

# Management of Economic Sustainability at Amarta Retreat & Recreation as a Part of Sustainable Tourism Development

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**Abstract:** The number of domestic and foreign tourist visits to Bali has decreased significantly during the Covid-19 period. Amarta Retreat & Recreation is one of the tourist destinations in the form of a resort located in Tabanan, Bali which has a tendency to decrease the number of tourists and the occupancy rate of bamboo villas in 2020 and 2021. Based on this problem, business management needs to be analyzed according to sustainable tourism indicators, especially the economic aspect because of the impact Covid-19. This study uses a qualitative approach, with data collection techniques of interviews, observations, document studies, and focus group discussions (FGD). Based on interactive model data analysis activities with the NVivo 12 Plus analysis tool, the results of research that focus on five indicators of the economic aspects of sustainable tourism, namely maintaining tourist satisfaction, walking routes in resorts, providing various experiences, marketing for sustainable tourism, and protecting destination image have been able to well implemented by the manager of Amarta. There are several aspects of the indicators that must be improved, namely the development of a system for managing comments and feedback from tourists, developing travel routes within the resort by developing tour package products, improving website performance as a marketing tool, optimizing strategies for the rebranding process, and considering brand protection as an intellectual property.

**Keywords:** economic sustainability, management, sustainable tourism development

## Introduction

The issue of sustainability in all aspects is a problem for many business companies spread across various countries that have high levels of productivity in various industrial sectors, including the tourism industry. Sustainability is closely related to the triple bottom line, which means a general concept as meeting current needs, without compromising future needs. This approach balances economic activity with environmental responsibility and social progress (Nurany et al., 2021). This is in line with Widana & Utama (2020) with that the concept of sustainable tourism is expected to meet environmental or ecological protection. By referring to the triple bottom line concept, the company will pay attention to the areas or responsibilities of the company's performance, especially on environmental and social impacts, not only the economy as a company goal (Wirananta & Sarja, 2020). The rapid development of the tourism business has become a dynamic social and economic phenomenon and has an impact on society (Johari et al., 2021). Before the Covid-19 pandemic situation had a negative impact on the tourism sector, the implementation of business in the tourism sector itself in principle could also have a negative influence on several aspects of human life. The results of research conducted by Zhao & Li (2018) regarding the negative impact of tourism in China, especially the development of tourist objects affect the geological landscape and the land where tourist attractions are developed. When tourists travel to tourist spots, it affects the air, animals and plants. The number of tourists in tourist attractions that exceed capacity, artificial tourist attractions, urbanization, and commercialization in natural scenic areas are some of the problems that are quite serious. Not only happening in various parts of other countries but also in Bali. The local community's perception of the development of accommodation in Seminyak has had a significant negative impact on the Seminyak area on environmental aspects, one of which is the issue of conversion and land ownership. The issue of land

conversion can affect local people's livelihoods, physical changes (structure and portions), pollution in rice fields and rivers, and affect the availability of clean water (Arcana, 2016). Meanwhile, similar findings were put forward by (Sutawa, 2012), in general the development of Bali as a tourist destination, has an impact on land conversion very quickly along with the development of tourism and rapid population migration growth as well.

Various ideas and ideas were put forward as solutions for massive tourism prevention, one of which was about the concept of sustainable tourism. The definition of sustainability can lead to the idea of increasing well-being or quality of life. The concept of sustainability will explain the importance of various capitals in the tourism business, not only financial capital but natural resource capital is also very important (Moscardo & Murphy, 2014). Based on the World Commission on Environmental and Development, quoted in Benevene & Buonomo (2020), the concept of sustainability can simply be interpreted as a development to meet current needs, without destroying resources that can affect the ability to meet future needs. The United Nations World Tourism Organization (UNWTO) in Durovic & Lovrentjev,(2014) defines sustainable tourism as tourism that fully takes into account current and future economic, social and environmental impacts. In the application of the concept of sustainable tourism, there are various indicators that can be used as a measuring tool for whether a tourism business has been said to meet the concept of sustainability or not. One of them is an indicator that is regulated internationally by UNWTO (Guidebook, 2004), adopted by Sulistyadi et al. (2019) and adapted to the tourism situation in Indonesia in a book entitled "Indicators of Sustainable Tourism Development Planning" 2019. Inside, the book also describes various indicators that can be used as guidelines in designing sustainable tourism development in terms of economic, social, and environmental aspects. This applied research, which focuses on managing the sustainability of the economic aspect, uses the indicators contained in the book as a guide.

