# ANALYZING THE FACTORS THAT DETERMINING TOURIST'S COUNTRY OF ORIGIN TO INDONESIA

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#### **Abstrak**

Pemerintah Indonesia telah mengeluarkan kebijakan bebas visa bagi 169 negara di seluruh dunia berkunjung selama 30 hari. Kebijakan ini dikeluarkan melalui Peraturan Presiden Nomor 21 Tahun 2016 Tentang Negara Bebas Visa. Isi peraturan ini tidak membatasi pelabuhan masuk wisatawan sebagai pintu masuk. Pada saat yang sama pemerintah juga telah mengeluarkan pernyataan bahwa Indonesia dalam keadaan darurat narkoba yang pemasoknya kebanyakan berasal dari luar negeri. Studi ini bertujuan menganalisis faktor-faktor yang berpengaruh untuk menentukan negara asal wisatawan asing ke Indonesia. Data sekunder instansi berwenang digunakan dari 20 negara yang dipilih secara *purposive*. Ada lima variable dianalisa berdasarkan data *cross section* dan data panel menggunakan piranti lunak Eviews. Hasil riset menunjukkan bahwa Negara asal yang berpotensi menjadi sumber wisatawan adalah penduduk dari Negara yang memiliki Produk Bruto Domestik tinggi.

#### Abstract

The Indonesian government has issued a policy of free visit visa for 30 days to 169 countries around the world. The policy has been stipulated by Presidential Regulation No. 21 Year 2016 about Visa-free. At the same time the government has issued a statement that Indonesia is in a state of narcotics-emergency. This study is aimed to analyze the influencing factors in determining country of origin of incoming tourist to Indonesia. The secondary data were collected out of 20 countries as samples, and done purposively. There are five variables deployed, based on cross section and the panel data uses Eviews software as a tool. The finding indicated that the country of origin with high Gross Domestic Product is the major contributor of tourists to Indonesia.

Keywords: Contribute, Free visit visa, foreign-exchange, Gross Domestic Product, Incoming tourist

### **INTRODUCTION**

According to the United Nations World Tourism Organization (UNWTO), international visitors spent an estimation of \$1.2 trillion globally on travel and tourism in 2013. However, the U.S. share of global expenditures has declined over the last decade (ITA 2015). The global growth of outbound travel represents an unprecedented opportunity to increase U.S. travel and tourism exports. The government of Indonesia has launched the free-visit-visa policy to 169 countries all over the world by Presidential Regulation Number 21 in the year of 2016. This is aimed to accelerate incoming tourist flow

to Indonesia. In United States of America (USA), a research done by International Trade Administration (ITA) in 2014 showed that New York, Boston, Detroit, Los Angeles, Miami, San Francisco, Honolulu, Seattle, Atlanta, San Diego, and Dallas are as the port of entry to USA. As stated in the above presidential regulation, there is no specified point of entry to prevent illegal flow of goods and immigration to the country.

The Head of Narcotic-Drug Control announced in December 21, 2015 that 174 foreigners have been involved in supplying narcotics to Indonesia. In the meantime the declaration of a state in

emergency for narcotic-drug is also widely issued. A lot of stern measures have been taken, but importation of narcotic-drug is continuously run (De Pume 2015). Therefore an accurate and thoroughly study has to be taken to judge this policy as to propose the measurable feedbacks to government, especially to Ministry of Tourism. Such policy is aimed to secure the nation from terrorism and maintain domestic privilege with the so called "cabotage principle".

The role of public policy in tourism is very important (Bramwell 2006). This policy is related to policy making as a political activity. The government of Indonesia has introduced the free-visa policy to 169 countries for 30 days, except for Journalism purposes. This is aimed to accelerate tourist visit to Indonesia. At the latest statistics, Indonesia is far left behind Singapore, Thailand, especially Malaysia, as shown below. Apparently this policy is not in line with the current situation in regard to safety and securities issues. Additionally, the state of emergency in drug abuse, political affairs, disease, and natural disaster are really matters but tourism is volatile. It sends tourist arrivals plummeting (Timothy 2006). The time

frame following a life cycle from initial public memory of the episode begins to pale and cease. There were many tourist objects around Central Java experiencing this episode in 2002 when mount Merapi erupted. And security approach is also needed in place prior to decision making in public policy. The tragedy of terrorist act in Bali and Marriot Hotel in Jakarta in 2002 also had badly affected tourist visit to several destinations in Indonesia.

