

THE IMPACT OF INTERNET TECHNOLOGY APPLICATION OF THE RURAL TOURIST VILLAGES TO THE LOCAL COMMUNITIES ECONOMY IN INDONSIA

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Abstract: *The Impact of Internet Technology Application of the Rural Tourist Villages to the Local Communities Economy in Indonesia. This research looks at how the Internet might be used effectively for economic development beyond statistics. This research delves into the intricate interplay between internet technology adoption and its implications for the economic landscape of Indonesia's rural tourist villages. By examining the influence of internet technology on local economic activities, entrepreneurship, marketing, and sustainability practices, the study aims to uncover how digital innovation reshapes the economic trajectories of these communities. A mixed-method approach combining qualitative interviews, surveys, and quantitative data analysis is employed to gather insights from local community members, entrepreneurs, and tourists. By examining factors like digital literacy, internet accessibility, and community engagement, the study seeks to unveil the nuanced dynamics that underlie the integration of internet technology within the rural tourism context. Ultimately, this research contributes to a deeper understanding of the transformative potential of internet technology in rural tourist villages, shedding light on the mechanisms through which digital innovation can drive economic growth, empower local communities, and enrich the overall tourism experience. The findings have implications for policymakers, businesses, and community stakeholders, offering insights into harnessing internet technology as a catalyst for sustainable economic development in Indonesia's rural landscapes.*

Keywords: *Internet Technology, Economic Development, Public administration science journal*

Abstrak: **Dampak Penerapan Teknologi Internet Desa Wisata Pedesaan Terhadap Perekonomian Masyarakat Lokal di Indonesia.** Penelitian ini akan melihat bagaimana Internet dapat digunakan secara efektif untuk pembangunan ekonomi di desa wisata. Penelitian ini menggali

interaksi yang rumit antara adopsi teknologi internet dan implikasinya terhadap lanskap ekonomi desa wisata di Indonesia. Dengan memeriksa pengaruh teknologi internet pada kegiatan ekonomi lokal, kewirausahaan, pemasaran, dan praktik keberlanjutan, penelitian ini bertujuan untuk mengungkap bagaimana inovasi digital membentuk kembali lintasan ekonomi masyarakat ini. Pendekatan metode campuran yang menggabungkan wawancara kualitatif, survei, dan analisis data kuantitatif akan digunakan untuk mengumpulkan wawasan dari anggota masyarakat setempat, pengusaha, dan wisatawan. Dengan mengkaji faktor-faktor seperti literasi digital, aksesibilitas internet, dan keterlibatan masyarakat, studi ini berusaha mengungkap dinamika bernuansa yang mendasari integrasi teknologi internet dalam konteks desa wisata. Penelitian ini berkontribusi pada pemahaman yang lebih dalam tentang potensi transformatif teknologi internet di pedesaan desa wisata, menyoroti mekanisme di mana inovasi digital dapat mendorong pertumbuhan ekonomi, memberdayakan masyarakat lokal, dan memperkaya pengalaman pariwisata secara keseluruhan. Temuan ini memiliki implikasi bagi pembuat kebijakan, bisnis, dan pemangku kepentingan masyarakat, yang menawarkan wawasan untuk memanfaatkan teknologi internet sebagai katalis pembangunan ekonomi berkelanjutan di lanskap pedesaan Indonesia.

Kata Kunci: Teknologi Internet, Perkembangan Ekonomi, Jurnal Ilmu Administrasi Publik

INTRODUCTION

Indonesia is one of the South East Asian countries that has aggressively pursued and incorporated information technology into several economic sectors. Despite the great hopes for communication technology use to boost the rural economy. There is no concrete information on how the rural population makes use of the Internet, whether for purposes of economic growth or for other goals. (United Nations, 2021). "The future belongs to those who understand that doing more with less is compassionate, prosperous, and enduring, and thus more intelligent, even competitive." These profound words from Paul Hawken encapsulate the essence of a contemporary revolution unfolding in Indonesia's rural tourist villages – the

integration of internet technology to amplify economic landscapes (Hawken, 2020).

Indonesia, renowned for its vibrant cultures and breathtaking landscapes, is a tapestry of rural tourist villages brimming with rich heritage. As these villages converge with the digital age, a new narrative of economic possibilities is being woven. The belief underlying this study is that comprehending the confluence of technology and traditional communities is vital for nurturing sustainable growth, preserving indigenous identity, and fostering empowerment.

