



## International Journal of Economic Research

ISSN : 0972-9380

available at <http://www.serialsjournal.com>

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Volume 14 • Number 7 • 2017

## Opportunities and Challenges of Tourism Industry

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### ABSTRACT

Script writing this article aims to describe the opportunities and challenges of the tourism industry in East Java.

The method used in writing this article is to use a variety of materials obtained in the review of books, journals and related electronic sites. Part on the performance achieved through descriptive analysis of data collected from the Department of Tourism and related agencies. The performance analysis is done by using graphs or tables. Challenges are provided based on a review of literature on the various articles about tourism in Indonesia

The perspective of the tourism industry in East Java still gives great hope for economic growth in the future, considering the tourism industry has always collaborated with the creative industries in the life cycle of the business, in which the two sectors are always involves perpetrators and instigators of its core SME sector, while in constellation of the Asean Economic Community (AEC)

**Keywords:** Opportunities, challenges, tourism.

### 1. GLANCE TOURISM IN EAST JAVA

Economic Asean Community (AEC), or commonly known as the Asean Economic Community (AEC) is a political and strategic decisions of a country in order to help build a national economic development in an integrated manner with the countries in the Asean region. Asean Economic Community (AEC) is an opportunity as well as challenges faced by all levels of society in Indonesia, both as a business and as consumers.

Bishop (2010), states that the global political and economic liberalization The resulting depletion of agriculture as an export has caused SIDS will push to tourism. Indonesia friendliness of the people is the opportunity to create opportunities and provide an authentic “island experience” by many SIDS, such as

Grenada, Barbados and Tobago. Montero (2011, p. 23), states “The Caribbean has been regarded by the West as a place to be discovered, conquered, and has environmental, social, and economic”. The tourism industry holds great promise visitor interaction with local communities, benefits.

Goeldner and Brent Ritchie (2009) recognized that tourism is the sum of the phenomena and relationships when tourists interact with business suppliers, host governments and host communities in the process of maintaining this rating. Tourism, according to Goeldner and Brent Ritchie (2009), can be regarded as the number of trades generated by the interaction between the traveler and the various sectors of the country. SIDS such as Grenada, Barbados and Tobago through the tourism industry they have created through the interaction of business and government supplier hosts and they have benefited from the resulting financial exchanges.

Butler Theory (1980), -Butler theory based on the concept of business marketing of the product life cycle. Butler shows that the resort or destination evolve and change over time in accordance with the relevant stages. According to this theory the initial stage of the cycle tourist areas considered as exploratory stage. At this stage tourists began coming to the destination and are attracted by natural features. There is a maximum contact between tourists and the public. The second stage is the stage of engagement. In this phase, more tourists started to visit the destination and local communities are involved in providing services to tourists and develop the necessary infrastructure. In the next stage is the stage of development. At this stage the market is defined and travel into the holiday season begins to develop. The fourth stage is the stage of consolidation, here tourism continues to increase, but the rate of increase declined. The last stage is the stage of stagnation in tourism this stage reaches its full capacity.

Theory Index irritation (1975), developed by Doxey and is known as the theory of a Irridex Doxey ‘s built on the premise that any purpose would be developed and grown over a period of time as the increased amount of tourists and then hostility from the local population appears to tourists. Doxey show that over time become more hostile locals with tourists. This theory considers the relationship between tourists and residents of tourist destinations and also gives us an understanding of the impact of tourism and tourism development.

Theory tourism Cohen (1972) - Cohen developed a typology of tourists in which he classified as tourists organized tourist masses, the masses of individual travel, explore and drifter. Cohen revealed that relatively few will be in contact with the culture further and different and tourist destinations will be developed relatively close to the area of tourism generator.

According to Wang Liqin, 2013, he demonstrated the importance and necessity of responsible tourism and analyze the tourism industry stakeholders such as business tourism, tourists, local communities, and government. Therefore, the authors recommend that people raise awareness for “Responsible Tourism”, and made an effort since ancient civilizations that could exist for a long time. The claim was submitted earlier by the World Travel Market in 2007 for the World Responsible Tourism Day. All participants are operators, hoteliers, governments, host communities and tourists have to take responsibility, take action to make the tourism industry into sustainable development.

