

## **ANALYSIS OF POTENTIAL RISKS IN THE CURRENT TOURISM FROM THE PERSPECTIVE OF CZECH TRAVEL AGENCIES**

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### **ABSTRACT**

Tourism in recent years has experienced great development and become an important part of the global economy. Considering the increasing importance of tourism especially with the development of destination management and marketing this business is very sensitive to the political, economic, and particularly natural changes. This fact places heavy demands on the management of both private and public organizations involved in tourism in handling unexpected and crisis situations of different character. In this context it is important to realize peculiarities of the tourism market, resulting from the needs of the participants and the nature of tourism services. The paper is focused on the specifics of tourism in the context of analysis and risk management.

**Keywords:** Tourism, Destination Management, risk analysis, risk, safety,

### **INTRODUCTION**

Tourism in recent years has experienced great development and become an important part of the global economy. It belongs to the worldwide most distinguished industries. Thus tourism brings into the economy a lot of new business opportunities that even without major investments bring significant added value. The benefits of tourism are especially for less developed regions in creating new jobs and new business infrastructure. By its nature tourism affects other economic sectors that are linked to its development. It has a significant multiplication character. In a region where tourism is developing, more jobs and services are created in areas complementing the tourism industry. It affects positively the cultural, historical and technical attractions, animates them and helps them maintain and secure their sustainable development. In terms of development of regions or states the importance of tourism is strategic, especially for countries that are in profile of their economy known as holiday countries.

### **1. CURRENT SPECIFICS OF TOURISM**

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infrastructure. By its nature tourism affects other economic sectors that are linked to its development. It has a significant multiplication character. In a region where tourism is developing, more jobs and services are created in areas complementing the tourism industry. It affects positively the cultural, historical and technical attractions, animates them and helps them maintain and secure their sustainable development. In terms of development of regions or states the importance of tourism is strategic, especially for countries that are in profile of their economy known as holiday countries.

Considering the increasing importance of tourism mainly with the development of destination management and marketing this business is very sensitive to the political, economic, and particularly natural changes. This places heavy demands on the management of both private and public organizations involved in tourism in contingency and crisis situations of different character. In this context, it is important to realize peculiarities of the tourism market, resulting from the needs of the participants and the nature of tourism services. The basic features of the tourism market related to the topic of this study can be mentioned:

- long-term tourism business,
- high tourism products dependence on natural and historic attractions,
- conditionality in politico-administrative terms, religious, ethnic, political and economic stability in the tourist destination, support and strength of state institutions, infrastructures and the status of critical infrastructure,
- high proportion of labour and transience of provided services.

Currently, tourism is under examination of many scientific disciplines, such as economics, geography, psychology, sociology, management, marketing, as well as risk and crisis management. Tourism is a dynamic and open system composed of two subsystems: the subject and object of tourism. Tourism is highly interconnected with other systems forming its surroundings, so-called outside environment, which consists of economic, political, social, religious, technical-technological and ecological environment.

## **2. ANALYSIS AND RISK MANAGEMENT IN TOURISM**

Crisis management in the tourism industry is still not studied adequately to the needs of the dynamic development of the contemporary world. It should be more research that will focus on appropriate and effective response to crisis situations affecting tourism. Due to the uniqueness of each crisis, particularly in the area of origin, development and dynamics of the crisis, very flexible and appropriate response is required from managers and their teams. Managers can get their competence only by studying past crises and understanding the complexity of the tasks arising from the complexity of crisis situations. This study analyzes the possible real crisis situations that may arise or have arisen in the field of tourism, further it discusses the possibilities of overcoming the resulting difficulties and options of measurement for expected emergency. Each crisis and each of the organizations and individuals that are affected have individual character, so there is no simple solution to a crisis situation. However, there are some common

characteristics of crisis situations which may develop managerial competencies range of crisis management by managers in tourism in preparation for crisis situations.

Tourism is highly dependent on safety issues. When people travel, they want to be safe. At a time when customers are able to choose from several options, the question of tourism safety becomes essential. It is an important point of risk managers in tourism work that during preparations for the crisis they must constantly consider not only the potential loss of life, but also the operating costs and the reputation of the companies they work for.

