

Domestic Tourism as a Factor of Survival and Recovery of Tourism in the V4 Countries (a comparative study)

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Abstract: From review of the official tourism authorities' documents and analysis (UNWTO, WTTC) comes out that domestic tourism is one the key factors of tourism businesses survival and the first step to recovery. The paper aims to map and characterize the current state of tourism of the V4 countries and to compare the potential of domestic tourism as a factor of survival and tourism recovery after COVID-19 pandemic. The methodology of the paper is based on comprehensive data analysis, descriptive statistics and comparison of the economical and tourism indicators and results. The paper combines different sources of data in order to analyse the situation from more perspectives. The results reveal that the best position of domestic tourism is in Slovakia and the Czech Republic. In both countries, the scorecard demonstrates the high potential of domestic tourism to be a significant factor of business survival and tourism recovery.

Keywords: tourism, tourism recovery, V4 group, COVID-19 pandemic

JEL Classification codes: L83, O57, Z30

INTRODUCTION

Global tourism according to the data from the World Tourism Organization (UNWTO) (2021a) suffered its deepest crises in history with a drop of 74% in 2020 in international arrivals (1 billion fewer) in comparison with the previous year 2019 due to the outbreak of the COVID-19 pandemic. This happened due to an unprecedented fall in demand and widespread travel restrictions. The impact of global economic crises (2008) during the year 2009 was only of the 4% decline in international arrivals. The collapse in international tourism represented also an estimated loss of USD 1.3 trillion in export revenues, which is more than 11 times the loss recorded during the year 2009 global economic crisis. This new health, social and economic crisis had also put between 100 and 120 million direct tourism jobs at risk, many of them in micro, small and medium-sized enterprises. All world regions and sub-regions were affected. In a short period, global tourism market faced the shift from overtourism (Diaz Parra, 2020) to non-tourism and the negative impact on the tourism and hospitality value chain (Gössling et al, 2020), which collapsed. Europe recorded a 70% decrease in arrivals in 2020 in comparison with 2019, despite a small and short-lived revival in the summer of 2020. The region suffered the largest drop in absolute terms, with over 500 million fewer international tourists in 2020 than in 2019 (UNWTO, 2021a). The more dependent the region, sub-region, or country itself are on international arrivals, the more they were impacted. Domestic tourism as well as intraregional tourism in many regions, subregions, and countries, plays a very important role in the pandemic and post-pandemic Covid-19 period. Both are considered to be

a recovery driver (Euromonitor, 2021) or an emergency exit in 2020, but will probably continue for 2021 as the COVID-19 crisis is far from over.

This paper brings the comparison of countries, which are members of the Visegrad Group (also known as the "Visegrad Four" or simply "V4"). V4 is the important regional grouping of the four Central European states: Czech Republic, Hungary, Poland, and Slovakia. It was established in 1991 when the V4 member states signed a declaration of close cooperation on the path to European integration (MV CR, 2019). Today, all V4 countries are members of the EU and focus on promoting cooperation and stability in the wider Central European region. The V4 countries have many common features: history, economy, interests, but also many differences. It also appears in the field of tourism. According to the UNWTO (2020a) regional division, the V4 countries belong to the Central / Eastern Europe subregion.

1 LITERATURE REVIEW

1.1 Factors of (domestic) tourism's development

The most frequently mentioned factors (Horner 1996, Palatkova 2006, Petru 2007) that affect tourism are mainly the political situation of the country, as well as economic, demographic, ecological, legislative, social, or material-technical factors. All these factors also operate in domestic tourism (Lim, 1997). In many countries, domestic tourism is dominant concerning with respect to international flows, in terms of both size and economic contribution (Massidda, 2012). One of the most important factors is, of course, the income of the population as an economic factor. Seddighi and Shearing (1997) and Garin-Munoz (2009) find that relative real income is one of the main determinants of domestic tourism. The effect is positive till a certain level though some research reveals that the inhabitants with growing incomes prefer foreign destinations to their home country (Athanasopoulos and Hyndman, 2008). Among non-economic factors, it is the motivation of travellers associated primarily with the natural and cultural-historical attractions of the country/destination. Motivation is one of the most important elements in the decision-making process (Swarbrook, 2007). The country's attractiveness is measured using the TTCI (Travel and Tourism Competitiveness Index). This research took into account the sub-index of natural and cultural resources. When choosing a destination, it is crucial that potential travellers feel safe. According to Holloway (2012), safety and security are also essential when it comes to the image of a tourist destination and the satisfaction of visitors. During the COVID-19 pandemic, the issue of health security plays a very important role in choosing a destination. The restrictions and hygiene standards were similar in all V4 countries and the health care systems are well developed. During the COVID-19 crisis, travellers prefer their own country when choosing a holiday, where they know the security risk better.

