

SUSTAINABLE TOURISM DESTINATION DEVELOPMENT BASED ON GSTC CRITERIA: A SWOT ANALYSIS STUDY IN UBUD, BALI TOURISM AREA

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Abstract:

Ubud, Bali, is known as one of the leading tourist destinations in Indonesia that implements the principle of sustainability in its development. In addition to its natural beauty, which includes terraced rice fields and tropical forests, Ubud is also the centre of Balinese art, culture, and spirituality. This uniqueness is reinforced by the active involvement of local communities in tourism management and a commitment to preserving culture and the environment. The principles of sustainable tourism in Ubud align with the local philosophy of Tri Hita Karana and can be evaluated against international standards, such as those set by the Global Sustainable Tourism Council (GSTC). GSTC has developed criteria that cover four main pillars: destination management, socio-economic impact, cultural preservation, and environmental protection. This article aims to analyze tourism management in Ubud based on the GSTC criteria, utilizing a SWOT analysis approach. Through this analysis, the strengths, weaknesses, opportunities, and threats faced by Ubud in implementing sustainable tourism can be identified, as well as strategic recommendations for future destination development.

Keywords: Ubud, sustainable tourism, Global Sustainable Tourism Council (GSTC), SWOT analysis

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INTRODUCTION

Tourism is a major driver of global economic dynamics, including in Indonesia, making significant contributions to job creation, foreign exchange earnings, and local cultural revitalization (Ernawati, 2019; Li, Jin, and Shi, 2018). However, this sector faces significant challenges, particularly following the COVID-19 pandemic, which led to prolonged stagnation, the closure of tourist destinations, and a drastic decline in tourist numbers (Aji, 2021).

Sustainable tourism is an approach or concept in tourism development that aims to achieve growth and development of the tourism sector without damaging or depleting existing natural and cultural resources, and at the same time, providing sustainable economic, social, and cultural benefits for local communities and considering ecological balance (Syafara, Imaduddina, and Gai 2023). In Indonesia, attention to sustainable tourism development is increasing, in line with the global commitment to the Sustainable Development Goals (SDGs) (Fadli et al., 2022; Kawuryan et al., 2022). Regulation of the Minister of Tourism and Creative Economy/Tourism and Creative Economy Agency of the Republic of Indonesia Number 9 of 2021 concerning Guidelines for Sustainable Tourism guides central and regional governments, as well as other stakeholders, in developing sustainable tourism destinations. One concrete example of this effort is the development of tourist villages that not only rely on natural and cultural attractions but also empower local communities, promote environmental conservation, and protect cultural heritage (Aji, 2021; Arida, 2017). This approach integrates economic, social, and environmental aspects comprehensively, making it a tourism model that supports economic growth, poverty alleviation, and job creation by Indonesia's development agenda (Sunarta & Arida, 2017).

Sustainable tourism is gaining increasing attention in various parts of the world, especially in the face of global issues such as climate change, environmental degradation, and erosion of local cultures. The tourism sector, although it has a major contribution to economic growth and job creation, also has the potential to have significant negative impacts if not managed properly. Therefore, sustainable

practices are key to maintaining a balance between tourism growth and the preservation of natural resources, culture, and the welfare of local communities.

To guide the management of tourist destinations towards the principle of sustainability, the Global Sustainable Tourism Council (GSTC) serves as an international institution that develops global frameworks and standards for tourism industry stakeholders. The criteria set by GSTC consist of four main categories, namely:

- 1) Destination management, which emphasizes governance, planning, and stakeholder participation.
- 2) Social and economic impacts, which focus on contributing to the well-being of local communities.
- 3) Cultural impacts, which include preserving local values, heritage, and cultural identity.
- 4) Environmental impacts include natural resource conservation, waste management, and climate change mitigation.

Ubud, Bali, is renowned as a cultural, artistic, and spiritual hub, boasting strong natural attractions and a rich cultural heritage. The community's commitment to preserving local values reflects a living sustainability practice. However, the increasing number of tourists raises serious challenges such as over-tourism, infrastructure pressure, and land conversion that disrupt the socio-ecological balance. Therefore, a comprehensive evaluation of the implementation of sustainable tourism in Ubud is crucial to ensure long-term benefits for the community, the environment, and the local economy.

