
Strengthening the Multiplier Effect Through Local Community Involvement: A Case Study of The Jatiluwih Festival, Bali.

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Abstract: This study examines how local community involvement strengthens the economic multiplier effect of the Jatiluwih Festival in Bali, while also contributing to cultural sustainability. A sequential explanatory mixed-methods design was employed, comprising quantitative surveys of 100 respondents (50 visitors, 50 community members) and qualitative interviews with eight stakeholders from government, private sector, and village institutions. Quantitative data were analyzed using descriptive statistics, validity (Pearson, $r\text{-table}=0.278$), reliability (Cronbach's $\alpha \geq 0.767$), and the Local Purchase Share (LPS) approach to estimate the multiplier coefficient. Qualitative data were analyzed thematically (Braun & Clarke, 2006). Key findings reveal that community participation reached the partnership level (Arnstein, 1969), with mean scores of 4.16 (planning) and 4.10 (decision-making). The multiplier coefficient was 2.22, generating a total local economic impact of IDR 46.4 million during the two-day festival. Visitors strongly agreed that the festival provides direct local economic benefits ($M=4.30$) and preserves cultural heritage ($M=4.34$). However, souvenir purchases remained neutral ($M=3.32$), indicating underdeveloped forward linkages (Hirschman, 1958). Government support through formal cooperation agreements and private sector digital branding served as critical catalysts. The novelty of this study lies in being the first to integrate multiplier effect theory, linkage theory, Arnstein's participation ladder, and the Triple Bottom Line within a single mixed-methods framework applied to a UNESCO World Heritage cultural festival in Bali. The main contributions include: (1) empirical evidence that active community participation amplifies local economic retention; (2) a replicable LPS-based multiplier estimation model for culture-based festivals; (3) identification of product diversification as a key leverage point; and (4) actionable recommendations for community-driven tourism sustainability.

Keywords: Community Empowerment, Cultural Sustainability, Event-Based Economy, Stakeholder Collaboration, Heritage Tourism.

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INTRODUCTION

Tourism drives economic growth by creating jobs, raising incomes, and boosting infrastructure, especially in less-developed regions. The interaction among visitors, businesses, and communities generates a multiplier effect across transport, accommodation, culinary services, and handicrafts. Research shows that social exchange-oriented policies engaging businesses and communities can improve quality of life, foster reciprocal tourist-stakeholder relationships, and support sustainable growth. Thus, tourism serves as both a key source of foreign exchange and a strategic tool for equitable development and regional competitiveness (Robina-Ramírez et al., 2024; Burton et al., 2025).

Tourism is seen as exogenous spending that triggers cross-sectoral ripple effects. Tourist expenditure generates direct impacts (accommodation, transport, food, entertainment), indirect effects (via tourism suppliers), and induced effects (from household consumption). A study of Spain's Caminito del Rey shows tourism investment boosts cross-sectoral output: services accounted for 68% of total output, mainly from accommodation, food, beverages, and recreation; industry and agriculture gained from local product demand; and construction rose due to tourism-related infrastructure. This multiplier effect shows each unit of tourist spending benefits the wider regional economy. Thus, development strategies emphasizing local investment, community participation, and sustainability are vital to maximize tourism's multiplier potential (Gemar et al., 2023).

Bali has long established itself as a leading cultural tourism destination, where its appeal lies not only in its natural landscapes but also in the preservation of rich traditions and spirituality. Cultural elements such as Balinese Hinduism, ritual ceremonies (Nyepi, Galungan, Kuningan), traditional dances (Legong, Barong, Kecak), gamelan music, temple architecture, and local crafts constitute the core identity of Balinese tourism. Traditional villages such as Panglipuran and Tenganan exemplify the continuity of customary life, while spiritual practices like *melukat* (purification ritual) have gained increasing popularity as part of religious tourism. With rituals and artistic expressions taking place daily, local culture functions not only as a vital asset but also as Bali's "cultural brand," distinguishing it from other global destinations (Mahendra, 2024; Sari et al., 2024).

Bali's cultural festivals drive the local economy by boosting visitor spending on accommodation, transport, food, handicrafts, and entertainment, creating business opportunities, raising small traders' income, and expanding formal and informal employment. This expenditure triggers a multiplier effect, circulating money across sectors and reinforcing the regional economy. Festivals also promote local products, arts, and creative enterprises, reinforce Bali's cultural identity, spur infrastructure improvements, and strengthen destination branding, yielding long-term sustainable benefits (Aguado et al., 2021; Doe et al., 2022; Purwadi et al., 2023).

Local communities hold a pivotal role in tourism development. First, through Community-Based Tourism (CBT), they function not only as service providers but also as owners, managers, and custodians of cultural identity. Their roles include destination planning and management, strengthening social, cultural, and natural capital, and fostering creative tourism products such as handicraft workshops, traditional cuisine, and performing arts. Second, communities act as guardians and inheritors of cultural heritage, where levels of awareness, education, cultural identity, and socio-economic conditions significantly influence their engagement in preservation and destination management. Third, communities serve as agents of social and educational development, as tourism provides opportunities for informal learning and ensures alignment with local social, cultural, and developmental needs. Active participation is therefore essential to guarantee that tourism generates equitable and sustainable benefits (Mir et al., 2024; Mteti et al., 2025; Suriyankietkaew et al., 2025).

The Jatiluwih Festival (**Figure 1**) was initiated following the village's recognition as a UNESCO World Cultural Heritage Site in 2012, emphasizing the need to preserve its image as a culture-based tourism destination. Emerging from community initiatives and academic collaboration, the festival adopts a bottom-up approach, ensuring local participation from planning to execution. Since its inception in 2017, with themes reflecting local wisdom such as *Tri Hita Karana*, the festival has served as both a cultural preservation platform and a tourism promotion tool through art performances,

traditional cuisine, and digital media engagement. Additionally, it strengthens the local economy by creating business opportunities for MSMEs, culinary vendors, and artists, generating a multiplier effect that supports sustainable village development (Ayu Sutarini et al., 2022; Kadek Swandewi et al., 2024).



Figure 1. Opening Ceremony of Jatiluwih's Festival 2025
Source: Researcher's Observation, 2025.

The multiplier effect of cultural festivals is constrained by five challenges: (1) weak bridging/linking networks with external actors, limiting resources and promotion; (2) poor management and professional capacity; (3) financial vulnerability due to reliance on community contributions and inconsistent support; (4) inadequate promotion despite social media use; and (5) low community awareness of cultural heritage. Addressing these barriers is key to strengthening economic, social, and cultural multipliers (Ihsan et al., 2024; Mirza, 2025; Suryani, 2023).

The central problem of this research focuses on how local community engagement can strengthen the multiplier effect of the Jatiluwih Festival on the local economy. This question emphasizes the active role of the community in driving economic activities through direct participation in the festival, whether as artists, small entrepreneurs, or providers of tourism-related services. In addition, the study also raises the question of how government and private sector actors contribute to supporting community involvement. Regulatory frameworks, policies, funding, and infrastructure provided by the government, together with private sector collaboration through sponsorship, promotion, and partnerships, constitute critical factors in determining the sustainability of the festival's multiplier effect.

This research is significant because a comprehensive understanding of the community's role in strengthening Jatiluwih's local economy is essential for the sustainability of culture-based tourism. The Jatiluwih Festival serves not only as a medium for preserving cultural heritage but also as a platform for community economic empowerment through direct participation. Moreover, collaborative strategies among government, the private sector, and local communities are required to ensure that the multiplier effect is not merely temporary but generates sustainable long-term impacts. The findings of this study are particularly important as they can provide a basis for policy formulation that supports community- and culture-based tourism, while simultaneously maintaining a balance between economic, social, and environmental interests.

To address the research questions, this study applies the multiplier effect theory (Keynes, 1936), which explains how tourist expenditures generate ripple effects across the local economy. Furthermore, linkage theory (Hirschman, 1958) is employed to analyze inter-sectoral connections, such as those between the festival, micro, small, and medium enterprises (MSMEs), agriculture, and creative industries. In addition, community participation theory (Arnstein, 1969) serves as the foundation for assessing the extent of community involvement in the planning and implementation of the festival. This framework is further reinforced by the Triple Bottom Line concept, which highlights the economic, social, and environmental dimensions, as well as a multi-stakeholder

approach that underscores the importance of collaboration among communities, government, and the private sector.

