

# QLD Tourism Crisis Recovery Guide

Prepared by:



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## Introduction

Following is a brief guide to assist tourism businesses affected by the recent flood crisis in Queensland. The information has been put together by tourism industry consultancy firm TA Fastrack and their Tourism Risk, Crisis and Recovery Management expert, Dr. David Beirman and CEO, Adrian Caruso.

Please feel free to use this guide to assist any tourism business with their business recovery. Please feel free to pass the guide on to any flood affected business in its entirety however please make sure you acknowledge both TA Fastrack and it's authors.

TA Fastrack will be providing complimentary advice and consultancy services on Tourism Crisis and Recovery Management to any flood affected business and RTOs. Please contact TA Fastrack CEO directly on 07 3040 3589 or email [adrian.caruso@tafastrack.com.au](mailto:adrian.caruso@tafastrack.com.au) for further details.

## Effective Tourism Crisis Management

There are four steps in effective tourism crisis management. We have named them the four R's of Crisis Management.

1. **Readiness**
2. **Response**
3. **Reduction**
4. **Recovery**

Due to the current state of the floods, let's skip to step two, Response.

## Response

The key element of response to a crisis event is timing. If a contingency plan has been fully developed for a business or destination, it is possible to respond immediately.

The first hour after an event has occurred, be it an act of man or an act of nature, is the most critical. There is a need to establish to stakeholders and the media that the business operation is aware of events and is in the process of managing the situation even if not all of the pertinent facts are at hand.

## Some Key Points in responding to a crisis situation.

- A consistent message ideally with a single spokesperson.
- Brief key stakeholders and staff.
- Primary concern for victims and their welfare.
- Avoid blame.
- Assess damage and loss and be honest about it.
- Tell the truth but stress positives.
- Contextualise the crisis in terms of impact and time taken to recover.
- Maintain regular communication with stakeholders, victims, victims family and media,
- Ensure the organisation's web site is fully updated and publicise the fact that it is available.
- Establish phone hotline contact numbers.
- Recovery is more important than price.
- Seek and welcome help and offer support to other companies which have been similarly affected.
- Plan and develop a timetable for recovery.
- Maintain contact with relevant rescue, medical and police authorities.

## Reduction

The concept of reduction is the beginning of the process in which the enterprise and destination begins functioning. Services may be limited, access may be restricted, but it is the beginning of the transition from crisis to recovery.

This is the stage in which there has been a full assessment of damage or loss and there is a need to put in place a recovery alliance. In the case of a destination which has experienced a crisis event, this recovery alliance may involve government leadership and an alliance of all relevant sectors of the tourism industry.

In the case of an individual enterprise, this is the time in which there is a need to garner an alliance between the primary stakeholders and the staff.

At this stage, it is important to advise potential visitors or customers that the destination or business is operating and welcomes visitors. It is common especially after a natural disaster for prospective travellers to avoid a destination, because they believe that they may not be welcomed by the locals. In some cases, the re-marketing of visitors may be conducted as stratified marketing exercise in which solidarity and support is sought by that segment of the market which has the highest level of affiliation or commitment to the destination or business.

Many in the business may look at this stage as a soft re-launch.

### Focus items may include:

- Positive focus reports on reconstruction and rehabilitation.
- Announcements of business resuming.
- Business continuity plans while repair is undertaken.
- A proposed time line for recovery.
- Plans for new initiatives which may avert or minimise the impact on a repetition of the crisis event.
- Prepare a full recovery campaign in key source markets.
- Avoid actions which would be deemed to be insensitive to victims.
- Engage the local community in the process of recovery.

## Recovery

The worst is over and your business/destination is ready to resume normal or close to normal business.

Apart from an intensive marketing campaign, it is essential that a successful recovery program is economically, socially and environmentally sustainable. Attracting a lot of extra backs or beds or bums on seats is not in itself an effective recovery if incentive based discounts mean that businesses are losing money. Value added incentive with high perceived value and low costs are as effective an incentive tactic as price discounting and a lot less painful on the bottom line.

### Essential Elements in recovery:

- Establish recovery objectives and time line.
- Involve stakeholders and local community in a recovery alliance.
- Stratify and prioritize your target markets. Stalwarts, Waverers, Discretionary.
- Ensure that key prospective customers and the media are witness to the recovery process and that the enterprise/destination is open for tourism.
- Co-operate with government and emergency services.
- Establish negative and false perceptions and target them.
- Ensure visitors from your source markets, especially hosted visitors provide testimonials and report.
- Host people who have clout in your source markets.
- Offer incentives for customers to return to your destination or business but do so based on a financially sustainable strategy.
- Be positive and honest and communicate positive developments.
- Treat the media as a prospective ally rather than an enemy.
- Demonstrate appreciation to your supporters.
- Rebuild, developing an improved infrastructure.
- A crisis presents an opportunity to re-image your business and destination.
- Consult, monitor and review progress with staff and key stakeholders.
- Recovery is a team effort.

