

Tourism Development Strategy Model Optimizing the Utilization of Village Funds in Pulau Baguk, Pulau Banyak District, Aceh Singkil

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Article history: Received April 02, 2026; revised April 29, 2026; accepted May 20, 2026

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ABSTRACT

This study aims to develop a strategic model for tourism development through optimizing village fund utilization in Pulau Baguk, Pulau Banyak Subdistrict, Aceh Singkil Regency, with a focus on financial management perspectives. Despite having significant marine tourism potential, the development of tourism in this area remains suboptimal due to structural and managerial constraints, including limited human resource capacity, weak institutional frameworks, and ineffective allocation of village funds. This research employs a mixed-methods approach, combining qualitative and quantitative data to explore the existing conditions and formulate a comprehensive strategy. Data were collected through in-depth interviews, observations, documentation, and questionnaires. The analytical framework integrates key international theories, including Community-Based Tourism as proposed by Peter E. Murphy, Sustainable Tourism framework by the United Nations World Tourism Organization, and Collaborative Governance model developed by Chris Ansell and Alison Gash. Additionally, this study incorporates public financial management principles such as efficiency, effectiveness, and value for money. The findings reveal that village fund utilization is predominantly focused on physical infrastructure, with limited investment in human capital, digital promotion, and institutional strengthening. This condition results in suboptimal economic outcomes and limited community empowerment. Furthermore, the lack of integrated governance and sustainability practices hinders the long-term development of tourism. The study proposes an integrative strategic model that combines Community-Based Tourism, Sustainable Tourism, and Collaborative Governance, supported by optimized village fund allocation as a financial instrument. This model emphasizes capacity building, digital transformation, tourism product development, and institutional strengthening. The novelty of this research lies in integrating tourism development theories with public financial management, positioning village funds as a catalyst for sustainable and inclusive local economic transformation. The findings contribute both theoretically and practically by providing a comprehensive framework for village-based tourism development in coastal and island regions

Keywords: Tourism Development, Village Fund, Community-Based Tourism, Sustainable Tourism, Collaborative Governance, Public Financial Management

I. INTRODUCTION

The tourism sector has become a crucial pillar in driving economic growth, particularly in developing countries such as Indonesia, which boasts abundant natural and cultural resources. Rural tourism development is gaining increasing attention because of its potential to improve the well-being of local communities through job creation, increased income, and strengthening community-based economies. In this context, tourism villages have emerged as a strategic approach to sustainably optimize local potential development.

The fiscal decentralization policy through the village fund program is a crucial instrument for supporting village development, including the development of the tourism sector. Village funds are used not only for infrastructure development but also for community empowerment and the development of local economic potential, including the tourism sector. However, various studies indicate that the utilization of village funds for tourism development remains suboptimal in terms of planning, human resource capacity, and sustainable management strategies.

Banyak Island in Aceh Singkil Regency has significant marine tourism potential, characterized by its natural beauty, beaches, and marine ecosystems that attract tourists. Local communities have utilized this potential for various tourism-based economic activities. However, tourism development in this area still faces various structural obstacles, such as limited market access, lack of mentoring, and dependence on government support. Specifically, studies in the Banyak Islands region show that tourism development still faces limitations in funding, human resource quality, and a lack of effective policy responses from the local government. In some cases, tourism development relies solely on village funds, without an integrated and sustainable management strategy. This indicates a gap between significant tourism potential and limited management capacity.

Furthermore, the community-based tourism development approach emphasizes the importance of active local community participation, institutional strengthening, and collaboration between the government, private sector, and communities. However, implementing this approach in various regions, including Banyak Island, still faces challenges in terms of coordination, innovation, and program sustainability.

Based on this description, it can be concluded that although Baguk Island, Pulau Banyak District, has enormous tourism potential, the utilization of village funds as a tourism development instrument has not been fully optimized yet. Therefore, a tourism development strategy model is needed that can effectively integrate the use of village funds, strengthen the capacity of local communities, and encourage collaboration between stakeholders to achieve sustainable and inclusive tourism development.

