

CHAPTER I

INTRODUCTION

1.1 Background of the Research

The Corona Novel Virus (2019 - nCoV), which has been declared a Public Health Emergency of International Concern (PHEIC) by the World Health Organization (WHO) on 30 January 2020. According to WHO (2020), PHEIC is defined as an extraordinary event that poses a public health risk to countries in the world through the spread of international diseases and requires a well-coordinated international response. In addition to the coronavirus which first appeared in Wuhan, the PHEIC declaration has also been used by WHO previously five times during swine flu (2009), polio (2014), Ebola (2014), Zika virus (2016), and Ebola. (2019).

For the first time, China reported the presence of this new disease on December 31, 2019. At the end of 2019, the office of the World Health Organization (WHO) in China received notification of a type of pneumonia whose cause was unknown. The acute respiratory infection that attacks the lungs was detected in the city of Wuhan, Hubei Province, China. According to the authorities, some of the patients were traders operating at the Huanan Fish Market. According to Chinese Government data seen by the South China Morning Post, a 55-year-old resident of Hubei Province is likely to be the first person to contract Covid-19 on November 17, 2019. From that date onwards the increase in cases has been very sharp.

The first Covid-19 cases outside China were reported in Thailand on January 13, 2020. Still in the Asian Continent, on January 29, 2020, Covid-19 reached the Middle East for the first time. France became the first country in Europe to confirm three cases of Covid-19 on January 25, 2020. On the same date, the first case of Covid-19 also penetrated the continent of Australia. The case of Covid-19 was confirmed by Victoria Health Authorities on January 25. In its development, Covid-19 spread to the African continent. The virus spreads so fast, the number of cases increased and spread to all countries in the world including Indonesia.

In Indonesia, President Joko Widodo officially announced the first case of Covid-19 at the State Palace on March 2, 2020. Two Indonesian citizens tested positive for Covid-19 due to contact with Japanese citizens who came to Indonesia. On March 11, 2020, for the first time, an Indonesian citizen died due to Covid-19. In the same week, patients 01 and 03 were declared cured. The two patients who were officially declared cured and allowed to leave the hospital on March 13, 2020, were the first time a person with Covid-19 was cured in Indonesia.

More than a month after the entry of Covid-19 into Indonesia, for the first time, the recovery rate for people with Covid-19 was greater than the number of patients who died from the virus. However, data on the recovery of Covid-19 patients that exceeds the number of patients who die is not a sign that this virus outbreak will soon be resolved in Indonesia. So far, the number of Covid-19 cases

in Indonesia continues to increase. Here is in below detail the timeline of Covid 19 in Indonesia.

