

CHAPTER I INTRODUCTION

1.1 Background

In recent years, Yogyakarta, one of the cities in Indonesia, has significant increase on its tourism places. In 2018, Yogyakarta has 185 tourism places which are consists of natural attractions, cultural attractions, artificial attractions, and tourist villages / villages (Badan Pusat Statistik Provinsi DIY, 2018). Yogyakarta still preserving nature, while at the same time opened to the globalization. Yogyakarta also boosting sustainable environment, which can be find in *Prambanan* and Borobudur Temple, *Kasultanan Yogyakarta Hadiningrat* Palace, Old Town *Kota Gedhe*, Mataram's Kings Cemetery at *Kota Gedhe*, museums, and the traditional art. Until now, Yogyakarta's people still holds the order of life of the Javanese people.

Tourism growth is an outcome of many factors such as gaining new interest, growth income and leisure time, improvement of accessibility and accommodation and the new offerings in the tourism market (Hall, 2011). Many citizens in rural areas in Yogyakarta take advantage of the surroundings nature resources, to earn money. One of the ways is to established homestay.

In Yogyakarta there is significant growth of homestay. From the Directory of Star-Hotel, Non-Star-Hotel, and Other Accommodation in D.I.Yogyakarta 2018, there are 490 accommodations (Triana Setyaningsih, 2018). It is increasing 73% from 2016, which only had 362 accommodations. Meanwhile from, Room Occupancy Rate or *Tingkat Penghunian Kamar* by *Badan Pusat Statistik Dinas Pariwisata* Yogyakarta, there are 21.85% in January 2018 for non-star hotel/other accommodations. It was decreasing 17.46% from December 2017 for non-star hotel/other accommodations. Meanwhile for the average of guest per room in non-star hotel/other accommodations is 2,03 people (Badan Pusat Statistik Provinsi DIY, 2018) . It can be sure that there are very strict competitions. To survive in the extremely competitive homestay business,

the owner needs to know what does the motivation for the traveler, when they are choosing the homestay. Nowadays market competition is very fierce, in addition to attract customers it should know more how to retain customers. The success of a product or service is made more likely when marketers understand customers' needs and wants and make deliberate attempts to satisfy them (Keller, 2008).

There are many ways to understand the homestay's customers. One of the ways is analyzing from the socio-demographic factor, travel characteristics, and from the e-commerce platform. The understanding of tourists' socio-demographics, including trip characteristics, is significant for tourism marketing as well as tourism management of destinations (Cohen & Ben-Nun, 2009). Airbnb can be one of the factors to understand what do the travelers see as their basic consideration when choosing homestay. When the homestay owner realized the factors that affect the motivation of the travelers to choose homestay and segmenting them based on the specific groups that share the common interest, it become powerful weapon for marketing.

From the socio-demographic factors, the host of homestay can analyze gender, age, marital status, occupancy, and monthly salary. From the monthly salary, the host can analyze from which range of monthly salary will likely to choose homestay over other accommodation. The factors from travel characteristics also revealed which type of purpose of stay affect the motivation of travelers choosing homestay.

The growth of tourism destinations and the needs to provide lodging for the travelers, support the peer-to-peer service. This service is leading to the growth of homestay. Peer-to-peer short term rental services within the sharing economy represent a transformative innovation within the tourism accommodation industry (Guttentag et al., 2018). This peer-to-peer accommodation, usually related to the Internet and mobile technologies, so travelers can access it whenever and wherever. The most well-known peer-to-peer provider is Airbnb. Airbnb accommodations typically involve entire home (e.g., apartment, house), or a private room in a residence where the host is also present (Weaver et al., 1994) . By using Airbnb, travelers will have more choices at different range of price, location, and the architecture of the homestay.

Many homestay owners or the marketing department of the homestay are having a competition to win the market. That's why understanding the motivation of the travelers when they are choosing homestay is important. Motivation is defined as "A need or desire that energizes behavior and directs it towards a goal"(Myers, 2004). The government also depends on the homestay owner to add the nations's income from tourism. It showed in 2018, 23% of the regional income (in Sleman) comes from tourism sector (Jogja, 2019). The owner of the homestay also contribute to introduce the tourism places to the travelers, therefore for Indonesia, tourism sector is one of the highest sector that can contribute to the nation's income.

