

## PROMOTING SUSTAINABLE TOURISM AS A PILLAR OF THE GREEN ECONOMY: BUSINESS AND POLICY INNOVATION IN THE POST-PANDEMIC ERA

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### Abstract

*Tourism is a strategic sector that has been significantly impacted by the global pandemic, but it also has great potential in driving the transition to a green economy. In the context of building a resilient future, the tourism sector needs to be reoriented through policy innovation and sustainable business models. This study explores various approaches in developing green tourism, highlighting ecotourism practices, digitalization of low-carbon tourism services, and local policies that support environmental conservation and community empowerment. The research was conducted using a qualitative approach. This abstract emphasizes the importance of synergy between business actors, government, and communities in designing innovative policies that encourage the sustainability and resilience of the tourism sector in the future.*

**Keywords:** green tourism, green economy, policy innovation, sustainability, ecotourism

### Introduction

Climate change, environmental decline and economic disparity are critical multi-dimensional challenges that need to be tackled in developing countries. The same challenge is also faced in transitioning to a green economy. The green economy, based on low carbon development, resource efficiency and social inclusion, is one such construct that provides an opportunity to create a more resilient future in face of global uncertainty.

The tourism sector is one of the sectors that has been severely impacted by the COVID-19 pandemic, but at the same time has great potential to play an important role in the transition to sustainable development. Tourism globally contributes around 10% of Gross Domestic Product (GDP) and is a major source of job creation, especially in developing countries. However, unsustainable tourism practices have put pressure on the environment, such as ecosystem degradation, excessive waste, and increased carbon emissions. Therefore, the transformation of this sector towards green tourism is crucial as part of a global strategy to build economic and ecological resilience in the future.

Within the green economy framework, sustainable tourism is understood as an activity that takes into account current and future environmental, social and economic impacts. This principle requires a balance between the needs of tourists, industry players, the environment and local communities. The World Tourism Organization (UN Tourism) encourages its member countries to implement a tourism development approach that considers the sustainability of natural and cultural resources and provides direct benefits to local communities.

Several countries in the Asia-Pacific region have demonstrated their commitment to sustainable tourism development as part of the green economy agenda. For example, Thailand has developed the Northern Economic Corridor (NEC) as an area that integrates a culture-based creative economy and sustainable tourism development. This model is part of the national Bio-Circular-Green (BCG) Economy strategy which aims to create inclusive and environmentally friendly economic growth. In Indonesia, the Ministry of Tourism and Creative Economy together with UN Tourism plan to launch green investment guidelines for the tourism sector, as an effort to attract investment that is in line with the principles of sustainability (Antara, 2025).

Indonesia has adopted various policies to support sustainable tourism development. For example, Bali has implemented Governor Regulation No. 97 of 2018 concerning Restrictions on the use of Single-Use Plastics and Governor Regulation No. 48 of 2019 concerning the use of battery-based electric motor vehicles.

However, the implementation of these policies still faces challenges, such as the lack of business innovation, low sustainability literacy among business actors, and limited regulations that support the integration of green economy principles comprehensively in the tourism sector.

Several tourist destinations in Indonesia have begun to show positive initiatives through the implementation of digital innovation, community-based waste management, renewable energy, and collaboration between the government, business actors, and the community. This phenomenon shows great potential to develop a tourism business model that is not only economically profitable but also contributes to environmental sustainability and social welfare.

Data from the International Trade Center shows that the Asia-Pacific region attracted 642 tourism-related foreign direct investment (FDI) projects worth USD 66.4 billion between 2018 and 2024. This shows that this sector has a strategic position in driving regional green economic growth. Indonesian Tourism Minister Widiyanti Putri Wardhana, at the UN Tourism Commission meeting in Jakarta (April 2025), emphasized the importance of green investment and the circular economy as a catalyst in strengthening tourism resilience and competitiveness in the Asia-Pacific (IBAI, 2025).

In addition to policy support, business innovation is also an important key in building sustainable tourism. The emergence of new business models that adopt sustainability principles, such as the use of renewable energy, water and energy efficiency, integrated waste management, and the digitalization of low-carbon tourism services, are making a real contribution to the decarbonization efforts of this sector. One exemplary global initiative is the implementation of ecolabel certification such as Green Key International, which provides market incentives for accommodation providers that meet certain environmental standards (Green Key International, 2025).

