The role of tourist attraction and uniqueness of resources on value creation in the tourist destination

Erislan

Sahid University of Jakarta, Jl. Prof. Dr. Supomo, SH No. 84 Tebet, Jakarta Selatan 12870, Indonesia and STKIP Kie Raha Ternate, Jl. Kampus STKIP Kelurahan Sasa Kota Ternate Selatan Maluku Utara, Indonesia Email: erislan@yahoo.com

Abstract: Previous researches on tourist destination in West Java highlighted the decline in revenue from tourism, tourist visits, hospitality and restaurants investment, as well as the number of tourism labour. These symptoms indicate under optimal conditions of value creation in the tourist destination in West Java. The results showed that the tourist attraction in West Java has not been fully adapted and developed several strategic aspects, such as reputation, technology, organisational culture, communication, human resources competence, and adjustment of internal capabilities, so that the relationship among variables and the influencing variable must be tested. The results also revealed that in order to create value, the tourist destinations in West Java should integrate tourist attraction and uniqueness of resources. In other words, the managers of tourist attractions in West Java should have the ability to adjust the value created and their tourist attractions.

Keywords: tourist attraction; uniqueness of resources; value creation.

Reference to this paper should be made as follows: Erislan (2017) 'The role of tourist attraction and uniqueness of resources on value creation in the tourist destination', *Int. J. Business and Globalisation*, Vol. 19, No. 2, pp.191–199.

Biographical notes: Erislan completed his Bachelor's degree in Yokyakarta. He earned his Master's degree in Jakarta. Later in 2014, he earned his PhD degree in Doctoral Program of Management Sciences at University of Padjadjaran Bandung. After graduation until the end of 2015, he was frequently involved in various studies related to tourism in Indonesia. Currently, he is a Lecturer at STKIP Kie Raha Ternate and University of Sahid Jakarta. He has leadership and administrative responsibilities for faculty recruitment and development, curriculum, programs assessment, quality assurance, and faculty workload planning for the qualification programs. He oversees academic and faculty support services related to programs and interact with faculty on academic and administrative matters through collegiate committees.

This paper is a revised and expanded version of a paper entitled 'The role of tourist attraction and uniqueness of resources on value creation in the tourist destination' presented at SIBR Kuala Lumpur Conference, Kuala Lumpur, Malaysia, 12–13 February 2016.

1 Introduction

Attractions are the major factors, which generate tourist flow to a particular location. The tourist facilities are the elements in tourist product, which do not normally provide the motivation for tourist flows. The absence of these facilities, however, may prevent the tourists from travelling to enjoy the attractions. Accessibility relates to the mode of transportation to the destination chosen by tourist and is best interpreted in terms of time and cost to reach the destination (Das et al., 2007). According to Ko and Liu (2011), something interesting that makes individual visiting a place to do or see something through dimensions, namely:

- a characteristics of travel behaviour
- b elements of a tourist attraction.

Abhyankar and Dalvie (2013) concluded that the factors that influence the choice of a destination, among others; age group, season, gender, expenditure incurred, brochure as a source of information, five stars accommodation, friends, magazines and newspaper as a source of information were found.

In a previous study, reference was made to the relationship between attraction and uniqueness of resources to the tourist destination in West Java, Indonesia (Erislan, 2016). The significant difference with this study is that there are additional variables to the creation of value. The addition of variable value creation is very important for a destination, for being one of the strategic options for the management of destinations, especially in West Java – Indonesia to develop the attractiveness and uniqueness of its resources.

2 Literature reviews

2.1 Relationship between tourist attraction and uniqueness of resources

Moorthy (2014) concluded that other factors that increase the number of tourist arrivals are sharing a common border and common language. In this study, there been an indicator of culture and communication in the uniqueness of the resource variables is closely associated with sharing a common border and common language.

Dwyer and Kim (2003) concluded

- 1 various characteristics that make it attractive destinations to visit because of the different resources that will have a different appeal to different travellers
- 2 resources correlated significantly with tourist attraction
- 3 tourist attraction decreases as a result of the limited natural resources (as a gift from God) at certain destinations, so it requires the value creation that can stimulate tourists to come

4 the uniqueness of the resource have a greater influence on creation than natural resources (as a gift from God).

