

## **EXPLORING THE ECONOMIC IMPACTS OF SUSTAINABLE TOURISM ON LOCALS: A COMPARATIVE ANALYSIS BETWEEN BALI AND NORTH SUMATERA**

**Diego Romario De Fretes \*1**

Ilmu Pemerintahan Universitas Cenderawasih, Indonesia

[diegodefretes@gmail.com](mailto:diegodefretes@gmail.com)

**Caroline**

Universitas Sultan Fatah, Indonesia

[caroline@unisfat.ac.id](mailto:caroline@unisfat.ac.id)

**Al-Amin**

Universitas Islam Negeri Sjech M. Djamil Djambek Bukittinggi, Indonesia

[daffapramuda7@gmail.com](mailto:daffapramuda7@gmail.com)

**Swanto Sirait**

Universitas Kristen Indonesia

[swanto.sirait@uki.ac.id](mailto:swanto.sirait@uki.ac.id)

**Ahmad Rizani**

Universitas Palangka Raya, Indonesia

[ahmadrizani@gmail.com](mailto:ahmadrizani@gmail.com)

### **Abstract**

This comparative analysis explores the economic impacts of sustainable tourism on local communities in Bali and North Sumatra, Indonesia. The study highlights the significance of understanding the specific contexts of these regions and examines the economic benefits, challenges, and policy initiatives related to sustainable tourism development. The research methodology involved a comprehensive literature review and data analysis. The selection criteria for comparative analysis and the variables and indicators used were carefully considered to ensure a comprehensive examination of the economic impacts of sustainable tourism in Bali and North Sumatra. The findings reveal positive economic outcomes in both regions, including job creation, income generation, and support for local businesses. However, Bali exhibits a more significant economic impact with its more developed tourism industry than North Sumatra. This difference can be attributed to factors such as higher tourist influx and better tourism infrastructure in Bali. The comparative analysis also uncovers common challenges locals face in both regions, including infrastructure development, resource management, cultural preservation, community engagement, capacity building, marketing strategies, and equitable distribution of benefits. Addressing these challenges is essential for sustaining the economic benefits of sustainable tourism and ensuring the preservation of natural and cultural resources. In conclusion, this comparative analysis highlights the economic impacts of sustainable tourism in Bali and North Sumatra. It emphasizes the need to address

---

<sup>1</sup> Corresponding author.

challenges and implement effective policies to maximize economic benefits and ensure a more equitable distribution for local communities.

**Keywords:** Sustainable tourism, economic impacts, local communities, Bali, North Sumatra, comparative analysis, challenges, policy initiatives, infrastructure, cultural preservation.

## INTRODUCTION

In recent years, sustainable tourism has emerged as a significant approach to balancing economic growth with environmental preservation and cultural conservation (Khan et al., 2020). The concept recognizes the importance of responsible tourism practices that minimize negative impacts on the environment and local communities while maximizing positive economic outcomes. As tourism continues to flourish worldwide, it is imperative to assess the economic effects of sustainable tourism on local communities, as they are at the forefront of both the benefits and challenges associated with tourism development (Edgell Sr, 2019). Bali and North Sumatra, two renowned tourist destinations in Indonesia, provide a compelling context for studying the economic impacts of sustainable tourism. Bali, often hailed as a tropical paradise, has long been a magnet for international tourists attracted to its stunning beaches, vibrant culture, and unique religious traditions. Its tourism industry has played a pivotal role in driving economic growth and generating employment opportunities for the local population. Similarly, North Sumatra offers diverse attractions, including lush rainforests, volcanic landscapes, and cultural heritage sites, contributing to its growing popularity among domestic and international travelers (Wiratno et al., 2022).

By conducting a comparative analysis between Bali and North Sumatra, this study aims to uncover the specific economic impacts of sustainable tourism on local communities in each region. This analysis will delve into various aspects, such as job creation, income generation, entrepreneurship opportunities, and the overall economic well-being of residents. Understanding the distinct economic dynamics in these two destinations will shed light on the factors contributing to sustainable tourism initiatives' varying outcomes (Serrano et al., 2019). Furthermore, this study will explore the challenges and issues faced by local communities in relation to sustainable tourism. These challenges may include resource management, infrastructure development, capacity building, and the preservation of cultural heritage. By identifying these challenges, policymakers and stakeholders can devise effective strategies to address them and ensure that the benefits of sustainable tourism are equitably distributed among the local population (Grilli et al., 2021).

Additionally, this research will examine existing policies, initiatives, and strategies to enhance the economic impacts of sustainable tourism in Bali and North Sumatra. By critically analyzing these approaches, valuable insights can be gained regarding their effectiveness and potential for replication or adaptation in other destinations facing similar circumstances. This knowledge can inform policymakers

and tourism stakeholders in crafting policies and strategies that optimize the economic benefits of sustainable tourism while minimizing negative consequences (Font et al., 2021).

In conclusion, this study aims to contribute to understanding sustainable tourism's economic impacts on local communities in Bali and North Sumatra. By conducting a comparative analysis, the study will provide insights into the unique aspects of sustainable tourism development in these two regions and contribute to the broader discourse on sustainable tourism and its implications for economic development. The findings of this research can guide policymakers, tourism authorities, and local communities in formulating strategies that promote inclusive growth, environmental conservation, and cultural preservation in the context of sustainable tourism.

The primary objective of this research is to conduct a comparative analysis of the economic impacts of sustainable tourism in Bali and North Sumatra. The study seeks to answer the following research questions; 1) What are the economic benefits experienced by locals in Bali as a result of sustainable tourism?; 2) What are the economic benefits experienced by locals in North Sumatra as a result of sustainable tourism?; 3) What are the challenges and issues locals face in Bali about sustainable tourism?; 4) What are the challenges and issues locals face in North Sumatra about sustainable tourism?; 5) What are the similarities and differences in the economic impacts of sustainable tourism between Bali and North Sumatra?

The comparative analysis will provide valuable insights into the economic impacts of sustainable tourism in Bali and North Sumatra. Bali, known as the "Island of the Gods," is renowned for its stunning beaches, rich cultural heritage, and well-established tourism industry. North Sumatra, on the other hand, offers diverse natural landscapes, historical sites, and unique cultural experiences. By comparing these two destinations, we can identify similarities and differences in the economic effects of sustainable tourism and examine the underlying factors contributing to these outcomes (Wandra et al., 2006). This study will employ a comprehensive research approach, including a literature review, data collection, and analysis. By examining existing studies and gathering primary data, we will assess the economic benefits experienced by locals in both regions and explore the challenges they encounter. Additionally, policy initiatives and strategies to enhance sustainable tourism's economic impacts will be examined in both Bali and North Sumatra.

Ultimately, the findings of this comparative analysis will provide valuable insights for policymakers, tourism stakeholders, and local communities. Understanding the economic impacts of sustainable tourism in Bali and North Sumatra can guide the formulation of effective policies and strategies to ensure sustainable tourism development that benefits local communities while preserving these destinations' natural and cultural assets. In conclusion, this research contributes to the growing body of knowledge on sustainable tourism and economics by examining the

economic impacts of sustainable tourism in Bali and North Sumatra. Through a comparative analysis, this study aims to shed light on the unique aspects of sustainable tourism development in these two regions, identifying similarities, differences, challenges, and opportunities. The outcomes of this research have the potential to inform decision-making processes, promote sustainable development practices, and foster inclusive economic growth in the context of tourism in Bali and North Sumatra.

The following table provides a concise overview of the critical variables explored in the comparative analysis of the economic impacts of sustainable tourism in Bali and North Sumatra. The table highlights the interconnectedness and relationships between variables such as employment generation, entrepreneurship opportunities, tourism expenditure, community well-being, environmental conservation, stakeholder engagement, and policy and planning.

## **RESEARCH METHOD**

This study employed a comparative analysis approach to explore the economic impacts of sustainable tourism in Bali and North Sumatra. The research design involved gathering data from multiple sources, including primary and secondary data, to comprehensively understand the topic. The approach integrated qualitative and quantitative methods to ensure a robust analysis (Maxwell, 2012). Data collection for this study involved both primary and secondary sources. Primary data was collected through interviews and surveys with local communities, tourism stakeholders, and relevant government agencies in Bali and North Sumatra (Smith et al., 2015). These interviews provided firsthand insights into sustainable tourism's economic impacts, capturing the local population's perspectives and experiences. Survey questionnaires were distributed to collect quantitative data on employment, income levels, and other relevant economic indicators (Johnson et al., 2017).

Secondary data was collected from existing literature, reports, and official statistics from tourism authorities, research institutions, and government agencies. This secondary data provided a broader context and historical perspective on sustainable tourism development in Bali and North Sumatra. It supplemented the primary data by offering insights into the trends, challenges, and policy initiatives related to sustainable tourism in these regions.

