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Aligning Tourism Area Life Cycle and Product Life Cycle in Avoiding Decline Stage: Case Study on West Nusa Tenggara Indonesia

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Abstract---The peak of the tourism industry in West Nusa Tenggara before the COVID-19 pandemic suggested that its position was already in the stagnation stage according to TALC (Tourism Area Life Cycle). Also, the stage can be aligned with PLC (Product Life Cycle) which is known as the maturity stage. This research extracted opinions from tourism industry stakeholders by using multiple FGD (Focus Group Discussion) and summarized the result into a recommendation to avoid the declining stage of the tourism industry, especially in West Nusa Tenggara. One of the main conclusive answers is optimizing e-tourism at an innovative pace. However, this step does not only need good commitment, support, and collaborative intention from whole stakeholders but also good preparation from local human resources to support its sustainability. This preparation should be fulfilled by local vocational higher education in West Nusa Tenggara which is known as Tourism Polytechnic Lombok.

Keywords---decline stage, life cycle, product life cycle, tourism area, tourism industry.

Introduction

Recently, tourism management is facing a considerable challenge during the COVID-19 pandemic era (Gretzel et al., 2020). While many tourism destinations were severely impacted by the lockdown policy, some tourism destinations were denying their declining life cycle during the pandemic. Meanwhile, tourism management is different from common company management, since it was declared as one of the biggest providers of jobs in the world (Buhalis & Law, 2008). As a result, the industry must be saved to prevent massive unemployment.

Tourism management in West Nusa Tenggara, Indonesia, has a unique combination between ancient tradition, beautiful nature, and upcoming modern destinations, and it has to deal with the same problem. The tourism industry which is focusing on nature and old tradition is facing a declining life cycle, and the upcoming modern destination in West Nusa Tenggara, which is known as Mandalika, will finish its giant modern project in 2022. (National Council for Economic Zones of the Republic of Indonesia, 2020). Thus, the industry will be presented with tough choices, and one will be cast in the shadow of another.

In early 2000, the tourism industry had already evolved its development, especially in its marketing and consumer behavior point of view, into the e-tourism era which emphasizes internet usage (Mills & Rob, 2004). It means that traditional tourism destinations had to deal with such a big challenge even before the COVID-19 pandemic. Hence, the tourism industry, especially those which emphasize their ancient tradition and utilize

conventional tourism management, will face a declining life cycle sooner or later (Aitken et al., 2003; Östlin et al., 2009).

It also affects tourism destinations in West Nusa Tenggara which mostly consist of conventional management model as their core. While the tourism industry should follow the rule of TALC (Tourism Area Life Cycle) by Butler (1980); Butler (2019), as a common business guideline, it should also be following the same rule in the product life cycle for its sustainability (Duque et al., 2014; Covin & Slevin, 1990). As a result, when both of them are aligned and analyzed, the results should provide a good recommendation to tourism destination management on how to avoid a declining life cycle. It should be applicable, especially during the COVID-19 pandemic era, and it's also according to how the tourists gradually incline toward e-tourism.

TALC itself has already been empirically applied by many tourism researchers to create a good view on how the tourism industry should consider important aspects for its sustainable development. Some researchers argued that TALC is deeply influential in deciding which of the most important feature that should be exposed in a tourism destination (Setiawan & Wiweka, 2018; Singh, 2020), and others said that TALC could help create friendly ecological tourism destination (Tang et al., 2017). Also, TALC helps tourism management avoid scenarios such as having its life cycle ends up in a declining state.

Additionally, the product life cycle (PLC), as the main concept in every business lineage, also has a decline point that should be avoided (Martínez et al., 2018; Curran, 2013). It is also clearly stated that the product life cycle can also be aligned with other life cycles, depending on each business lineage. For example, in software development, the product life cycle can also be aligned to SDLC (Rajlich & Bennett, 2000), which is evidence that PLC is basic for every other business life cycle, including tourism.

