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TRANSFORMATION OF UKRAINE'S TOURISM INDUSTRY UNDER WARTIME CONDITIONS

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The article examines the transformation of Ukraine's tourism industry under the conditions of the full-scale war and identifies the key trends shaping its development in the current crisis environment. The relevance of the study is determined by the need to assess the impact of military aggression on the tourism sector, identify structural changes in the tourism market, and substantiate the prospects for the industry's post-war recovery. The purpose of the study is to analyze the transformation processes taking place in Ukraine's tourism industry under the influence of the war and to develop practical recommendations aimed at enhancing its adaptability and competitiveness. The methodological framework of the research is based on a systems approach and includes the methods of analysis and synthesis, statistical analysis, comparative analysis, structural and functional analysis, graphical analysis, as well as generalization and forecasting methods. The information base of the study comprises official statistical data, reports of international organizations, and analytical studies of the tourism market. The findings demonstrate that the war has significantly transformed Ukraine's tourism industry through a decline in international tourism, the regional reorientation of tourist flows, the destruction of tourism infrastructure, changes in the structure of tourism demand, the accelerated digitalization of tourism services, and the growing importance of domestic tourism. The study identifies the major development trends of the tourism sector, including the increasing role of security considerations, the adoption of adaptive management models, the expansion of digital tourism services, the localization of tourism products, and the emergence of new forms of tourism, particularly memorial, military-historical, and health tourism. The scientific novelty of the study lies in the comprehensive substantiation of the contemporary directions of transformation of Ukraine's tourism industry under wartime conditions and the systematization of the key factors contributing to its adaptation to a crisis environment. The practical significance of the obtained results is reflected in the possibility of their application by public authorities, local governments, tourism enterprises, and other tourism market stakeholders in developing strategies for post-war recovery, promoting domestic tourism, and strengthening the competitiveness of Ukraine's tourism industry.

Keywords: tourism industry; tourism market; war; digitalization; domestic tourism; tourist flows; competitiveness; tourism infrastructure; post-war recovery; adaptive development.

ТРАНСФОРМАЦІЯ ТУРИСТИЧНОЇ ІНДУСТРІЇ УКРАЇНИ В УМОВАХ ВІЙНИ

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У статті досліджено особливості трансформації туристичної індустрії України в умовах повномасштабної війни та визначено ключові тенденції її функціонування в сучасному кризовому середовищі. Актуальність дослідження зумовлена необхідністю оцінювання впливу воєнних дій на розвиток туристичної сфери, виявлення структурних змін туристичного ринку та обґрунтування перспектив післявоєнного відновлення галузі. Метою дослідження є аналіз трансформаційних процесів у туристичній індустрії України під впливом війни та розроблення практичних рекомендацій щодо підвищення її адаптивності й конкурентоспроможності. Методологічною основою дослідження стали системний підхід, методи аналізу і синтезу, статистичний, порівняльний, структурно-функціональний, графічний методи, а також методи узагальнення та прогнозування. Інформаційну базу дослідження сформували офіційні статистичні дані, матеріали міжнародних організацій і результати аналітичних досліджень туристичного ринку. У результаті дослідження встановлено, що війна спричинила суттєву трансформацію туристичної індустрії України, яка проявляється у скороченні міжнародного туризму, регіональній переорієнтації туристичних потоків, руйнуванні туристичної інфраструктури, зміні структури туристичного попиту, прискоренні цифровізації туристичних послуг та розвитку внутрішнього туризму. Визначено основні тенденції розвитку туристичної галузі, серед яких посилення ролі безпекового чинника, поширення адаптивних моделей управління, розвиток цифрових сервісів, локалізація туристичних продуктів і формування нових видів туризму, зокрема меморіального, військово-історичного та оздоровчого. Наукова новизна дослідження полягає в комплексному обґрунтуванні сучасних напрямів трансформації туристичної індустрії України в умовах війни та систематизації ключових факторів її адаптації до кризового середовища. Практичне значення отриманих результатів полягає у можливості їх використання органами державної влади, місцевого самоврядування, туристичними підприємствами та іншими суб'єктами туристичного ринку під час формування стратегій післявоєнного відновлення, розвитку внутрішнього туризму та підвищення конкурентоспроможності туристичної індустрії України.

Ключові слова: туристична індустрія; туристичний ринок; війна; цифровізація; внутрішній туризм; туристичні потоки; конкурентоспроможність; туристична інфраструктура; післявоєнне відновлення; адаптивний розвиток.

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PROBLEM STATEMENT IN A GENERAL CONTEXT AND ITS RELATIONSHIP TO IMPORTANT SCIENTIFIC AND PRACTICAL TASKS

The tourism industry is an important component of the national economy, contributing to the development of international mobility, stimulating investment activity, fostering the socio-economic development of territories, and enhancing the country's positive international image. Under contemporary conditions, tourism performs not only economic but also social and communicative functions, serving as a driver of regional development, intercultural interaction, and integration into the global economic environment.

The full-scale war has fundamentally transformed the operating environment of Ukraine's tourism industry. The destruction of tourism and transport infrastructure, the temporary occupation of certain territories, increased security risks, a sharp decline in international tourist flows, business relocation, and overall economic instability have led to significant structural changes in the tourism market. These factors have reshaped the demand for tourism services and created an urgent need for tourism enterprises and other market participants to adapt to the new operating conditions.

At the same time, the current crisis has stimulated the emergence of new development trends within the tourism industry, including the expansion of domestic tourism, the development of local tourist destinations, the accelerated digitalization of tourism services, the adoption of security-oriented tourism models, and the emergence of new forms of tourism. Under these circumstances, there is a pressing need for a comprehensive examination of the transformational processes taking place in Ukraine's tourism industry, an assessment of their impact on the functioning of the tourism market, and the substantiation of strategic directions for post-war recovery and the enhancement of the sector's long-term competitiveness.

ANALYSIS OF RECENT RESEARCH AND PUBLICATIONS

The theoretical and practical aspects of tourism development, destination competitiveness, crisis management, and the transformation of the tourism industry have been extensively explored in both international and Ukrainian scholarly literature.

The conceptual foundations of tourism as a socio-economic phenomenon were established by Walter Hunziker and Kurt Krapf [1], whose interpretation of tourism became the basis for the subsequent development of tourism theory. The evolutionary development of tourist destinations under the influence of internal and external factors was substantiated by Richard Butler through the Tourism Area Life Cycle (TALC) model [2]. Spatial aspects of tourism development and the role of transport accessibility and regional differentiation in shaping tourism flows were examined by Douglas Pearce [3].

The issues of destination competitiveness, sustainable tourism development, and the growing importance of security factors have been investigated in the works of Ritchie and Crouch [4], while Kotler, Bowen, and Makens [5] emphasized the role of destination marketing, branding, and the formation of tourism attractiveness under changing market conditions.

Among Ukrainian scholars, significant contributions to the development of tourism theory have been made by Olena Liubitseva [6], who examined the tourism industry as a complex territorial and economic system, Vasyl Kyfiak [7], who substantiated the economic significance of tourism and its multiplier effects on regional development, and Tetiana Tkachenko [8], whose research focuses on sustainable tourism development, strategic management, and the adaptation of the tourism sector to contemporary challenges.

