

HAS TOURISM GONE ON HOLIDAY? ANALYSIS OF THE EFFECTS OF THE COVID-19 PANDEMIC ON TOURISM AND POST-PANDEMIC TOURISM BEHAVIOR

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Abstract

The global tourism industry, estimated at about \$ 1.7 trillion in 2019, was among the hardest hit by the COVID-19 pandemic, which cancelled most vacations, closed borders and imposed strict travel conditions. In this paper we analyzed the impact of the COVID-19 pandemic on tourism, both in our country and worldwide. For our analysis we used data provided by the National Institute of Statistics, Eurostat, Euromonitor International, the World Tourism Organization, the IMF and by professional associations in the field of tourism in Romania and other countries. The results of the study show that the pandemic caused an estimated loss of \$ 1.3 trillion worldwide and a 74% reduction in the number of international arrivals. Moreover, the impact of the pandemic will be felt for a long time to come, both at the level of tourism operators and tourists, and some travellers will definitely change their consumer behavior when it comes to tourism. Based on these analyzes, we identified several mutations regarding the future of tourism at national and international level.

Key words: tourism, COVID-19 pandemic, tourism consumption

INTRODUCTION

World tourism faced the worst year ever in 2020, with the World Tourism Organization (UNWTO) announcing a 74% reduction in international arrivals following the introduction of travel restrictions and declining demand due to the coronavirus pandemic (Covid-19) [14]. Destinations around the world last year saw a decrease of one billion in the number of international visitors, compared to a decline of only 4% during the global economic crisis of 2009 [8]. According to the latest UNWTO data, the collapse of international travel has led to an estimated loss of \$ 1.3 trillion in export earnings, 11 times higher than in 2009. The crisis has endangered between 100 and 120 million people. direct jobs in tourism, mostly for SMEs [6].

2020 was an atypical, difficult and unusual year, it changed the way we live, work and many of the values we thought were important. Both human health and activity in all industries were mainly negatively affected by the coronavirus pandemic. The tourism

industry was no exception, as it was one of those hit hard by the dreaded virus and restrictions.

The beginning of 2020 looked promising for all industries. The news of an unknown virus did not frighten anyone, especially since it came from another continent. The euphoria of the first days of the year was not over, when we came across terms such as lockdown, quarantine or state of emergency. Locked up in houses, between four walls, we started to reorganize our work or holidays, especially holidays. Where could we have gone if everything was closed?! Representatives of travel agencies said that 2020 has brought them a drop in sales of up to 70%.

Starting with March 16, 2020, when the State of Emergency was established in Romania, tourism went on vacation, but not one that would bring benefits. Since then, tourism consultants have predicted the collapse of the industry.

The entire HoReCa industry in Romania had in 2019 revenues estimated at 5 billion euros, and in 2020 will lose about 3 billion euros, of which 1 billion are only the losses of

hoteliers, calculated the representatives of the Alliance for Tourism (APT). They say the state aid promised by the state reaches 130 million euros, insufficient to compensate for losses more than 20 times higher.

In March 2020, COVID-19 hit also Moldova. The government from Chisinau acted and approved a series of traffic restrictions and entrepreneurial activity to stop the spread of the infection, but which resulted in a disastrous impact on the business environment. Transport, HoReCa, tourism, trade, services were the most affected branches, in which many businesses were closed and thousands of employees were laid off. However, the magnitude of the economic crisis did not begin to be seen until the autumn. According to the Ministry of Economy and Infrastructure, the pandemic crisis generated a contraction of 14% of the national economy in the second quarter of 2020 and 7.2% in the first half. [10].

MATERIALS AND METHODS

For our analysis we used data provided by the National Institute of Statistics, Eurostat, the World Tourism Organization (UNWTO), the IMF and by professional associations in the field of tourism in Romania and other countries [3].

The tourist circulation from 2020 was analyzed, compared to 2019.

For the second part of the study, data from questionnaires applied to tourists and travel agencies by the IMF, ANAT, Euromonitor International and the World Tourism Organization (UNWTO) were used.

RESULTS AND DISCUSSIONS

Destinations around the world last year saw a decrease of one billion in the number of international visitors, compared to a decline of only 4% during the global economic crisis of 2009 [2].

