SACRED SITES, STALLED CAPITAL: INVESTMENT READINESS ACROSS INDONESIA'S CULTURAL AND RELIGIOUS TOURISM DESTINATIONS

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ABSTRACT

The Government of Indonesia designated five Super Priority Destinations (DSP): Lake Toba, Borobudur-Yogyakarta-Prambanan, Mandalika (Lombok-Gili Tramena), Labuan Bajo, and Likupang (Manado-Likupang), to redistribute tourism investment beyond Bali; three also carry cultural or religious heritage significance, including Borobudur (a Buddhist pilgrimage site) and Danau Toba (the Batak cultural homeland). This study examines whether investment concentration across these destinations is consistent with a proposed connectivity-infrastructure readiness mechanism, operationalized as an operational international airport combined with a legally settled special economic zone or authority board, using quarterly 2025 Domestic Direct Investment (PMDN) data in tourism. Creative-economy (ekraf) and national secondary-sector data are used only as supporting comparisons. A descriptive-quantitative method used frequency distribution, concentration-ratio analysis (CR3/CR5), and coefficient-of-variation trend analysis. National creative-economy investment (IDR 285.4 billion, 33 of 38 provinces) is sharply concentrated in Bali, Jakarta, and East Java, absorbing 86.3 percent of the total, while PMDN investment across the five DSPs reached IDR 5.67 trillion, about 6.8 percent of national secondary-sector investment. Lombok-Gili Tramena and Labuan Bajo jointly account for 73.8 percent of DSP investment, a pattern consistent with their meeting the specified readiness conditions, whereas Lake Toba contributed 0.8 percent amid unresolved land-use governance. Quarterly volatility varies sharply: Labuan Bajo and Lombok show large single-quarter spikes consistent with lumpy investment, while Manado-Likupang shows steadier growth. Creative-economy investment displays a different spatial pattern, suggesting that the proposed DSP readiness mechanism should not be extended to that sector without further analysis.

Keywords : tourism investment, super priority destination, infrastructure readiness, spatial disparity, creative economy

I. INTRODUCTION

Since 2016, the Government of Indonesia has pursued the "10 New Balis" strategy, later narrowed to five Super Priority Destinations (Destinasi Super Prioritas/DSP), namely Lake Toba, Borobudur-Yogyakarta-Prambanan, Mandalika (the Lombok-Gili Tramena area), Labuan Bajo, and Likupang (Manado-Likupang), as its principal policy instrument to diversify Indonesia's leading tourism destinations and reduce the sector's dependence on Bali (Presidential Regulation No. 6 of 2019 for Lake Toba specifically, and Government Regulation No. 52 of 2018 establishing the Mandalika Special Economic Zone). At least three of the five destinations also carry cultural or religious heritage status of direct relevance to this journal's scope: Borobudur Temple is a UNESCO World Heritage Site and one of Indonesia's principal Buddhist pilgrimage destinations, Danau Toba is the ancestral homeland of the Batak people and a center of Batak cultural tourism, and Labuan Bajo functions as the gateway to Komodo National Park, itself a UNESCO World Heritage Site. After more than eight years of implementation, an important descriptive question is whether domestic investment realization

is distributed relatively evenly across the five destinations or remains concentrated in only a few of them.

The stakes behind this question are not confined to a single reporting year. Tourism investment realization in Indonesia grew from IDR 20.73 trillion in 2018 to IDR 45.35 trillion in 2023, more than doubling in absolute terms, while its share of total national investment remained within a 2.77-3.75 percent range (Julianti & Pinpak, 2024). This longer pattern provides context for the 2025 distribution examined here, but it does not establish that the same factors produced both patterns. Accordingly, the present study treats connectivity and land-use governance as observable readiness indicators whose association with investment can be assessed descriptively, rather than as confirmed causes of investment outcomes.

Prior discussion of Indonesia's super-priority destinations has largely relied on visitor-arrival counts and regional GRDP figures published in government progress reports rather than on investment-realization data disaggregated to the quarter and district/city level. Visitor arrivals and GRDP growth may lag investment and do not directly measure new capital realization. Agustina and Putri (2026), using a simultaneous-equation model on Indonesian provincial panel data, show that tourist expenditure, GRDP, and poverty move together reciprocally, supporting direct examination of investment realization rather than inference from downstream indicators alone. Surya et al. (2025) used the Gini coefficient and Lorenz curve to document strong investment concentration across sub-districts in West Bandung Regency, but their study covered one regency and did not isolate tourism-specific investment. The present study therefore asks two focused questions: how unevenly was 2025 PMDN tourism investment distributed across the five DSPs, and was the observed distribution consistent with specified connectivity and institutional-readiness indicators?

