# **CRISIS MANAGEMENT CONDUCTED BY BALI TOURISM BOARD** (BTB) DURING THE MOUNT AGUNG VOLCANO ERUPTION

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### ABSTRACT

This study aims to determine the implementation of crisis management, which was carried out by the Bali Tourism Board (BTB) in Bali tourism recovery efforts due to the disaster of the Mount Agung eruption. Crisis management is needed to help restore the trust of tourists and tourism industry players and minimize the impact of the crisis on the destination. This research is qualitative research by collecting data using interview methods and documentation. This research shows that the crisis that emerged in Bali's tourism sector was at a serious level, where the crisis caused losses to the Bali tourism industry, both in the form of economic losses and the image of Bali. A series of crisis management actions were carried out by BTB which was divided into 5 steps; 1) crisis identification; 2) crisis analysis; 3) crisis isolation; 4) choice of strategy; 5) controlling program.

Keyword: crisis management, tourism crisis in Bali

#### **INTRODUCTION**

Tourism sector is one of the most vulnerable sectors affected by changes that arise from internally and externally occurrence (Evans Nigel and Sarah Elphick, 2005). The most easily observed thing is a drastic decline in terms of tourist visits in a crisis-affected destination for a certain period. Bali as one of the tourist destinations in the world has struggled for years to survive from various internal and external problems. After succeeding in restoring tourism conduciveness from terror incidents since 2002 and also national terrorism issues, a few moments ago Bali was hit by the mount Agung eruption.

From November 2017 to 2018, I Gusti Ngurah Rai International Airport has undergone several closures. The closure of the International Airport indeed has impacted on the Bali tourism industry. The current crisis in Bali is a multidimensional crisis which includes the economic sector and the safeness. Moreover, the biggest impact is a crisis of trust from several countries in the world which caused the called out of travel warnings to Bali. As is the case with other tourism destinations as revealed by Sharpley (2005) the spectrum of crises impacting on the tourism and hospitality industry is large, ranging from terrorist attack in Madrid (2004), Jakarta (2003), Bali (2002), and the September (2001), natural disasters such as Boxing Day Tsunami affecting large parts of coastal South East Asia in 2004.

It is inevitable that tourists will be hesitant to visit a tourist destination including Bali due to the spread issues and sometimes inaccurate information about the destinations. According to Ruslan (2003) in a crisis situation, an organization

will be faced with a negative tone from the public, coupled with the pressure of coverage from the press or journalists who display opinions subjectively and massively.

To anticipate the negative impacts that might occur, various actions have been taken to restore the image of Bali as one of the safe and comfortable tourism destinations. The government cooperates with all relevant stakeholders especially Bali Tourism Board (BTB). BTB is also known as Indonesian Tourism Industry Association/*Gabungan Industri Pariwisata Indonesia* (GIPI). Pfor (2006) stated that Governments in Southeast Asian countries have experience and focus on crisis management in certain destinations by emphasizing the action in delivering information and communication to foster coordination with various relevant parties.

Smith (2005) explained that crisis management is a process needed by an organization related to issues that are out of control. While according to UNWTO in the field of tourism, crisis management is required to help to restore the confidence of tourists and tourism industry players to minimize the impact of the crisis on the visiting area (www.world-tourism.org).

After being involved with the Bali Recovery Program while the Bali Bombing, in 2017, BTB cooperated with government authorities to conduct crisis management from the Mount Agung eruption. Every crisis that occurs has its own way of handling, as well as the crisis in Bali where the tourism sector has been standing for long time as the region's largest income. The synergy in handling the Mount Agung crisis is carried out between the central government, regional government and BTB. In this study, intends to find out the implementation of crisis management carried out by BTB in efforts to recover Bali tourism due to the impact of the eruption of Mount Agung.

