though there is a lot of video content sourced from individuals, the number of video views is still relatively small compared to video content originating from institutions.

This is because individual creators tend to have fewer subscribers than institutional creators, although there are some who already have many subscribers. Meanwhile, video content related to Yogyakarta city branding by Youtube creators from institutions tends to be less than individuals. Most of them come from national or local media, a small number come from ministries (e.g Kemendikbud), and there are even institutional (media) content creators from abroad, namely CAN insider, a media from Singapore. That said, video views are, in general, more institutional than individual creators because they have more subscribers. But unfortunately, institutional creators, especially the media, are Youtube creators who contribute video content that is not related to the 10 categories of city branding and is not related to Yogyakarta in large numbers.

### **Role of Youtube Social Media in City Branding**

Reflecting on the results of the video content analysis presented in the previous section, the answers to the research questions are presented below. The first research question (H1) states "What is the role of Youtube social media in promoting city branding of Yogyakarta?". By looking at the fact that there is 240 video content uploaded on Youtube in a period of one month, the research concludes that Youtube social media plays an important role in promoting Yogyakarta city branding. There are an average of around 30 videos related to Yogyakarta that are posted per day, not including videos about Yogyakarta which may be posted without #yogyakarta so they are not detected, making social media, especially Youtube, play an important role in branding an area.

Through videos uploaded on Youtube, Youtube users are able to tell and describe aspects of Yogyakarta in various aspects and build information through videos to followers. In this case, user-generated content (UGC) on Youtube can influence brand image and brand knowledge (Acuti et al., 2018), which further strengthens existing city branding or promotes new things (Fitchett, 2005), with a direct influence on brand perception (Zhang & Sarvary, 2015). Once again, this research confirms how social media contributes to city branding efforts.

Regarding H2 "Does the cultural aspect appear as the main image of Yogyakarta on Youtube social media?", the results of the study, by adopting the categories proposed (Choi et al., 2007) which was developed by (Acuti et al., 2018), found that although Yogyakarta is indeed known as a city of culture, it is not limited to that. In this study, the cultural aspect does not appear as the main association possible because this aspect is only measured from "cultural events" which may only be held a few times a year in Yogyakarta. In addition, it is also possible that the research time period is not

synchronous with the holding of cultural events in Yogyakarta, so there is not much YouTube video content that describes Yogyakarta from a cultural perspective. Apart from that, Yogyakarta has a long history with local culinary delights and historic buildings as the first and second top of the 10 categories. These two aspects have special relevance and are closely related to the cultural structure in Yogyakarta.

Towards the last question H3 "What is the role of individuals and institutions in the process of city branding Yogyakarta as a city of culture on Youtube social media?". For this question, creator content from individuals has a larger contribution portion, and is more related to city branding in Yogyakarta than institutions, even though in terms of the number of views is relatively less. These empirical findings confirm that social media, especially Youtube, has empowered individuals, and enabled users to actively respond, participate, and create content (Kim & Ko, 2010). In this case, individuals not only act as "connoisseurs" of social media, but also producers who produce many content products uploaded on social media (Andéhn & Lucarelli, 2014).

Although three research questions were developed in this study, this paper has several limitations that can be refined in future studies. First, this study only analyzes video content to describe city branding, so the assessment is not comprehensive and less complex. Therefore, further research can add other aspects of analysis (e.g. visuals) to provide an in-depth and broad view of city branding. Visual communication is a form of textual paralanguage which is able to form more relevant perceptions in the communication process (Luangrath et al., 2016). Second, the period for collecting video content in this study tends to be short, only one month, so future research can extend the research period. Third, this research also only concentrated on one type of social media (Youtube). It will be very interesting if further research is carried out by integrating other social media (e.g Instagram, Facebook, TikTok, etc) in assessing and monitoring city branding more thoroughly.

Because these limitations can be addressed by future studies, which can enhance the comprehensiveness and complexity of the analysis of city branding. For instance, incorporating other forms of visual analysis, such as still images, can provide a more nuanced understanding of city branding. Additionally, extending the research period to capture a longer span of video content can provide a more comprehensive view of city branding over time. Furthermore, integrating multiple social media platforms, such as Instagram, Facebook, and TikTok, can provide a more thorough assessment of city branding across different online channels. By addressing these limitations, future research can provide a more comprehensive and in-depth understanding of city branding.

## **CONCLUSION**

This research confirms that social media, especially Youtube, plays a crucial role in building Yogyakarta city branding. Social media contributes to creating city branding easier, faster, and more efficient. Moreover, at this time, we are already in the phase of the era of advances in information and communication technology so as to enable the acceleration of the creation of city branding on the internet. In terms of the main categorization of what is related to Yogyakarta, this research finds that local culinary aspects and historical buildings are the two main aspects related to Yogyakarta.

Although the cultural aspect (specifically categorized as “cultural events”) is not directly related to Yogyakarta, there is a long history between local cuisine and historical buildings in Yogyakarta and Yogyakarta culture as a whole which makes them interrelated. This research also found evidence of how "active" individual users are in producing video content to promote city branding in Yogyakarta. This confirms that users are not only positioned as consumers, but also producers who play an active role in creating and introducing city branding on social media.

Finally, this research resulted in several implications aimed at least two main related parties: regional policy-makers (especially Yogyakarta), and individuals. Local governments can activate or strengthen their social media (especially Youtube) in promoting city branding in Yogyakarta. It is highly recommended to start creating a special Youtube channel related to city branding in Yogyakarta (if they don't already have one) and start actively creating and sharing content about Yogyakarta on Youtube. This is reasonable considering that most Youtube content related to Yogyakarta is produced by individuals and the media, not local government authorities. Meanwhile, individuals (tourists, residents, business people) can benefit from this research, especially those who are interested in interpreting the city's image in order to make a more conscious decision to become (or confirm to be) visitors, residents, and investors in Yogyakarta.

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# Salatiga Cassava tourism development strategy

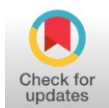
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#### Abstract:

This study aims to determine the development of cassava Argowiyoto Salatiga Village. This research is a field research conducted in Cassava Village Argowiyoto, Ngaglik, Ledok, Argomulyo, Salatiga. Primary data sources come from field data obtained through interviews and observations. While the secondary data comes from written sources both in books, journals, and from online media. While the analysis of this study using descriptive analysis. Kampung Singkong Argowiyoto Ngaglik begins with Gethuk Kethek Dua Rasa which then develops with the existence of many culinary-based SMEs. This development continued with the emergence of cassava cheese D-9 as a tourist attraction. The next development is the emergence of Argotelo which develops educational and recreational aspects that are attractive to tourists. From the existing MSMEs, it then developed until dozens of MSMEs appeared in the Argowiyoto cassava Village area. Some of the strategies for developing cassava tourism are building a community of entrepreneurs, holding promotional events, cooperating with various parties, developing culinary variations, and using social media as a means of promotion.

