

**DETERMINANTS OF DOMESTIC TOURIST EXPENDITURE**

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# DETERMINANTS OF DOMESTIC TOURIST EXPENDITURE IN BANYUWANGI

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## ABSTRACT

In period of global economic downturn that effect to declining productivities of many sector in Banyuwangi. Actually, tourism raise as one sector that show positive trend. Domestic tourist continuously coming and consuming tourism product become new income generated for economy of Banyuwangi. This study aims to know what are determinant of Tourist Expenditure in term of domestic tourist who have visited Banyuwangi. So, the study used online survey method to tourist who have traveled to Banyuwangi. There were 120 respondents who participated. The survey data were analyzed using Partial Least Square (PLS).

The results indicate that in variable of economic constraint only income that influence to tourist expenditure. Besides, only prices of tourism product, tourism facilities, ease of access, and public transport are become representative of travel-related characteristics variable. Then, travel experience, motivation and tourism lifestyle are reflective of psychographics characteristic variable. Travel-related and psychographic are higher effect to tourist expenditure. In the other hand, socio-economic characteristics variable is not effect to the tourist expenditure.

**Keywords:** *Tourist Expenditure, Domestic Tourist, Banyuwangi,*

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## INTRODUCTION

### Background

In the middle of uncertainty performance of global economy, tourism sector is considered strong to face economic slowdown. Tourism highlights presented in UNWTO report in 2016 stated that tourism shows a steady growth and becomes a major economic sector generating rapid growth globally. It is surely realized by many countries to target tourism as alternative and leading sectors. In ASEAN countries Thailand, Malaysia and Singapore have taken advantage from tourism sector in order to support growth of the national economy both macro and micro.

**Table 1**

Country	2013	2014	2015
Brunei Darussalam	225	201	218
Cambodia	4,210	4,503	4,775
Indonesia	8,802	9,435	10,408
Lao PDR	2,700	3,164	3,543
Malaysia	25,715	27,437	25,721
Myanmar	2,044	3,081	4,681
The Philippines	4,681	4,833	5,361
Singapore	11,898	11,864	12,052
Thailand	26,547	24,810	29,881
Timor-Leste	79	60	-
Viet Nam	7,572	7,874	7,944
ASEAN	94,475	97,263	104,629

Source: World Tourism Organization (UNWTO)

Note: all data in Thousand person

The high number of inbound tourists, actually, gives a direct impact to the high receipts of international tourism. UNWTO also stated Thailand has become ASEAN country with the largest international tourism receipts in 2015 and 3rd rank of Asia/pacific region by 44,5 billion US dollars, followed by Malaysia US\$ 17,5 billion and Singapore US \$ 16,7 billion, While the

total number of visits is 10 million arrivals, Indonesia received only US\$ 10,76 billion in international tourism receipts.

According to Wilkinson (1989) in Pratt (2015), the impact of tourism gives an opportunity for local governments to get more foreign exchange and tax revenues. Furthermore, this sector provides opportunity for local communities to increase income and employment. In addition, it opens opportunities to improve basic infrastructure such as roads, airports, and other facilities for residents and tourists which is another opportunity to another sector in the term of increasing investment, productivity and export.

In Indonesia, tourism sector is still not a major sector in term of national revenue. Evidently, data from National Statistic (BPS) mentions in 2012-2015 period, three top ranking of foreign exchange earnings are still occupied by export commodities of oil and gas, coal and palm oil. But the different condition was coming from tourism sector which showed increase trend during 2012-2015. Moreover, another evidence suggests that the contribution of tourism sector to national GDP has increased during 2010-2015. In 2010, tourism generated GDP by IDR 261.06 trillion, then 2015 was expected to reach IDR 461,36 trillion (Kementrian Pariwisata 2016).

