



Effectiveness of Economic Diplomacy Through the Wonderful Indonesia Brand

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Abstract: This research analyzes the effectiveness of the *Wonderful Indonesia campaign*, especially in 2011 - 2015, in increasing tourism in Indonesia. One of the Indonesian government's efforts to improve the tourism sector is by launching the country's *branding* or slogan with the aim of promoting the beautiful potential of Indonesian tourism. As the largest country in terms of cultural heritage and enormous natural wealth, the promotion carried out by the Indonesian government is to show the international world that Indonesia has many destinations supported by the tourism sector and also to create Indonesia's image in the eyes of the international world. In this research, researchers use the concept of an economic diplomacy approach where Indonesian tourism can also help raise the economic level of a country and increase the country's foreign exchange earnings. So that Indonesia's targets in the tourism sector are not only carried out by the government, but can also be carried out in collaboration with non-government actors.

Keywords : economic diplomacy, *soft* diplomacy, slogans, charm of Indonesia, tourism sector

INTRODUCTION

Globalization as a phenomenon is currently giving rise to more and more complex new issues and problems in international relations. Various kinds of issues such as environmental problems, gender, and community problems have emerged to the surface and become a new issue in international relations which is increasingly connected and has become about the term *borderless*.

In the current development of the world of diplomacy, cultural diplomacy has become an interesting study to study. Diplomacy is intended to improve *image building ng*, *nation branding* and *soft power* of a country abroad as a nation that has a high culture. Tourism is an important factor in the economic development of a country. Tourism can attract foreign investors which every developing country needs. The higher the quality of tourism services in a country or region, the more developed and well-known that country or region will be.

Wonderful Indonesia was officially launched for the first time by the Indonesian Minister of Culture and Tourism at the ASEAN Tourism Ministers Forum on 17-18 January 2011 in Cambodia (The Jakarta Post, 2011). The *Wonderful Indonesia* campaign is also expected to be able to spread Indonesia's tourism identity throughout the world so that Indonesia becomes better known and has a good image internationally. By increasing Indonesia's image in the international world, it will have a positive impact in increasing foreign tourist

visits to Indonesia, thereby increasing the domestic economy towards Indonesia's national interests .

LITERATURE REVIEW AND DEVELOPMENT HYPOTHESIS

Tourism is perceived as a foreign exchange contributor to the economic development of a country, including Indonesia, according to *the International Union of Official Travel Organization* (IUOTO) quoted by Spillane (Spillane, 1993) , tourism should be developed by every country for eight main reasons, namely; (1) Tourism as a trigger factor for national and international economic development. (2) Trigger prosperity through the development of communications, transportation, accommodation, and other services. (3) Special attention to the preservation of culture and social values so that they have economic value. (4) Equal distribution of welfare resulting from tourist consumption at a destination. (5) Earning foreign exchange. (6) International trade triggers. (7) Trigger the growth and development of tourism professional educational institutions and special institutions that form a reliable and polite *hospitality spirit*. (8) Market share for local products so that the variety of products continues to grow, in line with socio-economic dynamics in the destination area. Based on this, the government is targeting the tourism sector's contribution to Gross Domestic Product (GDP) to increase and it is hoped that the arrival of foreign tourists can bring in foreign exchange to increase the country's economic growth.

The government has implemented various methods through making policies in the tourism sector, ranging from tourism promotion to improving and preserving several tourist destinations in Indonesia to achieve tourism marketing targets. **The introduction of the *Wonderful Indonesia* concept in attracting foreign tourists to Indonesia is one of the government's efforts to achieve this target.** So from the background above, researchers are interested in seeing the extent to which *the Wonderful Indonesia brand* is a tool for Indonesian diplomacy in increasing Indonesian tourism internationally. So the researcher formulated the problem as follows "**How is the effectiveness of Economic Diplomacy through *the Wonderful Indonesia Brand 2011-2015***"

METHODS

Indonesian Tourism Policy

1. Tourism Policy During the New Order Period

During the New Order government under Soeharto's leadership, the Government made a policy to develop the Indonesian economy, one of which was to include the tourism sector as an effort to increase the country's foreign exchange income through Repelita (Five Year Development Plan) 1 where at that time the number of foreign tourists visiting visitors to Indonesia have increased with fluctuating growth rates. The first phase focused on the Central region of Indonesia and was centered on the island of Bali. The second stage focused on western Indonesia and was centered in Medan. Apart from that, in order to increase the number of foreign tourists visiting Indonesia, the government has made a policy by opening tourism branch offices in a number of developed countries, namely Japan, Australia, Europe and North America. Furthermore, in 1969 "*Tourist Information Centers* " were formed, especially in Bali and Jakarta. And to make it easier for foreign tourists to enter Indonesia, at that time a committee was formed with the name "*National Facilitation Committee* " whose function was to prepare regulations related to barriers to the entry of foreign tourists into Indonesia (Mustopadidjaya & DKK, 2012) . Still in the same year, namely 1969, based on Presidential Instruction (Inpres) No. 9, the National Tourism Development Agency (Bapparnas) was formed, where this agency functions to ensure effective and continuous development of tourism by both the government and the private sector. This body consists of government and private sector members tasked with assisting the Minister of Transportation by continuing to collaborate with the Directorate General of Tourism.

