



THE IMPACT OF COVID-19 ON URBAN TOURISM IN BULGARIA: ECONOMIC, SOCIAL AND ENVIRONMENTAL PERSPECTIVES

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ABSTRACT

The PURPOSE of this study is to analyze the multifaceted consequences of the COVID-19 pandemic on urban tourism in Bulgaria, assessing its economic, social, and environmental impacts. The study employs a mixed-METHODS approach, combining quantitative data analysis from sources like the National Statistical Institute for the ten largest cities in Bulgaria with qualitative evaluations of policy measures. The RESULTS indicate the sector experienced a severe economic shock, with revenues declining by 80% in 2020 and significant job losses. A gradual recovery followed, driven by domestic tourism, though it has not fully compensated for the loss of international visitors. The pandemic shifted tourist preferences toward less populated rural and coastal destinations. In response, cities accelerated the digitalization of services and developed alternative tourism experiences. While reduced international travel led to temporary environmental benefits like lower emissions, increased domestic tourism put pressure on local infrastructure and the environment. The study concludes that adaptive strategies are essential for a sustainable recovery.

Keywords: sustainability, urban tourism, post-pandemic recovery, tourist behavior

INTRODUCTION

The COVID-19 pandemic has had far-reaching consequences for global tourism, disrupting travel patterns, economic stability, and social interactions. In Bulgaria, where tourism represents a significant portion of the national economy, urban tourism has been particularly affected. Restrictions imposed by the pandemic led to a drastic decline in international tourist arrivals, reduced demand for tourism-related services, and widespread unemployment in the sector. To mitigate these effects, the Bulgarian government introduced financial aid programs and job retention schemes, but uncertainty remains regarding their long-term effectiveness. Beyond the economic consequences, the pandemic reshaped the urban tourism infrastructure, altering visitor habits and travel preferences. Tourists now prioritize health and safety measures, leading to changes in business

operations, digitalization of services, and shifts in cultural tourism engagement (1).

Furthermore, the crisis also influenced local community attitudes toward tourism, related to concerns about public health, social distancing, and economic stability.

While the pandemic presented significant challenges to the sector, it also provided opportunities for transformation. The temporary reduction in tourist activity led to environmental benefits, such as lower carbon emissions, and encouraged discussions about the need for more sustainable tourism models. Understanding these multifaceted impacts is crucial for formulating strategies that enhance the resilience of urban tourism.

This study examines the economic, infrastructural, social, and environmental consequences of COVID-19 on urban tourism in Bulgaria. By analyzing data from various sources and incorporating stakeholder forecasts, the study aims to identify key challenges and potential strategies for the sector's recovery.

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The findings may offer insights for ongoing discussions regarding the sustainable development of urban tourism in post-pandemic times.

METHODS

The study employs a mixed-methods approach to comprehensively analyze the economic, social, cultural, and environmental impacts of the COVID-19 pandemic on urban tourism in Bulgaria. It combines quantitative data, including economic indicators and employment levels, with qualitative sources such as expert stakeholder assessments and policy measure analyses. A descriptive research design was applied, aiming to provide a deep and multifaceted understanding of the pandemic's effects.

Data collection relies on secondary statistical analysis, utilizing reliable sources like the National Statistical Institute (NSI) and international tourism organizations. To ensure a context-specific analysis, the study includes empirical data at the district level for the ten largest cities in Bulgaria (based on population as of December 31, 2023, according to NSI data), which also function as leading urban tourism destinations. These cities are: Sofia (the capital), Plovdiv, Varna, Burgas, Ruse, Stara Zagora, Sliven, Pleven, Dobrich, and Shumen. The data analysis methodology involves applying statistical techniques to assess the economic consequences, as well as thematic analysis to interpret the qualitative results. In this way, the study contributes to long-term strategic planning in tourism, emphasizing the balance between economic recovery, changing traveler expectations, and the need for environmental sustainability.