2.2 Influence of tourist attraction on value creation

Moorthy's (2014) reveals that there is a positive correlation between the size of a country market with tourist arrivals. In addition this study also concluded that the shorter the distance, the lower the cost, and low transportation costs will increase the number of tourists. This explains the inter-relationship between a tourist attraction where the dimensional characteristics of travel behaviour, in particular the long travel time indicator is closely linked to the cost of which is an indicator of value creation in this study.

Tourism experience is a complex combination of factors (Buhalis, 2000; Swarbrooke, 2002) comprising the components of social, emotional, economic and psychological (Bowen, 2001). Due to longitudinal nature of tourism, tourists refine their expectations on an ongoing basis (Danaher and Mattson, 1994) and their perceptions change during a course of a trip (Vogt and Stewart, 1998). A series of value judgements based on emotional and physical responses to a destination attraction influences tourist satisfaction or dissatisfaction of the destination (Swarbrooke, 2002). Tourist satisfaction consists of a number of independent components of holiday experiences such as facilities, natural environment, or services (Pizam et al., 1978). The evaluations of both attractions and levels of service quality (supply side) are regarded as critical in determining overall tourist satisfaction (demand side) (Whipple and Thach, 1988). In the Nordic School of marketing thought, firms and consumers are co-producers of the service and co-creators of value. As such, the firms facilitate processes that support customers' value creation (Grönroos, 1978). Many researchers have similar view that different aspects of consumer value impact differently at different points within the consumption process (Sweeney and Soutar, 2001; Sheth et al., 1991).

2.3 The influence of uniqueness of resource on value creation

Cravens and Piercy (2009, p.6) explain that the uniqueness of resources through capability can produce value match. A tourist attraction through the organisational capability and intangible assets or the so-called uniqueness of resources can make a value creation.

2.4 The model of tourist attraction and uniqueness of resource on value creation

Based on several studies above, the conceptual framework of this research can be described as follows:

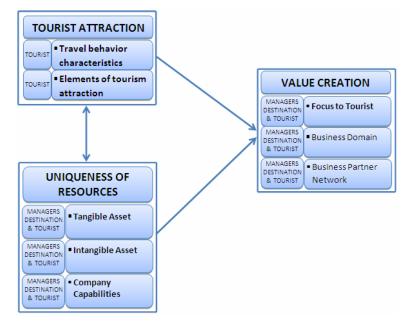


Figure 1 The model of influence of tourist attraction and uniqueness of resource on value creation (see online version for colours)

3 Method of analysis and data

The unit of analysis in this study is a tourist destination in West Java, namely 30 attractions in West Java. The sources of data were analysed using primary and secondary data, collected through two groups of respondents. The first group of respondents was the managers of the 30 attractions in West Java. The second group is the 384 tourists as respondents in 30 attractions in West Java. To test the hypotheses, partial least square (PLS) was used.

Tourist attraction (X_1) uses the tourist as respondents. The first independent variable will be traced in two dimensions:

- 1 travel behaviour characteristics
- 2 elements of tourism attraction (Banacu, 2010; Ritchie and Etchner, 2003; Berechet et al., 2010;Omerzel et al., 2006; Vengesayi and Mavondo, 2004; Lee et al., 2009; Enright and Newton, 2004; Hsu et al., 2009; Ko and Liu, 2011).

Uniqueness of resources (X_2) uses management and tourist as respondents. The second independent variable will be traced into three dimensions:

- 1 tangible asset
- 2 intangible asset
- 3 company capabilities [Colman, 2008; Roberts and Grahame, 2002; Pearce and Robinson, (2003), p.127; Wheelen and Hunger, (2008), p.106; Marti, 2004].

Value creation (Y) uses management and tourist as respondents. This variable will be traced into three dimensions:

- 1 focus to tourist
- 2 business domain
- 3 business partner network (Kotler and Keller, 2012; Parasuraman and Grewal, 2000; Kim, 1998; Morgan et al., 2002).

4 Results and discussion

Tourist attraction is anything that has a uniqueness, beauty, and value the wealth of diversity in the form of natural, cultural and man-made results of the goals or objectives of tourist arrivals

4.1 Partial effect

To determine the influence of the partial constructs of tourist attraction on value creation, it can be seen from the value of path coefficient from the PLS output. The complete PLS output is presented on Table 1.

