

# Crises and Tourism Development

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Suman Maharjan Degree Programme in Tourism Bachelor's Thesis

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**Abstract** 

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The main objective of this Bachelor's thesis is to study the situation of the tourism industry during different crises time and the affect it had on tourism development process. Furthermore, it also focuses on the changes brought up to the travelling behavior of the people and how the travelers' overcome the situation of crisis. To research the topic, an interview was carried out with the professionals from the hotel industry operating in Helsinki region, Finland. Moreover, a web-based survey was conducted among young travelers to know their perspective towards the current situation of tourism industry.

Both qualitative and quantitative research methods have been applied in this research. The interview held with the professionals supports the qualitative approach of the study, whereas for the quantitative study, the online questionnaire created with the help of tools in Google was sent to respondents through social networks and via e-mail. Previous researches from various authors and students relating to crisis and the tourism sector were also reviewed.

The questions for both the interview and the online survey were developed after reviewing the literature and considering the main objectives. For instance, various research works from other researchers related to the same field were also examined for study purposes.

The study covered the latest events during the time of present research. The results from this research are presented in two different phases of study and later combined to produce a final conclusion to the research.

Key words: tourism, tourism development, crises

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#### 1 Introduction

According to the prediction made by World Tourism Organization (WTO), there will be 1.6 billion international tourist arrivals in the year 2020. They forecasted it based on the projected yearly growth rate of 4.3 %. Various incidents have occurred in the tourism industry from the start of the new millennium. During the first two years of the new millennium, tourist activity around the world has been disrupted due to serious terrorist incidents, but the tourism industry has been able to overcome such problems even recovering rapidly in both suffered destinations and as a global industry. (Laws 2004)

This thesis research emphasizes the situation of tourism industry during different crises times and what has been done to overcome it. Furthermore, it also explores the effect of crises on the travelling behavior of people and what measures can be taken in near future for similar cases. The importance of crisis management plan is also discussed shortly.

#### 1.1 The aim and objectives of research

The aim of the research is to educate the stakeholders associated with tourism industry about the possible threats of crisis through the responses gathered from various perspectives. The hospitality business related stakeholders could take very useful information from the research and become aware about the possible future crises. The interview held with the professionals from hotel industry shows how reputed hospitality businesses consider crisis as a critical factor and what safety measures have been taken in order to ensure the safety of the customers. The survey conducted with an online questionnaire shows how a normal traveler sees a crisis situation and what he/she is willing to do in that situation. It also provides information about how they rate different crises and the source they seek safety information from. Various travel agencies can also benefit from this research. However, further researches for same or similar topic covering wider area is encouraged.

#### 1.2 Research problems

The research was mainly based in Finland. The interview was held with professionals from the hotel industry operating in the Helsinki region. The respondents of the online questionnaires were mostly the one residing in Finland. Finland is a small country in Europe with a little more than 5 million people. The political situation is very stable and there has not been any record of terrorist attacks in the country. It is also safe in terms of natural disasters like tsu-

namis, earthquakes. Moreover, Crises in tourism industry is a new topic, therefore little research has been made on it. It was also difficult to get the variety of respondents with different travelling experiences on this topic.

#### 2 Definition of Crisis

Many authors have tried to define crisis but there has not been any legitimate definition. According to Keon-McMullan (1997, 4) there has not been any universally accepted definition that constitutes crisis. A crisis can be defined as a disruption affecting the whole system, scares it general hypothesis, subjective sense of self, its core of existence (Pauchant and Mitroff 1992). An event or incident can be considered as a crisis if it can or does effect on the validity, survival or foundation of the operating organization (Ritchie 2009, 3). The speed in which the crisis grows and the response rate towards it might be critical for managers. Brewton (1987) adds that a crisis should have some or all of these features: increased government regulation, serious damage of operation, negative public awareness, economic strain, failure to use management time, and loss of support and moral from employees. It is likely for a crisis to occur in all stages of tourism operations with different degrees of sternness, from unwanted publicity of natural, financial and political disasters to internal crisis such as illness and accidents (Beeton 2001). Hermann (1972) states that every crisis is unique in itself, which is characterized by urgency, risk and possibility.

Crisis can be divided on the basis of three aspects: high risk, less decision time and a factor of surprise (Herman 1972). The features of crisis can be applied as same for disasters as well thus creating confusion between its differences might occur. A crisis might occur as a result of disaster where it is differentiated with each other considering natural and human-induced behavior (Ritchie 2009, 4-5). A disaster is a catastrophic damage that cannot be predicted but can only be responded through after the event or through precaution or awareness plans (Prideauz et al. 2003). It occurs suddenly for a limited time at a certain location giving no or less time to prepare. More or less, crisis has same qualities as of disasters, which are related to each other when a crisis outside an organization is provoked within. (Faulkner 2001)

To make clear about the real definition of crisis, firstly it should be disassociated with similar terms. Emergency is another similar term that is sometimes used in place of crisis. But unlike crisis it is less risky and considered to be less serious event, which can be managed easily (Van Weldbeek 2005).

Crisis is even used instead of negative event like catastrophes. But unlike crisis, catastrophes have clear unpredictable results. Apparently, in terms of uncertainty towards development

opportunities it is different from crisis. However, crisis and occurrence of catastrophe are connected mostly in tourism matter, where catastrophe in environment provokes a crisis in concerned organization (Glaesser 2006, 13-14).

Crises go in the course of development process, which leads to subdivision of the crisis process according to their duration (Glaesser 2006). According to Parsons (1996), crises can be divided into three categories. The one that hits with little or no warnings at all is termed as immediate crises. As a result, there is no time for researching a problem or make a pre-crisis management plan. The second type of crisis is emerging crises. These crises develop slowly hence, could be stopped or made limited through the acts of organization. The last type is sustained crises that might last for weeks, months or even years sometimes.

It is also possible to divide crises according to forces caused by it that can be either internal or external. Whereas, the nature of crises can be divided to: 1) Technical/Economic failure and 2) Human/Organizational/Social failure. The following Figure 1 adapted from Shrivastava and Mitroff (1987. 7) in Ritchie (2009) explains how different incidents may be classified,

Technical/Economic

#### Cell 1 Cell 2 Major industrial accidents Widespread environmental destruction Natural disasters Product injuries I Е Computer Breakdown Societal crises (Civil or political) N X Defective, undisclosed information Large-scale system failure Т Т Ē Ε R R N Ν Cell 3 Cell 4 A A 1 Symbolic projection Failure to adapt/change Sabotage by insiders Sabotage by outsiders Organizational breakdown Terrorism, executive kidnapping Communication breakdown Off-site product tampering Counterfeiting On-site products tampering Illegal activities Occupational health diseases

Human/Organizational/Social

Figure 1: Crisis classification matrix (Ritchie, 2009)

The above figure illustrates how crisis is classified. However, the original author claims that it is not a comprehensive list. Technical and economic failure within internal environment inside specific organization falls in Cell 1. The major industrial accident like Chernobyl nuclear disaster is an example for it. On the other hand, Cell 2 includes the crises in external environment. The example of this technical and economic failure is environmental disasters and political insecurity. Results of human failure within an organization such as internal sabotage and illegal activities fall under Cell 3. Lastly, Cell 4 includes the crises caused in external environment of an organization such as Terrorism and Kidnapping (Ritchie 2009, 30-31).

# 3 Crises in Tourism Industry

Crises occur at all level of tourism operations. However, the extent of sternness varies from much exposed crisis in environment, economic and politics to crisis evolved within such as accidents and sudden illness (Beeton 2001). The tourism destinations and organizations are damaged more by large-scale crises than any other crises. The vast forest fire and smoke clouds in 1997 that spread over Singapore, Thailand, and West Malaysia brought illness among the residents which also led to the decline of tourist arrivals in whole South-east Asia (Ritchie 2009, 31). The environmental pollution that the latter incident brought cost \$\$104 million to Singapore. Among this tourism industry lost \$\$81.8 million and the airline industry being \$\$9.7 million (Ritchie 2009, 32). Furthermore, a 34% of decline in domestic tourism passenger was recorded in United States from January 2000 to June 2002 as a result of terrorist attack in September 11, 2011. It brought a huge economic impact on the national economy of US, tourism sector being one of them (Blake & Sinclair 2003). Similarly, the economic crisis in 1997 that spread from Asia to Russia and to Brazil in 1998 had a huge impact in the tourism sector (Schifferes 2007). According to Henderson (2006) the fall in the value of currency in world market depresses tourism demand resulting to the decline of investment in tourism business.

The developments in the economic, environmental, political and socio-cultural sectors are affected by the cause of tourism crises. This thus affecting both demand and supply in tourism generating countries and tourism destinations (Henderson 2007, 4). The Figure 2 illustrated below shows the domains of tourism crises.

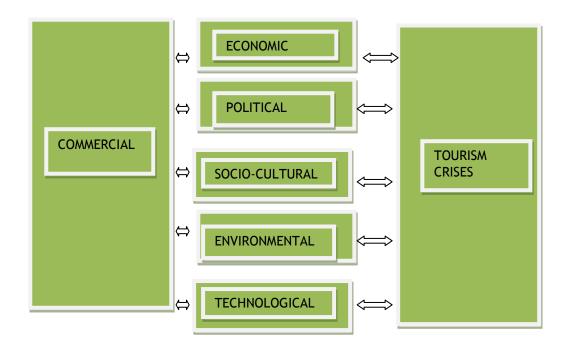


Figure 2: Domains of Tourism Crises (Henderson, 2007)

Certain tourism crises can be divided like in the above ways. For the better comprehensive analysis domains of origin and cause permits the relatively straightforward method for it (Henderson 2007). According to Ritchie (2009), the long lasting crises like natural, political and economic have greater impacts on tourism business as a whole than any other crises causing disruption. This research also mainly focused on the long-term crises both the natural and human-induced. The crises like health scares, terrorism, political conflicts, crime, recession and natural disasters are topics that this thesis covers. To avoid the enlargement of the subject matter, the small-scale issues that can be easily resolved and do not have big threat for the organisation are intentionally excluded from the research.

Adapted from the books of Henderson (2007), the table 1 shown below explains the various threats brought by crises. To make the table more outlined and clear the division is done according to various domains and the nature of threat i.e. Internal and external.

Domain	External	Internal
Economic	Recession Currency Fluctuations Taxation	Rising costs Falling revenues Unprofitability
Political	Government policy International relations Instability Terrorism	
Socio-cultural	Unrest Crime	Staffing Cultural conflicts
Environmental	Natural phenomena Natural disasters Pollution Health scares	Overdevelopment Environmental degradation
Technological	Computer systems failure Mechanical failure Design faults Fire	
Commercial	Regulations Government intervention	Competition Labour disputes Management decisions Human error

Table 1: External and Internal threats of Crisis (Henderson, 2007)

In the above table Economical crisis includes recession and economic downturn whereas wars and terrorism are described as political events to tourism crises. Crime and unrest falls to socio-cultural crises. Environmental crises include various natural calamities like earthquakes, flooding and volcanic eruptions. Mechanical failure and computer system failure falls under Technological crises and on the other hand Government intervention, Regulation and competition are regarded as commercial threats of crisis. (Henderson 2007, 5)

The consequences of the crisis can be determined when its causes and source is known. The severity brought up can be measured on a scale by items like amount of people concerned and costs incurred ranging from major to minor. Henderson (2007) explains that there are six stages in the scope of tourism crises. The smallest stage represents Local managers and staffs whereas the largest stage includes International governmental and non-governmental agencies then followed by Industry sectors overseas, national and local government authorities, national industry sectors and corporations and organizations. To explain further, the example of food poising at a certain restaurant can be taken where it is associated with the staff and management of the restaurant. In case of well managed, the incident will be forgotten soon with small financial expenses. Compared to this, if there would have been a serious pandemic disease, and then the necessary responding ought to be made by tourism industry and Inter-

national authority. This might last for months with huge amount of both economic and human loss (Henderson 2007).

Taking in account the recent crises and the impacts it brought to the tourism industry the research was made. The following different crises were found to be affecting or tend to affect a lot on a travelling behaviour of the people. The further explanation of them are done in the following chapters

#### 3.1 Health Crises

It is a very difficult situation where the humans are affected in one or more geographical regions, where it is evolved from a particular area to cover the whole world. It has significant impacts on community health, life loss and economy as a whole. Some of the health issues in tourism industry include noise pollution, ultraviolet radiation, poisons, vaccines, hygiene and many more (World health organization). Health and tourism are very interrelated in many ways. Well-being in terms of health acts as a major motivation for travelling. However, there is also a great chance of getting an individual's health affected while travelling which leads to emergence of tourism crises (Henderson 2007, 107).