Association of the Indonesian Tours and travel Agencies (ASITA) noted that the comparison of Indonesian outbound tourist and inbound tourist is 3: 1. It means one arrival of foreign tourists to Indonesia versus three Indonesian tourists traveling abroad with purpose for travelling (bali.bisnis.com). most favourite destination abroad is Asian countries like Singapore 31%, Malaysia 25%, China 13%, Saudi Arabia 7.5% and Thailand 5.9%. (Bisniswisata.com)

Obviously, Indonesian outbound tourist are tourists who have high purchasing power. Target of tourism ministry that bring back Indonesian outbound to travel domestically and also increasing number of domestic tourist traveling.

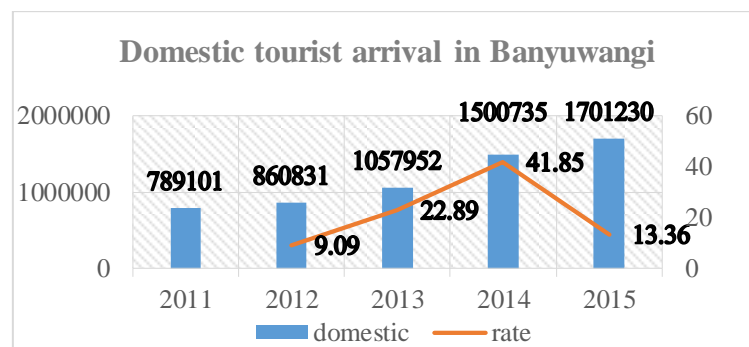
**Table 2**

Years	Total Travelling (Thousand)	Expenditure of travelling (Thousand IDR)	Total Expenditure (Trillion IDR)
2011	236,752	679.58	160.89
2012	252,290	704.68	172.85
2013	250,036	711.26	177.84
2014	251,200	851.68	213.94
2015	255,050	880.92	224.68

Source: Indonesia Ministry of Tourism (Kementrian Pariwisata)

Currently, Banyuwangi is a new comers of tourist destinations in East Java. There are 53 international and national festivals likely International tour de Ijen Banyuwangi, Banyuwangi International BMX, Beach jazz festival Banyuwangi, Banyuwangi international run, Gandung Sewu Festival and manymore. those events are presented to attract tourists whether domestic and foreign to visit.

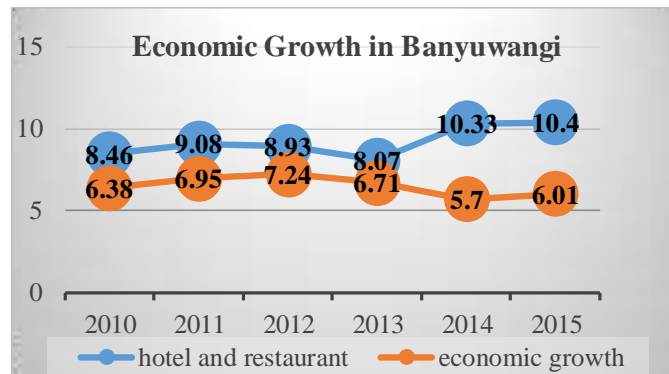
**Figure 1**



Source: Regional Statistics of Banyuwangi (BPS Banyuwangi)

Since 2011, the growth of domestic tourist arrival was increase significantly. Even the number of domestic tourist arrival increases significantly more than 100 percent from during 5 years. This progress obviously affects to the contribution of tourism sector to regional economy of Banyuwangi.

**Figure 2**



Source: Regional Statistics of Banyuwangi (BPS Banyuwangi)

In some cases, tourism growth in Banyuwangi actually is not followed by its economy growth. Economic growth indicates the economics development of the area. It is considered very risky because tourism sector is considered very sensitive to the situation of economic, social, and political (Spillane, 1989). According to Stabler and Sinclair (1997) the demand of tourism is very influenced by income and price. In time of increasing income will impact to decreasing demand of normal goods and normal goods become inferior goods. So, nature and culture actually already adopted by most Indonesia tourism. In future, when Banyuwangi tourism still present nature and culture that identically tourism normal goods in Indonesia. Then there increasing income fluently, it will impact to decreasing demand of Banyuwangi tourism or if tourist arrival still high, they are identically as the low income tourist.

