

Available online at www.sciencedirect.com**ScienceDirect**

Procedia - Social and Behavioral Sciences 184 (2015) 273 – 280

Procedia
Social and Behavioral Sciences

5th Arte Polis International Conference and Workshop – “Reflections on Creativity: Public Engagement and The Making of Place”, Arte-Polis 5, 8-9 August 2014, Bandung, Indonesia

Analysis of Sustainable Tourism Village Development at Kutoharjo Village, Kendal Regency of Central Java

Mega Sesotyaningtyas^{a*}, Asnawi Manaf^b

^a*School of Architecture, Planning, and Policy Development, Institut Teknologi Bandung, Bandung, Indonesia*

^b*Faculty of Urban and Regional Planning Engineering, University of Diponegoro, Semarang, Indonesia*

Abstract

Kutoharjo has slums problems, however, Kutoharjo also has the potential to be developed as a tourism village since it has attractive objects of religious sites, natural scenery, and unique culinary. These tourism potentials are utilized by the communities in the region to encourage economic activities, so that they can generate income and upgrade their inadequate dwelling condition. This research aims to evaluate the feasibility of tourism village development in Kutoharjo using positivist research approach. The elements of tourism anatomy, social and economic feasibility, and financial feasibility are evaluated. The results based on the analysis of tourism anatomy shows that Kutoharjo has sufficient infrastructure and tourism facilities. Unfortunately, the financial feasibility shows that tourism village development in Kutoharjo for slum upgrading effort was not feasible. Various strategies need to be applied for tourism village development in Kutoharjo by involving people as the main subject to sustainable development.

© 2015 The Authors. Published by Elsevier Ltd. This is an open access article under the CC BY-NC-ND license (<http://creativecommons.org/licenses/by-nc-nd/4.0/>).

Peer-review under responsibility of the Scientific Committee of Arte-Polis 5

Keywords: opportunities; tourism village; communities participation; financial feasibility

1. Introduction

It is well known that the higher the population growth in the developing country, the larger number of housing and settlement should be available. Unfortunately, the government is not capable of providing houses that are

* Corresponding author. Tel: +62 24 7460054; fax: +62 24 7460054.
E-mail address: mega.yulianto@pwk.undip.ac.id

reasonable for the low-income people. Consequently, such condition causes the increase of widespread slums. In order to solve the problem, the Government has conducted various efforts and programs. The results have not been satisfactory since there was no sustainable impact. Thus, another effort was applied to overcome the slum problem by involving the participation of the local community through tourism development. This effort was a stimulant to encourage the people to be involved actively in improving their housing environment. Petrevska & Dimitrov (2013) considered that planning tourism development would trigger general economic growth and contribute to better land use planning, and attract population to new regions where tourism is developing.

Kutoharjo is one of the nine villages in Kaliwungu District, Kendal Regency of Central Java having slum problems. The area of Kutoharjo Village is about 231.353 ha (Fig. 1). Because of these problems, Kutoharjo Village received a stimulant fund (one billion IDR each village) under the management of the Community-Based Neighborhood Development Program (in Bahasa: *Program Penataan Lingkungan Permukiman Berbasis Komunitas*). The purpose of this program is to encourage the local communities of Kutoharjo Village so that they can plan and build the resident’s livelihood and residential neighborhood. Indeed, the stimulant fund from the Government was not directly solving the existing problems. To change resident’s livelihood and residential neighborhood, it requires direct involvement of people in the village.

There are many potentials objects at Kutoharjo Village that are attractive for tourism, such as natural scenery, religious rituals, and unique culinary. These objects are exploited by the local community in the form of tourism village "WALIKU" (*WISATA ALAM, RELIGI, and KULINER*). Tourism development will be sustainable if the development consist of three important aspects: environment, social, and economic (Fennell, 2003; Baker, 2006; Mowforth & Munt, 2007; Risteski *et al.*, 2012). This research aims to assess the opportunities and challenges of the development of tourism village at Kutoharjo Village at Kendal Regency.

