

# NAVIGATING THE TURBULENCE OF THE TOURISM INDUSTRY: FINDING THE BALANCE OF EXPLOITATION AND EXPLORATION THROUGH ORGANISATIONAL AMBIDEXTERITY

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## Abstract

The COVID-19 epidemic is causing considerable disruptions to the global tourism industry. The city of Makassar in Indonesia is not exempt from this predicament. The purpose of this paper is to examine how organizational ambidexterity might help tourism businesses navigate change and gain a competitive edge over time. In addition to explaining organizational ambidexterity and its advantages for the tourism sector, this essay outlines opportunities and problems in the age of disruption and examines tactics for striking a balance between exploitation and exploration. The ability of the tourist sector to capitalize on innovative opportunities and maintain efficient operations while adapting to changes in the business environment is the key focus of the balance strategy. Quantitative approaches along with survey methodologies are used in this study. Information was gathered from 227 Makassar tourism-related industries. With the aid of SPSS (Statistical Product and Service Solution), data were analyzed using multiple linear regression statistical analysis and moderated regression analysis (MRA). The findings highlight how crucial it is for the tourism sector to strike a balance between exploration (innovation) and exploitation (efficiency). Achieving organizational success requires striking a compromise between adaptability-moderated business turbulence management and exploitation-exploration (also known as organizational ambidexterity). To achieve sustainable excellence and navigate through turbulent times, the tourism industry can benefit greatly from organizational ambidexterity.

**Keywords:** Organisational Ambidexterity; Tourism Industry; Turbulence; Exploration Exploitation; Adaptability.

## INTRODUCTION

The COVID-19 pandemic has had a disruptive and significant impact on the global tourism industry, with far-reaching and prolonged consequences. Decreased tourist arrivals, loss of revenue, changes in tourist behaviour and the application of digital technology are significant impacts of pandemic disruption (Jęczmyk et al, 2023). The number of international travellers decreased drastically as a result of global travel restrictions and lockdowns. This resulted in a decrease in tourist arrivals and a decline in tourism sector revenue. UNWTO data released that in 2020 the number of international tourists plummeted by 73% compared to 2019 and the global tourism industry suffered a revenue loss of US\$ 4.5 trillion (Gianie, 2023). This has led to the bankruptcy of many tourism companies, mass layoffs, and loss of livelihood for millions of people around the world (Sangeetha, 2023). In addition, the pandemic has also changed tourist behaviour, with a greater focus on health and safety. Tourism industries around the world are experiencing changes as a result of this trend, utilising digital technologies more

extensively, such as booking, payment, and communicating with travellers through online platforms. The tourism sector plays an important role in the world economy as it is one of the main drivers of economic growth and is a major source of income for many countries (Naseem, 2021).

The industry has many effects, including job creation, multiplier effects, cultural promotion, and contribution to the country's Gross Domestic Product (GDP). Tourism is a major source of income in many countries, especially in countries with outstanding natural or cultural wealth, where it contributes significantly to national economic growth.

The global tourism industry has undergone a significant transformation in recent years. Rising per capita income, better connectivity, and variety of tourism products are the driving factors for the rapid growth in this industry. However, the dynamics of the industry are increasingly complex and fraught with challenges such as intense global competition, economic uncertainty, natural disasters, and health crises (Setiawati et al, 2023).

Indonesia's tourism industry has been significantly impacted by the COVID-19 pandemic. Travel restrictions, closure of tourist attractions, and strict health protocols led to a drastic drop in the number of tourists and tourism industry revenue. In 2020, the number of foreign tourists visiting Indonesia decreased by 80.9% compared to 2019 (<https://shorturl.asia/e8iAk>).

Likewise, in Makassar City, South Sulawesi Province, the number of domestic and foreign tourists decreased by 70% in 2020 (<https://shorturl.asia/vBm5h>). This decline resulted in loss of income, termination of employment, and closure of several tourism businesses. The Provincial and City Governments of Makassar have taken various measures to restore the tourism industry by providing economic stimulus for tourism businesses and promoting domestic tourism.

Although still far from its pre-pandemic condition, Indonesia's tourism sector is starting to show signs of recovery globally. In 2022, the number of foreign tourists visiting Indonesia reached 2.3 million people, an increase of 83.6% compared to 2021. In 2023, foreign tourist arrivals increased by 98.30% compared to 2022 (Antara, 2024). As one of the tourism centres in Eastern Indonesia, Makassar is experiencing similar developments to the global tourism industry.