Digital transformation also plays a strategic role in supporting green tourism. Data-based booking applications that promote eco-friendly destinations, the use of IoT technology to monitor energy consumption in hotels, and the involvement of local communities in community-based tourism platforms have increased efficiency and participation in the sustainable tourism system. This digitalization not only supports environmental sustainability but also strengthens the involvement of local communities in the tourism value chain, thereby creating a more equitable economic impact.

However, the realization of green tourism is not free from various challenges. In many developing countries, there are limited institutional capacities, minimal fiscal incentives for green innovation, low environmental awareness among business actors, and weak integration between regional development planning and tourism. Therefore, there needs to be strong synergy between the public, private, and civil society sectors to strengthen the policy framework, provide green financing, and build the capacity of local actors in managing tourism sustainably.

Conceptually, the green economy-based tourism development approach requires a paradigm shift from short-term exploitation to long-term sustainable resource management. This approach also encourages structural transformation in the production and consumption systems in the tourism sector through policy and technology innovation. In the context of building a resilient future, strengthening the resilience of the tourism sector to crises — whether ecological, economic or social — can only be achieved by building a foundation for sustainability as an integral part of national and regional development strategies.

Thus, the development of green tourism based on policy innovation and sustainable business models plays a strategic role in realizing a resilient future. This study departs from this urgency by exploring perceptions, experiences, and insights from individuals actively involved in or exposed to tourism and sustainability practices. Through a qualitative approach, this research seeks to understand how tourism actors and consumers perceive and respond to green economy principles in the tourism sector.

### **Research Problems**

Based on the introduction, the focus of this study is:

1. How do people perceive the role of tourism in supporting the transition to a green economy and a resilient future?
2. What experiences and practices reflect business or policy innovations in sustainable tourism?
3. What are the perceived challenges and barriers for applying green economy principles in tourism?
4. How do stakeholders, business actors, government, and community collaborate or conflict in promoting sustainable tourism?

### Research Purpose

This study aims to:

1. Explore individual perceptions regarding the contribution of tourism to a green economy and future resilience.
2. Identify lived experiences and personal insights related to sustainable tourism practices and innovation.
3. Examine perceived challenges and opportunities in promoting green tourism at the grassroots level.
4. Provide context-based recommendations to strengthen the integration of business, policy, and community efforts in tourism sustainability.

### Literature Review

#### Green Economy and Sustainable Development

The concept of green economy emphasizes low-carbon, resource-efficient, and socially inclusive economic growth (UNEP, 2011). Green economy is not only seen as an alternative to conventional economic models, but as a systemic transformation to achieve sustainable development. A study by Bowen and Hepburn (2014) shows that investment in green sectors such as renewable energy and eco-friendly tourism can create long-term growth and quality jobs.

#### Sustainable Tourism

Sustainable tourism is a form of tourism that meets the needs of tourists and destinations today, while protecting and enhancing opportunities for the future (UNWTO, 2005). This includes managing environmental impacts, preserving local culture, and empowering communities. Gössling et al. (2021), highlights the importance of tourism decentralization and community participation as key strategies in building resilient and sustainable tourism destinations.

#### Business Innovation in Green Tourism

Business innovation in tourism includes the application of environmentally friendly technologies, low-emission operating models, and the development of tourism products based on nature and local culture. Certifications such as Green Key International have become the global indicators in assessing environmentally friendly accommodation. Buckley (2012), in his study stated that tourists are now increasingly considering sustainability aspects in choosing destinations, so that innovations based on sustainability become a competitive advantage.

#### Public Policy in Encouraging Green Tourism

The role of the government is crucial in providing a regulatory framework, fiscal incentives, and supporting infrastructure to support the transition of the tourism sector towards sustainability. Several countries such as Costa Rica and Bhutan have become successful examples of implementing national policies based on sustainability in the tourism sector. In Asia-Pacific, similar efforts are beginning to be seen through the BCG Economy strategy in Thailand and the development of green investment guidelines in Indonesia (UN Tourism, 2025).

