Strengthening Partnership Strategy for Digital Development in Water Tourism

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Abstract—Digital tourism is carried out through the use of information and communication technology in an effort to increase potential of tourism destinations in order to provide tourism services and provide tourism marketing more accessible. Digital tourism causes the movement of consumption patterns in the form of experience gained through travel activities to meet lifestyle. This study empirically investigates digital marketing strategy, partnerships strategy, and tourist business performance in water tourism development. Authors conducted a survey of visitors to water tourism in Umbul Ponggok through questionnaires. Analysis technique used to answer the analysis test through implementation of structural equation modeling. Results of this study concluded that digital marketing strategy have significant effect on partnerships strategy, and have significant impact on tourist business performance through development of digital tourism. Noteworthy, selection of appropriate partnerships strategy in development of water tourism is used to accommodate various strategies undertaken in developing digital marketing so that it is expected to improve business performance in tourism sector. This research is suggestion for tourism management, especially destinations related to water tourism, which are managed by government or private sector in order to consider various strategies used in this study to increase number of tourist visits in this region.

Keywords: digital tourism, partnership strategy, digital business performance, digital marketing strategy, Umbul Ponggok

I. INTRODUCTION

Tourism industry is one of the successful sectors using internet media to share images of destinations, where tourism websites are very useful tool for promoting tourism by providing important information for visitors [1]. Indonesian tourism is developing and advancing thanks to the concepts of attraction, amenities and accessibility [2]. Concept of innovation in developing tourism continues to be raised in the hope of increasing number of tourist visits [3], Strategy as part of company policy becomes very important factor to improve corporate identity [4].

Water tourism management is leading tourist destination in the development of Ponggok village tourism and is major element of village economic growth as part of concept in improving the welfare of rural communities. Good governance as the key to success in village development and improvement of people's welfare cannot be separated from compliance in implementing policies issued by government. The sustainability of natural resources will be guaranteed and can still be enjoyed by next generation if sustainable management system is implemented that is consistent and refers to maintaining its sustainability. The creation of new ideas and new hopes in development of water tourism arises from creativity and innovation of community and village leaders. It is creativity and innovation that comes from community and other stakeholders that are able to transform the old tourist destination into new model so that it can create independent village that is unique and becomes national reference village both in terms of the tourism sector and village economy. Through establishment of partnership system including involving the contribution of PT. TIV Aqua as drinking water company that has been operating for past ten years and utilizes water resources in this village so that Ponggok Village is directed to become an independent village. The source of original village income in Ponggok village is budgeted Rp. 1.5 billion per year with average of Rp. 100 Million per month obtained from PT. TIV Aqua with aim to develop Umbul Ponggok spring.

Financial support through village fund program initiated by Ministry of Villages is directed to development of tourism villages with total of 2015 revenues of Rp 277 million, 2016 of Rp 622 million, 2017 of Rp 634 million. The development of Village-Owned Enterprises (BUMDES) in supporting the development of ponggok springs, village shops, ponggok ciblon, and aquaculture can increase the income of this tourism village. The increase in village fund income has been known since 2013 which was Rp 211 million, then in 2014 amounting to Rp 1.1 billion, 2016 amounting to Rp 10.3 billion, 2017 amounting to Rp 12 billion, and 2018 amounting to Rp 16 billion. Community participation is very helpful in the context of village development including investment funds collected from each family of Rp. 5 million to develop and support this tourism business so that profit sharing system is implemented in this investment program by providing monthly profit of 10% of investment value for investors from local community.

The important role of BUMDES is directed to manage allocation of village funds channeled by government in
managing the potential of natural resources to increase community incomes including management of snorkeling. This concept was developed through distribution of photos and videos that illustrate the beauty of underwater scenes uploaded through various social media and water tourism innovations as part of tourism marketing. The concept of one house for one graduate is part of flagship program in education sector whose goal is that one resident in one house can graduate university by helping financially to the community as much as Rp. 300 thousand. Home rehabilitation programs, improved sanitation, clean water supply, social protection for parents and health insurance are additional programs developed to support the welfare of local community. In order for village administration to have public service information system, the smart village application was launched to facilitate monitoring of village assets. The active involvement of community in implementing planned program is crucial for the success of village development. The policy of village government needs full support especially related to trust and participation of community so that efforts to increase community empowerment become very important in the development of tourism villages.

