

Development of the Tourism Sector as an Anti-Crisis Management Tool in the Post COVID Economy in Russia and Europe

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ABSTRACT

The purpose of the article is to determine the vector of tourism development in post COVID economy of Russia and the European countries. To do this, the authors use the method of SWOT analysis and the method of determinable factor analysis. Based on the study of indicators of tourism impact on the development of the economies of Russia, Germany, Italy and Greece, the authors systematized the strengths and weaknesses, and identified the opportunities and threats of tourism development in the post-COVID economics. In the research, the authors determine the role of tourism in the process of crisis management in Russia and Europe in the post COVID economy, identify problems and prospects for the development of tourism in Russia and Europe, and offer recommendations for its development in the interests of post-crisis management. The results show that tourism affects the development of the economies of the studied countries; therefore, it is a promising means of restoring economies in the post-COVID period. The results of the study indicate the relevance of using integration mechanisms for the development of tourism in Russia and Europe in the interests of anti-crisis management in the post-crisis economy, and recommendations were pointed out in the paper Their development should be carried out jointly within the framework of strengthening Russian-European cooperation in the field of tourism. For this, the authors have developed a program of activities in the field of tourism development in the interests of anti-crisis management in Russia and Europe.

Keywords: *tourism, tourism sector, anti-crisis management, anti-crisis management tool, post-COVID economy.*

1. INTRODUCTION

During the period of the pandemic caused by COVID-19, the tourism sector showed its vulnerability, it turned out to be one of the spheres of national economy that felt the maximum impact of closure borders between states due to introduced self-isolation regimes. The most pessimistic forecasts became true, tourism in its development returned to 30 years ago. Being mostly small and medium-sized businesses, each segment of the tourism sector searches for and tests new forms of activities in modern economic conditions.

The COVID-19 pandemic is comparable to the global crisis. In the post-COVID economy, the problem of finding new (or justifying the expediency of using old) highly effective tools of anti-crisis management arises.

One of these tools is assumed to be the tourism development. The purpose of the article is to determine the possibility and feasibility of developing the tourism sector in the interests of anti-crisis management in Russia and Europe caused by COVID-19 and this is achieved by considering three successive stages. At the first stage, it is necessary to determine the role of the tourism sector in the process of crisis management in Russia and Europe, since tourism implements such important human functions as recovery, recreation, knowledge. The crisis caused by the COVID-19 pandemic has shown the unwillingness to respond quickly to the consequences for tourism and the economy of the states as a whole. To restore tourism, in terms of stimulating the demand and supply of tourist services, it is necessary to develop a set of measures at the state and international levels aimed at anti-crisis management and coordination of interaction.

Tourism that brings people together can help strengthen solidarity and trust as an essential condition for enhancing cooperation between Russia and Europe, which is most in demand and relevant in post-COVID development. Earlier we have pointed out that the cognitive component is present in practically all types of tourism. At present, it is possible to talk not only about the "economics of impressions," but also about the "economics of recreation and recovery." In this context, the tourism sector is the tool that is aimed not only at improving the quality of people's life, but also at providing a safe and comfortable environment for modern society. At the next stage, it is necessary to identify the problems and prospects for the development of tourism in Russia and Europe. The final stage should include recommendations for the tourism development in Russia and Europe in the interests of post-COVID management and the development of an appropriate program of activities.

2. DISCUSSION

The World Tourism Organization (WTO) has outlined two scenarios for 2021 taking in to account a possible increase in international traveling in the second half of the year. They are based on a number of factors, significant withdrawal of travel restrictions, the success of vaccination programs or the implementation of agreed protocols such as the Digital Green Certificate planned by the European Commission [1].

The problems of the functioning and development of tourism and service sector have been studied by many authors. In our research, we consider the works of the following scientists as the theoretical basis: Fernando Martin Y. Roxas, John Paolo R. Rivera, EyllaLaire M. Gutierrez [2]. The authors identify the importance of moving management from the destination to the value chain, where collaboration and stakeholder engagement are keys factors to restart the industry.

Degtyaryova T.V., Gusev N.I., Nagay N.G., Eliseeva O.V.[3] investigated the possibilities and feasibility of the development of tourism and services in the interests of anti-crisis management in Russia and Europe.

