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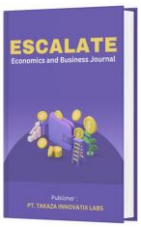

The Role of the Tourism Sector in Improving the Local Community's Economy in the Moyo Island Tourism Village, Sumbawa Regency

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Abstract:*This study analyzes the role of the tourism sector in improving the local economy in Moyo Island Tourism Village, Sumbawa Regency, where tourist visits jumped from 256 (2021) to 4,690 people (2024) but local economic benefits are limited. The purpose of the study is to examine the influence of job providers (X1), MSME development (X2), and community empowerment (X3) on improving the local economy (Y). A quantitative correlational verification approach was used with a population of 533 people and a sample of 84 respondents through the Slovin formula. The Likert scale questionnaire instrument was tested for validity and reliability, analyzed by multiple linear regression with SPSS 25 after the classical assumption test. The results show that X1 (t = 3.548; sig = 0.001) and X3 (t = 2.176; sig = 0.033) have a significant partial effect, X2 is not significant (sig = 0.328), and simultaneously all three are significant (F = 21.089; sig = 0.000; R² = 44.3%).*

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Introduction

The global tourism sector made a significant contribution to world GDP at 10% in 2024, valued at US$10.9 trillion and supporting 357 million jobs worldwide. International tourist arrivals reached 1.53 billion that year, showing strong post-pandemic recovery despite challenges like uneven benefit distribution and climate change vulnerability [Rasoolimanesh et al., 2023]. Sustainable tourism development theory stresses economic-environmental-social balance, backed by Keynesian multiplier theory that projects tourist spending multipliers up to 2.5 times local income [Archer, 2021][Farmaki et al., 2022].

Thinking has evolved from Butler's Tourism Area Life Cycle to community-based

tourism (CBT), which boosts local empowerment with 15-25% household income gains in Southeast Asia [Monika Prakoso, 2023]. Recent studies confirm CBT's effectiveness in pro-poor tourism, yet conflicting evidence reveals leakage effects up to 60% where profits flow to foreign investors, raising questions about model inclusivity [Andereck & Vogt, 2022].

On Moyo Island Tourism Village, Sumbawa Regency, tourist visits surged from 256 in 2021 to 4,690 in 2024, led by 3,353 foreign visitors [Ardiyansyah et al., 2021]. Local participation stays low, with 30% underemployment, women absorbing just 30% of jobs, and MSMEs growing at 4.37% average despite assets like coral reefs and Mata Jitu waterfall [Nurul Pajriah et al., 2025]. Income inequality absorbs only 40% of benefits locally, worsening structural poverty amid fluctuating visits [Hamdani Wahab, 2025][Sudiyarti et al., 2021]. This mirrors wider issues in Indonesia's rural tourism villages, where tourism fails to maximize multiplier effects due to weak local supply chains and external operator dominance [Putra et al., 2023].

The research gap lies in lacking simultaneous quantitative studies on job provision, MSME development, and community empowerment on Moyo Island, unlike prior descriptive work [Rismanadya Raharjo, 2024][Faizah, 2022]. This creates critical issues as post-pandemic Southeast Asian economic recovery relies on inclusive tourism, yet empirical evidence for areas like Sumbawa remains scarce.

This study aims to analyze the partial and simultaneous influence of job providers (X1), MSME development (X2), and community empowerment (X3) on local economic improvement (Y) in Moyo Island Tourism Village using multiple linear regression with primary data from 84 respondents [Desak Gde et al., 2024]. Urgency stems from income disparities fueling structural poverty, while novelty comes from a quantitative verification approach filling the descriptive study gap, offering theoretical contributions to local economic empowerment and practical policy recommendations for Sumbawa Tourism Office on inclusive training to maximize 15% multiplier effects [Wahed Sishadiyati, 2020].

Research methods

Types and Methods of Research

This study uses a quantitative approach with a correlational verification design to examine the influence of the tourism sector (job creation, MSME development, and local community empowerment) on the economic development of the community in Moyo Island Tourism Village, Sumbawa Regency. The quantitative approach was chosen because it allows for objective hypothesis testing through statistically analyzed numerical data, as explained by Sugiyono (2021) in a quantitative research methodology that emphasizes variable measurement and generalization of findings [Sugiyono, 2021].