Table 1.1
Timeline of Covid 19 in Indonesia

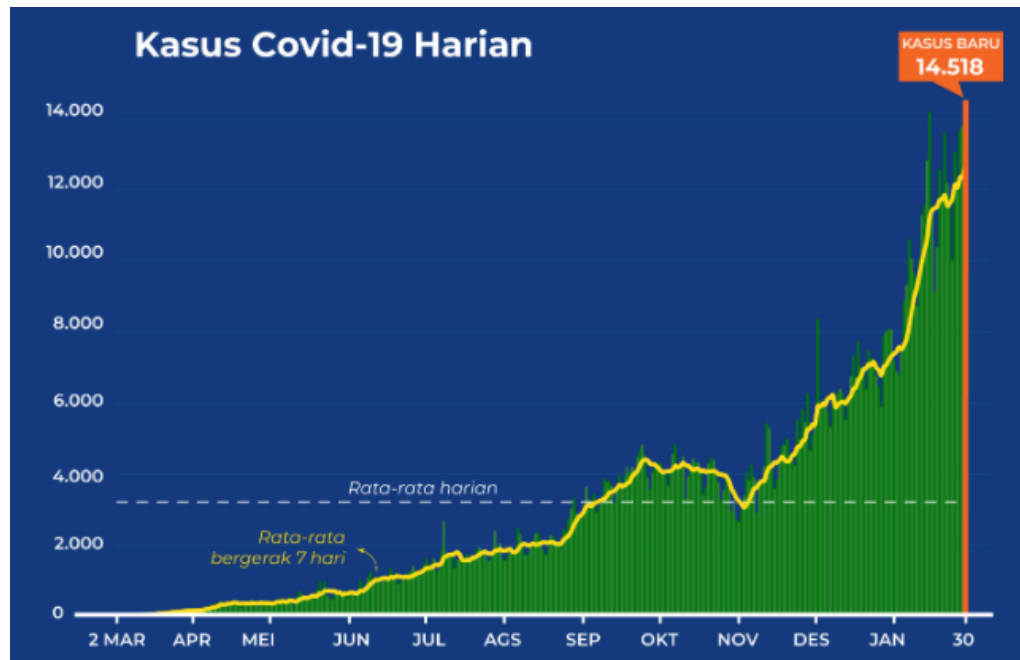
Time	Description
2 nd March	First case identified in Jakarta
11 th March	a. Indonesia's first Covid 19 death. The patient who died was a foreigner at Sanglah Hospital, Bali. b. The first Covid 19 deaths occurred in Indonesian citizens in Solo, Central Java c. WHO has designated Covid-19 as a pandemic
20 th March	The Indonesian government through the foreign ministry issued a policy not to accept foreigners to entering Indonesia from certain countries
27 th March	There are 1000 cases of Covid 19 in Indonesia
31 st March	a. Public health emergency b. The imposition of large-scale social restrictions
10 th April 2020	34 province in Indonesia get infected by Covid 19
5 th June	Transition to new Normal Era

Source: Processed Data

As of February 1, 2021, the Indonesian government has announced 1,089,308 confirmed cases of Covid-19 in 34 provinces in Indonesia, with 175,349 active cases, 30,277 deaths, and 883,682 people who have recovered from the disease. The government has also reported 73,625 suspected cases. The daily number of positive Covid-19 cases as of January 31 was 36.1 percent, while the cumulative positive number was 17.5 percent. This figure far exceeds the 5 percent threshold set by the World Health Organization. Until January 22, 2021, here is the picture for a graph of Covid cases in Indonesia up to January 30, 2021, as below:

Figure 1.1

Graph of Covid-19 cases in Indonesia up to Jan 30, 2021



Source: Ministry of Health Republic Indonesia

The Indonesian government has taken numerous measures to respond to the Covid-19 pandemic. The Government has extended the travel ban for all foreign visitors into Indonesia with a few exceptions, such as diplomats, to 9 February. The regulation was initially issued in response to the new variant of Covid-19 that appeared in the United Kingdom. The extension is issued to complement the measures to reduce mobility to curb the spread of the coronavirus within the country.

Restrictions on the conduct of public activities (PPKM) were implemented in the islands of Java and Bali between 11 and 25 January. Despite its inconsistent implementation, the Ministry of Home Affairs' Instruction No. 2 of 2021, has

extended the movement restriction policy until 8 February. The major aspects of the regulation include: 1) 75% work from home for offices; 2) fully online teaching and learning; 3) the essential sector operates at 100%; 4) shopping centers and malls operating until 19.00; 5) restaurants to operate with a capacity of 25% or take-out services; 6) The construction sector can operate at 100%; 7) centers of worship to operate with a capacity of 50%; 8) public facilities are closed, social and cultural activities are stopped; 9) public transportation services to work with adjustable capacity and within certain operating hours.

Almost all sectors are affected due to this Novel Corona Virus (Covid 19), not only health. The presence of this virus has resulted in weakening activity in various sectors of the economy. In Indonesia itself, it cannot be denied that the economic situation is very unstable. Large-scale social restrictions indirectly limit the implementation of economic activities in society. Covid-19 has experienced changes in the order of life in global and national aspects.

Various economic activities ranging from the tourism sector to trade have been forced to close their businesses and lay off their employees. It also supports government regulations to implement social distancing. This method certainly has a direct impact on the nation's economy, because there will be a lot of reduction in the activity of working outside the home. For example, various shopping centers decide to temporarily close their operations, so that income automatically decreases. Several hotels in tourist areas such as Bali, Jakarta, and Yogyakarta Surabaya were closed.