In 2022, the number of domestic and foreign tourists increased by 50.3% compared to 2021 and in 2023, it increased by 3,738,676, or 42% compared to 2022 (Media Indonesia, 2024). With the increasing number of foreign tourists and domestic tourists coming to Makassar City, it needs to be balanced with the provision of tourism industry services. This indicates that the tourism industry is a promising business opportunity for entrepreneurs engaged in the tourism sector.

Makassar's tourism industry is very diverse, including transport, attractions, food and drink, accommodation, tour guides, and Meeting, Incentive, Convention, and Exhibition (MICE) businesses totalling 722 businesses. In 2023, Makassar city contributed 26% of the local revenue (PAD) from the tourism sector (Nugroho, 2023). Makassar's tourism industry needs to

explore new opportunities while still utilising existing resources and assets as the number of tourists increases and the diversity of industries in the city grows. Makassar's thriving tourism industry faces a number of challenges in the age of disruption. These include changing visitor preferences, the emergence of new technologies, economic uncertainty, and increased competition. Tourism industry players must have the right strategies to overcome the challenges to survive and thrive (Gupta et al, 2024). These strategies include improving the quality of tourism products, utilising technology, building strategic collaborations, and continuing to innovate.

Facing these challenges, the concept of resilience becomes critical to ensure the sustainability of the tourism industry (Lamhour & Perkumienè, 2023) (Dias & Pereira, 2024). The concept of resilience relates to the ability to adapt and repair after a difficult situation or crisis (Ketelaars et al, 2024). Therefore, it is necessary to find strategic solutions to build the tourism industry's resilience so that it can remain competitive in the midst of constant change. One promising approach in this context is to apply the idea of organisational ambidexterity (Sartori & Garrido, 2023). Ability to balance innovative research and efficient exploitation is called ambidexterity (Farzaneh, 2022). The tourism industry can use ambidexterity to better respond to market changes, make use of opportunities for innovation, and maintain efficient operations at the same time.

The objectives of this study are to: 1) Recognize opportunities and challenges in the age of disruptive tourism; 2) Describe organizational ambidexterity and its advantages for travel agencies; 3) Examine tactics for striking a balance between exploration and exploitation through organizational ambidexterity; and 4) Offer useful recommendations for tourism industry stakeholders. This refers to the tourism industry's ability to adjust to changing customer demands and new trends while still running smoothly and providing high-quality services. The notion of organizational ambidexterity, which is the subject of this study, has great significance since it provides a holistic approach to managing the dynamically shifting nature of the market.

Ambidexterity is critical to the tourism industry because it may help it adapt to a wide range of rapid and varied external changes, such as evolving traveler preferences, the introduction of new technologies, unpredictable economic situations, and increased competition. By properly analyzing the history of the business and the challenges it encounters, this research will look at the prospect of applying the notion of organizational ambidexterity as a major strategy to increase the resilience of the tourism industry in the face of changing environmental conditions.

This article is expected to provide new insights for stakeholders in the tourism industry, including business owners, managers, and policy makers on the importance of adopting ambidexterity and agility approaches to face challenges and capitalise on opportunities in a dynamic and unpredictable business environment. Furthermore, the results of this study are expected to contribute to the academic literature on strategic management in the tourism sector and provide practical recommendations for the tourism industry in Makassar and other regions with similar contexts.

## LITERATURE REVIEW

### **Balancing Innovation and Efficiency: An Organisational Ambidexterity Strategy**

The quick changes in the market have an impact on the current status of the company environment. In order to compete in this cutthroat industry, businesses must adapt how they offer the greatest services and goods to their clients. Industry shifts have made consumer choices more intricate, unpredictable, and competitive (Kraus, 2021) (Šostar & Ristanović, 2023). Businesses need to be able to innovate, operate efficiently, and adapt to changes in the market (Handoyo et al, 2023). Unlike in the past, businesses might decide to focus on just one factor, such efficiency, adaptability, or innovation. Today's businesses, however, need to be able to focus on every facet. Businesses need to be able to blend efficiency and innovation into their plans if they want to succeed in the current market.