The fusion of internet technology and local economies paints a diverse panorama of prospects. From invigorating entrepreneurship to redefining marketing strategies, from nurturing cultural preservation to championing sustainable practices, the spectrum of influence is expansive. By delving into the realm of economic activities, this research endeavours to unravel how the infusion of internet technology catalyses economic dynamism, propels community participation, and addresses contemporary challenges faced by rural tourist villages.

Guided by an assemblage of seminal theoretical frameworks, including the Diffusion of Innovation, Community-Based Tourism, Digital Entrepreneurship, and Place Attachment theories, this study presents a holistic lens. Through an amalgamation of qualitative interviews, surveys, and rigorous quantitative analysis, we embark on an academic odyssey to unveil the intricate dynamics shaping the assimilation of internet technology within the tapestry of Indonesia's rural landscapes. Ultimately, this research

seeks to contribute to the academic discourse, offering actionable insights for policymakers, businesses, and local communities, navigating the uncharted terrain where technology and tradition intertwine, orchestrating a symphony of economic progress within Indonesia's rural tourist villages.

In Indonesia, With the launch of Fourth Generation (5G) mobile Internet or web browsing on wireless in 2021, clients who can access webcasts, television, and the internet can now do so utilizing their mobile phones and desktops or laptops. Even some countries have 5G's Technology, Indonesia still working on to it. To address 5G applications, there are many developments to be considered above the introductory (Gopal & Kuppusamy, 2015). The United States, along with China and South Korea, is one of the leaders in the race to 5G. (Gallagher & Devine, 2019). To lead in 5G technology research and implementation, each country has developed its own strategy. However, In Indonesia, participation of the private sector in the expansion of the telecommunications sector has increased dramatically in the previous five years, with infrastructure being extended to rural areas. Meanwhile, Indonesia was successfully launched Satellite of the Palapa Ring. The Palapa Ring network was built in stages, beginning in the western region and ending in 2018. The network in the center region was completed earlier this year. The eastern region, which was finished in August 2019, comprises 42 districts and cities in Papua, West Papua, Maluku, and East Nusa TenggaraL.

Overall, ASEAN's telecommunications growth is unavoidable. According to the Internet World Statistical Report (2022), ASEAN'S user for internet is increasing 66% since 2000 until medio 2022. Additionally, it demonstrates that there were over 436 million Internet users in 2022. The increase in Internet users in Indonesia from 2 million to more than 171 million represents a positive domestic outlook that reflects the sector's success over the last 22 years.

However, the researcher needs to develop more this topic with this research to reveal more what are they doing with the internet usage nowadays. As Indonesia have been part of ASEAN from many years maybe support stakeholders to make decision about this part. On the other hand, we can reveal penetration internet user to villagers in Indonesia. As the largest population in ASEAN's Country it might be so interesting to further research.

While Ha et al. (2008) identified technology as a developmental instrument, Without the identification of those who will use the technology effectively and sustain the innovation, the whole effort to use information to close the gap would continue to fail. This research is crucial because there hasn't been any empirical study done primarily on Internet uptake for the economic gain for rural residents in developing nations. It will investigate if people utilize the Internet to obtain information about their financial situation. This research will address that void by providing empirical proof of the possibility of leveraging the Internet for economic development.

In an era where technology acts as both an enabler and disruptor, the integration of internet technology within the rural tourist villages of Indonesia has become a nexus of transformative potential. The proposed "Digital Resonance Theory" seeks to provide a comprehensive framework for understanding the intricate interplay between the application of internet technology and its profound socio-economic implications on local communities and their economies.

The Digital Resonance Theory draws inspiration from James H. Fowler's concept of "Social Contagion," where behaviors and emotions spread across social networks (Fowler & Christakis, 2020). In the context of rural tourist villages, this theory posits that the adoption of internet technology acts as a catalyst for the diffusion of socio-economic changes. The initial spark of technology adoption resonates through interconnected networks, leading to amplified economic activities, entrepreneurship, and community engagement.

Quoting Fowler and Christakis, "Behaviors, emotions, and information can be seen as traveling in social networks, much like infectious diseases do" (Fowler & Christakis, 2020). In the same vein, the Digital Resonance Theory contends that the adoption of internet technology initiates a cascade of economic behaviors that traverse local communities, spurring innovation and collaboration among villagers.

