## THE Strategic Brand Management: Master Papers



### MASTER PAPERS

A framework for external crisis communication due to world instability: A qualitive study on the travel industry

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### Abstract:

Travel today is not as self-evident as it has been the last few decades. This paper takes on a mission to investigate how external factors such as natural disasters, geopolitical tensions, and above all; epidemics, call for an external crisis communication for travel and tourism companies.

**Purpose:** The aim and purpose of this paper is to contribute to the field of crisis communication within the travel sector. It takes an attempt in simplifying and facilitating for travel agencies to navigate through an external crisis situation, and to understand their broader role in the support for, and the restoration of crisis vulnerable destinations.

### Methodology:

The study takes a qualitative methodology approach, with tools such as managerial insights in form of interviews, customer survey with qualitative questionnaires and research insights from academics. There are however, some complimentary data collection in terms of quantitative survey questions to increase the legitimacy of the paper.

### **Theoretical framework**

The theoretical frameworks focused around three models: The situational crisis communication theory model (SCCT) by W. Timothy, the 4 R's crisis management model presented by David Beirman and a Pre/post crisis conceptualisation by W.Timothy. These were used as a basis for navigation through the empirical landscape.

### **Findings:**

The main findings include several similarities among the customer, managerial and academical perspective:

-An immediate need for the travel company to understand the severity of the crisis before taking action

-The implications of addressing the most vulnerable stakeholders before focusing on the companies own interests

-A growing general concern that travel companies that operate in vulnerable communities bear responsibilities in supporting, restoring and reinforcing the communities as well as carrying out CSR activities where possible.

### **Contributions:**

The paper takes a final stamp by designing a unique theoretical framework to external crises for companies within the travel industry to take guidance from.

The paper concludes that there are several actions travel agencies can take in order to save their own survival during uncertain times. More importantly, however, the paper discusses the need for management to understand the company's role in supporting tourism dependent locations in overcoming crises in an increasingly unstable and vulnerable world.

### **Keywords:**

Covid-19, Tourism management, Travel industry, External crisis communication.

## Background explanation and problem identification

In 2020, globalisation has become challenged to a whole new scale. Through last few decades, multinational the corporations have been thriving and expanding with advanced supply-chains and dependent international relationships. People have been enjoying exploring places and cultures all across the world, with cities adapting large proportions of GDP for tourism and foreign business integration. (J. Atu et al. 2018). With rising political instability and war tensions, an increasing amount of natural disasters, and now - a global pandemic, the world in recent years have become less of a stable place to operate in. (Chipman, 2016). Today, regional crises in one place, have the potential to impact regions across the whole world, leading to a more insecure and fear evoked global society. The threats to globalisation are also reinforced by 24 hours news broadcasting networks and universally interconnected social media platforms that accelerate fears and obstacles to travel and connect physically. (J. Atu et al. 2018). This paper is published in October of 2020, in the mixth of the Covid-19 pandemic, which has shaken the whole world structure, perhaps most of all; its globalised sectors such as the travel industry.

Even though companies and countries become more and more local focused and withdrawn, the world is by all means not ready or adapted for a radical decline in travel. Many sectors rely on the world to stay global and integrated. The current pandemic has shown an example of these sectors' vulnerability. In April, the World travel and Tourism Council warned that 50 million jobs in the tourism and global travel industry were at risk of losing their job. (I. Surg. 2020) This paper has therefore chosen to investigate how the travel sector has taken harm and more specifically;

"How can travel agencies adapt their external communication to a world full of different geo-political and natural risks, and how can this sector learn and be part of restoring those travel dependent communities that have taken significant damage from the crisis, moving forward?"

The travel industry has had a rapid increase in economic meaning for many countries around the world that deeply depend on it, at the same time as it is an industry deeply vulnerable. (S. Kaedo. 2019).

As stated in the initial paragraph, It is important not to under-state the fact that the corona pandemic is only one big brick to highlight the threats to travel and tourism. This paper takes on a belief that the world is heading to a more local direction, as going abroad will not be as self-evident as it once was. It is important for travel companies to understand their contribution to the world economy and deliver strong and clear messages of the importance to uphold the global travel industry, not only for the sake of the sector's survival, but for all the tourism-dependent countries that are dependent on it.

### Aim and purpose

This paper focus has an external crisis communication viewpoint rather than an internal. The *aim* is to analyse the best ways for travel companies to communicate during times where the external climate is unstable, with a focus on addressing stakeholders rather than the company's internal employees (T.Alifanova et al. 2019). The purpose with this paper is therefore to contribute with theory to the field of crisis communication within the travel industry. This is achieved through providing a new theoretical framework in terms of a tailored crisis communication plan for practitioners.

## Previousexamplesofcrisiscommunication due to external factors

The tourism industry is increasingly met and forced to adapt after natural disasters, political crises, war or conflicts, and virus epidemics, taking part in all corners of the world. In the last decade, we have seen rising examples of situations where external factors have demanded adaptation and fast and temporary response in communication from travel companies and agencies. Following The Ebola outbreak in western Africa between 2013-2016, it contributed with deep regional socio-economic with disruption the tourism sector taking hard hit. а (M.Novelli et al. 2018) Despite having no reported cases. The country of Gambia took a significant spill-over hit as a result from the universal media coverage of the Ebola epidemic. In this case it was crucial for both the local community and travel

agencies to effectively communicate the safety and security measures for travel to take place.