The company's capacity to survive in the current market has been impacted by complex and dynamic changes. Companies must be able to investigate and exploit at the same time in order to meet this issue; this is known as an organizational ambidexterity approach (Yunita et al, 2023). Businesses that narrow their focus to just one area—exploration or exploitation—will struggle to endure over time in the fast-paced, cutthroat commercial world (Eliakis, 2010). In the context of business, organizational ambidexterity refers to an organization's capacity to pursue two objectives—exploration and exploitation—that are sometimes seen as mutually exclusive. While exploration concentrates on creating new concepts, goods, and markets, exploitation focuses on making the most of already-existing resources to increase performance and efficiency (Maria et al, 2024). In an era marked by uncertainty and rapid change, this technique has grown more and more pertinent.

Since exploitation and exploration are two distinct continuums, it is difficult to practise both. Excessive emphasis on exploitation will cause a company to lose its competitive edge as its products become outdated and its operations become less effective and efficient than those of rivals. On the other hand, an excessive emphasis on discovery may lead to inventions for novel goods and practices that expand upon already-developed skills. This indicates that the company's current knowledge base is well-known. As a result, it's critical that businesses expand their current expertise and competencies when innovating. Therefore, it is anticipated that businesses will be able to pursue exploration (creating new prospects) and exploitation (maximizing current company potential) at the same time.

Ambidexterity offers several advantages, including: a) Ambidextrous organisations are better able to adapt to rapidly changing business environments, b) By continuously innovating while maintaining efficiency, organisations can create a sustainable competitive advantage, c) The combination of exploitation and exploration allows organisations to achieve stable and sustainable growth and d) Ambidextrous organisations are more resilient to external shocks such as economic crises or technological changes (Clauss et al, 2021). Thus, by balancing exploitation and exploration, organisations can achieve superior and sustainable performance.

## **Business Turbulence Navigating the Change**

In the context of business, "turbulence" refers to unpredictability, instability, and fast change in the business environment that can have an impact on a company's performance, strategy, and operations (Arici & Gok, 2024)( Murphy & Seriki, 2021). Numerous things can contribute to it, including advancements in technology, shifts in the economy, shifting consumer preferences, heightened competition, and unforeseen occurrences like pandemics. Turbulence or environmental upheaval that continues to occur proves that the business world is full of challenges and uncertainties so companies must adapt immediately if they want to survive and thrive, because this is like a storm that shakes the business world.

In the corporate world, uncertainty, quick change, complicated problems, unclear information, and volatility are all signs of turbulent times. Businesses are forced to make a difficult decision in these circumstances: stick to the status quo and prioritize efficiency, or take chances and make investments in innovation. In a volatile business climate, companies require specific competencies to build and preserve their fundamental strengths. These competencies include constant innovation, adaptability, and the capacity to learn about the market, particularly customers and rivals, in order to deliver value offerings that outperform those of competitors (Rožman et al, 2023)(Zhu et al, 2023).

Businesses must constantly adjust to changes in the business environment due to volatility. In order to develop new goods, services, or business models that are appropriate for the shifting demands of the market, innovation is essential (Garrido-Moreno, 2024). Companies are encouraged to look for a competitive advantage by the increasingly intense competition. Efficiency can help cut expenses and boost profitability, while innovation can be a big differentiation. New opportunities are also generated by turbulence. Businesses that are adaptable and creative can take advantage of these chances to expand and prosper.

### **The Relationship of Business Turbulence, Exploration-Exploitation, and Adaptability**

Business turbulence, characterised by uncertainty and rapid change, has become the new norm in the modern business landscape (Eliakis et al, 2020). Under these conditions, the ability of organisations to strike a balance between exploration (innovation) and exploitation (efficiency) becomes crucial (Murphy & Seriki, 2021). Adaptability, as an organisation's ability to adjust to change, acts as a moderator in this relationship, influencing the extent to which the exploration-exploitation balance can improve organisational performance (Marín-Idárraga et al, 2022).

Organizations need to innovate continuously to stay relevant and effective in a chaotic world. Organizations that can strike a balance between exploitation (efficiency) and exploration (innovation) will be more equipped to handle obstacles and seize opportunities. Organizations that are adaptable are able to respond to changes more swiftly and efficiently, which optimizes the ratio of exploration to exploitation. Organizations are under pressure to adapt when there is instability. An organization that is adaptive can respond to change by swiftly modifying its plans of action and strategies. Via exploration, the organization can discover new avenues for development and growth, and via exploitation, it can save expenses and increase operational efficiency. Conversely, adaptability makes it easier for an organization to switch between

different operating modes, such as from exploration to exploitation or vice versa.