The coronavirus outbreak is starting to have an impact on Indonesian tourism, both in terms of supply and demand. Since the instruction to maintain social distancing and doing the activities at home, the tourism sector has become sluggish. This lethargy was felt before Indonesia announced that there were positive corona patients in early March 2020. Many tourist attractions are closed which means there is no income for them. The occupancy of the majority of hotels has also dropped dramatically and means no income. The International Aviation Industry Association (IATA) said that the loss of the global aviation industry could reach the US \$ 113 billion this year due to Covid-19. However, the current condition is that each region has implemented large-scale social restrictions (PSBB) in each region so that it contradicts the efforts made to increase the rate of people traveling. The following is data on losses suffered by the tourism sector, including hotels, restaurants, and tour operators due to the Covid 19 pandemic as below:

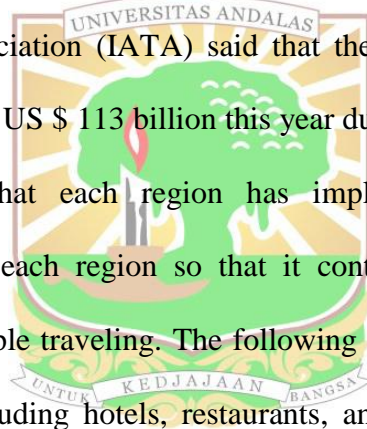


Table 1.2
Tourism Losses during Covid 19 Pandemic

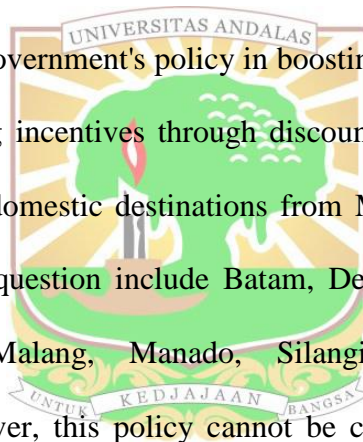
Industri	Total Loss
Tourism Overall	Rp. 85,7 Trillions
Hotel Industry	Rp. 30 Trillions
Restaurant Industry	Rp. 40 Trillions
Airline	Rp. 11.7 Trillions
Tour Operators	Rp. 4 Trillions

Source: Processed data from estimated PHRI 2020

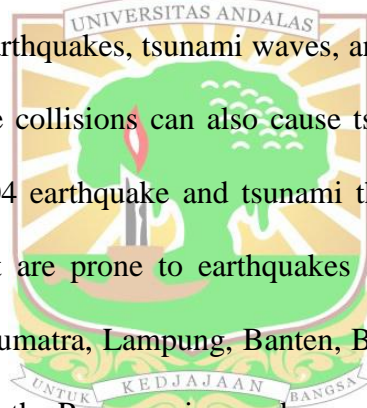
As a result of government policies in preventing the spread of Covid 19 such as travel restrictions and travel bans, the Indonesian government decided to

close all doors of arrival in Indonesia for foreign tourists, causing a drastic decrease in the number of foreign tourists. However, the government is trying to encourage domestic tourists to vacation in the country to maintain the tourism industry. Several stimuli were prepared by the government to revive the tourism sector in Indonesia. In early 2020, the Indonesian government has made efforts to boost domestic tourism through incentives for discount airplane tickets to several destinations as a stimulus.

The Indonesian government's policy in boosting the number of local tourist arrivals is by providing incentives through discounted airplane tickets between 30% and 40% for 10 domestic destinations from March to May 2020. The 10 tourist destinations in question include Batam, Denpasar, Yogyakarta, Labuan Bajo, Lombok, Malang, Manado, Silangit, Tanjung Pinang, and TanjungPandan. However, this policy cannot be completely good where local tourists themselves cannot meet the occupancy rate of up to 80-100% as expected by hotel entrepreneurs, but the hard efforts are made by the government so that there is still the movement of local tourists in various areas to be able to at least keep it steady. There are economic movements in these tourist areas even though they do not reach the results or occupancy rates as before the outbreak. However, the various kinds of stimulus carried out by the government are not very influential; most hotels in Indonesia are unable to achieve an occupancy rate of up to 30% per day.



