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## Adaptation of Villa Business to Retreat Centers on Post-Pandemic

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### Abstract

During the Covid-19 pandemic in 2020 and 2021, the villa business in Bali was significantly affected by a decrease in tourist arrivals. Despite the post-pandemic recovery in 2022, the industry had not yet fully regained its momentum. In this challenging situation, this business encountered new challenges, including the implementation of health protocols and the incorporation of information technology. These challenges led to additional costs, further straining the already diminished income due to the decrease in inbound tourism. Therefore, this study aimed to assess the adaptation of villa business to retreat centres during the post-pandemic era and its contributions. Data were collected using literature study, observations, and interviews, then analysed descriptive and interpretative qualitatively. The results showed that villa businesses adapted to the post-pandemic challenges by transforming into retreat destinations. This adaptation was rooted in a product-orientated strategy based on market demand, income optimization, and health needs. Furthermore, the approach used necessitated collaboration with local communities and a commitment to environmental preservation, as these destinations majorly depended on local community assets and a healthy setting. Based on these findings, this adaptive approach had several contributions for sustainable tourism development in terms of empowerment local community, supporting the economy, and ensuring environmental conservation.

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## Introduction

The accommodation industry in Bali was impacted by a reduction in income during the pandemic in 2020 and 2021. In the post-pandemic year of 2022, Bali's tourism only recovered approximately 34.35% and this was indicated by the number of inbound tourist visits totalling 2,155,747 million. This figure pales in comparison to the pre-pandemic level in 2019, with a total of 6,275,210 million inbound tourists (BPS Provinsi Bali, 2023). Meanwhile, world tourism has shown a more substantial increase of 63% (UNWTO, 2023). The decline in inbound tourist visits suggests that villa business in Bali have faced a decrease in income compared to the pre-pandemic period, thereby imparting certain valuable lessons. During the pandemic, some inbound tourists were unable to return to their countries and instead opted to rent these villas for retreat activities. This lesson has proven to be invaluable during the post-pandemic period, leading to the adaptation of products to suit the needs of the tourists.

Post-pandemic studies on tourism business adaptation have focused on several key areas, such as digital technology (Fuchs, 2022; Gretzel et al., 2020), sustainable tourism (Benjamin et al., 2020), and economic impacts (Breisinger et al., 2020). The adoption of digital technology has emerged as a crucial lesson during the pandemic (Kuzey et al., 2021; Sampat & Sabat, 2022), primarily due to the need to follow health protocols and maintain social distancing. Sustainable tourism practices were an invaluable lesson for protecting the environment, as inbound tourists prioritized clean and neat destinations. Understanding the economic impacts on tourism has become essential for the industry's preparedness and resilience in navigating various challenges, given its susceptibility to economic fluctuations. Although several studies explored these areas of adaptation, the adaptation of villas become retreat tourism in post-pandemic studies unnoticed.

This article focuses on adaptation and the subsequent benefits of establishing retreat tourism products in the post-pandemic era. The benefits of this creative retreat are been disclosed to demonstrate the sustainability of the product. The creativity analysis delves into the relationship between this innovative approach and sustainable tourism, as the sustainability of the business is tied to its contribution. Furthermore, the analysis primarily centres on the contribution to key elements of sustainable tourism, such as local communities, the local economy, and environmental preservation. This contribution can be used as a basis for expressing its sustainability because post-pandemic businesses tend to optimize local communities and the local economy due to limited economic resources. The preservation of the environment is also very important due to the heightened health concern.

The ability of Bali to adapt to post-pandemic conditions is truly fascinating and the uniqueness of the region lies in its ability to use cultural and natural resources to adapt to recent tourism needs. Therefore, it can be argued that the villa business can adapt to become retreat tourism in the post-pandemic. Adaptation occurs due to the need for revenue optimization and tourist health. This creativity

provides an opportunity to optimize the income of villa business and the services provided. In retreat tourism, this business can change from unserved to full-service accommodation by providing all the needs of inbound tourists from breakfast to dinner. However, this adaptation requires cooperation with local communities to provide benefits to the local economy. The new series of activities are related to environmental preservation and health due to the need for inbound tourists to travel close to nature and maintain a healthy status.

## Literature Reviews

Adaptation referred to the ability to survive and grow by optimizing income through the provision of added value to consumers (Ring et al., 2021). The elements of this concept included capability, survival, growth, income optimization, and value addition. In the context of villa business in the post-pandemic period, adaptation was defined as the ability of the entrepreneur to survive and grow by optimizing income and adding value. Post-pandemic tourism business adaptation focused on the use of technology (Gethe, 2023; Tuffaha & Perello Marin, 2021; Fuchs, 2022), sustainable tourism (Silanteva, 2022; Salfore et al., 2023), and economic impacts (Breisinger et al., 2020). Findings showed that there was limited information on the use of business-added value to optimize income.

