

TOURISM IN THE CENTRAL REGION AFTER TWO YEARS OF THE PANDEMIC

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Abstract: *The negative impact of the pandemic has been felt by the vast majority of industries around the world. However certain industries were forced to stagnate, they were partially able to continue their activity, even on a reduced scale. Before the pandemic (2019), tourism had become one of the most important sectors of the world economy.*

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JEL classification: *M31, Z32.*

1. Introduction

The pandemic affected tourism in the Center region, respectively tourism in Covasna county.

The number of tourists coming to the county has doubled compared to the first nine months of 2020, even surpassing the number of tourists registered in 2019. In numbers, the situation looks like this:

- 101.877 - tourists arriving in Covasna County in the first nine months of 2019;
- 57.648 - tourists arriving in Covasna County in 2020;
- 102.601 - tourists arriving in Covasna County in the first nine months of 2021.

Covasna county represented 2.6% of the total number of overnight stays registered in Romania in the first nine months of 2021, a remarkable number for a small county like Covasna. This percentage in 2019 was only 1.8%.

In 2020, in terms of the number of overnight stays, Covasna county was visited by 78.654 tourists, and thus there is a decrease of over 42% compared to 2019, when a total of 136.530 tourists arrived in the county (Luca, 2021).

On a national level, the decrease is 52%, because in 2019 there were a total of over 13.268.000 tourists, and in 2020 – over 6.335.000 (Luca, 2021).

Covasna County won the Best Spa Destination in Romania 2021 award at the Termalia Awards Gala, inform the local authorities (Covasnamedia, 2021).

At the county level, the decrease in the number of tourists was lower than at the national level and due to the Covasna Safe Place tourism relaunch campaign, Laszlo Endre said.

The aim of the Association for the Development of Tourism in Covasna County is to promote the tourist destination and the tourist potential of the county, as well as to increase the number of arrivals in the region. The pandemic context has created an uncertain situation and generated unpleasant consequences regarding foreign travel, thus contributing to a sharp growth for domestic tourism products and services. Given this context, as well as the basic objectives of the Association, the main direction towards which its efforts were channeled during 2021 was to make Covasna County a visible destination at the national level.

In 2021, the association carried out a total of 33 projects and events to promote the county. Three monthly articles were published on family, lifestyle, balneology, wellness&spa, local gastronomy, castles and mansions as tourist destinations. These have appeared in print publications as well as various online platforms. The total number of publications is 249, and the number of hits is about one and a half million (Covasnamedia, 2022).

2. The tourism industry during the pandemic

A quarter of the HoReCa units are currently bankrupt, and their proportion could increase to a third if the Government does not grant state aid to the HoReCa sector, said the president of the Employers' Organization of Hotels and Restaurants (HORA), Daniel Mischie, in a press conference.

The average loss of a HoReCa unit in 2021 was 120.000 euros. "So including for the year 2021, the current Government must think about a compensation program for the restriction from functioning", stated Daniel Mischie (Agerpres, 2021).

Tourism operators claim that the 2021 season was much better than 2020 from the point of view of receipts, but it has not yet reached the level of 2019, the lack of holiday vouchers being felt in domestic tourism (Economica.net, 2021).

The hoteliers have chosen to increase the prices "to the minimum", by 10-15%, even though the rates of products and services in Romania have increased by percentages between 10% and 30% compared to the levels before the pandemic, claim the representatives of the National Association of Agencies of Tourism (NAAT).

"Tourism operators had better receipts than the previous year, but in no case at the level of 2019. Compared to 2020, this year many have been immunized or vaccinated and there is greater predictability, everyone knowing the rules of the game, having "run-in" last year. Usually, vaccinated tourists book more in advance and choose any popular destination, while non-vaccinated tourists booked earlier, chose Romania or more predictable destinations ahead of time, regarding the constancy of the green color. For Romania, there was a lack of external tourism promotion, which must be ensured by the state, by the relevant ministry. In order to have foreign tourists, promotion must be started early, even in times of crisis. There is also a lack of holiday vouchers for this year. These vouchers would have enormously supported domestic tourism, and here I'm not necessarily referring to the coast, because we have many other forms of tourism and other regions that need support," said the NAAT spokesperson, Traian Bădulescu.

