

THE TRAVEL AND TOURISM INDUSTRY PRIOR AND DURING COVID-19 PANDEMIC– FROM A MAIN GLOBAL ECONOMIC ENGINE TO ITS DECLINE

EMANUEL EMIL SĂVAN¹, OANA RUXANDRA BODE²,
MARINA GORI³

ABSTRACT. The COVID-19 pandemic and the restrictions on travel established as a response to it, have a serious impact on Travel and Tourism industry. The global health crisis shut down hotels, restaurants and cafes, and many other additional businesses; it has grounded airplanes and greatly affected the Travel and Tourism industry. The aim of this paper is threefold. Firstly, it analyzes and underlines the development, size and dynamics of the Travel and Tourism industry compared to other industries which have a comparable presence worldwide. Secondly, it concisely examines this industry's direct, indirect and induced contribution to GDP and to employment worldwide, during 2010-2019. Finally, it highlights the prospects for the development of tourism in the future, taking into account the pandemic that we face globally. Moreover, this paper highlights the positive impact this industry had upon the economic growth worldwide in the last years, and the fact that we should not disregard its relevance, as it represents an important global economic engine.

Keywords: *Travel and Tourism Industry, GDP, employment, COVID-19 pandemic.*

JEL classification: Z32, O18, L83

¹ Assist., Ph.D., Department of Hospitality Services, Faculty of Business, Babeş-Bolyai University Cluj-Napoca, Romania; emanuel.savan@ubbcluj.ro

² Lecturer, Ph.D., Department of Hospitality Services, Faculty of Business, Babeş-Bolyai University, Cluj-Napoca, Romania; oana.bode@ubbcluj.ro

³ Master's Student, Faculty of Accounting and Management Information Systems, Academy of Economic Studies of Bucharest, Bucharest, Romania; marinagori12@yahoo.ro

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Introduction

According to Guterres (2020), the United Nations secretary general, “Tourism can be a force for good in our world, playing a part in protecting our planet and its biodiversity, and celebrating what makes us human: from discovering new places and cultures to connecting with new people and experiences”. We are faced, worldwide, with an unprecedented health crisis, and its repercussions can be observed in all sectors of economy. The Travel and Tourism (T&T) industry is going through a dramatic period, an unprecedented one, in each region / country worldwide, being one of the sectors on which the ongoing COVID-19 pandemic impacted the most. The sustainable recovery of this industry from the pandemic’s devastating effects is crucial.

The Travel and Tourism industry was a major engine of the world economy during the last decades. It generated directly or indirectly one in every ten jobs, representing 30% of the world’s exports of services (US\$ 1.5 trillion) and up to 45% of the total export of services in developing countries (WTTC, 2019b). Moreover, it contributes significantly to global GDP, accounting for 7% (on average) of international trade and it attracts foreign spending in many countries in the form of international tourists. This global magnitude of tourism, especially in industrialised and developed countries, has produced economic and employment benefits in many related sectors - from construction to agriculture or telecommunications. Presently, the pandemic has devastated the tourism sector, with unprecedented effects on employment and on the activity of any business related to tourism.

Limitations on travel established in response to the COVID-19 pandemic continue to hit T&T industry terribly. The World Tourism Organization (UNWTO) underlined a sharp decrease of international tourist arrivals in the first quarter of 2020 (-22%). They expect an annual decline

between 60% and 80% (UNWTO, 2020a). Moreover, for the first eight months of 2020, a 70% fall in international arrivals was registered, at global level (UNWTO, 2020b).

Even under these austere conditions, we should not disregard the importance, size and dynamics of this industrial sector relative to other sectors from the global economy at global level. Therefore, the present study focuses on highlighting the economic relevance of this industry, compared to other sectors, in the last years and its great contribution to the global economic growth. By comparing the development of the T&T industry over time to other significant industries, we can observe that this is one of the sectors that have seen the most persistent growth in the last decades. The consequence of this success was given by a substantial contribution to the global economic growth. We may underline that the positive evolutions of the global economic environment in the last years have been a source of growth for the Travel and Tourism industry. The pandemic hit the global economy, and due to the fact that there is a relationship of direct proportionality between the global economic environment and the T&T industry, the negative effects were dramatically felt in this sector.

The remainder of this paper is organized as follows: Section 1 reviews different studies related to Travel and Tourism industry growth in the last decades and the COVID-19 pandemic negative effects on it. Section 2 describes the research methodology that has been employed. Section 3 outlines and emphasizes the research results, and finally, the last section of the paper concludes this research.

Literature review

The current COVID-19 pandemic had a negative impact on most industries, worldwide, but particularly strong negative influences were registered by the Travel and Tourism industry. On 7 January 2020, the World Health Organization (WHO) announced the coronavirus to be the cause of the reported pneumonia cases in China. On 11 March 2020, after the disease spread in many countries, WHO declared the COVID-19 a pandemic (UNWTO, 2020a). For the moment, the evolution of the

pandemic and its economic impact worldwide is really uncertain. Since the virus spread rapidly outside of China, the economic impact is registered in all the countries at the global level.

Over time, the global tourism has been exposed to a wide range of crises: the September 11 terrorist attacks (2001), the severe acute respiratory syndrome (SARS) outbreak (2003), the global economic crisis unfolding in 2008/2009, respectively the 2015 Middle East Respiratory Syndrome (MERS) outbreak. But Travel and Tourism industry has been resilient to all these crunches and none of them led to a longer-term decline in the global development of tourism. The impact and its potential recovery from the COVID-19 pandemic will be unprecedented for this industry. McKibbin and Fernando (2020) summarizes the existing literature on the macroeconomic costs of diseases and estimates dramatic effects of the COVID-19 outbreak under seven different scenarios of how the disease might evolve.

