**Alla Okhrimenko**, Doctor of Economics, Professor, Kyiv National University of Trade and Economics, Kyiv, Ukraine, ORCID ID 0000-0003-0405-3081, [a.okhrimenko@knute.edu.ua](mailto:a.okhrimenko@knute.edu.ua) (Ukraine)

**Margarita Boiko**, Doctor of Economics, Professor, Kyiv National University of Trade and Economics, Kyiv, Ukraine, ORCID ID 0000-0003-0249-1432, [m.boyko@knute.edu.ua](mailto:m.boyko@knute.edu.ua) (Ukraine)

**Liudmyla Bovsh**, PhD in Economics, Associate Professor, Kyiv National University of Trade and Economics, Kyiv, Ukraine, ORCID ID 0000-0001-6044-3004, [l.bovsh@knute.edu.ua](mailto:l.bovsh@knute.edu.ua) (Ukraine)

**Svitlana Melnychenko**, Doctor of Economics, Professor, Kyiv National University of Trade and Economics, Ukraine, ORCID ID [0000-0002-5162-6324](http://orcid.org/0000-0002-5162-6324), [melnichenko@knute.edu.ua](mailto:melnichenko@knute.edu.ua) (Ukraine)

**Nataliia Opanasiuk**, Ph.D. in Law, Associate Professor, National University of Physical Education and Sports of Ukraine, Kyiv, Ukraine, ORCID ID 0000-0001-7418-8622, [tau\_nataly@ukr.net](mailto:tau_nataly@ukr.net) (Ukraine)

**Sandeep Kumar Gupta**, IIMT College of Engineering Greater Noida India Department of Management ORCID ID 0000-0002-2696-1788, skgupta\_gn@iimtindia.net (India)

**THE IMPACT OF THE PANDEMIC COVID-19**

**ON THE HOSPITALITY FIELD: UKRAINE AS CASE STUDY**

***Abstract.*** *The global COVID-19 pandemic has had a tremendous and profound impact on tourism and related businesses, including the hotel industry. Despite the fact that in Ukraine this business does not make a significant contribution to GDP, but the presence of development potential, deferred demand and performed functions make it an important component of modern Ukrainian society. Therefore, there is a need to assess the impact of COVID-19 on the activities of hospitality entities and justify measures to restore it. The comparison of the main indicators of functioning of the tourism and hotel business of Ukraine before and during the pandemic period demonstrates significant reductions: the number of international arrivals 4 times, the number of international departures 8 times, the number of people who used the services of hotel business 3 times, the share of direct and the total contribution of this sector to GDP by 2.3 and 1.6 times. However, some businesses and late destinations, due to the rapid response to the new reality and the reorientation to domestic tourism, on the contrary, improved pre-epidemic indicators. The unpredictability and scale of the pandemics revealed structural problems of the sector and the need for coordinated activities to address them. The review of measures accepted by the state authorities of Ukraine in order to minimize the effects of COVID-19 on the tourism and hotel business by 2020 revealed their fragmentation and inconsistency. The need to strengthen the state support for this business sector and intensify public-private partnerships is justified. For the macroeconomic level, There is offered a set of institutional and state-legal measures and there is a partnership of stakeholders at the meso level and at the micro level - the systematic implementation of various innovative and digital technologies (management, sanitation, technology, communication). The selection and effective response to shortcomings and problems in the crisis period is reflected by the controller with the help of COVID-19 in the field of hospitality of Ukraine. Therefore, the partnership activities of stakeholders contribute to the innovative recovery of this field, a special place among which is the state and legal support of tourism and business: the introduction of compensation programs for owners and employees, introduction of tax bills, reduction of individual taxes, exemption from liability and / or enforcement contractual relations due to force majeure, introduction of state insurance programs to protect against the risks of pandemics.*

***Keywords:*** *hotel business, tourism, COVІD-19, factors of controversial influence, socio-economic partnership.*

**JEL Classification: L83, О12, Z3, D24.**

**Introduction**

The unpredictable and sudden global pandemic COVID-19 and related quarantine restrictions have affected all the fields of society without an exception. Unprecedented were: the need for a person to stay in their place of residence or self-isolation, the closure of borders between countries, the cancellation of flights and more. These restrictions have most strongly affected the functioning of the tourism and hotel business. After all, free movement from the place of permanent residence is the primary feature of tourism and related fields of business, as well as an inalienable right of everyone, forcibly restricted by the governments of various countries, including Ukraine.

Prior to the pandemic, the global and tourism businesses of many regions and countries demonstrated the scale of people involvement, coverage territory and dynamic pace development.