This research aims to analyze how TALC should be aligned with PLC, to avoid the decline point which may occur in both life cycle. This research utilizes a case study at West Nusa Tenggara, especially in the tourism industry, which focuses on old tradition or ancient heritage, and natural beauty. As previously explained, both were already facing significant challenges even before the COVID-19 pandemic era. Thus, tourism management should be advised on how to survive and not slipping toward the declining stage. This research also gives clear and simple explanations of how other similar conditions in the tourism industry can adapt to the alignment and survive throughout the future (Simón et al., 2004; Miller, 2001; Haque, 2015).

Methods

This research took place in West Nusa Tenggara province as the location of Focus Group Discussion (FGD) with stakeholders. The FGD itself had been done for at least three times since early 2020 with many participants from the local government, Tourism Ministry, tourism stakeholders (hotel management, ITDC (International Tourist Development Center), Indonesian Chef Association (ICA), and Hotel Association (PHRI), Tourism Industry Association, Tour Guide Association, Tourism Authority Agency, as well as Tourism Village management.

The first FGD was held in early November 2019 which was attended by local tourism stakeholders and Tourism Village management. This meeting aimed to provide early ideas brainstorming and a clear vision about a recent condition in the tourism industry in West Nusa Tenggara. The second FGD was held four months later in March 2020 and attended by the same participants that were focusing on how West Nusa Tenggara tourism dealt with challenges in the e-tourism era, avoided the decline point for an old tourism destination, and adapted to the new upcoming destination (Mandalika). The last FGD, which was held online in November 2020 with the same participants as the second FGD, concluded and presented proposed alignment and suggestion to all stakeholders. This last meeting also became the conclusive session which will be discussed further in the next chapter. While there were many interests discussed in the FGD process, the researcher team focused on their main purpose which was explained previously.

The whole summary of FGD was then supported by field observation in local tourism destinations (in West Nusa Tenggara province). This observation is needed because of the unique combination in West Nusa Tenggara's tourism which consists of natural beauty such as Gili Trawangan, Puncce, and similar destinations, and combined with an upcoming modern destination such as Mandalika zone. Thus, the result should be adjusted and adapted to the current condition of West Nusa Tenggara tourism destinations.

Results and Discussion

Field observation at local tourist sites further endorsed the whole summary of FGD and benchmarking (in West Nusa Tenggara province). The result of FGD can be summarized as in the following table:

Table 1
FGD summary result

FGD Sequence	Main Points
1	<ul style="list-style-type: none"> a. Marketing of the tourism industry in West Nusa Tenggara should involve e-tourism for leveraging factor. b. Vocational higher education in tourism should optimize local human resources for creating better self-belonging and self-pride in the tourism industry. c. The current tourism industry in West Nusa Tenggara has already reached a mature point if it is viewed using PLC. However, in TALC, it could be seen as reaching a stagnation point if there is no innovation in managing the current condition. d. Massive promotion from local government and Tourism Ministry has already reached its peak and bring lots of tourists. However, it can be trapped in a dangerous stage if there is no innovation in the current tourism industry of West Nusa Tenggara.
2	<ul style="list-style-type: none"> a. E-tourism role should be increased to leverage and maintain PLC and TALC position of the tourism industry in West Nusa Tenggara. b. The tourism industry needs alumni who understand not only the hard skill of hospitality but also the managerial skill and common IT skills to support e-tourism. c. To develop improved curricula for the Tourism Research Program and to balance the need for the theoretical learning method and field practice for students, the Association should maintain active involvement.
3	<ul style="list-style-type: none"> a. Both facets have already been influenced by disappointing outcomes in the Covid-19 pandemic period. This should build better ways to plan for the resurrection in the future. b. The Covid-19 pandemic could arouse the value of introducing e-tourism and support the leverage of conventional tourism management. Thus, it can avoid stagnation and decline point. c. To create better standards for curricula, better cooperation should be developed between all tourism polytechnics in Indonesia. It should not leave out local wisdom and must brace for the tourism industry's next challenges. Thus, it will give better preparation for the future tourism industry, especially in West Nusa Tenggara.

