THE IMPACT OF COVID-19 ON TOURISM GOVERNANCE AND STRATEGIES IN THE EMERGING MARKET

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Abstract

In this paper, we have put together an analysis of the impact of COVID-19 on tourism governance and strategies in the emerging market, where the tourism sector has been significantly affected during the pandemic, witnessing a decrease in business revenues and numerous challenges that have also led to a decrease in international visitors. Our research is grounded in the study by Rukiqi (2020) and the research conducted by the Kosovo Tourism Union and the Ministry of Industry, Entrepreneurship and Trade of Kosovo. Prior to the outbreak of the COVID-19 pandemic, tourism in Kosovo was experiencing positive growth. The research carried out during the year 2020 and January 2021, utilized a survey targeting service providers in the tourism sector, encompassing 203 businesses across five tourism sectors. By means of the Chi-square test which we used in this paper, we confirm that COVID-19 in Kosovo has not only been a challenge for the population but has also affected the country's economy.

Keywords: Management, Pandemic, COVID-19, Economic Impact, Tourism

1. INTRODUCTION

Kosovo is a country rich in opportunities and potentially related to tourism in general, but we can say that in particular, agrotourism, craft activities, cultural tourism, and mountain tourism offer attractive opportunities for young tourists. The tourism sector, during its development, acts as a chain that directly or indirectly affects other sectors of the country, contributing to the economic development of the country. Kosovo has advantages in terms of cultural and natural tourism. The tourism sector has opportunities and potentials that can be further analyzed and exploited, especially in areas such as agrotourism, artisanal activities, and our traditional values, which attract international tourists, as well as mountain tourism, which, in addition to its beauty, also has attractive offers for tourists alongside regional countries.

The perspective on the scientific literature with the treatment of this issue according to the evolution of the external context or anticipating the new trends in these issues is as important as the scientific writings, which are more based on management, in order to propose theoretical and practical implications that can really help young researchers or decision-makers. Today, this is very important for the success of the publisher or researcher, the prediction, and not just the description of new topics for different issues. We can say that this makes the difference between scientific literature and contributions that have real importance and influence in society (Del Gaudio et al., 2023).
Our work is based on research conducted by the Kosovo Tourism Union and the Ministry of Industry, Entrepreneurship and Trade of Kosovo and the study of Rukiqi (2020). The literature gap lies in the insufficient availability of scientific literature resources on this issue, which should be essential for developing countries. The goals of this study focus on the analysis and effect of the COVID-19 pandemic in the tourism sector in general, with a special focus on the Republic of Kosovo.

Regarding the theoretical concept, the paper relies on the use of different sources from different authors who have contributed to this issue. Also, special importance has been devoted to the exploration of this topic, which has been addressed by many local authors in different ways. Therefore, in this paper, along with the suggestions that will result from our work, we aim to provide the impact of the pandemic in reducing the number of tourists, both local and international, as well as the impact of this sector on the country’s economy.

Based on the data presented in the report on the global economy published in the second week of April, the International Monetary Fund characterizes the economic crisis caused by the COVID-19 pandemic as an unprecedented crisis in history (Rukiqi, 2020).

The COVID-19 pandemic has affected the whole world and all sectors. Kosovo has also been affected by this, which has hindered the operation of tourist service providers. Respecting the measures taken by the Government of Kosovo to prevent the pandemic, for most of the time, most of the tourist service providers were completely closed; from this, only the food and beverage service providers were allowed to offer “take away” services. Since June 2019, there has been a gradual easing of measures for all sectors in Kosovo, including the tourism sector, allowing tourism service providers to operate by implementing social distancing and safety measures, as well as respecting the decisions and national protocols for working overtime. However, in addition to other sectors that have been affected by the pandemic, the one that has been observed to have the poorest performance has been the accommodation sector due to the decrease in the number of tourists.

