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# Developing of Superior Tourism Products for Sustainable Competitive Advantage at Kenderan Rural Tourism

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Abstract—This study aims to identify tourism products and develop them into superior tourism products to create a competitive advantage that is sustainable. The study was conducted by observing, and to the and in-depth interviews with village leaders related to the products that were the object of this study. The approach to determine superior tourism products from interview data is conducted by focus group discussion (FGD) and distributing questionnaires to the stakeholders to design and determine the criterias for superior tourism products. Then the results obtained are analyzed using the Analytical Hierarchy Process (AHP). Based on the results of observation and data analysis obtained 4 types of tourism products such as; natural landscape, cultural and historical products as well as man made products. Analysis using Analytical Hierarchy Process (AHP) obtained tourism superior products in the form of holy water, wood crafts, waterfalls, temples, and palaces. The results show that the superior product with the highest number is holy water, the second place is the waterfall, the third is wood craft, the fourth is the temple, and the last is the palace. The results of this ranking serve as a reference recommendation for marketers for special interest tourist.

Keywords— tourism products, competitive advantage, rural toursm.

## I. INTRODUCTION

# A. Background

Bali has many villages that can be develop as tourist villages. To strive for economic equality and improve the welfare of rural communities, The Bali Provincial Tourism Office has developd 100 tourist villages by creating interesting attractions which have unique characteristics and are unique to the tourist village itself. This makes each tourism village must explore various kinds of potential it has in order to compete to attract tourists.

Kenderan village is one of the tourist village in Bali which is located at the intersection of the Ubud tourist destination and Tampaksiring Palace. Kenderan is a very exotic village with beautiful scenery and cool air [2] The empirical study conducted [1,2] explained that Kenderan village has considerable natural dan cultural potential to be developed.

Referring to the 2010-2014 tourism destination development strategy, a strategy that contains 5 approaches that include, among others: 1) market attractiveness; 2)

pushing product; 3) community empowerment; 4) investment encouragement; 5) institution management. In this study, tourists are central so that the development strategies of tourist destinations are based on approaches focused on market attractiveness and pushing products. The focus of the approach through market attractiveness is an approach to the development of tourism destinations based on tourist preferences and behavioral and psychographic analysis of markets which are target markets namely foreign tourists and domestic tourists [3].

The phenomenon of modern life which is very pressing today makes tourists aware of switching to enjoying the rural atmosphere and becoming a trend among tourists. Trends that have an impact on improving the welfare of the local community. This synergistic relationship raises mutualism symbiosis in both parties. The awareness of tourists to protect nature and the environment on the one hand while the community gets the opportunity to improve the standard of living from tourism activities [4].

Responding to the phenomenon of modern life described in the future, it is important to develop products aimed at product differentiation. According to[5] product differentiation is defined as a process that can be used to build a brand image of a product and to differentiate products from competitors. There are a number of strategies for creating different products aimed at winning competition. These strategies are: 1) presenting unique and specific products, 2) meeting visitor needs, 3) differentiating products from competitors, and 4) creating new products.

Based on the ideas mentioned above, there are 2 important issues to be studied, namely: 1) What tourism products are there in Kendran Village? and 2) Which products of the existing ones are developed into superior products?

# II. LITERATURE REVIEW

## A. Competitive Advantage

According to [6] competitive advantage is one that characterizes and makes things better than all of its competitors. In an intense market, competitive advantage is necessary for SMEs operation, especially in the emerging market, to sustain high performance [7] The competitiveness of a company means adjusting its products to the market and competition requirements, especially in terms of product



range, quality, price and sales channels and optimal promotion methods. According to [8] competitiveness is identified with productivity where the level of output produced for each input unit is used.

# B. Tourism Product

Creating products that meet the needs and wants of the customer is a focal point for business success [9] According to [10] tourism products as anything that includes goods or services purchased or consumed by tourists, [11] define the toursm product as the combination of tourist attractions and the tourism industry. Research done by [12] six categories of good and services required by tourists: transportation, travel services, accommodation, food services, activities and attractions and retail goods. The componen of tourism experieces as products that consist of attraction and environment (natural, built, cultural, social).