According to UNWTO (2020a) domestic tourism is over six times larger than international tourism (in numbers of overnight trips). Domestic tourism expenditure is higher than inbound spending in most large destinations. Statistical data do not include same-day trips, visits of friends and relatives as well as holidays/trips to second homes (private cottages, private countryside houses). Owning second homes or cottages greatly contributes to the development of domestic tourism outside its commercial form. Domestic tourism in this form is very developed, for example, in Sweden and France (Horner, 1996), as well as in the Czech Republic.

The literature focuses on the demand side of the market – tourists' motivation to spend holidays in their home country or the role of satisfaction. The situation in summer 2020 is unique. This research is putting together the macroeconomic criteria and tourism statistics.

1.2 Impact of the crisis on the tourism

Coronavirus disease (COVID-19) dominated 2020. As the year 2020 ended globally (WHO, 2021a) cases rose to 83,326,479 cases and 1,831,703 deaths. In both cases, Europe's share of these figures was 32%. The disease started in January 2020 in China. In March 2020, it continued to all continents in the world (in 146 countries), the spread slowed down in the summer period, and returned in the second wave in autumn 2020. By the end of 2020, the vaccines arrived but challenges continued as new COVID-19 strains appeared (AJMC, 2021). These can cause re-infection and faster spread of the virus in 2021. In 2020 international, regional, and local travel restrictions immediately affected national economics, including tourism systems, e. g. international travel, domestic tourism, and segments as air transport, cruises, accommodation, cafés and restaurants, conventions, festivals, meetings, or sports events. As a result of the pandemic, many countries (UNWTO, 2020b) imposed travel bans, closed borders, or introduced quarantine periods, which caused a decline of both international and domestic tourism. Until 2019 according to UNWTO (2020a), tourism was the key economic sector in many advanced and emerging economies. Tourism was also one of the largest and fastest-growing economic sectors in the world. Since 2017 the global picture of travel and tourism growth forecast was as 4% for each year for the following ten years (WTTC, 2017) that lasted until 2019. All this was happening despite terrorist attacks and political instabilities, health pandemic, and natural disasters. International tourism institutions and the tourism sector itself could not imagine a global health pandemic with such far-reaching consequences. An unprecedented tourism situation emerged: from a forecasted good 2020 season to an almost lost season and rather bleak prospects for the years thereafter (Gössling et al., 2020). Global tourism was the most affected economic sector by the COVID-19 pandemic, but on the other hand, due to the tourism globalisation, the COVID-19 has spread worldwide in a pandemic.

1.3 Recovery of tourism – strategies, possibilities, recommendations

The COVID-19 pandemic in 2020 was in two waves, and all countries and their governments were adopting their lockdowns. The majority of European countries were closing their economies in March 2020 with reopening in the middle or end of June 2020, having the short revival in summer months and new closures in September/October 2020 lasting till the end of 2020, and onwards. There were adopting measures for the economy and tourism recovery taking into consideration recommendations and guidelines of international bodies.

International institutions (WHO, OECD, European Commission) and tourism organizations (UNWTO, WTTC, ETC) during the year 2020 were coming with health recommendations and guidelines for recovery, different types of support of economies including the tourism industry. WHO (World Health Organization) concentrated its attention on health and security information, guidelines, and recommendation for travel (especially air travel), for workers, and staying at hotels and other accommodation establishments. At the European Union level, there is enhanced the role of regions, both in EU programmes (especially ERDF) as in national plans of EU member states. At the level of the EU, there will not be any direct fund for tourism in the new programming period 2021-2027 (Houska, 2019). Recommendation of EU (EC, 2020a) for state aid were including direct grants, selective tax advantages, and advance payments, state guarantees for loans taken by companies from banks, subsidised public loans to companies, safeguards for banks that channel State aid to the real economy, short-term export credit insurance. Most tourism businesses (around 80 %) are micro, small, and medium-sized (UNWTO, 2020a), which means that it was sometimes difficult for them to reach these supports. In EU guidance (EC, 2020b) is stated, that citizens should be connected to local

tourism offer and local attractions should be promoted. A voucher system was recommended to support tour operators, local hotels, and restaurants.

Among UNWTO's (2020b) recommendations for recovery and resilience of tourism, they are such responsible travel, solidarity, and supporting recovery. In UNWTO (2020b) COVID-19 tourism recovery package has mentioned the importance of domestic tourism for the recovery including a specific recommendation for domestic tourism marketing strategy with the important role of DMO (Destination Management Companies). WTTC (2020b) emphasizes the importance of safety in the tourism sector, even if 100% safety cannot be guaranteed. WTTC in cooperation with experts created protocols taking into account WHO (2020b) and CDC guidelines (2020) in general and for different sectors of the tourism industry (e.g. hospitality, airports, tour operators, attractions, etc.). The ETC, European Travel Commission (2020b) supported all measures to facilitate travel in Europe. The aim is to create a sustainable future for the travel and tourism ecosystem, to create a more resilient and sustainable destination Europe in the future. According to the ETC (2021), the vaccine roll-out and improved testing and tracing regime will provide some grounds for optimism for a gradual recovery in 2021. Nevertheless, the return to the typical international demand pattern will be gradual with 2019 levels predicted to return by 2023. The return to travel will, however, happen with new consumer habits, calling for strong adaptation and agile responses from the tourism sector. Ensuring safe travel opportunities should become a priority for destinations as potential travellers are likely to travel more slowly, closer to home, and lesser-known destinations. A quicker easing of restrictions for domestic travel and stronger demand from residents to travel locally provides some support to those hotels that remained open; however, a second wave of the COVID-19 outbreak placed a halt to the travel rebound.