Villa business is a semi-commercial tourist accommodation owned by a private businessman, which was rented out and could be used for personal gain. In the context of service provision, it was considered a living quarter without services (Robinson et al., 2020). Therefore, a villa could be defined as a semi-commercial tourist accommodation owned by a private businessman (individual) who did not provide services. In the post-pandemic context, this business had changed to providing services due to the need to survive by optimizing income. Several studies on changes in the tourist accommodation business focused on the various reactions to the challenges experienced during the new post-pandemic period (Melo et al., 2022).

Retreat tourism was one of the creative ideas of villa business in the post-pandemic and it was part of spiritual tourism. The activities involved were performed in secluded areas for spiritual practices, such as yoga and meditation (Norman, 2014; Norman & Pokorny, 2017). Previous studies focused on the potential for retreat in the new normal (Sutarya, 2020) and management criticism (Mukhopadhyay, 2022). The post-pandemic context was the period after the occurrence of the Covid-19 pandemic, which affected human life in 2020 and 2021. Post-pandemic started in 2022 and was marked by the restoration of 63% of the global tourist volume.

In the post-pandemic period, there had been a fundamental change, namely the focus on health and digitalization. Several studies on tourism after the pandemic focused on the transformation of information technology (Chopra & Singh, 2021; Fuchs, 2022), sustainable tourism (Benjamin et al.,

2020; Chang et al., 2020; Silanteva, 2022), and economic impacts (Breisinger et al., 2020). According to a study on information transformation, small entrepreneurs were presented with greater opportunities to level up with large-scale businesses, as observed in Thailand (Fuchs, 2022). Access to information technology provided an opportunity for yoga associations to take care of their community remotely (Chopra & Singh, 2021). Post-pandemic tourism conditions provided space to think about sustainable tourism to support post-pandemic programs, such as physical and mental health by returning to nature (Benjamin et al., 2020). These findings indicated that sustainable tourism contributed to the sector after the pandemic (Chang et al., 2020). This contribution was reflected in the case of Japan, with the development of small industries, individual tourism, and online businesses (Silanteva, 2022), but the Covid-19 pandemic had a broad economic impact. In Egypt, there was a decrease in Gross Domestic Product (GDP) of around 0.8% (Breisinger et al., 2020).

Studies on post-pandemic changes had not explored the creation of tourism products but had only focused on influential trends. In the case of tourist accommodation, recent studies explored the economic impact (Foo et al., 2020), evaluation of sustainable tourism (Linnes et al., 2022), and post-pandemic adjustments with its stages (Tsionas, 2021). The field of post-pandemic adaptation was recently developed and there were only a few reports. Several studies explored the rejuvenation of quantity tourism towards quality in the case of Yogyakarta (Wiweka et al., 2021), rejuvenation towards meaning in the case of pilgrimage tourism (Collins-Kreiner, 2020), and adaptation of business models (Ring et al., 2021). Therefore, the issue of adapting villa business to become retreat tourism centres in the post-pandemic period served as a novel area of study. The novelty could be seen in the aspects of villa adaptation, retreat tourism, and post-pandemic creativity.

## Methods

The relationship between villa adaptation, retreat tourism and post pandemic are the focus of the article. The post-pandemic period presented significant challenges for the tourism sector due to information technology transformation. Therefore, this study aimed to examine the renovation efforts, specifically within the context of villa business, which faced various adaptation issues, such as digital management. The analysis was centred on the adaptation of retreat tourism products in the post-pandemic period. To establish a framework for analysis, this study explored several interconnected categories such as adaptation, villa business, retreat tourism, and post-pandemic. This category was interconnected because villa business must undergo adaptation in response to post-pandemic stimulus, as shown in the Adaptation Theory (Ring et al., 2021; Roussia et al., 2023). This adaptation was carried out through the rejuvenation of tourism products into retreat tourism. Furthermore, the concepts of retreat tourism were related to the post-pandemic stimulus that required new products with added value.

To provide a comprehensive understanding of these relationships, a phenomenological qualitative analysis approach was done, enabling a detailed exploration of the aforementioned categories. The analysis was carried out using primary data obtained from observations and in deep interviews as well as secondary data collected from literature studies. The data collection techniques employed included observation, literature studies, and in-depth interviews. The initial observation revealed that there was an increase in the number of retreat destinations in Bali. This observation was followed by visits to villa businesses in Bali, where it was observed that there had been a change from only accommodation to retreat tourism.

