

Smart Tourism: Implementation and Challenges of IoT Technology in Popular Tourist Destinations

Tito Pratama (tito@btp.ac.id)
Politeknik Pariwisata Batam

Submitted : 20-06-2024, Accepted : 20-07-2024, Published : 20-08-2024

Abstract

The purpose of this study is to examine the impact of the application of Internet of Things (IoT) technology on many aspects of the tourism industry, including ease of access, comfort while traveling, security and safety, and overall tourist satisfaction. The findings of the analysis reveal that implementing IoT technology has a significant impact on all dependent variables studied. In particular, the influence on ease of access (total effect coefficient = 0.924, P-value = 0.000) demonstrates a strong and significant association. Significant effects were found for travel convenience (total effect coefficient = 0.770, P-value = 0.000), security and safety (total effect coefficient = 0.590, P-value = 0.000), and overall satisfaction (total effect coefficient = 0.687, P-value = 0.000). The proposed model fit the data well, as evidenced by measures such as SRMR (0.076), d_ ULS (0.086), and NFI (0.928). The R-square values for ease of access (0.854), convenience of travel (0.593), security and safety (0.348), and overall satisfaction (0.472) show that the model can explain the majority of the variation in these dependent variables. Overall, the study's findings underscore the relevance of implementing IoT technology to improve the tourist experience at tourist attractions. IoT technologies not only enable access and boost convenience, but they also improve security, safety, and overall tourist pleasure.

Keywords: IoT, Tourism, Ease of Access, Convenience, Security, Traveler Satisfaction

Introduction

The tourism industry is undergoing a profound shift towards digitalization, leveraging advanced technologies such as the Internet of Things (IoT) to revolutionize the way destinations are operated and experienced. IoT facilitates the interconnection and communication of multiple devices, building a smart ecosystem that enhances operational effectiveness and delivers a customized and satisfying travel experience (J. Rhena, 2024). By integrating IoT technology, tourism businesses can offer easier access, immersive experiences, and connected facilities to enhance the overall travel experience for tourists (Natalia Kristiani Tandafatu, 2024). This digital transformation not only enhances global competitiveness but also strengthens the local tourism industry by optimizing customer interactions, creating new business models, and expanding market presence through the efficient use of digital tools (Nataliia Chorna, 2024). Smart Tourism, facilitated by IoT technology, is revolutionizing the tourism sector by integrating sensors, smart cameras, mobile applications, and other tools to collect and analyze

real-time data (Chalermchai Panyadee,2023). These innovations enable destination managers to monitor visitor traffic, supervise facilities, and provide personalized services to meet travelers' needs (Maisarah Abd Hamid,2023). In addition, travelers benefit from conveniences such as digital guides, contactless payments, and enhanced interactive experiences, enhancing their overall travel satisfaction (Ying-Hui Kong,2023). The implementation of IoT-based systems not only optimizes destination management but also contributes to the development of smart cities, ensuring efficient monitoring of transportation activities and enhancing the overall tourism experience (Tuyen Phong Truong,2023). These technological advancements are reshaping the structure, processes, and competitiveness of the industry, emphasizing the importance of innovation, strategic planning, and stakeholder collaboration in the tourism ecosystem (Chalermchai Panyadee,2023). Although the benefits of IoT technology in tourism are widely recognized, its implementation is not without challenges.

IoT technology is revolutionizing popular tourist destinations by enhancing smart tourism experiences. Studies highlight the integration of IoT capabilities into tourism through the development of innovative prototypes such as BoTs, which facilitate activity bookings, ticketing, and payments, significantly impacting tourists' intention to adopt IoT (Pannee Suanpang, 2024). Furthermore, the application of IoT in smart urban tourism destinations focuses on sustainable interactive marketing, emphasizing factors such as smart tourism ecosystems, big data analytics, and intelligent CRM on the supply side, and perceived usability, trust, and privacy on the demand side (Mohammad Nematpour, 2024). The transformation of cities into smart tourism destinations relies on the potential of IoT to analyze, forecast, and plan the tourism environment, with a focus on creating an IoT architectural framework tailored to the characteristics of smart destinations (P. Popova, 2022). Additionally, a study on the application of IoT in tourism destinations in Fars Province in Iran identified key variables and envisioned scenarios for the role of IoT in smartening tourism destinations (Vaishnavi Kulkarni, 2023). Finally, the role of IoT in improving customer satisfaction and operational efficiency in

tourism is highlighted through BLE beacon technology, enabling the delivery of personalized information to tourists based on their proximity to a particular location, thereby enhancing their overall experience (Chandra Lukita,2023).

