THE FACTORS OF NORTH SULAWESI TOURISM BUSINESS POTENTIAL IN THE PERSPECTIVE OF FOREIGN LOCAL TOURISM BUSINESS OWNERS

FAKTOR – FAKTOR POTENSI BISNIS PARIWISATA DI SULAWESI UTARA DALAM PERSPEKTIF DARI PEMILIK WNA BISNIS PARIWISATA LOKAL

Zenta M. E. M. A Pakasi¹, Peggy A. Mekel², Frederik G. Worang³

¹,²,³International Business Administration Program, Management Department, Economic and Business Faculty, Sam Ratulangi University, Manado 95115, Indonesia
E-mail: ¹zenta_pakasi@yahoo.com

ABSTRACT

This study was conducted to examine the factors of North Sulawesi tourism business potential in the perspective of foreign local business owners. This study was specifically conducted in four regions of North Sulawesi, Manado city, Bitung city, South – east Minahasa, Bunaken island and Siladen island. The method used in this research is descriptive qualitative exploratory. The population in this study consisted of foreign local business owners. The results showed that the diversity that North Sulawesi has makes the foreign business owners running their business in North Sulawesi and also helping the quality of local people in the tourism industry. This study also shows that the government regulation holds the foreign business owners back to freely own their own business. North Sulawesi is a land of magnificent coral reefs protecting, active volcanoes, reminding the islanders and Eco – tourism is the most potential that North Sulawesi has.

Key words: Tourism, Foreign local business owners, potential, Eco – tourism
1. INTRODUCTIONS

Tourism industry is currently growing and the attractiveness of a country to increase foreign exchange. Each region is racing to show their tourism potential. It is also an impact on businessman. By being aware of tourism have good prospects in increasing revenue so those current businessmen open a business in tourism industry. Business tourism in Indonesia is very potential because Indonesia naturally has a lot of potential natural beauty, diversity and unique culture that spread from Sabang to Merauke. All of this potential into capital in the tourism industry and still maintained its continuity. Tourism is an important sector in North Sulawesi.

Many regions in this province have their potencies to become great tourism object. Realizing this, the government and local people are increasing their effort to improve the development of tourism in North Sulawesi. By looking at the existing natural potentials in North Sulawesi, foreign investors choose to open a business in tourism. The tourism sector is still in the count as one of the leading sectors. There are many spots (coordinates) dives to enjoy the beauty of the coral reefs in the waters of Northern Sulawesi seems to be a secret and only known by the entrepreneurs who provide the package tourism. Thought is a potential that the information should be conveyed to the public and can be the source of data base for the government. This research aims to shed light on the Tourism Business potency in North Sulawesi.

This study was design to analyse the foreign business owner’s perception on tourism in North Sulawesi, the factors of North Sulawesi tourism business potency according to foreign local tourism business owners, and the things can be improve the tourism in North Sulawesi.

2. METHODS

This research was conducted in four regions in North Sulawesi: Bitung City, Bunaken Island, Siladen Island, South – East Minahasa Regency. The approach used in this study is survey approach. The data collected from the respondents expert (expert judgment) in response to items related to the constructs tourism, benefits, local people, and the government.

The population in this study were all the foreign business owners who lives and running their business in North Sulawesi more than 5 years.

<table>
<thead>
<tr>
<th>No.</th>
<th>Name of Business</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Siladen Island Resort and Spa</td>
<td>Siladen Island</td>
</tr>
<tr>
<td>2.</td>
<td>Happy Gecko Dive Resort (Cicak Senang Dive Resort)</td>
<td>Bunaken Island</td>
</tr>
<tr>
<td>3.</td>
<td>Pulau Tumbak Resort</td>
<td>Tumbak, South-east Minahasa</td>
</tr>
<tr>
<td>4.</td>
<td>Black sand Dive Retreat</td>
<td>Bitung</td>
</tr>
</tbody>
</table>

Source: Field survey, 2015

2. RESULT AND DISCUSSIONS

The observation of the foreign business owners run their business in North Sulawesi represents one of the more politically stable province in Indonesia. It has a strong history of religious and ethic tolerance as well as some western cultural influence. All the informants already live in North
Sulawesi because of the diversity that North Sulawesi has. They saw big tourism potential in the place where they each opened their resort. To make a sufficient amount of money as foreigner who lives in Indonesia is quite difficult, so the only way to do that to open their own business. Tourism has become an important business and such sector has important employment implications. Tourism can also contribute to the protection and conservation of the environment. While there are benefits offered by tourism development, such business potentially contributes to island ecosystem degradation.

This study shows the foreign local business owners are agreed that the tourism business is a perfect option in North Sulawesi. Not to mention that a lot of Eco-Tourism potential can be found. Besides the benefits of get nice amount of money, the informants open their business so they can train and help the local people by opening a job field for them. By running the business, they have a reason to stay in North Sulawesi.

In Indonesia regulations on land use set forth in the Law of Agrarian Tree (UUPA) No. 5 The year 1960, in which arranged UUPA prohibition on ownership of land for foreigners. Ownership restrictions on foreign ownership for those set forth in Article 21 UUPA. The prohibition is intended to make sure the land remains in the property of the nation or citizens, because when the soil is dominated by foreign parties it will diminish the well-being of their control and could cause some areas of the country to be over run by foreigners. Numerous regulation and local laws related to tourism sector are issued in North Sulawesi. In such a document, the local government argues that the involvement of local people in the tourism industry can enhance local community wealth and prosperity.

So as foreigners who live in Indonesia, all the informants can not 100% own their business because of the government regulations. All the informants also think that the role of the government is less proactive in the development of tourism (in general). The contribution of the local government to initiate and drive tourism sector is also considered important, as there was a lack of capacity within the government leading to poor community-based tourism implementation.

Good skill of staff may allow the competitiveness of their tourism facilities and products. Identifying staff’s skill prior to tourism services can reduce tourist dissatisfaction. Tourism is able to change local community behavior and social structures. Human resources' quality (professionalism) in tourism industry still in bellow average.

The tourism market situation in Manado is growing and it will keep growing but it’s still need a lot of place to grow. Not only one place that the government just focusing on. As stated by all the foreign business owners.

The lacking condition of basic tourism infrastructure, especially roads, led to most of the accessibility to the tourism places needs to be fixed because it would hamper the development of new tourist sites. One the most important thing that needs to be improved is have to have conservation activities. By improving local people knowledge about the tourism industry, this will become the opportunity for community based tourism initiation. Tourism is able to change local community behavior and social structures. By increasing the international flight path directly to the Sam Ratulangi Airport could increasingly open market opportunities tourism services industry. And also the role of government in terms of having a great responsibility in tourism development in North Sulawesi should be more pro-active.
4. CONCLUSION

North Sulawesi is a land of magnificent coral reefs protecting, mountains and active volcanoes, reminding the islanders and the world of the potential power of one of the earth's most awesome force. Natural wealth in North Sulawesi is very suitable for development as a tourist destination. Besides having a beautiful mountain panorama, the marine park, to the average population is very familiar; those are the main attractions of the North Sulawesi in the eyes of the foreign Business owner. The tourism investors are foreigners and they have a greater understanding about the value of natural resources as tourism attraction.

The lesson learned from North Sulawesi illustrates the importance of foreigner business owner in initial tourism development. The foreign business owners were willing to improve local people knowledge about the tourism industry. This will become the opportunity for community based tourism initiation. Tourism is able to change local community behavior and social structures. The tourism investors and developers would benefit economically from tourism, but there are low contributions from local people. In such case, government should try to develop and maximize regulation to enhance community participation in tourism industry.

REFERENCES