

THE IMPACT OF COVID-19 ON THE AUTOMATION OF THE TOURISM DESTINATION THROUGH DESTINATION MANAGEMENT ORGANISATIONS

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Abstract

The current paper focuses on the impact that automation and digital advancements have had on the tourism industry during the covid-19 pandemic. It also identifies the key players that can help to further improve technological advances in the field. As grim as the COVID-19 pandemic scenario has been, it can also be perceived as a lesson to be learned. By digitalizing hotels and restaurants, by creating automation, and by encouraging contactless payments, it is easier to prevent such scenarios from ever happening again in the future. There are also no organisations that can help with promoting safe tourism for the pandemic scenario, such as the Destination Management Organisations. It is important to take note of all the important actors and encourage cooperation between organisations and between private entities so that these difficult times can be overcome. The current paper proposes a set of solutions that can be implemented to ease tourism back into normality. As interest in the destination starts growing back, proper safety measures, digitalisation and automation, transparent and creative communication are crucial components of a marketing recovery plan aimed to convert the ongoing changes into positive precursors for business improvement in the tourism industry.

Keywords: *tourism digitalization, destination management organisations, COVID-19, travel safety.*

JEL Classification: *O33, R58, Z32*

Introduction

Digitalisation and automation have become vital elements of any industry during the COVID-19 pandemic. It is for this reason that the current paper focalises on the merger of tourism with the digital environment. Tourism is a complex ecosystem that includes many actors: providers of information and services offline and online, travel agencies and tour operators, accommodation service providers, destination management organisations, tourist attractions, and passenger transport activities. (Pillmayer, Scherle and Volchek, 2021).

In the 4th week of January 2020, due to the spread of information in the media about the coronavirus epidemic, the situation began to change with the number of reservations that decreased significantly. With the drastic increase in the number of patients in China, the situation has worsened. Airlines have decided to limit flights to infected regions. Customers have also begun to give up mass travel in many Asian countries, especially China, wherein in February 2020, the number of bookings fell by around 81% compared to January 2020. Other Asian countries have also suffered, including Thailand, a popular destination for European tourists, according to a report by online travel agency eSky (Gössling, Scott & Hall, 2020).

Since the beginning of the COVID-19 pandemic, all Member States have implemented travel restrictions, often accompanied by the obligation for cross-border travellers to remain in quarantine. The EU's external borders have been closed to non-essential travel, and the many Member States have temporarily reintroduced internal border controls (European Travel Commission, 2020). This meant that suddenly, millions of European citizens could no longer travel for business, study, or leisure, many separated from family and friends for months.

International, regional and local restrictions have quickly made an impact on the national economies, including, of course, the tourism system from international travel today visits, and segments as diverse as air transport, cruises, HoReCa locations, festivals, sports events, etc (Gössling, Scott & Hall, 2020).

According to industry estimates, revenue losses at the European level have reached 85% for hotels and restaurants, 85% for tour operators and travel agencies, 85% for long-distance rail transport, and 90% for cruises and airlines. The EU's travel and tourism sectors report a reduction in bookings of between 60% and 90% over the same period last year. The crisis has affected SMEs the most: in the absence of liquidity and facing uncertainty. They are struggling to stay afloat, gain access to finance and keep their employees (World Tourism Organisation, 2020).

Tourism is the backbone of the economy for most of the Member States. European regions differ in their dependence on tourism. The impact of COVID-19 pandemic is strong for islands, coastal and outermost regions, given their dependence on tourism activities or dependence on international air transport. Rural areas with limited connectivity and which are dependent on tourism have also felt a strong impact. The COVID-19 pandemic has radically transformed consumer behavior concerning their travel and tourism desires and expectations, and it will likely continue to do so, even as conditions return to normal. The uncertainty is leaving travellers anxious, causing a shift in their perceptions, expectations, and behaviour. In response, the tourism marketing managers have developed new ways to assess consumers' attitudes toward travel accurately and quickly and adjust their marketing campaigns accordingly (European Travel Commission, 2020).

The present articles responds to the following two questions that would help the stakeholders in tourism industry to identify solutions to improve their activity and to recover after the COVID-19 crisis: 1) *Which of these solutions proved to be key steps for*

tourism organisations to survive and prepare for the relaunching of the tourism and hospitality industry in the post-pandemic period? and 2) *Even if the period we are facing is not profitable neither for the business market nor the consumers – travellers in this situation, how can we change the current situation, so that both parties benefit from the smallest bad?* The article indicates a set of solutions that can be implemented to ease tourism back into normality that can be adapted in every country that relies on tourism activity.

Background

In order to support destinations in the reconstruction of the European tourism sector, the European Travel Commission (ETC) has provided a guide that explores strategies for tourism recovery, based on qualitative research with coordinators of national tourism organisations in Europe, starting from the pandemic generated effects, to the short-term actions undertaken and to the long-term strategies. The purpose of the Handbook is to provide strategic recommendations to support business survival, to rebuild the tourism industry on sustainable pillars, but also to stimulate tourists' confidence to resume travel, once the current situation allows it. According to ETC, the crisis facing the tourism sector is an opportunity to create a new tourism ecosystem, paving the way for a more sustainable and resilient industry, considering the new consumer preferences (ETC, 2020).