Therefore, it is crucial for them to know the market trend, the characteristics of the travelers that usually come to Yogyakarta and looking for homestay, and how does the Airbnb affects their motivation to choose a homestay in Yogyakarta.

1.2 Problems

1. How impactful do the factors from socio-demographic affect the motivation among the travelers on choosing homestay?
2. How impactful do the travel characteristics affect the motivation among the travelers on choosing homestay?
3. Does the Airbnb platform affect the motivation of the targeted travelers to choose homestay in Yogyakarta?
4. How can the homestay's owner provide facility that suitable with the targeted travelers?

1.3 Purpose of Research

The purpose of this study is to examine the impact of socio-demographic factors, travel characteristics, and Airbnb towards traveler's motivation on choosing homestay in Yogyakarta. By examining those factors, the owner of the homestay will have better understanding on targeting and serving the right travelers. By analyzing those factors,

will assist the host of homestay in developing business strategies to attract more travelers. The tourist within the homestay industry in Indonesia are considered to be the target group of this study, because as we all can see the program of using homestay (peer-to-peer accommodation) has become increasingly popular among travelers, and it's expected to continue to increase.

1.4 Research Limitations/ Implications

1. The sample of data gained from the people ranging from 16-55 years old who is Indonesian and during this research is currently living in Indonesia
2. The research is based on the Airbnb user only.
3. The research only using 3 main variables which consist of: socio-demographic, travel characteristic, and Airbnb as main factors that affected the motivation of the travelers.
4. The purchase-motivation is only reliable for homestay in Yogyakarta, Indonesia

1.5 Location

Province: Special Region of Yogyakarta

Geographic Location: 7⁰33' -8⁰12⁰ South Latitude and 110⁰00' -110⁰50' East

Longitude

Area: 23,185.80 km

Figure 1.1 *The Area of Special Region of Yogyakarta*



1.6 Usage of Research

This research provides overall indicators of different factors that affecting the traveler's motivation on choosing homestay in Yogyakarta. It also has valuable predictive information for the development of the homestay's performance in Yogyakarta. The owner or the management of the homestay in Yogyakarta, can use the result from the research to take a deeper understanding toward the motivation of the travelers. If the owner or the manager understands, then they can provide suitable facilities based on the travelers preferences. But the references of the travelers might be differs from one and another, so the owner of the homestay needs to choose a segment of travelers that also suitable for its homestay performance. This research also includes three main factors which are socio-demographic, travel characteristics, and Airbnb that affect the motivation of the travelers to book a homestay, in purpose to ease the owner of the homestay to select the target market.

1.7 Related study

1.7.1 (Aziz et al., 2018)

Aziz and friends were talking about The Effect of Socio-demographic variables and Travel Characteristics on Motivation of Muslim Family Tourists in Malaysia. It was aiming to investigate the socio-demographic, travel characteristics factors that affect the motivation in decision making of Muslim tourists travelling to Malaysia. Therefore, socio-demographic and travel characteristic were the independent variables, whereas motivation as the dependent variable. After the data were processed, it found that motivation differs significantly among different levels of the socio-demographic characteristics except for gender and income. The result also reported that a majority of tourists' travel behaviour was significantly different unless when it comes to seeking accommodation.

1.7.2 (Rasoolimanesh et al., 2019)

This study by Rasoolimanesh and friends was talking about Examining the Effects of Personal Factors and Travel Characteristics on Tourists' perceived crowding. As socio-demographic characteristics, familiarity with destination, motivation, and travel characteristics were the independent variables, whereas perceived crowding was the dependent variable. From the processed data using PLS-SEM, it found that several factors from socio-demographic, familiarity, motivation, and travel characteristics were positively affect the perceived crowding. There were Age, Education, Income, Reasons to choose Killim Geo park visit, What the tourists dislike in Kilim, Hours spent in Kilim Geo Park, and Money Spent in Killim Geo park influenced perceived crowding.

