
The Role of Community Empowerment on Sustainable Tourism Development and Creative Economy and Its Impact on Community Wellbeing in Bandung

Huta Parlinggoman Hutajulu ¹, Danang Indrajaya ²

Abstract:

The decrease in the number of foreign tourists and tourism foreign exchange receipts due to the COVID-19 pandemic shows how vulnerable Indonesia's tourism sector is to global crises. Before the pandemic, tourist visits and foreign exchange earnings demonstrated a significant upward trend, but the imposition of travel restrictions and the closure of tourist destinations caused a drastic decline, directly affecting the tourism industry and the creative economy. This condition emphasizes the urgent need for a sustainability-based tourism model that is less dependent on foreign tourists and more resilient to external shocks. This study aims to analyze the influence of community empowerment on sustainable tourism development and the creative economy in Bandung, as well as how these three variables collectively influence community wellbeing. A descriptive-quantitative approach was employed, with data collected from 385 respondents involved in the tourism and creative sectors. The data were analyzed using the Partial Least Squares (PLS) method, which allows simultaneous testing of complex relationships between latent variables. The results indicate that community empowerment has a significant influence on both sustainable tourism development and the creative economy. Furthermore, both sustainable tourism development and the creative economy significantly influence community wellbeing. The study also finds that sustainable tourism development mediates the effect of community empowerment on community wellbeing, as does the creative economy. These findings confirm the importance of strengthening community empowerment policies through skill development, improved access to markets, and enhanced collaboration between the government, local communities, and the private sector. Such measures are crucial to building inclusive and sustainable economic opportunities in the tourism and creative economy sectors, particularly in urban regions like Bandung that rely on local innovation and community participation for long-term resilience and growth.

Keywords: Community Empowerment, Sustainable Tourism Development, Creative Economy, Community Wellbeing, Management

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¹ Management Study Program, School of Economics and Business, Telkom University, Main Campus (Bandung Campus), Jl. Telekomunikasi no. 1, Bandung 40257, West Java, Indonesia

² Management Study Program, School of Economics and Business, Telkom University, Main Campus (Bandung Campus), Jl. Telekomunikasi no. 1, Bandung 40257, West Java, Indonesia, danangi@telkomuniversity.ac.id.

1. Introduction

In recent years, the growth of the tourism industry in Bandung has shown a significant increase marked by the emergence of various leading destinations such as Lembang, Kawah Putih, and the Braga-Asia Afrika heritage area. In addition, the city's appeal is further strengthened by the presence of the culinary sector, fashion centers such as Cihampelas, and thematic cafes that are part of Bandung's creative identity. In addition to the tourism sector, Bandung is also known as one of the largest creative economy centers in Indonesia. The creative industry in the city is growing rapidly, especially in the fields of fashion, culinary, performing arts, graphic design, and digital content creation. UNESCO's recognition of Bandung as part of the World Creative Cities Network (Creative Cities Network - Design Category) further emphasizes Bandung's position as a city with strong creative economy potential and global relevance.

However, this rapid growth is also faced with various challenges, ranging from traffic congestion, environmental degradation, to a drastic decline in the number of tourists due to the COVID-19 pandemic. This situation points to the need for a development strategy that focuses not only on economic growth, but also on social and environmental sustainability. One strategic approach that is now gaining attention is the empowerment of local communities as the main actors in the development of an inclusive tourism and creative economy sector.

The Indonesian government itself targets economic development that is inclusive, sustainable, and creates decent jobs (Azmem et al., 2024). Tourism is seen as one of the key sectors in realizing this goal, but the COVID-19 pandemic caused a major shock to the stability of the sector.

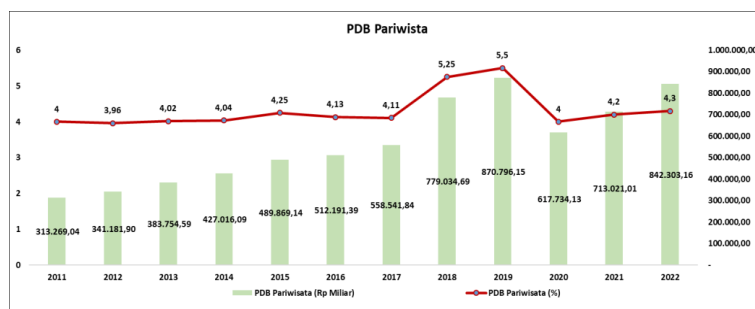


Figure 1. Development of Tourism Sector GDP

Source: BPS (2023)

Based on BPS publication (2023), Tourism Gross Domestic Product (GDP) experienced an increasing trend from 2011 until it reached its peak in 2019 with a value of IDR 870,796.15 billion and a contribution of 5.5% to national GDP that is the total monetary value of all final goods and services produced within a country's borders over a specific time period (Indrajaya, 2021). However, there was a sharp decline in 2020, where Tourism GDP dropped dramatically to IDR 617,734.13 billion with a contribution of only 4%, which was most likely due to the impact of the COVID-19 pandemic that limited traveler mobility and significantly reduced tourism

activity. Although there was a recovery in 2021 and 2022 with an increase in the value of Tourism GDP to IDR 842,303.16 billion, its contribution to national GDP has not returned to pre-pandemic levels. This shows that the tourism sector still faces major challenges in recovery, especially related to industry adaptation to changes in tourist patterns, government policies, and community empowerment in supporting the sustainability of this sector.

