

# University College Birmingham

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**Course:** BA International Tourism Management

**Module Code 1908:** Dynamic Tourism Environment

**Title:** A Thematic Analysis of the Dynamic Tourism Environment

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Tourism is a social, cultural, and profitable experience that involves the movement of persons to countries or places outside their normal environment for individual or business/professional reasons. These persons are called visitors (this includes tourists, excursionists, residents, and non-residents; hence tourism deals with their actions, some of which involve tourism expenses (UNWTO, 2020).

Through tourism, the demand for diverse commodities is increasing and diverse global cultures are homogenized into one. On one side improvement occurred; however, many diseases are transported from one country to another globally. In a real sense tourism industry is linked to all sectors of the economy that positively and negatively affects the GDP of the country. Through the tourism industry scores of employments were created that play a vital role in poverty eradication as well as the socio-economic development of the world. Tourism enhances the business environment of the country as it boosts the industrial segment of the world.

### **Two Historical Events Influencing the Tourism Industry and Their Impacts on Tourism**

There are so many factors that attract visitors to a country that pushes the tourism industry in the world. Among these are the natural beautification and historical places that play an immense function in the development of the tourism industry.

Terrorism, conflicts, and violence obliterate both physical and human capital while undermining the socio-political organizations that positively affect economic development. There are several reasons for terrorism in Pakistan. These include among others, ethnicity, income inequality, illiteracy, high population growth, inflation, lack of employment, poverty, political instability, and injustice (Ismail & Amjad, 2014; Khan, Estrada, & Yusof, 2016; Syed, Saeed, & Martin, 2015). In Pakistan, terrorism first and foremost enlarged after 9/11, when Pakistan started playing its role as a front-line country against terrorism. Both internal and external forces are encouraging terrorism in Pakistan. These terrorist activities have negatively influenced the economic development in Pakistan. Studies done in Pakistan indicated that terrorism has worsened

the economic development in the country (Hyder, Akram, & Padda, 2015; Khan et al., 2016; Khan & Yusof, 2017; Mehmood, 2014; Shahbaz et al., 2013).

Recently coronavirus has produced an enormous predicament for tourism growth. The first cases of formerly unknown lung illness were reported in the Wuhan (Hubei province) region of China in December 2019, at first, it emerged in a market where live animals were being traded. A new form of the coronavirus was recognized as the contributing agent and exposed in many patients with pneumonia. Its global spread has kept the whole world in apprehension. The novel coronavirus (CoV) is now called SARS-CoV-2, the infection COVID-19. COVID is the short form for Corona Virus Disease whereas, 19 refers to the year it was discovered. With around 80% of all established cases, the province of Hubei remains the epicenter. Flights and train travel from major cities in this province were annulled until further notice. Besides, roads were closed, and there was still a general responsibility to wear face masks (Uğur & Akbıyık, 2020). In the meantime, the SARS-CoV-2 has reached Europe and Switzerland, and many more countries. On January 30, 2020, the World Health Organization (WHO) declared SARS-CoV-2 a global health emergency.

Besides the human anguish involved, larger-scale epidemics and pandemics also have financial effects. The express result of this is that those affected were absent at the place of work, signifying that the job offers were provisionally reduced. If the disease is linked to many deaths, it still drops in the long term. Indirect outcomes also emanate from the actions taken to control the pandemic. For example, one of the parents was not able to work when schools closed because children had to be taken care of. Economic activities were as well affected as entry and exit were restricted in the affected regions. Nevertheless, indirect impacts arose from changes in behavior, for instance, consumers give up on shopping or tourists avoided risky areas. In the corona crisis, global travel traffic declined. Several countries forbid foreigners from accessing the country by closing their international borders (Uğur & Akbıyık, 2020).

## **Two Current Risks to the Tourism Industry and How Stakeholders Should Respond**

The number of risks that tourism businesses are dealing with has increased. This sector faces many potentially destructive threats that hotels need to compete with, principally as they handle an influx of both leisure and business travelers. These organizations must take advantage of risk management software that can assist them to discover these threats before they negatively influence their business (ResolverInc, 2015).