Creative-economy (ekraf) activities such as culinary production, crafts, fashion, and media complement the visitor economy, but their location decisions may differ from those of capital-intensive tourism projects. The creative-economy analysis is therefore included as a supporting comparison, not as a second test of the main DSP framework. It shows whether another tourism-related sector exhibits a similar spatial concentration pattern without assuming that airport access and DSP land-governance arrangements explain that pattern. National secondary-sector investment is used only as a macroeconomic benchmark for the relative scale of tourism investment.

This study uses connectivity-infrastructure readiness as a proposed interpretive mechanism for the distribution of tourism investment across the five DSPs. Readiness is operationalized through two observable conditions: international-capacity air access and a legally established special economic zone or authority board with land-use authority. The descriptive expectation is that destinations meeting both conditions will tend to report higher investment realization than destinations where one condition remains unresolved. This expectation is assessed as a cross-destination association, not as a causal test, because the study covers one year and does not control for other influences on investment. The study aims to: (1) measure the spatial concentration of PMDN tourism investment across the five DSPs and compare it with their readiness status; (2) describe quarterly patterns and volatility in each DSP; (3) use provincial creative-economy investment as a supporting comparison of spatial concentration outside the main DSP framework; and (4) situate tourism and creative-economy investment relative to national secondary-sector investment. Patterns inconsistent with the proposed mechanism are reported rather than treated as exceptions to a confirmed explanation.

The concept of investment readiness used in this article is deliberately narrower than the broad concept of destination competitiveness. Destination competitiveness can include attractions, price, service quality, safety, environmental quality, branding, human resources, digital promotion, and visitor satisfaction. The available investment-realization datasets do not measure all of these dimensions. For that reason, the present framework focuses on two

conditions that can be observed consistently across the five DSPs and that are directly relevant to the implementation of capital-intensive projects: access through an airport capable of serving international connectivity and an institution with a clear legal basis for coordinating development and land use. These indicators do not represent a complete inventory of investment determinants. They provide a limited and transparent basis for comparing destinations within a descriptive design.

The proposed sequence is straightforward. Air connectivity can reduce travel time, widen the potential visitor market, and facilitate the movement of investors, employees, and project inputs. Institutional and land-use clarity can reduce uncertainty about where development may occur, which entity coordinates permits, and how a project relates to the destination master plan. In principle, a destination that meets both conditions may present fewer preliminary obstacles to investment realization than a destination where one of them remains unsettled. Nevertheless, the data used here do not measure investor perceptions, permit-processing time, land prices, expected return, financing costs, or project-level risk. The mechanism is therefore evaluated only through pattern correspondence: whether destinations classified as more ready also occupy the higher end of the observed investment distribution.

Three analytical expectations guide interpretation. First, investment realization is expected to be spatially unequal because large projects are not distributed mechanically across administrative areas. Second, destinations meeting both readiness indicators are expected to record higher annual realization than destinations with an unresolved indicator, although exceptions remain possible. Third, annual totals may conceal different temporal structures. A high total may result from steady realization across four quarters or from a single large quarterly surge. The volatility analysis therefore complements, rather than replaces, the concentration analysis. None of these expectations authorizes a causal conclusion; they organize the descriptive comparison and indicate which relationships should later be tested using multi-year and project-level data.

The distinction between tourism investment and creative-economy investment is equally important. Tourism accommodation, attraction, and destination-development projects are often tied to a particular site and may depend strongly on physical access and land-use arrangements. Creative-economy activities can be more mobile and may cluster near consumer markets, production networks, skilled labor, and media infrastructure. The creative-economy dataset is consequently used as a contrast case. If it displays concentration in locations different from the leading DSPs, the result suggests that concentration alone does not imply a common location mechanism. This supporting comparison strengthens the conceptual boundary of the study by showing where the readiness proposition is intended to apply and where it is not.

METHOD

This study uses a descriptive-quantitative approach within a secondary-data case-study design to examine the distribution of 2025 investment and its consistency with the readiness proposition stated in the Introduction. The population of data covers investment realizations reported for 2025 (Quarters I-IV) across three categories: (1) PMDN tourism-sector investment classified by Priority Tourism Destination (Destinasi Pariwisata Prioritas/DPP), totaling 1,471 district/city-level rows, of which 134 rows carry one of the five Super Priority Destination labels (Lake Toba, Borobudur-Yogyakarta-Prambanan, Lombok-Gili Tramena, Labuan Bajo, and Manado-Likupang) and form the analytic sample for DSP-level comparisons; the remaining 1,337 rows carry no DPP label and are used only to compute the national tourism-investment total in Table 1; (2) combined PMA and PMDN creative-economy (ekraf) investment covering 33 of Indonesia's 38 provinces, comprising 103 observations, used as a supporting comparison

rather than as part of the main explanatory framework; and (3) PMA and PMDN secondary-sector investment by province and district/city, used solely as a macro benchmark, comprising 3,156 observations. All three datasets were retrieved from the Ministry of Investment/Investment Coordinating Board of the Republic of Indonesia's (BKPM) public investment-realization data portal (data.bkpm.go.id) for fiscal year 2025.

