

CABI SERIES IN TOURISM MANAGEMENT RESEARCH

# Tourism Crisis and Disaster Management in the Asia-Pacific

Edited by Brent W. Ritchie and Kom Campiranon



# TOURISM CRISIS AND DISASTER MANAGEMENT IN THE ASIA-PACIFIC



## **CABI Series in Tourism Management Research**

General Editors:

Professor Eric Laws, Professor of Tourism, Siam University, Bangkok

Professor Noel Scott, Griffith Institute for Tourism, Griffith University, Australia

Since the mid-20th century, modern tourism has grown rapidly in extent and diversity, becoming increasingly competitive and volatile as it is impacted by climate change, new technologies, changing distribution systems and the opening of new markets. As a result, governments, tourism destinations and businesses need to improve their management capability and adopt best practices to survive. The purpose of this series is to provide tourism managers, administrators, specialists and advanced students with state-of-the-art research and strategic knowledge to enable them to thrive in dynamic and unpredictable environments. Contributions are based on critical and interdisciplinary research that combines relevant theory and practice, while placing case studies from specific destinations into an international context. The series presents research on the development and diffusion of best practice in business and destination management that fulfils the objective of environmental, sociocultural and economic sustainability at both the local and global scale.

The cover design for this series depicts a generalized mosaic composed of many tiles. Metaphorically, this illustrates our philosophies that while the various elements of tourism require specific study, it is the overall picture that is most significant, and that tourism is a very dynamic, complex and evolving industry. This series seeks to build a coherent approach to future tourism research through each individual title.

### **Titles available**

1. *Tourism Crisis and Disaster Management in the Asia-Pacific*

Edited by Brent W. Ritchie and Kom Campiranon.

---

# TOURISM CRISIS AND DISASTER MANAGEMENT IN THE ASIA-PACIFIC

---

Edited by

**Brent W. Ritchie**

*UQ Business School, The University of Queensland, Australia*

*and*

**Kom Campiranon**

*DPU International College, Dhurakij Pundit University, Thailand*

**CABI is a trading name of CAB International**

CABI  
Nosworthy Way  
Wallingford  
Oxfordshire OX10 8DE  
UK

CABI  
38 Chauncy Street  
Suite 1002  
Boston, MA 02111  
USA

Tel: +44 (0)1491 832111  
Fax: +44 (0)1491 833508  
E-mail: [info@cabi.org](mailto:info@cabi.org)  
Website: [www.cabi.org](http://www.cabi.org)

Tel: +1 800 552 3083 (toll free)  
E-mail: [cabi-nao@cabi.org](mailto:cabi-nao@cabi.org)

© CAB International 2015. All rights reserved. No part of this publication may be reproduced in any form or by any means, electronically, mechanically, by photocopying, recording or otherwise, without the prior permission of the copyright owners.

A catalogue record for this book is available from the British Library, London, UK.

**Library of Congress Cataloging-in-Publication Data**

Tourism crisis and disaster management in the Asia-Pacific / edited by Brent W. Ritchie, The School of Tourism, The University of Queensland Australia And Kom Campiranon, Dhurakij Pundit University, Thailand.

pages cm. -- (CABI Series in Tourism Management Research)

Includes bibliographical references and index.

ISBN 978-1-78064-325-0 (hb : alk. paper) 1. Tourism--Asia.

2. Tourism--Pacific Area. 3. Emergency management--Asia.

4. Emergency management--Pacific Area.

I. Ritchie, Brent W. II. Campiranon, Kom.

G155.A74T658 2014

910.68'4--dc23

2014020713

ISBN-13: 978 1 78064 325 0

Commissioning editor: Claire Parfitt

Editorial assistant: Emma McCann

Production editor: Lauren Povey

Typeset by SPi, Pondicherry, India.

Printed and bound in the UK by CPI Group (UK) Ltd, Croydon, CR0 4YY.

---

# Contents

---

<b>Contributors</b>	vii
<b>Acknowledgements</b>	xi
<b>List of Figures</b>	xiii
<b>List of Tables</b>	xv
<b>PART I INTRODUCTION</b>	
1 Major Themes and Perspectives <i>Brent W. Ritchie and Kom Campiranon</i>	3
<b>PART II PLANNING AND PREPAREDNESS</b>	
2 Conceptualizing Organizational Resilience in Tourism Crisis Management <i>Michelle R. Scarpino and Ulrike Gretzel</i>	15
3 Theoretical Perspectives on Crimes Against Tourists <i>Catherine E. Burton and John C. Crotts</i>	33
4 The Influence of Organizational Culture on Crisis Planning: An Application of the Competing Values Framework (CVF) in Chinese Hotels <i>Jie Wang and Brent W. Ritchie</i>	44
5 How Does Crisis Leadership Influence Effective Crisis Readiness (CR)? <i>Jennifer Cronin and Ken Parry</i>	62
6 Collaborative Communication Networks: An Application in Indonesia <i>Lori Pennington-Gray, Ignatius Cahyanto, Ashley Schroeder and Alexander Kesper</i>	77

**PART III RESPONSE AND RECOVERY**

- 7 Integrating Tourism into Disaster Recovery Management:  
The Case of the Great East Japan Earthquake and Tsunami 2011 97  
*Birgit Muskat, Hitomi Nakanishi and Deborah Blackman*
- 8 An Analysis of the Tourism Industry's Management Responses to  
Political Crises in Thailand 116  
*Vorawan Kanlayanasukho*
- 9 From Tsunami to Recovery: The Resilience of  
the Sri Lankan Tourism Industry 132  
*Jeremy Buultjens, Iraj Ratnayake and Athula Chammika Gnanapala*
- 10 Analysing the Impact of the 2011 Natural Disasters on  
the Central Queensland Tourism Industry 149  
*Scott Richardson, Roger March, Jan Lewis and Kylie Radel*
- 11 Influence of the Global Financial Crisis (GFC) on  
the Chinese Outbound Travel Market: A Case Study of  
the Shanghai Regional Market 161  
*Emily Ma, Yan Zhang and Hailin Qu*
- 12 The Development of a Transnational Tourism Risk,  
Crisis and Recovery Management Network 175  
*David Beirman*
- 13 The Development of New Tourism Networks to Respond to  
and Recover from the 2011 Christchurch Earthquake 190  
*Susanne Becken, Noel Scott and Brent W. Ritchie*

**PART IV RESOLUTION, LEARNING AND FEEDBACK**

- 14 Ecotourism as a Sustainable Recovery Tool after an Earthquake 209  
*Chin-Chin Wang and Carl Cater*
- 15 The Devastation of Darwin: Representing the Recovery and  
Reconstruction of Australia after Cyclone Tracy 227  
*Leanne White and Elspeth Frew*

**PART V CONCLUSION AND FUTURE DIRECTIONS**

- 16 Conclusion and Future Directions 245  
*Kom Campiranon and Brent W. Ritchie*
- Index** 257

---

## Contributors

---

- Susanne Becken**, Department of Tourism, Sport and Hotel Management, Business 2 (G27) 2.04, Gold Coast Campus, Griffith University, Parklands Drive, Southport, QLD 4222, Australia. E-mail: s.becken@griffith.edu.au
- David Beirman**, Management Discipline Group, UTS Business School, University of Technology, PO Box 222, Lindfield, NSW 2070, Australia. E-mail: david.beirman-2@uts.edu.au
- Deborah Blackman**, School of Business, UNSW Canberra, PO Box 7916, Canberra, ACT 2610, Australia. E-mail: d.blackman@adfa.edu.au
- Catherine E. Burton**, Department of Criminal Justice, The Citadel, 171 Moultrie Street, Charleston, SC 29409, USA. E-mail: burtonc1@citadel.edu
- Jeremy Buultjens**, Southern Cross Business School - Lismore, Southern Cross University, Military Road, East Lismore, NSW 2480, Australia. E-mail: jeremy.buultjens@scu.edu.au
- Ignatius Cahyanto**, Black Hills State University, 1200 University Blvd, Spearfish, SD 57799, USA. E-mail: ignatius.cahyanto@bhsu.edu
- Kom Campiranon**, DPU International College, Dhurakij Pundit University, 110/1-4 Prachachuen Road, Laksi, Bangkok 10210, Thailand. E-mail: kom@dpu.ac.th
- Carl Cater**, School of Management and Business, Aberystwyth University, Penglais, Aberystwyth, Ceredigion SY23 3DD, Wales, UK. E-mail: cic@aber.ac.uk
- Jennifer Cronin**, Faculty of Business, Bond University, Robina, QLD 4229, Australia. E-mail: jcronin@bond.edu.au
- John C. Crotts**, Department of Hospitality and Tourism Management, School of Business, College of Charleston, SC 29424-001, USA. E-mail: crottsj@cofc.edu
- Elsbeth Frew**, Department of Marketing and Tourism and Hospitality, La Trobe Business School, Faculty of Business, Economics and Law, La Trobe University, Melbourne, VIC 3086, Australia. E-mail: e.frew@latrobe.edu.au
- Athula Chammika Gnanapala**, Department of Tourism Management, Sabaragamuwa University of Sri Lanka, Colombo-Ratnapura-Wellawaya-Batticaloa Hwy, Balangoda 70140, Sri Lanka. E-mail: gnanapala@sab.ac.lk



- Ulrike Gretzel**, UQ Business School, University of Queensland, Brisbane, QLD 4072, Australia. E-mail: u.gretzel@uq.edu.au
- Vorawan Kanlayanasukho**, Manchester Metropolitan University, Old Hall Lane, Manchester, M14 6HR, UK. E-mail: v.kanlayanasukho@mmu.ac.uk
- Alexander Kesper**, ASEAN-EU Emergency Management Programme, Jakarta, Indonesia. E-mail: alex.kesper@googlemail.com
- Jan Lewis**, School of Business and Law, Central Queensland University, Bryan Jordan Drive, Gladstone, QLD 4680, Australia. E-mail: m.lewis@cqu.edu.au
- Emily Ma**, Department of Tourism, Sport and Hotel Management, Griffith University, Nathan Campus, Nathan, QLD 4111, Australia. E-mail: emily.ma@griffith.edu.au
- Roger March**, School of Business & Management, International College of Management, 151 Darley Road, Manly, NSW 2095, Australia. E-mail: r.march@icms.edu.au
- Birgit Muskat**, Faculty of Business, Government and Law, University of Canberra, ACT 2601, Australia. E-mail: birgit.muskat@canberra.edu.au
- Hitomi Nakanishi**, Faculty of Business, Government and Law, University of Canberra, ACT 2601, Australia. E-mail: hitomi.nakanishi@canberra.edu.au
- Ken Parry**, Deakin Business School, Deakin University, 221 Burwood Highway, Burwood VC 3125, Australia. E-mail: ken.parry@deakin.edu.au
- Lori Pennington-Gray**, Tourism Crisis Management Institute, University of Florida, Gainesville, FL 32611, USA. E-mail: penngray@hhp.ufl.edu
- Hailin Qu**, School of Hotel and Restaurant Administration, Oklahoma State University, Stillwater, OK 74078, and Business School, Sun Yat-Sen University, Guangzhou, P.R. China. E-mail: h.qu@okstate.edu
- Kylie Radel**, School of Business and Law, Central Queensland University, Bruce Highway, Rockhampton, QLD 4702, Australia. E-mail: k.radel@cqu.edu.au
- Iraj Ratnayake**, Department of Tourism Management, Sabaragamuwa University of Sri Lanka, Colombo-Ratnapura-Wellawaya-Batticaloa Hwy, Balangoda 70140, Sri Lanka. E-mail: iraj@sab.ac.lk
- Scott Richardson**, Blue Mountains International Hotel Management School, 1 Chambers Road, Leura, NSW 2780, Australia, and University of Johannesburg, PO Box 524, Auckland Park, 2006, South Africa. E-mail: scott.richardson@blue-mountains.edu.au
- Brent W. Ritchie**, UQ Business School, The University of Queensland, Brisbane, QLD 4072, Australia. E-mail: b.ritchie@uq.edu.au
- Michelle R. Scarpino**, Farmer School of Business, Miami University, Oxford, OH 45056, USA. E-mail: scarpimr@miamioh.edu
- Ashley Schroeder**, Tourism Crisis Management Institute, University of Florida, Gainesville, FL 32611, USA. E-mail: alouise@hhp.ufl.edu
- Noel Scott**, UQ Business School, The University of Queensland, Brisbane, QLD 4072, Australia. E-mail: noel.scott@uq.edu.au
- Chin-Chin Wang**, Department of Ecology and Tourism Management, Aletheia University, No. 70-11, Beishiliao, Madou Dist., Tainan City 72147, Taiwan. E-mail: jinchinwang@hotmail.com

**Jie Wang**, UQ Business School, The University of Queensland, Brisbane, QLD 4072, Australia. E-mail: j.wang16@uq.edu.au

**Leanne White**, College of Business, Victoria University, PO Box 14428, Melbourne, VIC 8001, Australia. E-mail: leannek.white@vu.edu.au

**Yan Zhang**, School of Business, East China Normal University, 500 Dongchuan Road, Shanghai, 200241, P.R.China. E-mail: zhangyan@bs.ecnu.edu.cn



---

## Acknowledgements

---

Brent would like to acknowledge the love and support of his family Belinda, Elena, Liam and his furry companions Bella and Morty.

Kom would like to thank Professor Eric Laws and Associate Professor Dr Noel Scott for their continuing support. In addition, he would like to extend his appreciation to his father and mother for their encouragement throughout this project.



---

# List of Figures

---

2.1. Crisis and disaster management: a strategic and holistic framework (reprinted from Ritchie, 2004, with permission from Elsevier©).	18
4.1. Core dimensions of the Competing Values Framework (CVF) (Cameron <i>et al.</i> , 2006).	50
5.1. The impact of Crisis Leadership (CL) upon Crisis Readiness (CR), and the moderating influence of institutional memory.	72
6.1. The five crisis management domains for strategic management (from Pearson and Mitroff, 1993).	85
6.2. Stakeholders identified in a traditional framework of crisis management.	86
6.3. Collaborative communication network within the tourism industry (adapted from Kapucu, 2008).	87
6.4. Bali Hotels Association (BHA) Multi-Purpose Tsunami Early Warning and Emergency SMS System.	90
7.1. Life cycle model of disaster recovery management.	101
7.2. Integrated model of tourism and disaster life cycle management.	111
8.1. Effects of political crises.	122
8.2. Crisis operational response.	125
8.3. Factors affecting management responses.	127
11.1. GDP per capita and number of Chinese outbound travellers (from National Bureau of Statistics of China, 2001–2012).	163
11.2. Conceptual model of the impact of the Global Financial Crisis (GFC) on Chinese outbound travellers.	166
11.3. Changes of expenditure intentions in outbound travellers.	169
12.1. Structure of PATA's Rapid Response Taskforce (PRRT) activities.	184
12.2. Conceptual diagram of the PATA Rapid Response Taskforce (PRRT).	186

---

12.3. Transnational tourism associations collaborating with PATA in tourism crisis management.	187
13.1. Problem networks.	197
13.2. Contact businesses have with a number of organizations before and since the earthquake.	198
13.3. Normal actor network.	199
13.4. Recovery actor network.	200
14.1. The sustainable livelihood approach (SLA) (from Department for International Development (DFID), 1999, p. 11).	210
14.2. Interpretation by an eco-guide in Taomi community.	215
14.3. Frog Pavilion.	216
14.4. Eco-technology construction, dragonfly interpretation.	216
14.5. Paper Dome earthquake memorial.	218
14.6. Change relationships in community-based ecotourism development.	222
15.1. The entrance sign on corrugated iron sets the scene for the visitor experience.	231
15.2. A 1970s style poster depicts the easy-going lifestyle of Darwin.	232
15.3. Visitors watch the documentary filmed on the morning after Cyclone Tracy.	234
15.4. Depiction of a typical Darwin lounge room before Cyclone Tracy.	235
15.5. Replica of a graffiti warning on corrugated iron remains.	236
15.6. The exhibition also presents a Darwin lounge room after Cyclone Tracy.	238

---

# List of Tables

---

2.1. The Disaster Research Center (DRC) typology of organized behaviour in disaster (from Dynes and Quarantelli, 1968, p. 419).	20
2.2. Organizational resilience (OR) model (from Stephenson, 2010, p. 245; adapted from McManus, 2007).	21
2.3. Organizational Resilience in Tourism Crisis Management	22
2.4. Crisis evaluation processes using core processes of evaluative enquiry (from Blackman and Ritchie, 2009, p. 64; adapted from Preskill and Torres, 1999).	28
4.1. Description of Competing Values Framework (CVF) culture types (from Cameron and Quinn, 2011).	49
4.2. Demographic profile of respondents.	53
4.3. Cross tabulation of Crisis Planning (CP) and crisis preparedness.	53
4.4. Variations in attitudes towards Crisis Planning (CP) among different culture groups.	54
4.5. Variations in perceived crisis preparedness among different culture groups.	55
4.6. Variations in Crisis Planning (CP) intention among different culture groups.	55
7.1. Tourism integrated into the life cycle of disaster recovery management.	103
7.2. Recovery plans in Ishinomaki and Kesenuma.	104
7.3. Interviewees in Ishinomaki, Kesenuma, Minsamisanriku and Sendai Matrix.	105
7.4. Life cycle phases and their extent.	106
8.1. Characteristics of political crisis.	120
11.1. Growth in GDP and numbers of outbound Shanghai travellers (from The Official Shanghai China Travel website).	167



<b>11.2.</b> Demographic and travel profile (N = 395).	168
<b>11.3.</b> Underlying dimensions of financial crisis influence.	170
<b>11.4.</b> Influence of the Global Financial Crisis (GFC) on travellers' behaviour intentions.	171
<b>13.1.</b> What are the main issues for tourism businesses?	196
<b>13.2.</b> Value of contact with different organizations (not everyone responded to each item), in order of mean value.	201

---

# **Part I Introduction**

---



---

# 1

## Major Themes and Perspectives

BRENT W. RITCHIE<sup>1\*</sup> AND KOM CAMPIRANON<sup>2</sup>

<sup>1</sup>*The University of Queensland, Brisbane, Australia;* <sup>2</sup>*Dhurakij Pundit University, Bangkok, Thailand*

---

### 1.1 Introduction

The tourism industry is one of the most economically important industries worldwide, yet it is also one of the most susceptible and vulnerable to crises or disasters (Pforr, 2009). This is not only because many sectors of the tourism industry interact with each other but also because the tourism industry relies greatly on and is impacted by many external factors such as the currency exchange rate, the political situation, discretionary income, the environment and the weather (Cassedy, 1992; Okumus *et al.*, 2005; Pforr, 2009). The success of the tourism industry is also directly linked to its ability to offer tourists a perceived safe and pleasant place to visit (Breda and Costa, 2006). When crises or disasters take place, the tourism industry, tourists and the local community are affected (Mansfeld and Pizam, 2006), and such events can divert tourism flows away from not only a particular destination but also neighbouring regions or countries (Cavlek, 2002).

Ritchie (2009) notes an increasing number of disasters and crises that affect the tourism industry, ranging from natural to human-influenced incidents. In recent years the global tourism industry has experienced many crises and disasters including terrorist attacks, political instability, economic recession, biosecurity threats and natural disasters. Major disruptions to tourism flows as a result of crises have provided major challenges to the tourism industry in the last decade (Hooper, 2002; Henderson, 2003; Lyon and Worton, 2007), particularly in the Asia-Pacific.

This chapter first provides the context by defining and conceptualizing tourism crises and disasters and explaining why the Asia-Pacific was chosen for this book. It then outlines the aim of the book and provides a detailed overview of subsequent chapters before finishing with a short conclusion.

---

\* E-mail: b.ritchie@uq.edu.au

## Conceptualizing tourism crises and disasters

Many of the features attributed to crises are equally applicable to disasters (Faulkner, 2001), and so confusion can occur with common overlaps between the two where a crisis may occur as a direct result of a disaster or vice versa. Kim and Lee (1998) use the two terms interchangeably, while Hills (1998) acknowledges that the boundary between natural and human-induced behaviour has blurred. Faulkner (2001) considers the principal distinction between what can be termed a 'crisis' and a 'disaster' to be the extent to which the situation is attributable to the organization itself, or can be described as originating from outside the organization. Thus 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 (or collection of enterprises in the case of a tourist destination) is confronted with sudden unpredictable catastrophic changes over which it has little control' (Faulkner, 2001, p. 136). In a comprehensive review of crisis and disaster definitions, Scott and Laws (2005) concur with Faulkner's (2001) definitions. Prideaux *et al.* (2003) also agree and suggest that a crisis is caused by lack of management planning, and therefore can be anticipated; a disaster, however, can only be responded to after the event and human involvement can only be reactive.

Faulkner (2001) suggests that to some degree crises are able to be controlled and are within the influence of managers, whereas disasters are often external and more unpredictable. As Prideaux *et al.* (2003, p. 478) suggest: 'disasters can be described as unpredictable catastrophic change that can normally only be responded to after the event, either by deploying contingency plans already in place or through reactive response'. Hills (1998) suggests that from an emergency planning perspective disasters are sudden and overwhelming events, which occur for a limited duration in a distinct location. Although they may be limited by time and location it may take a significant amount of time after a disaster to recover, while some victims may never fully recover, if indeed they survive.

Crises and disasters are chaotic situations and illustrate the complex interrelationships between human and natural systems (Faulkner, 2001). Understanding the relationship between cause and effect and the implications of decisions and actions is a complicated process. Disasters or crises in other industries (e.g. agriculture, natural resources or manufacturing) could have an impact on the tourism system due to its interdependence and linkage with those industries or negative image associated with a particular destination. An oil spill or biosecurity threat can have a major impact on a tourist destination and enterprises. At an organizational level, triggers can also move a 'simple disaster' to a major disaster due to interactive complexity creating a chain reaction within an open system (Davies and Walters, 1998) through 'escalation' (Heath, 1995; Hills, 1998) and the 'ripple effect' (Heath, 1995; Robert and Lajtha, 2002).

## An Asia-Pacific focus

This book focuses on the Asia-Pacific for two main reasons:

1. The region is growing significantly and is predicted to be the largest tourist region in the world in the future. By 2030, the Asia-Pacific is projected to welcome some

535 million arrivals (a 66% increase), and grow well in excess of other regions in the world (UNWTO, 2011). The economic growth in the Asia-Pacific will also depend on the economic activity of over half of the 4 billion global 'consumer class' found in emerging markets in the Asia-Pacific (McKinsey, 2012). According to Forbes (2011), by 2030 the market in this region will include 1.4 billion middle-class consumers who will spend more on travel as their incomes and purchasing power rise. By 2015 the greatest percentage share of the projected 1.8 billion global tourist arrivals (UNWTO, 2011) will be in emerging economies. This is expected to rise to an approximate 60% market share by 2030, with the Asia-Pacific having 30% of this share by 2030, up from 8% in 1980 (UNWTO, 2011). Not surprisingly, tourism in this region has become the major driver of global tourism in general.

2. Despite this growth, tourism industries in the Asia-Pacific have been challenged in recent years by a number of major crises and disasters including terrorism (e.g. the terrorist attacks of September 11, 2001), outbreaks (e.g. Severe Acute Respiratory Syndrome (SARS) and bird flu), natural disasters (e.g. tsunamis) and political crisis (e.g. protests and political instability). While exact figures on the impacts of such crises are difficult to gauge, falls in visitor demand and expenditure over these years have been noted as significant (Aktas and Gunlu, 2005; Laws *et al.*, 2007). Documented examples from the tourism literature include:

- Flooding and tsunami (Faulkner and Vikulov, 2001; Reddy, 2005; Sharpley, 2000; Henderson, 2007).
- Earthquakes (Huang and Min, 2002).
- Bushfires (Armstrong and Ritchie, 2007; Cioccio and Michael, 2007).
- Biosecurity and disease with an emphasis on the impact of SARS in the Asia-Pacific (Chien and Law, 2003; Henderson and Ng, 2004; Au *et al.*, 2005).
- Political instability such as the 2002 and 2005 terrorist attacks in Bali (Toh *et al.*, 2004).
- Economic crises (Leiper and Hing, 1998).

## 1.2 Book Aim and Content

### Aim

The aim of this book is to contribute a much deeper understanding of crisis and disaster management with a specific focus on the Asia-Pacific. Previous studies have argued that tourism crisis and disaster management research has a number of limitations (see Ritchie *et al.*, 2014):

1. it tends to focus on the response and recovery stages of crises, and there is little focus on the prevention or preparedness/resolution stages;
2. it tends to be driven by case studies that focus on simply describing what has happened, and not necessarily on addressing important questions of 'why' or 'how'; and
3. it tends to lack a theoretical or conceptual framework within which it can be positioned, and so tends to make minor contributions to theory and knowledge.

This book attempts to provide a deeper understanding of tourism crises and disasters by encouraging authors to do two specific things:

1. To ground their chapters explicitly in theories or concepts from the management and marketing fields (such as strategic management, human resource management, collaboration and networks, finance, economics, marketing, consumer behaviour, organizational behaviour, knowledge management, organizational learning).
2. To focus their chapters on a particular life cycle stage of a crisis or disaster. This is intended to help deepen our understanding of tourism crises and disasters and reduce the chance of overlap between sections of the book. The extent to which this has been achieved will be explored in the conclusions chapter.

## Content

A crisis or disaster tends to have three or four key stages. Ritchie (2009) describes a pre-event stage followed by three steps:

- planning and preparedness activities before a crisis or disaster hits an organization;
- response to, or management of, a crisis or disaster as it occurs; and
- a final resolution to a new or improved state after the crisis or disaster is over.

The planning and preparedness stage, also called reduction and readiness in disaster management, has been suggested as important in improving a rapid response to tourism crises and disasters, yet limited research has been carried out on this stage of tourism crises and disasters.

This is also reflected in this book, with only five chapters focused on this stage. Based on organizational resilience concepts, Chapter 2 provides a novel framework for destination marketing organizations (DMOs) to develop organizational resilience to tourism crises and disasters. The new framework is tourism-centric, yet intentionally broad-based in order to accommodate DMOs in varying contexts and environments. One of the negative incidents that could occur in any tourist destination is a crime against tourists, which can create reputational damage. This issue is discussed in Chapter 3, which summarizes the relevant criminology theories in an effort to better understand what motivates individuals to commit crimes against tourists, and what communities can do to deter such a risk. By identifying these theories, Chapter 3 provides a more informed theory-based framework for tourism researchers to assess potential crime against tourists, and how such a risk and damage to a destination's reputation can be minimized.

Chapter 4 investigates the relationships among the organizational factors (organization culture), crisis planning behaviour and perceived crisis preparedness. The chapter notes that organizational culture has an influence on the individual's attitudes towards crisis planning. In turn, crisis planning affects the perceived level of crisis preparation. Clearly, organizational culture plays a key role at the crisis reduction stage, and organizational leaders must be able to communicate and emphasize this with their internal stakeholders. Chapter 5 focuses on the need for a 'living' crisis management plan, which could be adapted over time for different crisis situations.

The chapter draws on leadership theories and concepts to illustrate the importance of Crisis Leadership (CL) in effectively managing crises. It focuses on the relationship between CL and Crisis Readiness (CR), and on how the CL categories of crisis experience and Experiential Learning (EL) impact upon an organization's ability to prepare for a future crisis. It is then suggested that EL needs to be 'lived and breathed'. In addition, senior management should give high priority to a crisis management plan and should view the plan as a 'living manual' by incorporating it into the organization's day-to-day operations. Chapter 6 argues that because tourism comprises multiple stakeholders, it is critical that crisis management for the tourism industry is integrated with other organizations, government departments, emergency personnel, media and other stakeholders. After providing a discussion of potential collaboration theories, it provides a working example of collaborative communication networks in Indonesia. These were created as a response to communication problems during and after a disaster.

The majority of past studies on tourism crises and disasters have focused on *response and recovery*. This is also the case here, where seven chapters focus on this stage. Using a fascinating case study of the Great Japan Earthquake, Chapter 7 examines the impact that tourism makes in the life cycle of disaster recovery, and then recommends an integrated life cycle model of disaster recovery. The Great Japan Earthquake has posed significant challenges to both tourism operators and tourists. Findings reveal that the hospitality sector contributed significantly to the effective management of the emergency phase. The chapter also notes that the arrival of dark tourism has played a crucial role in empowering and stimulating the community in the post-disaster and short-term response phases. Foley and Lennon (1996, p. 198) have defined dark tourism as 'the presentation and consumption (by visitors) of real and commodified death and disaster sites'. More importantly, Chapter 7 suggests that tourism needs to be much better integrated into the broader disaster management process. During the crisis response stage, reliable information and effective communication is vital, as emphasized in Chapter 8. By analysing the tourism industry's management responses to political crises in Thailand, the author of Chapter 8 identifies effective operational responses by tour operators based in tourism-generating countries when a crisis occurs in a tourism destination. In turn, it is recommended that businesses obtain inside information from trusted sources. Moreover, simple clear messages to customers are important.

Using the case study of the Sri Lankan tourism industry following its tsunami disaster, Chapter 9 suggests that the government must coordinate with the tourism industry in order to expedite the crisis recovery process. Although the central government and its tourism ministry and departments were heavily involved in the tsunami response, regional and local tourism organizations were much less active, either because most were affected by the tsunami or because of ineffective coordination with central government institutions. Therefore the tourism industry may have become less resilient in the long term. Issues related to coordination and collaboration are also explored in Chapter 12. This chapter outlines the development of a transnational tourism risk, crisis and recovery management network, using a case study of the Pacific Asia Travel Association (PATA)'s Rapid Response Taskforce (PRRT). The core paradigm in preparing contingency measures and crisis response necessarily focuses on collaborative approaches between private sector stakeholders



and governments. Because risk to the viability of the tourism industry and the impact of a crisis event frequently extends beyond national frontiers, the PRRT builds collaborative alliances within and beyond the Asia-Pacific including (but not limited to) the United Nations World Tourism Organization (UNWTO), World Travel and Tourism Council (WTTC), Asia-Pacific Economic Cooperation (APEC) Tourism, and Association of Southeast Asian Nations (ASEAN) Tourism.

By analysing the impact of the 2011 natural disasters on the Central Queensland tourism industry, Chapter 10 identifies that organization size, management attitude and media influence the crisis recovery stage. While the impact of the widespread flooding and Cyclone Yasi on the Central Queensland region was quite short, there was a long-term impact to the tourism industry in the region. The media reported extensively on the event, leading to tourists' perception that all tourism in Queensland was suspended. In reality, however, many tourism operators were only indirectly affected and were still operating. Therefore, some operators had a long recovery stage and had not returned to 'business-as-usual' six months after Cyclone Yasi and the Queensland floods.

While coordination and the media are important to tourism organizations, business continuity is particularly important in the recovery phase. Although a number of strategies exist, one of the most widely adopted is the turnaround strategy, which is discussed in Chapter 13. After examining the new tourism networks that developed as a response to and during recovery from the 2011 Christchurch earthquake, the authors suggest that tourism businesses have to work collaboratively with different organizations to recover and ensure business continuity. Using a business network approach, the authors identify the most salient issues that may affect turnaround and the differences between networks before and after the earthquake.

The final phase of a tourism crisis or disaster is *resolution* back to normality or to an improved state, often due to destination or organizational *learning* from the crisis or disaster. Limited research has been undertaken to explore this stage of the tourism crisis or disaster life cycle. Only two chapters in this book focus on this stage. They suggest that more research is required to address questions related to how one should determine whether recovery is completed, and the destination or organization is back to normality, or indeed what normality means. Does it mean that tourist arrivals or expenditure are back to pre-event levels, or should it mean something different? Studies are also needed on how resolution can develop community- or tourism-related 'capital' and understanding that can be used to improve or enhance tourism planning, development and marketing.

Chapter 14 notes that learning from a crisis can be considered from a range of different perspectives including social, cultural, natural and political points of view. The author investigates the potential for tourism development to contribute to recovery strategies following major earthquakes, particularly in Taiwan's rural areas. Using the community-based model, the chapter presents a dynamic representation in the form of a four-circle structure to explain all the relationships that have been developed following a major earthquake. These four systems can exist in two states between different forms of capital: balanced and dynamic. When an external change such as a natural disaster presents a key trigger, this can bring positive and negative changes to and between the financial, physical, social, cultural and natural capital. The focus on capital and the interrelationships between different types of capital are

important as they indicate how changes to one form of capital can disrupt the other types of capital, which may influence sustainable livelihoods.

Chapter 15 suggests that crisis experiences should be documented so that tourism stakeholders can learn from, and be educated by, previous crises. By examining the permanent exhibition of Cyclone Tracy at the Museum and Art Galley of the Northern Territory in Darwin, the chapter explores the ways in which a tragic event in Australia has been commemorated and interpreted within the context of tourism and national identity. The authors explain the importance of effectively interpreting a significant tragic event such as Cyclone Tracy. More importantly, the existence of this permanent exhibition allows Australians to remember the event in perpetuity and to place it in context with the development of their nation.

Finally, Chapter 16 summarizes the content and themes of the book and identifies future research opportunities.

### 1.3 Conclusion

We hope that this book will fill a significant gap in the literature by examining tourism crisis and disaster management in the Asia-Pacific. The transnational approach has allowed us to include a wealth of case studies that have been organized thematically, and which focus on management-related theories and concepts. The book provides analytical insights as well as detailed discussion of the experiences of different destinations and organizations, and raises a number of questions and issues that may provide a foundation for further research.

### References

- Aktas, G. and Gunlu, E. (2005) Crisis management in tourist destinations. In: Theobald, W. (ed.) *Global Tourism*, 3rd edn. Elsevier, New York, pp. 440–457.
- Armstrong, K. and Ritchie, B.W. (2007) The heart recovery marketing campaign: destination recovery after a major bushfire in Australia's national capital. *Journal of Travel and Tourism Marketing* 23(2–4), 175–189.
- Au, A.K.M., Ramasamy, B. and Yeung, M.C.H. (2005) The effects of SARS on the Hong Kong tourism industry: an empirical evaluation. *Asia Pacific Journal of Tourism Research* 10(1), 85–95.
- Breda, Z. and Costa, C. (2006) Safety and security issues affecting inbound tourism in the People's Republic of China. In: Mansfeld, Y. and Pizam, A. (eds) *Tourism, Security, and Safety: From Theory to Practice*. Elsevier Butterworth-Heinemann, Burlington, Massachusetts, pp. 187–208.
- Cassedy, K. (1992) Preparedness in the face of crisis: an examination of crisis management planning in the travel and tourism industry. *World Travel & Tourism Review* 2, 169–174.
- Cavlek, N. (2002) Tour operators and destination safety. *Annals of Tourism Research* 29(2), 478–496.
- Chien, G.C.L. and Law, R. (2003) The impact of the Severe Acute Respiratory Syndrome on hotels: a case study of Hong Kong. *Hospitality Management* 22(3), 327–332.
- Cioccio, L. and Michael, E. (2007) Hazard or disaster: tourism management for the inevitable in Northeast Victoria. *Tourism Management* 28(1), 1–11.
- Davies, H. and Walters, M. (1998) Do all crises have to become disasters? Risk and risk mitigation. *Disaster Prevention and Management* 7(5), 396–400.
- Faulkner, B. (2001) Towards a framework for tourism disaster management. *Tourism Management* 22(2), 135–147.

- Faulkner, B. and Vikulov, S. (2001) Katherine, washed out one day, back on track the next: a post mortem of a tourism disaster. *Tourism Management* 22(4), 331–344.
- Foley, M. and Lennon, J. (1996) JFK and dark tourism: a fascination with assassination. *International Journal of Heritage Studies* 2, 198–211.
- Forbes (2011) Within a generation, China middle class four times larger than America's. [www.forbes.com/sites/kenrapoza/2011/09/05/within-a-generation-china-middle-class-four-times-larger-than-americas](http://www.forbes.com/sites/kenrapoza/2011/09/05/within-a-generation-china-middle-class-four-times-larger-than-americas), accessed 4 January 2013.
- Heath, R. (1995) The Kobe earthquake: some realities of strategic management of crises and disasters. *Disaster Prevention and Management* 4(5), 11–24.
- Henderson, J.C. (2003) Terrorism and tourism: managing the consequences of the Bali bombings. *Journal of Travel & Tourism Marketing* 15(1), 41–58.
- Henderson, J.C. (2007) Corporate social responsibility and tourism: hotel companies in Phuket, Thailand, after the Indian Ocean tsunami. *Hospitality Management* 26(1), 228–239.
- Henderson, J.C. and Ng, A. (2004) Responding to crisis: Severe Acute Respiratory Syndrome (SARS) and hotels in Singapore. *International Journal of Tourism Research* 6(6), 411–419.
- Hills, A. (1998) Seduced by recovery: the consequences of misunderstanding disaster. *Journal of Contingencies and Crisis Management* 6(3), 162–170.
- Hooper, P. (2002) Marketing London in a difficult climate. *Journal of Vacation Marketing* 9(1), 81–88.
- Huang, J.H. and Min, J.C.H. (2002) Earthquake devastation and recovery in tourism: the Taiwan case. *Tourism Management* 23(2), 145–154.
- Kim, P.S. and Lee, J.E. (1998) Emergency management in Korea and its future directions. *Journal of Contingencies and Crisis Management* 6(4), 189–201.
- Laws, E., Prideaux, B. and Chon, K. (2007) Crisis management in tourism: challenges for managers and researchers. In: Laws, E., Prideaux, B. and Chon, K. (eds) *Crisis Management in Tourism*. CABI, Wallingford, UK, pp. 1–12.
- Leiper, N. and Hing, N. (1998) Trends in Asia-Pacific tourism in 1997–98: from optimism to uncertainty. *International Journal of Contemporary Hospitality Management* 10(7), 245–251.
- Lyon, A. and Worton, A. (2007) A proposed model for tourism crisis management: the UK's foot and mouth disease crisis analysed. In: Laws, E., Prideaux B. and Chon K. (eds) *Crisis Management in Tourism*. CABI, Wallingford, UK, pp. 200–216.
- Mansfeld, Y. and Pizam, A. (2006) *Tourism, Security, and Safety: From Theory to Practice*. Elsevier Butterworth-Heinemann, Burlington, Massachusetts.
- McKinsey (2012) Unlocking the potential of emerging-market cities. *McKinsey Quarterly*, September 2012. [www.mckinseyquarterly.com/Unlocking\\_the\\_potential\\_of\\_emerging-market\\_cities\\_3015](http://www.mckinseyquarterly.com/Unlocking_the_potential_of_emerging-market_cities_3015), accessed 2 January 2013.
- Okumus, F., Altinay, M. and Arasli, H. (2005) The impact of Turkey's economic crisis of February 2001 on the tourism industry in Northern Cyprus. *Tourism Management* 26(1), 95–104.
- Pfarr, C. (2009) Crisis management in tourism: a review of the emergent literature. In: Pfarr, C. and Hosie, P. (eds) *Crisis Management in the Tourism Industry: Beating the Odds?* Ashgate, Farnham, UK, pp. 37–52.
- Prideaux, B., Laws, E. and Faulkner, B. (2003) Events in Indonesia: exploring the limits to formal tourism trends forecasting methods in complex crisis situations. *Tourism Management* 24(4), 475–487.
- Reddy, M.V. (2005) Tourism in the aftermath of the tsunami: the case of the Andaman and Nicobar Islands. *Current Issues in Tourism* 8(4), 350–362.
- Ritchie, B.W. (2009) *Crisis and Disaster Management for Tourism*. Channel View Publications, Bristol, UK.
- Ritchie, B.W., Mair, J. and Walters, G. (2014) Tourism crises and disasters: moving the research agenda forward. In: Lew, A., Hall, C.M. and Williams, A. (eds) *Wiley-Blackwell Companion to Tourism*. John Wiley and Sons, Oxford.
- Robert, B. and Lajtha, C. (2002) A new approach to crisis management. *Journal of Contingencies and Crisis Management* 10(4), 181–191.

- 
- Scott, N. and Laws, E. (2005) Tourism crises and disasters: enhancing understanding of system effects. *Journal of Travel and Tourism Marketing* 19 (2–3), 149–158.
- Sharpley, R. (2000) The Influence of the accommodation sector on tourism development: lessons from Cyprus. *International Journal of Hospitality Management* 19(3), 275–293.
- Toh, R.S., Khan, H. and Erawan, S.D. (2004) Bomb blasts in Bali: impact on tourism. *Tourism Analysis* 9(3), 219–224.
- UNWTO (United Nations World Tourism Organization) (2011) *Tourism Towards 2030: Global Overview*. UNWTO, Madrid.



---

## **Part II Planning and Preparedness**

---



---

# 2

## Conceptualizing Organizational Resilience in Tourism Crisis Management

MICHELLE R. SCARPINO<sup>1\*</sup> AND ULRIKE GRETZEL<sup>2</sup>

<sup>1</sup>Miami University, Oxford, USA; <sup>2</sup>University of Queensland, Brisbane, Australia

---

### 2.1 Introduction

Over the past decade the world has witnessed an alarming rise in disasters and crises. The challenges emerging from these types of events have forced tourism organizations, more specifically destination marketing/management organizations (DMOs), to undergo a shift in their *if* thinking. It is no longer a matter of *if* they will be affected by certain events, but *if* they will be prepared *when* events strike (Scarpino and Gretzel, 2012). Tourism scholars have begun to re-examine the strategic orientation adopted by DMOs to address crisis events (Ritchie, 2009; Beirman, 2010). Simultaneously, research in *organizational resilience* (OR) – the ability of organizations to adjust and maintain basic and desirable functions under challenging or straining conditions generated by disruptive, disaster or crises events (Edmondson, 1999; Weick *et al.*, 1999; Bunderson and Sutcliffe, 2002) – has gained acknowledgement as critical to maintaining the organizational stability required. Resilience management, which focuses on organizations' situational awareness, keystone vulnerabilities and adaptive capacity in a complex, dynamic and interconnected environment (McManus, 2007), is an approach adopted by organizations to address unforeseen disruptions. Studies in OR have flourished, generating several models (Mintzberg and Waters, 1985; Gibson and Tarrant, 2010; Northouse, 2012), a recently devised management process (McManus, 2007) and a measurement tool (Stephenson, 2010).

Despite the growing literature in OR, few researchers have explored how the concept of OR could be used to expand or complement current Tourism Crisis Management (TCM) strategies. For example, could organizations such as DMOs benefit from the ability to design each stage of their crisis strategy (i.e. prevention and planning; strategic implementation; and resolution, evaluation and feedback)

---

\* E-mail: scarpimr@miamioh.edu



based on broader resilience dimensions that are intended to support long-term organizational stability? Questions such as these provide the basis of the conceptual framework presented in this chapter. Specifically, we argue that by weaving TCM with OR management, DMOs are afforded a better foundation towards pursuing more effective crisis management. Moreover, it is expected that by applying OR theory to TCM, DMOs will be able to reduce the constraints and potential inefficiency of implementing overlapping yet disconnected organizational strategies that negatively impact firms' capacity and performance in crisis events.

## 2.2 Destination Management Organizations (DMOs) and Shifting Foci

Crisis events consistently demonstrate how a lack of information and communication has the capacity to significantly affect organizations of all sizes. Traditionally, DMOs operate at three levels (national, regional and local) and have been defined as not-for-profit organizations charged with representing a specific destination and helping long-term development of economies by implementation of a travel and tourism strategy (Smith, 2005). Positioned at a crossroads between tourists and local suppliers, resourcefully funded and given some degree of operational freedom, DMOs lead development planning, marketing, shaping supply, facilitating coordination among stakeholders and at times political lobbying to build the tourism economy of the destinations (Smith, 2005).

In the light of recent global crises, DMOs have become increasingly aware of the impact of crises on tourism and their own vulnerabilities in the process (Scarpino and Gretzel, 2012). In the past DMOs acted mostly alone, consequently forgoing important opportunities to create the capacity to change through pooling of resources and continuous knowledge exchange across organizational boundaries (Gretzel *et al.*, 2006). More recently however, Blackman and Ritchie (2009) identified DMOs as knowledge brokers, particularly in crisis communications and recovery activities. Becken and Hughey (2013) suggest DMOs are important players in managing crises, not only because tourists are often relatively more affected by such events, but also because DMOs possess intricate knowledge of local tourism infrastructure and resources (e.g. accommodation for emergency response teams) and have established communication channels and media relations. This means DMOs have the ability to play a critical role in facilitating collaborative/integrative links between tourism businesses and the national and local authorities and emergency services (Pforr and Hosie, 2009; Beirman, 2010).

Unfortunately, little guidance has been provided for DMOs in building the OR necessary to effectively manage crises. Thus, there is a great need to evaluate TCM strategies within the scope of OR to provide a more holistic, proactive view that will aid in safeguarding the longevity of DMOs, their stakeholders and ultimately the tourist destination.

## 2.3 Tourism Crisis Management Framework

Most TCM studies continue to concentrate on reactive response and recovery, with only a limited number highlighting a proactive strategic planning approach

(Ritchie, 2004, 2009; Ritchie *et al.*, 2011). The present research addresses this issue by affording DMOs the opportunity to evaluate and align organizational strategies in order to optimize efficiency, effectiveness and response timing in crisis events.

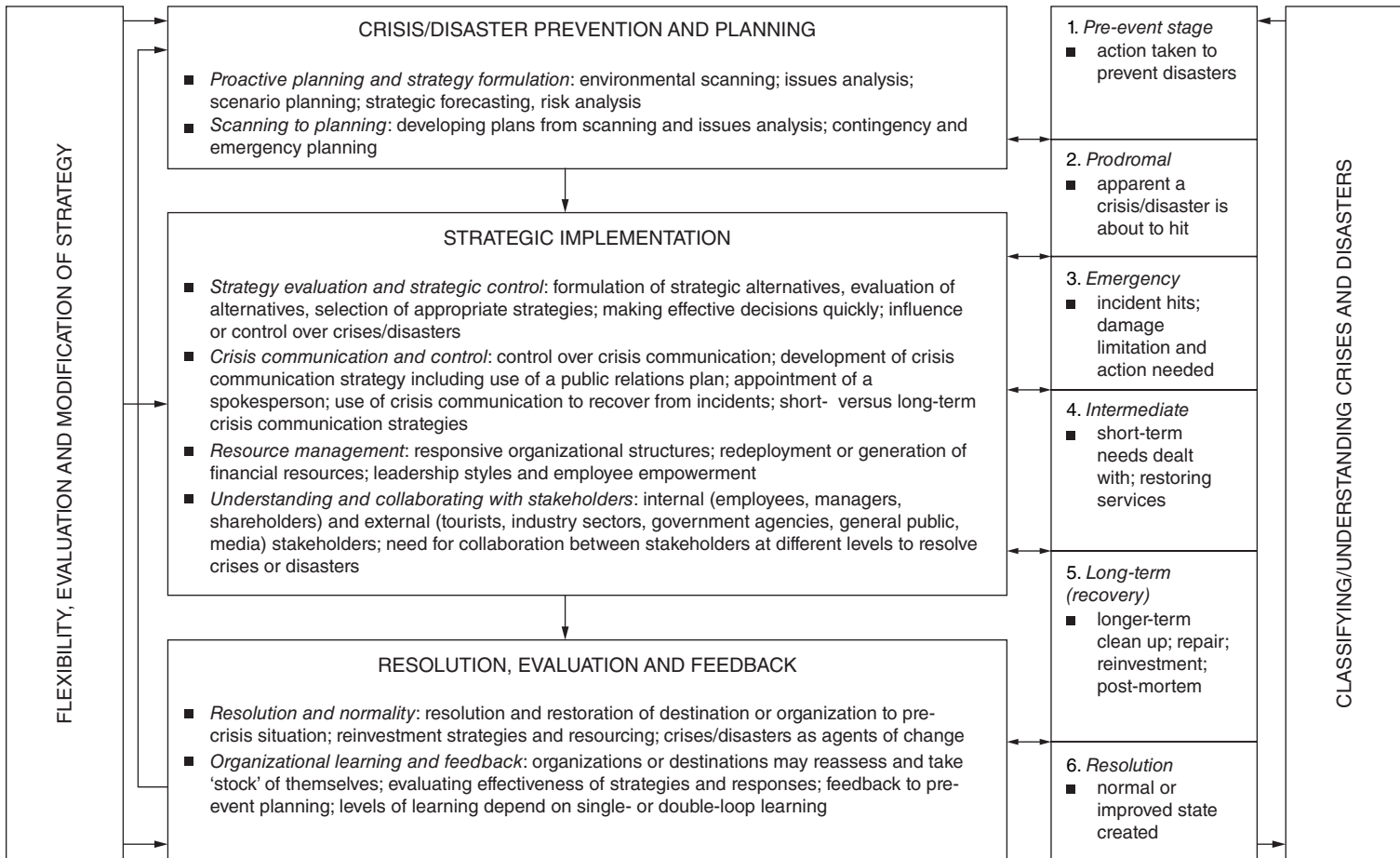
In 2004, Ritchie introduced a crisis framework with the goal of presenting a more strategic approach to crisis and disaster management, including proactive pre-crisis planning through strategic implementation, evaluation and feedback (Fig. 2.1). An expansion of tourism's earliest disaster and crisis management framework by Faulkner (2001), Ritchie's framework touches briefly on several main categories, such as crisis communication and resource management, but gives little indication of the entities that should be involved in these dimensions. Furthermore, while stakeholders are mentioned in the framework, it would be difficult for any specific tourism organization to take concrete actions with any one stakeholder group based on the level of direction given. DMOs seeking to implement TCM strategies could benefit greatly from a more elaborate framework that addresses their actual roles and responsibilities. Nonetheless, Ritchie's framework proves a very useful platform on which to position OR management in TCM, where for example the task and timing stages of crises can be woven into the dimensions and components of OR management to support and facilitate crisis management processes.

## 2.4 Organizational Resilience

### Importance and definition of organizational resilience

Organizational resilience (OR) addresses the very real need for firms to be able to tackle disruptions in today's crisis and disaster-ridden environment. OR has been identified as an organization's 'ability to survive, and potentially even thrive, in times of crisis' (Seville *et al.*, 2008, p. 18). The majority of the literature defines OR in terms of adjustment of capacities or abilities. Relevant to this research, some definitions include: the capacity to adjust and maintain desirable functions under challenging or straining conditions (Edmondson, 1999; Weick *et al.*, 1999; Bunderson and Sutcliffe, 2002); the dynamic capacity of organizational adaptability that grows and develops over time (Wildavsky, 1988); the ability to bounce back from disruptive events or hardship (Sutcliffe and Vogus, 2003); and the ability to recover from disruptive events (Mitroff and Alpasan, 2003). Resilient organizations adapt and are highly reliable (Weick and Sutcliffe, 2007), enabling them to manage disruptive challenges (Durodie, 2003). When synthesizing these and other similar definitions, resilience from the organizational perspective appears to emphasize flexibility, maintenance and adaptability.

Systems have two distinct properties: resilience and stability (Holling, 1973). Resilience determines the ability of systems to absorb shocks or changes, while stability is the capacity of systems to return to a state of equilibrium following disturbance. Research has shown that communities rely on organizations to plan for, respond to and recover from disturbances, and (surprisingly) to continue providing a host of both luxury and critical services (e.g. power, transport, first aid, food, water, Internet and mobile phone services) in the best and the worst of times (Chang and Chamberlin, 2003). McManus *et al.* (2008, p. 82) argue that the resilience of organizations directly contributes to the speed and success of community recovery following a crisis event.



**Fig. 2.1.** Crisis and disaster management: a strategic and holistic framework (reprinted from Ritchie, 2004, with permission from Elsevier®).

Other significant aspects of OR involve outcomes outside of the apparent concern with recovery, flexibility or crisis preparedness, such as resilience functioning as a distinct foundation of sustainable competitive advantage (Hamel and Välikangas, 2003). This notion has been extended by Stoltz (2004) who states that organizational resilience is the key to developing a sustainable strategic plan whose results are better than those of an organization's competitors. Coutu (2002) echoes this, stating that resilience is a critical capability for success. OR can be linked to a firm's ability to be competitive:

A resilient organisation effectively aligns its strategy, operations, management systems, governance structure, and decision-support capabilities so that it can uncover and adjust to continually changing risks, endure disruptions to its primary earnings drivers, and create advantages over less adaptive competitors.

(Starr *et al.*, 2003, p. 3)

Accordingly, DMOs would be wise to adopt the mind-set of resilient organizations.

## Organizations and crisis

According to early management theory, organizations were assumed to be relatively stable, and therefore the literature did not provide a strong foundation for coping with change and crises (Booth, 1993). When change was considered, it was often viewed as coping with a gradual or to some degree predictable change, rather than with sudden changes that might test an organization's ability to cope. Since then, research has suggested that organizations are known to respond to disruption and uncertainty in different ways, exhibiting varying levels of resilience. Resilient organizations are typically described as exhibiting the following characteristics:

- they centralize internal controls (Pfeffer, 1978);
- they adapt (Webb, 1999; Ashkanasy *et al.*, 2000);
- they learn (Carroll, 1998; Weick *et al.*, 2005); and
- they are creative (Kendra and Wachtendorf, 2003).

In contrast to focusing on individual responses to crisis and disaster, Dynes and Quarantelli (1968) were among the first to study and develop a typology of organizational responses to crises. By combining behaviour and organizational theories they proposed the Disaster Research Center (DRC) typology. The typology outlines four types of organized behaviour in disaster through four types of organizations: established, expanding, extending and emergent (Table 2.1). Dynes and Quarantelli suggest that each organization has the capacity to be resilient. However, in comparison to established organizations having a previously defined role in disaster or crisis, emergent organizations (those not existing prior to disaster or crisis) are in themselves resilient responses, or ad hoc solutions to a problem. The DRC typology is useful in helping us reflect on where DMOs can be positioned in terms of behaviour and response, which in turn provides some indication of what type of TCM should be implemented. At first glance, DMOs could be seen as extending organizations, performing certain non-regular tasks to aid

**Table 2.1.** The Disaster Research Center (DRC) typology of organized behaviour in disaster (from Dynes and Quarantelli, 1968, p. 419).

		Tasks	
		Regular	Non-regular
Structure	New	Type 1: Established Already established; have a specified role to play in responding to the disaster, such as the police and fire service	Type 3: Extending Not expected to respond to disasters, but perform non-regular tasks using their existing structures
	Old	Type 2: Expanding Organizations such as the Red Cross that are expected to be involved in the response and perform business-as-usual tasks but transform structurally (i.e. they expand)	Type 4: Emergent Characterized by both a new structure and the performance of non-regular tasks. These emergent organizations do not exist prior to the disaster

established, expanding and emergent organizations. Blackman and Ritchie (2009) might also support the classification of DMOs as expanding organizations, because established DMO stakeholders often look to DMOs to perform a certain role during crises.

In 1995, Quarantelli expanded the typology based on cases observed by the DRC. The revised typology proposed different types of emergence. Certain organizations were able to expand their ability to respond to disaster without altering their structure or core business (Quarantelli, 1996). Each of these organizations would be likely to face different challenges in fulfilling their role in disaster situations. Taking Quarantelli's typology into consideration, crisis management frameworks in tourism that not only recognize different types of organizations in these situations but which are tailored to guide specific organizations such as DMOs in crisis responses, will be of particular use.

## 2.5 Organizational Resilience Management Framework

In the previous section we established that organizations need to implement crisis management strategies that are underpinned by a comprehensive OR strategy. The most recent OR management framework is that posed by Stephenson (2010), adapted from the Relative Overall Resilience model of McManus (2007). Stephenson identifies two dimensions, adaptive capacity and planning, which are measured by 13 indicators as shown in Table 2.2. The theory behind the model suggests that businesses adopting OR practices render themselves less vulnerable to disruptive events. It is important to understand that the model was introduced as a guideline for organizations in general and not for any specific type of organization. Thus, to make the framework relevant to tourism it is necessary to evaluate each dimension adapted to a tourism context.

Table 2.3 provides a mesh-up of the OR and the tourism crisis and disaster management models, highlighting specific cross sections where OR strategy could be used to expand or complement current TCM strategy.

**Table 2.2.** Organizational resilience (OR) model (from Stephenson, 2010, p. 245; adapted from McManus, 2007).

	<b>Indicator</b>	<b>Definition</b>
<b>Adaptive Capacity</b>	Minimization of silo mentality	Minimization of divisive social, cultural and behavioural barriers, which are most often manifested as communication barriers creating disjointed, disconnected and detrimental ways of working
	Capability and capacity of internal resources	The management and mobilization of the organization's resources to ensure its ability to operate during business-as-usual, as well as being able to provide the extra capacity required during a crisis
	Staff engagement and involvement	The engagement and involvement of staff who understand the link between their own work, the organization's resilience and its long-term success. Staff are empowered and use their skills to solve problems
	Information and knowledge	Critical information is stored in a number of formats and locations and staff have access to expert opinions when needed. Roles are shared and staff are trained so that someone will always be able to fill key roles
	Leadership, management and governance structures	Strong crisis leadership to provide good management and decision making during times of crisis, as well as continuous evaluation of strategies and work programmes against organizational goals
	Innovation and creativity	Staff are encouraged and rewarded for using their knowledge in novel ways to solve new and existing problems, and for using innovative and creative approaches to developing solutions
	Devolved and responsive decision making	Staff have the appropriate authority to make decisions related to their work and authority is clearly delegated to enable a crisis response. Highly skilled staff are involved, or are able to make decisions where their specific knowledge adds significant value, or where their involvement will aid implementation
	Internal and external situation monitoring and reporting	Staff are encouraged to be vigilant about the organization, its performance and potential problems. Staff are rewarded for sharing good and bad news about the organization including early-warning signals and these are quickly reported to organizational leaders
	Planning strategies	The development and evaluation of plans and strategies to manage vulnerabilities in relation to the business environment and its stakeholders
	Participation in exercises	The participation of staff in simulations and scenarios designed to practise response arrangements and validate plans
<b>Planning</b>	Proactive posture	A strategic and behavioural readiness to respond to early-warning signals of change in the organization's internal and external environment before they escalate into crisis
	Capability and capacity of external resources	An understanding of the relationships and resources the organization might need to access from other organizations during a crisis, and planning and management to ensure this access
	Recovery priorities	An organization-wide awareness of what the organization's priorities would be following a crisis, clearly defined at the organizational level, as well as an understanding of the organization's minimum operating requirements

**Table 2.3.** Organizational Resilience in Tourism Crisis Management.

<b>Tourism crisis management framework</b>										
		<b>Planning and prevention</b>			<b>Strategic implementation</b>			<b>Resolution, evaluation and feedback</b>		
		Proactive planning and strategy formulation	Scanning to planning	Strategy evaluation and strategic control	Crisis communication and control	Resource management	Understanding and collaborating with stakeholders	Resolution and normality	Organizational learning and feedback	
<b>Organizational resilience dimensions</b>	<b>Planning</b>	Planning strategies	x	x	x	x	x	x	x	x
		Participation in exercises	x	x				x		x
		Proactive posture	x	x						x
		Capability and capacity of external resources	x	x		x	x	x	x	x
		Recovery priorities	x						x	x
	<b>Adaptive capacity</b>	Minimization of silo mentality	x		x	x		x		x
		Capability and capacity of internal resources	x	x			x	x	x	
		Staff engagement and involvement	x		x	x			x	x
		Information and knowledge	x	x	x		x			x
		Leadership, management and governance structures	x		x	x			x	x
		Innovation and creativity	x							x
		Devolved and responsive decision making	x		x		x			x
		Internal and external situation monitoring and reporting	x			x				x
				Pre-event		Prodromal		Emergency	Intermediate	Long-term (recovery)
<b>Anatomy of a crisis</b>										

## 2.6 Tourism Crisis Management: A New Perspective

### Proactive planning and strategy formulation

Proactive planning, in essence, is just planning since planning in itself suggests you are already reviewing and preparing for how to handle an issue prior to its emergence. Planning or preparation pre-crisis is by far the most essential element of successful TCM to guarantee operability. The key, however, is to ensure that planning and strategy formulation reach every aspect and dimension of organizational response. This means it is not sufficient to analyse potential issues in one department or area of an organization (e.g. communications or external stakeholder relations) but that each area must be reviewed thoroughly for how disruption will affect its capacity to function. This includes, for example, understanding how crises may affect resource management (i.e. which resources are still needed, which new ones are to be acquired and how staff can be reallocated or take on multiple roles in the different stages of a crisis). This can be slightly tricky for smaller DMOs or DMOs dealing with small and medium enterprises (SMEs) or micro-enterprises (MEs); however, forethought, planning and response are an absolute must regardless of organizational size.

Tourism crisis planning means examining how leadership roles could and should change based on knowledge, needs and expertise. Planning means introducing and maintaining an organizational mind-set of mindfulness where staff are constantly aware and vigilant of how a crisis is progressing and how it could affect different departments, individual positions and responsibilities. Tourism crisis planning also means acknowledging, accounting for and minimizing divisive barriers that commonly hinder organizational ability to navigate situations effectively and efficiently when a crisis arises. Naturally, DMOs encounter a diversity of people from many cultures and countries both from a tourist and an employee perspective. Incorporating sensitivity training or cultural barriers workshops could help expose employees and prepare them for issues that may arise in a crisis environment. At the same time it is important to ensure that staff have the know-how and authority to make quick and informed decisions in a crisis. This means clearly identifying the individuals possessing particular skills and capabilities, as well as outlining the decisions they can make based on these capabilities. It is also important to recognize that often the most valuable knowledge and information during a crisis may be stored in a place inaccessible to everyone who needs it: the human mind. In TCM planning it would be wise to ensure that key information on such things as communication channels or internal and external resources and stakeholders are recorded in multiple formats (i.e. digital and hardcopy), and are made available to the appropriate people, in order to decrease confusion and increase response times and efficiency in crisis events.

Last, but not least, planning means acting. It is simply not sufficient to make plans that only address the stages up to or through a crisis. Plans should also relate to what an organization's short- and long-term goals are likely to be following a crisis, and how these goals may affect or guide decisions made during the four crisis stages prior to the recovery stage, as seen in [Table 2.3](#).



## Scanning to planning

The concept of scanning to planning presented here is derived from the views of Kash and Darling (1998), who believe organizations should develop processes to deal with future crises as they arise rather than continually scanning for all potential impacts; and from Stephenson's (2010) approach to situational awareness, where an organization understands its business landscape, has an awareness of what is happening around it, and appreciates what that information means for itself now and in the future. Simply put, organizations should systematically survey and interpret relevant data to identify external opportunities and threats. They then respond to the information gathered by changing their strategies and plans when the need arises. From an OR perspective this could be considered part of maintaining a proactive position where the organization and its staff are not only strategically and mentally ready to contend with a crisis, but constantly watch for changes in the environment that may affect their ability to respond in a crisis situation. This could be change in their internal environment, such as restructuring of a department, or their external environment, for example local government implementing a new emergency communications system. Scanning these environments means being aware of which internal and external resources are available, how they function and what issues may arise and should be tackled if they change.

For some DMOs and their SME and ME stakeholders, extra effort may be required to remain vigilant and aware of their environment. Scanning does not necessarily imply the large-scale actions afforded by large businesses, and could instead be Bed and Breakfast owners routinely making time to scan newspapers and media outlets for road closures, construction or changes to city emergency plans. This would allow them to adjust their organizational response and provide better advice to patrons. In this sense, DMOs can serve as the clearing house for such information, just as they are for information regarding tourism products available at the destination.

Another important element of scanning is being aware of who possesses what knowledge and skills, and more importantly identifying which individuals can share responsibilities or be cross-trained to ensure that all key roles are covered in the event of a crisis. Additionally, the information acquired during scanning should also be used to help design simulations and scenarios for DMO staff to practise their crisis response and validate or initiate change to current crisis plans. For larger organizations this could mean regular drills, whereas for smaller organizations holding a brief meeting every three months to run through the 'what-ifs' based on the current environment and new information may prove perfectly adequate.

## Strategy evaluation and strategic control

Strategy evaluation and strategic control take place when a crisis is imminent, or when it has already begun, and involve constantly assessing the situation in order to create strategic alternatives, implementing those alternatives and evaluating whether the alternative choice is satisfactory. This requires comparing plans in place with the current crisis environment and the needs of the organization and its internal and external stakeholders in order to make effective decisions quickly and efficiently. However, effective decision making at this junction requires the confidence that staff are given

authority to act and have been reminded of their duty to do so. Times of crisis feel like a whirlwind where people are caught off guard and are often thrown into unfamiliar situations with strangers, or are asked to work in different ways with people they already know. To create and implement the best strategic alternatives it is critical to keep lines of communication safe and open. This involves continuing to be conscious of social, cultural or behavioural barriers that may impede good communication.

### **Crisis communication and control**

Intra- and inter-organizational communication is challenging during calm times, and can be especially tricky during times of crisis. Crisis communication is one of the most critical elements in any crisis management plan. Each organization should have a detailed, updated and comprehensive crisis communication strategy that addresses both internal and external stakeholders. It should outline contacts in and outside of the organization, and verify direct pathways and procedures on how lines of communication are opened and maintained during crisis events. In the case of DMOs, a full directory of current stakeholders and potential emergent stakeholders (including points of contact and procedures) should be maintained and available to a number of employees. Due to the large number of stakeholders, it will be important for DMOs to take time to clarify and communicate their crisis management role to each stakeholder; that is, performing checks on what is expected of the DMOs, how they will fulfil that role and what their actual capacities may be.

It is equally important to acknowledge different mind-sets and jargon used to discuss and relay information in and among organizations. The vocabulary and demeanour or 'language' of individuals in a group may dictate to a degree how well staff and external stakeholders are able to work together. To add to this, each organization has a communication personality that includes norms of communication in and outside the organization. This means we are dealing not only with how individuals communicate, but with how groups or departments and organizations do as well. Effective crisis communication strategy will take this into account, reminding stakeholders of these differences and making an effort where possible to train staff to work through and overcome communication barriers.

When communicating with external stakeholders about potential problems or an impending crisis, organizations should think about their needs but also about what they can offer others. DMOs should, at a minimum, briefly outline what they believe their most critical assets are in a crisis, further acknowledging that assets may vary depending on the type of crisis. Local tourism communities are often tightly knit. It is not uncommon for DMOs to have intimate knowledge of how their stakeholders and neighbouring businesses operate. Even a small amount of consideration to the needs of other businesses during a crisis will help establish a resilient community.

### **Resource management**

Resource management is a fundamental component of crisis management strategy. From human to financial resources, everything must be accounted for during the

planning stage before a crisis hits. This means taking time to analyse the resources an organization requires to function on a normal day-to-day basis and which resources are needed to remain operational in a crisis. DMOs should be well aware of the number of staff needed to run departments or carry out certain tasks during a crisis and how much money can be set aside for emergency needs or recovery marketing. Additionally, while the amount of control DMOs have over their stakeholders may be limited, this need not apply to the amount of information they have. Do hotels have back-up generators or candles to provide light and warmth or air conditioning for their guests or rescue volunteers? How do they plan to contact incoming guests or tourists if computers and the Internet are down?

It may also be useful to envision how potential damage to actual resources or their suppliers will affect DMO and stakeholder operations. How would the mobility of DMOs and other organizations be hindered if petrol pumps were down or destroyed? What happens if the DMO offices are destroyed or unreachable? Do the DMOs have back-up servers and someone who knows how to navigate them? Running scenarios or simulations where certain resources are lost or reduced will help force staff to think of alternative solutions. As stated previously, knowledge and information can be stored in multiple formats – electronic, hardcopy or even in the human mind – thus, ensuring resources can be accessed in more than one way and by more than one person will decrease confusion and panic in a crisis environment.

## **Understanding and collaborating with stakeholders**

Crises demand that numerous groups work together to overcome major obstacles. From an organizational perspective, a clear understanding of the internal and external composition, dynamics and capacity of each stakeholder group will assist organizations in navigating these obstacles. Specifically, organizations need to know what skills, knowledge and resources each group can provide. During the planning or pre-crisis stage, managers may choose to map external stakeholder relations, identifying which stakeholders provide critical resources. Many DMOs maintain an exhaustive list of their stakeholders, including company profiles, points of contact and services. This can be extremely useful in cases where emergency accommodation and food are needed, or when certain buildings and facilities can serve as command posts, make-shift hospitals or emergency meeting points.

Another aspect that organizations are often unprepared to deal with is the arrival of emergent stakeholders. An emergent stakeholder is a stakeholder that an organization does not normally deal with on a regular basis but must form an ad hoc relationship with in times of crisis. Examples include the humanitarian organizations such as the Red Cross, or local government and emergency services. Emergent stakeholders signal unfamiliar territory, making it more challenging for organizations to negotiate new relationships and find their way through crisis events. However, organizations can make educated guesses as to whom these emergent stakeholders are likely to be based on the type of crises (e.g. natural and physical disasters or political crisis), and can outline a basic protocol during the planning stage.

Surviving in a crisis environment is a team effort. Organizations should take time to recognize not only what they need from each stakeholder, but what they can

provide as well. When dealing with any stakeholder group, it remains important to be concise and to account for social, cultural and behavioural barriers that could impede crisis communication and processes. This may be even truer for emergent stakeholders as organizations are less familiar with their procedures and communication styles. Knowing how to build teams quickly and effectively is something that can be learned and should be practised.

### **Resolution and normality**

Returning to a sense of normalcy after a crisis or on the down slope (transition period between intermediate and long-term stages) of a crisis event can be just as overwhelming as when the crisis was taking place. During a crisis, emotions are high and individuals can be stuck in a state of shock or might purposely put their feelings aside in order to stay focused and push through the event. Once the light at the end of the tunnel can be seen, staff may start to break down, releasing pent-up stress and emotions. Further, initial help available through governments and relief organizations might be withdrawn, making shortcomings more apparent. Organizations must be mindful of the mental and emotional state that their staff and other stakeholder groups may be experiencing. One way to do this is to incorporate some type of mental health checks on staff before launching into full-scale crisis resolution and recovery activities. The procedure and extent of these checks can be discussed and included in the pre-crisis planning stage while identifying other recovery and resolution priorities.

In general, organizations should take time to outline several short- and long-term goals. These might include obtaining status updates on all external stakeholders, or plans for rebuilding or implementing a new post-crisis marketing strategy. Scenarios and simulations are an excellent way to integrate and test resolution procedures and goals. Further, defining these goals and recovery priorities during pre-crisis planning will help to limit the stress on staff who are trying to remember what needs to be done when they themselves and the organization as a whole are potentially in a very fragile state. However, it will be important for managers and staff to review previously set goals, priorities and procedures to ensure they are still applicable. This is a great time for staff to take stock of their own areas or departments and provide suggestions for modified, additional or alternative goals or priorities. Strong leadership and understanding from management should help diffuse uncertainty regarding organizational and individual roles and responsibilities during the crisis recovery period and in the future, as well as create an environment that makes internal and external stakeholders feel safe and empowered to move forward.

### **Organizational learning and feedback**

It is far too easy after a crisis to begin recovery efforts and to forget about the opportunities for organizational learning. Following a crisis, organizations need to take time to evaluate and gain feedback on the effectiveness of their strategies and responses. This means a thorough review and evaluation of all resources. Single and double-loop learning are a fundamental part of this process and should engage

internal as well as external stakeholders. Blackman and Ritchie (2009) suggest using core processes of evaluative enquiry as a foundation for the crisis evaluation process. Table 2.4 outlines six key areas to help DMOs critically review and revise their crisis management strategy.

**Table 2.4.** Crisis evaluation processes using core processes of evaluative enquiry (from Blackman and Ritchie, 2009, p. 64; adapted from Preskill and Torres, 1999).

Asking questions	<p>Questions that ask about alternatives</p> <p>Questions that ask why what was done has to be right</p> <p>Questions that ask why what was done could not be wrong</p> <p>Questions that frame alternatives that could have happened</p> <p>Questions that ask if there were unexpected consequences from the actions taken</p> <p>Questions that ask how one action compares to another</p>
Identifying and challenging values, beliefs and assumptions	<p>The key here is to identify assumptions about the solutions and the choices made: questions that ask why the strategy chosen was accepted, and what it assumed about the context</p>
Reflection	<p>All stakeholders need to have the opportunity to feed into the dialogue and challenge values, beliefs and assumptions</p>
Dialogue	<p>All stakeholders need to be included in the discussions about the new strategy</p> <p>All need to be involved in setting the questions for the next stage</p> <p>Alternative scenarios need to be developed, even if they had been rejected at the time, to allow further evaluation at this stage</p>
Collecting, analysing and interpreting data	<p>Too often data are collected that will show why what happened worked; thus data should be collected about alternatives, even ideas previously rejected</p> <p>Data should be collected by a variety of stakeholders, not just by the project team</p>
Action planning and implementation	<p>A variety of scenarios should be developed, evaluated and incorporated into future tourism crisis communication and recovery strategies and plans</p> <p>These should be communicated to stakeholders and publics and tested through simulations, media training exercises and audits</p>

Blackman and Ritchie proposed the above table within the context of crisis communication and recovery marketing activities; however, it could easily be extended to include each of the OR dimensions listed in Table 2.3. DMOs may also consider participating in triple-loop or inter-organizational learning to expand and enhance their overall learning experience (Scarpino, 2012). In order to help DMOs identify potential gaps and improve crisis management plans, organizational learning must extend to every aspect of the crisis management strategy and every stakeholder involved.

## 2.7 Putting Things in Perspective

We have introduced the concept of OR and its usefulness in tourism disaster and crisis management by providing a mash-up of the current theoretical frameworks in

each area. The new framework or model allows us to observe just how neatly TCM can be elaborated under the different dimensions of OR strategy. At its most elemental, benefits from the new model are twofold. DMOs exercising TCM but no long-term OR management are able to envision how introducing such a strategy would complement and in many ways enhance their present TCM plans. In contrast, DMOs loosely practising OR management with no or limited Crisis Management (CM) may find the model extremely useful in identifying activities and entities necessary to introduce or expand their current efforts. While the new model sheds light on specific areas and actions to be addressed in crisis management, it is important to emphasize that the model does not represent a one-size-fits-all approach.

Resilient organizations ensure they possess the capability, resources and knowledge levels to pursue and develop resilience resources. The actions and activities outlined in the CM and OR models independently, much less together, suggest involvement of a large number of resilience resources (economic, computer and human) as well those that are tangible and intangible. Certain organizational characteristics such as size, funding or organizational structure may influence development and adoption of a resilient CM strategy for DMOs and their stakeholders. While scale and investment for each organization hinges on individual capacities, the larger notion put forth by the new model should not be undervalued. The model does not fully address each of the 'harder' elements of resilience required to implement resilient TCM (i.e. processes, infrastructure, technology, resources, information and knowledge) (Gibson and Tarrant, 2010), but instead provides managers with a foundation on which to evaluate and build their own unique strategy. Globally, DMOs of all sizes can then mould a resilient CM strategy to fit their context, resources and needs.

Smaller DMOs or DMOs with limited means might consider expanding their resource base and improving communication and collaboration among stakeholders – a resilient action – by helping implement a local tourism-led crisis management body in their community. Scarpino and Gretzel (2013) describe a tourism-led crisis management body as a permanent group comprising local tourism organizations across sectors (including accommodation, food and dining, attractions and tour operators) whose main objective is to be proactive in taking care of themselves as well as aiding non-tourism crisis stakeholders in five main areas: coordination, information, preparation, implementation and restoration. Tourism MEs are often run by the lone entrepreneur, who during a crisis may rightfully be looking after the needs of his or her family with little to no time to think about the business. One action of a tourism-led body may be executing a 'buddy' or 'big brother' system for tourism MEs to ensure they are accounted for and provided aid during crises. The end result should leave us with DMOs and tourism communities that are better able to negotiate the challenges faced in crisis environments.

## 2.8 Conclusion

This chapter has outlined the importance and usefulness of OR in TCM. We established that community and OR are interdependent in a complex environment (Dalziell and McManus, 2004), and that being resilient can provide organizations with competitive advantage (Parsons, 2007). Despite the opportunity for OR to aid

DMOs in better aligning their crisis management plans with long-term organizational sustainability, limited attention has been given to reviewing the integration of these two domains. The authors have sought to provide DMOs specifically, and tourism organizations in general, with an integrative framework to strengthen their crisis management efforts. Based on the new framework presented, this chapter has discussed the possible application of each dimension of OR within the scope of TCM through Ritchie's (2004) crisis and disaster framework. The new framework is tourism-centric, yet intentionally broad-based in order to accommodate DMOs in varying contexts and environments. Tourism researchers should consider incorporating OR management theory and concepts, such as assessing a proactive approach by DMOs; or evaluating how recovery priorities match pre-crisis planning activities and communication, to examine how and why DMOs respond, die, survive or at times excel in the face of a crisis. The new framework presented in this chapter is a first step in this direction, and we hope it will prove a valuable tool for researchers to gain insights into the successes and failures of DMOs in this context.

Future research should seek to examine the role crisis type plays in the usefulness and application of the framework devised, as well as uncovering which organizational characteristics inhibit or promote adoption of different elements of this framework. For example, studies could explore the effects of being a private- versus public- or Chamber of Commerce-run DMO, or understanding how the level at which a DMO operates (local, regional or national) may limit or expand its resource options. We might also ask 'Does size really matter?' Do smaller DMOs with a staff of say three, five or even ten possess the manpower and follow-through to address successfully each element in the proposed framework? Furthermore, to what degree do the dynamics of existing stakeholder relations challenge or facilitate successful implementation of this particular framework?

Becken and Hughey (2013) demonstrate the significance of a tourism-focused crisis management approach. DMOs that are able to reduce the constraints and potential inefficiency of implementing disconnected organizational strategies will be able to better safeguard their survival and that of their tourism community.

## References

- Ashkanasy, N.M., Wilderom, C.P.M. and Peterson, M.F. (eds) (2000) *Handbook of Organizational Culture and Climate*. Sage Publications, California.
- Becken, S. and Hughey, K.F. (2013) Linking tourism into emergency management structures to enhance disaster risk reduction. *Tourism Management* 36, 77–85.
- Beirman, D. (2010) Crisis, recovery and risk management. In: Liburd, J. and Edwards, D. (eds) *Understanding the Sustainable Development of Tourism*. Goodfellow Publishing, London, pp. 205–224.
- Blackman, D. and Ritchie, B.W. (2009) Tourism crisis management, knowledge management and organisational learning. In: Pforr, C. and Hosie, P. (eds) *Crisis Management in the Tourism Industry: Beating the Odds?* Ashgate Publishing, Farnham, UK, pp. 53–73.
- Booth, S. (1993) *Crisis Management Strategy: Competition and Change in Modern Enterprises*. Routledge, New York.
- Bunderson, J.S. and Sutcliffe, K.M. (2002) Comparing alternative conceptualizations of functional diversity in management teams: process and performance effects. *Academy of Management Journal* 45(5), 875–893.

- Carroll, J.S. (1998) Organisational learning activities in high-hazard industries: the logics underlying self-analysis. *Journal of Management Studies* 35(6), 699–717.
- Chang, S.E. and Chamberlin, C. (2003) *Assessing the Role of Lifeline Systems in Community Disaster Resilience*. MCEER, Buffalo, New York.
- Coutu, D.L. (2002) How resilience works. *Harvard Business Review*, May, 47–55.
- Dalziell, E.P. and McManus, S.T. (2004) Resilience, vulnerability, and adaptive capacity: implications for system performance. 1st International Forum for Engineering Decision Making (IFED), 5–8 December 2004. p. 17.
- Durodie, B. (2003) Is real resilience attainable? *Homeland Security & Resilience Monitor* 2(6), 15–19.
- Dynes, R.R. and Quarantelli, E.L. (1968) Group behaviour under stress: a required convergence of organisational and collective behaviour perspectives. *Sociology and Social Research* 52, 416–429.
- Edmondson, A.C. (1999) Psychological safety and learning behavior in work teams. *Administrative Science Quarterly* 44, 350–383.
- Faulkner, B. (2001) Towards a framework for tourism disaster management. *Tourism Management* 22, 135–147.
- Gibson, C.A. and Tarrant, M. (2010) A ‘conceptual models’ approach to organisational resilience. *Australian Journal of Emergency Management* 25(2), 6–12.
- Gretzel, U., Fesenmaier, D.R., Formica, S. and O’Leary, J.T. (2006) Searching for the future: challenges faced by destination marketing organizations. *Journal of Travel Research* 45(2), 116–126.
- Hamel, G. and Välikangas, L. (2003) The quest for resilience. *Harvard Business Review*, September, 52–63.
- Holling, C.S. (1973) Resilience and stability of ecological systems. *Annual Review of Ecology and Systematics* 4, 1–23.
- Kash, T.J. and Darling, J. (1998) Crisis management: prevention, diagnosis and intervention. *Leadership & Organization Development Journal* 19(4), 179–186.
- Kendra, J.M. and Wachtendorf, T. (2003) Elements of resilience after the World Trade Center disaster: reconstituting New York City’s Emergency Operations Centre. *Disasters* 27(1), 37–53.
- McManus, S. (2007) Organisational resilience in New Zealand. PhD thesis, University of Canterbury, Christchurch, New Zealand.
- McManus, S., Seville, E., Vargo, J. and Brunson, D. (2008) A facilitated process for improving organizational resilience. *Natural Hazards Review* 9(2), 81–90.
- Mintzberg, H. and Waters, J.A. (1985) Of strategies, deliberate and emergent. *Strategic Management Journal* 6(3), 257–272.
- Mitroff, I.I. and Alpasan, M.C. (2003) Preparing for the evil. *Harvard Business Review*, April, 109–115.
- Northouse, P.G. (2012) *Leadership: Theory and Practice*, 6th edn. Sage Publications, Thousand Oaks, California, USA.
- Parsons, D. (2007) National Organisational Resilience Framework Workshop: the outcomes. *National Organisational Resilience Framework Workshop*, 5–7 December 2007, Mt Macedon, Victoria, Australia.
- Pfeffer, J. (1978) *Organizational Design*. Harlan Davidson, Arlington Heights, Illinois.
- Pfarr, C. and Hosie, P. (2009) *Crisis Management in the Tourism Industry: Beating the Odds?* Ashgate Publishing, Burlington, Vermont.
- Preskill, H. and Torres, R.T. (1999) The role of evaluative enquiry in creating learning organizations. In: Easterby-Smith, M., Burgoyne, J. and Araujo, L. (eds) *The Role of Evaluative Enquiry in Creating Learning Organizations*. Sage, London, pp. 92–114.
- Quarantelli, E.L. (1995) Emergent behavior and groups in the crisis time of disasters. In: Kwan, K.M. (ed.) *Individuality and Social Control: Essays in Honor of Tamotsu Shibutani*. JAI Press, Greenwich, pp. 47–48.
- Ritchie, B.W. (2004) Chaos, crises and disasters: a strategic approach to crisis management in the tourism industry. *Tourism Management* 25(6), 669–683.



