

# **CORPORATE SOCIAL RESPONSIBILITY PROGRAMME AS PART OF COMPLEMENTARY RELATIONSHIP IN HOTELS' NETWORK: THE CASE OF HOTEL INDUSTRY IN BALI, INDONESIA**

**Nyoman Indah Kusuma Dewi**  
**I Gusti Agung Bagus Mataram**  
Politeknik Negeri Bali  
email: [ikdewi@pnb.ac.id](mailto:ikdewi@pnb.ac.id)

## **ABSTRACT**

Corporate Social Responsibility (hereinafter is referred to CSR) Programme has gained more interest from the hotel management since the increasing awareness of the customer to the notion of green hotel. CSR programme is considered as a part of complementary relationship in the hotels' network which is a non-business relationship. The purpose of this study is to discuss the implementation, maintenance and benefits of CSR programme in hotels' network since there is limited number of studies that concern about exploring and understanding this topic from the network theory and business-to-business perspective. Thus the research questions include: (1) what are the reasons of hotels establishing CSR programme as part of their network of business relationship? (2) How do the implementation of CSR programme as a complementary relationship in hotels' network? (3) What are the network elements (actors, activities and resources shared) involved in this network? (4) How do hotels nurture their CSR programme? (5) What are the benefits of hotels establishing CSR programme? This research is an exploratory research based on the interpretivist paradigm as the underlying paradigm. The inductive approach rather than deductive approach is implemented as the most appropriate research approach. The research strategy is multiple-case study since it enables the researcher to be close to the research objects and provide rich description of the phenomenon. The unit analysis or phenomenon in this study is CSR programme as part of complementary relationship in hotels' network. Nine hotels and their complementary organizations were selected as the cases; therefore, eighteen organizations were included. The top and middle level management participated in this study. Data was collected by utilizing the face-to-face semi-structured interview, direct observation and documentation review. Data has been analyzed through three concurrent flows of analyzing qualitative data: data reduction; data display; and conclusion drawing and verification. The finding confirms that there is an increasing awareness of hotel practitioners regarding the importance of establishing and nurturing CSR programme as the concurrent consequences of increasing customers' awareness to the environment and community involvement. This might lead to the hotels' competitive advantage. The main contribution of this study is to enhance the network analysis literature particularly its implementation in the hotel industry.

Keywords: CSR, network, complementary relationship, hotel industry.

## INTRODUCTION

CSR is a topic that increasingly gaining more interest from people in the business world (Kang, Lee, & Huh, 2010; Turcsanyi & Sisaye, 2013; Waldman, Kenett, & Zilberg, 2010), although the evidence of the concept of CSR can be traced from centuries (Carroll, 1999). This is due to the growing number of customers that consider about this issue in which pushes business practitioners to take action as a response. This becomes more important in the hotel industry where service as the main commodity. The reason is the easiness of customers to gather information and compare hotels to find the most appropriate hotel match with their life style, preferences, and needs. For example, there is a tendency of customers being conscious of the environmental issue which influence the decision of a hotel goes green. Going green means the adoption of environmental management practices, intended as practices aimed at minimizing the detrimental impact on the environment, in terms of both resource depletion and pollution (Tzschentke, Kirk, & Lynch, 2008). This can be done through internal and external programme. Internal is by implementing the environmental friendly daily operation meanwhile external is by establishing the relationships with other organizations that have the same interest.

Despite all of the attention that has been given to this issue, only a few concerns about exploring and understanding this topic from the network theory and business-to-business perspective particularly in the hotel industry (Kang et al., 2010). The majority of the study is more focus on the short-term rather than long-term (i.e. network) and business-to-customer relationships. Thus, this study attempts to fill this gap by focusing on business network and business-to-business relationships in the hotel industry. In this light, the purpose of this study is to discuss the implementation, maintenance and benefits of CSR programme in hotels" network by addressing the research questions as the following: (1) What are the reasons of hotels establishing CSR programme as part of their network of business relationship? (2) How do the implementation of CSR programme as a complementary relationship in hotels" network? (3) What are the network elements (actors, activities and resources shared) involved in this network? (4) How do hotels nurture their CSR programme? (5) What are the benefits of hotels establishing CSR programme?

## LITERATURE REVIEW

### **Definition of CSR**

CSR is not all about philanthropy and doing charity services for the community (Waldman et al., 2010). It is more than that. CSR suggest that business should not only concern of itself but also society (Kang et al., 2010; Turcsanyi & Sisaye, 2013). CSR is defined as “a set of commitments of various types, economic, social and environmental, adopted by enterprises, organizations and public and private institutions and that they add value to fulfill their legal obligations, contributing both social and economic progress within the framework of sustainable development” (Gallardo-Vazquez & Sanchez-Hernandez, 2012: 1). CSR can include among others issues related to pollution, charitable work, or indirect economic impacts (Turcsanyi & Sisaye, 2013). CSR directly and indirectly influences businesses. CSR programme directly impacts not only the corporations or organizations that implement these practices but also stakeholder groups, for example, investors, employees, regulators, activists and communities (Turcsanyi & Sisaye, 2013; Waldman et al., 2010). However, CSR might invite negative impacts which should be alleviated because it can affect the organizational climate. For example, employees may become cynical if it becomes apparent that while the organization is generous in terms of charities, it does not express adequate sensitivity to working conditions or employees' safety (Waldman et al., 2010). On the contrary, the public might become critical if it turns out that the organization does not show responsibility to environmental issues.

### **Relationship Marketing: Definition**

There is still no universal definition of relationship marketing accepted by researchers and marketers (Harker, 1999; O'Malley & Tynan, 2003; Agariya & Singh, 2011). The numerous definitions are derived from different research perspectives and variously emphasise different ideas (O'Malley & Tynan, 2003). For example, Harker (1999) attempts to review 26 random definitions of relationship marketing with the purpose of constructing a general definition. More recently, Agariya and Singh (2011) conduct content analysis of academic literature to provide an overview of relationship marketing definitions and its major constructs. Berry (cited in Berry, 1995: 236) who first

introduced the term relationship marketing, defines marketing as “attracting, maintaining and -in multi-service organizations-enhancing customer relationships”. He pointed out that attracting new customers should be seen as an intermediate step in the marketing process (Berry, 1995, 2002). However, it is as important as keeping and improving relationships with existing customers on a long-term basis (Berry, 2002). The definition by Gronroos is widely recognized as the most comprehensive definition based on a relational approach. He defines relationship marketing as “a marketing strategy to the process of identifying and establishing, maintaining, and enhancing, and when necessary also terminating relationships with customers and other stakeholders, at a profit, so that the objectives of all parties involved are met; and this is done by a mutual exchange and fulfillment of promises” (Gronroos, 1999: 328).

### **Relationship Marketing: Dimensions**

There is no generic set of dimensions to represent successful relationships in a variety of industries, Liang, Wang and Farquhar (2009: 129) refer to the “ongoing debate regarding the specific dimensions of the customer relationship orientation construct”. However, there are common dimensions that are accepted among researchers as components of a successful relationship in any context. They are trust, commitment and satisfaction. This is supported by Athanasopoulou’s (2009) research which posits that these three major dimensions of a relationship have been used in many studies and validated in different contexts. Her study was a literature review of 64 studies of relationship quality in business-to-business and business-to-consumer contexts, published in academic journals from 1987 to March 2007. In a more recent content analysis of 456 papers by Agariya and Singh (2011), the findings show that trust, satisfaction and commitment are defined as the major constructs of relationship marketing.

Authors in general agree that trust is one of the most important components of the buyer and seller relationship. Anderson and Weitz (1989: 312) define trust as “one party’s belief that its needs will be fulfilled in the future by actions undertaken by the other party”. Commitment is an essential ingredient for a successful long-term relationship (Morgan & Hunt, 1994; Baron, Conway & Warnaby, 2010), implying the

intention to stay in the relationship (Bansal, Irving, & Taylor, 2004; Kim, Leong, & Lee, 2005) and profitability (Anderson & Weitz, 1992); it is strongly correlated directly and indirectly with customer loyalty (Bowen and Shoemaker, 1998; Hennig-Thurau, Gwinner, & Gremler, 2002), and directly influences positive word-of-mouth behaviour (Bowen & Shoemaker, 1998). Customer satisfaction is seen as the key dimension in building, establishing and maintaining the relationship between customer and firm (Kim & Cha, 2002; Liang et al., 2009; Baron et al., 2010), leading to customer retention and loyalty (Hennig-Thurau et al., 2002; Lemon, White, & Winer, 2002) and greatly affecting attitudes toward purchasing products or services (Choi & Chu, 2001).

### **Business Network: Definition**

Business networks will not exist if there are no relationships among firms (Easton, 1992). The characteristic of a network as stated by de Burca (1995) is a set of connected exchange relationships between actors controlling business activities. Connection is emphasized because networks emerge and develop as a consequence of interactions. Business activities are coordinated by firms through interactions in a network. The interactions involve the exchange of products or services, information, financial and social. Through the interactions, they influence and adapt when performing joint activities. The interactions over a period of time lead to business relationships in a network in which actors, activities and resources are interconnected and embedded. The IMP Group views the organizational or firm relationships not only as existing between different individuals in the buying and the selling firms, but also with individuals in other entities such as the seller's suppliers, the buyer's customers, competitors, trade associations and political bodies (Cheung & Turnbull, 1998; Ritter, Wilkinson, & Johnston, 2004). These relationships are often complex, consisting of a web of interactive relations between individuals in the firms (Hakansson & Snehota, 1989). This web of relationships can be referred to as a network (Hakansson & Snehota, 1989; Halinen, Salmi, & Havila, 1999; Ritter et al., 2004). The term network itself is adopted from exchange theory which refers to "the sets of two or more connected exchange relations" (Cheung & Turnbull, 1998: 45). Therefore, the network

approach deals with complex business relationships involving individuals outside and within firms, competitors, customers, government agencies and other institutions.

### **Business Network: Elements**

The network elements are actors, activities and resources. The actors are those who perform activities and/or control resources (Hakansson & Johanson, 1992). They can be individuals, groups of individuals, parts of firms, firms, or groups of firms (Hakansson & Johanson, 1992; Tikkanen, 1998). They have five characteristics: they perform and control activities; they develop relationships with each other; they base their activities on control over resources; they are goal oriented; and they have differential knowledge about activities, resources and other actors in the network (Hakansson & Johanson, 1992). Actors utilize certain resources to change other resources in various ways through activities. There are two kinds of activity: transformation activities and transfer activities (Hakansson & Johanson, 1992; Tikkanen, 1998). In transformation activities, resources are changed in several ways into new resources which are controlled directly by one actor. Transfer activities link transformation activities from one actor to other actors. Resources are means that are used by actors when they undertake the transformation and transfer activities (Hakansson & Johanson, 1992; de Burca, 1998). All resources are controlled by single actors or several actors that join together. The resource elements are technological, material, knowledge resources and other intangibles (Hakansson & Snehota, 1992; Tikkanen, 1998).

### **Hotel's Stakeholders**

The stakeholders are any individual or group that might affect or be affected by the organization's activities. Examples to stakeholders are employees, suppliers, contractors, customers/clients, shareholders, government, community, leaders and non-governmental organizations (de Grosbois, 2012; Waldman *et al.*, 2010). The main external stakeholders of a firm can be grouped into business and non-business relationships. The business relationships include buyers or customers (end-buyers and intermediate buyers), suppliers and competitors. The non-business relationships, often named as complementary relationships, include any non-profit relation with other firms,

organizations or government institutions. This particular relationships becomes the main focus of this study through exploring the hotels' CSR programme. The primary reason for developing such relationships with many other types of business is to increase the value of their product (Ritter *et al.*, 2004). The partners can be local government authorities (who enforce health and safety, hygiene and planning regulations), other businesses and people who live in the neighbourhood, the community (educational institution, social and voluntary institutions), leisure businesses (sporting and tourism attractions), the local media, research institutions, tourism associations, labour associations and activist groups (Bowie & Buttle, 2004; Harrison & Enz, 2005).

## RESEARCH METHODS

The interpretivist paradigm was adopted for this study with the reason was that this study attempts to understand reality based on the experiences of the participants in the social setting, not simply to measure it. Interpretivism is regarded as a belief that social reality is not objective but highly subjective, because it is shaped by our perceptions or interpretations (Collis & Hussey, 2009). In this paradigm, the researcher has close contact with what is being researched, because interpretivists seek to understand the subjective reality of the research participants and then to interpret it (Saunders, Lewis, and Thornhill, 2003). The inductive approach of research was adopted in this study. An inductive approach is a theory building process, starting with observations of specific instances, and seeking to establish generalizations about phenomenon under investigation (Hyde, 2000). Thus, the qualitative research was utilized as the research strategy since it allows one to study the connectedness, interdependences, and relationships of firms in a network. One of the qualitative research strategies that meet with the purpose of this study was the case study, which was used here to explore a single phenomenon in its natural setting using a variety of methods to obtain in-depth knowledge (Collis & Hussey, 2009). Moreover, according to Burns (2000: 460), the case study was the most appropriate research strategy to answer the "how", "who", "why" or "what" research questions.

The multiple-case studies were used to undertake the case comparisons as they were preferred in the theory-generating case studies (Halinen & Tornroos, 2005) and also, to find out whether the findings from the first case were reflected in other cases

(Saunders *et al.*, 2009). The case in this study consists of one hotel and one of its complementary organization. Nine cases were studied which represent the Indonesian hotel classification system. Three cases was a classified hotel belonging to an international chain, three a classified hotel with a national chain, and three an unclassified hotel. The purpose was to gain various perspectives from different hotels' management in order to compare and contrast them to seek similarities or differences (replication logic). The complementary organizations are determined by hotels. Thus, in total eighteen firms and organizations were participated in this study. The face-to-face semi-structured interview was the main data collection method used which supported by direct observation and documentation review. The interviewees are the top level management since they have more understanding about CSR programme. The interviews lasted between one hour and one and a half hour. They were recorded using a digital recorder with the interviewees' consent. The interviews were recorded in order to avoid the loss of important statements and avoid misinterpretation by the researcher. Another benefit of recorded data was that it could be replayed when necessary. The direct observation and documentation review were undertaken during the interviews simultaneously.

Miles and Huberman (1994) note three concurrent flows of activity in analysing qualitative data: data reduction, data display, and conclusion drawing and verification. Data reduction refers to the process of selecting, focusing, simplifying, abstracting, and transforming the data obtained from the transcriptions. Data display refers to the presentation of organized information that allows conclusions to be drawn and patterns and themes to be recognized. It was conducted by quotations and matrices. Conclusion drawing and verification involve the researcher's. The conclusion drawing and verification were conducted by analyzing the data within-case and across-case (Eisenhardt, 1989). The within-case analysis involved detailed case study write-ups for each site. The cross-case analysis was by comparing the pattern across cases, referred to as pattern matching (Yin, 2009). A common pattern was identified by comparing the cases. The cases from different hotel classifications were examined to find the common pattern.

## RESULT AND DISCUSSION

The findings suggested that hotels established the relationships in order to implement their CSR programme, which commit business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life (Kang, Lee, & Huh., 2010; Tsai, Hsu, Chen, Lin, & Chen, 2010). Among the list of possible CSR programmes, all of the cases have network with the organizations that concern with environmental protection and universities, particularly those that have tourism departments. This is supported by Henderson, (2007) and Tsai *et al.* (2010). Five hotels have relationships with educational institutions. The reason for these hotels identifying educational institutions as partners to implement CSR programmes was that they enjoyed mutual benefits in terms of training, on-the-job training, curriculum development, and the availability of a ready-to-work workforce. Another four hotels have relationships with environmental charities. These hotels show its environmental concern on their webpage. These webpage include a page exclusively about the hotels initiatives to gauge the guest's concern for the environment. The information includes the villa's efforts to practise environmentally friendly activities, including a tree planting programme, water saving, using environmentally friendly chemical substances in maintaining the cleanliness of villas and public areas, separating organic and non-organic garbage, composting organic garbage, reducing paper waste within the working environment, and by regular contributions to the local community (e.g. donations of trees, big litter bins, public toilets). Moreover, these hotels also encourage their guests to apply simple practices such as reusing the towels, switching off lights and electronic devices when not in their room, throwing litter in the bins provided, and participating in the villa's tree planting programme. The findings and discussion of the data are presented in the following sections.

*(1) What are the reasons of hotels establishing CSR programme as part of their network of business relationship?*

The findings reveal that the reason of the majority of hotels to establish the complementary relationships with non-business partners was to implement their CSR programmes. It is apparent that mutual benefit is the basic foundation, without it the

relationships won't be last long. The interesting statement made by one of the educational institution as follows:

“Although our relationship is nonprofit based, mutual benefit has a significant part in a relationship. A healthy relationship was derived from a fair relationship. It is fair when it brings mutual benefit to the parties involved. The specific benefit of the relationship is the harmonization of the industry needs with our graduates' skills and knowledge.”

Example of the statement made by one hotel manager:

“We have relationship with educational institutions because: firstly, they are one of our stakeholders; secondly, our Corporate Social Responsibility programme concerns with the educational issue.”

The researcher has been shown the article (newspapers and online) about the involvement of hotels in their CSR programme events. The articles published the implementation of hotels' and partners' CSR programme. The photographs of activities are also presented as the solid prove of their CSR programme implementation.

Additionally, the majority of the head of educational institutions acknowledge the outcome of this particular relationships is an industry-based curriculum. Example of the statement is as the following:

“We need the information regarding the knowledge and skills required for working in the hotel. This is to match our curriculum with the hotels' requirements; therefore, our graduates will be fully absorbed by the industry.”

The evidence of mutual benefit is apparent in the curriculum of educational institutions, which includes many topics directly related to the tourism industry such as MICE, Ticketing, Tourism Product Knowledge and Reservation subjects. Therefore, the graduates have the skill and knowledge required by hotel industry.

Meanwhile, the reason for charity organizations to establish relationships with hotels is mainly or maintaining the sustainability of their organizations. One of the executive manager said:

“From our side, the establishment of our organization in the long period of time, in other word to sustain our organization, is the underlying reason for having this relationship. It can be achieved through the contribution, in terms of financial or non-financial, from our participants. From this, our main purpose of saving and preserving the environment can be supported and realized.”

The research findings are in the same vein with Waldman *et al.* (2010) in term of the importance of CSR for the long-term sustainability of a firm. Firms that blindly and narrowly pursue the profit motive, without concern for the broad spectrum of stakeholders that are relevant to the long run, are increasingly shown to lack sustainability. But it is not only important to realize the importance of these groups. Firms must also be able to “connect the dots” and understand how various stakeholders, and the satisfaction of their needs, represent interrelated challenges (Waldman *et al.*,2010).

All the interviewees agreed that trust, commitment and satisfaction have the most significant influence to the relationships in the network, more specifically in the complementary relationships. This is in parallel with Athanasopoulou (2009) and Agariya and Singh (2011). Additionally, Lee, Kim, Lee, and Li’s (2012) research finding suggest that trust and satisfaction are the antecedents of commitment. Trustworthiness among actors in a network is gained by keeping promises, fairness, and honesty. The importance of trustworthiness has been emphasized by one of the head of educational institution as follows: “For an educational institution, the willingness to remain in the relationship is mainly based on the trustworthiness of the parties involved.” Commitment is perceived as a logical outcome of the trustworthiness of parties involved in the network. Through trust, commitment to the relationship inevitably emerges, in this case marked by signing a legally binding cooperation contract and/or Memorandum of Understanding. Commitment was also demonstrated by showing a supportive attitude to partners. An example of the statement made by executive manager from charity organization is:

“Yes, commitment has influence in the relationship. It can be developed after we achieved mutual understanding and benefit. The relationship cannot be established without commitment to engage in the relationship.”

In some of educational institutions, the commitment to undertake exchanges in the network was written in the Memorandum of Understanding, as shown to the researcher. Hotels and their non-business partners agreed that satisfaction is significant as a trigger for developing or sustaining the long-term relationships. One of the hotel manager stated:

“In my opinion, satisfaction in a single transaction will lead towards a long-term relationship. It is better for not having a relationship in the first place, if we do not obtain satisfaction.”

*(2) How do the implementation of CSR programme as a complementary relationship in hotels' network?*

The findings revealed that the implementation of CSR programme involves equal effort from all parties involved. From the hotel's side, some of the CSR initiatives are by: publishing the meaningful and measurable social and environmental goals and regular reporting on progress towards achievement; formulating the policies to avoid damaging social and environmental impacts of operations; investing and involving in social welfare (i.e. in education field) and environmental conservation and upgrading programmes; forging of partnerships with government and non-governmental organizations, including local community groups, in such programmes; full compliance with official regulations and a willingness to exceed these; and educating and engaging customers and staff about social and environmental issues of concern. This is in the same vein with the study by Henderson (2007). One of hotel manager stated the importance of educating and engaging customers about social and environmental issues:

“We put some content regarding our hotel commitment towards environmental issues on our Website and in every the room, with the purpose that our customers who have less concern will at least read and hopefully apply some of the actions while staying in the hotel. We also have some internal activities programme for kids such as games with related to environment conservation.”

Meanwhile, the findings from the partner's side, the initiatives taken are by: formulating the suitable, appropriate beneficial and meaningful programme; publishing the events before and after conducted; and educating and engaging business and social communities. The educational institutions (i.e. universities and colleges) and charity organizations (environmental concerned) have close and intense relation with hotels since they both generate positive impacts of having network.

*(3) What are the network elements (actors, activities and resources shared) involved in this network?*

As informed by the academic literature (Hakansson & Johanson, 1992; Tikkanen, 1998; Brennan, Canning, & McDowell, 2008; Ford & Mouzas, 2010), the actors involved in the relationships could be individuals, a group of individuals, parts of a firm, whole firms, or a group of firms. The literature indicated that there are two categories of activity in a network of business relationships: transformation and transfer activities (Hakansson & Johanson, 1992; Tikkanen, 1998). From the findings and researcher's observation, it was apparent that the activities involved in the network of business relationships were transformation and transfer of resources. In this study, resources from all the parties involved in the complementary relationships were transferred by actors through activities. The findings of this study confirmed to the theory that shared resources include both tangible and intangible. The intangible resources included technological, material and knowledge (Hakansson & Snehota, 1992; Tikkanen, 1998). Tangible resources included sponsorships, vouchers, scholarships, non-verbal information and curriculum. The finding related to network elements is presented in the table below.