Data-cleaning procedures included converting investment values recorded as a text dash ("-") into a numeric zero. This recoding treats a reporting dash as a genuine zero-investment quarter rather than as missing data; the source agency's own convention for this symbol could not be independently confirmed for this study, so all zero-valued cells produced by this recoding are flagged here as a limitation (see Conclusions) rather than treated as verified true zeros. Currency units were standardized (IDR million for the tourism and creative-economy data; IDR trillion for the secondary-sector data), and province and district/city naming was checked for consistency across datasets. Rows with a blank DPP label in the tourism dataset (representing general provincial tourism-investment realization outside a named DSP) were separated from the DSP-level analysis but still used to compute total national tourism investment as the denominator for share calculations. Five provinces (Bengkulu, Papua, Papua Barat, Papua Tengah, and Papua Pegunungan) do not appear anywhere in the creative-economy dataset for any quarter of 2025; this is treated as an absence of reporting coverage for those provinces, not as confirmed zero investment, and the concentration ratios reported in this study are therefore computed over the 33 provinces with at least one reported observation, not over all 38 national provinces. This distinction is discussed explicitly in the Results and does not affect the numerator of any reported concentration ratio, only its interpretation as a share of reporting provinces rather than a share of all provinces nationally.

Three analytical instruments were used. First, frequency distribution and cross-tabulation mapped the spread of investment values by province, district/city, DPP, and quarter. Second, the CR3 and CR5 concentration ratios were computed by summing the share of the three and five highest-value entities (provinces or DSPs) relative to the relevant category total. Third, the coefficient of variation (CV, the ratio of the standard deviation to the mean across the four quarterly values) was computed for each DSP's quarterly investment series and used, together with a visual reading of the quarterly trend, to assess whether investment flow was stable/gradual or dominated by one or two large single-quarter spikes ("lumpy" investment). A CV is reported explicitly for each DSP in the Results rather than asserted qualitatively, and destinations are compared against each other on this statistic rather than pooled into a single blanket claim. All data processing was carried out in Python using the pandas library for tabular data manipulation.

Operational Definitions and Units of Analysis

The principal unit of analysis is the named Super Priority Destination as represented in the BKPM tourism dataset. The DSP label is not always identical to a single province or district. Borobudur-Yogyakarta-Prambanan and Lombok-Gili Tramena cover more than one administrative area, whereas Labuan Bajo is represented through West Manggarai Regency. Aggregation to the DSP label permits comparison across the five nationally designated destinations, but it also means that internal administrative diversity differs from one DSP to another. A destination covering several districts has more opportunities for within-destination dispersion than a destination represented by one district. District-level statements are therefore made only where the administrative structure permits a meaningful interpretation.

Investment realization refers to the monetary value recorded in the source data for the relevant quarter. It should not be interpreted as the total announced value of projects, the value of all assets operating in a destination, or a direct measure of tourism output. Realization captures reported capital activity during the observation period. A project planned in an earlier

year may appear in 2025 when expenditure is realized, and a project announced in 2025 may not appear until a later period. This timing distinction is one reason the study avoids treating the annual values as a complete measure of long-term destination performance.

The concentration ratios answer a limited distributional question. CR3 measures the proportion of a total accounted for by the three largest units, while CR5 extends the calculation to the five largest units. For the five-DSP comparison, the combined share of the two leading destinations is also reported because it communicates the observed imbalance directly. A high ratio indicates that recorded investment is concentrated among a small number of units. It does not identify why concentration occurs, whether the distribution is socially desirable, or whether investment in the leading units is efficient. Interpretation therefore separates the numerical description from the readiness-based comparison.

The coefficient of variation is used because the five destinations differ greatly in the size of their investment totals. Standard deviation alone would tend to be larger for destinations with larger values. Dividing the quarterly standard deviation by the quarterly mean produces a relative measure that supports comparison across differently sized destinations. With only four quarterly observations, however, the CV is sensitive to a single high or low value and should not be treated as a stable long-run parameter. In this study it serves as a compact description of within-year unevenness and is read alongside the original quarterly values in Table 3.

The readiness classification is based on the status of the two specified conditions during the study period. This binary operationalization improves transparency but necessarily simplifies institutional reality. An airport may be operational while offering limited routes, and an authority board may exist legally while differing in administrative capacity, land control, or coordination effectiveness. The analysis does not score the quality of each condition. Consequently, observed differences among destinations classified in the same broad category may reflect variation that the binary indicators cannot capture.

