

High-Quality Transformation and Upgrading of Nationwide Wellness Tourism in the Market Segments Accelerated by COVID-19

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Abstract

The novel coronavirus (COVID-19), which broke out at the end of 2019, is still raging all over the world. China, as one of the countries with the largest population base in the world, is also the largest developing country in the world, and its tourism industry, which accounts for a large proportion of its service industry, has also been hit by the COVID-19 outbreak as never before. As the saying goes, crisis is often a time when both crisis and opportunity coexist. Therefore, in this paper, it attempts to clarify whether the crisis of the COVID-19 outbreak to China's tourism industry and its surrounding industries is greater than the opportunity or the opportunity is greater than the crisis through research. Then, based on the cooperation of the whole industry with the national epidemic prevention and control after the outbreak of the epidemic, it discusses the production self-help of tourism and its surrounding industries, and explores the new track and entry point of transformation and upgrading under the new situation, as well as the methods of realizing high-quality business development and upgrading and brand-new interpersonal distribution effect through new means under the new situation such as new technology empowerment. In this paper, the relevant research results are consulted through investigation, especially the related literature of China's tourism and its surrounding industries. Combined with real-life investigation, the representative enterprises in the industry are visited, and many classic cases emerged in the industry during the outbreak are reviewed. In the process of field visits to related enterprises in the industry, informal interviews with relevant enterprise leaders are conducted to promote this investigation and research. In this paper, firstly, the bottlenecks, opportunities and challenges faced by the tourism industry since the outbreak are analyzed, next the ways in which the tourism industry and its surrounding industries can achieve high-quality development and upgrade through industrial fusion as well as technological endowment are clarified combined with the innovative business models and product iterations of enterprises in the industry during this period, then the status of health concept in the minds of consumers is highlighted with the impact of the outbreak, and finally the proportion of wellness tourism products is increased to meet the mental needs of consumers through the high-quality development of tourism. In this study, the significance and value of wellness and leisure tourism products in the future development of the tourism industry are elaborated in detail in combination with the needs of wellness and leisure tourism returning to the customers' minds after the COVID-19 outbreak, which provides theoretical basis and case support for further joint business development of comprehensive health sectors such as physical examination and recuperation in the future in China's tourism industry, and for the transformation and upgrade of high-quality development in healthy and leisure market segments.

Keywords: COVID-19, tourism market division of the whole region, wellness and leisure tourism, comprehensive health

I. Background

The year 2020 that just passed is doomed to be an extraordinary one, during which the largest and most serious COVID-19 outbreak worldwide since SARS in 2003 caused a total halt in the global tourism industry and brought the tourism economy to a freezing point. Moreover, the global tourism output is expected to plummet by 70% in 2020, according to UNWTO data for the same period. A large number of domestic airlines, travel service companies, hotels, scenic spots and other tourism industry surrounding enterprises and products derived from eating, living, traveling, purchasing and entertainment also experienced the most severe impact since the SARS epidemic in 2003 in 2020 [1].