In general, health is regarded as a major concern for both public and private and a key factor while choosing a destination. When there is a possible risk to well-being of tourist, the traveller and tourism industry is ready to ignore the destination. The standard of hygiene at tourism destination is one of the common forms of sickness for tourists. Intestinal infections like gastroenteritis are caused by poor sanitation and improper sewage disposal and inadequate supply of water. One of the most common concerned health infections is diarrhoea, which spread rapidly at hotels where more tourists gather and eat. In late 2002, two Florida-based lines reported with Norwalk-like viruses that infected 1,000 passengers and crewmembers with the symptoms of diarrhoea and vomiting. These led the voyage being abandoned in order to clean and disinfect the ship (Henderson 2007)

The sensitivity and sternness of health hazards partly depend on destination, physical health of tourism and tourist activities. Focus is placed on sickness and disease while discussing about health and tourism. In the past, tourism industry have faced outbreaks such as SARS and West Nile fever which led to tourism severely being damaged across east Asia and some parts of Canada. Similarly pneumonia plague in India in 1994 made global news and warning were sent all over. As a result of this there was a decline of 70% arrivals in India and some companies even cancelled their tours. The foot and mouth disease that spread in UK and some other parts of Europe in 2001 had a severe and long lasting consequence. Because of

this incident, the tourism sector of UK faced a loss of about £6 billion. Due to these epidemics, there was a discussion about closing the border among some countries and the international tourism appear to come to an end. (Henderson 2007, 109)

Perhaps health crisis is more possible to avoid than some other crises. While few diseases and its progress cannot be predicted or controlled, the other controllable and avoidable illness can be minimized by spreading awareness among people and maintaining better hygiene and standards. Media coverage plays a great role in making health issues look more severe. The controlling measure for health crises in destinations is challenging and a very costly mission. For controlling these crises the participation of authorities and international agencies is required along with the responsible tourist behaviour. (Henderson 2007, 113)

#### 3.2 Terrorism

Even though there are over 100 varieties of definition for Terrorism, there has not been a universal definition of it. However, the definition created by United Nations General Assembly in an anti-terror resolution is among popular which reads, "Terrorism is an act intended to cause death or serious harm to civilians or non-combatants, with the intent to intimidate a population or coerce a government or an international organization." There is another popular definition made by Glaesser (2006) in his book, "Crisis management in Tourism Industry" which reads, "Terrorism is defined as criminal, violent acts or threats aimed at persons, institutions or objects to intimidate or demoralize a government or the population or, for achieving political or social aims." There are many definitions on various perspectives. Depending upon the understanding of motives and aim of participation, one man's terrorist can be freedom fighter of other's (Henderson 2007, 53). The good example of this is Noble Peace Prize winner late Nelson Mandela still in 2008 being in United States' terrorist list. The United States' Department of state (2004) identify terrorism as premeditated, politically motivated violence perpetrated against non-combatant targets by sub national groups or clandestine agents, usually intended to influence an audience. The term international terrorism means involving citizens of the territory of more than one country.

According to statistics, it was seen that the terrorist act increased rapidly between 1970s and 1980s. Since the mid-1990s, many terrorist groups have been claimed to be responsible for a number of attacks in Europe, America and the middle and Far East. The renowned terrorist group Al-Qaeda had admitted the aim to attack enemy people as well as tourist as an act of Anti-western feeling (Henderson 2007, 53-54). Glaesser (2006) claims that in general, there has been only a slender decline in tourism as a result of terrorism when the tourist are not claimed to be target. There have emerged a lot of new terrorist groups that claims to have

connections with Al-Qaeda and other terrorist organisations. Hence, the problem from terrorism is no more local or national, but international and whole world seems to be not safe for the inhabitants including tourists as well. (Henderson 2007, 54)

New tools of terrorism are used to aim at tourism in the form of suicide bombings, industrial poisons, and chemical and biological weapons (Henderson 2007, 55). Terrorism brings a serious result to political, economic and social, law and order where tourism should not be forgotten, which is very sensitive to acts of terrorism. Examples of terrorism victimizing tourist and tourism include the killing of 16 Greek tourists in hotel in Egypt in 1997. In the same year, Islamic militants in Luxor killed 58 international tourists. Due to the terrorist movements between 1993 and 1995, there was a decline of 22% in international tourists. Similarly, the bombing in Bali in 2002 claimed the lives of 202 people among which majority being Australian and British citizens. As an impact of terrorism in tourism of Bali, the hotel occupancy rate declined from 69% to 18% within three months after the attack. After the incident of September 11, United States experienced 34% dropping of passengers in domestic airline and international travel being 23% from 2000 to 2002. (Ritchie 2009, 37-38)

Many writers have explained why terrorists are targeting tourists and tourism industry time and again. According to Aziz (1995), the reason behind targeting the tourist by Islamic terrorist is due to the socio-cultural differences between the Islam and the behaviour of westerners at holiday. Tourists are regarded as the easy to target and the ambassadors for specific countries. Targeting the tourists can help terrorist achieve their goal. They are even aimed to bring political revolution. By kidnapping and robbing tourists, the terrorists tend to gain money to fund more terrorist acts (Ritchie 2009, 37). Terrorist group also generate worldwide publicity when a tourist is targeted. Other reason might be to weaken the economy by affecting the tourist arrivals and their spending at a tourism destination. (Henderson 2007)

Tourism industry usually has to deal with high media coverage after terrorism acts and their aftermaths. Both necessary and unnecessary attention is delivered by media resulting fear and sensing the presence of danger. The appreciation for influence of media gradually increases during the tourism crises from terrorism. News of violence and human depression are repeatedly broadcasted through media, which bring negative images of the destination that will be very difficult for the tourism industry to resolve later. Terrorist acts, which are not related to tourism industry, can also create threat. Travelling behaviour is greatly influenced by the fear of oneself being a victim and negative images of the affected destination. (Henderson 2007, 58)

#### 3.3 Political crises

There is a great relation between politics and tourism, since in most cases the government is responsible for making the policies for tourism and same is responsible for provoking a tourism crisis (Henderson 2007, 34). The studies showed that for unfavourable political forces, the tourism industry had only a little control. According to Cheong and Miller (2000), since tourism in itself is a concern of political argument, it is not possible to separate understanding of tourism and tourism crises from politics. The activities related to tourism industry inside or outside a country and practicing it in national and international level is formed by government structures. The government almost in every nation have some interest in tourism and took part in various ways. The act of enforcing law and regulation including making a decision and introducing policy by the authorities could affect tourism a lot. (Hall, 1994)

Instability in politics and crises emerged from it can result into violence, war and terrorism (Ritchie 2009, 36). Political stability related issues and the relation of governments between the states or countries is very important while determining the picture of tourist destination and the possible tourist safety (Hall and O'Sullivan 1996). Political crisis as well as protests, wars, terrorism can have a major affect on destination image and safety issues resulting the downturn of tourism demand and turning the particular destination into tourism crises. As compared to natural crises, political disasters can have more long-term consequences to tourism industry. Even though, natural crises attract massive attention from media, unlike political crises the period of time is comparatively short. (Beirman 2002)

Central government of a country usually finances and gives National tourism organization (NTO) a responsibility of specific matter related to tourism. Whereas other agencies control the tourism administration by dealing with Immigration processes, customs and transport matters. Thus, politicians and public servants play a very important part in influencing tourism approaches. The government is involved directly or indirectly into tourism by taking a responsibility to protect own people at national and international level, conserving and protecting the natural and cultural heritages, building a positive national image in international market. (Henderson 2007, 34)

Furthermore, Ritcher (1994) states that tourism industry should be taken seriously since it can be a path to achieve goals of economic progress and diversification. He adds that, political exploitation of tourism and government authority reinforcing can demonstrate its authenticity around the world. Dynamics of politics can either encourage or discourage tourism with the differences in national and international field. The attributes and attraction of a destination and operation of tourism industry are hugely impacted by a domestic politics that directly affect in travel demand. A good relation between nations and the national policies that

spread good happenings around the world could flourish tourist flows (Henderson 2007, 34-37). Therefore, the practices of political philosophies in tourism destination have huge consequences for tourism, which provokes crisis.

As an example of impact of politics on tourism development, the forbiddance of foreign tourist with exception in North Korea can be taken. Similarly, the Gulf War that began in 1999 brought a significant decline in global international tourism industry. There was 50% drop in outbound tourism flow in central Europe due to conflict of Kosovo in 1999 (Cavlek 2002). Not just only the happening of political conflicts, but all the rumour of possibilities could arise fear among tourists discouraging them to travel. The recent political crisis in Ukraine has brought a negative effect in tourism development of the country affecting the whole economy of Ukraine. According to official Alexander Novikovskiy (2014) the crises further brought insecurity and left people jobless. However, he claims that the tourist preferred to wait until the situation becomes normal.

Ritcher and Waugh (1986) states that when the political conditions are not settled, tourism might immensely go down because tourist would simply choose the alternative safe destinations. However, it was also found that some tourists did not care about some uncertainty in order to get cheap prices for holiday. For some travellers, the risk present at unsafe and war zones stand as a source of excitement (Henderson 2007). No matter what changes the political crises bring in tourism field, the tourism crises brought by politics demands solution by politics itself. (Henderson 2007, 43-46)

# 3.4 Natural disasters

The global environmental issues such as floods, pollution, forest fires and change of climate are usually related to each other and can affect tourism demand or lead to natural disasters which can ultimately result to crisis (Gössling and Hall 2006). As seen from the smoke haze in 1997 that spread over several Asian countries, tourism demand is greatly affected by the pollution and climate change. Natural disasters are demonstrated to destroy tourism industry by ruining various tourist destinations and spoiling their holiday tour (Henderson 2007, 88). According to Huang and Min (2002), due to damage of infrastructures of communication and transport resulted from natural disasters; the tourists are discouraged to travel due to lack of source.

Furthermore, the gradual development programmes without planning can result to crisis as seen from the expansion of Mediterranean coastline and resorts that caused degradation in quality of environment in that area (Henderson 2007, 88). Similarly, infrastructure develop-

ment programmes besides the changing weather in sensitive areas like mountains can bring landslides and avalanches (Becken and Hay 2007). Nevertheless, it should also be considered that tourism could be a great support in conservation of environment along with improvement that reduces the possibility of tourism crises form environment. The sustainable tourism development motto can contribute a lot to environment thus establishing pleasant relation between them (UNEP 2005)

Natural disasters occur less frequently but the damage caused by it is massive (Hyndman 2009). In year 2004, a massive powerful earthquake scaling 9 on Richter scale near the Indonesian island of Sumatra triggered an Indian Ocean Tsunami. The wave that hit the shores of 12 countries claimed the lives of more than 250,000 people including tourist as well. It was one of the most massive disasters that the tourism industry had ever encountered (Ritchie 2009). The floods in Prague, the capital city of Czech Republic in 2002 had reduced the number of visitor by one-third with cancellation of 30,000 reservations for national airlines flight (Field 2003). Similarly, in 2005 the hurricane named Katrina hit US state New Orleans that dramatically caused the tourism industry of the state to halt (Ritchie 2009, 31-34). In 2010-2011, the series of floods in Australia provoked a crisis affecting more than seventy towns in the country. The disaster claimed some lives and number of people had to be evacuated by the officials (BBC 2011). Also, the eruption of Icelandic volcano Eyjafjallajökull in 2010 emitted large amount of ash clouds in the air and number of flights all over the Europe were cancelled for several days. It cost hundreds of millions of dollars to the airline companies where the hotel industries were also suffered impacting the whole tourism industry (New York Times 2010). These kinds of events not only impact the tourism at the affected site but also the whole country when the destruction is huge and massive victims (Huang and Min 2002).

Natural disasters cannot be avoided. However, some environmental crises originated internally can be dealt by the actions of private and public sector. Whereas, crises emerged from environmental disorder are very difficult to deal and plan for. Those working in tourism industry field should evaluate the possible happening of natural disasters so that necessary steps of awareness could be taken in advance. However, due to its own negative impacts, tourism development itself can become a root and means of environmental crisis. (Henderson 2007, 93-96)

# 3.5 Crime

The unlawful acts which is punishable by the state or authority is simply termed as crime. The action from the crime is not only harmful to the individuals, but also the community and the state as a whole. It is forbidden and punishable in terms of law. The acts like murder, theft,

and rape are referred as criminal activities, which are occurred and are strongly prohibited around the world. According to the research made in 2012 by UNODC (United Nations Office on Drugs and Crime), the crime rates were very high in African countries as compared to others. The countries of East Africa and Middle Africa like Burundi, Comoros, Ethiopia, and Kenya were concluded to be top in crime rates.