This theory integrates elements from Everett Rogers' "Diffusion of Innovation" theory, emphasizing the attributes of relative advantage, compatibility, complexity, and observability (Rogers, 2003). It also

incorporates insights from the "Community-Based Tourism" theory, underlining the empowerment of local communities for economic growth (Scheyvens, 2022). Furthermore, the Place Attachment Theory is interwoven, acknowledging the emotional bonds individuals form with a place, which is augmented through technology (Scannell & Gifford, 2020). The Digital Resonance Theory asserts that the adoption of internet technology triggers a resonance effect that ripples through rural tourist villages, transforming economic paradigms. Through qualitative interviews, surveys, and quantitative data analysis, this theory can be empirically examined to uncover how digital innovation resonates through social networks, propelling economic diversification, cultural preservation, and sustainable practices.

Bamiro (2006) claims that Innovation and research are commonly confused, and innovation success is determined by scientific or technological advancements. The application of knowledge in manufacturing is known as innovation. He emphasized that in emerging economies, innovation is viewed as the culmination of a process that extends from invention to development to commercialization and diffusion. He defines innovation as "individual or corporate actions at the frontier of knowledge.". The Innovation Dynamics Adoption the underlying behavioral theory has been the word of mouth effect, the diffusion effect, or interpersonal interaction was applied by Mahajan and Peterson (1995) to further illuminate Rogers (1983) When it comes to social systems, word-of-mouth and human contacts still have an impact on how quickly knowledge

spreads.

However, Grudin (2001) warns that before embracing collaborative technology, users must first gain a thorough comprehension of it. Observability has been defined as the ease with which others can be informed about the effects or outcomes of employing information technology (Moore & Benbasat, 1991, p. 192; Sonnenwald et al., 2001, p. 115). Dill and Friedman (1979) define observability as the capacity to assess an innovation's effects immediately, which has been effective in explaining differences in adoption rates, according to Rogers and Shoemaker (1971). This work broadens observability to incorporate practical technology (incorporating word of mouth in a social system where interpersonal connections are remain the norm, whether in social and non-social domains, and seeing how others use technology could encourage interactivity in learning and knowledge sharing).

Information Sources & Dissemination of Innovation

In the context of rural tourism villages in Indonesia, the process of information dissemination plays a pivotal role in catalyzing innovation and shaping economic landscapes. As Everett Rogers aptly stated, "Diffusion is the process by which an innovation is communicated through certain channels over time among the members of a social system" (Rogers, 2003). The innovation here refers to the integration of internet technology, and its effective dissemination through diverse information sources serves as a linchpin for propelling economic growth and community development.

Local communities are no longer isolated entities but are interconnected through a plethora of information sources, both traditional and digital. The advent of the internet and social media has revolutionized the dissemination of innovation. According to Singh and Srivastava, "The internet acts as a global communication channel, enabling rapid and widespread information exchange" (Singh & Srivastava, 2020). This interconnectedness magnifies the reach and impact of innovative practices within rural villages, enabling a virtuous cycle of technology adoption, learning, and economic enhancement.

The dissemination of innovation within rural tourist villages hinges on the integration of various sources, such as community networks, government initiatives, educational institutions, and digital platforms. A study by Kavoura et al. emphasizes that "collaborative efforts among these sources facilitate the effective flow of knowledge and innovation" (Kavoura et al., 2021). Leveraging these sources optimally can lead to enhanced technological literacy, increased access to market information, and the nurturing of entrepreneurial spirit within local communities. Thus, understanding the dynamics of information sources and their role in disseminating innovation is paramount for unlocking the transformative potential of internet technology in rural tourism economies.

Information: Key Economic Activity

In the digital era, information has transitioned from being a mere commodity to a dynamic catalyst that shapes economies, particularly evident in the context of rural tourist villages in Indonesia. The prescient

words of Bill Gates echo this sentiment: "The Internet is becoming the town square for the global village of tomorrow" (Gates, n.d.). This transformation is particularly profound in rural tourist settings, where the efficient dissemination and utilization of information emerge as a cornerstone for driving economic activities and fostering sustainable development.

The significance of information as a key economic activity in rural tourist villages cannot be overstated. In fact, it serves as a propellant for various economic facets, from enhancing market access to optimizing decision-making and promoting entrepreneurship. Scholarly research by Shaban, Hussain, and Liu accentuates this, emphasizing how access to information stimulates innovation and entrepreneurial endeavors, thereby spurring economic progress (Shaban et al., 2021). Within rural contexts, where traditional markets may be limited, information acts as a bridge, connecting local artisans and producers with a global audience, creating opportunities for economic expansion.

