Analysis of Hot Deals Program Implementation in Supporting Indonesian-Singapore Bilateral Cooperation in Tourism in the Riau Island

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Abstract. Batam is the third most popular international tourist destination in Indonesia after Jakarta and Bali. Batam is a tourist destination that is dominated by national events or international events, if there is no event activity, international tourists are only interested in shopping tourism and seafood culinary offerings. The Hot Deals program is a strategic step to support the achievement of the target of foreign tourist visits, especially in cross-border areas such as the Riau Islands. This study aims to analyze the success of the Hot Deals program in cooperating with business actors engaged in the Accessibility, Attractions, and Amenity sectors. This research method collects data through qualitative descriptive analysis and interviews. The results showed that apart from the even season, the city of Batam tends to be quiet, so the Hot Deals program has succeeded in attracting tourists, especially tourists from Singapore, which geographically is the closest country to Batam.

Keyword: Batam City, International Visitor, Tourism Potential

1. Introduction

Tourism has made one of the world's largest cities and most powerful industries in this era of globalization, one of which is the contribution of foreign tourists. The World Tourism Organization (2018) states that the current tourism success level can be comparable to exceeding the success rate of oil exports, food production, and car companies^{1 2}.

The Republic of Indonesia's Presidential Regulation No 63 (2014) contains the definition of tourism in Indonesia."Tourism is various types of tourism activities and is supported by multiple facilities and services provided by the community, entrepreneurs, government, and local governments, therefore To support the achievement of the Ministry of Tourism's

¹ Creswell, John. 1994. Research Design: Qualitative and Quantitative Approaches. Londo SAGEPublications

² Chen, Jonathan, "Indonesia-Singapore Relations: Between New Order and Reformasi Era". No.161

objectives to increase the country's foreign exchange earnings," reads Article 1 Paragraph 1 of Section 63 of 2014, which explains the supervision and control of tourism^{3 4}.

The city of Batam initially developed as an industrial city and ship transportation sector before finally becoming one of the cities with a variety of tourism potential that can attract domestic and foreign tourists. The development of tourism potential in Batam is also inseparable from the efforts made by the Special Sector. in the development of Batam City tourism, which was welcomed by the government, especially the Batam City Culture and Tourism Office. However, tourist destinations in Batam City are dominated by artificial attractions because these places are easier to reach from the city center. In addition to artificial lures, Batam City organizes tourism activities such as festivals and international cultural events. However, the interest of visiting foreign tourists to Batam City is more dominant to the supporting elements in enjoying the attractions of these destinations, such as a variety of processed seafood options, as well as cheap shopping places with good quality^{4 5}

2. Research Method

The qualitative research methods used in this study were Qualitative research focuses more on processes, events, and the authenticity of the research because it seeks to construct reality and comprehend its meaning. Most of the time, interaction with the reality being studied is part of qualitative research. In addition, qualitative research prioritizes the application of inductive logic, in which categorization emerges from the researcher's interactions with field informants or the collected data. As a result, information in the form of contextual relationships that lead to models or theories that will explain social phenomena characterize qualitative research¹.

3. Results and Discussion

Hot Deals which are based on more less tourism were developed to optimize idle capacity in 3A (accessibility, accommodation, and attractions) which are combined in a platform to provide easy and cheap tourism services. Hot Deals packages are optimized during the low season by creating bundling packages that have transportation components and tour packages made by the tourism industry, and are able to reduce prices up to 60 percent from the normal price.

³ Perwita, A. & Y.M, Yani. 2005. Pengantar Ilmu Hubungan Internasional. Bandung: PT. Remaja Rosdakarya

⁴ Supriono. 2017. Analisis Deskripsi Potensi Pariwisata Kota Batam dalam Rangka Menjaring Wisatawan Mancanegara. Jurnal Pariwisata Terapan, Vol. **1**(2): 97-106

⁵ Kemenpar (2018). Siaran Pers : Menpar: VITO Singapura Fokus pada Program Hot Deals dan Kerjasama Airlines melalui <u>http://www.kemenpar.go.id/post/siaran-pers-menpar-vitosingapura-fokus-</u> pada-program-hot-deals-dan-kerjasama-airlines at 1 January 2019)

The implementation of the Hot Deal program is achieved through promotional collaborations between the Ministry of Tourism and ferry operators, travel agencies/Tohru operators, golf courses, spas and other hotels/accommodations by providing hot deal applications. in an easily visible place. The size of the logo is determined by the Ministry of Tourism. Indonesia and Singapore have an agreement on the boundary line of the Territorial Sea in the Singapuara Strait as ratified through Law no. 7 of 1973 concerning the Treaty between the Republic of Indonesia and the Sea Territory of the Two Countries in the Singapore Strait, as shown in Figure 1, the green color is Malaysia, the brown is Singapore and on the front of Singapore, Batam Island, Bintan Island and Karimun Regency are visible⁶ ⁷.



