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THE MODERATING EFFECT OF DESTINATION QUALITY ON TOURISM POLICY AND TOURISM DEVELOPMENT

Abstract: *The study aimed to examine the impact of nature activities, cultural activities, recreation activities, and infrastructure development on tourism development along with the moderating effect of destination quality in context of tourism industry. The quantitative approach using purposive sampling was used for collecting data that was further analyzed using PLS-SEM. The current study had helped in a wide range and provided various theoretical and empirical findings for the advancement of research regarding tourism development and destination quality affects its development. This study had provided in-depth knowledge regarding how different tourism activities could help in enhancing the experience and tourism-host interaction was also highly identified. The results showed that destination quality negatively moderates the relationship between policy for cultural activities and tourism development while destination quality does not moderate the relationship between policy for infrastructure development and tourism development. Moreover, the results also showed that the relationship of policy for nature activities and policy for recreation activities with tourism development has been positively moderated by the destination quality. The paper in the end included the policy implications along with limitations and future recommendations.*

Keywords: *Tourism Activities; Destination Quality; Infrastructure Development; Tourism Development.*

1. Introduction

Effect of tourism is a well-known subject in the study of tourism (Ko & Stewart, 2002; Raptis *et al.*, 2018), and currently, it is gaining enhancing consideration between academics and scholars. Even though the study of tourism is observed as a major component in the growth of the country, the outcomes showed thus far are insufficient to explain these views. Researchers are more willing to relate destination quality in context to some countries.(Ennew *et al.*,

1993; Gronroos, 1984; Kandampully & Butler, 2001; Lau *et al.*, 2005; Petrova *et al.*, 2018), Infrastructure development (Bookman, 2007; Henderson, 2003; Kasim, 2007; Mandić *et al.*, 2018; Pocock & Phua, 2011; Wong, 1997) and practices which includes recreation, culture, and nature (Durberry, 2004; Leung *et al.*, 2018; Liu & Liu, 2009) over tourism development. Creators of policy in context to tourism frequently emphasize on encouraging tourism by offering the fundamental requirements for the development of

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tourism, along with the finding that tourism usually has a major association with the surroundings, and also dynamics, social and cultural structures (Coccossis & Mexa, 2017).

Some islands in the world have attained the title as the island of tourists (Shavit, 2019). The growth of tourism in some countries could not be parted from the past or background of imperialism, which presented global channels of the economy through international business. As an output of these international business channels, early visitors arrived at the island and therefore, accompanied towards the development of those tourism islands. Those tourism islands have obstructed the problems of security. (Walters *et al.*, 2019). Tourism was obstructed first time in the period of world war two. During that period, there existed a transmission of authority from one government towards another government. The fresh and contemporary authority has various grounds for the growth of tourism. To make better and to enhance the prosperity of the economy, in the beginning, stages of independence new government also utilized tourism as an opportunity to present the newly born country to the whole world. Achievement of tourism appears when then sector of the travel industry starts to consider and faith in the ability owned by the destination island. During certain period, there was a quick growth of tourism within the island of tourisms (Chong, 2020; Dolezal & Miezelyte, 2020; Karmini, 2020; Shavit, 2019).

Numerous destinations are consequently active to evolve the growth of tourism and to enhance the entire destination quality, joint with learning behaviour of tourists for the purpose to be competent to contend with various destinations concerning the created trips and traveling, entire image and whether or not public suggests the destination to other people (Castro *et al.*, 2007; San Martín & Del Bosque, 2008). Additionally, several types of research have been carried out to examine the function of destination image

and its specific application towards the destination. The outcomes show that the evaluation and examination of the destination image are significant concerning understanding the behavior of tourists or visitors (Baloglu & McCleary, 1999; Beerli & Martín, 2004; Bigne *et al.*, 2001; Choi *et al.*, 2016; Chon, 1990; Court & Lupton, 1997; Jeong & Kim, 2019; Tsai, 2016).

Picard (1997) stated that tourism was high in the initial period in some tourism countries. However, from 1976 to 1986 tourism was found to be decreased. Also, between those periods, some government tried to convince investors to develop tourism in their countries. Different strategies were developed for tourism to create an effective and attractive aspect for foreign capital owners. The next year 1987 brought high significant results for those strategies. In the next decade till 2000, there was a high number of tourists that came to some countries. However, after that, there was a decrease in tourists in two different years 2002 and 2005 because of internal problems happened in those countries. These incidents had made a negative effect on the number of tourists and tourism development in some countries which decreased in those years at a significant rate. There was also high unemployment because of the lack of tourism and the economy was also decreased. The safety aspect of tourism places was considered high and lack of security made tourists change their destination towards other places.

