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CRISIS MANAGEMENT



HOW TRAVEL ADVISORS CAN FACE CRISIS SITUATIONS





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INTRODUCTION

The COVID-19 outbreak has exposed the travel industry as no other crisis has ever done before.

The safety measures aiming to mitigate the impact of this pandemic came up with restrictive limitations to travels, and understandably, the industries operating in this sector will have to cope with the roughest after-effects.

While it's almost impossible to plan ahead for a crisis, it is possible to have steps in place to make the experience more manageable. In this guide, we'll share tips for facing any kind of crisis, and explore the different stages each crisis tends to have so you can be better prepared to protect your business.



COVID-19

WHAT HAVE WE LEARNED FROM PREVIOUS CRISES?

Today, we're experiencing the most impactful crisis our industry has ever seen. A global pandemic has shut down almost the entire world, and the travel sector is operating skeleton services simply to help people get home. Vacations aren't on anyone's priority list right now, and we have to adapt.

While borders are closing and entire cities, and in some cases countries, are locked down with residents unable to leave their homes, opportunities for new business and bookings are seemingly impossible. But there is indeed hope, and there are ways your agency – whether you're a business with staff or an independent homemaker – can get through this.

Customer transparency and communications are essential, and changing your promotional messages to be sensitive to the situation is key. In this eBook, we'll show you how to do all of that, and more, to help you weather this and any other crisis that comes along.





5 KEY TIPS TO BE READY TO FACE EVERY SITUATION

Whatever the crisis, these tips will help you respond to any disaster.



1. Stay up-to-date with the latest news

It goes without saying that, regardless of the situation, keeping up with current events is essential. Knowledge is power, as the old adage goes, so don't keep your head in the sand. You can't keep your clients informed if you don't know what's going on, and you certainly can't make the right decisions if you're not clued up. Here are a few ways to stay in the loop.

a. Rely on trusted news organizations, not posts on social media or messages on WhatsApp. Misinformation is rife online these days, so stick to the official news companies.

Do trust...

- ▶ Official government documentation & statements
- ▶ National broadcasters
- ▶ National newspapers
- ▶ National newspaper websites
- ▶ Online news organizations
- ▶ Information with official and verifiable sources
- ▶ Official industry bodies and associations

Don't trust

- ▶ Facebook posts or videos without an official, verifiable source
- ▶ Twitter posts without an official, verifiable source
- ▶ Unfamiliar news websites
- ▶ Second-hand news (from a friend of a friend)
- ▶ WhatsApp messages forwarded by friends or colleagues
- ▶ Discussions on forums





b. Curate the content you are interested in, by creating a feed, so you can make sure to check-in on specific articles and updates related to the travel industry regularly. Try one of these curation tools online:

- ▶ Feedly
- ▶ Flipboard
- ▶ Twitter lists

c. Get breaking news alerts from your favorite news organizations by subscribing to their newsletters or switching on push notifications from their app on your phone.

d. Make a Google alert to monitor specific topics (such as Coronavirus), specific organizations (such as airlines and travel companies) or destinations. You can choose how often you receive email notifications on specific search terms.



2. Keep up with changes in the travel industry

You can use all the tips in point one to keep an eye on what's happening in the travel industry, but don't forget to check the trade publications for the real inside story. Here are a few of the best publications for checking in on the industry's essential news:

N. AMERICA	UK & IRELAND	AUSTRALIA	INDIA	MIDDLE EAST
<ul style="list-style-type: none">▶ Travel Weekly▶ Travel Mole▶ Skift▶ Phocuswire	<ul style="list-style-type: none">▶ TTG▶ Travel Weekly	<ul style="list-style-type: none">▶ Travel Daily▶ Travel Talk▶ KarryOn	<ul style="list-style-type: none">▶ MediAvataar India▶ Travel Talk Asia	<ul style="list-style-type: none">▶ Arabian Travel News▶ MediAvataar MENA

3. Be prepared to work remotely

Whether there's a city-wide lockdown like we've experienced during the COVID-19 crisis, or you simply need to work longer hours, it pays to be prepared to work from home. This means setting up the right infrastructure for you and your staff to be able to perform at your best, such as ensuring everyone has portable equipment such as tablets or laptops, and setting up your internal networks to be accessed remotely via VPN or remote desktop application.

