# INCREASING REGIONAL COMPETITIVENESS THROUGH ENTREPRENEURSHIP DEVELOPMENT IN ECOTOURISM ACTIVITIES<sup>1</sup>

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#### **Abstract**

Regional competitivesness is originated from an internal forces that produce an added value. The internal forces is based on technological innovation and entrepreneurial abilities (Drabenstott, 2006). The innovation is illustrated as a fuel, while entrepreneurship is the engine. Both are a source of employment, income and welfare. An entrepreneurial ability of local people on ecotourism activities in the Bromo Tengger Semeru National Park (BTS NP) has developed naturally (Nugroho, 2006; 2007; Nugroho and Negara, 2008). The people are often involved in ecotourism development programs held by the BTS NP. The author's study (Nugroho, Negara and Purnomowati, 2010) proved that the ecotourism activities were economically viable than the horticultural farm.

However, these experiences have not fully produced significant benefits in the development of ecotourism. Characteristic of the ecotourism activities is a cluster (Fodor and Sitanyi, 2008a, 2008b), which always put the local people in a less advantageous position. The ecotourism cluster is an ecotourism organization (Prieto, Gilmore and Osiri, 2009) that involve the local people, non-governmental organizations, private actors, the national parks and government to produce ecotourism entrepreneurship. The result of research the author (Nugroho, Negara and Nugroho, 2009) shows that the phenomenon of social entrepreneurship is an important component of conceptual framework of ecotourism entrepreneurship. This requires all parties to act to be a social entrepreneur in a framework of ecotourism organization.

### I. BACKGROUND

Regional competitiveness originated from the internal forces that produce an added value. The innovation is illustrated as a fuel, while entrepreneurship is the engine. Both are a source of employment, income and welfare. In such circumstances, an economic actitivities in the region are no longer played by large enterprises, but by small and medium-size businesses that operates efficiently. This condition is determined by the business environment, science and technology and human resources (Drabenstott, 2006).

Ecotourism activitiy is one of an entry point, as an economic approach, which analyze benefits of natural resources and environment within framework of conservation. The ecotourism activity could be a leading economy sector that packs an environmental and cultural services so that generate benefits for many stakeholders to support sustainable development. A concept and implementation of the ecotourism can not be separated from the development of protected areas. The largest proportion of the protected area in Indonesia is National Park, which is 65 percent. So far, Ministry of Forestry has established 50 national parks that are spread in diverse ecosystems, i.e., land, sea and coastal areas throughout the nusantara archipelago.

Efforts to identify a competence of ecotourism services of local people can be an important method to systematically develop it in the future. For example, the local

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people in Ngadas village have a significant experience in its interaction with officials of Bromo Tengger Semeru National Park (BTS NP) (Nugroho, 2006; 2007; Negara, 2006; Nugroho and Negara, 2008; Nugroho, Negara and Nugroho, 2009). They are often involved in ecotourism development programs with BTS NP. The author's study (Nugroho, Negara and Purnomowati, 2010) proved that the ecotourism services were economically viable than farming activities.

However, these experiences have not fully produced significant benefits in the development of ecotourism services. Character of ecotourism services is a cluster (Fodor and Sitanyi, 2008a, 2008b), which always put the local people in a position less advantageous (Lash and Austin, 2003). Cluster ecotourism is an ecotourism organization (Prieto, Gilmore and Osiri, 2009), that involve local people, non-governmental organizations, private actors, national parks and the government to produce ecotourism entrepreneurship. Nugroho, Negara and Nugroho (2009) showed that the phenomenon of social entrepreneurship is an important component as basis of ecotourism entrepreneurship. This requires all parties to act to be a social entrepreneur within the ecotourism organization.

This paper aims to study the increasing of the regional competitiveness through entrepreneurial development opportunities in ecotourism services by local people in Indonesia.

### II. ECOTOURISM

According to The International Ecotourism Society (TIES), ecotourism is a tour package activity in a professional and trained management that contains elements of education, as an economic sector, which consider cultural heritage, participation and welfare of local people as well as efforts in the conservation of natural resources and environment (TIES, 2006).

