

# The Influence of Tourist Perceived Equality, Government Support on Tourism Development Through Improving the Community's Economy

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## ABSTRACT

This study aims to determine the effect of quality perceived by tourists and government support on tourism development through community economic improvement. This research was conducted at Bonebula tourist destination, Towale Village. This research uses quantitative methods. The participants were 66 people, and the sampling technique was used accidentally. This research uses questionnaire tools. The results showed that the quality perceived by tourists on tourism development through improving the community economy (X1 through Z to Y) was greater than the effect of government support on tourism development through enhancing the community economy (X2 through Z to Y). This finding suggests that the perceived quality of tourists has a significant influence on community economic development. From a practical perspective, these results highlight how important the perceived quality of tourists is and how important it is for the government to help improve community economies and develop tourism. To increase the attractiveness of tourist destinations, the government and tourism industry players should work together to improve services, infrastructure, and accessibility.

**Keywords:** *Tourism, Quality of Tourists, Economic Improvement, Government.*

## 1. INTRODUCTION

Tourism is a journey or human activity that is temporary and voluntary, intending to see or enjoy an object that cannot be obtained from the place of residence (Deliani, 2023). Tourism has become an essential component in economic growth (Moslehpour et al., 2023). Tourism is a sector that generates money by encouraging the accumulation of human and physical capital and encouraging the use of technology and innovation (Brida et al., 2020). Tourism is one of the many social activities in which travelers are involved. The tourism sector is expected to support a country's income, which can then be used to enhance regional development and develop other regional potentials (Nainggolan et al., 2023). The tourism and hospitality sector drives infrastructure development and economic growth by bringing in local and foreign income and employment opportunities (Comerio, Strozzi, 2019). In addition, the analysis of local government behavior shows the role of local government in supporting the progress of tourism (Liu et al., 2020).

Government policies play an essential role in safeguarding natural resources, which are important assets in the tourism industry (Eyassu et al., 2019), (Huang et al., 2022). The World Travel and Tourism Council (WTTC) urges governments to develop policies and initiatives that support the tourism and hospitality sector (WTTC, 2024). Regulations also emphasize social and environmental responsibility for companies operating in the natural resources sector, aiming to ensure tourism development (Achmad et al., 2023). The role of local governments in rural tourism development includes planning, supervision, regulation, investment, and coordination to improve residents' quality of life sustainably (Liu et al., 2020). The government creates plans and policies to help the tourism sector progress (Sari and Bachri, 2022). The government regulates the tourism industry through regulations and policies such as sustainable tourism management, environmental protection, and safety. They also encourage investment and innovation (Kawatak et al., 2020).

Every tourism business aims to provide a superior customer experience, as activities in tourist attractions significantly impact the overall traveler experience (Sugathan and Ranjan, 2019). Researchers found that activities undertaken in tourist attractions are critical to a pleasant overall experience (Chi et al., 2020). Travelers' positive experiences with tourism destination services, goods, and resources can increase customer retention and positive word-of-mouth (Adinegara et al., 2021). Cultural understanding is critical in managing tourism businesses, as it involves intense multicultural interactions. Tourism activities are increasingly international, making it essential for managers to understand and accommodate the cultures involved (Koc, 2021). Tourism operators face more significant challenges,

especially those promoting cultural or history-based tourism destinations (Rahman et al., 2020). So, advertising tourism creatively on social media is very important to attract visitors (Koay et al., 2020).

Tourism development in rural areas can be a strategic step to improve the Indonesian economy by optimizing the potential of natural and human resources available (Saraswati, 2021). Rural tourism offers a variety of activities to enjoy natural, cultural, and artificial attractions, including attractions in response to the desire of tourists to do activities that enhance their experience (Rijal et al., 2022). The development of a tourist village has a domino effect on the surrounding area. The economic effect is noticeable, especially with the emergence of employment for local youth, which is expected to improve family welfare (Muryanti, 2023). The natural and cultural resources that support tourism are usually managed by the population (Rahman and Baddam, 2021). The sense of consuming intangible culture provides new opportunities for tourism and locals. However, it also presents new challenges in developing unique tourism experiences. Related to tourist equality, this challenge ensures that all tourists have access to quality experiences (Ivanović et al., 2019).

Tourism destinations such as Towale Village's Marine Centre, Masaingi, and Bonebula face many challenges in improving sustainability, managing natural and cultural resources, and improving accessibility for all tourists. Effectively managing these elements is critical to creating a satisfying tourism experience for everyone, including the local community. This research uses a quantitative approach to factors that influence tourism development and efforts that can be made to improve the economic welfare of local communities by focusing on the influence of perceived quality perceived by tourists, and government support on tourism development in the region. Thus, this research is expected to provide a better understanding of how creating traveler-perceived quality and government support can impact tourism development and the welfare of local communities in the Bonebula tourist destination of Towale Village.

## 2. LITERATURE REVIEW

### 2.1. Perceived Tourist Equality

As stated by, tourist service quality is considered as the difference between tourists' perceptions of the services they will receive and what they actually receive (Li, Song, Wang, Huan, 2021). The principle of "tourist equality" refers to the principle of equality in the treatment of tourists without considering differences. The aim is to create a fair and inclusive tourist environment, increasing tourist satisfaction (Tait, tait, 2021).

