DIGITAL NOMADS TOURISM IN BALI

Agung Suryawan Wiranatha, Made Antara, Agung Cahyawan Wiranatha, Putu Saroyini Piartrini, Ida Bagus Gde Pujaastawa and I Gusti Ayu Oka Suryawardani
Centre of Excellence in Tourism Udayana University
Bali, Indonesia

Abstract—The development of tourism is significantly influenced by the development of digital technology. This new development leads to a new tourism type, known as Digital Nomads Tourism, which is a combination of two activities namely digital nomads with tourism. The number of digital nomads is estimated to reach 4.8 million in America in 2018 (MBO Patrtners Inc., 2018), and some experts estimate the number of digital nomads to be more than 1 billion people in 2035 (WYSE Travel Confederation, 2019). Ubud and Canggu in Bali are among the most popular destinations in the world as hub for digital nomads. This study aims to: (i) identify the characteristics of digital nomads who live temporarily in Bali, (ii) analyze their perceptions of Bali as a tourism destination for digital nomads, and (iii) develop criteria the appeal of destinations for digital nomads. This research was conducted in two popular tourism destinations in Bali, namely: Ubud and Canggu. This study uses a qualitative approach with interview and survey methods using questionnaires, and is supported by appropriate literature review. Data analysis was performed by descriptive statistical analysis and descriptive qualitative description. The results of the first year research showed that for the development of digital nomads tourism in Bali, we must pay attention to the pull factors for digital nomads in choosing their destination destinations, namely: (a) affordable living costs, (b) availability of adequate amenities, (c) community hospitality; and (d) many variations of weekly events are offered.

Keywords—co-working, co-living, internet, tourism destination, Ubud, Canggu, Bali

INTRODUCTION

Background

Global tourism has been developing rapidly in the past decade, in addition tourism has become one of the fastest growing industry across the globe. UNWTO highlights (2018) announced that the number of international tourist arrivals have been elevated for 7% in 2017, reaching over 1.32 billion or 84 million greater than the number in 2016. Tourism has also become the motor to develop the world economic to raise the country’s National Income, creating employment opportunities, and providing income. Furthermore, UNWTO Highlights (2018) have mentioned that tourism has create 1.6 trillion US$ in 2017.

Indonesia’s tourism has significantly rise due to the number of international tourists who comes to Indonesia reach 14.04 million visitors or increasing 21.44% comparing to year
2016. The number of international tourists during 2018 have been elevating and reaches 15.81 million people. The national income for tourism reached 13.5 billion US$ in 2016. National income from tourism held the second top rank below crude palm oil (CPO) with the amount US$ 15.9 billion. In 2017, national income from tourism reached US$ 16.8 billion (fakta.news, 2017).

Tourism has long time being the major sector for the economy in Bali which able to stimulate the other sectors. Tourism in Bali become more popular and become the top rank as the world most famous tourist destination in 2017 above London (second rank) and Paris (third rank) according to trip advisor (2017). In 2017, the number of foreign tourists who directly come to Bali was 5,697,739 people(Bali Province Tourism Office, 2018). Bureau Centre of Statistic Bali Province (2019) mentioned the total number of tourists who visited Bali in 2018 was 6,070,473 or increasing 6.54% from 2017. The total of foreign tourist who visited Bali contributed 38.4% of total foreign tourist who visited Indonesia in 2018.

Development of digital technology and information plays a great role for the development of the world tourism. Digital communication technology through internet commonly applied for the tourism development, especially for the tourism marketing which include promotion and transaction for tourism business (Mecha et al., 2019; Bhaskara and Sugiarti, 2019; Ritchi, 2018). Breakthrough of digital communication technology via internet have changed the promotion transaction cycle which majorly occur between the tourist and the tourism industry (business to costumer) without middle man (travel agent) (Karisma et al., 2019).

The development of digital technology has not only utilized by tourism industry to aid and fasten the services for the tourists and increasing the accountability of the service providing company, however tourists can use the digital technology to increase their working effectivity and productivity while enjoying the tourist destination. Nowadays, internet seems to be difficult to release internet from daily life. This include occupation. It could not be denied that internet can create many job opportunities. This situation creates many freelance workers such as writer, data entry, designer, programmer, and many more. Furthermore, long distance work using internet create changes towards mindset of the youth nowadays. They don’t feel that regular job required, because freelance job can create income to support their daily live. This kind of phenomenon becomes more popular throughout the presence of tourist which are freelance workers. These people are called the digital nomad.
Ikhsanti (2017) states that digital nomad is a term for those people who do not stay in a certain place for long time and work in long distance by using internet. These digital workers working in several business sectors just by using smartphone as well as laptops. Certainly, they must provide themselves with internet connection to do their work. These digital nomads can do their works in their living place such as hotels and apartments. However, several of them decide to work in coffee shop or restaurants while enjoying foods and view. That is the reason why tourist spots in Bali are filled with young people from around the world searching for restaurant and co-working space with Wi-Fi access.

