# The Impact of the Covid-19 on China's International Tourism Service Trade and Countermeasures

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Abstract: In the context of the Covid-19, China's international tourism service trade industry has encountered difficulties. In order to further restore the foreign exchange income of China's inbound tourism, realize the transformation and upgrading of China's tourism industry, and create a new form of tourism industry. Firstly, This article analyzes the development status of China's international tourism service industry under the background of the epidemic, and explores the impact of the epidemic on the industry. Based on this, we will analyze the response plan for the restoration of China's international travel service trade under the background of the epidemic from multiple subjects. Finally, summarize the content and viewpoints of this article, and look forward to the future development of China's tourism industry.

**Keywords:** Covid-19, International tourism service industry, Development status, Impact, Response plan

## 1. Introduction

In the context of the current Covid-19, China's international tourism service trade industry has suffered serious setbacks, and the inbound and outbound tourism trade between countries has decreased significantly, which has had a huge impact on China's tourism foreign exchange income. But at present, China is actively taking important measures to develop "Cloud tourism" and other models to create a new form of tourism industry, and is committed to resuming the international tourism service trade under this background.

Song Fangxiu<sup>[1]</sup> (2020) further proposes important measures to enhance the competitiveness of China's international tourism service trade in response to the current difficulties faced by China's inbound and outbound tourism industry; Xuan Shanwen<sup>[2]</sup> (2020) uses TC and RCA indexes to analyze in detail the international competitiveness of China's tourism service trade, and proposed measures to promote the sustainable development of China's tourism service trade industry; Wang Xuefeng etc.<sup>[3]</sup> (2020) explained the development status of China's inbound tourism under the outbreak of the epidemic and innovatively proposed to promote the development of China's inbound tourism industry; Wang Haiwen, etc.<sup>[4]</sup> (2020) elaborated on the development status, difficulties and emergency measures of China's tourism service trade during the epidemic; Sun Anran<sup>[5]</sup> (2020), from the perspective of China's opening to the outside world, through principal component analysis and regression analysis, empirically studied the factors of the competitiveness of China's tourism service trade, and reached conclusions and recommendations.

In summary, by collating and summarizing the literature views and related materials of predecessors, and further consulting relevant materials, we propose the development status of China's international tourism service trade, and study the impact of the epidemic on China's tourism service trade industry. Finally, it puts forward innovative and effective suggestions for policy makers.

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#### 2. Development status of China's international tourism service trade

#### 2.1 Tourism is booming

With the progress of the times and the rise of national income, tourism has become an important channel for people's entertainment, and the demand for domestic and international tourism continues to rise. China has abundant natural resources, cultural resources, and material resources to lay a solid foundation for tourism. In the past ten years, the number of domestic tourists and the number of inbound and outbound tourists has continued to increase. In 2018, the number of tourists increased by 16% compared with the previous year. At the same time, China has opened up a rural tourism path that is in line with China's current situation. While promoting the advancement of the tourism industry, it has brought new outlets and new channels for rural areas to achieve poverty alleviation and prosperity. At the same time, other industries related to the tourism industry, including food, accommodation, travel companies, etc., emerged and grew. Popular travel apps such as CTRIP and Tuniu have been widely used, and the tourism industry under the new media has opened a new path.

#### 2.2 The level of trade is on the rise

Since the reform and opening up, China's tourism industry has grown from the beginning to achieve comprehensive development, from a tourism shortage country to a major tourism country. In the past ten years, the value of China's international tourism trade has shown a linear growth momentum. According to official data from the Ministry of Tourism, China's number of tourists in 2018 reached 5.5 billion, with nearly 150 million outbound tourists, and more than 60 million inbound tourists, making China the world's largest tourist country and domestic and foreign tourists. The level of trade has risen sharply. In 2016, China's total tourism trade accounted for 30% of the total domestic service trade and 10% of the world's total tourism trade, becoming an important part of China's service trade. Today, tourism trade has become an important channel for China's economic gains.

#### 2.3 Increased trade competitiveness

As of 2017, the number of 5A-level scenic spots in China has risen to 249, and various tourism resources such as natural resources and human resources have continued to rise, and tourism products have been diversified. The tourism infrastructure is constantly improving, high-speed rail, high-speed trains, and airplanes are convenient and fast. The requirements of the hotel industry are extremely high, and the happiness of tourists during their travels has been improved. Obviously, based on the data of the international tourism trade market share from 2005 to 2013, China's tourism trade has continued to increase its market share in recent years, which has great potential. In addition, China's tourism demand continues to rise, the market expands, and tourism-related industries continue to develop support, forming a bridge of cooperation and mutual benefit with the tourism industry.

