



# The influences of hotel characteristics on the risk impacts and effectiveness of crisis management: A case study of hotels in Phuket, Thailand

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## Abstract

Crisis management is crucial for the tourism industry due to its high vulnerability to crises, however, hotels still lack awareness and understanding to implement effective crisis management. This study aims to determine the influence of hotel characteristics on the risk impacts and the effectiveness of crisis management and to examine the mediational effect of the risk impacts on such relationships. As the main tourist destination in Thailand, Phuket was chosen as the research scope. The data were collected from 153 four- and five-star hotels with 3 managerial personnel each, and then 402 completed questionnaires were analysed using the PLS-SEM. The results revealed that location and experience in risk handling of the hotels influence both risk impacts and the effectiveness of crisis management, the ownership structure influences only the risk impacts, and the operating period and star rating do not influence them. Also, the risk impacts do not mediate the effectiveness of crisis management. The article concludes by providing both theoretical and practical implications.

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## Introduction

The tourism industry plays an important role in the development of countries' economies (Senbeto & Hon, 2020); however, the major problem of the tourism industry is the high vulnerability to several crises (Aliperti et al., 2019) such as political events, terrorism, health issues, financial crisis, natural disaster, and human errors (Wut et al., 2021). Recently, the tourism industry was

most economically affected by the COVID-19 pandemic (Gursoy & Chi, 2020). Therefore, crisis management has become more important in the tourism industry because of not only providing comparative and competitive advantages against uncertainty in the industry (Wut, 2019) but also being a key part of strategic management ensuring business continuity since crisis management can be specifically designed for the related environments and objectives of a business (Evans & Elphick, 2005; Fani & Subriadi, 2019; Margherita & Heikkila, 2021; Snedaker & Rima, 2014;).

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Thailand is one of the countries whose economy has been driven by the service sectors, generating approximately 20 percent of the GDP, and estimated to be 30 percent in 2030 (Theparat, 2019). Apart from Bangkok, Phuket has the most tourism revenue, generating 18 percent of Thailand's tourism revenue (Economics Tourism and Sports Division, 2019), and amid COVID-19, Phuket still had a Gross Provincial Product (GPP) of 3.85 billion USD in 2020, 28 percent of which was the accommodation and food businesses (Office of the National Economic and Social Development Council [NESDC], 2022). However, the Phuket tourism industry was significantly negatively affected by not only global crises such as Tsunami, SARS, and COVID-19, but also domestic disruptions such as the political airports' seizure, the military coups, and the sinking of a speed boat (NESDC, 2019).

Despite the previous crises, the industry still lacks focus on crisis management because crises were non-regular and short-duration, and the industry had quick recovery processes. For example, the Phuket industry recovered from the Tsunami in 2004 within a year (Fein, 2014). Kato and Charoenrat (2018) found that the past disastrous experience did not influence the service sectors in Thailand to implement crisis management as only 23.5 percent of businesses established a written crisis management plan. Moreover, the tourism industry is a guest-based business, so the industry may misunderstand crisis management and focus on guest safety. In fact, there are possible other risks in the industry such as financial, operational, and strategic risks (Harland et al., 2003), hotel reputation (Coombs, 2007), technological breakdowns, cyber-attack, and unavailable products and services (Kato & Charoenrat, 2018). Also, the crisis management framework cannot be applied universally because of the differences in organisational and crisis characteristics (Camillo, et al., 2015; Margherita & Heikkila, 2021; Serrano & Kazda, 2020); thus, hotels cannot apply the crisis management from previous exposures of other areas or the central management. The struggle in responding to COVID-19 proved the ineffectiveness of past experiences, central directions, or others' practices.

Therefore, the objective of this research is to identify the influence of hotel characteristics on the risk impacts and the effectiveness of crisis management and to determine the mediational effect of risk impacts on the effectiveness of crisis management of the hotels. As the main tourist destination of Thailand, Phuket is chosen as the scope of this study.

