

## **Crisis Management: A Case Study of Disease Outbreak in the Metropark Hotel Group**

### **Abstract**

With a daily people flow of hundreds and even thousands, the hospitality industry has faced a considerable disease crisis challenge in the past 15 years. Hong Kong China Travel Service Hotels Corporate Limited (HK CTS Hotels) has experienced the impact of Severe Acute Respiratory Syndrome (SARS) in 2003 and Influenza A (H1N1) in 2009. Learning from this, the hotel group has developed its crisis management contingency plan. Despite this, it was again hit by a measles crisis in 2019, renewing the hotel group's concern with crisis management and image. This case study provides an accurate and contemporary scenario for students to understand the development of a crisis management plan and marketing strategy for hotel image recovery by following the four phases of a crisis management framework.

**Key words:** crisis management, disease outbreak, contingency plan, image recovery, complain, handling guidelines, training program, guest satisfaction, crisis management framework

### **Learning objectives**

This case is relevant for second year and final year undergraduate students enrolled in hospitality strategic management or similar courses. Some crisis management conceptual frameworks such as knowledge based crisis management framework and crisis communication theory can help students to analyze the case and provide recommendations for crisis management practice. Through the case study discussion, students will be able to:

1. identify the key components of crisis management plan in a hotel
2. identify the crisis category and assess the seriousness and type of damage that has occurred in a hotel
3. design a crisis management plan for a hotel to handle disease crises
4. design appropriate customer service and management tactics to deal with the crisis by minimizing potential impacts
5. Provide recommendations on the effective use of internal and external communication channels in crisis management to manage organization reputation throughout a disease crisis

### **Introduction**

An unexpected and potentially disruptive crisis can threaten tourism demand and harm the business performance of a hotel, as well as the reputation of its location. Disease and economic crises not only influence tourists' behavior and expenditure pattern but also affect levels of satisfaction and

intentions to return<sup>1</sup>. The recent case in Hong Kong on 23 March 2019 of an inbound traveler diagnosed with measles who stayed at Metropark Hotel Mongkok (MHMK), has highlighted the concerns of managers and stakeholders over crisis management. MHMK is managed by HK CTS Hotels, a hotel group that has been affected by SARS (Severe Acute Respiratory Syndrome) and Influenza A (H1N1) (also called Swine Flu) in the past<sup>2</sup>. These disease crises have had a major impact on the hotel group's image. It was predicted that the hotel group may face various disease crises in the future. Thus, the group created a crisis management task force to evaluate and improve its practices<sup>3</sup>.

## **Background of Hong Kong China Travel Hotels Corporate Limited**

HK CTS Hotels is a wholly-owned subsidiary of China National Travel Service (H.K.) Group Corporation (HK CTS Group). With strong support from HK CTS Group, HK CTS Hotels has grown rapidly in the past 20 years and now operates nearly 60 hotels and more than 18 000 rooms in Hong Kong, Macau, and mainland China. It also operates more than 50 hotels in the UK through various forms of joint venture, sole proprietorship, and entrusted management.

HK CTS Hotels aims to optimize the benefits of its stakeholders. Its objectives are to dedicate the best hospitality services to hotel guests; to offer optimal values and returns to its owners; to provide career enhancement and development for its hotel employees; and to contribute professional services to its hotels. To better position its hotels, it has created the brands of "Grand Metropark" for five-star luxury hotels, "Metropark" for four-star business hotels, and "Traveler Inn" for business hotels with local characteristics<sup>4</sup>.

## **Disease Crises in Metropark Hotels**

### **D) Severe Acute Respiratory Syndrome (SARS) in 2003**

In 2003, HK CTS Hotels was hit by a sudden, unknown but deadly disease crisis. A professor from mainland China stayed in the Metropole Hotel (now changed to Metropark Hotel Kowloon), room 911, for one night on 21 February 2003. He was admitted to the Kwang Wah Hospital next day. As there was no awareness of SARS at that time, he was treated as a patient with flu symptoms. He died on March 4<sup>th</sup> and it was confirmed that he had contracted the SARS virus. Without any warning, the SARS virus then spread to at least 12 hotel guests and initiated a SARS outbreak in Hong Kong.