Larionova A.A., Zaitseva N.A., Degtyaryova T.V., Mysova O.S., Nagai N.G., Oboimova N.T., Shcherbakova N.V.[4] investigated the main trends in the development of investments in real estate of service and hotel enterprises in the Russian Federation, which make it possible to assess the potential of this type of professional activity as an investment object.

Degtyaryova T.V., Gusev N.I., Eliseeva O.V., Mysova O.S., Nagay N.G.[5] in their work outlined the environmental priorities of the development of services and tourism in the post-industrial economy of Russia. The authors substantiate the need for state support for

developing eco-services and ecotourism and offer appropriate recommendations.

E. Kutyashova and O. Skobeleva [6] examined the impact of investment on the growth rate of the tourism contribution to the gross domestic product of economically average developed countries and made an assessment of the effectiveness of investment policy in the field of tourism.

The impact of COVID-19 on tourism development and anti-crisis management mechanisms were studied by Danni Zheng Qiuju Luo Brent W. Ritchie [7], Ulrika Persson-Fischer, Shuangqi Liu [8], Williams, C.C.[9] Ioannides, D.; Gyimóthy, S. [10], Lew, A.A.; Cheer, J.M.; Haywood, M.; Brouder, P.; Salazar, N.B.[11] and others.

Danni Zheng, Qiuju Luo, Brent W. Ritchie explored the pandemic of public "fear of travel" having significant impacts on the development of tourism based on the theory of defense motivation, coping theory and the theory of resilience,

Ulrika Persson-Fischer, Shuang qi Liu, due to the content analysis, identified six main research topics for assessing the impact of COVID-19 on tourism and systematized them according to theory, methodology and research areas.

Charles Williams investigated the problem of financial support for tourism businesses in Europe affected by the corona virus pandemic.

Ioannides, D., Gyimóthy, S. propose public, private and academic subjects to plan and consolidate the transition to a more environmentally friendly and balanced tourism, in the post COVID economics.

Lew, A.A., Cheer, J.M., Haywood, M.; Brouder, P., Salazar, N.B. expressed their views on the initial impact of the COVID-19 pandemic on the world, identifying travel and tourism as areas significantly affected by the COVID-19 pandemic.

3. MATERIALS AND METHODS

To determine the problems and prospects of tourism development in Russia and Europe, the authors use the SWOT analysis method. To determine the role of tourism in the post-COVID management process, this work uses the method of deterministic factor analysis. With its help, the authors analyzed the contribution of tourism to the GDP of Russia and Europe.

The objects of the research are Russia and European countries with different levels of socio-economic development: Germany, Italy, and Greece (to ensure the representativeness of the sample). The time interval of this study is 2015-2019, the interval 2008-2015 was analyzed by the author in [3]. Statistical material for analysis is shown in Table 1.

Table 1. Indicators of the tourism impact on the development of the economics of Russia, Germany, Italy and Greece in 2015-2019

Country	Indicators	2019	2018	2017	2016	2015
Russia	Tourism, total contribution to GDP (US \$ billions)	81,8	78,6	74,4	61,5	63,3
	Capital expenditures (USD billions)	7,3	7,0	6,8	5,4	5,7
	Direct contribution of travel and tourism to GDP at current prices (USD billions)	20,2	19,4	18,3	15,1	16,6
	Tourism, government spending (US \$ billions)	1,0	1,0	1,0	0,8	0,8
Germany	Tourism, total contribution to GDP (US \$ billions)	353,1	344,8	321,4	299,7	292,3
	Capital expenditures (US \$ billions)	34,7	32,8	30,7	24,5	25,9
	Direct contribution of travel and tourism to GDP at current prices (US \$ billions)	143,4	139,0	128,5	120,1	117,5
	Tourism, government spending (US \$ billions)	14,8	14,3	13,2	12,5	11,9
Italy	Tourism, total contribution to GDP (US \$ billions)	279,4	274,9	253,4	273,7	233,5
	Capital expenditures (US \$ billions)	11,8	11,4	10,2	9,9	10,1
	Direct contribution of travel and tourism to GDP at current prices (US \$ billions)	119,7	117,3	107,3	99,9	98,1
	Tourism, government spending (US \$ billions)	1,7	1,8	1,6	1,6	1,6
Greece	Tourism, total contribution to GDP (US \$ billions)	47,0	44,5	39,9	36,8	37,5
	Tourism, total contribution to GDP (US \$ billions)	4,6	4,2	4,0	3,5	3,3
	Direct contribution of travel and tourism to GDP at current prices (US \$ billions)	19,5	18,3	16,2	14,8	15,2
	Tourism, government spending (US \$ billions)	0,1	0,1	0,0	0,0	0,0

Source: (WorldDataAtlas, 2021).

