

## ABSTRACT

MILA HERTINMALYANA, “ Analysis of Demand and Consumption of International Visitors to Indonesia (from selected countries)”

The tourism sector becomes one of economic driving nowadays. The number of international tourist arrival recorded as much as 1.08 million in 2013, exceed the expectation (*UNWTO, Barometer, February 2014<sup>ed</sup>*). Many regions enjoyed this very encouraging tourism growth. The South East Asia is the leading in the increasing of tourist arrival (10 percent). The influence of global economy also perceived in tourism sector. Traveling among countries noticeably become closer and easier to reach.

The incredible movement of tourism activity is presumably caused by the recovery of economy condition in some countries. Refer to the past experienced of 1998 multidimensional crisis, the tourism sector is one sector that still survived in the situation of economic crisis. World tourism continues to improve in every way, both in ease of travel, the processing of the documents in this case, and providing of attracting tour package at affordable prices.

This amazing movement is also faced by Indonesia tourism. The number of foreign tourist arrival to Indonesia keeps increasing in the last ten years. It reached the highest number of 8.8 million people in 2013. The travel and tourism competitiveness of Indonesia increased from 74 in 2011 to 70 in 2013 (*The travel and Tourism Competitiveness Report 2013, WEF*). Many beautiful tourist attractions that spread almost in all islands are one of the factors that appeal tourist to come to Indonesia. Other than that the price competitiveness of Indonesia goods, becomes the factor as well.

The paper is trying to analyze the variables that influence the demand of international tourists to Indonesia and the consumption pattern of them. The countries have been selected based on the region and the rank of the highest arrival (**Singapore, Malaysia, Australia, USA, England, and South Africa**). It is indicated that the country GDP, number of population, the price competitiveness and the social and political condition are the factors that influenced the demand of tourism to Indonesia (using regression analysis).

In addition, the consumption pattern of tourists from those countries is also interested to analyze. The highest spending are from US and the lowest one are from Singapore, the closest country to Indonesia. But one thing that makes draw the attention is, the consumption patterns among those countries are vary, but most of their spending is for shopping. It makes Indonesia like “a heaven for shopping “.

Key word: visitors, demand, consumption, regression