

The Impact Of The Covid-19 Pandemic On Tourist Destination Marketing

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Abstract

The article considers the impact of the COVID-19 pandemic on the marketing of tourist destinations. Particular attention is paid to the fact that COVID-19 has become a real challenge for tourism organizations around the world and forced them to significantly rethink their marketing plans and programmes in a market that will never be the same. The main goal of this research study is to examine the properties of tourism destination marketing in the context of COVID-19 and compile a list of practical recommendations for relevant government agencies and tourism organizations to implement effective and operational steps and effectively prepare marketing destinations for new realities. To quickly get out of the current situation in the field of destination marketing in the context of COVID-19, a number of proposals have been made that can be applied by the relevant government agencies and tourism organizations that specialize in tourism services in tourist destinations. In particular, it is proposed to provide marketing strategies for tourist destinations based on the possibility of addressing issues of epidemiological safety and hygiene for tourists who prefer to visit these destinations. Due to the rapid decrease in the availability of air travel, tourism organizations need to expand their activities by attracting more tourists to the markets of neighbouring countries and to the domestic market. Providing services to individual tourists and their families in the field of recreation in destinations is considered one of the ways to maintain and expand business in the new reality. Through the implementation of marketing communications (primarily through online services and social media), tourism organizations and companies need to more actively attract the younger generation to visit tourist destinations as a target group that is most actively returning to pre-crisis patterns of consumer behaviour and consumption of tourism services. It has been established that the active use of the latest digital technology (virtual tours, augmented reality, etc.) in the field of destination marketing is the most promising area, thanks to which the tourism sector will be supported and developed both during the pandemic and after COVID-19.

Keywords – Marketing, destinations, tourism, strategies, COVID-19, trends

I. INTRODUCTION

Over the past three decades, the tourism industry has been actively developing and changing significantly due to a number of factors, primarily globalization, the instability of the market environment, intense competition, crises of all kinds, as well as the spread of the latest information and communication technology. Many researchers are unanimous that all these factors not only have a significant impact on the purchasing behaviour of consumers of tourism products, but also determine the nature of marketing activities and the functions of companies that serve the needs of these consumers.

The COVID-19 pandemic was one of the factors that provoked an unprecedented global crisis in the tourism business. The 2020 tourist season was on the verge of collapse in most countries of the world. Unprecedented global travel restrictions and the requirement to stay at home for citizens have had the most severe negative impact on the global economy since World War II. In May and June 2020, countries with a developed tourism industry were forced to fundamentally rethink their marketing plans and development programmes in response to lockdowns and travel restrictions and focus on planning and financing the support for national tourism companies that have found themselves in an extremely difficult situation. The COVID-19 pandemic has become a real challenge for travel companies around the world and prompted them to significantly rethink their marketing strategies and programmes in a market that will never be the same.

Currently, the problem of tourist destination marketing in a pandemic remains unsolved. Moreover, this problem has not been solved both at the level of public administration and at the level of individual operators of the tourism market. Taking this into account, the issue of this study is relevant for almost any country that intends to actively develop the tourism business in general and engage in marketing of its most attractive tourist destinations in the post-COVID world.

Modern marketing covers a great many areas of scientific research. The same applies to tourism marketing. The number of published studies focused on the problems of management and marketing of tourist destinations has been characterized by a large increase over the past years.

The scientific works of many domestic authors consider the general and specific issues of marketing application in the tourism industry, including N.Y. Barnaya, M.P. Malskaya, N.L. Mandiuk, L.M. Chepurda, S.A. Atamanchuk, Y.M. Pravik, N.B. Savina, G.I. Mikhaïlichenko, N.I. Danko, S.I. Korotun, N.E. Letunovskaya, A.S. Teletov, L.V. Obolentseva, N.I. Yurchenko, L.O. Grizovskaya, and many others.