At the same time, the current transformation of Ukraine's tourism industry under the conditions of the full-scale war, particularly structural changes in the tourism market, regional redistribution of tourist flows, the emergence of security-oriented and adaptive tourism models, and the strategic priorities of post-war recovery, remains insufficiently investigated and requires further comprehensive research.

IDENTIFICATION OF PREVIOUSLY UNRESOLVED ASPECTS OF THE GENERAL PROBLEM ADDRESSED IN THIS ARTICLE

Despite the substantial body of scholarly research, several issues remain insufficiently explored in the context of the ongoing war in Ukraine. These include the structural transformation of the country's tourism industry, the adaptation of tourism businesses to wartime conditions, the impact of the war on tourism infrastructure, changes in tourist flows, and the development of strategic directions for the post-war recovery and sustainable development of the tourism sector.

OBJECTIVES OF THE ARTICLE (STATEMENT OF THE RESEARCH OBJECTIVES)

The purpose of the article is to investigate the impact of the full-scale war on the development of Ukraine's tourism industry, identify the key structural transformations in the tourism market, assess the current state and

development trends of the tourism sector under wartime conditions, and substantiate strategic directions for its post-war recovery and enhancement of competitiveness.

To achieve this purpose, the following research objectives were defined:

– to examine the theoretical approaches to understanding the role of the tourism industry in socio-economic development and analyze contemporary scientific views on its transformation under crisis conditions;

– to assess the impact of the full-scale war on the functioning of Ukraine's tourism industry and identify the main factors influencing its development under martial law;

– to analyze changes in tourist flows, the regional structure of tourism activity, the performance of tourism enterprises, employment, tax revenues, and investment activity;

– to identify the key trends in the transformation of the tourism market, including the development of domestic tourism, the digitalization of tourism services, and the emergence of security-oriented tourism models;

– to substantiate strategic priorities and practical recommendations for the post-war recovery of Ukraine's tourism industry and strengthening its long-term competitiveness.

PRESENTATION OF THE MAIN RESEARCH FINDINGS

Under contemporary conditions, the tourism industry has evolved into one of the most dynamic and high-multiplier sectors of the global economy, exerting a direct influence on economic growth, regional development, international mobility, and the enhancement of a country's image in the international arena. Tourism is no longer perceived merely as a form of recreation or leisure. Today, it functions as a complex, cross-sectoral system encompassing transportation, the hospitality industry, service activities, trade, culture, information technologies, logistics, the entertainment industry, and digital services. Consequently, the tourism industry is regarded not only as a sector of the economy but also as a powerful driver of a country's socio-economic development.

In the academic literature, the concept of the “tourism industry” is interpreted in different ways depending on the methodological approach adopted. Some scholars emphasize its economic dimension, defining it as a system of enterprises and organizations engaged in the production and provision of tourism services. Others view the tourism industry as a complex of socio-economic relationships associated with satisfying people's needs for travel, recreation, cultural development, and international communication.

Within the academic discourse, the development of the tourism industry and its contribution to the socio-economic development of countries has become an important area of research, as tourism is no longer regarded solely as a service sector but as a multifaceted system of economic, social, cultural, and communicative interactions.

One of the pioneering scholars who conceptualized tourism as a socio-economic phenomenon was the Swiss researcher Walter Hunziker, who defined tourism as the totality of relationships and phenomena arising from the travel and temporary stay of people outside their permanent place of residence [1]. This conceptual approach laid the foundation for the subsequent development of classical theories of the tourism industry. At the same time, the contemporary evolution of tourism demonstrates that tourism activities extend far beyond their traditional recreational function and are becoming increasingly integrated into the system of global economic processes.

A significant contribution to the development of tourism theory was made by Richard Butler, the author of the Tourism Area Life Cycle (TALC) model. He conceptualized the development of tourist destinations as a sequence of stages, ranging from the exploration of a destination to its eventual stagnation or rejuvenation. According to Butler, external crises can substantially accelerate the decline of tourist destinations or, conversely, stimulate their structural transformation and renewal [2]. In the context of contemporary armed conflicts, this concept has gained particular relevance, as war can fundamentally alter the developmental trajectory of tourist destinations.

An important contribution to the study of international tourism and global human mobility was made by Douglas Pearce, who examined the tourism industry through the lens of spatial economics and international tourism flows. He argued that tourism development is shaped by such factors as transport accessibility, the level of urbanization, the quality of infrastructure, and the degree of international integration [3].

Issues of tourism safety and security have also become increasingly prominent in contemporary academic discourse. In the works of Brent W. Ritchie and Geoffrey Crouch, the competitiveness of a tourist destination is conceptualized as a multidimensional construct encompassing economic, infrastructural, environmental, and security-related factors [4]. According to these scholars, safety and security are gradually becoming key determinants of the international competitiveness of tourist destinations in the global tourism market.

A substantial contribution to the development of contemporary concepts of tourism management was made by Philip Kotler, who viewed tourism as an integral component of place marketing and nation branding. In his works, he emphasized that a country's tourism attractiveness is determined not only by its natural and cultural resources but also by its international image, the level of public trust, and its reputational resilience [5]. In the context of war, this concept acquires new significance, as armed conflicts directly affect the global perception of a tourist destination.

Within the Ukrainian academic community, the development of the tourism industry, its economic significance, and its adaptation to crisis conditions have also received considerable scholarly attention. A distinctive feature of the Ukrainian school of tourism research is the integration of tourism studies with issues of regional development, international integration, economic security, and post-crisis economic recovery.

A significant contribution to the development of tourism theory in Ukraine was made by Olena O. Liubitseva, who conceptualized the tourism industry as a complex territorial and economic system shaped by natural, socio-economic, and infrastructural factors. She emphasized the importance of adopting a comprehensive approach to the development of tourist regions and highlighted the need to integrate tourism policy into the system of national strategic governance [6].

A significant contribution to the study of the economic nature of tourism was made by Vasyl F. Kyfiak. In his research, tourism is regarded as one of the priority sectors of the national economy, capable of generating substantial multiplier effects across related industries. Kyfiak emphasizes that the development of the tourism industry contributes to employment growth, the expansion of small businesses, increased foreign exchange earnings, and enhanced investment activity in the regions [7].

The functioning of Ukraine's tourism industry under conditions of crisis and global instability has been extensively examined by Tetiana I. Tkachenko. Her research focuses on the strategic development of tourism, the digitalization of tourism services, the promotion of domestic tourism, and the enhancement of the resilience of tourism infrastructure. She argues that contemporary tourism must adapt to emerging global challenges through the implementation of innovative management models and effective crisis management practices [8].

In our view, the contemporary academic discourse on tourism development is increasingly shifting from the traditional paradigm of mass tourism toward the concepts of adaptive, resilient, and sustainable tourism. Whereas previous research primarily emphasized the economic efficiency of tourism activities, current studies place greater importance on issues of safety and security, crisis resilience, digital transformation, and the capacity of tourism systems to adapt to conditions of global instability (Fig. 1).



Fig. 1. Interrelationship of Theoretical Concepts of Tourism
Source: Compiled by the author.

