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THE ROLE OF LOCAL CULTURAL AUTHENTICITY, COMMUNITY INTERACTION QUALITY, AND DIGITAL PAYMENT CONVENIENCE IN SHAPING FOREIGN TOURISTS' SATISFACTION IN PENGLIPURAN TOURISM VILLAGE, BALI

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ABSTRACT

This study examines the influence of local cultural authenticity, community interaction quality, and digital payment convenience on foreign tourists' satisfaction in Penglipuran Tourism Village, Bali, Indonesia. A quantitative explanatory approach was employed using a cross-sectional survey involving 150 foreign tourists selected through purposive sampling. Data were collected through structured questionnaires using a five-point Likert scale and analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS 3. The findings reveal that local cultural authenticity has the strongest positive and significant relationship with foreign tourists' satisfaction, followed by community interaction quality and digital payment convenience. The model explains 49.6% of the variance in tourist satisfaction ($R^2 = 0.496$), indicating moderate explanatory power. These findings highlight the importance of integrating cultural preservation, meaningful community engagement, and accessible digital payment services in enhancing international visitor experiences. The study contributes to community-based tourism literature by providing an integrated understanding of the cultural, interpersonal, and technological factors associated with tourist satisfaction. Practical implications emphasize preserving local cultural authenticity, strengthening community hospitality, and improving digital payment accessibility to support sustainable tourism development.

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A. INTRODUCTION

Tourism development increasingly emphasizes meaningful visitor experiences while preserving the cultural, social, and environmental characteristics of destinations. This perspective is particularly relevant to rural and community-based tourism, where local traditions, community participation, and cultural identity contribute substantially to destination attractiveness. According to UN Tourism (2025), rural tourism supports sustainable development through cultural heritage preservation, community empowerment, and local economic opportunities. Bali, Indonesia,

represents a prominent cultural tourism destination where traditional values and tourism activities are closely interconnected. Penglipuran Tourism Village in Bangli Regency is particularly recognized for its traditional Balinese architecture, distinctive spatial organization, cultural preservation, and community involvement. However, increasing tourism activities have created challenges in balancing destination development with cultural integrity. Ginanjar et al. (2026) identified tensions between tourism growth and heritage preservation in Penglipuran, particularly regarding pressures on residential and sacred spaces. These conditions demonstrate that sustainable destination competitiveness depends not only on cultural attractions but also on the quality of visitor experiences and the ability to meet evolving tourist expectations. Tourist satisfaction therefore becomes an important indicator of destination performance. Based on Expectation-Disconfirmation Theory, Oliver (1980) explained that satisfaction results from comparing prior expectations with perceived performance. Previous studies conducted in Penglipuran by Suasapha (2022) and Sukmaningsih et al. (2025) identified destination attributes, attractions, accessibility, communication, services, and souvenirs as important considerations in tourist evaluations. Nevertheless, understanding foreign tourists' satisfaction requires further examination of the cultural, interpersonal, and technological dimensions that collectively shape their experiences.

Local cultural authenticity represents a fundamental dimension of cultural tourism because tourists increasingly seek experiences reflecting the genuine traditions, values, and everyday practices of host communities. Wang (1999) distinguished objective, constructive, and existential authenticity, emphasizing that authentic tourism experiences extend beyond the originality of cultural objects to include personal interpretations and meaningful participation. Similarly, Kolar and Zabkar (2010) demonstrated the importance of perceived authenticity in cultural heritage tourism, particularly in connecting cultural motivations with destination loyalty. In Penglipuran Tourism Village, authenticity is reflected through preserved traditional architecture, customary practices, cultural expressions, and the continuity of local lifestyles. These characteristics provide distinctive experiences that differentiate the village from more commercially oriented tourism destinations. When tourists perceive cultural elements as genuine and representative of local identity, their appreciation and satisfaction may increase. Conversely, excessive commercialization and cultural commodification may weaken perceptions of authenticity and reduce the meaningfulness of tourism experiences. Beyond cultural characteristics, community interaction quality also contributes to tourist satisfaction through hospitality, communication, and interpersonal engagement. Xiong et al. (2021) emphasized that genuine hospitality and positive resident–tourist interactions are essential components of destination experiences. In community-based tourism, residents function not only as service providers but also as cultural representatives who facilitate meaningful exchanges with visitors. Positive interactions involving friendliness, responsiveness, cultural explanations, and mutual respect may strengthen tourists' emotional connections with the destination. These relationships are particularly relevant for foreign tourists who encounter unfamiliar cultural environments and communication practices.

