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# Sustainable Tourism Development in Importance and Performance Perspective:

A Case Study Research in Bali

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Abstract-Sustainable tourism development is essential to ensure that the interaction and relationships between the environmental, socio-cultural, economic, and is concerned with the well-being of the local community and their culture, as well as the long term creation of economic benefits for all stakeholders involved. The study aims at investigating empirical information to develop and test a theoretical concept of sustainable tourism development (STD) by employing the construct of it, which becomes a focus for tourism development as a development tool. Elaborated further the proposed research model, will an overview of the understanding residents' perceptions towards the existing STD and describes the present situation and condition in Bali tourism destination. The findings show that Bali destination is currently in an unsatisfactory situation about government policy on STD. Therefore; the government management of tourism (GMT) should involve the community in making tourism development more sustainable, as it helps balance the demand for natural resources between the community and tourist.

Keywords—sustainable tourism development, environmental, socio-cultural, economic

# I. INTRODUCTION

Tourism contributes to the uniqueness of cultural attractiveness and tourist destinations such as heritage values /natural characteristics (beaches, waterfalls, etc.) [1]. Also, it is the major contributor to global economics, environmental and socio-cultural benefits to many countries [2]. Furthermore, Scowsill [3] argued that tourism industry is growing faster than other industries.

Bali is famous to have various uniqueness and predominance culture. Natural potencies supported by several amazing objects and attractions have made Bali possible to has marketing opportunity for tourism development [4].

The tourism industry is a sector that is developing the fastest and is the largest contributor to the economy of Bali, but Bali tourism is developed without proper planning [5], which does not consider the physical aspects of the environment, socio-culture, and religion, as well as the lack of community

involvement in the planning process for tourism development [4]. As a result, Bali has experienced of several problems such as the emergence of plans for the construction of tourist facilities, which did not consider the physical aspects of the environment, socio-cultural, religious, and social [4].

The various problems caused by conventional tourism in the exploitation of excessive environment and to resolve these problems then, the policy makers require innovative strategic planning to control and manage tourism periodically. Bramwell & Lane [6] stressed that there is a need for holistic planning and strategy formulation, preservation of ecological processes, protection of human heritage and biodiversity, and sustained productivity over the long-term to advantage future generation. Indeed it is acknowledged that strategic planning for tourism destinations is fundamental to ensure that a destination's resources are managed and sustained for the future and different interests such as environment, finance, community and satisfactory tourist are addressed [7,8]. Therefore, the framework of sustainable tourism came from this realization [9]. In addition, Sustainable tourism has arisen to represent and encompass a set of principles, policy prescriptions, and management methods, which chart a path for tourism development such that a destination's environmental resource base including natural, built, social, and cultural features are protected for future development [10]. Lane [11] said there are many difficulties faced in applying the principles of sustainable tourism; therefore, strategic development must be used to support the ongoing dialogue between the government, tourism businesses and the community about tourism in the future.

There have been considerable researches into the cooperation among tourism operators, government and residents, but relatively few examine the challenge of achieving sustainable tourism [12,13]. Some research on sustainable tourism information, however, research on the implementation of tourism policies is still little overall [14].

To overcome this gap, the aim of current research is to reveal the existence of sustainable tourism development (STD),



which is an important tool for decision makers, researchers and businesses involved in tourism activities [15,16].

Using relevant indicators allows policymakers to make informed decisions and can improve prospects for sustainable tourism development. In this study, the authors used five indicators for the Sustainable Tourism Model, namely tourism governance management, economy, socio-culture, environment, and community satisfaction [17].

Assante et al. [15] revealed that tourism governance management affects public perceptions and tourism impact. In addition, it has been recognized that people's perceptions tend to become important planning and policy considerations for tourism development [18,19].

This research provides information to support questions related to planning and policy considerations for successful tourism development. The fundamental questions in this research are:

- How does government management of tourism affect the impact of tourism?
- How is the impact of tourism on community satisfaction?
- Is government management of tourism as moderating the impact of tourism and community satisfaction?

Some opinions on tourism developed through community perceptions from several indicators. Resident perceptions about the impact of tourism are influenced by the government's controlling ability [15]. Therefore, the objectives of this study, in a broad sense, are as follows:

- To determine the influence of government management of tourism on the impact of tourism.
- To determine the effect of the impact of tourism on community satisfaction.
- To find out whether government management of tourism as moderating influences on the impact of tourism and community satisfaction.