Table: Network Elements

Hotels to Complementary		Hotels and Complementary			
Actors		Activities		Resources	
Educational Institution	Environmental Charity	Educational Institution	Environmental Charity	Educational Institution	Environmental Charity
<input type="checkbox"/> Firm resource department <input type="checkbox"/> Human resource manager <input type="checkbox"/> Human resource manager <input type="checkbox"/> Human resource officers	<input type="checkbox"/> Firm resource department <input type="checkbox"/> Human resource manager <input type="checkbox"/> Human resource officers	<input type="checkbox"/> Place for students' on the job training <input type="checkbox"/> Lecturer training <input type="checkbox"/> Hotel's employees training <input type="checkbox"/> Seminars <input type="checkbox"/> Workshops <input type="checkbox"/> Curriculum development <input type="checkbox"/> Job placement <input type="checkbox"/> Sharing knowledge <input type="checkbox"/> Sharing information <input type="checkbox"/> Social activities	<input type="checkbox"/> Seminars <input type="checkbox"/> Meetings <input type="checkbox"/> Programme activities, such as planting the trees, cleaning the beach	<input type="checkbox"/> Sharing information <input type="checkbox"/> Sharing knowledge <input type="checkbox"/> Developing curriculum <input type="checkbox"/> Providing job opportunities <input type="checkbox"/> Scholarship for students	<input type="checkbox"/> Donation <input type="checkbox"/> Sharing information <input type="checkbox"/> Sharing knowledge
<b>Complementary to Hotel</b>					
<input type="checkbox"/> Institution <input type="checkbox"/> Director <input type="checkbox"/> Assistant directors <input type="checkbox"/> Cooperation unit <input type="checkbox"/> Appointed	<input type="checkbox"/> Organization <input type="checkbox"/> Executive manager <input type="checkbox"/> Project managers				

person in charge					
------------------	--	--	--	--	--

Source: the research finding

#### *(4) How do hotels nurture their CSR programme?*

The majority of hotels nurture their networks by conducting intense communication and clear coordination. The findings confirmed communication as one of the important factors in a network of business relationships. They suggested that the main reasons were: it was a way in which to maintain the relationship; it prevented the possibility of problems or conflicts occurring; it was a means of solving problems or conflicts; and it was a tool for having good coordination. The academic literature confirms that communication serves as the process by which programmes are coordinated (Anderson & Narus, 1990), power is exercised (Gaski, 1984), and commitment and loyalty are encouraged (Anderson & Weitz, 1992). The statement below illustrates the importance of communication:

“Yes, communication also influences the relationship. Communication can prevent misunderstanding as a basic source of conflict. And by any chance, if misunderstanding does occur, I believe that it can be solved by conducting communication.”

Some efforts to communicate among networks have been done through face-to-face communication (i.e. visiting partners' offices, meeting for discussion, seminar, and workshop); written communication (i.e. letter by e-mail and official printed letter); oral communication (i.e. contacting by phone); social media (i.e. Facebook, Twitter, and Messengers); and internet (i.e. Webpage). The researcher has been given the opportunity to read the e-mail correspondence between hotels and their partners. They mainly utilized e-mail for correspondence and coordination.

Coordination among hotels and its partners is ensured by the person in charge. As an example, in one of hotel, the sales and marketing manager or representative liaises with the Sales and Marketing Manager or representatives from other hotels, travel agents, tour operators, and event organizers; the purchasing manager liaises with suppliers; and institutions are handled by the human resources manager or officers. The general manager is rarely involved in daily liaison with partners, and is only

consulted when there is a special or urgent case. The daily coordination is usually handled by the operational manager. The majority of hotels have special unit to take care of their CSR programmes. One hotel manager stated:

“The coordination process is conducted between people in charge of that specific task. This is stated clearly in our job description. Coordination to solve a conflict is conducted among functional managers, without involving resident manager or operational manager unless they cannot solve it.”

Similarly, the head of educational institution said:

“The coordination between us and hotel partners is mainly handled by the Cooperation Unit and the Human Resources Manager and/or officers of hotel. We coordinate without having trouble. This is because we always communicate regularly with them.”

(5) *What are the benefits of hotels establishing CSR programme?*

For non-business partners, particularly for educational institutions, the ultimate benefit was to have a curriculum that meets the industry’s needs. The additional benefits were getting more privileges when dealing with the hotels in a network, such as training students, training lecturers, and offering placements for students on job training; improving brand image and reputation; and providing job opportunities for the graduates. One of the head of educational institution mentioned the benefits of the relationship as the following: “We get more privileged such as a location for students’ on the job training and lecturers’ training, a wide range of job opportunities, and curriculum development.” Meanwhile, for the environmental charities, having an active participant to support its programmes was the main benefit of being involved in a relationship. Hotels perceived this relationship as a tool to improve their brand image and reputation. The researcher read documentation regarding curriculum, students’ on the job training and lecturers’ training for the last three years that support the statement from the interviewees.

All of the interviewees in all cases agreed that there were no significant downsides to relationships that might significantly affect business activities. The findings suggested that this was because hotels and their partners conducted careful partner selection before establishing a relationship. The mutual orientation or interest and mutual need are the basis of the relationship. However, it cannot be ignored that a network has

possible downsides that may trap firms into unproductive relationships or prevent partnering with other potential firms (Gulati, Nohria, & Zaheer, 2000; Waldman *et al.*, 2010).

## CONCLUSION

The importance of balancing the relationships with partners in the network particularly in the complementary relationships, through implementing CSR programme, is apparent from the findings. Hotels and their non-business partners (nonprofit oriented relationships) understand the benefits that might be generated from establishing CSR programme. At the end hotels and their non-business partners want to achieve business sustainability for the long period of time. This can be done by nurturing the relationships equally and fairly utilizing communication tools and conducting regular coordination. The managerial implication of this study is to consider seriously using CSR initiative as one of hotels' marketing strategy as increasing number of green customers can be targeted. Concurrently, the practical implication to the hotelier practitioners is to emphasize the importance of CSR programme as a nonfinancial added value. The researcher acknowledge the primary limitation of this study is that the limited number of respondents, due to the feeling of insecurity being interviewed. It is suggested for the future research to explore this topic further by utilizing other means of research strategy in order to achieve generalization as the limitation of case study.

## ACKNOWLEDGMENT

In this occasion, we thank to *IJASTE (International Journal of Applied Sciences in Tourism and Events)* for putting this article in the first edition.

## REFERENCES

- Agariya, A. K., & Singh, D. 2011. "What Really Defines Relationship Marketing? A Review of Definitions and General and Sector-Specific Defining Constructs", *Journal of Relationship Marketing*, 10(4), pp. 203-237.
- Anderson, J. C., & Narus, J. A. 1990. "A Model of Distributor Firm and Manufacturer Firm Working Partnerships", *Journal of Marketing*, 54(1), pp. 42-58.
- Anderson, E., & Weitz, B. 1989. "Determinants of Continuity in Conventional Industrial Channel Dyads", *Marketing Science*, 8(4), pp. 310-323.
- Anderson, E., & Weitz, B. 1992. "The Use of Pledges to Build and Sustain Commitment in Distribution Channels", *Journal of Marketing Research*, 29(1), pp. 18-43.

- Athanasopoulou, P. 2009. "Relationship Quality: A Critical Literature Review and Research Agenda", *European Journal of Marketing*, 43(5/6), pp. 583-610.
- Bansal, H. S., Irving, P. G., & Taylor, S. F. 2004. "A Three-Component Model of Customer Commitment to Service Providers", *Journal of the Academy of Marketing Science*, 32(3), pp. 234-250.
- Baron, S., Conway, T., & Warnaby, G. 2010. *Relationship Marketing: A Consumer Experience Approach*. London: SAGE Publications Ltd.
- Berry, L. L. 1995. Relationship Marketing of Services: Growing Interest, Emerging Perspective. *Journal of the Academy of Marketing Science*, 23(4), pp. 236-245.
- Berry, L. L. 2002. "Relationship Marketing of Services-Perspective from 1983 and 2000", *Journal of Relationship Marketing*, 1(1), pp. 59-77.
- Bowen, J. T., & Shoemaker, S. 1998. "Loyalty: a Strategic Commitment", *Cornell Hotel and Restaurant Administration Quarterly*, 39(1), pp. 12-25.
- Bowie D., & Buttle, F. 2004. *Hospitality Marketing: an Introduction*. London: Elsevier Butterworth Heinemann.
- Brennan, R., Canning, L., & McDowell, R. 2008. *Business-to-Business Marketing*. London: SAGE Publications Ltd.
- Burns, R. B. 2000. *Introduction to Research Methods*. London: Sage Publication.
- Cheung, M. Y. S. & Turnbull, P. W. 1998. "A Review of The Nature and Development of Inter-Organizational Relationships: A Network Perspective" in P. Naude & P. W. Turnbull, *Network Dynamics in International Marketing* (pp. 42-46). Oxford: Elsevier Science Ltd.
- Choi, T. Y., & Chu, R. 2001. "Determinants of Hotel Guests' Satisfaction and Repeat Patronage in The Hong Kong Hotel Industry", *International Journal of Hospitality Management*, 20(3), pp. 277-297.
- Collis, J., & Hussey, R. 2009. *Business Research: A Practical Guide for Undergraduate and Postgraduate Students* (3<sup>rd</sup> ed.). London: Palgrave Macmillan.
- Carroll, A. B. 1999. "Corporate Social Responsibility", *Business and Society*, 38(3). pp. 268-295.
- de Burca, S. 1995. "Services Management in the Business-to-Business Sector: from Networks to Relationship Marketing", in W. J. Glynn & J. G. Barnes, *Understanding services management* (pp. 393-419). Chichester: John Wiley & Sons Ltd.
- de Grosbois, D. 2012. "Corporate Social Responsibility Reporting by the Global Hotel Industry: Commitment, Initiatives and Performance", *International Journal of Hospitality Management*, 31, pp. 896-905.

- Easton, G. 1992. "Industrial Networks: a Review", in D. Ford, *Understanding Business Markets* (3<sup>rd</sup> ed, pp. 123-144). Croatia: Thomson Learning.
- Eisenhardt, K. 1989. "Building Theories from Case Study Research", *Academy of Management Review*, 14(4), pp. 532-550.
- Ford, D., & Mouzas, S. 2010. "Networking under Uncertainty: Concepts and Research Agenda", *Industrial Marketing Management*, 39(6), pp. 956-962.
- Gallardo-Vazquez, D. & Sanchez-Hernandez, I. 2012. "Information on Corporate Social Responsibility and SME's Environmental Responsiveness: A Regional Study", *Economics Sociology*, 5(2), pp. 103-115.
- Gaski, J. F. 1984 (Summer). "The Theory of Power and Conflict in Channels of Distribution". *Journal of Marketing*, 48, pp. 9-29.
- Gulati, R., Nohria, N., & Zaheer, A. 2000. "Strategic Networks", *Strategic Management Journal*, 21(3), pp.203-215.
- Gronroos, C. 1999. "Relationship Marketing: Challenges for the Organization", *Journal of Business Research*, 46(3), pp. 327-335.
- Hakansson, H., & Johanson, J. 1992. "A Model of Industrial Networks", In B. Axelsson & G. Easton, *Industrial Network: a New View of Reality* (pp. 28-34). London: Routledge.
- Hakansson, H., & Snehota, I. 1989. "No Business is an Island: The Network Concept of Business Strategy", *Scandinavian Journal of Management*, 5(3), pp. 187-200.
- Halinen, A., Salmi, A., & Havila, V. 1999. "From Dyadic Change to Changing Business Networks: an Analytical Framework", *Journal of Management Studies*, 36(6), pp. 779-795.
- Halinen, A., & Tornroos, J. 2005. "Using Case Methods in the Study of Contemporary Business Networks", *Journal of Business Research*, 58(9), pp. 1285-1297.
- Henderson, J. C. 2007. "Corporate Social Responsibility and Tourism: Hotel Companies in Phuket, Thailand, after the Indian Ocean tsunami", *Hospitality Management*, 26(1), pp. 228–239.
- Hennig-Thurau, T., Gwinner, K. P., & Gremler, D. D. 2002. "Understanding Relationship Marketing Outcomes", *Journal of Service Research*, 4(3), pp. 230-247.
- Harisson, J. S., & Enz, C. A. 2005. *Hospitality Strategic Management: Concept and Cases*. New Jersey: John Wiley & Sons.
- Harker, M. J. 1999. "Relationship Marketing Defined? An Examination of Current Relationship Marketing Definitions", *Marketing Intelligence and Planning*, 17(1), pp. 13-20.
- Hyde, K. F. 2000. "Recognising Deductive Processes in Qualitative Research", *Qualitative Market Research: An International Journal*, 3(2), pp. 82-89.
- Kang, K. H., Lee, S., & Huh, C. 2010. "Impacts of Positive And Negative Corporate Social Responsibility Activities on Company Performance in The Hospitality Industry", *International Journal of Hospitality Management*, 29(1), pp. 72-82.

- Kim, W. G., & Cha, Y. 2002. "Antecedents and Consequences of Relationship Quality in Hotel Industry", *International Journal of Hospitality Management*, 21(4), pp. 321-338.
- Kim, W. G., Leong, J. K., & Lee, Y. K. 2005. "Effect of Service Orientation on Job Satisfaction, Organizational Commitment, and Intention of Leaving in a Casual Dining Chain Restaurant", *International Journal of Hospitality Management*, 24(2), pp. 171-193.
- Lee, Y., Kim, Y., Lee, K. H., & Li, D. 2012. "The Impact of CSR on Relationship Quality and Relationship Outcomes: a Perspective of Service Employees", *International Journal of Hospitality Management*, 31, pp. 745– 756.
- Lemon, K. N., White, T. B., & Winer, R. S. 2002. "Dynamic Customer Relationship Management: Incorporating Future Considerations into the Service Retention Decision", *Journal of Marketing*, 66(1), pp. 1-14.
- Liang, C. J., Wang, W. H., & Farquhar, J. D. 2009. "The influence of customer perceptions on financial performance in financial services", *International Journal of Marketing*, 27(2), pp. 129-149.
- Milles M. B., & Huberman, A. M. 1994. *Qualitative Data Analysis: an Expanded Sourcebook* (2<sup>nd</sup> ed.). London: Sage Publications.
- Morgan, R. M., & Hunt, S. D. 1994. "The Commitment-Trust Theory of Relationship Marketing", *Journal of Marketing*, 58(3), pp. 20-38.
- O'Malley, L., & Tynan, C. 2003. "Relationship Marketing", in M. J. Baker, *The Marketing Book* (5<sup>th</sup> ed., pp. 32-52). Oxford: Butterworth-Heinemann.
- Ritter, T., & Gemunden, H. G. 2003. "Interorganizational Relationships and Networks: an Overview", *Journal of Business Research*, 56(9), pp. 691-697.
- Saunders, M., Lewis, P., & Thornhill, A. 2003. *Research Methods for Business Students* (3<sup>rd</sup> ed.). London: Prentice Hall.
- Tikkanen, H. 1998. "The Network Approach in Analyzing International Marketing and Purchasing Operations: a Case Study of a European SME's Focal Net 1992-95", *Journal of Business & Industrial Marketing*, 13(2), pp. 109-131.
- Turcsanyi, J., & Sisaye, S. 2013. "Corporate Social Responsibility and its Link to Financial Performance: Application to Johnson & Johnson, a Pharmaceutical Company", *World Journal of Science, Technology and Sustainable Development*, 10(1). pp. 4-18.
- Tzschentke, N. A., Kirk, D., & Lynch, P.A. 2008. "Going Green: Decisional Factors in Small Hospitality Operations", *International Journal of Hospitality Management*, 27, pp. 126–133.
- Yin, R. K. 2009. *Case Study Research: Design and Methods* (4<sup>th</sup> ed.). London: Sage Publication.

Waldman, D., Kenett, R. S., & Zilberg, T. 2010. "Corporate Social Responsibility: *What it Really is, Why it's so Important, and How it should be Managed*", *School of Global Management*. Retrieved 8 August 2013 from [jims-israel.org](http://jims-israel.org).

## EFFICIENCY IN THE PURCHASE OF FOOD AND BEVERAGES IN OPERATION OF STAR HOTELS IN BALI

<sup>1</sup>I Putu Astawa

<sup>2</sup>I Putu Mertha Astawa

<sup>3</sup>Ni Putu Wiwiek Ary Susyarini

<sup>1,3</sup>Tourism Business Management, Politeknik Negeri Bali, 80361 Bali Indonesia  
email: [putuastawa1@pnb.ac.id](mailto:putuastawa1@pnb.ac.id)

<sup>2</sup>Managerial Accounting, Politeknik Negeri Bali, 80361 Bali, Indonesia  
email: [merthabali@pnb.ac.id](mailto:merthabali@pnb.ac.id)

---

### ABSTRACT

The research aims to calculate efficiency in the purchase of food and beverages in star hotels in Bali. Ten five stars hotels receiving award as the best hotel from Trivadesor in 2016 are chosen as research sample. Data are collected through questionnaire given to purchasing department. Data are analyzed using descriptive statistical analysis and economical order quantity (EOQ) analysis. Research result indicates that the system and process for the purchase of food & beverage in stars hotels in Bali covered contract system for purchasing of perishable foods such as vegetables; daily or monthly system to give freedom to hotels to buy required goods; standing order was used to order certain types of foods supplied by certain supplier; and cash purchase was used to buy food or beverages in small amount. The purchasing process in the hotel uses contract system and the level of efficiency could be improved using EOQ in purchasing. The purchasing of budgeted food and beverages will facilitate the purchase operation; however, it will be better if it includes the existing economic approach calculation in order to increase hotel's performance. The use of EOQ method could reduce storage cost at the hotels. In the future, hotels should put more attention on such cost as storage cost and cost of order.

Keywords: efficiency, purchasing, food and beverages, star hotels.

### INTRODUCTION

Efficiency is one of the performance measures to be achieved by a company since it is related to the cost incurred. In globalization era, all companies want to be able to greatly reduce cost yet higher value of benefit. Efficiency has measure of success rated based on the amount of source or cost to achieve goals from activities conducted. Several things can be done by a company to have cost efficiency, namely: performing production cost efficiency and determining standard cost. Through production cost efficiency, cost incurred by the company for production process should be thoroughly planned and well controlled.

Efficiency as an ability of a business unit to achieve goals and is always related to organization goals to be achieved by a company (Maulana, 1997). A

department related to cost efficiency in a hotel is purchasing department. The department is responsible for gaining information on goods, determining supplier for procurement of goods and issuing purchasing orders to selected supplier. Purchasing system is a transaction activity conducted by a company to fulfill the need for product or raw material from a supplier (Galloway *et al*, 2000). Galloway *et al* (2000) stated that “The role of purchasing function is to make materials and parts of the right quality, and quantity available for use by operations at the right time and at the right place.” Purchasing is a department handling purchasing. The department is one of features of a company especially those companies in accommodation sector.

Result of survey in ten best hotels according to Tripadvesor in the first semester of 2016 is presented in Table 1.

Table 1.  
The average value of the Purchase of Foods and Beverages  
Five Star Hotels period of January – June 2016

No	Month	Average Purchase of Food (Rp)	Average Purchase of Beverage (Rp)
1	January	315,941,806.00	67,386,462.00
2	February	334,757,397.00	102,243,427.00
3	March	499,225,006.00	216,269,161.00
4	April	589,721,789.64	143,529,247.00
5	May	478,691,070.31	152,904,078.00
6	June	563,705,244.81	176,192,637.00

Source: Processed data, 2016.

Based on Table 1 it can be explained that the amount of purchase conducted in one semester of 2016 for food and beverages was fluctuated. In April the purchase was very high for food and in June for beverages. The condition indicates that the purchase of food and beverages was differed. It means that the increase in the purchase of food did not accompany by the increase in the purchase of beverages. It is an interesting condition since food and beverages usually go along in the application in a restaurant of a hotel; therefore, it is necessary to observe whether the hotels have efficiency in purchasing cost. Level of efficiency is also needed to determine the hotels strategy (Farooq, 2014; Alison *et al*, 2004; Abel and Alfred, 2010).

To give solution for issues in the ten sample hotels in this study, an appropriate data and analysis are needed. For this study, data were collected through

questionnaires distributed to purchasing department as well as interview on unclear system and expenses.

Based on initial data presented above, several problems are described as follow: (a) How is the food and beverages' purchasing system in star hotels in Bali? (b) How is the achievement of efficiency level by star hotels in Bali? Based on these problems, solutions were expected on system to be implemented and efficiency level achieved during the first semester of the purchase of food and beverages in 2016.

## THEORETICAL STUDY

The purchase of goods by a company is based on financial ability of the company as well as the readiness of existing facilities such as adequate and qualified warehouse (Suarsana, 2007). According to Suarsana (2007), there are various purchasing systems generally applied by purchasing department in a hotel. The first system is contract system. It is a system to purchase groceries, especially certain perishable foods such as vegetables and fruits as well as seasonal foods, using a contract agreement. The contract is conducted with one or more partners and it stresses the quality, quantity and price of the goods. Prior to the issuance of the contract, purchasing department conducts selection with authorization of related superior and agreement has been achieved by both sides, hotel and its partner. The period of contract is varied for perishable food; it can be three or six months. Terms of payment, however, is monthly (one month credit). If at any point, market price is increased and one of the suppliers is unable to fulfill the hotel's order for several days or week, hotel will look for a substitute for the supplier that is considered as resign and inconsistent.

The second system is daily and monthly system. In daily and monthly system, a company or hotel has freedom and discretion to purchase goods from various suppliers or supermarkets. Through this system, a hotel will need no analysis on the performance of various suppliers to be selected. They just go to any nearest supermarkets, shops or traditional markets that give the lowest price and pay in cash or credit. The procedure, however, is the same, which is by looking for information on which shops or supermarkets or markets that has good quality yet cheapest price. Nevertheless, the system has some limitations or risks, such as when there is a sudden and high fluctuation in price increase, often times supplier or the shop intentionally do not meet the hotel's order to avoid loss.

Cash purchase of goods (cash and carry) is the third purchasing system. In this system, purchasing department in a hotel prepare a small amount of cash known as petty cash. Petty cash is used to buy goods for hotel operation, especially sudden request of groceries from the kitchen that hard to fulfill by the supplier partner. The system is used to buy food and beverages in small amount. It is conducted when warehouse or kitchen is running out groceries for their immediate need. Cash purchase is also conducted in supermarket or shop near the hotel because the goods are going to be used immediately.

Standing order is the third system. The system is one of purchasing system used to order certain type of foods supplied by certain supplier (Abel and Alfred, 2010). The type of food purchased using this system is dairy product such as fresh milk, pastry product, yoghurt, ice cream as well as eggs and so on. Standing order is prevailed any time as long as no written or official notice issued regarding the change in the order from the hotel. The change, in this case, is conducted by Executive Chef since he/she is the one who understand on what type of foods that will use standing order system.

According to Susantun (2000) efficiency is a ratio of input to output related to the achievement of maximum output with a number of input. If the output ratio is high, the efficiency is high. Economical order quantity is one of ways to calculate efficiency level (Ria, 2012; Abel dan Alfred, 2010).

## RESEARCH METHODS

The research was conducted in ten best star hotels according to Trivadesor in 2016. Data were collected through a questionnaire consisted of variables of monthly average expense of purchasing, fixed cost and variable cost in period of January 2016 to June 2016. In addition, interview was conducted to gain information uncovered in questionnaire response. Data collected were analyzed using descriptive statistical analysis and EOQ analysis. Research respondents were purchasing managers.

## RESULT AND DISCUSSION

### **Food and Beverages Purchasing System**

Every hotel has different purchasing system or process based on their financial ability as well as readiness of existing facilities such as adequate and qualified

warehouse. Due to the large amount of foods and beverages needed in their operation, hotel needs appropriate purchasing system and process for goods procurement. Therefore, hotels used four purchasing systems to support their food and beverages' needs, as follow:

### 1. Contract system

Contract system is used to purchase certain types of food especially perishable foods such as vegetables and fruits as well as seasonal foods. The contract is conducted with one or more partners and it stresses the quality, quantity and price of the goods. Prior to the issuance of the contract, purchasing department conducts selection with authorization from related superior and agreement has been achieved by both sides, hotel and its partner. The period of contract is varied for perishable food; it can be three or six months. Terms of payment, however, is monthly (one month credit). If at any point, market price is increased and one of the suppliers is unable to fulfill the hotel's order for several days or week, hotel will look for the substitute of the partner that is considered as resign and inconsistent.

