

Visions in Leisure and Business

Volume 11 | Number 3

Article 4

1992

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Recommended Citation

Sonmez, Sevil F. and Backman, Sheila J. (1992) "Crisis Management in Tourist Destinations," *Visions in Leisure and Business*: Vol. 11 : No. 3 , Article 4.

Available at: <https://scholarworks.bgsu.edu/visions/vol11/iss3/4>

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CRISIS MANAGEMENT IN TOURIST DESTINATIONS

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ABSTRACT

Whether natural or caused by people, disasters have been and continue to be a part of life that communities must deal with. Tourism destinations are especially vulnerable to disaster occurrences due to their economic dependence on visitors and the need to maintain a positive image of attractiveness and safety for continued success. The past decade has witnessed numerous natural disasters in tourist destinations around the world; therefore, community leaders, local governments, and major industries need to be prepared for the worst.

The 1989 Hurricane Hugo experience in Myrtle Beach, South Carolina was managed by a local non-profit organization comprised of volunteer community and industry leaders. The Hugo experience demonstrated the need to have a plan of action to follow after disaster occurrences. Telephone

interviews were conducted with tourism leaders around the country and written

inquiries were made to locate a tourism crisis management plan. The lack of information led to the development of the Myrtle Beach Tourism Crisis Management Manual, to assist the travel and tourism industry respond to and manage natural disasters in an effective manner.

INTRODUCTION

Overview

It is unusual to think of tourism and disasters in the same light. The concept of tourism embodies enjoyment, relaxation and safety, whereas disasters cause distress, fear, and even panic. Regardless of the unpleasantness of the subject, it must be accepted that whether natural or caused by man, disasters have been and continue to be

a part of life and communities must deal with them. Each community has different characteristics but all share a vulnerability to disasters. Tourism communities are especially vulnerable to disaster occurrences due to their economic dependence on visitors and the need to maintain a positive image of attractiveness and safety for continued success.

In short, tourism communities need to be prepared for disasters. Murphy and Bayley (1989) divide natural disasters into four stages of assessment, warning, impact and recovery. While certain natural disasters, such as hurricanes, allow time for the first two stages of assessment and warning to be carried out, other types of disasters, natural or man-made, often do not offer this opportunity to the community. The last two stages of impact and recovery are especially relevant to the tourism industry; how well the tourist destination responds to a disaster and how quickly it recovers from a setback will have long-term effects on visitors' perceptions of the destination.

Tourism Disasters

The past decade has witnessed various natural disasters in tourism communities. For example, the Southeastern coast of the United States has, in the past five years, experienced Hurricane Hugo, Hurricane Andrew, as well as numerous tornadoes. Therefore, community leaders, local governments, and the tourism industry need to be prepared for the worst. If a disaster is not handled efficiently and with as little loss of life and property as possible, the situation is very likely to evolve into a full blown crisis, which can in turn have severe short- and long-term economic ramifications for a tourism community.

A great deal has been written regarding disaster types, disaster technology, government disaster planning, and corporate crisis management (5, 6, 10, 21; et al). However, very little of the literature focuses directly on methods of crisis management tailored for tourist destinations (2, 8, 9, 11, 15, 16, 18, 23).

METHODS

The purpose of this study was to synthesize tourism information related to natural disasters into a comprehensive tourism crisis management plan, to initiate a sensitivity among tourism communities regarding the possibility of disaster occurrences, and to illustrate successful tourism crisis management used by Myrtle Beach after Hurricane Hugo. To collect the data, telephone interviews were conducted with crisis managers at tourist destinations; inquiries were mailed to tourism bureaus of coastal states around the country; and a content analysis was conducted to document activities after Hurricane Hugo, at Myrtle Beach.

Telephone Interviews With Crisis Managers

In order to gain greater insight into crisis management efforts in locations where tourism holds economic significance as the major industry, telephone interviews were conducted with leaders responsible for crisis management in communities where a disaster actually occurred or where the potential for a disaster exists.

Tourism officials at Prince William Sound, Alaska; Mount St. Helens, Washington; Yellowstone National Park; San Francisco

and Huntington Beach, California were interviewed regarding their experiences with disaster. All interviews reflected an agreement regarding the unexpected nature of natural disasters as well as the necessity for a plan of action. Alaska developed a crisis management plan after the Exxon-Valdez experience, however, the other locations mentioned above have not developed a plan to deal with possible future crises.

Tourism officials at coastal tourist destinations including Alabama, Florida, Louisiana, Mississippi, and Texas were contacted regarding their disaster management plans. Each city is more or less responsible for its own emergency preparedness, but very few have plans specifically for the tourism industry's use. Miami for example, has no crisis management plan while Fort Myers does. Jefferson Parish Gretna, Louisiana has a formal crisis management plan, whereas New Orleans follows an entirely memorized crisis management strategy. Gulf Port, Mississippi along with their county emergency plan is active in formulating their crisis management strategies for tourism recovery including an emergency fund. Alabama has no crisis management plans or strategies outside of the state emergency response plans.