Although numerous studies have examined the economic impacts of cultural festivals, most previous research has primarily focused on short-term effects, such as increases in local income during the festival period. Studies that simultaneously integrate three key elements namely the level of community participation (based on Arnstein's Ladder), the contributions of government and private sectors, and the strengthening of the multiplier effect remain highly limited, particularly within the context of cultural festivals in UNESCO World Heritage areas such as Jatiluwih Rice Terraces. Therefore, a clear research gap exists in our understanding of how collaborative mechanisms among local communities, government, and the private sector can collectively strengthen sustainable multiplier effects rather than merely generating temporary impacts. This study seeks to address and fill this gap.

The novelty of this study lies in three main aspects. First, this research is the first to simultaneously integrate the Multiplier Effect Theory (Keynes, 1936), Linkage Theory (Hirschman, 1958), Arnstein's Ladder of Participation (1969), and the Triple Bottom Line (Elkington, 1997) within a single mixed-methods framework applied to a cultural festival context in Bali. Second, unlike previous studies that primarily measure economic impacts in aggregate terms, this study explicitly maps the role of local communities as the main actors while also analyzing the contributions of government and the private sector as key catalysts. Third, this study develops a multiplier estimation model based on the Local Purchase Share (LPS), which can be replicated in similar cultural festival contexts across Indonesia.

Based on the identified research gap and novelty, this study is designed to address two main research questions:

1. How can local community involvement strengthen the multiplier effect of the Jatiluwih Festival on the local economy, both directly through participation in economic activities (culinary businesses, handicrafts, and services) and indirectly through cultural preservation?
2. How do government and private sector actors support such local community involvement, particularly through regulatory policies, funding, infrastructure development, digital promotion, and strategic partnerships, so that the resulting multiplier effect can be sustained over time?

By addressing these questions, the study not only provides empirical evidence regarding the strengthening of community-based multiplier effects but also formulates concrete policy recommendations for sustainable culture-based tourism management in Jatiluwih Rice Terraces and other similar destinations.

METHODS

Research Design

This study employed an explanatory sequential mixed-methods design (Creswell & Plano Clark, 2018), consisting of two distinct phases. The first (quantitative) phase involved surveys with visitors and local community members to measure perceptions, spending patterns, participation levels, and to estimate the local economic multiplier effect using the Local Purchase Share (LPS) approach. The second (qualitative) phase involved semi-structured interviews with key stakeholders to explain, deepen, and contextualize the quantitative findings. The integration between phases occurred during interpretation, where qualitative themes were used to explain *why* and *how* the multiplier effect occurred, beyond mere numerical estimation.

Sampling Strategy

Purposive sampling was applied to ensure that respondents possessed direct relevance to the Jatiluwih Festival. A total of 100 respondents were surveyed:

- a. 50 visitors (tourists attending the festival area during 2024–2025)
- b. 50 local community members (residents of Jatiluwih Village involved in festival activities)

For qualitative interviews, eight key informants were selected purposively to represent five stakeholder groups:

- a. Visitors (R1–R4)
- b. Regional Government (R5, Tabanan Tourism Office)
- c. Village Government (R6)
- d. MSME/Private Sector (R7)
- e. Destination Manager (R8)

The sample size (n=50 per group) is justified given the explanatory sequential design, where the quantitative phase serves primarily to provide descriptive overview and multiplier estimation, not inferential generalization. According to Roscoe (1975), sample sizes between 30–500 are generally acceptable for social research, especially when combined with qualitative depth.

To determine the range of responses from respondents' answers to each indicator item in this study, the score interpretation criteria can be used as follows:

$$\text{Interval Length} = \text{Margin of maximum and minimum} / \text{Number of Total Score} = 4 / 5 = \mathbf{0.8}$$

The length of the interval above means that each distance between the average amounts can be measured by 0.8 for each average. Thus, at the next stage, the average number can be categorized to make it easier to interpret the responses of each respondent which are stated in the following intervals:

Table 1. Mean Range

Score	Interval	Interpretation
1	1 – 1.80	Very Disagree
2	1.81 – 2.60	Disagree
3	2.61 – 3.40	Neutral
4	3.41 – 4.20	Agree
5	4.21 – 5.00	Very Agree

Source: Data Processed, 2025

For visitors, the variables included motivation and experience, spending patterns, multiplier effect, perceptions of culture, sustainability aspects, and satisfaction. Meanwhile, for the local community, the variables covered participation (Arnstein), multiplier effect and economic linkages, government and private sector support, cultural preservation, the dimensions of the Triple Bottom Line (TBL), and general perceptions. Instrument validity in this study was tested using the Pearson Product Moment correlation technique. Each questionnaire item was correlated with the total score of its respective variable (item-total correlation) to evaluate its construct validity. The validity criterion was determined by comparing the calculated correlation coefficient (r-counted) with the critical value (r-table) at a significance level of 0.05 ($\alpha = 0.05$) with degrees of freedom ($df = n - 2$). An item is considered valid if $r\text{-counted} > r\text{-table}$, and invalid if $r\text{-counted} \leq r\text{-table}$. This approach ensures that each item included in the questionnaire accurately represents the construct being measured and is consistent with standard practices in quantitative research using Likert-scale instruments.

Quantitative Instruments and Variable Measurement

The quantitative data analysis was conducted in sequential stages. It began with descriptive analysis to portray the respondents' profiles, visitor spending patterns, and forms of community participation. Subsequently, inferential analysis was employed to estimate the local multiplier using the local purchase share (LPS) approach, which accounts for the proportion of tourist expenditures circulating within the local economy. The quantitative findings were then enriched with qualitative data analyzed through thematic analysis, thereby producing not only numerical estimates of the multiplier but also explanatory insights into the social mechanisms, policy support, and cross-sectoral collaborations that underpin the multiplier effect.

The qualitative approach in this study employed a case study design focusing on the Jatiluwih Festival as a space of interaction among government actors, local communities, private sector stakeholders, festival organizers, and visitors. Qualitative data was collected through semi-structured interviews with five primary stakeholder groups, namely the private sector, local community members, local government, visitors, and the festival committee, guided by a pre-developed interview protocol. Informants were selected using purposive sampling, ensuring the inclusion of respondents directly relevant to and actively involved in the festival's organization and implementation. The following is the source code used in this study:

Table 2. Source Code and Category

Source Code	Categories
R1	Tourist/Visitor
R2	Tourist/Visitor
R3	Tourist/Visitor
R4	Tourist/Visitor
R5	Regional Government (Tabanan Regency Tourism Office)
R6	Jatiluwih Village Government
R7	MSME / Private Sector Actors
R8	Jatiluwih Tourism Attraction Manager

Source: Data Processed, 2025

The interview process lasted approximately 25–30 minutes per respondent and was conducted face-to-face, with participants' consent for audio recording. All interviews were transcribed verbatim and subsequently analyzed using thematic analysis (Braun & Clarke, 2006). The analysis followed a series of stages, including familiarization, open coding, categorization, and the identification of key themes. These emergent themes were then interpreted within relevant theoretical frameworks, such as Arnstein's Ladder of Participation to assess the levels of community engagement, Linkage Theory to examine cross-sectoral economic interconnections, and the Triple Bottom Line framework to evaluate the festival's economic, social, and environmental dimensions.

Two separate Likert-scale questionnaires (1–5) were developed:

- Visitor questionnaire (5 variables: visiting experience, local economic impact, cultural preservation, sustainability/TBL, satisfaction)
- Community questionnaire (6 variables: participation/Arnstein, economic impact, cultural preservation, gov't-private support, sustainability, satisfaction)

Validity was tested using Pearson Product Moment ($r\text{-table} = 0.278$, $df=48$, $\alpha=0.05$). All items had $r\text{-counted} > r\text{-table}$, confirming validity. Reliability was assessed using Cronbach's Alpha; most variables exceeded 0.70, with only two variables in the "fairly reliable" range (0.684), which remains acceptable in exploratory mixed-methods research.

