

Conference Paper

The Integration Model of Tourism Sectors and Creative Economy in Improving Competitive Power in Tanjung Jabung Barat Regency

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Abstract

This study aims at integrating the development model of the tourism sectors and creative economy to support each other in growing well in order to improve the competitiveness in Tanjung Jabung Barat Regency. Multi-criteria analysis (MCA) with tools on balance was used as the method of the study. The findings revealed that to develop the tourism sectors and creative economy, it needs to be clustered and focused on the main seed providing multiplier effects on other sectors. The tourism sectors included Fisherman Village, Water Front City and Rajo Muntialo Park with small- and medium-sized micro business having economic value that is the characteristic of Barat Tanjung Jabung Regency such *liberika* coffee, seafood processed and fish and shrimp crackers business. This clustering needs to be supported by government policy through regulations and working programs.

Keywords: tourism, creative economy, integration model, competitiveness, multi-criteria analysis (MCA)

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1. Introduction

The tourism industry is increasingly growing rapidly, increases competition, and impacts on all sectors whether it will be hospitality, public economy, or transportation. There are several key factors in the development of this tourism through innovations such; (1) entrepreneurial character, (2) networking, (3) technological development, and (4) environment (omerzel, 2014). Tourism development in Barat Tanjung Jabung Regency does not also escape from the problems of tourism generally in Jambi Province. Regional Representative Council on Travel Bureau Association (called Asita) in Jambi Province stated that Jambi tourism destination has not exactly attracted tourists to visit due to the destination has not been packaged to the fullest. Additionally, the facilities and infrastructure have not been supported to develop those destination. In fact, it was reinforced from the data of the decline in the number of

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foreign and domestic tourists who stayed in hotels in the area of Tanjung Jabung Barat Regency. Based on the report, tourists stayed as 10.88% or 34,906 in 2014, while it decreased as 6.3% or 32,704 tourists in 2015. In 2015, Indonesian citizens or domestic tourists who stayed as 32.694 while foreigners or of foreign tourists, only ten foreign tourists visited this area. Therefore, infrastructure issues linking to tourist destinations also affect the number of tourist visiting Tanjung Jabung Barat Regency.

Moreover, the tourism sector that should be attention of this study was about the creative economic development in Tanjung Jabung Barat Regency having the potential and unique resources in terms of sea-producing such as fish, shrimp and squid. It has a vast sea which is the liaison and entrance for goods and services in trade. One of the classic problems facing our creative economic sector today is to create an exciting business climate for public's investment and develop creativity and innovation in the business world, especially in the small and medium-sized enterprises. With the presence of Asean Economic Community (AEC), it becomes an opportunity as well as a challenge for Indonesia as one of the members of the community. Through the AEC, it is expected to jointly improve the competitiveness. The vision of ASEAN is to open the free flow of goods that has been going on since 2015. The three main pillars of the AEC community are the ASEAN political security Community, the ASEAN economic community, and the ASEAN socio-cultural societies. The AEC initiates ASEAN members to promote free movement of goods, services, investments, and well-educated workers across the ASEAN region (Arifin et al., 2008).

Based on the aforementioned problems and opportunities, this study integrated the tourism sector and creative economy that will be expected to be one of the solutions in improving the competitiveness of Tanjung Jabung Barat Regency and increasing public welfare in the local, national, and international economic rounds.

2. Literature Review

2.1. The concept of tourism integration

Tourism is a very multidimensional concept and has different definitions. Tourism is defined as human activities travelling to and living in destinations outside their daily environment. This tour takes place in a period of not more than a year in a row for the purpose of fun, business, and others (WTO, 1999). Tourism will grow if it is supported by growing creative economy. The creative economy has played an important role

over the past two decades and needs better knowledge and skills in order to have a substantial economic impact (OECD, 2014).

