The Impact of the Coronavirus Epidemic on Air Transport in Poland

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Abstract: The spreading epidemic of coronavirus has a huge impact on the aviation industry in Poland and around the world. Passengers limit travels, airlines suspend flights, operate planes individually, and send employees to forced break. Industry analysts predict significant losses in the air transport sector. This causes significant impediments to the mobility of people around the world. The purpose of this article is analyze the situation on air transport, derived from information about coronavirus and its impact on air transport in Poland and around the world.

Keywords: air transport; coronavirus; travel; mobility; globalization.

Introduction

The contemporary world economy is becoming strongly integrated and international policy is increasingly interdependent (Wojewódzka-Król & Załoga, 2016). Air transport as an element of the world economy is so important that it should be recognized as the driving force of many phenomena and processes. The transport system as a management department has limited ability to respond quickly to the needs of the modern world, state, region and local community. Changes taking place in it require time and large financial outlays. Globalization has the largest impact on the functioning of the aviation market, which is one of the most important development trends in the modern world. The coronavirus pandemic caused a crisis in the global economy. One of the most affected industry is air transport. These are not just the consequences of the spread of the coronavirus, but more importantly the closing of borders and the decrease in demand for air travel (“Airlines In A Major Crisis”, 2020).

In postmodern society, mobility is key value. Those who can't participate in mobility also can't be a world citizen and are doomed to isolation and marginalization (Mamzer, 2020). The mobility capacity during the covid-19 pandemic has been significantly limited.

The purpose of the article is to show the impact of coronavirus on the aviation market in Poland and worldwide. It is certain that the virus COVID-19 greatly affects travels. Entrepreneurs and carriers are considering solutions that would improve of security passengers when mobility is resumed (“How Coronavirus”, 2020). The transparent walls between the armchairs and empty central armchairs are one of the idea. At the moment it is difficult to predict how the changes impact to ticket prices, but it is very likely that air travel will increase in price. If there will be guidelines on the number of passengers aboard the aircraft and the distance between them, then the airlines will have no option but to increase the prices of air tickets. It is therefore possible that for passengers traveling by air, access to air services will be limited and more expensive. This article reviewed literature, text analysis and current statistical data regarding the air transport and travels.

Air transport in the world

Transport is a main key branch of the economy that meets the needs of moving people and goods. Cargo transport is also logistics system, who performs tasks related to the movement of materials, finished products,
components in production, distribution and supply subsystems. Efficient transport in the economy affects the efficiency of commercial transactions, both in domestic and international trade. However, passenger transport meets the needs of human life and its movement.

Transport can be defined as a human activity whose purpose is to change space using an appropriate means of transport and infrastructure (Kacperczyk, 2009). It causes a change of place in time and space in a conscious and purposeful way. Therefore, transport is closely related to the use of means of transport, infrastructure and economic entities providing transport services. The concept of transport also includes many accompanying activities, such as preparation of means of transport, reloading, storage and logistic activities related to transport service.

Transport plays a significant role in every national economy. It performs service functions for other departments and enables the functioning of other sectors of the economy. There is a strong relationship between economic development and the transport system. Efficient transport is a catalyst for growth and its lack becomes a barrier to economic development.

Exchange stakeholders on the selected transport market are services related to the movement of persons, cargo and information, with the majority of air transport work in the world resulting from passenger transport (Rucińska & Rucińska, 2000). Transportation services are carried out in particular by airlines and aviation companies. However, elements of the transport mechanism are also airports, travel agencies and forwarders who complement each other (Rydzkowski & Wojewódzka-Król, 2009). Modern phenomena of the modern aviation market result from international economic trends and growing globalization.

Transport during the epidemic

The SARS-CoV-2 coronavirus pandemic causing COVID-19 is present in all countries around the world. Similarly to other countries, actions are taken in Poland that limit the possibility or discourage movement. These factors affected aviation and international transport in the first place, but there is also talk of severe restrictions on domestic public transport (“Covid Pandemic”, 2020). The length of the pandemic period will be key both in terms of the crisis in the aviation market and in the overall financial and economic crisis. Today, it is difficult to assess the scale of the coronavirus pandemic's impact on the global economy, including the aviation sector. The time of the epidemic is very unpredictable, although
similar situations have occurred in the past, but it is difficult to estimate its final effects. Political and economic crises on a global scale have occurred before, and most of them caused a sudden drop in the number of air travels and had a temporary negative impact on the aviation sector (“How Will The Aviation”, 2020).