The results were explored through in-depth interviews with six (6) informants such as the representatives of villa organizations (1 person), owners (1 person), manager (1 person), and practitioners (3 persons). The informants were selected by purposive sampling. Informants were selected based on the knowledge and experience criteria of the informants. The experiences of villa organizations, owners, managers and practitioners were combined to obtain accurate data. The informant from the villa organisation representative is person who has been in the villa organisation in Bali for more than 10 years, however he has experience and knowledge of the villa business. The informants from the villa owner and manager are individuals who developed the villa as a spiritual tourism centre from 2006, however have been managing the villa as a spiritual tourism centre for about 18 years. The three practitioner informants are two yoga teachers with experience from 1997 as yoga teachers, and one practitioner from a tour guide with around 20 years of experience as a tour guide.

Furthermore, the findings obtained from the observations and interviews were explored using literature studies through comparisons with cases of adaptation in other reports. The first step is to observe the development of post-pandemic villas. Observations resulted in the fact of the survival of the villa business due to product adaptation. This product adaptation is then explored with in-depth interviews with informants. Interviews were preceded by observations and preliminary interviews. These observations and preliminary interviews were deepened by in-depth interviews. Data from these in-depth interviews were combined with literature studies. Data is tested through matching data from observations, in-depth interviews, and literature studies. The results of this matching are valid data used in this article.

The data collected were analyzed through descriptive and interpretative qualitative, with data reduction, categorization and conclusion. A category was then connected with another to build a description of the data, providing a detailed account of the relationship between them. The description made served as the basis for drawing conclusions from the association between the category. These conclusions were interpreted as a model of villa business adaptation in the post-pandemic case of retreat tourism. This model was used as a valuable resource for building a post-pandemic adaptation model

through product adaptation with post-pandemic stimuli, namely health and information technology transformation. The model development was a continuation of this study because the developed model also required testing. This study was limited to the discovery of adaptation patterns in the post-pandemic period. The results obtained were expected to be used as a basis for building adaptation patterns in the tourism sector in general.

The focus of this article is on figure 1, namely the adaptation of villas to the retreat and post-pandemic business. The retreat business prioritizes the optimization of villa income and local economic contribution. The post-pandemic business prioritizes health and environmental sustainability. These indicators are indicators of a villa business that exists in the post-pandemic. These indicators are used to explain the successful adaptation of the villa business in the post-pandemic.

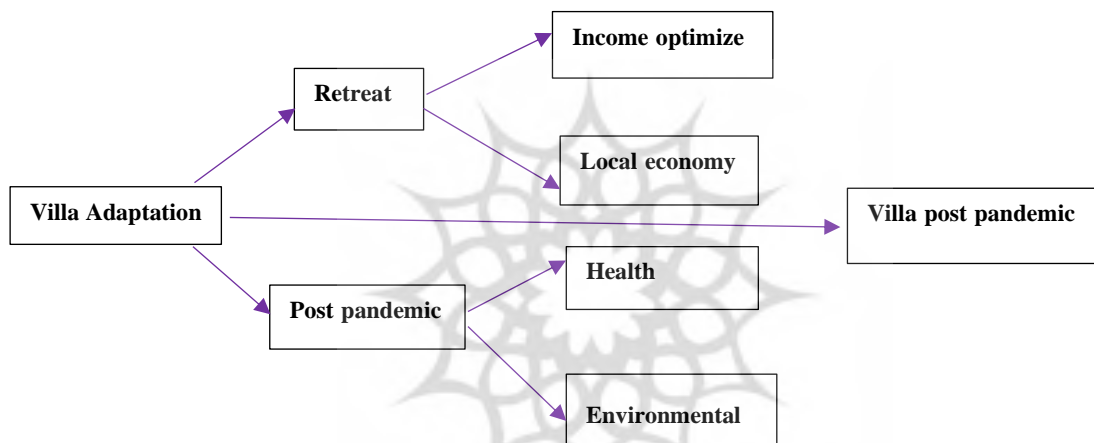


Figure 1. Research Focus

## Results

The villa business faced difficult times during the Covid-19 period, but provided a new experience with travelers who were banned from returning home so they had to rent villas. New experiences are caused by various flight bans abroad. This ban makes villas the target of tourists who are stuck in Bali. These detained tourists do various activities to overcome boredom. These activities are retreat tours with spiritual activities such as yoga and meditation. This retreat tour makes tourists not bored to stay in the villa. Post COVID 19, this retreat activity is a form of adaptation of the villa business.

