

## CRISIS MANAGEMENT IN TOURISM

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**Abstract:** *The crises with their entire range of negative consequences act on all the components of life: economic, social, political. Fortunately, for tourism, their impact is less than the man's ancestral desire to travel, to gain new life experiences, to know and explore new territories, new tourist destinations that will give him satisfaction. Volatile as a phenomenon, tourism adjusts its mechanisms of crisis adaptation, regulating through its specific crisis management all functional components. This article analyzes the typology of crises impacting the functionality of tourism, the nature of crises, the phases of a crisis, each with a threat to the image of a tourist destination.*

**Keywords:** *tourism, crisis, management, recovery, development, strategy*

### Introduction

The tourism is a strong point on the world economy even if it is affected by various phenomena like crises.

The crisis is defined as “an unexpected event that lowers the confidence of tourists in the destination affected by the crisis and interferes with the possibility of carrying out activities normally” (Patrichi, I.C., 2013).

“Crises in tourism” have negative effects on tourism, depending on the *types of crises* which are:

- economic crises,
- political crises,
- technological crises,
- tourism and health crises,
- socio-cultural conflicts,
- Terrorism (causing the greatest negative impact on tourism).

Crises may arise as a result of unexpected developments in the economic, political, socio-cultural, or environmental spheres but these

developments affect tourist demand and supply both in the country where they are taking place and in the tourist issuing countries.

The factors that can generate or even favour a crisis in tourism are: economic recession; currency instability, withdrawal of investment funds, political events (elections, war, deterioration of international relations or terrorism), civilian riots, increased crime and violence, natural disasters (earthquakes, typhoons, volcanic eruptions or floods).

**Table 1:** Nature of Crises in Tourism

Field	External crisis	Internal crisis
Economics	Recession Monetary movements Fees	Increase in costs Non-profitability
Political	Government policy Internal relations Instability	
Sociocultural	Terrorism Riots	Staff strikes Cultural conflicts
Environment	Natural phenomena Natural disasters	Overgrowth Environmental degradation
Technology	Pollution Computer system collapse Mechanized systems collapse Design errors	Transport accidents
Trade	Fires Law Government interventions	Competition Work conflicts Management decisions Human errors

Source: Adaptation by Joan C. Henderson, Tourism crises. Causes, consequences and management

**Crisis management** is the complete *strategy, processes and methods* that help to prevent and manage a crisis situation. Management is classified *in three steps*: Pre-crisis stage; Actual crisis; Post-crisis stage.

### 1. Pre-crisis stage

The pre-crisis stage plays an important *role* in minimizing the impact of the crisis because the tourism destinations can create in advance different management strategies to recover from these disasters.

The *strategy* in the pre-crisis phase covers:

- a) creating a communication strategy:
  - *Develop a management plan* (taking into account the resources, distribution of responsibilities and the creation of a control chain, the involvement of public services, and private tourism companies in the management plan elaboration).
  - *Appointing spokespersons* (official spokespersons to transmit the information as accurately as possible).

- *Establishing a media communication department* (people in this department should be trained regarding the relationship with the media which should be one of total transparency).
  - *Good communication with the local media* (most often, when a crisis occurs, the information is retrieved from the local media and distributed internationally).
- b) Promotion:
- *Creating a database of partners in the tourism industry* (tour-operators, travel agencies, and carriers, etc.).
  - *Correct and honest information* (eg: the Bahamas case - it was accused of having used images of Hawaii, Seychelles and Florida in international media campaigns).
  - *Setting a budget for emergency situations* (this saves time by eliminating bureaucratic procedures for the subsequent obtaining of these funds).
- c) Review of security systems:
- *Creating a safe climate by setting up special departments* (the objectives: the safety and security of tourists).
  - *Staff training* (of the employees of the amusement park, restaurant, hotel, etc by organizing workshops in collaboration with the local police or private companies in the field of security).
  - *Creating emergency centres* (this comprises the establishment of a touristic police or call-centres with information available in several international languages).

