Business to Business Relationship in Tourism Supply Chain of Rural Green Tourism Destination: Case of Pinge Village and Nyambu Village, Tabanan Regency, Bali Province, Indonesia

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Abstract—The concept of Tourism Supply Chain (TSC) has become a concern of tourism firms to enhance their competitive advantage. Tourism firms nurture their relationships with tourism organizations supplying different products and services to satisfy their customers. This is also applied by urban green tourism destination in this case refer to tourism village. The purpose of this paper is to explore the business to business relationship in Tourism Supply Chain of tourism village particularly firms that involve in providing attraction, accommodation and amenities (3 A’s) as the main components of a tourism village. The research was took place in two tourism villages that are Pinge village and Nyambu village located in Tabanan Regency, Bali Province, Indonesia. Those two villages was chosen based on the reason that each of them has different size and popularity. The data collection methods used are in-depth interview, direct observation and documentation review. Data is analyzed using Miles and Huberman method comprising of data reduction, data display, conclusion drawing and verification. The findings reveal that in Pinge the relationship among 3 A’s tourism firms are strong and well organized. On the other hand in Nyambu, the relationships are weak and very loose. The recommendation for future research is to link the business to business relationships among 3 A’s tourism firms with the concept of sustainability or green marketing tourism that are people, economy and environment.

Keywords—business to business, tourism supply chain, tourism village, trust, commitment, communication

I. INTRODUCTION

Tourism Supply Chain (TSC) involves the relationship of business to business (B2B) and business to customer (B2C) interaction. Both of these relationships have their own rules in the TSC. The relationship in TSC is more complex compared with manufacturing and retail supply chain due to the characteristics that are embedded in services [1]. Services has short product life and desperate suppliers [2]. TSC of a rural green tourism village has differences with other TSC because of community based participation so called Community Based Tourism (CBT) is practiced. Rural green tourism village is based on the idea of involving community in tourism activities in the village with the consideration of conserving environment and increasing community prosperity [3,4]. At the same time, not only merely achieving the firms’goals but also committing to sustainability. A rural green tourism village must have 3 A’s that are attractions, accommodations, and amenities with the main goal to preserve the environment. Attractions are something that interest tourists to visit including activities to be experienced. Accommodations are place to stay while tourists in the village. Meanwhile, amenities are facilities for supporting the tourists when stay in the village. There are an array of research exploring rural tourism village from different perspectives. For example, perception of local communities [5], tourists satisfaction [6,7]...
and marketing strategy [8]. However, none explores the link of 3 A’s of a tourism village with TSC from the business to business relationship perspective. Based on this, the study aims at exploring those connection. The components of 3 A’s (attractions, accommodations, and amenities) are explored based on the elements of relationship marketing (trust, commitment, and communication). The research question is to explore how the business to business relationship in TSC of rural green tourism destination village.

There are some literature reviews relate and support this study which are business to business relationship, trust, commitment, communications, tourism supply chain, and rural green tourism village.

A. Business to Business relationship

The concept of business to business relationship emerged due to the importance of developing, maintaining and enhancing long term relationships with business partners [9,10]. This is in line with the concept of relationship marketing [11]. The relationship is based on mutual benefit and can be achieved by fulfillment of promises [12,13]. Having business to business relationship provides firms with the opportunity to sustain their business. The prime dimensions of business to business relationship are trust, commitment and communication [11,14].

B. Trust

Trust is the critical and fundamental determinant in business to business relationship. Trust in each other’s partners and meeting their commitments lead to successful relationship. Therefore, trust is a belief that the partners will perform actions that resulting a positive impact and will not intentionally harm the relationship [14]. Trust has three essential components: (1) the belief that the relationship partner will show benevolence in his/her actions; (2) honesty where the trusting party relies on the relationship partner to be credible; and (3) the belief that the relationship partner has the competence to act for the benefit of the relationship [14]. Thus, trust can be seen as a causal antecedent of commitment.

C. Commitment

Commitment is a crucial part in a long term relationship. Commitment implies the desire to maintain the relationship and it provides competitive advantage to firms [15]. Commitment can be defined as the parties’ consistent motivation and desire to maintain a relationship over a long period and it corresponds to the highest status of relationship bonding [16, 17]. Business partner is more likely to stay in the relationship and has no intention to leave the relationship in the near future if the relationship between trust and commitment getting stronger [18, 19].

D. Communication

Communication involves information or know-how sharing between partners [14] and a cooperative relationship behavior for achieving the desirable outcomes [20]. Open and honest communication should be maintained to avoid misinterpretation or mutual dissatisfaction. In addition, by trusting partners, open communication, exchange ideas and sharing resources are the end result [10]. Communication bounds trust among partners when it is repeated through exchanges over time [20].

