

# Strategic Analysis & Opportunities

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## PROCEEDING

The 14<sup>th</sup> UBAYA International Annual Symposium on Management

# A BIG PUSH TO A WORLD-CLASS TOURISM: STRATEGIC ANALYSIS & OPPORTUNITIES

Tanjung Pinang, Riau Islands, Indonesia 3<sup>rd</sup>-4<sup>th</sup> March 2017

Department on Management Faculty of Business and Economics, Universitas Surabaya, Surabaya, Indonesia

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14th UBAYA INTERNATIONAL ANNUAL SYMPOSIUM ON MANAGEMENT

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14th UBAYA INTERNATIONAL ANNUAL SYMPOSIUM ON MANAGEMENT

# THE TRANSFORMATION STRATEGY OF A FARM BASED VILLAGE INTO TOURISM VILLAGE: A CASE STUDY ON WESTERN PARTS OF SLEMAN REGENCY, YOGYAKARTA SPECIAL PROVINCE

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#### Abstract

The research is a case study of transformation efforts conducted on a farmbased village into a tourism village. The locus of the study was Western parts of Sleman Regency, Yogyakarta Special Province. Applying communitybased and sustainable tourism development, the paper conducts analyses and offer strategies and recommendations to transform the village from a pure farm-based village into a agrotourism village. The objective of the transformation was to provide value-added to the farm potentials of the village with tourism-based activities.

The study outlines the steps necessary to take in the transformation and provides analyses for each of the steps. It was started with the strategic situation analyses at the micro level of the village and Sleman regency as well as at the macro level of the Yogyakarta Special Province. Furthermore, there was identification and assessment of the tourism potential attractions of the village which are matched with the market's current demand. There were also assessment of the tourism-related aspects of destination (including access, attractions, amenities, and society empowerment), industry (network with tourism industry, partnerships with tourism-related industry, quality standardization, etc), marketing (branding and marketing communication) and human resources and institutional building.

Keywords: transformation, agriculture, tourism, destination

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#### The Transformation Strategy of a Farm-based Village into Tourism Village: A Case Study on Western Parts of Sleman Regency, Yogyakarta Special Province

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#### **Research Background**

Tourism activities develop in line with human needs. Although in general, visitors participate in tourism to seek pleasure, the activities during the visit depend very much on the problem, motivation, education, culture and many other factors from the visitor's perspective. For example, visitors originally coming urban area badly need to release the tension in their daily hectic routines. This is an opportunity for the rural area to offer rural tourism in which visitor can enjoy the rural tourism attraction without being in rush.

The development of tourism industry which is in line with the development of the human needs creates numerous kinds of tourism activities from mass tourism with main purpose is for pleasure (hedonism) to special interest tourism focusing on the more specific activities.

Special Interest Tourism is a form of tourism activity, either individual, small group or big one purposing to learn and gain experience about something about the area being visited. (Fandeli, 2002:107). One new form of tourism activity is described by Wall and Weiler (1992:4, Smith: 1992) as followed :

"The special interest traveler wants to experience something new, whether it is history, food, sport, customs or the outdoors. Many wish to appreciate the new sights, sound, smell, tastes and to understand the place and it's people"

Special interest tourism is frequently called as active travel gaining new experience, social tourism, educative tourism and many others. Fandeli (1992:107) stated that special interest tourism focuses on:

- 1) **Culture Aspects** such as tradiotional dance and music, crafts, architecture, tradition, economics activities, history etc.
- 2) **Nature Aspects** such as biodiversity, geological phenomenon, national park, rainforest, waterfall, rivers, beaches, and a particular ecosystem

Fandeli (1992:110) mentions some criterias used to define that a activity is considered as special interest tourism. The criterias are that that activity should be:

- 1) Learning; the activity is educative in nature
- 2) **Rewarding**; the activity expresses an appreciation and admiration to the attraction
- 3) Enriching; the activity possibly expands the society's knowledge
- 4) **Adventuring**; the activity is adventurous

