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Analysis of Sharia Hotel Tourism Performance Factors in the Seribu Islands, DKI Jakarta in 2024

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Abstract. *Sharia tourism has become one of Indonesia's leading sectors contributing significantly to national foreign exchange earnings. In line with this development, the hospitality industry plays a strategic role in realizing competitive and sustainable sharia-based tourism. This study aims to analyze the determinants that influence the performance of sharia hotel tourism in Indonesia. A quantitative research approach was employed, utilizing Partial Least Squares (PLS) as the main analytical tool to test the proposed model and hypotheses. The findings indicate that the performance of sharia hotel tourism can be assessed through several key indicators, including employment absorption, improvement of community economic welfare, as well as environmental and socio-cultural sustainability. Furthermore, empirical evidence reveals that the performance of sharia hotel tourism is significantly affected by various factors such as environmental conditions, quality of services, governance systems, accessibility, infrastructure, facilities, and regulatory frameworks. Among these, regulatory factors demonstrate strong linkages with aspects of location, capital, and promotional efforts, which collectively determine the competitiveness and attractiveness of sharia-compliant hotels. The study emphasizes the importance of comprehensive governance and policy support in strengthening sharia tourism performance. Hence, effective collaboration among stakeholders, including government, hotel managers, and local communities, is crucial to enhance Indonesia's position as a global center for sharia tourism.*

Keywords: *Community Economy; Governance; Hospitality; Sharia Tourism; Socio-Culture.*

1. INTRODUCTION

Globalization, which has now become mainstream, causing the business world to continually change amidst complex uncertainties, has also had an impact on the world or tourism sector.*unpredictable*In fact, the tourism sector has a strategic role as a driver It plays a vital role in the national economy, providing employment, and preserving and unifying Indonesia's cultural heritage. According to data from the Central Statistics Agency (BPS), Indonesia recorded a significant increase in foreign tourist arrivals in March 2025, reaching 841,000. However, this represents a 2.18% decrease from 860,000 visits in the same period the previous year (Anonymous, 2025a).

Even though It is also important to note that there was a growth in domestic tourist travel of 12.61% or 88.91 million trips in March 2025 compared to 78.96 million trips in March 2024. Domestic tourists from January to March 2025 were recorded as positive at 282.41 million trips, representing a 12.71% increase compared to the same period last year. Meanwhile, international tourist trips saw positive growth of 2.74 million trips from January to March 2025, representing a 7.83% increase compared to the same period last year (Anonymous, 2025a).

Looking at the tourism performance in the first quarter of 2025, foreign tourist visits

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The number of visitors to Indonesia was recorded as higher than the number of tourists visiting Indonesia. Indonesians traveling abroad. This demonstrates that Indonesia remains an attractive and competitive destination and has the potential to generate a foreign exchange surplus (Amir and Kistanti, 2025; Fairuuz et al., 2022). To strengthen Indonesia's image as a comfortable, clean, and well-maintained tourist destination, concrete efforts are needed to improve cleanliness and ensure the availability of key amenities at various destinations. Nurhayati et al., (2024) defines that amenities are identical to facilities to provide a sense of comfort and safety for visitors to tourist attractions.

Various events have proven successful in generating significant economic impact in a short time. Leveraging untapped potential, the Ministry of Tourism is presenting events featuring Indonesian intellectual property across 37 provinces, aiming to stimulate regional economies through cultural, arts, and sports events. Until May 9, 2025, 12 events were held, recording 1.44 million visitors, economic transactions amounting to IDR 101.79 billion, involving more than 1,300 MSMEs, involving more than of 10,000 arts workers, as well as opening jobs for more than 35,000 workers (Anonymous, 2025b).

Next up is the promotional program. From April 28 to May 1, 2025, in Dubai, United Arab Emirates, the Ministry of Tourism will participate in the largest tourism exhibition. in the Middle East, namely the Arabian Travel Market or ATM. Participation Indonesia's participation in this event aims to strengthen its position as a leading destination in the Middle East market to support the achievement of the 2025 visitation target. The Indonesian Pavilion at ATM Dubai 2025 features 61 tourism business actors curated by the Ministry of Tourism, the Jakarta Tourism and Creative Economy Agency, and the Indonesia Inbone Tour Operators Association (INTOA). Indonesia's participation this year recorded an increase in achievements. Compared to the previous year, the potential for foreign exchange grew by 6.77% from IDR 1.33 trillion in 2024 to IDR 1.42 trillion in 2025 (Anonymous, 2025b).

Tourism is also linked to the diversity of village resources, particularly their natural and cultural riches. Collaborating with the Ministry of Cooperatives and Small and Medium Enterprises is expected to optimize the tourism sector. Cooperatives play a strategic role as drivers of the people's economy and as an instrument for promoting more inclusive and sustainable tourism (Anonymous, 2025b). Therefore, the two ministries drafted this memorandum of understanding with a scope that includes policy and regulatory synergy, exchange of data and information, increasing human resources and institutional capacity cooperatives, the formation and strengthening of cooperative businesses in the tourism sector, and other activities that are mutually agreed upon.

The brief overview above is a snapshot of the performance of the tourism sector, particularly the sharia-compliant hotels in the Seribu Islands, Jakarta. To assess the performance of the tourism sector, this study uses several indicators, including foreign exchange surplus (related to the economy); comfortable, clean, and well-maintained tourist destinations to improve cleanliness (environment) and ensure the availability of amenities (condition); economic transactions (locally generated revenue or PAD); job creation (labor); promotion (especially in the tourism and hospitality sectors); and culture (socio-cultural aspects as a form of Cultural Creativity and Innovation, Cultural Acculturation, and Revitalization
Culture).

2. LITERATURE REVIEW

Noviantoro and Zurohman (2020) explained that community welfare is inseparable from the strengthening of the sharia tourism sector, thus affecting the income of communities directly affected, for example, geographically. Likewise, Ramadhany and Ridlwan (2018) which explicitly states that sharia tourism is a global trend (both domestically and internationally) which empirically contributes significantly to improving people's welfare.

Alim et al., (2015) emphasized that sharia tourism has strategic potential in the nation's economy and has great opportunities for the future. Darmalaksana and Busro (2021) define thatHalal tourism is an economic perspective for a Sharia-based economy society. Rachmiatie et al., (2020) he stated that the Indonesian government is actively promoting halal tourism, which has implications for increasing the international tourism index. Ferdiansyah et al., (2020) that halal tourism is a leading sector in Indonesia and has the potential to increase state revenue in the form of increased national income.

Halal tourism is also running massively throughout Indonesia, such as in West Nusa Tenggara Province (Jaelani, 2018). According to Rachmiatie et al., (2020) tourism must be communicated and promoted in relation to*product value*and benefits of halal tourism. Sharia tourism, halal tourism, and tourism in general explain and demonstrate factors of standardization, regulation, implications, opportunities, attitudes and interests, the concept of smart tourism, and identification of halal and sharia tourism potential.

The main factors that influence sharia hotel tourism are: Conditions (availability of facilities, security, and environment), Services (hospitality quality and sharia compliance), Governance (good management and business ethics), Access (ease of reaching hotel locations and transportation), and Regulations (government regulations that support the development of

sharia tourism) (Afrilian and Hanum, 2022; Huda et al., 2019; Nurulloh, 2024; Syahputra Ginting and Amalia, 2023). The explanation for each is as follows: One condition: Safety and Comfort. This means a comfortable and secure atmosphere, which are important concerns for tourists, supported by an environment that complies with Sharia principles, such as comfort in terms of privacy and a halal environment.