At first, it was thought that the virus had spread to other hotel guests through sneezing and coughing whilst waiting for a lift. However, after further investigation it was found that the

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<sup>1</sup> Senbeto, L. D. & Hon, A. H. Y (2020). The impacts of social and economic crises on tourist behavior and expenditure: An evolutionary approach. *Current Issue in Tourism*, 23(6), 740-755.

<sup>2</sup> HK CTS Hotels Co. Ltd. (2019). Introduction to HK CTS Hotels Co., Ltd. HK CTS Hotels Co., Ltd Official website, retrieved on 19 July 2019 from <https://www.hkctshotels.com/en/information/aboutus.html>

<sup>3</sup> This case information is provided by Mr. Chiu, the General Manager of Metropark Wanchai (current Kew Green Hotel Wanchai Hong Kong), who assisted HK CTS Hotels to overcome the SARS in 2003 and H1N1 in 2009 crises

<sup>4</sup> HK CTS Group (2019). Hotel, China National Travel Service Group Corporation Limited Official website, retrieved on 19 July 2019 from <http://www.hkcts.com/en/main/hotel.htm>

professor might have been sick on the carpet outside room 911, which could have spread the virus<sup>5</sup>. The investigation finding shocked the hotel guests and the wider community of Hong Kong.

The SARS outbreak had a significant impact on Metropole Hotel's business as well as other Hong Kong hotels. In April 2003, the occupancy rate of hotels in Hong Kong had dropped to around 10 percent. Many hotels froze all promotion campaigns and closed some floors<sup>6</sup>. In order to survive the SARS outbreak, many hotels adopted cost-cutting practices including offering voluntary no-paid leave and terminating probation and contract staff. Some hotels closed ancillary services such as swimming pools and business centers, and shortened the operating hours of their restaurants.

The Metropole Hotel was labelled as a SARS hotel. During the SARS outbreak, the hotel thoroughly sealed off and sanitized the ninth floor. Soon after, the hotel management quietly replaced room number 911 to room 913. In 2006 HK CTS Hotels decided to revamp and refurbish all four of its hotels in Hong Kong and changed the hotel name from Metropole to Metropark Kowloon. With high numbers of hotel guests, it is easy for hotels to be negatively affected by infectious disease outbreaks. The SARS infection case in the Metropole Hotel forced HK CTS Hotels to develop its crisis management system to ensure that its hotels could smoothly handle any potential crisis.

### **Three Key Components of the Current Crisis Management Plan:**

1. *A clear contingency plan and crisis handling guidelines for its hotels:*  
HK CTS Hotels empowered the frontline hotel staff and duty managers to make decisions and handle crises with clear guidelines. Crises are categorized into 3 levels: "normal," "serious," and "emergency." "Normal" level refers to incidents that may affect a small group of people within the hotel premise. "Serious" level refers to incidents that may affect the hotel as a whole. "Emergency" level refers to incidents that may affect the hotel and the wider community.
2. *A series of training programs for the staff in handling the crisis:*  
The main purpose of the training program is to ensure that hotel staff members in Metropark Hotel Wanchai can handle a crisis smoothly when it happens. A series of training events are provided for the staff to handle different kinds of crisis such as fire accidents, food poisoning, and disease. Crisis handling training is held every month for all staff to practice handling procedures and emergency decision-making through drills and role-play exercises. Staff performance on case handling procedures is evaluated to ensure they are trained and equipped to apply what they have learned to a real crisis.
3. *Enhancement of communication channels amongst departments of hotel branches:*  
The communication channels for crisis information sharing are developed to ensure information will be shared and reported immediately.