The explanatory research method was applied to explain the causal relationships between independent and dependent variables, in line with Creswell's (2022) recommendation for a correlational research design that integrates theory and empirical data for testing structural models [Creswell & Creswell, 2022]. This approach is reinforced by Rasoolimanesh et al.'s (2023) study, which used a similar design to analyze the impact of sustainable tourism on local economies in Southeast Asia, ensuring methodological relevance to the current research context [Rasoolimanesh et al., 2023].

Data Analysis Instruments and Techniques

The research instrument was a questionnaire with a Likert scale of 1-5 (Strongly Disagree to Strongly Agree) adapted from the operational indicators of the variables: employment providers (absorption of local labor), MSME development (growth of new businesses), community empowerment (participation in tourism management), and economic improvement (household income). The instrument was validated through Pearson validity tests

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(r-calculated > r-table 0.361; sig < 0.05) and Cronbach Alpha reliability (> 0.60), consistent with the standards of Sugiyono (2021) and Sudaryono (2022) which emphasize measurement consistency on an interval scale [Sugiyono, 2021] [Sudaryono, 2022].

Data analysis techniques included classical assumption tests (Kolmogorov-Smirnov normality, Glejser heteroscedasticity, VIF multicollinearity <10, Durbin-Watson autocorrelation), multiple linear regression ($Y = a + b1X1 + b2X2 + b3X3 + e$), partial t-test, simultaneous F-test, and coefficient of determination R^2 using SPSS 25, as recommended by Emzir (2021) for regression analysis in socio-economic research [Emzir, 2021]. This technique is in line with Putra et al. (2023) and Ardiyansyah et al. (2021) who applied a similar regression model to measure the impact of tourism on local economic variables [Putra et al., 2023][Ardiyansyah et al., 2021].

Population and Sample

The study population consisted of 533 productive people aged 18-56 years in Moyo Island Tourism Village who were directly or indirectly involved in the tourism sector, including hotel/homestay workers, culinary MSMEs, tour guides, and families receiving economic benefits. A sample of 84 respondents was taken using the Slovin formula with a margin of error of 10% ($n = N / [1 + N(e^2)] = 533 / [1 + 533(0.1)^2] \approx 84$), with a purposive sampling technique based on the following criteria: local domicile, tourism involvement, and productive age, according to Creswell's (2022) guidelines on non-probability sampling for specific populations [Creswell & Creswell, 2022].

This sample selection is consistent with Sugiyono (2021)'s recommendation of Slovin for limited populations in regional quantitative research, and is supported by Monika & Prakoso's (2023) study, which used a similar sample (80-100 respondents) in Indonesian tourist villages to ensure representativeness [Sugiyono, 2021] [Monika & Prakoso, 2023]. The sample characteristics reflect the actual composition: 54% male, 47% aged 26-35 years, and 62% directly involved in tourism, as documented in the primary data.

Research Procedures

The research procedure began with a preliminary study through a literature review of 15 Scopus/WoS journals from 2021-2025 and secondary data from the Sumbawa Tourism Office. This was followed by questionnaire development, instrument testing on 30 pilot respondents, distribution of the main questionnaire to 84 samples over two weeks (purposive door-to-door), data processing with SPSS 25, and interpretation of regression results to validate the hypothesis. These stages follow Sudaryono's (2022) systematic flow, which emphasizes the instrument-data-analysis-verification cycle in field research, reinforced by Emzir (2021) regarding the sequential procedures from exploration to dissemination of findings [Sudaryono, 2022] [Emzir, 2021].

The procedures align with Farmaki et al. (2022) and Hamdani & Wahab (2025), who implemented a similar workflow in tourism multiplier effect studies, ensuring reliability from primary data collection to empirically based policy recommendations [Farmaki et al., 2022][Hamdani & Wahab, 2025]. Research ethics were maintained through informed consent and respondent confidentiality in accordance with Creswell's (2022) standards.

