Crisis Management Strategies for the Hospitality Industry: An Empirical Investigation

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Abstract

The hotel industry has many unique characteristics, making it more sensitive to crises than other economic sectors. As essential components of tourism offer, international tourism and hospitality are susceptible to several problems and disasters. As a result, this paper tackles the need for the crisis administration concept to be heavily integrated into the operations of tourism businesses. The theoretical underpinnings of tourism are reviewed, along with notions of emergency and crisis management in global tourism and the significance of crisis management in the hotel industry. Any short- and long-term planning will be made easier by maximizing the value and overall wellness of your hotel's infrastructure. Create a crisis plan to safeguard your building's assets by focusing on the finest hotel crisis management techniques for your existing, ongoing, and potential future state of business. A crisis management strategy is a set of guidelines intended to prepare a company for an unexpected or unanticipated occurrence. The hotel sector is susceptible to crises and dangerous situations. Studies related to this one demonstrates a lack of crisis readiness. Under normal circumstances, efforts should be properly organized and planned rather than when something unexpected happens.

Introduction

An organization's broad framework for selecting how to respond to a crisis (or the appearance of one) is known as a crisis management strategy. Your strategy's goal is to position your company to withstand a disaster. It might be difficult to tell the difference between crisis administration theories, strategies, methodologies, and emergency management techniques. Plans and strategies are high-level and represent the overarching vision of your approach, whilst methods and plans are practical and action oriented.

Many people believe that a PR plan is the foundation of a crisis strategy since public and media outreach is the most noticeable part of crisis responses. Contrary to popular belief, objectives for

strategy also include controlling how they affect an organization's finances. Additionally, failing to implement a crisis management plan, the company's overall approach is in danger. Focus and objective cognition are necessary for strategic action (Bili et al., 2017). For instance, preparing for every potential disaster would be prohibitively costly. Instead, choose the scenarios that are most likely to occur and be prepared to cope with them. The costs associated with purchases (such as stockpiling supplies in the event of a disruption to an external supplier) are not just costs when viewed from a strategic perspective; they additionally symbolize a monetary stake in the resilience and long-term viability of your business (Racherla and Hu, 2009).

The unpredictable and competitive character of the corporate world has an opportunity to have an impact on an organization's performance and efficiency as well as its long-term viability. As a result, every business needs to have an unambiguous plan of action that will ensure that all stakeholders understand the firm's vision and objective. Different academics have given different definitions of the word strategy. An organization's strategy describes the goal and focus of its efforts to sustain its competitive advantage in an ever-shifting setting through the organization of its assets and capacities to satisfy stakeholder expectations. Similarly, to this, the definition of strategy was given as the choice of objectives and targets for the future, the adoption of courses of action, and the appropriate allocation of resources required to accomplish these aims (Dimitrios, B. et al., 2020). Corporate crises are becoming more frequent, and some of them have a big influence on the hospitality and tourism sectors. This has made it more crucial than ever for hotel managers to have a solid understanding of crisis management. The establishment of emergency procedures and crisis guidelines for hotel crisis teams, earlier success, and expertise in managing crises, and hotel managers' understanding of potential crisis sources in the hospitality and tourism industries have all become crucial (Malhotra and Venkatesh, 2009).

Each organization may experience both internal and external crises. Recognizing warning signs early and being prepared for the crisis is crucial to overcoming a crisis. From that angle, management expertise and readiness could act as a safety net during emergencies. Any short- and long-term planning will be made easier by maximizing the utility and health of the hotel's infrastructure.

Literature Of Review

Mikušová and Horváthová (2019) said that despite the growth of tourism-related research, the negative effects caused by such disasters and emergencies on the travel and hospitality sectors have received far too little attention. Analysis and evaluation of the success of tourism recovery initiatives used by tourism enterprises and tourist locations have also received relatively little attention. Additionally, there isn't yet a distinct theoretical framework for the topic of tourism emergency management that could be useful in addressing crises and disasters related to tourism.

Finally, there will be a lot more research to be done to understand how to leverage the mathematical models of crisis leadership to create successful recovery plans.

