

Rethinking tourism to mitigate the effects of COVID-19.

Transition to sustainable circular economy

Deimena Montvydaitė, dr. Daiva Labanauskaitė
Klaipeda University

Introduction

Tourism is a major job creator and a lifeline for many economies at all development stages (UNTWO, 2020). It is one of the sectors most affected by the COVID-19 pandemic, impacting economies, livelihoods, public services and opportunities on all continents (United Nations, 2020). To build back better, a new thinking, a new framing of tourism activities is needed. All tourism sectors should question the purpose of their operations and the natural, social, economic impacts of their business models (UNTWO, 2020). This crisis is an opportunity to transform the relationship of tourism with nature, climate and the economy (United Nations, 2020). It is also an opportunity to place stronger emphasis on the development of strategies that enhance coordinated action and decisions across all actors (producers, distributors, consumers, etc.) in the tourism value chain. This can support integrating circularity in tourism operations, transitioning to more resource efficient and low carbon tourism operations, while also enhancing the competitiveness and resilience of the sector as a whole (UNTWO, 2020). Circular economy focus on tangible product manufacturing underestimates service dominated industries, such as travel and tourism, and their role in the global circular economy transition (UNTWO, 2020). A collective and coordinated response by all stakeholders can stimulate the transformation of tourism, together with economic recovery packages, and investments in the green economy (United Nations, 2020). This theoretical background could be an assumption that these transformative steps in tourism could lead to moving to a more sustainable circular economy, which is needed to be assessed.

Tourism and circular economy as well as its interaction have been an object of investigation by Zhang & Tian, 2014, Nedyalkova, 2016, Brightley, 2017; Girard & Nocca, 2017, Manniche et al., 2017, 2021, Naydenov, 2018, Vargas Sanchez, 2018, 2019, Falcone, 2019 and other scientific authors. However, in the light of the COVID-19 pandemic, which changed the whole tourism and economy functioning, there is a lack of the research analysing the transformation of tourism mitigating the effects of the pandemic moving to a more sustainable circular economy.

The problem of the research. The COVID-19 pandemic has now brought tourism industry to a standstill, requiring a complete „tourism restart“. Besides the need of industry's ultimate recovery, there is an urgent need to address its underlying sustainability and resilience challenges (CE360 Alliance, 2020). When the COVID-19 crisis hit to the status quo, a mix of supply and demand side megatrends, such as digitalisation, overtourism, GHG emissions, environmental and social impacts, customer and regulatory accountability demands, were increasingly raising questions about the industry's linear growth-based model (UNTWO, 2020). A return to „business as usual“ is unlikely. Policy makers will need to learn from the crisis to build a stronger, more resilient tourism economy for the future (OECD, 2020). Moving to more sustainable circular model could be a possible direction of transformation. However, while the concept of sustainability is applied in tourism research, the implications of circular economy in tourism have not received much attention (Manniche et al., 2021). Therefore, in these transformative times of the crisis, it is important to evaluate how tourism could be rethought to mitigate the effects of COVID-19, moving to a more sustainable circular economy.

The aim of the research: to evaluate how tourism could be transformed to mitigate the effects of COVID-19, moving to a more sustainable circular economy.

Research object: possible tourism transformation to mitigate the effects of COVID-19, moving to a more sustainable circular economy.

Research methods: scientific literature analysis and synthesis, data analysis, situation modelling, logical conclusions.