### 1. Villa Business Adaptation

The number of tourism accommodations in Bali for non-starred hotels in 2019, 2020, 2021, and 2022 were 3,912, 4,107, 2,942, and 3,348, respectively, with 498 star-rated accommodations in 2022

(BPS Provinsi Bali, 2022). However, the data obtained did not provide information on the number of villa business in the region. These destinations, which could also be in the form of private spaces not licensed for rental, were categorized as non-star and star hotels based on their facilities. Findings showed that the Bali Villa Association (BVA) lacked accurate data on the number of businesses in Bali (IndoBaliNews.com, 2022) because many private-owned spaces were rented out for tourist accommodation.

“We have difficulty recording the number of villas because many local people are involved in this business, hence, it becomes such as small and medium businesses. This development needs to be encouraged to strengthen the local economy while maintaining service quality” (Informant R1, Head of Bali Villa Association).

"This retreat developed during the pandemic, specifically for inbound tourists who could not leave Bali at that time. This continues post-pandemic for villas that are suitable for retreat needs, such as Ubud and Sidemen..." (Informant R1, Head of Bali Villa Association).

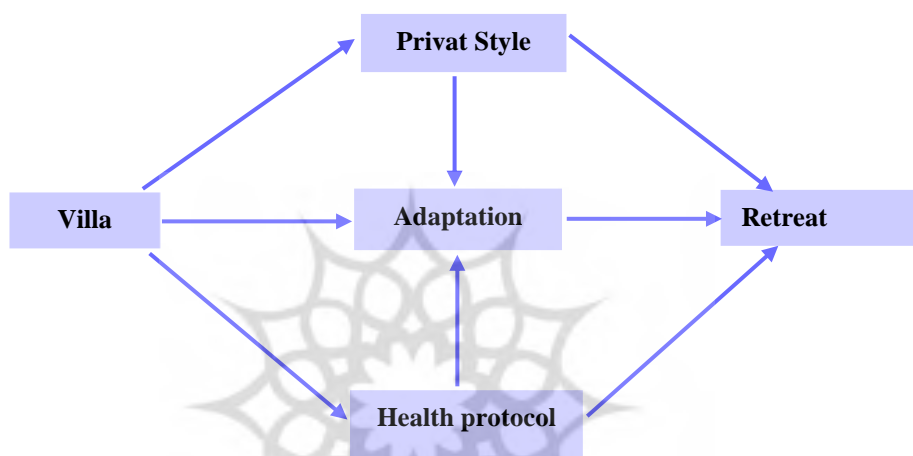
"In the post-pandemic period, the demand to rent villas for retreats has increased, from tourists and activity managers, because villas are private and have health protocols. We take advantage of that to optimize our income because we can serve full day in the middle of these quiet times" (Informant R2, Villa Manager).

"Many tourists ask me to organize yoga retreats in Ubud after this pandemic, I usually contact villas for that, because it's easier, then villas are private and easy to manage health protocols (Informant R4, Yoga Instructure)

The interviews state that during the pandemic, these businesses received an abundance of inbound tourists who did not leave Indonesia due to health protocols. The tourist used the spaces for retreat activities, such as yoga and meditation. In the post-pandemic period, they continued this retreat tourism business due to the creation of a market niche. The retreat tour could be used to optimize income, because it fully served the needs of inbound tourists, from breakfast to dinner. The spaces that were fully into this business included those in Ubud and Sidemen and were known for their uniqueness in culture and environment. This uniqueness helped to build the creativity of special villas for yoga and other spiritual retreats. This creativity is supported by the private nature of the villa, making it easier to organise health protocols.



Figure 2 describes the process of adapting the villa business into a villa retreat. Adaptation occurs because the villa has a distinctive feature as a private accommodation. This private accommodation is relevant to the conditions of implementing health protocols during the pandemic and post-pandemic. During the pandemic, tourists stayed in the villa because they could not go home so they carried out retreat activities in the villa. Post-pandemic, tourists create and participate in retreat packages at these villas. This development makes villas market and accept various retreat programs. Marketing and accepting this retreat program is a form of adaptation of the villa business to become a retreat villa in the post-pandemic.



**Figure 2. Adaptation Process Villa Business to Retreat Centre**

Figures 3 and 4 are the adaptation activities of the villa in Ubud. At first, the villa was only a place to rest, but it has turned into a retreat place with agni hotra and yoga activities. This activity is done to fill the time of tourists in the villa. These in-villa activities optimise the villa's revenue in various full day services. This full day service is what makes this retreat activity a trendy activity in villas in Ubud and Sidemen.



