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How to prevent tourists from canceling when a disaster hits the destination: promising measures, crisis-resistant target segment and leveraging peer-to-peer networks.

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Hajibaba, Homa and Dolnicar, Sara, "How to prevent tourists from canceling when a disaster hits the destination: promising measures, crisis-resistant target segment and leveraging peer-to-peer networks." (2017). *Travel and Tourism Research Association: Advancing Tourism Research Globally*. 22.
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How to prevent tourists from canceling when a disaster hits the destination: promising measures, crisis-resistant target segments and leveraging peer-to-peer networks.

Introduction

Tourism is an industry critically supporting many economies. Crises occurring unexpectedly at tourist destinations have the potential of causing dramatic drops in tourism demand, thus harming the local tourism industry and reducing its contribution to the country's economy. Examples include the 2011 Christchurch earthquake (Christchurch & Canterbury Tourism 2012) and the 2013 political tension in Egypt (UNWTO 2014). The drop in tourism demand is not only due to heightened risk perceptions following the disaster; it is also caused by a shortage in accommodation supply which forces tourists to cancel their travel plans, such as the case of the 2011 Christchurch earthquake.

It is critical for tourism authorities to protect the tourism industry if an unexpected crisis hits a destination (Faulkner 2001; Beirman 2003). Hajibaba, Gretzel, Leisch and Dolnicar (2015) identified crisis-resistant tourists as an attractive target segment in crisis situations. Strategies such as provision of guarantees and information are found to reduce consumers' perceptions of risk following a crisis (Mitchell and Boustani 1994). Several protection measures have also been proposed in the tourism literature: information updates, guarantees of personal safety, surveillance systems, free insurance coverage and marketing incentives such as price reductions (Beirman 2003; Kozak, Crofts and Law 2007; Law, 2006; Mansfeld 1999; Pizam 1999; Ritchie, 2009). It is not known, however, whether these measures are helpful in minimizing the impact crises can have. Developing such knowledge is difficult because any of the above measures used by destinations in the past were applied in different ways and circumstances, making the derivation of systematic and generalizable knowledge impossible.

The present study aims to gain insight into promising measures by asking tourists directly what could be done to prevent them from canceling. As opposed to studying the effect of individual measures in the context of a specific crisis event, this approach reveals a broad range of actions destinations can take in an attempt to reduce cancellations in times of crises. As such the study responds to the call for more research into the attitudes of (potential) visitors of crisis-affected destinations by Mair, Ritchie and Walters (2014).

Literature Review

When facing a risky situation, some tourists do not change their travel plans, some change them, some delay them and some cancel (Hajibaba, Gretzel, Leisch and Dolnicar 2015). According to Valencia and Crouch (2008), the majority of respondents would cancel or postpone their trip if a bombing or a hurricane had occurred. Hajibaba and Dolnicar (2015) find that the majority of respondents would cancel their trip in a terrorist attack or an earthquake. [Some segments of tourists are less likely to cancel their travel plans to a risky destination. Crisis-resistant tourists do not cancel their travel plans to a crisis-stricken destination and book despite crisis at the destination. They are young extroverts and show higher levels of risk propensity and resistance to change when faced with a crisis \(Hajibaba, Gretzel, Leisch and Dolnicar 2015\). Tourists with past experience of visiting the destination \(Walters, Mair and Ritchie 2015\) and those traveling with the purpose of visiting family and friends \(Ritchie, Chien and Sharifpour 2016\) are less likely to cancel travel plans when facing a crisis at their destination.](#)

Destinations in crisis can take action to prevent tourists from canceling. Provision of up to date information on developments affects tourists' decision to cancel or not to cancel a trip (Beirman 2003; Mansfeld 1999;

Ritchie 2009). Updates can be communicated through different channels including media, travel agents, destination website, and peer-to-peer networks. Tourists rely most on disaster information from their family and friends at the affected destination, followed by residents of the affected destination, destination government, and other tourists (Hajibaba, Karlsson, and Dolnicar 2016). Tourists also prefer to get updates from travel agent compared to media (Hajibaba, Boztuğ and Dolnicar 2016).

Guarantees of safety and provision of safety measures can enhance tourists' confidence to travel (Kozak, Crofts and Law 2007). Provision of security guard and personal safety devices that can signal emergency are effective cancellation prevention actions (Hajibaba, Boztuğ and Dolnicar 2016) as is provision of safety by residents of the affected destination such as helping tourists travel around the destination if public transport is not working (Hajibaba, Karlsson and Dolnicar 2016).