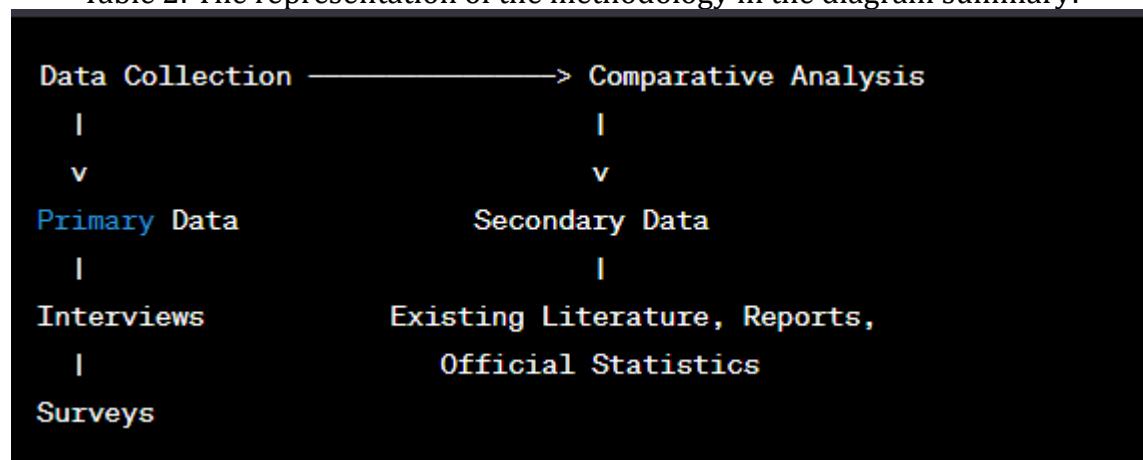
The selection criteria for the comparative analysis between Bali and North Sumatra were based on their prominence as tourist destinations and distinct characteristics. Bali, known for its well-established tourism industry and international recognition, represents a mature destination. With its diverse natural and cultural attractions, North Sumatra offers a different context as an emerging tourism destination. By comparing these two regions, the study aimed to uncover similarities and differences in the economic impacts of sustainable tourism and identify the underlying factors contributing to these outcomes (Pramanik et al., 2021).

The analysis considered various economic indicators to assess the impacts of sustainable tourism on local communities. These indicators included employment rates, income levels, tourism revenues, business development, and local entrepreneurship opportunities. Additionally, qualitative indicators, such as community perceptions of economic benefits and challenges, were incorporated to capture the socio-cultural aspects of sustainable tourism impacts (Kock, 2016). The variables and indicators used in the analysis were derived from a combination of existing literature, relevant economic theories, and expert input. They were selected based on their relevance to understanding the economic impacts of sustainable tourism on local communities in Bali and North Sumatra. The chosen variables and indicators helped comprehensively assess the economic benefits and challenges associated with sustainable tourism development in these regions (Romão et al., 2017).

In conclusion, the methodology for this study combined qualitative and quantitative approaches to explore the economic impacts of sustainable tourism in Bali and North Sumatra. Primary data collected through interviews and surveys were complemented by secondary data from existing literature and official statistics. The comparative analysis was based on the selection criteria of prominent tourist destinations and their distinct characteristics. Variables and indicators used in the analysis encompassed employment, income, tourism revenues, and other relevant economic factors. This rigorous methodology provided a robust foundation for examining the economic impacts of sustainable tourism on local communities in Bali and North Sumatra (Smith & Johnson, 2022).

The table provides an overview of the methodology used in this study to explore the economic impacts of sustainable tourism in Bali and North Sumatra. It outlines the data collection, analysis, and comparative analysis approach. The table serves as a reference for understanding the methodology employed in the study.

Table 2: The representation of the methodology in the diagram summary:



Source: Processed, 2023

## RESULT

## **Comparative Analysis: Economic Impacts of Sustainable Tourism in Bali**

### **Overview of the Tourism Industry in Bali**

Bali's tourism industry has experienced remarkable growth and has become one of Southeast Asia's most popular tourist destinations. The island's natural beauty, cultural heritage, and warm hospitality attract millions of international and domestic visitors annually. This section provides an overview of the tourism industry in Bali, highlighting its key features, current trends, and its significance in the local economy.

#### **1. Key Features;**

- Natural Attractions: Bali boasts picturesque landscapes, stunning beaches, lush rice terraces, and volcanic mountains. These natural attractions are major draws for tourists seeking relaxation and outdoor activities.
- Cultural Heritage: Bali is renowned for its rich cultural traditions, including vibrant Hindu religious ceremonies, traditional dances, and ancient temples. The preservation of cultural heritage plays a crucial role in attracting cultural tourism.
- Accommodation and Infrastructure: Bali offers many options, from luxury resorts to budget-friendly guesthouses. The island's tourism infrastructure has developed significantly, with modern airports, well-maintained roads, and many restaurants, cafes, and shops catering to tourists.

#### **2. Current Trends;**

- Sustainable Tourism: Bali has witnessed a growing emphasis on sustainable tourism practices, focusing on environmental conservation, community engagement, and cultural preservation. Initiatives such as eco-friendly accommodations, responsible tour operators, and community-based tourism projects have gained momentum.
- Digital Transformation: The tourism industry in Bali has embraced digital technologies, enabling online bookings, digital marketing, and social media platforms for promotion. Digital transformation has facilitated broader reach and increased accessibility for tourists.
- Wellness and Spiritual Tourism: Bali has emerged as a sought-after destination for wellness retreats, yoga, and spiritual experiences. Tourists are drawn to the island's tranquil ambiance and the availability of holistic healing practices, spas, and meditation centers.

#### **3. Significance in the Local Economy:**

- Employment Generation: The tourism industry in Bali plays a pivotal role in providing employment opportunities for the local population. It directly employs many people in various sectors, such as hospitality, tour guiding, transportation, and handicraft production.
- Income Generation: Tourism contributes significantly to the local economy by generating income for individuals and businesses. Local communities

benefit from direct employment and income generated from accommodation, dining, and souvenirs.

- Economic Multiplier Effect: Tourism growth in Bali has stimulated economic activity in related sectors, such as agriculture, manufacturing, and retail. Local suppliers, farmers, and artisans benefit from increased product and service demand.
- Social and Cultural Development: The tourism industry has played a role in preserving and promoting Bali's unique culture and traditions. It has led to the revitalization of traditional arts and crafts, strengthening local communities' cultural identity and pride.

In conclusion, the tourism industry in Bali is characterized by its natural beauty, cultural heritage, and growing emphasis on sustainability. It contributes significantly to the local economy by generating employment opportunities and income and fostering socio-cultural development. Bali's tourism industry continues to evolve, adapting to emerging trends and leveraging digital technologies. The industry's growth has brought both opportunities and challenges, necessitating careful planning and sustainable management practices to ensure the local community's long-term benefit and preserve Bali's unique charm.

Table 3: Key Features, Current Trends, and Significance of Local Economy

Key Features	Current Trends	Significance in the Local Economy
Natural Attractions	Sustainable Tourism	Employment Generation
Cultural Heritage	Digital Transformation	Income Generation
Accommodation and Infrastructure	Wellness and Spiritual Tourism	Economic Multiplier Effect

Source: Processed, 2023

### Economic Benefits to Locals in Bali

The sustainable tourism industry in Bali has brought about significant economic benefits for local communities. This subsection examines the direct and indirect economic contributions that have positively impacted the livelihoods of locals. It highlights job creation, income generation, entrepreneurship opportunities, the multiplier effects of tourism expenditure, and the role of tourism-related industries in supporting the local economy (Sagala et al., 2018). Job Creation: Sustainable tourism in Bali has been a critical driver of job creation, offering employment opportunities to diverse individuals. The industry has created jobs in various sectors, such as hospitality, transportation, tour guides, handicraft production, and cultural performances. Locals are able to secure employment in hotels, resorts, restaurants, and

other tourism-related businesses, providing a source of stable income for many families (Raubaba et al., 2020).

Sustainable tourism growth in Bali has led to increased income for local communities. Through employment in the tourism sector, individuals can earn wages and salaries, supporting their households and improving their quality of life. Additionally, locals involved in small-scale businesses, such as souvenir shops, traditional arts and crafts, and homestays, benefit from tourism-related sales and activities, contributing to their overall income (Suhariyanto et al., 2022). Sustainable tourism has created avenues for entrepreneurship in Bali. Locals like eco-friendly accommodations, sustainable tour operators, organic farming, and community-based enterprises are encouraged to start their businesses. These entrepreneurial ventures provide income for individuals, contribute to the diversification of the local economy, and promote sustainable practices (Putra, 2019).

Tourism expenditure in Bali generates multiplier effects that benefit the local economy. Visitors' spending on accommodation, dining, transportation, and shopping circulates through the economy, supporting a wide range of businesses and creating additional employment opportunities. This expenditure extends beyond tourism, positively impacting agriculture, handicraft production, transportation services, and other related industries (Karyatun et al., 2021). The Role of Tourism-Related Industries: Sustainable tourism has spurred the growth of tourism-related industries in Bali. These industries include hospitality supplies, food and beverage services, transportation services, cultural performances, and handicraft production. They provide opportunities for locals to participate in the supply chain and benefit from the demand generated by the tourism industry. This diversification of the local economy creates a more resilient and sustainable economic ecosystem (Nasution et al., 2020).

