Tourism Service (Risk Analysis)

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| Key to Risk Types | Key to Severity and Likelihood |
| B – Business  p – project  T – Technical  S – Security  E – Environment  C - | H – High  M – Medium  L - Low |

Initial Risk Analysis

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| --- | --- | --- | --- | --- | --- |
| Ref. | Risk Type | Description | Likelihood of occurrence | Severity of impact | Countermeasures |
| 1. | B | Cancelation- some tourists want to cancel about their travel schedule | H | H | It is possible to lost opportunity costs, so we need to get deposit (about 20% of total price for travel ) from customer for booking to reduce loss |
| 2. | B | Accident: tourists are traveling it is possible to meet bad situation such as car or airplane accident | H | H | If that kind of situation happens , we need to cover all of cost , so it is necessary to join insurance to reduce loss rate |
| 3. | E | Bad weather : some of appointment can be cancelation or delay such as airplane, sea travel, performance, outside activities, events, | M | H | We need to check weather condition in great detail before making plan, and we have to prepare alternative way to avoid worst case. |
| 4 | T | booking system: nowadays, thanks to developed IT technology we can book by using online and mobile application so we have to maintain well that kind of system | M | M | To avoid booking system problem, we need to watch and check frequently and set up to react by hiring IT technician. |
| 5. | S | Personal information: to book travel schedule , we need to get customer personal information so it is possible to leak that kind of information | H | H | We have to manage customer personal information carefully by hiring IT security technician and it need to block to access that information from external place. |
| 6. | S | Personal belongings: when tourists are traveling, some body’s belongings can be stolen by pickpocket | M | H | Tour guide have to give advice about how to protect their things and check it frequently to avoid travel delay to find out someone’s belongings |
| 7. | P | Staff Absence:  When some staff get a sick or something happens for them, it is not able to come to work so it is possible to make problems to set up travel schedule and management | M | M | When they think that it is impossible to go to work , they have to contact company and they need to allocate somebody can do work instead of them who are absence at ordinary times |
| 8. | p | Schedule has no room for slippage : to avoid any delay for travel, we have to make travel plan in great detail and think about to deal with unexpected situation | M | M | We have to collect information about unexpected situation and we need to make reaction sequence to follow without any delay |
| 9. | p | prevention measure: when tourists are traveling, they can get disease from traveling country | M | H | We have to have disease information with traveling countries to avoid to get disease form traveling countries, so we need to give that kind of information to customer to get vaccination before going travel |
| 10. |  |  |  |  |  |

Risk Analysis:

1.Cancel: some people want to cancel about their travel schedule (there are several reason :

case1-they find more chip travel agency case 2- they just change their mind and so on )

-when some people want to make an appointment travel, Travel Agency also need to book some part of thing such as airplane, hotel and some activities but if someone want to cancel, it is possible to lost opportunity costs. so we need to get deposit (about 20% of total price for travel ) from customer for booking to reduce loss

2. accident and natural disaster : when some people are traveling it is possible to meet bad situation such as car or airplane accident and delay due to bad weather condition so it can link loss so travel agency need to join insurance for traveler to reduce loss rate

