

The Influence of Pandemic Covid 19 on the Tourism Sector of Kepulauan Riau Province

Ervin Nora Susanti (Corresponding author)

Postgraduate Program, Universitas Riau Kepulauan
Jl. Pahlawan No. 99 Batu Aji, Kota Batam
Tel: 62 85780583993 E-mail: ervin.nora@gmail.com

Sri Langgeng Ratnasari

Postgraduate Program, Universitas Riau Kepulauan
Jl. Pahlawan No. 99 Batu Aji, Kota Batam
Tel: 62 81364397072 E-mail: sarisucahyo@yahoo.com

Widodo Ismanto

Faculty Economic, Universitas Riau Kepulauan
Jl. Pahlawan No. 99 Batu Aji, Kota Batam
Tel: 62 81281179589 E-mail: widodo.ismanto@gmail.com

Rona Tanjung

Faculty Economic, Universitas Riau Kepulauan
Jl. Pahlawan No. 99 Batu Aji, Kota Batam
Tel: 62 82173557667 E-mail: ronatanjung07@gmail.com

Abstract

The Covid 19 pandemic has had a significant impact on all aspects of life, such as health, lifestyle, including impacting various sectors in the economy. The tourism sector is one sector that has been affected by the Covid 19 pandemic. Limited human mobility between regions has resulted in a decrease in tourist visits. This study aims to determine the condition of the tourism sector in the Kepulauan Riau Province during the Covid 19 pandemic. This study uses descriptive statistical analysis. The data used is secondary data from the Central Statistics Agency (BPS). The results showed that foreign tourist visits to the Kepulauan Riau during the January to July 2020 period decreased. Cumulatively, foreign tourist visits during January-July 2020 contracted by - 81.71% (yoy) with a total of 404 613 visits in January-July 2020, decreasing compared to the number of visits in January-July 2019 which reached 1 623 977 visits. The average room occupancy rate (ROR) of star hotels in the Kepulauan Riau Province in June 2020 reached 14.45 percent. When compared with June of the previous year, the ROR for star-rated hotels in Kepulauan Riau Province decreased by 36.73 points, where the ROR for June 2019 was 51.18 percent. The decrease in the number of foreign tourist visits to the Kepulauan Riau Province has resulted in the dismissal of workers reaching 4 711 people by April 2020. This workforce dismissal has an impact on lowering people's income, thus holding back the performance of large trading and retail business fields due to a decrease in purchasing power. The slowdown in the performance of the wholesale and retail trade business fields was also directly affected by the decline in the number of tourists which resulted in reduced purchases made by tourists. This condition affects the slowing economic growth of the Kepulauan Riau

Province where the economy of the Kepulauan Riau in the first quarter of 2020 compared to the fourth quarter of 2019 (q-to-q) experienced a contraction of -4.51 percent. In the second quarter, economic growth continued to contract by -7.55%.

Keywords: Tourism, Covid19, Economic Growth

1. Introduction

The Covid 19 pandemic that has entered Indonesia since the first positive case on March 2, 2020 to date has spread in almost all 34 provinces, 449 districts / cities with the number of confirmed cases up to September 17, 2020 reaching 232,628 cases nationally (Task Force for the Acceleration Handling of National Covid 19, 2020). Kepulauan Riau Province is one of the areas affected by Covid 19 with the number of confirmed cases as of 17 September 2020 reaching 1550 cases as shown in Figure 1