**Keyword:** Salatiga, Strategy, Development, Tourism



## INTRODUCTION

Cassava is a familiar food ingredient in Indonesia. Almost all regions in Indonesia there are plants that contain these carbohydrates. In fact, many regions make cassava into food that can be processed into various types of preparations (Wulandari et al, 2023). Cassava (*Manihot Utilisima*) or also known as cassava or cassava comes from South America. There, cassava grows wild in the forests. By the Portuguese who at that time had traveled the world, this plant was also brought to all corners of the world (Zekarias et al., 2019). According to Haryono Rinardi, cassava plants entered Indonesia around the 16th century brought by the Portuguese to the Moluccas.

The advantage of this plant is that it can be harvested as needed. Therefore, this plant is often referred to as an underground storehouse of supplies. This is relevant to the conditions in the 16th century in the early days of the entry of Europeans into Indonesia, where at that time the staple food is still scarce (Rinardi, 2022). Cassava spread to the island of Java around the 19th century. Approximately in 1852, cassava plants were first introduced in a district in East Java. Although in that century is still not well known by the public. As noted by the controller in Trenggalek named J. van Swieten in *De zoete cassave* published in 1875, that around 1876 cassava is less known in Java.

But at that time, cassava has begun to be grown massively in several other areas (Purwanto et al., 2024).

In 1875, cassava consumption in Java was still low. Furthermore, cassava consumption increased rapidly at the beginning of the 20th century where cassava cultivation began to expand (Van der Eng, 1998; 2000). At that time, the population on the island of Java experienced rapid growth. This is not balanced with the income of rice plants as a staple food. Therefore, people are encouraged to grow cassava as an additional source of food. Cassava is also a substitute for rice in some areas in Central Java when people experience a famine before harvest or when rice crop failure. In some communities, cassava is seen as inferior to rice as a staple food (Utami, 2017).

Cassava has a lower protein content than rice. And consuming cassava is usually seen as a sign of poverty. However, the events of the transition to cassava have proven the dynamics of food crop agriculture that occurred on the island of Java in the late colonial period. By grounding cassava and processing cassava into various processed foods in this modern era, at least it can change the paradigm of cassava to be seen as a dignified food ingredient (Isnaeni, 2014). Cassava, the tuber that is easily obtained and processed, has long been an important part of people's lives in various parts of the world. Known by the scientific name *Manihot esculenta* Crantz, this plant is native to South and Central America, and has now spread to all corners of the world, including Indonesia.

In Indonesia, cassava is not just a rice complementary food. For some people, cassava is a staple food rich in carbohydrates and calories. Its ability to grow in a variety of soil and climate conditions, makes it an easy crop to grow and harvest, making it highly reliable as a source of food, especially in rural areas. Cassava has many varieties with a variety of flavors, shapes, and textures (Bechoff et al., 2018). The tuber can be processed into a variety of foods and processed products, ranging from traditional foods such as boiled cassava, fried, and getuk, to modern foods such as cassava chips, tapioca flour, and bioethanol.

Not only rich in carbohydrates, cassava also contains various important vitamins and minerals, such as vitamin A, vitamin C, potassium, and iron. Its high fiber content is also beneficial for digestion and intestinal health. Cassava is not only important as a food source, but also has great economic potential (Montagnac et al., 2009) Cassava preparations such as tapioca flour and bioethanol are in great demand in the international market. This opens up business opportunities and jobs for people around cassava production centers.

Cassava (*Manihot utilisima*) is the third staple food after Rice and corn for the people of Indonesia. This plant can grow all year round in the tropics and has a high adaptability to the conditions of various soils. Nationally, production from 2016 amounted to 79,354,767 in 2017 amounted to 81,148,594, and in 2018 amounted to 83,037,150. Rice production growth from 2017 to 2018 amounted to 2.33%. Corn production in 2016 amounted to 23,578,413, in 2017 amounted to 28,924,015, and in 2018 amounted to 30,055,623, corn production growth from 2017 to 2018 amounted to 3.91%. In addition to being an alternative food, cassava is used as a basic ingredient in the food industry and feed industry raw materials. In addition, it is also used in the drug industry (Susilowati, 2016) cassava is also called cassava (*Manihot Esculenta* Grant) is one of the agricultural commodities of tubers that are widely found in Indonesia.

This is because cassava is easy to grow and has high productivity, besides that this plant has several advantages compared to other food crops, including being able to

grow on dry and less fertile land, relatively high resistance to disease, the harvest period is not hunted so that it can be used as a living barn. In addition, the leaves and tubers of cassava can be processed into a variety of foods, both main meals and interludes. The ease of cassava plants to be cultivated, many farmers and citizens in Indonesia who plant either planted specifically, or just a distraction plant, but the price of cassava on the market is relatively cheap (Purnomo & Kusuma, 2022).

Cassava has many benefits, including: (1) food source: cassava is rich in carbohydrates and calories, making it an important source of energy for the body. (2) easy to process: cassava can be processed into a variety of processed foods and products. (3) durable: cassava can be stored for a long time without being easily damaged. (4) affordable price: cassava is generally cheaper compared to rice. (5) economic potential: cassava preparations such as tapioca flour and bioethanol are in great demand in the international market. (6) health benefits: cassava contains a variety of important vitamins and minerals, as well as fiber that is beneficial for digestion and intestinal health (Kementan, 2020).

Hearing the word "Salatiga", of course there are many things that come to mind when hearing the word. For example, a small city in Central Java, a tolerant city, a city of Education, a miniature Indonesia mini, tumpeng koyor, a cool city, and of course there are many other memories that characterize this Salatiga City. In the last decade, there is one additional word when hearing the word "Salatiga", namely cassava cheese or cassava village. Why is that? Because in Salatiga there is a village that became the center of the cassava industry. Even some processed cassava is also widely known by the public and always dikangenin by people who have lived or stopped in Salatiga.

This cassava village is located in Ngaglik, Ledok, Argomulyo, Salatiga City. In this area, there are dozens of SMEs that sell a variety of processed cassava as its main commodity. Because of the many typical processed cassava, the village is referred to as kampung singkong and carries the name Kampung Singkong Argowiyoto. This cassava village has also been inaugurated by the Minister of Agriculture, Sahrul Yasin Limpo, on Thursday, September 30, 2021. The hope is that this confirmation can encourage the optimization of cassava potential and move the economy for MSMEs in Salatiga, especially in the kampung singkong area.