Thus, this research is important for formulating a tourism development strategy model to optimize the use of village funds on Baguk Island, Pulau Banyak District, Aceh Singkil Regency, as a scientific contribution as well as a policy recommendation in developing tourist villages based on local potential.

II. METHODS

This research uses a qualitative approach with a mixed methods (sequential exploratory) design. The qualitative approach was used to explore the phenomenon of village fund management in tourism development in-depth, while the quantitative approach was used to reinforce the findings and measure perceptions and the effectiveness of the resulting strategies.

According to Creswell, a sequential exploratory design begins with qualitative exploration, followed by quantitative testing to strengthen the findings. This approach is relevant because this study aims to produce a strategic model for village fund-based tourism development.

This research is also descriptive-analytical in nature, describing empirical conditions while analyzing the relationship between variables in the context of tourism development on Baguk Island.

III. RESULTS AND DISCUSSION

The results of this study indicate that tourism development on Baguk Island, Pulau Banyak District, Aceh Singkil Regency, faces a complex dynamic between high natural resource potential and limitations in management, institutionalization, and the utilization of financial resources. Baguk Island has significant marine tourism attractions, including beautiful beaches, marine biodiversity, and the unique culture of coastal communities. However, this potential has not been fully capitalized on to achieve optimal economic value for the local community. This indicates a gap between the potential and management performance.

From a Community-Based Tourism (CBT) perspective, the research results indicate that community participation on Baguk Island has begun to develop but remains at the operational level. The community plays a role as a tourism service provider, such as homestay managers, culinary entrepreneurs, and local transportation providers. However, their involvement in strategic planning and decision-making processes remains limited. This indicates that CBT principles have not been comprehensively implemented. As stated by Murphy, CBT requires active community involvement throughout the entire tourism development cycle, including resource management and the distribution of economic benefits.

The limitations of CBT implementation on Baguk Island are inextricably linked to the low human resource capacity and weak local institutions. Tourism awareness groups (Pokdarwis), which should be the driving force behind tourism development, have not been functioning optimally. Lack of training, limited access to information, and limited policy support are key factors hampering community capacity building. Consequently, the community has been unable to develop innovative tourism products or competitive marketing strategies, thus under-exploiting the potential of the tourism economy.

Furthermore, from a sustainable tourism perspective, the results indicate that sustainability has not been a top priority in tourism development on Baguk Island. Although environmental conditions are relatively well maintained, a structured and sustainable environmental management system is lacking in the country. The absence of regulations related to tourism carrying capacity, waste management, and environmental education for the community and tourists has the potential to lead to future degradation. This contradicts the principles

put forward by the United Nations World Tourism Organization, which emphasizes the importance of balancing economic, social, and environmental aspects of tourism development.

In the context of an archipelagic region like the Bangka Belitung Islands, the application of sustainability principles is crucial, given the vulnerability of coastal and marine ecosystems to the pressures of tourism activities. Therefore, tourism development that ignores sustainability aspects has the potential to have long-term negative impacts that could damage the destination's primary appeal. Therefore, a more systematic approach is needed to integrate sustainability principles into tourism management policy and practices.

From a governance perspective, this study found that tourism development on Baguk Island still faces coordination and collaboration issues with stakeholders. The village government, community, and external parties, such as the local government and businesses, lack an effective coordination mechanism. The lack of a structured communication forum and weak collaborative leadership have resulted in fragmented and unintegrated tourism development programmes.

This indicates that the principles of collaborative governance have not been optimally implemented. According to Ansell and Gash, the success of collaborative governance depends heavily on trust, shared commitment, and inclusive decision-making mechanisms. In the case of Baguk Island, the weakness of these three aspects has prevented tourism development from proceeding synergistically, thus preventing its potential from being fully realized.

The primary focus of this research is the use of village funds as public financial instruments to support tourism development. The results indicate that village fund use on Baguk Island is still dominated by physical development and basic infrastructure, such as the construction of tourism facilities, access roads, and other supporting facilities for tourism. Although infrastructure development is crucial, the dominance of budget allocation in this sector indicates a lack of balance in village financial planning.

