

## Strategies for Developing Destination Incentive Travel in Nias Island, North Sumatera, Indonesia

**Apriliani Lase**

Tourism, University of Imelda Medan

e-mail: aprilianolase@gmail.com

**ABSTRACT**

Indonesia is a country that has rich marine resources, developing a deep archipelago consisting of more than 17,000 islands with 13,466 islands identified. Every region will grow and develop its potential area, one of the regions with regional potential in north Sumatra in Nias Island. Nias Island has many potential tourism objects attractive and has unique tourism potential. This study aimed to identify and analyze MICE tourism's potential strategies for incentive travel in Nias Island, North Sumatra, Indonesia. Therefore, the research objectives in this study were focusing on (1) what is the role of the government and private sector in developing tourism incentives in Nias Island? (2) how does the government's strategy for tourism development in making Nias island one of the MICE industry destinations? The results of the research found that South Nias has tremendous potential in MICE tourism activities. In addition, MICE Tourism in South Nias still requires more professional, creative, and more human resources to increase domestic and international tourists. The development of facilities and infrastructure is also necessary to support tourism activity. Research implications were also discussed. Providing full support to encourage increasing MICE activities in incentives was suggested for the government and the private sector. This study used a qualitative approach with semi-structured interviews and a case study method.

**Keywords :** MICE, Strategy, Incentive Travel, South Nias Island Indonesia

**A. INTRODUCTION**

MICE tourism is one of the driving powers in fulfilling the demand for tourism in Indonesia (Septemuryantoro, 2018). MICE Industry (Meeting, Incentive, Convention, and Exhibition) is an activity to handle meetings, conferences, exhibitions, and incentive trips in a tourism product package. From the market segment, the MICE industry is generally experienced. A level of expectation for tourists is no longer just ordinary recreation but more oriented to self-esteem development (Pamullasari, 2002).

Today, MICE industry is in great demand by business people; because of its expedited growth, the MICE industry has attracted a significant amount of research attention from tourism scientists (Baloglu & Love, 2004; Severt et al., 2007; Whyte, 2003). Indonesia is one of the developing countries in the world that currently promotes MICE tourism activities. Ministry of Tourism and Creative Economic, the development of Indonesian tourism focuses on seven aspects. One of the main elements is MICE tourism, as for one city with the potential for MICE tourism in Indonesia (Dalimunthe, 2019). Indonesia is a country that has rich marine resources, spread out in an archipelago consisting of 17,000 islands and 13,466 islands that have been named and thousands of kilometers of coastline. (Prasetya, 2018).

In 2017 President Joko Widodo introduced to development 10 Priority Travel Destinations or that called 10 New Bali. From 10 Destinations Priority

Tourism, in 2019 is reduced to five Super Priority Tourism Destinations to increase visits tourists to compete with other countries, President Joko Widodo, during a limited meeting cabinet on July 15, 2019, in Jakarta, declared the development Super Priority Tourism Destinations in five regions there are; Toba Lake (North Sumatra), Borobudur (Central Java), Mandalika-Lombok (Nusa West Southeast), Labuan Bajo (Nusa Southeast East), and Likupang (North Sulawesi) (Buletin BPIW SINERGI, 2020). North Sumatra Province has tourism potential, rich in culture and traditions, and natural landscapes. One of the regions that have regional potential in the tourism sector is Nias Regency. Nias Regency is one of the districts within the province of North Sumatra. The west of Sumatra's island is about to 86 nautical miles from the Regency Central Tapanuli (Lase, 2018). Nias Islands is one of the heavens for world surfers because of its beautiful waves. It has much potential tourism attraction to develop such as surfing attractions, buildings traditional house, stone jumping, megalithic stone, white sand beach, the sunset, marine tourism, customs, and culture (Zega, 2002).

In 2019 Nias also has a big event that will eventually become an annual event, namely the Sail Nias (Fig.1). Sail Nias 2019 should be an important occasion to advance Nias potential as a worldwide traveler location, which will pull in more guests to this lovely and remarkable island. This event will

contribute a consistent chance to advance Nias universally and uphold the nearby economy.

