

**STRATEGY OF THE LOCAL GOVERNMENT IN DEVELOPING  
TOURISM SECTOR TO INCREASE THE LOCAL REVENUE(PAD)  
(Study in Culture, Tourism, Youth and Sport Institution of Tulungagung)**

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**Abstract:** *Strategy of the local government in developing tourism sector.* As one of the tourist destinations in East Java, Tulungagung has many interesting sights to developed and has great potential in improving the local revenue. Thus the purpose of this research, wanted to analyze the government's strategy Tulungagung in optimizing the tourism sector to increase local revenue. This research is using qualitative methods and trends deskriptif approach using SWOT analysis. While Data was collected through interviews and documentation. Based on the analysis of research, the strategy taken by DISBUDPARPORA include development of tourism destinations, Tourism Infrastructure development, to increase the capacity of human resources, the development of cooperation with tourism stakeholders, marketing and promotion of tourism and the increasing role of actors tourism. From the various efforts to develop the tourism sector's contribution in improving the local Revenue Tulungagung still lacking, This can be seen from the total tourism revenue is still relatively small compared to the total revenue Tulungagung until 2012.

**Keywords:** *strategy, tourism development, SWOT, local revenue(PAD).*

**Abstrak:** *strategi pemerintah daerah dalam pengembangan sektor pariwisata.* Sebagai salah satu daerah destinasi wisata di Jawa Timur, Kabupaten Tulungagung memiliki banyak obyek wisata yang menarik untuk dikembangkan dan berpotensi besar dalam meningkatkan pendapatan asli daerah. Maka dari itu tujuan dari penelitian ini, ingin menganalisis strategi yang dilakukan pemerintah Kabupaten Tulungagung dalam mengoptimalkan sektor pariwisata untuk meningkatkan Pendapatan Asli Daerah. Jenis penelitian ini adalah menggunakan metode kualitatif dengan pendekatan deskriptif dan kecenderungan menggunakan analisis SWOT. Berdasarkan analisis Dalam upaya pengembangan potensi pariwisata, strategi yang diambil oleh DISBUDPARPORA meliputi pengembangan destinasi pariwisata, pengembangan sarana dan prasarana pariwisata, meningkatkan kapasitas Sumber Daya Manusia, pengembangan kerja sama dengan stakeholders pariwisata, pemasaran dan promosi pariwisata serta peningkatan peran pelaku wisata. Dari berbagai upaya pengembangan tersebut kontribusi sektor pariwisata dalam meningkatkan PAD masih kurang. Hal tersebut dapat dilihat dari total pendapatan pariwisata yang masih relative kecil dibandingkan dengan total PAD Kabupaten Tulungagung sampai tahun 2012.

**Kata kunci:** *strategi pengembangan, sektor pariwisata, pendapatan asli daerah (PAD).*

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## **Introduction**

In accomplishment of the local autonomy, hopefully every district can be able to make a creation in looking for the income resources which can be able to expense the local government outcome in manage the government and development outcome in every sector. The principle, every district is demanded to stand on their own feet in creating every local potentials that can be used in increasing the local finance ability with the decentralized to

every district as a great expectation, so the spreading of the local district and town authority through the constitution No.32 Year 2004 about the local government which politically every district has authority to digging every local potential, so here the local government as the executor from the implementation of the local autonomy in creating every local income and has to be able to defend and increasing every local potential in every sector.

Tourism is one of the main sector in the national economy that always need to develop and increase. If we observe from the social economic aspect it can increase the income of the people, other job opportunities, increasing the government income, increasing the national entrepreneur and supporting the local development.

As one of the tourist destinations in East Java, Tulungagung has many interesting sights to be developed, such as nature tours, historical tours, arts and culture or other tourist. Potential contained in Tulungagung which can be developed as a tourist attraction is very diverse. Potential can be seen from the number of natural and cultural tourism, as well as the amount of as much as 19 ODTW nature and cultural tourism as much as 48 ODTW.