The essence of tourism has undergone substantial changes, and it is expected that the reconstruction of the sector will be gradual. According to ETC forecast, tourism demand is expected to reach its peak ahead of its good days after 2023, which provides a window of time for tourism destinations to reconfigure their approach and perspective into more innovative, sustainable approaches with more visible effects for local communities and the environment, which can be achieved only through a closer collaboration between all actors in tourism, at global, regional and local levels. In terms of studies that have been written about the pandemic, it is safe to affirm that not everything is as dark as it may seem. A good example of this is the extraordinary boom that digitalisation experienced (ETC, 2020). What is more, some theorists actually claim that were it not for the pandemic digitalisation as it is in the current moment, it would have only happened in more than five years' time, as underlined by the online McKinsey Global Survey, which garnered in July 2020 responses from more than 900 executives and senior managers.

This transformation happened in almost every sector of work. Because of social distancing and isolation or other people had to work from home, therefore one could consider creating digitally enhanced experiences for tourism. This can also be done to ease the effects that isolation has upon the population.

While the conclusions mentioned that the pandemic forced digitalisation on all sectors of industry and services, this fact is also true for tourism. As this more so for the case of Destination Management Organisations (DMO). The main job of these organisations during COVID-19 what's the manage communications. A good example is

a helpline set up in Finland and Sweden to inform tour operators and tour agencies regarding restrictions and funding (The Organisation for Economic Co-operation and Development, 2020).

As underlined by The Organisation for Economic Co-operation and Development (OECD) in „Tourism Policy Responses to the coronavirus (COVID-19)” report in the first months of the pandemic, tourism registered significant drops with minus 53% for online tourism agencies and -43% for hotels and rentals. In a global crisis, tourism is the first one to be affected. However, one can be considered, tourism is at fault for the pandemic due to the increased mobility of the people. What is surprising, though, is the fact that destinations in Asia - Pacific seemed to have flourished in the second part of the pandemic period. This is because they have had increased communications with DMO’s and fearly loser restriction rules. This encouraged the population, which was tired of quarantine, to travel more in such places.

The peculiar case of Asia - Pacific serves as a good example and study case for the revival of tourism worldwide. What is more, the countries of G20 have made their missions to restore tourism to its formal glory, but in a sustainable manner. Therefore, one can see the pandemic as an opportunity to replace the ones damaging mass tourism with a more sustainable alternative. This can be done easily if there is permanent communication maintained with DMO’s because they can help micromanage destinations to create a greener way for tourism (World Tourism Organisation, 2020).

According to the World Tourism Organisation (UNWTO), the action plan has to follow two main paths: on the one hand, there is local action, and on the other, there are technological improvements. What the countries of G20 have proposed, is development of local communities, protection of local culture and nature and empowerment for woman and young people. By applying these solutions whilst permanently communicating with DMO’s to confirm implementation, it is possible to cover the first path of action preferenced earlier. If one refers to technological innovations, there are countless opportunities to implement a digitalised tourism system (OECD, 2020).

Methodology

This paper is based on an overview of the relevant literature on tourism and hospitality marketing. The authors also investigated Destination Management Organisations’s from across the world main strategies to prove their resilience to the new coronavirus pandemic effects.

The suggested insights are intended to provide tourism marketing managers, including destination marketers, with strategical approaches for a post-pandemic landscape, by keeping as golden rules some of the solutions that have proven efficient in the current pandemic situation.

Results and Discussions

The article aims to create a set of recommendations that will help tourism automation and ease the communication between DMO’s and local attractions, at international level. First of all, there is a need for both centralisation and decentralisation.

This means that there should be a centralised record of information gathered at national level with regard to destinations and tourism sites. While also keeping decentralised administration divided between Destination Management Organisations and local administrations. A good example in this case is that of Turkey, where the Tourism Strategy of Turkey - 2023 (2007) gives governing authority to local administrations to manage each tourism attraction and destination as they see fit. This is one of the main reasons that tourism in Turkey has been experiencing continuous growth, except certain periods of political and economic crisis (Tourism Strategy of Turkey – 2023, 2007).

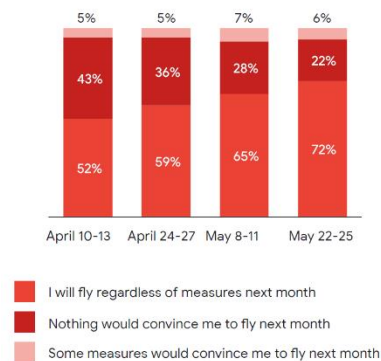
In Romania, more than 15 representative tourism organisations reunited in the Alliance for Tourism, which represents an informal structure founded by the most important stakeholders from the industry. S.O.S. The Romanian Tourism is the first initiative of the Alliance, having a long-term goal, that is to rebuild the national tourism, throughout a unitary and coordinated approach, in an attempt to move from crisis response to recovery and restart phases of the national tourism, based on the principles of sustainability. Once again, it has been confirmed that public, private, professional, and academic partners are supposed to collaborate for ensuring travel and health standards, developing competitive tourism destinations, but also for disseminating unitary messages to tourists and other stakeholders involved in the process.