The paper has effectively focused on different activities and the quality of the destination as well. Also, Government policies were focused on this paper that helped in growing tourism development in some countries. However, different policies were made in various Governments to achieve different objectives but still all policies are somehow relative to achieve a common goal. The major objective is to increase the economy of several countries (Saputra, Subroto, Rahman, &

Saraswati, 2020). So, this aspect had made it necessary to research identifying alternatives that could develop and enhance tourism by using effective and helpful variables like nature and cultural aspects. The current paper had made an effective investigation and provides that ecotourism will be the major aspect of developing tourism in tourism countries (Ali Hamza, 2019; Richards, 2018).

Therefore, the purpose of the study is to examine the impact of nature activities, cultural activities, recreation activities and infrastructure development on the tourism development along with the moderation of destination quality in the relationship in context to the tourism industry.

One of the tourism countries, for example, was placed in the 20th position in the industry of tourism globally in the year of 2017. It was announced as the ninth-quickest emerging visitors' destination across the globe (Rizal *et al.*, 2017). Also, it was found as the third-quickest emerging state in Asia, also fastest-growth within South-East Asia. Tourism is classified among the major dimensions of its economy and additionally, a considerable origin of its foreign exchange earnings. It has planned to gain 8 percent of economic growth through the industry of tourism and aimed to fascinate around 20 million tourists over 2019. (Ali Hamza, 2019). The industry of tourism was placed in the 4th position in the largest exporting industries of products and services. The country was aiming 275 million visits by local visitors before the end of 2019. The government has also fastened obligations, through capable financiers, amounting to 70 million US\$ in the regions of developing accommodation, services, and facilities in sustainable tourism in 3 of ten regions (Ali Hamza, 2019; Rizal *et al.*, 2017).

The present research paper has been divided into five sections. The remaining 4 sections are organized in the following sequence: section 2 comprises of the theoretical background and literature reviews. Section 3

comprises of research method used in the paper, section 4 comprises of data analysis and findings. Lastly, section 5 comprises of the discussion and conclusion reached by the paper.

2. Literature Reviews

The ground of resource-based view (RBV) has been taken as one of the managerial frameworks that are used to check the strategic resources of the organization that has a motive to achieve the sustainable competitive advantage of the firm. According to Barney (1991) article named "Firm Resources and Sustained Competitive Advantage" is considered as the ground of pivotal work that has a platform of developing stage of RBV. Furthermore, the claim has been stated by some scholars that, there are proofs that are being taken as the disconnected part of RBV theory from the era of the 1930s. Moreover, the ground of RBV that it has an objective of the organization where these firms are taken as the same because they have the same resources along with a lot of meaning with the organization that may have a different type of strategies as they have the different ground of resources mix (Barney, 2018). Furthermore, Barney stated that all the resources are taken as hold level were the sources have been taken as the sustainable competitive advantage where they must be taken as valuable, rare along with imperfectly imitable along with non-substitutable. The RBV ground view proposes that associations must create exceptional, firm-explicit center capabilities that will permit them to outflank contenders by doing things any other way. Further, the ground of RBV is an interdisciplinary methodology that speaks to a generous move in speculation. The asset-based view is interdisciplinary in that it was created inside the orders of financial matters, morals, law, the board, advertising, flexibly chain the board and general business.

Furthermore, many visitors like to go out at the beach that has been considered as tourism activities stated (Bicikova, 2014; Frändberg, 2010; Kim & Jogaratnam, 2003; Thrane, 2008; Xu *et al.*, 2017) and exploration (Bicikova, 2014; Frändberg, 2010; Kim & Jogaratnam, 2003; Shanka *et al.*, 2002). According to Thrane (2008); Xu *et al.* (2017), all those cities that are considered as visiting cities along with having the popular activities in the ground of the market segment. Furthermore, according to Bicikova (2014); Frändberg (2010); Kim and Jogaratnam (2003); Richards (2018); Ryan *et al.* (2009); Thrane (2008); Xu *et al.* (2017), young targeted markets like to go all the tourism activities such as cultural activities that include going on historic sites, visiting museums, etc., nature activities that include eating, drinking, and clubs, with all the recreating activities and infrastructure development ground that have a further effect on the destination quality as well. Although the adolescent market uncovers a high inclination to take part in the tourism activities contrasted with other market fragments, research additionally gives some changeability in this market, in regards to the readiness to embrace the tourism activities. Also, many studies that the interest of youngsters in the tourist activities relies upon numerous components, for example, sociodemographic (e.g., age, nationality) and inspirations (Eusébio & Carneiro, 2012; Ryan *et al.*, 2009; Tangeland & Aas, 2011; Thrane, 2008; Xu *et al.*, 2017). Moreover, the correlation of studies did in various nations (Frändberg, 2010; Kim & Jogaratnam, 2003; Xu *et al.*, 2017) additionally propose that the qualities of the goal may likewise impact youth activities in exercises during the tourism trips.