**Figure 3. Agni hotra**



**Figure 4. Yoga asanas**



## 2. Post-Pandemic Villa Retreat

During the post-pandemic period, health protocols and maintenance were the top priorities. Furthermore, this placed nature and health as the major concern of post-pandemic tourists (Buckley & Cooper, 2022) and spiritual tourism was a preferred option as it was in line with these priorities. The yoga and healing retreats were developed into a scheduled program due to increased demand. The increase in demand was caused by the need to follow post-pandemic health protocols, such as keeping a distance and maintaining a healthy lifestyle. The implementation of health protocols provided an opportunity for retreat tourism to emerge. The rules implemented were health-oriented and consistent with the orientation of spiritual tourism, namely holistic health. Therefore, health-based spiritual tourism was a target.

"Retreat tourism is suitable for villas in Ubud and Sidemen because of the supportive cultural and natural atmosphere. Villas in other places such as Canggu, Kuta for example are suitable for romantic family villas. Therefore, not all villas are suitable" (Informant R1, Head of Bali Villa Assosiation).

"Spiritual tourism is becoming a trend now after the pandemic. There are many markets" (Informant R2, Manager Villa).

The interviews state that Ubud was widely known as a popular destination for spiritual tourism due to its supportive atmosphere. Other tourist destinations included as Sidemen and Karangasem. The villa business in Ubud relied on natural and cultural backgrounds and this helped in building a holistic health atmosphere. Spiritual tourism had become a trend for marketing this business in the post-pandemic period, due to natural, cultural, and health backgrounds. The atmosphere created by these backgrounds served as an opportunity for those in Ubud to develop their business in spiritual tourism.

"We also invite inbound tourists to tour the temples around Sidemen" (R3).

"Therefore, we do not need to have our own villa, there are many villas that we can cooperate with" (R4).

"Cooperation with retreat packages has become a trend in the post-pandemic period, there are also quite a lot of enthusiasts" (R2).

The interviews prove that the villa business actively collaborated with yoga and other spiritual instructors to create retreat packages, due to the optimal benefits of accommodation, food, and drinks. Several yoga instructors from abroad were actively looking for partner villas in Ubud and Sidemen to conduct retreat programs. An example could be seen in the Book Yoga Retreat

(<https://www.bookyogaretreats.com/>) where there was an offer of retreat packages in Ubud-Bali. The offer was made by yoga instructors in collaboration with villa business or hotels in Ubud and its surroundings. Several retreat instructors were owners and this created an avenue to achieve optimal benefits. I Ketut Arsana who was the owner of OmHamRetreat and Suciani as well as Villa Cepik served as a notable example in this context.

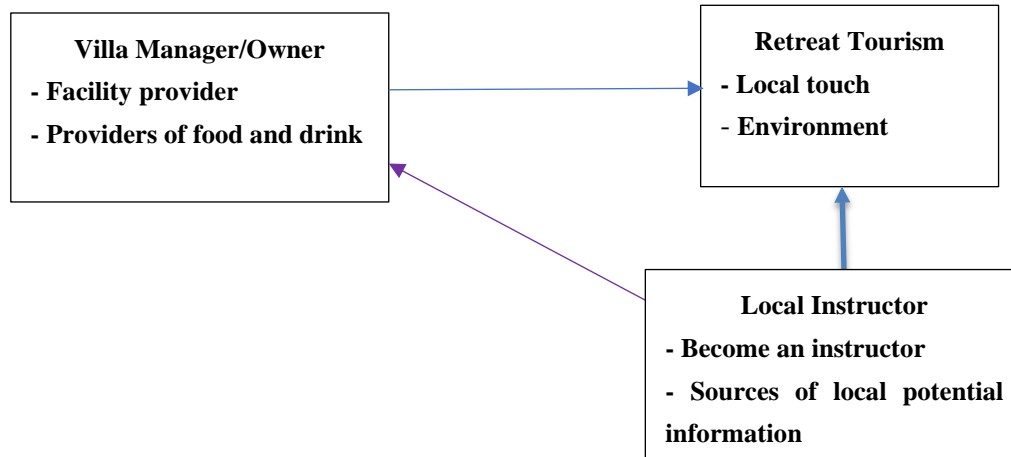
“Foreign instructors benefit from selling retreat packages, ticket fees to Bali, accommodation, and free meals in Bali” (R6).

“We have to protect Balinese nature and culture because they are the main capital for developing retreat tourism....” (R5).

“We always make efforts to protect the environment and culture. We are together to clean up the environment....”. (R3).