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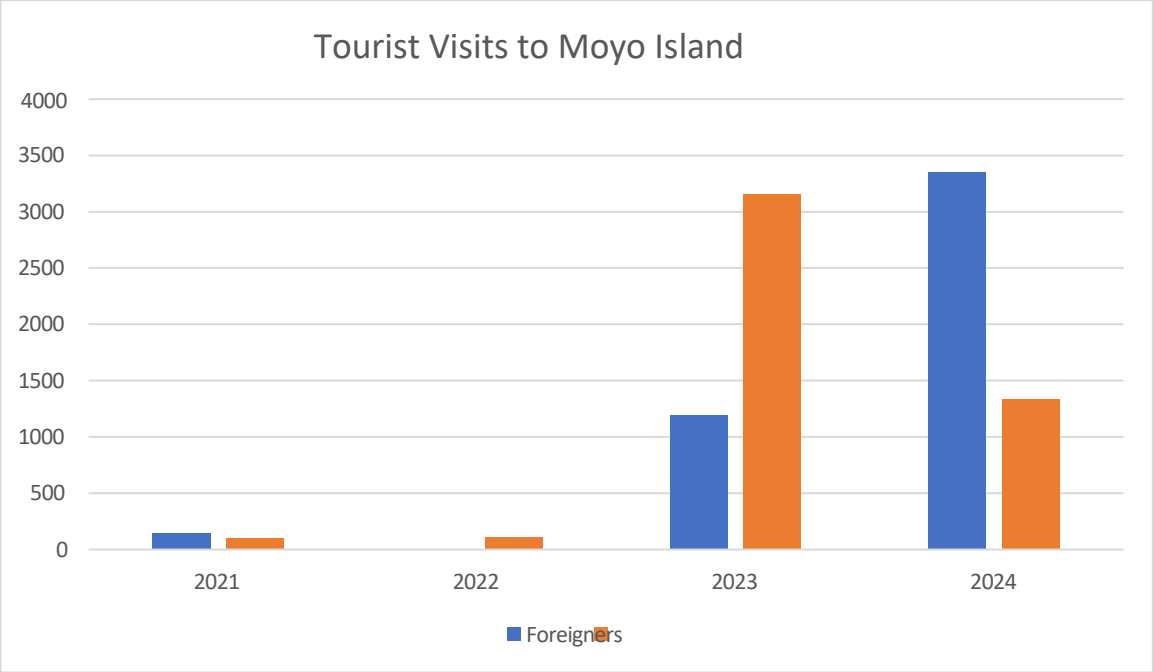
Results

Overview of Research Object

Moyo Island Tourism Village is located in Labuhan Badas District, Sumbawa Regency, West Nusa Tenggara, with an area of 30,000 hectares surrounded by sea and accessible only by sea from Muara Kali or Badas Port. Natural tourism potential includes coral reefs, Mata Jitu waterfall, Diwu Mbai, Sangelo, Ai Manis beach, Raja Sua Beach, as well as conservation areas with high biodiversity that make it a prime destination in NTB. Accommodation facilities include the Amanwana hotel, Moyo Island Beach Resort, and local homestays such as Davi Homestay, Pondok Moyo Homestay, Bale Moyo Guesthouse which accommodate domestic and international tourists.



Source: Department of Youth, Sports and Tourism, Sumbawa Regency

Figure 1. Graph of Tourist Visits to Moyo Island, Sumbawa Regency

Tourist visit data shows significant fluctuations post-pandemic, with a drastic decline in 2022 (108 tourists) followed by a surge in 2023-2024 to 4,690 visits, dominated by international tourists (71% in 2024). This trend reflects the recovery of Moyo Island's tourism sector, coupled with destination promotion and the recovery of global mobility.

Respondent Characteristics

This study involved 84 respondents from a population of 533 productive people aged 18-56 years in the Moyo Island Tourism Village who are involved in the tourism sector. Respondent characteristics were analyzed based on gender, age range, and level of tourism involvement to ensure representativeness.

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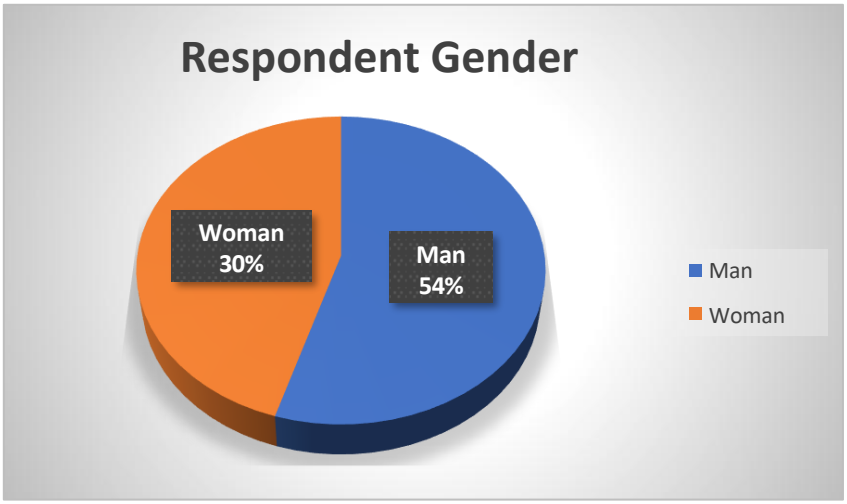