Campo et al., (2014) described that the complexity of the hotel's administration process is mostly due to the services provided, which might encompass a wide range of internal activities as well as external outsourcing. However, just like any other industry, the hotel industry is susceptible to both internal and external forces. These must be foreseen, and crisis management must be implemented. To address the expectations of international visitors of all generations in such difficult circumstances, hoteliers must be more entrepreneurially oriented, more inventive, penetrative, persistent, and patient. The most crucial factors are the characteristics of hotel services, the hotel's organizational structure, the function of human resources, the significance of standards, and the particulars of running a hotel business.

Tsai *et al.* (2020) illustrated that the key value of this investigation is the gathering of useful tips that all hotel managers, regardless of the dimension of their establishment, can apply. The participants in this study's practical advice are based on their combined decades of international hotel management expertise. The following headings represent what was discovered from these interviews: Being ready for emergencies; controlling costs during emergencies; making the best possible use of local knowledge; keeping in touch with visitors; and utilizing technology to improve hotel security. Another recurring issue throughout the interviews was the necessity to provide outstanding levels of service, local cooperation, and the secondary security-related obligations of all current workers.

Sigala (2011) reviewed that the operation of knowledge management may be the subject of future research. Research should investigate the attitudes and convictions of participating organizations considering the possibility of working against one another as well as the dynamic functions of knowledge networks and community of practice. These factors are directly connected to environmental and tacit information, which is thought to be the most challenging to record and distribute. Finding the primary impediments to or enablers of effective knowledge administration implementation in the hotel and tourism sector would be another fascinating area of research.

JOHN-EKE and EKE (2020) detailed that the main support system for Jordanian tourism is the hotel sector. The tourist sector is extremely susceptible to crises on a global scale. For instance, recent large socio-political uprisings, terrorist attacks, geographical volatility in the form of natural disasters, and epidemics have had a significant negative influence on tourism in the Middle East. The improper handling of these crises harms this situation. Evidence reveals that the tourism industry's recovery from such crises is particularly challenging due in large part to low crisis awareness. More specifically, the Middle East has not been good for tourism in recent

years, with several Middle Eastern destinations seeing a sharp fall in visitor numbers partly as a result of the socio-political unrest in the area.

Hall (2010) told that one of the industries that are most susceptible to crises is the hospitality sector. Crises have increased more common and intricate than before, having an impact on the hospitality sector and other associated industries. Therefore, whether the crisis is caused by a natural disaster or human activity, it makes more sense to be well-prepared to reduce and alleviate its possible impacts. There is no question that security and safety are two of the most significant considerations for visitors, irrespective of the low cost, according to some who claimed that the mere fact that the location is inexpensive couldn't encourage travelers to go to dangerous places. A clear message is sent, and ambiguity is avoided when there are good media relations. To minimize unneeded information and terror, organizations should establish a cross-role between the media and political authorities.

Goh &Law (2007) described that confrontation, protection, ranging cooperation, and escape are a few crisis management strategies mentioned in earlier literature. The term "confronting style" describes how an individual, state, nation, or organization responds to a problem by logically addressing it rather than running away from it out of fear. This may be according to the crisis team's or crisis strategist's recommendations for how to lessen the impact of a crisis and restore stability to the impacted company. Whether crisis teams/managers or members of the public attempt to stop the crisis's spread to lessen its impact, this is known as a containment style.

Graham &Roberts (2000) said that it is commonly acknowledged that the tourism business is extremely vulnerable to a variety of dangers. To plan for handling risks that may arise, as well as to limit and manage their repercussions throughout and following the crisis, competent crisis management is a strategic essential for every tourism firm. Today, the information or networking capabilities of social media (including blogs, wikis, sites for social networking, and media exchange) are increasingly being used for propagating crisis communications and for enlisting the help of diverse stakeholders. For instance, makes use of wikis, Twitter, social networks, and blogs to mobilize a variety of stakeholders (such as people, decision-makers, activist organizations, and rescue teams).