#### C. Rural Tourism

Rural tourism development is expected to absorb rural labor, as a driver of economic growth and as a means of alleviating poverty[13].

#### III. RESEARCH METHODS

The location of the study was in the Kenderan Village, Tegallalalang District, Gianyar Regency. This research is a type of quantitative research that uses primary and secondary data sources. Primary data collection is done by interviewing, observing and distributing questionnaires to the resource persons. Selection of resource persons was conducted with consideration, namely having knowledge, abilities and experience in accordance with the problems studied. The selected resource persons were the head of the village, the secretary, the tourism village manager and staff, tourism actors, community leaders and representatives. Data processing techniques are divided into two stages, first, by exploring tourism products owned by Kenderan Tourism Village, the second stage is determining superior tourism products using Analytical Hierarchy Process (AHP) analysis [18].

## IV. RESULT AND DISCUSSIONS

Based on the results of observations and interviews conducted identified as many as four types of tourism products (1) natural tourism products which consist of: waterfalls, holy water and views of rice fields; (2) cultural tourism products consisting of: wooden crafts, dance studios, painting studios, and events in the form of performances of dance arts, puppet arts and mepeed traditions; (3) historical tourism products consisting of: sarchopagus, nekara, pura, and palace; (4) artificial tourism products consisting of: homestays and trekking routes. This discovery is also like the research conducted [2,3] that the potential possessed is in the form of physical and physical potential that can be used as a tourist attraction in Kenderan Village.

Kenderan Village has 3 waterfalls and 11 springs which are often used as holy water for daily ceremonies and temple ceremonies. Kendran is a fertile village because of the abundant water. And become a source of life for the people of Ubud and Tegallalang. Cultural tourism products in the

form of wood carvings are very famous throughout Bali. Wood and gypsum products are used for equipment to build temples, sanggah, and other sacred buildings. Likewise there are painting studios, dance studios and several cultural events that are often exhibited for tourists such as the mepeed tradition when there is a ceremony at the largest temple in Kenderan Village, Griya Sakti temple. Historical heritage such as the Sarchopagus, which is a corpse from a rock located on a stretch of rice fields, a stone print Nekara, a grand palace of Agung Kenderan and Manuaba Palace which has a unique architecture and rich in cultural traditions. Homestay and trekking paths are started by some residents for a place stay and activities for tourists who like to live in a rural atmosphere.

To determine the superior product of Kenderan tourism village, the step that must be taken is to determine the criteria of the product so that it can be said to be superior. Based on the results of the FGD conducted with steak holders, seven criteria were obtained, namely the number of tourist visits, community income, employment, specificity or significance, cultural preservation, environmental protection and accessibility.

The hierarchical structure in determining superior products can be seen in Fig. 1.

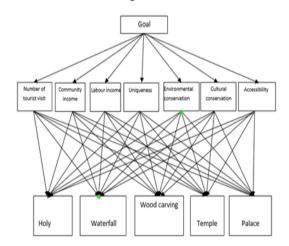


Fig. 1. Hierarchical structure for determining superior products.

From the picture above shows the flow in determining the superior village tourism products starting from the purpose, then there are criteria that are used as the basis for determining or selecting superior potential and there are alternatives in the form of tourism potential in Pelage tourism village which will be chosen or prioritized in its development. After the goal is determined the steps that must be taken is to give weighting to each of the criteria. Based on the data obtained and after testing the level of consistency of the respondents' opinions, the level of consistency ratio (CR) = 0.066 smaller than 1 means that the opinion of the respondents has been consistent, which means no need to revise the assessment again and the results of the weighted criteria can be used. Based on the results of the analysis are obtained the criteria as it is shown in Table I.