International tourist arrivals (overnight visitors) worldwide grew 4% in 2019 to reach 1,5 billion. 2019 was another year of strong growth, although slower compared to the exceptional rates of 2017 (+6%) and 2018 (+6%). All regions enjoyed an increase in arrivals. The Middle East (+8%) led growth, followed by Asia and the Pacific (+5%). International arrivals in Europe and Africa (both +4%) increased in line with the world average, while the Americas saw growth of 2% (UNWTO, 2020 January)

In 2019, the arrival of international tourists (visitors) worldwide increased on 4%, reaching 1.5 billion. 2019 was another year of strong growth, although slower compared to the exceptional indicators of 2017 (+ 6%) and 2018 (+ 6%). All regions have increased the number of visitors. The Middle East (+ 8%) led to growth, followed by Asia and the Pacific Ocean(+ 5%). International arrivals in Europe and Africa (both + 4%) increased in line with the world average, while in America growth increased on 2% (UNWTO, 2020 January).

Moreover, UNWTO analysts were predicting forecasts based on current trends, economic prospects and the UNWTO Confidence Index, UNWTO a growth of 3% to 4% in international tourist arrivals worldwide in 2020 (UNWTO, 2020 January). Due to the impact of COVID-19, these predictions did not come true. On the contrary, international arrivals fell by 72% over the first ten months of 2020, with restrictions on travel, low consumer confidence and a global struggle to contain the COVID-19 virus, all contributing to the worst year on record in the history of tourism. destinations welcomed 900 million fewer international tourists between January and October when compared with the same period of 2019. This translates into a loss of US$ 935 billion in export revenues from international tourism, more than 10 times the loss in 2019 under the impact of the global economic crisis (UNWTO, 2020 December).

In the pre- and during pandemic period, Ukraine in the framework of world tourism occupies a pretty small share in terms of volume of activity and demonstrates other insignificant indicators. For example, Ukraine's place in the ranking of The Travel & Tourism Competitiveness for the last 10 years is only 76-88 out of 140 countries (World Economic Forum). At the national level, the tourism and hotel business also shows low activity. Over the past 10 years, the share of the direct contribution of the tourism sector to Ukraine's GDP is 1.3-2.0%, and the total - 4.8-7.5% (calculated by the authors according to WTTC, 2018, 2019). However, Ukraine has significant natural and cultural-historical potential and the population of 42.0 million, most of whom are willing to travel. The tourism sector is also important for the country in terms of its multiplier effect on other sectors of the economy and its socio-cultural, political, environmental, innovation and technological functions. The lack of a systematic approach of the state in the formation and application of the model of protection and support threatens the competitiveness of domestic tourism and hotel business in the global services market in 2021 and the projected recovery in the years to come.

Assessing the impact on the tourism and hotel business of Ukraine, the challenges caused by COVID-19 and the implementation of stakeholders in other countries and the world, promoting the search for new opportunities to counter threats, as well as the implementation of measures for renewal and innovative development

**Literature review.** By 2020, the global The Travel & Tourism sector (including the hotel business) had been characterized by a growing and dynamic pace of development. Experienced 3.5% growth in 2019, outpacing the global economy growth of 2.5% for the ninth consecutive year. In 2019, Travel & Tourism's direct, indirect and induced impact accounted for: US $ 8.9 trillion contribution to the world's GDP, 10.3% of global GDP, 330 million jobs, 1 in 10 jobs around the world, US $ 948 billion capital investment (4.3% of total investment). Over the past five years, one in four new jobs were created by the sector, making Travel & Tourism the best partner for governments to generate employment (WTTC, 2019). There was a growth of 3.5%, the ninth consecutive year ahead of world growth economy by 2.5%. In 2019, the direct, indirect and induced impact of travel and tourism amounted to: a contribution to world GDP of $ 8.9 trillion. US, 10.3% of world GDP, 330 million jobs, 1 in 10 jobs worldwide, capital investment of US $ 948 billion (4.3% of total investment). Over the past five years, one in four new jobs has been created in the sector, making travel and tourism the best partner for governments to create jobs (WTTC, 2019). However, in 2019–2020, many new challenges arose related to the effects of the economic recession and the COVID-19 crisis, which reduced the sustainability and performance of the tourism industry (Polyakov, 2020, 117).