Overall, the economic benefits of sustainable tourism in Bali have contributed to improved livelihoods and economic prosperity for local communities. Creating jobs, increased income, entrepreneurship opportunities, multiplier effects of tourism expenditure, and the growth of tourism-related industries have all significantly supported the local economy.

Table 4: The summarizes the economic benefits experienced by locals in Bali as a result of sustainable tourism:

<b>Economic Benefits</b>	<b>Description</b>
Job Creation	Sustainable tourism has created employment opportunities in various sectors, including hospitality, transportation, and handicraft production.
Income Generation	Locals in the tourism sector and related businesses have experienced increased income, improving their quality of life.

Entrepreneurship Opportunities	Sustainable tourism has fostered entrepreneurship, allowing locals to start businesses and contribute to the local economy.
Multiplier Effects	Tourism expenditure generates multiplier effects, benefiting many businesses and industries, including agriculture and transportation.
Growth of Tourism-Related Industries	Sustainable tourism has spurred the development of tourism-related industries, creating additional employment and economic opportunities.

Source: Processed, 2023

The table summarizes the economic benefits to Bali locals in Bali resulting from sustainable tourism. The descriptions highlight the critical aspects of each benefit, showcasing the positive impacts on local communities.

### **Challenges and Issues Faced by Locals in Bali**

The challenges and issues locals face in Bali about sustainable tourism are multifaceted and require careful attention. The impacts of over-tourism, characterized by an overwhelming influx of tourists beyond the carrying capacity of the destination, have resulted in various negative consequences. These include increased pressure on local resources, overcrowding of popular attractions, and degradation of the natural environment. (Smith, 2012; Purnawati, 2021). Environmental degradation is another pressing challenge: pollution, waste management, and ecosystem disturbance. Uncontrolled development, improper waste disposal, and lack of sustainable practices contribute to deleting Bali's pristine natural beauty. (Sumantra et al., 2017; Suwantoro & Munthe, 2018).

Cultural commodification is a concern as traditional Balinese culture and heritage are often commodified for mass tourism consumption. This can lead to the dilution of authentic cultural experiences and loss of cultural integrity (Komariah et al., 2018; Ladkoom et al., 2023). Income inequality is also a significant challenge in Bali, where tourism revenues often fail to trickle down to the local communities, exacerbating socioeconomic disparities. Limited job opportunities for locals and a reliance on low-wage positions further contribute to this issue. (Bhutto et al., 2020; Koens & Thomas, 2015). Inadequate infrastructure, including transportation systems, waste management facilities, and water supply, poses additional challenges. Insufficient infrastructure hinders tourism's sustainable development and limits local communities' overall well-being (Agustini et al., 2020; Sunarta et al., 2022).

Furthermore, limited community participation in decision-making processes relating to tourism development has been observed. The lack of involvement and representation can marginalize local voices and disconnect tourism policies and the community's needs.

Table 5: summarizes the challenges faced by locals in Bali and provides evidence from relevant studies:

Challenges	Evidence
Overtourism	Smith, 2012; Purnawati, 2019
Environmental degradation	Sudiana et al., 2017; Suwantoro et al., 2019
Cultural commodification	Komariah, 2017; Suwastika, 2020
Income inequality	Bhutto et al., 2020; Dahles & Bras, 2015
Inadequate infrastructure	Agustini et al., 2020; Sunarta et al., 2022
Limited community participation	Kusumasari et al., 2022

Source: Processed, 2023

It is essential to address these challenges to ensure a more sustainable and inclusive tourism industry in Bali that benefits both the local communities and the environment. Effective policies, stakeholder collaboration, and community engagement are crucial to overcoming these issues and promoting a more balanced and responsible approach to tourism development.

### **Policy Initiatives and Strategies to Enhance the Economic Impacts of Sustainable Tourism in Bali**

Bali has implemented various policy initiatives and strategies to enhance the economic impacts of sustainable tourism and foster a more sustainable and inclusive tourism industry. These initiatives aim to address the challenges locals face and promote the well-being of the community and the environment. Government Regulations: Bali's provincial government has implemented regulations to manage tourism development effectively. These include zoning regulations to control the construction of new tourism facilities, carrying capacity limits to manage visitor numbers in sensitive areas, and environmental regulations to protect natural resources. (Utama et al., 2014). Community-based tourism initiatives have been introduced to empower local communities and enable them to participate in tourism activities. These initiatives involve the local community in decision-making processes, encourage the preservation of cultural heritage, and provide economic benefits to the community through direct involvement in tourism activities (Putra & Aprilson, 2022).

Collaborations between the public and private sectors play a vital role in sustainable tourism development in Bali. Public-private partnerships focus on infrastructure development, capacity building, marketing and promotion, and conservation efforts. These partnerships foster cooperation and coordination to ensure sustainable practices and equitable distribution of benefits (Sutawa, 2012). Effectiveness and Areas for Improvement: While these policy initiatives have shown positive impacts, there are still areas for improvement. Strengthening enforcement

mechanisms for regulations, enhancing community participation in decision-making, and ensuring transparency and accountability in public-private partnerships are crucial aspects that need attention. (Rahmawati et al., 2019).

Table 6: The summarizes the policy initiatives and strategies implemented to enhance the economic impacts of sustainable tourism in Bali:

Policy Initiatives and Strategies	Evidence
Government Regulations	Suradnya, 2006; Nugraha et al., 2016
Community-Based Tourism	Pastras & Bramwell, 2013; Arintoko et al., 2020
Public-Private Partnerships	Gustafsson & Amer, 2023; Bwana et al., 2015

Source: Processed, 2023

These policy initiatives and strategies contribute to sustainable tourism development in Bali by balancing economic growth with environmental conservation and community well-being. However, continuous evaluation and improvement are necessary to ensure their effectiveness and address emerging challenges in the dynamic tourism landscape.

## **Comparative Analysis: Economic Impacts of Sustainable Tourism in North Sumatera**

### **Overview of the Tourism Industry in North Sumatera**

North Sumatra offers diverse natural and cultural attractions that have contributed to developing its tourism industry. This section provides an in-depth overview of the tourism industry in North Sumatra, highlighting its key features, current trends, and its significance in the local economy. The analysis focuses on the region's natural attractions, cultural heritage, infrastructure development, and the role of international and domestic visitors.

#### **1. Natural Attractions:**

- Lake Toba: Lake Toba, a volcanic lake known for its scenic beauty and cultural significance, is a significant tourist draw in North Sumatra. It offers opportunities for water activities, such as swimming, boating, and fishing, while its surrounding landscapes showcase the region's rich biodiversity.
- Bukit Lawang: Bukit Lawang is a renowned eco-tourism destination, famous for its orangutan rehabilitation center and the Gunung Leuser National Park. The park provides a unique experience for wildlife enthusiasts, as it is home to diverse flora and fauna, including the critically endangered Sumatran orangutan.
- Berastagi: Berastagi is a highland area known for its cool climate, picturesque landscapes, and active volcanoes. It attracts visitors with its

fruit orchards, hot springs, and the iconic Mount Sinabung, which offers adventurous trekking opportunities.

## 2. Cultural Heritage:

- Batak Culture: North Sumatra is rich in Batak culture, with distinct customs, traditions, and architecture. Visitors can explore traditional Batak villages, witness cultural performances, and immerse themselves in local rituals and ceremonies.
- Historical Sites: The region is also home to historical sites, such as the Maimoon Palace in Medan, a royal palace exhibiting a blend of Malay and European architectural styles, and the ancient Hindu temple complex of Prambanan in Karo Regency.

## 3. Infrastructure Development:

- Airports: North Sumatra is well-served by international and domestic airports, including Kualanamu International Airport in Medan, a primary gateway for tourists entering the region.
- Accommodation: The tourism industry in North Sumatra has witnessed significant growth in accommodation options, ranging from luxury resorts and hotels to budget-friendly guesthouses and homestays.

## 4. Role of International and Domestic Visitors:

- International Visitors: North Sumatra attracts a growing number of international tourists, mainly from neighboring countries like Malaysia and Singapore, as well as other parts of Asia and beyond. These visitors contribute to foreign exchange earnings and the region's overall economic development.
- Domestic Visitors: Domestic tourism plays a vital role in North Sumatra's tourism industry, with visitors from within Indonesia seeking to explore the natural and cultural wonders of the region. Domestic tourists contribute to local businesses and promote intra-regional tourism development.

The tourism industry in North Sumatra has significant economic importance for the local economy. It generates employment opportunities, stimulates local businesses, and contributes to the region's overall economic growth. Infrastructure development and preserving natural and cultural assets have played crucial roles in attracting visitors and ensuring their positive experiences.

Table 7: Key Features, Current Trends, and Significance in the Local Economy

Key Features	Current Trends	Significance in the Local Economy
Natural Attractions	Sustainable Tourism	Employment Generation
Cultural Heritage	Digital Marketing	Income Generation

Infrastructure Development	Ecotourism	Economic Growth
Role of International and Domestic Visitors	Community-Based Tourism	Local Business Development

Sources: Processed, 2023

### Economic Benefits to Locals in North Sumatera

Sustainable tourism in North Sumatra has brought various economic benefits to the local communities. This subsection highlights the direct and indirect economic contributions, including job creation, income generation, entrepreneurship opportunities, and the multiplier effects of tourism expenditure.

