

# Hospitality crisis management in Turkey: a comparative approach

*Aviad A. Israeli*  
*Burcin Kirlar-Can*  
*Mehmet Ertas*  
*Zehra G. Sel*  
*Ozkan Tutuncu*

aisraeli@kent.edu  
burcinkirlar@gmail.com  
mertas29@gmail.com  
gokce\_doner@hotmail.com  
ozkan.tutuncu@deu.edu.tr

## ABSTRACT

Political instability and terror events commonly occur in many countries. Since 2016, Turkey experienced a surge of political crises and terrorist activities which led to a marked decline in the country's tourism revenue, and, consequently, caused economic struggles. The study employs the Importance-Performance Analysis framework to evaluate the use and the importance that Turkish hotel managers assign to different crisis management practices. The analysis is based on a list of crisis management practices that belong to four categories: *human resources, marketing, hotel maintenance, and governmental assistance*. The results suggest that Turkish managers follow the main categories in their crisis management action and focus on marketing and cost-cutting practices. Comparison with previous studies in India and Israel highlight the common focus marketing and cost-cutting as significant crisis management practices to improve competitive position and manage crisis situations.

**Keywords:** Crisis Management, Hospitality, Importance-Performance Analysis, Turkey

## INTRODUCTION

This study aims at expanding knowledge about crisis management in the hospitality industry. The study concentrates on the managers of Turkish hotels and investigates their beliefs and actions about crisis management. This study is of prime importance because tourism and hospitality are significant business sectors in the Turkish economy. Beginning from the 1980s, tourist arrivals, revenues, the share of tourism revenues in export and GDP, and contribution to the

**Acknowledgment:** The authors thank Edward C. Bolden for his assistance with data analysis and for his helpful comments.

national trade deficits have been constantly increasing. In addition to its direct impact to economic growth, tourism in Turkey has a crucial role in stimulating the growth of other related sectors, generating employment, ensuring equal income distribution, and contributing to the progress of underdeveloped regions within the country (Gokovali, 2010; Istanbulu-Dincer et al., 2015).

Turkey has also been among the top visited countries in the world over the past decade (UNWTO, 2006; UNWTO, 2017). The country has been attracting over 20 million international tourists since 2005, and tourism receipts have been increasing on a yearly basis. The hotel industry has been on an expansion path, and many local brands, as well as national and international chain hotels, operate in the country. The number of hotels was 2,547 in 2005 and currently increased to about 3,641. Bed capacity increased by 90% during the same period and reached nearly one million in 2016 (TURSAB, 2018).

National and international tourism activities, on the other hand, face different threats of terrorism all over the world. Terror events have severely been affecting tourism industry worldwide increasingly since the 9/11 attacks in the USA, which was followed by major terror events in Bali, Indonesia, Egypt, Mumbai, London, Paris, and recently in Turkey. ISIS terrorist attacks in European locations, such as Belgium, France, Germany, and Turkey; terror events in the US, in Asian and Middle Eastern countries; the Syrian civil war; ongoing conflicts in the Middle East; and worldwide political instability had significant effects on tourism in recent years (UNWTO, 2016; UNWTO, 2017).

Recently, Turkey has been subjected to different terror attacks in major cities (i.e., Istanbul and Ankara) and the southeastern part of the country. There have also been some political issues with Russia, one of the primary source markets for Turkey. Because of those problematic issues, tourism demand has dropped drastically. The number of tourist arrivals from Russia declined by 76% in 2016, while the overall number of tourist arrivals declined by 25% compared to the previous year (KTB, 2017). Occupancy rates of foreign tourists also decreased by 35% compared to 2015 (TURSAB, 2018).

Due to the frequency of crisis events in Turkey, coping with crisis, crisis readiness, and crisis management have become central managerial requirements. However, research on crisis readiness and management is still emerging. Just a few studies have focused on hotel managers and examined their daily struggle with crisis situations in their business (Israeli, 2007; Parnell et al., 2016). This study aims to investigate Turkish hotel managers' beliefs and actions during or shortly after a crisis to understand their crisis management practices. The study, then, compares the findings of crisis management to previous observations of crisis management in Israel and India. The study replicates the methods used by Israeli and Reichel's (2003) crisis management study in Israel and by Israeli, Mohsin, and Kumar's (2011) study in India. The study bases the analysis on data collected by Kirlar-Can, Ertas, Sel, and Tutuncu (2018).

## THEORY AND MODELS OF CRISIS MANAGEMENT

Different research directions can be explored in the study of crisis management. For example, identification and characterization of crisis environments (Pizam & Smith, 2000) or the processes organizations pursue to address crisis situations (Parnell et al., 2016). Roux-Dufort (2007) suggests that the theoretical framework of crisis management should not only focus on the management of exceptions generated by crisis events. Instead, crisis management theory should focus on how managers structure decision situations to fit their view of the world (Hambrick & Mason, 1984). This view suggests that crisis management is a process that is based on identifying the gap between the complexity of situations and what managers retain of those situations. Essentially, the focus is on two elements. First, how managers define what is important and what is not. Second, considering the expectation that managers will be effective and efficient (Israeli, 2007), the focus is what actions they elect to take in order to combat crisis situations (Roux-Dufort, 2007).

