

CHAPTER I

INTRODUCTION

A. Background

The company has business goals and increases long-term value for shareholders by integrating economic, social and environmental aspects into its business strategy. Business sustainability is an important thing for companies to predict what strategies will be carried out if a disaster occurs in the future. Sustainability involves maintaining the company's processes and actions over time. A sustainable company refers to a company that can achieve long-term goals and add value by incorporating economic, social and environmental aspects into its business strategy. Which in general, sustainable business refers to the "triple bottom line", i.e. the company will imitate its business with financial, social and environmental impacts to prevent the bad effects of disasters, such as currently there is a natural disaster, namely the Covid-19 outbreak which is a challenge. for all companies and industries.

Since December 1, 2019, the SARS-Covid-2 virus that causes COVID-19 has infected more than 170 million people worldwide and killed more than 3.2 million. (Arnani, 2021). While in Indonesia, the first case was announced on March 2, 2020, and has infected more than 1.8 million people and killed 5.1 thousand people. (Wardani & Alamsyah, 2021). With a very fast spread in almost every country, there is no choice for the World Health Organization or commonly

Referred to as WHO to state that the current Covid-19 outbreak can be categorized as a global pandemic, in which the statement was announced by the Director General Tedros Adhanom. Ghebreyesus in a press conference that took place on Wednesday (11/3/2020). (Utomo, 2020)

With the number of infected people increasing and the lack of corona virus detection tools, every country imposes a lockdown to emphasize the spread of COVID-19, in Indonesia, it is too late to impose a lockdown so that the Indonesian Doctors Association continues to urge the Indonesian government to immediately prepare a scenario to slow down the spread.

COVID-19 that the solution or preparation for the lockdown must still be prepared. Because the Indonesian Doctors Association feels that we will not know how the future conditions will be worse, at least if the conditions get worse then we are ready for a lockdown. (bbc.com, 2020) With the lockdown, all community activities are limited by staying at home, not leaving the house unless there is something very important and urgent, schools are closed, as well as offices where work from home, and other similar things.

Likewise, on an international scale there are restrictions on international travel. These restrictions directly affect the national economy, including the tourism system, namely international travel, domestic tourism, daily visits and various segments such as air transportation, cruise ships, public transportation, accommodation, cafes and restaurants, festivals, gatherings, or sporting events. With international travel slowing down rapidly, a crisis ensued, in which many

countries-imposed travel bans, closed borders, or imposed quarantine. International and domestic tourism has decreased drastically for several weeks until now there is still no stability. (Gössling, Scott, & Hall, 2020)

وَلَنَبْلُوَنَّكُمْ بِشَيْءٍ مِّنَ الْخَوْفِ وَالْجُوعِ وَنَقْصٍ مِّنَ الْأَمْوَالِ وَالْأَنْفُسِ وَالثَّمَرَاتِ ۗ وَبَشِّرِ الصَّابِرِينَ

Meaning: And We will surely test you with a little fear, hunger, lack of wealth, soul, fruit. And give good news to those who are patient. (Surah Al-Baqarah: 155)

According to the Minister of Tourism and Creative Economy, Sandiaga Uno on the republica.co.id page, the projection of foreign exchange earnings from tourism in 2020 is only between 4-7 billion US dollars. Prior to the pandemic, tourism foreign exchange earnings in 2020 were targeted at US\$19-21 billion. When compared to the previous year, 2019, the decline was quite significant, where foreign exchange earnings for tourism in 2019 reached 20 billion US dollars. (Egsaugm, 2021)

Based on data from the Central Statistics Agency, there was a very significant decline in the number of foreign tourist arrivals to Indonesia. The month of 2020 experienced a sharp decline of 88.08 percent compared to the number of visits in December 2019. Which when compared to November 2019, this condition experienced an increase of 13.58 percent. During 2020, the total number of foreign tourists to Indonesia reached 4.02 million visits or 75.03 percent compared to the number of foreign tourists visiting in the same period in 2019 which amounted to 16.11 million visits. (Badan Pusat Statistik, 2021).

This is a disaster for the tourism sector, according to Investor Daily Indonesia that in Indonesia the hotel industry is able to pocket revenues of around Rp. 6.73 trillion since September 30, 2019 (Yosintha, 2021). However, with the COVID-19 pandemic, activities in the hotel industry were stopped due to the absence of tourists, this made several hotels in Indonesia closed because they suffered losses and went bankrupt. Therefore, hotel managers or hotel owners must be able to develop sustainability strategies that can prevent a hotel company from going bankrupt, where sustainability is a capacity strategy to survive and adapt which raises questions about the conditions that need and must be maintained especially in unpredictable circumstances, because environmental conditions affect the sustainability of a company or hotel industry.

For example, there are approximately 50 hotels in Yogyakarta that have decided to temporarily close for a month, where the reasons for closing these hotels were that they did not have sufficient operational costs and also did not have a sustainability strategy. to stay afloat at the critical. But with only a few hotels closed during the pandemic in Indonesia, there are also hotels that can continue to operate despite being hit by the Covid-19 pandemic.

From the problems that have occurred, the researcher has the aim of analyzing the sustainability of hotels during the Covid-19 pandemic with the research title **"Analysis Of Hotels Sustainability During The Covid-19 Pandemic In Yogyakarta."**

B. Problem Formulation

1. How is the sustainability of Hotels in Yogyakarta during the pandemic?
2. What is the impact of Covid-19 on Hotels in Yogyakarta?
3. What are the obstacles faced regarding the sustainability of hotels in Yogyakarta during the COVID-19 pandemic?
4. What are countermeasures and prevention to maintain the sustainability of the hotel during the covid-19 pandemic?

C. Research Purpose

Based on the formulation of the problem put forward, the objectives of this study are as follows:

1. To analyze the sustainability of hotels in Yogyakarta during the pandemic.
2. To find out how the impact of covid-19 on hotels in Yogyakarta.
3. To find out what obstacles hotels in Yogyakarta experienced during the pandemic.
4. To identify the countermeasures and prevention measures were taken by hotels in Yogyakarta during the pandemic

D. Benefits Of Research

There are benefits from this research. The benefits of this research are divided into two, namely, theoretical benefits and practical benefits. They are as follows:

1. Theoretical Benefits

This research is expected to help as a theory development related to the sustainability of a company, especially the sustainability of the company during the covid-19 pandemic.

2. Practical Benefits

a. For The Academian

This research can be used to reference the impact of the benefits of paying attention to the sustainability of a company during an unexpected pandemic.

b. For The Company

This research can be used as a guide for hotel managers to prepare and take strategic steps in order to maintain the company's sustainability during the pandemic.

c. For The Writer

1). To find out what impact will occur if a company does not prepare a sustainability strategy if there is a pandemic period like today.

2) Provide experience in writing scientific papers as well as the application and development of theories gained during college to real field phenomena.