THE ECONOMIC IMPACT OF TOURISM DEVELOPMENT IN MANDALIKA LOMBOK INDONESIA

a Herry Rachmat Widjaja, b Putri Rizkiyah, c Achlan Fahlevi Royanow, d Diena Mutiara Lemy, e Reagan Brian

ABSTRACT

Objective: The aim of this study is to analyzed the economic impact of tourism development in Mandalika as one of Super Priority Tourism Destinations Program to local communities.

Theoretical Framework: This study explores the economic impact from sustainable tourism development. Sustainable tourism development suggest to give more impact to the local community.

Method: This study is conducted using qualitative method. Data collection was carried out through observation, interviews and focus group discussion. The collected data will be organized into data categories and analyzed by studying all the collected data, coding the data based on the theme, and interpreting the meaning of the theme to answer the problems according to the research objectives. Sources used in this study are from local community, which consist of tourism industry, supporting industry and local society.

Findings: The results of this study indicate that there are direct and indirect economic impacts on the local community's economy, both in the core and buffer tourism zones.

Keywords: economic impact, sustainable tourism, community based tourism, sports tourism.

Received: 31/06/2023
Accepted: 29/09/2023
DOI: https://doi.org/10.55909/sdgs.v11i9.994

a Master of Tourism Management, Politeknik Pariwisata Lombok, Indonesia, E-mail: herry.rachmat@ppl.ac.id, Orcid: https://orcid.org/0000-0003-3885-9163
b Master of Tourism, Politeknik Pariwisata Lombok, Indonesia, E-mail: putri.rizkiyah@ppl.ac.id, Orcid: https://orcid.org/0000-0002-0662-619X
c Master of Business Administration, Politeknik Pariwisata Lombok, Indonesia, E-mail: achlan@ppl.ac.id, Orcid: https://orcid.org/0000-0002-8892-7649
d Professor in Service Management, Universitas Pelita Harapan Jakarta, Indonesia, E-mail: diena.lemly@uph.edu, Orcid: https://orcid.org/0000-0003-0391-1937
e Master of Management, Universitas Pelita Harapan Jakarta, Indonesia, E-mail: reagan.brian@uph.edu, Orcid: https://orcid.org/0009-0004-4584-1134
O IMPACTO ECONÔMICO DO DESENVOLVIMENTO TURÍSTICO EM MANDALIKA LOMBOK INDONÉSIA

RESUMO

Objetivo: O objetivo deste estudo é analisar o impacto econômico do desenvolvimento do turismo em Mandalika como um dos Destinos Turísticos Super Prioritários para as comunidades locais.

Estrutura Teórica: Este estudo explora o impacto econômico do desenvolvimento sustentável do turismo. O desenvolvimento do turismo sustentável sugere dar mais impacto à comunidade local.

Método: O presente estudo é realizado utilizando o método qualitativo. A coleta de dados foi realizada por meio de observação, entrevistas e discussão em grupo focal. Os dados coletados serão organizados em categorias de dados e analisados estudando todos os dados coletados, codificando os dados com base no tema e interpretando o significado do tema para responder aos problemas de acordo com os objetivos da pesquisa. As fontes utilizadas neste estudo são da comunidade local, que consiste na indústria do turismo, apoiando a indústria e a sociedade local.

Constatações: Os resultados deste estudo indicam que há impactos econômicos diretos e indiretos na economia da comunidade local, tanto nas zonas centrais como de amortecimento turístico.

Palavras-chave: impacto econômico, turismo sustentável, turismo comunitário, turismo esportivo.

1 INTRODUCTION

Super Priority Tourism Destinations proclaimed by the Ministry of Tourism and Creative Economy (Kemenparekraf) developed five super priority tourism destinations, one of it, is Mandalika in Lombok Island, West Nusa Tenggara. It is high priority as a tourist destination. The island of Lombok, particularly Mandalika, in progress being developed into a top-priority of tourism destination so that is important to complete the availability of tourism infrastructure to enable these tours and to meet visitor needs in order to assist the growth of five super-priority locations. Regional planning, roads, the provision of raw and clean water, waste management, sanitation, and the rehabilitation of residential areas must all be part of the infrastructure development for the tourism industry.