- Ritchie, B.W. (2009) Tourism disaster and crisis preparedness and planning. In: Cooper, C., Michael Hall, C. and Timothy, D.J. (eds) *Crisis and Disaster Management for Tourism*. Channel View Publications, Bristol, UK, pp. 113–142.
- Ritchie, B.W., Bentley, G., Koruth, T. and Wang, J. (2011) Proactive crisis planning: lessons for the accommodation industry. *Scandinavian Journal of Hospitality and Tourism* 11(3), 367–386.
- Scarpino, M. (2012) The role of interorganizational learning in cross-sector relationships: implications for disaster and crisis management. *Proceedings of the 18th Annual Asia-Pacific Tourism Association (APTA) Conference*, 26–29 June 2012, Taipei, Taiwan.
- Scarpino, M. and Gretzel, U. (2012) Conceptualising organisational resilience in destination management organisations. *Proceedings of the CAUTHE Conference*, 6–9 February 2012, Melbourne, Australia.
- Scarpino, M. and Gretzel, U. (2013) Exploring the need for tourism-led crisis management. *Proceedings of the CAUTHE Conference*, 11–14 February 2013, Christchurch, New Zealand.
- Seville, E., Brunsdon, D., Dantas, A., Le Masurier, J., Wilkinson, S. and Vargo, J. (2008) Organisational resilience: researching the reality of New Zealand organisations. *Journal of Business Continuity and Emergency Management* 2(2), 258–266.
- Smith, M. (2005) Entertainment and new leisure tourism. In: Buhalis, D. and Costa, C. (eds) *Tourism Business Frontiers: Consumers Products and Industry*. Butterworth-Heinemann, Oxford, UK.
- Starr, R., Newfrock, J. and Delurey, M. (2003) Enterprise resilience: managing risk in the networked economy. *Strategy and Business* 30, 2–10.
- Stephenson, A. (2010) Benchmarking the resilience of organisations. PhD thesis, University of Canterbury, Christchurch, New Zealand.
- Stoltz, P.G. (2004) Building resilience for uncertain times. *Leader to Leader* 31, 16–20.
- Sutcliffe, K.M. and Vogus, T. (2003) Organizing for resilience. In: Cameron, K.S., Dutton, J.E. and Quinn, R.E. (eds) *Positive Organizational Scholarship: Foundations of a New Discipline*. Berrett-Koehler, San Francisco, California, pp. 94–110.
- Webb, G.R. (1999) Individual and organisational response to natural disasters and other crisis events: the continued value of the DRC typology. Paper presented at the Annual Meeting of the Eastern Sociological Society.
- Weick, K.E. and Sutcliffe, K.M. (2007) *Managing the Unexpected: Resilient Performance in an Age of Uncertainty*, 2nd edn. Jossey-Bass, San Francisco, California.
- Weick, K.E., Sutcliffe, K.M. and Obstfeld, D. (1999) Organizing for high reliability: processes of collective mindfulness. *Research in Organizational Behavior* 21, 81–123.
- Weick, K.E., Sutcliffe, K.M. and Obstfeld, D. (2005) Organizing and the process of sensemaking. *Organization Science* 16(4), 1526–1545.
- Wildavsky, A. (1988) *Searching for Safety*. Transaction Books, New Brunswick, New Jersey.

---

# 3

## Theoretical Perspectives on Crimes Against Tourists

CATHERINE E. BURTON<sup>1\*</sup> AND JOHN C. CROTTS<sup>2</sup>

<sup>1</sup>*The Citadel, Charleston, USA;* <sup>2</sup>*College of Charleston, Charleston, USA*

---

### 3.1 Introduction

Tourism as one of the world's most economically important industries is also one of the most vulnerable to crisis (Pforr, 2009). The victimization of tourists by criminal elements is but one potential source of crisis; however, it is one any destination can experience. There exists ample evidence that high incidences of crimes committed against tourists, and the negative press associated with them, can deter travel to specific destinations (Chesney-Lind and Lind, 1986; Crotts, 1996; De Albuquerque and McElroy, 1999; Ferreira, 1999; Alleyne and Bozill, 2003; Michalko, 2003; George, 2010). The need for safety and security is a fundamental need of every individual (Maslow, 1954). Though there is value in understanding what types of crimes are being committed against tourists (De Albuquerque and McElroy, 1999; Tynon and Chavez, 2006; Ho *et al.*, 2009), such an emphasis seldom sheds light on the core cause-and-effect reasons that make communities unsafe for tourists. What is needed is a fundamental understanding of what motivates or deters a person to engage in criminal activities, what environmental conditions facilitate a crime to occur, and what a host community can do to get at the root cause of the problem.

This chapter will summarize the relevant criminology theories in an effort to understand better what motivates individuals to commit crimes against tourists and what communities can do to deter such occurrences. With few exceptions (Shiebler *et al.*, 1995; Crotts, 1996; Pearce, 2011), the treatment in the tourism literature is void of relevant theory-based research. We aim to provide a more informed theory-based framework that future researchers can draw upon in reaching a better understanding of what is needed to impact these incidences at their root causes. These theories include:

- Rational choice theory.
- Deterrence theory.

---

\* E-mail: burtonc1@citadel.edu

- Routine activities theory.
- Hot-spot theory.
- Social disorganization theory.
- Anomie/strain theory.
- Subcultural theories.
- Symbolic interaction theories.

We contend that each can provide unique insights into the best way to frame a research problem in specific locations, and what can make the destinations safer, more defensible spaces.

### 3.2 Rational Choice/Deterrence Theory

*Rational choice theory* assumes and postulates that individuals commit crimes once they have calculated the risks versus the rewards of the act; that they prefer to take such actions that would generate the maximum and greatest benefits for them and actions that are most favourable to them (Barkan, 2011). Therefore, this theory implies that any susceptible person who perceives a situation in which the chances of indulging in risks are low, and benefits that the criminal activity would reap are high, will commit a crime. Just as the likelihood of benefiting from a crime could encourage criminal behaviour, consequences could reduce the likelihood of participating in a criminal act. The counterpart to rational choice theory is *deterrence theory*. Deterrence theory posits that if the punishment is serious enough, it will deter the individual from committing the crime based on a conclusion that the risk is not worth the reward. There are two types of deterrence: general and specific. General deterrence is aimed at preventing the public from engaging in crime at all, while specific deterrence is aimed at preventing an individual from committing the crime again once he or she has previously endured the punishment.

Rational choice and deterrence theory can be used to explain violent as well as non-violent crimes. However, violent crimes such as homicide and aggravated assault often tend to be emotional crimes or 'crimes of passion' that are not driven by rationality (Barkan, 2011). Basically, these theories may be used to describe the decision making of some criminals who rationally prey on tourists, but should be recognized as limited in scope (Akers and Sellers, 2004).

One can see the obvious connection between rational choice theory and organized crime or corporate fraud committed against tourists, but it is often more difficult to see the connections between the theory and street and violent crime. Nonetheless, some research examines violent crime in relation to rational choice theory and finds that if the following factors are present there is an increase in the conditions under which a calculated violent act might occur. They are:

- the comparative strength that an individual possesses in relation to the target;
- the likelihood of escape (includes the visibility and protectiveness of the surroundings); and
- the potential net gain from the violent activity.

As suggested above, it is the physical power and strength that may compel an individual predisposed to criminal activities to commit a violent crime. These same

factors may also explain non-violent crime. For instance, an individual who is less powerful is less likely to indulge in violent activities as opposed to non-violent property crimes (Siegel, 2011).

Applying the rational choice and deterrence theory to examine the relationship between tourism and crime reveals that opportunity plays a large role. The target and the type of crime committed are carefully, or at least rationally, selected. This theory is closely related to the routine activities theory.

### 3.3 Routine Activities Theory and Hot-spot Theory

The *routine activities theory*, developed by Felson and Cohen (1979), posits that predatory crime and the following three variables are closely related. In order for a crime to occur, there must be a convergence in time and space of three elements:

- suitable targets;
- absence of capable guardians; and
- motivated offenders.

In the absence of one or more of these elements, a crime cannot occur. This theory is closely related to the rational choice theory in terms of opportunity, but also has strong ties to environmental criminology (Burke, 2009). Motivated offenders can be described as potential criminals who are not only *capable* of committing crime but are also *willing* to do so (Cullen and Agnew, 2002). Suitable targets can be defined as any people whose selection is based on their vulnerability and value as victims. In the process of selecting the target, the offender may evaluate various aspects of the victims including their location, behaviour and lifestyle (Siegel, 2008). Capable guardians can be defined as crime control tools such as proper lighting, locks, alarm systems and CCTV cameras, as well as the presence of police, private security, neighbours and friends (Gouvis, 2002).

Much of the research has not concentrated on what motivates offenders, but instead has centred on the concept of *hot spots*, places that account for a great deal of victimization, as well as the idea that people who frequent bars, parties and shopping centres are more likely to be victimized (Messner and Blau, 1987; Kennedy and Forde, 1990). Research into hot spots and the routine activity theory suggests five predictors that increase the likelihood of victimization. They are: (i) being in a high-crime area; (ii) being out late at night; (iii) engaging in risky behaviour such as drinking alcohol; (iv) carrying valuables; and (v) being without companions capable of watching over each other (Siegel, 2011).

Routine activities and hot-spot theories are quite useful in attempting to understand how communities might be exposing tourists to criminal victimization. Routine activities theory provides the most evidence to date in terms of an explanation for the correlation between tourism and crime (Shiebler *et al.*, 1995). For instance, tourists are naturally suitable targets, often carrying large amounts of cash and numerous cameras and credit cards. Furthermore, tourists (with their limited understanding of the destination) may stumble into a known hot spot by accident, or may choose to frequent hot spots such as bars and nightclubs. In addition, not knowing the ecology of the community, they may be frequenting areas lacking capable guardians

(Crotts, 1996). All too often, the tourist as a non-resident may not be available or willing to return to the jurisdiction where the crime occurred, if at a later date a suspect is charged and brought to trial, making convictions more difficult.

### 3.4 Social Disorganization Theory

Shaw and McKay (1942), building on the ecological work of Park and Burgess (1925), concluded that dilapidated housing, high concentrations of poverty, high divorce rates and high rates of residential mobility lead to a breakdown in social networks and bonds that results in a lack of social control. The lack of social control in turn creates *social disorganization*, which in turn causes social problems including crime. Much of the early research on social disorganization theory was conducted in Chicago in the first half of the 20th century, and examined crime in relation to the development of cities whose economies were highly industrialized. This research gave rise to concentric zone research, which concluded that crime and delinquency rates were highest in the zones closest to the city's central business districts and lower in those zones that were farther away; generally, what we would label today as suburbs. One of the most interesting findings of this work was that the crime rates in these zones were consistent regardless of the change in racial and ethnic makeup. Critics of Shaw and McKay (1942) point out that their theory is based upon data from one city, and that most people residing in the zones with the highest crime rates do not commit crime (Kornhauser, 1978; Bursik, 1988). Furthermore, some ethnic groups living in inner cities, such as Asians, maintain low crime rates due to a strong cultural emphasis on family ties and a respect for authority.

The use of social disorganization theory in criminological research declined in the mid-20th century in favour of social-psychological explanations, but the 1980s saw its resurgence in the literature. The researchers refined the measures of social networks and generally found that crime and victimization were high in areas with low levels of voluntary participation, few networks of friendship ties, high levels of residential mobility, high population density, large numbers of female-headed households, high poverty and low levels of community supervision for adolescents (Sampson, 1997; Peterson *et al.*, 2000). In common with early research, recent work finds that social disorganization leads to a weakening of informal social controls, which creates an environment where crime rates tend to increase. For instance, less parental or other adult supervision leads to adolescents having more time to spend with delinquent peers, thereby increasing the likelihood of delinquency and participation in gangs to gain a sense of belonging (Bursik, 1988; Akers, 2000). This line of research also concentrates on the distinction between two types of disorganization: cultural and social. Cultural disorganization focuses on the degree of social control in the community (e.g. participation in local groups, supervision of teenagers, friendship networks), while social disorganization concentrates primarily on economic disadvantage (Burfeind and Bartusch, 2010).

Social disorganization theory may explain the relationship between crime and tourism. Under this theory, a highly transit tourist community with a significant proportion of transitory workers, and tourists or non-resident visitors, will exhibit a

weakened social structure and community network, and may have a higher rate of criminal victimization against tourists or non-residents.

### 3.5 Anomie or Strain Theory

*Anomie* or *strain theory* is derived from the work of Durkheim (1893), which connected individuals' unfulfilled aspirations to suicide. Merton (1938) extended that theory to other forms of social deviance. Merton reasoned that every society includes cultural goals and the means to achieve those goals, and when individuals are unable or unwilling to achieve those goals through legitimate means they will do so through illegitimate means (deviant and criminal behaviour). The theory contends that crime can result as the outcome of the discrepancy between high economic aspirations and insufficient means for achieving them. Strain theory suggests that all individuals in the society have similar goals; however, they do not occupy similar economic and social positions, which restrains them from achieving their goals (which may include power and wealth) (Vito and Maahs, 2011). Therefore, in order to balance the lack of means, some members of a society may resort to illegal activity for achieving their ambitions (Capowich *et al.*, 2001). As societies become more materialistic, and success is continually measured by the attainment of possessions, those unable to achieve them through legitimate means (education, work, etc.) may resort to illegitimate means (crime) to achieve their desired goals (Broidy, 2001).

Many criticized anomie or strain theory as failing to explain violent crime such as homicide, assault and rape. In response, Agnew *et al.* (2002) built on the work of Durkheim and Merton and developed *general strain theory*, which moved beyond the anomie theory's focus on economic success and asserted that strain could also occur from the failure to achieve society's non-economic goals, such as the inability to maintain a long-term romantic relationship, or from negative stimuli like the death of a loved one (Barkan, 2011). Basically, Agnew and colleagues posit that if you mistreat people, they may engage in criminal behaviour (Agnew *et al.*, 2002). The crime may not just be to gain economic success but may be violence in response to the frustration individuals feel by their place or station in life and the way they are treated by society.

Anomie or strain theory can be used to explain the finding by Shiebler *et al.* (1995) where Florida communities with the highest economic disparity had the highest crime rates against tourists. Those communities characterized by high conspicuous consumption of the wealthiest residents and tourists may create high economic aspirations among those who have insufficient means for achieving economic status. This may lead some individuals to victimize tourists and residents for economic gain, or perpetuate violence as a result of the frustration they feel towards society.

### 3.6 Subcultural Theories

The *subcultural theories* of crime argue that there are certain groups or subcultures in the society that promote attitudes and values conducive for violence and crime.

In other words, membership of these subcultures makes breaking the law an acceptable behaviour. In his landmark book, *Delinquent Boys*, Cohen (1955) contends that the subculture promoting delinquent behaviour is the outcome of a conflict that exists between a society's middle-class values and those that may not adhere to them. For instance, middle-class values are often reinforced in societal institutions such as schools, churches and organized sports. Not having been raised with these values, the disadvantaged class (in particular boys) do not do as well at living up to them (having poor grades and school attendance), promoting conflict and frustration (Braithwaite, 1999). As a remedy for this frustration, the disadvantaged turn to the gang subculture to gain respect, status and acceptance. The gang subculture then becomes the primary culture and is often characterized by values that condone crime (Moyer, 2001).

Similarly, Miller (1958) presents a study of youth behaviour that also explains delinquent behaviour in terms of subcultures, but he argues that it was the *lower-class* itself that was the subculture and was characterized by the appreciation and pursuit of *focal concerns* (e.g. trouble, toughness, smartness, excitement, fate and autonomy). For instance, adolescent male members of a female-headed household might leave their homes in the lower-class communities and join street gangs to express their male identity by engaging in criminal activity in order to fulfil their *focal concerns* (McShane and Williams, 1997). Almost simultaneously, Wolfgang (1958) and Wolfgang and Ferracuti (1967) coined a subculture of violence in explaining high levels of violence among black, urban males of a lower socio-economic status. This theory is controversial due to the racial implications. Early research found that the poor disapprove of violence as much as those in higher socio-economic groups (Erlanger, 1974). More recently, research has indicated that black males are no more likely than white males to condone the use of defensive violence (Cao *et al.*, 1997). Nonetheless, a growing body of work supports the theory, the most influential being Elijah Anderson's book, *Code of the Street* (1999). The author outlines a code among urban males of a lower socio-economic status who in their quest for respect often engage in interpersonal violence. Anderson argues that under this value system they often engage in violent behaviours such as turf and gang wars, fights over love affairs and other criminal behaviour. This behaviour is not seen as abnormal or immoral by these adolescents, who are continuously in search of ways to express their male identity. This theory ties the subcultural explanation to the structural problems and conditions of urban areas (economic deprivation and racial discrimination).

One of the problems frequently pointed out with subcultural theories is the concept of *ecological fallacy*: why do some people in those 'crime prone zones or subcultures' get involved in offending behaviour while others remain law-abiding citizens (Cullen and Agnew, 2002). Additionally, there are theorists who argue that the subcultural theory of violence and crime has outlived its purpose and lost its relevance in modern urban life. They assert that such subcultures or concentric zones no longer exist in modern cities (the basis for much of the structural theories of crime that lead to the development of subcultural theories), which are continuously redeveloping at a rapid rate due the process of globalization (Beirne and Messerschmidt, 2011).

In applying subcultural theories to crimes committed against tourists, one would posit that these potential offenders (residents) would come into contact with non-residents (tourists) either by chance or instigation. They would victimize these

individuals by taking their property, committing a violent act, or both, in an effort to gain respect under a value system that condones breaking the law.

### 3.7 Symbolic Interaction Theories

Mead (1934) introduced the theory of *symbolic interactionism* to American sociology. This theory is based originally on Max Weber's (1905) assertion that people assign meaning to their world and that their actions are based on their interpretations. The theory was made popular by Blumer (1969), Mead's student. The key element of symbolic interaction theory is that human behaviour can largely be explained by the symbols people use to create *meaning*. In some instances, these meanings are derived from the individual actor, but in most situations they are influenced by intimate interactions with others and involve two additional core principles: *language* and *thought*. Two major theories or schools of thought emerged as a result of applying symbolic interaction concepts to criminal behaviour: differential association theory and labelling theory (Denzin *et al.*, 2008).

Sutherland's *differential association theory* (1949) argues that crime is learned through close personal relationships. If an individual interacts with those who hold little respect for society's norms and laws, the individual is more likely to engage in law-breaking behaviour. Differential association was the first of many social learning theories of crime. Learning and interaction theorists contend that crime can be learned in many ways including through reference groups that exhibit behaviour that individuals may want to emulate. This behaviour might even be learned via the media in all its forms (books, newspapers, television, movies, social media, video games) (Barkan, 2011). Just as learning and education can impact criminal behaviour, labelling (society's reaction to criminal behaviour) can also impact deviant or delinquent behaviour. Under *labelling theory*, once people have been labelled by society and the criminal justice system as delinquent or deviant, they may be more likely to engage in further criminal behaviour (self-fulfilling prophecy of a negative self-image) (Bernburg *et al.*, 2006; Barkan, 2011).

In an attempt to explain the relationship between tourism and crime using the concept of symbolic interactionism and the theories that evolved from it, one may wish to measure the criminal background and associations of offenders who have engaged in crimes against tourists or non-residents. For instance, if a significant number of offenders had prior criminal records, or had parents or families that engaged in similar behaviour, the data might support labelling theory or differential association as an explanation of tourist or non-offender victimization. The link between symbolic interactionism and barely legal scams and frauds committed against tourists (Pearce, 2011) may explain the willingness of perpetrators.

### 3.8 Conclusion

This chapter provides a condensed summary of the relevant criminology theories in an effort to provide a comprehensive understanding of what motivates individuals to commit crimes against tourists and what communities can do to deter such occurrences.



We hope that this discussion will encourage additional research drawn from these theoretical frameworks as well as challenge stereotypes about the likely perpetrators. Many of these theories have similarities to each other. However, each contributes uniquely to the criminology literature and can provide unique insights to the underlying problem of tourist criminal victimization.

Collectively they tell us that most tourism crime research has focused on documenting the types and frequency of crimes to which tourists are vulnerable, and to a lesser extent what can be done to make tourism sites safer, more defensible spaces. The availability of crime data from police reports and Uniform Crime Data provides a means to highlight and begin addressing the problem that many destination marketers would prefer to ignore or to treat as a media relations problem (Crotts, 1996).

The tourism literature lacks research focused on the underlying causes of these undesirable incidents, specifically the symbolic interaction between tourists and criminals and the behaviours tourists evoke that increase their vulnerability. There is also a lack of a more in-depth focus on what motivates offenders and why some communities create or attract more offenders than others. It is our contention that much can be gained from research specifically focused on the underlying motivations of these perpetrators of crimes against tourists. Through a better understanding of the motivations of criminals to target tourists we can design better strategies that neutralize these motives, or frustrate their attempts by having better security.

Obviously some criminals perpetrate crimes against tourists as a rational choice, knowing their behaviour is counter to societal norms. The theories of rational choice, deterrence and routine activities can aid an understanding of this criminal segment of society (Crotts, 1996). However, such theories are inadequate in providing an understanding of those communities or subcultures where scams or crimes committed against outsiders such as tourists are considered acceptable behaviours. Motives of these perpetrators may benefit from the theories of social disorganization, strain, subcultural and symbolic interaction. Only through such insights of what motivates the perpetrator at the destination level can we ever hope to stay ahead of their criminal behaviours.

We also need to explain the possible interaction between tourism and community strain. By definition, tourism increases the transitory nature of communities through the tourists they attract and the transient seasonal workers they employ. Communities characterized as highly transitory often exhibit weakened social structure and community networks, which, according to social disorganization theory, lead to higher rates of crime. If this is true for tourism destinations, the question becomes what can be done about it and who should pay for the needed interventions in order to manage a sustainable tourism destination?

Following this same vein of research, destination managers could benefit from understanding the relationship between crimes committed against residents versus crimes against tourists. It has been shown that crimes committed against residents occur more frequently (Shiebler *et al.*, 1995; Crotts, 1996). What is unknown, to our knowledge, is if increases in the number of crimes against residents precede criminals eventually turning their attention to tourists, who can be argued reside in environments that are more difficult to target (hotels and resorts with private security). If this is so, then by monitoring the resident community's strain or disorganization

(e.g. increases in crime against residents), one might be able to reliably predict criminal activities spilling over into tourism districts by rational, motivated offenders in search of suitable targets. Additionally, just as tourism provides economic benefits to communities, could the gentrification and revitalization that comes with tourism be better managed in such a way as to have a negative effect on crime? Providing a better understanding of how tourism development may be able to reduce community strain and disorganization through revitalization could help communities decrease crime rates among both residents and visitors.

### 3.9 End Note

While we were completing this chapter we heard of the shootings of 26 children and teachers in an elementary school in Newtown, Connecticut, on 14 December 2012. This tragic and senseless act serves to remind us that criminal motives and their causes are incredibly complex, regardless of who may be targeted. In a free and open society no site is entirely defensible and no individual is without risk. However, the complexity of the underlying issues should not lead to inaction. Instead managers of resorts and hotels should be ever-vigilant regarding threats to their guests and employees, and should make their facilities as secure as possible. In a broader context our elected officials and we, the people they serve, should make renewed efforts to better understand and if possible mitigate the means and root causes of criminal acts to make our communities safer for tourists and residents alike.

### References

- Agnew, R., Brezina, T., Wright, J. and Cullen, F. (2002) Strain, personality traits, and delinquency: extending general strain theory. *Criminology* 40(1), 43–71.
- Akers, R. (2000) *Criminological Theories: Introduction, Evaluation, and Application*, 3rd edn. Roxbury Press, Los Angeles, California.
- Akers, R. and Sellers, C. (2004) *Criminological Theories: Introduction, Evaluation, and Application*, 4th edn. Roxbury Press, Los Angeles, California.
- Alleyne, D. and Bozill, I. (2003) The impact of crime on tourist arrivals in Jamaica. *International Journal of Tourism Research* 5(5), 381–391.
- Anderson, E. (1999) *Code of the Street: Decency, Violence, and the Moral Life of the Inner City*. W.W. Norton and Company, New York.
- Barkan, S. (2011) *Criminology: A Sociological Understanding*. Prentice Hall, Upper Saddle River, New Jersey.
- Beirne, P. and Messerschmidt, J. (2011) *Criminology: A Sociological Approach*, Oxford University Press, New York.
- Bernburg, J.G., Krohn, M.D. and Rivera, C.J. (2006) Official labeling, criminal embeddedness, and subsequent delinquency: a longitudinal test of labeling theory. *Journal of Research in Crime and Delinquency* 43(1), 67–88.
- Blumer, H. (1969) *Symbolic Interactionism: Perspective and Method*. Prentice Hall, Englewood Cliffs, New Jersey.
- Braithwaite, J. (1999) Restorative justice: assessing optimistic and pessimistic accounts. *Crime and Justice* 25, 1–127.

- Broidy, L. (2001) A test of general strain theory. *Criminology* 39(1), 9–36.
- Burfeind, J. and Bartusch, D. (2010) *Juvenile Delinquency: An Integrated Approach*, 2nd edn. Jones and Bartlett Learning Publications, Burlington, Massachusetts.
- Burke, T. (2009) Routine activities theory. In: Wilson, J.K. (ed.) *The Praeger Handbook of Victimology*. Praeger, Santa Barbara, California.
- Bursik, R. (1988) Social disorganization and theory of crime and delinquency. *Criminology* 26(4), 519–552.
- Cao, L., Adams, A. and Jensen, V.J. (1997) A test of the black subculture of violence thesis: a research note. *Criminology* 35(2), 367–379.
- Capowich, G., Mazarolle, P. and Piquero, A. (2001) General strain theory, situational anger, and social networks: an assessment of conditioning influences. *Journal of Criminal Justice* 29(5), 445–461.
- Chesney-Lind, M. and Lind, I. (1986) Visitors as victims: crimes against tourists in Hawaii. *Annals of Tourism Research* 13(2), 167–192.
- Cohen, A. (1955) *Delinquent Boys: The Culture of the Gang*. The Free Press, Glencoe, Illinois.
- Crotts, J. (1996) Theoretical perspectives on tourist criminal victimization. *Journal of Tourism Studies* 7(1), 2–9.
- Cullen, F. and Agnew, R. (2002) *Criminological Theory: Past to Present: Essential Readings*. Roxbury Publishing Co., Los Angeles, California.
- De Albuquerque, K. and McElroy, J. (1999) Tourism and crime in the Caribbean. *Annals of Tourism Research* 26(4), 968–984.
- Denzin, N., Salvo, J. and Washington, M. (2008) *Studies in Symbolic Interaction 31*. Emerald Group Publishing Limited, Bingley, UK.
- Durkheim, E. (1893) *The Division of Labor in Society*. Free Press, New York.
- Erlanger, H. (1974) The empirical status of subculture of violence thesis. *Social Problems* 22(3), 280–292.
- Felson, M. and Cohen, L. (1979) Social change and crime rate trends: a routine activity approach. *American Sociological Review* 44(4), 588–608.
- Ferreira, S. (1999) Crime: a threat to tourism in South Africa. *Tourism Geographies* 1(3), 313–324.
- George, R. (2010) Visitor perception of crime-safety and attitudes towards risk: the case of Table Rock Mountain National Park. *Tourism Management* 31(6), 806–815.
- Gouvis, R. (2002) Schools as generators of crime: routine activities and the sociology of place. PhD thesis, American University, Washington, DC.
- Ho, T., Zhao, J. and Brown, M. (2009) Examining hotel crimes from police crime reports. *Crime Prevention and Community Safety* 11(2), 21–33.
- Kennedy, L. and Forde, D. (1990) Routine activities and crime: an analysis of victimization in Canada. *Criminology* 28(1), 137–152.
- Kornhauser, R. (1978) *Social Sources of Delinquency – An Appraisal of Analytic Models*. University of Chicago Press, Chicago, Illinois.
- Maslow, A. (1954) *Motivation and Personality*. Harper, New York.
- McShane, M. and Williams, F. (1997) *Criminological Theory*. Garland, New York.
- Mead, G. (1934) *Mind, Self, and Society*. University of Chicago Press, Chicago, Illinois.
- Merton, R. (1938) Social structure and anomie. *American Sociological Review* 3, 672–682.
- Messner, S. and Blau, J. (1987) Routine leisure activities and rates of crime: a macro-level analysis. *Social Forces* 65, 1035–1052.
- Michalko, G. (2003) Tourism eclipsed by crime: the vulnerability of foreign tourists in Hungary. In: Hall, C.M., Timothy, D.J. and Duvall, D.T. (eds) *Safety and Security in Tourism*. Haworth Press, New York, pp. 159–172.
- Miller, W. (1958) Lower class culture as a generating milieu of gang delinquency. *Journal of Social Issues* 14(3), 5–19.
- Moyer, I. (2001) *Criminological Theories: Traditional and Non-traditional Voices and Themes*. Sage Publications, Thousand Oaks, California.

- Park, R.E. and Burgess, E. (1925) *The City*. University of Chicago Press, Chicago, Illinois.
- Pearce, P.L. (2011) Tourist scams: exploring the dimensions of an international phenomena. *European Journal of Tourism Research* 4(2), 147–156.
- Peterson, R., Krivo, L. and Harris, M. (2000) Disadvantage and neighborhood violent crime: do local institutions matters? *Journal of Research in Crime and Delinquency* 37(1), 31–63.
- Pforr, C. (2009) Crisis management in tourism: a review of the emergent literature. In: Pforr, C. and Hosie, P. (eds) *Crisis Management in the Tourism Industry: Beating the Odds?* Ashgate, Farnham, UK, pp. 37–52.
- Sampson, R. (1997) Neighborhoods and violent crime: a multilevel study of ‘collective efficacy.’ *Science* 277, 918–924.
- Shaw, C. and McKay, H. (1942) *Juvenile Delinquency and Urban Areas*. University of Chicago Press, Chicago, Illinois.
- Shiebler, S., Crotts, J. and Hollinger, E. (1995) Florida tourists vulnerability to crime. In: Pizam A. and Mansfield, Y. (eds) *Tourism, Crime and International Security Issues*. John Wiley and Sons, Chichester, UK, pp. 37–50.
- Siegel, L. (2008) *Criminology: The Core*, 3rd edn. Wadsworth, Belmont, California.
- Siegel, L. (2011) *Criminology: The Core*, 4th edn. Wadsworth, Belmont, California.
- Sutherland, D. (1949) *White Collar Crime*. Holt, Rinehart and Winston, New York.
- Tynon, J. and Chavez, D. (2006) Adapting a tourism crime typology: classifying outdoor recreation crime. *Journal of Travel Research* 44(3), 298–307.
- Vito, G. and Maahs, J. (2011) *Criminology: Theory, Research, and Policy*. Jones and Bartlett Learning Publications, Sudbury, Massachusetts.
- Weber, M. (1905) *The Protestant Ethic and the Spirit of Capitalism*. Free Press, London.
- Wolfgang, M. (1958) *Patterns in Criminal Homicide*. University of Pennsylvania Press, Philadelphia, Pennsylvania.
- Wolfgang, M. and Ferracuti, F. (1967) *The Subculture of Violence*. Social Science Paperbacks, London.

---

# 4

## The Influence of Organizational Culture on Crisis Planning: An Application of the Competing Values Framework (CVF) in Chinese Hotels

JIE WANG\* AND BRENT W. RITCHIE

*The University of Queensland, Brisbane, Australia*

---

### 4.1 Introduction

The tourism and hospitality industry is being challenged increasingly by extreme weather events, terrorist threats, economic crises and many other negative incidents. Crises pose a serious threat to organizations' physical and financial health; Crisis Planning (CP), therefore, plays an essential role in assuring the continued success of tourism businesses (Smith and Kline, 2010). CP is an important strategy for developing more resilient tourism organizations. It is the first proactive stage of crisis management, which aims to reduce vulnerability and improve resilience to cope with organizational crises (Wang and Ritchie, 2010). Even though CP is deemed important, in that it determines the sustainable development of the tourism and hospitality industry, low levels of CP have been discovered within tourism-related industries such as the hotel industry (Okumus and Karamustafa, 2005; Lu and Law, 2007; Hystad and Keller, 2008).

In order to investigate the factors that influence CP in the hotel industry, Wang and Ritchie (2010) developed an Onion Model of Strategic Crisis Planning (OMSCP), which offers a perspective on accommodation CP by incorporating the theories of strategic management, crisis management, organizational behaviour and social psychology. This model contributes to theoretical advancement in the field of crisis management through a systematic and holistic approach. This onion model identifies three key factors influencing hotel CP, including individual psychological factors, organizational factors and environmental contextual factors. Organizational factors (such as organization size, age and type) have been identified as the key factors that influence CP behaviour in the accommodation sector (Ritchie *et al.*, 2011). However, limited work has been undertaken to evaluate the influence of organizational culture

---

\* E-mail: j.wang16@uq.edu.au

on CP behaviour, even though the onion model emphasizes the importance of organizational culture in supporting the CP process.

The word 'culture' comes from Latin and is related to 'cultus', which can be translated as 'cult' or 'worship.' Members of a cult believe in specific ways of doing things, and thus develop a culture that 'enshrines those beliefs' (Fan, 2000, p. 3). Culture is complex and multidimensional, and is in fact too complex to define in simple terms. Over 160 different definitions of culture have been identified in the literature. Hofstede (2001, p. 1) defines culture as 'the collective programming of the mind which distinguishes one group of people from another.' The role of culture in influencing employee behaviour appears to be increasingly important in today's workplace (Robbins *et al.*, 2011). Hofstede, a Dutch researcher, found national culture explained 50% of the differences in employees' attitudes and behaviours (Miroshnik, 2002). Laurent (1983), a French researcher, also found distinct patterns for managers in philosophies and behaviours in each of the 12 countries studied.

The relationship between culture and management has received increasing attention in past decades; however, culture is not the only differentiator of nations, and the inadequate consideration of other national characteristics may have compromised the internal validity of much cross-national organizational behaviour research (Tsui *et al.*, 2007). This study only investigated culture at the organizational level within one nation; therefore, Hofstede's culture dimensions were not used. Organizational culture is rooted in deeply held perceptions, norms, values, beliefs, or expectations that are shared by, and are unique to, a particular organization and country (Tajeddini and Trueman, 2012). Recognizing the inevitability of crisis, it is suggested that organizations should promote a culture conducive to flexibility, innovation, learning and change (Speakman and Sharpley, 2012). An organizational culture that expects and is responsive to change reflects the unpredictability of crises and, thus, may be an effective means of preparing for crises (Speakman and Sharpley, 2012). Even though some studies have addressed the cultural impact on organizational crisis preparedness, few studies have empirically tested the relationship between organizational culture and CP behaviour.

This study attempts to examine the influence that organizational culture has on CP within the hospitality industry and uses the Competing Values Framework (CVF). This has been found to be a useful model for understanding a wide variety of organizational and individual phenomena. The framework has been identified as one of the 40 most important models in the history of business (Cameron and Quinn, 2011). Some researchers argue that it is inappropriate to apply a Western framework in the Chinese context due to the different cultural characteristics, national values and employee behaviours compared to their Western counterparts (Chen and Francesco, 2000). However, of the various organizational culture models, the CVF is the only one that has been extensively used with Chinese and Asian samples (Yu and Wu, 2009). Furthermore, this tool has not been used in a crisis management context. This study broadens our knowledge of the significance of CP and makes an original contribution to the field of CP. In the absence of prior studies on CP in the hotel industry in China, an industry that is expected to grow at a rapid pace, this study makes an attempt to investigate the cultural impact on CP attitudes, perception and behaviour in the China hotel context. The practical implications could help to develop stronger employee support for CP and preparation activities and enhance higher levels of

CP for the hospitality industry. The next section reviews the literature on organizational culture, its measurement and its impact on crisis management and planning.

## 4.2 Literature Review

### Organizational culture

It has been difficult to define organizational culture as a concept in the current literature (Willcoxson and Millett, 2000; Kemp and Dwyer, 2001; Sousa-Poza *et al.*, 2001; Shepstone and Currie, 2006; Ojo, 2012). Although over 160 definitions of culture have been identified, the two main disciplinary foundations of organizational culture are sociological (e.g. organizations have cultures) and anthropological (e.g. organizations are cultures) (Cameron, 2004). Most in the field agree that organizational culture represents an amalgamation of observable patterns of collective understanding and shared sets of assumptions, values, beliefs and attitudes which are learned over time, providing direction for future behaviour in the organization (Willcoxson and Millett, 2000; Kemp and Dwyer, 2001; Sousa-Poza *et al.*, 2001; Shepstone and Currie, 2006; Linnenluecke *et al.*, 2009; Linnenluecke and Griffiths, 2010; Ojo, 2012). As culture is developed and adopted by employees, it then drives organizational decision making processes and reactions to various scenarios found in the workplace (Nelson and Quick, 2006).

The importance of organizational culture for success appears in the literature, particularly in studies in corporate performance, business administration and psychology. As Kotter and Heskett (1992) state, when a strong culture supports the right strategy for a company and norms are supportive of change, the marriage of culture and strategy is a powerful mix in terms of company performance. Organizational culture is critically important to the workings of an organization as it is an important factor which helps determine whether an organization is successful by influencing its employees' behaviours (Kulkarni, 2011; Ejim, 2013). The development of a strong organizational culture produces a work environment that encourages commitment and social stability as well as a strong sense of organizational identity (Kemp and Dwyer, 2001; Shepstone and Currie, 2006; Kulkarni, 2011; Ojo, 2012; Ejim, 2013). When employees within an organization have a clear sense of their shared culture, this reduces organizational uncertainties and leads to improved organizational performance (Abbett *et al.*, 2010).

Organizational culture has previously been linked to the long-term financial success and improved effectiveness of organizations, and is widely considered to be one of the most significant factors in bringing about organizational change (Jung *et al.*, 2009; Abbett *et al.*, 2010). Research on organizational culture is often conducted through in-depth case studies using methods such as behavioural observations and interviews, although some tools have been developed to quantitatively link organizational culture to conventional business metrics (Abbett *et al.*, 2010). In a review of literature by Jung *et al.* (2009), 70 qualitative and quantitative instruments for the exploration of organizational culture are identified. The majority of these are at a preliminary stage of development. The study concludes that there is no ideal instrument for cultural exploration. The choice of instrument in measuring organizational culture should be guided by two critical issues: the purpose of the analysis and for what purpose might the findings be used.

## Culture influence on crisis management behaviour

In the crisis management context, Mitroff and Anagnos (2001) suggest that having a culture that understands the negative consequences of not planning for a crisis event will motivate workers to participate in identifying potential crisis situations. Therefore, in crisis-prepared organizations, employees are encouraged to have open-minded attitudes, and a supportive organizational culture is required for thinking about potential crises and crisis management that involves all organizational levels (Elsabbagh *et al.*, 2004). Recognizing the inevitability of crisis, it is suggested that organizations should promote a culture conducive to flexibility, innovation, learning and change (Speakman and Sharpley, 2012).

Mitroff *et al.* (1989) and Pearson and Clair (1998) argue that culture is one of the most important variables, perhaps even the most crucial factor, in making organizations better prepared for crisis. Elsubbaugh *et al.* (2004) also emphasize the importance of organizational culture in supporting the crisis preparation process. Thompson (1998, p. 40) suggests a number of culture characteristics that he believes indicated organizations were prone to crisis, including a tendency to look inwards; a strong and rigid belief in the present or past rather than the future; a reluctance or inability to manage change; an inability to interpret environmental signals adequately; and inadequate communications. Barnett and Pratt (2000) suggest that opening up communication processes and decentralizing control processes before crises occur can result in greater organizational flexibility and long-term viability of organizations after a crisis. Even though some studies have acknowledged the influence of culture on organizational strategies and behaviour, few have evaluated empirically the influence of organizational culture on CP behaviour. As previous research primarily concentrates on the national culture's impacts on crisis management, the current investigation of organizational culture provides a further understanding of the key factors that influence the CP behaviour.

## The development and use of the Competing Values Framework (CVF)

The CVF was created as a result of efforts by organizational planners to find ways to introduce and effect positive changes in organization culture and health. Developed in the early 1980s by Quinn and Rohrbaugh (1983) as part of a research programme to 'develop an empirically-based, analytic framework reflecting the comprehensive literature on organizational analysis and performance' (Shepstone and Currie, 2006, p. 4), the model has been further refined to assess organizational culture at different scales and complexity (Denison and Spreitzer, 1991; Deshpande *et al.*, 1993). The CVF has been found to be a useful model for understanding a wide variety of organizational and individual phenomena. Quinn (1988) describes the framework as a 'competing values' model because:

the criteria seem initially to carry conflicting messages. For example, we want our organizations to be adaptable and flexible, but also stable and controlled; we want an emphasis on the value of our human resources, but we also place a premium on efficiency, planning and goal-setting.

(Quinn, 1988, p. 49)



These four organizational cultures were described by Cameron *et al.* (2006, p. 28) as Clan, Adhocracy, Market and Hierarchy, and were related to organizational culture studies contemporary to that time. Sometime earlier Quinn (1988) suggested that all four, as well as eight management operational roles, namely the innovator, broker, producer, director, coordinator, monitor, facilitator and mentor (Sousa-Poza *et al.*, 2001), exist in organizations with some more dominant than others. To these eight roles Vilkinas and Cartan (2001) added another role, known as the integrator, which they argue is central to achieving the best from organizational workplace structures. This role acts both as an observer and a catalyst, reflecting on what has worked well and what needs to change.

In a study considering which analysis tools would be appropriate to measure organizational effectiveness in for-profit and not-for-profit firms (Rojas, 2000), four models were considered for use. The CVF was chosen because it 'possesses instrument validity, reliability, and breadth of empirical research to suggest a high degree of confidence in estimating measurements of organizational effectiveness across sectors' (2000, p. 101). It has been used in a breadth of applications since its development. Literature in the past decade or more indicates CVF has been adopted as a conceptual framework for a range of analyses. In a review of the literature by Jung *et al.* (2009), 70 instruments applied to understanding organizational culture in the past 20 years were examined, including the CVF. The CVF has been used successfully in attempts to provide a better understanding of such diverse behaviours as organizational effectiveness (Panayotopoulou *et al.*, 2003; Shepstone and Currie, 2006; Mohr *et al.*, 2012), total quality management (Al-Khalifa and Aspinwall, 2001) and leadership (Vilkinas and Cartan, 2006; Zafft *et al.*, 2009; Riggs and Hughey, 2011).

The CVF has been used for more than 20 years in a variety of geographies and industries. In a search of literature from 2000 to the present, the CVF was applied 44 times in journals across applications as diverse as hospitals, performance review, total quality management (TQM)/Six Sigma, construction, virtual work, livestock production, engineering, real estate, nursing homes, higher education, orchestras and hospitality (Abbett *et al.*, 2010). Lamond (2003) concluded that the CVF is a useful measure in an Australian context. However, concern emerged about the robustness of Australian organizational culture itself. As part of a representative sample of organizations in the workplace, it was found that a majority of those surveyed displayed cultures quite inconsistent with contemporary management ideals. How managers in different cultures respond to competing values is the primary focus of work examining organizations from six different industries in Canada and South Korea (Dastmalchian *et al.*, 2000). This work contains data from 39 Canadian and 40 Korean firms, and measures of organizational culture, climate and leadership in both countries were analysed. While industry and contextual variables do contribute to an understanding of the organizational culture, other factors including organizational climate and leadership have strong national identity associations.

According to Cameron *et al.* (2006, p. 9), CVF 'helps leaders see, in the tensions of organizational life, levels of potential that others do not see. Leaders can become more like masters in that they can detect ways to create value in unexpected ways. This ability to see the profound simplicity in complexity is the essence of mastery'. The CVF is one of many frameworks that have been developed to help organizations

better understand their culture and its impact on their success. [Table 4.1](#) shows four types of organizational culture developed by the CVF.

Statistical analyses have confirmed the robustness and applicability of this framework to a broad array of human and organizational phenomena (Cameron *et al.*, 2006). There are two dimensions: one dimension differentiates an orientation towards flexibility, discretion and dynamism (e.g. companies such as Microsoft or Nike) from an orientation towards stability, order and control (e.g. most universities and government agencies); the other dimension differentiates an orientation towards a focus on internal capability and the integration and unity of processes from an orientation towards a focus on external opportunities (see [Figure 4.1](#)). The four quadrants represent opposite or competing assumptions.

**Table 4.1.** Description of Competing Values Framework (CVF) culture types (from Cameron and Quinn, 2011).

The Collaborate (Clan) Culture	'A very friendly place to work where people share a lot of themselves. It is like an extended family. The leaders, or head of the organisation, are considered to be mentors and, maybe even, parent figures. The organisation is held together by loyalty or tradition. Commitment is high. The organisation emphasizes the long-term benefit of human resource development and attaches great importance to cohesion and morale. Success is defined in terms of sensitivity to customers and concern for people. The organisation places a premium on teamwork, participation, and consensus.'
The Create (Adhocracy) Culture	'A dynamic, entrepreneurial, and creative place to work. People stick their necks out and take risks. The leaders are considered to be innovators and risk takers. The glue that holds the organisation together is commitment to experimentation and innovation. The emphasis is on being on the leading edge. The organisation's long-term emphasis is on growth and acquiring new resources. Success means gaining unique and new products to services. Being a product or service leader is important. The organisation encourages individual initiative and freedom.'
The Compete (Market) Culture	'A results-oriented organisation. The major concern is getting the job done. People are competitive and goal-oriented. The leaders are hard drivers, producers, and competitors. They are tough and demanding. The glue that holds the organisation together is an emphasis on winning. Reputation and success are common concerns. The long-term focus is on competitive actions and achievement of measurable goals and targets. Success is defined in terms of market share and penetration. Competitive pricing and market leadership are important. The organisational style is hard-driving competitiveness.'
The Control (Hierarchy) Culture	'A very formalized and structured place to work. Procedures govern what people do. The leaders pride themselves on being good coordinators and organizers, who are efficiency-minded. Maintaining a smooth-running organisation is most critical. Formal rules and policies hold the organisation together. The long term concern is on stability and performance with efficient, smooth operations. Success is defined in terms of dependable delivery, smooth scheduling, and low cost. The management of employees is concerned with secure employment and predictability.'

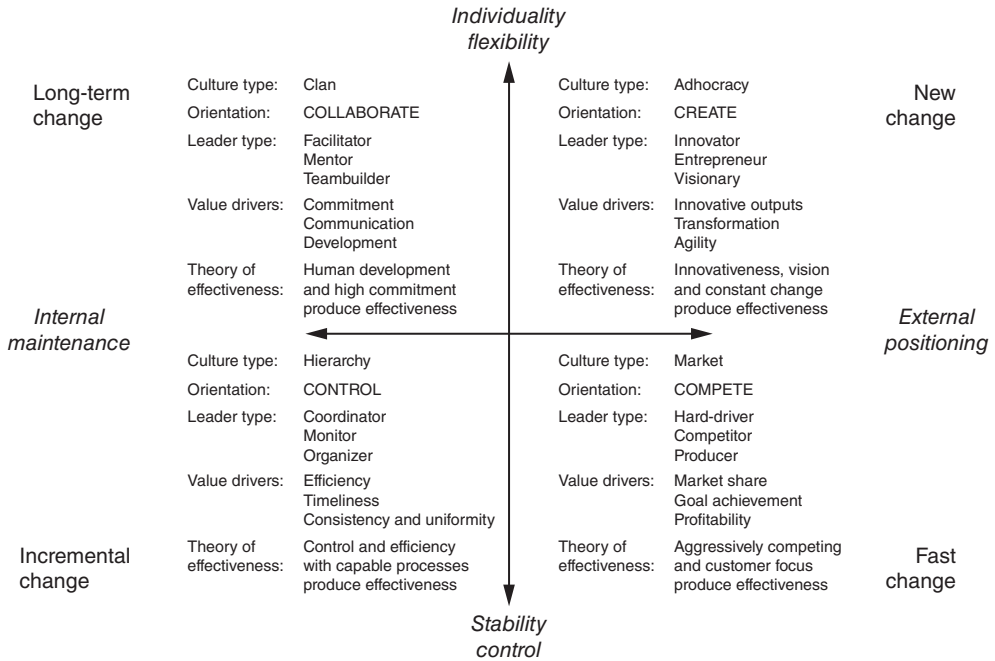


Fig. 4.1. Core dimensions of the Competing Values Framework (CVF) (Cameron *et al.*, 2006).

The CVF has been found to be a useful model for understanding a wide variety of organizational and individual phenomena, including theories of organizational effectiveness, leadership competencies, organizational culture, organizational design, organizational quality, leadership roles, financial strategy, information processing and brain functioning. The robustness of the framework is one of its greatest strengths. The framework has been identified as one of the 40 most important frameworks in the history of business. However, it has not been used in the crisis management context. Applying a practical, quantitative framework to examine organizational CP would contribute valuable insight to the body of knowledge. The following section describes the methodology applied in this study.

### 4.3 Method

This study attempts to examine the cultural influence on the implementation of crisis management planning in the hospitality industry in China. The CVF was employed to examine the impact of organizational culture on CP behaviour. The key terms used in this study are defined as follows:

- *Organizational culture* refers to the extent to which employees within an organization experience each of the four CVF culture types: Control, Compete, Create and Collaborate.
- CP describes all the actions taken in the first and proactive stage of crisis management. This study proposes that CP includes two interrelated sub-phases: the

crisis prevention phase, which aims to prevent crises happening whenever possible; and the crisis preparation phase, which aims to prepare arrangements for when prevention is not possible and a crisis is going to happen (Wang and Ritchie, 2012). CP includes the creation of crisis teams as well as crisis training and simulation exercises. It starts with a determination of factors (internal and external) that could impact on the organization, and produces a crisis plan as an outcome. The purpose of CP, then, is to help organizations become crisis-prepared rather than crisis-prone (Sheaffer and Mano-Negrin, 2003).

A questionnaire was developed to investigate both the organizational culture and the CP attitudes and perception of the hotel organization. The culture section uses questions derived by Cameron (2004) that are based on the CVF. This organizational culture assessment instrument is scored for each culture type by distributing 100 points to six categories:

1. dominant characteristics;
2. organizational leaders;
3. management of employees;
4. organizational glue;
5. strategic emphases; and
6. criteria of success.

The dominant culture type is then distinguished as the one accumulating the greatest number of points (Dellana and Hauser, 2000). A copy of the instrument can be found in the Appendix.

The CP section includes measurements of attitudes towards CP, perceived crisis preparedness, past CP behaviour and intention to implement CP. The overall attitudes towards CP are assessed by means of a series of eight evaluation semantic differential scales. The anchors of these scales are:

- bad–good;
- wrong–right;
- harmful–beneficial;
- negative–positive;
- unfavourable–favourable;
- foolish–wise;
- useless–useful; and
- undesirable–desirable.

Each is measured on bipolar scales where 1 is the negative end of the scale and 7 is positive (Sparks and Pan, 2009). Managers are also asked to address in a general statement whether they have implemented any CP activity in the previous 6 months. A following question of: 'How well prepared do you believe your organization is to cope with a crisis?' is asked to evaluate the perceived level of CP behaviour. The CP intention is examined by three items: 'I expect to undertake CP activities in the next 6 months' (strongly disagree to strongly agree); 'I want to undertake CP activities in the next 6 months' (strongly disagree to strongly agree); and 'I intend to undertake CP activities in the next 6 months' (strongly disagree to strongly agree).

Hypotheses of this study include:

- Hypothesis 1: the implementation of CP improves managers' perceived level of organizational crisis preparedness.
- Hypothesis 2: the organizational culture has an influence on managers' attitudes towards CP.
- Hypothesis 3: the organizational culture has an influence on managers' perceived level of crisis preparedness.
- Hypothesis 4: the organizational culture has an influence on managers' intention to undertake CP.

A survey method was used to measure the implementation of CP and organizational culture in the hotel industry context in China. Both hardcopy and online questionnaire were conducted from November to December 2010 to collect data for the study. Respondents completed the survey which outlined their attitudes, perceptions and intentions to undertake CP in their organizations. Organizational culture was also investigated. A total of 91 completed surveys were useable.

#### 4.4 Preliminary Results and Discussion

For the purpose of this study, the top management members regarded as the target population include top executives and senior managers who may be involved in crisis management in the hotel industry in China; of these, 43% were male and 44% had more than 10 years of accommodation work experience. A wide range of positions was represented in the sample, ranging from department head (71.4%), general manager (13.2%), other (11.0%) and regional manager/area manager (4.4%). Of the hotels taking part, 36.1% were state-owned; demographic details are shown in [Table 4.2](#).

In the sample of managers surveyed, 34.1% of respondents indicated that their organizations had undertaken CP activities in the past 6 months. [Table 4.3](#) indicates a significant difference in the perceived level of crisis preparedness between the group that had undertaken CP and those that had not:  $\chi^2(2, N = 91) = 14.794, p = 0.001$ . The results of this study demonstrate a significant relationship between CP and crisis preparedness, which supported the argument that the implementation of CP improves the manager's perceived level of organizational crisis preparedness. Therefore, hypothesis 1 was supported. Even though the goal of CP is not the prevention of all crises, it could prevent crises from occurring and effectively manage those that still happen despite best efforts. The more that CP is implemented, the better the organization is prepared for crisis situations. The empirical evidence provided in this study suggests that proactive CP should be treated as a part of the organization's long-term strategy.

First, a one-way ANOVA between subjects was used to test for attitude differences among four categories of culture. [Table 4.4](#) indicates that the managers' attitudes towards CP differed significantly across the four categories of organizational culture,  $F(3, 77) = 5.125, p = 0.003$ . Tukey post-hoc comparisons of these four groups indicate that the 'Market' culture group ( $M = 6.01, 95\% \text{ CI } [5.77, 6.24]$ ) gave significantly more favourable attitude ratings than the 'Hierarchy' culture

**Table 4.2.** Demographic profile of respondents.

Variable	Responses	Frequency	%
Gender (N = 91)	Male	43	47.3
	Female	48	52.7
Years of accommodation work experience (N = 91)	Less than 3 years	9	9.9
	3–5 years	14	15.4
	6–10 years	28	30.8
	11–20 years	24	26.4
	21–30 years	14	15.4
	More than 30 years	2	2.2
Years with current employer (N = 91)	Less than 3 years	24	26.4
	3–5 years	32	35.2
	6–10 years	24	26.4
	11–20 years	9	9.9
	21–30 years	1	1.1
	More than 30 years	1	1.1
Current position (N = 91)	Regional manager/Area manager	4	4.4
	General manager	12	13.2
	Department head	65	71.4
	Other	10	11.0
Years in current position (N = 91)	Less than 3 years	15	16.5
	3–5 years	21	23.1
	6–10 years	24	26.4
	11–20 years	20	22.0
	21–30 years	9	9.9
	More than 30 years	2	2.2
Hotel star rating (N = 91)	Star 2	20	22.0
	Star 3	49	53.8
	Star 4	16	17.6
	Star 5	6	6.6

**Table 4.3.** Cross tabulation of Crisis Planning (CP) and crisis preparedness.

			Crisis preparedness			Total	Sig.
			Unprepared	Neither unprepared nor prepared	Prepared		
<b>CP implementation</b>	Yes	Frequency	5	9	24	38	<i>p</i> = 0.001 <sup>a</sup>
		Percentage	13.2%	23.7%	63.2%	100.0%	
	No or Don't know	Frequency	8	32	13	53	
		Percentage	15.1%	60.4%	24.5%	100.0%	
<b>Total</b>		Frequency	13	41	37	91	
		Percentage	14.3%	45.1%	40.7%	100.0%	

<sup>a</sup>Pearson Chi-square tests indicate there is a significant difference between groups.

**Table 4.4.** Variations in attitudes towards Crisis Planning (CP) among different culture groups.

			Individual's attitudes towards CP					
			N	M	SD	df	F	p
<b>Organizational culture element</b>	Dominant characteristics	1. Culture 'Clan'	19	5.25	1.061	(3, 54)	2.183	0.101
		2. Culture 'Adhocracy'	4	5.22	0.926			
		3. Culture 'Market'	17	5.82	0.734			
		4. Culture 'Hierarchy'	18	5.01	1.04			
	Organizational leader	1. Culture 'Clan'	23	5.74	1.007	(3, 61)	3.274	0.027 <sup>a</sup>
		2. Culture 'Adhocracy'	8	5.52	0.763			
		3. Culture 'Market'	19	5.92 <sup>4</sup>	0.682			
		4. Culture 'Hierarchy'	15	5.00 <sup>3</sup>	1.001			
	Management of employees	1. Culture 'Clan'	28	5.33	1.040	(3, 60)	1.812	0.155
		2. Culture 'Adhocracy'	6	5.46	0.510			
		3. Culture 'Market'	15	5.91	0.776			
		4. Culture 'Hierarchy'	15	5.21	0.827			
	Organizational glue	1. Culture 'Clan'	17	5.63	1.021	(3, 61)	3.131	0.032 <sup>a</sup>
		2. Culture 'Adhocracy'	2	5.38	0.530			
		3. Culture 'Market'	31	5.73 <sup>4</sup>	0.759			
		4. Culture 'Hierarchy'	15	4.90 <sup>3</sup>	0.978			
	Strategic emphases	1. Culture 'Clan'	13	5.71	0.918	(3, 58)	2.224	0.095
		2. Culture 'Adhocracy'	7	4.93	0.924			
		3. Culture 'Market'	23	5.85	0.740			
		4. Culture 'Hierarchy'	19	5.47	0.965			
	Criteria of success	1. Culture 'Clan'	21	5.53	0.957	(3, 49)	0.830	0.484
		2. Culture 'Adhocracy'	9	5.39	1.133			
		3. Culture 'Market'	14	5.71	0.830			
		4. Culture 'Hierarchy'	9	5.07	1.046			
	Culture groups (as a whole)	1. Culture 'Clan'	31	5.54	1.068	(3, 77)	5.125	0.003 <sup>a</sup>
		2. Culture 'Adhocracy'	6	5.06	0.621			
		3. Culture 'Market'	23	6.01 <sup>4</sup>	0.542			
		4. Culture 'Hierarchy'	21	5.02 <sup>3</sup>	0.915			

<sup>a</sup>The mean difference is significant at the 0.05 level. Superscript indicates that there are significant contrast comparisons in the corresponding groups according to the Tukey post-hoc tests. For instance, within the culture group element, the mean of 'Market' group (3) is significantly higher than that of the 'Hierarchy' group (4), while there is no significant difference among other groups.

group: (M = 5.02, 95% CI [4.61, 5.44]), p = 0.002. However, comparisons between other culture groups were not statistically significant at p < 0.05. These results supported hypothesis 2 ('the organizational culture has an influence on individual managers' attitudes'). According to Table 4.4, a significant relationship between leadership group and managers' attitude towards CP was found. Tukey post-hoc comparisons of these four groups indicate that the 'Market' culture group (M = 5.92, 95% CI [5.59, 6.25]) gave significantly more favourable attitude ratings than the 'Hierarchy' culture group (M = 5.00, 95% CI [4.45, 5.55]), p = 0.027. Furthermore, a significant relationship between organizational glue and managers' attitude towards CP has been found. Tukey post-hoc comparisons of these four groups indicate that the 'Market' culture group (M = 5.73, 95% CI [5.45, 6.01]) gave significantly more favourable attitudes ratings than the 'Hierarchy' culture group (M = 4.90, 95% CI [4.36, 5.44]), p = 0.032.

One-way ANOVA was used to test for perceived crisis preparedness differences among four categories of organizational culture, and Table 4.5 indicates that there was no significance between them, F (3, 77) = 1.194, p = 0.318. Based on these results, hypothesis 3 ('the organizational culture has an influence on managers' perceived level of crisis preparedness') was not supported.

A one-way between subjects ANOVA was used to test for the intention to undertake CP among the four categories of culture. Table 4.6 indicates that there is no significant difference in the CP intention across the four categories of organizational culture, F (3, 77) = 0.479, p = 0.698. Based on these results, hypothesis 4 ('the organizational culture has an influence on managers' intention to undertake CP') was not supported. Furthermore, the path coefficient between attitudes towards CP and behavioural intention was significant (p = 0.011, β = 0.264), indicating that attitudes towards CP influence the managers' intention to undertake CP.

**Table 4.5.** Variations in perceived crisis preparedness among different culture groups.

		Perceived crisis preparedness					
		N	M	SD	df	F	p
Organizational culture	1. Culture 'Clan'	31	4.45	1.312	(3, 77)	1.194	0.318
	2. Culture 'Adhocracy'	6	4.83	0.983			
	3. Culture 'Market'	23	4.35	1.369			
	4. Culture 'Hierarchy'	21	3.90	1.136			

**Table 4.6.** Variations in Crisis Planning (CP) intention among different culture groups.

		CP intention					
		N	M	SD	df	F	p
Organizational culture	1. Culture 'Clan'	31	4.67	1.358	(3, 77)	0.479	0.698
	2. Culture 'Adhocracy'	6	4.72	1.290			
	3. Culture 'Market'	23	4.48	1.197			
	4. Culture 'Hierarchy'	21	4.25	1.325			



## 4.5 Implications and Conclusion

This study investigated the relationships among the organizational factors (organization culture), CP behaviour and perceived crisis preparedness. The results provide evidence that CP increased the perceived level of crisis preparation. This study found that organizational culture influences the individual's attitudes towards CP, although there was no significant relationship between organizational culture and the CP intention, and perceived crisis preparation. The results indicate that organizational culture did not directly influence CP intention and crisis preparedness; however, attitudes could be a mediator variable between organizational culture and CP intention. A bigger sample size is needed to test this mediator relationship in the future.

It was found that managers in the 'Market' culture group had more favourable attitudes towards CP than those who were in the 'Hierarchy' culture group. The external positioning and fast change characteristics of the 'Market' group may be responsible for its more positive attitudes towards CP compared with the 'Hierarchy' group which was more concerned with incremental change and internal maintenance. The focus on stability and efficient performance, combined with secure employment and predictability, may have resulted in an inward-looking organizational culture for the 'Hierarchy' group. In contrast the 'Market' culture group emphasizes winning and competition and is driven by a focus on measureable goals and targets.

Furthermore, leadership and organizational glue styles were found to be key factors influencing the individual's attitudes towards CP. In a 'result-oriented' organization, the leaders of the 'Market' group are generally considered to be producers, technicians or hard drivers. The glue that holds the organization together is an emphasis on winning. The long-term focus is on competitive actions and achievement of measurable goals and targets. This 'hard-driving competitiveness' organization style drives more favourable attitudes towards CP than in the 'Hierarchy' culture. On the other hand, the control 'Hierarchy'-oriented organization is a very formalized and structured place to work. The leaders pride themselves on being good coordinators and organizers. Formal rules and policies hold the organization together. The long-term concern is on stability and performance with efficient, smooth operations. These results provide a better understanding of the current characteristics of CP in the hotels in China. Managers in the 'Hierarchy' hotel group could adjust their attitudes towards CP behaviour. Industry associations or government body could provide more training toolkits to hotels in the 'Hierarchy' group.

According to the literature, more than two decades of work on the CVF has produced a set of intervention processes, measurement devices and change techniques that capture a comprehensive view of the organization, its outcomes and its leadership (Cameron *et al.*, 2006). The practical implications could help to develop stronger employee support for CP and preparation activities, and enhance higher levels of CP for the hotel industry.

This paper discusses the preliminary results of a pilot study which examines the relationship between organizational culture and CP. The limitation of this pilot study is the small sample size, especially when the data are broken down into the four groups. This may explain why more statistical differences were not identified between the groups. Future research should be extended to a larger sample size to adequately test the hypotheses. In addition, the respondents of this study were mainly top executives and managers who were involved in crisis management in the hotel sector. However, their views may not reflect the overall organizational culture. Further research could include the views of front-line employees on organizational culture and CP.

This study broadens the knowledge of the significance of CP and makes an original contribution to the field of crisis management by investigating the culture influence on CP attitudes and behaviour. A larger survey will be conducted and further investigation on organizational culture will be undertaken in the future.

## **4.6 Appendix: The Organizational Culture Assessment Instrument (Cameron, 2004)**

### **Dominant characteristics**

1. The organization is a very special place. It is like an extended family. People seem to share a lot of themselves.
2. The organization is a very dynamic and entrepreneurial place. People are willing to stick their necks out and take risks.
3. The organization is very production oriented. A major concern is with getting the job done. People are very competitive and achievement oriented.
4. The organization is a very formalized and structured place. Bureaucratic procedures generally govern what people do.

### **Organizational leaders**

1. The leaders of the organization are generally considered to be mentors, facilitators or parent figures.
2. The leaders of the organization are generally considered to be entrepreneurs, innovators or risk takers.
3. The leaders of the organization are generally considered to be hard drivers, producers or competitors.
4. The leaders of the organization are generally considered to be coordinators, organizers or efficiency experts.

### **Management of employees**

1. The management style in the organization is characterized by teamwork, consensus and participation.
2. The management style in the organization is characterized by individual risk-taking, innovation, flexibility and uniqueness.
3. The management style in the organization is characterized by hard-driving competitiveness, goal directedness and achievement.
4. The management style in the organization is characterized by careful monitoring of performance, longevity in position and predictability.

### **Organizational glue**

1. The glue that holds the organization together is loyalty and mutual trust. Commitment to this organization runs high.
2. The glue that holds the organization together is orientation towards innovation and development. There is an emphasis on being on the cutting edge.

3. The glue that holds the organization together is the emphasis on production and goal accomplishment. Marketplace aggressiveness is a common theme.
4. The glue that holds the organization together is formal rules and policies. Maintaining a smooth-running organization is important.

### Strategic emphases

1. The organization emphasizes human development. High trust, openness and participation persist.
2. The organization emphasizes acquiring new resources and meeting new challenges. Trying new things and prospecting for new opportunities are valued.
3. The organization emphasizes competitive actions and achievement. Measurement targets and objectives are dominant.
4. The organization emphasizes permanence and stability. Efficient, smooth operations are important.

### Criteria of success

1. The organization defines success on the basis of development of human resources, teamwork and concern for people.
2. The organization defines success on the basis of having the most unique or the newest products. It is a product leader and innovator.
3. The organization defines success on the basis of market penetration and market share. Competitive market leadership is key.
4. The organization defines success on the basis of efficiency. Dependable delivery, smooth scheduling and low-cost production are critical.

### References

- Abbett, L., Coldham, A. and Whisnant, R. (2010) Organizational culture and the success of corporate sustainability initiatives: an empirical analysis using the competing values framework. MSc thesis, University of Michigan.
- Al-Khalifa, K.N. and Aspinwall, E.M. (2001) Using the competing values framework to investigate the culture of Qatar industries. *Total Quality Management* 12(4), 417–428. doi: 10.1080/09544120124219.
- Barnett, C.K. and Pratt, M.G. (2000). From threat-rigidity to flexibility: Toward a learning model of autogenic crisis in organizations. *Journal of Organizational Change Management* 13(1), 74–88.
- Cameron, K. (2004) A process for changing organisational culture. University of Michigan Business School, Ann Arbor, Michigan.
- Cameron, K.S. and Quinn, R.E. (2011) *Diagnosing and Changing Organizational Culture: Based on the Competing Values Framework*, 3rd edn. Jossey-Bass Publishers, San Francisco, California.
- Cameron, K.S., Quinn, R.E., DeGaff, J. and Thakor, A.V. (2006) *Competing Values Leadership: Creating Value in Organizations*. Edward Elgar Publishing, Cheltenham, UK.
- Chen, Z. and Francesco, A.M. (2000) Employee demography, organizational commitment, and turnover intentions in China: do cultural differences matter? *Human Relations* 53(6), 869–887.
- Dastmalchian, A., Lee, S. and Ng, I. (2000) The interplay between organizational and national cultures: a comparison of organizational practices in Canada and South Korea using the Competing Values Framework. *International Journal of Human Resource Management* 11(2), 388–412.

- Dellana, S.A. and Hauser, R.D. (2000) Corporate culture's impact on a strategic approach to quality. *Journal of Business Mid-American* 15(1), 9–20.
- Denison, D.R. and Spreitzer, G. (1991) Organisational culture and organisational development: a competing values approach. *Research in Organizational Change and Development* 5, 1–21.
- Deshpande, R., Farley, J.U. and Webster Jr, F.E. (1993) Corporate culture, customer orientation, and innovativeness in Japanese Firms: a quadrad analysis. *Journal of Marketing* 57(1), 23–37.
- Ejim, E. (2013) What is the relationship between organizational culture and behaviour. [www.wisegeek.com/what-is-the-relationship-between-organizational-culture-and-behavior.htm](http://www.wisegeek.com/what-is-the-relationship-between-organizational-culture-and-behavior.htm), accessed 3 June 2013.
- Elsubbaugh, S., Fildes, R. and Rose, M.B. (2004) Preparation for crisis management: a proposed model and empirical evidence. *Journal of Contingencies and Crisis Management* 12(3), 112–127.
- Fan, Y. (2000) A classification of Chinese culture. *Cross Cultural Management – An International Journal* 7(2), 3–10.
- Hofstede, G. (2001) *Culture's Consequences: Comparing Values, Behaviors, Institutions, and Organizations Across Nations*, 2nd edn. Sage Publications, London.
- Hystad, P.W. and Keller, P.C. (2008) Towards a destination tourism disaster management framework: long-term lessons from a forest fire disaster. *Tourism Management* 29(1), 151–162. doi: 10.1016/j.tourman.2007.02.017.
- Jung, T., Scott, T., Davies, H.T.O., Bower, P., Whalley, D., McNally, R. and Mannion, R. (2009) Instruments for exploring organizational culture: a review of the literature. *Public Administration Review* 69(6), 1087–1096. doi: 10.1111/j.1540-6210.2009.02066.x.
- Kemp, S. and Dwyer, L. (2001) An examination of organisational culture - the Regent Hotel, Sydney. [Case study]. *International Journal of Hospitality Management* 20(1), 77–93. doi: 10.1016/S0278-4319(00)00045-1.
- Kotter, J.P. and Heskett, J.L. (1992) *Corporate Culture and Performance*. Free Press, New York.
- Kulkarni, A. (2011) Organizational Culture and Behaviour. [www.buzzle.com/articles/organizational-culture-and-behavior.html](http://www.buzzle.com/articles/organizational-culture-and-behavior.html), accessed 3 June 2013.
- Lamond, D. (2003) The value of Quinn's competing values model in an Australian context. *Journal of Managerial Psychology* 18(1), 46–59.
- Laurent, A. (1983) Cultural diversity of western conceptions of management. *International Studies of Management and Organizations* 13(1–2), 75–96.
- Linnenluecke, M.K. and Griffiths, A. (2010) Corporate sustainability and organizational culture. *Journal of World Business* 45(4), 357–366. doi: 10.1016/j.jwb.2009.08.006.
- Linnenluecke, M.K., Russell, S.V. and Griffiths, A. (2009) Subcultures and sustainability practices: the impact on understanding corporate sustainability. *Business Strategy and the Environment* 18(7), 432–452. doi: 10.1002/bse.609.
- Lu, S. and Law, R. (2007) Technology crisis management in mainland China: a study of hotels in Hangzhou. *Information Technology in Hospitality* 4(4), 153–159. doi: 10.3727/154595306779868449.
- Miroshnik, V. (2002) Culture and international management: a review. *Journal of Management Development* 21(7), 521–544.
- Mitroff, I. and Anagnos, G. (2001) *Managing Crises Before they Happen: What Every Executive and Manager Needs to Know About Crisis Management*. AMACOM, New York.
- Mitroff, I., Pauchant, T., Finney, M. and Pearson, C. (1989) Do (some) organizations cause their own crises? The cultural profiles of crisis-prone vs. crisis-prepared organizations. *Organization Environment* 3(4), 269–283. doi: 10.1177/108602668900300401.
- Mohr, D.C., Young, G.J. and Burgess Jr, J.F. (2012) Employee turnover and operational performance: the moderating effect of group-oriented organisational culture. *Human Resource Management Journal* 22(2), 216–233. doi: 10.1111/j.1748-8583.2010.00159.x.
- Nelson, D.L. and Quick, J.C. (2006) *Organizational Behavior: Foundations, Reality and Challenges*, 5th edn. South-Western/Thomson, Mason, Ohio.
- Ojo, O. (2012) Influence of organizational culture on employee work behavior. *International Journal of Contemporary Business Studies* 3(11), 46–57.

- Okumus, F. and Karamustafa, K. (2005) Impact of an economic crisis evidence from Turkey. *Annals of Tourism Research* 32(4), 942–961. doi: 10.1016/j.annals.2005.04.001.
- Panayotopoulou, L., Bourantas, D. and Papalexandris, N. (2003) Strategic human resource management and its effects on firm performance: an implementation of the competing values framework. *International Journal of Human Resource Management* 14(4), 680–699. doi: 10.1080/0958519032000057781.
- Pearson, C.M. and Clair, J.A. (1998) Reframing crisis management. *Academy of Management Review* 23(1), 59–76.
- Quinn, R.E. (1988) *Beyond Rational Management: Mastering the Paradoxes and Competing Demands of High Performance*. Jossey-Bass Publishers, San Francisco, California.
- Quinn, R.E. and Rohrbaugh, J. (1983) A spatial model of effectiveness criteria: towards a competing values approach to organizational analysis. *Management Science* 29(3), 363–377.
- Riggs, M.W. and Hughey, A.W. (2011) Competing values in the culinary arts and hospitality industry: leadership roles and managerial competencies. *Industry and Higher Education* 25(2), 109–118. doi: 10.5367/ihe.2011.0033.
- Ritchie, B.W., Bentley, G., Krouth, T. and Wang, J. (2011) Proactive crisis planning: lessons for the accommodation industry. *Scandinavian Journal of Hospitality and Tourism* 11(3), 367–386. doi: 10.1080/15022250.2011.600591.
- Robbins, S., Millett, B., Boyle, M. and Judge, T. (2011) *Organisational Behaviour*, 6th edn. Frenchs Forest, Pearson, NSW, Australia.
- Rojas, R.R. (2000) A review of models for measuring organizational effectiveness among for-profit and nonprofit organizations. *Nonprofit Management and Leadership* 11(1), 97–104.
- Sheaffer, Z. and Mano-Negrin, R. (2003) Executives' orientations as indicators of crisis management policies and practices. *Journal of Management Studies* 40(2), 573–606. doi: 10.1111/1467-6486.00351.
- Shepstone, C. and Currie, C.L. (2006) Assessing organizational culture: moving towards organizational change and renewal. Paper presented at the Library Assessment Conference, 25–27 September 2006, Charlottesville, Virginia. <http://hdl.Handle.net/10388/211>, accessed 17 April 2014.
- Smith, S.L. and Kline, S.F. (2010) Crisis preparedness and meeting planners' perceptions. *Journal of Convention & Event Tourism* 11(1), 62–78. doi: 10.1080/15470141003613032.
- Sousa-Poza, A., Nystrom, H. and Wiebe, H. (2001) A cross-cultural study of the differing effects of corporate culture on TQM in three countries. *International Journal of Quality & Reliability Management* 18(7), 744–761. doi: 10.1108/EUM0000000005778.
- Sparks, B. and Pan, G.W. (2009) Chinese outbound tourists: understanding their attitudes, constraints and use of information sources. *Tourism Management* 30(4), 483–494. doi: 10.1016/j.tourman.2008.10.014.
- Speakman, M. and Sharpley, R. (2012) A chaos theory perspective on destination crisis management: evidence from Mexico. *Journal of Destination Marketing & Management* 1(1–2), 67–77. doi: <http://dx.doi.org/10.1016/j.jdmm.2012.05.003>.
- Tajeddini, K. and Trueman, M. (2012) Managing Swiss hospitality: how cultural antecedents of innovation and customer-oriented value systems can influence performance in the hotel industry. *International Journal of Hospitality Management* 31(4), 1119–1129. doi: <http://dx.doi.org/10.1016/j.ijhm.2012.01.009>.
- Thompson, J.L. (1998) Strategic crisis aversion: the value of a 'style audit'. *The Learning Organization* 5(1), 36–46.
- Tsui, A.S., Nifadkar, S.S. and Ou, A.Y. (2007) Cross-national, cross-cultural organizational behavior research: advances, gaps, and recommendations. *Journal of Management* 33, 426–478. doi: 10.1177/0149206307300818.
- Vilkinas, T. and Cartan, G. (2001) The behavioural control room for managers: the integrator role. *Leadership & Organization Development Journal* 22(4), 175–185.
- Vilkinas, T. and Cartan, G. (2006) The integrated competing values framework: its spatial configuration. *Journal of Management Development* 25(6), 505–521.
- Wang, J. and Ritchie, B.W. (2010) A theoretical model for strategic crisis planning: factors influencing crisis planning in the hotel industry. *International Journal of Tourism Policy* 3(4), 297–317.

- 
- Wang, J. and Ritchie, B.W. (2012) Understanding accommodation managers' crisis planning intention: an application of the theory of planned behaviour. *Tourism Management* 33(5), 1057–1067. doi: 10.1016/j.tourman.2011.12.006.
- Willcoxson, L. and Millett, B. (2000) The management of organisational culture. *Australian Journal of Management & Organisational Behaviour* 3(2), 91–99.
- Yu, T. and Wu, N. (2009) A review of study on the competing values framework. *International Journal of Business and Management* 4(7) 37–42.
- Zafft, C.R., Adams, S.G. and Matkin, G.S. (2009) Measuring leadership in self-managed teams using the competing values framework. *Journal of Engineering Education* 98(3), 273–282. doi: 10.1002/j.2168-9830.2009.tb01024.x.

---

# 5

## How Does Crisis Leadership Influence Effective Crisis Readiness (CR)?

JENNIFER CRONIN<sup>1\*</sup> AND KEN PARRY<sup>2</sup>

<sup>1</sup>Bond University, Robina, Australia; <sup>2</sup>Deakin University, Burwood, Australia

---

### 5.1 Introduction

It is widely recognized that the tourism industry is susceptible to crises, necessitating the need for strategic and proactive measures to counteract future crisis events. Crises are now seen as an inevitable part of the business of tourism, and, as a consequence, the tourism sector has recognized the need for effective crisis and risk management strategies in both single unit and multi-level organizations (Beirman, 2003; Henderson and Ng, 2004; Anderson, 2006; Avraham and Ketter, 2006; Henderson, 2007; Boniface and Cooper, 2009; Malhotra and Venkatesh, 2009; Prideaux, 2009; Pforr and Hosie, 2010). However, these strategies require leadership to have the foresight and drive to establish a culture of crisis preparedness, in order to subsequently mitigate negative impacts of potential crises.

This empirical study sought to explore how Crisis Leadership (CL) impacts Crisis Management (CM) readiness within the Thai hotel industry. The Thai Red Shirt crisis in May 2010, together with the ongoing political crises and the devastating floods of 2011, provided the substantive contexts for this study. However, during the data collection phase an even more recent catalytic event, the 2012 Phuket earthquake, brought to light the complacencies that existed in a single business unit of the case study organization and illustrated how CL efficacy is accelerated when institutional memory is formalized. As a result of this empirical study, a *Living Manual* is posited to address those complacencies and operationalize the theoretical concept developed from these findings.

The extant literature has largely ignored the importance of leadership in preparing organizations for crises. Wang and Ritchie (2010, p. 313) state that 'there is a distinct lack of research about strategic crisis planning in the hotel sector, as well as on the factors that may influence hotel crisis planning'. This study responded to the

---

\* E-mail: jcronin@bond.edu.au

need for further research in CM leadership, specifically in the context of the hotel industry where relatively little research has been conducted. Also, the literature on CM practices within the hospitality industry is relatively sparse (Israeli and Reichel, 2003). This study will provide a new theoretical concept to assist in explaining the CL core priorities required during the Crisis Readiness (CR) and prevention stages of the CM process.

## 5.2 Literature Review

The emergent field of CM research will continue to develop as the ‘global village’ becomes even more connected and crises impact a wider group of communities, across regions, borders and continents. Crisis events now cover a broad spectrum of political, environmental, technological and health issues from both man-made and natural perspectives. These events can quickly gather an uncontrollable momentum on a global platform of communication interconnectivity (Hajkiewicz *et al.*, 2013). There has never been a greater need to provide insights and theoretical updates in the field of CM in order to prepare society, organizations and individuals with the tools to deal with a crisis event in the most effective way possible.

### Crisis Leadership (CL)

Effective leadership is necessary during a crisis, not only by the leader of the CM team but also by the company or organization’s senior management (Wooten and James, 2008). Leadership actions at the time of a crisis event can contribute to eliminate or mitigate a crisis (Klann, 2003; Fall and Massey, 2005). Mitroff (2004) posits that CL is a proactive position identifying and preparing for a crisis before it happens, whereas CM is reactive and only deals with the crisis after it has happened. He argues that by being proactive, crises can be avoided if leaders have the ability to think the unthinkable. Although managers may have the ability to think critically, the challenge is whether leaders have the conviction, ability and foresight to engage in Crisis Planning (CP) when faced with the demands of their daily business operations.

Yusko and Goldstein (1997) are of the opinion that the single most critical factor in the successful resolution of a crisis is an effective leader who manages the CL process. That process includes preparing the organization for potential crises, identifying the crisis, decision making, managing the crisis and implementing organizational learning processes to ensure preparation for the next possible crisis.

Hannah and Parry (2012) advocate that in an extreme context such as a crisis, the need to contextualize the leadership process is even more pronounced. They highlight the importance of a deeper understanding of the relationships between leadership and the contextual factors so that research can provide leaders with the tools to prepare and operate in extreme contexts. The phenomenon of a crisis only enhances leadership activities, since it is only natural that in times of distress the organization or the community looks to its leaders to fix the problem (Boin and ‘t Hart, 2003).

The ability to assess the situation based on past experiences and learned outcomes will also enable a manager to make more informed decisions. Chatterjee and



Pearson (2008) believe that past experience in crisis situations can only benefit crisis managers, as they are able to address the crisis with a systematic approach, taking into consideration the options and their strategic viabilities. In order to assess a crisis situation, it is imperative that information is shared and an existing knowledge base is available. They advocate that information for knowledge building in CM requires a leadership culture that encourages knowledge-based CM preparedness.

### **Crisis Readiness (CR)**

Sheaffer and Mano-Negrin (2003, p. 575) explain crisis preparedness as 'a state of corporate readiness to foresee and effectively address internal or exogenous adversary circumstances with the potential to inflict a multidimensional crisis, by consciously recognizing and proactively preparing for its inevitable occurrence'. It is this state of preparedness that is the focus of this study and how leadership influences the organization's CR position.

In their study of UK hotel managers, Rousaki and Alcott (2006, p. 31) distilled Reilly's (1987) *Crisis Readiness Construct* to conclude that 'being an organisation which has crisis experience, will show higher perceived crisis readiness scores than an organisation that has not experienced a crisis'. However, management is more concerned with day-to-day business activities, with their deadlines and pressures, and CP is more often than not the least important of their concerns. Yet, pre-CP will ensure that the response and recovery phases have a greater probability of achieving their objectives (Sheaffer and Mano-Negrin, 2003; Malhotra and Venkatesh, 2009). Malhotra and Venkatesh (2009) suggest that senior management needs to be committed and fully involved in pre-CP and should empower staff to make decisions as part of the organization's CP, which is embraced and understood at all levels of the organization. Moreover, an organization's reputation will be enhanced when its internal and external stakeholders are exposed to a confident crisis-ready organization (Malhotra and Venkatesh, 2009).

Current CM research concentrates on the strategic frameworks for each CM phase rather than on the preparedness of leadership to mitigate potential negative impacts. CL training to develop core competencies has largely been ignored in delivering the CM strategic frameworks, specifically at the pre-crisis event phase. Moreover, the Thai hotel industry has been beset by crisis fatigue in the past decade and its readiness for future events will determine recovery outcomes and overall competitiveness.

The all-encompassing research problem of this study is that we know little about *how a Thai hotel company's CL influences the hotel's CM readiness for future crisis events*. Therefore the primary research question guiding this study is:

- How does CL influence effective CR?

To date, little research has focused specifically on the substantive context of how the Thai hotel sector approaches CR; the majority of studies are dedicated to a Western environment. However, this study addresses CL from an Asian – specifically Thai – perspective. At the same time, additional exploration of the impact of the

hotel manager's prior experience is needed to understand how hotels approach their CR. While this research has been set in a hotel industry environment, the findings of this study will be beneficial for CL in other industry sectors.

### 5.3 Methodology

Popper (2002) described the leadership phenomenon as being composed of the leaders and followers, and the context in which relationships are formed. The leadership relationship is characterized by the conscious and unconscious desires of the leaders and followers in their interactions; in a dynamic timeline of events; and within a diverse context dependent upon the social, ideological, cultural and technological environments. It is this dynamic context that necessitates the research philosophy to go beyond the laboratory's experimental design bias to a contextually based research design. Although a quantitative approach generalizes a data set's frequency to satisfy a hypothetical need, the qualitative approach is adopted in this research, aimed at developing theory from the CL phenomenon in order to address the research question.

#### Grounded Theory (GT)

It is evident from the literature review that CM and CL research requires a greater insight into the contextual experiences of the crisis phenomenon. From these experiences, leadership processes can be analysed and explained, and as a consequence can provide a basis for the study's theoretical development. Since the contextual issues of CM and CL heavily influence the choice of research methodology, and as the purpose of the research is not to test theory but to generate theory, Grounded Theory (GT) was chosen as the most relevant design for achieving theory generation from this study (Parry, 1998).