Considering the flexibility of special interest tourists, most area, both rural and urban, are quite possible to be developed as special interest tourism destinations. For the last decade, demand for special interest tourism is growing fastly. One genre of growing special interest tourism is agriculture-based tourism also known as agro-tourism. United States as the potential market for international tourism shows a posivite trend towards this kind of special interest tourism. Time Magazine (October, 2005) noted that trips for agriculture based-tourism increase sharply by 30% for the last decade in the United States. In 2015, Tripadvisor, a widely-known tourism website, conducted a research and found that visiting destination with high local content is one of the main tourism motivation

As for Indonesia, the demand for special interest tourim specifically for agrotourism also indicates a positive trend. Realizing that there is a great shift from mass tourism to special interest tourism, in 2012, the Ministry of Tourism and Creative Economy decided to employ the tourism development strategy focusing on seven kinds of special interest tourism namely Culture and History Tourism, Nature and Ecotourism, Sport Tourism, Cruise Line Tourism, Culinary and Shopping Tourism, Health and Wellness Tourism and Meeting, Incentive, Convention and Exhibition (MICE) Tourism.

This national strategy is also reflected in the regional strategy including the tourism development strategy of Yogyakarta Special Territory. The shift from urban to rural tourism attraction also happens in Yogyakarta. The visitors prefer the unique and natural attraction to an urban one. The trend can be clearly presented by the following table.

Region	Number of Visitors					
	2010	2011	2012	2013	2014	
Sleman	44.414	102.420	137.281	157.770	218.512	
Kulon Progo	12.612	26.709	40.401	91.972	1.73.475	
Gunungkidul	0	0	415.885	759.142	1.183.983	
Total	57.026	129.129	593.567	1.008.884	1.575.970	

**Table 1** Number of Visitors to Village Tourism of Yogyakarta in 2010-2014



Source: Tourism Statistics DIY, 2014

Exhibit 2: Trend of Tourism Village Visit of DIY 2010-2014 Source: Tourism Statistics DIY, 2014

Demand for non-farm land tends to increase day to day. This phenomenon unavoidably leads to the decrease of the number farmland since it is converted into non –farm land.

Since it is located exactly next to Yogyakarta Municipality, the number of farm land, both wet and dry land, continues decreasing over the time as presented by the table below.

No	Veen	Land Use (Ha				
	Year	Sawah	Tegal	Pekarangan		
1	2009	24.889	5.104	18.909		
2	2010	24.796	5.094	19.012		
3	2011	24.749	5.047	19.107		
4	2012	24.665	5.036	19.201		
5	2013	24.600	5.025	19.278		
6	2014	24.543	5.018	19.340		

**Tabel 2:** Farm Land Use in Sleman Regency

Source: Office of Regional Land Use Control, 2014

District of Minggir, Moyudan, Godean and Seyegan are in western parts of Sleman Regency. These regions are suitably good for agriculture business especially for cultivating rice. Moreover, these regions are expected to maintain its performance as the regions with many farmlands in most of their area. Even, the government includes these regions as part of food resistence strategy for the next 20 years. Therefore, enforcement to support the strategy is badly needed. Once, the government applies an increase on the land use conversion tax. Hopefully the strategy will reduce the pace of land use conversion.

On the other hand, western part of Sleman Regency has various home industries from culinary to crafts. To strengthen these home industries, the government provides many capacity building programs on technical skills, financial skills and service excellence.

Considering the dominant potentials in agriculture and creative industry, the strategy to leverage the local economy is by developing agriculture sector combined with tourism sector focusing on agriculture and creative industry. In doing so, some sectors need improvement such as human resources, accessibility, marketing and amenity. On the other hand, based on geographical aspect, the western part of Sleman Regency is less fortunate for it is located quite far away from the existing entry gate of Yogyakarta Special Territory, International Adisutjipto Airport. But it will be no longer so since the new international bandara, which is about to build in Kulon Progo Regency, is close to the western part of Sleman Regency. The would be international airport, expected to welcome 15 million international visitors annually, will be built in Temon District of Kulon Progo Regency which is 30 – 40 km away or 40-60 minutes from western part of Sleman Regency. This will increase the accessibility of western part of Sleman Regency to the entry gate of international visitors. Marketing efforts to increase the competitiveness of this region requires such a big effort because comprehensive tourism networks should be built immeadiately.

