The effect of tourism village development project on economic sustainability through tourism villages based on natural and cultural potentials

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**ABSTRACT**

Tourism village development projects have become attractive to the community during the Covid 19 Pandemic and after. This condition is caused by many people in urban areas who wish to travel to natural and indigenous cultural destinations. Tourism village development is a process that emphasizes ways to develop or advance tourist villages. Village green tourism development projects through natural and cultural destinations are expected to provide sustainable village economic sustainability. The distribution of questionnaires to obtain the potential for village tourism development was determined by the project team that will develop in identifying, assigned consultants and key people from local villages, including leaders with a total of 46 respondents. Data processing looks at the relationship between village economic sustainability and village economic sustainability through nature and cultural sustainable tourism potential using partial least squares. The data processing results show that the village tourism development project has a positive effect on nature tourism potential, cultural tourism potential, and village economic sustainability by increasing the welfare of local communities. The nature tourism potential of the village, which has attractive mountains and a reliable source of agricultural products, is capable of impacting the local community's interest. Cultural tourism potential owned by the village with attractive tourist performances on a regular and well-scheduled basis and the ability of the village to show dance performances that reveal their identity can impact the village's economic sustainability. The village green tourism development project is set in the finalization stage of project planning by considering the project completion time.

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**Keywords:**
- Village development project planning
- Natural and cultural tourism
- Village economic sustainability

1. Introduction

Tourism is essential for a region to increase a country's income (Spenceley, 2019). The tourism potential of the people in Indonesia is estimated to be very high. Indonesian society travels abroad is estimated at 6-7 million per year. People's tourist destinations abroad are estimated to travel to Malaysia, Singapore, Korea, America, and Europe. Indonesian tourists go abroad spending billions of dollars (Ramadhan, 2019). Based on data from Bank Indonesia (BI), 11.32 million Indonesians on overseas trips spend up to US$ 11.32 billion on vacation abroad. All of this is due to the availability of facilities to visit other residents of ASEAN member countries. The relatively short distance equipped with a reasonably busy flight and highway network between regions has made this area a popular tourist destination. The potential ASEAN market comes from neighboring countries whose reach includes medium haul, such as Japan, Taiwan, Korea, Hong Kong, and China. The ASEAN markets that fall into the long haul are Europe, America, and Australia. However, when the pandemic hit, people who used to vacation abroad were forced to postpone their annual routine (Lidyana, 2021). The coordination built by the government after the Covid-19 event impacted tourism changes (Sari et al., 2020, Sharma et al., 2021). Foreign tourist visits...
Tourist preferences will change as the standard era coexists with the virus outbreak (Sharma et al., 2021), where issues of health, hygiene, as well as safety, and security will be the primary considerations for tourists to travel (Yüzbaşoğlu et al., 2014). The tourism industry players and the creative economy must be observant to see the current situation. The tourism industry players are asked to adapt to this change. New protocols must be implemented to anticipate the possibility of the virus spreading. If the new protocol is not implemented, the image of tourism may be harmful. The health protocol in question starts from the side of transportation, lodging, and restaurants, to several areas in tourist locations. Both domestic and foreign tourists can travel safely, and the community can remain productive. Indicators used by the Indonesian government to measure the success of tourism development include the number of visits by foreign (foreign) and domestic (domestic) tourists to a tourist attraction, the increase in the occupancy rate of hotel rooms around the tourist attraction, and the ability to attract tourists, to spend the money (Sari et al., 2022; Arifin et al., 2020).

Many countries carry out strict screening to keep the entry of foreign tourists into their respective countries and can impact the community. On the other hand, Indonesia relies on domestic tourist travel. Therefore, geographical factors are important factors for consideration of tourism development. A geographic approach based on the spatial aspect closely relates to tourist visits (Hermawan, 2020). Tourism development that uses a spatial approach can be seen from the position of tourism objects against other objects. This is intended to see the potential of tourism objects and the possibility to be developed or developed (Watts et al., 2019). Indonesia’s tourism potential is spread throughout the country with various styles and types, showing the specificity of each region (Latif, 2018). The government intends to develop tourism areas throughout the archipelago so that the participation of each region is very much needed (Arifin et al., 2020).