The strength of this approach was the flexibility during data collection and the ability to incorporate new ideas (Kumar, 2011), whereby the data collection allowed for theory to be developed from the data analysis. Since this research study sought to understand how leadership competencies and experience in crises affect CR, the inductive approach provided the data from which the phenomenon has been interpreted (Saunders *et al.*, 2009).

The research study encompassed a GT case study design, where the theory that emerged was extrapolated from and 'grounded' in the data collected from the field research (Leedy and Ormrod, 2005), and included the perspectives and voices of those studied. The corporate headquarters and business units of a large publicly listed Thai international hotel company served as the case study for this research.

The use of GT research delivers a level of authenticity to leadership research from which new theoretical perspectives can be uncovered. Building upon the strengths of the case study's potential for theory development, the contextual nature of the case study method also contributed significantly to the adoption of the research design. As Klenke (2008, p. 63) argues, 'Many leadership problems are defined and shaped by the context in which they manifest themselves'. In consideration of the CL

phenomenon, the case study approach sets the scene for the most appropriate analysis of the variables which impacted the leadership process.

GT required the researcher to be familiar with the data, the participants and the cultural context of the research. 'The process is a complex and personal one' (Veal, 2006, p. 197) and in this context the researcher was in a unique position to study this topic and provide new insights. GT also had the ability to encourage the self-learning and self-reflection of the participants during the interview data collection process, allowing them an opportunity to consider issues that may need addressing and providing a means of value creation for the individuals and the organization as a whole (Roberts, 2002).

### **Background: the Red Shirt crisis**

Thailand's history has been beset with no fewer than 18 successful and attempted military coups d'état since Thailand abolished absolute monarchy in 1932 (Streckfuss, 2011). The context for this study focused on the events that led most recently to the 2010 Red Shirt crisis. The military coup d'état of 19 September 2006, which ousted the popularly elected Prime Minister Thaksin Shinawatra, created a political landscape with cavernous divides (Chanlett-Avery, 2010) between the low-income rural and urban populations (Red Shirts) and the previously ruling elites represented by the military, bureaucracy, royalists, middle class and wealthy populations (Yellow Shirts).

However, the process of reinstating democracy was less than stable and the ensuing struggle between the Yellow Shirts (People's Alliance for Democracy, PAD) and Red Shirts worsened, with the Yellow Shirts taking over Government House in August 2008. This was followed by a mass sit-in at the country's two main international airports from 25 November to 2 December 2008 in protest against the governing People's Power Party (PPP) and the continuing involvement of Thaksin, who was in exile.

The Red Shirt crisis of May 2010 was the bloody culmination of months of political protest against the incumbent non-elected government under the leadership of Abijist Vejjajiva. The Red Shirt protest group had made camp from 3 April in the heart of Bangkok's prime shopping and entertainment district, fortified behind bamboo stakes and mountains of tyres. The protest camp brought the city's business precinct to a standstill and forced the closure of some of the city's leading hotels, such as the Four Seasons, Grand Hyatt and Intercontinental hotels, eventually spilling over into the city's main central park, Lumpini Park.

The Red Shirts held their ground until the police and army besieged the camp from 14 May, the day after the Red Shirt leader was shot (he died on 17 May). The violence escalated and the streets around the Red Shirt enclosure became a 'live fire' warzone (Chanlett-Avery, 2010); the army invaded the Red Shirt camp on 19 May. There was a final death toll of 90 people from the camp after the 2-month-long protest, and some of the city's major buildings were burnt including the Stock Exchange of Thailand and CentralWorld, the city's largest shopping centre. Curfews followed and a State of Emergency was in force throughout the country until the end of the year in some regions (Dalpino, 2011).

## Setting for the study

The company that was the setting for this case study operates 20 hotels in six countries and has approximately 8000 employees. The company is considered to be one of the iconic Asian hotel groups, with international business units in the Middle East (UAE, Egypt), China, India, Maldives and the Philippines. The company's corporate office and its neighbouring flagship hotel in Bangkok, which were located in front of the Red Shirt protest camp, were physically targeted and forced to close for more than 1 week at the height of the violence during demonstrations in May 2010. As a consequence, a crisis command centre was set up at the company's airport hotel and adjacent hospitality college.

## Data collection and analysis

A series of semi-structured in-depth interviews provided the means to probe more deeply than was possible with questionnaire-based interviews or surveys (Veal, 2006). The data collection was expected to yield information on the interviewees' own understanding of the events and actions, and a situational analysis of the decision making processes before and after the event (Bonn and Rundle-Thiele, 2007). Thomas (2011) noted that semi-structured questions provided the structure for the interview and also allowed for probing through potential questions and possible follow-up questions, with the aim of eliciting 'rich' data (Yin, 2011).

The overall purpose of the interviews was to elicit information with regard to the managers' perceptions and recollections of:

- past experience of a crisis and their CR;
- the hotel or company's CM plans and crisis response competencies, internally and externally;
- what influenced the hotel's communication capabilities, internally and externally;
- what makes a successful leader during a crisis; and
- what, if any, organizational learning has occurred from past events.

Fourteen semi-structured in-depth interviews were conducted in Bangkok in late 2012 with current and former staff employed during the May 2010 Red Shirt crisis. The interviewees were from middle and senior management and were a mix of Thai nationals and expatriates at both corporate office and property level. Their selection was based on their position and influence on strategic decision making and participation relevant to crisis situations, and on their work processes being influenced by senior management actions at the time of the crises under investigation.

GT methodology directed the data analysis commencing with theoretical sampling, followed by data coding which progressively moved from open coding to selective coding (lower-order categories), to theoretical coding (higher-order categories) and finally identification of the emergent theory in the form of a basic social process. NVivo 10 (QSR International Pty Ltd, 2014) was used in the computerized data analysis, with systematic data coding to establish the thematic concepts.

## 5.4 Findings

The interview respondents provided a rich source of understanding of *what* happened and *how* they perceived the company's CL capability at the time of the crisis. Even though the researcher was a part of the senior management team 2 years before and at the time of the Red Shirt crisis, the findings brought into focus an area around the frame of research that had not been considered previously. Moreover, while the researcher had been a participant in the crisis event, the data collection revealed actions and perceptions not previously understood by the researcher.

In addition, while conducting the interviews, a new catalytic event was illuminated; this highlighted the complacencies that existed and how they were addressed to improve the processes to create a possible new best practice for the organization. However, the new best practice has not been shared at the time of writing, and sadly may be ignored until another crisis befalls the organization.

### Preliminary phases of data gathering

Thematic concepts and core categories evolved early in the analysis and midway through the formal interviews. It was evident that saturation was achieved as new categories were no longer emerging. The two main findings from this research were the two higher-order categories that emerged early in the concurrent data collection and analysis stages of the study:

1. How leadership's *crisis experience* from a past event positively influenced the organization's stakeholders.
2. The perception of the organization's state of CR and the influence of *Experiential Learning* (EL) on institutional memory in the organization's crisis preparedness phase.

### Crisis experience

A recurring theme emerged about how the leader's past experience with a crisis positively influenced the followers' levels of confidence and trust in the decision making process during the crisis. This higher-order category of crisis experience was built upon a number of lower-order categories that had emerged, including *active sense-making* and *crisis experience competency*. These will now be explained within the temporal context of the Red Shirt crisis events of May 2010.

#### *Active sense-making*

The leadership enactment process at the time of a crisis relies on the ability of the leader to critically assess the situation and make time-efficient decisions based on the information at hand. Weick (1988) posited that a less than adequate sense-making process employed during a crisis will result in the crisis situation deteriorating further. In exploring the question of what made them trust the decisions of the leadership, the interviewees responded favourably to leadership during the crisis based on their knowledge of the leader's past crisis experience and the leader's

ability to frame the crisis through active sense-making based on the knowledge of a learned experience. With trust and confidence in their leader's decisions and capabilities, the staff accepted the leader's directives and moved forward by implementing the CM initiatives as directed by the leadership. Providing clear directives in an honest and confident manner, with regular updates, diffused the fear and panic by restoring calm and confidence. However, many respondents indicated that delays in decision making reduced the levels of respect and trust between leadership and staff.

#### *Crisis experience competency*

The ability to detect crisis warning signals refined and enhanced by the learned experience of the past enables leadership to identify vulnerabilities, engage in rapid and wise decision making, take informed action and encourage learning that promotes positive change. The result is a systematic approach to CM based on past experiences and encourages strengthening bonds of trust and respect from the key stakeholders of the organization, staff, clients and partners, as they view leadership with higher levels of confidence. As a result of the analysis of staff responses, a high level of trust and confidence is placed in leadership when their past crisis experience is evident in their decision making, for example:

- the Bali bombing experience of the general manager; and
- another leader's previous SARS experience and her crisis communication initiatives.

#### *Multi-faceted nature of Crisis Leadership (CL)*

Although the situational context of the interviews had been the 2010 Red Shirt crisis and the floods of 2011, an interview with a manager disclosed the impact of the Phuket earthquake on 6 April 2012 and the lack of CR at the Phuket hotel. Although the hotel's Executive Committee (Excom) was the designated CM team, and the hotel had previously experienced the 2004 tsunami, the earthquake was a completely new experience for the hotel employees. When the tremors were followed by the tsunami warning siren system and the hotel's Excom did not provide prompt guidance or direction to the employees, the employees' fear and panic overwhelmed them and they evacuated the premises without assisting guests or colleagues.

As the richness of the data grew the analysis revealed even more dimensions, adding strength to the conceptual view that the CL category is multi-faceted. It became evident from the catalytic event that was discovered as part of the research study's data collection that a new path of exploration was uncovered on CL and the impact of crisis experience and EL. Even though there was experience of a catastrophic crisis event in the form of the 2004 tsunami, if the leadership had not experienced the tsunami event, nor committed to a regular educational training programme for future events, the hotel's CR was negatively impacted and the staff reactions indicated their lack of familiarity or confidence in dealing with the crisis. One of the key informants provided an invaluable insight into leadership's lack of planning and its negative consequences on the staff reaction at the time of the earthquake event, which was supported further

by additional data with similar responses about the uncertainty, lack of visibility and training to manage this crisis.

Within 24 h a Chinese delegation staying at the hotel in preparation for a major incentive programme, which would bring 15,000 delegates to the Phuket integrated resort location, demanded a more comprehensive emergency plan should a similar event take place. A debrief was conducted with audits to determine the most efficient evacuation routes, communication tools were enhanced, emergency resources and training were implemented, establishing an ongoing communication and training programme that is '*lived and breathed*'. Management and staff are more confident of their CR for any future events as a result of a number of initiatives including training and familiarizing staff with emergency procedures; understanding the need for leaders to be visible and to provide prompt and clear directions; and regular simulations and communication, even downloading smartphone applications for earthquakes and tsunami alerts to assist in educating and updating staff.

### **Experiential Learning (EL)**

A crisis event provides a cognitive opportunity to learn from the experience and through this EL to contribute and build upon the organization's institutional memory for any future crisis events. As described by Saddington (1992, p. 44), 'Experiential learning is a process in which an experience is reflected upon and then translated into concepts which in turn become guidelines for new experiences'. It describes the way in which experiences are processed; critical thinking in particular is shaped from reflections of past experiences and provides the intuitive skills to address the current situation. The ability of leadership to retain the learned experience and adapt to further crises also instills a level of confidence and trust in the followers, who are looking to their leaders for guidance and solutions (Boin and 't Hart, 2003).

EL emerged as a sub category of CL at the mid-stage in the data gathering. At this point, the data collection combined follow-up interviews to clarify the Phuket hotel's new training and educational programmes and exploring further into the subsequent interviews on this developing concept. From the EL subcategory, three dimensions have evolved and are described: the *Living Manual*, *learned routineness* and *forward planning*. The following descriptions provide an insight into how the data unveiled the nature of these dimensions.

#### *Experiential Learning (EL): Living Manual*

A *Living Manual* that is lived and breathed in all aspects of the daily operations, from training workshops, regular updates on staff noticeboards, educational tips on pay slips, town hall meetings and new hire orientations, has the ability to create a higher level of readiness for future crisis events when shared as best practice. However, in reality, outside of the Phuket property, the data indicated that the CM manuals are '*left on the shelf*' and are not incorporated into any training, or updated and shared with the employees or managers. This finding suggested that the need to develop a CM manual which is fully integrated into the organization's work processes is a priority.

The data from the Phuket event revealed a new crisis plan that was initiated as a result of learning from the experience and was seen as an opportunity to ‘*recap and review what we did well and what we didn’t*’. There is a renewed sense of confidence in the ability of the hotel to cope, which can be better articulated with this example:

We’ve implemented what we feel is a much stronger crisis plan and we remind people about their responsibilities and duties and what to do, we’ll talk about it, we live it now . . . it used to be in a folder on a shelf somewhere . . . but now we actually live it . . . we had this opportunity to make it right for the next time.

#### *Experiential Learning (EL): learned routineness*

Task routineness is a vital component of the operating procedures in emergency service organizations such as fire rescue, ambulance and health services, and it is the regularity of the training, simulations and operational procedures that prepare emergency workers for a crisis event. Is it the naivety of the hotel industry, the low prioritization in the company’s strategic outlook, ‘*it won’t be so bad*’ or ‘*it won’t happen to us*’ mentality that steers leadership away from instilling a state of routineness in crisis preparation?

Most of the interviewees indicated familiarity with regular fire drills and depth of knowledge from the routineness of this activity, whereas testing a CM plan’s preparedness did not receive any attention or commitment from the organization’s management; no formal or informal debriefing process or organizational learning was employed. Leadership’s commitment to CR is reflected in legitimizing a fully integrated educational programme that is embedded throughout the organization’s day-to-day operations. This has never been more evident than in the Phuket example, where the new crisis plan has been implemented, and a manager stated ‘I feel we’re empowered more than we were because we have information, we’ve shared that knowledge and we’ve put it into practice.’

#### *Experiential Learning (EL): forward planning*

‘If senior management is not committed to planning it will not happen’ (Jaques, 2007, p. 152). Proactive CP has been shown to benefit an organization in managing a crisis and is a proven success factor in CM efficacy, in comparison to a company that fails to plan. A crisis experience knowledge base benefits the organization with a toolkit to ensure sustained business continuity when faced with a crisis. The success of forward planning was clearly evident in the data from the Phuket earthquake preparations, yet at the corporate office level there is evidence that no debriefings have been conducted formally or informally; there is no CM team; and there has been no training in CM practices for management, other than a PR workshop on media communications during a crisis event.

#### *Moderating influence of institutional memory*

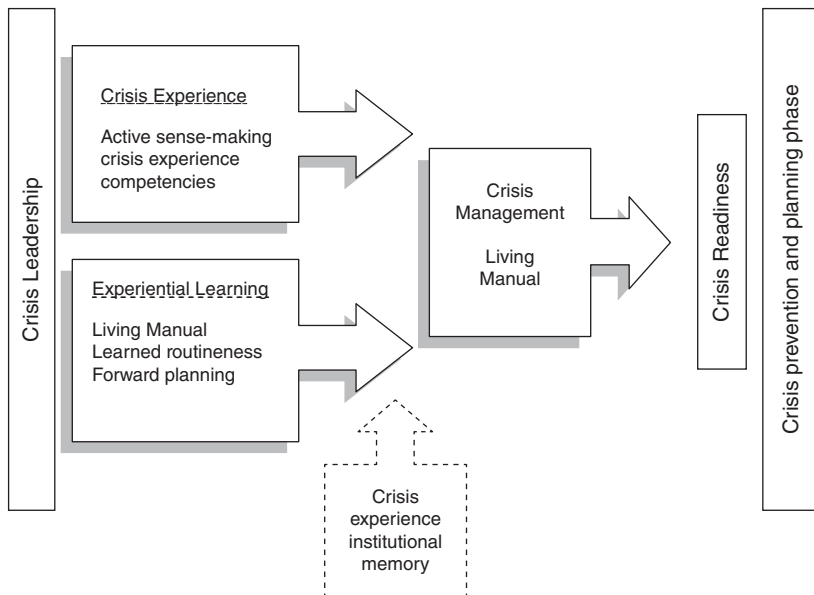
In the final phase of the data gathering it had become apparent that rather than being a lower-order category of crisis leadership, EL seemed to influence the impact that CL had upon CR. It was evident that crisis experience institutional memory loss was



occurring with the turnover of management staff, and concerns were expressed by a number of participants on the negative impact that this will have on future crisis events.

Although there was a sense of frustration and despondency that the organization did not conduct crisis debriefings or follow-up training after the Red Shirt crisis, there was an obvious concern among the staff interviewed that the experience gained was being lost as staff left the company, and they were losing valuable knowledge in dealing with a crisis. A staff member expressed his concerns about the limited leadership foresight during the floods of 2011. There had been senior management changes since then and there was a lack of internal and external communication programmes for all stakeholders in comparison to the internal and external communiques following the 2010 Red Shirt crisis. Another example of the loss of institutional memory of a crisis experience is that a manager retained communiques and checklists implemented by departed management in case of another crisis event. The manager said 'you know why I kept this because I can use [it] as an example if something happened. If no-one is proactive I will do it.'

During the final iterations of concurrent data gathering and analysis, the data indicated that leadership's crisis experience will always have a modest impact upon the CR of an organization. However, when EL from crisis situations was present, CR appeared to be a strategic priority and much more effective. By contrast, when EL was allowed to subside over time or overlooked by leadership, then ongoing levels of CR were reduced considerably. These findings suggest a clear moderating effect for institutional memory upon the relationship between EL and CM, as illustrated in Fig. 5.1, which summarizes our answer to the research question of how CL generates effective CR.



**Fig. 5.1.** The impact of Crisis Leadership (CL) upon Crisis Readiness (CR), and the moderating influence of institutional memory.

## 5.5 Implications and Conclusions

This study addressed the need to understand the relationship between CL and CR and how the CL categories of crisis experience and EL impacted upon an organization's ability to prepare for a future crisis event. As explained in the findings, the study's conclusions identify not only the importance of crisis experience to CL, but also the influencing impact of institutional memory retention upon CR efficacy. The conclusions and implications for the future are not restricted to the hotel sector. We contend that they can also be applied to a wide range of service-related industries.

### **Crisis Leadership (CL) efficacy is enhanced by crisis experience and Experiential Learning (EL)**

It is clear that the CL characteristics within the extant literature have provided commonalities with our understanding of the CL competencies and processes. Even though Chatterjee and Pearson (2008) have previously advocated a leadership culture that encourages knowledge-based CM preparedness, in reality the '*it won't happen to us*' or '*it can't get that bad*' mentality permeates corporate office headquarters leadership. However, the Phuket earthquake crisis is clear evidence that the EL embraced by a hotel's senior management has created a best-practice crisis plan where embracing routineness has created a more competent crisis-ready organization.

### **Crisis Readiness (CR) will reduce the impact of negative outcomes**

While the extant literature has provided an extensive road map of tourism CM frameworks and studies to follow in the event of a crisis (Faulkner, 2001; Ritchie, 2004; Wang and Ritchie, 2010), scant regard has been given to the initial phase of CR, a phase that can be addressed more effectively when senior management dedicates the resources to a systematic CP regime. The present research showed that the lessons of the Red Shirt crisis of 2010 have still failed to be incorporated into the company's overall strategic planning. Nonetheless, during the floods of 2011 one department provided a glimmer of hope in CR by proactively relocating its central reservations outside the flood area so it could continue to provide a service. We recommend that a CM team of senior management should be established and devise a comprehensive organizational CP as a matter of urgency.

#### *Experiential Learning (EL) needs to be lived and breathed*

We reinforce the importance of the cognitive strength of the crisis experience and the EL gained from participation in crisis phenomena. When applied to developing a CP, the experiential factor creates a robust 360° perspective on addressing the needs of all parties during a possible crisis event in the future. Moreover, a CP must not be *left on the shelf* or allowed to *gather dust*. Instead, the organization with the vision to plan ahead, engage stakeholders and embrace the learned routineness of a CP through simulations and scenario workshops will set the scene for a positive

CL process. By *living and breathing* the crisis plan, and using the routineness to build confidence and familiarity, the entire organization will be in a stronger position than its competitors should a crisis occur.

### *The Living Manual: practical implications*

The routineness derived from an EL process can be forgotten in an industry such as hospitality which is characterized by high staff turnover rates. The learned experience through institutional memory will also be lost (Weick, 1988). It is recommended that a *Living Manual* is given priority by senior management to be incorporated into the organization's day-to-day operations, engages staff at all levels and provides a reliable toolkit in the event of a crisis. A crisis-ready organization will stand the test of a high-pressure negative impact better than one that ignores CP at its peril. An informed organization will be able to meet the crisis event head-on with the knowledge and confidence that its CL capabilities will reduce the negative outcomes and ensure sustained business continuity.

## References

- Anderson, B.A. (2006) Crisis management in the Australian tourism industry: preparedness, personnel and postscript. *Tourism Management* 27(6), 1290–1297.
- Avraham, E. and Ketter, E. (2006) Media strategies for improving national images during tourism crises. In: Kozak, M. (ed.) *Progress in Tourism Management*. Elsevier Ltd, Boston, Massachusetts, pp. 115–125.
- Beirman, D. (2003) *Restoring Tourism Destinations in Crisis: A Strategic Marketing Approach*. CABI, Wallingford, UK.
- Boin, A. and 't Hart, P. (2003) Public leadership in times of crisis: mission impossible? *Public Administration Review* 63(5), 544–553.
- Boniface, B.G. and Cooper, C.P. (2009) *Worldwide Destinations Casebook: The Geography of Travel and Tourism*, 2nd edn. Butterworth-Heinemann, Amsterdam, the Netherlands, and Oxford, UK.
- Bonn, I. and Rundle-Thiele, S. (2007) Do or die – strategic decision-making following a shock event. *Tourism Management* 28(2), 615–620.
- Chanlett-Avery, E. (2010) *Thailand: Background and US Relations*. Congressional Research Service, Washington, DC.
- Chaterjee, S.R. and Pearson, C. (2008) From conception to implementation: towards a crisis management framework. In: Pforr, C. and Hosie, P. (eds) *Crisis Management in the Tourism Industry: Beating the Odds?* Ashgate, Burlington, Vermont, pp. 23–35.
- Dalpino, C. (2011) Thailand in 2010. *Asian Survey* 51(1), 155–162.
- Fall, L. and Massey, J.E. (2005) The significance of crisis communication in the aftermath of 9/11: a national investigation of how tourism managers have re-tooled their promotional campaigns. *Journal of Travel and Tourism Marketing* 19(2–3), 77–90.
- Faulkner, B. (2001) Towards a framework for tourism disaster management. *Tourism Management* 22(2), 135–147.
- Hajkovicz, S.A., Cook, H. and Boughen, N. (2013) *The Future of Tourism in Queensland. Megatrends Creating Opportunities and Challenges Over the Coming Twenty Years*. CSIRO, Australia.
- Hannah, S. and Parry, K.W. (2012) Leadership in extreme contexts. Chapter 32 in: Day, D.V. (ed.) *The Oxford Handbook of Leadership and Organizations*. Oxford University Press, Oxford, UK.
- Henderson, J.C. (2007) *Tourism Crises: Causes, Consequences and Management*. Butterworth-Heinemann, Burlington, Vermont.

- Henderson, J.C. and Ng, A. (2004) Responding to crisis: severe acute respiratory syndrome (SARS) and hotels in Singapore. *International Journal of Tourism Research* 6(6), 411–419.
- Israeli, A.A. and Reichel, A. (2003) Hospitality crisis management practices: the Israeli case. *International Journal of Hospitality Management* 22(4), 353–372.
- Jaques, T. (2007) Issue management and crisis management: an integrated, non-linear, relational construct. *Public Relations Review* 33(2), 147–157.
- Klann, G. (2003) *Crisis Leadership: Using Military Lessons, Organizational Experiences, and the Power of Influence to Lessen the Impact of Chaos on the People You Lead*. Center for Creative Leadership, Greensboro, North Carolina.
- Klenke, K. (2008) *Qualitative Research in the Study of Leadership*. Emerald Group Publishing, Bingley, UK.
- Kumar, R. (2011) *Research Methodology: A Step-by-Step Guide for Beginners*, 3rd edn. Sage Publications Ltd, Los Angeles, California.
- Leedy, P.D. and Ormrod, J.E. (2005) *Practical Research: Planning and Design*. Prentice Hall, Upper Saddle River, New Jersey.
- Malhotra, R. and Venkatesh, U. (2009) Pre-crisis period planning: lessons for hospitality and tourism. *Worldwide Hospitality and Tourism Themes* 1(1), 66–74.
- Mitroff, I. (2004) *Crisis Leadership Planning for the Unthinkable*. Wiley, Hoboken, New Jersey.
- Parry, K.W. (1998) Grounded theory and social process: a new direction for leadership research. *The Leadership Quarterly* 9(1), 85–105.
- Pfarr, C. and Hosie, P. (2010) Crisis management in tourism: preparing for recovery. In: Scott, N., Laws, E. and Prideaux, B. (eds) *Safety and Security in Tourism: Recovery Marketing After Crises*. Routledge, Abingdon, UK, pp. 249–264.
- Popper, M. (2002) Salient biases in discussion and research on leadership. In: Parry, K.W. and Meindl, J.R. (eds) *Grounding Leadership Theory and Research*. Information Age Publishing, Greenwich, pp. 1–19.
- Prideaux, B. (2009) *Resort Destinations: Evolution, Management and Development*. Butterworth-Heinemann, London.
- QSR International Pty Ltd (2014) NVivo10. QSR International, Doncaster, Victoria, Australia.
- Reilly, A.H. (1987) Are organizations ready for crisis? A managerial scorecard. *Columbia Journal of World Business* 22(1), 79–88.
- Ritchie, B.W. (2004) Chaos, crises and disasters: a strategic approach to crisis management in the tourism industry. *Tourism Management* 25(6), 669–683.
- Roberts, C. (2002) Grounded theory: creating valued leadership research through partnering. In: Parry K.W. and Meindl, J.R. (eds) *Grounding Leadership Theory and Research*, Greenwich, U.A. pp. 149–158.
- Rousaki, B. and Alcott, P. (2006) Exploring the crisis readiness perceptions of hotel managers in the UK. *Tourism & Hospitality Research* 7(1), 27–38.
- Saddington, J.A. (1992) Learner experience: a rich resource for learning. In: Mulligan, J. and Griffin, C. (eds) *Empowerment through Experiential Learning*. Kogan Page, London, pp. 37–49.
- Saunders, M., Lewis, P. and Thornhill, A. (2009) *Research Methods for Business Students*, 5th edn. Pearson Education Ltd, Harlow, UK.
- Sheaffer, Z. and Mano-Negrin, R. (2003) Executives' orientations as indicators of crisis management policies and practices. *Journal of Management Studies* 40(2), 573–606.
- Streckfuss, D. (2011) *Truth on Trial in Thailand: Defamation, Treason, and Lèse-Majesté*, 1st edn. Routledge, Oxford, UK, and New York.
- Thomas, G. (2011) *How to Do Your Case Study*. Sage Publications Inc., London.
- Veal, A.J. (2006) *Research Methods for Leisure and Tourism*, 3rd edn. Pearson Education Ltd, Harlow, UK.
- Wang, J. and Ritchie, B.W. (2010) A theoretical model for strategic crisis planning: factors influencing crisis planning in the hotel industry. *International Journal of Tourism Policy* 3(4), 297–317.
- Weick, K.E. (1988) Enacted sensemaking in crisis situations. *Journal of Management Studies* 25(4), 305–317.

- Wooten, L.P. and James, E.H. (2008) Linking crisis management and leadership competencies: the role of human resource development. *Advances in Developing Human Resources* 10(3), 352–379.
- Yin, R.K. (2011) *Qualitative Research from Start to Finish*. Guilford Press, New York.
- Yusko, K.P. and Goldstein, H.W. (1997) Selecting and developing crisis leaders using competency-based simulations. *Journal of Contingencies and Crisis Management* 5(4), 216–223.

---

# 6

## Collaborative Communication Networks: An Application in Indonesia

LORI PENNINGTON-GRAY,<sup>1\*</sup> IGNATIUS CAHYANTO,<sup>2</sup> ASHLEY SCHROEDER,<sup>1</sup>  
AND ALEXANDER KESPER<sup>3</sup>

<sup>1</sup>University of Florida, Gainesville, USA; <sup>2</sup>Black Hills State University, Spearfish, USA;  
<sup>3</sup>ASEAN-EU Emergency Management Programme, Jakarta, Indonesia

---

### 6.1 Introduction

This chapter examines the role of collaborative communication in crisis management. It specifically outlines five groups of theories: (i) chaos-based theories; (ii) resource-based theories; (iii) relationship-based theories; (iv) process-based theories; and (v) politics-based theories. Then we examine collaboration from an emergency management perspective and highlight the ‘collaborative community emergency management’ model of Kapucu (2008). Moreover, the traditional collaborative communication network is extended to include tourism. It is suggested that application of this model should move beyond the traditional stakeholder framework to include a wider audience of tourism industry players. Extending these roles to include the tourism industry allows for response to reach a broader group of vulnerable populations (e.g. tourists). Three ideas are necessary to create effective collaborative communication networks:

1. include multiple stakeholder groups;
2. ensure that communication is collaborative in all phases of the disaster; and
3. create partnerships that lead to more resilient communities.

A case study of Indonesia is presented; this demonstrates two tangible programmes that involve a collaborative communication process in tourism. The first programme is the Bali Hotels Security and Safety Radio (BHSSR), whereby the hotel sector has access to very high frequency radios used by the Bali police force in order to receive information surrounding crises. The second programme is the Bali Hotels Association

---

\* E-mail: pennggray@hhp.ufl.edu

Multi-Purpose Tsunami Early Warning and Emergency Short Message Service (SMS) System. The National Agency for Meteorology, Climatology and Geophysics in Jakarta sends raw earthquake and tsunami information to a computerized receiver in a specified hotel in Bali. The information on an earthquake then triggers an audio alarm with data about the strength, geographic location and depth of the earthquake, as well as the potential for a resulting tsunami. Then a predetermined collaborative decides if a tsunami warning, or further actions such as evacuations, is necessary.

## 6.2 Collaboration Theories Used in Crisis Management

During the past two decades, collaboration has become a prevalent organizational trend to ameliorate uncertainty during crises (Axelsson and Bihari Axelsson, 2006). It has been seen as the panacea solution of our time with regard to addressing the issue of organizational fragmentation caused by external threats (Drucker, 2007). In the context of tourism crises, Ritchie (2004) argued that understanding and working with principal internal and external stakeholders is imperative in managing crises that impact the tourism industry. Ritchie (2004) further argued that understanding the impact of a crisis on internal (e.g. business units, staff) and external (e.g. other agencies, general public and media) stakeholders is another fundamental component in managing tourism crises effectively. One notable reason is the dependency among these groups within the tourism system. As tourism comprises multiple stakeholders, it is critical that crisis management for the tourism industry is integrated. Collaboration is required between different organizations, government departments, emergency personnel, media and other stakeholders. Pennington-Gray *et al.* (2011) further argued that collaboration is a driver of communication between the tourism industry and the tourist.

Collaboration is defined as a process of equal horizontal exchanges (Berlin and Carlstrom, 2008). This definition is based on the premise that all collaboration leads to internal advantages. Consequently, successful collaboration forms a pattern which contributes to further collaboration (Drucker, 2007). Additionally, collaboration does not assume hierarchy with control from the top down. Instead, it can be described as an efficient integration between horizontal organizations whereby the form of exchange is not commanded by either party (Anthony *et al.*, 1989).

Coordinated communication teams and regular contact among stakeholders allow for efficient communication within the tourism industry before and during, as well as after a crisis. The use of new technologies has been instrumental in the crisis communication management process. Intra-industry collaborations need to be developed in the planning phases of the creation of the tourism crisis management plan. Although it is clear that collaboration will be an integral activity for public management in the future, specifically in the area of crisis management, research on collaboration in tourism crisis management is much less developed (Ritchie, 2004).

The goal of this chapter is: (i) to provide an overview of theories related to collaboration; (ii) to provide a background on collaborative communications theories used in other disciplines, primarily disaster management; and (iii) to demonstrate how communication is used throughout the phases of tourism crisis management.

### 6.3 Theoretical Insight on Collaboration

Collaboration can be viewed through multiple theoretical perspectives. Fyall *et al.* (2012) classify these theoretical perspectives into five groups that may potentially be applied to understanding collaboration within the tourism industry. These groups are:

1. chaos-based theories;
2. resource-based theories;
3. relationship-based theories;
4. process-based theories; and
5. politics-based theories.

Based on the classification by Fyall *et al.* (2012), the following subsections will discuss the theories that help explain collaboration in tourism crisis management and the relative merits and contributions of such theories.

#### Chaos-based theories

Chaos theory and complexity theory attempt to describe how complex systems work (McKercher, 1999; Fyall *et al.*, 2012). Seeger (2002) asserts that chaos theory encompasses multiple broadly related theoretical and meta-theoretical premises that emphasize the behaviour of complex non-linear systems. The theory emerged from the mathematics discipline, which postulates that predictable linear relationships rarely exist in reality (Fyall *et al.*, 2012). Most systems are non-linear, highly complex, subject to random turbulences and are highly sensitive to the situation in which they function. Depending on these factors, specific systems can yield significantly different outcomes. These results hinder the ability to forecast, and make accurate longer-term predictions impossible. Chaos theory attempts to explain the outcome of regrouping various elements of the system, from which a new order finally emerges and deals with issues such as random organization, anti-order and unpredictability (Russell and Faulkner, 2004; Zahra and Ryan, 2007).

Chaos theory helps to provide an explanation for the means by which collaborative arrangements self-organize and self-renew according to what has been deemed their 'initial conditions'. It also incorporates elements of chance and resourcefulness into the analysis of the collaboration process and attempts to elucidate stability restructures and achieve a sense of order.

Complexity theory resembles chaos theory (Stacey, 2000) in that it focuses on how organizations adapt to their environments, as well as the means by which they deal with uncertainty. To date, there are several researchers who advocate the need to understand the role of chaos in the context of tourism (Parry and Drost, 1995; Edgar and Nisbet, 1996). One of the reasons for this need stemmed from the mixture and the complexity of relationships that exist among the different components of the tourism system (Fyall *et al.*, 2012). Likewise, Faulkner and Russell (1997) further suggest that chaos theory offers an alternative framework to understand the interaction among the different elements within the tourism system, such as tourism organizations and destination development, and posits that the tourism system is better characterized as chaotic, non-linear and non-deterministic (Baggio and Sainaghi, 2011).



The increase in global crises that affect the tourism industry validates the chaotic nature of the tourism system (Faulkner and Vikulov, 2001; Ritchie, 2004; Russell and Faulkner, 2004). Similarly, Laws and Prideaux (2005) argue that the existence of events such as SARS, the Asian financial crisis and similar events including the Bali, Madrid and London bombings also illustrate the chaotic nature of the industry. Chaos theory, therefore, has been used frequently in tourism crisis management to explain the need to collaborate with other organizations (Faulkner and Vikulov, 2001; Zahra and Ryan, 2007). Faulkner and Vikulov (2001) explain the example of a natural disaster (the Katherine Flood in Australia) that became 'the triggering event that challenged the existing structure, routine operations and the survival of the tourism business and regional tourism associations' (p. 331). Such an event triggers the tourism industry to collaborate in an effort to achieve stability.

### Resource-based theories

There are two inter-related theoretical foundations based on the use of the available resources to form collaborative efforts with other entities that are deemed applicable in the context of tourism crisis management, namely resource dependency theory and strategic management theory. Resource dependency provides a rationalization for the reasons why individuals and organizations trust one another (Hamel and Prahalad, 1994; Faulkner and de Rond, 2000; Donaldson and O'Toole, 2002). The theory assumes that resources are limited and that organizations require adequate power if they are to garner these resources successfully. In the context of tourism, the resource might be public parks or beaches. As organizations have limited access to utilize the resource, such as lacking individuals with specific skills and knowledge, they try to accrue more power to access the limited resource. Under resource dependency theory, therefore, organizations utilize power-conflict assessment to decide whether they should compete or collaborate with other organizations in order to gain greater access to the resource.

Collaboration is perceived as a viable way of balancing the greater dependency involved in the collaboration process, with the goal of gaining greater access to the limited resources through predetermined arrangements (Fyall *et al.*, 2012). Fyall *et al.* (2012) further argue that resource dependency theory principally seeks to explain collaboration as a means by which organizations intend to lessen the uncertainties of a turbulent external environment. Additionally, Fyall and Garrod (2005) argue that uncertain situations offer many opportunities for organizations to resolve common issues arising from the turbulence of their shared external environments. Thus, in the context of tourism crises, inter-organizational collaboration can be seen as a way to reduce the effect of declining available resources as potential impacts of a crisis.

Parallel to resource dependency theory, strategic management theory highlights the basic conditions of shortage and collective problems as the foundation for inter-organizational collaboration. However, unlike resource dependency theory, strategic management theory specifies the means by which the organizations attempt to minimize the external threats they face and exploit external opportunities by collaborating with other organizations (Fyall *et al.*, 2000). Rumelt *et al.* (1994) further argue that

due to uncertainties, organizations have critical strategic paths to choose from in order to achieve their goals. In the context of tourism crisis management, such strategic options may include the selection of the design of inter-organization structures and form of governance to define and coordinate crisis prevention and preparedness, as well as crisis responses. Gulati (1998) further argues that strategic management theory helps to explain five issues in the collaboration arrangement: the formation, the governance structure, the dynamic evolution, the performance and the consequences for the performance of new entrants to such an arrangement. Thus, based on this theory, the purpose of the collaborative arrangements in crisis management is to move each of the participating organizations towards the accomplishment of long-term strategic goals to achieve crisis resilience.

### Relationship-based theories

Within relationship-based theories there are three inter-related theories that are applicable in the context of tourism crisis management: relational exchange theory, stakeholder theory and network theory. These theories are all propelled by an acknowledgement and acceptance of mutual dependency and the need for exchange in the search for shared interests (Dwyer *et al.*, 1987; Fyall and Garrod, 2005).

Relational exchange theory is based on the premise that the more complex the scope of the problem, the more appealing collaboration will be to the organizations (Levine and White, 1961). The foundation of relational exchange theory is, thus, the establishment of relationships rather than the conduct of transactions. The theoretical focus is on the relational structure that the organizations can implement in order to facilitate collaboration (Fyall *et al.*, 2012). Such structures are both principally social and interpersonal, encompassing two-way interactions between key personnel in each of the participating organizations. Given these eventualities, it is in the best interests of organizations working in a similar problem area to develop joint management structures to address the shared problem. One suggested consequence of this theory is that over time the borders between the organizations will become muddled. These collaborating organizations will become closely tied together, creating a steadier network (Fyall and Garrod, 2005). To do so, this emerging network entails the development of trust and commitment among the collaborating organizations. Through the process, a culture of equity and impartiality is established to negate power relationships in the networks.

Stakeholder theory, on the other hand, is based on the premise that organizations have numerous stakeholder groups. Stakeholder theory emerges from the business and management literature (Garrod *et al.*, 2012). A stakeholder is defined as 'any group or individual who can affect or is affected by the achievement of an organization's objectives' (Freeman, 1984, p. 6). Furthermore, Jones and Wicks (1999) assert that stakeholder theory is based on the focus of four critical elements: (i) managerial decision making; (ii) relationships the organization has with constituent stakeholder groups that both affect and are affected by the organization's decision making; (iii) the relationships that define outcomes for both the organization and its stakeholders; and (iv) the interests of all stakeholder groups that have inherent value with no set of interests dominating the others. Collaboration is interpreted by stakeholder theory as

a manifestation of the organization's effort to determine and incorporate the interest of its corporate stakeholder group into their decision making. Thus, collaboration in crisis management can be seen as a way to maximize the benefit by pooling resources (Bramwell and Lane, 2000; Aas *et al.*, 2005), as well as to avoid the cost of resolving conflicts in the long term (Yuksel *et al.*, 1999). While stakeholder collaboration has been widely sought in tourism planning, due to the fragmented nature of the tourism industry (Jamal and Getz, 1995; Hall, 2000), the issue critical to implementation is the identification and legitimization of all potential stakeholders, including those who are both involved and not involved in the process (Roberts and Simpson, 1999). Another challenge is the capacity of the stakeholders to participate (Reed, 1997), which is complicated in a crisis situation.

Similarly, network theory is gradually being applied in the context of tourism (Baggio, 2011). One critical reason is that many of the destination's assets, such as beaches, tend to be jointly owned. Utilizing the theory, Beritelli (2011) argued the importance of networks in explaining collaborative behaviours among tourism organizations, with only rational and communication elements having significant influences on collaborative behaviour. Thus, by interacting with other organizations as part of the crisis management process, tourism organizations not only share information but also develop mutual trust – something that is important in the event of a crisis.

### **Process-based theories**

Process-based theories, such as life-cycle theory and development process, attempt to describe how collaborative arrangements emerge, evolve, decline and disappear over time, as well as to define common elements in their dynamics and development (Ring and van de Ven, 1994; Jap and Anderson, 2007). Both theories explain the means by which and the circumstances under which the participating organizations involved negotiate, execute and modify the terms and outcomes of their collaboration (Guth *et al.*, 1982). Likewise, both theories identify the determining factors for partners to join, continue with and end collaborative relationships over time.

A large number of life-cycle models have been proposed in order to better understand collaboration (Caffyn, 2000). In her study on collaborative relationships, Kanter (1994) posited that collaboration is similar to marriage. The most intriguing finding from this analogy was the timeline of the collaborative relationship. Kanter (1994) believes that collaboration begins with a courtship period. In this period, 'two organizations meet, are attracted, and discover their compatibility' (Kanter, 1994, p. 98). Following the courtship, the next stage is 'engagement'. In this stage, the collaborative relationship becomes more serious. Kanter (1994, p. 100) further argues that the leaders of the enterprise meet 'the family' and seek approval from 'other people in the organization and of other stakeholders' in this stage. This stage culminates with a process of taking 'vows', in which the partners bond on specific, well-defined projects. Typically, such 'vows' include clear recognition of plans to expand the relationships in the future and integrate 'clear signs of continuing independence for all partners' (Kanter, 1994, p. 101). Accordingly, after these processes, collaborative relationships become formalized and stabilized. Kanter (1994) further discusses the later stages of collaboration (i.e. 'housekeeping' and 'old marrieds'). Nonetheless, Robinson

*et al.* (2006) argued that the contribution of Kanter's perspective in crisis management lies in the early stages, as not everything that Kanter (1994) describes in the private sector can translate directly into collaborative relationships in the crisis management phase. For instance, potential partners in crisis management are not usually drawn from a large marketplace. Moreover, crisis situations do not allow for a leisurely courtship; instead, partners in crisis management may have to find each other quickly in an uncertain environment. It is, however, important to recognize the timeline of stages that form the collaborative relationship. Thus, Robinson *et al.* (2006) argue that it is critical to focus on the developmental stage of collaboration to understand key aspects of the collaboration, rather than other potential factors such as the nature of the participants (e.g. private enterprises, public agencies and non-profit organizations). However, there is no consensus as to how many stages are in the cycle, the duration of the stages or which stage is the most significant for collaboration to be effective (Wang and Fesenmaier, 2007).

Developmental theories argue that all collaboration is formed around four key concepts: uncertainty, reputation, role relationships and the concept of 'private ordering' (Ring and Van de Ven, 1994). Private ordering is using their own devices to come to conclusions. Thus, 'private ordering' is a tool for participants to utilize in order to be able to accept the differences in their intrapersonal relationship. Hence, extreme uncertainty is likely to affect the effective development of collaborative arrangements because it will affect the capacity of trust among participants (Fyall *et al.*, 2012).

### **Politics-based theories**

Political theory explores the nature of power in society (Gray and Wood, 1991). The emphasis is on measuring the balance of power between states, organizations, groups and individuals (Kelly, 2006). In the context of collaboration, political theory has been utilized to observe the power dynamics and the distribution of benefits among the participants of a collaborative arrangement (Fyall *et al.*, 2000). The study employing this theory seeks to identify who has the power to control the resources that affect the success of the collaboration. It also seeks to analyse the consequences of an imbalance in the distribution of power of resources among participants in the partnerships (Wood and Gray, 1991). In the area of tourism collaboration, Healey (1996) argues that effective destination marketing and management requires the use of collaborative and inclusionary consensus-building practices. The practices generate three types of shared capital among collaborators: (i) social capital, which comprises trust, flow of communication and willingness to interchange ideas; (ii) intellectual capital, whereby a mutual understanding of shared problems and solutions is established; and (iii) political capital, which includes establishing agreements and employing mutual projects. Bramwell (2011) further argues that government often plays a pivotal role in facilitating successful collaboration among tourism stakeholders. They have the power to provide incentives or punish participants to encourage them to collaborate more energetically (Bianchi, 2004). Thus, based on this theory, the role of government in encouraging collaboration in crisis management is critical. Nonetheless, in the context of tourism crisis management, further studies utilizing political theory need to be conducted due to the different role that government plays in the tourism industry.

## 6.4 Collaboration Theories Used in Other Disciplines

In medicine, there is a growing body of literature in the field of crisis communication and collaboration. Collaborative communication is defined as communication that 'aims to be produced or conducted by two or more parties working together' (McKean, 2005, cited in Feudtner, 2007, p. 584). Collaborative communication encapsulates both the exchange of information and the nature of the collaborative relationships between the persons who are communicating. The strategy recognizes that better communication comes from a dynamic relationship which has been fostered over time. This relationship enhances communication internally, and thereby aims to improve communication externally in a more skilful way. In essence, 'collaborative communication emphasizes the relationships between people, viewing international communication and relationships as inexorably entwined' (McKean, 2005).

Collaborative communication has loosely been applied in the disaster management literature. Kapucu (2008) developed a model based on similar tenets known as 'collaborative community emergency management.' His model extends the traditional collaboration literature into disaster management to place the goal of community resilience at the core of its existence (Kapucu, 2008). Thus, adopting this theory of collaboration extends the traditional perspectives beyond the identified goals of resource sharing; greater access to information; avoiding costs of long-term conflicts; developing trust; achieving stability in the community to increasing community and tourist coordination at all phases of the disaster; creating integrated networks to include multiple stakeholder groups; and, ultimately, creating partnerships that lead to a more resilient community.

Collaboration fits in all stages of a crisis: reduction, readiness, response and recovery. During the reduction stage, the organization in charge (e.g. the destination management organization (the DMO) in the tourism industry) must collaborate with the elected and appointed officials and other organization leaders to create awareness about the importance of protecting tourism-related interests during a crisis. Local emergency management agencies can collaborate with vendors, suppliers and partners, as well as with local emergency management organizations such as the Red Cross. In the readiness stage, in which the crisis is probable, various stakeholders can work with the emergency operation centres in order to exchange accurate information to and from law enforcement, fire departments, health agencies, tourism industry stakeholders, visitors and other involved parties. Likewise, during the response stage, collaboration is crucially needed to effectively respond to crises. Finally, collaboration is needed during the recovery stage, especially to execute the recovery plan effectively.

In the traditional disaster management literature, each of the disaster phases comes with a set of tasks. Typically, each agency has its own set of tasks, frameworks and policies. Within the collaborative communication framework, five core tasks have been identified to guide and maintain relationships among stakeholders:

1. Establish a common goal or set of goals.
2. Exhibit mutual response and compassion for all partners and stakeholders.
3. Develop a sufficient understanding of differing perspectives.
4. Assure maximum clarity and correctness of what is communicated.
5. Manage interpersonal and intrapersonal relationships which affect how we receive, interpret, translate and send messages.

Using the four phases of a crisis and merging it with the five core tasks to develop a collaborative communication network, five actions are highlighted (Fig. 6.1).

Kapucu (2008) suggests that moving the collaborative communication network through the stages and identifying tasks ahead of time will allow for greater achievement of goals and ultimately, therefore, a more resilient community.

### Extending a traditional collaborative communication network to include tourism

The members of a collaborative communication network vary but are usually driven by the leadership role of the emergency management team. Thus, in the traditional model of crisis management, particular agencies or groups are associated with the emergency management phases. In general, the first two phases (reduction and readiness) are often under the guidance of engineers who take a structural approach to disaster management, as well as of emergency planners who construct plans and minimize the effects of disasters and emergencies (Pearson and Mitroff, 1993). Response is frequently within the sphere of the first responders such as fire, health and police services (Pearson and Mitroff, 1993). Recovery tends to be the field of the local authority such as care managers and housing departments (Pearson and Mitroff, 1993).

We suggest that application of this model should move beyond the traditional stakeholder framework to include a wider audience of tourism industry players (Fig. 6.2). Extending these roles to include the tourism industry allows for response to reach a broader group of vulnerable populations (e.g. tourists). For example, in the first two phases, hotel developers, transportation developers and destination planners would be involved to ensure that public spaces for both residents and tourists would be included in the tasks. In the response phase, hoteliers, transportation companies and destination management organizations would be at the table to ensure that any response would also include shelters and evacuation of non-locals (i.e. tourists). Finally, in the recovery phase, all of the tourism industry would be involved with



**Fig. 6.1.** The five crisis management domains for strategic management (from Pearson and Mitroff, 1993).



**Fig. 6.2.** Stakeholders identified in a traditional framework of crisis management.

coming together to create marketing plans and messages to bring the economy back to its pre-crisis state or agreed upon post-crisis state.

### **Creating a more resilient community**

A disaster-resilient community proposes to minimize the losses and damages when a disaster occurs; however, resilience implies the ability to recover or bounce back to normalcy after a disaster occurs (Mileti, 1999). Disaster-resilient community models are commonly related to social factors (e.g. economic, psychological and cultural) in the recovery phase (Mileti, 1999). Adopting a collaborative communication network is one way to manage the social factors because it allows for a greater number of players to monitor and manage the social impacts of a disaster (Pennington-Gray, 2014). Having more people at the table enables the community to share a greater amount of information, which may lead to better strategies and a faster recovery.

### **Recommendation for adopting a collaborative communication framework**

A collaborative communication network based on the theory of collaborative communication integrates the three ideas expressed above: creating integrated networks to

include multiple stakeholder groups; increasing collaborative communication at all phases of the disaster; and, ultimately, creating partnerships which lead to a more resilient community. Therefore, in destinations where there is a repeated threat of disaster or a heightened probability of disaster, a ‘mediated intra-destination collaboration’ (Fyall *et al.*, 2012) is recommended. The mediated intra-destination collaboration for tourism could be facilitated by the DMO. The DMO would have a seat at the larger emergency operation or command centre, but would also lead its own sector-specific collaboration. Building on the work of Tierney *et al.* (2001), participation would occur pre-disaster and include consensus-building emergency planning processes and policies that would lead to improved recovery, as outlined in Fig. 6.3. Integral to the success of a collaborative communication network within the tourism industry is increased coordination between private and public sector stakeholders, who often act separately in their management of crises. The sharing of information and resources among tourism stakeholders would be particularly important in the response phase. Through collaboration efforts, the tourism industry ultimately has the opportunity to become better prepared to manage crises through a coordinated and targeted communications network.

### 6.5 An Application of Collaboration in Indonesia

The following case study provides a working example of collaborative communication networks that have been created in Indonesia as a response to the need to address communication issues during and after a disaster. Several theories, such as stakeholder theory, can be used to frame the collaborations in both cases.

#### The case of Indonesian tourism

Tourism in Indonesia is at risk from both nature- and human-induced crises. In terms of human-induced crises, tourists are especially vulnerable. This has been demonstrated



Fig. 6.3. Collaborative communication network within the tourism industry (adapted from Kapucu, 2008).



by a number of bombings at hotels in Bali and Jakarta. While recent bombings did not have a lasting impact on Indonesia's tourism industry, the danger is that the tourism sector can become complacent. This complacency, in combination with poorly organized official security and disaster response, can be a dangerous mix.

The Bali Hotels Association (BHA), a private sector association of 106 star-rated hotels, has taken on the role of advocating for improved tourism safety and security in Indonesia. In essence, it is the mediator in a 'mediated intra-destination collaboration'. Having the BHA at the helm is critical, as the intricacies and vulnerabilities of the tourism sector are often not fully understood by the majority of government officials. Thus, through a dynamic and evolving collaboration, the BHA has emerged as the leader responsible for the tourism industry.

The BHA understands that crises can have potentially devastating effects on Bali's destination image; thus, the Association uses its power and expertise to innovate, and advocate for necessary changes. Because secure and targeted communication exchange can sometimes encounter a bottleneck during an emergency, a major objective of the BHA is to ensure that communications systems are available when other systems fail. Two successful examples of such initiatives are the BHSSR and the BHA Multi-Purpose Tsunami Early Warning and Emergency SMS System. In essence, both the BHSSR and the BHA Multi-Purpose Tsunami Early Warning and Emergency SMS System were created through a joint understanding and strong intra-industry collaboration among tourism stakeholders. Their management serves as an outcome associated with effective collaborative communication groups established as a response to heightened attention to disaster management.

### **Bali Hotels Security and Safety Radio (BHSSR)**

Proper and reliable communication is key to the successful management of a crisis. However, reliable communication during any crisis is a huge challenge, because mobile phone systems and other telecommunication technologies tend to break down. Often, the most reliable mode of communication during an emergency is very high frequency (VHF) or ultra-high frequency (UHF) radio communication. BHSSR aims to provide access to reliable and managed radio communication. The predecessor of BHSSR, Integrated Police Radio Community (IPRC), was created by BHA after the Jakarta Marriott and Ritz Carlton bombing on 17 July 2009 because the need for an established crisis communication network was apparent. The timing proved to be opportune for the industry to collaborate with police and other stakeholders and to engage in a collaborative communications venture.

Formerly, IPRC linked BHA members and businesses throughout Bali with the Bali Police Department via UHF radio communications. Specifically, messages were transmitted through the police radio system. The system was meant to provide reliable communications during emergencies, as well as better accessibility to regular police assistance. The IPRC enabled its members to communicate with the tourism police and Bali Police Department headquarters 24 hours a day. Round calls (members calling in to provide situational updates) assisted the police in anticipating problems before they arose. This was done by the police in concert with IPRC tracking suspicious persons and exchanging information related to safety and security throughout mostly Southern Bali.

Since its inception, tourism-related businesses ranging from hotels and villas to car rental companies and bank branches have been allowed to join and participate in the system. Comprehensive technical and practical training is provided to members and covers security-related subjects such as radio etiquette, crime scene management and security guard training.

A challenge in the beginning for IPRC was successful police cooperation. As personnel turnover is quite high in Indonesia, cooperation often depends on who is in charge at the time. Further, since IPRC was a non-profit programme, it could be challenging to keep the police motivated to provide support for the initiative. Another limitation was that typically only a few police are keen to take on extra responsibilities; thus, consistency was sometimes difficult to achieve. Running the system through Bali police hardware also created maintenance and ownership issues.

To remedy these challenges, in early 2012 the system moved from a police frequency (IPRC) to a private repeater station network (BHSSR). However, the system still uses its old police radio frequency and the police continue to be an integral part of the system, ensuring members have direct access to police services when required. BHSSR now also links with the Provincial Disaster Management Agency Bali (PUSDALOPS), Bali's new disaster and incident management agency, which is responsible for coordinating integrated disaster and incident response. BHSSR has served as a system through which PUSDALOPS can connect with the private sector and the tourism industry. The transition was made in an effort to enhance ownership with the end users and to boost technical reliability.

The results of the transition have been encouraging. The geographic reach of the system increased significantly, while the system itself has become more resistant to power failures, politics and mismanagement. Given collaboration with PUSDALOPS, BHSSR members can now also communicate with army representatives, the Red Cross and with search and rescue, as well as with fellow members and the police. Thus, the integration of BHSSR provides unrivalled access to information relevant to security and safety, communications backup, current information and peace of mind to its members. This serves as a great example of the operationalization of stakeholder theory and relational exchange theory.

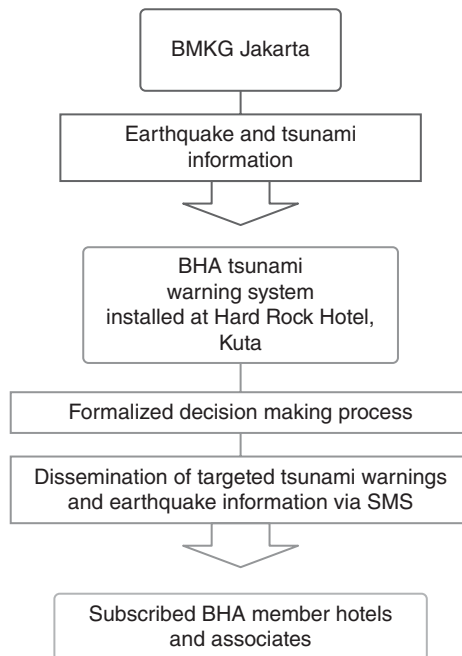
The equipment – a digital base station, antennas and repeaters – was donated and maintained by BHA. BHA also assists with the technical set-up and serves as a liaison between all stakeholders. Recently, the management and day-to-day operations of the system were transferred from BHA to the Bali Security Managers Association to enhance the sustainability of the system. Now BHSSR is a truly collaborative programme under the umbrella of BHA and its local associates: a win-win situation for all stakeholders and a definite improvement to Bali's safety and security.

### **Bali Hotels Association (BHA) Multi-Purpose Tsunami Early Warning and Emergency SMS System**

Indonesia has a very active geological system that puts the country at risk of earthquakes and tsunamis. The National Agency for Meteorology, Climatology and Geophysics (BMKG) in Jakarta is responsible for generating and disseminating adequate and timely early warnings of tsunamis on behalf of the government. Through this

system, tsunami warning sirens are deployed on some of Indonesia's beach locations, but not all hotels can be reached. Traditional media coverage through television and radio has been the major source for information about tsunamis. The reliability of these technologies is questionable, however, because most tsunamis are triggered by earthquakes which can cause widespread power outages. Additionally, evacuation orders are only issued by local government administrations. The situation is complicated further, because most tsunamis are generated close to the Indonesian shore, leaving little time between the initiating earthquake and the onset of the tsunami wave to disseminate warnings and allow for evacuation decisions and action. Therefore, the dissemination of information to the entire at-risk community has proved to be a major challenge.

Such factors led BHA to search for an additional model that could provide the tourism industry with early warnings, as well as location-specific evacuation information. Thus, the BHA Multi-Purpose Tsunami Early Warning and Emergency SMS System was created, with the goal of providing fast, reliable and targeted tsunami evacuation and emergency recommendations to Bali's hotels. Within the system, BMKG sends raw earthquake and tsunami information to a computerized receiver in the operator's room at the Hard Rock Hotel in Kuta (Fig. 6.4). This triggers an audio alarm and the location of the earthquake automatically appears on a computer screen. The alarm is also supported by a map and data about the strength, geographic location and depth of the earthquake, as well as the potential for a resulting tsunami. However, BMKG does not provide area-specific evacuation recommendations. Therefore, through the modification of information received from



**Fig. 6.4.** Bali Hotels Association (BHA) Multi-Purpose Tsunami Early Warning and Emergency SMS System. BMKG, National Agency for Meteorology, Climatology and Geophysics.

BMKG and the German–Indonesian Tsunami Early Warning System for the Indian Ocean (GITEWS), BHA generates Bali-specific tsunami warnings and is able to address the needs of member hotels and organizations. Through the BHA system, earthquake and tsunami information is then sent via SMS and is supplemented by an email. The messages include a decision about whether certain locations should be evacuated due to the imminent threat of a tsunami. The collaboration among various agencies both within country as well as abroad is what makes this collaboration effective.

The average processing time from the reception of the warning from BMKG (Fig. 6.4) to the dissemination of BHA tsunami warning messages is 5 minutes. To ensure that members receive the critical information, hotels are encouraged to set up an individual emergency phone which is monitored at all hours by someone with decision making authority. To date, BHA tsunami warnings reach 86 hotels, contributing to the safety of approximately 20,000 hotel guests and employees at any given time. The system can also be utilized for additional purposes such as in the event of a terrorist attack.

Several factors contribute to the success of the BHA Multi-Purpose Tsunami Early Warning and Emergency SMS System. Because the system is designed to be a complementary information source, collaboration between BHA, BMKG and GITEWS is fundamental to its success. Consistent professional training of the system operators and regular test runs also ensure that the decision making and warning-dissemination process is reliable and timely. BHA, the Ministry of Tourism, Tsunami Ready Hotels and Deutsche Gesellschaft für internationale Zusammenarbeit (Centre for International Migration and Development) (GIZ CIM) also collaborate on initiatives to ensure the tsunami readiness of BHA hotels. This is done through a Tsunami Ready Toolkit, as well as by Tsunami Ready Hotels' seminars and certification. BHA hotels view their association with the system as a competitive advantage. Further, member hotels use their tsunami readiness as a marketing tool, and this adds value, motivation and sustainability to the system.

## 6.6 Recommendations for Other Destinations

Collaboration is essential to effective tourism crisis communications. Several lessons can be learned from the above case studies and applied to other destinations:

1. IPRC was created and operating within a few weeks of the Jakarta bombings. While action was taken to establish the system in a short period of time, little time was spent on the details.
2. Establishing and writing down the details of the collaborative communications system are recommended for other destinations to avoid potential challenges.
3. A clear organizational structure is essential to the success of a collaborative communications network. IPRC faced numerous challenges because job descriptions were unclear and it was not certain who was in charge of what. Thus, transparency and accountability must be established from the very beginning and must also be enforced consistently.

4. Since both BHSSR and the BHA Multi-Purpose Tsunami Early Warning and Emergency SMS System rely heavily on collaboration, it is important that personal relationships be fostered and maintained. These relationships are at least as important as the technology and mutual agreements. Related, open communication is vital to the success of a collaborative communications network. Decisions, changes and challenges need to be communicated to all relevant stakeholders in order to foster relationships and maintain a united front. Providing accurate and timely information can help in the avoidance of misunderstandings.

5. It is recommended that other systems be as simple as possible. The best and most reliable systems are simple; they use unsophisticated technology and are managed by a small group of influential individuals. It is important to keep in mind that the main task of the collaborative communications system should be to enable its members to communicate in times of crisis; thus, the system should remain simple to ensure the sustainability and survival of the basic system.

Overall, the examples of BHSSR and the BHA Multi-Purpose Tsunami Early Warning and Emergency SMS System have shown that if the public and private sector work together in tourism crisis management, all stakeholders can benefit.

## References

- Aas, C., Ladkin, A. and Fletcher, J. (2005) Stakeholder collaboration and heritage management. *Annals of Tourism Research* 32(1), 28–48.
- Anthony, R.N., Dearden, J. and Bedford, N.M. (1989) *Management Control Systems*. Irwing, Homewood, Illinois.
- Axelsson, R. and Bihari Axelsson, S. (2006) Integration and collaboration in public health – A conceptual framework. *International Journal of Health Planning and Management* 21(1), 75–88.
- Baggio, R. (2011) Collaboration and cooperation in a tourism destination: a network science approach. *Current Issues in Tourism* 14(2), 183–189.
- Baggio, R. and Sainaghi, R. (2011) Complex and chaotic tourism systems: towards a quantitative approach. *International Journal of Contemporary Hospitality Management* 23(6), 840–861.
- Beritelli, P. (2011) Cooperation among prominent actors in a tourist destination. *Annals of Tourism Research* 38(2), 607–629.
- Berlin, J.M. and Carlstrom, E.D. (2008) The 90-second collaboration: a critical study of collaboration exercises at extensive accident sites. *Journal of Contingencies and Crisis Management* 16(4), 177–185.
- Bianchi, R. (2004) Tourism restructuring and the politics of sustainability: a critical view from the European periphery (The Canary Islands). *Journal of Sustainable Tourism* 12(6), 495–529.
- Bramwell, B. (2011) Governance, the state and sustainable tourism: a political economy approach. *Journal of Sustainable Tourism* 19(4–5), 459–477.
- Bramwell, B. and Lane, B. (2000) *Tourism Collaboration and Partnerships: Politics, Practice and Sustainability*. Channel View Publications, Clevedon, UK.
- Caffyn, A. (2000) Is there a tourism partnership life cycle? In: Bramwell, B. and Lane, B. (eds) *Tourism Collaboration and Partnerships: Politics, Practice and Sustainability*. Channel View Publications, Clevedon, UK, pp. 200–229.
- Donaldson, B. and O'Toole, T. (2002) *Strategic Marketing Relationships: From Strategy to Implementation*. John Wiley and Sons, Chichester, UK.
- Drucker, P.F. (2007) *Management Challenges for the 21st Century*. Butterworth-Heinemann, Oxford, UK.
- Dwyer, F.R., Shurr, P.H. and Oh, S. (1987) Developing buyer–seller relationships. *Journal of Marketing* 51(2), 11–27.

- Edgar, D.A. and Nisbet, L. (1996) A matter of chaos: some issues for hospitality business. *International Journal of Contemporary Hospitality Management* 8(2), 6–9.
- Faulkner, B. and Russell, R. (1997) Chaos and complexity in tourism: in search of a new perspective. *Pacific Tourism Review* 1(2), 93–102.
- Faulkner, B. and Vikulov, S. (2001) Katherine washed out one day, back on track the next: a post-mortem of a tourism disaster. *Tourism Management* 22(4), 331–344.
- Faulkner, D.O. and de Rond, M. (2000) *Cooperative Strategy: Economic, Business and Organizational Issues*. Oxford University Press, New York.
- Feudtner, C. (2007) Collaborative communication in pediatric palliative care: a foundation for problem-solving and decision-making. *Pediatric Clinics of North America* 54(5), 583–607.
- Freeman, R.E. (1984) *Strategic Management: A Stakeholder Approach*. Pitman Publishing, Boston, Massachusetts.
- Fyall, A. and Garrod, B. (2005) *Tourism Marketing: A Collaborative Approach*. Channel View Publications, Clevedon, UK.
- Fyall, A., Oakley, B. and Weiss, A. (2000) Theoretical perspectives applied to inter-organizational collaboration on Britain's inland waterways. *International Journal of Hospitality and Tourism Administration* 1(1), 89–112.
- Fyall, A., Garrod, B. and Wang, Y. (2012) Destination collaboration: a critical review of theoretical approaches to a multi-dimensional phenomenon. *Journal of Destination Marketing & Management* 1, 10–26.
- Garrod, B., Fyall, A., Leask, A. and Reid, E. (2012) Engaging residents as stakeholders of the visitor attraction. *Tourism Management* 33, 1159–1173.
- Gray, B. and Wood, D.J. (1991) Collaborative alliances: moving from theory to practice. *Journal of Applied Behavioural Science* 27(1), 3–22.
- Gulati, R. (1998) Alliances and networks. *Strategic Management Journal* 19(4), 293–317.
- Güth, W., Schmittberger, R. and Schwarze, B. (1982) An experimental analysis of ultimatum bargaining. *Journal of Economic Behavior and Organization* 3(4), 367–388.
- Hall, C. (2000) *Tourism Planning: Policies, Processes and Relationships*. Prentice Hall, Harlow, UK.
- Hamel, G. and Prahalad, C.K. (1994) *Competing for the Future*. Harvard Business School Press, Boston, Massachusetts.
- Healey, P. (1996) Consensus-building across difficult divisions: new approaches to collaborative strategy making. *Planning Practice and Research* 11(2), 207–216.
- Jamal, T.B. and Getz, D. (1995) Collaboration theory and community tourism planning. *Annals of Tourism Research* 22(1), 186–204.
- Jap, S.D. and Anderson, E. (2007) Testing a life-cycle theory of cooperative inter-organizational relationships movement across stages and performance. *Management Science* 53(2), 260–275.
- Jones, T.M. and Wicks, A.C. (1999) Convergent stakeholder theory. *Academy of Management Review* 24(2), 206–221.
- Kanter, R.M. (1994) Collaborative advantages: the art of alliances. *Harvard Business Review* 72(4), 96–109.
- Kapucu, N. (2008) Culture of preparedness: household disaster preparedness. *Disaster Prevention and Management* 17(4), 526–535.
- Kelly, P. (2006) Political theory. The state of the art. *Politics* 26(1), 47–53.
- Laws, E. and Prideaux, B. (2005) Crisis management: a suggested typology. *Journal of Travel and Tourism Marketing* 19(2–3), 1–8.
- Levine, S. and White, P.E. (1961) Exchange as a conceptual framework for the study of interorganizational relationships. *Administrative Science Quarterly* 5(4), 583–601.
- McKean, E. (2005) *New Oxford American Dictionary*, 2nd edn. Oxford University Press, New York. <http://informahealthcare.com/doi/full/10.1080/07434610701571058>, accessed 31 January 2013.
- McKercher, B. (1999) A chaos approach to tourism. *Tourism Management* 20(4), 425–434.
- Mileti, D.S. (1999) *Disasters by Design: A Reassessment of Natural Hazards in the United States*. National Academies Press, Washington, DC.
- Parry, B. and Drost, R. (1995) Is chaos good for your profits? *International Journal of Contemporary Hospitality Management* 7(1), i–iii.

- Pearson, C.M. and Mitroff, I.I. (1993). From crisis prone to crisis prepared: a framework for crisis management. *The Academy of Management Executive* 7(1), 48–59.
- Pennington-Gray, L. (2014) Developing a destination disaster impact framework. *Tourism Analysis* 19(1), 111–116.
- Pennington-Gray, L., London, B., Cahyanto, I. and Klages, W. (2011) Expanding the tourism crisis management planning framework to include social media: lessons from the Deepwater Horizon Oil Spill 2010. *International Journal of Tourism Anthropology* 1(3–4), 239–253.
- Reed, M.G. (1997) Power relations and community-based tourism planning. *Annals of Tourism Research* 24(3), 566–591.
- Ring, P.S. and van de Ven, A.H. (1994) Developmental processes of cooperative interorganizational relationships. *The Academy of Management Review* 19(1), 90–118.
- Ritchie, B.W. (2004) Chaos, crises and disasters: a strategic approach to crisis management in the tourism industry. *Tourism Management* 25(6), 669–683.
- Roberts, L. and Simpson, F. (1999) Developing partnership approaches to tourism in central and eastern Europe. *Journal of Sustainable Tourism* 7(3–4), 314–330. doi: 10.1080/09669589908667342.
- Robinson, S.E., Berrett, B. and Stone, K. (2006) The development of collaboration of response to hurricane Katrina in the Dallas area. *Public Works Management & Policy* 10(4), 315–327.
- Rumelt, R.P., Schendel, D.E. and Teece, D.J. (1994) *Fundamental Issues in Strategy. A Research Agenda*. Harvard Business School Press, Boston, Massachusetts.
- Russell, R. and Faulkner, B. (2004) Entrepreneurship, chaos and the tourism area life cycle. *Annals of Tourism Research* 31(3), 556–579.
- Seeger, M.W. (2002) Chaos and crisis: propositions for a general theory of crisis communication. *Public Relations Review* 28(4), 329–337.
- Stacey, R.D. (2000) *Strategic Management and Organizational Dynamics: The Challenge of Complexity*. Prentice Hall, London.
- Tierney, K.J., Lindell, M.K. and Perry, R.W. (2001) *Facing the Unexpected: Disaster Preparedness and Response in the United States*. Joseph Henry Press, Washington, DC.
- Wang, Y. and Fesenmaier, D.R. (2007) Collaborative destination marketing: a case study of Elkhart County, Indiana. *Tourism Management* 28(3), 863–875.
- Wood, D.J. and Gray, B. (1991) Toward a comprehensive theory of collaboration. *Journal of Applied Behavioral Science* 27(2), 139–162.
- Yuksel, F., Bramwell, B. and Yuksel, A. (1999) Stakeholder interviews and tourism planning at Pamukkale, Turkey. *Tourism Management* 20(3), 351–360.
- Zahra, A. and Ryan, C. (2007) From chaos to cohesion: complexity in tourism structures - An analysis of New Zealand's regional tourism organizations. *Tourism Management* 28(3), 854–862.

---

## **Part III Response and Recovery**

---





---

# 7

## Integrating Tourism into Disaster Recovery Management: The Case of the Great East Japan Earthquake and Tsunami 2011

BIRGIT MUSKAT,\* HITOMI NAKANISHI AND DEBORAH BLACKMAN

*University of Canberra, ACT, Australia*

---

### 7.1 Introduction

Integrating disaster management into the normal operations of municipal departments and the coordination of disaster response across sectors is regarded as an important way of building resilience (UNISDR, 2013b). Studies confirm that with the increased complexity, sensitivity and frequency of disasters more research needs to be undertaken to find holistic approaches for disaster management (Faulkner, 2001; Ritchie, 2004, Kaklauskas *et al.*, 2009; Amaratunga and Haigh, 2010). Scholars of disaster management claim different theoretical foundations and argue from multiple theoretical frameworks (Lettieri *et al.*, 2009). Based on the integrated review of literature across the disciplines, Haigh and Amaratunga (2010) argue that there are strong calls for interdisciplinary strategies, tools and approaches to ensure proper management and resourcing of pre-disaster, disaster and post-disaster effort. However 'While the general principles to inform rebuilding exist, the study and practice of disaster recovery has not yet matured enough to allow comprehensive, timely and effective responses to all disasters' (Blakely *et al.*, 2011, p. 10). To date there is no model that integrates the various research areas, nor the interdisciplinary approaches that might provide a systematic coordination (Moe and Pathranarakul, 2006; Sapountzaki *et al.*, 2011).

In order to address a part of this gap, two perspectives of disaster recovery management are explored in this chapter. The research domains of built environment and tourism have both presented evolving concepts of disaster management, utilized life cycle models and defined stages/phases of the sequences in which disasters occur. The Global Assessment Report on Disaster Risk Reduction published by the

---

\* E-mail: birgit.muskat@canberra.edu.au

United Nations Office for Disaster Risk Reduction (UNISDR) reports that urban development and tourism play key roles in the configuration of disaster risks (UNISDR, 2013a). Each area viewed disasters and crises as temporary but found recovery life cycles could last hours, days, months or even years (Roberts, 1994; Ritchie, 2009). The classification of the stages/phases of disaster based on life cycle or anatomy is useful for illustrating what strategies managers can consider or develop at the various stages of a disaster, as well as providing guidance on how to move into the next stage (Ritchie, 2004) for successful recovery.

In the built environment field, the common life cycle of disaster management distinguishes post-disaster management from those activities that occur immediately, during and after the crisis, where the emphasis is on rescuing people and stabilizing infrastructure (Vale and Campanella, 2005, p. 336; Blakely *et al.*, 2011, p. 11). The foundation for any disaster recovery plan and strategy includes creating the vision and using it and the intended goals for planned development, while establishing guidelines for the implementation and financing of the plan (Blakely *et al.*, 2011, p. 16).

However, from the resilience perspective that is now widely associated with disaster risk reduction and a conceptual framework of UN International Strategy for Disaster Reduction (UNISDR), 'preparedness' in pre-disaster time is critical in 'minimising vulnerabilities and disaster risks throughout a society, to avoid or to limit the adverse impacts of hazards' (UNISDR, 2005). The authorities in built environments play significant roles in enforcing building codes, building standards and land-use regulations, thereby mitigating the impact of the disaster (Waugh and Streib, 2006; Murphy, 2007; Alesch *et al.*, 2009). Therefore, in this chapter, we have extended the scope of the literature review so that the life cycle model of disaster management starts from the *pre-disaster phase* (described in Section 7.3), enabling a more coordinated approach.

In the tourism field, since Faulkner (2001) pointed out the limited development of the underpinning theoretical and conceptual frameworks, conceptual models have been developed for analysing crisis management in the tourism industry. According to Mistilis and Sheldon (2006), tourism destination disasters and crises have been examined from various perspectives including recovery strategies; models for analysing and developing tourism disaster management strategies; economic assessment of policy responses; effects on tourism forecasting; and broad processes for a strategic and holistic approach to crisis and disaster management in public and private sector organizations. Faulkner's 'tourism disaster management framework' (2001) and Ritchie's 'strategic and holistic framework' (2004) are the most cited theoretical concepts that can be applied by tourism planners and managers. However, disaster recovery management is interdisciplinary, carried out by various bodies (e.g. governments, private agencies, community and voluntary groups); it also takes place at different levels, according to the scale and boundary of the disaster. Tourism is one of the fields that takes a significant role in disaster recovery management, but it must be coordinated with other disciplines to achieve a collective and synergistic outcome. In this context, the examination of the role of tourism in the broader context of regional and cross-sectoral disaster recovery management is yet to be explored.

This chapter analyses the role of tourism in disaster recovery management and how it can be integrated into the life cycle of disaster recovery, focusing on the case

of the Great East Japan Earthquake and Tsunami 2011. Initially, general definitions of disaster and recovery management are outlined and then an updated life cycle model of disaster recovery is presented. This is then applied to the Great East Japan Earthquake and Tsunami 2011. Based on interviews with 20 individuals including hotel managers, tourism operators, community members, volunteers and government representatives in one of the most devastated areas – the Ishinomaki region – the role of tourism is analysed in four different phases: *pre-disaster*, *disaster* (emergency), *short-term* (temporary) *response*, and *recovery*. The findings are used to map tourism into the model of disaster recovery management in a more nuanced and meaningful way. The chapter concludes with the lessons and challenges drawn from the case of Japan which, we argue, can be applied to other disaster recovery scenarios.

## 7.2 Definition of Disaster and Recovery Management

UNISDR (2002) states that there are two main origins of hazards, namely natural (e.g. hydro-meteorological disasters, geophysical disasters, biological disasters) and technological (e.g. industrial accidents, transport accidents and miscellaneous accidents such as fire) disasters. After September 11th, 2001, concerns around a third element, terrorist attacks, have also grown. Faulkner (2001) summarized the key ingredients for disaster recovery management:

- a triggering event, which is so significant that it challenges the existing structure, routine operations or survival of the organization;
- high threat, short decision time and an element of surprise and urgency;
- a perception of an inability to cope among those directly affected; and
- a turning point when decisive change, which may have both positive and negative connotations, is imminent.

Although this helps to understand the key elements, confusion between disaster and crisis can still occur, especially where crisis may occur as a direct result of a disaster (Ritchie, 2009, p. 6). For clarity we adopt the definition by Ritchie:

There are a range of natural hazards that may occur as a result of natural or human processes. In both instances, a disaster (or a crisis) threatens the existence of a system whether it is a nation state, social community, government, organization, natural environment, eco-system or some other established system.

(Ritchie, 2009, p. 8)

It is commonly agreed that there is no way of neutralizing all the negative impacts resulting from disasters; however, efforts can be made to reduce them. In this regard, effective disaster management is a key element (Moe and Pathranarakul, 2006) but there is no clear, agreed definition of disaster management. Lettieri *et al.* argue that ‘disaster management has been defined as the body of policy and administrative decisions, the operational activities, the actors and technologies that pertain to the various stages of a disaster at all levels’ (2009, p. 117), while Moe and Pathranarakul (2006) state that disaster management is used interchangeably with the term ‘emergency management’. It involves the plans, structures and arrangements established to engage the normal

endeavours of governments and voluntary and private agencies in a comprehensive and coordinated way to respond to the whole spectrum of emergency needs.

### 7.3 Life Cycle Models of Disaster Recovery: The Built Environment Perspective

The development of life cycle models and their application to practice accelerated after the devastating Hurricane Katrina in 2005. Blakely (2012) established the concepts of rebuild, redevelop and renew to categorize the affected areas according to the severity of damage, required investment and resources, as well as the potential for redevelopment. Blakely *et al.* developed the life cycle of disaster management, which fits Blakely's concept as: first responses, recovery and rebuilding. The cycle ends when the residents or users of an afflicted area resume their normal lives. Each stage demands specific management skills, an understanding of the scope of the work required and the context in which it will occur. Nevertheless, there is widespread agreement within the literature that: (i) disaster management should be a continuous process and not a series of events that start and stop with each disaster occurrence (Carter, 1991; Amaratunga and Haigh, 2010); and (ii) that disaster prevention is a distinct step in the broad disaster management continuum (Jaques, 2007).

The common stages of continuous disaster management are: pre-disaster, disaster (emergency) and post-disaster. Pre-disaster includes mitigation and preparedness (McEntire *et al.*, 2002; Henderson, 2004). Post-disaster is the period of recovery until the return of the community to a normal condition. It includes: rehabilitation; longer-term reconstruction of human, financial and physical infrastructure; and the restoration of order and information flow, as well as the slow and tortuous rebuilding or relocation of communities at, or from, disaster sites (Henderson 2004; Asghar *et al.*, 2006). Each phase involves all levels of government and various non-governmental organizations, such as not-for-profit organizations and community groups.

Moe and Pathranarakul (2006) view disaster management as 'public project management' which includes initiation, planning, executing and completing. At all stages of the process there needs to be flexibility, evaluation and potential modification to strategy development and implementation, depending on the nature of the crisis/disaster (its magnitude, scale and time pressure) and stakeholder response to strategies (Ritchie, 2004). Focusing on the *post-disaster phase*, Kaklauskas *et al.* (2009) describe the stakeholders involved in post-disaster management, as well as the micro- and macro-environments, as having a particular impact and making an integral whole.

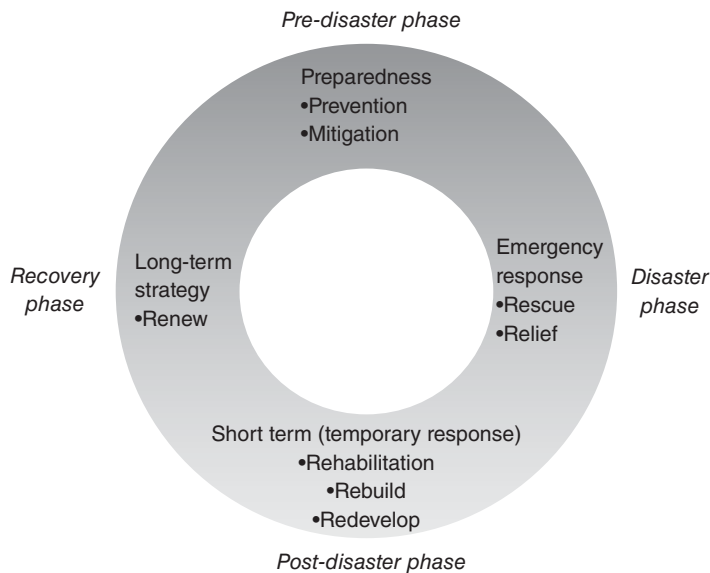
We propose a conceptual model of an 'integrated natural disaster risk management life cycle' comprising: the pre-disaster stage; emergency risk management during disaster; and risk management of response and rehabilitation/reconstruction in the post-disaster stage. Although the three components of the life cycle (mitigation, response and recovery) are recognized as the 'norm' from the literature, our model utilizes all four temporal phases: pre-disaster; disaster (emergency); short term (post-disaster temporary); and long term (recovery). Figure 7.1 illustrates a more systematic coordination of the phases and a clearer idea of the components of each

phase. The integrated natural disaster risk management process is designed to support an improved process for good decision making, ensuring the best use of limited resources (Zhang *et al.*, 2006).

## 7.4 Life Cycle Models of Disaster Recovery: The Tourism Perspective

With the intensified interest in tourism disaster management research (Anderson, 2006; Laws *et al.*, 2007; Ritchie, 2009; Wang, 2009; Becken and Hughey, 2013) the number of contributions examining the different stages of disasters has increased. Most studies in tourism explore forms of either active or reactive management before or after disaster and crisis (Anderson, 2006; Gurtner, 2007; Tsai and Chen, 2011). A smaller set of studies in tourism has started to develop models and frameworks to clarify the different phases of a disaster (see for example Faulkner, 2001; Ritchie, 2004; Hystad and Keller, 2008).

In terms of pre-disaster situations, research confirms that only a few tourist destinations have planned ahead and prepared for crisis (Anderson 2006; Gurtner, 2007; Hystad and Keller, 2008). Hence, theoretical answers to preparedness are in high demand. In response to this, Tsai and Chen (2011) developed a disaster risk assessment model that evaluated the potential risk for newly planned and constructed tourism assets, such as hotels and attractions, for regional areas in earthquake, tsunami and typhoon-prone Taiwan. Other studies of tourism economics highlight the limitations of current models of tourism demand as affected by crisis (Prideaux *et al.*, 2003).