## 2. The actual crisis

The first 24 hours are extremely critical in a touristic destination. During this time, the final image of that destination can be permanently deteriorated.

The *strategy* in this stage covers:

- a) Communicating as accurately as possible the information through:
- *Honesty and transparency* (vital elements in maintaining the credibility of a destination).
  - *Permanent communication with the media* (in the situation where the information is partial or missing, the media will seek alternative sources of information which may be distorted and may place the destination in a negative light).

- *Creating a media centre* (requires only a room equipped with offices, telephones and internet access, where media representatives can operate).
- *Acting quickly* (it is preferable for the responsible persons to provide information on the magnitude of the crisis situation as quickly as possible).
- *Increased attention to the transmission of victim information* (information about the tourists should be ahead of that represented by financial losses or economic impacts).
- *Avoiding speculation* (speculations on the reasons that led to the occurrence of the crisis or the number of victims should be avoided in the first phase. Also, the use of the phrase “the destination is safe” immediately after a negative event can have an adverse effect on potential tourists).
- *Contesting false information* (in order to counteract incorrect news about the state in which the destination is during a crisis situation).
- *Using the Internet for accurate and fast transmission of information* (may be a choice that makes the difference between the recovery or the downfall of a crisis destination).

b) Making the best decisions on promotion through:

- *Direct communication with tour operators.* (by online conferences, inviting their representatives to visit their destination during or just after the crisis).
- *Creating new promotion companies.* (promotion of a touristic destination should not be interrupted by the occurrence of a crisis situation, but the message of the campaigns that reach potential tourists should be changed).
- *Organizing promotional events or tourism fairs.*

c) Security aspects:

- *Creating an emergency number* (which must be made public by all existing means of communication so that victims or members of the victims' families can call at any time to find out about them).
- *Creating a Volunteer Centre.*

### 3. Post-crisis stage

The post-crisis stage is largely focused on regaining the trust of tourists by:

a) Prompt communication and correct information:

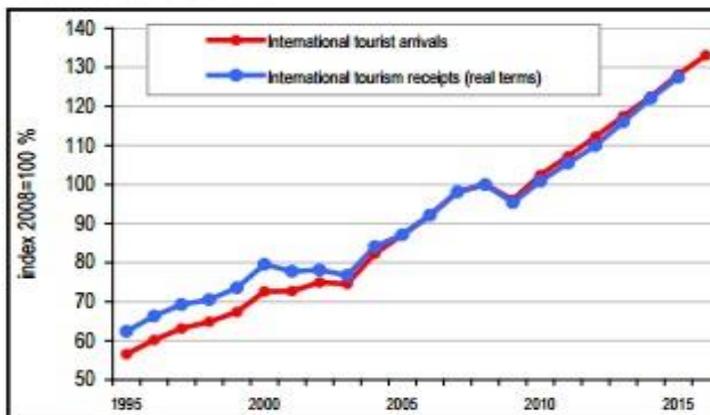
- *Sending positive news* to regain the confidence of tourists,
- *Attracting journalists to the area,*

- *Remembrance of the event,*
- *Creating a section of news on the own site of the destination,*
- *Joining the international tourism promotion campaigns.*
- b) Flexibility and adaptation:
  - *Creating niche segments or niche products,*
  - *Attracting the Special Interest Group (SIT) by creating attractive packages,*
  - *Promoting through attractive prices and special offers on various occasions*
  - *Increased promotion on the international and national market.*
- c) Security by:
  - *Assessing security and safety measures among tourists through regular checks,*
  - *Creating a consumer protection system from banal complaints and dissatisfaction to serious and extreme situations.*

**Tourism growth in the crisis years 2010-2014, but also at present**

- “Tourism has shown strong and tremendous resistance in recent years, despite many challenges, especially those related to safety and security, noticing that the number of tourist arrivals has increased year by year, especially during the period between 2009 and 2016, as well as the income from tourism.
- However, international travel has continued to grow and contribute to job creation and the welfare of communities around the world”, stated the UNWTO Secretary General, Taleb Rifai.