2.2. Creative economy

Creative tourism will affect many sides in its development and marketing because it is not only as innovation approach to tourism but also related to infrastructure and development of new business concept. Inputs and outputs of creative economy as an economic activity include idea or creativity. Howkin (year) also explains that to implement the idea of creative economy is to implement the creative industry. The creative economy in Indonesia is regulated by Presidential decree No. 6 dated on August 5 in 2009 on creative economy development. This presidential decree describes the development of economic activities based on creativity, skills, and individuals to create creative power of individuals with economic value and influence the public welfare.

2.3. Regional competitiveness

Regional competitiveness is the ability of regional economy to achieve high and sustainable welfare growth while remaining to open domestic and international competition (Abdulah et al., 2002). Furthermore, Abdulah et al. (2012) describes the principles of performance of the regional economy that affect regional competitiveness; (1) added value, reflects economic productivity at least in the short term, (2) capital accumulation, is absolutely necessary to enhance long-term competitiveness, (3) the prosperity of a region, reflects the economic performance of the past, and (4) competition, driven by marketing mechanism will improve the economic performance of a region. The tighter the competition in the economy regional, the more competitive of the companies that will compete both domestically and internationally. Li(2011) categorized the subject of competitiveness into three levels; micro, meso and macro. These can be further characterized as being applicable to organization competitiveness, industrial competitiveness and national competitiveness.

3. Methods

Analysis technique of data used in this study combined qualitative and quantitative method (mixed methods), with stages as; qualitative descriptive analysis (phase 1),

focus group discussion (FGD) with world cafe table format (phase 2), and multi criteria analysis (MCA) Method (phase 3). **The population** in this study are community groups and entrepreneurs directly related to tourism sector, Small and Medium Industry. The sampling technique used in this research is Purposive Sampling.

4. Findings and Discussion

4.1. Featured attraction

The results of on balance analysis describes the alternative illustration of tourism development in Tanjung Jabung Barat Regency as Figure 1.

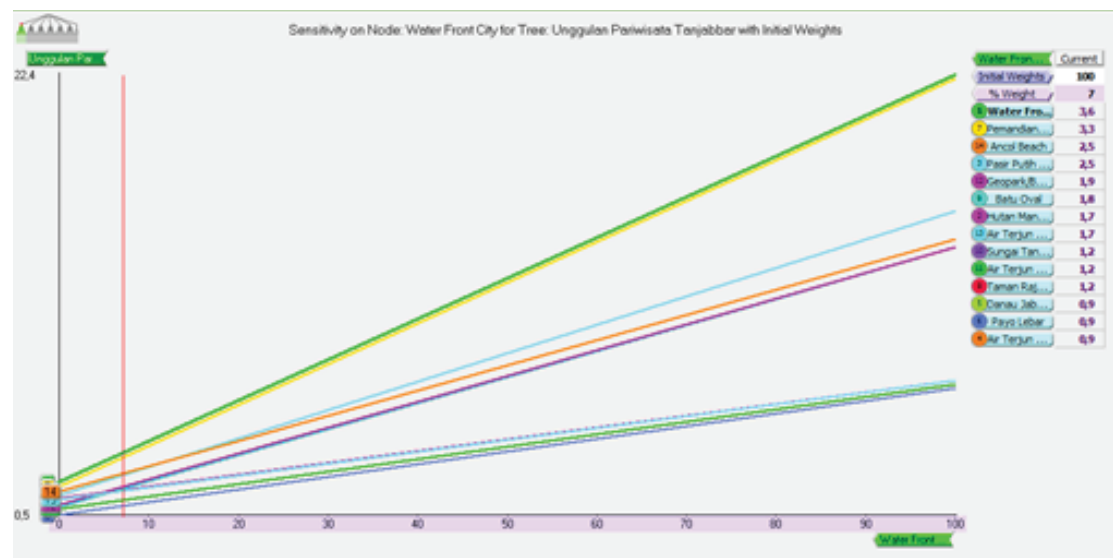


Figure 1: The superior sensitivity of tourism in Tanjung Jabung Barat Regency.

