



Perceptions of International Tourists Toward Bali's Regional Regulation No. 6 of 2023 (Tourism Levy for Foreign Visitors)

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Abstract. The International Tourist Levy (ITL) policy, implemented by the Bali government in 2023, aims to fund environmental conservation and the development of tourism infrastructure to ensure the sustainability of Bali's tourism industry. This study aims to explore the perceptions of international tourists regarding this policy and its impact on their decision to visit Bali. The research employs a qualitative approach, using in-depth interviews with five international tourists who visited Bali after the introduction of the ITL policy. The findings reveal that the majority of respondents support the policy, although there are concerns about the additional cost, particularly among tourists with limited budgets. Transparency in the management of the funds and clear allocation for environmental preservation were key points of concern. Support for the policy was especially strong among tourists who are aware of the importance of sustainability, although several respondents expressed the need for more detailed information on how the funds are used. The study suggests that the Bali government should enhance communication about the policy and ensure transparent fund usage to maintain tourist trust and support.

Keywords: International Tourist Levy, International Tourists, Sustainability, Tourism Policy, Transparency.

1. INTRODUCTION

International tourists, also known as *foreign tourists*, play a vital role in the global tourism sector, including in Indonesia. In recent decades, the tourism sector has grown significantly, marked by an increasing number of foreign travelers visiting various countries to experience natural beauty, cultural heritage, and unique destinations. Indonesia, as one of Southeast Asia's leading tourist destinations, has also benefited from the arrival of international tourists (Kornelakis & Petrakaki, 2024).

Indonesia offers a wide range of attractions for international visitors, from its stunning beaches, mountains, and tropical forests to its rich cultural heritage, such as temples, palaces, and traditional ceremonies. Popular destinations like Bali, Yogyakarta, and Jakarta remain top choices for many overseas travelers seeking unique experiences in Asia. Bali, in particular, with its beautiful beaches and vibrant local culture, has long been a magnet for tourists from across the globe, including Europe, the United States, and Australia (Chen, 2020).

Indonesia also has other tourism potentials that attract *foreign visitors*, such as culinary and shopping tourism. Many foreign tourists come not only to enjoy natural attractions but also to explore Indonesia's diverse and flavorful local cuisine (Pandiarajan, 2022). Traditional

markets offering handmade crafts and local products are another attraction for tourists. In major cities such as Jakarta, Surabaya, and Bandung, many foreign visitors enjoy the modern urban vibe that still retains traditional values (Tse & Li, 2023).

However, the increasing influx of international tourists also brings certain challenges, including infrastructure limitations, service quality, and environmental issues. The growing number of foreign visitors can place pressure on ecosystems if not managed properly (Mungiu-Pippidi, 2023). For instance, popular tourist spots often suffer environmental degradation due to overtourism, as seen in several beaches in Bali and Komodo National Park. Therefore, it is crucial for both the government and local communities to collaborate in sustainable tourism management to minimize negative impacts (Asari et al., 2023).

International tourists also contribute significantly to the local economy, as the tourism sector creates employment opportunities and fosters new business ventures. The hospitality industry, restaurants, transportation services, and tour guides all benefit from tourism, boosting the local economy in destinations visited by international travelers (Komari, 2024). Moreover, national revenue from the tourism sector is a vital source of foreign exchange. Thus, Indonesia must continue to innovate in promoting its destinations and improving service quality to attract more international tourists (Roy et al., 2024). Overall, international tourists greatly influence tourism development in Indonesia. With proper management, tourism can bring tremendous economic benefits while also preserving Indonesia's natural and cultural assets on the global stage.