Moreover, like to take an interest in a high number of the ground of activities is additionally connected with higher propensity of tourism (Finsterwalder & Laesser, 2013; Tangeland, 2011). Besides, the act of the tourism activities may likewise help fulfill a few inspirations of guests, for

example, curiosity, growing information, reaching different societies and mingling (Eusébio & Carneiro, 2012; Ryan *et al.*, 2009; Su *et al.*, 2015; Tangeland, 2011). Moreover, guaranteeing that goal give fitting conditions to rehearsing the tourism activities that satisfy the requirements of their objective markets is of wonderful significance, to help the positive effects of the tourism activities for the two goals and the guests. Taking into account that the market of young visitors has a high inspiration for social contact, as recently referenced, the following area will talk about the pertinence and qualities of social connection in the extent of the tourist activities (Carneiro *et al.*, 2018).

Furthermore, some of the researches (Tangeland, 2011) uncover that getting social advantages (e.g., meeting new individuals) is as of now, for a few sections of the ground named visitors, a significant inspiration to take an interest in the tourist activities. Taking an interest in one movement may empower voyagers to meet new individuals who play out a similar action, particularly if the action is completed in gatherings. (Yoo *et al.*, 2017) recommended that investment in nature-based activities is increasingly identified with the assistance of individuals' coordination (e.g., the action being sorted out or being a gathering action) than it is to different attributes like the movement being intended for families or youngsters, giving learning openings or allowing one to encounter hazard or difficulties (Saputra *et al.*, 2017; Tirtawati *et al.*, 2019).

Furthermore, some local citizens have the ground of special value having the visitors as citizens give them knowledge about the location and the city where they came (Su *et al.*, 2015), whereas the cultural brokers tell about the destination very keenly along with giving them a reliable local shops indication and many other typical activities (Kastenholz *et al.*, 2013). However, Kim *et al.* (2016) give the ground of engagement of the

recreation activities that are being taken as so important towards the social contact that is from the platform of different cultures along with the ethnic background.

According to the Carneiro *et al.* (2018); (2010); Eusébio and Carneiro (2014); Eusébio and Carneiro (2012), few studies have been done on the ground of visitors where a high number are being taken regarding the participating in the number of activities where the highest interaction has been seen by the residents. Moreover, many researchers like to provide the proofs that have the street of having food along with beverages having development to eat and drink ground that is from specially tourist-host contact stated by Carneiro *et al.* (2018); Eusébio and Carneiro (2014); Kastenholz *et al.* (2013), whereas stated that many decreases in amount have been seen in the specific attractions. There are much research has been done the religious tourism that highlights the activities having promoting levels of the grounds named social contact, some activities along with high-end attractions, and interactions to build relationships (Eusébio *et al.*, 2016).

Moreover, the effect that has been seen by the research on the travel industry exercises on goal quality has been quite disregarded. further, it is perceived that endeavor physical activities such as the ground of sports exercises during the travel industry trips, in a better place and, particularly, in unpolluted conditions, may help create physical abilities, diminish pressure and increment physical wellbeing Moscardo *et al.* (2017) whereas many visitors have reported that their interest in physical exercises is to a great extent because of wellbeing and wellness reasons and, in some cases, to test their ground of physical abilities stated by (Sibson *et al.*, 2018; Szczechowicz, 2012).

Furthermore, many activities during the tourist trips extend relaxation openings, allowing access to other recreation assets and, at times, to invest energy in more beneficial situations where it is conceivable

to come into contact with nature (Szczechowicz, 2012). Moreover, captivating in specific exercises, for example, cultural activities ground (e.g., visiting exhibition halls, visiting notable locales, taking part in occasions), another ground named as education activities (e.g., examining dialects) along with even physical activities may incite a few changes in regards to one's condition. Furthermore, they may allow a piece of more profound information on different spots and customs, reaching various lifestyles (Kim *et al.*, 2016; Su *et al.*, 2015) and may bring other likely advantages of the travel industry previously recognized by certain creators (Kim *et al.*, 2016; Tse, 2014) for example, building up specific aptitudes – e.g., creating time-the board and language aptitudes, an expanded capacity to oversee the life and to decide – and growing progressively uplifting perspectives towards the earth – e.g., being increasingly positive concerning work, being increasingly accessible to adjust to new conditions.

