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Effect of Income and Expenditure on Foreign Visitors At Indonesian Commercial Tourist Attractions

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***Abstract:** The purpose of this research is to analyze effect of income and expenditure on foreign visitors at Indonesian commercial tourist attractions. This research is quantitative. Population in this study is 34 Indonesian Provinces in 2021 consisting of Aceh, North Sumatra, West Sumatra, Riau, Jambi, South Sumatra, Bengkulu, Lampung, Bangka Belitung Islands, Riau Islands, DKI Jakarta, West Java, Central Java, Regional Special to Yogyakarta, East Java, Banten, Bali, West Nusa Tenggara, East Nusa Tenggara, West Kalimantan, Central Kalimantan, South Kalimantan, East Kalimantan, North Kalimantan, North Sulawesi, Central Sulawesi, South Sulawesi, Southeast Sulawesi, Gorontalo, West Sulawesi, Maluku, North Maluku, West Papua, and Papua from Tourist Attraction Object Statistics 2021 compiled and presented by the Central Statistics Agency. Sampling in this study used saturated samples. So, sample in the research is 34 Indonesian Provinces. The research results show that income has a positive and significant effect on foreign visitors at Indonesian commercial tourist attractions. Expenditure has a negative and not significant effect on foreign visitors at Indonesian commercial tourist attractions.*

***Keywords:** Income, Expenditure, Foreign Visitors, Tourist Attractions.*

1. INTRODUCTION

Tourism is a variety ıof tourist activities supported by various facilities and services provided by the community, entrepreneurs, central government, and regional governments (Suwantoro, 2004). Tourism is a trip undertaken by a person or group of people by visiting certain places for the purposes of recreation, personal development, or studying the tourist attractions they visit for a temporary period of time. All activities related to tourism that are multidimensional and multidisciplinary in nature and emerge as a manifestation of the needs of each person ıand ıcountry as well as interactions between tourists and local communities, fellow tourists, the central government and regional governments, and entrepreneurs are referred to as tourism. Tourism aims to increase economic growth, improve people's welfare, ıeradicate ıpoverty, overcome unemployment, preserve nature, the environment and resources, advance culture,

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elevate ithe nation's image, foster a sense of love for the country, strengthen national identity and unity, strengthen friendship between nations (Oka, 2008).

Tourism is a sector that makes Indonesia quite attractive, so many tourists are interested in visiting. In fact, it is not only local tourists who are interested, the various types of tourist attractions are also able ito attract many foreign tourists to come. Moreover, Indonesia is one of the largest archipelago countries consisting of thousands of islands, making the tourist attractions in each place diverse, so it is inot surprising that Indonesia is no longer just a transit point, but also a tourist destination. There are various kinds of tourist attractions that can ibe visited, ranging from natural tourism to artificial tourism.

These selected affairs are government affairs that actually exist and have the potential to improve community welfare in accordance with the conditions, characteristics and superior potential of the region concerned. Regional autonomy also places districts and cities as growth centers. Tourism is a field that can contribute to advancing the region, namely by increasing local original income from the tourism sector. Therefore, each region has designed various offers regarding regional potential to potential investors to invest capital in their region, and this is iexpected to also increase the tourism potential of the district or city.

Regional development is one part of national development that cannot be separated from the principle of regional autonomy. Indonesia, as we know, is a developing country that has various kinds of tourism potential, both natural tourism and cultural tourism because Indonesia has various tribes, customs and cultures, also because of Indonesia's geographical location as a tropical country which produces natural beauty and animal diversity.

Indonesia as an archipelagic country has abundant natural wealth and various kinds of culture, customs and religions which of course can be utilized in the tourism sector as a commodity sector that is very good for the economy and as the country's second foreign exchange earner after petroleum and natural gas. The essence of Indonesian tourism relies on the uniqueness and specificity of culture and relationships between people. Changes that occur in tourist tastes from conventional tourism to more diverse types of tourism, such as cultural creation tourism, historical heritage and ecotourism, the number of world tourist trips in 2020 is estimated to reach 1.6 billion people.

One strategy in responding to these challenges is to develop a marketing mix strategy which is expected to attract tourists and also restore the tourism image of the Dairi area as safe and comfortable. Apart from that, marketing methods carried out through good service delivery methods will certainly provide satisfaction for visitors. Satisfaction with the services provided can be caused by the quality of service, quality of time, quality of price, quality of friendliness and quality of a good welcome which will certainly make visitors want to use the services that have been produced and from the satisfaction they feel can recommend others to try them.

