

VIRTUAL TOUR AS AN ALTERNATIVE FOR DESTINATION MARKETING DURING THE PANDEMIC OF COVID-19

^{1*}Sulistyo Budi Utomo, ²Triyonowati, ³Titik Mildawati

¹Management, Sekolah Tinggi Ilmu Ekonomi Indonesia, Surabaya

² Management, Sekolah Tinggi Ilmu Ekonomi Indonesia, Surabaya

² Management, Sekolah Tinggi Ilmu Ekonomi Indonesia, Surabaya

Author's email: sulistyo@stiesia.ac.id; triyonowati@stiesia.ac.id; titikmildawati@stiesia.ac.id

Abstract

This study highlighted the use of Virtual Reality as a tool for a Tour Operators to promote a destination. During the pandemic of Covid-19 many destinations were not allowed to open for public. Hence, many people who work in the tourism industry were unemployed. Thus, the use of Virtual Reality to keep the destination alive can help people in the tourism industry. In this digital world and fast booming business environment it is imperative to keep up with competitors, thus businesses incorporate new technologies to enhance their products and services. Although, Virtual Reality or Augmented Reality is a relatively new technology that most businesses have started using to give their consumers a better experience of their services. The Tourism Sector has taken this technology to a whole new level. Tour Operators have started using this technology to offer their customers a life like experience of the destination they intend to travel to, prior to their visits. This strategy also helps to promote destinations so that people can still have their holiday at home. As a result, numerous Tour Operators have seen an increase in business as tourists seek out more services that assure them that their decisions are correct. The topic of virtual reality in tourism is as niche as the technology itself, and it can be explored from a variety of angles, including user friendliness, feasibility, cost, and support for businesses. Tourism, being a burgeoning and never-saturating industry, necessitates ongoing innovation to keep travelers interested in taking advantage of all the new services that Travel Agencies and Tour Operators can provide. Thus, the study elucidates the benefits of implementing Virtual Reality in the Tourism Business during the pandemic of Covid-19.

Keywords: *Virtual Reality, Marketing, Tour Operators, Covid-19, Tourism*

1. INTRODUCTION

Tourism is a short-term movement of people away from their homes to a place or location. It is carried out for a variety of reasons, the most prominent of which being relaxation and leisure. Tourists contribute to the economy of the destination by purchasing goods and services during their visit. Tourism is also one of the fastest growing economies, contributing to foreign exchange, employment, learning, and worldwide earnings. Tourism is a pursuit of pleasure, as well as a habit of vision, the task of attracting, satisfying, and energizing guests, and the task of working visits. Tourism, according to the World Trade Organization, is defined as "moving beyond or traveling to and staying in places beyond one's typical environment for not more than one year for business, recreation, or other objectives." Tourism generates a significant amount

of revenue for the local economy in the form of hotel rooms. The terms 'travel' and 'tourism' can be used separately or in combination to derive three notions, namely, The movement of an individual or a group of the people from homeland to a different destination; An important contributor to the economic sector; A broad system that caters to the needs of people wanting to travel out of their normal places of stay to different destinations and tending to their requirements. Because tourism is a recreational activity that everyone will seek at some point in their lives, it is one that can experience temporary setbacks due to a variety of factors, but it is one that will never drain. Apart from the destinations themselves, tourism benefits a variety of other industries, including transportation, product suppliers at the destination, hospitality, and the hotel industry, to name a few. Tourism has been characterized in the past as Antiquity, Middle Aged, and Grand Tours, depending on the objective of the tour and the people that took part in it. Although the Grand Tour became a key symbol for the presentation of class, this classification was developed to systematically respond to the needs of the separate groups depending on the criteria. Tourism worldwide dropped significantly during the global crisis of the late 2000s, with the pandemic of the H1N1 influenza virus in 2008-2009, later the COVID-19 since 2020 until today having a role in the industry's depletion. Despite the fact that the business started to recovery, it has been a significant provider to foreign exchange and the world economy ever since. Hence, the pandemic of COVID-19 had opened up a wide variety of chances for the creation of new marketing strategies. Beside that the digital technology helped people building unique services for tourists visiting areas. This has resulted in a significant increase in the tourism industry's contribution to the global economy. Technology has improved the quality of services and made connecting with the destination and other service providers easier for travelers.

