



## **COVID-19 Attack on the World's Tourism Industry**

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Humanity faces a pandemic crisis every century. A new disease, the coronavirus disease 2019 (COVID-19), was recognized in Wuhan, Hubei Province, China, in December 2019. With its quick spread inside and outside of China, during the succeeding months (1, 2), Covid-19 was announced a public health emergency of global concern by The World Health Organization (WHO), called Covid-19 pandemic (3). Almost all countries had confirmed cases, more than 2 million deaths, and a drastically growing number of suspected cases by April 21, 2020 (4).

Among the industries affected by Covid-19, tourism could be among the most affected ones. In Bali (an Indonesian island) the cancellation of 40,000 hotel reservations has been announced. In 2018, nearly 32 million tourists in China made up a quarter of the country's tourism industry revenue. The Covid-19 has shown how important China is to the global tourism industry. One hundred fifty million Chinese tourists spent about \$ 227 billion abroad in 2018. With this amount of money spent on tourism, Chinese tourists are the first in the world. According to a recent survey by the World Trade Association of 401 travel companies, 65 % of them cancelled their visits and plans due to the outbreak of the Covid-19 (5). SARS outbreak in 2003 reduced international tourist arrivals, causing between \$30 billion and \$50 billion loss. All flights in and out of China have been cancelled or airlines have significantly reduced the number of flights. Russia closed its land border to China and Hong Kong. While in 2019, China received 142 million inbound tourists, and the Chinese accounted for 134



million trips abroad and 5.5 billion domestic trips (6). Indeed 77 percent (three quarters) of Hawaii's GDP relies on tourism industry (7).

Choice Hotels International, had a net income of approximately 222.88 million U.S. dollars in 2019, but they are cancelling most of their reservations. Tourism Minister of South Africa announced that despite the very few cases, their tourism industry has already endured serious losses (8). The airline industry had demanded \$50 billion in the form of grants, loans and tax relief through Airlines for America, to survive the recession (9). Covid-19 could cause a loss of 4 million jobs in hotel industry. Already, the hotels are losing \$1.4 billion every week, due to the impact of virus on travel (10). Hong Kong, Thailand and Cambodia rely on money spent by tourists for more than 10 % of their GDP, and the Chinese are their primary tourists (5). The Chinese hotel market occupancy in 23–26 January was 71 % lower than that of last year (11). The outbreak had adverse effects on travel and tourism industries quickly. It was expected that global airlines lose \$4-5 billion in revenues in the first quarter of 2020, as a result of flight cancellations. Pilgrims to Saudi Arabia has also been banned temporarily, and visas from countries with confirmed cases were suspended (12).

According to a Joint Statement that involves both the World Tourism Organization (UNWTO) and WHO, both organizations are committed to work together because of the current outbreak of the Covid-19. Actually, it is a public health emergency, and in order to stop the spread of Covid-19, WHO emphasizes canceling all the travels. All the sections involved in the tourism sector are obligated to put tourists' health and well-being at the first priority (13). At least 20-30 % of international tourism arrivals could fall in 2020 compared with 2019. The latest news published by UNWTO presented its assessment regarding the impact of Covid-19 on international tourism. All of these concerns are due to the uncertain nature of Covid-19. The mentioned fall of between 20-30 % declines means losing

two-third of the benefit generated in 2019. Hence, most international tourism receipts could be just 330-450\$ billion. By relying on the strong effect of positive word of mouth in sectors active in tourism, it would be hard to recover it. It means between 5 to 7 years of effort spent on positive word of mouth gone because of Covid-19 presence. The tourism sector has the hardest hit of all the other sectors, but it also has the responsibility of helping the WHO to mitigate the negative effects of Covid-19. Millions of employees would lose their job in the tourism sector as it is a broad sector. Indeed the majority of businesses in this industry are small- and medium-sized enterprises that have a fundamental role in the employment of a variety of people from different gender, age, and nationality around the world and nowadays most of them have a fear of losing their job (14).

International tourism contributes significantly to the growth of national income, employment, and the earning of foreign exchange in many developing and industrialized economies. As the prevalence of COVID-19 results into enormous loss to many sectors including the tourism industry, it is found that this will results into the extensive loss to countries GDP and to recover these losses, proper treatments should be taken by the government so that in future these kinds of unpredicted situation can be tackled down.

Many developing and industrialized economies rely on international tourism for higher national income, employment, and foreign exchange earnings.

As always, the world will recover from the COVID-19 outbreak. However, many may decide to delay traveling until a vaccine becomes available, particularly those from vulnerable populations. Others may settle for cheaper vacations to save money or cancel travel altogether due to lower household income and wealth. Long-distance travel may continue to be perceived as potentially dangerous by others, while many would find destinations less attractive, due to restrictions on large gatherings, e.g., big conventions.



### Key words

Tourism, Medical tourism, Coronavirus disease 2019 (COVID-19), Tourism industry.

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