## 2.4 The government supports and supports the development of tourism

Tourism trade occupies one-third of the national service trade industry. The Chinese government continues to implement new policies to guide and support the development of the tourism industry, create different tourism characteristics and tourism cultures in various regions, open up the international tourism market, enhance national competitiveness, and promote the growth and development of the national tourism. At the same time, tourism is an important force in the country's poverty alleviation. Rural tourism continues to develop. The country relies on rural characteristic tourism industries to complete poverty alleviation and realize agricultural modernization.

## 2.5 Rapid development of innovative tourism

With the advancement and popularization of the Internet and the integration of tourism with various new technologies, innovative tourism has developed rapidly. Beijing Forbidden City adopts the model of combining new media marketing with cultural and creative IP, and innovatively creates a batch of vivid cultural and creative products that are in line with the aesthetics of all ages, which are very popular. Luanchuan in Henan province uses film and television IP and local characteristic tourism to jointly innovate and develop, and continues the popular drama "The Legend of Qingyun", attracting many fans and fans to visit. Xuzhou Chinese Culture Tourism Festival selects the theme of Han culture, uses big data technology, accurately analyzes, locates and disseminates, and promotes this tourism

festival in the country. The Suzhou International Tourism Festival adopts a combination of online and offline, planning many online activities for grabbing red envelopes, and a combination of online and offline tourism activities, attracting many tourists. There are countless cases. A variety of emerging technologies, such as big data analysis, blockchain technology, and self-media marketing, have been widely used in tourism in various places, and accurate recommendations for travelers of different ages and hobbies have greatly contributed to local tourism. At the same time, "Cloud tourism" has gradually entered the industry. Intelligent AI technology, VR technology, and independent online experience activities have been continuously innovated. People can even enjoy part of the fun of traveling at home without going out, reducing the burden of traveling in person.

#### 3. The impact of the epidemic on the development of China's international tourism service trade

## 3.1 The overall impact of the epidemic on China's international tourism industry

The outbreak of the new international epidemic has a huge impact on the tourism industry, including catering, scenic spots, tourism economy and other aspects. According to the reasonable prediction of WTTC, the GDP of the international tourism industry will face a huge loss of 210 million yuan in 2020, and about 70 million tourism industry workers will lose their jobs. Due to the continuing impact of the global spread of the epidemic, China's domestic tourism and international inbound and outbound tourism have stalled, and it is difficult to recover to the state of vigorous development in the short term. Moreover, the tourism industry, as an important force in the fight against poverty in some areas of China, has entered the cold winter of rural tourism, which has just started, and all kinds of tourism activities with local characteristics have been suspended, and the regional economy has been affected.

#### 3.2 The impact of the epidemic on China's international tourism companies

Take tourism traffic and travel agencies as an example. For tourism traffic, the outbreak of the new crown disease directly reduces the operating number of buses, planes, high-speed trains and other means of transportation, and seriously discourages international aviation. According to IATA, the outbreak of the epidemic affected the market's expected passenger number data, China is as high as -23%, ranked one of the most affected, the reduction of air passenger number directly led to the capital flow of some enterprise's adverse turnover, a number of airlines declared bankruptcy. According to China's recorded data, most of the domestic tourism enterprises are small and medium-sized enterprises, which do not have a strong ability to fight against and cope with the crisis. Up to now, some of the domestic travel agencies have not been able to fully resume work, the tourism and accommodation industry has lost a large number of customers, the hotel occupancy rate has decreased significantly, and the operation is difficult. As a leading hotel in the industry, Greentree Hospitality Group, can only guarantee the local minimum wage for its employees during the epidemic.

#### 3.3 The impact of the new crown epidemic on the Chinese government

In the face of the sudden impact of the new epidemic, the government should not only deal with the spread of the epidemic and the stability of the people's mood, but also try to reduce the losses of various industries. According to statistics, 31 provinces and cities in the country have issued tourism support policies, including the support of tourism enterprises and the overall support of the tourism industry. The Ministry of Finance of the People's Republic of China and the State Administration of Taxation jointly issued the Announcement on Tax Policies for Supporting the Prevention and Control of Novel Coronavirus Infected Pneumonia. It is clearly pointed out that the maximum carryover period of loss in 2020 will be extended to 8 years for enterprises in the fourth category of difficult industries affected by the epidemic. Beijing has invested nearly 400 million yuan in the local tourism industry to support the business model in the region. Guangdong Province has issued a relevant announcement to conduct a practical assessment of the industries greatly affected by the epidemic. Based on the actual situation, it will timely help all small and micro businesses to implement inclusive tax cuts and other policies.

