

# TROPICAL TOURISM OUTLOOK CONFERENCE: BALANCING DEVELOPMENT AND SUSTAINABILITY IN TOURISM DESTINATIONS

ISBN:



978-602-73034-0-9

2015 Faculty Of Economics and Business - University Of Mataram

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Published by:

BPPEB Faculty of Economics and Business, University of Mataram

Jl. Majapahit 62

Mataram, Nusa Tenggara Barat, Indonesia 83125

Telp: (0370)631935,

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Website: <http://fe.unram.ac.id>

In collaboration with:

GIZ SREGIP, Northern Arizona University - USA, UiTM - Malaysia,

James Cook University - Australia and Singapore and International Geographical Union

# TROPICAL TOURISM OUTLOOK CONFERENCE: BALANCING DEVELOPMENT AND SUSTAINABILITY IN TOURISM DESTINATIONS

Lombok, 29-31 July 2015

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## PREFACE

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Undeniably, tourism has become one the most extensive industries in the world. UNWTO records that the number of international tourists rockets in the last six decades, from just about 25 millions people travelled abroad in 1950 to more than 1 billion in 2014. Further, the number is projected to reach 1.8 billion international tourists by 2030. Such phenomenon may be the reason of many countries to adopt tourism as a key industry to support their economy. Nevertheless, tourism has two sided-impacts: aside of its benefits, tourism may bring disbenefits to destination people and their environment. In other words, tourism as an industry can be beneficial or detrimental to a destination country depending on a country's ability to manage it. Such impacts challenge efforts of every tourist destinations to develop tourism sustainably.

A number of alternative models have been adopted by many tourist destinations to sustain their tourism development, some of which includes *green tourism*, *ecotourism*, *pro-poor tourism*, and *special interest tourism*. Further, some countries develop *mass tourism* and invest billion of dollars on tourism infrastructure, while the others encourage *small-scale tourism* enterprises among their people. Nonetheless, none of those models is more sustainable than another, and be better model for a tourist destination. Understanding the complexity of tourism and the contextual nature of each destination may be the key factors to understand the phenomena of sustainable tourism development. To develop such understanding, constant studies on tourism are required. It is, therefore, imperative to say that academic forums, such as this conference, are critical occasions where tourism studies from around the world are presented, discussed, and shared to other tourism stakeholders. Hopefully, this conference can be productive discussion arena, and we can better understand the phenomena of sustainable tourism development.

Happy conferencing!!

**H. Akhmad Saufi**

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**BALANCING DEVELOPMENT AND SUSTAINABILITY IN TOURISM DESTINATIONS**  
*Lombok Indonesia 2015*

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## KEYNOTE PAPER

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### **BEYOND THE CHINA STATISTICS – COLLABORATING FOR TOURISM SUSTAINABILITY IN INDONESIA**

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In just over ten years, the Chinese market has grown from virtually nothing to become one of the top source markets for tourism in Indonesia. The increasing bulge of outbound mainland China travellers may cause travel service providers to celebrate as they anticipate considerable profits. But without careful preparation and maintenance the fast growing tree will wither and die away. What are the special needs and challenges of dealing with the new travellers from China? Who are they? How has the travel market changed and what can service providers do to reap long-term rewards? What does it mean to collaborate in practice? How can all players collaborate for optimal results? Drawing together statistics trends, surveys and feedback of Chinese travellers, and the concept of collaborative leadership embedded in sustainability, three key recommendations are made for travel service providers, local government authorities and communities to develop this market with a long-term orientation, and for further research.

Key words: Chinese market; collaboration; tourism sustainability; Indonesia

#### **Biographical Notes**

Fleur Fallon completed her doctoral thesis: *Tourism interrupted: the challenge of sustainability for Lombok island 1987-2001* at the University of New England, Armidale, New South Wales, Australia in 2002. She has made many visits to Indonesia, and written about China leisure tourism to Indonesia. She has taught in several universities in China, and since 2013 has been based in the School of Tourism Management, Sun Yat-sen University, Zhuhai campus, Guangdong province, China.

