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## THE MEANING OF BUSINESS SUSTAINABILITY IN TOURISM COMPANIES FOR PT. KUSUMA AGROWISATA, BATU CITY

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### ABSTRACT

The principle of sustainability in business is often overlooked, with companies focusing solely on profit without considering the social and environmental impacts. However, it is a known fact that companies will be able to operate for a longer period of time if they pay attention to social and environmental aspects without neglecting the profit aspect. Similarly, tourism companies are inseparable from these three aspects: social, environmental, and profit. One company that researchers found has begun implementing sustainable business principles is PT. Kusuma Agrowisata Kota Batu, a company located in a city known as a tourist city. As explained above, this study aims to improve the understanding of the meaning of sustainable business, especially in tourism companies, for stakeholders, so they can act properly and correctly in all company activities. This study uses a phenomenological approach to generate accurate meanings for eight respondents: one person from within the company, one from the government, three from the local community, and three from tourists. The results of this study obtained five meanings of sustainable business through an in-depth interview process based on the experiences of the respondents of this study. Namely sustainable business is a form of long-term benefits, empowered and independent, educational and environmentally friendly, a form of commitment to social, and a form of cultural preservation in business innovation.

**Keywords:** The Meaning of Business Sustainability, Tourism Company, PT. Kusuma Agrowisata

### INTRODUCTION

The element of sustainability in a business is often overlooked, as companies focus solely on the profits they want to achieve. Based on data *World Benchmarking Alliance* (WBA), a non-profit organization that ranks companies that have influence in the world, stated that throughout 2022-2024, only 5% of large companies among 816 companies in more than 20 industries made environmental commitments (Novena & Jatmiko, 2024). The WBA statement represents a snapshot of corporate thinking regarding business sustainability, including those in Indonesia. This includes the COVID-19 pandemic, which has ultimately prompted regulators to establish policies regarding business sustainability for all businesses to foster resilience in unforeseen situations.

One business sector that demonstrates resilience through the application of sustainability principles is the tourism sector. As recorded in 2025 data from the Ministry of Tourism (KEMENPAR), the tourism sector is a source of foreign exchange for the country, contributing 4.01-4.5% of Gross Domestic Product (GDP) (KEMENPAR, 2025). This includes Batu City, which is a major contributor to foreign exchange earnings, as its regional income comes from the tourism sector.

However, the emergence of problems that occurred in Batu City in 2023 regarding the closure of the final disposal site (TPA) in Tlekung Village, created various obstacles for tourism companies in managing their company's waste (Febrianto, 2024). Therefore, under these conditions, several tourism companies are implementing various innovations, particularly in independent waste management. One company implementing innovations in its independent waste management is PT. Kusuma Agrowisata. Based on information obtained, this innovation is not only for the company's long-term environmental interests, but also for the social interests of the surrounding area. The company's actions are in accordance with the definition of sustainability in a business, namely a business that is

economically viable, socially responsible, and environmentally friendly (Chungyalpa, 2019).

The problems that occur are a reflection of the lack of understanding of individuals in society regarding sustainability for the social and community of the company. Therefore, this study will discuss how stakeholders of PT. Kusuma Agrowisata Kota Batu interpret the business sustainability of tourism companies. The goal is to provide an in-depth understanding of the concept of business sustainability in tourism companies, in order to increase understanding and support from the wider community regarding all positive actions of tourism companies throughout the region. Therefore, this study takes the title "The Meaning of Business Sustainability of Tourism Companies for PT. Kusuma Agrowisata Kota Batu" to obtain answers to the problems presented in this study.

## LITERATURE REVIEW

### Meaning in the Phenomenological Approach

The use of a phenomenological approach in this research is to be able to understand the meaning and description based on the statements of individuals who experience it consciously and deeply (Vishnuputri et al., 2019). Meanwhile, the definition of "meaning" according to Smith (2009) is a statement made by someone based on their experiences in a deep, conscious and thorough manner. Alferd Schutz (1899-1959) in his book (Schutz, 1967), He also stated that the classification of meaning is the result of a process of identification formed from experience, which is called a body of knowledge. The phenomenological approach is explained in more depth by Moleong (2007) as a human experience that arises from awareness of feelings and various values, such as togetherness, religiosity, culture, and so on. Therefore, a meaning-based approach in this research is necessary to obtain in-depth answers based on the experiences of the informants.

