
Research Article

Royal Victoria Hotel Industrial Strategies and Efforts Towards the Impact of The Covid-19 Pandemic

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ABSTRACT

The spread of the COVID-19 Virus occurred very quickly, the lack of responsive public awareness caused the virus to spread and eventually claimed lives and caused unrest. The COVID-19 pandemic has also affected economic activity. The impact of COVID-19 on the hospitality industry in Indonesia has also been badly affected. Various strategies were carried out by the hotel industry and the government in reducing the impact of increasingly large losses. The research aims to analyze the strategies and efforts of the Hotel Victoria industry towards the impact of the COVID-19 pandemic. A qualitative descriptive approach is the foundation of research by collecting data through observation, interviews and document studies. The conclusions from this research are; The occupancy rate of the Hotel Royal Victoria has fallen sharply. In 2019 the occupancy rate of Hotel Royal Victoria was 37%. The impact of the COVID-19 Pandemic includes decreasing hotel occupancy rates, increasing operational costs, and termination of employment. The strategies implemented by Hotel Royal Victoria in dealing with the COVID-19 pandemic include: having a CHSE certificate, issuing frugal Meals Box and Rice Bowl packages, promoting on social media, offering room rates with a 50% discount on travel platforms, and conducting employee reviews. whose contract has expired. These strategies were recognized as very effective and helped Hotel Royal Victoria survive during the COVID-19 pandemic.

Keywords: Industry efforts, Strategies, The impact of the COVID-19 pandemic.

Background

On March 2 2020, the COVID-19 virus was first discovered in Indonesia. The hospitality industry has been heavily affected by the COVID-19 pandemic, and East Kalimantan

Province is no exception. The COVID-19 virus can spread directly through the coughs or sneezes of an infected person, which is then inhaled by a healthy person. In addition, the COVID-19 virus can spread indirectly through

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splashes or by touching infected hands. Although the COVID-19 virus can survive on inanimate objects for hours, even days, people can prevent its spread by using disinfectants. The crisis and the death rate of COVID-19 in Indonesia are increasing due to a lack of public awareness and the rapid spread of the outbreak (Nasution et al, 2020).

The rapid rate of spread of the virus and the delay in public awareness resulted in the virus spreading even more and eventually causing casualties and unrest in the community. Not only that, the COVID-19 pandemic has affected the Indonesian economy. The Indonesian tourism industry, which has many tourist destinations, eventually closed or restricted access, thereby affecting the number of tourists visiting hotels in Indonesia.

The COVID-19 pandemic has clearly had a negative impact on the Indonesian hospitality industry. In order to prevent the spread of the COVID-19 virus, many hotels have been forced to close because there are no more guests, and food businesses and gatherings are restricted. Currently, there are many policies that have been carried out by the Central Government to inhibit the spread as well as policies in the economic and social welfare fields which have a great impact on all lines of society regardless of rank and class and strata of people's lives (Nasution et al, 2021). Coupled with the government's advice to stay at home, work at home, study at home so that many of the hotel industry are experiencing symptoms of bankruptcy. Based on data from the Indonesian Hotel and Restaurant Association (PHRI) (2021), the occupancy rate of hotels in Indonesia in 2020 will drop by 30-40%. Several hotels have also experienced a reduction in revenue of up to 80-90% as a result of the COVID-19 pandemic. In addition, the COVID-19 pandemic has also required hotels in Indonesia to follow strict health protocols and adjust their hotel operating patterns. This resulted in the hotel having to spend an additional budget to provide these tools and equipment, such as hand sanitizers, masks and protective equipment for employees (Nasution, 2020).

According to BPS data, the Room Occupancy Rate (TPK) of hotels in East Kalimantan Province in January (2022) was 60.78 percent.

TPK for January 2022 fell 1.84 points compared to TPK for December 2021. The average length of stay for guests (RLMT) in January 2022 reached 1.70 days which was divided into 1.70 days for domestic guests and 3.28 for foreign guests. day. The January 2022 RLMT has decreased by 0.15 days compared to January 2021 RLMT. In January 2022 there were no foreign tourist visits to East Kalimantan Province. This figure is certainly very far away when compared to data in 2019 before the impact of COVID-19.

