



UNIT-10

Crisis Management

Learning Outcomes

By the end of this unit the learner will be able to:

- ✓ Understand the need for effective crisis management in tourism
- ✓ Identify different crisis management techniques

Unit 10

Crisis Management

Horrifying terrorist attacks and civil war can often cast dark clouds on the tourism industry in different parts of the world, highlighting the need for exceptional crisis management in this sector. News of large-scale disasters has been a regular highlight in newspapers over recent years and. Tourism crises can manifest in a variety of ways and have been regular occurrences for many years.

Natural disasters, such as, hurricanes, floods, fires, and volcanic eruptions, can cause more damage to a location's image rather than the infrastructure itself. Accidents, civil unrest, disease and crime can take away the appeal of the most attractive destinations. Likewise, economic factors, such as sudden fluctuations in exchange rates, can add to any tourism crisis.

To put it simply, "A crisis is any unexpected event that affects traveller confidence in a destination and interferes with the ability to continue operating normally."

Crisis management schemes are required to assist in retaining traveller confidence in the travel industry, and to limit the impact of the crisis on the location. Regardless of the type of crisis, the methods for dealing with it are very similar. First-class communications, which are based on honesty and transparency, is the main factor that leads to successful management of any crisis. However, other measures also have to be considered, in particular:

- A) Communications;
- B) Promotion;
- C) Safety and security;
- D) Market research

To help WTO associates with this development, the following guidelines put forward the actions which need to be taken:

- i. Prior to the crisis;
- ii. During the actual problems;
- iii. Immediately following a crisis

The aim is to have tourists come back to the destination as rapidly as possible - superior crisis management plans can make the process quicker and more efficient.

Before the Crisis:

Preparing for the Worst:

Never overlook the severity of the possible damage a crisis can have on your tourism business. Crises are similar to viruses – sinister, sudden and virulent. They are very hazardous. The best way of tackling their impact is to be thoroughly prepared.

A) Putting a Communications Strategy in Place

- **Prepare A Crisis Management Plan**

- A crisis can take a variety of shapes, so start planning with worst-case scenario in mind. Assess current resources to deal with the crisis;
- Assign duties and a chain of command for making decisions;
- Have a list of major contacts in case of emergencies;
- Involve public services and private tourism companies in the process of planning – one major factor for effective management is good collaboration;
- Practice for a potential crisis and revise the plan, as necessary.

- **Designate Spokespersons**

It is important that the information provided to the media during a crisis be reliable and balanced. To carry this out, the appointed spokesperson needs to be an officer from the higher ranks – it is mandatory that they be the top management figure in the establishment. Additional spokespersons should also be appointed to take turns in a crisis. All spokespersons should be trained by holding mock news conferences and crisis practice sessions.

- **Establish a Press and Communications Department**

In order to prepare for a crisis, each tourism organisation has to establish a communications department. The department has to be made up of workers trained to work with the media and should hold a solid contact list of international and local media services, a number of telephone lines, fax machines, and ideally a mass email computer system able to reach the media on short notice. Additionally, they should have available background information on your establishment that includes maps, photos, tourist arrival statistics and fact sheets on prior crises. If possible, have this background information available in a dedicated section of your website.

- **Communicate Regularly With Media**

To build a reputation it takes many years, hence it is vital to communicate regularly, in good and bad times. The policy has to be based on transparency and honesty. A crisis can be faced with some degree of credibility, if efforts are made to establish good relations with the media by providing them with information on the new things about your destination, if you address their queries promptly and continually make efforts to establish good relations with reporters during trips organized for foreign journalists.

- **Pay Attention To Local Media**
The international media uses local newspapers, television reports, internet and radio as its major sources of information. In times of crises, local news reports can become global media leaders in minutes. So, regardless of the fact that your main target is the media in the major tourist-generating markets, local journalists can't be ignored. Local news personnel will remain interested in your recovery from the crisis, even after the international media focus moves to a new topic/crisis elsewhere.
- **Train Spokespersons in Safety and Security Issues**
Communications regarding security should be based on responsiveness. When a crisis develops, the spokespersons should be ready to respond with authority on security issues, reaching a balance between giving sufficient information and avoiding placing excessive emphasis on possible security/safety issues.