The COVID-19 outbreak not only caused huge economic losses, but also had a profound impact on the development trend and competition pattern of the travel service industry. According to the data, before the outbreak, China's domestic tourism reception volume and scale, as well as income scale and growth rate have been growing for more than ten consecutive years. In 2018, China's tourism industry had a total revenue of 6 trillion yuan, contributing 9.9 trillion yuan to China's GDP, which accounted for 11% of the total domestic GDP. At that time, it has become a new growth point and an important part of the national economy [2]. As a result of the impact of the COVID-19 outbreak, the number of domestic tourists declined by 83.4% in the first quarter from January 24, 2020, when groups were stopped and scenic spots closed, and the comprehensive index of tourism economic operation reached the lowest level in the past 50 quarters. From a microscopic point of view, a domestic private listed airline group where the author lives accumulated 1.41 million non-destructive airline refunds after the outbreak in the first quarter, with a value of about 1.2 billion yuan, and 250,000 travel orders were canceled in full, with a total amount of nearly 410 million yuan. Thus it is clear that the COVID-19 outbreak has caused a huge impact on the tourism industry. Even in the second quarter after the opening up of travel in the province after March 12, the number of domestic tourists still decreased by 51%. Although the gradual recovery of travel confidence can be clearly felt, more than 9,000 tourism enterprises were canceled and revoked in May 2020 alone due to operational pressure. During this period, the Labor Day and the following Dragon Boat Festival holidays had a significant effect, with the total number of tourists and tourism revenue gradually recovering to half and one-third of the benchmark points as compared with the past. Since the lifting of the ban on inter-provincial tourism on July 14, 2020, the tourism market under the impact of the epidemic has also accelerated its recovery. The resumption of work and production has entered an accelerated period, with the proportion of workers returning to work approaching 60%. With the arrival of summer vacation, the superposition effect of parent-child relationship, summer vacation and the ever-existing demand for business travel has gradually emerged. As of the Golden Week of National Day last year, with the support of National Day and Mid-Autumn Festival, the number of domestic visitors and tourism revenue recovered to 80% and 70% respectively in the same period, which further boosted the confidence of practitioners who remain committed to the industry.

II. Crisis and Opportunity under the Normalization of Epidemic Prevention and Control

The transformation of "traditional" travel agencies has been a hot topic before the outbreak. Online travel agencies (hereinafter referred to as OTAs) have actively explored the road to self-help and transformation during the epidemic. Many clubs, associations, interest groups and even key opinion leaders in social media in private domains (although they do not have the name of a travel agency but have acted as a travel agency) have become an emerging force that cannot be ignored, and reflect the multiple real situations of the travel service industry under the epidemic from different dimensions [3].

It is true that the tourism supporting industries have suffered a huge impact in the epidemic. However, with the emergence of the crisis, risks and opportunities often coexist. Tourism and travel services are facing greater challenges and new development opportunities from product innovation to service improvement, from cross-border main body to the promotion of human capital in the whole industry, from flow diversification to channel diversification, from digital transformation to supply chain innovation, from the multi-agent fair supervision to the optimization of industry business environment.

How to seek opportunities in crisis and how to find opportunities in crisis has become an urgent proposition for tourism industry in 2020. In the post-epidemic era, or under the normalization of epidemic prevention and control, the transformation and upgrading of tourism has just started, and many classic cases of enterprise self-help have emerged nationwide. For example, under the premise that the epidemic was relatively controlled, but personnel were still not allowed to move across provinces in the second quarter of 2020, some tourism and travel service companies launched the "local tourism" campaign and introduced corresponding healthy and leisure travel products for medical staff participating in the front line anti-epidemic campaign, realizing the psychological counseling through tourism. Another example is the "Fly with Your Heart" series products launched by some airlines during the epidemic.

Through the package of travel services, they launched the "flight year card" service in China for the first time in history. In this way, on the premise of meeting the travel needs of some tourists with high price sensitivity and just need, they also achieved the effect of actively giving blood back to the airlines in terms of cash flow, enabling the enterprises to have the motivation to continue to survive in difficult times.

With the control of COVID-19 outbreak in China, the air travel industry and tourism industry are gradually experiencing the "crisis" and "opportunity" brought by it. As aforementioned, at the beginning of the outbreak in 2020, the industry was affected by the external environment and suffered from a large number of full-amount and non-destructive return orders, which was fatal to the revenue and cash flow of many tourism enterprises, especially small and medium-sized private enterprises. Even after the provincial and city tourism gradually recovered in April 2020 and the inter-provincial tourism gradually liberalized in mid-July, outbound travels with relatively high profit margins in traditional tourism services went into downtime due to the continuous surge of foreign epidemics.