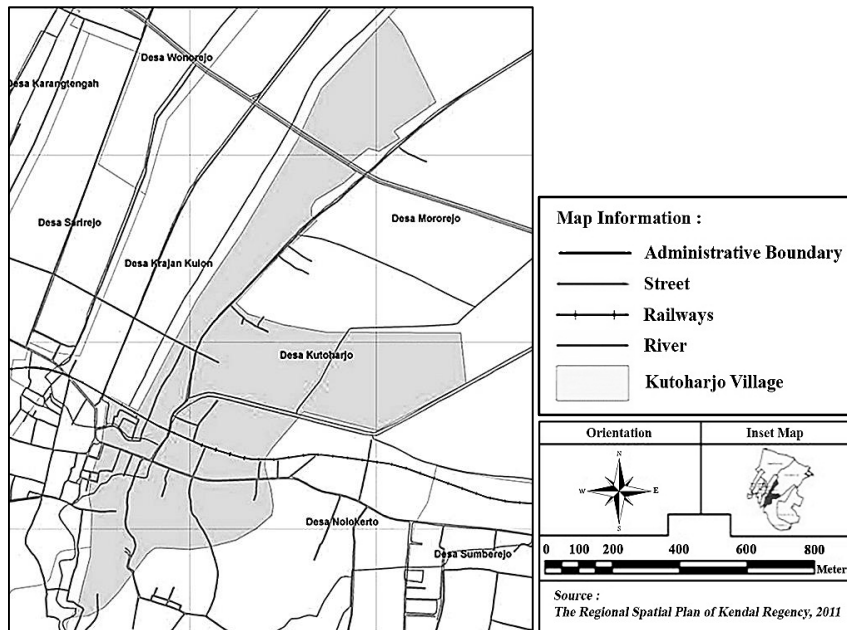


Fig. 1. Administrative Map of Kutoharjo Village.

2. Method

This research is conducted in 2011 to 2012. This research regarded that the financial feasibility is an important aspect that strongly influences the sustainability of the tourism development. If this aspect is not fulfilled, the tourism program will have difficulties to realize. In this research, the feasibility study is to evaluate the program’s

planning of Kutoharjo Village tourism development, and to estimate the sustainability prospect of its implementation. The study employed descriptive qualitative method using a predominantly phenomenological paradigm (Bungin, 2010). Data were collected using two techniques, which are: (a) primary data collection through field observations and interviewing the local community, (b) secondary data collection through literature studies and institutional survey. Data collections were made for the involvement of community in tourism activities, the benefits of tourism village development to the residential neighborhood, and the opportunity for citizens to obtain fixed income. The collected data were then analyzed using descriptive qualitative and quantitative method. Descriptive qualitative method was applied for analyzing the potential of the region as a tourism village based on tourism anatomy. The descriptive quantitative method was employed for assessing the financial feasibility of tourism development (Benefit Cost Ratio, Net Present Value and Payback Period), economic and social aspects of tourism (Gittinger, 1986; Mangkosoebroto, 2000; Munandar, 2002). Tourism anatomy was assessed based on the availability of its elements (Soekadijo, 1997; Warpani & Warpani, 2006).

3. Results and discussions

3.1. Analysis of tourism anatomy

The results indicated that Kutoharjo Village has various spectacular elements that are potential to support the development of a tourist area in this village. The local community, worked together with Self-reliance Community Agency “Mulia”, took an initiative to manage various potential attractive objects for promoting Kutoharjo Village as tourism village. The tourism elements of Kutoharjo Village are as follows:

- **Attractive element**
The attractive element is the element that may trigger tourism to know (Warpani & Warpani, 2006). Based on this attractive element, the communities will be observed as an object of activity against social, cultural customs, and the total population of the tourist area. Kutoharjo Village has various attractive tourism objects such as graves of Kyai (religious site), natural scenery from the top of the hill, unique culinary of Kaliwungu District, cultural arts, agrotourism, craft of paper umbrella, religious activity (Shawwal and Ramadhan events), and green kampong (Fig. 2). The Green Kampong was developed as a beautiful, green, cool, and tidy village. The organic, inorganic, glass and metal waste have been recycled properly in this Kampong.
- **Prerequisite element**
Transportation services, as the prerequisite element for tourism development, is available at Kutoharjo Village. The local community provides services of the motorcycle (5,000.00 IDR) and pick-up car (4,000.00 IDR).
- **Supporting element**
Information and promotion materials about tourism objects in Kutoharjo village in the form of leaflets, brochures, calendar and internet media are available.