Umbul Ponggok is now favorite water tourism destination in Indonesia after being named an independent village with an income of more than Rp. 10 billion per year, whereas few years before was one that included a poor village with village income of only Rp. 14 million per year. One of the best freshwater snorkel tourist destinations in Indonesia today is Umbul Ponggok. Photos or videos of diving in the bottom of water and swimming with fish become favorite activity for visitors through making documentation that is generally uploaded on social media. The advantages and uniqueness that can be enjoyed by visitors to freshwater tourist destinations promoted from this tourism village include snorkeling, diving, and underwater photos.

Tourism is one of the largest industries because it relates to the world economy as the major sources of incomes for communities and countries [5], point of national economic growth and information technology that is able to lead social development, not only has important social significance, but also has enormous commercial potential [6], leading sector which is the economic foundation in Indonesia which has an important role in increasing foreign exchange and expanding employment [3], trip that is carried out for a while which is organized from one place to another with a view not to do business or make a living in the places visited, but to enjoy trips for recreation or to meet diverse desires [2], a rich and varied socio-economic activity that permeates global society [7]. Tourism business needs to utilize digital marketing techniques and track consumer activity across all channels and devices [8]. Every business unit required to win competition in uncertain and turbulent business environment [9].

Developing countries must be more aggressive in implementing ICT development in tourism industry [10]. Digital technology is one of the strategies in promoting the Indonesian tourism sector [1]. Development of the digital world then development of tourism potential must be made breakthrough that is present, not only using conventional methods, but also needs creative and innovative steps in tourism marketing because tourism industry is inevitable from challenges of the digital era in accordance with dynamics and trends of today's society [3]. Digitalization causes the movement of consumption patterns from shopping for goods to experiences gained through traveling activities and meeting the needs for other lifestyles [11]. Digital marketing can reach all people wherever they are without any geographical or time constraints [12]. Innovation strategy is a ways to achieve the goal through a set of new ideas and findings from a business [13].

Main objective that can be developed in this research is improve tourism business performance in water tourism located at Umbul Ponggok through selection of appropriate partnership strategy in growing business in tourism industry. Selection of right business strategy needs to be supported by the use of digital marketing strategy so that tourism industry can grow and develop optimally and even win business competition which is increasing in digital era. This research is limited to problems that refer to digital marketing strategy, partnership strategy, and tourism business performance in the tourism industry, especially on water tourism.

Digital tourism is one of the three strategic priorities of the Ministry of Tourism to increase the number of tourists visiting Indonesia [1], as the digital support of tourist experience before, during and after the tourist activity [7], will provide accessibility for all tourism stakeholders in Indonesia, from the aspect of licensing, tourism activities and events, and presents accessibility for visitors to find information about tourist destinations in Indonesia [1]. Digitalization becomes main channel for consumers, companies need DNA for developing environment, marketer are challenged to choose the right digital marketing strategies and tactics, right metrics to measure marketing success and to allocate right budget in the right digital area [8]. Promotion of tourism through social media and social networks is now considered effective in capturing segments of active internet users who generally come from younger generation, where online marketing including tourism marketing through digital media is an effective and inexpensive new way because people are very dynamic and in everyday life days of contact with internet access [3].

Digital destinations are formed and become tourist destinations after being promoted through social media. Social media is an online media that users can share, participate in and create text, image, videos content or create online streaming [2]. The concept of destination refers to creative destinations, having photogenic spots to be uploaded on social media, and viral on social media as one of the most practical media used by the tourism industry to promote its products and services [11]. Implementation in digital media is done through advertisements on websites, social media, and paid digital media, the use of websites to develop cooperation with the airline industry or the hotel industry, the development of digital destinations through digital media by creating destination markets on digital media [3]. Digital media used as promotional media including websites, social media, online
advertising, direct marketing e-mails, discussion forums, and mobile applications.