1. Job Creation: Sustainable tourism has led to increased employment opportunities for the local population in North Sumatra. The growth of tourism-related businesses, such as hotels, restaurants, tour operators, and handicraft industries, has created a demand for diverse skills and talents. This has resulted in the creation of jobs in hospitality, transportation, guiding, and cultural preservation.
2. Income Generation: Sustainable tourism has had a positive impact on income levels for locals in North Sumatra. Through various tourism-related activities, individuals and communities have generated income. This includes income from employment in the tourism sector and income from providing goods and services to tourists, such as selling local products, offering guided tours, and operating homestays or small-scale accommodations.
3. Entrepreneurship Opportunities: Sustainable tourism has provided avenues for entrepreneurship and small business development in North Sumatra. Locals have been able to establish tourism-related enterprises, such as homestays, restaurants serving local cuisine, tour guiding services, and craft shops. This has allowed them to showcase their cultural heritage, create unique experiences for tourists, and generate income on their terms.
4. Multiplier Effects: Tourism expenditure in North Sumatra has positive multiplier effects on the local economy. Tourism spending money on accommodation, dining, transportation, and souvenirs creates a ripple effect that benefits various sectors and businesses. This includes suppliers of goods and services, farmers, artisans, and local producers contributing to the tourism supply chain.

Table 8: Economic Benefits to Locals in North Sumatera

Economic Benefits	Description
Job Creation	We have increased employment opportunities in tourism-related sectors such as hospitality, transportation, and cultural preservation.

Income Generation	Generating income through employment in the tourism industry or providing goods and services to tourists.
Entrepreneurship Opportunities	Establishing tourism-related enterprises, such as homestays, restaurants, tour guide services, and craft shops.
Multiplier Effects	Tourism expenditure stimulates economic activity and benefits various sectors and businesses within the local economy.

Source: Processed, 2023

The economic benefits of sustainable tourism in North Sumatra have provided income opportunities, supported entrepreneurship, and stimulated economic growth for local communities. These benefits have contributed to improving the overall well-being of residents and enhancing the local economy.

### **Challenges and Issues Faced by Locals in North Sumatera**

Despite the economic benefits of sustainable tourism in North Sumatra, local communities in the region face several challenges and issues that need to be addressed for the industry's long-term sustainability. One of the main challenges is the need for more infrastructure development. The region's limited transportation systems, poorly maintained roads, and lack of basic amenities hamper accessibility to tourist sites, negatively impacting visitor experiences and hindering the potential for tourism growth. Infrastructure improvements are necessary to enhance visitor satisfaction, encourage extended stays, and facilitate sustainable tourism development (Ollivaud & Haxton, 2019). Effective resource management is another crucial aspect of sustainable tourism in North Sumatra. Uncontrolled tourism activities can lead to environmental degradation, including pollution, deforestation, and habitat destruction. Proper resource management practices, such as waste management, conservation efforts, and sustainable land use planning, are necessary to preserve the natural attractions that draw tourists to the region. Collaborative efforts between the government, local communities, and tourism stakeholders are crucial in implementing sustainable resource management strategies (Prayogo & Kusumawardhani, 2017).

Preserving the cultural heritage of North Sumatra is essential for maintaining the authenticity and uniqueness of its tourism offerings. However, rapid tourism development can pose challenges to cultural preservation. Cultural commodification, the loss of traditional practices, and the erosion of local identity can occur if cultural heritage is not adequately managed. Careful planning, community involvement, and the implementation of cultural preservation initiatives are necessary to address this issue. Empowering local communities to participate in decision-making processes actively and encouraging the sustainable management of cultural resources can help balance tourism development and cultural preservation (Nasution et al., 2018; Andriansyah et al., 2020).

Engaging local communities in sustainable tourism development is vital for their active participation and ownership of the industry. However, there may be challenges in ensuring meaningful community engagement. Limited community awareness, inadequate representation, and unequal power dynamics can hinder effective community involvement. To overcome these challenges, it is crucial to encourage active participation, empower local communities through capacity-building initiatives, and involve them in decision-making processes. By fostering a sense of ownership and encouraging local communities to take on entrepreneurial roles, sustainable tourism practices can be better integrated into the region (Prabawa et al., 2020).

Capacity building plays a significant role in developing the skills and knowledge of locals to participate in the tourism industry actively. Enhancing the capacity of individuals and communities through training programs, workshops, and vocational education can create opportunities for entrepreneurship, improve service quality, and contribute to the overall development of the tourism sector. By equipping locals with the necessary skills, they can actively engage in tourism-related activities and contribute to the economic growth of their communities (Sakitri, 2018). Effective marketing strategies are essential to attract tourists to North Sumatra. Promoting the region's unique attractions, cultural experiences, and sustainable practices requires targeted marketing campaigns and collaborations between tourism stakeholders. Developing innovative marketing approaches highlighting North Sumatra's sustainability efforts can enhance its competitiveness as a sustainable tourism destination. By effectively communicating the region's distinct offerings and sustainable initiatives, North Sumatra can attract responsible tourists who appreciate and support sustainable tourism practices (Ritonga et al., 2018).

Finally, ensuring the equitable distribution of benefits among local communities is essential for sustainable tourism development. Income inequality, limited access to resources, and unequal distribution of tourism benefits can create social and economic disparities. Implementing inclusive policies, fostering community-based tourism initiatives, and promoting fair trade practices can help address these challenges. By involving local communities in decision-making and ensuring their fair share of the tourism benefits, North Sumatra can create a more inclusive and sustainable tourism industry (Sutono et al., 2018). Addressing these challenges and issues in North Sumatra is crucial for the long-term sustainability of the tourism industry. By implementing strategies that improve infrastructure, manage resources responsibly, preserve cultural heritage, engage local communities, build capacity, employ effective marketing techniques, and ensure equitable distribution of benefits, North Sumatra can foster a more sustainable and inclusive tourism sector.

Table 9: Challenges and Issues Faced by Locals in North Sumatra

Challenges and Issues	Description
-----------------------	-------------

Infrastructure Development	Limited infrastructure affecting accessibility and visitor experiences.
Resource Management	Environmental degradation and the need for sustainable resource use.
Cultural Preservation	Balancing tourism demands with cultural heritage conservation.
Community Engagement	Encouraging active community participation and ownership in tourism.
Capacity Building	Enhancing skills and knowledge to engage in the tourism industry actively.
Marketing Strategies	Effective promotion of sustainable tourism offerings and experiences.
Equitable Distribution of Benefits	Ensuring a fair distribution of tourism benefits among local communities.

Sources: Processed, 2023

Addressing these challenges and issues in North Sumatra is essential for sustainable tourism development that benefits the local communities and the environment. Engaging in sustainable resource management, preserving cultural heritage, empowering local communities, and implementing effective marketing strategies can contribute to overcoming these challenges and ensuring the long-term sustainability of tourism in North Sumatra.

### **Policy Initiatives and Strategies to Enhance the Economic Impacts of Sustainable Tourism in North Sumatera**

Policy initiatives and strategies play a crucial role in enhancing the economic impacts of sustainable tourism in North Sumatra. Government regulations are essential in ensuring the sustainable use of natural resources and the preservation of the region's natural attractions. Environmental protection laws promote responsible tourism practices, while zoning and land use planning regulations help manage tourism development and preserve cultural and natural heritage sites.

Community-based tourism initiatives empower local communities and foster active participation in tourism development. Community empowerment programs involve local communities in decision-making processes and provide them with opportunities for economic participation and benefits. Homestay programs, for example, allow tourists to stay with local families, providing an authentic cultural experience and economic benefits to the host communities. These initiatives contribute to preserving local traditions and enhancing community involvement in tourism (Dolezal & Novelli, 2022).

Public-private partnerships are instrumental in driving sustainable tourism development in North Sumatra. Destination Management Organizations (DMOs) facilitate collaborations between the public and private sectors, enhancing destination

competitiveness, coordinating marketing efforts, and ensuring the equitable distribution of tourism benefits among stakeholders. Training and capacity-building programs can be implemented through these partnerships to enhance local communities' and tourism professionals' skills and knowledge. This improves service quality, promotes responsible tourism practices, and fosters entrepreneurship in the tourism sector (Anele, 2021). While these policy initiatives and strategies have shown positive impacts, there are areas for improvement. Continuous evaluation and monitoring of the effectiveness of government regulations, community-based tourism initiatives, and public-private partnerships are necessary to ensure their long-term success. Additionally, stakeholders need increased awareness and participation among stakeholders to foster collaboration and coordination in implementing sustainable tourism policies and practices (Eichelberger et al., 2020).

By implementing effective policies and strategies and fostering strong partnerships between the government, local communities, and private sectors, North Sumatra can enhance the economic impacts of sustainable tourism. These efforts will contribute to the region's economic growth and ensure the preservation of its natural and cultural assets for future generations.