Path coefficients (Y1 / 1)											
Latent variable	Value	Standard error	Т	Pr > t	f^2	Value (bootstrap)	Standard error (bootstrap)	Critical ratio (CR)	Lower bound (95%)	Upper bound (95%)	
X1	0.069	0.153	0.453	0.654	0.008	0.076	0.197	0.351	-0.401	0.586	
X2	0.739	0.153	4.840	0.000	0.868	0.728	0.182	4.058	0.272	1.063	

 Table 1
 The coefficient of partial effect on value creation

Source: XLSTAT Output version 2011.3.04

Based on Table 1, partially all constructs have positive path coefficient, which means have positive effect. An increase in the value of constructs in the exogenous variables will be followed by an increase in the endogenous variable constructs. In accordance with the path coefficient values in Table 1, partially construct of tourist attraction has influenced 0.069 (6.9%), and the construct of uniqueness of the resource has influenced 0.739 (73.9%) the value creation.

The results of the above studies show that partially uniqueness of the resource has greater and stronger influence on the value creation in the area of tourist destination in West Java compared to the tourist attraction. Therefore, if the tourist destinations in West Java want to increase the value creation for its tourist destination, then they should focus on improving the uniqueness of the resources of its tourist destination. Tourist attraction by the perception of visitors has a weak influence on the value creation of tourist destination in West Java. This is due to the abundant number of tourist destinations in West Java that have nearly identical attractiveness either in travel behaviour characteristics or in elements of tourism attraction.

Weakening of tourist attraction to the value creation of tourist destination in West Java was allegedly also influenced by aspects such as long travel time and length of stay. It is true in the aspect of transport and inadequate transportation infrastructure, thereby requiring long distance and high fees for the major tourist sites.

In addition, inadequate tourist facilities such as; hotels, cafes, restaurants, entertainment and adventure activities caused most of the tourists do not stay at tourist sites. For that, we need the diversity of variations of the attraction through the addition of entertainment and games and others. This is done in order to attract tourists in exploring further and encourages tourists to experience longer in a tourist attraction.

To increase the uniqueness of the resources to value creation, a tourist destination in West Java should further enhance the company's intangible assets and capabilities, especially related to reputation, technology, organisational culture, communication, competence of human resources, and adjustment of internal capabilities. This is caused by the management is bound by government regulations so that the reputation of a popular tourist destination in West Java has not been good. In fact, a good reputation will produce a good image in the perception of tourists, managers, and private parties. In addition, the management of tourist destinations has to optimise the utilisation of the role of technology, through the use of technology, information about the company and its products can be delivered to the tourist area without being limited by space and time. On the other hand, given the manageability attractions most are still managed by the state company similar business entities, so they are often experiencing problems in terms of organisational culture and communication.

A tourist attraction through the organisational capabilities and intangible assets, or the so-called uniqueness of resource can perform a value creation. In other words, tourist attraction is a motive for tourist visits, but the tourist attraction alone is certainly not enough, it must continue to be developed further using a value creation strategy through the unique implementation of existing resources on businesses in the tourist destination area.

4.2 Simultaneous effect

PLS calculation results with XLSTAT 2011 show the following output.

				$R^{2}(Y1 / 1)$			
R^2	F	Pr > F	R ² (bootstrap)	Standard error	Critical ratio (CR)	Lower bound (95%)	Upper bound (95%)
0.614	21.475	0.000	0.640	0.117	5.264	0.333	0.863
	Source:	XLSTAT	Output versio	n 2011.3.04			

 Table 2
 The coefficient of simultaneous effect on value creation

From Table 2, the effect of tourist attractions and uniqueness of resources on value creation simultaneously can be seen based on the value of R^2 , which is equal to 0.614, which means 61.4% variability of the value creation of tourist destination in West Java can be described by the tourist attraction and uniqueness of resource. The rest (38.6%) is explained by other variables not analysed in this study.

These results indicate that the effect of attraction and uniqueness of resources according to the visitor's perception of the value creation of a tourist destination in West Java is still far greater than other factors beyond the tourist attraction and uniqueness of resources. If a tourist destination in West Java wants to increase the value creation in the eyes of visitors, it is a tourist destination should increase the tourist attraction on the aspects: the characteristics of travel behaviour and elements of attractiveness and uniqueness of resources on aspects: tangible assets, intangible assets and company capabilities, in overall.