Amarta Retreat & Recreation, hereinafter referred to as Amarta, is one of the tourist destinations in Bali that has a resort concept. Amarta is categorized as an attraction because it has facilities to stay for tourists and a series of interesting tourist attractions supported by beautiful views of rice fields and mountains (Prideaux, 2009). The phenomenon that occurs in the tourism business process in Amarta is that the number of tourist arrivals tends to decrease from 2020 to 2021. Apart from the result of the pandemic situation and government regulations regarding restrictions on community activities, according to the results of interviews with the owner and one of the consultants who helped develop the Amarta Retreat & Destination. This recreation, that other factors that cause the level of tourist visits to decline, such as the absence of a strong and targeted marketing strategy. This is contrary to the results of research from Natasha (2021) regarding marketing strategies at the Bali Paragon Hotel to increase income during the Covid-19 pandemic. Natasha's research found that marketing strategy is an important thing that tourism business owners must be able to modify. Various marketing strategies can be applied to increase hotel revenue, one of which is found at Hotel Bali Paragon is the stay-cation package. In addition to the aspect of managing marketing strategies, there are rebranding activities carried out by Amarta owners that have not been maximized and planned properly. The rebranding process is a risky action that is decided by the business owner. If the rebranding process is not carried out optimally, it can pose a risk to business continuity. Consumers who have trusted and know the old product will not easily believe in the new brand, if the rebranding process is not optimal. this is supported by the results of research from Susilo et al. (2021) about the importance of branding in supporting marketing activities in Mina Giri's business. The results of research by Susilo et al. (2021) show that the role of the marketing department is needed to stimulate the marketing process, so as to increase brand awareness of the products owned by the company.

If the problems and obstacles faced by the Amarta Retreat & Recreation managers can be handled properly, then it is not impossible that the Amarta Retreat & Recreation business management can be stable and increase tourist visits and have an impact on economic

sustainability. This is evidenced by several references from the success of tourism management. One of the positive impacts of tourism development is explained by Widari (2020). The study on sustainable tourism development policies shows that tourist arrivals to Jatiluwih Village bring economic benefits, namely being able to increase income profits for tourism business owners. The success of tourism management is also felt by tourism business people in Nusa Lembongan. The results of research from Mahaggangaa (2018) regarding the development of tourism on the condition of the people of Nusa Lembongan Island, that the biggest impact felt by tourism business owners is the economic aspect or increasing business income. On the other hand, tourism activities in Keboireng Village, which are well managed thanks to the cooperation of various parties, are able to have a positive impact on the development of the tourism business in the form of increasing the income of business actors from the aspect of increasing profits up to Rp. 1.000.000/month (Dananjaya, 2019).

Based on the background described, this study aims to develop a sustainable tourism model, especially in the economic aspect to achieve the concept of sustainable tourism. The sustainable tourism economic sustainability model is the result of various phenomena obtained in the field which are abstracted with various theories, so that it is expected to provide the latest concept on the management of sustainable tourism economic sustainability in Amarta.

## **Methodology**

This research was conducted at Amarta Retreat & Recreation located in Munduk Juwet Village, Pesagi, Penebel District, Tabanan Regency, Bali Province. Amarta Retreat & Recreation can be accessed with a travel time of approximately 1 hour 45 minutes from Denpasar as the capital city of Bali Province. The time of the research is carried out from September 17, 2021 to February 6, 2022, but on an ongoing basis if there is important information that can support the results of the research and is in accordance with the topic of this research, then changes or additions to important information will continue, so that it will produce research with the latest information and actual. The data collection methods used were interviews, observation, document studies, and focus group discussions (FGD). Qualitative descriptive analysis was used in this study as a data analysis technique, using an interactive model. The qualitative descriptive analysis technique was assisted by the NVivo 12 Plus data analysis tool using analysis content.

