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## IMPACT OF COVID-19 PANDEMIC ON TOURISM

Research Scholar: VANDANA LALL

Supervisor: Dr. L.C. Verma

**ABSTRACT:** Tourism generates cultural, economic and social value and it is certain that tourism activity will recover, but it depends on the professionals in the sector acquiring the capacity to align themselves with this new conception of the world and transmit values of security, freedom, authenticity, trust and respect for life and the planet. The paper discuss about the current situation in the tourism sector, economic impact, scenarios for recovery for economic recovery, impact of the pandemic on the tourism, tourism industry after crisis, proposals to mitigate the impact of the crisis and to accelerate the recovery of tourism, impact of covid-19 on Rajasthan tourism and what does the future hold?.

**METHODOLOGY:** Methodology used in this is based on necessary information collected from various books, brochures, magazines, journals and travel literature published by various agencies, news channels, newspapers.

**KEYWORDS:** Tourist, tourism, sustainable, coronavirus.

### INTRODUCTION

*"It is in the crisis that the best of each of us comes to the fore, because without crisis every wind is a caress. To speak of crisis is to promote it, and to remain silent in the crisis is to exalt conformism. Instead, let us work hard. Let's put an end once and for all to the only threatening crisis, which is the tragedy of not wanting to fight to overcome it."*

Albert Einstein

### CURRENT SITUATION IN THE TOURISM SECTOR

Tourism has not been free from the health, economic and emotional impact generated by the SARS-CoV-2 coronavirus pandemic, which produces the disease known as Covid-19. All the indicators indicate that we are heading towards a change of paradigm, a new world that is yet to be discovered and we must understand it, accept it and adapt to this new context. The confinement for weeks in our homes, of almost half of the world's population, surely promotes the need for freedom, to know and enjoy a leisure that in some cases has not been sufficiently attended. This is where tourism brings values and an offer of possibilities as wide as each citizen determines.

This crisis has shown how fragile human beings are and how their planning and activities can be changed in such a short space of time that they cannot react.

To a greater or lesser extent, this global problem that frightens us and forces us to take refuge in our homes is making us rethink the operation of the tourism sector in general and its relationship with the world.

### ECONOMIC IMPACT

Since last January the world has been facing a new and hitherto unknown situation. Faced with policies of opening countries to encourage the arrival of tourists and travelers, in just a few weeks this situation has been transformed in a traumatic way into emergency actions proposing blockades and unexpected closures of borders.

In a very short time the global economy is in a situation of ups and downs not known until now, whose impact generates the collapse of the main economic structures, affecting especially the tourist and commercial industry, due to the intervention of Covid-19 and that keeps the world on edge.

The origin of the outbreak is unknown, with the first cases detected in December 2019 in the Chinese city of Wuhan, capital of Hubei Province.

Hundreds of countries have closed borders and millions of citizens are confined to their homes.

This epidemic had devastating consequences for tourism, with the second worst drop in international tourist arrivals. The current crisis of the coronavirus could lower transport and communication costs and the development of global value chains, what we know as globalization.

In any case, institutions, companies and States must take measures to cushion the economic impact of the current situation, since the duration of this situation is only based on assumptions, mainly because there is some uncertainty about the behavior of the virus and the real effectiveness of the quarantine measures of the population.

### SCENARIOS FOR ECONOMIC RECOVERY

All tourism businesses around the world will be affected to a greater or lesser extent by the pandemic, but airlines will undoubtedly face greater challenges; therefore, by virtue of their role in boosting other tourism activities, they will require extraordinary support from governments and financial institutions.

In this regard, to combat the economic crisis that is producing this pandemic, following steps should be taken :

