



# PROCEEDINGS BOOK

of the International scientific and  
practical conference

CURRENT TRENDS AND PROSPECTS  
OF INTERNATIONAL TOURISM

03.09.2021

**PROCEEDINGS BOOK**  
of the International scientific and practical conference  
**CURRENT TRENDS AND PROSPECTS OF**  
**INTERNATIONAL TOURISM**



**Organizers:** Civil association for researching and creating policies in tourism, hospitality and sustainable development TURISTIKA Skopje

#### **PROGRAM (SCIENTIFIC) COMMITTEE**

Dejan METODIJESKI - University Goce Delcev Stip, North Macedonia  
Ibish MAZREKU - Haxhi Zeka University, Kosovo  
Milena TALESKA - "Ss. Cyril and Methodius University" Skopje, North Macedonia  
Plamen LAKOV - University of Agribusiness and Rural Development, Bulgaria  
Hajra SKRIJELJ - Haxhi Zeka University, Kosovo  
Oliver FILIPOSKI - University Goce Delcev Stip, North Macedonia  
Ivan LIVAJA - Polytechnic of Šibenik, Croatia  
Jasmina ANDREEVA – "St.Kliment Ohridski University", Sofia, Bulgaria  
Marija BELIJ RADIN - University of Belgrade, Serbia

#### **ORGANIZING COMMITTEE**

Nikola CUCULESKI - University Goce Delcev Stip, North Macedonia  
Milena TALESKA - "Ss. Cyril and Methodius University" Skopje, North Macedonia  
Oliver FILIPOSKI - University Goce Delcev Stip, North Macedonia  
Dejan METODIJESKI - University Goce Delcev Stip, North Macedonia  
Emilija TODOROVIC - "Lazar Tanev" Skopje, North Macedonia  
Kristijan DZAMBAZOVSKI - "Ambasador" Skopje, North Macedonia  
Cedomir DIMOVSKI - CSOO Skopje, North Macedonia  
Mladen MICEVSKI - "Mitko Pendzukliski" Kratovo, North Macedonia

Copyright © TURISTIKA Skopje  
All rights Reserved by TURISTIKA Skopje, North Macedonia  
Published by: TURISTIKA Skopje, North Macedonia

ISBN 978-608-4872-11-5

Oliver FILIPOSKI<sup>1</sup>  
Milena TALESKA<sup>2</sup>  
Kristijan  
DZAMBAZOVSKI<sup>3</sup>  
Chedomir DIMOVSKI<sup>4</sup>

## OVERVIEW AND NECESSITY OF RISK MANAGEMENT IN TOURISM

### Abstract

*The need for risk management in tourism is as great as ever. The purpose of this study is to present the ways of managing risks in tourism and the need to establish a system for risk management at the state level and in enterprises within the tourism industry. Through the analysis of the already known literature in the field of risk management which is slightly adapted to the tourist's needs, analysis of the risk management standards, policies and procedures that were introduced in the world and the Republic of North Macedonia due to the COVID-19 pandemic, we will perceive the need for a systemic approach to tourism risk management at both, macro and micro levels. The results show the framework of the processes for tourism risk management which is adaptable to the needs of the tourism industry.*

**Keywords:** *tourism, risk management, risk management process*

### INTRODUCTION

Risk management is planned process throughout which organizations manage active crises. Crisis is defined as a time of intense difficulty or danger and is usually a time when difficult or challenging decisions must be made. With an established plan that outlines the process of crisis management, organizations can more easily adapt to it. This definition of risk management is from the aspect of crisis management that should be implemented by the countries. Whether or not this establishment of risk management system gives the appropriate effects, we will understand in the continuation of this study from the aspect of

---

<sup>1</sup> PhD Oliver Filiposki, University Goce Delcev - Shtip, Faculty of Tourism and Business logistic, e-mail: oliver.filiposki@ugd.edu.mk

<sup>2</sup> PhD "Ss. Cyril and Methodius University" Skopje, Faculty of Natural Science and Mathematics, Institute of Geography, e-mail: mtaleska@gmail.com

<sup>3</sup> PhD Kristijan Dzambazovski, Manager in Hotel Ambasador, Skopje, e-mail: kristijan@hotelambasador-sk.com.mk

<sup>4</sup> MSc. Chedomir Dimovski, Advisor for the catering and tourism sector – Center for vocational education and training, e-mail: chedodimovski@yahoo.com

the setting up and from the aspect of the effectiveness in the execution i.e. in reacting in case of occurrence of some risks.

Anomalies in terms of risk management from the aspect of state institutions consists in a regulatory established system of acting responsively rather than preventive and systemic. This was seen in a view of several crisis situations, i.e. realization of risks that were predictable even though they are treated as unpredictable (the events of the 9/11 terrorist attacks in New York and the situation with the COVID-19 pandemic that followed 6 months after the registration of the first case).