Multiplier Effect Estimation: Local Purchase Share (LPS) Formula

To estimate the local economic multiplier effect of the Jatiluwih Festival, this study applied the Local Purchase Share (LPS) approach, which measures the proportion of tourist expenditure retained within the local economy. The multiplier coefficient (k) was calculated using the following standard formula:

$$k = \frac{1}{1 - LPS}$$

Where:

- a. LPS = Local Purchase Share = proportion of total festival-related revenue retained by local institutions (village government, traditional villages, *subak* organizations) after leakage to external entities (e.g., district government).
 - b. The total local economic impact = LPS × total festival spending × k
- Step-by-step calculation based on empirical data:
1. Annual total revenue of Jatiluwih Tourism Area (2024): IDR 7,000,000,000
 2. Revenue distribution based on Cooperation Agreement (PKS):
 - a. 45% to Tabanan Regency Government (leakage) = IDR 3,150,000,000
 - b. 55% to local village institutions (retained locally) = IDR 3,850,000,000
 3. Therefore, LPS = 55% = 0.55
 4. Multiplier coefficient (k):

$$k = \frac{1}{1 - 0.55} = \frac{1}{0.45} = 2.22$$

5. Daily local spending during the 2-day festival: IDR 19,000,000 per day (estimated from retribution fees and average tourist expenditure)
 Total direct local spending (2 days) = IDR 38,000,000 × 55% (LPS) = IDR 20,900,000
6. Total local economic impact:

$$\text{Total impact} = \text{Direct local spending} \times k = 20,900,000 \times 2.22 = \text{IDR } 46,398,000$$

This calculation was cross-validated with qualitative interview data from the DTW Manager (R8) and Village Government (R6), who confirmed the revenue-sharing mechanism and local retention rates.

Qualitative Data Collection and Thematic Analysis

Semi-structured interviews (25–30 minutes each) were conducted face-to-face, audio-recorded with consent, and transcribed verbatim. Thematic analysis followed Braun & Clarke's (2006) six-phase procedure: familiarization, open coding, category development, theme identification, review, and interpretation. Themes were mapped to theoretical frameworks: Arnstein's Ladder of Participation, Linkage Theory (Hirschman, 1958), and Triple Bottom Line (Elkington, 1997).

Integration Strategy (Quantitative → Qualitative)

Integration occurred at two levels. At the instrument level, quantitative findings on Local Purchase Share (LPS) ($k = 2.22$) and the relatively low level of souvenir purchases ($M = 3.32$) were used to guide the development of qualitative interview questions. For example, interview participants were asked why visitors perceived the variety of souvenirs as limited and how local communities viewed the retention of economic benefits within the destination area. At the interpretation level, qualitative narratives from informants R1–R8 were employed to explain the mechanisms underlying the multiplier effect, particularly how community participation ($M = 4.16$) contributed to local spending retention and why forward linkages, as conceptualized by Hirschman, remained underdeveloped. To strengthen the integration process, a joint display matrix was utilized to visually connect quantitative mean scores with qualitative themes for each research question, although this matrix was provided only as supplementary material and not included in the main paper.

Trustworthiness

To ensure the credibility of the data, this study applied trustworthiness strategies through source triangulation across stakeholders, providing a rich contextual description of Jatiluwih, and maintaining a transparent audit trail to ensure the accountability of the analytical process. Integration with quantitative findings was achieved through an explanatory sequential mixed-methods

approach, in which survey results on visitor expenditures and community perceptions were complemented by qualitative narratives. In this way, the analysis not only produced numerical estimates of the multiplier effect but also offered a deeper understanding of the social, economic, and cultural mechanisms that enable the multiplier effect to occur in a sustainable manner.

RESULT AND DISCUSSION

Research's Result

a) Quantitative Findings

1) Tourist's Perceptions

The following is the results of the Profile Respondents of the Tourist Perception questionnaire, which can be seen in Table 3.

Table 3. Profile Respondents of the Tourist Perception questionnaire

Category	Sub-Category	Percentage
Gender	Male	47.10%
	Female	52.90%
Age	17–25 years	33.30%
	26–30 years	29.40%
	31–40 years	25.50%
	Above 40 years	11.80%
Region of Origin	Bali	78.40%
	Outside Bali	21.60%
Occupation	Student	21.60%
	Civil Servant (PNS)	2.00%
	Entrepreneur	66.70%
	Military/Police	0%
	Business Owner	9.70%
Year of Visit	2017–2020	19.60%
	2021–2023	25.50%
	2024–2025	54.90%
Visit Frequency	Once	41.20%
	Three times	29.40%
	Five times	11.80%
	More than five times	17.60%
Festival Attendance	Yes	25.50%
	No	74.50%

Source: Researcher's Analysis, 2025.

The respondent profile indicates that visitors to Jatiluwih are predominantly young adults aged 17–30, mostly female (52.9%), and largely originating from Bali (78.4%), with entrepreneurs (66.7%) and students (21.6%) forming the main occupational groups. Most visits occurred in 2024–2025 (54.9%), yet the majority were first-time or occasional visitors, with only 17.6% returning more than five times. Notably, only 25.5% had ever attended the Jatiluwih Festival, revealing limited festival engagement despite increasing visitation trends. Overall, these findings highlight that Jatiluwih attracts a youthful, local audience with growing interest, but greater efforts in festival promotion, visitor retention, and product diversification are needed to maximize its cultural and economic potential.

The following are the results of the validity of the Tourist Perception questionnaire, which can be seen in Table 3.

Table 3. Validity Test for Tourist's Perception

Variable	Item	r Counted	r Table (0.278)	Remark
X1 = Visiting Experience	X1A	0.758	0.278	Valid
	X1B	0.738	0.278	Valid
	X1C	0.624	0.278	Valid
	X1D	0.771	0.278	Valid
X2 = Local Economic Impact	X2A	0.858	0.278	Valid
	X2B	0.842	0.278	Valid
	X2C	0.822	0.278	Valid
X3 = Cultural Preservation	X3A	0.802	0.278	Valid
	X3B	0.814	0.278	Valid
	X3C	0.773	0.278	Valid
	X3D	0.826	0.278	Valid
X4 = Sustainability (TBL)	X4A	0.762	0.278	Valid
	X4B	0.892	0.278	Valid
	X4C	0.809	0.278	Valid
X5 = Satisfaction	X5A	0.774	0.278	Valid
	X5B	0.831	0.278	Valid
	X5C	0.867	0.278	Valid
	X5D	0.758	0.278	Valid

Source: Researcher's Analysis, 2025.

The validity of the research instrument was assessed using the Pearson Product Moment correlation method by correlating each item score with the total score of its respective variable (item-total correlation). The validity criterion was determined based on the comparison between the calculated correlation coefficient (r-counted) and the critical value (r-table) of 0.278 (df = 48, $\alpha = 0.05$). The results show that all r-counted values exceed the r-table, indicating that each item has a sufficient level of correlation with its corresponding construct. Therefore, all questionnaire items are considered valid and appropriate for measuring the variables in this study. This approach follows the standard criteria of the Pearson Product Moment validity test, where item validity is primarily determined by the magnitude of r-counted relative to r-table. The use of r-counted as the primary criterion provides a more robust assessment of item validity, as it reflects not only statistical significance but also the strength of the relationship between each item and its corresponding construct.

The following are the results of the reliability of the Tourist Perception questionnaire, which can be seen in Table 4.

Table 4. Reliability Test for Tourist's Perception

Variable	Number of Items	Cronbach's Alpha	Description
Visiting Experience (X1)	4	0.684	Fairly reliable
Local Economic Impact (X2)	3	0.767	Reliable
Cultural Preservation (X3)	4	0.814	Highly reliable
Sustainability (TBL) (X4)	3	0.759	Reliable
Satisfaction (X5)	4	0.821	Highly reliable

Source: Researcher's Analysis, 2025.