METHODS

This study employs a descriptive qualitative approach that aims to systematically and factually describe the actual conditions of Ubud tourism destination management in the context of sustainability. This approach was chosen because it allows for a deep understanding of complex social and cultural phenomena that cannot be measured quantitatively. In this case, the analysis was conducted using the SWOT (Strengths, Weaknesses, Opportunities, Threats) method, which is designed to identify both internal and external factors that influence the implementation of sustainable tourism in Ubud.

Data were collected through literature studies, field observations, and interviews with destination managers, local communities, and tourists. The analysis was conducted based on GSTC criteria to assess management, socio-economic, cultural, and environmental aspects in Ubud.

RESULT AND DISCUSSION

Ubud, located in Gianyar Regency, Bali, is one of Indonesia's main tourist destinations with great potential for sustainable tourism development. Ubud is renowned for its natural beauty, featuring terraced rice fields, lush tropical forests, and pristine rivers. In addition, Ubud is also the centre of Balinese arts and culture, with many art galleries, traditional ceremonies, and handicrafts that enrich the tourist experience. The commitment of the Ubud community to environmental and cultural preservation is a key factor in supporting the development of sustainable tourism in this area.

To gain a deeper understanding of the factors influencing tourism development in Ubud, an analysis was conducted using the SWOT (Strengths, Weaknesses, Opportunities, and Threats) approach. This method allows researchers to identify the strengths, weaknesses, opportunities, and threats that influence the sustainability of tourism in Ubud. By analyzing these aspects, a more efficient and sustainable tourism development strategy can be formulated. In addition, to assess the implementation of sustainability principles in more depth, the Global Sustainable Tourism Council (GSTC) criteria were applied in this analysis. GSTC sets international standards consisting of four main pillars, namely:

- 1) Destination management (planning and governance of tourist destinations),
- 2) Socio-economic impacts (equitable economic benefits for local communities),
- 3) Cultural preservation (maintaining local cultural heritage and increasing cultural awareness),
- 4) Environmental conservation (protection of natural resources and environmental management). The integration of SWOT analysis and GSTC criteria provides a holistic framework for evaluating sustainable tourism management in Ubud. Thus, this analysis aims to provide useful

recommendations for stakeholders, including governments, local communities, and tourism industry players, in formulating more effective strategies for sustainable tourism development.

The implementation of sustainable tourism in Ubud has had a positive impact, especially in social and cultural aspects. The active involvement of the community in economic activities such as homestays and traditional arts contributes to improving welfare and preserving local identity, in line with the GSTC principle of equitable distribution of benefits. However, Ubud still faces challenges in destination management and environmental sustainability, including over-tourism, poor coordination, and suboptimal waste management. Environmental impacts such as agricultural land conversion and water pollution are of serious concern.

The solutions needed include cross-sector collaboration, human resource capacity building, and the use of digital technology for destination management. With this approach, Ubud has the potential to become an example of a resilient and inclusive sustainable destination in the future.

The SWOT analysis in this study is as follows:

Strengths:

- Natural Beauty Ubud is renowned for its extraordinary natural scenery, featuring lush green terraced rice fields, dense tropical forests, and crystal-clear rivers. This natural beauty is the primary attraction for tourists seeking tranquillity and peace amidst nature. This is to the GSTC criteria related to environmental conservation and nature management.
- Cultural Diversity and Balinese Tradition: Ubud is the centre centre of Balinese arts and culture, rich in traditional ceremonies, dances, music, and handicrafts. The preservation and development of this culture add value for tourists who want to learn more about Balinese culture. This also supports the cultural preservation criteria of the Global Sustainable Tourism Council (GSTC).
- Local Community Commitment in Tourism Management: The Ubud community is deeply involved in managing tourist destinations through initiatives such as homestays, creative economic activities, and local cultural management. This active participation supports the GSTC criteria related to destination management, which involves local communities in planning and decision-making.
- Ecotourism Facilities and Sustainable Accommodations in Ubud offer a range of accommodations that prioritize ecotourism and environmentally friendly principles, including hotels powered by renewable energy and effective waste management practices. This aligns with the principles of destination management and environmental conservation.

