

Impact of COVID-19 on the Global Tourism Economy

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Abstract: COVID-19 has paralyzed the world's tourism sector. Travel restrictions (land, air, and sea), quarantine policies by authorized officials, and physical restrictions are the main factors in stopping tourism activities. The tourism sector which relies on individual mobility is supported by modes of transportation so that if it is limited it will have an impact on decreasing tourist visits, occupancy rates and the cancellation of a number of festivals and events that are routinely held until the end. This condition has an impact on the income of the tourism sector. This study aims to get an overview of the impact of COVID-19 on tourism sector revenues in a number of countries in Asia, Europe, America and Australia. Through the literature study, it is hoped that sufficient information can be obtained so that it can be used as consideration for tourism managers in developing the concept of sustainable tourism in the future. The results of the study found the same findings that the COVID-19 pandemic reduced income from the tourism sector due to the decline in people's purchasing power for tourism services. The root cause of this incident was the ban on domestic and international travel by land, sea and air. In addition, the implementation of the lock-down by the local government also adds to the array of factors that stop tourist activities. So as a preventive measure in the future, it is necessary to rearrange the concept of tourism which is more vulnerable to changes in environmental conditions so that tourism activities can continue to run and contribute to the economy sustainably

Keywords: The impact of COVID-19; tourism economic; tourism sector

1. Introduction

The tourism industry is one of the industries that are very vulnerable to environmental crises that occur in recent decades. A number of crises that hit in a region are often the most impacted factors on the development of tourism. The environmental crisis caused by the COVID-19 pandemic is clear evidence that the tourism sector is the sector most affected by this incident. Almost all countries tourism activities have stopped and have to bear the economic losses that are not a few from a number of policies to prevent the transmission of COVID-19 such as travel bans, restrictions on community activities, the enactment of work and study at home, and other efforts implemented by local authorities to cope with the spread of this global outbreak. In fact, in the previous decade, there has not been a single incident that has had such a severe impact on the tourism sector, and only this time with COVID-19 tourism activities around the world stopped [1].

Observers estimate that the impact of COVID-19 that occurs today shows a wider scale than previous events. The COVID-19 pandemic caused a global, regional, and national crisis that destructively halted tourism activities in a number of regions or countries [2]. Some tourist destinations even temporarily closed their business activities as a result of this pandemic, due to the lack of visitors due to a number of bans from the local government in an effort to prevent the spread of the virus from becoming more widespread. Looking at what is happening, as a sector involving many supporting components, tourism businesses include sectors that are vulnerable to changes in the external environment. Events that occur such as security disturbances, political issues, health, disasters, and social changes that occur in the community become the dominant factors that affect tourism activities. Even some observers believe that since the 21st century, the crisis that occurred and emerged from the external environment became the most influential factor in the development of the global tourism industry [3], [4]. The tourism sector is very easily affected by the global crisis that occurs, as it happened at this time where the COVID-19 pandemic that limited people's travel out and into a region can stop tourism business and supporting businesses in various countries [1] [5].

The COVID-19 pandemic was officially announced by WHO on March 11, 2020, that the world is currently faced with a new disaster in the form of the COVID-19 virus, so massive prevention and action is needed by a number of countries, it is accompanied by restrictions and closure of access to a country. And this has a tremendous impact on various sectors, including tourism. Many countries impose lock-downs to reduce consumption and production so that the supply chain needs globally are disrupted. Millions of employees threatened with job losses as company revenue dwindles as rescue measures [6]. As with business in general, tourism business is very dependent on market demand or people who want to use tourist services. When a decrease in demand occurs, it automatically impacts the amount of production and revenue receipts from the sector. The enactment of the lock-down closes access for domestic and foreign people to visit destinations and enjoy the travel experience. In addition, the policies of a number of countries that prohibit foreigners from entering the region that aggravate the impact on the tourism sector. The absence of mobility of people to visit certain areas directly this closes tourist access that relies heavily on people's visits.