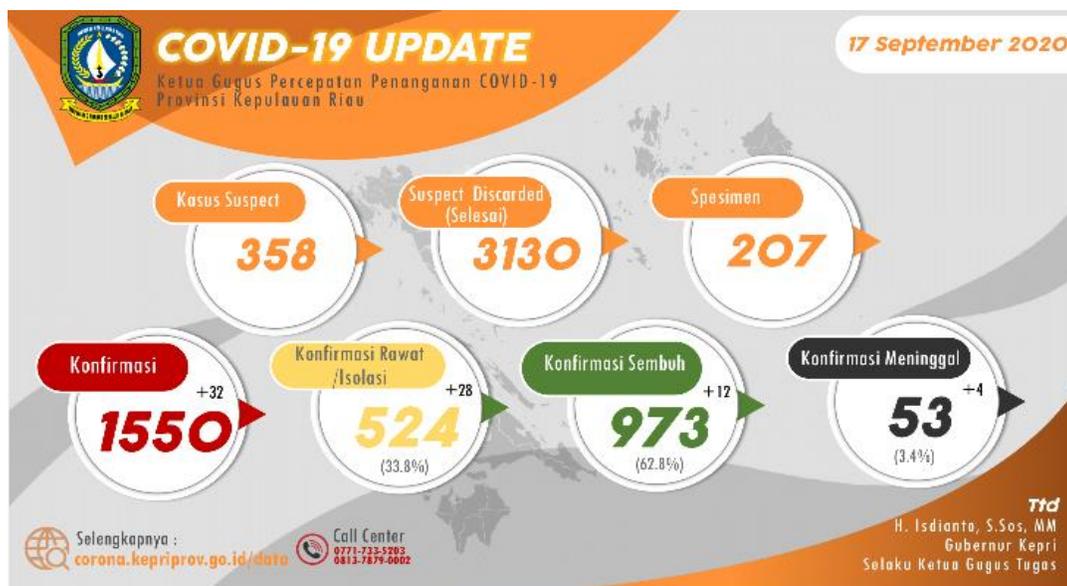


Figure 1. Statistical Infographics on the Spread of Covid-19 in the Kepulauan Riau Province

The Covid 19 pandemic has had a changing impact on various living arrangements globally, both in terms of health, lifestyle and economic aspects. The Covid 19 pandemic has forced people to be able to improve their ability to adapt, synergize, collaborate and have empathy. Economic conditions both globally and regionally experienced a downturn due to Covid 19. This trend occurred in almost all sectors of the economy. Including the tourism sector as one of the economic supports of a region.

Tourism activities are multidimensional in terms of socio-cultural, economic and political aspects. Tourism is a process of temporary departure from someone or more to another place outside their place of residence which is driven by various interests such as economic, social, cultural, political, religious, health and other interests such as simply being curious, adding to experience or learning (Suwantoro , 2004). As time goes by, tourism continues to develop. tourism has developed into a global phenomenon, a basic necessity, and a part of human rights that must be respected and protected. Law Number 10 of 2009 states that tourism functions to meet the physical, spiritual and intellectual needs of every tourist with recreation and travel and to increase state income to realize people's welfare. The implementation of tourism is aimed at increasing national income in the context of increasing the welfare and prosperity of the people, expanding and equalizing business and employment opportunities, encouraging regional development, introducing and utilizing tourism objects and attractions in Indonesia and fostering a love of the country and strengthening friendship between nations.

Tourism has an important role as an economic driver of a region. Tourism provides employment, creates demand in the form of goods purchased by tourists such as handicraft products for souvenirs, food products and others as well as service products such as transportation, hotels and other accommodation facilities required by tourists. Tourism activities are also linked to various other sectors in the economy.

Tourism development is developed with a growth and economic equality approach for people's welfare and development that is oriented towards regional development, is community-based, and has the character of empowering the community which includes various aspects, such as human resources, marketing, destinations, science and technology, cross-sector linkages, cooperation between countries, empowerment of small businesses, and responsibility in exploiting natural and cultural resources.

Law No. 10 of 2009 on Tourism which states that the Implementation of Tourism is aimed at increasing national income in order to improve the welfare and prosperity of the people, expand and equalize business opportunities and employment opportunities, encourage regional development, introduce and utilize tourism objects and attractions in Indonesia. as well as fostering a love of the country and strengthening friendship between nations. The development of tourism also encourages and accelerates economic growth. Tourism activities create demand, both consumption and investment, which in turn will lead to production of goods and services. During the tour, tourists shop, thus directly generating market demand for goods and services. Furthermore, tourists indirectly generate demand for capital goods and materials for production to meet tourist demand for these goods and services. In an effort to meet tourist demand, investment is needed in the fields of transportation and communication, hospitality and other accommodation, industry. Likewise, the tourism sector in the Kepulauan Riau Province. The goal of regional tourism development in the Kepulauan Riau 2016-2021 is "Realizing the Kepulauan Riau as a Highly Competitive Tourist Destination in National and International Markets in a Sustainable manner and Able to Encourage Regional Development and Community Welfare". Meanwhile, the tourism development targets of the Kepulauan Riau region include: a. Increasing the competitiveness of Kepulauan Riau tourism in national and international markets; b. Increase in Tourism Sector Income; c. The development of the Creative Economy in the Kepulauan Riau.