4. Partner up with global networks that will give you a worldwide perspective

Safety in numbers applies to travel agents in crisis, so joining networks available to you can be a great way to help safeguard your business and stay up-to-date with official information and advice. Here are some examples of organizations you could join:

N. AMERICA	UK & IRELAND	AUSTRALIA	INDIA	MIDDLE EAST
<ul style="list-style-type: none">▶ Local Travel associations: IATA, ARC, CLIA, TRUE LICENCE▶ Consortia (Virtuoso, Signature, AAA, CAA, Ensemble, etc...)▶ ACTA (Canada)	<ul style="list-style-type: none">▶ ABTA▶ ATOL	<ul style="list-style-type: none">▶ ATAS▶ TAANZ (New Zealand)	<ul style="list-style-type: none">▶ TAAI▶ IATO▶ TAFI▶ ADTOI▶ OTOAI	<ul style="list-style-type: none">▶ ATTAC

5. Use smart booking engines

When things go awry, whether in the wider world or just for a handful of your clients, **a versatile booking engine is essential**. You'll want to use platforms with comparison tools, easy online modifications and cancellations, offering flexible options to enable your clients to get home safely when they need to.

Find out more about the best features an efficient booking engine for travel agents should have!

▶▶▶ **Best features an efficient booking engine for travel agents.**



chapter 2

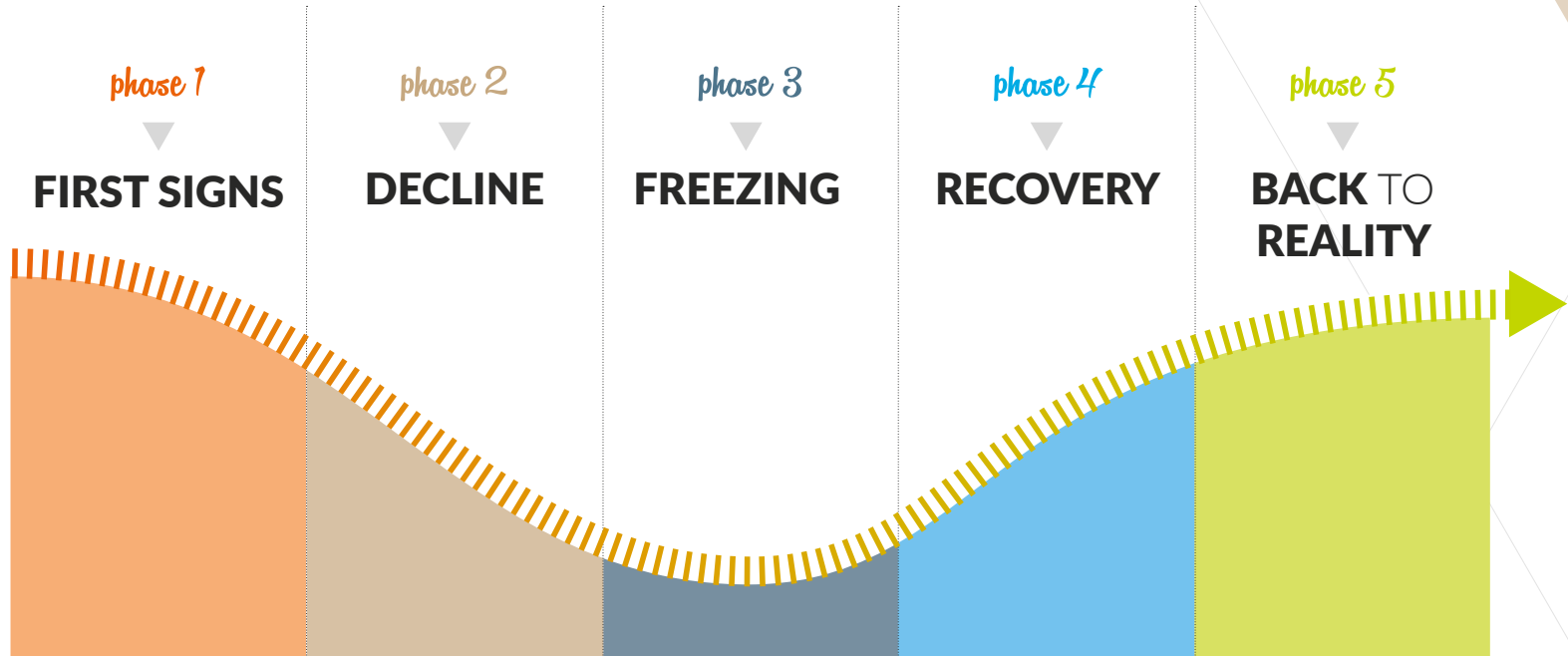
5 PHASES OF CRISIS SITUATIONS AND HOW TO REACT