The tourism industry operates and will operate in a dynamic environment that includes many interconnected sectors. As a result, it is constantly evolving and is particularly vulnerable to unexpected events. Unexpected events come in many forms, including health threats such as the global coronavirus pandemic in 2020, natural disasters such as earthquakes and floods, political conflicts, and terrorist attacks. Such risks and events pose significant threats to the tourism industry, the destinations and tour-operators operating in the sector. Starting from the period of independence until 2021, the Republic of North Macedonia was facing several crises, i.e. unpredictable events i.e. realization of risks. They are referred to the political and military conflicts from the beginning of the nineties, the military conflict from 2001, the political conflicts from 2015-2017 and the shootout in Kumanovo in 2015. Risks that were accidents, the two crashes of the passenger planes of the airlines Paler Macedonia and Avioimpex (86 and 115 passengers were killed) and the sinking of the boat Ilinden in Lake Ohrid in 2009 when 15 Bulgarian tourists lost their lives. Economic risks that have affected tourism in the Republic of North Macedonia from the independence until today are the transitional changes of the economic system from the nineties and the great world economic crisis which caused our country to be hit by the global economic crisis in 2008-2012. Health risks, out of which the greatest impact not only on the Republic of North Macedonia, but on the whole world has the Pandemic with COVID-19. Natural disasters are present on our territory, but they are of local character and without a major impact on tourism (floods, fires during the summer period, landslides, river overflow due to torrential rains, etc.).

Critical events cause a long-term negative impact on the destination in terms of the reputation of the destination and the number of visitors. Planning and understanding how to manage risks when a risk is realized and dealing with unforeseen events are key to mitigating the negative effects of such events on the tourism industry.

There are reasons to be optimistic about dealing with certain risks. The unfortunate events that have taken place in the last ten years have shown that the tourism industry is adaptable and, in many cases, shows that tourists want to continue traveling to the affected areas after the disaster is over. Destinations and operators that are well prepared and implement the best risk management strategies will be best positioned to survive the crisis and welcome visitors as quickly as possible. This was noticed within the implementation of the measures for the recent COVID-19 crisis. The countries that first started implementing health measures and vaccinated the population, are the ones that first opened the doors to tourists.

The purpose of this study is to identify the needs for a risk management system that will include not only the crisis management of the country but also a well-established risk management system by tourism industry companies. The compactness and well-established world practices of risk management systems provide the benefit of unpredictability, preparedness, organization and timeliness in dealing with risks, and thus reducing the

negative effects on the tourism industry. Lastly, we will point out the concluding observations of future discussions and research that need to be extended and developed to create an effective and efficient system of risk management in tourism.

### 1. Crises, disasters, crises management and risk management

The differences between crises and disasters are discussed in the world literature. In most cases, crises are unexpected, although potentially predictable, management failures that can be avoided with proper management. Disasters, on the other hand, are unpredictable, catastrophic events that cannot be predicted (Faulkner, 2001; Prideaux et al., 2003). Both crises and disasters significantly affect the choice of tourist destination, and even the decision of people whether to travel or not. This approach is promoted by the supporters of crisis management, and is the basis of their concept, unlike risk management, where crisis and disaster are the outcome of the risk, and not the cause of risk management. Generally, these outcomes can be classified as incidents caused by man or nature.

Crises are periods of intense uncertainty characterized by unpredictability and loss of control over key systems functions (Moreira, 2007). In general, the crisis affecting the tourism manifests itself as an event or set of circumstances that compromise or damage the market potential and reputation of the tourism business or the entire region (PATA, 2011). Crisis management consists of "strategies, processes and measures that are planned and implemented to prevent and deal with the crisis" (UNWTO, 2011). Risk and crisis management is an integral component of overall tourism and hospitality management, practiced at the level of the destination by the agencies, public sector communities, larger companies and individual businesses at the level of the destination.

Effective risk management can prevent a crisis from occurring. Poor understanding and risk management can lead to a crisis. Risk management involves assessing the likelihood of critical events that could lead to the tourism sector failing to operate normally. Six risk management functions have been identified by PATA (2011)<sup>5</sup>: Identification, Analysis, Planning, Monitoring, Control and Communication.

A prerequisite for establishing a framework for a risk management system is that tourism managers and tourism policy makers need to understand the nature of risk events, their development and expected magnitude. Faulkner proposes a six-phase framework for understanding the stages of the crisis and the necessary responses from the stakeholders (Figure 1), which we will use as a starting point for developing a tourism risk management system.

**Table 1.** Crisis management framework

No	Phase	Main strategies and activities	Key stages
1	Pre-event	Contingency planning	Prevention, based on known information
2	Prodromal (beginning of crisis)	Initiating an emergency plan	Answer
3	Emergency period	Crisis protection activities	Answer

<sup>5</sup> Pacific Asia Travel Association

4	Intermediate period (middle)	Realization of short-term needs, a clear communication strategy is established.	Answer
5	Recovery	Return of infrastructure, facilities and tourist attractions, coordinated and sustainable marketing response.	Stimulation of medium and long-term recovery
6	Resolution (Overview)	Overview of the activities undertaken for inclusion in further emergency plans.	Prevention, based on new learning

Source: Customized by Faulkner, 2001

According to Faulkner, crisis management planning involves the development of policies and procedures according to these six phases. But what are the shortcomings and what should be supplemented with we will consider in the following points.