Organizational performance can be enhanced by combining exploration-exploitation, flexibility, and business turbulence. Long-term performance is typically higher for organizations with a high degree of adaptability and the capacity to strike a balance between exploration and exploitation (Brix, 2020). Organizations that are adaptive are better equipped to withstand long-term survival shocks and remain viable throughout time. Therefore, while exploitation might lead to increased profitability, exploration can yield inventions that give an advantage over competitors.

## RESEARCH METHODS

### Research Location

This research will be conducted in the tourism industry spread across fifteen districts in Makassar City, South Sulawesi Province. The respondents of this research are the tourism industry consisting of seven business fields, namely: tourist attractions, transportation services, travel, food and beverage, accommodation, MICE, and tour guides.

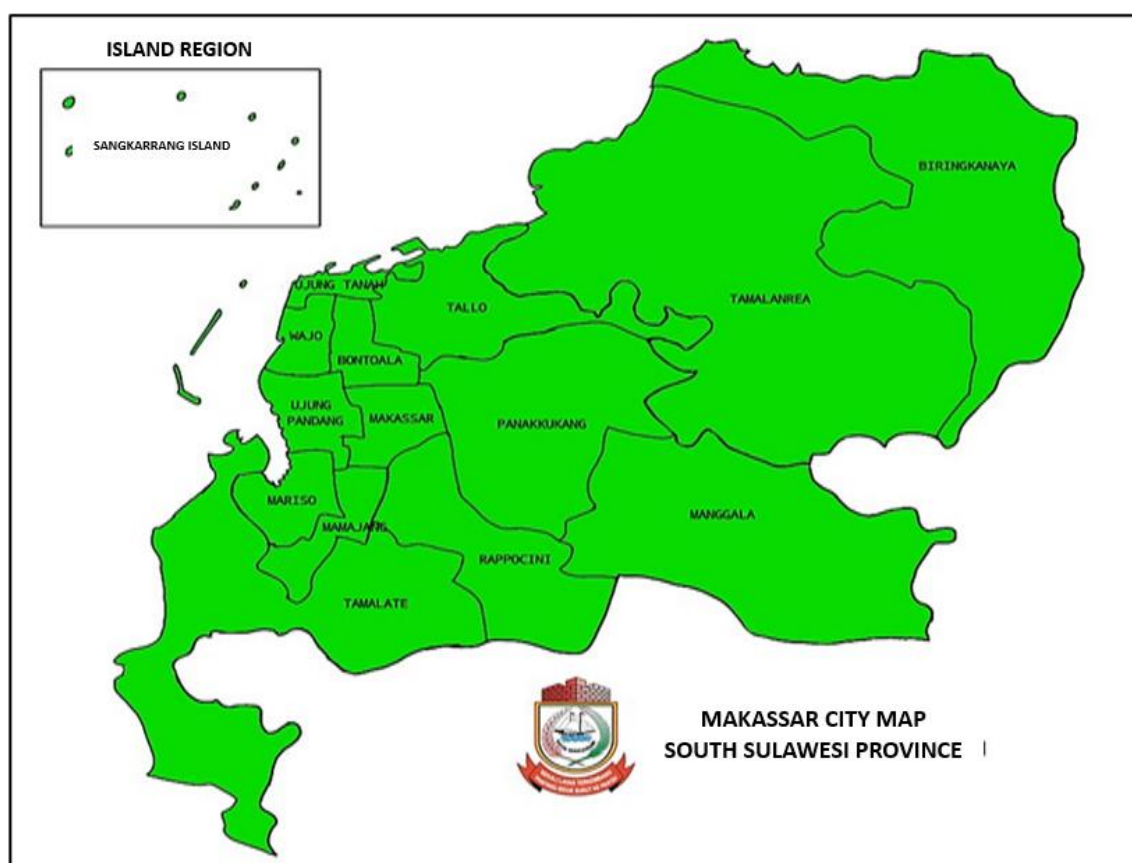


Figure 1: Research Location (Makassar City)

## **Research Approach**

The approach used in this research is a quantitative approach. This research method focuses on collecting and analysing numerical data to test hypotheses and answer research questions objectively obtained from the results of the questionnaire and then tested using statistical methods.

## **Sample Determination Technique**

The sample in this study was determined by purposive sampling using the Slovin formula, so that the sample in this study was 227 tourism industries. Because the number of businesses of each tourism industry is different, the sample of each type of tourism industry is set proportionally.

The informants in this study were determined by convenience sampling who have relevant knowledge, experience, and insight, including: hotel owners/managers, tourism destination managers, local governments and tourism associations.