## **Results and Discussions**

### **Results**

In Figure 1, which is the output of this applied research on the management model to improve aspects of economic sustainability according to sustainable tourism indicators with reference to the previous model and added to the entity document Guide Book Indicators of Sustainable Development for Tourism Destinations by UNWTO. In Figure 2, the research model that has been generated from data visualization on data analysis tools using NVivo 12 Plus is then discussed again in FGD data collection techniques to produce research outputs that are appropriate to be applied to tourist destinations. The FGD process was carried out online with related parties on April 19, 2022 through Google Meet. So from the results of the FGD, to facilitate visualization, the following management model is presented to improve aspects of economic sustainability that can be applied by tourism businesses, especially for tourism business managers with the resort concept, as a form of output from this applied research.



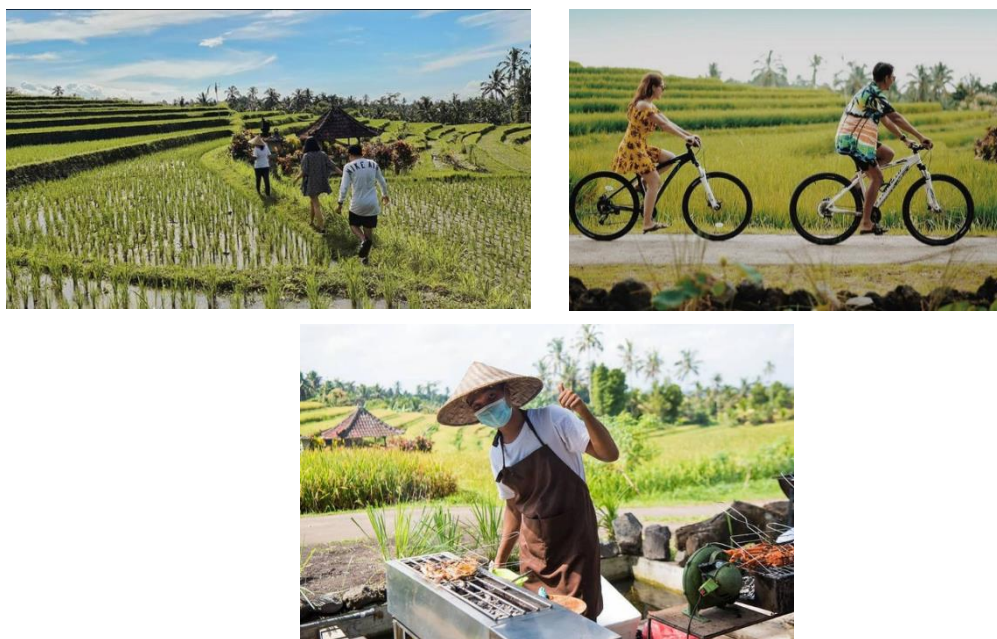
supported by the results of Kalebos (2016), the quality of service has a significant and positive effect on tourist satisfaction. Some of these aspects are also the main indicators which at the same time support as indicators of sustainable tourism in the economic aspect. Variety of attractions that are in line with the third indicator, namely providing a variety of experiences, will affect tourist experiences. Another aspect that relates to other core indicators, namely routes and trip circuits, is aligned with the second indicator, namely routes within destinations.



(Source: Palguna, 2022)

Figure 3. Eco-Friendly Equipment at Amarta Soy Sauce Bowl (top left), Hand Sanitizer (top right), Ashtray (bottom left), and Trash Can (bottom right) to Support Tourist Satisfaction

The second sustainable tourism indicator that can affect economic sustainability is the route within the destination. Route planning for each tourist attraction in a destination needs to be done to provide a better experience for tourists. Routes within a destination can be translated as a tour package within a destination. The route will integrate one tourist attraction with other relevant and suitable tourist attractions to be enjoyed by tourists. To optimize route indicators within destinations, it can be done by developing tour packages. Utilizing tour packages that are quite diverse and attractive can increase tourist interest (Sari, 2016).



