

ALTERNATIVE ENERGY REQUIRES THE MOST DEVELOPMENT TO THE ECONOMIC EFFECT OF TOURISM CONCEPTS: ANALYZING THE SUCCESS OF INNOVATIONS

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Tourism is an integral part of any country's economy. However, it is hardly possible to say that this industry is stable. The COVID-19 pandemic crisis and the rapid spread of the virus dealt a severe blow to this sector. While humanity sought ways to cure this



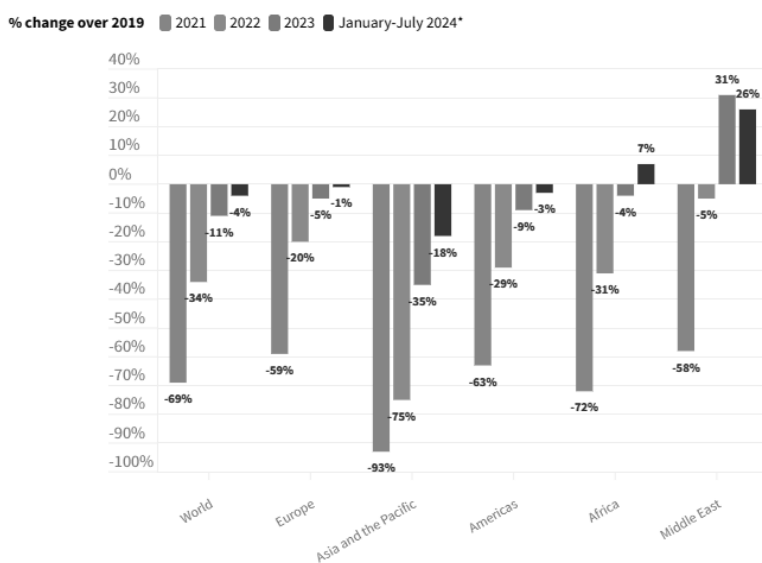
disease, the number of international visits plummeted, as we can observe in the table showing the impact:

It took four years for tourism to nearly fully recover and reach the levels recorded before the onset of the coronavirus.

Picture 1. COVID-19 and Tourism. URL: <https://www.unwto.org/covid-19-and-tourism-2020>

- World destinations welcomed 22% more international tourists in the third quarter of 2023 compared to the same period last year, reflecting a strong Northern Hemisphere summer season.
- International tourist arrivals hit 91% of pre-pandemic levels in the third quarter, reaching 92% in July, the best month so far since the start of pandemic.
- Overall, tourism recovered 87% of pre-pandemic levels in January-September 2023.
 - International tourism receipts could reach USD 1.4 trillion in 2023, about 93% of the USD 1.5 trillion earned by destinations in 2019.[3]

International tourist arrivals (% change vs. 2019)



In the following chart, we can see how substantial and significant this difference truly:

Diagram 1. International Tourism to End 2023 Close to 90% of Pre-Pandemic Levels. URL: <https://www.unwto.org/news/international-tourism-to-end-2023-close-to-90-of-pre-pandemic-levels>

Now, lets analyze this year’s metrics:

- The Middle East saw the strongest relative growth, with international arrivals exceeding by 36% pre-pandemic levels in Q1 2024, or 4% above Q1 2023. [2]

All this data tells us that the world was not prepared for widespread lockdowns. However, the tourism industry has learned a lot from this experience, including adopting a business development model known as Open Innovation. This shift happened because the traditional, rigid business model of tourism could no longer survive on its own. As a result, a market that once kept competitors and innovative technologies at a distance began actively opening up, sparking a trend of information exchange. Thus, the author believes that this concept became the starting point for the recovery of tourism.

So, what exactly is Open Innovation?

Simply put, it is a concept of knowledge-sharing that goes beyond the boundaries of individual companies. Thanks to this approach, more travel destinations now look and operate differently. Here are some examples of this:

- Intelligent territories.

The jungly Monteverde Cloud Forest is best experienced from a suspension bridge tour that takes place at treetop level. It offers a unique perspective of the surrounding rainforest as you walk across the canopy tops via a series of suspension bridges like the one pictured here, as well as trails on the forest floor [1]. Costa Rica has roughly 1,400 species of orchids, almost all of them epiphytes [4].

- Locations related to movies. Rooms of horror & Escape rooms. VR technologies. Visual effects.

So, we have examined the economic model of tourism market development over the past five years. The shifts that followed the decline in tourism popularity led companies in the sector to establish collaboration and embrace innovations. A particularly important stage was the regular exchange of data, which significantly accelerated the pace of innovation adoption.

Recommendations: The author recommends to read an article «Open innovation in the tourism field: A systematic literature review» that includes a review of 17 articles from the Scopus and Web of Science databases (2016 – 2023) [5].

References

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