
Impact on Tourism due to Covid-19

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Introduction

The services sector is the most crucial key contributor to a country's economy. Malaysia, in particular, reported that the manufacture and service sector increased by about 4.3 % of the economy in the year 2019. At that time, tourism is the major success of a country. Tourism sectors give much potential profit to a country related to tourists overseas and the local tourists. Tourism not only relies on hotels, transportation, and food and beverages but also includes the locals' entrepreneurship. It promotes the traditional, originality of the local food and crafts or even iconic places. In Malaysia, we can see numerous locals selling handicrafts made from rattan, bamboo, banana leaves, and much more.

Tourism Industry

Before getting into deep insights into tourism's contribution to the economy and service sector, it is best to understand tourism's meaning and how it builds and shapes a country and its economy. Tourism is mostly defined as an industry that mixes with numbers of products, services and infrastructures where travelling is made possible. Tourism provides a large number of benefits to fulfil a tourist's needs. As stated before, tourism comprises a traveller's necessities and the people in the craft industry that fall under the same sector as helping the tourism service sector. It also relates to the government in promoting many ethnics and culture around Malaysia.

This tourism service sector has its side, which is the demand and supply. Based on statistics, tourists visit a place for vacation and be a business trip. It is typical to see that the business people visit a location because of work where transportation, bookings, hotels, and food are being grabbed early with a rate that they can afford to pay. It is unintentionally seeing that this is an excellent opportunity for the country to provide an excellent service to the visitor and, of course, improvise for better hospitality than before. This also portrays the tourist's support to a particular place because they trust their service on their business trip or vacation. Many of us do not realise this because it only includes the money and excellent service. Still, it also contributes to the betterment of the company or a place. This scenario is most likely defined as the demand side because the customer is paying for the service, receiving goods and great hospitality. The supply side is where the company or industry provides products and services straight to the customer or indirectly.

Tourism is a vast and flexible value chain because it is interconnected with many industry and services. Still, the centre of tourism is on benefits because of its promotion to help tourists get excellent accommodation and transportation. It helps in many ways where economics is the primary key to helping the country's development, targeting many more travellers worldwide to visit one country. The nearest example that can be seen in this country itself, Malaysia, where it is known to be a multicultural country living in peace and harmony. There are also places in Malaysia

that are officially under the United Nations Educational, Scientific and Cultural Organization (UNESCO), the state of Bandaraya Melaka, Lenggong, Perak and Georgetown, and Pulau Pinang. Since it is known with a world heritage to visit, the number of tourists increases since the year 2017, which does not only count from the number of overseas travellers but also the domestic tourists. It is not wrong for the locals to support their own country because they unintentionally show and support the country with significant money spending, thus increasing its economy.

It is almost a year of a global pandemic that is going on, which is the Covid-19 or the coronavirus disease 2019 affected the whole world. This disease started in China as the symptoms can be seen as fever, dry cough and tiredness. It can also be detected with minor symptoms such as aches and pains, sore throat, conjunctivitis, headache, and smell loss. This disease is hazardous because people can easily get affected by air, so the whole globe is wearing masks until today. Many precautions have been taken to flatten the curve of this disease, such as taking care of each other's physical distancing, avoiding being in a crowd, and most importantly, wearing hand sanitiser and masks is a must or fine be imposed on those who do not abide the law. Due to this reason, at the early state or first wave of this disease that happened at the end of 2019, businesses are still in the run because there was no case of such disease in Malaysia during that time.

Nevertheless, in early 2020, cases are happening, and the number of people admitted to hospitals increases. With such a thing occurs suddenly, Malaysia's government is worried about the public's wellbeing. It needs to be stopped before the disease becomes widespread. On March 18 2020, the first movement control order (MCO) was implemented across Malaysia. People stay in their houses and not go out unless they purchase goods at supermarkets.