It is possible for tourist to get caught in rash of civil conflicts or become victims of crime which will eventually force them or their tour operators to change the travel period or even resulting in cancellation of the journey (Henderson 2007, 72). It is agreed that the tourists are seen as attractive and easy target for the criminals since they are believed to carry valuable goods and adequate amount of money (Ryan 1993). From a normal thieving to serious crime like murder are recorded against tourists that turn as a huge impact on tourism industry. As an example, the murdering of nine tourists in Florida in early 1990s brought a decline of 50% in German and British tourists in that state (Pizam 1999). Due to gang wars and riots in Jamaica in early 21<sup>st</sup> century, the tourist arrival declined and in 2004 the Tourism minister of the country claimed that the previous crime statistics and unnecessary media exposure were still driving the tourists and investors in tourism industry away from the country. (Henderson 2007, 77-78)

However, it was also seen in some cases that tourist were too engaged in criminal activities from severe drunken fight to possession of child prostitution. Since the incidents like this might also bring the crises in tourism, it has been an important concern of the tourism industry to minimize and possibly bring down the activities like this. Moreover, the basic causes of crime and deviancy also have social, political and economic consequences expanding outside the tourism industry (Dunn 1995).

# 3.6 Economic Crisis

Tourism and hospitality sector has and is experiencing various challenges as an outcome from global economic crisis. Changes in economic outline like levels of income and exchange rates are sensitive for Tourism. As a direct result of recession, tourism demand at destination and tourist sites may decline causing a serious problem for tourism organisations (Ritchie 2009, 39-40). The global economic crisis from 2008-2009 severely affected international tourism industry causing 4 % drops in tourist arrivals internationally and 6% decline in international tourism receipts were recorded.

Demand and supply of tourism services and facilities has a great influence of Economics. The flow and the spending of tourist are shaped by various economic circumstances of both gen-

erating and receiving countries. The development outcome assists in other economic development activities. However, the economic strength might bring both opportunities as well as problems in tourism industry, where the latter may emerge as a crisis (Henderson 2007, 17). According to Bull (1998), tourism industry has a great influence of quality and changes in local, national and international economies. Resources for tourism sectors such as transport, accommodation and visiting sites is facilitated to determine by the wellbeing of economy. (Davidson and Cope 2003)

The essential source to participate in leisure tourism is Income. Because of poverty and low economic sources, many of world's population could not participate in tourism. It is not only the deprived economic development in the country that prevents from attracting tourists, but also the creation and proper maintenance of infrastructures for tourism that requires financial sources. The reason behind the failure to achieve the tourism potentials in African continent is the unfavourable economic state. Inadequate funds and lack of investments in tourism industry could trigger a tourism crisis in a destination country. (Henderson 2007, 18-20)

Tourist trends and investments are also determined by the currency rates and their variation. The fluctuation in currency values affects the prices charged by the tour operators, which will have negative impact in demand for tourism. The strong value of currency might discourage inbound tourism but will however motivate for outbound travelling demand. On the other hand, the rising prices such as for oil could bring down the growth in tourism earnings. The rise in fuel prices will eventually hinder the transport and aviation industry where the fuel prices rise from between 10% to 20%. (Henderson 2007, 21)

Many countries' growth strategies in development programmes has benefited from the possible earnings from tourism sector, which is very recognised and considered as popular source (Dwyer et al. 2004). However Mathieson and Wall (1996) realises that there are also unfavourable economic results that provokes or play a role in emergence of crisis. Demand and investments in tourism industry is encouraged by economic growth but in case of its absence might lead to crises in national and international market. (Henderson 2007, 23-27)

#### 4 Tourism Industry

Tourism and hospitality sector has successfully established itself as one of the world's major industries, which is considered greatly accountable for growth in economy, generating employment opportunities and overall system balance in the country. They are equally important in terms of social, cultural and environment aspects for tourist destination and destination generating countries. The government, business sectors and other organisation have empha-

sized great interest towards the future of tourism and hospitality business. (Lockwood and Medlik 2001, 18-19)

As defined by United Nations of Tourism Organization (UNWTO), "Tourism is a social, cultural and economic phenomenon which entails the movement of people to countries or places outside their usual environment for personal or business/professional purposes. These people are called visitors (which may be either tourists or excursionists; residents or non-residents) and tourism has to do with their activities, some of which imply tourism expenditure." In order to be called a tourist, a person has to travel and stay in a different environment than own usual one for minimum of 24 hours but not exceeding one consecutive year as a purpose for business, leisure or other reasons which are not emerged activities from within the visited place (UNWTO). The same organisation also published the list of industries considering them associated with tourism. These industries include accommodation services, passenger transportation, food and beverage serving, travel operators/agencies and other activities like sports, cultural, service reservation, and recreational as well as other specific country based actions.

As seen from the data published by World Tourism Organisation, tourism sector is concluded as one of the fastest growing industry around the globe. In many developing countries, it is considered one of the main sources of earning foreign currency and creating employment opportunities. According to the statistics released by UNWTO, the international tourists grew to 1.087 billion in 2013, which was 5% more than the previous year. A total of US\$ 1.3 trillion was generated from export earnings of international tourism in 2012. As per the forecast by UNWTO, international tourist arrivals will grow between 4% and 5% in the year 2014. Similarly, the tourism industry covers 6% of the world's exports generating the employment opportunities of 1 in 11 jobs related to this industry.

The growth in tourism industry is unusual since the size and structure of the industry is ever changing to meet the requirements of all travellers (Henderson 2007, 7). Due to increase in investments in tourism industry and the establishment of new destinations, tourism has emerged as a key component in socio-economic advancement achieved from creating jobs and enterprises, revenue from exports and development of infrastructures. (UNWTO 2013)

#### 4.1 Tourism development and its Importance

Tourism industry is a very important service industry, which covers the 9% of Gross domestic product (GDP) of world as of 2013 (UNWTO Statistics 2013). As per the statistics, a total of US\$ 1.3 trillion was generated from export earnings of international tourism in 2012. A devel-

opment in tourism brings a large amount of income to a country, which eventually will support the further development programmes in other sectors.

Furthermore, tourism industry behaves as a country's economy. The destination country can earn foreign exchange through development in tourism sector. Moreover, it also produces employment opportunities for the natives of the country. The living standard of people is raised through the flourished tourism sector of the country. The Gross Domestic Product (GDP) is also raised when tourism sector is strong. The people of the country can be self-employed through tourism. Development in infrastructures in long run is also supported through tourism enhancement. Additionally, the only way to exchange cultures is through tourism. The main issue of tourism is the preservation of Natural and Cultural heritages, which makes it important in terms of environmental issues as well. The development in tourism industry of a country results in the conservations of flora nd fauna in that country.

# 5 Methodology

The following chapter explains the research part of this thesis. The method chosen, the materials used, the procedure followed and the data collection process is discussed.

#### 5.1 Chosen methods and materials

Both qualitative and quantitative research methods have been applied in this research. The interview held with the professionals from the hotel industry operating in Helsinki region supports the qualitative approach of the study. Moreover, an online questionnaire created with the help of Google tools were sent to respondents through social networks and via author's school e-mail. The research work from various authors and students relating to crisis and the tourism sector were also reviewed. Even though, the studies and research made on this particular topic were found in handful of numbers, the information it contained were of great support for the author's own research.

The research is on topic "Crises and Tourism Development" where the term crisis in itself is a very vast topic and describing it in terms of tourism was challenging so only a specific tourism field i.e. Hotel Industry was chosen. As the situation of crises greatly affects the number of guests at these hotel businesses, the research was carried out to study about the flow of tourists at these places, changes in service quality, economic situation of the business and measures taken to resolve the consequences. Within a tourism destination, there are other factors as well which are directly or indirectly affected as a result of crises inside the same country or outside of it.

The research topic is mainly based on the main aspects of qualitative research method. All the responses from the interviewee, online survey and statistics are very crucial to draw a final conclusion. The process was more directed towards qualitative survey since the response got from the interviews and online survey is mostly about the respondent's own thinking, opinions and understandings about the surrounding.

In the same way, quantitative research also performs an essential part because more the respondents will be, better and more accurate and reliable the data will be. It will be ease to draw a final result if there are numbers of respondents. During the survey, respondents as many as possible were tried to reach.

Use of various numerical data and charts helps people to describe more about certain topic. The data presentation in the form of tables, diagram, pie chart, pyramid figures and other graphs makes the reader to get the primary information. Various online tools and other presentation process were used to define the findings in a more easy and comprehensive way.

## 5.2 Research procedure

The research for this thesis was carried out in two phases. The first one included an interview with the hotel business authorities and the other one is an online general questionnaire created with the help of Google. Apart from this the statistical data from Finnish Tourist board and UNWTO were also visualised to support the study. In the interview section the Managerial level staff from different small and big hotels operating in the Helsinki region were interviewed electronically. Since the authors' residence was in Helsinki area and was not willing to travel very far for collecting data then decided to mark Helsinki region as a study area.

As part of the online phase, a specially designed web-based questionnaire approved by authors' thesis instructor was sent to students and travellers via social networks and e-mail. It is very important to consider the opinion of young people towards crises situation since many of them will be travelling in the near future. It is significant to know how they react and proceed in these situations. During the survey, respondents as many as possible were tried to reach. If there are more responses then it will be ease to draw a conclusion from it and the result would be more reliable too.

For Designing both interview question format and online questionnaire, the authors' thesis instructor from Laurea UAS was consulted. Few of the fellow students from the same tourism programme provided assistance with their great ideas. The author being a tourism student

might not have all the ideas about the technical sector of the data collecting process, so the assistance from the IT experts and some online tutoring were required.

The following step-to-step process was applied to collect data for the research process.

- 1. Interview with Managerial level staff from different hotel industries operating in Helsinki region.
- 2. Online questionnaires for students and young travellers reached via social network and school mail.
- 3. Analysis of statistical data regarding tourists from UNWTO, Finnish Tourist Board and other reliable source.
- 4. Analysis of data collected, results and conclusion.

#### 5.3 Data Collection

The data required for the research to draw conclusions on the selected topic were collected through online questionnaires and an interview. The online questionnaire was created with the help of a tool from Google and directed towards the students and young travellers. For the interview part, research was carried out at hotels operating in Helsinki region and was analyzed accordingly. An interview with the staffs from Managerial level were carried out in those hotels. Questionnaire for both research methods were applied only after the approval from the authors' thesis instructor.

#### 5.3.1 Interview with Professionals

The main aim of this research was to study the situation of tourism industry during crisis period, its consequences on tourism development process, the measures taken to overcome crisis situation, what will be the provision if crisis strikes back in near future and overall the interrelation between crisis and tourism development. This interview section supported to answer this question.

For the research, all interviewees were contacted by e-mail requesting for the time appropriate for them. Among more than fifteen mails sent to the hotel managers operating in Helsinki region, only two agreed the time for the interview. At first, the author had planned to conduct an interview personally but due to no time availability of the interviewee because of busy season, later it was decided to do it electronically. There were all together 9 questions for an interview. The questions were carefully chosen keeping in attention the main intention of research. The questions mainly asked about the situation of the business during different crisis times and its impact in their overall business. Furthermore, the steps taken to overcome

those situations and the importance of having crisis management plan was also discussed in the interview.

# 5.3.2 Online questionnaire

The online questionnaire part fulfills the quantitative approach of the research. Carefully chosen 14 sets of questions were included in the web-based questionnaire. The assistance from the tool of Google was required to create it and make it web based. The cover letter was written before the set of questions informing the respondents about the aim and the nature of the survey.

At first, the author tested the questionnaire with some of his fellow students. The feedback was positive so was latter hared as a link in social network "Facebook". The response was very good at the beginning with more than 50 respondents within two days. Since, the analysis of data in qualitative way is easy, more reliable and valid if the respondents are large in number, the author decided to make it available for more people. Later, the permit for survey to include students and faculty members of Laurea University UAS was requested and was been granted by the authority. The whole students and staff of the school were reached through mail enclosing a link to the survey questions. Surprisingly, the response rates were very high with all together around 300 responses within a week. The survey was taken down when the respondent number reached 344, which was three times more than the author had expected.