## 2. Resilience in tourism

Resilience is the ability of a system to reduce the chances of a crisis occurring, to mitigate the effects of a crisis, and to quickly restore its basic structures and functions. The speed of recovery from a crisis (or stressful event) will depend on the different forms of capital (social, political, economic) built in the pre-event stages. And here is the first key point that recovery depends on the setup of the system before the event. To a large extent, such a crisis management system does not give good results, and risk management as a process of continuous monitoring of unpredictable events can completely minimize this weakness. Understanding resilience concepts can help identify the necessary interventions to enable a system to maintain its core functions and enable faster and more successful regeneration. Cochrane (2010) develops the concept in the direction of tourism as the "sphere of tourism resilience", with basic characteristics of the elastic system are:

- Ability to understand and make use of market forces;
- Cooperation between stakeholders to create strong networks;
- Leadership, usually provided by the public sector; and
- Sufficient flexibility to adapt to change, including adaptive learning.

This shows that the tourism industry is elastic and adaptable enough, but with the help of the public sector and the support of the institutions of the system can quickly absorb the negative consequences of the critical event. Historically, the fastest recovery from any crisis situation (worldwide) has tourism, as was the global economic crisis 2008-2012, and the lately reduced restrictive measures since the COVID-19 pandemic, with which the tourism sector has adapted the fastest and fastest received the first foreign tourists.

## 3. Pre-crisis: Establishing a risk management process

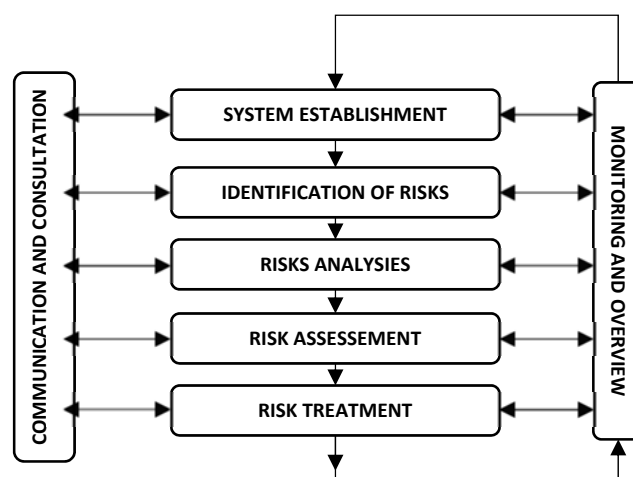
Crisis management uses the term unpredictable crisis preparation and is an essential element of business planning which suggests that we should not wait for a crisis to occur in order to establish a plan, but on the other hand already established plan comes down to already know preventive measures for crisis management situations (after emergence) and insufficiently continuously implemented (due to various institutional or political reasons).

Preparing for risky or crisis situations is commonly referred to as the Risk Management Process. The risk management process aims to reduce uncertainty about the actions taken during a crisis.

It is important to put more emphasis in this period, because this period can be very short, but also very long. Short, if a risk would arise and the organizations are not ready, or very long if a risk would occur very rarely, and for that period the organizations would have time to "prepare". Thoroughly research, information gathering, and analysis of possible risk scenarios is essential for more appropriate risk management in tourism, both tourism organizations (governmental and non-governmental) and tourism companies (hereinafter we will address them all as tourism organizations). Good preparedness can help minimize losses and shorten the recovery position, thus giving it an advantage over other tourist destinations.

Risk management in developed countries around the world is an integral part of the management theory and practice. However, in our country and our environment it is still in the initial stage of development. The basic concept of risk management aims to reduce the risk from the domain of uncertainty and unfamiliarity in the domain of knowledge or probable framework, i.e. to use different methods to control risks and manage them. In other words, it is a systematic process for identification and assessment of possible damages, faced by the individual or organization, and for the implementation of selected techniques for its prevention / reduction and procedure in case of its occurrence. Due to the importance of risk management in the overall management, it is widely applied in operating systems, so there are several different approaches to defining the stages of their implementation. There are basically no significant differences in these stages, but the differences relate to certain details. The basic structure of the phase division is identical and originates from the definition of risk management itself. In the context of tourism, we will take for analysis the Risk Management Process proposed by the Australian Crisis Management, as the most appropriate and quite flexible to the needs of the tourism industry.

**Chart 1: Risk management process**



Source: Customized by management of crises situations in Australia

**System Establishment.** This step addresses the establishment of policies, systems, procedures and stakeholder relations relevant to tourism organizations, which requires a



solid understanding of tourism, including key business activities, economic constraints and organizational strengths, weaknesses, opportunities and threats. (SWOT). Conducting a SWOT analysis is a useful business tool at this stage and the specific focus on "threats" will help to identify potential problems that the risk management process needs to solve.

**Identification of Risks.** No crisis is the same, and some destinations are more at risk than others. Risk analysis should be performed, preparing a list of risks that may occur based on those that have occurred in a region/country in the past and may recur. All events that could be an opportunity for a critical event to occur should be included, based on a thorough analysis, following and monitoring by the relevant institutions (ministries, agencies, etc.).

In terms of predictability and avoidance, there are two broad categories of tourism-related risks: those beyond the control of managers, politicians, and policymakers, such as natural disasters, disease epidemics, and sudden global economic events, and those arising from the failure of management and government to deal with foreseeable risks. These include (within the business) bad management or leadership, financial fraud, data loss, destruction of the business due to fire or flood without proper backup or insurance; and (at regional or country level) acts of war or terrorism, political conflict, crime waves and anthropogenic climate change.