## **Introduction**

In 1997, when I first began to develop a case study on tourism development for Lombok island, Nusa Tenggara Barat, Indonesia, the concept of sustainable development was just emerging in the literature, following the Rio Earth Summit in 1992. Embedded in the principles of sustainability is the concept of collaboration. How do we work together for better outcomes? I propose first to present what I mean by 'tourism sustainability', followed by a definition of collaboration within the tourism context. In order to understand the dimensions of the supply and demand sides of tourism, it is essential to review the statistics, in particular relating to the Chinese outbound market. A brief historical overview of the Chinese in Indonesia precedes a discussion on the desires, attitudes and the quality of experience as perceived by this new generation of Chinese travellers in tropical destinations, especially for Indonesia and south-east Asia. Challenges for the tropical destination in supporting the growing trend of Chinese leisure travellers are outlined, with recommendations for practice and future research.

## **What is meant by tourism sustainability?**

Since the concept of sustainable development was first defined in the Brundtland Report (WCED, 1987), there has been considerable discussion about its meaning and its practical application to support the triple bottom line of environment, community and economy. There is not the scope in this paper to discuss the range of perspectives. However, in relation to tourism and sustainability, it is worth noting that Laws, de Lacy, Lipman and Min (2015) update the concept with a focus on developing a 'roadmap' for Bali 2050, based on a quadruple bottom line that integrates 'environmental, social, economic and climate responsiveness.' They promote the UNWTO (2007) concept to develop holistic approaches that engage sector stakeholders to develop strategies for a 'green economy' built on three principles of low carbon; resource efficiency; and social inclusion. Central to this concept, is the notion of human well-being, inclusiveness and equity, and working with the community to develop sustainability indicators that can be monitored over time.

Sun Yat-Sen University School of Tourism Management, led by Professor Bao Jigang, already is a partner with UNWTO and local Chinese governments in the creation and implementation of UNWTO Monitoring Centres for Sustainable Tourism Observatories (MCSTOs), developed since the first international tourism conference held in China at Guilin in 2001. Yangshuo (Guangxi) was the first MCSTO in 2005, followed by Huangshan (Anhui), Zhangjiejie (Hunan), Kanas in the Altai Mountains, Xinjiang, Chengdu (Sichuan) and Louyang (Henan). The Centres are involved in monitoring, capacity building, education campaigns, collecting and compiling examples of 'good practice' (MCSTO-UNWTO, 2015), and provide recommendations in close consultation with local governments, tourism service providers and local communities. When diverse stakeholders come together, tensions may arise due to differences in values, education levels, political and financial power, needs and wants, and environmental considerations. In order to shift from the negative connotations of conflict, and in order to engage stakeholders in more open, appreciative and trust-based relationships, concepts of collaboration and collaborative leadership are emerging in the management and development literature (see Scharmer, 2009; Senge, 2008). Collaborative processes are quintessential processes for getting things done in the name of 'sustainable development'.

### **What is meant by collaboration and collaborative leadership?**

Gursoy, Saayman and Sotiriadis (2015) define collaboration as working together to reach shared goals. It can take many forms, such as project-based, partnerships, alliances, networks and clusters. There are many challenges contained in this 'easily stated' definition in its application, such as:

1. How to define and agree on 'shared' goals?
2. How should we work together?
3. How do we manage cultural-linguistic diversity?
4. How will we communicate? What is the frequency and location of meetings?
5. If we encounter conflict, how will we deal with it?
6. How do we go about building trust and maintaining the relationship in the long term?

When I refer to collaborative leadership, I mean that there is a core principle of taking collective ownership for the processes, goals and outcomes; not deferring to a single authoritative leader. It integrates the concept of emotional intelligence, an ability to understand and control one's own emotions, to listen to others with empathy and to understand and respond appropriately to the emotions of others (see Goleman, [www.danielgoleman.info](http://www.danielgoleman.info)). It means taking time for each team member to understand the capacity of each team member before commencing a project. This crucial first step is often neglected in teamwork and project processes. The project leader may know about each team member, but this knowledge is not shared between team members (see Caldicott, 2013). Taking time to build relationships in the team first will engender trust through acknowledging shared values, strengths and experience brought by each individual to the project, and is a model developed by Thomas Edison in the early 20<sup>th</sup> century. However, such a model is not easy to apply, given complex historical political, economic and physical geography contexts. See Jamal and Menzel (2009) for examples of 'good' collaboration in tourism development, and also examples of non-collaboration leading to failed tourism projects. Moving from the principles of sustainability and the soft skills critical to act according to these principles, I would like to outline the hard 'facts', in particular, relating to Chinese outbound travel generally, and then examine the emerging travel trend to Indonesia.