The online questions contained all together of 14 questions of which three were required questions that asked respondents' age, gender and country of residence. Some of the questions were statements where the respondent had to give their opinion on the level of their agreement to the statement. There was an open-ended question at the bottom of the questionnaire where it was asked if the respondents had ever been in any kind of crisis situation. The questionnaire was made available for two weeks before it was removed.

# 6 Interview Results and Analysis

To fulfill the qualitative part of the research two respective interviews were conducted with the managers from two different hotels operating in Helsinki region. It is the other half important research process where the whole data collection process relies on the reply from the interviewee through interview process. For this research process, the author had made arrangements to conduct the verbal interview with the managers from three-reputed Hotel Industry Business serving inside Helsinki region. However, due to lack of appropriate time and

the busy seasons, the interview was cancelled with one of them and was decided to be electronic interview rather than personal.

The interview part contains 9 questions in total of which most related to crisis and the being of hotel industry in Finland during these situations. The purpose of conducting this interview was to research about the different kinds of crisis threat occurring in Finland and its direct or indirect affect to the Hotel Industry. However, the findings from the interview might not be reliable enough to generalize the whole industry. The interview reflects the practical approach of hoteliers and crisis awareness inside the industry. To avoid judgment and assure confidentially, the names of the hotel and the identity of managers is not disclosed. However, fictitious name shall be used. Mr. A and Mr. B are used as a nametag for two managers during the whole discussion.

The first question from the interview asked if those hotels had faced any kind of crises or threats in the recent years. Both the managers had the same point recalling the Icelandic Volcanic ash cloud in 2010 that had blocked the air traffic through the Europe. Mr. A stated that business went drastically down for two weeks after the incident but however later was normal again. He added that there was also a case of fire at one of his hotel room few years ago. Mr. B added the economic downturn in the fiscal year 2008-2009 had brought some problems with comparatively fewer clients at hotel. Otherwise, he do not see any crises in Finland that is life threatening.

Furthermore, to know the situation of the business during crisis and the perspective towards the effect of crisis the next question was put if they agree to the statement Tourism development is greatly disturbed by crises than any other development programs. In reply to this question, Mr. A stated that since tourism is a consumable product that does not last for long if not preserved or used sustainably, the impact of crisis might hamper the development process in the same field. On the other hand Mr. B hesitated to totally agree to this statement in the perspective of Finland. He added there has not been much effect on the tourism industry of Finland due to crisis but however agreed that the ash cloud and the economic crisis definitely had obstacle on the development of tourism in international market.

As a third question of the interview, the managers were asked about the effect caused by crisis to their business. Mr. A again pointed out the ash cloud from 2010, when their business was down for almost 2 weeks before it become normal. He emphasized again that everyone in tourism industry were affected in some way, the only difference was more or less. Many of their customers who had booking did not arrive and the ones' at the hotel had to prolong their stay because of blockage of air traffic due to same ash cloud. Apart from the ash cloud, Mr. B mentioned about the small problems like fire, robbery and disturbance from mentally

disordered people that has and might take place in several hotel businesses. However, he accepted that the economic crisis in 2008-2009 had brought a slight decline in incoming clients to the hotel. For other crises to happen, Finland is very safe.

To know the strategy of the businesses towards crises, the next question was included asking how they overcome the crisis situation. As per Mr. A many of the crises cannot be predicted in advance and as a solution the only thing that can be done is to minimize the loss. Mr. B remembered the ash cloud incident, when his clients were given up-to-date information from the airports about when the flight starts and the Internet access was also provided. He added in these situation nothing much can be done except keeping up with the guests and strengthen the relation with them by making their stay easy until the situation was normal.

The fifth question asked was to find out about the worst crisis that they as a manager of hotel had ever encountered. Mr. A claimed that Finland is less probably in the risk of Terrorism. The chances of natural disasters is also very less. However, the future cannot be predicted and will only know when it strikes. For instance, the ash cloud was the worst one for him, which brought thousands of euro loss in the business. Mr. A's statement seemed to be supported by Mr. B where he pointed out the volcanic incident and the global crisis to be major crisis till then. He had experienced fire at one time but was taken in control later without much damage.

After knowing the worst crisis situation encountered, the next focus was to know if they have developed any strategy to handle the crisis situation. Mr. A again focused on the fact that the crises related to natural disasters like ash cloud do not have any solution. The only thing that can be done is keep on motivating the clients to reduce the panicking. For other kinds of crisis, crisis management plan could be effectively included in the security plans by the concerned authorities. Mr. B mentioned that for other than natural disasters, the solution can be produced from within the staff by training them about how to handle the similar cases and the exercise from the state authorities is also required.

On asking how they assure the safety and security of clients during crisis situation, Mr. A stated that he is always aware about the happenings in outer world. The necessary step is taken accordingly. He added the crisis happened outside the country might not have any effect here. The staffs are trained well to handle the accidents inside the hotel premises like training them to use safety tools and frequently analyzing security camera. Both Mr. A and Mr. B claimed that overall security plans falls under the restrictions and guidelines of Finnish Law.

Further question dealt with the consequences arise from crisis related to tourism that can be avoided or minimized. Mr. A replied that it depends what sort of crisis it is. The crisis

emerged within the industry can be minimized by training the staffs and aware them about the possible happenings. Some crisis like fire breakage could be avoided if safety measures are followed beforehand. Regular meetings can be held within the staffs about the current situation and the possible threats. As per Mr. B we have absolutely no control over the crises like natural catastrophes and economic instability. However, he states that proper crisis management plan and the step from concerned authority can help to minimize the impact. The necessary marketing is also required that their business is safe and operating without the threats of it.

The following question was asked to know if these hotels feel the necessity of crisis management plan. Both managers pointed out the importance of it and how it protects the business from collapsing as a consequence. Even though some crises cannot be predicted or controlled, the presence of effective management plan will surely reduce the damages caused. Mr. B pointed out that it is included in the security plans of his hotel.

# 7 Online Questionnaire results and analysis

The following chapter contains all the data collected through online questionnaires and its analysis in a best suitable way using various kinds of data presentation methods. The results are explained with the help of figures and tables.

# 7.1 Demographic Factors

The first three questions of the survey contain the demographic factors of the respondents. It gives the basic information of respondents regarding their age, gender and the country of residence.

The following table shows the distribution of respondents according to various age groups.

Age group	15-25	26-35	36-40	40+	
No. Of respondents	188	104	20	32	Total=344

Table 2: Age group of respondents of the survey

As seen from the above table, most of the respondents belong to age group 15-25. Out of total of 344 respondents 188 are under this group that is 55%, which is more than half of the

total respondents. The second highest number of respondents belongs to age group 26-35 with 104 respondents making 30% of total respondents. The above data meets the requirement of the research project since the main targeted people were young travelers from 18 to 30 years of age. The number of respondents belonging to age group 36-40 is 20 that are 6% of total. There were 32 respondents with age 40+ making it third largest age group of respondents with 9% of total.

To calculate the average age of respondents, let's assume the age group 40+ is 41-65. The last age group is very reasonable since the most of the survey respondents with older age group were from authors' school in Finland. And according to the rule of National pensions act, the old-age retirement age is 65 in Finland. Thus, the table showing average age of the respondents is below.

Age group	No. Of respondents (f)	Mid value (x)	Fx	Average age
15-25	188	20	3760	
26-35	104	30.5	3172	Mean =27.29
36-40	20	38	760	
41-65	32	53	1696	
	N=344		ΣFx=9388	

Table 3: The average age of the respondents

The above table shows that the average age of the survey respondents is 27, which is as per the requirement of research project.

Male	112	33%
Female	232	67%
Total	344	100%

Table 4: Respondents by Gender

As seen from the table 3, most respondents were Female (67%) which is more than two-third of the total respondents. Whereas, only 33% of the respondents were male. The reason behind the number of female respondents being more than male might be that females are often believed to be soft hearted and they are eager to help other and answer to survey questions. They tend to find time for these kind of things as compared to males. In addition, it was also seen that the author's school seem to have more female students than males. However, the author has not gone through any statistical data on this topic. So, it is only based on authors' own assumption.

Country	Respondents	Country	Respondents
Finland	249	Latvia	2
Nepal	20	Portugal	2
UK	12	Philippines	2
USA	12	Ghana	2
Australia	9	Spain	2
Germany	6	Japan	1
Italy	6	Lithuania	1
Vietnam	4	Thailand	1
Switzerland	4	Bulgaria	1
Ireland	3	Srilanka	1
Russia	3	Indonesia	1

Table 5: Respondents by the country of residence

The above table show the number of respondents from different countries. Out of total 344 survey participants, most of the respondents(72%) were from Finland. More than two-third of the respondents totalling 249 were Finnish resident. The reason behind this is, the author himself is residing in Finland and the authors' school is Finnish as well and most of the students are from the same nation. Finland is followed by Nepal with total of 20 respondents and then UK and USA with 12 participants each. There were also few respondents from Australia, Germany and many other nationalities over the world. There were number of respondents from Nepal because the authors' motherland is Nepal and since he has many friends from UK and USA, the respondents from those countries are also bunch in number. There were total of 344 respondents from 22 different nations.

# 7.2 Travelling done by Respondents

Of the total respondents, 129 respondents which is 38 % were travelling at least one time in a year. There were total of 121 respondents (35%) travelling more than 2 times a year. Furthermore, 21% which is 72 number of respondents were travelling 2 times a year followed by 6%(21) respondents who do not travel at all in a year. It is to be considere that the 6% respondents of survey who replied that they do not travel does not mean that they haven't or do not want to travel at all. This data is only based on the travelling made in a year. It might

be that they do not travel frequently and are or willing to travel with some time gap between their journey.

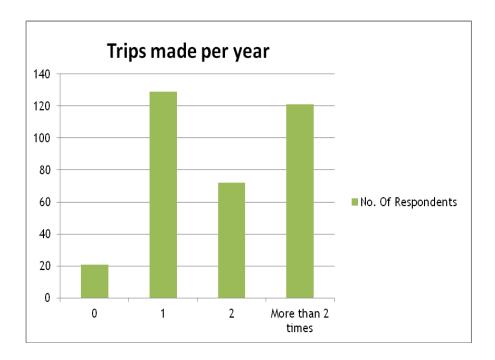


Figure 3: Trips made per year by respondents

The survey questionnaire also contained the question about the means of transportation respondents use to travel between countries. The whole idea behind including this particular question in the survey was to know about how the disasters in different transportation facilities have impacted on the travelling behavior of the people. The results are shown below in figure 4

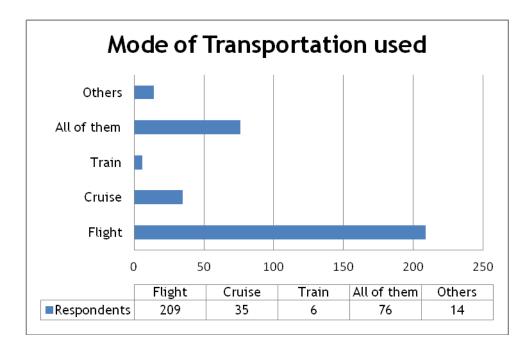


Figure 4: Mode of transportation used by respondents

As seen from the above figure 4, the flight was most popular and favourable mode of transportation among the respondents with 61% results. 35 respondents chose the cruise, which makes 10% of the respondents. There were only 2% of respondents who preferred train as their mode of transportation. However, there were 76 respondents who use all the mentioned means of transportation while travelling. Apparently, there were 14 respondents who chose other means of transportation that might include travel through private cars, own ferry boat, two-wheelers and other means that the one mentioned. The Malaysian Airlines flight MH370 that went missing from 8 March 2014 was a big concern while this survey was conducted. The disaster of South Korean ferry also occurred during the time when this research was in process. The incident might have brought slight change in the preference of the mode of transportation. But the question concerns about the transportation facilities survey respondents used in the past. Thus, this question of survey is supposed not to have any impacts from those incidents.

#### 7.3 Views about Effects of Crises on a traveller

There was a huge response regarding the effects of crises on a traveller. Six different common crises were chosen for the survey including terrorism, political conflicts, health scares, crime, recession and natural disasters. Many respondents chose crises to have some level of effects on a travelling behaviour of a person. The concerns were different among various

types of crises where some crises were chosen to have very much effect whereas a little or not at all effect was seen from some crises according to the survey.