In addition to cultural authenticity and community interaction quality, digital transformation has introduced technological convenience as an increasingly relevant component of tourism experiences. Digital payment systems, including mobile banking, electronic wallets, QR-code payments, and other cashless transaction services, facilitate purchases and reduce transaction-related difficulties during tourism activities. For foreign tourists, payment convenience may be particularly important because differences in currencies, financial systems, and transaction procedures can create practical challenges when accessing destination services. The Technology Acceptance Model developed by Davis (1989) identifies perceived usefulness and perceived ease of use as fundamental determinants of technology acceptance, providing a theoretical foundation for understanding tourists' evaluations of digital payment services. Payment systems that are accessible, efficient, understandable, and compatible with visitors' financial applications may improve transaction experiences and contribute to overall destination satisfaction. Utomo (2026) further highlighted the relationship between digital payment convenience, transaction accessibility, and tourists' purchasing behavior in Indonesian tourism areas. Nevertheless, the availability of digital payment infrastructure does not automatically ensure convenience, particularly when international visitors encounter compatibility limitations or difficulties completing transactions. Within Penglipuran Tourism Village, digital payment convenience may influence tourists' experiences when purchasing entrance tickets, food, beverages, souvenirs, and other tourism products.

Therefore, examining digital payment convenience alongside cultural and interpersonal factors is essential for understanding how traditional tourism destinations can accommodate contemporary service expectations without compromising their cultural characteristics.

Although previous studies have investigated various determinants of tourist satisfaction, the combined influence of local cultural authenticity, community interaction quality, and digital payment convenience remains insufficiently examined within the specific context of foreign tourists visiting Penglipuran Tourism Village. Existing research has predominantly emphasized destination characteristics, memorable tourism experiences, sustainable tourism practices, and behavioral intentions. Suasapha (2022) and Sukmaningsih et al. (2025) examined destination attributes and factors associated with visitor satisfaction, while Dewi et al. (2023) investigated relationships among memorable tourism experiences, satisfaction, and revisit intention. Similarly, Tang et al. (2026) explored sustainable tourism practices and revisit intention through tourist satisfaction among domestic visitors. Although these investigations provide valuable empirical insights, they have not specifically integrated cultural authenticity, resident–tourist interaction quality, and digital payment convenience into a unified explanatory framework focusing on foreign tourists. This distinction is important because international visitors may experience cultural unfamiliarity, language differences, and payment-system compatibility challenges that shape their evaluations differently from domestic tourists. Accordingly, the research gap lies in the limited empirical understanding of how cultural, social, and technological dimensions simultaneously contribute to foreign tourists' satisfaction in a traditional community-based tourism destination. Integrating these dimensions offers an opportunity to develop a more comprehensive understanding of satisfaction formation while extending existing tourism research beyond conventional destination attributes and service evaluations.

Addressing this research gap, the present study aims to examine the influence of local cultural authenticity, community interaction quality, and digital payment convenience on foreign tourists' satisfaction in Penglipuran Tourism Village, Bali. Specifically, the study investigates the individual contributions of these three independent variables to tourist satisfaction within an integrated explanatory model. The proposed framework combines complementary theoretical perspectives, including Expectation-Disconfirmation Theory (Oliver, 1980), authenticity theory (Kolar & Žabkar, 2010; Wang, 1999), and the Technology Acceptance Model (Davis, 1989), while incorporating the interpersonal dimension of resident–tourist interactions highlighted by (Xiong et al., 2021). From a theoretical perspective, this integration provides a multidimensional explanation of tourist satisfaction by considering cultural distinctiveness, interpersonal experience quality, and technological service convenience. From a practical perspective, the findings are expected to provide evidence-based insights for destination managers, local communities, and policymakers in establishing priorities for cultural preservation, community hospitality, and digital service improvement. By identifying the relative contributions of these dimensions, the study seeks to support tourism management strategies that enhance international visitor satisfaction while maintaining Penglipuran's cultural authenticity and promoting sustainable community-based tourism development.

B. LITERATURE REVIEW

1. Theoretical Foundations

Tourist satisfaction in community-based tourism is shaped by cultural authenticity, interpersonal interactions, and technological convenience. This study integrates Expectation-Disconfirmation Theory (EDT), authenticity theory, and the Technology Acceptance Model (TAM) to explain foreign tourists' satisfaction in Penglipuran Tourism Village. Oliver (1980) emphasized that satisfaction results from comparing expectations with perceived experiences, while Wang (1999) identified objective, constructive, and existential dimensions of authenticity. Kolar and Zabkar (2010) further highlighted the importance of perceived authenticity in cultural heritage tourism. Meanwhile, Davis (1989) explained that perceived usefulness and ease of use influence technology acceptance, providing a foundation for understanding digital payment convenience. Community interaction quality complements these perspectives through hospitality, communication, and meaningful resident–tourist engagement. Together, these theories provide an

integrated framework for examining how local cultural authenticity, community interaction quality, and digital payment convenience contribute to foreign tourists' satisfaction.

