The Impact Of Tourism Village Development On Tourism Business And Community Income Improvement Toward Economic Sustainability

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Abstract. Tourism activities in the village may cause positive and negative impacts for local economy and the sustainability of Tourism destination. This study aims to explain the impact in the development of tourism villages towards of business opportunities, by study on types of business and employment opportunities available in Lerep Tourism Village development, effort to increase community income and economic sustainability from sustainable tourism development in Lerep Tourism Village. The research method used was a qualitative descriptive approach, by conducting in-depth interviews, field observations and document studies that located in Lerep Tourism Village, Semarang Regency. The results of the research obtained, first, there are seven business units business opportunities and employment for local communities. Second, destination Management makes the following efforts in increasing community income: expanding business opportunities, increasing the number of workers, increasing innovation and business licensing, collaborating tour packages, community involvement, and developing tourist attractions. Third, economic sustainability can be realized by involving other supporting aspects, including: Product Aspects, Environment, Socio-Culture, Human Resources, Institutions, Norms, and Pentahelix.

Keywords. Tourism Village Development, Tourism Business, Community Income, Economic Sustainability.

INTRODUCTION

Tourism is one type of industry that is able to accelerate economic growth and provide employment, as well as stimulate other productive sectors. The tourism sector has a strategic role in the development of the economy in Indonesia, in addition to being a source of foreign exchange earnings, the tourism sector can spur and drive other economic sectors, as well as open up employment opportunities and business opportunities more widely and more evenly (Utami 2016). Before Covid-19 Breaks, in 2018, The World Travel & Tourism Council (WTTC) placed Indonesia's tourism sector with the highest growth in the Southeast Asia region, ranked 3rd in Asia, and 9th in the world (Sugiarto 2019). It can be concluded that the tourism sector can be relied upon to drive Indonesia's economic growth because it has proven to provide good achievements.

Learning from the experience of the Covid-19 pandemic that has devastated the economy of tourism destinations throughout Indonesia, tourism development is expected to be increasingly oriented towards the importance of Sustainable Tourism Development. The recovery of the tourism sector after the Covid-19 pandemic needs to consider that the economic impact of tourism will recover faster where outdoor and nature-related destinations will be

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more popular than urban destinations, (Pambudi et al. 2020). Indonesian government stated that the Covid-19 pandemic can be a momentum of transformation for the tourism sector in Indonesia.

The World Tourism Organization (UNWTO) adopted the concept of sustainability by defining sustainable tourism as a form of tourism that pays attention to natural or environmental sustainability, socio-cultural values and the impact of welfare on society (Tamrin 2021). Sustainable tourism development in Indonesia must be pursued by making changes to tourism management to create a sustainable tourism climate.

In the Tourism Village Guidebook (2021), there are four aspects of sustainable tourism development, namely: Economically Feasible, Environmentally Feasible, Socially Acceptable, and Technologically Appropriate (Asri 2021). The concept of sustainable tourism development arose due to the adverse effects of organizing tourism activities, especially during the growth and development of mass tourism in various tourist destinations in the world which damaged the long-term economic sustainability of the community. Therefore, the concept of sustainable tourism development emerged which is expected to minimize the adverse effects of tourism development in the long term, (Hidayah 2021)

In March 2021, the ministry of Tourism and Creative Economy certified and awarded 16 Tourism Villages for their achievements as Sustainable Tourism Villages as an effort to encourage quality tourism in Indonesia. One of the tourist villages that has successfully implemented these sustainable tourism standards is Lerep Tourism Village from Central Java Province. Achieving sustainable tourism is an ongoing process and requires constant monitoring of impacts, introducing the necessary preventive and/or corrective measures whenever necessary (Ginting et al. 2020). Tourism village managers synergize in achieving common welfare through activities in tourist villages. There are several tourism businesses that provide business and employment opportunities, that local communities can increase their income by being involved in tourist village activities.