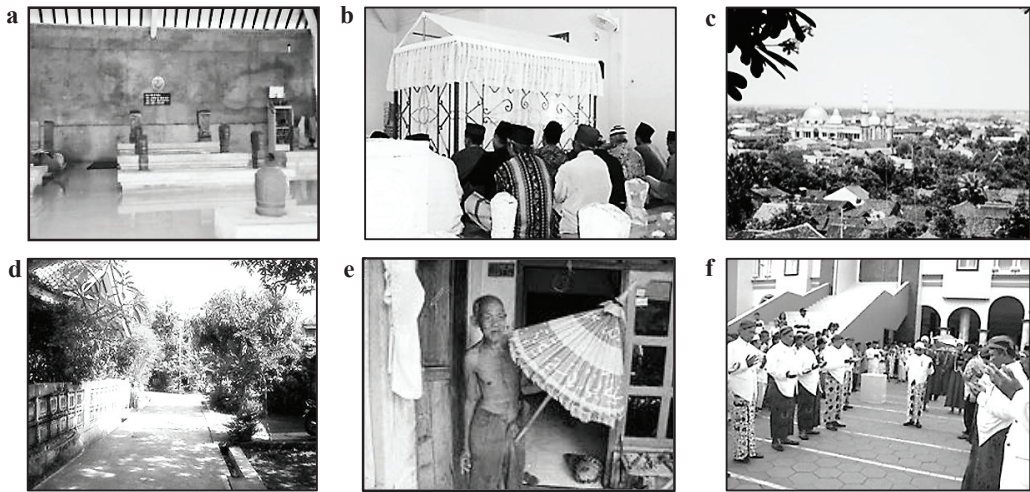


Fig. 2. (a) The graves of KH. Musthofa, KH. Ahmad Rukyaf and KH. Wali Musyafa; (b) Kyai Ashari grave; (c) Natural Scenery; (d) Green Kampong; (e) Craft of paper umbrella; (f) Shawwal tradition in Kaliwungu Mosque.

- Service facilities element

In this study, we found that there are two service facilities available at Kutoharjo Village. These facilities are accommodations and utilities network. The residents provide homestay for visitor by renting rooms and their houses temporarily. Some traditional restaurants provide unique food and drinks and sell various crafts. Culinary centers, shopping centers, and ATM centers are available around Kaliwungu plaza. Utilities network such as a driveway, fresh and clean water (PDAM), and electricity are adequate.

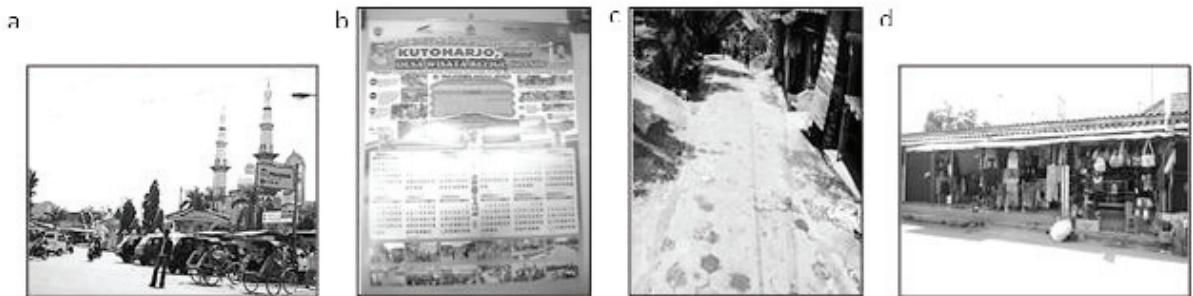


Fig. 3. (a) Transportation service; (b) Ritual calendar; (c) Paved street; (d) Shopping center around Kaliwungu plaza.

3.2. Challenges in the tourism village development

This research indicates some environmental problems at Kutoharjo Village that might become obstacles to the development of a tourism village.