The study aims to obtain comprehensive picture of agriculture-based tourism potential and offer a recommendation about implemented strategy in developing agriculture-based tourism in Sleman Regency especially its western part.

#### **Literature Review**

The study on the Development of Agrotourism in western parts of Sleman Regency refers to the following concepts.

#### 1. Sustainable Agrotourism Development

Sustainable development currently become global agenda in the development process all over the world. The concept was firstly introduced by World Commission on Environment and Development Report in 1987 by defining Sustainble Development as 'meeting the needs of the present without compromising the ability of future generations to meet their own needs'. Based on the definition, World Tourism Organization (WTO)applies the concept to tourism sectors resulting in the definition of Sustainable Tourism Development as the following.

"Sustainable tourism development meets the needs of present tourists and host regions while protecting and enhancing opportunity for the future. It is envisaged as leading to management of all resources in such a way that economic, social, and aesthethic needs can be fulfilled while maintaining cultural integrity, essential ecological processes, and biological diversity, and life support system."

The concept soon was adopted by many countries with some adjustment based on the existing condition. For example Organization of East Carribean States (OECS) define the concept of Sustainable Tourism Development as the followings:

"The optimal use of natural and cultural resources for national development on an equitabel and self-sustaining basis to provide a unique visitor experience and an improved quality of life through partnership among government, the private sector and communities."

The more operational definition of Sustainable Tourism Development is composed in British, Columbia, Canada (Rees, 1989 in Gunn, 1994) by defining Sustainable Tourism Development as the followings.

"Sustainable development is positive socioeconomic change that does not undermine the ecological and social systems upon which communities and society are dependent. Its successful implementation requires integrated policy, planning, and social learning processes; its political viability depends on the full support of the people it affects through their governments, their social institutions, and their private activities." Based on the definition, there are at least three key concepts of tourism development:

- 1) Having positive socio-economic change
- 2) Does not undermine the ecological and social systems
- 3) Integrated policy, planning, and social learning processes

Indonesia also adopted these three key concepts and mentioned it in Piagam Pariwisata Berkelanjutan (Sustainable Tourism Act, 1995). The act underlined that sustainable tourism development is the one supported by ecological and economics eligibility as well as fair and having social justice for the society. In doing so, good governance is badly needed by inviting active and proportional participation from the government, private sectors and the society

Agroturism is defined as a form of tourism activity taking advantage of the agriculture business as the tourism attraction. The activity aims at extending knowledge and experience as well as doing recreation and obtaining network in agriculture business. Hopefully, by developing agrotourism exposing local culture in cultivating agriculture potential, farmers are able to increase their income as well as manage to conduct the land, culture and indigenous knowledge conservation. From the perspective of tourism demand, education and training is imperative to manage the new technology adoption, win the competition resulting in the actualization of the principles of sustainable tourism. Therefore, the increase of accessibility and quality of education especially for local society becomes the main and ultimate goal of th development (Ardiwidjaja: 2003). The reason behind this is because the local society will play the dominant and important role in the process of development starting from the planning until the implementation.

#### 2. Competitive And Comparative Advantage

Competitive advantage is a concept of excellence derived from differentiation from others. Porter (1993) states that competitive advantage is imperative for a country expecting to win the global competition . Moreover, there are three strategies to obtain the competitive advantage: (1) Cost Leadership; (2) Differentiation; (3) Focus.

In terms of region, the competitiveness of a region is very important for the development of the region itself. By holding the principles of autonomy and decentralization, government has full authority to develop regional economy by establishing local development boards, building the capacity of human resources, creating good atmosphere for investments and enforcing active participation from private sectors and the society. Region competitiveness can be defined as:

1) Economy and local society ability to increase their living standards by producing something that is internationally accepted; and therefore manage to obtain high and sustainable income.

- 2) The ability of the constituent of a certain region to run a local business in the region manage to win the international market by offering more added value than the competitors.
- 3) The ability to invite foreign investment and determine their productive role.

The theory of comparative advantage, introduced by David Ricardo, states that the superiority of a country results from the ability to make more products and services with lower costs.