The COVID-19 pandemic has created an environment that is dynamically uncertain - routines are upended, normal interactions are disrupted, and risk must be reassessed on an ongoing basis (Christianson et al., 2020, 1). Therefore, modern scientific research of the impact of COVID-19 on the development of tourism and hotel business is diverse. The emphasis is on economic, social, environmental results, response of stakeholders (business structures, consumers, authorities, NGOs, individual destinations) and applies to different territories and levels of tourism systems (global, national, regional, local). In particular, there is displayed the impact of the COVID-19 outbreak on the world tourism industry (Kumudumali, 2020, Ugur et al., 2020), in India (Jaipuria et al., 2020), Latin America and the Caribbean (Mulder, 2020) is reflected.

In the work of Gursoy et al. (2020а) some sequences of COVID-19 pandemic on hospitality industry were generalized and attention was paid to clarification what will mak clients return to hotels and restaurants. Also, there were represented reliminary findings of a longitudinal study conducted by the editorial team of the Journal of Hospitality Marketing & Management suggest that reopening the sit-down restaurants and easing travel restrictions will not bring customers back immediately (Gursoy et al., 2020а).

However, the COVID-19 pandemic posed uncertain challenges to the hospitality industry and academia, it also offers great opportunities for hospitality researchers (Gursoy et al., 2020, 528). Therefore, optimistic scenarios are prescribed in scientific research. Moreover, the pandemic also raises broader questions such as: How do people continue to make sense and update their understanding over long periods of time? (Christianson, et al., 2020, 2). Sharma et al. (2021), based on a review of 35 articles examining the tourism industry after the pandemic and proposing a basis for sustainability to revitalize the global tourism industry after COVID-19 on four key factors to increase sustainability in the industry: government response to technological innovation, local ownership and consumer and employee confidence.

The study Visentin et al. has implications for the hotel associations and politics in the context of that, there is a need to promote continuous innovation, scenario development, and adaptability to change (Visentin et al., 2021).

If we are considering Ukraine, then the research of the impact of COVID-19 is limited to a few regions and. That is how paper Rutynskyi et al., 2020 is based on a research approach aimed at statistical and sociological assessment of the key factors and features of the indices and trends of the development of the tourist industry of Lviv in the context of crisis processes in the world tourism (Rutynskyi, et al., 2020)*.*

Even though, in Ukraine, pretty positive tendentions are foreseen under favorable conditions. Based on the results of survey using the Delphi method among experts representing various tourism directions for Ukraine’s tourism sector it has been determined that in case of the end of the world pandemic, the Ukrainian tourism sector can achieve the indicators of “pre-crisis” functioning in 1-3 years (Melnychenko, 2020, 303)

Therefore, in order to build strategic vectors for overcoming the "dead end" created by COVID-lockdown, it is necessary to investigate the factors of influence and develop adaptive and alternative mechanisms for the development of tourism and hotel business.

**Aims.** The aim of the research is to assess the impact of the coronavirus pandemic on the activities of hospitality entities and predict its revitalization in the near frame time, based on the experience of Ukraine.

**Research methods.** The basis of this article is a synthesis of the results of research of domestic and foreign scientists about the formation of a complementary environment of influence on the activities of hospitality entities in the augmented realities of the pandemic plateau. Elimination methods allowed to substantiate the results of quantitative assessment of the impact of the pandemic depression and predict the prospects for restoring the financial condition of the hotel and tourism business. Analytical reviews allowed to make expert assessments to determine the nature of changes in the field of hospitality and the role of socio-economic partnership with the country.

**Results.** The competitive environment of the hospitality industry in Ukraine is formed by a set of conditions and management mechanisms that have an authentic nature of interaction between travel companies and hotels with government institutions. Uneven distribution on the territory of Ukraine, the level of development and access to recreational resources has created certain disparities in the macroformations of this field, that exacerbated by the influence of force majeure factors - the pandemic COVID-19 collapse. Unpredictably, by the global coverage of the territory of influence, the threat of infection slowed down all spheres of social and economic life of society, blocked the possibilities of travel and leisure local traffic. Therefore, the entities of tourism and hotel business faced a dilemma: to close the business until better times or to look for trajectories of optimization and reformatting of business processes.

The scale of the pandemic is from the end of 2019 and it is predicted to last until 2022. In such conditions, many hotel business entities in Ukraine need to make decisions mainly of two types: 1) business shutdown - a decision in favor of other kinds of activities related to risk management of financial losses, which choose small and medium-sized businesses, as well as those ones with a small level of financial reserves; 2) reconceptualization (optimization, reformatting, restructuring) – for representatives of mostly large businesses, which are characterized by low flexibility and speed to respond to external threats due to the significant material and technical base and related partnership obligations. In any case, it is important to assess external threats and own resource parities for adaptation and successful development in the new environment.