In 2019, travel and tourism were some of the most important sectors of the world economy, almost 10% of global GDP, with over 320 million jobs worldwide and a value of nine trillion dollars.

According to the latest UNWTO data, the collapse of international travel has led to an estimated loss of \$ 1.3 trillion in export earnings, 11 times higher than in 2009. The crisis has endangered between 100 and 120 million people. direct jobs in tourism, mostly for SMEs.

The arrivals registered in the tourist reception structures in 2020 amounted to 6,335.4 thousand, decreasing by 52.3% compared to 2019. In this case, the arrivals of tourist foreigners represent only 7.2% (Table 1).

According to international arrivals, in Romania we have tourist mostly from Europe (78.4%) and of these 74.2% are coming the EU countries.

Table 1. Arrivals registered in the tourist reception structures in Romania 2019-2020

Tourist arrivals in România	2020	2019
Romanian tourists	5,879,251	10,597,000
Foreign tourists	456,149	2,671,000
TOTAL	6,335,400	13,268,000

Source: NIS, 2021 [7].

In the tourist reception structures, at the level of 2020, the overnight stays registered amounted to 14,444.7 thousand, these being decreased by more of a half (51.6%) compared to the overnight stays registered in 2019 (Table 2).

Table 2. Overnight stays registered in the tourist reception structures in Romania 2019-2020

Overnight stays in the tourist reception structures	2020	2019
Romanian tourists	13,448,015	24,612,000
Foreign tourists	996,685	5,258,000
TOTAL	14,444,700	29,870,000

Source: NIS, 2021 [7].

The highest share is represented by the overnight stays of Romanian tourists, this being 93.1% while the overnight stays of foreign tourists registered a share of 6.9%.

Concerning the overnight stays of foreign tourists, the largest share was registered by

tourists from Europe, representing 77.2%, 73% of the them coming from EU countries.

If we talk about the average length of stay in 2020, it was 2.3 days for Romanian tourists and 2.2 days for foreign tourists.

Regarding the index of net use of accommodation in 2020, it represented 22.9% of the total tourist accommodation structures, registering a decrease of 11.3% compared to 2019 (Table 3).

Higher indices of accommodation use in 2020 were registered at accommodation spaces on ships (29.3%), bungalows (28.9%), hotels (26.7%), campsites (24.3 %), tourist houses (22.1%), tourist villas (21.4%), tourist stops (19.4%) and agritourism pensions (16.7%).

The arrivals of foreign visitors in Romania, registered at the border points in 2020, were decreasing by 60.8% compared to 2019.

The most used means of transport for the arrivals of foreign visitors in Romania, were the road, representing 82.6%, respectively the air 14.5% of the total number of arrivals.

Regarding the departures of Romanian visitors abroad, in 2020, 9,510.1 thousand departures were registered at the border points, decreasing by 58.8% compared to 2019 (Table 3).

Table 3. Tourist indicators in Romania 2019-2020

Tourist indicators	2020	2019
Index of net use of accommodation	22.9%	34.2%
The departures of Romanian visitors abroad	9,510,100	23,065,000

Source: NIS, 2021 [7].

Also in this case, the means of road (71.0% of the total number of departures), and air transport (28.3%) were the most used for departures abroad.

Analyzing the global situation, we find for example, that the number of foreign visitors to Japan fell last year by 87.1%, being the most significant decline since 1964, when comparable data became available. Restrictions and measures taken to limit the spread of the coronavirus pandemic (COVID-19) have affected the tourism industry globally. The total number of foreign visitors, including tourists and businessmen, fell to

4.12 million in 2020, from 31.90 million in 2019. This is the lowest level since 1998. The Japanese government's initial target was 40 million of foreign tourists to visit Japan in 2020, but the effects of the pandemic, the postponement of the Tokyo Olympics and other sporting events have made it impossible to meet this target. In December, the number of foreign visitors to Japan fell by 97.7%, the 15th month of decline. And the number of Japanese who travelled abroad decreased in 2020 by 84.2% to 3.17 million, the lowest level since the publication of these data. In recent years, Japan's economy has become increasingly dependent on foreign tourists, launching more aggressive campaigns abroad to promote the tourism industry (World Tourism Organization, 2020) [14].