Several previous research that emphasize the economic impact of rural tourism development, such as improving community welfare (Safitra and Yusman 2014); increased community income (Soewarni et al. 2019; Patimatuzzakrah, 2020; Hermawan, 2016), increase family income (Handayani and Harlina 2021), offer job opportunities (Wibowo, Kaskoyo, and Damai 2019), engine for local economic growth (Rendra and Fadhilah 2020), increase economic value (Hasanah, Wahyudi, and Gravitiani 2021). However, sustainable tourism development can be constrained by problems in land ownership (Yanuarita 2019). The
differences in the multiplier effect of the development of Tourism Village, where the direct impact from non-tourism activities is higher than the direct impact from tourism activities (Rahmawati and Purwohandoyo 2019). Furthermore, the development of tourist villages is expected to be able to increase economic growth, people's welfare, eliminate poverty, overcome unemployment, preserve nature, the environment and resources, and advance culture (Hidayat 2022).

Although previous researches explaining the economic impact, but has little to do with destination sustainability. Therefore, this study aims to link the economic impact of tourism village development with destination sustainability. It is hoped that the existence of Lerep Tourism Village can be an example for other tourism village managers in Indonesia in developing sustainable tourism. This research aims to explore the sustainable aspects of the economy that occur in Lerep Village with several research questions as follows: what types of business and employment opportunities are available in Lerep Tourism Village, how to increase community income in Lerep Tourism Village, how economic sustainability can lead to sustainable tourism development in Lerep Tourism Village.

METHOD
This research uses an interactive qualitative method approach with a single case study design in Lerep Village Semarang Regency, because it aims to explore in depth about the type of business and job opportunities, effort for sustainable economy and how it relates to sustainable tourism of the village. Data collection in the field used in-depth interview techniques with informants, field observation and documentation. To maintain data validity, multi-source and multi-technique data collection is carried out.

RESULTS AND DISCUSSION
Types of Business and Employment Opportunities in Lerep Tourism Village Development
Various business and employment opportunities have grown for the community of Lerep Tourism Village. Through village-owned enterprises (BUMDes) Gerbang Lentera as the Lerep Tourism Village management institution, which has contributed in running 7 business units. Business units that are jointly oriented towards empowering the community's economy through the provision of business and employment opportunities, including:
1. Public service business: Village drinking water, Village food barn, Waste management and local resources
2. Rental business: Transportation equipment, Agricultural equipment, Meeting-hall, Shop house, Kiosks, Land owned by BUM Desa
3. Small industrial and household businesses: Food and beverages, Folk crafts, Other small industrial businesses
5. Savings and loan businesses/Micro-finance institutions (MFIs)
6. Livestock and fisheries business
7. Tourism business

Since the beginning of 2017, initially there were 2 types of business and employment opportunities that have grown in Lerep Tourism Village, namely Micro, Small and Medium Enterprises (MSMEs) and tour guides. Then the community has a souvenir trading business or home production that will be used as business products and educational activities, including processed cow's milk products, various chips, and various processed spice drinks. Along with the development of tourism village, local communities are involved as food and beverage traders, such as traders in tented coffee shops, street food culinary market traders, souvenir traders (MSMEs) and home industry products that are also used in educational activities. Furthermore, the community has a homestay business for rent for tourists who want to stay overnight.

Later on, community-owned transportation is also used in tourism activities. Apart from being the owner of the transportation, the community is also the driver in charge of taking groups of tourists around the village, while the ojek is in charge of taking tourists from the parking area to the location of the culinary market. Types of businesses formed during the development of a tourist village as follows:
Destination Management Efforts to increase the community income in Lerep Tourism Village

Based on the findings, the local community uses tourism village activities as an effort to increase their income. In order to increase community income, Lerep Tourism Village management institutions make various efforts, as follows:

1. **Expansion of business opportunities:**
   
   Tourist attraction, Tourism village, Transportation services, Parking management, Tourist accommodation, Organization of entertainment activities, Meeting organizing services, Tourism and BUM Desa consultancy services, and Tourist guide services.