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<sup>5</sup> The Star Online (2013). Room 911 - A bad memory at Metropark Hotel Kowloon, The Star Newspaper, retrieved on 1<sup>st</sup> August, 2019 from <https://www.thestar.com.my/news/regional/2013/06/09/room-911-a-bad-memory-at-metropark-hotel-kowloon#PXBjUZIig0Q6I9dP.99>

<sup>6</sup> Pine, R., & McKercher, B. (2004). The impact of SARS on Hong Kong's tourism industry. *International Journal of Contemporary Hospitality Management*, 16(2), 139-143.

## II) Influenza A (H1N1) in 2009

Learning from the SARS outbreak, the Hong Kong Government took various precautions to prevent or slow down the spreading of Influenza A (H1N1) in Hong Kong. Whilst the H1N1 virus was spreading rapidly in Mexico, HK CTS Hotels set up a crisis management task force immediately. Before the H1N1 crisis had affected any hotel in the CTS hotel group, the task force had focused on updating the situation of the H1N1 epidemic and created guidelines for all hotels regarding its prevention.

Despite this, the first infection case could not be avoided. On May 1<sup>st</sup> 2009, a Mexican travelled on an Eastern China Airline flight from Mexico and checked-in at Metropark Hotel Wanchai, another hotel branch of HK CTS Hotels. Shortly after arriving he developed flu-like symptoms and was confirmed as a first infection case of Influenza A (H1N1) in Hong Kong. The Hong Kong Government immediately announced that all hotel guests and staff in Metropark Hotel Wanchai were under a seven-day quarantine inside the hotel to prevent the spread of H1N1. The government also raised its influenza alert level to the most serious level. Hong Kong began surveillance and quarantine measures on people who had been on the same flight or had had contact with the patient.

Hotel guests were forced to stay inside the hotel for seven consecutive days that caused a lot of dissatisfaction and anger. In this case, guest satisfaction became a critical factor in the public image and the reputation of the hotel during the worldwide media coverage of the case, which focused on guests' reactions and the development of Influenza A (H1N1). At that time there was little knowledge in the medical profession about the lethality and transmissibility of Influenza A (H1N1). Both guests and staff in the hotel were angry and shocked by the quarantine arrangements, and subsequently both Metropark Hotel Wanchai and HK CTS Hotels faced various challenges around health and emotional safety from both guests and staff.

Following its crisis management plan, HK CTS Hotels and Metropark Hotel Wanchai categorized this crisis as "emergency level", meaning that the H1N1 crisis could affect the hotel and the wider community. In response to this crisis, Mr. Chiu, the General Manager of Metropark Hotel Wanchai, made it clear that the role of the hotel was to provide excellent service to all guests during quarantine while the Hong Kong Government was responsible for managing the quarantine arrangement<sup>7</sup>. He requested specialists in the Department of Health to provide a briefing session for hotel staff and guests. The purpose of the briefing was to explain the details of the current situation and to ensure the information about H1N1 disease provided was accurate. An enquiry desk was set up for guests in order to solve any problems. This was particularly critical during the incubation period when guests could be infected without displaying symptoms. The briefing session by specialists was important for the guests to understand the rationale of the quarantine arrangement and to give them a clear picture of the situation. This would enable hotel staff to concentrate on service provision during the quarantine.

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<sup>7</sup> Fung, C. P. Y., Tsui, B and Wong, S. C. K (2010), "H1N1 Outbreak: How Metropark Hotel turns Crisis into Opportunities." 8th Asia Pacific CHRIE Conference, August 12-14, 2010, Phuket, Thailand. Conference Proceedings (ISBN 979-616-7375-22-9), page 28.

### ***Impact Assessment of the Guests by Metropark Hotel***

An impact assessment of the guests is very important for designing a strategy for guest experience management. It was essential for Metropark Hotel Wanchai to have information about the background of the guests as well as the changing situation of the H1N1 disease to understand the views and requirements necessary for guest management.

