Economic and Non-Economic Implications of Community Based Tourism (CBT) Supply Chain at Around Teluk Kiluan Beach Tanggamus Regency Lampung Province of Indonesia

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ABSTRACT - Community-based tourism is a form of participatory tourism management, aimed at reviewing the application of the principles of Community Based Tourism (CBT) supply chain in tourism development on Teluk Kiluan Beach and knowing its implications for the welfare of the surrounding community. This study uses a qualitative approach at Teluk Kiluan Tanggamus Beach research site in Lampung Province, and conducts primary data collection with interviews, in-depth interviews, and observations from key informants and other supporting informants then as a validity test. The results of the study show that CBT in developing coastal tourism on Teluk Kiluan applies economic principles and non-economic principles (social, cultural, political and institutional). The economic dimension of the implications of CBT supply chain on the welfare of the communities around the Gulf coast is characterized by: absorption of local labor, development of business units, doubling of people's income, and growing and developing new investors. Improving education, quality of life, changes in social values, freedom of action, environmental sustainability and the involvement of institutional strengths are the implications of implementing CBT on non-economic welfare of the community.

Keywords: Community-based tourism supply chain, Coastal tourism, Economic and non-economic implications, Teluk kiluan beach.

1. Introduction

A tourism supply chain is described as a network of tourism organizations involved in many practices ranging from the supply of various components of tourism products or services such as flights as well as accommodation to the distribution and marketing of the final tourism product at a specific tourism destination. Tourism supply chain within local communities are required to handle and link tourism procedures and various activities across the supply chain to delivery to the customer efficiently. To strengthen competitiveness of Indonesian tourism, it is significant to take a closer look at the role of opportunity in demand as well as supply management in local city to help out in expansion of tourism in the long-run growth [1]. In general, tourism development is directed as a mainstay sector to encourage economic growth, increase regional income, empower the economy of the community, expand employment and business opportunities, and increase the introduction and marketing of products in order to improve people's welfare [2].

Supply chain has an important role in tourism development [3-6]. Better management of tourism supply chain increases the tourism activities. It also has the ability to attract the tourists. Better management of tourism supply chain increases the satisfaction level among the tourists, which is most important to attract tourists. Therefore, management of tourism supply chain has significant role in customer satisfaction [7-9]. Additionally, employee satisfaction is also most important [10, 11].

Tourism development in a country is closely related to the positive impacts and negative impacts that arise. Tourism has a positive impact, which includes expanding employment opportunities, increasing people's income, and earning foreign exchange. While the negative impacts of tourism include cultural commercialization, foreign exchange leakage, environmental damage, a shift in the system of values, norms and social institutions, and the occurrence of new imperialism that arises in tourist destinations.

The World Bank (2013) reported that the tourism industry's foreign exchange leakage rates in
developing countries reached 55% - 60%. The causes of foreign exchange leaks include (1) foreign investment in the hospitality sector and other sectors in the tourism industry, (2) management fees, (3) franchise fees, (4) technology assistance, (5) imported goods, and (6) promotion costs throughout the world [12]. Efforts to optimize positive impacts and minimize various negative impacts of tourism, tourism development is needed that is more pro-people around tourism objects, empowers local wisdom, which is then known as CBT. In Indonesia, the application of CBT is stated in Law Number 10 of 2009 concerning Tourism, in Chapter III article 5 namely the Implementation Principle of Tourism is to empower local communities.


Furthermore, some of the objectives to be achieved in this study are aimed at examining the application of the principles of CBT in tourism development on Teluk Kiluan Beach and knowing its implications for the welfare of the surrounding community.

Theoretically, this research not only produces findings about the application of the principles of CBT on coastal tourism, but also finds changes in society economically and non-economically. New indicators regarding the application of the principle of CBT as a critique of the principle of CBT used so far. Thus, these findings are an important part of the development of tourism development theories using a combination of Adaptacy Platform and Knowledge-Based Platform approaches.