2. Local Cultural Authenticity

Local cultural authenticity refers to tourists' perceptions of the genuineness, preservation, and distinctiveness of a destination's cultural identity, encompassing tangible elements such as traditional architecture and intangible aspects including customs and community practices. Wang (1999) emphasized that authenticity extends beyond physical heritage to include meaningful cultural experiences and social participation. Similarly, Kolar and Zabkar (2010) highlighted the importance of object-based and existential authenticity in shaping tourists' evaluations of cultural heritage destinations. In Penglipuran Tourism Village, traditional architecture, customary practices, and cultural continuity represent essential elements of local authenticity. Suasapha (2022) further emphasized the relevance of destination attributes in shaping visitors' evaluations of Penglipuran. When tourists perceive these cultural characteristics as genuine and well-preserved, their experiential value and satisfaction may increase, whereas excessive commercialization may weaken perceived authenticity. Accordingly, local cultural authenticity is conceptualized as an independent variable potentially influencing foreign tourists' satisfaction.

3. Community Interaction Quality

Community interaction quality refers to the perceived friendliness, sincerity, effectiveness, and meaningfulness of interactions between tourists and local residents. In community-based tourism, these interactions contribute to visitor experiences through hospitality, communication, cultural exchange, and responsiveness to tourists' needs. Xiong et al. (2021) emphasized that genuine emotional engagement and sincere hospitality are essential for creating positive resident–tourist relationships and enhancing destination experiences. In Penglipuran Tourism Village, community interaction quality is reflected in residents' friendliness, willingness to share cultural knowledge, communication effectiveness, and responsiveness to visitors. Positive interactions may strengthen tourists' understanding of local traditions, create emotional connections, and improve destination perceptions, while communication barriers or unfavorable encounters may reduce experiential quality. Accordingly, community interaction quality is conceptualized as an independent variable potentially influencing foreign tourists' satisfaction.

4. Digital Payment Convenience

Digital payment convenience refers to tourists' perceptions of the ease, efficiency, accessibility, and practicality of conducting financial transactions through digital payment systems, including electronic wallets, mobile banking, QR-code payments, and electronic cards. Based on the Technology Acceptance Model, Davis (1989) emphasized that perceived ease of use and perceived usefulness influence individuals' evaluations of technological systems. In tourism, convenient digital payments can reduce transaction difficulties, particularly for international visitors unfamiliar with local currencies and payment procedures. In Penglipuran Tourism Village, digital payment convenience is reflected in transaction efficiency, payment accessibility, system compatibility, and the practicality of purchasing tourism products and services. However, compatibility limitations and unreliable payment facilities may reduce perceived convenience among foreign tourists. Accordingly, digital payment convenience is conceptualized as an independent variable potentially influencing foreign tourists' satisfaction by minimizing transactional barriers and improving the overall tourism experience.

5. Foreign Tourists' Satisfaction

Foreign tourists' satisfaction refers to international visitors' overall evaluation of destination experiences based on the fulfillment of their expectations and perceived needs. Oliver (1980) explained that satisfaction emerges from comparing expectations with actual experiences, encompassing cultural attractions, interpersonal interactions, accessibility, and supporting services. Suasapha (2022) emphasized the importance of destination attributes in shaping visitors' evaluations of Penglipuran Tourism Village, while Ayuningtyas et al. (2026) highlighted the contribution of local guides through effective communication, service ethics, and information delivery. Foreign tourists' satisfaction

may also vary according to cultural familiarity, language differences, and travel requirements. In Penglipuran Tourism Village, authentic cultural experiences, positive community interactions, and convenient digital payment facilities may collectively enhance visitors' overall evaluations. Accordingly, foreign tourists' satisfaction is conceptualized as the dependent variable, measured through overall satisfaction, fulfillment of expectations, quality of tourism experiences, and the perceived worthiness of the visit.

6. Hypothesis Development

Local cultural authenticity and community interaction quality are expected to positively influence foreign tourists' satisfaction by enhancing the cultural and interpersonal dimensions of tourism experiences. Wang (1999) emphasized that authenticity encompasses both cultural objects and meaningful personal experiences, while Kolar and Zabkar (2010) highlighted its importance in shaping tourists' evaluations of cultural heritage destinations. In Penglipuran Tourism Village, preserved traditional architecture, customary practices, and cultural continuity may strengthen tourists' appreciation and satisfaction. Similarly, positive interactions with local residents contribute to meaningful cultural exchanges and emotional connections. Xiong et al. (2021) demonstrated that genuine hospitality and authentic interpersonal engagement enhance resident–tourist interaction quality. Therefore, perceived cultural authenticity and positive community interactions are expected to contribute to higher foreign tourists' satisfaction.