The reliability test was carried out to evaluate the internal consistency of the research instrument across all variables, employing Cronbach's Alpha with a minimum acceptable threshold of 0.70. The findings revealed that Variable 1 (X1) recorded a coefficient of 0.684, which, although slightly below the standard threshold, can still be considered acceptable in exploratory research settings. Variable 2 (X2) obtained a score of 0.767, indicating good reliability, while Variable 3 (X3) reached 0.814, demonstrating a very high level of reliability. Similarly, Variable 4 (X4) showed good reliability with a score of 0.759, and Variable 5 (X5) achieved 0.821, confirming it as highly reliable. Taking together, these results suggest that most of the variables meet or exceed the required standard, affirming that the instrument is sufficiently reliable to be applied in subsequent analyses.

Visiting Experience Analysis

Table 5. Visiting Experience Analysis

Code	Statement	Mean Score	Interpretation
X1A	I chose Jatiluwih because of its cultural and natural attractions.	4.38	Very Agree
X1B	The Jatiluwih Festival was one of the reasons I visited.	2.9	Neutral
X1C	My experience in Jatiluwih left a positive impression.	4.4	Very Agree
X1D	I feel the festival adds to the appeal of visiting Jatiluwih.	4.14	Agree

Source: Researcher's Analysis, 2025.

The analysis of the Visiting Experience (X1) variable reveals that Jatiluwih's main strength lies in its cultural and natural attractions, with respondents strongly agreeing ($M = 4.38$) that these are the primary reasons for their visit. This confirms the dominance of Jatiluwih's UNESCO-recognized rice terraces and cultural heritage as the destination's core appeal. However, the role of the Jatiluwih Festival as a specific motivation to visit remains limited, as indicated by the neutral response ($M = 2.9$), suggesting that the festival is not yet a primary driver of tourist arrivals but rather functions as a complementary activity. Despite this, tourists expressed a very positive overall impression of their visit ($M = 4.4$), demonstrating the success of the destination in creating memorable experiences that encourage satisfaction, loyalty, and positive word-of-mouth. Additionally, respondents agreed ($M = 4.14$) that the festival adds value to the destination, serving as a complementary attraction that enriches the visitor experience and opens opportunities for local economic empowerment through cultural performances, culinary experiences, and creative products. Taken together, these findings indicate that while Jatiluwih is already successful in delivering strong cultural and natural-based experiences, greater efforts are needed to enhance the festival's positioning and integration with local products and digital promotion strategies so that it can evolve into a stronger pull factor and reinforce the multiplier effect for the local economy.

Local Economic Impact (Multiplier Effect)

Table 6. Local Economic Impact (Multiplier Effect)

Code	Statement	Mean	Interpretation
X2A	During my visit, I spent money on local culinary delights.	4.14	Agree
X2B	I bought craft products/souvenirs from the Jatiluwih community.	3.32	Neutral
X2C	The festival and my visit provided direct economic benefits to local residents.	4.3	Very Agree

Source: Researcher's Analysis, 2025.

Based on the findings of the Local Economic Impact (Multiplier Effect) variable, it can be concluded that visitors agreed they spent on local culinary products ($M = 4.14$, Agree), indicating a direct circulation of money to food and beverage vendors, which strengthens household economies by creating informal job opportunities and increasing MSME income. Meanwhile, the neutral response regarding the purchase of handicrafts and souvenirs ($M = 3.32$, Neutral) suggests that the craft sector has not yet been fully optimized as a channel for the multiplier effect, even though, according to Linkage Theory (Hirschman, 1958), this sector has strong potential to reinforce inter-sectoral connections if managed more effectively. On the other hand, the very high score on the indicator of direct economic benefits for local residents ($M = 4.3$, Very Agree) confirms that the festival and tourist visits have provided tangible impacts consistent with the Multiplier Effect Theory (Keynes, 1936), where visitor expenditures circulate back through consumption, services, and small businesses, thereby strengthening the economic foundation of the Jatiluwih community.

To support the data concerning visitor perceptions of the multiplier effect, the following presents a simulation of the multiplier effect calculation from the implementation of the Jatiluwih Festival using inferential analysis with the Local Purchase Share (LPS) approach. The calculation of revenue and the estimation of economic impact for the Jatiluwih Festival were conducted through descriptive analysis based on secondary data. The data utilized includes daily tourist arrivals, destination retribution fees, the distribution of revenue to local government and village administrations, as well as the average tourist expenditure as reported in official documents and tourism statistics. This analysis aims to provide a quantitative overview of the revenue structure and the potential circulation of the local economy, including the estimation of multiplier effects using the Local Purchase Share (LPS) approach.

In 2024, the total revenue of Jatiluwih Tourism Area (DTW Jatiluwih) amounted to Rp7.000.000.000. Based on the Cooperation Agreement (PKS) between the Tabanan Regency Government and the Jatiluwih Tourism Area management, it can be identified that from the total Rp7.000.000.000, 45% (Rp3.150.000.000) was allocated to the Tabanan Regency Government, while the remaining 55% (Rp3.850.000.000) was distributed to the Jatiluwih management bodies, which consist of the Jatiluwih Administrative Village, Jatiluwih Traditional Village, Gunungsari Traditional Village, Jatiluwih Subak, Gunungsari Abian Subak, and Jatiluwih Abian Subak.

The estimated daily revenue generated from the organization of the Jatiluwih Festival can be calculated as follows: the average daily revenue is approximately Rp19.000.000. which, when multiplied by the two days of festival implementation, results in a total of around Rp38.000.000. Subsequently, after determining the distribution, the inferential analysis can proceed by calculating the Local Purchase Share (LPS), which reflects the proportion of tourist expenditure that is

$$Multiplier = \frac{1}{1 - LPS} = \frac{1}{1 - 0,55} = 2,22$$

“retained” at the local level. From the total Rp7.000.000.000 in annual revenue, not all circulates back into the community. Only the 55% portion (Rp3.85 billion) is directly managed by the village institutions, Subak organizations, and traditional communities, which serves as an indicator of locally retained expenditure. Accordingly, the initial LPS is set at 55%, since the remaining 45% allocated to the Tabanan Regency Government may be considered as “leakage” from a local economic perspective. The multiplier can then be calculated as follows:

The estimated local economic impact during the two-day implementation of the Jatiluwih Festival is derived from direct local expenditure, calculated using the formula **LPS × total festival spending**. Based on the available data, the value of local spending amounts to Rp20.900.000. which, when multiplied by the multiplier coefficient of 2.22, results in a total local economic impact of Rp46.398.000. This calculation demonstrates that although the value of direct expenditure is relatively limited, the multiplier effect substantially amplifies the economic benefits accrued by the

local community, particularly at the level of the Administrative Village (Desa Dinas), Traditional Village (Desa Adat), and Subak management institutions.

Preservation of Local Culture and Identity

Table 7. Preservation of Local Culture and Identity

Code	Statement	Mean	Interpretation
X3A	The Jatiluwih Festival helped me get to know Balinese traditions and culture more deeply.	4.06	Agree
X3B	I feel the festival contributes to the preservation of local arts, dances and rituals.	4.34	Very Agree
X3C	I got an authentic experience that was different from other destinations in Bali.	4.04	Agree
X3D	The festival increased my appreciation for local culture.	4.32	Very Agree

Source: Researcher's Analysis, 2025.

The overall mean score of 4.17 indicates that respondents generally agreed-to-strongly agreed that the Jatiluwih Festival plays a key role in cultural preservation and strengthening local identity. The highest ratings were observed in X3B (M = 4.34) and X3D (M = 4.32), emphasizing the festival's strong contribution to safeguarding traditional arts, dances, and rituals and enhancing visitors' cultural appreciation. Indicators X3A (M = 4.06) and X3C (M = 4.04) also scored highly, affirming the festival's role as a medium for cultural learning and an authentic cultural platform distinct from other destinations. Overall, these results reaffirm that cultural festivals function not only as entertainment but as mechanisms for value transmission, identity reinforcement, and cultural sustainability, consistent with Linkage Theory and Community-Based Tourism (CBT).

Sustainability and Environment (Triple Bottom Line)

Table 8. Sustainability and Environment (Triple Bottom Line)

Code	Statement	Mean	Interpretation
X4A	Festival and destination management pay attention to environmental aspects (waste, cleanliness).	4	Agree
X4B	I feel the festival atmosphere encourages awareness of preserving nature and culture.	4.06	Agree
X4C	I would be willing to come back again because the festival offers an eco-friendly and sustainable experience.	3.94	Agree

Source: Researcher's Analysis, 2025.

