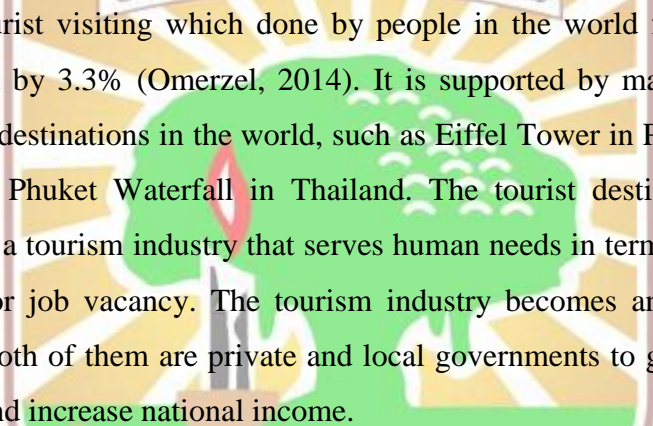


CHAPTER I

INTRODUCTION

This chapter consists of background, problem formulation, research objectives, research scopes, and outline of the report in this research.

1.1 Background



The tourist visiting which done by people in the world from 2010 until 2013 increased by 3.3% (Omerzel, 2014). It is supported by many popular and famous tourist destinations in the world, such as Eiffel Tower in Paris, Jeju Island in Korea, and Phuket Waterfall in Thailand. The tourist destination now has developed into a tourism industry that serves human needs in terms of beauty and the economy or job vacancy. The tourism industry becomes an area for some stakeholders, both of them are private and local governments to get the profits in this business and increase national income.

According to the World Travel and Tourism Council (WTTC, 2013), Travel and Tourism sector provides the largest contribution to the total value of goods and services sold for a country in a year, known as the Gross Domestic Product (GDP). This is evidenced by the growth of global GDP on 2011 until 2014, more than four million new jobs were generated related to this sector. In addition, in 2012 the tourism industry was growing more rapidly than the usual economic sources, such as manufacturing, finance, and other aspects. This also occurs because more than 10% of new jobs arise with the tourism industry (Omerzel, 2014).

Tourism development can have both positive and negative impacts. It plays an important and certainly positive role in the socio-economic and political development in destination countries, because it offers new employment

opportunities. On the other hand, as a tool to create jobs, it has not fulfilled its expectations. At the same time, complaints from tourist destinations concerning massive negative impacts upon environment, culture and residents ways of life have given rise to a demand for a more sustainable development in tourism (Yazdi, 2012).

Indonesia is a nation with the largest archipelago in the world, and has 18,110 islands on the coastline with a length of 108,000 km. The natural potency of the islands owned flora, fauna, historical heritage, art and culture. Those natural potency is a resource that should be exploited by the government through the tourism industry to increase national income (Nandi, 2008). Indonesia also has tourism potency which has beautiful tourist destinations in the world, such as Raja Ampat in Papua, Bali Island, Bunaken Tourism in Sulawesi, and Island Tourism in West Sumatera. The tourist destinations are not only visited by domestic tourists, but also become an interesting tourist destination for foreign tourists.

The tourist destination which has famous popular destination for tourists nowadays is island destinations (Razak *et al*, 2011). It evidenced by there were some visiting of domestic and foreign tourist into some islands in Indonesia. The islands distribute in the whole of Indonesia as archipelago and also some small islands. According to Razak *et al* (2011), the reason why island tourism become a popular destination because islands are the potential tourism which has more different types of tourism than other general tourisms, such as geography condition of islands which has unique characteristics and own satisfactions for the visitors. However, one of the problems faced by Indonesia in developing the tourism industry is the lack of supporting facilities of tourism, such as professional workers in the field of tourism management, where the key of success for a tourism industry is the quality of tourist services (Nandi, 2008).

West Sumatra is one of the 33 provinces in Indonesia which has the beautiful natural potency with tradition and culture inside. Therefore, this province has become an attractive tourist destination for domestic and foreign

tourists. This is evidenced by the number of foreign tourist visited to West Sumatra based on data from the Department of Culture and Tourism of West Sumatra Province in 2013 is 48,583 peoples or increase 31.47 percent compared to the previous year (BPS, 2014).

