

RECESSION IN THE HOTEL OCCUPATION FROM THREE EVENTS: EARTHQUAKE, AIRPORT CLOSURE, TRAMWAY CONSTRUCTION. CASE CUENCA (ECUADOR)

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The management of the critical events in tourism has been reactivated through communication and promotion. It is necessary the prevention with a wider focus on planning (Rodríguez-Toubes Muñiz and Fraiz Brea, 2011), however, given the complex nature of the touristic sector and the diversity of services that make this up are facing several adverse situations (Peña and Serra, 2012) that impact the economy of the country (Romero, 2016).

The tourism in Ecuador has been characterized by the productive diversification focused on specific locations (Galapagos and Otavalo) through the operation of few enterprises, later the concern about sustainability of resources has guided the country toward community tourism and ecotourism (Prieto, 2011). Lately, a lot of emphasis has been made in the contribution these activities have made to the national economy, nevertheless, the concern about the sector has been focused on the touristic promotion, evidenced on the expensive branding All you need is Ecuador, the lack of updates on the legal framework and a country with a broad horizon -Plandetour 2020- and inapplicable in our current situation, especially when considering that in the last 18 months a lot of unexpected events have caused innestability due to internal, and external factors such as the absorption of international crisis (Serrano et al., 2018).

In Ecuador, tourism represents the fourth income source for exported products, with an unpot of 1433 million dollars at constant prices, behind oil, banana and shrimp and it's the equivalent of 1.5% of the gross domestic product for the year 2016.

The management of the critical events in the country has been its Achilles Tendon, and as an example of this we have the three cases in which this study focuses on. The first happened the 16 of April a 7.8 in the Richter's scale earthquake caused severe damage to the coastal territories of the north of the country. The second event refers to the Government owned airline TAME, very questioned during the last few years. The 28 of April, one of their airplane suffered an accident (a plane skidding off the runway) without human losses in the city of Cuenca. As a consequence, the airport of the third most important city of the country had a time lapse in which the runway went through a repaving. Investigations of the accidents went on for about a year. Finally, the construction of a mega construction known as the Tranvia 4 Rios (4 rivers trolley car) -in the same city in which the airport incident occurred- which began at the end of the year at the end of 2013 and expected to be finished by the year 2015, however, this is not happened because of the inefficiency of the public management.

Cuenca, declared Human world heritage city since the first of December of 1999 by UNESCO (criteria ii, iv and v) located at 486km south of the equatorial line, was also was indirectly affected by the earthquake with epicenter in the coastal province of Manabi. Also, it has had to face difficulties due to the instability of the airport and the interruptions downtown resulting from the construction of the trolley (Castillo L., 2017).

The effects caused by natural disasters go beyond the destruction of buildings and structures; social, cultural, environmental and economic impacts are generated. The tourism is not exempt of these impacts; in the long run, this perception by the tourist about the affected areas deteriorate the image of the area, thus creating vulnerability on the touristic system (Basinger, 2012).

According to Hunziker and Krapf (1942) tourism is the sum of the relations produced by the displacement and temporal permanence of the visitors to their place of regular residence (Viloria, 2012). Hence this point tourism cannot be possible without the displacement of people nor the absence of mediums of transportation (Viloria, 2012). The touristic attractions, the installations and all the structures require the means to move toward the desired location (Hernandez, 2008).

On the other hand, the closing of the Mariscal Lamar airport, caused by the re construction of the landing strip after an accident reported the 28 of April, 2016, which affected the city's tourism. A total of 148 flights were cancelled, affecting the movement of tourists to the city and the hotel sector which over time did not achieve a 30% occupation (Castillo L., 2016).

The urban chaos caused by the unending civil constructions made at a touristic location affects negatively on the development of the touristic activities, it reduces the touristic flow at the area directly affected by the project, reducing the economic efficiency thus reducing the rentability of investments (Calderón and Orozco, 2009). In Cuenca, the delays in the construction of the Tramway taking place downtown since November of 2013 have affected the commerce and touristic sectors. According to the hotel association of Azuay, in only one year, 14 lodges had to close and the occupation went down to a 36% downtown and 10% in the 18 lodges located precisely at the affected area.