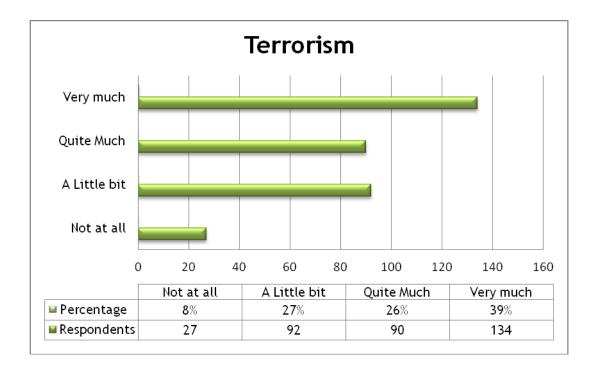


Figure 5: Views about the effect of Terrorism on traveller

As seen from the figure 5 above, terrorism was seen as a great threat to the travellers where 39% (134) of respondents said it has very much effect on a traveller. However, 28% of people chose quite much option and similarly 26 % voted a little bit of effect from terrorism to traveller. 8% of respondents which equal to 27 respondents did not even believe terrorism can effect a traveller in any means. Terrorism seems to have ever lasting threat on the minds of people. Due to terrorist activities during different time in various parts of the world left people with fear to travel. The news about the killing and abducting the people as an terrorist acts are always highlighted by the media.

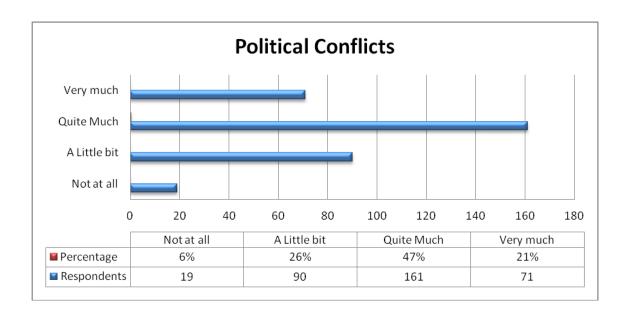


Figure 6: Views about effect of Political conflicts on traveller

It was seen that quite a lot of respondents see political conflicts as a big threat. 47% of respondents said it has quite much effect on the travelling behaviour whereas, 21 % chose very much effect. Moreover, there were 26 % of respondents who believed political crisis to have a little bit effect on the travelling matters. On the other hand there were also respondents who chose political crisis to have no any effects at all that amounted to 6 % of total respondents. (Figure 6)

At the time of this survey, there were huge conflict in parts of Syria related to politics and power. There were also some political issues betwee Russia and Ukraine which had a huge impact on the country Ukraine with number of casaulties. There were also some other serious conflicts regarding politics going in different parts of the world. The current situation had a lot of influence on this part of the survey as seen from the polls of respondents.

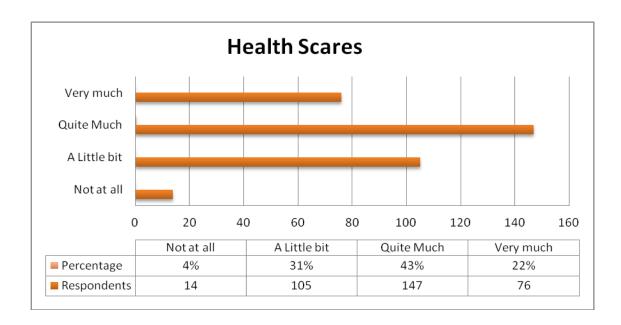


Figure 7: Views about effect of Health scares on traveller

The results in the above figure 7 shows that 43 %(147) of quite much affect was seen on traveller due to health crisis. 22 % of respondents chose very much option whereas, 31% of responses were recorded to have a little bit effect of health scares on traveller. 4 % of respondents did not take health scares as a threat to a traveller. Overall, it was noted that crises related to health issues had quite much affect on a travelling behaviour. Since, Health is termed as wealth, people do not want to compromise with their health which might even lead to life threathening situations in case of disease and epidemics.

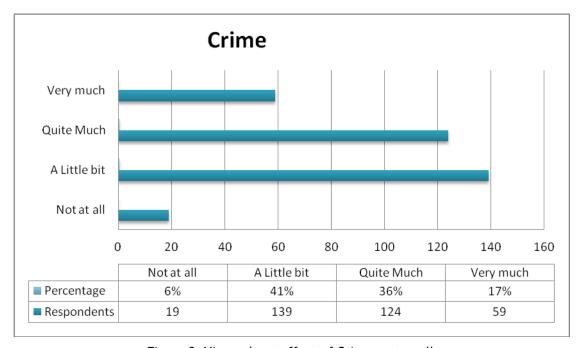


Figure 8: Views about effect of Crime on traveller

In terms of crimes, 41% of the respondents claimed that it has a little bit effect on the traveller whereas, 124 respondents(36%) voted it to have quite much impact. 59 respondents said that crime very much effect on the traveller. This number is 17% of total respondents. On the other hand, 6% respondents did not see crime as a threat to the traveller. (Figure 8)

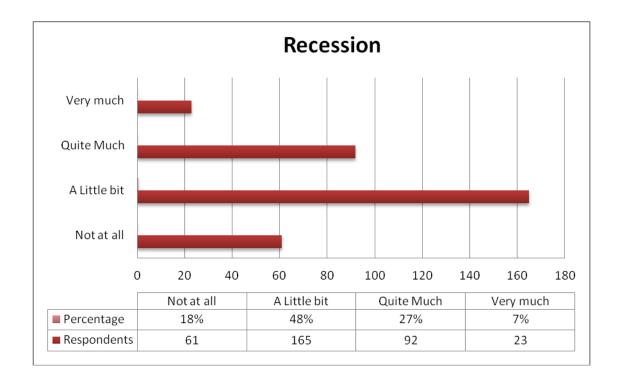


Figure 9: Views about effect of Recession on traveller

As presented in above figure 9, most of the respondents (48%) think economic crises has only little bit effect on a traveller. There were only 7 % of respondents who see very much effect of recession. On the other hand, 92 respondents (27%) said that there is quite much effect on traveller due to recession. However, 61 respondents did not even see recession as a threat to a traveller.

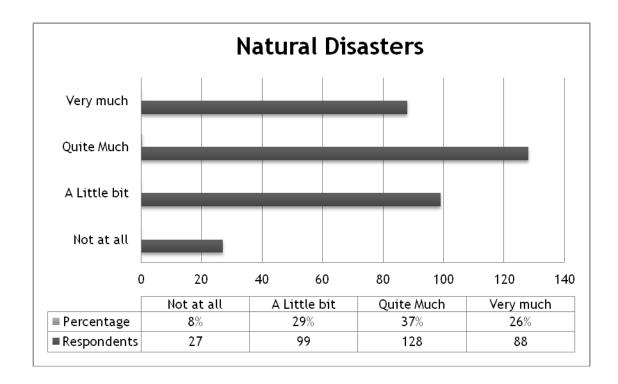


Figure 10: Views about effect of Natural disasters on traveller

When asked about the effect of natural disasters, 26 % of respondents claimed that it has very much effect on traveller and 37% of respondents see quite much effect done by natural disasters. Whereas, 99 respondents (29%) responded that natural disasters has a little bit effect on the travelling behaviour of a tourist. Only 8 % of responses were recorded for not to have any effect of natural disaster at all.

As per the views of respondents, the crises were not a big concern for the travellers. Surprisingly, there were even people who do not think about crises having affect on the traveller. Among the mentioned crisis situations, Terrorism had most affect among the people. Whereas only few viewed crime and recession as a big threat to the tourism. The concerns for political instability and health scares was also quite in numbers.

There was lot of happenings in the time of this survey. The missing of Malaysian Airlines filght MH370 was a major media concern with it making everyday headline. The terrorist acts in parts on Nigeria including killing and kidnapping of people was also a big issue. There was huge loss of life due to civil war in Syria. The conlfict in Ukraine was a major world concern with involvement of UN and USA. The riots and demonstrations in various parts of the world including World Cup 2014 host Brazil was taking place. The disaster of South Korean ferry happened during the same time. All of these events have great influence on the results of the survey. This statement is proved by the reponse for the question no. 12 in the survey where the respondents were asked which country would they avoid to visit at the moment due to

crisis. Unsurprisinly, lot of the respondents voted country like Ukraine, Syria, Nigeria which was obvious for the crisis situation in those countries at that moment.

The survey was taken by majority of Finnish people with 72% of respondents from Finland. It is not to forget that Finland is a very safe country with stable political situation and very less crime rates. The economic situation is also well and there are very few changes of occurrence of natural disasters. There has not been a notable terrorist acts in the country and Finnish people are considered one of the healthiest people on the planet. The viewpoint of Finnish people might be different from the people from another country where these kinds of crises are common. The results might not be same if more participants were from outside Europe.

# 7.4 Impacts of crisis on Tourism development

The survey also included the question with the level of agreement. The question was asked about how much one agreed to the statement that Tourism development is greatly affected by crisis. The respondents had to choose from agreement level strongly agree to agree, no opinions, disagree and strongly disagree. The figure 11 below presents the results.

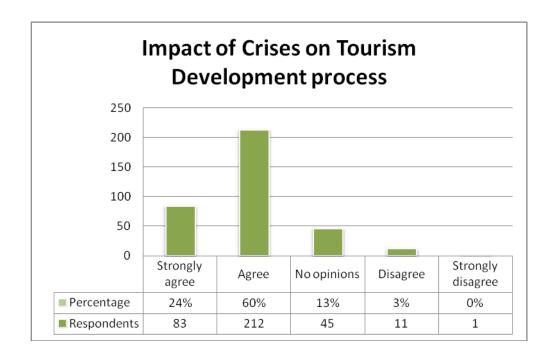


Figure 11: Impact of Crises on Tourism development process

As seen from the above figure 11, 60% (212) respondents agreed to the statement that tourism development is greatly affected by crises. 24 % of respondents strongly areed to the

statement. Whereas, 13% gave no opinions to the satament and 11 respondents disagreed to the statement. For instance, there was only 1 respondent who disagreed to the statement.

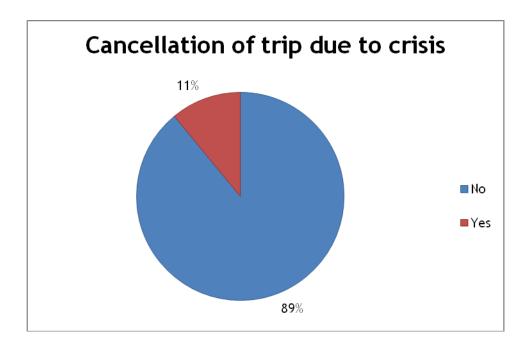


Figure 12: Trips cancelled by respondents due to crisis

On asking if the respondents had ever cancelled their trip as a result of crisis, 306 respondents (89%) said that they have never cancelled their travel due to crisis. However 11% of respondents (38) answered that they have cancelled their trip due to threat of crisis. The results are shown in pie-chart in figure 12. The ones who did not cancel their journey due to crisis might have changed their destination or even changed their travel routes or dates. Some of the respondents would also travel ignoring the crisis. However, these options were not included in the question to make the question simple with just yes or no option.

# 7.5 Safety issues regarding crisis

Safety has always been a matter of concern whether it is while travelling or other. The traveller try to look for various sources to get information about the travelling destination and its safety. One do not want to be involved in any kinds of trouble or problematic situation when going for a trip. To make the results from the survey more reliable and the analysis part more stronger, this question was included in the survey. The results are shown below in figure 13.

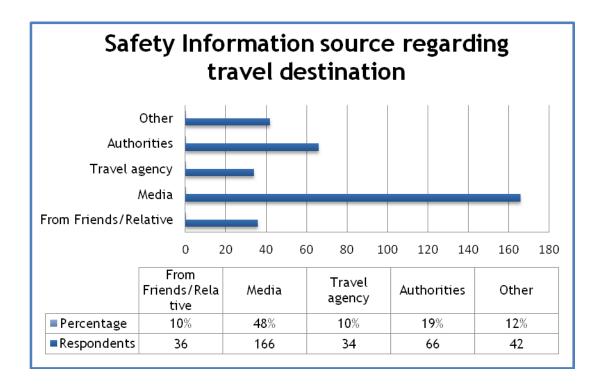


Figure 13: Source of safety information regarding travel destination

As illustrated in the figure 13, Media was the main source to get safety information regarding the travel destination. 48% (166) respondents chose media as the prime source to get safety information. About 19%(66) respondents rather trusted authorities regarding information on safety matters. Whereas, seraching information about safey through travel agencies and from friends and relative were chosen by 10% respondents each. 12 % of respondents (42) rely on other information sources to search safety information about travel destination.