2. Theorical Framework

From the aspect of community development and a tourism industry, CBT supply chain has various advantages. However, implementing the CBT model is very dependent on the characteristics and conditions of the people in tourist destinations so that the model for implementing CBT in one region can be different. As a tourism model, CBT contributes to the economic development of rural communities or those living in small cities, low living standards, direct involvement of the community, including cultural and environmental preservation [16].

The statement of Tasci, et al. [17] in line with Goodwin and Santilli [16], states that the concept of CBT supply chain is intended to increase economic growth, involving the poor who traditionally live as farmers or fishermen, living from generation to generation in potential areas for tourism development. The development of CBT is intended to provide opportunities for local indigenous people with weak strength in various accesses available in the world of tourism. CBT supply chain results are expected to be able to improve people's lives for the better. The goal of managing CBT through a community approach is in line with the form of sustainable tourism management by involving the community and local informal figures as the backbone of local tourism development. This approach aims to provide direct economic benefits to the community to improve their lives in the context of poverty alleviation.

CBT supply chain has significant role in people’s lives. As the tourism increases the economic growth of communities as well as nation by working on the well-being of people [6, 18-20]. Increase in the well-being of people ultimately increases the economic growth of community and nation.

CBT emphasizes the participation and awareness of the local community through community empowerment and independence to develop tourism in a sustainable manner. The strategy for developing CBT is carried out in an integrated manner such as in handling natural and environmental conservation in areas that are potential as tourist destinations, involving local communities. By providing education and training sustainably, the community is prepared to enter the world of tourism and play an active role in tourism activities.

Conceptually CBT is based on a number of things as follows: (1) participatory approaches to the community and including community ownership as partners in tourism development, (2) involving them as active managers and, (3) tourism results utilized to improve welfare to alleviate poverty [21-23]. CBT is carried out with constructive strategies, based on the following basic principles: (1) empowering communities through private or group ownership in tourism development, (2) involving the community in every CBT activity, (3) developing community pride, (4) improve the quality of life of the local community, (5) ensure environmental preservation, (6) maintain the uniqueness and social characteristics of the local culture, (7) facilitate the development of socio-cultural learning, (8) respect cultural differences (9) distribute profits equitably to community members (10) tourism income is distributed equitably [16].

Todaro [24] to describe the principle of developing CBT like development in general can be
categorized as providing benefits to the community, namely: (1) in the form of economy, namely economic growth itself and the impact enjoyed in the form of increasing community income and its impact on poverty alleviation, the opportunity for the community to participate in tourism development owned by the community, (2) cultural preservation as an impact of tourism management involving the community, community involvement in cultural preservation, (3) community participation involved in social activities arising from joint activities carried out by the community, and the emergence of community awareness levels (4) the emergence of public awareness and political rights as a result of interactive activities carried out by the government, (5) learning to the public about the importance of understanding management in the development of tourism where the community is a backbone of tourism activities. (6) Assessment of attractions, namely to carry out in-depth analysis of every detail of the attraction, including the quality of attractions, namely to carry out in-depth analysis of every detail of the attraction, including the quality of attractions and targeted tourist targets, (7) Establish Objectives, namely determining the desired target to be achieved by each business unit, supplemented by analysis of costs and benefits want to be achieved, (8) Impact Analysis, namely determining all potential and the amount of costs that will be incurred to make the impact of analysis and planning to minimize the costs borne, (9) Business Plan, which is making business plans about achieving targets to be achieved each year and determine the financial resources that will be used in business activities, (10) Marketing Plan, namely making a marketing strategy in accordance with the goals to be achieved for each business unit or production, and (11) monitor the achievement of predetermined product sales targets. The principles of CBT development as presented in Table 1.