## **RESEARCH METHOD**

The approach of this study uses a qualitative approach because the problems discussed in this study do not use numbers but by describing, outlining and describing tourism activities in kampung Singkong Argowiyoto, Ngaglik, Ledok, Argomulyo Salatiga, by interviewing business actors and local leaders. With a qualitative approach, this study is expected to reveal the facts globally about the cultural value of cassava as a tourist attraction in the village of cassava Argowiyoto, Ngaglik, Ledok, Argomulyo Salatiga.

In this study, the chosen research method is closely related to the procedure, tool and design of the selected research. The method used in this study is a descriptive method. Descriptive method is chosen because it is considered in accordance with the problems to be studied.

Informants in this study, the determination of informants selected by the researcher based on the assumption that the informant is able to provide information that is considered appropriate and related to the problems that researchers do. In this study, the types of data analyzed by researchers include primary data obtained through

observation, interviews and documentation, while secondary data obtained through literature studies.

Data analysis in this study used several techniques including through data collection methods, data reduction, presentation of data and conclusions by verification (Creswell et al., 2017). These data were then tested through the test triangulasi research data to test the validity of the data with the confirmation of research data obtained from the use of research theory, through observation, interview or documentation. Triangulation of data was conducted in cassava village tourist destinations Argowiyoto, Ngaglik, Ledok, Argomulyo Salatiga.

## **RESULT AND DISCUSSION**

### **The Power of Cassava: A Village's Journey to Success and Sustainability**

Kampung Singkong Argowiyoto is located in Ngaglik, Ledok Village, Argomulyo District, Salatiga City. This location is close to the Solo-Semarang highway so it is easy to access by anyone. This village is famous for its various cassava preparations, such as cheese cassava, gethuk, and tiwul. Kampung Singkong Ngaglik Ledok Salatiga offers various educational tourism activities, such as

1. Learn to process cassava: visitors can learn how to process cassava into a variety of foods and processed products
2. Exploring the cassava garden: visitors can see firsthand how cassava plants are grown and harvested
3. Cassava culinary tasting: visitors can taste a variety of delicious cassava culinary specialties
4. Buying souvenirs: visitors can buy a variety of typical cassava souvenirs, such as cassava cheese, gethuk, and tiwul. Kampung Singkong Ngaglik Ledok Salatiga is open daily from 06.30 to 17.30.

In Argowiyoto cassava village, Ngaglik, Ledok, there are many destinations in the form of stalls / shops and cafes with various cassava preparations that can be visited. Among these destinations are Gethuk Kethek Satu Rasa, cassava cheese D-9, cassava cheese Argotelo, Gethuk "P2", Ubay cassava cheese, Gethuk cassava Mango Sogo, cassava Salatiga, Gethuk Satriyo, cassava cheese frozen Bu Sri, banana Nugget and cassava Sweet cheese, Ceriping cassava Cap Presto Pak Nur, Toko Azzahra: Aneka oleh-oleh khas Salatiga

Of the many cassava-themed MSMEs, the largest MSME is cassava cheese D-9 which has absorbed more than 100 workers. Processed cassava has been varied, namely more than 20 variants. In addition there are various shops or stalls and cafes, in the Kampung Singkong Ngaglik area there are also various cassava preparations that can be selected by visitors. Some processed foods from this cassava are cassava cheese, gethuk, thymus, gemblong cotot, combro, cassava cheese ready to fry, ceriping presto, purple yam thymus, klenyem, gethuk kimpul, honey thymus, and several other menu variants.

The existence of this cassava village is also a blessing for local residents. The crowd of people passing by to hunt for cassava culinary provides opportunities for the community to develop by setting up stalls, maintaining parking, and various other economic opportunities. One of the early pioneers of the establishment of kampung singkong is Gethuk Kethek "one taste". As the name suggests, this MSME sells gethuk as the main item sold in this company. While the name of the monkey was taken because

in front of the seller's house there is a pet in the form of a monkey. In Javanese, ape means monkey. Gethuk Kethek location is precisely located on Jln. Single Argo No. 9 Argomulyo Salatiga, approximately 100 meters into the alley to the east of the T-junction ABC Salatiga.

Gethuk Kethek "one taste " is well known by people from various regions. The taste is good and distinctive enough to be sought after by culinary hunters who come or pass through the city of Salatiga. This monkey Gethuk is packaged in a container labeled "Gethuk Satu Rasa " with a picture of a monkey on the wrapping cardboard. Typical of this gethuk is processed without the use of preservatives, dyes and other chemicals so that customers gethuk no need to worry about the content of free radical elements that endanger health. Because it is processed in the original without preservatives, gethuk kethek is only able to survive for 5 to 6 hours in air conditions outside the refrigerator, if you want to consume the rest of the time must be stored in the refrigerator before gethuk conditions become sayub/stale.

This kethek Gethuk is in the form of a box that is jammed and sprinkled with grated coconut to give a savory sensation. One of the traders who made the name gethuk kethek widespread, Santoso, admitted that in a day, hundreds of boxes are produced and spend an average of 150 kg of cassava. One of the typical souvenirs of Salatiga is made without preservatives so that it only lasts at most six hours after being produced (Wisnu, 2021). About gethuk kethek's business history, it is said that the story is a business pioneered by great-grandfather Usreg who patiently pursued the family business in the form of various foods made from cassava, including the type "Gethuk" which is sold in the market and location around ABC Salatiga in 1965's where the conditions in the period of those years were very difficult for some people to get food that makes the stomach full and gethuk great-grandfather usreg sold hard bought as additional food or an alternative to rice rice.

From year to year along with the tidal dynamics that color a family business and then this gethuk business continued by Suwarni grandmother/Mbah Samsi. Along with the advancement of the modern trend era and the shift in tastes / consumption patterns of society which is characterized by a lot of the spread of modern snacks manufacturers, gethuk snacks which are traditional foods are felt to be abandoned by the buying public. This is a "brilliant idea" by Grandma suwarni / Mbah Samsi, a simple idea that is realized with strong determination and turns out to produce very valuable results for families, namely a more stable and sustainable market share.

With humility and simplicity grandmother Suwarni / Mbah Samsi started introducing snacks gethuk flavored "sweet savory fragrant"with a blend of the right composition of the raw materials of coconut cassava and sugar. A "step" by Suwarni grandmother / Mbah Samsi in maintaining the family business and peddling gethuk to keep buyers interested. As a result, gethuk Nenek Suwarni/Mbah Samsi began in the 1990s with a new taste that can be accepted by buyers, in line with the interest of some people who are again interested in traditional foods by choosing snacks without chemical content. Gettysburg is one of them.