B) Promotion Planning

- **Develop a Database of Partners in the Travel Trade**
Every tour operator supplying tourists to your location, including all major travel agencies and transport companies in main tourist creating markets, should represent the foundations of all databases. Incoming operators and tour organisers also have to be included, along with local hotels, transporters, promotion boards and tourism associations.
- **Build An Email or Fax Broadcast System**
Communications systems able to get in touch with your partners in your database have to be in place and ready for use in a crisis. Start communicating information to your partners directly and regularly before a crisis strikes. If communications are only carried out in times of trouble, the image given will be one of nothing but problems.
- **Be Honest and Ethical In Promotion**
Establishing and holding onto credibility is of primary importance in promoting tourism, as it is in communications. Overselling and misrepresenting your product should be avoided. Stick to ethics when selecting promotional materials, or you may end up creating your own crisis. The Bahamas, for instance, was criticised in the international market for making use of photos in advertising that were taken in Seychelles, Hawaii and Florida.
- **Set Aside Budget Reserves for Emergencies**
To recover from a crisis requires additional funds for promotion and communication activities. A practical manager will establish a reserve fund for use in emergency, in cases of crisis. Make efforts to have advance permission to use this money, without having to go through the extended bureaucratic process of obtaining permission to use the funds.
- **Stay Out of the Travel Advisory War**
Travel advisories have to be released according to Article 6 of WTO's Global Code of Ethics for Tourism that says: "...governments should issue such information without prejudicing in an

unjustified or exaggerated manner the tourism industry of host countries and the interests of their own operators.” Travel advisories must be examined with the host country’s authorities and travel professionals before being issued. Warnings should be restricted to specific geographical areas, instead of blanketing the whole country, and be removed as soon as the situation becomes normal. Avoid the retaliation of travel advisories.

- **Improve Communication of the Security Issues with Tourists**

Your website should carry tourist safety and emergency information. Some information that should be present includes emergency telephone numbers, design of banknotes, exchange rates, places that should be avoided, rules of behaviour, places safe to leave luggage, typical prices of common items purchased, the need to report crimes before leaving a country and the importance of maintaining photocopies of travel documents. The Tourism Authority of Thailand (TAT) website, for instance, includes information on the very rigid laws aimed at stopping child exploitation and requests visitors to report incidents.

- **Encourage Tourists To Learn Food Safety Practices**

The World Health Organization’s booklet entitled “*Safe Food for Travellers*” contains useful information and should be used as part of your promotional material, in informing tourists how to avoid illness while travelling.

C) **Reviewing Security Systems**

- **Maintain a Working Relationship with Other Government Departments Responsible for Safety and Security**

The way in which a crisis involving tourists is managed is greatly impacted by the decisions made by police agencies and emergency services, along with departments of health, interior consumer affairs, foreign affairs, civil defence and judiciary. Some countries develop a central a Safety and Security operational group, which brings all these partners together regularly to discuss tourism. In South Africa, for example, the Tourism Safety Task Group is composed of the Department of Environmental Affairs and Tourism, the national police, the tourism board (SATOUR), the Tourism Business Council, the Department of Foreign Affairs and nine provincial tourism departments.

- **Get Involved in Defining Security Procedures**

Tourism authorities have to make certain that they are knowledgeable about all security measures taken that impact the industry. Go through the entire tourism chain – arrival at the airport, ground transport, hotels, restaurants, shopping areas and tourist sites. Think about the need for greater security at every site, including places like beaches or entertainment areas. The aim is to make a safe environment available with procedures that are as discreet as possible and do not hinder the tourist’s arrival.