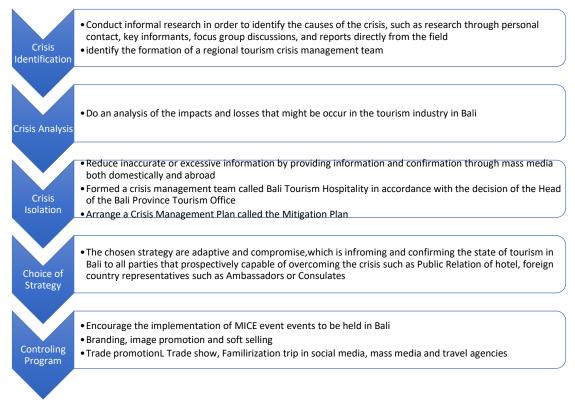
### **METHODOLOGY**

This research is a qualitative descriptive study. Analysis of the data used begins with the process of organizing and sorting data into patterns, categories, and basic units of description so that themes can be found (Moleong, 2002). Qualitative data is data that shows the quality of something that exists in the form of a situation or process of events and others expressed in the form of words (Nawawi dan Martini, 1993). The technique of taking informants is purposive sampling technique. Purposive sampling technique is a technique for determining research samples with certain considerations aimed at making the data obtained to be more representative (Sugiyono 2010). In this study, sampling was taken from the members of the Bali Tourism Hospitality, as follows: Head of the Bali Provincial Tourism Office, Chairman of the Bali Tourism Board, Chairman of the Bali Hotel Association (BHA), Secretary General of Bali Tourism Promotion Body (BPPD) Bali.

### DISCUSSION

Crisis management is a process in which actions such as planning, organizing, activating and monitoring are carried out to overcome the ongoing crisis. Crisis management is needed to help to restore trust of tourists, tourism industry players and minimize the impact of the crisis on the tourism sector in Bali. In this case the BTB along with stakeholders carried out a crisis management process in an effort to tackle the prolonged impact to tourism industry that might occur due to Mount Agung eruption disaster.

## Figure 1 5 Crisis Management Steps Conducted by BTB



# Source: Collected data from representative information

Based on the Figure above, it can be seen that there are 5 crisis management steps carried out by BTB, in an effort to tackle the disaster of Mount Agung eruption on the tourism sector in Bali. These steps include: (1) crisis identification, (2) crisis analysis, (3) crisis isolation, (4) choice of strategies, and (5) control program. From each step taken, BTB always coordinates with all stakeholders so that later steps or programs implemented can reduce the impact or losses experienced by the tourism sector in Bali due to the disaster of the Mount Agung eruption.

### **1.** Crisis Identification

Initial research is conducted in order to identify the crisis by obtaining the facts and data. Types of researches were done in various models such as personal contact, research using key informants, focus group discussion and direct report from the field. The BTB together with all agencies incorporated in it to discuss the formation of a regional tourism crisis management team together with the Bali Provincial Tourism Office. This is done to prepare possible technical action to take care of and handle the tourist if the airport is closed.

#### 2. Crisis Analysis

The tourism sector is an important sector for most people on the island. The Mount Agung eruption disaster has had a considerable impact on the sustainability of tourism in Bali. This is also made worse by the emergence of rumors circulating in tourists who consider that the disaster of the Mount Agung eruption will shake the whole of the island.

With the spread of rumors, many tourists have been reluctant to travel to Bali. Moreover, with the operational closure of I Gusti Ngurah Rai Airport for 3 days, it has caused a loss of 12 billion rupiahs. This gives a considerable loss to the economy of Bali. Tourism business is predominantly source of income to most people in Bali. If this happens it will have an impact on the economy as a whole. The following table is a data that shows estimates of losses occur in Bali during the fourth quarter of 2017.