The success of improving tourism economy in recent years, actually, could make the development of tourism sectors increasing the number of domestic tourist arrival. But in future it also may start to take a note how much tourist spending/expenditure during their visit and what are determinant of deciding tourist spending. Because tourist spending/expenditure could be used as income generate for local society, increasing government revenues and support the productivity in other economic sectors and many more (Yoeti, 2008).

### Research Question

Based on the backgrounds, the research questions are:

1. What are the determinants of domestic tourist expenditure in Banyuwangi?
2. What are the determinants which have significant influence to domestic tourist expenditure in Banyuwangi?
3. How are influence of each determinant to domestic tourist expenditure in Banyuwangi?

## LITERATURE REVIEW

### Consumption

According to Mankiw et al, (2014) Consumption is the activity of spending on goods and services made by households. Consumption of goods include non-durable goods such as food, beverages, and clothing. Then, durable goods such as cars, motorcycles, televisions, electrical appliances, household appliances, Meanwhile, the consumption of which is categorized in consumption of services are spending on items that are not visible and do not have a physical form such as consumption of haircut services, education, health, reparations and others.

## **Tourism**

According to Spillane, (1989) tourism is an activity regarding traveling to meet and get satisfaction, know something, improve physical and spiritual health, enjoy sports or rest, duty, pilgrimage and has been performed for the past.

### **Types of Tourism**

Pendit (2006) classified the types of tourism such as pleasure, recreation, cultural, sports, business, convention, medical, industrial, political. In addition, Andriansyah, (2008), tourism can also be categorized in term of another criterion such as individual or group of tourism; long term, short term and excursion tourism; tourism with transport equipment; active and passive tourism

### **Tourism Economy**

Tourism activity exactly is the economic activity because it would create economic transactions with their tourism product demand from the tourists. Australian bureau of statistics, ABS (1994) in Andriansyah (2008) defined tourism economy into three elements which are interrelated, among others: (1) Tourist as consumers who consume tourism products during the travel, (2) transaction to obtain the tourism product during a trip or travel, (3) economic sectors that provide tourism products to provide tourism activities.

### **Aspect of Tourism Supply**

According Sihte (2000) in Riyadi (2012) there are several aspects that need to be noticed in creating and packaging of tourism product offered to attract tourists to visit (destination-specific attributes), such as:

1. Attraction : the distinction of the destination which is imagined by tourist's mind.
2. Accessible : Convenient transportation for tourist to reach destination area.
3. Amenities : Providing facilities to support the comfort of tourist.
4. Ancillary : The hospitality come from institution and local people become security and safety guarantee for tourist/protection of tourism.

### **Aspect of Tourism Demand**

In the development of tourism, tourism demand aspect influence on all sectors of the economy, individuals, small and medium enterprises, private enterprises and the government sector (Stabler & Sinclair, 1997). According to Medlik (1980) in Aldila (2014) mentioned that the main factor affecting tourism demand including Price, Income, Social culture, Social Political Situation, The intensity of family, Prices of substitution goods, Prices of complementary goods. Yoeti (2008) added aspect of tourism demand such as attraction of travel, ease of visit, (4) information and services before the visit, the image of a tourist destination, the latest conditions of tourist destination.