The results in Table 8 show that respondents held positive perceptions of the Jatiluwih Festival's environmental performance, with mean scores ranging from 3.94 to 4.06. This indicates consistent agreement that the festival incorporates environmental considerations, particularly cleanliness and waste management. Indicator X4B (M = 4.06) received the highest rating, suggesting that the festival effectively promotes collective awareness of nature-culture conservation, in line with the Triple Bottom Line's emphasis on environmental and social sustainability. Although X4C (M = 3.94) confirms that visitors perceive the festival as eco-friendly, it also signals room for improvement to further strengthen revisit intentions. Overall, the findings show that the Jatiluwih Festival not only functions as a cultural and economic platform but also integrates sustainability values that enhance its image as an environmentally oriented cultural destination.

Satisfaction and General Perception

Table 9. Satisfaction and General Perception

Code	Statement	Mean	Interpretation
X5A	I was satisfied with the experience of attending the Jatiluwih Festival.	3.62	Agree
X5B	The festival added value to my travel visit.	3.78	Agree
X5C	I would recommend Jatiluwih and its festival to others.	4.18	Agree
X5D	Festivals have great potential to become a sustainable tourist attraction in Bali.	4.3	Very Agree

Source: Researcher's Analysis, 2025.

The findings in Table 9 indicate that visitors held generally positive perceptions of the Jatiluwih Festival. Respondents agreed that they were satisfied with their overall experience ($M = 3.62$) and that the festival added value to their trip ($M = 3.78$), although further improvements could enhance visitor satisfaction. A higher mean score for willingness to recommend the destination ($M = 4.18$) underscores strong word-of-mouth potential. The highest rating – stating that festivals hold significant potential as sustainable tourist attractions in Bali ($M = 4.30$) – shows that the event is viewed not only as cultural and recreational but also as a strategic driver of sustainable tourism. Overall, the results demonstrate that the Jatiluwih Festival enhances visitor satisfaction, strengthens destination value, and aligns with long-term sustainability objectives.

2) Jatiluwih Local People Community's Perceptions

The following is the results of the Profile Respondents of the Local People Community's Perceptions questionnaire, which can be seen in Table 10.

Table 10. Profile Respondents of the Local People Community's Perceptions questionnaire

Category	Sub-Category	Percentage
Gender	Male	54.90%
	Female	45.10%
Age	17–25 years	27.50%
	26–30 years	19.60%
	31–40 years	21.60%
	Above 40 years	31.40%
	Farmer	21.60%
Main Occupation	Trader	13.70%
	Artist	13.70%
	Tourism Sector	47.10%
	Civil Servant (PNS)	0%
	Others	3.90%
Length of Stay in Jatiluwih	1 year	2.00%
	2–5 years	0%
	6–10 years	9.80%
	More than 10 years	88.20%
Involvement in Jatiluwih Festival	Committee	29.40%
	Artist	3.90%
	MSMEs	17.60%
	Audience	17.60%
	Others	31.40%

Source: Researcher's Analysis, 2025.

The respondent profile shows that most participants are male (54.9%) and largely above 40 years old (31.4%), with the 17–40 age groups comprising more than two-thirds of the sample. Nearly half work in the tourism sector (47.1%), followed by farmers (21.6%), traders (13.7%), and artists (13.7%), indicating strong links to local cultural economic activities. A large majority have lived in Jatiluwih for over 10 years (88.2%), reflecting deep community attachment. Festival involvement is diverse, with notable representation from committee members (29.4%) and “others” (31.4%), along with MSMEs (17.6%), artists (3.9%), and audiences (17.6%). Overall, the profile reflects a mature, tourism-oriented community with long-term residency and substantial engagement in the festival, suggesting strong potential to sustain cultural and economic impacts through community-based tourism.

The following is the results of the validity of Local People Community’s Perceptions questionnaire, which can be seen in Table 11.

Table 11. Validity Test for Local People Community’s Perceptions

Variable	Item	r Counted	r Table (0.278)	Remark
X1 = Participation	X1A	0.933	0.278	Valid
	X1B	0.936	0.278	Valid
	X1C	0.907	0.278	Valid
	X1D	0.878	0.278	Valid
X2 = Economic Impact	X2A	0.912	0.278	Valid
	X2B	0.944	0.278	Valid
	X2C	0.97	0.278	Valid
	X2D	0.932	0.278	Valid
X3 = Cultural Preservation	X3A	0.954	0.278	Valid
	X3B	0.954	0.278	Valid
	X3C	0.925	0.278	Valid
	X3D	0.94	0.278	Valid
X4 = Government & Private Support	X4A	0.93	0.278	Valid
	X4B	0.947	0.278	Valid
	X4C	0.933	0.278	Valid
	X4D	0.949	0.278	Valid
X5 = Sustainability	X5A	0.889	0.278	Valid
	X5B	0.936	0.278	Valid
	X5C	0.935	0.278	Valid
	X5D	0.935	0.278	Valid
X6 = Satisfaction & Perception	X6A	0.968	0.278	Valid
	X6B	0.952	0.278	Valid
	X6C	0.955	0.278	Valid
	X6D	0.976	0.278	Valid

Source: Researcher’s Analysis, 2025.

The validity test of the questionnaire was conducted using Pearson’s Product Moment Correlation, in which each item was correlated with the total score of its respective variable. The validity criterion was determined based on the comparison between the calculated correlation coefficient (r-counted) and the critical r-table value of 0.278 (df = 48, $\alpha = 0.05$). The results show that all correlation coefficients (r-counted) for items in variables X1 through X6 exceed the r-table value, indicating that each item has a sufficient level of correlation with its respective construct. Therefore,

all items are declared valid and appropriate for use in this study, as they effectively represent the theoretical constructs of visiting experience, local economic impact, cultural preservation, government and private sector support, sustainability aspects, and tourist satisfaction. These findings confirm that the instrument is both conceptually and empirically aligned, ensuring that it can effectively capture the dimensions of perception under investigation. The use of r-counted as the primary criterion provides a more robust assessment of item validity, as it reflects the strength of the relationship between each item and its construct.

The following are the results of the reliability of Local People Community's Perceptions questionnaire, which can be seen in Table 12.

Table 12. Reliability Test for Local People Community's Perceptions

Variable	Number of Items	Cronbach's Alpha	Description
Participation (X1)	4	0.684	Fairly reliable
Economic Impact (X2)	3	0.767	Reliable
Cultural Preservation (X3)	4	0.814	Highly reliable
Government and Private Support (X4)	3	0.759	Reliable
Sustainability (X5)	4	0.821	Highly reliable
Satisfaction and Perception (X6)	4	0.972	Highly reliable

Source: Researcher's Analysis, 2025.

The reliability test for the Local People Community's Perceptions questionnaire was conducted using Cronbach's Alpha with a minimum threshold of 0.70. The results demonstrate that Participation (X1) obtained an alpha coefficient of 0.684, which is slightly below the standard threshold but still acceptable in exploratory research contexts. Economic Impact (X2) achieved a coefficient of 0.767, indicating good reliability, while Cultural Preservation (X3) recorded 0.814, reflecting a high level of internal consistency. Similarly, Government and Private Sector Support (X4) reached 0.759, showing reliable measurement, and Sustainability (X5) yielded a coefficient of 0.821, confirming very strong reliability.

Furthermore, Satisfaction and General Perception (X6) obtained the highest Cronbach's Alpha value of 0.972, indicating excellent internal consistency and a very strong level of reliability among its measurement items. This suggests that the indicators used to measure satisfaction and perception are highly consistent and well-constructed.

Overall, these results affirm that, despite one variable being marginally below the conventional threshold, all variables demonstrate acceptable to excellent reliability. Therefore, the instrument is considered reliable and appropriate for capturing community perceptions of the Jatiluwih Festival and its role in strengthening the local economic multiplier effect.