In the second Repelita, namely 1975-1979, government policy was aimed at introducing Indonesian culture, natural beauty and personality to the foreign tourist

community, where this policy focused on; (1) developing tourism facilities and infrastructure, especially in Bali and, (2) institutional and organizational development of tourism supporting elements so that they are able to support tourism development for both foreign tourists and domestic tourists. And during this second Repelita, the number of foreign tourists also increased every year, increasing by 68.48 percent (Bappenas, 2011) .

In the third Repelita, namely 1980-1984, the government made policies in the form of promoting tourism abroad, making it easier to grant visas upon arrival (*visa on arrival*); as well as improving transportation services, both land and air. And in 1983, the Government issued Presidential Decree No. 15 concerning Tourism Development Policy, where the policy included a policy of granting free short visit visas (BVKS) for 2 months for foreign tourists from 26 countries, a policy of opening 3 air ports as gateways for foreign tourists to enter. Indonesia, namely Mokmer (Biak), Sam Ratulangi (Manado), and Pattimura (Ambon). And at the end of the Repelita, the government succeeded in bringing in 749.4 thousand foreign tourists or around 24.89 percent from 1980 (Bappenas, 2011) .

The highest growth of foreign tourists occurred in the Repelita IV period, namely in 1984 when foreign tourist visits to Indonesia reached 116.91 percent, because at that time the Government made policies that made it easier for foreign tourists, including granting two months of free visas for foreign tourists in 26 countries, strengthening the Head Office. Promotion of Indonesian Tourism (P3I) abroad and development and increase of tourist attractions. Apart from that, the government also encourages investment in the tourism sector, namely by providing incentives in the form of tax relief and regional levies for investors who invest their capital in Indonesia. This policy is accompanied by policies in the international aviation sector by opening tourism entry points and expanding the flight network to tourist destinations in Indonesia.

In 1990 – 1995, entering Repelita V, the Indonesian government's policies continued to develop. Where previously 26 countries received visa exemptions, in the fifth Repelita this became 44 countries and increased the homestead entry points to 13 airports and 16 sea ports, from previously nine airports and seven sea ports (Bappenas, 2011) . Judging from the data above, development policies in the tourism sector during the New Order period was quite satisfactory. This indicates that during this period the number of foreign tourists visiting Indonesia increased significantly, from 86.1 thousand in 1969 with foreign exchange generated of 10.8 million to 2,569.9 thousand people or 30 times the foreign exchange generated of USD. 2,518.1 million in 1991.

2. Tourism Policy in the Reform Era

The first four years of the reform period are known as the transition period. During this period, government policies related to development in the tourism sector referred to the Five Year National Development Program (Propenas). This is in accordance with GBHN 1999 – 2004.

In this period, tourism development policy was directed at prioritizing efforts to restore the image of tourism which had declined due to the Bali bomb terror incident in 2002 and 2005. In 2007, Law Number 25 of 2004 concerning the National Development Planning System was issued. Namely by creating an agenda called the National Medium Term Development Plan (RPJMN) and the National Long Term Development Plan (RPJPN) which were then stipulated by Republic of Indonesia Law No. 17 of 2007, concerning the National Long Term Development Plan for 2005 – 2025 (SETNEG , 2007) .

Under the leadership of Susilo Bambang Yudhoyono (SBY) through the Ministry of Culture and Tourism (Kembudpar) which at that time was held by Jero Wacik, the government made a policy targeting 6 million foreign tourist visits to Indonesia in 2007. This was done because of a series of events and disasters during 2005, 2006 and early 2007 which were detrimental to the tourism sector in Indonesia which also had an impact on foreign tourists visiting Indonesia. The natural disaster of the tsunami in Aceh, the bird flu outbreak, and the emergence of the Bali Bombing 2 caused foreign tourist arrivals in 2005 to decrease to 5 million from the previous position of 5.3 million in 2004 (SETNEG, 2007) . In March 2007, Indonesia participated in the world tourism exchange at ITB – Berlin. Apart from

that, the Ministry of Culture and Tourism (Department of Culture and Tourism) through its tourism policy is collaborating with the Ministry of BUMN to improve services at airports which have been the main entry point for foreign tourists, especially improving immigration (visa) services. And another policy is to add 11 countries that receive Visit Visa on Arrival (VKSK) or *Visa on Arrival* (VoA) facilities. Thus the VoA facility covers 63 countries (SETNEG, 2007) . It is hoped that this convenience will encourage foreign tourists to visit Indonesia.

Various efforts continue to be made by the Indonesian Government. Apart from making policies that focus on local aspects, the Government through tourism development policies also carries out international or bilateral marketing cooperation. Bilateral marketing cooperation is carried out with Singapore, Malaysia and Thailand to capture markets from China, India and the Middle East. This marketing collaboration is carried out in the form of *sales cooperation* , *visa integration* , as well as increasing flight frequency and *cross-border cooperation* (SETNEG, 2007) .