Until now, cases of COVID-19 have gradually decreased. The World Health Organization (World Health Organization/WHO) (2023) hopes that the status of COVID-19 will change from a pandemic to an endemic by the end of 2023. It is supported by the many available vaccines and treatments as well as increasingly sophisticated and complete laboratory systems. The COVID-19 pandemic has given new hope to the hospitality industry to survive and maintain their business. That's why the writer is interested in doing research.

Several studies have been conducted, including "The repercussions and challenges of COVID-19 in the hotel industry: Potential strategies from a case study of Indonesia" by Arnold and Ringkar (2021) conducted a literature review on the impact of COVID-19 on the hospitality industry, particularly hotels in Indonesia, one of the largest developing countries. This research discusses that the hotel industry must work with stakeholders to find the best solutions and ensure that these strategies and policies support each other. For example, other hotels may offer self-isolation packages (eg 7-14 day room packages with a COVID-19 medical test) or provide deep cleaning services from the home using their housekeeping department. Then, "Saving the hotel industry: Strategic response to the COVID-19 pandemic, hotel selection analysis, and customer retention" by Jinkyung and Jenny Kim (2022) this study investigates the effects of the COVID-19 pandemic on hotel selection and customer buying behavior. This study discusses the importance of maintaining hotel attributes before the COVID-19 outbreak and after the COVID-19 outbreak.

Another study entitled "A comprehensive review of the impact of COVID-19 on the global hotel industry" by Akhtar and Bhardwaj (2021) conducted a literature review on the impact of the COVID-19 pandemic on the global hotel industry. This research highlights the impact of the pandemic on demand, revenue and operational performance of hotels. This study also discusses strategies that have been implemented by hotels to survive during the pandemic, such as improving cleanliness and sanitation, developing technology, and offering special packages.

Hotel Victoria Sangatta is one of the hotels in the East Kalimantan area with four star qualifications. The hotel which is located on Jl. A. W. Syahrani No. 1 Rt.04 Teluk Lingga, North Sangatta, Kec. North Sangatta, East Kutai district, East Kalimantan. The location of the Victoria hotel is very strategic because it is located on a side street in the city center which is very busy. In facing this crisis, companies need to recognize the company's strengths and weaknesses, this can help companies determine marketing strategies, and can take advantage of the company's opportunities and strengths.

Research Methods

This research use descriptive qualitative approach. Qualitative methods are used in conducting the analysis in this study. According to Basri (2014) concluded that the focus of qualitative research is more focused on human elements, objects, and institutions, as well as the relationships or interactions between these elements, in an effort to understand a behavioral event, or phenomenon (Mohamed et al, 2010).

This writing aims to reveal the facts, circumstances, phenomena, variables and circumstances that occur when the writing is running and present it as it is. This study interprets and conveys data according to the situation that occurs, concerning the relationship between variables, differences between facts, the influence of a condition and others. Data collection techniques are sourced from primary data, primary data sources (Sugiono, 2017), namely: there is direct observation, the observation method in this research is observation carried out descriptively, namely the researcher tries to ob-

serve, record, record, and document the situation, direct interviews namely the question and answer process in research that takes place orally, and the existence of documentation.

In this study the authors used the concept of gathering facts, but did not test the hypothesis. This research was conducted at the Victoria Sangatta hotel, by visiting the Victoria Sangatta hotel directly when it was not closed and still operational. The information presented comes from the hotel manager at the hotel, as well as the hotel marketing staff. Types and sources of data consist of: primary data, data obtained from research locations in the form of interviews with sources related to questions to answer questions regarding the research title. Secondary data, data obtained from second parties that have been previously documented in the form of BPS, data from the mass media, as well as existing online media.

Data collection techniques use observation or observation techniques, by making direct observations related to the conditions of the research location and to matters related to the purpose of conducting research in order to obtain objective data. Then, interviews or interviews with data collection to related parties are carried out with responsibility freely but still in a focused condition. Then, documentation study, this technique is carried out by collecting data and studying webinar materials related to this research. The data analysis technique in this study uses qualitative analysis techniques.

