

ISRG Journal of Economics, Business & Management (ISRGJEBM)



ISRG PUBLISHERS

Abbreviated Key Title: Isrg J Econ Bus Manag

ISSN: 2584-0916 (Online)

Journal homepage: <https://isrgpublishers.com/isrgjebm/>

Volume – II Issue-I (January- February) 2024

Frequency: Bimonthly



The Competitiveness Changes in Tourism and Generally during Crises

Marica Mazurek, PhD.

University of Zilina Slovakia

| Received: 03.02.2024 | Accepted: 07.02.2024 | Published: 25.02.2024

*Corresponding author: Marica Mazurek, PhD.

University of Zilina Slovakia

Abstract

The main purpose of this paper is to find different parallels in the concept of competitiveness and the explanation of factors of competitiveness in tourism based on the Tourism Competitiveness Index compared to some generally built models of competitiveness and to the WEF's Global Competitiveness Index. The aim was not to explain the methodics of indexes creation, but the influence of crises on competitiveness.

Method of comparison was used in both indexes (Travel and Tourism Competitiveness Index and WEF's Global Competitiveness Index) during the last years with the focus on the period of COVID-19.

Research disclosed several changes in the world in competitiveness in tourism and generally and revealed that many countries that were leaders in competitiveness in tourism and generally lost their hegemony, which could be useful to understand the impact of crises on the the global picture of competitiveness in the positive and also negative way.

Key Words: *competitiveness in tourism, Travel and Tourism Competitiveness Index, WEF's Global Competitiveness Index, indicators of competitiveness, COVID-19.*

1. INTRODUCTION

"Tourism destination competitiveness can be defined as a general concept that encompasses price differentials coupled with exchange rate movements, productivity levels of various components of the tourist industry, and qualitative factors affecting the attractiveness or otherwise of a destination" (Dwyer, Forsyth, & Rao, 2000; Matias, Nijkamp, & Neto, 2007).

The competitiveness concept has been adapted to tourism from different disciplines, especially management and marketing. As Crouch and Ritchie admitted (2003: Preface x), "while many other paradigms have been the basis of books on tourism, we believe that, from a management perspective, the destination is the fundamental unit on which all the many complex dimensions of tourism are based." To be able to understand all forces shaping competitiveness, and especially to define competitiveness, it

requires a continuous process of knowledge development. However, some basic epistemological concepts have already been developed. The process of developing models and knowledge on competitiveness is still open and not definite.

“Tourism destination competitiveness can be defined as a general concept that encompasses price differentials coupled with exchange rate movements, productivity levels of various components of the tourist industry, and qualitative factors affecting the attractiveness or otherwise of a destination” (Dwyer, Forsyth & Rao, 2000; Matias, Nijkamp & Neto, 2007). The sources used in a destination’s tourism development create a comparative and competitive advantage in tourism.

“Comparative advantage would relate to climate, scenery, flora, fauna, etc., while competitive advantage would relate to such items as the tourism infrastructure (hotels, events, attractions, transportation networks), quality management, skills of workers, government policy, etc.” (Kim & Dwyer, 2003, p. 58).

“Porter groups the factors of comparative advantage into human resources, physical resources, knowledge resources, capital resources, and infrastructure” (Porter, 1990; Ritchie & Crouch, 2003). In other words, comparative advantage factors are created from the primary resources in tourism (mountains, spas, lakes, rivers, and seas), secondary factors (infrastructure, superstructure), and human and financial capital. These factors could be compared to the factors of production. The concept of factors of production has its origins in macroeconomics. The factors of production consist of land (natural resources), labor (human capital), and capital (finances). Factors of comparative advantage are historical and cultural resources and the size of the economy, measured by the indicators GDP (gross domestic product) and GNP (gross national product).

Comparative advantage is a measurement of the endowments, e.g., the available resources serving as a potential for tourism development. The deployment of these resources is a competitive advantage. Factors of competitive advantage are, for example, audit and inventory, maintenance, growth and development, efficiency, and effectiveness.

A more complex approach to the competitiveness of destinations was defined by different scholars, as, for example, Buhalis (2000, p. 106), who included in the definition of competitiveness the concept of sustainability of local resources. He noted, “A destination’s competitiveness is a synergy of economic, social, and sustainability concepts”. Crouch and Ritchie (2003) added, “Successful destinations cannot spend their natural capital in order to be economically profitable”. This important turning point in being competitive and not depleting all resources for short-term success influences the epistemological base of destination competitiveness that has been established during the last 20 years.