### 2. Daily and Monthly System

In daily and monthly system, a company or hotel has freedom and discretion to purchase goods from various suppliers or supermarkets. Through this system, a hotel will need no analysis on the performance of various suppliers to be selected. They just go to any nearest supermarkets, shops or traditional markets that give the lowest price and pay in cash or credit. The procedure, however, is the same, which is by looking for information on which shops or supermarkets or markets that has good quality yet cheapest price. Nevertheless, the system has some limitations or risks, such as when there is a sudden and high fluctuation in price increase, often times supplier or the shop intentionally do not meet the hotel's order to avoid loss.

### 3. Cash and Carry

In this system, purchasing department in a hotel prepare a small amount of cash known as petty cash. Petty cash is used to buy goods for hotel operation, especially sudden request of groceries from the kitchen that hard to fulfill by the supplier partner. The system is used to buy foods and beverages in small amount. It is conducted when warehouse or kitchen is running out groceries for their immediate

need. Cash purchase is also conducted in supermarkets or shops near the hotel because the goods are going to be used or processed immediately.

#### 4. Standing Order

Standing order is one of purchasing system used to order certain type of foods supplied by certain supplier (Abel and Alfred, 2010). The type of food is dairy product such as fresh milk, pastry product, yoghurt, ice cream as well as eggs and so on. Standing order is prevailed any time as long as no written or official notice issued regarding the change in the order from the hotel. The change, in this case, is conducted by Executive Chef since he/she is the one who understand on what type of foods that will use standing order system.

### Efficiency of Purchase of Food & Beverage in Hotel

#### 1. Cost of Order

Cost of order is cost incurred for goods procurement from order until the goods are arrived. Regarding cost of order, hotel had detail calculation. The cost is influenced by staffs' wage, phone and electricity bills, and cost incurred for order request. Since there was no calculation, authors calculated based on the existing theory and the components are presented in the Table 2.

Table 2  
Average Cost of Goods Order

No.	Components of cost of order	Cost of Goods Order
1	Wage	Rp 2,106
2	Phone bill	Rp 750
3	Papers	Rp 500
4	Printer ribbons	Rp 311
5	Computer	Rp 88
6	Printer	Rp119

Source: Data of the Hotels (processed data), 2016.

Based on Table 2 it is known that costs in Hotel consisted of wage for order staffs and cost to order and creating order request. The cost incurred for one order of good to one distributor was obtained from staff wage of Rp. 2,106. However, the calculation of cost was mostly from estimation obtained from interview with purchasing department especially with staff who ordered the goods without detail calculation for each component. The calculation of cost of order was fixed for each

good since it was not affected by the amount of goods or type and quality of goods ordered but by the number of components influencing order process such as the number of labors or resources used. Frequency of order was influenced by frequency of order needed in one period. The higher the frequency of order, the higher the cost of good order incurred. It is similar to previous research by Tauvicky Andry (2012) that in order to minimize cost of order per period is by ordering in bulk thus the frequency of order is smaller; however, it needs to consider other costs incurred such as storage cost.

## 2. Cost of Beverages Storage

Cost of storage is cost incurred to store goods. The cost is obtained from the amount of value contained in goods. The cost consisted of cost of storage facilities (depreciation of building and tools), cost of building insurance, obsolescence cost, and other costs influencing the storage of the goods. The calculation of storage cost is differed to those of cost of goods order. Storage cost will be a variable cost since it is influenced by the value or the good price. Since there was no data basing the calculation of storage cost of foods and beverages, the researchers gained the data merely from in-depth interview with one of informants who served as purchasing manager. Based on the information and assumption of 40% of the price, following was the example of the calculation. Tomato Rosso Pizza Dens of 5 kg had high storage cost of Rp. 52,000 since the unit price of the good was Rp. 130,000. Whereas, a unit price of Fresh Milk of Rp. 14,740 would have storage cost of Rp. 5,896. Based on the calculation, it could be explained that the amount of storage cost was varied for each good. The more expensive the goods, the more expensive the storage cost, and vice versa. The amount of storage cost was also influenced by the amount of goods stored. The larger the quantity of goods stored, the more expensive the storage cost incurred, and vice versa. Storage cost and cost of order was inversely proportional. This was the reason for considering cost of order and storage cost in determining the amount of order to achieve efficient and interconnected amount of order and purchasing frequency. One way to do it was using EOQ (Economic Order Quantity).

### 3. Comparison of the Amount of Goods Order, Order Frequency and EOQ

The difference in the amount of order for each purchase and order frequency of stationary using EOQ method and method used by the hotels is described in the following table.

Table 3  
Comparison of Cost of Order Calculation based on EOQ and Hotel

No.	Name of Goods	The Amount of Order (EOQ)	The Amount of Order (Hotel)	Frequency of Purchase/ Order (EOQ)	Frequency of Purchase/ Order (Hotel)
1	Coffee Powder in Plastic Package of 250 Gr	17 Unit	60 Unit	14 Kali	4 Kali
2	Tomato Rosso Pizza Denso 5 Kg	2 Unit	8 Unit	12 Kali	3 Kali
3	Whole Peeled Tomatoes Chopped Valfrutta	4 unit	12 unit	9 kali	3 Kali
4	Fresh Milk	24 Unit	72 Unit	18 Kali	6 Kali
5	F.F Potatoes	7 Unit	24 Unit	14 Unit	4 Kali

Source: Processed data, 2016.

There were differences in terms of the amount of order between EOQ calculation method and method used by the hotels. It can be seen in Table 3 that based on EOQ method the frequency of order or purchase was higher but the amount of order was smaller and it was vice versa for the calculation of the hotel. Certain hotels in Bali conducted bulk order and smaller frequency of purchase. It can be explained that using the calculation method used by the hotels cost of order incurred was smaller than storage cost since cost of order is a fixed cost therefore the amount of goods ordered to a distributor will be fixed. Whereas, in calculation using EOQ method, the cost incurred for storage was smaller since the amount of storage depended on the cost of the good price; therefore, the smaller the amount of good ordered the smaller the storage cost incurred. Based on efficiency, EOQ was more efficient in terms of the amount of order and more economical in terms of

storage cost. On the other hand, hotels' calculation was more efficient in storage cost. However, considering inventory and procurement costs, EOQ calculation method was more efficient than those of hotels' calculation. The purpose of calculating the amount of order was to maximizing the difference between income and cost. Thus, the result of EOQ calculation indicated the cost to be incurred for more efficient goods inventory and procurement.

## CONCLUSION

System and process for the purchase of food & beverage in stars hotels in Bali were: contract system for purchasing of perishable foods such as vegetables; daily or monthly system to give freedom to hotels to buy required goods; standing order was used to order certain types of foods supplied by certain supplier; and cash purchase was used to buy food or beverages in small amount. The purchasing process was conducted based on flow determined by each company but it did not significantly deviate from general theory.

Efficiency level for the purchase of food and beverage in star hotels in Bali was calculated using detailed EOQ (Economic Order Quantity) method started from cost of order, storage cost, and other costs using the amount of goods ordered in each order and frequency of goods order during procurement. The result of the calculation was inversely proportional to goods procurement calculated by the hotels. The amount of order calculated by EOQ was smaller than those calculated by the hotels. Calculation using EOQ method would bring efficiency to the costs incurred for goods inventory and procurement and it is more efficient than calculation using methods used by the hotels.

## REFERENCES

- Abel D. Alonso, Alfred Ogle. 2010. "Tourism and Hospitality Small and Medium Enterprises and Environmental Sustainability", *Management Research Review*, Vol. 33 Iss. 8 pp. 818-826.
- Alison Morrison, Paul Lynch, Nick Johns. 2004. "International Tourism Networks", *International Journal of Contemporary Hospitality Management*, Vol. 16 Iss. 3 pp. 197-202.
- Farooq, Muhammad Haq. 2014. "The Significance of Partnership as a Marketing Strategy for Islamic Spiritual Tourism", *Journal of Islamic Marketing*, Vol. 5 Iss. 2 pp. 258-272
- Galloway, Less, Frank Rowbotham, and Masoud Azhashemi. 2000. *Operation Management in Context*. Great Britain: Butterworth-Heinemann.

- Maulana. 1997. *Efisiensi sebagai Kemampuan suatu Unit Usaha*. Bandung: Citra Aditya Bakti.
- Ria, Ruth Elsa. 2012. "Analisis Pengadaan Barang Umum Dengan Menggunakan Metode EOQ pada Bagian Logistik Rumah sakit Pertamina Jaya Tahun 2012". (serial online) (Badung-Bali 2016 Maret 15). Available from URL: [http://lib.ui.ac.id/file?file=digital/20314019-S\\_Ruth%20Elsa%20Ria.pdf](http://lib.ui.ac.id/file?file=digital/20314019-S_Ruth%20Elsa%20Ria.pdf).
- Suarsana, Nyoman. 2007. *Teori Sistem Pembelian: Aplikasi di Perhotelan dan Restoran*. Edisi Pertama. Yogyakarta: Graha Ilmu.
- Susantun. 2000. *Fungsi Keuntungan Cobb- Douglas Dalam Pendugaan Efisiensi Ekonomi Realtif*. Jurnal Ekonomi Pembangunan. Vol. 5, No. 2.
- Tauvicky, Andr. 2012. "Analisis Prosedur Pembelian Barang pada Departemen Food & Beverage Hotel Bidakara Jakarta" (serial online) (Badung-Bali 2016 Mar 15). Available from URL: [http://pustaka.usahid.ac.id/index.php?p=show\\_detail&id=9291](http://pustaka.usahid.ac.id/index.php?p=show_detail&id=9291).

## **INCREASING STUDENTS' ENTREPRENEURSHIP AWARENESS THROUGH COLLEGE TOURISM BUSINESS INCUBATORS**

**I Ketut Utama, I Ketut Pasek, and I Gede Mudana**

Politeknik Negeri Bali

Jalan Kampus Bukit Jimbaran, Kuta Selatan, Badung 80364, Bali, Indonesia

email: ketutsutama@pnb.ac.id

### ABSTRACT

The aim of the study is to search the entrepreneurial potency of students of Politeknik Negeri Bali (State Polytechnic of Bali). By knowing such a potential, the development of tourism business incubator within the college will be significant. Instead of giving theoretical and practical benefits in terms of teaching and learning for the subject of entrepreneurship, the existence of the incubator will prove that the institution also plays the role in creating job opportunity. In terms of teaching and learning process the result of the study will give support to the subject of entrepreneurship, for instance in production of updated teaching material and method. On the other hand, regarding job creations, institutional incubator business will give wider chance to students and fresh graduates to train themselves to create and practice business. To get view on the potency of entrepreneurship of the students, a number of 91 fourth semester students were chosen as research samples. Questionnaires were distributed to them, then analyzed using descriptive method. Three indicators of entrepreneurship, such as innovation, proactive, and risk acceptance, also indicator of the potency of business in tourism area were utilized to count means. It was found the value of 3.6. It means that between 1 to 5 of choice scale, the value of 3.6 is significant enough to indicate that the students have good potency for entrepreneurship. If it is developed seriously, they will be able to build their own business upon graduate. Such a data is significant enough as an indicator for further research at the second year, dealing with the development of business incubator in tourism area.

Keywords: entrepreneurship, student, tourism business incubator, job opportunity.

### INTRODUCTION

The central issue of concern of various parties in Indonesia are open unemployment, especially regarding intellectual unemployment. Citing data released by the Central Bureau of Statistics, Directorate General of Education and Student Affairs of the Ministry of Research, Technology and Higher Education (2015) reported that the rate of open unemployment in Indonesia in 2014 reached 6.25% or 7.9 million and the number of college graduates was 688, 660 people (495, 143 bachelors and 193, 517 diploma). It is estimated that the unemployment rate has increased every year. The Government, through the Ministry of Research, Technology and Higher Education realized that there has been a mistake in our

education system in a broad sense: “The above conditions also supported by the fact that the majority of college graduates tend to be more as job seekers rather than job creators. This is likely due to a learning system applied in various universities are still focused on how to prepare the students to quickly pass and get a job, rather than graduates who are ready to create jobs” (2015: 1).

Creating jobs is challenging. It needs knowledge, skill, mental, and behavioral entrepreneurship. Such competencies can be formed from a variety of factors, such as formal and informal education, family as well as social environments. In regard to the government's efforts, through the institutions of higher education, there are two programs concerned, namely the scheme of Student Entrepreneurial Program (Susilaningsih, 2015) and the development of business incubators at universities (Kelvin 2007). In addition, the college also teaches entrepreneurship subject, as an effort to develop entrepreneurial spirit of students. It was expected that college graduates were capable of creating jobs. However, in many cases tend to be theoretical entrepreneurial learning. In an effort to foster entrepreneurship, learning processes need to be improved in a comprehensive manner through the internalization process. Suratna (2010) stated that the process of internalization of entrepreneurship can be generated if supported by an entrepreneurial culture in the educational institutions, which can be done through various forms of learning. It is said, "The results of research conducted by Central Bank of Indonesia showed that business incubators can create new jobs and foster new entrepreneurs" (Suratna, 2010: 2).

Business Incubator is superior when compared to the other business development model. Sharif (2009) in Hasbullah *et al* (2014) stated the business incubator has its own advantages, namely Small Medium Enterprises (SMEs) target/potential entrepreneurs are trained to master all aspects of the business, equipped with facilities and working capital, and accompanied intensively. In other words, in implementing the programs, business incubators are responsible until participants or tenants are able to run their businesses independently. However, it is unfortunate the existence of a business incubator has not received serious attention yet from stakeholders, such as the government, employers and higher education institutions (Nindyawati *et al*, 2013). In fact, the success of business incubators in developing and fostering the participants or tenants depends on those parties. She further explained that the role of an incubator actors still individuals and/or

institutions. It means, concerning to incubators at universities, for example, the role of government as regulator as well as in terms of helping funding and guidance are still lack whereas since 2010 there was an agreement between the Ministry of Cooperatives and Small Medium Enterprises (SMEs) with the Ministry of National Education (Ministry of Research, Technology and Higher Education, today). It also happens with other stakeholders, such as employers, for example in terms of funding, coaching and preparation for apprenticeship for participants of incubator or tenants.

The English word entrepreneur is actually adopted from French, meaning between taker or go-between. Joseph Schumpeter provide understanding entrepreneurs, are people who break the existing economic system by introducing new goods and services, by creating a new form of organization or process of new raw materials (Buchari Alma, 2014).

Priyanto (in Soeprapto, 2012) stated that entrepreneurship is something that exists in the soul of a person, society and organizations, which therefore generated a wide range of business activities. Entrepreneurship involves three important dimensions, namely innovation, proactive, and risk-taking or courage to take risks (Dalimunthe, 2004; Buchari Alma, 2014). Innovation can be defined in terms of product development, proactive in terms of implementation, and risk-taking in terms of pursuing opportunities. That is, the entrepreneur should at least have the ability to innovate, always proactive and dare to risk. Of course not everyone has such properties would be a successful entrepreneur. There are many other factors that influence it. One factor that is still quite often debated by practitioners and academics are concerned with the term 'born as entrepreneurs' and 'educated or trained as entrepreneurs'. That is, people who were born as an entrepreneur capable of acting or succeed as an entrepreneur although does not have a formal education or training regarding entrepreneurship. Instead, someone declared a success as an entrepreneur because he has a background in education or training in the field of entrepreneurship. Although both of these contain a meaning different from each other, it does not need to be debated. However, empirical evidence shows that the number of entrepreneurs in Indonesia is still below the neighboring countries in the ASEAN region, moreover when compared to Asian countries such as India and China (Joewono 2011; Dipta, 2011).

Since 1997 the government, through the Directorate General of Higher Education have developed entrepreneurship programs in higher education institutions, such as the subject of Entrepreneurship, Entrepreneurship Internship, Field Work Enterprises, Consulting Business and Employment, and Incubator New Entrepreneurs, and continues today with the scheme of Student Entrepreneurial Program which seems to be treated more seriously (Susilaningsih, 2015). In addition, entrepreneurship courses have also been taught in colleges, as the responsibility of higher education institutions to support government programs in developing highly educated young entrepreneurs.

The idea of business incubator development was first established by Joseph L. Mancuso in New York USA, in 1959. It was Batavia Industrial Center, New York with his business partner Charles Mancuso & Sons as an early model of business incubators in the United States (Setyobudi, n.d). Furthermore the main purpose of the business incubator was to produce an independent company, especially in financial aspects. Proven success of the development of business incubator finally became a reference of establishment of similar business incubators in other countries which then spread to almost all over the world including to Indonesia in 1994 (Nindyawati *et al*, 2013). Business incubator act as an economic strategy to build and develop the social and economic growth, commercialization of new products and processes and new business models. According to Al-Mubaraki *et al* (2015) there are three categories of business incubator in the United States, which is related to economic development, commercialization of technology, and entrepreneurship. Through their research conducted in New York, United States of America regarding the three categories of business incubator was found that the incubator acts as: (1) a dynamic model of self-sustainable, efficient business development; (2) a helpful tool to generate jobs; (3) a method of fostering and supporting enterprise and innovation to create the best environment for the growth of businesses, both at start-up and to accelerate smart growth; and (4) high contributors that add value to businesses by developing the region's science parks and R&D centers, improving collaboration between universities and supporting business investment and growth (Al-Mubaraki *et al*, 2015: 8). In terms of benefit, Smilor and Gill quoted by Cooper *et al* (2012:435) "identified four main entrepreneurial benefits to start-up companies residing in an incubator: heightening credibility, shortening the

learning curve, creating quicker solutions to problems, and gaining access to an entrepreneurial network.”

## RESEARCH METHODS

Seeing the fact above this research is important, in order to formulate or design a model of business incubator in the field of tourism in Politeknik Negeri Bali, although similar research has been done elsewhere. This study was designed three years (2016-2018). In the first year it will explore the potency of entrepreneurship of the students and their understanding of the business in tourism sector. Understanding of the tourism business is very essential to know since the development of education in State Polytechnic of Bali based on tourism, and geographically the position of the institution is in the well-known tourist destinations, namely Jimbaran, Bukit Pecatu, Nusa Dua, and Kuta.

Based on the sample calculations according to Slovin, a number of 91 Likert-scale questionnaires were distributed to students of fourth semester on all courses in State Polytechnic of Bali. For positive statements the scale ranges from strongly agree, score 5; agree, score 4; neutral, score 3; disagree, score 2; and disagree, score 1, and vice versa for negative statements. Three basic indicators of entrepreneurship, such as: innovation, proactive, and risk-taking (Dalimunthe 2004, Buchari Alma, 2014) are used to describe the data. In order to obtain an overview of the potency of business in tourism area, statements of tourism business are included. Total score of means of each indicator represents the potency of entrepreneurship of the respondents which range from 1 (worst) to 5 (very good).

The reason of choosing fourth semester students to be the subjects of this study was that in the sixth semester they will get entrepreneurship course, which is also the second year of the study. The result of the study can be used as baseline of the design of business incubator. It can also be used early in the development process of teaching entrepreneurship courses covering teaching materials and teaching methods.

## RESULT AND DISCUSSION

Total population of 4<sup>th</sup> semester students on all courses in State Polytechnic of Bali is 994 students. Using Slovin’s calculation formula with an error rate of 0.1 obtained a sample of 91 students who are determined proportionally to each

department, namely Tourism 22, Business Administration 17, Accounting 16, Civil Engineering 12, Mechanical Engineering 10, and Electrical Engineering 14 students.

The respondents consisted of 47.3% men and 52.7% women with a variety of age: 19 years as many as 20.9%, 20 years as many as 72.5% and 21 years as many as 6.6%. Data characteristics of respondents based on the experience owned businesses showed significant differences, with 24.2% stating to have the business experience versus 75.8% have no business experience. From the business experience of the respondents (24.2%), the largest percentage is the culinary business by 11%, followed by 5.5% fashion; handicraft 4.4%; daily needs 1.1%; IT 1.1%; and workshops 1.1%. In line with these data, concerning the business interests of the respondents who want to work at the businesses in the culinary field are also occupied the highest percentage, that is 46.2%; followed by fashion 9.9%; engineering took 7.7%; travel 6.6%; IT 5.5%; contracting 5.5%; handicraft 4.4%; workshop 3.3%; daily needs 1.1%; whereas no interest has recorded a 9.8%. If the data concerning the business interests associated with tourism-related businesses, such as culinary, travel and handicraft are combined, the total percentage will be 56.1%. The data is significant as an indicator of students' understanding of the business-related or supporting tourism field.

The potency of entrepreneurship can be measured through three basic indicators, such as: innovation, proactive, and risk-taking (Dalimunthe 2004, Buchari Alma, 2014). The following Table 1 describes these three indicators separately based on respondents' responses.

Table 1 Frequency of Innovation Indicators

S N	TR	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree		Tot al RxS	Mea ns
		R	RxS	R	RxS	R	RxS	R	RxS	R	RxS		
1	91	0	0	6	12	18	54	50	200	17	85	351	3.9
3	91	1	1	4	8	19	57	46	184	21	105	355	3.9
4	91	1	1	3	6	27	81	45	180	15	75	343	3.8
14	91	0	0	4	8	42	126	32	128	13	65	327	3.6
16	91	0	0	2	4	7	21	29	116	53	265	406	4.5
18	91	4	4	5	10	44	132	26	104	12	60	310	3.4
Total Means												23.0	
Means												3.8	

Note: SN = statement number; TR = total respondent; R = respondent; S = scale

It shows that the respondents' perceptions of six statements regarding the innovation indicators, such as the statement item number (1) In everyday life, I proposed a lot of ideas; (3) in everyday life, I always get up early to start the activity; (4) I always maintain good health with regular exercise; (14) I have a lot of personal skills; (16) I am pleased with something new; (18) when a holiday, I always do any works at home. Those statements have positive meaning that the value of the scale is normal: strongly disagree is worth 1, disagree 2, doubtful 3, agree 4, and strongly agree 5. Calculation of means of the Innovation indicators get the number of 3.8, which means good. In other words, the respondents have a good enough innovation in business or entrepreneurship.

In order to obtain a nature of the respondents' Proactive indicators, there are 10 statements submitted, which consists of 6 positive statements and 4 negative statements, as seen in Table 2. For negative statements the value scale is calculated inverted. It means, if the respondents chose strongly agree, it is worth 1, agree 2, doubtful 3, disagree 4, and strongly disagree 5 (Buchari Alma, 2014). The positive statements are (7) I am among those who are always excited and optimistic; (8) I like cooperation with others; (9) I want to hear the opinions of others; (10) I am always diligent in completing all the tasks; (13) I am happy and often pay attention to businesses; and (17) I am pleased to visit another city and see the situation of the town. While the negative statements are (2) I always follow the idea of a friend; (5) I am glad to have erratic chat with friends; (19) I am not happy asked by my mother/father shopping in traditional markets, and (20) I often ask the maid for help although that work I can do alone. The results can be seen in Table 2. The results of means calculation for Proactive indicators is 3.8, which implies good. That is, respondents have a high level of proactive in doing business or entrepreneurship.

