External shocks cause variations in global tourism

- More than in other industries, tourism is vulnerable to external shocks.
- External shocks: an economic, political or other trend in world markets that significantly reduces the demand for tourism at a destination/s.
- Periods of economic recession characterised by high unemployment, modest wage rises and high interest rates affect the demand for tourism in most parts of the world.
- Because holidays are a high-cost purchase for most people, the tourist industry suffers when times are hard.
Typhoon Haiyan, 2013

Example - highlight the impacts on tourism of Typhoon Haiyan.

Now, summarise the notes as an example of an external shock to tourism.
Plenary - External Shocks

- Natural disasters
- Exchange rate fluctuations
- Political uncertainties/unrest
- Natural processes
- Terrorism
- Health scares
- Increasing competition
- International image