The transformative potential of information is further amplified by digital platforms and internet technology. These tools facilitate the seamless dissemination of vital market insights, enable direct connections between local producers and consumers, and streamline online transactions. The United Nations World Tourism Organization (UNWTO) underscores this impact, highlighting how digital platforms empower rural communities to tap into tourism value chains, enhancing income generation and supporting economic diversification (UNWTO, 2019). This confluence of information,

technology, and tourism not only augments economic prospects but also contributes to cultural preservation and community empowerment.

In summation, information has emerged as the bedrock of economic activities within Indonesia's rural tourist villages. The words of Bill Gates, the findings of Shaban et al., and the insights from UNWTO collectively underscore the transformation underway. By harnessing the power of information and internet technology, rural economies can transcend geographical limitations, foster innovation, and promote entrepreneurship. The strategic dissemination of information not only fuels economic growth but also nurtures cultural heritage and empowers local communities, making it a central driver of sustainable development within rural tourism.

METHOD

This study applies the mix methods that will be used in a single study. The exploration of the socio-economic impact of internet technology application in rural tourist villages demands a robust and multi-dimensional research methodology. As Peter Drucker astutely stated, "What's measured improves" (Drucker, 2020), and this axiom resonates strongly in the context of understanding how technology catalyzes economic change. Employing a mixed-methods approach, this research amalgamates qualitative and quantitative techniques to comprehensively analyze the intricate interplay between technology adoption, local economies, and community dynamics.

Qualitative research methods, including in-depth interviews and focus group discussions, offer a nuanced understanding of local perspectives, values, and aspirations. These methods, as emphasized by Patton, provide a

platform to "capture participants' meanings and interpretations," which is pivotal for uncovering the intricate nuances of technology's influence on rural economies (Patton, 2015). By engaging with local community members, entrepreneurs, and stakeholders, this qualitative facet of the research delves into the lived experiences, challenges, and opportunities presented by the integration of internet technology.

Complementing the qualitative insights, quantitative data collection techniques, such as surveys and statistical analysis, provide empirical evidence of the broader patterns and trends within rural tourist villages. As highlighted by Creswell, quantitative research "emphasizes measurement and the use of numbers to analyze the data," enabling the identification of statistically significant relationships (Creswell, 2014). By surveying a diverse sample of villagers and analyzing data on technology adoption rates, economic activities, and community engagement, this quantitative facet aims to quantify the extent to which internet technology contributes to economic growth and empowerment.

The study will be conducted in Indonesia at East Java province. Jombang district is among four districts of region (Nganjuk, Mojokerto, Kediri, Lamongan). I selected this region because is among the four regions with high economic power in Indonesia. This study will comprise the sample of 250 respondents who living near Tourist Village. Therefore, this study will use questionnaires (mostly closed questions and few open-ended questions) to acquire quantitative data. Estimating the Cronbach's Alpha coefficient is the most popular technique of determining a scale's

dependability (Nunnally, 1978; Yaghmaie, 2007). Prior to the test, a set of questionnaires was provided to gauge the stability of the instrument; after completion, some of the questions were changed to reflect the actual situation, such as the age groups that use the age disparities 18 - 29 and 30 - 45. The issue here is that the average life duration of people in Indonesia has been oscillating for more than a decade, ranging from 43 years for men and 43 years for females (2020) to 43 years for males and 46 years for females (2022).

FINDINGS AND DISCUSSION

Relationship Between Average Value with Outer Loading

The purpose of examining the correlation between the estimated outer loading value and the mean value is to determine the condition of each statement item perceived by the respondent. The largest mean (mean) value can be interpreted as a statement item which is prioritized in its implementation according to the respondent's assessment. Then the outer loading value aims to determine the measurement of the strongest (dominant) variable or can be interpreted as a statement item that has an important contribution in reflecting on the variable. The summary of the results of testing the outer loading value and the mean (mean) of each research variable statement item is presented in Table 1

