

THE IMPACT OF COVID-19 PANDEMIC TOWARDS TOUR BUS BUSINESS IN JABODETABEK

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Abstract. Tourism is one of the main sectors of the global economy since it could gain a large sum of profit which is able to provide foreign exchange to the country. Transportation role is also very important as a liaison between tourists and their destination. This study aims to determine the impact of Covid-19 pandemic and company implementation strategy towards the transition of PSBB (large-scale social restriction) and new normal. The methods used in this study is descriptive quantitative by directly interviews to tourism transport companies based on small, medium, and large businesses scale. The results of the study show that Covid-19 pandemic effects the tourism mobility since the ban on crowd and the limitations of transportation capacity which lead to the demand degradation, and eventually affect the company operations.

Keywords: Covid-19, New Normal, Tourism, Tour Bus

1. Introduction

According to UNWTO (United Nations World Tourism Organization), 9% of the world total GDP were contributed by tourism sector. This led tourism as one of the main sectors of global economy. Tourism is able to expand the field of work and introduce the country's culture. Tourism is also able to provide substantial foreign exchange for the visited countries. According to World Economic Forum, 11,519,275 foreign tourists visited Indonesia in 2016. In 2015, Indonesia TTIC index was ranked 50th in the world and the 4th in ASEAN after Singapore, Malaysia, and Thailand (Sabon et al. 2018). Indonesia was tended to increase in the growth of global tourism, which ranked Indonesia in fourth position in Southeast Asia, which brought foreign tourists every year compared to neighboring countries (Hermawati et al. 2019). Tourist arrivals in Indonesia in December 2018 counted to 1,405,554 and in December 2019, it was decreased by 2.03% to 1,377,067. In April 2020 tourist arrivals counted 160,042 decreased by 87.44% compared to April 2019. The amount of visitors in all transportation sector in Indonesia (ministry of tourism and creative economy statistics, 2020) had factors that could make direct or indirect impact that could lead to success or failure. Government role that influenced policies to develop and facilitate the improvement of the quality of human resources could contribute to the success of its tourism. (Pamungkas, Suryono, and Sarwono 2015).

Meanwhile, Coronavirus Disease 2019 (Covid-19) which is caused by Severe Acute Respiratory Syndrome Coronavirus 2 (SARS CoV-2) happened first in Wuhan, Hubei province, China and spread rapidly throughout the world. (Chakraborty and Maity 2020). This virus affects in various sectors including tourism. Some countries imposed closure of access to enter their country with various purposes including tourism activities. This is done to reduce the risk of transmission of the virus from one person to another. The Covid-19 pandemic was declared as a national disaster by Indonesia Government on March 14, 2020. (Gössling et al. 2020). Strategic action taken by the government in reducing the risk of spreading the virus was in the form of Large-Scale Social restriction (PSBB) in areas with high potential for virus to spread. This was applied to provide protection to the community based on Law Number 6 Year 2018 on Health Quarantine. (Thorik 2020). Large-Scale Social Distancing (PSBB) was implemented directly on the public transportation system. The high number of people in confined spaces with limited ventilation and lack of access are identified for potentially ill people. (Razai et al. 2020).

Implementation of Large-Scale Social Restriction (PSBB) caused significant cancellations and decreases in travel demand that led to revenue drop and losses to land transportation service providers. (Nicola et al. 2020).

This study would discuss the impact of Covid-19 pandemic toward tour bus business on companies with small, medium, and large scale of business. The declining passenger demand was influenced by the Minister of Transportation's Regulation Number PM 18 of 2020 concerning transportation control in order to prevent the spread of corona virus disease 2019 (COVID-19). In period of February - June 2020, transportation company experienced a decline that categorized above the average. In February, company could only operate 200 bus fleets in twenty-five working days while in April company experienced a 50% reduction in fleet operations in twenty-five working days with only 100 bus fleets running and had cancellation of tourism trips. In May to June, there were no entry orders to operate the tour bus fleet.

2. Literature Review

2.1 Tourism

According to law number 10 of 2009 concerning tourism, tourism is a tourist trip activity carried out by a person or group of people visiting recreation places or learning the uniqueness of a culture as an attraction for tourist on a temporary basis with a certain time.