Community Participation (Theory: Arnstein's Ladder of Participation)

Table 13. Community Participation

Code	Statement	Mean	Median	Interpretation
X1A	I was involved in the planning process of the Jatiluwih Festival	4.16	4	Agree
X1B	I had the opportunity to provide input into festival decision-making	4.1	4	Agree

X1C	I feel that the community's role is not only as implementer but also manager	4.1	4	Agree
X1D	My participation in the festival increased my sense of belonging to local culture	4.38	5	Strongly Agree

Source: Researcher's Analysis, 2025.

The results in Table 13 show consistently high levels of community participation in the Jatiluwih Festival. Respondents agreed that they were actively involved in planning ($M = 4.16$) and had opportunities to contribute to decision-making ($M = 4.10$), indicating movement toward more collaborative forms of engagement. They also agreed that the community serves not only as implementers but as managers ($M = 4.10$), demonstrating shared responsibility in festival governance. The highest score, an increased sense of belonging to local culture ($M = 4.38$) highlights how participation strengthens cultural attachment and ownership. Overall, the findings confirm that the Jatiluwih Festival aligns with Community-Based Tourism principles and Arnstein's Ladder of Participation by empowering local residents to take active, strategic roles. This level of involvement supports event sustainability and enhances its economic, social, and cultural multiplier effects within the community.

Local Economic Impact (Multiplier Effect & Linkage Theory)

Table 14. Local Economic Impact (Multiplier Effect & Linkage Theory)

Code	Statement	Mean	Median	Interpretation
X2A	I was involved in the planning process of the Jatiluwih Festival	4.16	4	Agree
X2B	I had the opportunity to provide input into festival decision-making	4.1	4	Agree
X2C	I feel that the community's role is not only as implementer but also manager	4.1	4	Agree
X2D	My participation in the festival increased my sense of belonging to local culture	4.38	5	Strongly Agree

Source: Researcher's Analysis, 2025.

The findings in Table 14 show that the community views its involvement in the Jatiluwih Festival as significantly enhancing both the multiplier effect and inter-sectoral linkages. Respondents agreed that participation in planning ($M = 4.16$) and decision-making ($M = 4.10$) helps circulate economic benefits locally, aligning with Multiplier Effect Theory. Their role as both implementers and managers ($M = 4.10$) also positions them to coordinate MSMEs, agriculture, and creative industries, supporting (Hirschman, 1958) Linkage Theory. The strongest agreement ($M = 4.38$) indicates that participation strengthens cultural pride and belonging, reinforcing the social base for sustained economic activity. Overall, the results show that active community participation boosts the multiplier effect by retaining expenditures locally, distributing benefits across sectors, and embedding economic activities within cultural ownership.

Preservation of Local Culture and Identity

Table 15. Preservation of Local Culture and Identity

Code	Statement	Mean	Median	Interpretation
X3A	Festivals help preserve local traditions, arts, and culture	4.44	5	Strongly Agree

X3B	The younger generation is increasingly interested in preserving culture through festivals	4.3	5	Strongly Agree
X3C	The festival strengthens the cultural identity of the Jatiluwih community	4.4	5	Strongly Agree
X3D	I am proud of the Jatiluwih Festival as a cultural heritage of the village	4.46	5	Strongly Agree

Source: Researcher's Analysis, 2025.

The findings in Table 15 show that the Jatiluwih Festival significantly contributes to cultural preservation and community identity, as indicated by high mean scores (4.30–4.46) and median values of 5 (Strongly Agree). Respondents agreed that the festival safeguards local traditions and arts ($M = 4.44$), encourages youth interest in cultural preservation ($M = 4.30$), and strengthens Jatiluwih's cultural identity ($M = 4.40$). The strongest agreement ($M = 4.46$) reflects strong community pride in the festival as cultural heritage. Overall, the results indicate that the festival serves not only as a cultural attraction but also as a strategic mechanism for sustaining traditions, reinforcing identity, and motivating youth engagement, consistent with Community-Based Tourism and cultural preservation frameworks.

Government and Private Sector Support

Table 16. Government and Private Sector Support

Code	Statement	Mean	Median	Interpretation
X4A	The government supports festivals through regulations, infrastructure, or funding	4.08	4	Agree
X4B	The private sector contributes through sponsorship, promotion, or cooperation	4.16	4	Agree
X4C	Collaboration between community, government, and private sector strengthens festival sustainability	4.16	4	Agree
X4D	Support from various parties makes the festival more qualified and competitive	4.26	4	Agree

Source: Researcher's Analysis, 2025.

The results of Table 16 highlight that government and private sector support play a crucial role in sustaining the Jatiluwih Festival. Respondents agreed that the government contributes through regulations, infrastructure, and funding ($M = 4.08$), while the private sector supports the festival via sponsorship, promotion, and cooperation ($M = 4.16$). Moreover, collaboration between the community, government, and private stakeholders was perceived as essential in strengthening festival sustainability ($M = 4.16$). The highest mean score was recorded for the statement that multi-party support enhances the quality and competitiveness of the festival ($M = 4.26$), underscoring the significance of strategic partnerships. These findings confirm that institutional backing and cross-sectoral cooperation are vital not only for improving event management capacity but also for amplifying the cultural, social, and economic impacts of the festival in line with community-based tourism and multi-stakeholder collaboration frameworks.

Environmental & Social Dimensions (Triple Bottom Line)

Table 17. Environmental & Social Dimensions (Triple Bottom Line)

Code	Statement	Mean	Median	Interpretation
X5A	The festival pays attention to environmental aspects (waste management, cleanliness, use of resources)	4.26	4	Agree
X5B	The festival strengthens the values of mutual cooperation and community togetherness	4.18	4	Agree
X5C	Festivals increase people's pride in their villages and culture	4.22	4	Agree
X5D	The festival encourages awareness of protecting nature and the environment	4.28	4.5	Agree

Source: Researcher's Analysis, 2025.

The findings in Table 17 show that the Jatiluwih Festival effectively incorporates environmental awareness and social values, consistent with the Triple Bottom Line framework. Respondents agreed that the festival manages waste, cleanliness, and resource use responsibly ($M = 4.26$) and strengthens collective values such as cooperation and community togetherness ($M = 4.18$). They also noted increased pride in the village and culture ($M = 4.22$) and heightened environmental awareness ($M = 4.28$). Overall, the results indicate that the festival functions not only as a cultural and economic event but also as a platform that reinforces social cohesion and ecological consciousness, supporting sustainable and community-based tourism.

General Perception

Table 18. General Perception

Code	Statement	Mean	Median	Interpretation
X6A	I am satisfied with the benefits that the Jatiluwih Festival provides to the community	4.22	4	Agree
X6B	The festival has a positive impact on the village's economy and society	4.2	4	Agree
X6C	The festival has the potential to become a sustainable annual cultural event	4.4	5	Strongly Agree
X6D	I support the sustainability of the Jatiluwih Festival in the future	4.38	5	Strongly Agree

Source: Researcher's Analysis, 2025.

The findings in Table 18 indicate that the community holds a highly positive perception of the Jatiluwih Festival. Respondents agreed that the festival provides tangible local benefits ($M = 4.22$) and generates positive economic and social impacts for the village ($M = 4.20$). Strong agreement was also recorded regarding its potential as a sustainable annual cultural event ($M = 4.40$) and support for its future continuity ($M = 4.38$). Overall, these results show that the festival is viewed not merely as a temporary activity but as a strategic platform for strengthening identity, promoting economic growth, and sustaining the community's socio-cultural fabric. The consistently positive perceptions reinforce its social legitimacy and its role as a model of sustainable culture-based tourism.

b) Qualitative Findings

1. Local community involvement can strengthen the multiplier effect of the Jatiluwih Festival on the local economy.

Local community involvement in the Jatiluwih Festival demonstrates their central role in generating a multiplier effect on the village economy. Field findings reveal that the interactions among visitors, local residents, small and medium enterprises (SMEs), village authorities, and the destination management organization create a layered economic ecosystem that circulates across agriculture, culinary activities, cultural arts, and tourism-related services.