## **Data Collection Methods**

The data collection methods used in this study are: (1). The survey was conducted using a questionnaire instrument to 227 respondents and; (2) Documentation, this research uses various documents related to the situation and condition of the tourism industry in Makassar.

## **Data Analysis Method**

The quantitative data was subjected to descriptive statistical analysis and hypothesis testing using statistical tests in the form of Multiple Linear Regression and Moderated Regression Analysis (MRA) with the help of SPSS (Statistical Product and Service Solution) to estimate the magnitude and significance of the causal relationship between variables and to evaluate the causal model by testing the relationship between a dependent variable and two or more independent variables.

## **RESULTS AND DISCUSSION**

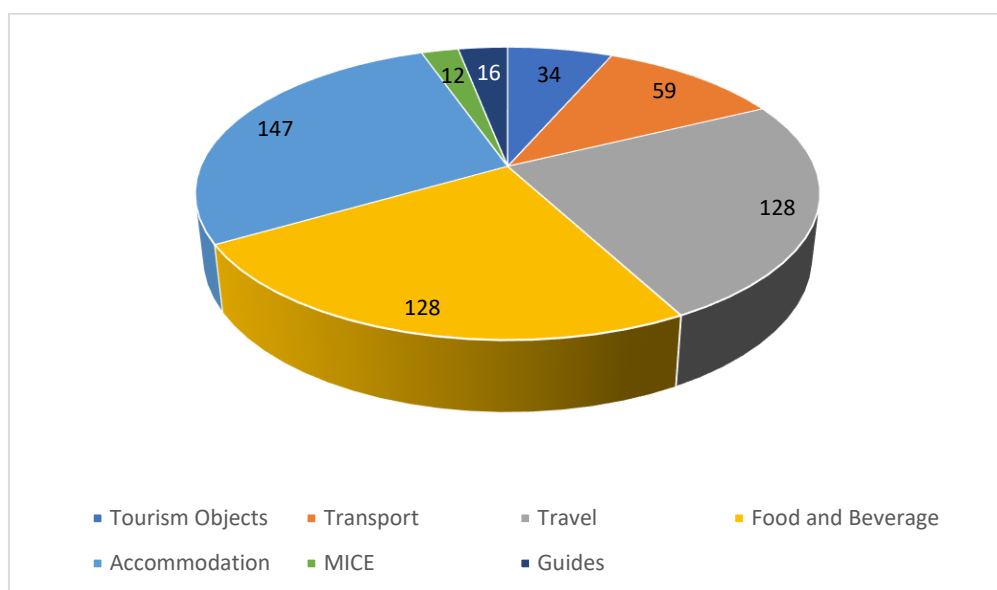
The expansion of Indonesia's tourist sector, which is still advancing and developing at a very quick pace, indicates the country's immense potential for growth. Makassar City, as one of the tourism centres in Eastern Indonesia, also experiences similar dynamics with the Indonesian tourism industry. Some of the factors that influence the tourism industry in Makassar include: diverse tourism potential, better connectivity, development of creative industry, competition with other tourism destinations, and infrastructure and human resources (Arifin et al, 2020).

Makassar City, South Sulawesi Province, is one of the cities that has great tourism business potential. The tourism industry in Makassar City has seven types of service businesses, namely: tourist attractions, transportation services, travel, food and beverages, accommodation, MICE, and tour guides totalling 524 businesses spread across fifteen sub-districts in Makassar City.

**Table 1: Distribution of the Tourism Industry by Subdistrict**

No	District	Tourism Industry						
		Tourism Objects	Transport	Travel	Food and Beverage	Accommodation	MICE	Guides
1	Mariso	0	3	7	5	7	1	0
2	Mamajang	0	4	8	3	10	1	2
3	Tamalate	13	3	12	11	5	2	3
4	Rappocini	0	5	5	7	15	0	1
5	Makassar	0	5	15	17	21	2	1
6	Ujungpandang	8	5	15	17	24	1	3
7	Wajo	4	4	9	10	9	0	1
8	Bontoala	0	4	2	3	4	0	0
9	Tallo	3	1	9	5	4	0	0
10	Panakukang	1	3	15	22	20	2	2
11	Manggala	1	5	3	3	7	1	0
12	Biringkanaya	1	6	8	8	11	0	1
13	Tamalanrea	1	5	9	13	10	2	2
14	Sakkarang Island	2	4	5	0	0	0	0
15	Ujung Tanah	1	2	6	4	0	0	0
		34	59	128	128	147	12	16