2. **Increase in the number of workers**
   
   In organizing the local culinary market, there are 312 traders, 20 organizers, 10 parking guards, 30 motorcycle taxi drivers, 22 traditional artists, and 12 road organizers involved. There is a driver's association and motorcycle taxi (Mr. Jek) in charge of accommodating tourist transportation businesses. The traders involved in the culinary market are local people representing each hamlet.

   The lodging business also has an informal group of homestay management. Other community involved in tourism village activities such as: management, tourism village marketing, tour guides, outbound facilitators, photographers, and so on. Almost all tourism village activities will involve the local community as labor and business personnel.

3. **Increased innovation and business licensing**
   
   The tourism village manager is preparing for innovation, for example, is encouraging the community to process farm and livestock products into souvenir and culinary business products, so that there is added value creation in each business product. In addition, increasing the productivity of local communities in organizing Tent Coffee every weekend, it is a culinary market that re-engages traders to sell local culinary delights. Although with a limited menu, tent
coffee shops are able to answer the concerns of guests who do not have time to visit during the
culinary market and the desire of young people who tend to choose to hang-out with natural
nuances. However, there are still problems in developing MSME products by farm women's
groups (KWT) as one of the local communities, including licensing of processed milk from
BPOM that does not meet factory standards, provision of raw materials, human resource skills,
and product marketing.

4. Tourism package collaboration

Most local communities are farmers and ranchers, the business sectors that always support
village tourism activities are livestock, agriculture and plantations. Tourism awareness group
(Pokdarwis) tends to package tour packages that collaborate with local community activities. The
tour packages offered by Lerep Village are education-based tour packages for ecological tourism,
namely gamelan musical instrument education, dance education, rice planting education, rabbit
farming education, and pottery painting education. Lerep Village also empowers local
communities, such as livestock groups, women farmer groups and youth farmer groups. The
products produced by these groups will be utilized in educational activities. These groups will be
involved as props who conduct the education.

In addition, MSMEs are also involved in tour package activities. When receiving guest
visits, the Pokdarwis will provide sales stalls to market community MSME products, such as
various spice drinks, various chips, processed kolang kating, Javanese sugar and tofu meatballs.
However, tour packages are only a promotional platform and MSMEs must continue to grow.
The hope is that in the future the community will not depend on activities in the tourist village,
but can produce independently.

5. Community involvement

The reality is that there are still many people who do not understand their role as
stakeholders and the spearhead of the Lerep Tourism Village. Of the ± 13,000 people in Lerep
Village, only around 1,000 are involved in village tourism activities. This is a problem for
managers to change the mindset of people who are not willing to get involved. Therefore, the
Lerep Tourism Village manager seeks to involve the local community through socialization
activities to increase community understanding and education about tourism.

6. Development of tourist attractions

At this time, a popular tourist attraction in Lerep village is the village billabong called
Embung Sebligo which is used as an irrigation facility for durian farmers. This billabong area
has an area of 6 hectares and occupies village-owned land. The tourist attractions that will be
developed in the Sebligo billabong area are water rickshaw rides, galatama fishing, rabbit parks,
flower parks, durian garden parks, billabong cafes, national standard swimming pools, water
parks, camping grounds, educational film theaters, and meeting halls. It is hoped that in the future,
through the tourist attraction development program, it can increase tourist visits, absorb business / workforce and of course the quality of tourism in Lerep Village. These findings support research by (Nugroho, Negara, and Yuniar 2018) which notes that the potential of tourism villages comes from socio-cultural life, the natural environment, and economic activities. Since the establishment of Lerep Village.

The increase in local community income comes from tourism village activities, more precisely in business and employment opportunities. Young people or students can also have additional pocket money by being involved in tourism village activities. So that the people involved feel enough economic benefits to be able to meet their daily needs. It can be seen that Lerep village is successful in overcoming unemployment in the community.

