

## Tourism after 2020 – Business as usual or Transformation?

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One way or another. 2020 will remain a synonym for massive changes in tourism for a long time. Where the development is heading, what exactly the changes consist of, is currently (End of April 2020) characterized by functional optimism, wishful thinking or reading the tea-leaves - so much for the spoiler at the beginning of this article. Thinking about an end to tourism as we have known it until now is currently a taboo.

When the Tyrolean Governor Platter recently announced publicly<sup>1</sup> that "he is not yet giving up on the summer season", it sounds like a political perseverance slogan for the tourism industry. Austrian Tourism Minister Köstinger's plan to open up the borders to Germany bilaterally<sup>2</sup> has more relevance for the tourism industry, even if it is not fully thought through in terms of health or EU policy.

When the Mayor of Ischgl thinks aloud<sup>3</sup> about how tourism in Ischgl can implement "even more quality" and an "upscale après-ski culture", and at the same time complains that "many details are not clear at the moment because there are no decisions and guidelines from the government about the general shape of tourism in the future", it only sounds helpless compared to the old credo of "higher up".

More optimistic assessments can be heard from the scientific community. The adventure researcher Gerhard Frank, for example, writes<sup>4</sup> that the corona virus may have "ushered in the end of the fun culture" and "finally dealt the deathblow to the masses [mass tourism]". From a sustainability perspective, however, this can be attributed more to wishful thinking than to a realistic change strategy for an actual renewal of tourism from scratch.

### What can be stated with a certain degree of certainty at the moment?

Compared to the tour operators (and airlines), the destinations and accommodations are - despite complaints from the professional associations - in a comparatively comfortable situation. Even if foreign guests will only gradually return, probably from the 2021 season onwards, at least the domestic market will start up again in the course of summer 2020. The security precautions will certainly make the holiday seem strange to us, and the caution of many travellers with regard to crowds will change the local event offerings. My forecast is that therefore soft, extensive holiday regions will be able to recover earlier. Where before 2020 lonely hikes and resorts were very popular, summer holidays will remain. The President of the Swiss Travel Association, Max E. Katz, can imagine that "the way we travel will change and increasingly develop towards individuality, nature and originality".<sup>5</sup>

The economic pressure remains immense. Even if, after a two-month standstill, hotels are likely to gradually reopen from mid-May onwards, the economic consequences, even with emergency aid, credit protection and short-time working allowances, remain a challenge, especially for small and medium-sized enterprises. According to Statistics 2017 Austria, the di-

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<sup>1</sup> Kurier, 7.4.2020

<sup>2</sup> Der Standard, 18.4.2020

<sup>3</sup> Tourismus Presse Austria, 23.4.2020

<sup>4</sup> Tourismus Presse Austria, 25.4.2020

<sup>5</sup> Der Tagesanzeiger, 19.4.2020

rect share of the tourism industry in the gross domestic product was 6.4 per cent. In the further differentiation with business travel and leisure industry, the share even amounted to almost 16 percent or 59 billion euros.<sup>6</sup>

The tour operators - especially the smaller, specialised tour operators, often more committed to sustainability - have a much more difficult time. The impact of the pandemic will be much longer and more severe in the countries of the South than in Europe, and travel restrictions and the fear of travel among European holidaymakers will have a longer-lasting effect. It is evident that in countries like Austria, the political importance and thus the support of in-coming tourism is higher than in the outgoing sector. Many companies here have realistic fears for their existence and the current solutions such as short-time work, travel vouchers or postponement of travel dates only postpone the problems by a few months.

When the airlines say that a return to normality - i.e. to the situation before March 2020 - "can be expected in 2023 at the earliest"<sup>7</sup>, the same applies to the tour operators. The only difference is that they cannot negotiate with governments about billions of dollars in subsidies.

A setback for the sustainability of long-distance tourism is already foreseeable. Up to now, sustainable offers have been those that offered direct contact with the locals instead of sightseeing tours, visited local markets instead of staying in sterile \*\*\*\*\* hotels, travelled by public transport instead of in rented four-wheel drive cars. Will the future virus-sensitive long-distance travellers now prefer the hygienically sterilized all-in resorts with baby elephant distance to the neighbourly beach towel? Hard to say.