Indonesia has a variety of cultures, traditions, and natural resources scattered throughout the region. The community uses this to build and develop these natural resources into one of the economic resources of the community, tourist destinations and become one of potential tourist villages (Hermawan, 2020). In the era of the COVID-19 pandemic, the tourism sector was greatly affected (Sharma et al., 2021). As a result, many tourist attractions are closed, and the number of visitors is limited, both foreign and domestic. Especially in areas where the tourism sector is the primary source of the economy, the impact will be felt. Restoring the tourism sector, one of the steps that need to be carried out by the government is to develop tourist villages. Tourism development in a tourist destination must be based on planning, development, and management direction (Arifin et al., 2020). Systematic tourism development is reflected in establishing a tourist destination (Yang et al., 2022). Local governments have an essential role in tourism development, including formulating policies in tourism development and acting as a means of monitoring tourism activities so that they are expected to maximize the potential of tourist destinations (Watts et al., 2019). Tourism destinations in East Java in 2020 only reached 22,497,857 visits. This number is down compared to 2019, which reached 82,561,561 visits. Last year, even foreign tourists (tourists) only reached 39,669 visits, down 94.85 percent compared to 2019, which was 770,829 visits (Widarti, 2021).

For tourism development, East Java divides its area into several sub-tourism destinations. The potential for tourism objects on a local and regional scale has formed a network pattern for the flow of tourists in East Java during and after Covid-19. The flow is formed because the existing tourist attractions in these cities have been known. In addition to the attractiveness of tourism objects, the factor in the formation of the pattern of tourist flows is formed because of the completeness of tourism-supporting facilities and infrastructure (Zakaria et al., 2015). Tourism as an economic activity must be seen from two sides, namely, the demand side and the supply side (Spenceley, 2019). Success in tourism development in an area depends on planners’ ability to integrate these two sides in a balanced way into a tourism development plan (Vitasurya, 2016). To achieve the success of the tourism target of an area, efforts need to be made by regulating an adequate tourism system in the form of promotion and development of tourism potentials supported by production designs and activities held by the local government (Latif, 2018).

Sustainable tourism development meets the needs of the present without compromising the needs of future generations (Jamkhaneh et al., 2022; Yang et al., 2022). Tourism products and services can be in the form of activities held, namely cultural celebrations (festivals, carnivals, religious activities); political activities and residence (political activities, hotels, restaurants); arts and entertainment (concerts, activities in the form of awards); business and trade (meetings, conventions, consumer and trade, markets); educational and scientific activities (conferences, seminars, clinics); sports competitions (professional sports activities, participation in sports activities); and finally special activities (wedding activities, parties, and social activities) (Yüzbaşoğlu et al., 2014). The tourism development of an area is adjusted to its natural potential as a form of tourism and cultural destinations that are owned as sustainable tourism potential (Wang et al., 2015; Watts et al., 2019). This study has four primary objectives, namely tourism development, by identifying its impact on natural tourism potential. Second, tourism development by identifying those that have an impact on the potential for cultural tourism. The three potentials of natural tourism and the potential of cultural tourism have an impact on the economic sustainability of tourist villages.
2. Literature Review

2.1. Village Tourism Development Project

Village tourism is a form of tourism in which a small group of tourists lives in or near traditional or remote villages and study village life and the local environment (Sari et al., 2022; Watts et al., 2019). Tourism development is a process that emphasizes ways to develop or promote tourism (Spenceley, 2019). More specifically, the development of tourist villages can be interpreted as efforts to complete and improve tourism facilities to meet the needs of both domestic and foreign tourists (Vitasurya, 2016). Tourism village development needs to be developed by implementing project management to identify stakeholders' priorities (Hermawan, 2020). The project is a process of planning, organizing, leading, and controlling organizational activities and other resources to achieve organizational goals over a certain period (Watts et al., 2019).