Source: Tourism Business Association, 2023



**Figure 2: Tourism Industry Chart of Makassar City**

The tourist sector is a service sector that depends on services as its primary economic emphasis. The tourism sectors in turn support one another. Table 1 shows that food and beverage services and lodging (hotels, inns) predominate in practically all sub-districts, suggesting that the region's tourism industry is heavily reliant on the supply of lodging and delectable cuisine. The



variation in the quantity of tourist attractions across sub-districts reflects the specialization or distinctiveness of tourism in each area. In the meantime, tour guides, travel, and transportation services are examples of important supporting services that show support for tourism-related activities. The fact that there are less MICE (meeting, incentive, conference, and exhibition) services available than other service categories suggests that there is still room for MICE expansion in this area.

The tourist sector in Makassar City must take a number of strategic measures in order to enhance performance due to the intricacy of the issues it faces. There is little doubt that the tourism sector will survive and grow if it is managed effectively in line with current business demands, adaptive to changes in the business environment, and composed of organizations that can collaborate to work on both new and existing projects simultaneously (Susanti, 2023).

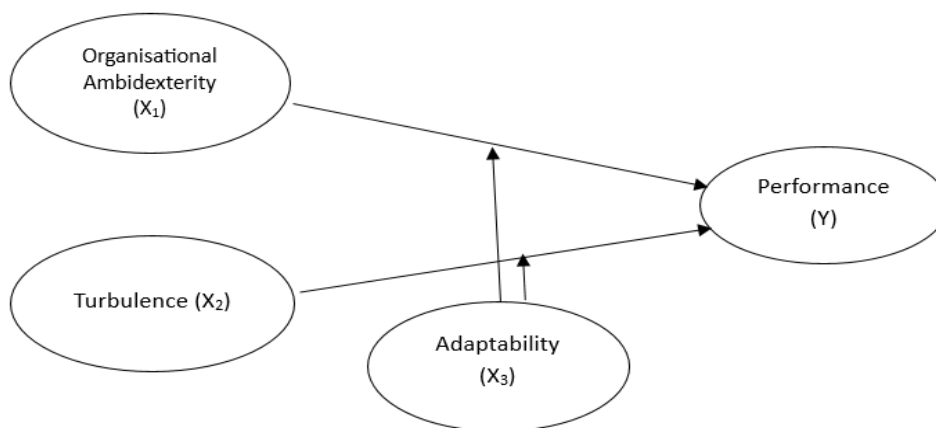


Figure 3: Research model

Table 2: Research Dimensions and Indicators

Dimensions	Indicators
Organisational Ambidexterity	Sustain operational effectiveness while creating cutting-edge travel offerings.
	Improving the pleasure of existing consumers while targeting new tourism markets automating administrative chores with technology and keeping employees up to date on industry developments
Turbulence	Economic fluctuations
	Technology disruption
	Social and cultural changes
	Government regulations
Adaptability	Ability to respond to change
	Flexibility of organisational structure
	Change-oriented organisational culture
Performance	Financial performance
	Non-financial performance
	Long-term viability

## Result

The regression analysis used in this study is Moderated Regression Analysis (MRA). This analysis is used to determine whether the independent variables, namely Organisational Ambidexterity and Turbulence, affect the dependent variable, namely Company Performance with Adaptability as a moderating variable. Moderated regression analysis (MRA) is used to analyse whether the moderating variable can moderate the relationship between the independent variable and the dependent variable. The moderating variable used in this study is the multiplication variable between Organisational Ambidexterity ( $X_1$ ) and Turbulence ( $X_2$ ) with Adaptability ( $X_3$ ). The multiplication of these variables describes how the Adaptability variable ( $X_3$ ) moderates (strengthens or weakens) the relationship between organisational ambidexterity and turbulence as variable  $X$  and Organisational Performance as variable  $Y$ .