With the strict rules that are implemented, there is no one excluded to be free from this order. It is a very rough time for people working as works are needed to be done from home or, in another term that is being used widely, work from home (WFH). Businesses such as eateries, barber shops, pet shops, and other grocery stores are not allowed to operate as usual. Grocery stores are only open at an early stage. The public can only go to the store alone as the rules stated that only one person from each household could buy groceries. Physical distancing is also very strict even though the number of peoples is not much as usual. However, people are trying to find other options to gain money since many people needed to stop working. Some are required to apply for leave without pay and many more. The first wave of Covid-19 affects many people, not only in terms of work and financial but also mental health.

The sad event affects people and the global economy, industries, corporations, and small and mid-size enterprises (SME) such as manufacturing, services, and others. SME contributed a lot to the shape of the economy building throughout years of operation. It is normal to have a turnover of not over than RM50million or RM20million, making it a large scale of contribution to the country's economy. This virus outbreak has affected the government and the world's economy a lot because these companies cannot generate money without their business operation being done as usual. Customers are also hard to gain because their stores need to be closed, resulting in less income and affecting the businesses' workers. With a company that is not operating, it is hard for the workers to maintain their income source. From the perspective of this, they will also gain loss for several days and months.

In their research article, Foo, Chin, Tan and Phuah (2020) stated that the Covid-19 widespread had affected the tourism sector in many ways. They are generally speaking that they are focusing on the impact of airlines, hotels and businesses. The airlines in Malaysia, namely Malaysia Airlines, Malindo Airlines, and Air Asia, were the most used transportation by people

worldwide with their excellent service for customers. However, the unfortunate event has made their customers drop time by time ever since the covid-19 came into action, attacking people all over the world. With this situation, the airlines need to stop their service due to the critical condition that is going on. By this, they are losing their profit, which cannot be paying their employees. There are numbers of them getting their pay cut, unpaid leave, and need to stop employees' contract. This is saddening because this shows that the airlines might be facing bankruptcy if their service is required to be paused. The airlines need support from the Malaysian government to ensure that they are still in the safe zone so that the airlines that Malaysia has do not fall.

This also impacts the hotel businesses because the numbers of bookings and customers are cut off and cancelled. After all, the visitors cannot be travelling from places and staying at their booking rooms. In the research, Kuala Lumpur faced losses, making it the first on the top list and followed by Sabah, Pulau Pinang, Selangor, and others, the states planned to visit by tourists. These cancellations calculated around RM23 million, which is a lot to the company and the Malaysian economy. The same scenario is happening to the hotels like the airlines where workers need to be stopped their contract, get unpaid leave, and reduce the pay for the employees. However, this is the worst situation because the hotels that align with the airlines never faced such cases. This is a struggle for the hotels to keep their service and revenues in the considerate zone.

The SME challenges to survive are very low because the need for them to keep on going is to have their businesses working back on track. Cost of operation, paying wages of workers are needed, but the source to generate money is not operating as usual, and that is why as stated before, there are companies, had to fire their workers or revoke the contract of those who are no longer needed in the company, some of them are required to leave for work without pay. It is very frustrating to those who are involved. There is no other way to save the company unless specific measures are taken, and the least that the management can do is by working that way. Businesses need to change their strategy and method of operation. That is why there are still riders or runners with motorcycles and vans such as courier companies that are still allowed to operate. This is good news for companies selling goods, providing easy services to the public, such as selling frozen food, snacks, tools, etc. Still, it can be a sad way for businesses to operate with clients face-to-face, such as nail parlour, massage and others.

The tourism industry is also affected by this because they cannot get customers as usual for the past years. It seemed to be an excellent breakdown for the airlines, hotels and a bit on transportation because these are the primary necessities for travellers to use for their travelling days. Since the world's economics and the country have become a crucial problem, businesses are getting slow. Numbers of profits and revenues are slowly generated. The government then made an initiative to start the businesses again, opening the states' boundaries to become more comprehensive and accessible also to people. In Malaysia, the tourism sector is expected to rise in numbers of tourists because of the Visit Malaysia 2020, which is expected to increase by 80% this year. Still, it declined to 60% because of the outspread that is happening all across the world. Since the countries need to recover from their economic crisis, Malaysia decided to promote their domestic tourism, attracting only local tourist in supporting the country's economy and businesses because, as stated in an article regarding the tourism response to the Covid-19 situation, even they are trying to build up numbers and constructions for the betterment of tourism, safety precautions are also taken by getting travel restrictions with numbers of measures relating to health protocols, information on any safe places and places to avoid. Even though conditions are made, but the