## **The Two Current Risks to the Tourism Industry**

### **1. Data Privacy**

Cyber security has become a major concern for many sectors, ranging from power and utility corporations to government institutes. Whereas particular industries are mostly concerned about cyber terrorism, the tourism business is mostly focused on averting data while identifying theft (ResolverInc, 2015).

On November 30, 2018, it was established that Marriott International Inc. encountered a breach that exposed the personal data of 500 million consumers. The attack is alleged to have started in 2014, two years ahead of Marriott bought Starwood. Marriott's in-house security instrument detected the infringement in September. However, the organization was not capable of analyzing the breached data until November 19. During the attack, the hackers gained access to the personal details of clientele (ResolverInc, 2015).

A security breach has enormous consequences. At the very least, the company must contact all guests including repeat customers informing them of the possibility of a breach of their data. This alone could cost the business immensely and might damage the brand image. Fraudsters might misuse the stolen data, and the company may face legal responsibility claims for failure to safeguard data (ResolverInc, 2015).

As more tour and travel organizations use digital systems to computerize tasks and control their information, they must be aware of the possible risks these resolutions could bring.

## **2. Guest Behaviour**

Guests symbolize the fuel for any tourism organization. Without guests and travelers, these organizations wouldn't earn any money. Nevertheless, guests can prospectively be the main threat both directly and not directly to profitability. Complaints from persons who are wounded or the destruction of guestrooms symbolize a big risk to the bottom line.

For instance, in Plim Plaza In October 2011, the Maryland Department of Health and Mental Hygiene exposed Legionella bacteria in water gathered from different locations. Six persons fell sick due to the disease, while one of them died. The Californian hotel chain was afterward sued for \$6 million by those who were affected by the disease.

Another example of guest risk happen when the proprietor of a Hilton condo dropped more than a few beer bottles over a railing. This caused more than \$10,000 worth of damage to the hotel's pool as well as the hot tub. Furthermore, some glass debris landed on the rooftops of surrounding buildings, causing more damage (Hospitality Risk Solutions, n.d).

Hotels should have in-house controls systems to deal with guest obliteration while ensuring travelers' safety during their stay. Little things, like closer supervision of assets and resources, can stop such incidents from happening.

### **How Stakeholders Should Respond to the Risks Above**

#### **Data Privacy**

To mitigate this risk, stakeholders should install Risk Management Software that enables better remote risk mitigation by enhancing engagement. This involves a guided single-page risk evaluation, an easy task list, and reporting. The risk management software links risks to incidents so that evaluations of what might happen are associated with what happened. With such a link, you can count the impact of your risk mitigation strategies, identify gaps in your risk register, and perform actionable risk assessments to evade emerging risks (Risk Management, n.d.)

Successful risk mitigation brings together all-important business functions to assist the risk team guard the company, however, if a business has many owners in diverse locations, gathering and analyzing the information can be overpowering (Risk Management, n.d.). The Risk Management Software;

- Allows risk managers to see all their risks on a particular platform
- Give information-driven approvals that can influence the bottom line.
- Centre resources on the risks and management that make a key influence on the business.
- Excellent reports need quality information and an elastic reporting engine. The software helps you:
  - Enhance adoption within the company with a simple end-user interface.
  - Achieve an absolute outlook of all data in a single place to produce the required reports to make the right data accessible to the correct persons at the right time.
  - Appreciate your risk and develop information-driven decisions with full visibility in your company.

The software's instinctive edge makes it easy for users to interrelate with the system to produce better quality data on an opportune basis (Risk Management, n.d.). It;

- Shares the risk and controls data across the venture and divisions.
- Computerizes workflows to inform risk owners when an assessment is due or waiting.
- Distributes the best practices and enhances the in-house procedures.

Risk Committee and Board Reports require important, present, and precise as well as combined across company units based on a steady and harmonized classification. The committee;

- Connects strategic risk to present operations and saves time for report development.
- Offers management and the board with their individual views for direct access risk information in the structure.

With the software's instantaneous constant evaluation, risk evaluations are no longer inactive. It;

- Enhances the commitment with company owners.
- Enables company owners to update their risks and controls as soon as they observe any alterations without launching a complete evaluation.
- Prompts evaluations as soon as KRIs or other pointers are out of patience, allowing the company to practically alleviate the risk before it influences company objectives.