Project management has functions, including the first planning function, which aims to make decisions that manage data and information selected to be carried out in the future, such as preparing long-term and short-term plans. Second, the organizing function aims to unite a collection of human activities, which have their respective activities and are interconnected and interact with their environment to achieve organizational goals. Third, the actuating function aims to harmonize all relevant organizational actors in activities/projects, such as task direction and motivation. Fourth, the controlling function aims to measure the quality of appearance and analyze and evaluate activities, such as providing suggestions for improvement and others. Village tourism development projects can be said to be activities carried out in tourist villages to increase tourist visits (Latif, 2018). The development of village tourism is applied to measuring the perceptions of village communities and tourists visiting the village. The concept of developing a tourist village is to make the village a tourist destination. The village tourism development project is set with three measurement items, namely planning for village tourism development in a planned manner, village development costs that have been adequately budgeted, controlled village tourism development time, and village leaders have a commitment to village development (Sari et al., 2022; Watts et al., 2019; Hermawan, 2020; Arifin et al., 2020; Vitasurya, 2016).

2.2. Natural and Cultural Tourism Potential

Many potentials exist as attractive tourist attractions, such as the potential for natural beauty, exceptional food, regional culture and traditions, and regional crafts (Hermawan, 2020). However, this potential must have its uniqueness so that regions have the potential with their uniqueness (Zakariya et al., 2015). The potential for natural tourism is an area's state, flora, and fauna, such as beaches, forests, mountains, rivers, and others (Seraphin & Bosquet, 2020). Cultural tourism potential is all the results of human creativity, taste, and initiative in the form of customs, handicrafts, arts, and historical heritage in the form of buildings, dance performances, performances, or cultural arts performances of an area (Latif, 2018). The potential for natural tourism is very much needed to understand the future development of the village to be able to generate an increase in the number of tourists (Yüzbaşoğlu et al., 2014). The main principle in a tourism village is village development, which focuses on empowering the community to build their village independently. The development of tourist villages aims to improve the community's welfare by developing productive businesses in the tourism sector following local potential and resources (Vitasurya, 2016). The measurement items for village tourism potential are set with four items: the village has attractive mountain tourism, the village has attractive river tourism, the village has unique natural tourism, and the village has a reliable source of agricultural products (Seraphin & Bosquet, 2020; Yüzbaşoğlu et al., 2014). The potential for cultural tourism is determined by three measurement items, namely the village has planned tourism performances, the village has engaging tourist performances, and the village shows dance performances that show their identity (Vitasurya, 2016; Yüzbaşoğlu et al., 2014; Zakariya et al., 2015).

2.3. Economic Sustainability

The existence of an important tourist village during the Covid-19 pandemic is the right moment to increase the potential of village tourism (Sari et al., 2022). Developing a tourist village must pay attention to the local community's ability and level of acceptance, which will be developed into a tourist village (Hermawan, 2020; Vitasurya, 2016). This is intended to determine the character and abilities of the community that can be utilized in the development of tourist villages and determines the type and level of community empowerment for tourism village development activities (Latif, 2018). Tourism development is expected to provide economic improvements, such as income and employment, social benefits such as improving community skills, environmental benefits, such as infrastructure improvements, and other benefits for the community (Jammkhan et al., 2022; Watts et al., 2019). In addition, sustainable development planning can be used as a tourism advantage (Wang et al., 2015; Yang et al., 2022).

