

Tourism Industry during Pandemic COVID-19

Subjects: Economics

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The tourism industry has always been affected by natural disasters or health crises, but the effects were local and could be combated. The global nature of the COVID-19 crisis has caused a domino effect that has profoundly affected the entire industry at the systemic level. Combating these effects can no longer be done through individual, local measures; a systemic approach is needed to manage the crisis better. There are also positive implications of the COVID-19 crisis on tourism in developed countries that have better addressed the health crisis. Given the traffic restrictions across borders, tourists will choose local facilities that will positively affect national tourism. Less developed countries, which are severely affected by the health crisis and have relied heavily on international tourism, are experiencing a sharp decline in the tourism industry.

Keywords: tourism ; Covid-19 pandemic ; sustainability

1. Crisis and Tourism

Crisis research that has affected the tourism industry is segmented and lacks holistic approaches due to the variety of crises and practices adopted to deal with them ^[1] and has led to a knowledge gap on the intensity of the impact of problems on the tourism industry ^[1]. Crisis management in tourism has been treated mainly in a national or regional context, the triggering element having a varied nature such as natural disasters ^[2], epidemics ^{[3][4][5][6]}, or social disorders ^[7]. If the response to the crisis was reactive in the past, research has expanded in recent years, which proposes a proactive response based on communication, information, and confidence in crisis management ^{[1][6]}.

Over time, tourism has experienced a multitude of challenges that have endangered its sustainability, such as mass tourism ^[8], overload of tourist destinations ^[9], external control ^[10], and affecting local communities ^[11]. Moreover, because in some well-known destinations, the number of tourists often exceeds the population, tourism produces strong effects on society ^{[10][11][12]}.

The effects of a highly contagious virus-generated pandemic have been the subject of much research over time. Hung et al. ^[13] investigated the impact of SARS in 2003 and H1N1 in 2009 on the tourism industry in Hong Kong. Hung et al. ^[13] appreciated that the operators in the tourism industry retreated very quickly and adopted a recovery plan to cause as minor damage as possible. Other authors ^[14] have analyzed the impact of the 2003 SARS epidemic on Hong Kong hotels and airlines and stressed the importance of establishing contingency plans for a speedy recovery after the epidemiological outbreak. However, this kind of research is limited at the national level, given the small extent of SARS disease in 2003. Kim et al. ^[4] emphasized the importance of contingency plans in the effective management of the SARS crisis in South Korea in 2003, calling for the establishment of a crisis management system and training of decision-makers and the general population on how to deal with the sanitary crisis. South Korea was one of the countries that best managed the situation caused by COVID-19, given its previous experience and lessons learned.

2. COVID-19 Pandemic and Tourism

Research on the impact of the COVID-19 pandemic on tourism, tourism resilience, and recovery policies and strategies are in progress, being both conceptual ^{[15][16][17][18]} and empirical ^[18] but rare due to scarcity of data. Although vaccination campaigns are remarkably successful, the pandemic is not yet under control. In addition, mutations in the SARS-CoV-2 virus (South African, Brazilian, Indian) increase the unpredictability of the pandemic, making research crucial to facilitate the recovery of tourism and its associated industries ^[19].

According to Gössling ^[20], the pandemic caused by COVID-19 is a significant challenge for the whole world. Due to the lack of a vaccine and the limited medical possibilities to treat this disease throughout 2020, hygiene measures, social distancing, quarantine, and traffic restrictions have been the primary strategy to combat the pandemic. Unprecedented global travel and lockdown limits have had the worst adverse effects on the global economy since World War II. As a

result of social distancing measures and regulations on domestic and international traffic, tourism has been virtually stopped for a few months from March 2020 worldwide. Data on flights, cruises, and accommodation was catastrophic. Tourism was the economic branch that proved most vulnerable to measures to combat the pandemic.

Higgins-Desbioles ^[21] believes that the pandemic generated by COVID-19 will change the tourism industry and the environment in which it operates. This global crisis may be a source of opportunity to identify new possibilities, and the problematic situation is an additional argument for accepting changes in tourism business models towards sustainability. One of the critical effects that the COVID-19 pandemic had on tourism was accelerating the digitization of processes in the tourism industry, as stated by some authors ^[22]. Another spillover effect of the pandemic crisis on the global economy and environment was reducing GHG emissions caused by decreasing travel ^[23]. This side effect can be, at the same time, an opportunity to rethink sustainable tourism models. However, a more responsible and sustainable approach to tourism will not be enough to provide the opportunities that make such a reset of tourism possible. Tourism needs to be redefined and redirected, taking into account the rights and interests of communities and national interests.