Metropark Hotel Wanchai analyzed the background of the hotel guests and their current situation before assessing any negative impact on them. The majority of guests in Metropark Hotel Wanchai were independent or business travelers. Most of them were couples or individuals. There was little information about the potential lethality and transmissibility of Influenza A (H1N1) at that time. In this case, hotel guests were frightened and worried about their health status. Those who were business travelers were concerned about loss of business while others were concerned about personal issues such as visa applications, air tickets, and hotel charges during the quarantine period. Furthermore, they were unsure of the current situation and arrangements for after the seven-day quarantine. The hotel guests needed emotional support when under compulsory quarantine. As many of them were independent travelers, they were unable to offer much support to each other. As well as those staying in the hotel, the staff also had to arrange for those who had made room reservations during the quarantine period.

### ***Tactics Taken by Metropark Hotel Wanchai***

Based on the results of the impact assessment, health safety, customer satisfaction, handling complaints, and the arrangements for the additional guests with room reservations; four key areas were identified.

#### ***1. Health safety***

The health safety of all guests was the first priority. Metropark Hotel Wanchai recognized that the best way of ensuring the health of guests and staff was to cooperate with the Government professionals. Therefore, Metropark Hotel Wanchai gave considerable assistance to the Government during the quarantine period. A health briefing session conducted by specialists from the Department of Health given to guests and the hotel staff was successful in reassuring the guests. The cleanliness of the hotel was reinforced, and clinical support was provided inside the hotel. A clinic was set up inside the hotel where all guests and staff were required to measure their body temperature and to report any symptoms. Guests were also required to fill in health declaration and acceptance forms provided by the Department of Health. Tamiflu, a drug for flu treatment and prevention for both adults and children, was available upon request. Guests who had any flu-like symptoms were sent to hospital immediately.

By implementing these measures, the hotel could ensure the health safety of staff and guests. The guests who were suspected to have H1N1 virus were sent to the hospital to receive proper care so that the hotel could minimize the potential spread of the virus among guests. Thus, the guests staying in the hotel did not need to worry about infection and the hotel staff could concentrate on enhancing guest satisfaction and take care of their needs.

## 2. *Guest satisfaction management*

Dissatisfaction amongst guests was another problem resulting from the sudden quarantine measures. Guest satisfaction is a challenging task for hotel management, with poor satisfaction levels resulting in a negative impact on hotel reputation and future business. Therefore, the hotel has to ensure quality of service and provide extra care for all guests, particularly individual travelers. Guests who travelled with friends or relatives were able to support each other, whereas independent guests had fewer supports (Fung & Hon, 2019; Hon & Fung, 2019).

There were some concerns about money amongst the guests in relation to accommodation fees and other expenses during the quarantine. In response to this, Metropark Hotel Wanchai announced that the accommodation fee during the seven-day quarantine was waived. All guests were offered long distance call services with the 200 Hong Kong Dollars fee waived, and internet service free of charge. The other three Hong Kong Metropark hotels were put on standby to support Metropark Hotel Wanchai with resource support<sup>8</sup>. In this way, Metropark Hotel Wanchai aimed to minimize the negative impact on guests of the quarantine arrangement. The hotel not only showed social responsibility, but also their personal care to the guests. The guests did not need to worry about money and they could contact their parents, relatives or friends about their concerns. Furthermore, business guests could contact their business partners through the internet and phone at no charge to minimize the impact on their work.

In addition, the hotel staff paid extra care and attention to guests travelling alone, for example calling them regularly to provide extra support. They tried to reassure the guests with words of comfort whilst patrolling the hotel. They made certain the hotel ran smoothly through frequent checks of functions such as lifts and emergency systems. The windows of the hotel lobby were covered by paper sheets to minimize disturbances from the media on guests.

Anticipating that the guests might be bored, the hotel organized different activities during the quarantine period such as birthday and feast parties to which all guests and staff were invited. For example, a French guest whose birthday fell during the quarantine period had a birthday party organized for him and all other guests were invited to join in. Some restaurants sponsored the food and beverage for the party. The staff and the police inside the hotel were welcome to join in. As well as entertainments organized by staff, hotel guests also arranged other activities.