4.3 Direct, indirect, and total effects

This study found that tourist attractions has a positive effect but not significant on the value creation in tourist destination in West Java. This implies that tourist attractions cannot increase the value creation significantly.

The uniqueness of the resource significantly influences value creation. It means that the uniqueness of the resource has a significant impact on value creation in the tourist destination in West Java. This is consistent with theories that are used to build hypotheses and framework of thinking, that the uniqueness of the resource has a positive and significant impact on value creation.

The uniqueness of the resource is a derivative of the tourist attractions in a tourist destination to be visited by tourists. Attractiveness owned by a tourist destination requires the existence of unique resources to create value. The problem is that the tourist attractions in addition to the result of the creation of God Almighty, they can also be made by the man. Each creation or artificial must have the characteristics and uniqueness especially with regard to resource manmade creation that relies heavily on strategies that are expected to provide a unique tourist destination/characteristics that make it superior to compete with other destinations. Value creation is a series of activities in an effort to provide a good product/service for the customer in question.

5 Conclusions

Partially dominant aspect for value creation is a unique resource because these variables contribute more dominant than the tourist attractions. To that end, the management of tourism in West Java should focus on aspects such as reputation, technology, organisational culture, communication, competence of human resources, and adjustment of internal capabilities.

Simultaneously, if a tourist destination in West Java wants to increase the creation of value, it must increase the attraction and uniqueness of the resources of its tourist destination together. That is, in order to create value, then the human resources (managers) must have the ability to adjust the value created by the tourist attractions owned.

References

- Abhyankar, A. and Dalvie, S. (2013) 'Growth potential of the domestic and international tourism in India', *Review of Integrative Business and Economics Research*, Vol. 2, No. 1, pp.566–576.
- Banacu, C.S. (2010) 'The role of project management in the formation of historical tourism attractiveness factors', *Proceedings of the 6th International Management Conference Approaches in Organisational Management*, 15–16 November 2012, Bucharest, Romania.
- Berechet, G., Chiriac, C.A. and Ineson, E. (2010) 'Improving the attractiveness of a tourism destination: a Romanian experience presentations', *The Hospitality and Tourism Educators*, Monday, 26 October.
- Bowen, D. (2001) 'Antecedents of consumer satisfaction and dis-satisfaction (CS/D) on long-haul inclusive tours a reality check on theoretical considerations', *Tourism Management*, Vol. 22, No. 3, pp.49–61.
- Buhalis, D. (2000) 'Marketing the competitive destination of the future', *Tourism Management*, Vol. 21, No. 1, pp.97–116.
- Colman, H.L. (2008) Organizational Identity and Value Creation in Post-Acquisition Integration, Doctoral Dissertation, Norwegian School of Management.
- Cravens, D.W. and Nigel, F.P. (2009) Strategic Marketing, 9th ed., McGraw-Hill, New York.
- Danaher, P.J. and Mattson, J. (1994) 'Cumulative encounter satisfaction in the hotel conference process', *International Journal of Service Industry Management*, Vol. 5, No. 4, pp.69–80.
- Das, D., Sharma, S.K., Mohapatra, P.K.J. and Sarkar, A. (1007) 'Factors influencing the attractiveness of a tourist destination: a case study', *Journal of Services Research*, April–September, Vol. 7, No. 1, pp.103–134.
- Dwyer, L. and Kim, C. (2003) 'Destination competitiveness: determinants and indicators', *Current Issues in Tourism*, Vol. 6, No. 5, pp.369–414.
- Enright, M.J. and Newton, J. (2004) 'Tourism destination competitiveness: a quantitative approach', *Tourism Management*, Vol. 25, No. 6, pp.777–788.
- Erislan (2016) 'Tourist attraction and the uniqueness of resources on tourist destination in West Java, Indonesia', *Review of Integrative Business and Economics Research*, Vol. 5, No. 1, pp.251–266.
- Grönroos, C. (1978) 'A service-oriented approach to marketing of services', European Journal of Marketing, Vol. 12, No. 8, pp.588–601.
- Hsu, T-K., Tsai, Y-F. and Wu, H-H. (2009) 'The preference analysis for tourist choice of destination: a case study of Taiwan', *Tourism Management*, Vol. 30, No. 2, pp.288–297.
- Kim, H-B. (1998) 'Perceived attractiveness of Korean destinations', Annals of Tourism Research, Vol. 25, No. 2, pp.340–361.
- Ko, P-F. and Liu, Y-L. (2011) 'A visitor-focused study of tourism attraction in Taiwan: empirical evidence from outbound Chinese tourists', *Journal of Hospitality Management and Tourism*, Vol. 2, No. 2, pp.22–33.
- Kotler, P. and Keller, K.L. (2012) Marketing Management, 14th ed., Pearson Education, Australia.
- Lee, C-F., Ou, W-M. and Huang, H. (2009) 'A study of destination attractiveness through domestic visitors' perspectives: the case of Taiwan's hot springs tourism sector', *Asia Pacific Journal of Tourism Research*, Vol. 14, No. 1, pp.17–38.
- Marti, J.M.V. (2004) 'Strategic knowledge benchmarking system: a knowledge-based strategic management information system for firms', *Journal Knowledge Management*, 2004-8-6 page 31.
- Moorthy, R. (2014) 'An empirical analysis of demand factors for Malaysian tourism sector using stochastic methods', *Review of Integrative Business and Economics Research*, Vol. 3, No. 2, pp.255–267.