**Table 3: Validity test of research variables**

Performance Variable			
Indicators	Corrected Item-Total Correlation	R Table Value	Description
Financial performance	0.798	0.130	Valid
Non-financial performance	0.761	0.130	Valid
Long-term viability	0.720	0.130	Valid
Variable Ambidexterity			
Indicators	Corrected Item-Total Correlation	R Table Value	Description
Operation Efficiency	0.746	0.130	Valid
Customer Satisfaction	0.763	0.130	Valid
Use of Technology	0.829	0.130	Valid
Variable Turbulence			
Indicators	Corrected Item-Total Correlation	R Table Value	Description
Economic Fluctuations	0.771	0.130	Valid
Technology Disruption	0.817	0.130	Valid
Socio-cultural Change	0.806	0.130	Valid
Government Regulation	0.798	0.130	Valid
Variable Adaptability			
Indicators	Corrected Item-Total Correlation	R Table Value	Description
Response Capability	0.823	0.130	Valid
Structure Flexibility	0.834	0.130	Valid
Organisational Culture	0.840	0.130	Valid

Source: data processed by SPSS, 2024

The validity test shows that all indicators of all variables studied have a significant and valid item-total correlation. Therefore, all indicators in the variables studied are considered valid for use in further analysis.

**Table 4: Reliability Test**

Variable	Nilai Cronbach's Alpha	Standar Cronbach's Alpha	Keterangan
Performance	0.875	0.60	Reliabel
Ambidexterity	0.875	0.60	Reliabel
Turbulence	0.910	0.60	Reliabel
Adaptability	0.916	0.60	Reliabel

Source: data processed by SPSS, 2024

The results of the reliability test confirm that these variables can be considered reliable in measuring the construct under study, so that the data used in this study can be further analysed.

Normality test with kolmogorov smirnov test approach obtained Asymp. Sig value and Exact. Sig. respectively of 0.200 and 0.884. Referring to the previously determined decision-making basis shows that all of these significance values are greater than 0.05 (>0.05). So that the data in this study passed the normality test or were normally distributed.

The multicollinearity test obtained the VIF value of each variable is < 10 with a tolerance value > 0.1 so it can be concluded that all variables are free, there is no multicollinearity.

After the data is declared valid, reliable and passes the criteria test based on the classical assumption test, the data is continued at the next stage of analysis, namely multiple linear regression analysis.

Regression equation model (1) is a multiple linear regression model to calculate the effect of organisational ambidexterity and turbulence on company performance.

The regression equation model (2) is a Moderated Regression Analysis (MRA) model to calculate the effect of organisational ambidexterity and turbulence on company performance with adaptability as a moderating variable. The results of the analysis can be described as follows:

**Table 5: Multiple Linear Regression Analysis**

Model		Coefficients <sup>a</sup>						
		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	3.745	.595		6.293	.000		
	Ambidexterity	.189	.034	.283	5.517	.000	.846	1.183
	Turbulence	.173	.032	.299	5.385	.000	.721	1.388
	Adaptability	.275	.044	.341	6.252	.000	.747	1.338

a. Dependent Variable: Performance

From the multiple linear regression analysis table, the available analysis results are arranged into the regression equation as follows:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e$$

Based on the regression equation, the following results are obtained:

$$Y = 3.745 + 0.283X_1 + 0.299X_2 + 0.341X_3 + e$$

To analyse moderating variables using the Moderated regression analysis (MRA) test. The MRA test aims to build an interaction model using moderation variables. The MRA test results are as follows:

Table 6: MRA Analysis

Coefficients <sup>a</sup>								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	7.028	.826		8.512	.000		
	Ambidexterity	.145	.036	.218	3.985	.000	.642	1.557
	Turbulence	.095	.032	.165	2.942	.004	.611	1.637
	Adaptability	.177	.044	.219	3.995	.000	.638	1.566
	Centering Interaction_X1_M	-.042	.017	-.269	-2.550	.011	.171	5.838
	Centering Interaction_X2_M	-.014	.015	-.109	-.931	.353	.140	7.168

a. Dependent Variable: Performance

The MRA analysis table, then the available analysis results are arranged into the regression equation as follows:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4Cent\_X1\_M + b_5Cent\_X2\_M + e$$

Based on the regression equation, the following results are obtained:

$$Y = 7,028 + 0,218X_1 + 0,165X_2 + 0,219X_3 - 0,269Cent\_X1\_M - 0,109Cent\_X2\_M + e$$

The regression equation above shows that the t-count value for the interaction variable between ambidexterity and adaptability is 2.550 > t-table (1.967) at a significance level of 0.011 < 0.05. This means that adaptability can moderate the relationship between ambidexterity and performance, while the t-count value for the interaction variable between turbulence and adaptability is 2.550 > t-table (1.967) at the significance level of 0.011 < 0.05. This means that adaptability cannot moderate the relationship between turbulence and performance.