Two Infrastructure: The availability of adequate and Sharia-compliant infrastructure, such as places of worship and other supporting facilities, is crucial to the comfort of Muslim tourists. Three Services: Quality Hospitality, friendly attitudes, and excellent service from staff are crucial to customer satisfaction and the reputation of tourism and hospitality businesses. Four Sharia Compliance: Hotels provide infrastructure and facilities relevant to Sharia principles, including halal food and beverages, separate facilities for men and women where necessary, and an overall Islamic atmosphere.

Five Governance:Management and Business Ethics: Good governance, including transparent and responsible operational management and business ethics, is crucial for building trust in the eyes of customers. Sixth, Human Resources (HR), the quality of human resources who possess the understanding and skills to provide sharia-compliant hospitality tourism services, is also a key factor influencing success. Seventh, Access: Transportation and Location: Ease of access to tourism and hospitality through adequate transportation and strategic locations significantly influence tourists' choices for travel and accommodation. Eightth, Information Accessibility: Ease of access for tourists regarding sharia-compliant tourism and hospitality, such as through websites and social media, is an important factor in attracting interest. Accessibility through online and offline marketing that highlights the advantages of sharia-compliant services, while physical access must also take into account the accessibility and comfort needs of all guests.

Nine Regulations: Supportive Regulations: Clear and supportive government regulations for the development of sharia-compliant tourism and hospitality can encourage the sector's growth, for example by providing incentives or standardization. Ten Policy Supports: Government policies that support the development of the sharia economy as a whole, including tourism, can create a conducive environment for the growth of sharia-compliant hotels. Regulations governing sharia-compliant tourism and hospitality include licensing regulations, sharia certification, and the enforcement of standard operating procedures (SOPs) to ensure sharia compliance.

Eleven Influences and Impacts: Employment, the sharia tourism and hospitality sector creates jobs in the fields of accommodation, food and beverage, and other supporting

industries, thus supporting the local community economy. Twelve Community Economy, The growth of sharia tourism can increase community income through the provision of goods and services, as well as encourage the growth of related local businesses. Thirteen regional revenues called local original income (PAD), where the existence of tourism as well as sharia hospitality is significant in increasing regional levies, which can then be used for infrastructure development and public services. Fourteen Socio-Cultural, sharia tourism and hospitality contribute to the preservation of local cultural values and traditions, while providing a space for the community to share knowledge and experiences. Fifteen Environment, The tourism and hospitality industry must pay attention to its environmental impact by implementing sustainable and environmentally friendly practices, such as waste management and resource conservation.

Sixteen Potential Muslim Populations:Largest Muslim Population. As the country with the largest Muslim population, Indonesia has a strategic market share for sharia tourism and hotels. Seventeenth Growth of Halal Lifestyle, Muslims' interest in vacationing in accordance with sharia principles is driving the development of Muslim-friendly facilities, which are based on Islamic values such as justice, sustainability, and respect for the environment. Eighteen Specific Facility Needs, Muslim travelers seek amenities such as halal food, prayer rooms, and services that do not conflict with Islamic principles while traveling, which creates opportunities for sharia tourism and hospitality. Nineteen Increased Interest and Self-Efficacy, Muslim travelers have a high desire to experience new adventures and are grateful for the blessings of Allah SWT in halal tourism destinations and hotels.

Twenty Potential Benefits of Sharia Hotel Tourism:Economic Improvement: The development of sharia tourism can strengthen the Indonesian economy by increasing foreign exchange from Muslim tourists: (1) Job Creation: The growth of this industry will create new jobs and provide social and economic benefits to the community; (2) Competitive Advantage: Indonesia can become one of the world's halal tourism centers by leveraging its vast capital, namely local wisdom and (3) Destination Development: The potential of sharia hotel tourism can encourage the development of halal tourism destinations in various regions in Indonesia, such as Lombok, Aceh, the Seribu Islands, and West Sumatra.

Twenty-four Challenges and Opportunities:Standardization and Regulation: National standardization and regulation are needed for sharia-compliant hotels to ensure clarity and benefit all parties. Twenty-five Adaptation and Innovation: Sharia tourism and hospitality need to adapt to the evolving trends and needs of Muslim travelers, including leveraging digital platforms for marketing. With the right strategy, Indonesia's Muslim population can be a

significant force in developing a quality sharia-compliant tourism and hospitality sector.

Twenty-six Sharia Tourism and Hotels:Sharia tourism and hospitality is a management system in which tourist attractions and hotels practically provide tranquility and comfort, especially for tourists. Tourism and especially sharia hotels are basically more and similar to conventional tourism, where Muslims want all the products they use to be guaranteed halal and pure, including the products, the goals are the same and similar to general tourism and hospitality. Microeconomics in Islamic Perspectivethat Islam introduces the concepts of halal, haram, and waste as basic principles in regulating human life needs, both dharuriyat (primary), hajiyat (secondary), and tahsiniyat (tertiary), including in terms of tourism and hotels.

Twenty-seven Sharia tourism concepts, namely that Islamic sharia concepts are the foundation for the implementation of Sharia tourism. In fact, in practice, Sharia tourism, or halal tourism, must be equipped with halal certification, processed, supervised, and issued by a credible party (in Indonesia, by the Halal Product Guarantee Agency (BPJPH), after obtaining a halal fatwa issued by the Indonesian Ulema Council).The concept of halal encompasses all aspects of tourism and hospitality, including not only transportation but also culinary delights and all aspects that support the implementation of halal tourism. Halal tourism is also characterized by the absence of gambling and traditional practices that deviate from Islamic teachings.

3. METHODOLOGY

The approach and type of research are important to identify, where a quantitative approach is chosen and the type of research is survey-exploratory, namely an open-minded, objective, no idealistic ideas in understanding conditions in the field and then describing empirical dynamics accompanied by interpretations with the aim of obtaining the deepest possible picture of the research problem being studied.The research population is the factors that influence sharia tourism and hospitality, in this survey grouped into 5 (five) categories: tourists, tourism and hotel actors, government agencies, local communities, tourism and hotel employees in six sub-districts in two districts, the Thousand Islands administrative district, DKI Jakarta.

This study used a questionnaire data collection technique combined with observation and interviews, which were implemented in an integrated manner. The data collection time was in the first, second, and third weeks of November 2024. The scale for measuring questionnaire answers used a Likert scale and instrument items were arranged in the form of statement sentences with 4 (four) answer choices. The marks used for the satisfaction/performance aspect

ranged from very dissatisfied (score 1) to very satisfied (score 4). Meanwhile, the hope/expectation aspect used a value range of 1-4 with answer choices of not too important-very important.

Structural Equation Modeling (SEM) analysis to determine the relationship of latent variable data that cannot be observed directly and indirectly, connected with observed variables that are complex in the influence of conditions, services, governance, access and regulations of sharia hotel tourism on employment, community economy, environment, local revenue (PAD) and socio-culture (Nachtigall. 2003). which will be tested empirically assisted by SmartPLS software. SEM is a statistical analysis technique to design and test statistical models in the form of cause and effect (Prastuti, 2011). The SEM analysis process is: (1) formulating a theoretical model, (2) developing a path diagram, (3) converting the path diagram into a structural equation, (4) selecting an input matrix and type of estimation, (5) identifying the model, (6) evaluating the goodness of fit criteria, and (7) interpreting the results.

