

ABSTRACT

This study aims to analyze the effect of natural disasters on the amount of household tourism and entertainment expenditure in Indonesia. Furthermore, this study includes age, gender, marital status, employment status, education, number of household members, children/elderly, household area, household assets, health expenditure, and transportation expenditure as control variables in the study. Tourism and entertainment expenditure can be influenced by sociodemographic factors, economic factors, travel factors, and psychological factors.

The OLS (Ordinary Least Square) method with multiple linear regression techniques was used in this study as the research method. This study uses micro data obtained from the Indonesian Family Life Survey (IFLS) Wave 5 2014.

The results show that household tourism and entertainment demand in Indonesia is not affected by the occurrence of natural disasters. This research indicates that households live in areas prone to natural disasters due to the increasing number of natural disaster events around the region. This condition shows that the main factors considered by households before doing tourism and entertainment activities are more considering factors within the household itself, rather than other factors outside the household.

Keywords: Indonesian Family Life Survey, household tourism and entertainment expenditure, natural disaster, Ordinary Least Square

JEL: C31, R15, R21