Until now the traditional gethuk managed by Grandma Suwarni / Mbah Samsi assisted by her children (Mr. San and Mr. To) Which is then packaged with the Gethuk Kethek label "One Taste" of Salatiga is still exis sold among the vibrant rapid emergence of modern snacks. Unlike the colorful gethuk that you will find, this gethuk is naturally colored according to the color of cassava and tastes like only one original flavor.

Ingredients for making gethuk kethek are grated cassava, squeeze a little water 500 grams, water 50 ml, granulated sugar 100 grams, gelatin white powder 1 tablespoon, salt 1/2 teaspoon, enough food coloring, enough sprinkling ingredients, coarsely grated coconut 200 grams, enough salt, enough sugar, pandan leaves 2 sheets.

Besides Gethuk Kethek, one of the well-known MSMEs is cassava cheese D-9. This business was founded by Mr. Hardadi, one of the residents of Ngaglik, Ledok. Pak Hardadi's success as the owner of cassava cheese D-9 does not come just like that. This success also did not come from inheriting the efforts of his parents. The success of Pak Hardadi is a gift from Allah Swt coupled with his efforts and hard work so far. Before owning this cassava business, Mr. Hardadi had worked odd jobs to support his wife and children. His character who does not want to be a servant of others makes him a firm and independent person in work so he will rack his brains to be able to stay alive and support his family. Mr. Hardadi had a dark time. To be precise, he had been undergoing dark Correctional House (Rutan) Class 1 in Surakarta because he stumbled over a drug case. He spent 6 months in prison in early 2009.

This stay in prison became a turning point in his life. He wants to be better when he gets out of prison. He also realized that Allah Swt will always open the door of forgiveness and Allah Swt will love his servants who repent and change for the better. When he got out of prison, he wanted to do a good job. Because he did not want to be someone else's employee, he tried to start a business from a small scale. Mr. Hardadi started by selling ice juice and rice. He sells this rice because his house is adjacent to a boarding school, namely Annida boarding school. He prepared rice for the students to buy at the cottage. Mr. Hardadi explained that he sells rice in addition to making a little profit as well as eating for his family. In his mind, if selling rice does not sell, his family can still eat. In addition to selling rice, Pak Hardadi also sells ice juice.

Once he was selling in a crowded place at a time when there was a momentum of August 17. At first, he was seen as strange because there were ex-convicts selling. But the mental qualities that make it strong and there is no shame. For the sale of rice and Ice Juice, Pak Hardadi's capital is only tens of thousands. Slowly the trade is growing little by little. And if there is money left over from groceries, he buys cassava to be processed into cheese cassava. Mr. Hardadi has had the intention to sell cassava since he was in prison. At the end of 2009, he started selling cassava cheese in gerobag angkriangan. At that time, cassava cheese is not so familiar in the community.

But he still diligently peddled this processed cassava cheese and offered it to relatives and friends through short messages. Slowly cassava cheese processing is becoming known by the public and can finally be successful as it is today. Mr. Hardadi should be grateful for his life accompanied by a kind and faithful wife, Mrs. Dyah Kristanti. Especially at a time when he was experiencing a dark period of stay in prison for a case of drug abuse. During his time in prison, Mr. Hardadi received support from his wife, family and friends. During these 9 months languishing, his wife had also worked in a furniture company. It was a sign of her loyalty and devotion to her husband. The heavy burden he had experienced at the time of this case was the burden to convey this bad news to his parents. However, when Mrs. Dyah delivered bad news to this old man, she received support from the parents. They received the news well, then embraced and cared for Mrs. Dyah and her children. This is an amazing parental love.

She also lied to her children about her husband's death. He told his children that his father worked in Kalimantan. In the end, the children were told what had happened

to their father. When interviewed on a talk show called Kick Andy some time ago, Mrs. Dyah explained that there were 3 reasons that made her still survive. First because of love. "Love is willing to accept all the advantages and disadvantages. And with love, it can make everything easier." he said on the talk show Kick Andy. Secondly, the heart of her husband is very kind and loving, as well as the same concern for his family and children. Third, he realized that Allah Swt alone is proud of his servant who wants to repent. Moreover, she, Of course, is proud that her husband repents and wants to walk the path to heaven together.

Mr. Hardadi, owner of cassava cheese D-9, started this cassava cheese business at the end of 2009. He started with limited capital, some of which was obtained from the sale of rice. Little by little the profits he gets are collected and used for capital to buy cooking oil, cheese and cassava. Currently, the business turnover of cassava cheese D-9 reaches 4-5 tons of cassava per day on weekdays and can reach 6 tons per day during the long holidays or Eid. He gets a supply of cassava raw materials from his partner farmers in the Wonosobo area.

Cassava cheese D-9 name taken from the room where he languished in prison Class 1 Surakarta. He lives in Block D which is a drug block and he is in Cell Room Number 9. This name was used because in this room he intended to change for the better and thought to sell cassava cheese. Even in his outlet, Pak Hardadi displays examples of objects that are closely related to drugs to always remind himself and educate his customers to be careful and vigilant if at home such objects are found.

Currently, cassava cheese D-9 is the largest MSME in Argowiyoto cassava village by having the most varied food preparations, having the most employees, and being able to sell the most cassava products. The main product is fried cassava cheese with the addition of a varied topping. The specialty of cassava cheese D-9 is the taste of the cassava itself. The cassava is cooked or stewed together with the cheese. So that it becomes more tasty and tender. The outside is crispy but the inside is soft.

### **Success Story of Cassava Cheese D-9: A Business that Combines Quality, Humanity, and Faith**

In 2012, Mr. Hardadi make cassava frozen (frozen) ready to fry for 2 months without preservatives. It is also one of the favorite products of consumers because it is practical and durable and suitable for taking home as a souvenir. In terms of Product Marketing, cassava cheese D-9 still uses the method of coming directly to the outlet or placing an order by phone. This is because at this time, cassava cheese D-9 is still focused on meeting customer demand is quite a lot every day. Products that are usually ordered and sent to customers is cassava cheese original frozen ready fried. Currently cassava cheese D-9 has not opened an official agent or reseller although many people want to register. Those who participate in the market are still using the buy break up system at their own risk.

Cassava cheese D-9 raw materials are imported directly from the Wonosobo and Magelang regions as well as several areas in Salatiga. Pak Hardadi only uses cassava which has super quality to make his products. If the cassava raw material is not good, the taste he gets will not be maximal and he will not use such materials. Cassava cheese D-9 has certain quality standards that must be met for processed cassava. Once Upon a time cassava that comes not so cooked because the quality is not up to standard.



It is this quality that makes D-9 cheese cassava special among its fans. As a result, per day, the production of cassava cheese D-9 is able to produce cassava as much as more than 4-5 tons per day. Even the number is still less due to the large number of requests. Purchases are sometimes limited. Currently, employees of cassava cheese D-9 is more than 100 people. These employees come from the surrounding area and from outside the area. Mr. Hardadi also recruited workers who had fared like him, that is, had been prisoners. It also recruits people with disabilities. When the condition of the job applicant is in dire need, then the greater the chance of being accepted as an employee.