As an economic business, ecotourism services operate very efficient and lean. Its characteristics are a low volume of group visitors, high quality of service and produce high added value. Aspects of ecotourism management include (i) specific marketing of ecotourism destination, (ii) information technology (IT) based practices, (iii) skills and intensive services, containing educational services to the environment and culture, (iv) involvement of local people as the subject of environmental conservation and cultural learning. Ecotourism products and services comprises at least six categories (Manurung, 2002) include (i) the environment views and cultural attractions, (ii) the benefits of landscape, (iii) accommodation and service facilities, (iv) equipment, (v) education and skills and (vi) award (Table 1).

Strategic Position. The ecotourism services activity has a strategic position to produce regional competitiveness. In Indonesia, the economic transformation from agriculture to the manufacturing sector faces serious problems, namely lack of capital, skills and entrepreneurship to process agricultural products. As result, most of national workforce is still dependent on agriculture sector. The recommended way out is an economic transformation process which jumps from agriculture to services sector. Farmers gradually develop an environmental services and specific culture in their respective regions. National population spread over about 17 thousand islands, 470 ethnic groups, 19 local customary law, and not less than 300 languages, and diverse the heritage manner of high culture, is a major asset that can be packaged as the ecotourism products and services (Ardiwidjaja, 2006). A momentum of tradition, culture and exoticism of the local environment can be packaged as the tourism product that attracts visitors from outside the region. Thus, farmers have the choice and variety of production not only of farming, fish or livestock, but also from ecotourism business and its support services. This in turn would generate incentives to conserve agricultural production systems, a values of cultural tradition and environment. At the same time, it also results an increase of social welfare and the regional competitiveness. Furthermore, utilization of these geographic constellations would enhance national insight and geopolitics of Indonesia (Pokja Wasantara, 2010).

Table 1. Products and Services of Ecotourism at The National Park in East Java Province

No	Ecotourism					
INO	Products and Services	Bromo Tengger Semeru NP	Meru Betiri NP	Baluran NP	Alas Purwo NP	
2	environmental view and cultural attraction  Benefit of	fauna and flora; sand ocean, sunrise; savannah, lake (ranu) pane, lake (ranu) kumbolo, lake (ranu) regulo, waterfall pelang and trisulo; cultural Tengger, ceremony of kasodo and karo Hiking to Semeru,	fauna and flora; Mount of Meru Betiri, beach Sukamade, Bay of Meru, Green Bay, of Permisan Bay, Kedamaian Bay; habitat and breeder of turtle along the beach Sukamade, Coastal of Rajegwesi To explore forests	Flora and fauna; Baluran mount , klosot mount, priuk mount, glenseran mount, kakapa mount  Marine tourism,	flora fauna; coastal of trianggulasi, plengkung, sand of gotri, black sand; palace cave, putri cave, padepokan cave, tiger cave; blambangan culture, Balinese temple Surfing in	
	landscape	Bromo, Widodaren, Batok, offroad, sand ocean trekking, savannah trekking, hang glider	around Green Bay. Nanggelan- Bandealit trekking (3 days), Bande Alit-Sukamade trekking (3 days), mountain side climb, marine tourism, tradisional village of fisherman	fishing, canoing, diving/snorkeling in Bama, Balanan, Bilik; hiking to Baluran mount, savannah trekking	Plengkung. forest trekking, watching bull in Sedengan, Trianggulasi trekking, Plengkung	
3	Accommodation and services facility	hotel, restaurant, cottage in Ngadisari and Ranu pane, camping ground	cottage and researcher house, view tower, camping ground	researcher house, view tower in Bekol and Samiang, canteen, camping ground	cottage and reseacher house, surfer resort, view tower in Sedengan, shelter, camping ground	
4	Equipment and supply	tourism guide, horse, motorcicle of the local people, offroad	tourism guide, motorcicle, forest guard	tourism guide, motorcicle, forest guard	tourism guide, motorcicle, forest guard, boating, surfing equipment, forest guard, NP official car	
5	Education and training	Research of Indigenous intelligent	breeder of turtle, expedition of Java tiger	Research of wild buffalo	Saving of bull, turtle and sapodilla	
6	Award and Appreciation	none	none	none	none	