# **The Facts on Incoming Tourist**

Indonesia has plenty of things to see and experience. Indonesia is the second largest country that possesses a variety of flora and fauna, after Brazil. archipelago with 17,508 islands has contributed many beautiful panoramas and white-sandy beaches throughout country. The diversity of cultures, languages, and attractions have led this country into a favourite destination criteria. However, in term of tourist it has been left behind reception, Malaysia, Thailand, and Singapore with less attraction comparatively. The table below is an indicator to explain the situation.

**Table 1 Incoming Tourist To ASEAN Countries in 2012** 

	Table 1 medining Tourist 10 ASEAN Countries in 2012					
NUMBER	COUNTRY	NUMBER OF TOURIST	PERCENTAGE (%)			
1	Malaysia	25,033	28.15			
2	Thailand	22,354	25.05			
3	Singapore	14,491	16.24			
4	Indonesia	8,044	9			
5	Vietnam	6,848	7.64			
6	Philippine	4,273	4.78			
7	Kamboja	3,584	4			
8	Laos PDR	3,330	3.73			
9	Myanmar	1,059	1.18			
10	Brunei Darusalam	209	0.23			
Total		89,225	100%			

Source: ASEAN's Secretariat (2014)

In accordance with ASEAN publication in 2014, 50% of the visitors to ASEAN countries are generated from members of ASEAN. This study is meaningful for the long run tourism

development to each member, including Indonesia.

# LITERATURE REVIEW Tourism

Tourism has long been defined as non polluted industry with a series of multiplier effects. The advent of wide body airplane after the Second World War, Boeing Corporation has converted its line production from a narrow into wide body aircraft. This wide-body has facilitated long-haul flight across the Pacific and Atlantic Ocean. Ever since its revolution from narrow to wide body aircraft, the capacity has been increasing more than double. The continous innovation were happening in aircraft industry.

# **Accessibility and Formalities**

Transportation and visa are two mandatory requirements to boost tourist flow. Therefore these infrastructures depend on government policy as their main domain. However, the liberation and deregulation for tourism are more on transportation, accommodation, fares and services. In 1980s tourists paid a pretty high price due to one single hand, so called International Air Transport Association (IATA), monopolized and set up the price for almost all state-flag carriers, from all over the world. The new regime of Low (LCC) has Cost Carrier positively impacted travelers, where they have a freedom to choose: when, where and by what carrier fit to their budget. In the past, Computer Reservation System (CRS) were dominated and owned by airlines companies only. However, nowdays can free to key-in their everybody schedule with air fares and ticketing at the time according to individual preference. The latest system produces Passenger Number Record Locator (PNRL) that can be shown to security and check-in counter staff at designated air terminal. These are the liberation and deregulation that lead to compete in improving productive, allocative efficiency and generate wider socioeconomic prosperity.

#### **Destination**

The capacity is one of the main tourist destination. Geographically Indonesia has a huge capacity, or may be called as unlimited capacity when it comes to the archipelago in length and width. However, the entry points with capacity and conveniences are really limited. Recently, many cities like Surabaya, Medan, Denpasar, Makassar, Solo, Pekanbaru have served international flights as entry points. Many other potential cities can also be developed such as Menado, Labuan Bajo, Javapura, Sorong, Ambon, Kupang, in east part of Indoensia. On the other hand, Majelengka, Semarang, Padang, Silangit, Palembang, Jambi, and Banda Aceh in west part of Indonesia can possibly serve international provided that flights, all necessary infrastructures are available.

# **Transportation**

According to Hadinoto (1996)transportation is one of the vital factor in tourism. Eventhough the distance of neighbouring countries are relatively close, without the advent of convenience transportation, tourism cannot accelerated. The conveniences consist of the advance of the aircraft or cruise vessel and its frequency. Also the capacity of each mode of transportation is really important one, as on the ground services such as airport, airport handling and facilities, custom, health services and hygiene at the airport or pier. The shorter the distance, the more flight frequency is needed. This is also the convenience of time-allocation, especially for the weekend travelling (Kaiser Jr 1980).