The three aforementioned elements have contributed to the inefficient development of the tourism in the city, compromising the image that had been developing over time as a quality destination that was gaining track as one of the best destinations worldwide.

For this study a total of 2055 visitor logs were used, corresponding to the period between June 2015 and December 2016 with a sample of 109 lodging establishments (luxury, first, second and third class). The Hotel occupation was calculated according to the Eurostat 2012 norm.

This paper was done at a national level, and several temporal cuts were made corresponding to the events of the earthquake, the closing of the airport and the closing of the roads due to the tramway related activities. Following this, the data was compared with logs without the impact of such events. To evaluate the significative differences, Kruskal Wallis non-parameter testing and with binarized with the U test by Mann Whitney. The established significance level was 0,05 to accept the alternative association of the variables.

Before the execution of the Tramway (November, 2013) the occupation rate achieved was, in average, 31% and with a projection 36% for the next period (data calculated by the Hotel Association of Azuay, in the downtown area) With the execution of the engineering works, the data showed that occupation dropped to a 25%. Regarding this, Calderon y Orozco (2009) warn that the urban chaos caused by the unconcluded civil engineering works affect the normal development of the normal touristic activities which in turn reduces the flow of tourists, thus affecting the monetary income in the area.

In the case of the “Mariscal Lamar” airport, which began in august 2016, the results demonstrated that the occupation rate dropped from 29% to 19%.

Regarding the earthquake (in which epicenter a reduction of up to 50% occurred) (Romero, 2016) its effects on the city caused a drop from 20% to 17%. The earthquake had indirectly influenced in the hotel sector; it was inevitable that after the earthquake panic was generated amongst the tourist, making them resign their travel aspirations until the adequate conditions are reestablished at the destination area (Lopez, Anato and Rivas).

The city of Cuenca has many touristic attractions, installations and resources, but in the other hand, tourist require mobilization from one place to another, and these services were undermined (Hernandez, 2008; Vilorio, 2012). Thus, after the evaluation of the three research elements, the results in occupation and lodging were as it follow: 10% less occupation due to the closing of the airport, 6% reduction related to the construction of the tramway and 3% less due to the earthquake. With the first event (the construction of the Tramway) it went down to a 28.1%; with two events (the construction of the Tramway and the construction of the airport) a 22.2% and with the three events it goes down to a 17%; hence the studied events affect negatively the image of the destination, placing Cuenca at a critical stage on its development in what refers to lodging (Table 3).

The lodging establishments of the city respond to three main segments: Corporate, visitors without reservation and tourists, also there are the ones who arrive with or without a reservation (Serrano et al., 2018). The selling strategies, as well as the image projected to the outside is directed toward the described groups, also the amount of income is closely related to the jobs created by the lodging facilities (Serrano et al., 2018; UNWTO, 2008).

The success of a touristic location does not only depend on the amount of money brought by tourists, it is questionable that, in order to develop a touristic destination that includes economic, social, cultural, environmental and others a capacity of response from the public administration to address the critical factors that affect, directly and indirectly, the touristic activities. This perspective has to be developed with the sharing of roles and

responsibilities in the public and private sector with communication and participation (Çakar, 2018) and the development of co-governments that serve as hubs to achieve consent among the actors and determine strategies (Red CIMAS, 2015) facing diverse eventualities. It becomes of uttermost importance to distinguish between public policy of tourism, touristic planning, public management and touristic governance (Velasco Gonzalez, 2016).

The development of the city of Cuenca as a touristic destination is now at a critical stage, the image of the city has slowly deteriorated, a solution from the marketing perspective that the local policy has generated, is the investment to obtain recognitions such as the World Travel Awards, nevertheless, these prizes are not a true reflection of the reality of the touristic destination.

Tourism is sensitive to the stability of the destination. Improving the medium in which tourism is served improves its growth. In the same way development projects transform a destination, its recovery deserves the same type of investment and promotion to reposition the city's concept. Achieving that will depend on the establishment of the necessary synergic cooperation to engage the complex task of touristic management.