### Table 1. The principles of CBT

<table>
<thead>
<tr>
<th>No.</th>
<th>Indicator</th>
<th>Principle</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Economy</td>
<td>The economic growth of the poor increases, increases economic growth and benefits, opening of employment opportunities, poverty alleviation, inclusion of community ownership, income from tourism management, improve community welfare, poverty alleviation, tourism contribution to the community, improve the quality of life of the community, distributing profits fairly, support the development of community ownership for the purpose of CBT</td>
<td>Giampiccoli and Kalis [22, 25], Goodwin and Santilli [16]</td>
</tr>
<tr>
<td>2.</td>
<td>Cultural</td>
<td>Cultural preservation, develop community pride, maintaining the unique character and local culture, facilitating the development of intercultural learning, respecting cultural differences and human dignity, empowerment towards Independence</td>
<td>Joppe [25], Goodwin and Santilli [16]</td>
</tr>
<tr>
<td>3.</td>
<td>Social</td>
<td>Include the community in CBT activities Approach with participatory patterns Increase community social awareness</td>
<td>Goodwin and Santilli [16], Joppe [25], Armstrong [21]</td>
</tr>
<tr>
<td>4.</td>
<td>Politic</td>
<td>Involving community leaders, the role of the government</td>
<td>Joppe [25]</td>
</tr>
<tr>
<td>5.</td>
<td>Management</td>
<td>Planning, organizing, communication with the community, work programs, environmental, impact analysis</td>
<td>Tasci, et al. [17], Hakam, et al. [26]</td>
</tr>
</tbody>
</table>

Source: Researcher (data processed, 2018)

### 3. Research Method and Analysis

#### 3.1. Research Method

The terminology of qualitative research is research strategies using triangulation Moleong [27], Putri and Kristiyanto [28] and Trangkanont, et al. [29] so that research is carried out in depth and comprehensively in an object of research [30]. The research on the application of CBT on the Teluk Kiluan coastal tourism object and how the implications caused by the application of the CBT principle will be answered by this qualitative research method.

The research locus was determined purposively in Teluk Kiluan Beach Tourism. Some reasons for choosing Teluk Kiluan Beach are because (1) it is one of the tourism development areas in Lampung Province, (2) In Teluk Kiluan there are varied developments mainly from management aspects, and (3) Tanggamus District Government policies...
and Provinces as regions superior community-based beach tourism. Primary data collection is done by structured interviews, using questionnaires, and in-depth interviews using interview guidance tools, observations, and through FGD. Secondary data collection is done through the relevant SKPD, District/Village profile data and secondary data on various tourism businesses. As informants in this study were: individuals, entrepreneurs and the government. The results of observations, in-depth interviews from Informers, and secondary data documents will be processed by transcribing interviews, compiling field notes from observations, grouping, and organizing field data and then analyzing.

3.2. The Principles of CBT Supply Chain in Tourism Development

Figure Theoretically the application of CBT supply chain can be explained in two principles, namely economic and non-economic. They are indicators applied in tourism management. This principle contributes to rural economic development, people living in small cities with low living standards, by involving them directly, including in preserving culture and environment

The principle uses a participatory approach to the community, includes community ownership as a partner, and the community as the manager, as well as the results of tourism activities for the welfare of the community and alleviating poverty.

3.2.1. Principles of Economics

This principle gave rise to individual perceptions about the development of coastal tourism related to the economic benefits that they gained, namely (1) increasing prosperity, (2) employment, and (3) encouraging the growth of independent businesses, absorption of local labor, the growth of new business fields, rising price prices, and rising income.

The tourism industry in Teluk Kiluan beach tourism shows rapid development if seen from the growth of productive businesses in the tourism sector which is able to absorb labor. In general, local workers are absorbed into technical work, are in staff positions, and lack special skills or if they demand skills, they can be taught on their own, but qualitatively less promising. Career levels tend to remain, and they are vulnerable to being laid off. Increased prices are characterized by high prices of land around the coast. Some activities to make villas, inns and home stays, have triggered marginal land to be used as business locations by local communities. This is one of the causes of rising land prices. This is a market oriented in managing coastal tourism development, this is marked by the emergence of investor-based villas although limited to individual investors and recreational spots for superior ground and local crop tourism are such as: petai, jengkol and durian.