![Figure-2 Village Tourism Management Efforts to Increase Community Income](image)

**Efforts to realize economic sustainability can lead to sustainable tourism development**

Lerep Village was designated as a sustainable tourism village in March 2021. This proves that Lerep Village managed to achieve sustainability standards despite being in the midst of the Covid-19 pandemic. Sustainable tourism development in Lerep Village is oriented towards special interest tourism which is expected to minimize the negative impacts of tourism development in the long run. As one of the advanced tourism villages in Indonesia, the community is consistent in realizing long-term economic sustainability.

Ministry of Tourism and Creative Economy sets 4 aspects of sustainability in Lerep Village, namely economic, socio-cultural, environmental, and institutional. From the economic aspect, sustainable tourism development in Lerep Village has made it easier for local communities to become entrepreneurs while at the same time being involved in tourism village activities. There are positive impacts received by other sectors through collaboration and added value to business products, such as the agriculture, plantation, livestock, and fisheries sectors. The provision of tourist facilities has also met the needs of the community and tourists without reducing the quality of the environment or local cultural values.
Various integrated and organized efforts are trying to be made by Lerep Village management institutions in developing sustainable tourism. There are other supporting aspects that are considered influential to long-term economic sustainability in Lerep Village, as follows:

1. **Product Aspect**
   
a. **Attractions**

   The tourism potential in Lerep Village is based on a combination of natural attractions, culture, and local community creativity. However, tour packages are only implemented in 3 hamlets, namely Lerep, Indrokilo and Soka hamlets. The other 5 hamlets (Karangbolo, Kretek, Mapagan, Lorog, Tegalrejo) have potential that has not been maximally developed. The lack of enthusiasm of the hamlet head and the local community is a problem in developing their potential.

b. **Amenity**

   Amenity is provided to serve the basic needs of visiting tourists Hadiwijono (2012). BUMDes Gerbang Lantera plays a role in preparing general services through the business units it runs. While direct services to tourists, in the form of providing food and drinks, Lerep Village information services, tour guides, souvenirs, and providing lodging (homestay). The homestay business is a room owned by the community that is rented out to be a place for tourists to stay. Previously, homestay businesses were encouraged to follow CHSE certification related to cleanliness, health, safety, and environmental sustainability. In Lerep Village, there are 30 homestays that are currently CHSE certified. The existence of this certification is proof of the readiness of business actors to provide safety and comfort during tourists' stay. It has an effect in increasing tourist visits and local community income. The implementation of CHSE in tourism destinations can increase tourists' confidence to visit the destination (Listyorini and Hakim 2023).

c. **Accessibility**

   According Chaerunissa and Yuniningsih (2020) access includes facilities and infrastructure needed by tourists to get to tourist destinations. Visiting Lerep Village takes a distance of ± 20 km from Semarang City. The road conditions to the location are good, so tourists can drive public or private transportation. Furthermore, tourist transportation has been provided for tourists who want to tour the village or visit the culinary market.

2. **Environmental Aspects**

   The principle of Lerep Village development is to maximize and maintain resources in the countryside to make it more useful and sustainable through tourism activities. The Lerep Village area needs to be conserved because it is located on the slopes of Mount Ungaran. This is realized in the selection of the theme of tourism activities, such as eco-educational tours which are a type of educational tourism that combines ecological tourism.

   In organizing the culinary market, the management applies the go green practices, starting from the selection of culinary menu ingredients, how to serve, the provision of
sales stalls, trash bins, to transaction tools that do not use money but wooden coins. However, the culinary market committee has difficulty in providing containers if visitors want to take home the culinary menu of local food.

Furthermore, the maintenance of the environment can be seen in the carrying capacity of the tourist area that has begun to be implemented. The manager prepares human resources in each location so that if the visiting tourists are considered to exceed the capacity, the steps taken are to divide the group and separate the location of tourist activities. So that the safety and comfort of tourists are well conditioned and damage to the physical environment can be avoided.