### **Tourism Expenditure**

According to Yoeti (2008), tourism consumption/expenditure is a tourism product (goods and services) purchased by traveller to fulfil their needs, wants and expectations during travel. According to Dayour, Adongo, & Taale (2015), it is important to understand the behaviour of tourist expenditure and determinant in order to identify the factors that influence the decision of tourists to consume and calculate the effect of these factors on the expenditure they did during the tour.

$$\text{Tourist expenditure} = f(\text{EC}, \text{SD}, \text{TR}, \text{PG})$$

According Brida & Scuderi (2012) and Wang et al (2006) in Marrocu, Paci, & Zara (2015) determinant of tourist expenditure including socio-demographic (SD), trip-related (TR), psychographic (PG), and economic constraints (EC) for expenditure affected the economic conditions of the individual. In some empirical analysis, total tourist expenditure is specified by some specific components, namely accomodation, food and beverages, entertainment, attractions, shopping, and transportation

## RESEARCH MEHODOLOGY

### Type and Source of Data

This study using descriptive quantitative method and primary data through online questionnaire that spread to the respondents who have traveled to Banyuwangi in 2015-2016. Collecting data carried out in 24<sup>th</sup> May – 5<sup>th</sup> June, 2016 through social media including Facebook, line, BBM, and WhatsApp. Total data obtained was 164 respondents, but only 120 respondents were classified based on the rules and become sample of this study

### Definition Operational Variable

- Economic Constraint (X1): Financial problem, Unexpected Expenditure, Saving, Income, Loan
- Social-economic Characteristics (X2): Gender, Age, Occupational Status, Education, Marital Status.
- Travel-related Characteristics (X3): Length of Stay, Travel Size, Travel Intermediary, Tourism Destinations, Price, Facilities, Ease of Access, Public transportation, Accommodation.
- Psychographic Characteristics (X4): Previous Travel, Travel Motivation, Recommendation of friend/family, Tourism Lifestyle.
- Tourist Expenditure (Y): Accommodation cost, Transportation Cost, Souvenir, Attractions, Food and Beverages.

### Analysis Method

Analysis method of this study using Partial Least Square (PLS) through SmartPLS application that aim to know how the influence of variable independent towards variable dependent.

## RESULT AND DISCUSSION

### Overview of Respondent

Table 3

Overview	%	Overview	%
Gender		Income	
• Male	52.5	• < 1 Million	35.0
• Female	47.5	• 1 – 3 Millions	42.5
Age		• 3 – 5 Millions	13.3
• < 20	15.8	• > 5 Millions	9.2
• 21 – 30	76.7	Transportation	
• > 31	7.5	• Public	55.9
Marital Status		• Private	44.1
• Single	90.8	Accommodation	
• Married	9.2	• Low Budget	28.3
Occupational Status		• Camping	6.7
• Student	74.2	• Hotel	16.7
• Employees	13.3	• Friend and Relation house	43.3
• Others	12.5	• Not stay	15.0
Education		Length of Stay	
• Bachelor	39.1	• Not stay	15.0
• Senior High School	55.0	• 1 – 3 days	56.7
• Master & Diploma	5.9	• > 4 days	28.3
		Total Expenditure	
		• < 1 Million	66.7
		• 1 – 3 Millions	25.8
		• > 3 Millions	7.5

## Data Analysis

According to Ghozali (2006), processing data using Structural Equation Modelling (SEM) based Partial Least Square (PLS) requires two stages to assess Fit Model of a research model. The stages are as follows:

### Outer Model (Measurement Model)

There are three criteria to assess outer model with SmartPLS such as: Convergent Validity, Discriminant Validity, and Composite Reliability

#### 1. Convergent Validity

Convergent validity results from measurement model with a reflective indicator were assessed based on correlation between the item score/component score using Software PLS. The size of individual reflective indicated is high if it is more than 0.70 with construct being measured. However, according to Chin, 1998 (in Ghozali, 2006) for first research of development measurement scale, loading score of 0.5 to 0.6 is considered adequate.