4. FINDINGS

Convergent Validity

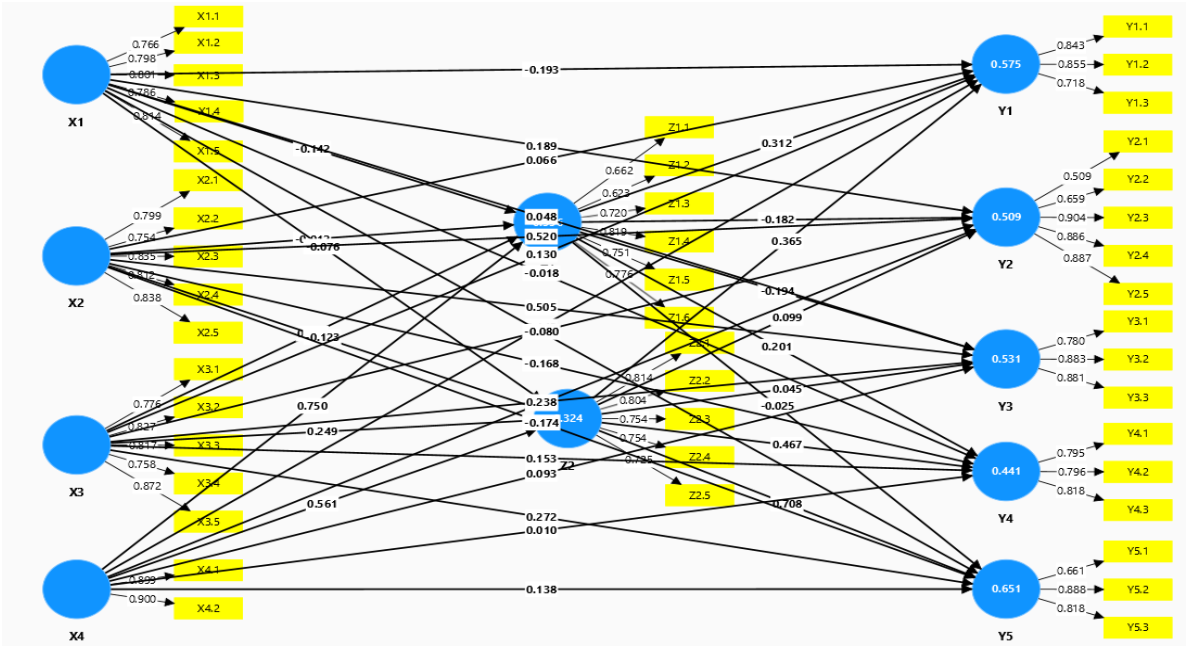

Figure 1. Path Diagram of the Best Research Model.

The condition variable consists of five indicators: accessibility, accommodation, attraction, activities, and amenities. The service variable consists of five indicators: simplicity, clarity, accuracy, security, and convenience. The governance variable consists of five indicators: management strategy, website optimization, regulations, organizational culture, and mastery of information and technology. The access variable consists of two indicators: time

and cost. The tourism and sharia hospitality variable consists of six indicators: word of mouth, accessibility, promotion, infrastructure, facilities and infrastructure, and uniqueness and exoticism. The tourism and hospitality regulation variable consists of five indicators: location, capital, completeness of facilities, promotion, and menu. The employment impact variable consists of three indicators: managers, consultants, and tour guides. The economic impact variable consists of five indicators: income, business opportunities, employment opportunities, poverty reduction, and increased foreign exchange earnings. The environmental impact variable consists of three indicators: waste, sanitation, and aesthetics. The pad impact variable consists of three indicators: regional taxes, regional levies, and wealth generation. Then, the socio-cultural variables consist of three indicators, namely cultural creativity and innovation, cultural acculturation, and cultural revitalization.

An indicator can be considered valid if it has a Loading Factor value of more than 0.5. The Loading Factor itself is the correlation between the indicator and its construct. A higher correlation indicates a better level of validity. Accessibility, accommodation, attraction, activities, and amenities have Loading Factors of 0.766, 0.798, 0.801, 0.786, and 0.814, respectively, all of which are greater than 0.500. This means that the five indicators are valid for measuring the condition variable (X1), where each change in the condition variable (X1) will be reflected in the accessibility variation of (0.766 x 0.766 = 58.6%), accommodation variation of (0.798 x 0.798 = 63.6%), attraction variation of (0.801 x 0.801 = 64.1%), activities variation of (0.786 x 0.786 = 61.7%), and amenities variation of (0.814 x 0.814 = 66.2%).

Simplicity, clarity, accuracy, security, and ease have Loading Factors of 0.799, 0.754, 0.835, 0.812, and 0.838 respectively, all of which are worth more than 0.500. This means that the five indicators are valid in measuring the service variable (X2), where any change in the service variable (X2) will be reflected in the variation in simplicity of (0.799 x 0.799 = 63.8%), the variation in clarity of (0.754 x 0.754 = 56.8%), the variation in accuracy of (0.835 x 0.835 = 69.7%), the variation in security of (0.812 x 0.812 = 65.9%), and the variation in ease of (0.838 x 0.838 = 70.2%).

Management strategy, website optimization, regulation, organizational culture and mastery of information and technology have Loading Factors of 0.776, 0.827, 0.817, 0.758, and 0.872 respectively, where all five are worth more than 0.500. This means that the five indicators are valid in measuring the governance variable (X3), where every change in the governance variable (X3) will be reflected in the variation of management strategy of (0.776 x 0.776 = 60.2%), variation of website optimization of (0.827 x 0.827 = 68.3%), variation of regulation of (0.817 x 0.817 = 66.7%), variation of organizational culture of (0.758 x 0.758 =

57.4%), and variation of mastery of information and technology of (0.872 x 0.872 = 76%).

Time and cost have Loading Factors of 0.899 and 0.900, respectively, both of which are more than 0.500. This means that both indicators are valid in measuring the access variable (X4), where any change in the access variable (X4) will be reflected in the time variation of (0.899 x 0.899 = 80.8%), and in the cost variation of (0.900 x 0.900 = 81%). Word of mouth, accessibility, promotion, infrastructure, facilities and infrastructure, and uniqueness and exoticism have Loading Factors of 0.662, 0.623, 0.720, 0.819, 0.751, and 0.776, respectively, all of which are more than 0.500. This means that the six indicators are valid for measuring the tourism and hospitality industry variables (Z1), where every change in the tourism and hospitality industry variables (Z1) will be reflected in the variation of word of mouth of (0.662 x 0.662 = 43.8%), variation of accessibility of (0.623 x 0.623 = 38.8%), variation of promotion of (0.720 x 0.720 = 51.8%), variation of infrastructure of (0.819 x 0.819 = 67%), variation of facilities and infrastructure of (0.751 x 0.751 = 56.4%), and variation of uniqueness and exoticism of (0.776 x 0.776 = 60.2%).

Location, capital, completeness of facilities, promotion, and menu factors have Loading Factors of 0.814, 0.804, 0.754, 0.754, and 0.725, respectively, all of which are worth more than 0.500. This means that the five indicators are valid in measuring the tourism and hospitality regulation variable (Z2), where any changes in the tourism and hospitality regulation variable (Z2) will be reflected in the variation of the location factor of (0.814 x 0.814 = 66.2%), capital variation of (0.804 x 0.804 = 64.6%), variation of completeness of facilities of (0.754 x 0.754 = 56.8%), promotion variation of (0.754 x 0.754 = 56.8%), and menu variation of (0.725 x 0.725 = 52.5%).

Managers, consultants, and tour guides have Loading Factors of 0.843, 0.855, and 0.718 respectively, all of which are more than 0.500. This means that the three indicators are valid in measuring the employment variable (Y1), where any change in the employment variable (Y1) will be reflected in the manager variation of (0.843 x 0.843 = 71%), the consultant variation of (0.855 x 0.855 = 73.1%), and the tour guide variation of (0.718 x 0.718 = 51.5%).