After the earthquake and tsunami in Nias and Aceh in 2004 & 2005, which destroyed around 70% - 80% of buildings and infrastructure and physical conditions changes in the Nias region, Nias Island (Suparwako, 2005), accessibility to Nias island is still currently classified as complex because airplane and ship transportation only be reached with a limited travel frequency. It is so affecting the development of Nias Regency, where the connection of Nias District on the outside area is vast (Lase, 2018). The development of the tourism sector that is carried out correctly and maximally will invite foreign and domestic tourists, spend their leisure time, and spend their money on tourism activities in the incentive field. This study aims to identify and analyze MICE tourism's potential strategies in incentive travel in Nias Island, North Sumatra, Indonesia. From the background above, the research objectives in this study are focus on (1) what does the role of the government and private sector in developing tourism incentives in Nias Island is? (2) how does the government's strategy for tourism development making Nias island one of the MICE industry destinations?

## B.RESEARCH METHOD

This research uses a **qualitative case study**, an intensive and holistic description, and a report. According to Creswell (1998), Case study data is collected by **observations, interviews, and documents**. In this example, semi-structured interview questions with probes and follow-up inquiries will urge the members to share their story so that the analyst was as an audience (Campbell, 2015). The researcher focuses on South Nias Regency area. South Nias is in the underdeveloped regions as designated by Presidential Regulation Number 63 of 2020 concerning underdeveloped areas in 2020-2024. The researcher uses purposive sampling to reach a particular subset of members, as all study participants are selected because they provide a specific profile.

Data was collected through semi-structured interviews, participant observation, and document analysis (Glesne, 2016). Furthermore, researcher observation was recorded as field notes throughout all periods of interaction with study participants, record data, stories, and pictures, which can be used in later reports (Smith, 2014). Interviewees were asked to identify barriers or challenges beginning from

### b. Lack of Human Resources to work in MICE Industry

governmental, academic, or business sectors, potentially South Nias Island developing destination incentive travel to make recommendations and solve existing problems. Each interview at least 45–60 min the researcher audiotapes the complete interview, transcribed for analysis. As a first contact, a message through social media by WhatsApp written in the Indonesian language was sent to each identified stakeholder. Secondary data was obtained from a specific organization that can be used for its research purposes; most statistical data is obtained from public or academic institutions and the specialized press.

## C. FINDINGS AND DISCUSSIONS

This section presents the findings resulting from the analysis of the interviews with the government and private sector. Of the sixteen original participants who served their willingness to join, nine finally agreed to be interviewed. The other participants were busy and had no news during the interview. The interview was translated into English by the researchers. Every participant received a pseudonym used in data analysis to preserve the anonymity of the participants. Every government was assigned a number for analysis, i.e., GV 1, GV 2, and every private sector, i.e., PS 1, PS 2, PS 3...

### Research Question 1: What is The Role of The Government and Private Sector in Developing Tourism Incentives in Nias Island?

#### a. Environment Nias Island-An Overview

GV 1 said that Nias more developed than before and she continue by saying said that "...Nias has had little growth in both planned design and environment compared to the post-earthquake in 2005". Another GV 3 explained ..." the progress situation of South Nias because at that time it had been streamlined and combined with other agencies so that the transition from the tourism sector to a small sector, and in 2016 the tourism department stood alone without merging and the development of a national event was started to become an event and annual". PS 1 said "...South Nias has not grown significantly until now". Although South Nias is held in an archipelago rich in marine resources, it turns out that in terms of supporting the economy, PS 2 said "... the main livelihoods of the South Nias population still come from the agricultural and plantation sectors, especially as rubber producers".

PS 3 said that currently human resources who are experts in MICE are needed to be able to advance MICE activities in areas that have great potential in South Nias. PS 3 said "... The potential for tourism is wide open for Hotel Managers and other tourism actors; there should be guidance and socialization from the government about MICE". PS 2 "... There was training that educates local communities and tourists about how to develop tourism. For example, the tourism and cultural heritage awareness training has not yet reached the specifics of MICE Education". GV 2 Said ..." Central and provincial governments also provide training that educates on how to develop tourism. For example, training on tourism and cultural heritage awareness. but about MICE, I don't think so".