In simple terms, sustainable tourism development emphasizes 3 (three) principles. First, it is economically feasible, which means that the principle of development must provide significant economic benefits for regional development and improve the welfare of local communities. Second, take an environmental perspective by emphasizing a responsive development process and paying attention to efforts to preserve the environment, both natural and cultural. Tourism development must also minimize the negative impacts that degrade the quality of the environment and disturb the ecological balance. Third, it
is socially acceptable by emphasizing that the tourism development process must be socially acceptable, where development efforts must consider the values/norms that exist in the community. The principle for sustainable tourism development is also set as a measurement item on economic sustainability.

3. Research Methods

The type of research used is descriptive qualitative research which shows that the research prioritizes data that questionnaire distribution, in-depth interviews, and validity. This study took the object of research in villages in the Mojokerto District, East Java Province, by collecting data with in-depth interviews with several experts who would be involved in developing village tourism. The data was obtained in the early stages by conducting an in-depth interview with village development consultants from universities, local village heads, and village development practitioners. The research model obtained at the planning stage of the village development project is set out in Fig. 1.

Based on Fig. 1 above, the formulation of the research hypothesis can be set as follows:

**H1:** The village tourism development project influences the potential for natural tourism.

**H2:** The village tourism development project influences the potential of cultural tourism.

**H3:** The village tourism development project influences the economic sustainability of the village.

**H4:** The natural tourism potential influences the economic sustainability of the village.

**H5:** The potential for cultural tourism influences the economic sustainability of the village.

Green tourism development activities in the village are carried out on the potential for natural tourism by assigning respondents who make careful observations, especially to the team that has identified the potential for nature and cultural tourism. The results of the identification of nature tourism and cultural tourism by determining the impact on the economic sustainability of the village. Analysis of the data used to obtain economic sustainability as measured by four items, namely village tourism has the potential to provide economic benefits, village tourism provides an increase in the welfare of local communities, village tourism can still maintain a balance of environmental quality, and village tourism can maintain values/norms. Norms that exist in the community. Village tourism development project is measured by four items, while village natural tourism potential has four items and cultural tourism potential by three items. The questionnaires were distributed to 25 personnel assigned to identify tourism potential in the village, six people from consultants on village tourism development, and 15 as leaders in developing village tourism. Data analysis in the study was determined using partial least squares by testing the inner and outer models (Khan et al., 2019).

4. Results

Distribution of questionnaires to 46 individuals who pay attention to the potential for developing village tourism with the characteristics of respondents based on gender, 27 respondents (59%) were male and 19 female respondents (41%) with the dominant age being between 19 years and 25 years as many as 29 respondents. (63 %). Characteristics based on education obtained in S3 (Doctoral) education two respondents (4%), Master education three respondents (4%), Bachelor education 38 respondents (83%) and other four respondents (9%). The results of the questionnaire distribution are obtained in Table 1 because of the goodness of fit model. The validity results shown by the AVE (Average Variance Extracted) value for each variable have met the requirements with the VTDP amount being 0.5333, NTP being 0.533, CTP being 0.622, and VES being 0.578.
Table 1
The goodness of fit Item Measurements