The three pillars of significance associated with the tourism industry and the creative industry can be used as a model in the development and management of tourism industry is integrated by triangulation model. The model is particularly suitable to be applied given the enormous potential of the tourism industry in East Java, both diverse types of tourism, the coverage area as well as the perpetrators and people involved

in the tourism industry, this will occur when stakeholders realize that the assets of the tourism industry spread in East Java is a gift from God to be grateful.

## 2. METHODOLOGY

This study uses secondary sources of information to achieve its objectives. The historical part is achieved by using a variety of materials obtained in the review of books, journals and related electronic sites. Part on the performance achieved through descriptive analysis of data collected from the Department of Tourism and related agencies. The performance analysis is done by using graphs or tables. Challenges are provided based on a review of literature on the various articles about tourism in Indonesia.

### Tourism Potential In East Java

East Java, which consists of 38 kabupaten and the city has a tourism potential is very large, even a tourist attraction almost scattered throughout the city and county with the diversity and types of tourism in the form of natural tourism, culture, customs, marine tourism, forest tourism and travel developed by the creative community. Travel Attractions seven destinations in East Java and other destinations can be grouped into three namely: natural attractions, cultural and man-made (Table 1).

**Table 1**  
**Fascination East Java in 2013**

<i>No</i>	<i>Cities Destinations</i>	<i>Tourist attraction (DTW)</i>			<i>Amount ODTW</i>
		<i>Natural</i>	<i>Culture</i>	<i>Artificial</i>	
1	Surabaya	6	10	3	19
2	Gresik	31	24	16	71
3	Lamongan & Tuban	5	11	10	26
4	Batu	2	7	2	11
5	Malang	21	12	15	48
6	Probolinggo	21	23	8	52
7	Banyuwangi	4	8	2	14
	Total seven Destinations	90	95	56	241
8	Other Destinations	174	213	139	526
	Total DTW East Java	264	308	195	767
	Composition DTW	34,42%	40,16%	25,42%	100,00%
	Percentage of seven destinations	34,09%	30,84%	28,72%	31,42%
	Percentage other destinations in East Java	65,91%	69,16%	71,28%	68,58%

*Source:* East Java Culture and Tourism (2013: 19)

Table 1 shows that in East Java at the end of 2013 already has 767 DTW spread throughout the city and county that includes natural DTW 264 (34.42%), DTW culture as much as 308 (40.16%) and the rest are artificial DTW 195 (25.42%). DTW nature and culture is a gift given by the Creator to the people in East Java, therefore it must be grateful because everything was and just how stakeholders enjoy, manage and sell them to tourists with a view interesting. DTW nature and culture include marine tourism, mountain, lake various heritage sites and other cultures. DTW nature/culture that spread in East Java has a beauty

and charm that is very pretty and charming plus road conditions winding, villages that look green increased the beautiful scenery there.

Prioritization of seven destinations tourist attraction in East Java apparently only had about 241 DTW (31.42%) but was able to bring tourists an average of 17.65 million (59.41%) of tourists annually and foreign tourists visited an average of 74, 51 thousand (65.96%) of foreign tourists per year. With seven tourist destinations in East Java was able to control about 60% Vishnu and 66% of foreign tourists, this suggests that there is still a disparity is quite large and apparently rating still beroreintasi in seven tourist destinations who happens to have a track direction of the city of Surabaya who happened an entrance to another city. While the outside is still there are seven destinations DTW 526 (68.58%) but is only able to attract tourists by 12.06 million (40.59%) per annum and the interest of tourists as much as 38.42 thousand (34.04%) per annum.

Tourist attraction in East Java as much as 767 DTW is actually a huge tourist potential, especially nature and culture amounted to 572 (74.58%) have all spread across 38 cities/districts, are being artificial DTW only 195 (25.42%), The data shows that DTW in East Java has actually been around a long time and this is all the gifts the Creator has given to us, therefore, a great tourism potential should not be left to languish and are not optimized to realize the welfare of society. Tourist destination in East Java should be done is integrated from the west end to the east end, because each district/city has a unique and distinctive DTW. Uniqueness is supposed to be a selling point for each region in order to optimize and manage regional tour. Great tourism potential is only able to contribute to the welfare of its people, the stakeholders that is capable of playing the role of each, as well as shed ego kedaerahannya, given the linkages tourist area that one other tourist in particular the management of infrastructure leading to tourist areas scattered East Java.

