International Journal of Current Economics & Business Ventures, 1 (2) 2021, 01-13
International Journal of Current Economics & Business Ventures
https://scholarsnetwork.org/journal/index.php/ijeb

THE EFFECT OF VISA FREE POLICY ON THE NUMBER OF FOREIGN TOURISTS TO BALI : GRAVITY MODEL APPROACH

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Abstract

This study aims to understand the effet of visa free policy on the number of foreign to Bali. The visa free policy is one of the efforts of the Indonesian government to attract foreign tourists to come to Indonesia with access to free visas. The methodology used in research is a Gravity model that is often used in measuring for demand tourism. Australia, China, India, Japan, South Korea, Britain, France, the United States, and the United States as the 8 with the largest number of tourists to Bali from 2008-2019 beyond ASEAN. Results in this study have shown that according to estimates that visitation policy has hada positive and significant impact on the number of tourists to Bali. But for the GDP per capita each country has a negative and insignificant impact on the number of tourists and the distance from the capital has a negative and insignificant impact on the number of tourists to Bali.

Keywords: *The number of tourists, GDP, Gravity Model, The Visa Free Policy*

Background

Indonesia is one of the countries that has a high tourism attraction. This is supported by the Travel & Tourism Competitiveness Index (TTCI) data released by the World Economic Forum (WEF) which states that Indonesia in 2019 managed to occupy the 40th position out of 140 countries. TTCI is a report related to tourism competitiveness in 140 countries issued every 2 years for 15 years by WEF. In 2021 as a form of change to the impact of the COVID-19 pandemic around the world, WEF made a transition from TTCI to the Travel & Tourism Development Index (TTDI) as a new benchmark.

This transition is a manifestation of the widespread concept of Travel & Tourism including the expansion of the role of sustainability and resilience in growth as well as an integrated development strategy to reduce the impact of the pandemic, support recovery and face challenges in the future. This transition has also led to changes in the countries that cover from 140 countries to 117 countries. Based on TTDI data in 2021, Indonesia experienced a

quite encouraging increase because it managed to rank 32 out of 117 countries. This shows that Indonesia has experienced an increase in utilizing and maximizing its tourism potential despite the many obstacles faced during the Covid-19 Pandemic.

In 2016 the government issued a Visit Visa Free Policy through Presidential Regulation Number 21 of 2016 which contains convenience for 169 countries who want to travel to Indonesia. The policy was formed with the aim of improving the performance of the trade and services balance which has excelled as a contributor to the current account deficit. With the implementation of the Visa Free Policy, it will increase foreign tourists to Indonesia so as to increase foreign exchange and improve the performance of the service balance. Based on data from the Central Statistics Agency (BPS) of the Province of Bali, of the 169 countries that the Visa-Free Policy applies to, the countries that have the highest visit rate apart from ASEAN are China, Australia, India, Britain, Japan, the United States, France and South Korea.

The initial goal by implementing a Visit Visa-Free Policy in Indonesia is that it will have a direct impact on increasing the amount of income in the tourism sector because the visa-free policy will attract more foreign tourists to Indonesia. The increasing number of foreign tourists is expected to have a direct impact on the creative industry, foreign exchange earnings, capacity building, welfare of the surrounding community as well as increasing direct and indirect labor absorption in the tourism sector.(Tenrini, 2016).

But in reality it is not always what is expected to run smoothly and as expected. In the implementation of the Visa Free Policy, based on data, the number of foreign tourists visiting Bali has indeed increased, but if you look at the growth rate, it actually decreases every year. Therefore, this study aims to analyze empirically the effect of the Visa Free Policy on the Number of International Tourists whether it is in accordance with the objectives of the implementation of the policy.

THEORETICAL FRAMEWORK

Tourism

Tourism is a travel activity or traveling activity carried out by individuals or groups with the aim of visiting certain places that have uniqueness and beauty and are suitable for use as a place of recreation (Suryadana, 2015). Tourism is a form of travel action to enjoy the beauty and uniqueness of an object that is used as an attractive tourist spot and becomes a refreshing and relaxing activity for a temporary period and not permanent. According to Nanden (2016) there are several factors that can affect the income of tourism activities. Some of these factors are:

1. Number of Tourist Attractions
   A tourist attraction is one of the places that exist in tourism activities and has the beauty and uniqueness of nature and cultural diversity. Tourist objects must be formed so that they have a selling value and can be enjoyed by tourists, both domestic and foreign tourists.