#### **Environment**

There are two environment dimensions (Okumus et.al. 2010). The first one is the simple, and the second one is the complex dimension. Environment can also be categorized into static and dynamic dimensions, in accordance with its variety influencing variables. The less variable the

more stable, and the more variables the less stable environment will be. The variable of suppliers, vendors can lead dependency to the business, for instance. The same thing can happen to tourism industry. The variables such macroeconomic, supplier, politics, social and cultures are all deemed as external factors affecting tourism industry. Demography is also considered as a main factor in accelerating tourism growth.

# **Population**

Demographics are an important factor in assessing tourism production and (Hall consumption 2006). characteristics of destination rely on the human population, ages, life style, and preference of consumers of particular products, for instance, many youngsters of Indonesia prefer to visit South Korea as the consequences of Korean Pop song. These trends have influenced them emotionally. On the other hand, the honeymooners, who are affected by the exotics products and places available there, prefer to visit Bali from all over the world. People are Tourist (Kaiser Jr 1980) in his book Development of Tourism mentioned that People are tourist. This statement tends to say the big number of people is similar to tourist potential country to overseas, including Indonesia. However, the big number of population does not significantly boost the flow of tourist without the certain level of gross domestic product and income per capita earned by the population.

# **Gross Domestic Product (GDP)**

The GDP of a country and total of population can attain income per capita averagely. GDP is the result of Gross National Income minus overseas income and transfer to overseas (Barro 1987; Mankiw 2007; Sukirno 2012). It is therefore quite relevant to reflect how strong the high income per capita to spend their money for leisurely purposes. In terms of a country, GDP is a bonafide indicator indicating how strong the productions and business activities in a country are. Thus this indicator is deemed as a determining factor and income per capita as well.

Tabel 2 GDP By Country of Origin in 2014

	1
Country Name	GDP
Australia	1,453,770,210,672.04
Canada	1,786,655,064,509.53
China	10,360,105,247,908.30
Denmark	341,951,607,730.41
France	2,829,192,039,171.84
Germany	3,852,556,169,656.01
Hong Kong SAR, China	290,896,409,543.74
India	2,066,902,397,333.26
Italy	2,144,338,185,064.60
Japan	4,601,461,206,885.08
Korea, Rep.	1,410,382,943,972.78
Malaysia	326,933,043,800.61
Netherlands	869,508,125,480.26
Philippines	50,240,054,973.50
Singapore	307,871,907,185.98
Spain	1,404,306,536,057.92
Switzerland	3,400,422,936.23
Thailand	373,804,134,911.80
United Kingdom	2,941,885,537,461.48
United States	17,419,000,000,000.00
<del></del>	

Source: World Bank

# **Total Tourist Expenditure**

Asia was once considered as well-known in culture, and economy. However, the sleeping giant countries in this continent are now awakening. China, India, Japan, and South Korea for instance are the most frequent travel in figures. There is an assumption that in every international flight there must be a Japanese traveler. The price competitiveness is necessary in competing one country to another in receiving foreign tourist.

# Income Per Capita, Foreign Exchange Rate, and Free- tourist-visit visa

Soekadijo (1996) indicated that the fundamental of tourism is accessibility. These are covering the formalities such as visa, transportation, travel time, travel costs, and accommodation. Soekadijo implicitly explain that the exchange rate is also one factor and income per capita for the tourist to spend in destination area. The role of public policy in tourist is a mandatory (Bramwell 2006). This is related to policy-making as a political activity. The government of Indonesia has introduced the free visit visa to 169 countries of all over the world, regardless any possession of strong indicator of tourist potential countries. This is aimed to accelerate tourist pace to Indonesia, as it has been far left behind Singapore, Thailand, and especially Malaysia.

However, this policy doesn't seem in line with other main factors in promoting a destination to the mind of potential tourists, such as safety and securities. Tourist is volatile. Political affairs, disease, and natural disaster are really matters to influence tourist visitation (Timothy 2006).