Analytical Procedure

The analysis proceeded in five stages. First, the three datasets were inspected separately to preserve their different units and scopes. Second, tourism records were separated according to whether they contained a DPP label, after which the five DSP labels were aggregated by destination and quarter. Third, annual totals and destination shares were calculated and checked against the sum of the four quarters. Fourth, quarterly means, standard deviations, and coefficients of variation were compared with the raw series to prevent a summary statistic from obscuring the direction of change. Fifth, creative-economy concentration and the secondary-sector benchmark were calculated as contextual comparisons and were not merged into the DSP-level dataset.

Interpretation followed a predefined hierarchy. Directly observed values and calculated shares receive the greatest evidentiary weight. Comparisons with the readiness indicators are described as alignment or consistency. Explanations involving investor behavior, legal uncertainty, market scale, or project characteristics are presented only as plausible interpretations supported by prior literature, not as variables tested by the dataset. This hierarchy responds to the limitations of a one-year descriptive design and reduces the risk that a visually persuasive pattern will be mistaken for causal identification.

Several validation checks were applied during processing. Destination totals were compared with the sum of district/city records and quarterly values; percentages were computed from unrounded values before presentation; and reporting coverage was reviewed separately for tourism and creative-economy data. The five provinces absent from the creative-economy file were not assigned zero values. This decision avoids artificially increasing measured

concentration by treating an absence of records as verified noninvestment. At the same time, concentration among the 33 reporting provinces may not represent the distribution across all 38 provinces, which is why the denominator is stated repeatedly in the text and table notes.

II. RESULT AND DISCUSSIONS

Investment Scale of Tourism within the National Investment Structure

Total realized PMDN tourism-sector investment for 2025 (all provinces, including DSP and non-DSP areas) reached IDR 52.76 trillion. Total realized PMA and PMDN secondary-sector investment over the same period reached IDR 780.87 trillion, comprising IDR 541.20 trillion in PMA (69.3%) and IDR 239.67 trillion in PMDN (30.7%). On this descriptive benchmark, tourism investment was equivalent to about 6.8 percent of the secondary-sector total. Julianti and Pinpak (2024) similarly report that tourism represented 2.77-3.75 percent of Indonesia's total national investment realization from 2018 to 2023, despite growth in its absolute value. The present comparison is indicative rather than strictly commensurable because the datasets may differ in their treatment of committed versus disbursed capital and multi-sector projects. It therefore establishes a scale difference, not an explanation for that difference.

The scale gap may reflect differences in project characteristics, including longer payback periods and exposure to land-tenure and permitting risks in destination development. However, these factors are not measured in the present dataset and should be treated as possible interpretations rather than demonstrated explanations. Qasim (2025) reports a comparable delayed-return issue for property investment in West Java, but additional project-level evidence would be required to determine whether it applies to the DSPs examined here.

Table 1 should therefore be read as a comparison of economic scale rather than a ranking of sectoral importance. The tourism figure contains PMDN realization, while the secondary-sector total combines PMA and PMDN. The denominator is useful for illustrating the relative magnitude of recorded capital, but the components are not identical. The comparison does not imply that tourism should attract the same amount as manufacturing, because sectors differ in project size, capital intensity, supply chains, and reporting classification. Its value lies in establishing that the policy prominence of tourism is not automatically reflected in an investment total comparable with the much larger secondary sector.

The creative-economy figure in Table 1 is smaller again, at approximately IDR 0.285 trillion. This result should not be interpreted as the total economic value of creative activity. Many creative businesses are small, informal, self-financed, or recorded through categories not captured as investment realization in this dataset. The table therefore compares reported investment values, not sectoral output, employment, or social contribution. Keeping these concepts separate is necessary because a sector can make an important contribution to visitor experience and local livelihoods while still recording a relatively small formal investment value.

The macro comparison also clarifies why the remainder of the analysis concentrates on distribution rather than aggregate growth. A national tourism total can rise while most of the increase is captured by a few locations. Conversely, a relatively small destination total may be distributed steadily across quarters. The central empirical issue is thus not only how much capital was reported, but where and when it was realized. Tables 2 and 3 address these spatial and temporal dimensions directly.

Table 1. Comparison of Secondary-Sector, Tourism, and Creative-Economy Investment Scale, 2025

Sector / Category	Investment Value	Unit

PMA, Secondary Sector	541.20	IDR trillion
PMDN, Secondary Sector	239.67	IDR trillion
PMDN, Tourism Sector (all DPP + non-DPP)	52.76	IDR trillion
Creative Economy Investment (combined PMA+PMDN)	0.285	IDR trillion

Source: processed from Ministry of Investment/BKPM (2025) data, data.bkpm.go.id.

Investment Concentration across the Five Super Priority Destinations

From the total PMDN tourism investment identified with a Priority Tourism Destination (DPP) label, amounting to IDR 7.74 trillion, the five Super Priority Destinations (DSPs) absorbed IDR 5.67 trillion, or 73.3 percent. Distribution among the five DSPs was highly uneven. Table 2 shows that Lombok-Gili Tramena and Labuan Bajo together accounted for 73.8 percent of total DSP investment, while Lake Toba received IDR 43.14 billion, or 0.8 percent. This distribution is consistent with, but does not prove, the proposed readiness mechanism: Lombok and Labuan Bajo met both specified readiness conditions in 2025, whereas Lake Toba's land-use governance remained unresolved.