Regarding the pandemic waves, travel agencies have faced the complaints of unvaccinated tourists regarding the countries that entered the red lists, although the agencies do not bear any responsibility for changing the destination classification between the date of purchase of tourist services and the date of return.

Regarding the prices registered in the tourist sector in Romania, Bădulescu claims that they have been adjusted to inflation.

2.1. Favorite destinations of Romanians in 2021

During the summer season, the Romanian coast and the Bulgarian coast did well excellently, says Traian Bădulescu, because the first one is in his own country, and Bulgaria did not request, until September 1, any additional document other than the identity document.

"For Romania, the star of the summer season was, by far, the coast. But many Romanians who want peace, isolation or tourism in nature have also opted for mountain resorts, spa resorts or rural guesthouses. During the summer, Romanians have no choice not necessarily a weekend at rural guesthouses or in mountain resorts, but a complete stay of one week", added the NAAT representative.

According to the quoted source, the Romanian coast of the Black Sea had a comeback season in 2021. The tour operators who sell the Romanian coast and their resellers have made a good choice, having ensured survival and even a minimal profit, plus greater predictability.

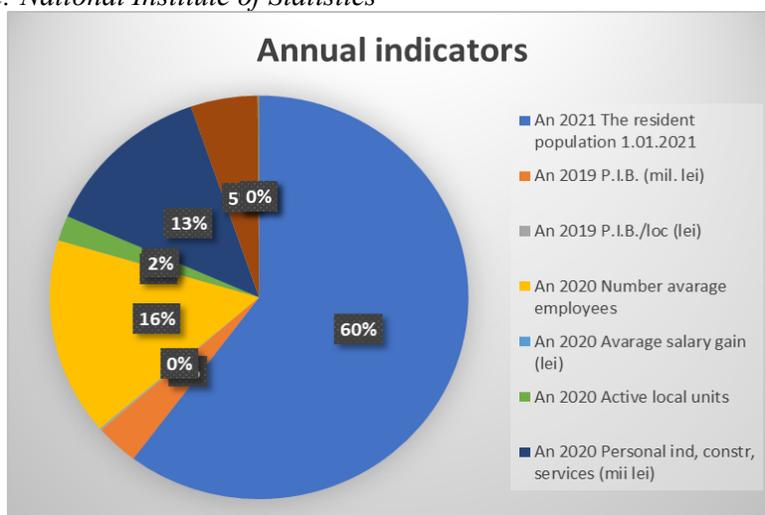
In the Central Region, the tourist potential was exploited because during the pandemic, tourists preferred to visit natural landscapes, castles, agritourism guesthouses.

The strong impact generated by the COVID 19 pandemic on the society and economy of the Center Region presented by ADR Centru:

Annual indicators

	Year 2021	Year 2019		Year 2020						
	Resident population 1.01.2021	P.I.B. (mil. lei)	P.I.B./loc (lei)	Average number of employees	Average salary gain et (lei)	Active local units	Personal ind, construction, services (mii lei)	Turnover of independent construction, services (mii lei)	Family businesses	PFA
Romania	19186201	1058973	54654	5031767	3217	640104	4184330	1641095	19972	19972
Center Region	2302227	119142	51417	640530	2953	76029	533748	194691	2630	43065
Alba	320831	17258	53141	89830	2846	10063	67241	30132	239	6772
Braşov	552929	35214	63684	176508	3111	23411	162874	58886	209	9018
Covasna	200003	7957	39410	48381	2579	4640	28792	8328	211	3807
Harghita	299128	12264	40611	65333	2483	8165	51084	13389	978	6180
Mureş	529220	22760	42600	131717	2975	15886	105611	41410	584	9809
Sibiu	400116	23688	59034	128761	3165	13864	118146	42547	409	7479

Source: National Institute of Statistics



Source: INS Own processing.

2.2. Operators about the 2021 summer season

Tourism continued to operate in 2021 in the context of the restrictions imposed by the authorities to limit the pandemic. The cancellation of holiday vouchers was felt by tourism operators, and the sector had to face a second consecutive year of job losses. However, receipts in tourism have increased compared to the first year of the pandemic.