## 4. Countermeasures and suggestions for resuming China's international tourism service trade

#### 4.1 International joint efforts to build a modern tourism governance system based on the epidemic

#### situation

As the new epidemic has a significant impact on the international trade in tourism services, from an international perspective, all countries around the world should work together to deal with and deal with this public health emergency. Based on the experience of handling several major international public health emergencies, relevant international departments and organizations need to further accelerate the construction of a modern tourism governance system. Through the thorough investigation and study of the international tourism market, according to the actual situation of the outbreak, countries should have jointly produced international tourism management emergency mechanism, from system, personnel, supplies and other aspects for proper adjustment, in order to correct and reasonable Angle and the way to look at this outbreak to the effects of tourism trade in services from country to country. In addition, it constantly improves the international public tourism safety planning, focuses on the public security of international tourism, and is committed to improving the emergency response level of the international tourism industry. Hit in the current international tourism market, the world should be bulk, calm analysis and discuss response and solution, to be practical and realistic attitude response to the outbreak of the international tourism trade in services, work together to create and build based on the good under the outbreak of the international tourism management system, strive for to trade losses to a minimum.

#### 4.2 Create a "Cloud tourism" model to promote the transformation of service tourism trade

In the current tense situation of the epidemic, it provides an opportunity for the new tourism model of online tourism. By combining tourism with the Internet, the leisure consumption model of "Cloud tourism" is created to replace offline tourism consumption as much as possible to a certain extent <sup>[6]</sup>. By building an intelligent tourism cloud platform, it covers all scenic spots in China and pushes it to other countries around the world, making it possible for inbound tourism to be carried out online. This new tourism model integrates cloud computing, big data, information technology, digital economy and other modern scientific and technological factors. It can develop multiple sectors, such as intelligent tour system, tourism public opinion monitoring system, intelligent tourism service system, online independent experience, and comprehensive intelligent tourism, and is committed to promoting the transformation and upgrading of service tourism trade. Based on the new online travel market survey, the online digital text brigade and virtual experience effect is not obvious, in the pattern of innovation upgrades have larger rising space, based on the perspective of foreign consumers, from the construction of travel content, virtual business operations, marketing wisdom, AI intelligence service, simulation many aspects, such as tourist experience to build on a deeper level of "Clouds tourism".

For the exit Angle, the rest of the world can be wisdom by building an online travel platform, to build the scenic area intelligence service experience, combined with the new technology, will be the local scenic spots digital wisdom, constantly improve the tourism product research and development ability, in line with the international tourists consumption preference, paying attention to the development of the tourism projects such as product line cloud, countries around the world combined with its own characteristics, common create differentiation tourism products, meet the needs of different consumers abroad. To build a global online smart tourism platform for international exchanges, Chinese tourists and foreign tourists can easily two-way online entry and exit virtual travel. On the one hand, this new type of intelligent Cloud tourism based on the epidemic satisfies the consumer needs of the vast number of tourists around the world, feels the wonderful world without leaving home, and enriches the life experience; On the other hand, based on the transformation of online international service tourism trade, it will further promote the integration of international tourism products and the modernization and intelligence of tourism trade services, forcing the innovation and development of international tourism trade services.

## 4.3 Create an online talent training mechanism for international tourism service trade

Combined with the current international tourism market, the training of tourism service trade talents has become a reality. At present, with the improvement of people's consumption level and the pursuit of high-level spiritual consumption, people choose to travel abroad one after another, which will bring great challenges to the tourism service personnel of the destination. In the face of cultural differences, language barriers and other factors, the current countries of the tourism service trade personnel in all aspects of the ability are still insufficient, so based on the outbreak of the world's tourism service trade personnel professional training has become a better opportunity. By creating online training mechanism

for international tourism service trade talents and strengthening online training efforts, professional tourism service trade talents will be created. In addition, in view of the present age of the Internet's rapid development, to research and development of new technology of tourism products, tourism business model innovation, marketing and various aspects of change, all need to inject new travel trade professionals, so in the present outbreak spread is developing period, in response to the outbreak of exit and entry tourism industry after the outbreak of the extrusion demand, strengthen the training of related professionals, relevant trade talented person's internal communication between countries, common to meet under the outbreak of the tourism trade challenges.