2. LITERATURE REVIEW

1.1 Virtual Reality

The definition of the term 'Virtual Reality' (VR) can be drawn from the two terms themselves, with 'virtual' meaning close and 'reality' indicating something a human can experience. As a result, 'near-reality' plainly refers to human people. The term "virtual reality" refers to a type of reality simulation. In technical terms, it is a three-dimensional computer-generated environment designed to simulate real-life situations. Physical surroundings and props are occasionally utilized to enhance the experience.

Virtual Reality is a sensory experience that combines the senses of sight and sound. Ivan Sutherland discovered this technique in 1968 with the help of his student, Bob Sproull, who developed the most well-known first head-mounted display for immersive simulation applications. Users assume they are in a simulated situation when they are in such a made-up setting. Virtual Reality Statistics (Palmer, 2009) Virtual Reality is user-friendly and accessible to people of all ages. Unless it is persuaded to contribute to various services, virtual reality is not pricey. Virtual reality is attracting the attention of major brands. Virtual reality will never be able to replace real-life experiences.

Virtual Reality (VR) is a relatively new technology in the travel and tourism industry. Tour operators frequently utilize it to show their consumers a live broadcast of their well-prepared tour packages. Customers can also download apps that do the same function. Travelers can use Virtual Reality to preview the sites they want to visit and obtain a life-like experience that will assist them pick what they want to see on the tour. Virtual Reality is currently a niche market, according to an article, and there are a variety of ways in which it can be used. One of them is to help the advancement of the Tour Operator's operations (Graham, 2016). According to the findings, using virtual reality as a creative marketing strategy to promote a destination and provide a taste of the place before they arrive has resulted in increased business for a number of top tour operators.

Individuals are able to design their packages based on the destinations that suit their comfort thanks to the huge possibility that Virtual Reality has brought. It's especially useful for places that don't have a top-tier attraction with a lot of name recognition but do have a lot of

natural or cultural attractions that give visitors the confidence that the place is worth visiting. Virtual reality is one of the most incredible technologies in existence, yet it still pales compared to real life, especially when it comes to creating memories that are inextricably linked to in-person travel (Mandelaum, 2016).

Virtual reality may provide users with a preview and understanding of how to include virtual tours into their planning processes, which could be quite beneficial. It's a high-tech "try before you buy" technology that allows travelers to get a taste of a location or activity before deciding to visit. VR also allows for complete immersion in exhibiting drugs and messages because it necessitates the use of a headset, which eliminates external distractions while immersed in the content (Barnes, 2016).

In terms of tourism, the article discusses how virtual reality (VR) may be employed as a creative marketing strategy that not only boosts tour operator revenue but also improves destination management techniques (Livermore, 2015). Various industries are already experimenting with virtual reality, and the results have been overwhelmingly good. The use of virtual reality in the tourism business not only enhances the value of tourism in previously unknown areas, but it also has a wider impact on the global economy.

The article also discusses the most reputable brands and firms that provide this service, as well as how it is used in various fields. Another article from the same year discusses virtual reality and the several possibilities it can provide to the tourism industry and researchers (Guttentang, 2015). As virtual reality technology advances, the number and importance of such applications will definitely grow. Six areas of tourism in which VR can be particularly useful are planning and management, marketing, entertainment, education, accessibility, and heritage preservation.

The use of new media and new opportunities in education, as well as the concerns associated with these technologies, were highlighted, particularly in the study of tourism and history (Kysela, 2015). Thanks to motion and geo-location sensors, new media through a user interface improved the control of mobile applications and enabled for data presentation based on the user's surroundings. The essay focused on Augmented Reality (AR) technology and how it could be applied in education. One of the newest technologies, augmented reality, provides new ways of effectively and beautifully educating.

Though research on virtual communities had been extensive, the concept appeared to be ill defined and the understanding of the members' needs remained fragmented. The purpose of the study was to identify a theoretical foundation of the concept of a Virtual Tourist Community based on the core characteristics and the fundamental needs of the community members. Perspectives of how one could define and interpret virtual communities within the Tourism Industry were discussed and issues related to the functions of the virtual communities were explored from the members' viewpoints. Implications were made regarding the virtual communities in the Travel Industry from marketing and design perspectives.

The immense influence that VR has on the industry but however speaking of Wine Tourism in specific it does not create much of an impact (Goncalves, 2014) has been studied. Technological evolution has led to a significant transformation in tourism organizations, particularly those that focus their activities on particular themes or segments, such as Wine Tourism. Because the majority of Portuguese Wine Tourism Organizations lack the essential information and communication technology (and inherent technologies) to become globally competitive, the concept has been applied to them. According to the literature, for a tourism experience to be memorable, it must be emotive and immersive, allowing tourists to feel fully immersed in their surroundings.