Objectives of the study:

To Measure the Crisis Management Strategies for the Hospitality Industry

Research Methodology:

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This study nature is empirical. 205 respondents were approached to give their view on the crisis management strategies for the hospitality industry. The data was analyzed through frequency distribution and data was presented with the help of pie charts.

Data Analysis and Interpretation:

Table 1 Plan to Safeguard Buildings Assets

Particulars	Agree	Disagree	Can't Say	Total
Respondents	175	21	9	205
% age	85.0	10.0	5.0	100

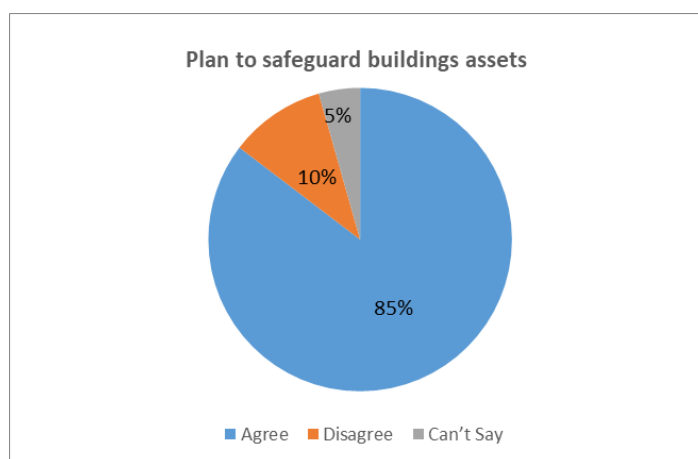Table 1 represents the statement plan to safeguard buildings assets, and 85.0% respondents agree with this statement.

Figure 1 Plan to Safeguard Buildings Assets

Table 2 Hoteliers Must be More Inventive

Particulars	Agree	Disagree	Can't Say	Total
Respondents	183	16	6	205
% age	89.0	8.0	3.0	100

Table 2 represents the statement hoteliers must be more inventive and 89.0% respondents admit with this statement.
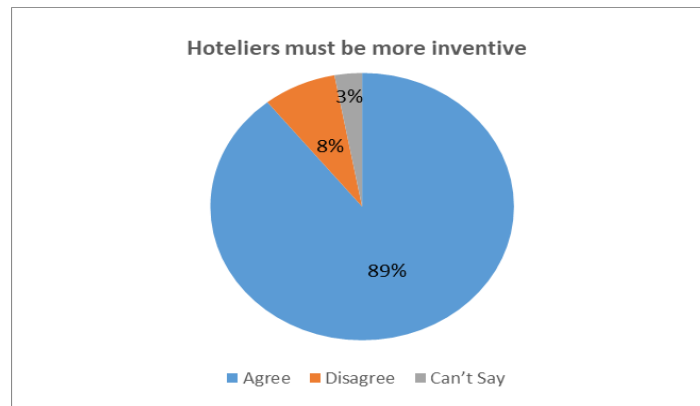
Figure 2 Hoteliers must be more Inventive

Table 3 Hoteliers Must be Entrepreneurially Oriented

Particulars	Agree	Disagree	Can't Say	Total
Respondents	189	14	2	205
% age	92.0	7.0	1.0	100

Table 3 represents the statement Hoteliers must be Entrepreneurially Oriented, and 92.0% respondents admit with this statement.
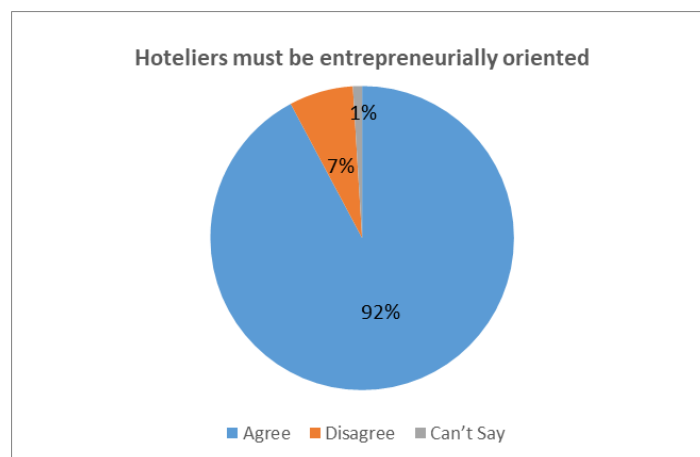