The impact is not only felt by conventional tourism actors, but also its supporting sectors such as the creative economy industry. The creative economy, which has been the backbone of innovation and value-added creation in the tourism sector, is also under pressure. Therefore, community empowerment strategies are becoming increasingly relevant, especially in increasing the capacity of communities to actively participate in the creative production process and management of tourist destinations (Afriansyah et al., 2023).

Community empowerment is a development process in the form of exploring personal skills, creativity, abilities, and strengths (Afriansyah et al., 2023). Community empowerment in this context includes skills training, MSME assistance, facilitating access to digital technology, and strengthening local arts and culture communities. This concept not only enables communities to improve their living standards, but also creates community-based economic resilience. Studies by Pranita et al. (2022) and Brooks et al. (2023) show that community empowerment has a positive correlation to welfare improvement, especially when done in an integrated manner through sustainable tourism and the creative economy.

Sustainable tourism development is an important dimension in this framework. This concept balances economic, social and environmental aspects, and prioritizes active community participation in destination management. Research by Nabila et al. (2023) in Dago Pojok, Bandung, shows that the development of creative tourism villages is not only able to maintain cultural and ecological heritage, but also open up new participatory economic opportunities.

On the other hand, the creative economy strengthens the community empowerment dimension through activities based on culture, art, design, and technology. Programs such as the development of creative tourism villages in Braga and Dago Pojok are clear examples of how the integration of creativity and tourism can create resilient local economic ecosystems (Bustamam & Suryani, 2021; Suherman et al., 2022). However, challenges still arise, particularly in terms of limited capital, skills and access to global markets (Suherman et al., 2022).

With its potential, the development of the tourism and creative economy sector in Bandung is one of the main factors in supporting regional economic growth and the welfare of local communities. Bandung City has implemented various initiatives to develop creative tourism villages as a strategy to increase tourism attractiveness. This step aims to strengthen the role of the community in tourism management through a community-based creative economy model (Suherman et al., 2022). One concrete example of this initiative is the development of creative tourism villages in various

areas of Bandung, such as Braga Tourism Village and Dago Pojok. Both areas have shown positive impacts on the community's economy through the development of creative industries based on local culture (Nabila et al., 2023).

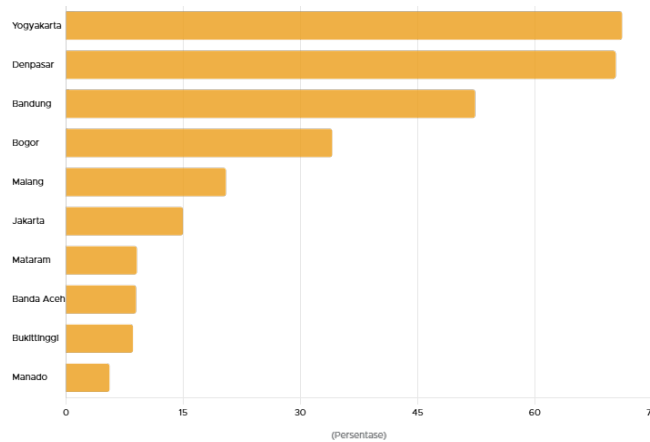


Figure 2. Cities of Tourism Choice in Indonesia

Source: GoodStats, (2024)

Based on the 2024 GoodStats survey, Bandung ranks third among the most popular tourist destinations in Indonesia, with 52.4% of respondents selecting it as their preferred city. Its enduring appeal lies in its unique culinary scene, cool climate, and diverse natural and cultural attractions. Well-preserved sites like Taman Hutan Raya (Tahura) and Babakan Siliwangi offer nature experiences within the city, while Bandung's innovative culinary offerings further enhance its attractiveness. The city's ability to maintain its tourism popularity reflects its success in adapting to industry developments while preserving natural assets and strengthening its creative economy to support local tourism growth.

Seeing the strategic position of Bandung City as a center of tourism and creative economy, as well as the dynamics of community empowerment that are developing, this study aims to analyze the effect of community empowerment on sustainable tourism development and creative economy, and its impact on community wellbeing in Bandung City. This research is expected to make an empirical contribution in understanding how the role of the community can be optimized in building a resilient and sustainable tourism and creative economy ecosystem.

This research departs from efforts to understand the extent to which community empowerment affects the two main pillars of regional development, namely sustainable tourism development and the creative economy. In addition, this study also aims to analyze the contribution of each pillar to improving community wellbeing.