E-tourism is an online interactive system that makes it easy for tourists to get information and make reservations for some of the available tourism elements such as hotels and travel agents, or as a modern way of promotion and provide the latest information on tourism sought by tourists such as attractions, hotels, travel agents, and events that can be accessed anytime, anywhere and anyone [2], based on dissemination of information, but its main purpose is direct sales, and removal of physical barriers to e-commerce technology includes aspects such as electronic information, electronic bookings for hotels & transportation, and for electronic payments [10].

Digital marketing is traditional branch of marketing that uses digital channels to achieve the same goals as traditional marketing, which is to attract new customers and retain old customers by promising superior value [14]. Digital marketing is very popular strategy and used by almost most marketers around the world and is the impact increasing world of internet and technology, thus making the internet very prospective market. Digital marketing is defining digital channel strategy for each major market to provide focus and direction for the future [15]. Utilization of digital marketing in the era of digital economy industry is very instrumental in increasing tourism promotion, will be used include websites, social media, online to travel with an automated system and the presence of multiple languages and not only change industry paradigm, but also work, ways of communicating, shopping, transactions, to lifestyle [2]. Online marketing development is the growth of the number internet users as key indicator and it has been innovating process and continues development [16]. Digital marketing strategy is more prospective because it allows potential customers to obtain all kinds of information about products and transact through internet. Digital marketing makes it easy for businesses to monitor and provide all needs and desires of potential customers, on the other hand prospective consumers can also find and get product information just by exploring virtual world so that it makes search process easier.

Partnership strategy is formal, comprehensive, and systematic reciprocal cooperation, to clarify objectives, make decisions, and check progress towards objectives [17], relationship between organizations to achieve goals that cannot be achieved alone [18], process in which all partners are willing to change fundamental business practices with aim of reducing duplication and waste of resources and facilitating improved performance [19]. Partnership strategy is temporary and contractual relationship between companies that remain independent, aiming to reduce uncertainty surrounding the realization of the strategic goals of interdependent partners by coordinating or running together several activities [20]. Partnerships are fundamental to achieve scalability and to expand to other markets [21].

Business performance is ability to achieve the objectives of a business unit [22]. Business performance includes customer performance, market performance profit, contribution margin and return of investment [23]. Superior business performance with of financial and non-financial perspective is expected goal in supporting the sustainability of the company [20]. Recommendations to improve business performance by considering customer needs in company's strategy, measuring customer satisfaction regularly, maintaining dynamic system for handling customer complaints, identifying competitors strengths and weaknesses regularly, reviewing competitors regularly, creating value for customers by coordinating and integrating in an integrated manner together [24]. Companies in measuring performance by using financial and non-financial measurements to achieve better business performance that can be studied using performance indicators such as profit margins, return on total assets, sales growth, income or labor, and number of assets or labor [25]. Performance measurement systems are an extremely important part of the control and management actions, because in this way a company can determine its business potential, its market power, potential and current level of business efficiency [26]. Business activity is carried out in dynamic environment and a lot of changes strategy, analyze the factors that might influence the competitive environment [27].

II. METHODS

Verification approach is applied in this study by testing hypotheses studied. To determine the influence of between research variables tested in support of verification analysis based on variables used including DMS, PS, and TBP. Umbul Ponggok as water tourism parks located in Klaten - Central Java is used as analysis unit, while the observation unit is visitor to water tourism in Umbul Ponggok. Survey method was applied in this study with sample of 300 tourists. Data collection techniques are directly carried out through a questionnaire. Hypothesis testing is carried out using structural equation modeling with Lisrel program to test the effect of latent variables (see Figure 1).

![Research paradigm](image_url)

**Fig. 1.** Research paradigm.

Hypotheses that can be proposed in this study are:

- $H_1 = \text{DMS has significant effect on PS}.$
- $H_2 = \text{DMS has significant effect on TBP}.$
- $H_3 = \text{PS has significant effect on TBP}.$
III. RESULTS AND DISCUSSION

Multivariate statistics are used in analysis of this research by developing structural equation modeling tests. Value of complexity in the developed model is based on number of variables tested with the construct formed by accompanying indicators. Lisrel 8.8 program was applied to conduct SEM analysis because it was considered as the most appropriate choice in completing calculations in this study. The tested model is evaluated first, to find out the temporary results of structural model that is formed, is it feasible or still needs to be improved to be able to do further analysis. Number of questionnaire data was 300 with complete data conditions so that met requirements proposed so that overall procedure could be stated as data ready for further processing.