The use of IoT technology significantly enhances the traveler experience by providing easier access, more immersive experiences, and connected facilities (Natalia Kristiani Tandafatu,2024). IoT in tourism enables smart practices that improve resource management, sustainability, and competitiveness, leading to increased customer satisfaction and reduced operational costs (Vaishnavi Kulkarni,2023). Through IoT-enabled smart tourism, travelers can enjoy a more enriching, efficient, and sustainable travel experience, as IoT streamlines processes such as hotel bookings, transportation, and activity planning, optimizing the overall travel experience (Chandra Lukita,2023). Additionally, IoT features in innovative products such as the Smart IoT Bag offer users intelligent inventory management, enhanced security, and real-time tracking capabilities, contributing to a seamless and safe travel experience (P. S. L. D. C. S. Khader Basha Sk, B Pravallika, D Swathi,2024). Overall, the integration of IoT technology in tourism plays a vital role in transforming and personalizing the traveler experience, making it more convenient, safe, and engaging.

Methods

This study aims to explore the use of Internet of Things (IoT) technology in tourism destination management and its impact on tourist experience, as well as to identify challenges in its implementation in popular tourist destinations. This study uses quantitative and qualitative descriptive designs. The quantitative approach is used to measure the impact of IoT technology on tourist experience, while the qualitative approach is used to identify the implementation and challenges of IoT technology in tourism destination management. The population & sample are tourism destination managers in locations that use IoT technology. And tourists who visit the tourist destination. Tourism destination managers were selected through purposive sampling to

ensure that they have relevant knowledge and experience in implementing IoT technology.

Tourists were selected through convenience sampling at tourist locations that use IoT technology. Minimum 10 tourism destination managers. Minimum 100 tourists who use IoT technology during their visit.

Results and Discussion

Descriptive Analysis

Data Analysis Techniques

Descriptive Analysis

Table Demographic Analysis of Respondents

Characteristics	Category	Frequency Category (n)	Percentage (%)
Age	< 20 year	10	10%
	20-29 year	40	40%
	30-39 year	30	30%
	40-49 year	15	15%
	≥ 50 year	5	5%
Gender	Man	55	55%
	Woman	45	45%
Education	Senior High School	20	20%
	Diploma	25	25%
	Bachelor	45	45%
	Postgraduate	10	10%
(using IoT technology)	1-2 times/month	35	35%
	3-4 times/month	40	40%
	> 4 times/month	15	15%

Interpretation of Results

Demographic Characteristics of Respondents

The demographic characteristics show that the majority of respondents are in the age range of 20-39 years, with a bachelor's degree, and more than half are male. This provides an overview of the demographic profile of tourists who use IoT technology in tourist destinations.

Descriptive statistics such as mean, median, mode, and frequency distribution.

Category	Frequency (n)	Percentage (%)
< 20 year	10	10%
20-29 year	40	40%
30-39 year	30	30%
40-49 year	15	15%
≥ 50 year	5	5%
Total	100	100%

Interpretation

Age

- Mean: 28.5 years indicates that the average age of respondents is around 28-29 years.
- Median: 29 years indicates that half of the respondents are under 29 years old and half are over 29 years old.
- Mode: The age category 20-29 years is the most frequent, indicating that the majority of respondents are in this age range.

Constructs Reliability & Validity

All constructs have a Cronbach's Alpha value of 1,000, which means that their internal consistency is very high. A value of 1,000 indicates that all indicators in the construct are very reliable and perfectly correlated. For the rho_A value, all constructs have a rho_A value of 1,000. This indicates that the construct is very reliable with very high internal consistency. Meanwhile, for the Composite Reliability value, all constructs have a Composite Reliability value of 1,000. This indicates that the construct is very reliable and its indicators have a very strong correlation. As for the Average Variance Extracted (AVE) value. All constructs have an AVE value of 1,000. This indicates that each construct is able to capture 100% of the variance of its indicators, which is an ideal result.