GV 1 said "...All employees here have their respective skills that can be utilized in implementing development policies. however, the field is small circle in tourism development". PS 5 said "... the government comes to talk with the surrounding community, and for example, there is something to build or make a big event in a tourist destination".

### c. Supporting Facilities and Infrastructure

GV 2 said that "...The facilities and infrastructure of the South Nias region are quite supportive for the implementation of MICE tourism activities and tourism development in Nias Regency, especially tourism objects in South Nias. GV 3 also said "...The South Nias area is trying to be done in tourist objects such as making roads safe entry to tourist objects and fixing public toilets at tourist attractions. Of course, Infrastructure development still needs to be resolved, such as damaged roads to tourist attractions".

GV 1 said "...Road damage is now reduced; the government's role is still trying to improve accessibility to tourist destinations". The government encourages the management of objects tourism in Nias Regency is based on the community. MICE tourism development is encouraged towards development-based society because the government is aware that tourism objects in South Nias Regency Asset ownership are owned by the local community, the government is only that has the authority to provide what they need.

From the results of interviews, PS 2 "...I see them moving slowly for the facility progress". PS 4 ... "Roads and modes of transportation that already exist but still need development in a better way". The PS 1 highlighted "...The government has started to build infrastructure; Damaged roads have decreased quite a bit in South Nias

PS 1 "...There was a stone jumping show that is still maintained. It is better if they provide other tourist attractions and ... what else, oh yah.... a 24-hour Health Clinic, and a 24-hour Mini Market,

weren't available". However, there has not been much interference from the government and private investors in managing tourist sites. It can be seen from the lack of public facilities and infrastructure, such as public toilets, minimarkets, and even souvenir shops, which each person still manages.

### d. MICE Tourism Activities and the Role of District Government

The explanations of several tourism actors and hotel managers in South Nias show that MICE activities in the field of incentives are very rarely implemented. They explained that the factor that caused the reduction in MICE activities was due to the lack of MICE socialization to hotels, supporting this activity, and the government gives less attention. PS 3 "...Currently, I open a hotel, and I hired local people to support my business here" but there were private sectors (like us) who are not paid attention from the government. PS 5 also agree that government doesn't support them. He said "...The government does not support souvenir traders in South Nias".

GV 3 said that "The government has been working to promote tourism in South Nias by holding national and international events".

From the reports of some hotel managers there, PS 3 explained that "...Hotels in the southern regions were not ready to carry out MICE tourism. The implementers are indeed more enthusiastic and understand that the community unsatisfactory with the current developments, so let them be motivated".

#### Research Question 2: How does the government's strategy for tourism development in making Nias island one of the MICE industry destinations?

##### a. Tourism Sector in South Nias Island

South Nias Regency has a vast tourism potential in the form of natural tourism potential in the form of beaches and unique cultural tourism and the understanding of the residents around tourist destinations that are an attraction for tourists. GV 1 said "...We reduced the number of target market price for visitors to visit Nias, and we focus on developing four areas in Nias tourism objects; it can be seen from visitor data that until 2018 it has increased". The researcher's data shows a significant increase in domestic and international tourists visiting South Nias from 2014-2018. Talking about the tourism area in south Nias the government and the private sectors have the same opinion PS 2 "...South Nias is has a potential tourism sector and it was so amazing". PS 4 "...Amazing! This beach view is truly amazing!". GV 3 also said "... We put efforts to raise the attractiveness of Sorake beach, stone jump and other tourist attractions, especially for foreign tourists".

## b. Government and Private Sectors to promote MICE Tourism

The interviews conducted by the research team stated that the tourism sector has been carrying out MICE tourism activities, but it is still not optimal for these MICE tourism activities. From the accounts of several hotel managers there, PS 2 explained that "... hotels in the South Nias region need the training to be ready to implement MICE ". Some hotels there already have loyal tourists when it comes to visiting South Nias. PS 3 said that ".the importance of collaboration and cooperation with other stakeholders to support MICE activities in southern Nias". PS 5 add that " There is no clear relationship between the government between the private sectors, especially by providing promotions in the form of advertisements or using our souvenir traders as an example of promoting South Nias".