### Foreign Tourists and Travelers Nusantara

East Java today able to attract wistawan foreign and domestic tourists with a significant amount, it gives gaambaran that the tourist attraction (DTW) is quite attractive to tourists because it has a beautiful panorama and a variety of unique culture that is able to arouse a sense of admiration towards the Creator of the universe is a big GOD Almighty and Exalted. Travelers archipelago in eastern Java is penetrating almost equal to the number of residents in East Java alone (Table 2 and Table 3).

Table 2

No	Cities Destinations	2010	2011	2012	2013
1	Surabaya	1.885.867	5.331.071	4.965.513	5.416.769
2	Gresik	2.690.909	2.097.338	2.612.434	2.695.141
3	Lamongan & Tuban	7.038.756	4.406.468	5.858.211	5.646.745
4	Batu	2.051.061	1.914.593	1.613.502	1.874.037
5	Malang	1.275.868	2.341.712	2.612.884	2.678.658
6	Probolinggo	305.715	290.801	1.061.730	1.088.851
7	Banyuwangi	592.762	625.127	869.224	1.057.952
	Total seven Destinations	15.840.938	17.007.110	19.593.498	20.458.153
8	Other Destinations	9.307.345	10.290.718	13.631.161	19.224.184
	Total Vishnu East Java	25.148.283	27.297.828	33.224.659	39.682.337
	% seven destinations	62,99%	62,30%	58,97%	51,55%
	% other destinations	37,01%	37,70%	41,03%	48,45%

Source: Culture and Tourism, East Java (2013: 50)

Table 2 shows that tourists visiting the archipelago in seven Destinations average has translucent travel around 17,649,402 people/year (59.41%), while other tourist destinations in East Java, an average of about 12,057,162/year (40.59%), Data tourists show their disparitas very high means that there are imbalances tourists who come in seven tourist destinations with elsewhere, hence the need to integrate the management of the tourist destination that is more integrated, especially in the provision of infrastructure and management of integrated information about tourism in Java East.

**Table 3**  
**Foreign Tourists In East Java**

<i>No</i>		<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>
1	Surabaya	12.224	21.941	61.219	48.468
2	Gresik	7.922	2.185	2.277	1.022
3	Lamongan & Tuban	616	1.271	1.093	650
4	Batu	4.072	8.339	1.654	1.639
5	Malang	8.845	20.352	9.186	26.952
6	Probolinggo	14.746	13.506	17.205	22.663
7	Banyuwangi	5.908	4.277	4.949	10.462
	Total seven Destinations	54.333	71.871	97.583	111.856
8	Other Destinations	49.268	37.716	30.081	44.743
	Travelers total East Java	103.601	109.587	127.664	156.599
	% seven destinations	52,44%	65,58%	76,44%	71,43%
	% other destinations	47,56%	34,42%	23,56%	28,57%

*Source:* Culture and Tourism, East Java (2013: 50)

Table 3 also shows that foreign tourists visit in seven Destinations average translucent travel approximately 74 515 people/year (65.98%), while other tourist destinations in East Java, an average of about 38 415/year (34.02%). Percentage of tourists visiting foreign countries on seven destinations are still larger than the tourists visiting the archipelago, it indicates that the infrastructure and information related to tourist attraction (DTW) is still not evenly distributed to all the major tourist attraction over East Java, therefore, needs a development model and management of tourist areas are integrated with all components involved in the tourism industry both instigators of the tourism sector as well as the involvement of stakeholders.

### **Traveller Asean Region and Other Countries**

Foreign tourists who visit in East Java Juanda Airport continues to increase every year, this indicates that the entrance of foreign travelers through the airport is still more dominant than the other entrance. Therefore, cooperation with third parties (private) is essential to the tourists who visit East Java continues to increase every year.