In recent years, Bali has experienced a significant surge in international tourist arrivals, which has also increased pressure on its environment, culture, and infrastructure. To address these challenges, the Bali Provincial Government enacted Regional Regulation No. 6 of 2023, introducing a fee for foreign visitors known as the International Tourist Levy (ITL). While the regulation aims to fund sustainable tourism management, concerns have been raised regarding its impact on tourist experience—particularly regarding the *economic burden* and the perception of Bali as an affordable destination. Although similar policies have been studied in other countries, the implementation of ITL in Bali is relatively new, and little is known about its direct effects on tourist behavior, the local economy, or broader destination management.

The existing research gap lies in the lack of integrated studies examining tourists' perceptions of the fee, its influence on destination image, and its long-term benefits for tourism sustainability and the Balinese economy. Current literature does not yet clearly explain how the policy is perceived by tourists from different economic backgrounds, or how they compare Bali to other destinations in Southeast Asia. Another notable gap is the limited research on the

ITL's implementation mechanism—whether it is effective and fair in fund collection, and how these funds are actually used in practice to achieve the desired sustainability goals.

The urgency of this study is high, given Bali's status as a world-renowned tourist destination facing serious *overtourism* and environmental degradation. With increasing concern about long-term impacts on nature and local communities, it is important to assess whether the International Tourism Levy truly offers an effective solution. This research is also essential to explore how the policy affects tourist satisfaction—whether visitors feel the fee is justified by the value they receive, and whether they would still choose Bali as a top destination in the future. The results of this study are expected to provide useful policy recommendations for the Bali government to design more inclusive, efficient, and sustainable tourism policies.

Furthermore, this research is important in understanding the impact on the local economy. If the funds collected from the ITL are properly used to improve tourism quality and infrastructure, the policy could positively support tourism development and job creation. On the other hand, if poorly implemented or mismanaged, the policy could diminish Bali's appeal as a top destination in Southeast Asia, ultimately harming the local economy. Therefore, a comprehensive assessment of the policy's effectiveness and economic impact is essential to ensure the regulation is beneficial both in theory and in practice.

2. METHOD

Research Design

This study employs a qualitative approach to explore in depth the perceptions of international tourists regarding the *International Tourist Levy (ITL)* policy implemented in Bali, as well as its impact on their travel experience and the local economy. A qualitative approach is chosen because the main objective is to understand the complex and subjective views of tourists and tourism industry stakeholders, which cannot be captured solely through numbers or statistical data. The following section outlines the research methods used in this study

Types and Sources of Data

This research relies on primary data collected through *in-depth interviews* with international tourists visiting Bali after the implementation of the ITL policy. Secondary data is also used to support the study, including government reports related to tourism policies and historical data on Bali's tourism before and after the ITL implementation.

Participants and Sampling Technique

The participants of this study include international tourists who visited Bali following the enforcement of the ITL, as well as tourism industry stakeholders involved in the policy implementation—such as hotel managers, travel agents, and government officials. A purposive sampling technique will be used to select participants who are considered to have relevant knowledge or experience related to the ITL policy. The selected participants are expected to come from various countries and economic backgrounds to provide diverse perspectives on the policy.

Research Instrument

The main instrument used is a semi-structured interview guide, designed to elicit participants' views, experiences, and insights regarding the ITL policy. The interview guide covers several key topics:

- 1) Tourists' perceptions of the ITL policy and its impact on their experience in Bali.
- 2) Tourists' openness to the policy—whether they perceive it as beneficial or burdensome.
- 3) The impact of the policy on tourists' future decisions to choose Bali as a destination.
- 4) Perspectives from tourism industry stakeholders on how the ITL policy affects their business and the local economy.

The interview guide is flexible, allowing the researcher to probe further based on participants' responses and to accommodate unexpected opinions or concerns.

Data Collection Procedure

Data collection will be conducted through **face-to-face interviews** with international tourists and tourism industry stakeholders in Bali. Tourist interviews will take place at major tourist locations such as Kuta, Ubud, and Seminyak, taking into account the diversity of countries of origin and the economic profiles of respondents. Meanwhile, interviews with industry stakeholders will be conducted at hotels, travel agencies, and government institutions involved in Bali's tourism management.