## DISCUSSIONS

### a Readiness of Stakeholders to promote MICE Tourism

Dalimunthe (2019) found that the hotel in Toba Samosir Regency was ready to face MICE tourism, but hotel managers still need training and socialization of MICE tourism. So that hotel managers and tourism actors can promote hotels to increase occupancy rates. This study supports this where this research finds that good cooperation between hotels and tourism actors requires good cooperation in promoting MICE tourism, and it is essential to conduct training and reintroduction of MICE tourism. So far, the district government has been working and promoting tourism in South Nias



Figure 1. Numbers of Visitors South Nias Regency 2016-2019

Puspita (2020) reported that Sorake beach and the traditional village of Bawomataulo are potential tourist destinations that attract both domestic and foreign tourists. This study supports the results of the study, the researcher found that Sorake Beach and the traditional village of Bawomaataulo

by holding events to promote tourism. It can be seen that the progress of events in South Nias has begun to be noticed by the South Nias Culture and Tourism Office, which must work extra hard and improve coordination to make the national event a success.

### b The Potential Tourism Sector in South Nias

South Nias Regency has a lot of tourism potential, which offers a variety of tourist attractions. South Nias Island has gorgeous seas and beaches, so that the potential for tourism management and development by determining tourist spots and known as special interest tourism such as surfing (Zufriwandi, & Elisabet, 2020). A lot of tourist activities in the South Nias area. What can be monitored are the activities of tourists. However, tourist activity seems not well organized. In this case, a better and scheduled management of tourist activities is needed to support these activities, and professional fields are required, such as reliable event organizers and experienced guides. So that tourist activities can be memorable and exciting to carry out.

Natalia (2016) found that incentive travel is a global management tool that uses an exceptional travel experience to motivate and /or recognize participants for increased levels of performance in support of organizational goals. However, in this study the researchers found that tourism actors still need support, knowledge and training in better understanding in terms of incentive travel.

The number of tourists visiting South Nias is increasing. In 2019 the number of tourists visiting increased by 13.15% compared to 2018.

are still tourist destinations that have the potential to attract domestic and foreign tourists.

### c Implementation Strategies for South Nias Development



According to Law No. 10 of 2009 on Tourism, it is stated that tourism is a type of tourism activity and is supported by many facilities and services provided by the community, businessmen, government, and local governments.

Regional Development Planning Board of South Nias (2020) reported that the government had been done in developing leading sectors in South Nias such as tourism promotion events include South Nias Open Surfing Championship in 2017, following the North Sumatra Fair Ya'ahowu Nias Festival, Development of facilities and infrastructure in tourist destinations, for example, construction of a tourist information center, construction of a Gazebo, construction of toilets, the building of cultural arts performances. Development was focused on infrastructure, but the availability of facilities and infrastructure, accommodation, and community support around tourist area locations will significantly determine the level of success in exploring tourism potential in the South Nias district.

Besides developing physical infrastructure, tourism development is also carried out in social infrastructures, such as building groups informed of travel. The community will manage itself as a tourist attraction in the region. The government is the one who has the authority to provide the necessary facilities to support tourism activities. It is supposed that stakeholders will continue to coordinate well by building balanced communication to produce joint achievements in building MICE tourism in South Nias. MICE tourism socialization needs to be done. So that tourism managers and actors can be more motivated to establish cooperation and contracts to increase the number of MICE tourism, especially in the incentive sector.

### Figure 2. Roads Condition in 2019

The study conducted in South Nias where Nawing and Maristy (2019) found that supporting facilities and infrastructure were still deficient, for example, frequent power outages, poor roads, and incomplete tourism information. In this study, the researcher found that infrastructure developments have progressed. The government is the focus of development accessibility, facilities, and attractions. The condition of facilities and infrastructure in South Nias is still lacking, but currently, the government is

still developing transportation and road conditions in South Nias. From the data obtained in the field, current road conditions have increased from two years ago. Data shows an increase in good road conditions of 49.37% compared to 39.56% heavily damaged roads.