With tourism potential in Tulungagung that has not entirely professionally managed, then the government's role as facilitator in realizing strategic efforts towards the development of tourism. So rather than the tourism areas need particular attention deeper tourist assets that have tourism potential not only historically valuable but potentially economical tourist assets. In spurring economic growth and increase employment opportunities, the tourism industry as one of the leading sectors in which the tourism industry is considered as one of the double effect for other sectors.

From the background above, this research is for showing the strategy that need to be through by the local government of Tulungagung and do the analyzing of the factors that will be supporting or slacking the strategy. From those identification the local government of Tulungagung must take a decision strategy for developing the tourism potency.

These are the problems of the research:

1. How is the local government strategy in increasing the tourism in Tulungagung?
2. What is contribution of the tourism sector to Tulungagung Local Revenue(PAD)?

## **Theoretical Review**

### **A. Development Administration**

Development administration can be explain as a process of controlling the administration effort by the government for realizing the growing up that had been planned to a condition that accepted as a better condition and showing a progress in every aspects of the nation.

Tjokroamidjojo said (1998, h.14) the cope of the development administration has two main function as a set of policy, correctness of the state administration”.

### **B. The Understanding of Strategy**

According Mc Nichols said in Salusu (1996, h.101) “about more simple strategy definition ,that is an art in using capability and an organization sources to reach the target through the effective relation with the environment in a very profitable condition”.

### **C. Local Autonomy**

#### **1. The Understanding of The Local Autonomy**

In chapter 1 article 6 Kaloh (2007, h.4) said the understanding of the local autonomy:

The united of the law citizen that have their limitation in the area which have an authority to manage and caring the government initiative and the local interest according their own idea based on the people aspiration in *NKRI* system.

#### **2. Tourism In Local Autonomy**

Local tourism potential must be known by the people who live nearby. When the centralize system was used the central government only now a little thing about local tourism potential of each district. This is the reason why the development in tourism sector is so poor at that time. This unknown, become the reason why the government not too care about the local potential. Witantira (2011,h.167)

One of the local autonomy characteristic is the government units have autonomy, independent and clearly separated from the central government. Central is only controlling a little or do not

controlling them at all. Because of that these units are free to plan and manage the local development strategy. Local potential that really known by the local people can be developed as one of the tourism destination. (Hariyono 2012), in order of the local autonomy, tourism become a superstar.

#### **D. The Local Revenue Increasing Potential From Tourism**

According Pendit (2002,h.32) in the form of tourism industry does not take over other industries within a country, but a stand-alone industry, which in essence helps and complements other industry growth spurt". For the government to explore potential sources of revenue, through retribution and local taxes. For the government, they can digging the potential PAD sources through the local tax retribution. Based on the explanation, one of the PAD sources is tourism sector. The PAD sources from tourism sector can be called as:

##### **1. Local Tax**

The local tax that related with the tourism are:

###### **a. The Development Tax 1**

The development tax 1 is a tax that collect 10 percent tax from the tourist when they eat at the restaurant or stay at the hotel.

###### **b. The Show and The Public Feast Tax**

The show and the public feast tax is a tax that collect 10 percent from the ticket at the sport , show or public feast. And 15 percent from the public art show.

##### **2. The Local Retribution**

The local retribution that related with the tourism are:

###### **a. Retribution in using the local government's area for recreation area and tour object area**

###### **b. The parking retribution at the tour object location**

##### **3. The Local Company's Result**

The local company's result that related is a result taken from the BUMND that has a responsibility in managing the tour object.