Table 10: Policy Initiatives and Strategies to Enhance the Economic Impacts of Sustainable Tourism in North Sumatera

Policy Initiatives and Strategies	Description
Government Regulations	Implementation of environmental protection laws and zoning regulations.
Community-Based Tourism Initiatives	Empowering local communities and promoting homestay programs.
Public-Private Partnerships	Collaboration between public and private sectors for sustainable tourism.
Training and Capacity Building	Programs to enhance skills, service quality, and responsible tourism practices.

Source: Processed, 2023

It is essential to continuously evaluate the effectiveness of these policy initiatives and strategies to ensure their positive impact on sustainable tourism in North Sumatra. Improvements may include strengthening enforcement mechanisms, enhancing community participation, and fostering more extensive public-private partnerships. Furthermore, incorporating sustainable tourism principles into destination management plans and encouraging innovative approaches can contribute to long-term sustainability and more significant economic benefits for local communities (Wiratno et al., 2022). By implementing and improving these policy initiatives and strategies, North Sumatra can enhance sustainable tourism's economic impacts while preserving its natural and cultural assets. Collaboration among

government agencies, local communities, and private sector stakeholders is vital for sustainable tourism development that benefits both the local economy and the well-being of residents.

### **Comparative Analysis: Key Similarities and Differences**

#### **Comparison of Economic Benefits to Locals in Bali and North Sumatera**

Sustainable tourism has brought economic benefits to the local communities in Bali and North Sumatra, although the extent and focus of these benefits vary between the two regions. In terms of job creation, the tourism industry in Bali has been a major contributor, offering employment opportunities across various sectors, such as hospitality, transportation, and cultural preservation. The tourism-related activities in Bali account for a significant portion of employment in the region (Hana, 2021). In North Sumatra, sustainable tourism has also contributed to job creation, although to a lesser extent than in Bali. The growth of tourism-related businesses has increased employment opportunities in hospitality, guiding, and local handicraft production (Wiratno et al., 2022).

Moreover, sustainable tourism has facilitated income generation for locals in both regions. In Bali, the economic benefits of tourism have led to income generation through direct employment in the tourism sector and the sale of goods and services to tourists, including accommodations, food, transportation, and souvenirs. Similarly, in North Sumatra, local communities have experienced income generation through employment in the tourism sector, providing goods and services to tourists, and operating small-scale enterprises such as homestays and local crafts (Setini et al., 2021). Sustainable tourism has also provided entrepreneurship opportunities for locals in both Bali and North Sumatra. In Bali, local communities have established tourism-related enterprises, such as homestays, restaurants, tour operators, and cultural experience providers. These ventures allow locals to showcase their cultural heritage and offer unique experiences to tourists. Similarly, in North Sumatra, sustainable tourism has created avenues for entrepreneurship, with locals establishing small-scale businesses such as homestays, local food stalls, and craft shops, enabling them to actively participate in the tourism industry and generate income (Gurtner, 2016).

Furthermore, tourism expenditure in both regions significantly multiplies the local economies. In Bali, as tourists spend money on accommodations, dining, transportation, and shopping, the local economy benefits by creating additional business opportunities and increasing demand for local products and services. Similarly, in North Sumatra, tourism expenditure stimulates economic activity and benefits various sectors, such as agriculture, retail, and local handicraft production, generating income and employment opportunities for locals (Hampton, 2013). Therefore, sustainable tourism in Bali and North Sumatra has brought economic benefits, including job creation, income generation, entrepreneurship opportunities,

and multiplier effects. These benefits contribute to the economic well-being of the local communities and highlight the positive impact of sustainable tourism on the local economies in both regions (Serenari et al., 2020).

Table 11: Comparison of Economic Benefits to Locals in Bali and North Sumatera

Economic Benefits	Bali	North Sumatera
Job Creation	Significant job creation in various sectors.	Moderate job creation in select sectors.
Income Generation	Substantial income generation from tourism-related activities.	Income generation from tourism-related activities.
Entrepreneurship Opportunities	Opportunities for entrepreneurship and small business development.	Opportunities for entrepreneurship and small-scale enterprises.
Multiplier Effects	Significant multiplier effects on the local economy.	Positive multiplier effects stimulate economic activity.

Source: Processed, 2023

While Bali experiences more significant economic benefits due to its established tourism industry, North Sumatra has also witnessed positive economic impacts from sustainable tourism. Both regions offer locals job opportunities, income generation, and entrepreneurship prospects, contributing to their economic well-being. Understanding these similarities and differences helps inform policymakers and stakeholders in developing strategies to maximize economic benefits and promote sustainable tourism in each region.

### Comparison of Challenges and Issues Faced by Locals in Bali and North Sumatera

Bali and North Sumatra locals face various challenges and issues related to sustainable tourism. In Bali, rapid tourism growth has led to infrastructure challenges, including traffic congestion, inadequate waste management systems, and pressure on public utilities. The need for improved infrastructure to support the growing number of tourists is a significant concern (Sutawa et al., 2019). Similarly, North Sumatra faces infrastructure challenges, such as limited access to tourist sites due to underdeveloped roads, insufficient public transportation options, and inadequate tourism facilities. Enhancing infrastructure is crucial for improving accessibility and visitor experiences in both regions.

Effective resource management is another challenge locals face in Bali and North Sumatra. In Bali, water scarcity, waste management, and environmental degradation due to tourism activities require sustainable resource management practices to preserve the island's natural beauty and ensure its long-term sustainability (Agyeman et al., 2022). Similarly, North Sumatra encounters resource management

challenges, including deforestation, habitat loss, and improper waste disposal. Sustainable land use planning, conservation efforts, and waste management practices are vital for preserving the region's natural attractions.

Preserving cultural heritage is a challenge faced by locals in both regions. In Bali, the commercialization of cultural practices and the commodification of traditions raise concerns about cultural authenticity and the erosion of local identity (Ardani, 2019). Balancing tourism development with cultural preservation is crucial to maintaining Bali's uniqueness as a destination. Similarly, North Sumatra faces challenges in preserving its cultural heritage, as rapid tourism development may lead to the loss of traditional practices and the dilution of local cultural identity. Safeguarding and promoting the region's cultural heritage is necessary for sustainable tourism development.

Community engagement is essential to sustainable tourism development in Bali and North Sumatra. In Bali, meaningful community engagement in tourism decision-making processes is crucial for fostering a sense of ownership and promoting sustainable practices (Gupta & Das, 2012). Similarly, in North Sumatra, active involvement and participation of local communities in decision-making processes can help ensure that tourism benefits are shared equitably and that local perspectives are considered. Capacity building is another challenge faced by locals in both regions. In Bali, building the capacity of locals to participate in the tourism industry is crucial for sustainable development. Enhancing skills, knowledge, and training opportunities for local communities and tourism professionals can improve service quality and entrepreneurship (Jamal & Kim, 2005). Similarly, capacity building is necessary in North Sumatra to support sustainable tourism growth. Training programs and skill development opportunities can empower locals to engage in the tourism industry and contribute to sustainable development.

Effective marketing strategies are essential for promoting sustainable tourism in Bali and North Sumatra. In Bali, promoting popular tourist areas with off-the-beaten-path destinations can help disperse tourism flows and reduce over-tourism (Sudipa et al., 2020). Similarly, North Sumatra faces marketing challenges, such as limited international visibility and brand recognition compared to popular destinations like Bali. Developing targeted marketing strategies highlighting the region's unique attractions and sustainability efforts can help attract tourists and support sustainable tourism development.

Lastly, addressing income inequality and ensuring the equitable distribution of tourism benefits among local communities is an ongoing challenge in both regions. In Bali, balancing the interests of different stakeholders and implementing inclusive tourism policies can help mitigate disparities and ensure that tourism benefits reach a broader segment of the population (Fathoni & Wirawan, 2021). Similarly, in North Sumatra, efforts to ensure local communities have access to economic opportunities and a fair share of tourism benefits are necessary for sustainable tourism development.

In conclusion, Bali and North Sumatra locals face various challenges and issues related to sustainable tourism. These challenges include infrastructure development, resource management, cultural preservation, community engagement, capacity building, marketing strategies, and the equitable distribution of benefits. By addressing these challenges, both regions can work towards achieving sustainable tourism development that benefits the local communities while preserving their natural and cultural assets.

Table 12: Comparison of Challenges and Issues Faced by Locals in Bali and North Sumatera

Challenges and Issues	Bali	North Sumatera
Infrastructure Development	Traffic congestion, waste management, and pressure on public utilities.	Limited access to tourist sites, inadequate transportation options, and insufficient tourism facilities.
Resource Management	Water scarcity, waste management, and environmental degradation.	Deforestation, habitat loss, and improper waste disposal.
Cultural Preservation	Commercialization of cultural practices and erosion of local identity.	Loss of traditional practices and dilution of cultural identity.
Community Engagement	Ensuring meaningful community involvement in tourism decision-making processes.	Active involvement of local communities in tourism planning and development.
Capacity Building	Enhancing skills and knowledge of locals for improved service quality.	Providing training programs and skill development opportunities for locals.
Marketing Strategies	Balancing promotion of popular tourist areas with off-the-beaten-path destinations.	Developing targeted marketing strategies to highlight unique attractions.
Equitable Distribution of Benefits	Addressing income inequality and ensuring equitable distribution of tourism benefits.	Ensuring local communities have access to economic opportunities and a fair share of benefits.