One of the hamlets known as Climate Village is Soka Hamlet, which has been certified as a climate village by the Ministry of Environment. The local community utilizes waste into economic activities, through education called Hastayambah or souvenirs made from waste. In the climate village, there is a waste bank, yard utilization, sorting and processing of organic and non-organic waste. The Indonesian Ministry of Manpower also gave an award in the form of BPJS Employment for the climate village community. The community received a death benefit of 48 million and free health facilities for work accidents.

3. Socio-cultural Aspects

The importance of preserving local culture encourages people to recognize history and cultural values through traditional and cultural leaders. One of the factors for the increasing number of visits is the motivation of tourists to get to know and learn about Lerep village culture. It is hoped that local communities will be able to prepare for this by recognizing their culture first.

In addition, efforts to protect historical relics also exist. There is one historical building precisely in Lerep hamlet, which is a Palawija commodity factory. This building is a Dutch relic that used to be a spice route. Until now, the building has not been explored in tourism activities for fear of damage. However, the plantation still exists and the results are used for sale by the garden manager without processing at the factory.

The community traditions that are still maintained today are as follows:

a. Iriban Tradition

Tradition for cleaning of waterways sourced from mountain springs which are the source of life for the people of Lerep Village. In the Iriban tradition, traditional food is served namely Iriban Rice and used as a specialty food of Lerep Village. This tradition aims to harmonize residents by working together to clean the waterways, and later residents are eating Iriban Rice together.
b. Sadranan Tradition

The tradition of bringing food to the village grave. The people of Lerep Village believe that praying for deceased relatives is a very good thing to do. This Nyadran Tradition aims to remind the living about death that will definitely happen.

c. Kadeso Tradition

The Kadeso tradition is an earth alms event as an expression of gratitude to God Almighty for the abundant crops.

d. Jajanan Ndeso Culinary Market

There are a variety of old-fashioned foods and drinks sold in the culinary market, including various traditional snack, traditional main course, traditional drinks, and various fried foods.

Many appreciations are received by local communities in interacting with tourists. It can be seen from the hospitality of the community to the procedure of wearing traditional clothes in serving guests. This makes tourists feel at home and comfortable while in the Lerep Village area. Within the internal scope, socialization activities regarding tourism village activities are actively held. Lerep Village managers utilize existing forums, such as family welfare empowerment (PKK), hamlet-level working groups, youth organizations, and other local communities. The aim is to evaluate each activity that has been carried out and report on the next activity, then provide reinforcement to the management, to urge the community to join in the activities of the tourist village.

4. Human Resources (HR) Aspect

The Lerep Village manager prepares superior human resources through empowering the local community towards activities in the tourist village. This can be seen from the existence of local communities, such as PKK, KWT, POKJA LKMD, Culinary Market, PSL, Art Group and so on. The presence of this community is a forum for local people to develop their capacity as tourism actors, so that they not only receive benefits in terms of income but can improve their skills.

The youth are invited to participate in comparative studies outside to increase the role of youth in tourist villages. The community is also always involved in various trainings organized by both academics and the government. These include training on tourism village management, homestay training, hospitality training, tourism village governance training, culinary training and so on.

Meanwhile, 7 business unit of BUMDes has a shortage of human resources, therefore these businesses have not been maximally managed and BUMDes employees
tend to be working in other sectors, because of the absence of a fixed salary, which will earn income from the profits received.

5. Institutional Aspects

The management institution of Lerep Tourism Village already has a decree (SK). The Lerep Village Government is responsible for the establishment of Lerep Tourism Village. BUMDes is the profit institution that manages tourism village in partnership with Pokdarwis. Pokdarwis also has the duty and function to maintain and remind each other of the conduciveness in the application of seven tourism charms (Sapta Pesona). Pokdarwis Rukun Santoso plays role in marketing as well as implementing tour packages.

Karang Taruna, a Youth non-profit organization, is involved in village tourism activities. It is oriented towards accommodating teenagers to develop their creativity and potential through activity programs, namely youth posyandu, sports and arts. In addition, there are community institutions that have duties and functions in tourist villages, such as family welfare empowerment (PKK), farmer/livestock groups, art groups, culinary markets, LKMD Working Group, PSL and so on.