The Covid 19 pandemic that emerged from Wuhan China had a significant impact on various economic sectors in Indonesia, including the tourism sector. Kepulauan Riau Province, is one of the areas affected by the tourism sector due to Covid 19. Kepulauan Riau Province which has an area of 10,595 km² is a province in Indonesia bordering Vietnam and Cambodia to the north; Malaysia and West Kalimantan province in the east; the provinces of Bangka Belitung and Jambi Islands in the south; Singapore, Malaysia and Riau province in the west. The Kepulauan Riau province is very strategic because it is directly adjacent to the countries in the Southeast Asian region. This comparative advantage makes Kepulauan Riau Province attractive as a tourist destination for both domestic and foreign tourists, especially tourists from neighboring countries. Moreover, the Kepulauan Riau also have a very interesting natural panorama, especially marine tourism, islands and beaches as an archipelago, as well as historical and cultural tourism such as Penyengat Island and Galang Island. Kepulauan Riau also has Batam Island which is one of the MICE (Meeting, Incentive, Convention and Exhibition) tourist destinations and shopping tours. Batam is also the third largest city as the entrance for tourists after Bali and Jakarta. As a result of the spread of covid 19, it has caused changes in the various structures of human life. People around the world are becoming more careful and always prioritize the importance of maintaining health protocols. Various efforts to prevent the spread of covid 19 implemented in various countries have limited human mobility. The application of Large-Scale Social Restrictions (PSBB) in Indonesia and the lockdown policies taken by several countries, especially those close to the Kepulauan Riau Province, such as China, the Philippines and the closure of Malaysia and Singapore, have also had an impact on the tourism sector in the Kepulauan Riau Province. The impact on the tourism sector will also have an impact on the economy of the Kepulauan Riau Province because tourism activities involve many aspects that affect the movement of the economy such as trade, transportation services, hotel services, consumption services and accommodation. This paper aims to analyze the condition of the tourism sector in the Kepulauan Riau Province. during the Covid 19 pandemic and its further impact on economic conditions.

2. Methodology

The data used in this research is secondary data from several institutions related to the research objectives. Descriptive statistical analysis is used to answer the research objectives, this is done because of the limited availability of time series data so that the analysis is not carried out using a more complex statistical or econometric approach.

3. Results and Discussion

3.1. The Impact of the Spread of Covid-19 on Tourist Visits

The widespread spread of Covid-19 and the implementation of health protocols and restrictions on travel and visits between countries, especially Singapore and Malaysia, have had an impact on the tourism sector in the Kepulauan Riau Province. Moreover, the Kepulauan Riau, especially Batam, is one of the entry points for tourists to Indonesia. The number of foreign tourist visits to the Kepulauan Riau during the Covid-19 pandemic continued to experience a significant decline.

Table 1. Number of Tourist Visits to Kepulauan Riau Province in 2020

	Foreign Tourist Visits										
	July 2019	Jan- July 2019	Feb 2020	March 2020	April 2020	May 2020	June 2020	July 2020	Jan- July 2020	% Change July 2019 to July 2020	% Change Jan-July 2019 to Jan-July 2020
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Karimun	8 425	65659	7 357	3 581	6	-	2	-	21523	-100.00	-75.09
Tanjungpinang	11 951	99765	3 806	2 079	-	-	-	-	18246	-100.00	-67.22
Bintan	49 247	369481	18 046	4 878	-	-	-	11	63922	-99.98	-82.70
Batam	147 690	1089072	95 256	43 564	1 133	1 798	1 785	1 754	302042	-98.81	-72.27
Total	217 313	1623977	124 465	54 102	1 139	1 798	1 787	1 765	404613	-99.19	-81.71

Visits of foreign tourists to the Kepulauan Riau since February 2020 have been recorded to have decreased and are getting lower in March 2020. In February 2020, foreign tourist visits to Kepulauan Riau contracted by -46.63% (yoy) and continued in March 2020 where they contracted by -79.35% (yoy). Based on the countries of origin of foreign tourists, the decrease in foreign tourist visits to the Kepulauan Riau was due to a decrease in foreign tourist visits from Singapore, Malaysia and China which contracted in March 2020 by -80.21% (yoy), -75.02% (yoy) and -99 respectively. 37% (yoy). Data shows that during the period January-July 2020 the number of foreign tourist visits to the Kepulauan Riau Province continued to decline. In July 2020 the number of foreign tourist visits to the Kepulauan Riau Province only amounted to 1 765 visits, experiencing a contraction of -99.19% (yoy). Cumulatively, the number of foreign tourist arrivals during that time period also contracted by -81.71% (yoy) with the number of visits of 404 613 decreasing compared to the number of visits in January-July 2019 which reached 1 623 977 visits.