**Table 4**  
**Wisman entry through Juanda Airport**

<i>No</i>	<i>Cities Destinations</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>
1	Brunai Darusalam	2.299	2.724	2.942	2.927
2	Malaysia	36.493	46.044	50.466	57.503
3	Philippina	2.066	2.227	2.425	2.734

No	Cities Destinations	2010	2011	2012	2013
4	Singapore	14.800	15.958	18.749	23.111
5	Thailand	1.719	3.054	4.213	5.691
	travelers Asean	57.377	70.007	78.795	91.966
6	Other Asian travelers	42.829	50.184	54.060	58.287
	Total Travelers Asia	100.206	120.191	132.855	150.253
7	Eropa	14.067	15.743	16.733	19.421
8	Amerika	7.593	7.628	8.353	9.206
9	Other countries	47.022	42.253	39.835	46.161
	Travelers total East Java	168.888	185.815	197.776	225.04142
	% Travelers total East Java	33,97%	37,68%	39,84%	40,87%
	% other Asian travelers	25,36%	27,01%	27,33%	25,90%
	% European travelers	8,33%	8,47%	8,46%	8,63%
	% American travelers	4,50%	4,11%	4,22%	4,09%
	% travelers other countries	27,84%	22,74,%	20,14%	20,51%

Source: Culture and Tourism, East Java (2013: 33)

Table 4 shows that foreign tourists who come from the Asean region average as many as 71 230 people/year (38.07%), Asian countries outside Asean countries as many as 48 642 people/year (25.99%) while those coming from another country as 67 247 people/year (35.94%). Tourist arrivals data show that foreign tourists are still dominated by Asian countries which amounted to 64.06% of the composition of which derived from Asean countries. Therefore it is necessary the promotion of integrated tourism to be sustainable in the countries of ASEAN and other Asian countries terumata Malaysia, Singapore and the countries of Brunei Darussalam that future foreign tourists is increasing, it is very possible because these three countries have the characteristics of culture and language almost identical.

**Table 5**  
**Composition of Asean foreign tourists**

No	Cities Destinations	2010	2011	2012	2013
1	Brunai Darusalam	4,01%	3,89%	3,73%	3,18%
2	Malaysia	63,60%	65,77%	64,05%	62,53%
3	Philipina	3,60%	3,18%	3,08%	2,97%
4	Singapore	25,79%	22,79%	23,79%	25,13%
5	Thailand	3,00%	4,36%	5,35%	6,19%

Source: Culture and Tourism, East Java (2013: 33)

Table 5 shows that the composition of the foreign tourists who come from the Asean region dominated from the Malaysian state average of 64.48%/Singapore next year at 24.42% while other Asean countries only 10,10%. This illustrates that the effect of similarities in language, culture and ethnicity into consideration of foreign tourists to visit East Java, therefore the promotion of tourism between the two countries must be directed at business cooperation that tourist visits to be increased in the coming years in line with the progress of the business of both countries.

### Asean Region Tourism Industry Opportunities

The tourism industry is derived from the Asean region still has an attractive prospect given the last four years has experienced an average growth of 7.08% or an average of a visit as many as 74 536 people/year. Table 6 below shows that during this tourist arrivals from Malaysia is still the largest, the next largest number came from Singapore and then from countries of Brunei Darussalam. These data indicate that the tourism promotion aimed at the three-country Asean region should be more intensified, especially if associated with cooperation in the field of art and culture, sports and student exchange, as was done recently by a national TV station in Indonesia to hold the event academic Dangdut Asean involving cooperation among Asean countries in the field of art.

**Table 6**  
**Composition of the Asean Foreign Tourists**

No	Cities Destinations	2010	2011	2012	2013
1	Brunai Darusalam	2.299	2.724	2.942	2.927
2	Malaysia	36.493	46.044	50.466	57.503
3	Philipina	2.066	2.227	2.425	2.734
4	Singapore	14.800	15.958	18.749	23.111
5	Thailand	1.719	3.054	4.213	5.691
	Total Travelers Asean	57.377	70.007	78.795	91.966
	Increase/decrease	-628	12.630	8.788	13.171
	Growth (%)	-1,08%	22,01%	12,55%	17,72%

Source: Culture and Tourism, East Java (2013: 33)

### The Contribution of the Tourism Industry in East Java

The tourism industry in East Java is able to play a role in helping local government programs in the areas of employment, namely the absorption of employment in the tourism sector despite the existing capacity is still very low compared to the manufacturing sector.