**Table 4**

	Outer loading	Validity		Outer loading	validity
X1.1 <- X1	-0.264		X3.5 <- X3	0.552	Valid
X1.2 <- X1	0.241		X3.6 <- X3	0.549	Valid
X1.3 <- X1	0.412		X3.7 <- X3	0.759	Valid
X1.4 <- X1	0.932	Valid	X3.8 <- X3	0.749	Valid
X1.5 <- X1	0.242		X3.9 <- X3	0.438	
X2.1 <- X2	0.422		X4.1 <- X4	0.796	Valid
X2.2 <- X2	0.518	Valid	X4.2 <- X4	0.821	Valid
X2.3 <- X2	0.710	Valid	X4.3 <- X4	0.382	
X2.4 <- X2	0.748	Valid	X4.4 <- X4	0.638	Valid
X2.5 <- X2	0.819	Valid	Y1 <- Y	0.192	
X3.1 <- X3	0.385		Y2 <- Y	0.818	Valid
X3.2 <- X3	0.292		Y3 <- Y	0.739	Valid
X3.3 <- X3	0.334		Y4 <- Y	0.852	Valid
X3.4 <- X3	0.468		Y5 <- Y	0.872	Valid

Source: Processing data using SmartPLS, 2016

If there are score less than the limit loading factor of 0.5 or not valid. It should be deleted and re-test using valid loading factor score. So table 4.18 is the result of outer loading with valid score.

**Table 5**

Indicators	Outer Loading	Indicators	Outer Loading
X1.3 <- X1	0.4309	X3.8 <- X3	0.7589
X1.4 <- X1	0.9564	X4.1 <- X4	0.8455
X2.2 <- X2	0.5780	X4.2 <- X4	0.8518
X2.3 <- X2	0.7455	X4.4 <- X4	0.6767
X2.4 <- X2	0.8308	Y2 <- Y	0.8191
X2.5 <- X2	0.8313	Y3 <- Y	0.7342
X3.5 <- X3	0.7238	Y4 <- Y	0.8517
X3.6 <- X3	0.5696	Y5 <- Y	0.8747
X3.7 <- X3	0.8487		

Source: Processing data using SmartPLS, 2016

All of loading factor score indicators are more than 0.5. So, this indicates those indicators are valid. But only X1.3 is not valid, actually the aim of study is to predict how influence of each characteristics of domestic tourist expenditure during traveling. So, author give the special case for



variable of X1, because of only one indicator of X1.4 that is valid, so author also decided to put another indicator of X1.3 become represent of X1.

## 2. Discriminant Validity

Discriminant validity of measurement model assessed by measurement of cross loading with constructs. If correlation of constructs with basic measurements (each indicator) is more than the score of another constructs, then latent constructs can predict their indicator better than another constructs. Therefore, the model has good discriminant validity, if every loading score of each indicator of a latent variable has the highest loading score.

**Table 6**

Indicators	X1	X2	X3	X4	Y
X1.3	<b>0.4309</b>				
X1.4	<b>0.9564</b>				
X2.2		<b>0.5780</b>			
X2.3		<b>0.7455</b>			
X2.4		<b>0.8308</b>			
X2.5		<b>0.8313</b>			
X3.5			<b>0.7238</b>		
X3.6			<b>0.5696</b>		
X3.7			<b>0.8487</b>		
X3.8			<b>0.7589</b>		
X4.1				<b>0.8455</b>	
X4.2				<b>0.8518</b>	
X4.4				<b>0.6767</b>	
Y2					<b>0.8191</b>
Y3					<b>0.7342</b>
Y4					<b>0.8517</b>
Y5					<b>0.8747</b>

Source: Processing data using SmartPLS, 2016

Another way to know value of discriminant validity through comparing score root of Average Variance Extracted (AVE) with correlation of construct. If score root of AVE is higher than correlation of constructs, so a good discriminant validity has been achieved. In addition, AVE score more than 0.5 is highly recommended.

**Table 7**

	AVE
X1	0.5502
X2	0.5678
X3	0.5361
X4	0.6328
Y	0.6752

Source: Processing data using SmartPLS, 2016

## 3. Composite Reliability

Testing of construct reliability is measured using the criteria test, namely composite reliability and Cronbach alpha from indicators block that measuring construct. Construct is considered reliable if the score of composite reliability and Cronbach alpha are above/more than 0.70.