Weaknesses:

- Infrastructure and Accessibility Limitations: Although Ubud has great appeal, accessibility to this destination remains limited, especially for tourists with limited budgets or those who rely on public transportation. Infrastructure that does not fully support mass tourist visits has the potential to limit its growth potential in sustainable tourism.
- Overtourism in several popular areas of Ubud, particularly the city centre and well-known attractions such as the Monkey Forest and the art market, is causing environmental damage and compromising the quality of the tourist experience. This can be contrary to the principles of sustainability, particularly those related to environmental conservation and destination management.
- Lack of education for tourists about sustainability: Although there are many environmentally friendly facilities, tourists still lack awareness about the importance of preserving the environment and local culture. This presents a challenge to achieve the principles of socio-economic impact and cultural preservation as outlined in the GSTC criteria.

Opportunities:

- Community-Based Tourism Development: Involving local communities more deeply in destination management can enable Ubud to develop more community-based tourism activities that are not only economically profitable but also contribute to cultural and environmental preservation. This aligns with the principles of destination management and the socio-economic impact of GSTC.

- b. Increasing Tourist Education and Awareness, Ubud has the potential to introduce in-depth educational programs on sustainability to tourists, covering topics such as nature conservation, waste management, and cultural preservation. Such programs can enhance tourists' understanding of the importance of responsible tourism, aligning with the principles of cultural preservation and environmental conservation.
- c. Diversification of Sustainable Tourism Products: Ubud can develop more diverse tourism products by integrating sustainable tourism concepts, such as agro-tourism (organic farming), ecotourism, and in-depth cultural tourism. This can attract tourists interested in responsible tourism while also providing additional benefits to the local community.

Threats:

- a. The Impact of Climate Change on Natural Beauty: Global climate change can threaten the preservation of nature, a key attraction of Ubud, through disruptions to rainfall patterns that affect organic farming, as well as the threat of other natural disasters. Appropriate environmental conservation efforts must be made to anticipate these threats.
- b. Dependence on Mass Tourism: High dependence on the mass tourism sector can lead to neglect of long-term sustainability aspects. Without good control, tourism development in Ubud can experience pressure that damages the balance between economic growth and environmental and cultural preservation.
- c. Increasing Competition with Other Destinations. Along with the growing interest in sustainable tourism, other destinations in Bali and Indonesia are also adopting similar concepts. Tight competition can reduce Ubud's competitiveness as a leading sustainable tourist destination.

Integration with GSTC Criteria:

- 1) Destination Management: Ubud has a fairly good destination management system, although challenges related to over-tourism need to be addressed to maintain quality management.
- 2) Social and Economic Impact: Tourism in Ubud has made a significant contribution to the local economy; however, more can be done to ensure that the benefits are more evenly distributed.
- 3) Cultural Preservation: Ubud is particularly strong in terms of cultural preservation; however, further efforts are needed to maintain a balance between modernization and local traditions.
- 4) Environmental Conservation: Ubud has adopted the principles of ecotourism; however, environmental challenges, such as waste management and climate change, must be a primary focus.

Thus, this SWOT analysis provides a clear picture of the current state and challenges faced by Ubud in developing sustainable tourism. The study also suggests several strategies that can be implemented to ensure that Ubud remains an attractive, inclusive and environmentally friendly destination while maintaining its long-standing cultural values.

CONCLUSION

Sustainable tourism development in Ubud has shown significant progress, especially in terms of local community involvement in social and cultural activities. This condition reflects the conformity with the principles of socio-economic impact and cultural preservation as stated in the Global Sustainable Tourism Council (GSTC) criteria. However, the complexity of problems such as over-tourism, pressure on environmental carrying capacity, and the suboptimal integrated destination governance are real challenges in implementing sustainability in this area.

The SWOT analysis revealed that, although Ubud possesses great potential in terms of cultural richness and community involvement, structural weaknesses in management and limited infrastructure can hinder its long-term sustainability. Therefore, a strategic approach is needed that involves cross-sector collaboration, enhancing the capacity of local human resources, and integrating information technology as a tool for data-driven decision-making and evidence-based policy.

This study emphasizes the urgency of implementing a collaborative, sustainable tourism strategy that involves all stakeholders to achieve inclusive, ecologically sound, and sustainable destination

development in Ubud. The synergy between the government, local communities, academics, and the private sector is believed to be able to encourage the creation of a destination management system that not only enhances tourist appeal but also distributes economic benefits evenly while ensuring that environmental preservation and cultural heritage are maintained sustainably.

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