TABLE I.	EVALUATION	WEIGHT OF	ALTERNATIF

Criteria	NV	CI	EM	UT	AC	CP	EP	VE
Number of tourist visit	0.45	0.58	0.42	0.29	0.42	0.31	0.29	0.39
Community income	0.15	0.19	0.31	0.29	0.28	0.22	0.22	0.24
Employment	0.11	0.06	0.10	0.11	0.14	0.17	0.19	0.13
Uniqueness/Typical	0.09	0.03	0.05	0.05	0.02	0.08	0.09	0.06
Accessibility	0.07	0.04	0.05	0.17	0.07	0.13	0.09	0.09
Cultural preservation	0.06	0.03	0.02	0.03	0.02	0.04	0.06	0.04
Environmental preservation	0.05	0.02	0.01	0.02	0.02	0.02	0.03	0.02
Total	1.00	1.00	1.00	1.00	1.00	1.00	1.00	

Based on the table above, it can be seen that the eigenvector (VE) or the greatest weight of all criteria for superior tourist products is the number of tourist visits by 0.399. This illustrates that superior tourism village products must have the ability to be accepted by the market and can answer market needs. The wider the market, the higher the product to become a superior tourist product Market availability means not only meeting the local market, but also national and international markets. The positive impact of market expansion achieved will affect the economy of the community. The results of research conducted by Kazem (2003) and Nurzamzami and Siregar (2014) show that market potential is a factor that increases opportunities for business competitiveness with small and medium scale businesses.

The second highest weight value is the income of the community, with a weight of 0.242 which means that superior tourism village products must be able to contribute to economy or welfare of society. In Regulation of the Minister of Home Affairs (Permendagri) No. 9 of 2014, it was stated that superior products should contribute to the economy so that it has economic value, provides benefits to consumers, has a future and backward relationship, provides a dual economic effect and simultaneously provides economic benefits for all stakeholders and regions that produce superior products.

For the next criteria is the absorption of labor with a weight of 0.131, the more labor that can be absorbed, meaning the tourism potential is able to help the government and society reduce unemployment, and at the same time with the absorption of labor is expected to improve the community economy. Accessibility gets a weight of 0.094 tourism potential will be more potential if the potential has high accessibility. The more strategic a tourism potential will be more easily known and visited by tourists.

Uniqueness or specificity gets a weight of 0.065. The uniqueness of the purpose is the fact or difference of a tourism potential with other tourism potential both around the region and between regions. This is important because everyone doing a tour must want something different from what he has ever gotten from the tourism potential or tourist attractions that have been visited. The sixth sequence of the seven criteria determined is cultural preservation with a weight of 0.042. Every average product development is expected to be able to support the preservation of existing culture so that superior product development does not eliminate the culture of society. The last is environmental preservation with a weight of 0.028, in developing tourism

potential needs to pay attention to environmental preservation.

After determining the weight of the criteria, the analysis continued with data collection through questionnaires and FGD with steak holders, from the collected data in the form of opinions. The respondent tested the level of consistency first, if  $CR \le 1$  means that the opinion of the respondent was consistent and no need to reassess. Based on the results of the analysis obtained the level of consistency ratio (CR) for each criterion in each alternative as in the Table II below.

TABLE II. THE CONSISTENCY LEVEL OF CRITERIA FOR EACH CRITERIA

No	Kriteria	CR
1	Number of tourist visit	0,0258
2	Community income	0,0869
3	Employment	0,0080
4	Uniqueness/Typical	0,0928
5	Accessibility	0,0984
6	Cultural preservation	0,0978
7	Environmental preservation	0,0714

From Table II, all CRs are below 1, meaning that the opinions of respondents have been consistent and there is no need for a reassessment. Because the respondents' assessment of each alternative is consistent, the next step is to determine the order of priorities for each alternative based on predetermined criteria.