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## Literature Review

Due to the lack of conceptual and theoretical foundations in crisis management research (Ritchie & Jiang, 2019; Berbekova et al., 2021), the research framework was derived from a combination of theories and models including the 4M management strategy stating the four essential resources that can be affected by risk impacts (Drucker, 2011; Drucker, 2012), the contingency theory in leadership (Fiedler, 1999) stating the difference between ownership structure affecting the managerial tasks, the effective learning style theory (Kolb, 2015) stating the effect of perceived experience on the future actions, and the organization behaviour theory (Kopp, 2021) stating the differences of internal and external characteristics affecting the performance of an organization.

### *Risk Impacts and Crisis Management in Hotels.*

Based on the 4M management theory, four business resources can be affected by the risk impacts, causing the suspension of business operations. First, the financial-related risks, that affect the capital and cash flow of the hotels, such as capital decreasing, debt payment failure (Hayes, 2021), poor capital management, low ability towards financial obligations (Chen, 2020), sales and tourist spending decreasing (Jin et al., 2019; Liu, 2014). Second, the operation-related risks, that disrupt the availability of products and services, include disasters, accidents, workplace violence, product harm, management misconduct (Coombs, 2019), and lack of plans for preventive (The Welding Institute [TWI], 2021b) and corrective procedures (The Welding Institute [TWI], 2021a). Next, the employee-related risks include low performance and morality, lack of collaboration and teamwork (Lai & Wong, 2020), unclear job information, misunderstanding, and miscommunication (Niininen, 2013). Last, the customer-related risks include injuries, accidents, bad behaviours (Nightclub Direct & Millennium Leisure [NDML], 2020; Resolver, 2015), and dissatisfaction and reputational damage (Coombs, 2019).

For responding to a crisis and ensuing operation continuity, crisis management can be used as a systematic and strategic procedure, which includes pre-crisis and crisis responses (Coombs, 2019). The pre-crisis responses are the preparedness for the foreseeable risks including financial and funds planning (Pavlatos et al., 2020), preventive and corrective procedure planning (TWI,

2021a; TWI, 2021b), staff training, safety and security implementation (Bilić et al., 2017), supply chain monitoring (Margherita & Heikkilä, 2021), cyber and database security updating (Niininen, 2013). The employees should be clarified about work-related information (Bilić et al., 2017) and mutual understanding of crisis management (Margherita & Heikkilä, 2021), as well as, the ancillary workforces should be prepared (Lai & Wong, 2020). The customer-related risks can be prevented by adopting security technologies (Niininen, 2013), implementing clear communication channels, managing customer databases, and dealing with feedback (Niininen, 2013).

While during a crisis, cost-saving (Niininen, 2013) and postponing payment (Lai & Wong, 2020) are common responses to financial losses, the operation-related risks can be responded to by substituting lower-cost supplies (Margherita & Heikkilä, 2021), ensuring to execute the planned procedures (Lai & Wong, 2020), temporarily shutting down the less-used facilities, and postponing the maintenance (Pavlatos et al., 2020). To maintain employees' morality during a crisis, mutual understanding must be emphasized (Lai & Wong, 2020) and compensation and support should be provided (Margherita & Heikkilä, 2021). Last, the customer-related risks can be responded to by an effective communication channel for keeping customers informed, and financial and emotional assistance for relieving anxiety and anger (Margherita & Heikkilä, 2021). After a crisis, hotels must re-evaluate the plans and strategies including financial and investment plans (Pavlatos et al., 2020), operational and workforce plans (Margherita & Heikkilä, 2021), outsourcing plans (Lai & Wong, 2020), customer database, and market strategies (Lai & Wong, 2020; Margherita & Heikkilä, 2021; Pavlatos et al., 2020).