#### 3. Integrated Tourism Planning

As stated by Suharso concerning important principle the value of time, tour operator should make sure that the visitors have more opportunity to visit more places and have qualified tourism experience. In doing so, Pelupessy suggested what it is called by tourism track. Furthermore, he mentioned that integrated tourism development means developing tourism destination by considering tourism spots, characteristic of the tourism attraction and interconnection among the tourism attractions. One approach being implemented in the concept of integrated tourism planning is cluster approach. This approach concerns with focusing and strethening the quality of connections among parties involved in tourism activity. The components of tourism cluster include:

- 1) Attraction (nature, culture, man-made/ special)
- 2) Amenity and supporting infrastructure such as hotel, amusement center, shopping center, tour operator, travel bearau and airline, restaurant and bar, tourism products suppliers)
- 3) Institusi concerning with eduction of tourism human resources such universities, training center etc.
- 4) Local public sector

The components can be systematically presented as the followings.



Exhibit 2. Strategic Regional Cluster Concept

#### 4. Community Development

Community development is believed as the strategic approach in increasing social welfare. More sustainable results is obtained as long as the society is actively involved in determining the development process suitable with their own needs. Society could analyze their own problem, find the solution as far the human resource can manage. The society also make their own decision, implement as well as evaluate the effectiveness of the plan. In this case, government and other parties are expected to support and facilitate the development.

Below are the principles of community development efforts

- 1. *Enabling*: creating atmosphere or condition in which the society can develop the potentials
- 2) *Empowering*: strengthtening the society potentials
- 3) *Protecting*: avoiding unequal competition as well as exploitation of the low class

The purpose of the community development is facilitating the society to be able to analyze their own problems and find the solution based on their own capacity and limitation. Moreover, the society is able to stimulate themselves to develop their business using all the resources they have and developing system to access the resources being required.

In terms of tourism context, the society involvement is implemented in three areas namely planning, implementation and share benefits.



#### Exhibit 3. Sociey Involvement in Community Development Concepts

		Tourism Attraction				
Tourism Destination Development Theme		Nature- based	Culture- based	Man-Made		
Minggir, Moyudan and Seyegan area	Agriculture-basedtourismMain attraction in thisarea:Natural landscape ofagricultureactivities,areas along the Van DerWijktunnel,andagriculture-basedcraftshome industry. mina padi.	-	-	a. Van der Wijk tunnel; b. Mina padi.		

The existing tourism potentials in western parts of Sleman Regency

Details of development policy of tourism destinastion in western parts of Sleman Regency consisting of District of Minggir, Moyudan, Seyegan, and Godean are presented below.

# Tabel ARAH KEBIJAKAN: Development of Agriculture-based Tourism

No	Stratogy	Program Indicator	Stage I	Stage II	<i>Government Institution/</i> Other
No	Strategy		2015- 2020	2021- 2025	instiution Involved
1	Promoting tourism visit by optimizing agriculture-based tourism and culture activities to accelerate local economy				Government institution on tourism, transportation, communication, public facilities, agriculture and fishery, cooperation,trading and small medium entreprise, irrigation and traditional market
		Developing public facilities supporting the tourism attraction			Government institution on tourism, transportation, communication, public facilities, agriculture and fishery, trading, industy and small medium entreprise, irrigation
		Developing agriculture-based tourism			Government institution on tourism, transportation, communication, public facilities, agriculture and fishery, cooperation,trading and small medium entreprise, irrigation and traditional market.

No	Strategy	Program Indicator	Stage I 2015- 2020	Stage II 2021- 2025	<i>Government Institution/</i> Other instiution Involved
		Developing attraction for traditional market			Government institution on tourism, transportation, communication, public facilities, agriculture and fishery, cooperation,trading and small medium entreprise, irrigation and traditional market
2	Developing agriculture-based tourism package around the area of Minggir	Developing inter sub-district access			Government institution on tourism, transportation, communication, public facilities, and irrigation, private sector in tourism service.
3	Developing agriculture-based crafts in Minggir District to support agriculture- based tourism	Developing center for agriculture-based crafts			Government institution on tourism, agriculture and fishery, cooperation,trading and small medium entreprise, irrigation and traditional market, education and agriculture research institution
		Developing agriculture-based products			Government institution on tourism, agriculture and fishery, cooperation,trading and small medium entreprise, irrigation and traditional market, education and agriculture