More specifically, this study examines the direct relationship between community empowerment and two strategic sectors—sustainable tourism development and the

creative economy—and how both function as mediating variables in influencing community wellbeing. The analysis focuses on assessing the extent to which community empowerment affects these sectors, how each sector contributes to community wellbeing, and how they mediate the relationship between empowerment and local quality of life. Theoretically, the findings of this research are expected to enrich the discourse on community-based sustainable development and highlight the role of tourism and the creative economy in fostering an inclusive economic ecosystem. Practically, the study offers insights that can serve as a reference for local governments, businesses, community actors, and social organizations in designing adaptive, locally grounded development policies.

2. Theoretical Background

Sustainable Development: Sustainable development is a concept that emphasizes fulfilling the needs of the present generation without compromising the ability of future generations to meet their own needs (Pertiwi, 2017). It is founded on three core pillars—economic, social, and environmental sustainability—which collectively provide the foundation for community-based tourism and creative economy development (Pertiwi, 2017).

Community Empowerment: Community empowerment is an essential component of sustainable development. It involves strengthening individuals' and groups' capacities to access information, develop skills, utilize resources, and participate meaningfully in decision-making processes that affect their lives (Pranita et al., 2022). This empowerment spans economic, social, political, and cultural dimensions that together enhance community autonomy and engagement (Normelani et al., 2023). Indicators include access to education, entrepreneurial skills, involvement in development planning, and local resource management (Pasaribu et al., 2022). Empirical studies have shown that such empowerment initiatives significantly improve community-level social and economic wellbeing (Comunian & England, 2020; Paluseri et al., 2024).

Sustainable Tourism Development: Sustainable tourism development refers to an approach that prioritizes environmental conservation, long-term economic value, and social equity for local communities (Gattenhof et al., 2023; Bunyakova & Arestov, 2022). It includes conserving cultural and natural resources, developing eco-friendly infrastructure, and ensuring community involvement in destination planning and management (Diakomihalis & Diakomichalis, 2023; Pachaury, 2024). Research across various regions confirms that participatory tourism models lead to a balance between ecological sustainability and inclusive economic growth (Pranita et al., 2022).

Creative Economy: The creative economy supports local development through innovation, cultural expression, and skill-based industries. It includes sectors such as fashion, culinary arts, design, digital applications, and handicrafts—all of which are closely connected to tourism (Ibrahim, 2023; Kemenparekraf, 2023). Indicators of a

strong creative economy include cultural asset potential, GDP contribution, digital integration, and socio-cultural values such as tolerance (Pranita et al., 2022). Prior studies highlight the role of creative industries in fostering inclusive growth, cultural resilience, and economic adaptability (Rosyadi et al., 2020; Manioudis & Angelakis, 2023).

Community Wellbeing: Community wellbeing is a multidimensional construct that encompasses economic, social, physical, and environmental dimensions contributing to a decent quality of life (Helmi Desouky, 2020). Economic factors such as job access and entrepreneurship are central to perceived wellbeing (Campos Navarrete & Zohar, 2021), while social cohesion and access to public spaces enhance belonging and connectedness (Jayusman & Shavab, 2020). Environmental quality—such as green spaces and sanitation—directly influences community health and comfort (Hassan et al., 2023; Khatib et al., 2024).

The success of tourism and creative economy development is also shaped by multi-stakeholder collaboration involving government, businesses, academia, and civil society. The quadruple helix model facilitates innovation by bridging policy and grassroots needs, fostering participatory governance, and enabling shared value creation (Zainuri, 2022). This integrated approach ensures that local development is not only market-driven but also grounded in social and environmental sustainability.

Previous studies consistently demonstrate a positive relationship between community empowerment, sustainable tourism development, creative economy, and community wellbeing (Judijanto et al., 2024; Pranita et al., 2022). Furthermore, both sustainable tourism and the creative economy serve as mediators that enhance the impact of empowerment on wellbeing, highlighting sectoral integration as a key to achieving effective and sustainable outcomes.

3. Methodology

This research uses a descriptive method with a quantitative approach, which aims to analyze the relationship between community empowerment, sustainable tourism development, creative economy, and community welfare. The quantitative method was chosen because it allows numerical measurement of variables and data analysis using statistical methods. The descriptive approach is used to describe and explain phenomena related to community empowerment and its impact on sustainable tourism development and the creative economy.

In this study, data was collected without the intervention of researchers on respondents, so that the data used was entirely derived from the results of filling out questionnaires by participants without any modification to the questions given. This research was conducted within a certain planned time span, namely from October 2024 to July 2025 with a focus on a predetermined population.

A cross-sectional research design is used, in which data is collected in one specific time period to describe a phenomenon simultaneously. According to Abduh et al., (2023) cross-sectional research is used to observe the relationship between variables at a certain point in time, so that the results obtained can provide a clear picture of the conditions that are happening.

Data

Data collection was carried out using a survey method using a Google Form-based questionnaire, which was distributed through social media such as Instagram (through the Instastory feature) and through private messages via WhatsApp. The respondents selected were people who have a direct relationship with the tourism and creative economy sectors, especially those in Bandung City. After the data was collected, the analysis was carried out using data presentation in the form of tables and graphs to facilitate the interpretation of the results. Therefore, this study uses survey data as primary data, which allows researchers to obtain information directly from respondents involved in the sector under study.