With this determination, Mr. Hardadi has dispatched several employees to umrah to the Holy Land. Mr. Hardadi also requires employees who are Muslims to always pray 5 times. If there are employees who are Muslims but do not perform prayers, then he advised to stop working for him. The life slogan of Mr. Hardadi is to worship while working. Not otherwise. So, there is an obligation for employees to recite the Qur'an. This recitation activity is not carried out during employee breaks but is routinely carried out while working. In the hope that it does not interfere with the employee's rest time. In other words, if we obey God, everything will be fine.

With regard to the many neighbors who imitate the preparation, namely by equally making cassava cheese, for Pak Hardadi this is not a problem. There are even some former employees who also make the same processing. Mr. Hardadi principled that sustenance already set. "The recipe can be copied, but sustenance can not be copied paste." he said in an interview on one of his Youtube channels. The more confident and the more resigned and aware the only giver of sustenance is Allah Swt, then we will be calm.

*"The person should be completely sincere and patient. Patience has its fruits. God's patience and effort will bear fruit. And the most important thing is also prayer. God's promise to us is that if we obey His commands, we will be saved."*

Turn to God when we are wrong. God loves those who repent. One of the MSMEs that developed further was Argotelo. This effort develops culinary business techniques that are packaged into educational concepts, giving rise to the eduvacation program. Here not only presents a variety of processed cassava, but also provides a very interesting educational tour packages. There are at least 7 educational activities that we can participate in with family members. In addition to being full of culinary delights, we can also learn how to plant cassava properly, process it, play exciting games to build cohesiveness, take a walk using a rabbit train around the village, play fish in the river, to learn business together with the owner directly.

With regard to efforts to maximize the potential of tourists, businesses in kampung singkong 80% implement the governance of culinary tourism village. 80% of businesses implement Sapta pesona. 90% of business actors have behavioral insights in entrepreneurship. The realization of more regular parking area governance 75%. The realization of adequate drainage building layout 80%. Increasing business actors who are able to increase productivity by 80%. 80% of marketers use an 80% marketing strategy. Efforts to increase the potential of the creative economy in which as a business seeks to improve governance, Sapta pesona, behavioral insights, parking governance, drainage building, increase productivity and marketing strategy, where all the development of the

culinary business sector should be able to improve all its culinary products (Samtono et al., 2022).

Tabel 1. Activities from various Eduvacation activities held by Argotelo

No.	Activity	Description	Suitable for
1	Fun Cooking Class	Cooking together with family, classmates, or office group	All ages
2	Cassava Processing Education	Learn and process cassava cheese in an open kitchen	Children and adults
3	Cassava Farming	Planting, harvesting, and processing cassava in the garden	All ages
4	Enjoy Cassava	Taste traditional cassava dishes and enjoy nature in a cassava garden	All ages
5	Natural Fish Feeding and Enjoying Nature	Feed fish and enjoy nature in Salatiga with a rabbit train	All ages
6	Outbound and Playing	Train cooperation and coordination skills through outdoor activities with friends or family	All ages

Source: processed by the author, 2024

Overall, the table suggests that Argotelo's Eduvacation activities are designed to be engaging, interactive, and educational, with a focus on promoting the use and appreciation of cassava.

### **Development of Agro-Tourism in Argowiyoto Cassava Village: Strategies for Increasing Diversity and Quality of Products**

The next strategy undertaken by business actors in Kampung Singkong Argowiyoto is to pay attention to the halal aspects of the product. The knowledge of cassava processing entrepreneurs related to halal certification is quite high. However, their understanding of the halal certification registration procedure is still low. The majority of entrepreneurs are receptive to the implementation of these rules, but only a small percentage have implemented halal certification on their products. This is due to the lack of knowledge and understanding of the legislation in force, as well as the vagueness and indecision of the sanctions imposed (Aminarso, 2023).

Tabel 2. Strategies for Developing Cassava Tourism

Strategy	Description
Build a Community of Entrepreneurs	Form a community of cassava entrepreneurs to work together to develop the tourist village

Strategy	Description
Promotional Events	Hold promotional events, cooperate with various parties, and develop culinary variations
Establish Cooperation with Parties	Cooperate with jeep community, odong-odong, and other parties to build a broader tourism concept
Develop Culinary Variety	Offer a variety of culinary products to attract tourists
Develop Social Media	Use social media to promote Cassava Tourism Village and reach a wider market

Source: author's analysis, 2024

From the explanation of the data findings above, it is known that the village of cassava Argowiyoto Ngaglik, Ledok, Argomulyo, Salatiga is standing with the beginning by one of the culinary entrepreneurs in the form of cassava Gethuk Ape two flavors. This business is in great demand by the community and has spread in various regions and still exists today. Furthermore, in 2009, other culinary entrepreneurs emerged namely cassava cheese D-9 founded by Mr. Hardadi and his wife. With a variety of flavors that are in demand by the public, as well as the durability of this preparation that can last longer, the culinary cassava cheese is easily accepted and in demand by the public. With the development of Gethuk Kethek and cassava cheese D-9, many tourists come to this Ngaglik cassava Village. From these developments, then emerged other entrepreneurs who are looking for luck by making a business with the main ingredient cassava. Until now, there have been dozens of cassava entrepreneurs in Argowiyoto Ngaglik cassava village.

## CONCLUSION

Kampung Singkong Argowiyoto Ngaglik begins with Gethuk Kethek Dua Rasa which then develops with the existence of many culinary-based MSMEs. This development continues with the emergence of cassava cheese D-9 as a tourist attraction. The next development was the emergence of Argotelo which developed educational and recreational aspects of interest to tourists. From the existing MSMEs, then developed to dozens of MSMEs springing up in the village of cassava Argowiyoto. Some cassava tourism development strategies are building a community of entrepreneurs, holding promotional events, cooperating with various parties, developing culinary variations, and using social media as a means of promotion. In addition, the development of halal product branding in Kampung Singkong Argowiyoto.

It seems that the text is discussing the development of a village called Kampung Singkong Argowiyoto, specifically the growth of its culinary-based small and medium-sized enterprises (MSMEs) and the emergence of new attractions and products. The text begins with the sentence "Kampung Singkong Argowiyoto Ngaglik begins with Gethuk Kethek Dua Rasa...", which implies that the development of the village started with a particular culinary product or event. The text then goes on to describe how this initial development led to the emergence of new MSMEs, including the creation of cassava cheese D-9 and the recreational attraction Argotelo. The text then discusses various strategies that have been implemented to promote the development of cassava tourism

in the village, such as building a community of entrepreneurs, holding promotional events, cooperating with various parties, developing culinary variations, and using social media as a means of promotion.