1.7.3 (Hand-Campbell, 2009)

Kanoknon Seubsamarn as the authors of the research of Tourist Motivation to Use Homestays in Thailand and Their Satisfaction Based on The

Destination's Cultural and Heritage-Based Attribute, propose tourist motivation and cultural and heritage attributes as its independent variables. For the dependent variable, it used tourist satisfaction. This study was using Tourists who visit homestay and use homestays in Thailand as their travel destination. The purpose of this study was to explore which factors that influence tourists' choice of homestays, to investigate motivation factors which influence tourists' satisfaction, to investigate which attributes satisfy tourists who chose a homestay, and to explore demographic profiles of tourists who visited homestay in Thailand. From there, the researcher found that from many factors of motivation, only Location/Lodging, General Tour Attraction, and Offering/Information were affected tourists satisfactions.

1.7.4 (K A, Sujitha, B, 2016)

Sujitha did a research with the title "Tourist's Motivation to Use Homestays in Kerala". The purpose of this study was to analyze factors influencing tourist's choice of homestays and to analyze satisfaction of tourists towards the homestay industry in Kerala. Therefore, statistical analysis was conducted using SPSS. As for tourist motivation and homestay destination attribute became the independent variables. Tourist satisfaction became the moderation variable, and the destination loyalty became the dependent variable. This study finds that seeking variety tasty food is the most attractive factor for the respondents to use homestay, price is the least motivating factor for the respondent while choosing homestay, there is no significant difference between age of the respondent and homestay selection, and the last was the respondents are interested to keep the loyalty towards using the homestay because they opined to use the homestay in future and likes to recommend it for their friends and relatives.

1.7.5 (Mao & Lyu, 2017)

Mao & Lyu did a research about Why Travelers Use Airbnb Again. It was integrative approaches to understanding travelers' repurchase intention. This study had attitude, subjective norms, and perceived behavioral control as independent variables. And it had repurchase intention which was act as dependent variable. It used Confirmatory Factor Analysis (CFA). The research found that only attitude and subject norms were significant determinants of repurchase intentions, whereas perceived behavioral was not. In addition, perceived value and risk have only direct significant impacts on attitude and in turn indirectly affect repurchase intention.

Table 1.1 *The comparison of elements from previous studies*

Researcher	Variables	Research Object	Research Tool	Research Result
(Aziz et al., 2018)	X1= Socio-Demographic X2= Travel Characteristics Y= Motivation	Local and international Muslim tourists in Malaysia	ANOVA, Independent sample t-test	Gender, income and types of accommodation were not affected the motivation of Muslim family tourists to visit.

(Rasoolimane sh et al., 2019)	X1= Socio- Demographi c Characteristi cs X2= Familiarity with Destination X3= Motivation X4= Travel Characteristi cs Y= Perceived Crowding	Tourists visiting within the vicinity of Kilim Geopark during March of 2014.	PLS-SEM	Age, Education, Income, Reasons to choose Killim Geo park visit, What the tourists dislike in Kilim, Hours spent in Kilim Geo Park, and Money Spent in Killim Geo park influenced perceived crowding
(Hand- Campbell, 2009)	X1=Tourist Motivation X2=Cultural and Heritage Attributes Y=Tourist Satisfaction	Tourists who visit homestay and use homestays in Thailand as their travel destination	ANOVA, Post Hoc Turkey HSD, Correlation Test, Multiple regression test.	Location/Lodging , General Tour Attraction, and Offering/Informat ion were affected tourists satisfaction

(K A, Sujitha, B, 2016)	<p>X1= Tourist Motivation</p> <p>X2=Homestay Destination Attribute</p> <p>Y= Destination Loyalty</p> <p>Z= Tourists' Satisfaction</p>	<p>Domestic tourists who visit homestay and use homestays in Kerala as their travel destination .</p>	<p>Statistical Analysis using SPSS</p>	<p>Only motivational factors considered by the tourist to select accommodation facility would be the predictors of tourist' overall satisfaction</p>
(Mao & Lyu, 2017)	<p>X1= Attitude</p> <p>X2=Subjective norms</p> <p>X3=Perceived behavioral control</p> <p>Y= Repurchase Intention</p>	<p>The people who were 18 years of age or older and had used Airbnb at least once within the previous 12 months</p>	<p>Confirmatory Factor Analysis</p>	<p>X1 and X2 were significant to Y, whereas X3 was not significant to Y.</p>