### **What do the statistics tell us?**

In 2005, the United Nations World Tourism Organisation (UNWTO) predicted that China outbound tourism would surpass 100 million trips by 2020, but that has been passed already,

with expected outbound travel of 135 million trips in 2015, including to Hong Kong and Macau (COTRI 2015). Of course, one person may travel several times, and some people pass daily through Hong Kong and Macau borders for work and study, so this creates distortion in the figures. However, the trend is evident.

According to the UNWTO (2014), China became the biggest tourism spenders with a total of US\$102 billion expenditure in 2012, increasing to US\$165 billion in 2014 (UNWTO, 2015). They have a reputation to travel for 'experience', 'status' and 'face' and to bring back luxury goods as 'souvenirs'. They also bring back food items (baby food, chocolate, wine); jewellery and watches; cosmetics and functional household electronic items (Zhu, Xu & Liang 2015). These impressive travel and expenditure results are due to changing government policy, with travel seen as 'soft power', with greatly relaxed rules on travel; country-to-country agreements; ease of visa accessibility, rapid urbanisation and increased disposable income. It is worthwhile

to note the increasing mobility of students, which grew from 209,000 outbound in 2009 to 460,000 in 2014 (China Ministry of Education). On the inbound side, there are 128.5 million inbound trips (China Travel Guide 2015). This includes more than 377,000 returning students and 353,000 international students. I will comment on this astonishing trend of Chinese young adult travellers later in examining desires, attitudes and experience.

Less than five years ago, Chinese leisure groups of five or more people could only go to countries with 'Approved Destination Status' (ADS) and in tightly organised tour groups with a tour guide. There was a big concern about over-staying, non-return and human trafficking. So groups were controlled with payment of large deposits (up to US\$6,000) and payment of guarantees by agencies to destination countries. Before 2000, only 10 destinations had ADS, including Australia and New Zealand from 1997, and Hong Kong and Macau from 1983. Between 2000-2005, another 80 countries were included, with Indonesia in 2002, Germany in 2003 and the UK in 2005. This was separate to student, family and business-related travel (Fallon, 2008).

Although Chinese frequently name their dream destination as in Europe, their actual first international travel experiences are likely to be short-haul visits in East and South-east Asia. In 2005, Italy was the only European country in the top ten countries visited by mainland Chinese ([www.tourismtrade.org.uk](http://www.tourismtrade.org.uk)). No European country is included in the 2013 top ten list (Grant, 2013). The USA, now the most popular destination for Chinese students who study abroad, is on the list. Indonesia is yet to make it in the top ten.

After gaining ADS status in 2002, the first Chinese leisure tour groups came to Indonesia, and mainland Chinese arrivals began to be shown as a separate line in Indonesian tourism statistics. In 2004, the number had doubled to 80,000 arrivals from mainland China (Fallon, 2008). It has taken more than ten years for the trickle of leisure travellers from China to Indonesia to become a surge, with an expected one million arrivals in 2015. As a result of the increasing trend, a third Chinese Consul-General's office opened in Indonesia in Bali in 2014 ([www.fmprc.gov.cn](http://www.fmprc.gov.cn)).

Chinese now comprise 13 percent (12.6 million) of the international arrivals in ASEAN countries ([www.asean.org](http://www.asean.org)), but just under 10 percent of arrivals in Indonesia. Indonesia total arrivals were 8.8 million in 2013, compared with 25.7 million arrivals for Malaysia and 26.5 million arrivals for Thailand. Following an increase in international arrivals in Indonesia to more than 9.4 million in 2014, Tourism Minister Arief Yahya set an aggressive target of 12 million international arrivals for 2015. In order to achieve this, the payment-on-arrival for visas has been removed for 35 more countries (total of 45), including from PR China, Hong Kong and Macau, by Presidential Decree Number 69 of 2015 on 14 June ([www.balidiscovery.com](http://www.balidiscovery.com)).