TALC as a life cycle in the tourism field has already been stated by Butler in the late '70s. However, there are some improvements made by Butler itself (Butler, 2019) and also from other researchers who apply TALC into local wisdom and specific condition (Kruczek et al., 2018; Setiawan & Wiweka, 2018). TALC itself has at least seven components, which are: (1) exploration, (2) involvement, (3) development, (4) consolidation, (5) stagnation, (6) rejuvenation, and (7) decline (Butler, 2019). In brief, TALC can be seen in the following figure:

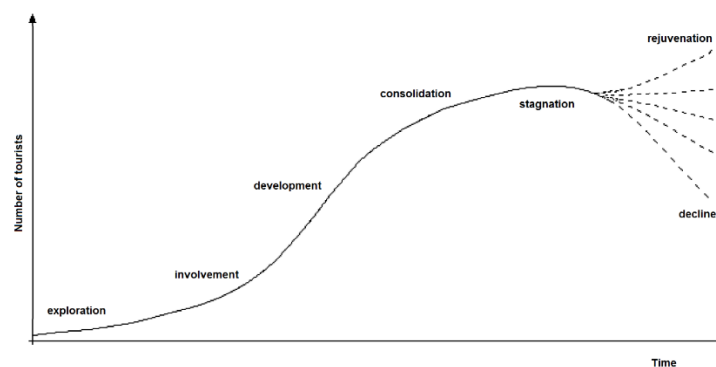


Figure 1. TALC (Kruczek et al., 2018)

In this research, we only focus on the stagnation point which is the position of the West Nusa Tenggara tourism industry. The tourists' number, before the COVID-19 pandemic, was massive and the infrastructure development was also generously supported by the local government. Thus, it leveraged the tourism industry to a favorable position. However, the need for survival and creating sustainability is a must for the tourism industry, especially in the COVID-19 pandemic era.

The FGD results from tourism industry stakeholders had reached a common agreement that one of the leveraging factors for avoiding decline point is to implement e-tourism. However, this implementation will need support from local human resources, especially youngsters, who can be recruited from local vocational higher education institutions. In this case, it will be represented by Tourism Polytechnic Lombok as the only vocational higher education in West Nusa Tenggara that specializes in tourism.

On the other hand, some stakeholders, especially from a government point of view, still believe that there is no urgent condition regarding the tourism industry in West Nusa Tenggara. They said that the COVID-19 pandemic would be over soon after the vaccination program in the year 2021. Thus, the implementation of e-tourism should be done slowly and very carefully. Despite that opinion, the researchers then try to present that the whole industry must be aware of the decline stage (Huang, 2016).

Decline stage does not merely exist in TALC, and the common industry is familiar with the concept of Product Life Cycle (PLC) which consist of: (1) introduction, (2) growth, (3) mature, and (4) decline stage (George, 1981). PLC itself has been proven as one of the main weapons in marketing standard which can decide when the manufacturer should leverage their product. Researchers had empirically proven that when a product has already reached its maturity stage, it will go to the decline stage soon if there is no leverage step prepared (Shahmarichatghieh et al., 2015). In brief, we can see PLC in the following figure:

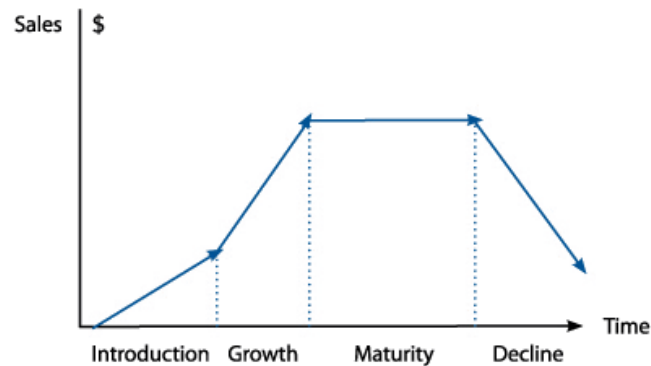


Figure 2. Product life cycle (Anderson & Zeithami, 1984)

This figure was then presented to government stakeholders to convince them that the maturity stage is just another trap for the industry. It also happened in the tourism industry, and more specifically to industries that apply TALC as the main concept in running their operations. When we try to align the maturity stage and stagnation stage, then we can have the following concept figure.

