



Impact of Covid-19 on Tourism Industry

Tourism has become a major global industry with an annual average growth rate of 4-5%. It also creates 8% of the global GDP and 10% of employment (WTO, 2020). Yet it is also very vulnerable to crises of different origin such as natural disasters, epidemics, economic crises, political crises, and terror (Yozcu & Cetin, 2020). Because tourism product (e.g. hotel beds, airline seats, restaurant tables, guide services) is perishable, unlike physical goods, they cannot be stored for future use. Past crises with few exceptions (e.g. 2008 Financial Crisis) had regional impacts and their global impact on tourism volume was limited. Yet, considering the speed and impact, Covid-19 is the most serious crises tourism industry has ever faced. This crisis is estimated to have a seven time larger impact on tourism than the 2008 Financial Crises. The effects of Covid-19 are expected to extend for eight months and result in a decrease of 39% in global tourism volume. Tourism industry is expected to recover to 2019 pre-crises levels not before 2023 (Tourism Economics, 2020).

Tourism industry in Turkey also makes 12% of employment and 8% of GDP (COMCEC, 2019). Compared to other destinations tourism in Turkey is more resilient to crises as particularly after 1980s the industry went through a series of crises every few years including natural disasters, terror events, military coups and coup attempts, political crises, economic crises and so on. Considering 2019 income from international tourism at 35 billion USD, Turkish Tourism is likely to lose 25 billion USD if we predict the situation will recover in October, 2020. With multiplier effects the total cost will be more than 50 billion USD to Turkish Economy. Another major problem is that Europe, major market for Turkish tourism, is significantly affected by Covid-19.

Tourism is among the first and most severely affected industries from Covid-19. The first response to pandemic was to close the borders and limit human mobility. Moreover tourism demand is not based on a physical need and can be postponed. The recovery is expected to start form domestic tourism and continue with recovered destinations which were usually first affected (e.g. Far East, Europe than Americas). Considering we already lost the high season in Summer, the primary target starting from September is likely to be the third age group, who are retired, have more leisure time and stable income. Yet, one should also consider that these travelers are also among the risk group for Covid-19. Hence sanitation and social distance are off primary concern in product design. Tourism industry might also face new arrangements for international travel. People might, for example, only allowed to travel if

they are below 25 years of age, proven immune to Covid-19 or accept to spend 14 days under quarantine upon arrival.

No matter the scenario, tourism will see a sharp and long-term decrease in tourism spending as this pandemic will have economic ripple effects. The purchasing power will decline significantly. Majority of events (e.g. meetings, Olympics) have already been cancelled. The business travel will also continue to shrink as virtual meetings and online systems started to take over. Many governments offered financial packages (e.g. tax holidays, credit facilities, employment support) to help industry survive these difficult times. Yet, this period can also be seen as an opportunity to fix structural problems in the industry concerning sustainability, over-tourism, climate change, and destination governance (Seraphin & Gowreesunkar, 2019).

One might predict that the capacities will fall, the quality will be more important than quantity and the per person tourist spending will increase. Mass tourism will also suffer, all inclusive, open buffet systems will be replaced with more customized and sustainable options. People are also more likely to travel less but stay more nights at a destination. Importance of destination governance and coordinated response is also evident. This will enhance the significance of DMOs. Robots and automated systems will be employed more, ICT and digital systems will also gain power. The room service will be more common, standards for hygiene and sanitation will be enhanced, disposable materials will be more popular, the rooms will also be redesigned to include portable kitchens. The sharing economy will also suffer, people will only consider professional service with proven hygiene standards before hiring these units (Alrawadieh et al., 2020). Importance of creating loyal clients will be more crucial for tourism service providers as trust will play a major role in decision making process (Pektas & Hassan, 2020).

Tours operators will also be specialized, they will host smaller groups. Nature based tours will also be more popular. The disintermediation of brick-and-mortar travel agencies will gain pace. There will be less people willing to go to a travel agency to book. Hence online channels will be even more important (Tengilimoglu & Hassan, 2020). There will also be implications for professional tour guides (De la Harpe & Sevenhuysen, 2020), because the group sizes will shrink the driver-guide will be more popular, particularly for travel agencies.

To conclude both DMOs and tourism industry stakeholders should be ready for post-corona environment. There are different scenarios on when the industry will recover, what new challenges and standards will be imposed, who are more likely to travel which products and services will disappear and transform. Hence the stakeholders should be able to create different action plans for each scenario to be put into action after recovery. Destination image shall also be re-positioned based on safety, health and cleanliness. All stakeholders should also make sure they have a risk and crises management plan and a strong financial structure to improve their resilience in the future.

Finally Journal of Tourismology (JoT) welcomes related papers on the impact of Covid-19 on tourism, recovery, mitigation and adoption strategies during and after Covid-19 for different tourism stakeholders, the role and actions of governments to subsidize tourism industry, possible changes in customer behavior and transformations in tourism services and tourist markets. JoT is an open access journal without any publication fees or whatsoever.

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