Natural disasters such as tsunamis, earthquakes and cyclones are also common examples of how the tourism industry can be harmed, and where a communication plan may be vital for upholding tourism attractiveness. With the tropical cyclone "Winston" in Fiji in 2016, Hotels and travel agencies were acknowledged for their resilient battle to overcome the destruction that followed. The country which is deeply dependent on tourism, with 14.6% of GDP generation and 16% of the population working within the sector, it had to react fast to the situation. Following the cyclone, the country got tremendous support through Social media platforms. Facebook funds, with hashtags like #FIJINOW, was used for raising money for recovery and therefore played a big role in resilience and restoration of its tourism activity. Due to its effective and quick way of reacting to an inevitable event, social media was effectively used for the island to get back on its feets. (C.Möller et al. 2018)

One more present and withholding example is the current protests in Hong Kong which has resulted in a backlash for the region's tourism sector. Due to the political instability, travel agencies have been forced to call off planes and hotel demand has declined. The social media interpretation of the uprising has gone so far that it is in some cases a matter of tourism boycott. This boycott derives from the secondary crisis communication that was circulated on online platforms. Secondary crisis communication refers in this case to online users' behaviour amid a crisis through their way of spreading and commenting information. This is a typical example of the power of Word-of-mouth and viral buzz and how it can escalate to become a big challenge for travel marketers to tackle. (L. Qiuju et al. 2017)

### Methodology

### Qualitative data collection.

The data used in this research paper contains a combination of contextual and primary data where the primary data includes interviews and customer surveys. Due to a limited time period, respondents were given questions through mail. In construction of questions, it was important to uphold the legitimacy of the answers and therefore actions such as invention, and derivation encouragement were strongly avoided. (Bryman & Bell, 2017) The respondent could therefore act in a free and independent environment where answers were analysed first after the interviews were carried out. The data used for contextual understanding includes scientific approved articles, social media channels and relevant company platforms.

### Scientific approach:

This study aims to contain a qualitative way of working, with some quantitative insights in the form of customer survey graphs. Interviews, online data analysis, and a customer survey is carried out to collect the amount of information needed for sufficient contributions in the given time period. (Bryman & Bell, 2017)

The collection of online data and interviews strive for objectivity in line

with the phenomenological view of science. This approach also demands that the phenomenon in question is studied from the basis of the interviewees perspective, when the study needs a deeper understanding of the sector and actors' way operating. The constructions of of interview questions are therefore made from a standpoint of openness which generates a higher level of trustworthiness, at the same time as it is easier to get a better interpretation of the situation, whereas closed questions would risk missing more vital information. When formulating questions for customers, it was also taken into consideration to uphold a high level of openness and availability for interpretation. This was done through complimenting answer boxes with open answers where the consumer could fill in ideas of their own choice. (Bryman & Bell, 2017

### Course of action and Boundaries.

This study's findings and implications are limited to the travel sector where the goal is to investigate the best way of approaching an external crisis for a sector that is at high risk during unstable times. The study starts off from a broader view, presenting how crisis communication due to external factors are today approached by successful businesses in general. With this understanding, Interviews, relevant online data, and a consumer survey can be carried out in an attempt to develop a deeper understanding of how the travel sector in particular needs to adapt their communication strategy during volatile times such as covid-19. The end goal is to see what steps and actions may be of more importance for the travel sector in such situations and how it may differ from other sectors in general. This is illustrated by a final theoretical framework.

This paper uses the current Covid-19 pandemic as an anchor for understanding the rise in geographical instability and the potential for an extended decline in future globalisation. Therefore, most of the information that is collected, interpreted and applied to theory, is of such kind that it is connected to the current pandemic of 2020. The reason for this approach has two reasons. First, the importance for crisis communication strategies to be up to date in today's shifting and unpredictable world. By analysing how companies handle communication during this pandemic, we can guarantee that the information collected is up to date and mirrors a reflection of how the world is designed as of today. Secondly, The main source to develop an understanding of how companies communicate during social crises is through the consultancy firm 'Ogilvy B2B consultancy' which is a consultant firm expertising in Business-to-Business communication consultancy. They have a rich human capital of talented and experienced personnel within the broader field of marketing and communication, including crisis communication. They are also believed to be of high legitimacy and trustworthiness when developing and innovative ways of sustainable communicating and marketing. (Ogilvy, 2020)

### Choice of data:

Ogilvy B2B consultancy firm in Spain was chosen to get managerial insights from. The specific office has high influence in helping spanish companies that are struck by the pandemic. Moreover, Spain as a country has endured a hard time during the with companies pandemic many demanding help for crisis strategic planning. (Ogilvy, 2020) Getting insights from Ogilvy was of high importance and relevance in order to include first hand data in how the management and practical perspective is carried out during such times. Also, a customer survey was carried out to strengthen legitimacy of answers and to compare to the management and academic perspective, as well as to develop an understanding of what aspects customers actually believe is of most importance for companies in the field to focus on. (Bryman & Bell, 2017) The consumer survey was mainly distributed among students on the International Marketing and Brand Management program at Lund University. This allowed for a diversity of nationalities to take part in the survey. A majority of the answers were from consumers originating from the mediterranean countries including Spain, France, Italy and Greece. Since the tourism industry has a big operation focus in these countries, this turnout was positive for the implications of the paper.

Last, the management-consumer-academic perspective can be interconnected to illustrate results and contributions through a theoretical framework to interpret what aspects of communication should be highlighted, prioritized and reshaped in relation to different phases in a world or regional crisis.