Results and Discussion

Profile of Hotel Royal Victoria East Kalimantan

Hotel Victoria is a 4 star hotel located on Jl. A. W. Syahrani No. 1 Rt. 04 Lingga Bay, North Sangatta, Kec. North Sangatta, East Kutai district, East Kalimantan. Hotel Royal Victoria rooms consist of 1 Type Royal Suite, 2 Types of Executive Suite Rooms, 4 Types of Junior Suite Rooms, 18 Types of Deluxe Rooms, and 58 Superior Room Types (25 single twins, 12 ripples). There are room facilities such as WIFI and TV with international channels, safe deposit box, mini-bar, coffee and tea making facilities, bathtub with water heater. In the royal victoria hotel area there is a restaurant, Grand Ballroom, swimming pool, gym, karaoke, SPA,

meeting room, maloy coffee cafe and parking area.

Royal Victoria Hotel Occupancy Rate

The occupancy rate of the royal victoria hotel during the Covid-19 pandemic has decreased. In 2019 the occupancy rate became 37% and then increased in the following year, namely in 2020 it became 30%, in 2021 it became 48%, in 2022 it became 58%, and in January - April 2023 it became 57%. Decreased occupancy or occupancy rates are due to the higher transmission rate of the Covid-19 virus, which requires the royal victoria hotel to stop operating from April 2020 to June 2020. The decline in hotel occupancy rates can also be influenced by government policy, where the hotel must support the government in making efforts to suppress transmission rate of the COVID-19 virus.

There is a PPKM policy (Implementation of Restrictions on Community Activities) issued by the central government to prevent the spread of the virus. Previously, the government had implemented a large-scale social restriction (PSBB) policy which took place in several regions in Indonesia. The several PPKM regulations indirectly greatly affect the level of demand for hotel rooms, such as: 100% Work from home: The government recommends working from home and closing offices so as to reduce the need to stay at hotels. The essential sector is implementing a maximum 50% work from office (WFO) staff with health protocols. Restricting operating hours until 20.00 local time and limiting visitor capacity to 50% at supermarkets, traditional markets, grocery stores and supermarkets that provide daily needs. Shopping centers/malls/trade centers are closed. The implementation of eating/drinking activities in public places only accepts delivery/take away and does not accept dine-in: this causes the level of restaurant visits to hotels to decrease and requires the hotel to make new strategies in its marketing. Provision of food is only allowed in closed places and for take-away: Restaurants are closed and food-making activities are carried out outside the restaurant and outside the hotel, namely in the employees' mess of the Royal Victoria Hotel

which is located behind the Royal Victoria Hotel. Public facilities and tourist attractions are temporarily closed: This has caused the number of domestic and foreign tourists to drop drastically, resulting in a decrease in demand for hotel rooms. Wedding receptions are attended by a maximum of 30%: This has caused the holding of wedding events at the Royal Victoria Hotel to decline or not even exist. the lack of wedding events held in hotels while one of Royal Victoria Hotel's biggest revenues is the provision of a Grand Ballroom for certain events such as weddings, government events, business events, office grand openings, and so on. Similar to the results of Srimulyani's research (2021), it states that there has been a drastic reduction in the hotel occupancy rate of up to 14% in hotels in NTB. This decline occurred evenly in star-rated hotels and hotels with the type of guesthouses, hostels, resorts and hotels. However, this decrease has no effect on non-starred hotels.

This is also in line with the results of Adam's research (2022) which states that the impact of Covid-19 on the tourism sector in Kota Bangun has caused a decrease in foreign and foreign tourist visits which has resulted in a decrease in star and non-star hotel occupancy rates.