From this situation, which was created during 2020, as well as based on the statistical data on the decrease in the number of tourists in Kosovo, it is evident that this sector, and especially the private sector in tourism, has been directly affected by COVID-19. Therefore, the need for such research arises from this situation. This study aims to give an overview of how much the pandemic has affected, as well as the losses caused during the period when it started to spread in Kosovo until the end of this situation. The paper aims to assess the impact of the pandemic on the providers of tourist services in Kosovo. Findings from this research can help raise awareness of supporting the tourism sector from all parties, providing a closer look at how this sector has been affected in Kosovo, as well as which sectors are most affected by financial damages, caused by the pandemic, etc. The work also aims to reflect the needs of the tourism industry for recovery, as well as the areas in which this industry needs more help compared to other areas of the country.

Regarding the structure of this paper, where we elaborated on the impact of the pandemic on the tourism sector, in Section 1, we have the introduction. Section 2 is devoted to the relevant literature on this topic. In Section 3, we presented the methodological analysis used. Section 4 offers the results. Section 5 discusses the findings, and Section 6 includes the conclusions.

2. LITERATURE REVIEW

The process of developing and promoting the tourism of a country must have a predetermined guiding framework and strategy in order to achieve the objectives foreseen in an effective and feasible way in the development of this sector. Management plays the main role in the preparation of these objectives and measures, which cannot be random or a collection of decisions from the public and private sectors, to ensure that future tourist destinations have a clear vision and mission. The tourism sector, like all other sectors, needs positioning, qualification, and promotion as close as possible to tourists. Therefore, this requires from the management an accurate and comprehensive strategic plan that is also oriented towards the process, which is important for the sustainable development of the tourism sector, whether at the national, regional, or even local level (Suparman et al., 2023).

In the modern business age, there is no place in the world that is exempt from global tourism trends. In all countries of the world, directly or indirectly, they create and offer a tourist product for local and foreign tourists. The income generated by this massive socio-economic phenomenon makes tourism the preferred activity for many countries (Machin, 2001). Tourism is one of the largest and most influential economic sectors that link trade between different countries, contributing 9% of the global gross domestic product (GDP) generally considered when people travel for pleasure or business. This sector creates numerous industries that aim to provide for the wants and needs of tourists. Many people and cities exist in a certain area mainly because of tourism or because of the income gained from this sector (Abumouid et al., 2022).

Based on its structural side, the tourism sector is an extremely complex and heterogeneous network of a large number of different businesses that contribute to the creation of the tourist offer for each destination. However, it can be said that the hotel industry is the largest and most essential part of the tourism industry in a country. We can also say that it is an activity that is mostly realized in time and space. Under the influence of rapid and significant changes in the international market, the hotel industry has witnessed permanent growth and development both in terms of quantity and quality of hotel services. Therefore, hotel management is increasingly accepted as a type of industry today (Bettencourt, 2010). The Balkan peninsula is one of the regions that started earlier to be part of the development of hotel tourism trends. As a region of geostrategic importance in

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1 https://www.uki-kos.org/
the Mediterranean, it has experienced tourism development and decisive transformations. Kosovo, which is located in the center of the Balkans, covers a very important area and has the potential to be involved in the development of tourism in the region. Despite this fact, its appearance in the tourism market has been noticed in the last two decades only.

The process of developing a tourism company’s offer is a delicate and complex managerial task that can only be completed through strategic management. This approach will result in a product that appeals to tourists in every way, including financially, and that meets their evolving needs, desires, and expectations (Barney & Hesterly, 2010).

Colocassides (2022) states that every company that wants to be involved in the hospitality and tourism industry must unquestionably have accurate attitudes and beliefs about the variety of society, both on an individual basis and through an analysis of the social culture in which they reside. The capacity to recognize advantages for a company’s workers as well as for itself is necessary to make a positive social impact.

Despite Kosovo’s significant natural and cultural assets for the growth of tourism, the country’s economy was unable to support the hospitality sector due to significant political, social, and economic upheavals. Above all, nevertheless, this sector has received ample attention for its expansion and development in this manner.