In this study, there are three types of variables, namely independent variables (independent variables), dependent variables (dependent variables), and mediating variables. Community empowerment is used as an independent variable, which includes various aspects such as community capacity building, access to resources, and involvement in decision-making related to tourism and creative economy. Then the mediating variables include Sustainable Tourism Development which reflects the extent to which community empowerment contributes to the sustainable management and growth of the tourism sector and Creative Economy which measures the impact of community empowerment in encouraging the development of the creative economy sector based on culture, innovation and technology. Finally, community wellbeing as the dependent variable, which reflects the impact of community empowerment on economic, social, cultural, and political conditions in local communities.

Structural Equation Modeling - Partial Least Squares (SEM-PLS)

Partial Least Squares (PLS) is a multifaceted data analysis technique that focuses on modeling the relationships between blocks of variables. This method is particularly useful in contexts with multiple predictors that have complex structures, often used in social and business research for models that include latent variables (Sholihin & Ratmono, 2021).

Structural Equation Modeling - Partial Least Square (SEM-PLS) is a methodology designed to develop models based on predictions, with flexibility in data that are not bound by specific distributions. This method is effective for simultaneously analyzing latent variables defined by reflective and formative indicators. The sample size in the SEM-PLS application is set based on certain principles (Sholeh & Jakaria, 2021). The use of SEM-PLS allows analysis with small samples, and does not require the assumption of normal data distribution. PLS is effective for analyzing complex relationships between variables by minimizing prediction errors. The sample size in the SEM-PLS application is set based on certain principles (Sholeh & Jakaria, 2021).

This method is very useful in contexts with many predictors that have complex structures, often used in social and business research for models that include latent variables (Sholihin & Ratmono, 2021).

Measurement model or Outer Model

In the Outer Model, the tests carried out include the first Convergent Validity, where the indicator can be said to be good if it has a value of >0.7 but if the outer loading value shows a value of >0.4 it is acceptable (Hair et al., 2022). Then a variable can be considered valid if the average variance extracted (AVE) value has a value of (>0.5) (Ghozali, 2016). Second, Discriminant Validity where the HTMT value should be (<1) . If HTMT is lower, it will show that convergent consistency is better and different from other constructs (Hair et al., 2022). And the third, Reliability Test which is measured using Cronbach's alpha and composite reliabilities approaches. To be declared reliable, the Cronbach's alpha value must be above 0.7 or 0.6 is still acceptable. In addition, composite reliabilities can be declared reliable if the value is above 0.7 el it is considered unreliable (Ghozali, 2016).

Goodness of Fit Evaluation

To measure the goodness of fit of a model, the Normed Fit Index (NFI) can be used. The NFI scale ranges from 0, which indicates no fit, to 1, which indicates perfect fit. While there is no absolute value of TLI that can be standardized, a common recommended value is equal to or greater than 0.90.

Structural Model or Inner Model

Assessment of the inner model is carried out using the Path Coefficient and R Square (R^2). The path coefficient value scale ranges from -1 to +1, where a value closer to +1 indicates a stronger relationship between the two constructs. Conversely, values closer to -1 indicate a negative relationship between constructs (Hair et al., 2022). Meanwhile, R Square is examined on endogenous constructs or variables, where it acts as a coefficient of determination for these constructs. (Hair et al., 2022) articulate that an R Square value of 0.75 indicates a significant level of power, a value of 0.50 illustrates a moderate level of power, while a value of 0.25 reflects a low level of power in the context of statistical analysis.

Hypothesis Testing

The t test is used to evaluate the significance of constants and independent variables in an equation individually, and to determine their effect on variable values (Ghozali, 2016). This process involves observing the output using the PLS application program. If the calculated t value is smaller than the t table, the null hypothesis is rejected (that is, the regression coefficient is significant) and the alternative hypothesis proposed in this study is accepted with a significance level of 5 percent. To measure the percentage effect of all independent variables on the dependent variable, the coefficient of determination R-square (R^2) is used, whose value ranges between one and zero. An R-square value closer to one indicates a greater percentage of influence (Ghozali, 2016).

Path Analysis with Mediation Effects

Ghozali, (2016) explains that path analysis techniques allow researchers to test both direct and indirect relationships between variables in the model. The path coefficient, which is part of hypothesis testing in the relationship between variables, is carried out using the bootstrapping method. The range of values for the path coefficient is between -1 and +1. A value close to +1 indicates a strong positive relationship between variables, while a value close to -1 indicates a strong negative relationship. In this testing process, the bootstrapping method is used to determine the significance of the path coefficient and to analyze the indirect effect that may occur on a variable through one or more other variables that act as intervening variables (mediators).

4. Empirical Findings/Result

Respondent Characteristics

The test results of respondent characteristics based on Gender, Age, Last Education, Occupation, and Length of Employment can be seen in Figure 3.