The contemporary transformation of Ukraine's tourism industry demonstrates that tourism is gradually evolving beyond a purely economic activity to become an important instrument of social cohesion, cultural diplomacy, international communication, and post-war national recovery. Consequently, examining the impact of the war on Ukraine's tourism industry requires a comprehensive interdisciplinary approach that takes into account the economic, social, security, and geopolitical dimensions of contemporary tourism.

The tourism industry is highly sensitive to the psychological perception of risk, as travel decisions are closely linked to tourists' sense of personal safety and security. In this context, war represents one of the most destructive factors affecting tourism development. Armed conflicts result in the destruction of tourism infrastructure, a decline in both international and domestic tourist flows, the loss of investment, deterioration of a country's international image, and an overall reduction in economic activity within the tourism sector. At the same time, international experience demonstrates that even after large-scale crises, the tourism industry is capable not only of recovering but also of undergoing a profound transformation toward qualitatively new models of development and operation.

The tourism industry is a complex, multi-component system that performs essential economic, social, cultural, and communicative functions. Its development has a significant impact on a country's economic growth,

regional development, international image, and employment. At the same time, contemporary global challenges, particularly armed conflict, are reshaping the operating environment of the tourism industry, necessitating a reassessment of traditional tourism development models and the adoption of new approaches to strengthening the resilience of the tourism sector.

The full-scale war has become one of the most destructive factors affecting Ukraine's tourism industry throughout the country's period of independence. Prior to 2022, the tourism sector had demonstrated steady progress toward integration into the global tourism market, the expansion of domestic tourism, and the modernization of tourism infrastructure. However, following the outbreak of the full-scale invasion, the tourism industry effectively shifted into a mode of crisis survival. Military hostilities fundamentally transformed the spatial distribution of tourist flows, altered the behavior of tourism consumers, intensified security risks, and resulted in substantial economic losses for tourism businesses.

Prior to the outbreak of the war, Ukraine's tourism industry had demonstrated a gradual and positive development trajectory. The country possessed substantial tourism and recreational potential, encompassing cultural and historical heritage, diverse natural landscapes, coastal and mountain resorts, gastronomic tourism, medical tourism, and ecotourism destinations [9].

To provide a comprehensive assessment of the current state of Ukraine's tourism industry, it is appropriate to analyze the dynamics of tourist flows over the period 2014–2025, as this timeframe encompasses the onset of Russian aggression, the COVID-19 pandemic, and the full-scale war. Together, these crises have profoundly transformed the structure of Ukraine's tourism market, affected international mobility, and reshaped the operating models of tourism businesses (table 1).

Table 1.

Dynamics of Tourist Flows in Ukraine, 2014–2025

Year	Tourists served by tour operators and travel agencies, million persons	Inbound tourists, thousand persons	Outbound tourists, million persons	Domestic tourists, million persons
2014	2,42	17	2,08	0,32
2015	2,02	15	1,65	0,36
2016	2,55	35	2,06	0,45
2017	2,81	39	2,29	0,48
2018	4,56	76	4,02	0,46
2019	6,13	87	5,52	0,52
2020	2,36	12	2,13	0,22
2021	3,09	27	2,74	0,35
2022	1,73	3	1,53	0,19
2023	2,21	5	1,97	0,24
2024	2,78	8	2,46	0,31
2025	3,12	11	2,75	0,36

Source**:** compiled by the author based on [9; 10].

The data presented in table 1 indicate that Ukraine's tourism industry has operated under conditions of persistent instability throughout the past decade. Following 2014, the tourism sector experienced a substantial decline as a consequence of the annexation of Crimea and the outbreak of hostilities in eastern Ukraine. The sharp contraction in inbound tourism was particularly severe, as international tourists are traditionally the most sensitive to security-related risks. The period from 2016 to 2019 was characterized by the gradual recovery of the tourism market. Notably, in 2018–2019, Ukraine's tourism industry achieved its strongest performance of the past decade [11]. The growth in tourist flows was driven by the expansion of low-cost air transportation, the increasing popularity of domestic tourism, the promotion of Ukrainian cities in the international tourism market, and the rapid development of digital tourism platforms.

Beginning in 2023, signs of a gradual stabilization of the tourism industry have become evident. Although the sector has not yet returned to its pre-war performance, the tourism market has demonstrated a growing capacity for adaptation, reflected in the expansion of domestic tourism and the partial recovery of tourism activity in the relatively safe regions of Ukraine [12].

However, following 24 February 2022, Ukraine's tourism industry experienced an abrupt systemic shock. Most notably, international inbound tourism came to an almost complete standstill. The closure of Ukrainian airspace, heightened security risks, ongoing military hostilities, and the widespread perception of Ukraine as a high-risk destination effectively halted the functioning of the traditional international tourism market [13]. A considerable number of international tour operators suspended cooperation with their Ukrainian partners, while international insurance providers imposed significant restrictions on travel insurance coverage for trips to Ukraine.

One of the most severe consequences of the war has been the extensive destruction of tourism and transport infrastructure. Hotels, recreational facilities, health resorts, tourist recreation centers, museums, cultural heritage sites, and transport hubs have suffered significant damage. The situation has been particularly critical in the southern and eastern regions of Ukraine, where a substantial share of tourism infrastructure has either been completely destroyed or remains located within temporarily occupied territories.

At the same time, the war has significantly reshaped the geographical distribution of tourism activity. The relatively safe western regions of Ukraine have emerged as new centers of domestic tourism. The Carpathian region,

together with the Lviv, Ivano-Frankivsk, Zakarpattia, and Chernivtsi regions, has become a focal point for the relocation of tourism businesses, internal population displacement, and the development of local tourism. These regions have experienced a partial increase in demand for accommodation services, short-term rental housing, recreational facilities, and tourist routes. Equally important is the analysis of the regional structure of tourism activity. The war has fundamentally altered the geographical configuration of Ukraine's tourism market, giving rise to new centers of tourism concentration (table 2).

Table 2.

Leading Regions of Ukraine by Tourism Tax Revenues in 2025

Region	Tourism Tax Revenue, UAH Million
Kyiv City	70,3
Lviv Region	43,1
Ivano-Frankivsk Region	33,7
Zakarpattia Region	24,4
Odesa Region	18,6

Source: compiled by the author based on [11].

The analysis of the regional distribution of tourism tax revenues presented in table 2 indicates a substantial regional restructuring of Ukraine's tourism market. Whereas, prior to the war, the country's southern coastal resorts and major tourism destinations played a leading role, Kyiv and the western regions of Ukraine have now emerged as the principal centers of tourism activity. Particularly notable is the growing importance of the Lviv, Ivano-Frankivsk, and Zakarpattia regions, which have become key hubs for domestic tourism and the relocation of tourism businesses. Overall, the current state of Ukraine's tourism industry is characterized by the coexistence of crisis-related challenges and adaptive transformation processes. The war has resulted in significant economic losses, a sharp decline in international tourism, and the destruction of a considerable share of the country's tourism infrastructure [14].

A distinctive feature of the current stage of tourism development in Ukraine is the transformation of tourism demand. Whereas recreational and leisure travel predominated before the war, increasing importance is now being attached to short-term domestic tourism, ecotourism, rural green tourism, gastronomic tourism, and cultural tourism. Under wartime conditions, tourists primarily base their travel decisions on considerations of safety and security, transport accessibility, and psychological comfort.