TABLE I. VISITORS CHARACTERISTIC

<table>
<thead>
<tr>
<th>Profile</th>
<th>Criteria</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>174</td>
<td>58.0</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>126</td>
<td>42.0</td>
</tr>
<tr>
<td>Age</td>
<td>&lt; 18 years</td>
<td>20</td>
<td>6.7</td>
</tr>
<tr>
<td></td>
<td>18 - 30 years</td>
<td>111</td>
<td>37.0</td>
</tr>
<tr>
<td></td>
<td>30 - 50 years</td>
<td>47</td>
<td>15.7</td>
</tr>
<tr>
<td></td>
<td>&gt; 50 years</td>
<td>22</td>
<td>7.3</td>
</tr>
<tr>
<td>Education level</td>
<td>SMP</td>
<td>3</td>
<td>1.0</td>
</tr>
<tr>
<td></td>
<td>SMA</td>
<td>201</td>
<td>67.0</td>
</tr>
<tr>
<td></td>
<td>S1</td>
<td>94</td>
<td>31.3</td>
</tr>
<tr>
<td></td>
<td>S2</td>
<td>2</td>
<td>0.7</td>
</tr>
<tr>
<td>Occupation</td>
<td>Farmer</td>
<td>48</td>
<td>16.0</td>
</tr>
<tr>
<td></td>
<td>Entrepreneur</td>
<td>56</td>
<td>18.7</td>
</tr>
<tr>
<td></td>
<td>State Employee</td>
<td>17</td>
<td>5.7</td>
</tr>
<tr>
<td></td>
<td>Teacher</td>
<td>28</td>
<td>9.3</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>151</td>
<td>50.3</td>
</tr>
</tbody>
</table>

Characteristics of respondents based on this research data can be shown by referring to the profile in Table 1. Four criteria in the respondent profile consist of gender, age, education level and occupation. Based on gender collected from respondents, it is known that number of male respondents is 174 or as much as 58%, and the number of female respondents is 126 or as much as 42%, so that from this data it can be understood that water tourism in Umbul Ponggok is more dominant and preferred by visitors with male gender. Age of visitors to water tourism chosen as the most respondents between 18-30 years as many as 111 visitors or 37%, this is closely related to productive age in this range and most of visitors are relatively young. The level of education for respondents visiting water attractions is dominated by high school graduates with 201 visitors or 67%, because most of visitors are young people who have hobby of water tourism and like to express themselves through social media in this activities. Meanwhile, for the background of occupation owned by visitors who are dominated by others, where this category is dominated by young people who are still students as having high interest in enjoying the beauty of tourist destinations with 151 visitors or 50.3%.

Structural model measurement results (Figure 2) show the influence of DMS, PS, and TBP in strengthening the business sector in the tourism industry can be used as a standard solution and indicator to measure the direct influence between the variables tested and can be recommended if it shows a significance value on the measurement results, this can be shown in the picture 2. The value of the effect of DMS on PS is $\gamma_{11} = 0.27$, the value of the effect of DMS on TBP is $\gamma_{21} = 0.26$, the value of the effect of PS on TBP is $\gamma_{12} = 0.31$. Based on the exposure to the effect value of the three variables tested it can be seen that the overall effect value between the variables tested has a significant direct effect.

To get the hypothesis value ($H_1$) by means of simultaneous testing results can be stated that DMS has significant effect on PS. Results of this analysis can be revealed that social media marketing as indicator of DMS has major contribution to DMS variable so that it has significant effect on PS in development of water tourism at Umbul Ponggok. Simultaneous analysis in $H_2$ states that DMS has significant effect on TBP. Indicator that contributes dominantly to DMS so that it has direct effect on TBP variable is social media marketing. In addition to social media marketing, there are several important indicators that also influence DMS including engaging websites, content marketing, email marketing, search engine optimization, pay-per-click. $H_3$ test concluded that PS has significant effect on TBP. Engagement strategy is indicator that contributes most strongly to supporting PS so that it has significant effect on increasing TBP in tourism industry especially with regard to water tourism. In addition, profitability as the most dominant of TBP indicator becomes very decisive for the development of tourism industry because it becomes important part for destination development, improving service quality, and for ensuring the satisfaction of tourists who visit.