The influence and consequences of tourism on raising the employment rate, total realized revenue, and GDP of the nation are the reasons for the significant growth in interest from firms in Kosovo’s tourism sector. Even if they are not as numerous as those in the neighboring countries, the number of tourists traveling since the epidemic is more than it was in the 1980s and 1990s. These tourist movements are related to two-way travel, both within Kosovo and to travel made by Kosovo people outside of the country.

Although Kosovo was predicted to develop by about 4% in 2020, the COVID-19 epidemic has caused the country’s economy to contract by 4.5% as a result of declining governmental and private investments as well as service exports. Since tourism is one of the economic sectors most impacted by COVID-19, effective mechanisms of cooperation between the nation’s government and tourism industry players were, therefore, put in place to introduce sensible and long-lasting measures for the sector’s recovery (World Bank, 2020).

In an effort to mitigate the detrimental effects of the COVID-19 epidemic on Kosovo’s economy, the national government first approved the 179 million euro emergency package. The government’s emergency measures have mostly helped small and medium enterprises (SMEs) and enterprises impacted by various sectors, with a cost equal to roughly 2.5% of GDP (Rukići, 2020, p. 13).

The diaspora, a reliable source of funding through remittances, tourism, and investment flows, has also had a significant impact on Kosovo’s tourism industry’s resurgence.

As a result, in 2021, revenue from overseas remittances supported families, income, and consumption, amounting to 14.6% of GDP. Over the course of 2021, these transfers increased by 18% annually. Prior to the pandemic, travel-related inflows accounted for almost 80% of overall service export earnings, meaning that services exports were more than four times higher than goods exports. Following the relaxation of travel restrictions, total services and receipts related to travel both experienced significant growth that surpassed levels seen in 2019. Moreover, about half of all foreign direct investment (FDI) goes toward purchasing real estate (European Bank for Reconstruction and Development [EBRD], 2022, pp. 8–9).

3. METHODOLOGY

The research on the impact of the COVID-19 pandemic was conducted through a survey of tourism service providers, including the gastronomy sector (restaurants, cafes), the tourism agencies and tour operators sector (inbound and outbound tour operators), the accommodation sector (hotels, motels, lodges), the transport sector (air and road transport), and the guiding sector.

A combination of primary and secondary data was used for the realization of this research. The secondary data are based on scientific and professional literature from the field of tourism, tourism strategies, and tourism business, books, publications, scientific articles, and online resources were used as necessary secondary sources for the drafting of this paper. For the realization of the primary research, the quantitative method of data collection was used, and questionnaires were widely used for data collection. For data processing, we used the Chi-square test, which is an effective statistical method for examining categorical data and figuring out whether variables significantly correlate with one another.

The formula for the Chi-square test statistic is:

$$
\chi^2 = \sum \frac{(O - E)^2}{E}
$$

(1)

where, $\chi^2$ is the Chi-square test statistic; $O$ is the observed frequency; $E$ is the expected frequency; and $\Sigma$ represents the sum across all categories.

During the implementation of this research, there were challenges in terms of questionnaire completion and communication with businesses because representatives hesitated to provide answers. However, by following a thorough research approach, we managed to extract results as outlined in the following sections of the paper.

In the directed questions to the respondents, about the impact of COVID-19 on their business revenues, the percentage of human resources that were laid off, and the financial challenges faced during the pandemic, the data from the responses are presented in percentage breakdowns across the five sectors of tourism.