H4: The quality perceived by tourists has a significant effect on improving the community's economy

H3: Tourist perceived quality has a significant effect on tourism development

### 2.2. Government Support

Along with the growth of the tourism sector, the role of government remains important as it impacts the national economy and the welfare of the community. In this context, the role of central and local governments is key to preserving and enhancing the tourism industry as a whole (Javed., Tuckova, n.d.). The government should support policies that encourage the tourism industry and provide more resources to promote natural and historical beauty (Eyuboglu and Eyuboglu, 2020).

H5: Government support has a significant effect on tourism development

H6: Government support has a significant effect on improving the community's economy

### 2.3. Tourism Development

Tourism development refers to the improvement of facilities, services, or conditions in tourist destinations that have a positive impact on increasing the number of tourists (Pulido-Fernández and Cárdenas-García, 2021). The tourism industry consists of public and private organizations, and businesses that work together to promote tourist destinations and improve tourist welfare (Shaheen et al., 2019).

H7: Improving the community economy has a significant effect on tourism development.

### 2.4. Improving Community Economy

The ability to develop the tourism sector, which can provide a lot of hope for economic growth, especially in terms of income, GDP, job creation, and growth (Manzoor et al., 2019). Tourism can also help the development of rural, peripheral, or less developed areas (Rodríguez et al., 2020).

H1: the quality perceived by tourists through the improvement of the community economy has a significant effect on tourism development.

H2: Government support through improving the community economy has a significant effect on tourism development.

## 3. RESEARCH METHOD

Research Methods: quantitative methods were used in this study to statistically analyse the data (Kankaew, 2020). Furthermore, data processing uses Smart-PLS 3.0. Population and Location: The population studied was 66, including visitors or people who have visited the tourist destinations of the Bonebula, Towale Village.

4. RESULT

4.1. Testing the Inner Model

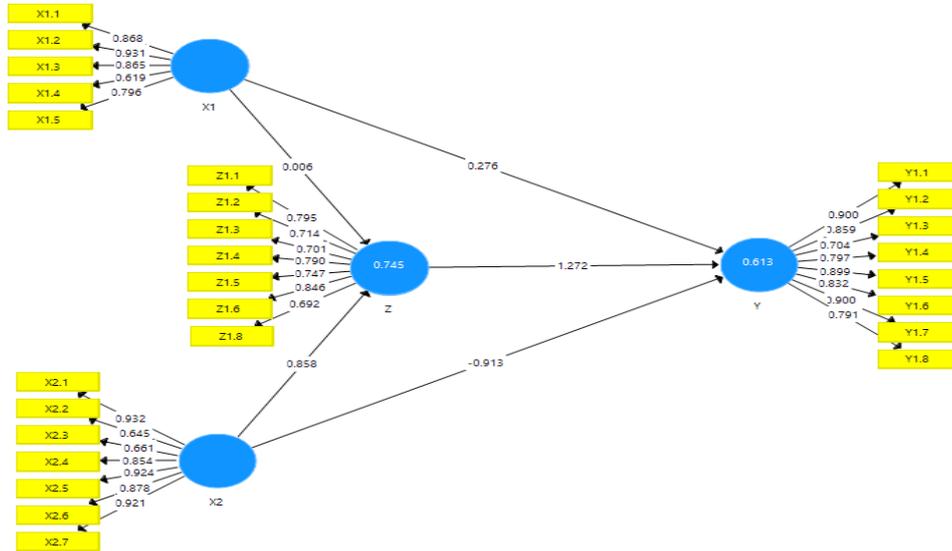


Figure 1 Diagram of the research model structure.

Based on processing the results in smartPLS (see Figure 1), there is a dependent variable (business manager competence) and one of the indicators (economic conditions) of the mediating variable. It is eliminated because it has an R square value of less than 0.6, considered unreliable. The results of smartPLS show that the equality perceived by tourists through community economic improvement towards tourism development (X1 through Z to Y) is more substantial than government support through community economic improvement towards tourism development (X2 through Z to Y). This finding is evidenced by the lower value of X2 through Z to Y, which is worth 61.3%, compared to X1 through Z to Y, which is worth 74%.

4.2. Validity and reliability assessment

Validity and reliability study of PLS-SM as the measurement method. When testing the measurement model, internal reliability, convergent validity, and divergent validity were assessed. Cronbach's alpha ( $\alpha$ ) testing was used to assess the overall reliability of the study. Cronbach's alpha ( $\alpha$ ) should exceed 0.70 (Uslu et al., 2023). The Average Variance Extracted (AVE) value is used to test convergent validity, and the AVE value must exceed 0.50 (Kock, 2019). The validity and reliability of this research can be seen in Table 1.

Table 1. Validity and Reliability.