UNWTO said that tourism was the sector most affected by travel restrictions [7]. The tourism sector is the sector that is most vulnerable to pandemic conditions. The impact is increasingly seen in the form of losses experienced by tour managers due to travel restrictions so that this has implications for the lack of tourist visits [8]. The international travel ban affects more than 90% of the world's population, halting tourism activities due to the crisis caused by COVID-19. Not stopping at flight restrictions, travel using transportation such as cruise ships is also stopped. Starting from March 2020, the world tourism sector has been paralyzed by the closure of national borders, suspension of commercial flights, restrictions on domestic travel, and the implementation of physical distancing policies.

Tourism is the fastest growing industry and an important source of income for most countries. But at the same time, the tourism industry is also very sensitive to external events, including recessions, terrorism, diseases or natural disasters. This shows that the tourism sector becomes a sector that contributes importantly to a country's economy, still vulnerable to crises such as COVID-19. This condition occurs considering that the tourism sector relies on the movement of tourists; especially the movement of international tourists who rely on available transportation. The absence of available transportation clearly stops people from traveling and accessing the tourist destinations they will visit [10].

Departing on economic principles, in the event of restrictions and flight cancellations, the need for accommodation will decrease. People do not do tourist shopping, because there is no access to travel and enjoy the holidays. Furthermore, consumption of tourism sub-supporters such as shopping for accommodation, culinary, clothing, and various trinkets of tourist accessories cannot be done. Coupled with quarantine policies by local authorities, flight cancellations, border bans and closures are expected to reduce international tourist arrivals by 20% to 30% by 2020. So, from what has been outlined above, it is clear that the current COVID-19 pandemic needs to be considered the impact on the development of the tourism sector in the future. To find out the extent of the impact of this pandemic, of course, there needs to be a comprehensive study based on empirical facts, especially the impact on the economy of the tourism sector. Through a review of various reports and journals collected by researchers, it is expected to illustrate the impact of the COVID-19 pandemic.

2. Methods

This study uses a qualitative approach with a method of literature study of journals that examines the impact of COVID-19 on tourism sector revenues during the 2019-2021 study period in two Regions of Asia, Europe, Australia **and the Americas**. Researchers collected journals from various sources to be studied and analysed to obtain an empirical overview of the impact of COVID-19 on the tourism sector in a number of countries. The journal studied is selected in accordance with the relevance of the research topic, so it is expected to fully describe the focus of the formulated research.

The method of literature studies is a series of activities related to the method of collecting library data by reading and recording and processing it into research material [12]. The sources used by researchers are taken from various reputable journal portals such as Google Scholar, ResearchGate, ProQuest, Microsoft Academic, ScienDirect, Directory of Open Access Journals (DOAJ) as well as other sources relevant to the theme studied. From the results of the journal collected, then the author conducts an analysis with a theme analysis approach to identify and obtain patterns from a number of articles obtained. In the analysis of this theme, researchers sought to find information regarding the impact of COVID-19 on the economy in various countries, find the root of the problem or cause, and other impacts caused by the occurrence of this pandemic.

The results of journal searches discussing the impact of COVID-19 on the tourism economy were successful researchers then categorized researchers based on the scope of the study, namely Asia, Europe, Australia, and the Americas.

3. Result and Discussion

The crisis caused by COVID-19 has paralyzed almost all countries. Tourist activities have been halted as a result of travel restrictions and quarantine policies. This policy is carried out as an effort to prevent the spread of the outbreak that is increasing day by day. The COVID-19 pandemic caused a decrease in international tourist arrivals in 2020 by 20-30% (World Tourism Organization, 2020). Tourism activity has stalled as an implication of the policy, including domestic tourists. The enactment of authorities that require people to move at home, learn from home, and work from home, felt once the impact on tourist destinations that this forced the tourism manager to temporarily close its operations, and shut down employees. Tourist activities can not be separated from the mobility of people who want to enjoy pleasure and entertainment. This activity becomes the main key to the running of tourist activities in the area. If community activities stop, it will automatically stop tourist activities. Restrictions on activities to stay at home, study and work at home directly stop tourist activities. The absence of economic value spent by the community in traveling during the pandemic occurred, impacting the decrease in revenue of tourist managers, while the operational burden of managers must still be financed, such as maintenance and incentives for employees.