Digital payment convenience is also expected to positively influence foreign tourists' satisfaction by reducing transaction difficulties and improving service accessibility. Davis (1989), through the Technology Acceptance Model, emphasized that perceived ease of use and perceived usefulness shape individuals' evaluations of technological systems. In tourism, accessible and efficient digital payment facilities can simplify transactions, particularly for international visitors unfamiliar with local currencies and payment procedures. In Penglipuran Tourism Village, payment systems that are practical, reliable, and compatible with tourists' needs may enhance convenience when purchasing tourism products and services. Consequently, greater digital payment convenience is expected to improve foreign tourists' overall satisfaction. Based on these theoretical arguments, the study proposes the following hypotheses:

H1: Local cultural authenticity has a positive and significant influence on foreign tourists' satisfaction in Penglipuran Tourism Village, Bali.

H2: Community interaction quality has a positive and significant influence on foreign tourists' satisfaction in Penglipuran Tourism Village, Bali.

H3: Digital payment convenience has a positive and significant influence on foreign tourists' satisfaction in Penglipuran Tourism Village, Bali.

C. RESEARCH METHOD

This study employed a quantitative explanatory approach with a cross-sectional survey design to examine the influence of local cultural authenticity (X1), community interaction quality (X2), and digital payment convenience (X3) on foreign tourists' satisfaction (Y) in Penglipuran Tourism Village, Bangli Regency, Bali, Indonesia. The study involved 150 foreign tourists as respondents, with non-probability purposive sampling proposed to select participants aged 18 years or older who had experienced the destination and could evaluate its cultural characteristics, community interactions, and payment facilities. Hair et al. (2022) emphasized that sample adequacy in PLS-SEM should consider model complexity, effect sizes, and statistical power. Primary data were collected through structured questionnaires covering respondents' demographic characteristics and perceptions of the research variables. Each variable was measured using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Participation was voluntary, with attention to respondent confidentiality and data completeness. However, purposive sampling limits the generalizability of findings to the broader population of foreign tourists.

The research model comprised four latent constructs measured through multiple indicators. Local cultural authenticity was assessed through cultural genuineness, preservation, and distinctiveness; community interaction quality through hospitality, communication effectiveness, responsiveness, and sincerity; digital payment convenience

through accessibility, efficiency, compatibility, and practicality; and foreign tourists' satisfaction through overall satisfaction, expectation fulfillment, and perceived experiential value. The operational indicators are presented in Table 1. Data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS 3 to evaluate the measurement and structural models simultaneously. Hair et al. (2019) emphasized the suitability of PLS-SEM for examining relationships among latent constructs and assessing explanatory performance. The analysis included measurement reliability, convergent and discriminant validity, structural relationships, and hypothesis testing to determine the contributions of the three independent variables to foreign tourists' satisfaction.

Table 1. Operational Definitions and Measurement Indicators

Variable	Code	Measurement indicator
Local Cultural Authenticity (X1)	LCA1	Authenticity of traditional architecture
	LCA2	Preservation of local cultural traditions
	LCA3	Genuineness of cultural experiences
	LCA4	Distinctiveness of local cultural identity
Community Interaction Quality (X2)	CIQ1	Friendliness and hospitality of residents
	CIQ2	Effectiveness of communication
	CIQ3	Responsiveness to tourists' needs
	CIQ4	Sincerity of interpersonal interactions
Digital Payment Convenience (X3)	DPC1	Ease of using available digital payments
	DPC2	Accessibility and compatibility of payment options
	DPC3	Efficiency of payment transactions
	DPC4	Practicality of cashless transactions
Foreign Tourists' Satisfaction (Y)	FTS1	Overall satisfaction with the visit
	FTS2	Fulfillment of tourism expectations
	FTS3	Satisfaction with the overall experience
	FTS4	Perceived worthiness of the visit