Furthermore, the ground of service quality is characterized as the result of the customer's perspective on the administration measurements, which are both specialized and utilitarian (Gronroos, 1984), just as the buyer's general impression of the relative inadequacy or prevalence of the administrations got (Aaker, 2009). Because of their past encounters, extraordinary requirements, and specific utilization designs, clients make an emotional judgment or discernment about help quality. Thus, saw quality can't be resolved dispassionately (Aaker, 2009; Yoo *et al.*, 2017).

Moreover, the ground of travel trips, it has the quality is made by the procedures of administration conveyance (because of elements, for example, kind disposition, kindness, proficiency, dependability, and staff skill) and the results of administrations (e.g., convenience, food, and recreation offices) (Kolar & Zabkar, 2010). At the goal level, a travel industry item is a bundle of

parts, including convenience, travel, food, amusement, etc. In that capacity, goal quality is worried about the purchaser's impression of the nature of a goal's foundation, accommodation administration, and the luxuries (Dinnie *et al.*, 2010). Therefore, the hypothesis has been created as follows:

H1a: Nature activities significantly affect tourism development.

H1b: Destination quality significantly moderates the relationship between nature activities and tourism development.

H2a: Culture activities significantly affect tourism development.

H2b: Destination quality significantly moderates the relationship between cultural activities and tourism development.

H3a: Recreation activities significantly affect tourism development.

H3b: Destination quality significantly moderates the relationship between recreation activities and tourism development.

H4a: Infrastructure development significantly affects tourism development.

H4b: Destination quality significantly moderates the relationship between infrastructure development and tourism development.

All of hypothesis and research model in this study described in figure 1.

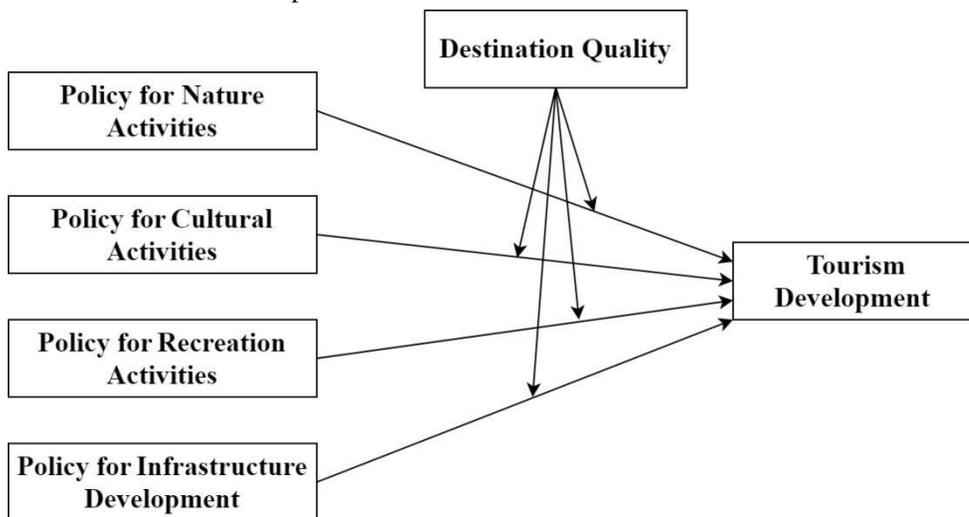


Figure 1. Research Model

3. Methodology

The research methodology has been termed as a major element of research. The positivist philosophy is the highly implemented and effective source for gathering information properly and logically and it helps in collecting quantitative and deductive data (Goduka, 2012). The deductive approach provides effective reasoning from different statements and

reaches towards a logical based conclusion. This approach helps in examining theory and develops hypotheses based on it (Gregory & Muntermann, 2011). Also, the quantitative choice of research refers to a numerical form of data as it collects only statistics. The analysis of quantitative choice also uses statistical or computational techniques (Newman & Benz, 1998). The data collection process can be conducted in a relatively easier and cost-efficient manner