Analysis of the impact of the COVID-19 pandemic on the tourism sector in various countries, over the past three years has been widely reported by a number of parties and researchers. According to *the Global Business Travel Association* (GBTA), losses due to travel restrictions due to COVID-19 are estimated at US\$ 820 billion. Meanwhile, according to the *International Air Transport Association* (IATA), losses in the field of air freight are estimated at USD 63-119 billion [13]. Hotel and restaurant chains, shopping centre have not escaped financial losses, as a result of quarantine efforts that are the obligations of the government in a number of countries. The crisis caused by COVID-19 since March 2020 adversely affected aircraft transactions, and gave losses to the aviation industry by 60% in April 2020 [14]. In aviation history, there has never been a global aviation restriction event that in this case significantly caused the worst economic disruption since World War II. The results of the report submitted by IATA estimate the impact of COVID-19 to decrease revenue by 38% in 2020 from airfare sales. Three airlines such as Scandinavian Airlines, Singapore Airlines, and Virgin Airlines and German tour operators had to request funding assistance from the state to finance flight operations.

The success of the tourism sector into the economic strength of a country cannot be separated from supporting business subs such as transportation providers and travel agents. Transportation and travel agencies even rank at the top in supporting sustainable tourism in a country, because without this the practice of people cannot access and reach various existing destinations. Transportation such as air and sea can reach tourist destinations across countries or continents, which is impossible to reach by land transportation. So, with the travel ban especially air and sea due to COVID-19, this practice stops directly the travel of prospective tourists in visiting destinations. The transportation and tourism industries are two elements that support each other. These two industries are like two sides of an inseparable currency and form a symbiosis of mutualism. Tourism requires adequate transportation support to bring prospective tourists to various destinations outside the territorial boundaries of a country. Tourism mobilizes people to use transportation services, so that the industry can flourish, and even in some countries to support the tourism activities of local authorities deliberately open new airports as a way opener for various airlines [15].

Tourism is becoming a necessity for people all over the world. The boundaries between regions to enjoy the tourist experience in a country are no longer an obstacle with the presence of increasingly sophisticated aviation technology and reaching all regions of the world, even if it is a small country. Anyone can currently visit even distant tourist destinations, or be in remote places, as long as it can be accessed by flight. Even in a number of countries with tourism as the country's main source of income, the top priority of tourism development is even more emphasized on foreign tourist visits than domestic tourists, such as Hawaii, Bangkok, France, Spain, and others. Aviation becomes the main means in supporting the tourism business, which can penetrate the boundaries of the region. With the flight ban carried out during the pandemic, of course this has a direct impact on tourism activities that have previously been running. The absence of flights to a region or which there are tourist destinations, the same means as eliminating the visit of prospective tourists so this is the root of the problem why the tourism sector is so affected by the COVID-19 pandemic.

The paralysis of tourism carries long-term implications economically. This puts at risk of the loss of 120 million tourist sector workers and the risk of falling international trade; export-import. Data released by UNWTO, the economic decline of the world's tourism sector reached \$1.2 trillion [11]. For developing countries that rely on the tourism sector such as Southeast Asia, the occurrence of the COVID-19 pandemic is very influential on the decline in state revenues [16]. UNWTO estimates that COVID-19 has a serious impact on the global economic system and causes damage to the tourism sector.

The report said that the impact of the COVID-19 pandemic in the Asia Pacific Region was economically the highest decline of -2% in January, -37% in February, and -64% in March. Europe came in second place with a 60% drop in tourists in March. The region least affected by COVID-19 is the Middle East region, which only experienced a 41% drop in tourist visits in March 2020. The pandemic caused by COVID-19 has led to job losses in the tourism sector. Based on data released by the International Labour Organization (ILO), as many as 144 million employees who work in accommodation and food companies are at risk of termination due to termination of company operations [17].

Tourism business touches almost all aspects in people's lives, ranging from conventional to modern. It can be said that there is no aspect of life that is untouched by this tourism, and all of these aspects involve many people and an interrelated role in the business process of tourism either directly or indirectly. Tourism business requires a lot of support, such as accommodation (hotels, *apartments*, *game lodges*, *guest houses*), travel managers (land, sea, and air), restaurants, *cafes*, catering services, entertainment venue managers, security and banking services, parking managers, advertising services, tour guide services and education, and others [18]. Tourism encourages the economic growth of a region. Its nature that brings time, then this brings up new economic potentials in the region, both directly related to tourist activities and indirect, such as the emergence of accommodation providers such as hotels, lodging, restaurants, cafes, banking services, security services, shopping centre, travel agents and other economic potential that complement tourist destinations and absorb labour. So do not be surprised if, the cessation of tourist activities in an area has an impact not only on the main components but also on the supporting components.

