Tourism in Post-Crisis is Tourism in Pre-Crisis: A Review of the Literature on Crisis Management in Tourism

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ABSTRACT

In the light of the 2006 terrorist bombings in Egypt and Mumbai or in London in July and on Bali in October of the previous year, ‘crisis in tourism’ appears again to be a timely topic. So, is it then just the frequency of these negative events, which has brought ‘crisis’ to the front pages and also to the forefront of our minds? As it is not a new phenomenon, has only our perception changed? Tourism seems to be particularly susceptible to negative events and, since there is always a crisis somewhere in the world, the industry appears to be under an almost permanent threat with the certainty of yet another crisis already looming somewhere.

A more systematic and conceptional approach to questions such as how tourism businesses react to crisis, which measures are taken and what impact they have, if and how businesses can prepare for such crisis situations and which strategies can be employed to overcome them, has therefore been long overdue. In this context, the paper aims to explore the literature on crisis management in tourism and to identify foci of the current academic discourse.

KEYWORDS
Crisis management, tourism

INTRODUCTION

In the light of the 2006 terrorist bombings in Egypt and Mumbai or in London in July 2005 during the European peak holiday season and again on Bali in October of the same year, ‘crisis in tourism’ appears yet again to be a timely topic. The spectrum of recent crises impacting on the tourism and hospitality industry is large, ranging from terrorism attacks in Madrid (2004), Jakarta (2003), Bali (2002) and the ‘September 11 attacks’ (2001), natural disasters such as the Boxing Day Tsunami affecting large parts of coastal South East Asia in 2004 (Sharpley 2005), bush fires in Australia’s capital Canberra (2002) as well as the Asian economic crisis in 1997 to health-related threats such as the Severe Acute Respiratory Syndrome (SARS) and bird flu epidemics in South East Asia (in 2003 / 2004), but also the foot and mouth outbreak in Britain in 2001 (Leslie & Black 2006; Irvine & Anderson 2006; Coles, 2004; Frisby, 2002), which severely impacted on tourist mobility.

From these negative events a pattern of tourist behaviour has emerged suggesting that an increase in perceived risk associated with a destination is reciprocal to its demand (Floyd et al., 2004). However, McKercher & Hui (2004: 102) emphasise that ‘[f]ortunately, most tourists have relatively short memories and will resume travelling when they feel the immediate threat has passed. As a result, history suggests that disasters tend to have no lasting impact on tourist flows.’ So, is it then just the frequency of these negative events, which has brought ‘crisis’ to the front pages and also to the forefront of our minds? As it is not a new phenomenon, has only our perception changed?

Tourism seems to be particularly susceptible to negative events and, since there is always a crisis somewhere in the world, the industry appears to be under an almost permanent threat with the certainty of yet another crisis already looming somewhere. McKercher & Hui (2004: 101) point out that crises are inevitable, ‘episodic events that disrupt the tourism and hospitality industry on a regular basis’ and Coles (2004: 178) adds ‘when not in crisis, destinations are in an extended programme of practically pre-event-limbo, almost waiting for the important trigger event to take place’.

The enormous growth tourism has experienced in the past 50 years, also as a consequence of technological advancements in transportations, which brought the world’s many destinations, no matter how far, within reach, has resulted in a much stronger interconnectedness and complexity within the tourism system and made the industry in many regions around the world an important factor in their socio-economic development. With tourism now being ‘big business’ based on more than one billion international tourists any crisis will have a much stronger negative impact compared to the past and will affect a much larger part of the population. Moreover, the negative consequences of crises for the tourism and hospitality industry are often felt in destinations far away from where they have taken place. In the context of SARS Hall et al. (2004: 2), for instance, argue that it ‘was not only spread internationally through modern aviation services but also resulted in a number of countries issuing travel warnings regarding travel to some destinations in East-Asia and health security measures at their own borders.’

It is therefore no surprise that a greater sensitivity and concern for the topic has become evident. There is an obvious need and demand ‘on the ground’ for guidance and strategies to deal with crises in the tourism and hospitality industry. ‘Given the sensitivity of the tourism industry and its strong reliance on
perceptions of safety, security and stability’, Gurtner (2005: 197) points out that, ‘the prospective remuneration on effective crisis management has made it a topical issue amongst relevant authorities and stakeholders.’ A more systematic and conceptional approach to questions such as how tourism businesses react to crisis, which measures are taken and what impact they have, if and how businesses can prepare for such crisis situations and which strategies can be employed to overcome them, has therefore been long overdue. In this light, the paper aims to explore the literature on crisis management in tourism and to identify foci of the current academic discourse.

CRISIS MANAGEMENT IN TOURISM

Evidence for a growing sensitivity and awareness for crisis in the tourism industry is a sharp increase in the number of publications dealing with crisis management in the field of tourism in the past five years. In this context ‘preparedness’ and ‘sensibilisation’ for as well ‘initial response’ to crisis are core themes with communication, information and confidence in the destination as important aspects of managing a crisis. In particular industry associations and government authorities have taken a leadership role here, although more in line with reactive crisis management, with the development of specific response patterns, in other words practical guidelines of how to respond to a crisis, for example by the World Tourism Organisation and the Pacific Asia Travel Association (PATA 2003).