Crouch and Ritchie (2003) emphasized this concept by stating that “what makes a tourism destination truly competitive is its ability to increase tourism expenditure, to increasingly attract visitors while providing them with satisfying, memorable experiences, and to do so in a profitable way while enhancing the well-being of destination residents and preserving the natural capital of the destination for future generations.” This definition contains all aspects of a competitive destination expressed in terms of effectiveness and efficiency (economics), satisfaction of consumers and tourists (marketing approach), involvement of the community (community building approach), and sustainability concept

(protection of natural resources approach). Application of this definition in the competitiveness concept answers clearly the question of why the mass tourism (old tourism) streams had to be replaced by new tourism developments.

One of the most influential disciplines that enriched the competitiveness of destination epistemologies in tourism was management. The concept of strategic visioning includes the concepts of cooperation, which have implemented some ideas of the Darwinian approach in managerial strategies.

This concept has been fully imported into the concepts of cooperation and cross-border cooperation in order to be more competitive as a destination. In the management concept, targeting directly is a strategy for how to be more competitive, and strategic visioning has become one of the most common. Shipley and Newkirk (1998) noted that “management thinkers have almost always talked about vision, and it is a more flexible way to deal with an uncertain world.”

As Ruhanen stated (Ruhanen, Matias, Nijkamp & Neto, 2007), “the benefit of a strategic approach for tourism destinations is that it forces destinations to look outside their artificial geographical boundaries and focuses on the external environment, something that tourism destinations have not done well to date.” The external environment could be understood as the boundaries of one state, a province, or a city. Cross-border cooperation, beneficial for both destinations, can be a good example of a strategic approach.

“Tourism destination strategic planning is designed to be deliberate and integrative to allow and permit the destination to adapt quickly to changing situations and develop information, planning, and control systems to monitor and respond to a change “(Cooper, 1995; Ruhanen, Matias, Nijkamp, & Neto, 2007). A change also means the change of different concepts and models of destination competitiveness that have evolved over the last period of time.

The study will be focused on the competitiveness changes in tourism and generally during the last period and the COVID-19 crisis and for this reason our main question will be to reveal if the last period, especially the COVID-19 crisis situation had the influence on the major changes in the competitiveness ranking and hegemony of several compared countries and if crises have only the negative impact on competitiveness or could be also perceived positively.

2. Concept of Competitiveness in Tourism

A highly competitive destination does not exist by chance (Vanhove, 2005; Crouch & Ritchie, 2003, Abreu-Novais M., Ruhanen L., Arcodia C., 2018,). Destination policy and development in tourism contain economic and business management (strategic planning, marketing, business management, human resources management, and environmental management). The model of destination management, contained in Crouch and Ritchie’s concept, includes such factors as organization, marketing, service quality, research, resource stewardship, crisis management, human resources, and financial capital.

As tourism is a very diverse and multidisciplinary field, as has already been discussed, the models of competitiveness include a variety of factors.

Porter (1980) developed a generic competitive model at the micro-level (for enterprises). Poon’s model considers innovative

processes, quality, and the prioritization of tourism to be the most significant factors in its competitiveness. The WES model emphasizes the macro-economic level and tourism policy in the competitiveness ranking. Price and its strategies, as one of the most important marketing tools, have been recognized as the main component of Dwyer's approach to competitiveness.

The Bordas model takes into account perceived value and costs and contains a strong marketing concept. The model dealing with destination policy, tourism management, planning, and marketing concepts in the most comprehensive way is the Crouch-Ritchie model; however, this model is not the last concept of destination competitiveness. As Vanhove (2006) mentioned, "meanwhile, Dwyer & Kim (2004) have developed a new model called "the integrated model of destination competitiveness, which contains many of the variables identified by Crouch and Ritchie." The following discourse on models of tourism competitiveness develops a deeper epistemological discourse on some basic concepts.

Crouch and Ritchie (2003:11) pointed out that "today the notion of competitiveness is powerful and pervasive, receiving much of its expression in the business world through the writings of Professor Michael Porter and many others."

Porter's model was originally created for the business world, and his diamond of competitiveness was used in business terminologies as "the threat of entrants, suppliers, buyers (customers), the threat of substitutes, and competitive rivalry" (Vanhove, 2006: 103). In order to be profitable, the destination has to apply all five competitive forces. The destination and its value-added reward (return of investments) represent success. In order to be profitable or bring some additional value, a destination has to become a leader in the cost-benefit area, imply the concept of differentiation in marketing strategy, and not neglect the niche strategy.