Figure 1 showed the ranking of attractions potentially developed in the short term in Tanjung Jabung Barat Regency; Water Front City with a weight of 3.6, Hot Water Baths with a weight of 3.3, and Pasir Putih Pangkal Babu and Ancol Beach in the third rank with a weight of 2.5. The results of this analysis did not mean that other tourist objects were not potential to be developed in Tanjung Jabung Barat Regency, whereas the analysis was based on the criteria of attractions, facilities and services, accessibility, image of tourist attraction, cost and price that became the best choices for the visitors today.

4.2. Excellent creative economy

The main products of small and medium enterprises produced by Barat Tanjung Jabung Regency included *liberika* coffee, fish cracker, *batik*, coconut shell craft, sticky, food processed usch *kletek* crackers and fish processed such as salted fish and anchovy. The illustration of creative economy in Tanjung Jabung Barat Regency divided into four attributes; benefit, institutional, capital, and marketing, which is explained by Figure 2.

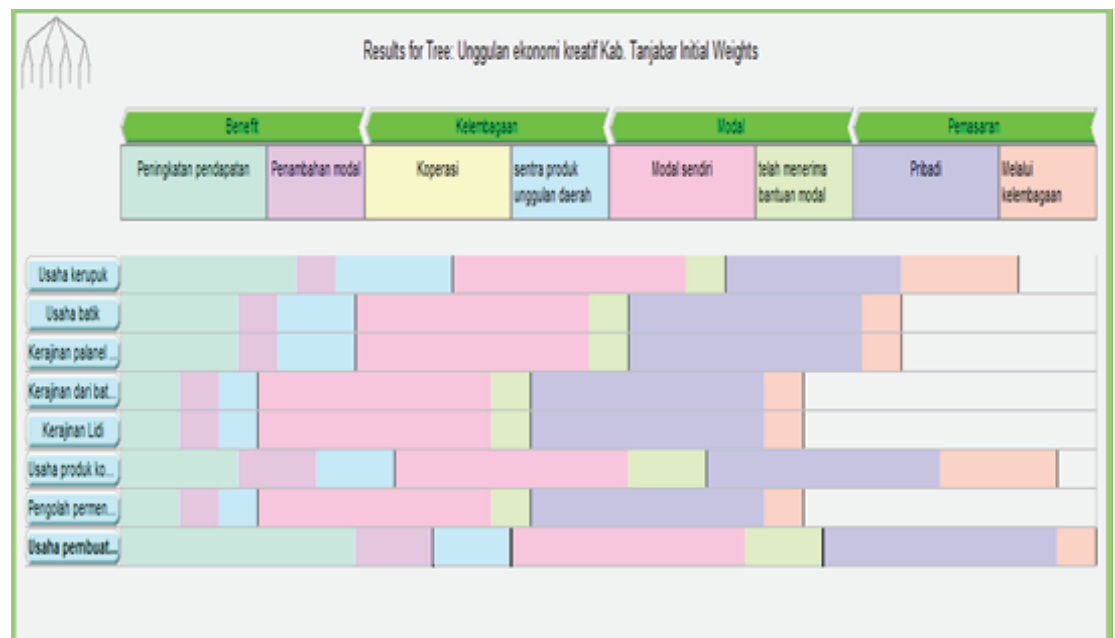


Figure 2: Four attributes of creative economy in Tanjung Jabung Barat Regency.

4.3. Strategy and integration model of tourism sector and creative industry

Tourism development in Tanjung Jabung Barat Regency in this study was built by four policy options. These policy options were derived based on expert interviews, documentation and facts on the research focus. Figure 3 explained that four options having great potential for tourism development in Barat Tanjung Jabung Regency included; BAU, maritime tourism, integration tourism, and creative economy and religious tourism. These four policy options will be analyzed in economic, social, and environmental dimensions.