Interviews may be conducted in person or via video calls to ensure quality interactions and enable more personal engagement. During the interviews, researchers will also note **non-verbal cues** and contextual observations to gain a more holistic understanding of the situation.

Data Analysis Technique

The data will be analyzed using thematic analysis. This process begins with transcribing the interviews verbatim, followed by categorizing the data into key themes relevant to the research objectives. These themes may include:

- 1) Tourists' perceptions and attitudes toward the ITL policy.
- 2) The policy's impact on tourist satisfaction and overall experience.
- 3) Behavioral changes in tourists influenced by the policy.
- 4) Policy implications for tourism sustainability and the local economy in Bali.

Validity and Reliability

To ensure the validity and reliability of the findings, data triangulation will be employed by comparing the results of interviews from various sources and perspectives. In addition, member checking will be conducted by sharing interview summaries with selected participants to confirm that the researcher's interpretations accurately reflect their views. All stages of data collection and analysis will be carried out transparently and systematically to minimize bias and ensure objectivity.

Research Ethics

This study adheres to strict ethical principles, including obtaining written informed consent from all participants prior to the interviews. Participants will be informed about the purpose of the research and their right to withdraw at any time without any consequences. The identities of the participants will be kept confidential, and all collected data will be securely stored.

3. RESULTS AND DISCUSSIONS

Overview of Respondents

This study involved five international tourists who visited Bali after the implementation of the International Tourist Levy (ITL) policy. Respondents were selected using purposive sampling based on their direct experience with the policy. They represented a diverse range of backgrounds in terms of age, nationality, gender, travel purpose, and socio-economic status, offering rich and varied perspectives on the ITL policy.

Table 1. Respondent Characteristics

Characteristics	Respondent 1	Respondent 2	Respondent 3	Respondent 4	Respondent 5
Country of Origin	Australia	Japan	Germany	United Kingdom	Singapore
Age	30	40	28	35	32
Gender	Male	Female	Male	Female	Male
Travel Purpose	Leisure	Leisure	Leisure	Leisure	Leisure
Socio-Economic Status	Upper-middle	Upper-middle	Middle	Lower-middle	Upper-middle
Previous Visit to Bali	Yes	Yes	No	Yes	Yes
Perception of ITL Policy	Positive, with conditions	Positive, needs transparency	Slightly concerned, understands the purpose	Concerned, hopes for transparency	Positive, supports sustainability

Based on Table 1, this study involved five international respondents with diverse backgrounds, including country of origin, age, gender, socio-economic status, and experience visiting Bali. The respondents came from Australia, Japan, Germany, the United Kingdom, and Singapore, with ages ranging from 28 to 40 years old, most of whom belonged to an upper-middle socio-economic status. Most respondents had prior experience visiting Bali, except Respondent 3 (Germany), who was visiting for the first time. Perceptions of the International Tourist Levy (ITL) policy varied. Some respondents, such as Respondent 1 (Australia) and Respondent 2 (Japan), accepted the policy on the condition that there is transparency in how the collected funds are used for environmental conservation and infrastructure improvements. Meanwhile, Respondent 3 (Germany) and Respondent 4 (UK) expressed concerns about the additional costs straining their travel budgets and demanded clarity regarding fund allocation. Respondent 5 (Singapore) supported the policy as a step toward sustainable tourism in Bali, although they also requested further explanation regarding the use of the funds. Overall, while the objectives of the policy were generally accepted, transparency in fund management and its impact on travel costs emerged as key concerns among the majority of respondents.

Research Findings

The interviews with the five respondents revealed five key findings related to their perceptions of the International Tourist Levy (ITL) policy:

1) Understanding of the ITL Policy

All respondents demonstrated a basic understanding of the ITL as a policy aimed at supporting environmental conservation and infrastructure development in Bali. Information about the policy was generally obtained through social media, travel agents, or personal research. However, some confusion remained, especially among

first-time visitors to Bali, regarding technical aspects such as the payment mechanism and how it fits into their overall travel expenses.