Sumber: Nugroho dan Negara (2008)

**Protected Area**. The concept and implementation of the ecotourism can not be separated from the development of the protected areas. The ecotourism services is considered as one of entry point, as an economic approach, which analyzes the benefits

of natural resources and environment within conservation values. Ecotourism services is leading real economic sector to package environmental and cultural services for generating benefits for many stakeholders to support sustainable development.

Director General of Forest Protection and Nature Conservation, Ministry of Forestry (MoF) is responsible for managing the protected area in Indonesia, covering approximately 375 area sites, it is about more than 21 million hectares, equal to 8.5 percent of national land area. This figure is still below the threshold 10 percent of Indonesia's commitment to Biodiversity Action Plan. The National Park management is a largest component of Indonesia's conservation policy and it has been institutionally well developed. The national parks also be the basis of biodiversity conservation efforts in national and international scale (Rothberg, 1999).

**Tabel 2. The National Park in Indonesia** 

Jawa	1. Karimunjawa	5. Gunung Gede Pangrango a	9. Alas Purwo
	2. Bromo Tengger Semeru	6. Gunung Halimun	10. Gunung Merapi
	3. Meru Betiri	7. Kep Seribu	11. Gunung Merbabu
	4. Baluran	8. Ujung Kulon <sup>b</sup>	12. Gunung Ciremai
Sumatera	1. Gunung Leuser <sup>a b</sup>	5. Bukit Duabelas	9. Way Kambas
	2. Siberut <sup>a</sup>	6. Berbak <sup>c</sup>	10. Batang Gadis
	3. Kerinci Seblat <sup>b</sup>	7. Sembilang	11.Tesso Nilo
	4. Bukit Tigapuluh	8. Bukit Barisan Selatan <sup>b</sup>	
Kalimantan	1. Gunung Palung	4. Bukit Baka-Bukit Raya	7. Kayan Mentarang
	2. Danau Sentarum <sup>c</sup>	5. Tanjung Puting <sup>a</sup>	8. Sebangau
	3. Betung Kerihun	6. Kutai	
Sulawesi	1. Bunaken	4. Taka Bonerate	7. Kepulauan Togean
	2. Bogani Nani Wartabone	5. Rawa Aopa Watumohai	8. Bantimurung -
	3. Lore Lindu <sup>a</sup>	6. Wakatobi	Bulusaraung
Bali dan Nusa	1. Bali Barat	3. Komodo <sup>a b</sup>	5. Laiwangi Wanggameti
Tenggara	2. Gunung Rinjani	4. Manupeu Tanah Daru	6. Kelimutu
Maluku dan	1. Manusela	3. Teluk Cendrawasih	5. Wasur
Papua	2. Aketajawe - Lolobata	4. Lorentz <sup>b</sup>	

Note: <sup>a</sup> Biosphere Reserve, <sup>b</sup> World Heritage Sites, <sup>c</sup> Ramsar Sites

Source: [http://www.dephut.go.id/INFORMASI/TN%20INDO-ENGLISH/tn\_index.htm]

Indonesia has been established as many as 50 National Parks, which spread across the country (Table 2). The National Park established by the Decree of the Minister of Forestry include the substance of reason, position, extent, endemic species of flora and fauna and job description of the implementation policy. The national park not only has the characteristics that enter the criteria of UNESCO's Biosphere Reserves, but also Ramsar and World Heritage Sites, as well as some others not yet defined. Criteria of the protected area became operational basis of the ecotourism services development.

Ecotourism services institution outside the national park area can also be developed. These ecotourism destination region usually has a resilient conservation characteristics in social and environmental aspects. Wisdom, experience and cultural values has been glued in the environment to support economic life. The region can become part of the coastal, sea, or land ecosystem; in a surrounding area of protected areas, villages or regions that have distinctive values for future generations. In RPJMN (2010-2014), tourism development along the southern island of Java has become the choice in the direction of the acceleration of rural development within the framework to build Java-Bali region's economic balance.

