Unlocking tourism’s post-COVID-19 economic potential: Elevating governance from destination to tourism industry level

Eylla Laire M. Gutierrez, John Paolo R. Rivera, and Fernando Martin Y. Roxas
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2020 INTERNATIONAL TOURIST ARRIVALS

WORLD 2019: 1.5 BILLION (+4%) JANUARY-OCTOBER 2020: -72%

REGIONAL TRENDS
- Americas: 2019: 218.6M (+0%) JAN-OCT 2020: -68%
- Europe: 2019: 764.8M (+4%) JAN-OCT 2020: -68%
- Africa: 2019: 74M (+2%) JAN-OCT 2020: -69%
- Middle East: 2019: 85M (+0%) JAN-OCT 2020: -73%
- Asia & The Pacific: 2019: 533.7M (+4%) JAN-OCT 2020: -82%

Pandemic Could Set Tourism Sector Back by $1 Trillion

Global international tourism receipts from 2000-2019 and possible scenarios for 2020

- 2020 scenarios based on the gradual opening of borders and lifting of travel restrictions in July, September and December
- $1.47Tn
- $5.7Tn
- $4.0Tn
- $3.1Tn

Tourism Back to 1990 Levels As Pandemic Halts Travel

International tourist arrivals worldwide since 1990

- Financial crisis: -37 million
- SARS epidemic: -2 million
- COVID-19 pandemic: -1.1 billion

Source: UNWTO

Statista
TOURISM CONTRIBUTION TO NATIONAL OUTPUT IN 2020 SMALLEST SINCE AT LEAST 2000

Tourism was among the sectors most affected by the coronavirus pandemic as seen in the latest government data released on Wednesday. Last year, the contribution of tourism activities was estimated at P973.31 billion based on current prices. This is equivalent to 5.4% of the country’s gross domestic product — the smallest in at least two decades based on available data. Meanwhile, tourism accounted for 11.9% of the country’s total employment — the lowest since 2011’s 11.7%.
In moving towards recovery, the tourism industry can use the lessons from the COVID-19 pandemic as:

- A transformative opportunity (Mair, 2020)
- A transition event (Hall et al., 2020)

Introduce systemic and structural modifications on how tourism can be operated and managed after the pandemic.

The pandemic offered a prospect to reinvent and rectify a seemingly defective system where pre-pandemic tourism operates (Ioannides and Gyimóthy, 2020).

This motivated us to pursue this study and revert to the discussion of sustainable tourism as it has become more important for a post-pandemic tourism industry.
Research inquiry and objectives

• How can we develop new sustainable tourism products and services that are aligned with the new/better normal?

• How can we elevate governance from the destination level to the value chain level?

• Objectives:
  • To explicate how the COVID-19 changed the tourism industry and to identify facilitating and inhibiting factors to sustainable tourism growth and development.
  • To design a framework on how tourism can be better managed and developed in the light of the lessons learned from the pandemic.
  • To craft policy options on how the industry can continuously thrive and contribute to inclusive and sustainable economic growth and development.
Contribution

• Re-thinking tourism assumptions and models given diverse impact of the pandemic to economic, socio-political, and environmental aspects of society (Sigala, 2020)
  • Contribute to the discourse of unorthodox strategic perspective of managing tourism growth.
  • Findings suggest a form of tourism development wherein opportunities are provided to communities around the world.
  • Address emerging health and security challenges, while re-introducing a more sustainable form of tourism in the post-pandemic.
Baseline framework

- Existing models and frameworks for tourism recovery, we can see that it leads to the concept of sustainability.
- Sustainability is now a concept that has expanded beyond:
  - the triple bottom line
  - target segmentation (Kuščer et al., 2021)
- Sustainability evolved to include critical aspects of resiliency, justice, equity, and proactive strategies
  - Sustainable tourism is expected to play a more critical role in the face of the better normal
Augmented framework

By integrating these governance approaches, an elevated form of governance is revealed.

Elevated governance
- destinations are managed at the value chain level
  - proposing increased collaboration and partnerships with value chain members across levels of governance
- tourism development is done in collaboration with tourism stakeholders (Traskevich & Fontanari, 2021).
Key implications from the framework

Key Players in Tourism

Elevated Governance in Post-COVID-19 Tourism

Incorporating Disaster Risk Reduction and Resilience in Tourism
Key implications from the framework

*Modes of Resilience in the Tourism Value Chain*

1. **elevated safety** (i.e., design new customer experiences around safety and look beyond own touchpoints by alleviating inconveniences brought about by additional health and safety protocols);

2. **agile innovation** (i.e., review and recalibrate value propositions based on changes in preferences of target segments by focusing on personalized, engaging, story-rich, and technology-driven products and services for added value);

3. **digital transformation** (i.e., maximize the use of available online marketplaces to expand digital reach)

4. **collaborative governance** (i.e., seek convergence points by initiating personal interactions and joint assessments with other stakeholders in the value chain).
Key implications from the framework

**Areas of collaboration**

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<tr>
<th>Communication</th>
<th>Diversification</th>
<th>Customization</th>
<th>Simplification</th>
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<td>• tourism stakeholders must communicate effectively to discuss the parameters of the evolving landscape of tourism and how each can contribute to recovery</td>
<td>• shift from generic mass-based offerings to niche tourism given the emergence of new travel segments and a new product designs</td>
<td>• undergo a paradigm shift where bespoke travel is mainstreamed complemented by the strengthening of existing circuits and jump-off destinations to connect destinations</td>
<td>• make traveling simple by standardizing travel and health protocols.</td>
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Conclusion

Sustainability continues to be a critical component of the tourism industry post-pandemic.

• Become more pronounced as emphasis on safety has been warranted.

Because the COVID-19 pandemic encompassed multiple scales that disrupted various interrelated value chains, it has consequently outmoded many models of management, development, and governance in tourism.

• Opened opportunities for stakeholders to collaboratively reinvent the tourism industry hinged not only on enjoyment and recreation but also on safety, resilience, and sustainability.
Final word

• All actors and stakeholders in the tourism value chain play an essential role (tourists, local communities, enterprises, industry practitioners, national and local governments, international organizations)
  • multi-stakeholder approach to tourism recovery

• Persistent threats to the tourism industry, specifically the pandemic, called for a deviation away from a myopic view of the tourism industry.

• Need coordination among all members of the tourism value chain
  • a central lesson the pandemic has taught the industry, which has not been widely practiced prior to the pandemic.
THANK YOU

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琅琊  
Lao

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Korean

ありがとう  
Japanese

谢谢  
Chinese