(Source: Palguna, 2022)

Figure 4. Tourist Attractions Tracking (top left) to Pematang Sawah, Cycling (top right), and Cooking Class (bottom)

The third indicator is providing various experiences or variety of attractions. Tourism business managers are expected to provide various experiences to improve economic sustainability. Variety of attractions can be realized through product diversification. The more varied a product, the more choices for tourists, so it will increase the chances of buying a tourism product. Not only in terms of products, diversification strategies can also be carried out through service diversification, so it is very important for tourism business managers to determine which part of the diversification they want to do to achieve effectiveness (Vumbunu et al., 2021). The results of Pramono et al. (2020) research on product diversification for the development of tourist villages in Adrejo show the diversification of local food products produced by the community from the red guava yields into various products that have a high selling value, in demand by tourists so that they can increase the income of the local community.

The next indicator is marketing for sustainable tourism. More broadly described in the Guidebook (2004) marketing for sustainable tourism is not only how tourism business managers are able to implement strategies to communicate to a wide audience, that their tourist destinations have adopted the concept of sustainable tourism. Deeper than this, this indicator also emphasizes products and experiences that emphasize sustainability, market penetration, measuring tourist responses, and measuring the effectiveness of marketing strategies. If the tourism business manager already has a plan for these things, then one of the most important things in a marketing strategy for sustainable tourism is graphic design as a visual communication tool, so as to be able to communicate messages optimally to a wide audience.

The fifth indicator that can affect the aspect of economic sustainability is the image of the destination. In the initial concept that economic sustainability is determined by tourist satisfaction, based on the results of research by Sitepu & Rismawati (2021) it was found that destination image can significantly affect tourist satisfaction. In a broader explanation that the image of a destination can be determined by several factors, namely branding, vision, and marketing strategy. Marketing efforts towards tourist destinations will coincide with the formation of the image of the destination, so that tourism business managers must be able to conceptualize appropriate marketing strategies (internet marketing, social media marketing,

or words of mouth) to be able to build a good destination image (Guidebook, 2004).

If all indicators of sustainable tourism can be implemented properly, it is expected to be able to achieve overall tourist satisfaction. An appropriate measurement of the impact of tourist satisfaction is the percentage of return visitors to a tourist destination (Guidebook, 2004). The more tourists who visit again and again, the more likely it means that the visitor is satisfied with the tourist destinations that have been visited. This will affect the income of tourist destinations and increase profitability for tourism business managers.

## Conclusions

In the tourist satisfaction management indicator there are aspects that must be improved, namely the mechanism for managing tourist comments/feedback, the accessibility aspect requires the government's role in improving road access, while the service quality aspect gets a positive response from tourists. In the circuit indicators and travel routes, it is necessary to develop and align several tourist attractions so that they can form a tour package within the resort. In terms of providing various experiences, the management of Amarta is very attractive with a variety of tourist attractions that are owned with a consistent concept of blending activities with nature.

The marketing indicators for sustainable tourism have been implemented well by Amarta managers, one of which is the use of environmentally friendly supporting equipment, thus showing that Amarta is indeed focused on sustainability. The content displayed on social media as a marketing tool has also been conceptualized to give a suitable visual impression to a wide audience. But on the aspect of the effectiveness of the marketing strategy with the website, it is necessary to improve the performance of the website so that the marketing process is more optimal. The last indicator for the management of Amarta in the criteria of sustainable tourism economic sustainability is the protection of the image of the destination. Creating a good destination image is carried out in line with marketing activities. The applied marketing strategy has shown a good image of the destination, especially on social media marketing. The aspect that needs to be improved is brand protection for long-term sustainability when the tourism business is getting bigger.

The development of the tourism business to achieve economic sustainability requires the cooperation and integration of various parties. The role of internal parties in the organization requires good management and management. One of them is by implementing POAC management functions (planning, organizing, actuating, and controlling). Evaluation and development of various aspects of organizational management is necessary to ensure that every management function is carried out efficiently and effectively. In addition to the company's internal parties, the role of external parties such as the government and the media is also needed for the development of the tourism business. In every tourism business development effort, of course costs are needed to maximize the desired development effort, the role of the manager in financial planning is needed at this phase. When tourist expectations can be met, tourists can become satisfied and increase the chances of returning tourists. This condition is expected to increase profitability and ensure economic sustainability.

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