

ECONOMIC VALUATION OF JATILUWIH, PENEHEL TABANAN

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ABSTRACT

This research entitled "Economic Valuation of Jatiluwih, Penebel Tabanan". The purpose of this study was to determine the economic value of Jatiluwih are assessed using contingent valuation method and income approach. The variables used in this study is the willingness to pay as dependent variable and the travel cost, number of visits, income, education, age, quality, and presence or absence attractions substitution as independent variables. The data used in this research is the primary data in the form of questionnaire results from 100 respondents. Equipped also with secondary data which is the data on the number of foreign tourists and domestic visitors to the province of Bali and Tabanan regency in the last five years, as well as data on the number of visitors who visited attractions Jatiluwih in the last five years. Based on the results, the conclusion is that the economic value of Jatiluwih using contingent valuation method is Rp149.541.653.788,51 with the average value willingness to pay of domestic tourism is Rp24.705,88 per individual per visit and Rp. 46.774,00 per individual per year. Average value willingness to pay of foreign is Rp37.325,94 per individual per visit and Rp 37.325,94 per individual per year. The economic value of attractions Jatiluwih based on income approach is divided into two, that is the DCF based attractions Jatiluwih is Rp34.431.981.960,00 and DCF based productive land is Rp4.600.267.876.436.

Keywords : *Contingent valuation method, income approach, economic valuation*

Introduction

The rise of regional autonomy increasingly provide opportunities for each region to develop all of its potential. The local government has full control of the area led, mainly processing area properties optimized for tourism activities. According Andriyan (2011), tourism in regional autonomy is the realization of the ideals of the nation of Indonesia. Tourism, if managed properly it will contribute directly to the people around the area of tourism, especially from sectors of the economy. Tourism indirectly contribute to PAD and certainly for a country's foreign exchange earnings.

Call it Bali, three potential of tourism in Bali such as natural beauty, unique culture and friendly people have made this region as one tourist destination of the world. The tourism sector has been the engine for economic growth and development in Bali since 1970. Therefore, tourism is a very tight and can not be separated again in public life and development in Bali (Pitana and Setiawan, 2005).

Development of tourism in Bali is always based on the application of the concept of Tri Hita Karana. This concept aims to menyeimbangkan relationship between man and God, man's relationship to man, and man's relationship with nature. Expectations from the

application of Tri Hita Karana philosophy is this harmony, masyarakat residing or visiting Bali can obtain welfare, prosperity, happiness and peace in his life (Darmayuda, et al., 1991).

In line with the Tri Hita Karana filosopoi embedded on tourism in Bali, an important tourist asset management does good to keep the balance in each sector of the economy that support tourism in Bali. Attraction Optimizing important in order to maintain the existence of a tourist attraction, which leads to a balance between progress towards cultural and religious tourism, eco-friendly tourism management, as well as to promote tourism economy of surrounding communities.

Widespread development of tourism destinations in the era of global This is a challenge for the government to continue to make Bali as a major tourist destination. Had the decline of tourism as a result of the Bali bombings was troubling the people who depend on this sector. Bali alluring charm and uniquely able to revive Bali tourism was almost dead.

The tourism village is one form of implementation of community-based development and sustainable tourism. Through the development of rural tourism is expected to occur equity in accordance with the concept of sustainable tourism development (Heny, et al., 2013). The existence of a tourist village became

a new alternative that can be offered to tourists for rural tourism development while maintaining cultural values without any fading of the value of the culture itself.

One of the tourist village are quite able to attract the attention of tourists to visit is tourism village Jatiluwih. The village is located in the district Penebel Jatiluwih Tabanan regency. Jatiluwih village is a highland village situated at the foot of Mount Batukaru. The village is located at an altitude of 500-1500 meters above sea level and has an average rainfall of 2,500 mm / year. Topographically hilly and cool air makes this village has a rice field that berundag-undag (Heny, et al., 2013).

Attractions Jatiluwih is located 48 km from Denpasar. The location is 28 km in the northern city of Tabanan. Jatiluwih village at the foot of Mount Batukaru and many protected areas which are located around the village. Land with a hilly contour makes the rice fields in this area are made step-by-step. However, the access road to reach this location can be quite difficult, because the road is not wide and slightly damaged. Local authorities are now beginning to fix the main access to reach this attraction. Access to the location the less well become a problem that is now beginning to be addressed by the government, as evidenced by some of the roads that have been paved for smooth vehicle access road.