The ecotourism development outside the national park area has been developed by community organizations or individuals who have competence in the ecotourism.

They usually have knowledge of market information, capital and potential ecotourism of destination areas. Either individually, or a network with NGOs, universities, the local people were able to build a channel of information to visitors through various mass media. They get a positive response from local people through benefit exchange in social, economic and environment manner, so that all stakeholders are jointly responsible to ensure sustainability of ecotourism resources.

### III. ECOTOURISM ENTREPRENEURSHIP

Ecotourism entrepreneurship concept was born from a challenge to implement sustainable development based on community values. Social factors become important components of entrepreneurial development of ecotourism. According to Juma and Timmer (2003), social learning was an important part in which individuals understand entrepreneurship. By participatory learning process, knowledge transfer process occurs and distribute benefits and togetherness views in society. According to the CRE (2003), social factors transmitted a climate of entrepreneurial communities and it can be a potential measure of individual entrepreneurial.

Support of social and government factors towards the development of entrepreneurship has been identified. This has contributed a theoritical concept to underline of the social and government entrepreneurship, complementing the individual entrepreneurship. Social entrepreneurship is different with an entrepreneurship sense generally, but rather focuses on the nature of the building of social values, which is achieved through social change adapted to social needs (Mair and Marty, 2006).

According to Martin and Osberg (2007), differences between individual and social entrepreneurship lies in their own mechanism. The mechanism of individual entrepreneurship is to anticipate and organize a market to function in providing products and services as well as profits for entrepreneurs. Meanwhile, the mechanism of social entrepreneurship is to empower the disadvantaged community to be more opportunity to prosper. Social entrepreneurship includes three components: (i) identify a system balance that caused the loss or reduction in welfare, (ii) identify opportunities for improvement of balance, with developing new social values, inspiration, creativity, and action, to affect the existing values, and (iii) formulate a new equilibrium, to prevent losses and ensure the social welfare.

The government entrepreneuship associated with a service functions to keep on the ways of thinking of private business. Entrepreneurial mindset pioneered by the leader of the bureaucracy to produce changes in the bureaucratic system that supports creativity, innovation, effectiveness, efficiency, and professionalism toward customer satisfaction. In this position, the government entrepreneuship is a metamorphosis of social entrepreneurship, in which the government puts excellent service to the community and private sector.

The ecotourism entrepreneurship could be source of regional competitiveness when reinforced with innovation system and leadership. Prieto, Gilmore and Osiri (2009) stated that organizations that are committed in conserving the environment needs to be strengthened with the leadership to formulate a strategic priorities in environmental conservation. The complexity of the relationship between the parties need to be organized to produce entrepreneurs who produce benefits in ecotourism services and environmental conservation.

The author has conducted research to measure the individual, social and government entrepreneurship in the region BTS NP (Nugroho, Negara, Nugroho, 2009). Table 3 showed the scores of the entrepreneurship test for individual, social and governmental entrepreneurships. As a whole, the average score of individual test was 35.84. The highest score was found in Cemorolawang (=38.21), followed by Ranupane (=36.00) and Ngadas (=34.45). According to CRE (2003), the local people in the

research are categorized as somewhat entrepreneurial (in the range from 30 to 39). Meanwhile, the average score of social entrepreneurship test was equal to 14.61. The highest score was found in Ranupane village (=15.56), followed by Ngadas (=13.90) and Cemorolawang villages (=13.69). According to CRE ( 2003), those scores are in the range of 11 to less than 16, and may be categorized as mix support. It means the local people perceive that there is a half support in expanding the entrepreneurship.