### TABLE II. GOODNESS OF FIT INDEX

<table>
<thead>
<tr>
<th>Index</th>
<th>Criteria</th>
<th>Goodness of Fit Index</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>GF1</td>
<td>$\geq 0.90$</td>
<td>0.93</td>
<td>Good Fit</td>
</tr>
<tr>
<td>NFI</td>
<td>$\geq 0.90$</td>
<td>0.93</td>
<td>Good Fit</td>
</tr>
<tr>
<td>NNFI</td>
<td>$\geq 0.90$</td>
<td>0.96</td>
<td>Good Fit</td>
</tr>
<tr>
<td>CFI</td>
<td>$\geq 0.90$</td>
<td>0.97</td>
<td>Good Fit</td>
</tr>
<tr>
<td>IF1</td>
<td>$\geq 0.90$</td>
<td>0.97</td>
<td>Good Fit</td>
</tr>
<tr>
<td>RFI</td>
<td>$\geq 0.90$</td>
<td>0.92</td>
<td>Good Fit</td>
</tr>
<tr>
<td>PNFI</td>
<td>0 - 1</td>
<td>0.77</td>
<td>Marginal Fit</td>
</tr>
<tr>
<td>AGFI</td>
<td>0 - 1</td>
<td>0.91</td>
<td>Good Fit</td>
</tr>
</tbody>
</table>

Fig. 2. Structural model estimation.
Multivariate analysis is used to analyze the influence of complex variables by utilizing SEM. This multivariate analysis is able to combine the measurement of confirmatory factors and structural models simultaneously. Results of multivariate analysis in the form of an overall model fit, measurement model fit, and structural fit model represented by criteria of GFI, NFI, NNFI, CFI, IFI, RFI, PNFI, AGFI (see Table 2). Suitability index criteria from measurement results of goodness of fit which includes eight criteria are presented. Index is categorized as fit if the index value is obtained from the measurement result $\geq 0.9$, then criteria are categorized as fit. Index is categorized as marginal fit if value obtained is $0.8 \leq \text{GOF} \leq 0.9$. Conclusion of fit test in this study concluded that seven criteria declared good fit consisted of GFI, NFI, NNFI, CFI, IFI, RFI, PNFI, AGFI and one other criterion declared marginal fit in PNFI category.

### TABLE III. RESULT OF RESEARCH HYPOTHESES

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>$t_{value}$</th>
<th>Standardized Solution</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>$H_1$ DMS $\rightarrow$ PS</td>
<td>4.00</td>
<td>0.27</td>
<td>Accepted</td>
</tr>
<tr>
<td>$H_2$ DMS $\rightarrow$ TBP</td>
<td>3.66</td>
<td>0.26</td>
<td>Accepted</td>
</tr>
<tr>
<td>$H_3$ PS $\rightarrow$ TBP</td>
<td>4.18</td>
<td>0.31</td>
<td>Accepted</td>
</tr>
</tbody>
</table>

Variables tested in this study consisted of DMS, PS and TBP based on three hypotheses with the results stated that three hypotheses tested were significant and acceptable which can be seen in Table 3. All hypotheses tested were stated to be significant because they had $t_{value} > 1.96$. The greatest significance value is determined by direct effect of PS on TBP with $t_{value} = 4.18$. Engagement strategy as one indicator has biggest contribution in strengthening PS, when compared to other indicators such as partner actions, oversight, communication, and monitoring. This can be interpreted that engagement strategy is able to influence consumers in this case visitors to water tourism through their activities and work in helping to promote attractive and up-to-date tourist destinations. The second largest hypothesis value is significance value of direct influence of DMS on PS with $t_{value} = 4.00$. The contribution of the most influential indicator on DMS variable in strengthening TBP in tourism industry especially water tourism is social media marketing. Meanwhile, contribution of other DMS indicators also have strategic role in developing tourist destinations including engaging websites, content marketing, email marketing, search engine optimization, and pay-per-click.