There are many tourist destinations experiencing this kind of episode, Central Java for instance during the continuous explosion of Merapi had been severely affected by this natural disaster, Additionally, the unforgettable one was in

the case of Indonesia and USA, terrorism. On September eleventh in 2001 and 2002 in Indonesia, Bali and Marriot hotel in Jakarta were bombed by terrorists. These tragedies had been also affecting tourist flow significantly. Since many threats had been happening, therefore, security aspect was implemented. The selective free visit visa to a number of potential countries is necessary.

# **Unique Selling Position**

Indonesia as an archipelago has its own uniqueness, many point of interests and tourist objects available all over the country. The distance between one to another destination is far away and takes more than 8 hours flying-time from Banda Aceh to Jayapura, the same total flyinghours from Banda Aceh to Jayapura, or Ambon, or to Menado, for instance. The tourist objects and attractions are range from Raja Ampat in Papua, Bunaken in Menado, Komodo in Labuan Bajo. Mount Bromo in East java, Borodur temple in Central Java, Tangkuban Perahu, Baduiland and culture in West Java, to Danau Toba, Bohorok, Deli, and Nias in North Sumatra. Not to mention about the variety of cultures, language, and festivals held therein. The variety of arts that Bali can offers (Picard 2006). In Bali, traditional dances, paintings, carving, and culinary arts have invited many famous people to come repeatedly. As Woodsid and Martin (2008) said that tourist come to Bali not for the beach attractions, but culture and arts.

#### **Previous Research**

Econometric models have been widely used in forecasting tourism demand analysis. The result of the forecasting are used to evaluate the ability to prepare all necessary facilities and infrastructure to accommodate tourist flow (the quantity of tourism) as the function of income level of the potential tourists. It also helps to give information on tourism prices in

destination, and in the competing countries, travel cost, and marketing expenditures (Li et.al. 2006).

The previous research econometric model was done by Devanto in forecasting tourist demand to Indonesia (2009). The variables assigned are GDP and Price as independent variables, while dependent variable is the total tourist from Malaysia to Indonesia. The results both GDP and Price have positive impacts on Malaysians visit to Indonesia. Another research using multiple regressions was done by Anggraini in 2004. The scope was limited to foreign tourist to Jakarta. The independent variables are security; foreign exchange rate; investment in hotel, and total of travel agents. The dependent variable is the total of incoming tourist to Jakarta. The guarantee of security is the mandatory one as it is positively influencing toward tourist flow.

International Trade Administration of Commerce Department of USA had also done the research using the independent variables of economic; demographic factor to influence tourist's visit to foreign countries. The results show

that economic and demographic factors of its neighboring countries as the main factors to France as the first tier receive tourist in Europe.

Econometric models have widely used in forecasting tourism demand analysis. The result of the forecasting are used to evaluate the ability to prepare all necessary facilities and infrastructure to accommodate tourist flow. The dependent variables of the Quantity of tourism number are as the function of income level of the potential tourists; tourism prices in destination; and in the competing countries (substitute); travel costs, and marketing It was found by Li et.al. expenditure. (2006) that Hong Kong takes the price competitiveness as the suggestion of the study. This can be easily understood as its neighboring countries or regions are closed and can offer the cheaper accommodation, and travel cost prices. Based on the previous study, this research was formulated to use econometric model to predict which factor is the most significant one to determine source of tourist potential countries. The framework thinking is drawn below.

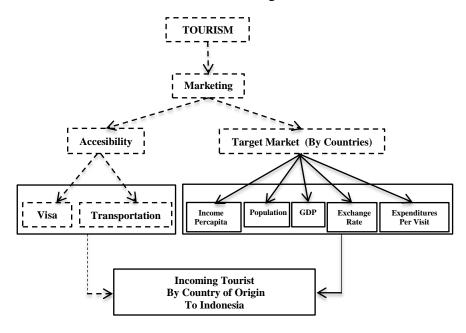


Figure 1 Conceptual Thinking Framework

# **The Research Question**

How to select the potential countries to support incoming tourist to Indonesia is with the following hypotheses.