Furthermore, Indonesia is in a region that has a big potential threat. This is because Indonesia is surrounded by three tectonic plates in the world, namely the Indo-Australian Plate, Eurasian Plate, and the Pacific Plate. In addition, Indonesia is also on the Pacific Ring of Fire (ring of fire), which is the most active volcano in the world that stretches along with the Pacific plate. Located in 2 areas that geologically has plate junctions that cause the accumulation of colliding energy with a high enough intensity. This is the main reason why Indonesia is prone to earthquakes, tsunami waves, and ground movements. Apart from earthquakes, plate collisions can also cause tsunamis after an earthquake. An example is the 2004 earthquake and tsunami that occurred in Aceh. Some areas in Indonesia that are prone to earthquakes and tsunamis include Aceh, North Sumatra, West Sumatra, Lampung, Banten, Bali, southern East Java, Fak-Fak, and Yapen areas in the Papua region, and many more.



Natural disasters are one of the most vulnerable factors affecting the tourism industry, (Chan et al., 2020). According to UNESCO (2015), natural disasters are forces of nature that cause catastrophic events. Natural disasters include eruptions of volcanoes, tsunamis, floods, landslides, hurricanes, cyclones, typhoons, tornadoes, earthquakes, avalanches, heat waves, droughts, winter storms, and wildfires, (Kozak et al., 2007). Several disasters during 2010 - 2018 were recorded to affect the tourism industry. Disasters such as the eruption of Mount Agung Bali caused losses of up to IDR 11 trillion in the tourism sector. The tourism industry is very vulnerable to disasters, if not managed properly; the

impact will affect the tourism ecosystem and the achievement of tourism performance targets. The following is the data summarized by the Regional Disaster Management Agency regarding natural disasters that occurred in Indonesia which resulted in large losses to Indonesian tourism:

Table 1.3
Natural Disasters in Indonesia and Losses to Tourism Sector

No	Type of Disaster	Location	Year	Losses
1	Mount Merapi eruption	Yogyakarta	2010	Almost 50% decrease on tourist visit
2	Forest and land fires	Sumatera & Kalimantan	2015	13 airports not operating in Indonesia due to short viewing distance
3	Mount Agung eruption	Bali	2017	1 million tourists were reduced and the loss reached IDR 11 million in the tourism sector
4	Lombok earthquake	Lombok	2018	100,000 tourists were reduced and Rp 1.4 trillion in losses in the tourism sector
5	SelatSunda Tsunami	Banten	2018	Cancellation of tourist visits by up to 10 percent and a reduction in hotel occupancy rates.

Source: Processed data from BNPB Indonesia

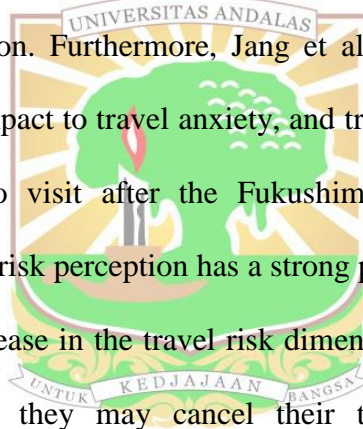
The economy in the tourism industry and also the behavior of tourists are strongly influenced by health crises that have occurred such as the SARS, H1N1, Ebola, (Quintal et al., 2010) outbreak, Covid 19, and natural disaster as well (Gupta, 2010). Tourists perceive that Covid 19 has caused anxiety around the

world, unsafe travel, and reduces tourists' travel plans, especially to crowded big cities. This explains that tourists are sensitive to crisis events,(Nazneen et al., 2020).