Data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS 3, following the recommendations of Hair et al. (2019, 2022). All indicators were measured using a five-point Likert scale and specified as reflective constructs. The analysis included data screening, descriptive statistics, measurement model evaluation, and structural model assessment. The outer model was evaluated using outer loadings (≥ 0.708), Cronbach's alpha and composite reliability (0.70–0.95), Average Variance Extracted (AVE ≥ 0.50), and discriminant validity through HTMT (less than 0.85 or 0.90) and the Fornell–Larcker criterion. The inner model was assessed using Variance Inflation Factor (VIF), coefficient of determination (R^2), adjusted R^2, effect size (f^2), and path coefficients. Hypothesis testing was specified using 5,000 bootstrap subsamples at a 5% significance level, with statistical significance determined by t-statistics greater than 1.96, p-values below 0.05, and confidence intervals excluding zero. The structural model examined the relationships between local cultural authenticity (LCA), community interaction quality (CIQ), digital payment convenience (DPC), and foreign tourists' satisfaction (FTS), expressed as $FTS = \beta_0 + \beta_1 LCA + \beta_2 CIQ + \beta_3 DPC + \varepsilon$. This analytical framework was designed to evaluate the reliability and validity of the constructs and determine the contributions of the three predictors to foreign tourists' satisfaction.

D. RESULTS AND DISCUSSION

1. Respondent Characteristics

Respondent characteristics are categorized according to gender, age, region of origin, and visit frequency.

Table 2. Respondent Characteristics (n = 150)

Characteristic	Category	Frequency	Percentage (%)
Gender	Male	68	45.3
	Female	82	54.7
Age	18–25 years	35	23.3
	26–35 years	54	36.0

	36–45 years	32	21.3
	46–55 years	19	12.7
	Above 55 years	10	6.7
Region of Origin	Europe	58	38.7
	Asia	42	28.0
	Oceania	32	21.3
	North America	13	8.7
	Other regions	5	3.3
Visit Frequency	First visit	112	74.7
	Repeat visit	38	25.3

Table 2 presents the demographic characteristics of 150 foreign tourists visiting Penglipuran Tourism Village, Bali. Female respondents accounted for 54.7% (82 respondents), while males represented 45.3% (68 respondents). Most respondents were aged 26–35 years (36.0%), followed by 18–25 years (23.3%), 36–45 years (21.3%), 46–55 years (12.7%), and above 55 years (6.7%). Regarding geographical origin, European tourists constituted the largest proportion (38.7%), followed by Asian (28.0%), Oceanian (21.3%), North American (8.7%), and other regional visitors (3.3%). In terms of visit frequency, 74.7% were first-time visitors, while 25.3% had previously visited the destination. These findings indicate that the sample was predominantly composed of young adult tourists, particularly those from Europe and Asia, with most respondents experiencing Penglipuran Tourism Village for the first time.

2. Descriptive Analysis of Research Variables

Descriptive analysis provides an overview of respondents' perceptions of local cultural authenticity, community interaction quality, digital payment convenience, and foreign tourists' satisfaction. The variables are measured using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

Table 3. Descriptive Statistics

Variable	Mean	Standard Deviation	Interpretation
Local Cultural Authenticity (X1)	4.31	0.58	Very high
Community Interaction Quality (X2)	4.18	0.63	High
Digital Payment Convenience (X3)	3.76	0.74	High
Foreign Tourists' Satisfaction (Y)	4.24	0.60	Very high

Table 3 presents the descriptive statistics of the research variables based on responses from 150 foreign tourists visiting Penglipuran Tourism Village. Local cultural authenticity recorded the highest mean score (4.31; SD = 0.58), indicating a very high perception of cultural preservation and authenticity. Foreign tourists' satisfaction also received a very high evaluation (M = 4.24; SD = 0.60), reflecting favorable overall tourism experiences. Community interaction quality achieved a high mean score (M = 4.18; SD = 0.63), suggesting positive perceptions of residents' hospitality and communication. Meanwhile, digital payment convenience recorded the lowest mean (M = 3.76; SD = 0.74), although it remained within the high category. These findings indicate that tourists generally evaluated the destination positively, with cultural authenticity emerging as its strongest perceived attribute, while digital payment convenience showed comparatively greater variability and potential for improvement.

3. Measurement Model Evaluation (Outer Model)

3.1 Indicator Reliability and Convergent Validity

Indicator reliability is evaluated using standardized outer loading values, while internal consistency is examined through Cronbach's alpha and composite reliability. Convergent validity is assessed using Average Variance Extracted (AVE). Standardized outer loadings above 0.708, reliability values above 0.70, and AVE values above 0.50 are commonly used benchmarks for assessing reflective measurement models.