There are many studies conducted on examining the regional impact of the recent pandemic on Travel and Tourism industry. Correa-Martínez et al. (2020) investigated the spread of COVID-19 in Ischgl, a popular ski town in the Austrian Alps. Centeno and Marquez (2020) forecasted the total earnings loss of the T&T industry in the Philippines. They concluded that if the pandemic lasts up to five months, the T&T industry of the Philippines will have an estimated earnings loss of about 170.5 billion pesos. Hoque et al. (2020) measured the impact of the pandemic on the tourism industry in China. Nepal (2020) analyses the impacts of pandemic on adventure tourism in Nepal.

Few studies are focusing on the global impacts of pandemic on Travel and Tourism industry. Gössling et al. (2020) investigated the effect of global travel restrictions and stay at home behaviour on tourism and projected global change, underlining that COVID-19 provides striking lessons to the tourism industry. Ugur and Akbıyık (2020) revealed the effects of pandemic on global tourism, in the light of travellers' comments. Sigala (2020) analysed why and how the COVID-19 can be a transformational opportunity, and it identified the fundamental values, institutions, and pre-assumptions that the tourism industry and academia should challenge and break through to advance and reset the research and practice frontiers.

Before COVID-19, based on the importance of the Travel and Tourism industry in the economy worldwide there has been a high number of articles that examined the relationship and causality between tourism and the economic growth worldwide, in some specific countries or cross-countries. The World Travel and Tourism Council succinctly summarized the important role that this industry plays in the growth of global economy. During this time, T&T industry was an engine for economic growth worldwide. Many studies highlighted a positive long-run association between tourism development and economic growth for some specific countries, like Turkey (Arslanturk and Atan, 2012; Gunduz and Hatemi, 2005; Ongan and Demiroz, 2005), Spain (Balaguer and Cantavella-Jorda, 2002; Nowak et al., 2007), Greece (Dritsakis, 2004), Italy (Massidda and Mattana, 2013), Latin American countries (Martin et al., 2004) or four Pacific Island countries (Narayan et al., 2010).

Scientific research and methodology

The purpose of the present section is twofold. On one hand, it investigates and emphasizes the size and dynamics of the Travel and Tourism industry compared to other sectors of activity, which are regarded as having a comparable presence at the global level. On the other hand, it indicates the direct, indirect and induced contribution of this industry to GDP and to employment worldwide, respectively the prospects for the development of tourism in the future. The authors emphasize this industry's direct, indirect and induced contribution, as well as its total contribution to the GDP and employment at global level and in different regions or comparatively to that of other sectors, in order to reveal the economic importance of this sector in the economy worldwide in the last decade.

Considering the main goals of the present paper we used the World Travel & Tourism Council (WTTC) database. Worldwide, WTTC represents the authoritative source for the role of Travel & Tourism in generating GDP and employment. We used this database as it is one of the world's largest sources of knowledge for many countries and share a commitment to promoting sustainable development. The data was

collected for a period of 10 years (2010 – 2019) and computed accordingly to our main research objective. Based on the online available data we analysed the Direct Contribution to GDP and employment, respectively we computed and analysed the Indirect and Induced Contribution to GDP and employment. We also used the World Tourism Organization (UNWTO) reports which includes assessments on tourism growth over time.

The analysis commences by emphasizing the benchmarking of the Travel and Tourism industry compared to other industries globally before 2020. The study conducted by Bode and Coros (2018) represents a radiography of the impact of the Travel and Tourism industry upon the economic growth worldwide during the 2011-2016 period. The paper highlights the importance of this industry, being an important economic engine worldwide for the investigated period. The size and dynamics of the Travel and Tourism industry was compared to other sectors of activity that has a similar presence worldwide.

The result of the research emphasized the fact that, by comparing the growth, the size and dynamics of the T&T industry with other significant industries over time, it can be observed that it registers the most sustained growth in the examined period. The following industries were analysed compared to the T&T industry⁴: Mining, Agriculture, Education, Higher education, Chemicals' manufacturing, automotive manufacturing, Communication services, Construction, Banking, Retail, Financial services. The main conclusions of the paper highlighted the relevant importance of the T&T industry, being an engine used to determine economic growth for the analysed period. Some important aspects that worth to be mentioned to sustain this idea are given by the fact that: the T&T industry contributed more to GDP than the automotive industry in each region of the world; directly employed 6 times more people than the automotive industry, 5 times more than the chemicals production industry and 4 times more than the mining industry; supported more jobs than the automotive industry, financial services, communications, mining and chemical industry in every region of the world. Moreover, for every dollar spent on tourism and travel, \$3.2 were

⁴ The sectors considered for comparison are defined by Bode and Coros (2018) and differ from year to year in the benchmarking reports.

generated in the GDP across the economy globally; 1 million USD in tourism sales generated twice as many jobs as the same 1 million USD in sales in financial services, communications, and automotive (Bode and Coros, 2018).

It is important to mention that, during 2011-2016, the positive evolutions of the activity in the T&T industry were generated by the favourable growth of the global economic environment. Therefore, we must be aware of the fact that there is a relationship of direct proportionality between the T&T industry and global or regional economic environment.

In the present section, we conduct a comparative analysis for 2018 and 2019 of the Travel and Tourism industry compared to other industries, in order to assess the size and dynamics of this industry, highlighting that it was one of the largest sectors before pandemic spread all over the world. The performance of the Travel and Tourism industry globally in 2018 has been impressive. Globally, this industry has been one of the fastest sectors of activity in 2018, registering an increase of about 3.9% compared to the previous year, its expansion exceeding growth rate of the car manufacturing industry (3.7%) and the health sector (3.3%). The increase in the growth rate of the Travel and Tourism industry has been driven by the number of small businesses in this sector, a massive increase in tourist consumption, low rates of unemployment registered in this sector and facilitation of visa regime in many countries and regions around the world.

