

CHAPTER 1

INTRODUCTION

1.1 Background of Study

Tourism has now become a rapidly growing industry in a country. Tourism can be used as a measure of a country's revenue. This is because tourism is one of the contributors to the country's foreign exchange. Every country is trying and competing to attract tourists to visit their country. In Indonesia itself, the government is seriously developing existing tourism.

This is realized by establishing a Tourism and Creative Economy Agency where the agency is tasked with developing, coordinating the results of creativity and tourism. The role of tourism in addition to being a source of foreign exchange earnings, also creates and expands business fields, can increase people's income and also the government. Tourists are an important element in tourism.

The development of a tourist attraction can be seen from the number of tourists who come to visit. In determining the tourist destinations to be visited, of course, tourists have several considerations. One of the tourist destinations that is currently developing is Bali Lestari Beach.

Bali Lestari Beach is a beach located on Pantai Cermin. Pantai Cermin itself is located in North Sumatra and has to travel quite a distance to reach its location. It is called Bali Lestari Beach because this beach has a gate that is similar to the Bali area which is located in the archipelago of Nusa Tenggara. Thus that the decorations are typical of the Balinese atmosphere, namely the

existence of small umbrellas on every seat on the beach, the trees are also decorated with Balinese sarongs with black and white checkered patterns. makes us feel we are in Bali. The following is a picture of Bali Lestari Beach can be seen below:



Sources: Bali Lestari Beach, 2022

Figure 1.1. The Front of Bali Lestari Beach



Sources: Bali Lestari Beach, 2022

Figure 1.2. The Behind of Bali Lestari Beach

Based on the initial observations that researchers have made, the Bali Lestari beach in recent years has decreased in the number of visitors which, although it is considered not too significant, but if left for a long time will have an

unfavorable impact. This is considered to have happened since 2017 until 2021 where the many beaches around Bali Lestari Beach make consumers have various alternative places to enjoy their time so that of course makes consumers slowly start switching to other beaches.

This decrease in the number of visitors is assessed because of the influence of the location of the Bali Lestari beach itself. The following is a table of the number of decreased number of visitors on the beach in Bali:

NO	Years	Number of Visitor
1	2017	334.403
2	2018	317.715
3	2019	291.514
4	2020	189.093
5	2021	203.019

Sources: Bali Lestari Beach Manager, 2022

Figure 1.3. Table of Decrease Customer in Bali Lestari

According to Kurniawan (2018:36), location is a place where entrepreneurs determine the location of their business where the choice of place is the most important factor in running a business.

At first the location is considered a little difficult to access because it has a small entrance so that when it is crowded with consumers, the road will become very congested and experience long traffic jams. so this of course makes consumers lazy to go there. In addition, for the parking area of Bali Lestari Beach itself, even though it has a very large parking area. The following is a picture of the road to visit Bali Lestari Beach:



Sources: Bali Lestari Beach, 2022

Figure 1.4. The Road of Bali Lestari Beach

Moreover, there are complaints from some consumers that the location is considered less clean and there is garbage everywhere making it lazy to visit. The following is a picture scattered trash in Bali Lestari Beach:



Sources: Bali Lestari Beach, 2022

Figure 1.5. The Trash at Bali Lestari Beach



Sources: Bali Lestari Beach, 2022

Figure 1.6. Customer Complain

Another factor is thought to come from the provision of facilities. According to Saihudin (2018:33), Facilities are all equipment needed in the sales process, both movable and immovable so that the achievement of sales goals can run smoothly, effectively, regularly and efficiently. In this case consumers complain that facilities from the beach are often damaged, such as chairs that have been for a long time or there are several chairs that have been damaged but are

still used or some bananaboats or speedboats are also considered damaged and have not improvements were made so that the number of game facilities was limited and consumers had to queue frequently to use these facilities.



Sources: Bali Lestari Beach, 2022

Figure 1.7. Customer Complain



Sources: Bali Lestari Beach, 2022

Figure 1.8. Bad Facility (Rusted Chair)

Based on previous research conducted by Sukotjo (2020) entitled the effect of attraction, accessibility and facilities on destination images and it's impact on revisit intention in the Marine Tourism of The Wakatobi Regency, the results of his research found that attraction, accessibility and facilities have a significant

effect on destination images and its impact on revisit intention in the Marine Tourism of The Wakatobi Regency. In addition, as for the research conducted by Lebu, et al (2019) entitled the influence of location, price and tourist attraction on the decision to visit tourists at the Lake Linow tourist attraction, the results showed that the location had a significant influence on the decision to visit tourists at the Lake Linow tourist attraction.

The main objective of this research is to investigate whether there is an influence of location and facility towards visiting decision. Because of that, writer is interested to conduct a research with the title: **“The Effect of Location and Facility Towards Customer Visiting Decision at Bali Lestari Beach Sumatera Utara.”**

1.2 Problem Limitation

The purpose of problem limitation is to create boundaries to focus on the main problem needed to be discussed. So that the discussion is not long-winded and effective. For the problem limitation, writer will focus on three variable which are location, facility and visiting decision for the problem limitation. This thesis aims to investigate on how location and facility can affect visiting decision. This research will focus on customer of Bali Lestari Beach since they have the experience there. The problem limitation that will be discussed by the researcher:

1. The survey will be limited to 100 customer who have visiting Bali Lestari Beach, at least for the first time and spread using questionnaire.
2. The discussion will only be limited to three variables which are location, facility and visiting decision.

3. The location indicator that are used in this study are doing market research, trading area, access road, competition, cleanliness
4. The facility indicator that are used in this study are number of consumers who need facilities, optimization of capacity, efficiency and effectiveness, use of supporting facilities, harmony and harmony with the local context.
5. The visiting decision indicator that are used in this study are problem recognition, informasi search, alternative evaluation, purchase decision, and post-purchase behavior.

1.3 Problem Formulation

Based on the description of the background of the problem above, there are identification problem in this study can be identified:

1. How is the location condition at Bali Lestari Beach?
2. How is the facility at Bali Lestari Beach?
3. How is the visiting decision at Bali Lestari Beach?
4. Is there any effect of location towards visiting decision at Bali Lestari Beach?
5. Is there any effect of facility towards visiting decision at Bali Lestari Beach?
6. Is there any effect of location and facility towards visiting decision at Bali Lestari Beach?

1.4 Objective of the Research

The objective of the research are as follow:

1. To understand how is the location condition at Bali Lestari Beach.
2. To understand how is the facility at Bali Lestari Beach.
3. To understand how is the visiting decision at Bali Lestari Beach.
4. To understand is there any effect of location towards visiting decision at Bali Lestari Beach.
5. To understand is there any effect of facility towards visiting decision at Bali Lestari Beach.
6. To understand is there any effect of location and facility towards visiting decision at Bali Lestari Beach.

1.5 Benefit of the Research

The benefit of the researches are as follow:

1. Theoretical Benefit

- a. For Readers

The result from this study can be proof for readers to know that location and facility towards visiting decision.

- b. For Writer

The result from this study provide insight and experience as well as observations in a real life situation which is very useful for the writer.

- c. For Other Researches

The result from this study can be used for reference for those who are interested in studying the same problem in the future.

2. Practical Benefit

a. For Bali Lestari Beach

The researcher expects the result from this study could benefit the company to evaluate, and take the result as suggestion to know the location and facility towards visiting decision.

b. For Universitas Pelita Harapan

The result from this study can be a reference about the importance of location and facility towards visiting decision.

c. For Future Research

The researcher expects the result from this study could become a comparison for the future researcher who are interested of studying the same topic which is the influence location and facility towards visiting decision.