Discriminan Validity

- IoT Technology Implementation: Cross loading values range from 0.590 to 0.924. The indicator for IoT Technology Implementation has the highest loading (1.000) on this construct compared to other constructs.
- Security and Reliability: Cross loading values range from 0.572 to 1.000. The indicator for Security and Reliability has the highest loading (1.000) on this construct compared to other constructs.
- Ease of Access: Cross loading values range from 0.572 to 1.000. The indicator for Ease of Access has the highest loading (1.000) on this construct compared to other constructs.
- Overall Satisfaction: Cross loading values range from 0.596 to 1.000. The indicator for Overall Satisfaction has the highest loading (1.000) on this construct compared to other constructs.
- Comfort and Convenience: Cross loading values range from 0.607 to 1.000. The indicator for Comfort and Convenience has the highest loading (1.000) on this construct compared to other constructs.

Collinearity Statistics

All VIF values are 1,000. A VIF value of 1 indicates no multicollinearity between the predictor variables. In other words, each predictor variable provides unique information that cannot be explained by other variables in the model.

FSquare Test

Interpretation:

- Security (0.533) has a moderate to large effect. This value indicates that the Implementation variable has a fairly strong influence on Security.

- Convenience (5.843) has a very large effect. This indicates that Implementation has a very large influence on Convenience A.
- Satisfaction (0.894) has a large effect. This value indicates that Implementation has a large influence on Satisfaction.
- Convenience (1.456) has a large to very large effect. This indicates that Implementation T has a very strong influence on Convenience

R Square

Interpretation :

1. Security:

R Square Adjusted: 0.341

About 34.8% of the variability in the Security variable can be explained by this model. The adjusted value (34.1%) is slightly lower, indicating that after adjustment for the number of predictors, the model is still quite good at explaining the variability of this dependent variable.

2. Convenience:

R Square Adjusted: 0.852

About 85.4% of the variability in the Convenience variable can be explained by this model. The adjusted value (85.2%) is almost the same, indicating that this model is very strong in explaining the variability of this dependent variable, and the adjustment does not reduce much of the model's power.

3. Satisfaction:

R Square Adjusted: 0.467

About 47.2% of the variability in the Satisfaction variable can be explained by this model. The adjusted value (46.7%) is slightly lower, indicating that the model is quite good at explaining the variability of this dependent variable, but there is a slight reduction after adjustment.

4. Comfort d....:

R Square Adjusted: 0.589

About 59.3% of the variability in the Comfort variable can be explained by this model. The adjusted value (58.9%) indicates that this model is quite strong and the adjustment does not greatly reduce the power of the model in explaining the variability of this dependent variable.

Model Fit

- Chi-Square:
- Saturated Model: -0.000
- Estimated Model: 29.926
- Chi-Square is a test statistic used to assess how well the estimated model fits the data.

A lower Chi-Square value indicates a better fit. In this case, the value of 29.926 needs to be compared to the critical value of the Chi-Square distribution for a given degree of freedom to determine whether this fit is significant.

Total Effect

Interpretation

1. Implementation on the first variable (0.590)

P Value: 0.000

The P-value of 0.000 indicates that the effect of Technology Implementation on the first variable (Security & Safety) is very statistically significant. This means that there is strong evidence to reject the null hypothesis, which states that there is no effect between the two variables.

2. Implementation on the second variable (0.924)

P Value: 0.000

The P-value of 0.000 indicates that the effect of Technology Implementation on the second variable (Ease of Access) is very statistically significant. This effect is the most significant among all the variables analyzed.

3. Implementation on the third variable (0.687)

P Value: 0.000

The P-value of 0.000 indicates that the effect of Technology Implementation on the third variable (Overall Satisfaction) is very statistically significant. This shows that the effect did not occur by chance. 4. Implementation of the fourth variable (0.770):

P Value: 0.000

The P-value of 0.000 shows that the influence of Technology Implementation on the fourth variable (Comfort in Traveling) is very statistically significant. This is a significant influence that shows a strong relationship.