In relation to the increase in the number of tourists at the county level, during 2021, the president of the Covasna County Council, Tamás Sándor, concluded that, if we could talk about the positive effects of the pandemic on tourism, then they would be expressed by an increase in demand for outdoor activities in nature. "Tourists prefer more intimate destinations with fewer visitors. This is to the advantage of Covasna County, given its natural resources and urban structure. Most tourism operators have reorganized their activities following the emergency situation caused by COVID-19, changing their profile when

necessary and opening up to new opportunities to maintain their businesses", stated the president C.J. Covasna (Covasnamedia, 2022).

"We want in 2022 the activities of the association to be carried out on the basis of the professional benchmarks established last year: our basic responsibility is to carry out communication and promotion campaigns focused around those tourist products, which represent the strengths of Covasna county. These campaigns and activities are directed almost exclusively to markets outside the county, because the key performance indicator of our work is the increase in the number of nights registered in this region" - emphasized the director of the association, Godra Árpád.

Romanians choose tourist destinations from all over the country, especially rural guesthouses, mountain and spa resorts, as well as the Danube Delta.

According to the Danube Delta Tourist Destination Management Association (AMDTDD), the summer of 2021 brought approximately 25,000-30,000 tourists to the delta in July, and 10% more in August. The figures are roughly at the same level as those of the reference year 2019. "The tourist season in the delta is longer than the one on the coast. The summer months were good. They cannot be compared with the summer of last year because 2020 was an atypical year with a very high tourist pressure for a short period of time (June-September). We can compare 2021 with 2019, being at a similar level, but with a single minus: 11.3% represented by foreign tourists. Unfortunately, in-coming tourism has not recovered", says Cătălin Țibuleac, AMDTDD president.

3. Lack of vouchers

At the beginning of the year, the Government canceled the granting of holiday vouchers for 2021, and tourist operators protested, showing that holiday vouchers largely ensure the survival and development of tourism.

3.1. No holiday vouchers in 2021

The lack of holiday vouchers was felt in domestic tourism.

There was no promotion to attract foreign tourists, which had to be provided by the state and the relevant ministry.

Regarding the prices recorded this year in the tourism sector in Romania, the representatives of the national association of agencies in the field claim that they have only been adjusted with inflation.

"By eliminating holiday vouchers for 2021, the Government proves once again that tourism is the fifth wheel in the cart. Holiday vouchers largely ensure the survival and development of domestic tourism, as well as the preparation of incoming tourism. No Government has taken into account in the most serious way that Romania can earn money from exports, and incoming tourism can become one of the main forms of service export of our country. Holiday vouchers add value to domestic tourism and ensure tourism taxation. A Government that thinks in perspective, in the medium and long term, can understand this aspect", explained NAAT representatives.

Later, the employers' organization drew attention to the fact that the holiday vouchers issued during 2019-2020 created more than 45.000 jobs, so they should be seen by the Government as an investment.

"Vacation vouchers should have been viewed by the Government as an investment and not as an expense from the budget, being probably one of the most profitable allocations of funds from the budget. For every RON invested in holiday vouchers, 0.51 money is found in GDP, and for every 64.000 lei a job is created and maintained (ASE and APET study). Doing a simple calculation, the holiday vouchers issued during 2019-2020 created over

45.000 jobs (Economica.net, 2021). Holiday vouchers ensure, for the most part, the survival and development of domestic tourism, as well as the preparation of incoming tourism, accumulating about 30% of the sales of travel agencies specialized in domestic tourism. In addition, holiday vouchers mean taxed tourism, they can only be used in classified accommodation units or in licensed travel agencies", according to a press release from NAAT.

In autumn, after the Government announced the re-introduction of holiday vouchers for 2022, tourism employers requested the granting of holiday vouchers for a period of 5 years, both for employees in the state system and for employees in the private sector.

"The 24 organizations that cover the entire spectrum of the hospitality industry, united under the name of the Alliance for Tourism (APT), as well as other union and employer organizations that represent all areas of the national economy, support the major importance of reintroducing holiday vouchers starting in 2022.

It is essential that this decision be legislated by the end of this year. APT, together with the other union and employers' organizations, welcomes the public announcement regarding the reintroduction of vacation vouchers, for all categories of employees starting in 2022, and propose to the government an improved formula.