Importance-Performance Analysis (IPA) (Martilla & James, 1977) is a well-founded framework that corresponds with the above-mentioned view of crisis management. When employed to study crisis management IPA is capable of evaluating what managers define as important crisis management practices and also what practices managers elect to take in crisis situations (Israeli et al., 2011; Israeli & Reichel, 2003).

IPA two main dimensions, importance and performance, are used to evaluate managerial actions. Importance evaluates managerial practices by ranking them from slightly important to extremely important, and performance evaluates the same practices by ranking managerial performance (or usage) of these practices using a scale ranging from fair to excellent. The results may be graphically displayed on a two-dimensional grid yielding four quadrants that list the main categories and provide specific managerial recommendations. “Concentrate here” identifies important practices in which performance is insufficient and highlights recommended courses of actions. “Keep up with the good work” refers to important practices in which performance is excellent. The “low priority” category identifies low importance practices in which performance is fair and, therefore, additional managerial attention is probably not needed. Lastly, “possible overkill” refers to low importance practices in which performance is excellent, suggesting that additional managerial attention may be excessive.

The relevant crisis management practices were initially determined in accordance with the previous research in the existing literature (Aziz, 1995; Leslie, 1996; Pizam, 1999; Pizam & Mansfeld, 1996) with specific focus on terror-related crises (Anson, 1999; Butler & Baum, 1999) and general implications for crisis preparations (Sonmez et al., 1999). The initial comprehensive list of crisis management practices was offered by Israeli and Reichel (2003). Okumus and Karamustafa (2005) were based on similar crisis management practices that are accepted as macro-level. Israeli and Reichel’s (2003) list was replicated by Israeli et al. (2011).

The hospitality crisis management practices were clustered into four main categories including

human resources, marketing, maintenance, and government (assistance). Relevant practices were listed in each category. The *human resources* category included common practice that hotel managers would consider to limit the number of employees or to limit the amount of time that employees work. Practices aimed at modifying the labor force by replacing older employees with younger employees, and outsourcing some labor were also included. The *marketing* category included practices of increasing marketing to domestic tourists by offering them specific incentives and marketing to foreign tourists by highlighting specific features or by emphasizing the location’s relative safety. In the *maintenance* category, practices included postponement of scheduled building and less-visible engineering systems maintenance. Financial practices of maintaining debt were also included. Finally, in the *government* category, practices included requests for government support through tax deferral or extending grace periods on certain payments. Another potential practice may include noticeable protests as a tool for gaining the interest of the government. Protests against the government, therefore, was included in the practices list (Table 1 shows the list of practices by category).

**Table 1: Practices in crisis management**

Practice	
<i>Human resources</i>	
1	Firing employees to reduce labor force
2	Using unpaid vacation to reduce labor force
3	Decreasing number of working days per week
4	Freezing pay rates
5	Replacing highly paid employees with new low paid employees
6	Increased reliance on temporary workers through external agencies
<i>Marketing</i>	
7	Marketing to domestic tourists in joint campaigns with local merchants (such as Visa, MasterCard)
8	Marketing to domestic tourists with focus on specific attributes of the location
9	Offering special deals (e.g., free Wi-Fi; free breakfast; free parking)
10	Reducing room rate
11	Marketing to foreign tourists with specific focus on the location’s distinctive features
12	Marketing to foreign tourists with specific focus on the location’s relative safety
13	Marketing and promoting new products or services (free spa entrance, admission to attractions, shuttle service)
14	Marketing to new geographic segments

<i>Maintenance</i>	
15	Cost cuts by limiting hotel services
16	Cost cuts by postponing general upkeep and maintenance to the hotel's exterior, public spaces, and guestrooms
17	Cost cuts by postponing maintenance to the engineering systems
18	Extending credit or postponing scheduled payments
<i>Government</i>	
19	Organized protest against the lack of government support
20	Industry-wide demand for governmental assistance with current expenses
21	Industry-wide demand for a grace period on tax payments
22	Industry-wide demand for a grace period on local tax payments

## METHODOLOGY

### *Research propositions*

This study is based on two propositions. *Proposition 1* posits the assumption of a strong positive correlation between the importance managers assign to a certain practice and the level of usage of this practice. In general, this is the basis of IPA (Martilla & James, 1977), and specifically, in the context of this study, it is a required condition for effective crisis management because it assumes that managers carry out the practices that they perceive to be important (Duke & Persia, 1996; Israeli et al., 2011; Israeli & Reichel, 2003). *Proposition 2* posits that factors of importance and usage of practices will demonstrate consistency with the original groups of *human resources, marketing, maintenance, and government* thus providing construct validity to the crisis management categories. The observed factors of practices' importance and usage will be compared to the original categories to assess the observed themes of crisis management. These themes can resemble the traditional categories. Alternatively, the grouping of these practices can unveil a different set of categories for crisis management.