**Fig. 7.1.** Life cycle model of disaster recovery management.

Tourism researchers relating to the *post-disaster phase* often seek to understand risk perceptions and strategies for risk reduction (Sönmez and Graefe 1998; Fuchs and Reichel, 2011). Studies have also investigated reflections and lessons learnt (Pennington-Gray et al., 2011), as well as tourist market responses (Beirman, 2003; Walters and Clulow, 2010). Other studies have found that tourism organizations take on a significant communications role, with Destination Marketing Organizations (DMOs) often taking on the lead role: ‘honesty, transparency, professionalism and good communications with the public and media can improve chances of a faster recovery’ (Gurtner, 2007, p. 85).

Whereas the above studies represent research for single phases of the disaster, others consider the holistic and strategic management of all phases of the disaster life cycle. Faulkner’s (2001) tourism-specific disaster management model is regarded as one of the pioneering works in developing a comprehensive life cycle approach and has been the foundation for further studies (Miller and Ritchie, 2003; Ritchie, 2004). The six stages comprise: the pre-event stage; the prodromal stage; the emergency stage; the intermediate stage; then rebuilding, reflection and analysis; and the final stage is the resolution. Miller and Ritchie (2003) applied Faulkner’s (2001) disaster framework to the 2001 foot and mouth outbreak in the UK leading to the development of an updated model (Ritchie, 2004). Ritchie’s model distinguishes six stages: pre-event, prodromal, emergency, intermediate, long-term recovery and resolution.

Both Faulkner’s and Ritchie’s models have been developed from a tourism destination angle. Tourism is viewed as central to the recovery system and the cycle is then framed around it, a perspective taken by other tourism scholars. Hystad and Keller (2008) developed a stakeholder role framework on a community level and analysed ‘lessons learnt’ 2.5 years after a major Canadian forest fire. They argue for top-down management with the DMO as the driver of initiatives and activities. Their findings present a four-phase life cycle framework (*disaster, post-disaster, resolution and pre-disaster phases*), explaining the role and the level of involvement of emergency organizations, tourism organizations and tourism businesses. Whereas emergency organizations take the leading role in the immediate disaster, tourism organizations play the most important role in the *post-disaster phase*. In Hystad and Keller’s (2008) case study, the local DMO held the primary role in post-disaster management and was responsible for establishing recovery marketing, coordinating communications with tourism businesses.

It becomes clear that there are both similarities and differences between the general disaster recovery literature and that of the tourism literature to date. While both have disaster life cycles, the predominant focus for the tourism destination is that of supporting and enabling the *recovery phase*; it is clearly linked to the long-term and renewal phase as seen in [Table 7.1](#).

However, reflecting upon the fact that the tourism cycles could address a wider range of phases, this chapter presents a new model integrating tourism into the existing disaster management models based upon an analysis of a case study of the Great Japan Earthquake. The emphasis is on the role that tourism plays in the different phases of disaster recovery.

**Table 7.1.** Tourism integrated into the life cycle of disaster recovery management.

<b>Phases of the disaster life cycle</b>	<b>Disaster phase</b>	<b>Post-disaster phase</b>	<b>Recovery phase</b>	<b>Pre-disaster phase</b>
<b>Goals and activities of disaster management</b>	Emergency response: rescue and relief	Short-term, temporary response: rehabilitation, rebuild and redevelop	Long-term strategy: renew	Preparedness: prevention and mitigation
<b>Tourism integrated into the disaster recovery life cycle</b>			DMO <sup>a</sup> support, recovery marketing, new forms of tourism	

<sup>a</sup>DMO, Destination Marketing Organization

## 7.5 Case Study: Great East Japan Earthquake and Tsunami 2011

The magnitude 9.0 earthquake (the largest in Japan's recorded history) and a number of devastating tsunami waves hit north-east Japan on 11 March 2011. The maximum height of the tsunami, observed in Onagawa, Miyagi prefecture, was 17.6 m. An area of more than 507 km<sup>2</sup> was inundated. The total reported toll for Japan (as of 8 August 2011) was 15,683 people killed and 4830 people missing; 27,000 people were rescued.

In this example, we focus on one of the most devastated areas: Ishinomaki and Kesennuma, north Miyagi prefecture. The main industries of the area were fishing and tertiary industry, but it also used to be a popular domestic tourism destination. In Ishinomaki, the maximum height of the tsunami was 8.6 m and these waves inundated about 30% of the coastal plains. Figures obtained in September 2011 (Ishinomaki City Council, 2011) showed that:

- 2960 people were killed and 706 people were still missing (about 2.2% of the population);
- 70% of Ishinomaki's houses (53,742) were affected, of which 40% (22,357) were completely destroyed; and
- 50,000 people were evacuated from their homes to 250 shelters.

In Kesennuma (Kesennuma City Council, 2013):

- 1040 people were killed and 243 people were missing (about 1.7% of population, as of December 2012); and
- 15,728 houses were destroyed or damaged (as of November 2012).

Both the fishing culture that supported the economy and the coastline and peninsulas that attracted tourists were completely destroyed.

At the national level, the Reconstruction Agency (established in February 2012) is the authority which integrates and coordinates all the relevant functions of the individual ministries for recovery and reconstruction from the disaster (Suzuki



and Kaneko, 2013). However, it was only established 11 months after the disaster, with local initiatives primarily responding during the *emergency phase*. Local-level recovery management was formed by local governments (including prefecture and city) under their own disaster recovery management plan and this is the principal plan for all operations.

A series of plans was developed for dyke development, land-use readjustment, group relocation and public housing development (Table 7.2). As restoration of the damaged area and regaining normal life are the urgent tasks, the focus on tourism is limited in the recovery plans of both cities.

## 7.6 Methodology, Data Collection and Analysis

### Methodology and data collection

This case study was exploratory in approach, to provide insight into an issue by considering the nature of the role of tourism in disaster recovery; consequently a qualitative design was adopted (Crotty, 1998; Creswell, 2003). The case study approach was chosen following Yin (2003) (see also Tellis, 1997) who argues that case studies are particularly appropriate where the observer has access to a novel, previously unexplained phenomenon. In this case, it was not the comparison of data with other disasters that developed the meaning, but comparison with current theory and the ability to develop novel ideas from the data itself (Eisenhardt, 1989; Stake, 1995; Yin, 2003) enabling deeper understanding. This fits with the research purpose, which was not to generalize from this single case but to develop theory that might contribute to an understanding in broader terms.

To collect the qualitative case data, semi-structured interviews were conducted in August 2012, approximately 1.5 years after the disaster occurred. Two of the authors conducted the interviews locally in order to understand the influence and the role tourism has in all stages of the recovery. Questions included ‘Can you describe the current situation in the region, related to tourism?’ ‘How does tourism (tourists) help during the disaster?’ ‘How could tourism contribute to the overall benefit of the region?’ The 20 participants were interviewed in the disaster areas in Miyagi prefecture, including Ishinomaki, Kesenuma, Minamisanriku and the prefecture capital of Sendai, with interviewees choosing their preferred meeting place. In order to gather a multifaceted empirical data set, interviewees with different roles and responsibilities were approached. Those individuals identified were either directly exposed to the

**Table 7.2.** Recovery plans in Ishinomaki and Kesenuma.

Plans	Ishinomaki	Kesenuma
<b>Recovery master plan</b>	Issued in December 2011: dyke development, group relocation	Issued in October 2011: dyke development, land-use readjustment plan, group relocation plan, and public housing development
<b>Recovery implementation plan</b>	Issued in February 2012	Issued in November 2011

**Table 7.3.** Interviewees in Ishinomaki, Kesennuma, Minamisanriku and Sendai Matrix.

Community members/disaster survivors	2
Local council representative	1
Hotel association representative	1 <sup>a</sup>
Restaurant and community café owner	1 <sup>b</sup>
Transport/tourism operator, owner manager	1
Hotel manager	4
Recovery volunteers	7
Media representatives (print and social media)	1
Researcher/ethnographer	1
Social entrepreneurs/investors	2

<sup>a</sup>dual role (also hotel manager); <sup>b</sup>dual role (also volunteer)

disaster, or migrated to the region from both inside and outside Japan. Their common denominator was that they were in leading roles, which had either emerged informally or had been formally assigned at various points of the disaster life cycle. [Table 7.3](#) provides an overview of the roles of the interviewees.

The aim of the interviews was to gain insight into the recovery process from the perspective of survivors of the disaster, as well as from helpers who had arrived to the region after the disaster had occurred. The perceptions and experiences of those involved were explored in order to develop and evaluate the impact that tourism had had on disaster recovery in Japan.

## Data analysis

The interviews were held in Japanese and English and were then translated, transcribed and coded. First, the data were analysed manually with the aim of finding overall patterns and themes (Wilson *et al.*, 2009). The second stage of the coding procedure utilized QSR International's NVivo 9 software<sup>1</sup> for document storage and coding of descriptive keywords and paragraphs, with the analysis under the control of the researcher. The coding process followed Miles and Huberman's (1994) suggestion to analyse first into interpretive codes and then to further categorize the empirical data into interpretative and pattern codes. The identified patterns were then integrated into the life cycle model that was developed previously ([Fig. 7.1](#)) in order to develop a more comprehensive model.

## 7.7 Findings

The findings were analysed against each of the stages of the integrated model while the timings were guided by both the data and materials of local councils (Ishinomaki City Council, 2011; Kesennuma City Council, 2011; see [Table 7.4](#)). The data were analysed against these time periods and considered: the sequence of events; who

**Table 7.4.** Life cycle phases and their extent.

Phase in the life cycle	Length of time
<i>Disaster phase and emergency phase</i>	7 weeks
<i>Short-term response phase</i>	8 weeks–3.5 years
<i>Recovery phase</i>	3.5 years–

emerged as leaders; what happened as expected in terms of the phase; and how tourism was involved at each stage.

### **Disaster phase and emergency response**

Shortly after the earthquake and the tsunami the Extreme Disaster Management Headquarters Team was deployed. Immediate emergency remedial action was taken rescuing victims, creating shelters and restoring damaged infrastructure. Government response and aid teams and businesses, as well as individual community members, all played significant roles in coordinating first aid and organizing rescue in the shelters. This phase of the disaster life cycle was especially characterized by chaos and extreme complexity, requiring spontaneous, instinctive and quick decisions.

The data revealed that one of the business types that contributed most effectively to this *emergency phase* was tourist accommodation providers. The business purpose, provision of shelter and food, and the specific organizational culture of the hospitality sector were seen as valuable enablers in responding to this large-scale disaster. The hotel managers stated that their hotels provided shelter for 600 residents, and that they considered it a ‘duty to provide shelter.’ Hotels are usually well-equipped and need to be able to prepare and store food; hence they were able to accommodate and feed large groups of people in the immediate aftermath.

According to all hotel managers interviewed the accommodation sector could take on such a significant role because hospitality staff had a particular skill set which was appropriate and effective when dealing with chaos. Hospitality employees are trained and experienced in improvising; they are caring and protective of their hotel guests; and above all are experienced enough to be stress-resistant. Hotel managers and staff are also usually well-connected with other businesses and the community. These contacts, combined with their initiative, enabled them to find and obtain necessary resources; for example the ‘hotel received water and generator from the fishery association’ (hotel manager). During this *emergency phase* it also became obvious that people with this particular skill set – mostly employed in the service sector – were emerging as leaders. In addition to hospitality employees, other emergent leaders were nurses and teachers, who undertook a pivotal role in the emergency disaster response management.

### **Post-disaster phase and short-term response**

After the phase of immediate emergency management, the disaster life cycle transits into the second phase: the short-term response. The transition from the *emergency phase*

to the short-term response is chiefly aligned with progress towards the respective objectives of emergency solutions, achieved by governmental emergency teams, aid workers and helpers. The data showed that for the Japanese disaster, this stage was characterized by the restoration of infrastructure components (e.g. water and electricity), people being moved to temporary housing and the rebuilding of public transport.

The short-term response phase was designed to introduce temporary stability. The restoration of elementary infrastructure such as transport and temporary housing was critical for enabling a response, which provided remedies for basic human needs such as food, safety, shelter and transport. This period of time can be characterized by process-orientation and compliance with guidelines and processes, in order to recreate structure. The control of activities had been restored with the community and helpers knowing what to do and which processes to follow, as plans and guidelines were in place.

In the beginning of this phase, tourism had impacted in particular through the continued provision of accommodation and food for disaster victims, as well as for builders, construction workers and other volunteers who had come from outside the affected area. Because of this, there was little accommodation for general tourists, which was not a problem since most of the tourism destinations had been destroyed and operations were suspended.

However, after a couple of months the construction workers began to leave and the first tourists arrived. The interviewees identified them as '*dark tourists*' and/or '*inspection tourists*' and considered them to be positive stimulants and empowering for the community. Critically, they were not seen as observers; rather, they were more aligned to volunteer tourists who were there to help (Stoddart and Rogerson, 2004). Their travel motivation was perceived as helping in the residents' healing process; their willingness to learn about the disaster, its impact on residents and the area, was regarded as a short-term psychological remedy. Consequently, tourists were positively received and were not perceived to be consuming additional resources. Interviewees stated that these tourists were welcomed during the short-response phase by the community members, as they ensured that the disaster survivors and the entire community were not forgotten. Interestingly, the economic contribution to the community by such tourists was not discussed.

### **Transition from short-term response towards long-term recovery phase**

The short-term response progresses into the next phase where the focus is on transition, change, energizing the community and overcoming depression. Indicators that the short-response phase had ended were that businesses were seen to be getting back their normal business purpose, hotels had reopened for regular guests and a couple of months later public food service in hotels was resumed.

The interviews were conducted approximately 1.5 years after the disaster occurred. The particular problem observed during this period of transition was that communities were rather reluctant to change; the lack of activity and energy experienced from within the community made recovery difficult, as the disaster victims and survivors

had just started to re-establish their lives and come to terms with completely changed living conditions. The data identified two major issues:

1. Psychological difficulties (i.e. trauma and depression) to overcome; residents had lost family members, friends and colleagues as well as their homes and livelihoods; business owners and government agencies had lost staff and managers, as well as offices.
2. The interviewees stated that there was reluctance shown towards further change. Community members had just adjusted themselves to the new situation which had been created in the short-term phase. Volunteers and, with them, other forms of external support had arrived. Money, allowances, food and accommodation had been organized by external helpers, and this had started to restore life and provide a form of stability. Hence, the problem of having to move forwards and transit into the next *recovery phase* resulted from having to abandon this temporary stability.

Interviewees cited a particular lack of energy, 'locals aren't (psychologically) ready yet' (hotel manager), and a 'shortage of staff' (hotel managers; volunteer, transport/tourism operator) as being further reasons why the recovery stage was slow. The shortage of labour resources had led to a slowdown in the rebuilding of infrastructure and reviving businesses. One reason for the shortage resulted from a migration out of the affected region. However, the interview data also indicated that there was no need for some community members to re-engage in paid work, as they had sufficient financial aid (e.g. extension of the period of unemployment compensation): 'I haven't had applicants as many residents (..) are receiving unemployment benefits from the government' (transport/tourism operator).

During this phase it is critical to commence a 'healing process' in order to overcome the depression of the disaster victims. The interviewees reported that the community had established 'story-telling tours' – guided tours showcasing devastated locations and the lives of disaster survivors. Such tours were offered to tourists and facilitated by moderators. The data analysis confirmed that tourism impacts this phase in particular through the continued arrival of 'dark tourists' who booked the tours. The recognition that came from visiting the places and listening to the stories of the residents in the affected areas impacted positively on the healing and recovery process of the community. Other stimulating aspects observed were tourist and residential events such as community meals, remembrance ceremonies and traditional cultural events; these contributed positively to the healing, at the same time as galvanizing a coming together within the community. 'Such events motivated people to gather and build a collective, a prerequisite to moving on with life together' (volunteer).

Within the disaster recovery life cycle it is necessary to support the movement from the transition period into the next phase of recovery. The results of this study reveal that a huge effort needs to be undertaken in order to move on. This phase includes the healing of the community, re-energizing and activating its members. In Japan, tourism had a major impact in this period of activation. First, the arrival of dark tourists and the offering of story-telling tours helped the community to heal, feel empowered and stimulated. Second, tourist and residential events brought people together. The data analysis indicated that participants believed it was the forming of groups that assisted the community to overcome depression. The collective

approach not only helped to heal the individual, it also energized community members to collaborate and transit into the next phase.

### **The *recovery phase*: long-term continuous development**

It became obvious that the consequences of the disaster would lead both to structural changes in the region's industry and to cultural changes. With the transition into the next life-cycle phase, the *recovery phase*, interviewees identified that there were some changes due to the closure and destruction of businesses. 'Small accommodation providers gave up and turned to fishing' (hotel manager), as often their infrastructure had been destroyed or employees had been harmed or moved away after the disaster. Moreover, damage and destruction had reduced and extinguished businesses. 'Before the disaster there were 45 accommodation providers, after only 10' (hotel manager). However, 'there were new business opportunities and an abundance of creative ideas emerging' (social entrepreneur). Social entrepreneurs started to invest in the region and highly qualified volunteers considered staying and starting new businesses in the region. Innovative ideas and ventures were created. 'New business ideas around tourism' (volunteer) were developed, such as bed and breakfast facilities and small self-sufficient farming projects. The city council indicated that it had had an increased interest in investing in the tertiary and manufacturing sector and, in particular, in tourism.

The expressed need for cultural changes of both the collective community and individuals was very evident as part of the disaster recovery process. Volunteers observed that previously businesses were disorganized in terms of their connectedness and collaboration with each other and the community. Due to the extent of the disaster, the tourism sector, transport and hospitality operators in particular started to collaborate. A hotel manager stated that collaboration within the community before the disaster was particularly weak. 'In my personal opinion, there was no connection between the fisheries industry and tourism industry and also between these areas and the City Council before the disaster.' The data showed that project leaders with an entrepreneurial spirit often emerged from within this group.

Interviewees often criticized the region as a 'too proud and closed traditional community' (social entrepreneur) which was very conservative and resistant to any change. Obstacles to change that had been persistent before the disaster had even greater impact now. Examples given by nearly all volunteers, the hotel association manager and community members included a lack of collaboration between the council and businesses; inconvenient transportation; and a lack of coordination and community leadership. A number of suggestions were made by the interviewees on how to tackle these issues and deal with the problems. Volunteers suggested changes to how the national government allocated funding: 'we should have a system where NPOs (Non-Profit Organizations) can provide long-term assistance in stricken areas for five to seven years, not just one year.'

There was agreement throughout all the interviewees that people engaged in the *recovery phase* were seen to require passion and cross-cultural skills; moreover, people from both inside and outside Japan were needed to renew the community, including 'a new community vision [...] to educate members and create global awareness' (social entrepreneur). Concrete suggestions, such as the need for the region to become more

internationalized, were identified. Links and exchanges to Australia, the USA and Chile were already in place and the existing strong ties with China had been intensified. A large number of volunteers from other Japanese cities were also found to have been helpful in the development of the region, in particular people with an open mindset and entrepreneurial spirit. The volunteers interviewed found it important to point out that they considered themselves to be in an enabling and empowering role in their relationship with the community.

### **The *pre-disaster phase* and preparedness: role of tourism in disaster recovery**

The *pre-disaster phase* has the purpose of learning and building knowledge from the previous phases of the disaster recovery cycle. The aim is to reflect upon 'lessons learnt' which are relevant for disaster preparedness. This study showed that tourism made a major contribution to all stages of the disaster recovery cycle and, therefore, needed to be integrated into all the phases. The implications for disaster planning and preparedness are that tourism needs to be better integrated into the disaster management process. Moreover, in order to be more effectively prepared and responsive to disasters, hospitality managers needed to be incorporated into the community emergency management. In the case of the Japanese disaster, the data have shown that hotels were conducting their own fire drills; however, they were not yet integrated into a broader emergency plan and needed to be combined in terms of disaster training for large scale disasters.

## **7.8 A New Integrated Disaster Life Cycle Management Model**

Integrating tourism in the *emergency phase* will imply collaboration with the hospitality providers who are able to provide food and shelter. Furthermore, the stress-resistance, resourcefulness and well-trained improvisation skills of the hospitality workforce could be assimilated with other emergency workers in order to jointly train and prepare for the management of an extremely chaotic and complex emergency situation in an efficient and effective manner. Tourism also impacts significantly in the *post-disaster phase*. This study demonstrated that the controlled arrival of dark tourists helped the community recover in the short term. Although previous studies suggest that dark tourists are perceived as 'sensation-seekers' (Rojek, 1997), in this study in Japan they were perceived as positive and stimulating for the region. The participants in this study regarded tourists as an important contribution for regaining confidence and redevelopment. Tourists were attributed with the positive characteristics and motivation that originally tended to characterize the volunteer tourist such as purposely travelling to help those who need it, rather than as a sensation-seeking dark tourist (Wearing and McGehee, 2013). This finding aligns with Causevic and Lynch's (2010) finding for post-war places, when they suggested that the dark tourist may even trigger forms of social renewal. The development of educational tourism products that stimulate the arrival of those short-term tourists can be suggested here. The case of the Great Japanese Disaster illustrates that the attention and empathy of those incoming

tourists a couple of months after the disaster served as a positive stimulant in enabling the transition to the *recovery phase*.

In the period of transition towards recovery, tourist activity and residential events activate the community and help in forming a collective. The lesson learnt for this phase is that tourist and residential events should be actively developed as they serve to form the collective. Urban and regional planners and city councils can make use of those energizing activities, which attract tourists and empower residents at the same time. The joint effort of the collective is needed in order to make an effort to recreate 'normality' in the *recovery phase*. In the phase of recovery, tourism managers often emerge as leaders who can enable community rebuilding.

Figure 7.2 depicts the updated model developed from the Japanese data, where tourism is integrated into the disaster life cycle model. The inner wheel remains the same but there are now two outer wheels. The middle wheel identifies the direct tasks and activities undertaken by tourism entities and individuals during each phase. The outer wheel indicates the role that tourism plays in enabling those involved in the disaster recovery, especially the community, to move on to the next stage.

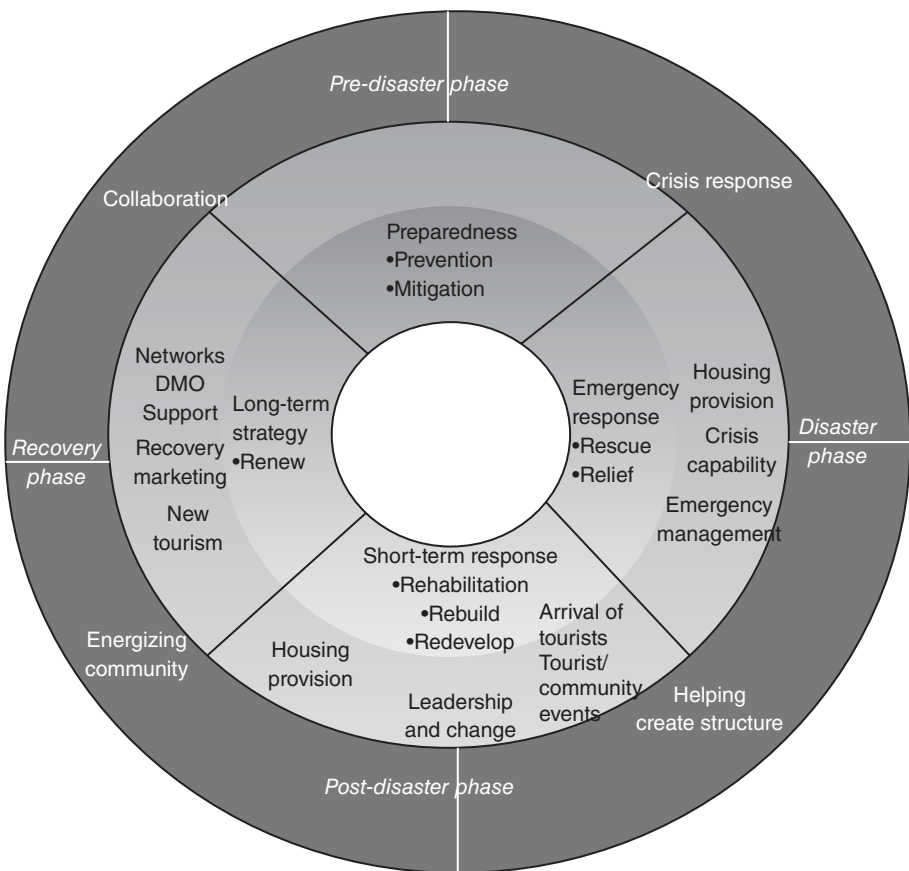


Fig. 7.2. Integrated model of tourism and disaster life cycle management.



## 7.9 Conclusions and Implications

The objective of this chapter is to integrate tourism into more general disaster life cycle models. This has been achieved through analysis of data from 20 interviewees collected in Japan 1.5 years after the Great East Japan Earthquake and Tsunami disaster took place. The results demonstrate the significant impact and contribution of tourism in all phases of the recovery.

In particular the findings show:

- The hospitality sector contributed to the effective management of the *emergency phase* in a major way as accommodation providers responded quickly to provide shelter and food, and their particular skill set enabled hospitality staff to respond effectively to manage the chaos and complexity occurring in the *emergency phase*.
- The arrival of dark tourists played a vital role in empowering and stimulating the community in the post-disaster, short-term response phase.
- Tourist and residential events activated the community and enabled the formation of groups and collectives.
- The formation of a group/collective and regaining energy is the prerequisite for transitioning to the next life cycle phase (the *recovery phase*).
- The results show that tourism needs to be much better integrated into the greater disaster management process.

The model that this chapter developed shows the particular enablers that tourism provides to more effectively manage a disaster. With the development of the *integrated model of tourism and disaster life cycle management* we make a significant theoretical contribution towards a more holistic approach to disaster management.

This chapter provides a new framework for future disaster response and recovery and has addressed a significant gap in both the tourism and built environment literatures. We suggest that future research should be undertaken to confirm and refine the model in a range of contexts. Our core findings should all be developed as part of this, with especial focus upon the impact of the particular skill set of hospitality staff; the definition and role of 'dark' volunteers'; and the critical role of the formation of groups and collectives in longer-term recovery.

## Acknowledgement

This research is supported by a University of Canberra External Collaboration Grant. The authors wish to thank the interview participants and partner organizations in the case study area; Guruguru Oendan; Ishinomaki City Council; and Sanriku Kahoku Shinpo, who all provided data and materials. The authors also thank Miori Kashima, Satomi Trevaskis and Kojiro Matsuo for assisting the research.

## Note

<sup>1</sup> [www.qsrinternational.com/products\\_previous-products\\_nvivo9.aspx](http://www.qsrinternational.com/products_previous-products_nvivo9.aspx)

## References

- Alesch, D.J., Arendt, L.A. and Holly, J.N. (2009) *Managing for Long-term Community Recovery in the Aftermath of Disaster*. Public Entity Risk Institute, Fairfax, Virginia.
- Amaratunga, D. and Haigh, R. (2010) Disasters and the built environment: towards a mature discipline. *International Journal of Disaster Resilience in the Built Environment*, 1(1).
- Anderson, B.A. (2006) Crisis management in the Australian tourism industry: preparedness, personnel and postscript. *Tourism Management* 27(6), 1290–1297.
- Asghar, S., Alahakoon, D. and Churilov, V. (2006) A comprehensive conceptual model for disaster management. *The Journal of Humanitarian Assistance* July, 1–15.
- Becken, S. and Hughey, K.F. (2013) Linking tourism into emergency management structures to enhance disaster risk reduction. *Tourism Management* 36(1), 77–85.
- Beirman, D. (2003) *Restoring Tourism Destinations in Crisis: A Strategic Marketing Approach*. CABI, Wallingford, UK.
- Blakely, E.J. (2012) *My Storm: Managing the Recovery of New Orleans in the Wake of Katrina*. University of Pennsylvania Press, Philadelphia, Pennsylvania.
- Blakely, E.J., Birch, E.L. and Anglin, R.V. (2011) *Introduction*. In: Blakely, E.D., Birch E.L., Anglin, R.V. and Hayashi, H. (eds) *Managing Urban Disaster Recovery Policy, Planning, Concepts and Cases*. Crisis Response Publications, Crowthorne, UK, pp. 6–15.
- Carter, W.N. (1991) *Disaster Management: A Disaster Manager's Handbook*. Asian Development Bank, Manila, Philippines.
- Causevic, S. and Lynch, P. (2010) Phoenix tourism: post-conflict tourism role. *Annals of Tourism Research* 38(3), 780–800.
- Creswell, J. (2003) *Research Design: Qualitative, Quantitative and Mixed Methods Approaches*, 2nd edn. Sage Publications Ltd, London.
- Crotty, M. (1998) *The Foundations of Social Research: Meaning and Perspective in the Research Process*. Sage Publications Ltd, London.
- Eisenhardt, K.M. (1989) Building theories from case study research. *Academy of Management Review* 14(4), 532–550.
- Faulkner, B. (2001) Towards a framework for tourism disaster management. *Tourism Management* 22(2), 135–147.
- Fuchs, G. and Reichel, A. (2011) An exploratory inquiry into destination risk perceptions and risk reduction strategies of first time vs. repeat visitors to a highly volatile destination. *Tourism Management* 32(2), 266–276.
- Gurtner, Y.K. (2007) Crisis in Bali: lessons in tourism recovery. In: Laws, E., Prideaux, B. and Chon, K. (eds) *Crisis Management in Tourism*. CABI, Wallingford, UK, pp. 81–97.
- Haigh, R. and Amaratunga, D. (2010) An integrative review of the built environment discipline's role in the development of society's resilience to disasters. *International Journal of Disaster Resilience in Built Environment* 1(1), 11–24.
- Henderson, L.J. (2004) Emergency and disaster: pervasive risk and public bureaucracy in developing nations. *Public Organization Review* 4(2), 103–119.
- Hystad, P.W. and Keller, P.C. (2008) Long-term lessons from a forest fire disaster. *Tourism Management* 29(1), 151–162.
- Ishinomaki City Council (2011) *Recovery Strategy*. Ishinomaki City Council, Ishinomaki, Japan [in Japanese].
- Jaques, T. (2007) Issue management and crisis management: an integrated, non-linear, relational construct. *Public Relations Review* 33(2), 147–157.
- Kaklauskas, A., Amaratunga, D. and Haigh, R. (2009) Knowledge model for post-disaster management. *International Journal of Strategic Property Management* 13(2), 117–128.
- Kesenuma City Council (2011) *Recovery Plan*. Kesenuma City Council, Kesenuma, Japan [in Japanese].

- Kesenuma City Council (2013) Reported toll and damage by the disaster. [www.city.kesenuma.lg.jp/www/contents/1300452011135/index.html](http://www.city.kesenuma.lg.jp/www/contents/1300452011135/index.html), accessed 7 March 2013 [in Japanese].
- Laws, E., Prideaux, B. and Chon, K. (eds) (2007) *Crisis Management in Tourism*. CABI, Wallingford, UK.
- Lettieri, E., Masella, C. and Radaelli, G. (2009) Disaster management: findings from a systematic review. *Disaster Prevention and Management* 18(2), 117–136.
- McEntire, D.A., Fuller, C., Johnson, C.W. and Weber, R. (2002) A comparison of disaster paradigms: the search for a holistic policy guide. *Public Administration Review* 62(3), 267–281.
- Miles, M.B. and Huberman, A.M. (1994) *Qualitative Data Analysis: An Expanded Sourcebook*. Sage Publications, Thousand Oaks, California.
- Miller, G.A. and Ritchie, B.W. (2003) A farming crisis or a tourism disaster? An analysis of the foot and mouth disease in the UK. *Current Issues in Tourism* 6(2), 150–171.
- Mistilis, N. and Sheldon, P. (2006) Knowledge management for tourism crises and disasters. *Tourism Review International* 10(1–2), 39–46.
- Moe, T.L. and Pathranarakul, P. (2006) An integrated approach to natural disaster management: public project management and its critical success factors. *Disaster Prevention and Management* 15(3), 396–413.
- Murphy, B. (2007) Locating social capital in resilient community-level emergency management. *Natural Hazards* 41(2), 297–315.
- Pennington-Gray, L., Thapa, B., Kaplanidou, K., Cahyanto, I. and McLaughlin, E. (2011) Crisis planning and preparedness in the United States tourism industry. *Cornell Hospitality Quarterly* 52(3), 312–320.
- Prideaux, B., Laws, E. and Faulkner, B. (2003) Events in Indonesia: exploring the limits to formal tourism trends forecasting methods in complex crisis situations. *Tourism Management* 24(4), 475–487.
- Ritchie, B.W. (2004) Chaos, crises and disasters: a strategic approach to crisis management in the tourism industry. *Tourism Management* 25(6), 669–683.
- Ritchie, B.W. (2009) *Crisis and Disaster Management for Tourism*. Channel View Publications, Bristol, UK.
- Roberts, V. (1994) Flood management: Bradford paper. *Disaster Prevention and Management* 3(2), 44–60.
- Rojek, C. (1997) Indexing, dragging and the social construction of tourist sights. In: Rojek, C. and Urry, J. (eds) *Touring Cultures: Transformations of Travel and Theory*. Routledge, London, pp. 52–74.
- Sapountzaki, K., Wanczura, S., Casertano, G., Greiving, S., Xanthopoulos, G. and Ferrara, F.F. (2011) Disconnected policies and actors and the missing role of spatial planning throughout the risk management cycle. *Natural Hazards* 59(3), 1445–1474.
- Sönmez, S.F. and Graefe, A.R. (1998) Influence of terrorism risk on foreign tourism decisions. *Annals of Tourism Research* 25(1), 112–144.
- Stake, R. (1995) *The Art of Case Research*. Sage Publishing, Newbury Park, California.
- Stoddart, H. and Rogerson, C.M. (2004) Volunteer tourism: the case of Habitat for Humanity South Africa. *GeoJournal* 60(3), 311–318.
- Suzuki, I. and Kaneko, Y. (2013) *Japan's Disaster Governance: How was the 3.11 Crisis Managed?* Springer, New York.
- Tellis, W. (1997) Application of a case study methodology. *The Qualitative Report* 3 (3) [www.nova.edu/ssss/QR/QR3-3/tellis2.html](http://www.nova.edu/ssss/QR/QR3-3/tellis2.html), accessed 4 April 2014.
- Tsai, C.H. and Chen, C.W. (2011) The establishment of a rapid natural disaster risk assessment model for the tourism industry. *Tourism Management* 32(1), 158–171.
- UNISDR (United Nations Office for Disaster Risk Reduction) (2002) Living with risk: a global review of disaster reduction initiatives. Preliminary version. UNISDR, Geneva, Switzerland.
- UNISDR (United Nations Office for Disaster Risk Reduction) (2005) *Hyogo Framework for Action 2005–2015*. UNISDR, Geneva, Switzerland.

- UNISDR (United Nations Office for Disaster Risk Reduction) (2013a) *From Shared Risk to Shared Value – The Business Case for Disaster Risk Reduction. Global Assessment Report on Disaster Risk Reduction*. UNISDR, Geneva, Switzerland.
- UNISDR (United Nations Office for Disaster Risk Reduction) (2013b) *Making Cities Resilient Report 2012 – My city is getting ready!* UNISDR, Geneva, Switzerland.
- Vale, L.J. and Campanella, T.J. (2005) *The Resilient City: How Modern Cities Recover From Disaster*. Oxford University Press, Oxford, UK.
- Walters, G. and Clulow, V. (2010) The tourism market's response to the 2009 Black Saturday bushfires: the case of Gippsland. *Journal of Travel and Tourism Marketing* 27(8), 844–857.
- Wang, Y.S. (2009) The impact of crisis events and macroeconomic activity on Taiwan's international inbound tourism demand. *Tourism Management* 30(1), 75–82.
- Waugh Jr, W.L. and Streib, G. (2006) Collaboration and leadership for effective emergency management. *Public Administration Review* 66 (s1), 131–140.
- Wearing, S. and McGehee, N.G. (2013) Volunteer tourism: a review. *Tourism Management* 38, 120–130.
- Wilson, A.M., Jones, R., Miller, K. and Pentecost, R. (2009) *Marketing Research: An Integrated Approach*. Pearson Australia, Melbourne, Australia.
- Yin, R.K. (2003) *Case Study Research: Design and Methods*, 3rd edn. Sage Publications Ltd, Thousand Oaks, California.
- Zhang, J., Okada, N. and Tatano, H. (2006) Integrated natural disaster risk management: comprehensive and integrated model and Chinese strategy choice. *Ziran Zaihai Xuebao/Journal of Natural Disasters* 15(1), 29–37.

---

# 8

## An Analysis of the Tourism Industry's Management Responses to Political Crises in Thailand

VORAWAN KANLAYANASUKHO\*

*Manchester Metropolitan University, Manchester, UK*

---

### 8.1 Introduction

Recent political crises such as the Bali bombings, prolonged Thai political protests, the Arab Spring or China–Japan island dispute warrant the need for the tourism industry to study their impact and to develop effective crisis management strategies. Since the September 11 terrorist attacks and the 2004 tsunami, awareness of and research into terrorism, crises and disasters has increased on the part of the tourism industry (Mansfeld and Pizam, 2006; Scott *et al.*, 2008; Ritchie, 2009). However, less attention has been paid to the specific impact of political crises upon the tourism industry and how tourism stakeholders responded to them. A significant number of crisis and disaster tourism studies have been conducted at affected destinations, yet only a few studies have been conducted in tourism-generating countries (Hall, 2012). Given the recent increase in international political conflicts, there is a need to understand the effects of political crises on the tourism industry, in order for tourism organizations to be better prepared in future.

This paper begins by setting out definitions of political crisis and the impact of such crises on the tourism industry. The next section looks at methodology. The third section presents the findings of this study, categorized into three main themes:

1. characteristics of political crises;
2. effects of political crises on tourism organizations; and
3. the implementation of a crisis management response by tourism stakeholders.

Finally, the conclusion is drawn up, together with a discussion and recommendation for future study.

---

\* E-mail: v.kanlayanasukho@mmu.ac.uk

## 8.2 Political Crisis Definitions

The term 'crisis' originates from the Greek word, *krisis*, which means differentiation or decision (Glaesser, 2003, p. 1). Historically, the term was first commonly employed in medicine, before being introduced into British politics as early as 1659 (Starn, 1976). Definitions of the term 'crisis' range from 'turning point for better or worse' (Fink, 1986, p. 15) to 'a disruption that physically affects a system as a whole and threatens its basic assumptions, its subjective sense of self, and its existential core' (Pauchant and Mitroff, 1992, p. 15). For Coombs (1999, p. 2), a crisis is 'an event that is an unpredictable, major threat that can have a negative effect on the organization, industry, or stakeholders if handled improperly'.

There is a lack of clarity in the academic literature when it seeks to define the term 'political crisis'. Zimmermann (1983, p. 189) was among a few who suggested that 'political crises are a wider sense than government crises; they call for and possibly lead to substantial changes in policies or the political order, not merely a replacement of personnel'. He added that some forms of political crisis were the consequences of economic or societal crises, as seen in the 1970 riots in Poland where an economic crisis immediately led to a political one. Little consideration has been made to define the term 'political crisis' in the context of the tourism industry.

Accepting that politics is concerned with the exercise of power and influence in a society, and specifically with decisions over public policy (Hall, 1994), the value of understanding the interplay of tourism and politics, and consequently the related impacts of political instability, is emphasized in this study.

The complexity of the term is such that it can be used to refer to an internal political issue which may have only small degrees of resonance for the tourism industry, such as the formation of a coalition government in the UK in 2010. Equally, the tourism industry can suffer more directly from an internal conflict between opposing parties, such as the events in Thailand in 2010. Given the important roles and perspectives of national and international stakeholders, it is essential to determine whether, and how, political crises affect the tourism industry.

### Political crises and tourism

The first and central requirement of tourists is not scenic or cultural attraction, but political stability (Richter and Waugh, 1986). A number of scholars have studied the effects of political instability on the tourism industry (Hall and O'Sullivan, 1996; Sonmez, 1998; Mansfeld and Pizam, 2006); among these, Sonmez (1998) comprehensively demonstrated the effects of diverse political events and terrorism on tourism.

Other such studies include research by Schwartz (1991) on the case of Tibet during martial law, where tourists who witnessed violent demonstrations, in which the police killed civilians, were urged by local citizens to carry their message to the outside world. In China, the tourism industry suffered from the worldwide coverage of the 1989 Tiananmen Square conflict and subsequent massacre (Gartner and Shen, 1992).

A considerable number of researchers have examined the effects of war, and confirmed its wider impact on tourism. Teye (1986) demonstrated the effects of

Rhodesia's Unilateral Declaration of Independence (UDI) on Zambia's tourism industry; Zimbabwe's war of liberation affected tourism in surrounding areas. Mansfeld (1999) suggested that tourists did not return immediately to the Middle East after the 1990–1991 Gulf War ended, because they had already booked their holidays elsewhere.

Moreover, terrorism has profound impacts on the tourism industry, as illustrated by time-series analyses of the effects of terrorism conducted by Enders *et al.* (1992) on the period between 1968 and 1988. Their study identified how the generalization effect deters tourists from one country when its neighbour experiences terrorism. Tourism was found to react to terrorism after a period of 6–9 months. Moreover, a growing number of commentators on religious terrorism, such as Hipple (2002) and Krueger and Maleckova (2003), suggested that terrorist acts are often rooted in deep social, political and sometimes religious motives and confirmed that the growth of religious terrorism worldwide appears to account for an increased severity of terrorist attacks. According to Santana (2003), the globalization process provides the right conditions and environment for terrorism to flourish and become ever more deadly.

Recent studies include the work of Cohen and Neal (2010) on the cumulative effects of Thailand's multiple economic and political crises on the Thai tourism industry. Moreover, Campiranon *et al.* (2011) analysed how the Thai government responded very differently to the impact on the country's tourism industry of the 2004 tsunami and the 2008 Bangkok airport closure crisis. They concluded that in the case of the 2004 tsunami, the response benefited the tourism industry; while in the case of the 2008 Bangkok airport closure crisis, the response was detrimental to the tourism industry.

Academic literature confirms that the tourism industry has suffered from various political crises, such as war, coups, terrorism, strikes, riots and political unrest, which all impact upon the image of a destination. They cause reorientation of tourist flows, and leave the affected destination suffering long after the crisis has abated, due to the negative image caused. These incidents may also occur in direct response to tourism development. It is clear that for crisis management to be effective in these cases, detailed planning is required to compensate for both shortfalls in foreign demand and long recovery times after a crisis is over.

It emerges from the literature that the proportion of research that is focused on political crises is comparatively small and, of that, very little is concerned with managing the effects of political crises in the tourism industry. The question remains as to whether all of these works shed sufficient light on the current understanding of how the tourism industry can be protected from political crises.

### **Political crises in Thailand**

Thailand is considered a suitable destination in which to study the impacts of political crises on tourism: the country has a vibrant tourism industry, and has suffered numerous crises since it became a tourism destination in the 1960s. These have included world economic recessions (1983, 1990–1993, 2008–2010); the Asian financial crisis (1997); two Gulf wars (1990, 2003); the outbreak of SARS (2002–2003);

the tsunami (2004); and frequent political crises. More specifically, since the removal of absolute power from Thailand's monarchy in 1932, the country has experienced ten successful coups and a greater number of abortive takeovers. Recent political crises have included a military coup in 2006, the Bangkok airport closure crisis in 2008 and large-scale political protests in 2009 and 2010. A growing body of research publications have studied their effects (Cohen, 1988; Campiranon and Arcodia, 2007; Pearce *et al.*, 2009; Rittichainuwat and Chakraborty, 2009). Recent research has predominantly focused on crises and crisis management within the tourism industry; less attention has been paid to the effects of political crises on tourism.

The UK has been a significant source of tourists to Thailand, with approximately 800,000 British tourists travelling to the country each year (Office of Tourism Development, 1998–2011). By better understanding the UK tourism industry's responses to political crises in Thailand, we can add a further dimension to the findings of this study.

### 8.3 Methodology

In the context of crisis management, studies have invariably employed quantitative research methods (such as forecasting, risk analysis, scenarios). However, in seeking to capture the views and opinions of key stakeholders and industry experts, the study reported here applies a qualitative approach, which enables interpretations and meanings of findings that are not directly measurable.

The sample is drawn from UK tourism stakeholders associated with Thailand as a tourism destination. This includes two travel agents, 13 tour operators, three travel consultants and two destination organizations. Purposive sampling (Saunders *et al.*, 2009) was regarded as appropriate for use in this study. As the sample of tourism stakeholders associated with Thailand as a destination is relatively small, heterogeneous samplings enabled the researcher to collect data to describe any patterns emerging that are likely to be of particular interest and value in representing the key themes (Patton, 1990).

Twenty in-depth semi-structured interviews were undertaken with high-level executives of UK tourism organizations who had had experience with the Thai tourism industry. Interview questions were developed by applying the concepts from crisis and disaster management frameworks (Fink, 1986, 2000; Faulkner, 2001). A qualitative thematic analysis of the data was performed (Boyatzis, 1998). The analysis was conducted manually in order to develop inductive codes for data derived from the interviews regarding managers' attitudes and opinions of the effects of political crises on their organizations, and their responses to those affected.

### 8.4 Findings

The following discussion presents the findings from the interviews. Three themes have emerged:

1. characteristics of political crises;
2. effects of political crises on tourism organizations; and
3. crisis management response.



## Characteristics of political crises

The interviewees were asked their opinions of the term 'political crisis'. The responses suggested variable levels of understanding. Different interviewees employed differing forms of identification, and [Table 8.1](#) sets out how they identified political crises. Characteristics included the root of conflicts, management control, disruption and cultural differences.

Ten of the 20 interviewees commented that the root of conflicts is considered as a main characteristic. When a crisis originates from a politically unstable government or an internal conflict between two opposing parties, the situation is regarded as a political crisis. Another way in which a political crisis is viewed concerns how it is controlled. Most interviewees clearly suggested that a political crisis is, by definition, an uncontrollable event. In such a scenario, when an incident occurs, no tourism stakeholders can control it, leaving it to spiral rapidly into a crisis. An example was the Bangkok airport closure crisis in 2008 (Interviewee TC2, [Table 8.1](#)). Another characteristic identified is that it causes disruption to normal life, the tourism industry or the economy as a whole (Interviewee TO6, [Table 8.1](#)).

Moreover, a political crisis may or may not affect the tourism industry, depending on factors relating to cultural differences. Three interviewees considered that their understanding of cultural differences affected their perception of the impact of political crises. One incident may be viewed as a political crisis in some areas but not in others. Interviewee TO7 (shown in [Table 8.1](#)) provided a comparison between political crises in the UK and in Thailand, positing that Thai people are more directly affected by politics, especially when there is an internal conflict between two opposing parties or if the government is guilty of serious mismanagement. These scenarios can turn into full-blown political crises; whereas, because British people are less directly affected by politics and internal political conflict, any crises are far less likely to impact upon the tourism industry.

**Table 8.1.** Characteristics of political crisis.

Identification	Understanding of political crisis	Examples of interviewees' comments
Root of conflicts	Originated from politically unstable government	'[A] political crisis is some unrest like a protest or some incident where... the government may not be stable' (TO2)
Management control	Uncontrollable incident or event	'[A] political crisis is like what happened in Thailand and the airport got shut... things got out of control' (TC2)
Disruption	Disruptive, from individual to the economy	'When it happens, it affects people's normal life, disrupts the economy' (TO6)
Cultural differences	A destination's cultural background affects the perception of political crisis	'Tourists will never be affected by political crises in the UK. Politicians have very few interactions with people in this country, whereas in Thailand, a political crisis is more important because it affects everyone. Political crises in Thailand can have a much bigger impact' (TO7)

TO = Tour Operator

TC = Travel Consultant

Moreover when an environmental crisis occurs, such as floods in Thailand in 2011, incompetence on the part of the country's government can also lead to such an event being regarded as a political crisis. Interviewee TO8 suggested that: 'I think the Thailand floods in 2011 were a political problem ... Flood prevention is a political issue, and things are certainly not perfect in terms of political protest'.

From the primary data, this study collates interviewee responses in order to arrive at a definition for the term 'political crisis' as follows: *Any incident or event originating from the management shortcomings of a destination's government where any such incident or event negatively impacts upon organizations and people's daily lives, thereby also potentially affecting the tourism industry; however, the effects of such situations can vary considerably, as a result of cultural differences.*

This definition of the term 'political crisis' is adopted by this study in order to enhance the ability of the tourism industry to deal with such situations.

### Effects of political crises

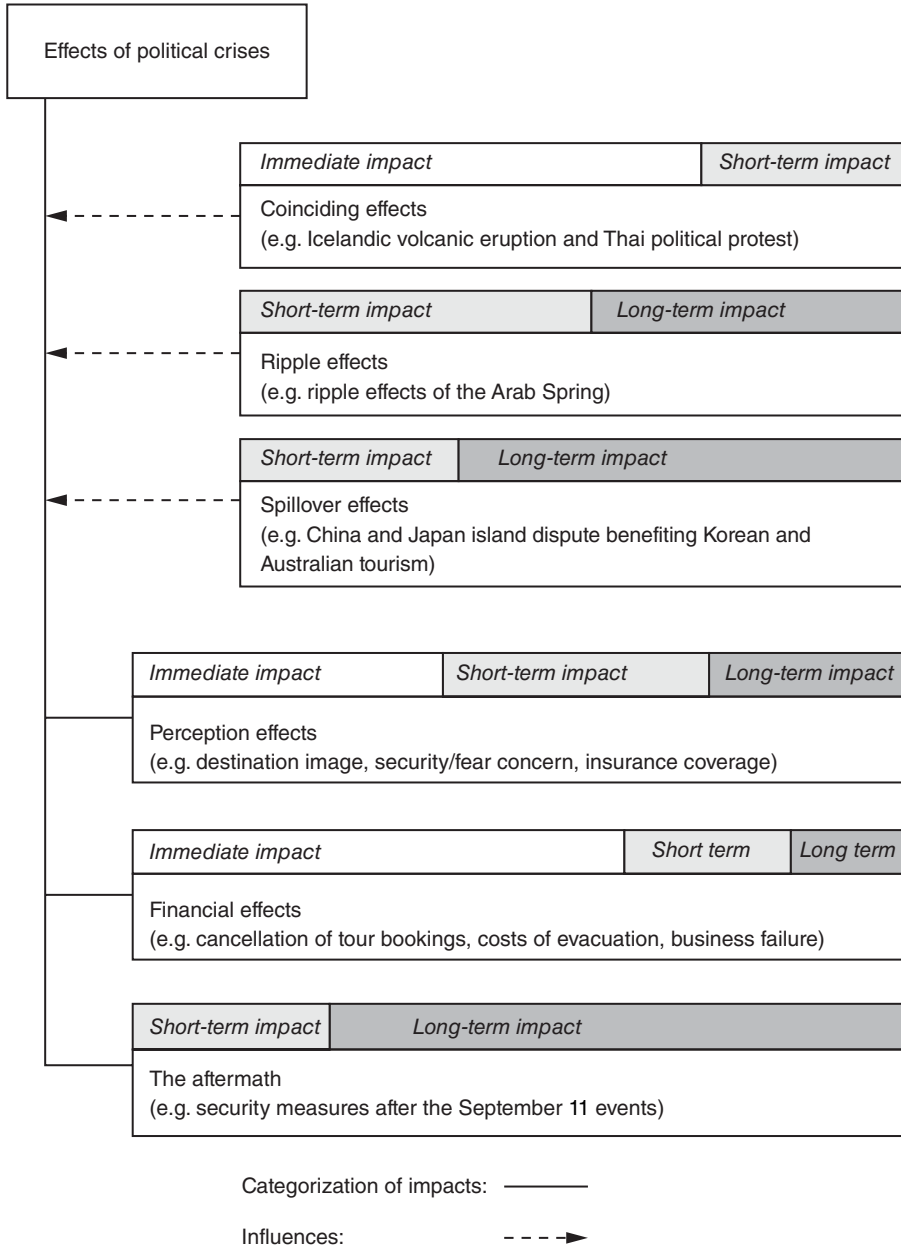
This section addresses the effects of political crises confronted by the 20 tourism stakeholders interviewed by this study.

Each political incident has distinguishable impacts and repercussions, dependent on several factors. The 20 interviewees were asked what the effects of political crises on their organization were. The responses indicated that those effects can be categorized into two perspectives. First are the effects of political crises on their tourism organizations; those include perception effects, financial effects and the aftermath. Second, they are influenced or magnified by other effects, which are coinciding effects, ripple effects and spillover effects as shown in [Figure 8.1](#). The six effects are depicted under immediate, short-term or long-term impacts.

Most interviewees agreed that each political crisis carries a different impact. However, from the data analysis, 12 interviewees agreed that the characteristics of the immediate effects may be largely the same, such as cancellations of new and advance bookings, loss of tour demand and loss of tourist confidence, but that the extent of these effects differs according to each particular crisis.

Stakeholders' perception in times of political crises is immediately affected by the unsafe image of the affected destination. The media plays a role by broadcasting visuals and reports about political crises which can reduce any sense that the destination is safe or secure, resulting in loss of stakeholder confidence with growing security or fear concerns. Eight interviewees agreed that perception effects have a profound impact on their organizations. When political crises happen, their customers lose confidence in the safety of the destination. Interviewee TO3, commenting on the case of Thailand in 2010, stated 'Customers lost all confidence in the country at one point, due to large media coverage of images of violence and clear loss of control by the government, and there was nothing the industry could do in the face of this'.

This issue directly impacts upon tourist confidence. Tourists are not confident that the affected destination will be safe to travel to, even after the crisis period has passed. A few interviewees also noted that such problems of perception can linger over the longer term, with interviewee TO7 emphasizing that, in the case of certain destinations such as Thailand or Indonesia, tourists are far less confident in booking



**Fig. 8.1.** Effects of political crises.

in advance. Instead, they prefer to wait and see if any similar incidents recur before confirming their bookings.

Four interviewees agreed that lack of demand for affected destinations greatly impacted upon their organizations. This factor is directly related to the period and degree of the political crisis in question; for example, the Libyan revolution and

the Sri Lankan civil war affected the entire image of these countries. The tour operator interviewees therefore stopped selling holidays to these destinations even when receiving requests.

The duration of the perception effects is of particular importance. If the perception effect is more long-term, even if it does not involve much violence, demand is driven down and tourism organizations are forced to absorb the costs of this on a daily basis.

Regarding financial effects, most interviewees agreed that when the political crisis involves violence and is disruptive to the destination's infrastructure, tour operators need to evacuate their customers from the affected areas. As a consequence, additional costs are incurred when flights are cancelled, leaving tour operators to fly customers with different airlines. For example, in the case of the 2008 Bangkok airport closure crisis, many tour operators had to fly their customers scheduled to depart from Bangkok airport either from other airports in Thailand or even in Malaysia, thereby incurring yet further costs. Two tourism consultants interviewed suggested that political crisis can even result in outright business failure, especially in cases of those tour operators that specialize or focus on a particular destination.

Having discussed the perception and financial effects of political crises, another important factor requires consideration: what happens in the aftermath, when there may be repercussions from the effects of a political crisis after the incident itself is over. There could, for example, be an amendment of government policies, resulting in security measures that hamper tourists. Most interviewees considered that the aftermath of a political crisis has an impact on the tourism industry. For example, the aftermath of the 1997 massacre in Luxor: 'Security measures taken by the Egyptian government made it far more difficult for tourists to travel around, and had an inevitable psychological impact on the quality of their holidays' (Interviewee TC2).

From the data analysis, the interviewees identified three effects that should be taken into consideration: ripple effects, coinciding effects and spillover effects.

The ripple effect occurs when news of one political crisis spreads, typically in the same region; other regions become indirectly affected by that political crisis even if they are not directly affected by each other. The ripple effect reduces tourism organizations' confidence in doing business, or in organizing tours for customers in certain regions. It magnifies the perception effects of the affected destination to the surrounding region, and as a consequence a financial effect follows. In the case of the Arab Spring, tourism organizations avoided sending tourists to Middle Eastern countries; the ripple effect impacted Tunisia, Egypt, Jordan and Libya.

The term 'coinciding effects' refers to two or more incidents occurring within the same time frame resulting in greater impact than a single incident. Four interviewees commented they had been affected tremendously by the coinciding effects of the Icelandic volcanic eruption in April 2010 and the Thai political protests in May 2010. The interviewee TO7 also suggested that the compound impacts of the UK economic crisis and prolonged Thai political protests had profound effects on consumer behaviour. Booking behaviour had changed; in contrast to previous behaviour, tourists are no longer inclined to purchase a holiday 6–12 months ahead of travelling. Instead, such is their perception of economic and political uncertainty, they opt for a window of 3 months or less. Therefore, the coinciding effects can exaggerate

perception and financial effects, and have a profound effect on the tourism industry, directly in tourism-generating countries and indirectly in tourism-receiving countries.

Notably, three of the 20 interviewees commented that the spillover effects need to be considered, as tourism organizations can take the opportunity of spillover effects to actually increase sales of certain tourism products. The China and Japan island dispute in 2012 had a positive spillover effect on certain destinations such as Korea and Australia. This addresses the effects of political crises that have positive and negative spillover effects upon the interviewees' organizations. However, it is the role of tourism managers to examine the effects of political crisis situations thoroughly.

The findings demonstrate various effects of political crises upon tourism. The interviewees commented on phenomena such as the ripple, coinciding and spillover effects. The findings reveal that these effects can magnify other effects on tourism such as public perception, financial effects and the aftermath.

### **Crisis management response**

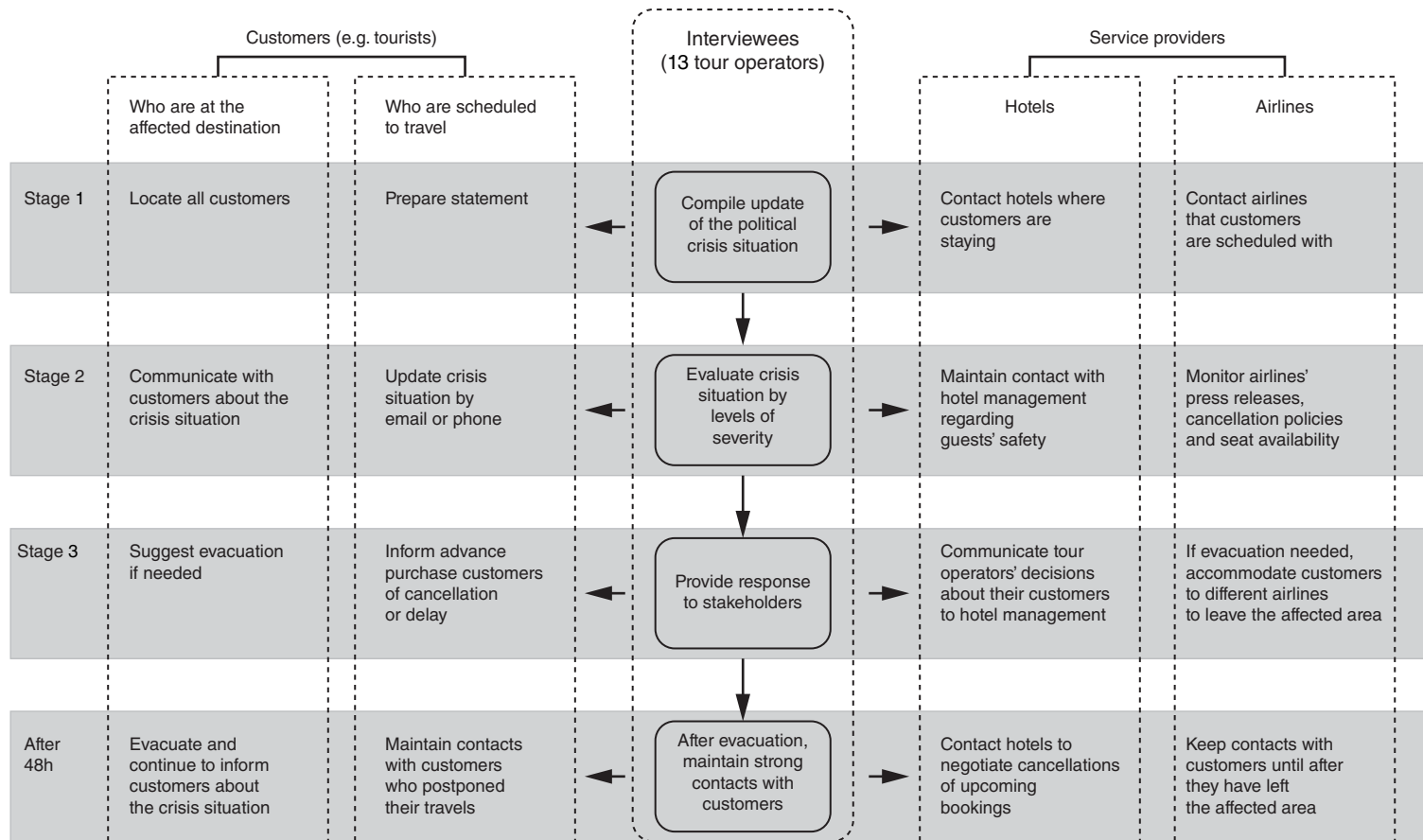
The interviewees agreed that when a political crisis occurs at a tourism destination then crisis management must be implemented in response. Twelve interviewees concurred that operational response strategies help alleviate the immediate effects of political crises on their organizations. Significant courses of action, summarized by 15 interviewees, have been implemented at different phases of a political crisis to ensure the safety of customers and minimize companies' financial exposure.

The interviewees were asked which strategies they had immediately implemented to deal with the effects of political crises. The responses were that operational response with regard to their customers' safety had been implemented immediately. Different sectors implemented different strategies in response to the effects of political crises. Notably, 13 tour operators and two travel agents detailed their immediate responses to such crises (summarized in [Fig. 8.2](#)). However, three tourism consultants and both destination organizations responded that they were only indirectly affected through their customers (who are tour operators or travel agents).

[Figure 8.2](#) demonstrates significant courses of action for operational response, as implemented by tour operator and travel agent interviewees in the UK.

With respect to the first stage, most interviewees agreed that once a political crisis occurs, they need to compile an update of the political crisis situation from different sources of information, such as ground operators, news channels, media, the UK's Foreign and Commonwealth Office (FCO) and travel blogs. At this stage, 12 interviewees commented on the need to locate all customers, which hotels they were staying in and which airlines they were scheduled to fly with. Three interviewees commented that they had prepared statements of crisis information to inform those customers scheduled to travel to the affected destination of the current position.

During the second stage, after the interviewees had received updated crisis information from different sources, four interviewees suggested that they then reconciled this information with travel warnings from the FCO website, in order to make a final decision on how best to help their customers. Most interviewees viewed FCO advice as an essential source of crisis communication, as it directly impacts upon insurance coverage for their customers. After the crisis situation was evaluated,



**Fig. 8.2.** Crisis operational response.

the interviewees then issued a letter to explain the crisis situation from their perspectives and communicated with their customers, both those currently at the affected destination and those scheduled to travel to it. At the same time, four interviewees stated that they would contact hotel suppliers with regards to guests' safety, and track airline press releases, to update their announcements and crisis plans. At this point, the interviewees also track changes in airlines' cancellation policies and seat availability, to plan ahead if evacuation or flight rescheduling are required.

During the third stage, eight interviewees agreed that after the crisis information has been assessed and the interviewees have fully evaluated the situation based on this, their actions beyond this point depend upon the severity of the crisis and any financial constraints. Five interviewees suggested that they would continue to provide responses both to customers at a crisis destination and those scheduled to travel to it. With regard to those in the former category, a few interviewees discussed the alternatives available with their customers. If evacuation is advised and customers decline this, a waiver of disclaimer letter needs to be signed by customers at this stage: 'Interestingly, many times, customers wished to continue their holiday rather than be evacuated, as they were aware that the situation did not affect them. Thus we would request them to sign a waiver of disclaimer letter' (Interviewee TO6). At this stage, six interviewees suggested that those customers scheduled to travel to the affected destination should negotiate cancellation charges with their service providers (such as airlines and hotels), in order to minimize their financial exposure.

The last stage is after 48 h. Most interviewees agreed that once 48 h had passed since the outbreak of the political crisis and implementation of the operational response, they would simply ensure that their customers were safe. Eight interviewees suggested that they maintained very strong levels of contact with all customers to provide crisis situation updates.

Most interviewees agreed that the operational response had been implemented within the first 48 h. Beyond this point, the interviewees evaluate operational response and their actions into different response options. The purpose of operational response is to allow tourism organizations to deal with the effects of political crises and also the opportunity to mitigate the impacts. The interviewees suggested that if a proper crisis management response has been implemented by this point, both short- and long-term effects can indeed be minimized.

Most interviewees agreed that after a political crisis they worked with other stakeholders in the tourism industry such as tourism boards, airline partners or other tour operators. Twelve interviewees considered that no major players could help reduce the impact of a crisis recovery period. Most interviewees agreed that all tourism stakeholders need to contribute through their particular roles, and interviewee TO6 stated, 'I think that is a collaborative effort between the government of the destination through the tourism board, and commercial partners who support tourism in the destination'.

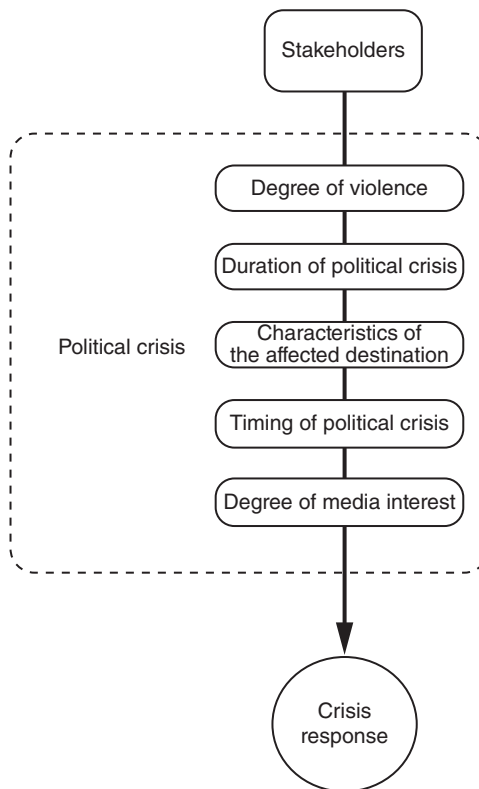
### **Factors affecting management responses**

This study has identified key factors that have influenced management responses on the part of tourism stakeholders to the effects of political crises. Eighteen

interviewees agreed that their responses would differ depending upon various factors. As shown in Fig. 8.3, such factors include degree of violence, duration of political crisis, characteristics of the affected destination, timing of political crisis and degree of media interest.

Sixteen interviewees used the degree of severity to determine the effects of a political crisis by violence or non-violence as they agreed that the degree of violence is the main factor that determines their response to political crises. For example, during the Arab Spring or Thailand demonstrations, the interviewees implemented crisis responses strategies by immediately evacuating their tourists from the affected destinations.

Six interviewees agreed that attention should also be paid to the duration of political crises, given that non-violent political crises could become violent over time and that the effects may appear later. An example has been given of the Thai political protest in 2010 where the incident initially started with non-violent protest. However, the protest had been ongoing for a few months and finally an incident in May 2010 triggered the worst political crises in Thailand in the past decade. This case illustrates that non-violent situations can become violent at times and there is a need for tourism organizations to be well aware of such situations and be prepared to deal with the effects of such political crises.



**Fig. 8.3.** Factors affecting management responses.



The characteristics of the affected destination, such as the historical roots of political crises or the infrastructure of an affected destination, must be considered. Interviewee TO1 noted the importance of Thailand's infrastructure as a main contributor in supporting the tourism industry after a crisis has ended.

Another important factor identified was that of timing. Six interviewees agreed, for example, that the effects of a crisis are greater if it occurs during the holiday season as compared with off-peak times. Finally, ten interviewees believed that higher degrees of media interest in a particular crisis resulted in higher possibilities of that crisis being reported. Sixteen interviewees also concurred that such reports tend to exaggerate the effects of these crises.

This study reveals five major factors affecting the interviewees' responses to the effects of political crises, regardless of the type of political crisis that has occurred.

## 8.5 Discussion

From the findings, the interviewees revealed various characteristics of political crises that they identified with different political crisis situations and considered to be fundamental elements in dealing with the effects of political crises on tourism. The findings presented in [Table 8.1](#) reveal four characteristics of political crises which need to be considered: the roots of conflicts, management control, disruption and cultural differences. These were the characteristics with which the interviewees evaluated political crises within the context of the tourism industry. As there is a lack of clarity in tourism literature when it seeks to define the term 'political crisis' as it applies to the tourism industry, the definition 'political instability' has been widely used instead, because political instability is one of the fundamental elements that can lead to a political crisis (Hall, 1994). This study suggests the importance of including the characteristics of political crises in the general study of crises in tourism in order to help understand political crises in different situations. Three issues have emerged from the findings that appear to support this choice:

1. The interviewees did not consider terrorism to constitute a political crisis.
2. The interviewees felt that environmental crises such as the floods in Thailand in 2011 ought to be considered as political crises because of the management control aspect.
3. This study has shown that the issue of cultural differences has a very important influence on how interviewees perceive the importance of political crises.

With respect to the first issue, the interviewees suggested that they did not consider terrorism to be a political crisis because terrorism tends to originate from factors that are external to the country, while political crises are classified as originating from conflicts within the population of the country. Nevertheless, given that the effects and crisis management response to terrorism are in many ways similar to those of political crises, this study retains terrorism within its scope.

Regarding the issue of environmental crises, Zimmerman (1983) argued that environmental or economic crises can precipitate political crises. While Zimmerman did not cite mismanagement by a destination's government as a factor in this process, the interviews suggested that the floods in Thailand were regarded as a political crisis because their effects were compounded by the mismanagement of the destination's

government. This confirms the value of understanding the characteristics of political crises, which are investigated by this study.

This study suggests that cultural differences are highly important, as the interviewees confirmed that a political incident may be perceived as a political crisis in one country but it may not be in another. This factor also confirms one of the reasons why tourism studies have lacked understanding of political crises in the past as, historically, not all destinations have been affected equally by political crises. The three issues discussed here reconfirm that the interviewees provided an in-depth understanding of political crises and their effects on their tourism organizations.

Focus has been placed upon crisis management response, as the response period should be implemented immediately. The findings support the view of Anderson *et al.* (2007) that there is a need for tour operators to provide excellent customer service, especially during troubled times. Another key area is the crisis recovery period, where the interviewees suggested that tourism stakeholders should also set out to collaborate with each other. Communication needs to be established in order for action to be implemented effectively.

While a crisis management response plan is beneficial for tourism managers, the findings suggest that the interviewees did not have specific plans in place in their organizations for political crises, and that the introduction of these would be highly beneficial.

## 8.6 Conclusion

Although there remain a number of unresolved issues, this study offers a foundation on which to base further study. The key issue arising from this study is the importance of the context in which tourism managers respond to and deal with the impacts of political crises upon the tourism industry.

Moreover, the study has identified the most effective forms of crisis operational response utilized by tour operators based in tourism-generating countries at a time that a crisis occurs in a tourism destination. There is a need for effective communication between stakeholders and for good, reliable networks within the industry.

This study's findings suggest three recommendations:

- 1.** Businesses require inside information from trusted sources. The findings suggest that businesses should have or should cultivate a set of private and highly trusted relationships, enabling them to access knowledge beyond local media sources. Such access can also help to reassure customers of the business's trustworthiness and thereby maintain their custom. The way to build these special, informative relationships could be through social media, email or direct telephone contact.
- 2.** The findings suggest that simple, clear messages to customers are important. A code of conduct or set of promises could be established by all operating businesses. This could be built into promotional material and documents, so that customers know that their service provider has thought about likely troublesome situations, and has clear methods with which to respond.
- 3.** Crises are global in nature: thus, in order to implement immediate responses effectively, the question of time difference needs to be addressed. In cases when a

crisis occurs and tourism-generating countries are located in different time zones, this invariably renders the situation more challenging for tourism managers. It is recommended that this issue is incorporated into crisis management, with a view to further research.

This study has presented the perspective of a tourism-generating region that has experienced various impacts on its organizations as a result of wars, riots, coups, uprisings, protests or terrorism. However, the scope could be arguably considered as broad, so specific areas, for example the impacts of coups, warrant further study. Also, the findings of this study clearly demonstrate that cultural differences do affect the perception of political crises depending on geocultural differences, indicating that further research on cultural differences needs to be pursued. This could be achieved by using both quantitative and qualitative approaches. The quantitative approach would be required to understand perception and to measure cultural attitudes towards political crises. The qualitative approach would be required to develop strategies to address cultural differences in terms of crisis management for particular tourism destinations.

## References

- Anderson, B., Prideaux, B. and Brown, G. (2007) Responding to the crises of 2001: the Australian experience. In: Laws, E., Prideaux, B. and Chon, K. (eds) *Crisis Management in Tourism*. CABI, Wallingford, UK, pp. 267–285.
- Boyatzis, R.E. (1998) *Transforming Qualitative Information: Thematic Analysis and Code Development*. Sage Publications Inc., Thousand Oaks, California.
- Campiranon, K. and Arcodia, C. (2007) Market segmentation in time of crisis: a case study of the MICE sector in Thailand. *Journal of Travel & Tourism Marketing* 23(2–4), 151–161.
- Campiranon, K., Laws, E. and Scott, N. (2011) Responding to crises in Thailand: a governance analysis. In: Laws, E., Richins, H., Agrusa, J. and Scott, N. (eds) *Tourist Destination Governance: Practice, Theory and Issues*. CABI, Wallingford, UK, pp. 91–102.
- Cohen, E. (1988) Tourism and AIDS in Thailand. *Annals of Tourism Research* 15(4), 467–486.
- Cohen, E. and Neal, M. (2010) Coinciding crises and tourism in contemporary Thailand. *Current Issues in Tourism* 13(5), 455–475.
- Coombs, W.T. (1999) *Ongoing Crisis Communication: Planning, Managing and Responding*. Sage Publications Inc., Thousand Oaks, California.
- Enders, W., Praise, G.F. and Sandler, T. (1992) A time-series analysis of transnational terrorism: trends and cycles. *Defence Economics* 3(4), 305–320.
- Faulkner, B. (2001) Towards a framework for tourism disaster management. *Tourism Management* 22(2), 135–147.
- Fink, S. (1986) *Crisis Management: Planning for the Inevitable*. American Association of Management, New York.
- Fink, S. (2000) *Crisis Management: Planning for the Inevitable*. iUniverse.com Inc., Lincoln, Nebraska.
- Gartner, W.C. and Shen, J. (1992) The impact of Tiananmen Square on China's tourism image. *Journal of Travel Research* 30(4), 47–52.
- Glaesser, D. (2003) *Crisis Management in the Tourism Industry*. Butterworth-Heinemann, Oxford, UK.
- Hall, C.M. (1994) *Tourism and Politics: Policy, Power and Place*. Wiley, New York.
- Hall, C.M. (2012) Sustainable mobility and immobilities: issues and challenges for tourism, hospitality and gastronomy in the Asian century. Speech and powerpoint presented at Taylor's University Lakeside Campus, Subang Jaya, Selangor, Malaysia. <https://www.academia.edu/2062935/>

- Sustainable\_Mobility\_and\_Immobilities\_Issues\_and\_Challenges\_for\_Tourism\_Hospitality\_and\_Gastronomy\_in\_the\_Asian\_Century, accessed 26 September 2014.
- Hall, C.M. and O'Sullivan, V. (1996) Tourism, political stability and violence. In: Pizam, A. and Mansfeld, Y. (eds) *Tourism, Crime and International Security Issues*. Wiley, Chichester, UK, pp. 104–121.
- Hipple, K.V. (2002) The roots of terrorism: probing the myths. *The Political Quarterly* 73(s1), 25–39.
- Krueger, A.B. and Maleckova, J. (2003) Education, poverty, political violence and terrorism: is there a causal connection? *Journal of Economic Perspectives* 17(4), 119–144.
- Mansfeld, Y. (1999) Cycles of war, terror and peace: determinants and management of crisis and recovery of the Israeli tourism industry. *Journal of Travel Research* 38(1), 30–36.
- Mansfeld, Y. and Pizam, A. (2006) *Tourism, Security and Safety: From Theory to Practice*. Butterworth-Heinemann, Burlington, Massachusetts.
- Office of Tourism Development (1998–2011) Tourism Authority of Thailand. <http://tourism.go.th/index.php?mod=WebTourism&file=content&dID=6&cID=276>, accessed 12 September 2014.
- Patton, M.Q. (1990) *Qualitative Evaluation and Research Methods*, 2nd edn. Sage Publications, Thousand Oaks, California.
- Pauchant, T.C. and Mitroff, I.I. (1992) *Transforming the Crisis Prone Organisation*. Jossey-Bass, San Francisco, California.
- Pearce, P.L., Focken, K., Kanlayanasukho, V., Smith, S. and Semone, P. (2009) Tourist scams in Thailand. Unpublished manuscript. Assumption University of Thailand and James Cook University, Australia.
- Richter, L.K. and Waugh, W.L. (1986) Terrorism and tourism as logical companions. *Tourism Management* 7(4), 230–238.
- Ritchie, B.W. (2009) *Crisis and Disaster Management for Tourism*. Channel View Publications, Clevedon, UK.
- Rittichainuwat, B.N. and Chakraborty, G. (2009) Perceived travel risks regarding terrorism and disease: the case of Thailand. *Tourism Management* 30(3), 410–418.
- Santana, G. (2003) Crisis management and tourism: beyond the rhetoric. *Journal of Travel and Tourism Marketing* 15(4), 299–321.
- Saunders, M., Lewis, P. and Thornhill, A. (2009) *Research Methods for Business Students*, 5th edn. Pearson Education Ltd, Harlow, UK.
- Schwartz, R.D. (1991) Travellers under fire: tourists in the Tibetan uprising. *Annals of Tourism Research* 18(4), 588–604.
- Scott, N., Laws, E. and Prideaux, B. (2008) Tourism crises and marketing recovery strategies. *Journal of Travel & Tourism Marketing* 23(2–4), 1–13.
- Sonmez, S.F. (1998) Tourism, terrorism, and political instability. *Annals of Tourism Research* 25(2), 416–456.
- Starn, R. (1976) Some uses and abuses of crisis history. Mimeograph presented at Annual Meeting of the Social Science History Association, University of Pennsylvania, Pennsylvania.
- Teye, V.B. (1986) Liberation wars and tourism development in Africa: the case of Zambia. *Annals of Tourism Research* 13(4), 589–608.
- Zimmermann, E. (1983) *Political Violence, Crises and Revolutions: Theories and Research*. Schenkman Publishing, Cambridge, Massachusetts.

---

# 9

## From Tsunami to Recovery: The Resilience of the Sri Lankan Tourism Industry

JEREMY BUULTJENS,<sup>1\*</sup> IRAJ RATNAYAKE<sup>2</sup> AND ATHULA CHAMMIKA GNANAPALA<sup>2</sup>

<sup>1</sup>*Southern Cross University, East Lismore, Australia;* <sup>2</sup>*Sabaragamuwa University of Sri Lanka, Balangoda, Sri Lanka*

---

### 9.1 Introduction

On 26 December 2004 a major tsunami struck Sri Lanka as well as various other countries in the region. The tsunami resulted in a number of casualties and considerable infrastructure destruction and damage. The tsunami presented the Sri Lankan tourism industry with a substantial and immediate disaster. It was estimated that tourism asset loss was US\$250 million; output loss, based on projections for 2005 and 2006, was estimated at US\$130 million (Weerakoon *et al.*, 2007).

The damage the industry suffered from the tsunami added to the problems experienced as a result of the civil war that started in 1983. The ongoing civil war had ensured that international visitation had remained static at between 400,000 and 500,000 visitors per annum between 1983 and 2004. At the time the tsunami struck the tourism industry was experiencing a relative resurgence in international visitation as a consequence of a ceasefire agreement between the government and the Liberation Tigers of Tamil Eelam (LTTE) in 2002. As to be expected the tsunami resulted in an immediate and sharp decline in international visitation. However, despite the severity of the disaster, there was a relatively quick rebound in international visitation indicating a relatively resilient sector.

This chapter examines the impact the tsunami had on the tourism industry in Sri Lanka, the response by government and other organizations, and the level of adaptation and resilience that resulted from the response. An examination of the extent of the industry's resilience will provide valuable insights that other destinations can use should a disaster strike (Ritchie, 2004). The chapter begins with a brief

---

\* E-mail: jeremy.buultjens@scu.edu.au

overview of the literature regarding the concepts of disaster, crisis, vulnerability and resilience followed by an outline of tourism in Sri Lanka. This is followed by an explanation of the methods used in the study. A brief description of the impact of the tsunami, the response that followed and the outcomes from the response follow next. The final sections are a discussion and conclusion.

## 9.2 Disasters, Crises, Vulnerability and Resilience

Disasters, crises, vulnerability and resilience are major issues facing the tourism industry and its stakeholders (Hystad and Keller, 2008), and while there are some differences in the terms, they are crucially interlinked and, to an extent, interdependent. Faulkner (2001) suggests that a 'crisis' is self-inflicted while a 'disaster' is outside of anyone's control. According to this classification, a tsunami and its impacts would be considered a disaster while a civil war would be considered as self-inflicted and therefore a crisis.

Despite their differences, the impact of a disaster or crisis on a tourism industry and its ability to respond and adapt will depend on the industry's (and country's) vulnerability and resilience. Vulnerability, in a tourism context, relates to the extent to which the industry may be affected, disrupted or displaced by a risk-related event (Wall, 2007) and arises from the interaction between the social, built and natural environments. The degree of vulnerability is closely related to the resilience of the industry. For example, Adger (2000, p. 348) suggested that resilience can be considered as 'a loose antonym for vulnerability'.

Resilience can be understood as the ability of a system to reduce the chances of a disaster, to absorb the impacts of a disaster should it occur and the ability to recover quickly after a disaster (Bruneau *et al.*, 2003). From a tourism industry perspective it refers to preparedness and ability to respond to, cope with and adapt to changes over time without losing its fundamental structure and function (Adger *et al.*, 2002).

Calgaro and Cochrane (2009) suggested that resilience depends on the characteristics of the disaster; the level of exposure of the system and its sensitivity; the response to the disaster; and the adaptation that results from the response.

A number of factors related to resilience such as the type of disaster, its magnitude, its frequency and its duration are usually outside the control of humans. Other factors, such as existing population characteristics of the place experiencing the disaster as well as its natural and built environments, may be outside the immediate control of humans (Pelling, 2003). However, there are a number of aspects of exposure, sensitivity and resilience that can be addressed over time through human actions and subsequent system adaptation (see Calgaro and Cochrane, 2009).

An examination of resilience naturally begins with the nature of the disaster. A disaster can be an unanticipated, rapid-onset event such as a natural hazard and/or terrorist act or it can be an ongoing, slow-onset event such as ongoing civil war that places increasing pressure on the localized system over time. In addition, the impact of a disaster will also depend on its magnitude, frequency and duration (Faulkner, 2001; Calgaro and Cochrane, 2009). There can also be differences between natural

and human-created disasters, with natural disasters tending to have less intense, widespread, long-standing and harmful impacts on tourist flows than sociopolitical events (Sonmez *et al.*, 1999; Hystad and Keller, 2008). In addition, the impacts can vary between regions within a country as well as within industry sectors in that country (Zeng *et al.*, 2005). For example, the tourism sector appears to be especially sensitive to disasters (Cavlek, 2002; Biggs *et al.*, 2012). Tourism is also especially sensitive since the psychological impacts of disasters may last longer than the physical damage (Huan *et al.*, 2004).

Finally, it should be noted that while a disaster can have a number of negative impacts it is possible for some positive outcomes to arise since it 'can also act as a catalyst for the development of more vigorous, innovative and adaptable industries over the longer term catering to new markets' (Faulkner, 2001, p. 143).