**Table 7**  
**Labor Absorption Tourism Sector (Vote)**

No	Commentary	2010	2011	2012	2013
1	Star hotels	19.982	19.982	20.301	20.301
2	Budget hotels	43.130	43.130	43.820	42.820
3	Restaurant	65.925	65.925	67.573	67.573
4	UPW	6.322	6.322	6.480	6.480
5	ODTW	15.785	15.785	16.021	16.021
6	RHU	37.214	37.214	37.958	37.958
	Total	188.358	188.358	192.153	191.153
	Increase/decrease	7.686	0	3.795	-1.000
	Growth (%)	4,25%	0%	2,01%	0,52%

Source: Culture and Tourism, East Java (2013: 125)

Table 7 shows that the tourism sector employment tends to stagnate over the past four years, even the growth in the labor market is still relatively low at 1.69%/year. Although labor absorption formilnya

sluggish growth, but the sector is able to encourage the informal sector to grow better, especially related to the creative industries and the SME sector. The tourism industry is still very much needed presence for this industry given the impact of a positive and direct effect on the creative industry and the SME sector in East Java, considering the existence of the tourism industry and the creative industries are complementary (complementary) and can not be separated from one another, while both sectors this has the same actors, namely SMEs, therefore, no matter how small its contribution to employment has remained positive impact on incomes.

**Table 8**  
**Conditions in East Java Accommodations**

No	Hotel & long stay	2010	2011	2012	2013
1	Occupancy rate				
	Star hotels	45,99%	48,75%	44,28%	44,73%
	Budget hotels	32,12%	34,36%	32,77%	37,78%
2	Live long Vishnu:				
	Star/day	0,13	1,79	1,79	1,70
	Bed/day	1,20	1,41	1,30	1,35
3	Length Of Stay				
	Star/day	0,17	2,64	2,22	2,53
	Bed/day	1,97	1,86	1,47	1,44
4	Average stay	4,90	4,97	4,94	4,90
	Tourist expenditure	153,95	190,79	132,03	150,43
	Foreign exchange/millions Us\$	164,98	212,71	176,06	221,80

Source: Culture and Tourism, East Java (2013: 124)

Table 8 shows that the tourism industry has pushed accommodation sector in East Java took grow especially those related to the occupancy rate of star hotels and budget hotels. Over the last four years star hotel occupancy rate reached an average of 45.94% while the lower budget hotel that is 34.26%. The table also shows that the duration of stay of foreign tourists in the tourist area of East Java for the average only 4.93 days, with total average of US \$ 156.80/day, the foreign exchange results obtained from foreign tourists spending in East Java an average of US \$ 193.89 million/year of this acquisition is equivalent to Rp 23.27 trillion (assuming US \$/Rp 12,000)

**Table 9**  
**GRDP Tourism Sector in East Java (millions USD)**

No	Sub-group	2010	2011	2012	2013
1	Hotel	4.210.176	4.751.647	5.336.991	6.182.879
2	Restaurant	41.615.547	48.711.932	55.568.401	65.067.246
3	Entertainment	2.294.038	2.793.247	3.067.185	3.478.770
4	Travel/accommodation	8.896.103	10.260.518	11.637.176	13.432.489
	Total PDRB	57.015.864	66.517.344	75.609.754	88.161.385
	Increase/decrease	7.867.131	9.501.480	11.092.410	12.551.631
	growth(%)	16,02%	16,66%	16,68%	16,60%

Source: Culture and Tourism, East Java (2013: 125)



On the Table 9 indicates that the total GDP of the tourism sector in East Java average of Rp 71.83 trillion/year with a growth rate of this sector average of 16.49%. These data also show that employment growth sector is still very low at 1.69%/year, it contributed to the GDP growth rate is significant because it is growing in number over 16%/year.