Novriandi (2017) states that there are five benefit of being digital nomad: (i) Independent location, (ii) Simple to initiate working mood, (iii) Unlimited Creativity, (iv) Flexible working time and Coworking space support. The development creates new tourism model which known as Digital Nomads Tourism which is the combination of two activities digital nomads and tourism. Digital nomads are individuals who does not depend on fixed working area and special rooms for working, however the only things required by them is high quality internet connection to assist their work (Makimoto and manners, 1997; Dal Fiore et al., 2014; Mohn, 2017; Koeswologito, 2018). Even though difficult to predict, their numbers can reach 4.8 million people in the United States (MBO Partners Inc., 2018) several experts predict the number of digital nomads can reach more than 1 billion people in 2035 (WYSE Travel Confederation, 2019). Ubud and Canggu are amongst the popular destination worldwide as a hub for digital nomads (Koeswologito, 2018a). Tourism market which targeting the digital nomads is a new market opportunity even though the amount and contribution are still insignificant toward local economics, however early preparation should be performed.

According to Leiper (1990) and Mill and Morrison (2009), to create sustainable tourism, maintaining tourist satisfaction and ensuring to gain good experience and increasing tourist awareness about tourism sustainability (UNEP, 2010; UNWTO, 2010). To be able to provide satisfaction for the tourist during accommodating digital nomads tourist market, several aspects such as characteristics, perception, and satisfaction of the digital nomads tourist towards the Bali tourist destination, therefore anticipation of their requirements so they choose Bali as their favourite tourist destination.
According to the backgrounds above, digital nomads is potential as a future aspect for Bali tourism in the future, however preparation for that aspect has not been performed and require preliminary study. Research about digital nomads tourism has not been done in Bali and Indonesia.

**Purpose of The Study**

The purpose of this study:

1. Identify the characteristic of digital nomads
2. Analyze perception of the digital nomads tourists who live temporary in Bali

**RESEARCH METHOD**

**Research Framework and Approach**

Bali tourism is famous due to the culture uniqueness, art, local wisdom as well as the polite local society which are supported by natural landscape and the beaches in Bali. With the presence of various tourist facilities with international standard has made Bali to become one of the favourite tourist destination which can attract tourists for revisit. Bali tourism can enhance the other sectors in Bali, furthermore it can elevate the income for the society in Bali as well as providing job opportunities.

Digital technology trends as well as tourism trends amongst millennials which are highly dynamics creating new trends as known as tourism by digital nomads which involve millennials professionals who are working outside the office, therefore the digital nomads searching for location which they consider to be comfortable to work and meet the other digital nomads. However, nowadays the potential of digital nomads has not taken attention of the tourism industry in Bali compared to other tourism such as marine tourism, sports tourism, wellness tourism, and spiritual tourism. By conducting this research, the writers can identify the presence of digital nomads tourists in Bali more clearly so planning for the policy to increase the visiting number of digital nomads to Bali.
This research using qualitative approach with interview method and survey with questioner and supported by appropriate previous study. The data analysis performed by descriptive statistic analysis. Several factors which is studied in this research are:

3. Ideal criteria of a certain destination for digital nomads tourists.

**Research Time and Location**

This study was held from May-October 2019 in two different tourist destination in Bali which are: Ubud and Canggu (Kuta). The research location was chosen due to several reasons such as:

1. Bali and Thailand are the only amongst ASEAN country which is the favourite for digital nomads (Conaway, 2017).
2. For Bali, only Canggu and Ubud which has been categorized as popular spot for digital nomads (Koeswologito, 2018a).
3. Similar research has not been conducted in Bali.

**Respondents and Informants**

The respondents of this research is the digital nomads who is living temporary in Ubud and Canggu. The total respondents of this research are 50 people tourists which is categorized as digital nomads. This number is selected because the total population of digital nomads has not been noted in Bali, so the minimal respondents for this research is 30 respondents as the minimum requirement for social research. The selection of the respondent used purposive accidental sampling, where respondents are digital nomads in the research location. Meanwhile, informant in this research is the manager or the owner of the co-working space or digital nomads in Ubud or Canggu. In this research, the informant only four people.

