A canvas model for planning and development strategy of rural sustainable tourism

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Abstract. Tourism development in rural areas is basically in line with the idea of sustainable development goals that want to create a healthy and prosperous life and strong institutions. This article examines sustainable tourism development strategies in rural areas. This article uses the focus group discussion method to develop BMC business strategies for tourism awareness groups in Tlemang village. By using BMC as a business strategy model, Pokdarwis can map which sectors support the concept of Sustainable Tourism Village. Through BMC’s knowledge of pokdarwis as the main subject of tourism development, pokdarwis as an institution has the capacity to regulate business strategies and adapt business knowledge in running tourism villages.

1 Introduction

The tourism sector is one of the driving industries and drivers of the world economy. Today, tourism has undergone continuous expansion and diversification and is one of the largest, fastest-growing sectors in the world. The condition of Indonesian tourism in 2015 according to the Ministry of Tourism is both macro and micro conditions showing the development and increase of its contribution to the national gross domestic product (GDP). Macro-wise, there was a real increase in national GDP of 4.23% or Rp461.36 trillion, with an increase in foreign exchange generated reaching US $ 11.9 billion and a tourism workforce of 12.16 million people [1].

Increasing tourism growth makes this sector a key in export earnings, job creation, business and infrastructure development, and its strategic value can become a mainstay sector for national development in the future, so the Government pays greater attention to this sector both in terms of budget policies and sectoral support across ministries and institutions to support national tourism development [2]. One of the sectors that can be mobilized to support the tourism industry is through the activation of tourism villages. The village has the potential as a community-based tourist destination based on the local cultural wisdom of the community and can also be a trigger for economic improvement with the principle of mutual cooperation and sustainability. This is in accordance with the concept of building from the periphery or from the village to prosper the Indonesian people by exploring the local potential and community empowerment launched by the Government as a priority program.

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This article uses the BMC framework to explain rural tourism development strategies. This article aims to develop an analytical framework for BMC in the context of sustainable tourism development. By placing pokdarwis as the main subject of tourism development, pokdarwis as an institution has the capacity to regulate business strategies and adapt business knowledge in running tourism villages, in this case, BMC. The urgency of community participation or local institution involvement in strategic planning has already been discussed by several work emphasizing marketing and communication [3].

Despite the various definitions, common links are emerging amongst BM studies that could serve to unify the concept [4]. First, BMs are emerging as new entities of analysis. Second, BMs are serving as systems or holistic approaches to explain how companies do business. Third, organizational activities play an important role in the proposed conceptualization of business models. Lastly, BMs search to explain how value is created and captured. Social value creation from an entrepreneurial perspective, and proposes the use of the business model construct as a lens to analyze how tourism social enterprises can become catalysts of social change [4]. Such models can help SEs effectively address societal issues such as poverty reduction, unemployment, social integration, skills development, gender inequality, environmental sustainability and indirect benefits in health and education in their chosen destination.

Business Model Canvas (BMC) developed by Osterwalder and Pigneur [5-6] provides us with a means of analysing and comparing value creation processes across different organisations. The BMC consists of nine elements that describe the whole process of value creation, but the key component is the value proposition: the benefits that people can expect from your products and services. To develop the value proposition, we need to think about the nature of value, and the people we are trying to reach. What value are we trying to create? for whom, and how do we create it?

Business Model Canvas or BMC according to [6] is a framework commonly used to define startup business models. The purpose of compiling BMC is to explain, calculate, visualize, and replace business models so that the performance produced by startups is optimal. Business Model Canvas is a business model that describes how an organization produces, delivers, and captures the value of a business/industry [7-10]. The business model framework is canvas-shaped and consists of nine boxes containing interrelated elements namely: (1) Customer segments, a company must decide which segments to serve and which segments to ignore; (2) Value proportions, describes the combination of products and services that create value for specific customer segments; (3) Channels, describe how a company communicates with its customer segments and reaches out to them to provide its value proposition; (4) Customer relationship, describes the various types of relationships that the company builds with specific customer segments; (5) Revenue streams, describes the cash that the company generates from each customer segment; (6) Key resources, describe the most important assets required for a business model to function; (7) Key activities, describe the most important things a company must do for its business model to work; (8) Key partnership, describes the network of suppliers and partners that make the business model work; and (9) Cost structure, describes all costs incurred to operate the business model.