- Slum

There are some slums area at Kutoharjo Village (Fig. 4). It is widely understood that slum area is a crucial problem for tourism. Visitor would prefer to visit and stay in the tidy areas rather than places with slum areas. The villagers must be encouraged to keep their environment tidy by looking after the organic and inorganic waste. To this point, the regional government and the villagers have worked collaboratively to overcome this inconvenient visual problem.



Fig. 4. Slums problem at Kutoharjo Village.

- Garbage problem

The other problem found in the village was the lack of dumpster facilities, waste management facilities, as well as, garbage bags, trash bin, and garbage carts. The villagers have lack of knowledge and understanding for keeping their environment sustainable. Therefore, they often dump the household rubbish into the rivers (e.g. Bendo River).

- Substandard drainage system problem

During the rainy season, Kutoharjo Village has the chronic problem of flooded houses and river. Because of inappropriate garbage handling, the rubbish blocked up the river and deterred the water to run down in the stream. As a result, rain water flow over to the highway and cause flooding in the housing areas (Fig. 5).



Fig. 5. (a) Garbage blocking drainage system; (b) Flood in housing areas; (c) Inadequate sanitation system.

3.3. Community participation in Kutoharjo Village

Previously Mbaiwa (2011) and Zhang (2012) stated that tourism village development is able to provide many benefits, including (1) enhancing the rural collective economy, (2) beautifying the rural appearance, (3) strengthening the rural civilization construction, (4) increasing the community incomes, (5) changing on community traditional livelihood activities and lifestyles, and (6) reducing the urban-rural gap and building a harmonious society. Certainly, an establishment of village tourism should offer an opportunity for the community to improve their houses and neighborhood. For this reason, activities of tourism village need the participation of the local community. Nevertheless, the establishment of community participation needs local community empowerment. And this community empowerment is the main key to community welfare and sustainable tourism (Sutawa, 2012). Community participation should be embodied in many aspects i.e. involving residents in the tourism planning, establishing effective processes in tourism planning, and strengthening ecological education and tourism planning (Wang, Yang, Chen, Li, & Yang, 2010).

There are some strategies and policies that have been chosen by the communities to develop Kutoharjo Village as a tourism village.

- Pay attention to tourism priority: religious tourism and to environmental management: waste, sanitation, road, park
- Provide tidy environment
- Control vendors and vehicle parking arrangements

- Provide religious symbols through uses of special religious clothing at certain times
- Develop sustainable neighborhood and beautiful natural tourist area

In addition, the appropriate business fields to attract visitors are:

- Basic facilities for visitor: accommodation, home stay, and restaurant
- Basic tourism facilities that offer themes such as organic farming
- Villages of handicraft
- An attractive traditional ethnic village culture
- A well organized, integrated activities between the village community and the visitors
- Typical food industry that meet tourist's demand: fish momoh, buffalo innards soup, rawon, buffalo satay, pecel, soy peanut brittle, porridge saren (porridge of glutinous rice), cendol ice, wedang ronde, wedang ceblung, buffalo skin crackers
- Agrotourism of various fruits that allow buyers to select and pick fruits directly from the tree

3.4. Analysis of the feasibility study

This research showed that the development of Kutoharjo Village used Public Private Community Partnership (PPCP). This PPCP concept is normally applied for the development of infrastructure management by a collaborative work among the government, private sector, and communities (Grimsey & Lewis, 2004). In the case of Kutoharjo village, the collaboration derived from the Community-Based Neighborhood Development Program for tourism village development. There was a grant of Rp. 1,000,000,000 from the central government for houses, neighborhoods and slum improvement. The communities contribute additional funding and execute the implementation program. The private sector participate through its Corporate Social Responsibility program and the Local Government participates through its annual program of slum upgrading. It was documented that Rp. 700,000,000 was spent for physical development and the remaining Rp. 300,000,000 was used for planning and marketing.