Vanhove discussed some of these concepts (2006: 103) and developed more (2005: 109) through the application of these ideas to the tourism industry. All five forces and their strength "influence the profit of each sub-industry (e.g., tour operator, air carrier, theme park), where profit potential is measured in terms of long-run return on invested capital".

This model has some negatives, e.g., it does not reflect the concept of sustainability (unlimited deployment of resources to reproduce products). For this reason, the model is more used in industry and does not fit a sensitive tourism environment.

Porter developed in his book "The Competitive Advantage in Tourism" a model more applicable to the tourism environment. Cluster analysis is the decisive tool for this concept. The concept of cluster creation within destinations has already been explained.

"Porter claims that the success of a firm does not only depend on its strategy and positioning but also on its being embedded in the environment" (Vanhove, 2005: 114). The more competitive this environment is, the better the chances are of achieving a competitive advantage.

Factor conditions are the primary conditions for tourism development: natural resources, cultural and historical places, infrastructure and suprastructure, and human capital. The main factors in the industrial process are land, labor, and capital, and there is some analogy between industry (production) and the "tourism industry"

Poon's model is based on the concept of the old and new tourism approaches. Poon criticized the orientation of Porter's model toward the industrial sector rather than the service sector (predominant in tourism). Innovation and differentiation are the main axes of this model. A remarkable idea is embodied in the division of two types of competitive strategies, e.g., strategies for enterprises in tourism and strategies for tourist destinations. For the players in the tourism industry, the most important factors are to "put consumers first, be a leader in quality, develop radical innovations, and strengthen strategic position" (Vanhove, 2006).

Poon identifies four strategies that tourism destinations need to enhance the development of new and sustainable tourism. The basic strategies are putting the environment first, making tourism a leading industry, strengthening distribution channels in the market, and building a dynamic private sector" (Vanhove, 2006).

The common denominator of the following three models and Poon's model is the quality of services, as a separate factor, or the transformed quality in the image of the destination.

In the WES model, there is a clear distinction between factors and indicators of the destination model. The main stress in this model is on the macro-economic factors represented by the fiscal policy (taxation), monetary policy (exchange rate), cost of capital; supply factors (supply side in tourism represented by tourist attractions, superstructure, cost of these factors – prices); demand factors (marketing tools and their implementation); infrastructure; and the tourism policy (planning, financing). Similarities could be found in Crouch and Ritchie's models, but the latter model is more developed and sophisticated.

The limitation of the model, by using macro-economic factors, could be seen as a weakness; however, it brings interesting ideas about the importance of fiscal policy and taxation in tourism policy. Tourism taxes could be seen in the tourism policy as a source of income that can be used for further tourism development; however, some taxes could be a factor of distortion and a problem of competitiveness. For example, all entry and exit taxes (visas and travel permits) have a strong impact on competitiveness.

The costs and price have not been neglected in any of the above-stated models. The next model underlines even more the price factor. The price-competitive approach has been stated in Dwyer's opinion (2000; Vanhove: 109) and Edwards (1995; Vanhove: 109), where both academics emphasized the role of price elasticity in destination competitiveness. As Dwyer added, "a general concept that encompasses price differentials coupled with exchange rate movement, productivity levels of various components of the tourist industry, and qualitative factors affecting attractiveness or other wise of destination." This concept contains factors of quality, socio-economic, and demographic factors. The quality factor is tightly related to the image, which is the central point of the Bordas model.

The Bordas model has some limitations, especially the orientation toward demand (marketing) in the tourism industry and its application for long-haul tourism destinations. Image plays a central role in this model and represents the perceived value. Interesting in this model is the fact that the image was created independently of the tourist activity. Vanhove (2006, Kozak: 108) explains, "In the case of a bad image, it is difficult to change it. Only the improvement of the supply side and the creation of new and/or upgraded products can be helpful." In marketing theory, images represent one of the most important marketing tools.

The perceived cost is the second factor influencing tourism destination competitiveness. Vanhove (2006) includes in this cost “the economic costs, the physical efforts, and the psychological costs.” Some types of these costs, especially psychological costs (hygiene, health care, and risks), have been implemented as indicators in the tourism monitor, which will be briefly discussed later.

The Bordas model reflected some interesting facts about the competitiveness of tourism destinations; however, its implementation has not been fully tested yet. Open to further discussion is also its one-sided orientation in the tourism marketing concept. Vanhove (2005) appreciated its complementarity, especially that “the model underlines a number of factors neglected or underestimated in other approaches.”