A strong tourism infrastructure will foster new growth drivers and support regional economic development. Additionally, a sufficient road network will improve connection between growing hubs in commercial and touristic sectors (Prayudi et al., 2022). Recently, Mandalika has risen to the top of the list of popular tourist spots, especially the sport tourism, where a super bike race which is held at world-class
Mandalika Circuit, with a length of 4.31 km, the Mandalika Circuit has 17 bend points, with 11 to the right and 6 to the left. The circuit with the official name Pertamina Mandalika International Street Circuit was inaugurated by Indonesian President Joko Widodo on 12 November 2021. The Mandalika Circuit can accommodate hundreds of thousands of spectators. Grand Stand Seating Street Circuit Mandalika has more than 50,000 seats, and the non-seated area or standing stands can accommodate at least 138,000 people. Spectators can also watch the MotoGP event at the Hospitality Suites which is planned to have a capacity of 7,700 spectators (kompas.com, 2022).

International sports events have often been held in Indonesia. In 2018, the Asian Games events in Jakarta and Palembang had an impact on the development of international standard sports infrastructure and including public facilities. Likewise the National Sports Week event (Pekan Olahraga Nasional / PON ) which will be held in Papua in 2021. Finally in 2022 will be the holding of the MotoGP which has captured the world's attention and was successfully held. Aside from being a sports venue, the government has also developed a number of sports infrastructures driven by economic interests (Dewi et al., 2020). An example of the development of sports tourism in Greece has involved MSME business actors in its development while still paying attention to conservation and sustainability (Yfantidou et al., 2017).

An important issue in sports tourism destinations is management, so that sports tourism is not only a symbol, but a concrete manifestation of stakeholders. The Jakabaring sports tourism area in South Sumatra was also built with attention to the environment and included giving the impression of being safe and comfortable for visitors (Angkasa, 2011).

The development of tourism on land and on the coast of Indonesia continues to grow in terms of numbers. For example, tourist villages, tourist areas, tourist destinations, and other tourist objects both developed by the community and the government. Several super priority tourist destinations set by the government are considered to have unique potential and can attract tourist visits. One of these super priority destinations is Lombok with a number of priority scales in its development (Government Regulation No. 52 of 2014 concerning the Mandalika Special Economic Zone). One of the Key Tourism Areas specified in the Lombok Integrated Tourism Master Plan document is Mandalika. Sports tourism of various types opens up the widest possible opportunities for creativity, both for the government and the community. From the government's point of view, it is
necessary to map regulations regarding the use of sports tourism areas, while from the community's point of view, awareness is needed in maintaining and participating in development. The Mandalika area which is managed by the ITDC (International Tourism Development Center) as a government representative must be able to accommodate local communities to participate in its development. The MotoGP event in Mandalika has succeeded in giving a positive impression to racers and visitors through the hospitality of the local community. Fitriantono et al., (2018) that sports activities are healthy and fun activities as well as a forum for interactions between people.

For the promotion of tourism, the Mandalika region, also known as Kawasan Ekonomi Khusus (Special Economic Zone) Mandalika, has been identified as having beautiful natural areas. The area is a lowland region with a long, flat beach that is semi-arid. There have been both domestic and foreign tourists that have visited the white sand beach. Surfing offers stunning natural phenomena caused by ocean waves. The vegetation along the sandy shore was not very abundant. A little patch of mangrove was discovered in a muddy location, and the mangrove population there greatly aids in preventing coastal erosion (Hakim et al., 2018).

In expectation of recovery tourism industry post COVID-19 (Scarlett, 2021), the Indonesian Government initiated Super Priority Tourism Destinations program and Mandalika is on of the destinations which held special tourism called sport tourism and supported with Mandalika circuit. In the area, there are destination stakeholders who involved in developing of tourism spot, such as local communities and Pokdarwis, Indonesian Tourism Development Corporation (ITDC), Indonesian Hotel and Restaurant Association (PHRI) and local government, as well as local tourism industry players such as the Tourism Residential Facilities (Sarhunta) group, Small and Medium Enterprises (SMEs).