### *The hospitality crisis management questionnaire*

The questionnaire was comprised of three major sections. The first section comprised of questions related to the level of importance managers assigned to each of the 22 practices using a Likert scale of 1 – least important to 7 – most important. The second section contained questions related to the level of usage for each of the 22 crisis management practices using the same Likert scale ranging from 1 – extensively used to 7 – rarely used. Lastly, there were questions about demographic information of the respondents in the third section.

The questionnaire was pre-tested by 4 and 5-star hotel managers in Antalya. Twenty-five hotel managers participated in the questionnaire from June 1 to June 15 in 2017. Only minor

revisions were needed and applied (for example the original practice “Marketing to foreign tourists with a specific focus on the location’s distinctive features and relative safety” was consisted of two different conditions and broken into two separate statements).

*Data collection*

Data collection was performed between June 2017 and March 2018. The survey was delivered to 985 participants, including middle and top level managers of 4 and 5-star hotels in Antalya, Mugla, Istanbul, and Izmir. The reason for using purposeful sampling is because most of the hotels in Turkey operate in these cities. The list of hotels was acquired from the Republic of Turkey Ministry of Culture and Tourism. There was no contact information on this list, therefore, the researchers collected contact information for these hotels from the Internet. The questionnaire was created via online forms. The questionnaire was initially sent to hotels via e-mail. If no response was received, the researchers individually called each hotel, attempting to contact senior executives and asked them to fill out the questionnaire. Some hotels were closed or not willing to participate in the survey, therefore, the researchers contacted 657 hotels. The process generated 228 usable questionnaires. Participants included human resources, front office, finance, food and beverage, and housekeeping directors, executives of sales and marketing, and general managers. Table 2 presents the sample group demographics.

**Table 2: Sample descriptive statistics**

Gender	
Male	172
Female	56
Age	
18-29	23
30-39	109
40-49	85
50-59	11
Tenure in the industry	
0-2 years	13
3-5 years	48
Above 6 years	167
Star rating	
4 stars	95
5 stars	133
Location	
Antalya	94
İstanbul	56
Muğla	51
İzmir	27
n=228	

## RESULTS

Table 3 shows the list of usage of crisis management practices and their importance based on the average rankings. Pearson correlation tests were applied to test Proposition 1, and results revealed that the correlations between the level of importance to each practice and the level of usage of that practice were all positive and statistically significant (Table 4) suggesting that proposition 1 received support. The findings show a significant relationship between the importance and usage of a certain crisis management practice.

**Table 3: Mean and standard deviation for practices' importance and use in crisis management**

		Importance		Usage	
		Mean	Std. Dev.	Mean	Std. Dev.
<b>Human resources</b>					
1	Firing employees to reduce labor force	4.26	1.82	4.00	1.94
2	Using unpaid vacation to reduce labor force	3.95	1.97	3.37	2.04
3	Decreasing number of working days per week	2.49	1.75	2.29	1.70
4	Freezing pay rates	3.79	2.10	3.51	2.15
5	Replacing highly paid employees with new low paid employees	2.62	1.80	2.57	1.80
6	Increased reliance on temporary workers through external agencies	3.30	1.93	3.18	2.03
<b>Marketing</b>					
7	Marketing to domestic tourists in joint campaigns with local merchants (such as Visa, MasterCard)	5.50	1.76	5.25	1.89
8	Marketing to domestic tourists with focus on specific attributes of the location	5.79	1.52	5.61	1.78
9	Offering special deals (e.g. free Wi-Fi; free breakfast; free parking)	5.70	1.78	5.59	1.79
10	Reducing room rate	4.63	1.69	4.60	1.86
11	Marketing to foreign tourists with specific focus on the location's distinctive features	6.06	1.35	5.71	1.64
12	Marketing to foreign tourists with specific focus on the location's relative safety	6.40	1.26	5.92	1.58

13	Marketing and promoting new products or services (free spa entrance, admission to attractions, shuttle service)	5.41	1.71	5.16	1.94
14	Marketing to new geographic segments	5.71	1.72	5.53	1.83
<b>Maintenance</b>					
15	Cost cuts by limiting hotel services	3.81	2.09	3.65	2.00
16	Cost cuts by postponing general upkeep and maintenance to the hotel's exterior, public spaces, and guestrooms	4.04	2.01	4.00	2.00
17	Cost cuts by postponing maintenance to the engineering systems	3.53	2.00	3.68	1.96
18	Extending credit or postponing scheduled payments.	3.84	1.90	3.73	1.97
<b>Government</b>					
19	Organized protest against the lack of government support	2.32	1.85	2.17	1.88
20	Industry-wide demand for governmental assistance with current expenses	5.10	1.91	4.35	2.20
21	Industry-wide demand for a grace period on tax payments.	5.19	1.91	4.37	2.17
22	Industry-wide demand for a grace period on local tax payments	5.09	1.90	4.36	2.20

(n=228)

The practices ranking the highest on the correlation between importance and usage included two *human resources* practices and one practice from marketing: Practice 2 – using unpaid vacation to reduce labor force (.72), Practice 1 – Firing employees to reduce labor force (.72), Practice 9 – Offering special deals (e.g., free Wi-Fi; free breakfast; free parking) (.70). The lowest correlation was observed in the *marketing*, *human resources*, and *government* categories including Practice 7 – marketing to domestic tourists in joint campaigns with local merchants (such as Visa, MasterCard) (.60), Practice 19 – organized protests against the lack of government support (.60), and Practice 5 – replacing highly paid employees with new low paid employees (.59).