The most complex model is “Ritchie and Crouch’s Conceptual Model of Destination Competitiveness.” As has already been discussed above, the model is based on two advantages—comparative and competitive—and their implementation. This model contains and summarizes some of the above-described models and approaches; however, despite the complexity and richness of the content, the model seems to be too complicated to be understood by some tourism policy representatives. Important factors in this model are the sustainability approach and the community participation approach. Economic and marketing factors have been wisely balanced with the sustainability approach. Environmental protection and sustainable behavior have also been introduced in some different concepts, for example, in Poon’s model in connection with the new tourism development (environmentally conscious tourism).

The macro-environment (economic, climatic, geographical, environmental, demographic, social, cultural, technological, and political) and micro-environment factors (suppliers, enterprises, intermediaries, customers, destinations, destination marketing organizations, supporting industries, and other stakeholders) are parts of the holistic tourism system, and their synergy is crucial for competitiveness. “An important conclusion is that there is an association between domestic rivalry among tourism enterprises and the persistence of competitive advantage” (Vanhove, 2005; Porter, 1990).

Ritchie & Crouch (2003) defined the most important pulling factors as the main motivation indicators: “physiography and climate, culture and history, activities, special events, entertainment, superstructure, market ties (religion, ethnic root)” (Vanhove, 2005). These authors stated some interesting facts, which should be explained. Core attractions are crucial for destination competitiveness; however, there are some exceptions. The existence of one negative factor in the model influences the total outcome. Crouch and Ritchie used the example that many “economic giants and models of relative political stability yet still have a modest appeal in many markets” (2003: 5).

The supporting factors of the destination competitiveness model are the infrastructure, accessibility (visa, airline access), facilitating resources (human and financial resources), hospitality (host and guest relations), tourism enterprise contributions, and political will (allocation of scarce resources). Vanhove continues in the recapitulation of the qualifying and amplifying factors (2005: 132), which have a moderate impact on destination competitiveness and have been developed in Crouch and Ritchie’s model. These “situational conditioners are location, destination safety,

destination cost level, destination interdependencies, destination image, and carrying capacity” (Vanhove, 2005:132). Crouch and Ritchie underlined technological competitiveness based on technological strength.

The model is composed of two parts: destination policy and development (DPPD) and destination management (DM). As Ritchie and Crouch (2003) stated, “DPPD is essentially an intellectual process that uses information, judgment, and monitoring to make macro-level decisions regarding the kind of destination. DM is more of a micro-level activity in which all the stakeholders carry out their individual and organizational responsibilities on a daily basis in efforts to realize the macro-level vision contained in policy, planning, and development.

A highly competitive destination does not exist by chance (Vanhove, 2005; Crouch & Ritchie, 2003). Destination policy and development in tourism contain economic and business management (strategic planning, marketing, business management, human resources management, and environmental management). The model of destination management contained in Crouch and Ritchie’s model includes such factors as the organization, marketing, service quality, research, resource stewardship, crisis management, human resources, and financial capital.

At the end of the polemics on the Crouch and Ritchie’s model, the authors stated that “while many other paradigms have been the basis of books on tourism, we believe that, from a management perspective, the destination is the fundamental unit on which all the many complex dimensions of tourism are based” (Crouch & Ritchie, 2003).

2.1. TOURISM COMPETITIVENESS MONITOR

Aside from the existing theoretical models of competitiveness, a tourism competitiveness monitor has been implemented in practice. The World Travel & Tourism Council uses this evaluation and indicators to monitor the competitiveness of destinations. The Monitor contains eight indexes to monitor competitiveness (price competitiveness index, human tourist index, infrastructure index, environmental index, technology index, human resources index, openness index, and social index). The competitiveness monitor serves for the measurement and forecasting of competitiveness, identifies the gaps in competitiveness performance, and compares the competitive advantages and disadvantages.

The Travel & Tourism Competitiveness (TTCI) Index has been created from three sub-indexes: the T&T regulatory framework sub-index, the T&T business environment and infrastructure sub-index, and the T&T human, cultural, and natural resources sub-index.

For the competitiveness of countries, two types of indexes have been used, of which the first, the Travel and Tourism Competitiveness Index, is used especially for tourism ranking; however, some other factors have also been included in this index. The distribution of pillars and indicators of the Travel and Tourism Competitiveness Index is as follows:

Travel and Tourism Competitiveness Index

The Enabling Environment: 5 Pillars

1. Business Environment (12 indicators)
2. Safety and security (5 indicators)
3. Health and hygiene (6 indicators)
4. Human Resources and Labor Market (9 indicators)

5. ICT readiness (8 indicators)

The Travel and Tourism Policy and Enabling Conditions

1. Prioritization of Travel and Tourism (6 indicators)
2. International openness (3 indicators)
3. Price competitiveness (4 indicators)

The Infrastructure subindex: 3 pillars

4. Air transport infrastructure (3 indicators)
5. Ground and Port Infrastructure (7 indicators)
6. Tourist Service Infrastructure (4 indicators)

Travel and Tourism Demand Drivers

1. Natural Resources (5 indicators)
2. Cultural Resources and Business Travel (5 indicators)
3. Non-Leisure Resources

Travel and Tourism Sustainability

1. Environmental Sustainability
2. Socioeconomic Resilience and Conditions
3. Travel and tourism demand pressure and impact.