### Limitations:

In an optimal scenario, the most wishful methodological way to go about would be to fully rely on more advanced qualitative data with a larger focus on comparing different management approaches to an external crisis situation. Interview requests were for example sent out to TUI, an internationally established travel agency without success. Instead, In order to carry sufficient data collection and out interpretation in a short time scenario, the methodology decided to be carried out in a qualitative way with some quantitative additions and allow for these two methods to compliment each other.

### Theoretical framework

One of the reasons for the chosen project is a growing concern on the lack of theoretical framework on crisis communication from a more external standpoint, meaning that most of the theoretical framework for crisis communication and leadership is derived from problems raised within the perimeters of the company itself. The paper acknowledges a growing potential for a theoretical framework be more to applicable to the increasing concerns of external social change factors. The aim in terms of theoretical means, is therefore to contribute with a more situation adapted framework tailored the travel industry. By using already existing models, they are used as tools to compare in what ways crisis communication derived from external factors such as viruses, natural disasters or political instability may have implications different than crisis communication that derives from companies own actions.

Below, relevant theoretical frameworks will be introduced. They are used as a conceptualisation frame for finally developing the specific model to contribute to the specific field.

### Pre/Post crisis communication model

A large part of the literature agrees that the development of a crisis goes through different phases from the first signs of a potential crisis, until its eruption and the subsequent recovery.

Each of these three phases, within the company, involves a certain type of management and, therefore, different communication strategies.

The phases are classified into:

- Pre-Crisis: This is the period during which the signs of a potential impending outbreak of a crisis are clear. In the coronavirus crisis this period includes the first cases in Wuhan, and the first news of the rapid spread of the virus. At this stage, it covers all the efforts that a company makes to prevent such a crisis or, in the event of a potential crisis being unavoidable, the actions taken to mitigate and minimise potential risks.
- Crisis: begins with the outbreak of the crisis and encompasses all the responses that a company gives to that crisis.
- Post-Crisis: Once the crisis is over, the post-crisis phase reflects all the efforts made by the organization to solve the damage caused during the crisis and learn from what happened. In the case of tourism, this would be the recovery of tourism in the host country.

### 4*R*'s crisis management model David Beirman (2016)

In the tourism sector, the 4R's model is a popular one regarding external crises that can affect this vulnerable sector.

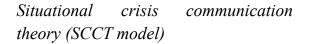
This model is based on four phases:

Reduction: it is a phase for reducing the potential risks and their expected impact. In this phase, literature recommended raising awareness, identifying the crisis, ensuring political awareness, designing operating procedures and SWOT analysis of the organizations involved.

Readiness: it is a training for the management of the crisis: creation of the risk management plan; raising the awareness in the tourism industry, preparing procedures of health and safety.

Response: occurs when the crisis erupts: it is about the implementation of the management plan.

Recovery: recovery mechanisms are put in place: procedures and plans to return to normal



This framework presented by W Timothy Coombs, is a helpful situational crisis communication model for businesses in general, which helps analyse several elements within situational crisis communication. The research paper by W. Coombs develops further insights in how this model can be adjusted based on different kinds of crises. Each element of the model is emphasized differently depending on if the company is the victim or the contributor to the crisis. This specific framework was mainly used as a investigate tool to how ethical responsibility and reputation can be met for companies suffering as a result from an external crisis.

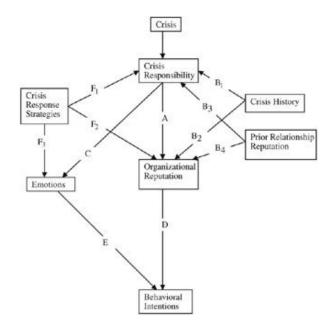


Figure 2: Situational crisis communication theory (SCCT model)

1 . Reduction	1.1	Crisis Awareness
	1.2	Political awareness
	1.3	Standard Operating Procedures
2. Readiness	2.1	Crisis Management Plan
	2.2	Tourism planning
	2.3	Health and safety measures
	3.1	Emergency response procedures
2 Pachanca	3.1 3.2	Emergency response procedures Investigation
3. Response		
3. Response	3.2	Investigation
3. Response	3.2 3.3	Family assistance
3. Response	3.2 3.3 3.4	Investigation Family assistance Communication

Figure 1: Model of the 4'Rs

### Empirical findings

Up until the last decade, the world has been fairly open with most countries welcoming tourism in a safe environment. Now we are seeing increasing threats to this, and the need to adapt, prepare and navigate through this new reality. In this chapter we will dig deeper in how companies can approach this new world scenario. (S.Kaedo, 2019)

This paper acknowledges a lack of theoretical practical research and guidelines in how travel agencies and tourism businesses should go about in performing crisis communication due to external factors. Therefore in this part of the paper, the aim will be to develop a deeper understanding of how crisis communication may differ to the specific chosen sector in relation to the more general approach. The first part of this chapter will therefore focus on how companies in general can be successful in communicating during crisis and in the later section, we will try to develop an understanding of how successful communication aspects can be applied to travel agencies in particular. Insights are raised and discussed based on managerial, academics as well as consumer perspectives.