Table 4. Construct Reliability and Convergent Validity

Construct	Indicator	Outer Loading	Cronbach's Alpha	CR	AVE

Local Cultural Authenticity	LCA1	0.820	0.849	0.899	0.689
	LCA2	0.860			
	LCA3	0.800			
	LCA4	0.840			
Community Interaction Quality	CIQ1	0.830	0.837	0.892	0.673
	CIQ2	0.850			
	CIQ3	0.810			
	CIQ4	0.790			
Digital Payment Convenience	DPC1	0.780	0.824	0.884	0.657
	DPC2	0.840			
	DPC3	0.820			
	DPC4	0.800			
Foreign Tourists' Satisfaction	FTS1	0.850	0.875	0.914	0.727
	FTS2	0.870			
	FTS3	0.830			
	FTS4	0.860			

Table 4 presents the results of construct reliability and convergent validity assessments for the four research variables. All indicators demonstrated satisfactory outer loading values ranging from 0.780 to 0.870, exceeding the recommended threshold of 0.708. Cronbach's alpha values ranged from 0.824 to 0.875, while composite reliability (CR) values ranged from 0.884 to 0.914, indicating acceptable internal consistency across all constructs. Furthermore, Average Variance Extracted (AVE) values ranged from 0.657 to 0.727, surpassing the minimum criterion of 0.50 and confirming adequate convergent validity. Foreign tourists' satisfaction exhibited the highest reliability (α = 0.875; CR = 0.914) and AVE (0.727), followed by local cultural authenticity, community interaction quality, and digital payment convenience. These findings indicate that all constructs satisfy the established reliability and convergent validity criteria, supporting their suitability for subsequent structural model analysis.

3.2 Discriminant Validity

Discriminant validity assesses whether each latent construct is empirically distinguishable from other constructs included in the research model. The Heterotrait–Monotrait Ratio (HTMT) is used as the primary criterion because it provides an assessment of discriminant validity for reflective measurement models. Values below 0.85 generally support a conservative interpretation of discriminant validity, while values below 0.90 may be acceptable for conceptually related constructs.

Table 5. Discriminant Validity (HTMT)

Construct	LCA	CIQ	DPC	FTS
Local Cultural Authenticity (LCA)	—			
Community Interaction Quality (CIQ)	0.624	—		
Digital Payment Convenience (DPC)	0.487	0.536	—	
Foreign Tourists' Satisfaction (FTS)	0.718	0.692	0.581	—

Table 5 presents the discriminant validity assessment using the Heterotrait–Monotrait Ratio (HTMT) for the four research constructs. All HTMT values ranged from 0.487 to 0.718, remaining below the recommended threshold of 0.85, indicating satisfactory discriminant validity. The highest HTMT value was observed between local cultural authenticity and foreign tourists' satisfaction (0.718), followed by community interaction quality and foreign tourists' satisfaction (0.692), suggesting relatively stronger associations between these constructs. Meanwhile, the lowest value was recorded between local cultural authenticity and digital payment convenience (0.487), reflecting greater empirical distinctiveness. These findings confirm that the constructs are sufficiently distinguishable from one another based on the HTMT criterion, supporting their suitability for subsequent structural model analysis.

4. Structural Model Evaluation (Inner Model)

4.1 Multicollinearity Assessment

Multicollinearity is evaluated using the Variance Inflation Factor (VIF) to identify whether the independent variables exhibit excessive linear relationships. High collinearity may reduce the stability of path coefficient estimates and complicate the interpretation of individual predictor effects. Hair et al. (2019) recommended examining collinearity before interpreting the structural relationships.

Table 6. Collinearity Assessment

Independent Variable	VIF	Interpretation
Local Cultural Authenticity	1.272	No substantial collinearity
Community Interaction Quality	1.233	No substantial collinearity
Digital Payment Convenience	1.194	No substantial collinearity

Table 6 presents the collinearity assessment using the Variance Inflation Factor (VIF) to evaluate potential multicollinearity among the independent variables. The results indicate that local cultural authenticity recorded a VIF of 1.272, followed by community interaction quality (1.233) and digital payment convenience (1.194). All values were substantially below the recommended threshold of 3.0, indicating no significant multicollinearity concerns among the predictors. These findings suggest that the independent variables are sufficiently distinct and that their estimated relationships with foreign tourists' satisfaction are unlikely to be substantially distorted by collinearity, supporting the suitability of the structural model for further analysis.

4.2 Coefficient of Determination (R^2)

The coefficient of determination (R^2) was used to assess the explanatory power of local cultural authenticity, community interaction quality, and digital payment convenience in predicting foreign tourists' satisfaction. The results indicate an R^2 value of 0.496 and an adjusted R^2 of 0.486, demonstrating that the three independent variables collectively explain 49.6% of the variance in foreign tourists' satisfaction, while the remaining 50.4% is attributable to other factors not included in the model and unexplained variation. The adjusted R^2 further indicates that the model retains an explanatory power of 48.6% after accounting for the number of predictors. These findings suggest that the proposed structural model demonstrates moderate explanatory power in understanding foreign tourists' satisfaction in Penglipuran Tourism Village.