## Debriefing

Debriefings can occur as part of the monitoring process of a crisis situation but once the recovery process is well in train, this should be an essential activity.

- Established what occurred and the sequence of events which caused the crisis.
- Assess response to the crisis event and evaluate the effectiveness of the response process.
- What did we learn?
- What can we do better?
- How well did we cater to the needs of victims and our clients who were affected by the crisis?
- What changes are required for contingency plans?
- How effective was our training and preparation and what is required to improve them?
- Assess liaison with emergency services and government departments.
- Was our media management effective?
- How can we improve our media management and communications?
- Do we need a different or amended crisis management system?
- Was our tourism risk management process effective?

Lastly and most importantly: Have we effectively used this crisis event as an opportunity to improve our business/destination's infrastructure, operation, image, reputation and marketability? BUILD

BACK BETTER.

**N.B The word CRISIS means threat and opportunity.**

## Recovery Marketing – A Ten Step Process

The underlying intention of a successful tourism recovery program is not merely restoring or getting back to where things were before the crisis event, but to build back better. This is designed to result in a more marketable destination and business and to improve infrastructure to the point that a similar event in the future may be less destructive.

### Recovery Marketing Step 1 - Prime Messages

- We are open for business.
- Tourists are welcome and wanted.
- Incentives for visitation. Value-adding in preference to deep discounting.
- Solidarity messages especially for domestic or stalwart markets.
- Principals need to form a working alliance to spread the benefit of returning tourism to the businesses in the destination.

### Recovery Marketing Step 2 - Setting out the facts:

- Our destinations/hotel/tour/ attraction/flights are operating.
- Explain what clients/visitors CAN do.
- Outline any restrictions and limitations.
- Benefits for visiting now.
- Outline improvements, enhancements and changes.

### Recovery Marketing Step 3 - Complementary Alliances with Principals.

- Joint arrangements with hoteliers, resorts, restaurants, attractions, land tours and air links.
- Joint or club advertising and promotion.
- Value – added arrangements in concerts between complementary principals.
- Joint ventures between tourist authority and principals.

### Recovery Marketing Step 4 - Restoring Confidence in Source Markets.

- Travel agents and travel writers familiarisation trips. Choose opinion leaders.
- Seek eyewitness testimonials from opinion leaders in source markets.
- Ensure travel industry stakeholders are fully briefed.
- Demonstrate flexibility to travellers who cancel or postpone because of concerns.
- Ensure your representatives and GSAs in source markets are fully briefed.

### Recovery Marketing Step 5 - Alliance Marketing Models to Emulate

- TAG Tourism Action Group Fiji. An alliance of tourism industry leaders activated during crisis situations in Fiji.
- Turkey's tourism recovery Post Izmit Earthquake 1999.
- PATA's Project Phoenix, post SARS recovery for SE Asia in 2003

- Thailand's Post Tsunami recovery 2005.

## **Recovery Marketing Step 6 - Protecting Profitability during Marketing Recovery.**

- Offer incentives which will enable your business to sustain profitability.
- Value add rather than discount.
- Offer incentives in conjunction with travel industry partners (allied incentive programs), which may combine benefits for accommodation, dining, tours and visits to attractions.

## **Recovery Marketing Step 7 Re-imagining the Business and the Destination.**

- A crisis event presents an opportunity to upgrade and re-image the business.
- Completely re-theme advertising and promotion.
- Focus on the future.
- Focus on benefits for visiting now.
- Highlight features and benefits which may have previously been ignored or under-promoted.

## **Recovery Marketing Step 8 Incentives which Attract Tourists**

- Value added products: packages with free added product for consumers such as bonus meals, sightseeing, entry to attractions.
- A thank you gift/recognition for the visit.
- Special welcome.
- Hospitality touches.

## **Recovery Marketing Step 9 - Publicise the Positives.**

- Specials guest arrivals especially celebrities.
- Positive news of resurgence of tourist arrivals, rebuilding and enhancements of infrastructure.
- A re-opening event.
- Testimonials which are meaningful to source markets.
- Statements from visitors saying the visit exceeded their expectations.
- Visuals of visitors enjoying their visit/stay.

## **Recovery Marketing Step 10 - Reporting and Monitoring Progress.**

- Then and now analysis. Comparing the state of enterprise/ destination at time of disaster to advanced recovery phase.
- Publicise the changes and enhancements made.
- Promote to stakeholders and media how tourism has contributed to revitalizing the destination.

## Crisis and Recovery Case Study

The following is the process the author prepared and which was adopted by PATA in its approach to recovery by tourism businesses affected by the Dec 26, 2004 Indian Ocean tsunami and is relevant to tourism businesses affected by major natural disasters including hurricanes, tornados, forest fires, floods, earthquakes, volcanoes and storms.