The decline in the number of foreign tourist arrivals to the Kepulauan Riau Province was also due to the implementation of travel restrictions and visits between countries that had an impact on the tourism performance of the Kepulauan Riau where the number of international passenger arrivals via air and sea transportation had decreased significantly since February 2020. International flights from Shenzhen and Xian (China) to Batam since 27 January 2020 along with the implementation of lockdown in several regions in China and flights from Kuala Lumpur (Malaysia) to Batam since 17 March 2020 along with the initiation of Movement

Control Order (MCO) in Malaysia also contributed to the decline in the number of visits to the Kepulauan Riau Province. Meanwhile, in terms of international crossings, there has been a significant decrease in the frequency of international ferry crossings for the Singapore - Kepri and Johor Bahru (Malaysia) - Kepri routes, from 140 times per day to 5 times per day. This had a significant impact on the number of international passenger arrivals (via air and sea transportation) which contracted by -33.41% (yoy) in February 2020 and lower in March 2020 which contracted by -58.87% (yoy).

Table 2. Number of International Tourists by Nationality (visits)

Country	January 2020	February 2020	March 2020	April 2020	May 2020	June 2020	July 2020	Total	%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Singapura	99 575	59 820	25 064	7	2	3	4	184 459	45.46
Malaysia	24 221	16 002	6 635	3	7	7	2	46 858	11.55
Tiongkok	23 786	384	153	-	-	2	-	23 786	5.86
India	11 775	4 524	1 404	2	5	4	1	17 703	4.36
Philipina	4 668	2 212	902	8	21	19	-	6 880	1.70
Others	56 671	41 523	19 944	1 119	1 763	1 752	1 758	124 530	30.69
Total	220 696	124 465	54 102	1 139	1 798	1 787	1 765	405 752	100.00

Foreign tourists visiting the Kepulauan Riau during January-July 2020 were dominated by tourists from Singapore (45.46%), Malaysia (11.55%) and China (5.86%) from various countries such as India, Philippines, UK, Japan, Australia, South Korea and America. As the spread of COVID-19 spreads, various countries implemented policies to restrict travel and visits between countries, including the countries of origin for the largest foreign tourists to the Kepulauan Riau, namely Singapore, Malaysia and China. Singapore since March 18 2020 has urged citizens to postpone all overseas trips and those returning from abroad are given a 14-day Stay-Home-Notice (SHN). In addition, Singapore has also implemented a Circuit Breaker policy (restriction of non-essential activities) from 7 April to 1 June 2020. Malaysia has also implemented a policy since 18 March 2020 implementing a Movement Control Order (MCO), which prohibits Malaysian citizens from traveling abroad. and limiting visits to Malaysia. All people returning from abroad are required to undergo health checks and self-isolate for 14 days. This policy is valid for 14 days from March 18, and has been extended 4 times until June 9, 2020. China since the end of January 2020 implemented a lockdown policy in Wuhan City and several other cities in Hubei Province, China as the center of the initial outbreak of COVID-19. The Chinese government also prohibits its citizens from traveling abroad. In addition, the Indonesian government has also implemented a policy of restricting travel and visits between countries to reduce the potential for an increase in COVID-19 cases from abroad.

On March 20, 2020, the Government of Indonesia calls on all citizens to reduce non-essential travel abroad and limit visits to Indonesia by implementing a suspension of Visit Visa Free, Visa on Arrival and Free Diplomatic / Service Visas. and refusing visits with travel history from China, several regions in South Korea, as well as Iran, Italy, the Vatican, Spain, France, Germany, Switzerland, England in the last 14 days. Travel and visit restriction policies implemented by various countries have an influence on the number of tourist visits to the Kepulauan Riau Province. The number of tourist arrivals from Singapore, Malaysia and China in January-July 2020 contracted by -75.60%, -71.51% and -86.00% (yoy), respectively.