The COVID-19 outbreak has brought not only crisis but also new opportunities for domestic travel service companies. First of all, as the country puts forward the proposition that economic development should focus on the domestic big cycle and the domestic and international double cycles should promote each other to speed up the formation of a new development pattern, it is of great guiding significance to the revitalization of the domestic travel market, especially under the premise that the outbound tourism revenue has been increasing for many years and the inbound and domestic tourism revenue has been continuously decreasing, and to the re-layout of the industry format distribution and resource allocation of the travel industry.

In the meantime, with the upgrading and development of the information technology revolution, some technologies such as mobile Internet, 5G and artificial intelligence, which appear to be far away from tourism and other traditional industries, have gradually entered the development of the industry. As one of the representatives of traditional industries, the air travel industry has changed from not wanting to transform to having to transform, not embracing new technologies to having to merge into the torrent of new retail and new economy, which is also the hope of the state and the government for the integration and shared development of the air travel industry. The author also hopes to have a more in-depth and systematic analysis and feedback on the changes of external environment, the development of national industries and the existence of enterprises themselves through this research.

III. Ways of Surviving and Upgrading the Industry in the Context of High-quality Development

3.1 Returning to the customer's mind: a new trend of the integrated comprehensive health industry

The outbreak of COVID-19 in 2020 made human beings helpless and insignificant in the face of unknown viruses, which was undoubtedly impressive to all mankind, and at the same time, it also raised the attention of the whole people to health issues. In fact, this is not the first time that such an argument has appeared in China. As early as October 25, 2016, the Central Committee of the Communist Party of China and the State Council issued and implemented the *Outline of "Healthy China 2030"*, which clarified the importance of improving people's health level for a long time in the future. In particular, it pointed out that to promote the construction of a healthy China, we should persist in putting prevention first, promote a healthy and civilized lifestyle, create green and safe health and reduce the occurrence of diseases. Before the concept of wellness tourism was put forward, many different concepts such as health tourism, fitness tourism, medical tourism, healthcare tourism and convalescent tourism were used when the academic circles studied the tourism forms related to physical and mental health, and some scholars tried to include various forms of tourism such as fitness, medical care, health care and convalescent tourism in the broad sense of health tourism. However, the health tourism both in the narrow sense and the broad sense only focuses on physical function, ignoring mental health such as mind, spirit and emotion.

In Chapter 18 of the *Outline of "Healthy China 2030"*-Developing New Business Forms of Health Services, it is clearly pointed out to actively promote the integration of health, pension, tourism, internet, fitness and leisure, and

food, and give birth to new health industries, new business forms and new models; to develop Internet-based health services, encourage the development of health services such as physical examination and consultation, promote the development of personalized health management services, cultivate a number of distinctive health management service industries, and explore and promote the development of wearable devices, smart health electronic products and mobile medical application services. In this context, the concept of wellness tourism is proposed to amend and enrich the traditional concept of health tourism.

According to the definition of the CNTA, wellness tourism refers to the integration of various tourism activities that enable people to achieve a good state of natural harmony in body, mind and spirit through various means such as keeping young and healthy, nourishing the diet, cultivating the mind and caring for the environment. The research on the wellness tourism is limited due to the fact that the concept of wellness tourism is clarified late and no consensus has been reached. It is precisely because of this that the surge in demand for wellness tourism market has pushed many rural areas to try to use tourism to realize tourism urbanization, and then promote the expansion and reconstruction of cities and towns in space, and finally realize the characteristics of landscape urbanization, population urbanization, regional urbanization and social concept urbanization. Such urbanization driven by tourism is also called tourism urbanization [4].