The tourism sector as a potential sector is the main source of income for a country or region. The tourism sector plays a role in ithe progress of development, both national and regional,

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especially in economic terms. The role of the tourism sector will open up opportunities to create wider job opportunities (Zulmi, i2018). Success in developing the tourism sector will increase income, where tourism is the main component by observing factors that can influence it which include the number of tourist attractions, number of tourist visits, hotel or restaurant tax levels, hotel occupancy rates, per capita income, and tourist attraction levy levels.
The purpose of this research is to analyze effect of income and expenditure on foreign visitors at Indonesian commercial tourist attractions.

2. RELATED WORKS

2.1 Income

Income is the sum of the results from added value and all production unit sectors in one year. These production units produce goods and services and are in all sectors. Income in ithe context of gross regional domestic product is the total amount of added value of goods and services produced from all economic activities throughout the region in a certain year period, generally within one year (Tarigan, 2005).
Gross regional domestic product is an indicator of the economic growth of ia country or region. This growth can be influenced by several factors, including economic infrastructure. Gross regional domestic product is the total gross value produced by all business units in a certain region, or the total value of final goods and services produced by all economic units. In its presentation, gross regional domestic product is divided into two, namely gross regional domestic product at current prices and at constant prices. Gross regional domestic product at current prices is the total value of goods and services or income or expenditure valued at the prices prevailing in ithe year concerned, while gross regional domestic product at constant prices is the value of goods and services or income or expenditure assessed at a fixed iprice.

Tourist attraction income is the sources of income from tourist attractions in an area which originate from parking fees, entrance ticket fees to tourist attractions and other legitimate income originating from regional tourist attractions. Acceptance of this tourist attraction will affect the local revenue obtained by the area. Based on research by Putra (2011) which analyzed the influence of the number of tourist visits on the receipt of tourist levies, local revenue, and the Gianyar Regency development budget for 1991-2010, it showed that local revenue had a positive and significant effect on the number of tourist visits. Suherlan (2016) in his research found that the number of tourist attractions has an influence on regional original income. As the number of tourist attractions increases, regional original income through the tourism sector will also increase, and conversely, a decreasing number of tourist attractions results in regional original income also decreasing. Meanwhile, Alyani and Siwi (2020) in their research found that the number of tourist attractions did not have a significant influence on local revenue. This shows that increasing local revenue does not only involve building and facilitating tourist attractions.

2.2 Expenditure

Expenditure is the sum of the final use value of goods and services produced domestically (Tambunan, 2018). If viewed from a usage perspective, the total provision of production of

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goods and services is used for household consumption, consumption by non-profit private institutions, government consumption, gross fixed capital formation, changes in stocks, and net ixports.

Tourist expenditure in a country aims to enable tourists to increase income and increase equity in local communities directly or indirectly through multiple impacts. Where tourism areas can increase their income by selling goods and services, such as restaurants, hotels, tour guides and isouvenir items. Thus, tourism must be used as an alternative to bring profits to the country.

The tourism industry sector is one of the sectors that is relied upon for regional revenues to be able to explore and manage its tourism potential as an effort to obtain funding sources through new breakthroughs in an effort to finance regional expenditure through levies obtained from each tourism object in each region. Munanda and Amar (2019) in their research entitled the influence of foreign tourist visits, average expenditure and hotel occupancy levels on Indonesian income in the tourism sector, show that average expenditure has a positive but not significant influence on tourism sector income. The country's foreign exchange income generated from the expenditure of foreign tourists becomes income. The greater the number of foreign tourists visiting, the economic growth caused by foreign tourist spending in tourist destination areas is expected to become a support for the development of community welfare (Hermawan and Wardhana, 2016).

2.3 Foreign Visitors

Foreign visitors are any visitors who visit a country outside heir place of residence driven by one or more needs without any intention of earning income in the place visited and the duration of the visit is no more than 12 months.
Foreign visitors can also be defined as foreigners who undertake a tourist trip or visit another country that is not the place where they reside. Visits by foreign visitors to Indonesia have a positive impact on the country's economy, this can be seen through demand for domestic goods or services related to the tourism sector (Zaenuri, M. (2012).
The country's foreign exchange income generated from the expenditure of foreign visitors becomes income for Indonesia. The greater the number of foreign visitors visiting Indonesia, the economic growth caused by the spending of foreign visitors in tourist destination areas is expected to be a support for the development of people's welfare in Indonesia.