Tlemang Village is an agricultural village. Nevertheless, Tlemang Village is also being developed as a tourist village. Tlemang Village is one of the areas in Lamongan Regency that received the Tourism Village Award Charter as an Assisted Tourism Village of the Ministry of Tourism and Creative Economy of the Republic of Indonesia in 2023. In addition, previously, Tlemang Village had been lined up by the Ministry of Education and Culture as an Intangible Cultural Heritage (WBTB), which was related to the Mendhak Sanggring ritual and received an award as an Assisted Tourism Village.
Focused Group Discussion) on April 10, 2023, with the ranks of the Tlemang Village Government and representatives of villagers show that they want to develop the tourism potential of Tlemang Village further. Tlemang Village already has a Pokdarwis (Tourism Awareness Group) but is not very active because it is still waiting for legality from the village head. Through this pokdarwis, further development of tourism potential will be attempted. Thus, this community service will strive to realize this through canvas business model training for the Pokdarwis of Tlemang Village.

Based on existing studies, the problems identified are as follows: (1) The role of Pokdarwis has not been optimal so that the institution is not too optimal in tourism development; (2) Low funding and lack of assistance as a form of support in carrying out village tourism activities, especially in the context of BMC development; (3) There are still low human resources (village apparatus), especially Pokdarwis who are able and understand the importance of BMC, so capacity building activities such as training or mentoring are needed; (4) The unavailability of other supporting tools such as guidebooks or tutorials and clear SOPs (Standard Operational Procedures) related to village tourism development. This article uses Berg and Lune (2017, 94) focus group interviews are not designed to collect data from multiple people simultaneously; We don't count how many people are on each side of the issue. In contrast, the group itself is the unit of analysis, and data from one group produces a measure of what that group is as a whole. Focus group interviews explicitly use group interaction as part of the data collection method.

2 Results and Discussion

Tourism activities cannot be separated from the participation of the village community. The pattern of activity in Tlemang Village shows the contribution of Pokdarwis or tourism movers to invite all elements of the village to diversify religious-based tourist attractions and cultural history by utilizing geographical conditions and the abilities of villagers.

This article emphasizes the urgency of community leaders and tourism drivers of Tlemang Village in identifying the resources involved in the development of tourism villages using the Business Model Canvas (BMC). The following description is a description of the results of interviews and observations conducted with community leaders and tourism awareness groups in Tlemang Village.

2.1 Key activities

According to Coes (2014), key activities are the most important component that shows the process of a business carried out by a business so that its business runs well. Based on this explanation, the researcher directed discussion participants to FGD (Focused Group Discussion) activities to identify the main activities in order to develop tourism villages. The need for sustainable tourism planning, for example, the main activity carried out by tour guides is to invite visitors to follow the Medhak Sanggring series as a traditional ritual of the people of Tlemang Village.

The guide explained to visitors how a unique tradition wrapped in Javanese culture Wayang Krucil and karawitan became a reminder of R. Nurlali's services known as Mbah Buyut Terik as a village leader figure based on which he graduated by Sunan Giri Fourth, as well as the propagator of Islam in Tlemang Village. The guide also coordinates with other tour package providers such as homestays, springs, and tempeh making process activities to enrich tourist activities.
This tourism activity is intended to provide customers with knowledge and life experience in terms of the religion and cultural history of the village community. In addition, infrastructure development and arrangement of the layout and governance of tourism villages are needed. Improving road conditions for tourist attractions is one of the main hopes of the community so that it is easy for the general public to access the village.

2.2 Value proposition

Pokdarwis in the discussion session were able to determine the value created differently by tourists according to the services provided. For example, Mendhak Sanggring can create customers' life experiences in attractions that carry religion and cultural history. This value proposition statement is supported by a series of traditional rituals that are only carried out at the momentum once a year and do not exist in other regions. Another value proposition is the creation of a relationship between friendly hosts and guests based on kinship and life experience in an area that has interesting natural privileges. This statement is supported by the existence of an ancestral tomb surrounded by springs in the hills and also the provision of a safe and comfortable homestay for customers who want to stay overnight. With good service and interesting tourist attractions, this is information and recommendations for religious tourist attractions that can be visited on the next visit.