Results

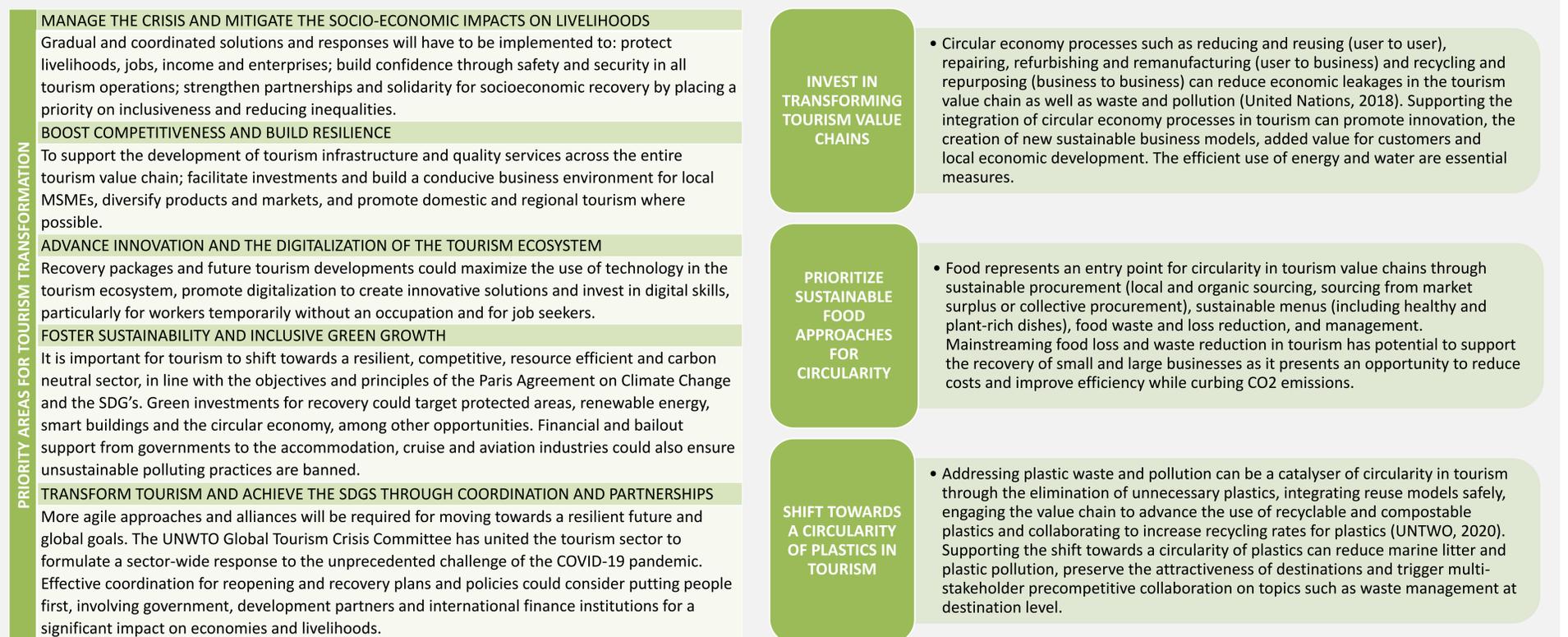


Figure 1. Priority areas for tourism transformation mitigating the effects of the COVID-19. Source: Compiled by the authors, based on the United Nations, 2020 and UNTWO, 2020.

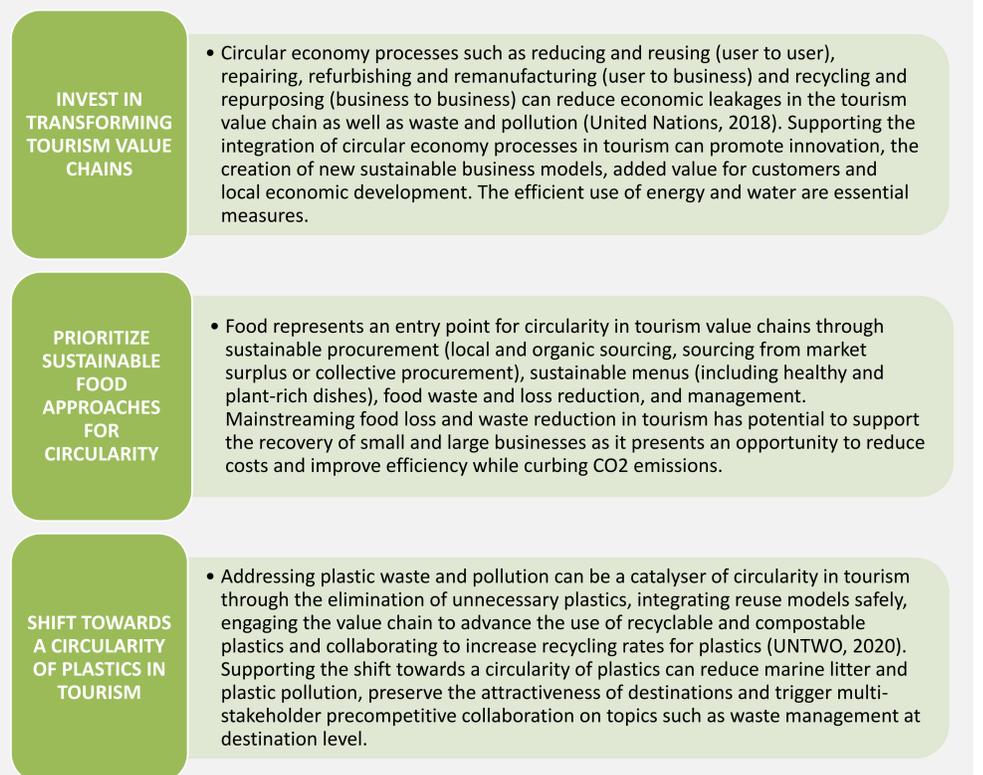


Figure 2. Integrating circularity in the tourism value chain. Source: Compiled by the authors, based on the UNTWO, 2020.