Table 2 Frequency of Proactive Indicators

SN	TR	Strongly Disagree		Disagree		Doubtful		Agree		Strongly Agree		Total RxS	Means
		R	RxS	R	RxS	R	RxS	R	RxS	R	RxS		
-2	91	0	0	30	120	46	138	15	30	0	0	288	3.2
-5	91	1	5	18	72	19	57	32	64	21	21	219	2.4
7	91	0	0	1	2	20	60	52	208	18	90	360	4.0
8	91	0	0	2	4	11	33	51	204	27	135	376	4.1
9	91	0	0	0	0	8	24	55	220	28	140	384	4.2
10	91	0	0	1	2	21	63	54	216	15	75	356	3.9

13	91	0	0	3	6	24	72	42	168	22	110	356	3.9
17	91	2	2	3	6	15	45	42	168	29	145	366	4.0
-19	91	27	135	45	180	13	39	4	8	2	2	364	4.0
-20	91	48	240	37	148	4	12	2	4	0	0	404	4.4
Total Means												38.1	
Means												3.8	

Note: SN = statement number; TR = total respondent; R = respondent; S = scale; minus (-) = negative statement.

There are five proposed statements in association with Taking Risks indicators, which consists of four negative statements and one positive statement. The negative statements include (6) if doing business, I am afraid of loss and fear of risk; (11) I often have difficulty in every decision; (15) when I face a difficult problem, I tend to leave alone and forget; and (21) I do not plan the future yet because it is not important. While positive statements is (12) I am healthy and be able to complete the activities. Data can be seen in Table 3. The calculation of means yields only 3.4, meaning good enough. In other words, respondents have fairly good courage in taking entrepreneurial risks concerned.

Table 3 Frequency of Risk Taking Indicators

SN	TR	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree		Total RxS	Means
		R	RxS	R	RxS	R	RxS	R	RxS	R	RxS		
-6	91	5	25	21	84	27	81	27	54	11	11	255	2.8
-11	91	1	5	14	56	18	54	47	94	11	11	220	2.4
12	91	0	0	0	0	14	42	49	196	28	140	378	4.2
-15	91	6	30	39	156	32	96	11	22	3	3	307	3.4
-21	91	42	210	25	100	18	54	6	12	0	0	376	4.1
Total Means												16.9	
Means												3.4	

Note: SN = statement number; TR = total respondent; R = respondent; S = scale; minus (-) = negative statement.

In order to obtain an overview of the potency of business in tourism area, the respondents filled 6 statements, which consist of five positive statements and one negative statement. These five positive statements are (22) I often hear about the business potency of tourism in Indonesia, and Bali in particular; (23) I'd like to figure out how to successfully do business in tourism in Bali or Indonesia; (25) the

knowledge and skills of business (tourism) that I obtained during the course quite adequate; (26) my knowledge of tourism can be said enough; (27) I constantly strive to update myself with information about tourism. While negative statement is (24) I have not been able yet to see opportunities in tourism business. Data can be seen in Table 4. The result of the calculation of the means scored 3.5 which implies good. That is, the respondent has good potency of business in tourism sector, and it is quite large by the will, the knowledge and skills possessed.

Table 4 Frequency of Tourism Business Potency Indicators

SN	TR	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree		Total RxS	Means
		R	RxS	R	RxS	R	RxS	R	RxS	R	RxS		
22	91	0	0	2	4	23	69	44	176	22	110	359	3.9
23	91	0	0	9	18	23	69	51	204	8	40	331	3.6
- 24	91	2	10	18	72	29	87	42	84	0	0	253	2.8
25	91	1	1	7	14	26	78	45	180	12	60	333	3.7
26	91	0	0	12	24	39	117	34	136	6	30	307	3.4
27	91	0	0	6	12	27	81	46	184	12	60	337	3.7
Total Means												21.1	
Means												3.5	

Note: SN = statement number; TR = total respondent; R = respondent; S = scale; minus (-) = negative statement.

## CONCLUSION

Results obtained from this study met the objectives that were defined, namely to see the entrepreneurial potency of State Polytechnic of Bali students. The knowledge, skills and willingness of the students to develop the potency of business within the tourism sector is quite large. Evident from the means value of 3.6 which is calculated from the four indicators of entrepreneurial potency of the tourism sector. Figures are in line with the average of the results of research by Pasek *et al* (2013), which was equal to 3.9. The means value can be used as a reference in the development of entrepreneurial students' potency through formal academic activities, such as adding weight of credit semester unit of the subject of entrepreneurship, and the teaching methods that are more practical. In addition, giving more opportunity for students to carry out extracurricular activities in entrepreneurship can also support the development of entrepreneurial potency of the students.

The results obtained in the first year of this study become an important reference for future research in the second year, involves the development of a business incubator model in tourism in State Polytechnic of Bali. Through the development of a business incubator, entrepreneurial potency of students will be realized more quickly, as the primary objective of a business incubator is to establish, to build up participants (tenants) successfully manage their own business (standalone).

#### ACKNOWLEDGMENT

The author would like to thank firstly the director of State Polytechnic of Bali, the deputy director for academic affairs, the head of research and public services, the head of all departments and all students of State Polytechnic of Bali being selected as research samples in this research for their helpful contributions to make this research a success.

#### REFERENCES

- Al-Mubarak, H.M., Muhammad, A.H., dan Busler, M. 2015. "Categories of Incubator Success: a Case Study of Three New York Incubator Programmes", *World Journal of Science, Technology and Sustainable Development*, Vol. 12 No. 1, pp. 2-12.
- Buchari Alma, H. 2014. *Kewirausahaan untuk Mahasiswa dan Umum* (Entrepreneurship for Students and Public). Bandung: Alfabeta.
- Cooper, Christine E., Connaughton, Stacey L. and Hamel, Stephanie A. 2012. "Motivations and Obstacles to Networking in a University Business Incubator". *J Technol Transf*, No. 37, pp. 433–453.
- Dalimunthe, R.F. 2004. "Program Pengembangan Budaya Kewirausahaan (Development Program of Entrepreneurship Culture)" (*unpublished paper*). Fakultas Ekonomi Universitas Sumatera Utara. Available at: <http://library.usu.ac.id/download/fe/manajemen-ritha7.pdf>
- Dipta, I W. 2011. "Model Pengembangan Wirausaha (Entrepreneurial Development Model)". *INFOKOP*, Vol. 19, pp. 53 – 66.
- Direktorat Jenderal Pembelajaran dan Kemahasiswaan Kementerian Riset, Teknologi, dan Pendidikan Tinggi. 2015. "Pedoman Program Mahasiswa Wirausaha (PMW) Tahun 2015 (Guidelines for Student Entrepreneurial Program (SEP) Year 2015" Available at: <http://belmawa.ristekdikti.go.id/dev/wp-content/uploads/2015/11/6.-Pedoman-PMW-2015.pdf>.
- Hasbullah, R., Surahman, M., Yani, A., Almada, DP., dan Faizaty, EN. 2014. "Model Pendampingan UMKM Pangan melalui Inkubator Bisnis Perguruan Tinggi" ("Model of Mentoring SMEs Food through Incubators Business College"). *Jurnal Ilmu Pertanian Indonesia (JIPI)*, Vol. 19 (1), pp. 43 49.

- Joewono, H. 2011. "Strategi Pengembangan Kewirausahaan Nasional: Sebuah Rekomendasi Operasional" ("National Entrepreneurship Development Strategy: An Operational Recommendation"). *INFOKOP*, Vol. 19, hal. 1 – 23.
- Nindyawati, D., Gunawan, J. dan Ciptomulyono, U. 2013. "Model Pembinaan dan Pengembangan Wirausaha Muda Melalui Inkubator Perguruan Tinggi" ("Model of Mentoring and Development of Young Entrepreneurs through Higher Education Incubator"). Proceedings of the National Seminar on Technology Management Program XVII MMT-ITS, A-32, pp. 1-8. Available at: <http://mmt.its.ac.id/download/SEMNAS/SEMNAS%20XVII/MI/32.%20Dyan%20Nindyawati.pdf>.
- Pasek, IK., Sanjaya, IGN., dan Yasa, IK. 2013. "Skema Pengembangan Entrepreneurship melalui Program Inkubator Bisnis di Politeknik Negeri Bali" ("Entrepreneurship Development Scheme through the Business Incubator Program in State Polytechnic of Bali"). DIPA research report, Politeknik Negeri Bali.
- Peraturan Presiden RI No. 27 tahun 2013 tentang Pengembangan Inkubator Wirausaha (Presidential Regulation No. 27 of 2013 on the Development of Entrepreneurial Incubator). Available at: <file:///C:/Users/USER/Downloads/Peraturan-Presiden-tahun-2013-027-13.pdf>.
- Peraturan Menteri Koperasi dan Usaha Kecil dan Menengah RI No. 24 tahun 2015 tentang Norma, Standar, Prosedur dan Kriteria Penyelenggaraan Inkubator Wirausaha (Regulation of the Minister of Cooperatives and Small and Medium Enterprises No. 24 2015 Norma, Standards, Procedures and Criteria for the Implementation of Entrepreneurial Incubator). Available at: <file:///PERMEN-permen-kukm-nomor-24-tahun-2015-tentang-nspk-inkubator.pdf>.
- Setyobudi, L. (n.d.) "Inkubator Bisnis di Perguruan Tinggi" ("Business Incubator in Higher Education" (unpublished paper). Entrepreneurship Education Division Brawijaya University, Malang. Available at: <http://setyobudi.lecture.ub.ac.id/files/2013/05/INKUBATOR-BISNIS-di-PERGURUAN-TINGGI.pdf>.
- Soeprapto, A. 2012. "Sinergi Kalangan Akademik, Dunia Usaha dan Pemerintah dalam Program Pengembangan Budaya Kewirausahaan Mahasiswa" ("Synergy among Academic, Business and Government in the Development Program of Cultural Student Entrepreneurship"), *Unpublished conference paper*. Available at: <https://www.researchgate.net/profile/AdiSoeprapto/publication/255484024.pdf>.
- Suratna. 2010. "Pengembangan Jiwa Kewirausahaan Mahasiswa melalui Inkubator Bisnis" ("Development of the Spirit of Entrepreneurship of Students through Business Incubator.") *Jurnal Administrasi Bisnis*, Vol. 6, No. 2, pp. 1-15.
- Susilaningsih. 2015. "Pendidikan Kewirausahaan di Perguruan Tinggi: Pentingkah untuk Semua Profesi?" ("Entrepreneurship Education in Higher Education: Is it Important for All Profession?"). *Jurnal Economia*, Vol. 11, No. 1, pp. 1-9.
- Suwandi. 2007. "Pengembangan Model Inkubator Bisnis Perguruan Tinggi" ("Development of the College Business Incubator Model"). *Jurnal Penelitian Humaniora*, Vol. 12, No. 2, pp. 65-86.

## **ECOTOURISM BUSINESS COMPETENCE IN CREATING COMMUNITY INCOME**

**Ketut Irianto<sup>1</sup>, Ni Nyoman Aryaningsih<sup>2</sup>, Ni Ketut Masih<sup>3</sup>, Made Bagiada<sup>4</sup>**

Agriculture Faculty, Warmadewa University<sup>1</sup>,

Accounting Departement, Politeknik Negeri Bali<sup>2, 3, 4</sup>

email: iriantoketut@yahoo.co.id <sup>1</sup>, arya68ningsih.gmail.com <sup>2</sup>

### **ABSTRACT**

The economic development of a region is determined by the increase of contribution of economic sector activity. The tourism sector is one of the economic sectors that has an important role in and is able to grow the regional economy. Sustainability of the tourism sector of the economy can not be separated from the role of environmental resources as tourism attractions (objects). This study is to analyze ecotourism business competence in creating income of community. The study is designed in a descriptive-quantitative way. The collection of data used is observation and interview. The data used is descriptive-quantitative in order to determine and analyze the ecotourism business competence and its impact on improving income of community. The results show that the strategy to achieve an income community must be supported by having business competence based on ecotourism. Business competence is dominated by social competence in creating people's income in the tourism sector, yet less attention to other competencies. Ecotourism development is done by building the overall business competence and network of cooperation between the parties concerned.

Keywords: business competence, ecotourism, income, community.

### **INTRODUCTION**

Economic development in a region is affected by the increase in purchasing power. The purchasing power of the people can be seen from conduciveness of real sector and financial sector. The real sector is determined by the functioning of the economic actors in the market for goods, besides the ease of acces for economic players on the market of goods, so the participation can contribute benefit to society. The weakening of the role of the real sector due to the economic transformation of the agriculture sector to the service sector/tourism causes uncontrolled land conversion and absorption of labor in the tourism sector which is getting bigger. On the other hand it has not been established readiness of labor resources in the face of increasingly

strong competition. Some research indicates that the construction of water treatment plants, sanitation facilities, and the cottage lead to exploitation of non-renewable energy and resource utilization infinite (Vivanco, 2002). Conversion of land into tourist infrastructure led to deforestation and loss of habitat for butterflies in Mexico and squirrel monkeys in Costa Rica (Isaacs, 2000). Lack of adequate sanitation facilities in East Africa results for waste disposal, thus causing environmental pollution (Tuohino, 2001).

Bali tourism has developed very rapidly compared to other regions in Indonesia. In 2015 around 39.12% of tourist visits Bali directly (Kemenpar, 2016). The average increase of foreign tourist visiting Bali is 8.65%, greater than the average increase in the national context (Indonesia). The average increase in the tourist archipelago during 2006-2015 is 13.11%.

The development of the tourism sector contributes to economic development in Bali, so the sector is considered to be the leading sector to support regional economic development. Effect as the leading sector also led to the government's policy direction tends to prioritize the tourism sector to boost economic growth. Besides the impact of tourism as the leading sector, impact on uncontrolled land conversion, shifts attitudes and behavior of society and forms the image of anthropocentrism to exploit nature to the maximum (Atmadja, 2010; Suda, 2016).

The rapid growth of the tourism sector cause economic transformation and modernization of the behavior of ecological thinking into utilitarian and pragmatism (Chang, 2000, in Atmadja, 2010). As a result, humans always want to benefit greatly from the environment without thinking its impact. Expected real role in the development of the tourism sector based on the economic environment develops human resources through quality business-oriented competence and attention to the natural environment and its impact. Competence is a behavior that is manifested in the work and can provide an added value (Siriwaiprapan, 2000). Ecotourism is then a combination of different interests that grow out of concern for the environment, and also economic and social aspects. Ecotourism provides added value to visitors and the local community in the form of knowledge and experience. The added value of this influence changes in behavior of visitors, the community and tourism developers to be aware and more appreciative. As stated, the ecotourism structure must be improved to direct more money into host communities by reducing leakages for the industry to

be successful in alleviating poverty in developing regions, but it provides a promising opportunity (Saayman, 2012).

Regarding strategies to reduce the value of the impact of tourism development through ecotourism, it is necessary to attempt to achieve the goal of how to build competence ecotourism business strategy to create revenue to be more prosperous society.

## RESEARCH METHODS

This design of the study is an explorative approach a with a mixed (quantitative-qualitative) method. The data are collected through observation and interviews. The sampling technique used is accidental. The results of the descriptive-quantitative analysis are used to build and formulate new concept as the basis for the development of an ecotourism model.

## RESULT AND DISCUSSION

The observation and interview regarding ecotourism in Bali from the aspects of geography show that the cultural life of the Balinese people has a characteristic unique characteristic as well as the main attraction of tourists visiting Bali. Bali tourism seen from its growth within six years (2009-2015) can be categorized as follows: natural, cultural, and artificial attractions. Natural attractions include flora and fauna, the peculiarities of the ecosystem, fields, beaches, plantations, and the zoo. Cultural tourism tourist attraction can be seen in art handicrafts, traditional indigenous communities, *upakara* (religious rites) and ceremonies/festivals. Artificial attractions are such as the creation of art performances/dances/yoga, sculpture and so on. However, the entry of global capitalism ideology to Bali has caused market ideology, so there is a shift in attitudes and values of the local people concerning their economic outlook. This led to the exploitation of economic resources such unbridled, conversion of agricultural land to support the provision of tourism facilities, public behavior that tends to be the religion of the market. Besides the emergence of behavioral patterns, finanscape upholds the use of foreign currency in a shopping decision, thus lowering the value of cultural identity.

To keep ecotourism as a scarcity value and unique culture and in order to attract tourists visiting Bali in a sustainable manner, the businesses in the tourism sector can develop actions to build competence in business-oriented in several stages,

namely: (1) the initial stage is to strengthen understanding and recognition of the positive and negative impacts of tourism through the competence of human resources business-oriented knowledge, means of communication, good service ethic. (2) The stages of execution can be done to build individual competencies by showing moral responsibility, time and labor discipline, critical thinking and able to solve problems facing the visitor complaints. (3) The final stage to do is dare to accept the feedback of others (tourists/visitors), interact and adapt culturally appropriate language, acculturation following the norms and ethics. To build a complete stages in developing ecotourism, the competence of human resources as the main actors in the tourism sector is very crucial, so that the business-oriented competence must be built completely and thoroughly.

Based on the result of research studies, the strategy held by economic operators in the tourism area of business competence is based on eco-tourism in order to increase people's income can be shown in Figure 1.

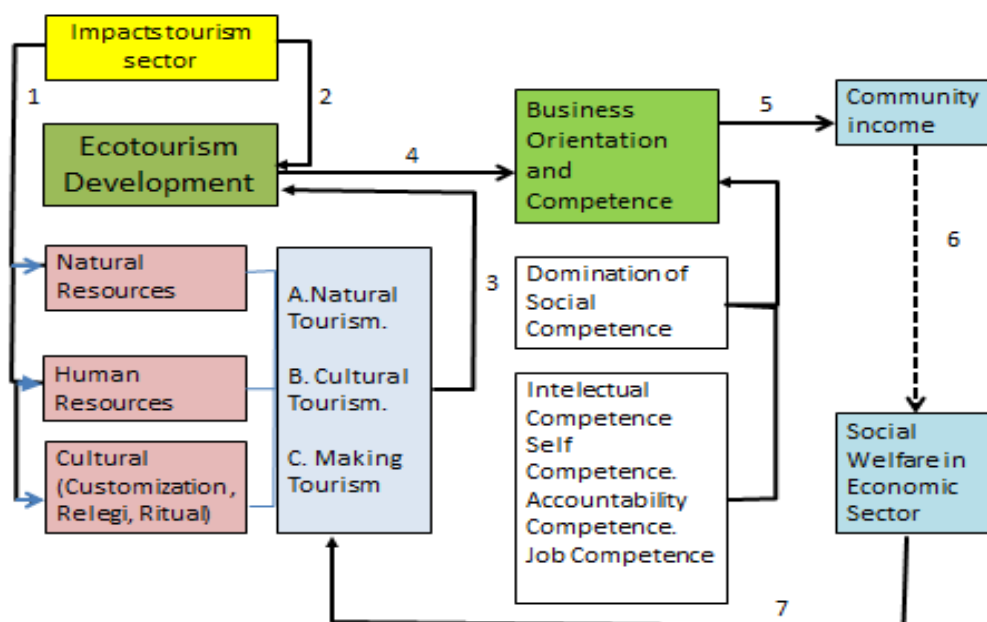


Figure 1. The Relationship Model of Ecotourism Business Competence

Figure 1 shows that the relationship model of sustainability of the tourism sector can be built in an integrity way. The tourism sector which is considered as the leading sector has generated a lot of positive and negative impacts on the natural

environment, society, and culture. To maintain the ecosystem to function properly, the development of ecotourism is developed through the so-called alternative tourism. The carrying capacity of the quality of human resources is also considered to develop the economic potential, and build business competence in order to have a strong market competitiveness.

Findings from this study suggest that social competence has the largest role in increasing incomes compared to other competencies such as intellectual competence, self-competence, accountability, and job competence. However, in the long run, in order to maintain the sustainability of ecotourism and the tourism sector, everyone in the tourism sector should have a business-oriented competence as a whole to increase its global competitiveness. The results of the study, supported by the findings in Zimbabwe and Nepal's Annapurna region where underdevelopment is taking place, show that more than 90% of ecotourism revenues are expatriated to the parent countries, and less than 5 percent go into local communities (Ziffer, 1989). Conservation in the Northwest Yunnan Region of China has similarly brought drastic changes to traditional land use in the region. Prior to logging restrictions imposed by the Chinese Government the industry made up 80% of the regions revenue. Following a complete ban on commercial logging the indigenous people of the Yunnan region now see little opportunity for economic development (Norton, 2012).

The results of this study show that social competence based on ecotourism is able to increase incomes. It is better than the other competencies. In the long run, all the competencies possessed by tourism businesses should be used optimally. Thus the contribution of the tourism sector can provide greater benefits to development and economic growth. Therefore, a good business competencies will be able to support the ecological management according to its function, so that loss of function of nature or land and other creatures can be avoided, so that harmony can be mutually maintained for the sake of balance of life.

## CONCLUSION

The development of ecotourism is an alternative to the development of the tourism sector without compromising the function of the environment in accordance with beneficiaries. Business-oriented competence built and owned by individuals either involved directly and indirectly in the tourism sector will be able to create an

environment with good governance. The development of business competence to create revenue will increase the effects of the future, for the public welfare.

The study of tourism development is one of the alternative solutions to problems caused by the negative impact of the tourism sector. The results of this field study also recommend that further research can be done on the field of study such as impacts of waste tourism sector to natural resources, social accounting cost of environment, measurement of behavior transformation on cultural value. Many other areas of study can be done by the academic community.

#### ACKNOWLEDGMENT

The writers thank awfully to the organizing committee of international seminar on Department of tourism, which has contributed to facilitate the channeling ideas and give us the opportunity to the participation and deliver the results of this field study idea. Thanks to the Director of the Polytechnic of Bali as well as the staff of other leaders, thanks also to the Chairman of the Accounting Department which has supported by staff to develop appropriate scientific field.

#### REFERENCES

- Atmadja, N.B. 2010. *Ajeg Bali Gerakan, Identitas Kultural dan Globalisasi*. Yogyakarta: LKIS. (In Indonesian)
- Isaacs, J.C. 2000. "The Limited Potential of Ecotourism to Contribute to Wildlife Conservation". *The Ecologist*. pp. 28(1):61–69.
- Norton, Jim. 2012. "The Yunnan Great Rivers Expedition", *Snag Films*, Retrieved November 29, 2012.
- Saayman, Melville and Rossouw, Krugel (Sep 2012). "The Impact of Tourism on Poverty in South Africa", *Development Southern Africa*, 29 (3): 462–487. doi:10.1080/0376835x.2012.706041.
- Siriwaiprapan, S. 2000. "The Concept, Practice, and Future of Human Resources Development as Perceived by Thai Human Resources Practitioners", unpublished doctoral dissertation, George Washington University, Washington DC.
- Tuohino, A and Hynonen, A. 2001. "Ecotourism, Imagery and Reality. Reflections on Concepts and Practices in Finnish Rural Tourism". *Nordia Geographical Publications*. pp. 30(4):21–34.
- Vivanco, L. 2002. "Ecotourism, Paradise Lost—A Thai Case Study", *The Ecologist*, pp. 32(2):28–30.
- Ziffer, K. 1989. *Ecotourism: the Uneasy Alliance*. Conservation International: Ernst and Young.