Then in 2011, Indonesia targeted the number of foreign tourist visits in the 2012 - 2014 period to be 8 million visits in 2012, 9 million visits in 2013, and 10 million visits in 2014. To achieve these targets the Indonesian Government then made policies- policies related to this matter, namely (UNWTO, 2011) ; (1) increasing visa facilities on arrival and pursuing a visa-free visit policy for several countries, (2) improving the quality of tourist destinations, (3) developing main tourism products, (3) creating new activities in tourist destinations, (4)) expanding access to tourist destinations by opening new airports, increasing port capacity, increasing air connectivity, and so on, (5) developing promotions and marketing with the newest *brand* , namely *Wonderful Indonesia* , (6) developing the creative economy sector to increase tourism development, (7) and develop cruise tourism.

C. *Brand Wonderful Indonesia*

As reported in the Government Regulation of the Republic of Indonesia Number 50 of 2011 concerning the Master Plan for National Tourism Development for 2010 - 2025, it is stated that the aim of national tourism development is to communicate Indonesian tourism destinations using marketing media effectively, efficiently and responsibly. One thing that needs to be underlined is communicating (in this case Indonesian tourism) using marketing media effectively, efficiently and responsibly. Of course, to realize the goal of "imaging" we need tools/media that can precisely hit the target. The Ministry of Tourism is *re-launching the* national Indonesian tourism *branding* program entitled "*Wonderful Indonesia*" and "*Pesona Indonesia*", so there is a little hope for a better Ministry of Tourism in the future.

At the turn of 2011, the Indonesian Minister of Culture and Tourism, Jero Wacik announced the change of the Indonesian tourism *brand* from "*Visit Indonesia*" to "*Wonderful Indonesia*" (TheJakartaPost, 2011) . This *brand* change was carried out for the reason of strengthening Indonesia's tourism image, where foreign tourists are not only invited to visit Indonesia, but are also treated to Indonesia's wonderful tourism *potential* . *The Wonderful Indonesia brand* is considered to be a more attractive representation of Indonesia. *Wonderful Indonesia* was first officially launched by the Indonesian Minister of Culture and Tourism, Jero Wacik at the ASEAN Tourism Ministers Forum on 17-18 January 2011 in Cambodia (The Jakarta Post, 2011) .

Wonderful Indonesia's tourism *branding* refers to three main messages (DISBUDPAR, 2011) , namely:

1. Culture _ _
2. Nature _ _
3. Creative Work (*creative-man made*)

RESULTS AND DISCUSSION

A. Tourism Programs Through *the Wonderful Indonesia Brand*

Activities carried out during 2011 - 2015 that support the successful achievement of these goals and targets through the *Wonderful Indonesia brand* include:

1. In 2011, foreign tourist arrivals grew 8.5% from 7 million to 7.6 million. Meanwhile, foreign exchange earnings reached US\$ 8.5 billion or grew 11.8% compared to the previous year of US\$ 7.6 billion. The high foreign exchange earnings from tourism this year is in line with the increase in foreign tourist expenditure from US\$ 1,085.75 in the previous year to US\$ 1,118.26/person per visit this year (Wardiyatmo, 2012) . Moreover, this year saw the beginning of the formation of *the Wonderful Indonesia brand*, namely the change in branding from *Visit Indonesia Year* to *Wonderful Indonesia* . (Kemenparekraf, 2013) .

Promotional activities this year are (Kemenparekraf, 2012):

- a. *Hongkong International Film Market and Indonesia Movie Week in Hong Kong*
This activity was held in Hong Kong on March 21-24 2011. Indonesia's participation in the International Film Festival and Film Market in Hong Kong 2011 is a very important world film forum for Indonesia to promote Indonesia abroad and is also expected to raise the image of Indonesian culture.
- b. *Sending Delegates and Films to the Cannes International Film Festival*
With Indonesia's participation in the Film Festival, we can build networks with film industry players to open up foreign or international cooperation.
- c. *Increasing Cultural Heritage Preservation*

Apart from increasing art development in order to introduce Indonesia to the eyes of the world, the Indonesian government is also preserving cultural heritage by realizing the establishment and management of cultural heritage, namely by maintaining and improving a number of cultural heritages, namely the Borobudur Temple, Prambanan and the Sangiran ancient human site area. Where the target for increasing and managing cultural heritage was 100% realized according to the Performance Accountability Report of the Ministry of Tourism and Creative Economy in 2011.

2. In 2012, the development of the tourism sector was included in the development of the creative economy where the government strengthened the domestic market and developed foreign markets. This year, the contribution of tourism is very significant, this can be seen from the increase in the country's foreign exchange which not only comes from an increase in foreign tourists which reached 8.04 million, but also comes from an increase in the average expenditure of foreign tourists, namely US\$ 1,388.81. In other words, increasing the quality of tourism foreign exchange is followed by improving quality (Kemenparekraf, 2013) .

Supporting activities in increasing the country's foreign exchange are:

- a. Promotion of investment in the tourism sector through participation and implementation of the *ASEAN Tourism Investment Forum*
- b. Investment promotion through events (*ITID/Indonesia Tourism Investment Day*)
- c. *Tournament of Roses* , held in Pasadena – United States
- d. *Cruise Shipping Miami (CSM)*, in Miami, Florida, USA
- e. *Floriade 2012*, Venlo, Netherlands

3. Entering 2013, the Ministry of Tourism is under the leadership of Mrs. Mari Elka Pangestu. This year, the tourism sector continues to be improved in order to increase national GDP. Based on 2010-2013 Nesparnas data, ¹it is known that the

¹National Tourism Satellite Balance Sheet

impact of tourism on National GDP has increased from year to year. This can be seen from the graph below.