- **Designate a National Tourist Safety and Security Focal Point**

All National Tourism Administrations should appoint a person to liaison between other government bodies, specialized services, the tourism sector and the WTO services on security and safety issues. The NTSS Focal Point will also maintain records on basic facts of tourist security, like rules and regulations, risk identification, statistics on safety and incidents. Additionally, this individual should play a part in the WTO Safety and Security Network, exchanging information with counterparts around the globe posting safety information on WTO website.

- **Train Local Personnel in Security Issues**

NTAs can participate actively in improving security and safety, by supporting safety and local tourism workshops for workers *and* by endorsing joint affiliations between public and private security companies in the tourism sector; such as, local law enforcement and hotel security guards. Additionally, carry out community awareness courses that will help locals better understand the value of tourism in their communities. They can help in making it safer for visitors by noting and reporting any suspicious activities.

- **Establish Tourism Police and Emergency Call Centres**

Exclusive tourism police forces, such as the ones used in Argentina, the Dominican Republic, Greece, Egypt and Malaysia, are trained to provide help in various different languages. The Green Angels of Mexico travel country's highways with bilingual crews. Other countries have call centres with operators who are multi-lingual, to handle foreign visitor emergencies. Information regarding how to get in touch with these emergency services has to be passed on the visiting tourists when they arrive.

D) Research Readiness

- **Establish Strong Contacts With Key Partners in the Private Sector**

Establish shared agreements with airlines, major hotels and tour operators to share up to the minute data regarding occupancy rates, overnight stays and pricing, etc. Set up an email or fax system that can exchange your information with major partners.

- **Monitor Hospital Admissions Involving Tourists**

Non-crisis information on things like hospital admissions of tourists may be used as reference points for any possible future problems.

- **Monitor Crime Against Tourists**

Crimes against tourists statistics may help experts to pinpoint security gaps, enhance the destination's quality and maybe avert crisis-scale issues in the future. Crime statistics may also be used as background information, offering a context for crisis communication and a point of reference for showing a return to normal routine.

During a Crisis:

Minimising Damage in a Crisis

The initial 24 hours are critical in a crisis situation. A nonprofessional response can cause even more damage to the destination, whereas a responsible crisis management can help build relations with the travel trade and help the destination to recover faster.

A) Communications From The Front Line

- **Be Honest And Transparent**
To safeguard your integrity, follow a policy of full disclosure regarding what you know and what is not certain. Pass on facts in a non-patronizing fashion. Do not attempt to hide things and do not lie. Rest assured, the true facts about the crisis will eventually come out and news of falsehoods/cover-ups can cause more damage than the actual crisis.
- **Do Not Impose a News Blackout**
Not providing information to the media will take your chance to express your viewpoint away, and it will lead the media to get the information elsewhere – frequently from people who are not as careful with their words as you might be.
- **Establish a Media Centre**
The media will immediately descend upon you in a crisis, so be ready with a room equipped with phones, desks and data lines. Utilise these as required for briefings to the media. If the crisis occurs in a different location, set up a second media centre there with a second spokesperson who is in constant communication with the headquarters. Work alongside security services to help television reporters get access to places with good facilities/settings for on-camera reporting.
- **Act Fast**
Within seconds, news travels around the world. To be able to work with the media successfully, you will have to function as fast as they do. Start to release information as soon as you can answer the five main questions: who, what, where, when and why? If some information is lacking, just state that it is not available and assure them that you will get back to them as quickly as possible. Have a timetable for recurring bulletins. Make background information available regarding your destination.
- **Remember the Victims**
The initial communication regarding the crisis should be inclusive of what is being done to aid the victims. Information with regards to economic losses to the tourism industry is seen as insensitive when life or injury comes into play. Tourism is a caring industry and it has to show compassion when facing a crisis. When two French sunbathers on Miami Beach were run over in a police chase, the tourism director promptly made arrangements to fly in the grieving parents and he personally met them at the airport and spent the evening with the family in the hospital. It was his personal

involvement, instead of the negligence on the part of the police, which was the focus of the morning news.