### Crisis communication from a broader perspective

R. Venkatashiva and A.Gupta point out the vital role effective communication plays for companies in battling 2020 covid-19 responses. A virus outbreak of this magnitude, tests practitioners' understanding to adapt to the changes in social, cultural and economical factors in these times. It suddenly offers a more valuable meaning to manage strategic communication. In this paper, crises and disasters are determined as inevitable events that can not be stopped or hampered, however the negative impacts on a travel destination's image can be softened by effective communication. (S.Kaedo, 2019)

Northeastern University in the U.S have studies carried out in the crisis communication field. In one of its contributions it is explained that conveying effective communication calls for an initial understanding of the people they serve in order to move on into more specific aspects. Before constructing a successful crisis communication plan, it is therefore of importance for companies to understand how the behaviour has changed in your customer segment as a result of a crisis. It is crucial to address the victims first and understand what people are going through and experiencing in the crisis. (J. Laundry. 2018)

W.Timothy. Coombs, 2007, analyse three different attributions of crisis cluster types that have different implications to the degree of how a company should act; The victim cluster, The accidental cluster, and the intentional cluster. As this paper focuses on the victim cluster, this type is characterised as a situation where the company itself is not the cause of the crises, but when the organisation is viewed as a victim following an event. Being the victim cluster demands for higher crises responsibility response than the accidental cluster, however, less responsibility is put on the organisation in comparison to if it would be an intentional cluster

### Specific findings with relevance to the field of investigation

What role does travel agencies play in the battle to overcome destructive events that have damaged communities' possibilities in welcoming travel and tourism? And how can travel agencies stay relevant in times when travel opportunities have abruptly declined? The customer survey demonstrated that there are ways in which the travel industry can contribute with local support for damaged communities. There is strong support that shows that the general consumer believes travel agencies have a role in not only communicating its adaptation to a crises, but that it does play an important role in overcoming the problems caused by the crises itself.

A customer survey was distributed among 119 customers, in order to get a first hand customer perspective regarding risk perception and the role of travel and tourism agencies during crisis and the expectations customers have towards this sector. First, the survey indicated that a majority of customers think a crises such as Covid-19 has impacted their feelings towards future travelling:

"Will the covid pandemic change your willingness to travel in the future?"

Answers got back showing 52% of consumers would argue that it has permanently changed their willingness to travel in the future. This turnout indicates to travel agencies the potential need for communication and marketing platforms to be changed and adapted as a result of this shift in travel and tourism perception Consumers were also asked two questions that had certain similarities:

- 1. Do you think travel companies are important actors in overcoming the future fears of travelling.
- 2. Do you think travel companies bear responsibility in giving updates on the Covid-19 situations

To the first question 82% of consumers returned stating that travel agencies have a role in overcoming the future fears of travelling, and to the second question 78% of consumers thought travel companies have responsibility in giving updates on the Covid-19 situation.

This proves to us, from a consumer perspective, it is not only the role of governments and political institutions to handle regional or world crises. But actors that possess power and influence during these times, in this case large travel companies, also have some kind of obligation to demonstrate its ambition to facilitate solutions and adaptations to a shaky world situation.

Consumers were also asked to answer in an open question, if they believe there is something specific travel companies should communicate amid covid-19. Many answers came back pointing towards a want for them to focus on transparency and clear consistent objective information:

Consumer Y: " I think it is most important to assure passengers that they are safe, and explain how they can assure this. Transparency is key."

Consumer X: "I believe travel companies have an big responsibility to build its trust capital during such times" Questions were also asked whether or not travel agencies have a bigger role then merely communicating empathy and understanding during a crisis. Customers thought they are important actors in helping with the restoration and well-being of travel destinations.

"Should travel companies that operate in tourist cities and societies perform corporate social responsibility (CSR) activities to help local communities overcome economic setback from Covid-19?"

A majority proportion of the answers (79%) leaned towards believing travel agencies have a role in not only supporting and caring for, but actually performing physical CSR activities to help restore, strengthen and build legitimacy in the hubs they operate.

### Communication channels: The important role of social media

In terms of choosing communication channels in times of crises, studies have found increasing support for the importance for travel agencies to focus more on social media platforms. The main reason for this was investigated by S.Kaedo and S.Hiroki, who found that consumer-to-consumer crises communication plays an equally important Business-to-Consumer role as communication in terms of influencing safety perception and willingness to travel. (S.Kaedo, 2019) Therefore, allowing viral buzz and information spread with word-of-mouth action is marketing actions travel companies should consider more.

With the new digital era, companies are no longer dependent on one-way communication, but social media has allowed for a more dynamic way of communicating which integrates people's social and economic lives, which has made a difference to the tourism industry. It is therefore necessary tourism for practitioners to value social media as an information source to minimize travel uncertainty. In practise this includes identifying how customers react and respond to each other's experiences and opinions within social communities linked to the tourism sector. (S.Kaedo, 2019).

### Communication strategy: The importance of the message.

Nevenka Cavlek (2002), uses the words: peace, safety and security; to qualify the ideal environment necessary for the development of tourism in a certain destination, and qualifies them as essential conditions for growth. These are *sine qua non* conditions.

What happens now when in the framework of Covid-19 no country meets these requirements and the risk perceived about travelling is quite high?

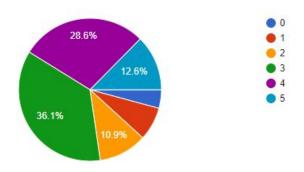


Figure 3: Your risk perception about travelling during Covid-19. (0 = none; 5 = much risk)

Health crises are perceived as new, resulting in high levels of perceived risk among society and a high degree of uncertainty (Reynolds and Seger, 2005). This lack of familiarity calls for more transparent, clear, simple and objective communication by all organizations to reduce these high levels of uncertainty. (Reynolds and Seger, 2005)

When a situation such as the one we are experiencing appears, it is very important to establish priorities, to mark the main lines, the risks and existing limits, and also to manage an active communication by the management.