From the visitors' perspective (R1–R4), consumption patterns indicate direct economic impacts. R1 explained, *"I spent a lot on red rice, red rice crackers... altogether around 500,000 IDR"* (R1), reflecting a relatively high willingness to spend on local products. R3 also emphasized a preference for traditional culinary items, stating, *"the popular foods... suckling pig, tipat cantok, red rice and its derivatives"* (R3). Similarly, R4 appreciated product innovation, noting, *"The most interesting product was the red rice syrup... it was the first time I had seen it"* (R4). Nevertheless, some visitors expressed criticism regarding product repetition. R4 observed that *"almost every stall seemed to sell the same products"* (R4), while R1 commented, *"the event was quite interesting, but I would not say it was very impressive"* (R1). These insights highlight that while the economic multiplier effect is present, it remains suboptimal as it is largely confined to daily consumption patterns. In line with (Hirschman, 1958) linkage theory, backward linkages to the agricultural sector are evident, yet forward linkages such as diversification into creative products, distinctive handicrafts, and integrated tourism packages are still underdeveloped.

From the perspective of the village government (R6), community involvement is facilitated through the provision of business spaces and training. R6 emphasized, *"These products... are clearly from our local SMEs in Jatiluwih Village, offered at the stalls we provided, ranging from food products, snacks, to porridge and others"* (R6). The festival also serves as a platform to sustain the agrarian *subak* culture, which is recognized as a UNESCO heritage. As R6 stated, *"When we talk about tourism programs, they are inherently related to agriculture, how we can elevate the culture within agriculture itself"* (R6). This underscores that the multiplier effect extends beyond economic outcomes, encompassing socio-cultural dimensions as well particularly the strengthening of the village's agricultural identity as a tourism attraction.

From the perspective of local SMEs (R7), the festival has generated tangible impacts, particularly in terms of business promotion. R7 explained, *"The first benefit is definitely promotion... many people come to the festival, both tourists and domestic visitors, and they immediately get to know my place... the number of visitors is much higher than on ordinary days"* (R7). SMEs also adapt to environmentally friendly practices, as R7 highlighted, *"We are not allowed, for example, to use plastic... so the event really fits well with my business"* (R7). This viewpoint aligns with the principles of the Triple Bottom Line (Elkington, 1997), demonstrating that the festival contributes to economic outcomes (increased turnover), social benefits (business promotion and interaction with visitors), and environmental dimensions (the adoption of non-plastic practices).

Furthermore, the DTW Manager (R8) emphasized that nearly the entire community was engaged in the festival. He stated, *"In the implementation of the last festival, we involved perhaps more than 90% of the community, from kindergarten children to the elderly... we prepared the SME stalls for them"* (R8). This situates the community not merely as spectators but as primary actors in event production, consistent with Community Participation Theory (Arnstein, 1969). The degree of involvement corresponds to the level of Partnership, as local residents were included in both planning and implementation. However, it has not yet fully reached the stage of Citizen Control, where the community independently determines the strategic direction of the festival.

However, to ensure that the multiplier effect is truly sustainable rather than temporary, the Jatiluwih Festival needs to orient its development strategy toward the creation of value-added products with higher competitiveness in the tourism market. At present, most of the offerings remain

concentrated on red-rice-based culinary products (such as red rice *cendana*, crackers, porridge, and syrup). While these products embody strong elements of local wisdom, the repetition across stalls, as noted by visitors (*"almost every stall seemed to sell the same products"*, R4), indicates that diversification has not yet been fully realized.

The development of premium rice branding can serve as a strategic approach to enhance economic value while simultaneously expanding market reach. For instance, *beras merah cendana* should not merely be marketed as a raw commodity but rather packaged exclusively with narratives that highlight its health benefits, sustainability, and the cultural identity of Bali. Such branding enables the product to be positioned as a high-value souvenir and even penetrate international markets through collaborations with tourism retail channels and global e-commerce platforms. This strategy aligns with the concept of forward linkages within the Multiplier Effect Theory, wherein local products transcend daily consumption and evolve into value-added commodities that reinforce long-term community income.

In addition, the festival should also stimulate the creation of thematic handicrafts that reflect Jatiluwih's agricultural identity as a UNESCO World Heritage site. For example, this could include the development of merchandise inspired by terraced rice field icons (such as miniatures, textile motifs, or accessories) as well as creative products made from agricultural waste, such as straw weaving and bamboo crafts. Such initiatives not only diversify the product offerings of local micro, small, and medium enterprises (MSMEs) but also reinforce the narrative of sustainable tourism through the principles of the circular economy, whereby agricultural by-products are transformed into marketable goods.

Furthermore, the integration of trekking packages, culinary workshops, and agro-tourism has the potential to extend the multiplier effect into the service sector. For instance, tourists would not only purchase red rice but also participate in guided tours of the rice fields, observe planting and harvesting practices firsthand, or learn how to prepare traditional dishes using red rice. As emphasized by Respondent 6, the festival represents an integral part of the agricultural cultural cycle (*"it is part of our cultural cycles... it is connected with nature"* – R6), thereby highlighting the interconnection between local traditions and nature. Transforming this agrarian culture into an educational tourism experience provides significant added value. The integration of agriculture-based products and services is consistent with the principles of experiential tourism, which has been shown to enhance visitor satisfaction while also extending the length of stay.

To ensure that these value-added products can reach wider markets, the festival must also strengthen its digital promotion and international marketing strategies. At present, promotional efforts have been carried out through social media platforms such as Instagram and TikTok. As noted by Respondent 8, *"Our digital promotion in Bali is through TikTok and Instagram... we hired someone who usually manages social media, and we tried it for three months to see the results"* (R8). Nevertheless, this digital strategy should be further expanded by leveraging storytelling rooted in agricultural identity, collaborating with international influencers, and integrating e-commerce platforms to effectively market local MSME products.

In addition, international branding can be reinforced through Jatiluwih's UNESCO status and its positioning as a global agricultural destination. Respondent 8 emphasized the significance of UNESCO recognition as a promotional advantage: *"I always say we are the only village in Bali that has received two titles... this comes from the United Nations, and usually influencers are attracted to that"* (R8). Such a narrative can be strategically highlighted to differentiate Jatiluwih from other cultural festivals in Bali, which tend to focus more on performing arts or urban culinary traditions.

Thus, the development of value-added products combined with digital and international promotional strategies will not only generate direct income for the local community but also expand the backward and forward linkages within the tourism economy chain. This approach ensures that the multiplier effect of the Jatiluwih Festival does not end with the annual event itself but rather

transforms into a sustainable economic ecosystem that delivers long-term benefits for local communities, government, and the private sector.

2. The role of government and the private sector in supporting local community involvement in the Jatiluwih Festival

The success of community involvement in the Jatiluwih Festival cannot be separated from the role of government and the private sector as key catalysts.

From the perspective of the Tabanan Regency Tourism Office (R5), the management of the festival is carried out through a formal mechanism in the form of a Cooperation Agreement (PKS) based on e-ticketing. As explained, "...everything is clearly stated in the cooperation agreement... at the end of the month the calculations are made by the management, and then the net revenue is distributed, whether it goes into the Regional Original Revenue (PAD), the percentages are already determined" (R5). This mechanism illustrates a forward linkage at the regional level, as the festival not only impacts local MSMEs but also contributes to PAD. In addition, R5 emphasized community participation: "...the community is indeed involved, such as in performing during the event, welcoming guests, and managing the culinary stands, which are run by local residents" (R5). Thus, the local government functions as both a regulatory facilitator and a connector of economic benefits across stakeholders.

The village government (R6) plays a crucial role in coordinating multi-level governance alongside the customary villages (*desa adat*), the regency government, and the *subak* system. As emphasized, "We have a cooperation involving five parties, namely the regency government, the village government, two customary villages, and one *Bekaseh* that oversees the *Subak*" (R6). In addition, the village government undertakes capacity-building initiatives, such as festival management training for local youth: "There was, for example, an event organizer program; recently the management organized training for our young people... covering various areas, including catering, transportation, and others" (R6). This demonstrates that the village government not only regulates governance structures but also ensures that younger generations acquire the necessary skills to participate meaningfully in the festival's implementation.

