

CHAPTER I

INTRODUCTION

A. BACKGROUND

Indonesia is the largest archipelagic country that owns 17,499 Islands and has a total area of land and water of 7.81 million km². Natural wealth and cultural diversity make Indonesia a variety of sectors that can be utilized, one of which is the tourism sector. Tourism is one of the important factors in increasing revenues and economic development of Indonesia. Based on a report on The Travel & Tourism Competitiveness Report released WEF (World Economic Forum) 2019, the ranking of Indonesia's tourism competitiveness Index has increased to 40 in the year 2019 from 42 rating in 2017 (Kompas.com).

According to Usolikhah et al. (2016), tourism is a very complex sector because tourism is multidimensional, both physical, social culture, economics, and politics. The growing tourism sector in a country will encourage other sectors to develop because its products are needed for activities that support the tourism industry, such as livestock, agriculture, handicrafts, etc.

Tourism in Indonesia will always increase annually. According to the Ministry of Tourism, the number of foreign and domestic tourist travel has always had a significant increase. Economically, the tourism sector has an effect on other sectors such as hospitality, food, crafts, and travel agencies, so it is directly able to create jobs and increase public income

(Rahardjo, 2002). So that the tourism economy has a big impact on economic growth such as contributing to Indonesian foreign exchange and can reduce the unemployment rate.

According to law No. 9 year 1990 that:

"The existence of tourism objects in an area will be very beneficial, among others, expanding and leveling opportunities for effort and employment, encouraging regional development, enlarging national income in order to improve prosperity and wealth, enrich national culture, enhance the love of homeland and strengthen the friendship among peoples".

Tourism in Indonesia has an environmentally friendly tourism network that will be utilized for training, education, and enhancement of awareness to improve the standards and self-quality. As in the word of God Almighty that has been described in Q. S Al-Isra ' and Al-An'am:

"And then it is as surely as we are able to do what God has created that merely-the eyes are for us to make use of, because God has promised goods who are grateful for the favor it will be added but when Kufr then will get a torment very painful".

One of the important elements in the world of tourism is the object and tourist attraction, where both elements can succeed the government in preserving customs and culture as assets and selling values that provide long-term benefits to local communities. Therefore, the concept of Community Based Tourism is currently rampant emerging. There are several areas where the tourism sector can push the area from its backwardness and make it a major source of income for the region.

Special Region of Yogyakarta (DIY) is now one of the main tourist destinations for vacationers. Tourism in DIY has helped a lot in the development sector, because the special region of Yogyakarta is a province

that has a wide range of tourism objects including natural and cultural tourism. Tourism growth in the special region of Yogyakarta (DIY) has always increased from year to year, judging by data growth of tourist visits to DIY.

Table 1.1 Growth of Tourist Visits to DIY Year 2014-2018

Year	Foreign Tourist	Domestic Tourist	Total	Growth (%)
2014	254.213	3.091.967	3.346.180	17,91
2015	308.485	3.813.720	4.122.205	23,19
2016	355.313	4.194.261	4.549.574	10,37
2017	397.951	4.831.347	5.229.298	14,94
2018	416.372	5.272.719	5.689.091	8,79

Source: *Statistik Kepariwisataaan DIY*

The community has an important role in supporting the success of tourism development activities. One of the concepts that explain the role of community in tourism development is Community Based Tourism (CBT). At present, the people of special region of Yogyakarta is going to create a tourist village that will generate the benefits and selling value of the family. Many tourists who want to see and enjoy the atmosphere of natural beauty and learn the culture of local people encourage to developed tourism village based on natural attractions. This tourism village is formed because of the creative ideas from the village community and government also support the existence of this tourism village. The government hopes that with this tourism village can help the economy of local people and can see the opportunity to optimize its village potential.

Tourism village is a rural area that offers a whole atmosphere that reflects the authenticity of rural areas both in terms of socio-economic life, social culture, daily customs, and architecture of buildings, and the typical village spatial structure (Sudarmadji and Darmanto, 2014). The tourism village became a tourist destination that was intentionally formed and coincidentally formed, because people see their own attraction.

Tourism village is a form of integration between attractions, accommodation, and supporting facilities that are presented in a structure of community life that blends with the ordinances and traditions that apply (Nuryanti, 1993). There are two main components in the tourism village as the concept of tourist residence, and the attraction as the daily activities of local people so that tourists can participate in all activities provided.