(https://www3.weforum.org/docs/WEF_Travel_Tourism_Development_2021.pdf)

Despite of the existing models of competitiveness generally and in tourism environment as well as Travel and Tourism Competitiveness Index, there are also different methods of measurement of competitiveness in the world, not precisely focused on tourism only. One of such indexes is WEF (World Economic Forum) Global Competitiveness Index 4.0, which has been created based on benchmarking principles over a period of four decades. This index contains 12 pillars, as follows:

- Institutions
- Infrastructure
- ICT adoption
- Macroeconomic stability
- Health
- Skills
- Product market
- Labour market
- Financial system
- Market size
- Business dynamism
- Innovation capability

(https://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf)

The years after the financial crisis in 2008 have been known as the years of struggle for gaining stability after a financial crisis and the inconsistent speed between the decisions of monetary and fiscal policies. The approaching Industrial Revolution pushed the government into more speedy decisions, and the growth of competition among nations was evident even more after this crisis. The year 2019, which has been depicted for the research of the specific designated pillars, is a year before COVID-19 has occurred. There might be an interesting result change after the second crisis event, which occurred in 2020 and was totally different from the financial crisis in 2008. Several authors were dealing with this ideas in their work or dealing with the COVID-19 influence on competitiveness in business, tourism or the indicators and their development, for instance Carracedo P., Puertas R., Marti (2021), Dupeyras A., MacCallum N. OECD Publishing; Paris: (2013, Sigala M. (2020), Mendola D., Volo S. (2017).

3. RESEARCH METHODOLOGY

The research on the studied topic has been conducted from secondary sources in existing databases, and the comparison of different results from different time periods (2017, 2019, 2021) has been analyzed and discussed. Similarly, the results of the WEF Competitiveness Index for a particular year (2019) have been obtained when results have been available and presented different results due to the different criteria of the evaluation in this index. There have also been some additional secondary sources dealing with the competitiveness of tourism published in literature and on the internet.

Comparative method was used to compare both indexes (Travel and Tourism Competitiveness Index and WEF's Global Competitiveness Index) during the last years with the focus on the period of COVID-19. The qualitative research by using this method enabled to indicate differences in competitiveness in tourism and globally among different countries and to understand that crises could be not only a negative force, but could be a source of the possible changes in the competitive forces globally. For this reason was not so crucial to discuss the methodic of indexes creation, which already exists and is described in several documents, but to reveal the results of the comparison of the development of indexes during the several years and especially during the period of COVID-19.

4. RESULTS

Table 1: Travel and Tourism Competitiveness Index 2017

Ranking	Country	Index
1.	Spain	5,43
2.	France	5,32
3.	Germany	5,28
4.	Japan	5,26
5.	United Kingdom	5,20
6.	U.S.A.	5,12
7.	Australia	5,10
8.	Italy	4,99
9.	Canada	4,97
10.	Switzerland	4,94
11.	Hong Kong	4,86
12.	Austria	4,86
13.	Singapore	4,85
14.	Portugal	4,74
15.	China	4,72
16.	New Zealand	4,68
17.	Netherlands	4,64
18.	Norway	4,64
19.	South Korea	4,55

20.	Sweden	4,55
21.	Belgium	4,54
22.	Mexico	4,54
23.	Ireland	4,53
24.	Greece	4,51
25.	Iceland	4,50
26.	Malaysia	4,50
27.	Brazil	4,49
28.	Luxembourg	4,49
29.	United Arab Emirates	4,49
30.	Taiwan	4,47

Source:

<https://www.miceclub.com/media/W1siZiIsIjU5MjU4ZmIwM2VjYWU1NGQ5NTAwMDAwNCJdXQ/Travel%20%26%20Tourism%20Competitiveness%20Report%202017.pdf>