**Table 4: Correlation among practices' importance and usage in crisis management**

	Practice	Correlation	Sig.
1	Firing employees to reduce labor force	0.72	0.00
2	Using unpaid vacation to reduce labor force	0.72	0.00
9	Offering special deals (e.g., free Wi-Fi; free breakfast; free parking)	0.70	0.00
18	Extending credit or postponing scheduled payments	0.69	0.00
12	Marketing to foreign tourists with specific focus on the location's relative safety	0.68	0.00
16	Cost cuts by postponing general upkeep and maintenance to the hotel's exterior, public spaces, and guestrooms	0.68	0.00
6	Increased reliance on temporary workers through external agencies	0.67	0.00
17	Cost cuts by postponing maintenance to the engineering systems	0.67	0.00
14	Marketing to new geographic segments	0.66	0.00
10	Reducing room rate	0.65	0.00
13	Marketing and promoting new products or services (free spa entrance, admission to attractions, shuttle service)	0.65	0.00
15	Cost cuts by limiting hotel services	0.65	0.00
22	Industry-wide demand for a grace period on local tax payments	0.65	0.00
20	Industry-wide demand for governmental assistance with current expenses	0.64	0.00
21	Industry-wide demand for a grace period on tax payments	0.64	0.00
4	Freezing pay rates	0.62	0.00
8	Marketing to domestic tourists with focus on specific attributes of the location	0.62	0.00
3	Decreasing number of working days per week	0.61	0.00
11	Marketing to foreign tourists with specific focus on the location's distinctive features	0.61	0.00
7	Marketing to domestic tourists in joint campaigns with local merchants (such as Visa, MasterCard)	0.60	0.00
19	Organized protest against the lack of government support	0.60	0.00
5	Replacing highly paid employees with new low paid employees	0.59	0.00

The findings of practices' importance and usage were considered in terms of construct validity in order to find out if Proposition 2 could be supported. Orthogonal Varimax Rotated Factor Analysis was applied for four factors to define which practices were grouped for hospitality

crisis management. The reason for using this analysis was to find out if the results have similar findings with the original factors in crisis management practices (*human resources, marketing, maintenance, and government*).

*Dimensions of practice importance*

At the first stage, the analysis was employed to evaluate the importance of crisis management practices. The Factor Analysis (Principle Component Analysis and Varimax Rotation method) for importance (Table 5) pointed out that the four factors explain 56.32 percent of the variance. The minimum factor loading for each practice exceeded 0.50, except one of the practices (0.45).

**Table 5: Rotated Component Matrix for practice importance**

Practice	Component			
	1	2	3	4
11) Marketing to foreign tourists with specific focus on the location's distinctive features.	0.834			-0.227
12) Marketing to foreign tourists with specific focus on the location's relative safety.	0.778			-0.208
8) Marketing to domestic tourists with focus on specific attributes of the location.	0.752			
13) Marketing and promoting new products or services (free spa entrance, admission to attractions, shuttle service).	0.721			
9) Offering special deals (e.g., free wifi; free breakfast; free parking)	0.681			
7) Marketing to domestic tourists in joint campaigns with local merchants (such as Visa, MasterCard).	0.634			0.230
14) Marketing to new geographic segments.	0.589			
16) Cost cuts by postponing general upkeep and maintenance to the hotel's exterior, public spaces, and guestrooms.		0.852		
17) Cost cuts by postponing maintenance to the engineering systems.		0.814		
18) Extending credit or postponing scheduled payments.		0.576	0.349	
15) Cost cuts by limiting hotel services.		0.576		0.385
10) Reducing room rate		0.511		0.240
22) Industry-wide demand for a grace period on local tax payments.			0.911	
21) Industry-wide demand for a grace period on tax payments.			0.911	

20) Industry-wide demand for governmental assistance with current expenses.	0.256		0.840	
19) Organized protest against the lack of government support.			0.452	
2) Using unpaid vacation to reduce labor force.		0.292		0.659
3) Decreasing number of working days per week.				0.629
4) Freezing pay rates.		0.456		0.577
6) Increased reliance on temporary workers through external agencies				0.576
5) Replacing highly paid employees with new low paid employees.		0.396		0.551
1) Firing employees to reduce labor force.		0.516		0.547
Percent of explained variance	17.35%	14.52%	12.93%	11.53%

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. 4 components extracted. A Rotation converged in 5 iterations.