According to WTTC (2019a), in 2018, the total contribution of the Travel and Tourism industry to the global GDP was 10.4%, 1.7 times more than the mining, 1.5 times more than the automotive industry and 1.3 times more than the agriculture and banking. In terms of contribution to employment, we need to emphasize that the Travel and Tourism industry provided 10% of the total working labour force at the global level. This percentage resulted in a total of 319 million jobs, more than financial services (the contribution of it was 9.1%) and more than the health sector (the contribution of it was 7.4%). In order to outline the performance of the Travel and Tourism industry in contrast to other sectors, the figure below reveals the contribution of this industry to both the global GDP and employment.

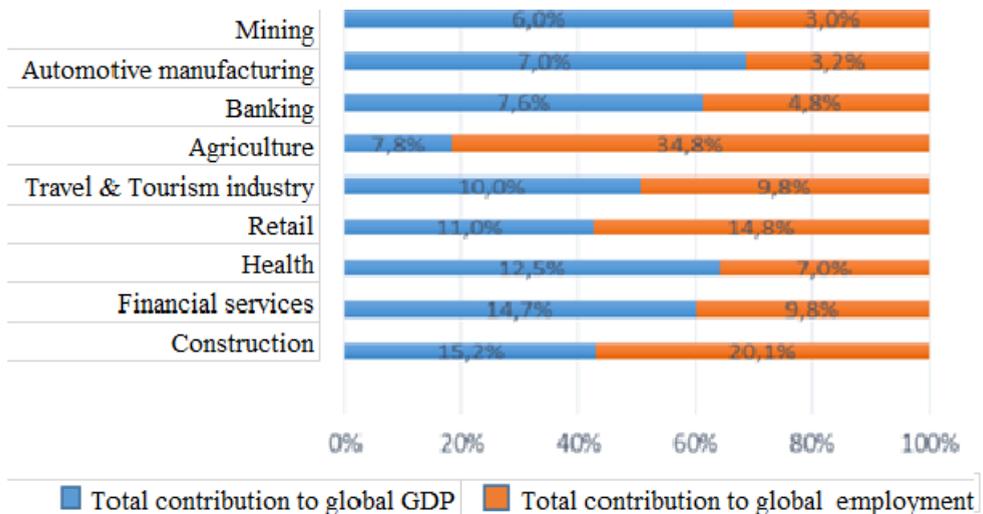


Figure 1. The total contribution of the T&T industry to global GDP and employment compared to that of other sectors in 2018

Source: Authors' own elaboration based on WTTC, *Benchmark Report 2019*, available at <https://www.wttc.org/research/economic-research/benchmark-reports/#undefined>

The Travel and Tourism industry contribution to the global GDP (10%) was almost equal to the contribution to global employment (9.8%). The ratio between the two types of contributions is a balanced one and indicates the ability of this sector to be a socially efficient one (in terms of providing people's jobs) and economically efficient one (increasing the value of economic welfare, in terms of increasing GDP). Industries that have outperformed the Travel and Tourism industry, such as construction, agriculture and retail, have a less balanced ratio, the contribution to employment being in all cases higher.

An overview of the performance of T&T industry at the global level in 2018, requires emphasizing the contribution by reference to main regions worldwide.

In Europe, the total contribution of the Travel and Tourism industry to GDP was 9.7% (2.2 trillions of dollars) (WTTC, 2019c). The contribution of this sector was higher than that of the banking sector (5.9%), respectively agriculture (3.9%). The total contribution of the T&T industry to employment quantified 36.7 million, surpassing the

impact of mining industry, automotive industry and financial services. The competitiveness of this industry in Europe is demonstrated by the position in benchmarking reports, this industry being ranked fourth in terms of both contribution to GDP and employment. At the same time, we need to underline that the Travel and Tourism industry has registered a faster pace of growth compared with all the other sectors. The growth rate of the tourism and travel industry in Europe was 3.1%, outperforming the construction industry (2.8%) and banking services (2.6%).

In Asia and the Pacific, the Travel and Tourism industry ranked five in terms of total contribution to GDP and employment. Total contribution to GDP of T&T industry in this region in 2018 was 9.9%, higher than that of retail trade (9.5%) and the health sector (9.1%). The Travel and Tourism industry is the largest sector in the Philippines and Thailand, but the fourth largest sector in China. Number of jobs created in this region by the Travel and Tourism industry was 180 million jobs, equivalent to 9.3% of the total number of jobs created in Asia during this year. Compared to T&T industry, the contribution of the health sector was 4.6% and that of banking services was 5.6%. However, the contribution of the Travel and Tourism industry remains significantly lower than that of agriculture, which is the largest provider of jobs in this region, with a percentage of the 42.6% of all jobs created. The growth rate of the T&T sector in Asia expressed remarkable values compared to previous years in some countries: in China, the pace of growth was higher with 7.3%, in the Philippines with 7.8% and in Indonesia with 8.9%.

In Africa, the T&T industry ranked sixth in terms of total contribution to GDP (8.5%) and fourth place in job supply (6.4%). Within this continent, most of the activity of the Travel and Tourism industry was recorded in Egypt, where the total contribution to GDP was 11.9%, higher than mining (7.3%), but lower than construction (16.8%) and agriculture (15.3%). In contrast to 2010, the Travel and Tourism industry has fallen by two positions, but in 2018 managed to have the fastest pace of growth, a significant value, with 16.5% more than the previous year. In Africa, the growth rate of the T&T industry was 5.8% higher than the previous year, the development of this sector being more significant than constructions, where the pace was quoted at an increase of 4.8%, and then the mining sector (4.4%).