Table 2: Travel and Tourism Competitiveness Index 2019

Ranking	Country	Index
1.	Spain	5,4
2.	France	5,4
3.	Germany	5,4
4.	Japan	5,3
5.	U.S.A.	5,3
6.	United Kingdom	5,2
7.	Australia	5,1
8.	Italy	5,1
9.	Canada	5,1
10.	Switzerland	5,0
11.	Austria	5,0
12.	Portugal	4,9
13.	China	4,9
14.	Hong Kong SAR	4,8
15.	Netherlands	4,8
16.	South Korea	4,8
17.	Singapore	4,8
18.	New Zealand	4,7
19.	Mexico	4,7
20.	Norway	4,6
21.	Denmark	4,6
22.	Sweden	4,6

23	Luxembourg	4,6
24	Belgium	4,5
25	Greece	4,5
26	Ireland	4,5
27	Croatia	4,5
28	Finland	4,5
29	Malaysia	4,5
30	Iceland	4,5

Source: https://www3.weforum.org/docs/WEF_TTCR_2019.pdf

Table 3: Travel and Tourism Competitiveness Index 2021

Ranking	Country	Index
1.	Japan	5,2
2.	U.S.A.	5,2
3.	Spain	5,2
4.	France	5,1
5.	Germany	5,1
6.	Switzerland	5,0
7.	Australia	5,0
8.	United Kingdom	5,0
9.	Singapore	5,0
10.	Italy	4,9
11.	Austria	4,9
12.	China	4,9
13.	Canada	4,9
14.	Netherlands	4,9
15.	South Korea	4,8
16.	Portugal	4,8
17.	Denmark	4,7
18.	Finland	4,7
19.	Hong Kong SAR	4,6
20.	Sweden	4,6
21.	Luxembourg	4,6
22.	Belgium	4,6
23.	Iceland	4,5
24.	Ireland	4,5
25.	United Arab Emirates	4,5
26.	Czech Republic	4,5
27.	New Zealand	4,5

28.	Greece	4,5
29.	Estonia	4,4
30.	Poland	4,4

Source:
https://www3.weforum.org/docs/WEF_Travel_Tourism_Development_2021.pdf

Comparing three period intervals of Travel and Tourism Competitiveness among first 10 countries we can observe the following changes in ranking as has been created in the Table 4.

Table 4: Comparison of ten most successful countries in Travel and Tourism Competitiveness during the period of years 2017-2021

2017			2019			2021		
Ranking	Country	Index	Ranking	Country	Index	Ranking	Country	Index
1.	Spain	5,43	1.	Spain	5,4	1.	<i>Japan</i>	5,2
2.	France	5,32	2.	France	5,4	2.	USA	5,2
3.	Germany	5,28	3.	Germany	5,4	3.	Spain	5,2
4.	Japan	5,26	4.	Japan	5,3	4.	France	5,1
5.	UK	5,20	5.	USA	5,3	5.	Germany	5,1
6.	U.S.A.	5,12	6.	UK	5,2	6.	Switzerland	5,0
7.	Australia	5,10	7.	Australia	5,1	7.	Australia	5,0
8.	Italy	4,99	8.	Italy	5,1	8.	UK	5,0
9.	Canada	4,97	9.	Canada	5,1	9.	<i>Singapore</i>	5,0
10.	Switzerland	4,94	10.	Switzerland	5,0	10.	Italy	4,9

Source: own source base on formerly presented tables

The results of the Table 4 revealed changes especially after the year 2021, which was the period of COVID-19 crisis and the results confirmed the influence of crisis on tourism performance. Some countries were able to enter the ranking of top 10 for the first time (Japan, Singapore) and several countries disappeared from the top ten ranking (Canada). Some countries changed the positions and ranking.

It is evident that more decline is visible among European countries and some newcomers are evident among Asian countries when we compare former results.

Table 5: Global Competitiveness Index 4/0 2019

Ranking	Country	Index
1.	Singapore	84,8
2.	U.S.A.	83,7
3.	Hong Kong SAR	83,1
4.	Netherlands	82,4
5.	Switzerland	82,3
6.	Japan	82,3
7.	Germany	81,8
8.	Sweden	81,2
9.	United Kingdom	81,2

10.	Denmark	81,2
11.	Finland	80,2
12.	Taiwan, China	80,2
13.	Korea, Republic	79,6
14.	Canada	79,6
15.	France	78,8
16.	Australia	78,7
17.	Norway	78,1
18.	Luxembourg	77,0
19.	New Zealand	76,7

20.	Israel	76,7
21.	Austria	76,6
22.	Belgium	76,4
23.	Spain	75,3
24.	Ireland	75,1
25.	United Arab Emirates	75,0
26.	Iceland	74,7
27.	Malaysia	74,6
28.	China	73,9
29.	Quatar	72,9
30.	Italy	71,5

