



# UNIT-16

## Crisis Management

### Learning Outcomes

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

- ✓ Analyse the need for effective crisis management in tourism
- ✓ Explore different Crisis Management techniques

## Unit 16

### Crisis Management

Horrifying terrorist attacks and local wars generally cast dark clouds about tourism in different parts of the world, highlighting the need for exceptional crisis management in this sector. The news of large-scale calamities has been regularly highlighted in newspapers and the airways over the last year and a half. Tourism crises can exhibit itself in a variety of ways and has been a regular occurrence for the last many years.

Natural disasters, such as, hurricanes, floods, fires, and volcanic eruptions, at times, 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 and even, economic factors, such as, sudden fluctuations in exchange rates, which adds to 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 aid in retaining traveller confident in the travel industry and to limit the impact of a 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 factors that lead to successful management of crisis, however, other specialties also have to be involved, in particular:

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

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

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

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

## Before the Crisis:

### Preparing for the Worst:

Never overlook the severity of the possible damage a crisis can deliver to 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 to plan 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 to effective management is good collaboration; and
- Practice for a crisis and revise the plan, as necessary.

- **Designate Spokespersons**

It is necessary that the information provided to the media during a crisis be reliable and harmonised. To carry this out the appointed spokesperson needs to be an officer from the higher ranks, but mandatory that they be the top management person in the establishment. Additional spokespersons should also be appointed to take turns in a crisis. The spokespersons should be trained by holding mock news conferences and crisis practice.

- **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 media and hold a solid contact list of international and local media services, a number of telephone lines, fax machines, and even 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 special 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 to establish good contacts with the media by providing them with information on the new things about your destination, if you address their queries promptly and establish good relations with reporters during trips organized for foreign journalists.

- **Pay Attention To Local Media**  
The international media use local newspapers, television reports, and radio as their major source of information. In times of crises, local news reports will become global media leaders in minutes. So, regardless of the fact that your main target is the media in the major tourist generating markets, the local journalists can't be ignored. Local news personnel will remain interested in your recovery from crisis even after the international media focus moves to a new crisis elsewhere.
- **Train Spokespersons in Safety and Security Issues**  
Communications regarding security should be based on responsiveness instead of pro-active. When a crisis develops, the spokespersons should be ready to respond with authority on security issues, reaching a balance between giving sufficient information without placing excessive emphasis on security 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 make up 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 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, then, the image given will be nothing but troublesome.
- **Be Honest and Ethical In Promotion**  
Establishing and holding on to credibility is of primary importance in promoting tourism, as it is in communications. Overselling and misrepresenting your product should be shunned. Stick to ethics when selecting promotional material 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 spend this money without having to go through the extended bureaucratic process of permission to use the funds.
- **Stay Out of the Travel Advisory War**  
Travel advisories have to be released according to Article 6 of WTOs 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 included is: 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 halting child prostitution 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 good information and should be used as a part of promotional material in informing tourists how to avert 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, emergency services, along with departments of health, interior, consumer affairs, foreign affairs, civil defence, and judiciary. Begin 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 all every site, including places like beaches or entertainment areas. The aim is to make a safe environment available with procedures that are as veiled as possible and do not hinder the tourist 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 too will maintain records on basic facts of tourist security, like rules and regulations, risk identification, statistics on safety and

incidents. Additionally, this individual should take part in WTO Safety and Security Network, exchange 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, the local law enforcement and hotel security guards. Additionally, carry out community awareness courses that will help local dwellers to understand the value of tourism in their communities. They can help in making it safer for visitors by exposing any suspicious actions.

- **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 make the rounds of 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 swap up to the minute data regarding occupancy rates, overnight stays, and pricing, etc. Set up an email or fax system that can exchange you information with major partners.

- **Monitor Hospital Admissions Involving Tourists**

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

- **Monitor Crime Against Tourist**

Crimes against tourist statistics may aid 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 of showing a return to normal routine.