The natural beauty of the village of Jatiluwih with breathtaking rice terraces, making this village is recognized as one of the strengths of tourism in Bali in the world tourism map. The beauty of the terraces and Subak system is still maintained intact until now to make the village of Jatiluwih as one of the attractions included in the world cultural heritage sites. Jatiluwih Desa recognition as world cultural heritage able to move tourists to visit. The award of the UNESCO rated a strategic efforts to encourage community participation in maintaining the natural resources of strong cultural values.

World heritage title as the world's cultural heritage has not entirely a positive impact on the progress of the village of Jatiluwih. According to Heny, et al. (2013), the development of tourism village Jatiluwih not siding with the local community. Wetland and farmers is a

major asset of this attraction yet to feel the benefits of this tourist village. Farmers who every day work in the fields and maintain the beauty of the land owned by the poor still do not even get contributions from development efforts Jatiluwih village as a tourist village.

According to research conducted by Muriawan (2012), Desa Jatiluwih has great potential to be developed, include: the natural potential; cultural potential; and human potential. Many tourist activities that can be developed in Jatiluwih travelers that can be implemented by local communities together in order to improve local livelihoods. However, behind the wealth potential of the obstacles encountered Jatiluwih Village community in the implementation of Rural Tourism Awareness is the lack of knowledge and understanding about the provision Jatiluwih Village community, the development of creative ideas, services to tourists, the ability to speak English, and pemahanan about cleanliness.

Low entry fees to attractions to be one of the world's cultural heritage has not been optimal management indicates that the attraction Desa Jatiluwih. Another problem is an obstacle in the collection of admission, which is plagued by Attraction track towards a common path so it is difficult to pick money for the ticket levy local visitors.

Tourism objects in an area, can provide an opportunity for the region to further develop and indirectly into the media psychic and physical gratification takes every human being. In addition, many benefits can be achieved by an area a tourist destination, one of which is the opening of jobs that will improve the welfare of people around the objects of tourism as a poverty alleviation efforts.

Jatiluwih village now has worldwide and increasingly visited by tourists. It is expected to make a positive contribution not only for visitors but also local villagers. Therefore, it is very important to do opimalisasi utilization of this tourist village in the form of the use and utilization of assets through better asset management. Jatiuwih village residents and local governments have an important contribution as a facilitator and the role of local communities as subjects actors in the preservation of the natural beauty of the village of Jatiluwih.

According to Siregar (2004: 518-519), the asset management there are five stages of work which are interconnected and integrated the inventory of assets, legal, audit, asset valuation, asset optimization, and development of SIMA (Asset Management Information System). Stages asset valuation work is one work process to conduct the assessment of assets controlled by the results of the assessment can later be used for various purposes, one of which is to optimize the asset. Asset optimization aims to optimize physical potential, location, value, quantity, legal, economic and owned assets.

Potential tourist attraction Desa Jatiluwih condensed cultural values and philosophy of religion is a supporting factor for optimizing management of Attraction efforts Jatiluwih village. Therefore it is very important to know the economic value of the attraction Jatiluwih. It is intended for some of the benefits of them for consideration aspects of local government in decision making related to the optimization of the use and utilization attractions Jatiluwih to provide income, especially for the local tourism sector. In this case, the assessment is based on two methods ie contingent valuation method and the income approach.

Research Method

The data in this study are primary data and secondary data. Primary data in this study were obtained from interviews with questionnaires to visitor attractions Jatiluwih both domestic and foreign tourists. In addition to the primary data in this study also uses secondary data obtained from the relevant agencies as well as information from the village office.

Methods of data analysis, economic valuation attractions Jatiluwih in this study will be analyzed using two approaches, namely the contingent valuation method and the income approach. Assessment by the contingent valuation method based on the assessment of respondents' willingness to pay attractions Jatiluwih. income approach valuation approach is done by calculating the discounted cash flows to the DCF method.

Results and Discussion

Data Description

Bali tourism decline as a result of the Bali bombings in 2002 had become frightened

of all circles who depend on tourism. However, the active role of the government to revive the sweet fruit of tourism in Bali, tourists visiting hingga now increasingly crowded and even have increased.

Tourism is the motor of the economy of Indonesia in general and Bali in particular. The increase in the number of tourist arrivals will automatically have an impact on the increase in revenue to a tourist destination, as well as the increase in the GDP in trade, hotels, restaurants, and services. Good management and sustainable tourism is expected to have a positive impact not only on the regional economy but also a positive impact on the welfare of the local community.