Increasing the level of resilience can be a positive outcome from a disaster. The levels of resilience and vulnerability are influenced by the three interconnected dimensions of exposure, sensitivity, and response and adaptation. Exposure and sensitivity factors such as population characteristics, biological environment and built environment are established by the pre-existing environmental, sociopolitical and economic features of a system (Faulkner, 2001; Calgaro and Cochrane, 2009). A community with substantial economic, human and social capital will be well placed to withstand a disaster thus ensuring a high level of resilience. Resilience will also be enhanced through increasing a community's access and entitlements to sociopolitical, economic, built and environmental resources (Pelling, 2003). Access and entitlements are, to a large extent, determined by economic stability and the distribution of income (Adger, 2000). A diversified economic base with livelihoods located in a range of economic sectors will make a community less susceptible to disasters. Greater income equality, which can be ascertained through various proxies such as formal sector employment and employment security, crime rates, population displacement, access to basic infrastructure and labour capacity (see Adger, 2000), will also make a community less sensitive to a disaster.

In low- and middle-income countries a larger informal sector increases resilience since informal enterprises have higher levels of social capital in the form of expected support from friends, family and community in a crisis scenario (Henderson and Smith, 2009; Biggs *et al.*, 2012). In addition they have low levels of capitalization, lower requirements for a steady and continuous income flow relative to formal enterprises and are able to transfer their activity relatively easily into another industry sector (Biggs *et al.*, 2012).

Another factor impacting on sensitivity is the level of effective preparedness planning and strategies to address a disaster. Effective planning will enable the adoption of proactive and holistic approaches rather than reactive ones (Ritchie, 2004; Hystad and Keller, 2008). An ability to respond effectively and quickly is especially important since some impacts may not be long lasting but are likely to cause substantial human suffering and economic loss.

According to Hystad and Keller (2008), given the requirements for effective disaster planning, there is a need for a top-down approach and this requirement enhances the importance of governance processes and structures. Within a centralized approach it is important to ensure that the primary responsibility for disaster

planning and response is devolved to a dedicated local or regional emergency response agency (Hystad and Keller, 2008). There also needs to be a focus on the responsibilities and interactions of all the major stakeholders, including businesses, who contribute during the different stages of a disaster life cycle. This requires a substantial level of cooperation and collaboration. However, coordination can be hampered by the competition for scarce resources (Hills, 1994; Faulkner, 2001).

Hystad and Keller (2008) argue that in a top-down environment, tourism organizations can play an important role in facilitating pre-disaster interactions between emergency organizations and individual businesses through the education of tourism businesses, especially smaller ones (see Cioccio and Michael, 2007). They can also play an important role in responding to disasters despite the fact that emergency response organizations usually take the lead role in responding to disasters.

The ability to respond, recover and adapt to a disaster will depend to a large extent on the level of preparedness planning, the effectiveness of coping responses and therefore the effectiveness of governance structures (see Tompkins and Adger, 2004). A particularly important coping response is an effective and quick marketing campaign, since the loss of infrastructure and negative media stories may have long-term ramifications for a destination that has suffered from a disaster (Hystad and Keller, 2008; Robinson and Jarvie, 2008).

### 9.3 Sri Lanka and Tourism

The development of the tourism industry in Sri Lanka was first articulated in the *Tourism Management Plan, 1967* (Ceylon Tourist Board, 1968) which focused almost exclusively on the mass international 'sea, sun and sand' market. The domestic tourism market was, to a large extent, ignored by governments and the private sector (see Shantha, 1999). After the release of the *Tourism Management Plan 1967*, international visitation began progressively to increase, with the country experiencing an annual increase between 1970 and 1980 in excess of 21%. During this stage of development, described as 'development for tourism' (Bandara, 2003), the perception was that tourist infrastructure was essential for attracting and serving tourists (Ratnayake *et al.*, 2012). In contrast to the growth experienced between 1970 and 1980, growth in international visitation in the period between 1980 and 2004 was relatively stagnant with numbers remaining between 400,000 and 500,000 (Sri Lanka Tourism, undated). This stagnation in international visitation was seen as a consequence of the civil war (Sri Lanka Tourism Development Authority, 2009). In addition to the stagnation that occurred, there were also intermittent, sharp drops experienced due to various terrorist acts. For example, between 1987 and 1989, international visitation dropped to under 190,000 as ethnic conflict escalated. The second 10-year tourism master plan was introduced by the government in 1992 with technical assistance from the United Nations Development Programme and World Tourism Organization. However, the implementation of this plan was not satisfactory due also to the war (Ratnayake *et al.*, 2012).

In 2004, the industry experienced a substantial increase of 13.1% in international visitation. This followed a 27.3% increase in the previous year. The direct contribution to GDP in 2004 was 5% – the highest level ever reached by the industry. Similarly, the industry's direct contribution to employment (4.4%) was also at its



highest level (World Travel and Tourism Council, 2012). It was the fourth largest contributor to foreign exchange earnings with the potential to become the largest earner. The export of tourism services' contribution to total exports of goods and services in 2004 amounted to 6.7% (Sri Lanka Tourism, undated).

Clearly the industry's economic contribution is substantial; however, it varies throughout the country. The development of the industry has been focused in the south and southwest due to the concentration of the civil war in the north and east of the country. The development in general was demand-driven through mass tourism, and the segment still continues to occupy a prominent position in the overall tourist market in Sri Lanka (Ratnayake *et al.*, 2012). In addition, the war has resulted in the neglect of infrastructure in the east and north. For example, Arugam Bay, a popular surf tourism destination on the east coast, did not receive an electricity connection until 1990. In addition there is no railway service to the area, and the driving time from Colombo in the west is 8 h. The regional differences in the developmental rates of the industry were exacerbated due to the major impact of the tsunami being felt in the east and north-east.

The international visitation figures would seem to suggest that Sri Lankan tourism recovered relatively quickly from the disaster. However, there have been a number of underlying concerns about the response to the tsunami that may have implications for adaptation as well as shaping the industry's future resilience (Telford and Cosgrave, 2007; Shaw *et al.*, 2010).

## 9.4 Methods

The findings for this chapter are principally drawn from a desktop study of government, academic, organizational and media publications. In addition semi-structured, face-to-face interviews were used to supplement the desktop findings. Interviews were guided by a set of predetermined questions and were conducted with 18 Sri Lanka tourism stakeholders including tour operators, accommodation owners, travel consultants, academics and representatives from government organizations. The aim of the interviews was to gain insights about the perceived sustainability of the industry, reasons for its resilience and the perceived effectiveness of crisis management. The interviews were conducted in July 2012 and November 2012.

The 18 interview participants were selected through the purposeful snowball method (Patton, 1990; Coyne, 1997) where appropriate interview participants were identified by other participants. The sample size for this study was determined through the use of the 'saturation' criterion, whereby interviews cease when additional interview participants fail to provide the researcher with new information (Patton, 1990). The data collected were coded and labels assigned to textual descriptions provided by respondents. The aim was to identify themes prevalent in the data.

## 9.5 The Tsunami

### Characteristics of the tsunami

The two successive tsunami waves, estimated to be 5–6 m in height, created the largest disaster Sri Lanka had ever encountered. The damage stretched from Jaffna in the north, along the entire eastern and southern coast, and extended to

north of Colombo on the west coast. The tsunami had an impact on 14 (all coastal) of the 25 districts in Sri Lanka, with nine of these 14 coastal districts suffering the major impacts. A number of the districts most affected by the tsunami were also those that were most affected by the ongoing war. The east coast, which faced the direct impact of the wave, suffered the greatest damage, while there were also substantial impacts in the south and south-west. Considerable mortality and infrastructure damage was suffered as a result of the coastal settlement patterns with their high population densities and flat terrain (Kuhn, 2009). The tsunami appeared to have a disproportionate effect on poorer communities as well as on both the Tamil and Muslim minority communities (Weerakoon *et al.*, 2007). These communities were more vulnerable to the impacts of the tsunami since they were already severely disadvantaged due to the civil war.

The tsunami also resulted in substantial environmental impacts including wetland, forest and coral destruction as well as saltwater contamination. The negative environmental impacts from the tsunami were exacerbated by the prolonged environmental destruction that had taken place in and around certain coastal communities prior to the tsunami. The vulnerability of coastal areas had resulted from unsustainable livelihood practices such as the clearing of mangroves, coral mining and the removal of sand dunes.

An important outcome from the tsunami was that it highlighted the importance and fragility of the environment. The government showed an interest in trying to protect it in the aftermath of the tsunami. . . . Unfortunately the lesson appears to have been lost

(Academic 2, personal communication)

## Exposure and sensitivity to the tsunami

Approximately 35,000 people were killed in Sri Lanka. While most of the victims were nationals, over 100 tourists also died. The high number of tourist casualties occurred because December is the peak tourist season. Another consequence was that the tourism industry suffered significant loss of skilled personnel (Calgaro and Cochrane, 2009).

The high mortality rate was accompanied by considerable infrastructure damage estimated to be US\$1 billion or 4.5% of GDP. The cost of recovery was estimated to exceed US\$2 billion (UNICEF, 2009). The tourism and fishing industries were the hardest hit. The projected tourism asset loss was assessed to be US\$250 million while output loss, based on projections for 2005 and 2006, was estimated at US\$130 million. These figures do not include livelihoods lost by those working in ancillary jobs that service the tourism industry (Asian Development Bank, Japan Bank for International Cooperation and World Bank, 2005).

It was estimated that 25% or 52 of the 242 registered hotels in the country were affected by the tsunami (Jayasuriya *et al.*, 2006). In the tsunami-affected area, half of the 105 large- and medium-scale hotels were partially damaged, while a further eight were completely destroyed. Approximately 3500 of a total of 13,000 rooms in medium- to large-scale hotels were out of service in late February 2005 (Jayasuriya *et al.*, 2006); however, these figures are an underestimate due to the extent of the informal sector. Many hotels in the informal sector

would not have been registered with the Sri Lankan Tourist Board and therefore were not included in the official data. Weerakoon *et al.* (2007) estimated that of the 210 small enterprises relying on the tourism industry, and which were destroyed as a result of the tsunami, approximately 190 (90%) were in the informal sector.

We (an informal accommodation provider) did not receive very much support because we were not part of the acknowledge industry. No-one seemed interested in our plight ... it was very hard for us

(Accommodation owner 1, personal communication)

The devastation caused to the tourism sector is further illustrated by the situation in Arugam Bay, located on the less-developed east coast. The town is a popular surf destination. Prior to the tsunami there were 325 rooms available in approximately 50 bungalows, hotels, small guesthouses and villas. After the tsunami struck, only five facilities remained, providing 52 rooms (Robinson and Jarvie, 2008).

Despite the devastation in the coastal areas the major tourism destinations in the interior of Sri Lanka, including Kandy, Dambulla, Polonnaruwa and Sigiriya, were not physically affected by the tsunami (Eldertreks, 2005). However, all areas in the country suffered equally from the sharp and immediate drop in visitors. According to the World Tourism Organization (2005, in Robinson and Jarvie, 2008) this was due to a misperception that the whole of Sri Lanka was affected by the disaster. For example, in Sigiriya it was estimated that approximately 1500 livelihoods were directly affected by the decline in visitation (Robinson and Jarvie, 2008).

Sadly the industry had recovered well before the (international) tourists began arriving again. It was very frustrating for a lot of people in the industry ... The government did a very good job in advertising that tourists would be well looked after

(In-bound tour operator 1, personal communication)

## Response to the tsunami

At the time the tsunami struck, a peace accord in place between the government and the LTTE had stalled. The process had begun with a ceasefire and the commencement of direct negotiations between the two sides. The tsunami encouraged a brief period of cooperation between political organizations including the government, LTTE and the People's Liberation Front of Sri Lanka (JVP), a Sinhalese nationalist political organization (Kuhn, 2009). Despite the initial cooperation, the government was not equipped to respond effectively to the size of disaster caused by the tsunami due to an absence of preparedness planning. In fact, Izzadeen (2005) suggested that the government appeared to be in 'complete disarray'. The post-tsunami recovery effort was compromised by the lack of a priori disaster management framework (Wickramasinghe and Takano, 2007) and a clear rehabilitation framework.

Izzadeen (2005) suggested that it was the civil society organizations that overcame the unpreparedness of government and delivered immediate aid to affected communities and people. UNICEF (2009) also acknowledged the substantial rescue and relief efforts made by citizens, military, Sri Lanka's community-based organizations and NGOs, and the private sector, as well as a number of international aid agencies. The

generosity of organizations is illustrated by the US\$2.2 billion of external assistance pledged for the 2–3 year period following the tsunami.

At the time of the tsunami there were many government agencies with responsibility for relief, rehabilitation and reconstruction, and this situation often resulted in a fundamental duplication and bureaucracy that hampered an efficient and effective response (Centre for Policy Alternatives, 2006). Initially, the government established the *Centre for National Operations* within days of the disaster. The Centre, which absorbed the *Disaster Management Centre*, became the national focal point for emergency management. It was replaced later by the *Authority for Reconstruction and Development* which was established to oversee the protracted recovery phase. The relief phase was declared over when the 3-year reconstruction *Rebuilding Sri Lanka: Action Plan* was released in early March 2005 (UNICEF, 2009).

In 2005, the government, as a response to the recommendations from a parliamentary select committee examining the preparedness of the country to face emergencies, instituted some major changes. The *Disaster Management Act* was proclaimed and under this act the *National Council for Disaster Management* (NCDM) was established as the main body responsible for disaster risk management. As part of the NCDM, the Disaster Management and Human Rights was established as the leading ministry and the Disaster Management Center as the executing agency for disaster risk management (Ratnasooriya *et al.*, 2007).

The initial relief phase was concerned with the provision of emergency assistance, restoration of basic services and rebuilding of damaged infrastructure. The recovery phase focused on longer-term strategies that aimed to reduce vulnerability and increase resilience to future shocks (Calgaro and Cochrane, 2009). Many international organizations assisted with the design and implementation of long-term reconstruction programmes (Eldertreks, 2005).

Another action implemented by the government shortly after the tsunami was the designation of a coastal buffer zone within which most building reconstruction, with some notable exceptions, was forbidden. The boundaries, 100 m in the south of the country and 200 m in the east and north, were perceived by many as a means of slowing the pace of housing reconstruction in the east (Kuhn, 2009). At the end of 2005, the government, due to strong lobbying, reverted to the *Coastal Zone Management Plan of 1997* which specified setback zones depending on the nature of the coastal area (Centre for Policy Alternatives, 2006). It appeared that some large hotels were not affected by the coastal zone restrictions (Shaw *et al.*, 2010).

The 100 m boundary (coastal buffer zone) was a good idea but the government needed to have a much slower process in establishing (it) ... I think people were very scared because it took them by surprise

(Academic 3, personal communication)

The Sri Lanka Tourist Board also introduced a number of tourism zones around the country. The Board's desire was to introduce specific guidelines to ensure that development in these zones would be efficiently managed and ad hoc tourism development avoided (Sri Lanka Tourism Development Board (SLTD), undated). Specific themes were introduced for the purpose of marketing each of the zones. There was a perception that development in these zones would favour

large developers and disadvantage small tourism businesses as well as other livelihoods such as fishing (Rice and Haynes, 2005).

Some of the tourism zones did not seem to be appropriate. They were located in very sensitive areas .... The people (living) in these areas were very concerned about what it meant for them and their livelihoods

(Peak tourism body representative 2, personal communication)

In the second phase of the immediate relief strategy, the government provided support to entrepreneurs in an attempt to help them restart their businesses as soon as possible. The Central Bank had a loan facility for small- and medium-scale tourism enterprises. In addition, in January 2005 a cash grant livelihood assistance programme was announced; it offered a monthly cash grant of US\$50 to each tsunami-affected household for a period of 4 months.

The government wanted to restart businesses quickly in order to return to some semblance of normality. In Arugam Bay, for example, to ensure a planned international surf competition proceeded, hotels were given large camping tents furnished with beds, chairs and other fixtures to meet the immediate accommodation needs of visitors. Similarly, restaurant owners were provided with essential equipment such as cookware, furniture, refrigerators and stoves (Robinson and Jarvie, 2008).

Another important part of the recovery was the need to provide up-to-date and accurate information to potential visitors. Sri Lanka was experienced in managing the provision of information from extensive practice in dealing with the war and occasional terrorist acts. The launch of the US\$320 million *Bounce Back Sri Lanka* aimed to address the need for information through an international marketing and promotion campaign of the tourism attractions unaffected by the tsunami. The marketing campaign was combined with a rehabilitation and reconstruction programme designed to fast-track the development of world-class tourism facilities in popular beachside areas (Eldertreks, 2005; Wickramasinghe and Takano, 2007).

It was quite amazing to see how quickly the recovery work was undertaken

(Tourism operator 1, personal communication)

The marketing and promotion component was underpinned by an intensive familiarization programme for both travel and tour agents and the media. Over a 6-month period more than 500 industry and media personnel were invited to Sri Lanka as guests of the SLTD. In addition, industry and consumer promotions headed by celebrity ambassadors were conducted in key target markets. Special events, including cricket matches and music concerts featuring international stars, were also planned as part of this campaign (Eldertreks, 2005). In 2006, the Sri Lanka Tourism Board (SLTB) included the east coast in its annual travel mart for the first time (Robinson and Jarvie, 2008).

The government did an excellent job in marketing the place overseas after the tsunami ... I'm sure this really helped our recovery

(Peak tourism body representative 1, personal communication)

Another example of the provision of information was the establishment of the *Visit Arugam Bay* website, with funding provided by the Mercy Corps, as a part of its communications component in the Arugam Bay recovery strategy. The website, aimed at informing visitors that Arugam Bay was still a viable destination, went live just 4 months after the tsunami. There was a perception that Mercy Corps activities

in responding to the tsunami were more effective because it engaged in a meaningful way with local community-based organizations (Robinson and Jarvie, 2008).

In recognition that a crisis can act as a catalyst for the provision of a more vigorous and adaptable tourism industry, a proactive message was designed with a stress on the positive. The underlying theme of the support strategy was on ‘*Building Back Better*’. In doing this the government wanted to refocus Sri Lanka on the upmarket segment rather than on the mass market.

There have been some good outcomes as a result (of the tsunami); however, there were also some increased concerns especially amongst the poorer members of the community  
(Peak tourism body representative 2, personal communication)

### **Adaptation: issues and implications arising from the tsunami response**

Following the tsunami, Sri Lanka experienced a 3% reduction in foreign visitors, but the numbers recovered by the next year. Despite the perception of a good recovery there have been some criticisms of the response and its consequences for the future of the industry and country. For example, it was asserted that the post-tsunami foreign assistance effort appeared to be distributed in line with Sinhalese political alignments and that it did not reflect the regional distribution of damage, especially in Tamil and Muslim communities (Kuhn, 2009; Shaw *et al.*, 2010). The tsunami relief process constituted a substantial net advantage for the south-west in comparison to the north-east. From an industry perspective this deepened the differences that already existed in the development of the industry between the deprived east and north-east and the more developed south and south-west. The perceived differences in outcomes from the relief process not only made parts of the country and industry less resilient but also contributed significantly to the recommencement of the civil war. Clearly the war increased the vulnerability of the industry and reduced its resilience.

I was disappointed because I thought that the recovery (from the tsunami) provided a good opportunity for both sides (the government and the LTTE) to work together. Unfortunately they were driven further apart

(Academic 2, personal communication)

Another problem encountered was the lack of coordination among the more than 500 relief agencies (Shaw *et al.*, 2010); a common criticism encountered in disaster responses globally. In Sri Lanka, not only were there too many agencies on the ground in the recovery phase, including a number established by tourists who survived the tsunami, but there was also a fundamental lack of coordination among them. Bennett *et al.* (2006, in UNICEF, 2009) suggested that the relief agencies had too few experienced humanitarian staff in the field, that deployment of longer-term staff was slow, and that there were insufficient resources for basic administration needs.

I think a lot of the money was either wasted or went to people who received favourable treatment. I do not know many people who received help ... I have heard a number of stories of corruption

(Accommodation owner 1, personal communication)

In an attempt to coordinate the relief and rehabilitation efforts of government agencies, NGOs and the private sector, the *Task Force for Rebuilding the Nation* (TAFREN) was established (later replaced by the *Reconstruction and Development Agency*, RADA). TAFREN, comprising only private-sector representatives, was housed at the Presidential Secretariat and was perceived to be highly centralized (Perera, 2005). As a result, the response appeared to be 'command driven', lacking public consultation and distanced from rural society (Perera, 2005; Bennett *et al.*, 2006, in UNICEF, 2009). This lack of coordination had a significant impact on the tourism industry. For example, the *Arugam Bay Resource Development Plan: Reconstruction Towards Prosperity*, released 4 months after the tsunami and with no community consultation, had considerable negative implications for the destination and its people (Robinson and Jarvie, 2008).

This lack of community consultation resulted in a 'disconnect' between agencies in Colombo and the 'reality' in affected areas (see Robinson and Jarvie, 2008). It is argued that 'community development planning should begin as soon as the immediate 'survival needs' of disaster victims are met (Shaw *et al.*, 2010, p. 9). Mulligan and Shaw (2011) argued that the exclusion of local authorities from planning led to unsuitable or impracticable policies. It also resulted in the public's lack of knowledge regarding the new policies. This was a problem because many of these policies concerning cash assistance, relief programmes and the imposition of a coastal buffer zone often directly affected people and their livelihoods, especially for those in tourism and fishing (Bennett *et al.*, 2006, in UNICEF, 2009). For example, the coastal buffer zone policy prevented the legal reconstruction (and therefore re-establishment) of most small tourism businesses damaged during the tsunami in some destinations (Rice and Haynes, 2005). As a consequence most these businesses were eventually rebuilt without permission, making their position legally tenuous.

Rehabilitation of coastal and marine ecosystems was a primary concern during the post-tsunami recovery. This effort consisted substantially of a participatory conservation approach in many places along the affected coastal belt. Special Area Management (SAM) plans were developed based on detailed biological and socio-economic assessments in areas such as Rekawa, Ussangoda and Kalametiya (RUK Area) in the south. The plans focused on collaborative planning for biodiversity conservation and natural resources management, threat reduction to biodiversity through the development and adoption of alternative livelihood options for resource abusers, and participatory management of local natural resources. Community tourism initiatives were introduced in many coastal communities, encouraging alternative livelihood sources, and obtaining their active participation for environmental conservation. International NGOs provided funding and technical assistance. However, these efforts, as with efforts elsewhere, suffered from a lack of community consultation, weak responses, and poor linkages and partnerships with the tourism industry thereby threatening sustainability (Ratnayake, 2011).

The community were never really involved despite what was said ... the reality is that the pressure on the environment increased after the tsunami and government actions  
(Academic 1, personal communication)

Problems for the tourism industry may not have been just a consequence of a lack of consultation but may also be related to the fact that the tourism industry

was often overlooked by NGOs, despite its economic importance. Robinson and Jarvie (2008) suggested that the major focus was on the more traditional livelihoods such as agriculture or fishing. In addition, the introduction of new regulations including zoning and setback lines have intensified the pressure on small-scale, local entrepreneurs involved mainly in tourism businesses. The tenure issues and land use conflicts have been very common in community development. This has further been affected by outsider occupation of lands due to the demand created especially after the post-tsunami period. Ashley and Garland (1994) observed that loss of property rights is an indication of the reduced market power of communities. Li (2006, p. 133) also noted that 'the modes of participation are related to resource property rights arrangements'. The WTO (2002) viewed 'land tenure' as a challenge that exists in the policy framework of a country and has emphasized the importance of clear property rights to ensure that a community successfully engages in community tourism.

The lack of recognition of the tourism industry, especially the importance of the informal tourism sector, meant that their circumstances and needs were often neglected, much to their disadvantage. This lack of recognition also occurred in Thailand after the tsunami struck that country (see Handmer and Choon, 2006). For example, in determining its post-tsunami response the SLTB only recognized businesses that were registered with the Board, excluding the interests of a large number of informal businesses. Therefore, many post-tsunami SLTB actions were seen as advantaging wealthier developers at the expense of the local tourism entrepreneurs, many of whom were in the informal sector (Rice and Haynes, 2005). The potential disenfranchisement of the informal sector, which constitutes 75% of the industry, would clearly make it less resilient.

In 2005 the SLTB announced the tourism zones identified for restoration and redevelopment, and this also appeared to favour high-end development at the expense of small informal entrepreneurs (Wickramasinghe and Takano, 2007). For example, the SLTB decided that Arugam Bay would become an upmarket, boutique destination instead of catering to its traditional low-budget market segment. The SLTB also acquired and gazetted land in the newly designated tourism zones and entered into partnerships with large developers to complete projects.

The provision of less support to small and micro-tourism businesses in the informal sector in the post-tsunami phase reduced their resilience. These businesses also found it harder to access formal financial recovery mechanisms such as insurance and national compensation packages, whereas larger establishments generally had good insurance coverage to compensate for the damage they suffered (Rice and Haynes, 2005). In addition, many affected businesses in the buffer zone were unable to access bank credit since banks were reluctant to relax their collateral requirements (Weekaroon *et al.*, 2007). These factors increased the vulnerability of the informal sector. Some groups argued that the government used the increased vulnerability suffered by communities and small entrepreneurs as a consequence of the tsunami as an opportunity to push through tourism strategies that would further drastically reduce the well-being of local coastal communities (Bowes, 2006). This has the potential to have long-term negative socio-economic impacts as well as reducing the resilience of the communities and the tourism industry.

The tsunami revealed pre-existing weaknesses in the tourism system that resulted in increased vulnerability and reduced resilience to the disaster and hampered the



recovery process (Calgaro and Cochrane, 2009). The post-tsunami efforts, while trying to overcome the weaknesses, may possibly have resulted in some changes that increased vulnerability and reduced resilience. For example, while many people and organizations supported the attempt to make the country an upmarket destination there were others who viewed it as increasing inequality and therefore vulnerability (Rice and Haynes, 2005; Bowes, 2006).

## 9.6 Discussion and Conclusion

It appears that in just a few months after the tsunami, despite suffering considerable infrastructure damage, most of the country's coastal hotels had reopened, power and telecommunications were restored and roads cleared (Eldertreks, 2005). However, the negative psychological impact of the tsunami, the effects of the response and the return of political conflict played a significant role in hampering the recovery of the tourism sector (Weerakoon *et al.*, 2007).

The impact of the tsunami disaster was more pronounced because generally it affected the same regions that had suffered during the civil war. The response to the tsunami was to a large extent determined by the same socio-economic and political forces that had determined the country's response to the war to that time. This had implications for resulting adaptation outcomes from the tsunami response.

The level of resilience 'is largely determined by the assets and entitlements that individuals, households or communities can mobilize and manage during adversity' (Khasalamwa, 2009, p. 75). Generally, the more assets people have, the more resilient they will be; and when assets are eroded so too is resilience. Access to assets is increased by having a diversified economic base involving a range of livelihoods as well as greater income equality. The ongoing war had contributed significantly to the erosion of people's assets and this factor certainly made the country, and the tourism industry, less resilient when the tsunami struck.

It could be also argued that while in the short term the government response to the tsunami enabled the tourism industry to recover quite quickly, in the longer term the industry may have become less resilient. The government has used the tsunami as an opportunity to realign the direction of the tourism industry by attempting to encourage upmarket, resort-style development (Rice and Haynes, 2005). Large operators were provided with more immediate relief in the aftermath of the tsunami and they have received greater assistance under the various tourism development policies such as the declaration of the tourism development zones. The concentration of assistance on large developers will have significant long-term impacts on the informal sector of the industry, which constituted approximately 75% of the industry prior to the tsunami. This is likely to make the industry less resilient since it appears that in developing countries informal enterprises are more resilient (see Biggs *et al.*, 2012). In addition to disadvantaging small tourism businesses there is a feeling that the focus on developing large-scale tourism development may also be at the expense of livelihoods in the other sectors of the economy such as fishing (Rice and Haynes, 2005). Again this will reduce the resilience of Sri Lankan economy, which in turn will reduce the resilience of the tourism sector. As discussed earlier, economic diversity increases resilience (see Adger, 2000).

Another factor identified in the literature that increases resilience is preparedness through effective planning since this allows a proactive rather than a reactive approach. It was obvious the government was unprepared for the tsunami and therefore most of its early responses were reactive. However, it subsequently attempted to increase its preparedness through various interim measures as well as with the introduction of the *Disaster Management Act* and the establishment of the *National Council for Disaster Management*. While these initiatives will increase the resilience by improving preparedness, the government needs to ensure the centralized nature of a response is moderated by a thorough consultation process and the introduction of strategies that protect the interests of the large number of businesses in the informal tourism sector. There is also a need to build local and regional capacity to respond to any future disasters (Shaw *et al.*, 2010).

The highly centralized approach and lack of community consultation limited the effectiveness of a number of responses, for example with respect to the designated coastal zone, and disadvantaged many of the informal businesses in a range of livelihoods including tourism. The lack of connection with the community and engagement with community-based organizations during the response to the tsunami resulted in an emphasis on disaster management activities with less attention paid to the social outcomes (Khasalamwa, 2009).

An additional aspect of importance in managing a disaster is the active marketing and management of perceptions in source markets. Tourists need accurate post-disaster information in order to affect their perceptions of a destination. Sri Lankan tourism has been successful in undertaking this activity over the duration of the war and this expertise was used to address the issues that arose in the aftermath of the tsunami. Both large businesses and the central government tourism agency undertook the marketing. It was important for tourism businesses in the informal sector that the government undertook this activity since they themselves did not have the capacity or networks to market effectively.

While the central government and its tourism ministry and department were heavily involved in the tsunami response, regional and local tourism organizations were much less active since most were affected by the tsunami or were limited by ineffective coordination with institutions of the central government. As outlined earlier, regional or local tourism organizations can play an important role in disaster management and recovery. However:

given their (local tourism organizations) lack of capacity development in Sri Lanka they aren't major players in the tourism industry and did not play a major role in the response

(Tour operator 4, personal communication)

One example of a local tourism organization that did take an active role was the Arugam Bay Tourism Association which worked with the local community to produce an alternative tourism plan to address the perceived weaknesses in the government's *Arugam Bay Resource Development Plan* (Rice and Haynes, 2005). However, the post-tsunami period has created shifts in opportunities in most coastal communities including Arugam Bay because local people are now becoming landless since lucrative demand has been created by outsiders attracted by potential future development (Ratnayake, 2011).

Khasalamwa (2009) noted that the post-tsunami recovery efforts should have addressed not only the needs created by the disaster but also the pre-existing factors, such as inequality and a lack of economic diversification, that reduce resilience. Post-disaster reconstruction is not just about constructing infrastructure but also requires the rebuilding of communities and livelihoods that allow people to overcome their economic hardships (Shaw *et al.*, 2010). Unfortunately, the highly politicized nature of the recovery process in Sri Lanka and the 'intertwined social and political antecedents' (Blaikie, 2009, p. 2) may have limited the extent to which this has happened. The result is that the tourism industry remains vulnerable to future shocks that threaten its sustainability. It will be important to undertake future research that examines the movement in income inequality and economic diversity as well as the state of the informal sector. This research will, to an extent, provide data to assess the effectiveness of the response to the tsunami.

## References

- Adger, W.N. (2000) Social and ecological resilience: are they related? *Progress in Human Geography* 24(3), 347–364.
- Adger, W.N., Kelly, P.M., Winkels, A., Huy, L.Q. and Locke, C. (2002) Migration, remittances, livelihood trajectories, and social resilience. *Ambio* 31(4), 358–366.
- Ashley, C. and Garland, E. (1994) Promoting community-based tourism development: why, what and how? *Research Discussion Paper No. 4*. October, 1994. Ministry of Environment and Tourism, Namibia. [www.met.gov.na/publications/research/rdp\\_0004.pdf](http://www.met.gov.na/publications/research/rdp_0004.pdf), accessed 11 February 2013.
- Asian Development Bank, Japan Bank for International Cooperation and World Bank (2005) *Sri Lanka 2005 Post-Tsunami Recovery Program: Preliminary Damage and Needs Assessment*. Asian Development Bank, Japan Bank for International Cooperation and World Bank, Colombo, Sri Lanka.
- Bandara, H.M. (2003) *Tourism Planning in Sri Lanka*. Stamford Lake, Pannipitiya, Sri Lanka.
- Biggs, D., Hall, C.M. and Stoeckl, N. (2012) The resilience of formal and informal tourism enterprises to disasters: reef tourism in Phuket, Thailand. *Journal of Sustainable Tourism* 20(5), 645–665.
- Blaikie, P.M. (2009) The tsunami of 2004 in Sri Lanka: an introduction to impacts and policy in the shadow of civil war. *Norsk Geografisk Tidsskrift* 63(1), 2–9.
- Bowes, G. (2006) Is tourism damaging post-tsunami recovery? *The Observer* 31 December 2006. [www.guardian.co.uk/travel/2006/dec/31/ethicalholidays.escape](http://www.guardian.co.uk/travel/2006/dec/31/ethicalholidays.escape), accessed 1 December 2012.
- Bruneau, M., Chang, S.E., Eguchi, R.T., Lee, G.C., O'Rourke, T.D., Reinhorn, A.M., Shinozuka, M. *et al.* (2003) A framework to quantitatively assess and enhance the seismic resilience of communities. *Earthquake Spectra* 19(4), 733–752.
- Calgaro, E. and Cochrane, J. (2009) *Comparative Destination Vulnerability Assessment for Thailand and Sri Lanka: Sustainable Recovery and Resilience Building in the Tsunami Affected Region*. Stockholm Environment Institute Project Report, Stockholm Environment Institute, Stockholm.
- Cavlek, N. (2002) Tour operators and destination safety. *Annals of Tourism Research* 29(2), 478–496.
- Centre for Policy Alternatives (2006) *Reflections on Tsunami One Year On: Lessons to be Learnt*. Centre for Policy Alternatives, Colombo, Sri Lanka.
- Ceylon Tourist Board (1968) *Tourism Management Plan, 1967*. Ceylon Tourist Board, Colombo, Sri Lanka.
- Cioccio, L. and Michael, E.J. (2007) Hazard or disaster: tourism management for the inevitable in Northeast Victoria. *Tourism Management* 28(1), 1–11.
- Coyne, I. (1997) Sampling in qualitative research. Purposeful and theoretical sampling: merging or clear boundaries? *Journal of Advanced Nursing* 26(3), 623–630.

- Eldertreks (2005) *Bounce Back Sri Lanka Campaign*. www.eldertreks.com/media/sri\_tsunami.php, accessed 30 October 2012.
- Faulkner, B. (2001) Towards a framework for tourism disaster management. *Tourism Management* 22(2), 135–147.
- Handmer, J. and Choon, W. (2006) Disaster resilience through local economic activity in Phuket. *The Australian Journal of Emergency Management* 21(4), 8–15.
- Henderson, J. and Smith, R.A. (2009) Informal tourism commerce at beach resorts: a comparison of Cha-Am and Laguna Phuket in Thailand. *Tourism Recreation Research* 34(1), 13–22.
- Hills, A.E. (1994) Co-ordination and disaster response in the United Kingdom. *Disaster Prevention and Management* 3(1), 66–71.
- Huan, T.C., Beaman J. and Shelby, L. (2004) No-escape natural disaster: mitigating impacts on tourism. *Annals of Tourism Research* 31(2), 255–273.
- Hystad, P.W. and Keller, P. (2008) Towards a destination tourism disaster management framework: long-term lessons from a forest fire disaster. *Tourism Management* 29(1), 151–162.
- Izzadeen, A. (2005) Aid adds venom to politics. *South Asia Intelligence Review* 3(28), 24 January. www.satp.org/satporgrtp/sair/Archives/3\_28.htm, accessed 27 October 2012.
- Jayasuriya, S., Steele, P. and Weerakoon, D. (2006) Post-tsunami recovery: issues and challenges in Sri Lanka. *ADB Institute Research Paper Series No. 71*, Asian Development Bank Institute, Tokyo, Japan.
- Khasalamwa, S. (2009) Is 'build back better' a response to vulnerability? Analysis of the post-tsunami humanitarian interventions in Sri Lanka. *Norsk Geografisk Tidsskrift* 63(1), 73–88.
- Kuhn, S.R. (2009) *Tsunami and Conflict in Sri Lanka*. Josef Korbel School of International Studies Working Paper, University of Denver, Denver, Colorado.
- Li, W.J. (2006) Community decision-making participation in tourism development. *Annals of Tourism Research* 33(1), 132–143.
- Mulligan, M. and Shaw, J. (2011) Achievement and weaknesses in post-tsunami reconstruction in Sri Lanka. In: Karan, P.P. and Subbiah, S.P. (eds) *The Indian Ocean Tsunami: The Global Response to a Natural Disaster*. The University Press of Kentucky, Lexington, Kentucky, pp. 237–260.
- Patton, M. (1990) *Qualitative Evaluation and Research Methods*, Sage Publications, Beverly Hills, California.
- Pelling, M. (2003) *The Vulnerability of Cities: Natural Disasters and Social Resilience*. Earthscan, London.
- Perera, K. (2005) Tsunami road signs on the return journey. Paper presented at the *Conference on the Creation and Continuation of Partnerships after the Tsunami in Asia and South-East Asia*, 16 November, Bonn, Germany.
- Ratnasooriya, H.A.R., Samarawickrama, S.P. and Imamura, F. (2007) Post tsunami recovery process in Sri Lanka. *Journal of Natural Disaster Science* 29(1), 21–28.
- Ratnayake, I. (2011) Community environmental and tourism initiatives: a case from Sri Lankan perspective. PhD thesis, University Utara Malaysia, Malaysia.
- Ratnayake, I., Wijesundara, N. and Bandara, H.M. (2012) Volatility of tourism and development: Sri Lanka experience. In: Bandara, H.M. (ed.) *Issues in Development*. Stamford Lake, Colombo, Sri Lanka, pp. 301–327.
- Rice, A. and Haynes, K. (2005) *Post-Tsunami Reconstruction and Tourism: A Second Disaster?* Tourism Concern, London.
- Ritchie, B.W. (2004) Chaos, crisis, and disaster: a strategic approach to crisis management in the tourism industry. *Tourism Management* 25(6), 669–683.
- Robinson, L. and Jarvie, J.K. (2008) Post-disaster community tourism recovery: the tsunami and Arugam Bay, Sri Lanka. *Disasters* 32(4), 631–645.
- Shantha, M.S. (1999) The problems and prospects of domestic tourism sectors in Sri Lanka. MSc thesis. University of Sri Jayewardenepura, Colombo, Sri Lanka.
- Shaw, J., Mulligan, M., Nadarajah, Y., Mercer, D. and Ahmed, I. (2010) *Lessons from Tsunami Recovery in Sri Lanka and India: Community, Livelihoods, Tourism and Housing*. Monash University and RMIT University, Melbourne, Australia.
- Sonmez, S.F., Yiorgos, A. and Tarlow, P. (1999) Tourism in crisis: managing the effects of terrorism. *Journal of Travel Research* 38(1), 13–18.

- Sri Lanka Tourism Development Authority (2009) *Annual Statistical Report*. Sri Lanka Tourism Development Authority. [www.slttda.lk](http://www.slttda.lk), accessed 11 March 2011.
- Sri Lanka Tourism Development Board (undated) *Projects at SLTDA: Tourism Infrastructure Projects*. [www.slttda.lk](http://www.slttda.lk), accessed 8 July 2011.
- Sri Lankan Tourism (undated) *Tourism for All: National Strategy for Sri Lanka Tourism 2009–2012*. [www.slttda.lk/sites](http://www.slttda.lk/sites), accessed 11 March 2011.
- Telford, J. and Cosgrave, J. (2007) The international humanitarian system and the 2004 Indian Ocean earthquake and tsunami. *Disasters* 31(1), 1–28.
- Tompkins, E.L. and Adger, W.N. (2004) Does adaptive management of natural resources enhance resilience to climate change? *Ecology And Society* 9(2), 10.
- UNICEF (2009) *Children and the 2004 Indian Ocean Tsunami: Evaluation of UNICEF's Response in Sri Lanka: Country Synthesis Report*. UNICEF, New York.
- Wall, G. (2007) *The Tourism Industry and Its Adaptability and Vulnerability to Climate Change*. Faculty of Environmental Studies, University of Waterloo, Ontario, Canada.
- Weerakoon, D., Jayasuriya, S., Arunatilake, N. and Steele, P. (2007) *Economic Challenges of Post-Tsunami Reconstruction in Sri Lanka*. Asian Development Bank Institute, Tokyo. [www.adbi.org/discussionpaper/2007/08/31/2354.sri.lanka.post.tsunami.reconstruction](http://www.adbi.org/discussionpaper/2007/08/31/2354.sri.lanka.post.tsunami.reconstruction), accessed 14 November 2012.
- Wickramasinghe, V. and Takano, S. (2007) Revival of tourism in Sri Lanka following the December 2004 Indian Ocean tsunami. *Journal of Natural Disaster Science* 29(2), 83–95.
- World Travel and Tourism Council (2012) *Tourism and Travel Impacts 2012: Sri Lanka*. World Travel and Tourism Council, London.
- WTO (World Tourism Organization) (2002) *Annual Report*. WTO, Geneva, Switzerland.
- Zeng, B., Carter R.W. and DeLacy, T. (2005) Short-term perturbations and tourism effects: the case of SARS in China. *Current Issues in Tourism* 8(4), 306–322.

---

# 10

## Analysing the Impact of the 2011 Natural Disasters on the Central Queensland Tourism Industry

SCOTT RICHARDSON,<sup>1\*</sup> ROGER MARCH,<sup>2</sup> JAN LEWIS<sup>3</sup>  
AND KYLIE RADEL<sup>4</sup>

<sup>1</sup>Blue Mountains International Hotel Management School, Leura, Australia, and University of Johannesburg, South Africa; <sup>2</sup>International College of Management, Manly, Australia; <sup>3</sup>Central Queensland University, Gladstone, Australia <sup>4</sup>Central Queensland University, Rockhampton, Australia

---

### 10.1 Introduction

In the summer of 2010/2011 the Central Queensland region of Australia faced two major crises. The first was extensive flooding that impacted much of the southern reaches of the region and the second was Cyclone Yasi, which impacted the northern part of the region. This chapter will discuss the impacts of these natural disasters on the tourism industry in the Central Queensland region. The chapter will focus specifically on the preparedness of regional tourism organizations and operators for such crises.

Natural disasters are catastrophic events that are likely to outstrip the capacity of societies to manage their impacts (Krimgold, 1976). In the Australian state of Queensland frequent natural disasters facing the community are cyclones, floods, storm surges and bush fires. While such events are usually limited in their duration, they are nevertheless events on a scale significant enough to cause governments to substantially and urgently modify their funding and political priorities. The events can have sizeable and long-term negative impacts on the social, economic and ecological environment in the affected areas (Anderson, 1990). Robertson *et al.* (2006, p. 17) state that:

A disaster requires a total community response. One way or another, everyone is affected by a disaster and by the changes that event causes: to the economy, through the destruction of jobs and businesses; to community infrastructure, through destruction of the resources which the community usually depends upon; or to the social networks and structure, through death and injury.

---

\* E-mail: [scott.richardson@bluemountains.edu.au](mailto:scott.richardson@bluemountains.edu.au)

Severe floods in Central Queensland in early 2011, followed soon after by Cyclone Yasi, a category five cyclone, revealed the vulnerability of the tourism industry in this region to the forces of nature. Because of the discretionary nature of the consumption activity, the tourism industry is particularly vulnerable to crises, and the fragmented nature of the industry can make it difficult to prepare for and quickly respond to crises. Tourism Queensland (TQ) (2007, p. 4) states that:

Tourism is particularly prone to external shocks, which by their nature are unpredictable and need to be addressed through effective crisis management processes. Across the tourism industry there are lots of opportunities for 'risks' to turn into 'disasters' or an upheaval event. Issues such as security concerns, natural disasters and outbreaks of infectious diseases have a tremendous impact on the tourism industry. So do incidents as isolated as a bomb threat in an office building in a regional centre, an oil spill in a harbour or on the reef, a mini tornado in an outback town, a train derailment, or a drowning at a beach or on the reef. All of these 'shocks' will have an impact on regional tourism and will require a response from the regional tourism organization (RTO) and TQ to ensure the least possible disruption to tourism in the region. As such, crisis management and risk assessment has become, and will remain, a vital component of the way all businesses operate within the tourism industry.

The past decade has been particularly difficult for the tourism industry worldwide and in Asia/Australasia in particular, as crises have followed in rapid succession, starting with the terrorist attacks of September 11 2001. While the allied forces' responses, first in Afghanistan in October 2001 and then in Iraq in March 2003, had no direct impact on the tourism industry worldwide, the resulting terrorist attacks worldwide increased by more than a third (Bergen and Cruickshank, 2007), leading to increased concerns among international travellers. The tourism industry in Australia was just starting to recover from the effects of September 11 2001 when a second terrorist attack occurred, this time much closer to Australia. This took place in Bali, Indonesia, and 202 people, including 88 Australians, were killed. Following the Bali attack, travel in Asia was rocked by the SARS virus outbreak in Hong Kong in 2003, the avian flu virus in 2004 and one of the deadliest natural disasters in recorded history, the Indian Ocean tsunami of 26 December 2004. This disaster killed over 230,000 people in 14 countries. This was followed by another terrorist attack in Bali in October 2005. In recent years the tourism industry has been heavily impacted by rising oil prices and the global financial crisis which began in 2007, the remnants of which are still felt today. Recent events have been the terrorist attack in Mumbai, India, in 2008 and the swine flu pandemic of 2009.

While many of these crises did not directly affect Central Queensland, all impacted tourism in the region. Quite possibly the greatest crisis or risk facing the Central Queensland region is not a man-made crisis such as terrorism, or a pandemic, but rather a natural disaster. In recent years a number of natural disasters have affected the region including severe tropical cyclones Ingrid and Larry, which crossed the North Queensland coast in 2005 and 2006, respectively; and also the floods that inundated Mackay in February 2008. In early 2011 the Central Queensland region was impacted by floods affecting Rockhampton, Bundaberg and Emerald, as well as many smaller towns. Shortly after the floods had subsided, North Queensland was hit by Cyclone Yasi, a category five tropical cyclone. While the Central Queensland region was largely unaffected by Yasi, the region did suffer from tourist fear of further torrential rain leading to more flooding, which did not eventuate.

In the wake of the numerous crises around the world in the past decade, the need for tourism operators to have contingency crisis management plans has been emphasized (Sönmez *et al.*, 1999; Faulkner, 2001; Blake and Sinclair, 2003; Ritchie, 2004; Evans and Elphick, 2005; Min and Huang, 2007; Carlsen and Liburd, 2008). A number of authors have found that recovery from an isolated crisis can be achieved in a reasonably short time period, although prolonged or recurring crises provide tourism operators with a much greater challenge (Glaesser, 2003; Carlsen and Liburd, 2008). The series of crises in the early to mid-2000s, including the Bali bombings, SARS, avian flu and tropical cyclone Larry, prompted TQ to develop a number of strategies to assist RTOs and tourism operators to be better prepared for future crises. One of the strategies developed by TQ was the 'Regional Tourism Crisis Management Plan Template: A Guide to Preparing a Regional Tourism Crisis Management Plan' (RTCMPT). This was distributed in 2007 to RTOs in Queensland to facilitate the self-development of regional crisis management plans as well as to assist tourism operators in preparing individualized plans. The extent to which the RTCMPT was accepted and implemented by RTOs and local tourism operators is uncertain.

The principal aims of this chapter are to investigate the impacts (e.g. visitation, cancellations, sales, staffing, access) of the 2011 natural disasters on Central Queensland tourism operators; to explore the preparedness of Central Queensland tourism operators for (e.g. crisis management planning) and in response to (e.g. staff downsizing, cancellation strategy, promotions, collaborative marketing initiatives) such crises; and to determine the degree of implementation and effectiveness of the TQ Crisis Management Plan Template to prepare RTOs and businesses for crises such as the floods and cyclone. The findings of this research are significant for the Queensland Government, and in particular TQ, to understand the level of industry engagement with crisis management planning in the tourism industry in regional (Central) Queensland. These findings are also relevant to other government and tourism organizations around the world. Tourism Queensland (undated) states:

Risk Management has become, and will remain, a vital component of the way all businesses operate within the tourism industry. Across the tourism industry, there is a multitude of opportunities for 'risks' to turn into 'disasters' or an upheaval event. Security concerns, natural disasters such as cyclones and storms and outbreaks of infectious diseases are just a few risks which would have a tremendous impact on the tourism industry. A detailed crisis management plan will help you to prepare for and respond to the chance of an unforeseen event. Risk Management planning is particularly important in helping operators to respond and adapt to climate change. With predicted increases in storms, changes in rainfall patterns and rising temperatures, operators need to be planning how they can minimize the impacts on their business and improve their resilience.

## 10.2 Literature Review

Crisis management planning is clearly seen as one of the key factors in ensuring the long-term viability of tourism businesses. Therefore, the findings discussed in this chapter will assist government tourism entities to work more effectively with RTOs and to meet their needs in order to ensure the successful development of the tourism industry in regional areas.



It is worthwhile to examine some theoretical models when trying to gain an understanding of human behaviour as observed prior to, during and after a crisis. Studies show that most behaviours are linked to peoples' 'attitudes' towards any outcome. These attitudes influence the way in which people perceive the outcome of any event; that is, positively or negatively. This means that most people form a positive attitude towards an event/activity they feel has a positive outcome, and a negative attitude towards an event/activity they feel has a negative outcome. It is often this perception of the outcome that drives the attitude itself (Ajzen and Fishbein, 1980). In applying the theory to this study of the attitudes and behaviours of tour operators and RTOs towards crisis management, it would appear that those businesses that perceived crisis planning as a productive activity would be more inclined to actively participate in it.

The tourism sector has proved to be one of the most vulnerable of all industries whereby the effects of any external events or shocks can rapidly spiral into a crisis (Malhotra and Venkatesh, 2009). Therefore, crisis management in this industry should be viewed as a vital management concern (Evans and Elphick, 2005). Seymour and Moore (2000) state that there are two main types of crisis: 'Cobra' and 'Python'. Most crises in the tourism industry fall into the 'Cobra' category, whereby the crisis tends to occur in a very short space of time, requiring a rapid response to minimize further damage. The 'Python' type of crisis is more slow to build, and often is due to internal factors such as poor management practices.

There are many types of external events that can affect a tourist destination negatively. Most of these events, such as natural disasters, economic recessions, epidemics and international hostilities, precipitate a crisis mainly within the destination. Terrorism, on the other hand, can have a more far-reaching consequence on the visitor psyche. It generates more than a brief and immediate disruption of business and can have the effect of travel itself being perceived as an unsafe and avoidable activity (Sönmez *et al.*, 1999). Tourist habits have been greatly affected by events of the Gulf War in 1991, the 9/11 attacks in 2001 and the Bali bombings in 2002, with a severe decline in the number of tourist visits and increased cancellations (Evans and Elphick, 2005). This can have long-term effects on a tourist destination's ability to emerge quickly from a crisis.

Being well prepared for a crisis does not necessarily reduce damage to infrastructure, immediate loss of visitor confidence or the costs of any post-crisis marketing initiatives. The economic impacts of terrorism on the affected region can be long lasting, and government subsidies for tourism-related businesses have proved to be of value in cushioning such shocks (Blake and Sinclair, 2003). The recent natural disasters, health emergencies and incidents of terrorist violence in the Asia-Pacific resulted in significant deterioration of tourism infrastructure in South, South-east and North Asia, and a high rate of decline in visitor arrivals (Economic and Social Commission for Asia and the Pacific, 2007). The recent natural disasters in Queensland have had a tremendous impact on the economy. The floods of 2010–2011 followed by Cyclone Yasi in 2011 caused a total damage to public infrastructure between five and six billion AUS\$ and major losses to the mining, agriculture, business and retail sectors (PricewaterhouseCoopers, 2011). The extensive media coverage of the Queensland natural disasters added to the spate of cancellations, and the estimated loss of revenue for tourism industry in 2010–2011 stands at AUS\$590 million (IBIS World, 2011).

Certain barriers have been identified that affect effective and pre-emptive planning and preparation for a crisis. For a complete study and understanding of all the

factors influencing crisis planning behaviours, it is necessary to take into account the social, cultural, economic and political features of the region. Studies have shown that past experiences, size of the business, lack of financial resources, lack of awareness and lack of accord in the industry all have a bearing on the planning and preparation efforts put in by tourism organizations (Johnston *et al.*, 2007; Hystad and Keller, 2008). Environmental factors such as hurricanes, cyclones, bush fires and earthquakes also contribute greatly to the formation of certain attitudes towards crisis planning. As mentioned above, the attitudes of the organization and the individual towards crisis planning are influenced by perceptions of the usefulness of such an activity. These perceptions in turn evolve from personal experiences; felt social/organizational pressures; cultural backgrounds; and political beliefs (Wang and Ritchie, 2010).

Three main factors have been identified that affect crisis preparedness: organization size, management attitudes and media.

Reilly (1987) argued that organization size seems to have a bearing on the willingness and ability of an organization to prepare beforehand for the management of a potential crisis. Larger organizations appear more inclined to participate in crisis planning activities than smaller ones (Wang and Ritchie, 2010). This might be linked to factors such as availability of resources, specialized departments and better awareness of the benefits of undertaking crisis planning. On the other hand, it is likely that smaller organizations do not perceive the undertaking of crisis planning activities as profitable and hence are less inclined to pursue this activity. Organization age is another factor that influences the implementation of crisis planning activities, but it does not impact the perceived level of crisis preparedness (Wang and Ritchie, 2011).

Management attitudes towards crisis planning are most often influenced by the positive or negative evaluation of previously experienced crises. The availability of resources and opportunities to engage in planning activities affects the willingness of management to view crisis planning as a positive endeavour (Rousaki and Alcott, 2006).

Faulkner (2001) states that there is a consensus that the media play a useful role during the pre-event and post-event stages of a crisis, as described in Ritchie's (2004) Crisis Disaster Management Framework. This applies especially to events such as natural disasters that to some extent are predictable. Valuable information such as warnings and recovery strategies can be distributed to the public. However, the media can also have some negative outcomes such as providing misleading and contradictory information (Riley and Meadows, 1997).

Floods and cyclones are an inherent part of Queensland's climatic landscape. Recent floods and cyclones have impacted on the state's tourism industry, creating financial and operational challenges for many tourism operators. Recurring natural disasters such as floods and cyclones strain the sustainability of the state tourism industry. Given Queensland's weather patterns, it is crucial for the tourism industry to adopt a sustainable approach to crisis planning. An organization's ability to react to a crisis situation is directly related to its degree of preparedness for the crisis. To this end, it is beneficial to apply the principles of crisis management (Wang and Ritchie, 2010).

In 2007, TQ created the RTCMPT to assist tourism operators to respond to crises in a planned and coordinated manner. According to TQ (2007) a Regional Tourism Crisis Management Plan (RTCMP) aims to ensure a consistent and coordinated approach to response and recovery activities within the region, and between state and regional tourism bodies, in the event of a 'shock' impacting tourism

in a region. Central to the plan is the pivotal role that RTOs must play in leading and coordinating response and recovery initiatives in times of crises (in conjunction with TQ and other tourism-related organizations). The RTCMPT offers guidelines and strategies for tourism operators to prepare themselves effectively to respond to crises. Studies have shown that businesses that have previously faced a crisis will be more likely to prepare for any future eventualities. An analysis of the stages of a crisis is helpful in formulating strategies to assist managers in planning their responses at each stage of a crisis (Ritchie, 2009; Crandall *et al.*, 2010).

There are varying approaches to classifying the different stages in crisis management. Ritchie's (2004) Crisis Disaster Management Framework is seen as the most relevant framework to apply to regional tourism operators preparing for natural disasters, as it clearly identifies the stages in a crisis that are relevant to the onset of natural disasters in Queensland, which are commonly floods and cyclones.

- The pre-event stage relates to the environmental scanning vital in the preparation for such a crisis. The weather bureau would play an active role in this stage.
- The prodromal stage gives businesses some preparation time for formulating plans and identifying potential issues with the imminent disaster.
- The emergency stage is when the actual disaster hits. The only action that can be taken is to contain the damage as much as possible.
- The intermediate stage is the recovery phase immediately after a disaster/crisis has hit. It addresses the issues that deal with the restoration of services and attention to emergency issues.
- The long-term/recovery stage addresses the restoration of the environment and the return to business.
- The resolution stage is the return to 'business-as-usual' and gives the organization an opportunity to reassess its crisis planning strategies.

Faulkner (2001) outlines certain elements that have to be included in the tourism disaster management planning process and its outcomes:

1. Conducting a risk assessment and estimating the probability of occurrence of the event.
2. Prioritizing the tasks and activities to be undertaken when the event occurs.
3. Establishing a clear set of protocols to ensure proper coordination between various operating bodies.
4. Conducting a community capabilities audit so that the extent to which the community can cope with specific disasters can be assessed.
5. Implementing a disaster management command centre.
6. Developing specific media monitoring strategies to ensure that misleading or contradictory information is not disseminated.
7. Setting up warning systems ensuring the involvement, education and review of the programme.

Ritchie (2004) pointed out that strategic implementation of a crisis management plan should involve strategic evaluation and control, crisis communication and control, management of resources, and understanding and collaborating with internal and external stakeholders. Evans and Elphick (2005) point out that as no two crisis situations are

identical managerial responses and strategies need to be flexible enough to adapt to the exact circumstances encountered. Evans and Elphick (2005) state that in most situations crisis management can be managed by applying the '4 Rs': reduction, readiness, response and recovery. Most crisis management plans include these four basic principles. The pre-event planning initiative in the RTCMPT identifies the actions that might be undertaken prior to the event in order to mitigate the impacts of the crisis. These measures include:

1. media communication strategies;
2. research/data collection;
3. marketing strategies; and
4. product/infrastructure redevelopment.

### 10.3 Research Methods

This chapter has three principal aims: (i) to discuss the impacts of the 2011 floods and Cyclone Yasi on Central Queensland tourism operators; (ii) to explore the preparedness of Central Queensland tourism operators for and in response to such crises; and (iii) to determine the degree of implementation and effectiveness of the TQ crisis management plan template to prepare RTOs and businesses for crises. To investigate these aims, both quantitative surveys and face-to-face in-depth interviews were used. The quantitative surveys were sent to all tourism operators in the Central Queensland region, while qualitative interviews were held with senior staff within RTOs and tourism enterprises in the region. This research focused on three main regions: Bundaberg and Rockhampton, both devastated by the recent flooding, and Mackay/Whitsundays, heavily affected by flooding in 2008 and also affected by the 2011 floods. The purpose of investigating these three regions was to investigate the effect of, and response to, the recent floods, as well as to analyse what measures have been put in place since the 2011 floods to mitigate the effects of future floods, or other crises, in the area. The research encompasses all key sectors of the tourism industry including accommodation providers and resorts; attractions; restaurants; tour operators; and the meetings, incentives, conferences and exhibitions (MICE) industry.

Quantitative surveys were used to gather information from a pool of tourism organizations about the impacts of the floods on their businesses. This included gathering information on such issues as crisis management planning; marketing and management response to crises including staffing, cancellation strategies and promotions; and collaborative marketing initiatives and impacts of the 2011 floods on the businesses. An email was sent out to approximately 300 tourism businesses in Central Queensland asking them to complete the online survey. A total of 82 completed, usable surveys were returned, giving a response rate of 27.3%. The data gathered in the quantitative phase of this research were entered into, and analysed using, SPSS 19.0. To gather more in-depth information, 21 face-to-face interviews were also undertaken. These interviews were informal, yet semi-structured, using an interview guide rather than a questionnaire. This approach provided the flexibility for respondents to provide details about matters most important to them, providing rich, in-depth information. This method also ensured that key topics were covered and that interviews were conducted in a consistent manner between respondents.

## 10.4 Findings and Discussion

While the impact of the widespread flooding and Cyclone Yasi on the Central Queensland region was quite short in nature, the long-term impact was devastating to the tourism industry in the region. The impact of the 2011 floods and Cyclone Yasi on the Central Queensland region should technically have been 'Cobra' events (Seymour and Moore, 2000), resulting in flooding, rain and strong winds impacting some tourism enterprises; the long-term impact has, in fact, been a 'Python' event with devastating consequences on the tourism industry for Queensland.

At the time this research was conducted in July 2011, 6 months following Cyclone Yasi, many tourism operators were still in the long-term/recovery stages and had not yet moved to the resolution stage of 'business-as-usual' (Ritchie, 2004). The message that all of Queensland is open to tourism seems to have been lost on some tourists. Many respondents claimed that the message portrayed in the popular media that all tourism in Queensland had closed due to the flooding and Cyclone Yasi was false, as many tourism operators were only indirectly affected and were still operating. For example one operator claimed that:

It was an absolute tragedy for the tourism industry, the vision that went around the world, to the United States that rarely pick up on things happening in other countries, through Europe and even China because that's where I was when this all started the images were and the information was that the whole of Queensland was, basically was underwater and that's a very difficult image to turn around.

To minimize the negative impacts of the media in these cases many respondents felt that that the RTOs as well as TQ needed to play a greater role in the dissemination of information to the media and customers to ensure the correct message was being received.

Most of the participants (70.7%) in this research had more than 10 years of experience working in the tourism industry, with 18% having more than 30 years of experience. The size of the organizations represented in this study reflected the overall structure of the industry, with 92.7% of organizations being classed as small- to medium-sized enterprises (SME)s as they employed fewer than 50 staff. The accommodation sector accounted for 44% of the responding organizations, with 15.8% operating cafes or restaurants. Most of the respondents (67.1%) claimed that they had experienced an actual crisis in the tourism industry and 95.5% of these indicated that they had personally been involved in managing the crisis. When asked whether their organization was prepared to cope with a crisis, more than one-quarter (25.6%) stated they were not prepared. When assessing the impact of the TQ crisis management plan only 11% of respondents had heard about it, with all of these stating that the information in the template was useful in planning for crises. This is in contrast to the RTOs which stated that the plan had been sent to all their members on a number of occasions.

Most of the respondents (89%) claimed that their organization lost business income that they would normally expect for that time of the year, with almost one-third (31.5%) of the respondents claiming that they suffered a 31–50% loss and more than one-quarter (27.4%) claiming that their loss of income was greater than 50%. Most organizations were forced to reduce operational costs, with more than one-half (58.9%) stating that operational costs were cut by more than 30%; however, many (56.1%) of the respondents noted that their organization increased their marketing spend in response to the crisis.

One respondent claimed that 'whilst we reduced operating costs in most areas we realized that in order to change public perception we had to invest more in marketing', while another said 'we had to increase marketing spend in order to stay afloat'.

More than three-quarters (75.6%) of the respondents indicated that their organization received cancellations, with 30.8% claiming that more than 30% of their bookings were cancelled. All the respondents stated that they did not apply a cancellation fee to the bookings that were cancelled. More than one-quarter (25.6%) of the respondents stated that their organization was forced to make some staff redundant, with the majority of those (85.7%) indicating that one or two staff were made redundant, while three organizations stated that they were forced to make more than ten staff redundant. Almost two-thirds (63.4%) of respondents also stated that their organization reduced the number of hours worked by casual and part-time staff. Most organizations (89%) were not able to receive any government funding, and while 52.4% of respondents claimed their organization had insurance cover against flooding, only 20.9% were successful in receiving insurance payouts. The main reason for this lack of funding and insurance payouts related to the fact that many organizations did not have any physical damage to their property; in fact many were not directly affected by the flooding at all.

While most organizations agreed that having a crisis management plan was a good business practice, many (43.9%) had none in place. Less than one-third (29.1%) of the organizations had any budget allocated to crisis planning and less than one-half (48.8%) stated that they undertook any form of scenario planning or regularly practised crisis alerts during the year. The major impediments to crisis management planning identified in this research were lack of sufficient time for them to implement crisis management planning (29.3%); lack of access to crisis management consultants or experts (46.3%); and that they did not have access to appropriate equipment and technology to implement the crisis management planning activities (42.6%). Almost 40% of respondents also claimed that it was too expensive to implement crisis management planning.

One of the key factors affecting the capacity of tourism organizations to manage and recover from crises is the size of the organization. This study has found that the majority of businesses in regional areas are SMEs of fewer than 50 staff. As indicated by the literature, it is typically large enterprises that have the human and financial resources to devote to crisis planning and management strategies. However, with over 81.7% of the participant organizations in the Central Queensland region employing fewer than ten staff, they faced significant challenges in attending to disaster planning and crisis management. It is evident from this research that these tourism operators lacked both the human and financial resources to prepare for and respond to the crisis, and therefore suffered large losses.

In an interview with TQ it was discovered that the organization was aware of the issues related to resource constraints for small- to medium-sized tourism organizations and this was one of the main reasons that the TQ RTCMPT was developed. However, this research has found that the majority of respondents to the survey indicated they had not known of the template prior to the crisis nor used it. While over 50% of respondents also indicated they had (or would) prepare new or amended crisis plans for the next disaster, many of these operators were still doing so without the benefit of the resources and information provided by the crisis management template. This, in turn, indicates that TQ's promotions programme post-crisis also needs to

include promotion of the template to operators as much as it needs to promote that Queensland is indeed open for business. In turn, as these types of crises can have long-term negative impacts on tourism businesses if not managed correctly, tourism businesses in Central Queensland need to make more effort to prepare crisis management plans despite the limitations they face.

Based on the crisis and disaster management framework (Ritchie, 2004), this research has found a number of critical points that need to be taken into consideration by both government and tourism operators.

These stages appear to have been relatively well performed, with adequate warnings provided; neither operators nor RTOs raised any significant issues. This potentially also reflects the fact that the majority of operators had previous experience of crises; had been personally involved in managing and responding to the crises; and more than two-thirds of the respondents had over 10 years of experience in the tourism industry. As demonstrated in the literature, where management have had previous experience of disasters they are more likely to respond positively to disaster planning activities and potentially to information provided prior to the events. This is also evident by the fact that over one-half of the operators had trained crisis management teams and crisis management plans in place and a further 67% had a staff member who provided law enforcement, fire department and emergency services liaison.

Significant issues begin to emerge in the intermediate stage, which is the recovery phase immediately following the crisis that should deal with the restoration of services and attention to emergency issues.

The long-term/recovery stage addresses the restoration of the environment and the return to 'business-as-usual'. Despite the fact that 6 months had passed since Cyclone Yasi and the Queensland floods, some tourism operators were still in the long-term/recovery stage and had not yet moved to the resolution stage of 'business-as-usual' (Ritchie, 2004). The message that all of Queensland was open to tourism seems to have been lost. Also, the media stating that all tourism in Queensland had closed due to Cyclone Yasi was false, as many tourism operators were only indirectly affected and were still operating. This was not adequately countered by positive images and news stories provided by the government operators.

The resolution stage marks the return to 'business-as-usual' and gives the organization an opportunity to reassess its crisis planning strategies. Most tourism businesses surveyed had not reached this stage.

Three main factors affecting crisis preparedness have been identified: organization size, management attitude and media. Tourism operators did state that attending training sessions was a problem due to lack of time and resources, and the fact that every crisis is different. In terms of the implementation of a crisis management plan tourism operators stated that impediments of lack of staff, time and expertise were the main impediments to crisis planning. Through the interviews with the four RTOs it was clear that the TQ Crisis Management Template was not well recognized by Central Queensland tourism operators. Although RTOs had held training sessions and no complaints had been received regarding the use of the template, it appears that although TQ spent a great deal of money developing the template, its adoption by tourism operators was low.

Further, a number of areas need specific attention including media and marketing communication strategies; ongoing research and data collection; and issues around insurance and government funding to ensure appropriate and rapid product and infrastructure redevelopment. The evidence shows that while some marketing and promotion was

being undertaken (i.e. the Queensland Government's 'Open for Business' campaign) tourists were still not sure of the extent of the recovery after the crisis. While the Central Queensland region was largely unaffected by either Cyclone Yasi or the 2011 flooding, the region did suffer from compounded tourist fear of further impacts and ripple effects of the crises. This compounded fear was further exacerbated by other external impacts including the Global Financial Crisis, Australian interest rates, the Hendra virus outbreak and the exchange rate for the Australian dollar. As a result, much greater marketing and promotion needs to be undertaken up to 6 months after the initial crisis.

Further, with regard to the TQ and RTO approach to information delivery to industry operators, the government needs to adopt a number of different approaches to the delivery of information around crisis planning for businesses and the template. The nature of small to medium service-oriented enterprises in the tourism industry makes them particularly sensitive to the time capacity of the operators themselves. As indicated, operators and staff are time poor and often working in other employment as well as in their business. The use of online delivery for training and workshopping the template, or delivery in short (half-hour) chunks or at different times of the day and locations could be considered to meet their work requirements better. Finally, it is suggested that government agencies need to consider the economic as well as the physical impacts of these types of crises when determining funding criteria. It is also suggested that organizations require business continuation insurance that will allow them to access payouts in the event of loss of business related to natural disasters.

## 10.5 Conclusion

While events such as natural disasters and economic recessions are typically perceived as having limited effects on visitor perceptions, perhaps the number of events that are unrelated but still cause concern have had more far-reaching consequences than may have been predicted previously. The cumulative result of the variety of both small and large crises has in fact generated more than a brief and immediate disruption to 'business-as-usual'. While it is usually acts of terrorism that have typically generated this response, it seems as though the ongoing effects of multiple events has actually produced an equivalent effect of travel being perceived as unsafe and an activity that should be avoided. Further research needs to be done here to better understand if this is indeed the case.

## References

- Ajzen, I. and Fishbein, M. (1980) *Understanding Attitudes and Predicting Social Behavior*. Prentice-Hall, Englewood Cliffs, New Jersey.
- Anderson, M. (1990) Analyzing the costs and benefits of natural disaster responses in the context of development (Environment Working Paper 29). World Bank, Washington, DC.
- Bergen, B. and Cruickshank, P. (2007) The Iraq effect: war has increased terrorism sevenfold worldwide. *Mother Jones*, March/April. [www.truth-out.org/article/the-iraq-effect-war-has-increased-terrorism-sevenfold-worldwide](http://www.truth-out.org/article/the-iraq-effect-war-has-increased-terrorism-sevenfold-worldwide), accessed 15 February 2011.
- Blake, A. and Sinclair, M.T. (2003) Tourism crisis management: US Response to September 11. *Annals of Tourism Research* 30(4), 813–832.
- Carlsen, J.C. and Liburd, J.J. (2008) Developing a research agenda for tourism crisis management, market recovery and communications. *Journal of Travel & Tourism Marketing* 23(2–4), 265–276.



- Crandall, W.R., Parnell, J.A. and Spillan, J.E. (2010) *Crisis Management in the New Strategy Landscape*. Sage Publications Inc., Los Angeles, California.
- Economic and Social Commission for Asia and the Pacific (2007) Economic and social survey of Asia and the Pacific surging ahead in uncertain times. Thailand: [www.unescap.org/pdd/publications/survey2007/01\\_Survey\\_2007.pdf](http://www.unescap.org/pdd/publications/survey2007/01_Survey_2007.pdf), accessed 18 May 2011.
- Evans, N. and Elphick, S. (2005) Models of crisis management: an evaluation of their value for strategic planning in the international travel industry. *International Journal of Tourism Research* 7(3), 135–150.
- Faulkner, B. (2001) Towards a framework for tourism disaster management. *Tourism Management* 22(2), 135–147.
- Glaesser, D. (2003) *Crisis Management in the Tourism Industry*. Butterworth Heinemann, Oxford, UK.
- Hystad, P.W. and Keller, P.C. (2008) Towards a destination tourism disaster management framework: long term lessons from a forest fire disaster. *Tourism Management* 29(1), 151–162.
- IBIS World (2011) Queensland floods: the economic impact. [www.ibisworld.com.au/common/pdf/QLD\\_floods\\_special\\_report.pdf](http://www.ibisworld.com.au/common/pdf/QLD_floods_special_report.pdf), accessed 9 April 2014.
- Johnston, D., Becker, J., Gregg, C., Houghton, B., Paton, D., Leonard, G. and Garside, R. (2007) Developing disaster warning and response capacity in the tourism sector in coastal Washington, USA. *Disaster Prevention and Management* 16(2), 210–216.
- Krimgold, F. (1976) *Overview of the Priority Area Natural Disaster*. United Nations, New York.
- Malhotra, R. and Venkatesh, U. (2009) Pre-crisis period planning: lessons for hospitality and tourism. *Worldwide Hospitality and Tourism Themes* 1(1), 66–74.
- Min, J.C.H. and Huang, T.F. (2007) Strategies for inbound tourism recovery from a catastrophe: the case of severe acute respiratory syndrome in Taiwan. *Contemporary Management Research* 3(3), 253–266.
- PricewaterhouseCoopers (2011) Economic impact of Queensland's natural disasters. [www.pwc.com.au/about-us/flood-support/assets/Economic-Impact-Qld-Natural-Disasters.pdf](http://www.pwc.com.au/about-us/flood-support/assets/Economic-Impact-Qld-Natural-Disasters.pdf), accessed 18 February 2012.
- Reilly, A.H. (1987) Are organisations ready for crisis? A managerial scorecard. *Columbia Journal of World Business* 22(1), 79–88.
- Riley, J. and Meadows, J. (1997) The role of information in disaster planning: a case study approach. *Disaster Prevention and Management* 6(5), 349–355.
- Ritchie, B.W. (2004) Chaos, crises and disasters: a strategic approach to crisis management in the tourism industry. *Tourism Management* 25(6), 669–683.
- Ritchie, B.W. (2009) *Crisis and Disaster Management for Tourism*. Channel View Publications, Bristol, UK.
- Robertson, D., Kean, I. and Moore, S. (2006) Tourism risk management - An authoritative guide to managing crises in tourism. Asia-Pacific Economic Cooperation (APEC), International Centre for Sustainable Tourism, Singapore.
- Rousaki, B. and Alcott, P. (2006) Exploring the crisis readiness perceptions of hotel managers in the UK. *Tourism & Hospitality Research* 7(1), 27–38. <http://thr.sagepub.com/content/7/1/27.short>, accessed 12 September 2014.
- Seymour, M. and Moore, S. (2000) *Effective Crisis Management: Worldwide Principles and Practice*. Cassell, London.
- Sönmez, S., Apostolopoulos, Y. and Tarlow, P. (1999) Tourism in crisis: managing the effects of terrorism. *Journal of Travel Research* 38(1), 13–18.
- Tourism Queensland (undated) Risk management & crisis planning. [www.tq.com.au/tqcorp\\_06/fms/tq\\_corporate/industrydevelopment/TQ\\_RTCMP.pdf](http://www.tq.com.au/tqcorp_06/fms/tq_corporate/industrydevelopment/TQ_RTCMP.pdf), accessed 15 February 2011.
- Tourism Queensland (2007) *Regional Tourism Crisis Management Plan Template: A Guide to Preparing a Regional Tourism Crisis Management Plan*. Tourism Queensland, Brisbane, Queensland, Australia.
- Wang, J. and Ritchie, B.W. (2010) A theoretical model for strategic crisis planning: factors influencing crisis planning in the hotel industry. *International Journal of Tourism Policy* 3(4), 297–317.
- Wang, J. and Ritchie, B.W. (2011) Are organisations prepared for a crisis? An evaluation of crisis planning in the accommodation industry in Australia. In: Gross, M.J. (ed.) *CAUTHE 2011: National Conference: Tourism: Creating a Brilliant Blend*. University of South Australia, Adelaide SA, Australia, pp. 779–794. <http://search.informit.com.au/documentSummary;dn=908134734330511;res=IELBUS>, accessed 20 May 2012.

---

# 11

## Influence of the Global Financial Crisis (GFC) on the Chinese Outbound Travel Market: A Case Study of the Shanghai Regional Market

EMILY MA,<sup>1\*</sup> YAN ZHANG<sup>2</sup> AND HAILIN QU<sup>3</sup>

<sup>1</sup>Griffith University, Nathan, Australia; <sup>2</sup>East China Normal University, Shanghai, China; <sup>3</sup>Oklahoma State University, Stillwater, USA and Sun Yat-Sen University, Guangzhou, China

---

### 11.1 Introduction

In 2007 a financial crisis triggered by liquidity shortfalls broke out in the US and soon spread globally. Starting in the banking sector and extending to other industries, this crisis led to the 2008–2012 global recession and contributed to the European sovereign-debt crisis (Business Wire News, 2009). The stock market, real-estate market and many other industries were severely affected, leading to evictions, foreclosures, prolonged unemployment and loss of consumer wealth in trillions of dollars.

The Global Financial Crisis (GFC) caused a decline of international and long-haul travel worldwide, particularly in the USA and European countries. For example, the outbound travel market in the USA dropped 4% in 2009 compared with 2008 and the total expenditure of US outbound travellers dropped 12% (ITA, 2009). In Europe, the GFC also affected residents' frequency of travel, willingness to spend and destination choices (Moniche *et al.*, 2010). However, an interesting phenomenon that has attracted the attention of researchers and industry is that China's outbound travel demand is still strong despite the influence of the GFC. In 2008, the total number of Chinese outbound travellers exceeded 40 million and the number continually increased by 12% in the following years (2009–2011) (COTRI, 2012). Further, the expenditure power of Chinese outbound travellers is strong. In 2012, Chinese travellers surpassed Russians and Japanese becoming the top spenders, chalking up more than US\$2.38 billion in tax-free shopping transactions globally (TTG Asia, 2012).

---

\* E-mail: emily.ma@griffith.edu.au

The strong purchasing power of Chinese travellers has further enhanced the importance of the Chinese outbound travel market to the global tourism economy. Seeing the potential of inbound tourism in alleviating the negative impacts of the financial crisis, many destinations have adopted promotional strategies to stimulate tourism demand. On 19 January 2012 the USA simplified the visa application process for Chinese travellers, reducing the waiting period to less than 3 weeks. Despite these welcoming gestures, more effort is still needed in understanding Chinese travellers and the Chinese outbound travel market. What are the characteristics and preferences of Chinese outbound travellers? Would the GFC influence Chinese outbound travellers' destination choices and travel plans? How could destinations effectively position themselves to Chinese travellers during the GFC?

This chapter aims to answer these questions and to gain a better understanding of the Chinese outbound travel market during the GFC. We begin with a review of the historical development of the Chinese outbound travel market and major macro factors that drove its growth, and this is followed by a review of literature about the influence of crises on tourists' behaviour. A case study of Shanghai outbound travellers follows, with a focus on the influence of the GFC on the travel intentions, plans and consumption patterns of Shanghai outbound travellers. The chapter concludes with practical recommendations for destinations targeting Chinese travellers.

## 11.2 Literature Review

### Emergence of the Chinese outbound travel market

China's outbound tourism began in the early 1980s and has made considerable progress over the past three decades (Zhang and Heung, 2002). Economic development has improved people's living standards and also made outbound travel affordable (Lim and Wang, 2008). The development of China's outbound tourism can be categorized into three stages (Zhang and Heung, 2002):

1. 1980–1990: the beginning, visiting relatives in neighbouring countries and regions;
2. 1990–1997: characterized as packaged tours to Asian countries and border tourism; and
3. 1997 onwards: the real start of China's outbound tourism.

### Factors contributing to China's outbound tourism

#### *Policy*

Inbound travel in China started in the early 1980s as a result of the implementation of the Economic Reform and Open Door Policy. Attracting international travellers to gain foreign currencies was a major objective of China's international tourism policies. In 1984, the 'visiting-relatives tour' to Hong Kong and Macao was officially approved by the Chinese government and provided opportunities for mainland Chinese to travel to Hong Kong and Macao. This travel scheme, however, required invitations from overseas relatives and friends who were able to cover the expenses of Chinese travellers.

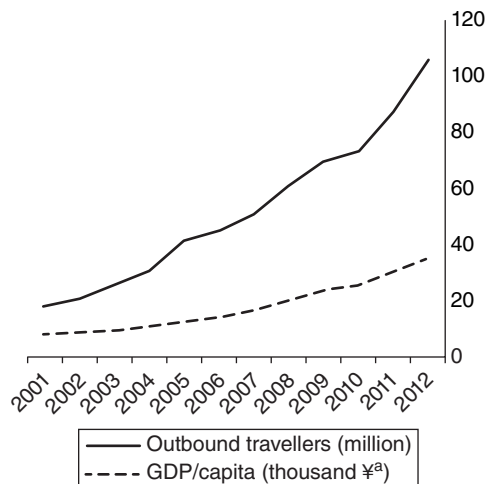
In 1987 the launch of a 1-day tour for Dandong residents to Sinuiju, North Korea, marked the beginning of border tourism. Soon after that, border tourism destinations expanded to other neighbouring countries such as Russia, Vietnam and Myanmar. In 1990, the Chinese government signed bilateral agreements with Singapore, Malaysia and Thailand, allowing Chinese tourists to visit these countries through packaged tours. The three countries became the hottest destinations in the 1990s and still appeal to first-time outbound Chinese travellers. The Chinese government continued to sign bilateral agreements and more countries gained Approved Destination Status (ADS) (Keating and Kriz, 2008). By 2012, the number of destinations granted ADS had reached 146.

### *Socio-economics*

**GDP PER CAPITA.** The rapid development of China's economy has fostered the growth of the outbound tourism market. Figure 11.1 shows the steady increase in the number of Chinese outbound travellers as GDP per capita grew. From 2001 to 2012, the average annual growth rate of outbound travels was 18.7%.

It should be noted that despite the steady increase in outbound tourism, the percentage of Chinese residents travelling abroad is still low (Lim and Wang, 2008), suggesting great potential in China's outbound travel development. The increase in personal disposable income has been a strong impetus for Chinese outbound travel, and with China's strong economic performance – especially the expansion of the middle class – tremendous growth potential in Chinese outbound travel can be expected.

**PUBLIC HOLIDAYS.** Many researchers have revealed the importance of leisure time to travel. Ryan (2003) suggested that more frequent travel is only possible when increases in income are accompanied by increased leisure time. China has witnessed steady increases in leisure time since the 1990s. In 1995, the 2-day weekend



**Fig. 11.1.** GDP per capita and number of Chinese outbound travellers (from National Bureau of Statistics of China, 2001–2012). <sup>a</sup>¥, Chinese Yuan.

holiday was introduced. In 1999, the 'Golden Week Holiday' policy was implemented. Three golden weeks, namely the International Labor Day holiday, China's National Day holiday, and the Spring Festival holiday were introduced, which significantly increased the number of public holidays in China. Travel, particularly outbound travel, became an appealing way for people to spend their holidays.

### **General characteristics of the Chinese outbound travel market**

The World Tourism Organization (WTO, 2000) has projected that China will become the fourth largest international tourist-originating country in the world by 2020, representing nearly 100 million outbound trips. The stronger performance of the Chinese outbound market may push this number up by that time. In 2011 the number of Chinese outbound trips had reached 70.25 million, 1.2 times that of the US outbound tourism market, and 3.5 times the Japanese outbound tourism market. The growing importance of the Chinese outbound travel market has attracted worldwide attention. According to a recent survey (hotels.com, 2012), 22% of hoteliers reported an increase of Chinese travellers by 40% compared with 2011; 41% of the hoteliers said they were going to offer Chinese TV channels; and 66% of European hoteliers would consider including Chinese breakfasts on their menus.

Shopping is one of the most important motivations for Chinese outbound travellers. According to research by the China Tourism Academy (2011), about one-third of the travellers consider shopping as their highest expense on their outbound tours. In 2012, the average spending of each Chinese traveller in the USA was US\$7,000, which was US\$2,500 higher than Japanese travellers (Cripps, 2013). According to Yan (2009), managing director of Beijing-based Ecole Fashion & Luxury Consulting Ltd, the expanding middle class constitutes an important group of consumers which desires and can afford luxury goods. The rise of private wealth coupled with the appreciation of the Chinese Yuan and easing of visa applications are fuelling demand for luxury travel. The top ten preferred luxury destinations among Chinese outbound travellers are France, the USA, Australia, Japan, the Maldives, Singapore, Italy, Switzerland, Dubai and Hawaii.

In addition, a recent study revealed that about 40% of Chinese outbound travellers are repeat travellers (China Tourism Academy, 2012) and Chinese outbound travellers are more mature, compared with those in the past decade, in tourism product selection and in spending money. In-depth and themed tours, such as attending concerts in Hong Kong, skiing in the Swiss Alps, following animal migrations in Kenya and taking part in cosmetology tours in Korea, are becoming very popular among young Chinese outbound travellers.