The opening of many borders in Europe, just before last summer's season, gave the international tourism industry only a brief respite in the middle of the pandemic.

In Europe, the tourism sector accounts for 10% of EU GDP (up to 25% in Croatia, 22% in Cyprus and 21% in Greece, if indirect impact is included) and generates, directly and indirectly, 23 million jobs.

For Germany, this meant that the collapse in the number of overnight stays during the initial lockdown in March (by more than 90% compared to the previous year) gave way to a decline of less than 50% in the summer months. Throughout 2020, the decline is over 60% in the number of accommodation of foreign visitors compared to 2019. The number of overnight stays in Germany decreased by about 51.2 million accommodations, and the amounts spent by visitors decreased by about 18,7 billion euros in 2020 compared to the previous year.

At EU level, travel restrictions imposed in the context of the COVID-19 pandemic have decimated the tourism sector, a major player in the EU economy. Revenues are expected to fall by 50% for hotels and restaurants, by 70% for operators and travel agencies and by 90% for cruise operators and airlines. Europe is half of the world's tourist destinations, and the situation is particularly difficult for tourism-dependent countries such as Spain, Italy, France and Greece [1], given that 22.6 million

people work in the EU tourism sector. In other terms, the EU tourism sector contributes 9.5% of EU GDP and represents 11.2% of EU jobs [13].

The Commission's Joint Research Center, which studies the spatio-temporal patterns of tourism in Europe, has analyzed the regional vulnerability of the tourism sector.

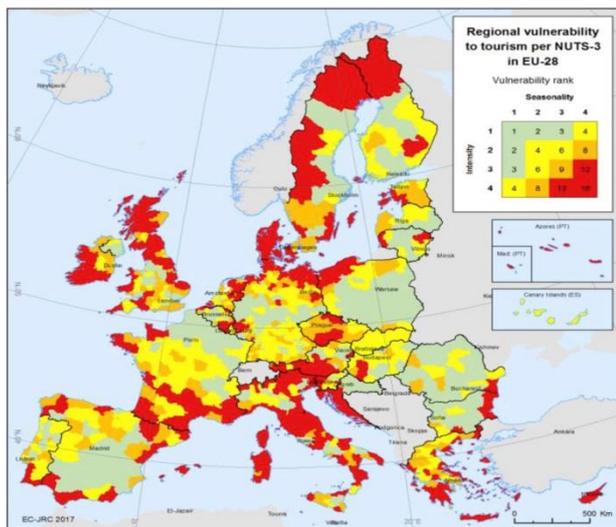


Fig. 1. Map of the regional vulnerability of the tourism sector

Source: EU Commission Joint Research Center.

It points out that the regions most at risk due to the seasonal nature of activity are spread across the EU; however, the intensity is variable, for example, some islands in Greece depend 90% on tourism [5].

Their vulnerability results from dependence on domestic or European tourism, their seasonal nature and their intensity.

The trade fair and congress sector was also affected, with events being canceled or postponed in Europe.

Situation in the Republic of Moldova

The tourist structures that offer accommodation services were frequented by fewer tourists during January-June of 2020. Thus, these services benefited 27.7 thousand tourists, by 75.3% less compared to the similar period of the previous year. This is after during the pandemic several tourism businesses had to stop their activity, and travel was restricted in several states.

Most tourists opted for hotels and motels, guest houses and tourist and agritourism

guesthouses. During this period, no visitors were accommodated in a student rest camp.

More significant shares in the total number of foreign tourists accommodated in the collective tourist reception structures with accommodation functions belonged to those who came from Romania (29.8%), Ukraine (15.4%), the Russian Federation (9.8%), Italy and Turkey each (4.7%), USA (4.5%), Germany (4%).

At the same time, there were almost 113 thousand overnight stays of tourists, of which 73 thousand were those of Moldovan citizens (65% of total overnight stays) and 40 thousand overnight stays of non-residents (35%).