The result of multi criteria analysis showed that the policy of integration of tourism and creative economy was superior to the economic, social, and environmental dimensions. Figure 4 presented a tree model of tourism integration and creative economy

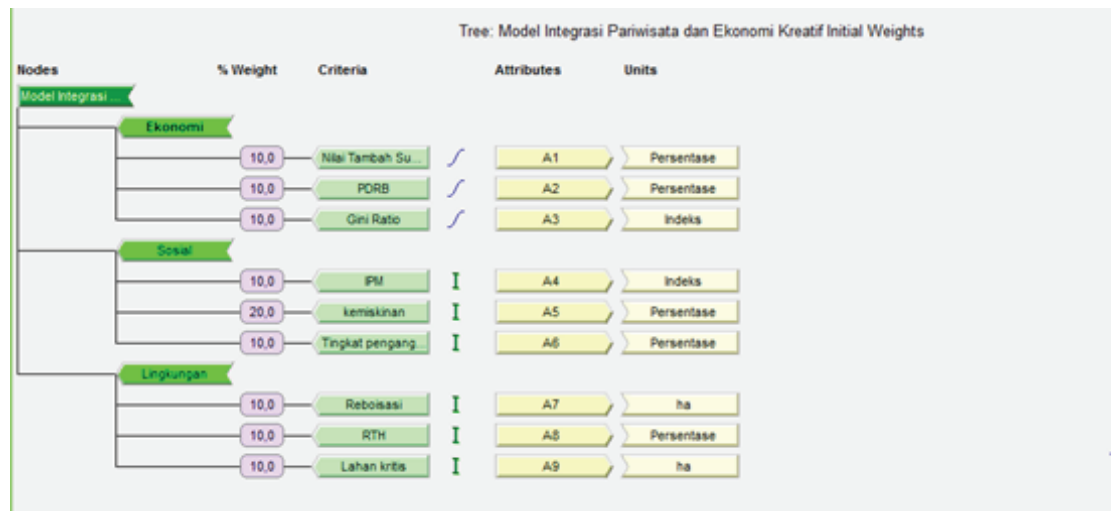


Figure 3: Tree of tourism model and creative economy in Tanjung Jabung Barat Regency.

in Tanjung Jabung Barat Regency by building economic, social and environmental dimensions. Each dimension was divided into three indicators, and bad and good indicators; economic dimension with added value sub-sector indicators, GRDP, and Gini Ratio, social dimension with dimension of human development index (HDI), poverty and unemployment rate, and environmental dimensions with reforestation indicators, green space, and critical land.

Further, this figure showed a comparison of alternative tourism development policies in Tanjung Jabung Barat Regency. From this figure, it can be seen that the policy of tourism integration and creative economy challenge more benefit to the improvement of human development index (HDI), added value, gross regional domestic product and availability of green open space in Tanjung Jabung Barat Regency. From reforestation indicators, reducing critical land, reducing poverty, reducing unemployment and gini ratios, they equally give the same value of the four policy options.

Based on the results of multi criteria analysis, it can be converted to the strengthening factors in developing tourism in Tanjung Jabung Barat Regency advancing the tourism sector and creative industries that must be carried out in synergy between the tourism sector and the creative economy. The tourism sectors will grow well if the supporting creative industries sector also grow in line. In order to realize high competitiveness for tourism development in Tanjung Jabung Barat Regency, it needs to do the following steps:

1. *New superior building policy*, Tourism and creative industries that already existed need to make extensive improvement intensively. Access and infrastructure need to be built up to access the location that can be reached. The creative industries in