In this technical new world, people highly rely on media sources to get any kind of information. However, most reliable and trusty information regarding safety can be obtained from authorities and travel agencies. There is possibility of overrating or underrating of a crisis situation by media since they always tend to look for more attetion from the people. Suprisingly, almost half of the respondents of the survey chose media to be more reliable in terms of safety information.

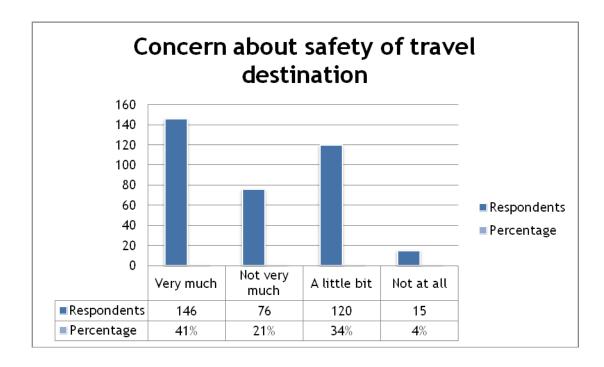


Figure 14: Travellers' concern about the safety of travel destination

The above presented figure 14 shows that the respondents has great concern about the safety of travel destination. 146 (41%) of respondents were very much concerned about the safety of their travel destination. A little bit of importance was given by 34 % of respondents. Eventually, 76 respondents (21%) were seen to be little bit concerned regarding safety of travel destination. However, there were also respondents who did not even cared about the safey which is 15 in number and 4 % of respondents out of total.

It should be noted that various incidents and crisis had striked in different tourist destination before or during conducting this survey. Many of the famous tourist destination sites were regarded as unsafe for foreign people. The unfavourable incidents at these destinations might change the visualization of safety issues. After these incidents, it is obvious that people would be more concerned about their safety when they are away from their resident country.

# 7.6 Image of different countries among Respondents

There was also a question for respondents asking which country would they like to visit most during the moment. Eventhough, It was not a required question, the response was great and positive. They were also requested to mention the reason why they would like to visit that particular country. Actually, the question asked to mention the name of only one country but there were also number of respondents mentioning more than one country name. The whole idea behind including this question was to know if the respondents are willing to go to certain

destinations where crisis made a huge impact in the past days and the ones which are coping with the crisis in present. The other motive of this survey question was to research for what reason people would want to travel to these destinations. There were various results and reasons for traveling. The list of the countries, the respondents are willing to travel are given below in table 6.

USA	25	Austria	3	Israel	1
UK	15	Latvia	3	Cuba	1
Italy	13	Turkey	3	Barbados	1
Australia	12	Singapore	3	Portugal	1
Spain	10	South Korea	3	Hungary	1
France	8	Denmark	3	Nepal	1
Greece	7	Canada	3	Sweden	1
Japan	7	Malaysia	3	India	1
Iceland	6	Emirates	3	Czech Republic	1
South Africa	6	Egypt	2	Peru	1
Switzerland	6	Norway	2	Mauritius	1
Brazil	5	Vietnam	2	Cayman Islands	1
Indonesia	5	Germany	2	Philippines	1
China	5	Finland	2	Ukraine	1
Thailand	4	Lithuania	2	Russia	1
Croatia	4	Jamaica	2	Mexico	1
New Zealand	4	Ethiopia	1	Tibet	1
Ireland	4	Yemen	1	Netherlands	1

Table 6: List of countries that the respondents are willing to travel

As seen from the table 6 above, the most popular destination country is USA. The number of respondents willing to go there is 25. The second most popular country that the respondents are willing to travel is UK with 15 respondents and then followed by Italy in third and Australia in Fourth with 13 and 12 respondents respectively. There were also numbers of respondents willing to travel to countries like France, Japan, Iceland and many more countries.

It was surprising that even after the disaster in Indonesia few years ago; the people still wish to visit the country. Same applies for the countries like Japan and Thailand that were hit by Tsunamis. The economic crisis in Greece seems to have not made much effect on the demands of tourist in the country which is shown by above table. The demonstration and riots during various times of the year in Egypt seem not to push the visitors away from the country. It was unusual that despite the current political issues in Ukraine and Russia, people still wish to visit. It was a surprising for some countries to be included in the list in the above table.

On asking why the respondents' chose the countries mentioned above in table 6, there were various different answers. Some said they love the food there, some wrote they want to travel there because it's their first time. However, while dividing the reasons for travelling to specific category, the following bullet points represent the reason for travelling by the respondents,

- To learn and experience new things
- To be with family/relatives and friends
- Less time to travel and cheap costs
- To enjoy nature, culture and history at the destination
- To practice sports
- For safety reasons

The survey also included the question asking to list out the countries and the year that the respondents had travelled recently. There were number of responses to this question. The idea behind including this question was to explore if the respondents had travelled to some countries during the time of crisis in the destination. The results from the survey are shown below,

Country	Respondents	Country	Respondents	Country	Respondents
Sweden	20	Portugal	4	Mexico	2
Estonia	18	Vietnam	4	S. Africa	2
Spain	15	India	4	Bulgaria	1
Italy	14	Austria	4	Bangladesh	1
UK	13	Belgium	3	Jamaica	1
France	12	Denmark	3	Cuba	1
Russia	10	Norway	3	Ukraine	1
Germany	9	Croatia	3	Belarus	1
Greece	9	Indonesia	3	Canada	1
Poland	8	Cyprus	2	Namibia	1
Turkey	8	Latvia	2	Brazil	1
Thailand	8	Ireland	2	Egypt	1
Hungary	7	Canary Is- lands	2	Ecuador	1
USA	6	Finland	2	Tanzania	1
Holland	6	Philippines	2	Romania	1
China	5	Saudi Ara- bia	2	Malaysia	1
Cape Verde	4	Switzerland	2	Cambodia	1
Japan	4	Gambia	2	Australia	1
Czech Re- public	4	Slovenia	2	S.Korea	1

Recently Travelled					
year	Before 2010	2011	2012	2013	2014
Respondents	4	8	21	89	55

Table 7: List of countries and the time of the year that the respondents travelled recently

As from the result of survey it can be clearly seen from the table 7 that most trips were made to Sweden and Estonia followed by countries like Spain, Italy and France. Among the recent trips made by the respondents, 89 of them were made in the year 2013. And at the time of this survey in April, 2014 55 respondents had travelled recently in the same year. Furthermore, 4 respondents haven't made any journey since 2010.

Furthermore, it should be noted that 72% of the survey respondents were the residence of Finland and it is very near to countries like Sweden, Estonia and Russia. The reason behind most the travellers had travelled to these destination might be that they are near the country Finland and the time consumed and money spend is relatively cheap compared to other countries. It can be noted that various crises had stroked in recent years in some of the listed countries. Despite this, many trips were made to those countries from the year 2010 to present. It explains that people tend to forget about the tragedy moment brought by those incidents during the matter of time. The presence of countries like; Greece, Russia, India and Egypt in the table where there were numerous recent crises like demonstration/riots, economic crisis, political instability and terrorism activities explain the former statement.

Taking in consideration about the ongoing crisis and the recent crisis situations in various parts of the world, the survey was also conducted about the country or destination that the respondents as travellers would avoid to visit. There were loads of name of the countries and the destinations voted as a risky destination during the moment where one would not be glad to visit. The list of the destinations and the number of negative polls received are presented in the table below.

Ukraine	53	India	4	Lebanon	1
Syria	20	Crimea	4	Switzerland	1
Russia	19	Iran	4	Guinea	1
Middle East	18	Colombia	4	South Sudan	1
Egypt	18	Arab coun- tries	3	Greece	1
Central Africa	9	Mexico	3	Thailand	1
N. Africa	8	Israel	2	Denmark	1
Afghanistan	8	US	2	Nepal	1
Iraq	8	Libya	2	Mozambique	1

N.Korea	7	Nigeria	2	China	1
West Africa	6	Portugal	1	S.Korea	1
Pakistan	6	Japan	1	Tunisia	1
Somalia	6	Turkey	1	Dominican Republic	1
Hungary	4				

Table 8: List of destinations regarded dangerous due to crisis

According to the table 8 above, Ukraine was regarded as the most risky destination where the respondents would avoid travelling. It might be due to the political unrest and the conflicts inside the country that many people chose it as unsafe destination to travel. Furthermore, the civil conflicts in Syria and the involvement of Russia in disputes with Ukraine left countries ending up in the above list. Due to the frequent headlines in media about the problems in above countries, the news of crisis is spread all over leaving a fear in people's mind about the image of the destination. It was also surprising that some countries that have stable and good current situation were also voted risky destination by the survey respondents.

Some respondents mentioned the name of the country whereas; some voted the whole region as the dangerous destination. For this reason, both the countries and the region were included in the table even though some region already includes the countries mentioned. To give the originality and present it as per the survey many Middle East countries and the region itself had to be included. The same applies for some African countries and different regions of Africa.

There were also the responses for this particular question explaining why one chose or not chose the country to be dangerous destination. Few of the respondents claimed that due to the epidemic of Ebola Virus in parts of Africa, they would avoid travelling to the whole continent. Some stated that they do not remember or there was no any destination risky for them. However, some replied there were many names to be mentioned for that was not the current issue for them. One of the respondents would not travel due to high cost to one of the mentioned countries. It was also seen that due to non-recommending from travel agencies, one would not travel to mentioned destination. Moreover, few wrote that there were no any specific countries but would avoid to travel to the countries where there are lot of hostile confrontations between the government and opposition resulting to conflicts.

As seen from the table 6, 7, and 8 respectively few of the countries were listed in all three tables. The table 6 represents the list of countries that the respondents are willing to go. In table 7, it is presented with the list of destination countries and the year the respondents had travelled recently. Last but not the least, table 8 contains the list of destinations that are

regarded dangerous due to recent and ongoing crisis. It was surprising that, some countries that were listed as dream destination turned to be dangerous for other. Similarly, the destinations that some respondents had travelled recently were voted as risky by another. The example of countries like Thailand, Greece, Egypt, Turkey, Japan, India and some other countries can be taken for this statement. This clearly states that the perspective towards crisis varies among different people with different backgrounds. The role of the media also impacts a lot in creating an image of a destination. However, the results vary according to the time and the situation.

## 7.7 Experiences of Crisis Situation

There was also included an open-end question as the last question of the survey. The survey respondents were asked to share their own experiences related to crisis situation if they had encountered with any. They were requested to state how they escaped the situation. There were many personal experiences shared for that part of survey and is presented here (see attachment at the bottom). Many had encountered with crisis situation while travelling abroad and being away from the home country. The situation being a victim of conflicts, demonstration, natural disasters, and social crimes were recorded from the survey. Few of them were left trapped in the destination due to terrorism activities. Furthermore, some also remember being in a situation of social crisis and the way they escaped.

Among the experiences from the natural disasters, many have had to cope with the Icelandic volcanic ash cloud in Europe. Some also explained the encounter with earthquake in Asia. Few of them are shared below.

"I was in Istanbul 2010 when the volcano in Iceland started showing signs of eruption and we couldn't fly back home. Luckily we got new tickets and we're able to fly back home in fewdays."

"I could also tell about a situation that my friends had in 2010. They were in India and they had to stay there 2 weeks more than they were supposed to because of the volcano in Island erupted and flights were cancelled."

"I was in the middle of the bush fires between Adelaide and Melbourne in Australia 2009. Smoke was everywhere, the visibility was around 20 meters and the horizon was red because of the flames. We drove 4 hours back to Melbourne in evacuation line and when we reached the City we heard that people died in their cars in the same evacuation line. On that day the temperature was 47 Celsius and the wind was very strong. 130 people died. We were lucky."

Moreover, there were also responses explaining being a victim of crime and the situation of terrorism. Some were also stuck in the situation of demonstrations and riots.

"I have experienced war, can't state clearly how because I was a child at the moment but we migrated to the neighboring countries."

"Robbery attempt in Rio. Escaped it with running, loud noise and help of local friends."