3.2.2. The Non-Economic Principle

The principle of non-economy in the management of coastal tourism is generally reflected in the implementation of social, cultural, political, and environmental indicators. However, around Teluk Kiluan Beach other indicators were found that were very instrumental in the management, ownership and development partners of tourism. These indicators were institutional involvement and use of technology.

3.2.3. Social Indicator

The development of CBT supply chain is based on social indicators must provide improved quality of life for the community. One of the measurements was delivered by Andereck and Nyaupane [31] namely the perception of the population about the influence of tourism development on the dimensions of tourism life. A sense of pride as a citizen, a region that has advantages and excellence in Kelambayan District, is part of improving the quality of life. The division of gender work, the role of men and women in tourism businesses, labeling the suitability between male and female characteristics with tourism work, and generating a double workload for women and increasing security and confidence for all surrounding communities, is an improvement in quality other life.

3.2.4. Culture indicator

Tourists when tourism activities have life necessities that must be met in tourist destinations. Meeting the needs of tourists while in tourist destinations triggers the interaction of tourists with local residents who produce goods and services needed. In the process of mutually beneficial interaction there is communication between tourists and the local community, each of whom will exchange information. The process of exchanging information between them has an effect on cultural exchanges in the form of ideas, activities, and non-business business cooperation. The majority of tourists come from areas around Jakarta, Banten and Palembang and the rest come from the regions of South Lampung, East Lampung, West Lampung, Tanggamus and the City of Bandar Lampung and from Germany and Australia. Cultural interactions that occur are
complex because they involve diverse cultures and sub-cultures with a system of values, customs, and physical culture inherent in each. The interaction of new knowledge about the way of life of farmers, farming technology, how to cultivate plants, and also the development of coastal tourism and its derivatives is part of the local wisdom of Teluk Kiluan community. This local wisdom is adopted by tourists to improve their cognitive abilities. As a result, tourists can share the same knowledge with others on other occasions. Tourists also get learning from the community in the form of a simple view of the farming community's life, not being selfish, submitting, grateful feeling. Other aspects that are exchanged during tourist-community interactions relate to the use of language including terms, dialects, tempo and tone of voice used when communicating. Exchange of elements of physical culture or artifacts includes changes in how to use, choosing a dress model, choosing the appearance of face and hair of the local community, especially the younger generation, following tourist styles, models and models that are considered more up to date but not taking into account local conditions or lacking cultural support local.

3.2.5. Political Indicator

Political issues have significant role in tourism [32]. Political aspects are closely related to access, control, and community participation in developing coastal tourism. Through this access, the community has the opportunity to be involved so that they also have a role in the decision-making process associated with developing coastal tourism. Local organizational political participation is quite high, this illustrates the awareness of mutual interests, shared goals, and awareness of people's rights in decision-making.

3.2.6. Environment Indicator

There are various environmental factors which effect on tourism supply chain activities [33-35]. Theoretically, the carrying capacity of the environment on coastal tourism is the maximum number of tourists that can still be tolerated as many as 84,000 people per year assuming that tourists in the coastal area need an average space of 25 m² per person. At present the average number of tourists coming to coastal tourism is still far from the tolerance limit, which is an average of 500 people per month and on a long holiday reaches 8,000 people. Regarding the determination of carrying capacity, the local community develops its own calculations. There are three ways to determine the maximum number of tourists that can still be tolerated developed by the community in Teluk Kiluan City attractions, namely (1) based on boat capacity, (2) based on land capacity, and (3) based on market interest. The first way, the determination of the maximum limit or number of tourists tolerated based on boat capacity is related to tourist satisfaction. On average, each boat can be boarded by 8 people. If more than this number, tourists do not feel comfortable when in the waters of the high seas to enjoy dolphins. Based on land capacity, when there is a long holiday, the amount of waste disposed linearly with the number of tourist causes a dirty environment that is difficult to avoid. In tourism objects, people only provide services for eating, while other small food needs are anticipated by tourists themselves. As a result, food waste in the form of garbage can become a burden on the environment.