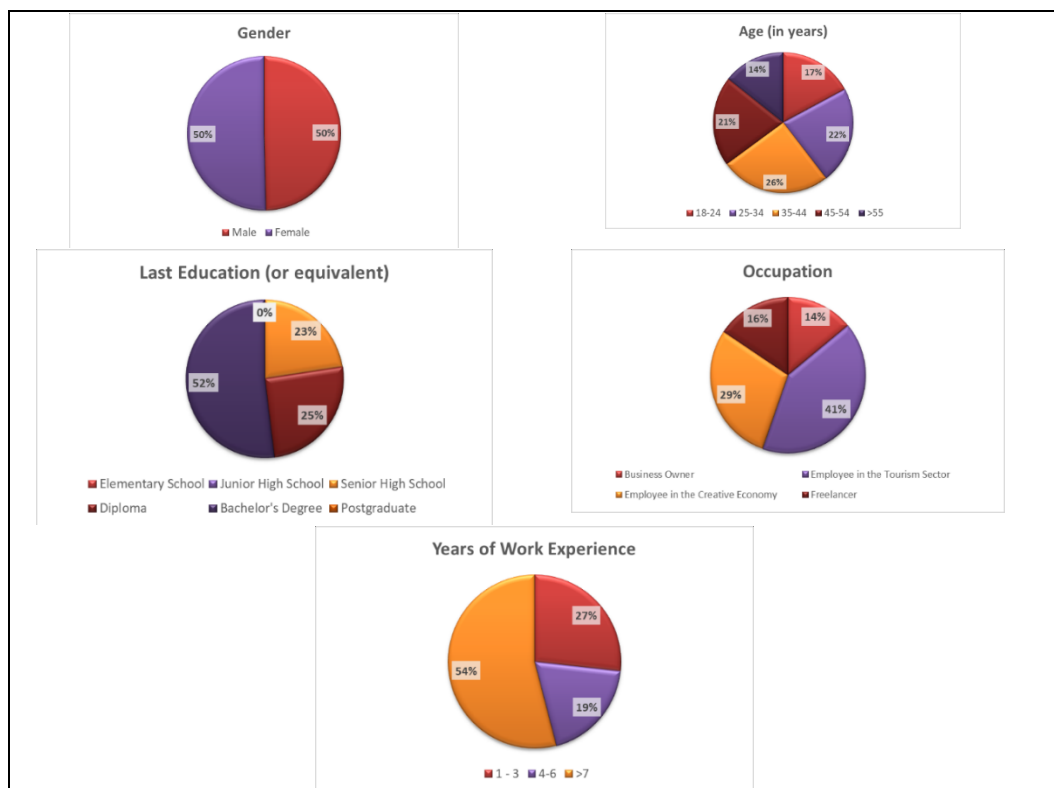


Figure 3. Characteristics by Gender, Age, Last Education, Occupation, and Length of Employment

Source: Primary Data Processed (2025)

Figure 3 shows that the characteristics of respondents in this study have a gender-balanced distribution, with the proportion of men and women each at 50%. Most of the respondents were in the productive age group of 18-44 years (69%), with 26%

aged 18-24 years, 22% aged 25-34 years, and 21% aged 35-44 years. In terms of education, the majority of respondents have a high level of education, with 52% having a bachelor's degree, 23% having a diploma, and 25% having a high school diploma or equivalent.

In terms of field of work, 41% of respondents work in the tourism sector (hotels, restaurants, tourist attractions), 29% in the creative economy sector (art, design, media), 16% as business people, and 14% as freelancers, which overall reflects the dominance of involvement in the tourism and creative economy sectors. In terms of work experience, 54% of respondents have more than seven years of experience, 27% have one to three years of experience, and 19% have four to six years of experience, indicating that most respondents have a deep understanding and strong involvement in the industries studied.

Measurement Model or Outer Model

Convergent Validity

Indicators that have a high loading factor indicate that the indicator is the most dominant measure on the variable in question. In addition, variables can be considered valid which can also be measured using the average variance extracted (AVE) value.

Table 2. Loading Factor

Variable	Indicator	Loading Factor	Keterangan
<i>Community Empowerment</i>	CE.1	0.825	Valid
	CE.2	0.817	Valid
	CE.3	0.808	Valid
	CE.4	0.826	Valid
	CE.5	0.819	Valid
	CE.6	0.797	Valid
	CE.7	0.810	Valid
	CE.8	0.815	Valid
<i>Sustainable Tourism Development</i>	ST.1	0.821	Valid
	ST.2	0.802	Valid
	ST.3	0.799	Valid
	ST.4	0.807	Valid
	ST.5	0.800	Valid
	ST.6	0.824	Valid
	ST.7	0.827	Valid
	ST.8	0.805	Valid
<i>Economy Creative</i>	EC.1	0.823	Valid
	EC.2	0.831	Valid
	EC.3	0.770	Valid