"There was a protest in Peru in the streets once and a police officer was attacked and his horse was killed. I avoided the area by night time and stayed at tourist friendly areas."

"In Israel I was very lucky to leave just before the shooting started in Bethlehem on a Christmas Eve year 1994."

While some had stories to tell about the crisis situation, some very referring themselves lucky to not have been in the same situation. With surprise, few people wanted to experience crisis situation. There was some gratitude and wishes for the researcher to carry on his thesis as well. However, few of them even stated how they try to escape being in the situation.

"Not that I remember. I've been always really safe and travelled to countries where I don't consider being any dangers or risks. Yes. I walked away."

"I have never experienced. Hope I will one day."

"I'm glad I never have been in a crisis situation. I try to choose my travel destinations wisely".

"Crisis directly affects everyone. Well there is no way to escape from crisis but saving money from salary limiting spending and rational spending are the method I used to tackle with recession."

"I have been travelling a lot but never had any crisis or any problems."

"Are you talking about my personal crisis? I didn't experience any in my life. Yet. Once I lost my luggage at an airport... I survived. P.S. Good luck with your thesis."

"I have not experienced. I travel mostly in Europe which is a safe continent to travel."

However, there were not many experiences related to health scares and recession. But this does not state that the consequences from these crises are not severe and threatening. This can be proved from the survey results in figure 7 and figure 9 above. It is considered that less experience and information about the particular crisis makes it look bigger problem with more impact.

As a reply to measure of tackling the crisis situation, many had escaped the situation by either cancelling the trip or shortening the stay and move to the safer destinations. Some even had to prolong the stay until the situation was stable. Few of them wisely chose safer destination beforehand. From the experiences shared, it was seen that many of the incidents were still fresh in the minds of respondents, which states that the crisis situation might have a long impact on mental health of the people. Some of the respondents recalled the situations from their childhood and some from a decade back. However, it is also good to be prepared in advance and choose the destination wisely after getting the required information regarding the safety and situation at the planned destination. It is important to be up-to-date informed about the situations and the measures to take in case of crisis.

## 8 Limitations, Validity and Reliability of the research

The interview was held with the hotels operating in Helsinki region that limits the results within the region and country. Therefore, the findings might not be suitable to generalize the situation of whole tourism industry since other countries were excluded from this part of research. The same applies for the web-based survey which had more than 70% respondents residing in Finland. Also the interview was conducted electronically rather than face to face which might have affected in the results. The research would have lead to different kind of approach if had interviewed the professionals in Hotel business from outside the country, for instance the hotels from India that has faced the impacts from terrorist activities. It is possible for the survey results to be different if number of respondents from various backgrounds living in different parts had participated. However, the research covered the latest happening during the time.

To make the results from the survey valid and reliable, both qualitative and quantitative research methods were applied. Two different study approaches; Interview and web-based survey were conducted. However, there is a chance of getting biased results. The interview was held with two managers from two reputed hotel industries operating in Helsinki region. The same pattern of questions for provided to both. Due to lack of appropriate time, the interview had to be conducted electronically. On the other hand, the web-based survey was shared as a link in social network Facebook. Later, it was also made available for everyone at the researchers' school Laurea UAS through e-mail. However, the researcher is aware that the results might have been different if the targeted group was different or conducted during the different time of situation or outside the borders.

The question for both interview and online survey was developed after reviewing the literature and considering the main objectives. The researchers' own thesis guide was also consult-

ed for necessary assistance. The interviewed personnel are professional in their field thus, the information obtained shall be considered valid. However, the results might have been little different if was conducted face to face. There is also possibility of wrong interpretation by the researcher himself, which might mislead the information. Due to limited research are and the coverage of certain topic only, the results cannot be used to create general statements. The results might be different if researched again in future or change in research area.

For the online survey, 14 questions were included for the respondents to answer. The few questions at the beginning merely asked the respondents about their age, gender, residence and mode of transportation they use while travelling. Later on this focused on the subjective matter of research where they were required to scale the different forms of crisis. For this 6 common crises were included being terrorism, political conflicts, health scares, crime, recession and natural disasters. Further, they were asked their source of safety information and the countries they had visited, willing to visit and will avoid to visit due to crisis. At the bottom of the survey, they were asked to share their personal experience being in crisis situation.

The questions were very simple and time convenient to participate. 344 respondents from 22 different countries had participated in the survey that helped the research to analyze easily and make the results more valid. However, there is possibility for some respondents to understand the questions easily since English was not their first language. It was clearly seen from the language and grammar errors for the response in open-ended question at the bottom of the survey. Since, the survey fulfilled the required information of the research, it is valid and the objective was also achieved.

The results from the interview and survey were compared with other similar researches and the statistics available but with no surprises were found different. The results merely depend on the research area and the current situation plus the perspective varies from person to person. However, the finding of this whole research was based on scientific proof and the data obtained from the respondents. The sample for online survey was huge with 344 respondents from 22 different nationalities. The participant's age also varied where the average age was 27. Participants for the survey were random as well.

When reviewed the statistics from authorities the results were different than from the research. For instance, according to the survey Turkey and Thailand were included in the risky destinations category by the respondents. However, the facts are different and it states that Istanbul, the capital of Turkey is World's top 1 destination according to the travelers' choice poll (CNN, 2014). Same applies for Thailand whish stood in rank 20<sup>th</sup> in the same poll. On the

other hand, some results were same for both statistics and the research like Sweden and Estonia stood top destinations for travelers' in Finland, which was same as the tourism statistics of Finland. It showed that different people have different perspective.

The survey showed that responses on particular matter vary in a blink of time. The information recorded can be different for crisis during various situations. At the time of survey, there were series of crisis mainly in Ukraine, Russia, Syria and Nigeria. The media frequently highlighted their struggle with the situation. This might be the reason behind these countries ending up top in list of risky destinations in the survey. However, the survey covered the current crisis situations at that time and the information is most probably reliable for that time.

### 9 Conclusion

The objective of this research, which is to find out how crises have impacted the development process of tourism industry, was measured through qualitative and quantitative research approaches. As for qualitative approach, managers professional in their field operating business in Helsinki region were interviewed electronically. As a qualitative approach, a webbased questionnaire was developed where 344 individuals from 22 different nationalities had participated.

The theoretical part of this research was created after reviewing numerous literatures and journals related to the topic. Common crises like terrorism, health scare, political instability, recession, natural disasters and crime were included in the theory part and as a key component for survey process as well. Since crisis was a vast topic and defining it in terms of tourism was challenging, specific tourism business Hotel industry was chosen as a study area. However, the results obtained form the interview at these hotels may not be reliable to judge the whole tourism industry.

From the interview held it was concluded that, the hotel businesses operating in Finland precisely in Helsinki has not experience bigger crisis than the Icelandic volcanic ash cloud in 2010 and the global economic crisis in 2008-2009. For other crises Finland seem to be safe but future cannot be predicted so, one has to be always prepared for worst case. The hoteliers claimed that they have suitable crisis management plan to cope with crisis situation for minimizing the impacts. They were very aware about the happening in the world and were positive about future happenings in Finland.

The survey conducted with 72% Finnish respondents showed that the current happenings had lot of influence on the result of the survey. The average age of the participants was 27, which

was a required age by the research itself. Among respondents 38 % were travelling minimum of one time a year and other 35% was travelling more than two times. Travelling through air was the most popular transportation mode among the respondents even though the missing of Malaysian Airlines flight MH370 was a big issue during that time. The disaster of South Korean ferry during the time might have also brought differences in the results.

From the chosen crises, Terrorism was a big threat among respondents where 39 % claimed it has very much effect on traveller. Furthermore, 47% of respondents voted political conflicts to be quite much threat for traveller. It seemed that the political disputes in Ukraine and Russia during the time had great influence on the people. There were also conflicts in Syria and Nigeria that claimed lot of lives. In the survey it was recorded that health related crises had huge effect on travelling behaviour with 43% respondents claiming it to have quite much effect. It seemed that people have no intensions of compromising with their health proving the statement health is wealth. There were lesser respondents for economic crisis and crime where 48% and 41% respectively had voted as a little bit affect. Since the majority of participants were from Finland where there is lesser crime and less chances of recession, it changed the outcome. For natural disasters only 26% voted it to have very much effect.

From the survey, it was seen that crises did not stood as a big concern among travellers.

The survey was taken by majority of Finnish people and Finland is termed as very safe country in case of political instability and crime The economic situation is also good and there are very less chances of occurring natural disasters. There has not been a notable terrorist acts in the country and finnish people are considered one of the healthiest people on the planet. The viewpoint of Finnish people might be different from the people from another country where these kinds of crises are common. The results might not be same if more respondents from outside the country had participated.

Some responses were also recorded who do not agree that crises have effect on travellers. Terrorism stood as a major threat among the respondents. There were lot of crisis cases in different parts of world at the time of this survey. All of those incidents surely had great influence on the results of the survey. Among the survey takers 38 respondents (11%) had cancelled their trip due to crisis whereas some claimed to have travelled ignoring the crisis.

Safety has always been a matter of concern whether it is while travelling or other. The traveller try to look for various sources to get information about the travelling destination and its safety. One do not want to be involvement in any kinds of trouble or problematic situation when going for a trip. Media was the primary source to get safety information regarding the travel destination. However, most reliable information regarding safety can be obtained from authorities and travel agencies. Since media tend to look for more attetion

from the people there is high possibility of overrating or underrating of a crisis situation. The travellers are also highly concerned about the safety of travel destination with 41 % of respondents .

From the survey, the most popular destination country turned to be USA. It was surprising that even after the disaster in Indonesia few years ago; the people still wish to visit the country. Same applies for the countries like Japan and Thailand, which were hit by Tsunamis. Most of the trips were made to Sweden and Estonia followed by countries like Spain, Italy and France. The top two countries are same according to tourism statistics of Finland as well. There were also some trips made to the countries that had gone through series of crisis. It explains that people tend to forget about the tragedy moment brought by those incidents during the matter of time. Ukraine was regarded as the most risky destination where the respondents would avoid travelling. It might be due to the political unrest and the conflicts inside the country that many people chose it as unsafe destination to travel.

Few of the respondents claimed that due to the epidemic of Ebola Virus in parts of Africa, they would avoid travelling to the whole continent. It was surprising that, some countries that were listed as dream destination turned to be dangerous for other. Similarly, the destinations that some respondents had travelled recently were marked risky by another. The example of countries like Thailand, Greece, Egypt, Turkey, Japan, India and some other countries can be taken for this statement. This clearly states that the perspective towards crisis varies among different people with different backgrounds. The role of the media also impacts a lot in creating an image of a destination. However, the results vary according to the time and the situation.

Many respondents shared their experiences related to crisis. The situation being a victim of conflicts, demonstration, natural disasters, and social crimes were recorded from the survey. Among the experiences from the natural disasters, many have had to cope with the Icelandic volcanic ash cloud in Europe. Moreover, there were also responses explaining being a victim of crime and the situation of terrorism. Some were also stuck in the situation of demonstrations and riots. As a measure to tackle the crisis situation some do not hesitate to cancel their trip as well. Many even escape the situation by shortening the stay and move to the safer destinations.

The findings might not be suitable to generalize the situation of whole tourism industry since other countries were excluded from this part of research. The same applies for the web-based survey which had more than 70% respondents residing in Finland. The survey results might have been different if number of respondents from various backgrounds living in different parts had participated. However, the research covered the latest happening during that time.

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### Appendix 1: Professional Interview (Hotel Managers)

Dear Sir/Madam

This is Suman Maharjan, a tourism student from Laurea University of Applied Sciences, Kerava, Finland. I am writing my thesis on topic "Crises and Tourism Development". I am conducting a research on the situation of tourism industry during different crises times and its effect on the tourism industry.

The thesis shall be completed in the month of May and will be made available online on page <a href="https://www.theseus.fi">www.theseus.fi</a> for public. The interview is a part of Bachelor's thesis of Laurea UAS. The interview is carried out in few hotels operating inside Helsinki region.

By taking part in this research you are contributing to make tourism industry better for near future. Here I kindly request you to answer the questions below. The results from the interview will be kept anonymous and handled confidentially. If you have any questions regarding this research or thesis, please do not hesitate to contact me.

Thank you for your Participation.