<table>
<thead>
<tr>
<th>Item Measurement</th>
<th>Loading Factor</th>
<th>Rho_A</th>
<th>Composite Reliability</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Village Tourism Development Project (VTDP)</td>
<td>0.757</td>
<td>0.817</td>
<td>3.4722</td>
<td></td>
</tr>
<tr>
<td>Planning for planned village tourism development (VTDP1)</td>
<td>0.853</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Budgeted village development costs (VTDP2)</td>
<td>0.744</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Controlled village tourism development time (VTDP3)</td>
<td>0.746</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leaders commit to village development (VTDP4)</td>
<td>0.544</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nature Tourism Potential</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The village has attractive mountain tourism (NTP1)</td>
<td>0.910</td>
<td></td>
<td>3.8889</td>
<td></td>
</tr>
<tr>
<td>The village has attractive river tourism (NTP2)</td>
<td>0.587</td>
<td></td>
<td>3.9333</td>
<td></td>
</tr>
<tr>
<td>The village has impressive thousand-rooted tree tourism (NTP3)</td>
<td>0.573</td>
<td></td>
<td>3.9111</td>
<td></td>
</tr>
<tr>
<td>The village has a reliable source of agricultural products (NTP 4)</td>
<td>0.794</td>
<td></td>
<td>3.3333</td>
<td></td>
</tr>
<tr>
<td>Cultural Tourism Potential</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Villages have planned tourism performances (CTP1)</td>
<td>0.641</td>
<td></td>
<td>4.2000</td>
<td></td>
</tr>
<tr>
<td>Villages have engaging tourism performances (CTP2)</td>
<td>0.887</td>
<td></td>
<td>3.3111</td>
<td></td>
</tr>
<tr>
<td>Villages show dance performances that show their identity (CTP3)</td>
<td>0.819</td>
<td></td>
<td>3.2222</td>
<td></td>
</tr>
<tr>
<td>Village Economic Sustainability</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Village tourism can maintain the balance of environmental quality (VES3)</td>
<td>0.804</td>
<td></td>
<td>3.9778</td>
<td></td>
</tr>
<tr>
<td>Village tourism can maintain the values/norms that exist in the community (VES4)</td>
<td>0.755</td>
<td></td>
<td>4.0899</td>
<td></td>
</tr>
</tbody>
</table>

The results in Table 1 show that the Village Tourism Development Project (VTDP) has had a reliability test that has met the requirements, namely the value above 0.700, as seen from the Rho_A value or composite reliability. The average value of the Village Tourism Development Project (VTDP) was obtained at 3.4722, indicating that the respondents' perceptions stated they were quite good in implementing the Village Tourism Development Project. This shows that it takes a strong commitment from the government and local communities to develop. The validity test for the indicators on the Village Tourism Development Project (VTDP) variable has met the requirements to be above 0.500, and the smallest is found in the measurement item. Village leaders commit to village development (VTDP4) of 0.544. Nature Tourism Potential has met the reliability test requirements with Rho_A 0.998 or composite reliability 0.760. Therefore, the measurement item for Nature Tourism Potential has been above 0.500 and has met the validity test. The Cultural Tourism Potential variable has a Rho_A value of 0.722 or composite reliability of 0.829, and the Village Economic Sustainability variable has a value of 0.775 or composite reliability of 0.843. Therefore, the measurement items Cultural Tourism Potential and Village Economic Sustainability have met the requirements above 0.500. The results of hypothesis testing generated through PLS (Partial Least Square) processing are shown in Table 2.

Table 2
The results of research hypotheses with path coefficient

<table>
<thead>
<tr>
<th>Path Coefficient</th>
<th>Original Sample (O)</th>
<th>Sample Mean (M)</th>
<th>P Values</th>
</tr>
</thead>
<tbody>
<tr>
<td>VTDP → NTP</td>
<td>0.224</td>
<td>0.292</td>
<td>0.000</td>
</tr>
<tr>
<td>VTDP → CTP</td>
<td>0.192</td>
<td>0.209</td>
<td>0.000</td>
</tr>
<tr>
<td>VTDP → VES</td>
<td>0.196</td>
<td>0.185</td>
<td>0.000</td>
</tr>
<tr>
<td>NTP → VES</td>
<td>0.403</td>
<td>0.421</td>
<td>0.001</td>
</tr>
<tr>
<td>CTP → VES</td>
<td>0.282</td>
<td>0.243</td>
<td>0.033</td>
</tr>
<tr>
<td>VP → CTP → VES</td>
<td>0.054</td>
<td>0.065</td>
<td>0.209</td>
</tr>
<tr>
<td>VTDP → NTP → VES</td>
<td>0.109</td>
<td>0.140</td>
<td>0.049</td>
</tr>
</tbody>
</table>