In accordance with the Central Document relative with the 14th and 15th Five-Year Plans of the People's Republic of China, the Ministry of Agriculture has further promoted the construction of an ecological civilization and a beautiful China. Since 2014, the Ministry of Agriculture has successively launched the promotion activities of "China's Most Beautiful Leisure Village" and "China's Beautiful Countryside", making beautiful countryside the current and even the key work target as a part of high-quality development in the upcoming time of the period. Looking back to Shanghai, China, the government-directed Shanghai-specific "Shanghai Benefits Insurance (HuHuiBao)" product has also been launched recently and is available for sale as a customized new commercial supplementary medical insurance in Shanghai to the insured of Shanghai's basic medical insurance. In the future, 70% of the out-of-pocket expenses will be reimbursed through this product even if the proton treatment is involved through this customized service.

Through the detailed cases above, it is not difficult to find out the demand on the supply side of the integrated comprehensive health industry, especially the market segments of wellness tourism. A series of landmark measures have once again highlighted the importance and promotion of health proposition in life from the national, to the local governments at all levels, to the ordinary citizens. The COVID-19 outbreak has once again accelerated the process indirectly, and has also led more and more people to look into the field of comprehensive health. From the explosive sales of various new types of wearable products to the "migratory bird type" migration and rehabilitation that has swept through the tourist circle in recent years, all these have reflected our country's medium-and long-term planning for the development of the upcoming aging society, making "old people have a sense of security and respect" in the future. In particular, during the epidemic, the concept of Hainan International Tourism Island was put forward to show the phenomenon incisively and vividly. In 2020, the year most affected by the epidemic, Hainan Island Tour represented by Sanya and "migratory bird-style" medical products represented by Boao were pushed to the forefront only after China opened its inter-provincial tourism in July of the second half of the year. In this process, it brought huge flow and infinite business opportunities to the air transport industry and the sales of duty-free goods on outlying islands represented by China Travel Service Group. In addition, a series of health products such as mountain and sea health care, rainforest health care and parent-child health care have been launched.

3.2 The construction of characteristic small towns and excellent scenic spots in the integration of cultural tourism industry

The COVID-19 outbreak has accelerated the popularity of concepts such as "comprehensive health" and "wellness", which is bound to push forward the further reform of the supply side of the market. Not only in the single market segment of wellness tourism, but the whole tourism industry is moving towards high-quality development. Even as

an ordinary tourist, you will find that the tourism scene is moving from "getting on the bus to sleep and getting off to take pictures" two or three decades ago to "getting lazier and greedier" deep leisure tourism. The change of the symbolic scene, which represents the high-quality development of the domestic tourism industry, requires people to have more delicious food and beautiful scenery, or IP(Intellectual Property) content, thus not only meeting the physiological relaxation needs of tourists in the process of high-quality leisure tourism, but also enabling the clients' tourists to enjoy psychological satisfaction in their private domain traffic pool from the current era when instant messaging and short video traffic are dominated.

Therefore, we will find that in recent years, more and more cities are focusing on creating unique landmarks and scenic towns. For example, in the Yangtze River Delta region of East China, the early towns of Tongli, Mudu and Luzhi, which were representatives of the 1.0 era, have begun to renovate their own scenic spots to seize the next opportunity for traffic. The small towns in the 2.0 era, represented by Wuzhen, also broke the barrier between the destinations and the Internet by holding "world internet conference" and other activities, forming a ring-breaking effect to attract traffic. The most amazing ones are Anji in Zhejiang Province and Changzhou in Jiangsu Province. Although they have beautiful scenery, they always suffer from the lack of a unique logo or brand. As a result, the former created the unique Changzhou Dinosaur Park, and the later introduced a Hello Kitty theme park, which attracted the most "young" tourists in East China and even the whole country. Although these children themselves do not have any purchasing power, according to the actual data feedback, the entry of this group of consumers drives the buyers represented by their parents, especially in the secondary consumer products or projects in the scenic area. In the post-epidemic era, the external environmental factor of the normalization of prevention and control, combined with the "double-cycle" strategy proposed by the Chinese government during the 14th Five-Year Plan, will accelerate the growth and development of a large number of characteristic small towns and high-quality scenic spots in China. This is similar to the situation in the early days of the outbreak when some local products were popular before inter-provincial travel could not be opened. With the help of the most popular short video platform and peer-to-peer communication in interpersonal interaction, some local IP was once again brought to the public's attention. For example, the project products such as "Mini Tour in Shanghai" and "Searching For Never-Widening Roads" launched by Shanghai during the epidemic period have once again promoted the online secondary heat spread of a number of classic landmarks including Tianzifang and Wukang Building by using the unique cultural heritage of Shanghai, especially the unique meeting places of the First, Second and Fourth Congress of the CPC on the occasion of the 100th anniversary of the founding of the People's Republic of China.