Mailed Inquiries

Inquiries regarding the existence of a tourism crisis management plan, were made: (a) to all coastal states in the United States, including the states in the Great Lakes region; (b) United States Travel and Tourism Administration (USTTA); (c) United States Travel Data Center (USTDC); and (d) Travel and Tourism Research Association (TTRA). Only three states (Alaska, Arkansas, and Hawaii) were found

to have crisis management plans tailored to their tourism industries.

Personal Interviews and Content Analysis

The Myrtle Beach/Grand Strand area was chosen for examination in greater detail because the 1989 Hurricane Hugo experience resulted in an improvised but highly successful tourism crisis management effort by a local non-profit organization, comprised of volunteer community and industry leaders. Interviews were conducted with members of the Myrtle Beach/Grand Strand Area Hurricane Hugo Economic Renewal Task Force.

CASE STUDY OF HURRICANE HUGO

Aftermath of Hurricane Hugo

According to the Natural Disaster Survey Report published by the National Oceanic and Atmospheric Administration for the U.S. Department of Commerce in 1990, Hurricane Hugo was first sighted on satellite imagery on September 9, 1989 in the form of a cluster of thunderstorms moving off the coast of Africa. As Hugo moved west across the Atlantic Ocean, it became first a tropical storm, then a hurricane.

Hugo passed over Puerto Rico and the U.S. Virgin Islands causing substantial loss in lives and damage to property and made final landfall on the South Carolina coast near Charleston on the night of September 21 with a wind speed of 135 mph. Hurricane Hugo resulted in 49 total deaths, 26 of which were in the United States and 13 only in South Carolina. At that time, Hugo was also the costliest hurricane in U.S. history with a total of \$9 billion in damages and economic losses. Damage in South Carolina accounts for \$7 billion of this total and the

rest reflects damage in Puerto Rico and the Virgin Islands.

The effects of Hurricane Hugo delivered the hardest blow ever encountered by the travel and tourism industry in South Carolina. Nearly all sea walls and piers were destroyed and first floors of beach front properties and lawns were covered with sand in Myrtle Beach. Six beach front swimming pools were destroyed as were restaurants and hotels. The Grand Strand Amusement Park lost its Merry-Go-Round and one third of area hotels closed due to damage or lack of electricity, water or sewer services, leaving 20,000 people unemployed. Eight scheduled conventions were canceled and Myrtle Beach/Grand Strand area hotel occupancy rates dropped 25% due to beach evacuation.

Myrtle Beach suffered mainly from negative publicity about the conditions in the area after Hurricane Hugo and the subsequent loss of its tourism business than actual loss to life and property. The intangible loss of potential 1990 tourism required a special effort to revive the area's pre-hurricane economic conditions and image.

To prevent inaccurate information from being disseminated to the public as truth, an "Official Tourism Advisory" was established. The initial advisory was in the form of a fax letter, which was formalized and mailed to nearly 4,000 industry members, media, tourism offices, and other relevant bodies. An internal toll free number was established to be used by travel professionals.

Development of the Myrtle Beach/Grand Strand Area Hurricane Hugo Economic Renewal Task Force

Although community and industry leaders in

Myrtle Beach and Charleston, South Carolina did not have crisis management plans before Hurricane Hugo hit the area, they exhibited exemplary efforts to help the tourism industry recover from the disaster. The Myrtle Beach Area Hurricane Hugo Economic Renewal Task Force united the efforts and help of community leaders to recover from the hurricane.

Ten days after Hurricane Hugo made landfall in South Carolina, a meeting was called on October 2, 1989, by a local newspaper publisher, bringing together tourism industry leaders to discuss forming a Task Force to facilitate the area's recovery from the hurricane. An Executive Steering Committee of four emerged from the initial meeting, at which, it was also decided to form Fund Raising and Marketing Committees within the Task Force. The following day, The Myrtle Beach/Grand Strand Area Hurricane Hugo Economic Renewal Task Force was established as a non-profit organization composed of members of city government, chambers of commerce, tourism officials and industry leaders. Task Force goals were: "to consolidate ideas and resources to bring tourists back to the area after the hurricane, to restore the area's economy, getting people back to work and returning the area's tax base back to normal." Substantial funds were raised and advertising and public relations campaigns were launched.

Myrtle Beach/Grand Strand Area Hurricane Hugo Economic Renewal Task Force efforts coincided with those of the South Carolina Department of Parks, Recreation and Tourism and included rumor control, negative image management, advertising and public relations. The speed and success demonstrated by the Task Force in its organization and recovery efforts were nothing short of commendable.