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Estimated number of guests canceling their visit to Bali in the fourth quarter of 2017		Average length of stay (Hari)	Average expenditure per day (Rp)	Estimated Lost Income to Business Provider
Foreign tourist	1.812	2.8	1.302.376	6.607.734.874
Domestic tourist	1.455	2.14	520.000	1.619.124.000
Total				8.226.858.874

Table 1Estimated Lost Income to Business ProviderFourth Quarter Period 2017

Sumber: Bali Tourism Board, 2017

Based on the above table, it can be seen that the disaster of the Mount Agung eruption had an impact on income losses for businesses of Rp 8.23 billion. According to the BTB Chair, this is called an opportunity lost. If this continues, all economic activities of the Balinese will be lost.

### 3. Crisis Isolation

Isolation of the crisis is needed to prevent the crisis from spreading. This stage was intended to isolate the main crisis from a series of other crisis events as a consequence of the emergency. The isolation step is carried out by doing a number of methods by reducing the issue regarding the state of Bali due to the disaster in the forms of providing information and confirmation. Mass media and social media are the most effective means to inform the actual situation of Bali. This is in accordance with the results of interviews obtained with tourists, that as many as 47% of tourists know the state of Bali which is being hit by the disaster of the Mount Agung eruption from social media. The existence of social media can be a conduit of information both negative and positive. Therefore to anticipate the spread of negative news, the BTB together with all stakeholders provide the latest information related to the Gunung Agung eruption on social media.

Moreover, a video was made showing a map of Bali Province and the areas affected by the Mount Agung eruption. Another step taken by BTB together with all stakeholders is to form the Crisis Management Team. Crisis Management Team or crisis management team is a group of people in organizations with different backgrounds, which are formed into a team to deal with any crisis that befell the organization.

This special team was formed based on a decision from the Bali Provincial Tourism Office with a number: 556/008/V/Dispar date 2 January 2018 about the member of *Bali Tourism Hospitality*. The formation of this team is the result of the identification of all stakeholders with BTB, regarding the importance of establishing a regional tourism crisis management team. Bali Tourism Hospitality was formed based on the consideration that Mount Agung activities can cause eruptions that have an impact on flight activities, cancellation of lodging and reschedules of tourist visits to Bali, and disturbances that have the potential to reduce tourist visits to Bali.

#### 4. Choice of Strategy

After analyzing and isolating the crisis, it is important to determine which strategy will be used. The BTB together with all the elements incorporated in the Bali Tourism Hospitality draw on various strategies. The strategy taken is more adaptive and compromise. The forms are to provide information and confirmation to all parties who are considered potential to be involved in minimizing the impact arising from this crisis. The strategies are; 1) invited Public Relations Hotels throughout Bali; 2) Invite the Ambassador or representatives of other Countries to Bali.

#### 5. Control Program

The action chosen in the control program is a recovery program. Recovery is an attempt to restore the organization to normal conditions. This can mean restoring public trust in the organization, which means communicating the recovery process carried out by the organization, by involving influential people related to the crisis experienced by the organization towards a normal situation before the crisis.

This recovery program is a program run by the Ministry of Tourism of the Republic of Indonesia in collaboration with the Bali Provincial Tourism Office and the BTB. In this recovery program there are several programs that are implemented, including:

- 1. Stimulating governmental MICE event, BUMN, private enterprises to be held in Bali. This is expected to accelerate the recovery of Bali tourism.
- 2. Branding, Image promotion, dan soft selling
- 3. Trade Promotion: Tradeshow, Familiarisation Trip social media, traditional media and travel agent.

### CONCLUSION

Based on the results of the discussion, it can be concluded that the crisis that emerged in Bali's tourism sector is at the level of acute crisis, where this crisis caused losses to the Bali tourism industry, both in the form of economic losses and the image of Bali. The crisis management program carried out by BTB also focused on communication activities, namely communicating the state of tourism in Bali which has gradually recovered and conducive as one of the tourist destinations in the world. This is intended to be able to shape public opinion towards a positive direction about the state of Bali internationally. BTB positions itself as an organization that delivers communication and information, representation, consultation to tourism stakeholders include central and local government, business providers, tourist, public.

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