Table 1. Comparison of Factor Loading and Variable Means X1

Variable	Indicator	Loading Factors	Means
Financial Transactions (X1)	X1.1	0.682	4.13
	X1.2	0.778	4.15
	X1.3	0.748	4.16
	X1.4	0.771	3.98
	X1.5	0.779	4.11
Business Transactions (X2)	X2.1	0.795	4.25
	X2.2	0.831	4.11
	X2.3	0.808	4.11
	X2.4	0.864	4.15
	X2.5	0.849	4.23
Educational Purposes (X3)	X3.1	0.869	4.05
	X3.2	0.864	3.99
	X3.3	0.881	3.99
	X3.4	0.681	3.89
	X3.5	0.799	4.18
Advantages/Benefit (M1)	M1.1	0.505	4.21
	M1.2	0.826	4.21
	M1.3	0.753	3.52
	M1.4	0.881	4.01
	M1.5	0.832	4.10
Compatibility (M2)	M2.1	0.792	4.15
	M2.2	0.828	4.15
	M2.3	0.534	4.05
	M2.4	0.765	3.88
	M2.5	0.850	3.82
Complexity (M3)	M3.1	0.845	3.80
	M3.2	0.843	3.52
	M3.3	0.557	3.81
	M3.4	0.780	3.91
	M3.5	0.752	4.15
Economic Tourism Village Development (Y1)	Y1.1	0.790	3.65
	Y1.2	0.753	4.23
	Y1.3	0.841	4.01
	Y1.4	0.861	4.10
	Y1.5	0.660	4.15

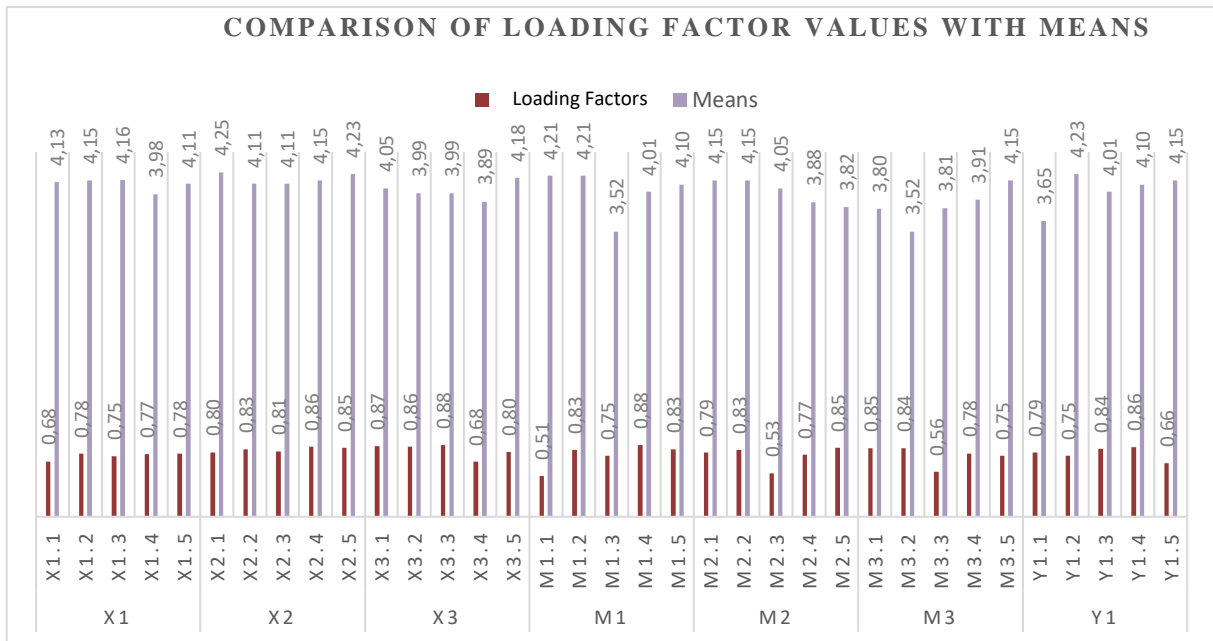


Figure 1. Comparison of Loading Factor Values with Means

Based on Table 1 and Figure 1, the Financial Transactions variable (X1) has 5 statement indicators including the highest indicator reflecting the Financial Transactions variable (X1) is the question item X1.5 which indicates that the respondent has high hopes expressed in a loading factor of 0.779 or 77.9 percent. Respondents to this statement item have very high expectations. They considered that question item X1.5 should really pay attention, and this statement item received a good response with an average score of 4.11, meaning that many agreed and strongly agreed on the item. However, when viewed from the highest average item from Financial Transactions (X1), it falls on question item X1.3 with an average value of 4.16.

The Business Transactions Variable (X2) has 5 statement indicators of which there is an indicator that is the highest in reflecting the Business

Transactions variable (X2) is the question item X2.4 which indicates that respondents have high hopes expressed in a loading factor of 0.864 or 86.4 percent. Respondents considered that question item X2.4 should really pay attention, and this statement item received a good response with an average value of 4.15, meaning that many agreed and strongly agreed on this item. However, if we look at the highest average item from Business Transactions (X2), it falls on question item X2.5 with an average value of 4.23.