Table 2. PMDN Investment Realization across the Five Super Priority Destinations, 2025

Super Priority Destination	**Total Investment (IDR million)**	**Share of DSP Total (%)**
Lombok - Gili Tramena	2,513,597	44.3%
Labuan Bajo	1,672,185	29.5%
Borobudur - Yogyakarta - Prambanan	1,223,365	21.6%
Manado - Likupang	216,020	3.8%
Lake Toba	43,142	0.8%
Total 5 DSPs	5,668,309	100.0%

Source: processed from Ministry of Investment/BKPM (2025) data, data.bkpm.go.id.

The cross-destination pattern is consistent with the readiness indicators used in this study. Lombok International Airport and Komodo Airport in Labuan Bajo were operational in 2025, and the destinations had a Special Economic Zone authority (Mandalika) or Tourism Authority Board (Labuan Bajo Flores). Lake Toba, by contrast, spans multiple regencies and did not have an equivalent settled land-use arrangement. Julianti and Pinpak (2024) identify broader ambiguity between Indonesia's investment and tourism laws concerning permitting authority. This context makes institutional clarity a plausible interpretation of the observed difference, although the descriptive data cannot isolate its effect from other destination characteristics.

At the district/city level, concentration was also pronounced. Central Lombok Regency, the site of the Mandalika Special Economic Zone, absorbed IDR 1.75 trillion, or 69.7 percent of Lombok-Gili Tramena investment. West Manggarai Regency accounted for all recorded Labuan Bajo investment because this DSP overlaps with only one regency. The Lombok result shows concentration in one geographic node; the Labuan Bajo result primarily reflects the destination's administrative coverage and should not be interpreted as evidence of within-DSP disparity.

The ordering of the five DSPs provides additional context. Lombok-Gili Tramena recorded IDR 2.51 trillion, followed by Labuan Bajo at IDR 1.67 trillion and Borobudur-Yogyakarta-Prambanan at IDR 1.22 trillion. Manado-Likupang recorded IDR 216.02 billion, while Lake

Toba recorded IDR 43.14 billion. The difference between the highest and lowest totals is approximately IDR 2.47 trillion, and the highest destination recorded more than fifty times the value of the lowest. These comparisons demonstrate that the DSP category contains destinations with markedly different levels of realized domestic investment during the same year.

Borobudur-Yogyakarta-Prambanan is analytically important because it occupies the middle of the distribution rather than fitting a simple contrast between the two leaders and Lake Toba. Its IDR 1.22 trillion total shows that meaningful investment can occur outside the two highest-ranked destinations. At the same time, it does not eliminate the concentration pattern because Lombok-Gili Tramena and Labuan Bajo still account for nearly three quarters of the DSP total. This middle case cautions against converting the readiness proposition into a rigid binary rule and indicates that additional destination characteristics may shape the amount realized.

Manado-Likupang presents a second qualification. Its annual total is far below those of the three leading destinations, even though its quarterly pattern is comparatively stable. This combination separates investment level from investment regularity. Readiness indicators may correspond more closely with the ability to host investment than with the exact timing and size of reported expenditure. Alternatively, the lower total may reflect project pipelines, market conditions, or destination-specific factors not observed here. The descriptive design cannot choose among these explanations, but it can identify the pattern that a later explanatory study must address.

Lake Toba's low recorded share remains notable because it is not produced by a single negative quarter or by offsetting fluctuations. Each quarterly value is small relative to the leading destinations, resulting in the lowest annual total. The observation is compatible with the institutional-readiness interpretation, but it is not sufficient to attribute the outcome to land-use governance alone. Demand expectations, access from major markets, investor networks, local permitting, project availability, and data classification could also contribute. The empirical contribution is to define the magnitude and persistence of the within-year gap so that these competing explanations can be investigated systematically.

Quarterly Volatility and the Timing of Investment Realization

Quarterly volatility, measured as the coefficient of variation (CV) of each destination's four quarterly values, differed across the five DSPs (Table 3). Labuan Bajo (CV ≈ 125%) and Lake Toba (CV ≈ 55%) recorded the highest CVs. Labuan Bajo rose from IDR 44.36 billion in Quarter III to IDR 1.31 trillion in Quarter IV, while Lombok-Gili Tramena rose from IDR 291.27 billion in Quarter I to IDR 1.78 trillion in Quarter II before declining. Manado-Likupang followed a steadier upward series (IDR 39.9, 43.5, 65.3, and 67.3 billion), with a CV of approximately 23 percent. These data describe the timing and unevenness of recorded realization, but they do not identify the number or type of underlying projects. Large quarterly spikes are therefore described as consistent with lumpy realization, not as proof of single-project investment.