Domestic tourism, which accounts for around 75 % of the tourism economy in OECD countries (OECD, 2020), as expected will recover more quickly after the COVID-19 pandemic. According to Euromonitor International research (2021), there will be a permanent change in consumer behaviour. Domestic tourism expenditures and average spend per trip in 2019-2024 will go up. Domestic tourism expenditure as a total % of the tourism in 2020 was 73 % (e.g., in China, U.S.A), up 9% in 2019. One of the key takeaways of this survey was, that in the short to mid-term, there will be more away from international travel to destinations closer to home with domestic tourism as a recovery driver.

2 METHODOLOGY

The paper aims to map and characterize the current state of tourism of the V4 countries and to compare the potential of domestic tourism as a factor of survival and its potential for tourism recovery after the COVID-19 pandemic.

The methodology of the paper is based on comprehensive data analysis, descriptive statistics, and comparison of the economical and tourism indicators and results. The paper combines different sources of data to analyse the situation from more perspectives. The sources were chosen and combined with regard to the availability of the data. The following data sources are used: World Bank, Eurostat, World Tourism and Travel Council (WTTC), World Tourism Organisation (UNWTO), Statistical offices of the individual countries, World Economic Forum (WEF).

To reach the aim of the paper, the following research questions are set:

- (1) What was the state of international and domestic tourism in the V4 countries before the COVID-19 pandemic?
- (2) What is the impact of the pandemic and the restrictions on international and domestic tourism?

- (3) What is reaction of the international and domestic markets in case the restrictions are being eased?
- (4) What is the potential of domestic tourism as a factor of survival and recovery of tourism?

Data from different sources are analysed, and domestic tourism and its potential are assessed from several points of view to answer these questions. A descriptive statistic is used to analyse the data that are relevant to the aim of the paper and an overall picture of the situation in tourism is described. As evaluation method a scorecard with an order of the countries in individual criteria was chosen. The robustness of the scorecard was examined in two ways to assure the relevance of research results. The first way includes the expert estimate of the weights based on the expected importance (1-10); the second way of testing was the number of ranks 1 and 2 in the criteria.

Even though the source methodologies differ, the individual comparisons of the indicators draw data from the same source. The only exception is data from the countries' statistical offices and which follow the recommended UNWTO methodology.

3 RESULTS AND DISCUSSION

3.1 Basic and economic indicators of V4 countries

This section brings an insight into the general characteristics and economic performance of the countries. It provides important information for the following analysis. The four countries are different in terms of number of inhabitants; however, they are similar in terms of economic performance. The purchasing power of the inhabitants expressed as GDP per capita is between EUR 14,889 and EUR 20,910. Compared to Germany (as an important source country), the V4 countries' purchasing power is still at around 35% of German level.

Tab. 1 Basic and economic indicators

| | Number of inhabitants (million) | GDP (2019) (billion euros) | GDP per capita in EUR (2019) | Unemployment rate – July 2020, in % |
|----------------|---------------------------------|----------------------------|------------------------------|-------------------------------------|
| Czech Republic | 10.71 | 223.95 | 20,910.4 | 2,7 |
| Slovakia | 5.46 | 94.17 | 17,247.3 | 6,8 |
| Poland | 37.85 | 529.03 | 13,977.0 | 3,2 |
| Hungary | 9.66 | 143.83 | 14,889.2 | 7,2 |

Source: World Bank, Statista.com, own calculations

For assessing the potential of domestic tourism, we will take the GDP per capita into account. As the price levels in the countries are similar, the better the financial situation of the residents is, the more they can spend on travel.

3.2 Tourism in V4 countries from the economic perspective

Various sources of information are used for evaluation of the economic effect of tourism in the researched countries. The up-to-date data are not available in all sources. Most of the data is

drawn from the WTTC, if a deeper insight is required, the TSAs (Tourism satellite accounts) of the individual countries are used.