The interviews prove that the foreign instructors did not have work permits in Indonesia but had markets in various countries. Consequently, they partnered with local people at these retreats to overcome this challenge. These local instructors were previously students in various yoga courses in Bali and served as a network for conducting retreat activities. An example was Be Yoga, which had a network with R5, who was a local instructor. Madrawan became a partner of the Be Yoga network to carry out activities in Bali. Another example was Raldo Kaligis who was part of the Yoga Alliance RYT 200 network, as well as an Indonesian citizen. Raldo Kaligis served as an instructor for a yoga retreat in Ubud promoted by the Yoga Alliance network (bookyogaretreat, 2023). Therefore, these retreats provided benefits to the local community, such as owners and local yoga instructors. Foreign instructors benefited from retreat packages, free tickets, lodging, and food during their stay in Bali.

The benefit for local instructors made them eager to maintain the appeal of retreats in Bali and the main attraction point were culture and nature. Balinese culture supported spiritual activities because the religious activities of the local population were similar to performing routine rituals. Bali's nature, such as mountains, rice fields, and beaches created a peaceful atmosphere. Therefore, it was an obligation for tourism actors to maintain culture and the environment by ensuring proper environmental sanitation. The comfort of retreat tourists depended on the presence of a clean environment. This indicated that villa business manager must always cooperate with the government and the surrounding community to maintain a clean and comfortable society. These experiences demonstrated a passion for nurturing the culture and environment to support the retreat package.



**Figure 5. Model of Retreat Development in Villa Business**

The model of developing retreat products at villas is illustrated in Figure 5. The interaction between managers or villa business owners with foreign spiritual instructors led to the development of retreat tourism. This development involves local instructors who were usually recruited through training conducted by foreign instructors. The involvement of local instructors was needed because the foreigners did not have work permits and they provided a touch of retreat products based on local culture and the environment. Furthermore, their experience led to the development of packages in collaboration with villas. Due to this active involvement, the local community was quite involved in this retreat package and was responsible for maintaining the atmosphere of their area. This atmosphere was built based on culture and environment, leading to the dependence of the tourists on these factors.

## Discussion

Previous reports showed that the adaptation of villa business to post-pandemic retreats occurred due to requests from spiritual activists, collaboration with yoga instructors, income optimization, and the need for health protocols. Tourist demand had also increased due to the need for tourism during the post-pandemic period. This increased demand was used by yoga instructors to create retreat packages through collaboration with villa business. This retreat package was attractive for the business because it could help in optimizing their income by providing food and accommodation. Furthermore, the retreat package had the potential to become a mainstay of villa products in the future because it was in line with health protocol requirements. The need for health protocols also had implications for protecting the environment.

The development of retreat packages increased income because only breakfast and dinner were served before the initiative. After developing a retreat package, various necessities were provided,

including breakfast, first snack, lunch, second snack, and dinner. Tourists who were fully active villa had the potential to ask for additional needs, thereby creating an opportunity for the service providers to increase their income. In some cases, the owner was also a spiritual practitioner, who served as an instructor, such as Villa Cepik. Therefore, villa business could optimize the income from various aspects, including consumption and instructors. This optimization was important after the pandemic because the number of tourists had decreased significantly. Before the 2019 pandemic, the number of inbound tourists to Bali was 6,275,210 people. During the 2020 pandemic, there were 1,050,505 people and this number decreased to 51 in 2021 (Bali Province Central Statistics Agency, 2022). During the post-pandemic period in 2022, the number of foreign tourists increased to 2.3 million (Tempo.co, 2023). Due to the decrease in inbound tourist visits, villa business must optimize income from these inbound tourists.

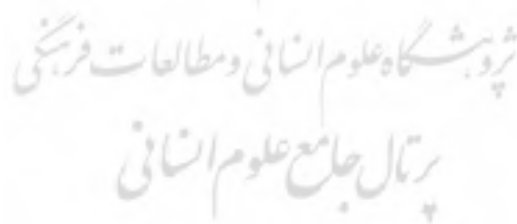
Revenue optimization was the motive of this adaptation and it was necessary due to the decrease in the number of inbound tourists. To increase income, efforts were needed to increase the expenditure of inbound tourists. Before the pandemic, these destinations did not provide food and drink. Inbound tourists were facilitated by an officer who accompany them to buy all items needed. After the pandemic, the villa business provided various types of inbound tourists' needs to increase income. Retreat tourism was one of the strategies implemented to increase the total income generated. Therefore, the retreat tourism product was an adaptation to increase income in the post-pandemic period, which had seen a decline in tourist visits and spending ability.

Optimizing income had a detrimental effect on restaurant and souvenir businesses, because inbound tourists did not buy food, drinks, and souvenirs from other external vendors. Inbound tourists did all their activities in the villas, leading to a lack of income distribution. However, the villa owner built partnerships with local people who could work seasonally to provide various food and souvenirs. In terms of the local economy, they collaborated with local communities for food, drinks, and souvenirs. They also used the local people as yoga instructors because foreigners did not have work permits in Indonesia. Foreign instructors only acted as intermediaries for selling retreat packages in their respective countries. Therefore, this retreat package still had a relationship with local economic development and local communities.