A Virtual Reality Serious Game has been presented that allows the user to learn more about the city of Valladolid in Spain (Zarzueta, 2014). The Main Square and other of the downtown's historic structures have been practically recreated in the game. The Town Hall Square's distinctive tiled floor has been used to depict a game board. Different tiled floors are squares that hide questions, and the user controls the game using a Microsoft-based Natural User Interface.

Virtual Reality's growing popularity and its impact on the tourism industry are also highlighted (Cheong, 2013). The concept could have a negative impact on tourism in certain locations. Although it is used by a number of tour operators to promote tourism and the quality

of services supplied there, it may pose a danger to service providers' marketing plans in host destinations, since their products and services may go unrecognized. Directors in the twenty-first century must evaluate the multiple opportunities and risks that internet networking and inventive clients present, as well as the resulting individual shifts in loci of action, power, and esteem (Naeem, 2013).

The author presents crucial axioms to help managers grasp this new paradigm. Specifically, Social Media is always a function of a country's or context's technology, culture, and government; local events rarely stay local; global events are likely to be reinterpreted locally; creative consumers' actions and creations are also influenced by technology, culture, and government; and finally, technology is historically influenced. The managerial recommendation to be up to date on technology, customers, and social media is at the heart of these axioms.

Marketers must actually engage customers, embrace technology, minimize the influence of bureaucracy, train and invest in their people, and tell top management about the opportunities of social media to follow this managerial proposal.

In response, the article proposed a virtual walking tour based on virtual reality as a carbon-conscious alternative (Schott, 2013). The research examines virtual fieldtrips as a useful tool for experiential learning, as well as their impact on greenhouse gas emissions and climate change education. Unsurprisingly, there is a considerable difference in Greenhouse Gas Emissions between a real and virtual fieldtrip, while there is also substantial evidence of climate change-related learning. A study was carried out in order to determine the level of acceptability of 3D technology in Virtual Reality (Huang, 2013). The article went on to explain how the virtual world of Second Life allowed businesses to communicate marketing messages to specific audiences and capture the attention of potential buyers.

The travel and tourism industry has also embraced Second Life as a collaborative and commercial platform for connecting with travelers, marketing tourism locations, and managing businesses. However, just a few research have used formal theory to investigate the role of virtual worlds in tourism destination marketing.

By exploring the application of the Technology Acceptance Model and Hedonic Theory, the goal of the study was to build a research framework for identifying the aspects that affect tourists' experiences and behavioral intentions within a 3D Tourism Destination. The study could aid destination managers in creating interesting and interactive 3D tourism destination sites, which could lead to an increase in people's interest in visiting tourism places in the future.

To promote tourism destinations, new technologies are being applied as part of Creative Marketing Strategies (Marasco, 2012). The goal of the study was to see how virtual reality experiences developed with the latest generation of wearable devices influenced people's decisions to visit specific sights and attractions in a destination. To that end, the study looked into whether Virtual Reality's Perceived Visual Appeal (PVA) and users' Emotional Involvement (EI) had a favorable impact on visitors' behavioral intentions to visit a cultural heritage site in a destination post pandemic of COVID-19.

Virtual Reality (VR) is a newer technology. The travel and tourism industry has begun to promote this technology in order to improve their services and keep up with the rest of the globe. Although Tour Operators are very interested in and employ virtual reality technology, it is still an expensive installation and a notion that may or may not benefit the operator until the service is really used. As a result, the concept of virtual reality in tourism will not work for all economies, and it will need to be made more realistic.

The study's main goals are to comprehend and investigate the role of e-commerce in virtual tourism and destination management, as well as to determine the reasons for tour operators' increased usage of virtual reality as a creative marketing strategy.

3. RESEARCH METHODS

The research was carried out by gathering data from travelers as well as a number of Surabaya's most well-known tour operators. Following that, as part of the implementation process, the study's beneficial outcomes will be recommended to tour operators. The concept was primarily aimed towards the business sector, thus survey data was gathered from the

general public, ranging from frequent visitors to regular vacationers, to determine their level of pleasure and popularity with VR.