### Methods

This study uses a qualitative descriptive approach to explore the role of business innovation and policy in strengthening sector resilience through a green economy framework. Qualitative methods were chosen to gain an in-depth understanding of personal perceptions, motivations, and behavioral patterns associated with sustainable tourism practices.

Primary data were collected through semi-structured interviews with selected individuals representing diverse perspectives on tourism, tourism, and the green economy. Interviews were conducted openly to allow participants to freely express their views while remaining within the research framework. The selected informants were:

J (28) – A small food entrepreneur from Jakarta who recently traveled to Bali and observed the visit.

M (23) – A beauty influencer who frequently travels.

D (24) – A regional tourism ambassador (None Jakarta) who promoted local culture and sustainable travel.

Y (23) – A student who supports the green movement and low-carbon lifestyle.

These informants were selected using purposive sampling techniques, considering their diverse experiences and potential to provide insights into green tourism from both consumer and advocacy perspectives.

Thematic analysis was used to identify key patterns, themes, and meanings in participants' narratives. Interview responses were transcribed, examined, and processed to draw interesting conclusions about awareness, challenges, and opportunities in implementing green tourism in Indonesia. The qualitative data were then complemented with secondary sources such as policy documents, academic literature, and case studies from Asia-Pacific countries, allowing for comprehensive triangulation.

## **Results and Discussion**

This study used a qualitative approach to explore how stakeholders understand and implement the principles of green economy and sustainable tourism. The study was conducted through semi-structured interviews with four female informants from diverse backgrounds: 1 food entrepreneur who recently returned from Bali (age 28), 1 beauty influencer who loves to travel (age 23), 1 None Jakarta finalist (age 24), and 1 student who supports go green initiatives (age 23). The participants provided valuable insights into their awareness, experiences, and expectations of green tourism.

The first informant, a food entrepreneur, expressed her concern about the amount of waste from tourism activities, especially in Bali. She shared her experience in using environmentally friendly packaging for her products after being inspired by eco-friendly cafes in Bali. This shows that direct exposure to green initiatives can drive innovation in small businesses.

The beauty influencer highlighted the increasing trend among younger audiences towards more environmentally conscious travel. She noted that many of her followers asked for recommendations for eco-friendly destinations. However, she also acknowledged that price was still a barrier, as such trips were often perceived as more expensive. This underscores the importance of accessibility and affordability in green tourism.

The None Jakarta finalist emphasized the importance of promoting local culture and reducing reliance on imported tourism products. She said that tourism campaigns often highlight natural beauty but miss the opportunity to engage tourists in meaningful local cultural experiences. She said sustainable tourism should also include cultural sustainability and support for local artisans and artists.

The female student who supports the go green movement emphasized the importance of integrating environmental education into the tourism experience. She felt that tourists need to not only enjoy the destination but also learn about environmental challenges and get involved in conservation activities. This reinforces the idea that sustainable tourism should be participatory and educational.

Several consistent themes emerged from the four interviews, such as the lack of clear government regulations, the high cost of sustainable alternatives, and the gap between awareness and action. While they expressed positive attitudes towards green tourism, they also highlighted the need for systemic change. They called for more extensive campaigns, incentives for sustainable businesses, and easier access to eco-friendly tourism options for domestic tourists.

These insights show that the success of green tourism depends not only on policies or infrastructure, but also on inclusive narratives and community engagement. While awareness of sustainability is increasing among young people and urban communities, support mechanisms are also essential to transform this awareness into real action and impact.

## **Conclusion**

Based on the result of this study, it can be concluded that the success of green tourism is highly dependent on collaboration between various parties, including the government, business actors, and the community. Although awareness of the importance of sustainability has increased, especially among the younger generation and creative business actors, challenges such as the lack of clear regulations, high costs in implementing environmentally friendly innovations, and minimal access to information and systemic support are still major obstacles.

### Suggestion

Therefore, perhaps the government can strengthen the regulatory framework and provide fiscal incentives for green business actors, provide a digital platform that can connect tourists with sustainable destinations and local MSME actors, and encourage community participation through education and community-based tourism programs. With an integrated and participatory approach, green economy-based tourism can be an effective strategy in building a resilient and sustainable future.

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