Table 3. Score of entrepreneurship test for individual, social and governmental entrepreneurship

Village Areas	Individual entrepreneurship	Social entrepreneurship	Governmental entrepreneurship
Cemorolawang	38.21	13.69	17.34
Ngadas	34.45	13.90	14.36
Ranupane	36.00	15.56	15.31
Average Area	35.84	14.61	15.33

#### Note:

# The Entrepreneur Test (Individual entrepreneurship)

40 to 50 Points = Very Entrepreneurial; 30 to 39 Points = Somewhat Entrepreneurial;

20 to 29 Points = Mixed Entrepreneurial; 10 to 19 Points = Limited Entrepreneurial;

0 to 9 Points = Not Very Entrepreneurial

## The Community Support Test (social and governmental entrepreneurship)

21 to 25 Points = Highly Supportive; 16 to 20 Points = Supportive;

11 to 15 Points = Mixed Support; 6 to 10 Points = Indifferent; 0 to 5 Points = Hostile

The average score of government support test in the areas was 15.33. The highest score was found in Cemorolawang (=17.34), followed by Ranupane (=15.31) and Ngadas (=14.36). According to CRE (2003), these results showed that the Cemorolawang people perceived that there was a governmental support to expand entrepreneurship (16 to less than 21), whereas the local people of Ranupane and of Ngadas, showed that the government provide those half support (range 11 to less than 16).

Furthermore, the study Nugroho, Negara and Purnomowati (2010) completed description of entrepreneurship conception. The study found performance and capacity of local people in real economic activity of farming and ecotourism. Economic feasibility analysis shows that farming or ecotourism activites provide benefits to support life of the local people. However, the study showed that local people with mixed farming job (farming and ecotourism) provides higher benefits than the farming only, with a NPV of 53.84 and 7.76 million dollars, as well as BCR 1.3775 and 1.0866. Meanwhile, variable of facilities, experiences and and entrepreneurship score showed a positive relationship significantly to effect tendency of the mixed farming, each with a coefficient of 1.1522, 1.6928 and 0.15599. The three variables become a source of inspiration for local people into the entrepreneurial learning process and forming productive behavior in the ecotourism development.

# IV. IMPROVEMENT OF REGIONAL COMPETITIVENESS

Development policy related to the management of ecotourism services should be developed to improve the regional competitiveness. Indeed, the potential of 50 national parks has not been fully realized, where most local people is still found in poverty and underdeveloped condition. At the same time, environmental and social factors are also

relatively sensitive to threats of a market economy in the form of exploitation of biodiversity resources.

# 1. Role of government

Critical position of ecotourism development policy lies in the level of implementation in local areas or local government (Nugroho, 2010). At the local level, supply and demand of ecotourism services among local people and visitor meet in the coordination with other parties and related institutions. The role of local governments is essential to operate the development of ecotourism based on the conservation principles (Minister of Internal Affairs decree No. 33 Year 2009 on Guidelines for Ecotourism Development in the Region, Section 2): (i) the correspondence between the type and characteristics of ecotourism, (ii) conservation, (iii) economic; (iv) education, (v) the satisfaction and experience to the visitor, (vi) community participation and (vii) to accommodate local wisdom.

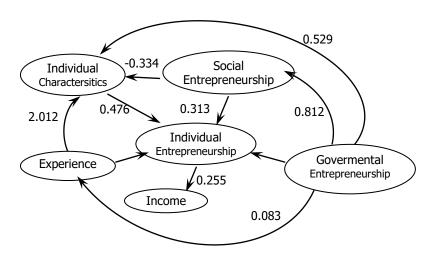


Figure 1. Entrepreneurship Structure (Nugroho, Negara, Nugroho, 2009)

Government plays an important role to develop entrepreneurship. Nugroho, Negara, and Nugroho (2009) showed that social entrepreneurship was strongest bridge in relation between government and individual entrepreneurship. This proves that the development of social entrepreneurship is a necessary condition for the government to develop the entrepreneurial individual on the ecotourism services. More importantly, entrepreneurial government becomes an initial capital to build a public trust toward economic actors of the ecotourism activities. Further, the government plays a role in the development of education as a medium for developing individual entrepreneurship. The higher level of education, it will improve the way of thinking and knowledge to accelerate learning prosess in entrepreneurship.