Best Regards,
SUMAN MAHARJAN
Student of Tourism
suman.maharjan@laurea.fi
LAUREA UNIVERSITY OF APPLIED SCIENCES

- 1. What kind of crises or threats has your business faced in recent years?
- 2. Tourism development is greatly disturbed by crises than any other development programs. Do you agree?
- 3. How much has crisis affected your business?
- 4. What did you do to overcome those situations?
- 5. Which crises was the worst one in your opinion that you ever encountered while being associated with the tourism business?
- 6. What necessary steps can be taken to handle the crisis situation?
- 7. How do you assure the safety and security of your customers/clients in crisis situation?
- 8. What kind of consequences from crisis related to tourism can be avoided or minimized?
- 9. How important is it for Tourism Industry to have crisis management plan?

# Appendix 2: Online questionnaire

# Crises and Tourism Development (Survey) Hello Everyone! This is Suman Maharjan, a tourism student from Laurea University of Applied Sciences, Finland. I am writing my thesis on topic Crises and Tourism development. I am conducting a research on the situation of tourism industry during different crises times and its effect on the tourism industry. Besides this, i also want to find out how it has affected the travelling behaviour of the people and how they overcome the situation. The results from the research will be kept anonymous and handled confidentially. The thesis shall be completed in the month of May and will be made available online on page www.theseus.fi for public. The survey participation will take 3-5 minutes approximately. Your every response is valuable to me. By taking part in this survey you are playing small but very important role to make tourism industry better for near future. If you have any questions regarding this survey or thesis, please do not hesitate to contact me . Thank you for your Participation. Best Regards, SUMAN MAHARJAN Student of Tourism suman.maharjan@laurea.fi LAUREA UNIVERSITY OF APPLIED SCIENCES \* Required Your age fall under which group? \* 15-25 26-35 36-40 □ 40+ Your Gender \* Male Female Country of residence. \*

w many times a ye	The second second second second	oad r		
	•			
hich means of trans	sportation do you	use while traveling	ng abroad?	
Flight				
Cruise				
Train				
All of them				
Other:				
Which of the followin	o crises you thin	k afforte a moet to	a traveller?	
Thick of the following	Not at all	a little bit	quite much	very much
Terrorism	O	0	0	0
Political conflicts	0	0	0	0
	(20)	700-0		-
Health scares	0	0	0	0
Crime	0	0	0	0
Recession	0	0	0	0
Natural disasters	0	0	0	0
lave you ever cancel	led your trip due	to crisis?		
) Yes				
Fourism developmen	it is greatly affect	ed by crises. How	much do vou agree	2 *
Strongly agree	g. sauly alloce	,	so Joo agree	
Agree				
☐ No opinions				
Disagree				
Strongly disagree				

Where do you search i	nformation about your travel destination regarding safety?
From Friends/Relativ	es
Media	
Travel agency	
Authorities	
Other:	
low much are you cor	ncerned about the safety of your travel destination *
Very much     ✓	
Not very much	
A little bit	
Not at all	
	you avoid to visit at the moment because of crisis?  you really like to visit at the moment? Why?  e or one word)
Have you ever experie	nced a crisis situation? How did you escaped it? Please share.
	A

### Appendix 3: Responses to open-ended question 14

Have you ever experienced a crisis situation? How did you escape it? Please share.

- Not that I remember. I've been always really safe and travelled to countries where I don't consider being any dangers or risks. Yes. I walked away from it.
- > I moved from Spain to Finland mainly because of the economical crisis.
- I was in Istanbul 2010 when the volcano in Iceland started showing signs of eruption and we couldn't fly back home. Luckily we got new tickets and we're able to fly back home in few days.
- I've worked as a store security guard and as a mall security officer. I've had to detain a couple of violent individuals for public safety.
- I have actually been in a crisis situation, when our class in high school was supposed to travel to Dominican Republic in 2009 but the trip was cancelled because the authorities advised not to travel due to the unstable situation there.
- > I could tell about a situation that my friend had in 2010. They were in India and they had to stay there 2 weeks more than they were supposed to because of the volcano in Iceland erupted and flights were cancelled.
- > We were in Greece, Athens 2011. Economy Crisis blew up at the moment. People rushing into streets and they were throwing "Molotov cocktails" into parliament house. Things went pretty hectic and we had to run to avoid that huge mass of people, which was running into streets. One bus driver saved us and he drove us to the airport. We own our life to that gentleman. Without him, no one knew what would have happened.
- No, I haven't experience any crisis. Just in most of the countries, except Finland, I have tried to avoid hanging outside after midnight.
- I have experienced war, can't state clearly how because I was a child at the moment but we migrated to the neighboring countries.
- Once a mugger tried to rob us. Thanks to training did not have any problems dealing with him.
- Cancelled a trip to Istanbul due to demonstrations.
- I was in UK when a volcano erupted in Island. Didn't really feel like crisis, just had to find a hotel to stay, which was quite challenging because all the hotels were fully booked due to the situation.
- I was flying away from Sydney to Singapore in January 2012. There was hurricane in the Australian coast. I was flying with Mantas in the biggest aircraft in the world. It was really scary but the flight attendants handle it quite well. Nobody in our flight got hurt, we just had to sit and not move at all. But in other flight that was flying from Singapore to Sydney seven people got hurt.
- ➤ When Ireland had recession, I was staying there. I felt local people against feeling to foreign immigrants stronger by their discriminative behavior. It was safe enough but uncomfortable.
- Corruption in Morocco ended up paying a lot of money to get out of the country. Maybe more personal crisis compared to the ones mentioned above. Was in contact

with the Finnish embassy when being threatened in Morocco, also the insurance company helped with arrangements and covered everything financially. Always the help of local friends has proven out to be the best solution no matter where.

- > Would put the experiences in the crime category. A health scare I experienced in London I got drugged by something in a drink, even by buying it myself. Friends were (one of who was a police officer) resourceful again, found me in the toilet sleeping, was sick for a few days and had a memory loss of that evening. I love my travel insurance and would never go anywhere without it.
- Coup d'état in Ecuador in January 2000. Unstable political situation afterwards. I ran away from the teargas.
- It was crisis during 2008 in Finland and hard to find a work during this period.
- > There was a protest in Peru in the streets once and a police officer was attacked and his horse was killed. I avoided the area by nighttime and stayed at tourist friendly areas.
- Icelandic volcano eruption. I was in Spain and got stuck there because the flights were cancelled. In the end we rented a car and drove through Europe. One of the most memorable and fun trips.
- In 2010 I was travelling in Thailand. First of all, our flight was delayed because of the Icelandic volcano erupted. We had to stay in Thailand for an extra week. There we ended up in the middle of a political crisis where the people protested against something, can't remember what. Fortunately, nothing bad happened to us, but it was a lot of hassle to deal with during one holiday.
- When I was in London in 2012 there was an Olympic going on. And there was too much crowd on those days; the crowd was making a crisis on specially transportation service. People were coming out like group ants from all over the place. There was no place to step on the floor in bus stops and tube stations. In such situation I had two options; either I have to wait until the crowd is low or I have to choose the different route to travel to my destination. And it had directly affected my visit.
- I'm glad I never have been in a crisis situation. I try to choose my travel destinations wisely.
- > 2013 in Greece, we were going to spend the day shopping at a nearby city. We arrived just as people were amassing for a big demonstration. We abandoned our plans and took a taxi out of the city right away.
- > Crisis directly affects everyone. Well there is no way to escape from crisis but saving money from salary limiting spending and rational spending are the method I used to tackle with recession.
- I have not experienced a crisis till now. But I have heard from one of my relatives that they were affected by the political crisis when they visited Afghanistan. They shorten their visit from 2 weeks to 4 days.
- I have been travelling a lot but never had any crisis or any problems.
- I haven't experienced any bigger crisis but few smaller earthquakes have made me more conscious about natural disasters. I try to avoid travelling to countries where natural disasters occur fluently.
- In Portugal there are often fires during the summer that in some cases reached houses and made people very worried.

- Are you talking about my personal crisis? I didn't experience any in my life. Once I lost my luggage at an airport. I survived. P.S. Good luck with your thesis.
- I visited Thailand in the end of 2013 when there was a political conflict/protests going on. The tension showed on the streets where the protesters gathered and there were a lot of discussion in media about happenings. We were at the capital of Thailand, Bangkok, in a calmer period and luckily our flight back was on right time before the situation got worse again.
- ➤ I arrived in Budapest in the summer of 2002 in the nighttime. In the morning I woke up to sirens, there were police, army people etc in the streets because of the floods that summer. Thought I would stay until evening and then continue with a night train to my next destination, but at noon the electricity in the whole city went out and everything was closed so I hopped on the next train available (which was 3 hours late but left 5min after I boarded). Got out safe, called home on the train and found out that all travelers traveling with a Finnish agency had been evacuated already.
- I haven't been in a crisis abroad, but I was in London in August 2011, when the city suffered from many riots and crime waves.
- In 2011 I was traveling to Helsinki from London Heathrow. The airport had suffered of a heavy snowfall and was unable to cope with it. It was during the Christmas period so many travelers did not make it home for Christmas. Fortunately my flight was not cancelled, but it was only confirmed 12 hour before the departure. I witnessed many people living in the terminals since weren't able to get on their flights and people were waiting outside in the cold because they weren't allowed in the terminals without confirmed flights.
- I have not been in a real crisis situation. We lived at the moment in Bangkok and during the political protests there I felt bit scary but there were no big crisis situation.
- In 2013 I was stranded in Frankfurt for extra 26 hours because of heavy snowstorms in the area when almost all flights from the airport were canceled. I was flying with high quality airline, KLM, so they provided me with free transportation to/from the city, free hotel, free meals and a coupon for airport lunch. Crisis was pretty much avoided except for the delay and long queues at the airport.
- When I was a child our family holiday to Oman was cancelled because of the crisis in Iraq and Israel. I was sad and angry and also little bit scared.
- In Israel I was very lucky to leave just before the shooting started in Bethlehem on a Christmas Eve year 1994.
- When I was little, I was in South America with my mom in a bus and it stopped and some men were looking for someone. It was a little scary, but I don't remember so much about it. The situation was over and the trip was on. Everything was fine after it.
- Nothing really big has ever happened to me. Once I got "attacked" by a man in a stairway but he stopped after I started screaming. I wasn't physically hurt but mentally a little bit. It made me think about my own safety and what will I do in the future to prevent and escape situations like this.
- In Egypt a drug dealer attempted to sell us illegal drugs and we escaped the situation by remaining calm and not offending him.

- I went to Morocco in year 2011 and I really hated the place. There were not any terrorist but the local who were running the business were pretty much aggressive and vain. They tried to sell goods that I already told them I don't want.
- I was in Japan when the Fukushima power plant was destroyed by the tsunami. I fortunately was living in Osaka at the time (exchange student). I felt the earthquake in the classroom and heard about the tragedy right after the class. My home-stay family wanted me to think about leaving the country because of toxic gases but I insisted on staying rest of the time I had. Some of my friends had to leave due to their countries instructions or family demands. Finnish government only wanted us to inform all the names of the exchange students we knew and that we were all right. Even though I didn't have to run from there, it was quite hard time for us all. Some of my Japanese friends lost their friends and I couldn't contact some of my friends in Tokyo. It was scary because I was worried for my friends and my moods were swinging for a week or so, from crying to laughing. In the end I didn't lose anybody.
- I was in Madrid in 2003 when there was a huge demonstration against the war in Iraq. Some of the protestors acted violently smashing and spraying windows. It was a scary experience. I escaped the situation by going back to the hotel and avoided squares and main routes after that.
- > I was in middle of the bush fires between Adelaide and Melbourne in Australia 2009. Smoke was everywhere, the visibility was around 20 meters and the horizon was red because of the flames. We drove 4 hours back to Melbourne in evacuation line and when we reached the City we heard that people died in their cars in the same evacuation line. On that day the temperature was 47 Celsius and the wind was very strong. 130 people died. We were lucky.
- ➤ I had booked a flight to UK when there was this volcano eruption in Iceland, which affected many flights. Fortunately I was able to fly there eventually.
- Yes I have. There were earthquakes in northern Italy. We came there just after the disaster from Slovenia. To travel to Italy, we couldn't use the shortest railway there because they were all broken but we made a small round trip and then managed to get into Italy.
- ➤ In 2012 I was in Ukraine, and I have to say that it was an experience that I don't want to have again. You could see the corruption there, even the Police try to get what they think was theirs, by extorting money from the tourist who were in city after sunset
- I have not experienced. I travel mostly in Europe, which is a safe continent to travel.