Table 3. Quarterly PMDN Investment Realization per Super Priority Destination, 2025 (IDR million)

Destination	Q1	Q2	Q3	Q4
Lake Toba	16,853	8,828	1,921	15,540
Borobudur-Yogyakarta-Prambanan	116,434	217,800	749,773	139,357
Lombok-Gili Tramena	291,267	1,783,830	214,953	223,547
Labuan Bajo	269,856	47,709	44,362	1,310,259

Manado-Likupang	39,907	43,546	65,253	67,314

Source: processed from Ministry of Investment/BKPM (2025) data, data.bkpm.go.id.

Annual totals can conceal substantial quarterly variation. Lake Toba was the only DSP whose recorded value remained below IDR 17 billion in every quarter of 2025, whereas several other destinations recorded one markedly larger quarter. This pattern is consistent with the absence of a large realization during the year. The available aggregate data do not establish whether land-use governance, project timing, reporting practices, or another factor produced that outcome.

A quarter-by-quarter reading reveals distinct profiles. Lombok-Gili Tramena received approximately 70.97 percent of its annual realization in Quarter II. Labuan Bajo received approximately 78.36 percent in Quarter IV. Borobudur-Yogyakarta-Prambanan reached its largest value in Quarter III, when approximately 61.29 percent of its annual total was recorded. These three destinations therefore reached their annual totals through different peak quarters rather than through a common national seasonal pattern. The timing difference is consistent with destination-specific project schedules, although project records would be required to verify that interpretation.

Lake Toba's quarterly distribution is more balanced in proportional terms than Labuan Bajo's, yet its CV remains elevated because the quarterly mean is small and Quarter III falls well below the other observations. This illustrates why proportional volatility must be interpreted together with absolute values. A destination can have moderate or high relative volatility while recording little capital overall. Conversely, a large destination may have a high CV because one major realization dominates its annual series. Neither case alone establishes investment quality, continuity, or economic impact.

Manado-Likupang is the only series that increases in every quarter, rising from IDR 39.91 billion to IDR 67.31 billion. Its Q4 value is approximately 68.7 percent higher than its Q1 value, but the increase occurs through successive increments rather than one abrupt surge. This makes it the clearest example of gradual within-year growth in the dataset. Nevertheless, four observations are too few to describe a durable trend. The pattern should be reassessed with monthly or multi-year data before being characterized as sustained growth.

The quarterly evidence has a practical monitoring implication. Annual realization targets can be met through very different paths, and a year-end total alone cannot distinguish gradual implementation from a late surge. Destination monitoring would be more informative if it combined annual totals with project counts, investment type, implementation stage, and quarterly continuity. Such indicators would permit analysts to determine whether a spike reflects one large project, several related projects, delayed reporting, or accelerated expenditure near the end of the fiscal year. The present data identify the need for that additional information but cannot supply it.

Supporting Comparison: Spatial Concentration of Creative-Economy Investment

Combined PMA and PMDN creative-economy (ekraf) investment for 2025 reached IDR 285.41 billion. The dataset reports at least one quarter of nonzero or zero realization for 33 of Indonesia's 38 provinces; the remaining five (Bengkulu, Papua, Papua Barat, Papua Tengah, and Papua Pegunungan) do not appear in the dataset at all, an absence of reporting coverage rather than a confirmed zero, and the concentration ratios below are computed over the 33 reporting provinces. Within that reporting set, concentration is far more extreme than conventional tourism investment: the three-province concentration ratio (CR3) reached 86.3 percent, and the five-province ratio (CR5) reached 97.9 percent of total reported national ekraf

investment (Table 4). In other words, 28 of the 33 reporting provinces together contributed less than 2.1 percent of total reported creative-economy investment.

Table 4. Distribution of Creative-Economy Investment by Province, 2025

Province	Total Ekraf Investment (IDR million)	Share (%)
Bali	119,300.3	41.8%
DKI Jakarta	96,024.2	33.6%
East Java	30,992.8	10.9%
West Java	22,538.4	7.9%
Banten	10,445.5	3.7%
Other 28 provinces (combined)	6,104.6	2.1%
National Total	285,405.8	100.0%

Source: processed from Ministry of Investment/BKPM (2025) data, data.bkpm.go.id.

Bali (41.8%) and DKI Jakarta (33.6%) dominated reported creative-economy investment. This distribution differs from the DSP tourism pattern and does not provide a test of the readiness mechanism, because the creative-economy data are provincial and the sector is not directly governed by DSP land-authority arrangements. Prior studies suggest that market scale, human capital, and established business clusters may be relevant to creative-economy location (Tantra & Murthi, 2025; Saragih & Kalabina, 2026; Setiawan, Mai, & Setiawan, 2026). Those factors are not measured here, so the present result is limited to documenting concentration and identifying a different spatial pattern for future investigation.