Dynamics of total tourism contribution to GDP of the analyzed sample of countries (billions of US dollars) is shown in Figure 1. (Fig. 1).

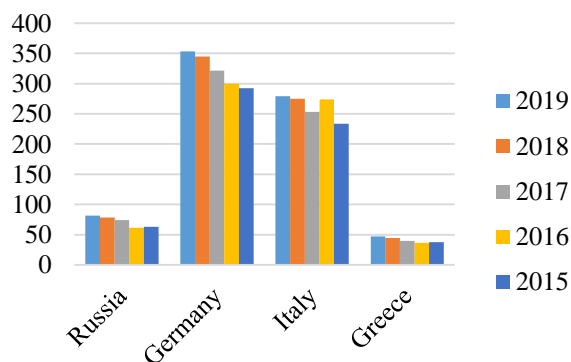


Figure 1 Total tourism contribution to GDP (billions of US dollars)

Based on the statistical material presented in Table 1, we calculate the induced tourism contribution to the GDP of the analyzed countries, i.e. in that part of GDP reflecting the persons' income who are directly or indirectly employed in the tourism industry.

Table 2. Induced contribution of tourism to GDP of Russia, Germany, Italy and Greece for 2015-2019 (billion of US dollars)

Country	2019	2018	2017	2016	2015
Russia	53,3	51,2	48,3	40,2	40,2
Germany	160,2	158,7	149,0	142,6	137,0
Italy	146,2	144,4	134,3	162,3	123,7
Greece	22,8	21,9	19,7	18,5	19,0

According to the table2 in the analyzed period, the persons' incomes who were directly or indirectly employed in the tourism industry of Russia, Germany, Italy and Greece had a positive trend, so in Russia in 2019 compared to 2015 the increase was 32.59%, in Germany the increase was 16.93%, in Italy it was 18.19%, and in Greece was 20%.

For clarity, the dynamics of the induced contribution of tourism to GDP of Russia, Germany, Italy and Greece for 2015-2019 (billions US dollars) will be presented on the graph (Fig. 2).

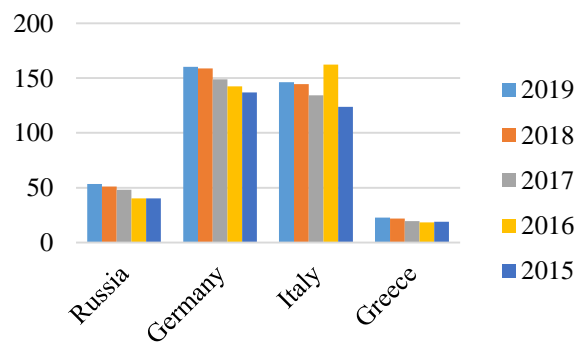


Figure 2 Induced contribution of tourism to GDP of Russia, Germany, Italy and Greece for 2015-2019 (billions US dollars)

After analyzing the data on the number of tourist arrivals in 2019 compared to 2015, we can conclude that in Italy the increase in the number of tourists was 17.7%, in Germany 13.1%, in Greece 30.2%, and in Russia there was the decrease in the number of tourist

arrivals by 38.1%. Comparing the indicators on the number of tourist arrivals and indicators of changes in the dynamics of the induced contribution of tourism to the GDP of Russia, Germany, Italy and Greece in 2019 compared to 2015, we can say that in Russia the increase in the induced contribution of tourism to GDP depends least of all on the number of tourist arrivals. therefore, the countries of the analyzed sample should be more interested in the tourism restoration. The pandemic caused by COVID-19 and the consequences had a significant impact on the development of tourism in Russia, Germany, Italy and Greece, on the persons' incomes who are directly or indirectly employed in the tourism industry, which requires detailed analysis and new development mechanisms.

4. RESULTS

Based on the study of indicators of the tourism impact on the development of the economics of Russia, Germany, Italy and Greece, the authors have systematized the strengths and weaknesses, as well as identified the opportunities and threats of tourism development in the post-COVID economics (Table 3 and Table 4).

