

CHAPTER I

INTRODUCTION

A. RESEARCH BACKGROUND

The Republic of Indonesia is a country in the Southeast Asia region which is passed by the equator and is located between two continents and two oceans, namely the continents of Asia and Australia, and the Pacific and Indian Oceans. Indonesia is also one of the largest archipelagic countries in the world which has 17,508 islands with a coastline of 81,000 km, which has enormous potential for coastal and marine resources. Indonesia has abundant natural wealth, both in the form of natural beauty on land and natural beauty in the sea. Not a few of the natural beauties in Indonesia have been used as official tourist attractions managed by the local government, but there are also natural beauties that are not managed properly so that they become neglected and not used as tourist attractions.

The tourism sector is one of the sectors that the government relies on to increase national income. This is evident from the large contribution of the tourism sector to the national Gross Domestic Product (GDP). In addition, based on data from the Ministry of Tourism (Kemenpar) on the website <https://databoks.katadata.co.id/datapublish/2020/12/15/serapan-tenaga-kerja-pariwisata-reach-13-juta-orang-pada-2019>, "The number of workers absorbed in the tourism sector always increases every year. In 2019, the absorption of workers in the tourism sector reached 13 million people, an increase of 3.17% compared to the previous year". However, in 2020, with the COVID19 outbreak, all sectors including the tourism sector experienced a significant decrease in the number of visits and the tourism sector's contribution to the

economy in Indonesia greatly decreased. However, in 2020, with the COVID-19 outbreak, all sectors including the tourism sector experienced a significant decrease in the number of visits and the contribution of the tourism sector to the economy in Indonesia greatly decreased.

The tourism sector has interrelated relationships and has various dimensions, because these sectors are interrelated with various characteristics, both physical, economic, social, cultural and political characteristics. With the existence of the tourism sector in most regions in Indonesia it will affect economic conditions, which with the development of this tourism sector will result in other sectors developing, such as trade, transportation, agriculture, accommodation and will also create jobs. It is undeniable that Indonesia is one of the countries that has various types of tourism which are very large and rich both on land, in the air and at sea. However, it is unfortunate that the diversity we have has not been fully exploited and exploited. As in Surah Ali 'Imron Verse 191 which means;

بَاطِلًا هَذَا خَلَقْتُمْ مَا رَبَّنَا ۖ وَالْأَرْضُ السَّمْوَاتِ خَلَقَ فِي وَتَتَفَكَّرُونَ جُنُوبِهِمْ وَعَلَى وَفُعُودًا قِيَامًا اللَّهُ يَذْكُرُونَ الَّذِينَ

النَّارِ عَذَابٍ فَقِنَا سُبْحَانَكَ

"(That is) those who remember Allah standing or sitting or lying down and they think about the creation of the heavens and the earth (saying):" O our Lord, you did not create this in vain, Glory be to you, then save us from the torments of hell "

From the above verse, we can conclude that everything created by Allah is nothing in vain. Likewise, nature was created for us to enjoy its beauty. Given the desire of domestic and foreign tourists who want to switch back to nature, it has increased demand for natural and environmentally friendly tourism, therefore there is a need for cooperation both by the central and regional governments. to pay more attention and develop the tourism potential in the area according to the needs of tourists.

Tourism itself is a series of activities, and the provision of services both for the needs of tourist attractions, transportation, accommodation and other services aimed at meeting the travel needs of a person or group of people. The trip he did was only temporarily leaving his place of residence with the intention of resting, doing business, or for other purposes Sugiama (2011).

The development of the tourism sector in an area will bring various benefits to the government, one of which is in terms of income. With the existence of tourism and the existence of income from taxes, parking fees, and entrance tickets, can boost Regional Original Income (PAD). Besides that, it can also bring in foreign exchange from foreign tourists. With the existence of tourism, it will also be able to expand job opportunities both in terms of improving facilities and infrastructure or in terms of other business sectors. In addition, the surrounding community can have their jobs in other sectors. Many other things, such as services, transportation, information, food stalls, lodging, parking, and others. This can increase the number of jobs and can reduce the unemployment rate supported by the active role of the government and the need for support from the community itself.