The result of this study will give insights regarding Tourism Stakeholders in Mandalika - Lombok have perspectives on the existence of the Mandalika Circuit and what Economic impact are felt by stakeholders and the community on the existence of the Circuit and the designation of Mandalika as Super Priority Destination.

2 LITERATURE REVIEW

Tourism development in Indonesia has been made a priority scale, but in the process encountered a number of challenges (Damanik, 2013). These challenges can be
in the form of negative impacts and lack of collaboration between stakeholders who are oriented towards sustainability (Hulu, 2021). According to Lemy (2018) argues that there are at least three factors in developing tourism, namely: (1) planning, management and technology processes. These three things are the determining factors in whether a destination develops or not. The conventional pattern of tourism development must be abandoned and it is time to synergize in playing the role of both the government, business actors, the community, the media, academics, NGOs and tourists (Ardika, 2018).

Tourist areas that experience pressure from environmental aspects require sustainable management so that they are maintained and have a positive impact (Hartman, 2020). The principle of sustainability has been adopted by UNWTO as a principle in sustainable tourism development which includes environmental, socio-cultural and economic aspects (unwto.org, 2023). Helmi and Naparin (2023) stated that sustainable tourism is all development forms, management, and tourism activities that pay respect to the environment, economy, social and well-being of natural and cultural resources that exist for a long period of time.

Nirwandar and Teguh (2020) state that the role of the community in tourist destination areas is needed, not only as service providers but also as tourism business actors. In this case, the need for qualified human resources in managing tourist destination areas is a must. For this reason, stakeholder programs can focus more on developing tourism human resources. Partnerships between institutions in developing tourist areas are a form of networking that must be carried out for sustainability in its development (Tirado Ballesteros & Hernández Hernández, 2021).

Tourist areas that are used as places to organize sports provide economic benefits through receipt of visitor expenditure (Mortazavi, 2021). Tourist visits to a destination that has a character such as sports tourism is different from tourist visits to usual tourist destinations, one of the differences is through the length of stay (Thrane, 2015). In managing a destination as a sports tourism area, it requires management with a strategic model that is supported by regulations and stakeholder commitment (Li, 2010).

Coastal areas can be developed through sports tourism attractions by utilizing the existing potential. Organizing packaged sports events on the coast of West Sumatra, namely the Tour de Singkarak as a stimulus to attract tourists and at the same time as a promotional medium (Susanti, 2015). Research by Rawe et al. (2021) shows that the positive impact of carrying out Tour de Flores activities is that there are improvements in
facilities and infrastructure, but has limited human resources in management. In addition to the impact on infrastructure development and promotional media, it also opens business opportunities for the community through the provision of accommodation services, food and drink services, transportation and other services (Sudiana, 2018).

A tourism destination is a location where numerous tourism suppliers are together under one roof. It could be a specific resort or city, a region within a nation, the nation as a whole, or a region larger than a nation in the world. A destination typically offers a variety of activities, including entertainment, lodging, and transportation. The term "destination" refers to "a country, region, or city that serves specifically as a tourism destination - a place that seeks to draw tourists. It is extremely particular and is not used elsewhere (Fletcher et al., 2018). The tourism destination in Indonesia, at the previous few decades have shown that it became the main forces behind economic expansion. The Indonesian government is actively promoting tourism's development as a key industry of the economy's expansion. The Indonesian economy heavily depends on tourism, which also provides a sizable portion of the country's foreign exchange earnings (Lemy & Kusumo, 2019). According to Indonesian Regulation of Tourism no.9 / 2009, Tourism destination areas, hereinafter referred to as Tourism Destinations, are geographical areas within one or more administrative areas in which there are tourist attractions, public facilities, tourism facilities, accessibility, and communities that are interrelated and complement the realization of tourism (Kementerian Hukum dan Hak Asasi Manusia, 2009).

