

CHAPTER I

INTRODUCTION

A. Background

Tourism is one of the important things for a country. By tourism, a country or more, especially the local government where the tourist attraction is getting income from the income of every tourist attraction. The development of the tourism sector in a country will attract other sectors to develop as well because its products are needed to support the tourism industry, such as agriculture, livestock, plantation, people's crafts, increased employment opportunities, and so forth. Chains whose activities are related to the tourism industry are capable of generating foreign exchange and can also be used as a means to absorb labor so as to reduce unemployment and increase employment rates.

In tourism activities, there are some reviews that can be perceived benefits. From an economic point of view, the tourism sector can provide regional income derived from taxes, user charges, fees, and increase foreign exchange for the country due to foreign tourists visiting. People around the place of tourism can also generate income that can support their economy. From a social point of view, the tourism sector can provide employment opportunities for the needy workers. This can reduce the number of unemployment cases very much. From a cultural perspective, the tourism sector can introduce local culture and customs

of the region, so as to increase the community to preserve and uphold domestic culture in order to get to the international scene.

Economists expect the tourism sector to be one of the most important economic activities of the 21st century. In a country, when developed in a planned and integrated manner, the role of the tourism sector will exceed the oil and gas (petroleum and natural gas) sectors as well as other industries. Thus the tourism sector will serve as the development catalyst (agent of development) and will accelerate the development process itself, among others will be very instrumental in: (1) Increase of foreign exchange earnings of the State, (2) Expanding business. (3) Expanding employment opportunities, (4) Accelerating distribution of income, (5) increasing tax revenues State levies, (6) increasing national income, (7) strengthening balance of payments position, (8) areas with limited natural potential (Yoeti, 2008).

Tourism in Indonesia is one of the important economic sectors. The tourism sector is the mainstay sector in foreign exchange earned and the fifth largest foreign exchange sector in Indonesia after oil, gas, coal and palm oil (Badan Pusat Statistik, 2013). The high number of tourists with high intensity who visit Indonesia, this is one of the advantages that can increase foreign exchange for nation and state development. But on the other hand, it should be realized that the general economic development and development of tourism in particular, on the basis of experience not only produce prosperity and progress but also can cause

unexpected and undesirable changes to the environment and natural resources. These changes sometimes come out of the plan and can surprise all of us, both residents and local communities, as well as governments at the central and regional levels. Environmental changes and natural resources, beyond this plan is known as environmental impact.

Development and utilization of tourism optimally able to increase economic growth, consider it then good handling is needed in the development of tourism objects in Indonesia. The actors of tourism began to take action development with research, observation of tourist objects in Indonesia. The step is done to determine the potential and existing problems in each object to then look for a solution. Another step is promotion with printed, electronic, and multimedia media so that the public also know the existence of these objects and participate in the development (Wahab, 1997).

If the tourism sector is well managed and developed, then it can make a very good asset. Especially if coupled with the maximum utilization of power, the quality packaging of tourist attractions, and still maintain the sustainability of the sights. The territory of Indonesia is very suitable for the development of assets in the field of tourism due to the abundance of natural wealth and the results owned by Indonesia. In the agricultural sector, plantations and from the results of handicraft businesses can be assisted by the tourism sector.

In this era of globalization, nature tourism is one of the most popular travel options. Visible changes of travel interest from mass tourism (mass tourism) that rely on 5S (sun, sea, sand, scenery, and sex) leads to environmentally sound tourism and sustainable tourism. This is indicated by the changing interest in the international tourism market that leads to environmental tourism activities in the natural tourist areas of Africa and Asia Pacific (Dirawan and Darmawan, 2006). But with the increasing number of economic development of a country, it must be faced with issues concerning aspects of nature and environmental sustainability. The shrinking availability of natural resources, the existence of pollution and the transition of green land into economic land are examples of development that are not in harmony with the sustainability of the natural environment.

