

## TRENDS IN THE RECOVERY OF THE TOURISM INDUSTRY

(ON THE EXAMPLE OF IMERETI)

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### Summary

The Coronavirus along with other sectors of the economy, has caused great damage to the tourism sector and related industries. The number of international tourists decreased by 0.7% in February 2020 compared to 2019. The decrease in the number of visitors has affected the restaurant business, airlines, shopping and catering establishments. In 2020 with the period before the pandemic, the number of employees in hotels throughout Georgia decreased by 17 000 people. According to the statistical data the increase was recorded in the 2nd quarter of 2022. The same trends were observed in the research region in particular in Imereti in 2019. In the mentioned sector by 2020, 2536 people were employed and their number decreased to 1725. By 2021 a slight increase was recorded in amount to 1745 people. In 2021, the highest rate of domestic visitors was recorded, both in the country as a whole and in the regions that exceeded the pre-pandemic period. An increase

of 34 000 was recorded in Imereti alone, and the increases of 314 000 in the country as a whole. It were caused by broader crossing restrictions. Although, the income from international tourism decreased significantly during the research period, the opposite result was observed in the case of local visitors, the expense within the country increased significantly and reached 226 million GEL, higher than the same period before the pandemic with is 73,5 million GEL.

In post-pandemic conditions, tourism and its separate sector are being revitalized, both in Georgia and in the world as a whole. According to the National Tourism Agency the number of visitors to Georgia in 2022 is promising. In March 2022 211 484 visitors arrived, which is 210,6% higher than the previous years and comprises 48,5% of March of 2019.

Difficulties arose in the process of renewal of work in the tourism sector of Georgia. Domestic tourism resumed on schedule, but resumption of international travel was delayed. From June 8, 2021, hotels were allowed to resume operations; Intercity transport was restored. The railway resumed operations on June 15. The final phase of the opening of domestic tourism was marked by the resumption of domestic flights from July 24. On July 8, Georgia opened its borders to 5 European countries (Germany, France, Estonia, Lithuania and Latvia). The mutual unconditional opening of the borders with the mentioned countries was caused by the fact that Georgia was included in the list of 15 safe countries for travel published by the European Union on June 30. To date, the flow of passengers in all three international airports of Georgia has almost equaled the period before the pandemic, in particular, according to the data of the 8th month of 2022, Kutaisi airport recorded a 95% recovery of the same period of 2019, Batumi airport - 94%, and Tbilisi airport - 74%.

In 2022, the rapid recovery of the tourism sector began everywhere, including Georgia. An accelerated pace of tourism recovery has been observed in our country since May 2022. In the first half of 2019, compared to 2019, a 56.8% increase in tourist visits was recorded, and in June-August, a 78.7% increase.

Tourism revenues recovered faster, in particular, in the first half of 2022, 78.3% growth, and 123.6% growth was recorded in July-August, which is explained by the influx of migrants and high inflation.

It was observed, which is explained by the influx of migrants and high inflation. At the same time, hotel revenues recovered faster in the regions than in the capital, one of the reasons being the increase in domestic tourism. The pandemic reduced the interest of investors, which slowed down the construction process of medium and large hotels.

As a result of the research conducted by JSC Bank of Georgia group “Galt & Taggart”, a forecast is made that by the end of 2022, tourism will be fully restored to the pre-pandemic level, and by 2023, a 10% increase will be recorded. In addition, the tourism sector of Georgia should focus on the development of such high-income destinations as - wine, winter. Resort and MICE tourism development (Tourism Review, 2022).

Hopefully, the above-mentioned trends will increase the flow of visitors and their spending, not only in the country as a whole, but also in individual regions, including Imereti. Together, everything will contribute to overcoming the economic crisis caused by the pandemic.

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