3.2. Room Occupancy Rates (ROR) in Star Hotels and Average Length of Stay

The average room occupancy rate (ROR) of star hotels in the Kepulauan Riau Province in June 2020 reached 14.45 percent, an increase of 4.54 points compared to the ROR for May 2020 of 9.91 percent. When compared with June of the previous year, the ROR for star-rated hotels in Kepulauan Riau Province decreased by 36.73

points, where the ROR for June 2019 was 51.18 percent. In June 2020, the ROR for star-rated hotels in Kepulauan Riau Province was 5.26 points lower than the ROR for star-rated hotels nationally, where the average National ROR was 19.71 percent.

Furthermore, when viewed according to the classification, the ROR for 2-star hotels in June 2020 reached 20.53 percent and was the highest ROR compared to other star hotel classes. While the lowest ROR was in June 2020, namely 1-star hotels, only 12.96 percent. Meanwhile, all 5-star hotels during June 2020 in the Kepulauan Riau did not receive guests.

Table 3. Room Occupancy Rate (ROR) by Star Classification Hotel in Kepulauan Riau Province (June 2019 and May-June 2020)

No	Star Classification	Hotel	TPK (%)		
			Jun 2019	Mei 2020	Jun 2020
(1)	(2)	(3)	(4)	(5)	
1.	One Star Hotel		28,19	2,00	12,96
2.	Two Star Hotel		41,62	9,79	20,53
3.	Three Star Hotel		46,84	10,32	13,86
4.	Four Star Hotel		59,15	10,56	13,55
5.	Five Star Hotel		60,46	-	-
	All Star Hotels		51,18	9,91	14,45

The average length of stay of foreign and Indonesian guests at star hotels in the Kepulauan Riau Province during June 2020 was 1.93 days, or a decrease of 0.29 points compared to the average length of stay of guests in May 2020. In June 2020, the average -The average length of stay of Indonesian guests is 1.87 days or 0.33 points lower than the average length of stay of foreign guests which is 2.20 days.

Table 4. Average Length of Stay of Foreign and Indonesian Guests at Star Hotels According to Hotel Classification May-June 2020

No	Star Classification	Average Length of Guest Stay (Days)					
		Foreign Guests		Indonesian Guests		Total	
		May	June	May	June	May	June
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	One Star Hotel	-	1,00	1,16	1,06	1,16	1,01
2.	Two Star Hotel	5,82	5,57	1,60	2,45	1,69	2,48
3.	Three Star Hotel	3,95	1,93	1,31	1,62	1,36	1,63
4.	Four Star Hotel	6,92	3,00	2,47	1,93	3,37	2,17
5.	Five Star Hotel	-	-	-	-	-	-
	All Star Hotels	6,63	2,20	1,77	1,87	2,22	1,93

3.3. The Impact of the Decreasing Performance of the Tourism Sector on the Economy of the Kepulauan Riau Province

The tourism sector is one of the driving sectors in the economy. The decline in the performance of the tourism sector has also influenced the movement of the economic conditions of the Kepulauan Riau Province. According to Liu and Wu (2019) and Santamaria and Fillis (2019) tourism has an effect on economic growth, so that if the performance of the tourism sector is good it will make a positive contribution to economic growth and vice versa. The tourism sector is very important for many countries because it forms a large productive chain involving many actors and industrial sectors, even the total number of direct and indirect activities that interact in the tourism industry forms a large system with different sub-systems (Chim-Miki and Batista -Canino, 2017).