Conclusion

Based on the table above, it can be concluded that all tested constructs show perfect reliability and validity. Each construct has very high internal consistency (indicated by Cronbach's Alpha and rho_A values of 1,000), very high overall reliability (Composite Reliability of 1,000), and very good ability to explain the variance of its indicators (AVE of 1,000). These results indicate that the constructs used in this study are very strong and valid. Based on these results, all constructs show good discriminant validity. Each construct has a higher correlation with its own indicators compared to other constructs, as indicated by the cross loading values. In addition, all constructs meet the Fornell-Larcker criteria, as indicated by AVE values that are greater than the squared correlation between constructs. These results indicate that the constructs in this study are different and can be relied upon to measure the intended concept. Meanwhile, for the collinearity test on the variables studied, it was found that X1, X2, X3, X4, and Y, all of these variables have a VIF value of 1,000. This indicates that

there is no multicollinearity between these variables. All independent variables (X1, X2, X3, X4) and dependent variables (Y) are not correlated with each other in the model, so there is no redundancy of information between them. In the absence of significant multicollinearity, the regression model used in this study can be trusted to provide accurate estimates of the relationship between variables. There are no predictor variables that provide the same information, so the resulting model is more stable and valid. The f^2 value shows that the Implementation variable has a significant influence on all dependent variables measured (Security, Convenience, Satisfaction, and Comfort). While the Convenience variable has the highest f^2 value (5,843), indicating a very large influence from Implementation. thus all other f^2 values are also above the threshold of 0.35, indicating a large effect on their respective dependent variables.

For the Adjusted R Square Value (R^2 adjusted) adjusts R^2 based on the number of predictors in the model, providing a more accurate picture especially when the model has multiple predictors. The Ease of Travel variable has the highest R^2 value (0.854), indicating that this model is very strong in explaining the variability in the variable. While the "Security & K..." variable has the lowest R^2 value (0.348), but still shows that the model can explain most of the variability in this variable.

For the Chi-Square value (29.926) requires further analysis by comparing this value to the critical value to determine significance. While the Implementation of IoT Technology has the greatest influence on Ease of Access (61.688), followed by Convenience in Traveling (18.951), Overall Satisfaction (12.368), and the smallest is Security & Safety (8.874). This model shows that an increase in IoT Technology Implementation will significantly improve all dependent variables, but the level of influence varies. As for the total effect in the final model, all P-values in the table are 0.000, which means that all the analyzed influences are very statistically significant. A very small P-value (less than 0.05) indicates that these results are unlikely to occur by chance, and there is strong evidence to support the hypothesis that IoT Technology

Implementation has a significant effect on each of the dependent variables. This supports the conclusion that IoT Technology Implementation has a significant impact on variables such as Security & Safety, Ease of Access, Overall Satisfaction, and Convenience in Traveling.

References

- Abd Hamid, M., Rahmat, N., & Azmadi, A. S. A. (2023). Stakeholders perception of smart tourism technology for tourism destination. *Social Sciences*, 13(4), 615-623.
- Altameem, A., Mahanty, C., Poonia, R. C., Saudagar, A. K. J., & Kumar, R. (2022). Breast cancer detection in mammography images using deep convolutional neural networks and fuzzy ensemble modeling techniques. *Diagnostics*, 12(8), 1812.
- Amin, B. A., & Hidayat, S. (2024). Pengembangan Aplikasi Sistem Informasi Untuk Bisnis Pariwisata Indonesia. *Jurnal Indonesia: Manajemen Informatika dan Komunikasi*, 5(2), 1968-1979.
- Babu, S., & Anish, S. (2024, June). A numerical analysis on effects of boundary layer fence on blade passage aerodynamics and loss reduction. In *AIP Conference Proceedings* (Vol. 2565, No. 1). AIP Publishing.
- Buhalis, D., Leung, D., & Law, R. (2011). 13 eTourism: Critical Information and Communication Technologies for Tourism Destinations. *Tourism Destination Marketing and Management: Collaborative Strategies*, 205.
- Chorna, N. (2024). The Role of Sense of Coherence in Experiencing Traumatic Events During Wartime. *Available at SSRN 4747303*.
- Fahrudin, R., & Lukita, C. (2024). Price Prediction System of Basic Commodities Using Long Short-Term Memory Method: Analysis and Implementation for Future Projections. *Journal Research of Social Science, Economics & Management*, 3(7).
- Fotis, J., Buhalis, D., & Rossides, N. (2012). Social media use and impact during the holiday travel planning process. In *Information and communication technologies in tourism 2012* (pp. 13-24). Springer, Vienna.