**Table 8**

	Composite Reliability	Cronbach Alpha
X1	0.6815	0.2588
X2	0.8375	0.7752
X3	0.8193	0.7166
X4	0.8365	0.7107
Y	0.8922	0.8398

Source: Processing data using SmartPLS, 2016

All variable have good reliability except variable of X1. So according to Ghazali (2006) if the variable didn't reliable, it has to delete from the case. But from this study there is special case form X, so author still put on variable X1 into the case.

#### **Inner Model (Structural Model)**

Testing of inner model or structural model is to look the relationship between constructs, significance value and R-square from research model. Structural model is evaluated using R-square to construct dependent of T-test and significance of coefficient parameters of structural lines. Tests on structural model is used to look at score of R-square which is test goodness-fit model

**Table 9**

	R Square
<b>Y</b>	0.5343

Source: Processing data using SmartPLS, 2016

Table 4 shows that R-square score for variable Y obtained is 0.5343. This score indicates that 53.43% variable of Total Expenditure (Y) can be affected by Economic constraint, Social-Economic Characteristics, Travel-related characteristics, and Psychographic characteristics. While the rest of 46.57% influenced by other variables outside studied.

The significance of estimated parameters provides information about relationship among the variables. Test of hypothesis is based on score contained in output result for inner weight.

**Table 10**

Variables	Original Sample (O)	Standard Deviation (STDEV)	T Statistics ( O/STERR )
X1 -> Y	0.0845	0.0603	1.4019
X2 -> Y	-0.1063	0.0958	1.1102
X3 -> Y	0.3478	0.0709	4.9047
X4 -> Y	0.5332	0.0744	7.1698

Source: Processing data using SmartPLS, 2016

The result from Table indicates the relation of exogenous variable to endogenous variable are variable economic constraint (0.0845, 1.4019 < 1.960 t-stat), socio-economic characteristics (-0.1063, 1.1102 < 1.960 t-stat), Travel-related characteristic (0.3478, 4.9047 > 1.960 t-stat), and Psychographic characteristics (0.5332, 7.1698 > 1.960 t-stat).

Those mean Economic constraint is positive and not significant, Socio-economic characteristic is negative and not significant, Travel-related characteristic is positive and significant, then Psychographic characteristic is positive and significant.

#### **Discussion**

##### **The Relation of Economic Constraints and Tourist Expenditure**

This relation has a positive relationship and not significant. only indicators of income (X1.4) and the special addition indicator of saving (X1.3) are indicate to become represent of this variable and have highest influence than other indicators. This positive relationship is consistent

with the previous study of Brida & Scuderi (2012), Thrane & Eivind (2009), and Peerapatdit (1999). The previous studies mentioned stated that income has positive correlation and significant effect on tourist spending.

Theoretically, Gilarso (2004) also suggested that income is crucial factors that influence household consumption or expenditure. Putong (2013) also revealed the attitude of saving and personal economic condition that make person think twice to spend more on goods and services.

Actually, the insignificant relationship of this variable that reflected by income and saving because of the choosing of sampling technique. This study using accidental sampling technique that indicate all of people can become the respondent without look at their background. Then most of respondents are young respondents with the similar of low economic condition.

### **The Relation of Socio-economic Characteristics and Tourist Expenditure**

It has negative relationship and not significant. The indicators that reflect variable of socio-economic characteristic are age, occupational status, education level and marital status. In some previous studies, there are not many indicators of socio-economic characteristics significantly influence to the tourist expenditure.