### **So, what next?**

The Austrian economic researcher Egon Smeral puts it in a nutshell: "In the final analysis, however, the creativity of Austrian tourists, which has already been proven on several occasions, can help to significantly increase the pace of catching up."<sup>8</sup> So: catching up as quickly as possible on what was not possible in 2020, and then returning to (new) normality, to business as usual, as if nothing had happened? In my opinion, this approach is far too limited. The growth paradigm in tourism has come to its end, we urgently need other success factors than a constant increase in the number of arrivals and overnight stays.

The actors in the sustainability debate are currently integrating the issue of resilience more strongly into the discourse everywhere. Resilience has so far been more part of the discussions on climate adaptation. Economic resilience against completely unexpected events will become much more important in the future, even if we can say with a fair degree of certainty from the experiences of the last decade that this will not be the last virus.

This should definitely have an influence on the financing and funding policy. Money should only be allocated where appropriate contingency plans are in place. Serious NGOs have been trying for a long time to have reserves for the sudden loss of all income at least equal to all personnel and operating costs for half a year. We have learned that this is not at all common in the economy.

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<sup>6</sup> FAZ, 20.4.2020

<sup>7</sup> Austrian-Vorstandsmitglied Andreas Otto am 16.4.2020 auf [www.orf.at](http://www.orf.at)

<sup>8</sup> Tourismus Presse Austria, 11.4.2020

But do we really have to go back? The Austrian Minister for the Environment and Climate, Leonore Gewessler, calls for integrated climate conditions if Austrian Airlines and other companies are supported by the state. Regula Rytz, member of the Swiss parliament, goes a step further and says "The corona crisis is a break in the modern travel world. [...] Let us therefore use this caesura to restructure travel. Let's invest in European rail connections, in holiday experiences on our doorstep and in educational opportunities for people who today live from environmentally harmful forms of tourism. They need new perspectives."<sup>9</sup>

I am also convinced that 'tourism' needs new perspectives and that this dramatic change can and should now be used as an opportunity for change. And to avoid the usual automatism at this point: it is simply not true that "the Tyrolean valleys live from tourism"<sup>10</sup>. Of the 20 municipalities in Austria that are most tourism-intensive, with the exception of the larger cities, 13 have experienced severe population declines in the last 10 years. The front-runners with a decline of around 20 % are the intensive winter sports regions Ischgl, St. Anton, Lech<sup>11</sup> - do these names sound currently familiar to you?

We now have the opportunity to integrate more sustainability into all support measures and to develop new scenarios and business models. For example, in the alpine tourism hot spots, converting hotel rooms into living space and thus making it easier for the local youth to stay. Swiss tourism experts also write that it is necessary to find instruments that take away the economic pressure on businesses and employees. For example, an unconditional basic income financed by a digital tax (also on booking platforms) or a financial transaction tax.<sup>12</sup>

Or in winter tourism, from adhering to the concepts of the 1970s to the Smeral creativity of the tourism industry - but in order to turn regional cultural, culinary and historical features into distinctive tourism products that are independent of climate change.

Sustainable tourism also directly includes the observance of ecological and social limits in order to avoid both mass tourism (from an environmental perspective) and overtourism (from the perspective of the local population). Political and financial incentive systems must promote sustainable forms of tourism and prevent (far to) intensive forms of tourism. Last but not least, the desire for a general CO<sub>2</sub> tax, such as a tax on state-subsidized kerosene, is more topical than ever. Flying and individual motorised mobility must become more expensive - for reasons of climate protection as well as for reasons of cost truth.

Perhaps the adventure researcher Gerhard Frank is right after all about the end of alpine mass tourism. If politics plays a steering role. But then we have to start talking about the necessary changes and not make a fundamental transformation of the tourism industry taboo. So far it does not look like that.

Feldkirch, 27.4.2020

Personal note of the author:

<sup>9</sup> Der Tagesanzeiger, 19.4.2020

<sup>10</sup> Franz Hörl, an verschiedenen Stellen

<sup>11</sup> Baumgartner 2020: Nachhaltige Tourismus Entwicklung. Erfahrungen aus ländlich-alpinen Regionen

<sup>12</sup> Akte, Medienmitteilung Restart Tourism, 24.4.2020

Of course, like everyone else, I am also affected by the restrictions on travel. Numerous international conferences have been cancelled, the planned excursions with my students are not possible, several project trips have been postponed or cancelled indefinitely. Nevertheless, after years of very intensive professional travel, I do not find this - forced - deceleration unpleasant. I am very curious to see what all this - video conferences, Distant Teaching, ... - will remain 'afterwards'.