Offering a change of accommodation far from crisis center – especially if combined with an upgrade – is another cancellation prevention measure that can be used by destinations (Hajibaba, Boztuğ and Dolnicar 2016). In some situations – such as the 2011 Christchurch earthquake – some tourists are willing to travel but their accommodation is damaged. If destination is faced with accommodation shortage, peer-to-peer accommodation networks can be used to activate residents who are willing to open their homes to tourists (Hajibaba, Karlsson and Dolnicar 2016).

Methodology

Data were collected from 1196 adult Australian residents who took at least one vacation in the last year. They were asked to think of a trip similar to their last holiday. Then they were given two disaster scenarios of earthquake and terrorist attack. Respondents were not asked to think about a specific destination because the aim is to reveal a broad range of actions – rather than destination-specific actions. When developing scenarios, the focus was on describing the disaster situation – as natural as a real disaster situation that tourists face. Following each disaster scenario, respondents were asked the open-ended question: “Is there anything that could be done to prevent you from canceling?” This question was asked deliberately in a way that minimizes biases. Respondents were assured they would get 95% of their expenses refunded if they chose to cancel. Earthquake and terrorism are used as disaster scenarios in the current study. Earthquake and terrorism might not be directly relevant to the respondent's last destination. However, earthquake was chosen because natural disasters have constantly been identified as a risk factor affecting travelers' decision making (Law, 2006). Terrorism was included because political disasters have had the strongest effects on international tourist arrivals (Hall, 2010). Data was collected by an online research panel company; respondents received a small compensation payment. A directed approach of coding was used with the pre-determined categories from the literature as the initial coding scheme including “guarantees of safety” and “up-to-date information.” Those responses that could not be categorized with the initial coding scheme were given a new code.

Results - Terrorism Scenario

The terrorism scenario read as follows: “*Now please imagine that – shortly before the start of your trip – you hear in the news that there was a terrorist attack at the destination you are planning to travel to. A bomb detonated in the center of town. Ten people were killed and more than 20 injured. The people responsible for the terrorist attack were shot at the scene and a major cleaning up effort is on the way.*”

Nearly three quarters of respondents (74%) indicated they would cancel their trip under these circumstances. Five percent of the total of respondents said something could be done to prevent them from

cancelling. They were invited to list promising measures. Fifty-two respondents provided written measures.

The most frequently raised concern relates to safety and security where respondents differentiated between one-off incidents and incidents which would have further consequences (*“I would go ahead with my trip if there is reasonable expectation that the others behind it [the terrorist attack] are not planning another attack in the same place.”*) and indicated that two measures were critical to overcome this concern: a guarantee of safety and up-to-date safety information.

The most frequently mentioned measure (43%) was a guarantee of safety by officials (*“I would go ahead based on Foreign Affairs Advisory that the area is safe for Australians planning to travel there.”*). Interestingly, some respondents wanted a guarantee by the local government at the destination; others wanted an assurance of safety by their own government using websites such as www.smartraveller.gov.au. Within that same category other options included an assurance of safety from people at the destination and increased local security such as increasing the number of police or guards on the streets (*“Patrol the area and I will go.”*). Availability of up-to-date reliable information on the local developments from formal (governments) and informal sources (friends and families) was also frequently mentioned (35%).

Changing either the date of the trip, the location of the trip or at least the accommodation was mentioned (13%) as an approach to avoiding cancellation (*“I would not cancel if I had an option to delay my trip so that the clean-up was completed and any potential future attacks were unlikely.”*). Some respondents (2%) felt that the dire situation in which the destination finds itself may present an opportunity for them to benefit. Examples include accommodation and flight upgrades. These are not measures which relate to the unexpected crisis occurring, nor does it increase their safety, rather these tourists want to be “bribed” into not canceling.

Finally, the aspect of familiarity with the destination emerged (7%). Familiarity with the destination as well as visiting and helping friends and family at the destination reduce the inclination of people to cancel their planned vacations (*“If it was a familiar place with family and support I would still potentially go.”*) (*“If any of my family lived there I’d be there in a flash if they suggested it.”*).