UNWTO (2011) places tourism risks into five categories:

1. **Environmental risks**, including geological and extreme weather events, and man-made situations, such as climate change and deforestation. These include earthquakes, volcanic eruptions, tsunamis and floods, hurricanes and other extreme weather events. The 2004 Boxing Day tsunami, which devastated numerous coastal areas in Asia and killed more than 230,000 people, and Hurricane Maria, which devastated several islands in the Caribbean in 2017, are two examples of natural disasters.
2. **Social and political**, including rebellions, criminal waves, terrorist acts, human rights violations, coups, violently contested elections, etc. political conflicts are common in countries in development, and it often affects the tourism. Both Ethiopia and Nicaragua experienced political conflict in 2019, prompting other countries to issue » do not travel« advice to their nationals. Some countries/regions suffer more from terrorist attacks than others. Notable examples include bombings in Sri Lanka and Thailand, which were deliberately targeted at tourists. More than 250 people were killed in the 2019 Easter bombings in Sri Lanka. Thailand has suffered from several terrorist attacks targeting tourists, including one of the shrines in central Bangkok, which resulted with 20 people being killed.
3. **Health risks**, such as epidemics of diseases affecting humans or animals. Pandemics and epidemics are the most likely risks. Together with COVID-19, the Ebola epidemic between 2014 and 2016, which affected several West African countries. The Ebola epidemic has affected tourism in some parts of Africa, but the misconception that "Ebola is in Africa, so Africa has Ebola" has affected many other countries in Africa.
4. **Technological**, including traffic accidents and defects in IT systems.
5. **Economic**, such as large currency fluctuations and financial crises. The financial crises often have a significant effect on the tourism industry, such as the Global Economic Crisis in 2008/2009, which led to a 4% drop in international tourists. However, by 2010, tourism had returned strongly.

In addition, specific events may affect individual work processes, such as:

6. **Accidents affecting clients in the public area**, e.g. traffic accidents, pyromania, drowning, kidnapping, etc.
7. **Accidents or events within an individual enterprise**, e.g. fires, injuries, food poisoning, etc.

The identification of risks mostly depends on a well-established information system. The sources of information can be from relevant institutions (meteorological stations, health research centers, economic and political institutes, statistical institutes, etc.) or from own sources (planning and analysis departments, etc.).

In the context of labor and recent developments with the new phenomenon, COVID-19 which paralyzes the global economy on an unprecedented scale in early 2020 and tourism is the most affected industry, we will present as an example the institutions of the world that provide relevant information on a daily basis. This information is mainly the basis for proper identification of the nature of the risks, how they manifest, how they change and so on. No one knows what the long-term implications of COVID-19 will be, but it is widely known that its impact will be serious in many industries, including tourism. Institutions that constantly provide relevant information about this phenomenon, and are important for tourism are:

- The World Tourism Organization (UNWTO) regularly publishes updates on the global situation on its website, including articles such as Tourism and COVID-19 and Assessing the Impact of the occurrence of COVID-19 on international tourism. These articles are regularly updated.
- The World Travel and Tourism Council (WTTC) has set up various information centers for its members, governments and travelers to provide relevant information.
- The Adventure Travel Trade Association (ATTA) regularly updates its comprehensive information and advices for the tourism industry.
- The International Air Transport Association (IATA) has published resources for airlines and other travel professionals.
- The European Travel Commission (ETC) is a good source of information on the European market.
- The World Health Organization (WHO) dashboard provides information on the current state of the world pandemic.

**Risk analysis and assessment.** Risk analysis involves determining the likelihood of risks occurring and their possible consequences, from minor to catastrophic. Understanding which eventual crisis would have the most negative impact allows to decide on the priority course of actions to be taken. For each identified risk, a matrix can be created that assesses and evaluates the likelihood of the event occurring and its possible consequences. Another method of assessing the likelihood of risks and their possible consequences is to assign certain quantitative parameters. When assigning values, the impact of risks at different levels should be taken into account - macro on a global level, where not much can be influenced; meso, the impact will be limited; and micro-crises, which are likely to require actions within tourism enterprises.

Following the analysis, risk assessment focuses on measuring the ability to manage risk, whether it can be addressed/treated according to the current capabilities of organizations and what needs to be done in a given time and space.

**Risk treatment.** There are several accepted strategies that you can use to manage your risks. The following are the basic ways to deal with risks, such as:

- **Risk avoidance** - which means not pursuing activities that are likely to be risky. For example, if the tour takes place in an area prone to flooding or landslides at certain times of the year, the tour may be automatically cancelled at that time or may be redirected.
- **Risk reduction** - if the risk cannot be eliminated, steps should be taken to reduce the risk by implementing initiatives such as appropriate safety standards, providing appropriate equipment, securing buildings constructed to withstand earthquakes, and implementing appropriate health and security procedures.
- **Risk transfer** - usually to a third party, such as an insurance company. At the very least, tourism organizations need to have public accountability and professional accountability. European tour-operators generally require their suppliers to have adequate liability insurance before starting cooperation.
- **Risk retention** - this usually refers to the acceptance that minor risks do occur infrequently throughout the year and the ability to manage them in the most appropriate way.