### Business Sustainability

Business sustainability According to Beal et al., it is defined as a business that is economically viable and has a socially responsible attitude and is environmentally friendly (Chungyalpa, 2019). Business sustainability is also further explained by Dyllick and Muff (2015). Using a general business level diagram, based on the level of attention, value created, and the company's perspective on society and the environment, the highest level of a business is based on the level of sustainability measures that have been established. Furthermore, Whelan and Fink discuss the benefits of business sustainability practices (2016) and has been adjusted to GRI standards (*Global Reporting Initiative*), namely new market access, improved employee performance, and enhanced local resource quality. Therefore, it is crucial for a business to implement sustainability principles for the long-term survival of the company.

### Sustainable Tourism

Sustainable tourism is tourism that can provide benefits to local residents, both in terms of respect for culture, preservation of natural resources, and also improving the education of the surrounding community (Konstańczak, 2014). Sustainable tourism is also about "accessibility" or running a business properly and fulfilling human rights, such as providing special facilities for those with certain disabilities (Mendes et al., 2024). The fulfillment of tourist facilities and needs in tourism companies has been regulated as stipulated in the Republic of Indonesia Law Number 10 of 2009 concerning Tourism.(Law, 2009)and also in the basic guidelines of the United Nations World Tourism Organization(2004). Therefore, to achieve the principles of sustainable tourism, companies must be able to comply with all the directives given as stated in the two regulations mentioned previously.

### **Triple Bottom Line**

John Elkington (1997) introduced the Triple Bottom Line theory in the business world as a form of action that not only focuses on profit, but also on the impact on the environment and social relationships (humans). The triple bottom line theory consists of three components: people (human/social), planet (planet/environment), and profit (profit/economy). The first component, people, is the component related to individuals within the company (workforce) or outside the company (the community around the company). The second component, planet (environment), links the company's actions with their impact on the surrounding natural environment. Finally, the third component, profit, is the main goal in building a business. Therefore, in running a business that applies the triple bottom line concept, it cannot eliminate any of these three elements.

### **Stakeholder Theory**

Stakeholders' theory in this study, it is used as a benchmark for the company's success in meeting the expectations of stakeholders, both internal and external. Some of the things that serve as benchmarks for success are in the creation of shared value (*shared value*), increases in corporate social responsibility, and ethical corporate decisions (Freeman et al., 2010). Based on this explanation, this research will provide an in-depth understanding of the meaning according to stakeholders.

### **Triangulation in Qualitative Research**

The concept of data collection based on sources, theories, and methods to obtain information about a phenomenon is called triangulation. In qualitative research, triangulation is used to question various preliminary findings, then test them from various perspectives, and then ensure that the results align with reality. Therefore, triangulation is believed to increase the validity of findings (Arianto, 2024). Furthermore, triangulation was conducted by comparing data from various sources, obtained through interviews, observations, and field document collection. Therefore, this study utilized data triangulation to find and generate valid data based on the actual situation in the field.

## **METHODS**

This study uses a qualitative method with a phenomenological approach to obtain answers to questions related to the meaning of a phenomenon, followed by field observations and the collection of other documents. The selection of the location or research object, namely PT. Kusuma Agrowisata, was based on the characteristics of the company and the availability of participants who were able to provide answers to the phenomena that occurred as well as their experiences. Meanwhile, the selection of informants was carried out through a sampling process with certain considerations (purposive sampling) and in-depth unstructured interviews (Sugiyono, 2012). The informants in this study consisted of four parties: internal company stakeholders, government officials, local residents, and tourists. The research data used consisted of primary and secondary data. Primary data was obtained through interviews, while secondary data came from field observations and company documents or scientific documents such as journals. As explained previously, the data analysis used in this study followed Creswell's theory (2014) and Husserl's method (1962) by going through three stages, namely *epoche*, *imaginative variation*, and *synthetic meaning and essence*.

## **RESULTS**

The selection of informants in the study was carried out based on certain considerations, as explained in the previous research method. So that eight respondents were obtained, consisting of one person from the company's internal party, namely Human Resource Development (HRD) at PT. Kusuma Agrowisata who in this case represented the company's Director as the first respondent (R1), then one person from the government, namely the Head of the Batu City Environmental Service (DLH), as the second respondent (R2), then three representatives from residents around the company, as the

third respondent (R3), the fourth respondent (R4) and the fifth respondent (R5), and finally three people from representatives of tourists who were visiting, as the sixth respondent (R6), the seventh respondent (R7) and the eighth respondent (R8).

The meaning of this research was revealed using source and data triangulation techniques to obtain valid results. In source triangulation, the researcher observed the body language, facial expressions, and vocal cues of the informants as they delivered their statements. Meanwhile, data triangulation yielded research results based on interviews, observations, and documentation. Based on these explanations, various essential themes about the meaning of business sustainability were identified, followed by synthesizing all of these themes and finally interpreting them.