Successful venture or functional risk mitigation is vibrant, iterative, and receptive to change; you require a structure that can adjust with your business. The Best Risk Management software is extremely configurable to your company (Risk Management, n.d.). It;

- Uses no code, drag and drop configuration that is exclusively tailored to your company.
- Simply configures and manages your program to enable you to adapt it to your company.
- Utilizes out-of-the-box ERM function individually or incorporated with best practice compliance, IT risk and conformity, vendor risk, and in-house audit appliance.

### **Guest Behaviour**

To mitigate this risk, stakeholders should develop consistent Incident Management Capturing complete incident reports takes time and attention to detail. Be a considered partner to your company by reorganizing occurrence submission, computerizing triage, and mounting reporting to illustrate the influence of what you do. Prevent incidents from going without being reported by building occurrence reporting channels that are easy. Besides, they are reachable for workers and are necessary for making sure that occurrences are reported and that risks are checked. With such software, it's simple for workers to give thorough, and actionable occurrence reports (Incident Management Software, n.d.)

Set aside time and get improved information with AI-enabled intellectual triage. Allow the AI algorithm to involuntarily tag your occurrence to hurry triage, enhance information reliability

while identifying more prospective occurrence links. Achieve effectiveness in your occurrence and analytical procedure by reforming your occurrence and analytical procedures by personalizing the software to match your workflow (Incident Management Software, n.d.)

Seize occurrences before they take place by discovering the ordinary causes of occurrences with connection charts, root cause investigation, and movement reporting to assist stop occurrences from happening. Demonstrate to your business the influence of what you do by getting instant answers. Put up your reports and diagnostics to bring insight to the company (Incident Management Software, n.d.)

### **How the Current Trends in Tourism Might Affect the Industry in Future**

With the desire of travelers for new exposures, the swift worldwide hi-tech development, climate change, and other dynamics, the tourism sector is continuously changing. Having been knowledgeable in the past decade, 2018 had the utmost global tourist arrival. According to World Tourism Organization (UNWTO), the sector is now indisputably facing huge challenges and painful transformation following the COVID-19 pandemic. Nonetheless, there are still increasing tourism trends that can assist tour operators, destination marketers, and other industry vendors to refurbish their organizations and attain success as we enter the new normal.

The following are some of the top tourism trends that may impact the industry in the future:

#### **1. Bleisure Travel**

Bleisure travel is a developing tourism trend where individuals expand their business travel to relaxation activities. Experts forecast it will keep on growing in the mobile labor force. Even though business travel is making its comeback in 2021, Bleisure is thought to be its future. (Tsvetkov, 2018). A 2018 study established that 60% of U.S. business trips included relaxation ingredients, an increase from 43% in 2016 (Bleisure Travelers are Hungry for Sunshine, Sightseeing, and Cuisine, n.d.). These business relaxation trips can either be planned, where



customers program their holiday in the same phase of a work-related trip. Besides, Organizations should give their employees some tourist exposure during job trips.

Once meetings, expert conferences, and other work activities are over, business travelers may choose to extend their stay and discover their destination. Besides, there is an increasing trend among millennials called digital nomad experience. This is where online employees and freelancers assume a lifestyle of traveling as they labor (Tsvetkov, 2018)

As a tour operator, you are capable of taking advantage of the increasing trend by producing offers that attract business travelers to lengthen their stay for relaxation. For instance, you could promote team retreat packages mixed with perks like photos, videos, and transfer. Installing WiFi and chargers in buses and lodgings entices digital nomads and other travelers who prefer staying connected to their work.

## **2. Automation**

Past are the seasons when booking a trip was mandatory for customers to make a call, speak openly to the service provider, or walk into the service provider's office for physical deliberation. Digitization has led to an increase in online bookings. Besides, consumers are getting pleasure from the increasingly preferred convenience it provides. Tour organizations have increasingly assumed technology and online booking. In 2019, 71% of operators surveyed used reservation technology in their companies, a remarkable enhancement from 25% in 2010 (Ready for the Rebound (2020), n.d.).