5 PHASES



TIME



- ▶ **FIRST SIGNS** of the crisis on the news
- ▶ **PANIC & UNCERTAINTY** starts to spread all over the market

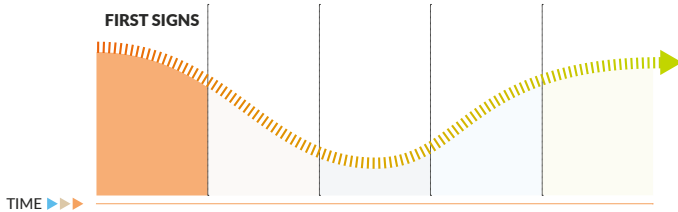
- ▶ **LEISURE** activities **WON'T BE A PRIORITY** for consumers
- ▶ Governments creating **RESTRICTIVE MEASURES** to face the crisis

- ▶ **UNCERTAINTY** about the **DURATION** of the crisis
- ▶ The crisis starts **AFFECTING OTHER INDUSTRIES**

- ▶ Fluctuating and **UNSTABLE RECOVERY**
- ▶ Gradual **REMOVAL OF RESTRICTIONS** or other measures
- ▶ **NEW LAWS** - rules or regulations as a result of the crisis

- ▶ The situation slowly goes back to normal, the **CRISIS** period **IS FINISHED**
- ▶ **RESHAPED MARKET** - consumers have new needs and priorities
- ▶ Leisure industry might see a **BOOST**

phase 1



THE **FIRST SIGNS** OF CRISIS

WHAT HAPPENS?

The news is likely to be where you'll spot the first signs of a crisis. Whether it's a natural disaster or a financial crash. That's why the steps in Chapter 1 of this eBook are so important – keeping up with the news in the destinations you're in and selling, is essential.

WHAT ARE THE CHALLENGES?

The first concern is usually panic. The COVID-19 outbreak has already taught us that knee-jerk reactions from consumers can have a drastic effect (such as panic buying or cancelling vacations before advice is issued). This will likely result in an increase in enquiries from your clients regarding their own trips, too, so it pays to be prepared.



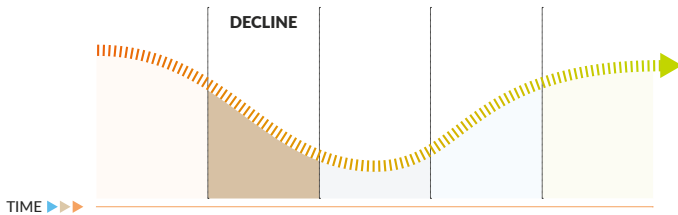
What should you do?

It's a great idea to have a plan in place for exceptional circumstances, even if you don't know what they might be yet. **Customer service and business resilience** is key at this point, so here are some things you can do before or as soon as a crisis hits to mitigate the impact of stage one panic.

1. Have **cash reserves** or a 'rainy day' fund to mitigate any extra financial cost or loss.
2. Invest in **business interruption insurance** that will pay out if business is impacted by a local or global crisis.
3. Gather information from **trusted sources** (see Chapter 1).
4. Set up specific communication channels to keep your customers up-to-date, such as a webpage where you can publish the latest news and how it affects your clients – [like our COVID-19 page](#). Have a small team dedicated to working on this as and when necessary.
5. Equip your agency with the **right resources and platforms** offering:
 - ▶ Free or reasonable cancellation policies
 - ▶ Flexible bookings
 - ▶ Smart online booking and comparison tools
 - ▶ Global networks (see Chapter 1)



phase 2



DECLINE

WHAT HAPPENS?