The Alliance for Tourism argued that the holiday vouchers contributed essentially to improving the taxation of the tourism sector, through the accelerated increase in the number of classified tourist structures, guaranteeing the collection of taxes and fees to the public budget.

"In just 11 years, more precisely between 2010 and 2021, they determined a 326% increase in the number of classified tourism units and a doubling of accommodation. More precisely, in October 2010, according to the relevant ministry, there were 5.458 accommodation units totaling 255.623 places, and in November 2021, the figure reached 17.800 accommodation units, respectively 523.177 places (DobrogeaExplore, 2021). The investments stimulated by the vacation vouchers project meant both the construction of new accommodation units and the modernization of some that remained in an inadequate condition for decades, the appearance of 4 and 5 star health centers in spa resorts, but also the construction of swimming pools, spa centers, modern restaurants and other facilities oriented towards sustainable tourism and digitized management", according to the APT press release.

3.2. Tourism continued to lose employment

The biggest damage recorded in the tourism industry in Romania is that it has lost over 30% of its workforce in 18 months, said on December 15, the president of the Romanian Hotel Industry Federation (FIHR), Călin Iie.

"In 2020, we recorded 14.4 million overnight stays, compared to approximately 30 million overnight stays in 2019, so a decrease of more than 50%. In 2021, we have almost 20 million overnight stays, an increase of 5 million compared to 2020 (Profit.ro, 2021). The biggest damage in our industry is that we lost over 30% of our workforce. Labor force forced to migrate to other sectors, it is natural and absolutely correct. Some went to retail, IT, construction. I saw cooks who are working in the courier. Losing 30% of the workforce in about 18 months is an enormous damage that we will have a very hard time compensating for, especially when there is no reaction from the state and then we have to react through campaigns to attract them, increasing salaries to the extent that the businesses prove to be sufficiently sustainable", stated Călin Iie.

3.3. Tourism increased in 2021 compared to 2020, but the lack of vouchers was felt

Tourism continued to operate in 2021 in the context of the restrictions imposed by the authorities to limit the pandemic. The cancellation of holiday vouchers was felt by tourism operators, and the sector had to face a second consecutive year of job losses. However, receipts in tourism have increased compared to the first year of the pandemic.

In January, when the authorities imposed a two-week quarantine for people entering the country, the National Association of Travel Agencies (NAAT) requested the Government to implement, as an alternative measure, carrying out a Covid-19 test upon returning to the country instead of the 14-day quarantine, the mandatory quarantine generating a new wave of cancellations of contracted travel service packages, refunds and litigation.

Due to the restrictions, Romanians did more tourism in the country this year.

The most favorable choice in this period was agromontane tourism: horse riding, outdoor sports for families, hiking, visiting the tourist attractions in the area, cycling. Packages for small groups. Which targeted not only families with children but also the elderly and everyone who wanted to spend active holidays.

4. Epidemics that changed the course of history

"Epidemics are often described as threats to civilization, similar to hurricanes or asteroids. It suspends ordinary life and leaves deep trauma behind. However, they can also be an effect of civilization, of a certain type of civilization, obsolete, eroded, useless, which can no longer support the progress of the world. That is why they are followed by catalytic events, by inventions and innovations, which essentially change our conception of life" (Manolachi, 2020).

Great epidemics such as the plague of Athens, the bubonic plague (black death), the so-called "Spanish flu" or AIDS changed the situation in the world and influenced the course of history, according to the Spanish doctor Pedro Gargantilla (Manolachi, 2020). The Spanish expert assures that the economic effect is already visible. Although he believes that it is too soon to know if the epidemic will have the effect of a historical change, the isolation and quarantine measures, the recession in China or the consequences on the industrial and economic structure already entail losses that are difficult to quantify, with a devastating effect on commerce, tourism and the business world.

In 2003, over 270 cases of Severe Acute Respiratory Syndrome (SARS) were confirmed worldwide, according to the WHO and medical authorities in the affected countries (Lazar, 2018). The events of September 11, 2001, the wave of terrorist attacks, the war in Iraq, the epidemic of atypical pneumonia dealt a serious blow to tourism (Kadar (Lazar), 2019, p. 120). However, he has already found his way to growth, so that the arrivals of international tourists in the world increased from 25 million in 1950 to 715 million in 2002 (See the World Tourism Organization website at <http://unwto.org/index.php>) and to 846 million in 2006, which equates to an annual growth rate of 6.5% over the period 1950-2006 (European Commission, 2007).