## During a Crisis:

### Minimising the Damage in a Crisis

The initial twenty four hours are critical in a crisis situation. A nonprofessional response cause more damage to the destination, whereas, a responsible crisis management can help to build relations with the travel trade and allow 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 and cover-ups 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 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 aid television reporters get access to places with good backgrounds for on-camera reporting.
- **Act Fast**  
Within seconds, news travels around the globe. To be able to work with the media successfully, you will has to function as fast as they do. Start to release information as soon as you can answer 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 in regards to economic losses to tourism industry is seen as insensitive where life or injury comes into play. Tourism is 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 neglect 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 damage your credibility. Information given 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, resounding 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 good 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, which affected British tourists to the Dominican Republic stirred up a crisis 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.
- **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 facts and offer interviews or any other help. Do not just assume the media is against you, credibility maintains their business also and while a journalist may not like to be corrected, he will value truth above all.
- **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 with internet. Talk to your potential customers directly through your destination website, stressing about areas affected by the crisis and those that are not affected, in addition to what is being done to cap the crisis. Be truthful and factual. Update the information daily.
- **Network With Other News Sources**  
Other organisations that are in the position to inform regarding 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 refer to it in their communication. Inform these partners regarding how to contact your spokesperson for corrections to any possible errors or further information.

**B) Hard decisions about promotion**

- **Communicate Directly with Travel Trade**  
Do not allow your key partners to depend on media for information on the crisis. Offer details regarding the degree of the calamity, what you are doing to help the victims, what the security services are doing to cap the crisis and what steps are being taken to avert such mishap from occurring again. Tour operators in the UK have used conference calls with success in crisis situations to hook up the different individuals responsible for safety, promotion and tourism policy so that all parties get the same information simultaneously. Trips organized during or immediately after the crisis, for tour operators is 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 the 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 vanish due to a crisis. The best way to show that is to continue 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 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 stimulate visitors to return and aid the industry to 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 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. Endorse 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 a reasonable media access to the affected area. Not too many years ago, a Caribbean country tried to limit the 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 that much more impact because they were 'banned' by the authorities.
- **Communicate Internally**  
In the thick of a catastrophe, internal communications frequently get overlooked. However, it is imperative to keep all tourism staff abreast about the seriousness of the catastrophe and all that is being done to stop it. This makes the tourism team stronger and prevents wrong 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**  
Maintain tabs on the material being published and broadcast regarding your destination during the disaster and relay that information back to the 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: Recovering 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**

Endorse what you are doing so normalcy can be returned quickly to the local tourism. Inform journalists regarding 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 extra budgets and human resources in communication.

- **Look for Positive News**

Focus news items to show normalcy of tourism activity, for instance, appearance 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 preview 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. Deliberate on positive T.V. coverage to counter the negative effects of 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 special interest in your country for many upcoming years.

- **Remember Anniversaries**

A significant crisis will be reviewed by the media at end of the year reviews and on major anniversaries – 100 days, six months, one year, and two years. Such dates provide good chances 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 seek 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, the incorrect media report may be used as evidence and claiming it did not happen becomes useless. 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 a substitute 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 more detailed information. To show that your website is offering up-to-date information, it must have today's date in easy to see place. It must be kept current with positive stories daily that shows a return to normalcy after the crisis occurs.

**B) Flexibility In Promotion**

- **Create New Niche Market Products**  
The touring packages offered should target the hardest segments of the market like skiing, culture, golf, sporting events, or honeymoons.
- **Target Experienced and Special Interest Travellers**  
The 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 constructed 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 the maximum resilience. Typically these are the source markets nearest to home, as travellers there more accustomed with your destination. But keep an eye on the research and be aware 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 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 the larger countries. After the terrorist bombing in Bali, the Bali Tourism Board started to endorse to local market to keep hotels running. Following the September 11 attacks, Persian Gulf tourists spent vacation time close – to - home and kept hotels in Dubai, Bahrain and other Arab countries running. 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 against the destination. Offer a regular update about the information on the crisis that includes details of 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 see 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 chances 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 the security systems again to ensure all is in place, but not so obvious that it brings a negative image of the destination. Do not allow the 'hassle' of security scare visitors or hinder tourism from starting up again.

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

Promote quality through feedback of survey results associated with 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 SPT for short), which functions under the umbrella of the country's Consumer Protection Commission, offers the 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 for preparedness to travel also for information regarding their perceptions or fears of your destination. Passing this information to the promotion officers will enable them to mould campaigns to fix the damaging views. To be able to alter perceptions, it is vital to know 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*