Graph 1



Source: NESPARNAS 2010-2013

From the graphic data above, in 2010 tourism generated a GDP of 218.8 trillion each year and increased in 2011 to 296.97 trillion and continued to increase until in 2013 it reached 347.35 trillion, Diana ha. This is based on the number of foreign tourist visits and tourist movements archipelago in Indonesia (Nesparnas, 2013).

Activities carried out during 2013 that support the successful achievement of these targets include:

- a. Implementation of *the Indonesia Tourism Investment Forum* and Participation in Tourism Investment Events

Where these events are held on an international scale, namely;

- *The 1st Annual Indonesia Hospitality and Tourism Investment Conference (IHT) 2013*, 7-8 May at the Ritz Carlton Pacific Place Hotel, Jakarta.
- *The 3rd Edition Annual Investment Meeting (AIM) 2013*, 30 April – 2 May 2013 at the Dubai International Exhibition and Convention Center.
- *Asia Pacific Tourism Destination Investment Conference (APTDI)* , 21-23 October 2013, at Suntec Singapore Convention and Exhibition Center.

- b. *Tournament of Roses*

Apart from increasing promotional events in order to attract foreign investors to Indonesia. The government is also making promotional efforts to introduce Indonesia through *Wonderful Indonesia* by participating in the following activities:

- *Tournament of Roses 2013*. The aim of Indonesia's participation in this event is to promote and disseminate positive and unique information from Indonesia to the international community and build a positive image and develop international relations through tourism promotion suggestions.
- Take part in *Vakantiebeurs* , 8-13 January 2013. The largest tourism promotion exhibition event in the Netherlands. In this event, Indonesia introduced Indonesian arts and culture through regional songs and traditional Indonesian musical instruments. This represents *Wonderful Indonesia's branding* , which is so rich in its traditional heritage.
- *ASEAN Tourism Forum (ATF)* . A regional event in the ASEAN region that is international in nature, which was then held in Laos.
- *Country Partner ITB Berlin*, Germany. March 2013.
- *Brussels Holiday Fair* , Belgium

From the above activities to build Indonesia's tourism image, the tourism sector set a new record by achieving 8.8 million foreign tourist visits or growing 9.42% and generating foreign exchange of US\$ 10.05 billion, an increase of 10.23% compared to the previous year, namely 2012 (Ministry of Tourism and Creative Economy, 2014) . This is also supported by the performance achievements in 2013 compared to 2012, with the following table;

Table III. 1

No.	Indikator Kinerja Utama (IKU)	2013		2012	
		Realisasi	Capaian (%)	Realisasi	Capaian (%)
1.	Jumlah wisman ke Indonesia (Juta orang)	8,8	100,2	8,04	100,5

Source: Ministry of Tourism and Creative Economy 2013

From the table above it appears that the realization in 2013 increased compared to the realization in 2012.

4. Entering 2014, previously - in 2011, Indonesia targeted the number of foreign tourists visiting Indonesia in the 2012-2014 period of 8 million visits in 2012, 9 million visits in 2013, and 10 million visits in 2014 (UNWTO, 2011) . In the 2014 Ministry of Tourism Performance Report, it was written that achieving the target for foreign tourists in 2012-2014 was said to be successful. This can be seen from Table 2 below.

Table III.2
Foreign Tourist Visits 2010-2014

Year	Foreign Tourists	
	Amount (Million)	Growth
2010	7.0	10.74
2011	7.6	9.24
2012	8.0	5.16
2013	8.8	9.42
2014	9.44	7.19

Source: 2014 Ministry of Tourism Performance Report

Table III. 3
Number of Foreign Exchange Tourists in 2010-2014

Tahun	Penerimaan Devisa	
	Jumlah (Juta USD)	Pertumbuhan (%)
2010	7,603.45	20.73
2011	8,554.39	12.51
2012	9,120.85	6.62
2013	10,054.15	10.23
2014	11,116.13	11.06

The amount of foreign exchange receipts is influenced by the number and expenditure of foreign tourists in Indonesia. In developing national tourism, efforts are made to increase the number of foreign tourists to Indonesia in line with the increase in the number of foreign tourists spending in Indonesia, so that the country's foreign exchange receipts from tourism activities also increase.

Indicators of target success, along with targets and realization are as follows;

Table III. 4
Total Foreign Exchange Receipts

No	Indikator Kinerja Utama (IKU)	2014		2013		2012	
		Realisasi	Capaian (%)	Realisasi	Capaian (%)	Realisasi	Capaian (%)
1	Jumlah penerimaan devisa wisatawan mancanegara (US\$ miliar)	11,17	93,05	10,05	97,14	9,12	101,80

Source: *Lap Kemenparekraf 2014*

In 2014, the increase in the quantity of foreign tourists to Indonesia is one of the benchmarks for the success of the Indonesian tourism sector. Where in that year it reached 9.44 million or around 100.43% of the target for foreign tourist arrivals that year. This amount greatly influences the potential foreign exchange that will be obtained by the country. The indicator used to measure the achievement of the target of increasing the quantity of foreign tourists to Indonesia is the number of foreign tourist visits to Indonesia, with the following data:

Table III. 5
Number of Foreign Tourists in 2014

No.	Indikator Kinerja Utama (IKU)	Target	Realisasi	Capaian (%)
1	Jumlah wisatawan mancanegara ke Indonesia (Juta orang)	9,4	9,44	100,43

From the table above, it can be seen that the achievement of the target performance indicators for the number of foreign tourists to Indonesia reached 9.44 million people, all of which have been achieved. Overall, the realization of foreign tourist visits in 2014 was 9,435,411 foreign tourists, exceeding or experiencing growth of 7.19% compared to the 2013 achievement of 8,802,129 foreign tourists (Kemenparekraf, 2014).