Table 3. SWOT-analysis of the development of the tourism sector in Russia in a post-COVID economics.

S: the uniqueness of the national culture as a competitive advantage in the field of tourism, the opportunity to implement new trends and directions in tourism	W: unprepared tourism infrastructure to the work in new security formats, weak brands and a pandemic of public "travel fear"
O: increasing consumer confidence, infrastructure and brand development due to the cooperation with Europe in terms of ensuring travel safety	T: the introduction of restrictive measures, the closure of tourist destinations, the aggravation of the geopolitical situation, the growth of consumer distrust, a decrease in demand for tourism and services, a decrease in employment and income levels in tourist sphere

As you can see from the table3, the authors note that Russia has a competitive advantage in the field of tourism associated with the uniqueness of the national culture, due to the available tourism resources, so practically all types of tourism can be developed in Russia, from post-COVID with high-tech medical care to ecological, based on the authenticity of territories and resources locations.

The introduction of restrictive measures, the closure of tourist destinations, the aggravation of the geopolitical situation, the growth of consumer distrust, a decrease in demand for tourism and related services create threats to the development of the tourism sector. Neutralization of threats is possible within the framework of strengthening cooperation with Europe and the adoption of agreed protocols on travel and health, which will reduce the level of uncertainty and risk in relation to the Russian tourism sector for foreign consumers.

Table 4. SWOT analysis of the development of tourism in Europe

S: unique tourism resources, tourism infrastructure development, high quality tourism services, strong brands	W: high cost of services in the field of tourism, prolonged recovery period from isolation
O: increasing the attractiveness of the tourism sector due to the coordination and adoption of agreed protocols on travel and health	T: the introduction of restrictive measures, the closure of tourist destinations, the aggravation of the geopolitical situation, the growth of consumer distrust, the reorientation of demand, a decrease in employment and income levels of tourism workers

As can be seen from Table 4, the tourism sector is well developed in Europe, as it is characterized by unique tourist resources, tourism infrastructure development, high quality of tourism services, and strong brands. The authors consider the weakness of tourism in Europe is the high cost of tourism services, amid a drop in the standard of living of potential consumers caused by the pandemic, as well as a protracted exit from isolation, European countries open their borders to tourism with utmost caution.

The introduction of restrictive measures, the closure of tourist destinations, the aggravation of the geopolitical situation, the growth of consumer distrust, the reorientation of demand towards tourism in favor of domestic tourism, as well as to other destinations less affected by the pandemic, the authors consider a real threat to the development of tourism in Europe.

Restoring accessibility and increasing the attractiveness of the European tourism sector is possible due to the adoption of new formats of interaction, as well as through agreed protocols on travel and health. The results of the study indicate the relevance of the use of integration mechanisms for the development of tourism in Russia and Europe in the interests of crisis management in the post-COVID economy, so the work is conducted on the following recommendations:

- the formation and development of a common tourism market through the development of investment networks that stimulate economic growth, job creation and sustainability in tourism;
- using innovation and digital advances to provide tourism in the post-COVID economics with opportunities for inclusiveness, empowering local communities and improving resource management;
- the creation of Russian-European clusters in the field of service and tourism on the basis of harmonized travel and health rules, which are necessary to restore confidence and resume tourism;
- improving the Russian-European visa control system through the introduction of a digital green pass, improved coordination between countries and harmonized travel and health protocols aimed at restoring confidence in tourism and ensuring the safe resumption of international travel

Based on the above recommendations, we propose the following program of measures in the field of service and tourism development in the interests of crisis management in Russia and Europe (Fig. 3).

As can be seen from Fig.3, the cooperation between Russia and Europe in the field of tourism is beneficial to both economic systems. This will allow them to strengthen their positions in the world markets, develop modern infrastructure, form a common market and expand sales of services in it. As a result, the development of the tourism sector will spread to the economics as a whole and cause GDP growth, which will stimulate overcoming the consequences of the COVID-19 pandemic.