2) Positive Perception of the ITL

Respondents from Australia and Japan had a positive view of the ITL and considered the additional fee a reasonable contribution to preserving Bali. They supported sustainable tourism initiatives, particularly if the funds were managed transparently. For these respondents, the amount charged was not burdensome and aligned with their belief in tourist responsibility toward the destination.

3) Concerns About Additional Costs

In contrast, respondents from Germany and the United Kingdom expressed concerns about the additional financial burden imposed by the ITL. They noted that the fee could impact their travel budget, particularly for tourists with limited financial resources. This raised worries that Bali might become less accessible to certain segments of travelers.

4) Concerns About Transparency

Transparency emerged as a major concern across almost all interviews. Respondents hoped that the use of ITL funds would be clearly and publicly reported. They emphasized the importance of public trust and believed that transparency would enhance the legitimacy of the policy.

5) Support for Sustainability

Despite some criticisms and concerns, most respondents supported the overall aim of the ITL as part of a sustainable tourism approach. They hoped the policy would serve not only as a financial tool but also deliver tangible results in preserving the environment and maintaining the quality of the tourism experience in Bali over the long term.

Discussion

The International Tourist Levy (ITL) policy implemented in Bali has become a compelling topic of discussion, particularly in relation to its impact on the perceptions of international tourists visiting the island. Based on findings from interviews with five respondents, it was revealed that this policy is received from various perspectives, both positive and negative, depending on the tourists' understanding, socio-economic background, and expectations regarding the use of the collected funds. This discussion connects the research findings with relevant theories in tourism and public policy literature, particularly those put

forward by Ahlithahun in his book *Tourism and Sustainability: Development, Globalisation and New Tourism in the Third World* (2004), which explores the dynamics of tourism policies focused on sustainability, environmental management, and socio-economic impacts.

One of the main findings of this study is the variation in respondents' understanding of the ITL policy. Most respondents recognized that the policy aims to fund the conservation of Bali's natural environment and the development of tourism infrastructure. For instance, Respondent 1 from Australia stated that he saw it as a reasonable contribution to support Bali's sustainability. This aligns with Ahlithahun's view, which emphasizes the importance of tourism taxes as an effective instrument to support environmental preservation and sustainability in popular tourist destinations (Putra, 2022). According to sustainable tourism theory, as explained by Ahlithahun, policies that raise funds from tourists can support conservation projects, infrastructure, and environmental quality improvement. Thus, the ITL policy should be seen as part of a managerial approach aimed at preserving Bali's long-term appeal as a tourist destination.

However, despite a sound understanding of the policy's purpose, significant differences emerged in how respondents perceived its implementation. Respondent 3 from Germany, who was visiting Bali for the first time, expressed uncertainty about whether the additional fee was included in the airline ticket or needed to be paid separately upon arrival. This reflects a communication gap often found in the implementation of tourism policies. Ahlithahun also notes that policies lacking clear communication can cause confusion and ultimately reduce their effectiveness (Budiono & Purba, 2024). Therefore, it is crucial for the Bali government to improve information channels so that tourists can better understand the ITL policy.

Most respondents expressed a positive attitude towards the policy, acknowledging that the additional cost served a greater purpose—supporting Bali's sustainability and preservation. Respondents 1 and 2, who came from higher-income countries, felt the fee was a small contribution to maintaining Bali's beauty. This perspective is consistent with Ahlithahun's theory on sustainable tourism, which suggests that tourists from developed nations are more likely to support environmental preservation policies due to a stronger understanding of the need to balance development with conservation (Kornelakis & Petrakaki, 2024). ITL can therefore be seen as an effort to mitigate the negative environmental impacts of tourism and to maintain Bali's attractiveness for future travelers.