Moreover, the war has had a profound impact on the economic performance of tourism businesses. A significant number of enterprises in the tourism sector have experienced a sharp decline in revenues, rising operating costs, limited access to investment, and labor shortages. Some tourism companies have been forced either to suspend their operations entirely or to continue operating on a temporary or reduced basis [15]. At the same time, a number of tourism enterprises have successfully adapted to the new environment by diversifying their service offerings, accelerating the digitalization of their services, and reorienting their business activities toward the domestic market. An important indicator of the condition of the tourism industry is tourism-related tax revenue, as it reflects the level of economic activity within the sector and its capacity to adapt to crisis conditions (fig. 2).

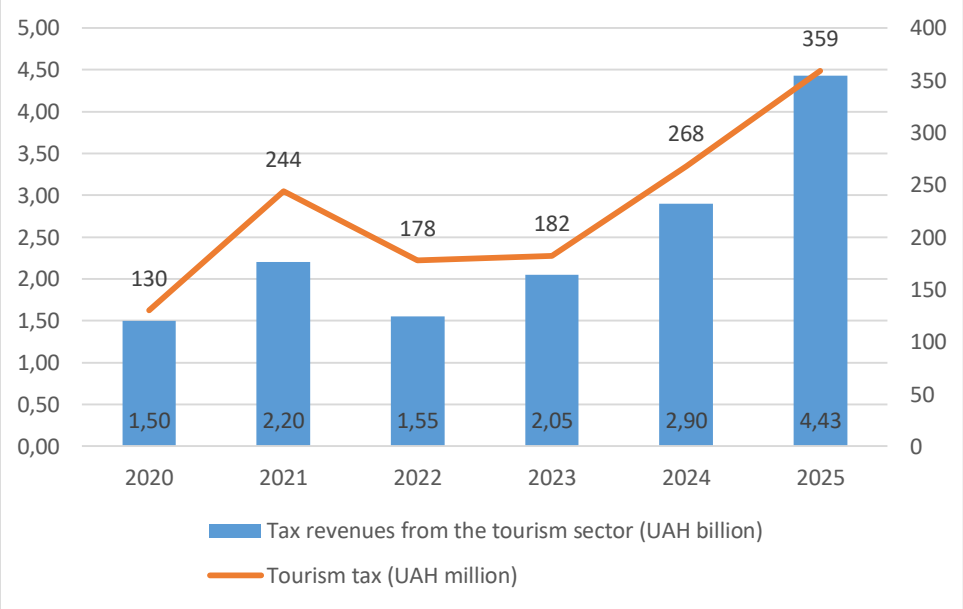


Fig. 2. Tax Revenues from the Tourism Sector in Ukraine, 2020-2025

Source: compiled by the author based on [10; 11].

The data presented in figure 2 reveal the contradictory nature of the transformation of Ukraine's tourism industry under wartime conditions. On the one hand, 2022 was marked by a sharp decline in tourism-related tax revenues as a result of the near-complete suspension of international tourism, the destruction of tourism infrastructure, and the overall contraction of economic activity. On the other hand, during the period 2023-2025, a rather unexpected trend toward the gradual recovery of tax revenues generated by the tourism sector has become evident [16].

This trend can be explained by several factors:

– the substantial strengthening of the role of domestic tourism;

– the successful adaptation of a portion of the hospitality sector through business relocation and the provision of accommodation services to internally displaced persons, volunteer organizations, and international humanitarian missions;

– the emergence of new demand for short-term recreational travel in the relatively safe regions of Ukraine.

Particularly noteworthy is the performance recorded in 2025, when the tourism sector generated record-high tax revenues. This indicates the gradual adaptation of Ukraine's tourism market to the conditions of a wartime economy and the emergence of a new structure of tourism demand [17].

It is also important to emphasize that the war has accelerated the digital transformation of Ukraine's tourism industry. Tourism enterprises have increasingly adopted online booking platforms, digital marketing tools, social media, mobile applications, and remote customer communication systems. Under current conditions, digitalization has effectively become a prerequisite for the survival and sustainable operation of tourism businesses.

One of the most significant consequences of the war has been the transformation of the very concept of tourism in Ukraine. Tourism is increasingly performing not only economic functions but also important social and psychological roles [18].

At the same time, a new segment of tourism is emerging – memorial tourism and military heritage tourism. International experience demonstrates that, following the end of armed conflicts, countries often integrate elements of historical memory into the development of their tourism industries. For Ukraine, this trend may also become one of the strategic directions for post-war tourism development. However, at the present stage, this issue remains highly sensitive and requires a careful and ethically responsible approach.

The war has also profoundly reshaped Ukraine's international image. On the one hand, the country has become associated with heightened security risks, which adversely affect its attractiveness as a tourist destination. On the other hand, international attention toward Ukraine has increased substantially, while the resilience demonstrated by Ukrainian society has enhanced the country's global visibility and international recognition [19].

The future development of Ukraine's tourism sector will largely depend on the duration of the war, the level of security risks, the scale of infrastructure reconstruction, and the effectiveness of government support for tourism businesses. International financial assistance, Ukraine's integration into the European economic area, and the ability of the tourism industry to adapt to the new operating environment will also play a crucial role.

The war has profoundly transformed the current state of Ukraine's tourism industry, resulting in substantial economic losses, structural changes, and the reconfiguration of tourism business models. At the same time, the current crisis has acted as a catalyst for the emergence of new development trends within the tourism sector, including the growing importance of domestic tourism, the accelerated digitalization of tourism services, regional diversification, and the adoption of adaptive models of tourism development.

Particular attention should be paid to the impact of the war on employment in the tourism sector. Tourism has traditionally been one of the most labor-intensive sectors of the economy, generating a substantial number of jobs in services, transportation, catering, tour operations, and the hospitality industry [20]. At the same time, the tourism industry is among the first sectors to respond to crises through significant reductions in employment (fig. 3).

The analysis of employment dynamics presented in figure 3 indicates a significant decline in the number of employees in the tourism sector following the outbreak of the full-scale war. A considerable proportion of tourism professionals were forced to change their occupation, relocate abroad, or move to safer regions of Ukraine. In addition, the shortage of qualified personnel emerged as a major challenge due to military mobilization and the overall contraction of economic activity. Nevertheless, the period from 2023 to 2025 has been characterized by a gradual recovery in employment within the tourism industry. This trend can be attributed to the partial stabilization of the domestic tourism market, the development of local tourism, and the gradual resumption of operations in the hospitality sector in the relatively safe regions of the country [21].

Another important trend characterizing the current stage of development of Ukraine's tourism industry is the transformation of tourists' travel motivations. Under wartime conditions, travel behavior has changed considerably. Whereas, prior to 2022, a significant proportion of tourism trips were primarily recreational and leisure-oriented, today travel is increasingly motivated by the need for psychological recovery, short-term recreation, nature-based tourism, and emotional well-being [22].