The potential for developing coastal areas in Indonesia has many opportunities, because in addition to its long coastline it also has unique characteristics. Therefore, regulations are needed in the utilization of coastal areas according to their designation (Papageorgiou, 2016). Development of coastal areas as tourist areas has been carried out a lot in Indonesia, such as Jakabaring in South Sumatra, Cipayung in Jakarta, PON venues in Papua, and finally the Moto GP circuit in Mandalika. Many benefits have been received by the community through the provision of services, but the sustainability of these benefits stops at the event. Another problem that arises is the management of tourist areas in the use of energy, transportation, and technology (Pan et al., 2018) as well as issues on socio-ecological aspects (Aliperti et al., 2019).

The implementation of sustainable management according to Ardika (2018) is carried out through development programs namely: pro-poverty, pro-growth, pro-jobs,
pro-environment (Ardika, 2021). In terms of opening jobs during the MotoGP event activities, it has absorbed a lot of workers, both local and foreign. However, the current problem is the continued use of the Mandalika circuit so that it can have a positive impact on the local economy. The creativity of the community to become business actors in the Mandalika tourism area arises from various service providers, one of which is the development of SPA with attention to conservation (Mahari & Faqih, 2016).

The development of the priority destinations is the realization of the national tourism development master plan 2010-2025 regulated in Government Regulation (PP) No. 50/2011. This serves as the foundation of tourism regulations in order to enhance the quality and quantity of destinations and to establish a tourism industry which becomes the driving force of the national economy. Indonesian priority tourism known as Super Priority Tourism Destination (DSP) has been hailed for the Mandalika Special Economic Zone (SEZ). Massive investment in the Mandalika implement by Indonesian Tourism Development Corporation (ITDC) through constructing numbers of facilities in this region.

The SEZ Mandalika Lombok offers a variety of commercial options that can be explored in depth in this study, as well as ideas for regional economic growth in the Mandalik region. Economic impact of Mandalika as one of the Super Priority Tourism Destination is felt by local community, mainly caused by the super bike racing event that provide a multiplier effect, such as the tourism ecosystem which is becoming more lively, including the influx of a larger and more diverse labor force and the rising involvement of creative economy actors (Kemenparekraf, 2023). Among 5 DSP, Mandalika is one of destination who have rich underwater ecosystems and strong potentials for marine tourism (Kemenparekraf, 2023).

Tourism has the capacity to significantly increase income inequalities. Tourism indicates have more economy impact if community are involved in the development. The local community plays an essential role in tourism development. (Mai, Nguyen, and Hien, 2023). In recent years, tourism has emerged as one of the key drivers of economic growth in both emerging and wealthy nations. Through a variety of channels, such as foreign exchange profits, luring in foreign investment, and raising tax revenues, tourism helps the economy flourish and creating additional employment opportunities. Tourism can be employed to lessen economic disparity. States and economies that currently rely largely on tourism revenue should implement the strategy to prioritized tourism economic
benefit. Tourism can be used as a vehicle to improve opportunities, produce significant employment, and help the most disadvantaged members of society by including them in the creation of tourism-related goods and services (Alam & Paramati, 2016).

Moreover, since tourism is one of the major sources of government income, it can also be utilized as a tool to redistribute income. The manner in which the government uses these increased economic benefits, nevertheless, is critical to improve the welfare of the local community (Alam & Paramati, 2016). The Tourism sector has a significant role in the Indonesian economy, there are various facilities and services are offered by the community, employers, government, and local government to assist the various types of tourism activities. Tourism encompasses all activities that are associated to it and is multifaceted and interdisciplinary. It also includes interactions between tourists and the local community, other tourists, the government, regional government, and business people (Lembaga Manajemen FEB UI, 2020).