The assessment of the external threats of the COVID-19 pandemic is based on the determination of a priori quantitative and qualitative parameters of the hospitality sector. That’s why we compare the statistics to pandemic quarantine (Table 1) and the current state.

*Table 1*

**Dynamics of the main indicators of tourism and hotel business in Ukraine у 2013–2020**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Indicators** | **2013** | **2014** | **2015** | **2016** | **2017** | **2018** | **2019** | **2020** |
| Number of international arrivals, million people | 24,7 | 12,5 | 12,4 | 13,3 | 14,8 | 14,3 | 13,7 | 3,4 |
| The number of international departures million people | 23,7 | 22,2 | 23,1 | 24,7 | 27,1 | 27,9 | 29,3 | 3,5 |
| Number of people who used the services of hotel business entities, million people | 8,3 | 5,4 | 5,8 | 6,5 | 6,7 | 7,1 | 7,0 | 2,3 |
| Direct contribution of the tourism sector to GDP, UAH billion | 29,9 | 22,6 | 28,3 | 34,2 | 39,6 | 46,0 | 54,0 | 6,9 |
| Share of direct contribution of the tourism sector to GDP,% | 2,0 | 1,4 | 1,4 | 1,4 | 1,3 | 1,3 | 1,4 | 0,6 |
| Total contribution of the tourism sector to GDP, UAH billion | 111,3 | 87,4 | 106,9 | 129,0 | 147,2 | 169,7 | 202,9 | 187,2 |
| Share of total tourism sector contribution to GDP,% | 7,5 | 5,5 | 5,4 | 5,4 | 4,9 | 4,8 | 5,1 | 3,2 |

*Source: developed by the authors according to the State Statistics Service, WTTC, UNWTO*

Compare rates of recent years in understanding gap (Fig. 1).

**Fig. 1. Determining the gap of the market indicators of tourist and hotel services, 2019-2020**

*Source: developed by the authors according to State Statistics Service, WTTC, UNWTO*

As you can see from Fig. 1 gaps in indicators are significant and therefore are markers of crisis progression against the background of pre-formed macro-depression: economic, military-political, social, financial. This controversial nature of the current situation in the tourism and hotel sector necessitates a careful study of complementary factors: macrocomponents, mesocomponents and microcomponents of the business environment.

In general, the operating environment of the subjects of the hospitality industry can be described by the following components of mutual influence (Fig. 2).

***MACROENVIRONMENT***

***MESOENVIRONMENTЕ***

***Possibilities***

* own resources for financing the purposes and projects of development of territories;
* clustering of industries and areas of activity;
* choice of development trajectories of the region or united territorial communities, etc.

***Threats and risks:***

* lack of funds for self-financing;
* inability to localize conflicts independently;
* inability to form and maintain tourist attractions;
* low economic activity, etc.

***MICROENVIRONMENT***

* hotel business entities;
* partners;
* counterparties;
* subjects of infrastructure and communications;
* competitors

***Factors of negative impact:***

* significant compliance risks; - stable high risks of escalation of the pandemic;
* significant tax pressure; - significant stratification of society;
* depressed economy; - environmental threats;

- neglected social and transport infrastructure, etc.

**GLOBAL WORLD TRENDS**

***Factors of positive impact:***

* favorable geopolitical position; - significant educational and scientific potential;
* significant recreational potential; - authentic culture and art

**Fig. 2. Complementarity of impact components on the business environment of hospitality entities in Ukraine**

*Source: own development*

Thus, the components of influence have negative and positive drivers, which complement the deteriorating pole of the situation, and given the multiplicative nature of the hospitality industry (since related industries are involved in creating tourism and hotel products) it will futuristically threaten the irreversible extreme - default. Let’s dwell in more detail on the characteristics of certain components according to the levels of occurrence and manifestation of the impact on the activities of the subjects of the hospitality industry, in particular those ones that have a negative effect.

The global world trends shape the behavioral models of consumers under the influence of technical and technological innovations, the trends of generational theory. For the hospitality industry, they are an impetus for changes in business formats and concept products, as well as the introduction of new forms of interaction with consumers, partners, stakeholders, whose rejection threatens the backwardness of the industry and reduce its competitiveness in the global market of tourism and hotel services.