According to Niewiadomski ^[24], the COVID-19 pandemic has stopped the entire tourism sector for several months. Its full resumption after the end of the pandemic will not be the same as in the pre-pandemic period. Niewiadomski ^[24] and Mangra et al. ^[25] consider that temporary deglobalization offers tourism an unprecedented opportunity to develop respecting the principles of sustainable development by combating over-tourism that generates extremely adverse effects such as environmental destruction, economic exploitation, or overpopulation.

From an economic and social point of view, the tourism industry is an extensive employer. Still, accurate estimates are difficult due to the seasonality of many tourism activities and the high percentage of undeclared work. Nevertheless, there are estimates that the hotel industry worldwide has about 212 million people, of whom about 50 million have lost their jobs due to the COVID-19 crisis ^[26]. In the European Union, almost 13.6 million people are employed in the tourism industry ^[27], while in the US, about 14 million ^[28]. Furthermore, in these regions, the percentage of job losses was about 25%. In addition to the social effects, the share in GDP of the tourist activity mediates substantial economic effects ^[29]. In the European Union, 10 of the 27 countries register shares in GDP of the tourist activity higher than 10%.

Several authors ^{[30][31][21]} believe that the lessons learned from the crisis can put tourism on a more sustainable footing, addressing sensitive issues such as over-tourism, climate change, and the systemic approach to development models on which the tourism industry is based ^{[20][28][32]}. However, there are rumors that tourism operators will start a substantial recovery program when most restrictions are removed ^[33], being less concerned about social and environmental issues but economic ones, ensuring their survival. Small tourism companies, which are usually susceptible to actions in the direction of sustainability, will not have the capacity to support the change of business models in a more sustainable approach without incentives from government authorities.

There have been early approaches on the COVID-19 crisis effects ^[20], which highlighted the challenge of transition to a sustainable way. Authors such as Di Marco et al. ^[34] have suggested serious links between the changes that man causes in the environment and the emergence of infectious diseases. It is necessary to take these links into account in sustainable development planning both in tourism and in general, economic and social.

3. The Opportunity for Sustainable Tourism

Implementing a vision of sustainable development in tourism has aroused great interest, especially in recent years ^{[27][35]}. However, Ertuna et al. ^[36] point out that research on the implementation of a sustainable vision in the field of tourism is not very extensive, emphasizing the need for such research. The studies focused on distinct areas of the tourism industry: the hotel sector ^[37], the organization of cruises ^[38], the activity of restaurants ^[39], theme parks ^[40], the organization of events ^[41], and less on the entire tourist activity ^[9]. However, several papers study how sustainability has been addressed in the hospitality industry, papers that propose research topics or frameworks to underpin sustainability in tourism ^{[41][42][43][44][45]}. Gössling and Hall ^[42] show that tourism has a significant contribution to global climate change, although, through ecotourism, tourism can also positively change the environment on a small scale.

Within the tourism sector, the effects of natural disasters or other fortuitous cases bring up to date sustainability issues ^{[46][47][48]}. However, all these works adopted a local, regional, or national research level, given the magnitude of emergencies affecting tourism. Although these works have studied the effects of pandemics on tourism, they have focused on the impact of pandemics on tourism in different countries and have not provided a systemic view ^[20]. There are fears that the crisis generated by COVID-19 will lead to a shift in efforts, including financial ones, from supporting sustainability to

ensuring resilience, especially economic ones. However, some authors [27] show that sustainability can be about restoring and consolidating the tourism industry by providing a cleaner natural environment that offers more tourism opportunities and uses human capital throughout its value.

Although there have been opinions that tourism has excellent resilience and ability to adapt to catastrophic or unexpected events and to recover quickly, the economic and health crisis caused by the COVID-19 pandemic has put the tourism industry under a severe stress test [49]. Several views warn of the unsustainability of the sector (lack of a long-term vision that considers social and environmental vectors), leading to an increase in recurrent risks of climate change and global health problems [50]. Under the current conditions in which the sector needs to be reset, substantial structural changes are required for the tourism sector based on sustainable development models. The industry's sustainability will also ensure its resilience in the face of crises of such magnitude as the pandemic caused by COVID-19 [51][52][53]. Gössling et al. [54] showed that the COVID-19 pandemic had generated a vulnerability of jobs in tourism, especially in small, low-income countries [54]. In terms of global changes, the global pandemic offered a lesson to the tourism industry, politicians, and researchers, but at the same time paved the way for new opportunities. The challenge facing tourism is to turn the crisis into an opportunity to accelerate sustainable tourism transformation.

Fletcher et al. [55] suggest that even after the declaration of the end of the pandemic caused by COVID-19, the world does not allow itself to return to previous levels and tourism patterns. Excessive mass tourism causes damage to the environment (including pollution and resource depletion) due to unsustainable tourism. Despite the uncertainties that the health and economic crisis has induced in the tourism industry, one of the essential consequences has been the consolidation of local tourism, especially domestic tourism [56].

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