In the same year, namely 2014, international tourists who traveled reached 1.138 billion people or grew from the previous year's 0.51 billion. Where the largest growth was in the Americas, which increased by 7.4% to 180.6 million people from last year's 168.1 million people (Kemenparekraf, 2014). International tourist visits to Indonesia were also recorded at 9.44 million in 2014 with growth above the world and Asia Pacific average of 7.2%. And when compared with 2013, international tourist visits to Indonesia were recorded at 8.80 million people. Comparison of indicators of success in the target number of foreign tourists to Indonesia between realization and target from 2012-2014 is as follows:

Table III. 6
Number of Foreign Tourists in 2012-2014

No.	Indikator Kinerja Utama (IKU)	Realisasi	Target	Capaian (%)
		2012-2014	2012-2014	
1	Jumlah wisatawan mancanegara ke Indonesia (Juta orang)	26,28	26,00	101,08

Source: *Lap Kemenparekraf 2014*

Based on the data in Table 6 above, it can be seen that for the indicator of the number of foreign tourists to Indonesia, the realization in 2012 - 2014 was 26.28

million people, when compared with the target that had been set at 26.00 million people, it has exceeded the target. which has been determined (101.08%).

Achieving the targets and objectives above cannot be separated from several activities carried out that year, namely:

- a. ITB ASIA 2014. This event was held at *Marina May Sands Convention* , Singapore. This event was attended by approximately 72 exhibitors from 74 countries. Indonesia participated in order to introduce Indonesian products by representing *the image of Wonderful Indonesia* .
 - b. *Kompas Travel Fair 2014*.
 - c. Tourism Investment Promotion and Preparation of Tourism Investment Proposals. The aim is to map potential tourism investment locations which will then be carried out for investment promotion either by disseminating information or through business meetings with potential investors both domestic and foreign.
 - d. *Perth Holiday & Travel Expo 2014*. This event introduces attractive tourist areas for foreign tourists.
 - e. Promotion of Wonderful Indonesia 2014. Namely, it aims to further introduce Indonesian tourism destinations, especially destinations *beyond* Bali, to the international community.
5. Entering 2015, tourism sector policy is included in the RPJM (National Medium Term Development Plan) where the RPJM is a strategic step included in government policy in the tourism sector for 2015 - 2019. This is also inseparable from government policy under the new President .

In this year, namely 2015, tourism made a significant contribution to the Indonesian economy. This can also be seen from the success indicators presented at the beginning of this chapter, where every year foreign tourist visits to Indonesia always increase. However, in 2015, the impact of tourism on national Gross Domestic Product (GDP) was 461.36 trillion, 4.23% of national GDP. Apart from that, the impact seen in 2015 was the employment of 12.16 million people (Kemenpar, 2015) . Thus, the tourism sector is an effective sector in responding to the need to increase economic added value, especially in overcoming poverty and creating jobs. This can be seen from the table data below;

Table III. 7
Comparison of Realized Contribution of the Tourism Sector to GDP National

Indikator Kinerja Utama	2015		2014		2013	
	Realisasi	Capaian (%)	Realisasi	Capaian (%)	Realisasi	Capaian (%)
Kontribusi sektor pariwisata terhadap PDB nasional Presentase	4.23	105.75	4.04	96.19	4.02	95.67

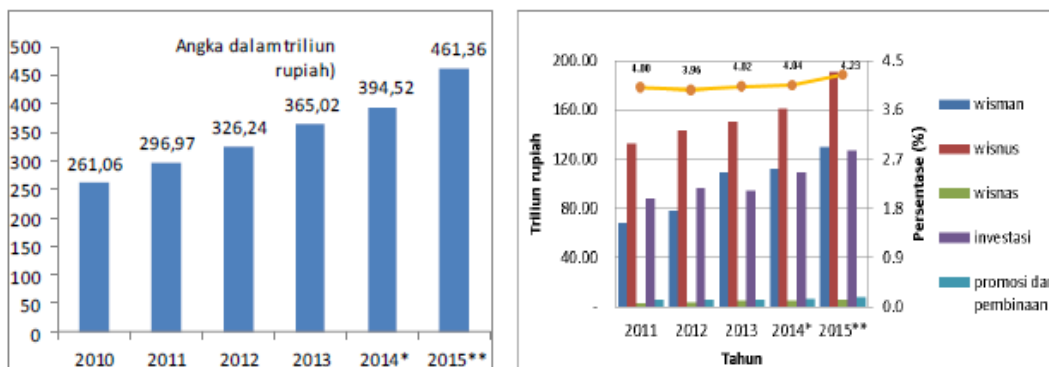
Source: *LapKemenperaf, 2015*

From the table above, it can be seen that the realized contribution of the tourism sector to national GDP in 2015 was 4.23%, an increase of 4.7% when compared to 2014 which was 4.04% and when compared to the realization in 2013 there was an increase of 0.49% from 4.02% in 2013 to 4.04% in 2014. This indicates that the tourism industry can be used as a mainstay industry that can develop the Indonesian economy.