Such well-known foreign authors as P. Kotler, J. Bowen, J. Makens, A.V. Seaton, M.M. Bennett, N. Ray, R. Kumar, M.A. Camilleri, R.H. Tsiotsou, S. Hudson, H. Séraphin, V. Gowreesunkar, and others did research of marketing tools application in the tourism field. A study of the works of the above authors shows that the field of tourism destination marketing research has been actively developing over the past three decades and has now reached a stage of maturity. As a result, a large amount of information and knowledge has been accumulated and the basis for further research has been formed. In 2020, the first studies began to appear that dealt with the impact of the pandemic on the tourism industry, changes in the behaviour of consumers of tourism products, areas for the implementation of state support for the tourism industry, changes in travel safety requirements by different modes of transport, restriction of tourists' access to popular tourist destinations, and many other issues.

II. MATERIALS AND METHODS

UNWTO international statistics and information from specialized business publications served as the basis for the study. Collection, systematic analysis, and comparison are the scientific methods that were used in the study. To summarize the results, a comprehensive analysis of trends in the development of tourism and recreation in the world was carried out in order to develop recommendations for the effective solution of problems in the field of destination marketing.

III. RESULTS AND DISCUSSION

The COVID-19 pandemic has now been ongoing for more than two years, and its impact on the marketing activities of tourism companies is mixed, further reinforcing the need for in-depth scientific research on this impact. In the author's opinion, the works of most authors pay insufficient attention to solving the problems of adapting marketing tools and strategies of tourism companies to the conditions of business during the COVID-19 pandemic and after it ends. This is not surprising, because the problem arose recently, and it was impossible to predict it. In addition, the problem of tourist destination marketing requires a deeper study in the context of a sharp reduction in the volume of tourist passenger flows caused by the pandemic. The insufficient knowledge of these problems and the need for their urgent solution require increased attention and participation of researchers from all over the world. In the author's opinion, finding ways to adapt the marketing strategies of tourism companies to business during the pandemic and after it ends is an unsolved problem that needs to be addressed, especially given the significant deterioration in the financial condition of most tourism companies.

The main objective of this research study is to examine the specifics of tourism destination marketing in the context of the COVID-19 pandemic and develop a list of practically focused recommendations for relevant government agencies and tourism companies to carry out effective marketing activities and adapt marketing strategies in these conditions. In addition, it is necessary to analyze during the study the main marketing tools in the tourism market and to study the main types of tourism marketing information that is used in the field of tourism destination management.

To successfully achieve the goals of the study, it is first necessary to remember the theory of marketing, in particular marketing in tourism, and justify the need for the use of marketing tools by operators of the tourism market in the current conditions of its functioning and development. In the modern sense, tourism marketing is a general name that combines a range of marketing strategies that are used by business entities in the tourism industry. The list of such entities includes hotels, hostels, and other accommodation facilities, as well as airlines, road carriers, car/motorcycle/yacht rental companies, restaurants, cafés, entertainment venues, travel agents, and tour operators. Tourism marketing can be seen as a set of tools and strategies aiming to promote various types of tourism business, distinguish it from competitors, attract new customers, and increase awareness of tourism products, destinations, and respective brands. The tourism market has been actively developing and becoming global in the last two decades, therefore modern marketing strategies based on the use of information and communication technology and the Internet have been

used to serve consumers of tourism services from around the world, with websites, online advertising, e-mail, and social media becoming key elements of these strategies.

At present, the introduction of innovations in the field of tourism marketing is a necessary condition and is crucial for ensuring the profitable operation of tourism companies and the further development of their business. Since tourism is one of the largest industries in the world, it is characterized by a high level of intensity of competition between companies operating in this business. This means that companies in this industry need to constantly look for new ways to differentiate themselves from competitors, promote their business as the best option for tourists, and focus on those elements of the marketing mix that make them stand out and unique.

To achieve these goals, marketing is essential, since most of the efforts of marketers in the tourism business are aimed at helping tourism companies develop a unique product or find a unique selling point (destination) and promote it. In addition, it is very important that tourism marketers have good skills in developing and adapting elements of the marketing mix for tourism products or destinations in a constantly changing market [1].

A carefully planned, thoughtful, and effective marketing strategy is at the heart of success of any business, with the travel business being no exception. Highlighting the benefits of a tourism product or destination and making it attractive to different people is the key to success in a highly competitive tourism market.