No	Strategy	Program Indicator	Stage I 2015- 2020	Stage II 2021- 2025	<i>Government Institution/</i> Other instiution Involved
					research institution
4	Developing local indigeneous agriculture cultivation and culture to support tourism activity	Optimizing agriculture activities and land fishery perikanan.			Government institution on tourism, agriculture and fishery, irrigation, cooperation,trading and small medium entreprise, irrigation and traditional market, education and agriculture research institution
		Developing skills to make fish-based products to support culinary tourism			Government institution on tourism, agriculture and fishery, cooperation,trading and small medium entreprise, irrigation and traditional market, education and agriculture research institution
5	Developing rural tourism attraction appropriate with agriculture character	Developing rural tourism festivals such food security events, local products festivals etc.			Government institution on tourism, agriculture and fishery, cooperation,trading and small medium entreprise, irrigation and traditional market, heritage and culture, education and agriculture research institution, private tourism business,

No	Stratogy	Program Indicator	Stage I	Stage II	<i>Government Institution/</i> Other
NU	Strategy		2015- 2020	2021- 2025	instiution Involved
		Developing integrated rural tourism package for Minggir are in which consisted of agriculture, mending crafts, local culture activities and heritage			Government institution on tourism, culture, cooperation,trading and small medium entreprise, agriculture and fishery, irrigation and traditional market, heritage and culture, education institution, private tourism business.
6	Developing local and unique crafts around Minggir	Developing product design to compete in the international market facing the free trade and MEA.			Government institution on tourism, cooperation,trading and small medium entreprise, agriculture and fishery, economy, education institution.
		Developing network for marketing and introducing local products			Government institution on tourism, cooperation,trading and small medium entreprise, agriculture and fishery, economy, education institution.

#### **Research Method**

The study employed mixed-method Approach. This method provides philosophical assumption to give direction and way to collect data as well as analyze data and also a mix of qualitative and quantitative approach by conducting research in some stages.

Mixed-method approach results in a more comprehensive fact because the researcher is able to optimize the use of all data collecting instruments needed. Mixed-method Approach makes the researcher form a collaboration in terms of social, behavioral and humanistics aspects, the one which is not accommodated in quantitative and qualitative research.

The stages in conducting the research on developing agriculture-based tourism in western parts of Sleman Regency using mix-method approach are the followings:

1. Data Collecting

The data used in the research is secondary data collected indirectly from other institution. The data is documentary of some related institution, both published and unpublished. There are three methods in collecting secondary data:

- 1) Document Observation, collecting data by making documentation of pictures, articles, books, monograph and other documents related to the topic
- 2) Discussion, obtaining insights from stakeholders, governments and local leader to find alternative activities and solutions
- 3) Focus Group Discussion (FGD), obtaining deep insights from the representative of the population to support triangulation data analysis technique.
- 2. Identification and Analysis

The research employs SWOT analysis to elaborate the internal aspects in terms of weakness and strength, and also external aspects in terms opportunity and threats. To explain those aspect, the research used SWOT matrix describing clearly about how the strengths and weaknesses address the opportunity and threats. SWOT analysis is directed to give orientation in developing positioning strategy.

- 1) External Factor Analysis Summary (EFAS): summary of all external factors consisted of opportunities and threats, the summary is presented in the form weighted scale of EFE Matrix.
- 2) Internal Factor Analysis Summary (IFAS) : summary of all internal factors consisted of strengths and weaknesses, the summary is presented in the form weighted scale of IFE Matrix.
- 3) Strategic Factor Analysis Summary (SFAS): summary of all external and internal factors

#### Table 3. SWOT Analysis Diagram

IFAS	STRENGTHS (S)	WEAKNESSES (W)
OPPORTUNITIES (O)	<b>STRATEGI S-O :</b> Strategy of using strengths to to utilize the opportunity	STRATEGI W-O : Strategy of minimizing weakness to utilize the opportunity
THREATS (T)	STRATEGI S-T : Strategy of using the strength to overcome the threats	STRATEGI W-T : strategy of minimizing the weaknesses to avoid the threats

3. Formulating policy, strategy and program.

This stage aims to compose policy, strategy and development orientation to formulate strategic guidelines referred in developing agriculture-based tourism in western parts of Sleman Regency. The policy is crafted using Focus Group Discussion among the related sectors; government, private sectors and society.