Tabanan Regency Overview

Geographically Tabanan regency in 1140 - 54'52 "east longitude and 80 14'30" - 8030'07 "south latitude. Tabanan is one of the areas in the province of Bali which has a strategic location, which is about 35 km west of Denpasar. Tabanan regency of Buleleng regency in the north, Badung regency in the east, the Indian Ocean with 37 km length of beach width and the west by Jembrana (KKS Tabanan, 2014).

Tabanan regency is located and altitude of 0-2276 m above sea level (asl), the highest. The peak of Mount Batukaru. The topography of Tabanan regency has three distinct characteristics. The southern part by the Indonesian Ocean which is a lowland topography is relatively flat, in the middle beergelombang, and in the north is an area of hills and some mountains such as Mount Batukaru, Mount Sangiyang, Mount Pohen, and Mount Adeng.

Desa Jatiluwih Overview

According Subhadra and Nadra (2006), Desa Jatiluwih is a village located in the area Penebel District, Tabanan. If you look at a map of Tabanan, elongated shape Jatiluwih village of east west direction along the 3.5 km to the north-south width of 2 km or more precisely from Tabanan City is 26 km to the north. The boundaries of the Village area Jatiluwih is in the north bordering the state forest, in the east with Senganan village, in the south adjacent to the Village babahan, and on the west side adjacent to the Village Wongaya Gede.

Jatiluwih village mewilayahi two Pakraman, namely: Pakraman Jatiluwih and Pakraman Gunung Sari. The division of administrative areas has been established that the village Jatiluwih consist of seven train services, namely: Banjar Dinas Kesambi, Banjar Dinas Kesambahan Kaja, Banjar Dinas Kesambahan Kelod, Banjar Dinas Jatiluwih Kawan, Banjar Dinas Jatiluwih Kangin, Banjar Dinas Gunung Sari village, and Banjar Dinas Mountain Sari Umakayu.

Analysis of Contingent Valuation Method (CVM)

Hereafter CVM analysis after determining the market hypothesis and get the value of the auction, the third stage in the CVM method is to determine the average WTP. Based on survey results that have been done, then obtained as follows.

Average rating willingness to pay domestic and foreign tourists on the additional facilities of attractions Jatiluwih. The next step in the method is to estimate the curve CVM auction. Auction curve estimated by regressing the dependent variable with the independent variable. The results of the auction regression curve with R² of 48.10 percent is as follows:

$$PAP = 1779.9 + 0.019 (TC) + 477.9 (EDU) + 1801.3 (V) + 650,300 (INCOME) + 3704.8 (TIME) - 20.14 (AGE) + e.$$

The fifth stage, which is to obtain economic value attractions Jatiluwih required to convert the process of averaging the data samples to the average population. How that can be used to convert is by multiplying the average until the total population (Fauzi, 2010: 223). Based on the mean value, maximum, and minimum obtained WTP domestic tourists who ranged Rp10,000.00 sampai with Rp50.000,00 with an average WTP for Rp24.705,88.

The average value of domestic tourists WTP multiplied by the average number of tourists in one year. Furthermore, to obtain economic value from attractions Jatiluwih, WTP value per individual per year to the total number of visitors dikalitan attractions Jatiluwih in the past year.

Attraction economic value by Contingent Valuation Method Jatiluwih is obtained by multiplying the PAPs with the study population (the number of visitors on the cultural heritage Jatiluwih in one year), in order

to obtain the results of the economic value of attraction by domestic travelers Jatiluwih range Rp2.047.132.000,00 until Rp10.235.660.000,00 with an average economic value is Rp5.057.619.274,50. The average WTP for Rp37.325,94 tourists with a minimum of Rp25.000,00 value and a maximum value of Rp60.000,00. The average number of tourist arrivals is 1.

The economic value of attraction of foreign tourists Jatiluwih based around Rp2.722.250.000,00 until Rp6.533.400.000,00 with an average economic value is Rp4.064.421.606,60. The economic value not only obtained in the present, but also in the days to come, and therefore to calculate the overall economic value can be done by mengkonfersikan value in the future to present value. To establish the value of a year in value discounting process takes forever. Discount factor used is the social rate of time preference. Social rate of time preference (SRTP) is the discount rate at the time people want to postpone consumption today and replace it in order to more consumption in the future (Zhuang, Liang, Lin, de Guzman : 2007).