### **Influence of crises on tourism destinations and travellers' behaviour**

#### *Crises that harm demand*

Tourism is one of the most important industries in the economy but it is also one of the most vulnerable to crises, no matter whether a natural disaster or political crisis

(Faulkner, 2001; Ritchie, 2004; Song *et al.*, 2011; Ritchie *et al.*, 2013). When crises occur, the level of risk perceived by tourists also increases, leading to decreased demands for destinations (Okumus *et al.*, 2005).

The international tourism market underwent various types of crises (Faulkner, 2001). In September 2006, a military coup in Thailand was followed by turmoil in its southern provinces. The political instability has dented Thailand's reputation as a safe tourism destination and negatively influenced Thailand's medium- to long-term prosperity (DTTTR, 2007). A country's image can affect the destination choices of potential tourists and only a secure image can help in obtaining business. A secure image can have particular influence on tourists from countries whose citizens take their safety very seriously. For example, there were almost no Japanese tourists in Bali in the wake of the terrorist bombings, and numbers diminished in Phuket after the tsunami (DTTTR, 2007).

An earthquake hit Japan on 11 March 2011, causing leaks from a nuclear power plant. The number of international visitors to Japan plunged by more than 60% in the following month. Although there was a rebound to 539,000 in the numbers of tourists arriving by September, it was still 25% lower than the same time in 2010 (Birmingham, 2011). At its peak in 2009, 1.4 million Chinese tourists visited Japan, but the number fell to 1 million in 2011 due to the disaster (Frangos, 2012). The influence of this incident is profound because there are still many tourists hesitating about travelling to Japan.

Tensions in the relationship between two countries can also negatively influence outbound tourism. When China and the Philippines sparred over the disputed Scarborough Shoal in May 2012, China cancelled all outbound tours to the Philippines, dealing a direct blow to an industry vital to the nation's economy (Johanson, 2012).

### *Crises that may trigger demand*

The above examples tell us that crises often influence tourism destinations negatively and work as a barrier for tourists' travel motivation. Most types of crises can be detrimental to a tourism destination. Financial crisis, however, could be a double-edged sword in the outbound tourism market (Singer, 2009). This is because the devaluation of currencies and promotions in destinations could reduce outbound travel cost, which in turn triggers tourism demand (Huang, 2009). For example, although the GFC caused a decline in US outbound travel, the devaluation of the US dollar triggered Chinese outbound travel to the USA (TIA, 2008). In addition, the Asia-Pacific financial crisis in 1997 led to the devaluation of Asian currencies, thus significantly reducing Asian outbound travel to destinations such as Las Vegas and Paris. However, the devaluation of currencies in Asian destinations, combined with the promotional effort of these destinations, attracted more international tourists from Australia, North America and Europe to visit these Asian destinations (Chen, 2000; Raab and Schwer, 2003).

### *Influence of crises on tourists' behaviour*

Despite the demand triggered by the changes in currency exchange rates, financial crises can influence the destination choices and expenditure patterns of travellers. For example, the financial crisis has influenced the travel patterns of US residents.

Although travellers are still taking vacations, the nature of their vacations has changed. US travellers are looking for less expensive accommodation and take a road trip to closer destinations rather than flying (Travel Blackboard, 2009). Many US companies have also changed their travel spending habits. Non-essential travel has been cut or eliminated to reduce expense. Theng and Ying (2009) conducted a study of the expenditure patterns of Singapore travellers during the GFC and found that the median of total expenditure dropped from US\$4000–4999 in 2008 to US\$3000–3999 in 2009. Relocation of expenditure into different aspects of the outbound travel experience is expected due to the influence of the GFC.

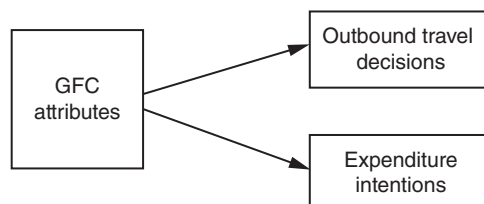
To summarize, Chinese outbound travel demand is strong despite the influence of the GFC. There are opportunities for destinations to attract Chinese travellers to alleviate the negative impacts of the GFC. However, Chinese outbound travellers may alter their destination choices, travel plans and expenditure allocations due to the influence of the GFC. Based on the literature, we propose the conceptual model shown in Fig. 11.2.

### 11.3 Case Study: The Shanghai Outbound Travel Market

#### General profile

A recent report ranked Shanghai as the fastest-growing city in China's outbound travel market (SCTW, 2010). In 2009, 858,643 people in Shanghai joined outbound tours, up by 16.31% over the previous year, while the whole nation's outbound tourism growth rate was 3.95%. This figure is even more surprising when one considers that the year 2009 was still in the shadow of the GFC. The report also showed that destinations in Asia were most popular, followed by Europe and Australia. The top ten destinations of Shanghai residents were Japan, Thailand, Indonesia, South Korea, Australia, Singapore, Malaysia, France, Cambodia and Italy.

The development of Shanghai's outbound travel market was attributed to rapid economic growth, which brings high disposable income to its residents; the ease of travel to international airports; the high levels of internationalization and multicultural communication; and the prosperity of international trade and business, which fostered business trips to foreign destinations. Table 11.1 shows Shanghai's GDP and the increase in outbound travellers between 2000 and 2011. A clear trend is shown in that as GDP increases, so the number of outbound travellers also increases consistently. We hope this case study of the outbound travel preferences and patterns of Shanghai residents sheds light on the big picture of China's overall outbound travel market.



**Fig. 11.2.** Conceptual model of the impact of the Global Financial Crisis (GFC) on Chinese outbound travellers.

**Table 11.1.** Growth in GDP and numbers of outbound Shanghai travellers (from The Official Shanghai China Travel website<sup>a</sup>).

Year	Total GDP of Shanghai (100 million Chinese Yuan)	Numbers of outbound travellers (10s of thousands)
2000	4,771.17	11.21
2001	5,210.12	14.82
2002	5,741.03	18.91
2003	6,694.23	28.77
2004	8,072.83	49.86
2005	9,247.66	51.71
2006	10,572.24	58.54
2007	12,494.01	68.91
2008	14,069.87	73.83
2009	15,046.45	86.04
2010	17,165.98	116.86
2011	19,195.69	132.44

<sup>a</sup>[http://lyw.sh.gov.cn/shlyj\\_website/HTML/DefaultSite/lytj\\_2013/List/list\\_0.htm](http://lyw.sh.gov.cn/shlyj_website/HTML/DefaultSite/lytj_2013/List/list_0.htm)

## Methods

We collected data from Shanghai residents using a self-administered questionnaire whose development was based on previously identified measurements. The questionnaire comprised four sections:

1. Information on respondents' travel experience, preferences and demographic profile.
2. Respondents' assessment of the importance of each aspect of the financial crisis in their outbound travel decision making. Seven statements on aspects of the influence of the financial crisis identified from previous research were used for this section (Faulkner, 2001; Ritchie, 2004; Song *et al.*, 2011).
3. Respondents' assessment of whether the financial crisis would influence their outbound travel expenditures. They were also asked how their expenditures would change (reduce, no change or increase) in nine aspects of their outbound travel activities such as air tickets, accommodation, food and beverages, and shopping.
4. Respondents' assessment of how likely they would be to change their travel plans in terms of changing to a closer outbound destination or to a domestic one.

A five-point Likert-type scale was used for the 2nd, 3rd and 4th sections of the questionnaire. A convenient sampling method was used for data collection: 600 questionnaires were distributed at the Shanghai Pudong International Airport and 395 completed questionnaires were used for data analysis, representing a usable respondent rate of 65.83%. Data were analysed using SPSS 19.0. Descriptive analyses, factor analysis and multiple regressions were used to analyse the data.



## Descriptive analysis

Table 11.2 shows that among all the respondents, 145 (36.7%) were male and 250 (63.3%) were female. Three respondents (0.8%) were younger than 16 years, 163 respondents (41.3%) were between 16 and 25 years and 159 (40.3%) were between 26 and 35 years. Thirty-two (8.1%) of the respondents were between 36 and 45 years and 37 (9.4%) were above 45 years. The respondents held various occupations and were employed in a large variety of sectors. It is worth noting that the large majority of the respondents received at least a college education (92.6%). More than 70% of the respondents' monthly income was more than 5000 Chinese Yuan.

In terms of outbound travel experiences and preferences, more than one-half (51.4%) of the respondents had outbound travel experience, and 48.6% had not taken part in outbound travel for the previous 3 years. The top five destinations/regions as indicated by the respondents were Europe, Hong Kong/Macau/Taiwan, South-east Asia, Japan and Australia/New Zealand. In terms of travel purpose, 321 (81.3%) of the respondents travelled for leisure, followed by education (32: 8.1%), business (19: 4.8%) and visiting relatives and friends (11: 2.8%). With respect to the organization of travel, independent tours (187: 47.3%) and semi-independent (142: 35.9%)

**Table 11.2.** Demographic and travel profile (N = 395).

Aspects	Frequency (%)	Aspects	Frequency (%)
<i>Age group</i>		<i>Gender</i>	
15 or below	3 (0.8)	Male	145 (36.7)
16–25	163 (41.3)	Female	250 (63.3)
26–35	159 (40.3)	<i>Types of tour</i>	
36–45	32 (8.1)	Semi-independent tour	142 (35.9)
Above 45	37 (9.4)	Group-package tour	64 (16.2)
<i>Education level</i>		<i>Top informational channel</i>	
Middle School	5 (1.3)	Friends and families	239 (60.5)
High School	24 (6.1)	Internet	181 (45.8)
College or University	322 (81.5)	Newspaper/magazine/book	172 (43.5)
Graduate Degrees	44 (11.1)	Travel booklet	137 (34.7)
<i>Family monthly income<sup>a</sup></i>		Broadcasting/TV/Movies	107 (27.1)
Below 5,000	102 (25.8)	Tour guide or tour member	71 (18)
5,001–10,000	140 (35.4)	Advertisement	66 (16.7)
15,001–20,000	80 (20.3)	<i>Top preferred destinations</i>	
Above 20,000	69 (17.4)	Europe	184 (46.6)
<i>Number of trips</i>		HK, Macau or Taiwan	172 (43.5)
0	192 (48.6)	South-east Asia	137 (34.7)
1–3	165 (41.8)	Japan	133 (33.7)
More than 4	37 (9.3)	Australia and New Zealand	95 (24.1)
		North America	82 (20.8)
		Others	49 (12.4)

<sup>a</sup>Income is given in Chinese Yuan.

tours were most preferred while group, packaged tours (64: 16.2%) were least preferred. When planning for outbound travel various information channels were used. The most preferred information channels were friends and families (239: 60.5%), Internet (181: 45.8%), newspaper/books/magazines (172: 43.5%), travel booklets (137: 34.7%) and broadcasting/TV/movies (107: 27.1%).

### Changes in expenditure intentions

The influence of the GFC on the expenditure patterns of Shanghai residents was also investigated. Respondents were asked to indicate if their expenditure on various aspects of tourism products would reduce, remain unchanged or increase. Fig. 11.3 summarizes the details of their expenditure patterns and intentions during the GFC.

Figure 11.3 shows that cuts in expenditure were found in all nine aspects of tourism activities; the top three were leisure and recreation, shopping and tips. Respondents reported moderate cuts in expenses in food and beverages, accommodation, international and local transportation and sightseeing. Minimum reduction was reported on travel insurance, indicating a great emphasis on travel safety on the part of Shanghai residents. Interestingly, some respondents intended to increase their

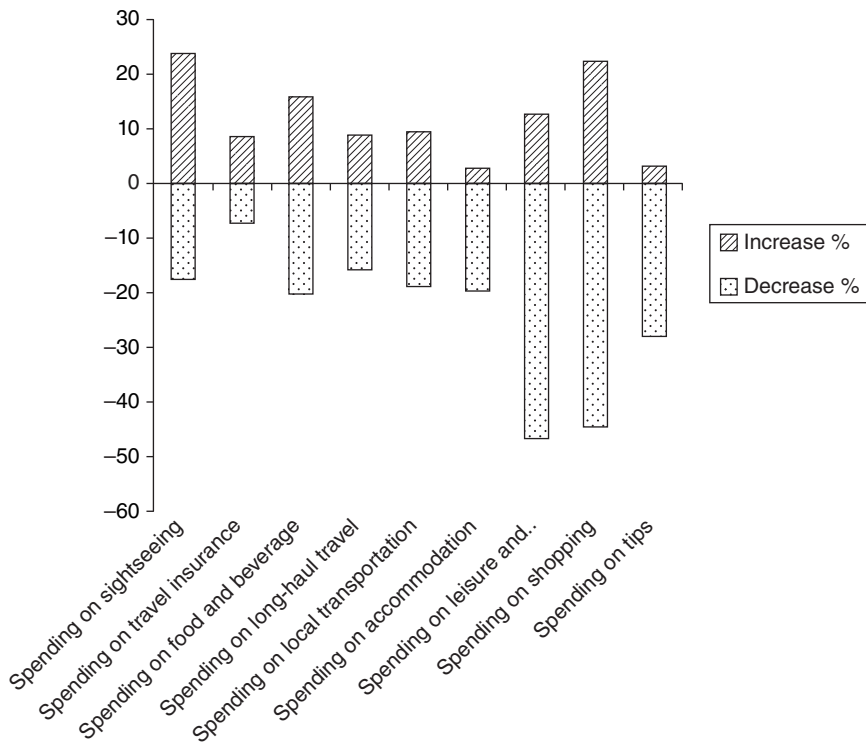


Fig. 11.3. Changes of expenditure intentions in outbound travellers.

expenditure during the financial crisis, and top aspects were sightseeing, shopping, food and beverages, and leisure and recreation activities. This indicates the strong buying power of the respondents.

### Underlying dimensions of Global Financial Crisis (GFC) attributes

Principal component analysis using Varimax Rotation was performed on the GFC attributes. The Kaiser–Meyer–Olkin measure of sampling adequacy was 0.753, and the Bartlett’s test of sphericity was significant ( $\chi^2(21) = 1021.72, p < .001$ ), suggesting that factor analysis was suitable. A factor loading cut-off value of 0.4 was used for retaining items and only factors with an eigenvalue equal to or greater than 1 were retained (Hair et al., 2006). The seven items generated a two-factor solution, explaining 65.73% of the total variance (Table 11.3); the factor loadings of the seven items ranged from 0.539 to 0.882.

Table 11.3 shows that Factor 1 was *Sales and promotions* and contained four items. Factor 2 was *Macroeconomic conditions* and contained three items. Internal consistency for each of the factors was examined using Cronbach’s alpha. The alpha for the *Sales and promotions* factor was 0.718 and for the *Macroeconomic conditions* factor was 0.822, all exceeding the threshold value of 0.60 (Nunnally, 1987).

### Influence of the Global Financial Crisis (GFC) on outbound travel decisions

In order to test how the GFC influenced the outbound travel decisions of Shanghai residents, two regressions were performed using the financial crisis factors as independent variables and two outbound travel decision variables as dependent variables. The two regression models are as follows:

- Possibility of changing to short-haul destinations' =  $a + b_1 F_1 + b_2 F_2$
- Possibility of changing to domestic destinations' =  $a + b_1 F_1 + b_2 F_2$

The first regression used Factor 1 and Factor 2 as the independent variables and the possibility of changing to short-haul destinations as the dependent variable. The  $R^2$  value was 0.065, and was statistically significant ( $F(2, 392) = 13.595, p < .000$ ).

**Table 11.3.** Underlying dimensions of financial crisis influence.

Factors	Factor loadings	Reliability	Eigenvalue
F1: <i>Sales and promotions</i>			
Increased promotion by destinations	0.754	0.718	3.275
Increased promotion by travel agencies	0.822		
Discount in air tickets	0.775		
Discounts in hotels and restaurants	0.796		
F2: <i>Macroeconomic conditions</i>			
Destinations' currency devaluation	0.862	0.822	1.326
Destinations' low prices	0.882		
Low prices of travel products	0.539		

**Table 11.4.** Influence of the Global Financial Crisis (GFC) on travellers' behaviour intentions.

Independent variables	Model 1	Model 2
	Possibility of changing to closer destinations	Possibility of changing to domestic destinations
F1: <i>Sales and promotions</i>	0.173 <sup>a</sup> (3.535)	0.179 <sup>a</sup> (3.676)
F2: <i>Macroeconomic conditions</i>	0.187 <sup>a</sup> (3.833)	0.209 <sup>a</sup> (4.294)

<sup>a</sup> $p < 0.01$

This can be interpreted as financial crisis factors explaining about 6.5% of the variance in respondents' decisions in changing to a closer outbound destination. The two financial crisis factors were both significant indicators for respondents changing destination decisions. The *Sales and promotion* factor had a beta value of 0.173 ( $p < .000$ ) and the *Macroeconomic conditions* factor had a beta value of 0.187 ( $p < .000$ ). Detailed statistics are summarized in Table 11.4 and the regression equation is:

$$\text{Possibility of changing to short-haul destinations}' = 2.954 + 0.202F1 + 0.219 F2 \quad (1)$$

The second regression used Factor 1 and Factor 2 as the independent variables and the possibility of changing to domestic destinations as the dependent variable. The  $R^2$  value was 0.075, and was statistically significant ( $F(2, 392) = 15.975$ ,  $p < .000$ ). This can be interpreted that financial crisis factors explained about 7.5% of the variance in respondents' decisions in changing to a domestic destination from an outbound destination. Detailed statistics are summarized in Table 11.4, which shows that the two financial crisis factors are both significant indicators of the changing destination decision. The regression equation is:

$$\text{Possibility of changing to domestic destinations}' = 3.041 + 0.208 F1 + 0.243 F2 \quad (2)$$

## 11.4 Discussion and Conclusion

This chapter explores the influence of the GFC on the Chinese outbound travel market. Based on the review of the emergence and development of China's outbound travel market, a case study of the Shanghai regional market assesses the impact of the financial crisis on Shanghai residents' outbound travel decision making and changes in expenditure patterns. A number of characteristics of Shanghai residents' outbound travel markets were identified.

In terms of demographic characteristics, the age groups 16–25 and 26–35 comprised the vast majority (81.6%) of Shanghai outbound travellers; and sightseeing, study and business were the top three purposes of travel. It should be noted that these two groups may have quite different travel and consumption preferences and therefore destinations, travel agencies, hotels, restaurants and airlines should consider their specific needs and come up with different promotional strategies.

Generally speaking, potential outbound travellers from Shanghai have a higher education level. They are more confident and independent in using different information

channels when making travel plans. Traditional information channels such as family and friends still rate highly, and this is consistent with the findings of Hsu *et al.* (2006) in their study of reference groups' influence on Chinese outbound travellers. The implication for this is the need for greater emphasis on service quality and customer satisfaction because happy customers will help spread positive Word of Mouth (WOM), and vice versa. It should be noted that the Internet has become a very important information source, and this may be related to the fact that a large percentage of potential travellers are quite young. The availability of more sales and marketing channels has challenged destinations and tourism-related industries now that customers can easily compare the prices from different channels before making their purchase decision.

The study also investigated Shanghai residents' expenditure intentions in different aspects of outbound travel during the GFC. This indicated that the majority of the respondents did not reduce most aspects of their travel expenditure. In addition, quite a large percentage of them would have liked to increase their spending, particularly in leisure, recreation and shopping. This is good news for the destinations and tourism industry sectors, and particularly for the travel insurance, food and beverage, accommodation and transportation sectors, because spending on those aspects are very likely to remain the same.

Lastly, the study also asked how macroeconomic conditions and the promotion efforts of destinations would influence the travel plans of a potential outbound traveller in terms of changing to a closer outbound destination or to a domestic destination. The two factors had a significant but relatively weak influence (betas ranging from 0.173 to 0.209) on respondents' outbound travel plans. The implication is that, even during the GFC, the need of Shanghai residents for outbound travel was still robust. Their need and motivation to travel outbound were not easily influenced by macroeconomic conditions. The positive relationships among *Sales and Promotion*, *Macroeconomic conditions* and the possibility of changing to a closer or domestic destination also provide opportunities for nearby destinations and domestic tourism destinations. At the same time it puts additional pressure on long-haul destinations.

Although the study provided a number of important insights into the Chinese outbound travel market during the GFC, care should be taken when generalizing the results. First, the study used a cross-sectional survey and the responses may not be a good representation of the whole outbound traveller market in Shanghai. Future research using random sampling methods may be able to provide a more representative picture of the market. Second, the study focused on the potential behaviour intentions of Chinese outbound travellers rather than their actual behaviour. Organizations and individuals wishing to use the results in relation to specific strategic decisions should be aware of this. There is scope for future research measuring the actual behaviours of Chinese outbound travellers.

## References

- Birmingham, L. (2011) Is post-Fukushima Japan safe for tourists? [www.time.com/time/world/article/0,8599,2099119,00.html](http://www.time.com/time/world/article/0,8599,2099119,00.html), accessed 9 April 2014.
- Business Wire News (2009) Three top economists agree 2009 worst financial crisis since great depression; risks increase if right steps are not taken. [www.reuters.com/article/2009/02/27/idUS193520+27-Feb-2009+BW20090227](http://www.reuters.com/article/2009/02/27/idUS193520+27-Feb-2009+BW20090227), accessed 9 April 2014.

- Chen, Y. (2000) Financial crisis and tourism industry in Thailand. *Southeast Asia* 1, 45–48 [in Chinese].
- China Outbound Tourism Research Institution (2012) Chinese outbound tourism statistics. [www.chinaoutbound.com/index.php?option=com\\_content&view=article&id=179](http://www.chinaoutbound.com/index.php?option=com_content&view=article&id=179), accessed February 2012.
- China Tourism Academy (2001–2012) *Annual Report of China Outbound Tourism Development*. China Tourism Press, Beijing, China.
- Cripps, K. (2013) Chinese travellers the world's biggest spenders. <http://edition.cnn.com/2013/04/05/travel/china-tourists-spend>, accessed 17 April 2014.
- DTTTR (Diethelm Travel's Thailand Tourism Review) (2007) Leading industry figures agree: Thailand's tourism future at a critical juncture. [www.bangkokpost.com/tourismreview2007/20.html](http://www.bangkokpost.com/tourismreview2007/20.html), accessed 9 April 2014.
- Faulkner, B. (2001) Towards a framework for tourism disaster management. *Tourism Management* 22(2), 135–147.
- Frangos, A. (2012) What's at stake in China–Japan spat: \$345 billion to start. <http://blogs.wsj.com/chinarealtime/2012/09/17/whats-at-stake-in-china-japan-spat-345-billion-to-start>, accessed 9 April 2014.
- Hair, J.F., Black, B., Babin, B., Anderson, R.E. and Tatham, R.L. (2006) *Multivariate Data Analysis*, 6th edn. Prentice Hall, Upper Saddle River, New Jersey.
- Hotels.com (2012) The rise of the Chinese international traveller – it's now or never for global hotel industry. <http://press.hotels.com/en-gb/press/2012-press/the-rise-of-the-chinese-international-traveller-its-now-or-never-for-global-hotel-industry>, accessed 9 April 2014.
- Huang, P. (2009) A research on the impact of the U.S. subprime mortgage crisis on the development of China's tourism industry. *Modern Business* 1, 180–181 [in Chinese].
- Hsu, H.C., Kang, S.K. and Lam, T. (2006) Reference group influences among Chinese travellers. *Journal of Travel Research* 44, 474–483.
- ITA (2009) U.S. travel abroad declined three percent in 2009. [http://tinnet.ita.doc.gov/outreachpages/outbound.general\\_information.outbound\\_overview.html](http://tinnet.ita.doc.gov/outreachpages/outbound.general_information.outbound_overview.html), accessed 9 April 2014.
- Johanson, M. (2012) Senkaku Islands dispute may hurt Japan's recovering tourism industry. [www.ibtimes.com/senkaku-islands-dispute-may-hurt-japans-recovering-tourism-industry-789812](http://www.ibtimes.com/senkaku-islands-dispute-may-hurt-japans-recovering-tourism-industry-789812), accessed 14 April 2014.
- Keating, B. and Kriz, A. (2008) Outbound tourism from China: literature review and research agenda. *Journal of Hospitality and Tourism Management* 15(1), 32–41.
- Lim, C. and Wang, Y. (2008) China's post 1978 experience in outbound tourism. *Mathematics and Computers in Simulation* 78(2–3), 450–458. doi:10.1016/j.matcom.2008.01.033.
- Moniche, A., Carrión, I. and Alarcón, P. (2010) Vulnerability of European outbound tourism markets in the midst of the global financial crisis. *Proceedings of the 10th International Forum on Tourism Statistics*, Lisbon, Portugal, 22–23 November 2010, pp. 1–29.
- National Bureau of Statistics of China (2001–2012) *Yearbook of China Statistics*. China Statistics Press, Beijing, China.
- Nunnally, J.C. (1987) *Psychometric Theory*, 2nd edn. McGraw-Hill, New York.
- Okumus, F., Altınay, M. and Araslı, H. (2005) The impact of Turkey's economic crisis of February 2001 on the tourism industry in Northern Cyprus. *Tourism Management* 26(1), 95–104.
- Raab, C. and Schwer, R.K. (2003) The short- and long-term impact of the Asian financial crisis on Las Vegas tourism revenues. *Hospitality Management* 22(1), 37–45.
- Ritchie, B.W. (2004) Chaos, crises and disasters: a strategic approach to crisis management in the tourism industry. *Tourism Management* 25(6), 669–683.
- Ritchie, B.W., Crotts, J.C., Zehrer, A. and Volsky, G.T. (2013) Understanding the effects of a tourism crisis: the impact of the BP Oil spill on regional lodging demand. *Journal of Travel Research*. doi:10.1177/0047287513482775.
- Ryan, C. (2003) *Recreational Tourism: Demand and Impacts*. Channel View Publications, Clevedon, UK.
- SCTW (Shanghai China Travel Website) (2010) Yangtze River Delta outbound tourism market report released in Shanghai. [www.meet-in-shanghai.net/news\\_detail2010.php?id=1272](http://www.meet-in-shanghai.net/news_detail2010.php?id=1272), accessed 9 April 2014.

- Singer, D.A. (2009) Global financial crisis: lessons and opportunities for international political economy. [http://web.mit.edu/cis/precis/2009fall/global\\_financial\\_crisis.html](http://web.mit.edu/cis/precis/2009fall/global_financial_crisis.html), accessed 9 April 2014.
- Song, H., Lin, S., Witt, S. and Zhang, X. (2011) Impact of financial/economic crisis on demand for hotel rooms in Hong Kong. *Tourism Management* 32(1), 172–186.
- The Official Shanghai China Travel Website. [http://yw.sh.gov.cn/shlyj\\_website/HTML/DefaultSite/lytj\\_2013/List/list\\_0.htm](http://yw.sh.gov.cn/shlyj_website/HTML/DefaultSite/lytj_2013/List/list_0.htm), accessed November 2013.
- Theng, C.L.M. and Ying, E.L.P. (2009) Trends for leisure travelling and tourism in Singapore – the case of Commonwealth Travel Services Corporation Pte Ltd (CTC Holidays). MSc thesis, Blekinge Institute of Technology, Sweden.
- Travel Blackboard (2009) Economic crisis changes travel behaviour in 2009. [www.etravelblackboard.us/article/88649/economic-crisis-changes-travel-behaviour-in-2009](http://www.etravelblackboard.us/article/88649/economic-crisis-changes-travel-behaviour-in-2009), accessed November 2013.
- TIA (2008) Inaugural tour of Chinese group leisure travellers to the United States. <http://chinesetouristsinamerica.com/tag/travel-industry-association>, accessed 14 April 2014.
- TTG Asia (2012) Singapore ranked top for luxury retail among Chinese travellers. [http://ttgasia.com/article.php?article\\_id=3469](http://ttgasia.com/article.php?article_id=3469), accessed 9 April 2014.
- World Tourism Organization (2000) Tourism 2020 vision. [www.unwto.org/facts/eng/vision.htm](http://www.unwto.org/facts/eng/vision.htm), accessed 9 April 2013.
- Yan, J. (2009) Battered luxury brands eye Chinese market for growth. [http://en.ce.cn/Industries/Consumer-Industries/200904/13/t20090413\\_18783339.shtml](http://en.ce.cn/Industries/Consumer-Industries/200904/13/t20090413_18783339.shtml), accessed 9 April 2014.
- Zhang, H.Q. and Heung, V.C.S. (2002) The emergence of the Mainland Chinese outbound travel market and its importance to tourism. *Journal of Vacation Marketing*, 8(1), 7–12.

---

# 12 The Development of a Transnational Tourism Risk, Crisis and Recovery Management Network

DAVID BEIRMAN\*

*University of Technology, Lindfield, Australia*

---

## 12.1 Introduction

Tourism crisis events, defined as events or circumstances that severely undermine the viability, reputation, marketability and perception of tourism destinations and associated enterprises (Faulkner, 2001; Beirman, 2003, p. 3; Ritchie, 2009, pp. 4–6), frequently extend and impact beyond the borders of a single country. The ash cloud from the Eyjafjallajökull volcanic eruption in Iceland in April 2010 caused extensive disruption to commercial air traffic and tourism within north-west Europe (Dopagne, 2011) but had a global ripple effect in which tourism movements and travel itineraries to and from Europe were disrupted, affecting over 10 million travellers. In May–June 2011 the eruption of the Puyehue volcano in Chile caused similar disruption to airline and tourism movements throughout the southern hemisphere, which impacted on international and domestic tourism to, from and within Southern Australia, New Zealand, South America and South Africa. During 2010–2103 the political uprisings in Tunisia, Egypt, Libya, Syria, Bahrain and Yemen shaped a range of negative perceptions of destinations throughout much of the Arab world and the Middle East. Wars, acts of terrorism, natural disasters, economic slumps and pandemics have negatively impacted on tourism transnationally and globally.

The concept of a transnational crisis management response network in tourism is not new. The airline sector and specifically the International Air Transport Association established a crisis communications unit following the 9/11 attacks in the USA in 2001. However, this was confined to the airline sector of the tourism industry. The Pacific Asia Travel Association (PATA) established the basis for a risk and crisis response network within the Asia-Pacific region after the Bali bombing of October 2002. PATA's head office, which was relocated from San Francisco to

---

\* E-mail: david.beirman-2@uts.edu.au



Bangkok in 1998 (Gee and Lurie, 2001) has closely monitored crisis events impacting on tourism in the Asia-Pacific region as an ongoing priority since the Asian Financial Crisis of 1997–1998.

A confluence of three events within just over 2 years, namely the first Bali bombing of October 2002, the severe acute respiratory syndrome (SARS) outbreak of February–June 2003 and the Indian Ocean tsunami of December 2004 resulted in the PATA, Association of Southeast Asian Nations (ASEAN) Tourism and the Asia Pacific Economic Cooperation (APEC) Tourism Working Group adopting a collaborative (Selin, 1994; Ritchie, 2004) and proactive approach to tourism-related risk and crisis management in the Asia-Pacific region. The 2002 Bali bombing resulted in the deaths of 202 people (165 of whom were international tourists) and created a wave of concern about the potential threat to tourists from Islamist terrorists in Malaysia, Singapore, Thailand and the Philippines. SARS impacted on the tourism industries of 28 Asian countries and Canada (Henderson, 2007, p. 118). The 26 December 2004 Indian Ocean earthquake/tsunami caused an estimated 280,000 deaths and extensive destruction in Indonesia, Thailand, Malaysia, Myanmar (Burma), India and Sri Lanka, and impacted on countries as distant from the epicentre in Aceh (Indonesia) as Somalia and Kenya (Robertson *et al.*, 2006).

In response to the Indian Ocean tsunami of December 2004, the United Nations World Tourism Organization (UNWTO) enhanced its role in the area of tourism crisis management. In January 2005 the author was one of 100 attendees at a UNWTO emergency meeting held in Phuket, Thailand, which sought to develop a globally supported tourism-recovery strategy to assist the tourism industry in those countries affected by the destruction wrought by the tsunami.

In 2006, the UNWTO established the Tourism Emergency Response Network (TERN), an initiative led by Geoffrey Lipman, UNWTO's former deputy Secretary General (Glaesser, 2011). The basic concept of TERN was to utilize and mobilize the resources of all major international tourism-related organizations affiliated to TERN to monitor the extent and development of a crisis event, communicate to stakeholders and the media, and establish policies to assist destination regions and authorities affected by crisis events in managing and recovering from the crisis. In 2009 UNWTO established a website<sup>1</sup> as an enhancement of the TERN concept. In recent years the UNWTO has sponsored the development of a crisis communications toolkit (UNWTO, 2012) and since 2011 has developed an agenda for the integration of emergency management and tourism.

Transnational collaboration in risk and crisis management has become a major theme in tourism management (Dwyer *et al.*, 2009). In addition to emphasizing that risk management is a core management skill for tourism professionals and destination managers, Dwyer *et al.* (2009) state that cooperation between governments and operators is integral to successful risk management. This chapter discusses a case study of the development of the PATA Rapid Response Taskforce (PRRT) and examines how collaboration theory is applied to transnational risk, crisis and recovery in tourism.

## 12.2 Collaboration Theory and Transnational Tourism Risk, Crisis and Recovery Management

The tourism industry is described by many scholars as a highly fragmented industry (Selin, 1994; Jamal and Getz, 1995; Stokes, 2008; Dwyer *et al.*, 2009). This fragmentation is partially due to the multi-sectoral nature of the industry which has discrete sectors involving varying and often competing transport modes, accommodation, attractions, destination marketing organizations, distribution chains, tour wholesalers and tour operators. This fragmentation of tourism at both the government and private sector levels presents a major barrier to collaboration in the marketing, operation and strategic management of tourism at local, state/provincial, national and transnational levels.

Conversely, a significant level of collaboration is required between companies across the various sectors for the delivery of an integrated range of tourism services for a traveller. Thus, the tourism industry is subject to the interplay between centrifugal forces at an association level and centripetal forces at the service delivery level.

Until 2001, this interplay of opposing forces was also found in the tourism risk and crisis management domain. While the airline industry was proactive in addressing risk and crisis, other sectors of the tourism industry including tourism academia treated risk and crisis as peripheral issues. However, in recent years the global tourism industry has recognized that risk, crisis and recovery represent common strategic concerns for all travel industry sectors and affect all regions of the world. Consequently, collaboration is necessary to implement a 'whole of tourism' approach to risk, crisis and recovery management at all spatial dimensions from localized tourism destinations to the transnational and global level.

In their discussion of global drivers of tourism change Dwyer *et al.* (2009) focused their research on a broad political, economic, environmental, social/demographic and technological trends analysis of the tourism industry. It is noticeable that these broad areas encompassed drivers for collaboration such as political facilitation of international travel, a stable and growing economy accompanied by growth in the number of people who could afford to travel. In the area of risk management, international political stability, inter-sectoral and government-private sector collaboration of destination planning and management and common definitions of destination risk collaboration are vital to the successful implementation of risk and crisis management policies.

Collaboration theory is equally applicable at the single destination and transnational level. In their discussion of collaboration theory and tourism practice in protected areas, Jamal and Stronza (2009) include issues that can be applied to risk management. They point out that collaboration is integral to complex planning domains that involve multiple stakeholders. A problem domain refers to a situation where the problems are complex and require inter- or multi-organizational response involving a broad collection of stakeholders. The development of a shared set of policy directions within a problem domain requires collaboration among multiple stakeholders who may hold diverse views and have varying degrees of influence over decision making.

Although Jamal and Stronza (2009) write in the context of sustainable tourism, the concepts discussed are relevant to tourism risk management, especially at the destination level. Stakeholders in the destination context include hoteliers, tour operators, transport providers, emergency services agencies, destination marketers and tour operators (to name a few). Applying the ideas of Jamal and Stronza (2009) to risk management requires collaboration over such issues as identification of risks, treatment of risks and timely and accurate communication of the status of access, evacuation and safe refuge procedures, registration and identification of affected visitors in a risk-affected destination.

In his discussion of a framework for tourism disaster management, Faulkner (2001) described a six-stage phase in the disaster management process, beginning with the pre-event period, in which risk assessment and contingencies could be developed. This would then move to the prodromal phase in which warnings and mobilization of a management team could be enacted. The third stage would be the emergency phase when mitigation action is undertaken. The intermediate phase features the beginning of restoration followed by long-term recovery and finally resolution, which would focus on review and implementation of improvement. A critical element in Faulkner's approach relevant to collaborative theory is the importance he places on a coordinated team approach between public and private sector organizations and planning agencies and in consultation with stakeholders and the community affected by the disaster.

In their paper on collaborative destination marketing Wang and Fesenmaier (2007) discuss the coordinated marketing of a specific destination in Indiana (USA). The core elements of their theoretical outlook are also relevant to transnational risk and crisis management. They define collaboration as 'a process of shared decision making among key stakeholders of a problem domain about the future of that domain' (Wang and Fesenmaier, 2007, p. 865). An example of this process in tourism risk and crisis management would involve joint decision making about the communication of information to stakeholders and prospective visitors relating to the status of a destination region affected by a hurricane. Within the scope of a broader risk management strategy this may involve a pre-agreed policy on what issues will be covered in such communications and to whom they will be sent.

The model that forms the framework for Wang and Fesenmaier's collaborative approach is linear and involves:

- Precondition.
- Motivation.
- Varying stages of implementation.
- Outcomes.

The *precondition* phase involves identification of key risks to the viability of tourism within a given spatial domain. Risks may include natural disasters, epidemics, political instability or economic downturn.

Among many objectives for collaborative action in treating risks would be the rapid restoration of the tourism industry and the reputation recovery of the affected destination region.

The *stages* involved in collaborative response would include assembling of key stakeholders to cooperate in an integrated response to a crisis, ordering a set of response priorities, implementation of a response process, evaluating the success of

the response and utilizing the lessons learned from the crisis to transform or enhance the destination ('build back better'). In the post-crisis phase the model moves to outcomes that would include enhancing the risk and crisis management capabilities of the destination region and its various stakeholders.

The significance of a strategic and holistic approach to tourism crisis planning and management has been discussed by Ritchie (2004). In order for collaboration to work for effective preparation and response to crisis events there is a need to advance from ad hoc coordination. In the context of an increasingly transnational and globalized tourism industry the momentum towards collaboration is increasingly driven by national governments and transnational tourism associations. In 2012 the tourism division of the Australian government's Department of Resources, Energy and Tourism released its critical incident response strategy (Emery, 2012) which involved collaboration between state government tourism bodies, key private sector industry associations (including the key travel industry sectors) and emergency management agencies. The Australian model was based on a broader global collaborative framework, the TERN. This was developed by UNWTO in 2006 and enhanced in 2012 through the incorporation of a UNWTO initiative in which there has been a move to integrate tourism and emergency management.

Ritchie's model contains three key elements:

1. *Crisis/disaster prevention and planning* – the proactive or contingency dimension.
2. *Strategic implementation* – this includes strategic evaluation of a crisis event and control of operational response, resource management, stakeholder collaboration and crisis communications.
3. *Resolution, evaluation and feedback* – this includes restoring the condition of the destination and associated enterprises back to pre-crisis conditions and, when possible, to better than pre-crisis conditions. It also includes applying lessons learned from the management or response errors to a given crisis event.

Ritchie's model emphasizes the importance of flexibility at all three stages and recognition that crisis events are necessarily fluid. He also adds a research dimension to more effectively analyse, classify and understand crisis events.

Collaborative networks need to persist over time and manage stakeholder interactions in an increasingly systematic manner: 'In this context, structuring refers to the institutionalisation of shared meanings' (Selin, 1994). Selin (1994, p. 224) discusses the development of an umbrella organization of private and government sector associations to coordinate the community-wide planning of Victoria (Canada). Collaborative transnational tourism risk and crisis management also requires structure and continuity. In order for collaboration to work effectively in tourism destination crisis management, a balance is required between representing the broadest cross-section of critical stakeholders in determining policies and actions, while ensuring that the crisis management team mobilized is numerically manageable.

Although Carlsen and Liburd (2008) do not specifically refer to collaboration in their discussion of a research agenda for tourism crisis management, they make a critical point about the strategy employed by UNWTO to adopt a leadership and coordination role in developing crisis management and response strategy. These strategies can be taught to and applied by destination marketing organizations in less developed countries. The case study of the PRRT and other transnational tourism crisis management initiatives have also been predicated on those associations with

resources and expertise, utilizing them to either teach, share or facilitate tourism risk, crisis and recovery management skills to countries and destination regions that are under-resourced. This may be broadly defined as top-down collaboration.

Henderson (Henderson, 2002, 2007; Henderson and Ng, 2004) has been one of the most prolific academic writers in the field of tourism crisis management, especially in the Asia-Pacific region. Her case studies on tourism crises in Asia arising from the Asian Financial Crisis 1997–1998, SARS 2003 and the Indian Ocean tsunami all feature the importance of collaboration. In her discussion of managing a tourism crisis in South-east Asia she points out that the Asian Financial Crisis of 1997–1998 featured common impacts on many South-east Asian countries in which key source markets (Japan, Taiwan and Korea) suddenly diminished. Initially, each South-east Asian country sought to develop its own response to the decline in tourism arrivals, but by the end of 1997 ASEAN had met to develop a collaborative approach to tourism recovery. ASEAN represents an especially relevant example of an association (especially in tourism) that operates collaboratively in times of a shared transnational crisis and disintegrates into overt competitiveness and non-cooperation when there is no perceived common threat. However, in succeeding crisis events (SARS 2003 and the Indian Ocean tsunami 2004) the centripetal forces of collaboration were evident among ASEAN countries, especially in the hotel industry.

Transnational collaboration in tourism risk and crisis management has developed since 2001 in response to a series of crisis events that have affected the viability of tourism beyond national borders. The collaborative process, which is increasingly evident in transnational tourism associations, has overcome inter-sectoral, geographic and even political barriers. The external threats to the viability of tourism are widely considered to be more powerful drivers of collaboration than those forces that have traditionally fragmented the tourism industry.

The case study that follows demonstrates the importance of collaboration in the formation, structure and operation of one transnational tourism organization. The author has been an integral part of PRRT from its inception.<sup>2</sup> As a participant observer the following account may be limited by personal bias but every effort has been made to adhere to the rules of scholarly objectivity.

### **12.3 Case Study: The Evolution of the Pacific Asia Travel Association Rapid Response Taskforce (PRRT)**

In April 2011, PATA's executive committee issued its Beijing Declaration (PATA, 2011). An outcome of that meeting was PATA's decision to establish a crisis-ready taskforce comprising PATA officials and members based in several Asia-Pacific countries including Thailand, Japan, Singapore, Indonesia, Australia and Canada, and an additional member from the UK. It was charged by PATA's interim President, Bill Calderwood, with three key tasks:

1. Monitoring crisis events.
2. Developing and delivering training programmes to assist PATA members and affiliated organizations to prepare effectively for the management of tourism risk and crises in their own jurisdictions.
3. Responding to and managing major transnational crises within the Asia-Pacific region.

The taskforce operates under the acronym PRRT. Members were recruited in May 2011 and the taskforce became operational in October 2011. This case study discusses the evolution of crisis management within PATA, the concept of the PRRT and its activities, and includes an analysis of its role within the broader context of transnational tourism crisis response and management networks.

PATA's Beijing Declaration, 10 April 2011 (PATA, 2011), included the following elements in its vision for dealing with tourism risk and crisis:

1. The impact of natural, economic and political upheaval can adversely affect tourism flow and with it the sustainability of economic growth and employment creation in both the affected destination and related economies.
2. The (tourism) industry needs to collaborate better across all sectors in the speedy dissemination of accurate information on the status of an event, and in coordination with international tourism bodies, to ensure the media and government travel advisories reflect accurate information on the status of any crisis.
3. Information needs to be accurate, concise and disseminated in real time.
4. The outcome all must seek is, through rapid implementation of standard operating procedures and effective communication and promotional strategies, to stimulate the speedy recovery of tourism flows.
5. PATA will establish a taskforce to devise a rapid response strategy which will provide industry members with a proactive action plan and the resources to speed their recovery after a crisis.
6. PATA will unite with UNWTO and WTTC (World Travel and Tourism Council) and other industry bodies in a global alliance to promote this principle and combine our efforts in time of crisis to exchange information and ensure a consistency of message across all our constituencies.

PATA is a transnational tourism association, established in 1951. Its membership includes a mixture of government and multi-sectoral private sector tourism industry members and member companies with tourism-related interests. Member companies and organizations are located in a number of geographically based chapters which include the Americas, the Pacific, Asia, China, Southern Asia and Europe. The membership has required PATA's leadership to be heavily focused on and responsive to travel industry trends across all sectors. Although PATA's official geographic limit encompasses 60 countries within Asia, the Pacific Ocean island states and Pacific Rim countries, it has members and chapters in several European countries and South Africa. Most PATA members outside the Asia-Pacific geographic zone have extensive tourism business links to the Asia-Pacific region. A key division of PATA was its strategic intelligence unit which analyses tourism industry trends and forecasts throughout the Asia-Pacific region. This unit was outsourced in September 2011 but retains strong links with PATA.

Crisis management has been a longstanding concern of PATA. It was a theme of its 1996 annual conference and in fact had been a concern of the association and its members since its establishment. After the Bali bombing of October 2002 (an event which, coincidentally, most of the PATA board witnessed due to the wedding of PATA's Deputy CEO in Bali) PATA commissioned a taskforce to investigate how Bali could recover optimally from the crisis in reduced tourism and be better equipped to avoid similar threats (PATA, 2003).

PATA's well-documented *Project Phoenix* (Yates, 2006), in which it coordinated the Asia-Pacific crisis communications and recovery campaign to facilitate the rapid recovery of tourism to the Asia-Pacific region after the 2003 SARS outbreak, established a global template for media-leveraged post-crisis recovery. To use the words of PATA's former CEO, Peter De Jong (who was CEO of PATA during the SARS crisis):

PATA's engagement with the media through delivering positive messages about the recovery of tourism in Asia and Canada ploughed the field which enabled individual national tourist offices and private tourism businesses to sow the seeds (through incentive marketing) which led to the recovery of tourism and the restoration of regional and national tourism reputations in Asia-Pacific destinations

(De Jong, in a CNN television interview, 4 April 2003)

In essence, *Project Phoenix* was a tourism reputation recovery campaign that focused on media-driven messages communicated through its partnerships with CNN and the BBC. It stated that SARS was no longer a threat to tourism in East Asia and Canada and that tourists were welcome and encouraged to return. It involved extensive collaboration between national tourism offices, the private sector, (especially major hotel chains, airlines and tour operators) and PATA. Although each country in the region funded country-specific promotional campaigns, the transnational promotion of Asia-Pacific tourism that focused on South-east Asia and Canada was coordinated by PATA.

Since *Project Phoenix* PATA has been heavily involved in assisting private sector member companies and tourism ministries and businesses in recovering from crisis events including the Indian Ocean tsunami 2004, the Samoan tsunami of 2009, and political instability and riots in Thailand 2008–2010. In May 2011, following a major conference in Bangkok that focused on mapping the future for Thai tourism in which post-crisis recovery issues were the prime focus (Tourism Authority of Thailand, 2011), PATA's interim CEO Bill Calderwood and its board decided that it was appropriate for PATA to establish a permanent crisis management taskforce. Bert van Walbeek, an experienced Bangkok-based tourism risk and crisis management consultant who is the head of PATA's Thailand Chapter was appointed by the PATA board to chair PRRT.

Prior to the formation of the PRRT, PATA had extensive experience in responding rapidly to crisis events. An example was PATA's response to the Indian Ocean tsunami in December 2004. Immediately after the tsunami occurred it established a section within its website<sup>3</sup> that was devoted to the tsunami. Utilizing information supplied by PATA chapters and members in affected countries, including Thailand, Sri Lanka and India, it posted regular updates on casualties and damage resulting from the tsunami, and the status of transport, accommodation and tourism attractions in the affected areas (Gurtner, 2007). The site also included a guide for businesses to assist in the formulation of a recovery strategy from the tsunami. The accuracy and timeliness of the PATA site were facilitated by the close cooperation PATA enjoyed with government tourism ministries and private industry stakeholders in affected areas. As Campiranon and Scott (2007) stated, cultural differences represent a barrier to crisis management collaboration and in this context some countries were less cooperative with PATA than others. In the Asian context the loss of face through exposure of problems or weakness can manifest itself in a reluctance to reveal

facts that reflect negatively on a destination. However, through the utilization of multiple information sources from both government and private sector tourism organizations, PATA largely succeeded in overcoming the reticence of some governments (notably India) to communicate information and was able to disseminate accurate and timely information on the state of tourism and transport in tsunami-affected countries. The location of PATA's headquarters in Bangkok was particularly advantageous in securing cooperation with the Thai Tourism Authority. Although tsunami-related casualties in Thailand were far lower than those of Indonesia, Sri Lanka and India, a far higher percentage of foreign tourist casualties occurred in Thailand than in any other affected country. Of the 8212 confirmed deaths in Thailand resulting from the tsunami, 2624 were foreign nationals (mainly tourists).

In addition to PATA's response to specific crisis events, the association developed its own set of crisis management training tools for its members. In 2003 it released a print and online booklet called *Crisis – It Won't Happen to Us* (PATA, 2003) and a series of CD-ROM training modules. In 2006, PATA and the UNWTO both supported and endorsed the production by Asia-Pacific Economic Cooperation of the publication *Tourism Risk Management – An Authoritative Guide to Managing Crises in Tourism* (Robertson *et al.*, 2006). The book, accompanied by a set of CD-ROM training modules, was produced in five languages: English, Bahasa Indonesian, Mandarin, Vietnamese and Thai. This project and publication exemplified collaborative risk and crisis management in the Asia-Pacific region encompassing several transnational tourism bodies.

The purpose of PRRT as outlined by its Chairman, Mr Bert Van Walbeek (Van Walbeek, 2011) is triangular in nature:

1. The proactive or contingency dimension, developing a guidebook, training modules and training programmes to prepare and train PATA members and stakeholders to prepare for and manage risk and crisis events.
2. An ongoing monitoring and response process, utilizing e-resources and links with the PATA website, travel industry and wider media to keep track of emerging threats to tourism and to respond to crisis events as they occur.
3. The mobilization of the PRRT to assist companies and destination authorities directly in the management of and recovery from crisis events.

PRRT members are volunteers and include PATA members with crisis management experience in Australia, Singapore, Thailand, Japan, Indonesia, Canada and the UK. Meetings and communications between the PRRT are generally conducted by e-mail and Skype. Several PRRT members, including the Chairman, Bert Van Walbeek, are based in PATA's head office in Bangkok. PATA's CEO Martin Craigs and senior PATA executives are actively involved in the work of the PRRT and when possible participate in meetings. The geographic dispersion of PRRT members was chosen with the intention of PRRT members utilizing their national and regional familiarity of tourism issues and their networks with tourism industry associations in their geographic locations.

PRRT members were tasked with being involved in either the development of proactive training programmes or the gathering and dissemination of reactive communication activities.



Figure 12.1 illustrates the basic structure of the PRRT and its position within the broader structure of PATA. In terms of its approach to crisis management issues affecting PATA's transnational membership, the PRRT acts as a proactive trainer and an optional crisis management resource.

### Proactive initiatives

The PRRT has been engaged in three major projects:

1. The production of a print and online risk, crisis and recovery manual.
2. The delivery of a series of webinars for PATA members and tourism industry professionals.
3. The development of a series of online and CD-ROM training modules.

During 2011 Bert Van Walbeek and the author co-authored a risk and crisis management guide (released in print and PDF format via PATA's website) called *Bounce Back – Tourism Risk, Crisis and Recovery Management Guide* (Beirman and Van Walbeek, 2011), which was designed to be the core training manual of the PRRT for PATA members. In early 2012 PATA received sponsorship from a major travel insurer which funded the translation of the manual into Japanese and Mandarin.



**Fig. 12.1.** Structure of PATA's Rapid Response Taskforce (PRRT) activities. PATA, Pacific Asia Travel Association.

PATA formally launched the English and Japanese versions of the booklet at the World Travel and Tourism Council's World Tourism Summit in Japan in April 2012 as a gesture of solidarity with the Japanese tourism industry's recovery from the March 2011 earthquake and tsunami. This summit sent a strong signal to the global tourism industry about the importance of collaboration in the field of risk and crisis management and was reinforced by the presence at sessions dealing with risk and crisis management by speakers from UNWTO, WTTC and PATA who shared the platform and pledged mutual cooperation.

In 2012 the PRRT presented seven webinar training programmes targeted primarily at PATA members but open to tourism professionals globally, irrespective of their ties to PATA. The contents of the webinars were based on the contents of the *Bounce Back* manual. They ran monthly between February and August 2012 and involved 200 participants. The online training programmes are due for release in 2014 and will essentially involve updates and enhancements of modules produced in 2003.

The reactive dimension of the PRRT was led by Bangkok-based Ken Scott, head of his own communications company and a former Communications Director of PATA. Mr Scott was supported by:

- Rick Vogel, head of the PATA Chapter in Japan;
- Alex Kesper, based in Bali, and has developed a website called *tsunami ready*;
- Emma Cashmore, based in London; and
- Walt Judas, based in Canada.

Reactive communication in the PRRT context involves the development of an extensive contact list of tourism associations and key global tourism industry leaders with an emphasis on those based throughout the Asia-Pacific region. It also involves use of PATA's website and establishing linkages to social media sites including Facebook, Twitter, LinkedIn and YouTube, as well as the websites of national tourist offices in over 50 Asia-Pacific countries and foreign ministry websites within the Asia-Pacific region.

A key task of the reactive unit of the PRRT, in accordance with the Beijing Declaration, was the gathering and rapid dissemination of information relating to any event deemed by the PATA Board and the PRRT to be a tourism crisis. In most cases this would be done in close cooperation with the affected destination. The PRRT would liaise with the affected destination's key tourism stakeholders, in disseminating updates on a crisis event via PATA's website and affiliated social media sites, and if invited would assist with the destination's response.

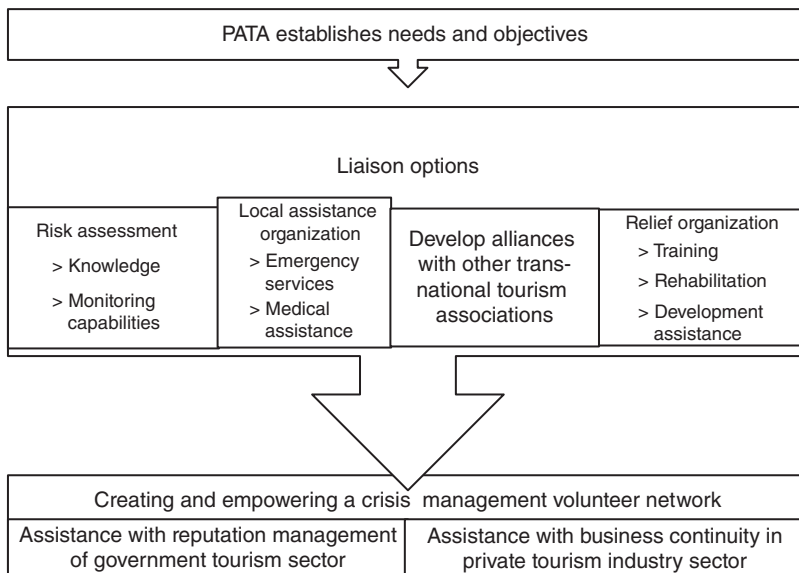
Since its establishment in mid-2011, the PRRT has played an active role in disseminating information on four specific incidents. These included the Delhi bomb attack during the PATA Travel Mart in September 2011, the Thai floods of November 2011, the Philippine floods of December 2011 and the Fiji floods of April 2012. In all four cases the role of the PRRT was to support the dissemination of real time information to Asia-Pacific tourism stakeholders in conjunction with the national tourism authorities of the respective countries. The PRRT has a capability to run tourism risk, crisis and recovery training seminars on request to the tourism industry leadership of Asia-Pacific countries.

During the Thai floods of November 2011, the PATA website transmitted extensive real time information using Google Images and YouTube film clips to disseminate

factual information about the status of various tourism regions in Thailand. This was done in close cooperation with the Thai Tourism Authority which supplied most of the information. This information was shared with other international tourism organizations, including the tourism industry media outlets, and global tourism industry associations, including the UNWTO and the World Travel Tourism Council.

Figure 12.2 illustrates the broad conception of the PRRT. Significantly, PATA stresses the collaborative nature of risk and crisis management in tourism. On one level there is close collaboration with risk assessment organizations including the insurance industry, government foreign ministries and emergency management organizations. Commensurately there is close cooperation between private sector tourism associations such as the International Air Transport Association, the World Travel and Tourism Council and transnational government tourism associations including APEC, ASEAN and the UNWTO.

Although at the time of writing the PRRT is in its early phase of development, it does represent a continuum of PATA's longstanding concern with and approach to tourism risk, crisis and recovery management. A core element of that approach has been the emphasis on collaboration between members and chapters within the association. PATA collaborates extensively with national tourism organizations and tourism ministries in its core Asia-Pacific geographic zone and maintains collaborative ties with key regional tourism associations, notably APEC and ASEAN Tourism (Fig. 12.3). In 2013 PATA was in discussion with ASEAN Tourism to advance collaboration in the field of crisis management. These collaborative ties are essential in order to effectively gather and disseminate timely information on the status of tourism and tourism infrastructure during a crisis event. The PRRT's resources were sought by the Japan National



**Fig. 12.2.** Conceptual diagram of the PATA Rapid Response Taskforce (PRRT). PATA, Pacific Asia Travel Association.



**Fig. 12.3.** Transnational tourism associations collaborating with PATA in tourism crisis management. See text for other definitions.

Tourism Organization following the earthquake and tsunami of March 2011, especially in relation to devising and implementing a tourism-recovery strategy.

## 12.4 Conclusion

PATA and the PRRT are committed to global collaboration in the field of tourism risk, crisis and recovery management. In advancing this agenda it collaborates closely with the UNWTO, WTTC, APEC Tourism Working Group and ASEAN Tourism. Many tourism crisis events, including the Bali bombings of 2002 and 2005, are and have been demonstrably transnational in scope. As a result of the 2002 Bali bombings, concerns were raised for the safety of tourists in Malaysia, Singapore, Thailand and the Philippines, which were reflected through cautionary government travel advisories issued by Western countries and Japan in late 2002. The SARS outbreak of 2003 had a negative impact on tourism in East and South-east Asian countries, largely driven by the perception that East and South-east Asia was a SARS zone. This included Singapore and Hong Kong where numerous cases were identified (238 in Singapore and 1700 in Hong Kong) and in countries such as Thailand where the number of cases (12 in Thailand) were minimal. SARS was a notable example of the perception being at odds with reality.

The PRRT was established largely on the premise that a crisis which impacts on a national tourism destination is likely to have a transnational dimension in the Asia-Pacific region. This is mainly due to the fact that the close proximity of many countries, especially in South-east Asia, increases the likelihood of tourism crisis events spreading beyond borders. The core paradigm in preparing contingency measures and crisis response necessarily focuses on collaborative approaches between private

sector stakeholders and governments. The PATA membership is inherently suited to this role, with government and private sector members in over 60 countries. As risk to the viability of the tourism industry and the impact of a crisis event frequently extend beyond national frontiers, the PRRT builds collaborative alliances within and beyond the Asia-Pacific region. The PRRT is an integral element in a shift towards globalizing risk and crisis management collaboration in the tourism industry.

Collaboration between transnational tourism associations in the crisis management domain presents many research opportunities to critically evaluate and analyse its effectiveness. The transcendence of industry-specific sector silos and national boundaries is a major theme in contemporary approaches to tourism crisis management in Asia and an increasingly globalized tourism industry, which since 2012 involves over 1 billion international travellers per annum (UNWTO, 2012).

## Notes

<sup>1</sup> [www.sos.travel](http://www.sos.travel)

<sup>2</sup> The author is an active member of the PRRT in a strictly honorary capacity. In fact all non-Bangkok-based PRRT members volunteer their time for this activity.

<sup>3</sup> [www.pata.org](http://www.pata.org)

## References

- Beirman, D. (2003) *Restoring Tourism Destinations in Crisis – A Strategic Marketing Approach*. Allen & Unwin, Sydney, Australia, pp. 3–6.
- Beirman, D. and Van Walbeek, B. (2011) *Bounce Back: Tourism Risk, Crisis and Recovery Management Guide*. Pacific Asia Travel Association, Bangkok.
- Campiranon, K. and Scott, N. (2007) Factors influencing crisis management in tourism destinations. Chapter 11 in: Laws, E., Prideaux, B. and Chon, K. (eds) *Crisis Management in Tourism*. CABI Publishing, Wallingford, UK, pp. 142–156.
- Carlsen, J. and Liburd, J. (2008) Developing a research agenda for tourism crisis management, market recovery and communications. *Journal of Travel & Tourism Marketing* 23(2–4), 265–276.
- Dopagne, J. (2011) The European air traffic management response to volcanic ash crises: towards institutionalized aviation crisis management. *Journal of Business Continuity and Emergency Planning* 5(2), 103–117.
- Dwyer, L., Edwards, D., Mistilis, N., Roman, C. and Scott, N. (2009) Destination and enterprise management for a tourism future. *Tourism Management* 30(1), 63–74.
- Emery, W. (2012) Australian tourism critical incident response strategy. Presented at the UNWTO Conference on the Integration of Emergency Management and Tourism, Sydney, 20–21 September. Tourism Division, Department of Resources, Energy and Tourism, Australian Government, Canberra, Australia.
- Faulkner, B. (2001) Towards a framework for tourism disaster management. *Tourism Management* 22(2), 135–147.
- Gee, C. and Lurie, M. (2001) *The Story of the Pacific Asia Travel Association*. PATA, Bangkok, pp. 251–260.
- Glaesser, D. (2011) Toward a safer world: the travel, tourism and aviation sector. Presentation to UN World Tourism Organization 'Integrating Tourism and Emergency Management' Conference, 22–23 September, Mount Macedon, Victoria, Australia.

- Gurtner, Y. (2007) Phuket: tsunami and tourism – preliminary investigation. Chapter 16 in: Laws, E., Prideaux, B. and Chon, K. (eds) *Crisis Management in Tourism*. CABI Publishing, Wallingford, UK, pp. 217–233.
- Henderson, J. (2002) Managing a tourism crisis in Southeast Asia. *International Journal of Hospitality & Tourism Administration* 3(1), 85–118.
- Henderson, J. (2007) Corporate social responsibility and tourism: hotel companies in Phuket, Thailand, after the Indian Ocean tsunami. *International Journal of Hospitality Management* 26(6), 228–239.
- Henderson, J. and Ng, A. (2004) Responding to crisis: Severe Acute Respiratory Syndrome (SARS) and hotels in Singapore. *International Journal of Tourism Research* 6, 411–419.
- Jamal, T. and Getz, D. (1995) Collaboration theory and community tourism planning. *Annals of Tourism Research* 22(1), 186–204.
- Jamal, T. and Stronza, A. (2009) Collaboration theory and tourism practice in protected areas: stakeholders, structuring and sustainability. *Journal of Sustainable Tourism* 17(2), 169–189.
- PATA (Pacific Asia Travel Association) (2003) *Crisis – It Won't Happen to Us*. PATA, Bangkok.
- PATA (Pacific Asia Travel Association) (2011) The PATA Rapid Recovery Taskforce. [www.pata.org/crisis](http://www.pata.org/crisis), accessed 22 January 2013.
- Ritchie, B.W. (2004) Chaos, crises and disasters: a strategic approach to crisis management in the tourism industry. *Tourism Management* 25(6), 669–683.
- Ritchie, B.W. (2009) *Crisis and Disaster Management for Tourism*. Channel View Publications, Bristol, UK, pp. 4–6.
- Robertson, D., Kean, I. and Moore, S. (2006) *Tourism Risk Management: An Authoritative Guide to Managing Crises in Tourism*. APEC (Asia-Pacific Economic Cooperation) Centre for Sustainable Tourism, Singapore, pp. 33–60.
- Selin, S. (1994) Collaborative alliances: new interorganizational forms in tourism. *Journal of Travel & Tourism Marketing* 2(2–3), 217–227.
- Stokes, R. (2008) Tourism strategy making: insights to the events tourism domain. *Tourism Management* 29(2), 252–262.
- Tourism Authority of Thailand (2011) *Thailand Tourism Marketing – Mapping the Future*. <http://www.tourismthailand.org/What-news/detail/Thailand-Tourism-Marketing-Mapping-the-Future--446>, accessed 17 July 2014.
- UNWTO (United Nations World Tourism Organization) (2012) *UNWTO Tourism Barometer*. Vol. 10. UNWTO, Madrid.
- Van Walbeek, B. (2011) *Terms of Reference for the PATA Rapid Recovery Taskforce*. Pacific Asia Travel Association (PATA), Bangkok.
- Wang, Y. and Fesenmaier, D. (2007) Collaborative destination marketing: a case study of Elkhart County, Indiana. *Tourism Management* 28(3), 863–875.
- Yates, M. (2006) Project Phoenix: a benchmark for reputation management in travel and tourism. Chapter 18 in: Wilks J., Pendergast, D. and Leggat, P. (eds) *Tourism in Turbulent Times*. Elsevier, Amsterdam, Netherlands, pp. 263–276.

---

# 13

## The Development of New Tourism Networks to Respond to and Recover from the 2011 Christchurch Earthquake

SUSANNE BECKEN,<sup>1\*</sup> NOEL SCOTT<sup>2</sup> AND BRENT W. RITCHIE<sup>2</sup>

<sup>1</sup>Griffith University, Southport, Australia; <sup>2</sup>The University of Queensland, Brisbane, Australia

---

### 13.1 Introduction

Collaborative networks have long been at the heart of emergency management. The deliberate linking of organizations and individuals with different specialized expertise leads to a better management of disasters and crises (Nivolianitou and Synodinou, 2011). Increasingly, and in the spirit of the Hyogo Framework for Action (Larsen *et al.*, 2011), emergency management networks include groups from civic society or industry purposefully integrated into existing frameworks (Becken and Hughey, 2013). The existence of strong social networks has also been recognized as a key indicator of community resilience (Cutter *et al.*, 2008). Such networks can assist in recovery, mitigation or lobbying (for example to shape government action and policy) and marketing (Scott *et al.*, 2008a). Ritchie (2009) acknowledged the importance of networks and stakeholder collaboration in responding to tourism crises and disasters and identified limited research on this important topic. Research on recovery from the Indian Ocean tsunami in 2004 in Thailand found that tourism stakeholders with influential networks recovered much faster than those left to their own devices (Larsen *et al.*, 2011).

The role of networks was equally important in the aftermath of the Christchurch (New Zealand) earthquake on 22 February 2011 (Becken, 2012). The earthquake, which was an aftershock to the 4 September 2010 earthquake, killed 185 people and caused widespread damage to infrastructure and to buildings already weakened by the previous earthquake and aftershocks. The epicentre of the February earthquake was 10 km south-east of Christchurch and 2 km west of Lyttelton. It was 5 km deep and resulted in extreme levels of ground accelerations of up to 2.2 times gravity. This resulted in the central business district (CBD) being cordoned off for almost 2 years.

---

\* E-mail: s.becken@griffith.edu.au

Most of the hotels and other tourism businesses operated from the inner city pre-earthquake, and as a result a large number of hospitality jobs were lost in Christchurch. The establishment of a Visitor Sector Response Group immediately after the earthquake, including national-level agencies from the public and private sectors, was a critical step in enabling an effective response and laying the foundation for recovery (Becken, 2012).

Research conducted in late 2011 examined issues faced by tourism businesses in recovering from this natural disaster. A survey collected information on key issues and challenges on the stakeholder network before the disaster and during recovery. Altogether, 64 respondents contributed via an online survey. Most respondents were accommodation providers, followed by activity operators, with the majority being small businesses. Results presented in this chapter provide insights into key business tasks required for disaster recovery, the importance of communication within the destination and the need for strong leadership, clear direction and effective stakeholder networks. The stakeholder networks before and after the earthquake are compared and a number of changes noted, with non-tourism businesses becoming more central. The importance of Christchurch Canterbury Tourism as a key agency was evident for businesses' daily activities, whereas 'new players' such as insurance companies, the Earthquake Commission and even the Canterbury City Council were more prominent in dealing with businesses in the recovery from the earthquake. Having effective networks and strong partnerships in place was seen as an important measure that increases disaster resilience. This case study provides a tourism stakeholder perspective on the role of networks in disaster recovery.

## 13.2 Inter-organizational Networks and Disaster Management

Disaster management embodies the need for groups of people to coordinate their actions and work collaboratively to address a problem that is beyond the ability of any one individual or organization to respond to. Effective disaster management requires these stakeholders to work together, communicating to identify response priorities, assembling equipment and personnel to undertake immediate emergency rescue tasks, and developing and implementing plans for the longer-term recovery. During the initial stages of a disaster response, it is necessary to make complex decisions rapidly, without full information and where life or death is involved. In such situations, decision making is often centralized with an individual or small group representing key organizations taking responsibility.

In the Christchurch earthquake, the National Crisis Management Centre in Wellington became the centre for coordination and the Civil Defence organization became the lead agency supported by New Zealand Police, Fire Service, Defence Force and many other agencies and organizations. This organizational response provides an excellent example of a well-formulated, hierarchical management structure where decision making authority is centralized and appears to have worked very effectively in the hours and days after the earthquake. Prior to the earthquake, these organizations would have conducted joint training exercises and there were clear lines of communication and authority. Such prior experience, training, and common protocols and methods provide a cohesive structure within which to respond.



The initial emergency response task is followed by an intermediate stage where 'the short-term needs of people have been addressed and the main focus of activity is to restore services and the community to normal' (Faulkner and Vikulov, 2001, p. 338). The emergency is over and the immediate threat to life and property has been addressed. This stage leads into a process of long-term recovery, the repair of damaged infrastructure and the restoration of business and consumer confidence. In the later stages of long-term recovery a variety of civil organizations become involved including the local city council, insurers, business owners, and investment and promotion organizations. These organizations are not centrally coordinated, but instead constitute a loose network of players involved in more or less related tasks. This chapter examines the network of organizations involved in the longer-term recovery from the Christchurch earthquake. In particular, it examines the networks related to the recovery of the tourism sector and how these differ from networks in 'normal' operating conditions. An understanding of networks in a disaster situation is important not only for policy making but also for managing information flow, which is crucial in disaster response and recovery (Becken, 2012).

Quarantelli (1988) discussed a social science perspective on crises and disaster and the importance of communication between organizations. The emphasis on the flow of information as a critical issue in crisis management leads to the idea of social network analysis as a means of analysing the structure of this 'flow' of information through communication channels. This is an important element of crisis recovery that needs to be further analysed. In the tourism literature, tourism crisis response has been discussed as involving a network of organizations (Scott and Laws, 2006; Scott *et al.*, 2008a), but there have been no empirical studies, a gap which this paper seeks to address using a quantitative approach as discussed below.

## Two ways to study networks

From the sociological and anthropological points of view, networks form part of the structural tradition where researchers hypothesize that variations in the pattern of relationships surrounding social actors affect the behaviour of those actors, and correspondingly that people also consciously manipulate situations to create desired structures (Stokowski, 1992). The concept of a 'network' was developed by Barnes (1952) to examine ties between people in a Norwegian fishing village and to explain such key social processes as access to jobs and political activity. The network concept was then applied to social science and measures of network structure were developed (Bott, 1957). In America, 'socio-metrists' used network diagrams to represent interpersonal relations in small groups (Coleman, 1958), and such techniques were later used to study a variety of phenomena including communication, the diffusion of innovation and the spread of diseases.

A parallel development in the political science literature took a more ethnographic and qualitative approach (Rhodes, 1990, 2002). In this tradition, a network is more of a metaphor or 'guiding concept' that researchers use to examine how patterns of ties in social systems inform the allocation of resources and how problems are addressed. In this tradition, policy development in networks is considered too complex to be reduced to socio-metric diagrams. Thus, policy network research relies on

thick qualitative description of relationships, while inter-organizational network studies tend to be more numerical in nature. Dredge (2006) applied this approach to the context of local tourism organizations.

Today, these traditions combine and interact, creating opportunities for intellectual stimulation but also confusion. The term 'network' is used in everyday speech without precision as a definition of a particular phenomenon. The concept of a network has 'blurry edges' (Wellman and Berkowitz, 1988, p. 81) and may be confused with the term 'networking' in a business context. This problem of definition of the term 'network' is not unique to tourism research and has been identified as applicable to network studies in the wider management literature. This wide usage has led to a diverse literature where the term 'network analysis' is used as a metaphor, homology, paradigm or method (Wellman and Berkowitz, 1988) in different contexts. In this chapter the definition used is 'a complex set of inter-relationships in a social system' (Mitchell, 1969, p. 1).

### **Networks and crisis recovery in a tourism destination**

Is network analysis suitable for the study of tourism crises? It is considered here that tourism is a network industry par excellence. Support for this claim is found in the definition of tourism as systems where interdependence is essential (Bjork and Virtanen, 2005), and collaboration and cooperation between different organizations within a tourism destination creates the tourism product (Pechlaner *et al.*, 2002). In this way local alliances, agreements and other formal and informal governance structures help to compensate for the fragmented nature of a tourism destination. Buhalis (2000) indicated that most destinations consist of networks of tourism suppliers, and that the benefits of such networks lead to a more profitable tourism destination. A second reason for the study of crisis networks in tourism destinations is that they form a basis for collective action. In responding to a tourism crisis, many of the main resources of a tourism destination are community 'owned', and it is beyond the ability of an individual business to manage them. These may be *natural* resources, for example beaches or scenic outlooks; *built* resources, such as museums, art galleries and heritage buildings; or *intangible* resources such as a destination's reputation.

Network analysis can therefore deliver a number of useful outcomes for tourism crisis recovery studies. For example, it provides a means of visualizing complex sets of relationships and simplifying them so that they may be better understood, albeit imperfectly. This might be useful in promoting effective collaboration within a destination group, supporting critical junctures in destination networks that cross functional, hierarchical, or geographic boundaries; and ensuring integration within groups (Cross *et al.*, 2002) following crisis recovery initiatives. The use of standard methods enables networks of relationships to be compared between destinations over time, thus allowing the study of dynamic situations as has been done here.

### **Inter-organizational networks in tourism destinations**

Inter-organizational network theory helps understand the collective nature of organizational action, constraint and coordination within tourism. Indeed, tourism's organization

in a country can be considered as a series of hierarchical organizational networks (Pearce, 1996). Alford (1998), for example, focused on how regional tourist boards seek to establish a market position, and how they benefit from networking with other sectors of the industry. In the context of sustainable tourism planning and development, Selin and Beason (1991) provided an early examination of the importance of inter-organizational relationships in tourism, focusing on alliances and collaboration. Lovelock (2001) discussed the importance of inter-organizational relationships, collaboration and cooperation. In fact a network approach to sustainability is necessary within an industry such as tourism, where a relatively large number of small actors with few resources cannot pursue sustainable development in isolation (Halme, 2001). A number of other studies of inter-organizational networks within a tourist destination are available (Selin and Chavez, 1995; Bramwell and Lane, 1999; Hall, 1999; Selin, 2000; Tinsley and Lynch, 2001; Bramwell, 2005; Buonocore and Metallo, 2005; Gibson *et al.*, 2005; Saxena, 2005; Scott *et al.*, 2008b; Beritelli, 2011; Zach and Racherla, 2011).

Network analysis and inter-organizational networks have not been applied in the context of recovery from a crisis, yet they are deemed to be important in a tourism context (Ritchie, 2009). Some studies have examined the need for resilience among tourist stakeholders during the recovery from SARS (Zeng *et al.*, 2005) and the need to rebuild business after a tsunami (Sharpley, 2005). Yet, surprisingly, there has been no prior study that has looked at changes in tourism business networks after a disaster. Further, there have been no studies which have examined how issues or challenges in business recovery are inter-related through problem networks. This study attempted to examine these issues through an exploratory case study.

### 13.3 Case Study – February Earthquake in Christchurch

In the socio-metric approach adopted here there are three basic elements of interest: actors, relationships and resources (Knoke and Kuklinski, 1991). First, actors (called 'nodes' in formal network theory) perform activities in relationship with other actors and control network resources, exchanging information to facilitate this. In a tourism destination, these actors are heterogeneous in size and function, consisting of both commercial operators and coordinating organizations such as regional tourism organizations. In this study an online survey, using Qualtrics, was designed to collect information on the challenges and issues businesses face in recovery, and what their business networks were before and after the disaster. A draft questionnaire was sent to key experts from the tourism sector, including representatives from the Tourism Strategy Group at the Ministry of Economic Development, and tourism academics from other universities. The feedback on both content and wording was incorporated into the final questionnaire before it was sent out to tourism members in Christchurch and Canterbury.

The survey was distributed in partnership with the local regional tourism organization, Christchurch Canterbury Tourism (CCT). As part of a CCT electronic mail-out to its members on 14 November 2011, a hyperlink to the survey was provided, along with a cover message that explained the survey's purpose and the benefit that knowledge about businesses' issues would generate for everyone in the

region. A follow-up reminder was e-mailed on 23 November, but the response rate remained low. The CCT database comprises 2030 contacts, but only 64 members completed the survey. The last survey was completed on 10 December, and after this the survey was closed. Thus, the response rate was 3.2%, and the results cannot be considered representative of tourism businesses in Canterbury. However, since the 64 respondents provided great detail both on their networks and on other challenges they faced, the survey results can be used in an illustrative way to discuss the role of networks in disaster recovery.

Most respondents were accommodation providers, followed by activity operators and 'other' service providers including conference facilities, museums or tour guides. Further, 48 businesses employed fewer than five full-time staff, five reported 6–20 employees and 11 businesses employed more than 21 full-time staff. Most businesses that responded to the survey were still operating. Twelve reported some changes to their operations, and four businesses were no longer operating. Businesses were asked about their business partners or organizations with which they regularly had contact before and after the earthquake. The results were analysed with UCINET and NetDraw, which are freely available software packages that enable analysis and visualization of social networks (Borgatti *et al.*, 2002).

Visualization helps to understand the location of actors in a network and how they relate to each other (for more details see Scott *et al.*, 2008c, p. 163). The elements of a social network that require visualization are the nodes, relationships, the positions of nodes and relationships in relation to one another and sub-networks or clusters. Nodes may be represented using different shapes and colours as a means of conveying information about their characteristics. Programs such as NetDraw allow node properties to be changed easily. Relationships between nodes are usually represented by line segments in a simple graph or arrows in a directed graph. The relative position of nodes and relationships are usually drawn in a two-dimensional 'X–Y axis' space. In this analysis, the positions are determined by the spring embedder technique (Eades, 1984). This is a heuristic for laying out arbitrary kinds of networks. The basic idea is to consider the nodes of the network to be repelling rings. Those nodes linked by relations are considered joined by a spring, and a positioning with low forces exerted on the rings is sought. The resultant diagram is then interpreted visually, as distances and directions provide useful information.

## 13.4 Results

### Main issues network

By far the most important challenge for businesses is a reduction in tourism demand (mean value of 3.05, where 4 stands for major problem), with 66% of respondents considering this either a medium or a major problem (Table 13.1). All eight businesses that reported no problems with drop in demand were accommodation providers. Three of them provided additional commentary about the increase in business since the earthquake, one specifying that demand had gone up by 300%, most likely as a result of hosting clean-up crews and media representatives. Of those 24 respondents

**Table 13.1.** What are the main issues for tourism businesses?

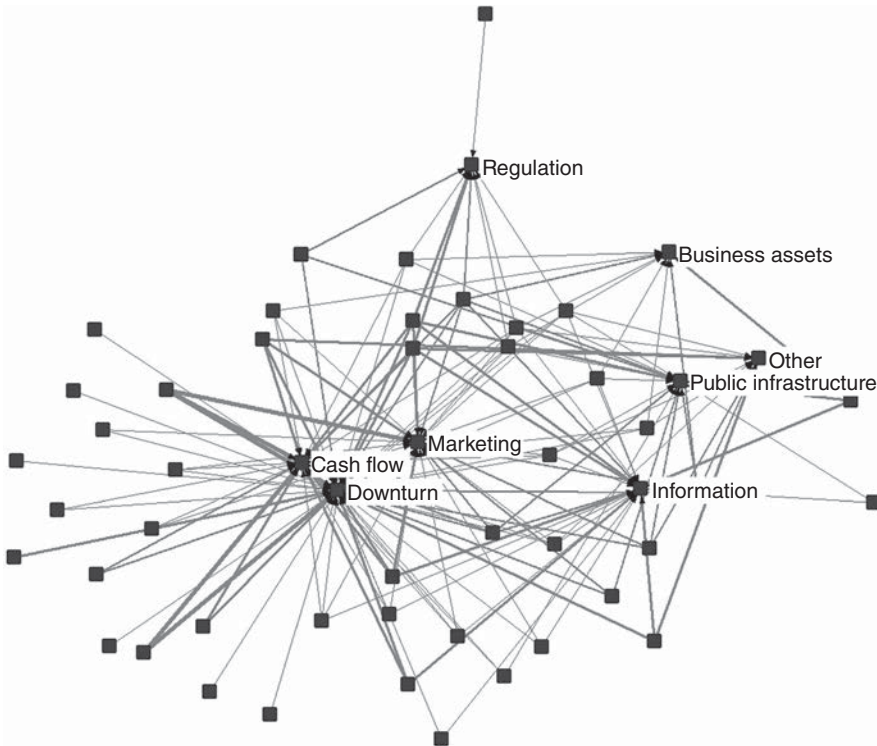
	<b>Not a problem (1)</b>	<b>Minor problem (2)</b>	<b>Medium problem (3)</b>	<b>Major problem (4)</b>	<b>Responses</b>	<b>Mean</b>
General drop in demand	8	5	18	24	55	3.05
Information about the future	12	13	10	12	47	2.47
Cash flow	18	9	12	12	51	2.35
Marketing	23	4	15	9	51	2.20
Other infrastructure (e.g. roads)	23	11	10	6	50	1.98
Infrastructure/assets within business	29	12	3	6	50	1.72
Regulation	27	9	7	2	45	1.64
Other issue (see below)	6	0	1	9	16	2.81

who said that drop in demand was a major problem, half were activity providers. Another eight were accommodation businesses and five offered transport services. Comments made in writing related to the drop in demand from international visitors in particular and the businesses' reliance on offshore markets.

Clearly, each business could be associated with a number of problems and these are visualized in a so-called problem network. [Figure 13.1](#) shows specific problems and businesses having that problem. The three problems (general downturn in business, marketing and cash flow) were central to the problems faced by businesses after the earthquake, with availability of information a lesser concern. The availability of public and private infrastructure and assets, government regulations and other problems were less central for the businesses in Christchurch.

There was some evidence for inter-relationships between problems. Obviously a drop in demand may cause cash flow problems for businesses. These may also be exacerbated by constraints to marketing, due to cash flow or the situation itself where operators cannot commence recovery marketing. The combination of decreased demand, limited cash flow and reduced marketing activity then can affect future cash flow. Understanding the underlying causes that may hinder long-term business recovery is therefore very important. For instance, with respect to general drop in demand, one operator suggested, '... trying to predict visitor patterns is difficult. Lack of accommodation is a major problem in attracting visitors from outside the region to stay and spend at an attraction.' Another operator stated in relation to cash flow after the earthquake, '... insurance skyrocketed three times, which was not budgeted for, so cash flow has been an issue.' Others noted the costs of repairing their businesses also affected their cash flow situation and ability to commit funds for marketing. As is suggested by these operators, attempting to conserve resources and maintain cash flow can be difficult when necessary costs are incurred for business continuity.