The results document three descriptive disparities: a scale difference between tourism and secondary-sector investment, uneven investment realization among the five DSPs, and concentrated creative-economy investment among reporting provinces. Only the DSP comparison is assessed against the proposed readiness indicators. Its alignment with those indicators supports further testing of the mechanism but cannot establish causation. The creative-economy comparison shows that the mechanism should not be generalized across sectors without sector-specific indicators and data.

The creative-economy distribution is particularly concentrated at the top. Bali and DKI Jakarta together account for 75.4 percent of reported investment, and adding East Java raises the share to 86.3 percent. West Java and Banten bring the five-province share to 97.9 percent. The remaining 28 reporting provinces jointly account for only 2.1 percent. This arithmetic shows that the national total is shaped overwhelmingly by a small group of established economic centers. It does not show whether the same industries dominate within each leading province because the available table is aggregated across creative-economy activities.

The contrast with DSP tourism investment is informative but must remain limited. The leading creative-economy provinces include large metropolitan markets and established tourism or production ecosystems, whereas the DSP analysis concerns designated destinations that may cross administrative boundaries. Differences may reflect sector, geography, unit of analysis, or reporting coverage. It would therefore be inappropriate to conclude from the two concentration ratios that creative-economy investment is intrinsically more unequal than tourism investment. A valid sectoral comparison would require harmonized units, equivalent investment categories, and complete geographic coverage.

The five absent provinces create an additional interpretive boundary. Their absence may indicate no reportable realization, incomplete coverage, or a classification issue. Because the

source convention could not be independently verified, they are excluded from the denominator instead of being counted as zeros. If all five provinces truly had zero investment, the substantive conclusion of strong concentration would remain, but the wording would change from concentration among reporting provinces to concentration across all provinces. Verification with the source agency is therefore important for precise national reporting even though it is unlikely to reverse the leading-province pattern.

From a research-design perspective, the supporting comparison serves as a robustness check on conceptual overreach. The DSP readiness proposition was developed for site-dependent tourism investment. The different creative-economy ranking demonstrates that one explanatory framework should not be applied automatically to every tourism-related activity. Future analysis could build a separate creative-economy model incorporating urban market size, skilled labor, digital connectivity, business networks, and subsector composition. That extension would complement rather than replace the destination-readiness framework used here.

Synthesis of Empirical Findings

Across the four tables, the most secure findings are numerical. Tourism PMDN is much smaller than the combined secondary-sector benchmark; investment within the five DSPs is concentrated in Lombok-Gili Tramena and Labuan Bajo; quarterly realization follows different profiles across destinations; and reported creative-economy investment is concentrated in five provinces. Each finding concerns a different comparison and denominator. Presenting them together illustrates multiple dimensions of investment disparity, but it does not make them outcomes of one causal process.

The readiness interpretation receives limited descriptive support from the high position of Lombok-Gili Tramena and Labuan Bajo and the low position of Lake Toba. It also faces qualifications from the intermediate position of Borobudur-Yogyakarta-Prambanan and the relatively low annual total of Manado-Likupang. These cases matter because a useful mechanism should account not only for the most contrasting observations but also for destinations between them. The 2025 data suggest that connectivity and institutional clarity may be relevant enabling conditions, while the variation among destinations indicates that they are unlikely to be sufficient conditions.

The analysis also distinguishes concentration from volatility. Concentration describes how the annual total is distributed across places; volatility describes how each destination's total is distributed across quarters. Lombok-Gili Tramena and Labuan Bajo rank highly in annual value but also show pronounced quarterly peaks. Manado-Likupang ranks lower in annual value but records the smoothest progression. Policy reporting should therefore avoid using one dimension as a substitute for the other. A destination can attract substantial capital without displaying continuous realization, and a stable series can remain small in absolute terms.

III. CONCLUSIONS

This study finds that 2025 tourism investment in Indonesia was concentrated across the five Super Priority Destinations and remained modest relative to the national secondary-sector benchmark. PMDN tourism investment was equivalent to 6.8 percent of combined PMA and PMDN secondary-sector investment. Among the five DSPs, Lombok-Gili Tramena and Labuan Bajo together accounted for 73.8 percent of investment, while Lake Toba accounted for less than 1 percent. This distribution was consistent with the specified readiness indicators: the two highest-investment DSPs met both the air-access and institutional conditions, whereas Lake Toba did not. Because other potential determinants were not controlled, the observed alignment

should be interpreted as an association requiring further testing. Quarterly results also varied substantially across destinations; large spikes in Labuan Bajo and Lombok-Gili Tramena indicate uneven timing of realization but do not, on their own, establish the number or nature of underlying projects. The supporting creative-economy comparison documented a separate concentration pattern, with a CR3 of 86.3 percent among reporting provinces, and is not evidence for or against the DSP readiness mechanism.