The farm women's group (KWT) will manage MSME products that produce agricultural, plantation, and livestock products. Not all hamlets are active in this group. Lerep Village MSMEs are still focused in 3 hamlets, namely Indrokilo, Karangbolo and Lerep Hamlets named KWT Sumber Hasil. This group has activity programs, in the form of nurseries, processed milk (milk soap, milk candy, milk crackers), processed cassava or yam, liquid soap from banana peels, hand showp from coffee extract, and herbal tea.

6. Norms Aspects

Before the establishment of Lerep Village, most local people are forest encroachers, hunting flora and fauna. Natural resources that should be preserved seemed to have no value. Village area governance was not as structured as it is today. There is a lot of potential, but it is not developed due to a lack of insight into tourism. After the existence of village tourism activities, the changes that have occurred at this time certainly cannot be separated from the cooperation of stakeholders. In the Lerep village regulation, the importance of protecting and preserving natural and cultural resources has been outlined in writing.

By mutual agreement, there are special sanctions for the community and tourists if they commit violations. The norms, such as not cutting down trees around the protected forest. If a violation occurs, sanctions will be given in the form of giving a cow or ox. In
addition, it is forbidden to throw garbage in any place or in the river and if a violation occurs, the sanction will be given to sweep the neighborhood or one sub hamlet.

7. Pentahelix Aspects

Pentahelix collaboration in the planning, management, monitoring and evaluation stages of sustainable tourism development in Lerep Village is well implemented. Academics play a role starting from identifying tourism potential, business certification to providing education or training on increasing added value to agricultural, plantation and livestock products. The manager also supports students to carry out student internship at Lerep Village, in order to channel knowledge and experience that is beneficial to the tourism village, such as educating local communities in souvenir making, waste processing, and so on.

Businesses on goods and services by local community, in the form of lodging businesses, grocery stores, transportation services, home industries and so on are able to contribute in supporting the activities of the tourist village. Local communities ranging from youth organizations, PKK, KWT, POKJA LKMD, PSL, farming and livestock groups. These communities play a role in attending education and training, developing tourism businesses and attending formal and non-formal meetings held by the government or academics. Local government, provincial, and national levels have played a role in structuring the tourism village organization, management budget plan, business licensing, and provision of education or training. The media plays a role as a forum for promotion and publication of Lerep Village. Tourists, in planning their trip, can access information online on YouTube, Website, Hotline, Instagram, TikTok, Twitter, and Facebook of Lerep tourism village. In addition, there are media exchanging information by word of mouth or writing about the experiences of tourists visiting Lerep Village.

Based on the findings, it can be seen that Lerep Village makes efforts to realize economic sustainability by involving 7 supporting aspects. These efforts have been oriented towards the concept of sustainable tourism development proposed by (Noor and Pratiwi 2016) and (Larasati and Rahmawati 2017) including:

1. Utilizing, protecting and preserving the natural environment
2. Protecting and preserving community cultural distinctiveness
3. Optimize local economic activities
4. Provide education and training about tourism
5. Using the concept of carrying capacity

This research findings can be draw by figure as follows:
Here is the merging model of the above propositions:
CONCLUSION
Several conclusions based on the findings, as follows:

1. There are seven business units that are a form of business and employment opportunities for Lerep tourism village local communities, including: Public Service Business, Rental Business, Small and Household Industry Business, General Trade Business, Savings and Loan Business/Micro Finance Institution (MFI), Livestock and Fisheries Business and Tourism Business.
2. Efforts made by Lerep tourism village managers in increasing local community income, including: Expansion of business opportunities, increase in the number of workers, increase in innovation and business licensing, collaboration of tour packages, community involvement and development of tourist attractions. These efforts are inseparable from socio-cultural life, the natural environment and economic activities.

3. There are supporting aspects that become efforts in realizing long-term economic sustainability, including: Product, Environmental, Socio-Cultural, Human Resources, Institutional, Norms, and Pentahelix aspects.

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