Understandably, leisure activities are usually the lowest priority for consumers when a crisis begins. This means vacations, and therefore travel companies, are likely to be among the first to take a hit as people redefine their priorities. Governments might also put into place restrictions or other measures that mean the industry can no longer operate as usual.

WHAT ARE THE CHALLENGES?

At this stage, you're highly likely to see a significant decrease in new bookings, a steep rise in cancellations and possibly an increase in clients wanting to cut trips short and return home early. This can be a confusing, and stressful period for all, so the key challenge here is providing good customer service.



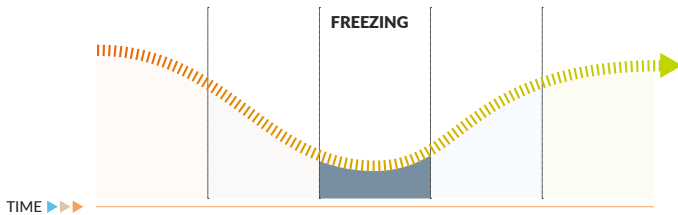
What should you do?

Focusing on **customer satisfaction** is going to help see you through this period. While you might be concerned about immediate financial losses, it's worth thinking about the long term impact – dissatisfied customers means loss of loyalty, and loss of loyalty can be detrimental to your ongoing business beyond the crisis. Here are a few ways to keep those customers happy and ensure you're providing the best service possible.

- ▶ Be transparent and honest about the situation
- ▶ Use **CRM (Customer Relationship Management)** tools to aid communications – [we've got five favorites here](#)
- ▶ Communicate the **flexible booking and free cancellation policies** you offer
- ▶ Offer **additional extras** such as travel insurance, transfers or promotional upgrades to try and keep as much business as possible
- ▶ Offer **full refunds** to keep those with concerns happy



phase 3



THE **FREEZING** PHASE

WHAT HAPPENS?

This is where the most uncertainty lies in any crisis, as services and sectors are essentially frozen due to restrictions or the impact of the incident. During a natural disaster, for example, it might be the moment a government bans all travel to a destination, or in the case of COVID-19, the time during which a country or region enters a lockdown period.

WHAT ARE THE CHALLENGES?

The main challenge at this point is money. Lack of cash flow is a scary prospect for any business owner, and in travel it can mean a cascade of problems, including customers getting stuck in a destination due to the financial insolvency of their operator or airline.



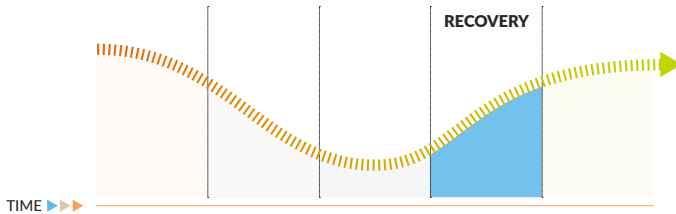


What should you do?

It's tempting to make **fast, sweeping decisions** to drastically change your situation, but this might not be the best thing to do. Keeping a calm head and monitoring the crisis will help you make rational, sensible decisions, and if you're set up for it you might even be able to use this time as an opportunity. Consider doing the following:

- ▶ Use your financial reserves to **keep the business operating**
- ▶ Work on your **branding and marketing**
- ▶ Do some **housekeeping** – work on improving any areas of the business or processes that you know could be better

phase 4



RECOVERY PERIOD

WHAT HAPPENS?

Some crises last just a few weeks, while others last months and some even into years. But eventually, there is a recovery period – usually signalled by the lifting of restrictions or economic growth in the region or industry affected.

WHAT ARE THE CHALLENGES?

Lack of capital (due to the previous stage) will likely make it difficult for companies and individuals to bounce back during this time, so managing the recovery of your business will be the biggest challenge. There will no doubt still be uncertainty among consumers and your clients, and the unstable incomes of the previous days, weeks or months will mean pick-up is slow.

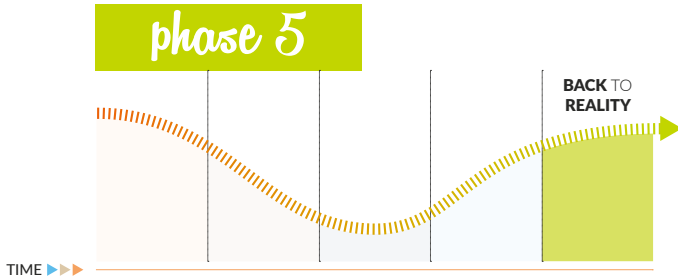




What should you do?

