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## **CORPORATE SOCIAL RESPONSIBILITY OF THE TOURISM ENTERPRISES IN THE PERIOD OF COVID-19 CRISES**

*The article discusses main approaches to corporate social responsibility solution of tourist enterprises for the period of Covid-19 crisis and ways of achieving goals of sustainable development of tourism, which can depend on force majeure factors.*

***Keywords:** CSR, tourist destination, sustainable development of tourism pandemic.*

**Relevance of research topic.** CSR has become especially relevant today when external factors have become a force majeure and necessitated the urgent search for new tools to solve the problems in the tourism industry, which suffered the greatest losses among the industries. Therefore, CSR in times of crisis caused by the pandemic coronavirus is a tool of great importance and effectiveness, both for the current solution of the problem and for the future strategic decisions of tourism enterprises and the industry as a whole.

**Formulation of the problem.** Globalization processes in the tourism sector have had both positive and negative effects. Excessive consumption and rapid development of tourism in recent decades have led to unsustainable consumption of natural resources. The term sustainable consumption refers to the consumption of resources that will enable future generations to use these resources. One of the prerequisites for sustainable consumption of the tourism product is socially responsible tourism.

Analysis of recent researches and publications. Questions of formation and realization of social responsibility of tourist enterprise, theoretical and methodological bases of providing of its realization, formation of a complex of indicators of

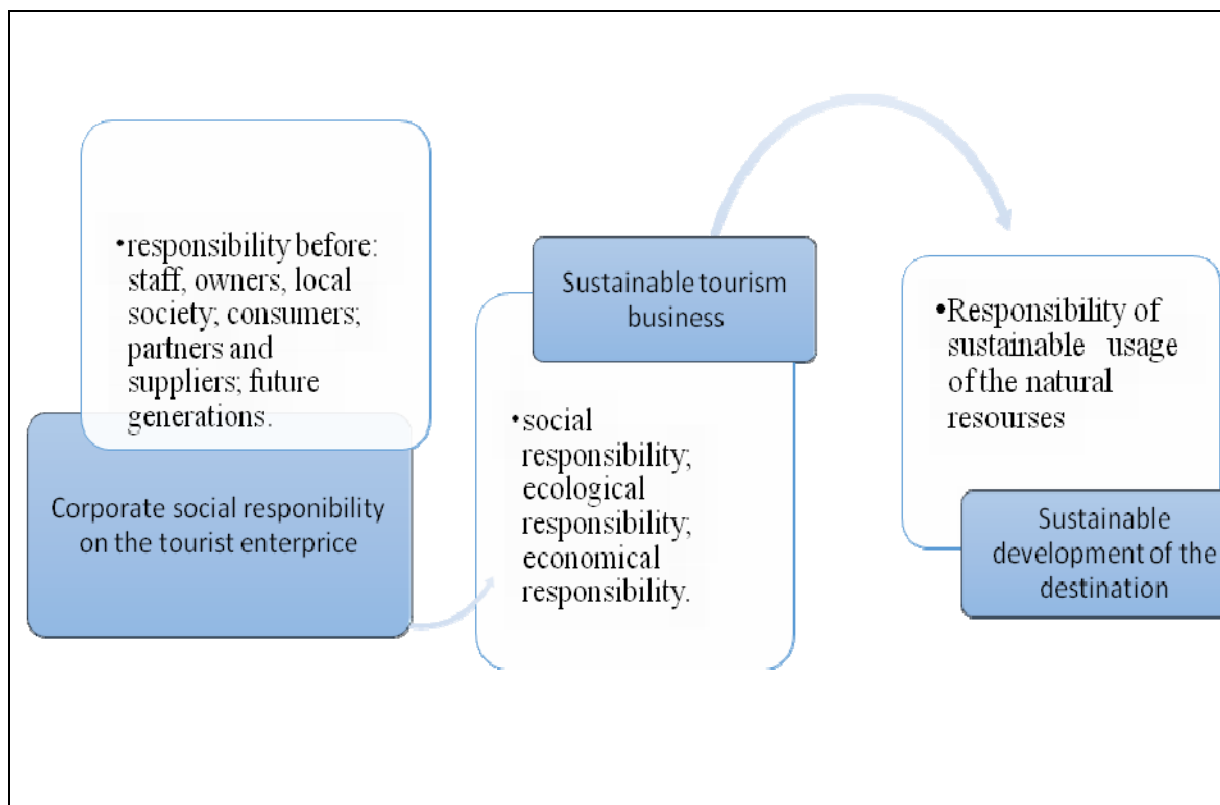
assessment of social activity of CSR and factors of its providing are revealed in works of domestic and foreign scientists, among which works: J. Anderson, R. Blomstrom, B. Black, and G. Bowen. National aspects of realization of CSR and sustainable development are depicted in the works of: A. Mazaraki, E. Romat, T. Tkachenko, M. Boiko, S. Zhukova etc. But the question of CSR of tourism enterprises especially in the period of crises are newly created and have not been investigated.

**Presenting main material.** March 2020 crisis linked to the Covid pandemic – 19 almost stopped the consumption of tourism product worldwide and led to a worldwide crisis in the tourism sector. The total loss amounts to \$ 350 billion and is not the limit. According to the World Travel & Tourism Council, the number of jobs threatened by the COVID-19 pandemic could be up to 75 million.

Europe threatens up to 10 million travel and tourism jobs, nearly \$ 552 billion in losses. The tourism industry, like many others, needs to be restarted and launched in an entirely new philosophy, the prerogative of which must be to fully integration the principles of social responsibility and sustainable consumption into its strategy.