Tourism economic impact studies are routinely conducted to appraise the industry's commitment to financial development and advancement. As addressed by the United Nations Sustainable Development Goals (SDGs), it is universally recognized that regional development ought to point for natural, financial and sociocultural maintainability (Kronenberg & Fuchs, 2021). Tourism has a wide run of financial impacts, and most tourists contribute through sales, profits, benefit, charge and much more. tourism affects most economies through auxiliary impact, and the most direct effects for tourism industry, comes from hotels, attraction, restaurants, and resorts (Streimikiene & Korneeva, 2020).

3 METHODOLOGY

This research focuses on analyzing of the economic impact in tourism at Mandalika. Explorative qualitative method employed to obtain data on community awareness and support for the implementation sustainable tourism in concerned to economic benefits for local community. The data analysis technique in this study went through several stages, namely collecting data from various techniques (observation, interviews, FGD, documents, and audiovisual), studying all the collected data, coding the data based on the theme, and interpreting the meaning of the theme.

After the analysis, interpretation of the data is carried out to answer the problems according to the research objectives. The facts on the ground are constructed without
reducing their authenticity, fully described regarding the form of local community involvement through Tourism SMEs. The onsite observation was carried out with the tourism stakeholders at Mandalika area as the sources data. The data collection method used interviews with question protocols as a tool for gathering data, conducted during the field observation, along with focus group discussion (FGD) (Sekaran & Bougie, 2016). Data gathered analyzed by using google form, FGD and field observation. The survey using protocol interview, as bellow:

1. Did the local community experience economic impact as a result of the government's designate Mandalika a super priority destination?
2. Do all Mandalika stakeholders support government tourism initiatives that will boost the local economy impact?
3. Does the existence of the Mandalika circuit provide the opportunity for local community with new economic opportunities?
4. Have local SMEs experienced economic benefit from the DSP and Mandalika circuit?

After eliminating invalid surveys, completed questionnaires were collected for further analysis. The respondent as study sample, are locals people, tourism stakeholders, and proprietors of hotels and restaurants who live close to the Mandalika regions.

The Focus Group Discussion use the informants as the data source. The informants are selected by purposive sampling, with deliberately selecting informants who had the capacity and involvement in tourism activities on the Mandalika. Informants from the local community who are directly involved in tourism activities in the Mandalika area. Then the key informants were selected, namely community leaders who knew about the development of the Mandalika coastal tourism area.

Informants also came from the government, namely through the Tourism Office which is related to the management of coastal tourism areas. Informants from ITDC (International Tourism Development Center) as an institution with authority in managing the Mandalika area. Informants from the tourism industry are tourism business actors such as hotels, restaurants, tourist attraction managers, souvenirs. While audiovisual is for studying the results of previous and during research recordings in the form of community activities, the tourism industry, and local government towards the development of sustainable tourism in the Mandalika coastal tourism area.
Data validity is carried out to assess the accuracy of the results and convince readers of the accuracy of research results (Creswell & Creswell, 2022). Triangulation of different data sources by examining evidence derived from these sources. Researchers triangulated data from informants based on the results of interviews, FGDs, observations, documents and audiovisuals to ensure the accuracy of the data.

Moreover, Gibbs as stated in Creswell & Creswell (2022) said that several qualitative reliability procedures are; First, check the results of the transcript to ensure that the results of the transcript have no errors during the process. Second, ensuring that there are no floating definitions and meanings regarding codes during the coding process. Third, discuss giving the same code if the research is carried out with a team. Fourth, re-checking the developed codes by comparing the results obtained independently.