- 1.  $H_1$ . There is a significant influence of Income per capita toward the number of incoming tourist to Indonesia
- 2. *H*<sub>2</sub>. There is a significant influence of number of population toward the number of incoming tourist to Indonesia
- 3. *H*<sub>3</sub>. There is a significant influence of Gross Domestic Product (GDP) toward the number of incoming tourist to Indonesia
- 4. *H*<sub>4</sub>. There is a significant influence of Gross Domestic Product (GDP) toward the number of incoming tourist to Indonesia
- $5.H_5$ . There is a significant influence of Exchange Rate toward the number of incoming tourist to Indonesia

#### **RESEARCH METHOD**

Samples of 20 countries were selected purposively, out of 169 countries allowed to visit Indonesia with free-visit-visa for 30 days (Sekaran & Bougie 2013; Satori 2011; Bungin 2007). The cross and panel data for 4 years from 2009 until 2012 (Central Bank of Indonesia; Central Bureau of Statistic; World Bank).

#### **Analysis Technique**

The model in this research used multiple regression model analyzed by Eviews 8. The multiple regression is done to analyze the influence of one or more independent variables against dependent variable with the model as follows:

$$\begin{split} log(Y_{it}) &= \beta_0 + \beta_1 log(X_{1it}) + \beta_2 log(X_{2it}) + \\ \beta_3 log(X_{3it}) + \beta_4 log(X_{4it}) + \beta_5 log(X_{5it}) + \mu. \end{split}$$

The most suitable model is firstly done by *Fixed Effect Model* (FEM). The approach attains the different intercepts for every subject by cross section. However the slope of every subject at any point of time is not shifted (Gujarati 2012). On the

other hand the pair of this model attained by Chow-test by Redundant-Likelihood Ratio. Random Effect Model (REM). The pre-requisite of the model is that cross section data shall be bigger than their coefficients (Winarno 2011). The next pair of this test is Hausman-test by correlated random effect test. The result of these two models shall be fitted with the assumption of multiple regression for normality of Jarque-Berra. data by heteroskedasticity is done by Park-test, while coorelation matrixes multicolinearity, and autocorrelation is done by the value of Durbin Watson. fulfillment on the of assumptions of multiple regression, then, the hypotheses are tested, partially and simultaneously by t-test and F-test to find out the significance and the determination. Both are aimed to check how strong the model, and to explain the influence of the independent variables.

# FINDING AND DISCUSSION

The testing of panel data were done by Chow-test to decide Pooled Least Square or Fixed Effect to attain the best model applied in analyze the data. By degree of confidence at 95% is found and the panel data uses *Fixed Effect Model* (FEM). By FEM, *and probability of* F statistic where  $\alpha$  is 95% degree of confidence. Data normality test is applied, the result as follows:

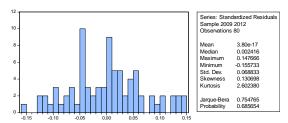


Figure 2 Normality. Source: analyzed

The above histogram has indicated that its values is above the score of Jarque-Berra of 0.755, while the result of Chi-Square at the 95% degree of conficence is 11.07. It tell us that this data is normally distributed.

Hence the heteroskedastisity test attain that:

$$\label{eq:log(res^2) = -1071.573 - 4.893 log(X_1) + 78.351 log(X_2) - 10.975 log(X_3) + 1.670 log(X_4) \\ + 2.253 log(X_5) \\ \text{t-statistic} \quad (-1.662) \quad (-0.433) \quad (1.919) \quad (-1.899) \quad (0.352) \quad (0.638) \\$$

t-statistic (-1.662) (-0.433) (1.919) (-1.899) (0.352) (0.638) prob (0.102) (0.667) (0.060) (0.063) (0.727) (0.526)

Based on 95% degree of confidence, it is proved that no heteroskedasticity as coefficient correlations is less than 0.8. It is therefore that classical test is fulfilled

and complied with. Hence the test of multicoliearity by Correlation Matrix using eviews 8, is shown at the following table.

**Table 3 Multicoliniearity Test** 

	$LOG(X_1)$	$LOG(X_2)$	LOG(X <sub>3</sub> )	$LOG(X_4)$	LOG(X <sub>5</sub> )
$LOG(X_1)$	1	-0.691	0.062	0.516	0.366
$LOG(X_2)$	-0.691	1	0.662	-0.274	-0.059
$LOG(X_3)$	0.062	0.662	1	0.172	0.419
$LOG(X_4)$	0.516	-0.274	0.172	1	0.539
$LOG(X_5)$	0.366	-0.059	0.419	0.539	1

Source: Data Analyzed

The autocorrelation is also not found as shown below.