**Communication and consultation.** Being visible and maintaining contact with stakeholders is one of the most important risk management factors, and it must be done on an ongoing basis at all stages, before, during and after a crisis. Travel organizations have constant communication with their staff, customers and suppliers and their mutual risk information must be honest, factual, reliable and encouraging. Communication and consultation on the risks affecting tourism stakeholders is done on a regular basis and based on the creation of special bodies (permanent or temporary) for a particular crisis situation for better communication. These bodies can be commissions, committees, crisis groups, centers, etc. But regardless of the names, they should have a list of stakeholders that are closely related to tourism. That list should include: Government agencies - Ministry of Tourism (or sectors or departments if there are no ministries), Tourism Promotion and Support Agencies, Customs, Ministries of Foreign Affairs, Health Agencies, Ministry of Justice, Ministry of Transport, Environmental Agencies, Security Agencies, Disaster Management Centers, etc.; The Police; Tourist Boards - national and local visitor centers; Airlines and Transport Organizations; Hotels and other accommodation associations; Associations of tour operators and travel agencies; and Tourist Associations.

But for risks affecting larger territories, there should be close cooperation with the international institutions of the countries affected by some risk and with international institutions (as mentioned above in the relevant information section) for greater coordination and cooperation.

For the best communication with stakeholders, including tourists in the first place, travel organizations, permanent or temporary (established to deal with a particular crisis situation) should use the official websites with regular information update.

**Monitoring.** Crises often move fast; situations tend to be highly variable and can be unpredictable. This means that ongoing processes, plans or procedures used to deal with the

crisis need to be regularly reviewed and updated. The system needs to be flexible and dynamic so that can be easily adapted to the changing situation when an unforeseen event occurs. This should be done regularly, at least annually, at times when there is no risk.

**Training and testing.** Once the risk management system has been formulated, staff must be trained and tested. During a crisis, staff may have to take on different roles from those they are familiar with, which can be stressful. It is necessary to determine exactly the actions to be taken in case of any risk, with accurate and clear directions of action of each organization in tourism, and therefore of their employees. Some trainings, such as mastering safety precautions in adventure tourism or first aid should be on a regular basis, and in coordination with accredited institutions to perform such trainings, but also trainings such as the implementation of international standards (diving standards, HACCP standards or risk management standards) although they are optional should be applied on a regular basis (depending on the capacity, number of employees or the way of work of the tourism organizations).

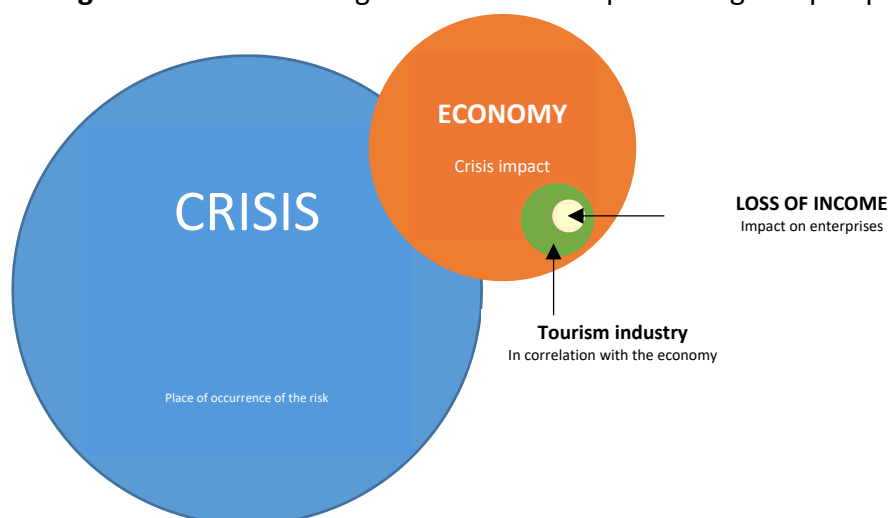
The risk management process itself must also be tested in terms of functionality, which is done analytically and practically. Analytically with the help of scenario analysis (positive, real and negative scenario) and practically with scenario testing according to real risk situations (earthquakes, pandemics, terrorism, etc.).

#### 4. During the occurrence of the risk

Once tourism organizations are in the middle of a crisis, the first thing to do is to understand the situation as best as they can and to understand the impact it can have on the tourism organization (in tourism enterprises (sectoral), tourism industry (types of tourism services) and tourism government institutions (local, regional, national or international)). This is a continuous process because one of the characteristics of the manifestation of risks is that they are always changing, and the effects on the tourism industry are also constantly changing.

The current COVID-19 crisis is an example of a global crisis that has hit countries' economies hard as a result of business closures around the world. For the tourism industry, this includes job losses, declining incomes, unemployment and uncertainty about the future.

**Figure 1:** Understanding the situation and presenting it in perspective



**Source:** Customized according to Anil Chitrakar and Raj Gyawali

The approach to risk management, whether it is a tourism company or the entire tourism industry or the space in which the risk event took place is the same. However, the way in which risk management will be implemented is drastically different and will depend on the type of risk and frequency and scope. So, earthquakes or landslides or tsunamis tend to be localized events and do not affect the rest of the world. Although the immediate effect on local i.e. national tourism companies may be almost like global crises, but the way you respond to such risk will be different.

There are four main steps or stages that the realization of the risk event goes through, as follows:

1. **Mitigation** - immediate actions at the moment of occurrence of the risk, for greater amortization of side effects (if possible).
2. **Readiness** - to prepare tourism organizations to face the current situation and focus on work on the next two steps.
3. **Response** - to respond to the risk event and to use all available resources to deal with and implement an effective response.
4. **Recovery** - The path to recovery to prepare and work on strategies to return to normal i.e. the new normal.