The so-called "Spanish flu" of 1918 caused as many deaths as the First World War, and some experts assure that this world conflict ended because of the epidemic. But the epidemic did not appear in Spain. Spain, which was not part of the conflict, reported the most cases of influenza, which received the name from this country. During that period of war and epidemic, economic activity collapsed and enormously boosted migratory movements.

Another great epidemic, from 1981, was AIDS, which involved the stigmatization of a part of the population and had a huge influence on customs, perceptions and sexual relations.

Gargantilla also mentioned other epidemics that have followed each other throughout this century, such as the Middle East Respiratory Syndrome (MERS), in Saudi Arabia, in 2012; Ebola from 2014 to 2016 in Africa; or Zika that prevented the smooth running of the 2016 Olympic Games.

The pandemic has had enormous socio-economic impacts on workers in all branches of the national economy and all types of businesses, especially on SMEs and the informal economy, with an unprecedented reduction in economic activity and working time. OIM estimates show that, in the first half of 2020, the level of lost work time has clearly worsened, especially in developing countries.

5. Advantages and disadvantages in the Covasna area after the pandemic:

The negative impact of the pandemic has been felt by the vast majority of industries around the world.

- the lack of an airport in the area is a disadvantage, as rising fuel prices make air travel cheaper.
- another disadvantage compared to last year is that tourists can travel to neighboring countries without covid restrictions.
- recent inflation has influenced the value of holiday tickets, which is reflected in the number of overnight stays and the type of stay
- according to the source (3szek.ro, 2022) of the most read county newspaper. To the question: Where do you spend your vacation? From 1958 respondents until 22.08.2022:
 - * 17.21 % (337 people)- in Romania
 - * 24.97 % (489 people) – in abroad
 - * 45.35 % (888 people) – they don't have vacation money
 - * 12.46 % (244 people) – in the area

Granting holiday vouchers in the private sector would also help both tourists and Romanian tourism.

- the granting of holiday vouchers favors domestic tourism
- spa tourism in Romania must be a national priority, but at the moment it is buried, because apart from the restrictions imposed by the pandemic, along with the increase in electricity and natural gas tariffs, most spa treatment centers risk not being able to afford to continue their activity, warns the president of the Employers' Organization of Spa Tourism in Romania (OPTBR), Nicu Rădulescu.
- an advantage is that after a very long time a 4-star hotel was inaugurated in Covasna county - BTheHotel, the first superior category hotel in St. George and even in the region. Made from financial support for socio-economic development projects in Transylvania by the Budapest government.

The pandemic has changed consumer preferences towards greener options that bring them closer to nature.

6. Conclusions

Tourism in Covasna county recorded increases of 10% in turnover and 50% in profit in 2021, compared to 2019. The statistics are even more spectacular compared to the pandemic year 2020, when the increase in turnover was 56% and 1.836% in profit! The analysis belongs to the Covasna Chamber of Commerce and Industry (CCI). Although the data are optimistic to say the least, they were recorded in an atypical period for tourism, which means that for 2022 we could see other trends, closer to reality.

In 2019, tourism in Covasna county registered a turnover of almost 185 million lei, last year, in 2021, it amounted to 203.5 million lei, according to the latest data. Compared to the pandemic year 2020, the comparison is almost painful, because the turnover was far below even 2019, of almost 130.2 million lei (Draghici-Taras, 2022).

As for the profit, in 2021 there was talk of 32.8 million lei, a lot compared to the reference year 2019, when it was 21.8 million lei. Again, it cannot even be compared with 2020, because then tourism companies had a total profit of only 1.7 million lei (Draghici-Taras, 2022).

In terms of the number of employees, the data show no notable changes, but only a 2% decrease between 2021 and 2019, respectively an increase of 1% between 2021 and 2020. Specifically, in 2021, 1.361 employees worked in tourism in Covasna county (Draghici-Taras, 2022).

An analysis by CCI Covasna also shows that, compared to the total turnover of the companies in the county, tourism represents only 2.52% of the total, the penultimate place, while industry remains the categorical leader, with 34.87%.

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