The macro-environment describes the general range of conditions and rules of the game for economic entities and creates an external basis of trust and attractiveness in communications with international and global partners, institutions and consumers, in particular on the market of hotel and tourism services. Of course, Ukraine's reputation against the background of financial (significant external debts, significant tax pressure, etc.), economic (low solvency and standard of living, non-transparent schemes of income and expenditure management of state institutions, etc.), social (unemployment, significant stratification of society) and military-political (escalation of hostilities, occupation of 3% of the country by Russia), environmental (lack of cost-effective management mechanisms, deforestation, environmental pollution, etc.) has an unattractive image and requires a strong power of institutional bodies and leveling compliance risks, among which there should be identified corruption and tax schemes. Moreover, by 2014 Ukraine ranks the14th place in the world in terms of international tourists - 23.0-24.7 million people (calculated by the authors according to the UNWTO, 2014), after the annexation of the territory of the Autonomous Republic of Crimea and aggression in Donetsk and Luhansk regions, in Ukraine, these volumes decreased: 12.4–14.2 million people and it dropped to the 30th place in the ranking (developed by the authors according to UNWTO, 2015, 2016, 2017).

According to the State Statistics Service of Ukraine (2021), it is determined that the volume of activity of tourism business entities for the 3rd quarter of 2019 amounted to 9815.3 million UAH and in the corresponding period of 2020 - UAH 3873.7 million UAH. Thus the rate of reduction was 60.5%; the volume of activity of hotel business entities for the 3rd quarter of 2019 amounted to 8,750.0 million UAH , and in the corresponding period of 2020 - UAH 3,719.4 million UAH, and the rate of reduction was 57.5%. Moreover, the reduction in the activities of tourism entities has affected the relevant industries, in particular air transport (Prymak, 2020). Thus, fluctuating indicators of these opportunities, financial security of projects for the development of social, transport, tourism infrastructure and attractions can be seen in Fig. 3.

**Fig. 3. Dynamics of volumes of rendering of services by subjects of tourist and hotel business of Ukraine for I-III quarters of 2019–2020, mln.**

Source: developed by the authors according to the State Statistics Service (2021)

The meso-environment narrows relations to the focus of the regional aspect, where the drivers are regional councils, united territorial communities (UTG). Opportunities for the environment are created for hospitality entities through the administration and use of taxes through the state policy of decentralization, including tourist tax - a local tax introduced to stimulate tourism in certain destinations, whose tax agents are hotel businesses. The volume of tourist tax is characterized by a reduction: for 11 months of 2020 compared to 2019 it is 34.8%, however, in 3 regions - Kyiv, Mykolaiv and Luhansk there is an increase of this indicator by 2.9%, 4.6 % and 32.6% (calculated by the authors according to the data of the State Fiscal Service of Ukraine, 2019 and the State Tax Service of Ukraine (2020, 2020a), which is explained by the development of domestic tourism. and the performance of the hotel business began to recover gradually.

The microenvironment forms the focal points for hospitality entities and the communicative space. Therefore, it is necessary to determine the actual situation of the hotel market. Moreover, because the pandemic is novel and emergent, information is often incomplete, frag-mented or even contradictory, posing significant challenges for framing and interpretation (Christianson, 2020, 2). / Because the pandemic is new and emerging, information is often incomplete, fragmented, or even contradictory, creating significant problems for framing and interpretation (Christianson, 2020, 2). Since there are no official data on the volume of activity, structure of tourist flows, employment quarterly and in general for 2020, we will use the data of individual surveys. Thus, according to a survey conducted by the Association of Hotels and Resorts of Ukraine (UAHR, 2021) representatives of 122 hotels in Ukraine with a room stock of an average of 72 rooms, mostly category 3 \*, it is determined that:

93% of respondents confirmed the general decline in hotel revenue, in particular: in 21% of hotels revenue decreased by 25-40%, in 33% - by 40-60%, in 30% of hotels - more than 60%, in 3% it remained at that the same levels and 4% of hotels have revenue growth;

66% optimized their costs by reducing staff, 66.0 reduced prices for services, 63% of respondents improved their product and services (repairs, repositioning, updating standards and conditions with suppliers, changing equipment, etc.), 33.0% of respondents introduced digital and marketing tools, 27% introduced alternative services (coworking, renting rooms for offices, etc.), 7% decided to repurpose some of the premises, for example, for rent for gambling establishments;

75% of hotels reduced staff: 25% laid off 10-20% of staff, 33% - about 20-40% and more than 15% of hotels cut more than 40% of staff, but 22% of hotels managed to retain staff, 3% hired additional staff through increase in demand;

70% of hotels plan to continue operating despite quarantine restrictions, 20% intend to limit some hotel services during quarantine, about 7% of respondents suffer significant losses and plan to close a business, and 2% of respondents are in the process of selling a business (UHRA, 2021 ).