The report by European Parliament mentions five countries that are severely affected by the COVID-19 pandemic. These countries are countries that rely mostly on the tourism sector, such as Greece, Portugal, Austria, Spain, and Italy. Predictions of this pandemic will halve Gross Domestic Income (GDP). The consequences of this decline are to encourage the provision of benefits for workers in the tourism sector and revitalize the tourism sector in the future [19]. Tourism in Europe is a sector that contributes significantly to the economy, even in some countries this sector is the country's main income. Tourism business in Europe involves three million companies, absorbing 22.6 million workers or 11% of all existing jobs in Europe, contributing GDP of 9.5% in 2019 [20].

In Europe, there is a decline in tourism sector revenues that occur in a number of countries such as Ukraine, especially in the city of Lviv. The crisis caused by COVID-19 in Ukraine has had a major impact on airline companies and travel service operators [2]. In 2018, 2.2 million tourists visited Lviv and shopped an average of € 74 a day, and in 2019 the number of tourists visiting rose to 2.5 million or up by 13.6% and spent an average of € 94 per day. Since March 16, 2020, the Lviv City authorities closed all tourist recreation and inflammation sites (except pharmacies, gas stations, and consumptive goods) and then continued with border closures, flight cancellations and rail transportation so that this was immediately responded by tourists by leaving Lviv City. On March 17, 2020, the Gastronomic Lviv tourist centre was closed for quarantine, even though this area is one of the favourite destinations that provide economic benefits. The average tourist who visits stays in Ukraine for 2.5 days and spends as much as €80-90. If calculated by *the extrapolation* method, the projected financial loss from the tourist market in Lviv alone reached €80-135 million in 2020, due to a decrease of 40-60% of tourist visits. Even the Lviv City Tourism Office estimates a larger loss of between €100-150 million.

The ban on international flights due to the prevention of COVID-19 also has an impact on the tourism industry in Poland. The decrease in international aviation activity since the COVID-19 emergency was imposed by the Polish government decreased 80-90% of international and national flights. As a result of this decline, tourism managers cancelled various festival agendas, sporting events, closure of tourism venues [10]. Fluctuations in accommodation occupancy rates of all cities in Poland range from 18-22%. And from the report of accommodation entrepreneurs, during the COVID-19 period accommodation occupancy in Poland decreased drastically by 70% compared to the previous year.

The next European country affected by this pandemic is Greece. Greece's revenue from tourism in 2019 reached €18.2 billion with a tourist visitation rate of 34 million people. Greece's tourist market collapsed after the COVID-19 pandemic crisis [21]. An international travel ban has brought tourism in Greece to a standstill. Assuming that if there is no pandemic crisis, by 2020 the Greece tourism sector could contribute €27.9 billion or 15% of Gross Domestic Product (GDP). The calculation does not take into account the contribution of domestic tourism. However, tourism revenues until the second quarter only reached €5 billion. This result is certainly far from expected. Travel restrictions have a significant impact on the level of tourist visits to Greece which also has an impact on purchasing power on products offered by the tourism sector (culinary, accommodation, and others).

Greek tourism has been stalled from November 2020 to March 2021, starting to rise again in early mid-April 2021 with the start of the loosening of travel in the European region. Foreign tourist visits to various destinations in Greece from 2007 to 2021 on average per year reached 1.15 million people. The highest record of arrivals was recorded in July 2019 as many as 3.88 million and the lowest in May 2020 was only 17 people. Greek tourism contributed an average revenue of €914.91 million. Since 1997, the sector accounted for the highest revenue in August 2019 with €4,104. The COVID-19 pandemic crippled the entire tourism sector in the country, and recorded the lowest revenue in April 2020 with €13.81 million [22]. Domestic and international tourist visits are a major source of income for Greece's tourism sector. In 2020 although in calculated statistics international tourists who contribute the largest revenue from the sector. The COVID-19 pandemic with travel bans and activity restrictions changed Greek tourism conditions, as consumption of the tourism sector that international tourists used to do declined dramatically, from an average of €23.2 billion before the pandemic to €5.4 billion [23].