According to the World Tourism Organization, tourism is a social, cultural and economic phenomenon which requires movement of people to a country or region, they usually out of professional environment of their business. Local transportation services become one of the factors that influence tourist to visit a country. (Bajada, T., & Titheridge, H. (2017). The attitudes of tourists towards a bus service: implications for policy from a Maltese case study.). In tourism, there are several dimensions of trip such as, distance, destination, length or duration of trip, transportation, and place to stay during the trip. (Junaid, I. (2019).

For tourists, service quality and safety will effect the users in public transportation. On the contrary, for a local resident, punctuality frequency that match with the waiting time is the most important thing. In England, public transportation such as buses, has a relatively high satisfaction level and considered as a product of additional tourism boosters that will enhance tourist experience and influence the satisfaction level of destinations in a country. (Le-Klähn, Michael Hall, and Gerike 2014).

2.2 Transportation

Transportation is a connector between tourists and their destinations in a certain regions since tourist's characteristic is mobility or the capability to move from one destination to the other properly and safely. When mobility is high, transportation becomes pioneer for the tourist attraction.

There are three types of transportation modes that can be used by tourists:

- 1) Air transportation (International flight, Domestic flight)
- 2) Marine transportation (regular lines, charter lines cruiser)
- 3) Land transportation (mini bus, tourism bus, chariot, motorbike, car, train)

Transportation is divided into four roles:

- 1) Transportation is used to reach the destination,
- 2) Transportation ensures mobility towards the destination,
- 3) Transportation is a mean for tourist's mobility
- 4) Transportation is used to travel along the regional route for recreation

Transportation not only moves tourists from one place to a destination, but also forms an attraction of its own as in the case of travel by using tour bus. (Universitas, Tantular, and Tourism 2009).

Transportation system is a link that connects routes with destination. Transportation creates an opportunity to increase tourists who want to have intercity travel in a certain country and as an influential part to tourism since it could bring large amount of tourist to the destinations safely. (Kantawateera et al. 2015). Transportation modes effects the destination. Public transportation in a certain country can effect tourists toward their destinations such as bus services that have limited distance and time that reduce the tourists' interest since they prefer bus services that can operate at their desired distance and time.

2.3 Tour Bus

According to Regulation of the Minister of Transportation Number KM. 35 of 2003 concerning the implementation of transportation on the road by public transportation, tourism transport is a transportation using public buses and cars equipped with specific sign for tourism purposes or other purposes outside the public transportation route, such as for social purpose, family gathering, etc. Transportation has an important role for tourists to determine their destination and transportation modes are chosen by tourists during their stay will effect their movement patterns in their visited areas.

Prof. Huzieker and Prof. K. Krapf state that tourism is a whole phenomenon caused by a trip, the stay of foreigners, and the provision of temporary shelter. This conditions are not permanent and do not generate income from the carried out activities. (Garcia et al. 2006)

Service facilities effect tourist transportation modes. In this case, a tourist who uses a bus will consider the quality of services such as fares, safety, comfort, fleet availability and information regarding travel experiences. It also effects the tourist who uses bus or other transportation modes. (Bajada and Titheridge 2017). Commercial bus companies that serve the needs of the community with tour bus services as a tourism industry support need to gain benefit from their business and the services offered by bus operations are city tours that has tour services. (Rohani, Wijeyesekera, and Karim 2013).

In developed countries, public transportation is also considered as an additional tourism product since it effects tourist satisfaction towards the destination and increasing the tourists' experiences. (Guiver et al. 2013). The use of public transportation (such as land transportation, tour bus or other mass transportation modes) provide economic or sustainable social environment benefits.

3. Research Method

This study used qualitative research approach. Qualitative research is a descriptive based research. Qualitative research is aimed to explain the results of deep analysis through data collection by conducting interview and field survey. The interview was conducted directly to companies that are engaged in the field of tourism bus service based on small, medium and large scale of business.