Results - Earthquake Scenario

The earthquake scenario read as follows: *“Now please imagine that – shortly before the start of your trip – you hear in the news about a major earthquake at the destination you are planning to travel to. The earthquake has caused some serious damage to buildings, but your accommodation is OK. It cannot be excluded, however, that there may be aftershocks.”*

Seventy two percent of respondents indicated that they would cancel the trip. [Eight percent of the total of respondents said something could be done to prevent them from canceling.](#) [Seventy-eight](#) respondents listed measures that might prevent their cancellation.

As was the case for the terrorism scenario, safety and assurance of safety was mentioned frequently; by about one third of respondents (32%). They pointed to the fact that there are reliable sources other than governments that can provide such assurances in the earthquake scenario (*“I would not cancel if I received a guarantee from a geological society that there are no aftershocks.”*). Some respondents wanted guarantee of support and cover in the event of further disasters. [They wanted to be assured that they will be supported by the local destination if another disaster occurs during their stay.](#) Also – as in the case of the terrorism scenario – many respondents mentioned the importance of up-to-date information (29%) on safety status and the potential of special offers, price drops, flight upgrades (3%), changes of

accommodation as well as change of location and date of trip (25%). Some respondents mentioned the importance of visiting friends and family (11%) especially if they can be of help to them (“*I would not cancel if I felt I could be of use to help my friends who live in that area or other villagers.*”).

As opposed to facing the situation of a terrorist attack, the concern that they may be limited in their planned activities due to earthquake damage was raised more frequently (“*I would go if the sights and buildings I am going to see are not damaged.*”). Also more frequently mentioned were changes of travel plans as well as the wish to assist locals, especially friends and family (“*I would go if I felt I could be of use to help my friends who live in that area or other villagers.*”).

Conclusion and Discussion

This study has revealed possible measures destinations can take to proactively counteract tourist cancellations. Figure 1 provides a summary of findings. Although this is a qualitative study which did not aim to determine the proportion of tourists who view each of the measures mentioned as promising in terms of their potential to prevent trip cancellations, it is interesting to note the relative proportions. Guarantees of safety and the availability of safety information are critical measures especially in the terrorism scenario (see Figure 1), providing support for previous studies that find safety as an important factor for travelers when choosing a destination (e.g. Chen and Gursoy 2001). Previous research also points to the importance of guaranteeing personal safety to tourists (Ryan 1993; Sönmez 1998). The availability of safety information is emphasized as a measure that enhances travelers’ confidence to travel when facing a risky situation (Beirman 2003; Ritchie 2009). Both guarantees and information search are identified as strategies consumers use to reduce risk (Mitchell and Vassos 1998; Moutinho 1987; Roselius 1971).

Assurance of safety by residents as well as provision of updates on safety information by residents are pointed out as useful measures to prevent tourists from canceling (Figure 1). Peer-to-peer accommodation platforms such as Airbnb can be used to provide alternative accommodation for tourists when destinations are faced with accommodation shortage (Hajibaba, Karlsson and Dolnicar 2016). Such platforms are also helpful in times of disaster because they enable peer-to-peer communication of tourists and hosts. Tourists can communicate with hosts to make sure about the safety of the destination, the extent of devastation, etc. Hosts might also offer helping their guests to travel around the destination if the public transport is not working following the disaster (Hajibaba, Karlsson and Dolnicar 2016).

Some tourists reduce risks through changes in travel plans (Hajibaba, Gretzel, Leisch and Dolnicar 2015). Results from the present study show that if the concern is not limited to immediate tourist numbers at the destination, facilitating the postponement of the trip can be effective in securing medium-term business opportunities.