As we enter the post-COVID era, computerization in the sector is likely to keep on rising. The increasing digitalization of tourism also creates new business opportunities while promoting sustainable growth of the industry (Digital Transformation | UNWTO, n.d.). As you achieve your profitability, take advantage of this trend in tourism, and establish the correct technology to enhance your chances of quicker recovery.

### **3. Mobile Bookings**

An additional significant characteristic of digitization is mobile bookings. Operators reported that 2 in 5 online bookings are done through mobile devices (Tsvetkov, 2020). Smartphone shoppers are equally important to your business due to the following reasons:

- They expend 50% extra on tours and actions per trip.
- They make an average of 2.9 hours per trip.
- They are two times as probable to leave provide online reviews.

### **4. Personalization**

According to think with Google, 57% of travelers consider that organizations must personalize their buying practice and based on their behaviors, individual preferences, and previous choices (How the travel industry is shifting to assistance, n.d.). Personalization is equally significant during the actual tour or activity. By providing flexible exposures tailored to travelers' needs, you enhance customer satisfaction leading to repeat business. You must prioritize providing consumer-oriented services.

It begins the time they visualize your advertisement on your social media or website. The message should resonate with client preference. Travel and tour promotions can be provided as per the customer's needs. It is probable to establish using specific marketing gear and ad platforms like Google and Facebook.

### **5. Tech-Empowered Travel**

Computerization and mobile bookings are among the future trends in the tourism industry. However, existing as well as rising technologies will keep on influencing travel in many ways. The latest Amadeus survey asserts that technology and innovation are very important in building traveler assurance while increasing their willingness to travel in the next 12 months (Amadeus.com, 2021).

Technology has proved to be vital in the post-pandemic planet where global tourists must present Digital COVID Certificates or fill out travel credentials. Furthermore, persons require instant access to data and assistance when being abroad. Soon, tech improvements will keep on bringing ease to the travel experience. The top five technological developments that can enhance assurance to travel in the next 12 months are:

- Mobile applications that give on-trip notifications (44%)
- Self-service check-in units (41%)
- Contactless mobile payments systems, e.g., Apple Pay (41%)
- Computerized and flexible annulment policies (40%)
- Mobile boarding (40%)

Besides, supporting individuals in their journey, technologies create inventive resolutions. Virtual tours, exposures, and lessons gained a considerable reputation during the lockdowns. Thanks to tech innovation as many organizations survived the crisis.

### **The Response of Tourism Stakeholders to an Event That Has Impacted Upon the Tourism Industry in the Last Five Years**

The tourism economy has been greatly hit by the coronavirus (COVID-19) pandemic, and measures initiated to control its spread. Depending on the period of the crisis, revised situations designate that the prospective shock might range between a 60-80% reduction in the global tourism market in 2020. Besides, instantaneous measures to sustain the tourism industry, countries are also changing to expand recovery measures. These include lifting travel limitations, reinstating traveler assurance, and redefining the future of the tourism sector (OECD, 2020)

The coronavirus (COVID-19) pandemic has activated an extraordinary crisis in the tourism business, given the instantaneous and huge shock to the industry. Revised OECD estimations on the COVID-19 impact were a 60% reduction in global tourism in 2020. This could increase to 80% if

revival is postponed until December. Global tourism in explicit geographic areas like European Union is anticipated to bounce back first (OECD, 2020)

The impact of the disaster is being felt in the whole tourism ecology and re-opening and reconstruction destinations will require a connected strategy (OECD, 2020). Tourism companies and employees are gaining from economic stimulus packages, with scores of regimes also initiating tourism explicit measures. Administrations and industry are centering their labours on:

- Removing travel limitations and working with companies to gain monetary supports, applying new health etiquette for safe travel, and assisting in diversifying their markets.
- Restoring traveler assurance and exciting demand with safe and sparkling labels for the industry.
- Organizing an all-inclusive tourism recovery strategy, to reconstruct destinations, promote modernization and investment, and re-engineer the tourism industry.

These activities are necessary, but to regenerate the tourism economy effectively, more needs to be done in a synchronized approach as tourism services are extremely interdependent. Therefore travel and tourism sector and governments ought to strengthen their harmonization mechanisms to go with the businesses. Consideration must be given to the most susceptible destinations in the recuperation process (OECD, 2020)

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