Italy as a country relying on the tourism sector feels very well the impact of the COVID-19 pandemic. By 2020, nearly 90% of cancellations to hotel tickets in Rome have been made by prospective tourists, and 80% of cancellations have also occurred at hotels in Sicily. This cancellation occurred due to the enactment of a lock-down policy and travel ban in various countries in Europe [24]. The effect of this cancellation has an impact on the decline in state revenue from the tourism sector which leads to a lack of maintenance costs for existing destinations. The closure of access to Italy by the local government occurred on April 3, 2019, starting from the Veneto and Lombardy regions, then then Venice and Milan which topped the region with the highest spread of the virus in Italy at that time. The Italian Tourism Federation announced damage to the tourism sector was estimated at €200 million in the first quarter. Various tourist attractions in Italy have been closed since the pandemic, such as art galleries, ski resorts, museums, as well as a number of tourist support facilities such as cafes, bars, and restaurants. In 2019, 98 million tourists visited popular culture sites, museums, shopping malls, and museums and contributed \$14 billion to the local economy before the pandemic. At the time of the pandemic, a number of destinations were empty and closed to visitors. A total of 32,965 hotels in Italy were empty, as many as 80% of restaurants were temporarily closed and suffered a severe financial crisis due to being unable to operate [25]. This condition is the cause of the decrease in income from non-local consumption which became 90% in the second quarter of 2020 [26]. In December 2021, Italy's revenue from tourism decreased by €1.635 million (6.78%) from the previous month of €1.754 million. Italy's revenue from the tourism sector during the period 1995-2021 was highest in 2019 which reached €6023.37 million and the lowest occurred in April 2020 at €311.80 million at the peak of the COVID-19 pandemic [27].

The tourism sector in Spain is also not spared from the COVID-19 pandemic. The tourism sector based on data released by *the Bank of Spain* accounts for 12% of the country's GDP and absorbs 12.8% of the total existing workforce [28],[29]. Like only countries that rely on the tourism sector, the occurrence of the COVID-19 pandemic changed many economic balance sheets, this is also felt directly by Spanish tourism. As the second most visited country by international tourists after France, pandemic outbreaks are a serious problem for tourism sustainability. Tourists visiting the country averaged 4.517 thousand per month from 1995 to 2022, and reached the highest number of visits in July 2017 with 10,492 thousand. The lowest visit occurred in April 2020. In August 2019, Spain's tourism revenues broke through the highest figure in history since 1993 with €9.408 million, then slowly fell due to the COVID-19 pandemic and peaked in April 2020 where there was not a dime revenue from the tourism sector. The impact of the pandemic on Spanish tourism from what observers have said is uneven in every region. There are areas that are markedly affected such as the Balearic Islands and the Canary Islands, with GDP decline rates of 28% and 18%. As for the Mediterranean region such as Catalonia, Valencia and Andalusia the impact of COVID-19 exists but is still in

normal and controlled levels with a GDP decline of 5%. As for the regions of Madrid, Murcia, Cantabria and Galicia the impact of this pandemic amounted to a 2-4% decrease in GDP [31].

In Australia, research conducted by the tourism sector is the worst affected by COVID-19, especially in the arts tourism, culture, creative arts industry [32]. With government regulations through travel restrictions, restrictions on gathering, social distance restrictions resulted in an economic recession in this tourism sector. The Deloitte Access Economics review estimates an accumulative decline in revenue in the arts and recreation tourism sector due to COVID-19 of AUD 6 billion. The art and recreation creation sector ranks second only to accommodation and food services. *The Australian Bureau of Statistics* released data showing 47% of arts and leisure services businesses in Australia as of March 30, 2020 experienced closure due to COVID-19 [33]. From a report released by The Tourism & Transport Forum (TTF) Australia, the pandemic has decreased by 40% the rate of international tourist visits to the country, or as many as 1.8 million visitors. The impact of this decline economically decreased total revenue by \$ 2 billion, the reduction of workers in the tourism sector between 15-20% or about 99,000-133,200 workers, both part-time and contract or seasonal workers [34].