### **Constraints Tourism in East Java**

1. **Local Government Regulation:** Government regulation is often not in line with the conditions of the field and often hinder the development of tourism itself, due to the travel industry sector actors with each other tours that are usually interrelated, but have different characteristics depending. Hence the need for the creation of integrated services under one roof in order to service and monitoring of perpetrators of tourism industry in East Java can be done effectively and efficiently and does not occur ego of regionalism which would hamper the development of the tourism industry itself, because the characteristics of a tourist attraction (DTW) in East Java alone does not stand alone but is part of an integrated, especially in infrastructure development in the entire region of East Java.
2. **Competence of Human Resources:** Human resources and the public is a key element in the development of tourism in a region because of the society that will directly deal with the tourists both from foreign tourists and tourist archipelago. During the competence of human resources is still not supporting the service side capable of satisfying the travelers. People still do not have an awareness and concern for the significance of the sale value of the tourist area of the region, hence the need for socialization to the community to preserve the environment, culture and other assets with mangedepanan development of indigenous character and is unique so it can be an attraction for tourists the tourist attraction (DTW).
3. **Availability Infrastructure:** Availability of adequate infrastructure and convenient is supporting the proposition to attract tourists to visit the tourist attractions that you want, either in relation to road infrastructure, public facilities, hotels, restaurants, travel agencies and banks should be provided with good conditions and adequate. But the reality is a tourist attraction (DTW) in East Java has not been able to provide a comprehensive infrastructure as if walking alone alone without any comprehensive planning, so the condition is still used as a reason why tourists are still reluctant to visit tourist destinations outside the seven destinations excursions in East Java mainly a tourist attraction (DTW) whose location is still difficult to reach from the big cities, except for tourists who do like a form of tourism that adventurous nature lovers rafting and the like, but it would be more interesting if the infrastructure has been provided adequately and comfortably, Integration of infrastructure development must involve stakeholders from the provincial government and district/cities across East Java, both public works agencies, tourism agencies, activists and other community tourism industry.
4. **Media Information:** Media availability information is necessary to develop a complete and adequate, easily accessible so that tourists will get a complete picture of the tourist destination. However it is still we find that the media information related to tourist attraction (DTW) is still very low at barely even did not reveal any detailed information that will be useful to guide tourists who want to visit tourist destinations in the area, so many tourists who do not understand what

owned and uniqueness of what is in tourist destinations such, it is precisely the public to obtain information about the uniqueness of the destination of-view television media, this can not be done partially but need to be designed integrated information about all the potential tourist destination comprehensively well sale value and uniqueness of travel itself, the infrastructure and all support facilities.

5. **Public Perceptions of the Traveler:** Society has always attached great importance to benefit from the tourist areas of its region, therefore the public perception of the rating will determine the level of the role and participation in the development of tourism region. Communities should understand comprehensible that the area has a tourist area is a gift to be grateful in a way to maintain and manage wisely the tourist area in order to be able to bring prosperity for the people living in the territory of the region. Therefore, people should be able how to sell their potentials into employment and livelihood in a way *mengelolaan* tourist area as possible and provide the best services to tourists so that he was welcome to stay longer in the area and are pleased to come back. But there are still many people who live in tourist areas overlook the natural gift that is beautiful winsome are left to languish and even ignore completely the tourists present in the destination of tourist areas, because people do not have the value of a positive perception of the importance of managing the tourist areas and the presence of tourists on tourist destination areas in the region. Therefore, it still needed the public's understanding of the importance of the role of the community in the development of integrated tourism area so that the real usefulness can contribute to employment opportunities, improve living standards, improve the welfare of people living in the region and continue to preserve the environment in a sustainable manner.

### **Tourism Industry Development in East Java**

1. **Development of Tourism Industry:** The tourism industry in East Java has a huge potential and remarkable because it has 767 tourist attraction (DTW) spread across 38 cities/districts with good shape and unique natural tourism, cultural and artificial travel. Natural and cultural attractions are an overwhelming number of 264 locations (34.42%) and 308 type (40.16%), travel was made in only 195 type (25.42%). The composition shows that nature tourism and cultural tourism which has the largest number of which 572 (74.58%) still has the potential to be developed into tourist-made by creating a model of integrated travel and have a better sale value. The role of the bureaucracy, activists in the field of tourism industry and universities have strategic and synergistic role in the development of the tourism industry in East Java to play the role of appropriate domain. Universities and colleges should be able to play its role as a center for research on the tourism industry, the results of research that should be used as the basis for the bureaucracy in developing and producing holistic regulation and this regulation will then be used by activists in *meengelola* tourism industry, to develop and promote tourism. Supposedly colleges located in the area can be synergized with local bureaucracy and activists of the tourism industry that is in the area so that the tourist attraction (DTW) were scattered in the region districts/cities in East Java can grow and develop together, equitable and integrated with all a tourist destination through the integrated management of the tourism industry and *menyuluruh*.

