



UNIVERSITI TEKNOLOGI MARA

**THE RELATIONSHIP BETWEEN COVID-19 AND
THE ECONOMIC FACTORS ON MELAKA
TOURISM SECTOR FOR FOURTH QUARTER 2020**

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ABSTRACT

Numerous studies employing a range of theoretical frameworks and empirical techniques have demonstrated the economic importance of tourism. This introduction to the special issue gives a general review of the various theories regarding how tourism affects the economy and distinguishes its main influencing variables during the pandemic of COVID-19. Since travel is necessary for tourism, any factor that makes travel more difficult could have a significant effect on the sector. Pandemics such as COVID-19 are included in this. To lessen the effects and aid in post-crisis recovery, it is crucial to study on the economic factors that affected the most during the pandemic COVID-19. This study examines the relationship of COVID-19 towards the economic factors on tourism sectors using a quantitative research methodology. The covid cases is the dependent variable in this study to determine the relationship towards the other variables. This study research places a special emphasis on the income of Melaka Museum Corporation (PERZIM), a crucial factor in determining economic impact. A thorough evaluation of the government revenue and government expenditure is done in relation with the income sources of tourism sector. As a result, we can systematically and generally identify the most significant driving forces behind the pandemic impact on tourism.

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CHAPTER ONE: INTRODUCTION

1.1 Background of study

In December 2019, China reported an epidemic of an unidentified pneumonia strain. The outbreak had escalated into a global public health emergency. The US Centers for Disease Control and Prevention (CDC) identified a seafood market in Wuhan as the suspected center of the outbreak in early January 2020, and the market has remained closed since then. 2019-nCoV, or COVID-19, was given to this new virus as a temporary name. On January 25, 2020, the first COVID-19 case in Malaysia was confirmed, involving three Chinese citizens who entered Johor Bharu, Malaysia, via Singapore on January 23, 2020. Malaysia recorded 6002 COVID-19 infections and 102 deaths as of the end of April, out of a total population of 32 million. As a result of the virus's severity, the World Health Organization (WHO) proclaimed the COVID-19 outbreak a public health emergency of international concern on January 30, 2020 (Chin et al., 2021).

Tourism is a social, cultural, and economic activity that involves individuals travelling to countries or places outside of their normal environment for personal or professional reasons. Visitors (tourists or excursionists; residents or non-residents) are referred to as visitors, and tourism refers to their activities, some of which involve tourism expenditure ((UNWTO), 2005). The severe and significant fall in mobility induced by the coronavirus (COVID-19) pandemic has resulted in a drop in tourism, trade in travel services, and non-resident consumption. Lockdowns and other social distancing techniques resulted in sharp drops in otherwise steady service consumption. This summarizes recent developments in the tourist sector, evaluates how these trends have affected consumption in different nations, and examines the near-term prospects for tourism and travel recovery. Non-resident consumption fell as a result of the tourism and travel downturn, which reflected constraints and uncertainties associated to people's movement across borders for instance due to quarantine procedures (Gunnella et al., 2020).

The COVID-19 outbreak has put the Visit Malaysia 2020 (VM2020) campaign at jeopardy, as 50 percent of Malaysia's tourists come from Singapore and China. Due to an increase in COVID-19 cases in both nations, many trips have been cancelled,