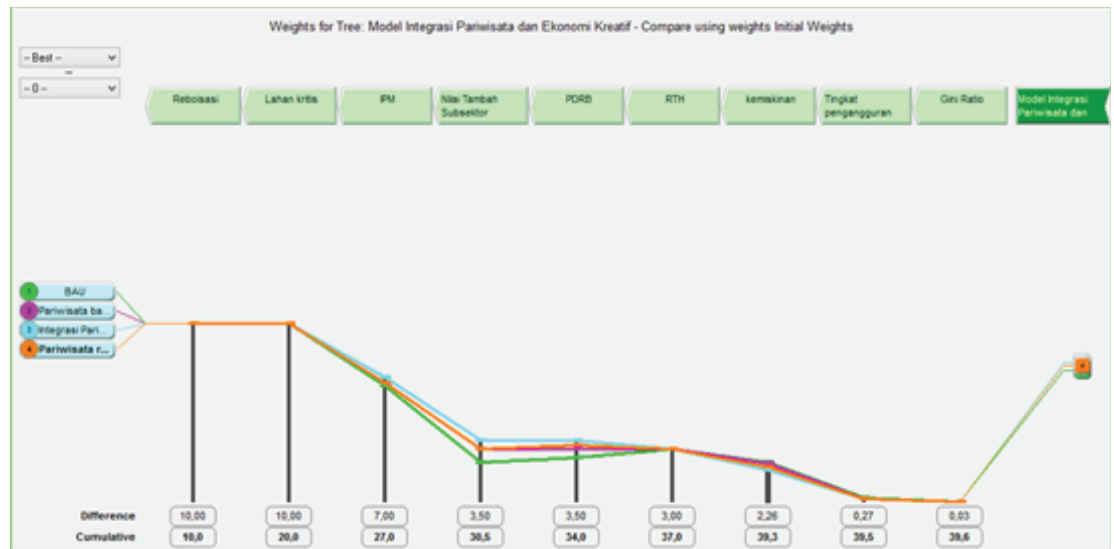


Figure 4: Comparison of alternative tourism development policies of Tanjung Jabung Barat Regency.

the form of food and merchandises by the typical area can be obtained easily with attractive packaging, so that existing products with a touch of good technology will be a superior product in many interest to attract the visitors

2. *Building an integrated cluster tourism based on geography*, Tanjung Barat Regency is sea area with sea products not owned by other regencies. Tourism is built with clusters such as fisherman village that is very appropriate and potential to capture other sectors. Because tourism is influenced by three main factors (triple A); *attraction* (included, natural and cultural appeal), *accessibility* (included transportation and infrastructure such as airports and ports), in which many tourist areas which do not have good access and fishing village is more likely to be developed, and *amenities* (included accommodation, restaurant, travel agency and other support services), these are not fully support, and still many attractions that do not have the completeness.
3. *Marketing support and entrepreneurship support policies*, The marketing of existing products needs to be supported by government policy. Most artisans have marketed their own products and their own containers to be unattractive and not yet met the standards so far, both shape and taste. Each craftsman will be different from the others and the uniformity will be an excellence product. Therefore, the government has a role in conducting coaching. The business climate policy is expected to complement the legal regulations in order to improve the community welfare through the strengthening of competitiveness of SMEs and tourism.

5. Conclusion

Based on the findings of the study, potential tourism needs to be developed in Tanjung Jabung Barat Regency included Water Front City, Rajo Munitlao Park, Fisherman Village. Small potential industry need to be developed with uniqueness owned included business of crackers and sea processed, *liberica* coffee, *batik*, and coconut shell craft. Integration model that can be developed in supporting the growth of tourism sector and creative industry is using territorial clusters blended approach with the growth of creative economy, so that the focus to the development of tourism is potentially by involving typical creative industries such as *liberika* coffee as a uniqueness resources and rare variety, sea food and fish crackers processed with reference to the standardization of products and packaging in order to compete locally, nationally, regionally, and internationally. Further, marketing is also carried out jointly both through the website of Barat Tanjung Jabung Regency as well as the website of the Ministry of Tourism.

In brief, strengthening for cooperatives moving in the real sector is needed in order to optimally support the existence of SMEs. The leading of SMEs is experiencing shifts and will continue to shift along with changes in spatial, cultural, and technological changes. The role of government is needed in preparing SMEs to be ready in facing the change.

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