The survey included the participation of 10% of tourism service providers, with random selection. The research was conducted in these tourism sectors:
Table 1. Data about this survey

<table>
<thead>
<tr>
<th>Sector</th>
<th>Respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gastronomy sector (restaurants, cafes)</td>
<td>59</td>
<td>29.06</td>
</tr>
<tr>
<td>Sector of tourist agencies and tour operators (inbound and outbound tour operators)</td>
<td>56</td>
<td>27.59</td>
</tr>
<tr>
<td>Accommodation sector (hotels, motels, hostels)</td>
<td>50</td>
<td>24.63</td>
</tr>
<tr>
<td>Transport sector (air and road transport)</td>
<td>33</td>
<td>16.26</td>
</tr>
<tr>
<td>Guide sector</td>
<td>5</td>
<td>2.46</td>
</tr>
</tbody>
</table>

The survey was conducted during the year 2020 and January 2021. The data and information gathered from the survey regarding businesses cover the period from the beginning of the COVID-19 pandemic in Kosovo until the end of the year 2020.

This section reflects the main findings generated from the survey involving key actors in the tourism industry, including accommodations with restaurants, cafes, tour operators, road transport providers, and tourist guides. The findings are also based on statements provided by the respondents themselves. Due to the non-sufficient representativeness of the survey sample, the sector-level findings of this study are interpreted with caution.

4. RESULTS

4.1. The impact of COVID-19 on the revenues of businesses in the tourism sector

The impact of the COVID-19 pandemic on businesses has led to a decrease in revenues across all sectors focused on in the research. The sector most significantly affected, with a reduction in revenues of over 91%, is the guide sector. Experiencing a negative impact of 81–90%, the accommodation sector follows closely with a 28% decrease in revenues. Sectors of tourist agencies and tour operators have observed the most substantial decrease in revenues in the range of 71–80%, with a reduction of 23.21%. Demonstrating a negative impact of 51–70%, the gastronomy sector has seen the highest decrease, accounting for 42.37%. The transport sector has experienced a negative impact of 31–50%, resulting in a decrease of 27.27%. The impact from zero to 30% was minimal, while a remarkably low number of enterprises declared that they experienced no impact from COVID-19 on their revenues at all.

4.2. The percentage of staff at risk of being laid off from their jobs or who have already departed

In the presented Figure 2 below, which addresses staff reductions that have taken place or are anticipated, as per responses from survey participants across various tourism sectors, it is apparent that reductions in staff ranging from 1–20% have predominantly affected tourist agencies, constituting 32.14%. Following closely are the transport sector at 30.3%, the accommodation sector at 30%, and the gastronomy sector at 28.81%. On the other hand, for staff reductions exceeding 61%, the guide sector reported the highest percentage at 80%, followed by the accommodation sector at 34%, the transport sector at 24.24%, and the sector of tourist agencies and tour operators at 19.64%.

![Figure 1. The impact of COVID-19 on tourism business revenues](image-url)

Source: Authors’ elaboration with data gathered from the Kosovo Tourism Union and the Ministry of Industry, Entrepreneurship and Trade of Kosovo.

Figure 2. Overview of human resources during the COVID-19 pandemic

Source: Authors' elaboration with data gathered from the Kosovo Tourism Union and the Ministry of Industry, Entrepreneurship and Trade of Kosovo.

4.3. The main financial challenges that financial tourism businesses were faced during the pandemic

Within the main financial challenges faced by tourist businesses, it is observed that, among other issues, two problems, namely staff salary payments and rent/utilities payments, have been significant challenges for the majority of tourist businesses. On the other hand, issues such as loan repayments, payments to suppliers, or invoice payments have been less challenging during the pandemic compared to the first two. Broken down by sector, staff salary payments have been a primary financial issue for 53.56% of respondents in the guide sector, followed by 48.94% in the accommodation sector, 43.12% in the gastronomy sector, and 40.63% in the tourist agencies sector. Another financial challenge declared by tourist businesses during the pandemic is the payment of rent or utilities, as follows: 34.86% of the gastronomy sector considered it a major financial problem, followed by 28.71% of the tourist agencies and tour operators sector, and 25% of the transport sector identified rent or utilities payments as a major financial issue.