**Table 4 Autocorelation Test** 

R-squared	0.996559	Mean dependent var	12.00644		
Adjusted R-squared	0.995058	S.D. dependent var	1.173493		
S.E. of regression	0.082496	Akaike info criterion	-1.901836		
Sum squared resid	0.374304	Schwarz criterion	-1.157453		
Log likelihood	101.0734	Hannan-Quinn criter.	-1.603391		
F-statistic	663.7705	Durbin-Watson stat	1.906790		
Prob(F-statistic)	0.000000				

Source: Data Analyzed

Statististical Durbin-Watson is 1.907 compared with t table at 5% degree of confidence (n)=80, k=5 (independent variables), dL is 1.533 and dU 1.743. It means that (4-DW: 2.093 > DW: 1.907 > dU: 1.743). It is assumed no autocoorelation.

The result of this model based on the factors increasing tourist visits, as follows:  $Log(Y) = -38.661 + 0.099 log(X_1) + 1.876$   $log(X_2) + 0.621 log(X_3) - 0.211$  $log(X_4) + 0.109 log(X_5)$ .

The following is the t-test to determine the influence of individual variables to incoming tourist:

Table 5 t-Test Partially

= 11.0 = 1					
variabel	$\mathbf{t_{table}}$	$\mathbf{t}_{ ext{test}}$	α	$sig t_{test}$	Remarks
$X_1 =$	1.993	0.248	0.05	0.805	Not influence significantly
$X_2 =$	1.993	1.303	0.05	0.198	Not influence significantly
$X_3 =$	1.993	3.046	0.05	0.004	Influence significantly
$X_4 =$	-1.993	-1.261	0.05	0.213	Not influence significantly
$X_5 =$	1.993	0.783	0.05	0.437	Not influence significantly

Source: Data analyzed

Based on partial test,  $X_1$  (*Income per capita*) foun that  $t_{test}$  is 0.248 and  $t_{table}$  is 1.993. It means that  $t_{test} < t_{table}$ . It means that *Income per capita* partially does not influence against *Total of Incoming Tourist*.

The  $X_2$  (*Population*) found the value of t<sub>test</sub> is 1.303 and t<sub>table</sub> is 1.993. This result indicating that *Population* partially has not influenced against Total of Incoming Tourist. In line with Thompson (2009) the impact of terrorism on tourism is worthed to be considered to select country of origin. The limitation of this study was encouraged by Hall (2006). In his finding Hall described that the big population will be the source of tourist as as locations, communities far consumers of particular tourist products, the charactheristic of destination residents, or the charactheristics of workforce are supporting the tourism trend. However the pattern of tour product will be adusted as many traditional nuclear family have been changed. There are many single parent, people marrying later, or never marrying, many people never having children, these will influenced the type of holiday and its frequency. Majority the ageing of the population will be a dominant factor in tourism. This will be the trend for marketer has to be aware of.

The third variable of  $X_3$  (GDP) attained t<sub>test</sub> value is 3.046 and t<sub>table</sub> is 1.993. This result shows us that  $t_{teest} >$ It means that GDP is partially  $t_{\rm table.}$ influenced against Total Incoming Tourist. This positive result is not granted if a country stated in emergency against narcotics. If such country has a potential source of narcotics flow, there is a danger in accordance with the previous research done by Monica (2016). Massiu (2006) has suggested that political and popular supports are in need to boost assecibility, fasilities, infrastructures, and promotion to attract more tourist as tourist consumptions impacted GDP positively.