Tab. 2 Tourism indicators – economic performance

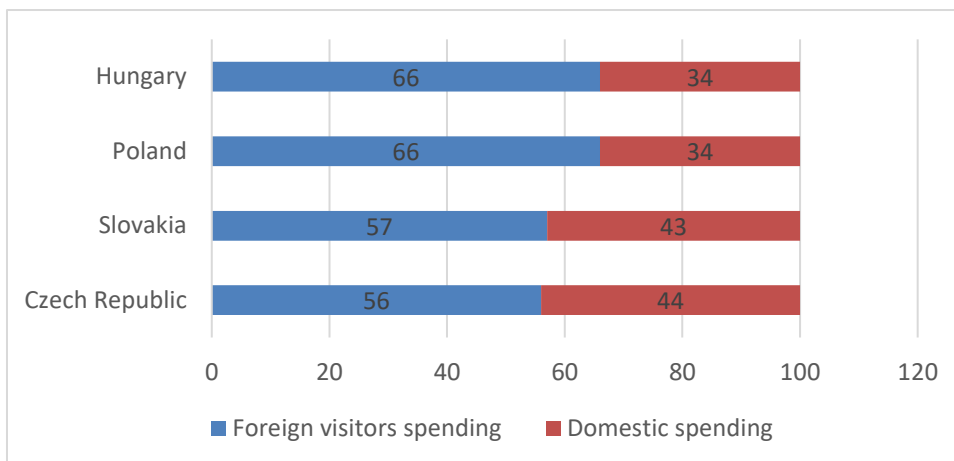
| | Direct tourism contribution to GDP in % (2018) | Total tourism contribution to GDP in % (2019) | Tourism contribution to export in % in (2019) |
|----------------|--|---|---|
| Czech Republic | 2.7 | 6.5 | 4.1 |
| Slovakia | 2.6 | 6.3 | 3.0 |
| Poland | 1.9 | 4.7 | 4.4 |
| Hungary | 2.6 | 8.3 | 6.4 |

Source: WTTC (2020), WTTC (2019), WEF (The Travel & Tourism Competitiveness Report 2019)

Tourism is in V4 countries an important part of the economy. Even if the direct contributions to the GDPs are not that significant (between 1.9% in Poland and 2.7% in the Czech Republic) (WEF, 2019), tourism is an important sector due to the multiplication effect. According to WTTC's Economic Impact Reports, the total travel and tourism's contribution to GDP was in 2019 between 4.7% (in Poland) and 8.3% (in Hungary). In Slovakia, it was 6.3% and in the Czech Republic, it was 6.5%. The total (direct and indirect) effect is taken into account (WTTC, 2020).

Inbound tourism is part of export (so-called invisible export) and in the V4 countries it creates between 3% (Slovakia) and 6.4% (Hungary) of the national exports. The next figure shows the distribution of travel and tourism's contribution to GDP. In the V4 countries, the share of domestic tourism's contribution is between 34% and 44%. The main part of the contribution is in all countries produced by inbound tourism.

Fig. 1 Distribution of travel and tourism direct contribution to GDP in 2017 (%) - TSA



Source: Eurostat, Data collection on TSA 2019

Worldwide the division of expenditures is significantly different: international tourism creates only 28.7% and domestic tourism 71.3% (WTTC, 2020, Travel & Tourism - Global Economic Impact & Trends 2020).

To evaluate the potential of domestic tourism for survival and recovery after the COVID-19 pandemic, it is important to know the financial results and comparison of inbound, domestic, and outbound tourism.

Tab. 3 Tourism indicators – financial performance

| | Inbound tourism expenditures (million EUR) TSA-2017 | Domestic tourism expenditures (million EUR) TSA-2017 | Outbound tourism expenditure (million EUR) TSA-2017 |
|----------------|---|--|---|
| Czech Republic | 6.263 | 4.485 | 2.867 |
| Slovakia | 2.465 | 1.870 | 1.314 |
| Poland | 8.446 | 4.380 | 3.145 |
| Hungary | 4.147 | 2.146 | 2.208 |

Source: Eurostat (2019). Tourism Satellite Accounts in Europe, 2019 edition

All countries have a positive balance in regard to tourism expenditures. The foreign tourists coming to the V4 countries spend more money than the residents when going abroad. This fact indicates that it will be difficult to replace the inbound expenditure with an increase in domestic tourism.

3.3 Tourism in V4 countries

All the countries have a similar history – communist regime - and international tourism started developing in a larger scale after the revolution in 1989. The countries had to go a long way to their nowadays position. From the TTCI (Travel & Tourism Competitiveness Index) results that the most competitive country is the Czech Republic, followed by Poland, Hungary, and Slovakia. The index consists of four areas; in terms of country attractiveness for residents, the most important will be the natural and cultural resources (based on the prevailing motivation). From this point of view, Poland is the most competitive country.

Tab. 4 Travel & Tourism Competitiveness Index - 2019

| | TTCI position (from 140) | TTCI score (max. 7) | Natural resources score | Cultural resources score | Natural and cultural resources |
|----------------|--------------------------|---------------------|-------------------------|--------------------------|--------------------------------|
| Czech Republic | 38 | 4,3 | 2.5 | 2.4 | 2.5 |
| Slovakia | 60 | 4 | 3.4 | 1.6 | 2.5 |
| Poland | 42 | 4,2 | 3.2 | 3.0 | 3.1 |
| Hungary | 48 | 4,2 | 2.7 | 2.3 | 2.5 |

Source: World Economic Forum, (<https://reports.weforum.org/travel-and-tourism-competitiveness-report-2019/>)

The highest number of collective accommodation establishments (CAE) is in Poland (11,251) (<https://stat.gov.pl>), followed by the Czech Republic (9,383) (www.czso.cz), Slovakia (www.statistics.sk) and Hungary (3,475) (www.ksh.hu). When we have a look at the number of rooms and beds, the situation slightly changes due to larger hotels on average in Hungary.