Some businesses reported that they had to reduce their marketing spend and activities due to cash flow, whereas one business had increased it. Several respondents commented that marketing was less necessary as demand was high; but these were the same businesses that did not experience reductions in tourism demand, perhaps



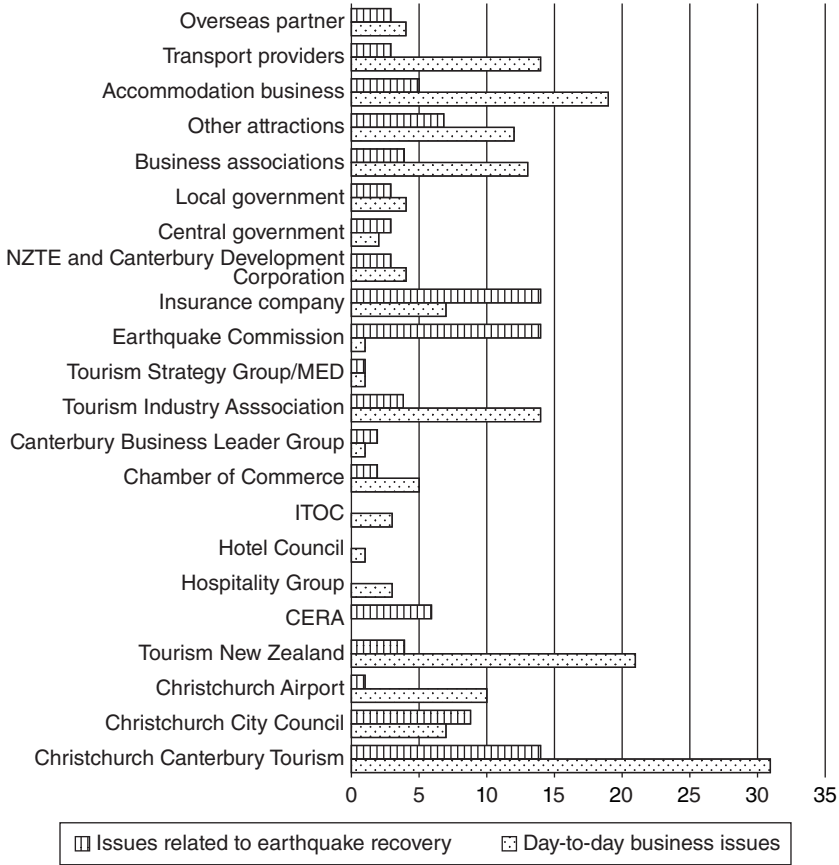
**Fig. 13.1.** Problem networks.

as they were hosting clean-up crews or media representatives. Such substitution effects have also been found in other studies (Ritchie, 2009).

### Inter-organizational networks

The most important organizations that tourism businesses deal with on a day-to-day basis are CCT, Tourism New Zealand and accommodation businesses. The Tourism Industry Association, other business associations and transport providers are also important, with 13 nominations each (Fig. 13.2). The organizations that businesses dealt with after the earthquake were very different. CCT is still important, but insurance companies and the Earthquake Commission have also become important agencies. A large number of other organizations also emerged, notably the Christchurch City Council, which appears to be relatively more important compared with daily business before the earthquake. Dealing with other tourism businesses has become relatively less important. Other organizations mentioned as relevant included: Recover Canterbury, GrabOne, Grow Mid Canterbury, Enterprise North Canterbury, Tourism Exchange and a number of individuals.

The central actors were mapped for the normal business network (Fig. 13.3) and the recovery network (Fig. 13.4). As may be expected, the key actors for normal operations are CCT, Tourism New Zealand and accommodation operators. During recovery operations a different core group of central organizations is found,

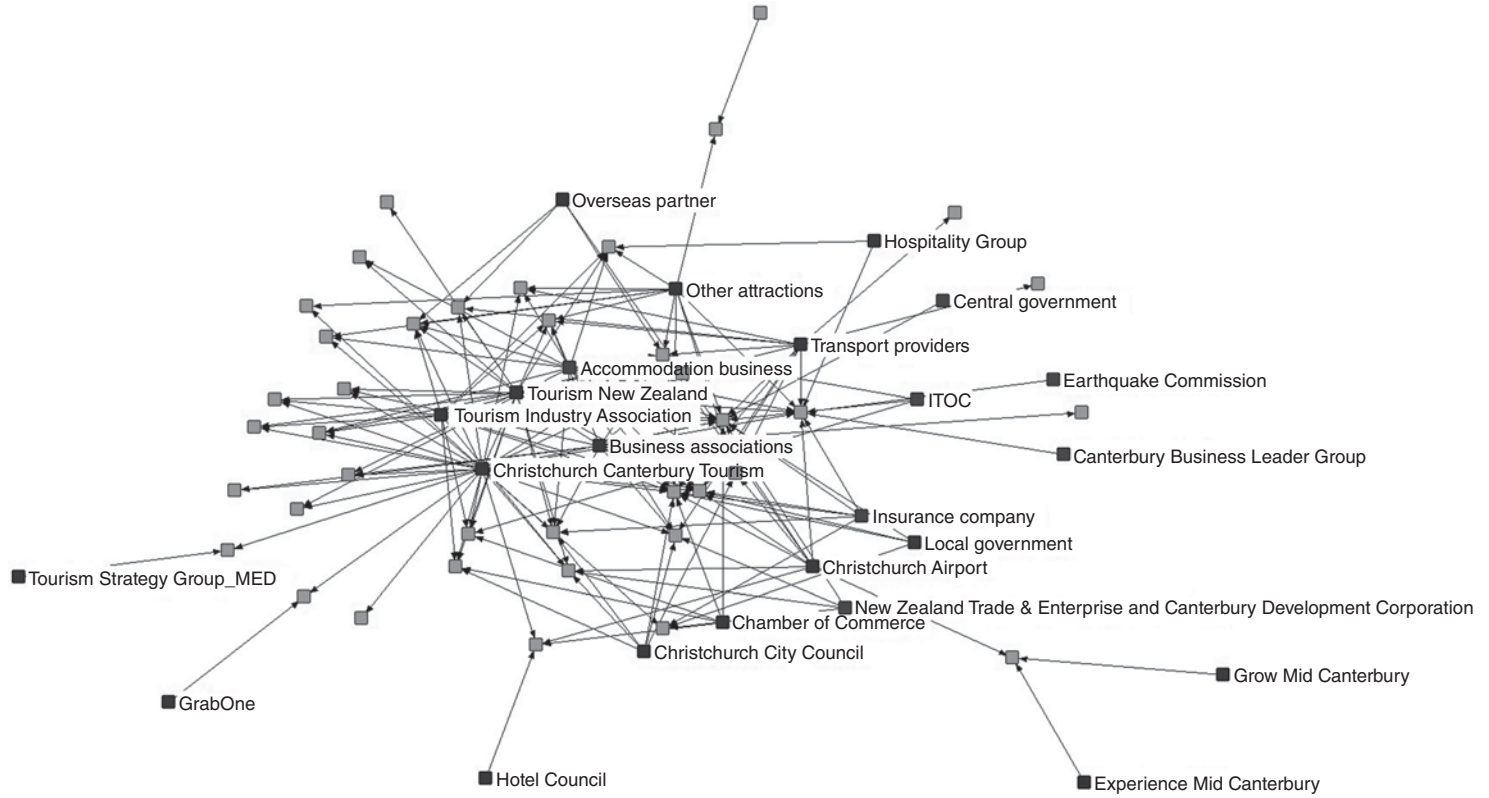


**Fig. 13.2.** Contact businesses have with a number of organizations before and since the earthquake. CERA, Canterbury Earthquake Recovery Authority; ITOC, Inbound Tour Operator Council; MED, Ministry of Economic Development; NZTE, New Zealand Trade & Enterprise.

including the Earthquake Commission, Christchurch Earthquake Recovery Authority (CERA) and insurance companies.

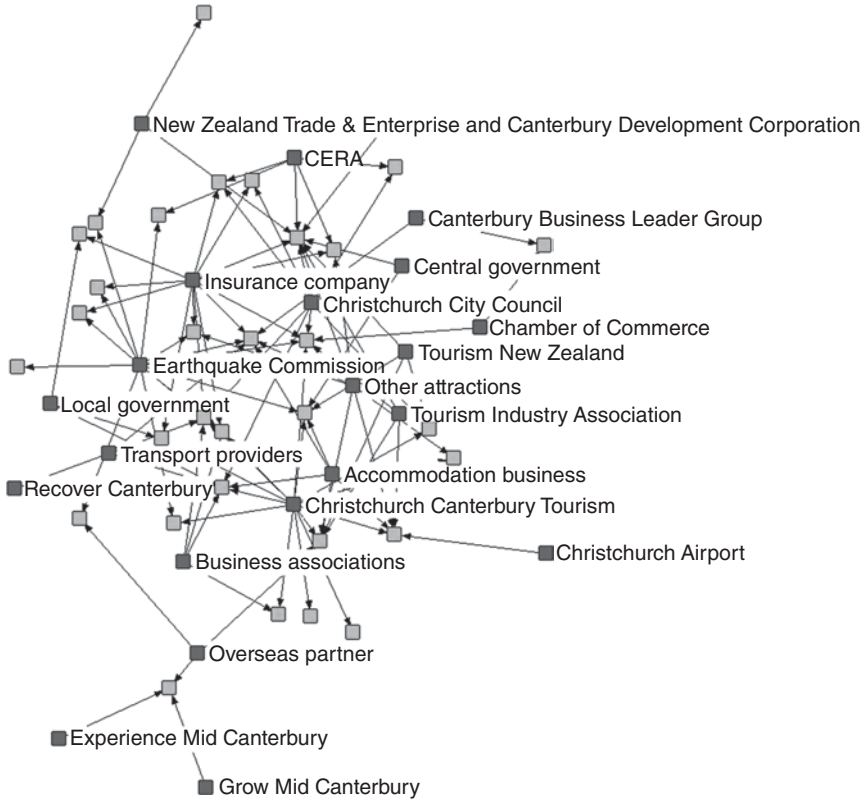
A comparison of the normal and the recovery networks in Figs 13.3 and 13.4 indicates that there are fewer actors in the recovery network. The data showed that fewer businesses reported interaction with other organizations in the recovery, and those that did indicate contact with others also named fewer organizations compared with their normal business operations. Thus, limited tourism activity after the earthquake appeared to result in a temporarily reduced network. Potentially, however, individual organizations within this reduced network became relatively more important; for example, insurance companies are likely to be essential for the recovery of some businesses participating in this research. The normal network may be resurrected once recovery is complete; however, more research on such transitions would be beneficial.

For those organizations involved in both the normal and the recovery network, such as CCT, this means that they have to manage a parallel approach for business-as-usual (including marketing activities) and ongoing recovery. This requires



**Fig. 13.3.** Normal actor network. ITOC, Inbound Tour Operator Council; MED, Ministry of Economic Development.





**Fig. 13.4.** Recovery actor network. CERA, Canterbury Earthquake Recovery Authority.

managing different communication flows and information material. The more centralized pattern of the normal network, which clearly highlights a small number of key organizations compared with the recovery network, possibly indicates the highly individualized nature of relationships following the earthquake. This is not surprising, as each business situation is likely to differ, and systems are not as streamlined as those of day-to-day activities during normal times.

While this research did not focus specifically on the qualitative nature of relationships, results of one question about the value of contact with different organizations are given in [Table 13.2](#). Contact with accommodation providers and CCT was generally considered to be valuable in the recovery process, as well as contact with insurance companies, other tourism businesses and Tourism New Zealand. The City Owners Rebuilding Entity (CORE, a collective of nearly 200 property owners who developed, owned and managed buildings in the CBD) was seen as less useful or relevant, as were the New Zealand Trade & Enterprise and the Canterbury Development Corporation. A number of comments suggested that in terms of recovery, but also for better preparedness, partnerships with others were important or needed to be improved to reduce the impact of natural disasters. ‘Strong leadership and clear direction’ were critical, and it was suggested that ‘we need to meet more often as a local group to better promote what we have to offer as a combined local tourism industry’.

**Table 13.2.** Value of contact with different organizations (not everyone responded to each item), in order of mean value.

	Strongly disagree	Disagree	Agree	Strongly agree	Responses	Mean
Accommodation business	1	0	9	12	22	3.45
Christchurch Canterbury Tourism	0	6	20	15	41	3.22
Insurance company	0	3	9	7	19	3.21
Other attractions	1	2	5	7	15	3.20
Transport providers	0	2	9	5	16	3.19
Tourism New Zealand	0	4	14	6	24	3.08
Local government	1	2	3	4	10	3.00
Business associations	1	3	7	5	16	3.00
Tourism Industry Association	1	3	9	5	18	3.00
Earthquake Commission	2	3	6	5	16	2.88
Christchurch City Council	3	3	11	5	22	2.82
Christchurch Airport	3	3	7	5	18	2.78
Chamber of Commerce	1	5	2	3	11	2.64
Central government	1	2	3	0	6	2.33
Overseas partner	3	1	4	1	9	2.33
ITOC (Inbound Tour Operator Council)	2	4	3	1	10	2.30
CERA (Christchurch Earthquake Recovery Authority)	3	2	4	1	10	2.30
NZTE (New Zealand Trade & Enterprise), Canterbury Development Corporation	1	6	2	1	10	2.30
Hospitality group	2	3	2	1	8	2.25
Hotel council	3	2	1	2	8	2.25
Canterbury Business Leader Group	1	5	1	1	8	2.25
Tourism Strategy Group/Ministry of Economic Development	1	3	2	0	6	2.17

## 13.5 Conclusion

This chapter has explored the role of networks and network analysis in the context of disaster recovery at a tourist destination. The key issues faced by Christchurch businesses after the February earthquake were a general drop in demand, reduced cash flow and limited information about the future, including aftershocks, infrastructure development and recovery policies. An issue network analysis highlighted was how some problems are more related to each other than others. For example, the challenges of reduced demand and cash flow are naturally closely related. Questions around

marketing were also at the core of the issue network and in close proximity to drop in demand and cash flow. Understanding the connections between different problems, including cause and effect relationships and potential feedback effects, is important for developing support programmes and policies. The visualized issue network could serve as a basis for further in-depth research to better understand the nature of relationships.

The analysis of normal versus recovery networks has highlighted a number of important issues. First, the networks differ considerably in terms of the key organizations involved, the number of nodes (i.e. organizations) and the overall shape of a less 'centralized' and more 'individualized' network for recovery compared with business-as-usual. More research on how networks change in response to a disaster, and whether or when they return to pre-disaster networks, would be beneficial. It is possible that some relationships that were important before a disaster may disappear (e.g. if a particular company goes out of business), whereas others that were forged to respond to the disaster may persist in the longer term, because new opportunities have emerged.

The post-disaster network showed that, clearly, businesses have to work with different organizations to recover and ensure business continuity (Pacific Asia Travel Association, 2003), most notably their insurance company. The literature provides insights into a number of business continuity strategies, with the most widely adopted being the turnaround strategy. Achieving a successful business turnaround can involve any or all of the following actions: selling off assets to raise cash, launching efforts to boost revenues, reducing costs and using a combination of these efforts (Chowdhury, 2002). The two most effective strategies remain increasing revenue and reducing costs (Viljoen and Dann, 2000; Johnson *et al.*, 2005). The analysis in this chapter highlights that both of these are challenging in an environment of reduced tourism activity and increased operational costs (e.g. as a result of insurance premiums).

Observed adjustments to improve turnaround in this case study included reducing marketing spend or increasing it, reducing staff numbers and targeting new markets. The accommodation providers, in particular, benefited from an increased demand by recovery workers, as well as displaced residents who needed short-term accommodation. More recently, attraction operators have managed to grow their domestic market customer base, for example by introducing attractive family packages, and to reduce their dependency on international tourists. The importance of leadership was highlighted, and the critical role of CCT in both networks reinforces the centrality of a regional tourism organization during normal times and those of crisis. This means that such tourism organizations should proactively include disaster preparedness and management activities into their long-term strategies, in addition to their core activities of tourism marketing. More research on how this can be achieved, or what the barriers might be, is recommended.

Using a network approach to understanding the salient issues that may constrain turnaround, their interconnectedness and the relationships between organizations is important for several reasons:

1. It indicates which issues are of most importance to stakeholders in helping to promote turnaround and recovery.
2. The inter-organizational network in particular highlights established contacts and the potential for tapping into these for an effective flow of information. For example, either the regional tourism organization or the insurance companies appear to be well placed to communicate preparedness measures for future disasters.

3. The analysis presented in this chapter can help make effective and timely decisions for resource allocation and policy development. For instance, in dealing with the foot and mouth outbreak in the UK, Miller and Ritchie (2003) suggested that until the crisis was resolved and declared over, funding for recovery marketing may well have been wasted.

In this study, it appeared that traditional marketing strategies to attract international visitors would have been less effective, with resources being better allocated to rebuilding infrastructure and attractions (e.g. an earthquake museum) or developing new campaigns, for example for local residents.

## References

- Alford, P. (1998) Positioning the destination product – Can regional tourist boards learn from private sector practice? *Journal of Travel and Tourism Marketing* 7(2), 53–68.
- Barnes, J.A. (1952) Class and committees in the Norwegian island parish. *Human Relations* 7(1), 39–58.
- Becken, S. (2012) *Visitor Sector Response to the Christchurch Earthquake*. Ministry of Economic Development, Wellington, New Zealand.
- Becken, S. and Hughey, K. (2013) Linking tourism into emergency management structures to enhance disaster risk reduction. *Tourism Management* 36, 77–85. [www.sciencedirect.com/science/journal/02615177/36](http://www.sciencedirect.com/science/journal/02615177/36) (article 9), accessed 11 April 2014.
- Beritelli, P. (2011) Cooperation among prominent actors in a tourist destination. *Annals of Tourism Research* 38(2), 607–629. doi: 10.1016/j.annals.2010.11.015.
- Bjork, P. and Virtanen, H. (2005) What tourism project managers need to know about co-operation facilitators. *Scandinavian Journal of Hospitality and Tourism* 5(3), 212–230. doi: 10.1080/15022250510014354.
- Borgatti, S.P., Everett, M.G. and Freeman, L.C. (2002) *Ucinet for Windows: Software for Social Network Analysis*. Analytic Technologies, Harvard, Massachusetts. <https://sites.google.com/site/ucinetsoftware/home>, accessed 17 April 2014.
- Bott, E. (1957) *Family and Social Network*. Tavistock, London.
- Bramwell, B. (2005) Actors, networks and tourism policies. In: Buhalis, D. and Costa, C.M.M. (eds) *Tourism Management Dynamics: Trends, Management*. Butterworth-Heinemann, Oxford, UK, pp. 155–163.
- Bramwell, B. and Lane, B. (1999) Collaboration and partnerships for sustainable tourism. *Journal of Sustainable Tourism* 7(3/4), 179–181.
- Buhalis, D. (2000) Marketing the competitive destination of the future. *Tourism Management* 21(1), 97–116.
- Buonocore, F. and Metallo, C. (2005) Tourist destination networks, relational competences and ‘relationship builders’: the central role of information systems and human resource management. Paper presented at the *ATLAS Annual Conference 2004, Networking & Partnerships in Destination Development and Management*, Naples, Italy.
- Chowdhury, S. (2002) Turnarounds: a stage theory perspective. *Canadian Journal of Administrative Sciences* 19(3), 249–266.
- Coleman, J.S. (1958) Relational analysis: the study of social organizations with survey methods. *Human Organization* 17(4), 28–36.
- Cross, R., Borgatti, S.P. and Parker, A. (2002) Making invisible work visible: using social network analysis to support strategic collaboration. *California Management Review* 44(2), 25–46.

- Cutter, S.L., Barnes, L., Berry, M., Burton, C., Evans, E., Tate, E. and Webb, J. (2008) A place-based model for understanding community resilience to natural disasters. *Global Environmental Change* 18(4), 598–606.
- Dredge, D. (2006) Policy networks and the local organisation of tourism. *Tourism Management* 27(5), 269–280.
- Eades, P. (1984) A heuristic for graph drawing. *Congressus Numerantium* 42, 149–160.
- Faulkner, B. and Vikulov, L. (2001) Katherine, washed out one day, back on track the next: a post-mortem of a tourism disaster. *Tourism Management* 22(4), 331–344.
- Gibson, L., Lynch, P. and Morrison, A. (2005) The local destination tourism network: development issues. *Tourism and Hospitality Planning & Development* 2(2), 87–99.
- Hall, C.M. (1999) Rethinking collaboration and partnership: a public policy perspective. *Journal of Sustainable Tourism* 7(3/4), 274–289.
- Halme, M. (2001) Learning for sustainable development in tourism networks. *Business Strategy and the Environment* 10(2), 100–114.
- Johnson, G., Scholes, K. and Whittington, R. (2005) *Exploring Corporate Strategy*. Pearson Education Limited, Harlow, UK.
- Knoke, D. and Kuklinski, J.H. (1991) Network Analysis: basic concepts. In: Thompson, G., Frances, J., Levacic, R. and Mitchell, J. (eds) *Markets, Hierarchies and Networks*. Sage Publications, London, pp. 154, 173–182.
- Larsen, R.K., Calgaro, E. and Thomalla, F. (2011) Governing resilience building in Thailand's tourism-dependent coastal communities: conceptualising stakeholder agency in social-ecological systems. *Global Environmental Change* 21(2), 481–491.
- Lovelock, B. (2001) Interorganisational relations in the protected area – tourism policy domain: the influence of macro-economic policy. *Current Issues in Tourism* 4(2/4), 253–274.
- Miller, G. and Ritchie, B. (2003) A farming crisis or a tourism disaster? An analysis of the foot and mouth disease in the UK. *Current Issues in Tourism* 6(2), 150–171.
- Mitchell, J.C. (1969) The concept and use of social networks. In: Mitchell, J.C. (ed.) *Social Networks in Urban Situations*. University of Manchester Press, Manchester, UK, pp. 1–50.
- Nivolianitou, Z. and Synodinou, B. (2011) Towards emergency management of natural disasters and critical accidents: the Greek Experience. *Journal of Environmental Management* 92(10), 2657–2665.
- Pacific Asia Travel Association (2003) *Crisis - It Won't Happen to Us*. Pacific Asia Travel Association, Bangkok.
- Pearce, D. (1996) Tourist organizations in Sweden. *Tourism Management* 17(6), 413–424.
- Pechlaner, H., Abfalter, D. and Raich, F. (2002) Cross-border destination management systems in the alpine region - the role of knowledge networks on the example of AlpNet. *Journal of Quality Assurance in Hospitality & Tourism* 3(3/4), 89–107.
- Quarantelli, E.L. (1988) Disaster crisis management - a summary of research findings. *Journal of Management Studies* 25(4), 373–385.
- Rhodes, R. (1990) Policy networks: a British perspective. *Journal of Theoretical Politics* 2(3), 293–317.
- Rhodes, R. (2002) Putting people back into networks. *Australian Journal of Political Science* 37(3), 399–416.
- Ritchie, B.W. (2009) *Crisis and Disaster Management for Tourism*. Channel View Publications, Clevedon, UK.
- Saxena, G. (2005) Relationships, networks and the learning regions: case evidence from the Peak District National Park. *Tourism Management* 26(2), 277–289.
- Scott, N. and Laws, E. (2006) Tourism crises and disasters; understanding of system effects. In: Laws, E., and Prideaux, B. (eds) *Tourism Crises: Management Response And Theoretical Insight*. Harworth Hospitality Press, London, UK, pp. 149–158.
- Scott, N., Laws, E. and Prideaux, B. (2008a) Tourism crises and marketing recovery strategies. *Journal of Travel and Tourism Marketing* 23(2/3/4), 1–13.

- Scott, N., Cooper, C., and Baggio, R. (2008b) Destination networks: four Australian cases. *Annals of Tourism Research*, 35(1), 169–188.
- Scott, N., Cooper, C. and Baggio, R. (2008c) *Network Analysis and Tourism: From Theory to Practice*. Multilingual Matters & Channel View Publications, London, UK.
- Selin, S. (2000) Developing a typology of sustainable tourism partnerships. In: Bramwell, B. and Lane, B. (eds) *Tourism Collaboration and Partnerships: Politics, Practice and Sustainability*. Channel View Publications, Clevedon, UK, pp. 129–142.
- Selin, S. and Beason, K. (1991) Interorganizational relations in tourism. *Annals of Tourism Research* 18(4), 639–652.
- Selin, S. and Chavez, D. (1995) Developing an evolutionary tourism partnership model. *Annals of Tourism Research* 22(4), 844–856.
- Sharpley, R. (2005) The tsunami and tourism: a comment. *Current Issues in Tourism* 8(4), 344–349.
- Stokowski, P.A. (1992) Social networks and tourist behavior. *American Behavioral Scientist* 36(2), 212–221.
- Tinsley, R. and Lynch, P. (2001) Small tourism business networks and destination development. *Hospitality Management* 20(4), 367–378.
- Viljoen, J. and Dann, S. (2000) *Strategic Management: Planning and Implementing Successful Corporate Strategies*. NSW: Pearson Education, Frenchs Forest, Australia.
- Wellman, B. and Berkowitz, S.D. (eds) (1988) *Social Structures: A Network Approach*. Cambridge University Press, Cambridge, UK.
- Zach, F. and Racherla, P. (2011) Assessing the value of collaborations in tourism networks: a case study of Elkhart County, Indiana. *Journal of Travel & Tourism Marketing* 28(1), 97–110.
- Zeng, B., Carter, R.W. and De Lacy, T. (2005) Short-term perturbations and tourism effects: the case of SARS in China. *Current Issues in Tourism* 8(4), 306–322.



---

## **Part IV Resolution, Learning and Feedback**

---





---

# 14 Ecotourism as a Sustainable Recovery Tool after an Earthquake

CHIN-CHIN WANG<sup>1\*</sup> AND CARL CATER<sup>2</sup>

<sup>1</sup>*Aletheia University, Tainan City, Taiwan;* <sup>2</sup>*Aberystwyth University, Aberystwyth, Wales*

---

## 14.1 Introduction

Natural disasters pose a significant threat to livelihoods in many parts of the world, often leaving long-term damage and poverty in their wake (Ritchie, 2009). They pose a significant threat to tourism infrastructure, development and marketing, prompting the recent interest in tourism industry responses to crisis covered in this volume. However, as Faulkner (2001) and Laws *et al.* (2007) point out, crises and disasters can sometimes have potential positive changes, quite apart from the negative impacts – as transformations evolving from events can create innovations or new markets. Thus, for example, developing ecotourism can bring economic benefits after a crisis event. This suggests that the industry needs to plan for swift action in response to crisis events, but it also considers tourism development as a potential route out of trouble for destinations that have suffered from a disaster. Indeed, in examining pro-poor tourism, Scheyvens (2002) has highlighted its potential to lift communities from a state of disadvantage.

This chapter examines the potential for tourism development to contribute to recovery strategies following major earthquakes, particularly in rural areas that may be overlooked in the effort to rebuild urban centres. There is a danger that rural locations are marginalized in the disaster response, particularly in terms of livelihood solutions. Emerging from development discourse, the Sustainable Livelihoods Approach (SLA) has been proposed as a means to ‘analyse the complex livelihoods of rural people’ (Lee, 2005, p. 216), particularly those demonstrating a high degree of vulnerability, for example after a natural disaster. This model has recently been used in tourism settings to understand the changes brought by this activity to people’s asset base (Ashley, 2000; Shen *et al.*, 2008; Ritchie, 2009). Cater and Cater (2007b) amended the SLA in a coastal community setting to examine different forms of community capital – natural, physical, financial, human, social and cultural assets.

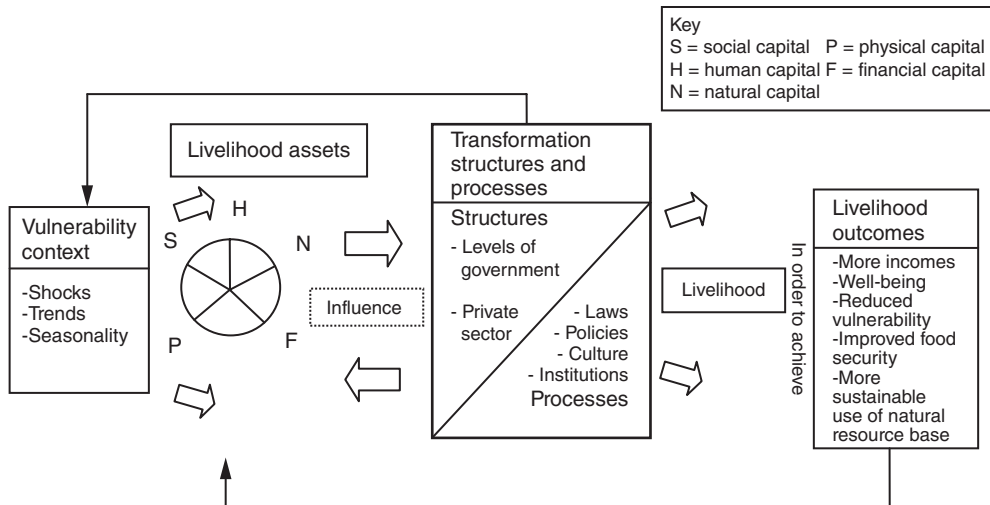
---

\* E-mail: jinchinwang@hotmail.com

In this chapter the authors examine changes to these livelihood assets in a rural community setting in Taiwan that had suffered a major earthquake in 1999 and subsequently sought to develop an ecotourism product. At the time of the field research, more than 100 residents were engaged in the ecotourism industry, as home-stay operators, eco-guides and educators, environmental designers and builders, and in restaurants supplying specific local foods. The definition of ecotourism is to achieve sustainability in economic, sociocultural and environmental dimensions in the tourism industry, and provides learning and appreciating of the natural environment for all visitors (Weaver, 2008).

### 14.2 The Sustainable Livelihood Approach (SLA)

The SLA model (see Fig. 14.1) is a useful framework to test the changes wrought by ecotourism on people’s asset base in rural areas (Ashley, 2000, cited in Cater and Cater, 2007a). The approach, which aims to reduce poverty in developing countries, makes a systematic evaluation of the variety of assets in a community that might be used and augmented by tourism development (Cater and Cater, 2007a), thus the SLA examines a variety of livelihood strategies. Ashley’s study (2000), for example, offered two perspectives on rural communities using tourism for their livelihood. Previous tourism developments have often only focused on the contribution to enhancing local employment and income benefits, often to the exclusion of the major social and environmental changes in livelihoods. Under the SLA, the focus is on how to enhance development, and the contribution tourism can make, reflecting the broad changes to people’s livelihoods consequent to the decision. The approach is a multi-level one and regarded as dynamic for households, community, region or nation (Cater and Cater, 2007a).



**Fig. 14.1.** The sustainable livelihood approach (SLA) (from Department for International Development (DFID), 1999, p. 11).

According to the SLA there are five types of asset central to people's livelihoods (Sustaining Livelihood in Southern Africa, 2002). These are identified as:

1. natural capital (the natural resources stocks upon which people draw for livelihoods);
2. human capital (the skills, knowledge, ability to labour and good health important to be able to pursue different livelihood strategies);
3. physical capital (the basic enabling infrastructure, such as transport, shelter, water, energy and communications);
4. financial capital (the financial resources available to people such as savings, credit and remittances); and
5. social capital (the social resources such as networks, membership of groups and relationships of trust upon which people draw in pursuit of their livelihoods).

Based on the above five capitals, a study by Lee (2005) adopts the sustainable livelihood framework in his examination of the introduction of pick-your-own (PYO) farms in Taiwan to improve farmers' livelihoods strategies and to assess policies and institutional processes. Ritchie (2009) has also shown how livelihood assets are adopted in long-term recovery policies and sustainable development to assist in tourism crisis and disaster management. However, in a global tourism context, where local traditions form both the uniqueness and identity of communities, Cater and Cater (2007a) identified a further asset. This is cultural capital, consisting of heritage, customs and traditions, and it should be considered in any analysis of the characteristics of local livelihoods. It is important to note that this definition of cultural capital differs somewhat from that presented elsewhere in the social sciences, for example that in Bourdieu's (2001) Capital Theory, which is more concerned with exchange and value.

Shen *et al.* (2008, p. 27) also highlighted an *institutional* capital in tourism, defined as 'providing for people's access to tourism markets, tourism benefits sharing, and access and participation in the policy-making process, and the extent that people's willingness to be involved is reflected in political decisions to achieve better livelihood outcomes'. This recognized the importance of context in tourism development, such as how individuals, governments, tourism enterprises, NGOs and tourists interact, and hints at the political nature of tourism development. The political realm has a dynamic relationship with other factors (Hall, 2000; Dredge and Jenkins, 2007). The political is part of the positive network aspects of social capital as horizontal linkages, but the power distribution is unequal among the different levels or members of the community (Grootaert, 1998; Anderson *et al.*, 2002; Glavovic *et al.*, 2002). Social capital has a weakness and is insufficient to explain power and inequality issues, particularly in its over-emphasizing positive social capital and not emphasizing negative social capital (Jones, 2005).

Mykletun's study of festival tourism in Norway (2009, p. 25) offered a new *administrative* capital to explain 'the regulation of public goods and welfare, the organization of civil servants and officers employed to enforce these rules, and the political bodies elected to be in charge of major decisions and developments'. Governance of administrative capital may introduce some conflict between investments and organizers into social and cultural capital relationships (Mykletun, 2009). Administrative capital is, however, essentially a temporary organizational structure,

such as one set up to operate a sport event (Mykletun, 2009), and lacks the constituent depth to be a factor discussed in the context of the more complicated relationships of power and benefit conflicts in the host community. Wang *et al.* (2014) therefore explored *political* capital as a more permanent expression of a community's power structure. Notably, early work on the SLA recognized that it had limited acknowledgement of the place of power and politics, with concerns that 'the SL framework overall can convey a somewhat cleansed, neutral approach to power issues' (Ashley and Carney, 1999, p. 35).

### 14.3 Research Area Background

After the major earthquake everyone had been badly injured or otherwise seriously affected. Everyone in Taomi was fortunate and settled; safety had not been badly affected as a result of the earthquake, but people's whole view on life, their sense of things, was quite shaken, people are really ... so very very tiny in the scheme of things. That time was quite significant in people's contemplating what life is all about.

(Resident respondent)

The 921 earthquake on 21 September 1999, measuring 7.3 on the Richter scale, devastated central Taiwan (Huang and Min, 2002). Damage caused by the earthquake included 2416 deaths, 11,443 people severely injured, 44,338 houses completely destroyed, 41,336 houses severely damaged and an estimated cost of NT\$300 billion (US\$9.2 billion) (National Fire Administration, Ministry of the Interior, R.O.C. (1999)). Quite apart from these shocking statistics, there was great psychological trauma suffered by the people in the regions affected. As shown in the quotation above, many local residents were left feeling shocked, stressed and helpless in the face of this unexpected natural event, at both individual and collective levels (Arnold, 1900, cited in Booth, 1993).

The Taomi community is a traditional and rural agricultural area which depends on agricultural products such as the shoots of a variety of bamboos, mushrooms, teas and flowers. Local agricultural products are declining, however, as they are unable to compete with the price of imported agricultural goods. Agricultural products in Taiwan were severely affected by the opening up to agricultural imports when the country joined the World Trade Organization (WTO). The major earthquake in 1999 virtually destroyed the whole community. During the initial rebuilding, a number of NGO groups assisted community rebuilding works in consultant roles and helped to source resources and funds. Significantly, NGOs also conducted ecotourism education and training programmes to equip residents with skills to develop an ecotourism industry to provide them with a sustainable livelihood.

NGOs play critical roles, being involved in many different functions to catalyse successful ecotourism development, but they themselves are highly political. For example, they perpetuate their own organizations' ideological characteristics; bring to bear their expertise, and provide advice to the various stakeholders; and catalyse community democracy (Butcher, 2007). Nevertheless, NGOs are often key planners and educators assisting and guiding community-based ecotourism development. They provide initial funding for policy and planning, and offer policy and planning strategies for ecotourism developments to assist local people establish their own policies and planning, particularly regarding biodiversity resources in the rural community (Holtz and

Edwards, 2003; Sofield, 2003). NGOs can take practical action to implement relevant governmental ecotourism policy and planning to realize their policy objectives in communities. Significantly, local residents themselves have to study and acquire appropriate knowledge and information from the professional ecotourism field, particularly those in rural communities. These NGOs can indeed play a highly significant role in providing ecotourism education and training programmes to local residents. Agencies have to conduct such programmes from the beginning to enable successful ecotourism development in a rural community.

Following the earthquake, Taomi residents made the decision to develop ecotourism as a means of rebuilding and improving local economic resources, and to further develop a cohesive sense of community among local residents. The Taomi Community Tourist Information Centre was set up by the Taomi Community Construction Association in 2002, and the annual numbers of tourist visitors to Taomi increased until 2005, by which time some negative impacts of tourism development, such as traffic jams and overuse of recreation facilities, were being experienced.

#### **14.4 Study Methodology**

The study adopted the triangulation method in data collection to create a holistic picture of ecotourism development in the Taomi community. In all, 26 residents and ten experts (including NGO representatives) were interviewed, with semi-structured and in-depth interviews in face-to-face settings. Three focus group interviews were conducted (involving another 15 residents). Interviewees were not interviewed only once; follow-up interviews were found necessary to clarify, confirm and further explore their perceptions and attitudes. Other data were collected through participant observation and by examining documentary evidence, and then combined with the interview findings to crystallize emergent research. The aim of this triangulation was to better understand the whole picture of ecotourism development in the Taomi community after the 921 earthquake crisis.

#### **14.5 The Sustainable Livelihoods Approach (SLA) in Taomi Ecotourism**

In ecotourism development, when visitors arrive in the community, they can bring not only economic benefits but also costs to the community in the form of sociocultural and environmental damage (Weaver, 2001). These changes, both positive and negative, influence the perceptions of residents towards ecotourism development. The changes are often complex and mutually interrelated; there are many examples in the natural, physical, financial, human, social and cultural spheres. This case study uses the SLA and analyses the positive and negative changes to its six forms of capital – natural, human, physical, financial, social and cultural – as perceived by all the interviewees from Taomi. Furthermore, a significant finding of this study was that a new ‘political capital’ asset should be adopted to examine ecotourism development applying the SLA lens.

## Natural capital

It is vitally important for ecotourism to protect, maintain and enhance the natural environment (Weaver, 2001); promote conservation of the local environmental resource (Buckley, 1994; Sirakaya and McLellan, 1998); and provide environmental education or guide services in sustainable or natural-setting areas (Beaumont, 1998). If this is not achieved, negative changes to the natural capital will result in disturbing wildlife and habitats; crushing or clearance of vegetation; stresses; erosion (Simons, 1988; Tyler, 1989; Tallantire, 1993; Buckley, 2004); soil compaction (Boo, 1990; Buckley, 2004) and vegetation damage (Liddle, 1997; Buckley, 2004); introduction and subsequent penetration of exotic species (Dickson *et al.*, 1987; Buckley, 2004); increasing noise; pollution; and traffic congestion (Buckley, 2004). Maintenance of natural capital is fundamentally dependent on the integrity of the other capital assets, and this is developed in the relationship of the building blocks of the SLA (Cater and Cater, 2007b).

Enhancement of Taomi's natural capital stemmed from various ecotourism education activities and topics such as environmental education, greening workshops, ecological ethics, ecological aesthetics and outdoor ecological greening education. The key educational design and delivery was undertaken by NGO groups, principally the New Homeland Foundation and the Endemic Species Research Institute. All the themes showed positive impacts, enhancing residents' awareness and understanding of ecological concepts and knowledge. This was instrumental in cohering community attitudes to the environment in Taomi's ecotourism development.

## Human capital

The human capital requires that residents must be appropriately educated and trained to acquire the knowledge and skills to engage in the ecotourism industry servicing tourists. Beaumont (1998) pointed out that environmental education or eco-guide services are a critical factor in sustainable natural-setting areas. Thus good human capital skills and knowledge can bring further financial capital into the community. To improve residents' livelihood in Taomi, NGO groups had to provide training in tourism skills and knowledge to alter and enhance economic income sources for local residents. The human capital included tourism planning, study visits, skills training, mutually interactive classes, certification and defining eco-guide responsibilities (Fig. 14.2). All the themes of human capital are reflected in all the positive impacts of enhanced resident skills in Taomi's ecotourism industry. Human capital has played a very significant role in catalysing a successful ecotourism development in Taomi.

## Physical capital

Developing the physical infrastructure or ecotourism facilities brings financial opportunities and benefits into a community, a positive aspect of physical change. However, ecotourism development entails financial costs such as maintenance of land, labour costs and marketing (Weaver, 2001). To establish ecotourism successfully, the residents



**Fig. 14.2.** Interpretation by an eco-guide in Taomi community.

had to set up effective guidelines regarding the sustainable eco-village vision, such as the community logo of a frog (Fig. 14.3). Physical capital directly involved the eco-village vision, eco-technology construction and dragonfly interpretation (Fig. 14.4), ecological pond construction, empowering environmental greening activities, the tourism infrastructure and establishing the Taomi Community Tourist Information Centre. All these were designed to improve and create the environment in an appropriate way to attract and educate tourists, and enhance their awareness and understanding of ecotourism, the environment and environmental protection.

### **Financial capital**

Most of the research literature on financial change is in strong agreement that ecotourism can bring a number of direct economic benefits by creating employment opportunities for individuals and increasing community revenue (Zeppel, 1998). Other indirect benefits include funding to support and protect cultural heritage and natural areas that can be gleaned from ecotourism budgets (Weaver, 2001); resident participation in conservation work (Belsky, 1999); and residents' attitude to ecotourism (Pretty and Smith, 2004). In contrast, Weaver (2001) points out negative changes accompanying such phenomena: the purchase of land, and establishment of infrastructure and services. Arguably ecotourism income can also reduce agricultural activities such as commercial agriculture (Lindberg *et al.*, 1996; Langholz, 1999). Furthermore, West and Carrier (2004) stress that local residents almost always pay more of the costs entailed by the environmental conservation form of tourism, yet they seldom share fairly in economic benefits gained.





**Fig. 14.3.** Frog Pavilion.



**Fig. 14.4.** Eco-technology construction, dragonfly interpretation.

In the initial rebuilding of Taomi village, the main negative impact was that most residents only considered and sought solutions to their own livelihood problems, wanting income and economic resources. Moreover, the young generation had left their community to look for good jobs and education resources, a particularly common phenomenon in rural and poor communities. It was important to find out how to enhance residents' economic incomes. Some key themes were the positive impacts provided, such as the educational fund, the community fund, the trial operation and 'Making a Big Cake' activity to assist increasing residents' financial capital. The trial operation included initial provision of accommodation, tourist reservations and operations by the NGOs, as well as setting the prices of all the ecotourism services. 'Making a Big Cake' was an activity held by the Taomi Community Tourist Information Centre to explain to the community that benefits belonged to everyone and that all the residents could share in the tourism development 'cake', further promoting and encouraging wider sharing of the economic benefits of ecotourism development. The community fund, an idea of the NGOs, was designed to contribute to public affairs such as protecting the environment and the well-being of the elderly and disadvantaged groups. For example, the policy of the community fund was that ecotourism operators would donate from 5% to 10% of their income. The initial community fund was operated by the original Community Development Association as a mechanism for running the ecotourism development and industry.

### **Social capital**

Ecotourism is intended to be able to improve the local quality of life, enhance community network relationships and encourage friendly interactions with tourists, thereby enhancing mutual understanding of different life styles and cultures and developing social capital. Further, Stronza and Gordillo (2008) noted that communities with strong social capital can solve the political challenges posed by development. Nevertheless, tourism developments can often cause a negative change to local lifestyles and the quality of livelihoods (Wearing and Neil, 1999). Indeed, in Taomi, the development of social capital was handicapped by residents' attitudes and weak networks hampering willingness to participate in community affairs in the initial rebuilding. To overcome residents' indifference, the NGO groups cooperated with local organizations to build and evoke residents' social capital. In particular some important activities created to this end were educational training in organizational operations, public speaking, interacting with the media and the 'We love Taomi' activity. The latter was designed to enable residents to learn more about of the operations of their eco-village and thereby engender a strongly shared sense of community, and to discuss how to link and integrate local agriculture with the ecotourism industry. All activities were designed to encourage and promote building of social capital in Taomi's ecotourism development.

### **Cultural capital**

Ecotourism development helps local people understand how to improve and maintain traditional culture and heritage values, and their cultural capital (Ross and Wall, 1999;

Scheyvens, 1999); it also increases interaction and exchange opportunities regarding sociocultural differences with a broader population (Weaver, 2001). Additionally, ethnicity, culture and aspects of history also affect and link to community conservation work (Wunder, 1999). In contrast, Weaver (2001, p. 120) claimed that sociocultural costs are often experienced through 'cultural and social intrusion, imposition of an elite alien value system, and erosion of local control'. Before the ecotourism development the Taomi community lacked significant local historical and cultural records. The NGO groups' intention was to seek out and exploit local culture and history to evoke local memory and instil a sense of place into residents' emotions. Moreover, to be able to incorporate aspects of Taomi history and culture when talking to tourists was an important element of eco-guides' training; cultural capital has to be connected to natural capital in ecotourism development in the Taomi setting. It is interesting to note that the natural disaster itself eventually becomes part of the cultural fabric of memory in the community. Thus, a small exhibit developed in the visitor centre explained the impact of the earthquake and its immediate aftermath: the Paper Dome building (Fig. 14.5), built to commemorate the 921 earthquake in Taomi. This was donated from the Takatori Catholic Church community in Japan who had suffered during the Kobe earthquake in January, 1995.

### Political capital

Based on the above categorization, social capital was insufficient to fully explain power and inequality issues (Jones, 2005). Cater and Cater (2007a) noted that the power relationship of different stakeholders generated some significant effects in community-based tourism, which is not a homogeneous construct (Burkey, 1993).



Fig. 14.5. Paper Dome earthquake memorial.

A successful ecotourism development, therefore, also has to depend on good political capital to lead economic, sociocultural and environmental issues. Observing the machinations of community development for this chapter led to examination of the political aspect of the process, an aspect bound up with community empowerment.

Political capital was a critical form of capital found to be affecting all other forms of community assets when using an SLA to examine Taomi's ecotourism development. This has been identified as being related to governance and administrative structures that were somewhat insufficient to direct ecotourism development. It therefore generated some negative impacts regarding benefits and powers; in particular a lack of goal setting, empowerment and leadership, and organizational fragmentation between NGO groups, other groups and organizations in Taomi, resulting in a lack of benefit sharing. It would seem that many of these problems stemmed from an individualist attitude that became stronger as ecotourism developed, and struggles between groups and key members became more pronounced. As Church and Coles (2007) have identified, concerns with power have been understudied in tourism research to date. Furthermore, 'power is often presented practically as having simplistic directional outcomes either working in favour or against the interests of those to be empowered... (but) this tends to gloss over the complex, situated and contested nature of struggles over power' (Church and Coles, 2007, p. 273). As this study has demonstrated, articulations of power are highly complex and represent a dynamic terrain of shifting individual priorities and networks.

Indeed, time is a major consideration when examining the role of political capital effects in the sustainable livelihoods model. Initial developments in ecotourism in Taomi were seen to be quite positive, but this chapter offers a longitudinal account of development over a decade. Our study documents a breakdown in some of these initial structures and a fragmentation that threatens to derail the ecotourism initiatives. Long-term commitment by all stakeholders in ecotourism projects is vital, for example as shown in Hctor's (2003) example of ecotourism development in Ireland. In particular, NGOs need to move beyond the consultative approach that they may take in the early stages of development towards a self-mobilization strategy in the community. In the Taomi community some of the NGOs recognized the long-term nature of development and that it would not always be a smooth ride:

Profit sharing in the community, emotions of local residents, parties, and elections are all causes of problems...but we cannot take responsibility or help them solve these problems. We can only identify the problems, but we should not interfere by force. What they need is time. They need time to wake up by themselves.

(NGO respondent)

Theoretically, I think conflicts are simply unavoidable. Lots of communities go through a stage of having the same problems and they are doing just fine. There is a period of time for arguing and compromise, and communities will slowly find the right way...It is not necessary to regard conflict as negative. What we care about more is if no progress is made after an argument. If people have disputes over profits, but then they should do something afterwards. The worst thing of all, and it happens in lots of communities, is when no concrete action is taken after a dispute. A dispute or argument is one way to solve conflicts. If it solves things, an argument is not bad.

(NGO respondent)

From this perspective, perhaps not all of the conflict observed in this study should be seen as detrimental, as development is always an evolutionary process. However, what is important is that close attention is paid towards the presence of political capital in the development process, so that this can be augmented where necessary for more inclusive, sustainable outcomes. For, as Brown (2002, p. 11) contends, 'assumptions that stakeholders can be empowered through projects and without changing the fundamental political and economic factors are misplaced...the wider social political context has to be clearly evaluated and understood'. Therefore, in using tourism development as a crisis and disaster response, significant attention needs to be given to issues of empowerment, resident participation and community leadership.

## 14.6 Empowerment, Resident Participation and Leadership

Onyx and Benton (1995, p. 50) defined empowerment as 'located within the discourse of community development (it is) connected to concepts of self-help, participation, networking, and equity'. Sofield (2003) noted that empowerment in tourism and sustainable development requires consideration of the political and socio-economic environment. He also argued that sustainable tourism that does not include empowerment of the community rarely results in good development (Sofield, 2001). Many researchers additionally propose four forms of empowerment necessary to determine successful tourism development in a community: political, social, economic and psychological empowerment (Friedman, 1996; Scheyvens, 1999, 2003; Brown, 2002; O'Neal and O'Neal, 2003; Timothy, 2007). Indeed, empowerment is the process of transferring relevant powers (or control) to the community and relevant community stakeholders (individuals, groups and associations) (Chambers, 1993; Laverack and Wallerstein 2001; Lyons *et al.*, 2001; Brown, 2002). Significantly, the key meaning of empowerment will often be to disturb different powers in a dynamic process, reflecting mutual interaction between economic, social and environmental issues (Murphy, 1985; Pearce *et al.*, 1996).

Timothy (2007) notes that developing real empowerment hardly exists anywhere in the world. This study also argues that political empowerment alone is not sufficient to resolve all political change issues. Political capital has to embrace resident participation and local organization leadership, addressing disparate power and benefit conflicts in rural communities. Resident participation in the decision making processes of ecotourism development is particularly important. The decision making demands equitable consideration of their opinions, concerns and questions regarding the ecotourism venture; any good feasibility guidelines for designing ecotourism projects, or policies for implementation, must take into account community organizations and societal groups as well as individuals (Hall *et al.*, 1997; Scheyvens, 1999; Fennell and Dowling, 2003; Sofield, 2003). Resident participation in the tourism planning process demonstrates the critical need for the incorporation of their views and benefit (D'Amore, 1983; McIntosh and Goelder, 1986; Madrigal, 1993; Lankford and Howard, 1994; Sofield, 2003). Stronza and Gordillo (2008) suggested that residents can assist in building social capital to support the sustainable conservation goal, and catalyse local organizational leadership's ability and skills, when residents intend to translate economic benefits into wider aims. Organizational leadership and leader

attributes play critical roles in employing democratic ways to encourage more resident participation in decision making.

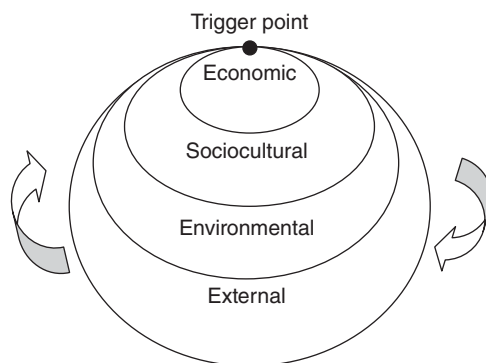
With strong organizations, communities can do more to effectively implement long-term management, and share benefits and resources (Stronza and Gordillo, 2008). The ability of good leaders will be reflected in their handling of public affairs surrounding ecotourism, particularly in solving different conflict issues between various stakeholders such as conflict over social power and benefits (Hocker and Wilmot, 1995; Close and Scherle, 2007). By contrast, if community organizations are weak, barriers to environmental conservation may arise (Barrett *et al.*, 2001; Weinberg *et al.*, 2002; Becker *et al.*, 2003). The leadership or leader can play a connective role to link promotion of government ecotourism policy and planning with local residents' understanding of that government's policy and planning. Tourism leaders need to support government ecotourism planning to protect a region's ecological environment (Owen *et al.*, 1993; Crouch and Ritchie, 1999). Local political capital issues thus concern and underpin the sustainability of a community's other assets – its financial, physical, human, social, cultural and natural capital.

## 14.7 Conclusion

Taomi's holistic ecotourism development was the first example of its kind in Taiwan after the 921 earthquake crisis. It was selected on the basis of its experience of disaster and its relevance to peripheral locations worldwide that are promoting ecotourism, particularly those that had experienced natural disasters. The use of the SLA provided a useful framework to examine the changes that had been brought by this development. This chapter presents a dynamic model of change to communities based on a trigger such as a natural disaster event.

The community-based model (Fig. 14.6) presents a dynamic representation to explain all the relationships, represented in a four-circle structure, of the whole of Taomi's ecotourism development. This figure illustrates their relationships as follows:

1. Economic change circle: this entire circle exists within the sociocultural circle. It includes financial capital which interacts between the human activity of residents and external factors.
2. Sociocultural change circle: this exists entirely within the environmental change circle. It includes community culture, values, trust, networks, ethics and identity, social norms, and improving facilities that manifest as social, cultural and physical capital.
3. Environmental change circle: this exists entirely within the external change circle. Community environments and resources, and natural capital stock, are significant in determining development of the entire community. Likewise, it is the largest of the three circles representing an internal factor of the community.
4. External change circle: this entirely surrounds the environmental change circle. It includes political capital (governmental plans and policies, organizational powers and benefits) and human capital (the education and training of the NGO groups and tourists' interaction with information).



**Fig. 14.6.** Change relationships in community-based ecotourism development.

These four systems can exist in two states: a balanced situation, and one that features dynamic interactions between different forms of capital. When external changes such as a natural disaster present a key trigger, this can bring positive and negative changes to and between the financial, physical, social, cultural and natural capital. For example, the NGO groups play a catalyst role in conducting ecotourism education, training and activities to develop a knowledge economy, enhance community identity, alter environmental attitudes and behaviour, and improve community quality of life. Different organizational conflicts over power and benefits also affect operators' benefits; social trust relationships; community networks between different groups and individuals; and environmental conservation.

On the other hand, when economic benefits draw into a trigger point, other circles will be affected, changing their relationships. Thus, economic benefit is a critical factor for resolving livelihood problems of residents first, but it brings other positive and negative changes to the social, cultural, natural and political capital. For example, economic change can influence relationships between social networks, community culture and values, environmental conservation and attitudes, and organizational conflict. Sociocultural changes, as trigger points, also affect financial, physical, natural and political capital in ecotourism development. In turn, environmental change as a trigger point also affects all other capital: social, cultural, financial, physical and political.

However, as the study progressed, it became apparent that there was a significant level of conflict in the current state of development. What the NGOs had ignored was that 'natural disasters not only destroy livelihoods but they also produce a situation in which power relations can be reworked in the turbulent aftermath of the event' (Church and Coles, 2007, p. 269). Many authors have identified the fact that perfect ecotourism leading to true empowerment for all is rare, and Taomi is no exception. What this case does demonstrate is that attention to the political capital present in a community must have equal prominence with other elements of the SLA suggested by other authors, and must be in place from the outset, when agency support will be one of counselling and guidance, to later stages of self-mobilization by the community. This long-term perspective is essential; without it, outcomes can never be truly sustainable. Further research will explore ecotourism education in

training programmes, organizational policy and operation, and comparisons with other ecotourism communities. More importantly, this case study can be applied to other natural disaster areas, for example in the more recent Sichuan (2008; magnitude 8) and Yushu (2010; magnitude 6.9) earthquakes in mainland China.

## References

- Anderson, C., Locker, L. and Nugent, R. (2002) Microcredit, social capital and common pool resources. *World Development* 30(1), 95–105.
- Ashley, C. (2000) The impacts of tourism on rural livelihoods: Namibia's experience. Working paper 128. Overseas Development Institute, London.
- Ashley, C. and Carney, D. (1999) *Sustainable Livelihoods: Lessons from Early Experience*. Department for International Development, London.
- Barrett, C., Brandon, K., Gibson, C. and Gjertsen, H. (2001) Conserving tropical biodiversity amid weak institutions. *BioScience* 51(6), 497–502.
- Beaumont, N. (1998) The meaning of ecotourism according to...is there now consensus for defining this 'Natural' Phenomenon? An Australian perspective. *Pacific Tourism Review* 2(3), 239–250.
- Becker, D., Harris, C., McLaughlin, W. and Nielsen, E. (2003) A participatory approach to social impact assessment: the interactive community forum. *Environmental Impact Assessment Review* 23(3), 367–382.
- Belsky, J.M. (1999) Misrepresenting communities: the politics of community-based rural ecotourism in Gales Point manatee, Belize. *Rural Sociology* 64(4), 641–666.
- Boo, E. (1990) *Ecotourism: The Potentials and Pitfalls, 1*. World Wildlife Fund, Washington, DC.
- Booth, S. (1993) *Crisis Management Strategy: Competition and Change in Modern Enterprise*. Routledge, New York.
- Bourdieu, P. (2001) The forms of capital. In: Granovetter, M.S. and Swedberg, R. (eds) *The Sociology of Economic Life*. Westview Press, Boulder, Colorado, 96–111.
- Brown, K. (2002) Innovations for conservation and development. *Geographical Journal* 168(1), 6–17.
- Buckley, R. (1994) A framework for ecotourism. *Annals of Tourism Research* 23(3), 661–669.
- Buckley, R. (2004) Impacts positive and negative: links between ecotourism and environment. In: Buckley, R. (ed.) *Environmental Impacts of Ecotourism*. Ecotourism Series 2. CABI Publishing, Wallingford, UK, pp. 5–14.
- Burkey, S. (1993) *People First*. Zed Books, London.
- Butcher, J. (2007) *Ecotourism, NGOs and Development: A Critical Analysis*. Routledge, London.
- Cater, C. and Cater, E. (2007a) *Marine Ecotourism: Between the Devil and the Deep Blue Sea*. CABI Publishing, Wallingford, UK.
- Cater, C. and Cater, E. (2007b) Landscapes of the sea. Marine heritage and sustainable livelihoods heritage and environment conference, June 2007. Sabhal Mòr Ostaig: University of the Highlands and Islands, Skye, Scotland.
- Chambers, R. (1993) *Challenging the Professions: Frontiers for Rural Development*. Intermediate Technology Publications, London.
- Church, A. and Coles, T. (2007) *Tourism, Power and Space*. Routledge, London.
- Close, T. and Scherle, N. (2007) Prosecuting power tourism, inter-cultural communications and the tactics of empowerment. In: Church, A. and Coles, T. (eds) *Tourism, Power and Space*. Routledge, London, pp. 217–241.
- Crouch, G. and Ritchie, J.R. (1999) Tourism competitiveness and societal prosperity. *Journal of Business Research* 44(3), 137–52.
- D'Amore, L.J. (1983) Guidelines to planning in harmony with host community. In: Murphy, P. (ed.) *Tourism in Canada: Selected Issues and Options*. Western Geographical Series 21, University of Victoria, Ottawa, pp. 135–157.



- DFID (Department for International Development) (1999) *Sustainable Livelihoods Guidance Sheets*. DFID, London.
- Dickson, J., Rodriguez, J. and Machada, A. (1987) Invading plants at high altitude on Tenerife, especially in Teide National Park. *Botanical Journal of the Linnean Society* 95(3), 155–179.
- Dredge, D. and Jenkins, J. (2007) *Tourism Planning and Policy*. Wiley Publishing, Milton, QLD, Australia.
- Faulkner, B. (2001) Towards a framework for tourism disaster management. *Tourism Management* 22(2), 135–147.
- Fennell, D.A. and Dowling, R.K. (2003) The context of ecotourism policy and planning. In: Fennell, D.A. and Dowling, R.K. (eds) *Ecotourism Policy and Planning*. CABI Publishing, Wallingford, UK, pp. 1–18.
- Friedman, J. (1996) Rethinking poverty: empowerment and citizens' rights. *International Social Science Journal* 48(148), 161–172.
- Glavovic, B., Scheyvens, R. and Overton, J. (2002) Waves of adversity, layers of resilience: exploring the sustainable livelihoods approach. Paper given at the Development Studies of New Zealand Conference, 2002. [http://devnet.massey.ac.nz/papers/Glavovic, %20Overnton%20&20 Scheyvens. pdf](http://devnet.massey.ac.nz/papers/Glavovic,%20Overnton%20&20Scheyvens.pdf), accessed 10 May 2005.
- Grootaert, C. (1998) Social capital: the missing social capital: a synthesis of findings and recommendations from the social capital initiative. Social capital initiative working paper no. 24. World Bank, Washington, DC.
- Hall, C.M. (2000) *Tourism Planning: Policies, Processes and Relationships*. Prentice Hall Publishing, London.
- Hall, C.M., Jenkins, J. and Kearsley, G. (eds) (1997) *Tourism Planning and Policy in Australia and New Zealand: Case, Issue and Practice*. Irwin, Sydney, Australia.
- Hocker, J.L. and Wilmot, W.W. (1995) *Interpersonal Conflicts*, 4th edn. Brown and Benchmark, Madison, Wisconsin.
- Hector, Z. (2003) Community participation in marine ecotourism development in West Clare, Ireland. In: Garrod, B. and Wilson, J.C. (eds) *Marine Ecotourism: Issues and Experiences*. Channel View Publications, Clevedon, UK, pp. 171–176.
- Holtz, C. and Edwards, S. (2003) Linking biodiversity and sustainable tourism policy. In: Fennell, D.A. and Dowling, R.K. (eds) *Ecotourism Policy and Planning*. CABI Publishing, Wallingford, UK, pp. 39–54.
- Huang, J.H. and Min, J.C.H. (2002) Earthquake devastation and recovery in tourism: the Taiwan case. *Tourism Management* 23(2), 145–154.
- Jones, S. (2005) Community-based ecotourism: the significance of social capital. *Annals of Tourism Research* 32(2), 304–324.
- Langholz, J. (1999) Exploring the effects of alternative income opportunities on rainforest use: insights from Guatemala's Maya biosphere reserve. *Society and Natural Resources* 12(2), 139–149.
- Lankford, S. and Howard, D.R. (1994) Developing a tourism impact attitude scale. *Annals of Tourism Research* 21(1), 121–139.
- Laverack, G. and Wallerstein, N. (2001) Measuring community empowerment: a fresh look at organizational domains. *Health Promotion International* 16(2), 179–185.
- Laws, E., Prideaux, B. and Chon, K. (2007) Crisis management in tourism: challenges for managers and researchers. In: Laws, E., Prideaux, B. and Chon, K. (eds) *Crisis Management in Tourism*. CABI Publishing, Wallingford, UK, p. 9.
- Lee, M.-H. (2005) Networks, partnership and community support: farm tourism cooperation in Taiwan. In: Hall, D., Kirkpatrick, I. and Mitchell, M. (eds) *Rural Tourism and Sustainable Business*. Channel View Publications, Clevedon, UK, pp. 201–226.
- Liddle, M. (1997) *Recreational Ecology*. Chapman and Hall, London.
- Lindberg, K., Enriquez, J. and Sproule, K. (1996) Ecotourism questioned: case studies from Belize. *Annals of Tourism Research* 23(3), 543–562.

- Lyons, M., Smuts, C. and Stephens, A. (2001) Participation, empowerment and sustainability: (how) do the links work? *Urban Studies* 38(8), 1233–1251.
- Madrigal, R. (1993) A tale of tourism in two cities. *Annals of Tourism Research* 20(2), 336–353.
- McIntosh, R.W. and Goeldner, C.R. (1986) *Tourism: Principles, Practices, Philosophies*, 5th edn. Grid Publishing, Columbus, Ohio.
- Murphy, P.E. (1985) *Tourism: A Community Approach*. Methuen, New York.
- Mykletun, R.J. (2009) Celebration of extreme playfulness: Ekstremsportveko at Voss. *Scandinavian Journal of Hospitality and Tourism* 9(2–3), 146–176.
- National Fire Administration (1999) Statistics of September 21 earthquake. Ministry of Interior, Republic of China.
- O'Neal, G.S. and O'Neal, R.A. (2003) Community development in the USA: an empowerment zone example. *Community Development Journal* 38(2), 120–129.
- Onyx, J. and Benton, P. (1995) Empowerment and ageing: towards honoured places for crones and sages. In: Graig, G. and Mayo, M. (eds) *Community Empowerment, a Reader in Participation and Development*. Zed Books, London, pp. 46–58.
- Owen, R.E., Witt, S.F. and Gammon, S. (1993) Sustainable tourism development in Wales. *Tourism Management* 14(6), 463–474.
- Pearce, P., Moscardo, G. and Ross, G. (1996) *Tourism Community Relationships*. Tourism social science series. Emerald Group Publishing, Bingley, UK.
- Pretty, J. and Smith, D. (2004) Social capital in biodiversity conservation and management. *Conservation Biology* 18(3), 631–638.
- Ritchie, B.W. (2009) *Crisis and Disaster Management for Tourism*. Channel View Publications, Bristol, UK.
- Ross, S. and Wall, G. (1999) Ecotourism: towards congruence between theory and practice. *Tourism Management* 20(1), 123–132.
- Scheyvens, R. (1999) Ecotourism and the empowerment of local communities. *Tourism Management* 20(2), 245–249.
- Scheyvens, R. (2002) *Tourism for Development: Empowering Communities*. Prentice Hall, Harlow, UK.
- Scheyvens, R. (2003) Local involvement in managing tourism. In: Singh, S., Timothy, D.J. and Dowling, R.K. (eds) *Tourism in Destination Communities*. CABI Publishing, Wallingford, UK, pp. 229–252.
- Shen, F., Hughey, K.F.D. and Simmons, D.G. (2008) Connecting the sustainable livelihoods approach and tourism: a review of the literature. *Journal of Hospitality and Tourism Management* 15(1), 19–31.
- Simons, P. (1988) Après ski le deluge. *New Scientist* 14, 49–52.
- Sirakaya, E. and McLellan, R.W. (1998) Modelling tour operator's voluntary compliance with ecotourism principles: a behaviour approach. *Journal of Travel Research* 36(3), 42–55.
- Sofield, T.H. (2003) *Empowerment for Sustainable Tourism Development*. Pergamon and Elsevier Science Ltd, Oxford, UK.
- Sofield, T.H.B. (2001) Sustainability and world heritage cultural sites: pilgrimage tourism to sacred power places in the Kathmandu Valley, Nepal. In: Smith, V.L. (ed.) *Hosts and Guests Re-Visited: The Anthropology of Tourism*. Elsevier Science, London, pp. 257–271.
- Stronza, A. and Gordillo, J. (2008) Community views of ecotourism. *Annals of Tourism Research* 35(2), 448–468.
- Sustaining Livelihood in Southern Africa (2002) Social capital and sustainable livelihoods. 5 March 2002. [www.cbnrm.net/pdf/khanya\\_002.slsa\\_issue05\\_sc.pdf](http://www.cbnrm.net/pdf/khanya_002.slsa_issue05_sc.pdf), accessed 10 May 2005.
- Tallantire, J. (1993) Happy holidays or conservation nightmares? *Geographical Magazine* 65(11), 53–56.
- Timothy, D.J. (2007) Empowerment and stakeholder participation in tourism destination communities. In: Church, A. and Coles, T. (eds) *Tourism, Power and Space*. Routledge, London, pp. 199–213.
- Tyler, C. (1989) Killing the goose. *Geographical Magazine* 61(10), 38–43.
- Wang, J., Cater, C. and Low, T. (2014 in review) Political challenges in community-based ecotourism. *Journal of Sustainable Tourism*.
- Wearing, S. and Neil, J. (1999) *Ecotourism: Impacts, Potentials and Possibilities*. Butterworth Heinemann, Oxford, UK.

- Weaver, D. (2001) *Ecotourism*. John Wiley and Sons, Queensland, Australia.
- Weaver, D. (2008) *Ecotourism*, 2nd edn. Wiley Australia Tourism Series. John Wiley and Sons, Queensland, Australia.
- Weinberg, A., Bellows, S. and Ekster, D. (2002) Sustainable ecotourism: insights and implications from two successful case studies. *Society and Natural Resources* 15(4), 371–380.
- West, P. and Carrier, J. (2004) Ecotourism and authenticity: getting away from it all? *Current Anthropology* 45(4), 483–498.
- Wunder, S. (1999) Promoting forest conservation through ecotourism income? A case study from the Ecuadorian Amazon region. Occasional Paper No. 21. Center for International Forestry Research, Bogor, Indonesia.
- Zeppel, H. (1998) Land and culture: sustainable tourism and indigenous peoples. In: Hall, C.H. and Lew, A. (eds) *Sustainable Tourism: A Geographical Perspective*. Addison Wesley Longman Limited, Harlow, UK, pp. 60–74.

---

# 15

## The Devastation of Darwin: Representing the Recovery and Reconstruction of Australia after Cyclone Tracy

LEANNE WHITE<sup>1\*</sup> AND ELSPETH FREW<sup>2\*</sup>

<sup>1</sup>Victoria University, Melbourne, Australia; <sup>2</sup>La Trobe University, Melbourne, Australia

---

### 15.1 Introduction

This chapter explores the ways in which a tragic event in Australia has been commemorated and interpreted within the context of tourism and national identity. The chapter examines the permanent exhibition of Cyclone Tracy at the Museum and Art Galley of the Northern Territory in Darwin, and also examines other ways in which the devastating event has been remembered in the context of Australian popular culture and history.

In 1974 Cyclone Tracy devastated around 90% of Darwin's buildings and killed 65 people (Lewis *et al.*, 2006, p. 250). This chapter considers how the commemoration of this disaster influences ideas about the Australian national character, and discusses the appropriateness of the interpretation of the event, given both its significance and sensitive nature. Focusing on the devastating event, the slow recovery and the important rebuilding process, this chapter is particularly relevant to the 'Resolution, Learning and Feedback' section of this book.

Cyclone Tracy, which effectively wiped out Darwin in the early hours of Christmas Day 40 years ago, significantly changed Darwin and the people of Australia's most northern outpost. Many important policy, planning and prevention lessons were also learned as a result of the tragic event. The chapter examines how visitation to museums such as this one might help develop an 'idea of Australia' that is imagined. In this case, a new identity for Darwin and Australia was forced upon its people. That identity is presented to the visitor through displays about commemorating, interpreting and learning from this particular disaster.

---

\* E-mail: [leannek.white@vu.edu.au](mailto:leannek.white@vu.edu.au)

## 15.2 Background

In 1974 Cyclone Tracy struck Darwin in the early hours of 25 December, Christmas Day, killing 65 people, 49 of whom were on land while a further 16 were at sea. The cyclone (which would be referred to as a hurricane or typhoon in other countries) caused most damage between midnight and 7 a.m. on Christmas morning. Winds estimated at more than 250 km/h were recorded before the Bureau of Meteorology's equipment was destroyed (Stretton, 1977, p. 16).

Following the cyclone, the city was in ruins with barely a house left standing in some suburbs (Australian Broadcasting Corporation, 2004a). At the time, Darwin was a city (or large town) of only 45,000 people. After the cyclone, it soon became obvious that anyone who was not involved in the recovery effort would need to leave the city as soon as possible. Between Christmas Day and New Year's Eve, Darwin's population fell to 11,000 (Chamberlain *et al.*, 1981, p. 3). All essential services such as communications, power, water and sewerage were inoperable as effectively Darwin had been flattened. Only 408 of the town's 10,000 buildings remained intact (Odgers, 1980, p. 4). Since there was a fear of a breakdown in civil order and public health, hundreds of police were flown in from southern states.

As news of the devastating cyclone spread, Australians rallied to support the people of Darwin. Symbolically, at the traditional Boxing Day Test in Melbourne on 26 December, cricketers from both teams passed around the hat to raise money for the victims (Lewis *et al.*, 2006). Cyclone Tracy was not the first event to destroy the town, which had been subjected to severe cyclone damage on a number of other occasions. Since records have been kept, at least six tropical cyclones have severely affected Darwin. Considerable damage by cyclones occurred in 1839, 1878, 1882, 1897 (thought to be the most intense prior to Tracy, where the town was almost completely destroyed), 1917 and 1937 (Bureau of Meteorology, 1977, pp. 49–50). Effectively, Darwin has been 'blown off the map' more times than anyone would care to wish for – and yet a cosmopolitan, vibrant, modern and highly resilient tropical city greets the visitor today. As Bunbury explains, 'Darwin has a long history of destruction and rebirth' as the city has been destroyed 'three times by cyclones and once by war' (Bunbury, 1994, p. 116).

The images of a devastated Darwin shocked Australia and a huge relief effort was immediately put in place. Prime Minister Gough Whitlam spoke of the community's spontaneous generosity and declared that the cyclone was 'an Australian tragedy which transcends politics, state boundaries and personal differences' (Evans, 2009, p. 18). However, Cyclone Tracy 'marked a pivotal change in the city's growth and development' as it 'transformed Darwin from an isolated tropical outpost... to a modern tropical city' (McKay, 2004, p. v). McKay also suggests that the cyclone 'provided the spark for both political and economic change' as Whitlam committed his government to rebuilding the Territory capital and 'millions of taxpayer dollars flowed north in the largest scale rebuilding program ever conducted in Australia' (McKay, 2004, p. v). The Northern Territory also achieved self-government status just 4 years later in 1978, effectively becoming responsible for its own administration (Nicholson, 2002, p. 20).

Thirty years later (almost to the day), the Indian Ocean tsunami of 26 December 2004 also generated a similar swift response from Australians. The population

strongly supported the aid effort, encouraged by televised appeals, concerts and key sporting events. As a result, Australians responded with their hearts and wallets like never before and became the most generous country in terms of dollars per head of population (White, 2010, p. 242).

Public generosity in Australia in response to the tsunami was certainly unprecedented. On the other hand, so too were the almost inconceivable media images of the huge waves that amateur photographers made available to news services through digital video footage. They, in turn, contributed to the global distressing imagery of the disaster. The scale of this event was beyond comparison. As we helplessly digested the horrific images and heard of the ever-increasing death toll and the millions who would be left homeless, picking up the phone and reaching for the credit card or volunteering to assist was about all many of us could think to do.

Australians have a long and proud history of volunteerism. They even surprised both themselves and the rest of the world with their hospitality and enthusiasm at the Sydney 2000 Olympic Games. Australia is also a land surrounded by sea, and most Australians live within a relatively short drive of a good beach. The 2004 tsunami showed the world how cruel the sea can be. Australians deeply understood and related to the horrific television images. Some may have even remembered natural disasters in their own history – such as Cyclone Tracy. Many Australians were on holiday enjoying the warm weather by the sea when the news of the tsunami broke. Australians could relate to this – possibly more than any other nation. They responded swiftly and did what they could to help their neighbours in the region.

### 15.3 Tragic Events and National Identity

The effective commemoration and interpretation of tourism sites associated with historical and contemporary tragic events has implications and significance for travel and tourism in Australia. From a destination management perspective, the strategic development of such legacy items may have the potential to enhance a region economically and socially; and to create high levels of post-trip satisfaction, repeat visits and positive word of mouth recommendation. In addition, tourism marketers and planners might be better equipped to promote and manage the destination – particularly with regard to the expectations of the potential visitor.

National disasters such as wars, catastrophes and massacres are experiences of shared grief that can knit generations together (Frow, 2000). Cyclone Tracy was indeed unique in that it was the first Australian cyclone to be interpreted as a national event and so a defining moment in the creation of an Australian national identity (West, 2000). Some have argued that this particular natural disaster became a defining moment in the forging of Australian identity, but public and private acknowledgment of the cyclone in Darwin is relatively subdued (Roberts and Young, 2008).

Prior to the Cyclone Tracy exhibition, there were very few reminders of the catastrophic event in the city. One reminder was a plaque unveiled in 1977 and located outside the Darwin City Council offices. It displays the names of the 49 residents who lost their lives in the cyclone and mentions that 16 others were lost at sea. Another memorial is a sculpture made from the three twisted girders of a home and located next to Casuarina Senior College. The school hall was a place of refuge for

more than 3,000 residents when their homes were lost to the cyclone. The twisted sculpture was unveiled on the 10th anniversary of the cyclone. A third reminder is a stained glass window (representing the fishing nets that were upturned by the cyclone) located in Darwin's Christ Church Cathedral. The names of seven fishermen are also listed on a granite rock in the church. A fourth memorial can be found at Wagaman Primary School and reads in part 'In memory of the children who lost their lives during Cyclone Tracy' (Read, 1996, p. 165).

In 1994, the Northern Territory Museum's Cyclone Tracy Coordinator, Dr Mickey Dewar, faced criticism about setting up an exhibition for commemorating the 20th anniversary. She argued that it was important that any representation should not stress sentiment or emotion. She 'wanted visitors to understand the different phases of Darwin history' and to make connections between the exhibits that depicted the Darwin lifestyle before and after the cyclone (Read, 1996, p. 168). While many residents contacted Dewar and suggested that the past should simply be left in the past, her response was, 'These events will always be remembered but it is how we remember them that gives meaning to the present' (Read, 1996, p. 169).

Ten years later, the local council remained hesitant about erecting a permanent memorial to Cyclone Tracy – even though it was now 30 years after the event. In 2004, Darwin Lord Mayor Peter Adamson said that feedback from survivors indicated that the creation of such a memorial would bring back too many unpleasant memories, particularly because 'for many people the wounds are still relatively raw'. However, he conceded that the time was approaching to look at creating something more permanent (Australian Broadcasting Corporation, 2004b), and indeed, the Museum and Art Gallery of the Northern Territory upgraded its permanent exhibition commemorating Cyclone Tracy for the 30th anniversary. This exhibition now features documentary footage, interpretative panels, photographs, sound recordings and examples of Darwin's unique architecture (Northern Territory Government, 2012). The next section of this chapter closely examines how the exhibition is designed to be interpreted by the visitor.

## 15.4 The Representation and Interpretation of Cyclone Tracy

Interpretation is any activity that seeks to give visitors information about the place they are visiting (Pearce *et al.*, 1998) and often focuses on sites or artefacts described as high culture, nature's monuments or the 'picturesque' (McArthur and Hall, 1996, p. 88). From a social and cultural perspective, the respectful interpretation of such sites can assist in creating a place where visitors can pay their respects to those who have died, and better understand past events within the context of the site and indeed the nation (Frew, 2012). Better understanding the multifaceted and complex connections between people and places, including appropriate interpretation at sensitive visitor sites, can benefit a nation (Cooke, 2000). When recent tragic events slip from contemporary memory, authorities are faced with the difficult task of presenting the site of the tragedy to a new generation of visitors who have grown into adulthood with the event being possibly little more than history to them.

Since interpretation is the process of explaining to people the significance of the place or culture they are visiting, it is often the key process that influences the perceptions

visitors hold and negotiate with others as they experience the site (Pearce, 2005). Scholars suggest that interpretation should be interesting, engaging, enjoyable, informative and entertaining but that occasionally it is necessary to be 'shocking, moving and provide a cathartic experience' (Uzzell, 1989, p. 46). Effective interpretation is critical both for the successful management and conservation of built heritage sites and for sustainable tourism (Moscardo, 1996).

Interpretation is now a well-integrated management practice in both public and commercial settings and warrants detailed research attention (Pearce, 2005). Indeed, in his seminal work, Tilden (1977) explained that through guided tours, exhibits and signs, visitors receive a very special kind of education through their understanding of informative materials. Thus effective interpretation allows site visitors to be educated about the nature of the host region and culture (Carr, 2004), and they can 'learn informally about, and appreciate, the place they are visiting' (Light, 1995, p. 145). In addition, interpretation can be a tool to enhance an emotional experience (de Rojas and Camarero, 2008), recognizing that visitors have a variety of interests which can be served by different narratives.

The Cyclone Tracy Gallery (see Fig. 15.1) is a permanent exhibit in the Museum and Art Gallery of the Northern Territory in Darwin. The main sign that welcomes the visitor importantly displays the words 'tracy' in lower case text. One interpretation of the signage might be that the people of Darwin are steadfast and defiant and refuse to be defeated by a cyclone. The exhibition is presented in two distinct parts. The first part presents artefacts associated with the cyclone and includes community displays and television news footage taken on the morning after the event. The second part of the exhibit reflects on the architectural history of Darwin from before World War II to self-government in 1978, and shows how Darwin buildings prior to the



**Fig. 15.1.** The entrance sign on corrugated iron sets the scene for the visitor experience.



cyclone were quite different in design to those built since 1975. Between the two parts of the exhibit there is a sound room where visitors can hear the sounds of Cyclone Tracy as it roared through the town.

Very little mention of the deaths that occurred due to the cyclone is made until the visitor is at least half-way through the exhibition. This reflects the chronological sequence of the exhibition, which begins with a depiction of the casual lifestyle of the town in 1974, then shows the first news footage from the immediate aftermath of the cyclone, the first communication to the rest of Australia, the discovering of the damage caused, the evacuation of residents, then concludes with the rebuilding of Darwin. The first mention of anyone dying appears in a section regarding the ships that were lost at sea. The exhibit states, 'Tracy added 29 vessels to the host of shipwrecks from the WWII Japanese air raids'. Here one assumes that some of these vessels had gone down with the passengers. The reference to the Japanese bombing of Darwin during World War II provides an interesting connection between the 1942 bombings and the 1974 cyclone – both of which devastated the city. Indeed, there are a number of similarities between the two disasters, including the evacuation of the city and the extensive rebuilding. However, this is the only time in the exhibit that this connection is made. The exhibition presents many aerial photographs of Darwin before and after Cyclone Tracy. Another similarity with the World War II bombing of Darwin (which resulted in the loss of 238 lives) is that it was a member of the army who was appointed to coordinate the recovery effort which occurred after the bombing.

In the first section of the exhibit there is a poster that displays a shadow of a young person in shorts and thong sandals with long hair, reclining while drinking with the sun setting (see Fig. 15.2). The panel explains that in the Darwin of 1974 people

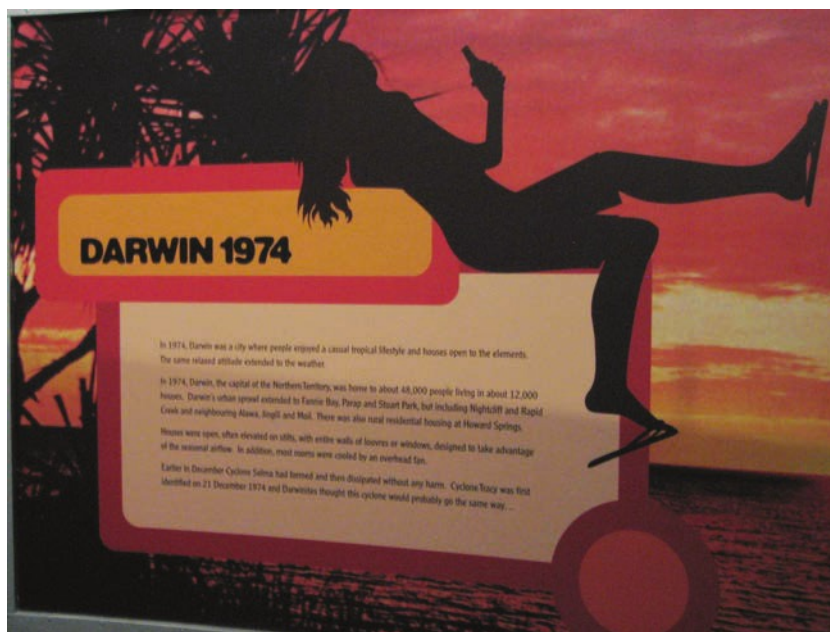


Fig. 15.2. A 1970s-style poster depicts the easy-going lifestyle of Darwin.

enjoyed a casual tropic lifestyle. There is a glass cabinet in this area containing post-cards of the town. The cabinet also contains a souvenir ashtray and lamp made from local shells. Together, the poster and these display items are deliberately reminiscent of the 1970s period. The items also reinforce beach culture and an overt 1970s' kitsch.