Significance value obtained from $t_{value}$ as an $H_1$ calculation that measures the effect of DMS on PS is 4.00. Meanwhile, $H_2$ measures the effect of DMS on TBP with a significance value $t_{value}$ of 3.66, and $H_3$ which measures the effect of PS on TBP with a significance value $t_{value}$ of 4.18. Three hypotheses have significance values $> 1.96$, so the influence between variables tested on these three hypotheses is declared significant (see Figure 3).

Some of research findings that have been described, then this study produces novelty called water tourism business model. What needs to be emphasized in this model is the importance of considering right partnership strategy by utilizing digital marketing strategy that is appropriate to the needs of visitors to improve tourism business performance, especially in tourism industry that is based on water tourism. On the other hand, this model also emphasizes the important role of social media marketing and email marketing as key indicators in strengthening DMS in development of water tourism. Likewise, in PS where engagement of water tourism visitors is needed to support the use of appropriate strategies by management of tourist destinations so that needs and requests of visitors can be immediately met with the aim to satisfy what visitors need. Furthermore, in tourism business, profitability becomes very important thing to support sustainability of developed the tourist destination, this is closely related to TBP so that demands of visitors in tourist destinations can be more attractive and distinctive need to be supported through adequate funding that can be done including profitability in tourism business. For this reason, TBP will get optimal results if done through right partnership strategy and selection of right strategy can be done through the use of digital marketing which is widely used by tourist destination visitors through various media so as to produce superior digital marketing.

### IV. CONCLUSIONS

This research was conducted in order to examine tourism industry especially water tourism by using concepts of digital marketing strategy, partnership strategy and tourism business performance. Results of this study concluded that digital marketing strategy has significant effect on partnership strategy and tourism business performance in the development of tourism industry. In addition, partnership strategy also has significant effect on tourism business performance, especially in development of water tourism. Strategic partnerships have an important role in developing business performance [20]. Partnership strategy contributes to business performance [28]. Selection of right strategy in implementation of digital marketing strategy and partnership strategy at tourism industry will be able to determine the successful growth of visitors to tourist destinations so that it can have impact on strengthening tourism business performance. Business performance should be evaluated as an indicator to assess the effectiveness of the strategy that has been adopted [29]. Choosing the right
business strategy create effective business achievements to be able to compete in the face of turbulence economic conditions [30].

In strengthening digital marketing strategy as effort to increase number of tourists, the main thing needed is social media as means to increase marketing of tourist destinations, especially water tourism destinations in Umbul Ponggok. Digital marketing strategy needs that are used not only social media, but also involved website involvement, content marketing, email marketing, search engine optimization, and pay-per-click. Likewise, in selection of partnership strategy, what must first be done is engagement strategy that actively involves visitors to provide suggestions and recommendations for better destination development. Engagement is not only partnership strategy chosen, but it needs to be supported by other strategies that can be tailored to needs including partner actions, oversight, communication, and monitoring. The final hope that is desired is achievement of profitability, tourism productivity, tourism innovation, and society empowerment as an important part in success of tourism business performance, where benefits will be returned to consumers through improvement and development of tourist destinations that are more attractive and unique that have not been there and different from tourist destinations in other places. To be successful and sustainable, tourism development and marketing needs to involve various elements including the government, community and private sector [3].

The findings obtained in this study can be reference by stakeholders, for management in tourism industry especially in water tourism destinations, so to develop this tourism destination requires right strategy that can support the sustainability of tourism industry including by considering digital marketing strategy and partnership strategy in order to attract as many visitors as possible to be able to enjoy the tourist destinations provided. Tourism destination development strategy adopted by tourism industry has not been fully influenced by digital marketing strategy, partnership strategy, and tourism business performance so that in conducting further research it is necessary to use other variables that can support empowerment of surrounding community so that not only profit for tourism industry being pursued, but the welfare of the community is also sought to grow along with development of tourism.

REFERENCES