The single-year descriptive design cannot establish that DSP designation, airport access, or land-use governance caused the observed distribution. It shows only that 2025 investment realization was uneven and that the ranking of selected destinations aligned with the operational readiness indicators. A proportionate policy implication is to monitor institutional and land-use constraints alongside investment outcomes, particularly at Lake Toba, and to evaluate whether investment changes after those constraints are resolved. This recommendation is a basis for policy evaluation rather than a prediction that institutional reform alone will increase investment. The study is also limited by recoding dash-recorded values as zeros, incomplete creative-economy reporting coverage, possible differences between the tourism and secondary-sector datasets, and the absence of controls for market size, project pipelines, demand, and other destination characteristics. Future research should use multi-year panel data spanning the pre- and post-DSP periods, verify missing versus true-zero entries with the source agency, incorporate additional readiness and market indicators, and extend the analysis to tourism PMA data. Such a design would permit a stronger test of whether changes in readiness precede changes in investment.

Policy and Monitoring Implications

The results support a monitoring approach centered on measurable readiness gaps rather than designation status alone. Formal inclusion in the DSP program identifies a destination as a policy priority, but the 2025 distribution shows that priority status is compatible with very different investment outcomes. Monitoring dashboards could therefore report air-route capacity, land available for development, permit-processing time, institutional responsibilities, project pipeline status, and realized investment together. Such a dashboard would not assume that improving one indicator automatically produces investment; it would allow policymakers to observe whether changes in readiness are followed by changes in realization.

For Lake Toba, the appropriate implication is diagnostic rather than deterministic. The destination's low realization and unresolved governance indicator justify closer examination of land-use coordination and institutional authority. They do not demonstrate that creating or strengthening an authority will be sufficient to close the investment gap. Any intervention should be accompanied by baseline measurement and subsequent evaluation, including project inquiries, permits issued, time to approval, realized values, and distribution across surrounding regencies. This design would convert the present cross-sectional proposition into a testable policy sequence.

For destinations with high but volatile realization, monitoring should distinguish pipeline strength from the effect of individual projects. Reporting the number of projects, their investment bands, sector classifications, and implementation stages would indicate whether a large annual value rests on a diversified base. This information is relevant to resilience: a destination dependent on one large realization may face a different risk profile from a destination attracting repeated medium-sized projects. The quarterly series in this study cannot make that distinction, but it demonstrates why the distinction matters.

The creative-economy result suggests a separate policy lens. Because reported investment is concentrated in established provinces, initiatives aimed at supporting creative activity around DSPs should not assume that tourism infrastructure alone will attract creative-economy capital.

Local skills, business services, digital access, financing, intellectual-property support, and market linkages may require separate assessment. This implication follows from the difference between the two observed spatial patterns, not from a causal model tested in the present study.

Research Limitations and Agenda

The first limitation is temporal. Four quarters in one year permit comparison of within-year timing but cannot establish a pre-policy baseline, a long-run trend, or the persistence of destination rankings. A multi-year panel beginning before DSP designation would make it possible to examine changes within destinations, compare the timing of readiness improvements, and reduce the influence of an unusually large project in one year. Event-study or difference-in-differences designs might become feasible if institutional changes occur at clearly documented dates and appropriate comparison destinations can be identified.

The second limitation concerns measurement. Investment values are aggregated and do not include project identifiers, project counts, implementation stages, or investor characteristics. As a result, the analysis cannot determine whether quarterly spikes represent one project or several projects, whether realization concerns new construction or expansion, or whether capital is concentrated in accommodation, food services, attractions, or supporting infrastructure. Access to anonymized project-level records would allow the concentration analysis to be extended from places to projects and subsectors.

The third limitation is the simplified readiness classification. International-capacity access and legal institutional status are observable, but their quality varies. Future research could replace the binary indicators with measures of route frequency, passenger capacity, travel time to project sites, land parcels available, permit-processing duration, staffing, budget, and intergovernmental coordination. These measures would make it possible to test which component of readiness is most closely associated with realization and whether threshold effects exist.

The fourth limitation is comparability across datasets. Tourism investment is reported as PMDN, the secondary-sector benchmark combines PMA and PMDN, and creative-economy coverage excludes five provinces with no records. The ratios are useful descriptive benchmarks but should not be read as fully harmonized sector comparisons. Future work should construct a common classification and investor-ownership basis, verify reporting conventions with BKPM, and document whether multi-sector projects can appear in more than one category.

This study does not measure investment outcomes for communities or heritage sites. Higher realization is not automatically equivalent to inclusive development, cultural protection, environmental sustainability, or local welfare. Subsequent research should link investment records with employment, local procurement, enterprise participation, visitor pressure, conservation indicators, and distributional outcomes. That extension is especially important for cultural and religious destinations, where the quality and compatibility of investment may matter as much as its monetary value.

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