According to Zhuang, Liang, Lin, de Guzman (2007), followed Evans and Sezer (2004), the rate of pure time preference ρ is assumed to be 1.5%, elastisitas utilitas θ assumed marginal consumption of 1.3, and an average growth rate of per capita real g is the growth rate of consumption the average annual real GDP per capita from 1970 to 2004. According empat Asian countries, Ramsey formula produces an estimate SRTP as follows. SRTP Indonesia of 6.10 percent, so the value forever Attraction of Jatiluwih.

The result of calculation that the average economic value of attraction Jatiluwih by domestic tourists amounted Rp82.911.791.385,24 and Rp66.629.862.403,27 for foreign tourists. The minimum value of domestic tourists amounted Rp 33.559.540.983,60 and maximum value Rp167.797.704.918,03. The minimum value of foreign tourists amounted Rp44.627.049.180,32 and maximum values of Rp107.104.918.032,78. The results of the total economic value of attraction Jatiluwih by *contingent valuation method* by Rp149.541.653.788,51.

Analysis of the Discount Cash Flow (DCF) DCF projections Attractions

In doing Attraction revenue projections Jatiluwih, there are some procedural steps in the analysis, which is predicting revenue and operating costs of the attractions Jatiluwih. The period of cash flow projections can be done in 5 to 10 years. In this study analyzed the cash flow for 10 years. Estimated earnings growth rates are based on the average number of tourists who visit the attraction Jatiluwih during the last 5 years.

Based on estimates of growth in 2013 to 2018, based on observations in the field is difficult to achieve growth of up to 20 percent. It is caused due to several tourist attractions such as the kind of terracing at the Village and Village Selemadeg Cekingan.

Operational costs in the estimation assuming a total growth for the overall cost as much as 5.66 percent. The basis for determining the level of growth in the cost is the average rate of inflation growth in the province of Bali in the last 5 years. Based on the assumptions that have been established then calculate the cost of each year, along with its growth rate. Having obtained the projected costs of up to 10 years, to obtain the NOI.

discount factor determined using the CAPM. Risk free rate, we choose the yield of government securities (GS) with the longest maturity. Government Securities Auction Results on 14 October 2014 the outcome of the auction of Government Securities FR0067 series maturing on 15 February 2044 had a yield of 9.20%. Beta leisure company and a risk premium of Indonesia in January 2014 at 1.3 and 3.30%.

The next stage in the DCF analysis is to convert future benefits to the present value by discounting the projected NOI on a discount factor of 13.49%, which is described in Table 4.11. Under the DCF method generated economic value as a tourist village Desa Jatiluwih Attraction is based on revenue from entry fees for Rp34.431.981.960,00.

Productive land DCF Poyection

Revenue projections in this study is not only done Attraction revenue. Covering an area of 303 hectares of rice fields are the key of this attraction, so it is vital to determine the projected revenue from the value of attraction when seen from the area of productive lands.

For the productive land revenue projection is equal to revenue projections attractions. Projections done for 10 years, but the terminal value calculation and estimation of different growth.

Estimated revenue growth of productive land are based on the average price of unhusked rice tingat farmers during the last five years, amounting to 10 percent. Estimates of the growth of production costs are based on an average inflation of Bali Province last 5 years, amounting to 5.66 per cent. Calculation of discount factor equal to the projected revenue of attraction which is calculated by CAMP so menghasilkan value discount factor of 13.49 percent.

Terminal value the productive land revenue projections calculated by estimating the market value at the end of the projection period by taking into account the growth of the market value of the property itself (Prawoto, 2012: 443). This is done so that the value of the terminal value reflects the market value of productive land. The value of the terminal value can be calculated as follows.

$$TV = (x \text{ land market price of agricultural land}) \times (1 + G)^2 \quad (4.3)$$

$$TV = (3,000,000 \times 3.03 \text{ million}) \times (1 + 0.056)^2 = \text{Rp}15.674.838.148.797,10$$

The next stage in the DCF analysis is to convert future benefits to the present value by discounting the projected NOI on a discount factor of 13.49%. Under the DCF method Desa Jatiluwih generated economic value as a tourist village by the productive land revenue amounted to Rp4.600.267.876.436.

Economic Value Jatiluwih denganContingent Attractions danIncome Valuation Method Approach

The results of this study explained that based on the two methods of assessment done of the contingent valuation method approach to the attraction danincome Jatiluwih, the economic value obtained Jatiluwih different attractions at the two methods used. Attraction economic value Jatiluwih by contingent valuation method for Rp149.541.653.788,51. Calculations using the income approach or the income approach, the value of Rp34.431.981.960,00 Attraction DCF and DCF Rp4.600.267.876.436 for productive land.

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