3.3. Implications of the CBT Supply Chain Principle to Community Welfare around Teluk Kiluan Beach

Tourism has important role in people’s welfare [36]. The economic structure of the communities around Kiluan coast has the character of the majority of small and medium scale. Some characters that have small scale are: (1) business management is informal, (2) business ownership by individual members of the community, and (3) business location adjacent to the owner's residence and labor, and sometimes not market-oriented. The high absorption of community workforce is influenced by external factors and internal factors. External factors are factors that come from outside the community, namely the economic structure around the coast of Teluk Kiluan and government policy. Internal factors are factors that originate in the community, namely the characteristics of the community workforce.

The level of education and business motivation affect the ownership of tourism businesses. Business ownership produces a work pattern based on the closeness of relations; this is the near work that causes low labor turnover, and unfair business competition. Business motivation as the entry point for the development of a distinctive tourism independent business is supported by the mechanism of business learning by the community. The amount of income obtained by the community is closely related to factors that can affect their income, namely the pattern of local product use in the tourism industry, market trends, and the proportion of expenditure in tourism expenditure as a whole. Community income derived from tourism is not fully enjoyed because the amount of tourist expenditure must still be used to pay for
business raw materials. If the raw material for the business comes from around the community, spending on purchasing raw materials will benefit other communities. However, if the business raw material used comes from outside the community / import, it will cause income leakage or flow of money out which can reduce community income. Apart from the aspect of production, which is no less important is the aspect of the market. The perception of tourists about beach tourism can be an indicator of whether this tour is an attraction that is quite attractive to consumers and good prospects going forward. In general, tourist perceptions about access, community attitudes, services, attractions, boat ticket prices, and positive food consumption prices.

From the results of type analysis and the size of tourism expenditure, an overview of tourism shopping patterns and the amount of community income is obtained. From the composition of tourists’ expenditure both individually and in groups distributed to: Rent lodging (villa/home stay), food, boat rental, and souvenirs. Tourist expenditure has increased the income of the people who have the main livelihood of gardening with details: income from renting boats IDR 3,600,000, rent home stay IDR 1,800,000, and consumption of IDR 480,000 or overall increase monthly income per family by IDR 5,880.00. This income does not include income outside of Saturdays and Sundays.

Increased income, and its distribution equitably become drugs in reducing the dose of poverty alleviation for individuals, communities and rural organizations. The continuation of overall wellbeing for the surrounding community becomes a reality.

4. Result

The results of research in the development of the Gulf coast kiluan tourism apply economic principles and non-economic principles are social, cultural, political, and institutional.

The implications of CBT supply chain on the welfare of the communities around the Gulf coast are characterized by: the absorption of local labor, the development of business units, the doubling of people's income, and the growth and development of new investors. Improving education, quality of life, changes in social values, freedom of action, environmental sustainability and involvement of institutional strengths are the implications of implementing CBT on non-economic welfare of society.

5. Conclusion

The development and development of community-based tourism supply chain is interesting and needs to be developed. Based on the qualitative data of key informants and supporters in the field, it is known that the principle of community-based tourism management at a particular locus will be different from other loci. This research found that institutions and technology are necessary in applying the principle of CBT supply chain. Furthermore, the application of CBT has implications for improving people's welfare, including economic dimensions and non-economic dimension.

5.1. Implications of the Study

The current study has much important for both theoretical as well as practical prospective. This study focused on economic principles and non-economic principles. As the current study highlighted CBT supply chain. CBT supply chain has many benefits to the community which is proved by the current study. It is beneficial for practitioners because this study highlighted that promotion of social, cultural, political, and institutional factors can improve the tourism. It is helpful for strategy making because it is highlighted that CBT supply chain has important for community well-beings. Increase in CBT supply chain activities will increase the empowerment in the community. Therefore, practitioners should focus on CBT supply chain activities.

6. Acknowledgments

The authors also thank Tanggamus Regency dan Lampung Province for supporting data about Teluk Kiluan.

References