This can be achieved by attracting tourists not only from one's own country, but also from all over the world, constantly developing their awareness of the tourism product (destination) through marketing [2]. To achieve success in the modern tourism business, one needs to take a number of steps, which, in fact, are the stages of developing a marketing strategy. Each of these stages is an important and necessary element in the formation of a strategy, while all these stages together make it possible to achieve the goals of the marketing activities of the tourism business (Fig. 1, drawn by the author).



Fig. 1. Four stages in the formation of an effective marketing strategy for a tourism business.

In general, the hospitality and tourism industry uses certain marketing tools that have become traditional for market operators over the past years and have proven their effectiveness in practice. However, the COVID-19 pandemic is having the biggest change in the tourism industry worldwide. This has forced most travel companies to significantly revise their marketing plans and strategies.

According to a study conducted by the UNWTO, the tourism industry has become one of the sectors of the global economy that is perhaps the most affected by the pandemic. In 2020, the decline in the volume of the global tourism market was the largest in its history and has thrown the industry back to 30 years ago. In particular, international tourist passenger traffic decreased by 74%, or more than 1 billion arrivals. On a global scale, the industry received \$1.3 trillion (US dollars) less of profit, which led to a drop in global GDP by more than \$2.0 trillion, with 100 to 120 million persons in the tourism industry facing the threat of job loss [2].

Global tourism experienced a 4% rise in 2021 compared to 2020 – from 400 million international arrivals (overnight trips) to 415 million. Compared to 2019, however, the drop is 72%, making 2021 the second worst year for tourism in history since 2020,

when the fall was 73%.

According to a UNWTO study, the economic contribution of tourism to global GDP in 2021 amounted to \$1.9 trillion, which is 19% more than in 2020, but 46% less than in 2019.

Export earnings from international tourism could exceed \$700 billion. The increase compared to 2020 is due to higher travel spending. In 2019, however, this figure was \$1.7 trillion [3], [4].

Each tourist spent an average of \$1,500 on trips in 2021, while the amount was \$200 less in 2020. This is due to an increase in the duration of trips and an increase in the cost of transport and accommodation.

Despite the spread of the Omicron, the World Health Organization called in January 2022 for the removal or relaxation of current restrictions on international travel. The organization believes that the existing restrictions do not provide actual benefit, but only exacerbate economic and social stress [4].

UNWTO statistics clearly illustrate the level of decline in the number of tourist trips in the world in 2020 (Fig. 2, drawn by the author based on [5], [4]).

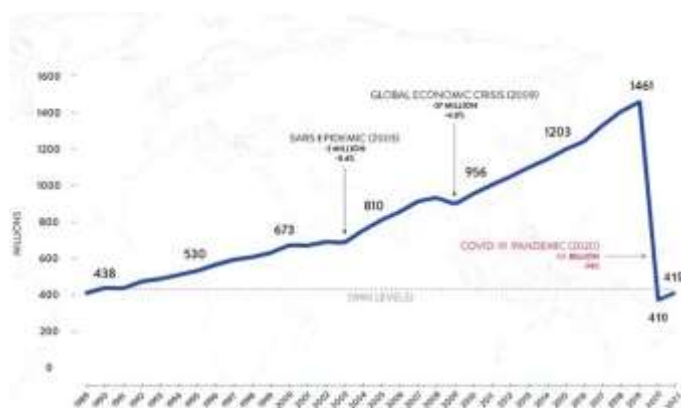


Fig. 2. Impact of the COVID-19 pandemic on international tourism travel numbers in 2020 and 2021 (million %).

Unprecedented security measures and lockdowns introduced by the governments of most countries of the world have contributed to a sharp reduction in tourist passenger traffic around the world. Most travel companies have been affected by the pandemic. Despite the fact that the world experienced a 4% increase in international tourist passenger traffic in 2019 compared to 2018, this figure has decreased by a record 73% in 2020 compared to 2019. This figure has increased by 4% as of 2021 compared to 2020 [3], [5] thanks to the positive active policy of states [6]. The largest decline in 2020 occurred in the Asia-Pacific region (84%), while the smallest decline was in the Americas (69%). The largest decline in 2021 occurred in the Asia-Pacific region (65%), while the smallest decline was in Europe (19%). The countries of the Middle East, which showed the largest increase in the number of trips (+8%) among the regions of the world in 2019, lost 75% in 2020, and only 24% in 2021 (Fig. 3, drawn by the author based on [2], [4]).