We must not forget the internal communication and the CSR that in these difficult moments are very important. What happens within a company can have a negative impact on the perception of the final consumer.

After an exhaustive analysis of the literature, we have come to the conclusion that a travel agency in this type of crisis has two fundamental objectives: the first, and more pertinent, has to do with the stakeholders; while in the second we find the company as such (W. Timothy Coombs, 2015):

### *Objective 1: ETHICAL RESPONSIBILITIES:*

Portraying and communicating ethical responsibilities to protect stakeholders rather than the company is often argued as the most optimal immediate response. (W.Timothy. Coombs, 2007) Ogilvy B2B confirms this in the interview:

"In abnormal situations, a company often has to put its interests aside to attend those of its consumers, in times of crisis and with the aim of remaining relevant, this becomes much more evident"

### Responsibilities to clients.

The management and communication objectives of a company must pursue, in the first place, the protection of its stakeholders. (W. Timothy Coombs, 2015). The ability of quick and effective communication to a company's stakeholders is an important component for a successful crisis management. (Marra, 1998).

According to the survey conducted, the fear of traveling in the time of the COVID-19 is quite high. Society demands security measures and information regarding adaptation.

Continuing along the same lines of communication as before the Covid-19 could make travel agencies seem irresponsible, which would end up causing great damage to the image and reputation of this type of company. Therefore, these agencies have to respond to the psychological stress caused by this crisis if they are to remain relevant.

The organisation should look upon its role in society and investigate how it can play its part in damping psychological stress, and upholding wellbeing in the general public. If executed correctly, an organisation can be of significant value in the road to recovery, especially for corporations where the ability to influence is strong. (Sturges, 1994). Companies cannot just sell destinations, they have to sell security This leads to the following two hypothesis: **Hypothesis 1:** The communication efforts of a travel agency during the Covid-19 have to focus first on demonstrating an understanding of the degree of severity of the crisis with CRS awareness.

**Hypothesis 2:** The communication of a travel company must focus on the understanding and knowledge of its consumers,

### Responsibilities to the destination.

Tourism is a double-sided currency in situations like this. On the one hand, tourism is one of the most sensitive sectors to a Covid-19 type of crisis. (Issahaku Adam, 2015)

And on the other hand it is a sector which is transcendental in the maintenance of the world economy, as the world travel & tourism council showed in its annual report, in 2019. Travel and Tourism's direct, indirect and induced impact over the world was accounted for:

- US\$8.9 trillion contribution to the world's GDP
- 10.3% of global GDP
- 330 million jobs, 1 in 10 jobs around the world
- US\$1.7 trillion visitor exports (6.8% of total exports, 28.3% of global services exports)
- US\$948 billion capital investment (4.3% of total investment)

The World Tourism Organization, makes clear what is at stake in the current COVID-19 scenario: "the threat of losing tens of millions of direct tourism jobs, the loss of opportunities for those vulnerable populations and communities who stand to benefit most from tourism, and the real risk of losing vital resources for safeguarding natural and cultural heritage across the world". (UNWTO,2020)

What can travel agencies do in this scenario?

Tour operators account for 25% of the total international tourism market, which means that they have become very powerful and influential players in this regard (World Tourism Organization cited by Nevenka Cavlek, 2002). This gives travel agents a new kind of responsibility in situations like these: act as key reducers to society.

The respondents of the survey were clear: travel companies will play a key role in reactivating the normal tourism traffic, as they are seen as key players in overcoming future travelling fears. Figure 4.

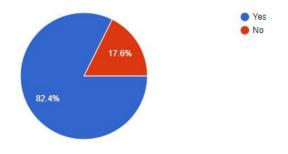


Figure 4:: Do you think travel companies are important players in overcoming the future fears of travelling?

As pointed out by the World Economic Forum "efficient crisis management can make the tourism sector a catalyst for the general economic and social recovery as a whole" (WEF, 2005). So, they bear the ethical responsibility of reviving one of the main sectors within the growth of the global economy.

Because in the context of a crisis that has no borders, they play a fundamental role as a link between the countries that create the most money and the countries that need it the most.

This additional answer came up in the open question opportunity of the survey, when asked what he/she thinks travel agencies have obligation to communicate during world crisis:

Customer X : "Promoting tourism in countries whose economy was hardly affected by the pandemic"

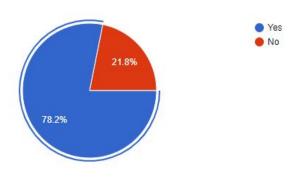


Figure 5: Should travel companies that operate in tourist cities perform Corporate Social Responsibility (CSR) activities to help local communities overcome economic setbacks from COVID-19?

Tui demonstrates their CSR work and Covid-19 response clear and objective in their commercial video. In a virus epidemic crisis like covid-19, showing your support to the local communities where travel agencies operate shows integrity and empathy. The health and perseverance of local communities in these tourism hubs are central to the future success of the agencies. (TUI, 2020) This leads to the following hypothesis:

**Hypothesis 3:** Travel agencies' communication has to show concern and empathy for the local community.

But that's not all, travel agencies also have responsibility for helping their partners in the affected country. If they are big like TUI's, they are very likely to have business networks in the most popular countries as a tourist destination among their customers.