because it does not include any specific rules. The quantitative choice provides a more generalized view towards the research objective and its findings can also be generalized to a limited extent as well (Saunders *et al.*, 2007). Hence, based on these details, the current study had used a quantitative deductive approach for data collection because it helped in conducting hypothesis testing and helped in collecting large data sets. Furthermore, correlational design based on a simple examination of research variables and it identified the presence of any naturally based correlation between variables (Blessing & Chakrabarti, 2009). The major benefit of correlational is that it provides such effective results and conclusion that might be used in further studies for in-depth investigation as well (Mackey & Gass, 2015). The ability to provide natural relationships has been termed as one of the major advantages of correlational design and it also generates the direction of their relationship as well (Wiedmann & Minx, 2008). Therefore, correlational design was used and the reason was that it did not include any manipulations in identifying the correlations that helped the researcher in generating logical conclusions. Moreover, explanatory research type has been based on the concept that it provides answers regarding how and why things have been happening in a research. The research variables can be identified in an enhanced perspective and a wide amount of knowledge and information can be generated using explanatory purposes (Sekaran & Bougie, 2016). The explanatory research type helps in explaining such problems that were not examined before and it provides a logical way towards those aspects (Roy & Cordery, 2010). Hence, explanatory research type was used because it can provide a detailed look regarding the research objective.

There are two types of sampling known as probability and non-probability. The purposive sampling has been known as non-probability and it provides such information from respondents that help in generating

conclusive results (Uprichard, 2013). The major benefit is that it allows generalizing the results more properly. The researcher can easily target the major population of research by selecting specialized people that provide major and specific data regarding the research objective (Cochran, 2007). Hence, this study had used purposive sampling because it helps in collecting data in an efficient process. The sampling used in this research is one of the tourism countries in the world, namely Bali Island, Indonesia, which has been well-known globally and has attained the title as an island of tourists.

The PLS-SEM analysis technique conducts hypothesis testing in a more relatively effective way and it also provides predictive relevance as well. This technique provides high variance as compared to CB-SEM and gives high reliability of the data (Hair *et al.*, 2014; Hair *et al.*, 2012). The small sample or such sample that has not been distributed normally can be easily examined using PLS-SEM (Hair *et al.*, 2019). Hence, this study had used PLS-SEM with the help of SmartPLS 3.2.8. The reason for selecting this technique was that it helped in examining complex models with an easy process.

4. Data Analysis

4.1 Measurement model

Following table 1 and figure 2 provides the result of construct validity and convergent validity using the PLS algorithm technique.

The results of measurement model showed that policy for cultural activities has two indicators loaded in the analysis with loadings 0.826 (CA4) and 0.863 (CA5) with the reliability of 83.3 percent and AVE of 0.714, while destination quality has total two indicators with loadings of 0.661 (DQ1) and 0.987 (DQ4) with the internal consistency of 82.2 percent and AVE of 0.705. Similarly, the policy for infrastructure development has a total of two indicators with loadings of

0.889 (ID2) and 0.830 (ID5) with CR of 0.850 and AVE of 0.740. Moreover, the policy for nature activities has a total of two indicators with factor loadings of 0.884 (NA4) and 0.942 (NA5) with the composite reliability of 91 percent and AVE of 0.834. Policy for recreation activities has two indicators with loadings of 0.633 (RA1) and 0.964 (RA3) having the reliability of 79.2 percent and AVE of 0.665. Lastly, tourism development has three indicators with factor loadings of 0.878 (TD1), 0.693 (TD2), and 0.865 (TD3) having internal consistency of

85.6 percent and AVE of 0.667. Henceforth, the estimations of the measurement model showed that all the indicators have factor loadings higher than 0.60, CR higher than 0.70, and AVE of 0.50 as recommended by Hair *et al.* (2011). Thereby, the measurement model has manifested considerable construct reliability and validity of the latent constructs.

Table 2 provides the result of discriminant validity using the Fornell and Larcker (1981) criterion.

Table 1. Measurement Model

| Variables | Items | Loadings | CR | AVE |
|---------------------------------------|-------|----------|-------|-------|
| Policy for Cultural Activities | CA4 | 0.826 | 0.833 | 0.714 |
| | CA5 | 0.863 | | |
| Destination Quality | DQ1 | 0.661 | 0.822 | 0.705 |
| | DQ4 | 0.987 | | |
| Policy for Infrastructure Development | ID2 | 0.889 | 0.850 | 0.740 |
| | ID5 | 0.830 | | |
| Policy for Nature Activities | NA4 | 0.884 | 0.910 | 0.834 |
| | NA5 | 0.942 | | |
| Policy for Recreation Activities | RA1 | 0.633 | 0.792 | 0.665 |
| | RA3 | 0.964 | | |
| Tourism Development | TD1 | 0.878 | 0.856 | 0.667 |
| | TD2 | 0.693 | | |
| | TD3 | 0.865 | | |

Table 2. Fornell and Larcker (1981) Criterion

| | DA | CA | ID | NA | RA | TD |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Destination Quality | 0.840 | | | | | |
| Cultural Activities | -0.263 | 0.845 | | | | |
| Infrastructure Development | 0.152 | 0.127 | 0.860 | | | |
| Nature Activities | -0.164 | 0.382 | 0.518 | 0.913 | | |
| Recreation Activities | 0.200 | -0.495 | -0.497 | -0.503 | 0.816 | |
| Tourism Development | 0.042 | 0.505 | 0.503 | 0.597 | -0.278 | 0.817 |

The above table has shown that all the AVE squared-root coefficients of latent constructs presented in the diagonally bold values have found higher than other constructs in the model and therefore, discriminant validity using Fornell and Larcker (1981) criterion has been achieved by the current research. Following table 3 provides the result of discriminant validity using crossloadings.