Based on the results in Table 2, it is obtained that the first hypothesis (H1), namely the village tourism development project, affects nature tourism potential of 0.224 and a p-value of 0.000 (p-value below 0.05), which indicates that the hypothesis is accepted. Therefore, the village tourism development project significantly affects nature tourism potential. The second hypothesis (H2), which is said to be that the village tourism development project influences cultural tourism potential of 0.192 and a p-value of 0.000 (p-value below 0.05), shows that the village tourism development project influences village economic sustainability. The third hypothesis (H3), village tourism development project affects village economic sustainability of 0.196 and p-values 0.000 (p-value below 0.05) indicates that the third hypothesis is accepted. The fourth hypothesis shown by nature tourism potential has an effect of 0.403 and p-values of 0.001 on village economic sustainability is declared acceptable because it already has a p-value below 0.05. The fifth hypothesis (H5), stated by cultural tourism potential on village economic sustainability, is 0.282, and p-values are 0.033 (p-value below 0.05). Therefore, the fifth hypothesis is accepted, so it can be concluded that cultural tourism has the potential for village economic sustainability. The indirect relationship between village tourism development project variables and village economic sustainability through nature tourism potential is 0.109, and the p-value is 0.049. This shows that nature tourism potential mediates between village tourism development project variables and village economic sustainability. The relationship between village tourism development project variables and village economic sustainability through cultural tourism potential of 0.054 and p-values of 0.209 (greater than 0.05) is declared not accepted, so cultural tourism potential does not act as a mediation.
5. Discussion

Results Analysis of the data shows that the village tourism development project influences nature tourism potential. Planning for planned village tourism development (VTDP1) and controlled village tourism development time (VTDP3) as a form of village tourism development project can increase nature and cultural tourism potential. The village tourism development project can impact village economic sustainability by increasing the welfare of the local community in the village. The nature tourism potential of the village is shown by the existence of village tourism with attractive mountains (NTP1) and villages with reliable sources of agricultural products (NTP4) can have an impact on improving the welfare of the local community. Cultural tourism potential owned by the village with the existence of attractive tourist performances regularly and well scheduled (CTP2) and the ability of the village to show dance performances that show their identity (CTP3) can have an impact on village economic sustainability with the emergence of village potential. Village economic sustainability owned by the existence of village tourism can improve the welfare of local communities (VES2) and maintain a balance of environmental quality (VES3). Village tourism development projects serve as a way for local governments to improve the living standards of rural communities with the economic growth of rural communities. The potential of increasing village tourism has had high potential since the onset of Covid-19 due to the tendency of people to avoid tourist areas that are full of crowds. This research contributes to increasing the number of tourists to the village and can automatically provide economic growth to increase the living standards of rural communities. Theoretically, it can provide enrichment to the concept of economic sustainability. Based on the results of the study, it was found that the development of tourist areas was able to impact village economic sustainability through nature and culture tourism potential. Planning is needed to get activities carried out in village tourism development projects that are directed and orderly.

6. Conclusion

Village tourism has become a leading tourist spot during the covid 19 period as a destination for urban communities due to the many natural tourist attractions far from the crowds. The village is a potential tourist spot for the community. Village tourism development planning as a project needs to be developed because it will be able to provide an increase in economic sustainability. Based on the results of the study, several conclusions can be drawn, namely, first, a village tourism development project with a planned village tourism development plan and a controlled time for developing village tourism can have an impact on nature tourism potential and culture tourism potential. The village tourism development project has an impact on increasing the village's economic sustainability. Second, nature tourism potential with village tourism that has attractive mountains and a reliable source of agricultural products can impact a village's economic sustainability. Third, culture tourism potential with regular and well-scheduled cultural performances has an impact on increasing a village's economic sustainability. This research provides a theoretical contribution providing sharpness in completing tourism development projects and economic sustainability. Practical contribution for village leaders and project teams in identifying priority activities that are urgently needed.

References