Figure 3. The main financial problems during the pandemic for tourism businesses

Source: Authors’ elaboration with data gathered from the Kosovo Tourism Union and the Ministry of Industry, Entrepreneurship and Trade of Kosovo.

4.4. Fulfillment of business revenues in the tourism sector during 2019

From Figure 4 presented below, it is evident that businesses with annual revenues ranging from 1,000 to 10,000 euros include the guide sector at 60%, followed by the tourist agencies sector at 37.5%, and the transport sector at 30.3%.

On the other hand, businesses with annual revenues between 50,001 and 100,000 euros in 2019 encompass the accommodation sector at 28%, the gastronomy sector at 25.42%, the transport sector at 12.12%, and the tourist agencies sector at 7.14%.

The sectors with businesses reporting annual revenues exceeding 300,000 euros in 2019 are: 1) accommodation at 28%, 2) gastronomy at 3.39%, and 3) transport at 3.03%.

A portion of the respondents chose not to disclose the revenue category into which their business falls.
Figure 4. Revenues from tourism businesses in 2019

Source: Authors’ elaboration with data gathered from the Kosovo Tourism Union and the Ministry of Industry, Entrepreneurship and Trade of Kosovo.

4.5. Fulfillment of business revenues in the tourism sector during 2020

Based on Figure 5 below, it is evident that businesses with annual revenues ranging from 1,000 to 10,000 euros, including the guide sector at 80%, the tourist agencies sector at 39.29%, and the gastronomy sector at 33.9%, have been significantly affected.

Businesses with annual revenues between 10,001 and 50,000 euros in 2020, encompassing the transport sector at 55.88%, the gastronomy sector at 42.37%, the accommodation sector at 34%, and the guide sector at 20%, have experienced noticeable decreases.

From Figure 5, it is observed that the most pronounced decrease involves businesses with annual revenues between 50,001 and 100,000 euros, notably in the gastronomy sector at 10.17%, the accommodation sector at 8%, and the tourist agencies and tour operators sector at 3.57%.

Figure 5. Revenues from tourism businesses in 2020

Source: Authors’ elaboration with data gathered from the Kosovo Tourism Union and the Ministry of Industry, Entrepreneurship and Trade of Kosovo.

Based on the average revenues for tourist businesses, if we compare the average revenues in 2019 with the average revenues in 2020 according to tourism sectors, it is evident that each sector of tourism has suffered losses. As seen in Table 2, the guide sector has experienced a loss of 82.71% in 2020 compared to 2019, followed by the accommodation sector with a loss of 74.84%, the transport sector with a loss of 71.26%, the tourist agencies and tour operators sector with a loss of 66.59%, and the gastronomy sector with a loss of 55.33%.
Table 2. Average losses during 2020 according to the revenues realized by tourism businesses compared to 2019

<table>
<thead>
<tr>
<th>Sectors</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transport sector</td>
<td>71.26</td>
</tr>
<tr>
<td>Gastronomy sector (restaurants, cafes)</td>
<td>55.53</td>
</tr>
<tr>
<td>Sector of tourist agencies and tour operators (inbound and outbound tour operators)</td>
<td>66.59</td>
</tr>
<tr>
<td>Accommodation sector (hotels, motels, hostels)</td>
<td>74.84</td>
</tr>
<tr>
<td>Guide sector</td>
<td>82.71</td>
</tr>
</tbody>
</table>

Source: Authors’ elaboration with data gathered from the Kosovo Tourism Union and the Ministry of Industry, Entrepreneurship and Trade of Kosovo.

5. DISCUSSION

The results were tested using the non-parametric Chi-square test ($\chi^2$).

Table 3 results reveal that there is no statistically significant link ($p = 0.241$) between the tourist agencies and tour operators sector and human resource changes during the COVID-19 pandemic. This indicates that, in this context, there is insufficient data to support the claim that this sector saw major changes in human resources throughout the pandemic era when compared to the other sectors analyzed.