2. Number of Tourists

location "j" along with region "j" to region "i". This gravity model can be used to estimate tourism demand. The basic gravity model can be expressed as follows (Morley et al., 2014):

$$TDij = K\frac{(PDBi)^{\alpha}\,(PDBj)^{k}}{(DISTij)^{n}}$$

Information :

TDij = Tourist arrivals from country “i” to “j”

K = Constant

PDBi = Gross Domestic Product of country I

PDBj = Gross Domestic Product of country J

DISTIJ= Distance between countries of origin "i" to "j"

As research conducted by Sarwoko (2020) on tourism demand in Indonesia using the Gravity model approach. In his research, Sarwoko discusses how to estimate tourism demand by measuring the arrival of foreign tourists, foreign tourist expenditures based on the main economic factors in the form of Gross Domestic Product (GDP) per capita from the country of origin of tourists and tourist destinations, the distance between the countries of origin of tourists. and destination countries, relative cost of living and real exchange rates. The results show that these factors have a significant positive effect on tourism demand in Indonesia.

Another study was conducted by Nahar (2019) to see the demand for international tourism in Indonesia using the gravity model approach. The results of research conducted by Nahar show that the GDP of countries of origin and destination as well as countries that are free of entry visas have a positive effect on the number of international tourist arrivals while the exchange rate of the country of origin and distance traveled has a negative effect on foreign tourists. From these results it can be concluded that the gravity model is a good tool to measure tourism demand in terms of tourism demand in Indonesia.

Akter (2017) also conducted research on what factors affect tourism demand in Bangladesh based on the tourism potential that exists in the country. The results show that there is a strong relationship between the main economic factors and the travel decisions made by international tourists. Therefore, the short distance, high GDP of the home country, the increasing population of the home country, the depreciating UDB and lower inflation and the CPI in the destination country influence tourists to visit.

Research Hypothesis

H1: Per capita income has a positive and significant impact on the number of foreign tourists
H2 : Distance between the capitals affects the negative and significant numbers of tourists foreign
H3 : Visa free policy has a positive and signifiant impact on the number of foreign tourists foreign

METHOD

This study uses the Gravity model which is one of the empirical framework models in measuring tourism demand. The measurement of gravity model used in this research is using GDP, distance between capitals and visa-free policy. The model formula in this study can be described as follows:

$$TTij = a + b1\ LogGDPi + b2\ LogDistij + b3\ DKBV$$

Ttij = Number of International Tourists from country "i" to country "j"
GDPi = Income per capita of country "i" in current US Dollar
Dist = Distance from the capital of country "i" to country "j" in kilometers
DKBV = dummy variableto explain whether the visa-free visit policy has been applied. If the visa-free policy has been implemented, it will be given a value of 1. If the visa-free policy has not been implemented, it will be given a value of 0.

The dependent variable TTij is the number of foreign tourists from China, Australia, India, England, Japan, the United States, France and South Korea who come to visit Bali for tourism. The data used is secondary data issued by the Central Statistics Agency (BPS) of Bali Province during 2008-2019.

The GDPi variable is the income per capita of the people of China, Australia, India, Britain, Japan, the United States, France and South Korea. The data used is GDP Per capita Purchasing Power Parity (PPP) constant 2017 issued bywww.data.worldbank.orgin current US Dollars during 2008-2019. This variable is used as a measurement of people's income in country i. In this estimate the coefficient is positive

The distance variable is used as a measurement of tourist trips to the destination country. The data used is measurement data throughwww.indo.com/distancewhich measures the distance from the capital of the country of origin to Denpasar. The farther the distance from the capital to Denpasar, the greater the transportation costs and also the length of the trip that will be traversed by tourists. Conversely, the closer the distance between the capital to Denpasar, the smaller the transportation costs incurred by tourists. Therefore, in the estimation of the coefficient of the distance variable, it is negative.

The dummy variable of the visa-free policy is used to see the measurement to see a comparison before the implementation of the visa-free policy with after the implementation of the visa-free policy. In this analysis, it is estimated that the coefficient of the visa-free policy variable is positive.

The population in this study is 8 countries that have the highest total number of tourists to Bali besides ASEAN countries, namely China, Australia, India, England, Japan, United States of America, France and South Korea. The reason why ASEAN countries are not included in the population of this study is because ASEAN countries before the enactment of the visa-free policy in 2016 already had their own policy, namely the short-stay visa-free policy regulated in Presidential Regulation no. 16 of 2008. So that the comparison used is not only the year but a list of countries that have just been included in the 169 countries that have a visa-free visit policy to Indonesia.