Concerning the Americas, the total contribution of the T&T industry to GDP was 8.3%, surpassing mining (5.4%) and the automotive industry (4.6%). Contribution to employment represented 44 million jobs, meaning 9.7% of all jobs created, twice as much as banking and triple that of automotive industry. The tourism sector is the main one in Mexico, both in terms of total contribution to GDP (17.2%) and employment (17.8%). During 2010-2018, the Travel and Tourism industry was the second sector in terms of growth rate (was outclassed just by the manufacturing industry). The causes of this position are monetary depreciations (case of Argentina), the recovery after the hurricane in the Caribbean region and the relaxation of visa policies.

A significant growth for the T&T industry was also registered in. However, at the same time, the outbreak of the Covid-19 pandemic and the spread of the new type of virus demonstrated the vulnerability of this industry to a biological hazard of such dimensions.

The performance of the Travel and Tourism industry in 2019 was equivalent to a contribution of 8.9 trillion dollars to world GDP (10.3%), of US\$1.7 trillion to visitor exports (6.8% of total exports, 28.3% of global services exports) and of US\$948 billion capital investment (4.3% of total investment), respectively of 330 million new jobs created (1 in 10 jobs around the world; over the past five years, one in four new jobs were created by this industry, making Travel & Tourism the best partner for governments to generate employment.). This sector experienced 3.5% growth in 2019, outpacing the global economy growth of 2.5% for the ninth consecutive year. T&T growth in 2019 compared with other sectors means that this sector surpassed the growth of Healthcare (3%), Retail & Wholesale (2.4%), Agriculture (2.3%), Construction (2.1%), respectively Manufacturing (1.7%). Only Information & Communication (4.8%) and financial services (3.7%) surpassed T&T industry.

We continue our analysis by emphasizing that over time, Travel and Tourism industry became one of the fastest growing economic sectors in the world. In the last decades, tourism was one of the main economic activities in many regions, worldwide. Further, we analyse the contribution of this industry to global GDP and employment.

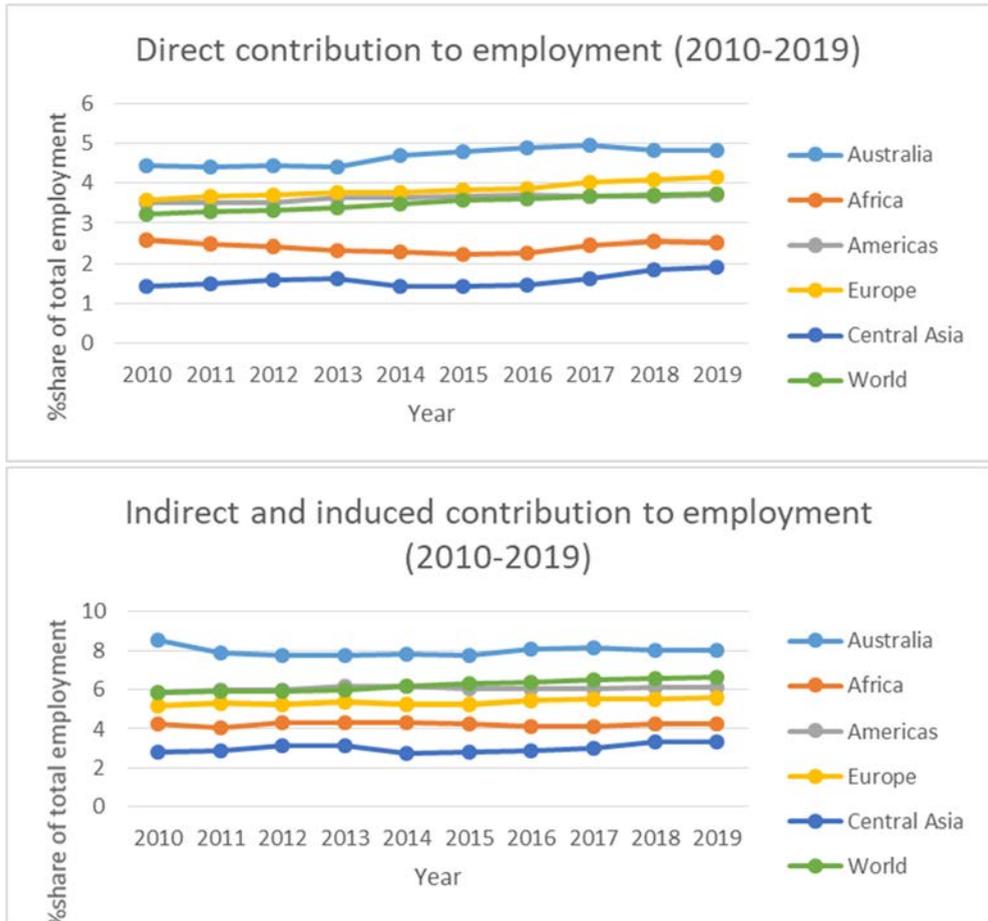


Figure 2. The direct, indirect, and induced contribution of the T&T industry to global employment during 2010-2019

Source: Authors' own elaboration based on WTTC database

As it can be observed from Figure 2, the percentage share that Travel and Tourism contributes directly or indirectly to employment was rather constant for the period 2010-2019, for all major regions in the world. We can observe that Australia exhibits the highest contribution of T&T to total employment regardless of whether direct or indirect and induced effects are measured. When compared with the overall World results, Australia's T&T can be observed to exceed them by over 1% in direct contribution (10 years average of 4.66% compared to 3.51% for

the World) and by almost 2% in indirect and induced contribution (10 year average of 7.98% vs. 6.22%). Halfway, Europe and the Americas are very close to the figures which display the overall results of the World. At the opposite end, Africa and Central Asia are the regions in which both direct and indirect contributions of T&T to total employment are very low. In Central Asia, direct contribution throughout the whole analysed period (2010-2019) was below 2% whereas for the indirect and induced, the contributions did not exceed the 4% level.