### *Hotel Characteristics Influencing the Risk Impacts and Crisis Management*

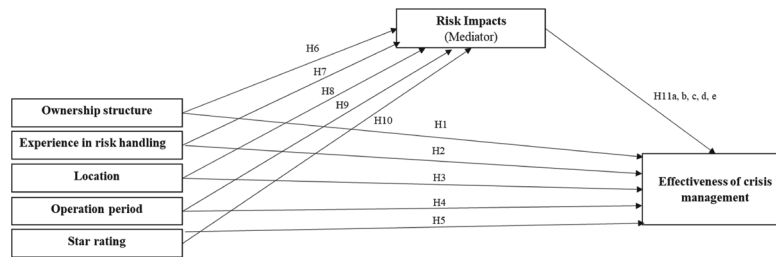
Due to the contingency theory in leadership, the hotel's management style depends on the managerial perspectives and situational controls of the managers. In the hotel industry, managers are key personnel to execute crisis-handling procedures and safety measures (Bilić et al., 2017). The risk perception of the managers is influenced by strategic objectives, risk propensity, executive remuneration, and risk management capability of the management (Zhang et al., 2019), resulting in the readiness for crisis management (Camillo et al., 2015). Also, the ownership structure of the hotel industry differentiates standard service quality, customer segments,

flexibility, and adaptation in the decision-making process (Chan et al., 2021), thus ownership styles can influence the risk impacts and crisis management strategies in hotels (Pavlatos et al., 2020).

Secondly, since individuals perceive knowledge through their active and non-active experiences differently (Kolb, 2015; Silins, 2019), the responses in the crisis management procedure for future risks are different from preparedness to recovery actions (Jones & Comfort, 2020; Chan et al., 2021). Further, although the risk culture and risk-taking history can influence the risk appetite of hotels (Zhang et al., 2019), the effectiveness of crisis management relies on individual experience perceptions.

Due to organisational behaviour theory, location is an external factor causing different risk and customer types, resulting in different risk impacts and crisis management practices. For example, city hotels had more crisis measurement practices than coastal hotels during COVID-19 in a large tourist destination due to the higher tourist density, but there was no difference in a small destination (Chan et al., 2021). As an internal factor, the longer-period businesses are more likely to have longer-term strategies, more expertise (Maáji & Barnett, 2019), and higher capabilities, profitability, and productivity (Coad et al., 2013), while the younger ones may have limitations in finance and manpower (Kücher et al., 2020). Thus, the older chain hotels are more likely to handle risk, implement crisis responses, and maintain the market and customer information (Zhang et al., 2019); however, the firm ages negatively causing inflexibility, obsolescence, inefficiency, and inert behaviour (Coad et al., 2013; Loderer & Waelchli, 2010). Last, high-rating hotels are more likely to maintain service quality by mitigating the potential risks and implementing crisis management (Pavlatos et al., 2020); however, low-rating hotels have limitations in service maintenance (Chan et al., 2021). In conclusion, hotel location, operating period, and star rating can influence the risk impacts and the effectiveness of crisis management in hotels.

Therefore, as can be seen in [Figure 1](#), since the hotel characteristics, including ownership structure, experience in risk handling, location, operation period, and star rating, can influence the effectiveness of crisis management and the risk impacts, ten hypotheses (H1 – H10) were added into the framework. Risk impacts include four types of risks: financial-, operation-, employee-, and customer-related risks, and the effectiveness of crisis management includes both pre-crisis and during-crisis responses to the risk impacts. Also, the effectiveness of crisis management may rely on the risk impacts, so the hypothesis (H11) was added to the framework for each hotel characteristic.



**Figure 1** The conceptual framework of the research

H1: Ownership structure influences the effectiveness of crisis management.

H2: Experience in risk handling of the hotels influence the effectiveness of crisis management.

H3: The location of the hotel influences the effectiveness of crisis management.

H4: The operation period of the hotels influences the effectiveness of crisis management.

H5: Star rating of the hotels influence the effectiveness of crisis management.

H6: Ownership and management structure of the hotels influences risk impacts.

H7: Experience in risk handling of the hotels influences risk impacts.

H8: The location of the hotels influences risk impacts.

H9: The operation period of the hotels influences risk impacts.

H10: Star rating of the hotels influences risk impacts.

H11: Risk impacts mediate the relationship between hotel characteristics and the effectiveness of crisis management.

assumptions of 5 percent and a confidence interval of 95 percent (Creative Research Systems, 2021).