The first factor consisted of Practice 11 – marketing to foreign tourist with specific focus on the location distinctive features; Practice 12 – marketing to foreign tourists with specific focus on the location’s relative safety; Practice 8 – marketing to domestic tourists with focus on specific attributes of the location; Practice 13 – marketing and promoting new products or services; Practice 9 – offering special deal; Practice 7 – marketing to domestic tourists in joint campaigns with local merchants; and Practice 14 – marketing to new geographic segments. This factor explained 17.35 percent of the variance. The factor consisted of practices only from the *marketing* category and was, therefore, titled “marketing actions.”

The second factor was comprised of Practice 16 – cost cuts by postponing general upkeep and maintenance to the hotel’s exterior, public spaces, and guestrooms; Practice 17 – cost cuts by postponing maintenance to the engineering systems; Practice 18 – extending credit or postponing scheduled payments; Practice 15 – cost cuts by limiting hotel services; and Practice 10 – Reducing room rate. Most of the practices were from the *maintenance* category and focused on cost-cutting. One practice, from the marketing category, focused on price cuts. This factor explained 14.52 percent of the variance and was defined as “cost and price cuts.”

The third factor consisted of Practice 22 – industry-wide demand for a grace period on local tax payments, Practice 21 – industry-wide demand for a grace period on tax payments, Practice 20 – industry-wide demand for governmental assistance with current expenses, and Practice 19 – organized protests against the lack of government support. This factor included all the practices from the *government category*. The factor explained 12.93 percent of the variance and was named “government support.”

The fourth factor, finally, included Practice 2 – using unpaid vacation to reduce labor force; Practice 3 – decreasing the number of working days per week; Practice 4 – freezing pay rate; Practice 6 – increased reliance on temporary workers through external agencies; Practice 5 – replacing highly paid employees with new low paid employees; and Practice 1 – firing employees to reduce labor force. The factor consisted of all the the *human resources* practices. The factor explained 11.53 percent of the variance and was defined as “human resource actions.”

The factors of importance revealed substantial similarity with the original categories of *human resources*, *marketing*, *maintenance*, and *government* and, therefore, Proposition 2 was supported.

*Dimensions of practice usage*

The Factor Analysis was also applied to reveal managers’ usage of crisis management practices. Table 6 shows that the 22 practices, clustered into four factors, per the Principle Component Analysis and Varimax Rotation method, explained 59.64 percent of the variance. The minimum factor loading for each usage practice was over 0.50.

**Table 6: Rotated Component Matrix for practice usage**

Practice	Component			
	1	2	3	4
11) Marketing to foreign tourists with specific focus on the location’s distinctive features.	0.877			
8) Marketing to domestic tourists with focus on specific attributes of the location.	0.869			
12) Marketing to foreign tourists with specific focus on the location’s relative safety.	0.808			
9) Offering special deals (e.g., free wifi; free breakfast; free parking)	0.776			
7) Marketing to domestic tourists in joint campaigns with local merchants (such as Visa, MasterCard)	0.734		0.208	
13) Marketing and promoting new products or services (free spa entrance, admission to attractions, shuttle service).	0.715			
14) Marketing to new geographic segments.	0.644			
16) Cost cuts by postponing general upkeep and maintenance to the hotel’s exterior, public spaces, and guestrooms.		0.841		

17) Cost cuts by postponing maintenance to the engineering systems.		0.839		
15) Cost cuts by limiting hotel services.		0.657	0.211	
10) Reducing room rate		0.586		
4) Freezing pay rates.		0.585		0.354
1) Firing employees to reduce labor force.		0.584		0.345
8) Extending credit or postponing scheduled payments.		0.502	0.344	
21) Industry-wide demand for a grace period on tax payments.	0.216		0.904	
22) Industry-wide demand for a grace period on local tax payments.			0.885	
20) Industry-wide demand for governmental assistance with current expenses.	0.223		0.878	
19) Organized protest against the lack of government support.			0.590	
3) Decreasing number of working days per week.				0.782
5) Replacing highly paid employees with new low paid employees.		0.423		0.619
6) Increased reliance on temporary workers through external agencies				0.523
2) Using unpaid vacation to reduce labor force.		0.474		0.509
Percent of explained variance	20.05%	16.39%	14.32%	8.87%

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. 4 components extracted. A Rotation converged in 5 iterations.

The first factor included Practice 11 – marketing to foreign tourists with specific focus on the location’s distinctive features; Practice 8 – marketing to domestic tourists with focus on specific attributes of the location; Practice 12 – marketing to foreign tourists with specific focus on the location’s relative safety; Practice 9 – offering special deals; Practice 7 – marketing to domestic tourists in joint campaigns with local merchants; Practice 13 – marketing and promoting new products or services; and Practice 14 – marketing to new geographic segments. The factor accounted for 20.05 percent of the variance and included all the practices from the *marketing* category, except for Practice 10, and was named “marketing actions.”