The next table shows the number of tourists in CAE and reveals also the proportion between international and domestic tourists. The larger the share of domestic tourists in the CAE, the smaller the gap in occupancy when the international tourism is restricted.

Tab. 5 Tourist arrivals at CAE - 2019

| | Tourist arrivals at CAE total in 2019 (million) | International tourist arrivals at CAE in 2019 (million) | Domestic tourist arrivals at CAE in 2019 (million) | Share of domestic tourists in CAE (%) | Tourism intensity (overnights / inhabitant) |
|----------------|---|---|--|---------------------------------------|---|
| Czech Republic | 20.698 | 9.590 | 11.108 | 53.7 | 5.34 |
| Slovakia | 6.483 | 2.475 | 3.957 | 61.0 | 2.04 |
| Poland | 35.668 | 7.471 | 28.198 | 79.1 | 2.34 (2018) |
| Hungary | 12.920 | 6.169 | 6.751 | 52.3 | 3.22 |

Source: Eurostat, own calculations, Tourdata.cz, statista.com

All the V4 countries have more than 50% of residents in the CAE, in Poland the residents create even 79.1%. Tourism intensity is the ratio of nights spent at CAE relative to the total inhabitants of the country. The highest tourism intensity is in the Czech Republic. The higher the ratio, the more difficult will be to fill the capacity with only domestic tourists.

3.4 Tourism in V4 countries in 2020

The impact of the pandemic on tourism is devastating. Even if the governments support the businesses, the subsidy usually does not cover the costs. This section reveals the extent to which tourism in these countries has been affected by the COVID-19 pandemic. The table brings the results regarding the number of tourists in CAE. In all V4 countries, the number of guests in CAE dramatically dropped down.

Tab. 6 Tourist arrivals at CAE – analysis of available results from 2020 (in million)

| | Tourist arrivals at CAE total | Index 2020/2019 | International tourist arrivals at CAE | Index 2020/2019 | Domestic tourist arrivals at CAE | Index 2020/2019 |
|------------------------------|-------------------------------|-----------------|---------------------------------------|-----------------|----------------------------------|-----------------|
| Czech Republic (till 9/2020) | 10.070 | 0.581 | 2.658 | 0.321 | 7.411 | 0.821 |
| Slovakia (till 8/2020) | 2.575 | 0.590 | 0.734 | 0.429 | 1.841 | 0.695 |
| Poland (till 9/2020) | 15.455 | 0.556 | 1.986 | 0.345 | 13.466 | 0.611 |
| Hungary (till 12/2020) | 5.182 | 0.401 | 1.326 | 0.230 | 3.858 | 0.571 |

Source: Eurostat, own calculations

The most significant decrease in tourist arrivals in CAE was in Hungary. Numbers from Hungary represent the whole year and indicate the drop off by almost 60% in total. In Hungary, the longest-lasting lockdown most probably caused a large decrease in domestic tourists to 57.1%. International tourist arrivals declined in Hungary to 23% in comparison to 2019.

The other countries published numbers only for a part of the year, and therefore the results can be better as they do not include autumn lockdown and Christmas time.

The least affected tourism was domestic tourism in the Czech Republic (drop down to 82.1% in the first three quarters). Such numbers of tourist arrivals would enable majority of the hotels and businesses to survive. However, the change of tourists' structure leads to an uneven spread of the tourists among the regions. The worst data were in the destinations important for business travel, conferences, events, and the destinations important for international tourism (e.g., Prague).

The decline in all V4 countries was significant and approximately corresponding with the expected global numbers. Assumption of total world arrivals is the international arrivals decrease by 62%, for domestic by 37% (WTTC, Europe Economic Impact from COVID-19, 2020).

The above analysed data are from hotel statistics. If we focus on UNWTO statistics about international arrivals in the first three quarters of 2020, we observe the largest decline in international arrivals in the Czech Republic (-67.9%) and Hungary (-59,1) (UNWTO, 2021b). UNWTO also monitors the tourism receipts (equivalent to tourism expenditures from WTTC and TSA). The results from the first two quarters of 2020 show the largest decrease in Slovakia (-59%) and Hungary (-42.7%). The decline in receipts is not in line with the arrivals decline and the tourists decline in CAE. These decreases may be due to different monitoring periods. Receipts' statistical data do not include data from the main tourist season (July and August).

3.5 Potential of Domestic tourism for tourism survival and recovery

In general, the COVID-19 pandemic will have a much more significant effect on tourism and tourism businesses than expected at the beginning of the pandemic in March/April 2020. Based on the summer experiences of 2020, the pandemic brought not only travel restrictions but also changes in customers' behaviour. Tourism will recover slowly, and the expected time to return to the 2019 level is 2023 – 2024. Domestic tourists were taking a leading position in the recovery of global tourism (OECD, 2020). However, destinations/countries need to note that domestic travellers, which are bringing direct or indirect economic effects, could not replace international travellers and international tourism expenditure in all countries.