A very important element in this part of risk management is the communication that takes place between these phases and the transition from one to another. Communication depends on the type of audience and is aimed at teams, suppliers, interested stakeholders, the industry or the tourism market in general.

### 5. Restoration and new normality

It is difficult to know when the response phase becomes the recovery phase. However, it is clear, that while moving towards recovery, the steps that have been put in place in the risk management system should continue to be followed. As in the previous steps, the system needs to be constantly updated, based on the current situation. Flexibility during the retrieval phase continues to be important for the recovery phase. Travel organizations may look different after all the changes that may have been made as a result of the critical event, and therefore the markets can also change.

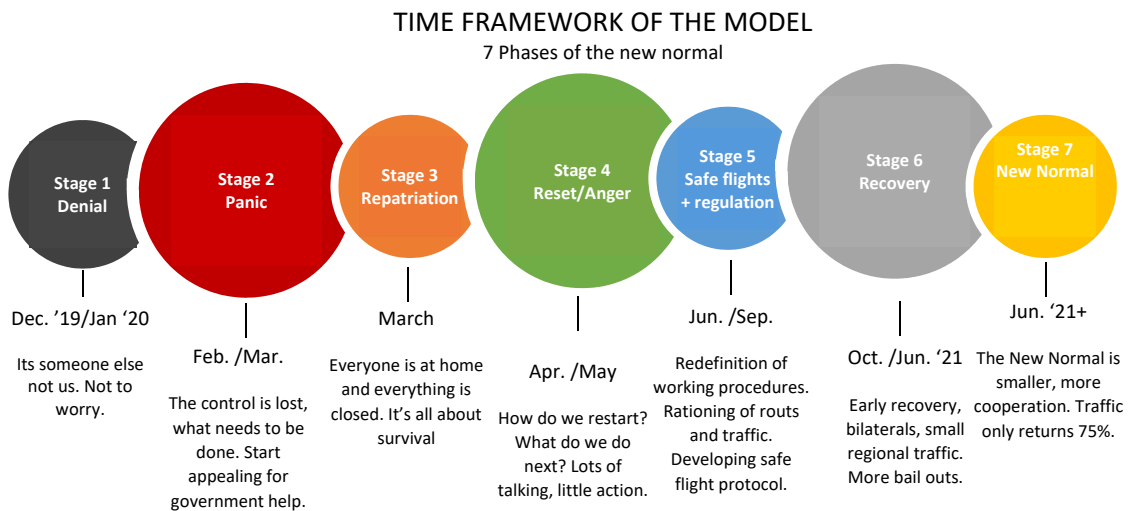
There are a few points to consider when going through the recovery phase:

- Markets may have changed and there may be other changes in the way tourism processes work. For example: during the COVID-19 crisis, many countries imposed additional health checks on incoming visitors. The processes of tourism companies may need to adapt to this "new normality".
- Human resources may change, they may decrease or increase, or more effort may be needed to retain employees in the hospitality industry.
- Market changes can mean investing in technology and training, implementing new ways of communicating, and even refocusing on new markets, such as offering lower-cost packages for the domestic market while waiting for international tourists to return.
- Be flexible and adaptable, as markets will not stabilize. The ability to react quickly and make the necessary changes will ensure that you can benefit from the situation as quickly as possible.

- The stakeholder base may change so that the development of new partnerships can be crucial at this stage. For example, some suppliers may have stopped working and new ones will need to be found.
- Well-implemented activities in dealing with some risks should be maintained and available or in the next stages to be supplemented or corrected so that they can be successfully implemented in the same or similar critical situations.

This phase can take a long time, and it will take a lot of hard work, determination and commitment to get the tourism industry back on track. Using the example of COVID-19, in the following figure we will see the process of recovery from this risk provided by PhocusWire (a world leading company for information, analysis and research in the field of tourism) which offers an overview of the stages towards the new normal reality. This clearly shows that the recovery process is likely to be the longest of all stages in the case of COVID 19, but its success depends on the work undertaken on each of the previous steps: mitigation, readiness and response.

**Figure 2: COVID -19 – Seven stages to the New Normal**



Source: Customized by PhocusWire

## 6. Ways of reacting to risky situations

The reaction of the participants, i.e. the parties found at the time of occurrence of a risk is different. The parties involved will react depending on their psychological state, culture and education, regulatory framework and policies. Hence, whether tourism organizations will be willing to take risks or spontaneously wait for things to unfold. In most of the cases we saw during the Covid-19 crisis, it was obvious the spontaneity on the part of tourism organizations and delays in measures (if any) in response to the risk of a pandemic. Concerning the responsiveness of societies at risk on an international scale (such as the pandemic), it was recognized the need for reorganization of international institutions that needs to be further developed after the recovery period, a systematic risk management process at the national level, including a framework for risk management by tourism enterprises and systems of mutual communication and appropriate relevant information and reactive actions by crisis

management in coordination with the risk management system. The most common reactions are from tourists, tourism companies and government tourism institutions.