The Educational Purposes Variable (X3) has 5 statement indicators including the highest indicator reflecting the Educational Purposes variable (X3) is the question item M1.4 which indicates that the respondent has high hopes expressed in a loading factor of 0.881 or 88.1 percent. Respondents considered that question item X3.3 should really pay attention, and this statement item received a good response with an average value of 3.99, meaning that many stated neutral and agreed on the item. However, if seen from the average item that is the highest from Educational Purposes (X3), it falls on the question item X3.5 with an average value of 4.18.

Variable Advantages/Benefits (M1) has 5 statement indicators of which there is an indicator that is the highest in reflecting the Advantages/Benefits variable (M1) is the question item M1.4 which indicates that respondents have high hopes expressed in a loading factor of 0.881 or 88.1 percent. Respondents considered that question item M1.4 should really pay attention, and this statement item received a good response with an average value of 4.01, meaning that many agreed and strongly agreed on this item. However, if seen from the average item that has the

highest Advantages/Benefit (M1) it falls on question items M1.1 and M1.2 with an average value of 4.21

The Compatibility Variable (M2) has 5 statement indicators including the highest indicator reflecting the Compatibility variable (M2) is the question item M2.5 which indicates that respondents have high hopes expressed in a loading factor of 0.850 or 85 percent. Respondents considered that question item M2.5 should really pay attention, and this statement item received a good response with an average value of 3.82, meaning that many stated neutral and agreed on this item. However, when viewed from the average item that has the highest Compatibility (M2) it turns out that it falls on question items M2.1 and M2.2 with an average value of 4.15.

The Complexity Variable (M3) has 5 statement indicators of which there is an indicator that is the highest in reflecting the Complexity variable (M3) is the question item M3.1 which indicates that respondents have high hopes expressed in a loading factor of 0.845 or 84.5 percent. Respondents considered that question item M3.1 should really pay attention, and this statement item received a good response with an average score of 3.80, meaning that many stated neutral and agreed on this item. However, if we look at the average item with the highest Complexity (M3) it falls on the question item M3.5 with an average value of 4.15.

The Tourism Village Economic Development (Y1) variable has 5 statement indicators including the highest indicator reflecting the Tourism Village Economic Development (Y1) variable is the question item Y1.4

which indicates that respondents have high hopes expressed in a loading factor of 0.861 or 8,61 percent. Respondents considered that question item Y1.4 should really pay attention, and this statement item received a good response with an average value of 4.10, meaning that many agreed and strongly agreed on this item. However, when viewed from the highest average item from Tourism Village Economic Development (Y1) it falls on the question item Y1.2 with an average value of 4.23

Measurement Model (Outer Model)

The outer model or measurement model defines how each statement item block relates to its latent variable (Ghozali, 2008). There are three criteria for assessing the outer model, namely convergent validity, composite reliability, and discriminant validity. In the outer model with reflexive statement items as in this study, it is evaluated using the convergent validity and discriminant validity of the statement items, and composite reliability for the block statement items.

1) Convergent Validity.

The results of the loading factor for each statement item are presented as follows (see Table 2):

Table 2. Loading Factor

Variable	Indicator	X1	X2	X3	M1	M2	M3	Y1
Financial Transactions (X1)	X1.1	0.682						
	X1.2	0.778						
	X1.3	0.748						
	X1.4	0.771						
	X1.5	0.779						
Business Transactions (X2)	X2.1		0.795					
	X2.2		0.831					
	X2.3		0.808					
	X2.4		0.864					
	X2.5		0.849					
Educational Purposes (X3)	X3.1			0.869				
	X3.2			0.864				
	X3.3			0.881				
	X3.4			0.681				
	X3.5			0.799				
Advantages/Benefit (M1)	M1.1				0.505			
	M1.2				0.826			
	M1.3				0.753			
	M1.4				0.881			
	M1.5				0.832			
Compatibility (M2)	M2.1					0.792		
	M2.2					0.828		
	M2.3					0.534		
	M2.4					0.765		
	M2.5					0.850		
Complexity (M3)	M3.1						0.845	
	M3.2						0.843	
	M3.3						0.557	
	M3.4						0.780	
	M3.5						0.752	
Economic Tourism Village Development (Y1)	Y1.1							0.790
	Y1.2							0.753
	Y1.3							0.841
	Y1.4							0.861
	Y1.5							0.660