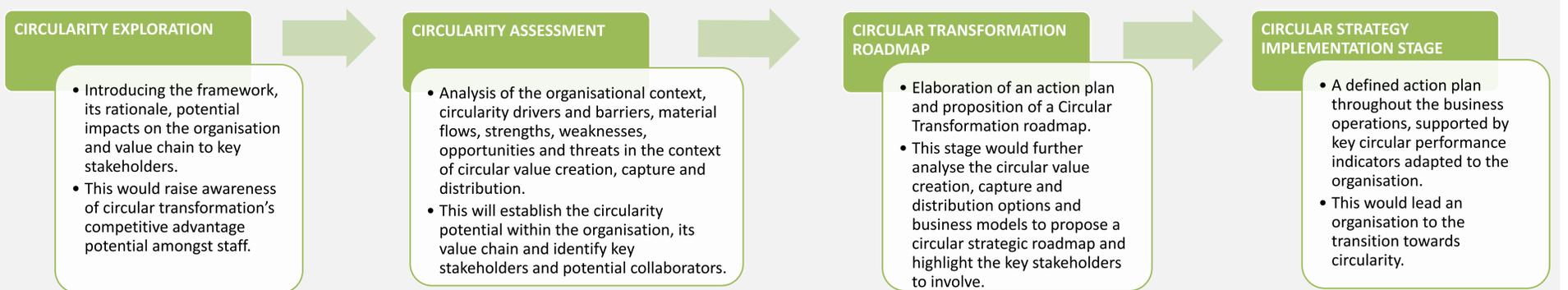


Figure 3. An organisation's circular transformation stages. Source: Compiled by the authors, based on the CE360 Alliance, 2020.

Conclusions

The crisis is an opportunity to rethink tourism for the future. Tourism is at a crossroads and the measures put in place today will shape the tourism of tomorrow. Governments need to consider the longer-term implications of the crisis, while capitalising on digitalisation, supporting the low carbon transition, and promoting the structural transformation needed to build a stronger, more sustainable and resilient tourism economy (OECD, 2020). At a time when governments and the private sector are embarking on the path to recovery, the time is right to keep advancing towards a more economically, social and environmentally sustainable tourism model (UNTWO, 2020). A circular economy travel ecosystem regenerative of natural and social capital by intent; respectful of the ecological boundaries within which it operates; whilst also optimised for all stakeholders, could be part of a comprehensive answer to those complex industry challenges. The need for a new positive travel paradigm is pressing and the circular economy framework can provide such an innovative, resilient and sustainable tourism industry development paradigm (CE360 Alliance, 2020). The circular economy offers a compelling new paradigm and a set of tools to guide an innovative, balanced, resilient tourism industry recovery and sustainable future (UNTWO, 2020). Summing up, the COVID-19 crisis is a watershed moment to align the effort of sustaining livelihoods dependent on tourism to the SDGs and ensuring a more resilient, inclusive, carbon neutral, and resource efficient future (United Nations, 2020), moving to a more sustainable circular economy.

Concluding briefly, the COVID-19 crisis is an opportunity to rethink the tourism and to take steps transforming it into more sustainable and responsible way of operating. This kind of tourism transformation could lead towards more sustainable circular economy.

Giving the hint for the deepening of this research and for the continuing with the novel analysis, it could be noticed that complex initiatives and actions are needed for the tourism industry circular transformation. As UNTWO (2020) highlights, education and awareness building about the circular economy as a profitable, fair, optimised and holistic economic model applicable to all tourism actors at the macro, meso and micro levels is essential. Investment in research to demonstrate the financial, environmental and social benefits of a circular, regenerative by intent tourism ecosystem is necessary. And, very importantly, more public-private tourism stakeholder collaborations and cross-industry coalitions to explore innovative circular business models and transition pathways in a manner that sustainably integrates tourism as core economic development lever in regional and national policy making and circular economy strategies.