Factor 2 included Practice 16 – cost cuts by postponing general upkeep and maintenance to the hotel’s exterior, public spaces, and guestrooms; Practice 17 – cost cuts by postponing

maintenance to the engineering systems; Practice 15 – cost cuts by limiting hotel services; Practice 10 – reducing room rate; Practice 4 – reducing pay rate; Practice 1 – firing employees to reduce labor force; and Practice 8 – Marketing to domestic tourists with focus on specific attributes of the location. Factor 2 explained 16.39 percent of the variance and consisted of practices from the *maintenance*, *human resource*, and *marketing* categories. The practices were consistent with cutting costs and, at the same time, cutting prices. The emerging theme and the title of this factor was “cost and price cuts.”

Factor 3 consisted of Practice 21 – industry-wide demand for a grace period on tax payments; Practice 22 – industry-wide demand for a grace period on local tax payments; Practice 20 – industry-wide demand for governmental assistance with current expenses; and Practice 19 – organized protests against the lack of government support. The factor explained 14.32 percent of the variance, consisted of all the practices from the *government* category, and therefore was named “government support”.

Factor 4, finally, was comprised of Practice 3 – decreasing number of working days per week; Practice 5 – replacing highly paid employees with new low paid employees; Practice 6 – increased reliance on temporary workers through external agencies; and Practice 2 – using unpaid vacation to reduce labor force. This factor included all the practices from the *human resources* category. The factor explained 8.87 percent of the variance and was titled “human resource actions.”

Similar to the findings of the factors of importance, the factors of usage also revealed substantial similarity with the traditional categories of *human resources*, *marketing*, *maintenance*, and *government* and, therefore, Proposition 2 was supported.

## ANALYSIS OF THE CRISIS MANAGEMENT QUESTIONNAIRE FINDINGS

Previous studies used these 22 practices to measure crisis management by evaluating the importance and actual usage of each practice (Israeli et al., 2011; Israeli and Reichel, 2003). Practices were originally clustered into four main categories: *human resources*, *marketing*, *maintenance*, and *government* in terms of literature. According to the results, Turkish hotel managers’ crisis practices generally focus on these four main categories.

The first factor for both importance and usage focused primarily on *marketing* actions. Hosie and Pforr (2016) showed that marketing strategies which are carefully crafted by the major tourism stakeholders could be a useful tool in combating crisis situations.

The second factor for importance was quite like the second factor of usage. Both included cost and price cut practices. It is interesting to note that this factor, for both importance and usage, is not focused strictly on the *maintenance* category. Instead, it demonstrates managers’ insights that combine practices from *maintenance* and *marketing* that will support their organization’s competitiveness. Cost cutting and price cuts can provision competitiveness within the industry

by potentially increasing demand (due to price cuts) and profitability (due to cost cuts), which may further support long-term performance amid the challenges that crisis imposes on the industry (Sabatino, 2016). The combination of these practices in the second factor suggests that managers are aware of their company's competitiveness, business performance, and survival.

The third factor included only practices of government support for both importance and usage. This finding is consistent with the observations of Hosie and Pforr (2016) which highlight the significance of government support in funding and developing tourism and hospitality. The fourth factor was exclusively constructed from *human resources* practices for importance and usage. This is an expected crisis management practice because crisis situations are pressuring hospitality organizations to reduce costs and as labor intensive organizations, this includes human resources' costs.

#### *A comparative view of crisis management*

Few studies have concentrated upon hotel managers as a unit of analysis and discussed their perceptions about the importance and use of practices to combat crisis situations. The current results offer an insight into hotel managers' crisis management practices in Turkey, but this study is also a replication of two other studies of hospitality crisis management in India (Israeli et al., 2011) and in Israel (Israeli & Reichel, 2003). The previous studies were based on the same assumption of a strong positive correlation between the importance and usage of certain crisis management practices and that both importance and usage practices would cluster into the four main categories of *human resources*, *marketing*, *maintenance*, and *government*. Therefore, it will be beneficial to compare the three studies to evaluate similarities and differences.

*Proposition 1* suggested that there would be a strong positive correlation between the importance and usage level of a practice. In general, this proposition was supported in all the studies (Turkey, India, and Israel) and for all practices (excluding one practice in India). The practices with the highest correlation shed light on managerial crisis management philosophies in the different countries. In the Turkish study, the highest correlated practices suggested that crisis management was based on management recognizing the importance and using the practices of reducing labor force by firing some employees and also using unpaid vacation to reduce labor force. Furthermore, they engaged in offering special deals to customers and focused on foreign tourists who did perceive the location as relatively safe. They also attempted to extend credit on scheduled payments. These managerial actions suggest that combating crisis situation is done by combining cost-cutting activities (primarily labor) and strengthening marketing activities. The findings from India and Israel are surprisingly similar, and managers in the two locations also focused on combining cost-cutting practices (focusing on labor) with marketing practices. These similar findings from three different locations suggest that there may be a preferred way to combat the crises. However, these crisis management strategies should be tested in the long run to determine their effectiveness. This is especially important because labor can be considered a strategic resource in the labor-intensive, service-oriented hospitality industry. It may be argued that imposing restrictions on human resources will limit organizations' ability to provide excellent service to their customers.