At the same time, the war has significantly exacerbated regional disparities in the development of Ukraine's tourism industry. While the western regions have been able to adapt to the new conditions to some extent and have even demonstrated signs of growth in tourism activity, the southern and eastern regions have experienced extensive

degradation of their tourism infrastructure. Particularly severe has been the loss of Ukraine's coastal tourism potential, which, prior to the war, accounted for a substantial share of the country's seasonal tourism market [23].

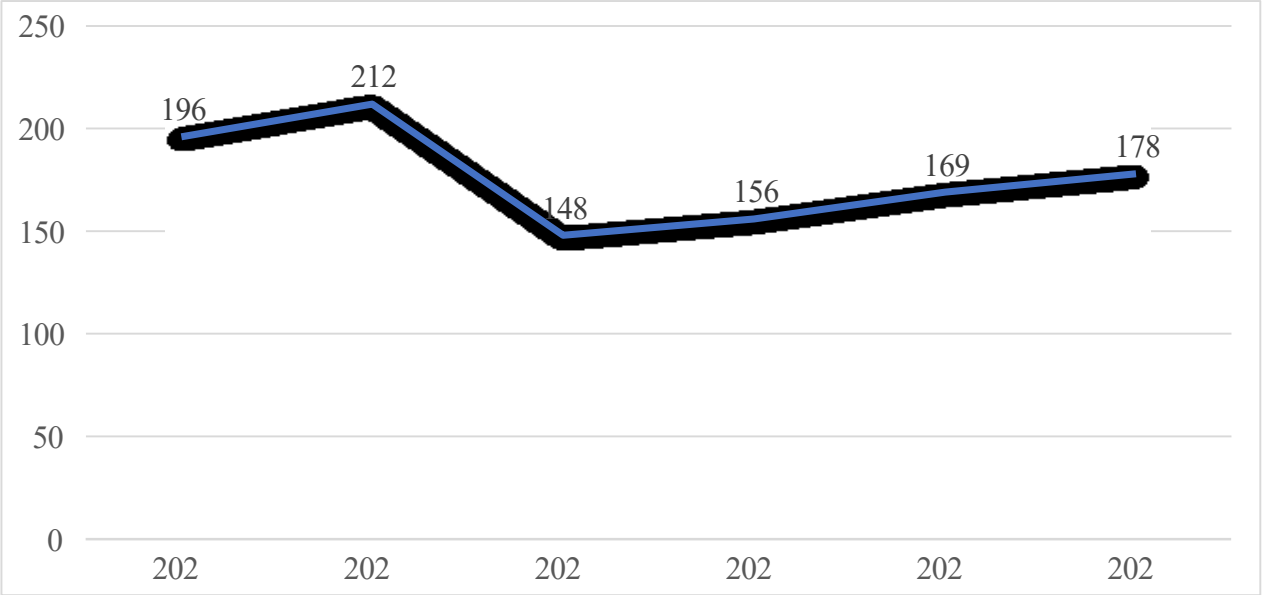


Fig. 3. Employment Dynamics in Ukraine's Tourism Industry, 2020-2025
Source**:** compiled by the author based on [10; 27; 29].

The current state of Ukraine's tourism industry is characterized by the emergence of a **"crisis tourism"** model, in which safety and security, adaptability, the localization of tourist flows, and the digitalization of tourism services have become the principal drivers of development. The tourism industry is gradually evolving from a globally oriented model toward a regionally diversified and security-oriented tourism system. To assess the structural changes in Ukraine's tourism market, it is appropriate to analyze the changing proportions of domestic, outbound, and inbound tourism (table 3).

Table 3.

Structure of Ukraine's Tourism Market by Type of Tourism, 2019–2025 (%)

Year	Inbound Tourism	Outbound Tourism	Domestic Tourism
2019	1,4	90,0	8,6
2020	0,5	90,2	9,3
2021	0,9	88,7	10,4
2022	0,2	88,4	11,4
2023	0,3	89,0	10,7
2024	0,4	88,5	11,1
2025	0,5	88,1	11,4

Source**:** compiled by the author based on [9; 10; 27].

The data presented in table 3 demonstrate that the structure of Ukraine's tourism market has traditionally been characterized by the dominance of outbound tourism. However, following the outbreak of the full-scale war, international inbound tourism declined to an almost negligible level. In contrast, the share of domestic tourism began to increase gradually, although the absolute volume of domestic travel remains substantially lower than in the pre-war period [24]. This trend reflects the progressive localization of Ukraine's tourism market. Under wartime conditions, tourism activity has become increasingly concentrated within the domestic economic space, with travel primarily oriented toward short-term trips to the country's relatively safe regions.

These structural transformations have been particularly evident at the regional level. Prior to 2022, a significant proportion of tourist flows was concentrated in Ukraine's coastal regions—including the Odesa, Kherson, and Zaporizhzhia regions—as well as in major cities and cultural and historical centers [25]. The war has fundamentally reshaped the spatial distribution of tourism activity, leading to the emergence of new centers of tourism development (fig. 4).

The analysis of the regional distribution of tourism tax revenues presented in figure 4 reveals a profound transformation in the geographical structure of Ukraine's tourism market. The most significant growth has been observed in the western regions of the country, which, under wartime conditions, have emerged as the principal centers of domestic tourism, business relocation, and recreational activity. In contrast, the southern regions, which prior to the war accounted for a substantial share of the country's summer tourist flows, have largely lost their position due to ongoing military hostilities and heightened security risks.