The tourism sector is also a high earner of foreign exchange. In 2015, this sector generated foreign exchange of US\$ 11.9 billion or the equivalent of Rp. 163 trillion, this figure increased 113% compared to 2014 which reached a foreign exchange figure of US\$ 11.17 billion (Kemenpar, 2015) . This increase not only comes from an increase in the number of foreign tourists but also comes from an increase in average expenditure per visit. In other words, an increase in the quantity of tourism foreign exchange is followed by an increase in the quality of tourist expenditure.

Figure III. 1

The following is a picture of the impact of tourism on GDP contributed by tourism activities:



Increasing Tourism GDP Contribution of Tourism to National GDP

From Figure 1 above, it can be seen that the GDP generated from national tourism has increased quite significantly every year. In 2010 tourism generated a GDP of 261.06 trillion rupiah and increased in 2011 to 296.67 trillion rupiah, in 2012 it amounted to 326.24 trillion rupiah, and in 2013 the GDP value generated reached 365.02 trillion rupiah. Furthermore, in 2014 GDP generated from the tourism sector reached 394.52 trillion rupiah, and in 2015 it reached 461.36 rupiah.

In reality, in January-September 2015, the number of foreign tourist visits reached 7.1 million people, an increase of 3.53% compared to the previous period in 2014. Tourist growth in September 2015 rose 9.84% compared to September 2014 (BPS, 2015) . However, several tourist destinations have also experienced a decline in the number of foreign tourists due to various things such as natural disasters. In September 2015, areas on the island of Sumatra and the island of Kalimantan, as areas affected by the haze, experienced a decrease in visits. At the entrance to Kuala Namu airport, foreign tourist arrivals fell by 9.9%; Hang Nadim fell 12.97%; Syarif Kasim II fell 29.58%; Tanjung Pinang fell 10.65%; Tanjung Uban Bintan fell 28.82%; Tanjung Balai Karimun fell 8.45% (CNNIndonesia, 2015) .

Table III. 8

Target and realization of the number of foreign tourist visits in 2015

INDIKATOR KINERJA UTAMA	TARGET	REALISASI	CAPAIAN (%)
Jumlah Wisman ke Indonesia (Juta Orang)	10	10,41	100,26%

Source: Lapkemenperaf, 2015

From the table above, it can be seen that the achievement of the target performance indicator for the number of foreign tourists to Indonesia reached 10,406,759 people. The 2015 achievement exceeded the predetermined target of 10,000,000 people or experienced an increase of 0.26%. When compared with the achievements in 2014, there were 9,435,411 people, experiencing growth of 10.63%.

Table III.9
Comparison of the Realization of Number of Foreign Tourist Visits in 2013-2015

INDIKATOR KINERJA UTAMA	2015		2014		2013	
	REALISASI	CAPAIAN (%)	REALISASI	CAPAIAN (%)	REALISASI	CAPAIAN (%)
Jumlah kunjungan wisatawan mancanegara (wisman)	10.41	100.26	9.435.411	100.1	8.802.129	100.20

From the table above, it can be seen that in 2015, foreign tourist visits reached 100.26%. This figure, as explained in table III.8, previously exceeded the target set and also exceeded the achievement of foreign tourist visits in the previous year. Apart from table III.9, the graph below shows changes during the 2011-2015 period.

GRAPH III.2
Foreign Tourist Visits 2011 - 2015



The graph above shows that foreign tourist visits for the period 2011 - 2015 have increased annually and the peak visits each year are in the second quarter and third quarter. In 2015, international tourists who traveled reached 1,184 billion people or grew from the previous year of 4.4% billion. The biggest growth was in the European region, which increased by 5% to 609 million people from last year's 580 million people. International tourist visits to Indonesia alone in 2015 were recorded at 10,405 million in 2015 with growth above the world average.

In 2015, *Wonderful Indonesia's branding* also rose 100 places, from unranked to 47th, and various international awards were won in several categories, such as; UNWTO Award 2015, ASEANTA Award 2015, and World Halal Destination 2015.