3.3 Scenario application of new retail economy in air travel industry

In the previous chapter, we mentioned the new application of mobile Internet technology in the context of cultural and travel convergence. Although the iteration of technology and the empowerment of products accelerate the interpersonal distribution and communication, the development of all technical tools will eventually return to people themselves. After going through rounds of technological changes, the logic of information dissemination and product distribution in the tourism service industry has also changed, including not only the ongoing cloudization process from offline to online, but also the channel change from store to person, from platform to person and finally from person to person, which can also summarize the distribution channels of tourism products that have evolved continuously since China's reform and opening up for more than 40 years [5]. At first, the traditional long-chain real economy represented by state-owned enterprises led to stores being the most important channel to link products with customers in this period. In the Internet era, the emergence of OTA broke the time and space constraints of stores. . Finally, in the mobile Internet era, community and live broadcast gradually became a new channel growth pole for interpersonal trust, information dissemination and product distribution. As a result, after the outbreak of the epidemic slowed down slightly in 2020, even though many traditional travel agencies and travel service companies withdrew from the historical stage of the industry, there were still many mobile Internet platforms represented by bilibili, TikTok, KuaiShou.NET, Meituan and Little Red Book, which entered the cultural tourism industry against the trend and gradually gained a firm foothold. According to the data, during the epidemic period, 21.7% of enterprises tried to sell goods by live broadcast, while 43.4% of enterprises took WeChat, TikTok and Little Red Book as the main

promotion channels and marketing positions, and truly realized the integration of people, goods, market and payment through technology empowerment, breaking the limitation of time and space.

The resulting supply-side reform is just like injecting a shot in the arm into traditional tourism. From embracing or rejecting to change, it has directly entered the proposition stage of no making without breaking, living or dying. In view of this, the traditional tourism industry has also undergone radical changes: whether to transform or to change is also a choice faced by many traditional tourism service enterprises. In fact, it is not the COVID-19 outbreak that has forced the transformation of the current travel service industry. More importantly, innovation in the travel service industry in a broad sense has never stopped. It is precisely the continuous advancement and progress of the industry that has created the integration and development of today's travel service industry, which includes traditional travel agencies, OTAs, professional clubs, crossover enterprises and other multi-industry and multi-subject.

Market players from other industries, which have accumulated mature and more homogeneous customers in the original field, are meeting the professional needs of market segments with innovative products and services. Even in the market segment of wellness and leisure products, we can also see that the traditional real estate developers represented by Vanke have settled in and taken a share in the migratory bird type recuperation tourism. Throughout history, the industrial civilization and information society experienced by several industrial revolutions are bound to integrate technology, capital, innovation, knowledge and other elements to activate traditional culture and tourism resources, and then superimpose new kinetic energy to catalyze industrial development.

IV. Summary

4.1 Innovation points

In this paper, through the systematic and in-depth investigation of private enterprises in the air travel industry and the mastery of detailed first-hand data, the detailed profile and portrait of wellness market segment in this field are carried out for the first time;

Based on the analysis of industry development and the shackles of organizational, business and cultural factors at the present stage, the distribution forecast of future industry development and practitioners' business patterns is obtained.

Based on the latest cutting-edge development of scientific and technological means, the next generation of air travel industry development platform assumption is put forward on the basis of industrial development. Through the combination of cultural tourism industry assembly, the top-level logic and theoretical basis are provided for the development of the next generation of platform tools and data systems with strong operability and practical application value.