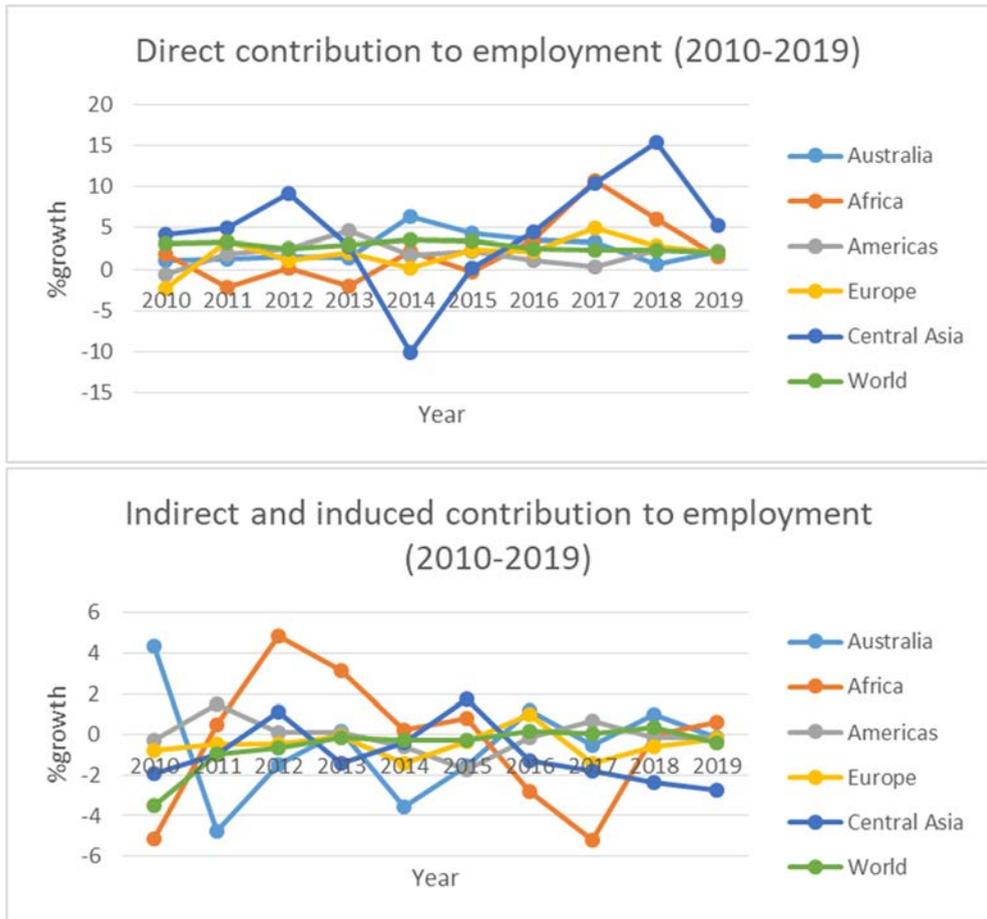


Figure 3. The direct, indirect, and induced contribution of the T&T industry to global employment during 2010-2019, percentage growth

Source: Authors' own elaboration based on WTTC database

As far as the yearly percentage growth is concerned, we can observe some serious fluctuations in certain regions. In the case of the indirect and induced contribution to employment the World figures, Europe and the Americas exhibit relatively constant percentage growth. However, high fluctuations are registered in Africa, Australia and Central Asia. Similar patterns are illustrated for the direct contribution, except that Australia exhibits less fluctuations whereas the yearly fluctuations for Central Asia are amplified. It can be observed that in the case of the direct contribution to employment the percentage growth for Central Asia changes dramatically from peaks as high as 9.16% in 2012 and 15.38% in 2018 to troughs as low as -10.12% in 2014.