RESULTS

During the period 2019-2023, the tourism sector in Bulgaria experienced significant shocks, mainly caused by the COVID-19 pandemic (2, 3). According to WTTC (4) data and NSI (5, 6) in 2019, tourism contributed over 12% to GDP and employment in the sector reached around 10%. However, in early 2020, strict restrictions led to a 59% collapse in GDP generated and a 21% drop in employment,

which severely affected tourism businesses. The decline in tourism mobility led to a decrease in demand and an increase in unemployment in the sector and related sub-sectors (7). As a result, Bulgaria introduced various job preservation schemes and financial instruments to support the tourism business, which shows the vulnerability of the sector (8). A partial recovery began in 2021 with over 30% growth followed by a further growth of 25% in 2022. However, the sector's contribution to the economy still remains low – around 6.5% of GDP and just over 7% employment. The tourism sector, which constitutes a significant part of Bulgaria's economy, has suffered serious job losses. The drain of qualified and experienced workers in tourism poses a challenge for its future recovery (2, 9).

Despite improved results in 2023, tourism levels continue to lag behind pre-pandemic levels. The slow return of international tourists, the lack of qualified personnel, and economic challenges hinder a faster recovery. The effectiveness of the measures taken requires further assessment (9, 8).

According to forecasts, the return to pre-crisis levels will only become a reality after 2033, which emphasizes the need for strategic measures to accelerate the recovery and sustainable development of the sector.

The pandemic has also had a profound impact on urban tourism as a form of alternative tourism in Bulgaria, leading to a significant decline in tourist arrivals and revenues. The data presented in **Figure 1** shows the dynamics of the tourism sector in Bulgaria during the period 2019–2023. The tourism industry suffered a serious decline in 2020, when revenues decreased by 80% compared to 2019 due to travel restrictions and reduced tourist activity related to the COVID-19 pandemic. As a result, the number of accommodation units fell from 3,664 in 2019 to 3,317 in 2020. Recovery began in 2021, when they reached 3,335, and in 2022 their number increased to 4,031 – the highest level for the period under review. In 2023 there was a slight decline to 4019, but this indicates stability and continued interest in the tourism sector.