Based on the framework, the questionnaire consists of five sections including the demographic profiles of the hotels, and four sections of a 5-point Likert scale asking the agreements of the respondents on each statement, which were derived from the literature reviews. Following the recent research (Hidalgo et al., 2022; e.g., Lai & Wong, 2020; Pavlatos et al., 2020), the respondents should be departmental managers as crisis management is managerial responsibility. Also, three respondents per hotel were required for preventing a low respondent rate (Bilić et al., 2017), and uncompleted or biased from a single source (Creswell, 2018). Then, the questionnaires were distributed by using a stratified approach (Saunders et al., 2019) in three Phuket administrative districts: Thalang, Kathu, and Mueang based on the physical address of the hotel in the sampling pool.

### Sampling Profiles

After having ethical approval from the ethical committee, 3 questionnaires were distributed to 160 hotels from September to October 2022. 153 hotels returned a total of 453 questionnaires but 51 were removed due to incompleteness. Thus, with a response rate of 83.75 percent, 402 questionnaires were included in the analysis based on the stratified number including 39 percent ( $n = 158$ ) from Mueang district, 37 percent ( $n = 150$ ) from Kathu district, and 24 percent ( $n = 94$ ) from Thalang district. Next, 56 percent ( $n = 226$ ) of respondents were from international hotel chains, 17 percent ( $n = 68$ ) were from local hotel chains, and 27 percent ( $n = 108$ ) were from standalone hotels. As an island destination, most respondents were from coastal hotels (83%,  $n = 334$ ) while the urban hotels were 17 percent ( $n = 68$ ). Lastly, 45 percent of hotels ( $n = 182$ ) of the respondents have been in operation for more than 10 years, 37 percent ( $n = 149$ ) were between 5 to 10 years, and 18 percent ( $n = 71$ ) were between 1 to 5 years.

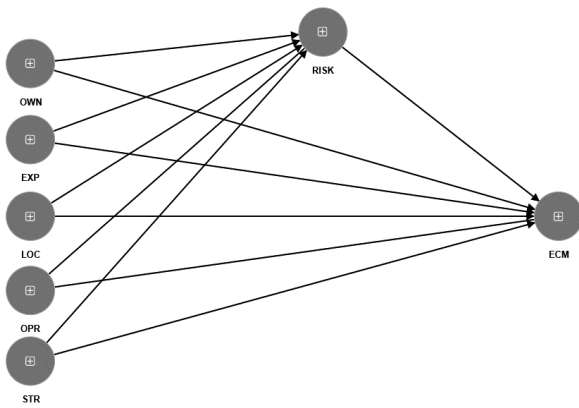
## Methodology

The research was done by using the questionnaire survey on the sampling frame of four and five-star hotels in Phuket, which tend to be concerned about service quality and crisis management, while lower-star hotels may have limitations due to budget and manpower (Chan et al., 2021; Pavlatos et al., 2020). Since Thailand does not have an official hotel rating system, 241 four-and five-star hotels in Phuket were retrieved from the TripAdvisor website (TripAdvisor, n.d.). However, amid the COVID-19 pandemic, approximately 47 percent of hotels have struggled in operations (Cusmano, 2021). Thus, the likelihood of denying or being unable to participate was expected to be 30 percent so the sampling frame was 169 ( $241 \times 70\%$ ) hotels. Then, the sampling size was calculated as 118 hotels with standard statistical

**Structural model specification**

The data set ( $n = 402$ ) was imported into the online SmartPLS4.0 software (Ringle, et al., 2022) for analysis by using the Partial Least Squares Structural Equation Modelling (PLS-SEM).

As can be seen in Figure 2, the model consists of 7 constructs divided into three groups: (1) the target endogenous construct which is the effectiveness of crisis management (ECM); (2) the mediating endogenous constructs referring to risk impacts (RISK); and (3) five exogenous constructs which refer to five hotel characteristics including ownership structure (OWN), location (LOC), risk experience (EXP), operation period (OPR), and star rating (STR). Each construct was measured by reflective indicators based on the survey questions.