Source:

https://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf

5. CONCLUSION

Both indexes (Travel and Tourism Competitiveness Index and WEF's Global Competitiveness Index) accept and are based on the factors discussed by academics and practitioners in several models of competitiveness. Some of these models were focused on competitiveness generally, and some were more focused on tourism. However, competitiveness should be perceived as a common goal of all these models and indexes, and there are some differences and similarities. Common in all models and indexes is the indicator of innovation (as could be seen in Poon's model, Porter's competitiveness concept, the Travel and Tourism Competitiveness Index, and also in WEF's Global Competitiveness Index). The importance of macro-economic factors could be seen in the WES model and the WEF's Global Competitiveness Index. The business environment plays an important role in both the Travel and Tourism Competitiveness Index and WEF's Global Competitiveness Index. Several models mentioned the importance of comparative advantage, e.g., cultural and historic places, infrastructure, human capital, quality of a place, and location. Similarly, the indexes, such as the Travel and Tourism Competitiveness Index and WEF's Global Competitiveness Index, stated the priority of infrastructure, labor, human capital, cultural resources, and natural resources (Travel and Tourism Competitiveness Index).

Even the importance of competitive advantage forces has been discussed in the models and indexes, especially after the crisis situation, which has been caused by the financial crisis as well as the epidemic situation (COVID-19). For this reason, factors such as safety and security and health received special attention in the competitiveness evaluation. Based on the formerly discussed conceptual frame and the comparison of the results of secondary research, we were able to make several observations, which have to be discussed in the conclusion as a part of discussion.

When we compare the Travel and Tourism Competitiveness Index and the results from 2017 to 2021, there are several changes in leading positions. While in 2017 and 2019, Spain and France were dominating in the travel and tourism competitiveness and ranked at 1st and 2nd place, in 2021, a year of COVID-19 occurrence, Japan

has placed at the 1st position and the U.S.A. is following in the 2nd place. Spain and France followed in the 3rd and 4th positions, respectively. In the following ranking should be mentioned as one observation that for instance China has improved its ranking from the 15th place in 2017 to the 12th place in 2021, and also South Korea has increased its ranking from the 19th place in 2017 to the 15th place in 2021. Singapore has improved its ranking from 13th place in 2017 to 9th place in 2021. Based on these results, it could be stated that the growing potential of some Asian countries in tourism and the expanding tourism market in the U.S.A. have shifted some European countries into lower positions, except for some stable tourism performers such as Spain, France, and Germany. The newcomers to the ranking in 2021 were, for example, such countries as the Czech Republic (ranked 26th in 2021) and Poland (ranked 30th in 2021), both of whom are from Eastern Europe.

Comparison of the first 10 most successful countries and their indexes and competitiveness revealed several changes especially after the year 2021, which was influenced by the COVID-19 crisis and the results testified about the influence of crisis also on tourism and several new countries joining the ranking (Japan, Singapore) and several countries disappearing from the ranking (Canada). Some countries changed the positions and switched it with the other countries in the world. More decline is visible among European countries and higher participation is evident among Asian countries when we compare former results.

When we compare the Travel and Tourism Competitiveness Index results with the WEF Global Competitiveness Index results, we have to take into account that these indexes measure different outcomes and only some similar indicators are present. For this reason, we discussed the common features but cannot compare these results with the results of the Travel and Tourism Competitive Index. Despite this comment, some countries mentioned above could also be seen in the first positions of this WEF Global Competitiveness Index, for instance Singapore, the U.S.A., Japan, Germany, Switzerland, Sweden, the United Kingdom, etc. It means that such factors as, for instance, innovation are common and could be one of the driving forces in those countries.

6. Implications

The above presented results created by comparison of competitiveness indexes especially during the last period of crisis situation of COVID-19 could be useful for researchers and practitioners in tourism sector as well as to governments to understand how important is safety and security and the ability to solve the crisis situation efficiently for tourism competitiveness as well as to understand how also the other factors as business environment, labour quality, technical development, openness, infrastructure, comparative advantage, environmental sensitivity and also marketing and branding (influencing the tourism demand) are important in tourism competitiveness.