From a public financial management perspective, the use of village funds should be guided by the principles of efficiency, effectiveness, and value-for-money. However, in practice, the allocation of village funds on Baguk Island does not fully reflect these principles of village fund allocation. Investment in human resource development, institutional strengthening, tourism innovation, and digitalization remains minimal. These factors are key to enhancing the competitiveness of tourist destinations.

Furthermore, this study found no performance-based budgeting system that links village fund allocation to tourism performance indicators, such as the number of tourist visits, increased community income, or job creation. Consequently, the effectiveness of village fund use is difficult to measure objectively, and its economic impact on local communities is less than optimal.

These limitations in financial management indicate that village funds have not been utilized as a strategic instrument to drive tourism-based economic transformation in the village. Village funds tend to be treated as a source of routine financing rather than a long-term investment capable of generating a multiplier effect on the village economy. Therefore, a paradigm shift in village financial management is needed, from an administrative one to a more strategic and outcome-oriented approach.

Based on these findings, this study proposes an integrative tourism development strategy model that combines CBT, sustainable tourism, and collaborative governance approaches, supported by the optimization of village funds as a financial instrument for tourism development. This model emphasizes that successful tourism development depends not only on budget availability but also on the ability to manage human resources, strengthen institutions, and build effective collaboration among stakeholders.

In this model, village funds are directed to support four main aspects: (1) increasing human resource capacity through training and mentoring, (2) strengthening local institutions such as Pokdarwis and BUMDes, (3) developing innovative tourism products based on local potential, and (4) digitizing tourism promotion and marketing. Thus, village funds are not only used for physical development but also as a strategic investment that can increase the economic added value of the tourism sector.

Theoretically, this study contributes to the literature by integrating tourism development theory with a public finance perspective, a topic rarely studied comprehensively. This integration produces a more holistic conceptual framework for understanding tourism development at the village level, particularly in island regions. Practically, the results of this study provide important policy implications for village governments and other stakeholders in designing more effective, efficient, and sustainable tourism development strategies.

Thus, it can be concluded that tourism development on Baguk Island requires a more integrated and strategic approach, focusing not only on physical development but also on community empowerment, environmental sustainability, and effective, efficient financial management. Optimizing village funds as a public financial instrument is key to realizing inclusive and sustainable tourism development in the region.

IV. CONCLUSIONS

1. The results show that tourism development on Baguk Island, Pulau Banyak District, Aceh Singkil Regency, is not optimal despite its high natural resource potential. These limitations are caused by low human resource capacity, weak institutions, and ineffective use of village funds as public financial instruments. From a theoretical perspective, the implementation of Community-Based Tourism (CBT), as proposed by Murphy, is still not comprehensive because community participation is limited to operational aspects. In addition, the principles of sustainable tourism according to the United Nations World Tourism Organization have not been systematically integrated, especially in terms of environmental management and long-term sustainability. On the other hand, weak coordination between stakeholders reflects the less-than-optimal implementation of collaborative governance, as explained by Chris Ansell and Alison Gash.
2. From a financial perspective, this study confirms that village funds are still predominantly used for physical development and have not been strategically directed to support empowerment and innovation-based tourism development. Village financial management has not fully implemented the principles of efficiency, effectiveness, and value for money, resulting in a limited economic impact on the community. Therefore, this study concludes that the success of tourism development on Bagu Island is largely determined by the integration of CBT approaches, sustainable tourism, and collaborative governance, supported by the optimization of village funds as a strategic financial instrument. Transforming the use of village funds from merely financing infrastructure to investing in human resources, institutions, and digitalization is key to realizing sustainable tourism and improving community welfare in Bali.

Funding Statement

"No external funding was received for this study."

Ethical Compliance

All procedures performed in studies involving human participants were in accordance with the ethical standards of the institutional and/or national research committee and with the 1964 Helsinki Declaration and its later amendments, or comparable ethical standards.

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Conflict of Interest Declaration

The authors declare that they have no affiliations or involvement with any organization or entity with financial interests in the subject matter or materials discussed in this manuscript.

ACKNOWLEDGEMENTS

The author thanks all people and institutions in most cases, sponsors, and financial support for the acknowledgments.

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