## **TUMPEK WARIGA AS AN ECOLOGY BASED LOCAL GENIUS IN SUPPORTING SUSTAINABLE TOURISM (CASE STUDY OF PLAGA VILLAGE, BADUNG, BALI)\***

Nararya Narottama<sup>a\*</sup>, I Ketut Suarja<sup>b</sup>, Denok Lestari<sup>c</sup>

<sup>a c</sup> Department of Hotel Management of STPBI (Bali International Institute of Tourism)

<sup>b</sup> Politeknik Negeri Bali)

email: [\\*naro\\_osh@yahoo.co.id](mailto:naro_osh@yahoo.co.id)

### ABSTRACT

As an international tourist destination, Bali has always been a main target of modern capitalists, both domestic and international. Massive construction of tourism facilities occurred in Bali, which directly affects and threatens the environment and changing social patterns of local communities. It is an irony, because Bali's tourism relies on environment sustainability, natural landscapes and its unique cultural richness. *Tumpek Wariga* is one of the Balinese's local genius, particularly in the context of maintaining harmony with all creatures, nature and environment, in form of cultural activities or Hindu rituals. These activities are summarized in Bali sublime philosophy which is recognized by UNESCO, namely the *Tri Hita Karana*. In various region of Bali, *Tumpek Wariga* is also called *Tumpek Pengarah*, *Tumpek Uduh* and *Tumpek Bubuh*. In this ceremony, the offerings are dedicated to the presence of *Ida Sang Hyang Widhi* (The Almighty God) in His manifestation as Lord Sangkara (Lord Shiva), the ruler of vegetation and environment in Balinese tradition. The purpose of this study was to assess the ultimate meaning and the implementation of *Tumpek Wariga* as a Balinese local genius in supporting ecological-based sustainable tourism in Bali. This case study took place in Plaga Village, which is one of the tourist villages developed by the government of Badung regency. This research uses qualitative approach, with data collection methods such as observation, in-depth interview and literature study. Hopefully, this research can be beneficial to all stakeholders and academics of tourism, especially in studies of Balinese local genius, as well as a new reference for the development of ecological based sustainable tourism in Bali.

Keywords: *Tumpek Wariga*, local genius, sustainable tourism, ecology.

### BACKGROUND

Indonesia is well known as one of the countries in the world which has high biological diversity. Convention of Biological Diversity (COB) claims Indonesia as a *mega bio-diversity* country among 17 other countries, with abundant natural resources, whether on land, air, or sea (COB, 2017). Indonesia's strategic location, situated between Australia, Asia and Pacific archipelago, enriches the number and

---

\*\*This paper was presented at 15th APACCHRIE INTERNATIONAL CONFERENCE 2017 in Sofitel Hotel, Nusa Dua, Bali, Indonesia, from May 31st to June 3rd, 2017. The theme of this conference is *The Future of Hospitality and Tourism : Opportunities & Challenges*.

type of the vegetation and animal species within the country. Indonesia was once known as the 'lungs of the world' (WWF, 2012) for its large tropical rain forest. Environment and tourism industry are very closely related and they are bound to each other. Unfortunately, in the last decades, Indonesia's bio diversity encounters a lot of threats, such as: illegal animal trading, deforestation, forest fires, pilferage by certain parties, and feeble law enforcement for the those who commit crime to the environment. These threats have definitely great impacts to the growth of tourism in Indonesia.

Bali is the main tourist destination and the icon of Indonesia's tourism. In addition, Bali is the only province in Indonesia which is dominantly inhabited by hindu communities, side by side with the muslims. This makes Bali a unique island as the symbol of tolerance in diversity in Indonesia. Bali has various local potentions which are vital for tourism development. Natural richness, local culture and society create its own charm and uniqueness. In 2017, Bali was rewarded as the best tourist destination in the world in "2017 Travelers Choice Awards for Destinations" by the renowned tourism site, TripAdvisor, beat out Paris and London (The Jakarta Post, 2017).

Bali's tourism industry directly rely on its living environment. Natural resources are the most vital asset for tourism. Nevertheless, tourism is also a very fragile sector since it relies very much on other factors and the supply of resourcess. Theoretically, the connection between natural environment with tourism must be mutual and beneficial. The fact, however, the connection between them is not always harmonic and beneficial. There are conflicts and exploitations frequently occur for the sake of tourism. To build sustainable tourism, the sustainability of ecology must also be noticed and carefully preserved. Therefore, any efforts of conservations, appreciations, and educations of ecology should be gradually improved in every level of stake holders of tourism. Internationally, the awareness of the importance of natural resources for tourism is rising up. It makes ecology-based sustainable tourism development becomes one of the hottest issues worldwide for the last decade.

Balinese community has some local genius to maintain the continuity of the ecology in their surroundings. The most well known is the philosophy of *Tri Hita Karana* (THK) which is based on Hindu's principles. UNESCO, since 2012, has acknowledged THK as the world philosophy from Balinese community which is aimed

to maintain good connection between God, the members of community, as well as to preserve the local environment. THK consists of three components, namely *Parahyangan, Pawongan, and Palemahan* (UNESCO, 2012). *Parahyangan* relates to God, *Pawongan* relates to the harmonic relationship between humans, and *Palemahan* refers to the relationship between humans and the environment. One representation of THK's philosophy in ecology preservation can be seen in the rituals of *Tumpek Wariga*.

In Bali, *Tumpek Wariga* is also called *Tumpek Pengarah, Tumpek Uduh, or Tumpek Bubuh*. The main offerings in the ceremony of *Tumpek Wariga* is rice porridge, which is later offered to *Ida Sang Hyang Widhi Wasa* (God Almighty) in His manifestation as *Dewa Sangkara*, the ruler of vegetations and nature. Since a long time ago, the relationship between Balinese people and their surrounding can be seen from many kinds of rituals or sacred ceremonies. In Hindu's beliefs, the holly offerings are dedicated to *Ida Sang Hyang Widhi Wasa* (God) in His manifestation as the ruler of the universe and all creatures. For the Balinese ancestors, preserving the nature is a holly obligation as the implementation of Hindu's values which are bound in *Tattwa, Susila, Ritual* (Beliefs, Norms, Ceremonies).

A village in Bali, named Plaga, still conducts this ritual up to present time. Plaga is a popular tourist destination in Petang district, Badung regency. The village is located in the highland of North Bali, between two other popular tourist destinations, Bedugul and Kintamani. Plaga is 3545,20 Hectars and is situated 47 kilo meters from Denpasar. The topography of Plaga is mountainous highland with very fertile hills. The average rainfall is 2135 mm per year with the temperature of 24,2 degree Celcius. Plaga's agriculture is running well with various crops, such as vegetables, vanilla, coffee, corns, and other vegetations. The nature is fertile and magnificent so that it can support the development of agrotourism, by combining the success in agriculture with the tourism sector which grows rapidly in the village.

The purpose of this study was to assess the ultimate meaning and the implementation of *Tumpek Wariga* as a Balinese local genius in supporting ecological-based sustainable tourism in Bali. Hopefully, this research can be beneficial to all stakeholders and academics of tourism, especially in the studies of Balinese local genius, as well as a new reference for the development of ecological - based sustainable tourism in Bali.

## LITERATURE REVIEW

A research concerning Hindu's concepts in preserving the nature has been done by Suda (2016), who stated that the basic procedure for *Tumpek Wariga* ceremony was the implementation of the philosophy 'giving before enjoying'. In the context of preserving the nature, the philosophy means that humans, before being able to enjoy or consume the natural resources, must firstly plant, grow, or preserve the nature. This is also the representation of gratitude for every grace that God gives to humans. Conceptually, Balinese society has several local genius in the context of preserving the environment, which are accumulated within the philosophy of Tri Hita Karana, consisted of *Parahyangan* (relationship between human and God), *Pawongan* (harmonic relationship between humans), and *Palemahan* (relationship between humans and the nature). The fact is, however, the concept above is frequently stop simply at the level of concept and is far away from the expectation. Ecocentrism, which relies very much on the nature and is being hollistic, now has changed into anthropocentrism, which considers humans as the centre of every thing (Suda, 2016).

Titib (2016) argued that the globalization improved the intensity of conflicts between the values of local cultures and the global ones. The values of local cultures which has been used as referrence by the society is gradually changing due to the influences from the values of global culture, especially the modernization of information technology which accelerates the changing of values. This idea was supported by Chang (in Suda, 2016), who stated that modernization made the idea of ecology became the philosophy utiliarinism and pragmatism, in which the followers of this philosophy always tried to get benefits as many as possible without considering the impacts. Thus, disruptive culture of consumerism is getting closer to every part of the society.

Nowadays, consumerism is no longer viewed as a part of the objective traditional culture. Piliang (2004:307 in Suda, 2016) states that in the culture of consumerism in the society, consumption has been viewed as a social arena for competing social symbol and status, personality formation, imaging, life style, and a differenciator of varied social ranks in the society.

Tourism is the biggest industry of service in the world (Wahab and Cooper, 2001), and is world widely spreaded. Tourism cannot be separated from Balinese people. It has become an essential part of Balinese culture, or even a 'tourism culture' (Picard, 2006, in Narottama, 2012). *World Tourism Organization* (WTO, 1995) states that tourism activities have been done since a long time ago, but they are newly known as an important phenomenon in economy and social. Tourism is a vital and essential activities for a a country, since the activities have direct impacts on the society's social, culture, education, and economy nationally, they also influence the relationship between nations internationally (WTO,1995 in Narottama, 2012). In the context of relationship between Balinese culture and tourism, the role of Hindu principles is extremely vital. Balinese culture is the representation of Hindu principles, thus there is a close relationship between the religion and the culture. Balinese culture will be meaningless or even unable to develop without the spirits of Hindu principles, on the other hand, Hindu principles will not expand without being supported by Balinese cultures (Titib, 1998).

Concerning the importance of nature for human beings and the obligations of humans to preserve the nature, the holly book of *Bhagavad Gita*: Chapter 3, Verse 14 mentions that:

*annād bhavanti bhūtāni parjanyaḍ anna-sambhavaḥ, yajñād bhavati parjanyo yajñāḥ karma-samudbhavaḥ*

(Translation BG 3.14: *All living beings subsist on food, and food is produced by rains. Rains come from the performance of sacrifice, and sacrifice is produced by the performance of prescribed duties.*)

Responding to the growth of Balinese culture and tourism, Vinod C. Khanna (former Indian ambassador) and Malini Saran who have visited Bali several times, as cited by Dharma Putra and Windu Sancaya (2005:XV in Titib, 2006) stated that Bali is a good example for Asia's tourism, since Bali is famous for its local genius, its ability to adapt traditional culture along with the global one, modernity and its tourism growth, as stated below.

*The island of Bali never lost sight of this truth while facing up to the relentless onslaught of tourism on its rich artistic heritage, and can be an example to the rest Asia for its skill in adapting traditional cultural practices to suit a modern context.* (Vinod C. Khanna and Malini Saran, in Dharma Putra and Windu Sancaya, 2005:XV)

Therefore, the concept of 'sustainability' in this present study focuses on the importance of preserving the resources – natural resources which are owned and required for the future without reducing the values that already exist within the context of sustainable tourism. This goal could be achieved through systematic and sustainable revitalisation, careful watch and holistic preservation. The awareness of sustainable natural resources, culture, and tourism in Bali for the next decades, enables Balinese people to keep maintaining and preserving their culture, including balancing the ecology in their environment. Balinese community always try their best to implement and apply the principles of Hindu in their local genius in daily life, even though there are sometimes adjustment need to be done to fit the place and situation at certain time.

## RESEARCH METHOD

As described previously, this present study was aimed to analyse the main meaning and implementation of *Tumpek Wariga* as a *local genius* of Balinese people, for the sake of supporting the ecological-based sustainable tourism in Bali. For this reason, this study applied qualitative method. According to Bogdan and Taylor (in Moleong, 1991: 3), qualitative method is defined as the research procedure results in descriptive data, for example written or oral speech from people as well as attitudes that are observable.

The type of data is qualitative. It is not in numbers, but in detailed description in order to draw conclusion about the form, function, and meaning of the ceremony *Tumpek Wariga*, directly from library research. The data source can be classified as primary and secondary. Subagyo (1997: 87) said that the data which were obtained through interview and observation belonged to the primary data, while the data obtained from library research were called the secondary data. The primary data in this study were collected through the observation and interview of the members and public figures as well as tourism practitioners. Secondary data were obtained indirectly from documentation and files which could support this study. The informants were selected based on their knowledge about the ceremony of *Tumpek Wariga*, and they should represent the social status of the community in Plaga Village, as well as the public figures of tradition and religion, and tourism practitioners. Subagyo (1995: 34) defined interview as an activity of collecting data for getting information directly by questioning the informants. In this study, the in-

depth interview was given to the informants who understand the ceremony of *Tumpek Wariga*. This case study took place in Plaga Village, a tourist-village developed by the government of Badung regency, specifically in eight *Banjar Adat* (local communities), namely: *Banjar Adat Plaga, Tinggan, Bukian, Kiadan, Nungnung, Auman, Semanik and Tiyingan*.

## RESULT AND DISCUSSION

In Indonesia, to facilitate the comprehension of Hindu followers about their religion, the intellectuals frequently creating some popular local genius in order to make them more easily accepted by common people. For example, the story of Ramayana and Mahabharata from India, has been adopted into old Javanese literature which is later improved as a popular story in the form of puppet performances with additional local figures which are not exist in the original version.

Titib (2006) stated that there were many terminologies or local names given to certain principles of Hindu. However, if we trace the original source, i.e. the holy book of *Veda* and other Hindu's literatures, we will not find those terminologies or names. Many examples are mentioned, such as: the purpose of Hindu, i.e. *Jagadhita* and *Moksa* (*Moksartam Jagadhitàya ca iti Dharma*), *Panca Craddhà* (five believes in Hindu), *Catur Purusa Artha* (four goals of life), *Tri Warga* (three classes of life goals), *Tri Kaya Parisudha* (three holly conducts) and others, as well as the term *Tri Hita Karana* (three causes of happiness). Nevertheless, the creativity is corrected in the holly book of *Veda* and other Hindu literatures, that everything which can cause prosperity should be done.

The most popular terminology as Balinese local genius, that is *Tri Hita Karana*, is actually neither mentioned in the holly book of *Veda*, nor in other Hindu literatures. The term *Tri Hita Karana* was firstly mentioned by Dr. I Wayan Mertha Suteja which later was popularized by I Gusti Ketut Kaler and I Made Djapa, BA. around year 1968-1970. The three public figures were Hindu intellectuals, they were the leader of Indonesian Hindu Organization, the Head of Hindu and Buddha Organization in Bali Province, and the Head of Prajaniti Indonesia Organization (Titib, 2006).

Narottama, *et al* (2016) stated, almost all Hindu holidays in India, also celebrated in Bali with Bali local names. For example, *Sraddha Vijaya Dashami* or *Durgapuja* ceremony, in Bali they called it *Galungan* (means victory) and *Kuningan*

(consciousness), *Ayudhapujà* ceremony, in Bali called *Tumpek Landep* and on that day all the weapons and objects made from metal are purified. *Pashupatipùjà* called *Tumpek Uyé*, because *Pashupati* associated as king of animal/ livestock. On that day the animals (pets) are purified. *Shankarapùjà* in Bali known as *Tumpek Uduh* or *Pengarah*, when all the plants in the yard and in the garden are purified, in order to be fruitful.

According to Bhasham (1992: 338), the ritual activities can generally be categorized into two, namely: *Yajna* (sacrifaction) and *Puja* (service). One of manifestations in Hindu rituals is the ceremony of “*Tumpek*”. The word “*Tumpek*”, derived from “*tu*”(metu), means birth, while “*pek*” means end or finish. This terminology is taken from the ceremony of *Tumpek* which is the combination of the two ends of *wewaran*, i.e. *Saptawara* that is Saturday or *Saniscara* as the seventh day, and *Kliwon* that is the fifth (or the last) in Balinese lunar callendar. When *Saniscara* meets *Kliwon*, then that particular day will be used to celebrate the ceremony of *Tumpek*. *Tumpek* is celebrated as the coming of *Sang Hyang Widhi Wasa* (God), creating *Sang Hyang Dharma* and *Tattwa*, or knowledge.

The ceremony of *Tumpek* is a good day for praying and asking for being safe in life to God or His manifestations as the ruler of the environment. A nice living environment is needed for the sake of human’s live in this world. The ceremony of *Tumpek* is specifically held based on *Naimitika Karma*, certain good times according to *Saptawara*, *Pancawara* and *Wuku*, which can also be regarded as the birth day (*oton*, *paweton*) of the nature, for example *Tumpek Wariga* is the birth of plantations, or *Tumpek Uye* (in India known as *Pashupatipùjà*, because *Pashupati* associated as king of animal/ livestock) is the birth of animals or livestock. The objective of celebrating this *Tumpek* is to pray for safety so that *Sang Hyang Dharma* is willing to come and soothen human’s mind in struggling with their problems of lives by preserving their environment, because humans cannot live alone and are very much dependent on others.

The ceremony of *Tumpek Wariga* is held on *Sabtu Kliwon Wuku Wariga* or the seventh *wuku*, as the birth of all kinds of plantations which is dedicated to *Dewa Sangkara* as the manifestation of God for plantations. *Tumpek Wariga* is celebrated as the beginning of the rituals in welcoming *Galungan* day as the sign of *Dharma*’s victory over *Adharma* that is 25 days prior *Galungan* day. The objective is to pray and ask for safety to the plantations, as the same creatures created by *Sang Hyang*

*Widhi Wasa*, which always assist humans in providing foods. In addition, plantations with all their products can be used to prepare offerings in ceremonies. *Tumpek Wariga* (in India, it known as *Shankarapùjà* but in Bali known as *Tumpek Uduh* or *Pengarah*) is also called as *Tumpek Pengarah*, *Pengatag*, *Bubuh*, and *Uduh*. Each name has their own meanings and closely related to the survival of the plantations.

*Pengarah* means to announce the plants that the ceremony is happening, usually represented by one type of the plants but basically the announcement is for all plants. This concept is simply described in Balinese proverb. In the Balinese language of prayer (*sehe*), to please God Almighty that all the trees are even called grandma and grandpa

*(nini-nini, kaki-kaki malih selai lemeng mangkin Galungan, elingang mabuah ngeed ngeed ....., grandmothers and grandfathers, remember 25 days from now is Galungan, remember to be fruitful-dense)* (Titib, 2013: 2 in Narottama, et al 2016).

The meaning of this prayer is to tell all plantation, represented by one of each (mostly plants which are considered to bring most advantages), that in 25 days they should be fruitful, so that their fruits, flowers and leaves can be used as the material for ceremony in welcoming *Galungan* day. In the prayer above, the plantations are treated like human, the grandparents whom are loved by their grandchildren. It shows that plantation also need love and affection from human beings, and on the other hand, humans cannot live without them. By give love to the plants, the nature will provide all humans' basic needs. This is the real representation from Hindu's theology of love.

*Pengatag* means that after the plantations are given prays, they are then being '*atag*', that is told directly by touching, tapping or hitting and peeling part of the bark of the trees, then they are given '*sasap*' (hanging ornaments, made from coconut leaves as the symbol of purrifying), then they are also given '*bubuh*' (mild porridge made of rice flour which is placed on the peeled part). This is functioned as the 'food' for the plantation during the ceremony. The use of porridge here symbolically means giving the food or fertilizer which contains enough water. The offerings then put on the tree trunks or near the roots.

In Bali, the Lord *Siwa* (*Shiva*) is manifestated as the God *Sangkara*, the ruler of plantation, and symbolized as green colour, situated on the northwest side and placed in the *Penunggun Karang*. But when the plantation are not been maintained,

this manifestation will change into what is called as *Sanghyang Kala* (a destructive and negative power). This suits the nature of plantation that is green in colour, which can give happiness and prosperity, but if they are abandoned they can bring damage. The offering in this ceremony is called “*Chakragenī*” (in Sanskrit: *Chakragñi*) (Goris, 1935), is made from the trunks of coconut trees. Related to the procedure and the rituals of the Tumpek Wariga, during the ceremony, people are forbidden to climb any trees. In the holy book of *Sundarigama*, it is mentioned that :

*Wariga Saniscara Keliwon ngaran puja kertinira Sang Hyang Sangkara, apan sira umerdiaken sarwaning tumuwuh, kayu-kayu kunang, widi widania peras, tulung, sesayut, tepung bubuk mwanng, tumpeng agung, iwaknia guling dadi, patikwenang, saha raka, panyeneng tetebus, kalingania anguduh ikang tanem tuwuh, asetana sekar awoh agodong, dadiya urip ikang, sarwa janma.*

The meaning is:

On Saturday *Kliwon*, *wuku Wariga* there is a worship to the *Sanghyang* (Lord) *Sangkara*, He brings all kinds of plantation to live, also many kinds of woods. The materials for the ceremony consists of: *Peras*, *Tulung*, *Sesayut*, flour porridge and *Tumpeng Agung* with ground meat and also cakes and fruits. *Penyeneng Tetebus*, is used as the media for asking all kinds of plantations so they can be fruitful with many flowers and leaves to help humans lives.

Based on this book, the materials for the ceremony are: (a) Two *tumpeng* (or the *adanan*, a cone shaped rice dish) based with *taledan* (square shaped mat, made from coconut leaves) and completed with cakes, fruits, peanuts/*rerasmen*, *sampian tumpeng* and *canang*. (b) *Tumpeng Agung* is made from a cone shaped grounded rice, and at the top is filled with a boiled duck’s egg and based with *taledan*, filled with offering materials, such as *sampian nagasari/sampian jaet*. (c) The rice porridge, based with *suyuk* (mat made of coconut’s leaves) also completed with cakes, fruits, and *canang* (flowers in small palm leaf tray). These materials should be prepared for each kind of trees. (d) *Dapetan*, similar to the ceremony of *Tumpek Landep*, can be completed with *pemapag be guling* (suckling pig). (e) As the symbol of purrifying: *pengeresikan*, *sasap*, and also *caniga* and *gantung-gantungan* are hung on the trunk. (f) *Segehan cacahan* (lower offering) can be white, or sometimes five colors of rice, completed with *tetabuhan* (traditional liquor, made from rice wine).

In brief, the rituals are described as follows: before the ceremony started, the trees will be given *sasap*, *caniga*, and can also covered with cloth. The west or south

side of the tree, the offering is placed on a table. Then, the complete materials, the incense and holly water are arranged, except the *segehan* which is put on the ground and dedicated for the God *Sang Hyang Sangkara*. The process of purrifying uses *tirtha* (holly water). The ceremony is continued with the cleansing rituals, *penyeneng*, *tirtha pengelukatan* and other offerings, then the porridge and the *suyuk* are put on the trees, and finally the *segehan* and *tetabuhan* is offered. To finish the ceremony, the *banten peras* is disarranged and the *penyeneng* than hunged on the trees.