This section aims to evaluate and compare the domestic tourism position and its potential for the survival of tourism businesses and further recovery of tourism in the V4 countries. This section builds on the knowledge and data collected in previous parts, brings own analysis, and uses new information sources.

Concerning tourism, the residents in V4 countries have lower financial funds than the international tourists usually have. Germany is an important source country for all V4 countries (first or second position in arrivals). The only lower-income counties among the first three are Ukraine (third for Poland) and Romania (first for Hungary).

From the comparison of residents' tourism expenditures (outbound) and income from inbound tourism, it is evident that outbound expenditures of residents, if being spent in the home country, could not replace the total outage of international tourism. In all V4 countries, there was a period when the countries allowed international arrivals. On the other hand, during the summer period 2020, the residents were also allowed to travel abroad.

Tab. 7 Level to which the outbound expenditures can replace the inbound expenditures when spent in the home country

| | Residents´ outbound expenditure in comparison to inbound tourism expenditures (%) |
|----------------|---|
| Czech Republic | 45,8 |
| Slovakia | 53,3 |
| Poland | 37,2 |
| Hungary | 53,2 |

Source: TSA of the individual countries, data from 2017

As shown in the table, the best position in this respect has domestic tourism in Slovakia and Hungary. The reasons are different – in Slovakia, the income from international tourism is relatively low; and in Hungary, the outbound expenditures are relatively high (it is the only V4 country with higher outbound than domestic tourism expenditures). Consumers´ behavioral changes need to be considered: (1) the outbound expenditures are usually higher due to higher prices of the package tours, so the budget for domestic tourism can be lower on an individual bases and (2) many consumers have decided to postpone their foreign holidays until 2021 and not to spend the money saved on domestic holidays.

Analysing the CAE in table 5, a promising position of domestic tourism is in Poland. The gap to be covered by the domestic tourism after the outage of international arrivals is 20,1%. The second country is Slovakia with the share of international tourists in CAE of 39 %. However, if we return to table 3, despite the number of guests, domestic tourism does not generate as high income for the businesses and economy as the international tourists.

To evaluate the power of domestic tourism, the results from the 3rd quarter of 2020 will be analysed. The main season in the V4 countries is summer, the travel restrictions were eased July – September 2020 and the accommodation facilities were open (the only exception is Hungary where the second lockdown started on the 1st of September 2020). The state in summer 2020 can most likely illustrate the situation when international travel will be possible but still restricted.

Tab. 8 Tourists in CAE in the 3rd quarter in 2020 (million)

| | Tourist arrivals at CAE total | Index 2020/2019 | International tourist arrivals at CAE | Index 2020/2019 | Domestic tourist arrivals at CAE | Index 2020/2019 |
|----------------|-------------------------------|-----------------|---------------------------------------|-----------------|----------------------------------|-----------------|
| Czech Republic | 5.979 | 0.79 | 1.079 | 0.32 | 4.930 | 1,17 |
| Slovakia | 1.632 | 0,78 | 0.395 | 0.46 | 1.239 | 1,00 |
| Poland | 8.117 | 0.69 | 0.857 | 0.35 | 7.260 | 0.79 |
| Hungary | 2.370 | 0.54 | 0.411 | 0.20 | 1.959 | 0.84 |

Source: Statistical offices (www.czso.cz, www.statistics.sk, www.ksh.hu, <https://stat.gov.pl>)