4 RESULT AND DISCUSSION

Mandalika area has a great potential to be developed as a tourism destination because of its valuable site due to natural beauty, Kuta Beach, which is located right across from the Lombok Sea and has fine white sand and clear water with a lovely blue hue, is extremely important due to the value of its natural beauty, society, and culture, all of which are known through the Sade tourism village. The prospect of implementing the sustainable tourism concept is highly encouraging, particularly in terms of the economic benefits, because of the high level of support among tourism industry stakeholders in the island of Lombok especially Mandalika, which is designated as a Super Priority Destination. Mandalika as a super priority destination have numerous annual events. World Superbike Championship, MotoGP is some example of events held in Mandalika.
Despite events held in Mandalika, the number of visitors in Mandalika hit hard by the COVID-19 Pandemic. The number of visitors in Mandalika shrinking 90% in the year of 2020 as shown in Figure 2. After COVID-19 Pandemic and concurrently with the development of priority tourism attractions that are outlined in Indonesia's 2020–2024 National Medium-Term Development Plan (*Rencana Jangka Panjang dan Menengah Nasional /* RPJMN), Mandalika has seen a surge in visitors. Indonesian Government through Ministry of Tourism and Creative Economy also helping boost the tourists number through numerous international events held in Mandalika. World Superbike Championship, MotoGP, WWF World Indonesia, track day, and so on. All the international events are magnets for tourists to come visit Mandalika. At least there are four international major events held in Mandalika in 2023.

Source: [https://kek.go.id/kawasan/KEK-Mandalika](https://kek.go.id/kawasan/KEK-Mandalika) (2023)
As a stakeholder in Mandalika, local communities held significant role in destination. The local communities in Mandalika area, notice the economic impact along with the increasing of visitors. This confirms by the findings from the questionnaire answer by the locals. They response are confirming the facts that tourists beneficial the local communities. Moreover, Figure 3 shows the respons from the locals regarding positive economic impact experiences by the local communities because of the tourism development that happens in the Mandalika areas.

<table>
<thead>
<tr>
<th>Statements</th>
<th>Strongly Agree</th>
<th>Not Agree</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>The local community experienced economic impact as a result of the government's designate Mandalika a super priority destination</td>
<td>0%</td>
<td>0%</td>
<td>11.8%</td>
<td>88.2%</td>
</tr>
<tr>
<td>The existence of the Mandalika circuit, provide the economics opportunity for local community</td>
<td>0%</td>
<td>0%</td>
<td>29.4%</td>
<td>70.6%</td>
</tr>
</tbody>
</table>

Sources: data analysis (2023)

According the data above, it can be said that most of the local communities in Mandalika area have experienced the economic impact from the tourism activities. All respondents have positive reponse toward the statement regarding economic impact from tourism activities in Mandalika. The economic impact are more significant since Indonesian Government designate Mandalika as one of The Super Priority Destination in
Indonesia, and along with various international sport activities in Mandalika. The Mandalika circuit has a substantial impact on the local economy, particularly for the tourism industry sector and SMEs in the areas. This is demonstrated by the respondents' responses in regards to the growth of SMEs, as shown in figure 4.

<table>
<thead>
<tr>
<th>Statements</th>
<th>Strongly Not Agree</th>
<th>Not Agree</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local SMEs profited from the Mandalika DSP and the Circuit</td>
<td>0%</td>
<td>11.8%</td>
<td>35.3%</td>
<td>52.9%</td>
</tr>
</tbody>
</table>

Sources: data analysis (2023)

As shown in Figure 4, in the amount 11.8% of respondents who responded to the survey have not experienced the growth of SMEs or the economic benefit form Mandalika circuit and Super Priority Destination. It is the problem of distance from their house to the circuit that cause the economic impact have less effect. The remaining major respondents felt the growth of their SMEs and the community's economic impact (35.3% Agreed and 52.9% Strongly Agreed).

Regarding stakeholders support to government tourism initiatives toward local economy. Figure 5 shows the result of stakeholders support to government tourism initiatives toward local economy. It can be seen the support from the stakeholders in Mandalika are seen so it will boost the local economy impact, all respondents have positive response toward the statement.