One of the areas with the development of tourism sector that is good views of the number of tourists who vacation is Sleman Regency. Sleman Regency is bordered by Central Java province to the north and east, Gunung Kidul Regency, Bantul Regency, and Yogyakarta City in the south, and Kulon Progo Regency in the west. Sleman Regency is one of regencies that have a variety of tourism objects, especially tourist villages. The number of tourism village in Sleman Regency is getting more and increased significantly over the previous period. The government of Sleman Regency targets 10 million number of tourist visits at 2019 this year. Head of the Market Office (DISPAR) of Sleman, Sudarningsih stated that it has formed

47 Tourism village of 31 tourism villages (tribunjogja.com). Below are the names of tourist villages in Sleman Regency.

Table 1.2 List of Tourism Village in Sleman Year 2018

No	Name of Tourism Village	Location
1.	Desa Wisata Brayut	Pandowoharjo, Sleman
2.	Desa Wisata Grogol	Margodadi, Seyegan
3.	Desa Wisata Pentingsari	Umbulharjo, Cangkringan
4.	Desa Wisata Rumah Domes	Sumberharjo, Prambanan
5.	Desa Wisata Kelor	Bangunkerto, Turi
6.	Desa Wisata Gamplong	Sumber Rahayu, Moyudan
7.	Desa Wisata Pulesari	Wonokerto, Turi
8.	Desa Wisata Sukunan	Banyuraden, Gamping
9.	Desa Wisata Kadisobo II	Trimulyo, Sleman
10.	Desa Wisata Pancoh	Girikerto, Turi
11.	Desa Wisata Blue Lagoon	Widodomartani, Ngemplak
12.	Desa Wisata Tunggul Arum	Wonokerto, Turi
13.	Desa Wisata Bokesan	Sindumartani, Ngemplak
14.	Desa Wisata Gabungan	Donokerto, Turi
15.	Desa Wisata Tanjung	Donoharjo, Ngaglik
16.	Desa Wisata Jethak Sidoakur	Sidokarto, Godean
17.	Desa Wisata Nawung	Gayamharjo, Prambanan
18.	Desa Wisata Garongan	Wonokerto, Turi
19.	Desa Wisata Brajan	Sendangagung, Minggir
20.	Desa Wisata Pendidikan Dukuh	Pandowoharjo, Sleman
21.	Desa Wisata Sangurejo	Wonokerto, Turi
22.	Desa Wisata Pulewulung	Bangunkerto, Turi
23.	Desa Wisata Ledok Nongko	Bangunkerto, Turi
24.	Desa Wisata Ketingan	Tirtoadi, Mlati
25.	Desa Wisata Malangan	Sumberagung, Moyudan

No	Name of Tourism Village	Location
26.	Desa Wisata Nganggring	Girikerto, Turi
27.	Desa Wisata Temon	Pandowoharjo, Sleman
28.	Desa Wisata West Lagoon	Nogotirto, Gamping
29.	Desa Wisata Plempoh	Bokoharjo, Prambanan
30.	Desa Wisata Ngembesan (Goa Lawa)	Girikerto, Turi
31.	Desa Wisata Gamol	Balecatur, Gamping
32.	Desa Wisata Kampung Iklim Karang Tanjung	Pandowoharjo, Sleman
33.	Desa Wisata Beteng	Tridadi, Sleman
34.	Desa Wisata Klegung	Donokerto, Turi
35.	Desa Wisata Ecopark Krasak Jolontoro Sempu	Wonokerto, Turi
36.	Desa Wisata Dukuh Sempor	Donokerto, Turi
37.	Desa Wisata Dewi Sambu	Sambirejo, Prambanan
38.	Desa Wisata Jetak II	Jetak II, Sidoakur, Godean

Source: Dinas Pariwisata Kabupaten Sleman 2018

Viewed from the many tourist villages above, it has a variety of tourist villages that become one of the favorite destinations for tourists to visit. Tourism village in Sleman Regency is very potential to be developed and become a tourist destination for local and foreign tourists. One of the tourist villages that has a pretty high number of visits is the Tourist Village of Gamplong.

The following are table number of visits in Gamplong Tourism village of Sleman Regency.

**Table 1.3 The Number of Gamplong Village Visitor
Years 2013-2018**

Year	Total Number of Visitors
2013	3.655
2014	2.163
2015	5.373
2016	1.700
2017	5.675
2018	29.373

Source: *Dinas Pariwisata Kabupaten Sleman*

Table 1.3 shows that the number of tourists in Gamplong tourism village is fluctuating. From 2013 to 2015 the growing number of visitors in the tourism village of Gamplong had climbed down, but in 2016 the total number of visitors experienced a fairly drastic decline. In the years 2017 to 2018 experienced a significant increase.

Gamplong Tourism Village is located in Sumber Rahayu Village, Moyudan District, Sleman Regency. Its location on the outskirts makes this area far from the crowds and makes the tourists can enjoy rural life that is calm and beautiful. Tourists who visit can experience their own life activities that occur in the tourist village and involve local communities who play an active role as an instructor or facilitator offering tourism services. Rural tourism activities will certainly provide its own opportunities for local people to become guides who can provide tourism services, such as: home

stays, transportation services, selling culinary specialties, souvenirs, which of course can have an effect on the economic income of local communities.