#### **Long-Term Benefits for Many Parties**

The first meaning captured in the interview process was that business sustainability is a long-term benefit for all parties. This statement was captured based on the answer given by the first respondent (R1), then supported by statements from the second respondent (R2), the third respondent (R3), the fourth respondent (R4), and the fifth respondent (R5). Based on the question "what does business sustainability mean to you?" the respondents gave various explanations, but they all had the same meaning. As each respondent's answer regarding the long-term benefits for many parties, the benefits are felt by the company, the DLH as the government party in terms of the environment, and the community in terms of obtaining employment.

#### **Empowered and Independent Tourism**

The meaning of business sustainability captured further based on the results of interviews with respondents is a principle of empowered and independent tourism. Empowered means being able to act in decision-making regarding any challenges that arise. Meanwhile, independence in question refers to the company's own environmental management. This meaning is obtained based on the answers given by the first respondent (R1) as an internal party of the company, and supported by the second respondent (R2) from the Batu City Environmental Agency, the fifth respondent (R5) from local residents, and the sixth (R6) and seventh respondents (R7) from the tourist side. All respondents' answers were obtained based on the question "what form of company action reflects the principle of business sustainability?"

#### **Educational and Environmentally Friendly Tourism**

Based on the question given by the researcher to the respondents, namely "does the company have facilities or information media regarding all company activities?" the answers obtained contain the same meaning of business sustainability as educational and environmentally friendly tourism. The statement conveyed by the first respondent (R1) indicates that there are various facilities and information regarding the environment in and around tourism, as an educational and environmentally friendly attitude. Furthermore, this statement received support from the sixth respondent (R6) as a tourist, as well as support from the fourth respondent (R4) and the fifth respondent (R5) as local residents. However, the statement conveyed by the first respondent (R1) regarding the environmentally friendly nature of the company was rejected by the third respondent (R3), because he considered the company only focused on protecting nature in the tourism area, not around the company.

#### **Social Commitment to the Wider Community**

The next interpretation is that business sustainability is a social commitment to the wider community. This meaning is obtained based on the statement of the first respondent (R1) and then supported by the answers from the fourth respondent (R4) and the fifth respondent (R5) as local residents. These various answers were obtained based on the question posed by the researcher, namely "are there any company activities that demonstrate the practice of business sustainability principles related to social action?" In addition to the supportive answers from the respondents, there was also a response of

rejection from one of the residents who was the third respondent (R3) in this study. As stated by the third respondent (R3), it can be concluded that the company's social actions are still not felt comprehensively.

### **Preserving Local Culture in Business Innovation**

The final meaningful finding in this study is that business sustainability is an act of preserving local culture while continuing to carry out business innovation. The company's actions in question include improving all facilities to adapt to current developments, while still maintaining the company's uniqueness or cultural values. This meaning was obtained based on the question posed by the researcher, namely, "What values or corporate culture support the implementation of business sustainability?" As with the question, the results obtained based on the answers from the first respondent (R1) received support from the sixth respondent (R6) and the seventh respondent (R7) as tourists who experienced the atmosphere and facilities within the company.

The entire explanation of the meaning of business sustainability for tourism companies for PT. Kusuma Agrowisata Kota Batu has been discussed. Therefore, it can be concluded that the meaning of business sustainability for tourism companies is a company's commitment to preserving culture by continuing to innovate to be empowered, independent, educational, and environmentally friendly, and with a strong social commitment, so that it can provide long-term benefits for many parties. Therefore, this research aligns with statements by previous experts and researchers, such as Elkington (1997) and Freeman et al. (2010).

## **CONCLUSION**

The use of a phenomenological approach in this study aims to uncover the meaning of business sustainability of the tourism company PT. Kusuma Agrowisata Kota Batu. As the experience felt by each individual, the results in this meaning will change. Therefore, in this study, five meanings of business sustainability of the tourism company PT. Kusuma Agrowisata Kota Batu were obtained. The meaning of business sustainability as a form of long-term benefits for many parties, as empowered and independent tourism, and as a form of cultural preservation with business innovation, as conveyed by internal parties of the company, received support from several external parties of the company. Meanwhile, the meaning of business sustainability as a form of educational and environmentally friendly tourism, and as a form of social commitment to the wider community, as stated by internal parties of the company, did not all receive support from external parties of the company.

Based on all research results, this study can contribute to all parties, both internal and external to the company, as stakeholders. For internal parties, this research can be used as evaluation material for the company's performance related to its environmental and social conditions. Meanwhile, for external parties, such as the government, the community, and tourists, this study can provide an overview of the company's social and environmental concerns, implemented for mutual benefit. Furthermore, this research also contributes to academics in developing previous theories.

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