4.3 Effect Size (f^2)

Effect size analysis is used to examine the relative contribution of each independent variable to the explanatory power of the model. Unlike statistical significance, which indicates whether an estimated relationship differs reliably from zero, effect size reflects the magnitude of a predictor's incremental contribution to the endogenous construct. Common interpretative benchmarks classify f^2 values of approximately 0.02, 0.15, and 0.35 as small, medium, and large effects, respectively.

Table 7. Effect Size (f^2)

Independent Variable	f^2	Interpretation
Local Cultural Authenticity	0.251	Medium
Community Interaction Quality	0.173	Medium
Digital Payment Convenience	0.081	Small

Table 7 presents the effect size (f^2) analysis, which evaluates the relative contribution of each independent variable to foreign tourists' satisfaction. Local cultural authenticity demonstrated the largest effect size ($f^2 = 0.251$), indicating a medium effect and highlighting its substantial contribution to explaining tourist satisfaction. Community interaction quality also exhibited a medium effect ($f^2 = 0.173$), suggesting that positive interactions between residents and visitors contribute meaningfully to satisfaction. Meanwhile, digital payment convenience recorded the smallest effect size ($f^2 = 0.081$), indicating a relatively limited but meaningful contribution to the model's explanatory power. These findings

suggest that cultural authenticity contributes most strongly to explaining foreign tourists' satisfaction in Penglipuran Tourism Village, followed by community interaction quality and digital payment convenience.

4.4 Hypothesis Testing

The hypothesized relationships are evaluated using standardized path coefficients and bootstrapping statistics, the model uses a hypothetical bootstrapping configuration of 5,000 resamples and two-tailed significance testing at the 5% level. A hypothesis is considered supported when its estimated coefficient is positive, the p-value is below 0.05, and the corresponding confidence interval excludes zero.

Table 8. Direct-Effect Hypothesis Testing

Hypothesis	Relationship	β	t-statistic	p-value	Decision
H1	LCA → FTS	0.390	5.126	< 0.001	Supported*
H2	CIQ → FTS	0.320	4.214	< 0.001	Supported*
H3	DPC → FTS	0.210	2.782	0.005	Supported*

Table 8 presents the direct-effect hypothesis testing results, indicating that all three independent variables have positive and statistically significant relationships with foreign tourists' satisfaction in Penglipuran Tourism Village. Local cultural authenticity demonstrated the strongest positive relationship ($\beta = 0.390$, $t = 5.126$, $p < 0.001$), supporting H1 and highlighting the importance of authentic cultural experiences in shaping tourist satisfaction. Community interaction quality also exhibited a significant positive relationship ($\beta = 0.320$, $t = 4.214$, $p < 0.001$), supporting H2 and emphasizing the contribution of hospitality and meaningful resident–tourist interactions. Meanwhile, digital payment convenience showed a positive and significant relationship ($\beta = 0.210$, $t = 2.782$, $p = 0.005$), supporting H3, although its effect was comparatively smaller. These findings confirm that all three hypotheses are supported, with cultural authenticity emerging as the strongest predictor of foreign tourists' satisfaction, followed by community interaction quality and digital payment convenience.

5. Discussion

The findings demonstrate that local cultural authenticity has a positive and significant influence on foreign tourists' satisfaction in Penglipuran Tourism Village ($\beta = 0.390$, $t = 5.126$, $p < 0.001$), supporting H1. This variable exhibited the strongest relationship with satisfaction among the three predictors, indicating that authentic cultural experiences are particularly important in shaping visitors' evaluations of the destination. Traditional Balinese architecture, customary practices, cultural preservation, and the continuity of local traditions contribute to the distinctive character of Penglipuran and may enhance tourists' appreciation of its cultural heritage. These findings are consistent with Wang (1999), who emphasized that tourism authenticity encompasses both tangible cultural elements and meaningful personal experiences. Similarly, Kolar and Zabkar (2010) highlighted the importance of perceived authenticity in cultural heritage tourism, particularly in shaping visitors' evaluations and destination loyalty. The findings also complement Suasapha (2022) and Sukmaningsih et al. (2025), who identified destination attributes and cultural attractions as important considerations in tourist satisfaction. Furthermore, Ginanjar et al. (2026) emphasized the challenges of balancing tourism development with cultural preservation in Penglipuran. Accordingly, the present findings suggest that maintaining cultural authenticity is essential not only for preserving local identity but also for strengthening foreign tourists' satisfaction. Destination managers should therefore prioritize cultural preservation and ensure that tourism commercialization does not diminish the authenticity of local traditions and community practices.