This positive reception is also supported by previous studies showing that tourists are more likely to accept additional fees when they know the funds will be used for clear, positive purposes related to destination sustainability (Chen, 2020). In line with this, the respondents

who supported the ITL policy stated that it made them feel more involved in preserving Bali's environment, suggesting a growing awareness of shared responsibility between tourists and destination managers.

Although the policy was well-received by some respondents, there were also objections regarding the extra cost, particularly among travelers with limited budgets. Respondents 3 and 4, who came from lower-middle socio-economic backgrounds, voiced their disagreement with the added expense, arguing that Bali was already costly for them. This illustrates the challenge faced by many tourist destinations when implementing policies that may burden budget travelers. Ahlitaun warns that tourism policies focused on collecting revenue from tourists must consider the socio-economic impact, especially on those who already feel pressured by travel expenses (Tse & Li, 2023). In this regard, the ITL policy should be carefully designed to ensure Bali remains accessible to tourists from various economic backgrounds, without becoming a destination perceived as exclusive to wealthier travelers.

This concern also ties into the concept of economic leakage, frequently discussed in sustainable tourism theory. According to this theory, policies imposing additional fees without clear control or visible benefits to local tourists or Balinese communities may cause economic imbalance. For instance, if ITL funds are not managed transparently or do not deliver tangible benefits to the local population, budget-conscious travelers may feel they are paying more without receiving proportional benefits. Thus, it is essential for the Bali government to ensure the ITL policy provides measurable and visible benefits—not only for environmental conservation but also for local community development.

One of the most frequently expressed concerns among respondents was about the transparency of how ITL funds are used. Although supportive of the policy, many respondents were worried that the funds might be poorly managed. Respondents 2 and 4 stated that they wanted clearer information about how the funds were allocated, warning that mismanagement could harm Bali's tourism reputation. Ahlitaun argues that transparency in fund management is essential to maintaining tourist trust, and without it, policies like ITL may lose public support (Budiono & Purba, 2024). Transparency is also a core aspect of good governance theory, which holds that public policies must be clear, accountable, and involve public participation.

If the Bali government does not provide accessible and transparent reports on how ITL funds are used, it could result in tourists losing trust and diminish the policy's effectiveness. Therefore, transparent and accountable fund management is crucial to strengthening tourist confidence and ensuring that the ITL policy is implemented successfully and delivers tangible benefits.

Support for sustainability and the preservation of Bali as a tourist destination also emerged as a dominant theme in this study's findings. Many respondents, especially those from environmentally conscious countries, expressed their support for the ITL policy, believing that Bali needs protection from the negative effects of mass tourism. Respondent 5 from Singapore, for instance, felt the policy was a necessary step to reduce the strain on Bali's environment, which is increasingly threatened by over-tourism. In his book, Ahlithun emphasizes that sustainable tourism should focus on environmental conservation and the preservation of natural resources, while also creating positive impacts for the local economy (Tse & Li, 2023). This reflects the idea that the ITL policy, which aims to preserve Bali's natural beauty, can gain widespread support from environmentally aware tourists, even if they remain concerned about the additional costs.

4. CONCLUSION

Based on the research findings and discussion, it can be concluded that the International Tourist Levy (ITL) policy implemented in Bali has received a range of responses from international tourists. Most respondents support the policy as a positive step toward funding environmental conservation and the development of tourism infrastructure in Bali, although concerns remain regarding the additional costs, particularly among budget-conscious travelers. Transparency in the management of the funds collected through the ITL is a key issue that must be addressed to maintain tourists' trust. Moreover, support for the policy is also influenced by tourists' awareness of the importance of sustainability and environmental preservation in Bali. Therefore, to ensure the success of this policy, the Bali government needs to strengthen communication, guarantee transparency in fund utilization, and consider the socio-economic impact on tourists from diverse backgrounds—so that Bali remains a sustainable and inclusive destination for all.

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