The responses to the research questions were exploratory and analytical. For the purpose of the study, data was collected from both primary and secondary sources. The primary source for collection of data included a questionnaire that was distributed to the respondents. The secondary sources included the journals, newspaper articles, Websites that were reviewed. The questionnaires were distributed online, through both mail and social media and the hard copies were distributed to the general public. The questionnaire included multiple choice questions which made it easier for the respondents and Likert Scale questions. 200 respondents were selected from the Tourism and Traveling Sector of Surabaya.

Tabulations and graphical representations were used to analyze the collected data and develop findings and interpretations. In addition, statistical approaches such as descriptive statistics and test applications with the help of SPSS were used in the data processing and analysis.

4. RESULTS AND DISCUSSION

The goal of the study was to look into the impact of technology on virtual reality and how it may be used by tour operators as a creative marketing strategy to promote a destination during COVID-19 pandemic. Virtual Reality, also known as augmented reality, allows users to see a 360-degree perspective of a location or environment, and it is commonly utilized in situations where a person wants to feel the presence of a location without actually being there.

The travel and tourism industry is always evolving, and it is on the hunt for new and inventive technology to attract tourists to a particular place or leisure activity. Virtual Reality, in this situation, plays a significant part in the industry, and it is effectively employed to increase business and tourism. Virtual reality has helped undiscovered destinations gain appeal, as well as expanded the travel and tourism market in a variety of countries. Because it is a technological advancement, many tour professionals have begun to use this technology to provide their customers with a life-like experience before to their visit, as they will be able to better comprehend what the destinations will have in store for them. A virtual reality travel experience will be the starting point for passengers now and in the future. The research was able to understand the various reasons for how the listed objectives were met through the analysis and interpretation of the collected data.

The majority of the respondents were between the ages of 18 and 50, as the survey was aimed primarily at Millennials and members of the working class. The respondents' occupations spanned from undergraduate students to IT professionals, business owners, and service industry workers.

Nearly half of the respondents chose leisure travel, with only a handful opting for work travels, indicating that respondents were mostly searching for a break from their daily grind. The largest frequency of travel was once a year, and a significant percentage of them also traveled every month, according to the data.

Only a small percentage of respondents used tour operators to plan their trips. Almost 80% of the people who responded said they like to organize their trips on their own. A large proportion of working respondents took caretted excursions organized by their respective firms to meet company needs or even family packages funded by the company. Tour operators were chosen mostly on the basis of word-of-mouth marketing and advertising activities. Tour Operator advertisements were only seen by a small percentage of respondents.

Many respondents stated that if tourism in many areas was not marketed on a worldwide scale, it would plummet especially during the pandemic of COVID-19. The study discovered that tour operators may employ virtual reality technology to effectively attract tourists to a destination.

The study found that the introduction of E-Commerce had opened up a plethora of options for execution, carrying specialized concepts and putting them to use in real-world circumstances. It is because the majority of respondents in the study felt that E-Commerce is a good concept, it can be assumed that E-Commerce has influenced the emergence of new

technology in the market and that using it to improve business is essential.

The majority of respondents were familiar with the notion of virtual reality tourism and how it could affect their travel plans. This was due to the fact that the majority of the Study's respondents were students or young professionals who were aware of current market and technological trends. They were also receptive to the notion of taking a virtual tour of the location they intended to visit. Few people said they didn't like the concept of seeing a place before going there. According to the study, there was also a tiny number of respondents who were averse to the idea of Virtual Reality, implying that they were either uninformed of the technology or unsure if they wanted to experience it as part of their vacation.

On the characteristics of Feasibility, User Friendliness, Popularity, and Market Presence, respondents were asked to rank Virtual Reality Tourism on a scale of 1 to 5, with 1 being very low and 5 being very high. The majority of respondents felt that VR Technology moderately satisfied all of the factors. To further understand the importance of E-Commerce in Virtual Tourism and Destination Management, a Correlation Analysis was conducted. The Correlation between the Variables is shown in the table below.

