

## The Development of a Tourism Area Response Network in Machu Picchi, Cusco Region, Peru



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# **Learning Objectives**

- 1. To learn about the concept of a Tourism Area Response Network (TARN)**
- 2. To understand the components of a TARN which may be transferred to any community**
- 3. To understand how public and private sector might be able to organize structurally to improve dialogue before, during, and after a crisis**

# Introduction

- **Tourism organizations have the common goal of assuring visitors that their destination is safe in the event of a crisis**
- **Communication within the tourism industry is often challenging due to the hierarchical and fragmented nature of organizations and both the public and private sectors**
- **Recent crises highlight both the opportunity and the necessity to form closer partnerships between private and public sector actors at varying levels of scale (i.e., local, regional, national, international)**

# The Case

- **Such is the case in Peru, where the crises produced by the 2010 rainstorms, flooding, and mudslides at Machu Picchu revealed sectorial and scale related gaps in communication**
- **Without an established communication network, critical information that is disseminated may not reach local authorities in the affected destination in time for them to take action that can safeguard tourists from the effects of a crisis**

# Guiding Theory: Collaboration

- Collaboration “occurs when a group of autonomous stakeholders with a problem domain engage in an interactive process, using shared rules, norms, and structures, to act or decide on issues related to that domain” (Gray & Wood, 1991, 146)
  - A crisis can serve as a problem that requires collaboration amongst stakeholders

# Collaboration Theory

- Stakeholders are interdependent
- Solutions emerge by dealing constructively with differences
- Joint ownership of decisions is involved
- Stakeholders assume collective responsibility for the future direction of the domain
- Collaboration is an emergent process

(Gray, 1989)

# The Case of Machu Picchu, Peru



# Machu Picchu, Cusco Region, Peru



# The Crisis: Spring of 2010

- **Intensive rainstorms and resulting mudslides**
  - **Only highway and railroad tracks blocked**
  - **Machu Picchu closed for 2 months**
    - **Several thousand tourists trapped**
    - **For every day the site was closed, Peru lost approximately \$1 million in tourism revenue (totaling an estimated \$60 million in losses)**



# The Crisis: Spring of 2010

- **Challenges**

- **Biggest problem was uncertainty over which stakeholders were ultimately responsible for responding to the crisis**
- **Communication breakdowns were apparent**

- **Opportunities**

- **Better planning for and management of future crises**
  - **Collaboration between various stakeholders**

# The System of Governance in Peru

# **Tourism Area Response Network (TARN)**

- **The creation of a Tourism Area Response Network (TARN), presents a possible tool to aid the averted of future crises, especially in the face of unavoidable disasters**

# **Tourism Area Response Network (TARN)**

- 1. Members of the TARN will be recognized through a voluntary**
  - Formalize the relationships between public and private sector may be critical to the recovery process**

# **Tourism Area Response Network (TARN)**

## **2. Stakeholders will collaboratively work towards:**

- **Creating goals**
- **Planning for future crises**
- **Dealing with issues**
- **Making decisions**
- **Taking responsibility for actions**

# **Tourism Area Response Network (TARN)**

## **3. Serve as a negotiated process**

- **Sharing of information and resources amongst multiple stakeholders**

# **Tourism Area Response Network (TARN)**

- **In the case of Machu Picchu and the Cusco Region in Peru, the implementation of a TARN must bring together actors equally representing all levels of government (municipal, provincial, regional, national) and each of the Ministries and Agencies directly involved with decisions affecting the three aspects of the destination (the place, the host, and the guest) in the event of a crisis**

# Takeaways

- 1. Communication networks should be established prior to a crisis.**
- 2. Collaboration between various stakeholders from within and external to the tourism industry, as well as government is needed.**
- 3. Tourism is multi-sectorial and permeates all areas of the economy. When a crisis hits, it has implications beyond just the affected geographical area.**