2.3 Customer relationship

Relationships with customers are one element that is easily understood by the Pokdarwis of Tlemang Village, namely maintaining good manners when communicating with customers, being privacy and comfort, and providing a good image of tourism management between what is conveyed in the mass media and reality. Pokdarwis also needs to follow up on complaints as soon as possible in a good way and the need to maintain a tourism management system in Tlemang Village. They also suggested a special book intended for Tlemang Village.

2.4 Customer segments

In general, Pokdarwis are able to identify who their target customers are. They also said that many people currently make religious tourism villages as annual tourist destinations. This factor is relevant to efforts to encourage the development of Tlemang Village.

2.5 Key Resources

Researchers directed Pokdarwis to identify the main resources that are physical and intellectual such as experience and knowledge needed according to the type of tourist service. For example, for tourist icons, these resources are the tomb of Mbah Buyut Terik and the surrounding springs. Relevant non-physical resources in the form of experience and knowledge of tour guides to manage good relationships with tourist visitors. Another resource as a support service is the existence of homestays.

Researchers then introduce other non-physical resources if the stage of tourism village business development has been at a more advanced level, namely customer data, brand equity, mass media publications, and a list of events or activities.
2.6 Channel

In managing a tourism village, establishing communication and reaching customer segments is very decisive in conveying a value proposition. Pokdarwis are able to identify the media used to reach customers. They mentioned that in addition to the website, the need for booklets as promotional media. By utilizing mass media, if tourists like and feel satisfied with travel services, they can provide reviews and expressions of satisfaction through social media. An effective medium to attract other tourists is word of mouth.

2.7 Cost structure

In the process of a tourist service that is said to be a commercial business venture, it must generate revenue that is greater than the cost. The cost structure is used as a measuring device for costs incurred. In terms of costs, Pokdarwis identifies sources of operational costs, such as infrastructure improvements, electricity costs, and water. Labor costs such as salaries of employees involved in tourist services. Training costs are needed by employees to continue to improve tourism services and other expenses.

2.8 Revenue stream

The importance of certain pricing to generate a revenue stream that can generate profits. Implementing strategies to maintain revenue streams in the future greatly affects the sustainability of tourism services in Tlemang Village. For example, for tourists who want to take part in a series of Medhak Sanggring rituals, Pokdarwis need to set a fare policy. Information on charging extras for offering extra services, such as the cost of guiding tourists to special places or events also needs to be explained. Another income that can be generated is through cooperation with travel providers.

2.9 SWOT analysis of Tlemang tourism village

The description above shows the ability of the people of Tlemang Village to follow the first stage in PAR, namely knowing nine factors as determinants in the concept of business model canvas in the type of tourism village business. Based on this initial information, Pokdarwis also conveyed income and expectations. This stage is where Tlemang Village tourism actors analyze and evaluate alternative steps to maintain strength, reduce weakness, take opportunities to improve welfare, and overcome threats. SWOT analysis is used as a basis for developing tourism villages to make it easier to formulate strategies and programs to be implemented. Guidance is needed in compiling the stages of strategies and programs in order to achieve the goals of Tlemang Tourism Village. Here is the SWOT Table of Tlemang Tourism Village:

2.9.1 Strength

1. The grave site of Mbah Buyut Terik is a product of religious tourism.
2. Medhak Sanggring is a cultural tradition and is recognized by the Ministry of Education and Culture as an intangible cultural heritage.
3. Support from Pokdarwis and the village community.
4. It has a considerable young workforce.
2.9.2 Weakness

1. Village infrastructure that is not yet supported.
2. The burial site is still in doubt about its historical origin.
3. Pokdarwis institutions that have not been legalized.
4. Unorganized tourism management.

2.9.3 Opportunity

1. Virtual tourism marketing through social media.
2. Support from local governments financially and non-financially.

2.9.4 Threat

1. The number of tourist villages is more interesting.
2. Disaster-prone areas.

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