*Proposition 2* stated that the obtained factors for importance and usage of practices would demonstrate consistency with the traditional groups of *human resources*, *marketing*, *maintenance*, and *government* thus providing construct validity to the crisis management categories. In the Indian case, the factor analysis for importance suggested that there was an only limited correspondence between the original categories and the Indian managers' crisis management categories. Factor one was titled "government support and cost reduction" and it included practices from the *government* category and different cost-reduction practices from the *human resources*, *marketing*, and *maintenance* categories. The second factor was titled "marketing efforts or cost reduction" and it combined *marketing* with cost-cutting efforts. The third factor was titled "finding segments for limited service or downsizing the labor force" and it demonstrated how managers combine practices to conduct their business while keeping costs down. The last factor included only one cost reduction practice.

The results for Indian managers' evaluation of usage included the first factor titled "cost-cutting practices" which comprised of various cost-cutting practices from the *maintenance*, *marketing*, and *human resources* themes. These practices were coupled with two practices of competitive pricing from the *marketing* category. The second factor was named "marketing practices" and consisted of practices from the *marketing* category. The third factor was comprised of one cost-cutting practice through outsourcing. The fourth factor was named "human resources" and it consisted of two practices from the *human resources* category.

Comparing the results from India and Turkey suggest that Turkish managers generally demonstrated a balanced crisis management perspective that combined practices in a traditional fashion from *marketing*, *maintenance*, *government*, and *human resources* categories with some focus on strengthening economic competitiveness by limiting costs and lowering prices. As a comparison, Indian managers focused on marketing practices as well. In a somewhat different fashion, Indian managers demonstrated more focus than their Turkish counterparts on combining a variety of cost-cutting practices as primary crisis management themes for both importance and usage.

In the Israeli case (Israeli & Reichel, 2003), the factor analysis for importance included factor one which was named "reliance on government and marketing". This factor included all the *government* practices plus *marketing* practices. The combination of *government* and *marketing* practices showed that managers assigned importance to government support which focuses on marketing campaigns (both national and international). The second factor of practices' importance was named "maintenance cost cuts". The third factor, titled "lowering prices through labor cutbacks" consisted of practices of lowering prices. Factor four was named "finding neglected segments and tightening employment terms" consisted of practices from the *marketing* and the *human resources* category.

The results of the factor analysis of usage included factor one titled "cost-cutting practices" including practices from the *maintenance* category. Factor 2 was named "recruiting government support" and was consisted of all of the *government* category practices. Factor 3 of usage was



named “massive marketing” and it included most of the practices from the *marketing* category. The fourth factor of usage was named “focused marketing and shorter workweek” and it included practices of *marketing* and *human resources*.

With some similarity to the crisis management philosophy of Indian managers, Israeli managers demonstrated a focus on marketing as a central theme of crisis management for both importance and usage. Also, Israeli managers highlight the importance of government support with marketing effort as a mean to combat crisis situations. Israeli managers demonstrated more focus than their Turkish counterparts on cost-cutting practices an essential theme of crisis management for both importance and usage.

Apparently, it may be challenging to compare crisis management in three different countries within three different time periods. However, it should be noted that these three cases all deal with the adversities imposed on the domestic hospitality and tourism industry by terror events. It is notable for recognizing that the common theme of crisis management for hospitality managers in Turkey, India, and Israel is about combining cost cutting (mainly from the *human resource* category) with *marketing*. This observation is consistent with previous studies which examined post-crisis communication efforts of tourism destinations after a major crisis. For example, Fall and Massey (2005) investigated post-crisis management following 9/11 and showed how managers in New York City modified their advertising, tourism marketing, public relations, and use of new media to construct promotional messages to consumers’ target markets. In all of these cases, managers demonstrate an ability to proactively craft plans to generate demand for their hospitality products. Another common theme that emerges from comparing the three studies highlights the use of cost-cutting practices. The tendency of managers in all three locations to use different cost-cutting practices demonstrate an effort to control the price associated with supplying their hospitality products.

Taken together, the analyses findings suggest that the focus of Turkish, Indian and Israeli management on marketing and cost control as central components of crisis management is potentially an effective plan. Marketing efforts can potentially boost demand, and cost control will allow them to serve this demand while being conscious about their profit margins. It is left for future research to determine if crisis management is effective and efficient.

## LIMITATIONS AND SUGGESTIONS FOR FUTURE RESEARCH

The study should be replicated in different countries who face different crises because the sample is limited. This replication will provide an opportunity for academic and practitioners to learn about the dominant management perspectives of crisis management. The study aimed to evaluate managers’ crisis management by focusing on their beliefs (importance) and actions (usage). The grouping of the practices (from the different categories) offered an opportunity to learn about management attitudes about crisis management in Turkey. Furthermore, the comparison of the Turkish case to India and Israel provided an opportunity to identify a common

theme. Thus far, it appears that marketing and cost cuts are dominant crisis management practices, deemed more important than other managerial activities such as postponing maintenance or protesting to the government.

Future research should identify more specifically how managers can develop post-crisis innovative marketing and how they should employ managerial practices to control costs. Moreover, future research will need to evaluate if the observed crisis management practices are effective and efficient, specifically, if the common tendency of managers to combat crises with intensified marketing and focus on cost cutting (specifically in human resources) is indeed the best practice in crisis management. This knowledge will potentially further improve crisis management in the hospitality industry.