- **Avoid Speculation and Categorical Reassurances**

Speculations about the causes of the disaster and whom to place the blame on can damage your credibility. Information shared must come across as accurate and trustworthy and not tainted with efforts to encourage people. The best time to visit a destination in trouble is perhaps immediately after the incident. Outright assurances like “it is completely safe here” may have the reverse effect and make travellers suspicious. It is better to adhere to information regarding what is being done to make a destination safer.

- **Put the Crisis Into Context**

Make use of quality maps and lots of statistics to show that the crisis is restricted to a limited area of the country’s tourism industry. When health problems affected British tourists to the Dominican Republic in 1977, a portion of the recovery strategy was to demonstrate using statistics that less than one percent of the two million British tourists fell sick in the previous year. This placed the emphasis on the hundreds of thousands of people who went to the Dominican Republic and did not get sick, rather than the comparative few that did.

- **Challenge Untrue Statements**

If media outlets are making mistakes in their reporting, contact them immediately – before other journalists pick up the inaccuracies and repeat them. Be ready with the facts and offer interviews or any other help as required. Do not just assume that the media is against you - credibility maintains their business also, and while a journalist may not like to be corrected, they will (or should) value truth above all else.

- **Use the Media Spotlight to Highlight Positive Aspects**

You have an unparalleled opportunity to speak of your destination in great detail with reporters during a crisis period. Make certain to weave positive details into the news releases, for instance: new developments in tourism, growth statistics, or how vital tourism is to the specific region or community. Seek out human-interest stories, such as local residents aiding victims.

- **Place Information about the Crisis on the Website**

Each tourism destination becomes its own news channel on the internet during times of crisis. Talk to your potential customers directly through your destination website, focusing on the areas affected by the crisis and those that are not affected, in addition to what is being done to control/reverse the crisis. Be truthful and factual - update the information daily.

- **Network With Other News Sources**

Other organisations that are in the position to report the crisis to the media, like disaster relief, police, hotel associations, airlines, tour operator groups and WTO, should be informed about your response so they may add to it in their communication. Inform these partners on how to contact your spokesperson for corrections to any possible errors, or to request further information.

B) Hard decisions about promotion

- **Communicate Directly with the Travel Trade**
Do not allow your key partners to depend on the media for information on the crisis. Offer details regarding the scale of the crisis, what you are doing to help the victims, what the security services are doing to control the crisis and what steps are being taken to avert such problems from occurring again. Tour operators in the UK have used conference calls with success in crisis situations to connect the different individuals responsible for safety, promotion and tourism policy, so that all parties get the same information at the same time. Trips organized during or immediately after the crisis is, for tour operators, the best way to allow them to assess the actual situation themselves.
- **Change Promotional Message to Address Safety Concerns**
Instead of suspending promotion during a crisis, alter the message immediately to show the current situation and tackle safety concerns about the destination. Endorsements should show concern for the victims, or give information about what is being done to put an end to the crisis. Use advertisements to guide potential visitors to a hotline or website for more comprehensive information. When the oil tanker, Prestige, sank off the coast of Spain, gigantic billboards were put up by the regional tourism board thanking Madrid residents for their sympathy over the crisis.
- **Press Ahead With Promotional Events and Travel Shows**
The travel industry needs to be reassured that your destination is secure and will not simply vanish due to a crisis. The best way to show this is to go ahead with any scheduled endorsements. A crisis gives rise to greater attention for a destination at trade shows and provides more opportunities to convey positive developments, along with the latest information about the end to the crisis.
- **Seek Increases In Promotional Budget**
Governments usually pay more attention to the tourism industry during a crisis, compared to when everything is running smoothly. Make use of the chance to seek increased promotional budgets – they will be required to encourage visitors to return and to help the industry recover from the crisis.
- **Initiate Financial Assistance and/or Fiscal Measures To Support Tourism Companies**
Governments have to work with the industry closely when times are hard, in order to make certain that the product does not suffer any damaging loss that may hinder recovery in better times. Things like short-term tax incentives, reduced airport charges, subsidies and free visas are a few of the measures that may be taken to persuade airlines, tour operators and cruise companies to keep functioning immediately after a crisis.