Right now is the time to **pick your marketing messages** carefully. With uncertainty still rife, you want to come across as sensitive as sensible, without trying to be pushy and pressure clients into booking. Here are a few things to consider during the recovery process:

- ▶ **Avoid the temptation of jumping on new trends** as a result of a crisis
- ▶ **Focus on achievable goals** and do what you know works – don't take risks by gambling on new opportunities
- ▶ **Identify areas of travel that might recover sooner**, such as domestic markets
- ▶ **Ensure you stay up to date with the latest news and regulations** in your industry, there might be new laws or rules as a result of the crisis



BACK TO REALITY

WHAT HAPPENS?

As the recovery period continues, the situation will gradually evolve into something that resembles the reality experienced before the crisis.

This process can either be quick and similar to a snowball effect or gradual, slow and fragmented. As a result, customers will have new needs and priorities and leisure businesses might even enjoy a boost in interest.

WHAT ARE THE CHALLENGES?

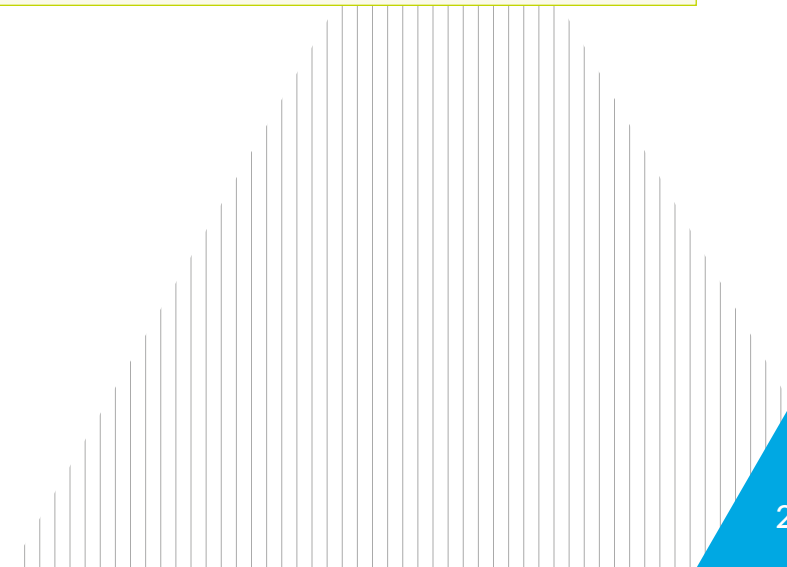
The main challenge at this point is having the resources to fulfil the requests coming in from clients. If you lost staff as a result of the crisis, you might find you have more customers than you are able to handle – especially if there is increased demand for leisure activities. There will also possibly be a need to adapt to a reshaped market, for example, if an earthquake has caused devastation in a key tourist destination, you'll need to adapt by understanding what's there now, and if and how clients can still visit.





What should you do?

- ▶ Now is the time to **pivot your marketing messages again**. Adapt them to suit the new market, or embrace new trends that have come out as a result of the crisis.
- ▶ Also **invest heavily in communication** to show you're back in business and things in the industry are back on track.
- ▶ Finally, **start putting money aside into that 'just in case' reserve** again so you can be prepared for whatever storm comes next.



CONCLUSION

The reality of a crisis is that some businesses will survive, and others will suffer. The way it all plays out depends on the severity of the incident, how widespread it is, and how governments and economies react. There is no sure-fire way to prepare for and deal with any crisis, but hopefully this eBook has given you some ideas on how to equip yourselves with the tools to face something potentially devastating.

The travel industry is a resilient and vital part of the global economy, and people will always want to go on vacation. Ultimately, whatever happens, travel will always be there, and with the right tools and mindsets we can face and learn from our adversities.





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SOURCES

How do you deal with a crisis? World Travel & Tourism Council

Caribbean resilience and recovery: minimising the impact of the 2017 hurricane season on the caribbean's tourism sector

What the travel sector can learn from the demise of Thomas Cook

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<https://www.iata.org/en/youandiata/travelers/health/>

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