**Figure 2** The structural model of the research

**Results**

*Assessment of reflective measurement model*

To assess the reliability and validity of the model, a series of tests were performed as follow. Regarding

the outer loading relevance testing (Hair et al., 2022), all seven constructs reported the outer loadings of all indicators having a range between 0.752 to 0.943, which was above the threshold of 0.7, so the model achieved the indicator reliability. Also, the model reported the traditional Cronbach’s alpha (Saunders et al., 2019) having a range between 0.870 and 0.954, and the composite reliability ( $\rho_A$ ) having a range between 0.880 and 0.956, which were above the threshold of 0.7, so the model established the internal consistency reliability (Hair et al., 2022). The average variance extracted (AVE) of all constructs was reported as having a range between 0.722 and 0.830, which were above the threshold of 0.50, so the model established the convergent validity (Hair et al., 2022). Lastly, the model reported each pair of constructs having the HTMT value lower the threshold of 0.90, thus, the model established the discriminant validity (Henseler et al., 2015). However, three indicators were removed from the model to establish the significance of the discriminant validity (Henseler et al., 2015). Then, the model qualified for internal consistency reliability, convergent validity, and discriminant validity, thus, the model can be further analysed in terms of the evaluation of the structural model.

*Assessment of Structural Model*

The model reported having no collinearity issue as the VIF value of each construct was lower than 5 (Hair et al., 2022). The explanatory power of the model ( $R^2$ ) of the risk impacts construct (RISK) was 0.483 indicating a substantial level explaining 48.3 percent of the variance, however, the  $R^2$  value of the effectiveness of crisis management construct (ECM) was 0.128 indicating a weak explanatory power (Cohen, 1988). Then, the bootstrapping procedure with 10,000 samples, a percentile approach, and a significance level of 0.05 was performed to determine the significance of the model, and the results are presented in Table 1.

**Table 1** Hypotheses decisions of the model

Hypothesis	$\beta$	$t$ -values	CI 5%	CI 95%	$p$ -values	Sig. ( $p < 0.05$ )	Decision
H1	-0.130	1.349	-0.288	0.028	0.089		Rejected
H2	0.186	3.037	0.080	0.280	0.001	***	Accepted
H3	-0.292	3.708	-0.415	-0.158	0.000	***	Accepted
H4	-0.061	0.772	-0.195	0.067	0.220		Rejected
H5	-0.006	0.089	-0.116	0.104	0.464		Rejected
H6	0.488	5.895	0.353	0.626	0.000	***	Accepted
H7	-0.090	1.695	-0.167	0.006	0.045	***	Accepted
H8	0.381	4.770	0.241	0.504	0.000	***	Accepted
H9	-0.064	0.927	-0.185	0.040	0.177		Rejected
H10	-0.061	1.084	-0.151	0.034	0.139		Rejected



Regarding the effectiveness of crisis management, two hypotheses having significant results ( $p < 0.05$ ) include H2 ( $\beta = 0.186, p = 0.001$ ) and H3 ( $\beta = -0.292, p = 0.000$ ). Thus, these hypotheses were accepted indicating that the experience in risk handling and location influence the effectiveness of crisis management by having the highest positive path coefficient of 0.186, and the highest negative path coefficient of -0.292 respectively.

Regarding the risk impacts, three hypotheses having significant results ( $p < 0.05$ ) include H6 ( $\beta = 0.488, p = 0.000$ ), H7 ( $\beta = -0.090, p = 0.045$ ), and H8 ( $\beta = 0.381, p = 0.000$ ). Thus, these hypotheses were accepted indicating that the ownership structure, the experience in risk handling, and location influence the risk impacts by having the highest positive path coefficient of 0.488, the little negative path coefficient of -0.090, and the path coefficient of 0.381 respectively.

As can be seen in Table 2, experience in risk handling and location influence both risk impacts and the effectiveness of crisis management, while ownership structure influences only the risk impacts; however, the operating period and star rating do not influence either risk impacts or the effectiveness of crisis management.