In reality, almost 75 % of respondent are student that indicate low income than employed tourist background. It's appropriate with Marrocu, Paci, and Zara (2015) study that found students and unemployed tourist spend less than employed tourist. So it makes occupational status contributes insignificant to the variable. Marrocu, Paci, and Zara (2015) revealed education consistent not significant for any tourist expenditure. Insignificant from education actually because today personal education background cannot indicate they have good financial.

Brida & Scuderi (2012) revealed, age is indicator that most frequently positive to the tourist expenditure because usually correlated with income that their obtained. But for this study, the limitation is collecting data of respondent who in older age. 91 % of respondent are young visitor in the age < 30 that have low income and low spending.

Peerapatdit (1999) mentioned marital status cannot affect to the total tourist expenditure, but only significantly effect on the particular component like accommodations/lodging spending. In reality, the respondent dominated by 90% of single/not married, it contradictive with the question of marital status that characteristic of married person is categorized as high purchasing person on tourism.

Actually, the negative relation and not significant because there is limitation study between question and sample respondent who already generated. The respondent background cannot answer the question of this study. Then the choosing method of accidental sampling technique makes everybody become respondent, but most of respondent are young respondent.

### **The Relation of Travel-related Characteristic and Tourist Expenditure**

The positive and significant generated from reflection of indicators including price of tourism product, tourism facilities, ease of access, and Transportations. In detail, tourism facilities are crucial things for the existence of tourism sector. According Sihombing (2015) found there is positive and significant correlation between tourism supporting facilities and number of tourist. Because the facilities are built aimed to make tourists feel comfortable, convenient and decide to stay longer and want to visit again. In tourism, the facility is an important element. Whatever the size of tourist destination, if facilities are not adequate, that's make the desirable of traveller/tourist to visit will be cancelled (Spillane, 1989).

In fact, Banyuwangi start to collaborate with a lot of company to improve the tourism facilities, like collaborate with Telkom Indonesia to provide 1000 free access Wifi spot in tourism destinations, digitalize Banyuwangi tourism information centre, colaberate with BNI 46 to revitalize 1000 homestay that manage by local communities, built floating house in coastal areas, built jetty on Tabuhan Island and Grand Watudodol. revitalizing tourism destination in Grand Watu dodol, Bangsring beach, Boom beach, Sukamade beach and National park of Alas Purwo and many more.

Whereas for indicator of prices, Banyuwangi with natural attractions and history certainly offers cheap prices. This can be indicated by characteristic of respondents which is majority students and teen tourist that has fluctuated income. According to Medlik (1980) in Aldila (2014) and Yoeti (2008) mentioned that one of factors affecting tourism demand is price.

While the ease of access and transport are also important aspect in order to influence tourists to visit and consume tourism products. According to Sihte (2000) in Riyadi (2012), Accessible or the convenient transportation for tourist to reach destination area is the supply aspect to attract tourist to come and spend on tourism destination.

In reality, transportation and ease of access already become the focusing tourism development in Banyuwangi. For example, in transportation sector, Banyuwangi is initiating the first green airport in Indonesia, build marina yacht/cruise port in Pantai Marina, revitalizing transportation facilities in train station, bus terminal and Ketapang port and many more. Then for ease of access, government already provide good Infrastructures especially good asphalt road/street and a lot of tourism information and also encourage local communities to provide tourism transportation services.

In future, government plans to launch intermodal public transportation of airport city bus that connecting airport to bus terminal, seaport, train station and also plans to build integrated terminal in Ketapang station. Moreover, government initiate to build integrated tourism in Perkebunan Ijen that integrating tourism terminal, parking area, food comer, souvenir, small-medium enterprises, and mini amphitheatre.

### **The Relation of Psychographic Characteristics and Tourist Expenditure**

This relation is supported by Brida & Scuderi's research (2012), and Marrocu, Paci, and Zara (2015). In addition, Marrocu, Paci, and Zara (2015) stated that psychographic characteristics, especially experience of visits and travel motivation, are crucial determinant in tourist expenditure. Putong (2013) said that lifestyle has a vital role in household expenditure. In addition, Pearce (1998) in Bagus (2015) argued that tourists will be traveling motivated by several factors including psychological needs, security, social, prestige/lifestyle, and self-actualization.