3. RESEARCH METHODS

This research is quantitative. Quantitative research is a result or something that can be expressed in numbers, for example, a person's age, income, and so on. The aim of quantitative research is to develop and use mathematical models, theories or hypotheses related to a phenomenon (Alimuddin et al., 2023).
Population refers to a group of people or objects that have similarities in one or several things that form the main problem in a specific research (Kurdhi et al., 2023). Population in this study is 34 Indonesian Provinces in 2021 consisting of Aceh, North Sumatra, West Sumatra, Riau, Jambi, South Sumatra, Bengkulu, Lampung, Bangka Belitung Islands, Riau Islands, DKI

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Jakarta, West Java, Central Java, Regional Special to Yogyakarta, East Java, Banten, Bali, West Nusa Tenggara, East Nusa Tenggara, West Kalimantan, Central Kalimantan, South Kalimantan, East Kalimantan, North Kalimantan, North Sulawesi, Central Sulawesi, South Sulawesi, Southeast Sulawesi, Gorontalo, West Sulawesi, Maluku, North Maluku, West Papua, and Papua from Tourist Attraction Object Statistics 2021 compiled and presented by the Central Statistics Agency. Sample is a part or representative of the population istudied (Pandiangan et al., 2023). Sampling in this study used saturated samples. aturated sampling is a sample selection technique when all members of the population are sampled (Pandiangan, 2023). So, sample in the research is 34 Indonesian Provinces.

Data analysis in this study used multiple linear regression test. This test aims to determine the effect of the independent variable on the dependent variable partially with a significance level of 5% (Ratnawita et al., 2023). If the sig. value alpha then H0 is rejected and Ha is accepted, meaning there is a significant effect between each independent variable on the dependent variable. If the sig. value alpha then Ho is accepted and Ha is rejected, meaning there is no significant effect between each independent variable on the dependent variable.

4. RESULT AND DISCUSSION

Multiple Linear Regression Test Result

Multiple linear regression test is a study of the dependence of a dependent variable on one or more independent variables, with the aim of estimating the population average or average value of ithe dependent variable based on the known values of the independent variables (Yoppy et al., 2023). The results of the regression analysis are in the form of coefficients for each independent variable.

Table 1. Multiple Linear Regression Test Result

Model		Coefficients[a] Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. iError	Beta		
1	(Constant)	5575.876	29422.308		.190	.851
	Income	1.595	.729	2.027	2.189	.036
	Expenditure	-.887	.658	-1.248	-1.348	.187
a. Dependent Variable: Foreign Visitors						

The research results show that income has a positive and significant effect on foreign visitors at Indonesian commercial tourist attractions.Tourism is a field that can contribute to advancing the country, namely through increasing income from the tourism sector. Because of this, each country has designed various offers regarding the potential for potential investors to invest capital in their country, and this is expected to also increase the tourism potential of the city or district. Conformity to the expectations of tourists at natural tourist attractions is a very important thing which is the goal of imanagers and the government where tourism is a source of income, including feeling isatisfied after visiting, the conformity between the management's performance and the expectations of visitors is measured by the quality of the services provided. The tourism sector is indicated to be able to increase economic equality and increase

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income so that prosperity and economic development can be created. The increasing income that is balanced with the increasing development of resource potential will increase income so that a country can develop its own country with the income it obtains.
Expenditure has a negative and not significant effect on foreign visitors at Indonesian commercial tourist attractions. The country's foreign exchange income generated from the expenditure of foreign tourists becomes income for Indonesia. The smaller the number of foreign tourists visiting Indonesia, the economic growth caused by foreign tourist spending in tourist destination areas is not expected to be a support for the development of people's welfare in Indonesia. Tourism can provide a place for cultural introduction, create job opportunities ıso that it can reduce the number of unemployed. Tourism facilities such as hotels and travel companies are labor-intensive businesses, requiring far more labor than other businesses. Another benefit is that tourism contributes to the balance of payments, because tourists spend money received in the countries they visit. So, in itself, receipts from foreign tourists are an important factor so that the balance of payments is profitable, namely that income is greater than expenditure.

5. CONCLUSION

The research results show that income has a positive and significant effect on foreign visitors at Indonesian commercial tourist attractions. Expenditure has a negative and not significant effect on foreign visitors at Indonesian commercial tourist attractions.

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