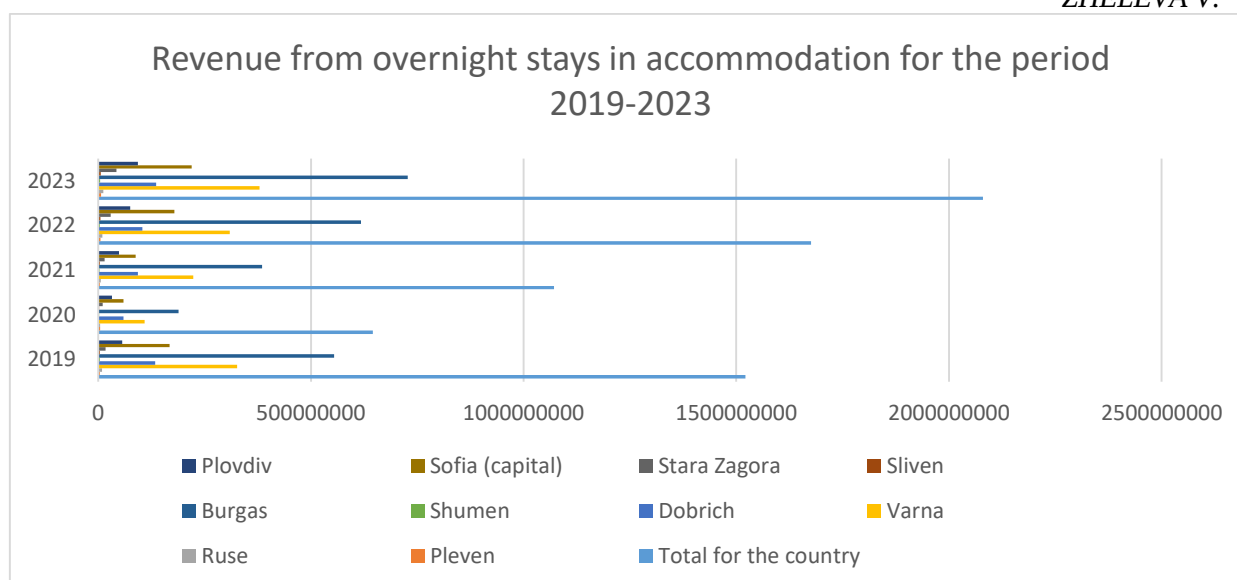


Figure 1. Revenue from overnight stays in accommodation establishments - total for the period 2019-2023.
Source: NSI (5)

The data presented in **Figure 1** shows that the Black Sea cities of Varna and Burgas retain their leading positions in the tourism sector. In 2023, they respectively hold 18.24% and 34.98% of the total number of overnight stays in the country. Despite the significant decline in 2020 due to the pandemic, both regions demonstrate resilience and a gradual recovery of tourist flows. Burgas, for example, reached its highest share of 36.88% in 2022, after which it stabilized at 34.98% in 2023. Varna also reports an upward trend after 2020, albeit with some fluctuations.

Dobrich District, which relies heavily on summer tourism along the Black Sea coast, is showing a slower recovery rate after the pandemic. Unlike the tourist-active Black Sea municipalities in the region, the city of Dobrich itself is not a leading tourist destination, which explains its more limited contribution to the tourism sector. After a reported decline to 6.20% in 2022, the share of tourism in the district slightly increases to 6.53% in 2023, but still remains below the pre-pandemic level of 2019 (8.80%).

Domestic tourism also plays an important role in the recovery of the sector. Sofia and Plovdiv see an increase in overnight stays after 2021, reaching 10.57% and 4.48% respectively in 2023. Compared to 2019 (11.00% for Sofia and 3.70% for Plovdiv), the capital remains a stable destination, while Plovdiv shows moderate growth.

Among the smaller cities, different dynamics are observed. Pleven and Ruse maintain a modest but relatively stable share in the tourism picture (0.33% and 0.57% in 2023, respectively). Shumen, although of lesser importance to the national tourism sector, registered a slight decline from 0.23% in 2019 to 0.21% in 2023. At the same time, Stara Zagora recorded a smooth growth, reaching 2.05% of realized overnight stays in 2023 - its highest level in the last five years.

The overall picture shows that after 2021, the tourism sector is gradually recovering, with the number of overnight stays in 2022 even exceeding 2019 levels. In 2023, the sector remains stable and continues to expand thanks to improved infrastructure, effective marketing strategies and an increased supply of tourism products.

The Black Sea resorts remain key destinations, but domestic tourism also contributes significantly to the positive trends. Despite the different rates of recovery in individual regions, the sector has demonstrated its ability to adapt and be resilient. These data confirm that Bulgarian tourism is not only recovering from the crisis faster than expected, but also continues to develop. Factors such as competitive prices, diverse tourist products and growing demand contribute to sustainable growth, creating prerequisites for further development of the sector.