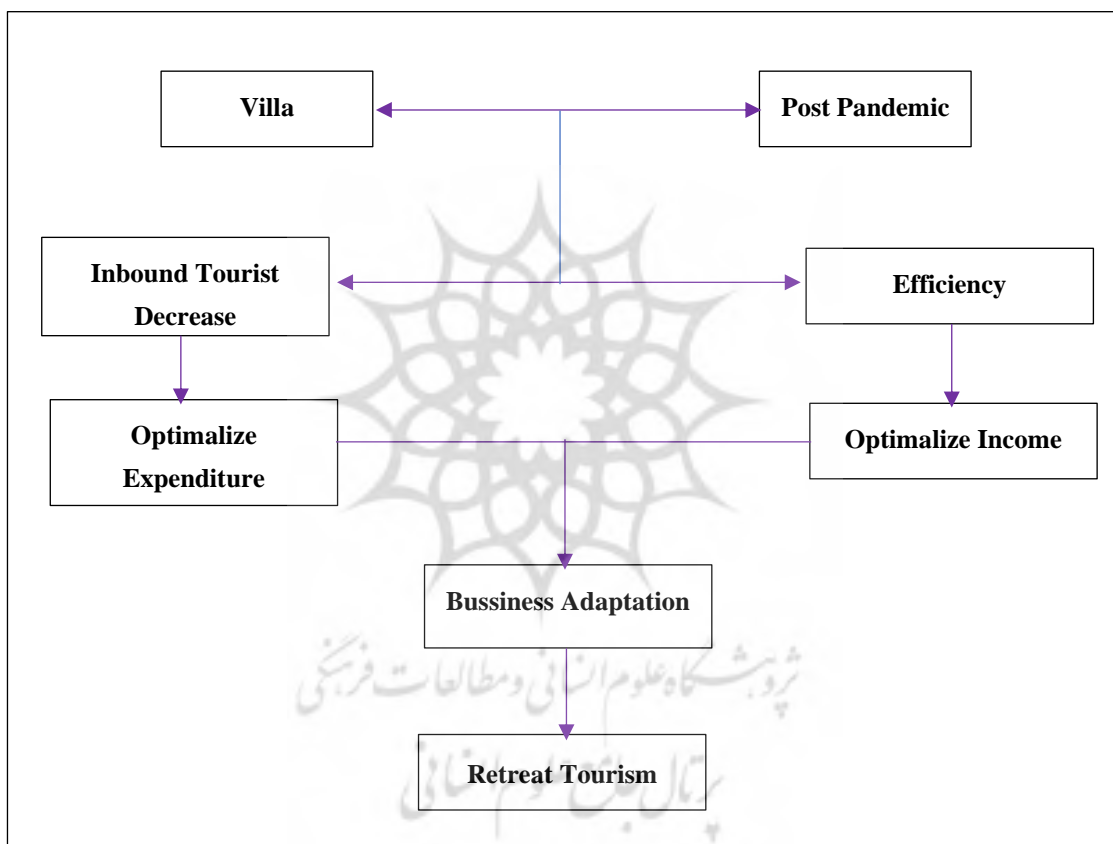
The major driving factors of this retreat package included the natural and cultural environment. Beach environments, such as Canggu, Bali, were suitable for romantic packages. Most of the villa business that served as retreats were located in Ubud and Sidemen, which were initially developed as tourist villages with cultural authenticity and a natural environment in the form of rice fields. This natural and cultural environment created an atmosphere for retreats, thereby creating the need to continually preserve nature and culture.

The local economy, community, and environment contributed to the post-pandemic tourism issues. In the post-pandemic period, the sector must focus on locality and minority ownership to control the business (Benjamin et al., 2020). Nature was the main carrying capacity for post-pandemic tourism because it had an influence on mental health. Furthermore, the economic approach showed that nature tourism had a substantial influence on human capital and mental health (Buckley & Cooper, 2022). To address these emerging challenges, it was important to carry out management changes (Wiweka et al., 2021). This management change must adopt information technology transformation to benefit small businesses (Fuchs, 2022). Several studies reinforced the adaptation of villa business to retreats, due to their orientation to the local economy and small size (Benjamin et al., 2020; Fuchs, 2022). Mental health orientation was also a serious concern in this rejuvenation (Buckley & Cooper, 2022).