# 2. Empowerment of local people

The local people should be empowered to formulate their needs with the assistance of NGOs, the national park, and supporting of local government. Those needs are then accommodated in the plan of forest conservation program and in a planned sustainable ecotourism development.

Based on experience of Indecon, ecotourism NGOs, it took two years for assistance to local people of Tangkahan, Gunung Leuser NP, in which they be able interact with visitors and tour operators independently. Even the local people are able to be the forefront of conservation efforts, whereas before they were actors in the illegal loggers. Currently, the local people rely on their own needs into the ecotourism products and services, plantations and other supporting services. Former bad figure of the conservation constraints, including lack of political will, corruption and bribery; moral

hazard of local government; limited capacity for conservation and law enforcement resources, and conflicts of interest has been solved.

#### 3. Innovation

According to Fodor and Sitanyi (2008b), climate of innovation (innovation milieu) and the national innovation system are definitely responsible for competitiveness. According to OECD (1997), the innovation system enhance an increasing the performance of knowledge-based economy, that characterized by high technology, skilled labor, education and training, and product innovation. It is also followed by technology and information flow between individuals, companies and institutions. The development of innovation in ecotourism services directed to build participation and potentials, and programs local in term of environmental and socio-cultural aspects (Fodor and Sitanyi, 2008a). Development of innovation focused on the role of autonomy of local institutions to promote a transfer of knowledge and technology, to maintain the organization of ecotourism in providing the local people with flow of social benefits and environmental conservation.

A various innovation for developing ecotourism market information is needed. This has been done by the tour operators, NGOs or local people with a specific and flexible approach. The local people in Ngadas (BTS NP) can communicate directly with potential visitors and serve a ecotourism products and services of in BTS NP region. The interaction between visitors, NGO or university with the local population also be a source of ideas and innovation to improve the ecotourism services.

## 4. Leadership

Cluster as the main character of ecotourism services should be organized carefully (Fodor and Sitanyi, 2008b). Inability to organize clusters poses a threat on environmental degradation and prosperity reduction. In this cace, management of ecotourism is characterized by (Lash and Austin, 2003): low skills, poor communication, and no vision and plan for environmental conservation.

The need for leadership in ecotourism services is very important (WES, 2002). Ecotourism cluster organization needs to be strengthened with the leadership to execute the vision, mission and strategy in the conservation of the environment (Prieto, Gilmore and Osiri, 2009). Leadership role is to explore the potential or local innovation in term of socio-cultural and environment aspects (Fodor and Sitanyi, 2008a). Leadership guide the various organizations or institutions to work together for developing a conservation vision. Then, it is implemented into the monitoring and protection of ecological resources fairly and responsibly. This requires all parties to act to be an social entrepreneur in place of the social organization of ecotourism to generate a social benefits in ecotourism services and environmental conservation.

Local leadership is a concept that refers to local government practices, that can develop a vision, share their needs and implement together (partnership) at the local level to produce value-added (Randle and Hatter, 2005). The local leadership also accomodate a vision, ambition, setting at the local level in the long term and partnership relations with local people and other stakeholders (Flowers and Waddell, 2004). This requires strong leadership, entrepreneurial ability who are able to leverage the wealth of culture, language, and local distinctiveness as the capital of local innovation. Leadership is able to promote comparative advantage, technological innovation and specialization, local infrastructure, management, education and training, and marketing (Fodor and Sitanyi, 2008a).

Existence of local entrepreneurs is a source of effective leadership in developing ecotourism. Entrepreneurs are actually doing and giving example of how to do business in ecotourism services. In the region of BTS NP, it is played by Mulyadi Bromoputro

(former village chief of Ngadas) and Tasrip (community leaders in Ranupane). They have started the development of ecotourism activities in their respective regions.