- i. **Depression must be avoided:** Companies are already in losses; the economy is contracting. Many companies are laying off workers. A deep recession is inevitable. A "prolonged depression" should be avoided by acting quickly and strongly.
- ii. **Protect jobs:** People must be protected from the risk of losing their jobs. If this is not done, we will come out of this crisis with permanently lower employment rates and production capacity.
- iii. **Immediate liquidity:** To protect employment and productive capacity at a time of drastic loss of income, immediate liquidity support is needed.
- iv. **To cancel the debts of the companies:** Companies will not take advantage of liquidity simply because credit is cheap. Companies that have an order book will repay this new debt. But this will not be the case for everyone. Others will increase their debt to keep their jobs.
- v. **The role of the state.** The state has a role to play in national emergencies and must use its budget to protect citizens and the economy against shocks for which the private sector is not responsible and unable to absorb. This is what happens in wars, it happened in the two world wars.
- vi. **This is what the State must do:** get into debt to save jobs and guarantee the banks. Governments must absorb much of the loss of revenue caused by business closures to protect jobs and productive capacity. In doing so, public debt will increase. But the alternative is a permanent destruction of production capacity and the tax base, much more damaging to the economy and public finances. Low interest rates will help manage the high rise in public debt.
- vii. **The role of banks, the vehicle of the state.** Banks must quickly lend cash, money, at no cost to businesses to save jobs. Banks are the vehicle for state intervention to save the economy. The capital that banks need to carry out this task must be provided by the State, by governments, in the form of public guarantees, above all.
- viii. **Out with the old rules and bureaucracy.** Neither regulation nor rules on guarantees should hinder the creation of all the necessary space in banks' balance sheets to provide companies with liquidity for this purpose. Bureaucracy must not stop state and bank interventions.

### IMPACT OF THE PANDEMIC ON THE TOURISM

Tourism and trade depend on visitors being able to travel freely from one place to another, and when a health crisis of this magnitude occurs, people stop travelling, both because of many countries' bans on the entry and exit of travelers, and because of travelers' fear of catching a disease that currently has no vaccine.

The reduction in travelers will directly affect the tourism industry, which has a direct impact on loss of income and increased unemployment. The impact of the pandemic on economies that are already slowing down has made tourism particularly vulnerable, becoming the hardest hit sector to date.

Other international organizations such as the World Travel & Tourism Council (WTTC) have stated that the tourism sector is losing one million jobs worldwide every day.

### THE TOURISM INDUSTRY AFTER THE CRISIS

The world is currently in a state of shock following the tremendous psychological and sociological impact of confinement, key factors in predicting possible future scenarios in tourism.

For the development of the tourism industry in a post-coronavirus scenario, the possibilities are multiple, and will start by raising some of them taking into consideration different scenarios.

**General situation scenario:****Scenario 1. Low incidence of the current situation.**

If the government restrictions on the movement of people at the international level were temporary and/or insignificant; the world economy stops falling and symptoms of recovery are detected; and the tourist's fears or cautions generated by the pandemic are relaxed.

**Scenario 2. Fear in the tourist's mind**

If the restrictions of the governments are progressively easing, but the trauma of the Covid-19 is installed in the mind of the tourist and the economy does not show any signs of recovery, we would find ourselves in a scenario in which the tourist demand would have changed qualitatively, with new criteria in the purchase decision of the tourists that would lead us to an analysis and revision of our offer.

**Scenario 3. Government restrictions**

If tourist behavior were only affected in the short term, but government policies continued to curb the flow of travelers, we would find ourselves in a scenario of quantitative contraction of demand at the international level, which would alter pre-crisis tourist flows, with winners and losers.

**Scenario 4: Structural changes in government and tourist behavior .** In this scenario the sector must reconfigure its offer to adapt to these changes requested by the tourist.

After analyzing these scenarios and development frameworks, it should be taken into consideration that, in any case, the tourism offer should be directed towards closer markets. Likewise, this crisis will show that tourists in general have acquired a certain level of social awareness, of connection with the concept of sustainability.

In this case, we must take into consideration that social networks and communication between users are so uncontrollable that no offer can intervene so effectively in the choice made by the tourist as it did before the Covid-19 crisis.

**PROPOSALS TO MITIGATE THE IMPACT OF THE CRISIS AND TO ACCELERATE THE RECOVERY OF TOURISM**

In any case, the following points should be taken into consideration:

- The States must commit to aid for tourism and commercial enterprises with the aim of cushioning the effects of the crisis, considering that this aid cannot be for an indefinite period. They have a social objective by confirming support for the continued activity of businesses and institutions and, therefore, for the jobs of workers.
- The impact of the coronavirus crisis, the time of the beginning of the recovery, as well as the fact of the temporality of the destinations, are determining factors for the taking of a decision.
- The participation of dynamic companies and institutions with knowledge of these territories must be urgent, since the time of paralysis derived from this crisis must be used to prepare and present tourism proposals in markets that are adequate and beneficial for these territories.
- Facilitate travel and the transfer of tourists and trips by setting up systems for identifying and controlling tourists at borders, as well as asserting their safety during the trip.