Mental health in other post-pandemic tourism cases was oriented toward natural tourism products (Buckley & Cooper, 2022). In Africa, tourism was focused on sports (Daniels & Tichaawa, 2021), and breathing sports retreats were offered as an alternative to increase the significance for tourists and local people. For tourists, retreats were meaningful for health, while local people perceived meaning for environmental and cultural preservation (Hosta & Plevnik, 2022). The tendency to build valuable tourism was captured by villa business in Bali to develop retreat tourism products. Furthermore, these products had value for the health of tourists, by preserving nature and local culture. The retreat products were unique as a form of business adaptation to the post-pandemic situation. Adaptation to the pattern of retreat places was unique to Bali, due to the support of Balinese nature and culture.



The Balinese specialty was built with the spirit of adding value to villa business, such as carrying out retreat tours. This added value was built from the adaptability of entrepreneurs in Bali. Adaptation theory explained that an effort was often adapted due to internal and external stimuli (Ring et al., 2021; Roussia et al., 2023). The internal stimulus for villa business was culture and the environment, while the external was post-pandemic. External stimulus required health while internal stimulus needed cultural and environmental potential. The observation results showed that these two stimuli created added value retreats. The added value was used to survive post-pandemic by optimizing income through retreat tourism.



**Figure 6. Model of Villa Adaptation to Retreat Tourism**

Figure 6 describes the process of business adaptation from renting accommodation to retreat tourism occurred due to health, cultural, and environmental stimuli. This stimulus was in line with the needs of villa business to run efficiently and optimize income, hence, it was necessary to optimize tourist spending in these destinations. This adaptation was a form of adaptation of the local business in Bali in the face of a decline and it was used as a survival method during the pandemic through the quick response of the owner and managers. The villa business quickly adapted to changes due to their



management agility. Therefore, in the post-pandemic period, small and medium businesses had greater opportunities to develop. For example, the business could easily promote post-pandemic retreat programs with the same proportion as big businessmen. This promotion increased the opportunity to obtain consumers because of their uniqueness as a private accommodation model.

The post-pandemic survival of small businesses was similar to Thailand's experience. Resilience in Thailand involved equal ability and opportunity to use information technology. The capability and opportunity in information technology provided great opportunities for small and medium industries (Fuchs, 2022) through nature tourism (Buckley & Cooper, 2022) and sports tourism (Daniels & Tichaawa, 2021). In the case of Bali, the survival of the villa business had its unique added value, namely building a retreat tourism product by utilizing the strength of the owner as a spiritual trainer and through collaboration with yoga instructors. The retreat tour was a potential collaboration of Balinese human, cultural, and natural resources. The ability of the manager to use these resources was due to experience in the world of tourism. This experience made them quickly understand the development of tourist demands and the associated needs. Therefore, adaptation was also related to experience along with internal and external stimuli.

## **Conclusion**

In conclusion, the experience of villa business managers in Bali in dealing with various crises led to the development of adaptability to carry out rejuvenation. Therefore, the decrease in the number of inbound tourist visits could be addressed by optimizing the expenditure of the visitors. The observation results showed that the managers were able to take advantage of the stimuli to build added value for villa business. The added value was retreat tourism, which was used to optimize post-pandemic income with additional services. Based on the results, it was also used to cover the post-pandemic state of Bali tourism which had not recovered. This adaptation was proof that Bali's experience in the tourism business was sufficient to deal with the decline in the number of inbound tourist arrivals. Adaptation to retreat tours helped villa entrepreneurs to survive after the pandemic.

This experience-based business adaptation was an important finding obtained in this study. Previous studies revealed the adaptation of accommodation businesses, including the use of digital transformation in management (Tsionas, 2021) and marketing (Van Tuan et al., 2021). Product development towards retreat tourism was also a new finding, which occurred due to Bali's potential in culture and nature and could be utilized based on experience to face new challenges. The cultural and natural elements provided a retreat tourism atmosphere in the villa business in Bali, thereby moving accommodation services from rest to wellness. This was an inspiration for accommodation business owners to be creative in adapting

to new stimuli, both internal and external. The adaptation was a step towards product rejuvenation to prevent the tourism industry from experiencing a decline in terms of income.

This study revealed the post-pandemic adaptation of villa business products to retreat tourism caused by internal and external stimuli, but future adaptability could not be predicted because the sustainability of the retreat products was not assessed. The results only provided information on the dependence of the product on culture and the environment. Product sustainability must be explored from the consumers' perspective, but this was not carried out due to time constraints. Therefore, this study must be continued with an in-depth study of tourist trends in the following years. Competition analysis was also needed because destinations in Asia had the same potential to develop retreat tourism.

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