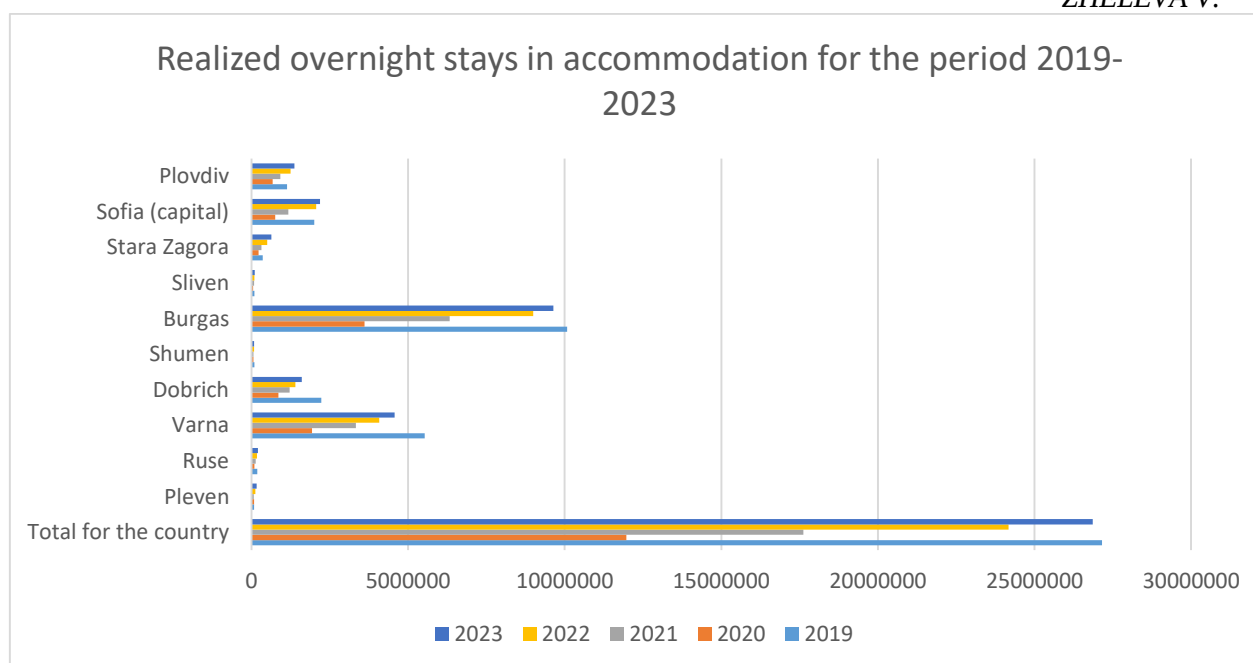


Figure 2. Realized overnight stays in accommodation facilities – total for the country for the period 2019-2023 (Bulgarian and foreign citizens).

Source: NSI (5)

The data presented in **Figure 2** shows a significant number of overnight stays in accommodation establishments across the country in 2019. During this period, 27,154,791 overnight stays were recorded, confirming the stable development of the tourism sector in Bulgaria. One of the key factors for this growth is the increase in accommodation establishments, which in 2019 reached 3,664. This is evidence of the improved tourism infrastructure and effective marketing strategies. The stable interest from Bulgarian and foreign tourists, supported by the diverse tourism products and competitive prices, contributes to the positive trend until 2019.

However, the COVID-19 pandemic in 2020 interrupted this steady growth, with overnight stays falling by over 56% compared to 2019, reaching 11,968,483. The main reasons for this decline were the implemented travel restrictions, the closure of accommodation facilities and reduced demand due to increased uncertainty. The most affected by the crisis are key tourist regions such as Burgas (down 64.2%), Varna (down 65.1%) and Dobrich (down 61.6%).

In 2021, the sector began to recover, with the number of overnight stays increasing to 17,620,268. The largest contribution to this was made by the seaside destinations – Burgas (6,321,134 overnight stays), Varna (3,335,420 overnight stays) and Dobrich (1,216,325

overnight stays). Sofia and Plovdiv also recorded growth, reaching 1,171,327 and 920,567 overnight stays, respectively.

In 2022, the recovery continues with 24,173,291 overnight stays, and by 2023, the indicators almost reach pre-crisis levels – 26,865,046 overnight stays. Burgas and Varna remain leading destinations with 9,636,004 and 4,565,334 overnight stays respectively, while Sofia and Plovdiv consolidate their positions as important tourist centers.

This dynamic highlights both the vulnerability of the tourism sector to global crises and its ability to adapt and recover even in the face of significant challenges, such as the reported marked decline in tourist arrivals during the pandemic, which significantly affected urban areas heavily reliant on tourism.