However, we are dealing with a crisis that is definitely deeper than all those affected by aviation markets in the past. This means that we can only use historical experience to a limited extent, also in forecasting. It is worth paying attention to the fact that past crises resulted either from extraordinary events, such as acts of terror in September 2001, or from the general financial and economic crisis in 2008/2009. This time, the pandemic is causing a parallel slump in demand for passenger air transport, as well as causing a very large global economic crisis.

Travel restrictions will exacerbate the global crisis, where the largest slump will occur in the second quarter of 2020. At the beginning of April, the number of flights in the world fell by 80%, compared to last year largely due to severe transport restrictions imposed by governments to combat the spread of the virus. Domestic markets may see increased demand for travel, mainly in the third quarter, just after lifting the first transport restrictions. However, international markets will resume more slowly - it seems likely that national governments will maintain travel restrictions longer.

This is a difficult time for the global transport industry. The priority is to stop and eliminate virus. Airlines follow the guidelines of the World Health Organization and other public health services to ensure passenger safety, global connectivity and reduce restrictions (“Coronavirus Infects Airlines”, 2020). A lot will depend on the duration of the pandemic, the differences in its course between countries and the support provided by different governments. Despite such a difficult situation on the European market, the position of Polish airlines LOT, due to a significant improvement in the situation and expansion of operations in recent years, is not the worst. The operational capacity of machines and crews must be still maintained.

It seems almost certain that larger airlines than LOT Polish Airlines will survive the crisis and may even strengthen their position thanks to consolidation, while the fate of smaller airlines in the region is more uncertain. If LOT Polish Airlines survives the crisis itself, then there may be opportunities for it to further consolidate the market in Eastern and Central Europe. However, talking about market opportunities in the current situation is not appropriate because result this situation is thousands of lost jobs. At the moment, the most important thing should be that all countries
take care of employees in this industry as best as possible, which will then result in a faster market recovery (“Crisis As A Catalyst”, 2020).

The International Air Transport Association called on governments to work with industry to increase passenger confidence in air travel. The association expects that the demand for air transport and tickets will grow very slowly, including by a decrease in travelers' confidence. The association's latest analyzes are once again far from optimistic. According to a survey by IATA, 60% respondents predict that they may return to flying within one to two months of stopping the COVID-19 pandemic. As much as 40% indicates that it can wait up to six months or longer. In turn, 69% respondents indicated that they would delay their return to travel until their financial situation stabilized.

Domestic and short-haul trips will return first, however, as China or Australia show, the increase in demand for airline tickets in these countries was small, even after the number of new COVID-19 cases decreased significantly. An immediate rebound in the industry after a catastrophic drop in demand for flights seems unlikely. Admittedly, people still want to travel, but they also want clarity about the economic situation and will probably wait at least several months before returning to mass travel.

The crisis will not hit the entire industry with equal force. Certainly, it will be hardest for smaller entities to survive. Small airports geared to, for example, handling only one carrier may suffer. Many sub-suppliers and companies from the aviation base will suffer, but it will certainly hit small airlines without large cash reserves. While highly specialized carriers (operating regional flights crucial for the state's transport policy) can rise relatively quickly, smaller lines without may have bigger problems.

Conclusions

The coronavirus outbreak has hit the transport industry particularly hard. Due to tougher security recommendations, some countries (including Poland) closed the borders and banned the entry of most foreigners. A coronavirus pandemic led to the suspension of a significant number of flights. Some flights are still ongoing, but the planes have very low occupancy. In this situation, more and more lines are on the verge of profitability.

For the time being, we cannot be sure when and how quickly the aviation will rebound after the current unprecedented crisis. However, most people realize that it will no longer be the same. There is no answer today. Pandemics and restrictions will not end all over the world at the same time.
A pandemic will certainly intensify trends that have already appeared, and can accelerate the reduction of business travel. Companies are now aware that a lot work can be done remotely. That is why I expect lasting changes in the business segment, although it is not known whether declines or only inhibition of long-term growth. Private traffic will be very dependent on security, so the rebound can be slow, but also largely depends on the pandemic in each country. It is expected that many people will also want to make up for lost or postponed holidays. The question is whether the economic crisis will not cause passengers to refrain from traveling. Rapid rebound and a return to the upward trend seem unlikely. The crisis is a good opportunity to rethink your travel needs and rationalize the number of flights.

References