UNWTO data show a deep crisis that has hit the tourism industry in almost all countries of the world. The recovery of the industry is predicted for 2024.

According to a survey conducted in December 2021, 64% of experts believe that the number of international arrivals will return to 2019 levels only in 2024 or later. In September 2021, there were 45% of such pessimists; the deterioration in forecasts is associated with the emergence of the Omicron strain.



Fig. 3. Comparison of data on the number of international tourist trips in 2019, 2020, and 2021 by regions of the world (million, %).

Experts cited government-imposed travel restrictions as the main reasons for this, as well as generally low rates of vaccination and containment of the virus worldwide, unfavourable economic conditions in many countries, lack of sufficient coordination between countries in overcoming the consequences of the pandemic, lack of confidence in travel safety among many tourists, and weak level of restoration of passenger international air transportation [2].

It is clear that the outbreak of COVID-19 has triggered a deep crisis in the tourism industry, which will require tour operators, travel agents, airlines, hotels, cruise companies, restaurants, and other businesses involved in tourism to adapt accordingly and follow the latest trends in the tourism market. A number of authors are inclined to think that the pandemic has forever changed the state of the global tourism market, even when its consequences are finally overcome [2].

Currently, the influence of the following trends in the tourism business has become most obvious, which will require appropriate adaptation of marketing strategies [7]:

- 1) Priority coverage of hygiene and safety issues through marketing communications.
Customer safety has always been a top priority for travel companies, but consumer demands in this area have increased significantly with the advent of COVID-19. In particular, addressing travel hygiene and safety issues has become more important than ever before; these issues need to be addressed as part of the marketing efforts of travel companies.
- 2) Emphasizing more attention of consumers in the domestic market or in neighbouring countries.
This is because the current travel restrictions and the general reluctance or fear of a large proportion of tourists to travel outside their country have made them a safer and more desirable target group for travel companies.
- 3) Emphasis on leisure issues.
Another COVID-19-driven trend in tourism is an increase in leisure marketing efforts. Due to restrictions on international travel and mass gatherings in many parts of the world, the COVID-19 situation is heavily impacting business tourism and related events. Although the leisure industry has also been affected, there is still a significant interest in coping with stress, so refocusing part of the tourism business on leisure services can turn into a winning marketing strategy. Organizing visits to natural attractions, rural tourism, and individually planned family car trips over short distances will be in demand in the near future.
- 4) Changes in the demographic structure of tourism service consumers.
Since COVID-19 is dangerous primarily for older people and, to a lesser extent, middle-aged people, it is not surprising that the reduction in the number of travellers took place in these demographic groups, despite the fact that the level of income and, accordingly, spending on tourism services in these groups is quite high. Young people have proven to be more resilient to COVID-19, and more young people are now seeking active tourism and travel, so it makes sense for travel companies to develop products specifically for young people now.
- 5) The use of virtual tours and virtual reality technology in tourism.

The pandemic has prompted the travel industry to adopt innovative technology of augmented and virtual reality. This area is considered one of the most promising for practical implementation in the marketing of tourism services. The use of digital technology in tourism will allow potential customers to feel present in the room of the selected hotel, airport, or train station, restaurant, local attraction, or even at a certain tourist event without actual physical presence and, accordingly, without health risks.

Marketing of tourist destinations has been one of the most important components of marketing in tourism. The academic literature contains quite a few definitions of the concept of Tourist Destination, most of which in their essence and content define this concept as a location of interest to tourists (a natural park, a medieval castle, a fortress, a monastery, a football stadium, a sea beach, the estate of a famous writer, etc.) and its inherent natural, social, or cultural value, historical significance, natural, or man-made beauty, where certain types of leisure and entertainment are simultaneously offered [8].

Destination management and destination marketing are two closely related areas of tourism research. It is important to note that destination marketing is one of the functions of a broader concept of destination management. It is impossible to implement destination marketing without a well-thought-out strategy for managing this process, which becomes more relevant in the current crisis conditions of the tourism market. Understanding the sources and the ways tourists receive information about a particular destination is important for making managerial decisions when planning the process of event marketing. A study of the works of a number of authors indicates that information is valuable for understanding the image of a destination by tourists in the process of choosing it to visit [8]. In addition, it is worth paying attention to the fact that the sources of information about tourist destinations have changed dramatically over the past twenty years due to a number of reasons, with the COVID-19 pandemic confirming the evidence of these changes.