The average length of stay was 5.1 days, at guesthouses - 27.2 days, accommodation facilities - 2.7 days, hotels and motels (3.2 days), and at tourist and agritourism guesthouses, respectively 2.5 days.

In January-June 2020, travel agencies and tour operators provided tourist services to 31.4 thousand tourists and hikers. The number of foreigners who received services amounted to 6,575.

Among the main purposes underlying the visits were: 97.6% arrived for leisure, recreation and leisure purposes, 2.2% for business and professional purposes and only 0.2% for treatment purposes. The number of tourists and hikers who went abroad through these agencies totalled 16.6 thousand people.

Next, we will analyze the behaviour of post-pandemic tourism consumption.

In the top of the favoured destinations of Romanians in a pandemic year, Romania ranked first with 55% of the total number of bookings, with travellers adapting to the restrictions imposed by governments. The rest of the ranking contains on the second place Great Britain with 15% of the total number of reservations, on the third place Germany (8%), followed by Italy (6%), Spain and France with 4% and on the 7th place we have Belgium with 2%.

All the transformations caused by Covid 19 will force the industry to offer a different kind of tourism after the pandemic. Although it is impossible to predict with certainty what the future will bring, the following trends are

related to how people will prefer to travel around the world.

Local travel

International travel bans and the feeling of insecurity associated with flights and airports will make tourism options geared towards the domestic market. Also, the consequences of the crisis already have and will continue to have severe economic implications, people are more attentive to budgets or are unable to afford the trips they had in the pre-pandemic period [9].

However, they will still want to travel. While personal budgets will become tighter and tighter, the desire to go out and explore will only increase. As such, and because of this, many travel lovers will look to destinations closer to home, they will prefer trips that will allow them to stay with money in their wallet. It is expected that more people will make real tours in their countries of origin, supporting local economies by exploring their own cities [12].

Locations located in unknown areas thus have the opportunity to increase their exposure, and less frequented tourist destinations can benefit from demand, given the preference for less crowded places [11].

Nature tourism

Tourists will choose for nature destinations because this form of tourism will allow them to maintain social distance and access to discovery and contact with nature, which they could not benefit in recent months [4].

Wildlife tourism, on the blacklist

The controversial appearance of coronavirus in China has brought to the attention of the public, internationally, the way wild animals are treated. Therefore, there is a tendency for travelers to move away from experiences involving tourism with / near wildlife.

The Instagram snapshot of a tourist riding elephants will no longer be considered "cool". On the contrary, tourism of the future is expected to focus on supporting accredited initiatives for the conservation of the natural environment, flora and fauna to the same extent, in an ethical and sustainable way, such as observing penguin colonies from a safe distance.

Less mass tourism

The pandemic has highlighted the harmful effects of tourism and mass industry on the planet and the natural environments in which we live. Images of cities with less air and water pollution or the reappearance of wildlife in previously deserted natural spaces spoke for themselves. The collective message was and is that people need to take more care of the planet. This will undoubtedly influence post-corona virus travel decisions.

Aversion to mass tourism will force the industry to move towards sustainable, environmentally friendly travel deals with a minor impact on the local community. Travellers will opt for experiences that promote the health and well-being of people and the planet.

The virtual journey

As the world entered a pandemic, solutions for interconnection, travel, or participation in technology events emerged.

Live shows, video conferencing and virtual tours are universally accepted as a new trend. There are already impressive examples of this in the travel industry and it will continue to grow in this post-pandemic era.

Virtual initiatives could also have a positive impact on sustainability, given that the population is increasingly aware of the fragility of the ecosystem.

Micro-holidays

The concept of micro-vacation will probably also be common. Given the dangers associated with long-distance travel, the typical large annual journey will be replaced by the smaller ones, closer to home, throughout the year.

Experience tourism

During the prolonged period of isolation, people had time for introspection. Most have decided to slow down their pace or pursue long-forgotten passions. So, cycling holidays, sailing, hiking, fishing, many of the simple pleasures can come to the surface as holiday reasons, a different one. Locations with health programs, spas, authentic villages, nature are travel opportunities.