### Mediation Effect of Risk Impacts

The result of the significance test of the indirect effect (Hair et al., 2022) is shown in Table 3 presenting the indirect effect of hotel characteristics on the effectiveness of crisis management via risk impacts. Regarding the interpretation guideline (Zhao et al., 2010), all indirect

effects had insignificant results ( $p > 0.05$ ), so the risk impacts had a non-mediation effect on such relationships. Thus, H11a, H11b, H11c, H11d, and H11e were rejected indicating that risk impacts do not mediate the relationship between any hotel characteristics and the effectiveness of crisis management.

## Discussion and Implication

To respond to the first research objective for identifying the influential factors of risk impacts and the effectiveness of crisis management, the results identified three hotel characteristics influencing the risk impacts including ownership structure, location, and experience in risk handling. Two hotel characteristics influencing the effectiveness of crisis management include location and experience in risk handling.

The ownership structure influences only the risk impacts, not the effectiveness of crisis management, due to the different risk perceptions towards the risk impacts. The management may be differently concerned about the risk impacts based on their capabilities in maintaining the operations, business competitiveness, and service quality. The findings theoretically extended the contingency theory in leadership (Fiedler, 1999) into hospitality crisis management as different leadership styles affect managerial practices, as well as supported the recent literature that ownership structures affect resource management, risk propensity, and risk management in hotels (Bilić et al., 2017; Camillo et al., 2015; Zhang et al., 2019). 56.2 percent of the respondents were from international hotel chain hotels, concerned about the risk impacts more than the standalone hotels due to the chain standard and service quality. On the other hand, standalone hotels may have more flexibility to adapt their service operations. However, the Phuket hotels have negatively experienced several crises, so hotels would have implemented effective crisis management regardless of ownership structure.

Furthermore, most respondents were high-experienced departmental managers working in the hotels for more than 10 years (46.5%), and between 5 to 10 years (37.6%).

**Table 2** The influences of hotel characteristics on the risk impacts and the effectiveness of crisis management

Hotel characteristics	Effectiveness of crisis management	Risk impacts
Ownership structure	No	Yes
Experience in risk handling	Yes	Yes
Location	Yes	Yes
Operation period	No	No
Star rating	No	No

**Table 3** Indirect effect of hotel characteristics on the effectiveness of crisis management

Indirect Effect	$\beta$	$t$ -values	$p$ -values	Sig. ( $p < 0.05$ )
Ownership structure -> Risk impact -> Effectiveness of crisis management	0.007	0.173	0.431	
Experience in risk handling -> Risk impact -> Effectiveness of crisis management	-0.001	0.158	0.437	
Location -> Risk impact -> Effectiveness of crisis management	0.005	0.172	0.432	
Operating period -> Risk impact -> Effectiveness of crisis management	-0.001	0.113	0.455	
Star rating -> Risk impact -> Effectiveness of crisis management	-0.001	0.132	0.448	

Also, 30.3 percent has been working in their current position for at least 5 years. Thus, results commonly agreed that the experiences in risk handling influence both risk impacts and the effectiveness of crisis management, indicating that hotels in Phuket have a learning process to update their crisis management from the previous risks in dealing with future crises (Kolb, 2015). Thus, the findings are in line with the existing research (Chan et al., 2021; Jones & Comfort, 2020; Kato & Charoenrat, 2018; Zhang et al., 2019) revealing that hotels in Phuket acknowledged their risk experiences for implementing crisis management effectively,

As Phuket is a small island destination including coastal, mountainous, and urban areas, hotels located in different areas incur different risks and tourist types. The results supported the previous literature stating that the hotel location affected both human and environmental risks, caused different crises, and influence the effectiveness of crisis management (Chan et al., 2021). The coastal and mountainous hotels would encounter more natural disasters, while the urban hotels would encounter more human-based risks and social disturbances such as pollution and noise. Also, the coastal hotels may have more leisure tourists who have higher expectations of service quality than the city hotels. Thus, the effectiveness of crisis management in hotels would be weakened due to the dynamic crises in terms of insufficient preparedness and coverage of the responses. The finding theoretically extended the organisational behaviour theory to the hospitality crisis research that hotel location, which is an external factor, influences the hotel performance in terms of the effectiveness of crisis management.