<i>The Role of E-Commerce in VT (Virtual Tourism) and Destination Management</i>		<i>E-Commerce has taken over and create opportunities for execution of Niche Ideas</i>	<i>Conventional Modes of Marketing a product/service over Next-Gen Ideas</i>
<i>E-Commerce has taken over and create opportunities for execution of Niche Ideas</i>	Pearson Correlation	1	.034
	Sig. (2-tailed)		.633
	N	200	200
<i>Conventional Modes of Marketing a product/service over Next-Gen Ideas</i>	Pearson Correlation	.034	1
	Sig. (2-tailed)	.633	
	N	200	200

To determine whether there was a significant relationship between the two variables, Pearson's Product Correlation was used. The results revealed that there was a high positive correlation between the two variables, with $P = 0.034 > 0.05$, indicating that both variables are interdependent. The below table revealed a high positive link between Tour Operators' usage of VR Technology to attract travelers and Virtual Tours of Destinations prior to their arrival ($P = 0.069$, which is close to 1).

<i>Use of Virtual Reality as a Creative Marketing Strategy by Tour Operators</i>		<i>Use of VR by Tour Operators to attract Travelers</i>	<i>Virtual Tour of Destinations prior to visit</i>	<i>Reasons to choose a specific Tour Operator</i>
<i>Use of VR by Tour Operators to attract Travelers</i>	Pearson Correlation	1	.227**	.056
	Sig. (2-tailed)		.001	.430
	N	200	200	200
<i>Virtual Tour of Destinations prior to visit</i>	Pearson Correlation	.227**	1	.069
	Sig. (2-tailed)	.001		.334
	N	200	200	200

As a result of the analysis, it was discovered that there is a significant link between tour operators' usage of virtual reality to attract travelers and travelers' decision to take a virtual tour of the destination before visiting. The study discovered that Social Media was an effective medium for promoting Virtual Reality. With the widespread usage of Social Media Platforms to communicate with the rest of the world in today's world, it's only natural to think of Social Media as the greatest platform for promoting Virtual Reality technologies. Travelers believe that Tour Operators will be able to change their office space into a digital presence that will provide their customers with an accurate life-like view of the destination they wish to visit by applying Virtual Reality Technology or the 360 Degree Augmented View.

Despite the fact that many respondents were skeptical of Next Gen Ideas, believing that only traditional methods of promoting and marketing travel products could still be effective, Tour Operators believed that by designing new and more creative advertisements and spreading

information on the use of technology in their businesses through Social Media Platforms, they would be able to attract a larger number of customers of all ages.

VR Technology will not only improve business and provide a far-flung market presence, but it will also provide a long-term platform for customer interactions, triggering an automated idea and strategy for client retention.

CONCLUSION

In a rising economy and in this innovative environment, it is critical to continually adopt new technologies and updates in order to keep up with the fast-paced scale. Virtual reality is one of the supporting new technologies that has not only performed successfully in the market on its own but has also aided the growth of other businesses. Virtual reality has made a significant contribution to the rising economy. Because tourism is a human activity that will never become saturated, it is critical to keep up with current trends and come up with novel strategies to stay on top of the business. Virtual Reality will continue to play a critical role in the development of individual enterprises as well as the promotion of rarely visited areas. Virtual Reality in Tourism is a new concept with a lot of potential for mainstream adoption. VR Technology will undoubtedly have a good impact on the tourism sector; however, as with many other new products or services on the market, it may take some time for a bigger portion of the business to adopt this technology; otherwise, VR will undoubtedly have an impact fairly soon.

REFERENCES

- Cheong, R. (2013). The Virtual Threat and current issues to Travel and Tourism.
- Graham, L. (2016). *Virtual Reality Devices could transform the Travel Experiences*. Retrieved from <http://www.cnbc.com/2016/01/08/virtual-reality-devices-could-transform-thetourismexperience.html>
- Guttentang, D. A. (2015). Virtual Reality, Applications and Implications of Tourism.
- Huang, Y., Backman, S. J., Chang, L., Backman, K. F., & McGuire, F. A. (2013). Experiencing student learning and tourism training in a 3D virtual world: An exploratory study. *Journal of Hospitality, Leisure, Sport and Tourism Education*, 13, 190-201
- Kysela, J. (2015). Using Augmented Reality as a medium of teaching History and Tourism.
- Livermore, N. (2015). *Virtual Reality primed to become a tourism marketing reality*.
- Mandelaum, A. (2016). *How Virtual Tourism will enhance real world travel*.
- Marasco, A. (2012). Exploring the role of next-generation virtual technologies in destination marketing.
- Naeem, B. (2013). Do creative marketing strategy and its effective execution promote business performance? An empirical assessment.
- Schott, C. (2013). Virtual fieldtrips and climate change education for tourism students. DOI: <https://doi.org/10.1016/j.jhlste.2017.05.002>