In Hindu tradition in Bali, the ceremony of *Tumpek Wariga* has *sekala* (the seen) and *niskala* (the unseen) meanings. The *sekala*, is to maintaining and taking good care of the plantation, cleans the trees, giving them fertilizer and enough water. The *niskala* means for showing our gratitude to *Ida Sang Hyang Widhi Wasa* (God Almighty) who creates all kinds of plantation and trees so that, in His manifestation as the *Dewa Sangkara*, to makes the plantation grow well and bring advantages for the human's life. For Balinese people, this ceremony will create the harmonic balance between humans and Gods (the upper world), among human beings (the middle world) and also between humans and the nature or the physical environment (the lower world).

## CONCLUSION

For the Hindus in Bali, the ceremony of *Tumpek Wariga* is the actual representation of respect and affection from humans to the nature, a manifestation of Hindu's theology of affections. The awareness of the sustainability of the nature, culture and tourism in Bali in the future, enable Balinese people to keep maintaining and preserving their culture, including balancing the ecology. Balinese people always try their best to implement and apply the principles of Hindu as the local genius in their daily life, even though there are sometimes adjustments need to be done to suit certain place and situation. The cycles of this process happens thorough Bali island and is proven to be a unique magnet for the foreign tourists. Therefore, this practice is proven to supporting the growth and development of Bali's tourism sustainability in the future.

## ACKNOWLEDGMENT

In this occasion let us thank the editors of International Journal of Applied Sciences in Tourism and Events (IJASTE) for their kindness to participate and help

editing and creating this article better and more valuable to publish. We also thank I Gede Mudana for his reading this article for the first time soon after being submitted.

#### REFERENCES

- COB. 2017. *Indonesia – Country Profile: Status and Trends of Biodiversity, Including Benefits from Biodiversity and Ecosystem Services* in <https://www.cbd.int/countries/profile/default.shtml?country=id#facts> cited on 21 April 2017 at 15.01 Wita
- Goris, R. 1935. The Religious Character of the Village Community. in *Djawa (Java)* XV (p 1-16)
- Goris, R. 2012. *Sifat Religius Masyarakat Pedesaan di Bali*. Udayana University Press: Denpasar
- Narottama, Nararya. 2012. *Spiritual Tourism: Case Study of Foreigners Participation in The Pitrayajña Ceremony In Muncan Pakraman Village, Selat, Karangasem, Bali*. Thesis. Master of Tourism Research. Udayana University, Bali and Université Paris 1 – Pantheon Sorbonne, Paris
- Narottama, Nararya, Abdillah, Fitri and Nirmalayani (et al). 2016. *Religion as "The Last Fortress" of Bali Cultural Tourism*. Paper presented at the *International Conference on Emerging Tourism Destinations 2016*, in Dili Institute of Technology, Timor Leste, 24-26 October 2016. The theme of the conference is "Learning from the best practices in Tourism and Hospitality".
- Picard, Michel. 2006. *Bali: Pariwisata Budaya dan Budaya Pariwisata*, 1<sup>st</sup> Edition, Jakarta: Kepustakaan Populer Gramedia (Version Originale: 1992. *Bali: Tourisme culturel et culturel touristique*, Paris: Editions l'Harmattan)
- Putra, Darma dan Windu Sancaya. 2005. *Kompetisi Budaya Dalam Globalisasi Kusumanjali Untuk Prof. Dr. Tjokorda Rai Sudharta*. (Editor). Denpasar: Fakultas Sastra Universitas Udayana and Pustaka Larasan.
- Suda, I Ketut. 2016. Kerangka Konseptual Hindu dalam Konteks Pelestarian Lingkungan. Universitas Hindu Indonesia in <http://www.unhi.ac.id/wp-content/uploads/2016/02/Kerangka-Konseptual-Hindu-dalam-Konteks-Pelestarian-Lingkungan.pdf>
- The Jakarta Post. 2017. *Bali named world's best destination by TripAdvisor* in <http://www.thejakartapost.com/travel/2017/03/21/bali-named-worlds-best-destination-by-tripadvisor.html> cited on 21-April 2017 at 10.00 Wita
- Titib, I Made. 1998. *Kebudayaan Bali Sebagai Cerminan Ajaran Agama Hindu: Peranan Sekehe Taruna Untuk Melestarikannya*. Article.
- Titib, I Made. 2006. *Dinamika Agama Hindu Dan Kebudayaan Bali*. Article.
- Titib, I Made. 2006. *Implementasi Trihita Karana dalam Mempertahankan Budaya Bali. Materi Dharma Wacana dengan tema Hubungan Tri Hita Karana, dilaksanakan oleh Keluarga Besar Arya Tegeh Kori, Sabtu, tanggal 9 April 2006 bertempat di Banjar Pragae Desa Mengwi Gede, Kecamatan Mengwi, Kabupaten Badung*.
- UNESCO, 2012. *Cultural Landscape of Bali Province: The Subak System as a Manifestation of the Tri Hita Karana Philosophy* in <http://whc.unesco.org/en/list/1194> cited on 21 April 2017 t 15.00 Wita
- Wahab, Salah and Cooper, Chris (eds). 2001. *Tourism in the Age of Globalization*. New York : Routledge

*World Tourism Organization. 1995. Technical Manual: Collection of Tourism Expenditure Statistics.*

WWF. 2012. Indonesia signals intent to conserve Borneo's "lungs of the world" in <http://wwf.panda.org/?203266/Indonesia-signals-intent-to-conserve-Borneos-lungs-of-the-world> cited on 21 April 2017 at 15.15 Wita.

## THE IMPACTS OF BALINESE WOMEN WORKING IN CRUISE SHIP

**I Made Darma Oka**

**I Wayan Pugra**

Tourism Department, Politeknik Negeri Bali, Indonesia

email: [madedarmaoka@pnb.ac.id](mailto:madedarmaoka@pnb.ac.id)

### ABSTRACT

The participation rate of Balinese labor in cruise ships over the last years has dramatically increased. The growth of Balinese labor who works on cruise ships in the past four years reached more than 18 percent. This fact seems unique since working there does not only attract Balinese men as happened in the past but also the women. It is happening because they have been prepared themselves in accordance to the competencies and qualifications needed in cruise ships. The present study aimed to analyze the impacts of Balinese women works on cruise ships overview from economic and socio-cultural perspective. The research subjects were Balinese women who used to or were still working in the cruise ships. This research used qualitative data. The collected data started from one Balinese women having experience in the cruise ships and then spread to the other workers. To answer the research questions, data collection was conducted through observation and deep interviews. The data were analyzed by qualitative analysis. The impact of Balinese women working in cruise ships was overviewed from economic and socio-cultural perspectives. The economic perspective likes: Balinese women working in cruise ships able to improve the family economy, and employment for the community directly or indirectly in the cruise ships. The socio-cultural perspective likes: by working in cruise ships able to motivate the other Balinese women to works on cruise ships, with working in cruise ships can open the horizons and the way of thinking society, increase the personal discipline, and then improve the science and technology in tourism especially at cruises, and growth the awareness to conserve the cultural after seeing the variety of cultures in the word.

Keywords: multiplier effect, Balinese women, cruise ship.

### INTRODUCTION

Bali labor force working in the cruise tourism industry in the last five years has grown drastically. The growth of Balinese labor who works in the cruise ship tourism industry reached more than 18% (BP3TKI, 2015). This fact seems unique since working there does not only attract Balinese men as happened in the past but also the women. The open access of Balinese women to working in cruise ships, as well as the increasing needs in life can motivate the Balinese workforce to try their luck for success through working in cruise ships.

Empowerment of Balinese labor to work on cruise ships still need to be increased, by making use of all the potentials in an attempt to seize job opportunities in cruise ships. The goal is that the labor Bali both men and women can contribute ideas and energy in the development of tourism. The development of tourism is very complex and involves all relevant stakeholders. Active role involvement of stakeholders aims to provide optimum benefits for generations to come. Related to this, Alavalapati and Adamowicz (2000) mention the need to balance between the benefits of the development model of economy, environment, and community empowerment in tourism development. Reid *et.al* (2004) state in tourism activities, need broad and conscious participation of all those involved in tourism activities, from the planning stages to implementations. Gelbman and Timothy (2011) suggest physical, social, and cultural elements are a potential element to be considered in the development of tourism to be sustainable. Furthermore Nunkoo *et.al* (2012) mentions that the perception of the economy, the attitude of the political institutions, the potential of the local community, and the belief in the individuals is important in the development of the tourism industry so that tourism activities are sustainable.

It is recognized that the empowerment of Balinese women on a cruise ship can give an impacts on their life such as being able to help increase family's income, and the surrounding environment, adding international experience, conversely working in cruise ships may also cause negative implications. Therefore, in the empowerment of Balinese women on a cruise ship that is managed professionally so as to minimize the negative impact that may arise.

## RESEARCH METHODS

This study used qualitative data. In collecting data on impact of Balinese women working in cruise ships, the informants were sought with an unspecified amount. Data collections started from one of the Balinese workers who already had work experience in the cruise ships and then spread to the other workers. The gathered data were considered sufficient after the information or the data obtained were saturated. The analysis of the data used was qualitative analysis, through the processing and interpretation of the data, which were a series of reviews, grouping, systematization,

interpretation and reification of data so that a phenomenon has a social value, academic and scientific value. The focus was to find what kind of mindset that glowed behind a social phenomenon or to find rationality that lies behind the social phenomenon (Bungin, 2011: 45).

## RESULT AND DISCUSSION

Balinese people in general are still unfamiliar with the activity of workers who work in the cruise tourism industry. The community still views that people working in cruise ships certainly wallow in wealth. Public opinion like that is not entirely true. Balinese labor who has worked in cruise tourism industry realizes that by working on a cruise ship, they can earn more money than working in the country, but that does not mean the money they earn comes by itself without hard work. Balinese labor force working on a cruise states that they are working on a cruise ship with an average of 10-12 hours per day.

This is confirmed by Ni Putu Sutami (former cruise ship) states that: “The labor’s income while working on a cruise ship is higher than working in the country in the same field but with hours of work more than 10 hours per day”. It is also said in the employment contracts signed by workers it is mentioned that all workers are required to work for 10 hours per day. But in reality, they often work doing their obligations for 12 hours per day. Any workers who work on cruise ships working full time for seven days a week without a day off, except that he or she is sick”. Revenues earned by Balinese labor are noticeably higher when taken home or sent to Bali. This statement indicates that the Balinese labor is very aware of how difficult it is to make money on cruises, so they are really trying to optimally manage the money that has been obtained for the future.

The hard work done by Balinese women working in cruise ships is realized to have the dual benefit to him/her, family, neighborhood, or country. The struggle that they do is to get money in order to be able to increase the welfare or the family economy. Struggle of the Balinese women is very precious because they are struggling not only to develop their own interests, such as helping families to improve the economy of the family but also for the wider interest that is for the betterment of the nation. This is in line

with research by Sunarsa (2011) which states that the primary purpose of Balinese labor working on a cruise is to get as much money in an effort to improve the economic situation of the family. This is in line with the theory of needs by Maslow (1943) stating that the motivation of the Balinese workforce to work in cruise ships is still dominant in the level/degree of physiological needs. Explicitly, the primary purpose of Balinese labor to work on cruise ships is increasing the family's income.

Family economic improvement was perceived very well by the married couple I Komang Manis (58) and Ni Made Sarwini (56), the parents of Ni Putu Ardyanti, in an interview at his home in Tabanan regency. Komang Manis stated that “as a retired lower class civil servant as well as the wife just being a housewife, it is very difficult to be able to repair the house let alone to buy a land”. But thanks to his son Putu Ardyanti repeatedly (10 times) working on a cruise ship, his family life increased dramatically. Initially he (Komang Manis) did his child's financial management with the child's permission to be used in repairing the *merajan* (the place of worship of the family), the renovation of houses, and further investment of several land assets in Tabanan. It was also said to date that his son Putu Ardyanti had been able to buy two houses, four plots of land, as well as the first agricultural land area of 1.2 hectares in Tabanan. The land assets has been built partly as a boarding house intended for people who need it so that it can make money every month to make ends meet. Furthermore the user I Kadek Hendra Juli Hartawan, (former cruise ship worker) is now a director and also the owner of PPTKIS Bali Paradise Citra Dewata, a labor supply of cruise companies to Europe. Until now PPTKIS BPC still exists in recruiting people to cruise ships, to meet user demand for cruise ship foreign labor's need which is always increasing, to open up greater access for workers to work on a cruise ship.

Kadek Ayu Tika Sari (former cruise ship) revealed that “the income of Balinese workers on a cruise ship can be divided into two categories, namely tipping crew positions and non-tipping crew positions. Non-tipping position is such positions as galley, cook, administration, accounting, while the tipping position is waitress, housemaid, stateroom, or stewardess”. This indicates that the informant expression is basically the income of workers who work on cruise ships can be divided into two categories namely tipping position non-tipping crew and crew position. Income workers

who work in the tourism industry cruise ships actually came more from fees (tips) given by the guests, be it direct or indirect tips. Total normal income that can be obtained is between 1,000-2,500 US dollars per month, depending on the position and the number of guests who pay fees. If the earnings of women are less than that amount, it may be caused by the fact that not all guests served are willing to pay tips, or perhaps because of the number of guests served is less than it should be, or the cruise ship is being in a state of low season. Conversely, if a labor income is higher, this can be caused by the fact that all the guests served pay tips and still give direct tips for guests were satisfied with the services provided. This is confirmed by Hartono (2012: 79) who states that at the level of crew is able to obtain employment income between 1,200 and 2,500 US dollars per month depending on the position as well as a cruise ship where the labor works. Based on informant information above, it can be said that through work on cruise ships, Balinese labor either directly or indirectly improves the economy of the family, local community, state and the nation; opening job and business opportunities for the people associated with tourism activities.

In a socio-cultural perspective, Balinese labor mentioned that working in the cruise tourism industry is exciting. They are proud to be working on a cruise ship as they get a chance to be able to see other countries that previously might have never been imagined in their minds to visit. The countries they visit are countries that have a unique social life much different from the Balinese social system. It is a delight to Balinese workers because previously they had never imagined having a trip to those countries. But behind the fun, there is also a barrier for the crew in their daily interactions with guests and fellow crew. This has to do with communication in international language, i.e. English. Workers who work in a cruise ship company come from different nations, languages, and cultures. Every worker on cruise ships is required to communicate using English in the living area / guest area. It can spur the Balinese labor to learn more seriously, so the ability to adapt to the working environment would be better. Their social interactions that occur on cruise ships are proven to motivate the Balinese workforce to learn and improve communication skills in English so that they can exist in the eyes of colleagues. This is an application of the theory of needs by Maslow (1943) level 3 and 4, namely social needs and the need for prestige (esteem needs). Because humans are

social beings then of course they have social needs, such as the need for feeling accepted by others in which they live and work so that the status and prestige get higher. In view of the social paradigm, the social reality is the result of human creation through the power of social construction of the social world around them. Bungin (2011: 4) states that social reality "exists" viewed from subjectivity "exists" itself and the objective world around social reality. Individuals are not only seen as "their existence" but also seen from where "the existence" is present, how he received and actualize himself and how environment accepts it.

Social problems such as "alcohol, gambling, and women" are often identified with the workers who work in cruise ships. These three things are often identified with the workers who work in cruise ships by some people. Actually, this view is a view that is not entirely true and needs to be clarified or deconstructed, because not all of the individual workers who work in cruise ships do a thing like that. This is in line with the statement by Derrida (in Lubis, 2006: 103) which states that through deconstruction, we are looking for a basic truth in accordance with the circumstances that happen in people's lives, especially for workers in cruise ships.

I Wayan Wiryasuta a former cruise ship worker who has had experience working in a cruise ship for 13 years states that "cultural and social problems" are things that need serious attention so that the Balinese workers working in cruise tourism industry can anticipate them in an early stage". This informant impression emphasizes the importance of preventive action against Balinese labor working in cruise ships in order not to be involved in social issues. Furthermore, it is said Balinese workers working on a cruise ship feel far from family circles, friends and homeland, sometimes making them feel free because no one's watching. Such conditions often make Balinese labor out of control so it can get stuck in activities that are not appropriately carried out. This is in line with the opinion of Bungin (2011: 3) which says that humans in many ways have the freedom to act outside the control limits structures and social institutions where people are coming from. Humans actively and creatively develop themselves through the responses to the stimulus in the cognitive world. Therefore social processes experienced by each individual man can change the social reality in an environment where they are located. Success in anticipating such temptation has been able to be put

into evidence by Balinese labor working in the cruise tourism industry. His life has now changed to increase both economically and socially "social status" of society, as expressed by Ni Komang Diah Sekarsari. She stated that "with work experience in cruise ship, he felt proud because he felt more appreciated and respected in the association both in the family and in the community. He also said to feel safe and comfortable working in cruise ships due to the support of the family. Temptation problems happen in cruise ships all depend on us to respond to them". The impression delivered by Komang Diah Sekarsari is not exaggerated and indeed it is a reality that is happening in the community. In a community association in his village, he now felt more appreciated by his peers. Prior to working in cruise ships, she was often ostracized by her friends, not to get along just how it should be because of the economic situation of the family is still minimal. But after she repeatedly sets off and works on cruise ships, now friends actually do otherwise change 180 degrees. This reality is one of the motivations of Komang Diah Sekarsari to decide to work in a cruise tourism industry in order to prove to her friends that she is also capable of changing the status of herself and her families. This is in line with the theory of needs by Maslow (1943) level four having to do with esteem or status needs, namely the need for self-respect, acceptance and appreciation of the community environment. Recognition status is manifested by a status symbol that has risen from a modest innocent country girl into an internationally-minded country girl. The success of the workforce is able to motivate other Balinese to work on cruise ships so as to change the thought patterns of society to move forward, educate clean and healthy disciplined way of life, and to improve science and technology in the field of tourism, especially cruise ships. After watching various world cultures, workers are able to raise awareness in strengthening the unity of the nation, in anticipation of disintegration, and raise awareness to preserve their own culture.

## CONCLUSION

The impact of Balinese women working in a cruise ships on his life is most easily seen in the perspective of economics. Balinese women force working in cruise ships is proven to help families to improve the economy of family, neighborhood, and nation. In a socio-cultural perspective of workers who work on cruise ships are able to improve the

social status/prestige and family, as well as being capable of transmitting knowledge and experience with other workers so as to motivate them to go to work on a cruise ship. After watching various world cultures visited, they are able to raise awareness in strengthening the unity of the nation, in anticipation of disintegration, as well as raise awareness to preserve the culture.

## ACKNOWLEDGMENT

We express our gratitude to the informants who helped us with information and data necessary. Our gratitude also goes to all other parties that have supported the writing of this article.

## REFERENCES

- Alavalapati, J.R.R. and Adamowicz, W. L. 2000. "Tourism Impact Modelling for Resource Extaction Regions", *Annals of Tourism Research*. 27 (1), 188-202.
- Balai Pelayanan Penempatan dan Perlindungan Tenaga Kerja Indonesia (BP3TKI). 2015. *Penempatan TKI Tahun 2014*. Denpasar.
- Bungin, B. 2011. *Metode Penelitian Kualitatif Aktualisasi Metodologis ke Arah Ragam Varian Kontemporer*. Jakarta: PT. Raja Grafindo Persada.
- Gelbman, A., Timothy, D.J. 2011. "Border Complexity, Tourism and International Exclaves; A Case Study", *Annals of Tourism Research*. 38 (1), 110-131.
- Hartono, S. 2012. *Bekerja di Kapal Pesiar "Panduan Praktis Mengawali Karier di Kapal Pesiar"* Solo: Cet. 1.
- Lubis, A.Y. 2006. *Dekonstruksi Epistemologi Modern: Dari Postmodernisme, Teori Kritis, Poskolonialisme hingga Cultural Studies*. Jakarta: Pustaka Indonesia Satu.
- Maslow, A.H. 1943. "A Theory of Human Motivation", *Psychological Review*. 50, 370-396.
- Nunkoo, R., Ramkissoon, H., and Gursoy, D. 2012. "Public Trust in Tourism Institutions", *Annals of Tourism Research*. 39 (3), 1538-1564
- Reid, D.G., Mair, H., George, W. 2004. "Community Tourism Planning: A Self-Assesment Instrument", *Annals of Tourism Research*. 31 (3), 623-639.

## **BALINESE CULTURE AND REPEAT VISITORS TO BALI**

I Ketut Sutama<sup>1)</sup>, I Gede Mudana<sup>2)</sup>, I Ketut Astawa<sup>3)</sup>

Tourism Department, Politeknik Negeri Bali

Bukit Jimbaran, Badung, Bali

email: [tomsutama@gmail.com](mailto:tomsutama@gmail.com)<sup>1)</sup>; [gedemudana@pnb.ac.id](mailto:gedemudana@pnb.ac.id)<sup>2)</sup>; [ketutastawa@pnb.ac.id](mailto:ketutastawa@pnb.ac.id)<sup>3)</sup>

### **ABSTRACT**

The intention to revisit a destination usually happens during tourists' first visit. The decision begins when tourists' expectations meet the reality in the destination visited, moreover it exceeds the expectations. The main purpose of tourists visit a destination is one of the following: holiday, visiting friends and relatives (VFR), business, education, sports and health, but it may be a combination of them, such as holiday and VFR, holiday and business, etc. In terms of holiday it may include relax, learn and enjoy arts and culture, enjoy nature beauty, and honeymoon. The purpose of this study was to know how Balinese culture affect international tourists revisit Bali. Since Bali is known as cultural tourist destination it is worth to know more deeply. In regard with this study it was found that the number of visit by international repeating-tourists to Bali was as follows: 6 to 9 visits (28%), more than 25 visits (25%), 3 to 5 visits (25%), 14 to 17 visits (10%), 18 to 21 visits (7%), and 10 to 13 visits (5%). Three most reasons repeaters revisited Bali were friendly people, 'love Bali', and the charm of Bali. Their reasons were influenced by a number of factors including holiday (65%), followed by business (22.5%), VFR (7.5%), and others (5%). From this fact it may say that Bali is still considered best destination for holiday. Nine most preferable activities done by revisiting international tourists during in Bali were relax (15%), interact with local people (14%), beach activities (13%), adventure activities (11%), sightseeing (10%), learning local culture (9%), attending temple ceremony (8%), enjoying night life (7%), and business (6%). In terms of revisiting behavior, connection with a visited destination is considered significant by experts. Connection in this case may be tangible and intangible. Tangible connection may include business and social networks, while intangible connection is seen through psychological aspect. In this study attachment theory was used to examine the connection between repeaters and Bali as a tourist destination. It was found that most repeaters had strong connection to Bali, mostly affected by friendly people of Bali (social connection), uniqueness of culture (cultural connection), and natural beauty or the charm of Bali (place connection). Further study is important to conduct to know more about how each connection influence each other.

Keywords: revisiting-tourist, tangible and intangible aspects, connection.

## INTRODUCTION

Bali is one of the popular tourist destinations in the world. For many reasons Bali has always been chosen as the 10<sup>th</sup> best island tourist destination in the world by the Travel and Leisure International Magazine. In 2015 Bali was in the best of seventh and in 2016 was in the second best position (<https://travelandleisure.com>). The more prestigious level has been given to Bali is 'Hall of Fame', it is in the place of the best of tenth for ten years continued. The vote was given by tourists who have been to Bali before, and among them are included repeaters. Within the country of Indonesia, for 8 years continued (2008-2015) Bali always possessed the first place in getting tourist arrival (Center of Statistical Bureau, 2016).