It is not to mention the multiplier effects of these consumptions toward

local economy of tourist destinations. Costa (2006) had also found that the main acitivities of tourist can improve Tourism Satellite Accounts toward national accounts. The core of the tourism activity comprehends economic seven main activities such as accommodation, food and beverage, transportation, intermediaries, cultural rent-a-car, services, leisure and recreation activities. Based on World Bank the following are countries with GDP more than 290 billion US dollars, that are regarded as top GDPs out of the 169 granted free-visit visa. There are Australia, Austria, Belgium, China, Colombia, Brazil, Canada, Denmark, France, Germany, Hong Kong SAR, China, India, Iran, Islamic Rep., Italy, Japan, Korea, Rep., Malaysia, Mexico, Netherlands, Nigeria, Norway, Poland, Russian Federation, Saudi Arabia, Singapore, South Africa. Spain, Switzerland, Sweden, Thailand, Turkey, United Arab Emirates, United Kingdom, United States, Venezuela, RB. There some other ASEAN member in addition to these countries, as ASEAN has declared freevisit-visa within 7 days. These countries are not entitled by GDP figures, such as DP. Vietnam, Lao Darussalam, Philipphines, Myanmar, and It is now 43 countries Cambodia. available to focus on, to achieve the strategic planning until 2020.

The following test toward X4 (*Exchange Rate*) is attained that nilai thitung sebesar -1.261 dan ttable sebesar -1.993. The result explain that there is no impact of the *Exchange Rate* partially against *Total of Incoming Tourist*. The equilibrium of exchange rate is probably the reason of this less impact against incoming tourist. Hower, in real world tourist from strong currency country will get much benefit in buying things in a destination with weak currency of exchange rate.

The last variable of  $X_5$  (Expenditures Per Visit) diperoleh nilai  $t_{hitung}$  sebesar 0.783 dan  $t_{tabel}$  sebesar 1.993. This is also explain that no impact of tourist

Expenditures Per Visit against Total Incoming Tourist. While the simultenous test attain the following result. This expenditure will also related to strong and

weak currency, whre tourist will enjoy the benefit of buying souvenirs, food and accommodation in a better facilities with less money to spend.

**Table 6 Simultenous Test (F-test)** 

		` ,	
R-squared	0.996559	Mean dependent var	12.00644
Adjusted R-squared	0.995058	S.D. dependent var	1.173493
S.E. of regression	0.082496	Akaike info criterion	-1.901836
Sum squared resid	0.374304	Schwarz criterion	-1.157453
Log likelihood	101.0734	Hannan-Quinn criter.	-1.603391
F-statistic	663.7705	Durbin-Watson stat	1.906790
Prob(F-statistic)	0.000000		

Source: data analyzed

Based on Ftest it is found the value of 663.771 is bigger than  $F_{table}$ at the amount of 2.338. The above table attain that simultenous test of all varibales of Income percapita, Population, Exchange Rate, dan Expenditures Per Visit are significantlyly with positive impact on total of incoming tourist. The determinant coeficient (R<sup>2</sup>) is 0.997 or 99.7%. This is interpreted that 99.7% Total of Incoming Tourist are influenced by Income percapita, population, GDP, Exchange Rate, and Expenditures Per Visit. While other varibles are also have the impact, but not sifnificant.

# FINDINGS, LIMITATION OF THE STUDY, AND FUTURE RESEARCH DIRECTIONS

Eventhough the top GDP countries are potentially preferred as incoming tourist country of origin to Indonesia, there are some limitation of this study. As narcotic and terrorist exportation to Indonesia are the most danger factor to influence tourist flow, the related parties should work together to anticipate them. The following study is suggested to be done, especially the study of the preemptive measures to the above two-latent factors. Based on analysis and discussion, the following are the summary of findings: Income per capita, population, exchange rate, and total of expenditure are not significantly influence incoming tourist to Indonesia, based on this research.

The GDP is significantly the number of incoming influencing tourist to Indonesia. The study has found that there are 37 countries, the highest GDP that potentially able to contribute incoming tourist where 20 of them are the existing major contributors plus other six ASEAN members. The country with high income of GDP is targeted as a potential country to visit Indonesia. There are 43 countries as the major potential country to achieve yearly and long range planning target of incoming tourist to Indonesia that need to be focused on. It is necessary to select country of tourist origin by this criterion as Indonesia is in a state of emergency against narcotics. The least GDP by country such as Honduras, El Salvador, Somalia, Rwanda, Niger, Ghana, Samoa, Nepal, Kenya, Gabon, Guyana, Haiti, Mozambique, and Sirerra Lione and others can be reviewed and evaluated from the list of existing free-visit- visa.

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