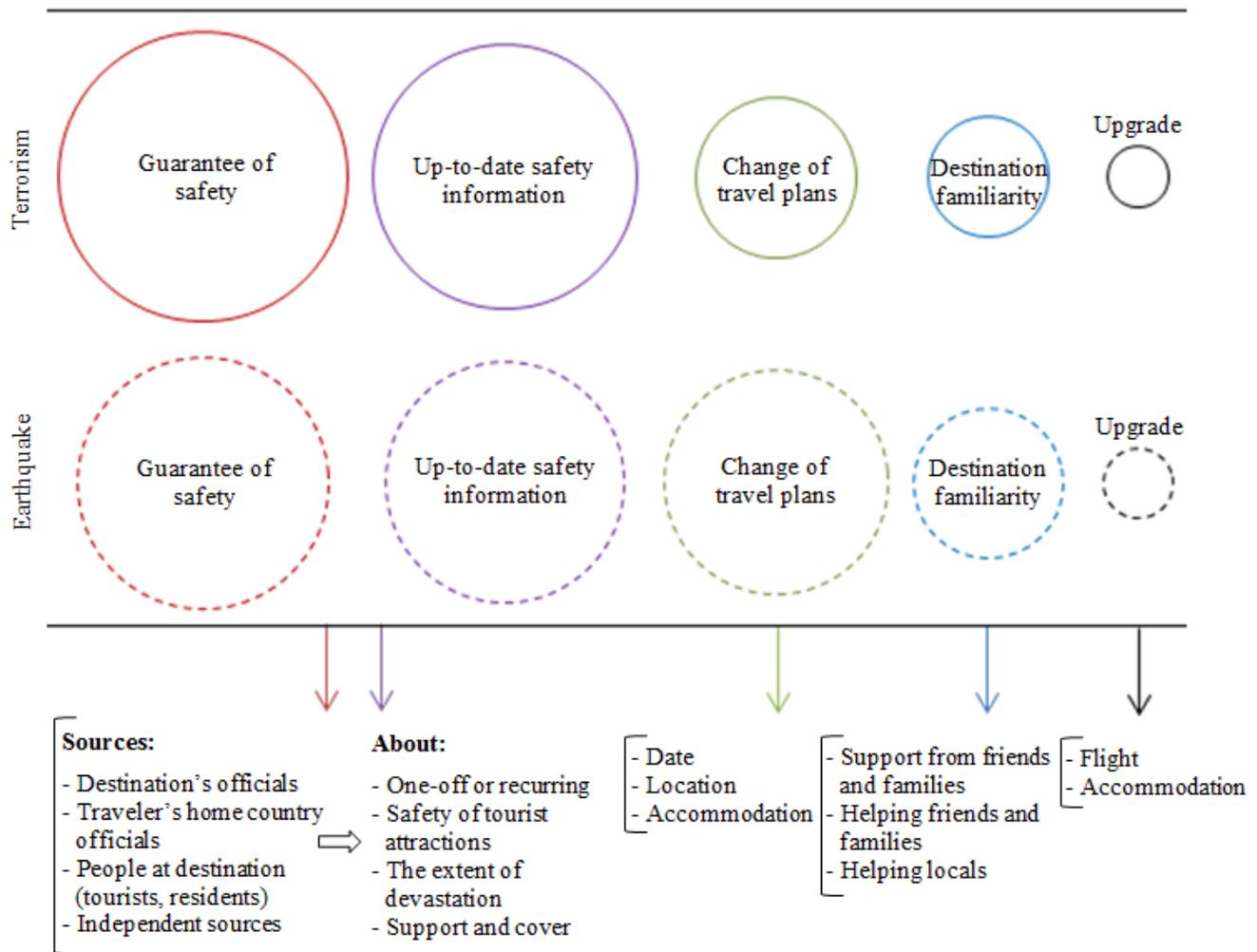
Another interesting finding is what could be referred to as the “inoculation effect” of the visiting friends and relatives market segment. Destination familiarity and having family and friends at the destination had a very positive effect on tourists sticking to their original travel plans. Familiarity with the destination has previously been identified as a risk reduction factor (Tideswell and Faulkner 1999; Walters, Mair and Ritchie 2015). Similarly, tourists with the travel purpose of visiting friends and relatives perceive lower risks (Ritchie, Chien and Sharifpour 2016). Destinations could launch promotion action targeted specifically at this segment, for example: “*There has never been a better time to visit – everything is half price!*”

Finally, it appears that there is space for genuinely altruistic appeals. Participants in the present study displayed concern about the wellbeing of locals and their willingness to contribute to the recovery of the

destination (Walters, Mair and Ritchie 2015). Such altruism, however, should not be left to chance, rather it should be proactively encouraged (“*You help us – we help you make your vacation even more attractive!*”).

While this study identified a number of possible measures destinations can take when affected by an unexpected crisis, it is limited by focusing on two kinds of crises only. Also, while open-ended questions reduce bias, they do not permit conclusions about the proportion of tourists reactive to each of the measures. [The effectiveness of the derived measures can be studied in a follow-up quantitative study.](#)

Figure 1 Preventative measures of trip cancellations (size of circles indicates relative proportions)



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