**Reaction of tourists.** Among tourists, the most common disaster response is avoidance. Exceptions to this are people who travel to see the places with disaster to satisfy their curiosity. Usually, when travelers see unsafe and unsecure conditions, they cancel their plans or choose alternative, safer destinations. For example, while inbound and outbound travel from the United States suffered after 9/11, domestic tourism grew. Also, safer foreign destinations were chosen instead of visiting New York. For example, Thailand became a more popular destination when many Western tourists changed their routes from Malaysia and Indonesia, two predominantly Muslim nations, to a country not involved in the war against terrorism (McKercher and Hui, 2003).

According to a study in Hong Kong, 40 percent of respondents made changes to their travel plans immediately after 9/11. Most of them changed their destination, although a small number canceled or postponed their trips.

People preferred to postpone their trip rather than cancel it altogether (McKercher and Hui, 2003, p. 108). Similarly, in a study by Chen and Noriega (2003), about one-third of their student travel population changed their travel plans after a specific critical event.

McKercher and Hui (2003) found that immediately after 9/11, 50 percent of the population felt that travel was just as safe or secure as before the attack. A year later, three-quarters of their surveyed population thought travel conditions were safe or safer than before 9/11. However, there seems to be a relationship between the severity of the incident and the duration of its critical effects on tourism (Pizam, 1999; McKercher and Hui, 2003).

**Reaction of tourism companies.** Prideaux et al. (2003, p. 479) claim that long-term crises can provide some degree of predictability, while disasters can best be resolved only after the event. Even when crisis situations can be avoided to some extent, in most cases they are resolved only after the crisis has developed.

In general, the first response in the business community should be, and usually is, to decide which actions will be most helpful in the situation and to provide care for people. In New York, restaurants noticed that their first reaction was to provide shelter, water, food, toilets, telephone services, and comfort to people in need, including police officers and firefighters. Their response to employees included assurances that their jobs were safe and that many owners had retained employees at their expense. The approach of restaurants to their customers includes changes in the menu and price, changing the indoors ambience and assessing the new needs of the community (Green et al., 2003). Many travel companies have reduced prices to encourage the public to continue using their services (Blake and Sinclair, 2003).

**Government response.** Government responses to critical events will affect the recovery rate of the tourism industry (Prideaux et al., 2003). In the short term, governments typically seek to maintain law and regulations, provide disaster relief, implement security measures, and influence changes in negative public perceptions (Beirman, 2003b; Blake and Sinclair, 2003). Also, after the disasters, some national governments issue official travel warnings to parts of the world most affected by disorder and shockwave. For example, the US government regularly publishes travel warnings for countries advising its citizens to avoid them.

This usually causes damage to the tourism industries of countries at increased risk of being listed by the US, Australia or EU countries (Sönmez, 1998; Thapa, 2003). Perhaps the most significant long-term responses of governments are policy changes. In the United States, for example, the government has introduced many new policies to protect public safety at home and abroad, including tourism workers, suppliers, and tourists themselves. Almost all of these policies focus on improving security and offering financial assistance to the people most affected by the events.

## CONCLUSION

What will the future bring for safety and security in tourism? No doubt tourism crises will continue to exist, they will exist as long as the tourism exists, but the ways in which travelers, industry and governments respond to various risky threats are likely to change. Passengers should expect enhanced security measures in densely populated areas and in transportation centers. Its most likely that the level of personal privacy will decrease, and highly sophisticated security tools will be used, such as DNA testing devices and face scanning equipment (Goodrich, 2002).

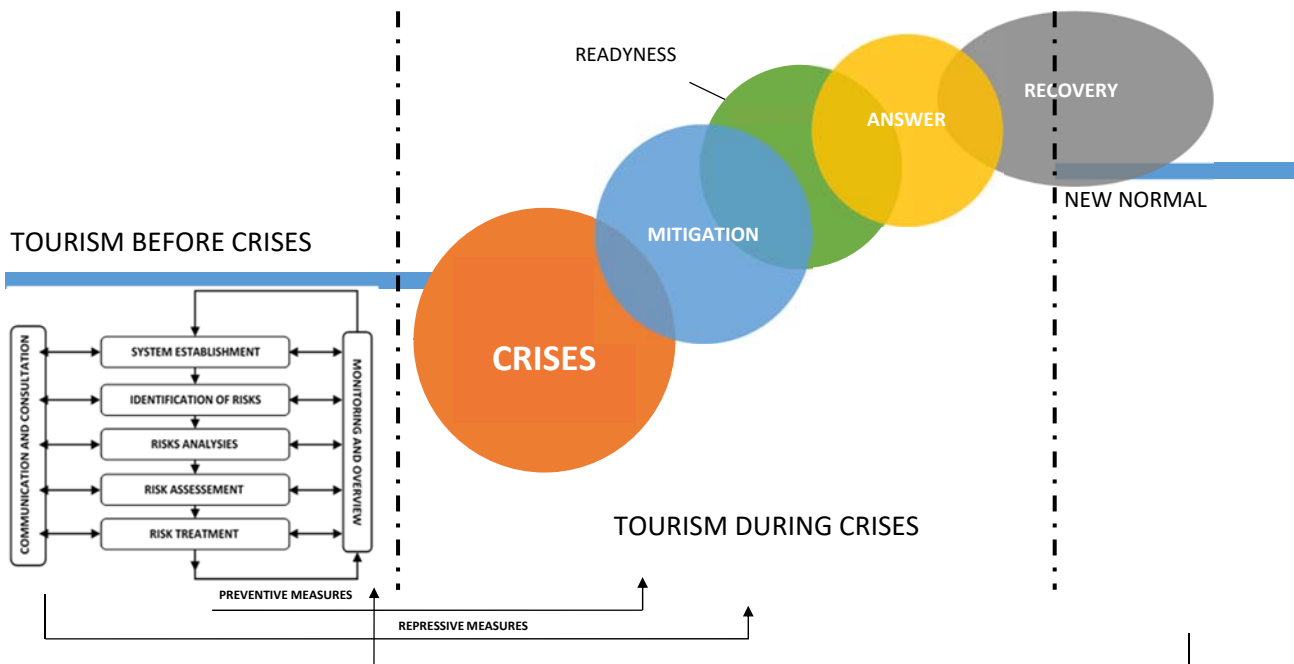
There have always been crises and disasters. However, given the intensity of security threats over the past 15 years and because current forecasting methods are imperfect and, in many cases, completely incapable of predicting most security threats (Prideaux et al., 2003), it is most likely that , there will be an increased awareness of the need for efficient and effective management of certain risks, through well-established risk management systems that should be a combination of risk management as a discipline and crisis management as an already established practice.