#### **Research Method**

The Type of this research is using the quantitative method with descriptive approaching and the tend of using the SWOT analyze. The SWOT analyze is an internal and external condition analyzing of an organization that will be used as a basic for planning a strategy and a work program. The internal analyzing consist of the measurement of the strength and weakness. The Development of Tourism Destination. Research focus in this research are The Development of The Human Resources, The Cooperation with The Stakeholder in Tourism, The Marketing and Tourism Advertisement, Increasing The Role of The Tour Subjects, SWOT Analysis of Tulungagung. The type of data used is primary and secondary data. Primary data is obtained from interview and documentation. The data collection techniques used in this research are interview ,documentation and quisioner. The data analysis technique used in this research is interactive analysis model method there are data collection process, data presentation, data reduction and conclusion.

#### **Result and Discussion**

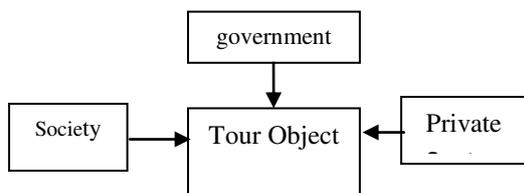
##### **A. The Development of Tourism Destination**

Tourism destination is most important element in attracting tourists. With so many Tulungagung potential tourism is a very valuable capital to develop tourism. The development of the tourism sector will take a considerable impact on related industries such as hotels, restaurants, travel agencies and small and medium businesses (*UKM*) as it can produce and sell souvenir items as well as job opportunities are dpat reduce local unemployment.

##### **B. Cooperation with the Stakeholder in Tourism**

With the developing of the tourism sector will support the income generating from many sides, begins with the ticket retribution, hotel and restaurant taxes, the permit of tourism business, besides that also pervade workers in formal sector and also informal sector. But in the developing the

government cannot work alone, there is must be a good cooperation among the elements. Below is the relation of the stakeholder to develop the tourism in Tulungagung:



The synergy of the three pillar in tourism management, that are the local government, private sector, society become the main power in increasing the tourism development in a district. The weakness from one pillar will obstruct the tourism development effort.

### C. Increasing Human Resources in The Institution

One of the success key of tourism in Tulungagung is human resources development in every sub system of the tourism. This show that a good quality of human resources take an important role in developing the tourism industry. So they need to give training and adding some new employee which have the appropriate educational background. The other thing that we can do to support the upgrading of human resources in *DISBUDPARPORA* is by holding upgrading programs in increasing human resources. The realization of the program is very helpful for the employees in carrying their duty and institutional works. Besides the human resources in the institution, the human resources training for the people who work in the tourism sector is also needed to increase their professionalism in increasing the service quality to the tourists so the tourists will satisfied visiting the tour object.

### D. The Marketing and Advertisement of Tourism

#### a. Marketing Tourism

The efforts in introducing the culture and nature potentials in Tulungagung are done in through tourism marketing. At this time, where the technology and

information development are very fast, predicted that there will be a rivalry in global market especially in tourism sector. Because of that the marketing of tourism is a strategy which have been done continually at the regional level.

#### b. Advertisement Tourism

The promotions have to be done, because promotion is an effort to adapt a tour product with the tourist request, so the tour product will be more attractive. The attractiveness become a key word of a tourism promotion which always packages with a model that can attract the tourist in local or international.

The tourism promotion also can be done through increasing the tourists visit, the researcher explain that there some steps in promotion planning, those are:

1. The selection of tourist candidates
2. Attract the selection of tourism promotion way.
3. Arranging the promotion budget
4. Evaluated the sides that will spread the promotion

#### SWOT analysis Tulungagung tourism

Based on analysis, SWOT analysis Tulungagung tourism are as follows:

##### 1. Strenght

- a) Tulungagung has tour potential in nature tour that can be developed and maintained for tourism.
- b) Local Autonomy gives widely authority and responsibility to digging and manage the sources of the local revenue (PAD)
- c) The geography of Tulungagung which really strategic in the route of southern coast of East Java province which very potential to develop.
- d) Tulungagung has some tour object that lies in the same tour area.
- e) The utilization of the information technology in tourism sector by the *DISPORA* to develop the Tourism
- f) In Tulungagung there are some local cultural and art events that always attracted tourists.
- g) Tulungagung has a stable safety and good enough stability.