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RESULT

Processing model in this research is using random effect model approach. In this study the Fixed Effect approach cannot be chosen because the variance of the distance between countries is very small. In addition, there is not even time variance (the distance between a country and another country is the same every year), resulting in a singular matrix which is considered to violate econometric assumptions. Thus, if you want the matrix to be non-singular, the distance variable must be omitted. However, this condition cannot be accepted because in Gravity the distance variable model is the basic model so it is impossible not to include it. So the approaches that have the possibility to be chosen are only the REM and CEM approaches. In the selection, the Lagrange Multiplier Test is carried out.

After performing the lagrange multiplier test using Eviews 10, the best regression results were obtained using the Random Effect Model (REM) as shown in table 3.1 where the Breusch Pagan probability value is 0.0000 which is smaller than the specified alpha, which is 0 .05 or 5%.

Table 3.1 Lagrange Multiplier Test

	Test-Hypothesis		
	Cross-section	*Time*	*Both*
Breusch-Pagan	203.5282	0.750558	204,2787
	(0.00000)	(0.3863)	(0.00000)

Referring to the data presented in table 3.1 related to the recapitulation of REM regression results, it is known that the slope or coefficient of the X1 variable or Per capita Income is -0.004027, the slope of the X2 variable or Distance Between Capitals is -0.840335, and the slope of the X3 variable or Visa Free Policy is 0.756939. Meanwhile, the probability value for the X1 variable is 0.9454, the probability value for the X2 variable is 0.0979, and the probability value for the X3 variable is 0.0000.

If the independent variable is zero, then the constant in the variable Y or Number of Foreign Tourists is 19.51321 and the error term or sum squared resid is 14.15273. The R-squared value is 0.47183 or 47.1183%. And the F-Statistic is 27.32436 with the F-Statistic Probability is 0.0000.

Based on the estimation results for the REM panel data regression model, statistically only the X3 variable in the study has a significant effect because the probability value of the X3 variable is less than 0.05. While the variables X1 and X2 have a probability value greater than 0.05 which indicates that the two variables have no significant effect.

After getting the best model, the classical assumption test consists of normality test, heteroscedasticity test, multicollinearity test and autocorrelation test.

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Table 3.2 Normality Test

No.	Aspect	Score
1	Jarque-Bera	2.147084
2	*Probability*	0.341796

Referring to the data presented in table 4.8, it is known that the Jarque-bea value is 2.147084 with a probability value of 0.341796. The value mentioned indicates that the data in this study has a normal distribution because it has a probability of 0.341796 which is more than 0.05 (0.341796 > 0.05).

Table 3.3 Heteroscedasticity Test

Variable	Coefficient	*Std. Error*	*t-Statistic*	Probability
C	5,829222	0.750603	7.766048	0.0000
LOG(X1)	-0.083563	0.036927	-2.262923	0.0260
LOGS (X2)	0.500406	0.084886	-5.895050	0.0000
X3	0.060961	0.082622	0.737828	0.4625

Referring to the recapitulation of the results of the heteroscedasticity test in table 4.9, it is known that the variables X1 and X2 have a probability value of less than 0.05 (<0.05) which is an indication of the presence of heteroscedasticity symptoms. However, because REM has used the Generalized Least Square (GLS) method, it is assumed that the data is free from heteroscedasticity symptoms because of the ability of GLS to neutralize the result of violating the heteroscedasticity assumption. In addition to this, the data also does not lose the unbiased nature and consistency of the OLS estimation model (Gujarati, 1995).

Table. 3.4 Multicollinearity Test

Variable	Coefficient Variance	Uncentered VIF	Centered VIF
C	1.841362	381.6841	NA
LOG(X1)	0.004457	99.63133	1.107673

LOG(X2)	0.023550	390.3927	1.079980
X3	0.022311	1.541540	1.027693

Referring to the data disclosed in table 4.10 related to the recapitulation of multicollinearity test results, it is known that all independent variables have VIF values below 10. This means that there is no symptom of multicollinearity between independent variables in the regression model.