### Discussion

The tourism industry is a market-driven industry and is complex because it is related to other tourism industries. Many tourism industry businesses were unable to survive because they experienced a drastic decrease in income due to policies implemented during the Covid-19 pandemic. Shifting preferences, changes in tourist behaviour, global competition, and changes in the business environment automatically change the value of products and services offered. The tourism industry must respond to these changes with the right strategy (Zhang et al, 2023) (Han, 2021). The tourism sector worldwide, and Makassar City in particular, is still undergoing rapid transformation. Businesses in the tourism industry who can innovate sustainably and swiftly will stand a better chance of succeeding (Utami et al, 2023). The development of high-quality tourism products, the application of sustainability principles, and the use of technology can all help Makassar's tourism industry thrive sustainably and boost the local economy. The tourism sector needs to adopt the appropriate approach in response to these developments. The COVID-19 pandemic has led to a recovery and comeback in tourism, which presents a chance for the business to continue evolving and improving in order to secure its survival and future expansion. Nowadays, travelers seek out locations that are distinctive, provide deeply engaging cultural experiences, and prioritize environmental preservation (Li et al, 2024). The tourism business has seen significant changes as a result of the digital technology revolution. Travelers

now have easier access to information and a more seamless travel planning experience thanks to social media, travel apps, and online booking platforms (Hien & Trang, 2023). However, the advent of new technologies like virtual reality (VR) and artificial intelligence (AI) also creates new prospects for the development of more engaging and personalised tourism products.

Organizations must quickly innovate and adapt in order to survive in this turbulently disruptive environment. The capacity of an organization to strike a balance between exploration and exploitation—a skill known as organizational ambidexterity—becomes essential to gaining a sustainable edge in the fast-paced and cutthroat travel sector (Farzaneh, 2022) (Clauss et al, 2021). The ability of a tourism industry to: 1) exploit by effectively using present resources to make current profits is referred to in this sense as ambidexterity. This entails managing daily operations, streamlining processes, and boosting productivity; 2) innovate to discover and create new goods, services, or business models for the future (Lastre Sierra & Barrón Villaverde, 2024). This covers tasks like developing new products, conducting market research, and testing out novel ideas. If a business would rather concentrate on innovation to produce an entirely new and unique good or service during tumultuous times. Efficiency could be temporarily sacrificed in order to achieve this. On the other hand, if businesses decide to prioritize efficiency in order to cut expenses and boost profits. This could impede the business's capacity for innovation. Businesses should ideally be able to combine efficiency with innovation in a harmonious way (George & Schillebeeckx, 2022).

This means that in order to support both operations, the corporation needs to distribute resources effectively. Ambidexterity is crucial for the tourism sector for a number of reasons, including: 1) allowing businesses to effectively adjust to dynamic environmental changes, 2) preserving a competitive advantage, and 3) seeking out new opportunities that allow them to expand into new markets and generate income (Pertheban, 2023). To face challenges and seize opportunities in an increasingly competitive tourism industry, the tourism industry in Makassar needs to continue to innovate. Innovations that can be made by the tourism industry in Makassar City are: 1) Offering unique and interesting tourism products, such as community-based tourism, educational tourism, or special interest tourism, (2) Using technology to improve operational efficiency, service personalisation, and tourist experience, (3) Applying sustainability principles in every aspect of the tourism business, (4) Developing creative and innovative tourism products through collaboration with artists, designers, and other creative industry players and (5) Building a strong and unique brand image to differentiate itself from competitors. The tourist sector must also enhance its ability to adjust to changes in the business environment and maximize its current potential.

## CONCLUSION

1. In order to thrive in a competitive market, businesses must adapt how they offer the greatest services and goods to their clients. Market developments have made business operations more intricate, unpredictable, and competitive. The secret to a company's success in the market is its ability to manage its operations through innovation, efficiency, and adaptation to changes in the market..

2. The epidemic and alterations in the worldwide climate are causing a major upheaval in the tourism sector. In turbulent times, tourism enterprises must be able to quickly adjust, use efficiency and innovation, and prioritize sustainability if they are to thrive. The tourism sector may recover and grow even more with the appropriate plan in place..
3. Although a significant obstacle, business volatility presents a chance for growth and development. Businesses that can successfully manage innovation and efficiency will be better prepared to handle volatility and prosper over the long run.
4. In the age of disruption, organizational ambidexterity is a critical tactic for gaining a sustained advantage. By putting this strategy into practice, organizations can attain long-term excellence, boost innovation, enhance company performance, and strike a balance between exploitation and exploration.

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