### 3. Risk Management in Tourism Destinations

1. 1. Disaster Risk Management in Tourism Destinations Dr. Stefanos Fotiou United Nations Environment Programme Division of Technology, Industry and Economics
2. [2.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-2-638.jpg?cb=1372903913)This presentation is about……… 1 Tourism and Risk 2 Tourism Risk Management 3 Vulnerability of Destinations4 APELL in Tourism Destinations
3. [3.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-3-638.jpg?cb=1372903913)Let’s start with …… 1 2 3 4 Tourism and Risk Tourism Risk Management Vulnerability of Destinations APELL in Tourism Destinations
4. [4.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-4-638.jpg?cb=1372903913)Sustainable tourism ′ Tourism development that promotes: λ Economic efficient λ Environmental protection λ Socio-cultural progress Economy Environment Society 1 2 3 4
5. [5.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-5-638.jpg?cb=1372903913)Tourism growth and sustainability ′ 1 billion tourists by 2020 ′ Dynamic opportunistic market ′ Structural changes λ New destinations λ Demand for new tourism products (“Life- style”; adventure; custom made tourism) λ Competition ′ Tourism development will depend on external threats 1 2 3 4
6. [6.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-6-638.jpg?cb=1372903913)Hazards and Risks 1 2 3 4 ′ Hazard: A potentially damaging physical event, phenomenon or human activity that may cause the loss of life or injury, property damage, social and economic disruption or environmental degradation. ′ Risk: The probability of harmful consequences, or expected losses resulting from interactions between natural or human-induced hazards and vulnerable conditions.
7. [7.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-7-638.jpg?cb=1372903913)Hazards for tourism destinations Atmospheric Earth (Geological) Biologic Human Cyclones Earthquakes Human epidemics Industrial accidents Tornadoes Tsunamis Plant epidemics Traffic accidents Storms Landslides Animal epidemics Crime; Terrorism Floods Volcanoes Plagues Economic Frosts Erosion Fires Political conflict 1 2 3 4 Source: Adapted from Granger, K. (2000). "An information infrastructure for disaster management in Pacific island countries."
8. [8.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-8-638.jpg?cb=1372903913)Risks for tourists 1 2 3 4 Environmental Diseases Financial Socio-cultural Product liability Property damage Security ….
9. [9.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-9-638.jpg?cb=1372903913)Impacts of hazards and risks on tourism development ′ Damage of tourism specific assets λ Human, environmental, social ′ Degradation of destination’s image λ Decrease of income λ Substitution by other destinations ′ Indirect damages λ Macroeconomic effects 1 2 3 4
10. [10.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-10-638.jpg?cb=1372903913)And then the media will come The number of foreign tourists visiting France fell by 2.6% in 2003, according to a study issued by the tourism minister, Léon Bertrand. The strength of the euro against the dollar and other major currencies depressed French tourism last year. The country also suffered a negative impact from the oil spill from the Prestige tanker disaster, a series of forest fires and the heat wave that struck in August. (International Herald Tribune 26/02/2004, p.24) 1 2 3 4
11. [11.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-11-638.jpg?cb=1372903913)And then the media will come The number of foreign tourists visiting France fell by 2.6% in 2003, according to a study issued by the tourism minister, Léon Bertrand. The strength of the euro against the dollar and other major currencies depressed French tourism last year. The country also suffered a negative impact from the oil spill from the Prestige tanker disaster, a series of forest fires and the heat wave that struck in August. (International Herald Tribune 26/02/2004, p.24) 1 2 3 4 Human Hazard (Financial Instability) Human Hazard (Industrial Accident) Biologic Hazard Atmospheric Hazard
12. [12.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-12-638.jpg?cb=1372903913)The future ′ The market: λ Destinations perceived as being overdeveloped, unattractive, poorly serviced, and less safe will be gradually rejected, despite the lower price of such destinations. ′ Increased probability of hazards λ Growth of the tourism; more people will travel λ Climate change ′ Tourism communities should learn to co-exist with and respond to the risks λ Demonstrate their capacity to manage risks 1 2 3 4
13. [13.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-13-638.jpg?cb=1372903913)How do we do that? 1 2 3 4 Tourism and Risk Tourism Risk Management Vulnerability of Destinations APELL in Tourism Destinations
14. [14.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-14-638.jpg?cb=1372903913)Tourism risk management Tourism risk management is a systematic approach to making decisions under conditions of uncertainty, dealing with the total risk, by anticipating possible opportunities and accidental losses, and designating and implementing procedures that minimize; i) the occurrence of loss, and/or ii) the social, economic and environmental impact of the losses that do occur. 1 2 3 4 Source: Destination Risk Management Modelling, 2004
15. [15.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-15-638.jpg?cb=1372903913)Tourism risk management Tourism risk management is a systematic approach to making decisions under conditions of uncertainty, dealing with the total risk, by anticipating possible opportunities and accidental losses, and designating and implementing procedures that minimize; i) the occurrence of loss, and/or ii) the social, economic and environmental impact of the losses that do occur. 1 2 3 4 Source: Destination Risk Management Modelling, 2004
16. [16.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-16-638.jpg?cb=1372903913)The basis of risk management Risk = %Hazard x Vulnerability/Capacity Hazard Vulnerability Capacity 1 2 3 4 C1 V1 H1 + + +
17. [17.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-17-638.jpg?cb=1372903913)Tourism risk management process ′ Risk Environment ′ Risk Identification ′ Risk Analysis ′ Risk Treatment 1 2 3 4
18. [18.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-18-638.jpg?cb=1372903913)Risk Environment ′ Describe the environment where the disaster may happen λ Assets for tourism development and community wellbeing λ The tourism load and seasonality λ Stakeholders λ Legal, political, business framework that rules the destination (identify authority) 1 2 3 4