The management team of HK CTS Hotels came to the hotel during the quarantine with the intention of cheering up hotel guests and staff. Gifts such as fruit, clothes, magazines, and food from the sponsors and the CTS hotel group were sent to the hotel every day (CTS Group, 2009). They also offered childcare assistance and all children were given PSP game players as gifts.

## 3. *Complaints handling*

Unavoidably, there were some complaints about the quarantine arrangement, room cleanliness and food. For instance, there were cultural differences around food choices, due to the range of guests' nationalities. Staff shortages led to a lack of clean bed linen, and the guests complained about the cleanliness of the hotel rooms. The shortage of staff resulted from most of the hotel housekeepers

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<sup>8</sup> China Travel Service (Holdings) Hong Kong Limited (CTS Group) (2009). Implementing different strategies to protect all guests and staff under quarantine; *China Travel Service Group Staff Monthly Magazine 163 on May 2009*, pp.9-18

being sent to the hospital for observation at the beginning of the quarantine, leaving only six people including the managers available for housekeeping work. Special sterilization procedures for all used bed linen was required, which caused a shortage in the quantity of backup linen. For these reasons, Metropark Hotel Wanchai were unable to maintain the normal housekeeping work.

In this case, the support from HK CTS Hotels and other Metropark hotels became crucial. Metropark Hotel Wanchai was able to use support from other Metropark hotels and handled all complaints as quickly as possible. For instance, Metropark Hotel Wanchai ordered a variety of food choices and organized parties for all guests through HK CTS Hotels. Other Hong Kong Metropark hotels provided additional clean bed linen to Metropark Hotel Wanchai. With assistance from the Hong Kong Government, used bed linen was sent to the Department of Health for sterilization. However, the labor shortage problem could not be wholly solved, resulting in hotel housekeepers needing to assist the elderly as a first priority.

#### *4. Arrangements for the upcoming guests*

As Metropark Hotel Wanchai was closed for the seven-day quarantine, additional arrangements were required for guests with room reservations. Three other Hong Kong Metropark Hotels reserved a certain number of rooms for them. The reservation department and the travel agent partners sent emails to these guests, and two posts were set up at Hong Kong airport and near the hotel. Hotel guests were accommodated in different hotels according to their preferences.

#### ***Monitoring Performance by Metropark Hotel Wanchai***

All management teams of HK CTS Hotels and Metropark hotels including Metropark Hotel Wanchai had regular video conference meetings every day to enable good communication. This enabled Metropark Hotel Wanchai to receive suggestions and support from the HK CTS Hotels management team and for Metropark Hotel Wanchai to ask for resources and support from HK CTS Hotels. For example, the HK CTS Hotels arranged housekeeping volunteers from other Metropark Hotels to assist the housekeeping work in Metropark Hotel Wanchai during the quarantine staff shortages. These meetings, provided HK CTS Hotels with a better understanding of the situation in Metropark Hotel Wanchai, allowing other Metropark hotels to give support to Metropark Hotel Wanchai in overcoming the problems.

More importantly, the Metropark Hotel Wanchai management team disseminated information of the hotel's situation, enabling Metropark hotels to undertake corresponding action for crisis prevention by learning from Metropark Hotel Wanchai's experience. For example, the cleaning procedures in the hotels were improved and more attention was directed towards the guests from USA and Mexico.

#### ***Actions Taken after the Crisis by Metropark Hotel Wanchai***

##### *1. Recognition of staff contribution*

The top management in HK CTS Hotels understood the importance of staff recognition and award in crisis management. Therefore, Metropark Hotel Wanchai gave a party to celebrate the reopening of the hotel and presented staff awards. After the crisis, 55 staff were awarded for their

outstanding contributions and all staff in Metropark Hotel Wanchai were offered an extra bonus and a three-day holiday in recognition of their contribution.