Table 3. Human resources during the COVID-19 pandemic

<table>
<thead>
<tr>
<th>Sector</th>
<th>Pearson Chi-square</th>
<th>df</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector of tourist agencies and tour operators (inbound and outbound tour operators)</td>
<td>15.000</td>
<td>12</td>
<td>0.241</td>
</tr>
<tr>
<td>Gastronomy sector (restaurants, cafes)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accommodation sector (hotels, motels, hostels)</td>
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<td></td>
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<tr>
<td>Guide sector</td>
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<td></td>
<td></td>
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<tr>
<td>Transport sector (air and road transport)</td>
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<td></td>
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</tbody>
</table>

Note: Pearson/Chi-square test; df is degree of freedom.

According to our analysis of the findings, we conclude that there is little evidence to support the claim that the tourism agencies and tour operators sector saw major changes in human resources during the COVID-19 pandemic when compared to the other sectors analyzed. The high p-value (0.241) suggests that there is no statistically meaningful link between these two variables in this investigation. This shows that, for this era and set of industries, human resource changes may have been slower or less dramatic than in other areas of the economy during the pandemic.

According to the findings analysis, there is insufficient evidence to support the notion that the tourism agencies and tour operators sector faced major financial challenges during the COVID-19 pandemic when compared to the other sectors analyzed. The high p-value (0.199) suggests that there is no statistically meaningful link between the tourism agency industry and financial difficulties during the pandemic.

Table 4. The main financial problems during the pandemic for tourism businesses

<table>
<thead>
<tr>
<th>Sector</th>
<th>Pearson Chi-square</th>
<th>df</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector of tourist agencies and tour operators (inbound and outbound tour operators)</td>
<td>6.000</td>
<td>4</td>
<td>0.199</td>
</tr>
<tr>
<td>Gastronomy sector (restaurants, cafes)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accommodation sector (hotels, motels, hostels)</td>
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<td>Transport sector (air and road transport)</td>
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</tbody>
</table>

Note: Pearson/Chi-square test; df is degree of freedom.

In accordance with the analysis of the findings, there is insufficient evidence to support the allegation that there is a substantial difference in tourism industry revenues in 2019 between tourist agencies and tour operators and the other sectors analyzed. The high p-value (0.224) shows that there is no statistically significant link between these two factors in this investigation.

Table 5. Revenues from tourism businesses in 2019

<table>
<thead>
<tr>
<th>Sector</th>
<th>Pearson Chi-square</th>
<th>df</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector of tourist agencies and tour operators (inbound and outbound tour operators)</td>
<td>30.000</td>
<td>25</td>
<td>0.224</td>
</tr>
<tr>
<td>Gastronomy sector (restaurants, cafes)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accommodation sector (hotels, motels, hostels)</td>
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<tr>
<td>Guide sector</td>
<td></td>
<td></td>
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<tr>
<td>Transport sector (air and road transport)</td>
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</tbody>
</table>

Note: Pearson/Chi-square test; df is degree of freedom.

This means that, for this set of sectors during the year 2019, tourist business revenues in the tourism agencies and tour operators sector may have been comparable to those of other sectors of
the economy during that period. However, further investigation may be required to reach more trustworthy conclusions.

Following to the findings analysis, there is insufficient evidence to support the premise that there has been a substantial shift in tourism business revenues in 2020 in the tourist agencies and tour operators sector when compared to the other sectors analyzed. The high p-value (0.242) suggests that there is no statistically meaningful link between these two variables in this investigation.

It suggests that, for this set of sectors and for the year 2020, the tourist business in the tourist agencies and tour operators sector may have had revenues that were comparable to those of other sectors of the economy during that time. However, further investigation may be required to reach more trustworthy conclusions.