Gamplong tourism village has good accessibility and easy to reach. The tourism village, located \pm 20 km west of the city of Yogyakarta, is a village famous for its weaving craft centers so that there are many women who work as weavers. Gamplong is known as a village producing weaving crafts since 1950. The skills of citizens in weaving are obtained from generation to generation.

In mid-2017 a building named Studio Alam Gamplong was built that could be used by tourists to spot photos. The nuances of Mataram Palace are the heart of Studio Alam Gamplong. The new building that was built makes tourists feel curious about this Gamplong Tourism Village, especially Studio Alam Gamplong has been used for the purpose of filming a film directed by Hanung Bramantyo titled Sultan Agung The Untold Love Story and Bumi Manusia making this attraction an increase in the number of visits which is very significant in 2018.

Gamplong tourism village is included in the category of public goods, which means goods that cannot be limited by whoever the user is and as much as possible the user does not have to pay the slightest cost to use it. According to Ward et al (2000) (in Raharjo) the assessment method specifically to measure the economic value of natural tourism which is widely used is the Travel Cost Method (TCM).

The travel cost method (TCM) is an option for calculating the value of individual preferences for non-market goods by linking to something that has market value, but the travel cost method (TCM) has limitations. These limitations include, among others, not yet free from a multi-purpose trip, a visit from an individual who lives on a site, and a travel cost function that does not measure the value of other uses of visitors. (Ready and Navrud, 2002). Research conducted by Saptutyingsih and Ningrum (2017) which uses the travel cost method as a tool, to analyze factors affecting the number of visitors to Goa Cemara, research conducted by Lamsal. P et al (2016) using the travel cost method to determine the economic value in the Ghodaghodi Lake Complex, Nepal, and research conducted by Suryahani et al (2018) also using the travel cost method as a tool to estimate the amount of demand for Dieng tourism objects and also to estimate the economic value of Dieng tourism objects.

The Travel Cost Method is conducted using information about the amount of money, time spent to reach the recreation area and to estimate the economic value of the recreation area. In addition to the costs incurred to reach a tourist attraction, there are also factors that affect the number of tourist visits, namely distance, several socioeconomic variables and income. Thus, I will conduct research using the Travel Cost Method (TCM) to find out the economic value, and factors that influence the level of tourist arrivals in Gamplong Tourism Village.

From research conducted by Saptutyingsih and Ningrum (2017), the results show that travel costs and age have a significant effect, and distance has a significant negative effect, while leisure does not have a significant effect on the number of tourist attractions in Goa Cemara Beach. According to Haban, et al (2017) the result show that income and education variables have a significant positive effect, the variable costs of travel and dummy substitution have a significant negative effect, and the age variable has a significant negative effect on the number of individual visits. Based on a study by Zulpikar, et al (2017) the results indicated that the variable cost of travel, mileage and duration of visit have a positive and significant effect on the level of tourist visits to Batu Karas beach. Economic potential ecotourism in Batu Karas Beach reaches IDR 86.6 billion per year, with a consumer surplus value of IDR 566,183.00 per individual per year. Based on a study by Suryahani, et al (2018) the result show that travel cost of Dieng, travel cost of Baturaden, income, age, sex, time, education, aim of recreation, has a significant effect on number of visits to Dieng tourism object.

Based on the above background, the authors feel interested to research on what factors influence the level of tourism visit and major economic value of tourist attraction in Gamplong Tourism village. Therefore, the author is interested to do research on the topic "ECONOMIC VALUATION WITH TRAVEL COST METHOD APPROACH IN GAMPLONG TOURISM VILLAGE".

B. Limitations of Problems

In this study, researchers limited the attraction to be observed, precisely in the tourist village of Gamplong. To utilize and manage natural tourism to increase tourism attraction that aims to improve tourist visit.

C. Problems Formulation

Based on the background that has been explained, the problem raised in the study is formulated as follows:

1. How does the travel cost affect the number of visits in Gamplong tourism village?
2. How does the income affect the number of visits in Gamplong tourism village?
3. How does the distance affect the number of visits in Gamplong tourism village?
4. How does the duration of visit affect the number of visits in Gamplong tourism village?
5. How much is the economic value of Gamplong Tourism Village in Sleman Regency?

D. Purposes

1. To identify the influence of travel cost against the number of visits in Gamplong Tourism Village.
2. To identify the influence of income against the number of visits in Gamplong Tourism Village.

3. To identify the influence of distance against the number of visits in Gamplong Tourism Village.
4. To identify the influence of the duration of visit against the number of visits in Gamplong Tourism Village.
5. To identify how much the economic value of Gamplong Tourism Village in Sleman Regency.

E. Research Benefits

1. For writers

Authors can disseminate the theories gained and can add insight and understanding of knowledge about tourism.

2. For the interests of science

Can be used as a research reference and can be developed for other research references and can be used as a study of research appeals in a similar field.

3. For local governments

Can be a study for local governments to make policies and help develop tourism especially tourist villages in Sleman Regency.