In developing tourist areas that can attract tourists both domestically and abroad, it is necessary to support the development of professional tourist destinations, clear concepts, reliable services and services from these tours as well as active and innovative marketing Pitana and Gayatri (2005). The potential for tourism in the world is very large and diverse, especially in Indonesia. Many things are owned by Indonesia and not owned by other countries, such as culture, history, beautiful nature, etc. One of the provinces in Indonesia

that has a potential natural, cultural, and religious tourism is the Province of Yogyakarta Special Region (DIY).

The Special Region of Yogyakarta which is famous for its diversity of tourist objects makes Yogyakarta one of the destinations for domestic and foreign tourists to visit Yogyakarta so they can enjoy the beautiful natural charm and cultural tourism in Yogyakarta. Because of the diversity that exists in the city of Yogyakarta, this city is always crowded with domestic and foreign tourists. The number of tourists who come to Yogyakarta can have a positive impact on the economic development of the city of Yogyakarta. The growth of domestic and foreign tourist arrivals from 2014 to 2018 is recorded as follows.

Table 1. 1

The Number of Tourists Visit to The Special Region of Yogyakarta (DIY), 2015-2018

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: Dinas Pariwisata Yogyakarta

Table 1.1 shows that the development of visitors or tourists continues to increase from year to year. The most significant increase occurred in 2015, namely 23.19 percent seen from 3,346,180 visitors in 2014 to 4,122,205 visitors in 2015. Secretary of the Yogyakarta City Tourism Office, Yetti Martanti said that from the 2017-2022 Strategic Plan (Renstra) , the target for foreign tourists in Yogyakarta in 2019 is 3.7 million. But seen

from 2016, Yogyakarta has passed that figure, and they believe that in 2019 the number of visits could increase by around 5-10 percent from last year's figure. The increase in the number of tourists that occurs every year shows that the increasing trust of the public or tourists from outside Yogyakarta (foreign and domestic tourists) in the situation and conditions of Yogyakarta.

Tourism objects in Yogyakarta are not only located in the center of Yogyakarta city but are also scattered in many regencies in Yogyakarta Province, one of the districts that have many tourist attractions is Sleman Regency. Tourism in Sleman Regency has various kind tourist destinations that can be visited by domestic and foreign tourists, one of which is the Pulesari tourism village which is located in Pulesari Hamlet, Wonokerto Village, Turi District, Sleman Regency. Pulesari Tourism Village is far from the point of the city of Yogyakarta, more precisely in the Regency of Sleman, which has been established since 2012 until now.

Nowadays, tourists are starting to like tourist attractions that are not only presenting their natural beauty but are more about interaction with the community. Therefore, starting to develop alternative tourism which is called the tourism village. This tourist village offers tourism activities that emphasize the elements of experience and forms of active tourism that involve tourists in direct contact with the community. Perdes No.5 of 2014 states the diversity, uniqueness and traditional cultural characteristics along with their nature reserves and cultural heritage are part of the wealth, potential, and resources that need to be preserved and managed in order to increase the independence and welfare of the community which includes tourism development plans to support empowerment. creative and productive economy of the community as well as efforts to develop a tourist village.

As in Pulesari Tourism Village, its natural and cultural potential has a positive impact on opening new jobs and increasing economic prosperity. Where after a lot of interest from tourists, especially foreign tourists, to the natural nuances of the countryside around Pulesari tourism, it is impossible for people to just be silent seeing tourists going back and forth by missing various great opportunities around it with the support of various parties who are there to attract these tourists. Thus, people who previously only relied on their livelihoods as farmers, now many people offer handicrafts as souvenirs for visitors.

The understanding of tourism villages is quite diverse, one of which says that a tourist village is a form of residential environment that has special characteristics both natural and cultural by the demands of tourists where they can enjoy, know, appreciate and learn the peculiarities of the village and all its attractions. In its implementation, tourists often live in or close to a traditional atmosphere and learn about village life and the local environment, so there is a learning process from the hosts to tourists, the guests are able to reward values. Local values that are still held by the local community Susyanti (2014). The tourism village itself is divided into 3 groups, namely growing tourist villages, developing tourism villages, and independent tourism villages. Where the tourist village of Pulesari is included in the group of independent tourism villages. The following is a list of tourist village classifications in Yogyakarta Province.