TABLE III. EIGEN VECTOR IN THE RESPECTIVE ALTERNATIF

Alternative	Eigen Vector						
Anemative	NV	CI	EM	UT	AC	CP	EP
Holy water	0.490	0.293	0.26	0.294	0.27	0.037	0.459
Waterfall	0.141	0.125	0.118	0.467	0.126	0.47	0.146
Wood							
carving	0.249	0.477	0.539	0.47	0.467	0.126	0.191
Temple	0.05	0.059	0.055	0.042	0.042	0.377	0.111
Palace	0.089	0.061	0.034	0.097	0.032	0.345	0.055

For holy water tourism products, the biggest priority is the number of tourist visits and cultural preservation with a score of 0.490 and 0.459 respectively, because the waterfalls in Kenderan Tourism Village are well known by tourists, not only local tourists but also foreign tourists. Kenderan Village uses holy water as a brandname with the name Kenderan Holy Water Village. Water is a symbol of prosperity and the village of Kenderan is a source of water for the people of Tegallang so it must be preserved. Waterfall tourism products get the highest priority order on uniqueness because



of the 3 waterfalls there are very unique hidden waterfalls on the slopes and the road to the waterfall can be used for lanes. Trekking the biggest priority carving craft product is the absorption of labor and community income with a score of 0.539 and 0.477. The most carved handicraft products absorb laborers, most of them work as wood craftsmen in addition to farmers with quite promising income ranging from Rp. 30,000 to 50,000 every day. Temple obtains the highest priority order for cultural preservation with a score of 0.377. Palace has the highest priority for the unique criteria with a score of 0.097 because Balinese architecture that is thick

with traditions and culture in the castle is very unique so that it becomes an attraction for tourists.

To find out which tourism products are superior products, we will look for a total ranking of each alternative or tourism potential by multiplying the weights by the evaluation factors of each alternative and the results can be seen in the Table IV

TABLE IV. EVALUATION WEIGHT OF EACH ALTERNATII	TABLE IV.	EVALUATION WEIGHT OF EACH ALTERNATIF
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Alternative	Evaluation Weight					
Alternative	Waterfall	P.Asparagus	T. Bangkung	Temple	Event	
Number of tourist visit	0.196	0.099	0.056	0.02	0.013	
Community income	0.071	0.115	0.03	0.014	0.015	
Employment	0.034	0.071	0.015	0.007	0.004	
Uniqueness/Typical	0.019	0.031	0.006	0.003	0.006	
Accessibility	0.025	0.044	0.012	0.004	0.008	
Cultural preservation	0.002	0.007	0.004	0.016	0.014	
Environmental preservation	0.013	0.005	0.004	0.003	0.002	
Total of Rank	0.359	0.372	0.128	0.067	0.063	

Based on the table above it can be made a ranking sequence of the superior products of Kenderan Tourism Village as in Table V.

TABLE V. PRIORITY ORDER OF FEATURE TOURISM PRODUCTS
BASED ON TOTAL RANGKING

Products	Total of Rank
Holy water	0.372
Waterfall	0.359
Wood carving	0.128
Temple	0.067
Palace	0.063

Based on table 5, it can be seen that holy water has the highest total ranking of 0.372, this means that the first priority for superior product development in Kenderan Tourism Village is holy water. The results are in accordance with the name Kenderan itself which is a source of water for the Kenderan community and surrounding areas including the village of Ubud. Furthermore, those who finished second and so on were waterfalls (0.359), carving crafts (0.128), pura (0.067) and the most recent ones were castles with a total ranking of 0.063). This phenomenon has an impact on destination marketers to offer special interest tourism as well as benefit the development of integrated tourism packages aimed at meeting market demand. For example holy water and temple as spiritual package for sustainable tourism [20].

#### V. CONCLUSION

From the discussion above it can be concluded that four types of tourism village products are identified, namely natural, cultural, historical and man made tourism products. The flagship tourism product is holy water with a total ranking of 0.372, waterfalls (0.359), carving crafts (0.128), pura (0.067) and puri with a total ranking of 0.0630.

It can be suggested that in order for the development of superior tourism products in Kenderan Tourism Village to be more targeted, it should be prioritized from the next most superior potential to the lowest priority. The results of this ranking serve as a reference recommendation for marketers for special interest

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