

The Impact of Covid -19 Pandemic on the Financial Performance of Tourism Industry in Sri Lanka

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Abstract

The COVID-19 pandemic has had a profound effect on the global tourism sector, and Sri Lanka is no exception. This research paper focuses on analyzing the financial performance of the tourism industry in Sri Lanka amidst the pandemic and identifies the key factors that have contributed to its decline. The findings of this study indicate that the pandemic has had a severe impact on the tourism industry in Sri Lanka. There has been a significant decrease in the number of tourist arrivals, revenue generated, and employment opportunities within the industry. Several factors have been identified as contributors to this decline. Firstly, travel restrictions imposed by various countries have greatly hindered international travel, resulting in a decrease in tourist arrivals. Additionally, concerns regarding health and safety have discouraged potential tourists from visiting Sri Lanka. Furthermore, the lack of government support has further exacerbated the challenges faced by the industry. Moreover, this study highlights the varying impact of the pandemic on different sectors of the tourism industry. Accommodation and transportation have been particularly affected, experiencing a significant decline in business. This discrepancy in impact emphasizes the need for tailored strategies to address the challenges faced by each sector. In conclusion, this research provides valuable insights into the challenges faced by the tourism industry in Sri Lanka during the COVID-19 pandemic. It also offers practical recommendations to aid in the recovery of the industry. These recommendations include the necessity for a coordinated response from industry stakeholders and the government, the development of innovative products and services, and the adoption of digital technologies. By implementing these recommendations, the tourism industry in Sri Lanka can work towards mitigating the impact of the pandemic and facilitating its recovery.

Keywords: COVID-19, Tourism, Financial Performance, Hotels, Sri Lanka