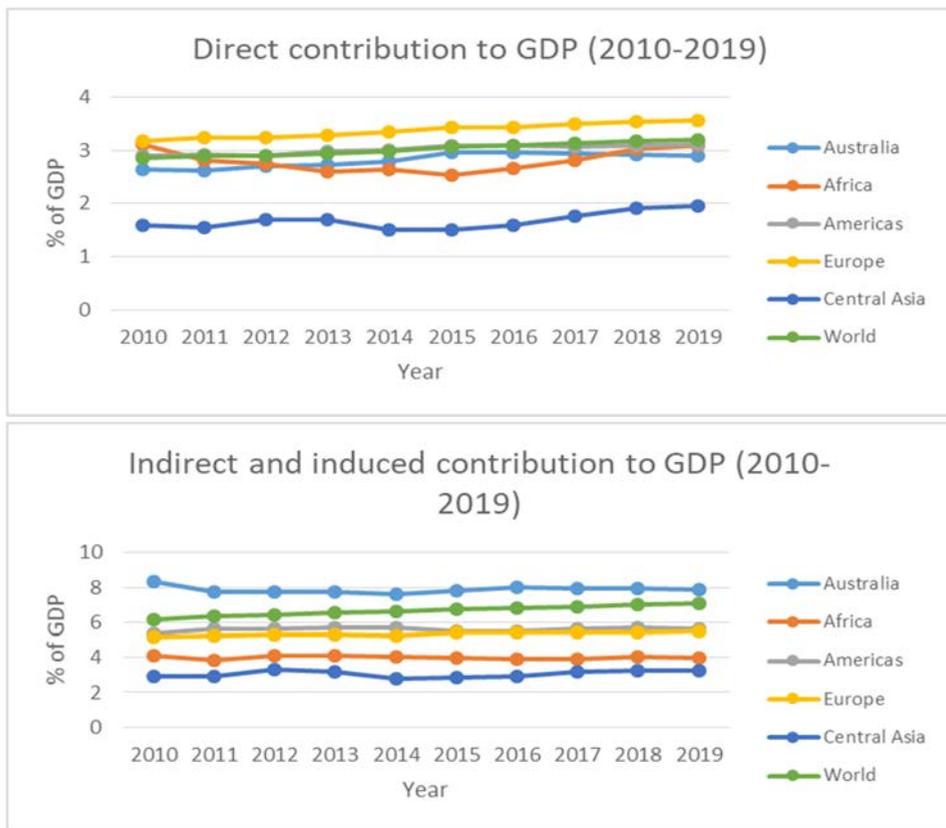


Figure 4. The direct, indirect, and induced contribution of the T&T industry to global GDP during 2010-2019
 Source: Authors' own elaboration based on WTTC database

In the case of T&T's contribution to the total percentage of GDP, we can observe that the results are slightly more convoluted. As far as the direct contribution is concerned, Europe is leading in percentages with an average (across of the 10 years) of 3.37%. Australia, Africa, and the Americas, being both very close to the World (average of 3.02%) with averages of 2.82%, 2.80%, and respectively 3.01%. Africa's results are being influence by the decrease which culminated in 2015 with a trough of 2.52%, but its contribution increased up to 3.08% in 2019, even surpassing Australia. In the case of direct contribution to GDP, a huge gap of over 1% can be seen between the results of Central Asia (with an overall average of only 1.67%) and the other analysed regions.

On the other hand, in the case of indirect and induced contribution to GDP, we can observe that in the case of Europe, T&T represents significantly less than Australia and the cumulated World results. On this indicator, Australia, with an average of 7.88%, is the only region that contributes more than the cumulated World figures, which average 6.67%. Europe and the Americas have very similar indicators: averages of 5.35% and, respectively, 5.59%. Africa and Central Asia, are like in the case of the contribution to employment, the regions which register the lowest T&T indirect and induced contribution to total GDP, with averages of 4.01% and, respectively, 3.05%, over the 10 year period being analysed.

By analysing the percentage growth, we can observe some major fluctuations in the values of Central Asia and Africa for both direct and indirect indicators. As far as the direct contribution is concerned Africa's percentage growth alternates from positive to negative growth year after year, exception being 2017 when it reaches the remarkable peak value of 15.90%. Central Asia also reaches a very positive growth of 15.63% (in 2012) and only registers negative growth in 2014 (-3.67%). In the case of indirect and induced contribution, to the previously mentioned regions (Africa and Central Asia) a significant variation can be observed in the first couple of years being analysed for Australia. In 2010, Australia registers a rather large 5.92% growth which is followed by a period of decline which has its trough in the very next year (2011) at -5.46%.

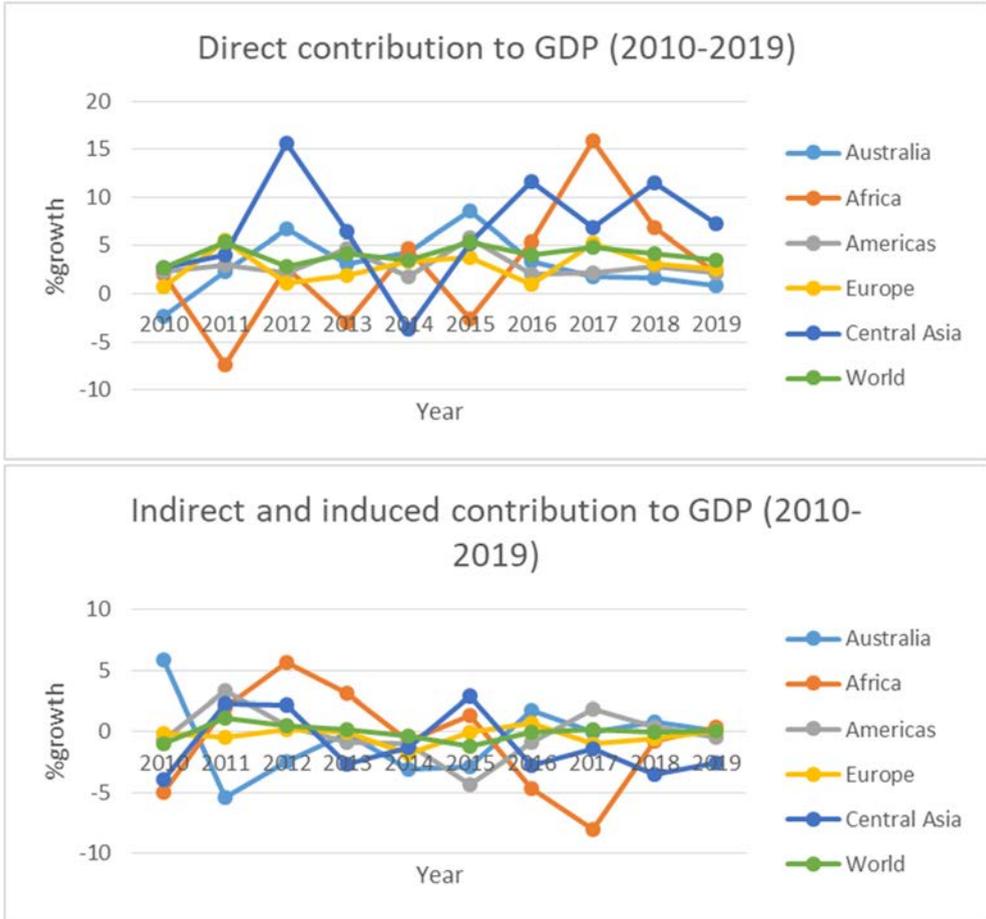


Figure 5. The direct, indirect, and induced contribution of the T&T industry to global GDP during 2010-2019, percentage growth