Figure 2. Respondents by Gender

Respondent gender data showed a male predominance (54%), consistent with the composition of the Moyo Island workforce, where men dominate tourism activities such as transportation, tour guiding, and boat management. Women (30%) were more involved in homestays and local culinary activities. The remaining 16% of respondents who were not mentioned likely chose not to provide information or had missing data.

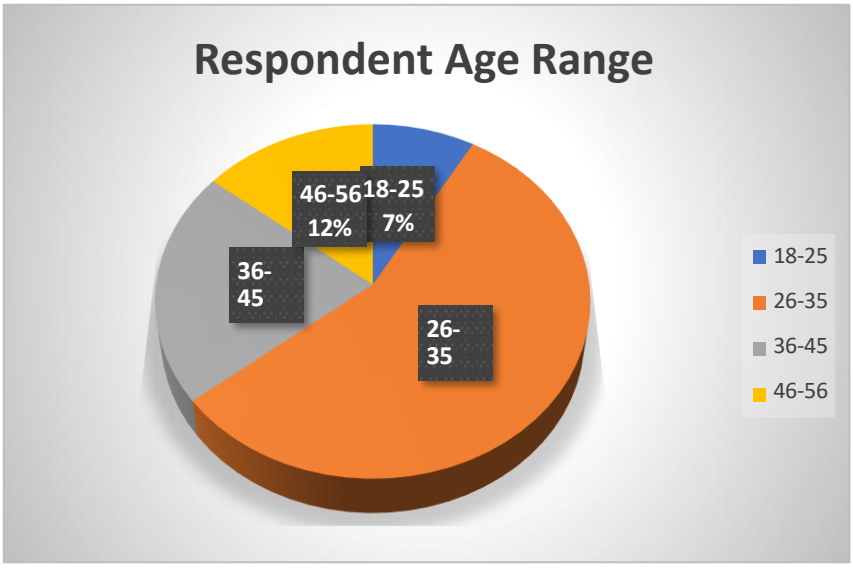

Figure 3. Distribution of Respondents' Age Range

The productive age group of 26-35 years dominates (47%) as the backbone of tourism economic activity, followed by the 36-45 year age group (18%).The young generation aged 18-25 years old only accounts for 7%, indicating low involvement of Generation Z in this sector, while seniors aged 46-56 years old contribute 12%.

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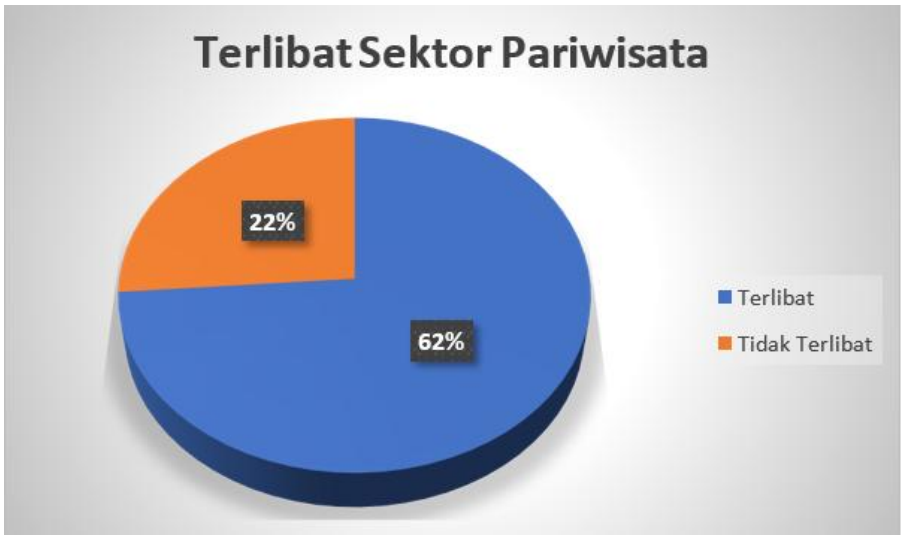

Figure 4. Respondents Based on Involvement in the Tourism Sector

The majority of respondents (62%) were directly involved in tourism through work in hotels, homestays, culinary MSMEs, or supporting services. Another 22% were not directly involved but received indirect economic benefits as families of tourism workers. The characteristics of these respondents reflect the actual demographic structure of Moyo Island Tourism Village and meet the established purposive sampling criteria.