Many South East Asian countries, for instance, have shown such a preference towards reactive crisis management as opposed to proactive planning (Chien & Law, 2003; Henderson, 1999a; Henderson, 2003a; Henderson, 2003b; Sausmarez, 2004). This government driven approach is very context specific with its focus on a particular destination and an emphasis on information and communication management to foster effective coordination and collaboration amongst the relevant stakeholders. For Cushnahan (2004) such a contextualisation of crisis management is crucial as he highlights the importance of customising crisis management approaches. Similarly, Ritchie et al. (2004: 202) in line with Coombs (1999) note that ‘all crises are different and crisis managers need to tailor responses to individual crisis, rather than try to plan for every individual situation.’ Thus, it becomes clear that crisis management strategies have to be positioned in the context of the respective environment, including socio-cultural, economic, political and historic but also physical characteristics. A comparative case study between Thailand and Indonesia, for instance, revealed that crisis recovery can be enhanced by strong, good infrastructure and aggressive marketing (i.e. Thailand) while additional problems such as social and political instability (i.e. Indonesia) had the opposite effect (Henderson, 1999b).

Common measures of reactive crisis management in the past have included government aid packages (e.g. for the accommodation and transport sectors), the promotion of domestic tourism and here in particular the marketing of specific niche products as well as the development of new forms of tourism such as sustainable tourism and ecotourism (Henderson, 2002a; 2003a). Coordination and collaboration between key stakeholders also appear to be crucial for the effective management of a crisis situation (Henderson, 2003a; King, 2000; McKercher & Chon, 2004; Carlsen 2005). Santana (2004) emphasises hereby the significant role played by the media in the associated information management and communication processes in the aftermath of a crisis. In particular concerning the destination image, a positive relationship with the mass media is regarded as critical in the recovery phase (Beeton 2005). In this context Ritchie et al. (2004) point out that it is particularly important to manage communication and perceptions through a crisis communication and marketing strategy.

From the above the importance of crisis management becomes apparent, but questions remain none the less, for example as to what constitutes a crisis in the first place and if there is consensus in the debate of how to manage a crisis. The academic discussion of the phenomenon borrows mainly from the management and marketing literature and here in particular the general crisis management literature.

Despite an increase in activity in the past years, there are, in comparison, still only a few publications on crisis management specifically in the field of tourism, which discuss the concept systematically and holistically (e.g. Faulkner, 2001; Beirman, 2003; Santana, 2004; Henderson, 2004; Glaesser, 2003, 2005, 2006; Dreyer et al., 2001; Nankervis 2000; Laws & Prideaux 2006; Scott & Laws 2006; Mansfeld & Pizam 2006). Ritchie (2004: 680) points out that ‘[a] small but growing body of research on crisis and disaster management has been conducted in the tourism industry. This may be due, in part, to the chaotic and complex nature of these incidents and an inability by some managers and researchers to understand such phenomena’. The ensuing discussion also appears rather ad hoc and fragmented by presenting various issues in different contexts.
Several authors have attempted to define a crisis and / or crisis management and have come up with a variety of terms and concepts often used synonymously to crisis (e.g. Pender & Sharpley, 2004; Prideaux et al., 2003; Pizam, 1999; Faulkner, 2001; Glaesser, 2003). More prominent examples include disaster, negative event, catastrophe, problem or turning point, risk, chaos, vulnerability, safety and security. Considering this diversity it is therefore no surprise that a definitional approach to crisis appears to be a difficult undertaking. Santana (2004: 307) concludes that ‘the literature provides no generally accepted definition of crisis and attempts to categorize types or forms of crises have been sparse.’ To provide an insight in the complexity of the discourse, some authors remain fairly vague and provide more generalised statements, for example Ritchie et al. (2004: 202), who point out that ‘crises are indefinite, numerous, unexpected and unpredictable’ or Prideaux (2004: 282) stating that ‘[h]istory tells us that disasters and crises are usually unforeseen, occur regularly, act as a shock on the tourism industry and are always poorly handled’. Others appear more precise in their semantics, Faulkner (2001: 136), for instance, differentiates between the terms crisis and disaster. He argues that a crisis describes a situation ‘where the root cause of an event is, to some extent, self-inflicted through such problems as inept management structures and practices or a failure to adapt to change’, while a disaster can be defined as a situation ‘where an enterprise … is confronted with sudden unpredictable catastrophic changes over which it has little control.’ McKercher & Hui (2004) refer to disasters as either natural events such as floods, typhoons and earthquakes or as human induced events (war and terrorism). In the context of tourism Coles (2004: 175) adds that these

[e]vents unfold at a variety of spatial scales that impact on local tourism sectors and can cause temporal market disturbances of varying duration …. Such events take a variety of forms from natural landscape disasters to episodes of famine, disease and pestilence to wars, terrorist atrocities and political instability.