Actually, return visit/previous visit and motivation are related to the tourism attraction. In several time, a lot of tourism attraction in Banyuwangi already presented in many type of tourism. For example, in sport tourism, the most popular is Internation Banyuwangi Tour De Ijen, the international event of cycling that held annually since 2012 and already become annual agenda of Union Cycliste, International (UCI). Then, sport tourism event already presented are Banyuwangi International BMX, Festival Karo Rafting and Kite & Wind Surfing. In other side, attraction also presented with local culture and heritage, for example Banyuwangi Ethno Carnival Festival Gandrung Sewu, parade petik laut, seblang dance, and ritual kebo-keboan those event involved local communities and encourage them to protect the culture. Then music tourism, usually in other area, music event held in big field/stadium and arena. But in Banyuwangi, it presents in tourism destination area like Ijen Summer Jazz Banana I, II, III that held in entry point of ijen mount and Banyuwangi beach jazz festival, held in boom beach with view of Bali strait and island.

Moreover, new attraction in nature tourism already revitalize are Watu dodol, Bangsring beach, Boom beach, Sukamade beach and National park of Alas Purwo, those revitalize involved local communities to protect their areas and company to funding and developing area become tourism areas. In future, a lot of agenda to developing tourism attraction/destination to attract more tourist to come and spend in Banyuwangi.

## **CONCLUSION AND SUGGESTION**

### **Conclusion**

Economic constraint doesn't have impact on tourist expenditures. However, aspect of income in economic constraint should be considered because higher earned income will increase traveller's spending and consumption. In addition, income is also a major element which has higher effect on household and traveller's consumption.

The socio-economic characteristics do not affect to tourist expenditure during a visit to Banyuwangi. This means that aspects such as age, marital status, occupational status, and education of tourist does not pose any influence on the purchasing intention of the tourists during trip.

Travel-related characteristics has strong influence on tourist expenditure during a visit to Banyuwangi, especially in aspect of facilities, entry price, transportation and ease of access. This means that the improvements on facilities, transportation and ease of access and affordable price offered will affect desirable of tourists to visit and spending.

Psychographic characteristics has a strong influence on tourist expenditure during a visit to Banyuwangi because there is strong motivation to visit, return visit, and tourism lifestyle of tourist. This means that traveling and consuming tourism products are affected by psychological factor such as willingness to refresh mind, to know new things, desire to return visit, and improve social status or prestige with visiting tourism high value. During trip in Banyuwangi, domestic tourists have desirability to spend more on transportation, souvenir, attractions, food and beverages. In the other hand they didn't want to spend more on accommodation. So most of visitor stay on friend/relation house and low budget accommodation like hostel, local house, Melati hotel etc.

### **Suggestions**

There is good potential investment from tourism expenditure components including transportation, souvenir, attraction, food and beverages. Because domestic tourist in Banyuwangi have desirability to spend more on those components. So, its opportunity to business practitioner to invests in Banyuwangi especially in tourism aspects

In accommodation sector, most of domestic tourist didn't have desirability to spend more on it. So business practitioner should to order trip package to explore Banyuwangi and stay on there.

Banyuwangi government should to improving tourism supporting facilities like transportation service because most tourist use public transportation to reach Banyuwangi. Then improving and expanding tourism attraction to make tourist could stay longer and feel convenience during their trips. And educating local people to realize on tourism and give hospitality to tourist, because it became safety and security guarantee for tourist during their trips.

For future researcher, is suggested to using another sampling technique especially purposing sampling to capture all respondent characteristics. Then also suggested to distributing questionnaires directly to tourist on tourism place, hotel or the place where tourist stay. Moreover also suggested to re-examine the determinants of tourist expenditure study with looking for another determinant.

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