## 2. *Brand image recovery*

The hotel's business partners such as travel agencies were invited to join the celebration party to ensure a positive advertising effect. This party enabled the hotel to develop a good relationship with their partners for future business development, whilst the partners gained a better understanding of Metropark Hotel Wanchai's competence in overcoming a crisis. Mr. Chiu, the general manager of Metropark Hotel Wanchai pointed out that "it was encouraging that the hotel developed good relationships with many new business partners because of the positive public image of the hotel after the crisis".

On the reopening day, the media and many government officials from different departments such as Hong Kong Police, Social Welfare Department and Department of Health were invited to the hotel to celebrate and gave their support to Metropark Hotel Wanchai.

After the quarantine period, there were a series of Metropark Hotel Wanchai promotions. For example, guests were offered a 30 percent dining discount offer and a 30 percent discount for three consecutive nights stay. Following this, the business was able to show it had returned to routine sales.

### **III) After the Disease Crisis of Influenza A (H1N1)**

HK CTS Hotels has learnt from the SARS and H1N1 incidents, and has developed its crisis management plan. However, it still could not avoid the impact of disease crises. On 23 March 2019 an inbound traveller, a 17-year-old Filipino male tourist with measles, stayed in Metropark Mongkok hotel (another branch hotel of HK CTS Hotels) for four days. Measles is a highly infectious disease that can be transmitted through coughing and sneezing. Infected people can spread the virus to others up to four days before and after the rash appears<sup>9</sup>. It shows that the precaution measures of the hotel group may not be effective. What should the hotel do to raise its awareness towards the potential disease crisis? Throughout the crisis handling, the hotel has faced many problems such as labour shortages, guest dissatisfaction, and front line staff stress. What should the hotel groups do to improve its crisis management tactics in its crisis management plan in order to deal with future diseases crises?

Unlike the crisis handling of SARS and Influenza A (H1N1), HK CTS Hotels did not take the initiative to communicate with the public through its official website or other social media. Instead, all news about the measles infection in Metropark Mongkok hotel was derived from newspapers and social media<sup>10</sup>. It did not announce what had been done to sterilize the building or to prevent the outbreak of measles within the hotel. This created uncertainty for the public about the possibility of measles spreading in the hotel while guests were staying. How can the hotel group

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<sup>9</sup> Centers for Disease Control and Prevention (CDC) (2019). Transmission of Measles, Centers for Disease Control and Prevention official website, retrieved on 20<sup>th</sup> August, 2019 from: <https://www.cdc.gov/measles/transmission.html>

<sup>10</sup> South China Morning Post (2019). Blood tests to find out who really needs measles vaccine among Hong Kong International Airport workers. Retrieved on 20 August, 2019 from: <https://www.scmp.com/news/hong-kong/health-environment/article/3003732/blood-tests-find-out-who-really-needs-measles>



make use of internal and external communication channels throughout the crisis in order to manage its organizational image?

## Links to Theory

To address the discussion questions, students need to understand the four stages of the crisis management process (shown in Figure 1). Following a review of various hospitality crisis management frameworks, the authors have selected a crisis management framework proposed by a number of scholars as well as the Pacific Asia Travel Association PATA (e.g. Cloudman & Hallahan, 2006; Laws & Prideaux, 2017; Liu et al., 2015; PATA, 2015; 2003; Pennington-Gray, 2011), crisis management process covers four phases: reduction, readiness, response, and recovery. While there are a number of other crisis management frameworks that could be employed such as knowledge based crisis management framework by Racherla & Hu (2009), analytic framework for crisis situation by Coombs (1998), tourism disaster management framework (Faulkner, 2001), and crisis signal detection framework (Paraskevas & Saunders, 2012), this framework is a general crisis management framework which provides guidelines on how to handle a crisis properly.