Socially responsible tourism is a term that can be used to describe the application of CSR principles in the functioning of tourism entities. It should be noted that the Social Responsible Tourism Initiative was initiated by the members of the World Tourism Organization (WTO, since 2003 – UNWTO; UNWTO – World Tourism Organization) in 1997 during the meeting in Istanbul and recognized as tool for development and advertising of tourism enterprises. In 1999, a document was published acknowledging the value of tourist travel for both tourists and residents of the areas visited. The result was the formulation of the principles of responsible tourism in 2002 (Declaration on Responsible Tourism in Destinations [26]). The document identifies the way in which the tourism industry and travellers themselves influence sustainable development, points to the preservation of appropriate proportions between the economic, environmental and social spheres.

Considering that socially responsible tourism is a certain philosophy, way of thinking, the CSR strategy has the potential to actively implement these principles. Socially responsible tourism is currently the most dependent on the consumer. But any stakeholder group, no matter where they are, must remember the impact it has on the local economy, environment and society. Socially responsible tourism also includes the purchase of goods and services from small businesses, local entrepreneurs. Socially responsible tourism is an attitude respecting the culture and traditions of the country of visit. Socially responsible tourism counteracts the negative impact of tourists on the environment. The basis for this trend is to maintain a balance between all three areas (economic, environmental, social).



*Figure 1. Correlation between social responsibility of tourism business and sustainable tourism development*

Analyzing the level of social responsibility of domestic and foreign tourism enterprises during the quarantine period, it should be noted that one of the first companies that showed social responsibility was the Wizz Air airline, which gave Ukrainian tourists the opportunity to book their flights for free and to introduce an automated ticketing process, this, future carriers will receive 120% of the original booking price

Wizz Air is an example of a fast and quality response to the circumstances and a high level of social responsibility.

The legal fact of the introduction of quarantine in Ukraine was attributed to force majeure in accordance with Law No. 530-IX «On Amendments to Certain Legislative Acts of Ukraine aimed at Preventing the Occurrence and Dissemination of COVID-19. According to the procedure, the CCI of Ukraine confirmed the recognition of quarantine by force majeure. This means that tour operators and agents, under the terms of the agreement with the tourist for force majeure, can offer them the transfer of their trip to other dates and not reimburse the cost of the tour already paid or partially paid.

Analyzing the observance of the above conditions by the tour operators we have the following officially published conditions:

Table 1

**Solution of the tourism enterprises and level of customer satisfaction**

№	Tour operator	Way of decision	Satisfaction of clients
1	Coral Travel	Cancellation can only be made taking into account the actual cost of the tour operator, which can amount to 100% of the cost of the cancelled tour. Reviewing a cancelled tour individually within 14 days of cancellation booking a tour for another period, for any tour operator's booking price available online with the preservation of the pre-booking course. Cash advance on a preliminary application for a new application	40%
2	TUI Ukraine		38,5%
3	TPG		26 %
4	Anex Tour		49%
5	Join Up		37%

As we see the result of clients satisfaction by solution of tourism enterprises is quite different, but mainly less than 50 % of clients who have bought a travel package for the period of quarantine are satisfied.

UNWTO has issued a series of recommendations calling on the governments of all UN countries to urgently and vigorously support and assist the tourism sector not only to overcome the unprecedented COVID-19 challenge but also to further develop it. The recommendations are the first result of the work of the Global Tourism Crisis Committee, created by UNWTO from high-level representatives from the tourism sector, as well as from other bodies throughout the United Nations system.

The recommendations provide countries with a checklist of possible measures to help the tourism sector maintain jobs and support companies at risk at the moment. Mitigating the impact on employment and liquidity, protecting the most vulnerable and preparing for recovery should be our key priorities. The level of impact of COVID-19 on global tourism has not yet been assessed. However, it is necessary to support this sector right now so that it returns stronger and more resilient. ()

Main directions and recommendations for tourism enterprises:

- saving jobs, supporting self-employed workers, providing liquidity, promoting the development of hospitality and tourism industry skills, especially digital skills;
- cancellation of the travel restrictions as soon as the health emergency permits, promote visa facilitation, strengthen marketing and consumer confidence;
- concentration on the sustainable development goals of the UN Global Compact.

Using the recommendations of UNWTO, the primary task for tourism enterprises in crisis is to strengthen their socially-responsible actions towards the main stakeholders holding the enterprise effectiveness:

**Staff:** job retention, digital staff training, brand retention through employee retention, cooperation with digital partners to provide digital skills training for current and future tourism professionals and further promote existing digital learning opportunities, developing of free online training courses for those individuals most affected economically, such as those who become unemployed, seasonal workers, and those limited to reduced work hours, in partnership with universities and other educational and training institutions.

**Consumers:** maintaining brand reputation and customer base through loyalty reimbursement of money spent on tours

**Local Communities:** Collaboration and providing possible sponsorship to build reputation capital,

**Partners:** Maintaining partnerships based on the optimization of favourable contractual relationships, creation of crisis management mechanism and strategies to manage the current crisis engaging all relevant stakeholders.

**Conclusion.** Corporate social responsibility is basic option for the period of crises. Now is unique opportunity to shape the sector and to grow in the future with inclusivity, sustainability and responsibility prioritized. Furthermore, to build for the future, special attention should be placed on building resilience and on promoting sustainability at all levels. This crisis could jeopardize our collective ability to achieve the 17 SDGs by 2030. Tourism enterprises should invest in creating of sustainable products at the ethical level to support conscious consumers and increase brand competitiveness. Approach recovery as an opportunity to jump start the sector towards a new model of sustainable production and consumption.

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