	Cronbach's Alpha	Rho_A	Composite reliability	Average Variance extracted (AVE)
X1	0,876	0,911	0,911	0,677
X2	0,926	0,946	0,942	0,703
Y	0,939	0,953	0,949	0,702
Z	0,875	0,881	0,903	0,573

4.3. Hypothesis Testing

Table 2 shows that only four paths are significant when measured by the P-value value  $<0.5$ . X1 (Quality perceived by tourists) through Z (community economic improvement) indirectly affects Y (tourism development), insignificantly marked by a P-value of  $0.981 > 0.5$ . (Ramkissoon, 2023) stated through economic improvement and tourist welfare, tourism growth affects people's quality of life. Bonebula tourists' responses regarding the uneven infrastructure quality greatly affect the community's ability to enjoy access to health and education. X2 (Government support) through Z (community economic improvement) indirectly affects Y (tourism development) significantly, marked by a P-value of  $0.005 < 0.5$ . (Wang et al., 2021) stated that residents' perceptions of the benefits of tourism and their political support are positively correlated; residents are aware of the government's active efforts to improve the tourism economy forms of support provided by the government include attracting private investment to tourism destinations. X1 (Quality

perceived by tourists) directly affects Y (Tourism development), insignificantly marked by a P value of  $0.204 > 0.5$ . (Chi et al., 2020) also stated the quality of services and activities in rural areas does not significantly affect tourism development. For respondents, the quality of internet service in the Bonebula area is not very good. In addition, there are restrictions on the number of users for the wifi facilities provided. X1 (Quality perceived by tourists) directly affects z (Community economic improvement), insignificantly marked by a P-value value of  $0.981 > 0.5$ . (Cai, et al. 2023) also stated that perceived quality is an essential part of the destination's competitiveness, affecting guest loyalty and tips that can increase revenue. For respondents, the services provided at Bonebula are the same as those provided at other tourist attractions. Besides, there are limited facilities to support tourist attractions. X2 (Government support) directly affects Y (Tourism development) significantly, marked with a P value of  $0.008 < 0.5$ . The Indonesian government has actively encouraged domestic tourism to improve the tourism industry (Moslehpour et al., 2023). Tourism business actors in Bonebula get direct assistance, from developing new tourist attractions to promotional assistance through digital publication media. X2 (Government support) directly affects Z (Community economic improvement), significantly marked by a P value of  $0.080 < 0.5$ . This is supported by previous research (Larasati, 2022), which suggests that the government reduces unemployment rates through regulations that support business actors. Based on the actual conditions in Bonebula, incentives are given to new business actors in the tourism sector. The government also empowers tourism awareness groups in the Bonebula tourist destination area. Z (Community economic improvement) directly affects Y (Tourism development) significantly, marked by a P value of  $0.000 < 0.5$ . These results are supported by previous research (Khalid et al., 2019), which shows that community economic empowerment has a strong impact on tourism growth. Based on responses from tourists in Bonebula destinations, the improvement of the community economy has helped develop tourism by providing decent public facilities to modern cafes managed by the local community.

**Table 2.** Hypothesis Test Results.

	Original Smple (o)	Sample Mean (M)	Stand Deviation (STADEV)	T Statistics	P Value
X1 -> Z -> Y	0.007	0.040	0.313	0.023	0.981
X2 -> Z -> Y	1.091	1.150	0.383	2.849	0.005
X1 -> Y	0.276	0.291	0.217	1.271	0.204
X1 -> Z	0.006	0.023	0.236	0.024	0.981
X2 -> Y	-0.913	-0.934	0.346	2.643	0.008
X2 -> Z	0.858	0.893	0.223	3.843	0.000
Z -> Y	1.272	1.277	0.198	6.413	0.000

## 5. CONCLUSION

The effect of quality perceived by tourists on tourism development through community economic improvement (X1 through Z to Y) is greater than the effect of government support on tourism development through community economic improvement (X2 through Z to Y). This finding suggests that tourists' perceived quality has a significant influence on community economic development, which in turn influences tourism expenditure. Government support through community economic improvement indirectly affects Y (tourism development) significantly. This is supported by previous research, which states that the Government is actively working to improve the tourism economy.

The Government's support, such as government investment to enter tourism destinations Y (tourism) development, is significantly influenced by X2 (government support), which shows that the growth of the tourism industry greatly benefits from direct government support. Support can be in policies, incentives, or direct assistance to tourism businesses. Z (Community economic improvement) is also directly influenced by X2 (Government support). This indicates that government support directly influences tourism development and improves the community's economy. Government regulations, investment incentives, or economic empowerment programs can support this. Z (Community economic improvement) has a significant direct influence on Y (Tourism development), which suggests that community economic improvement significantly impacts Bonebula tourism growth. Efforts to increase the income and welfare of the local community led to the improvement of public facilities and the development of more attractive tourism sites for tourists.

Factors such as tourists being unaware of the local economic impact, lack of adequate tourism infrastructure, and the perception that Bonebula is a tourist destination like any other are some insignificant qualities that affect the economic growth of the community and Bonebula tourism. In addition, these results are influenced by the lack of support from the government and tourism businesses. This research has shown that community economic growth is critical to tourism growth. Therefore, policy initiatives that support community economic empowerment, such as direct aid and tourism promotion, can be an effective strategy to increase tourism growth in tourist attractions such as Bonebula.

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