Income, business opportunities, employment opportunities, poverty reduction, and increasing foreign exchange earnings have Loading Factors of 0.509, 0.659, 0.904, 0.886, and 0.887, respectively, all of which are valued at more than 0.500. This means that the five indicators are valid in measuring the economic variables of society (Y2), where every change in the economic variables of society (Y2) will be reflected in the variation in income of (0.509 x 0.509 = 25.9%), the variation in business opportunities of (0.659 x 0.659 = 43.4%), the variation in employment opportunities of (0.904 x 0.904 = 81.7%), the variation in poverty

reduction of (0.886 x 0.886 = 78.4%), and the variation in increasing foreign exchange earnings of (0.887 x 0.887 = 78.6%).

Waste, sanitation, and aesthetics have Loading Factors of 0.780, 0.883, and 0.881, respectively, all of which are more than 0.500. This means that the three indicators are valid for measuring environmental variables (Y3), where any change in environmental variables (Y3) will be reflected in waste variations of (0.780 x 0.780 = 60.8%), sanitation variations of (0.883 x 0.883 = 77.9%), and aesthetic variations of (0.881 x 0.881 = 77.6%). Regional taxes, regional levies, and wealth have Loading Factors of 0.795, 0.796, and 0.818, respectively, all of which are more than 0.500. This means that the three indicators are valid for measuring the PAD(Y4) variable, where every change in the PAD(Y4) variable will be reflected in the variation in regional taxes of (0.795 x 0.795 = 63.2%), the variation in regional levies of (0.796 x 0.796 = 63.3%), and the variation in wealth results of (0.818 x 0.818 = 66.9%).

Cultural creativity and innovation, cultural acculturation, and cultural revitalization have Loading Factors of 0.661, 0.888, and 0.818 respectively, all of which are worth more than 0.500. This means that the three indicators are valid in measuring socio-cultural variables (Y5), where any change in the socio-cultural variable (Y5) will be reflected in the variation of Cultural Creativity and innovation of (0.661 x 0.661 = 43.6%), the variation of cultural acculturation of (0.888 x 0.888 = 78.8%), and the variation of cultural revitalization of (0.818 x 0.818 = 66.9%).

Overall, each indicator measuring the variables in this study has a Loading Factor ≥ 0.500, which means all items and indicators used are valid in measuring each construct and variable in the study. The next step in evaluating convergent validity is examining the construct reliability and Average Variance Extracted (AVE). The construct reliability examination itself is carried out by looking at the composite reliability output value. Where a variable can be said to be reliable if it has a composite reliability value of more than 0.7. In addition, a construct or variable is also said to have good convergent validity if it has an AVE value of more than 0.5.

Based on the Composite Reliability output table, the construct reliability and Average Variance Extracted (AVE) values in this study can be interpreted as follows. The condition (X1), service (X2), governance (X3), and access (X4) variables have Composite Reliability values of 0.894, 0.904, 0.905, and 0.895, respectively, which are greater than 0.60. This indicates that each indicator of the four variables is proven to be consistent or reliable in measuring the condition (X1), service (X2), governance (X3), and access (X4) variables. Meanwhile, the AVE values of condition (X1), service (X2), governance (X3), and access (X4) are 0.629, 0.653, 0.658, and 0.809, respectively. This means that the magnitude of the variation

in the measurement items for accessibility, accommodation, attraction, activities, and amenities contained in the condition variable (X1) is 62.9%. Then, the magnitude of the variation in the measurement items for simplicity, clarity, accuracy, security, and convenience contained in the service (X2) is 65.3%. Then, the magnitude of the variation in the measurement items for management strategy, website optimization, regulations, organizational culture, and mastery of information and technology contained in governance (X3) is 65.8%. And the magnitude of the variation in the time and cost items contained in access (X4) is 80.9%.

The tourism and hospitality industry (Z1) and tourism and hospitality regulations (Z2) variables have Composite Reliability values of 0.870 and 0.880, respectively, which are greater than 0.60. This indicates that each indicator of the two variables is proven to be consistent or reliable in measuring the tourism and hospitality industry (Z1) and tourism and hospitality regulations (Z2). Meanwhile, the AVE values of the tourism and hospitality industry (Z1) and tourism and hospitality regulations (Z2) are 0.530 and 0.594, respectively. This means that the magnitude of the variation in the measurement items of word of mouth, accessibility, promotion, infrastructure, facilities and infrastructure, and uniqueness and exoticism contained in the tourism and hospitality industry (Z1) variable is 53%. Then the magnitude of the variation in the measurement items of location, capital, completeness of facilities, promotion, and menu factors contained in tourism and hospitality regulations (Z2) is 59.4%.

The variables of employment (Y1), community economy (Y2), environment (Y3), PAD (Y4), and socio-culture (Y5) have Composite Reliability values of 0.848, 0.885, 0.886, 0.845, and 0.835, respectively, which are greater than 0.60. This shows that each indicator of the five variables is proven to be consistent or reliable in measuring the variables of employment (Y1), community economy (Y2), environment (Y3), PAD (Y4), and socio-culture (Y5). Meanwhile, the AVE values of employment (Y1), community economy (Y2), environment (Y3), PAD (Y4), and socio-culture (Y5) are 0.652, 0.617, 0.722, 0.645, and 0.632, respectively. This means that the magnitude of the variation in the measurement items of managers, consultants, and tour guides contained in the employment variable (Y1) is 65.2%. Then the magnitude of the variation in the measurement items of income, business opportunities, employment opportunities, reducing poverty, and increasing foreign exchange earnings contained in the community economy (Y2) is 61.7%. then the magnitude of the variation in the items contained in the environment (Y3) is 72.2%. then the magnitude of the variation in the items of regional taxes, regional levies, and wealth results contained in PAD (Y4) is 64.5%. And the magnitude of the variation in the items of creativity and cultural innovation, cultural acculturation, and cultural revitalization contained in socio-culture (Y5) is 63.2%.

Discriminant Validity

The second stage in measurement evaluation is discriminant validity evaluation, which involves comparing values in the cross-loading table. Comparisons in the cross-loading table evaluate discriminant validity at the item/measurement indicator level. In cross-loading evaluation, the correlation value between an indicator and the construct/variable it represents must be greater than the correlation value of that indicator with other constructs/variables in the research model. The cross-loading output results from the research model are as follows:namely: (1) Accessibility, accommodation, attraction, activities, and amenities indicators (condition measurement indicators (X1)) have a higher correlation value with the condition variable (X1), compared to their correlation with other variables; (2) Simplicity, clarity, accuracy, security, and convenience indicators (service measurement indicators (X2)) have a higher correlation value with the service variable (X2), compared to their correlation with other variables; (3) Management strategy, website optimization, regulation, organizational culture and mastery of information and technology indicators (governance measurement indicators (X3)) have a higher correlation with the governance variable (X3) compared to their correlation with other variables; (4) Time and cost indicators (access measurement indicators (X4)) have a higher correlation with the access variable (X4) compared to their correlation with other variables; (5) Word of mouth, accessibility, promotion, infrastructure, facilities and infrastructure, and uniqueness and exoticism indicators (tourism and hospitality industry measurement indicators (Z1)) have a higher correlation with the tourism and hospitality industry variable (Z1) compared to their correlation with other variables; (6) The indicators of location factors, capital, completeness of facilities, promotion, and menu (Indicators measuring tourism and hospitality regulations (Z2)) have a higher correlation with the variables of tourism and hospitality regulations (Z2) compared to their correlation with other variables; (7) The indicators of managers, consultants, and tour guides (Indicators measuring employment (Y1)) have a higher correlation with the variables of employment (Y1) compared to their correlation with other variables; (8) The indicators of income, business opportunities, employment opportunities, reducing poverty, and increasing foreign exchange earnings (Indicators measuring community economy (Y2)) have a higher correlation with the variables of community economy (Y2) compared to their correlation with other variables; (9) The indicators of waste, sanitation, and aesthetics (Indicators measuring environment (Y3)) have a higher correlation with the variables of environment (Y3) compared to their correlation with other variables; (10) Regional tax indicators, regional levies, and wealth results (PAD measurement indicators (Y4)) have a higher correlation with the PAD variable (Y4) compared

to their correlation with other variables and (11) Cultural creativity and innovation indicators, cultural acculturation, and cultural revitalization (Socio-cultural measurement indicators (Y5)) have a higher correlation with the socio-cultural variable (Y5) compared to their correlation with other variables.