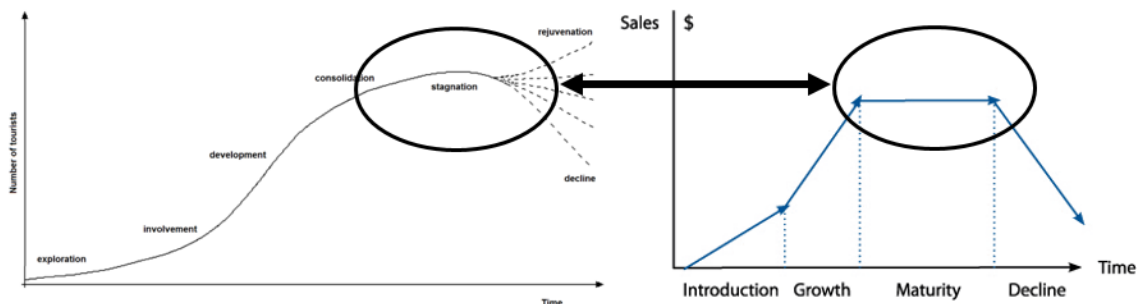


Figure 3. Alignment TALC and PLC

As evidence, we can see that stagnation in TALC, for the West Nusa Tenggara tourism industry, happened before the COVID-19 pandemic. Massive tourists visit and the development of the local tourism industry such as hotels, retailers, and other supporting small industries had created routine activities for local villagers. In contrast, the upcoming big destination, Mandalika, will create more modern zones with considerable support from government and foreign investors. This will create the starting point of the decline stage, whether from the TALC point of view and PLC point of view. The big difference between TALC and PLC is that TALC has the opportunity to create a rejuvenation point by applying innovation.

According to this finding and the result from FGD, we can argue that the rejuvenation stage should be achieved and prepared in the West Nusa Tenggara tourism industry. This may be achieved by preparing human resources from local youngsters to take vocational higher education as their main choice after high school. The province will need many prepared and skilled human resources to leverage and switch into the rejuvenation stage of TALC. Consequently, this could be one of the best measures to avoid the decline stage in PLC.

The COVID-19 pandemic, which hit the tourism industry pretty hard, should become the momentum for vocational higher education to prepare better curricula for the next generation. Hard skill in hospitality is not the only main purpose in gaining good human resource, but it also needs IT skill to support e-tourism and managerial skill to support innovation in the future. Consequently, the local tourism industry will be sustainable and able to face a new era during and after the COVID-19 pandemic.

Conclusion

We should provide certain assumptions and responses to the research questions based on the previous explanation, which are: (1) The mature stage of PLC can be aligned with the stagnation stage in TALC which becomes a marker of importance in implementing innovation (2) TALC still provides an option to avoid decline stage by applying innovation and springs back to the rejuvenation stage, but this must be supported by good human resources in the tourism industry, especially in West Nusa Tenggara (3) E-tourism is one of the main points in creating innovation and becomes an urgent matter that must be addressed soon (4) COVID-19 pandemic should become the momentum of preparation of youngsters through vocational higher education for future innovation. Also, the FGD reminded us that during and after the COVID-19 pandemic the whole stakeholders must collaborate properly and get rid of any egocentric tendencies to keep the sustainability of the tourism industry in West Nusa Tenggara. Support from the government is also needed to keep small industries beyond the tourism industry alive during the pandemic era.

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