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# SWOT and PETS analysis in tourism management in Bintan Regency

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### Abstract:

The Tourism Program Bintan Regency aims to develop and enhance the region's tourist attractions, destinations, and creative economy. The program focuses on developing and managing tourist attractions, monitoring and evaluating their management, and providing infrastructure and facilities. Marketing is also a crucial aspect, aiming to promote the region's attractions to domestic and international audiences. The SWOT analysis highlights Bintan Regency's strengths, including its natural attractions, rich cultural heritage, and friendly local community. However, it also identifies weaknesses, such as limited infrastructure, limited human resources, and limited marketing budget. The PEST analysis emphasizes the importance of considering multiple factors when analyzing the current situation of tourism in Bintan Regency. The Political factor influences the industry through government policies and regulations, while the Economic factor drives growth through investment and revenue generation. The Social factor contributes to sustainable tourism development through community engagement and participation, while the Technological factor increases accessibility and reach through mobile technology and online travel agencies. To overcome potential obstacles and challenges, such as limited infrastructure and amenities, competition from other destinations, climate change and environmental concerns, effective planning and management, and human resource development, Bintan Regency must leverage its strengths, address its weaknesses, consider external factors, and acknowledge potential challenges. By doing so, it can establish itself as a competitive tourist destination that attracts visitors from around the world.

**Keyword:** SWOT; PEST; Tourism



## INTRODUCTION

Tourism in Bintan Regency has now developed into one of the main industries that contributes to the regional economy (Muzdalifah, 2019). Bintan, which is located in the southeastern part of Sumatra Island, has been chosen as one of the favorite tourist destinations of the wider community (Oktaviana et al., 2021). This is due to its extraordinary natural beauty, with beautiful beaches, clear sea water, and rare flora and fauna (Marina, 2012). Apart from that, Bintan also has a very rich history and culture, with historical sites and traditional festivals preserved by the local community (Kurnianingsih

et al., 2022). In recent years, local governments have attempted to improve the quality of tourism by developing infrastructure, improving service quality and encouraging community creativity (Nasrullah & Susanty, 2020; Setiawan, 2016). Thus, Bintan has now become one of the popular tourist destinations in Indonesia, with the number of tourists continuing to increase from year to year (Sholeh et al., 2022).

In 2023, the Bintan Regency Culture and Tourism Service has completed compiling a Government Agency Performance Report. The Performance Report of the Bintan Regency Culture and Tourism Service is a form of accountability for budget and performance during one fiscal year. The Performance Report for the Bintan Regency Culture and Tourism Service was prepared based on the 2021-2026 Bintan Regency RPJMD, the Bintan Regency Culture and Tourism Service RENSTRA for 2021-2026 and the Work Plan for the Bintan Regency Culture and Tourism Service for the 2023 Fiscal Year. performance so that the achievement of each performance indicator can be realized in the 2023 budget year.

In order to increase tourist visits to Bintan Regency, the Department of Culture and Tourism has set the first strategic target, namely increasing the number of domestic and foreign tourist visits (Kedang & Soesilo, 2021; Prakoso & Lima, 2019). Based on target performance indicators, it can be seen that the growth target of 25% of foreign tourists can be realized by 62.60%. This means that the level of actual achievement exceeds the predetermined target. Likewise, with the growth percentage of domestic tourists, the target of 25% could be realized by 46.71%, also exceeding the target that had been set. This success shows that the Department of Culture and Tourism has succeeded in increasing the number of tourist visits to Bintan Regency, making it a highly anticipated destination .

The purpose of SWOT and PETS analysis in Tourism Management in Bintan Regency is that the purpose of SWOT and PEST analysis in Tourism Management in Bintan Regency is to analyze the strengths, weaknesses, opportunities and threats related to tourism management in Bintan Regency, as well as to find out what the Tourism management strategy is. at Bintan Regency can be realized in achieving the goals and objectives that have been set. SWOT and PEST analysis are two tools that are often used in business strategy to determine the situation and conditions related to the business.

SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats) focuses on internal and external factors that influence business, namely strengths, weaknesses, opportunities and threats (Humphrey, 1960; Pickton & Wright, 1998). SWOT analysis can help companies to increase strengths and reduce weaknesses, as well as take advantage of opportunities and anticipate threats. PEST (Political, Economic, Social, and Technological) analysis, on the other hand, focuses on external factors that influence a business (Miller et al., 2011; Stosic et al., 2012). PEST analysis includes political factors (e.g. government regulations, policies, and laws), economic factors (e.g. inflation rates, interest rates, and economic growth), social factors (e.g. consumer behavior, culture, and trends), and technological factors (e.g. technological development, innovation and digitalization) (Bonnici & Galea, 2015; Slamang, 2012).

By using PEST analysis, companies can understand how these factors affect the business and make strategic decisions accordingly. In the synthesis of SWOT and PEST analysis, companies can make more effective and efficient strategic planning (Andoh-Baidoo et al., 2012; Ha & Coghill, 2008). SWOT analysis helps companies to improve

strengths and reduce weaknesses, while PEST analysis helps companies to understand how external factors affect the business. Thus, companies can make informed decisions to increase market awareness, increase competitiveness, and improve business results (Carruthers, 2009; Talib et al., 2014).

In managing tourism in Bintan Regency, SWOT and PEST analysis are important to understand the potential and threats faced by the tourism industry. In the SWOT analysis, Bintan Regency's strengths can be found, such as having beautiful beaches and various tourist attractions, as well as the advantages of available infrastructure. However, there are also weaknesses that need to be considered, such as the lack of other supporting infrastructure, such as accommodation and transportation (Iskandar, 2020; Okparizan et al., 2019). Meanwhile, in the PEST analysis, available opportunities can be found, such as an increase in the number of domestic and international tourists, as well as developments in information technology that enable more effective tourism promotion and marketing.

However, there are also threats that need to be watched out for, such as negative public perceptions about tourism and climate change which can affect environmental quality. In an effort to develop tourism in Bintan Regency, SWOT and PEST analysis can be used as a reference for creating effective management strategies. For example, by using the strengths of Bintan Regency, such as having beautiful beaches, a more effective tourism promotion strategy can be created. Meanwhile, by using the weaknesses faced, such as the lack of other supporting infrastructure, more effective problem solving strategies can be created. Thus, SWOT and PEST analysis can help improve the quality of tourism in Bintan Regency and increase regional income.