#### **Results and Discussions**

Agriculture sector, accounted for 13,15%, is the biggest PDRB contributor in Sleman Regency which absorbs 13,01% of totally 1.065.984 people in the regency. Therefore this sector is considered a strategic sector in developing regional economy. In consequence, the concept of landscape design should be directed to facilitate the establishments of agriculture-based businesses.

Most of areas in Moyudan District, accounted for 50,7% of 2756 Ha, are used as paddy field. Therefore, the dominant agriculture product from this district is rice although other products are still available in the district such as cassava, corn, long beans, chilli other vegetables as well as fruits such as mango, durian, orange etc. Cattle breeding in this district is dominated by poultry such as chicken, duck etc and other cattles such as cows, goats and pigs. The distribution of the cattle is all over the district.

In terms of tourism attraction, there is a well-known tourism attraction in Moyudan District namely Gampong Village Tourim. This village produces hand-woven clothes using manual weaving instruments. This makes the village looks unique and exotic. On the other hand, the village also produces various kinds of craft made of natural substances such as water hyacinth (enceng gondok), coconut leaves etc.

The same thing happens to Minggir District. The land use for agriculture especially for paddy field is 52,1% out of 2.726,32 ha of the total land in the district. Total rice production of this district is 24.386 tons from all over the sub district in Minggir. Other agriculture products of this district are corn, peanuts, cassava and sweet potatoe. Corn is only produced in Sendangagung, accounted for 15 tons annually. On the other hand, Sendangagung manage to make the highest production for peanuts; 42 ton in 2015.

Some parts of the wet farm land in this district are used to cultivate mendong, kind of grass planted in watered-land. Minggir is famous as mendong producer in the region. Mendong is processed in such a way that the final product is mats. The centre for mendong producers are in the sub district of Sendangagung. The other crafts produced in the district is various kinds of crafts made of bamboo. Even this crafts manage to compete in the international market. A traditional kitchen utensil, wooden grater, is also produced by Sendangagung sub district. The main material of the grater is wood. It is said people prefer wooden grater to the more modern one because it needs less time to grate coconut, and also cheaper in price. For culinary products, the districts produces some unique culinaries such as eel chips, innards chips, spinach chips etc.

As for Seyegan District, rice production also dominates the agriculture production of this district. The rice production of Seyegan district accounted for 248.651,2 tons, mostly from Margodadi sub district. Other agriculture productions of this district are corn, peanuts, chilli, salak pondoh, rambutan, durian, sawo, duku, mango, papaya, banana, avocado, jackfruits, and guava. Other farm production of this district is cattle breeding. There are various cattle breeding available here such breeding farm fo horse, cow, buffalo, goat and pig. Other breeding is also available such as chicken and duck. Furthermore, the district also has some small scale of land fisheries.

The tourism attraction in Seyegan sub district is Grogol Village Tourism with the main attraction is the ceremony of Tuk Si Bedhug. This ceremony is held only once a year in July. Very strong rural atmosphere in this village tourism is another tourism potential from this district.

The last district being discussed is Godean District which has more or less the same agriculture products as the other districts. This paddy fields in this district accounted for 50,9% out of the total land of the district 2684 ha. The other products are also more or less the same as the other districts such as corn, cassava, peanuts etc. The cattle breeding and land fisheries in this district are also similar to the other districts.

The Godean District had the landscape of quite wide flat land with a few mountaneous area. From years, Godean district is the centre for economic activities especially for the western parts of Sleman Regency. Central market of Godean is one famous traditional market because it has a wide range of eel chips sellers. Eel chips become unique souvenir from Godean. Therefore, there are many visitors coming to the market to buy the chips. Other products from Godean District is roof tile made of clay. Even, Godean becomes the main supplier for clay roof tile for all over Sleman Regency.

#### CONCLUSION AND RECOMMENDATION

At the previous part we have discussed the potential of Sleman in fostering agrotourism for each district. Based on these analysis, we propose the direction of agrotourism development in Sleman regency and some recommendations pertaining the strategy in the future.