Changes in tourism behavior

The COVID-19 pandemic has led to significant changes in travel intentions among Bulgarian tourists. The introduced international travel restrictions have focused attention on domestic tourism, which has led to increased interest in national parks, spa resorts and historical sites (10). However, domestic tourism has not been able to fully compensate for the loss of foreign visitors, which has led to a decline in tourism sector revenues (11, 12). In addition to health factors, economic stability has proven to be a key factor influencing travel decisions,

surpassing even concerns related to the pandemic (10).

In response to changes in tourist behavior, alternative guided city tours are growing in popularity in Sofia, embodying the concept of "glocalization", combining global trends with local culture (13). These tours respond to the increased demand for authentic experiences focused on local history, culture, and sustainable practices.

The pandemic has had a major impact on cultural tourism in Plovdiv, as the European Capital of Culture (2019) (14), leading to a decline in international visits and limited operation of key sites such as the Ancient Theatre and the Kapana creative district. Small local businesses have suffered serious losses, but the city has adapted by stimulating domestic tourism, digitizing cultural events and supporting the creative sector.

Varna, as a leading seaside tourist destination, has felt a serious blow from the reduced number of foreign tourists and restrictions on mass events in the Sea Garden. However, the city has successfully adapted by promoting wellness and medical tourism, encouraging the domestic market, and introducing safety measures that attract more Bulgarian visitors.

Burgas suffered from the decline in cruise tourism and the cancellation of festivals such as "Spirit of Burgas", but responded with innovative solutions such as digitalization of tourist services, creation of outdoor cultural spaces in the Sea Garden and on St. Anastasia Island, as well as development of ecotourism and gastronomic tourism for local visitors.

Despite the negative effects of COVID-19, Plovdiv, Varna and Burgas are demonstrating adaptability and innovation to minimize losses and promote sustainable development of urban tourism. The main strategies include digitalization, development of domestic tourism and alternative forms of tourist experiences.

During the COVID-19 pandemic, the cities of Stara Zagora, Ruse, Pleven, Sliven, Dobrich and Shumen also experienced serious difficulties in various segments of tourism. Stara Zagora and Pleven were affected by the decline in cultural and wine tourism, while Ruse lost a significant inflow of cruise tourists. In Sliven and Shumen, the decrease in organized visits negatively affected nature and historical

tourism, while Dobrich was less affected but reported a decline in international interest. In response, these cities focused their efforts on domestic tourism, the digitalization of cultural and natural landmarks, the organization of outdoor events and the development of alternative forms of tourism such as wine, gastronomic and ecological tourism.

In this context, traditional urban tourism, which usually involves short-term trips and visits to closed and crowded spaces, has lost some of its appeal due to health risks. Instead, tourists started to prefer rural and coastal areas where social distancing is easier to maintain, leading to a rise in the popularity of ecotourism, agritourism and nature-based activities (15, 12).

The COVID-19 pandemic had a two-way environmental impact in the context of urban tourism in Bulgaria. One of the most significant positive effects was the temporary reduction of the ecological footprint, as reduced tourist activity and the decline in international travel led to lower greenhouse gas emissions. At the same time, however, the crisis also had negative consequences. The redirection of tourist flow to the domestic market put pressure on the local urban environment by increasing the amount of waste and straining popular destinations. This phenomenon highlighted the existing tension between the need for sustainable development and environmental protection, especially in coastal areas where the rapid expansion of tourism infrastructure continues to raise concerns.

Despite the challenges, the crisis also created opportunities for rethinking and transforming towards more sustainable tourism models. The changed preferences of tourists, who began to seek less populated rural and coastal areas, led to a growth in the popularity of ecotourism, agritourism, and active recreation in nature. In response, innovative products such as urban eco-tours emerged, aimed at encouraging responsible consumption and raising environmental awareness. These trends underscore the need for future urban tourism policies to integrate sustainable development strategies that balance economic growth and environmental responsibility, thereby building a more adaptive and resilient sector.