Risk analysis of tourism is very complicated, because there is no single, standard or predictable risk for the entire tourism. These risks are constantly changing and varying from destination to destination. Risks of tourism may be acts of violence, acts of nature such as hurricanes and earthquakes or health problems, such as pandemics. For example, the use of chemical or biological weapons in war or in a terrorist attack is highly unlikely, but unfortunately we know these risks are possible. Managers of tourism must be aware of this potential risk that is always present. According to Gui Santana crisis may have many forms: from terrorism to sexual harassment, as well as civil unrest, hotel collapse, liquidity problems, corruption, vandalism or technology misuse. In any case manager must be prepared for a potential crisis, these must be avoided and there must also be a script prepared to prevent the development of the crisis.[8]

As a result of great crisis, especially after the terrorist attacks on the USA in September 2001, then fears of a widespread epidemic caused by severe acute respiratory syndrome (SARS), bird and swine flu, earthquake and tsunami, many scholars have turned their attention to a better understanding of how to analyze individual crisis situations.

Individual serious situations vary in their severity and difficulty of overcoming them. Common regional crisis management in tourism can be defined as follows:

- urgent solution of the situation,
- direct response to the concerns and needs of people affected,
- minimization the harm that could result from adverse publicity and could damage the company or destination,
- solving problems with business partners.

Managers must deal with the crisis, whose size and complexity are not apparent at first glance. They must solve technical problems; respond to them, and reassure all tourism participants, etc.

At present it is very difficult to define risk, especially on the issue of terrorist attacks. The term "terrorism" itself is very complicated to define. For example, Tarlow argues that today there is no fundamental agreement about who is a terrorist and what is terrorism. [10] After 11 September 2001 tourism also tried to learn and define new paradigms for understanding risk. Scientists have finally had to agree that the attacks will be still unpredictable both in time and in place. The classic concept of terrorism and their predictive models assume some form of consistency, as there was the subway in Moscow in March 2010. According to this concept, terrorists have several major advantages over their rivals:

1. Strive for publicity.
2. Element of surprise. (despite predictions, seek ways how to hurt as many innocent people as possible)
3. In some cases, terrorists are willing to sacrifice for the cause even their lives.
4. Terrorism is rather killing people than economy.
5. Terrorism can be seen as form of violent nostalgia; a terrorist is trying to restore something that used to be or not.
6. Terrorism can appear in many forms, from the attack on the food supply to the attack on a real person, from mass murder to drug poisoning, hoping to break the collective cohesion of population.

According to the U.S. Federal Emergency Management Agency the main objectives of terrorism are to create fear among the public, to try to create the illusion among citizens that their government is powerless against terrorism and eventually to get an immediate media attention for their cause. Terrorism is in itself a modern toward furthering their opinion; it is a movement, which seeks to destroy our current modern world. To better understand the risks it is useful to name a contact list of basic ideas:

1. Women are used as an instrument of war.
2. Terrorism is based on group ideals.
3. Terrorism is anti-capitalist and anti-accumulative of worldly goods, it is xenophobic and it discourages dialogue with others.
4. Terrorism condemns people by the group to which they belong, it does not fight against individuals.
5. Terrorism is not based on the principle of compromise. Its goal is always the final victory. Terrorists may be willing to accept a compromise, but they never accept it permanently, as terrorism does not accept permanent compromise. The objective of terrorism is based on ideological grounds. In contrast, tourism is always against terrorism.

An important criterion of terrorism is publicity, so they choose goals that fill front pages of newspapers. Attacks on any form of tourism or attacks on hotels and congress centres always bring a great media response. This negative publicity helps terrorists in destroying the local economy together with tourism. People then return to this area only slowly.

Development of risk analysis in tourism is very important for all participants in contemporary world. Now we introduce several assumptions, which are important for the proper management of tourism organizations in times of increased threat of terrorism.

- There is no event that is 100% risk free. Risk managers know that it will never be enough staff and funds to prevent the occurrence of risks. They are looking for a place with the highest probability of a crisis situation.
- People will always travel. The terrorists prefer tourist destinations because tourists are away from home and are thus more vulnerable. The resort is for terrorists far better than embassies, which are protected effectively. It was

found that the terrorists who attacked hotels in Mumbai in November 2008 worked there before the explosions. This means that a host today may be a potential terrorist.

- Risk managers working in the tourism sector should deal risks simultaneously with providing quality customer service. Because travelling is voluntary, it is necessary to adopt measures which do not restrict the business alone.
- Employees in tourism organizations must have calm and positive demeanour that is deprived of anything that resembled only the potential risks resulting of world development. Nevertheless tourism risk managers must strive especially in places with increased stress for the creation of security guarantees for the participants of tourism.
- Risk managers in the tourism sector should be in charge of safety and security. At the time of terrorism food poisoning is also part of this issue. In fact food may be deliberately poisoned. In this situation, employees as well as guests can play a dual role.
- Also behaviour of tourism participants can provide risk. Many tourists are ignorant of both geographical and cultural environment. This may become a risk when local traditions or religious rules are violated.