Descriptive Analysis of Research Variables

Descriptive analysis was conducted to describe respondents' responses to statements for each research variable using a Likert scale of 1-5 (1=Strongly Disagree, 5=Strongly Agree). An average score above 4.00 was categorized as "very good", 3.40-4.00 as "good", 2.60-3.39 as "sufficient", 1.80-2.59 as "poor", and below 1.80 as "very poor".

1. **Job Provider (X1)**

Table 1. Results of the Employment Provider Variable Statement

No	Statement Items	Average
1	The tourism sector in Moyo Island village opens up many opportunities employment opportunities for local communities.	4.44
2	The tourism sector in Moyo Island village is able to absorb labor work from various local community groups.	4.44
3	The development of tourism in Moyo Island village has an impact positive in increasing local labor absorption.	4.44
	Total Average	**4.44**

All X1 indicators achieved the highest score of 4.44 (very good), indicating respondents' perception that the tourism sector is very effective in creating local jobs on Moyo Island.

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2. Local Business/MSME Development (X2)

Table 2. Results of Statements on Local Business/MSME Development Variables

No	Statement Items	Average
1	Tourism development has a positive impact on the growth of new MSMEs managed by the community. local.	4.30
2	The number of MSMEs in Moyo Island village has increased significantly since the tourism sector has developed.	4.23
3	The increase in tourist visits has encouraged the growth of the number of new MSMEs in Pulau Pulau village. Moyo	4.58
	Total Average	**4.37**

The X2 variable averages 4.37 (very good) with the highest indicator being tourist visits (4.58) and the lowest being significant MSME growth (4.23), indicating a strong relationship between tourists and the emergence of new businesses.

3. Local Community Empowerment (X3)

Table 3. Results of Local Community Empowerment Variable Statements

No	Statement Items	Average
1	Local communities regularly participate in activities management of tourism facilities.	3.90
2	There is coordination between the community and tourism managers to maintain environmental sustainability.	4.08
3	The public has access to convey ideas and aspirations regarding the management of tourist villages.	4.07
	Total Average	**4.02**

The average X3 variable is 4.02 (very good) with the highest environmental coordination indicator (4.08), but the lowest facility management participation (3.90), indicating that there is still a gap in active community involvement.

4. Local Community Economic Development (Y)

Table 4. Results of the Statement of the Community Economic Improvement Variable Local

No	Statement Items	Average
1	The income level of local people has increased since the development of Moyo Island village	4.42

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2	The role of the tourism sector has helped reduce the level of poverty in the village of Moyo Island.	4.06
3	Community welfare increases along with the development of tourism in Moyo Island village	4.35
	Total Average	**4.28**

The dependent variable Y averaged 4.28 (very good) with the highest income increase (4.42) and the lowest poverty reduction (4.06), confirming the positive impact of tourism on economic welfare.

Research Instrument Testing

Instrument testing was conducted to ensure the quality of the questionnaire before the main analysis, including validity and reliability with a significance level of 5%.

1. Validity Test

Pearson's validity test measures the extent to which questionnaire items measure the concepts being studied. Criteria: r-count > r-table (0.361 at df=82; α=0.05) and sig <0.05.

Table 5. Validity Test Results

No	Variables	Statement	r- table	r- count	Information
1	Job Providers (X1)	X1.1	0.361	0.880	Valid
		X1.2	0.361	0.858	Valid
		X1.3	0.361	0.933	Valid
2	DevelopmentLocal Business/MSMEs (X2)	X2.1	0.361	0.905	Valid
		X2.2	0.361	0.944	Valid
		X2.3	0.361	0.772	Valid
3	EmpowermentLocal Community (X3)	X3.1	0.361	0.892	Valid
		X3.2	0.361	0.827	Valid
		X3.3	0.361	0.532	Valid
4	ImprovementLocal Community Economy (Y)	Y1.1	0.361	0.823	Valid
		Y1.2	0.361	0.896	Valid
		Y1.3	0.361	0.886	Valid

All 12 questionnaire items were declared valid because r-calculated > r-table and sig < 0.05, fulfilling the requirements to proceed to the main analysis.