4. Results and Discussion

Global Mobility

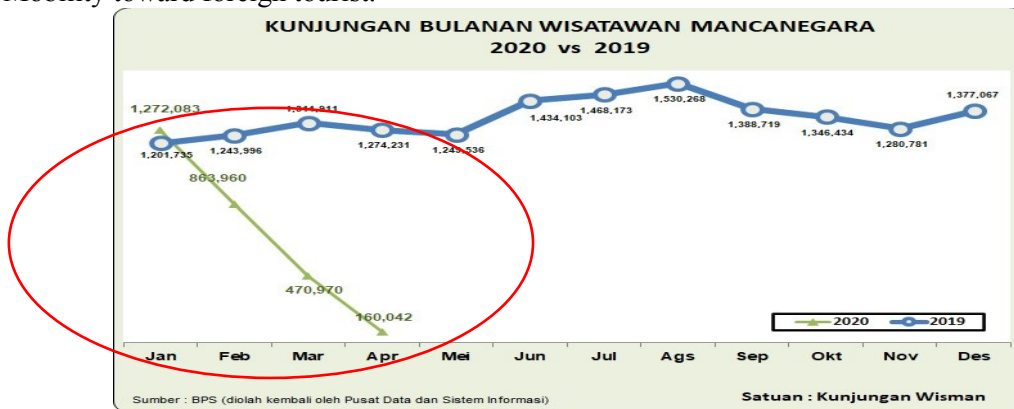


Picture 1. Transportation mobility
Source: Gogle Mobility 2020 .



Picture 2. Recreation mobility
Source: Gogle Mobility 2020.

Mobility toward foreign tourist.



Picture 3. Statistics of Indonesia tourism visitors in 2019 and 2020
Source: Ministry of Tourism and Creative Economy

Indonesia’s tourism visitors in April 2020 counted 160,042 visitors and decreased by -87.44% compared to April 2019 that reached to 1,274,231 visitors.

New normal regulations are related to tourism transport (Large Scale Social Distancing (PSBB) transition) since the government's calls and policies periodically effect the rhythm and routine that take place as well as social in society, public services or business activities.

Corona as pandemic is responded by the DKI Jakarta Regional Government through DKI Jakarta Governor Instruction Number 16 of 2020, regarding to the increased awareness of the risk of transmission of Covid-19 infection. Good policy applications that are derived from central government policies and DKI Jakarta Regional Government's policies related to business and community activities such as:

- 1) Initial closure of 17 tourist attractions managed by the Regional Government of DKI
- 2) Closure of private managed recreation areas
- 3) Closing of the Mall dispensing center
- 4) Restricted traditional market opening hours
- 5) Limitation on the number of fleets and the intensity of *Transjakarta* operating time
- 6) Call to work from home for company and business employees

According to Indonesia Minister of Transportation, regulations number 18 of 2020, it concerns on transportation control in order to prevent the spread of Covid-19, such as controlling restriction on transportation modes and implementing large-scale social restrictions. Activities limitation are applied in suspected area infected by Covid-19 in order to prevent such a possibility of spreading the Covid-19 Pandemic.

According to the Jakarta Governor's Regulation Number 51/2020, it concerns on the implementation of large scale social restriction (PSBB) in the transition to a healthy, safe and productive society. Regulations that are applied during the large-scale social restriction (PSBB) transition period, such as allowing businesses to operate with 50% employee attendance. This regulation came into force on June 4, 2020.

Implementation of Large-Scale Social Restrictions by transportation business operators is in form of transportation modes limitation by reducing 50% capacity of the transportation modes and limiting number of passenger either public or private transportation by maintaining the distance among passengers. In effort to self-protecting when using public facilities, maintaining cleanliness, using mask to avoid droplets, and sitting with one-meter minimum distance are highly recommended. The implementation is carried out by tourism business operators such as in buses which have three seats pattern that seats are only occupied by two passengers in which empty seat in the middle applied as the distance between passengers, while in two seats pattern, there are only allowed one seat occupied by a passenger.

Restrictions on social and cultural activities are carried out in the form of a crowd banned in either social or cultural purposes, which has impact on tourism business since there are no travel requests for conducting tourism activities.