Variable	Indicator	Loading Factor	Keterangan
<i>Community Wellbeing</i>	EC.4	0.808	Valid
	EC.5	0.788	Valid
	EC.6	0.783	Valid
	EC.7	0.832	Valid
	EC.8	0.799	Valid
	EC.9	0.801	Valid
	EC.10	0.822	Valid
	CW.1	0.704	Valid
	CW.2	0.754	Valid
	CW.3	0.775	Valid
	CW.4	0.744	Valid
	CW.5	0.717	Valid
	CW.6	0.721	Valid
	CW.7	0.722	Valid
	CW.8	0.737	Valid
	CW.9	0.777	Valid
	CW.10	0.730	Valid
	CW.11	0.779	Valid
	CW.12	0.747	Valid

Source: Primary Data Processed (2025)

Table 3. Average Variance Extracted (AVE)

Variable	Average Variance Extracted (AVE)
<i>Community Empowerment</i>	0.664
<i>Sustainable Tourism Development</i>	0.552
<i>Economy Creative</i>	0.649
<i>Community Wellbeing</i>	0.657

Source: Primary Data Processed (2025)

Convergent validity was tested using the outer loading value and Average Variance Extracted (AVE). The analysis results show that all indicators have a loading value > 0.7, with an AVE for each construct above 0.5. This shows that the indicators in each construct are able to explain latent variables consistently and validly, in accordance with measurement standards in the SEM-PLS model.

Discriminant Validity

To evaluate discriminant validity, it can be noted from the cross loading value which reflects the magnitude of the relationship between the construct and its indicators as

well as with indicators from other constructs. The cross loading value for each indicator and the HTMT value can be seen in the table below:

Table 4. Cross Loading

Variabel	Community Empowerment	Sustainable Tourism Development	Economy Creative	Community Wellbeing
CE1	0.825	0.770	0.767	0.693
CE2	0.817	0.778	0.768	0.728
CE3	0.808	0.761	0.764	0.706
CE4	0.826	0.765	0.773	0.702
CE5	0.819	0.772	0.768	0.716
CE6	0.797	0.745	0.750	0.671
CE7	0.810	0.761	0.763	0.699
CE8	0.815	0.763	0.767	0.706
ST1	0.757	0.821	0.768	0.699
ST2	0.760	0.802	0.762	0.677
ST3	0.761	0.799	0.749	0.695
ST4	0.747	0.807	0.760	0.674
ST5	0.769	0.800	0.762	0.697
ST6	0.764	0.824	0.780	0.696
ST7	0.780	0.827	0.781	0.709
ST8	0.748	0.805	0.764	0.702
EC1	0.774	0.775	0.823	0.698
EC2	0.791	0.791	0.831	0.704
EC3	0.703	0.700	0.770	0.658
EC4	0.751	0.771	0.808	0.694
EC5	0.749	0.749	0.788	0.677
EC6	0.757	0.768	0.783	0.702
EC7	0.792	0.786	0.832	0.723
EC8	0.755	0.746	0.799	0.693
EC9	0.739	0.763	0.801	0.686
EC10	0.753	0.761	0.822	0.681
CW1	0.687	0.688	0.700	0.704
CW2	0.616	0.599	0.622	0.754
CW3	0.659	0.646	0.680	0.775
CW4	0.640	0.632	0.631	0.744
CW5	0.587	0.583	0.567	0.717
CW6	0.591	0.583	0.576	0.721
CW7	0.596	0.588	0.582	0.722
CW8	0.655	0.626	0.632	0.737
CW9	0.656	0.650	0.647	0.777
CW10	0.624	0.655	0.618	0.730
CW11	0.665	0.677	0.693	0.779
CW12	0.659	0.678	0.673	0.747

Source: Primary Data Processed (2025)

Table 5. HTMT (heterotrait-monotrait)

Variable	Community Empowerment	Economy Wellbeing	Economy Creative	Sustainable Tourism Development
<i>Community Empowerment</i>				
<i>Community Wellbeing</i>	0.766			
<i>Economy Creative</i>	0.643	0.837		
<i>Sustainable Tourism Development</i>	0.453	0.525	0.819	

Source: Primary Data Processed (2025)

Based on table 4, the cross loading value on each item has the greatest value when connected to its latent variable compared to when connected to other latent variables. Meanwhile, based on table 9, it is known that the HTMT value of the test results is less than 0.90. In the discriminant validity test, the instrument is declared valid if the HMT value is <0.90 . So, from the test results the entire instrument can be declared valid and appropriate. This shows that each manifest variable in this study has accurately explained its latent variable and proves that the discriminant validity of all items is valid.

Reliability Test

Reliability in PLS can be measured using Cronbach's Alpha and Composite Reliability values. The following is the value of Cronbach's Alpha and Composite Reliability in the table below:

Table 6. Cronbach's Alpha dan Composite Reliability

Variable	Cronbach's <i>alpha</i>	Composite <i>reliability</i>
Community Empowerment	0.928	0.940
Sustainable Tourism Development	0.925	0.939
Economy Creative	0.940	0.949
Community Wellbeing	0.926	0.937

Source: Primary Data Processed (2025)

Based on the table above, it can be seen that the Composite Reliability value of all research variables is > 0.7 and Cronbach's Alpha > 0.6 . These results indicate that each variable has met the Composite Reliability and Cronbach's Alpha so it can be concluded that all variables have a high level of reliability.