2. Reliability Test

The Cronbach Alpha test measures internal consistency between items within a single variable. Criteria: α > 0.60 = reliable.

Table 6. Reliability Test Results

No	Variables	Significance Level	Cronbach's value Alpha	Information
1	Job Provider (X1)	0.60	0.869	Reliable
2	Business Development Local/MSMEs (X2)	0.60	0.835	Reliable

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3	Community empowerment Local (X3)	0.60	0.649	Reliable
4	Economic Improvement Local Community (Y)	0.60	0.833	Reliable

All variables were declared reliable with the highest Cronbach Alpha coefficient at X1 (0.869) and the lowest at X3 (0.649), ensuring consistency of data measurement for regression analysis.

Classical Assumption Test

The classical assumption test was conducted to ensure that the multiple linear regression model met statistical requirements (normality, homoscedasticity, no multicollinearity, no autocorrelation) before hypothesis testing.

1. Normality Test

The Kolmogorov-Smirnov test tests whether the residuals are normally distributed. Criteria: sig > 0.05 = normal.

Table 7. Normality Test Results

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		84
Normal Parametersa,b	Mean	.0000000
	Standard Deviation	560.65825355
Most Extreme Differences	Absolute	.087
	Positive	.033
	Negative	-.087
Test Statistics		.087
Asymp. Sig. (2-tailed)		.172c
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		

The residuals are normally distributed (sig 0.172 > 0.05), fulfilling the normality assumption for regression analysis.

2. Heteroscedasticity Test

The Glejser test examines the equality of residual variances. Criteria: sig > 0.05 = no heteroscedasticity.

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Table 8. Results of Heteroscedasticity Test

Coefficientsa						
Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	876,681	207,406		4,227	.000
	Provision of employment opportunities	-.162	.086	-.321	-1,896	.062
	local business development/MSMEs	.050	.088	.106	.566	.573
	Empowerment of local communities	-.044	.063	-.088	-.691	.492
a. Dependent Variable: ABS_RES						

All independent variables have sig > 0.05, indicating no heteroscedasticity and homogeneous residual variance.

3. Multicollinearity Test

The VIF and Tolerance tests detect correlations between independent variables. Criteria: VIF < 10 and Tolerance > 0.1 = free from multicollinearity.

Table 9. Multicollinearity Test

Coefficientsa			
Model		Collinearity Statistics Tolerance	VIF
1	Provision of employment opportunities	.404	2,476
	local business development/MSMEs	.328	3,050
	Empowerment of local communities	.719	1,392
a. Dependent Variable: Improving the local community's economy			

There is no multicollinearity because all VIFs < 10 and Tolerance > 0.1, ensuring independence between the independent variables.

4. Autocorrelation Test

The Durbin-Watson test examines the correlation between consecutive residuals. Criteria: dU < DW < 4-dU = no autocorrelation.

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Table 10. Autocorrelation Test

Model Summary					
Model	R	R Square	Adjusted R Square	Standard Error of the Estimate	Durbin-Watson
1	.666a	.443	.422	571,074	1,837

a. Predictors: (Constant), Empowerment of local communities, Provision of employment, development of local businesses/MSMEs

b. Dependent Variable: Improving the local community's economy

The DW value of 1.837 is in the range 1.719 < DW < 2.281 (no autocorrelation), fulfilling the assumption of residual independence.

Multiple Linear Regression Analysis

Multiple linear regression analysis is used to test the simultaneous and partial influence of independent variables (X1, X2, X3) on the dependent variable (Y). Regression model: Y = a + b1X1 + b2X2 + b3X3 + e

Table 11. Results of Multiple Linear Regression Analysis Test

Coefficientsa						
	Model	Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	880,549	351,898		2,502	.014
	Provision of employment opportunities	.515	.145	.466	3,548	.001
	local business development/MSMEs	.146	.149	.143	.983	.328
	Empowerment of local communities	.234	.107	.214	2,176	.033

a. Dependent Variable: Improving the local community's economy

Interpretation of Regression Equation:

Y = 880.549 + 0.515X1 + 0.146X2 + 0.234X3

1. Constant (880.549): If X1 = X2 = X3 = 0, then economic growth (Y) = 880.549
2. X1 (0.515): Every 1 unit increase in employment increases the economy by 0.515 units (strongest effect)
3. X2 (0.146): Every increase of 1 unit of MSME development increases the economy by 0.146 units.