Table 3.5 Autocorrelation Test

Aspect	**Score**
Likelihood logs	-40,38319
F-Statistics	17,01353
Hanna Quinn Criter	0.967839
Durbin Watson stat	0.419654

Referring to table 4.11 regarding the recapitulation of the autocorrelation test results, it is known that the Durbin Watson statistical value is 0.419654 which is smaller than 1. So the assumption of autocorrelation symptoms is fulfilled. In other words, there is a high autocorrelation symptom in the residuals. However, autocorrelation testing basically only occurs on time series data. Or in a sense, autocorrelation testing on data that is not a time series, such as cross section or panel data will be useless or meaningless (Basuki and Prawoto, 2015). So whether or not there is a correlation symptom in the regression model in this study is not at issue.

After the processing results show that the data meets the classical assumptions, the next step is to test the hypothesis consisting of the regression model equation, determine the value of the coefficient of determination, perform the F test, and t test.

Regression Equation Test

Table 3.6 Regression Equation with Random Effect Model Approach

Variable	**Coefficient**	***Std. Error***	***t-Statistic***	***Prob.***
C	19.51321	4.490253	4.345681	0.0000
LOG(X1)	-0.004027	0.058683	-0.068623	0.9454
LOG(X2)	-0.840335	0.502524	-1.672228	0.0979
X3	0.756939	0.087524	8.648412	0.0000
Weighted Statistics				
Sum squared resid	14,15273			
R squared	0.471183			

F-statistics	27.32436
F-Stat probability.	0.00000

Based on the data presented in table 3.6 related to the regression model equation with the REM approach, a regression equation can be made to measure the level of influence between the independent variables on the dependent variable as follows.

Y = a + b1X1 + b2X2 + b3X3

TTij =19,51321 − 0,004027PP − 0,840335JAIK + 0,756939KBV

Based on the regression equation, then described as follows.

1. TTij or Y (Number of International Tourists) is the dependent variable whose value is predicted by the independent variables, namely Per capita Income (X1), Distance Between Capitals (X2), and Visa Free Policy (X3).
2. a or constant (intercept) = 19.51321. This figure shows that the value of the variable Number of Foreign Tourists (Y), if the independent variable consisting of Per capita Income (X1), Distance Between Capitals (X2), and Visa Free Policy (X3) is zero (0), then the value of Total International Tourists (Y) is 19,51321. Which means that before or without the independent variable, the number of tourists variable is 19.51321.
3. b1 or coefficient X1 (slope X1) = - 0.004027. This figure is the regression coefficient of the Per capita Income variable or X1 with a negative sign. This states that the Per capita Income (X1) variable has a negative or inverse effect on the Number of Tourist Visits (Y). The coefficient shows that if the Per capita Income (X1) is getting better and increases by one unit, then the Number of Tourist Visits (Y) will decrease by 0.004027 units. On the other hand, if the Per capita Income (X1) variable decreases by one unit, the Number of Tourist Visits (Y) will increase by 0.004027 units.
4. b2 or coefficient X2 (slope X2) = - 0.840335. This figure is the regression coefficient of the variable Distance Between Capitals or X2 with a negative sign. It states that the distance between the capitals (X2) has a negative or inverse effect on the number of tourist visits (Y). The coefficient shows that if the Distance Between Capitals (X2) is getting better and increases by one unit, then the Number of Tourist Visits (Y) will decrease by 0.840335 units. On the other hand, if the Distance Between Capitals (X2) variable decreases by one unit, the Number of Tourist Visits (Y) will increase by 0.840335 units.
5. b3 or coefficient X3 (slope X3) = 0.756939. This number is the regression coefficient of the Visa Free Policy variable or X3 with a positive sign. It states that the Visa Free Policy variable (X3) has a positive influence or is in line with the Number of Tourist Visits (Y). The coefficient shows that if the Visa Free Policy (X3) is getting better and increases by one unit, then the Number of Tourist Visits (Y) will increase by 0.756939 units.

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Conversely, if the Visa Free Policy variable (X3) decreases by one unit, the Number of Tourist Visits (Y) will decrease by 0.756939 units.

