

ABSTRACT

Indonesia recorded the lowest average foreign tourist arrivals compared to the three main ASEAN countries, namely Malaysia, Singapore, and Thailand, thus proving that Indonesia has not been fully used as the main destination for foreign tourists to travel. The low number of foreign tourist arrivals in Indonesia over the last 20 years is influenced by market forces from the demand side, both price and income effects, as well as external factors. This study aims to analyze the effect of tourist expenditure, exchange rates, GDP per capita, CPI, terrorism, and COVID-19 on the number of tourist visits in Indonesia in 2001-2020. This study uses a panel data regression method with the selection of the Fixed Effect Model (FEM) model consisting of five ASEAN countries namely Malaysia, Singapore, Thailand, the Philippines, and Brunei Darussalam in 2001-2020. The results of this study indicate in partial test that tourist expenditure, CPI, terrorism, and COVID-19 have a significant negative effect on the number of tourist visits, and the exchange rate and GDP per capita have a significant positive effect on the number of tourist visits. Based on these significant variables, terrorism greatly influence the number of tourist visits in Indonesia in 2001-2020.

Keywords: *Number of tourist visits, price, income, terrorism, COVID-19*