In Southeast Asia, especially in Malaysia, the impact of COVID-19 is felt right on the decline in tourism sector revenues [35]. As many as 50% of tourists visiting Malaysia come from Singapore and China. The increase in COVID-19 cases in the two countries has an impact on the cancellation of tourist trips (*tours*) so that it has an impact on the decline in the number of tourists in large numbers. Travel bans are causing plummeting demand around the world, leaving many airlines at risk of bankruptcy. Malaysia's three major airlines AirAsia, Malindo Air and Malaysia Airline have imposed 10-100% pay cuts and unpaid leave depending on the position and salary range of employees. In the hospitality industry, 170,084 hotel room bookings between 11 January and 16 March 2020 have been cancelled, resulting in a loss of rm68.19 million in accommodation sector revenue. In Kuala Lumpur, restrictions on hotel room reservations topped the list and caused losses of RM 23.02 million followed by Sabah with losses of RM 11.55 million. While the state that was not affected by COVID-19 was Sarawak, where in that period, room cancellations were only 76% and bore losses of less than RM 23 million. Restrictions on travel and room bookings are predicted to continue, resulting in predicted losses in the tourism sector in Malaysia reaching RM 3.3 billion. The impact on tourism sector workers due to COVID-19, especially in the hospitality industry in Kuala Lumpur, there have been layoffs of 3% of workers (542 people), and 20% (3,641 people) asked to take unpaid leave, and 16% (2,880 people) experienced salary cuts.

COVID-19 also has an impact on tourism sector revenues in Laos which relies more on visits from foreign tourists. The most tourists came from Thailand which accounted for more than 2.1 million arrivals in 2019 (45%), then from China (21.3%), Vietnam (19.3%), South Korea (4.2%). The visa policy is open to foreign tourists able to increase the level of intra-regional visits significantly. In 2019, 66.7% of tourists visiting Laos were foreign tourists from the ASEAN Region. During the COVID-19 pandemic, 70% of tourism companies in Laos have reduced their average employees by 38%, which is dominated by female employees (40%), while men are affected by 34% layoffs[36]. Although many tourism industries are still operating, most have already reduced their employees. In the capital of Laos, 65% of companies have laid off a number of their employees. In Louangphabang and Vangviang, more than 80% of companies laid off more than 50% of their existing employees. Laos' neighbour Cambodia, tourist visits in March 2020 fell by 65%. Through the imposition of a travel ban on six countries the United States, Italy, Germany, Spain, France and Iran revenues from the tourism sector decreased significantly from the previous year of US \$ 49.2 billion [37].

Thailand, which relies on the tourism sector, also cannot avoid the effects of the COVID-19 outbreak. Tourism in this country relies heavily on international tourist visits, especially tourists who come from China. In 2019, Thailand's tourism ranked eighth as a favourite tourist destination, and recorded 40 million visits in the same year. During the period 2014-2019, tourism in the country contributed to 36 million jobs. The COVID-19 pandemic has hit the country so much, with the enactment of an international travel ban having lowered 95% of tourist visit plans until September 2021, and only 9% of hotel rooms filled [38]. The lack of international tourist visits to the country in 2020 has an impact on the decline in national GDP by 6.1%. From the tourism sector itself, the contribution of GDP declined by 65.4% in 2020.

In China, as a country where charity began the COVID-19 pandemic, namely Wuhan City, the impact on the tourism sector is felt in real terms. The Shanghai Bureau of Statistics said that in March 2020 the number of international tourist arrivals decreased by 94% and domestic tourist demand also decreased by 77% [39]. The COVID-19 hit China has reduced gross domestic income by 11% and employment declined by

15%. However, the impact on tourism is not so long protracted in the country because of local government policies that encourage domestic tourism to encourage tourism business to continue.