Goodness of Fit Evaluation

PLS model fit can be seen from the Normed Fit Index (NFI) value. The NFI value in this study can be seen in the table below:

Table 7. Normed Fit Index (NFI)

	Saturated Model	Estimated Model
NFI	0.882	0.876

Source: Primary Data Processed (2025)

Based on the table above, the NFI value obtained is 0.754, if the NFI value is closer to 1, it indicates that the model shows perfect fit. So, it can be said that the model in this study shows perfect fit.

Structural Model or Inner Model

Path Coefficient

Path coefficient is the path coefficient value or the magnitude of the relationship or influence of latent constructs. The results of the path coefficient can be seen in the table below:

Table 8. Path Coefficient

	Original Sample
Community Empowerment -> Economy Creative	0.939
Community Empowerment -> Sustainable Tourism Development	0.938
Economy Creative -> Community Wellbeing	0.465
Sustainable Tourism Development -> Community Wellbeing	0.416

Source: Primary Data Processed (2025)

Based on the table above, all relationship between constructs show a positive direction. Community Empowerment has a very strong positive influence on Economy Creative with a path coefficient value of 0.939, and on Sustainable Tourism Development by 0.938. In addition, Economy Creative has a positive influence on Community Wellbeing of 0.465, and Sustainable Tourism Development also has a positive effect on Community Wellbeing of 0.416. Thus, all variables in the model affect each other positively and in the same direction.

R Square (R^2)

R-Square is a way to assess how much the endogenous construct can be explained by the exogenous construct. The R-Square value in this study can be seen in the table below:

Table 9. R-Square

	R-Square
<i>Community Wellbeing</i>	0.755
<i>Economy Creative</i>	0.882
<i>Sustainable Tourism Development</i>	0.881

Source: Primary Data Processed (2025)

Based on the table above, the R-Square shown for the Community Wellbeing variable is 0.755. So based on these results it can be interpreted that the effect of Economy Creative and Sustainable Tourism Development on the Community Wellbeing variable has an R-Square value of 75.5% with a substantial category.

The Economy Creative variable produces an R-Square value of 0.882. So based on these results it can be interpreted that the effect of Community Empowerment on the Economy Creative variable has an R-Square value of 88.2% with a substantial category.

The Suistanable Tourism Development variable produces an R-Square value of 0.881. So that based on these results it can be interpreted that the effect of Community Empowerment on the Suistanable Tourism Development variable has an R-Square value of 88.1% with a substantial category.

Hypothesis Testing

The basis used to test the hypothesis directly is if the p value < 0.05 (significance level = 5%), then it is stated that there is a significant effect of exogenous variables on endogenous variables (Ferianda et al., 2022). The complete results of this significance test can be seen in table 13 below:

Table 10. Hypothesis Testing

Variabel	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (OSTDEV)	P Values
Community Empowerment -> Suistanable Tourism Development	0,938	0,937	0,011	82,034	0.000
Community Empowerment -> Economy Creative	0,939	0,938	0,011	84,034	0.000
Suistanable Tourism Development -> Community Wellbeing	0,416	0,416	0,087	4,801	0.000
Economy Creative -> Community Wellbeing	0,465	0,464	0,077	6,048	0.000
Community Empowerment -> Suistanable Tourism Development -> Community Wellbeing	0,390	0,389	0,082	4,782	0.000
Community Empowerment -> Economy Creative -> Community Wellbeing	0,437	0,435	0,074	5,944	0.000

Source: Primary Data Processed (2025)

In PLS, statistical testing of each hypothesized relationship is carried out using simulation. In this case, it is done with the bootstrapping method on the sample. The following are the results of the PL bootstrapping analysis as follows:

1. Effect of Community Empowerment on Sustainable Tourism Development
The results of testing the first hypothesis, namely the effect of Community Empowerment on Sustainable Tourism Development, show p-values of 0.000 and t-statistics of 82.034. The p-values of $0.000 < 0.05$ and the t-count value of $82.034 > t\text{-table } 1.966$. These results indicate that Community Empowerment has a significant effect on Sustainable Tourism Development. So that the hypothesis which states that Community Empowerment has a significant effect on Sustainable Tourism Development (H1) is accepted.
2. The Effect of Community Empowerment on Creative Economy
The results of testing the second hypothesis, namely the effect of Community Empowerment on Creative Economy, show p-values of 0.000 and t-statistics of 82.034. The p-values of $0.000 < 0.05$ and the t-statistic of $84.034 > t\text{-table } 1.966$. These results indicate that Community Empowerment has a significant effect on Creative Economy. So that the hypothesis which states that Community Empowerment has a significant effect on Creative Economy (H2) is accepted.
3. The Effect of Sustainable Tourism Development on Community Wellbeing
The results of testing the third hypothesis, namely the effect of Sustainable Tourism Development on Community Wellbeing, show p-values of 0.000 and t-statistics of 4.801. The p-values of $0.000 < 0.05$ and the t-count value of $4.801 > t\text{-table } 1.966$. These results indicate that Sustainable Tourism Development has a significant effect on Community Wellbeing. So that the hypothesis which states that Sustainable Tourism Development has a significant effect on Community Wellbeing (H3) is accepted.
4. The Effect of Economy Creative on Community Wellbeing
The results of testing the fourth hypothesis, namely the effect of Economy Creative on Community Wellbeing, show p-values of 0.000 and t-statistics of 6.048. The p-values of $0.000 < 0.05$ and the t-count value of $6.048 > t\text{-table } 1.966$. These results indicate that Economy Creative has a significant effect on Community Wellbeing. So that the hypothesis which states that Economy Creative has a significant effect on Community Wellbeing (H4) is accepted.
5. The effect of Community Empowerment on Community Wellbeing mediated by Sustainable Tourism Development
The results of testing the fifth hypothesis, namely the effect of Community Empowerment on Community Wellbeing mediated by Sustainable Tourism Development, show p-values of 0.000 and t-statistics of 4.782. The p-values of $0.000 < 0.05$ and the t-count value of $4.782 > t\text{-table } 1.966$. These results indicate that Sustainable Tourism Development can mediate the influence of Community Empowerment on Community Wellbeing. So that the hypothesis which states that Sustainable Tourism Development can mediate the influence of Community Empowerment on Community Wellbeing (H5) is accepted.
6. The effect of Community Empowerment on Community Wellbeing is mediated by Economy Creative
The results of testing the sixth hypothesis, namely the effect of Community Empowerment on Community Wellbeing mediated by Economy Creative, show p-values of 0.000 and t-statistics of 5.944. The p-values of $0.000 < 0.05$ and the t-count value of $5.944 > t\text{-table } 1.966$. These results indicate that Creative economy can mediate the effect of community empowerment on community

wellbeing. So that the hypothesis which states that Creative economy can mediate the influence of community empowerment on community wellbeing (H6) is accepted.

5. Discussion

The results of this study indicate that community empowerment has a significant influence on the development of the creative economy sector and sustainable tourism in Bandung City. This is in line with the findings of various previous studies which emphasize that community empowerment is an important foundation in participation-based regional development (Pranita et al., 2022; Rahadi, 2023; Rahman & Hakim 2024). Active community participation in program planning, implementation, and evaluation processes has been shown to increase the effectiveness of local development, as well as strengthen the competitiveness and socioeconomic resilience of communities.

Direct community involvement in the tourism and creative economy sectors has generated added value not only in terms of income, but also socially and culturally. The creative economy sector contributes to local identity expression and product innovation, while sustainable tourism strengthens environmental conservation and cross-generational engagement. These findings support the literature on inclusive development that emphasizes the collaborative role between communities and stakeholders in creating adaptive development ecosystems (Manioudis & Angelakis, 2023).

The high path coefficient and R-square values in this model indicate that the contribution of community empowerment to these sectors is substantial. In addition to proving a strong direct relationship, this finding also shows that the combination of sectors can explain a large proportion of the variation in community welfare. This proves that sectorally fragmented development has its limitations, and that an integrated approach, on the other hand, can promote the achievement of more complete and sustainable development.

The mediation analysis in this study also provides evidence that creative economy and sustainable tourism not only function as outcomes of empowerment, but also as important intermediaries that strengthen the relationship between empowerment and community wellbeing. This significant mediation reinforces the assumption that community wellbeing is influenced by productive engagement in locally-based sectors. These results support a systemic approach to community development that focuses not only on social inputs, but also on economic and cultural channels as levers for transformation.

Practically, the results of this study have important implications for the formulation of regional development policies. The government and stakeholders need to strengthen collaboration with communities in designing training programs, capacity building, and facilitating market connectivity for local creative products and tourism

services. It is no longer enough to approach development from the infrastructure and macroeconomic side alone, but it is necessary to provide space and support for community initiatives as the main pillar in building inclusive, resilient and sustainable regional competitiveness.

6. Conclusions

This research concludes that community empowerment has a significant influence on the development of sustainable tourism and creative economy in Bandung City. Both sectors, in turn, make important contributions towards improving community welfare. The mediating role of the tourism and creative economy sectors emphasizes the importance of a development approach that brings together social, economic and cultural forces simultaneously.

The implications of these findings emphasize the need for policy formulation that encourages active community participation, especially in access to training, technology, and cross-sector collaboration. The government needs to create an ecosystem that enables communities not only as beneficiaries, but also as the main actors in development. Efforts to strengthen local capacity, digital literacy, and opening market access are important elements in promoting equitable and sustainable growth.

For future research, it is suggested that other dimensions such as the influence of governance, the role of digital technology, and social networks be analyzed as reinforcing variables in the relationship between empowerment and wellbeing. A longitudinal approach can also be used to observe the long-term impact of empowerment on the socio-economic resilience of communities in the face of global challenges and structural changes.

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