The decline in the number of foreign tourist visits to the Kepulauan Riau Province which had an impact on accommodation performance has led to termination of employment (PHK). Until April 2020, the total workforce affected has reached 4 711 people. This happened because there were 70 hotels affected, which among others experienced permanent closings, temporary closings and reduced work shifts. Termination of employment (PHK) of this workforce has an impact on reducing people's income, thus holding back the performance of the wholesale and retail business fields due to a decrease in purchasing power. Apart from being influenced by a decrease in public spending activities due to a decrease in purchasing power, the slowdown in the performance of the wholesale and retail business fields was also directly influenced by foreign tourist visits because the decline in the number of tourists led to a decrease in purchases made by tourists. Other sectors such as MSMEs, restaurants, transportation which are highly dependent on tourism are also affected. PDRB growth data from the business field side for sectors related to tourism shows a downward trend. In the first quarter of 2020, the wholesale and retail trade business field contracted by -1.53%, much smaller than the growth in the first quarter of 2019 which reached 4.69%. The transportation and warehousing business field in the first quarter of 2020 contracted by -18.45% as well as the business field for providing accommodation and food and drink contracting by -34.50%. In the second quarter, the conditions for these three sectors continued to decline by -6.89%; -53.94 and -38.94, respectively. This condition affects the slowing economic growth of the Kepulauan Riau Province where the economy of the Kepulauan Riau in the first quarter of 2020 compared to the fourth quarter of 2019 (q-to-q) experienced a contraction of -4.51 percent. In the second quarter, economic growth continued to contract by -7.55%.

Table 5. GDP in Side of Business Fields Related to Tourism Sector

Business field	2019					2020	
	I	II	III	IV	Total	I	II
Wholesale and Retail Trade, and Car and Bicycle Repair	4.69	8.75	9.70	1.40	6.10	0.81	-6,89
Transportation and Warehousing	-13.46	-13.19	-6.21	-2.17	-8.87	-7.21	-53,94
Provision of Accommodation and Food and Drink	-1.17	7.28	17.49	15.06	9.70	-19.37	-38,94
GDP growth	4.78	4.64	4.92	5.21	4.89	2.06	-7,55

3.4 Kepulauan Riau Province Tourism Sector Recovery Strategy

The uncertain condition of the end of the Covid-19 pandemic has caused uncertainty in the recovery of the tourism sector in the Kepulauan Riau Province. The Bank Indonesia report (2020) states that the recovery process for the world tourism industry is estimated to take a long time. Based on estimates, tourism recovery businesses are estimated to occur six months after the pandemic ends, starting with domestic tourists.

The implementation of the new normal era while still implementing strict health protocols can be a hope for efforts to restore the tourism sector. According to Kiswantoro, et al (2020), tourism industry players need to carry out health checks and certification health for workers in the tourism sector. This needs to be done so that

tourism workers are free from Covid-19 so that tourists are safe to come and visit. In new normal conditions, new trends will appear in travel. Tourists will pay more attention to tourist protocols, especially those related to health, safety, comfort, sustainable and responsible tourism, and authentic digital ecosystem. Given the very limited mobility of people between countries, tourism business actors can shift priorities to further optimize the potential for domestic tourists. Opening tourist locations while still implementing health protocols, providing promotions for attractive tour packages for tourists that involve accommodation and transportation service providers such as hotels, tour and travel entrepreneurs, restaurants, MSMEs and others to attract domestic tourists.

In addition, tourism businesses can also take advantage of technology to innovate by providing virtual tourism services. Tourism entrepreneurs can explore and package their tourism products such as panoramic beauty, lifting and presenting local cultural values, local handicraft products and others into attractive virtual wista product packaging. Virtual tourism services can also be synergized with other business actors such as MSMEs and freight forwarding services, for example by providing delivery services for goods or souvenirs produced by MSMEs that are of interest to tourists visiting virtually. This virtual tourism opportunity can reach further tourists, including foreign tourists who are still constrained by their mobility due to the visit restriction policies implemented by various countries.