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Insert Figure 1 about here

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**The crisis reduction stage (can also be called pre-crisis stage):** This is the early warning stage of a potential crisis occurrence. It is a crucial stage for hotels to minimize the impact of an upcoming crisis. However, crisis situations are highly ambiguous and unpredictable and can threaten the survival of the organization. At this stage, organizations should focus on crisis prevention and planning. Pearson and Mitroff (1993) suggested four major issues should be analyzed at this stage. The four issues are types of crisis, phases through which the crisis moves, systems and factors that cause or prevent a crisis, and stakeholders involved. Racherla and Hu (2009) proposed that the crisis management tactics at this stage should mainly be about knowledge acquisition, creation and storage. Social media is one possible way to collect the crisis information and the guests' reaction to a potential crisis (Ritchie & Jiang, 2019).

**The crisis readiness stage:** This suggests that the crisis is affecting the organizations, and providing protection of staff, guests and property will be the main aim of the contingency plan (Liu et al., 2015; Tew et al., 2008). The organizations should identify the crisis category in the hotel and assess the seriousness and type of damage that has occurred (Novelli et al., 2018). There are many ways to categorize the crisis. For instance, Perl and Israeli (2011) proposed 5 main types of crises in the hospitality industry. According to situation crisis communication theory proposed by Coombs (2007), types of crises can be categorized based on two attributes which are internal versus external and high crisis predictability versus low crisis predictability. After that, the organizations should use appropriate tactics designed (such as business recovery, and protection of guests and staff) to deal with the crisis (Novelli et al., 2018).

**The crisis response stage:** The hotel has activated and implemented its contingency plan and tactics to deal with the crisis. Effective crisis communication is very important. The hotel should

build up effective internal and external communication channels so that its employees, hotel guests and the public can access updated information about the crisis. The responsiveness of the hotel to the situation is crucial at this stage. Coombs's (2007) situational crisis communication theory highlighted three reputational threats during crisis and proposed 8 guidelines for managers to develop crisis response strategy. Ongoing evaluation is also required to assess the effectiveness of the crisis management tactics. To ensure the effectiveness of crisis communication plans, the organization should appoint a crisis communication manager as a leader and select representatives from all relevant organizational units as members of the crisis communication team (Fall and Massey, 2005).

**Crisis recovery stage:** After the crisis, there is a critical moment for the hotels to focus on implementing a recovery plan and reconstruction (Novelli et al., 2018). Unavoidably, the business will be affected by the crisis in the short term. However, a well-devised recovery plan and marketing strategy can change the crisis into an opportunity in the long term. This stage offers an opportunity for the hotel to resolve the problem and rebuild its brand image. Boukas and Ziakas (2014) proposed various crisis recovery strategies and tactics such as price differentiation strategy, service quality enhancement, efficient use of social media and application of public relations tactics. The purpose of the recovery strategy and tactics is to consolidate the organization's competitive advantage and its positioning.

At the same time, the organizations should conduct a comprehensive evaluation of the existing crisis management strategies and tactics. Racherla and Hu (2009) suggested the organizations should capture essential knowledge throughout the crisis for their knowledge base. They should let the stakeholders (such as hotel guests, employees, and the public) involved in the strategy and tactic modification and know what the organizations have done to restore their reputation (Boukas & Ziakas, 2014; Racherla & Hu, 2009).

## **Conclusion**

This case study contributes to hotel management education by providing a real case study and a list of practical guidelines for students to learn about crisis management and, more importantly, to manage their hotel's reputation throughout a crisis. With a daily people flow of hundreds and even thousands, hotels, restaurants and transportation sectors are at high risk of importation of viruses (WHO, 2019). Any crisis encountered would significantly influence the organizational reputation of the hotel and behavioral intention of the guests. Situational crisis communication theory has revealed that changes of organizational reputation can influence behavioral change including stakeholder support, customer loyalty and purchase intention (Coombs, 2007). To manage the organizational reputation of a hotel, it is necessary to understand the nature of crises and the four phases of crisis management framework: reduction, readiness, response, and recovery. The case study is valuable for students to apply the concepts and knowledge learnt in class practically.

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