Duha (2019) found that implementing the policy for the development of Sorake beach tourism objects has given education and training education and training every year. This study supports the results of that study. The researchers also found that implementing the policy for the development by tourism actors and the government also conducted training for employees.

### E. CONCLUSIONS

From the findings of the research's discussion, the researcher concluded that South Nias has enormous potential in MICE tourism activities. The enthusiasm of foreign and domestic tourists who statistically contribute to visits to the South Nias Regency should be used as one of the driving forces for the local government to establish the tourism sector as a regional priority.

Developments in facilities and infrastructure to support tourist activities are also necessary. Tourists who visit are more comfortable and feel satisfied after visiting tourist attractions in the South Nias area. The private sector and the government should work together so that MICE activities will develop well. The hotel is ready to allow MICE Tourism but needs training and socialization of MICE Tourism. So that hotel managers and tourism actors can promote hotels to increase occupancy rates, travel agents should support increased tourism promotion both with print and media electronic media and participate in every event held outside the region to promote tourism and the culture of Southern Nias. The implementation of this approach is expected that efforts to raise the tourism sector as a priority for regional development in the South Nias area can develop the quality of all the environmental potentials of tourist destinations. An ancestral cultural heritage also can ensure the benefit of tourism activities, the economic and social life of the wider community not only today but also for welfare in the future. Another thing that needs attention is preserving objects and buildings of cultural heritage belonging to South Nias and involving all stakeholders.

### IMPLICATIONS

Overall, the findings above challenge the government and the private sector in increasing MICE activities in incentives. With this establishment, it is hoped that tourism potential in the region can reach all regions of the country and

abroad. They were improving the Quality of Supporting Facilities and Infrastructure. To promote MICE tourism, the tourism sector, such as tourism actors and hotel managers, still needs training and dispersion of MICE implementation. So that tourism actors and hotel managers are more motivated to explore more potential markets, both nationally and internationally. Good marketing skills are required to promote tourism in the South Nias area.

## FUTURE RESEARCH AND LIMITATIONS

This research is also still focused on one district in the South Nias area, and it is hoped that further research can discuss other areas in Indonesia with MICE tourism potential. And It is hoped that there will be promotional activities and an introduction to the potential of the MICE industry in regions throughout Indonesia so that it will help organize MICE activities. This study is not free of limitations, lacks data on MICE tourism in South Nias. Although MICE is currently in Indonesia, especially North Sumatra, research papers on the MICE industry are still lacking. During the Covid 19 pandemic, researchers could not return to Indonesia to obtain data directly and conduct in-depth interviews with participants; researchers received assistance from fellow researchers in Indonesia to conduct direct interviews with participants, previously expected to get two participants per agency. The researcher was conducting interviews with several stakeholders from public organizations who are busy with their work. Therefore, face-to-face interviews cannot be conducted with multiple stakeholders in the MICE market..

## REFERENCES

Baloglu, S., & Love, C. (2005). Association meeting planners' perceptions and intentions for five major US convention cities: the structured and unstructured images. *Tourism Management*, 26(5), 743-752.

Buathong, K., & Lai, P. C. (2017). Perceived attributes of event sustainability in the MICE industry in Thailand: A viewpoint from governmental, academic, venue and practitioner. *Sustainability*, 9(7), 1151.

Campbell, S. (2015). Conducting case study research. *Clinical Laboratory Science*, 28(3), 201-205.

Dalimunthe, A. K. (2019). THE ANALYSIS OF LAKE TOBA POTENTIAL AS MICE TOURISM DESTINATIONS FOR INCENTIVE FIELD IN NORTH SUMATERA. *Jurnal Darma Agung*, 27(1), 900-910.

Daerah Kabupaten Nganjuk). *Jurnal Administrasi Publik*, 1(4), 135-143.