Therefore, a concept of environmentally sound development or sustainable development is required in accordance with a fundamental approach to implementing development objectives without reducing environmental risks and the use of natural resources (McIntyre, 1993). By paying attention to the sustainability of the environment and nature that is not only oriented toward the present generation but also the future. Sustainable development is essentially aimed at seeking equitable development by taking into account the main pillars of economy, social, and environment.

Sustainable tourism developed in certain geographical areas can be a fundamental tool in economic development and poverty reduction in certain areas. It is also possible to create a business that sells goods and services through areas that have culture and environmental resources, offering low-scaled opportunities to create employment opportunities especially for women and youth (World Tourism Organization 2002). The concept of sustainable development is known as a model called green economy. Green economy model is known as the concept of development that is environmentally friendly (economy to green requirements) in other words to prevent adverse impact on the surrounding environment.

According to the United Nations Environmental Program (UNEP, 2011) the green economy is an economy that results in improved social welfare and social justice for humans and is able to reduce environmental risks and ecological scarcity. Green economy model in the concept of sustainable development can be applied one of them on the tourism sector. Tourism is one of the sectors that do not escape from the application of sustainable development of nature conservation (sustainable).

Further, according to Damanik and Weber (2006) stated the basic idea of sustainable development is the sustainability of natural resources and culture derived in sustainable tourism or also called green tourism. According to the UNWTO (United Nations World Tourism Organization) the tourism sector is one

of the largest and fastest growing economic sectors in the world and contributes to global GDP of 9 percent.

According to data of Litbang in 2015, natural tourism turned out to be a special tourist attraction for some public. Coastal tourism becomes the main choice of 34.5% and mountain tourism by 14.5%. With the development of sustainable tourism can provide an advantage in terms of economic, social, cultural, and environmental. Indonesia is one country in the world that holds a lot of natural potential both land and sea (beach). The condition of fertile soil makes Indonesia as the center of the attention of human groups to settle and develop their respective businesses, while the potential of waters in the form of oceans and beaches is one of the many attractions favored by domestic tourists and foreign tourists. This can be because Indonesia is a tropical country, but it also has tropical sea, white sand beach clean, and clear blue sea water. So many foreign tourists who come to expect to enjoy the fresh air and the beauty of the beach, but also to perform water sports activities such as: water-surfing, water-skiing, diving, and so forth.

West Nusa Tenggara (NTB) Province is a province that has a strategic location and has many tourist attractions that offer natural beauty, which is still maintained naturalness and authenticity. West Nusa Tenggara Province is one of the destinations of national and international tourist destinations because many tourist attractions have its own peculiarities. Examples are include three exotic

islands on Lombok island commonly referred to as Three Gili (Gili Air, Gili Meno, and Gili Trawangan), Mata Jitu Waterfall, Kenawa Island, Lakey Beach, Sade Traditional House, Senggigi Beach, Satonda Island and others. Each region in NTB that has these different potentials and advantages, in its tourism development prioritizes the natural and cultural richness of each region.

One of the regions in NTB that contributes to the income in the tourism sector is Dompu Regency. Dompu Regency is located in the middle of the island of Sumbawa which borders Sumbawa and Saleh bay in the west, Bima regency in the north and east, and the Indian Ocean in the south. The atmosphere in Dompu Regency in some areas is still quite cool and fresh, but in some other areas there is a barren atmosphere like savanna, and also the location of the area close to the beach so many tourist attractions that offer an atmosphere of natural beauty. This nature-based attraction is what attracts tourists to visit such places as frequently visited destinations. The following is the table data showing the average number of visitors to the tourist attraction in Dompu Regency.

Table 1.1
The Data of Tourist Visits on Tourism Objects in Dompu Regency 2012-2016

Years	Tourist visits		Total
	Domestic Tourists	Foreign Tourists	
2012	40.569	5.366	45.935
2013	47.131	5.488	52.619
2014	119.759	6.068	125.827
2015	156.297	6.510	162.807
2016	177.264	7.503	184.767

Source: Statistics of Culture and Tourism of Dompu Regency

From table 1.1 above shows that the data of tourist visits from the Department of Tourism during the last 6 years in Dompu Regency increased every year. Data in 2012 amounted to 45,935 visits. And data in 2016 as many as 184,767 tourist visits.