Impact of the COVID-19 Pandemic on the Royal Victoria Hotel

The impact of the Covid-19 pandemic on the hospitality business in Indonesia had a very significant impact, including the Royal Victoria Hotel in Sangata, East Kalimantan. Some of the impacts that have occurred based on the results of interviews, observations and document studies include: Decreasing the occupancy rate of the Royal Victoria Hotel: The government issued a policy during the Covid-19 pandemic which caused a decrease in hotel occupancy rates such as; work from home, implementation of WFO, and public facilities and tourist attractions are temporarily closed. Decreasing revenue for Hotel Royal Victoria: The decline in the occupancy rate of Hotel Royal Victoria will be directly proportional to the decline in the level of income for Hotel Royal Victoria. Apart from occupancy income, the largest revenue also comes from banquet and restaurant ser-

vices. With the existence of government regulations regarding wedding receptions that can only be attended by a maximum of 30% during the Covid-19 pandemic, the number of wedding events held at hotels has decreased. Not only wedding events but also government events, business events, and office grand openings have also declined. With the existence of a government policy, namely the implementation of eating/drinking activities in public places that only accept delivery/take away and do not accept food on the spot and the provision of food is only obtained in closed places and to be brought home, the restaurant was forced to close. Increased operational costs: Due to the Covid-19 pandemic, the government added health standards or protocols such as 5 M. The meaning of the 5M health protocol movement itself is: Wearing masks, Washing hands using soap and running water, Keeping distance, Staying away from crowds, and Limiting mobilization and interactions. The existence of the 5M movement resulted in an increase in hotel costs because they had to provide several medical devices to support the 5M movement such as; masks, soap, handwashing facilities with running water, handsanitizers, face shields, gun thermometers and PPE for employees. Then cleaning facilities and room sterilization are also increasingly being carried out when changing guests in hotel rooms.

Before the Covid-19 Hotel Royal Victoria carried out an environmental care movement by reducing plastic waste by implementing the use of jug in every room, but during the Covid-19 pandemic Hotel Royal Victoria again used sterile mineral water bottles in the supply of drinking water. Not only the use of jug, the Royal Victoria hotel has many activities in broadcasting the spirit of love for the environment including such as; Sorting the waste in the hotel area to be recycled and made into waste crafts by hotel employees which will be used as MHM exhibition materials, some recycled accessories such as wristbands which are then imported to a hotel in Bali. then the formation of Eco-Enzyme, and many others. Termination of employment: Hotel Royal Victoria will be closed from April 2020 to June 2020 resulting in the furlough of all employees. Then after re-operating Hotel Royal Victoria sorting

employees who have finished the contract period. According to research conducted by Paludi (2022) there are 4 negative impacts of the Covid-19 pandemic on the Indonesian tourism industry, namely; a decrease in the number of guest houses coming to Indonesia, thus having a negative impact on the occupancy rate of star hotels in Indonesia, a negative impact on workers in the tourism industry sector who are at risk of losing their jobs, and a negative impact on national income in the tourism sector.

From the results of an analysis conducted by Dariwardani (2023) in the 2 years of the Covid-19 pandemic, almost a quarter of the accommodation supply industry in Bali experienced a decrease in the number of businesses in both star and non-star hotels, then workers in the accommodation supply industry disappeared either becoming unemployed or moving to business fields. while the added value of the lost accommodation industry is estimated at 18.62 trillion rupiah during the pandemic.

The strategy implemented by the Royal Victoria Hotel while dealing with the COVID-19 Pandemic

Overall, based on the description of the results of the analysis and interviews, the impact of the COVID-19 pandemic has already been seen on Hotel Royal Victoria. However, Hotel Royal Victoria has taken several strategies to survive in the Covid-19 pandemic, the strategies used by Hotel Royal Victoria include: Having a CHSE certificate. CHSE Certificate (Cleanliness, Health, Safety, and Environment Sustainability) is the process of awarding certificates to tourism businesses, tourism destinations, and other tourism products to provide guarantees to tourists regarding the implementation of cleanliness, health, safety and environmental sustainability. The CHSE certification process goes through several processes, namely self-assessment, self-declaration, assessment by the auditor and then if the hotel meets the CHSE criteria, the auditor will issue a certificate to the business actor. The CHSE certificate standardizes health protocols so that the hotel is not only safe but also safe, the CHSE certificate can also attract visitors, customers or companies that will cooperate with the hotel. In addition, for the sake of maintaining the comfort and

safety of guests, as well as maintaining its image, Hotel Royal Victoria does not accept rooms as a Covid-19 quarantine place, Hotel Royal Victoria only accepts visitors who are waiting for the results of the Covid-19 SWAB test, and if the results are positive, the hotel will report and then move visitors to isolation. In addition, Hotel Royal Victoria also implements a product strategy.