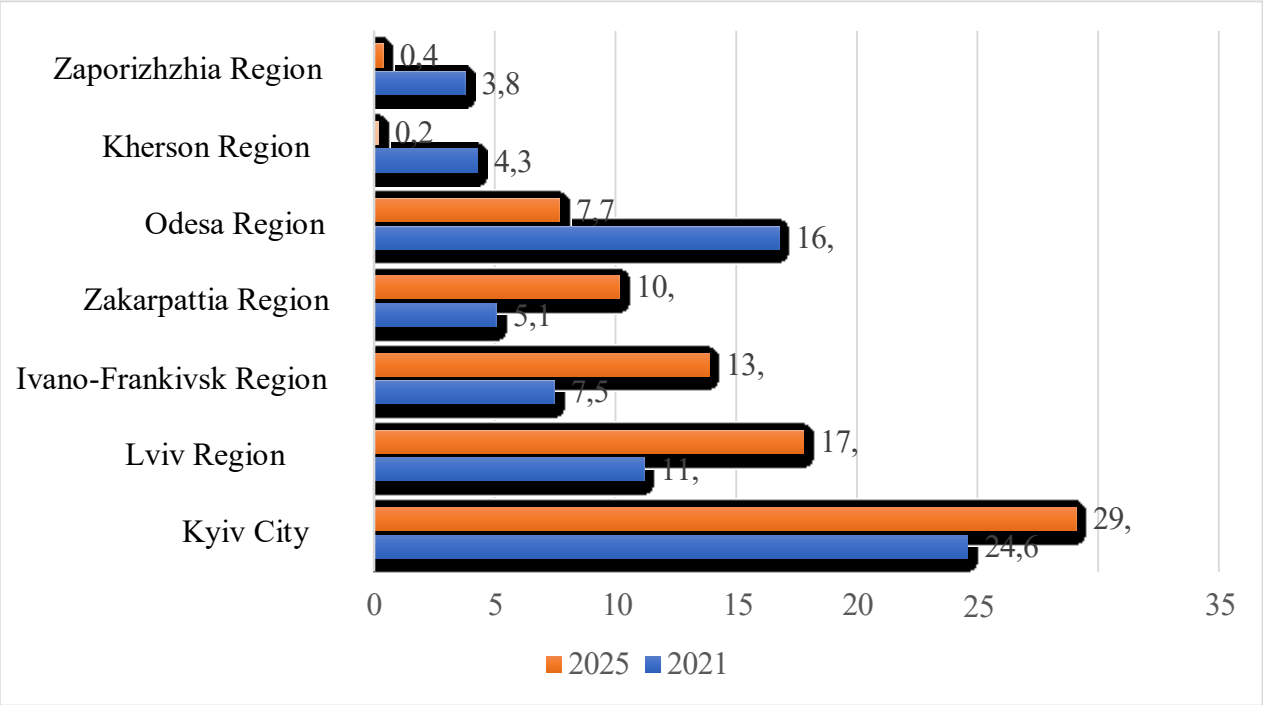


Fig. 4. Regional Shares of Ukraine's Total Tourism Tax Revenue in 2021 and 2025 (%)
Source: compiled by the author based on [9; 10; 11].

Particularly noteworthy is the growing importance of the Carpathian tourism region. Under current conditions, the Carpathians have effectively become Ukraine's primary recreational destination. Demand for mountain tourism, wellness tourism, ecotourism, and rural tourism has increased significantly [26]. This trend has stimulated investment in the hospitality industry, private accommodation facilities, and tourism infrastructure across the western regions of Ukraine.

The principal criteria influencing the choice of a tourist destination have become safety and security, transport accessibility, the availability of shelters, the reliability of energy supply, and the accessibility of medical infrastructure (fig. 5).

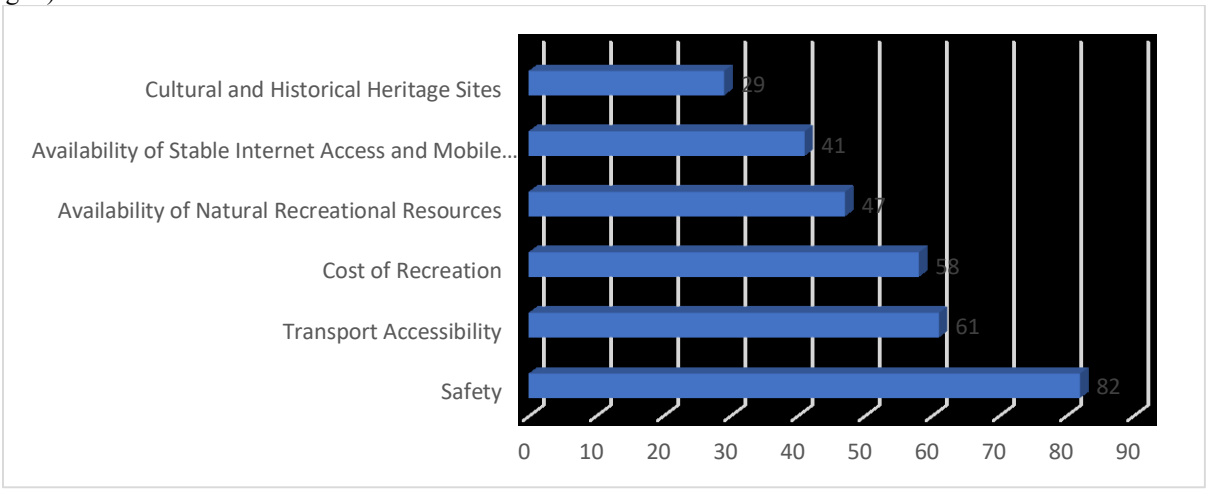


Fig. 5. Key Factors Affecting the Choice of Tourist Destinations in Ukraine in 2025 (%)
Source: compiled by the author based on [27].

The data presented in figure 5 indicate a profound transformation in tourists' preferences and travel decision-making criteria. Whereas, in the pre-war period, entertainment opportunities, the international reputation of a destination, and service quality were among the principal determinants of destination choice, safety and security have now become the dominant consideration. This reflects the emergence of a new model of security-oriented tourism, in which tourists' travel behavior is directly influenced by the level of military and security risks [27].

In addition, the war has significantly accelerated the digital transformation of Ukraine's tourism market. Tourism enterprises have been compelled to adapt to the new operating environment through the expanded use of digital platforms, online booking systems, digital marketing, and remote communication services. As a result, even small local tourism businesses have become increasingly integrated into the digital economy.

The current transformation of Ukraine's tourism market is characterized by a transition from a model of mass global tourism to one based on localized, adaptive, and crisis-resilient tourism. The tourism industry is progressively incorporating the principles of resilience management, digital transformation, regional diversification, and security management into its development strategies.

At the same time, it should be emphasized that the ongoing structural changes in the tourism market have generated not only adverse consequences but also important transformational effects. The war has effectively compelled tourism enterprises to reassess traditional business models, accelerate the adoption of digital technologies, diversify their service portfolios, and adapt to a fundamentally new operating environment. In the long term, these processes may provide the foundation for the development of a new, more competitive model of Ukraine's tourism industry in the post-war period [28].

Despite the extensive losses incurred during the war, Ukraine's tourism industry is gradually adapting to the conditions of a wartime economy and developing new mechanisms for operating in a crisis environment.

An important component of the structural transformation of Ukraine's tourism market has been the change in the organizational model of tourism business operations. Prior to the full-scale invasion, a substantial proportion of tourism enterprises relied on the traditional model of servicing mass tourist flows, which was based on seasonality, international mobility, and stable consumer demand [29]. However, the introduction of martial law effectively compelled tourism businesses to adopt crisis management strategies, enhance organizational flexibility, and diversify their sources of revenue.

The war has had a particularly profound impact on the activities of tour operators and travel agencies. A considerable number of companies lost their international partners, access to traditional tourism routes, and the opportunity to operate within the international tourism market. Consequently, tourism enterprises were forced to reorient their business activities toward domestic tourism, excursion services, local tourism routes, and individualized tourism products and services.

To assess the structural changes in the activities of tourism enterprises, it is appropriate to analyze the dynamics of the number of tourism business entities operating in Ukraine (table 4).

Table 4.

Dynamics of the Number of Tourism Business Entities in Ukraine, 2019–2025

Year	Tour operators	Travel agencies	Excursion service providers
2019	538	2797	2120
2020	452	2410	1765
2021	497	2588	1842
2022	318	1835	1216
2023	344	1912	1328
2024	378	2045	1411
2025	402	2176	1535

Source: compiled by the author based on [9; 10].

The data presented in table 4 demonstrate a sharp decline in the number of tourism business entities following the outbreak of the full-scale war. Travel agencies experienced the most severe impact, as their operations largely depended on international tourism and outbound travel. Nevertheless, beginning in 2023, signs of a gradual recovery in tourism entrepreneurship have become evident, although the market has not yet returned to its pre-war level [39].

Ukraine's tourism industry is gradually transitioning from a model centered on large-scale intermediary tourism services to one focused on localized, service-oriented tourism. Under these conditions, competitive advantages are increasingly gained by small and highly adaptive enterprises capable of responding rapidly to changes in the security environment and the evolving structure of tourism demand.