Table 1. 2

Cassification of Tourism Villages

Tourism Village Grows	Bokesan, Brajan, Pajangan, Kadisobo, Kaliurang Timur, Mlangi, Gondang, Sangubanyu, Pancoh, Dukuh Pandowo, Palgading, Temon Pandowo, Dalem Widodomartani, Trumpon, Gabugan, Garongan, Nganggring, Nawung,
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	Malangan, Sendari, Ledoknongko, Ngamboh
Developing Tourism Village	Gamplong, Turgo, Plempoh, Rumah Domes, Ketingan, Tunggul Arum, Sambu, Sukunan, Mangunan
Independent Tourism Village	Kelor, Kembangarum, Pentingsari, Srowolan, Brayut, Sidoakur Jethak II, Tanjung, Pulesari, Grogol

Source: *Sleman Culture and Tourism Office, 2015*

Based on the level of development, Simanungkalit et al. (2016: 20-21) divided tourist villages into three categories, namely:

1. Tourism Village Grows is a village that has tourism potential that can be developed into a tourism village and there has been a community or village movement to manage it into a tourism village
2. Developing tourism village is a growing tourism village that has been managed by the community and village government, there is already community or village self-help for its management, has started to carry out promotions and there are already tourists who are interested in visiting.
3. Independent Tourism Village is tourism village that have developed with continuous tourist visits and are professionally managed by the formation of management forums, such as Cooperatives or Village-Owned Enterprises , and have been able to promote and market well

By becoming an independent tourism village, Pulesari Tourism Village certainly has an increasing number of visits each year, here is a table of the number of tourists visiting Pulesari Tourism Village.

Table 1. 3

Table of Tourist Visits to Pulesari Tourism Village

Year	Total Tourists
2015	26.590
2016	37.198
2017	56.347
2018	65.160
2019	72.326

Source: *Pulesari village tourism manager*

From the data obtained above, it can be seen that the number of tourist visits every year increases and the number of increases is quite significant. The most significant increase in the number of visitors occurred in 2017, the increase occurred with more than 19,000 visitors seen from 37,198 visitors in 2016 to 56,347 visitors in 2017.

A tourism village is a form of integration between attractions, accommodations and supporting facilities that are presented in a structure of community life that is integrated with the prevailing customs and traditions Nuryanti, Wiendu (1993).

To preserve the tourism object, it is necessary to improve the quality and environment around Pulesari Tourism Village, which of course requires funds. In this case, the community should play a role in protecting the environment around the tourist village, especially visitors to the Pulesari Tourism Village. Therefore, the amount of Willingness to Pay from visitors to Pulesari Tourism Village needs to be known so that the management of Pulesari Tourism Village in the future can be even better in managing Pulesari Tourism Village.

Therefore, this study aims to determine how much Willingness to Pay (WTP) visitors are to improve environmental quality in Pulesari Village Tourism Object in Sleman Regency with the Contingent Valuation Method (CVM). CVM is a technique for measuring the value of public goods by directly asking people about the value of the places they live in. If used appropriately, this method is the most appropriate technique for estimating the economic value of a public good according to Kruavan (1997). While the purpose of CVM is to determine the Willingness to Pay (WTP) of the community, as well as to know the Willingness to Accept or WTA environmental damage, Fauzi (2004).

Research conducted by Masruroh (2017) using the CVM model in the Willingness to Pay Analysis for the Ratu Boko Palace. The results of the research conducted on 105 respondents to pay for entrance tickets to the Ratu Boko Kraton tourism objects obtained an additional value for environmental conservation efforts Willingness to Pay (WTP) with an average of IDR. 8,685 and an entrance ticket of IDR. 33,685. This is built by income, level of education and the distance to the tourist attractions of Ratu Boko Palace.