19. [19.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-19-638.jpg?cb=1372903913)Risk Identification ′ Identification should include all risks, whether or not they are under the control of the tourist destination or local government. ′ Use various methods and tools like brainstorming, flowcharts, check lists, records, experience. 1 2 3 4
20. [20.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-20-638.jpg?cb=1372903913)Risk analysis: Consequences 1 2 3 4 Source: AICST 2004, Tourism Risk Management in the Asia Pacific Region
21. [21.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-21-638.jpg?cb=1372903913)Risk analysis: Likelihood 1 2 3 4 Source: AICST 2004, Tourism Risk Management in the Asia Pacific Region
22. [22.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-22-638.jpg?cb=1372903913)Risk analysis: Level of risk 1 2 3 4 Source: AICST 2004, Tourism Risk Management in the Asia Pacific Region
23. [23.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-23-638.jpg?cb=1372903913)Risk treatment ′ Identifying the range of options available to operators and destinations, making plans and acting upon them. ′ Risk treatment strategies ′ Few risks remain static. 1 2 3 4
24. [24.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-24-638.jpg?cb=1372903913)Minimizing risk version 1 1 2 3 4 Risk = %Hazard x Vulnerability/Capacity Hazard Vulnerability Capacity C1 V1 H1 V- < V1
25. [25.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-25-638.jpg?cb=1372903913)Here is the difficult part 1 2 3 4 Tourism and Risk Tourism Risk Management Vulnerability of Destinations APELL in Tourism Destinations
26. [26.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-26-638.jpg?cb=1372903913)1 2 3 4 Global trends and vulnerability of destinations ′ The global population is moving and concentrating to coastal zones; creation of large urban conurbations (metropolis) ′ The implications for tourism are widespread; dominance of these conurbations as both cultural centres and transportation hubs for travellers. ′ Therefore vulnerability is increasing
27. [27.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-27-638.jpg?cb=1372903913)Global trends and vulnerability of destinations ′ There are more built-up areas for natural and anthropogenic disasters to have a negative impact, particularly areas developed along coastlines specifically for tourism purposes ′ Vulnerability reduction is therefore at the very heart of the risk management processes for tourism destinations in coastal areas. 1 2 3 4
28. [28.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-28-638.jpg?cb=1372903913)Factors affecting tourism destination’s vulnerability ′ Exposure to hazards ′ Land planning and management policies ′ Resource management ′ Availability of technologies ′ Political climate and leadership ′ Community behavior (community vulnerability) 1 2 3 4
29. [29.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-29-638.jpg?cb=1372903913)Exposure to hazards ′ Difficult to change ′ Coastal destinations are more vulnerable to natural hazards ′ Climate change will affect more coastal destinations and all the Small Island Developing States (SIDS) ′ The need for Integrated Coastal Zone Management (ICZM) 1 2 3 4
30. [30.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-30-638.jpg?cb=1372903913)Land planning and management ′ Integrated Coastal Zone Management λ Participatory approach λ Land based activities λ Impacts on the capacity of coastal communities λ The relative power of stakeholders 1 2 3 4
31. [31.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-31-638.jpg?cb=1372903913)Resource management ′ Seasonality of tourism demand λ Seasonality on resource demand ′ Resources’ demanded from the tourists are usually much more higher than the ones demanded by locals λ During a disaster tourists are a threat to local communities 1 2 3 4
32. [32.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-32-638.jpg?cb=1372903913)Availability of technologies ′ Depends on the development level of each destination ′ Destinations in developing countries may benefit from tourism λ Tourists demand for technologies ′ Destinations targeting quantities may suffer from the low level of available technology (investment priorities) ′ Innovation is a very crucial factor for tourism sustainability 1 2 3 4
33. [33.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-33-638.jpg?cb=1372903913)Political climate and leadership ′ Mature and well organized destinations in developing countries may have an advantage if they are managed from strong tourism authorities ′ The advantage may become disadvantage in cases of inefficient central management ′ The importance of Destination Management Organisations 1 2 3 4
34. [34.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-34-638.jpg?cb=1372903913)Community’s vulnerability ′ Strong community institutions ′ Effective planning for community development λ Bottom-up approaches ′ Mitigation initiatives in place ′ Information level ′ Economic and racial equality ′ Capacity of the community 1 2 3 4
35. [35.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-35-638.jpg?cb=1372903913)Increasing capacity 1 2 3 4 Tourism and Risk Tourism Risk Management Vulnerability of Destinations APELL in Tourism Destinations
36. [36.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-36-638.jpg?cb=1372903913)Minimizing risk version 2 1 2 3 4 Risk = %Hazard x Vulnerability/Capacity Hazard Vulnerability Capacity C1 V1 H1 C+ > C1
37. [37.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-37-638.jpg?cb=1372903913)APELL in Tourism Destinations ′ We developing together a new method ′ Integrating the experience of 2 countries, 1 international recognised rescue agency, 1 international business association and the UN system ′ Creating together tolls to make our communities better ′ Creating experience and expertise for other communities and people 1 2 3 4
38. [38.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-38-638.jpg?cb=1372903913)Our project. Minimizing risk: Integrated version 1 2 3 4 Risk = %Hazard x Vulnerability/Capacity Hazard Vulnerability Capacity C1 V1 H1 C+ > C1 V- < V1
39. [39.](https://image.slidesharecdn.com/tourismriskmanagement-130704021053-phpapp02/95/risk-management-in-tourism-destinations-39-638.jpg?cb=1372903913)“Institutional and societal decrease of risk” ′ We decrease risk by: λ Creating and operating strong institutions λ Maintaining social cohesion λ Understanding different cultures λ Accepting change λ Being open to new and maybe “non understandable” behaviours λ Working as a team despite the different interests and perceptions 1 2 3 4