3.4.1. Social – economy feasibility analysis

To determine the feasibility of tourism village development based on social – economy value, the calculation of Net Present Value (NPV) and Benefit Cost Ratio (BCR) is undertaken.

$$\begin{aligned} \text{NPV} &= \text{Benefit} - \text{Cost} = \text{Rp. } 5,520,198,161.12 - \text{Rp. } 5,141,844,239.41 \\ &= \text{Rp. } 378,353,921.71 \rightarrow \text{more than } 0, \text{ feasible to be implemented.} \end{aligned}$$

$$\begin{aligned} \text{BCR} &= \text{Benefit} / \text{Cost} = \text{Rp. } 5,520,198,161.12 / \text{Rp. } 5,141,844,239.41 \\ &= \text{Rp. } 1.07 \rightarrow \text{more than } 1, \text{ feasible to be implemented.} \end{aligned}$$

Based on social–economy feasibility analysis, the development of tourism village at Kutoharjo Village was reasonable to be implemented. In social–economy analysis, this effort provides opportunities for new jobs that will employ many local workers, improve the community welfare, and increase the local income, as well as a local economy.

3.4.2. Financial feasibility analysis

The income assumptions of tourism village development at Kutoharjo Village can be seen in Table 1.

Table 1. Cash In Assumption of Tourism Village Development in Kutoharjo Village, Kendal Regency

ITEMS	ASSUMPTIONS	BENEFIT (x Rp. 1000)	GOV. (10%) (x Rp. 1000)	PRIVATE (90%) (x Rp. 1000)
Admission	Tourist numbers = 200 people. Ticket prices for weekdays = Rp. 3,000.00	125,400	12,540	112,860
	Ticket prices for special days (Shawwal and Ramadhan) and weekend (Friday-Sunday) = Rp. 5,000.00. Total special days in a year = 10 days, weekend = 104 days	166,000	16,600	149,400
	Parking	Tourist numbers with vehicle = 100 (motorcycle = 75, car = 25). Parking fees (motorcycle = Rp. 1,000.00 and car = Rp. 2,000.00)	45,000	4,500
Halfway house rent	Halfway house rent / night = Rp. 500,000.00 assumed rented 2 nights in 1 week	48,000	4,800	43,200
Homestay rent	Homestay is rented every day = 3 homestays. The cost of lodging for 1 night = Rp. 100,000.00	108,000	10,800	97,200
Food court	Profit each stall = Rp. 100,000.00 / day	360,000	360,000	0
Unique culinary	Profit for street vendors of Kaliwungu's unique culinary = Rp. 100,000.00 / day	216,000	216,000	0
Integrated waste processing	Sales profit of compost product from organic waste = Rp. 1,500,000.00 / month	18,000	10,800	16,200
	Sales profit of compost product from inorganic waste = Rp. 2,000,000.00 / month	24,000	10,800	21,600
Agrotourism	Sales profit fruits of agrotourism = Rp. 1,000,000.00 / month	12,000	10,800	10,800
	Sales profit from fruit processing into other foods such as chips = Rp. 2,000,000.00 / month	24,000	10,800	21,600
TOTAL		1,146,400	668,440	513,360

Based on income assumptions, the government get 10% profit, and private sector get 90% profit from this tourism village development. The Benefit Cost Ratio (BCR) of government and the private sector to determine the payback period is as follow:

- Financial Feasibility Analysis for Government

Value of NPV and BCR for government as follow:

$$\text{BCR} = \text{Benefit} / \text{Cost} = \text{Rp. } 5,327,132,580.00 / \text{Rp. } 3,101,496,794.00$$

$$= \text{Rp. } 1.717600544 \rightarrow \text{more than 1, feasible to be implemented}$$

$$\text{NPV} = \text{Benefit} - \text{Cost} = \text{Rp. } 5,327,132,580.00 - \text{Rp. } 3,101,496,794.00$$

$$= \text{Rp. } 2,225,635,786.00 \rightarrow \text{more than 0, feasible to be implemented}$$

- Financial Feasibility Analysis for Private Sector

Value of NPV and BCR for private sector as follow:

$$\text{BCR} = \text{Benefit} / \text{Cost} = \text{Rp. } 4,091,222,520.00 / \text{Rp. } 4,709,897,444.58$$

$$= \text{Rp. } 0.87 \rightarrow \text{less than 1, not feasible to be implemented}$$

$$\text{NPV} = \text{Benefit} - \text{Cost} = \text{Rp. } 4,091,222,520.00 - \text{Rp. } 4,709,897,444.58$$

$$= (- \text{Rp. } 618,674,924.58) \rightarrow \text{negative, not feasible to be implemented by a private sector.}$$

Based on financial feasibility analysis, the development of tourism village at Kutoharjo Village for slum upgrading was not feasible to be implemented. This occurs because the private sector did not get payback period of 20 years. This will affect the project for not running well or not sustainable.