Table 1.2
Comparison of Visitor Attraction in Dompu Regency in 2016

No.	Name of research object in Dompu Regency	Number of visitors
1.	Madaprama	17.689
2.	Ria Beach	32.107
3.	Lakey Beach	38.203
4.	Felo Janga Beach	11.065
5.	Tambora Mountain	16.035
6.	Satonda Island	22.503
7.	Hodo Beach	5.098
8.	Matompo Hill	4.072
9.	Nisa Pudu Island	2.188
10.	Savana of Sarae Nduha	31.807

Source: Statistics of Culture and Tourism of Dompu Regency

From table 1.2 above shows that the most visited tourist attraction is Lakey Beach with the number of visitors as much as 38,203 compared with other tourist objects in Dompu Regency. And the least visited tourist attraction is Nisa Pudu Island as much as 2,188. This is because the island of Nisa Pudu is located in the middle of the sea with a distance of approximately 1 hour journey, and the only transportation that can be used to reach this place only by using a small boat owned by local fishermen who live on the coast of Soro.

It also indicates that tourism of Dompu Regency has potential, and can provide great opportunities for increasing local and community income. By reading the growth rate of tourist visits, it is necessary a concept of sustainable tourism development (green tourism) so that tourists remain interested to visit the tourist destinations in Dompu Regency. Judging from the most number of visitors and this potential would make the author became interested in researching about the existing Lakey beach tourism object in Dompu Regency. It requires the involvement of the Local Government, the actors of the tourism sector and the participation of surrounding communities in developing and optimizing the potential of natural tourism while maintaining the principles of tourism development that are responsible for the preservation of the local environment and culture. So that the existence of tourism sector in Dompu Regency can be used continuously.

Value is the perception of a person. Value is the price given by a person to something object at a certain place and time. By knowing how much expenses from someone who visited the tourist attractions can be studied how the value given to natural resources and the environment. According to (Djijono, 2002), the size of the price is determined by the time, goods, or money that will be sacrificed by someone to own or use the goods or services that he wants while the perception is the individual or group view of an object in accordance with the level of knowledge, understanding.

In terms of valuing this environment, it is necessary to know or suspect the value of environmental goods and services. Davis and Johnson (1987) provide definitions of valuations that are activities related to the development of concepts and methodologies to predict the value of goods and services. Travel cost method is used to estimate the economic value of tourist area based on the valuation given by each individual or society from the cost incurred to visit a Tourist Objects. Thus, the willingness to pay people to visit this location can be expected based on various travel expenses. In assessing the tourist object in Dompu Regency, it is used non-market valuation technique because the tourism object in this regency includes tourism object which has no market value. The non-market valuation technique is a technique based on the concept of willingness to pay (WTP) to measure benefits by providing an economic valuation of environmental goods that also have the typical characteristics of public goods (Turner et al.,

1994). This non-market valuation technique uses TCM method (Travel Cost Method) so that later will be able to know the value of direct use from tourists to Tourism Object in Dompu Regency.

According to (Hufschmidt, 1987), the concept of the Travel Cost Method approach assesses the benefits consumers receive in utilizing environmental goods even though recreational areas do not charge entry fees or tariffs of utilization. The tourists come from various regions to go to a place of recreation of course spend a certain fee for travel expenses. The farther away the tourists, the travel costs incurred more so that the demand for tourist attractions will be reduced. The magnitude of this demand is used to calculate the economic value of environmental services tourist attraction of Dompu Regency. Travel cost method is done by using information about the amount of money or expenses incurred and the time taken to reach the recreation area to estimate the benefit value of the effort to change the environmental quality of the visited recreation place (Yakin, 1997).