Malaysia and Singapore are the two largest source countries for Indonesia. These tend to be short trips to Batam, Java, Sumatra and Borneo, but have declined in the last year since MH370 went missing and an Air Asia flight crashed off Surabaya. Bali island is the number one holiday destination for most other foreigners, led by Australia with just under 1 million visitors each year. This market is showing signs of decline due to recent tensions between Australia and Indonesia following the execution of convicted drug smugglers and ongoing asylum-seeker-human smuggler conflicts. Australians still must pay US\$35 for the visa-on-arrival. China is now the second major source market for Bali, but as indicated markets are fickle and can change for many reasons. A brief summary of the historical context of Chinese in Indonesia is now presented.

### **What has been the experience of Chinese in Indonesia: then and now?**

Indonesia's population is estimated to be more more than 254 million as at January 2015 (<http://countrymeters.info/en/Indonesia/>), with an estimated 7 million ethnic Chinese, representing less than four percent of the population.

In 1965-66, that is just fifty years ago, Chinese were targeted for persecution as PKI (Communist Party) sympathisers. With the rise of President Soeharto, Chinese had business links, but were excluded from direct political participation. Chinese language newspapers, signs and public celebrations such as Chinese New Year and Mid-Autumn Festival were banned. Diplomatic relations with China were not restored until 1990. By January 2000, Chinese text could be used publicly in Indonesia. There was one Chinese TV channel, seven Chinese language newspapers and students in some universities could learn Chinese language skills, and Chinese New Year could be publicly celebrated. There are now six Confucius Institutes. But prior to the fall of Soeharto in 1998, Chinese businesses and individuals were targeted for attack, as they were again in January 2000, when radical Muslims led attacks against Christian churches, foreign businesses and individuals on Lombok island. All tourists on the island were evacuated at that time. Following the realisation of the devastating effect on the economy due to the loss of tourism income, key stakeholders have worked together more collaboratively to protect and promote Lombok as a peaceful, more relaxed destination than Bali (Fallon, 2003).

Due to the political historical sensitivities and concerns about safety and security, travel warning advisories, limited promotion in China, competing Asian destinations, and the opening up of Europe as a destination, it has taken a long time for Indonesia to become popular with Chinese outbound travellers.

In 2003, the key challenges for China-Indonesia tourism included:

Overcoming concerns about safety and security following the Bali bomb attacks in 2002; high start-up costs; limited number of approved travel agencies to handle Chinese tourists; few Chinese had credit cards then, and so there was a difficulty with payment; there was a lack of direct flights to Bali; the focus of agents was 'zero fee', but large commissions on sales, with the expectation that Chinese would spend up big (Fallon, 2008).

China's economic engagement with Indonesia in terms of trade and investment has been limited, but rapid change seems imminent. Consul General Hu Yinquan (Bali) stated that the direct investment from China to Indonesia increased 37 percent in the last year to US\$1.5 billion. In 2013 President Xi paid a state visit to Indonesia and signed many agreements with then President Yudhoyono on co-operation in economic, trade, financial, fishery, space and tourism fields under the umbrella of the Future Direction of China-Indonesia Comprehensive Strategic Partnership. Action stemming from these agreements is accelerating under the new leadership of President Joko Widodo ([www.fmprc.gov.cn](http://www.fmprc.gov.cn)). Due to the mature market in Bali, this could augur well for Nusa Tenggara Barat (NTB)- Lombok-Sumbawa, who has long lingered in the shadow of Bali. A Chinese hotel chain is considering a US\$280 million investment in NTB. With stronger bilateral ties expediting financial investment to support tourism as well as other industry sectors, Indonesia is likely to be considered more and more as a destination by Chinese. It is worthwhile then to move from 'hard' statistics to examine 'soft' values, desires and the reality of experience for the new Chinese travellers.

### **What do Chinese tourists want from their travel in Indonesia?**

As a teacher of tourism, this discussion focuses on the convenience sampling of students in front of me. In Zhengzhou (Henan) 2002, when I asked students what did they do in the Spring Festival or summer holiday break, the response was mostly 'sleep, eat, watch movies'. As mentioned earlier, opportunities for travel in, or out of, China, were restricted by government policy and lack of disposable income. However, just a little more than a decade later, students are being more adventurous, able to travel alone or in small groups of friends or family, for trekking, voluntourism in Pakistan and Africa; summer internships in Germany; semester-long internships in Disneyworld, Florida, or for independent sightseeing and relaxing in beach resorts in Thailand and Bali (personal communication, students 2014-2015).