Source: Authors' own elaboration based on WTTC database

In the last part of the present section, we underline the prospects for the development of tourism in the future and the impact of Covid-19 on performance of the Travel and Tourism industry. The impact of the pandemic was particularly felt by the Travel and Tourism industry, whereas the performance of this industry involves mobility, displacement of people from one place of the world to another, an increased degree of inter-human interaction and, of course, the inevitable connectivity of this industry with other industries. Research carried out by WTTC' specialists points out

that the disastrous impact of the pandemic on the T&T industry will be at least five times greater than the impact of economic crisis from 2008 exerted on this sector (WTTC, 2020a). To better understand the immediate effects of the pandemic and its huge negative impact on the Travel and Tourism industry, we can explore the sharp decrease in employment for this industry as early as the end of March 2020. WTTC reports estimate that approximately 100 million people are already no longer active in the T&T industry, this decrease representing 30% (WTTC, 2020a). Only in the first four months of the outbreak of the pandemic, the total contribution of the T&T industry to global GDP decreased by 2.7 trillions of dollars. International tourist flows have been severely affected, since the arrivals indicator world-wide growth rate decreased by 22.4%. In the first quarter of 2020 the losses corresponding to international arrivals worldwide were 67 millions of people, materialized in 80 billion dollars. We believe that a better perception of the changes in the international arrivals indicator require analysis and presentation of change for each region of the world in the first quarter of 2020. The graph below emphasizes that the most affected regions in terms of international arrivals were Asia (-35%), Oceania (-23%) and the Caribbean Region (-20%). The second region immediately affected at the global level based on the number of international arrivals was Europe, where a decrease of 19% was recorded. Although the Middle East is one of the regions where illness is still increasing, the number of international arrivals has decreased by 11%, one third less than Asia.

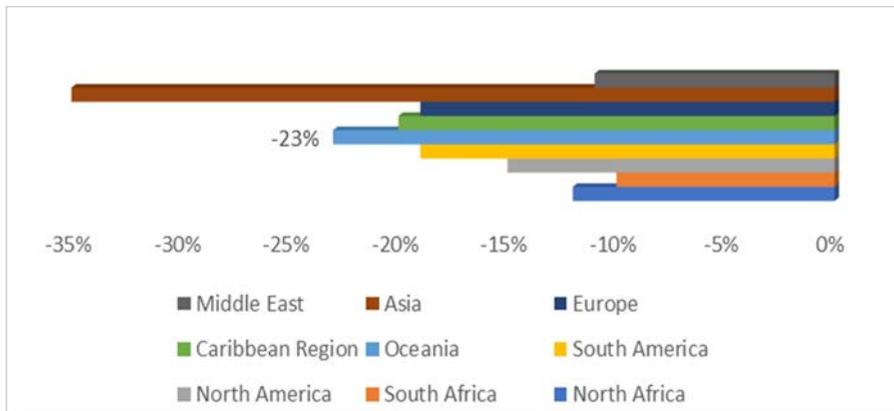


Figure 6. International arrival variation under Covid-19 at the global level (First quarter of 2020)

Source: Authors' own elaboration based on UNWTO database

The pandemic short-circuited the T&T industry; the impact was overwhelming, as there was no set of regulations and policies related to this aspect. The operating environment of tourism agents has become uncertain and unstable. The pandemic generated, overnight, the cancellation of hundreds of bookings, the impossibility of hosting events, isolating and self-isolating people and blocking certain tourists thousands of miles away. Many means of transport, particularly the air traveling were temporarily closed or restricted. The health crisis has led to a significant decrease in the activity of the aviation industry, which is indispensable for the proper functioning of the tourism mechanism. International air industry recorded the largest decrease in air traffic since the 2008 crisis. According to IATA (2020), losses of this sector is approximated to \$29.3 billion, while for 2019, IATA forecast an increase in the pace of development of 4.1%. Unlike the crisis caused by SARS in 2003 and 2002, losses are currently around four times higher and full recovery will only be possible within a long time horizon. One of the state's functions should be that of intervention and support for tourism, the current context is the right time for the exercise of this function. More than that is an eminent necessity, bearing in mind that the Travel and Tourism industry generated in the last years about 10% of the global GDP, and one in ten people employed worked in tourism and related areas.

Supporting the Travel and Tourism industry is, since the beginning of the pandemic, one of the concerns of governments around the world, and at present the measures have taken the form of future operating prospects and action in tourism. One of the first measure adopted by small and medium-sized enterprises in the field of tourism, in all countries, was interruption of economic activity. The governments generally supported these measures by providing funds for covering technical unemployment of employees and extending the period of time during which debts can be reimbursed (WTTC, 2020a). We can say with certainty that the T&T industry needs to reorganize, the journey will no longer proceed as it once did. Development prospects and the future industry will be closely linked to the evolution of the pandemic and the provision of safety for tourists. Performing a health test before leaving the country or when entering the destination country, may soon become an obligation framework. Businesses and institutions in the tourism industry and are still awaiting clear regulations on the rules and standards of travel and hygiene, which needs to be implemented for reopening or continuing the activity.