**Types and Source of Data**
The types of data which are gathered in this study divided into quantitative and qualitative data. Quantitative data is data in form of number which includes the total of hub for digital nomads in both destinations (Ubud and Canggu), the total of tourist visiting, length of stay, and other data supporting the research. The source of data is from primary and secondary data. Primary data was gathered by questioner which has been prepared for digital nomads as well as deep interview to the owner of the informant who owned or organize the co-working space.

**Methods of Gathering Data**

Data gathering was performed in several methods as follow:

1. Literature review, gathering data and information about digital nomads, hub for digital nomads and other tourism information related to digital nomads.
2. Questioner which was given to the digital nomads tourist in the research location.
3. In-depth interview with the owner or manager of the co-working space where the digital nomads do their activity.

**Data Analysis Method**

Data analysis for the research Digital Nomads Tourism in Bali was performed by descriptive statistical analysis to explain the output of the statistical analysis therefore the characteristic and perception of the digital nomads who live temporary in Bali can be determined, and ideal criteria for digital nomads will be arranged.

**RESEARCH RESULTS AND DISCUSSION**

**Overview of The Research Locations**

Digital nomads tourism research was carried out in two well-known tourism areas in Bali, namely Ubud and Canggu.

**Ubud**

Ubud is a very famous tourist destination in Bali. Foreign tourists interested in visiting Ubud because of vibration of art and culture in daily life of community in Ubud area
which has made foreign tourists feel happy staying in a typically traditional village of Bali. Natural beauty of landscape in Ubud area has also made foreign tourists want to stay longer in Ubud. Rice field terrace can also be seen in the area of Ubud supported by surrounding green area which can improve the beauty of rural atmosphere. Ecotourism can also be found in the area of Ubud, namely Monkey Forest which attract tourists to visit this place. Other attraction that can be found in Ubud are white water rafting tours, Ubud castle, Ubud market and many galleries, paintings and museums. In addition, Ubud is famous as centre of artists. Traditional dance performance is held every night in some places which can make more interested atmosphere in the evening to attract tourist who enjoy their time.

The Ubud area has been famous for Western tourists since the 1930s. Painter from Germany, Walter Spies and from Holland, Rudolf Bonnet used to live in Ubud. They were welcome by Cokorda Gede Agung Sukawati, from Puri Agung Ubud. At the moment, their painting collection can be seen at the Puri Lukisan Museum.

**Hubud, a Digital Nomads in Ubud**

Hubud is a place in Ubud where digital nomads gather which provides spaces to work as like office for digital nomads. Hubud provides high speed internet connection where the working environment is design for individual work or group work. It also provides good scenery with the scenery of rice field as well as fully air-conditioned meeting room with LCD projector and whiteboard.

Hubud also provide access for digital nomads to be the member including Hubud online community, H-pass discount card, storage locker, skype room and canteen. Hubud is not only as co-working space, but also as co-living and co-giving. As a co-living, Hubud also provides accommodation facilities and others facilities for those who lives in Ubud.

Hubud is also as a co-learning where hubud provides various events to increase knowledge, facilitate career and gaining experience. Hubud also provides co-giving which combine social works with entrepreneurship to support local business in Ubud.
Co-giving program facilitate both benefit interaction between businessman with local communities. Hubud members take role in supporting the co-giving program which bring benefits for the local community. This program also initiates members to learn new skill and providing new knowledge.

Hubud become the place where digital nomads community gather. Friendship as well as experience will be gained by them in Ubud because they create connection amongst them in Ubud. Hubud also place to collaborate to make innovation in creative business.

Canggu

Canggu is a coastal area in the southern part of Bali which is surrounded by rice paddy. Several famous beaches in Canggu including Canggu beach and Echo beach which has great waves for surfers around the world. Canggu has many good accommodations starting from star hotel, villa, non-star hotel and homestay. Canggu has close distance with Seminyak where luxurious shop and restaurants are located.

Canggu has developed after the development of tourism in Kuta beach, Legian and Seminyak. Many tourists who previously lived in Kuta, Legian and Seminyak nowadays prefer to live in Canggu. They assumed that the price in Kuta, Legian and Seminyak are rising nowadays. Canggu became more popular due to the place of living of expatriate who induce the development of the Canggu. As a result, Canggu grows rapidly and become coastal tourist destination which still have a village atmosphere alternative to Kuta, Legian and Seminyak.

Dojo-Bali Co-working in Canggu

Dojo Bali is very famous co-working space which lies in a short distance from Echo Beach, Canggu. Canggu’s big name as popular tourist destination greatly assist Dojo Bali to become popular amongst tourists. Dojo Bali identic with co-working Bali where they use the facility to collaborate and participating in programs.

