

# Indonesia: Travel and Tourism Bounces back

Whilst Indonesia did not fall victim to recession in 2008–2009 unlike most other countries in the world, travel and tourism still felt the negative impact of the woes affecting other countries, as inbound tourism flow slowed down notably in growth and spending of tourists shrank considerably. 2010 was however, a brighter year, as the recovered economic situation in various countries already translated into more tourists visiting Indonesia, boosting inbound tourism flow quite strongly if not reaching 2008 levels. Spending of inbound tourists has also shown growth again, indicating signs of recovery in demand.



## Visit Indonesia Year

In the last few years of the historic period, the Indonesian government carried out the Visit Indonesia Year campaign to boost its tourism. Given the perceived success of previous attempts, the government continued the Visit Indonesia programme into 2010, with specific focus on encouraging visits to museums in the country. It is hoped that adopting a specific theme for Visit Indonesia Year will ensure that the campaign will remain fresh.

## Visit Museums: Key Focus of the Campaign

The main objective of the Visit Museum campaign is to attract more tourists. Typically, tourists to Indonesia from European countries consider visiting museums as part of their itinerary. With expected improvement of inbound tourism flows from Europe thanks to the opening of direct flight routes of Jakarta–Amsterdam from 1 June 2010, the Visit Museum campaign holds good potential. Whilst over 80 museums across the country are all taking part in the campaign, there is greater focus placed on museums in the capital Jakarta, other regions in Java, Bali as well as North Sumatra. In light of the campaigns, more events were held in these museums during 2010. Whilst implementation of the programme was not always smooth over 2010, the government is treating Visit Museum as part of a longer-term campaign to encourage more visitors to museums that will run up to 2014.

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## Resumption of Indonesian Flights to Europe

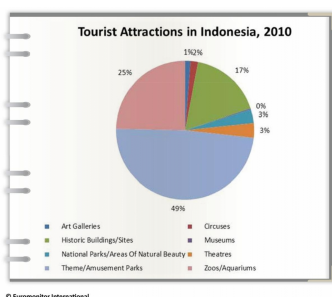
Following the European Union's lifting of the ban on several Indonesian airlines from having flight routes

to Europe after the airlines revamped their safety standards, the country's main airline Garuda Indonesia opened its maiden European flight route on 1 June 2010, that of Jakarta to Amsterdam with transfer in Dubai. Whilst the lifting of the ban itself has not resulted in a rush of new flight routes by Indonesian airlines to European cities, it is still very much symbolic in terms of improving Indonesia's image in the eyes of European consumers as a viable tourist destination. Following the opening of the Jakarta–Amsterdam route in 2010, Garuda Indonesia is planning to open flight routes to London, Frankfurt, Paris and Rome by 2012, with London being the likeliest destination to follow Amsterdam. In addition to the new European route, Garuda Indonesia also increased flight frequency to certain Asia–Pacific destinations in 2010, including Melbourne and Taipei.

### **Stronger Growth to Continue in the Forecast Period**

With the global economic situation set to recover over the next five year period, inbound tourism flow for Indonesia is also expected to strengthen considerably as more foreign tourists will be encouraged to flock into Indonesia, aided by increased participation of the country in various global tourism exhibitions and events to increase Indonesia's exposure to the global audience. Furthermore, whilst spending of inbound tourists took a severe hit in 2009 with slight recovery in 2010, improved consumer confidence and spending power over the forecast period is expected to improve for incoming tourists, too.

Meanwhile, outbound and domestic tourism flows will also improve steadily over the forecast period, with stronger purchasing power of Indonesians as well as a growing culture of taking holidays, although the majority of Indonesians still do not enjoy lengthy paid holiday periods.



<http://www.euromonitor.com>

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