They occurred, firstly, through the emergence and influence of new information and communication technology; secondly, through significant changes in the purchasing power of consumers of tourism services; thirdly, through an increase in the number of tourist destinations; and, fourthly, due to growing competition between different destinations.

While studying the impact of the COVID-19 pandemic on tourism marketing in general, the author found that this impact has extended to destination marketing in particular. This necessitated the formation and adaptation of marketing strategies to ensure a sufficient level of visitation to tourist destinations and maintain the interest of tourists in them both during the pandemic and after it ends, since it is obvious that a number of restrictions will remain for some time for safety reasons. In particular, in order to enhance the interest of tourists in certain destinations, it is advisable to reveal and improve the practice of their branding based on well-chosen positioning criteria. Like brands in the commodity market, strong and well-recognized destination brands will be positively perceived by tourists and help create a desire to visit them. When creating destination brands in a pandemic, more attention should be paid to issues of epidemiological safety, as well as the possibility of ensuring social distance and even obtaining certain medical services or medicines. Promotion of a destination brand should be aimed at different age groups of tourists, but primarily at young people who are now massively returning to active tourism and travel. In addition, when branding a destination for a specific group of tourist service consumers, it is necessary to take into account their loyalty and emotional attachment to the place, as well as the choice of sources for obtaining information about the destination.

The study of destination marketing planning includes the process itself, impact factors, stakeholders, as well as the prerequisites and critical factors of success. A number of authors believe that in a pandemic, the planning of the destination marketing process should be based on the principles and recommendations of strategic management [8]. Tourism services offered in certain destinations are a complex combination of sales of goods along with the provision of services, which are mainly offered by various suppliers. The effective interaction of suppliers who serve tourists in tourist destinations is critical for their promotion and attendance, especially in the face of a significant decrease in the number of tourists who are willing to travel in a pandemic.

No travel company, government agency, or other type of organization is able to control all stages in the tourism value chain without networking, while visitors to a destination expect a one-stop service at their destination.

Therefore, leadership and coordination are one of the key roles of management in the field of destination marketing, which involves the development of a package of services and the coordination of the efforts of all stakeholders to provide a comprehensive service to tourists at a destination. In practice, this involves establishing effective cooperation between public authorities and private business through the creation of alliances and joint organizational structures in order to achieve the marketing goals. In the author's opinion, public-private partnerships are one of the key cooperation strategies in the field of tourism marketing during the pandemic and are becoming more and more popular in destination marketing for good reason.

IV. CONCLUSION

As a result of the study, it was found that the COVID-19 pandemic caused significant changes in the global tourism market with

currently unpredictable consequences for its further development. The pandemic has caused an unprecedented drop in the performance of the tourism market in most countries of the world. In response to these challenges, travel companies have been forced to significantly revise their marketing plans and programmes. Changes to a greater or lesser extent have affected all areas of the tourism business, including the marketing of tourist destinations.

To effectively address destination marketing challenges in the context of the COVID-19 pandemic, the following recommendations are proposed for practical implementation by relevant government agencies and tourism companies that specialize in serving tourists in tourist destinations:

- 1) Planning marketing strategies for tourist destinations should take into account the possibility of solving the problems of epidemiological safety and hygiene for tourists.
- 2) Dramatic reduction and decrease in the availability of air travel. Travel companies should expand their business by attracting more tourists in the domestic market and in the markets of neighbouring countries.
- 3) Providing services to individual tourists and their families in the field of leisure activities at destinations is one of the ways to maintain and develop business in a pandemic.
- 4) Travel companies – through marketing communication channels, primarily through social media and online services – should actively encourage young people to visit tourist destinations as a target group that is actively returning to pre-crisis patterns of purchasing behaviour and consumption of tourism services.
- 5) The active use of the latest digital technology (such as virtual tours and augmented reality) in the field of destination marketing is one of the most promising areas for preserving and ensuring the development of the tourism business not only during the pandemic, but also after it ends.

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