## REFERENCES

- Anson, C., 1999. Planning for peace: the role of tourism in the aftermath of violence. *Journal of Travel Research*. 38 (August), 57-61.
- Aziz, H., 1995. Understanding terrorist attacks on tourists in Egypt. *Tourism Management*. 16, 91-95.
- Butler, R. W., Baum, T., 1999. The tourism potential of the peace dividend. *Journal of Travel Research*. 38 (August), 24-29.
- Duke, C. R., Persia, M. A., 1996. Performance-importance analysis of escorted tour evaluations, in: Fesenmaier, D.R., O'Leary and Uysal, M. (eds.), *Recent Advances in Tourism Marketing Research*. The Haworth Press, London.
- Fall, L. T., 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 & Tourism Marketing*. 19(2/3), 77-90.
- Gokovali, U. (2010). Contribution of tourism to economic growth in Turkey. *Anatolia*, 21(1), 139-153.
- Hambrick, D. C., Mason, P. A., 1984. Upper echelons: The organization as a reflection of its top managers. *Academy of Management Review*. 9(2), 193-206.
- Hosie, P., Pforr, C., 2016. Crisis and post-crisis tourism destination recovery marketing strategies. In *Crisis Management in the Tourism Industry* (pp. 225-242). Routledge.
- Israeli, A., 2007. Effectiveness and efficiency of managers: Are they doing what they can or all they can? *Tourism Economics*. 13(2), 181-195.
- Israeli, A., Reichel, A., 2003. Hospitality crisis management practices: The Israeli case. *International Journal of Hospitality Management*. 22(4), 353-372.
- Israeli, A. A., Mohsin, A., Kumar, B., 2011. Hospitality crisis management practices: The case of Indian luxury hotels. *International Journal of Hospitality Management*. 30(2), 367-374.

- Istanbul-Dincer, F., Dincer, M.Z., Yilmaz, S., 2015. The economic contribution of Turkish tourism entrepreneurship on the development of tourism movements in Islamic countries. *Procedia - Social and Behavioral Sciences*. 195, 413-422.
- Kirlar-Can, B., Ertas, M., Sel, Z. G., Tutuncu, O., 2018. Exploring the characteristics of hospitality crisis management in Turkey, working paper.
- KTB [Republic of Turkey Ministry of Culture and Tourism], 2017. 2016 yılı Aralık ayı sınır giriş-çıkış istatistikleri [Border statistics of December 2016]. Retrieved 15 July 2017 from <http://yigm.kulturturizm.gov.tr/TR,9854/sinir-giris-cikis-istatistikleri.html>
- Leslie, D., 1996. Northern Ireland, tourism and peace. *Tourism Management*. 17(1), 51-55.
- Martilla, J., James, J., 1977. Importance-performance analysis. *Journal of Marketing*. 4, 77-79.
- Okumus, F., Karamustafa, K., 2005. Impact of an economic crisis: Evidence from Turkey. *Annals of Tourism Research*. 32(4), 942-961.
- Parnell, J. A., Crandall, W., Crandall, R. E., 2016. In pursuit of crisis readiness: An examination of managerial characteristics, firm size, industry domain and strategic type within the miles and snow framework. *Journal of the North American Management Society*. 22(1), 22-38.
- Pizam, A., 1999. A comparative approach to classifying acts of crime and violence at tourism destinations. *Journal of Travel Research*. 38 (August), 5-12.
- Pizam, A., Mansfeld, Y., Eds. 1996. *Tourism, Crime and International Security Issues*. Wiley, UK.
- Pizam, A., Smith, G., 2000. Tourism and terrorism: A quantitative analysis of major terrorist acts and their impact on tourism destinations. *Tourism Economics*. 6(2), 123-138.
- Roux-Dufort, C., 2007. Is crisis management (only) a management of exceptions? *Journal of Contingencies and Crisis Management*. 15(2), 105-114.
- Sabatino, M., 2016. Economic crisis and resilience: Resilient capacity and competitiveness of the enterprises. *Journal of Business Research*. 69(5), 1924-1927.
- Sonmez, S.F., Apostolopoulos, Y., Tarlow, P., 1999. Tourism in crisis: managing the effect of terrorism. *Journal of Travel Research*. 38 (August), 13-18.
- TURSAB [Association of Turkish Travel Agencies], 2018. İstatistikler [Statistics]. Retrieved 30 March 2018 from <https://www.tursab.org.tr/tr/turizm-verileri/istatistikler>
- UNWTO, 2006. *UNWTO Tourism Highlights, 2006 Edition*. World Tourism Organization (UNWTO), Madrid.
- UNWTO, 2016. *UNWTO Tourism Highlights, 2016 Edition*. World Tourism Organization (UNWTO), Madrid.
- UNWTO, 2017. *UNWTO Tourism Highlights, 2017 Edition*. World Tourism Organization (UNWTO), Madrid.