The table 3 below has shown that bold values of the factor loadings have been found higher than their crossloadings in other constructs positing their discrimination with the other latent constructs and henceforth, discriminant validity using crossloadings has been achieved by the study.

Table 3. Crossloadings

| | DA | CA | ID | NA | RA | TD |
|-----|--------------|--------------|--------------|--------------|--------------|--------------|
| CA4 | 0.826 | -0.054 | 0.110 | 0.217 | -0.452 | 0.402 |
| CA5 | 0.863 | -0.373 | 0.104 | 0.418 | -0.388 | 0.449 |
| DQ1 | 0.060 | 0.661 | 0.100 | -0.103 | -0.021 | 0.010 |
| DQ4 | -0.310 | 0.987 | 0.150 | -0.163 | 0.230 | 0.046 |
| ID2 | 0.151 | 0.309 | 0.889 | 0.326 | -0.329 | 0.472 |
| ID5 | 0.059 | -0.085 | 0.830 | 0.594 | -0.550 | 0.388 |
| NA4 | 0.304 | -0.085 | 0.419 | 0.884 | -0.332 | 0.446 |
| NA5 | 0.383 | -0.198 | 0.516 | 0.942 | -0.554 | 0.621 |
| RA1 | -0.547 | 0.080 | -0.196 | -0.340 | 0.633 | -0.101 |
| RA3 | -0.398 | 0.209 | -0.520 | -0.478 | 0.964 | -0.294 |
| TD1 | 0.525 | -0.029 | 0.382 | 0.454 | -0.068 | 0.878 |
| TD2 | 0.244 | 0.066 | 0.415 | 0.543 | -0.414 | 0.693 |
| TD3 | 0.422 | 0.084 | 0.455 | 0.502 | -0.280 | 0.865 |

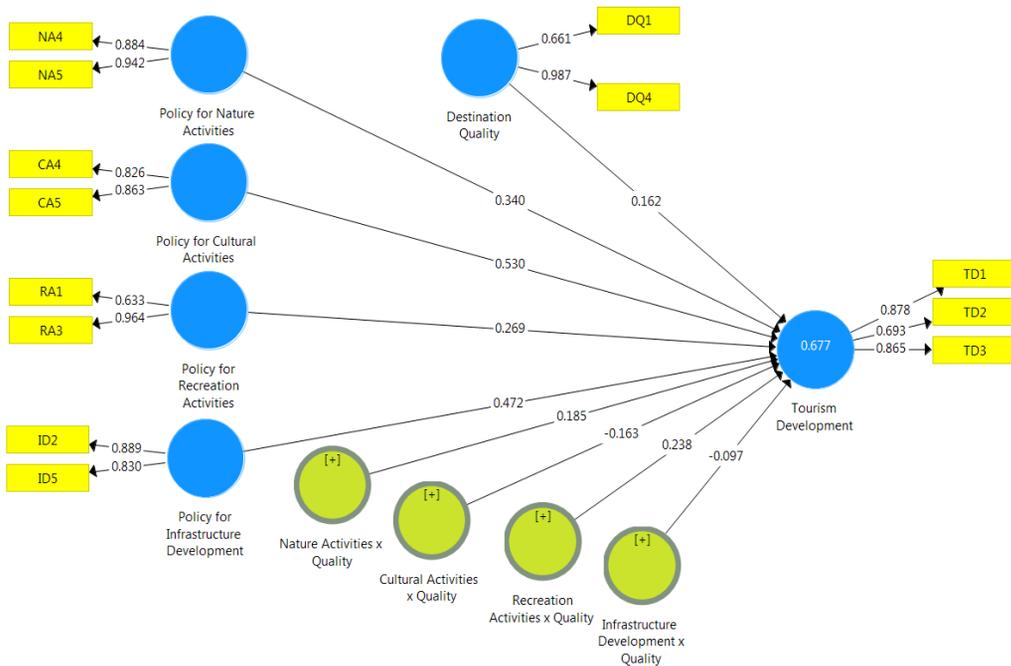


Figure 2. PLS Algorithm

4.2 Structural model

Following table 4 and figure 3 provides the result of path analysis using PLS bootstrapping at 5000 subsamples and 95

percent confidence interval for hypothesis-testing.