E. Tourism Supply Chain

Tourism Supply Chain (TSC) is a comprehensive activity with an objective of collaboration of resources, cost efficiency and achievement of customer value in tourism business which includes product (either goods or services), money and information flow that affect the product and tourist experience [21, 22]. TSC consists of accommodation companies, transport companies, food and beverage companies, recreation companies, retail companies, tour operators, and travel agents [1, 21, 23].

F. Rural Green Tourism Village

Tourism village is a development of a village in the form of integration of attractions, accommodations and supporting facilities embedded in the structure of community life [24]. Tourism village usually located in rural area and concern with sustainability of natural resources and protect them from the harm caused by the tourism industry. The reasons for the need for developing a tourism village are: (1) one of the relevant ways to attract tourists who are culture-oriented, humanitarian and care about environmental issues; (2) to improve the welfare of local communities by opening up opportunities to get higher profits; and (3) tourism village development can stimulate village development. Thus the term of rural green tourism village becomes popular. It has two main features namely involving rural inhabitants and making use of existing rural infrastructure and heritage as tourist accommodations and attractions [25]. As [26] emphasize that rural green tourism village can be seen as to conserve and regenerate of rural society and culture. In 2017, the Province of Bali registered 136 tourist villages scattered throughout the districts and cities [27].

II. RESEARCH METHOD

A. Research Design

This paper employs a case study approach. According to Yin [28] a case study is an empirical enquiry in a real-life context especially when the boundary of the phenomenon and real-life cannot be identified. Pinge and Nyambu villages are located in the Tabanan Regency, Bali Province, Indonesia. Multiple case studies were used for comparing cases with the purpose of knowing if there is any differences or not of the exploration of tourism business relationships. These two cases have different size and popularity. Pinge is more popular than Nyambu. Pinge was awarded Silver medal for tourism village by Tourism Village Forum, meanwhile, Nyambu was awarded bronze medal. This research focus on the firms involved in the distribution channel along the tourism supply chain, particularly tour operators, travel agencies, transportation, and accommodations. This is based on the justification that the
food and beverage suppliers not existing in tourism supply chain in our cases. Other stakeholders such as customers and government were omitted in this research due to the scope of the research which only focuses on business to business relationship.

B. Data Collection

Data was collected by utilizing in-depth interview, observation and documentation aiming at triangulating data. Interviews were guided by a list of topics related to the research question. The interviews were recorded and later transcribed, typed and reduced. The informants were the owners or managers or staff of tourism businesses along the tourism supply chain. The in-depth interviews had been done by interviewing 24 informants, 100% was male. Moreover, observation was done by visiting two villages five times each for observing, experiencing and exploring the business to business relationship. Furthermore, documentation (i.e. newspaper articles and photo) of the two villages had been explored to triangulate the data.

C. Data Analysis

Data was analyzed referring to Miles and Huberman method comprising of data reduction, data display, conclusion drawing and verification [29]. Data reduction was by clearing the unnecessary information. Data display was by presenting finding in table and highlighting important information from informants. Conclusion drawing was by matching the pattern emerged from the finding.

III. RESULTS AND DISCUSSIONS

According to [30], Pinge is a tourism village with natural attraction (i.e. rice fields and Subak Pacung), cultural attraction (traditional dance and unique food), and man-made attraction (jogging track). The view of rice field with green surrounding is the main tourist attraction. There is a historical and religious heritage called Natar Jimeng Temple. The main occupation of the locals are farmers. Besides using a small tractors, the farmers still hoeing rice fields using cows which is called “metekap”. Pinge is under supervision to be a green tourism village by Indonesia Tourist Development Center (ITDC), Pertamina, Bank Tabungan Negara (BTN), Semen Indonesia, and Patra Jasa. ITDC support the village to have a Tourist Information Center, build a land mark (statue of elephant when entering the village), train and facilitate the community to have representative homestay. Currently, there are 40 homestays in Pinge.

The second case is Nyambu village, a developing tourism village located in the urban of Tabanan Regency. The tourist attractions in Nyambu are rice fields, trekking and historical heritage i.e. old temple. This village was developed as ecotourism village in 2016 (formally named Desa Wisata Ekologis Nyambu) by British Council, Wisnu Foundation, Diagio, and Langgeng Sejati Jayaprima Company. The tourist attractions of both villages are similar, combination of nature, adventure, and farm tourism (Wilson et al, 2014). The difference is the geographic location, Pinge is located near the mountain and very rural, meanwhile, Nyambu is in urban area of Tabanan and near the sea.
involved in the relationship. The management of the villages are the focal point of the research. Meanwhile, the management of partners that are involved in the business to business relationship were also interviewed. How is the relationship of the Pinge and Nyambu management, related to the tourism village, with the providers become the unit analysis. The findings from the research are as follows.