R Square Test

Table 3.7 Test R Square

R Squared	*Adjusted R Square*
0.471183	0.453938

Based on table 4.13 related to the results of the coefficient of determination, it is known that R2 is 0.471183 and Adjisted R2 is 0.453938. R2 often causes problems that its value will always increase along with the addition of independent variables in a model so that in this study, the coefficient of determination is based on the value of Adjusted R2. the value of Adjusted R2 is 0.453938 which means that 45.3938% of the independent variables consisting of Per capita Income (X1), Distance Between Capitals (X2), and Visa Free Policy (X3) can explain the dependent variable, namely the Number of Foreign Tourists (Y). Or in other words, the entire independent variable has a percentage contribution of influence on the dependent variable of 45.3938%. While the remaining 54,

F Uji test

From the results of data processing carried out by researchers in table 3.6, the following are the stages in determining the results of the F test in this study. Based on the results of the F test, it is known that Fcount is 27,32436 and Ftable is 2,703. Thus it means that Fcount is greater than Ftable (27.32436 > 2.703). In addition, it is also known that the probability of the F-statistic in this study is 0.0000 or less than the specified significance level, which is 0.05 (0.0000 < 0.05). This shows that all independent variables consisting of Per capita Income (X1), Distance Between Capitals (X2), and Visa Free Policy (X3) have a significant influence on the Number of Tourist Visits (Y).

T Uji test

Table 3.8 T . Test

No.	Independent Variable	tcount	Sig t
1	Per capita income (X1)	-0.068623	0.9454
2	Distance Between Capitals (X2)	-1.672228	0.0979
3	Visa Free Policy (X3)	8.648412	0.0000

Tcount for the Per capita Income (X1) variable is -0.068623, the Distance Between Capitals variable (X2) is -1.672228, and the Visa Free Policy variable (X3) is 8.648412 and for the ttable in this study is 1.98609. The following are conclusions that can be drawn after knowing the tcount and ttable values and their significance values.

a) Based on the results of the t-test on the income per capita variable (X1), it is known that tcount is 0.068623 with a negative direction and ttable is 1.98609. Thus, it can be seen that tcount is smaller than ttable (0.068623 < 1.98609). This is reinforced by the significance value of t, which is 0.9454, which is higher than the set significance level, which is 0.05. Thus, it can be interpreted that the Percapita Income variable partially has a negative and insignificant effect on the Number of Tourist Visits.

b) Based on the results of the t-test on the distance between capitals (X2), it is known that tcount is 1.672228 with a negative direction and ttable is 1.98609. Thus, it can be seen that tcount is smaller than ttable (1.672228 < 1.98609). This is reinforced by the significance value of t, which is 0.0979, which is higher than the set significance level, which is 0.05. Thus it can be interpreted that the variable distance between capitals partially has a negative but not significant effect on the number of tourist visits.

c) Based on the results of the t-test on the Visa Free Policy variable (X3), it is known that tcount is 8.648412 with a positive direction and ttable is 1.98609. Thus, it can be seen that tcount is greater than ttable (8.648412 > 1.98609). This is reinforced by the significance value of t which is 0.0000 which is lower than the set significance level, which is 0.05. Thus it can be interpreted that the variable of the Foreign Exchange Free Policy partially has a positive and significant influence on the number of tourist visits.

DISCUSSION

The impact of per capita income on the number of tourist visits to Bali

The results of the study are identified from t or partial testing done on research data using eviews 10, where they found tcount in the percapita income variable (x1) on the number of tourist visitations (y) as 0.068623 in negative directions and ttabel was 1.98609. It is also known that its value of t is 0.9454 higher than its stated significance, 0.05. With tcount's results smaller from the ttable and its significance greater than the established significance, it becomes an indication that the first hypothesis stating that "per capita income has a positive and significant impact on the number of tourist visits" was denied.

The rejection of the first hypothesis would also be a contradiction of the results found in earlier studies mentioned in the previous chapter. Among the studies involved isa study by an akter (2017) that notes that the presence of high GDP of the countries of origin is one of the causes of the high number of tourist visits in the country's destination. Another study unconsistent with the results of the study was the nahar (2019), which found results that the higher the GDP of the original state causes the higher the arrival rate of international travelers in the country's destination.

The distance between the capital and the number of tourist visits to Bali

The distance between countries is closely related to the travel costs that must be incurred by someone to visit a tourist destination. In addition to the high costs, the longer the distance that needs to be traveled also causes the longer the travel time needed by someone to reach the intended tourist destination. Therefore, distance becomes one of the determinants that causes a person's desire to travel to an area or tourist destination. In the sense that the lower or shorter the distance between a country of origin and a tourist destination, the possibility of a

desire to travel will be higher and will also have an impact on the higher level of tourist visits in tourist destinations.