In the context of these changes, urban ecotours gained popularity as a way to promote responsible consumption and environmental

awareness among young people (16). These initiatives aimed to form sustainable tourism habits and raise awareness of environmental challenges, while also taking into account broader European environmental goals (16). However, tensions remained between sustainable development and environmental protection, particularly in coastal areas, where the rapid expansion of tourism infrastructure has raised concerns about environmental and cultural impacts. Research suggests that long-term changes in tourist preferences can lead to sustainable rural development and a better distribution of tourism flows.

The COVID-19 pandemic is likely to have long-term consequences on urban tourism demand and related policies. Urban areas are faced with the need to adapt to the new realities of post-pandemic tourism by integrating strategies for sustainable development and management of tourist flows (15). One of the main factors for this transformation is the accelerated digitalization in the tourism sector. High-end hotels in urban areas are increasingly introducing digital tools to optimize services and increase cost efficiency (17). These technologies not only improve the user experience, but also contribute to reducing operating costs and increasing the competitiveness of tourism enterprises.

In addition to digitalization, the pandemic has led to a reassessment of the role of tourism in society, changing travel patterns and attitudes towards tourism activities. The introduced health and safety measures are causing significant disruptions to the visitor experience, which has necessitated a rethinking of infrastructure solutions and tourism facilities (18). Furthermore, in some European countries, such as the Czech Republic, a major shortcoming has been identified in the lack of a clear distinction between whether cultural tourism belongs to the economic sector or the cultural sphere – an issue that may also be relevant for Bulgaria (12). Domestic tourism, although a driver of recovery, has also put pressure on the local urban environment, increasing waste and burdening popular tourist destinations (19) (20). However, the reduction in international travel has led to a significant decrease in greenhouse gas emissions from tourism in Central and Eastern European countries, including Bulgaria, demonstrating a positive environmental effect (21).

In this context, future urban tourism policies need to combine economic development with cultural heritage, while taking into account new social and technological realities. The crisis has had a predominantly negative impact on tourism, but the positive effects of the pandemic could contribute to greater resilience and more sustainable tourism models in urban areas (22). The pandemic has affected local communities' perceptions of tourism and tourists, with health concerns, social distancing obligations and economic concerns dominating the dilemma (23). These factors highlight the need to build more adaptive and sustainable tourism models that not only respond to the new conditions, but also ensure a balance between economic growth, social integration and environmental responsibility.

CONCLUSION

The results of this study show that the COVID-19 pandemic has caused profound disruptions to urban tourism in Bulgaria, leading to a significant decline in visitor numbers and revenues. International travel restrictions, uncertainty among tourists and business closures have led to an 80% decline in revenues in the sector. Although domestic tourism has grown as an alternative source of revenue, it has not been able to compensate for the losses from the decline in international tourist flows. Additionally, changing tourist preferences have shifted interest towards less populated destinations, leaving urban areas particularly vulnerable.

In addition to the economic consequences, the pandemic has led to serious social and environmental challenges. Job losses in the tourism sector have reduced the skilled workforce, creating long-term risks to the industry's recovery. In response, the government has introduced financial support measures, but their effectiveness remains questionable. At the same time, the crisis has accelerated the digital transformation of tourism services, improving efficiency and customer experience. However, increased domestic travel has increased pressure on urban infrastructure, raising challenges related to resource management and environmental protection.

To ensure a sustainable recovery of urban tourism in Bulgaria, it is necessary to integrate adaptive strategies combining economic development, social responsibility and environmental balance. Promoting domestic

tourism, investing in innovation and improving the management of tourist flows can help build a more sustainable tourism sector. Despite the challenges, the crisis has provided opportunities to rethink the urban tourism model, focusing on more balanced, environmentally responsible and sustainable forms of development.

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