4. Conclusion

The conclusions that can be drawn from this research are:

- Kutoharjo Village has many attraction potentials to be developed as tourist areas such as a religious site, natural scenery, and unique culinary
- The communities have prepared some strategies and policies for developing Kutoharjo village as a tourism village
- The local communities can participate in some businesses and activities for tourism attraction
- Participation in tourism activities will preserve local culture and empower local communities

All of the benefits of tourism village can be achieved by improving the quality and quantity of tourism attraction and environmental quality of the settlements. The results of the tourism anatomy analysis showed that Kutoharjo has sufficient infrastructure and tourism facilities. Unfortunately, the financial feasibility showed that the development of tourism village for slum upgrading was not feasible. This unfeasibility will affect the project for not running well or not sustainable. Various strategies for the sustainability of the tourism village must include people as the actor of the program.

References

- Baker, S. (2006). *Sustainable development*. New York: Routledge.
- Bungin, M. B. (2010). *Penelitian kualitatif*. Jakarta: Kencana Prenada Media Group.
- Fennell, D. A. (2003). *Ecotourism: an introduction*. London and New York: Routledge.
- Gittinger, J. P. (1986). *Analisa ekonomi proyek – proyek pertanian* (2nd ed.). Jakarta: Universitas Indonesia.
- Grimsey, D., & Lewis, M. K. (2004). *Public-private partnerships: the worldwide revolution in infrastructure provision and project finance*. USA: Edward Elgar Publishing, Inc.
- Mangkosoebroto, G. (2000). *Ekonomi publik*. Yogyakarta: BPFE – UGM.
- Mbaiwa, J. E. (2011). Changes on traditional livelihood activities and lifestyles caused by tourism development in the Okavango Delta, Botswana. *Tourism Management*, 32, 1050 – 1060.
- Mowforth, M., & Munt, I. (2007). *Tourism and sustainability*. Great Britain: Taylor and Francis Books, Inc.
- Munandar, M. (2002). *Manajemen proyek*. Jakarta: Universitas Terbuka.
- Petrevska, B., & Dimitrov, N. V. (2013). Planning rural tourism development in Macedonia. *Journal of Process Management – New Technologies*, 1, 63 – 68.
- Planning and Regional Development Agency. (2011). *Regional Spatial Plan 2011-2031*. Kendal Regency: Planning and Regional Development Agency of Kendal Regency.
- Risteski M., Kocevski, J., & Arnaudov, K. (2012). Spatial planning and sustainable tourism as basis for developing competitive tourist destinations. *Procedia - Social and Behavioral Sciences*, 44, 375 – 386.
- Sesotyaningtyas, M. (2012). *Analysis of sustainable tourism village area development (Case Study: PLPBK Program in Kutoharjo Village, Kendal Regency)*, Final Assignment, Diponegoro University, Semarang.
- Soekadijo. (1997). *Anatomi Pariwisata*. Jakarta: PT. Gramedia Pusaka Utama.
- Sutawa, G. K. (2012). Issues on Bali tourism development and community empowerment to support sustainable tourism development. *Procedia Economics and Finance*, 4, 413 – 422.
- Village Hall Kutoharjo. (2011). *Noto Deso document of Kutoharjo Village*. Kendal: Village Hall Kutoharjo.
- Wang, H., Yang, Z., Chen, L., Yang, J., & Li, R. (2010). Minority community participation in tourism: A case of Kanas Tuva villages in Xinjiang, China. *Tourism Management*, 31, 759 – 764.
- Warpani, S. P., & Warpani, I. P. (2006). *Pariwisata dalam tata ruang wilayah*. Bandung: Penerbit ITB.
- Zhang, X. M. (2012). Research on the Development Strategies of Rural Tourism in Suzhou Based on SWOT Analysis. *Energy Procedia*, 16, 1295 – 1299.