For example, it is a common thing for a travel agency to have a pre-established collaboration and agreement with a line of hotels in the host country. So in this sense, the tourist destinations where the travel agency has built this type of relationship, will be among the countries where they feel more urgency to open the exchange of tourists. (Nevenka Cavlek, 2002)

#### This leads to following hypothesis:

**Hypothesis 4:** Travel agencies' communication must try to regain normal tourism traffic as soon as the crisis let them

That is, as established by the World Tourism Organization: "As cases around the world make clear, we must be ready to act fast to save lives. But it is also now clear that we can also take decisive action to protect jobs, and safeguard the many benefits tourism delivers, both, for people and the planet." (UNWTO, World Tourism Organization, 2020).

*Objective 2: PROTECTING REPUTATION.*  After the responsibility with the stakeholders, the communication objectives should focus on the protection of the company's reputation. (W. Timothy Coombs, 2015)

Reputation management and perseverance is determined to play a big role in managing a disaster where the organisation is the victim cluster (W. Timothy. Coombs, 2007). Even though the company itself isn't the reason for the crises, it may result in a spill-over effect, and the crises opens the possibility for stakeholders to question the organisation's response and actions in the mixth of a crisis, which in the longer run may hurt the brand and reputational assets. (W.Timothy. Coombs, 2007)

A travel agency, according to Perez and East, is judged responsible not only for the services offered (and their success or lack thereof), but also for anything that happens to travelers. Any physical damage they suffer if it is related to the agency's activity or the services offered. (Perez and East, 1991). It is therefore to be expected that a travel agency will have to take certain security measures with respect to its customers so as not to see their reputation damaged, and now during the coronavirus it has become almost a requirement.

This leads to the following hypothesis: **Hypothesis 5**: A travel company must communicate health and safety measures.

On the other hand, a crisis of this magnitude also opens the possibility for a company to strengthen its image perception and grow as a legitimate player in the competitive field. Inevitable external crisis situations can also clearly possess a negative threat to a travel agency's corporate image, financial outcome and reputation (A.Gonzalez-Herrero, 1998). Travel agencies therefore have the possibility of reinventing themselves and rebuilding their role within society.

As aforesaid, travel agencies can no longer only sell destinations, they have to sell security.

They have to earn the trust of the public, and act on it if the public decides to give it to them. Because, in a scenario such as the current one, with so much social awareness of the problem and so much general fear, an abuse of the traveler's trust can destroy a company's image.

This leads to the following hypothesis:

**Hypothesis 5:** The communication on a travel agency in times of a crisis, must look after its reputation maintenance.

### Developing the messages.

As we have seen during the development of these objectives, the distinction between the two is not clear and evident, but rather the communication efforts made to achieve them overlap and interrelate. Because, if a travel agency does not seek the protection of its stakeholders at a time when their sensitivity to the need to feel safe is greater, the company's reputation is very likely to be damaged.

After analyzing the survey and the interview with Ogilvy data, as well as an in-depth bibliographic research, it can be concluded that, in order to fulfill both objectives, the communication strategy of a travel agency also has to provide its clients with objective messages and with updated, transparent, clear and consistent data.

### Objective and updated messages:

In a health emergency, such as Covid-19, the communication strategy of a travel agency has to focus on transparency and objectivity (Reynolds and Seger, 2005). Otherwise, it will not only be the image of the company that will be damaged, but communication that ignores the current situation can have fatal implications and cause a lot of damage. (W. Seeger et al, 2018). Therefore, every message an agency sends to its clients must be equipped with the most accurate information available at the time.

This characteristic of the message is something shared between the opinion of the respondents, where the 79% answered that they thought that travel agencies have responsibilities regarding giving updates on the Covid-19 situation.

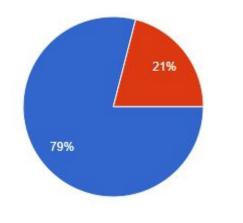


Figure 6: Do you think travel agencies have responsibilities regarding giving updates on the Covid-19 situation?

#### Transparent message:

The client survey supports this: the messages must be transparent in order to have the ability to reduce the perceived risk.

One key question asked to consumers were: "What do you think is the most important thing for a travel agency to communicate during covid-19?" A significant number of consumer answers came back emphasising the importance of being trustworthy and showing transparency during such unprecedented times.

Consumer Y: "I think transparency is key" Consumer X: "I believe travel companies have an big responsibility to build its trust capital during such times"

The consumer's answers indicate that during and after an external crisis event, Travel agencies should consider the way they meet these demands.

### Clear message:

"Consumers need to understand what companies are offering them in a clear and transparent way, whatever the situation. But in times of crisis like those experienced during the Covid-19, this is even more relevant" (Ogilvy, 2020)

During the Covid-19 health crisis, people are subjected to high levels of psychological stress, which reduce their ability to decipher a message.

In this way, every message will have to be designed so that it is easy to share, easy to receive, easy to understand, and easy to interpret. (W. Seeger et al, 2018) *Consistent message:* 

The messages communicated by the company in times of crisis have to be consistent:

On the one hand they must be aligned with the company's communication culture. Because if a message goes out of the line of communication that the company would follow under normal conditions, it will not work. (Marra, 1998)

Ogilvy reinforces this point by telling us that each client has faced the situation in a different way, but always according to their usual communication strategy.