Significant changes have also occurred in the structure of household tourism expenditure. Under wartime conditions, tourism services have increasingly shifted from the category of mass consumption to that of discretionary spending, with demand becoming directly dependent on household income, psychological well-being, and the prevailing level of security risks (table 5).

Table 5.

Structure of Tourist Expenditure in Ukraine, 2021 and 2025 (%)

Expenditure Category	2021	2025
Accommodation	32	38
Food and Beverage	24	27
Transportation	21	18
Entertainment and Leisure	15	7
Excursions and Cultural Services	8	10

Source: compiled by the author based on [9; 27].

The data presented in table 5 indicate a transformation in the pattern of tourism consumption under wartime conditions. The share of expenditure allocated to entertainment and leisure has declined significantly, whereas spending on accommodation and essential services has increased. This shift can be attributed to the shorter duration

of tourist trips, rising prices for basic services, and tourists' increasing preference for safe and functional travel experiences.

Particular attention should be paid to the transformation of the transportation structure within Ukraine's tourism market. Prior to the war, air transport played a pivotal role in tourism development by facilitating international mobility and strengthening Ukraine's integration into the global tourism market [31]. However, the closure of the country's airspace has fundamentally reshaped the transportation model of tourist travel (fig. 6).

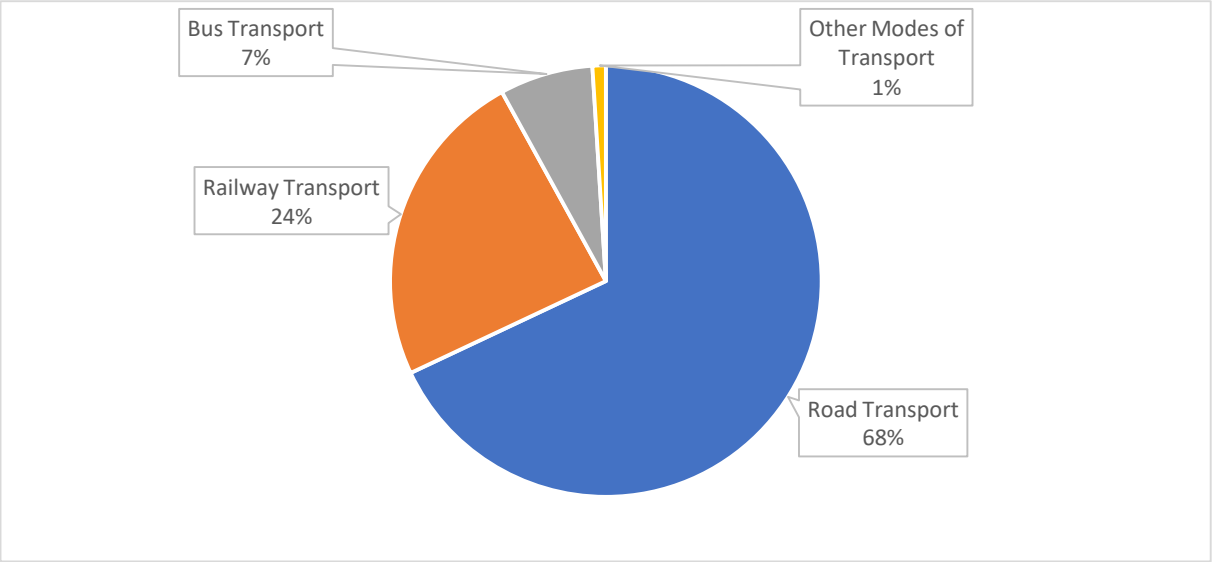


Fig. 6. Structure of Transport Modes Used in Domestic Tourism in Ukraine in 2025 (%)
Source: compiled by the author based on [27].

The analysis of the transportation structure indicates the predominance of road-based tourism. Private vehicle transportation has become the principal means of supporting domestic tourist mobility under wartime conditions. This trend can be attributed both to security considerations and to tourists' growing preference for greater autonomy and flexibility when traveling.

Under current conditions, there has been a marked expansion of psychological recovery tourism. The war has significantly increased the psychological burden on the population, generating new demand for recreational and wellness services. Consequently, relatively safe regions of Ukraine have experienced growing demand for spa facilities, mountain resorts, health resorts, and nature-based recreational destinations.

At the same time, a trend toward the development of memorial tourism and military heritage tourism is emerging. Although this segment is still in its formative stage, there is already increasing interest in sites of historical memory associated with the Russian–Ukrainian war [32]. In the long term, this may evolve into a distinct segment of Ukraine's tourism industry, following the experience of several European countries in the aftermath of armed conflicts.

Another important trend is the transformation of the information model of the tourism market. Social media, digital platforms, and online communication have effectively become the primary channels for promoting tourism services. Tourism marketing is increasingly based not on traditional advertising but on digital communication, local destination branding, and personalized tourism content.

The war has effectively accelerated the transition from a model of globalized mass tourism to one characterized by localized, digitalized, and security-oriented tourism. These transformations are expected to shape the future development trajectory of Ukraine's tourism industry in the post-war period.

Whereas, in the pre-war period, the principal determinants of tourism competitiveness included service quality, infrastructure development, pricing policy, and destination attractiveness, safety and security have now become the dominant factor. The level of regional security increasingly determines the intensity of tourist flows, investment activity in the tourism sector, and the development prospects of local tourism markets [33]. As a result, a new model of spatial differentiation has emerged within Ukraine's tourism market. Tourism regions can be broadly classified into three categories: regions of active tourism development, regions with partial tourism activity, and regions experiencing critical degradation of tourism infrastructure.

The analysis of the regional structure of the tourism market presented in table 6 indicates a marked increase in territorial disparities in the development of Ukraine's tourism industry. In effect, the war has fundamentally altered the logic of regional tourism specialization. The western regions have received a significant impetus for the development of domestic tourism and tourism infrastructure, whereas a considerable part of the southern and eastern territories has lost the capacity to sustain the normal functioning of the tourism sector.

Particularly significant changes have occurred in the structure of the tourism product. Prior to the war, Ukraine's tourism market was largely oriented toward traditional recreational tourism, including seaside holidays,

cultural and heritage tourism, international travel, and mass seasonal tourism. In contrast, the current stage is characterized by the emergence of new forms of tourism products and services (fig. 7).

Table 6.

Typology of Ukraine's Tourism Regions under Martial Law

Region Type	Characteristics	Main Regions
Regions of active tourism development	Relatively safe areas characterized by active domestic tourism and the development of recreational services	Lviv, Zakarpattia, Ivano-Frankivsk, Chernivtsi
Regions with partial tourism activity	Tourism activities continue but remain unstable and highly dependent on the security situation	Kyiv, Ternopil, Khmelnytskyi, Vinnytsia
Regions experiencing critical degradation of tourism infrastructure	Extensive destruction of tourism infrastructure and minimal tourism activity	Kherson, Zaporizhzhia, Donetsk, Luhansk

Source: compiled by the author based on [27].