The vision of the restoration for this industry requires redefining the way in which it operates and improving the communication between the involved stakeholders. The biggest impediment in the recovery plan of the tourist mechanism is represented by the bruised confidence of tourists and the building-up of new attitudes regarding travel and holidays. It takes time and regulations to reconfigure the new template of traveling and both, the institutions in charge with it and the touristic structures, require well-defined resources and rules in this respect, ensuring and inspiring the verisimilitude of the tourist's safety. The situation caused by Covid-19 determined some touristic destinations to close the borders, limiting any form of tourism. Others suspended a part or all the flights, whilst others prohibit access of tourists coming from the red areas. Although it sounds paradoxical, a number of opportunities can be identified in the context of the pandemic for tourism, they are: increasing the degree of digitalism and innovation, rethinking future business models, strengthening sustainability and nature-oriented segments, implementing better safety and health standards. On the other hand, a number for the T&T industry can be identified: the uncertainty of the global economic environment, economic recession caused by the pandemic, the increasing rate of unemployment, the unknown duration of the pandemic, the absence of a vaccine, the prolongation of the quarantine in many countries and the difficulty of adapting to the "new normality". The measures that can be underlined to sustain this industry in each state, at the global level, can be: state support, increased accountability in the behaviour of customers, the orientation towards the development of domestic tourism and the expansion of domestic tourism supply, balancing the value for money, respectively the initiative to diversify and renew the touristic supply. In antithesis, we can emphasize the weaknesses of the Travel and Tourism industry at the moment, such as: tourism consumption has seen the lowest level since the 2008 crisis; there are major disturbances in the activity of the air transport and all institutions related to tourism; we face the lack of similar periods in the past, the current situation being one with a particular, unprecedented specificity; the perception of traveling being a major risk situation; the low level of touristic demand at the beginning of the recovery of tourism activity, correlated with social distance.

The Travel and Tourism industry is one of the industries that has managed to stand up to the world conflagrations, previous epidemics, nationalist conflicts and dangerous ideologies. Travel and Tourism mean mobility, and humanity is largely dependent on this, therefore it is certain that this sector will continue to exist and operate, but under a different form. We will travel again, show responsibility and be aware that this industry needs the support of each of us. Development of the T&T industry remains to be seen in optimistic parameters. According to WTTC reports, by 2030 the Travel and Tourism will provide 11.3% of the value of world GDP, and the contribution to employment will be 11.8% globally (WTTC, 2020b). Restoring this sector under the present conditions is directly dependent on the responsibility of the population, the involvement of the state and the accommodation of touristic services to the new provisions and regulations.

Conclusions

In the last decades, the development of Travel and Tourism industry was characterized worldwide by an upward sloping trend as a result of the positive influence of economic, demographic, political and social factors. This paper conducted a comparative analysis in order to highlight the relevance of T&T industry as being one of the largest industrial sectors. According to WTTC (2019c), in 2019 T&T was reported to support approximately 330 million jobs worldwide, (1 in 10 jobs around the world), it generated approximately 10.3% of the global GDP (US\$8.9 trillion contribution to the world's GDP), it accounted for nearly 6.8% of all exports and 28.3% of the services' exports worldwide, and it contributed for 4.3% of total investment.

Prior to the current pandemic, the direct, indirect, and induced contribution of T&T to important factors such as GDP and employment were found to increase in most regions. Even for regions such as Africa and Central Asia which registered quite high fluctuations, the last couple of years highlighted the significance of this important industrial sector. Some remarkable results can be observed in 2018 for Central Asia which registered a 15.38% growth in T&T's direct contribution to employment and in 2017 for Africa which registers a 15.90% growth in T&T's direct contribution to GDP.

Strategic planning for overcoming the current COVID-19 challenges should be one of the main pressing worldwide urgencies. Stakeholders should consider how this pandemic can be overcome and then, gradually, how the T&T industry can be re-started and returned to positive trends. Therefore, this industry will be subject to several changes which must be taken into account:

- Sustainable tourism will gain momentum. Tourists, at global level, will search for less and less crowded areas, rural areas or other places in the middle of the nature. Adventures or unique experiences such as cycling or hiking, wine or gastronomic tastings or will be preferred by tourists ;
- Proximity tourism is expected to dominate the next two-three years. Depending on the duration and severity of the pandemic, in the short term– tourist will prefer domestic tourism or travelling to destinations situated in the immediate vicinity;
- Many behavioral changes are anticipated. As expected, T&T exhibits an increased focus on safety and hygiene, even more so than many other industries;
- Digitization will be one key factor in the success of this sector. All opportunities to digitize tourism will be exploited, starting from reducing red tape, facilitating the client throughout the booking chain (pre-stay, during stay, post-stay), to automating internal operational processes;
- The business tourism will lose its current top position in favor of leisure tourism, “work from anywhere” being in the next years a main component of tourism sector.

Worldwide, tourism operators will have to be more flexible, invest in training the staff, and act pragmatically, with well-established short, medium and long-term goals. They will be forced to be more cohesive, so that they form a united front in the local, national or regional landscape. At the same time, T&T employees must be more careful about their input in this activity, prepare accordingly and accept the mobility, both domestically and internationally.

Clearly, the economic relaunching of the Travel and Tourism industry will constitute a challenge. Strategic planning at a global level is required to convince all stakeholders of the importance of this sector and to gain their trust.

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