Contemporary young, educated Chinese offer a new market segment for deeper investigation. Morgan and Xu (2009) explored the memories and dream destinations of British undergraduate tourism students at Bournemouth University. All had travelled outside of the UK. The most cited memorable holiday experience was the Mediterranean (29 percent) for the sun, sea and sand, relaxing with friends or family. However the favoured dream destinations were 'Down under' (Australia-New Zealand) -29 percent, followed by tropical adventures (19 percent) and 'exotic Asia' (13 percent), that is, outside of Europe.

By contrast, in replicating a similar study in China, from a class of 50 students in Guangdong province in 2014, only eight (16 percent) had travelled outside of China. Three students had been to Thailand. When asked if you could go anywhere in the world, Europe, especially Paris, rated as the number one choice, with 30 percent choosing Europe. In another class in Sichuan (30 students and 6 teachers), 58 percent chose Europe as the first choice, but distributed between 11 different countries. From these two classes (86), 42 percent selected Europe as the dream destination.

However, due to pricing and proximity, as mentioned, first travel experiences are likely to be short-haul journeys in east and south-east Asian destinations. Like Africa, Indonesia does not get mentioned in dream destination choices. If tropical islands are mentioned, it is more likely to be the Maldives, as the perceived ideal place for 'romantic honeymoons'. When I conducted a similar study in Zhejiang province in 2004, the memory of persecution of Chinese at the time of President Soeharto's downfall still remained a shadow in the minds of Chinese (Fallon, 2008).

In 2013, when I suggested a range of field trips in Asia, Europe or Australia, including to Indonesia for student teams to investigate and to create an itinerary, no team selected any of the Indonesian options. In 2014, students on a field trip to Singapore, Bali and Lombok expected just 'sand, sun and sea' in Bali. They were pleasantly surprised.

*'We love the unique architecture, the harmony between Hindu religion and daily life in Bali. We love the natural beaches and relaxed pace of Lombok, as well as the attractive city sights, museums and events of Singapore. We can recommend Singapore and Bali as a holiday destination for families and couples. Lombok is for the more adventurous seeking close contact with nature in the sea and in the mountain.'* (J)

*'I thought there was no need to travel in Lombok before we started this trip, because it's an island similar to Bali and more laggard than Bali, but after visiting..., I found there existed many differences...I like Lombok even better, for it is quieter and the sea there is cleaner. So I'm more convinced that experience and hearsay are totally two different things! Only when you have experienced it, will you know whether it's good or not.'* (C)

Perceptions about Indonesia are based on internet agency and traveller reports promoting 'sun, sea and sand', but the the travel experience resulted in a deeper understanding of distinctive culture, friendly host people and unspoilt natural beauty. The table below summarises the perceptions and reality of undergraduate Chinese travellers to tropical destinations.

Table 1: Perceptions and reality of undergraduate Chinese travellers to tropical destinations

Promotion source	Perception	Experience
bbs.qyer.com	'soft sands'	Distinctive culture; more than three S
www.mafengwo.cn	'blue, blue sea'	Kind, 'civilised' people
Weibo posts	Beautiful scenery	Safe; quiet; natural; unspoilt
Trip Advisor posts	Undeveloped; natural	Developed areas- dirty; crowded
	Dangerous	Unique mood and relaxed feeling
	Cheap	Cheap, but some try to trick tourists; they think 'Chinese tourists are rich and stupid'
	Delicious, spicy food	Delicious food; Kao shan Rd (Thailand) is not so good.

Students also reported that previously they had been on highly organised group tours with family or school in China with tight schedules. On the field trip to Indonesia, students had a chance to do some self-planning, within a broad research framework. They learned to 'relax' within the journey to focus on quality of experience, instead of 'racing' to do as much as possible. What is also important for this growing cluster of young Chinese travelling overseas is to be connected to the internet.