"It is very important that the messages a company sends in times of crisis follow its usual communication strategy. In the case of the clients we have in Ogilvy, those who had a closer or more regular contact with their stakeholders have continued to do so in the same way and those more distant as well. If a company changes the way things are done in it, all the communication efforts it makes will be almost in vain". (Ogilvy, 2020)

And on the other hand, the messages have to be consistent with each other: the contradiction will only unsettle the public and increase their psychological stress and perceived risk. (W. Seeger et al, 2018)

### Messages that imply a quick response:

In a crisis, the public needs quick answers. From Ogilvy we are told that this need on the part of the companies arose immediately with the Covid-19, either in the form of communicating the changes in their services or the duty to be by their consumers' side showing that the brand was empathetic to the situation. In a context of crisis, a message is often judged by the speed in which it arrives, becoming a fundamental requirement for the success of any communication effort. The speed of response can become an even more important feature of the message than the content. (Marra, 1998; W. Seeger et al, 2018).

### Messages tailored to the context:

The messages that a company sends out must be aligned with the social panorama that exists during the crisis. Otherwise, the public will not feel identified with the message, and it will cause dissonance, so it will not be effective. For example, in the context of Covid-19, it is impossible for the audience to identify with advertising messages with scenes of numerous groups hugging and being very close to each other.

### Contributions to theory

Previous theory is lacking a focus on how companies within the tourism industry could navigate and go about in tackling their crisis communication due to external factors.

Therefore, this paper offers a new theoretical framework based on insights from customer, managerial as well as academic perspectives, to develop a more clear guideline for this industry which plays such an important role for the economy of tourism dependent countries.

In the context of global instability, tourism is a double-edged sword:

It belongs to one of the most vulnerable sectors to this type of crisis, while playing

a relevant role in the global economy, and its fall can cause many problems.

That is why our contribution to the theory has wanted to study the communication strategies that can help a travel agency to reinvent itself, and rebuild its role to remain relevant, in a time of crises within a society where it is no longer possible to sell only the destination.

Each element identified and represented in the theoretical framework is an element interacting with a dynamic, complex, and constantly changing environment.

Therefore the strategy will have to be continuously evaluated and adjusted by the travel agency to be effective.

Further, the communication efforts of a travel agency have to focus on two main objectives:

- Ethical responsibilities: where we incorporate stakeholder protection.
- And protection of the company's reputation.

These are the two most constant and fixed objectives among companies in times of crisis.

But how to achieve them, changes between sectors, companies, and even within the same company can change at times.

The theoretical framework shows this complexity of the communication strategy in times like the ones we are currently in.

From demonstrating understanding, support and offering help to customers, to the reactivation of the normal exchange of tourists with a destination, helping the recovery of the economy of this, the communication process is very complex: the messages have to reach customers quickly, because in many cases the success of the effort depends on this speed, but without losing the care in the choice: each message has to be correctly selected to respond in the most effective way in each moment.

A company must have a global vision of what is happening in order to give a response.

It has to know what to communicate, where to communicate it, how to communicate it so that it is as clear and easy to interpret as possible; because during a crisis, the psychological stress that society suffers, makes it unable to interpret the messages in the same way.

"Suddenly all the areas of the business were aligned is something vital. Like a school of fish, it was time to move fast, but all at once, so that the right messages could be given at every moment." Ogilvy, 2020

This new theoretical framework offers travel agencies an understanding of the new role they should take on to remain relevant, how they are expected to act to fulfill it and teaches them to respond accordingly.

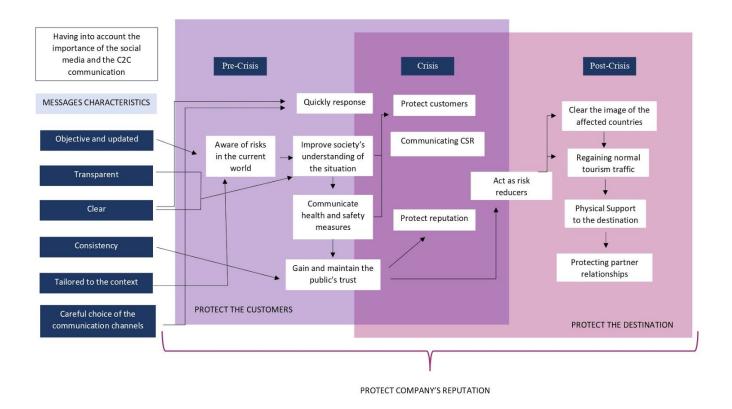


Figure 7: Unique framework for the travel industry in terms of communication strategy towards consumers in time of external crisis

#### Conclusion

This paper acknowledges the important role travel and tourism has on the current world structure. This globalised world is currently under threat from the covid\_19 pandemic, which calls for actions from the travel industry.

Discussion has been made around how the travel-sector could go about in communicating their offerings during times of social crisis and abrupt changes in availability. We also hope the key points presented in this paper can contribute with insightful recommendations for travel companies to understand their bigger role in society to handle times of uncertainty and instability.

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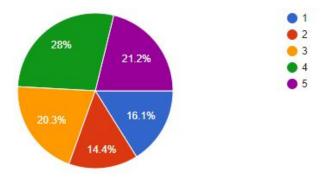
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#### Annex 1: Customer Survey Answers

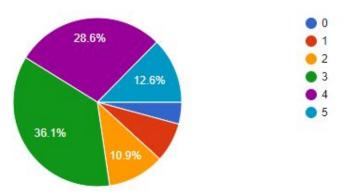
How would you rate the way your country informs about COVID-19? (1 = not clear; 5 = very clear)

118 responses



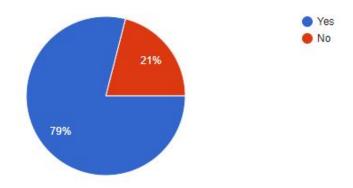
Your risk perception about travelling during Covid-19. (0 = none; 5= much risk)

119 responses



Do you think travel agencies have responsibilities regarding giving updates on the COVID-19 situation?