Source: SAR Ministry of Tourism 2015

The success of the tourism sector in 2015 cannot be separated from the efforts of the Indonesian government in carrying out promotional activities such as:

- a. *Wonderful Indonesia* Promotion at Megacom Circuit 7, Dubai
- b. *Wonderful Indonesia* Promotion at Lightbox, Narita International Airport
- c. *Wonderful Indonesia* Promotion at Malvern Tram, Melbourne
- d. *Wonderful Indonesia* promotion at Moda taxi, London

This year, the government emphasized activities aimed at attracting foreign tourists visiting through advertising methods. The strategy used was to use more online media, print media, space media and electronic media. Apart from advertising methods using these media, the government also carries out marketing strategies through participating in international events, such as:

- a. NATAS *Travel Fair* 2015 in Singapore.
- b. MATTA *Fair* Kuala Lumpur, Sabah, Malaysia.
- c. *China International Travel Mart (CITM) 2015. Kunming Dianchi International Convention & Exhibition Centre, China.*
- d. JATA *Tourism Expo* , Tokyo, Japan

Branding Wonderful Indonesia as a strategy, tactic and sustainable growth process for tourism which aims to achieve development, improvement and effectiveness, plays an important role for the tourism sector in economic development in Indonesia and has shown real evidence of increasing the country's foreign exchange *income* . The reality is that since the last few years the government has implemented many of the programs contained in its policies seriously and made tourism a leading sector not only for foreign exchange but also as a place to create jobs and as an effort to improve the economy in Indonesia.

This is also supported by the report and analysis of *the World Tourism Organization* (WTO), which shows that the contribution of tourism is very significant for job creation. It is stated that of every nine job opportunities currently available globally, one of them comes from the tourism sector. Labor absorption in the tourism sector is greater in developing countries. However, success in achieving targets cannot be separated from the role of the government which then makes policies related to improving the tourism sector.

Both internal and external conditions also influence how this target can be successful or not. Domestic conditions in terms of security and comfort are the benchmark for foreign tourists visiting a country. Therefore, continuous improvement, especially in the tourism sector, is something that the Indonesian Government must continue to do.

B. Obstacles in the *Wonderful Indonesia* Program

Data from BPS shows that Indonesia's ocean area is 7.9 million km² or 81% of the total area, and its land area is 1.9 million km². The mainland has hundreds of mountains and rivers, 99.5 million ha of forest, consisting of 29.7 ha of protected forest and 29.6 million ha of production forest, as well as hundreds or even thousands of types of flora and fauna. These elements then constitute potential that can be developed for tourism activities (BPS, 2015) .

Apart from biodiversity, Indonesia also has ethnic, religious and racial (SARA) diversity which has different cultures, which can be seen from the languages and various traditions of various regional tribes. This does not rule out the possibility of conflict in the form of social unrest. *The Travel & Tourism Competitiveness Report (TTCR)* , which is released by *the World Economic Forum (WEF)* every two years, measures tourism competitiveness between countries using four main pillars, namely *enabling environment, policy and enabling conditions, infrastructure and cultural and natural resources* (Kompasiana, 2015) . By using the WEF approach, it can be concluded that whether the tourism sector develops or not does not depend on the natural and cultural tourism potential possessed by a country or region, but the growth of the tourism sector is also greatly influenced by human resource (HR) factors, promotion. or marketing, government regulations and tourism infrastructure and support.

Based on the 2015 TTCR report, Indonesia's tourism competitiveness ranks 50th out of 141 countries. This position is still far behind Singapore (11), Malaysia (25) and Thailand (35). TTCR 2015 reported that almost fourteen pillars of Indonesia's competitiveness are still far behind those three countries. The most crucial problems and obstacles in the Indonesian tourism sector that need serious handling are promotion, infrastructure (tourism infrastructure, air and land transportation infrastructure and ICT infrastructure), health and hygiene, environmental sustainability, business/investment climate, international openness, business environment and human Resources. What is relatively similar to the report, Chairman of the Indonesian Tourism Promotion Agency (BPPI), Sarwo Budi Wiryanti Sukamdani, stated that there are 7 (seven) problems in the Indonesian tourism sector, namely facilities and infrastructure, human resources, communication and publications, policies and regulations, information technology, society and investment (Kompas, 2014).

Apart from that, there is also a lack of infrastructure. An equally important problem is infrastructure. The main and supporting infrastructure for the tourism sector in Indonesia is still very low. This was also acknowledged by the Minister of Tourism at that time, Arif Yahya and several tourism agencies in various regions (Liputan6, 2015). In fact, according to various economic literature, infrastructure is one that determines whether or not all economic sectors move, including the tourism sector. These infrastructure weaknesses also ultimately have an impact on the accessibility of tourism destinations.

This is what makes Indonesia unable to accelerate faster than countries such as Singapore, Malaysia and Thailand. Therefore, in the context of encouraging the acceleration of tourism as one of the leading sectors, budgets and policy support must be optimized towards increasing accessibility to tourism destinations.

The quality of human resources is still low. Tourism is a *services industry*, *hospitality industry* and *image industry*, so the role of the quality of human resources is very important in order to be able to provide satisfaction to tourists both in the form of services in the tourism industry and the attitudes of local communities in tourist destination areas (DTW) (Anom, 2013). In the context of Indonesian tourism human resources, according to the 2015 TTCR report, it can be said that the quality of Indonesian tourism human resources and human resources services is still low and this is also acknowledged by the government in the 2015-2019 RPJMN document. The government said that the population's attitude towards foreign tourists (*attitude of population towards foreign visitors*) is getting worse. This is due to the population's perception of the benefits of the presence of tourists (*perceived benefit*) and the level of awareness of the population towards tourism. Apart from attitudes, there is the problem of mastering foreign languages for both people and tourism actors/workers are still serious obstacles (Hasibuan, 2015). In fact, one of the factors that determines the quality of tourism services is foreign language skills.