Overall, the analysis of the findings shows that there is not enough proof to demonstrate substantial variances or changes in the tourist agencies and tour operators sector compared to other sectors during the COVID-19 pandemic and in previous years. The high p-values indicate that there is no statistically significant association between the industry and the factors studied (human resources, financial issues, and revenue). These data suggest that the tourism business, particularly the tourist agencies and tour operators sector, may have had stability or faced comparable issues as other sectors throughout the pandemic and prior years. Further research and analysis are necessary to corroborate these findings.

6. CONCLUSION

The nations in the region, including Kosovo, have prioritized government assistance for the tourism industry and taken special steps to mitigate the pandemic’s effects. Since international visitors have experienced obstacles as a result of several preventive processes and measures, the high bodies in the nations in the region have taken direct action that affects the increase in income for the tourism industry, promoting the growth and development of local tourism opposing COVID-19 or sealing borders while the outbreak was underway.

The International Monetary Fund reports that the pandemic’s outbreak had a significant effect on the tourism industry, resulting in a 20% decline. The primary cause of this decline was the frequent travel from the pandemic’s diaspora. Travel restrictions have made it very hard to make these visits during the pandemic (Rukiqi, 2020, p. 10).

We may conclude that the COVID-19 epidemic has had a direct impact on Kosovo’s tourism industry based on the remarks made by tourism businesses and the facts presented in this study. Based on the responses provided by the participants, we have seen that the pandemic has resulted in a decline in revenue across nearly every industry in 2020. The industry that has had the largest reduction in revenue is the guiding sector, which is followed by the hotel sector by a negligible amount and the transportation sector. Likewise, tourism businesses, tour companies, and the food industry have lost a lot of money in 2020.

Consequently, it is advised that steps be done to revive the tourism industry as a whole, with measures to subsidize tourism enterprises in response to the harm caused by the epidemic, irrespective of the support provided to businesses in this sector during the pandemic. Based on this analysis, we have identified some of the primary financial issues that tourism-related firms encountered in 2020. It turns out that two issues that are comparable to these have an impact on nearly all tourism-related businesses. These issues have to do with paying rent and utilities, as well as salaries for human resources. On the other hand, compared to the first two, the above problems — such as loan repayments, supplier payments, or bill payments — have been less difficult throughout the pandemic.

Policymakers in the tourist sector and other stakeholders participating in or influencing the growth of this sector might use the research as a basis.

The research’s theoretical contribution is centered on the real-time examination of these difficulties, which is still pertinent today, particularly in developing nations. Regarding the research’s weaknesses, the sample and methodology are primarily to blame. As a result, the direction of future study on this subject should be to address these problems, with a special emphasis on enhancing research technique.

The tourism sector also referred to as the hospitality industry, is currently under increased pressure to operate in a more sustainable manner and environment in the wake of the pandemic (Garcia de Leaniz et al., 2019).

A shift in sustainability in this industry will be a significant step forward for the nation’s economy, particularly in terms of the overall sustainability of the country’s development. Thus, in light of the goals for action by both the local and federal governments, it is important to talk about and make clear the perceptions, expertise, and support that the community can provide.

We can infer from this data how many tourism-related enterprises have had to cut staff because of the pandemic’s effects and their incapacity to pay their debts. It is, therefore, advised that the country’s government, all national and local tourism agencies and tour operators sector, transport sector, accommodation sector, gastronomy sector, guide sector, and tourist agencies and tour operators sector compared to the first two, the above problems — such as loan repayments, supplier payments, or bill payments — have been less difficult throughout the pandemic.

Policymakers in the tourist sector and other stakeholders participating in or influencing the growth of this sector might use the research as a basis.

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We can infer from this data how many tourism-related enterprises have had to cut staff because of the pandemic’s effects and their incapacity to pay their debts. It is, therefore, advised that the country’s government, all national and
local policymakers, other non-governmental organizations, and even donors include new measures in their plan for a stronger recovery of the tourism sector and the payment of damages caused by the pandemic, as well as for the payment of salaries to employees who lost their jobs during that time.

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