However, despite the resonant situation of the pandemic lockdown, some hotels in certain recreational locations have created conditions for recreation and leisure for domestic tourists, guaranteeing conditions of medical compliance and even providing observation services with suspected infection and infected COVID. The state authorities of Ukraine have taken some measures to minimize the effects of COVID-19 on the tourism and hotel business in 2020 (Table 2).

*Table 2*

**Measures taken by the state authorities of Ukraine,**

**to minimize the effects of COVID-19 on the tourism and hotel business in 2020 (based on the adopted regulations of Ukraine of different legal force)**

|  |  |
| --- | --- |
| **Effective date** | **Activities** |
| 30.03.2020. | The concept of "remote work" and compensation for employees who lost their jobs  due to coronavirus infection was introduced; the possibility of working at home for employees and granting leave by arrangement is legally regulated |
| 28.03.2020 | Temporary closure of all border crossing points for the entry of passengers into Ukraine |
| 13.05.2020 | Ban on banks to accrue and collect fines, increased interest rates on consumer  loans, in particular for employees of the tourism and hotel business |
| 17.03.2020 | Granting owners the right to change the modes of operation, including tourism and hotel businesses |
| 23.12.2020 | Exempt from corporate income tax and personal income tax received targeted assistance provided from the budget or international technical assistance for projects or programs in the field of creative industries |
| 23.12.2020 | Reduced the value added tax rate for temporary accommodation services (accommodation) to 7% (class 55.10 group 55 NACE DK 009: 2010) |
| 23.12.2020 | Reduced the rate of value added tax for services in the field of culture (visiting performances, cultural and artistic events, museums, reserves) and excursions to them up to 7% |
| 30.03.2020 | Limits for single tax payers have been increased, including for tourism and hotel businesses |
| 13.05.2020 | The application of the installation of cash registers for business entities, including tourism, has been postponed until January 1, 2021 |
| 13.05.2020 | It is prohibited for the period of strict quarantine to exercise state supervision (control) over economic activity, including at the enterprises of tourist and hotel business |
| 17.03.2020 | Introduction of administrative liability for unauthorized leaving of a place of observation or quarantine of a person who may be infected with coronavirus (this may affect tourists), as well as strengthening criminal liability for violation of sanitary rules and norms of infectious diseases prevention (concerning sanitary measures and remote restrictions in hotels and other means of temporary accommodation to ensure the safety of tourists and staff) |
| 17.03.2020 | exemption from criminal liability for late submission and disclosure of financial statements (including consolidated and audited statements), if such statements are submitted and disclosed during quarantine or 90 calendar days from the date following the end of such quarantine, but not later than December 31, 2020, in including at the enterprises of tourist and hotel business. |

*Source: own development*

Despite the measures taken in Ukraine, the inconsistency and unprofessionalism of such restrictive and regulatory measures was revealed, so the necessity is substantiated to combine the methods of market economy and state regulation, the compulsory steps are offered, which would minimize the losses of the state and its population during this economic crisis (Danylyshyn, 2020, 13).

Accordingly, it is necessary to develop proposals for the introduction of state and institutional measures for the tourism and hotel business to minimize the effects of the COVID-19 pandemic and the related economic crisis in Ukraine and the world. Moreover, we note the complexity of developing proposals, because "we have rarely seen a time when sensemaking was so critical yet so difficult to accomplish" (Christianson, 2020, 1).

In our opinion, the following measures are expedient at the macroeconomic level of Ukraine: 1) institutional; 2) state and legal, covering: a) tax; b) related to the employment of dismissed persons; c) legal norms aimed at protecting the rights and interests of individuals and legal entities during quarantine and restrictive measures related to the spread of the COVID-19 pandemic.

Institutional measures. Establishment of the COVID-19 Interdepartmental Commission on Pandemic Response in Ukraine, which would include representatives of ministries and agencies to respond to the challenges posed by the spread of the pandemic. The main task of this body will be to develop measures to minimize the negative consequences for business and the economy as a whole, constant consultation with the business environment through their professional associations to create mechanisms to combat crises in tourism and related sectors of the national economy, and monitoring foreign implementation experience. measures to support the tourism sector. After all, the lack of a systematic approach of the state in the formation and application of the model of protection and support of tourism and hotel business threatens its competitiveness in the global services market in 2021 and the projected recovery in the coming years.

State and legal measures.