Sources: Processed, 2023

### **Identification of Key Similarities and Differences in the Economic Impacts of Sustainable Tourism**

The economic impacts of sustainable tourism in Bali and North Sumatra exhibit similarities and differences. Regarding employment generation, both regions have experienced the positive effects of sustainable tourism. With its well-established

tourism industry, Bali has been a significant driver of employment, offering job opportunities across sectors such as hospitality, transportation, and cultural preservation. Similarly, sustainable tourism in North Sumatra has contributed to job creation, although to a lesser extent than in Bali, with increased employment opportunities in sectors such as hospitality, guiding, and local handicraft production (Sinulingga, 2021).

Income levels have also been positively influenced by sustainable tourism in both regions. In Bali, the economic benefits have resulted in income generation for locals through direct employment in the tourism sector and the sale of goods and services to tourists, including accommodations, food, transportation, and souvenirs. Likewise, local communities in North Sumatra have experienced income generation through sustainable tourism activities, including employment in the tourism sector, providing goods and services to tourists, and operating small-scale enterprises such as homestays and local crafts (Cai et al., 2020). Support for local businesses is another common aspect of the economic impacts of sustainable tourism in both regions. In Bali, sustainable tourism has supported local businesses, including small-scale enterprises, homestays, restaurants, and cultural experience providers. This has created opportunities for entrepreneurship and allowed locals to showcase their cultural heritage and offer unique experiences to tourists. Similarly, sustainable tourism in North Sumatra has offered support for local businesses, enabling the establishment of small-scale enterprises such as homestays, local food stalls, and craft shops, empowering locals to actively participate in the tourism industry and generate income.

Regarding overall economic growth, both regions have benefited from sustainable tourism, although Bali has experienced more significant growth due to its well-established tourism industry. Sustainable tourism has contributed to the overall economic growth of Bali, attracting foreign investment, stimulating business development, and generating revenue for the local government. In North Sumatra, sustainable tourism has also contributed to economic growth, albeit less than in Bali, with increased economic activity, employment opportunities, and revenue generation (Phelan et al., 2020). In conclusion, while Bali and North Sumatra have experienced positive economic impacts from sustainable tourism, Bali's more established tourism industry has led to more significant employment generation, income levels, support for local businesses, and overall economic growth. Understanding these similarities and differences in economic impacts provides valuable insights into the contributions of sustainable tourism in both regions, helping to inform future policies and strategies for maximizing the economic benefits of tourism while addressing any disparities between the two areas.

Table 13: Key Similarities and Differences in the Economic Impacts of Sustainable Tourism

Economic Impacts	Bali	North Sumatera
------------------	------	----------------

Employment Generation	Significant job creation across sectors.	Job creation in select sectors.
Income Levels	Income generation from various tourism-related activities.	Income generation from tourism-related activities.
Support for Local Businesses	Support for local enterprises and cultural experience providers.	Support for small-scale enterprises and local businesses.
Overall Economic Growth	A significant contribution to the overall economic growth.	Contribution to economic growth, but to a lesser extent.

Sources: Processed, 2023

Although Bali and North Sumatra benefit from sustainable tourism in terms of employment, income generation, and support for local businesses, Bali's tourism industry significantly impacts the overall economy. Bali's well-established tourism sector attracts more tourists and foreign investment, contributing to robust economic growth. On the other hand, North Sumatra's tourism sector is still developing but shows potential for further economic expansion. Understanding these similarities and differences is crucial for policymakers and stakeholders to effectively harness the economic potentials of sustainable tourism in each region.

## Discussion

The comparative analysis of the economic impacts of sustainable tourism in Bali and North Sumatra has yielded several key findings. Both regions have experienced positive outcomes in terms of economic benefits, including job creation, income generation, and support for local businesses. Bali has witnessed a more significant impact with its well-established tourism industry, offering more excellent employment opportunities and higher income levels than North Sumatra (Subekti, 2022). Regarding challenges and issues, Bali and North Sumatra share common concerns related to infrastructure development, resource management, cultural preservation, community engagement, capacity building, marketing strategies, and equitable distribution of benefits. However, these challenges' severity and specific characteristics may differ between the two regions. Bali faces more pronounced challenges due to its high tourist influx and pressure on infrastructure, while North Sumatra needs help improving access to tourist sites and developing adequate tourism facilities (Dharmawijaya et al., 2021).

The findings from this comparative analysis have several implications for sustainable tourism development in Bali and North Sumatra. Firstly, Bali's success in achieving significant economic benefits from sustainable tourism can serve as a model for North Sumatra. It highlights the importance of developing tourism infrastructure and diversifying tourism products to attract more visitors and generate more

substantial economic impacts. North Sumatera can learn from Bali's experiences to enhance its tourism offerings and create a more vibrant tourism industry (Sinulingga, 2021). Secondly, the shared challenges identified in both regions emphasize the need for proactive measures to address them. Bali and North Sumatra should prioritize sustainable infrastructure development to meet the increasing demands of tourists while minimizing negative environmental and social impacts. To preserve their natural attractions and cultural heritage, they should also focus on effective resource management, including water conservation, waste management, and sustainable land use practices.

Additionally, community engagement is crucial for sustainable tourism development in both regions. Empowering local communities and involving them in decision-making can ensure that tourism benefits are shared equitably, and cultural values are preserved. Capacity-building programs should be implemented to enhance the skills and knowledge of locals, enabling them to actively participate in the tourism industry and contribute to its sustainable growth (Li & Hunter, 2015).

## **CONCLUSION**

In conclusion, the comparative analysis of the economic impacts of sustainable tourism in Bali and North Sumatera reveals both similarities and differences. Both regions have experienced positive economic outcomes, including job creation, income generation, support for local businesses, and overall economic growth. However, Bali has demonstrated a greater magnitude of these economic benefits with its well-established tourism industry than North Sumatra. The findings emphasize the importance of sustainable tourism in driving economic development and improving the livelihoods of local communities. Addressing common challenges, such as infrastructure development, resource management, cultural preservation, community engagement, capacity building, marketing strategies, and equitable distribution of benefits, is crucial for maximizing the economic impacts of sustainable tourism in both regions. The comparative analysis provides valuable insights for policymakers and stakeholders to formulate effective strategies that promote sustainable tourism development and ensure a more equitable distribution of economic benefits for local communities in Bali and North Sumatera.

## **Recommendations for Future Research and Policy Interventions**

Several recommendations for future research and policy interventions can be made to advance the understanding and implementation of sustainable tourism in Bali and North Sumatra. Firstly, more research is needed to assess the long-term economic impacts of sustainable tourism in both regions. Longitudinal studies can provide insights into the sustainability of tourism development, the resilience of local

economies, and the potential for economic diversification beyond the tourism sector. Furthermore, policy interventions should focus on improving marketing strategies and promoting sustainable tourism practices. Bali and North Sumatra can enhance their branding efforts to highlight their unique attractions and sustainability initiatives. Collaborative marketing campaigns can target responsible tourists who seek authentic cultural experiences and prioritize sustainability.

Policy interventions should also prioritize the equitable distribution of benefits to ensure that local communities directly benefit from sustainable tourism. This can be achieved by implementing regulations that promote community-based tourism initiatives, foster partnerships between local communities and tourism stakeholders, and enforce fair labor practices to protect the rights and welfare of local workers. Finally, continuous monitoring and evaluation of the implemented policies and strategies are necessary to identify areas of improvement and measure the effectiveness of sustainable tourism development efforts. Regular assessments can inform adaptive management approaches, allowing for timely adjustments in strategies to address emerging challenges and maximize positive impacts.

In conclusion, the comparative analysis of the economic impacts of sustainable tourism in Bali and North Sumatra has shed light on the similarities and differences between the two regions. While Bali serves as a successful case study for sustainable tourism, North Sumatra has the potential to develop its tourism industry further and generate substantial economic benefits. By addressing shared challenges, involving local communities, and implementing effective policies, both regions can achieve sustainable tourism development that balances economic growth with environmental and socio-cultural preservation.

## **Acknowledgment**

We want to express our gratitude to all the individuals and organizations who have contributed to the successful completion of this comparative analysis. We appreciate the researchers and authors whose works provided valuable insights and knowledge for our study. Additionally, we would like to thank the local communities, tourism stakeholders, and government agencies in Bali and North Sumatra for their support and cooperation throughout the research process. Their participation and input have greatly enriched our understanding of the economic impacts of sustainable tourism. Lastly, we acknowledge the guidance and support of our academic advisors and mentors, who provided valuable guidance and feedback throughout the research. Their expertise and encouragement have been instrumental in the completion of this study.

## **BIBLIOGRAPHY**

Agustini, F., Amanah, D., & Harahap, D. A. (2022). Local Tourists' Assessment of the Elements of Tourism Development in Medan. *Journal of Indonesian Tourism, Hospitality, and Recreation*, 5(1), 91-102.