This assumption can later be proven in this study, where it is known that the tcount on the distance variable between capitals to the variable number of tourist visits is 1.672228 in a negative direction. The negative direction in the results of this study indicates that the lower or shorter the distance between the capitals of a country causes the higher the number of tourist visits to Bali Province. On the other hand, the higher or farther the distance between the capitals of a country, the lower the number of tourist visits to the province of Bali.

Although there is a match between the results of the study and the assumptions set, the results of the study have no significant effect. This is indicated by the tcount of 1.672228 which is lower than the ttable of 1.98609 (1.672228 < 1.98609). In addition, it is also known that the significance value of t is 0.0979 which is higher than the specified significance level, which is 0.05. By finding that tcount is smaller than ttable and the significance value of t is greater than the specified significance level, then it becomes an indication that the second hypothesis which states that "distance between capitals has a negative and significant effect on the number of tourist visits" is rejected because it is not fully proven.

The negative influence of distance on the number of tourist visits has also been in accordance with various previous studies. Including one of them revealed by Akter et al. (2017) which states that the short distance from the area of origin to a tourist area causes a greater influence on tourists to visit. In addition, it was also revealed in research conducted by Othman (2018) which showed the results that distance specifically had a negative influence on the level of international tourist arrivals, which means that the closer a country is, the higher the level of tourist arrivals.

Visa free policies effect the number of tourist foreign to Bali

The Visa Free Policy is a regulation made by the government and regulated through Presidential Regulation (Perpres) Number 21 of 2016 concerning Visa Free Visits, where the policy is implemented in an effort to improve cooperative relations between Indonesia and other countries, especially in terms of tourism. Until 2022, there are 169 countries and certain entities that have been granted visa-free visits by the Indonesian government. The visa-free policy in general is also the government's strategy in developing the country's economy through foreign exchange earnings from the tourism sector. This is possible because with the granting of a visa-free policy, it will be easier for foreign nationals to enter the State of Indonesia which has an impact on the increasing number of tourist visits (Meganingratna et al., 2021).

This assumption is then also in accordance with the results in this study, which found that there was a positive and significant influence on the existence of free visa policy on the number of tourist visits to Bali province. Based on the t or partial test on the visa free policy variable, it is known that thitung is 8.648412 with a positive direction and ttabel is 1.98609. The positive direction from the t-test states that the presence of no visa policy is increasing the number of foreign visitors to the province of Bali. Additionally, the results of the study were also enhanced by the value of t by 0.0000 that was lower than the stated significance, 0.05. Thus, the presence of thitung higher than the table, as well as the significance lower than the established significance, confirms that a third hypothesis stating that the "visa free policy has a positive and significant impact on the number of tourist visits" was accepted.

The acceptance of a third hypothesis in the study has also conformed to previous studies discussed in the previous chapter. One study refers to a nahar (2019) study that states that countries with free visa policies have hada positive influence on the arrival of international tourists. It is also revealed by meganingratna et al. (2021) which reveals that no visa policy has hada significant impact on tourism in the city of makassar.

CONCLUSION

This study aims to reveal the influence of per capita income, distance between capitals, and visa-free policies on the number of foreign tourists visiting Bali Province in the period 2008 to 2019 with a gravity demand tourism model approach. Based on the results of data analysis and discussion that has been described, the conclusions that can be drawn from this research are as follows.

From the results of data analysis conducted, it is known that the income per capita (X1) of tourist countries has a negative and insignificant effect on the number of foreign tourists (Y). These results are not in accordance with the first hypothesis which states that "Percapita Income (X1) has a positive and significant effect on the Number of Foreign Tourists (Y)". The discrepancy between the results of this study with the concept and various previous studies can actually be caused by various factors, one of which is that in the middle of 2019 there was no major agenda or event so that there was a decrease in foreign tourist arrivals of 4.10% compared to mid-2018. Indonesia's political conditions in 2018 and 2019 were the cause of the decline in the number of foreign tourists to Bali because it was in the spotlight of countries that were the focus of this research, one of which was Australia. Australian government announces travel advice. Therefore, the results of data processing in this study indicate a negative trend because the decline in the number of tourists is assumed to be more due to factors outside the research variables.

From the results of data analysis, it is known that the distance between the capitals (X2) of tourist countries and tourist destination countries has a negative but not significant effect on the number of foreign tourists (Y). These results are not in accordance with the second hypothesis which states that "Distance between Capitals (X2) has a negative and significant influence on the Number of Foreign Tourists (Y)". Although there is a match between the results of the study and the assumptions set, the results of the study have no significant effect.

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