Tax measures:

* to introduce a moratorium on documentary and factual inspections of tourism and hotel business entities by tax authorities;
* to introduce a moratorium on the application of fines to the subjects of tourism and hotel business for violation of tax legislation, and the accrued fines - to write off;
* abolish the fee for land (land tax) and rent for state and communal property used in economic activities for the provision of services in the field of tourism and temporary accommodation services (accommodation);
* abolish tax fees for non-residential real estate owned by individuals and legal entities and used in the provision of tourist services and temporary accommodation services (accommodation);
* exempt from payment of the single social tax of natural persons-entrepreneurs who are engaged in travel agency activities or the provision of catering services (cafes, restaurants) and temporary accommodation services (accommodation);
* abolish the tourist tax until the resumption of activities in the field of tourism.

Measures related to the employment of dismissed persons (state compensation programs for persons dismissed from the sphere of tourism and hotel business, their training, etc.):

* to introduce compensation for employees involved in the field of tourism and hotel business, and deprived of the opportunity to work during the quarantine period;
* legally regulate the possibility of receiving compensation for employees of tourism and hotel business who lost their jobs due to coronavirus infection and the consequences of quarantine measures in Ukraine and the world (accommodation services, tourist and excursion services);
* to provide for the dismissed workers in the field of tourism and hotel business the opportunity to undergo free training in certain government programs to support industries and areas of activity that were forced to reduce the number of staff due to the coronary crisis.

Legal norms aimed at protecting the rights of individuals and legal entities during quarantine and restrictive measures related to the spread of the COVID-19 pandemic:

* application of the legal fact of quarantine and other restrictive measures as force majeure (force majeure) and release of the parties from liability under existing agreements in the field of tourism and hotel business (or postponement of contractual obligations for the duration of quarantine restrictions);
* extension of terms of receiving and rendering of the administrative and other services connected with legalization of activity in the field of tourism and hotel business;
* a ban on state supervision (control) over economic activities in the field of tourism and hotel business during 2021, except for supervision over the implementation of hotels and similar facilities for compliance with sanitary requirements and norms;
* abolition of mandatory installation and use of registrars of settlement operations (RRO) for tourism and hotel business entities and postponement of measures to implement total program fiscalization until December 31, 2021;
* to envisage a norm (at the level of the decision of the National Bank of Ukraine), which introduces a program of compensation of interest on business loans for enterprises in the field of tourism and hotel business;
* to provide state insurance programs for the protection of tourists (provision of medical services) during their travels both in Ukraine and abroad, as well as insurance medical programs for the protection of workers in the field of tourism and hotel business;
* develop state insurance programs to protect the tourism and hotel business due to the risks caused by the spread of the pandemic and the introduction of restrictive quarantine measures;
* to develop sanitary norms and requirements for strengthening security measures in temporary accommodation (accommodation), which would determine the criteria for safe stay of consumers (requirements for cleaning common areas, rooms, requirements for staff (protective masks and gloves, screening control for health reasons, etc.), mode of operation of the restaurant and other catering establishments of the hotel, arrangement of all areas of the hotel with necessary means for personal hygiene and antiseptics, provision of social distancing, etc .;
* reforming information legislation in terms of updating and disseminating digital and other innovative technologies in the tourism and hotel business, which will help minimize risks for stakeholders.

At the meso level, as mentioned above, the climatological business background is created by the policy of local authorities (city, town councils, united territorial communities). Therefore, the following partnerships on the terms of public-private partnership, multi-entity management (Okhrimenko et al, 2019) are appropriate proposals to promote the revitalization of tourism and hotel business, economic revitalization of the territories in general:

* partnership of institutional authorities and economic entities in the development of transport and social infrastructure;
* stimulating startups (in particular in the framework of crowdfunding projects) to create tourist attractions (recreational facilities, anthropological monuments, events, etc.);
* creation of road maps for travelers to certain tourist locations, etc.

At the micro level, the innovative trend of pandemic lockdown has been the perception of health care standards, the optimal distancing of counseling, the provision of hotel observation services, and in the long run - mandatory vaccination. This protects all parties to the communications from coronavirus infection and spread. Therefore, innovations are the reformatting of business processes focused on marketing technologies, compliance control and flexible methods of work aimed at results. In this sense, some generalized recommendations are appropriate:

* + development of virtual tours: staying home today means traveling tomorrow: UNWTO's key message, emphasizing our shared responsibility to put people first, to be patient and to prepare for the time when tourism can lead recovery efforts, has resonated around the world (UNWTO, 2020b) and improving promotion using digital marketing technologies (Prokopenko, 2020);
  + creation of flexible management systems and anti-crisis scenarios and programs to support business (Visentin et al., 2021);
  + minimize human-to-human contact (examples: service robots, contactless payment such as Apply pay or contactless bank cards, digital menus that can be viewed on personal mobile devices via QR codes, contactless digital payments, keyless entry, touchless elevators, etc.) (Gursoy et al., 2020, 528).