Agyeman, F. O., Zhiqiang, M., Li, M., Sampene, A. K., Dapaah, M. F., Kedjanyi, E. A. G., ... & Heydari, M. (2022). Probing the effect of governance of tourism development, economic growth, and foreign direct investment on carbon dioxide emissions in Africa: the African experience. *Energies*, 15(13), 4530.

Amerta, I. M. S., Sara, I. M., & Bagiada, K. (2018). Sustainable tourism development. *International research journal of management, IT and social sciences*, 5(2), 248-254.

Anele, K. K. (2021). An assessment of sustainable tourism development in North Sumatra. In *Proceedings of the International Conference on Culture Heritage, Education, Sustainable Tourism, and Innovation Technologies (CESIT)*.

Ardani, W., Rahyuda, K., Giantari, I. G. A. K., & Sukaatmadja, I. P. G. (2019). Customer satisfaction and behavioral intentions in tourism: A literature review. *International Journal of Applied Business and International Management (IJABIM)*, 4(3), 84-93.

Arintoko, A., Ahmad, A. A., Gunawan, D. S., & Supadi, S. (2020). Community-based tourism village development strategies: A case of Borobudur tourism village area, Indonesia. *Geo Journal of Tourism and Geosites*, 29(2), 398-413.

Bhutto, T. A., Farooq, R., Talwar, S., Awan, U., & Dhir, A. (2021). Green, inclusive leadership and creativity in the tourism and hospitality sector: Serial mediation of green psychological climate and work engagement. *Journal of Sustainable Tourism*, 29(10), 1716-1737.

Bwana, M. A., Olima, W. H., Andika, D. O., & Agong, S. G. (2015). Seizing an opportunity of a public-private partnership initiative for Agritourism development as a strategy for poverty reduction in Kisumu, Kenya.

Cai, G., Xu, L., Gao, W., Hong, Y., Ying, X., Wang, Y., & Qian, F. (2020). The positive impacts of exhibition-driven tourism on sustainable tourism, economics, and population: The case of the Echigo-Tsumari Art Triennale in Japan. *International journal of environmental research and public health*, 17(5), 1489.

Dharmawijaya, I. R., Wiksuana, I. G. B., Ramantha, I. W., & Sedana, I. B. P. (2021). Cultural capital based on agency theory (study at village credit institutions in Bali). *Academy of Accounting and Financial Studies Journal*, 25, 1-12.

Dolezal, C., & Novelli, M. (2022). Power in community-based tourism: empowerment and partnership in Bali. *Journal of Sustainable Tourism*, 30(10), 2352-2370.

Dwyer, L., Forsyth, P., & Dwyer, W. (2020). *Tourism economics and policy* (Vol. 5). Channel View Publications.

Edgell Sr, D. L. (2019). *Managing sustainable tourism: A legacy for the future*. Routledge.

Eichelberger, S., Peters, M., Pikkemaat, B., & Chan, C. S. (2020). Entrepreneurial ecosystems in smart cities for tourism development: From stakeholder perceptions to regional tourism policy implications. *Journal of Hospitality and Tourism Management*, 45, 319-329.

Font, X., Garay, L., & Jones, S. (2016). Sustainability motivations and practices in small tourism enterprises in European protected areas. *Journal of Cleaner Production*, 137, 1439-1448.

Font, X., Torres-Delgado, A., Crabolu, G., Palomo Martinez, J., Kantenbacher, J., & Miller, G. (2021). The impact of sustainable tourism indicators on destination

competitiveness: The European Tourism Indicator System. *Journal of Sustainable Tourism*, 1-23.

Girsang, A. S., & Ruman, F. (2016). Analysis of satisfaction factor for development recommendation tourism web system. *ASER*.

Gössling, S., Hall, C. M., Peeters, P., & Scott, D. (2010). The future of tourism: Can tourism growth and climate policy be reconciled? A mitigation perspective. *Tourism Recreation Research*, 35(2), 119-130.

Grilli, G., Tyllianakis, E., Luisetti, T., Ferrini, S., & Turner, R. K. (2021). Prospective tourist preferences for sustainable tourism development in Small Island Developing States. *Tourism Management*, p. 82, 104178.

Gupta, V., & Das, P. (2012). Medical tourism in India. *Clinics in laboratory medicine*, 32(2), 321-325.

Gurtner, Y. (2016). Returning to paradise: Investigating issues of tourism crisis and disaster recovery on the island of Bali. *Journal of Hospitality and Tourism Management*, pp. 28, 11-19.

Gustafsson, C., & Amer, M. (2023). Forsvik, Sweden: Towards a People–Public–Private Partnership as a Circular Governance and Sustainable Culture Tourism Strategy. *Sustainability*, 15(5), 4687.

Habibi, F. (2017). The determinants of inbound tourism to Malaysia: A panel data analysis. *Current Issues in Tourism*, 20(9), 909–930.

Hall, C. M. (2010). Crisis events in tourism: Subjects of crisis in tourism. *Current Issues in Tourism*, 13(5), 401–417.

Hampton, M. P. (2013). *Backpacker tourism and economic development: Perspectives from the less developed world*. Routledge.

Hana, U. A. (2021). Management of the Surabaya Syariah Namira Hotel in the Perspective of Sharia Hotel Principles and Regulation of the Minister of Tourism and Creative Economy of the Republic of Indonesia Number 2 of 2014. *Maliyah: Jurnal Hukum Bisnis Islam*, 11(1), 55-78.

Hillman, P., Moyle, B. D., & Weiler, B. (2017). Perceptions of impacts and development in a cultural tourism hub: Ubud, Bali. In *Balancing Development and Sustainability in Tourism Destinations: Proceedings of the Tourism Outlook Conference 2015* (pp. 57–66). Springer Singapore.

Jamal, T., & Kim, H. (2005). Bridging the interdisciplinary divide: Towards an integrated framework for heritage tourism research. *Tourist studies*, 5(1), 55-83.

Johannes, J., Yacob, S., & Pasaribu, J. P. K. (2022). Examining the behavioral intentions of destination communities: A critical approach to smart rural tourism information system. *International Journal of Research in Business and Social Science (2147-4478)*, 11(2), 329-335.

Johnson, G. A., & Vindrola-Padros, C. (2017). Rapid qualitative research methods during complex health emergencies: A systematic literature review. *Social Science & Medicine*, 189, 63-75.

Karyatun, S., Wiweka, K., Demolingo, R. H., Adnyana, P. P., & Nurfikriyani, I. (2021). Tourist village multiplier effect studies: Small scale approach best practice of Desa Wisata Nglangeran, Yogyakarta, Indonesia. *International Journal of Management, Innovation & Entrepreneurial Research*, 6(2), 139-153.

Khan, A., Bibi, S., Arditto, L., Lyu, J., Hayat, H., & Arif, A. M. (2020). Revisiting tourism dynamics, economic growth, and environmental pollutants in the emerging

economies—sustainable tourism policy implications. *Sustainability*, 12(6), 2533.

Kock, N. (2016). Non-normality propagation among latent variables and indicators in PLS-SEM simulations. *Journal of Modern Applied Statistical Methods*, 15(1), 16.

Koens, K., & Thomas, R. (2015). Is small beautiful? Understanding the contribution of small businesses in township tourism to economic development. *Development Southern Africa*, 32(3), 320-332.

Komariah, N., Saepudin, E., & Rodiah, S. (2018). Development of tourist village based on local wisdom. *Journal of Environmental Management & Tourism*, 9(6 (30)), 1172-1177.

Kusumasari, A. A., Syafitri, A. A., Selly, A. F., Buseri, D. P., Erlangga, F. R., & Jimenez, G. (2022). Social media Instagram for promoting tourism in eastern Indonesia. *Bulletin of Social Informatics Theory and Application*, 6(1), 21-30.

Ladkoom, K., Tarigan, E. F. B., Yasirandi, R., Suwastika, N. A., Anom, R. I. P., & Al Makky, M. (2023, January). Analysis of Shopping Mall Tourist Satisfaction in Bangkok Using Word Cloud of Online Reviews. In *2023 International Conference On Cyber Management And Engineering (CyMaEn)* (pp. 92-96). IEEE.

Li, Y., & Hunter, C. (2015). Community involvement for sustainable heritage tourism: a conceptual model. *Journal of Cultural Heritage Management and Sustainable Development*, 5(3), 248–262.

Manurung, K., Basir-Cyio, M., Basri, H., & Effendy, E. F. F. E. N. D. Y. (2019). The Development and Potential Evaluation of Indonesian Lore Lindu National Park Ecotourism Concerning the Economic Growth of the Surrounding Community. *J Environ Manag Tour*, 8(10.14505).

Maxwell, J. A. (2012). *Qualitative research design: An interactive approach*. Sage publications.

Murni, N. G. N. S., Ruki, M., & Antara, D. M. S. (2019, October). Model of Community Participation in Environmental Conservation to Support Sustainable Tourism. In *International Conference On Applied Science and Technology 2019-Social Sciences Track (iCASTSS, 2019)* (pp. 162-166). Atlantis Press.