4.2 Significance of theoretical research

Over the past 40 years since the reform and opening-up, China's economy has experienced a long period of rapid development. History, like a wheel, always has striking similarities. The COVID-19 outbreak in 2020 has once again touched the memory of all human beings, especially those in the tourism industry, for SARS 17 years ago when all industries focused more on business development, represented by the air travel industry and the tourism industry, but had to press the pause button due to the SARS epidemic in 2003 and now the COVID-19 outbreak in 2020.

The difference is that during the SARS epidemic in 2003, it was still in the embryonic stage of the Internet era. Although the tourism development format after the epidemic did not bring a disruptive impact to the traditional tourism industry for the time being, the rapid development of the Internet after 2003 has set the stage for the industrial transformation and iteration after many years. Compared with the previous SARS outbreak, the impact and scope of

COVID-19 this time were more extensive and severe. At the same time, for the service industry in which the tourism industry is located, the external environment and objective conditions are quite different today: The outbreak of SARS 17 years ago was just on the eve of the popularity of Internet application, which prompted and laid the tone for the next Internet era. Taobao, JD.COM and even New Oriental in the education and training industry all created the glory of the next era by turning around in time when facing the crisis.

The tourism service industry are facing objective conditions in 2020 that the foundation of tourism and leisure demand is deeper, and the supply of tourism and leisure is more abundant, while the application of travel online services with the popularity of communication technologies such as the 5G has also become more convenient. The COVID-19 outbreak in 2020 has brought a great impact on the tourism industry and tourism industry, but the root cause is the persistence of business model and the lack of high-quality development. Therefore, in the post-epidemic era after the normalization of epidemic prevention and control, how to reconstruct the tourism industry ecology, sort out the business structure of the air travel industry, organize the development and upgrading, and the personal development of practitioners and even the changes in job roles are the theoretical research significance that this research focuses on.

4.3 Practical research value

When sorting out and summarizing this research, the explosive increase of the number of confirmed cases in one day in the world, especially in India, touched the heartstrings of all mankind. At the same time, China is also facing retaliatory travel and the increase in the number of tourism consumers during the May Day Golden Week in the second quarter since the outbreak last year. Combined with the uncertainty of the epidemic situation in overseas countries and other factors, an unprecedented change has taken place once in a century, which has not been seen in decades for the air travel and tourism industries. The business center system formed in the industry has gradually moved closer to the customer center system with the application of digital and information technologies such as 5G and artificial intelligence, as well as the development of fragmented models such as online celebrity's economy and live stream economy.

More and more people in the industry are emphasizing the customer-centered system, from customized tour to DIY, and even airlines can vote online to decide the final route. For the development of the industry in the future, relevant enterprises and practitioners need to face the impact of multiple external factors, such as high-quality development, beautiful countryside construction and live stream economy, etc. How to achieve the optional actions without losing shape on the basis of the required actions so as to help enterprises become bigger and stronger in the industry, and to complete the transformation and upgrading of China from a country with a large air travel population to a country with a strong air travel industry in the current of the times are all practical significance that we can achieve through the research of this topic.

With the gradual stabilization of epidemic prevention and control situation in China and the increase of vaccination population base,, it is believed that our country will soon open to the outside world again, which excites people who have enjoyed the development dividend of more than 40 years of reform and opening up, because only persistent opening to the outside world can promote exchanges and progress. For the air travel industry, it is of course important to cultivate the market segments with inner circulation in the double circulation, but outbound travel and inbound travel in the global scope also undertake the tasks of economic and cultural exchange and interpersonal communication in the country. Not only the point-to-point "Bubble Tour" model that has been launched but also the global interpersonal interaction that will be possible in the near future is truly a good fortune for Chinese people, for the air travel industry, and for all humans!

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