
ЕКОНОМІКА ТА УПРАВЛІННЯ НАЦІОНАЛЬНИМ ГОСПОДАРСТВОМ

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WAYS TO OVERCOME THE CRISIS IN THE TOURISM SECTOR UNDER QUARANTINE RESTRICTIONS

ШЛЯХИ ПОДОЛАННЯ КРИЗИ В ТУРИСТИЧНОМУ СЕКТОРІ В УМОВАХ КАРАНТИННИХ ОБМЕЖЕНЬ

The paper is devoted to exploring the main problems of the tourism business in Ukraine, which arose due to anti-epidemiological measures aimed at overcoming the COVID-19 pandemic. It is used a systematic approach and methods of synthesis, semantic analysis, historical analysis, analogies, generalization, explanation, classification and graphical method. Prospective directions of the Ukrainian tourism sector's way out of the crisis are proposed and the tools of influencing the demand that will bring the desired level of profits are substantiated. The results of the study can be used in the management of tourism enterprises using the experience of other countries and international recommendations, as well as the selection of key factors of influence to stabilize their functioning. The paper summarizes, structures and studies the main consequences expected in case of exacerbation of the epidemic situation.

Key words: COVID-19, tourism, quarantine restrictions, management, travel company.

Целью статьи является исследование основных проблем туристического бизнеса Украины, которые возникли в результате противоэпидемиологических мероприятий, направленных на преодоление пандемии COVID-19. В исследовании применен системный подход и методы синтеза, семантического анализа, исторического анализа, аналогий, обобщения, объяснения, классификации и графический метод. Предложены перспективные направления выхода украинского туристического сектора из кризисной ситуации и обоснованы инструменты влияния на спрос, который принесет желаемый уровень доходов. Результаты исследования могут быть использованы в управлении туристическими предприятиями с использованием опыта других стран и международных рекомендаций, а также выделения основных факторов влияния для

стабилизации их функционирования. В статье обобщены, структурированы и исследованы главные последствия, которые ожидаются в случае обострения эпидемической ситуации.

Ключевые слова: COVID-19, туризм, карантин, управление, туристическое предприятие.

Метою статті є дослідження основних проблем туристичного бізнесу України, які виникли внаслідок протиепідеміологічних заходів, спрямованих на подолання пандемії COVID-19. В дослідженні застосовано системний підхід та методи синтезу, семантичного аналізу, історичного аналізу, аналогії, узагальнення, пояснення, класифікації та графічний метод. Запропоновано перспективні напрямки виходу українського туристичного сектору з кризової ситуації та обґрунтовано інструменти впливу на попит, який принесе бажаний рівень прибутків.

Досліджуючи впровадження заходів направлених на підтримку вітчизняного туристичного бізнесу, можна спостерігати значне відставання у темпах забезпечення конкурентоспроможності галузі на глобальному ринку протягом 2021 року. Відтак туристична сфера практично не береться до уваги при формуванні економічної політики на національному рівні. На сьогоднішній день в Україні сфера туризму містить високий потенціал, проте не має достатнього та адекватного управління на різних ступенях. Досліджуючи туристичний сектор, можна сказати що в Україні є без виключення всі умови, такі як географічно зручне розташування, присутність значної кількості історико-культурних та природних заповідників, більш-менш розвинуто інфраструктуру, шість природно-курортних територій, які містять у собі лікувально-оздоровчі ресурси. У зв'язку із цим, нами, по-перше, сформовано перелік основних загроз вітчизняному туристичному сектору за сферами їхнього впливу, які можуть реалізуватись у випадку посилення протиепідеміологічних заходів, і, по-друге, надано рекомендаційні заходи органам владних повноважень для попередження можливих негативних впливів.

Об'єктивно, Україна має потужний туристичний потенціал, який, не завжди використовується ефективно, а ситуація, що склалася в туристичній сфері, вважаємо потребує активного пошуку шляхів подолання кризових явищ. Результати дослідження можуть бути використані в управлінні туристичними підприємствами з використанням досвіду інших країн та міжнародних рекомендацій, а також виділенні основних факторів впливу для стабілізації їх функціонування. В статті узагальнено, структуровано та досліджено головні наслідки, які очікуються в разі загострення епідемічної ситуації.

Ключові слова: COVID-19, туризм, карантинні обмеження, управління, туристичне підприємство.

Introduction. The spread of the pandemic has become a challenge for all countries of the world, and the tourism sector is no exception. Even after the resumption of work, travel companies are constantly forced to use strict medical protocols, which means that these business-entities must work only with some restrictions. In response to the rapid changes in the situation, tourism organizations have revised their forecasts and scenarios several times in a limited time.

In general, the losses of the tourism sector in Ukraine are estimated at more than \$1.5 billion. Given the actions taken to restrict the movement of the population, the resort and recreational season began late, which adversely affected not only the leisure industry but also related industries, such as hotel and restaurant business, passenger transport, retail, entertainment and leisure facilities.