Since 11 September 2001 security in global tourism has been much discussed. The rules of aviation, political events, risk management and crowd control have been discussed. A lot of time was devoted to the protection of tourists against terrorist attacks and problems of high criminality. Many tourist destinations had to cope with stricter safety issues. Particular attention has been devoted to kidnapping, criminal acts outside the hotel complexes, piracy on the open sea or state despotism.

The area that is increasingly gaining more attention of tourism risk managers is the area of food. In the area of food you need to merge the concept of food safety and protection. Both concepts are essential to food production, preparation and service. Ordinary tourists during food consumption do not know anything about the history of food they consume. The sensitivity of this issue shows the reaction of the media and government in the contamination of milk in China in 2008. According to the fact that from harvest, through processing to consumption food undergoes many food processors and processes, the survey where the contamination of food has occurred is very difficult. We must distinguish accidental contamination from terrorist food contamination from focused on promoting political or religious objectives.

In the area of food safety in tourism, we can ask questions:

- Can food be an object of a modern tool of terrorism?
- Do we know where our food comes from?
- Is branded food with security guarantee?
- How to distinguish accidental failure of hygiene criteria from deliberate infringement of hygiene criteria?

In our time of global economy food safety issues become more complex. International corporations control food trade globally. This can cause that a terrorist attack in food

industry on one continent can destroy different industry on another continent. Now we can show the problem of food safety and security in restaurants, which mainly deal with security issues and food preservation.

- Most restaurants have relatively easy access to their premises. They do not have proper security; everything is under the supervision of the owners and key employees such as cooks and waiters.
- Most restaurant owners have no idea where their guests went after they had consumed food and left the restaurant premises. Therefore, identification of the site of the attack is very complicated.
- Restaurants sell beautiful moments, but it is necessary to be watchful inside.

At present time of the increased terrorism threat, it is necessary for tourism risk managers to be aware of risks and challenges, especially in providing food to millions of people on a daily basis based on diet and lifestyle changes. Risk managers should be aware of:

- Certain foods can be produced with some form of illness. They should be aware of the quality of the food. (Salmonellas, muscular worm, tapeworm).
- It is necessary to identify possible food crises in selected regions. Each part of the world has its specific needs in terms of food safety. Risk managers should ensure the production used in a restaurant or local attraction, what is imported and which water is used in the preparation and editing of food and beverages.
- Risk managers must be sure that accountable and screening people are working in the kitchens and they should know their health. If a cook gets sick, customers may become ill as well. Consequences may have large economic damage.
- Another issue of food security is food allergies. Many foods are allergens for many people, but also food can be contaminated by a variety of allergens. According to the fact that many people are currently allergic to many substances, reactions of such tourists can become fatal. Therefore, it is necessary that the restaurant employees are ready to provide emergency medical assistance and identify which food could be the cause of this reaction.

In these times of increased terrorism exposure the risk factors in tourism account main risks risk managers operating in tourism organizations must face. Defining risk is the first step, but synthesis and prediction of risk events must follow. According to the authors the most important is the risk identification, as well as determining the rate of occurrence of crisis events. Accordingly, risk managers decide on the use of crisis scenarios. It may not be dogma, since they must be flexible to accommodate a certain confidence.

The goal of crisis management is to minimize the effects of crisis situation activity. Good management must deal with the rescue of tourists, so that the negative publicity does not occur. Good crisis management is learning from their experiences, but also from the experiences of others. Crisis management of an organization or company can be avoided by activation of proper crisis management. Suitable and competent managers should be selected who are able to respond adequately to these new and always coming challenges.

## CONCLUSION

In conclusion we can say that risk management in tourism is very important especially in times of increased wave of terrorism. Active risk management contributes to successful business of companies and organizations working in the field of tourism. The goal of a successful risk manager is that the crises do not occur at all. Tourism currently is facing the worst challenges in natural forces and terrorism action. Representatives of tourism industry must learn how to deal with a variety of direct and indirect problems. Terrorism always is a threat to lives and property. It can contribute to the formation of secondary accompanying phenomena, which are gradual decline of a tourist destination, or tourists will find another destination. Overcoming the risks in tourism will be possible thanks to the cooperation and networking of actors in the tourism industry. Despite the stated problems tourism will grow in importance with new forms of menus and forms of tourism.

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