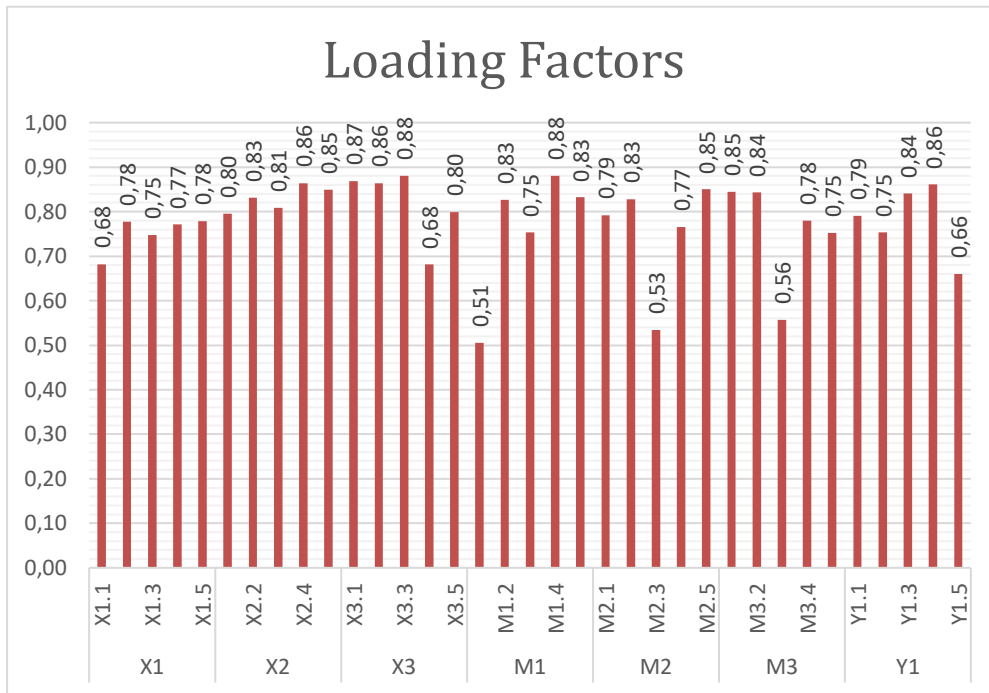


Figure 2. Loading Factors

Figure 2 shows that there are 35 items out of 35 questionnaire items that have met the loading factor limit value of 0.5, so that the 35 questionnaire items have valid status. Table 1 illustrates that all statement items are declared valid, with a loading factor value > 0.50 . The results of the Structural Equation Modeling (SEM) test provide the outer loading described in Table 6.9 above. Testing the validity of reflective statement items uses the correlation between the statement item scores and the construct scores. Measurement with reflective statement items shows a change in an indicator in a construct if another statement item in the same construct changes. Reflective statement items are suitable for measuring perceptions, so this study uses reflective statement items. The statement items used in this study were declared valid or met convergent validity.

2) Discriminant Validity.

Another method for viewing discriminant validity is with the recommended value above 0.5. The following is the AVE value in this study:

Table 3. Average Variance Extracted (AVE)

	Average Variance Extracted (AVE)
Financial Transactions (X1)	0.566
Business Transactions (X2)	0.688
Educational Purposes (X3)	0.676
Advantages/Benefit (M1)	0.546
Compatibility (M2)	0.561
Complexity (M3)	0.615
Tourism Village Economic Development (Y1)	0.576

Table 3 provides a standard AVE value above 0.5 for all constructs contained in the research model. The lowest value of AVE is 0.546 in the Advantages/Benefit (M1) construct. Composite reliability results will show a satisfactory value if it is above 0.7. The following is the overall value of the reliability measure seen from Cronbach Alfa and Composite Reliability (see Table 4).

Tabel 4. Cronbach'alfa dan Composite Reliability 1

	Cronbach's Alpha	Composite Reliability
Financial Transactions (X1)	0.809	0.867
Business Transactions (X2)	0.887	0.917
Educational Purposes (X3)	0.878	0.912
Advantages/Benefit (M1)	0.775	0.849
Compatibility (M2)	0.802	0.860
Complexity (M3)	0.841	0.888
Tourism Village Economic Development (Y1)	0.801	0.866

Based on Table 4, it can be described that the results of the Cronbach's Alpha and composite reliability tests showed satisfactory values, that is, all latent variables were reliable, because all values of latent reliability variables were >0.7 . This means that the research instrument used as a tool in this research is reliable and consistent. Thus, it can be concluded that all item statements become a measure of their respective constructs (see Figure 3).