Literature review. Research on issues related to ways to overcome crisis situations in tourism is proposed in the works by Loguntsova I. [1], Svitlichna V. [2] and others. Changes in the external environment in the world tourism market on the basis of polarization are studied in the works by Horina H. [3], Katsemir Y. [4], Zhalilo Y. et al. [5], and others. At the same time, it should be noted that today some issues of overcoming the negative consequences of tourism business-entities remain unresolved and require detailed examination.

Purpose of the paper. The purpose is to study the issues of stabilizing the functioning of tourism enterprises amidst quarantine restrictions and formulating practical recommendations both for them and authorities for overcoming the crisis.

Results. To date, the tourism business has changed significantly over the past two years; such actions give reason to believe that the current situation is unsatisfactory and uncompetitive. According to official statistics, the share of tourism in the overall economy of Ukraine is about 3–4% of GDP, which is much lower than the international average of 10%. However, according to the latest data provided by the UN World Tourism Organization, this share is about 9% of Ukraine's GDP. This fact gives reason to believe that the latter indicator is more important for the Ukrainian economy than before [6].

UNWTO stated that the previous year, one billion people used international travel – a third less than in 2019, when the number of travelers was 1.4 billion people. Moreover, the number of international trips is expected to decrease by 40 to 70 percent. In view of the forecast, it was established a global crisis committee on tourism, which developed a strategic plan for the recovery of the tourism sector [7].

The domestic tourism is the main driver of preserving and restoring the tourism sector. It should be noted that in those countries where tourism is successfully developed, e. g. Romania, Bulgaria, Turkey, emphasis is placed on the development of domestic tourism business. Moreover, travel companies not only encourage compatriots to spend holidays in domestic resorts but also introduce incentives. The possibility of attracting tourists from neighboring countries, such as the Republic of Moldova or Belarus, should also be considered since these countries will have the following advantages due to their territorial location: transport convenience, zero language barriers, i. e. free communication, developed tourist routes, similar customs, etc. However, the successful implementation of attracting tourists from neighboring countries depends on the ability to improve infrastructure, taking into account anti-epidemic rules [8, p. 79].

This year's popularity of Ukraine among tourists from Saudi Arabia, the UAE, and Qatar deserves special attention. These tourists are the most desirable ones in Western Europe, but due to anti-epidemiological restrictions, the closest European alternative is Ukraine. There are several reasons. First, on June 11, 2021, the Saudi low-cost carrier Flynas began operating flights to Ukraine. Secondly, last year, for the citizens of Saudi Arabia traveling for tourism, Ukraine introduced an e-visa, and this had a positive impact on the choice of destination. This situation allows us to conclude that today Ukrainian tourism sector has high potential but does not have sufficient and adequate management at various levels.

Examining the tourism sector, we can say that Ukraine has all conditions, such as geographically convenient location, the availability of a significant number of historical, cultural and nature reserves, more or less developed infrastructure, six natural resorts, which include medical and health resources [9, p. 18].

According to experts, tourists this year are to:

- choose rest period shorter than usual;
- the predominance of individual movement by car and individual accommodation;
- the choice of health, sea or rural tourism.

It is expected that the restrictions will lead to changes in the demand, accelerating the introduction of IT-products, introducing maximum service on hygiene, the transition to the installation of POS-terminals and the introduction of delivery to the address. Summing up, we can say that the use of sanitary and hygienic measures and giving consumers the opportunity to be at an appropriate distance from each other during the holidays are important factors of competitiveness in 2021–2022 [10, p. 253].

Thus, the expected decline in economic activity and the deterioration of the wealth of holidaymakers will have the worst impact on the tourism industry. Here are the main negative consequences that are expected because of the aggravation of the epidemic situation, which are divided following the main spheres of influence, e.g. consumer benefits; international economics, social and labor policy etc. (see table 1).

Table 1

The main consequences in case of exacerbation of the epidemic situation

Sphere of influence	Characteristics
Social, labor and household	The deterioration of the situation on the labor market will negatively affect the welfare of the population and lead to poverty (according to scientists, the degree of hardship will increase from 10 to 20% compared to the level at the beginning of the year).
	In order to meet the needs of consumers and to mitigate the adverse effects of the pandemic, states are forced to provide social benefits (both monetized and indirect), which lead to a significant increase in budget deficits to 5.6% of GDP.
	Negative consumer expectations continue to affect the purchasing power of the population, and such trends are projected to continue for at least the next two years.
International Economics	It is projected that the international economy will be able to reach the state of 2020 only in 2022.
	The global cruise industry: travel bans, travel disruptions, negative reputational losses (numerous lawsuits over the coronavirus outbreak aboard many liners) have necessitated the cancellation of international flights by international cruise companies.
	The global aviation industry is one of the most affected by the coronavirus. According to the final estimates of the International Air Transport Association (IATA), the industry's losses could reach \$ 113 billion. Overall, IATA estimates that international aviation business could shrink by 19%.
Consumer benefits	Almost all shares of consumer needs will face a negative trend, but the priority is projected to deteriorate investment activity by 14.8%.
	Changes in the Ukrainian economy in terms of transition to a new quality will accelerate; the processes of digitalization, robotization and the use of the "remote workplace" modality will be intensified.
	According to experts, minor changes in the behavior of economic entities are expected after the end of the pandemic. For example, attitudes towards household habits, hygiene and sanitation, active movement, and vaccination will remain at a level similar to the pandemic period.
Tourism	The economies of those countries that are directly dependent on transport and tourism remain the most vulnerable to the exacerbation of the pandemic and its consequences.
	The most vulnerable in scale will be small and medium-sized businesses, which include tourism.
	It is expected that in about 6 months after the complete end of all quarantine restrictions in the world, the demand from Ukrainians for international transportation and tourist services will be restored.
	Observations have shown that the following is specific to the Covid-19 pandemic: the accompaniment of all epidemiological actions to the so-called "information pandemic" or "fear pandemic", which is associated with a significant rapid spread and excessive impact on the world today. The "fear pandemic" will inevitably affect the planning of all steps by consumers of tourism services.
	The World Tourism Organization estimates that entry from the Covid-19 crisis will occur within seven years.