The private sector and local MSMEs (R7) support the festival through sponsorship and voluntary donations. As noted, "So previously it was in the form of donations... with a minimum contribution of around one hundred thousand" (R7). Sponsorship also serves as an essential funding source given the limitations of the village budget, as acknowledged by R6: "...other funding sources include contributions from sponsors" (R6).

The DTW Manager (R8) emphasized that digital promotion constitutes one of the key contributions of the private sector. He explained, "Our digital promotion in Bali is through TikTok and Instagram... we hired someone who usually manages social media, and we tried it for three months to see the results" (R8). This strategy has broadened the festival's outreach, reinforced its UNESCO branding, and positioned Jatiluwih as an internationally recognized agricultural destination.

Meanwhile, visitors (R1–R4) also provided feedback regarding the role of government and the private sector. R1 criticized the limited facilities, stating, "first, the parking area... and then... there are no toilets" (R1), while R3 highlighted the need for international-standard amenities: "...it would be better if the organizers provided translators or interpreters and seating facilities for tourists" (R3). These criticisms demonstrate that government and private sector support in providing infrastructure and basic facilities is crucial for ensuring visitors' comfort while simultaneously enhancing the festival's overall attractiveness.

3. Convergence of Research Findings.

The findings of this study demonstrate that local community involvement plays a significant role in strengthening the multiplier effect of the Jatiluwih Festival on the village economy.

Quantitative analysis indicates that the level of community participation falls into the high category, with respondents reporting agreement to strong agreement regarding their involvement in planning ($M = 4.16$), decision-making ($M = 4.10$), and an increased sense of ownership of local culture ($M = 4.38$). These findings are further supported by visitor perceptions, which highlight that the festival generates direct economic benefits ($M = 4.30$), particularly through the consumption of local culinary products ($M = 4.14$). Nevertheless, the purchase of handicrafts or souvenirs remains relatively neutral ($M = 3.32$), suggesting that the craft sector has not yet been fully optimized as a channel for strengthening economic linkages. Quantitative estimations using the Local Purchase Share (LPS) approach reveal that although direct local spending only reached IDR 20.900.000, the multiplier effect coefficient of 2.22 amplified the total economic benefit to IDR 46.398.000 for the Jatiluwih community.

The qualitative findings further reinforce these results. Visitors (R1–R4) reported relatively high spending on red rice-based culinary products, while also criticizing the uniformity of offerings across stalls, which may limit their overall attractiveness. The village government (R6) emphasized that the festival has become both a platform for empowering local MSMEs and a means of preserving the agrarian identity of subak as a UNESCO heritage system. Similarly, the DTW manager (R8) highlighted that more than 90% of residents, ranging from children to the elderly, actively participate in the festival. This condition aligns with the Multiplier Effect Theory (Keynes, 1936) and Linkage Theory (Hirschman, 1958), wherein active community engagement strengthens local economic circulation while simultaneously fostering cultural ownership. Nevertheless, the sustainability of the multiplier effect requires diversification into value-added products, such as premium branding of red rice and thematic crafts utilizing agricultural waste, ensuring that the economic impact does not stop at daily consumption but evolves into high-value, competitive commodities.

The role of government and the private sector also emerges as a critical catalyst in ensuring the festival's success. Survey results indicate that the community strongly agrees that government support ($M = 4.08$) and private sector involvement ($M = 4.16$) are highly decisive, with multi-stakeholder collaboration perceived as enhancing both the quality and competitiveness of the festival ($M = 4.26$). This finding is reinforced by interviews with the Tabanan Regency Tourism Office (R5), which emphasized the role of Cooperation Agreements (PKS) in regulating revenue distribution between local government (PAD) and the village, while also engaging the community in cultural performances and culinary activities. The village government (R6) further implements festival management training for younger generations, ensuring that community involvement extends beyond implementation to managerial functions. From the private sector side, contributions are manifested in sponsorships, voluntary donations, and digital promotion strategies through TikTok and Instagram (R8), which strengthen the UNESCO branding and position Jatiluwih as a world-class agricultural destination. However, visitor critiques concerning limited parking facilities, inadequate toilets, and the need for international services such as translators (R1, R3) highlight that infrastructural support and basic amenities remain a priority to maintaining visitor comfort.

Overall, the integration of quantitative and qualitative data affirms that the multiplier effect of the Jatiluwih Festival has been substantiated through broad community involvement and measurable local economic circulation, although it remains largely concentrated in the culinary sector. Government support through regulatory mechanisms, local revenue (PAD), and infrastructure, alongside private sector contributions in the form of sponsorships and digital promotion, has demonstrably strengthened community capacity in festival management. Moving forward, the sustainability of the multiplier effect will depend heavily on diversifying value-added products, enhancing facilities, and implementing stronger international branding strategies. Consequently, the Jatiluwih Festival serves not only as an annual cultural agenda but also as a model for village-based economic empowerment rooted in UNESCO heritage, aligned with the Triple Bottom Line principles of sustainable tourism development.

Discussion

Based on the Multiplier Effect Theory proposed by John Maynard Keynes and Arnstein's Ladder of Citizen Participation developed by Sherry Arnstein, this study demonstrates that community participation at the partnership level (score of 4.16) strengthens the festival's economic multiplier effect with a coefficient of 2.22, which is higher than that of other festivals. However, Linkage Theory introduced by Albert O. Hirschman explains the critical finding that souvenir purchases remain neutral (3.32), indicating an imbalance between strong backward linkages to the agricultural sector and weak forward linkages to the handicraft sector. Meanwhile, Triple Bottom Line proposed by John Elkington confirms that cultural preservation (score of 4.34) is not merely a secondary benefit but an economic prerequisite, although the uniformity of products remains a challenge requiring differentiation strategies.

Furthermore, Arnstein's Ladder of Citizen Participation also reveals that government support (4.08) and private sector support (4.16) are highly important; however, the leakage of 45% of revenue to the regency level indicates that citizen control remains difficult to achieve within a multi-level governance structure. The limitations of basic facilities such as toilets and parking areas reflect weak infrastructure support, which constrains the multiplier effect. Finally, Linkage Theory proposed by Albert O. Hirschman is again relevant in explaining that high value-added products have not yet been fully developed. Therefore, product diversification such as premium red rice branding, agricultural waste handicrafts, and agro-tourism packages is necessary to strengthen forward linkages. Theoretically, this study integrates these four theories to explain that a sustainable multiplier effect requires community participation, balanced intersectoral linkages, and supportive multi-stakeholder governance.

CONCLUSION

This study empirically demonstrates that strengthening the economic multiplier effect of cultural festivals does not occur automatically; rather, it is determined by three interrelated strategic pillars: community participation at the partnership level (score of 4.16 out of 5), sectoral integration through balanced linkages, and collaborative governance among government, private sector, and local communities. The study's main scientific contributions are: (1) developing a multiplier estimation model based on Local Purchase Share (LPS) with a coefficient of 2.22 that can be replicated in cultural festivals within world heritage areas; (2) integrating Multiplier Effect Theory, Linkage Theory, Arnstein's Ladder of Participation, and the Triple Bottom Line into a single mixed-methods framework that has not previously been applied in the context of Balinese festivals; and (3) empirically revealing that a 45% revenue leakage to the regency level constitutes a structural barrier toward achieving citizen control. These findings also address a theoretical gap by showing that a sustainable multiplier effect can only be achieved when community participation, balanced linkages (particularly the strengthening of forward linkages in the handicraft sector, which remains weak with a score of 3.32), and multi-stakeholder support operate simultaneously.

The limitations of this study include a limited sample size ($n = 100$), the dominance of culinary sector data, and a cross-sectional design that does not yet capture long-term dynamics. Future research agendas should focus on testing mediation/moderation models (for example, the quality of creative products as a mediating variable), conducting longitudinal studies to capture changes in spending behavior and leakage dynamics, undertaking comparative studies among cultural festivals in world heritage areas (such as Ubud Writers & Readers Festival or Bali Arts Festival) to strengthen the generalizability of the LPS model, and exploring in depth the relatively low scores for visit motivation ($M = 2.9$), satisfaction ($M = 3.62$), and revisit intention ($M = 3.94$) in order to uncover

psychological and situational factors that have not yet been accommodated in the current quantitative instrument.

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