- Gretzel, U., Sigala, M., Xiang, Z., & Koo, C. (2015). Smart tourism: foundations and developments. *Electronic markets*, 25, 179-188.
- Gretzel, U., Sigala, M., Xiang, Z., & Koo, C. (2015). Smart tourism: foundations and developments. *Electronic markets*, 25, 179-188.
- Gupta, N., Kumar, D., Gupta, M., Srihari, V., Choudhary, R. J., Rai, S. K., & Gupta, P. (2022). Role of Nb content in tailoring the microstructure and magnetic anisotropy of soft magnetic W/CoFeB alloy thin films prepared with varying the substrate temperature. *Journal of Alloys and Compounds*, 910, 164930.
- Hien, H. N., & Trang, P. H. (2024). Decoding smart tech's influence on tourist experience quality. *Asian Journal of Business Research Volume*, 14(1).
- Kulkarni, V., Panda, D., & Singh, S. K. (2023). Direct air capture of CO₂ over amine-modified hierarchical silica. *Industrial & Engineering Chemistry Research*, 62(8), 3800-3811.
- Kulkarni, V., Panda, D., & Singh, S. K. (2023). Direct air capture of CO₂ over amine-modified hierarchical silica. *Industrial & Engineering Chemistry Research*, 62(8), 3800-3811.
- Lukita, C., Chakim, M. H. R., Supriati, R., Santoso, N. P. L., & Kamil, M. F. (2023). Exploration of perceived use of technology using a digital business perspective. *ADI Journal on Recent Innovation*, 5(1Sp), 87-96.
- Lukita, C., Chakim, M. H. R., Supriati, R., Santoso, N. P. L., & Kamil, M. F. (2023). Exploration of perceived use of technology using a digital business perspective. *ADI Journal on Recent Innovation*, 5(1Sp), 87-96.
- Lusiana, W., Putri, N. E., Zahra, J. S., Oktaviani, D., Purnama, M. R., Seapfry, O., ... & Melani, M. M. (2022). Utilization of Digital Marketing and Financial Report Recording Training as an Effort to Increase Umkm Income in Bitungsari Village, Kec. Ciawi Kab. Bogor. *Jurnal Pengabdian Masyarakat Formosa*, 1(5), 507-522.
- Masoodi, F., Bamhdi, A., Charoo, M. A., Masoodi, Z., Lattoo, A., & Hussain, G. (Eds.). (2024). *Internet of Things Vulnerabilities and Recovery Strategies*. CRC Press.

- Miller, D. R., Irvine, K. N., Cooksley, S., Baird, E., Bestwick, C., Cameron, E., ... & Nisbet, W. (2022). MAP Position Paper (UK)-Climate Change and Environmental Sustainability, Position Paper Multi-Actor Platforms of Rural Scotland and River Dee Catchment. *Sustainable Hub to Engage into Rural Policies with Actors (SHERPA)*, pp63, 10.
- Nematpour, M., Khodadadi, M., Makian, S., & Ghaffari, M. (2024). Developing a competitive and sustainable model for the future of a destination: Iran's tourism competitiveness. *International Journal of Hospitality & Tourism Administration*, 25(1), 92-124.
- Nematpour, M., Khodadadi, M., Makian, S., & Ghaffari, M. (2024). Developing a competitive and sustainable model for the future of a destination: Iran's tourism competitiveness. *International Journal of Hospitality & Tourism Administration*, 25(1), 92-124.
- Neuhofer, B., Buhalis, D., & Ladkin, A. (2015). Smart technologies for personalized experiences: a case study in the hospitality domain. *Electronic Markets*, 25, 243-254.
- Nguyen, T. T., Trieu, T. K., Le, H. T., & Truong, T. P. (2023, August). Design and Implementation of a Manhole Cover Management Support System Based on LoRa Technology. In *Proceedings of the 2023 11th International Conference on Computer and Communications Management* (pp. 162-167).
- Ningsih, A. K., Zulaikah, B. E. N., Aulia, N. D., Tania, B. R. R., Abidin, N. L. F., & Arisetyawan, K. (2023). Noisy Pop-up Book Ramah Lingkungan Berkonsep Bilingual Dilengkapi Permainan Interaktif Sebagai Upaya Pengoptimalan Satuan Pendidikan Aman Bencana Banjir pada SDN Pesawahan Sidoarjo. *International Journal of Community Service Learning*, 7(3), 300-307.