Figure 3. Algorithm of Variables

The statement item model in this study is reflective, often called the principal factor model, where the covariance measurement of statement items is influenced by latent constructs or reflects variation from latent constructs. Reflective model that each statement item is a measure of error imposed on latent variables. In the reflective model, the manifest variable block associated with the latent variable is assumed to measure the item statement that manifests the construct. Statement items are seen as effects of latent variables that can be observed empirically.

It can be seen in Figure 3 that Financial Transactions (H1) have an effect on Economics Tourism Village Development (Y1) so (H1) can be accepted and declared valid. Business Transaction (H2) also influences Economics Tourism Village Development (Y1) so that (H2) can be accepted and declared valid. Educational Purposes (H3) also influences Economics Tourism Village Development (Y1) so that (H3) can be accepted and declared valid. All the variables after being moderated with on Advantages/benefits (M1), on Compatibility (M2), and on Complexity (M3) it also influences the Economics Tourism Village Development (Y1). This shows that testing of each independent variable, moderating variable, and dependent variable can be continued to the next stage, namely bootstrapping.

Based on the Tourism Life Cycle and Product Life Cycle, the level of development of a tourist village as a tourism product can be categorized into 3 (three) stages, namely: embryo/potential, developing, and advanced. In the following, the researchers describe the indicators of the embryo tourism village in the table. In general, the pattern of developing a tourist village with an approach to sustainable tourism activities is the right pattern to be developed in Jombang Village. This pattern is characterized by the fulfilment of two main requirements, namely paying attention to environmental sustainability and being oriented to local communities.

From the results of interviews between researchers and informants in the field, there are several things that researchers can describe regarding the

results of these interviews, namely.

(1) A Sightseeing and Attractions

The potential of cultural tourism needs to be fostered and developed in an integrated manner with other tourism objects, especially with the similarity of the themes of other tourism objects. Because Jombang is a coffee-producing area, the activities that have been carried out to attract visitors from outside, namely the Jombang community have held activities such as "Coffee Coffee" or "Kenduren Kopi".

(2) Environmental Aspect

In utilizing natural resources to be developed as a tourist village, of course, it must pay more attention to aspects of environmental sustainability and sustainability. Activities in processing livestock manure into organic fertilizer and biogas technology are a form of maintaining cleanliness and environmental sustainability in Jombang. From the results of processing livestock manure into organic fertilizer, it is known that the production has reached 10-15 tons per month. In addition, the community is also more active and creative in cultivating vacant land planted with productive plants such as herbs and fruit.

(3) Facilities and infrastructure

The development of infrastructure such as roads, clean water sanitation is adequate, while for the electricity network and cellular network the level of service is still lacking, especially if the street lighting is minimal at night and only relies on lamp lighting from residents' homes. As for the cellular

network in this village, sometimes there are still problems, this is because the transmitter for cellular is still limited, there is no transmitter development. So access to facilities and infrastructure is still not 100% available.

(4) Accessibility

Regarding accessibility, the access road to Jombang Village can only be passed by land. Likewise, the vehicle to get to this village does not have public transportation access but uses a private vehicle. Even though the terrain to the village is winding and up and down, the road that is passed is paved, it's just that you need to be careful during the rainy season when crossing the road here because landslides often occur.

CONCLUSION AND SUGGESTIONS

The results of research on the use of the internet related to economic development are categorized in financial transactions with the reason that respondents use the internet to access financial information in the form of investments, information on goods and services, and information about stocks. Then in business transactions, many respondents use it to find information on goods and services as a medium to support the business continuity of respondents. While internet access for educational purposes is widely used by respondents for research and even for online classes. Therefore, it is concluded that the results of the study indicate a high potential for using the Internet for economic development for the people of Jombang which shows that the community accepts the existence of information and communication technology to access information to

support work, education, and daily activities. In relation to the research limitations, future researchers are suggested to do deeper study with bigger sample size for generalizability. Studies conducted with small sample sizes may limit the generalizability of the findings to a larger population. The results may be specific to the characteristics of the participants included in the study. It is important to acknowledge the limitations of generalizability and the need for further research with larger and more diverse samples. Besides, many studies rely on self-reported data, which is subject to biases such as social desirability bias or memory recall bias. Participants may provide responses that they perceive as socially desirable or may inaccurately recall past events or experiences. Researchers should be cautious in interpreting and generalizing findings based solely on self-reported data.

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