Santana (2004: 318), however, argues that a ‘crisis is not an event. It is a process that develops in its own logic’. In this context, some authors position these negative events at the centre of crisis management. Similarly to the concept of crisis the literature also fails to provide a clear and concise definition of crisis management. Glaesser (2003, 2005) points out that the common ground, at best, is an agreement on the underlying process, which is commonly subdivided in two or three stages, either crisis prevention and crises coping or crisis precaution, crisis avoidance and crisis coping. None the less, Santana (2004: 308) has suggested a more encompassing interpretation of the concept. He states that

[c]risis management can be defined as an ongoing integrated and comprehensive effort that organisations effectively put into place in an attempt to first and foremost understand and prevent crisis, and to effectively manage those that occur, taking into account in each and every step of their planning and training activities, the interest of their stakeholders.

Despite the above debate, crisis management emerges as an integral part of today’s tourism business (e.g. Henderson, 2002a; Goodrich, 2002; Tate, 2002). The majority of accounts dealing with the phenomenon focuses on particular events or issues, such as the impact of negative events on specific sectors within the hospitality and tourism industry, for example on hotels (Israel & Reichal, 2003; Chien & Law, 2003; Henderson, 2003a; Henderson & Ng, 2004; Yu 2006; Kim et al. 2006; Lo et al. 2006; Srikatan yoo & Campiranon 2005), restaurants (Tse et al. 2006; Green et al., 2004) and travel agents (Lovelock, 2004), but most frequently on the airline industry (Ray, 1999; Gillen & Wall, 2003; Aderighi & Cento, 2004; Henderson, 2003b). Another theme evident in the literature, as discussed earlier, concentrates on communication and information management as well as the powerful role of mass media in crisis in the aftermath of a major negative event (Hall, 2002; GlaeBer, 2005; Santana, 2004; Mason et al., 2005; Fall & Massey 2006). As McKercher & Hui (2004: 102) state, ‘[o]f course, media coverage influences psychological proximity’. The reporting of risk factors pertinent to tourism, such as war and political instability, health concerns, crime, terrorism and natural disasters appear to be particularly powerful in influencing tourist destination choices (Floyd et al., 2004). Hall et al. (2004: 2) in this context argue that ‘[t]ourist behaviour and, consequently, destinations, are deeply affected by perceptions of security and the management of safety, security and risk’.

Furthermore, triggered by the latest disasters the most recent publications rather descriptively focus on specific geographic locations. South East Asia appears to be taking centre stage with the discussion ensuing the financial crisis in South East Asia (King, 2000; Henderson, 1999a; 1999b) and health-related threats such as SARS (Chien & Law, 2003; Henderson, 2003a; Henderson & Ng, 2004; Mason et al., 2005; McKercher & Hui, 2004; Dombey 2003; Cooper 2006, 2005; Wen et al. 2005; Lo et al. 2006; Tse et
Hong Kong, Singapore and Malaysia emerge as the main case study regions here. In an Australian context, particular natural disasters such as the Katherine floods (Faulkner & Vikulov, 2001) or the Canberra bush fires (Armstrong 2005; Armstrong & Ritchie, 2005) have dominated the recent debate in the literature. However, also terrorism and political instability (Pizam 2002; Pizam & Smith 2000; Sönmez et al. 1999; Ryu 2005) appear to be a popular topic with Bali (Henderson, 2002b; Hitchcock, 2001; Hitchcock & Darma Putra 2005; Gurtner 2005) but also more traditional political hot spots such as Egypt (Azis 1995) and Israel (Israeli & Reichal, 2003; Mansfield, 1999) receiving particular attention. None the less, following ‘September 11’ as a key crisis, the United States is also frequently used as a vehicle to discuss crisis management in tourism (Blake & Sinclair, 2003; Stafford et al., 2002; Fall, 2004; Taylor & Enz, 2002; Fall & Massey 2006). Aktas and Gunlu (2005: 445) take a different approach, classifying some of the above events as politically motivated threats, economic, socio-cultural, environmental or technological crises with varying degrees of impact, scope and duration.

CONCLUSIONS

Despite an increase in research activities there is, however, still a considerable lack in clarity on the impacts of crises on the tourism and hospitality industry (Prideaux et al., 2003). There is also only limited scholarly activity and documentation on the development of models and frameworks of crisis management to prepare stakeholders for negative events but also guide their response when a crisis situation arises. Prideaux et al. (2003) and Faulkner (2001: 146) emphasise the need for more information and the necessity for a conceptual framework ‘to structure the cumulative development of knowledge about the impacts of, and effective responses to, tourism disasters’. Ritchie (2004) argues along the same lines demanding proactive planning, effective implementation of strategies as well as the monitoring and evaluation of outcomes. In this context, Faulkner (2001) offers one of only few proactive and strategic crisis management approaches, the so-called Tourism Disaster Management Framework, which was, for example, discussed in the context of the Katherine floods in the Northern Territory of Australia (Faulkner & Vikulov 2001).

As can be seen from the above discussion, research on crisis management in tourism is growing in particular driven by the frequency of negative events impacting on the tourism and hospitality industry in more recent times. Thus, tourism’s vulnerability to external events necessitates crisis management as an integral part of the industry’s operations. In the future it is therefore of particular importance to emphasise proactive strategies as it appears that tourism in post-crisis is also always tourism in pre-crises.
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