Data of tourist visited Padang City in particular also increased every year as shown in **Figure 1.1**.

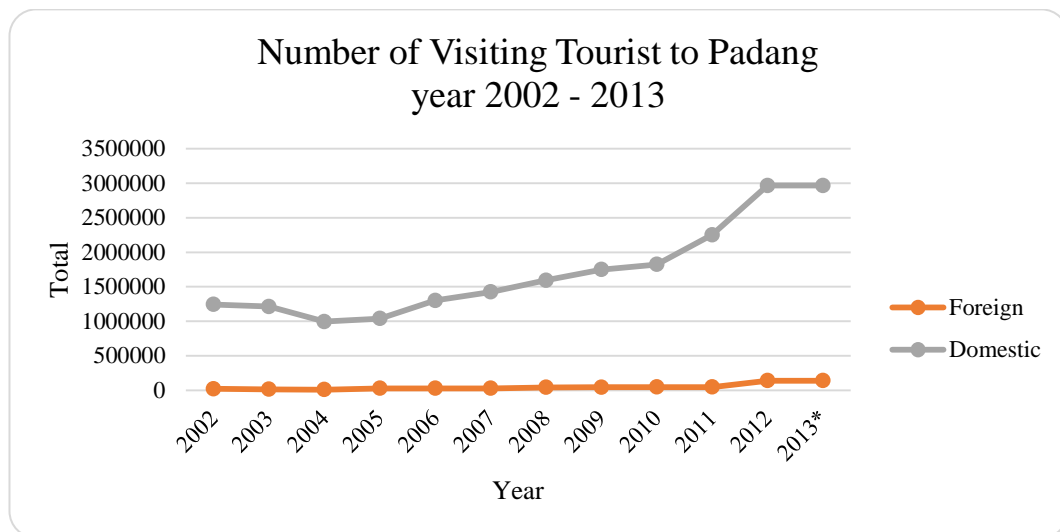


Figure 1.1 Data of Tourist Visited to Padang (Department of Culture and Tourism of the city of Padang year 2012 – 2013 (BPS, 2014)

Nowadays, island tourism is an attractive tourist destination for domestic tourists and foreign tourists in West Sumatra such as Pagang Island, Pamutusan Island, and Pasumpahan Island. The potency of those three islands is very fascinating, but the information about the islands has not been well exposed into publics in general. Pasumpahan Island is one of famous island were located in the village of Sungai Pisang, Bungus Teluk Kabung, Padang City, West Sumatera. Pasumpahan Island is chosen as the study object due to the location of Pasumpahan Island is the nearest from Sungai Pisang compare than other island. It only spent times about 15 minutes to get the Pasumpahan Island using boat. Currently, the Pasumpahan Island is mostly visited by foreign and local tourists. Besides, Pasumpahan Island has a beautiful view, coral reef ecosystems,

sculpture, and views of the islands. The Indian Ocean around Pasumpahan Island also can be seen from the Pasumpahan Peak.

The natural potency of this island is supported by adequate facilities, such as snorkeling facilities, banana boat, jet ski, camping facilities, fishing gear, homestay, cottage, object photographed, swing, garden, volleyball court, and tavern. Various activities can be carried out by tourists who come into Pasumpahan Island, such as snorkeling, camping, playing banana boat, playing Jet Ski, fishing, and enjoying the beauty of the islands from the Pasumpahan Peak. The amazing potency will be useless if not well managed by the stakeholders. Therefore, it needs to develop a strategy to increase the tourism industry in the Pasumpahan Island.

Besides the strengths of Pasumpahan Islands, there are some factors which can become the threats for this island tourism. The main weaknesses is the road to access Sungai Pisang as a transit place before going to the islands. There is no public transportation to Sungai Pisang. Besides that, the condition of the road is very dangerous because there are some incisive ascents and some holes in the road surface. When the tourist wants to visit Sungai Pisang in rainy season, it will become more dangerous. The other weaknesses of this island tourism is there is no good relationship between the government and the islands management. So that, the access development along the road of Sungai Pisang is bad because there is not enough supports from the government to the development of this destinations. Without supports by local government, the management can't handle the promotion and marketing by their own selves. Therefore, the development of a good island tourism become a difficult thing to realize. Although the Pasumpahan Island has some weaknesses, it is not the reason for tourists not to come to the island. But, if the stakeholders do not concern with the problems, it will become a big threats for the Pasumpahan Island Tourism.