tourism sector also needs to have a plan in getting things done for a backup plan such as if there are places that are contaminated, visitors of the area was infected and such, and this needs to be taken into action, getting ready of uncertainties before it is getting worst. Having such a plan helps a lot in taking care of the environment and curbs the virus's spread to other places and other people.

Since the tourism sector is interrelated with businesses, food and beverages and many other services and recreations, this also hits hard on the medium and small businesses because they are also supplying to the economy's growth. The SMEs can survive in a short time compared to large companies because they are the small ones that help get customers by their customers, which benefit from the locals and a tourist and even companies that require these little businesses aid. The SMEs are the ones that help even by bits of numbers of profit and revenue generated, these are the ones that allow bits to build a strong concrete of economy of a country, and without the help from these small businesses, the national economy and the global growth can be affected by their slow or none progress. SMEs are essential because they are serving a wide range of companies across the country. It is accessible to people where they are helping. Rafliis, Jusoh and Ishak (2020) say that SMEs have their strategy to get significant advantages in overcoming the pandemic. Their way of getting into the design is the same as facing difficulties during the business turmoil. They consider the management, production of goods, innovation capability, and budget reduction used to strengthen the business economy. This is crucial because most small and medium businesses cannot always be relying on customers. Still, some effort need to be put into so that the company would be running well.

Seeing the pandemic as a disaster to businesses and economics is devastating. It could not be denied that there are also great in between the negative lines being seen. The advantage of this time, this situation is a game-changer for the digital transformation because better infrastructure and communication with customers and suppliers are still needed so that the business can keep on working their best to achieve several success throughout this awful situation. According to the Google dictionary, digitalisation brings a meaning of conversion of text, pictures or sound to a digital form so the computer can process it. In terms of information technology, digital technologies are the ones we use today, such as mobile technology, data analytics, digital platforms, sensors and automation.

Digitalisation is an excellent way for businesses or even services to bring a new way of creating, using the modern business course. This has been implemented for so long without realising where the data are placed in the storage clouds, which only requires information that can be gotten online. The work can also be done from home. Research shows that digitalisation in businesses helps the company have a great experience in obtaining information exactly and well-managed by using technologies. Companies still use their old school way of managing the management. Comparing it to those that are implementing digitalisation faces much more positivity. Digital tracking is made more comfortable, along with customer interaction. E-commerce is also helping the world make transactions in either an immense amount of money from customers to businesses or business. This seems helpful to the service sector because information management can be better even without an office. Communication between colleagues can also be done easily as video calls and conference calls can be made from places. Technology has brought many significant changes to the world in terms of communication and engagement with one another. Still, businesses are getting used to relying on this modern digitalisation for a better good.

Conclusion

The service sector needs a better plan to come out stronger during the pandemic that has affected the numbers of businesses. The tourism sector can be working with the government to avoid the number of companies in the red zone of economic and stressing that the money-making is about the company and the growth of the Malaysian economy. Without a proper plan of what is needed to be done, the business and the country could not be standing alone. It requires each other to build up the country's wellbeing. The reason for this must be, accordingly, getting to know which business needs to be saved. The airlines and hotels can be important because domestic travellers are still travelling from places even though they decrease. Still, the one that needs help is the food and beverages. They are always in demand from customers and not forget the SMEs because they are easy to access by getting supplies and customers. To prevent the economy from becoming a downfall, the businesses should also have strategies of their own such as minimising budget, using digital technologies by having a promotion or even more marketing on social media, television, and advertisements. At least by this, the services sectors can work at their bare minimum because they cannot serve their customers fully. Still, the customers need to know that they are there to help build the company and the country.

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