Neuburger & Egger (2020) mention that risk perception of Covid 19, travel risk perception in Covid 19, and travel cancellations during Covid 19 increased, and the intention to travel decreased. Bae & Chang (2020) said that travel risk perception on Corona Virus Disease is a significant antecedent of tourist attitude including travel intention. Furthermore, Jang et al (2009) found that perceived risk has a significant impact to travel anxiety, and travel anxiety has a significant impact on intention to visit after the Fukushima disaster in Japan. Gupta (2010) found that travel risk perception has a strong positive significant impact on travel anxiety, any increase in the travel risk dimension will make tourists more anxious and therefore they may cancel their travel plan. Other research According to Park & Reisinger (2010) found that travel risk perception has a significant impact on travel anxiety.

Lenggogeni (2014) found strong negative relationships between tsunami risk perception and travel intention. Tsunami risk negatively influenced travel intention. Other research by Satyarini et al (2020) found tourist risk perception regarding the earthquake, which is an earthquake, is a natural disaster that has a significant impact to visit intention in Lombok post-earthquake in 2018.

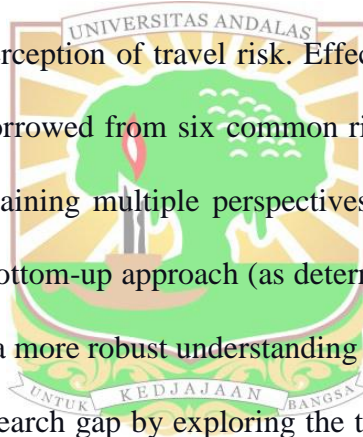
Jang et al (2009) this result found that perceived risk has a significant impact to travel anxiety and travel anxiety has a significant impact on intention to



visit after the Fukushima disaster in Japan. So it can be concluded that the perception of tourists about the risks when traveling will affect the tourists' anxiety. Anxiety is a subjective feeling that arises as a result of being exposed to actual or potential risks; it is feelings of nervousness, worry, stress, vulnerability, discomfort, annoyance, fear, or panic, (Park & Reisinger, 2010).

Lenggogeni (2014) has a predominance of research in which the dimension of risk perception has been developed from the literature, which limits a deeper understanding of the perception of travel risk. Effectively, the risk dimension is often prejudiced and borrowed from six common risk types from the marketing discipline rather than gaining multiple perspectives. Developing the travel risk dimensions through a bottom-up approach (as determined by tourists, rather than the literature) provides a more robust understanding of travel risk perception. The need to address this research gap by exploring the tourist's perspective is crucial because it not only provides a better understanding of travel risk perceptions but it also provides appropriate actionable responses for managerial purposes (Tsai & Chen, 2011).

Luo & Lam (2020) has the same found that travel anxiety gives mediation relationship between travel risk perception and travel intention in travel bubble destination in Hongkong. Travel anxiety gives a mediation impact between travel risk perception and travel intention (Olson & Park, 2019). This research was support by another research that travel anxiety has a mediation role between travel risk perception and travel intention (Isaac & Eid, 2019). Olson & Park,



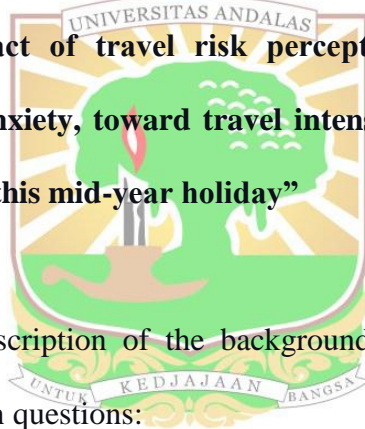
(2019)also confirmed that travel anxiety a mediation between travel risk perception and travel intention. Based on some above previous research, can assume the hypothesis for the impact of travel anxiety as mediation variable between travel risk perception in a natural disaster.