Figure 1. Indonesia-Singapore Territorial Sea Border

Batam, which is geographically directly opposite the Malacca Strait and Singapore Strait, service traffic lanes in the Southeast Asian region, is the most densely populated route in the world. As a gateway for foreign tourists, in addition to Batam Center Harbor, Harbor Bay Ferry Port, Marina Point International Port, Nongsa Point International Port, and Sekupang International Port with an average of 18 calls per day with an average of around 4000 passengers coming and going. The main destinations of Singapore - are Batam and Batam - Singapore.

The number of foreign tourists visiting the Riau Islands in 2017 was 2,139,962 people, while in 2018, there were 2,635,664, an increase of 23.16% from 2017. The number of

⁶ <u>https://kemenparekraf.go.id/berita/Narasi-Tunggal-%3A-Sukses-Datangkan-Wisman</u> -Melalui-<u>Kawasan-Perbatasan%2C-Hot-Deals-Kepri-Kembal Dipromosikan</u> - <u>Tahun-2019</u>. Dikutip pada 1 September 2021

⁷ Pertiwi, Suryani Wandari Putri. 2018. Tarik Wisman, Kemenpar Bikin Promosi Diskon Wisata ke Kepri. https://mediaindonesia.com/ weekend/156164/tarik-wisman-kemenpar-bikin-promo- diskonwisata-ke-kepri. Access on September 9, 2021

foreign tourists contributed quite a large number, namely 16.67% of the total foreign tourist visits to Indonesia. Since 2017, The Ministry of Tourism has implemented the Hot Deals program because of the potential for many international tourists to cross the border from Singapore.

Hot Deals, called more for less tourism, were developed to optimize idle capacity in 3A (accessibility, accommodation, and attractions), which are combined in a platform to provide easy and cheap tourism services. Hot Deals packages are optimized during the low season by bundling packages with transportation components and tour packages made by the tourism industry. They can reduce prices up to 60% from the regular price.

The Ministry of Tourism and management of the Batam - Bintan International Ferry Operator collaborate to put the Riau Islands Hot Deals program into action, as well as Travel Agents/Tour Operators, Golf, Spa, and Hotel/Accommodation Industries by providing discounts for 1,000,000 tickets for one year. Year, as well as giving the Riau Islands Hot Deals application, promoting collaboration with the Ferry Ship manager (Wrapping and Thematic Promotion), and providing support for organizing events supporting Hot Deals.

Stulang Laut Port and Pasir Gudang in Johor Baru, Malaysia, are two of Batam's international ports that connect Singapore and Malaysia. For instance, in the Riau Islands province, Batam Center Harbor is a public international ferry port on the north coast of Batam island. This port connects the city of Batam with the Harbor Front port, Singapore, and Stulang Laut and Pasir Gudang ports in Johor Baru, Malaysia. This port only serves passengers to Singapore and Malaysia. In addition to Batam Center port, 4 (four) other ports serve the Batam-Singapore route, namely Harbor Bay Port, Sekupang Port, Nongsa Point Bahari Port, and Marina City Waterfront Port.

Based on the first Hot Deals with contract number 02/SPP/HotDeals/PPK/ASD-PEM1-REG1/DBPEM1/I/2019 dated January 2, 2019, the realization up to June 30, 2019, amounted to 536,327 foreign tourists and has exceeded the First Hot Deals target set at 500,000 foreign tourists. The beneficiaries of this activity are generally the state and the community. However, this activity will also benefit the tourism industry players in Indonesia, especially in the cross-border area of the Riau Archipelago Province. This integrated tourism promotion activity has proven to boost the number of tourists visiting Batam, Bintan, Tanjung Pinang, and the surrounding areas, as well as Indonesian tourism's reputation and the Riau Islands' economy as a whole.

4. Conclusion

The Batam City Culture and Tourism Office fully supports the Indonesian Ministry of Tourism's Hot Deals program. In putting the Central Government program under Ministry of **Tourism**, Republic of Indonesia into action, the Batam City Culture and Tourism Office has received support from a variety of parties, including Sea Transportation Services managers, Managers of Accommodation/Hotels, Culinary Businesses for Restaurants/Restaurants, and Seafood Restaurants, Managers of Tourist Attractions Areas., which was marked by the agreement to provide a 50% discount for the Hot Deals program, which started in 2017 and was extended until 2018 before the Covid'19 disaster occurred in various countries, so; that it paralyzed community activities, including the tourism sector activity. The Hot Deals program also received strong support from Batam Free Trade Area and Free Port Business Agency (BP Batam) as the International Port Supervisory Agency, Batam Hang Nadim International Airport, and investor supervisors on Batam Island. Hot Deals provide many benefits to managers of modern shopping centers, such as malls, transportation services, accommodation/lodging, restaurants, tourist spa services, and culinary businesses.

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