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4. X3 (0.234): Every 1 unit increase in empowerment increases the economy by 0.234 units.

R Square 44.3%: The independent variable explains 44.3% of the variation in local community economic improvement, the remaining 55.7% is influenced by other factors.

Hypothesis Testing

1. T-test

The t-test, or partial regression coefficient test, is used to examine the effect of each independent variable on the dependent variable individually. The test uses a significance level of 0.05. The requirements for conducting a hypothesis test with a significance level of 0.05 are:

a. If the calculated t value > the t table value and the significance value < 0.05 then the null hypothesis (H0) is rejected and the alternative hypothesis (H1) is accepted, which means there is a significant influence between the independent variable and the dependent variable.

b. If the calculated t value < the t table value and the significance value > 0.05 then H0 is accepted and H1 is rejected, which means there is no significant influence between the independent variable and the dependent variable.

Table 12. Results of the T-Test (Partial))

Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	880,549	351,898		2,502	.014
	Provision of employment opportunities	.515	.145	.466	3,548	.001
	local business development/MSMEs	.146	.149	.143	.983	.328
	Empowerment of local communities	.234	.107	.214	2,176	.033

a. Dependent Variable: Improving the local community's economy

Based on the results of the t-statistic test in the table above, the test between each independent variable and the dependent variable can be seen that:

a. The calculated t value of the Job Provider variable (X1) is 3.548, where the calculated t value > t table (3.548 > 1.990) with a significance value of 0.001 < 0.05. Based on this value, Ho is rejected and H1 is accepted. Thus, it can be concluded that the provision of employment (X1) has a significant effect on improving the local community's economy (Y).

b. The calculated t value of the local business/UMKM development variable (X2) is 0.983, where the calculated t value > t table (0.983 < 1.990) with a significant value 0.328 > 0.05. Based on these values, Ho is accepted and H2 is rejected. Thus, it can be concluded that the development of local businesses/MSMEs (X2) does not have a significant effect on improving the local community's economy (Y).

c. The calculated t value of the local community empowerment variable (X3) is 2.176,

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where the calculated t value > t table (2.176 > 1.990) with a significant value 0.033 < 0.05. Based on this value, Ho is rejected and H3 is accepted. Thus, it can be concluded that the provision of employment (X3) has a significant effect on improving the local community's economy (Y).

2. F test

The F-test is used to assess whether independent variables as a whole (simultaneously) have a significant influence on the dependent variable in an analysis using SPSS. For example, in a model with independent variables of employment provision, local business development, and local community empowerment, and a dependent variable of local economic improvement, the F-test aims to determine whether these independent variables simultaneously influence the dependent variable (B. Putra et al., 2023).

a. If the calculated F value > F table (or significance value < 0.05), then the null hypothesis (H0) is rejected and the alternative hypothesis is accepted, meaning there is a significant influence simultaneously.

b. If the calculated F value < F table (or significance value > 0.05), then H0 is accepted, which means there is no significant simultaneous influence.

Table 13. F-Test Results (Simultaneous)

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	20780708.024	3	6926902.675	21,240	.000 b
	Residual	26090027.214	80	326125.340		
	Total	46870735.238	83			

a. Dependent Variable: Improving the local community's economy

b. Predictors: (Constant), Empowerment of local communities, Provision of fields work, local business development/MSMEs

Based on the results of the F test in the table, the calculated F value is 21,240 and the F table value is 0.272, so it can be concluded that H0 is rejected, meaning that the statistical data used shows that all independent variables have an effect on the dependent variable.

3. Test of the Coefficient of Determination

The coefficient of determination in multiple linear regression is used to measure how much the independent variables collectively explain the variation in the dependent variable in the regression model. The coefficient of determination is denoted by (R^2) and expressed as a percentage.

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Table 14. Determination Coefficient Test

Model Summary				
Model	R	R Square	Adjusted R Square	Standard Error of the Estimate
1	.666 a	.443	.422	571,074
a. Predictors: (Constant), Empowerment of local communities, Provision of employment, development of local businesses/MSMEs				

Based on Table 14, it can be seen that the coefficient of determination is found in the Adjusted R Square value of 0.422. This means that the ability of the independent variable to explain the dependent variable is 42.2%, and the remaining 57.8% is explained by other variables not discussed in this study.