There are actually many international tourists have been revisiting Bali more than three times. Among those repeaters who started their visit as pure tourists may become loyal visitors and further become resident of Bali. Niininen *etal* (2004) mentioned, "... the notion of three visits in 5 years to the same location seemed a reasonable indicator of a destination loyalty". Although many people concerned in tourism know that in fact there are a lot of international tourists revisited Bali more than three times within a certain period of time, might be within 5 years or less, but there's no academic study has been done so far to investigate it. In other word, there was no primary data found concerning international repeaters to Bali to be used as data source for this research.

The general aim of the study was to investigate factors influencing international tourists revisited Bali. While the specific one was to investigate the relationship between Balinese culture and revisit intention. In other words, how Balinese culture influenced tourists' intention to revisit Bali. Regarding repeaters to Bali it is worth to study in order to benefit all stakeholders concerned. The finding of the study will give views on how to maintain Bali as a popular tourist destination in the world. In a specific sense, giving more intention to repeaters may result more positive effects than potential and/or first visitors, since repeaters may represent loyalty to the destination. In terms of management and marketing of the destination it may give good implication. (Toyama and Yamada, 2012; Mat Som *etal*, 2012; Luo and Hsieh, 2013).

## LITERATURE REVIEW

### **Satisfaction**

Satisfaction has a great effect to trust (Osman & Sentosa, 2013; Lertwannawit & Gulid, 2014), loyalty (Lam et al., 2004); the desire to repeat visit (Fornell, 1992); and word of mouth/WOM recommendation, (Oppermann, 2000;). It means satisfaction, trust and loyalty are the antecedent of a repeat visit to the destination. However, academics and practitioners agreed that satisfaction was the most powerful antecedent of loyalty and repeat visits to destinations (Can, 2013). Repeat visits or at least WOM recommendation is very significant for destinations, in a broad sense, or tourism industry in destinations, partially. It includes in this case the stability of the market, the profile of tourists can be ascertained, and free promotion for friends, family, and potential tourists (Reid and Reid, 1993; Oppermann, 2000).

Satisfaction with the product purchased by travelers during travelling, in the tourism literature known as total satisfaction or overall satisfaction (Yoon & Uysal, 2005, Mingfang , 2010; Moreira & lao, 2014). It means, when traveler's satisfaction is measured towards overall tourism products they buy, which include product (tangible) and services (intangible), they are said to be total satisfaction or overall satisfaction. Considering the tourism product consists of tangible and intangible product, in this case, traveler's satisfaction can only be partial or in tourism literature known as the individual (product) satisfaction (Yoon & Uysal, 2005, Mingfang, 2010). That is, for example, travelers satisfied with the services of accommodation, food and drink during a stay at a hotel, but they might be not satisfied with the services of ground transportation while in the destination.

Kotler (1994) in Yoon & Uysal (2005) states that the key to loyalty is satisfaction. In another section mentioned if customers are satisfied with the products purchased they tend to buy the product again, and will disseminate their satisfaction with WOM recommendation (Chi and Qu, 2008), to five to six others (Zairi, 2000 in Shirazi and Mat Som, 2013). However, if they are dissatisfied they will convey their dissatisfaction to ten people (Shirazi and Mat Som, 2013).

## Trust

In many studies mentioned that trust has a very important role in building customer loyalty, and customer retention (Kantsperger & Kunz, 2010). Trust is also seen as a bridge towards a closer relationship between customer and producer (Caceres & Paparoidamis, 2007). In relation to tourism, “trust has been defined as a tourists’ willingness to rely on tourist attraction operator’s ability to deliver what has been promised and meet or exceed the expectation of the tourists which has been built around of the knowledge about the tourist attraction” (Osman and Sentosa, 2013:193). The trust given by someone is very important in the process of maintaining good relations with customers and maintain loyalty. Trust will be damaged or lost when a good relation between consumers and producers are not maintained (Morgan & Hunt, 1994 at Abubakar *etal*, 2014), trust also a major influence on marketing process (Claycomb & Martin, 2001), and can be used to predict customer satisfaction (Caceres & Paparoidamis, 2007).

In terms of marketing, trust can be built with the implementation of relationship marketing (RM) strategies. In addition, the role of trust in the successful execution of RM strategy in the context of retail travel agencies of Spain was examined by Casielles *etal* (2005). The findings of the study suggested that “trust has a positive effect on customer loyalty and the success of RM in general” (Abubakar *etal*, 2014: 211). Their findings stated that trust has a positive effect on customer loyalty and implementation of RM in general. Findings of Loureiro and Gonzalez (2008) was also in line with it, especially in accommodation sector. RM emphasized the importance of trust in building strong relationships between consumers and producers. Emphasized by Berry and Parasuraman (1991) that RM paid great attention to attract, develop and maintain relationships with consumers (Lertwannawit & Gulid, 2014).

In some studies have been found that trust is an important factor of commitment relational, and as an essential element in building a strong relationship with consumers and to ensure market sustainability (Garbarino and Johnson, 1999; Urban, Sultan et al., 2000), Trust even said to have a more important role than satisfaction in terms of maintaining customer satisfaction (Hart & Johnson, 1999).

## Loyalty

Can (2013) cited Lee, Graefe & Burns (2007) stated that tourists' loyalty become major concern in marketing research and destination management. Retain tourists' loyalty brings several advantages to the destination, i.e. first, the marketing cost to get repeat visitors was smaller than for tourists starters (Oppermann, 1998). Second, repeaters indicated a positive tourists' satisfaction (Oppermann, 1998). Third, repeaters formed stability of the tourism market. Fourth, repeaters were free of charge promotion in the form of word of mouth recommendation to potential travelers (Oppermann, 2000; Reid & Reid, 1993). Loyal travelers will become customers as usual or remain a visit to a destination even if there were cost overruns for the visit (Can , 2013).

In another section, Hepworth and Mateus (1994) mentioned three indicators to measure the loyalty of tourists, namely (1) the desire to buy the same products (tourist's object), (2) the desire to buy more of the same products (tourist's object), and (3) willingness to recommend the product (tourist's object) purchased to others. While Chi and Qu (2008 ) mentioned two indicators to measure the loyalty of travelers to a destination, namely the desire to revisit and recommend the destination to others. As written by Bowen and Chen (2001), the loyal traveller could act as a reference and advisory board or some kind of consultant. To measure the traveller loyalty towards a particular product or a particular component of the destination, such as a hotel, Chen and Gursoy (2001) used an indicator of how often tourists stay at the hotel, which normally used franchised hotel as a reference.

Customer loyalty includes two dimensions, namely the behavioral dimension and attitudinal dimension (Oliver, 1993). Behavioral dimension covers several aspects, such as continuous purchase, frequent purchase, recommendation to others, long established relationships, the number of products bought from suppliers or producers (Hallowel, 1996 in Valenzuela, 2012), While attitudinal dimension includes aspects of the desire to repurchase and recommend products or services that have been purchased to others (Sodelund, 2003 in Valenzuela, 2012).

## RESEARCH METHOD

Data for this study was gathered in a questionnaire survey at four major tourist regions in Bali: Nusa Dua, Kuta, Sanur and Ubud. A small-scale in depth interview with some repeaters was done to get views on items causing repeaters to repeat to Bali. The information gathered from the interview was used to construct the questionnaire. A number of 100 questionnaires were given to international tourist-repeaters to fill in. Ninety questionnaires were feasible to be analyzed. Quantitative data was analyzed and explained followed by qualitative analysis based on the data gathered from in depth interviews with a number of repeaters. Open-ended questions were asked to those repeaters to reconfirm information gathered through the questionnaire survey.

## DISCUSSION

Variables of socio-demographic for this research included gender, age, and occupation. In terms of gender, females constituted 47.5% and male 52.5% of the total respondents. The age of the respondents was varied from 18 to 60+ years old. The majority of the respondent's age was range from 24 to 50 years with the total of 67.5%, and the rest of 32.5% was in the age of above 50. With regard to variable of occupation of respondents, professional and entrepreneur dominated the respondents, with 75%, followed by retired (12.5%), and the rest was student and other occupation which was not mentioned by the respondent. More than 75% of respondents were reported that they had personal annual income of less than 27,000 US dollars.

As shown in Table 1, the majority of the respondents (65%) visited Bali for holiday, followed by business purpose (22.5%) included participation for meeting, incentive, conference and exhibition (MICE) events. However, it did not mean purely for business since they spent parts of their time for pleasure as well.

Table 1 Purpose of Visit

Variables:	Percentage (%)
Purpose of visit	
- Holiday	65
- Business	22.5
- Honeymoon	0
- Visiting friends and relatives	7.5
- Other	5
	100

In terms of number of visit, as shown in Table 2, 42.5% of the respondents have been visited Bali for more than 15 times. Such figure may indicate destination loyalty, as “... the notion of three visits in 5 years to the same location seemed a reasonable indicator of destination loyalty” (Niininen, 2004:443).

Table 2 Number of Visit

Variables	Percentage (%)
Number of visit	
- 2 – 5	25
- 6 – 9	27.5
- 10 – 13	5
- 14 – 17	10
- 18 – 21	7.5
- > 21	25
	100

The majority of the respondents (80%) mentioned that they stayed in Bali for more than 6 days for the current revisit. Compare to the previous revisit, it was figured out 75% for the same length of stay. Nine most preferable activities done by revisiting international tourists during in Bali were relax (15%), interact with local people (14%), beach activities (13%), adventure activities (11%), sightseeing (10%), learning local culture (9%), attending temple ceremony (8%), enjoying night life (7%), and business (6%).

Regarding reasons to revisit Bali more than three times can be seen in Table 3. It is shown that friendly people of Bali was the most reason international tourists revisited Bali, possessed 18%, followed by the expression of “I love Bali” (15.4%). Such expression means that they revisited Bali more and more because they love Bali very much, with different reasons. In other words, they love Bali as what is it. Since love is psychological aspect of a person, it cannot be explained empirically. Thus it has personal meaning for the person. Variable of friendly people and the expression of ‘I love Bali’ has a very close relationship. When the respondents were asked, “what caused them love Bali”, the answer was the people of Bali, who are friendly, welcomed, helpful, and the like. In terms of friendly people, it cannot be separated from culture and nature (natural environment) of Bali. People of Bali are influenced by their culture and environment. On the other hand, the culture and environment of Bali have developed

the nature of Balinese people. It means that when talking about Balinese culture and nature (environment) it also involve people of Bali, and vice versa. The third reason was possessed by variable the charm of Bali (10.9%). When the respondents were asked to elaborate their answers, they mentioned it was the collaboration of culture, nature and people of Bali. Again, the people of Bali was mentioned in this case. If those three variables, i.e. culture specificity, beautiful natural scenery and friendly people were counted up there will be 34.9% in total, and this become the highest among those variables.

Other variable which is interesting to be discussed is the expression of 'deep feeling' to Bali. Although it was only 5.5% of total percentage, but it is still relevant to be mentioned in this research since it has a significant meaning to Bali. When this variable was elaborated more clearly, it was found that the respondents have specific bond or attachment to Bali. This psychological bond or attachment was not easy to be explained and it needs more detail qualitative research in the future.

Table 3 Reasons to Revisit Bali

Variables	Percentage (%)
Reasons of revisit	
- Cultural specificity	8.2
- Beautiful natural scenery	8.7
- Friendly people	18
- Beaches and waves	9.8
- Safety	5.5
- Value for money	6
- Image of Bali	6.6
- The charm of Bali	10.9
- Tourist facilities	4.9
- "I love Bali"	15.4
- 'deep feeling' ( <i>hard to specify</i> ) to Bali	5.5
- Other	0.5
	100

In regard with the role of Balinese culture in making international tourists revisit to Bali it was found two categories. Firstly, the decision to revisit Bali was formed in the origin after knowing and/or learning one or more aspects of a Balinese culture, for instance gamelan music or dances. It may be said that such kinds of Balinese cultural

aspects have attracted or pulled them to revisit Bali. After they came back to Bali they learned gamelan music or dances for a period of time, then were back to the origin countries, and planned to revisit again in the future to continue their gamelan music or dance classes. Secondly, the decision to revisit Bali was formed while having holiday in Bali. Some respondents mentioned that they did not know that Bali has a great culture. The information they had from the agent in their country of origin prior to travel to Bali was that Bali was a good “sun-sea-sex” destination. They were surprised when found Balinese culture was a great one. They were impressed by it and decided to learn it in the next visit. It means their intention to revisit Bali in the future was attracted or pulled by the culture of Bali on the spot. This seemed stronger than the first category because the tourists saw and experienced the attraction directly in the destination. They could practice it directly during the rest of their time in Bali and decided to learn further in the next visit.

## CONCLUSION

Repeat visitors are one of the significant elements of tourism. Such kind of tourists may result positive effects for those concerned to tourism in a destination. They may give positive effect to destination management and marketing since they may become loyal tourists to the destination. Although tourism stakeholders in Bali realize that effect, almost nothing has been done about it. The record concerning repeat visitors or repeaters are mostly done by individual company of the tourism industry, especially travel agencies and hotels.

The study found a number of international tourists have been visiting for more than 21 times within 12 years (25%). It means they have come to Bali every 17 months. The most important thing to be noted is that they come to revisit Bali because they love Bali very much (15.4%). They love Bali because of (friendly) Balinese people, culture, nature and the charm of Bali. This finding indicates that the people of Bali and their culture and environment are the most concern of the international tourists. Other aspect or factor which is usually out of our attention when talking about repeaters is psychological bond or attachment of individual tourists to the destination. Tourism stakeholders in Bali must be aware and pay more attention to this sign. Research

regarding repeaters to Bali must be planned and done more comprehensive involving credible research institutions.

Promotion of Bali as a tourist destination in the market, either by travel agencies or media is in fact not easy to be controlled. This study finds that Bali has been promoted as a “sun-sea-sex” tourist destination rather than a cultural destination. Such promotion may affect the image of Bali as a destination with unique culture, beautiful natural scenery and friendly people. Government of Bali and/or the elements of the tourism industry concerned has to do big efforts to avoid such a thing happens again.

## REFERENCES

- Bowen, J & Chen, S. 2001, “The Relationship between Customer Loyalty and Customer Satisfaction”, *International Journal of Contemporary Hospitality Management*, Vol. 13, No. 5, pp. 213-217.
- Bowen, J. and Shoemaker, S. 2003. “Loyalty: A Strategic Commitment”. *Cornell Hotel and Restaurant Administration Quarterly*, Vol. 44, No. 5, pp. 31-46.
- Can, V. V. 2013. “Modelling Tourism Demand, Travel Mode Choice and Destination Loyalty”. A dissertation for the degree of Ph.D, Faculty of Biosciences, Fisheries and Economics, Tromso University Business School, Norway. Source, [https://scholar.google.co.id/scholar?q=Modelling+Tourism+Demand%2C+Travel+Mode+Choice+and+Destination+Loyalty&btnG=&hl=id&as\\_sdt=0%2C5](https://scholar.google.co.id/scholar?q=Modelling+Tourism+Demand%2C+Travel+Mode+Choice+and+Destination+Loyalty&btnG=&hl=id&as_sdt=0%2C5).
- Caceres, R. C., & Paparoidamis, N. G. 2007. “Service Quality, Relationship Satisfaction, Trust, Commitment and Business-to-Business Loyalty”. *European Journal of Marketing*, Vol. 41, (7/8), pp. 836-867.
- Centre of Statistical Bureau of Indonesian (Biro Pusat Statistik). 2016. “Statistik Kedatangan Wisatawan Mancanegara Berdasarkan Pelabuhan Masuk Periode 2008 – 2016”. Source, <https://www.bps.go.id/linkTableDinamis/view/id/807>.
- Chen, J. and Gursoy, D. 2001. “An Investigation of Tourists’ Destination Loyalty and Preferences”. *International Journal of Contemporary Hospitality Management*, Vol. 13, No. 2, pp.79-85.
- Chi, C. and Qu, H. 2008. “Examining the Structural Relationships of Destination Image, Tourist Satisfaction and Destination Loyalty: An Integrated Approach”. *Tourism Management*, Vol. 29, No. 4, pp. 624-636.
- Chi, C. and Qu, H. 2008. “Examining the Structural Relationships of Destination Image, Tourist Satisfaction and Destination Loyalty: An Integrated Approach”. *Tourism Management*, Vol. 29, No. 4, pp. 624-636.

- Claycomb, & Martin. 2001. "Building Customer Relationships: An Inventory of Service Providers Objectives and Practices". *Marketing Intelligence & Planning*, Vol. 19, No. 6, pp. 385-399.
- Cronin, J. and Taylor, S. 1992. "Measuring Service Quality: a Re-examination and Extension". *Journal of Marketing*, Vol. 56, No. 3, pp. 55-68.
- Fornell, C. 1992. "A national Customer Satisfaction Barometer: the Swedish Experience". *Journal of Marketing*, Vol. 56, No. 1, pp. 6-21.
- Garbarino, E. and Johnson, M. S. 1999. "The Different Roles of Satisfaction, Trust, and Commitment in Customer Relationships", *Journal of Marketing*, Vol. 63, pp. 70-87.
- Gundlach, G. T. and Murphy, E. P. 1993. "Ethical and Legal Foundations of Relational Marketing Exchanges", *Journal of Marketing*, Vol. 57 (October), pp. 35-46.
- Hart, C. W. and Johnson, M. D. 1999. "Growing the Trust Relationship". *Marketing Management*, (Spring), pp. 9-19.
- Hepworth M., Mateus, P. 1994. "Connecting Customer Loyalty to the Bottom Line". *Canadian Business Review*, Vol. 21, No. 4, pp. 40-44.
- Kantsperger, R., & Kunz, W. H. 2010. "Consumer Trust in Service Companies: A Multiple Mediating Analysis". *Managing Service Quality*, Vol. 20, No. 1, pp. 4-25.
- Lam, S., Shankar, V., Erramilli, M. and Murthy, B. 2004. "Customer Value, Satisfaction, Loyalty and Switching Costs: An Illustration from a Business-to-Business Service Context". *Journal of the Academy of Marketing Science*, Vol. 32 No. 3, pp. 293-311.
- Loureiro, S., & Gonzalez, F. 2008. "The Importance of Quality, Satisfaction, Trust, and Image in Relation to Rural Tourist Loyalty". *Journal of Travel & Tourism Marketing*, Vol. 25, No. 2, pp. 117-136.
- Lertwannawit, A. and Gulid, N. 2014. "A Structural Relationship between Domestic Tourist Satisfaction, Trust, Switching Barriers And Retention". *International Business & Economics Research Journal*, Vol. 13, No. 6, pp. 1375-1382.
- Luo, S. J. and Hsieh, L. Y. 2013. "Reconstructing Revisit Intention Scale in Tourism". *Journal of Applied Sciences*, Vol. 13 (18), pp. 3638-3648.
- Mat Som, A. P., Marzuki, A., Yousefi, M. and AbuKalifeh, A. N. 2012. "Factors Influencing Visitors' Revisit Behavioral Intentions: A Case Study of Sabah, Malaysia". *International Journal of Marketing Studies*, Vol. 4, No. 4, pp. 39-48.
- Mingfang, Z. 2011. "Examining the Structural Relationships of Tourist Characteristics and Destination Satisfaction". *Management and Economics*, Vol. 3, pp. 187-191.
- Moreira, P. and Iao, C. 2014. "A Longitudinal Study on the Factors of Destination Image, Destination Attraction and Destination Loyalty". *International Journal of Social Sciences*, Vol. 3, No. 3, pp. 90-112.

- Niininen, O., Szivas, E. and Riley, M. 2004. "Destination Loyalty and Repeat Behaviour: An Application of Optimum Stimulation Measurement". *International Journal of Tourism Research*, Vol. 6, pp. 439-447.
- Oliver, R. 1993. "Cognitive, Affective, and Attribute Bases of the Satisfaction Response", *Journal of Consumer Research*, Vol. 20, No. 3, pp. 418-430.
- Oppermann, M. 1998. "Destination Threshold Potential and the Law of Repeat Visitation". *Journal of Travel Research*, Vol. 37, pp. 131–137.
- Osman, Z. and Sentosa, I. 2013. "A Study of Mediating Effect of Trust on Customer Satisfaction and Customer Loyalty Relationship in Malaysian Rural Tourism". *European Journal of Tourism Research*, Vol. 6, No. 2, pp. 192-206.
- Petrick, J. 2004. "Are Loyal Visitors Desired Visitors?". *Tourism Management*, Vol. 25, pp. 463-470.
- Reid, L. & Reid, S. 1993. "Communicating Tourism Supplier Services: Building Repeat Tourist Relationships". *Journal of Travel and Tourism Marketing*, Vol. 2, No. 3, pp. 3–19.
- Shirazi, F. M. and Mat Som, A. P. 2013. "Relationship Marketing and Destination Loyalty: Evidence from Penang, Malaysia". *International Journal of Management and Marketing Research*, Vol. 6, No. 1, pp. 95-102.
- Toyama, M. and Yamada, Y. 2012. "The Relationship among Tourist Novelty, Familiarity, Satisfaction, and Destination Loyalty: Beyond the Novelty-familiarity Continuum". *International Journal of Marketing Studies*, Vol. 4, No. 6, pp. 10-18.
- Urban, G. L., Sultan, F. and Qualls, W. J. 2000. "Placing Trust at the Center of Your Internet Strategy". *Sloan Management Review*, Vol. 42 (Fall), pp. 39-49.
- Valenzuela, F.R. 2012. "The Effect of Switching Barriers Types on Customer Loyalty". *International Review of Business Research Papers*, Vol. 8, No. 1, pp. 1-19.
- Yoon, Y. and Uysal, M. 2005. "An Examination of the Effect of Motivation and Satisfaction on Destination Loyalty: A Structural Model". *Tourism Management*, Vol. 26 (1), pp. 45-56.

## **MATERIALITY AND SPIRITUALITY IN BALI TOURISM: AN ETHICAL REFLECTION ON THE *TRI-HITA-KARANA***

**Ida Bagus Putu Suamba**

**Ketut Utama**

Politeknik Negeri Bali, Indonesia

email: [bagusputusuamba@pnb.ac.id](mailto:bagusputusuamba@pnb.ac.id)

### ABSTRACT

This paper aims at finding out ethical drawbacks the concept *Tri-hita-karana* has in its pragmatic level and offer an insight of critical analysis of ethical values. *Tri-hita-karana* has been seen as the foundation on which Bali Tourism developed to its full range. The methods of study used are library and field researches focusing on the ontological, axiological, and pragmatic levels in Bali tourism. It has found that the significant gain in the field of materiality, spirituality tends to be marginalised and vice-versa. This has further impact on life of Balinese. Imbalance of relationships exists between human beings and their fellows, human beings and nature, and human beings and divinity. Nevertheless, both domains are required in life, and any of these is absent, life is just impossible since life is the permutation of them in complex ways. Materiality gains seem to bring Balinese away from spirituality vis-a-vis religion in its right sense. Of the ethical perspective, the *Tri-hita-karana* as the philosophical foundation of tourism in Bali provides ideas/thoughts that can be used to minimize the gaps because it does not lay down ethical outlook as how to cope with the gaps. The relationship amongst those elements involved is basically a matter of ethics as philosophy of moral, and hence ethical consideration is required in designing as well as in implementing policy in tourism. Critical ideas are required for not only of metaphysical perspective but also of ethical values and pragmatic practices. Bali tourism tends to dehumanize Balinese if not immediate ethical considerations of *Tri-hita-karana* are taken into account in pragmatic levels. Development and sustainability of Bali Tourism should be based on Balinese cultural spirit and values; looking it from its inner strengths.