*'We are the internet generation, so WIFI connectivity is important for us, and therefore up-to-date and easy to find information on the internet is critical for Chinese holiday destination decision-making.'* (J)

One student who chose to go to Bali independently for ten days wanted a beach holiday, and chose Bali over Saipan Island and Guam because of price and the promotional material promised 'soft sands', 'blue sea', and a mix of developed and natural areas. The developed areas were perceived to be 'too crowded and dirty', but Lembongan island 'was like a dream' with 'beautiful sunsets, quiet environment, soft sands, blue and clear sea.' She would recommend Bali as a mature destination, but still with natural places and suitable for those on a 'limited budget' (email, June 22, 2015).

These students represent the strong emerging market of young professional, educated Chinese who will want to return to destinations with parents and children. They also represent a shift away from the image of the Chinese tourist as a cashed up shopper (Zhu, Xu & Liang 2015), and indeed it is doubtful that Chinese who come to tropical destinations have shopping as a high priority. Finding quiet, romantic and natural places with reasonably priced accommodation with a diverse range of local cuisine, and being able to relax are high on the agenda, and an area for further systematic research.



**What are the current challenges for collaboration in relation to China-Indonesia travel to Indonesia and tropical destinations in general?**

The free visa-on-arrival, along with more direct flights to Bali (and Lombok) and charter flights by Garuda and other airlines will increase visitor numbers from China. Increased numbers result in additional challenges. Tourism service representatives indicated that the biggest challenge was the lack of local Mandarin-speaking guides in Bali (personal communication, seminar, August 2014). However, the Tourism Minister's suggestion 'to import' Chinese guides was not well received. In Bali, guides must have lived in Bali for at least two years before being licensed as a Bali tour guide. A solution is to insist on bilingual/ trilingual tour leaders who travel with the tour group to act as a translator.

More visitors potentially may lead to more crime. More tourism police have been appointed in Bali, and recently 39 Taiwanese and mainland Chinese were deported for cyber crime that targeted their fellow citizens ([www.balidiscovery.com](http://www.balidiscovery.com)).

Chinese are willing to explore and to taste local cuisine, but there needs to be more signage and menus in Chinese to facilitate this exploration. Security, that is a sense of personal safety, health and hygiene is a high priority for anyone travelling to a tropical 'sun, sea and sand' destination. (This perception for Tunisia has tragically just been shattered by a devastating terrorist attack on a beach). Islands have their own special challenges. Due to high population density in the urbanised areas of Bali and Lombok, and the higher than local consumption of water and electricity by tourists in urban and rural areas, and periods of drought, water shortages, electricity outages, waste management and environmental protection continue to be critical issues that are not well addressed in practice (Fallon, 2002; Sutawa, 2012). Hampton and Yeyacheya (2014) document this well in their longitudinal study of Gili Trawangan, recently rated as Number Five popular island by Trip Advisor readers.

Bali and Lombok have an oversupply of suitable accommodation, meaning that visitors can readily find cheap yet good, clean, safe accommodation. More recently occupation rates of the hotels in the Lombok Hotels Association (formed after the Lombok riots of 2000) were reported as averaging 70 percent (60 percent is break-even point) (Webster, 2015). However, in April 2015, overall room occupancy rate for Bali averaged 55 percent and for Lombok only 40 percent overall ([www.bps.go.id](http://www.bps.go.id)).

Since Lombok's first Tourism Master Plan of 1987, tourism development on Lombok has been characterised by a shifting on-off agenda, driven by local land conflicts, changing political and financial power, and changing markets influenced by media reports, terrorism attacks, global financial crisis and lack of social inclusion for poorly educated, local communities at the margins of luxury large-scale tourism developments. NTB is still one of the poorest provinces in Indonesia with a Human Development Index (combined life expectancy, education, and per capita income) of only 67.73, compared with Bali (74.1) and Indonesia overall (73.81). The number of poor people is estimated to be 816,620, or 17 percent of the population, compared with Bali (195,950; 5 percent), and the under five mortality rate for NTB remains one of the highest in Indonesia ([www.bps.go.id](http://www.bps.go.id)).