Royal Victoria Hotel Management strengthened the Cavinton Food and Beverage team by issuing economical Meals Box and Rice Bowl packages. This activity aims to continue to increase sales during the Covid-19 Pandemic. Because the hotel has experienced sealing and is completely closed, food production is carried out outside the hotel area, namely in the employee mess which is located behind the Royal Victoria Hotel. Another strategy is the pricing strategy. The frugal Meals Box and Rice Bowl packages have been on sale since the hotel was closed, the prices offered are very affordable for consumers. Starting from Rp. 25,000.00 up to Rp. 30,000.00. This product can be ordered according to the time needed by consumers. In addition, delivery services are also available, so buyers don't need to leave the house and social distancing is still going well. The existence of the Covid-19 pandemic and the existence of social restrictions have caused people to limit themselves from leaving their homes so that people's interest in food delivery services is increasingly in demand. During the Covid-19 Pandemic, the room rates for Hotel Royal Victoria did not change, but with a new strategy, namely on the travel platform Hotel Royal Victoria offered a discount of 50% so that visitors preferred ordering through the travel platform. Room published rates start from IDR 5,600,000.00 per night to IDR 1,200,000.00 per night. Location strategy: Hotel Royal Victoria's location is very strategic which is on the main road, close to Bandi Raya Swalayan which is 6.46 km away and Sangatta Town Center is about 7.11 km away. The promotional strategy carried out by Hotel Royal Victoria is through digital platform advertisements that are often used by the public such as Instagram, Faceook, Whats app, through the official website of Hotel Royal Victoria and travel platforms (Traveloka, tiket.com and Pegipegi). With this promotion, it

is hoped that the public will know and be familiar with the products and services offered by the hotel. Promotion is also carried out with banquet services, namely offering wedding packages. Before the Covid-19 pandemic, Hotel Royal Victoria only collaborated with certain vendors, but after the Covid-19 pandemic, Hotel Royal Victoria was more open and began offering wedding packages to several vendors. Strategy in the field of human resources. Human resources related to employees are a source of financial savings amid the Covid-19 pandemic. Hotel Royal Victoria at the start of the Covid-19 pandemic laid off all employees except security. Then after returning to operations, the management of Hotel Royal Victoria held a review of work contracts that had expired, then the remaining employees would work by reducing working days a month during the Covid-19 pandemic. Reducing the basic salary of employees who work during the Covid-19 pandemic is also a strategy for saving human resources.

Conclusion and Suggestions

The resulting research conclusions are first, the occupancy rate of Hotel Royal Victoria decreased sharply to 37%. Second, the impact of the COVID-19 pandemic on the Royal Victoria Hotel is a decrease in hotel occupancy rates, decreased Royal Victoria Hotel revenue, increased operational costs for providing health protocols and termination of employment. Third, the strategy implemented by Hotel Royal Victoria to survive during the COVID-19 pandemic includes: having a CHSE certificate to provide comfort and safety and being able to attract visitors, customers, or companies that will collaborate with the hotel, issuing economical Meals Box packages and Rice Bowl at affordable prices and delivery service available, carry out promotions on digital platforms commonly used by the public such as Instagram, Faceook, Whats app, through the official website of Hotel Royal Victoria and travel platforms (Traveloka, tiket.com, and pegipegi), offering prices rooms with a 50% discount on the travel platform, then the final strategy is to review employees whose contracts have expired. These strategies are recognized as very effective and have

helped Hotel Royal Victoria survive during the COVID-19 pandemic.

The author's suggestions for the strategies that have been implemented at the Royal Victoria Hotel during the COVID-19 Pandemic must continue to be evaluated regularly regarding their effectiveness in the future. In addition, if the strategy is felt to be less effective, it is necessary to evaluate and upgrade strategies that make the latest innovations more creative to maintain their business in the midst of an economic crisis and increasingly fierce business competition. Then the hotel can also be more updated in the use of the latest, increasingly sophisticated technology for promotion strategies.

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