Duha, S. B. P. (2019). Implementasi Kebijakan Pengembangan Objek Wisata Pantai Sorake di Kabupaten Nias Selatan.

Fischer, J. G. (2005). How to run successful incentive schemes.

Getz, D., & Page, S. J. (2016). Progress and prospects for event tourism research. *Tourism management*, 52, 593-631.

Glesne, C. (2016). Becoming qualitative researchers: An introduction. Pearson. One Lake Street, Upper Saddle River, New Jersey 07458.

Huo, Y. (2014). Meeting planners' perception on convention destination attributes: Empirical evidence from six major Asian convention cities. *The journal of business inquiry*, 13(2), 74-84.

Lase, E., Sihombing, M., & Thamrin, H. (2018). Analisis Strategi Pengembangan Kawasan Pariwisata di Kabupaten Nias. *Anthropos: Jurnal Antropologi Sosial dan Budaya (Journal of Social and Cultural Anthropology)*, 4(1), 126-138.

Lau, C. K., Milne, S., & Johnston, C. S. (2005, April). MICE, ICT and local economic development: The case of Te Kahurangi, New Zealand. In *Journal of Convention & Event Tourism* (Vol. 7, No. 1, pp. 61-75). Taylor & Francis Group.

Leong, A. M. W. (2007). Macau MICE tourism with a closer review of the Las Vegas and Atlantic City experiences. *Journal of Macau University of Science and Technology*, 1(2), 55-70.

Marpaung, N., Hutabarat, M. B., & Ginting, W. O. (2016, November). Management Strategy on Lake Toba Development Being 10 Main Tourism Destinations In Indonesia. In 1st International Conference on Social and Political Development (ICOSOP 2016). Atlantis Press.

Natalia, K. (2016). Potencial for Russian incentive tourism to Finland. *World science*, 3(3 (7)).

Pamullasari, S. (2002). PUSAT KONVENSI DAN EKSHIBISI DI SURABAYA (Doctoral dissertation, Jurusan Arsitektur Fakultas Teknik Undip).

Prasetya, M. N. (2018). Membangun Kembali Budaya Maritim Indonesia: Melalui Romantisme Negara (Pemerintah) dan Civil Society. *Jurnal PIR: Power in International Relations*, 1(2), 176-187.

Primadany, S. R. (2013). Analisis Strategi Pengembangan Pariwisata Daerah (Studi pada Dinas Kebudayaan dan Pariwisata

Puspita, N. (2020). STRATEGI PENGEMBANGAN KAWASAN WISATA DI

KABUPATEN NIAS SELATAN.  
Kajian, 24(2), 131-143.

Septemuryantoro, S. A., & Dima, C. C. (2018). PEMBELAJARAN WISATA MICE (MEETING, INCENTIVE, CONFERENCE AND EXHIBITION) UNTUK MENCiptakan SDM MICE DI KALANGAN MAHASISWA PERHOTELAN UNIVERSITAS DIAN NUSWANTORO.

Shinew, K. J., & Backman, S. J. (1995). Incentive travel: An attractive option. *Tourism Management*, 16(4), 285-293.

Sihite, J., & Nugroho, A. (2018, March). Exploring the Indonesian Tourism Destination via Indonesia. Travel@ indtravel. In 2nd International Conference on Tourism, Gastronomy, and Tourist Destination (ICTGTD 2018). Atlantis Press.

Subadra, I. N., & Nadra, N. M. (2012). Dampak ekonomi, sosial-budaya, dan lingkungan pengembangan desa wisata di jatiluwih-tabanan. *JURNAL Manajemen dan Pariwisata II*, 5(1).

Yoon, Y., Gursoy, D., & Chen, J. S. (2001). Validating a tourism development theory with structural equation modeling. *Tourism management*, 22(4), 363-372.

ZEGA, T., Haryanto, R., & Manulang, O. R. (2002). KAJIAN PRIORITAS PENYEDIAAN KOMPONEN WISATA BAGI PENGEMBANGAN PARIWISATA DI PULAU NIAS (Doctoral dissertation, Universitas Diponegoro).