Overall, the cross loading table shows that each indicator correlates more highly with the variable it measures, so it can be said that this research model has good discriminant validity.

R-Square

The R-Square test is used to determine the percentage of the dependent variable that can be explained by the independent variables in this study. In their journal, Hair et al. (2019) stated that the R-Square value can be classified into 3, namely strong (0.75), moderate (0.50), and weak (0.25). The condition variables (X1), services (X2), governance (X3), access (X4), tourism and hospitality industry (Z1), and tourism and hospitality regulations (Z2) are able to explain the employment variable (Y1) by 57.5%, while the other 42.5% is explained by constructs/variables outside this research model.

The variables of condition (X1), service (X2), governance (X3), access (X4), tourism and hospitality industry (Z1) and tourism and hospitality regulation (Z2) are able to explain the community economic variable (Y2) by 50.9%, the remaining 49.1% is explained by variables outside this research model. The variables of condition (X1), service (X2), governance (X3), access (X4), tourism and hospitality industry (Z1) and tourism and hospitality regulation (Z2) are able to explain the environmental variable (Y3) by 53.1%, the remaining 46.9% is explained by variables outside this research model. The variables of condition (X1), service (X2), governance (X3), access (X4), tourism and hospitality industry (Z1) and tourism and hospitality regulation (Z2) are able to explain the Regional Original Income variable (Y4) by 44.1%, the remaining 55.9% is explained by variables outside this research model.

The variables of condition (X1), service (X2), governance (X3), access (X4), tourism and hospitality industry (Z1) and tourism and hospitality regulation (Z2) are able to explain the socio-cultural variable (Y5) by 65.1%, while the remaining 34.9% is explained by variables outside this research model. The variables of condition (X1), service (X2), governance (X3), and access (X4) are able to explain the tourism and hospitality industry variable (Z1) by 55.6%, while the remaining 44.4% is explained by variables outside this research model. The variables of condition (X1), service (X2), governance (X3), and access (X4) are able to explain the tourism and hospitality regulation variable (Z2) by 32.4.6%, while the remaining 67.6% is explained by variables outside this research model.

F-Square.

This F Square test is conducted to see how much influence each independent variable has on the dependent variable according to the established classification standards. The f square value is classified into 3 levels, namely low (0.00 < f square < 0.15), moderate (0.15 < f square < 0.35) and high (0.35 < f square). The condition variable (X1) has a low influence on employment (Y1), community economy (Y2), environment (Y3), PAD (Y4), socio-culture (Y5), tourism and hospitality industry (Z1) and tourism and hospitality regulations (Z2) with values of 0.052, 0.043, 0.003, 0.000, 0.011, 0.028, and 0.005.

The service variable (X2) has a low influence on employment (Y1), PAD (Y4), socio-culture (Y5), tourism and hospitality industry (Z1) and tourism and hospitality regulation (Z2) with respective values of 0.004, 0.020, 0.035, 0.000, 0.009. then has a moderate influence on the community economy and environment with values of 0.220, and 0.217. The governance variable (X3) has a low influence on employment (Y1), community economy (Y2), environment (Y3), PAD (Y4), socio-culture (Y5), tourism and hospitality industry (Z1) and tourism and hospitality regulation (Z2) with respective values of 0.015, 0.006, 0.045, 0.016, 0.079, 0.044, and 0.036. The access variable (X4) has a low influence on employment (Y1), community economy (Y2), environment (Y3), PAD (Y4), and socio-culture (Y5) with respective values of 0.021, 0.011, 0.008, 0.000, and 0.024. then has a high influence on the tourism and hospitality industry (Z1) and tourism and hospitality regulations (Z2) with values of 1.234 and 0.453.

The tourism and hospitality industry variable (Z1) has a low influence on employment (Y1), community economy (Y2), environment (Y3), PAD (Y4), and socio-culture (Y5) with values of 0.062, 0.018, 0.022, 0.020, and 0.000. The tourism and hospitality regulation variable (Z2) has a low influence on employment (Y1), community economy (Y2), and environment (Y3) with values of 0.129, 0.008, and 0.002. then has a moderate influence on PAD (Y4) with a value of 0.160. Furthermore, it has a high influence on socio-culture (Y5) with a value of 0.591.

The condition variable (X1) has a low influence on employment (Y1), community economy (Y2), environment (Y3), PAD (Y4), socio-culture (Y5), tourism and hospitality industry (Z1) and tourism and hospitality regulation (Z2) with values of 0.052, 0.043, 0.003, 0.000, 0.011, 0.028, and 0.005. The service variable (X2) has a low influence on employment (Y1), PAD (Y4), socio-culture (Y5), tourism and hospitality industry (Z1) and tourism and hospitality regulation (Z2) with values of 0.004, 0.020, 0.035, 0.000, 0.009, respectively. then has a moderate influence on the community economy and environment with values of 0.220,

and 0.217. The governance variable (X3) has a low influence on employment (Y1), community economy (Y2), environment (Y3), PAD (Y4), socio-culture (Y5), tourism and hospitality industry (Z1) and tourism and hospitality regulations (Z2) with respective values of 0.015, 0.006, 0.045, 0.016, 0.079, 0.044, and 0.036.

The access variable (X4) has a low influence on employment (Y1), community economy (Y2), environment (Y3), PAD (Y4), and socio-culture (Y5) with values of 0.021, 0.011, 0.008, 0.000, and 0.024, respectively. then has a high influence on the tourism and hospitality industry (Z1) and tourism and hospitality regulations (Z2) with values of 1.234 and 0.453. The tourism and hospitality industry variable (Z1) has a low influence on employment (Y1), community economy (Y2), environment (Y3), PAD (Y4), and socio-culture (Y5) with values of 0.062, 0.018, 0.022, 0.020, and 0.000. The tourism and hospitality regulation variable (Z2) has a low influence on employment (Y1), community economy (Y2), and environment (Y3) with values of 0.129, 0.008, and 0.002, respectively. Then it has a moderate influence on PAD (Y4) with a value of 0.160. Furthermore, it has a high influence on socio-culture (Y5) with a value of 0.591.

Path Coefficient Significance Test

In the first stage, significance testing is carried out by running the bootstrapping function on smartPLS and looking at the values in the Path Coefficient table. In this test, the relationship between two variables can be said to be significant if it has a p-value <0.05 and a t-statistic value >2.0 (Yamin and Kurniawan, 2011). Meanwhile, the Path Coefficient table is also the result of the significance test (Bootstrapping). Condition (X1) has a negative and significant effect on employment (Y1) of -0.193, with a p-value of 0.005 <0.05. Then, condition (X1) has a positive and significant effect on the community economy (Y2) of 0.189 with a p-value of 0.037 <0.05. Furthermore, condition (X1) has an insignificant and positive effect on the environment (Y3) of 0.048 with a p-value of 0.630 >0.05. Then, condition (X1) has a negative and insignificant effect on PAD (Y4), socio-culture (Y5), tourism and hospitality industry (Z1), and tourism and hospitality regulations (Z2) with values of -0.018, -0.080, -0.142, and -0.076 respectively with p values of 0.846, 0.312, 0.070, and 0.416 (> 0.05).