The results of interview and observations show that there are some impacts on the mobility of tour bus services and how the condition of tourism transport companies in terms of management, organization and operations.

According to the government letter number 160 / SE / 2020 concerning the temporary closure of tourism industry activities in Jakarta since March 14, 2020, it is an effort to protect against transmission of the corona virus (Covid-19 Disease). This greatly effects the mobility of tour bus services since tourism's demand is drastically declined due to the closure of tourism objects in various regions. As in Java region, there is no bus fleet operates that creates negative impacts on transportation business operators. Although there are no any demand, the companies still have responsibility for direct and indirect operational cost, such as vehicles operational cost that depends on the operation of the fleet itself, diesel fuel, oil, spare parts and tire replacement cost. Routine costs also must be incurred by the company every month such as processing costs and fleet crew salary.

From the operational side, companies are having loss since operating expenses and loans depend on incoming orders. The companies imply limitation of employees with only 50% attendance by applying work shift and applying salary cuts up to 50%. Despite implementing the two policies, the companies are not able to cover the operational costs. Companies expect assistance from the government regarding to the taxes or subsidies for tour transport businesses. For operational, the companies have actually received relief assistance from the government. One of them is from the ease of leasing installments, however, this assistance is not able to cover the company's loss since operational costs continue to incur.

Health Ministry also issued form letter number HK.02.01 / Menkes / 335/2020 concerning protocols to prevent the spread of Covid-19 in the workplace of service or trade sector. The letter set out various obligations that must be met by workers and employers in order to

continue their business during and after the large-scale social restriction (PSBB). Tourism companies are demanded to be able to provide good human resource management so that the companies are required to shrink their company organization in all sectors such as the head office, regional office, administration, also operational crews and drivers.

The Ministry of Transportation is allowed to reopen transportation post-COVID-19, stating that all modes of transportation are permitted to operate with strict criteria regarding to health and social restriction. It is set up the interpretation of the Minister of Transportation Regulation No. 25/2020 which regulates the use of public transportation vehicles.



Picture 4. Health Protocols
Source: Direct Research Data

According to World Health Organization (WHO) the goals of the health protocols are :

1. To minimize transmission from human to human and to stop secondary spread between close contact (patient) with health officer and to prevent international spread. Identify and treat patients first, provide optimal care for patients who were already infected and provide isolation (quarantine).
2. To Minimalize and identify the transmission from animal sources, by reducing infection and transmission rates, accelerating the diagnosis development, giving therapy and providing vaccines, reducing communication, and giving critical information to reduce risk or case in community in order to fight against misinformation. Minimalized the economic and social impacts through multisectoral that could be achieved by a combination of public health measurement, specialized process and rapid diagnosis as a follow-up to contact.
3. To control health services regulations by implementing health measurement for travelers (tourists) in order to increase awareness in community by communicating the risk.

According to the explanations, the strategies that must be carried out by a tourism company in operating business as the implementation strategy of tour transport services during New Normal or in transition of large-scale social restriction (PSBB) are as follows:

1. Using small or medium sized buses to minimize vehicles operational cost.
2. Segmenting the market by considering senior citizens and toddlers vulnerable to covid-19 exposure.
3. Having only 50% available seats from total capacity by implementing strict health protocols such as wearing a mask or face shield.
4. Showing Health Certificate (rapid test result) for long distance trip.

5. Conclusion

In this study, it is concluded that Covid-19 Pandemic has an impact on health and the economic sector in the field of tourism transportation services in which activities required to meet many people. In the case of tourism transport business, companies carry out work from home (WFH) policies for some employees and reducing passengers up to 50% from total fleet capacity. Tourism transport service is also experiencing a demand decline. Some users cancelled their trips due to the health concern of doing tourism trip. Even though transportation service companies have implemented health protocols, tourism transport companies still decline the demands for travel services. Recently, some people are still concerning about the spread of Covid-19 virus so that people are not yet interested in having tourism trip. In some countries, lockdown policies are still applied which makes entering and exiting access between countries cannot be done easily. The combinations between government policies and public health protocols implementation are required to be done continuously to stop the spread of Covid-19.

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