Dojo Bali co-working is an international and local community who are motivated to learn and collaborate by using working place and high-speed internet connection. Working in
Dojo creates productive atmosphere with great access to fresh air. Furthermore, digital nomads in Dojo receive experience to create connection and starting business with other digital nomads.

Dojo Bali co-working space consist of two stories building with modern facilities with six fibre optics, private skype room as well as fully air-conditioned meeting room. Swimming pool as well as tropical garden also support this Dojo Bali co-working space. Dojo Bali also provides canteen and café with various menus.

Co-living also provided by Dojo Bali similar to Hubud. Accommodation provided by Dojo Bali only five minutes from the Dojo Bali where the digital nomads can live temporarily during their stay in Bali. The accommodation in Dojo Bali has been designed to be comfortable as private houses.
Figure 1. Facilities and Accessibility Dojo Bali co-working space.

**Characteristic of Digital Nomads Tourist**

**Country Origin**
Country origin of digital nomads comes from Australia (13.6%), Germany (13.6%), United Kingdom (9.5%), United States (7.7%), Netherland (7.3%) and France (6.4%). The rest of the digital nomads comes from Czech (4.1%), Poland (3.2%), Russia (3.2%), Canada (2.7%) and other countries 25.9% as shown in Figure 2.
Age

Majority age of respondent in the range 26-55 years old (68.8%). Followed by tourists with age group 16-25 years old (23.6%) and 56 years old above (7.7%) (Figure 3).

Sex

Digital nomads tourists respondent dominated by male (54.6%) rather than female (45.6%). The difference between male and female is 9.2% (Figure 4).
Visiting Periods
First visit to Bali dominated the respondent of the digital nomads tourist (73.6%), followed by more than fifth visit (10.5%), second visit (9.5%), third visit (3.2%), fifth visit (2.3%), and fourth visit (0.9%) (Figure 5).

Perception of Digital Nomads Tourists Towards Ubud and Canggu
Several factors which act as full factors that cause digital nomads come to Ubud and Canggu as place for co-working and co-living. Full factor is a specific tourists destination attribute.
Several full factors owned by destination so it can accommodate the needs of the tourist’s candidate are as follow:

1. Weather.
2. Suitable access to the touristy spot including internet access.
3. Tourist Attraction. Every destination has its own tourist attraction which include the nature, culture and the people.
4. Amenities can be one of the requirements for tourists who will live longer in a certain area. This includes accommodation, food and beverage.
5. The involvement of tourism institution to support tourist destination so can be more suitable to visit. This institution aspect may include security aspect which can induce convenience for the tourists.
6. Natural as well as man-made environment.
7. Travel services and advertising retails as well as wholesale marketing.
8. Special event.
10. Visiting friends and relative.
11. Souvenir.
12. Low cost goods.

According to interview with the digital nomads in Hubud and Dojo Bali, the reason they choose Ubud and Canggu as destination for co-working and co-living are as follow:

1. The popularity of Bali as famous world tourist destination, therefore they feel like working while holiday.
2. Simplicity to receive visa (visa free or visa on arrival) as well as extension of visa in Bali.
3. Affordable cost of living, relative cheaper than their country of origin.
4. Amenities provided for co-living and co-working with affordable price.
5. Easy access to International airport, good internet access.
6. Various weekly events by Huud and Dojo Bali.
7. Polite and friendly community of local people in Ubud and Canggu so they feel convenience to live there.
CONCLUSION

According to the research, can be conclude that:

1. Bali is already well known as a place for digital nomads, therefore tourism for digital nomads can be developed and promoted more seriously.
2. Two popular destinations for digital nomads are Ubud and Canggu. Open for developing other destinations in Bali.
3. For developing digital nomads tourism in Bali, pull factors must be concerned to attract digital nomads such as: a) affordable living expenditure, b) availability of suitable amenities, c) friendly community, d) various weekly events.

AKNOWLEDGEMENT

Gratitude and appreciation to Rector of Udayana University, Lembaga Penelitian dan Pengabdian Masyarakat (LPPM) Universitas Udayana, for the funding of this research. Gratitude also delivered for the surveyor who assist this research by collecting data of the Digital Nomads

REFERENCE

Adam, R.L. 2018. 8 Ways to Make Money As a Digital Nomad: With the right skills and a good internet connection, you can make a living anywhere. https://www.entrepreneur.com/article/307252 (diakses 16 April 2019).


Koeswologito, S. 2018a. Bali and the rise of Digital Nomad: Bali has become a hub for Digital Nomads, with a growing community of remote-working professionals living here. For the cost of $600 or less, anyone can live in Bali for a month. Thrive Global, 17 Maret 2018.


