

# COVID-19 Pandemic Impact Tourism Stakeholder

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The impact of the COVID-19 pandemic on the tourism industry is still sustained, and the response of the tourism industry is an indispensable element that is increasingly recognized. This response has led to the emergence of literature about the impact of COVID-19 on the stakeholders of the tourism industry, thereby contributing to the industry. Nonetheless, criterion factors and investigated practices on the implementation of decision-making by stakeholders in the tourism industry have not been fully explored. Practically, the irresistible risk industry is already synonymous with tourism. Indeed, it is an unstable industry. 2003, 2 million tourists reduce of SARS. 2009, Global Economic Crisis tourist 37 million reduce. 2020, the COVID-19 pandemic, the world's borders are blocked, all international travel is stopped, and the mobility of tourists is prohibited. However, effective decision-making is lacking, and few studies have determined the solutions in the tourism industry of stakeholder. How the tourism industry survives under the crisis context is an urgent issue.

Keywords: COVID-19 ; Tourism Stakeholders ; Tourism Industry ; Travel Company ; Hospitality Industry ; Transportation Industry ; Government ; Tourist

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## 1. Hospitality Industry and COVID-19 Pandemic

The COVID-19 pandemic has restricted interpersonal interaction, and many industries, including hotels and tourism, have been severely affected <sup>[1]</sup>. The uncertainty of economic recovery and the continuous spread of COVID-19 have caused millions of people to suddenly lose their jobs; the hospitality industry was one of the first industries to do so <sup>[2]</sup>. Hospitality and tourism, especially in parts of Asia, Europe and North America, have been affected in a manner unseen in half a century <sup>[3]</sup>. Many hospitality businesses face existing global challenges <sup>[4][5]</sup>. Some of these are significantly detrimental to international hotel industry operations, including the long-term impact of the COVID-19 pandemic <sup>[6]</sup>. The COVID-19 pandemic has introduced difficulties to hotels in major cities in the United States as they continue to operate <sup>[7]</sup>. In Hong Kong, COVID-19 is seriously damaging the operations of the global tourism hotel industry <sup>[8]</sup>. In Malaysia, COVID-19 has severely affected the occupancy rate of hotels, with Kuala Lumpur having the largest number of cancellations <sup>[9]</sup>. In China, they are studying the impact of the pandemic on the hospitality industry, and whether it will change the lifestyle choices, travel behavior and preferences of tourists in the short and long term <sup>[10]</sup>. In the Spanish hospitality industry, economic and tourism activities are generating an economic crisis <sup>[11]</sup>. In Italy, hotels and bed and breakfasts require financial support <sup>[12]</sup>. In India, the discussion database papers analyzed the hospitality industry during the pandemic; the first three themes were the recovery of the hospitality industry, market demand and the loss of revenue <sup>[13]</sup>. In the Vietnamese hotel industry research, the relationship among the hotels' responses to COVID-19 and employee satisfaction was examined <sup>[14]</sup>. In Seoul, South Korea, the hotel industry is highly vulnerable to health, disasters and other risks; therefore, the number of tourists is insufficient, the occupancy rate is insufficient, and the hotel industry has suffered huge economic losses <sup>[15]</sup>.

## 2. Transportation Industry and COVID-19 Pandemic

Transportation is the vector through which pathogens are distributed on a regional and global scale. Given that tourism has the characteristic of needing to move <sup>[16][17]</sup>, tourism indirectly supports pandemics. Since the outbreak of COVID-19, the scale of the global crisis has been huge due to restrictions on the use of transportation by countries' authorities around the world; global mobility has ceased <sup>[18]</sup>. Tourists were infected with COVID-19 on cruise ships, which occurred in countries such as France, Japan, the United States and Australia, resulting in many countries banning cruise ships from docking in their ports <sup>[19]</sup>. A high risk of influenza infection has been found in transportation vehicles, such as cruises, airplanes, or travel groups <sup>[20]</sup>. "The spread of covid-19 through frequent long-distance travel, massive cruise ships, and short distance flights" <sup>[21]</sup>. The COVID-19 outbreak has caused border closures, domestic and international travel has been stopped, and 65 international airlines have reduced flights by 95% <sup>[22]</sup>. The Allplane website released a piece of news, indicating that the "airline bankruptcy list has been made public"; thirty airlines worldwide declared bankruptcy <sup>[23]</sup>. "This is an emergency airline around the world is struggling to survive <sup>[24]</sup>". Approximately 25 million jobs in the tourism industry, the aviation industry, and related value chains are at risk in China during the COVID-19 crisis <sup>[24]</sup>. In Australia,

domestic flights have only reached 10% of their pre-COVID-19 numbers <sup>[24]</sup>. The demand crisis faced by European airport operations under the COVID-19 pandemic, and the cost to achieve viability <sup>[25]</sup>. Geneva ATAG indicates that the decline in air transportation this year caused by the COVID-19 pandemic in 2020 will result in the loss of 46 million jobs provided by global aviation <sup>[26]</sup>. In Malaysia, airlines are facing the risk of bankruptcy, and the airline has asked the Malaysian government to intervene to provide support and assistance to the aviation industry <sup>[9]</sup>. In Hong Kong, by pre-purchasing 500,000 tickets from Hong Kong-based airlines, the government will provide another USD 260 million in relief to inject liquidity into the airlines <sup>[24]</sup>. The COVID crisis has led to an unprecedented reduction in the number of tourists, and airport revenues have also dropped significantly <sup>[25]</sup>.