- Morgan, N., Pritchard, A. and Piggott, R. (2002) 'New Zealand, 100% pure: the creation of a powerful niche destination brand', *Journal of brand management*, Vol. 9, Nos. 4–5, pp.335–354.
- Omerzel, D.G. (2006) 'Competitiveness of Slovenia as a tourist destination', *Managing Global Transitions*, Vol. 4, No. 2, pp.167–189.
- Parasuraman, A. and Grewal, D. (2000) 'Serving customers and consumers effectively in the twenty-first century: a conceptual framework and overview', *Journal of the Academy of Marketing Science*, Vol. 28, No. 1, pp.9–16.
- Pearce, A.J. and Robinson, B.R. (2003) 'Strategic management: formulation, implementation, and control', *Business Week*, Irwin/McGraw-Hill.
- Pizam, A., Neuman, Y. and Reichel, A. (1978) 'Dimensions of tourist satisfaction with a destination area', *Annals of Tourism Research*, Vol. 5, No. 3, pp.314–322.
- Ritchie, J.R. and Echtner, C.M. (2003) 'The meaning and measurement of destination image', *The Journal of Tourism Studies*, Vol. 4, No. 1, pp.37–48.
- Roberts, P.W. and Grahame, R.D. (2002) 'Corporate reputation and sustained superior financial performance', *Strategic Management Journal*, Vol. 23, No. 12, pp.1077–1093.
- Sheth, J.N., Newman, B.I. and Gross, B.L. (1991) 'Why we buy what we buy: a theory of consumption values', *Journal of Business Research*, Vol. 22, No. 1, pp.159–170.
- Swarbrooke, J. (2002) *The Development and Management of Visitor Attractions*, 2nd ed., Butterworth-Heinemann, Oxford, England.
- Sweeney, J.C. and Soutar, G.N. (2001) 'Consumer perceived value: the development of a multiple item scale', *Journal of Retailing*, Vol. 77, No. 2, pp.203–220.
- Vengesayi, S. and Mavondo, F.T. (2004) 'Aspects of reputation and human factors as determinants of tourist destination attractiveness', *Marketing Accountabilities and Responsibilities: Conference*, 29 November–1 December 2004, pp.1–6, ANZMAC.
- Vogt, C.A. and Stewart, S.I. (1998), 'Affective and cognitive effects of information use over the course of a vacation', *Journal of Leisure Research*, Vol. 30, No. 1, pp.498–520.
- Wheelen, T.L. and Hunger, J.D. (2008) *Strategic Management and Business Policy: Concepts*, 11th ed., Pearson/Prentice Hall.
- Whipple, T.W. and Thach, S.V. (1988) 'Group tour management: does good service produce satisfied customers', *Journal of Travel Research*, Vol. 27, No. 3, pp.16–21.