Land investors continue to spruik speculative stories such as Emaar (UAE) groups' reservation and purchase of beachfront property at Kute south Lombok to develop a 3,000 + room resort 'The Address' as a 'green development project', complete with an eighteen-hole golf course. Other wealthy potential investors are

noted in relation to a 10,000 villa luxury development at this same location, 'the Mandalika Project'; a Formula One race track, an underwater theme park and entertainment set to rival Singapore's Sentosa island; and new yacht marinas (see BTDC starts, 2014; Lombokislandproperty.com). Since LTDC (Lombok Tourism Development Corporation) and Emaar have relinquished responsibility for south Lombok's tourism enclave development, BTDC (Bali Tourism Development Corporation) has stepped in.

The Tourism Masterplan was revised in 2011, with a planned investment of US\$192.35 million in a three-phase project, supported by the World Bank, and part of the 'Masterplan for the Acceleration and Expansion of Indonesian Economic Development MP3E1'. The first phase of 400 hectares is due for completion by 2021 (BTDC plans, 2014). Nothing much has changed in terms of the challenges noted by experts such as Wall (1998, cited in Fallon, 2002). If anything they have intensified, with the pressures of local population growth (currently 4.2 million-Bali, and 4.5 million for NTB, increasing between 1- 2 percent each year (www.bps.go.id), and increasing domestic tourism, as well as the surge in international arrivals.

I want to conclude on a positive note. Country-to-country projects such as the NZ Aid-funded support to develop community ownership and management of Gunung Rinjani National Park (Fallon, 2002); US Aid-funded small grants such as a grant to the University of Gunung Rinjani for local capacity building and developing a local regulation (*awig-awig*) at Bumbung Bay, Pujut (IMACS, 2013); and the new Korea-Indonesia Forestry Project for Gunung Tunak (Mertak -Bumbung-Awang) ( [http://kifc-jakarta.org/ project.php](http://kifc-jakarta.org/project.php)) to work with the local community to develop eco-tourism projects and sustainability indicators seem more in line with holistic tourism development plans in keeping with a sustainability concept that integrates 'environmental, social, economic and climate responsiveness' (Law, de Lacy, Lipman, & Min 2015). See also Jamal and Menzel (2009). The only criticism of course with such projects, is how long lasting are the effects, once the project money has been expended?

From the recent information about China-Indonesia partnerships, it should not be long before large scale investors are ready to support tourism development on Lombok. The Master Plan for Mandalika must ensure the development is sensitive to community and environment, utilising solar energy, water catchment, reduction and recycling of water in an area that has been prone to periodic severe drought and famine.

### **Recommendations**

Key recommendations for NTB and Indonesia specifically, and for tropical destinations generally:

1. Establish an MCSTO with support from UNWTO, and partner with China's Sun Yat-sen University who have been the pioneers in establishing these observatories to identify relevant local sustainability indicators (MCSTO-UNWTO, 2015; see also Fallon, 2002), to train local communities to monitor, measure and improve good tourism practice;
2. Establish co-operative people-to-people exchanges between Indonesia-China, as recommended by Presidents Xi and Widodo in order to understand values, language and local culture and needs, and to research more deeply the emerging market segments from China;
3. Involve local community to develop trust, build collaborative relationships, develop local capacity to ensure security, protection of tourism investment (see Fallon, 2002; 2003); and community harmony with

equitable distribution of economic benefits and environment protection and adaptation to climate challenges, such as water and energy shortages.

## Conclusions

This paper is an extension of an Indonesian case study commenced in 1998. Changes in leisure tourism from China to Indonesia are outlined, and considered in the historical context and changing relationships between China and Indonesia. Attitudes towards travel to tropical destinations and travel choices have been explored in a small-scale preliminary but ongoing study with a convenience sample of undergraduate tourism students in China. Currently China and Indonesia are enjoying a strong relationship at the highest level and a number of co-operation agreements have been signed, including for tourism. The scale of Chinese investment in Indonesia hotels and resort accommodation is poised to expand dramatically. In anticipation of the surge of leisure travellers from China, critical challenges remain to ensure that development is in accordance with a comprehensive sustainability agenda, that is, environmentally sensitive, genuinely collaborative and supportive of local community development and generates strong and equitable economic benefits for the community. If these challenges are not met, and there are high levels of dissatisfaction from the current strong Chinese market, this market will not be long-lived for NTB, Bali or other tropical destinations.

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