A. Business to Business Relationship in Pinge Village

The findings reveal that the relationships between tourism village management and partners are strong and well organized as shown by the data as the following.

1) Attraction Providers: the performance groups

Pinge has original dance such as Bumbung Gebyok dance and Leko dance. These are the sacred dance that usually performed on special occasion in the temple. These dance has been modified to be able to present when needed. Dancing is a frequent Balinese traditional activity. The dance groups are village’s owned, therefore, they are 100% trust the village. Thus, there is a 100% commitment between the village and their dancing groups. The Commitment-Trust Theory by Morgan and Hunt [19] is proven here. The dancing group is managed by the village’s rule. The village has a cooperative (Koperasi) and tourism-aware group (Pokdarwis) who manages the performance and the earnings. The informant from the performance groups said:

“The dance with gamelan performance usually perform when there is a group of tourist stay in the village or when some tourist interested in learning how to dance or playing gamelan. This is arranged by Pokdarwis, we don’t receive any money. The earning is managed by Pokdarwis and we just get the reimburse of our expenses. The money earned from this activity will be used for odalan in the temple.” (Data from the interview, 2018)

An 80% respondents said that a good communication between the groups and the village is conducted by using some media such as by village meeting and by using modern telecommunication such as mobile phone. However, 20% of the respondents think that they can improve the communication by using a group messenger and email. The communication between the village side and the tourist side is done by the cooperative and the travel agencies. However, a few tourists come by themselves without using agencies. They communicate by internet.

2) Amenities Providers: transport, tour operators, and travel agencies

There is no public transport to the village, however, there is no significant problem of transport because Pinge is listed by several tour operator. Therefore, 80% of the visitors came by tour and travel service and 20% by self-driven transport. Few tourists come by themselves by rent a car or rent a motorbike. However, most of the tourist came to Pinge by using tour operator transportation. But specifically for the transport, they do not have any written commitment with the village. Some tour operators has brought their tourists to Pinge, hence there is trust between them. There are some tour operators has a formal commitment with the village to arrange attractions and accommodation routinely with an agreement such as contract. Regular tourist visit handled by travel agencies shows the existence of trust. Some travel agencies and some internet blogs are promoting the uniqueness of Pinge village. Transport firms, tour operators, and travel agencies have no problem communicating with the village proven by there is no dispute between them. The informant from tour operator said:

“Pinge is very welcome us to visit, we just come and visit one of the traditional house without any prior notice. I think this is because we have trust and good communication. We have the same vision to introduce Bali as an unique tourist destination.” (Data from interview with the informant from tour operator, 2018)

Similarly the management of Pinge village stated:

“The village have a contract with some tour operators, the contract is not strict. Although, some operators do not have any contract with us but they are still welcome to come. Those tour operators with the contract have the privilege to be prioritized when necessary.” (Data from the interview with the member of Pokdarwis in Pinge village, 2018)

3) Accommodation Providers: homestays

To accommodate the tourists, the Koperasi and the Pokdarwis manage the homestays. The villagers who owned the homestay rely the management of their homestay to the Koperasi. No complaint so far for the homestay service. The Pokdarwis will distribute the tourists in the homestay fairly, therefore, all of the homestays will have their turn. The commitment between the village, the homestays, and the tourists is managed by the Koperasi and the service is supervised by the Pokdarwis. The development of more homestay is needed in order to accommodate the homestay shortage. The information of location, the price, the facilities,
the complaints and the transport is among the information requested by the tourists.

The member of Pokdarwis said:

“The main priority of tourism village is to disperse the economic benefit with the villagers, so that their income will increase. In relation to this, we try to fairly to arrange the occupation of each homestay.”
(Data from the interview with the member of Pokdarwis in Pinge village, 2018)

The business to business relationships in Pinge are presented in Table 1.