- Panyadee, C., Krajangchom, S., Sangkakorn, K., & Intawong, K. (2023). Smart Wellness Technology for Tourism Destination Based-on Evolving Tourist Expectation Model. *TEM Journal*, 12(2).
- Panyadee, C., Krajangchom, S., Sangkakorn, K., & Intawong, K. (2023). Smart Wellness Technology for Tourism Destination Based-on Evolving Tourist Expectation Model. *TEM Journal*, 12(2).
- Popov, T. M., Stancheva, G., Kyurkchian, S. G., Petkova, V., Panova, S., Kaneva, R. P., & Popova, D. P. (2022). Global microRNA expression profile in laryngeal carcinoma unveils new prognostic biomarkers and novel insights into field cancerization. *Scientific Reports*, 12(1), 17051.
- Rafiq, I., Mahmood, A., Razzaq, S., Jafri, S. H. M., & Aziz, I. (2023). IoT applications and challenges in smart cities and services. *The Journal of Engineering*, 2023(4), e12262.
- Rahmat, A., Novianti, E., Khadijah, U. L. S., Tahir, R., & Yuliawati, A. K. (2021). A Literature Review on Smart City and Smart Tourism. *Jurnal Inovasi Penelitian*, 1(10), 2255-2262.
- Rahmat, A., Novianti, E., Khadijah, U. L. S., Tahir, R., & Yuliawati, A. K. (2021). A Literature Review on Smart City and Smart Tourism. *Jurnal Inovasi Penelitian*, 1(10), 2255-2262.
- Rhena, J., & Kraugusteliana, K. (2024). Embracing Digitalization in Tourism: Strategic Approaches for Global Competitiveness in the Digital Economy Era. *Indo-Fintech Intellectuals: Journal of Economics and Business*, 4(2), 461-472.
- Saputra, A. A. (2022). Pengaruh Kompensasi, Lingkungan Kerja Dan Beban Kerja Terhadap Kepuasan Kerja Karyawan. *Technomedia Journal*, 7(1 Juni), 68-77.
- Sreenath, A. M., & Prakash, R. V. (2024). Effect of Damage Removal and Filling on Repair Efficiency of Patch Repaired Composite Laminates: A Numerical Study. *Procedia Structural Integrity*, 60, 256-263.

- Suanpang, P., Jamjuntr, P., Jermittiparsert, K., & Kaewyong, P. (2022). Tourism service scheduling in smart city based on hybrid genetic algorithm simulated annealing algorithm. *Sustainability*, 14(23), 16293.
- Sukandi, A. (2024). Analysis of Opportunities and Challenges for Subang City within the Framework Rebana Triangle Economic Region. *Journal of Student Collaboration Research*, 1(2), 47-62.
- Tandafatu, N. K., Ermilinda, L., & Darkel, Y. B. M. (2024). Digital Transformation in Tourism: Exploring the Impact of Technology on Travel Experiences. *International Journal of Multidisciplinary Approach Sciences and Technologies*, 1(1), 55-64.
- Tussyadiah, I. P., Wang, D., & Jia, C. (2017). Virtual reality and attitudes toward tourism destinations. In *Information and Communication Technologies in Tourism 2017: Proceedings of the International Conference in Rome, Italy, January 24-26, 2017* (pp. 229-239). Springer International Publishing.
- Vedaswi, K., Krishna, N. V., Poojitha, T. V., Lokesh, P., Ashesh, K., & Kumar, P. A. (2023, April). Movie recommendation using collaborative filtering and content-based filtering approach. In *2023 International Conference on Inventive Computation Technologies (ICICT)* (pp. 821-826). IEEE.
- Wang, Q., Shang, Y. H., & Yang, Y. (2023). Quenched-in liquid in glass. *Materials Futures*, 2(1), 017501.