## **RESEARCH METHODS**

Qualitative research method is a research method used to collect, analyze and explain data obtained through the interaction process between researchers and research subjects. This method focuses more on collecting qualitative data, such as words, images, videos, etc (Bungin, 2015). In qualitative research methods, it is important for researchers to have good communication skills, have an awareness of the culture and context of the research subject, and have the ability to adapt to unexpected situations (Moleong, 2012). In data analysis, we use the content analysis method to explore data collected through interviews and observations.

In content analysis, we categorize the data into several themes related to SWOT and PEST. SWOT is an abbreviation of Strengths, Weaknesses, Opportunities, and Threats, which means strengths, weaknesses, opportunities and threats. In this research, we use SWOT to analyze an organization's strengths and weaknesses, as well as the opportunities and threats it faces. In this way, we can find out how organizations can optimize strengths and overcome weaknesses, as well as how organizations can take advantage of opportunities and anticipate threats. PEST is an abbreviation for Political, Economic, Social, and Technological, which means politics, economics, social and technology. In this research, we use PEST to analyze external factors that influence the organization. In this way, we can find out how organizations are influenced by the political, economic, social and technological events that occur around them. While the PEST analysis provides a critical framework for understanding external influences, organizations need to approach it as part of a broader strategic planning process that considers the dynamic and interconnected nature of their operating environment.



## **RESULTS AND DISCUSSION**

### **Tourism Program Bintan Regency**

Tourism Program Bintan Regency aims to develop and enhance the tourist attractions, destinations, and creative economy in the region. The program is divided into several activities, including the management of tourist attractions, destination management, marketing, creative economy development, and human resource development (Iskandar, 2020). The program's focus on developing and managing tourist attractions and destinations is evident in the sub-activities such as the development of tourist attractions, monitoring and evaluation of their management, and the provision of infrastructure and facilities (Rusyidi & Fedryansah, 2018; Zebua, 2016). This suggests that the program is committed to creating a pleasant and attractive environment for tourists to visit and enjoy the region's natural and cultural heritage.

The marketing activity is also an important aspect of the program, as it aims to promote the region's tourist attractions, destinations, and creative economy to both domestic and international audiences. This can be achieved through various media channels, such as print media, electronic media, and other forms of media. The development of creative economy is also a significant aspect of the program, as it aims to promote the region's cultural and artistic heritage. This can be achieved through the provision of infrastructure such as zones for creative expression, promotion, and interaction for creative individuals.

Furthermore, the program recognizes the importance of human resource development in the tourism and creative economy sectors. The sub-activity focused on improving the capacity of human resources in these sectors suggests that the program is committed to building a skilled and competent workforce. Overall, the Program Tourism Bintan Regency is a comprehensive initiative that aims to develop and enhance the tourism sector in the region. By focusing on the development of tourist attractions, destinations, marketing, creative economy development, and human resource development, the program is likely to achieve its goals and contribute to the region's economic growth and development. Program Tourism Bintan Regency is a well-planned initiative that aims to create a vibrant tourism industry in the region. By implementing various activities aimed at developing tourist attractions, destinations, marketing, creative economy development, and human resource development, the program is likely to achieve its goals and contribute to the region's economic growth and development.

### **SWOT and PETS Analysis**

Bintan Regency has several strengths that can be leveraged to develop its tourism industry. The natural attractions, such as beaches, islands, and forests, are a major draw for tourists. Additionally, the rich cultural heritage and friendly local community can provide a unique and authentic experience for visitors. Furthermore, the government support for tourism development and limited marketing budget can be utilized to create effective marketing strategies.

However, the analysis also highlights several weaknesses that need to be addressed. The limited infrastructure, including accommodation and transportation options, can be a major deterrent for tourists. Additionally, the limited human resources and limited connectivity to major cities can make it difficult to manage the tourism industry effectively.

Tabel 1. SWOT Analysis

S (Strengths)	W (Weaknesses)	O (Opportunities)	T (Threats)
Natural attractions (beaches, islands, forests)	Limited infrastructure (accommodation, transportation)	Growing demand for eco-tourism	Competition from other tourist destinations
Rich cultural heritage	Limited marketing budget	Government initiatives for tourism development	Climate change and environmental concerns
Friendly local community	Limited human resources	Increasing interest in wellness and health tourism	Political instability and security concerns
Government support for tourism development	Limited connectivity to major cities	Development of new tourism products and services	Competition from online travel agencies

Source: Author, 2024

In terms of opportunities, the growing demand for eco-tourism and wellness and health tourism presents a significant opportunity for Bintan Regency to develop new tourism products and services. The government initiatives for tourism development and increasing interest in wellness and health tourism can also provide opportunities for collaboration and investment (Hudson, 2011; Safaeva, 2020). On the other hand, the threats posed by climate change and environmental concerns, competition from other tourist destinations, and political instability and security concerns need to be addressed. The competition from online travel agencies also requires attention to stay competitive.

In conclusion, based on the SWOT analysis, Bintan Regency has several strengths that can be leveraged to develop its tourism industry. However, addressing the weaknesses and threats is crucial to ensure the success of the tourism industry. The government and stakeholders should prioritize developing infrastructure, improving human resources, and promoting sustainable tourism practices to mitigate the threats. Additionally, collaboration with private sector partners can help to develop new tourism products and services that cater to the growing demand for eco-tourism and wellness and health tourism. By addressing these challenges, Bintan Regency can establish itself as a competitive tourist destination that attracts visitors from around the world.

In terms of practical implementation, several steps can be taken to address the weaknesses and threats. Firstly, the government can prioritize infrastructure development by investing in building new hotels, resorts, and transportation facilities. Additionally, human resources training programs can be implemented to improve the skills of local staff in the tourism industry. Furthermore, sustainable tourism practices should be promoted through education and awareness campaigns to mitigate the impact of climate change and environmental concerns. Collaboration with private sector partners can also be encouraged through initiatives such as public-private partnerships (PPPs) or joint venture projects. This can help to develop new tourism products and services that cater to the growing demand for eco-tourism and wellness and health tourism (Higgins-Desbiolles, 2021; Sharpley, 2020).

Additionally, partnering with online travel agencies can help to increase visibility and attract more tourists. Overall, a comprehensive approach that addresses the strengths, weaknesses, opportunities, and threats of Bintan Regency's tourism industry is necessary to ensure its success. By prioritizing infrastructure development, human resources training, sustainable tourism practices, and collaboration with private sector partners, Bintan Regency can establish itself as a competitive tourist destination that attracts visitors from around the world.