The Covid 19 phenomenon and natural disasters such as the earthquake and tsunami that occurred had an impact on Indonesian tourism. Therefore, based on the phenomenon and several previous studies, researchers are interested in researching **“The impact of travel risk perception in Covid 19, natural disaster, and travel anxiety, toward travel intension on domestic tourist in Indonesia to travel in this mid-year holiday”**

1.2 Research Question

Based on the description of the background to the research, it can be revealed several research questions:

1. How does the travel risk perception in Covid 19 context impact travel anxiety on domestic tourists in Indonesia?
2. How does the travel risk perception in Covid 19 context impact travel intention on domestic tourists in Indonesia to travel in this mid-year holiday?
3. How does the travel risk perception in a natural disaster context impact travel anxiety in domestic tourists in Indonesia to travel in this mid-year holiday?
4. How does the travel risk perception in a natural disaster context impact travel intention in domestic tourists in Indonesia to travel in this mid-year holiday?

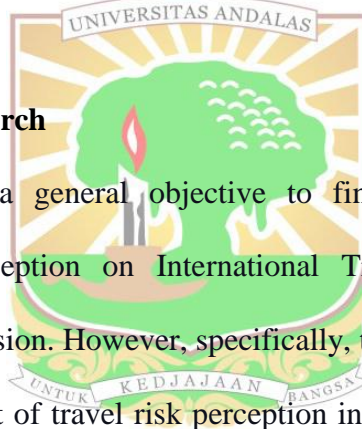


5. How does the travel anxiety impact travel intention on domestic tourists in Indonesia to travel in this mid-year holiday?
6. How does the travel anxiety mediate the travel risk perception in Covid 19 context and travel intention on domestic tourists in Indonesia to travel in this mid-year holiday?
7. How does the travel anxiety mediate the travel risk perception in a natural disaster and travel intention in domestic tourists in Indonesia to travel in this mid-year holiday?

1.3 Objectives of the Research

This study has a general objective to find out how the impact of Coronavirus risks perception on International Travellers toward the travel intention and travel decision. However, specifically, this research aims to:

1. To define the impact of travel risk perception in Covid 19 context and travel anxiety in domestic tourist in Indonesia to travel in this mid-year holiday
2. To define the impact of travel risk perception in Covid 19 context and travel intention on domestic tourist in Indonesia to travel in this mid-year holiday
3. To define the impact of travel risk perception in natural disaster context and travel anxiety on domestic tourist in Indonesia to travel in this mid-year holiday
4. To define the impact of travel risk perception in a natural disaster context and travel intention in domestic tourist in Indonesia to travel in this mid-year holiday



5. To define the impact of travel anxiety and travel intention on domestic tourist in Indonesia to travel in this mid-year holiday
6. To define the impact of travel anxiety as a mediation variable between travel risk perception in Covid 19 context and travel intention in domestic tourist in Indonesia to travel in this mid-year holiday
7. To define the impact of travel anxiety as a mediation variable between travel risk perception in Covid 19 context and travel intention in domestic tourist in Indonesia to travel in this mid-year holiday
8. To define the impact of travel anxiety as a mediation variable between travel risk perception in a natural disaster context and travel intention in domestic tourist in Indonesia to travel in this mid-year holiday



1.4 Contributions of the Research

This research is expected to provide theoretical and practical contributions, as follow:

1. Theoretical contribution

This research is expected to be a new theory reference for future researchers, especially regarding travel risk perception in Covid 19 and natural disaster context, travel anxiety, and travel intention

2. Practical contribution

For the government of West Sumatra Province and the actors of the tourism industry, this research is expected to be able to give an idea of how the Coronavirus risk perceptions of domestic tourists visiting West Sumatra.

Furthermore, the government and the tourism industry can provide everything needed by tourists when visiting West Sumatra so that tourists can come to West Sumatra to feel safe and comfortable without fear and anxiety.

1.5 Scope of the Research

Research needs to be limited to avoid any distortion and widening of the problem topic. In addition, it is also to facilitate the discussion so that the research objectives can be achieved. This research is limited to investigate antecedents of domestic tourist decision which consist of variables travel risk perception in Covid 19 and natural disaster context, travel anxiety, and travel intention.