#### 5. Infrastructure

Condition of infrastructure towards the national park area is generally not satisfactory. For example, road transportation to the national park in East Java accessed from Surabaya or Bali are relatively available. However, access near or within national parks are generally not satisfactory. Public transport at night is generally not available, so visitors should plan their travel more safe. In Meru Betiri NP, public transportation from the nearest district scheduled only once a day, and even then use a old truck. Public transport in BTS NP integrates with small trader transport (Nugroho, 2006; Nugroho and Negara, 2008). But in general, two-wheeled motorcycle transport more freely delivering visitors in the NP region without any aspect of safety and assurance.

Constraints of access to national parks is not a simple problem. It is also not separated from the low number of visitors. More and more visitors, are naturally going to invite investment in infrastructure. These challenges in opportunity for the development of transportation could be facilited by local people. Such vehicle facilities as trail bike, mountain bike, horse, boat or other motor is rented to visitors with a more convenience services.

# **6. Promotion integration**

In the tourism world, Bali is better known than Indonesia. Why? Because information about Bali in cultural and environmental aspects is more complete and positive compared to Indonesia as a whole. Information about Bali is also found in many places around the world. This shows that the Bali have a better positioning than Indonesia. Bali integrate with the of cities and tourism destination in the world.

The development of ecotourism services in a region need to follow the positioning as Bali. This marketing strategy requires support of product development, market segmentation, and marketing technology. It must be recognized that ecotourism destination areas in Indonesia has not promoted properly. Tourism and its supporting services at the local level is the forefront of the local tourism promotion (Nugroho, 2007; 2010).

Naturally, hotels and restaurants, travel agency, airport, airline offices, seaports, bus terminals, or tourism offices in each province provide information about national parks in their region. Each local government should follow the behavior and policies of tourism in Bali. The promotion for domestic purposes can be a learning process for the formulation of tourism policy. It is also very relevant because the number of domestic tourists is also very significant for the development of national tourism. It is still need to be developed issues related to a distinctive ecotourism products or local seed in respective region. This issue is useful to draw attention to the world in order to identify their market. It then guide a development opportunities of marketing techniques.

# 7. Product development

The direction of development of ecotourism products and services aimed at the activities of interpretation. The interpretation is attempts to explore an understanding of an object, so that one is able to react and generate a positive relationship between human and natural. In order to create a positive relationship, it is needed an interpreter, who served as explanatory and an interpreter an objects to the visitor (Sunaryo, 1998). As presented in Table 1, the activity of interpretation is grouped on fifth product, namely education and skills (Nugroho, 2007)

Without the interpretation, the ecotourism activities do not operate optimally. In such circumstances, the activity of ecotourism services still operate the activities that

threaten the environment, such as selling firewood (2.1 percent) and trading other forest products (2.8 percent), and hunting animals (3.5 percent) (Goodwin, 2002). Greater threat in areas with high population densities and without the ability to entrepreneurship.

The activities of interpretation should be the focus of ecotourism product development. These activities require a skillful of philosophical interpretation up to the practical matter of environmental assets, culture and other local characteristics. In the interpretation, transfer of knowledge and skills occurs to produce satisfaction and experience to the visitor and value added to local people. In Bali, visitors are given the opportunity to follow the traditional ceremony, by paying relatively high prices. In Tangkahan, visitors can bathe the elephants by paying 15 thousand rupiahs, or trekking with elephant at 160 thousand rupiahs. Obviously, all the attractions can be packed interactively involving psychomotoric visitors.

### **V. CONCLUSION**

The development of ecotourism is not only beneficial to conservation of environmental and culture local, but also to develop economic activities oriented to the welfare of local people. It is also strategically significant because of two things, (i) to increase economic resilience in the country that are based primarily on national parks on mountain, coastal and sea ecosystems, and (ii) to provide an alternative to accelerate the economic transformation from the primary sector to service sector. Thus, ecotourism activities, in turn, can increase an economic activity and a competitiveness in the region.

Entrepreneurship development ecotourism can generate the regional competitiveness through support by (i) the role of government, (ii) community empowerment, (iii) innovation, (iv) leadership, (v) infrastructure, (vi) integration of promotion, and (vi) ecotourism products development

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