Another key measure that should be implemented by Destination Management Organisations in order to rebuild tourism is, primarily, to show care towards the customers at a micro level. This means to continue implementing health and sanitation regulations in each hotel, restaurant and museum, in order to prevent the spread of COVID-19.

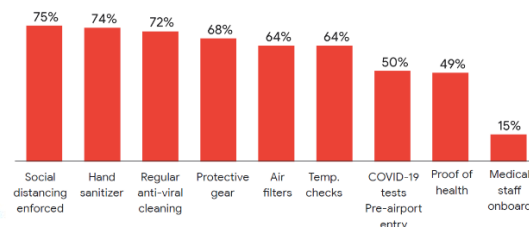
Therefore, DMOs should promote a full range of health and safety measures throughout the guests' experience and journey. Countries and companies around the world are already implementing advanced travel safety measures to reassure visitors and prepare them for travel and protect them once they arrive. While The Greek Minister of Tourism presented public the health and safety protocol "The nine rules for tourists, flights, and hotels in Greece", tourism authorities in Portugal have worked with local health authorities to issue "clean and safe" certificates for hotels. Other countries have collaborated with international organisations, to confirm health and safety procedures they have taken to ensure the safety of travellers. (OECD, 2020)

Fig. No. 1 Willingness to travel and destination selection

% of consumers needing additional sanitary measures before flying again in next month



Sanitary measures needed by consumers who answered "some measures would convince me" from May 22-25



Source: BCG Analasys (Actions for Destination Marketers to Navigate in a COVID-19 World, 2020)

As can be seen in the figure above, the post pandemic consumer has a tendency to select future destinations based on the safety measures implemented. Therefore, it is safe to assume that the key is to follow an integrated marketing approach, ensuring that those upcoming experiences meet travelers growing expectations. In a post-pandemic landscape, a destination management organisation should first and foremost build trust, while communicating its care and involvement in keeping its customers safe. Thus, once the primary needs for livelihood and health security are provided, the current context may represent a potential opportunity to restore the rules of tourism.

People already realised their need to travel and their desire is higher than ever. Tourists dream of their next travel experiences, raising the role of digital technologies in combating the pandemic, by piquing the interest of consumers and inspiring them to travel. Technology tools are also giving to possible tourists easy access to real-time information on the situation of borders, travel restrictions, travel recommendations, public health and safety measures, places where they can walk, areas with outdoor terraces. Even if travellers were already using the internet in order to search or schedule their next destination, nowadays, more than ever, the businesses from the tourism industry request creativity and a high level of transparency in order to remain operational.

A key issue that can influence sustainability is also linked to data access, because access to date allows DMO's to measure and monitor destination evolution (Pillmayer, Scherle and Volchek, 2021). Therefore, if automated communication is implemented DMO's will be more capable to help in creating and preventing sustainability and local cultures and they will also be able to empower minorities, women and young people.

One thing that can be done to improve the example given earlier is to create a centralised and automated database that can give and receive continuous data so that governing parties, DMO's, and private entities can receive vital data regarding tourism, flights, opportunities and threats. Such data is vital to create patterns and predict customer

fluctuations and behaviour. It will also be of use to automate communication between all interested parties and create an informational environment.

Conclusions

Tourism suffered a hard blow in the period of the pandemic. Many tour operators went out of business, tourists were scared to travel, while the virus itself and quarantine left people without the will to travel. However, in this blink scenario, good communications with DMO's and digitalisation, helped some destinations to flourish. The COVID-19 pandemic forced a lot of industries to go almost entirely digital. Therefore, if we are to combine the tourism sector with the digital sector, it is possible to see a way of escaping this period of crisis that has fallen over the tourism sector.

Thus, it is necessary more than ever for the public environment to work together with the private environment, as well as with the academic one, to find concrete and useful solutions for real life. Through a qualitative analysis of the existing climate, this study comes as a complement to recent research and proposes tourism revival solutions, which can be easily implemented by stakeholders from the tourism and hospitality industry (local authorities, hotels, restaurants, travel agencies, transport companies, etc.). The authors' qualitative research will be developed, as interviews with the representatives of local destination management organisations will be held in July 2021, to define the role of DMO's in the national tourism restoration process.

One of the main suggestions that can be given for this is permanent communication between all parties implicated in the tourism process and also the ones involved in policymaking. This can be done very easily through digitalisation and process automation. Another important aspect is to create an environment where tourists feel safe while travelling. This can be achieved by imposing strict health regulations and giving access to necessary means of hygiene. And last but not least, it is vital to ensure permanent marketing and communication strategies to inform the public regarding all these steps that have been taken in order to create sustainability and a safe environment for all the parties implicated in the process (Hancock, 2020).

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