The growing of tourism industry will influence the stakeholders as the players of tourism industry. This is because of the tourism industry is a national

concern, as the national focus and included in regional development plans and as international trade strategy for global industry players in small and medium scales (Fundeanu, 2014). A tourism industry in Pasumpahan Island also has a big influence for certain industry players, such as local governments of Sungai Pisang Village and Sungai Pisang Society. The Pasumpahan Island Tourism make Sungai Pisang becomes more famous than before, because some tourists come to Sungai Pisang before going to Pasumpahan Island. Every tourist who comes to Sungai Pisang Village will give benefit to the people in Sungai Pisang and the management of Pasumpahan Island as players of Island Tourism industry, especially in economic side. Therefore, it needs to analyze the potency of Pasumpahan Island Tourism. It caused Pasumpahan actually has some good potency to be developed as one of Developing Island Tourism in West Sumatera. Based on the tourism development strategy, hopefully it becomes a key point to increase the development of island tourism industry as well as the prosperity of people in Sungai Pisang Village.

1.2 Problem Formulation

Based on the research background, the problem formulation for this research are:

1. How's the condition of Pasumpahan Island Tourism based on SWOT analysis?
2. How to develop the strategic planning to improve The Pasumpahan Island Tourism?

1.3 Research Objectives

The research objectives related to Development Strategy of Pasumpahan Island Tourism are to:

1. Analyze the Strengths (S) and Weaknesses (W) as internal factors and Opportunities (O) and Threats (T) as external factors of Pasumpahan Island Tourism.
2. Develop the strategic planning for Pasumpahan Island Tourism.

1.4 Research Scopes

The scopes of this research are:

1. The research object focus on Pasumpahan Island Tourism
2. Financial aspect is not considered in this research

1.5 Outline of the Report

The text of this Final Project Proposal can be structured as follow:

CHAPTER I INTRODUCTION

This chapter consists of Background, Problem Formulation, Research Objectives, Research Scopes, and Outline of the Report.

CHAPTER II LITERATURE REVIEW

This chapter consists of theoretical background about tourism, marine tourism, strategic planning, SWOT analysis, Internal Factors Evaluation (IFE), External Factors Evaluation (EFE), Internal External Matrix (IE), SWOT Matrix, and TOPSIS method.

CHAPTER III RESEARCH METHODOLOGY

This chapter consists of preliminary study, literature review, problem identification and problem formulation, data collection of internal and external factors, SWOT analysis based on the factors, strategy formulation (consists of the input stage using Internal Factor

Evaluation (IFE) and External Factor Evaluation (EFE), the matching stage using IE Matix and SWOT Matrix, and the decision stage by using TOPSIS Method), analysis, conclusions, and suggestions.

CHAPTER IV SWOT ANALYSIS OF PASUMPAHAN ISLAND TOURISM

This chapter includes the SWOT analysis of Pasumpahan Island Tourism Industry, such as internal and external factors evaluation of Pasumpahan Island Tourism and grouping of SWOT Factors into Strengths (S), Weaknesseses (W), Opportunities (O), and Threatss (T).

CHAPTER V STRATEGIC PLANNING OF PASUMPAHAN ISLAND TOURISM

This chapter includes the strategic formulation stages to develop the strategic planning of Pasumpahan Island Tourism, such as Internal Factors Evaluation (IFE) and External Factors Evaluation (EFE) Matrix as the input stage, internal-external (IE) Matrix, SWOT matrix, and Delphi Method as the matching stage, and TOPSIS Method as the decision stage.

CHAPTER VI DISCUSSIONS

This chapter consists of SWOT factor discussion, Internal Factor Evaluation (IFE) matrix and External Factor Evaluation (EFE) matrix, Internal – External (IE) Matrix, SWOT Matrix, Delphi Method, and Technique Order Preference by Similarity to Ideal Solution (TOPSIS) Method.

CHAPTER VII CONCLUSIONS

This chapter consists of research conclusions and suggestions for the future research.