### TOP Priority Issues at the Time of the Disaster:

- Contact of victim families and relevant authorities.
- Rescue, treatment, rehabilitation and registration of victims.
- Emergency provision of shelter, food, medical aid and evacuation transportation.
- Inform families, stakeholders. Relevant government authorities of current situation of victims.
- Brief media.
- Communicate with relevant tour companies and travel agents.

### Cost Assessment

- Destination authorities require an overall assessment of the financial cost of the disaster
- Assess immediate loss on jobs, revenue, infrastructure.
- Businesses need to assess loss to their business and cost of restoring property and material assists.
- Breakdown of cost per enterprise.
- Businesses to supply data to government destination authorities.

### Check List for Hotels and Resorts: Immediate Priority Issues

- Location and condition of all registered guests and staff
- Damage assessment and costings.
- Mobilisation of crisis management team (with good contingency management this should be immediate). Remember central point of contact and spokesperson.
- Issue update and situation report to all relevant stakeholders as soon as possible. Hour 1 is critical.
- Utilise web site (if operable) as a major communications tool.

### Primary Stakeholders Hotels and Resorts

- Guests, staff and their next of kin/or emergency contact points.
- Booking agents and wholesalers of guests (where relevant).
- Local and regional police, emergency and rescue authorities and foreign legations in cases where guests are foreigners.
- Head office of your chain (if applicable).
- Regional and national tourism marketing authority.

### Crisis Communications with Media

- Ideally one primary spokesperson managing communications with media.
- Establish an agreed and consistent line throughout the organisation.
- MAINTAIN HONESTY AND ACCURACY.
- Avoid blame and recriminations.
- Keep an updated website.
- Control interviews in terms of timing and information released.

- Cooperate closely with regional and national tourism authorities.

## **Timing the Commencement of Recovery Marketing**

- During the crisis period, suspend marketing to areas directly affected by the natural disaster.
- Market and promote areas unaffected by the crisis.
- ISOLATE and identify the areas affected by the Crisis.
- The timing of re-marketing for an affected area will depend on the time taken to stabilise the situation, Prime sensitivity is for victims and local community.
- When the region is ready to receive and welcome back tourists, then it's time to promote.

## **Pointers for Cruise and Tour Operators, Hotels, Airlines and Travel Agents**

- Maximise flexibility of cancellation and change policy.
- Offer alternative destination for clients booked in the disaster zone.
- Cooperation between all principals, especially hoteliers, ground operators, wholesalers and airlines to have consistent policy to clients booked to the affected area.
- Set a time limit for concessions and relaxations in cancellation and change policies.
- Clearly communicate the above.

## About The Authors

### Dr. David Beirman

Dr David Beirman is well known to the Australian travel industry, with over 26 years experience in retail travel agencies, wholesaling, consolidation and destination marketing. He is also a Senior Lecturer University of Technology Sydney. Dr. Beirman was Director of the Israel Government Tourism Office in Sydney between 1994 - 2006. From 2001 – 2006, he was founder, inaugural Chairman and National Secretary of the Eastern Mediterranean Tourism Association (EMTA). Since the publication of his book “Restoring Tourism in Crisis” in 2003, Dr Beirman has been invited as a keynote or major speaker on tourism crisis management at academic and tourism industry conferences in 15 countries (including Australia).

He has conducted crisis management training seminars for over 2,000 travel professionals from 20 countries including Thailand, Vietnam, Philippines, Israel, Fiji, Korea, Trinidad & Tobago, Jamaica, Canada and the USA.

### Adrian Caruso

Adrian is TA Fastrack's Founder, CEO and Master Business Coach. He is undoubtedly Australia's most successful travel, tourism and hospitality business coach having coached over 100 travel and tourism businesses and trained over 4000 people. He has many success stories as testimony to his skill and is outstanding when it comes to helping individuals and businesses get the results they want.

A former multiple travel agency and tourism business owner, now an established property developer in Queensland, author and industry keynote speaker, Adrian has been in and around the travel industry since the day he was born. His father, Sir Carmelo Caruso O.A.M established one of Australia's first travel and tourism companies back in 1950 in Brisbane. Adrian has completed a Bachelor of Business at the Queensland University of Technology, with majors in Accounting, Management and Marketing.

## About TA Fastrack

Established in 2003, TA Fastrack is one of Australia's leading travel, tourism and hospitality industry business solutions provider.

TA Fastrack offers a range of specialised services including tourism consultancy, business coaching, training and marketing services. TA Fastrack's vision is to enrich the lives of members of the travel and tourism industry by providing the world's best solutions.

This is achieved by providing the industry with the world's 'best-practice' in travel and tourism delivered by an experienced specialist team of consultants and people. Some of these 'best-practices' have been developed exclusively by TA Fastrack for the hospitality industry. TA Fastrack is the only company of its type in Australasia offering a total integrated solution. No other company specialises solely in industry has the hands-on knowledge or experience that the TA Fastrack team has. TA Fastrack has to date worked with over 2000 travel & tourism businesses in Australasia including some of Australasia's leading travel agents, tourism and accommodation providers.