2. **Development of an Integrated Regional Potential:** Thirty-eight cities/regencies in East Java still holds the potential of natural resources is very great and remarkable, especially the potential of its natural beautiful and unique, and therefore the potential of this area should continue to be developed and managed prinsip good managerial anyway so that the potential of this area Do not just potential but really gives a real benefit for the community, government and environmental sustainability. Mandated regional autonomy for local heads to immediately manage their potentials in a sensible and wise to provide welfare for the people. The tourist area is owned by the local government has the potential to improve the welfare of the people is the real origin of the region can be managed in an integrated manner by prioritizing local knowledge and involving the participation of prominent tourism industry in total so that all potential areas can be utilized to ensure the survival of society and environmental sustainability. Therefore, the tourist areas should be developed in an integrated manner with the full potential of each region by both the nature, culture and society, so that natural resources were able to give real meaning to the welfare of the community who lived across the region.
3. **Development of Creative Industry and SMEs:** The tourism industry and the creative industry like two sides of a coin where one side to the other side into an integral part, complementary, interdependent and build with the same value. While SMEs are my head and instigators of the tourism industry and the creative industry, therefore it is naive to talk without hurting the tourism industry development of creative industries and SMEs, because the real perpetrators and most directly involved in the tourism industry and the creative industries are a group of SMEs. The development of the tourism industry, creative industry and SME sector can not be separated from one another but should be done into one package, integrated and holistic. This pattern will guarantee that the tourism industry and the creative industry will run and develop side by side with SMEs therefore synergize the role of higher education, bureaucratic and financial institutions in the development of SMEs become imperative and absolute, if we all want the tourism industry, creative industry and the SME sector will grow as new economic powers and able to contribute to the real against the GDP in East Java that continue to increase from year to year, it illustrates that the presence of the SME sector with all the actors and penggiatnya able to give real contribution to the welfare of society.
4. **Strengthening Economic Democracy:** SME sector in East Java has proven to be a tremendous economic strength from year to year because of its real contribution to the GDP becomes larger. BPS East Java province in 2015 has released new figures on the GDP in East Java in 2014 amounted to Rp 1540.69 trillion (14.60% of the GDP of national Rp 10542.69 trillion). In 2015 until the third quarter has listed the achievements of the GDP in the figure of Rp 1260.02 trillion (14.68% of the national total GDP of Rp 8576.30 trillion). East Java GRDP of the SME sector has managed to donate the GDP amounted to 54.98% by involving as many as 6,825,931 SMEs. This data has shown the world that SMEs are driven by her kerakyatannya economy has made East Java capable as a new economic power in the Asean Region. This can be evidenced perekonomian East Java reached two-thirds of the country's economy vietnam (6.48% of the total economy Asean), almost 2.5 times the combined economies of the four countries of Laos, Cambodia, East Timor and Papua New Guinea, Indonesia's economy was minus Java east reached 24.29% and the economy of east Java alone reached a figure of 4.18% of the total economy of

ASEAN countries. These numbers signal that the SME sector to the tourism industry as well as creative industries capable menodorong SME sector as an economic power populist resilient and capable of leading to the system perekonomian independent and sustain economic resilience solid in East Java, therefore should not underestimate the sector the tourism industry and the creative industries are able to encourage the SME sector into an economic power that is great and good of course stakeholders universities, financial institutions, bureaucracy and the instigators of the SME sector soon play its role according to their respective domain. The development of the sector of SMEs which included activists of the tourism industry and the creative industries must be developed in an integrated and holistic, then triangulated models is one of the solutions offered to become a model in the development of tourism industry, creative industries and SMEs with integrated pattern by integrating all potential in East Java.

5. **Welfare Society:** Welfare and equitable society is the result of development carried out in a planned and sustainable therefore all business sectors contributing in real terms to the betterment of society should be encouraged in order to become a lever of economic activity. The tourism industry and the creative industries that its implementation involves the perpetrators and instigators of SMEs need gained high appreciation from the government due to the pattern of SMEs kemadiriannya able to drive the economy populist who became the main pillar pillar of development in Indonesia. Therefore it is time to spur the current economic slowdown is just a way to encourage the SME sector, so that it grows berkembang this sector will be a stimulus to the speed of people's income and ultimately will improve the welfare of society.