Seeing the low quality and service of Indonesian tourism human resources, government support through various regulations and budget policies must be encouraged to form tourism human resources that are quality and friendly to tourists. Developing a friendly and hospitable tourism human resource character is a must through various formal and informal education. This development must also be in line with the development of "tourism awareness" for communities in tourist destination areas and in line with efforts to provide balanced benefits to local communities with the presence of tourists. This is where the important role of both regional and central governments lies.

Apart from that, the Regional Government's *Political Will* is still low and not yet in line with the center. The role and serious attention of local governments in the context of encouraging tourism growth is one of the keys to future success. This is important, considering that tourism matters are a regional government matter as regulated by Law No. 23 of 2014 concerning Regional Government². The average ratio of spending on tourism

²The tourism sector is one of the areas of regional government affairs which has also been regulated in Law No.32 of 2014 concerning regional government which has been replaced by Law No.23 of 2014 and in Government Regulation No.38 of 2007 concerning the division of Government Affairs between the Government and the Government. Provincial Regions, and Regency/City Regional Governments.

and cultural functions of regional governments to their total APBD was only 0.66 percent over the last five years and for 2015, the regional budget for tourism and cultural functions decreased by 2.5 percent. Meanwhile, the central government budget increased by 156.3 percent. This fact could be an initial indication that the regional government's *political will* to make the tourism sector a leading regional sector is still relatively low and not in line with the central government's desire to make the tourism sector a leading sector in the next five years.

In the end, creating facilities that make it possible for Indonesian tourism is not easy. Considering all the potential that Indonesia has, it should be directly proportional to what the Government must do in order to continue to maximize the tourism sector, especially in order to increase foreign exchange and economic levels. The government must continue to create security conditions and a conducive investment climate by maintaining political and economic stability.

The development of infrastructure and human resources must continue to be improved by the government in order to increase the quality of tourism products, which will have a direct effect on the national economy. Apart from that, there is also a need for support from government policies, both central and regional, that facilitate the flow of investment, as well as support for economic policies related to tourism development.

The government should also make organizations operating in the field of tourism travel development more effective, both organizations related to creative and innovative product diversification as well as marketing and promotion of tourism products themselves as well as combining government promotional efforts with the business world. So that in the future *the Wonderful Indonesia branding* can continue to be realized as Indonesia's tourism promise to the world.

C. Image of Indonesian Tourism in the Eyes of the International World

The World Travel & Tourism Council (WTCC) provides an illustration that tourism will become a mega industry and become the main driver of the economy in the 21st century. WTCC predictions say that tourism will be able to drive international tourist mobility of up to 850 million tourists worldwide in 2005 (WTO, 2006) .

The problem is that bringing foreign tourists to a country is not as easy as turning the palm of your hand. Tourism is an industry that is very sensitive to external and internal issues in a country. For example, when Indonesia faces issues of terrorism or political turmoil, visits by foreign tourists and foreign investors who want to Investing capital in Indonesia is decreasing. So this causes Indonesia's image in the eyes of the international world to decline. A concrete example is when the Bali bombing occurred which killed so many foreign tourists, especially Australians, causing the Australian government at that time to impose a *travel warning* to its people not to visit or travel to Indonesia.

Realizing the importance of the tourism industry, especially economically, in increasing the country's foreign exchange, every country, especially Indonesia, tries to provide the best service for foreign tourists. As previously mentioned, international confidence in Indonesia's tourism image began to decline following the 2002 Bali bombing incident, which then resulted in a 32% decline in guest houses coming to Bali (Sundberg, 2013) . However, in 2008, the Indonesian government began to raise the image of Indonesian tourism again by holding the *Visit Indonesia Year 2008* program. And as an effort to increase the number of foreign tourists to Indonesia, in 2011, through the Ministry of Tourism, it continued programs to improve the tourism sector through a new *brand* , namely *Wonderful Indonesia*, with the theme of Indonesia's natural wealth and Indonesian hospitality so that it can attract more foreign tourists to visit Indonesia.

This is proven by the increase in the image of Indonesian tourism in international eyes, namely the return of confidence of foreign tourists and foreign investors in visiting and investing their capital in Indonesia. And we have seen the targets and achievement of results from the previous chapter. This proves that the image of Indonesian tourism in the eyes of the international community, especially through *the Wonderful Indonesia brand* , is quite successful. Although the obstacles faced by the state and government still exist .

CONCLUSIONS

Indonesia's limitations in increasing foreign exchange earnings make tourism one of the mainstay sectors as a source of foreign exchange for the country. However, the size of the foreign exchange received is influenced by various factors, both internal and external. Tourism can generate extraordinary income for an area, especially if it is managed well. Promotional efforts through *the Wonderful Indonesia brand*, namely by creating an *image*, have so far looked effective. This is evident from the results of the data which can be seen that the government's strategy in attracting foreign tourists and making the tourism sector an input for the country's foreign exchange has seen quite a real increase from 2011-2015. However, there are always problems or obstacles, which is why there is a need for domestic improvements to continue to improve the tourism sector in order to increase the country's foreign exchange and provide optimal results. Based on the potential, opportunities, challenges and strategies that need to be considered in developing tourism through *the Wonderful Indonesia brand*, it must be utilized as well as possible.

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