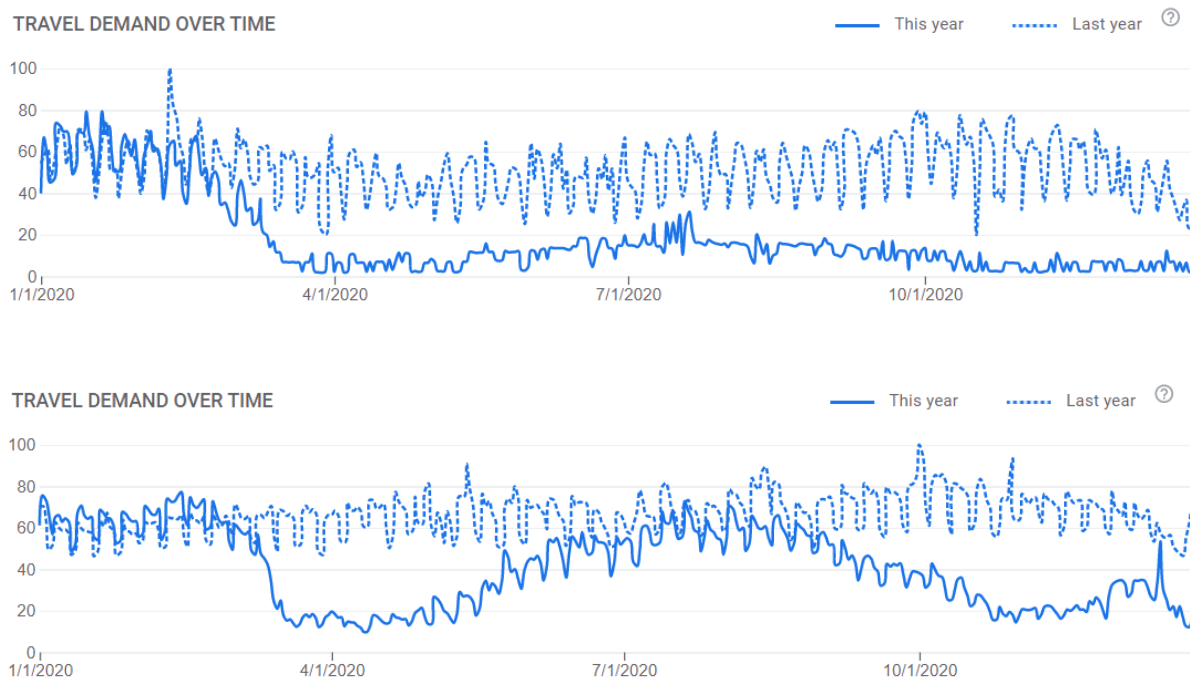
The table is showing, what was the segments´ reaction after eased travel restrictions. International tourism stayed at a low level in all countries. The best situation was in Slovakia (46% of the respective period in 2019). The reason could be that the Czech Republic is an important source country for Slovakia, and tourism between these two countries is very natural

due to similar language, mixed families, a common history, etc. Poland came in second. However, the international tourists remained at the level of 35% of 2019.

Domestic tourism reached better results. In the Czech Republic, domestic tourism has played an important role in the survival of businesses, with a 17% increase compared to the 3rd quarter of 2019. In Slovakia, domestic tourism reached the level of 2019 in the respective period. These two countries had the best results concerning the drop off of the total tourist numbers. The total number of guests in the CAE in both countries reached 80% of 2019 in the period under review. It can be a good sign for the businesses' survival and the potential tourism recovery.

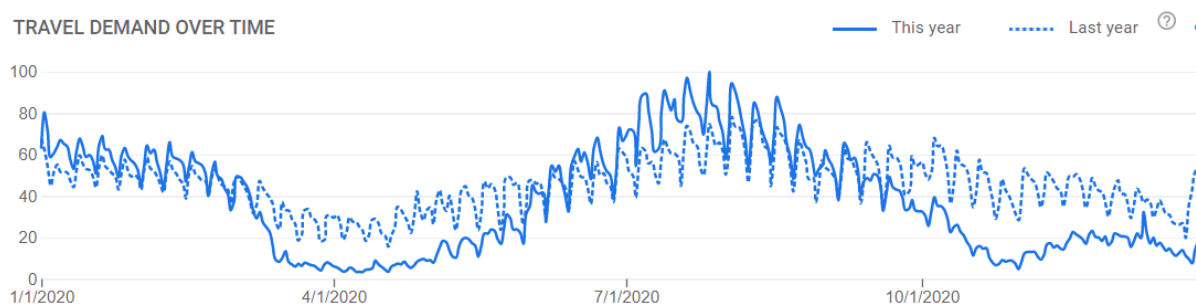
For an illustration of international and domestic demand reaction, was used an online tool. Google Destination Insights offers an analysis based on relevant keywords. The next figures show the response of the demand based on the relevant search queries.

Fig. 2 Travel demand (international and domestic) in the Czech Republic, comparison of 2019 and 2020



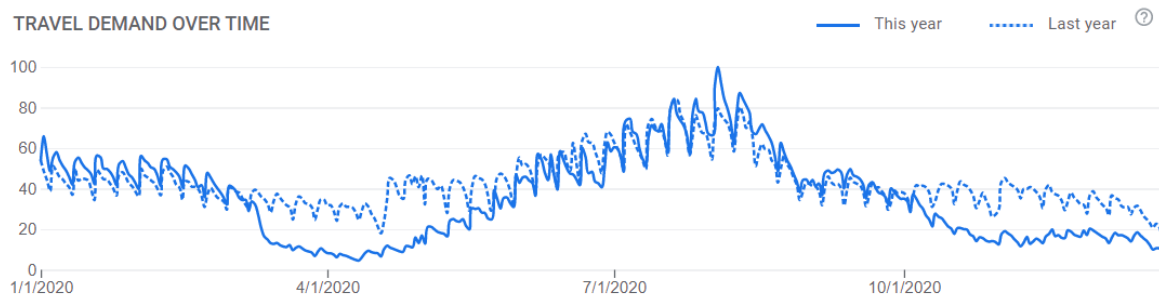
Source: <https://destinationinsights.withgoogle.com/> (18.02.2020)