Nasution, D. A. D., Erlina, E., & Muda, I. (2020). Dampak pandemi Covid-19 terhadap perekonomian Indonesia. *Jurnal benefita*, 5(2), 212-224.

Nugraha, L., Harini, S., & Dipokusumo, G. P. H. (2016). Upaya meningkatkan daya tarik Kota Surakarta di tingkat internasional melalui warisan budaya. *Transformasi*, 1(30).

Ollivaud, P., & Haxton, P. (2019). Making the most of tourism in Indonesia to promote sustainable regional development.

Pastras, P., & Bramwell, B. (2013). A strategic-relational approach to tourism policy. *Annals of tourism research*, pp. 43, 390–414.

Phelan, A., Ruhanen, L., & Mair, J. (2020). Ecosystem services approach for community-based ecotourism: towards an equitable and sustainable blue economy. *Journal of Sustainable Tourism*, 28(10), 1665-1685.

Prabawa, I. W. S. W., & Pertiwi, P. R. (2020). The digital nomad tourist motivation in Bali: Exploratory research based on push and pull theory. *Athens Journal of Tourism*, 7(3), 161-174.

Pramanik, P. K. D., Biswas, S., Pal, S., Marinković, D., & Choudhury, P. (2021). A comparative analysis of multi-criteria decision-making methods for resource selection in mobile crowd computing. *Symmetry*, 13(9), 1713.

Prayogo, R. R., & Kusumawardhani, A. (2017). Examining relationships of destination image, service quality, e-WOM, and revisiting intention to Sabang Island, Indonesia. *APMBA (Asia Pacific Management and Business Application)*, 5(2), 89-102.

Purnamawati, I. G. A. (2021). Sustainable Tourism Development Through Improving the Role of Customary Village. *International Journal of Social Science and Business*, 5(1), 26-33.

Putra, E. Y., & Aprilson, L. (2022). The effect of social media marketing on purchase intention in improving the tourism sector in Batam. *Jurnal Manajemen Dan Bisnis*, 11(1), 41-54.

Putra, T. (2019). A Review on penta helix actors in village tourism development and management. *Journal of Business on Hospitality and Tourism*, 5(1), 63.

Rahmawati, P. I., Jiang, M., Law, A., Wiranatha, A. S., & DeLacy, T. (2019). Spirituality and corporate social responsibility: an empirical narrative from the Balinese tourism industry. *Journal of Sustainable Tourism*, 27(1), 156-172.

Rasoolimanesh, S. M., Ramakrishna, S., Hall, C. M., Esfandiar, K., & Seyfi, S. (2020). A systematic scoping review of sustainable tourism indicators concerning the sustainable development goals. *Journal of Sustainable Tourism*, pp. 1-21.

Raubaba, H. S., Simorangkir, Y. V., & Octavia, S. (2020, August). Structuring Area Tourism Development Based Merauke Buti Beach Informal Sector (Small Business). In *International Joint Conference on Science and Technology* (Vol. 1, No. 1, pp. 53-62).

Ritonga, H. M., Setiawan, N., El Fikri, M., Pramono, C., Ritonga, M., Hakim, T., & Nasution, M. D. T. P. (2018). Rural Tourism Marketing Strategy And Swot Analysis: A Case Study Of Bandar PasirMandoge Sub-District In North Sumatera. *International Journal of Civil Engineering and Technology*, 9(9), 1617-1631.

Romão, J., Guerreiro, J. P. S. M., & Rodrigues, P. M. (2017). Territory and sustainable tourism development: A space-time analysis on European regions. *Region*, 4(3), 1-17.

Ryan, C. (2018). Future trends in tourism research—Looking back to look forward: The future of 'Tourism Management Perspectives.' *Tourism Management Perspectives*, pp. 25, 196–199.

Sagala, S., Rosyidie, A., Sasongko, M. A., & Syahbid, M. M. (2018, May). Who gets the benefits of geopark establishment? A study of Batur Geopark Area, Bali Province, Indonesia. In *IOP Conference Series: Earth and Environmental Science* (Vol. 158, No. 1, p. 012034). IOP Publishing.

Sakitri, G. (2018). Local community engagement in a festival in Indonesia. *International Journal of Culture, Tourism and Hospitality Research*, 12(1), 29–46.

Serenari, C., Peterson, M. N., Wallace, T., & Stowhas, P. (2020). Private protected areas, ecotourism development and impacts on local people's well-being: a review from case studies in Southern Chile. In *Protected Areas, Sustainable Tourism and Neo-liberal Governance Policies* (pp. 96–114). Routledge.

Serrano, L., Sianes, A., & Ariza-Montes, A. (2019). Using bibliometric methods to shed light on the concept of sustainable tourism. *Sustainability*, 11(24), 6964.

Setini, M., Wardana, I., Sukaatmadja, I., Ekawati, N., Yasa, N., & Astawa, I. (2021). Policy models for improving ecotourism performance to build quality tourism experience and sustainable tourism. *Management Science Letters*, 11(2), 595-608.

Sileyew, K. J. (2019). Research design and methodology. *Cyberspace*, 1-12.

Sinaga, R. R. K., Kurniawan, F., Roni, S., Laia, D. Y. W., Andrito, W., & Hidayati, J. R. (2023, March). Carbon Stock Assessment Of Mangrove Vegetation In Anambas Islands Marine Tourism Park, Indonesia. In *IOP Conference Series: Earth and Environmental Science* (Vol. 1148, No. 1, p. 012003). IOP Publishing.

Sinulingga, S. (2021). Tourism & Covid-19 (Coronavirus et al. to Tourism Stakeholders in North Sumatera). *Budapest International Research and Critics Institute-Journal (BIRCI-Journal)* Vol, 4(1), 170-179.

Sinulingga, S. (2021). Tourism & Covid-19 (Coronavirus et al. to Tourism Stakeholders in North Sumatera). *Budapest International Research and Critics Institute-Journal (BIRCI-Journal)* Vol, 4(1), 170-179.

Smith, J. A. (2015). Qualitative psychology: A practical guide to research methods. *Qualitative psychology*, pp. 1-312.

Smith, V. L. (Ed.). (2012). *Hosts and guests: The anthropology of tourism*. University of Pennsylvania Press.

Subekti, D. (2022). Challenges of Tourism Campaigns in the New Normal Era: Analysis of Indonesian Government's Social Media. *Profetik: Jurnal Komunikasi*, 15(1), 101-120.

Sudipa, N., Mahendra, M. S., Adnyana, W. S., & Pujaastawa, I. B. (2020). Tourism impact on the environment in Nusa Penida tourism area. *Journal of Environmental Management & Tourism*, 11(1 (41)), 113-124.

Suhariyanto, J. (2022). Green Marketing and Ecotourism Model Development Concept. *Jurnal Mantik*, 6(2), 1823-1828.

Sumantra, I. K., Yuesti, A., & Sudiana, A. A. (2017). Development of agrotourism to support community-based tourism toward sustainable agriculture. *Australian Journal of Basic and Applied Sciences*, 11(13), 93-99.

Sunarta, I. N., Suyarto, R., Saifulloh, M., Wiyanti, W., Susila, K. D., & Kusumadewi, L. G. L. (2022). Surface Urban Heat Island (Suhi) Phenomenon In Bali And Lombok Tourism Areas Based On Remote Sensing—*Journal of Southwest Jiaotong University*, 57(4).

Suradnya, I. M. (2006). Analisis faktor-faktor daya tarik wisata Bali dan implikasinya terhadap perencanaan pariwisata daerah Bali. *SOCA: Jurnal Sosial Ekonomi Pertanian*, 6(3), 43993.

Sutawa, G. K. (2012). Issues on Bali tourism development and community empowerment to support sustainable tourism development. *Procedia economics and finance*, 4, 413-422.

Sutono, A., Briandana, R., Doktoralina, C. M., Rekarti, E., & Dwityas, N. A. (2018). Exploration of Marine tourism in north Sumatra: An analysis of promoting tourism. *Journal of Social Studies Education Research*, 9(4), 185-197.

Suwantoro, H., & Munthe, Y. (2018). Sibisa Cultural Art Center and Gallery, Toba Samosir. *International Journal of Architecture and Urbanism*, 2(1), 74-84.

Utama, I. G. B. R., Darma Putra, I. N., & Suradnya, I. (2014). Confirmation of the motivation and satisfaction model of foreign senior tourists. *International Journal of Scientific & Engineering Research*, 5(8), 1206.

Wandra, T., Depary, A. A., Sutisna, P., Margono, S. S., Suroso, T., Okamoto, M., ... & Ito, A. (2006). Taeniasis and cysticercosis in Bali and north Sumatra, Indonesia. *Parasitology International*, 55, S155-S160.

Wiratno, W., Withaningsih, S., Gunawan, B., & Iskandar, J. (2022). Ecotourism as a Resource Sharing Strategy: Case Study of Community-Based Ecotourism at the Tangkahan Buffer Zone of Leuser National Park, Langkat District, North Sumatra, Indonesia. *Sustainability*, 14(6), 3399.