Table 4. Path Analysis using PLS-SEM

| | Estimate | Prob. |
|--|----------|-------|
| Policy for Nature Activities -> Tourism Development | 0.340 | 0.000 |
| Policy for Cultural Activities -> Tourism Development | 0.530 | 0.000 |
| Policy for Recreation Activities -> Tourism Development | 0.269 | 0.000 |
| Policy for Infrastructure Development -> Tourism Development | 0.472 | 0.000 |

The above table has shown that hypothesis-1 postulating the positively significant relationship between policy for nature activities ($\beta = 0.340, p < 0.05$) and tourism development has been accepted at 5 percent statistical significance. Similarly, hypothesis-2 postulating a positively significant relationship between policy for cultural activities ($\beta = 0.530, p < 0.05$) and tourism development have been accepted at 5 percent statistical significance; whereas hypothesis-3 postulating a positively significant relationship between policy for recreation activities ($\beta = 0.269, p < 0.05$) and tourism development have been

accepted at 5 percent statistical significance and lastly, hypothesis-4 postulating a positively significant relationship between policy for infrastructure development ($\beta = 0.472, p < 0.05$) and tourism development have been accepted at 5 percent statistical significance. The above table also showed that policy for cultural activities has the most influence on tourism development followed by the policy for infrastructure development and least importantly, policy for recreation activities.

Following table 5 shows the result of moderation analysis using PLS-SEM.

Table 5. Moderation Analysis using PLS-SEM

| | Estimate | Prob. |
|---|----------|-------|
| Cultural Activities x Quality -> Tourism Development | -0.163 | 0.048 |
| Infrastructure Development x Quality -> Tourism Development | -0.097 | 0.133 |
| Nature Activities x Quality -> Tourism Development | 0.185 | 0.022 |
| Recreation Activities x Quality -> Tourism Development | 0.238 | 0.028 |

The above table has shown that destination quality ($\beta = -0.163, p < 0.05$) negatively moderates the relationship between policy for cultural activities and tourism development while destination quality ($\beta = -0.097, p > 0.05$) does not moderates the relationship between policy for infrastructure development and tourism development. Moreover, the results also showed that the relationship of policy for nature activities ($\beta = 0.185, p < 0.05$) and policy for recreation activities ($\beta = 0.238, p < 0.05$) with tourism development have been positively moderated by the destination quality.

Following table 6 shows the result of predictive relevance based on Geisser (1975); Stone (1974) technique.

Table 6. Predictive Relevance

| | R Square | Q Square |
|---------------------|----------|----------|
| Tourism Development | 0.677 | 0.422 |

The above table has shown that tourism development as the predictability of 67.7 percent that was considered moderate to strong (Hair *et al.*, 2011) while its accuracy was found as 42.2 percent that was considered moderate (Hair *et al.*, 2014).