On the other hand, the findings theoretically contribute that the internal factors of the hotel organisations including operation period and star rating do not influence both risk impacts and the effectiveness of crisis management of Phuket hotels. Although the long operating period reflects the performance and business continuity of hotels (Coad et al., 2013; Maáji & Barnett, 2019), 80 percent of respondents from hotels that have been operating for more than 5 years argued against that the operating period does not influence the effectiveness of crisis management due to the emerged risks in Phuket. Although the star rating affects all hotels to maintain service quality by preventing risks and implementing appropriate crisis management for maintaining the rating (Pavlatos et al., 2020), the results showed that Phuket hotels argue that the star rating does not influence the risk impacts and the effectiveness of crisis management because hotels have

to prevent risks by implementing effective crisis management strategies regardless of the rating, which is in line with the previous research (Li et al., 2021; Narangajavana & Hu, 2008).

Furthermore, to answer the second research objective, the study revealed that the risk impacts do not mediate the relationship between hotel characteristics and the effectiveness of crisis management. As Phuket hotels have endured several crises, hotels would have realized the importance of having responses preparedness for potential risks. Also, the findings strengthen that COVID-19 was the catalyst for the problem of lacking effective crisis management in the hotel industry in Phuket. Thus, this can confirm the realisation of risk exposures for implementing crisis management effectively, which is supported by previous works (e.g., Chan et al., 2021; Jones & Comfort, 2020; Zhang et al., 2019).

### *Practical Implication*

As post-COVID-19, this study provides the Phuket initiative on crisis management by contributing practical implications to both the hotel industry and the policymakers. For the hotel industry, since hotel location is the most powerful influential factor, hotels should conduct comprehensive risk assessments based on location and surrounding areas to identify their vulnerabilities to specific crises and evaluate factors such as proximity to high-risk areas, local geography, and accessibility during emergencies. Chain hotels should localise their standard procedures to identify risks, while standalone hotels have to prepare and adapt their responses. Also, hotels should appoint managers who have adequate crisis perception to foresee risks and outline crisis management strategies, especially, the standalone hotels have to focus on the appointment process of management teams since the existing crisis management may not align with new managers. Also, hotels should invest in frequent staff training by simulating the possible risks to being familiar with the risk-handling processes and controlling their panicking.

For the related policymakers, the findings recommend differentiating the support policies in enhancing the effectiveness of crisis management. The Phuket hotels would require specific support for preventing location-related risks; for example, coastal hotels may require support for natural disasters, sea accidents, careless guests, and specific staff training such as swimming and boat driving; urban hotels may require support for

fire prevention, police patrols, civil unrest, road accidents, and specific staff training such as fire prevention and accidents. Also, the support should be based on experiences in risk handling of the hotels by suggesting good practices in crisis response strategies based on the professionalism of the hotels. The appropriate support issued by the related authorities can maximise the use of taxpayers' money to develop the national economy through the tourism industry.

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## Conclusion and Limitation

As the research objectives are to determine the influential factors of the risk impacts and the effectiveness of crisis management of hotels in Phuket, Thailand. The findings conclude that hotel location and experience in risk handling are significantly influential factors on both risk impacts and the effectiveness of crisis management, while, the ownership structure only influences the risk impacts. However, the opening period and star rating have completely no influence. In addition, the risk impacts have no mediation effect on the relationship between hotel characteristics and the effectiveness of crisis management, indicating that hotels prepare effective crisis management regardless of the consideration of the risk impacts post-pandemic. Lastly, this study theoretically expands the hospitality crisis research with underpinning theories and provides practical implications to both hotels and policy-makers to enhance the tourism industry in Phuket.

However, this study incurs a common limitation in crisis management research, which is a generalisation, so future research should triangulate the results with other island destinations in Thailand. As well, the rationale of the results should be further investigated and augmented by a qualitative interview as the perception of the hotel industry on crisis management post-COVID-19 may be altered.

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## Conflict of Interest

The authors declare that there is no conflict of interest.

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