### **3. The COVID-19 Severely Hit the Travel and Tourism Industry**

Due to globalization factors, tourism has been made available to many people, especially the middle class. Therefore, tourism has become one of the largest industrial fields worldwide in the past two decades <sup>[27]</sup>. The global economic issues caused by the outbreak of the COVID-19 pandemic are unprecedented for the tourism industry, despite it having been previously afflicted by various crises. The tourism industry is the sector most affected by the situation; because the borders are closed, global destinations are inaccessible <sup>[28]</sup>. The number of international tourists decreased by 1 billion in 2020 <sup>[29]</sup>. A study in South Korea highlighted that “untact” is a health protection behavior in the tourism industry. The purpose of the research was to explore the impact of COVID-19 risk perception on the behavioral intentions of untact-tourists, based on the framework of the health belief model and extended planning behavior theory; the results provide timely and insightful enlightenment for tourism practitioners <sup>[30]</sup>. In Vietnam, they studied the impact of COVID-19 on the tourism industry and the government’s response, and interviewed 80 tourism practitioners; the results showed that the government’s stimulus plan helped the tourism industry recover, and various practices and opportunities for travel stakeholders were explored <sup>[31]</sup>. In the Czech Republic, research has discussed the impact of the COVID-19 pandemic on rural tourism <sup>[32]</sup>. In Queensland, Australia, the relationship between COVID-19 social distancing measures, travel restrictions and cultural tourism in four regions was investigated <sup>[33]</sup>. In Africa, the current pandemic highlights the fragility of the tourism industry’s globalization, and the continent, which relies on global visits and global capital, has suffered huge losses <sup>[34]</sup>.

### **4. Government and COVID-19 Pandemic**

The COVID-19 pandemic, following the Enlightenment and the Industrial Revolution in 1700, is the most recent manifestation of the continuous development and progress of worldwide modernization and globalization <sup>[35]</sup>. Many exchanges in global economic activity have been reduced, and governments in many countries and regions have imposed unprecedented restrictions on the movement and behavior of their populations <sup>[36]</sup>. The governments of all regions should face the serious impact of the inbound and outbound tourism travelers on the pandemic, even though the economic contribution of international tourism was previously huge <sup>[37]</sup>. Therefore, the government’s role is critical to the tourism industry’s recovery <sup>[38][39]</sup>. Government warnings and travel bans exacerbate the negative results of the tourism industry <sup>[40]</sup>. Assuming a link between tourism consumption and the risk of health disasters, because travel increases the risk of infection, governments have imposed travel bans <sup>[41]</sup>. Therefore, travel companies are required to find innovative conditions <sup>[42]</sup>. The government needs to seek alleviation measures to support the non-implementation of layoffs, reducing the negative impact of perceptions of job insecurity <sup>[15]</sup>. In China, research on the social impact of COVID-19 on the tourism and hospitality industry has recommended that government departments and the tourism and hospitality industry tailor travel arrangements according to tourists and apply them to the global tourism market <sup>[10]</sup>. In Malaysia, the government announced the four phases of the “Movement Control Order,” which will involve signing a contract with the tourism industry in Malaysia during the period of the prohibitions and the formulation of effective policies to assist the tourism industry <sup>[18]</sup>. In Singapore, the research from the SARS experience in 2003 was used for the outbreak of COVID-19 in 2020; the government adopted three measures, including travel, healthcare and community measures, to curb the spread of COVID-19 <sup>[43]</sup>. A study in Kyoto, Japan analyzed the dynamic process of tourism demand recovery and the applicability of effective policies using the contingent behavior method of quantitative research <sup>[44]</sup>. In Montenegro, the government, which is focused on tourism, has responded with appropriate macroeconomic policy responses since the outbreak of the COVID-19 <sup>[45]</sup>. The duration and impact of the crisis on airports will depend on the containment of the virus and the effectiveness of monetary and government fiscal stimulus programs <sup>[25]</sup>.

## 5. Tourism Stakeholders and COVID-19 Pandemic

Stakeholders in the tourism industry, such as hotels, agents and attractions, are mostly small and medium-sized companies or family-run businesses with “independence” characteristics <sup>[46]</sup>. Stakeholders might choose to compete or collaborate (or compete and collaborate simultaneously) with their counterparts under different circumstances <sup>[47][48]</sup>. These stakeholders are the key players in strategic planning, tourism management, or operations <sup>[49]</sup>. Evidence shows that, during the pandemic, the transportation industry, the hospitality industry, and travel companies are reducing labor and increasing layoffs <sup>[4]</sup>. Stakeholder relationships come from issues that are critical to creating and distributing value <sup>[50]</sup>. A study in China analyzed the conflicts between road- and roadless-access tourism in China's large new national park, and a differential tourism stakeholder analysis was conducted <sup>[51]</sup>. A study in Taichung, Taiwan that used social exchange and stakeholder theory investigated the effect of residents' perceived benefits and costs on the subjective well-being and support of megaevents <sup>[52]</sup>. A study in Samoa, a tourism destination in the South Pacific, discussed the COVID-19 pandemic posing a public health threat to Pacific Island countries; the World Health Organization worked with regional stakeholders to respond to Samoa's points on pandemic prevention <sup>[53]</sup>. In Singapore and Bangkok, a study aimed to curb the on-site vandalism of tourist attractions and participate in tourist attraction management surveys with multiple stakeholders <sup>[49]</sup>. Collaboration between stakeholders is a criteria factor of disaster management <sup>[54]</sup>. For the recreation of tourism, stakeholder theory has been adopted to determine the effects of tourism and other events <sup>[55][56]</sup>. In Canada, a study examined the concept of destination and DMO-related tourism success, and determined whether a relationship existed between the two using research methods such as qualitative research on interview methods and interviews with 84 knowledgeable tourism managers and stakeholders in 25 destinations <sup>[55]</sup>.

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