Places that have experienced major critical events in the recent years (e.g. Egypt, Indonesia, Israel, Croatia, Mexico, Bosnia and Herzegovina, Fiji, United Kingdom, USA, China, etc.) We hope to be more prepared to deal with security issues with establishing risk management systems that determine short-term and long-term responses. Hall et al. (2003) declares that the future will also bring a new security agenda in tourism, which focuses more broadly on the causes of threats and a greater variety of potential problems. Poverty, human rights, the economy, social welfare, food, water and the environment, for example, are now seen as major threats to world security (Hall et al., 2003). It is not only the external manifestation of these threats (e.g. terrorism, crime, etc.) that must be taken into account when understanding instability and security issues, but also issues such as biosafety, environmental security and economic security should avail more attention from tourism scientists, according to the importance of the questions.

The proposal of the authors of this study, through the analysis of different approaches to risk management is to set the framework of the risk management system that will be a combination of the risk management process in enterprises and crisis management implemented by the states. That system is shown below.



**Figure 3:** Tourism risk management system



It is clear, that changes are taking place in the tourism industry and between government ministries in charge of tourism. Hopefully, recent catastrophic events have created more prepared destinations and better-informed tourists who know how to travel more safely and who are less inclined to believe everything they see and hear from the media.

## LITERATURE

1. Beirman, D. (2003a) Restoring Tourism Destination in Crisis. Oxford: CABI Publishing.
2. Beirman, D. (2003b) Restoring Tourism Destinations in Crisis: A Strategic Marketing Approach. Sydney: Allen & Unwin.
3. Blake, A. and Sinclair, M.T. (2003) Tourism crisis management: US response to September 11. *Annals of Tourism Research* 813–832.
4. Chen, R.J.C. and Noriega, P. (2003) The impacts of terrorism: perceptions of faculty and students on safety and security in tourism. *Journal of Travel and Tourism Marketing*, 81–97.
5. Cochrane, J. (2010) The Sphere of Tourism Resilience, in *Tourism Recreation Research*, pp. 173-186
6. Faulkner, B. (2001) Towards a framework for tourism disaster management. *Tourism Management*, Volume 22, Issue 2, 135-147.
7. Green, C.G., Bartholomew, P. and Murrmann, S. (2003) New York restaurant industry: strategic responses to September 11, 2001. *Journal of Travel and Tourism Marketing*, 63–79.
8. Goodrich, J.N. (2002) September 11, 2001 attack on America: a record of the immediate impacts and reactions in the USA travel and tourism industry. *Tourism Management*, 573–580.

9. Hall, C.M., Timothy, D.J. and Duval, D.T. (eds) (2003) *Safety and Security in Tourism: Relationships, Management, and Marketing*. New York: Haworth.
10. McKercher, B. and Hui, E.L.L. (2003) Terrorism, economic uncertainty and outbound travel from Hong Kong. *Journal of Travel and Tourism Marketing*, 99–115.
11. Moreira, P. (2007) Aftermath of crises and disasters: notes for an impact assessment approach. In Laws, E., Prideaux, B. and Chon, K. (Eds.) *Crisis Management in Tourism*. Wallingford: CABI Publishing, Chapter 5.
12. PATA: Pacific Area Travel Association (2011) *Bounce Back – Tourism Risk, Crisis and Recovery Management Guide*. Bangkok: PATA
13. Pizam, A (1999) A comprehensive approach to classifying acts of crime and violence at tourism destinations. *Journal of Travel Research*, 5–12.
14. Prideaux, B., Laws, E. and Faulkner, B. (2003) Events in Indonesia: exploring the limits to formal tourism trends forecasting methods in complex crisis situations. *Tourism Management*, 475–487.
15. Sönmez, S. (1998) Tourism, terrorism and political instability. *Annals of Tourism Research*, 416–456.
16. Thapa, B. (2003) Tourism in Nepal: Shangri-La's troubled times. *Journal of Travel and Tourism Marketing*, 117–138.
17. UNWTO (2003) *Crisis Guidelines for the Tourism Industry*  
<https://www.slideshare.net/Nostrad/crisis-guidelines-for-the-tourism-industry>
18. UNWTO (2011) *Toolbox for Crisis Communications in Tourism*. UNWTO, Madrid