While marketing and fund raising activities were highly successful however, having a crisis management plan tailored specifically to the needs of the tourism industry may have eased the pressure of having to create a plan of action under stressful circumstances. The Hurricane Hugo experience resulted in a Task Force conclusion that a crisis management manual is essential for a community which is supported mainly by the tourism industry. Having a guideline for the tourism industry to follow in times of trouble will facilitate speedier recovery by eliminating valuable loss of time spent on developing a plan of action.

Although every state government has an emergency mitigation plan with abundant detail about evacuation, sheltering, communication, public information, training and recovery procedures, a plan designed specially for tourism communities is lacking. A generic crisis management manual needs to be designed for the purpose of smooth handling of a disaster situation in a tourist destination and to help facilitate rapid tourism recovery for the area during the recovery stage of a disaster; the generic nature of such a manual can be custom tailored to fit the specific needs of various tourist destinations with their special needs in mind.

IMPLICATIONS, RECOMMENDATIONS, AND CONCLUSIONS

Implications

The importance of preparing a crisis management plan for communities which depend on tourist revenues has been confirmed by the available literature and telephone interviews, and cannot be overstressed. Crisis management plans can be

adjusted to various areas and include strategies which reflect specific needs and characteristics. The manner in which a community manages a crisis, protects its guests as well as its residents, and publicizes its recovery efforts can affect positively or very negatively that community's image. The fragile concept of image is crucial in marketing a tourism community and careful planning can help to minimize rumors which can destroy a positive image and as a result, the future business of the community.

Recommendations

While each community has special crisis management needs, certain basic underlying characteristics are shared by them. Recommendations for the development of a tourism crisis task force and plan of action can be generalized to practically all circumstances. Most importantly, it is recommended that a tourism crisis task force be established, to head the management of a disaster situation. The task force can be established during non-crisis times, to be activated when required.

Managing a crisis entails identifying, studying and forecasting crisis issues and setting forth ways to enable the tourism industry to prevent or cope with a crisis; it is a permanent commitment. Determining the crisis level before proceeding to manage it is important to the success of the team. Since all crises do not evolve out of natural disasters, but can be caused by people, a false rumor, or image problems faced by the area, crisis managers should judge the situation correctly before deciding which strategies to follow.

Crisis management must determine to what extent a crisis will affect the local tourism industry, if impact will be significant, and

also if the impacts will pose a major threat to the survival of the industry, because the survival of the local tourism industry is the ultimate goal of crisis management.

Task Force Structure

The tourism crisis task force requires a director to orchestrate the efforts of team members. Tasks of a similar nature are best assigned to teams, which are headed by team leaders. This structure allows responsibilities to be shared, strengthens the team, assures greater success, and is most beneficial. The team structure also guarantees an effective balance of authority among different component members.

Subdivision of the crisis management task force into four teams is recommended also because not all crises may necessitate activating all members of the team. Figure 1 provides an organizational chart which illustrates the relationship of teams to each other and the team director.

Tasks assigned to teams involve communications, public relations, fact finding, damage assessment, fund raising, marketing, and advertising.

Tourism Crisis Management Plan

The organization of the tourism crisis task force should be followed by the development of the tourism crisis management plan. This plan should clarify crisis management's goals and objectives, present a complete hazards analysis, and provide strategies for managing the situation to achieve full tourism recovery. An effective plan of action must be clear to all those involved in its implementation and avoid unnecessary complications. The crisis management plan should be cost-effective, in other words, the cost incurred

by the crisis management team must outweigh the consequences of having no crisis management.

Conclusions

Although the literature review provided valuable data regarding disaster planning, crisis management, and tourism related disasters, the information obtained through telephone and personal interviews, mailed inquiries, and the content analysis was crucial to the study. Telephone interviews revealed the extent of disaster awareness and preparedness of coastal states; mailed inquiries yielded three crisis management plans, which were used for reference in developing the crisis management plan; and personal interviews together with the content analysis illustrated actions taken by Myrtle Beach after Hurricane Hugo creating a more complete understanding of tourism related disaster planning and crisis management.

Crises can develop at any time and in any environment; regardless of the circumstances of the crisis situation, it must be managed as efficiently as possible and be resolved with as few lingering effects as possible. Because the travel and tourism industry depends greatly on the perceptions of its consumers for its economic success, the need for competent crisis management is urgent. Crisis management for a tourism community considers not only the success of the local industry, but the safety and comfort of visitors. In essence, it can be viewed as an extension of the hospitality a community shows its guests.

Recent disaster occurrences including Hurricanes Andrew and Iniki in Florida and the Hawaiian Islands, the California earthquakes, and the Florida tornadoes serve

well to remind tourism officials around the country of the importance of developing a

plan of action to manage crisis situations.

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