7. Limitations

Some limitations and weaknesses could be evident especially on the missing information of the following year 2023, which has not been evaluated yet, but it could be interesting to compare the results with the year 2021 or the former results. There still could be some influential forces based on COVID-19 situation, but also some other crises in the world after the year 2021, which were not discussed in the article, but seem to be influential on tourism

performance and competitiveness. These outcomes could be a source of new surprising changes and results. As the UNWTO Secretary-General Zurab Pololikashvili commented on the situation in 2023: "The start of the year has shown again tourism's unique ability to bounce back. In many places, we are close to or even above pre-pandemic levels of arrivals. However, we must remain alert to challenges ranging from geopolitical insecurity, staffing shortages, and the potential impact of the cost-of-living crisis on tourism, and we must ensure tourism's return delivers on its responsibilities as a solution to the climate emergency and as a driver of inclusive development." (<https://www.unwto.org/news/tourism-on-track-for-full-recovery-as-new-data-shows-strong-start-to-2023>).

REFERENCES

1. Abreu-Novais M., Ruhanen L., Arcodia C. (2018). Destination competitiveness: A phenomenographic study. *Tourism Management*. 2018;64:324–334.
2. Bordas, E. (1994). Competitiveness of Tourist Destinations in Long-Distance Travel. N. Vanhove (eds.) *The Economics of Tourism Destinations*. Burlington: Elsevier.
3. Buhalis, D. (2000). Marketing the competitive destination of the future. In *Tourism Management*, 21, 97–116.
4. Carracedo P., Puertas R., Marti L. Research lines on the impact of the COVID-19 pandemic on business. (2021). A text mining analysis. *Journal of Business Research*. 2021;132:586–593.
5. Crouch, J., and Ritchie, B. (2003). destination: *The competitive destination – a sustainable tourism perspective* Cambridge: Cabi Publishing.
6. Cooper, C. (1995). Strategic planning for sustainable tourism: The case of the offshore islands of the In *Journal of Sustainable Tourism*, 3 (4), 191-209.
7. Dupeyras A., MacCallum N. OECD Publishing; Paris: (2013). Indicators for Measuring Competitiveness in Tourism: A Guidance Document. OECD Tourism Papers, 2013/02.
8. Dwyer, L., Forsyth, P., & Rao, P. (2000). The price competitiveness of travel and tourism: A comparison of 19 destinations In N. Vanhove (eds.), *The Economics of Tourism Destinations*, Burlington: Elsevier.
9. Edward, A. (1995). Asia-Pacific Travel Forecasts for 2005 In N. Vanhove (eds.), *The Economics of Tourism Destinations*, Burlington: Elsevier.
10. Kim, C., & Dwyer, L. (2003). Destination competitiveness and bilateral tourism flows between Australia and Korea *Journal of Tourism Studies*, 14 (2), 55–67.
11. Matias, A., Nijkamp, P., & Neto, P. (2007). *Advances in modern tourism research* Heidelberg: Physica Verlag.
12. Mendola D., Volo S. (2017). Building composite indicators in tourism studies: Measurements and applications in tourism destination competitiveness. *Tourism Management*. 2017;59:541–553.
13. Porter, M. (1990). *The competitive advantage of nations* London: The Maxmillan Press.
14. Ruhanen, L. (2007). Destination Competitiveness: Meeting Sustainability Objectives through Strategic Planning and Visioning. In A. Matias, P. Nijkamp, & P. Neto (eds.), *Advances in modern tourism research*. Heidelberg: Physica Verlag.
15. Shipley, R., and Newkirk, R. (1998). Visioning: Did anybody see where it came from? *Journal of Planning Literature*, 12 (4), 407–416.
16. Sigala M. (2020). Tourism and COVID-19: Impacts and implications for advancing and resetting industry and research. *Journal of Business Research*. 2020;117:312–321.
17. Vanhove, N. (2006). A comparative analysis of competition models for tourism destinations In M. Kozak & L. Andreu (eds.), *Progress in Tourism Marketing*, Amsterdam: Elsevier.
18. Vanhove, N. (2005). *The Economics of Tourism Destinations* Burlington: Elsevier.
19. Travel and Tourism Development Index 2021: Rebuilding for a Sustainable and Resilient Future: Insight Report May 2022 https://www3.weforum.org/docs/WEF_Travel_Tourism_Development_2021.pdf (retrieved October 15th, 2022)
20. Schwab, K. The Global Competitiveness Report 2019
21. https://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf (retrieved October 15th, 2022)
22. The Travel and Tourism Competitiveness Report 2017 Paving the way for a more sustainable and inclusive future
23. <https://www.miceclub.com/media/W1siZiIsIjU5MjU4ZmIwM2VjYWU1NGQ5NTAwMDAwNCJdXQ/Travel%20%26%20Tourism%20Competitiveness%20Report%22017.pdf> (retrieved October 15th, 2022)
24. <https://www.unwto.org/news/tourism-on-track-for-full-recovery-as-new-data-shows-strong-start-to-2023> (retrieved September 25th, 2023).