## II. LITERATURE REVIEW

## A. Tourism Critics

Tourism encourages the learning of new languages, skills, and have contributed to institutions being built in some areas, which generally resulted in job creation for locals [20]. It is guaranteed that with a definite belief that tourism is the greatest industry and is one of the largest sources of income for developed and developing countries [21]. In addition, tourism is well known to contribute to economic, environmental and socio-cultural benefits to many countries [2]. Furthermore, the experiences of early tourism destination highlight the fact that completely unplanned tourism development will virtually lead to the degradation of the physical and social resource [22,23]. The concept grew of dissatisfaction with entrenched policies of

continuous economic growth and unequal distribution of benefits and costs [6,8]. Unconsciously, tourism that meets the needs of today's tourists without taking away from the future generations the resource necessary to fulfill their own needs [24]. The experiences of early tourism destination highlight the fact that completely unplanned tourism development will virtually lead to the degradation of the physical and social resource [22,23].

# B. Sustainable Tourism Divelopment (STD) Conceptualization and Strategy

Tourism arose rapidly and without appropriate planning. Consequently, Sustainable tourism development (STD) has been developed to counter the threats, which unmanaged tourism can bring [11], and it has become an adaptive management paradigm [25], particularly important in the management of environmentally responsible tourism [26]. Bramwell & Lane [6] stated that STD aims to minimize environmental and cultural damaged, optimize visitor satisfaction, maximize long-term economic growth for the region. Sustainable tourism may involve both developmental and conservation perspectives that conflict, hence, lead control to resolving complex resource allocation decisions [9]. Lane [11] asserts that the development of strategy should be used to encourage an on-going dialogue between government, tourism business, communities and other interests about the future of an area and tourism's role in that future. Furthermore, STD as meeting the needs of present tourists and host regions while protecting and enhancing opportunities for future [16]. Indeed, the framework of STD came from to undertake those problems and it seeks to achieve the best balance among economic benefits, social and environmental cost [9].

The concept of STD is empowering for the current research and it is developed into sustainable tourism model (STM) which is part of strategy of Bali tourism destination to build the fitting hint to provide the quality perceptions.

## C. Economic Impacts

It is generally acknowledged, that tourism activities can bring beneficial local economic, for instance attracting visitors to a place which they may not otherwise have visited and also by encouraging them to stay longer at destination [26]. Economic yield is concerned with the advantages that tourism brings to the economy such as employment, the development of infrastructure, and diversification of the economy [1]. Furthermore, nowadays, tourism industry is appreciated as an economic giant not only for the developing countries but also for the developed countries [18]. Nevertheless, in term of challenges, tourism can have negative economic impacts such as inflationary effects, excessive demand for resources, unbalanced socio-economic development and exploitation, sociocultural dislocation, enclave economic impact, socio economic leakages, vulnerability to economic, and political conditions [27].



## D. Environmental Impacts

"Governments and investors are realizing that tourists are increasingly expecting and demanding a high level of environmental quality in tourism areas, and that environmental planning is simultaneously good economic planning" [28]. Furthermore, Lane [11] affirm that many areas in many parts of the world have experimented with the writing and implementation of tourism strategy plans which are both environmentally and community friendly. On the other hand, there is a risk in tourism development that the capacity of destination areas in environmental and social terms will be exceeded and visitors will stop travelling to particular areas [29]. Moreover, they revealed the idea of a linkage between high environmental quality and economic benefits has been gaining support in tourism literature.

## E. Socio-Cultural Impacts

The increasing numbers of tourists tend to ultimately destroy the exotic culture they came to experience in the first place, as the locals begin increasingly display their culture only for tourist money [30]. In the capacity to change individual behaviour and family relationships, increase sexually transmitted diseases [31]. Such strategies could potentially be ineffective in tourism destination due to culture which has been found to have significant effects on tourists' attitudes and behaviour [31,32].

## F. Government Management of Tourism

Government policies toward STD should emphasize actions that meet the needs of the present without compromising the ability of future generations to meet their needs [33]. Furthermore, Craik [34] expose "government have played an increasing role in the promotion and operation of tourism". In addition, government is responsible the need for tourism infrastructure such as roads, parks, and visitor Centre [35]. Regardless, the lack of integration of policy initiatives is that tourism is not regarded as important by government and there is a general lack of recognition of tourism on political agendas [14]. Therefore, these suggests that there needs to be a change in the role of government from promotion to protection [7]. Effective government management is avoiding negative impacts through a combination of general protective measures, regulations to control development, and financial restraints [36]. Local involvement is fundamental to the planning and management of destinations [37,38]. Jackson & Morpeth [39] suggested local government needs to actualize the concept of community empowerment.

# G. Residents' Perception

The involvement of residents can take an active part in all the processes and can be much more advantageous of sustainable tourism [26]. Furthermore, residents of communities and regions affected by tourism are demanding to be involved in the decisions affecting their development [40]. Lane [11] stressed that a strong measure of community participation in both the plan-making process and in any on-

going decision-making. Understanding of residents' perceptions are critical to fairly distributing the environmental, social, and economic costs and benefits of tourism development; hence, ultimately increasing sustainable tourism development [41]. Moreover, the view that the key to successful policy implementation is more emphasis on resident's participation [42]. Jensen [43] suggests the involvement of residents should be more heightened on sustainable tourism development. Understanding local residents' attitudes toward tourism development is vital for the success and sustainability of any type of tourism development.