<table>
<thead>
<tr>
<th>Statements</th>
<th>Strongly Not Agree</th>
<th>Not Agree</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mandalika tourism industry stakeholders support government tourism initiatives that will boost the local economy impact ?</td>
<td>0%</td>
<td>0 %</td>
<td>35.3%</td>
<td>64.7%</td>
</tr>
</tbody>
</table>

Source: Data Analysis (2023)

Supporting the results from the questionnaire, the FGD results also shows positive response from the participants. All of participants are experienced positive economic impact from the Mandalika tourism development. Local communities representatives also stated that the stakeholders support toward the government initiatives that boost the local economy impact. All the results are complied between questionaire and the FGD.
Moreover from the FGD, it is found that the economy impact are reaching surrounding areas of Mandalika. It is approximately up to 30 km in distance according to the hotel association representative. This effects is probably due to the scale of the events held in Mandalika, that reach up to 3,000 international visitors. Some of the events held in Mandalika also broadcast internationally. The FGD also discover to what extend the economy impact experience in the tourism industry. It is found that at least four sectors impact by the Mandalika tourism activities. These sectors are transportation sector, accommodation sector (villagers house, homestay, villa / special property, and hotels), culinary sector, and merchandise / souvenirs sector (especially SMEs vendor).

Despite all the positive findings toward economic impact in Mandalika, the FGD also find some of the problems experience in the field. The first are the SMEs feel the benefit are still uneven between the SMEs in the Mandalika, not all SMEs receive the same benefit from the tourism activities in Mandalika. Not all SMEs able to access the coaching available. Moreover, SMEs access to the events also unfair. Most of the SMEs feel like the curation standard of requirement are quite high. As a result, SMEs that couldn’t comply are place in the secondary area in the venue, that result in the low sales number. The street vendor association are aware of the problem, and try to solve it by providing the stalls. But again the solution are less effective.

Another and seems like the biggest problem for the SMEs in general, especially in Mandalika are capital to run the business. Most of the locals are still experiencing financial distress, where they have to struggle cost of daily living. The opportunity of doing business and have more income from tourism activity makes it a magnet for most of the locals. Since they are in limited financial condition and limited knowledge about legal financial services, most of the locals take high-interest rate loan from the unofficial financial company like loan shark.

The financial distress are also experienced by most of the locals in the neighbour area of Mandalika. This reality makes Mandalika a business magnet for the locals from surrounding areas. Many locals from surrounding areas are come and doing business in Mandalika, compete with the locals origin of Mandalika. They are willing to commute everyday to Mandalika, because of what opportunity it brings.

Moreover regarding the financial distress, it is found that it is caused another problem in the area, which is the selling technique especially their behavior and attitude toward tourists. It is found that the SMEs behavior and attitude toward tourists are still
concerning. Almost every street vendor selling the souvenir to the tourists are pushy and press the tourists to buy their sell goods. The street vendors are also tend to crowd the tourists. This behavior are concerning, especially to the international tourists. The tourists could get uncomfortable crowded by the surroundings street vendors. Regarding this behavior, the participant said that the government and stakeholders are aware of it, and already give the knowledge and also coaching the street vendors regarding selling skills. But it seems, they still need more holding hands in the future.

5 CONCLUSION

Mandalika as a Super Priority Tourism Destinations proclaimed by the Ministry of Tourism and Creative Economy offer not only coastal area natural beauty of Kuta Mandalika but also sports events held in the Mandalika circuit. Most of the events held in Mandalika circuit are international sport events. Local residents are welcome with the government act toward developing tourism in Mandalika. Locals are experience the benefit brings by the tourism activities in the areas.

Tourism activities have direct and indirect positive economic impacts. The impacts are experienced by the tourism entities, mostly SMEs and also its supply chain related. Geographically, the impact are experience not only by Mandalika area alone, but also the surrounding areas. The impact that brings by the tourism activities to the region are also found impactful according to the respondents. This facts are confirmed not only by the questionnaires but also by the informant that present at the Focus Group Discussion.

Despite positive economic impacts experience, Mandalika still facing some problems that may cause trouble in the future. Most of the problems are already recognized by the stakeholders in Tourism, but it is still need effective solution to really resolved it. Coordination and close cooperation of stakeholders is also needed to resolved the problems.
REFERENCES


Prayudi, P., Ardhanariswari, K. A., Sagita, V. A., Probo...https://doi.org/10.31014/aior.1991.05.04.384