### 3. CONCLUSIONS AND RECOMMENDATIONS

As the end of this writing, there is a small note as contribute ideas for the development of tourism industry in East Java. The perspective of the tourism industry in East Java still gives great hope for economic growth in the future, considering the tourism industry has always collaborated with the creative industries in the life cycle of the business, in which the two sectors are always involves perpetrators and instigators of its core SME sector, while in constellation of the Asean Economic Community (AEC) this can be a momentum that is very appropriate that the tourism industry in East Java should rise up and achieve greater success again given the potential tourist attraction (DTW) can still be optimized in the future both the potential of tourism and visitors through improved infrastructure, improvement of information media, integrated travel management and to increase the community's role as an important actor in participating and berkontribusi directly to the development of the tourism industry in East Java. There are some very important recommendations to lift the image of the tourism industry in East Java to be better again as follows:

Construction and development of the tourism industry should be an integrated manner with the creative industries as well as the perpetrators and instigators of SMEs. Model development of this sector can be done by using triangulation model where the three pillars of force, consisting of universities, bureaucratic and financial institutions should be united into a single linkage and synergy to build and develop this sector holistically. Universities and colleges must be able to play its role in the field of research and the results can be implemented by the bureaucracy in formulating regulations and financing institutions to develop a financing scheme for this sector.

The need for an integrated planning of infrastructure builders in all districts/cities in one package development that connects all tourist destination in East Java. This is very important as a tourist destination is located in other areas of the region are interrelated because the location of a geographic area that is unity. Therefore, a unified infrastructure management become the best alternative to bring all tourist destinations are scattered in 38 districts/cities in East Java.

The need to build a unified and integrated information services worldwide tourist destination in East Java. These integrated services should be able to manage and strategize information associated with all existing DTW complete and better integrated content, coverage information, the agenda of tourism, tourist maps and other information required by tourists both domestic and foreign tourists. Integrated information services should be able to provide tourism information services in East Java to become more effective and efficient making it easier for travelers to access the information necessary to choose the travel package in accordance with the desired reference.

The need for bold breakthrough from regulators to draw up the national tourist visits. such as every three months long holiday together set nationally, so that people can do with your family or travel event together from the travel agency/institution. It is inspired by the phenomena in the society in which every long holiday sequential definitely tourist areas overrun by masyarakat who want to take advantage of a long holiday to travel with the family, therefore the regulation a national holiday would bring the economy to get better, instilling a love of panoramic natural beauty of Indonesia is certainly no less beautiful with sites in foreign countries.

Necessary to establish a Centre of Culture and Tourism as promotion of culture and tourism in each ASEAN country. Its aim is to promote an integrated and sustainable in every Asean country involving elements of the bureaucracy and the perpetrators and instigators of the country's tourism industry. Management cooperation and tourism promotion along with the tourism industry of other countries will certainly facilitate the foreigners to know the area a tourist destination in East Java well, so that foreign tourists who visit becomes even more, for it is necessary to manage the tourism industry integrated from upstream until the downstream sector such as travel, hospitality, transportations, entertainment, banking/ Money changer, culinary business and other creative industries, if it can be done with good coordination of course the tourism industry in East Java will have a positive effect on GDP is greater and increases prosperity for communities across East Java.

Surabaya as the entrance of foreign tourists and domestic tourists should immediately make corrections themselves against the management of existing tourist area becomes better, in order to increase tourist visits to come to Surabaya and surrounding areas. Seven destinations a priority tourist destination in East Java Government has dominated foreign tourists visit and Vishnu, therefore, a tourist area in the city of Surabaya should be an attraction for tourists before continuing his visit in another direction. Kebon Animals, Sunan Apples, Sunan Bungkul, Bungkul Park, the Museum of Sampoerna, Tugu hero, an amusement park Kenjeran and Bridges Suromadu has become a tourist icon of Surabaya city for a long time, but this is not enough, it is necessary to urgently develop the foot of the Bridge longest and Wildlife ria Kenjeran became a tourist area integrated with other tourism assets. Average tourists visiting the archipelago who stopped in the city of Surabaya, about 5 million/year while the foreign tourists who bersinggah average of about 50 thousand people/year. These data suggest that religious tourism is spread in a popular tourist destination in East Java gave a huge contribution, therefore, religious tourism Sunan Bungkul and Sunan Ampel should be able

to be promoted to a tour package with other tourist areas, especially the development of artificial tourism in tourist areas Kenjeran and development area of Walking Bridge. Currently Surabaya City Government has built a bridge Kenjeran which is expected to be an attractive access from Kenjeran region moving towards Suramadu, but still needs to be organized again this Kenjeran tourist areas into a more exclusive considering the surrounding area has been evolving for the better. Participation of the community (the private sector) to participate in managing this area is the right choice, especially for building public image about the nuances Kenjeran negative into a positive nuances (like Ancol Jakarta).

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