By understanding the PEST factors affecting tourism management in Bintan, stakeholders can develop effective strategies to promote sustainable tourism development that benefits both the local community and the industry as a whole Here is a table analysis of PEST analysis in tourism management in Bintan Regency

Tabel 2. PETS Analysis

P (Political)	E (Economic)	S (Social)	T (Technological)
Government policies and regulations	Economic growth and development	Local culture and traditions	Internet and social media
Tourism industry development	Foreign investment	Community engagement and participation	Mobile technology
Tourism infrastructure development	Job creation and employment	Environmental conservation	Online travel agencies
Tourism promotion and marketing	Tourism revenue generation	Local community involvement and empowerment	Artificial intelligence

Source: Author, 2024

Based on the PEST analysis table, we can analyze the current situation of tourism in Bintan Regency. The Political factor plays a significant role in shaping the tourism industry in Bintan. The government's policies and regulations, such as the development of tourism infrastructure, promotion and marketing, and the creation of job opportunities, have a direct impact on the growth of the industry (Rakesh, 2014; Shabanova et al., 2015). The government's investment in tourism infrastructure development, such as the construction of hotels, restaurants, and attractions, has created a favorable environment for tourists to visit and stay in the area (Dinarto et al., 2020). Furthermore, the government's efforts to promote Bintan as a tourist destination through various marketing campaigns have also contributed to the growth of tourism in the region.

1. The Economic factor is also a crucial consideration in the PEST analysis of Bintan's tourism industry. The economic growth and development of the region have created a demand for tourism services, which has led to an increase in foreign investment in the sector. The development of tourism infrastructure has also created job opportunities for locals, which has contributed to the growth of the economy. Additionally, the revenue generated from tourism has become a significant

contributor to the local economy, providing an alternative source of income for local communities.

2. The Social factor is also an important consideration in the PEST analysis of Bintan's tourism industry. The local culture and traditions of Bintan play a significant role in shaping the tourism experience. The community's engagement and participation in tourism development have helped to create a sense of ownership and responsibility among locals, which has contributed to the success of tourism initiatives. Moreover, the local community's involvement in decision-making processes has helped to ensure that tourism development is sustainable and beneficial for all stakeholders.
3. The Technological factor is also a significant consideration in the PEST analysis of Bintan's tourism industry. The development of mobile technology and online travel agencies has made it easier for tourists to access information about Bintan and book their travel arrangements online. This has increased the accessibility and reach of Bintan as a tourist destination, making it more appealing to tourists from around the world. Additionally, the use of artificial intelligence in tourism marketing has enabled tour operators to target specific segments of tourists with personalized messages, which has helped to increase tourist arrivals.

PEST analysis of Bintan's tourism industry highlights the importance of considering multiple factors when analyzing the current situation of tourism in the region. The Political factor has played a significant role in shaping the industry through government policies and regulations, while the Economic factor has driven growth through investment and revenue generation. The Social factor has contributed to sustainable tourism development through community engagement and participation, while the Technological factor has increased accessibility and reach through mobile technology and online travel agencies. By understanding these factors, stakeholders can develop effective strategies to promote and develop sustainable tourism in Bintan Regency.

In this comparison, the SWOT analysis focuses on the internal strengths and weaknesses of Bintan Regency, as well as external opportunities and threats that can affect the tourism industry. The SWOT analysis helps to identify areas where the regency can improve its competitiveness and address potential challenges. The PEST analysis, on the other hand, focuses on the external factors that can impact the tourism industry in Bintan Regency. These factors include political, economic, social, and technological trends that can shape the industry's future development. By combining the insights from both analyses, policymakers and stakeholders in Bintan Regency can develop a more comprehensive strategy for managing tourism in the region, taking into account both internal and external factors that can affect the industry's growth and sustainability.

### **Tourism Obstacles and Challenges in Bintan Regency in the Future**

As Bintan Regency continues to develop its tourism industry, it is crucial to acknowledge and address the potential obstacles and challenges that may arise in the future. One of the primary concerns is the limited infrastructure and amenities, which can hinder the quality of tourist experience. For instance, the lack of adequate transportation systems, such as high-speed ferries and efficient road networks, can make it difficult for tourists to navigate the island. Furthermore, the limited availability of affordable accommodations, dining options, and entertainment facilities can limit the appeal of Bintan as a tourist destination.

Another challenge facing Bintan's tourism industry is the competition from other regional destinations. The growing popularity of nearby islands such as Batam and Karimun has led to increased competition for tourist dollars. To stay ahead of the competition, Bintan must focus on developing its unique selling points, such as its pristine beaches, lush forests, and rich cultural heritage. Additionally, the regency must invest in targeted marketing campaigns to attract high-yield tourists who are willing to pay premium prices for unique experiences.

Climate change and environmental concerns are also significant obstacles that Bintan's tourism industry must confront. Rising sea levels, increased storm frequencies, and water pollution can all have a negative impact on the island's tourism attractions. Furthermore, the pressure to develop infrastructure and accommodate an increasing number of tourists can lead to environmental degradation and loss of biodiversity. To mitigate these risks, Bintan must prioritize sustainable tourism practices, such as eco-friendly accommodations and environmentally responsible waste management.

Another challenge facing Bintan's tourism industry is the need for effective planning and management. The regency must develop a comprehensive tourism master plan that takes into account the needs and expectations of tourists, while also ensuring that the industry is managed in a way that benefits local communities and preserves the environment. This will require close collaboration between government agencies, private sector stakeholders, and local communities. Finally, human resource development is another critical obstacle that Bintan's tourism industry must address. The regency must invest in training programs for local staff and tour operators to ensure that they have the necessary skills to provide high-quality services to tourists. This will also require a focus on developing a culture of hospitality and customer service among local residents.

## **CONCLUSION**

Bintan Regency's tourism industry has several strengths that can be leveraged to develop its tourism sector, including its natural attractions, rich cultural heritage, and friendly local community. However, the industry also faces several weaknesses, including limited infrastructure, limited human resources, and limited marketing budget. To address these challenges, the regency should prioritize infrastructure development, human resources training, and sustainable tourism practices. Additionally, collaboration with private sector partners and online travel agencies can help to develop new tourism products and services.

The PEST analysis highlights the importance of considering multiple factors when analyzing the current situation of tourism in Bintan Regency. The political factor plays a significant role in shaping the industry through government policies and regulations, while the economic factor drives growth through investment and revenue generation. The social factor contributes to sustainable tourism development through community engagement and participation, while the technological factor increases accessibility and reach through mobile technology and online travel agencies.

Bintan Regency's tourism industry faces several challenges and obstacles in the future, including limited infrastructure, competition from other regional destinations, climate change and environmental concerns, and the need for effective planning and management. To overcome these challenges, the regency must prioritize sustainable tourism practices, invest in training programs for local staff and tour operators, and develop a comprehensive tourism master plan that takes into account the needs and

expectations of tourists while also ensuring that the industry benefits local communities and preserves the environment.

## **ACKNOWLEDGEMENT**

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