## III. RESEARCH METHODS

## A. Research Design

The literature relevant to conducting a survey of community perceptions with a sample of Balinese society about the impacts of tourism (economic, environmental, sociocultural), tourism governance management, and community satisfaction will be reviewed and developed as well as creating a framework for the design of this study (Figure 1).

Based on the proposed model, the following hypothesis is identified:

- H1: Government Management of Tourism (GMT) affects the Impact of Tourism (IT).
- H2: The Impact of Tourism /IT affects Community Satisfaction (CS).
- H3: GMT as moderating the relationship between IT and CS.

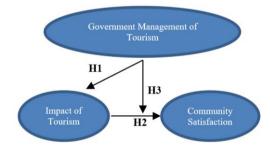


Fig. 1. ST model.

#### B. Scope, Research Location, and Sample Selection

This study is based on the expansion of leisure industry marketing strategies related to the progress of tourist destinations, especially those that aim to analyze the perception of community in the sustainable tourism development, and explore the potential of Bali as visitors' intention favored by foreign tourists. The respondents are Balinese people who live in tourism destination areas in 8 districts in Bali, which is the numbers are 180 people.



## C. Data Analysis

The analysis technique used to analyze data is a quantitative approach, namely with the questionnaires distributed directly to respondents. Data collected from the questionnaires will be entered addicted to the folder operating Microsoft Excel. The final step is to test the hypothesis and test the model (Figure 1). Structural Equation Modeling (SEM) with alternative Partial Least Square/PLS is used to test the model and investigate the total effect of each variable on foreign tourist perceptions of Bali tourism destinations.

#### IV. RESULTS AND DISCUSSION

#### A. Results

Based on the formulated hypothesis, the estimated results of the relationship between Government Management of Tourism (GMT), Impact of Tourism (IT), and Community Satisfaction (CS) are presented in Table 1.

TABLE I. RELATIONSHIP BETWEEN VARIABLES ON STD

Relationship Between Variables	Original Sample	P Values	In Rank
GMT ► IT	0.369	0.000	Significant
IT ► CS	0.309	0.002	Significant
GMT ► IT&CS	0.128	0.384	No significant

#### B. Discussion

- 1) The effect of Government Management of Tourism (GMT) on Impact of Tourism (IT): The evaluation results of the effect of Government Management of Tourism (GMT) on Impact of Tourism (IT) showed p values (0.000) < of the real level set at 0.050 (Table 1). This means that there is a significant influence of the Government Management of Tourism (GMT) on the Impact of Tourism (IT).
- 2) The effect of Impact of Tourism (IT) on Community Satisfaction (CS): Table 1 shows that Impact of Tourism (IT) has a considerable impact on Community Satisfaction (CS) with p-value is 0.002 < 0.050 (the real level).
- 3) The influence of Government Management of Tourism (GMT) as a mediating variable on the relationship between Impact of Tourism (IT) and Community Satisfaction (CS): The analysis results show (Table 1) that the p value of 0.384 is greater than 0.050, which means that the Government Management of Tourism (GMT) does not have an important role in mediating the relationship between the Impact of Tourism (IT) and Community Satisfaction (CS).

#### V. CONCLUSIONS AND SUGGESTIONS

# A. Conclusion

Based on a comprehensive study of Resident Perception in the Sustainable Development in Bali, it is obtained as follows:

The above discussion, Government Management of Tourism has a positive effect on Impact of Tourism. This means that tourism planning is oriented towards economic growth.

The findings of this study are that Impact of Tourism has a positive and significant effect on Community Satisfaction. Policies for economic growth and equitable distribution lead to satisfaction for the community. Tourism development is strictly planned to avoid degradation of physical and social resources.

The government develops tourism with careful planning, which aims to minimize environmental and cultural damage, optimize community and visitor satisfaction, and maximize long-term economic growth for the region concerned. However, the findings of this study indicate that Government Management of Tourism does not have an important role in mediating the relationship between Impact of Tourism and Community Satisfaction.

## B. Suggestion

The implication of this research is that Bali Tourism Management as the Bali Tourism Planning and Promotion Agency should the government's policy towards Sustainable Tourism Development emphasize on meeting the current needs without compromising to meet the needs of future generations. In addition, the government is responsible for the needs of tourism infrastructure such as roads, parks and visitor centers. Community involvement is the basis for planning and managing tourism destinations. The government together with the community has an interest in making tourism development more sustainable, as it helps balance the demand for natural resources between communities and tourists.

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