The gallery contains large pieces of corrugated iron which are used to hang artefacts and photographs. If the visitor was unaware of the reason why this material has been used, it becomes obvious from the comments made in the video in the next part of the exhibit. In the video it is explained that thousands of pieces of corrugated iron were ripped from the roofs of Darwin homes and were blown around during the cyclone causing a great deal of the damage. In his influential three-volume report, engineer and academic George Walker explains that over 90% of all houses in Darwin had significant loss of roofing (Walker, 1975). When standing at the entrance of the exhibition and throughout the first part of the gallery the visitor can hear the constant sound of an Australian voice speaking about the disaster – words that are often repeated are 'wind' and 'corrugated iron'.

The most powerful aspect of the first part of the exhibit is a television news reel which runs for 5 minutes on a continuous loop. The commentary is provided by ABC reporter Mike Hayes and was recorded by Keith Weshell early in the morning of Christmas Day. It shows the devastation of the city following Cyclone Tracy with street after street of destruction. Interestingly, the only people that can be seen in the footage are four young people who are standing on the first floor of the remains of a house. They are surrounded by the devastation of their local area. As these are the only people in the footage, the absence of life is quite eerie.

Some of the comments from Mike Hayes during the video are quite poignant such as: 'Merry Christmas may always be a dirty term for people in Darwin... [prior to its arrival] Cyclone Tracy just seemed like any other cyclone on Christmas Day'. The reporter explained that while there was a lull in the winds, when they were in the eye of the cyclone, they thought that the worst was over. He went back into his house and 'Assured the kids that Santa would be able to brave Cyclone Tracy with not any trouble'. However, very soon the winds came back and they found them to be even more destructive with 'Sheets of iron torn off roofs. Roof joists torn off... These came back to us at double the speed. Darwin airport wind equipment broke because the wind was so fast'. He described the sounds of thousands of pieces of corrugated iron being scraped across the ground to bang into what appeared to be flimsy houses. He explained that when he went out into the streets the next day he found that the houses had literally exploded and the trees were horizontal to the ground. He noted that the rain was also horizontal. He compared the destruction of Darwin with the devastation of Hiroshima and Nagasaki at the end of World War II. He explained that many of the town's residents were left sitting on bare floorboards, while some hid under houses and others were trapped.

In front of the screen showing the video there is a row of benches where people can sit, watch, learn and possibly try to empathize (see Fig. 15.3). However, many people come around the corner of the exhibit, start viewing the footage and become so transfixed they just stand and watch, with only a few people sitting down.

Another panel discusses the role of Major-General Alan Stretton who was appointed Director-General of the Natural Disasters Organisation to head the rescue and relief effort. He later described the cyclone as 'the most devastating natural disaster



**Fig. 15.3.** Visitors watch the documentary filmed on the morning after Cyclone Tracy.

ever to strike an Australian city' (Stretton, 1977, p. 14). He was appointed from Canberra as the federal government feared civil and social unrest. Soon after his significant work in Darwin, he was awarded the title 'Australian of the Year'. Stretton described the disaster as 'potentially the worst in Australia's history' (Ross, 1993, p. 691).

The interpretive case near the coverage of Stretton contains a copy of the first telegraph message he sent to the National Emergency Operating Centre. In the telegraph Stretton advises that possibly 10,000 people needed to be evacuated immediately. This was a very low initial estimate as most residents left over the next few weeks, with 25,000 people being airlifted from Darwin by the Royal Australian Air Force (RAAF) and commercial airlines in the space of just a few days. A further 10,000 residents escaped by road. The Royal Australian Navy also helped clear much of the debris in the weeks after the cyclone. Tracy survivor Keith Cole explains that teams of men came and 'cleared away the shattered timber, the uprooted trees, the twisted metal' (Cole, 1977, p. 78). The Navy effectively made lighter work out of what would have been both heart-breaking and back-breaking for those determined residents who stayed to help with the substantial task of cleaning up.

Attached to curved corrugated iron is a series of black and white photographs taken after the cyclone and which demonstrate the impact of the storm. The most powerful of these photos are:

- an upturned car;
- a mother and her two young children. The mother is looking unhappy and the child is wearing an airline sticker which displays the word 'Group Baggage';
- a telegraph pole wrapped with several large pieces of corrugated iron sheeting; and

- a car that has been completely destroyed, and with a central piece missing. Someone (presumably the owner) has written on the hood of the car 'Tracey (sic) you bitch'.

The second part of the exhibit focuses on the changes in the architectural design of the buildings. A typical lounge room of the day is presented, depicting the scene just before the cyclone struck. In the lounge room exhibit there is sofa, a coffee table, a Christmas tree with flashing lights and Christmas baubles, a telephone, a pile of records, a poinsettia plant, an electric ceiling fan on the roof, a knitted Christmas stocking attached to the wall, a sprig of plastic holly and a large stereo system playing a radio station with songs from the era (see [Fig. 15.4](#)). The music is periodically intercepted with announcements warning people about the approaching cyclone. This exhibit creates a feeling of calm before the storm, with the room looking very suburban and secure, but with the impending danger approaching.

While viewing this scene, visitors hear the radio music and announcements mixed with the muffled sounds coming from a door marked 'Cyclone Tracy Sound Booth'. The sound of the cyclone is based on an audio tape recording made by Father Ted Collins of St John's Church at locations around Darwin throughout the night while the cyclone devastated the city. On the door of the sound booth there is a notice that states, 'The sounds you are about to hear may upset people who can remember Cyclone Tracy'. One of the authors entered the room at the same time as a group of three visitors. One of the women said, 'But it's dark'. Her companion said knowingly, 'That's because there was no electricity. That's the first thing to go in a cyclone'.



**Fig. 15.4.** Depiction of a typical Darwin lounge room before Cyclone Tracy.

On entering the sound booth the author found herself standing very close to the three strangers in the dark (there are no seats in the room). This was quite disconcerting but went a small way to recreate the feelings of discomfort and unease that residents must have felt. The noise of the cyclone in the sound booth is loud and relentless. It continues for a couple of minutes and then stops abruptly. It is loud and frightening and very clearly depicts the terrible noise of the cyclone and allows one to imagine the scene outside the houses on that fateful night. The sound of the wind was one of the enduring memories of the cyclone. As Evans explains, 'Darkness. Complete darkness, and the roar of the wind. These were the overwhelming memories of the survivors of Cyclone Tracy'. He continues, 'And the roar: some people compared it to a thousand freight trains, or a jet engine in the lounge room' (Evans, 2009, p. 1).

When exiting the sound booth the next part of the exhibit depicts the aftermath of the cyclone. First of all there is the depiction of a house that has been destroyed. There are concrete steps going up to a house; this has been flattened and there is corrugated iron everywhere. There are images of trees with no leaves, rubbish and more corrugated iron. There is graffiti on the wall that says 'Keep out. We still live here' (see Fig. 15.5). This message is a response to the looting that occurred after the cyclone.

In the area immediately outside the sound booth visitors can listen to three audio recordings from people who experienced the cyclone. The first recording is 1 minute in length and we hear a female resident who lived through the cyclone. She describes her experience and the cyclone as being:



**Fig. 15.5.** Replica of a graffiti warning on corrugated iron remains.

A noise between a roar and a scream... There was lightning, a greenish glow... That noise wasn't a tree that was the roof... The house started to disintegrate... We walked down the hall as the rest of the house blew away... I don't remember feeling gripped with panic. I just remember thinking that we were going to die.

In the second audio recording the survivor said that the sound of the cyclone was like a 'steam train running into the house... The most incredible bang. Unbelievable'.

In the third audio recording a man said, 'It was something I never want to go through again. Screaming people. Something out of a horror movie'.

The exhibit then moves on to cover the post-disaster period and considers the media coverage received from national newspapers and magazines by providing the front covers of some publications. Some of the headlines were:

- 'Darwin Terror Storm: 40 Die' (26 December 1974);
- 'City is Cut off from the World' (26 December 1974);
- 'More Dead. Disease hits Children' (27 December 1974);
- 'Epidemic Disaster Feared' (27 December 1974). A sub-heading reads 'The stench of death and decay lies over Darwin today. And emergency authorities fear the devastated city will be hit with epidemics of cholera and typhoid'; and
- 'Darwin Tragedy: Nine pages of graphic colour pictures, stories'. *The Australian Women's Weekly* (15 January 1975) is displayed, showing photographs of rubble and destruction. In the foreground a crying toddler is shown wearing only a nappy and standing beside an upturned television and a doll.

Among these media displays, the exhibition addresses the evacuation effort. There are several photos of people walking towards the aircraft to be evacuated. Other headlines read:

- 'Evacuate Darwin: 80 dead but it may reach 200'. *The Sun* newspaper (26 December 1974); and
- 'Darwin told: no need to panic. High airlifts at its peak. As Darwin's weary, dazed and homeless survivors yesterday began the fourth day of their city's agony; an official radio plea urged them not to panic'. *The Sun Herald* newspaper (29 December 1974). Beside that headline is a photo of a man with a cigarette hanging out of his mouth and holding a bathroom sink and a cat, with the caption 'All he has left – cat and sink'. The photograph of 25-year-old Danny McIver became one of the enduring archival images of Cyclone Tracy.

The exhibition then presents the recreation of another lounge room (see [Fig. 15.6](#)). This time the room is one depicting a renovated house from after the cyclone. The display room includes a sofa and a television broadcasting news footage of discussions about the Northern Territory's move to self-determination in 1978.

The last interpretative panel in the sequence of panels is entitled 'The New Darwin' and depicts the cover of the *Australian Women's Weekly* from September 1975 which asks, 'Darwin today – Is there a future?' The exhibition concludes with mention of the Darwin Reconstruction Commission which was created to 'plan, coordinate, and undertake the rebuilding of the city so that it would never be destroyed again'. At the end of the exhibition the last interpretative panel reads, 'When you leave the



**Fig. 15.6.** The exhibition also presents a Darwin lounge room after Cyclone Tracy.

museum and look at the thriving city of Darwin, it is hard to imagine its total destruction by Tracy in 1974; it is a story of endurance and recovery, courage and faith'.

The Cyclone Tracy exhibition has been designed to ensure that the ferocity of the storm is acknowledged through first-hand accounts and individual stories about the experiences of the local citizens. It even provides a small room where the sounds of the devastating cyclone can be experienced by the visitor. In addition, the trauma of the evacuation is recognized in the exhibition by using contemporary newspaper and magazine stories about survivors to explain the feelings of displacement and being separated from loved ones.

The exhibition uses maps, photographs, artefacts and recreation of the inside of houses to depict the realities of living in Darwin before, during and after the cyclone struck the town. As mentioned above, it is suggested that to be effective an exhibit should be 'interesting, engaging, enjoyable, informative and entertaining' and occasionally 'shocking, moving and provide a cathartic experience' (Uzzell, 1989, p. 46). Did the Cyclone Tracy exhibition achieve this? Yes, in the opinion of the authors this was achieved, particularly by use of the shocking original footage of the devastation on the morning following the cyclone, through the sound booth with the extreme experience for the visitor, and the heart-breaking photos and dreadful headlines of the nation's newspapers and magazines.

Many other memorial museums around the world also serve the dual purpose of respectfully commemorating a disaster, while at the same time providing a warning that future tragic events are inevitable. One prominent example is the Hiroshima Peace Memorial Park in Japan. Giamo (2003) examined the display in detail and reflected on the effectiveness of telling the story of the nuclear bombing. He believed

that the park is effective in recalling nuclear horror as it honours those who died as the innocent victims. The memorial presents the grotesque suffering and death of the citizens of Hiroshima. In addition, it aims to inform the public about the horrors of nuclear bombs and the need to abolish nuclear weapons and promote world peace. On the other hand, the exhibit does not discuss the causes of the war and Japan's involvement in World War II. He believes there are obvious omissions in the memorial's 'postwar Japanese narrative of nationalism' (Giamo, 2003, p. 705), and that the interpretation tries to preserve cherished beliefs about how Americans and Japanese see themselves and how they want to be seen by others. He argues that the display is essentially 'about the politics of memory, the ideal projection of specious national identity' for public consumption (Giamo, 2003, p. 724).

## 15.5 Conclusion

After the 2009 'Black Saturday' bushfires in Victoria, Premier John Brumby visited the Cyclone Tracy exhibition to try to learn from the lessons of the disaster that had occurred 35 years earlier. Northern Territory Chief Minister Paul Henderson gave Brumby a tour of the exhibition, explaining that 'This can show all Australians that cities can be rebuilt'. He added, 'Australians are always at their best when they are pitching in together, when they are rebuilding' (Northern Territory News, 2009). Brumby acknowledged the similarities between the two disasters which were both 'more severe than had ever hit before' (Northern Territory News, 2009). He explained that Victoria had followed Darwin's example and introduced tougher building codes. As Stretton had concluded, one of the major lessons from the Darwin disaster was 'the inadequacy of building regulations that allowed homes to be built that were quite incapable of offering any protection from a cyclone' (Stretton, 1977, p. 202).

The devastating event divided the way in which people who live in the 'Top End' think about their city. The disaster was a 'unique occurrence' as it took place on Christmas Day in 'the most isolated part of Australia' (Stretton, 1977, p. 197). When visitors travel to what is now the city of Darwin, it is almost impossible to find people who lived there before the cyclone (as one of the authors can testify – having visited the city on two occasions). McKay also asserted that 'Tracy is the primary historical benchmark of the past generation' (McKay, 2004, p. v). Time is measured by the catastrophic event and almost everyone you meet today settled in the 'new Darwin'. Many who fled Darwin did not return. Bunbury explained, 'Some stayed on but many went away. Nothing was ever quite the same in the new Darwin' (Bunbury, 1994, p. 12). Much can be learned from a life-changing event such as Cyclone Tracy and the wise will look to the past to help understand the future. As Stretton argued, the spirit of Darwin 'caught the imagination of the whole of Australia', and due to 'the efforts of the whole nation, a miracle was achieved' in the rebuilding of Darwin (Stretton, 1977, pp. 206–207).

National identity and the interpretation of sites of tragic events have been largely overlooked in the academic literature to date. The two areas are strongly connected and are worthy of significant analysis (White and Frew, 2013). This chapter has attempted to explain the importance of effectively interpreting a significant tragic event such as Cyclone Tracy. It was a disaster of considerable national importance



due to its devastating nature and its long-term impact. The exhibition effectively generates emotions from the visitor such as sadness and shock which emphasizes the enormity of the event. The existence of this permanent exhibition allows Australians to remember the event in perpetuity and to place it in context with the development of their nation.

## References

- Australian Broadcasting Corporation (2004a) The big blow of Cyclone Tracy, 30 years on. [www.abc.net.au/nt/stories/s1255740.htm](http://www.abc.net.au/nt/stories/s1255740.htm), accessed 8 April 2012.
- Australian Broadcasting Corporation (2004b) Council hesitant over permanent Cyclone Tracy memorial. [www.abc.net.au/news/2004-08-02/council-hesitant-over-permanent-cyclone-tracy/2018440](http://www.abc.net.au/news/2004-08-02/council-hesitant-over-permanent-cyclone-tracy/2018440), accessed 14 April 2014.
- Bunbury, B. (1994) *Cyclone Tracy: Picking up the Pieces*. Fremantle Arts Centre Press, South Fremantle, WA, Australia.
- Bureau of Meteorology (1977) *Report on Cyclone Tracy: December 1974*. Australian Government Publishing Service, Canberra, ACT, Australia.
- Carr, A. (2004) Mountain places, cultural spaces: the interpretation of culturally significant landscapes. *Journal of Sustainable Tourism* 12(5), 432–459.
- Chamberlain, E., Doube, L., Milne, G., Rolls, M. and Western, J. (1981) *The Experience of Cyclone Tracy*. Australian Government Publishing Service, Canberra, ACT, Australia.
- Cole, K. (1977) *Winds of Fury: The Full True Story of the Great Darwin Disaster*. Rigby, Adelaide, SA, Australia.
- Cooke, S. (2000) Negotiating memory and identity: the Hyde Park Holocaust Memorial, London. *Journal of Historical Geography* 26(3), 449–465.
- de Rojas, C. and Camarero, C. (2008) Visitors' experience, mood and satisfaction in a heritage context: evidence from an interpretation center. *Tourism Management* 29(3), 525–537.
- Evans, R. (2009) *Disasters that Changed Australia*. Victory Books, Carlton, VIC, Australia.
- Frew, E. (2012) Interpretation of a sensitive heritage site: the Port Arthur Memorial Garden, Tasmania. *International Journal of Heritage Studies* 18(1), 33–48.
- Frow, J. (2000) In the penal colony. *Journal of Australian Studies* 24(64), 1–13.
- Giamo, B. (2003) The myth of the vanquished: the Hiroshima Peace Memorial Museum. *American Quarterly* 55(4), 703–728.
- Lewis, W., Balderstone, S. and Bowan, J. (2006) *Events that Shaped Australia*. New Holland Publishers, Sydney, NSW, Australia.
- Light, D. (1995) Visitors' use of interpretive media at heritage sites. *Leisure Studies* 14(2), 132–149.
- McArthur, S. and Hall, C.M. (1996) Interpretation: principles and practice. In: Hall, C.M. and McArthur, S. (eds) *Heritage Management in Australia and New Zealand: The Human Dimension*. Oxford University Press, South Melbourne, Australia, pp. 88–106.
- McKay, G. (2004) *Tracy: The Storm that Wiped out Darwin on Christmas Day 1974*. Allen and Unwin, Crows Nest, NSW, Australia.
- Moscardo, G. (1996) Mindful visitors: heritage and tourism. *Annals of Tourism Research* 23(2), 376–397.
- Nicholson, M. (2002) *The Little Aussie Fact Book: Everything You Need to Know About Australia in One Handy Volume*. Penguin, Ringwood, VIC, Australia.
- Northern Territory Government (2012) Museums and Art Galleries of the Northern Territory. [www.nt.gov.au/nreta/museums/exhibitions/permanent.html](http://www.nt.gov.au/nreta/museums/exhibitions/permanent.html), accessed 14 April 2014.
- Northern Territory News (2009) Victoria to learn from Tracy. [www.ntnews.com.au/article/2009/07/01/63335\\_ntnews.html](http://www.ntnews.com.au/article/2009/07/01/63335_ntnews.html), accessed 8 April 2012.

- Odgers, G. (1980) *The Defence Force in the Relief of Darwin after Cyclone Tracy*. Australian Government Publishing Service, Canberra, ACT, Australia.
- Pearce, P.L. (2005) *Tourism Behaviour: Themes and Conceptual Schemes*. Channel View Publications, Clevedon, UK.
- Pearce, P.L., Morrison, A.M. and Rutledge, J.L. (1998) *Tourism: Bridge Across Continents*. McGraw-Hill, Roseville, NSW, Australia.
- Read, P. (1996) *Returning to Nothing: The Meaning of Lost Places*. Cambridge University Press, Cambridge, UK.
- Roberts, J. and Young, M. (2008) Transience, memory and induced amnesia: the re-imagining of Darwin. *Journal of Australian Studies* 32(1), 51–62.
- Ross, J. (1993) (ed.) *Chronicle of Australia*. Chronicle Communications Ltd and Penguin, Ringwood, VIC, Australia.
- Stretton, A. (1977) *The Furious Days: The Relief of Darwin*. Sun Books, Melbourne, VIC, Australia.
- Tilden, F. (1977) *Interpreting Our Heritage*. University of North Carolina Press, Chapel Hill, North Carolina.
- Uzzell, D.L. (1989) The hot interpretation of war and conflict. In: Duzzell, D.L. (ed.) *Heritage Interpretation, Vol. 1: The Natural and Built Environment*. Belhaven, London, pp. 33–47.
- Walker, G. (1975) *Report on Cyclone Tracy: Effect on Buildings (Volumes 1–3)*. Department of Housing and Construction, Darwin, NT, Australia.
- West, B. (2000) Mythologising a natural disaster in post-industrial Australia: the incorporation of Cyclone Tracy within Australian national identity. *Journal of Australian Studies* 24(66), 198–204.
- White, L. (2010) Tsunami aid: a case study of Australia's response. In: Fuller, L.K. (ed.) *Tsunami Communication: (Inter)personal/Intercultural, Media, Technical, Ethical, Philanthropic, and Personal Responses*. Hampton Press, Cresskill, New Jersey, pp. 241–249.
- White, L. and Frew, E. (eds) (2013) *Dark Tourism and Place Identity: Managing and Interpreting Dark Places*. Routledge, Abingdon, UK.



---

## **Part V Conclusion and Future Directions**

---



---

# 16 Conclusion and Future Directions

KOM CAMPIRANON<sup>1</sup> AND BRENT W. RITCHIE<sup>2</sup>

<sup>1</sup>*Dhurakij Pundit University, Bangkok, Thailand;* <sup>2</sup>*The University of Queensland, Brisbane, Australia*

---

## 16.1 Introduction

The aim of this book is to contribute to a much deeper understanding of crisis and disaster management focusing specifically on the fastest-growing tourism region in the world: the Asia-Pacific region. Chapters contributed by international tourism scholars and practitioners discuss both the theoretical and practical approaches towards successful crisis management. By using Ritchie's (2004, 2009) model outlining the three main phases of a tourism crisis or disaster (planning, response and resolution), this final chapter now reviews key findings from each chapter then provides a conclusion, together with future directions, for tourism scholars and practitioners.

This book examines a number of crisis and disaster types, including crises caused by crime (Chapter 3), natural disaster (Chapter 7, 9, 10, 13, 14, 15), political conflict (Chapter 8 and 9) and financial crisis (Chapter 11). Our chapters support Laws *et al.* (2007) that crisis is synonymous with an event that disrupts the pre-existing state of affairs. Moreover, crisis is a serious event that can be triggered by numerous causes such as natural, political, financial or technical incidents. Whatever the cause, there is a widely held expectation that the situation will return to normality if appropriate crisis management approaches have been taken.

The book also illustrates that crises occur on a wide spectrum of levels, ranging from local to global scales. At the local level, the crisis may be triggered by as simple an event as a resort being damaged by fire, resulting in tourists immediately cancelling their visits and instead choosing alternative locations. It should be pointed out, however, that local-scale crises may or may not have a significant impact on the national tourism industry (Laws *et al.*, 2007). Chapters in this book discuss a wide range of crisis scale, from local crises such as the Great Japan Earthquake in Chapter 7 and Thailand's political conflict in Chapter 8, to a global crisis such as the Global Financial Crisis (GFC) in Chapter 11.

---

\* E-mail: kom@dpu.ac.th

To understand the complexity of crisis management, a life cycle perspective is employed as a framework for a number of chapters in this book. As Coombs (1999) has emphasized, different stages in the life cycle of a crisis situation require different actions. As a result, crisis and disaster management is not only about developing a plan and executing it during the crisis or disaster, but also recognizing effective crisis and disaster management as an ongoing process. Furthermore, the life cycle perspective has yielded a variety of staged/phased approaches to crisis and disaster management. In turn, staged approaches provide a mechanism for constructing a framework for organizing the vast and varied situations that constitute crisis.

While there are numerous frameworks and approaches to crisis management (Wilks and Moore, 2004), one of the most widely cited frameworks in this book was developed by Faulkner (2001). A number of chapters also adopt Ritchie's (2004) strategic approach to crisis management. Ritchie (2004, 2009) has recommended that a strategic, holistic and proactive approach to tourism crisis and disaster management is required through proactive scanning and planning, management strategy implementation, and an evaluation of the effectiveness of these strategies. Moreover, the understanding and subsequent management of crises and disasters can be improved through the extension and application of crisis and disaster management theories from other disciplines, together with the development of specific tourism crisis and disaster management research and frameworks.

A crisis or disaster tends to have three or four key stages. A pre-event stage is followed by three steps, according to Ritchie (2009):

1. planning and preparedness activities before a crisis or disaster;
2. response to, or management of, a crisis or disaster as it occurs; and
3. a final resolution to a new or improved state after the crisis or disaster is over.

The book is structured along these lifestyle stages to help deepen our understanding of tourism crises and disasters and reduce the chance of overlap between sections of the book. The remainder of the book summarizes the main findings from the book chapters as they relate to the life cycle stages, and a final section considers future research opportunities.

## 16.2 Reduction and Readiness

Almost every crisis or disaster has its signal (Schwartz, 2000) and contains within itself the seeds of success, as well as the roots of failure (Augustine, 2000). By reducing the underlying factors that may cause a crisis or disaster, it is believed that organizations will be able to deal with crises more effectively than if unprepared (Ritchie, 2004). Therefore, the central aims of crisis reduction are to minimize the impact of crises (Lyon and Worton, 2007); reduce vulnerability to crises (Reilly, 1993; Elsubbaugh *et al.*, 2004); and, where possible, avoid and prevent crises from reoccurring (Coombs, 1999).

The stage of crisis or disaster reduction involves a number of risk assessments in order to assess potential negative incidents and their probability of occurrence (Faulkner, 2001). Based on organizational resilience concepts, Chapter 2 provides a novel framework for destination marketing/management organizations (DMOs) to

apply to develop organizational resilience to tourism crises and disasters. The new framework is tourism-centric, yet intentionally broad-based in order to accommodate DMOs in varying contexts and environments. One of the negative incidents that could occur in any tourist destination is a crime against tourists. This issue is discussed in Chapter 3, which summarizes the relevant criminology theories in an effort to better understand what motivates individuals to commit crimes against tourists, and what communities can do to deter such a risk. These theories include:

- Rational choice.
- Deterrence.
- Routine activities.
- Hot-spot.
- Social disorganization.
- Anomie/strain.
- Subcultural.
- Symbolic interaction.

In turn, Chapter 3 provides a more informed theory-based framework for tourism researchers to assess potential crime against tourists, and how such a risk can be minimized.

While crisis reduction is arguably the first and foremost step in crisis management, its importance has been largely overlooked both by the public and by organizations. Augustine (2000) argued that this stage of crisis management has been ignored by organizations, even though it is the least costly and simplest way to control a potential crisis. Part of the problem is that executives perceive crises as an unavoidable condition of everyday business.

To understand this issue, Chapter 4 investigates the relationships among the organizational factors (organization culture), crisis planning behaviour and perceived crisis preparedness. Its authors note that organizational culture has an influence on the individual's attitudes towards crisis planning. In turn, crisis planning affects the perceived level of crisis preparation. Clearly, organizational culture plays a key role in the crisis reduction stage, and organizational leaders must be able to communicate and emphasize this with their internal stakeholders.

After identifying potential crises, organizations need to be prepared by developing strategic, tactical and communication plans. In this stage, crisis readiness places strong emphasis on the planning component of the crisis management process. In addition, it is crucial for one to prepare for the worst as this is the best way to lessen the impact of a crisis (World Tourism Organization, 2003). One way of preparing for crises is to create a crisis or disaster management plan, also known as a contingency plan (Semone, 2007).

Crisis or disaster management plans, or contingency plans, are documents dealing with the most likely risks and threats to a tourism business or destination. Plans should be written up in a manual available to all relevant staff. More importantly, it is crucial to stage drills or simulations to cover these events as an integral part of company training (Pacific Asia Travel Association, 2011). Chapters in this book endorse the importance of crisis management planning, and three chapters attempt to suggest more effective crisis management plans, as illustrated below.

To begin with, a crisis management plan should integrate a concept of crisis management with the specific nature of each industry or business segment. Chapter 2,



in particular, provides an integrative framework specifically to DMOs and to tourism organizations in general. The authors recommend that tourism scholars consider incorporating organizational resilience management theory and concepts, such as assessing the proactive approach of DMOs or evaluating how recovery priorities match pre-crisis planning activities and communication, in order to examine how and why DMOs respond, die, survive or at times excel in the face of a crisis.

Then, Chapter 5 highlights the need for a 'living' crisis management plan, which could be adapted over time into different crisis situations. To illustrate the significance of this issue, the chapter examines the relationship between Crisis Leadership (CL) and Crisis Readiness (CR), and how the CL categories of crisis experience and Experiential Learning (EL) impact upon an organization's ability to prepare for a future crisis event. It then suggests that EL needs to be lived and breathed. In addition, senior management should give high priority to a crisis management plan and should view the plan as a 'living manual' by incorporating it into the organization's day-to-day operations. Senior management should also engage staff at all levels and provide a reliable toolkit in times of crisis.

Chapter 6, in particular, provides an overview of theories related to collaboration. Collaborative communications theories used in other disciplines, primarily disaster management, are also reviewed. Results show that collaboration can be viewed through multiple theoretical perspectives. In addition, collaboration should be part of all crisis management stages from reduction and readiness, to response and recovery. Chapter 6 also provides a case study as a working example of collaborative communication networks, which have been created in Indonesia as a response to the need to address communication issues during and after a disaster.

Using a case study of the Great Japan Earthquake, Chapter 7 analyses the impact that tourism makes in the life cycle of disaster recovery, and then suggests an integrated life cycle model of disaster recovery. The Great Japan Earthquake has posed significant challenges to both tourism operators and tourists. Findings have revealed that the hospitality sector contributed to the effective management of the emergency phase in a major way. The chapter also points out that the arrival of dark tourism has played a crucial role in empowering and stimulating the community in the post-disaster and short-term response phases. More importantly, Chapter 7 suggests that tourism needs to be much better integrated into the greater disaster management process.

Clearly, chapters in this book have supported tourism literature that crisis and disaster readiness is vital. When a crisis or disaster does occur, those organizations that are prepared will have the ability to react effectively (Campbell, 1999; Rhoades and Reynolds, 2007). Therefore, an effective readiness stage will potentially lead to a successful response and recovery stage, and this is now explained below.

### **16.3 Response and Recovery**

A crisis or disaster response is dedicated to the immediate aftermath of an event when everything is at its most chaotic (Pacific Asia Travel Association, 2003). Tough decisions have to be made, and made fast at this stage (Augustine, 2000). Consequently, it will become quickly apparent whether the reduction and readiness phases have

developed continuity and contingency plans that are effective. Furthermore, organizations with well-established management plans also tend to be more successful at handling crises (Pacific Asia Travel Association, 2003), while an unprofessional response at this point could worsen the situation (World Tourism Organization, 2003).

During the response stage, reliable information and effective communication are vital, as Chapter 8 emphasizes. By analysing the tourism industry's management responses to political crises in Thailand, the author identifies effective approaches of crisis operational response utilized by tour operators based in tourism-generating countries at a time when a crisis occurs in a tourism destination, and in turn recommends that businesses require inside information from trusted sources. Moreover, simple clear messages to customers are important.

Chapter 8 highlights the fact that crises are global in nature. Therefore, the question of time difference needs to be addressed in order to implement immediate responses effectively. Such an issue is consistent with Prideaux's (2003) recommendation that international tourism is subject to disruption by a range of events that may occur in the destination itself, origin markets or in places that may be remote from either. Major disruptions, also referred to as shocks, can be felt in both origin and destination areas, affect both the public and private sectors and disrupt the travel plans of intending travellers. Clearly, the time zone of a crisis-struck destination can be very different from that of a tourist-generating destination, which in turn influences the crisis response of tour operators or travel agents, for example.

Apart from a timely response, collaboration also plays a key role when dealing with the crisis situation. As Ritchie (2004) has stated, a strategic crisis implementation requires an understanding and collaboration with stakeholders, including internal (employees, managers, shareholders) and external (tourists, industry sectors, government agencies, general public, media) stakeholders. In addition, collaboration between stakeholders at different levels is also needed in order to resolve crises. In addition to the discussion in Chapter 6, collaboration is also highlighted in Chapter 12, which examines the development of a transnational tourism risk, crisis and recovery management network, using a case study of the Pacific Asia Travel Association (PATA)'s Rapid Response Taskforce (PRRT). The core paradigm in preparing contingency measures and crisis response necessarily focuses on collaborative approaches between private sector stakeholders and governments. As risk to the viability of the tourism industry and the impact of a crisis event frequently extends beyond national frontiers, the PRRT builds collaborative alliances within and beyond the Asia-Pacific region including, but not limited to, the World Tourism Organization (UNWTO), World Travel and Tourism Council (WTTC), Asia-Pacific Economic Cooperation (APEC) Tourism, and the Association of Southeast Asian Nations (ASEAN) Tourism.

This pattern of alliances has supported the statement by Laws *et al.* (2007) that tourism organizations not only need to collaborate with another organizations but also with associations and government agencies. It should be pointed out, however, that doing so would increase the complexity of crisis management as each has its own crisis management approaches and priorities. If an organization has coped with crisis flawlessly by effectively implementing steps of reduction, readiness and response, the crisis recovery stage offers an opportunity to recover some losses and begin to repair the disruption (Augustine, 2000). Crisis recovery requires the development of short- and

long-term strategies to facilitate fast and orderly recovery from a crisis situation (Campbell, 1999). In this phase, the efficiency of crisis or disaster recovery can be measured by the speed at which an organization or destination resumes full business operations; the degree to which business recovers to pre-crisis levels; or the amount of crisis-resistance added since the crisis occurred (Pacific Asia Travel Association, 2003).

Using the case study of the Sri Lankan tourism industry following its tsunami disaster, Chapter 9 emphasizes that the government must coordinate with the tourism industry in order to expedite the crisis recovery process. Although the central government and its tourism ministry and departments were heavily involved in the tsunami response, regional and local tourism organizations were much less active since most were affected by the tsunami or by ineffective coordination with institutions of the central government. Therefore, the tourism industry may have become less resilient in the long term. Again, this endorses the study by Laws *et al.* (2007) that coordination between the government and the tourism industry is mandatory during the crisis management process.

By analysing the impact of the 2011 natural disasters on the Central Queensland tourism industry, Chapter 10 points out that organization size, management attitude and media have a significant impact on the crisis recovery stage. While the impact of the widespread flooding and Cyclone Yasi on the Central Queensland region was quite short, there was a long-term impact to the tourism industry in the region. The media, in particular, reported news extensively, which led to tourists' perception that all tourism in Queensland had closed due to the flooding and Cyclone Yasi. In reality, however, many tourism operators were only indirectly affected and were still operating. Therefore, some tourism operators had a long recovery stage and had not returned to 'business-as-usual', despite the fact that 6 months had passed since Cyclone Yasi and the Queensland floods.

By learning from the influence of the GFC on the Chinese outbound travel market using a case study of the Shanghai regional market, Chapter 11 notes that tourists from Shanghai have been surprisingly resilient to the GFC. The expenditure intention of potential outbound tourists from Shanghai indicated that the majority of tourists would not reduce their travel expenditure during the GFC. In fact, quite a large percentage of them would increase their spending, particularly in leisure, recreation and shopping. The implication is that, even during the GFC, Shanghai residents' outbound travel need is still strong and robust. Shanghai tourists' need for and motivation to travel outbound are not easily affected by the GFC, and this is in contrast to outbound tourists from the USA or those from some European countries influenced by the GFC.

The media's impact on the crisis recovery stage is discussed in a number of papers. In general, media coverage is difficult to control (Pechlaner *et al.*, 2007) and often factually inaccurate, tending also to emphasize the more dramatic aspects of a crisis or disaster (Freyer and Schroder, 2007; Laws *et al.*, 2007). For these reasons, differences often exist between the perceived and real-life situations (Freyer and Schroder, 2007; Gurtner, 2007). Therefore, an organization must release information once it is ready to answer the five key questions, namely: who, what, where, when and why (World Tourism Organization, 2003). In addition, if an organization has taken rapid steps to respond to media questions, it effectively has the opportunity to present its own point of view before the story is released in the mass media (Glaesser, 2006).

While coordination with the government and the media is important to tourism organizations, it should be pointed out that the most important issue during the recovery stage is business continuity. Although a number of strategies exist, one of the most widely adopted approaches is the turnaround strategy, and this is discussed in Chapter 13. By examining the development of new tourism networks to respond to and recover from the 2011 Christchurch earthquake, the authors suggest that tourism businesses have to work with different organizations to recover and to ensure business continuity. In addition, Chapter 13 employs a network approach to understand the issues that may constrain turnaround, their interconnectedness and the relationships between organizations before and after the earthquake.

As the literature has indicated, turnaround strategy generally focuses on a variety of short-term revenue-generating activities (Hofer, 1980) to enable the organization to reach break-even volume as quickly as possible (Viljoen and Dann, 2000). There are a number of turnaround efforts to increase revenue, including price strategy, increased promotion, increased sales force, added customer services and quickly achieving product improvement (Thompson *et al.*, 2005).

While most tourism organizations would focus on revenue generation as part of their turnaround strategy, it is essential that a successful recovery programme is economically, socially and environmentally sustainable. Attracting tourists to destinations does not mean an effective crisis recovery if tourism organizations actually lose more money due to deep discounts. On the other hand, value-added incentive with high perceived value and low costs are as effective an incentive tactic as price discounting, and a lot less painful on the bottom line (Pacific Asia Travel Association, 2011).

Contrary to the revenue-generating strategies discussed above, cost-cutting strategies appear to produce results more rapidly (Hofer, 1980). Nonetheless, cutting costs should only be used when cost structure is flexible enough to allow radical surgery; when operating inefficiencies are identifiable and readily correctable; when the firm's costs are obviously bloated; and when the firm is relatively close to its break-even point (Thompson *et al.*, 2005). This means that if an organization has high labour costs, high fixed expenses or limited financial resources, then cost-cutting strategies are usually preferable (Hofer, 1980).

## 16.4 Resolution and Learning

It is important that lessons are fed back into a company once an immediate crisis or disaster is over, as management is recognized as a continuous process involving a feedback loop from the pre-crisis to post-crisis stage. Doing so enables organizational learning to take place where companies are able to improve their performance through learning from mistakes and preparing for the next potential crisis or disaster (Evans and Elphick, 2005).

Learning consists of understanding the crisis management plan along with its checklists and procedures, and continually reviewing the threats to the organization as well as its crisis response potential. Learning also includes an evaluation of the crisis or disaster from a wide variety of sources, as well as providing quality assurance and ongoing improvement and maintenance across the plan (Campbell, 1999).

The organization's response performance in both simulated and real crises should also be evaluated in order to determine what it did right and wrong during its management. The organization then needs to store this information for future use (Coombs, 1999). Questions that need to be asked may include: What can we learn? What new things can become a part of the culture? What set of values have become important? How does it affect the culture? What do people say about the incident? (Schwartz, 2000). In response to these issues, chapters in this book review the crisis learning stage through different types of crisis as shown below.

Chapter 14 points out that crises can be examined from different perspectives including social, cultural, natural and political. The authors investigate the potential for tourism development to contribute to recovery strategies following major earthquakes, particularly in Taiwan's rural areas, which may be overlooked in the effort to rebuild urban centres. Using the community-based model, Chapter 14 presents a dynamic representation to explain all the relationships, represented in a four-circle structure, which have been developed following a major earthquake. These four systems can exist in two states – balanced and dynamic – between different forms of capital. When external changes such as a natural disaster present a key trigger, this can bring positive and negative changes to and between the financial, physical, social, cultural and natural capital. On the other hand, when economic benefits draw into a trigger point, other circles will be affected, changing their relationships.

Tourism organizations should learn not only from their own experiences but also from the experience of others (Laws *et al.*, 2007). In turn, Chapter 15 suggests that crisis experiences should be documented so that tourism stakeholders can learn from, and be educated by, previous crises. By examining the permanent exhibition of Cyclone Tracy at the Museum and Art Gallery of the Northern Territory in Darwin, Chapter 15 explores the ways in which a tragic event in Australia has been commemorated and interpreted within the context of tourism and national identity. This chapter explains the importance of effectively interpreting a significant tragic event such as Cyclone Tracy. More importantly, the existence of this permanent exhibition allows Australians to remember the event in perpetuity and to place it in context with the development of their nation.

## 16.5 Conclusion and Future Research Directions

This book achieves its aim, and fills a significant gap in the literature, by examining tourism crisis and disaster management in the Asia-Pacific region. By employing a transnational approach and including a wealth of case studies organized thematically, we envisage that the book will provide analytical insights as well as detailed discussion of the experiences of different destinations and organizations. Its chapters provide a foundation for further research in a number of ways.

As Pforr and Hosie (2009) argued, despite increasing knowledge in the field, the tourism crisis and disaster literature appears to be very fragmented and disjointed with no clear indication of the nature of research and future directions. This book tries to address some of these criticisms through its aim and scope. It also identifies potential future research opportunities from the findings outlined in the chapters:

1. This book endorses findings in the tourism literature that the tourism industry is characterized by the sheer diversity of its sector and range of organizations within it (Smith, 2005) incorporating a large number of small or micro businesses (Ritchie, 2004). In turn, while many large organizations are able to develop crisis management teams, small businesses are comparatively unable to devote resources in a similar manner (Pechlaner *et al.*, 2007). As Chapter 2 indicates, future research should seek to uncover which organizational characteristics (e.g. available resources) inhibit or promote adoption of different elements of this framework. In order to strengthen this observation, similar investigations should be conducted to compare and contrast crisis management performance across different tourism sectors. For example, studies could explore how crises have affected public and private organizations differently. Another possible study is the examination of how local, regional and national organizations used their existing resources to manage crises.
2. The chapters in this book attempt to suggest more effective crisis and disaster management approaches. Chapter 7 points out that future research should be undertaken to confirm and refine the proposed theories so they can be applied in a range of crisis situations. It should be pointed out, however, that a crisis management model should be able to cover some stages of a crisis, with additional insights provided by other crisis management experts. A comprehensive model must be able to place 'random' insights into crisis management processes (Coombs, 1999). In addition, crisis management, by its nature, is multidisciplinary and encompasses a wide variety of fields including economics, sociology, psychology, political science, public administration, public relations, environmental science and communications (Tiernan *et al.*, 2007). In order to apply the crisis management approaches suggested in this book, current crises should be examined using the suggested approaches of a crisis or disaster management framework.
3. This book confirms relevant tourism literature (e.g. Aktas and Gunlu, 2005; Henderson, 2007; Tiernan *et al.*, 2007) that not all types of crisis or disaster lead to the same consequences, and may differ from one another in terms of the scope and extent of damage caused. Henderson (2007) emphasized that each crisis or disaster is unique and, in addition, that the same crisis may often pose different degrees of severity across different destinations. Therefore, it would be beneficial if comparative studies are conducted in the future focusing on the same tourism sector, yet in different crisis-struck destinations within the Asia-Pacific region. For example, this could involve an examination of how the hotel sector in Bali and Phuket responds to crimes against tourists. The findings of such research can potentially provide important insights into the differences and similarities between crisis management strategies in different regions. One major limitation of this book is its geographical spread, with chapters missing from a range of countries in the Asia-Pacific such as the Pacific Islands and developing countries such as Vietnam and Laos.

By conducting these studies it is envisaged that tourism researchers would contribute tremendously not only to tourism literature but also to crisis and risk management literature. Moreover, such studies would develop a better understanding of the significance of crisis management processes across different tourism sectors in the Asia-Pacific region, one of the fastest-growing tourism regions, with a potential for the studies to be generalized for the tourism industry in other areas around the world.

## References

- Aktas, G. and Gunlu, E. (2005) Crisis management in tourist destinations. In: Theobald, W. (ed.) *Global Tourism*, 3rd edn. Elsevier Inc., New York, pp. 440–457.
- Augustine, N. (2000) Managing the crisis you tried to prevent. In: *Harvard Business Review on Crisis Management*. Harvard Business School Press, Boston, Massachusetts, pp. 1–31.
- Campbell, R. (1999) *Crisis Control: Preventing and Managing Corporate Crises*. Prentice Hall, Australia.
- Coombs, T. (1999) *Ongoing Crisis Communication: Planning, Managing, and Responding*. Sage Publications, London.
- Elsubbaugh, S., Fildes, R. and Rose, M. (2004) Preparation for crisis management: a proposed model and empirical evidence. *Journal of Contingencies & Crisis Management* 12(3), 112–127.
- Evans, N. and Elphick, S. (2005) Models of crisis management: an evaluation of their value for strategic planning in the international travel industry. *International Journal of Tourism Research* 7(3), 135–150.
- Faulkner, B. (2001) Towards a framework for tourism disaster management. *Tourism Management* 22(2), 135–147.
- Freyer, W. and Schroder, A. (2007) Tourism and terrorism: an analytical framework with special focus on the media. In: Laws, E., Prideaux, B. and Chon, K. (eds) *Crisis Management in Tourism*. CABI Publishing, Wallingford, UK, pp. 129–141.
- Glaesser, D. (2006) *Crisis Management in the Tourism Industry*, 2nd edn. Butterworth-Heinemann, Oxford, UK.
- Gurtner, Y. (2007) Phuket: tsunami and tourism – a preliminary investigation. In: Laws, E., Prideaux, B. and Chon, K. (eds) *Crisis Management in Tourism*. CABI Publishing, Wallingford, UK, pp. 217–233.
- Henderson, J. (2007) *Tourism Crises: Causes, Consequences, and Management*. Butterworth-Heinemann, Oxford, UK.
- Hofer, C. (1980) Turnaround strategies. *Journal of Business Strategy* 1(1), 19–31.
- Laws, E., Prideaux, B. and Chon, K. (2007) Crisis management in tourism: challenges for managers and researchers. In: Laws, E., Prideaux, B. and Chon, K. (eds) *Crisis Management in Tourism*. CABI Publishing, Wallingford, UK, pp. 1–12.
- Lyon, A. and Worton, A. (2007) A proposed model for tourism crisis management: the UK's foot and mouth disease crisis analysed. In: Laws, E., Prideaux, B. and Chon, K. (eds) *Crisis Management in Tourism*. CABI Publishing, Wallingford, UK, pp. 200–216.
- Pacific Asia Travel Association (2003) *Crisis: It Won't Happen to Us*. Pacific Asia Travel Association, Bangkok.
- Pacific Asia Travel Association (2011) *Bounce Back: Tourism Risk, Crisis and Recovery Management Guide*. Pacific Asia Travel Association, Bangkok.
- Pechlaner, H., Abfalter, D., Raich, F. and Dreyer, A. (2007) Crisis management and tourism organizations: a comparative study in the European Alps. In: Laws, E., Prideaux, B. and Chon, K. (eds) *Crisis Management in Tourism*. CABI Publishing, Wallingford, Oxford, UK, pp. 157–169.
- Pforr, C. and Hosie, P. (2009) *Crisis Management in the Tourism Industry: Beating the Odds?* Ashgate Publishing Ltd, Surrey, UK.
- Prideaux, B. (2003) Events in Indonesia: exploring the limits to formal tourism trends forecasting methods in complex crisis situations. *Tourism Management* 24(6), 475–487.
- Reilly, A.H. (1993) Preparing for the worst: the process of effective crisis management. *Industrial and Environmental Crisis Quarterly* 7(2), 115–143.
- Rhoades, D. and Reynolds, R. (2007) The 'perfect storm': turbulence and crisis in the global airline industry. In: Laws, E., Prideaux, P. and Chon, K. (eds) *Crisis Management in Tourism*. CABI Publishing, Wallingford, Oxford, UK, pp. 252–266.
- Ritchie, B. (2004) Chaos, crises and disasters: a strategic approach to crisis management in the tourism industry. *Tourism Management* 25(6), 669–683.

- Ritchie, B.W. (2009) *Tourism Crisis and Disaster Management*. Channel View Publications, Clevedon.
- Schwartz, P. (2000) When good companies do bad things. *Strategy & Leadership* 28(3), 4–11.
- Semone, P. (2007) Preface: the tsunami of 26 December 2005, PATA's initial responses. In: Laws, E., Prideaux, B. and Chon, K. (eds) *Crisis Management in Tourism*. CABI Publishing, Wallingford, UK, pp. xiii–xvii.
- Smith, D. (2005) Business (not) as usual: crisis management, service recovery and the vulnerability of organisations. *Journal of Services Marketing* 19(5), 309–321.
- Thompson, A., Strickland, A.J. and Gamble, J.E. (2005) *Crafting and Executing Strategy: The Quest for Competitive Advantage*, 14th edn. McGraw-Hill/Irwin, New York.
- Tiernan, S., Igoe, J., Carroll, C. and O'Keefe, S. (2007) Crisis communication response strategies: a case study of the Irish Tourists Board's response to the 2001 European foot and mouth scare. In: Laws, E., Prideaux, B. and Chon, K. (eds) *Crisis Management in Tourism*. CABI Publishing, Wallingford, UK, pp. 310–326.
- Viljoen, J. and Dann, S. (2000) *Strategic Management: Planning and Implementing Successful Corporate Strategies*. Pearson Education, Frenchs Forest, Australia.
- Wilks, J. and Moore, S. (2004) *Tourism Risk Management for the Asia-Pacific Region*. [www.world-tourism.org/tsunami/eng.html](http://www.world-tourism.org/tsunami/eng.html), accessed 20 January 2005.
- World Tourism Organization (2003) *Crisis Guidelines for the Tourism Industry*. [www.world-tourism.org/market\\_research/recovery/Crisis and Disaster Management Guidelines.pdf](http://www.world-tourism.org/market_research/recovery/Crisis%20and%20Disaster%20Management%20Guidelines.pdf) - search=%22%22Crisis%20Guidelines%20for%20the%20Tourism%20Industry%22%20wto%22, accessed 20 January 2005.





---

# Index

---

Page numbers in **bold** refer to illustrations and tables.

- accommodation sector 44, 106, 107, 109, 112, 138, 156, 191, 195, **201**
- action 124, 126
- actors 197, **200**
  - see also* stakeholders
- adaptation 134, 136, 141–144
- adaptive capacity **21, 22**
- Adhocracy culture 48, **49, 55**
- administrative capital 211–212
- advisories, government travel 187
- aftermath 121, 123
- agencies, disconnect 142
- agreements 163, 193
  - see also* collaboration
- aid 108, 138, 229
- airline sector **125**, 126, 175, 177, 234
- alliances 249–250
- analysis 8, 48, 67, 102, 105, 154, 168–169, 170
- anatomy, crisis **22**
- anomie theory 34, 37, 247
- ANOVA 52, 55
- APEC (Asia Pacific Economic Cooperation) 8, 176, 186, 187, 249
- Approved Destination Status (ADS) 163
- arrivals 5, 152, 180
  - see also* visitations
- Arugam Bay 140, 142, 143, 145
- ASEAN (Association of Southeast Asian Nations) Tourism 8, 176, 180, 186, **187, 249**
- ash cloud 175
- Asia Pacific Economic Cooperation (APEC) 8, 186, 249
- Asia Pacific Economic Cooperation (APEC) Tourism Working Group 176, 187
- Asia-Pacific focus 4–5
- Asian Financial Crisis (1997–1998) 118, 180
- assessment, instrument, organizational culture 57–58
- assets 132, 211
- Association of Southeast Asian Nations (ASEAN) Tourism 8, 176, 180, 186, **187, 249**
- attitudes 47, 52, **54, 55, 56, 152, 153, 158, 247**
- Australia 48, 149–159, 179, 227–240
- Australian of the Year award 234
- Australian Women's Weekly* 237
- Authority for Reconstruction and Development 139
- awareness, situational 15, **21, 24, 84**
- Bali 150, 152, 175–176, 181, 187
- Bali Hotels Association (BHA) 88, **90**
- Bali Hotels Security and Safety Radio (BHSSR) 77, 88–89, 92

- Bali Security Managers Association 89
- Bangkok airport closure 118
- behaviour 6, 47, 152, 164–166, 171, 172, 247
- Beijing Declaration 180, 181, 185
- benefits 215, 222
- biodiversity 142, 212
- biosecurity 4, 5
- BMKG (National Agency for Meteorology, Climatology and Geophysics) 89–91, 90, 101
- bombings 88, 152, 175–176, 181, 187
- border tourism 162, 163
- Bounce Back – Tourism Risk, Crisis and Recovery Management Guide* 140, 184–185
- Building Back Better* 141, 179
- building codes 98, 239
- built environment 98, 100–101
- Bundaberg 150, 155
- bushfires 5, 239
- business-as-usual stage 8, 154, 156, 198, 250  
*see also* open for business; resolution stage
- businesses 8, 109, 129, 143, 151–152, 156–157, 158, 251
- cancellations 126, 157
- Canterbury 191, 197, 198, 200, 201
- Canterbury Earthquake Recovery Authority (CERA) 198, 198, 200
- capabilities 23, 154
- capital  
forms 8, 213  
interrelationships 8–9  
resilience factor 134  
types 83, 210, 211–212, 213, 214–220, 221, 222
- casualties 137, 182, 183  
*see also* deaths
- CCT (Christchurch Canterbury Tourism) 191, 197, 198, 201, 202
- Central Queensland tourism industry 8, 250
- centralized approach 145
- Centre for National Operations, Sri Lanka 139
- CERA (Canterbury Earthquake Recovery Authority) 198, 198, 200
- certification 91, 214
- change 50, 108, 109, 213, 221, 222, 235
- chaos-based theories 79–80
- China 52, 56
- Chinese 44
- Chinese outbound travel market 161–172, 166, 250
- Christchurch 8, 190–202
- Christchurch Canterbury Tourism (CCT) 191, 197, 198, 201, 202
- Christchurch City Council 197
- City Owners Rebuilding Entity (CORE) 200
- Civil Defence organization 191
- Clan 48, 49, 55
- classification 18, 98, 133, 154
- Coastal Zone Management Plan* (1997) 139
- Cobra crisis 152, 156
- The Code of the Street* 38
- coding procedure 67, 105
- coinciding effects 123–124
- Cole, Keith 234
- Collaborate (Clan) culture 48, 49, 55
- collaboration  
application 87–91  
community emergency management model 84  
defined 78, 178  
disorganized 109  
drivers 177, 179  
extensive 182  
importance 185  
integration 110, 111  
key role 249  
networks 77, 87–91, 87, 97, 179, 190–202  
relationship 82–83  
stages 82–83, 178–179  
stakeholders 26–27, 154  
theories 7–8, 77, 78–91, 176, 177–180, 248  
ties 186–187  
transnational 176, 177–180, 188  
triggers 80  
*see also* networks
- collaborative approach 7–8, 85–86, 176, 178–179, 187–188, 187
- collective approach 108–109, 111, 112, 193
- command centre, implementing 154
- commemoration 229, 252  
*see also* memorials
- communication  
collaborative 7, 77, 86–87, 87, 91, 248  
crisis 25  
effective 129, 249  
flows managing 200  
importance 192  
joint decision making 178  
lack 16

- mode 88
- networks 77, 87–91, 87
- reactive 185
- strategies 155, 158
- toolkit 176
- community
  - based ecotourism development 218, 219
  - based model 221, 222, 252
  - capabilities audit 154
  - consultation lack 142, 145
  - development planning 142
  - fund 217
  - traditional 109
- compete (market) culture 48, 49, 50, 52, 54, 55, 56
- competencies 68, 69, 72
- Competing Values Framework (CVF) 44, 45–46, 47–52, 50
  - see also* culture
- complexity theory 79
- concepts 6, 98, 248
- conceptualizing 4, 15–30
- concerns, focal 38
- confidence loss 121–122, 123, 152
- conflicts, organizational 222
- consultation lack 142, 145
- contacts 192–200, 198, 199, 201
- contingency 4, 7, 18, 151, 179, 183, 187, 247, 249
- continuity 159, 179, 251
- control (hierarchy) culture 24–25, 48, 49, 52, 55, 56, 154
- cooperation 186, 193, 197
- coordination 7, 141, 142, 154, 179, 191, 250, 251
- coping responses 135
- corrugated iron 233, 234, 236
- courses 124
  - see also* training
- CP (Crisis Planning) 44–58, 53, 55, 73–74, 247
- create (Adhocracy) culture 48, 49, 55
- credit access 143
- crime 6, 33–41, 247
- criminology theories 247
- Crisis - It Won't Happen to Us* booklet 183
- Crisis Leadership (CL) 7, 62–74, 72, 73, 248
  - see also* leadership
- Crisis Management (CM) 29, 62, 63, 64, 65, 67, 69, 70, 71, 72, 73
  - see also* management
- Crisis Planning (CP) 44–58, 53, 55, 73–74, 247
- Crisis Readiness (CR) 7, 62–74, 72, 248
  - see also* readiness stage
- Crisis Readiness Construct* 64
- Cronbach's alpha 170
- cultural capital 211, 213, 217–218
- culture
  - assessment instrument 57–58
  - barriers workshops 23
  - behaviour influence 47
  - definition* 45
  - differences 120, 121, 128, 129, 182–183
  - disorganization 36
  - organizational 6, 44–58, 247
  - types 49
- currencies, devaluation 165, 170
- customer satisfaction 172
- customer service 129
- Cyclone Tracy 9, 227–240, 232, 234, 236, 252
- Cyclone Yasi 8, 149, 150, 152, 155, 156
- cyclones 149–159, 227–240
  - see also* Cyclone Tracy; Cyclone Yasi
- damage 182, 190, 192, 212, 213, 228
- dark tourism 7, 107, 108, 110, 112, 248
- Darwin 9, 227–240, 231, 234, 236
  - see also* Cyclone Tracy
- Darwin Reconstruction Commission 237–238
- deaths 103, 176, 183, 212, 232
  - see also* casualties
- debriefings 70, 71, 72
- decision making 24–25, 90, 91, 220
- Delinquent Boys* 38
- demand 101, 122–123, 164–165, 166, 195–196
- demographics 168, 171
- dependency 78, 80, 202
- destination
  - changing 170–171
  - characteristics 128
  - management perspective 229
  - stakeholders 178
- destination marketing/management organizations (DMOs)
- DRC typology position 19–20
- framework 6, 248
- if* thinking shift 15
- resilient CM strategy adoption 29
- role 16, 25, 26, 87
- shifting foci 16
  - see also* marketing

- deterrence theory 33, 34–35, 40, 247
- development 82, 83, 109–110, 144, 209, 211  
*see also* process-based theories
- differences, cultural 120, 121, 128, 129,  
 182–183
- differential association theory 39
- Disaster and Human Rights 139
- Disaster Management Act* 139, 145
- disaster management framework, Faulkner's 98
- disaster phase 106
- Disaster Research Center (DRC)  
 typology 19, 20
- disciplines, collaboration theories 84–87
- diseases 5, 150, 151, 192  
*see also* outbreaks, infectious diseases;  
 severe acute respiratory  
 syndrome (SARS)
- disruptions  
 affects 23, 117  
 capitals 9  
 cause 245  
 major 3, 249  
 management responses 120, 123  
 political 120, 123, 128  
 resilience management approach 17,  
 19, 20
- dissemination 90, 156, 183, 185
- documentation 5, 9
- dragonfly 215, 216
- drills 247  
*see also* training
- drivers  
 collaboration 78, 177, 180  
 earnings 9  
 global tourism 5  
 initiatives and activities 102  
 market culture 49, 50, 56  
 organization leaders 49, 56, 57  
 tourism change 177  
 value 50
- duty to provide shelter 106
- Earthquake Commission 197
- earthquakes  
 case study 7, 62, 103–104, 194–195  
 Christchurch 8, 190–202  
 contact business 198  
 documented 5  
 Japan 7, 97–112, 165, 248  
 memorial 218  
 new tourism networks 8  
 Phuket 62, 70–71  
 recovery 185, 197, 198, 200,  
 209–223, 252  
 warning systems 78, 90
- Economic Reform and Open Door  
 Policy 162
- economics 5, 118, 136, 152–153, 166, 222
- ecotourism 209–223, 218
- education 110, 171, 212
- effective approaches 48, 134–135, 146, 253
- emergency phase/stage 102, 104, 106, 110,  
 112, 154, 178
- employees  
 crisis inexperience 69  
 empowerment 18  
 management 49, 51, 54, 57  
 manuals availability 70  
 numbers 67, 195  
 organizational culture influence 45, 46,  
 47, 50, 56  
 safety 91  
 skill set 106  
 stakeholder role 86  
 threats 41  
 workshops 23  
*see also* staff
- employment, tourism industry contribution  
 135–136
- empowerment 18, 220–221, 222
- enablers 106, 112
- energy 108, 112
- entrepreneurs 29, 49, 50, 105, 109,  
 140, 143
- environment 121, 128, 137, 158, 221, 222  
*see also* floods and flooding
- European sovereign-debt crisis 161
- evacuation 234, 237
- evaluation 18, 22, 27–28, 28, 154, 179  
*see also* monitoring
- events 112, 152, 229–230, 239–240
- exhibitions 230, 235, 252
- expenditure 161, 166, 169–170, 169,  
 172, 250  
*see also* spending
- experience 68–70, 72, 73, 158, 252
- Experiential Learning (EL) 7, 68, 70–72,  
 72, 73–74, 248
- exposure factors 133, 134, 137–138
- Extreme Disaster Management  
 Headquarters Team 106

- fallacy, ecological 38  
 familiarization 70, 140  
 Faulkner framework 178, 246  
 feedback 18, 22, 27–28, 179, 251  
 finance 121, 123, 170, 210, 215, 217  
   *see also* Asian Financial Crisis;  
   Global Financial Crisis  
 flexibility 50, 155, 179  
 floods and flooding  
   crisis leadership studies 15, 62, 69  
   documented 5  
   impact 8, 149, 150–151, 152–153, 155,  
     156, 250  
   information disseminating 184–185  
   political issue 121, 128–129  
   triggering event 80  
 flu virus 5, 150  
 foot and mouth outbreak 102, 203  
 Foreign and Commonwealth Office (FCO),  
   UK 124  
 fragmentation 177, 219  
 frameworks  
   action 190  
   adoption 253  
   categories 17  
   competing values 44, 45–46, 47–52, 50  
   DMOs 6, 248  
   integrative 248  
   life cycle perspective 102, 246  
   management 16–17, 20, 22, 154  
   Ritchie's 17, 98–99, 154  
   stakeholders role 102  
   strategic, each CM phase 64  
   theoretical 28–29, 247  
   tourism-centric 247  
   traditional 85  
 frog logo 215  
 Frog Pavilion 216  
 funding 109, 157, 159  
  
 GDP 135, 163, 166, 167  
 German-Indonesian Tsunami Early  
   Warning System for the Indian  
   Ocean (GITEWS) 91  
*The Global Assessment Report on Disaster Risk  
 Reduction* 97–98  
 Global Financial Crisis (GFC) 161–172,  
   169, 250  
 global nature, crisis 129–130  
 glue, organizational styles 55, 56, 57–58  
 goals 23, 84  
 Golden Week Holiday policy 164  
 government 83, 144, 152, 187, 251  
 Great Japan Earthquake 7, 102, 248  
 Grounded Theory (GT) 65–66, 67  
 groups 52, 54, 55, 56, 112, 176, 191  
 guardians, capable 35–36  
 guides 140, 151, 154, 155, 183, 184–185, 215  
 guiding concept 192  
 Gulf Wars 118, 152  
   *see also* war  
  
 habits, tourist 152, 166  
 Hard Rock Hotel, Kuta 90  
 Hayes, Mike 233  
 hazards 99, 133  
 healing process 107, 108  
 health-checks  
   mental, staff 27  
   *see also* psychology  
 hierarchy culture group 24–25, 48, 49, 52, 55,  
   56, 155  
 Hiroshima Peace Memorial Park, Japan  
   238–239  
 holistic approach 98–99, 102, 179, 221, 246  
 hospitality sector 7, 110, 248  
   *see also* accommodation sector; hotels  
 hot-spot theory 35–36  
 hotels 44, 62, 77–78, 88–91, 90, 92, 137  
   *see also* accommodation sector;  
   hospitality sector  
 human capital 210, 214, 221  
 hurricane *see* cyclones  
 Hyogo Framework for Action 190  
  
 identity, national 229–230  
 image 4, 88, 118, 121, 122, 156, 158, 165,  
   228, 229  
   *see also* reputation recovery campaign  
 impediments, crisis management plan  
   implementation 157, 158  
 implementation 18, 22, 154, 155, 158  
 Inbound Tour Operator Council  
   (ITOC) 197, 199, 201  
 incentive, value-added 251  
 inclusion 85–86  
 income, loss 156–157  
 Indian Ocean tsunami 150, 176, 180, 190,  
   228–229

- indicators **20, 21–22**  
 individuality **50**  
 Indonesia **77–92**  
 inequality issues **218–219**  
 informal sector **138, 143, 144**  
 information  
   channels **172**  
   clearing house, DMOs role **24**  
   communication **178, 249**  
   delivery **159**  
   dissemination **90, 156, 181, 185**  
   flow **192, 202**  
   gathering **185**  
   lack **16**  
   managing **192, 200**  
   provision **140–141**  
   real time, transmitted **185–186**  
   release **250**  
   sources **124, 172**  
   store **252**  
 infrastructure **128, 136, 152, 158**  
 initiatives, proactive **184–187**  
 inspection tourism **107**  
 instability, political **5, 128**  
 institutional capital **211**  
 insurance **157, 158, 197**  
 Integrated model of tourism and disaster  
   life cycle management **122**  
 Integrated Police Radio Community  
   (IPRC) **88, 89, 91**  
 integration **7, 97, 100–101, 248**  
 interactionism, symbolic **39**  
 interdisciplinary approaches **97, 98**  
 intermediate stage **102, 154, 158, 178, 192**  
   *see also* recovery, phases stages  
 International Air Transport Association,  
   crisis communication unit **175**  
 Internet, information source **172**  
 interpretation **215, 252**  
 interviews **67, 68, 104–105, 119, 155**  
   *see also* surveys  
 Ishinomaki **99, 103–105**  
 ITOC (Inbound Tour Operator  
   Council) **197, 199, 201**
- Japan **7, 97–112, 165, 248**
- Katherine Flood, Australia **80**  
 Kesenuma **99, 103–105**  
 knowledge **16, 110, 129, 142, 186,**  
   **194–195, 213, 214**
- labelling theory **39**  
 land tenure **143**  
   *see also* property rights  
 language **25, 39, 183**  
 leaders **57, 106, 221**  
 leadership **23, 65–66, 179, 202, 220–221**  
   *see also* Crisis Leadership  
 learning **8, 27–28, 72, 73, 110, 251–252**  
   *see also* Experiential Learning  
 leisure time importance **163–164**  
 lessons learnt **102, 110**  
 Liberation Tigers of Tamil Eelam  
   (LTTE) **132, 138, 141**
- life cycle  
   common **98**  
   framework, four-phase **102**  
   models **7, 82–83, 97–99, 100–103, 103,**  
     **108–109, 110–111, 111, 248**  
   perspective **246**  
   stages **6, 8, 248**  
   tourism impact **248**  
 life cycle theory **82**  
   *see also* process-based theories  
 Likert-type scale **167**  
 links **110**  
 literature **46–50, 63–65, 162–166, 248,**  
   **252–253**  
 livelihoods **137, 140, 142, 143**  
   *see also* Sustainable Livelihood Approach  
 living crisis management plan **6, 248**  
*Living Manual* **7, 62, 70–71, 72, 74, 248**  
 losses **152, 156–157**  
 lounge room exhibit **235**  
 LTTE (Liberation Tigers of Tamil  
   Eelam) **132, 138, 141**  
 luxury travel **164**
- Mackay/Whitsundays **155**  
 macroeconomic conditions **170, 171, 172**  
 maintenance, internal **50**  
 management  
   definition **99–100**  
   fields **6**  
   institutional memory factor **72**  
   integrated **100–101**  
   life cycle perspective **246**

- plan 157  
 resource **18**  
 responses 124–125, 126–128, **127, 163,**  
 248–251  
 top-down 134–135  
*see also* Crisis Management
- managers 52, 67  
 manuals 70–71, 74, 184, 185, 247  
 market, outbound travel 161–172, **166, 250**  
 market culture group 48, **49, 50, 52, 54,**  
 55, 56  
 marketing 6, 145, 157, 158, 196  
*see also* destination marketing/  
 management organizations
- MED (Ministry of Economic Development)  
**198, 199**
- media 128, 153, 154, 156, 158, 182, 229,  
 237, 250
- medicine, crisis communication and  
 collaboration literature 84
- memorials 229–230, 238–239  
*see also* commemoration
- memory 71–72, **72, 239**
- messages 129
- micro-enterprises (MEs) 23, 29
- Ministry of Economic Development  
 (MED) **198, 199**
- mitigation measures, impacts 155
- models, conceptual 98  
*see also* frameworks; life cycle, models
- monitoring 40–41, 154, 180, 183  
*see also* evaluation
- mortality rate 137  
*see also* deaths
- multidisciplinary approach 253
- Multi-Purpose Tsunami Early Warning and  
 Emergency SMS System 77–78,  
**88, 89–91, 90, 92**
- Museum and Art Gallery of the Northern  
 Territory, Darwin 252
- National Agency for Meteorology,  
 Climatology and Geophysics  
 (BMKG) 78, 89–91
- National Council for Disaster Management  
 (NCDM) 139, 145
- National Crisis Management Centre,  
 Wellington 191
- national disasters 229  
*see also* war
- natural capital **210, 214**
- natural disasters 149–159, 209–223,  
 233–234, 250  
*see also* bushfires; floods and flooding;  
 tsunami
- Natural Disasters Organization 233–234
- natural resources management 142
- negative impacts 121, 134, 144, 156, 213
- networks
- actors **199, 200**  
 analysis, definition 193  
 approach 251  
 concept 192, 193  
 creating 86–87  
 crisis 175, 193  
 development 175–188, 190–202  
 inter-organizational 191–194,  
 197–200  
 main issues 195–196  
 new tourism 8  
 nodes 195  
 post-disaster 202  
 problem 194, 196, **197**  
 recommendations 129  
 study ways 192–193  
 theory 81, 82, 193–194
- new business ideas around tourism 109
- New Zealand 190, 197  
*see also* Christchurch; Tourism  
 New Zealand
- New Zealand Police, Fire Service, Defence  
 Force 191
- New Zealand Trade & Enterprise  
 (NZTE) **198, 200**
- NGOs (non-government organizations)  
 142, 212–213, 219, 222
- non-profit organizations (NPOs) 109
- normality 27, 140
- North Territory Museum's Cyclone Tracy  
 exhibition 230
- NZTE (New Zealand Trade &  
 Enterprise) **198, 200**
- offenders, motivated 34
- Onion Model of Strategic Crisis Planning  
 (OMSCP) 44–45
- open for business 158, 159  
*see also* business-as-usual stage
- Organizational Resilience (OR) 6, 15–30, **22**  
*see also* resilience



- organizations
  - characteristics 19–20, 57
  - civil society 138–139
  - contact 192–200, 202
  - culture 50, 247
  - diversity 253
  - effectiveness measure 48
  - generosity 139
  - response performance evaluation 252
  - role 145
  - size 153, 156, 157
  - see also* Organizational Resilience
- outbreaks, infectious diseases 5, 102, 118, 150, 151, 159
  - see also* severe acute respiratory syndrome (SARS)
  
- Pacific Asia Travel Association (PATA) 7, 175–176, 180–187, **186**, **187**, 188
- Paper Dome earthquake memorial **218**
- participation 87, 220–221
- PATA (Pacific Asia Travel Association) 7, 175–176, 180–187, **186**, **187**, 188
- PATA Rapid Response Taskforce (PRRT) 7, 176, 180–187, **186**, **187**, 249
- People's Liberation Front of Sri Lanka (JVP) 138
- perception 121, 123, 145, 152, 153, 157, 159, 165, 175, 247
- personnel
  - skilled, loss 137
  - see also* employees; staff
- perspectives 8, 98, 101–103, 229, 246, 252
- phases 97–98, 99, 100–101
  - see also* collaboration; life cycle; readiness stage; recovery; reduction phase/stage; response; stages
- Philippines 165
- Phoenix, Project 182
- photographs 234–235
- Phuket earthquake 62, 70–71
- physical capital **210**, 214–215
- planning
  - attitudes 55, 153, 247
  - barriers 152
  - behaviour 6, 44, 247
  - coordination lack 142
  - crisis management factor **22**
  - effective 134–135, 145
  - forward 71, **72**
  - long-term viability, key factor 151–152
  - model 44–45
  - organizational culture influence 247
  - phase **72**
  - pre-crisis 23, 64
  - pre-event 155
  - proactive **18**, 23
  - resilience factor **21**
  - to scanning 24
  - stage 6
  - strategic and holistic approach 179, 246
  - see also* Crisis Planning
- plans 151, 157, 247
- policies 162–163, 192–193, 202
- political based theories 83
- political capital 211, 212, 213, 218–220, 221, 222
- political crisis 7, 62, 116–130, **122**, **125**
- post-disaster phase, tourism impact 110
- post-disaster phase/stage 100, 106–107, 110, 202
- poverty 36, 209, 210
- power issues 218–219
- precondition phase 178
- pre-disaster phase 98, 100, 101, 102, 110
- pre-event stage **22**, 102, 154, 178, 246
- preparation phase 23, 45, 51, 153
- preparedness
  - Central Queensland tourism operators 151, 155
  - differences 55
  - factors 153, 157
  - impact mitigation 98
  - main factors affecting 153, 158
  - measures, communication 246
  - organizational culture variations **55**
  - perceived 52, 53, 247
  - planning, absence 138
  - pre-disaster phase 101
  - resilience increase factor 145
  - stage 6
  - tourism contribution 110
- prevention phase **18**, **22**, 51, **72**, 100, 179
- Pridaeux, recommendation 249
- priorities 22, 27, 154, 248
- private ordering 83
- proactive approach 176, 248
- problem domain **85**, 177, 178
- problems 196, 201, 202

- process-based theories 82–83  
 processes, management 253  
 prodromal stage 18, 22, 102, 154, 178  
 Project Phoenix 182  
 promotion factor 170, 171, 172  
 property rights 143  
     *see also* land tenure  
 protests, political 116, 119, 123, 130  
 protocols, establishment 154  
 Provincial Disaster Management Agency  
     Bali (PUSDALOPS) 89  
 PRRT (PATA Rapid Response Taskforce) 7,  
     176, 180–187, 186, 187, 249  
 psychology 108, 134, 144, 212  
     *see also* health-checks, mental, staff  
 public holidays 163–164  
 public project management 100  
 purchasing power 162  
 PUSDALOPS (Provincial Disaster  
     Management Agency Bali) 89  
 Python crisis 152
- qualitative approach 104, 119  
 quality 172, 251  
 Qualtrics 194  
 quantitative surveys 155  
 Quarantelli 18, 20, 192  
 Queensland 8, 149–159, 250  
 questionnaire 51–52, 67, 167, 194
- ‘4 Rs’: reduction, readiness, response,  
     recovery 155  
 rapid response strategy 181  
     *see also* PRRT  
 rational choice theory 34–35, 40  
 readiness stage 62–74, 72, 84, 85, 155,  
     246–248  
 rebuilding 100, 102, 194, 212, 217, 232, 239  
*Rebuilding Sri Lanka Action Plan* (2005) 139  
 recession 3, 118, 152, 159, 161  
 recommendation, Pridaeux 249  
 reconstruction 139, 146, 227–240  
     *see also* rehabilitation  
 Reconstruction Agency 103–104  
 Reconstruction Development Agency  
     (RADA) 142  
 recovery  
     ability 135
- collaboration 84, 85–86, 126, 248  
 communications role 102  
 development 109–110  
 focus 7  
 government role 139  
 influences 8  
 local authority field 85  
 management 97–112  
 management plans inclusion 155  
 media’s impact 250  
 networks 175, 190–202, 199, 200,  
     201–202, 249  
 period 27, 126, 129  
 phases/stages 22, 99, 107–109, 154,  
     156, 158, 178, 192  
 priorities 22, 27, 248  
 process 7, 105  
 resilience factor 132–145  
 significant issues 158  
 strategies 249–250  
 tool 209–223  
 tourism role 98–99, 104, 110, 112, 248  
     *see also* intermediate stage
- Red Shirt crisis 66  
 redevelopment 100, 143, 158  
 reduction phase/stage 84, 85, 246–252  
 reflection 28, 102  
*Regional Tourism Crisis Management Plan  
 Template: A Guide to Preparing a  
 Regional Tourism Crisis Management  
 Plan* (RTCMP) 151, 153–154,  
 155, 157
- regional tourism organizations (RTOs) 151,  
     154, 157  
 regression models 170–171  
 rehabilitation 100, 101, 111, 139, 140,  
     142, 186  
     *see also* reconstruction  
 relational exchange theory 81, 89  
 relationship-based theories 81–82  
 relationships 194–195, 218, 247  
 Relative Overall Resilience model 20  
 relief agencies 141  
 relief phase 139, 140, 141  
 renewal 100, 110  
 reputation recovery campaign 182  
 research 40, 64, 158, 252–253  
 resilience 15–30, 21, 86, 97, 98, 132–146,  
     190, 194, 248  
     *see also* Organizational Resilience

- resolution 8, **18**, **22**, 27, 102, 179, 246, 248–252  
 resolution stage 154, 158  
     *see also* business-as-usual stage  
 resource dependency theory 80  
 resource-based theories 80–81  
 resources **18**, 23, 25–26, 27–28, 29, 154, 157, 193, 194–195, 203  
 response  
     ability 135, 191  
     actors 85  
     collaboration 84  
     emergency 106  
     focus 7  
     key stage 6, 246  
     life cycle models 100–103  
     management 126–128, **127**, **163**, 248–251  
     networks 175–176, 190–202  
     operational 126, **127**, 129  
     performance 252  
     process 183  
     reactive 16  
     short-term 106–109  
     tourism role 99  
     tsunami 138–141  
     typologies 19  
 restoration 104, 143, 178  
 revenue 152, 251  
 rights 139, 143  
 ripple effect 4, 121, **122**, 123, 124, 159, 175  
 risk 101, 102, 151, 154, 165, 178  
 Ritchie's framework 17, 98–99, 154, 179, 245  
 Rockhampton 150, 155, 156  
 round calls 88  
 routine activities theory 35–36, 40  
 routineness 70, 71, **72**, 73, 74  
  
 safety 88–89, 124  
 sales **170**, 171  
 sales and promotion factor **170**, **171**, 172  
 SAM (Special Area Management)  
     plans 142  
 sampling 119, 170  
 SARS (severe acute respiratory syndrome)  
     5, 150, 176, 180, 182, 187  
 scale 27, 98, 100, 106, 110, 119, 149, 229, 245  
 scanning **18**, **22**, 24, 154, 246  
  
 sculpture 229, 230  
     *see also* commemoration; memorials  
 security 88–89, 121, **122**, 123, 128, 150, 151, **210**  
 seminars 91, 185  
 sense-making, active 68–69, **72**  
 sensitivity factors 23, 134  
 severe acute respiratory syndrome (SARS) 5, 150, 176, 180, 182, 187  
 Shanghai 161–172, **167**, 250  
 shocks *see* disruptions  
 shopping 161, 164, 169  
 Short Message Service (SMS) 89–91  
     *see also* Multi-Purpose Tsunami Early Warning and Emergency SMS System  
 signs, corrugated iron **222**  
 simplicity 48, 92  
 simulations **21**, 24, 26, 27, **28**, 51, 73, 247, 252  
     *see also* training  
 skills **21**, 23, 24, 26, 109, 110, 180, 211, 212  
     *see also* human capital; training  
 SLA (Sustainable Livelihood Approach) 9, 209, 210–212, **210**, 213–220  
 small and medium enterprises (SMEs) 23  
 small enterprises, tsunami effect 138  
 SMS (Short Message Service) 89–91  
     *see also* Multi-Purpose Tsunami Early Warning and Emergency SMS System  
 social capital **210**, 217  
 social disorganization theory 34, 36–37, 40, 41, 247  
 socio-economics 163–164  
 socio-metric approach 192, 194–195  
 South Korea, competing value framework 48  
 Special Area Management (SAM)  
     plans 142  
 spending 164, 166, **169**, 172, 250  
     *see also* expenditure  
 spillover effects 121, **122**, 123, 124  
 Sri Lanka 7, 132–146, 250  
 Sri Lanka Tourism Development Board (SLTD) 139, 140, 144  
 stability 17, 50, 107  
 staff 23, 27, 157  
     *see also* employees  
 stages 6, **18**, 23, 84, 97–98, 100, 246, 253  
     *see also* collaboration; life cycle; phases; readiness stage; recovery; reduction phase/stage; response

- stained glass window 230  
*see also* commemoration; memorials
- stakeholder theory 81–82, 89
- stakeholders  
 destination 178  
 directory 25  
 empowered 220  
 identified 86  
 management response factor 127  
 networks 77, 191  
 problem domain 178  
 relationships tasks 84–85  
 role framework 102  
 traditional framework 85  
 understanding 26–27, 154  
 views and opinions 119
- Stephenson, OR management framework 20, 21, 24
- strain theory 34, 37, 40–41
- strategic approach 179
- strategic management, five crisis  
 management domains 85
- strategic management theory 80–81
- strategies 15, 18, 23, 24–25, 154, 179–180  
*see also* evaluation; feedback;  
 implementation; planning;  
 prevention phase; resolution
- Stretton, Alan 233–234, 239
- structuring 179
- subcultures theories 37–39, 40
- subsidies, government 152  
*see also* funding
- success 3, 19, 21, 46, 49, 51, 54, 58, 71
- surveys 67, 155, 156, 191, 194–195, 248–251  
*see also* interviews
- sustainability 136, 153, 194, 209–223
- Sustainable Livelihood Approach (SLA) 9,  
 209, 210–212, 210, 213–220  
*see also* livelihoods
- symbolic interaction theories 34, 39
- TAFREN (Task Force for Rebuilding  
 the Nation) 142
- Taiwan 8, 212
- Taomi 212, 213–220, 222
- Taomi Community Tourist Information  
 Centre 213, 215, 217
- Task Force for Rebuilding the Nation  
 (TAFREN) 142
- tasks 84–85, 154, 180
- team effort 26–27  
*see also* collaboration
- technologies, use, new 78
- television news reel 233  
*see also* media
- templates 151, 155, 156, 157, 158
- TERN (Tourism Emergency Response  
 Network) 176
- terrorism 99, 118, 128, 135, 150, 152, 176
- Thai hotel industry 62
- Thai political protest (2010) 127
- Thai Red Shirt crisis (2010) 62
- Thailand 7, 62–74, 116, 118–119, 165, 183
- theory-based framework 247
- thought, schools of 39
- Tibet, martial law 117
- time 82, 130, 219, 249
- timing, importance 128
- toolkits 91, 248
- Tourism Crisis Management (TCM)  
 15–17, 19, 22, 23–28, 29
- Tourism Emergency Response Network  
 (TERN) 176
- tourism generating countries 116
- tourism industry 87, 116–130  
*Tourism Management Plan* (1967) 135
- Tourism New Zealand 197, 198, 199, 200, 201
- Tourism Queensland (TQ) 150, 151, 155, 157
- Tourism Queensland Crisis management  
 plan template 151, 155  
*Tourism Risk Management – An Authoritative  
 Guide to Managing Crises in  
 Tourism* 183
- trained crisis management teams 158
- training 23, 89, 91, 124, 180, 183, 184–185,  
 212, 247
- transnational approach 175–188, 252
- transparency 91, 102
- travel, profile 168
- travel market, outbound 161–172
- travellers 166, 171  
*see also* arrivals; visitations
- triangulation 213
- trigger point 222, 252
- triggering event 80
- tsunami 5, 7, 97–112, 118, 132–146, 182,  
 185, 250  
*see also* warning systems
- Tsunami Ready Toolkit 91
- Tukey post-hoc comparisons 52, 55
- turnaround 202, 251

- typhoon *see* cyclones  
typology 19–20
- UHF radio communications 88  
understanding 18, 26–27, 78, 154  
United Nations Office for Disaster Risk  
Reduction (UNISDR) report 98  
United Nations World Tourism Organization  
(UNWTO) 176, 179, 181
- value 251  
Varimax Rotation 170  
video 233  
vigilance 23, 24, 41  
*Visit Arugam Bay* website 140–141  
visitations 135, 136, 138  
*see also* arrivals  
visiting relatives tour 162  
Visitor Sector Response Group 191  
visitors, number decline 141, 152  
visualization 195  
vocabulary 25, 122, 123  
volcano eruption 175
- volunteerism 107, 109, 110, 229  
vulnerability 133–135, 143–144, 152
- waiver of disclaimer letter 126  
Walker, George, report 233  
war 117–118, 132, 135, 136, 141, 152  
warning systems 77–78, 88, 89–91, 90, 92, 154  
warnings, travel 124  
*We love Taormi* activity 217  
webinar training programmes 184, 185  
witness role 117  
word of mouth (WOM) 172  
World Travel and Tourism Council  
(WTTC) 181, 185
- Yellow Shirts (People’s Alliance for  
Democracy, PAD) 66
- Zimbabwe’s Unilateral Declaration of  
Independence 118  
zones 139, 140, 142, 143, 145  
coastal 139, 142, 145