According to the study conducted by (Saptutyningsih and Selviana, 2017) valuing the ecotourism of a recreational site employs the travel cost method (TCM) and contingent valuation method (CVM). The dependent variables used is frequency of visits by an individual to valued with TCM and Willingness to Pay (WTP) to valued with CVM, and for dependent variables used are travel expenses, cost of time, respondents preceptions, substitution characteristics and income. In this Travel cost and contingent valuation methods are applied to the problem of estimating the potential consumer surplus available to tourists from ecotourism in Ciamis. The results are compared with contingent valuation analysis of willingness-to-pay of tourists in their current trip to ecotourism sites of Ciamis.

The result of travel cost method indicates that tourists' average travel cost is estimated at no more than one hundred thousand rupiahs. The contingent valuation method concludes that the tourists' average willingness to in their trip to ecotourism sites of Ciamis is are about IDR 6,800 in average.

According to Valentina (2014) using the CVM method. With the variables of income, gender, age, education, marital status. And from the analysis of the WTP value, it was obtained IDR 35,000.00 which was able to monitor further, at this value it was known that the factors that had significant influence were gender and income.

By considering the potential and a series of community empowerment activities through the tourism village model, I am interested in conducting research with the title **"Factors That Influence Willingness to Pay (WTP) in Pulesari Village Tourism Using The Contingent Valuation Method (CVM)"**

B. PROBLEM LIMITATION

Based on the background that has been described above, there needs to be a problem limitation so that later the scope of the researcher becomes clearer and more detailed. In this case the researcher limits the problem to:

1. Time of interview is on February 2021 - March 2021
2. The research site is the Pulesari Tourism Village
3. The object of research is Pulesari Tourism Village

C. PROBLEMS FORMULATION

Based on the background explanation above, the problem formulated in this study is the need for efforts to preserve, improve the quality and development of the Pulesari Tourism Village, so that it can continue to be enjoyed by local and foreign tourists.

From the description above, the problem raised in the study is formulated as follows:

1. How much is the visitor Willingness to Pay value for quality improvement and development of Pulesari Torism Village?
2. Does income affect the Willingness to Pay in for improving the quality and object development of Pulesari Tourism Village?
3. Does age affect Willingness to Pay for improving the quality and object development in Pulesari Tourism Village?
4. Does gender affect Willingness to Pay for improving the quality and object development in Pulesari Tourism Village?
5. Does education affect Willingness to Pay for improving the quality and object development in Pulesari Tourism Village?
6. Does distance affect Willingness to Pay for improving the quality and object development in Pulesari Tourism Village?
7. Does visitor perception affect Willingness to Pay for the quality and object development in Pulesari Tourism Village?
8. Does marital status affect Willingness to Pay the quality and object development in Pulesari Tourism Village?

D. RESEARCH OBJECTIVES

Based on the background and formulation of the problems that have been raised, the objectives to be achieved in this research are:

1. To analyze visitor's Willingness to Pay for the quality and object development in Pulesari Tourism Village?
2. To analyze the influence of income toward Willingness to Pay in Pulesari Tourism Village.
3. To analyze the influence of age against the Willingness to Pay for improving the quality and object development in Pulesari Tourism Village?
4. To analyse the influence of gender against the Willingness to Pay for improving the quality and object development in Pulesari Tourism Village?
5. To analyze the influence of education against the Willingness to Pay for improving the quality and object development in Pulesari Tourism Village?
6. To analyze the influence of distance against the Willingness to Pay for improving the quality and object development in Pulesari Tourism Village?
7. To analyse the influence of visitor perception against the Willingness to Pay for improving the quality and object development in Pulesari Tourism Village?
8. To analyse the influence of marital status against the Willingness to Pay for improving the quality and object development in Pulesari Tourism Village?

E. RESEARCH BENEFITS

The data and information that have been collected, it can be useful for operations and development in science. The benefits of this research are as follows:

1. For writers

The author can spread the theories obtained and can add insight and understanding of science about tourism.

2. For the sake of science

Can be used as a research reference and can be developed for other research references, and can be used as material for comparative research studies in similar fields.

3. For local government

Can be used as study material for local governments to make policies and help develop tourism, especially tourism villages in Sleman Regency.