Services (X2) have a positive and significant effect on the community economy (Y2) and the environment (Y3) of 0.520 and 0.505, with p values of 0.000 and 0.000 (<0.05). Services (X2) have an insignificant and positive effect on employment (Y1) of 0.066 with a p value of 0.438 > 0.05. Services (X2) have a negative and insignificant effect on PAD (Y4), socio-cultural (Y5), tourism and hospitality industry (Z1), and tourism and hospitality regulations (Z2) of -0.168, -0.174, -0.012, and -0.123, with p values of 0.097, 0.079, 0.907, and

0.373 (>0.05). Governance (X3) has a significant and positive effect on socio-cultural (Y5) and tourism and hospitality industry (Z1) of 0.272 and 0.224, with p values of 0.012 and 0.039 (<0.05). Then, governance (X3) has an insignificant and positive effect on employment (Y1), community economy (Y2), environment (Y3), PAD (Y4), and tourism and hospitality regulation (Z2) of 0.130, 0.090, 0.238, 0.153, and 0.249, with p values of 0.189, 0.458, 0.059, 0.174, and 0.091 (>0.05).

Access (X4) has a significant and positive effect on the tourism and hospitality industry (Z1), and tourism and hospitality regulations (Z2) of 0.750 and 0.561, with p values of 0.000 and 0.000 < 0.05. Furthermore, access (X4) has an insignificant and positive effect on employment (Y1), community economy (Y2), environment (Y3), PAD (Y4), and socio-culture (Y5) of 0.143, 0.112, 0.093, 0.010, and 0.138. With p values of 0.257, 0.280, 0.461, 0.940, and 0.188 (> 0.05). The tourism and hospitality industry (Z1) has a significant and positive effect on employment (Y1) of 0.312 with a p value of 0.000 < 0.05. The tourism and hospitality industry (Z1) has an insignificant and positive effect on PAD (Y4) of 0.201 with a p value of 0.296 > 0.05. Then, the tourism and hospitality industry (Z1) has an insignificant and negative effect on the community economy (Y2), environment (Y3), and socio-culture (Y5) of -0.182, -0.194, and -0.025, with p values of 0.166, 0.094, and 0.855 (> 0.05).

Tourism and hospitality regulations (Z2) have a significant and positive effect on employment (Y1), PAD (Y4), and socio-cultural (Y5) of 0.365, 0.467, and 0.708, with p values of 0.003, 0.002, and 0.000 (<0.05). Then tourism and hospitality regulations (Z2) have an insignificant and positive effect on the community economy (Y2) and the environment (Y3) of 0.099 and 0.045, with p values of 0.436 and 0.641 (>0.05).

Mediation Test (Specific Indirect Effect)

This mediation test is conducted by examining the values in the specific indirect effect table. In this mediation test, the independent variable has a significant indirect influence on employment (Y1), community economy (Y2), environment (Y3), local revenue (Y4), and socio-culture (Y5) through tourism and hospitality (Z1), and tourism and hospitality regulations (Z2), if it has a p-value <0.05.

Mediation Test (Specific Indirect Effect)

The condition variable (X1) has a p value of 0.227 > 0.05, the service variable (X2) has a p value of 0.915 > 0.05, then the governance variable (X3) has a p value of 0.165 > 0.05, so that the three variables do not have an indirect influence on employment (Y1) through the tourism and hospitality industry (Z1). Then the access variable (X4) has a p value of 0.050 ≤ 0.05, which means it has an indirect influence on employment (Y1) through the tourism and

hospitality industry (Z1). The access variable (X4) has a p value of 0.007 < 0.05, which means it has an indirect influence on employment (Y1) through tourism and hospitality regulations (Z2). Then, the condition variables (X1), services (X2), and governance (X3) have p-values of 0.489, 0.423, and 0.171 (> 0.05), so they do not have an indirect influence on employment (Y1) through tourism and hospitality regulations (Z2).

The variables of condition, service, governance, and access have p values of 0.333, 0.921, 0.306, and 0.172 (> 0.05) meaning that they do not have an indirect influence on the economic impact through the tourism and hospitality industry. Then the variables of condition, service, governance, and access have p values of 0.686, 0.643, 0.536, and 0.455 (> 0.05), so they do not have an indirect influence on the economic impact through tourism and hospitality regulations. The variables of condition (X1), service (X2), governance (X3), and access (X4) have p values of 0.247, 0.919, 0.225, and 0.099 (> 0.05) meaning that they do not have an indirect influence on the environment (Y3) through the tourism and hospitality industry (Z1). Then, the condition variables (X1), services (X2), governance (X3), and access (X4) have p-values of 0.789, 0.779, 0.716, and 0.648 (> 0.05), so they do not have an indirect influence on the environment (Y3) through tourism and hospitality regulations (Z2).

The condition variables (X1), service (X2), governance (X3), and access (X4) have p-values of 0.386, 0.937, 0.353, and 0.302 (> 0.05), meaning they do not have an indirect effect on PAD (Y4) through the tourism and hospitality industry (Z1). The condition variables (X1), service (X2), and governance (X3) have p-values of 0.465, 0.394, and 0.137 (> 0.05), meaning they do not have an indirect effect on PAD (Y4) through tourism and hospitality regulations (Z2). Then, the access variable (X4) has a p-value of 0.006 < 0.05, so it has an indirect effect on PAD (Y4) through tourism and hospitality regulations (Z2).

The condition variables (X1), service (X2), governance (X3), and access (X4) have p values of 0.879, 0.983, 0.869, and 0.856 (>0.05) meaning they do not have an indirect influence on socio-culture (Y5) through the tourism and hospitality industry (Z1). Then, the condition (X1), service (X2), and governance (X3) have p values of 0.434, 0.395, and 0.112 (>0.05) meaning they do not have an indirect influence on socio-culture (Y5) through tourism and hospitality regulations (Z2). Furthermore, the access variable (X4) has a p value of 0.000 <0.05 so it has an indirect influence on socio-culture (Y5) through tourism and hospitality regulations (Z2).

Total Effect

*Total effect*is the total of the direct effect and indirect effect. The following are the results of the total effect, namely: The total effect of conditions (X1) on employment (Y1) has

a negative and significant effect with a p value of 0.001 <0.05 and an original sample of -0.265. Then, the total effect of services (X2) on employment (Y1) has an insignificant effect with a p value of 0.881> 0.05 and an original sample of 0.018. Then, the total effect of governance (X3), access (X4), tourism and hospitality industry (Z1), and tourism and hospitality regulations (Z2) on employment (Y1) has a positive and significant effect with p values of 0.024, 0.00, 0.041, 0.003 <0.05 and an original sample of 0.291, 0.582, 0.312, and 0.365, respectively.

The total influence of conditions (X1) and services (X2) on the community economy (Y2) has a positive and significant influence with p values of 0.020 and 0.000 <0.05 and the original sample of 0.207 and 0.510. Then, the total influence of governance (X3), access (X4), and the tourism and hospitality industry (Z1), and tourism and hospitality regulations (Z2) on the community economy (Y2) has an insignificant influence with p values of 0.537, 0.692, 0.166, and 0.436 > 0.05 and the original sample of 0.074, 0.031, -0.182, and 0.099.