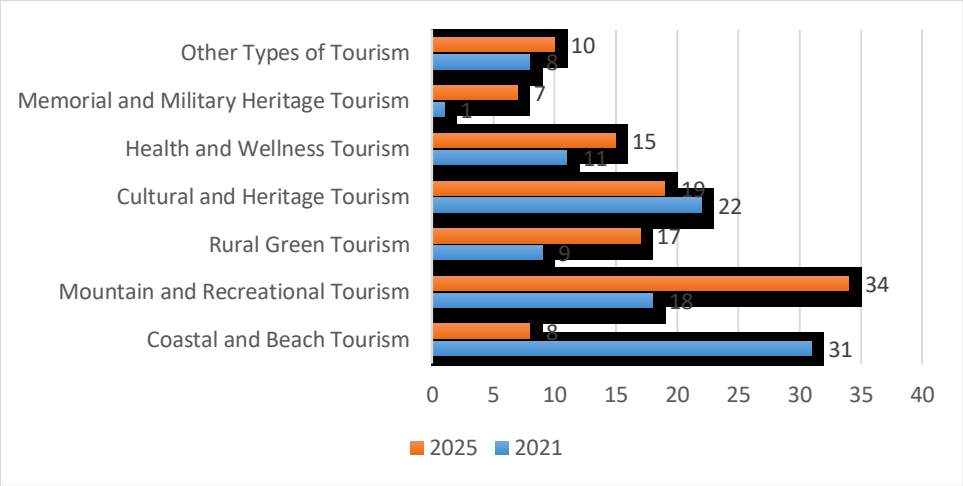


Fig. 7. Transformation of the Structure of Ukraine's Tourism Product, 2021–2025 (%)

Source: compiled by the author based on [9; 27].

The data presented in figure 7 demonstrate a profound structural transformation of Ukraine's tourism product. Coastal tourism has experienced the most substantial decline, despite having been one of the key segments of Ukraine's tourism industry prior to the war. In contrast, mountain tourism, ecotourism, and wellness tourism have expanded considerably. This shift reflects the reorientation of tourism demand toward relatively safe natural and recreational destinations, as well as a growing preference for short-duration travel and recreation [33].

At the same time, the war has fundamentally reshaped the investment model of Ukraine's tourism industry. Prior to 2022, a substantial share of investment was directed toward large hotel complexes, commercial and entertainment infrastructure, and large-scale tourism development projects. The current stage is characterized by a transition to localized, lower-risk, and more flexible investment models (fig. 8).

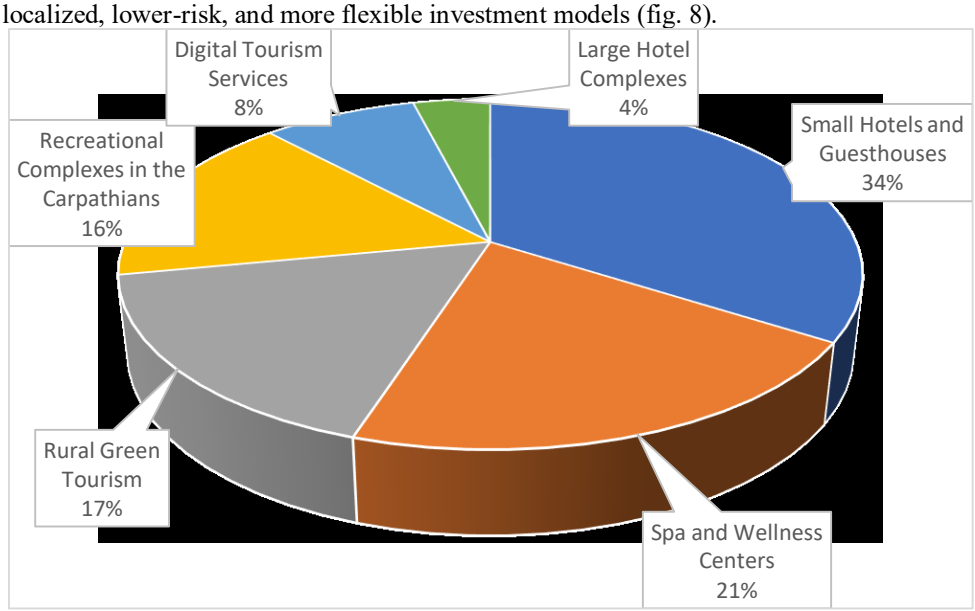


Fig. 8. Main Areas of Investment in Ukraine's Tourism Industry in 2025 (%)

Source: compiled by the author based on [27].

The analysis of the investment structure presented in figure 8 demonstrates that tourism businesses are increasingly focusing on small-scale, adaptive projects characterized by shorter payback periods and lower investment risks. The role of local entrepreneurship, private guesthouses, recreational complexes, and small tourism enterprises has grown substantially.

Ukraine's tourism industry is gradually developing a model of digital adaptive tourism, in which the key determinants of success include the ability to respond rapidly to changes in the security environment, the digitalization of tourism services, the localization of tourism products, and the flexibility of managerial decision-making. At the same time, the importance of government and regional support for the tourism sector continues to increase. Under wartime conditions, the tourism industry can no longer operate solely according to the principles of classical market self-regulation. Greater emphasis is therefore being placed on domestic tourism support programs, the development of transport infrastructure, the promotion of tourism destinations, and measures aimed at stimulating small tourism enterprises.

Thus, the structural changes occurring within Ukraine's tourism market under martial law are comprehensive and multidimensional. The war has not only triggered a profound crisis in the tourism industry but has also acted as a catalyst for its far-reaching transformation. Ukraine's tourism market is progressively evolving toward a model of localized, digitalized, security-oriented, and adaptive tourism, which is expected to provide the foundation for the sustainable development of the country's tourism industry in the post-war period.

CONCLUSIONS AND PROSPECTS FOR FURTHER RESEARCH

The findings of this study demonstrate that the full-scale war has become the principal driver of the transformation of Ukraine's tourism industry, giving rise to profound structural changes in the functioning of the tourism market. The main manifestations of these transformations include a decline in international tourist flows, the destruction of tourism and transport infrastructure, changes in the territorial structure of tourism activities, the growing importance of security considerations, the reorientation of demand toward domestic tourism, and the accelerated digitalization of tourism services. At the same time, the crisis has fostered the emergence of new models of tourism industry development based on enhancing the adaptability of tourism enterprises, promoting local tourist destinations, implementing digital technologies, and diversifying tourism products.

The study identifies the key trends shaping the transformation of Ukraine's tourism industry, including the digitalization of business processes, the expansion of domestic tourism, the development of security-oriented tourism products, the emergence of new forms of tourism, and the strengthening of regional development. It is substantiated that the effective post-war recovery of the tourism sector requires a comprehensive state policy, the modernization of tourism infrastructure, increased investment activity, the development of public–private partnerships, the integration of digital technologies into tourism business operations, and the harmonization of Ukraine's tourism policy with European standards.

Future research should focus on the development of strategic management models for the post-war recovery of Ukraine's tourism industry, the assessment of the effectiveness of the digital transformation of tourism enterprises, the investigation of investment mechanisms for the reconstruction of tourism infrastructure, and the analysis of opportunities for integrating Ukraine's tourism market into the European tourism area.

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