**ACTIONS RELATED TO TOURISM AND COMMERCIAL COMPANIES****Administrative actions**

- Establish a new leadership framework.
- Appoint and empower a select committee of crisis leaders to make rapid decisions, incorporating functional experts and external advisors when the issue requires it.
- Adjust operating expenses and capital expenditures.
- Establish a project management office to coordinate and support the committee.
- Regularly reassess the situation and adjust priorities and plans.

**Commercial actions**

Even before the pandemic, the tourism industry was undergoing fundamental change. Companies faced increasing pressure to become more customer-centric, digital, agile and sustainable. As they realigned short-term goals and adopted new ways of working to address Covid-19, businesses could still move toward these long-term goals.

The coronavirus is accelerating the ad hoc adoption of video conferencing, cloud collaboration and teleworking. Companies that consistently adopt these digital tools and flexible working practices will become more agile, save money, reduce their carbon footprint and attract talented young employees.

## **IMPACT OF COVID-19 ON RAJASTHAN TOURISM INDUSTRY**

The state has entered the absolute lockdown stage and will close down all historical monuments, including Hawa Mahal, Jantar Mantar, Amber Fort and other popular spots. The Archaeological Survey of India (ASI) closed all 224 protected sites across the state, as well as the popular Chittorgarh Fort. Foreign and domestic tourists are now practically 'banned' in the state as all popular tourist destinations are closed.

The decision will hit the tourism sector, which was already coping since the outbreak of the virus in February, hard. Jaipur is part of the golden triangle of tourism that combines Delhi and Agra.

The closure will have a huge impact on hospitality and related businesses in destinations like Jaipur, Udaipur, Jodhpur, Jaisalmer and Ajmer.

With about 8,000 to 10,000 visitors on an incline day, Amber Fort and Hawa Mahal in Jaipur are the most visited historical sites in the state. Other popular sites for tourists are Chittorgarh and Kumbhalgarh forts, which have an average footfall of 8,000 and 3,000, respectively.

Tourist places like Adhai Din ka Jhopra and Baradari in Ajmer, which are famous among devotees coming to the dargah, and Pushkar have closed down.

The tourism sector involving hospitality, transport, events and handicrafts businesses is heading towards one of the worst financial crisis. The existing situation has hit the events industry which is part of the tourism sector. "Most of my events have been either postponed indefinitely or cancelled due to the prevailing situation. Rajasthan is the most liked place for corporate events due to its hospitality sector and historical sites.

Tourism is one of the most important industries in Rajasthan and is worst hit by COVID 19 as footfall has totally dried up," said a state government official. There are currently 90% cancellations and also for bookings for the next season. The official said tourism contributes as much as a quarter of state GDP; the loss in terms of foregone Goods and Service Tax (GST) collections alone could be Rs 2000 crores.

According to industry estimates which the state government is taking seriously, the official quoted earlier said, "revenue loss in Hotels /Restaurants and other travel services will be more than Rs 12-15 crs and loss of direct and indirect employment of more than 10 lac people is anticipated in next 3 -4 months."

**What Does the Future Hold?** As Rajasthan goes into lockdown mode to combat the outspread, the current scenario doesn't look so good. But, it is expected that in a few months after the situation is under control, the travel and tourism sector will pick up the pace. Events and cultural programs will take place as scheduled and people will be allowed to visit the Land of Kings to discover the distinct culture and taste the local cuisine, most of which people long for when in Rajasthan. Rajasthan, being one of the most visited places in India is witnessing a massive downfall in terms of travel and tourism. The entire economy is suffering huge losses. But, with government planning and several initiatives being put into motion especially for the daily wagers, hopefully, after the lockdown, the economy will slowly pick up the pace and Rajasthan tourism will be up and running in no time. Till then, support the government in the fight against coronavirus.

## **CONCLUSION**

Covid-19's response can become the catalyst for reinventing the supply chain in the tourism industry. The aim is to preserve those elements of the current struggle in the short term that can serve as a basis for a more reactive and flexible operation in the future.