#### 4.4 Creating a joint venture between government and enterprises

From the perspective of governments of various countries, in the case of the rapid spread of the epidemic, the government should provide support for the core policy of reducing the burden on foreign tourism agencies, and provide necessary financial support for the financing, tax reduction, capital fund, subsidies and other aspects of service trade enterprises, so as to help solve the cash flow problem of the distressed enterprises. And actively support foreign tourism trade enterprises to develop online business, carry out research and development and innovation of tourism products, constantly adjust online marketing service countermeasures according to the situation of the epidemic, and build foreign tourism trade business system based on Internet operation. In addition, governments of various countries need to cooperate with various departments to continuously improve the governance ability of foreign tourism services. On the one hand, they need to pay more attention to the multi-party joint control of the epidemic; on the other hand, they need to increase financial support for domestic and foreign tourism enterprises, so as to achieve the effect of stimulating the revitalization of the tourism industry. In order to eliminate the psychological impact of foreign tourists on domestic tourism destinations, governments of all countries need to further shape the image of safe tourism destinations, carry out further health improvement under epidemic prevention and control at home, stabilize public sentiment and stimulate the demand of overseas consumers externally. In order to cope with the imminent outbreak of the epidemic and the concentrated demand of the tourism industry, the government departments need to improve the governance system of the tourism industry in their own country, strengthen the construction of the health system of the tourist attractions in their own country, and prepare for the rebound of the overseas tourism market demand after the disaster.

From the perspective of enterprises engaged in international tourism trade, during the epidemic period, they will strengthen the infrastructure construction of scenic spots, ecological environment construction, and constantly optimize the internal management system and system of enterprises, so as to reduce the internal burden of enterprises and minimize the loss of enterprises under the epidemic. During the period of shutdown during the epidemic, the tourism market should be researched and predicted for its trend, and adjustments should be made gradually according to the new market demand after the epidemic. All enterprises also need to continuously strengthen the training of internal staff, optimize services, strengthen internal communication, take advantage of the Internet, big data and other advantages, constantly strengthen their own tourism product research and development, improve the scientific research capacity of industrial research and development, and enhance the competitiveness in the international market. After the epidemic, China will gradually grasp the new needs of consumers, increase the supply of high-quality tourism, develop tourism products that meet consumers' preferences, and pay attention to restoring consumers' confidence in the tourist destinations, so as to open up a broader international market.

#### 4.5 Develop ecological and healthy tourism and create new forms of tourism industry

In view of this epidemic, tourists from all over the world pay more attention to health and health issues during travel, thus promoting the gradual transformation of tourism consumption pattern to green and health. It is urgent to cultivate new tourism methods to meet the consumption needs of global tourists. Resorts around the world will be a healthy new tourism mode as the breakthrough point, pay attention to in the process of tourism highlight the ecology characteristics, constantly optimize the ecological environment of scenic spots, for the majority of visitors to create a health and safety of tourism environment, efforts to achieve international tourism industry to the healthy green pattern and transformation and jointly create the new forms of the tourism industry.

The tourist resorts of the world need to continuously explore the new trend and new trend of international tourism service trade after the end of the epidemic, and the people's consumption demand will gradually change to the ecological and healthy situation. The scenic spots will also take measures

according to local conditions, constantly explore the local green ecological factors, and strive to create tourism products to meet the current consumer demand for high health. By constantly innovating tourism modes rich in ecological and health factors and starting from the source of consumer demand, we seek for the green upgrading of the international tourism industry and help the new consumption mode of the tourism industry after the epidemic.

## 4.6 Improve the inbound and outbound tourism supply chain to help revive the international tourism market

Due to the severe blow of the epidemic, the inbound and outbound tourism industry chains have been damaged, and the development of the relevant transportation industry, catering industry, accommodation industry and other industries have been hindered. In the case that these industries cannot recover as soon as possible, the international tourism market cannot fully recover. Therefore, it is necessary to take the destination supply chain as the starting point, and further form the industrial cooperation with high correlation degree with tourism by integrating and docking the resources of the tourism supply chain with other related industries, so as to provide high-quality products and services for the international tourism industry in an innovative way, and constantly improve the inbound and outbound tourism supply chain. By adopting the shared tourism model, multi-industry linkage and integration can share global tourism resources and realize the connection of various industries in the tourism supply chain more efficiently. Cultural and tourism enterprises from all countries need to communicate with domestic and foreign enterprises in the relevant industrial chain, and strive to help each other with upstream and downstream manufacturers, so as to jointly cope with the impact of this epidemic on the tourism market. Once the epidemic situation has improved, the enterprises related to the inbound and outbound tourism supply chain should unite and cooperate with each other to help speed up the recovery of the international tourism market.

#### 5. Conclusion

Based on the analysis of the current situation of China's international tourism service trade industry under the background of the epidemic, this paper studies the impact of the epidemic on China's tourism industry, tourism companies, relevant cultural and tourism departments and other government departments, and puts forward corresponding countermeasures from six perspectives, such as response mechanism, talent training and tourism ecology. In the face of the epidemic disaster, we hope that all countries in the world can work together to promote economic recovery and development. Through a series of measures, China's international tourism service trade will gradually recover and regain its vigor and vitality.

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