In addition to the costs incurred by tourists there are also factors that can affect the number of tourist visits to visit a tourist attraction is the length of time required to travel from residence to attractions. If the time to travel required more than the lower visits and vice versa. This time cost is related to the distance between the residence and the tourist object. The farther away a person's place of residence, the lower the visit rate and vice versa for tourists whose residence is

adjacent to the place of recreation, then the level of visits to the recreation place will be higher (Hufschmidt, 1987)

In addition to distance variables, there are several socioeconomic variables that can indirectly affect tourists to visit a tourist attraction. These socioeconomic variables include age, sex, education, and income (Mill and Morrison, 1985). Age can indirectly affect tourists to visit a tourist attraction, because age is related to leisure and activity as well as the ability of tourists to make tourist visits. Sex variables occur in many similarities over differences in the provision of free time, both male and female. There is a tendency for women to do more cultural activities (cultural activities), whereas men prefer outdoor recreation or sports. Thus the gender of a person will also determine what type of tour will be selected.

Variable income is an important factor to influence tourists in order to travel. Income received by a person will be used to finance all expenses during a tour, so that income will affect a person in making decisions. Variable levels of education can affect a person's understanding of psychological needs and curiosity about the attractions and motivation to travel. According to (Aprilian, 2009), using the method of travel cost method, the variable of travel expenses, income, age, and tourist attraction significantly influence the number of visits in Situ Gunung Nature Park. Meanwhile, according to (Igunawati, 2010), the research using the same method states that the number of requests to Tirta

Reservoir Cacaban Reservoir is influenced by travel costs, distance and previous visiting experience. The cost of travel to other tourist objects, individual income, working time and age does not affect the number of requests to Object Tour Tirta Reservoir Cacaban.

Factors opinion of tourists is also important in determining the number of tourist visits in a tourist attraction. Opinions or perceptions of tourists to the tourist attractions are influenced by the facilities provided by the manager of the sights. If the facilities provided are less satisfactory then tourists are reluctant to visit the attraction. Vice versa, if the facilities provided enough to satisfy the tourists, then they will think again to return to the tourist attraction

Based on the above explanation, the researchers are interested to examine the economic value of tourists visiting the attractions in Dompu Regency and what factors influence it. This research entitled "*Economic Valuation of Lakey Beach Green Tourism, Dompu Regency: Travel Cost Method*".

B. Limitations of Problems

In this study, the problem to be studied is limited to only on Lakey beach in Dompu Regency. Visitors who made the respondents are the visitors found in the tourist attraction in Dompu Regency and willing to fill out the questionnaire on the day the researcher conducted the study.

C. Problem Formulation

The formulation of the problem in this study are as follows:

Based on the above background, as a guide the direction of research then the formulation of the problem of this study are as follows:

1. What factor influences of visits to Lakey beach in Dompu Regency?
2. How much economic value and total economic value seen from the visitor's surplus of visitors by the approach of Travel Cost Method and by the Contingent Valuation Method approach?

D. Research Objectives

The purpose of this research is as follows:

1. Knowing whether the cost of travel influences the number of visits at the Lakey beach in Dompu Regency.
2. Knowing whether education influences the number of visits at the Lakey beach in Dompu Regency.
3. Knowing whether income affects the number of visits at Lakey beach in Dompu Regency.
4. Knowing whether time travel affects the number of visits at Lakey beach in Dompu Regency.
5. Knowing whether the age affects the number of visits at Lakey beach in Dompu Regency.
6. Knowing whether perceptions of respondents affect the number of visits at Lakey beach in Dompu Regency.

7. Measuring the magnitude of economic value seen from consumer surplus and total economic value Lakey beach in Dompu Regency seen from travel expenses and seen from Contingent Valuation Method.

E. Research Benefits

The results of this study are expected to provide benefits that is, as follows:

1. Practically
 - a. The results of this research as an addition or complement of existing scientific literature on the Faculty of Economics, Universitas Muhammadiyah Yogyakarta and is additional information for the parties who need it.
 - b. The results of the research can be used by the manager of Tourism Object in Dompu Regency as reference material to determine the policy of tourism place management.
2. Theoretically
 - a. The results of the research can be used to increase knowledge and research related to tourism economy.
 - b. The results of the study can be used for the parties who need for further research in the field of similar research as reference materials.