Inbound Tourism 1995-2016\*



Source: World Tourism Organization (UNWTO) ©

**Figure 1.** Touristic arrivals and international income (1995-2016)

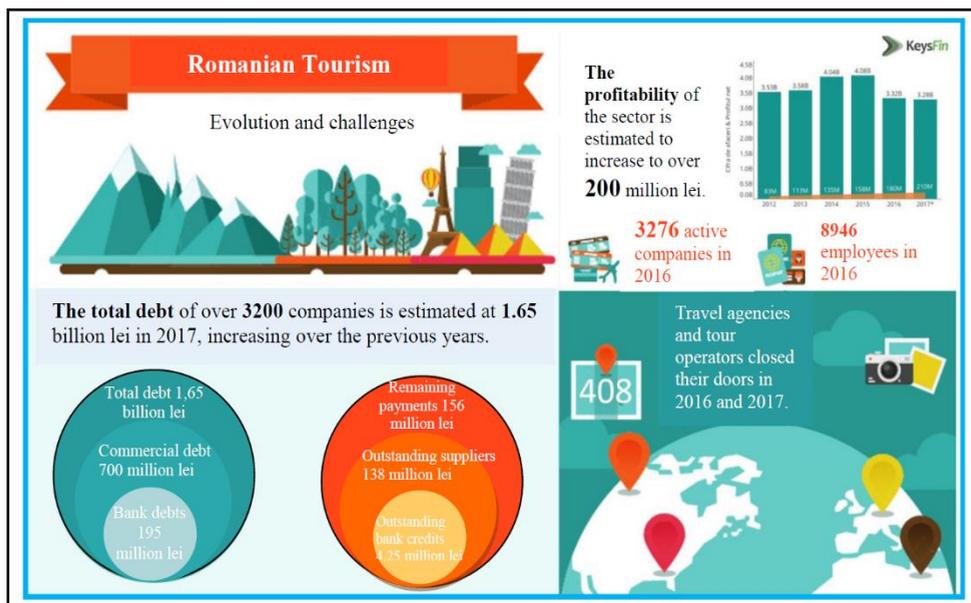
Source: World Tourism Organization (WTO)

By broadening the perspective both geographically and by sector definition, we get a clearer picture of the impact of tourism on the economy. World Travel & Tourism Council (WTTC) measures this impact annually in 185 countries, analyzing both travel agencies and tour operators as well as hotels, airlines, airports, tourism agreement and recreation services.

Thus, the 2018 report of this organization places Romania on 66th place in the world in terms of the absolute direct tourism contribution to GDP (\$3 billion), far away from the EU average (\$23.8 billion) or global average (\$21.5 billion).

Looking at this indicator from the point of view of its weight in GDP (1.4%), the differences are considerably attenuating, reaching almost half of the EU average (3.9%) and the global average (3.1%).

Although the real growth projected for 2018 of the direct contribution of tourism to GDP is 4.6%, the long-term prospects (2018-2028) are less optimistic, the average annual growth forecast for this indicator being only 2.1% (compared to the EU average of 2.3% and the global average of 3.8%), placing Romania on the 178th place in the world. In this regard, support measures and continued investment in the sector are necessary.



**Figure 2. Infographic in Tourism**

Source: <https://www.startupcafe.ro/afaceri/agentii-turism-faliment-top-romania.htm>

“These results show that tourism strengthens positive performance in recent years, providing global economic developments and opportunities... despite the geopolitical and economic challenges, the number of international tourists has increased ....., a trend that has turned into more economic growth, more exports and more jobs” (Taleb Rifai, The World Tourism Organization Secretary-General).

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