In the American country of Mexico, the tourism sector absorbs 4 million workers and 93% of companies engaged in the tourism sector have approximately 10 employees. The global crisis caused by COVID-19 is causing a major impact on tourism activities in Mexico. A total of 4,000 hotels with a total of 52,400 rooms were closed due to the pandemic. While in the field of restaurants, data written by The Consejo Nacional Empresarial Turístico there are as many as 2,000 restaurants that closed. While in the aviation industry until March 2020 lost US \$ 1.3 billion. The decline in tourist visits in the country began to be seen in April 2020 at favourite tourist attractions such as Cancun, Los Cabos and Puerto Vallarta. From this decrease in visits is expected to have an impact on the decline in revenue between 50-80% [40]. Similar conditions also occur in several countries in the Central American region such as Costa Rica, El Salvador, and Guatemala. The impact of COVID-19 on Costa Rica's tourism sector has lowered revenues from the sector by 48% by 2020 or decreased national GDP by 2.1%. In El Salvador, the decline in revenue from the tourism sector due to the pandemic is estimated at 25%. While in Guatemala the impact is felt strongly on the hospitality sector, and travel agents. Revenue from the hotel sector decreased dramatically through the 80% mark and travel cancellations by 90%, even in May 2020 the cancellation of tourist trips up to 100% [40].

Brazilian tourism is experiencing the same thing. The tourism sector has been completely paralyzed since the second half of March 2020. In April 2020, the cancellation of travel tickets occurred in a large scale, which is 96% of all holiday tickets that have been booked. During the three-month period, all tourist activities stopped completely in the country and decreased GDP by 40% [40]. In Argentina, the survey results showed 85% of holidays that had been booked were cancelled from April to September 2020. In Chile, there was a similar increase due to the COVID-19 pandemic in international tourist arrivals down by 63% and this also had an impact on the decline in GDP by 51%. In Colombia, of the 70% of holiday ticket bookings, about 37% cancelled and the rest postponed reservations. In Peru and Uruguay, there was a decrease in tourist visits by 70% and 57% respectively.

The impact of the COVID-19 pandemic on global tourism is felt and so strong [41]. The impact of COVID-19 on tourism sector revenues cannot be changed by market policy mechanisms, because in its countermeasures cannot necessarily be done through the internal policies of a country [10], considering that tourist activities are highly dependent on a number of means such as transportation and visits from foreign tourists. Countries that rely on the tourism sector as an economic force experienced a significant decline due to travel restriction policies. Travel companies such as the airline industry are experiencing cancellations so this carries a heavy burden of operational expenses and eventually leads to salary cuts even to employee layoffs. Internal policies in the form of lock-down carried out by a country's government are also the cause of worsening tourism sector and resulting in low demand. Restrictions on tourists from coming to an area automatically shut down the tourism sector and its supporting activities (accommodation, restaurants, gastronomy, etc.) so the best option to take is to temporarily close the destination and postpone the visit [41]. In the view of equilibrium theory, the imbalance between demand and supply will have an impact on a country's economy, including on the tourism industry. Quarantine measures, travel restrictions and the closure of airports and national borders have led to this unexpected decline so that the aftermath of this has caused the greatest losses in tourism.

Efforts to restore the tourist market are not easy, a number of ways are done by the government ranging from the elimination of taxes and subsidies to the local tourism industry to maintain the sustainability of tourism activities in the future. This method is seen to minimize greater losses due to the uncertainty of travel restriction policies imposed by each country. Indonesia with great tourism potential needs to formulate a sustainable tourism development strategy in the future, as well as anticipate where global crises such as the COVID-19 pandemic occur and cripple the tourism sector. Various alternative strategies need to be formulated, for example by increasing domestic tourists so that the tourism sector continues to run when international travel restrictions are still in place.

4. Conclusion

The COVID-19 pandemic has crippled the global tourism sector. Revenues from the sector have fallen dramatically due to travel restrictions imposed to suppress the spread of the virus. The domino effect of this policy carries enormous consequences not only on destination managers, but supporting elements such as the aviation, travel and accommodation industries. Cancellations of flights and holiday tickets and

accommodations occur in large numbers, especially in the United States, so this directly impacts the operational burden. The industry is cutting salaries to reduce the number of employees, or at least temporarily lay off its employees as destination managers in Laos, Vietnam and Australia do. Strategies and efforts are needed in developing sustainable tourism in the future that are "immune" to crises such as COVID-19 as it is today, so that the tourism sector can still run without disruption in the future.

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