### TABLE 1. BUSINESS TO BUSINESS RELATIONSHIP AND TSC IN NYAMBU VILLAGE

<table>
<thead>
<tr>
<th>TSC</th>
<th>Attraction Providers</th>
<th>Amenities Providers</th>
<th>Accommodation Providers</th>
</tr>
</thead>
<tbody>
<tr>
<td>TSC</td>
<td>Performance Groups</td>
<td>Transport</td>
<td>Tour Operators</td>
</tr>
<tr>
<td>Trust</td>
<td>100% providers trust the village</td>
<td>100% transport providers trust the village</td>
<td>85% brings tourists voluntarily</td>
</tr>
<tr>
<td>Commitment</td>
<td>100% commitment</td>
<td>No written commitment</td>
<td>10% have written commitment</td>
</tr>
<tr>
<td>Communication</td>
<td>80% have good communica tion</td>
<td>100% good communication</td>
<td>100% good communication</td>
</tr>
</tbody>
</table>

B. Business to Business Relationship in Nyambu Village

The findings reveal that the relationship of the parties involved in the exchanges are weak and very loose shown by the data as follows.

1) **Attraction Providers: the performance groups**

Dancing is a frequent Balinese traditional activity. Therefore, in a village definitely there must be dancing groups. Because the groups are village’s owned, therefore, they are 100% trust the village. The dancing group is managed and controlled by the village’s rule. Therefore, there is a 100% commitment between the village and the dancing groups. An 80% respondents said that a good communication between the groups and the village is conducted by using some media such as by village meeting and by using modern telecommunication. However, 20% of the respondents think that they can improve the communication by using a group messenger and email.

The owner of tourism activity stated:

“The communication between us and the management of the village should be improved and keep updated by using a messenger such as what’s up group.”
(Data from interview with owner of tourism activity, 2018)

2) **Amenities Providers: transport, tour operators, and travel agencies**

There is no significant problem of transport. 50% of the visitors came by travel service and 50% by self-driven transport. No public transport route going to the Nyambu village. The tourist’s travel transportation came to Nyambu do not have any written commitment with the village, however, they are professionally depended on the reciprocal benefit.

The informant from transportation company said:

“When we come to visit Nyambu with the tourist, we can just drive through the village without pay any fee unless we join some tourist activities. We find this is very convenience, the tourists may interest and want to experience some activities.”
(Data from interview with informant from transportation firm, 2018)

While a car or a motor rental which used by tourists came as private transport committed to their service because of their dependency to the nowadays internet service watchdog information system. There is no tour operator yet operating in Nyambu. However, it does not relate with the trust. There is no commitment yet between the village and the tour operator. There are no regular tourist visit handled by travel agencies. Some travel agencies are arranging programs with the village. However, the amenities providers find no difficulty in communicate with the village, they can bring the tourist at any time without prior notice.

3) **Accommodation Providers: homestays**

There are some homestays which gain its guest by internet especially social media and travel blogs. No complaint so far for the homestay service. No commitment between the village, the homestays, and the tourists. However, from the fact that there are some tourists staying there shows that there is indirect commitment among them. For this kind of business, it seems that internet is the most efficient media for the communication. The information of location, the price, the facilities and the transport is the most information requested by the tourists. Information about Nyambu and other tourism villages can be found in [http://www.jed.or.id](http://www.jed.or.id)

The informant from owner of homestay posited that:

“We try to promote our homestay on the website because we understand that the youngsters love to use gadget and very familiar with it. In order to increase our occupation and competitiveness we have to maximized the use of website and the internet.”
from interview with informant from owner of homestay, 2018)

The business to business relationships in Pinge are presented in Table 2.

<table>
<thead>
<tr>
<th>3 A’s</th>
<th>Attraction Providers</th>
<th>Amenities Providers</th>
<th>Accommodation Providers</th>
</tr>
</thead>
<tbody>
<tr>
<td>TSC Performance Groups</td>
<td>Transport</td>
<td>Tour Operators</td>
<td>Travel Agencies</td>
</tr>
<tr>
<td>Trust</td>
<td>100% providers trust the village</td>
<td>50% transportation providers trust the village</td>
<td>No tour operators</td>
</tr>
<tr>
<td>Commitment</td>
<td>100% commitment</td>
<td>No written commitment</td>
<td>No written commitment</td>
</tr>
<tr>
<td>Communication</td>
<td>80% have good communication</td>
<td>100% good communication</td>
<td>100% good communication</td>
</tr>
</tbody>
</table>

IV. CONCLUSIONS

The study reveals that the combination and the collaboration of 3 A’s (attraction, accommodation and amenities) is determining the establishment as well as the sustainability of business to business relationship in tourism supply chain of rural green village tourism destination. The realization of the 3 A’s firms in tourism supply chain can be explained with business to business relationship components i.e. trust, commitment, and communications. The business to business relationship in TSC in Pinge village is strong and well organized, meanwhile, in Nyambu village is weak and very loose.

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