Apart from internal efforts that can be made by business actors in the tourism sector, the recovery of this sector's condition cannot be separated from the need to support the role of both central and regional governments. Various policies are needed both in the form of fiscal and non fiscal stimulus. The government released volume I economic stimulus in the tourism sector, after banning flights to and from China in mid-February. The government implemented discounts on domestic flight tickets and exemption from restaurant and hotel taxes. Initially, the stimulus also included incentives in the form of discounted tickets for international flights, but was later postponed as criticism rolled over the risk of the spread of corona at home from foreign tourists. Sugihamretha (2020) noted that there are at least 8 government policy packages to accelerate the tourism sector as well as to attract tourist visits amid the corona virus outbreak as follows: (1) Determination of additional State Budget for the Ministry of Tourism and Creative Economy of IDR 298.5 billion; (2) Incentives for airlines, travel agents; incentives in joint promotion schemes, tourism promotion activities. familiarization trip (famtrip) and influencer; (3) Discounts on domestic tickets that can be used by domestic tourists are 51.44 percent on average for 25 percent of the seating capacity in one flight, including: 30 percent discount for 25 percent quota of seats on each flight to 10 tourist destinations. This is valid for three months, namely March, April and May 2020. There is an additional discount of 15.8 percent Avtur from Pertamina. As well as a 5.64 percent discount on flight fares (PJP2u/PSC and NAV) from AP and Airnav so that the total policy will last for three months. The discount applies to domestic airlines with destinations of Denpasar, Batam, Bintan, Manado, Yogyakarta, Labuan Bajo, Belitung, Lombok, Lake Toba and Malang; (4) Encouraging incentives in accordance with the association's suggestion that tax on hotels and restaurants in 10 tourist destinations should be zero; (5) The government will subsidize or provide grants to local governments affected by the reduction in tax rates for hotels and restaurants in the regions by Rp.3.3 trillion; (6) In the APBN there is also IDR 147 billion of physical DAK for tourism, which until now the regions have not been able to use. It is planned that the DAK will be converted into a grant to the regions so that it can spur tourism development; (7) Encouraging the movement of domestic tourists by continuing to carry out promotional campaigns for domestic tourism, encouraging meetings of government agencies and corporations in domestic tourist destinations; (8) Promoting existing events (music, sports) in the country. On the other hand, efforts were also made to attract the potential of MICE and international events to be held in Indonesia.

4. Conclusion

The Covid 19 pandemic has had a significant impact on all aspects of life, be it health aspects, lifestyle, including impacting various sectors in the economy. The tourism sector is one of the sectors affected by the COVID-19 pandemic. Limited human mobility between regions has resulted in a decrease in tourist visits.

Data shows that during the period January-July 2020 the number of foreign tourist visits to the Kepulauan Riau Province continued to decline. In July 2020 the number of foreign tourist visits to the Kepulauan Riau Province only amounted to 1 765 visits, experiencing a contraction of -99.19% (yoy). Cumulatively, the number of foreign

tourist arrivals during that time period also contracted by -81.71% (yoy) with the number of visits of 404 613 decreasing compared to the number of visits in January-July 2019 which reached 1 623 977 visits. Foreign tourists visiting the Kepulauan Riau during January-July 2020 were dominated by tourists from Singapore (45.46%), Malaysia (11.55%) and China (5.86%) from various countries such as India, Philippines, UK, Japan, Australia, South Korea and America. Travel and visit restriction policies implemented by various countries have an influence on the number of tourist visits to the Kepulauan Riau Province. The number of tourist arrivals from Singapore, Malaysia and China in January-July 2020 contracted by -75.60%, -71.51% and -86.00% (yoy), respectively.

The average room occupancy rate (ROR) of star hotels in the Kepulauan Riau Province in June 2020 reached 14.45 percent. When compared with June of the previous year, the ROR for star-rated hotels in Kepulauan Riau Province decreased by 36.73 points, where the ROR for June 2019 was 51.18 percent. The decrease in the number of foreign tourist visits to the Kepulauan Riau Province has resulted in the dismissal of workers reaching 4 711 people by April 2020. This workforce dismissal has an impact on lowering people's income, thus holding back the performance of large trading and retail business fields due to a decrease in purchasing power. The slowdown in the performance of the wholesale and retail trade business fields was also directly affected by the decline in the number of tourists which resulted in reduced purchases made by tourists. This condition affects the slowing economic growth of the Kepulauan Riau Province where the economy of the Kepulauan Riau in the first quarter of 2020 compared to the fourth quarter of 2019 (q-to-q) experienced a contraction of -4.51 percent. In the second quarter, economic growth continued to contract by -7.55%.

The implementation of the new normal era by implementing strict health protocols can be a hope for efforts to restore the tourism sector. Due to the very limited mobility of people between countries, tourism business actors can shift priorities to further optimize the potential for domestic tourists. Opening tourist locations by implementing strict health protocols, providing promotion of attractive tour packages for tourists involving accommodation and transportation service providers such as hotels, tour and travel entrepreneurs, restaurants, MSMEs and others to attract domestic tourists. In addition, tourism businesses can also take advantage of technology to innovate by providing virtual tourism services. The recovery of the condition of this sector also requires support from the role of the government, both central and regional. Various policies are needed, both fiscal and non fiscal stimulus.

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