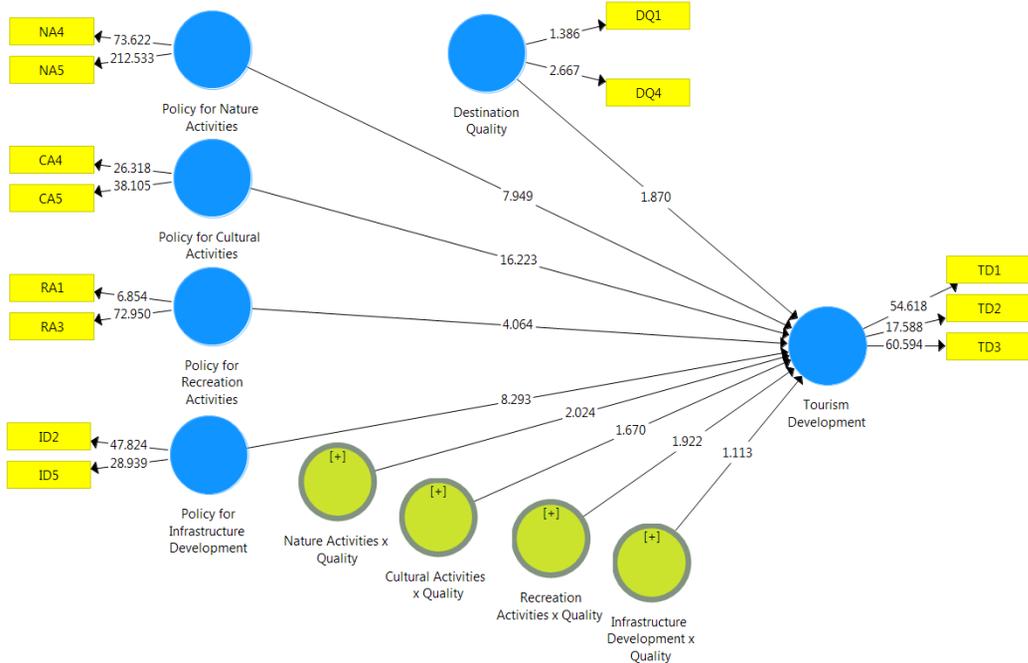


Figure 3. PLS Bootstrapping

5. Discussions

The paper evaluated the impact of nature activities, cultural activities, recreation activities, infrastructure activities, and destination quality on tourism development. The nature activities were significantly affecting tourism development as it was found previously by Eusébio *et al.* (2016). This means that the tourists being able to do natural activities at the destination would likely increase the chances of the tourism being developed as it helps in the maintenance of the natural places and the places where the natural activities can take place. Also, the destination quality was moderating the relationship between natural activities and tourism development as found previously in the study by Woo *et al.* (2015). It means that it is important that the destination quality is also important for the tourists along with the natural activities for tourism development. Also, the cultural activities were affecting tourism

development as found previously in the study by Farmaki *et al.* (2019). Hence, the cultural activities among a destination are what the tourists are interested in and can help the destination country in improving tourism development. The destination quality also moderates the relationship between cultural activities and tourism development as found previously in the study by Murphy *et al.* (2000). Also the recreation activities was significantly affecting the tourism development and supported previously in the study by Merritt *et al.* (2016) and also destination quality was moderating the relationship as supported by Andereck *et al.* (2007). Hence the recreational activities are important for tourists along with the quality of the destination and can help in enhancing the tourism development. The infrastructure development was also found important as it was affecting tourism development as found previously by de Oliveira (2003). However, the destination quality did not moderate the

relationship as it was between infrastructure development and tourism development as found by Haghkhah *et al.* (2011) meaning that the destination quality is not important when there is developed infrastructure present for the destination.

6. Conclusion and Implications

The major objective of the current research was to investigate the tourism development in one tourism country. This study had used natural, cultural, recreation, and infrastructure activities and also the moderation effect of destination quality. The quantitative approach using purposive sampling was used for collecting data that was further analyzed using PLS-SEM. The current study had helped in a wide range and provided various theoretical and empirical findings for the advancement of research regarding tourism development and destination quality affects its development. This study had provided in-depth knowledge regarding how different tourism activities could help in enhancing the experience and tourism-host interaction was also highly identified. Similarly, the moderation effect of destination quality was also highly discussed and the study had provided empirical results regarding its effect between different activities and tourism development. Also, the major findings were regarding the destination of tourism and how the scenario of the individual destination could shape the image of tourism from the perspective of a tourist. The study had also provided effective insights and knowledge towards the tourism market because it had been identified as an essential factor that could be hindered by different natural activities and features and also through different acts of terrorism as well.

Furthermore, the results had been very effective and provide different recommendations. For instance, policymakers had been recommended to develop such strategies that could enhance the natural and cultural activities in the

region. This could be achieved by having different programs for the local culture that attracts different tourists to the destination. Also, it had been recommended to develop positive and creative infrastructure that provides positive insights to the tourists. The destination quality had also been recommended to be properly managed because it played a significant role in attracting tourism to one country. The major factor was that when destination quality or its image provides a more positive and natural view then it helped in enhancing the relationship between tourism activities and increased the development of tourism as well. Similarly, natural activities had been also recommended to be increased by mitigating pollution waste and start traveling by natural resources that could help in enhancing nature activities. Also, try to develop a positive destination for the recreational activities of tourists because when in travel this factor could help in providing better and improved tourism development.

The study had faced few limitations during the research process. At first, the sample size was relatively small and did not provide high representativeness and also cannot be generalized towards a large population except the destination of tourism island. The second limitation was that this study did not examine different demographic characteristics of people that include age, nationality, and gender that could help in identifying different perspectives regarding destination quality and their behavioral intentions. So, future research had been recommended to conduct this study in different geographical locations using a different sample of other tourists and destinations. Similarly, qualitative data could also be collected that could help in providing more in-depth knowledge and understanding regarding destination quality and tourism development.

The data can also be examined using other analysis techniques and using the causal design that could help in identifying the causal relationships as well. Also, a comparison study can be conducted between

national and international tourists to better understand their behavior towards the destination.

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