C) Ensuring Security

- **Set Up a Hotline**

If an emergency call centre is up and running, it can serve as a hotline for queries in times of crises for tourists and their families. If such a centre does not exist, it needs to be established immediately after a crisis with multi-lingual operators who fully understand security related issues. The WTO's Handbook on Natural Disaster Reduction has a sample hotline questionnaire. Highlight the establishment of the hotline in media briefings and on the destination's website.

- **Monitor What Is Being Done To Improve Safety and Security**

Make use of inter-agency relations and contacts to keep your organisation up-to-date on what activities the security services are carrying out to end the crisis and improve security

- **Coordinate With Security Services For Media Access**

Whenever possible, in collaboration with security services, arrange reasonable media access to the affected area. Not too many years ago, a Caribbean country tried to limit access to a hurricane hit area. CNN went out and hired a helicopter to fly over and take 'exclusive' pictures of the destruction. The images had significantly more impact because they were 'banned' by the authorities.

- **Communicate Internally**

In the midst of a catastrophe, internal communications frequently get overlooked. However, it is imperative to keep all tourism staff informed of the seriousness of the catastrophe and all that is being done to stop it. This makes the tourism team stronger and prevents inaccurate information from spreading.

D) Quick Research Tactics

- **Get To Know Your Visitors**

Survey teams should be dispatched to find out who is travelling during the disaster, their origins and why they were there, then pass the information back to the promotion department immediately.

- **Monitor Media Reports**

Keep tabs on the material being published and broadcast regarding your destination during the disaster, and relay that information back to promotion and communications departments. Regardless of the fact that this type of monitoring is typically the job of the communications department, they will usually be spread too thin at times of crisis and will be grateful for the help.

Following a Crisis: Restoring Tourist Confidence

Whereas, media focuses move to new stories rapidly, the destruction done by a crisis lingers in the minds of the potential tourists for a very long time. Recovery requires additional efforts especially in the departments of promotion and communications.

A) Image Building Communications

- **Be Pro-Active In Communications**

Highlight what you are doing so normality can be restored quickly to the local tourism industry. Inform journalists about your recovery plans and the amount of time it will require to take effect. Provide a lot of information, hand out copies of speeches, photos, maps and editorial pieces. Recovery from a tragedy takes increased budgets and human resources in communication.

- **Look for Positive News**

Focus news items to show normalcy of tourism activities, for instance, the presence of specialised tour groups or any new attractions. The idea is to show 'business as usual' in your location. Egypt has successfully endorsed the discovery of reopening of archaeological sites as its recuperation strategy. Focus on news that is not directly linked to tourism, like cultural events, sporting victories, scientific discoveries, film shootings and shopping trends.

- **Increase Family Trips for Journalists**

Bring the press back to let them see what has been accomplished. Aim for the "Family Trip" theme to focus on your specific image issues and ensure that it includes lots of contact between media people and local residents. Focus on positive T.V. coverage to counter the negative effects of the images seen on television, which may still be in minds of future visitors. The positive thing about Family Trips is that they provide a lot of time to make friends with specific journalists, who are frequently encouraged to take a special interest in your country for many upcoming years.

- **Remember Anniversaries**

A significant crisis will be reviewed by the media in end of the year reviews and on major anniversaries – 100 days, six months, one year, two years etc. Such dates provide good opportunities to communicate. Foresee this and be ready with material and stories that show the destination's recovery.

- **Anticipate Legal Actions**

Individuals affected by international events will want investigations, pursue lawsuits and lodge complaints. If the media reports inaccurate information about you, write to the editor of the publication to set the matter straight. If you are taken to court, an incorrect media report may be used as evidence and simply claiming it did not happen may not help you. You will have to show evidence that you did not agree with the report at that time.