The total influence of conditions (X1), governance (X3), access (X4), tourism and hospitality industry (Z1), and tourism and hospitality regulations (Z2) on the environment (Y3) has an insignificant influence with p values of 0.443, 0.088, 0.727, 0.094, and 0.641 > 0.05 and the original sample of 0.072, 0.206, -0.027, -0.194, and 0.045. Then, the total influence of services (X2) on the environment (Y3) has a positive and significant influence with a p value of 0.000 < 0.05 and the original sample of 0.502.

The total influence of conditions (X1), services (X2), and tourism and hospitality industry (Z1) on PAD (Y4) has an insignificant influence with p values of 0.390, 0.099, and 0.296 > 0.05 and the original sample is -0.082, -0.228, and 0.201. Then, the total influence of governance (X3), access (X4), and tourism and hospitality regulations (Z2) on PAD (Y4) has a positive and significant influence with p values of 0.026, 0.000, and 0.002 < 0.05 and the original sample is 0.315, 0.432, and 0.467.

The total influence of conditions (X1), and the tourism and hospitality industry (Z1) on socio-culture (Y5) has an insignificant influence with each p value of 0.188, and 0.855 > 0.05 and the original sample is -0.130, and -0.025. Then, the total influence of services (X2) on socio-culture (Y5) has a negative and significant influence with a p value of 0.028 < 0.05 and the original sample is -0.261. Then, the total influence of governance (X3), access (X4), and tourism and hospitality regulations on socio-culture (Y5) has a positive and significant influence with each p value of 0.000, 0.000, and 0.000 < 0.05 and the original sample is 0.444, 0.516, and 0.708.

The total influence of conditions (X1), and services (X2) on the tourism and hospitality industry (Z1) has an insignificant influence with p values of 0.070, and 0.907 respectively and

the original sample is -0.142, and -0.012. Then, the total influence of governance (X3), and access (X4) on the tourism and hospitality industry (Z1) has a positive and significant influence with p values of 0.039, and 0.000 < 0.05 respectively and the original sample is 0.224, and 0.750. The total influence of conditions (X1), services (X2), and governance (X3) on tourism and hospitality regulations (Z2) has an insignificant influence with p values of 0.416, 0.373, and 0.091 > 0.05 and the original sample is -0.076, -0.123, and 0.249. Then, the total influence of access (X4) on tourism and hospitality regulations (Z2) has a positive and significant influence with a p value of 0.000 < 0.05 and the original sample is 0.561.

5. DISCUSSION

The Effect of X on Z

The path coefficient test results indicate that the condition variable has a negative and insignificant effect on the tourism and hospitality industry and regulations. Tourism conditions are a crucial factor in the success of a tourist destination, as good conditions require adequate accessibility, accommodations, attractions, and tourism facilities to facilitate tourists. Rossadi & Widayati (2018), provides an understanding of the role of tourism conditions in increasing tourist interest. Therefore, the better the condition of the 72 attractions, both biological and non-biological, at a tourist attraction, the higher the interest in visiting tourists. Based on the research results, the Condition variable has no influence and is not significant on tourist visits in the Seribu Islands Administrative Regency. This is due to the natural conditions at an altitude of 0 to 2 meters above sea level, which are prone to natural disasters such as flooding, high tides, and so on.

Based on the results of the path coefficient test, it shows that services have a negative and insignificant effect on the tourism and hospitality industry and regulations. This means that if services increase by 1%, it will decrease the tourism and hospitality industry and regulations by 0.012 and 0.123. This finding is not in line with the opinion of Inskeep (1991) which states that tourism services/facilities are resources that should be utilized by tourists. Tourism services or facilities are something that can complement and fulfill tourists' needs while traveling. Besides tourist attractions, the activities undertaken by tourists require facilities and services to support those activities. Therefore, each indicator is interconnected within the tourism chain, from tourist attractions, tourism activities, to tourism facilities or services (Sarim & Wiyana, 2017). Tourist services or facilities are businesses that can be carried out directly or indirectly and can provide good service to tourists in an area. According to Inskeep (1991) Good facilities should include accommodations, restaurants, shopping areas, and public

facilities. Accommodations can encourage tourists to visit and have sufficient time to enjoy the attractions. Restaurants or cafes are essential for tourists during their travels. While enjoying the attractions, tourists can enjoy the food and drinks available, making them a key consideration in their visit. Furthermore, shopping areas are also necessary for tourists to purchase desired products (goods and services). Finally, public facilities must be available to support tourists' visits, such as parking, restrooms, places of worship, seating, and so on.

Furthermore, the results of the path test on governance show a positive and significant effect on the tourism and hospitality industry. This means that if governance increases by 1%, it will increase the tourism and hospitality industry by 0.224. Governance in tourism is one of the important factors for the success of a tourist destination, because good governance must have good management regarding management, namely the appropriate and efficient use of resources, both natural resources and human resources. Good tourism governance will provide satisfaction for tourists who visit the tourist destination. Based on the results of the study, the Governance variable has a positive and significant effect on Tourist Visits in the Seribu Islands Administrative Regency. With good and adequate governance at tourist destinations, it will increase satisfaction for tourists, and can also increase the number of tourist visits. This is also reinforced by research Awaluddin & Sumarni (2021) the results show that promotional strategies have a positive impact on increasing tourist visits to Palopo City. This demonstrates that governance has a positive influence on the tourism and hospitality industry.

Furthermore, the results of the path test on governance show a positive and insignificant effect on tourism and hospitality regulations. This means that if governance increases by 1%, it will increase tourism and hospitality regulations by 0.249. This is in line with research conducted by Sidabutar & Hidayat (2023) stated that governance (especially regarding the environment) does not affect tourist satisfaction. Governance factors include two aspects that have an influence on tourist discomfort and insecurity, which have a very large and sustainable influence on tourism in the area around the study due to the management of the parking area and cleanliness of the tourist environment. Cleanliness at tourist attractions, landscape conditions, and the quality of water cleanliness and air pollution in tourist areas can support the increase in tourism (Ginting et al., 2020).

Based on the results of the path coefficient test, it shows that access has a positive and significant effect on the tourism and hospitality industry and regulations. This means that if access increases by 1%, it will increase the tourism and hospitality industry and regulations by 0.750 and 0.561. Tourism access is a requirement that can provide convenience for tourists who will travel. To make this trip requires a means of transportation. Therefore, tourism access

plays an important role in supporting convenience for tourists who will visit tourist destinations. Based on the results of the study, the Access variable has a positive and significant effect on Tourist Visits in the Seribu Islands Administrative Regency. With adequate access to each tourist destination, it can certainly provide convenience for visiting tourists. The better and more adequate tourism access at each tourist destination, the number of Tourist Visits will increase. This is also supported by research Rossadi & Widayati (2018) states that the accessibility variable has a positive and significant effect on the interest of tourists visiting the Balong Waterpark Bantul Water Ride, Special Region of Yogyakarta.

The Influence of Z on Y

Based on the results of the path coefficient test, it shows that the tourism and hospitality industry and regulations have a positive and significant effect on employment. This means that if the tourism and hospitality industry and regulations increase by 1%, it will increase employment by 0.312 and 0.365.

This research also yields the same results as Harrod and Domar's theoretical basis in Economic Analysis, which states that as population increases, per capita income will decrease unless real income increases. Furthermore, if the workforce increases, output must also increase to maintain full employment, and if investment occurs, real income must also increase to prevent unemployment. This means that if the population continues to increase but the number of jobs does not increase, it will lead to unemployment. However, if the population increases and jobs also increase, job opportunities will increase and unemployment can be overcome. Therefore, if the number of hotels and travel agencies continues to grow, job opportunities will increase and employment in these hotels and travel agencies will increase.