Figure 3 Hoteliers must be Entrepreneurially Oriented

Table 4 Must be Persistent and Patient

Particulars	Agree	Disagree	Can't Say	Total
Respondents	170	22	13	205
% age	83.0	11.0	6.0	100

4463

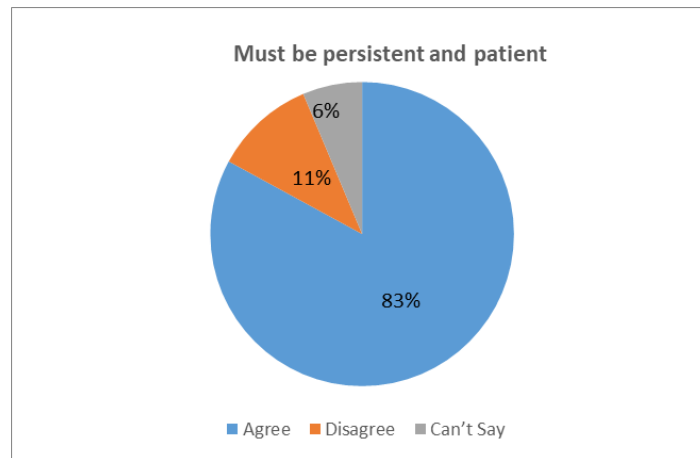**Table 4 represents the statement must be persistent and patient, and 83.0% respondents admit with this statement.**

Figure 4 Must be persistent and patient

Table 5 Provide outstanding levels of services

Particulars	Agree	Disagree	Can't Say	Total
Respondents	179	16	10	205
% age	87.0	8.0	5.0	100

Table 5 represents the statement **provide outstanding levels of services,** and 87.0% respondents admit with this statement. Considering all the responses of the statements, it was found that to a good percentage, the respondents have agreed that the above statements are crisis management strategies for the hospitality industry.
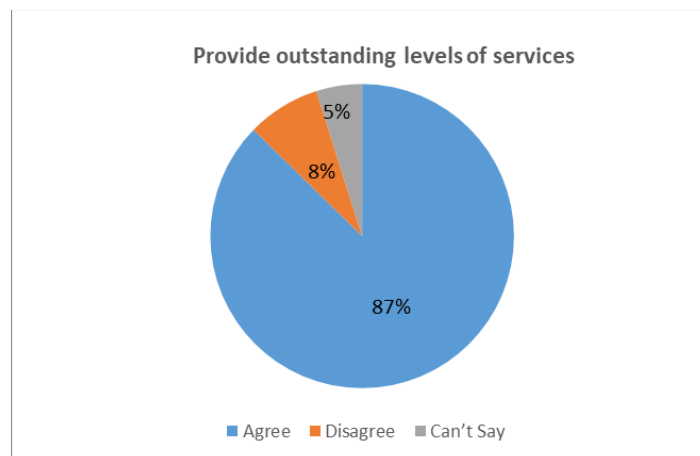

Figure 5 Provide outstanding levels of services

Conclusion

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The tourism industry is currently dealing with several crises that are problematic for the operations of tourist sites and hotel chains. The fundamental problem is not simply that most of these incidents are unavoidable, but also because people lack expertise in handling emergencies or crisis scenario management, which causes them to be unaware of newly emerging scenarios. The only approach to lessen the harmful effects of various sorts of emergencies and catastrophes in contemporary society is to put in place strategic management of crises in businesses. Even though having a plan for handling a crisis in place and understanding it won't completely prevent or avert a crisis from occurring, it can greatly aid in damage control. Since the hotel industry is unique in that it makes lodging facilities more vulnerable to the effects of crises than other businesses, it is evident that even small mishaps in hotels can cause a drop in visitor demand.

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