Source: compiled by the authors using [6–8; 11]

Assessing the current situation in the domestic tourism market, the reasons for dissatisfaction of foreign tourists and non-competitiveness are as follows:

- Obsolete basic material and technical complex.
- Infrastructure needs reconstruction and restoration, i. e. insufficient level of development and a high cost of air travel.

- The level of service often does not meet international standards, especially in local communities.
- The sphere of culture and leisure is far from perfect, in particular, architectural heritage (historical and cultural monuments).
- A deal of environmental, social and economic issues has not been settled.
- An unstable political situation, which led to the annexation of Crimea (loss of up to 30 percent of medical and health resources) and disappointing phenomena in the east and south of the country. All these changes have led to a decrease in entry and internal flows of vacationers [11].

Although inbound tourism is constrained by many of the above factors, e. g. political and economic instability resulting in reduced routes, a lack of necessary facilities, Ukraine's adverse publicity in the West, negative information about the social and political situation in Ukraine and many others, the country still has prerequisites and potential for the development of domestic tourism. Rich natural, historical and cultural, labor resources can spark the interest of domestic and foreign tourists.

The existing but not lasting positive dynamics cannot fully compensate for the losses incurred during the pandemic. Adaptive quarantine has not become a panacea for the tourism business, because it was often almost postponed compliance with quarantine requirements in small areas. Consequently, hotel companies were the center of the epidemiological situation, which is unacceptable for competitive and quality service in tourism. Therefore, we offer generalized recommendations for measures aimed at overcoming the negative consequences of the pandemic (tab. 2) in the tourism sector.

Table 2

Measures to overcome the negative consequences of the pandemic in tourism

Authority	Measures
Ministry of Health	To develop a set of measures to ensure the sustainability of tourism and recreation in the face of increasing quarantine restrictions in the event of the spread of infection.
Ministry of Culture and Information Policy	To consult with market participants in order to prepare anti-crisis measures and strategies for the development of the tourism industry.
	To implement the recommendations of the Global Tourism Crisis Committee of the World Tourism Organization to improve the social and economic consequences of COVID-19 and accelerate economic recovery in three main areas: crisis management and mitigation; providing incentives and accelerating recovery; preparation for the future, as well as the use of experience of measures taken by other states.
	To ensure the provision of reliable information on possible travel restrictions and their cancellation not only in Ukraine but also in the leading countries of international tourism, depending on the level of the epidemic situation.
	To carry out an information and advertising campaign, which will be aimed at spreading recreation in Ukrainian resorts with a focus on consumers who will change their preferences in the direction of domestic recreation.
Ministry of Social Policy	To support the launch of the algorithm for compensation of a certain part of the price of a trip to children's health and recreation facilities at the expense of state and local budgets, as well as funds of state enterprises for families and their members.
Local state administrations	To facilitate the installation of payment terminals in tourist areas. To prepare strategies to stimulate the prosperity of the tourism business in post-quarantine conditions in the regions.

Source: compiled by the authors using [11; 12]

Ukraine can also compete with other countries as it has three main priorities:

- Convenient geographical location.
- Highly qualified medical staff.
- Affordable cost of medical services – much lower compared to other countries.

Conclusions. Thus, the world still faces serious challenges, ranging from the indefinite duration of the pandemic period to restrictions on movement, all in the context of the global economic recession. Countries throughout the world are implementing a wide range of measures to minimize the effects of the COVID-19 pandemic and encourage the recovery of the tourism sector. Objectively, Ukraine has strong tourism potential, which is not always used effectively, and the current situation in the tourism sector requires an active search for ways to overcome the crisis. High quality and compliance with international standards of domestic tourism product, as well as a successful PR-company, building a tourist broadcast Internet space, advertising, significant infrastructure improvements, the development of regulatory and legal methodologies designed to maintain the reputation and prestige of the state should be the strategic direction of the domestic tourism sector.

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