- **Create Your Own News Outlet On The Destination Website**

Offer an alternative to mass media news by posting about it on your website. Make the website as news-like as you possibly can, making use of its limitless space to provide detailed information. To show that your website is offering up-to-date information, it must have today's date in an easy to see place. It must be kept current, with positive stories on a daily basis that illustrate a return to normalcy after the crisis.

B) Flexibility In Promotion

- **Create New Niche Market Products**
The touring packages offered should target the strongest segments of the market, like skiing, culture, golf, sporting events or honeymoons.
- **Target Experienced and Special Interest Travellers**
Travellers with greater experience or returning visitors are less likely to be scared away by a crisis. Individual travellers with specific passions, such as, mountain climbing, diving or archaeology will go wherever necessary to enjoy their hobby.
- **Create Special Price Offers**
Instead of becoming party to price wars in a crisis stricken area, or abnormally lowering prices across the board, establish special offers. Malaysia and Sri Lanka construct their special offers near holiday weekends and festivals. The aim is not necessarily to provide the lowest prices, but to give value for the money.
- **Quickly Shift Promotion To Most Promising Markets**
Be ready to switch endorsement campaigns to areas that promise maximum resilience. Typically, these are the source markets nearest to home, as travellers there are more accustomed with your destination. But keep an eye on research and be wary of wasting money on markets that are not prepared to travel. A joint Caribbean advertisement campaign, initiated to bring back US tourists, was not productive because many Americans are still cautious about travelling abroad.
- **Step Up the Promotion to the Domestic Market**
Domestic tourism can fill in for the absence of foreign tourism during the recovery time in larger countries. After the terrorist bombing in Bali, the Bali Tourism Board started to focus on local market to keep hotels running. Following the September 11 attacks, Persian Gulf tourists spent their vacation time close to home and kept hotels in Dubai, Bahrain and other Arab countries very busy. Tourism officials were pleasantly surprised to find that these tourists spent more than the visitors from more distant places.
- **Take Travel Advisories Seriously**
Get in touch with governments that put out travel bulletins that speak against the destination. Offer a regular update about the information on the crisis, which includes details like the precise location of the incident, steps being taken to make the area more secure and places that are safe for

travellers to visit. Begin lobbying the government and ask representatives to evaluate the situation first-hand.

- **Intensify Cooperation**

A crisis binds people together in a spirit of solidarity and cooperation, which is vital for a speedy recovery. Enhance coordination between tourism endorsement boards throughout the country. Increase the association between public and private sectors in marketing campaigns. Also, investigate the possibility of multi-country regional endorsements and products.

C) Security for the Future

- **Evaluate Security Procedures**

In the aftermath of a crisis, it is necessary to go over security systems again to ensure all is in place, but not so obvious that it brings a negative image to the destination. Do not allow the 'hassle' of security to scare visitors or hinder tourism from starting up again.

- **Push To Improve Quality Of Services And Facilities**

Promote quality through feedback of survey results focused on tourist perceptions, by providing excellence and establishing tourist complaint services. Tourists need a place to go when services fall below their expectations. Peru's Tourist Protection Service (or TPS for short), which functions under the umbrella of the country's Consumer Protection Commission, offers such a service by mediating complaints, providing standard tourist information and data on the type of complaints to aid in pointing out areas needing improvements.

D) Using Research Effectively

- **Survey Generating Markets about the Perceptions of Your Destination**

Research potential future tourists and run a survey of your travel partners in the major source markets, in order to assess their preparedness to travel also for information regarding their perceptions or fears of your destination. Passing this information to promotion officers will enable them to mould campaigns to repair any damaging views. To be able to alter perceptions, it is vital to first know exactly where you stand.

Further Reading:

- ✓ *Christof Pforr, Peter Hosie, (2004), Crisis Management in the Tourism Industry: Beating the Odds?*
- ✓ *Dirk Glaesser, (2006), Crisis Management in the Tourism Industry*
- ✓ *Joan C. Henderson, (2007), Tourism Crises: Causes, Consequences and Management*
- ✓ *Eric Laws, Bruce Prideaux, K. S. Chon, (2007), Crisis Management in Tourism*