Traditionally, local people tend to think partially in developing their village. This paradigm will bring the village into slow or even be stagnant in the long run. We must shift this traditional paradigm into modern one that integrate at least four domain which are destination, marketing, institutional building and human resource, and industry. We propose to start with the institutional building and human resource domain in developing western part of Sleman regency. The other three domains will follow.

We emphasize the institutional building and human resource because of this capability to ensure the integration of village development process. There is such a different orientation between agriculture based community and tourism based community. Agriculture based community (village) focus its efforts to produce agriculture products, while tourism community requires hospitality and high standard of service to provide. When a flock of tourist visits an agriculture site, they do not just want to see the agriculture production process (its production area, tools involved, seedling process and so on). Beyond this production process exposure, they need hospitality and services that complement and even create a value added for the production process itself. Each district (Minggir, Moyudan, Seyegan, Godean) has its unique characteristics. We need more than one model to transform the agriculture based community in the western part Sleman regency into the tourism based community. Research on this will be needed in the next future to ensure the model fitness with the certain district.

The implication of this paradigm lead to reengineer the institutional building in each village. The head of village together with all community should decide the organizational structure that incorporates tourism as part of village organizational structure. Thus head of village is responsible for the cooperation and coordination between agriculture production and tourism institution. Especially in the early stage of development, a strong leadership of the head of village will become the key success factor.

Another part that is connected with institution building is human resources. Generally, local people have a relatively low educational background. Their dominant competency is on farming. Asking them to provide hospitality and service for visitor is like to put another burden that they can't afford it. It would be better to prepare other local people that do not involved in farming. Building such hospitality and service competency is needed. Higher Education institution might take part at this point. Higher education institution can provide them with many training supporting hospitality and service needed in tourism industry. *Service Excellence*, special interest tour guides, Managerial competency (accounting, IT and Internet, graphic skill, foreign language) are examples of training could be prepared. Certification of human resource competency would increase the visitors' belief that they would be treated properly.

The other three domains are destination, marketing, and tourism industry. We are going to discuss each of these at the following paragraphs.

Destination covers accessibility, attraction and amenities (unique selling point each village). Most of our villages with certain destination are dispersed in western part of Sleman regency. At the present time, we can reach this location, eventhough the road is narrow (around 4 meters) and the quality is quite low. In developing tourism destination, accessibility is required. The government should take this responsibility in increasing the quality of road to facilitate the visitors to come easily.

To enhance the visitor efficiency in spending time in short leisure time, it is needed to map the tourism destination. Tour packages that link one and another tourism destination will help visitor to spend their time efficiently. This would be perfect when we already identify each village destination unique selling point.

Beside the destination discussed previously, we need to provide amenities (e.g. parking area, rest area, and sanitation). Tourism institution may invite local people participate in setting up their residence in order to provide places for visitor spent the night in certain destination. Creating and crafting such a unique destination will make visitor to stay little longer and spend much more money. Mina padi is one of several alternatives attraction which could be offered to local and international visitors. Under experiential marketing approach, village tourism institution may choose one or two steps in establishing mina padi system (seyegan: cibuk kidul and margodadi for example). They could offer visitors start from planting paddy, feeding the fish or catching the fish from the mina padi system. For several visitors, planting paddy in a muddy land or catching the fish is a marvelous experience. In short, the wider the attraction we propose, the larger the visitors will come to spend their leisure time in the village.

#### The Policy and Role of the Government

In order to support the efforts of village community in transforming into tourism based village community, it is mandated to prepare some policy at the Sleman regency level. Some of the policies are

1. Decision to set Minggir district as farming area with the value added of tourism destination based on cane plantation at Sendang Agung and

Moyudan district with its creative industry (weaving home industry, natural coloring with indigo, etc.)

- 2. Policy to developing Sendang Agung as tourist destination based on cane farming for its Unique Selling Point. The government may offer any incentive programs such as subsidized seeds, integrated marketing efforts, and facilitating accessibility, amenity and attraction.
- 3. Policy on developing culture events and culinary as added attraction
- 4. Policy on developing creative industry
- 5. Policy on investing in tourism destination at Minggir and Moyudan district.

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