Thus, it can be said that industry plays a crucial role in a region's economic development because it is expected to absorb more labor, which in turn will increase overall community income. The increase in labor demand depends on the increase in public demand for consumer goods. This research also aligns with the theory that the higher the public demand for a particular good, the higher the number of workers required by a business sector, assuming wages remain constant.

Based on the results of the path coefficient test, it shows that the tourism and hospitality industry has a negative and insignificant effect on the community's economy. This means that if the tourism and hospitality industry increases by 1%, it will reduce the community's economy by 0.182. Then, tourism and hospitality regulations show a positive and insignificant effect on the community's economy. This means that if tourism and hospitality regulations increase by 1%, it will increase the community's economy by 0.099.

Furthermore, the results of the path coefficient test show that the tourism and hospitality industry has a negative and insignificant effect on the environment. This means that if the tourism and hospitality industry increases by 1%, it will reduce the environment by 0.194. Then, tourism and hospitality regulations show a positive and insignificant effect on the environment. This means that if tourism and hospitality regulations increase by 1%, it will increase the environment by 0.045. Thus, increasing tourism and hospitality regulations does not have a significant effect on the environment even though it has a positive effect.

Furthermore, the results of the path coefficient test show that the tourism and hospitality industry has a positive and insignificant effect on PAD. This means that if the tourism and hospitality industry increases by 1%, it will increase PAD by 0.201. Then, tourism and hospitality regulations show a positive and significant effect on PAD. This means that if tourism and hospitality regulations increase by 1%, it will increase PAD by 0.467. With an increase in tourism and hospitality regulations, it will affect PAD which will later have an impact on the economic growth of the tourism and hospitality sector. Meanwhile, the increase in the tourism and hospitality industry does not have a significant effect on PAD even though it has a positive effect.

Based on the results of the path coefficient test, it shows that the tourism and hospitality industry has a negative and insignificant effect on socio-culture. This means that if the tourism and hospitality industry increases by 1%, it will reduce socio-culture by 0.025. Then, tourism and hospitality regulations show a positive and significant effect on socio-culture. This means that if tourism and hospitality regulations increase by 1%, it will increase socio-culture by 0.708. With an increase in tourism and hospitality regulations, it will affect socio-culture which will later have an impact on the economic growth of the tourism and hospitality sector. Meanwhile, the increase in the tourism and hospitality industry does not have a significant effect on socio-culture because it has a negative effect.

The Effect of X on Y

Based on the findings of this study, it shows that conditions have a negative and significant effect on employment. This means that if conditions increase by 1%, it will reduce employment by 0.193. Then, services, governance, and access have a positive and insignificant effect on employment. This means that if services, governance, and access increase by 1%, it will increase employment by 0.066, 0.130, and 0.143, respectively. It appears that conditions, services, governance, and access do not affect employment, this is due to the lack of handling of these matters so that they do not impact the economic growth of tourism and hospitality. Therefore, it is necessary to improve conditions, services, governance, and access in tourism

and hospitality which will later affect employment.

Based on the findings of this study, it shows that conditions and services have a positive and significant impact on the community's economy. This means that a 1% increase in conditions and services will increase the community's economy by 0.189 and 0.520, respectively. Furthermore, governance and access have a positive but insignificant impact on the community's economy. This means that a 1% increase in services, governance, and access will increase the community's economy by 0.066, 0.130, and 0.143, respectively.

Based on the results above, it is clear that conditions and services impact the local economy, contributing income and creating jobs, which in turn can lead to positive economic growth in the tourism and hospitality sectors. However, governance and access do not significantly impact the local economy. This is because governance and access are still not sufficiently implemented, thus not impacting the economic growth of the tourism and hospitality sectors.

Furthermore, the results of the path coefficient test show that services have a positive and significant effect on the environment, meaning that a 1% increase in services will improve the environment by 0.505. Furthermore, conditions, governance, and access have a positive but insignificant effect. This means that a 1% increase in conditions, governance, and access will improve the environment by 0.048, 0.238, and 0.093, respectively. Furthermore, increased services have an impact on the environment, which will then have a positive impact on economic growth in the tourism and hospitality sectors. Meanwhile, conditions, governance, and access do not have a significant effect on the environment, although they have a positive influence.

Furthermore, the results of the path coefficient test showed that conditions and services had a negative and insignificant effect on PAD, meaning that if conditions and services increased by 1%, it would decrease PAD by 0.018 and 0.168, respectively. Then, governance and access had a positive and insignificant effect. This means that if governance and access increased by 1%, it would increase PAD by 0.153 and 0.010, respectively. Therefore, improvements in governance and access did not have a significant effect on PAD despite having a positive influence. Meanwhile, improvements in conditions and services did not have a significant effect on PAD because they had a negative influence.

Furthermore, the results of the path coefficient test showed that governance has a positive and significant effect on socio-cultural aspects, meaning that a 1% increase in governance will increase socio-cultural aspects by 0.272. Furthermore, conditions and services have a negative and insignificant effect. This means that a 1% increase in conditions and

services will decrease socio-cultural aspects by 0.080 and 0.174, respectively. Furthermore, access has a positive and insignificant effect, meaning that a 1% increase in access will increase socio-cultural aspects by 0.138.

6. CONCLUSION

This study was conducted with the aim of determining the direct and indirect influence of condition, service, governance, and access variables on employment, community economy, environment, PAD, and socio-culture with tourism and hospitality industry and regulations as intervening variables. With the findings: (1) condition variables directly have a negative and significant effect on employment. Then, condition variables directly have a positive and significant effect on the community economy. Then, condition variables directly have an insignificant effect on the environment, PAD, socio-culture, and tourism and hospitality industry and regulations; (2) Service variables directly have an insignificant effect on employment, PAD, socio-culture, and tourism and hospitality industry and regulations. Then, service variables directly have a positive and significant effect on the community economy, and the environment; (3) Governance variables directly have an insignificant effect on employment, community economy, environment, PAD, and tourism and hospitality regulations. Then, governance variables directly have a positive and significant effect on socio-culture, and the tourism and hospitality industry; (4) Access variables directly have an insignificant effect on employment, community economy, environment, PAD, and socio-culture. Then, the access variable directly has a positive and significant effect on the tourism and hospitality industry and regulations; (5) The tourism and hospitality industry variable directly has a positive and significant effect on employment. Then, the tourism and hospitality industry variable directly has an insignificant effect on the community economy, environment, PAD, and socio-culture; (6) The tourism and hospitality regulation variable directly has a positive and significant effect on employment, PAD, and socio-culture. Then, the tourism and hospitality industry variable directly has an insignificant effect on the community economy, and environment; (7) The conditions, services, and governance variables indirectly have an insignificant effect on employment, the community economy, environment, PAD, and socio-culture through the tourism and hospitality industry variable; (8) The access variable indirectly has a positive and significant effect on employment through the tourism and hospitality industry variable. Meanwhile, the access variable indirectly has an insignificant effect on the community economy, environment, PAD, and socio-culture through the tourism and hospitality industry variable; (9) The conditions, services, and governance variables indirectly have an

insignificant effect on employment, the community economy, environment, PAD,and socio-cultural through tourism and hospitality regulation variables and (10) Access variables indirectly have a positive and significant effect on employment, PAD, and socio-cultural through tourism and hospitality regulation variables. Meanwhile, access variables indirectly have an insignificant effect on the community economy and the environment through tourism and hospitality regulation variables.

LIMITATIONS

A limitation of this research is that it focuses primarily on sharia tourism in the hotel sector. Therefore, the results cannot be generalized to general issues, even though the research focuses on the same area of research, namely the tourism sector.

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