Keywords: Bali tourism, materiality, spirituality, balance, *Tri-hita-karana*.

### INTRODUCTION

Starting its impetus of growth in the late twenties (Peters and Wardana, 2013: 341-342; Pitana, 2008: 197), there has been increasing number of tourists coming to beautiful island of Bali in Indonesia for various reasons and lengths of stay. One outstanding attractions of Bali is its natural beauty and rich culture, in addition to its friendly people welcoming visitors with “spirit of Bali”. A spiritual nuance of Bali is felt immediately as visitors landed in the soil of Bali. In this context, Picard looks at Bali is being an island opened for external world (Picard, 2006: 21). In that period under the control of Dutch government, Bali was made original as a living museum (*Ibid.*). Bali

was still calm, natural, and free from pollutions, an original Bali which is much different from the present-day Bali when art, culture, and tourism become mass industries.

Bali tourism has been developed on the ground of its potentials and possibilities to grow up cultivating its peculiarity and grandeur, which is later taken up by business world for earning economic benefits. Capital investments were invited to come to Bali to accelerate economic progress. Everyone speaks about tourism as it promises more jobs and better future rather than cultivating land for agriculture. Hence, mass tourism (since 1990) which is supposed to invite massive number of tourists and massive amount financial benefits cannot be avoided; and the discourse of cultural tourism as recommended by SCETO (Peters and Wardana, 2013: 371) seems to be dismissed. No doubt, commercialization of culture has started; culture is developed not for the sake of culture itself but for selling. Culture is taken as a product – in the language of McKean, culture as performance (Picard , 1986) – which can be sold; thereby cultural activity is not for shake of culture itself but culture for commercialism for visitors. It is true that there is a relationship between tourism and culture (Vickers, 2008: 99-100), but to what extent its relationship is still divergent views amongst scholars. Of these relationships, the issues of cultural tourism, touristic culture, and cultured tourism are worth to consider as there is always interplay between nature, culture, and tourism.

## RESEARCH METHODS

This paper attempts to discuss the *Tri-hita-karana* as an ethical system in the development of Bali tourism. Two interconnecting aspects, materiality and spirituality, will be analysed and its impacts have on the life of Balinese people and culture. All are sourced from literature review.

## RESULT AND DISCUSSION

Despite fantastic development of Bali tourism in the last 30 years, it is acknowledged that there has not ever been critical consideration undertaken on the basis of ethics; rather most concerns or efforts have been given on cultural, ecological, and economic fields blended with political interests. What is obvious here is that the kinds of relationship of those elements in the *Tri-hita-karana* either

positively or negatively, is basically a matter of ethics. This concept of balance and harmony puts human being in the central point as he/she acts of virtue or vice.

Most of us agree that tourism has given prosperity in some ways for Balinese in particular and Indonesian in general; but that was viewed from economic point of view with empirical indicators. Ethics matters as a philosophy of moral are not yet felt important to be addressed publicly while they are focusing on economic return of investment or distribution of good or welfare for all citizens. Being ethical matter, perhaps, it is not so important than the economic growth. Most people think economic growth contributes significantly rather the basis of moral or ethics on which development should be carried out. The importance of ethics was overshadowed by the interest in economic benefits as that is used as indicator for achieving progress. They think of economic entrepreneurship is not necessarily to be ethical in nature as with reference to Balinese culture. Accelerating economic benefits by making use ecological aspects seem to be too much if not destroying ecological balance; not yet counting how massive effect the global warming of the globe has been giving to us. In short, ethical reflection is required to shape Bali tourism going on in right direction without threatening Balinese life, nature, and culture.

There has been increasing numbers of problem arise, which are rooted in ethical matters, e.g. imbalance or disharmony of development between North and South or East and West Bali, the tent-to-be marginalized Balinese workers in global market, mid-to-top management of most star hotels occupied by foreigners, Balinese tends to be servants not master in their home land; they are strangers rather than taking part controlling tourism, the gap between the poor and the rich, etc. As remarked by Vickers that the “sale of land and the destruction of the environment in Bali ... along with a lack positive action by political leaders, is threatening the island” (*Ibid*). Land conversion cannot be controlled despite of the fact city or area design plan has been issued officially, but still law breaking practices in the field exist. There is not yet any precise data how many acres of land actually owned by Balinese themselves as selling lands and housing projects have been increasing drastically. Outsider tent to occupy increasing number of strategic space of land as the progress is going on causing rice field for irrigation is getting less and less. It is a kind of movement of land for tourism rather than land for cultural preservation and/or development. Some of them think that tourism should be in the first place and then

culture comes later since culture can be sustained or developed only when Balinese prosperous economically.

Amongst many aspects prevalent, ethical issues worth to note are the changing of Balinese mind in facing life, which becomes a way of life. It is a matter of how to think of life for better future without uprooting from our cultural identity as it is at high risk as far as globalization is concerned. Serious shift has happened from spirituality to materiality not otherwise that forgetting the very nature of human being as spirit. As remarked by Peters that there were also socio-cultural conflicts emerging on Bali that was caused by materialism and opportunism in tourism development, which violates the principles of harmony and togetherness (Peters and Wardana, 2013: 91). Tension or conflict started uprooting our harmony of family life, with neighbours and sometimes amongst members of villagers and neighbouring villager—even the number is still limited; due to emphasis is put more on the material gaining rather than living in harmony. Materiality becomes mode of life for most of Balinese now.

Balinese is between the purity of spiritual pursuit and material gain. Consequently, nurturing effects have emerged from it; gaps even conflicts exist between human being and human being (called *pawongan*), between human being and nature (called *palemahan*), and human being and god (called *parhyangan*) are so obvious. Some gaps are observable; the others are silent, which psychologically effect Balinese life. Some conflicts have been inherited from past and some are new created. When such tensions or conflicts happened, question of the significance and effectiveness raised. In the course of time, *Tri-hita-karana* becomes the brand of Bali tourism, originated from indigenous culture. But at the same time some disturbing elements start degrading them. What efforts had been put to save it from destruction?

### **The *Tri-hita-karana*: A Matter of Ethics**

The *Tri-hita-karana*, a Sanskrit term, means three causes for happy and prosperous life as per Balinese philosophy of life. According to this principle, causes of happiness of human being is due to being able to keep or maintain three balance and harmonious relationships, viz. between human being and human being, between human beings and nature/environment (either physical or non-physical) , and between human beings and the God/divinity, known as *pawongan*, *palemahan* dan

*parhayangan* respectively. Further implication is that on the first place is social, second is natural /environmental, and third is spiritual in nature. They cannot be separated rather they form a whole unit in which human being is the core. This shows that happiness is not awarded by God, nature or human being without effort to keep balance and harmonious relationship within and external world. Looking at this conception from empirical point of view, of the cardinal elements involved there are human, nature, and divinity. It implies that human being lives and interacts in his life in pluralistic of realities.

In the past question of imbalance relationship between nature and man almost did not exist, they lived peacefully. But nowadays since massive economic developments and massive movement of people around the world exist, the questions of being ethical and unethical become a serious concern especially for the lovers of peace and nature. Human become greedy in having possession of materiality. Natural degradation and imbalance environment followed by disharmony amongst people and finally imbalance with divinity cannot be avoided despite the fact, for the last point, Balinese densely involve in ritual practices. Ritual becomes more formalistic and mechanic losing the spirit of sacred sacrifice. A reformation of thought and attitude to face the relationship should be attempted; otherwise, material gaining as the effects of massive capital resulted by tourism will be spiritually meaning less. The relationship covers the realms of empirical (*sakala*) and trans-empirical (*niskala*) paradigms, and each has its own indicator to measure it. Trans-empirical domain, which is in the realm of physics is supposed to be the foundation on which physical domain is built. These relationships presuppose harmony, balance, and happiness as the goal of life. As per Balinese tradition, each of these should be maintained through postulating human being as the central actor of it.

When *Tri-hita-karana* is agreed to be used as the spirit in Bali tourism, it is accordingly practised for achieving happy life for all Balinese. Unfortunately, as changing of mind has existed, the concept of happiness seems to be changed, and therefore needs to be redefined looking at the future. However, happy life in the right sense is still far away as gaps or conflicts seem to be increasing in either in family, villages or society in general. What is meant by “happy life” needs to be formulated explicitly with reference either to spirituality or materiality of approaches or both. On this regards, Balinese sometimes take worldly happiness, in which possession/wealth/gaining (*artha*) and desires/lust (*kama*) are pursued, to be

preliminary condition for higher happiness. Thus, worldly happiness in realm of *artha* and *kama*, is not an end in itself. Tourism is not intended to satisfy endless desires or lusts of human beings because there will be no limits unless death is coming.

None has ever put attention on “relationships within” a human being, which is supposed to be the key in building external relationships. The relationships amongst inner parts organs are not less complex than the external world. Unfortunately, external relation either to other members of society or nature is understood as a relation of supply and demand like business transactions. It is mechanic rather than spiritual. As far as one needs other, one builds and maintains relationship with him/her. How can be a relation to nature/environment can be well established unless we take it as homogenous with us because essentially human beings and nature are essentially the same? There is no difference in essence between macrocosmic world of reality and microcosmic world. This attitude has existed even in a primitive people who considered natures as their home, part and parcel of their life. Hence by nature they both are connected in subtle and complex ways.

Up to now relationship is viewed externally not otherwise, so it tends to be formal and mechanistic. Within human being itself, there are various principles which compose a human being starting from the very subtle to gross ones, i.e. from *buddhi* (intellect) to *bhutas* (elements), and they are related inherently forming life. At least there are three elements, viz. subtle element (*suksma sarira*), gross elements (*sthula sarira*), and the cause element [*antahkarana* – self (*atma*)] interplay in complex ways having its core on self as the centrality of life. This internal domain is never touch by the concept of *Tri-hita-karana* as everyone looks at the external world only either to see human, nature or god. What is the existence and role of human being in that system? How do we start to understand it? Shall we start from the relationship with the God first then with human being and nature? Or, shall we start to understand the relationship within? These questions are worth to consider.

When it is looked in more details, *Tri-hita-karana* only states such relationship exists either subtle or gross, and lets human being as the main actor to think of and do necessary action to realize the goal of life. This concept does not show us whether external world is real or unreal reality viewing from metaphysical perspective as advocated by Balinese philosophy of life. This view will affect policy maker or practitioner in pragmatic level to implement of policy or to realise the principles of *Tri-hita-karana*. After all, the *Hita-hita-karana* as an ethical concept is never elucidated

from ontological point of view rather most of Balinese look from pragmatic level, like that of THK award for short-term objective or criticizing policy issued by government. This is so because this point is easy to carry out when everything required empirical indicators to measure any relationship, e.g. the human being-God relation for workers in a company/hotel is measured by physical apparatus, like the availability of temple and activities, like doing prayer or going out in pilgrimage (*tirtha yatra*) visiting holy places (temple).

When it is applied in the world of Bali tourism, question on the ethical issue seems to be getting important; lot problems arise due to unethical behaviour of human beings; even though it is agreed that ethics is often associated with ethical values of culture or a certain ethnic group. The case of mega projects of Bali Nirwana Resort in Tabanan, Benoa Gulf Reclamation Project are some of them. An action is considered ethical in one community may be not the same in other community. But, what we want is any ethical action accomplished is based on the strength of metaphysics as it is the fundamentals to human behaviour. When tourism in Bali involves non Balinese actor or ideas, they bring their own ethics, which may be not acceptable in Balinese society. Some ethical values they used are sometimes diametrically opposite to Eastern or Hindu culture. In other words, touristic culture should be differentiated with cultural tourism as developed in Bali. Above all, ethics of *Tri-hita-karana* should become the basis of ethics for Bali tourism. With this fact, distinctiveness or uniqueness of Bali tourism can be maintained without excluding good points may come from outside of it.

It is generally acknowledged that the nature of business (including tourism) and culture is diametrically different. That is the reason that for many times tension or even conflict has happened in course of time between them. As remarked by Picard that the doctrine of cultural tourism has come to blend the “fostering of culture” with the “development of tourism”, to the extent of entrusting the fate of Balinese culture to the care of the tourism industry. To come to such a point, the conflict of interests between culture and tourism had to be defused beforehand, since it is this conflict that had governed the elaboration of the doctrine of cultural tourism in the first place (Picard, <http://www.espacestemp.net/en/articles>). Inherent conflict by nature is threatening invisible power which may affect tourism in the future. What is obvious with reference to Bali is that culture and nature give impetus to the emergence of tourism not *vice-versa*. How can tourism neglect the life of culture and sustainability

of nature? But now, it seems that tourism is the only one sector money getter for Bali and consequently culture sustainability depends on tourism. By nature culture proceeds to the stage of refinement and sophistication of things/ objects and external expression of mind, feelings or faith; whereas business leads us to reach material or worldly sensual gains as much as possible, which is in opposition with spiritual motives of life. For Bali in the future, these things – tension between culture and/or nature and tourism – will come again and again if the concept of *Tri-hita-karana* as an ethical principle is not implemented in reality in its right sense. *Tri-hita-karana* is a buffer, standing in between two poles of different orientations, e.g. spirituality and materiality, tourism and culture, etc. It is a balancing power for the establishment of harmony and peace.

### **Bali tourism between Materiality and Spirituality**

Bali tourism has been developed based on its potentials, i.e. culture, and hence it is “cultural tourism” in addition to nature. Nature behaves as a base on which culture is created. When land of Bali is no more, culture disappears sooner or later. Culture is not possible when people who live in it is not creative. In other words, cultural tourism exists due to creativity of the Balinese. Question can be raised in this regards, whether mass tourism stimulates creativity in wide sense? The concept of cultural tourism has been adopted and strengthened through political policy of local government of Bali (known as *PERDA* No. 3, 1974 and No. 3, 1991). This is the foundation as well as spirit on which the tourism sector should be built. In other words, Balinese culture is not only the core spirit but also the brand of Bali tourism to attain goal of life of the Balinese. Definition, scope, and methods of developing tourism become interesting issues to look at since there has been a dichotomy of culture and tourism. How to compromise these two domains of interest? Is it necessary tourism to be cultured or culture is to be touristic?

Culture is understood as tangible things/objects dismissing its core spirit, i.e. the intangible aspect. Picard stated that Balinese culture is invariably defined in reference to three concomitant elements, which are like superimposed strata: its sources are in the Hindu religion; it inspires the customs of Balinese community and animates its customary institutions; it incarnates artistic forms of high value (Picard, *Ibid*). In its deep structure, spirituality which is intangible is the core of any initiatives including tourism. There has been a confusion viewing culture as an ideas and plastic arts. For some people, they are of no interest to talk about culture rather than

religion. When this view is to be held, Bali tourism will be developed to foster on physical appearances, gain, and grandeur. For some of them culture is understood like dance, drama, song, handcraft, painting, manuscripts, etc. The idea to have a “high culture” is still a lip service. As remarked by Vickers that for Bali high culture is in a difficult position, since tourism is inherently about commercialization and reducing things to lowest common denominator... high culture as the most refined and highly developed art objects and performances that can be produced by a society. High culture is not typical of everyday social expression, but it does define the most serious efforts to concentrate certain aspects of a culture in a way that is affective for participants in that culture, but may also reach out beyond to other audiences through aesthetic values” (Vickers, *op.cit.*: 100). Tension between these may still exist in the future. In this regards, Ardika (2004: 21) states that components of Balinese culture have been treated as commodities for tourist consumption so that it creates an impression of commercialisation and may degradation the quality of culture, especially arts.

Observing further, culture tourism as perceived by Balinese is spiritual tourism despite the fact that materiality involves in it. Materiality should be seen as an expression of spirit. These two domains, viz. spirituality or immateriality and materiality always come together for the possibility of life. None can be excluded from the other; spirituality requires materiality and *vice-versa* for its existence. This is a binary division like that of *Purusa* and *Prakrti* in Samkhya philosophical tradition. Each needs the existence of the other, despite the fact that they totally different, one is consciousness and the other one is unconsciousness or materiality, otherwise no life or tourism is possible. Taking Balinese tradition as a base, it is another form of the concept *Rva Bhineda* (two opposing principles) which is cardinal values for Balinese culture. This concept happens in almost spheres of Balinese life. When one is travelling to visit places, like forest, river, hermitage, mountain, temple, cave, bathing places, etc. – as depicted in textual tradition of Bali – one is actually undergoing consciously the process of purifying oneself; it is a process of going within provided that there is an awareness of it in oneself. It is going-out and at the same time going inward to purify mind and self-transformation. It is contained in the concept of *yatra* (travelling for purification) as depicted in the tradition to visit places for spirit enlightenment; it involves in the magnificent power of nature, mind expanding to its fullest awareness. As religious practice in the post *yajna* (sacred

sacrifice) devotees will go out to visit holy places, i.e. sea (*sagara/pasir*) and mountain (*gunung/vukir*); hence this is a tradition of *Nyagara-Gunung*. It is performed to purify body-mind; and at the same time thanks giving to nature and divinity for being successful in accomplishing ritual sacrifice. This is at the same time implementing the concept of waterscape of Bali giving importance of sea and mountain in water preservation and distribution for the entire Bali (Suamba and Mahapatni, 2015).

When cultural tourism is really implemented in the practice, spirituality should be given the first priority, not otherwise as happens now in every level of practice. There will be no such rude actions to human beings and nature, because everyone thinks that every human being is our brother and sister, nature/ environment is an integral part of our existence. Be it is so, these are none but the main components of *Tri-hita-karana*. Our universe is our big family. When spirituality is taken for granted there will be no demarcation with reference to religion, culture, skin colour, nation, etc., because by essence they are forms of spirit. Human action which causes suffers to nature or animal is basically our suffering. Sustainable, healthy nature is our happiness. It is so because spiritually no such different between human and nature despite the fact the nature is concrete or physical things/ object. Nature is none but sparks of divinity having concrete manifestations. Nature as per Balinese way of life is not only physical in nature but non-physical one. There is a parallel between human being (microcosm – *bhuvana alit*) and nature (macrocosm– *bhuvana agung*) as their materials of composition are essentially the same. When hotels, bungalows, villas, restaurants, malls, and roads are built for the enjoyment of tourists, how the Balinese the owner of this culture can stay in healthy good house with happy family? Too much concern in providing comfort and enjoyment for tourists, we should not forget to provide sufficient housing, health, and education for our own fellows.

Since materiality and spirituality come together for the possibility of life, it requires serious attention in the pursuit of eternal happiness. These are two opposite principles which always come together, known as *Rva-bhineda* (two different opposite principles) in Balinese philosophical life, as mentioned above. It is true in some extent they are equally put in an equal position due to its importance, or even materiality is given predominant with reference to a certain stage of life, but after all they should be transcended to become one of which spirituality becomes the core of everything. After all the concept of *Tri-hita-karana* culminates in the oneness of being

with the Supreme Being, and this is reached through building harmonious and balancing relationship with those depicted in the *Tri-hita-karana*. In one way, the *Tri-hita-karana* can be viewed as a balancing power for the smooth running of every elements within the system, one the other way, it should be transcended for unification of self and supreme self. Unfortunately, it is not yet implemented in real practice in Bali tourism despite the fact the *Tri-hita-karana* awards have been granted many times to some elements of society, like hotels, company, institution, etc. After all spirituality and materiality needs not be demarcated in water tight compartment rather taken together for balance life. Nonetheless, spirituality which is always associated with consciousness should ideally govern the pursuit and use of material objects (immaterial) since it pervades and controls them.

## CONCLUSION

*Tri-hita-karana* is basically a matter of ethics because it expounds relationships of three important elements of life, viz. human being, nature, and god. Unfortunately the kinds of relation are still unclear or ambiguous since its ontological status of the elements involve are also not yet formulated. It lets us to interpret the kinds of relationship. The difficulty is realised when this principle is applied in pragmatic level since there is no guide line on implementing it. Due to being an ethical principle, analysis on part of ontology and metaphysics are required since ethics is developed based on the strength of metaphysics. It deals with the nature of realities, and their ontological status, and their relationship both in empirical and trans-empirical worlds. When these points are clear, the implementation of THK both in policy and pragmatic levels can be accomplished in a proper way putting materiality and spirituality in right order/portion. Since both are required for life, both should be put in the right place composing philosophy of *Tri-hita-karana*. *Tri-hita-karana* adopted as a philosophy of Bali tourism is expected to lead people to go to higher plane of consciousness. With this materiality is taken not as hurdle in self-transformation.

## ACKNOWLEDGMENT

The writers thank to the new international publication media in State Polytechnic of Bali called *IJASTE (International Journal of Applied Sciences in Tourism and Events)* for presenting this article in the first edition.

## REFERENCES

- Darma Putra, I Nyoman (ed.). 2004. *Bali Menuju Jagaditha: Aneka Perspektif* [Bali towards Prosperity: Various Perspectives]. Denpasar: Bali Post.
- Pichard, M. 1986. "Cultural Tourism" in Bali: Cultural Performances as Tourist Attraction" (*paper*) in International Workshop on Indonesian Studies, Balinese State and Society: Historical, Textual and Anthropological Approaches, Leiden.
- Picard, M. 2006. *Bali Pariwisata Budaya dan Budaya Pariwisata* [Cultural Tourism and Tourism Culture of Bali], Jakarta: Kepustakaan Populer Gramedia, Forum Jakarta-Paris, Ecole francaise d'Extreme-Orient.
- Picard, Michel, "Bali: the Discourse of Cultural Tourism" retrieved from <http://www.espacestemps.net/en/articles>, 10/02/2014.
- Peters.H. and Wisnu Wardana. 2013. *Tri Hita Karana: The Spirit of Bali*. Jakarta: Gramedia.
- Suamba, I.B.P. 2013. "Pemikiran-pemikiran *Environmental Ethics* dalam Kesusastraan *Sasana Jawa Kuno*: Studi Eksploratif" [Thoughts of Environmental Ethics in Old Javanese Ethical Literature: An Explorative Study] in *Prosiding Seminar Nasional dan Pertemuan Peneliti*. Denpasar: Politeknik Negeri Bali.
- Suamba, I.B.P. and Mahapatni, I.A. Sri. 2015. "Sagara-Giri: Waterscapes of Bali, A Philosophical Reflection on *Tutur Texts*", *seminar paper*.
- Vickers, Adrian. 2008. "The Survival of Balinese Culture" in *Kumpulan Makalah Kongres Kebudayaan Bali*), pp. 99-100.
- Yudha Triguna, I.B.G. (ed.). 2008. *Kebudayaan dan Modal Budaya Bali dalam Teropong Lokal, Nasional, Global* [Culture and Balinese Culture Capital in Local, National, and Global Perspectives] Denpasar: Widya Dharma.