119 responses



In your opinion, click the box that you think is the most important for a travelling company to communicate in times of COVID-19.

119 responses

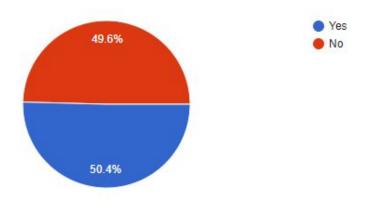


Add something else that, in your opinion, is important for a travelling company to communicate.

48 responses

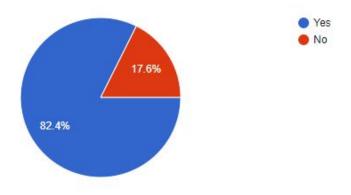
Will the COVID-19 situation change your willingness to travel in the future?

119 responses



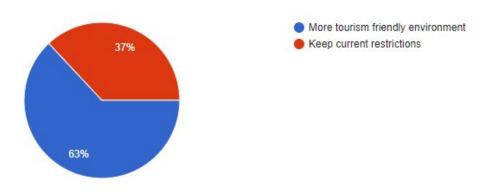
Do you think travel companies are important players in overcoming the future fears of travelling?

119 responses



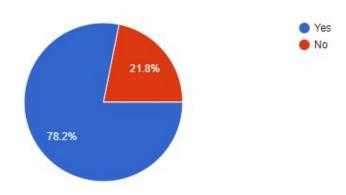
Do you think it is important for tourism dependent countries to try to allow for a tourism friendly environment, or should they keep current restrictions?

119 responses



Should travel companies that operate in tourist cities perform Corporate Social Responsability (CSR) activities to help local communities overcome economical setbacks from COVID-19?

119 responses



Anex 2: Interview with Itziar Arbesu Linkedin Page: <u>https://www.linkedin.com/in/ichi-arbes%C</u> <u>3%BA-78421618/?originalSubdomain=es</u>

### Do you work with any clients in the tourism sector?

In Ogilvy we work with several clients from the tourism sector such as Iberia or Alsa and some that although not directly from the tourism sector are very close such as American Express that has a specific dedicated area.

From there the questions would be:

### 1.How has Coronavirus affected Ogilvy's business context?

Well, it has affected us as much as it has affected our clients. With the situation caused by Covid-19 many were not able to develop their activity for months, others, although they continued to develop it, were affected by a climate of anxiety in consumers who, faced with the situation, decreased their consumption.

2.How has Coronavirus changed the relationships within your commercial contexts and with your clients (for example, have you had to accelerate the processes of creating ads to adapt more quickly to the new way of communicating that has emerged with Coronavirs? And, in the same vein, has Ogilvy gained more autonomy in communicating).

During phase 1 of covid-19, Ogilvy's day-to-day life was hectic. Clients had a very important need to communicate, whether it was due to changes in their services or the duty to be by their consumers' side, showing that the brand was empathetic to the situation. In addition, from the agency we also felt the responsibility to be by our clients' side by acting quickly and proactively proposing actions that we believed could help them maintain their business objectives with the crisis that was about to unfold.

As for autonomy, nothing could be further from the truth. What happens with crises is that they are crises, nothing is left to chance or acted upon quickly, but each communication, although urgent, required many more approvals and reflections than any other campaign of any given month.

### 3.How have companies adapt their communication to their customers in times of Covid-19?

It is very important that the messages a company sends in times of crisis follow its usual communication strategy. In the case of the clients we have in Ogilvy, those who had a closer or more regular contact with their stakeholders have continued to do so in the same way and those more distant as well. If a company changes the way things are done in it, all the communication efforts it makes will be almost in vain

What has changed is that they have had to be very agile and very careful at the time of launching any message because in moments of crisis the situation changes every time.

**4.How do you think a crisis like Covid-19 can affect a company's image?** Without a doubt, for good and also for bad. The reality is that brands had to take sides and adapt their internal and external strategies to the situation in a matter of days. Suddenly, it was vital that all areas of the business were aligned. Like a school of fish, it was time to move fast, but all at once to deliver the right messages at the right time.

In addition, on that occasion an exceptional situation was generated that affected the customers as a company, that is, internally modifying their way of working and offering or not a vision of responsible CSR as regards the business with their customers. Everything was intertwined.

# 5. What things should a company take into account when communicating with its consumers in times of Covid-19?

When a situation such as the one we are experiencing arrives, it is very important to establish priorities, set the main lines, risks and existing limits, and also manage an active communication by the management. We must not forget the internal communication and the CSR that is in difficult times plays a very important role. What happens within a company can have a negative impact on the perception of the final consumer, as happened with the call centers, for example.

# 6. What points are unchangeable in the communication of a company to its consumers?

In my opinion, clarity and empathy: Clarity because consumers need to understand what companies are offering them in a clear and transparent way, whatever the situation. But in times of crisis like those experienced during the Covid-19, this is even more relevant. If we are able to explain things in this way, we will have a lot to gain. Empathy - Consumers come to brands because they need something. That's why, when we think of a campaign, we must put aside for a moment the needs of the company and think about what we can bring to the final customer and their needs. This, although it may seem a lie, is not always the case and the needs of the business are ahead of those of the consumer.