### 1. Weakness

- a) The lack of society role in developing the tourism in Tulungagung
- b) The lack of government priority in developing tourism in Tulungagung
- c) Human resources specialization in DISBUDPARPORA isn't sufficient and need more training.
- d) The lack of investor which want to develop the tourism in Tulungagung
- e) The limited facility and infrastructure in the tour object
- f) The limited and the lack of supporting facility maintenance
- g) The tour object is not manage well because the lack of coordination among the center government, local government, public and local people.

### 2. Opportunities

- a) The space arrangement developing in tour area that exist and can open a chance for the people role developing and open new opportunities.
- b) The variety of objects and tour attractions in Tulungagung can open a chance to develop become tour packages and do the marketing together.
- c) The tourism development in Tulungagung gives chance to increase the Local Revenue (PAD).
- d) The heritage sites in Tulungagung give chance as a learning facility for the people, especially for the young generation so they will respect and keep the historical heritage.

### 3. Threat

- a) The land ownership status of the tour object
- b) Natural disaster
- c) The location which nearby the other districts become rival in Tourism

### 2. Contribution of the tourism sector to Tulungagung Local Revenue

The indicator which influence the result of local revenue of Tulungagung from tourism sector can be seen in the increasing of the tourists visit. From the research in the field we can know that the total visit from year to year in generally, there is no significant increasing. Here is

the table of the total tourists visit in Tulungagung:

Table 1 The Total Tourists Visit in Tulungagung in 2010 – 2012

No	Year	The Total Tour Visit		Total
		Popoh Beach	Wonorejo Reservoir	
1	2010	133.909	87.166	221.075
2	2011	155.057	60.900	216.497
3	1012	155.773	80.741	236.154

Sources: *DISBUDPARPORA*, 2013

Based on the local regulation of Tulungagung No.16, year 2010 about the tax, so DISBUDPARPORA of Tulungagung tries to re-dig the local revenue which hope can increase the local revenue (PAD) contribution from tourism sector, from hotel taxes, restaurant taxes, entertainment taxes, service retribution and tourism area retribution.

The relation between the revenue of the tourism sector with the local revenue are very close. Without pushing away the other sector, the tourism become the mainstay for the revenue not only the Tulungagung revenue but also the Indonesian revenue. This is because of the efforts of the DISBUDPARPORA Tulungagung in developing the tour object in order to increase the local revenue.

### Conclusion and Suggestion

#### a. Conclusion

The tourism development strategy in Tulungagung is an effort from DISBUDPARPORA as a step of tour potential development. The potential can be seen from the total of natural tours and the culture, such as the number of natural tour for about 19 ODTW and culture tour for about 48 ODTW. From those ODTW just some of it that can be optimized as a local revenue. In developing the tourism development, DISBUDPARPORA use strategy, including tourism destination development, increasing the quality of human resources, increasing the cooperation with the stakeholder in tourism sector, increasing the facility and infrastructure, marketing and tourism

promotion also increasing the role of tourism subjects.

#### **b. Suggestion**

1. Tulungagung tourism development needs to be supported by the local government and parliament (*DPRD*) in the form of regulations, programs, adequate budget allocation, and ease of licensing for tourism investors.
2. Tulungagung government needs to have the information and database systems tourism which is really accurate that needs to be updated regularly, so that can know the real potential of tourism in the region. Information systems and data bases is also important for investors, entrepreneurs, researchers, tourists and others who need it.
3. Increased community involvement especially in the vicinity of a tourist attraction by providing training for creating souvenirs to increase the economic income communities.
4. Tulungagung government should further improve the infrastructure, particularly the construction of the highway for easy access to public transport and private vehicles because it is a major contributory factor to facilitate visitors coming to these attractions.
5. Improve access to information and promotion of tourism in order Tulungagung easily accessible from a variety of sources such as through print and electronic media.

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