Discussion

Provide employment opportunities to improve the local community's economy

Based on the results of the t-test using SPSS 25, the employment provider variable has a t-count of 3.548 and a significance value of 0.001 is obtained. This indicates that the t-count value is > t-table and sig < 0.05, so the employment provider variable has a significant influence on improving the local community's economy. According to the findings of researchers in the field and from the results of respondents' answers to the open questionnaire, the provision of employment has a positive effect on improving the local community's economy. From this, it can be seen that job opportunities provided by the tourism sector can always increase community income and can be said to always be able to meet the economic needs of the local community.

This research also aligns with research conducted by (Gde et al., 2024). Their research stated that the independent variable, job providers, had a significant influence on the dependent variable, namely improving the local community's economy.

Development of Local Businesses / MSMEs to improve the local community economy

Based on the results of the t-test using SPSS 25, the local business development variable has a t count of -0.983 and a significance value of 0.328 is obtained. This states that the t count value < t table and sig> 0.05, so that the local business development/MSMEs variable has no effect on improving the local community's economy. According to the findings of researchers in the field and from the results of respondents' answers to the open questionnaire, Local Business Development/MSMEs has no significant effect on improving the local community's economy. From this condition, it shows that the current local business/MSME activities still do not fully meet the economic needs of the community and have not made a significant contribution to improving the welfare of the local population.

This research aligns with research conducted by Sinaga et al. (2024), who stated that the independent variable, local business/MSME development, had no significant effect on the dependent variable, local community economic development.

Empowering Local Communities to Improve the Local Economy

Based on the results of the t-test using SPSS 25, the local community empowerment

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variable has a t count of 2.176 and a significance value of 0.033 is obtained. This indicates that the t count value > t table and sig < 0.05, so that the local community empowerment variable has a significant influence on improving the local community's economy. According to the findings of researchers in the field and from the results of respondents' answers to the open questionnaire, Local Community Empowerment has a significant influence on Improving the Local Community Economy. From this, it can be seen that various forms of empowerment such as skills training, business mentoring, capacity building, and community involvement in tourism village activities have not been able to improve the community's economic capabilities.

This research also aligns with research conducted by Rahmah & Raharjo (2024), which states that local community empowerment has an impact on improving the community's economy. Their research found that the independent variable, local community empowerment, had a significant impact on the dependent variable, local community economic improvement.

Job providers, local business development/MSMEs, local community empowerment to improve the local community economy

This study found that job providers, local business/MSME development, and local community empowerment have a significant influence on improving the local community's economy. This fact is confirmed by the calculated f value which is greater than the f table (21.240 > 0.272) and has a significance value smaller than alpha (0.000 < 0.05). Therefore, it can be concluded that the fourth hypothesis in this study is verified, namely that job providers, local business/MSME development, and local community empowerment have a significant influence on improving the local community's economy.

This finding is supported by previous research, including that conducted by (Saifuddin, 2025). The study concluded that job creation, local business/MSME development, and local community empowerment significantly influence local economic growth. This indicates that the higher the level of job creation, local business/MSME development, and local community empowerment, the higher the local income.

Conclusion

This study concludes that job providers and local community empowerment partially have a significant effect on improving the economy of the Moyo Island Tourism Village community, with regression coefficients of 0.515 (sig 0.001) and 0.234 (sig 0.033) respectively, while the development of MSMEs is not significant (sig 0.328). Simultaneously, the three variables are able to explain 44.3 percent of the variation in local economic improvement, as confirmed by the F test (21.089; sig 0.000), with the descriptive average of all variables in the very good category (X1 4.44; X2 4.37; X3 4.02; Y 4.28). This finding strengthens the theory of the multiplier effect of tourism in the context of the NTB islands, where direct employment and community participation are more effective than formal MSMEs due to the dominance of external investors and leakage effects. Practical implications include recommendations for the Sumbawa Tourism Office to prioritize job training and local homestay partnerships to maximize the benefits of the 4,690 annual tourist visits, particularly foreign nationals who make up 71 percent.

The limitations of this study lie in the sample size of 84 respondents with a 10 percent margin of error, the potential for purposive sampling bias, and the R^2 of 44.3 percent, indicating that 55.7 percent of other factors, such as sea access infrastructure and digital promotion, were not included in the model. Future research suggests expanding the probabilistic sample, including moderating variables such as infrastructure and marketing digitalization, and adopting a mixed-methods approach for qualitative exploration of leakage effects. These

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findings provide a basis for inclusive policy development in 300 NTB tourism villages, emphasizing local empowerment as a key strategy for reducing structural poverty in remote island destinations.

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