Road trips instead of air travel

Whether it is a trip by car, motorcycle or other means of land transport, discovering the country with full autonomy and flexibility can

be a growing option. Travelling with your own vehicles or with a rented car could also be more attractive because an air trip presents an increased risk of illness, with airports being an intersection for all travellers around the world. Land travel can also be seen as a cheaper alternative to air travel.

Preference for renting private property

Given that coronavirus outbreaks have been concentrated in large cities and on cruise ships, it is likely that the types of accommodation people are looking for will change. It is expected that potential guests will prefer to rent private villas, where there is the possibility to use their own facilities. Travellers could thus look at beach houses, mountain huts, apartments or holiday homes, trying to maintain social distance from others.

CONCLUSIONS

The travel and tourism industry has been one of the hardest hit by the corona virus pandemic. It will take a long time to return to something we all recognize as "normal", but there are plenty of opportunities for recovery, opportunities to be innovative and improve the travel experience for all who wish.

The corona virus pandemic took everyone by surprise in 2020, and holiday and travel plans have been shattered by restrictions imposed by authorities and installed fear. This was followed by a collapse in world tourism by over 60% in the first six months of the year. In 2019, travel and tourism were some of the most important sectors of the world economy, almost 10% of global GDP, with over 320 million jobs worldwide and a value of nine trillion dollars.

The end of the year brought a surprise on the tourist market, the tickets for the exotic holidays being sold extremely fast. The travel companies claimed that the sales exceeded expectations, the holidays to the Maldives, Zanzibar, Cancun - Mexico or the Dominican Republic being preferred by Romanian tourists, and the prices are lower than in previous years.

In the short and medium term, consumers will focus on domestic tourism or destinations close to home and reduce their travel budget.

Brands and destinations that are attentive to the environment, to society and that adapt using technology will be the winners. The trips will be more and more customized, following to decrease the mass tourism and to increase the number of holidays in nature, in the tent or of those in the luxury segment.

The crisis caused by COVID-19 should be seen as an opportunity to rethink tourism for the future. Comprehensive plans for the recovery of tourism need to be developed quickly, taking into account the longer-term implications of the crisis on the sector (i.e. changes in travel behaviour). Structural transformation is needed to develop a more sustainable and resilient tourism economy in the future (for example, to avoid excessive tourism), in line with ecological and digital transformation.

Rethinking the business: All travel and travel companies will be able to use this break caused by corona virus to review their business concept and travel offerings. Particularly important for the continuation of the business will be the possession of a cash capital, and the digital businesses will be in trend and will have the opportunity to act first. A new mentality: The pandemic period has raised questions about the sustainability of tourism sectors, such as cruising and aviation, especially as some European countries are moving towards an ecological recovery. Thus, the pandemic could be considered an opportunity for more sustainable business reconstruction, for the benefit of people, the planet, an opportunity to maximize a positive impact of tourism on the environment and the possibility of reducing its negative effects.

The major challenge of the situation is that accessing services in the travel and tourism industry is an extremely social experience, with travellers interacting with numerous operators and indirect service providers (agencies, hotels, restaurants, etc.). It will be difficult to implement some of the new normal movements, such as social distancing, at each touch point. Therefore, from the perspective of the research company Euromonitor International, this health crisis is expected to accelerate some existing trends,

such as digitization, automation, robotics and biometrics.

Digitization will accelerate online sales, reducing the need for outlets, such as travel agencies, to avoid exposing travellers to human-to-human contact. Automation will ensure that passengers can access self-service systems at key contact points, reducing interaction with staff. Biometrics will allow governments to track the health of each individual.

Finally, once the health crisis subsides, the economic impact will be the one that will determine how the rapid recovery can take place, as tourism demand depends on the disposable income of the population, especially among middle- and upper-income travellers.

Scenarios of international experts predict a return in 2021 for tourism, if the pandemic enters a downward slope after the appearance of vaccines. The population is expected to regain the confidence needed to travel and the restrictions imposed by the authorities to relax. However, it all depends on the active measures taken by governments to support the hospitality industry and airlines. The return of tourism to the quotas of 2019 is expected to be achieved only in the next three or four years, the realistic target being 2024.

The vaccine is thus the great hope for the hospitality industry, and from the second half of the year restrictions are expected to be lifted.

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