Thus, it was found that the environment of tourism and hotel business in Ukraine is in a state of transformation, which requires systematic government support and concerted partnership actions of all stakeholders. Steps to restore and build consumer confidence will contribute to the sustainable development of this sector, and the introduction of virtual tours, contactless service, providing information on-line - the systematic and large-scale dissemination of innovative technologies and digitalization of the sector. Such measures will be more effectively implemented on the basis of multifaceted collaboration of stakeholders and state support.

**Conclusion**. The history of civilization demonstrates the great intellectual and adaptive potential of mankind to various crises, pandemics and man-made disasters. Each cardinal lever becomes a turning point and generates a new economic cycle, forms a new paradigm, a new normality, causing revolutionary changes in the worldview of reality, changing cognitive skills and behavior to the processes of consumption of goods and organization of life. Such a turning point in changing the theory of consumer behavior was the global threat of viral infection COVID-19, which forced to limit physical contact, blocked borders between countries and focused science around one problem - optimizing relations with minimal economic losses.

The need to relocate consumers (from other continents, countries, regions, locations) and the high cost of tourism and hotel business in Ukraine ensured that under the quarantine restrictions provoked by COVID-19, the sector as a whole was in a significant crisis. However, the impact of COVID-19 on the tourism and hotel business of Ukraine is controversial: on the one hand there was a sharp decline in the main indicators of tourism flows and activities of business entities, and on the other - the emergence of new opportunities for innovative development in the "new normality" . Therefore, opportunities to use the crisis period to strengthen competitiveness are a real need for the development of the hotel and tourism business and means aimed at sustainable development. In this context, there is a need for coordinated activities of all stakeholders in the framework of public-private partnership at different levels of government (macro-, meso-, micro) and taking into account the global environment and experience of overcoming the crisis for renewed development.

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**ВПЛИВ ПАНДЕМІЇ COVID-19**

**У СФЕРІ ГОСТИННОСТІ: УКРАЇНА ЯК ПРИКЛАД**

**Анотація**. Глобальна пандемія COVID-19 мала величезний і глибокий вплив на туризм і пов’язані з ним підприємства, включно з готельною індустрією. Незважаючи на те, що в Україні цей бізнес не робить істотного внеску у ВВП, але наявність потенціалу розвитку, відкладений попит і виконувані функції роблять його важливою складовою сучасного українського суспільства. Тому необхідно оцінити вплив COVID-19 на діяльність суб’єктів гостинного господарства та обґрунтувати заходи щодо його відновлення. Порівняння основних показників функціонування туристично-готельного бізнесу України до та в період пандемії демонструє значні скорочення: кількості міжнародних прибуттів у 4 рази, кількості міжнародних виїздів у 8 разів, кількості осіб, які скористалися послугами. готельного бізнесу в 3 рази, питома вага прямого та загального внеску цієї галузі у ВВП у 2,3 та 1,6 рази. Проте деякі підприємства та запізнілі напрямки, завдяки швидкому реагуванню на нові реалії та переорієнтації на внутрішній туризм, навпаки, покращили допандемічні показники. Непередбачуваність та масштаби пандемії виявили структурні проблеми галузі та необхідність скоординованих заходів для їх вирішення. Огляд заходів, вжитих органами державної влади України з метою мінімізації наслідків COVID-19 для туристичного та готельного бізнесу до 2020 року, виявив їх фрагментарність та суперечливість. Обґрунтовано необхідність посилення державної підтримки цього сектору бізнесу та активізації державно-приватного партнерства. Для макроекономічного рівня пропонується комплекс інституційних та державно-правових заходів та є партнерство стейкхолдерів на мезорівні та на мікрорівні – системне впровадження різноманітних інноваційних та цифрових технологій (управління, санітарії, технологій, спілкування). Відбір та ефективне реагування на недоліки та проблеми в кризовий період відображає контролер за допомогою COVID-19 у сфері гостинності України. Тому партнерська діяльність стейкхолдерів сприяє інноваційному відродженню цієї сфери, особливе місце серед якої займає державно-правова підтримка туризму та бізнесу: запровадження компенсаційних програм для власників та працівників, запровадження податкових зобов’язань, зниження індивідуальних податки, звільнення від відповідальності та/або виконання договірних відносин через форс-мажорні обставини, впровадження державних програм страхування для захисту від ризиків пандемій.

**Ключові слова:** готельний бізнес, туризм, COVID-19, фактори суперечливого впливу, соціально-економічне партнерство.