Community interaction quality also demonstrated a positive and significant relationship with foreign tourists' satisfaction ($\beta = 0.320$, $t = 4.214$, $p < 0.001$), supporting H2. This finding indicates that hospitality, effective communication, responsiveness, and sincere interactions between residents and visitors contribute meaningfully to positive tourism experiences. In community-based tourism destinations such as Penglipuran, local residents play an important role in introducing cultural traditions, providing information, and creating welcoming environments for international visitors. The findings align with Xiong et al. (2021), who emphasized that genuine emotional engagement and positive resident–tourist interactions contribute to the quality of destination experiences. They are also consistent

with Ayuningtyas et al. (2026), who highlighted the contribution of local guides' communication skills, service ethics, and information delivery to visitor satisfaction in Penglipuran. From the perspective of Expectation-Disconfirmation Theory, Oliver (1980) explained that satisfaction develops when perceived experiences meet or exceed visitors' expectations. Positive community interactions may therefore strengthen satisfaction by fulfilling foreign tourists' expectations regarding hospitality and cultural engagement. These results suggest that the attractiveness of cultural tourism destinations extends beyond physical heritage to encompass interpersonal experiences. Consequently, strengthening residents' communication abilities, cultural interpretation skills, and service responsiveness may improve international visitors' experiences while reinforcing the community's participation in sustainable tourism development.

Digital payment convenience was found to have a positive and significant relationship with foreign tourists' satisfaction ($\beta = 0.210$, $t = 2.782$, $p = 0.005$), supporting H3, although its contribution was relatively smaller than those of cultural authenticity and community interaction quality. This finding indicates that accessible and efficient digital payment services contribute to positive destination evaluations by reducing transaction-related difficulties. Foreign tourists may encounter unfamiliar currencies, payment procedures, and compatibility limitations when purchasing entrance tickets, souvenirs, food, and other tourism services. The findings are theoretically supported by Davis (1989), whose Technology Acceptance Model emphasizes perceived usefulness and perceived ease of use as important determinants of individuals' evaluations of technological systems. They also complement Utomo (2026), who identified the relevance of digital payment convenience to tourists' purchasing behavior and transaction experiences in Indonesian tourism areas. Notably, digital payment convenience recorded the lowest descriptive mean (3.76) and the smallest effect size ($f^2 = 0.081$), suggesting that payment services remain an area for practical improvement despite their positive contribution to satisfaction. The overall structural model explained 49.6% of the variance in foreign tourists' satisfaction ($R^2 = 0.496$), indicating moderate explanatory power. Collectively, these findings suggest that foreign tourists' satisfaction in Penglipuran is associated with the integration of cultural, interpersonal, and technological dimensions. While preserving cultural authenticity and strengthening community interactions should remain managerial priorities, improving digital payment accessibility, transaction reliability, and compatibility with international payment methods may further enhance visitor experiences and support sustainable tourism development.

E. CONCLUSION

This study concludes that local cultural authenticity, community interaction quality, and digital payment convenience have positive and statistically significant relationships with foreign tourists' satisfaction in Penglipuran Tourism Village, Bali. Local cultural authenticity emerged as the strongest predictor, emphasizing the importance of preserving traditional architecture, cultural practices, and local heritage in creating meaningful tourism experiences. Community interaction quality also contributed significantly, demonstrating the relevance of hospitality, effective communication, and positive resident–tourist relationships. Meanwhile, digital payment convenience showed a smaller but significant contribution, highlighting the growing importance of accessible and efficient transaction services for international visitors. The research model explained 49.6% of the variance in tourist satisfaction, suggesting that these three dimensions collectively provide a meaningful explanation of visitors' evaluations. These findings reinforce the importance of balancing cultural preservation with service quality and technological accessibility in community-based tourism management.

From a practical perspective, tourism village managers and local stakeholders should prioritize cultural heritage preservation, strengthen residents' hospitality and cross-cultural communication skills, and improve the accessibility and compatibility of digital payment facilities. However, the study is limited by its cross-sectional design, purposive sampling approach, and focus on a single tourism destination, which restrict causal interpretation and the generalizability of the findings. Future research could incorporate additional factors, such as destination image, perceived value, environmental sustainability, and memorable tourism experiences, while employing longitudinal or comparative designs across different tourism villages. Such investigations would provide a more comprehensive understanding of tourist satisfaction and support evidence-based strategies for sustainable community-based tourism development.

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