Fig. 3 Travel demand (domestic) in Slovakia, comparison of 2019 and 2020



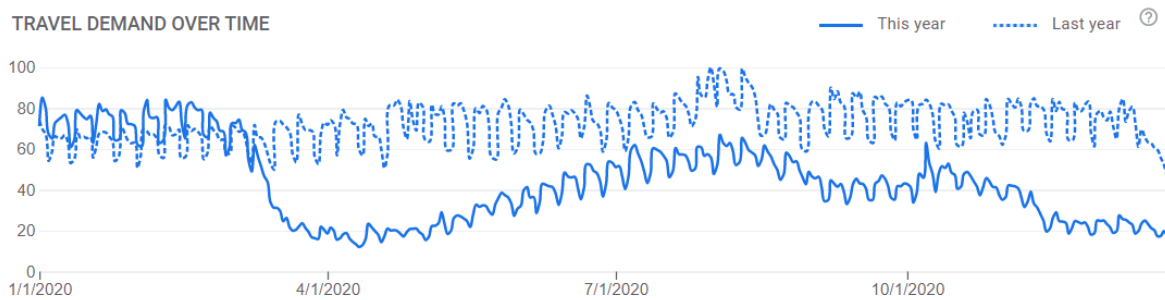
Source: <https://destinationinsights.withgoogle.com/> (18.02.2020)

Fig. 4 Travel demand (domestic) in Poland, comparison of 2019 and 2020



Source: <https://destinationinsights.withgoogle.com/> (18.02.2020)

Fig. 5 Travel demand (domestic) in Hungary, comparison of 2019 and 2020



Source: <https://destinationinsights.withgoogle.com/> (18.02.2020)

Because the international demand response in all V4 countries was very similar, so only figures from the Czech Republic are presented. The domestic demand, compared to 2019, is the highest in Slovakia, followed by Poland, the Czech Republic, and Hungary (with a significant decrease compared to 2019). We can see that, at the moment of opening the economy, the domestic demand quickly reached (and partially exceeded) the level of 2019 (except Hungary).

3.6 Comparison of the potential of domestic tourism in V4 countries

To compare the countries a simple scorecard with the placings of the countries in the individual criteria was created. As the scorecard presents the countries order, the lower is the number, the better is the country's position. As there is not enough literature to express the criteria's weight, the scorecard is only simple without the criteria's significance expression. The robustness of the scorecard was examined in two ways to assure the relevance of research results. Both approaches gave the same results. Therefore, the scorecard and the results can be considered relevant.

Tab. 9 Scorecard of the V4 countries

| | Czech Republic | Slovakia | Poland | Hungary |
|--|----------------|----------|--------|---------|
| GDP per capita | 1 | 2 | 4 | 3 |
| Distribution of travel and tourism direct contribution to GDP (international vs. domestic) | 1 | 2 | 3 | 3 |

| | Czech Republic | Slovakia | Poland | Hungary |
|--|----------------|----------|----------|----------|
| Natural resources score TTCI | 4 | 1 | 3 | 2 |
| Cultural resources score TTCI | 2 | 4 | 1 | 3 |
| Share of domestic tourists in CAE | 3 | 2 | 1 | 4 |
| Tourism intensity | 4 | 1 | 2 | 3 |
| Outbound expenditure in comparison to inbound tourism expenditures | 3 | 1 | 4 | 2 |
| Total tourists in CAE in the 3rd quarter (change) | 1 | 2 | 3 | 4 |
| Domestic tourists in CAE in the 3rd quarter (change) | 1 | 2 | 4 | 3 |
| Domestic demand reaction from Destination insights | 3 | 1 | 2 | 4 |
| Total score (weighted score from the testing) | 23 (147) | 18 (112) | 27 (179) | 31 (195) |

Source: own research

Based on the scorecard, it is evident that in Slovakia, domestic tourism has the best potential to help with the recovery and survival of businesses. The second-best position has domestic tourism in the Czech Republic. The third is Poland, and the weakest potential is in Hungary.

CONCLUSION

The main objective of the paper was to analyse and compare the domestic tourism potential in V4 countries as a factor of tourism survival, and recovery. The countries and their tourism were analysed from several perspectives and summarized in a simple scorecard. The paper contribution is the complex approach to the data, collection of the actual data from many sources, their comprehensive analysis, and putting the data into a broader context concerning domestic tourism.

The best situation regarding domestic tourism as a factor of tourism recovery and business survival is in Slovakia and the Czech Republic. However, even in these countries it is very unlikely, that the domestic tourism will replace outage of the international tourism in full scale. The financial receipts from international tourism play an important role for the economies.

The research was conducted with the available data at the time of writing. The domestic tourism is not researched in such details and it is very variable in different countries. The situation that the world is completely locked has never arose. Therefore, it was not possible to assign weight to individual criteria in the scorecard and the criteria are based on a combination of previous research, the available data and reasonable expectations. Nevertheless, the research brings a detailed picture of the situation in the V4 countries and a deep insight in the position and potential of domestic tourism. The future research can analyse the results from 2020 and 2021, it would be valuable to research the regional shifts and differences in the countries. The real results of tourism industry will be influenced also by the

government support, current economy performance, unemployment change, availability of vaccination etc.

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