5. CONCLUSIONS

As a result of the study, we can conclude that the development of the tourism sector is a significant tool of anti-crisis management in Russia and Europe in a post-

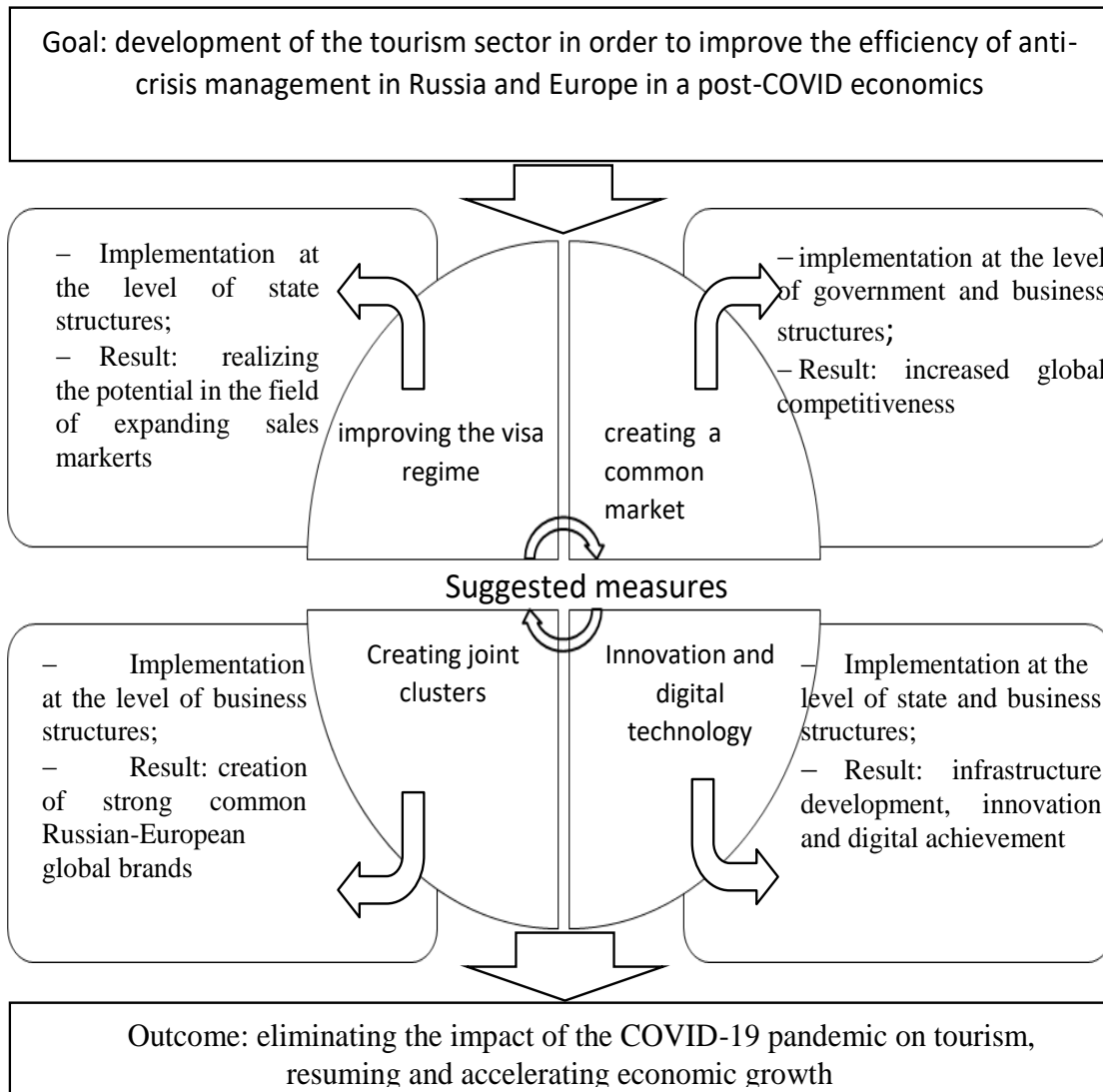


Figure 3 The program of activities in the field of tourism development in the interests of crisis management in the post-COVID economics of Russia and Europe.

COVID economics, which confirmed the proposed hypothesis. This development should be carried out on the basis of new mechanisms within the framework of strengthening Russian-European cooperation in the field of tourism.

The developed program of activities in the field of tourism development can be used in the anti-crisis management process in Russia and Europe, which predetermines its practical significance. The generalized nature of the proposed recommendations determines the directions of practical application. The detailed development of these recommendations will be reflected in further research.

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