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## Transformation of tourism and hospitality customers' perception of risk and customers' needs for control

Erdoğan Koç, Bilge Villi\*

#### ABSTRACT

Keywords: Risk Perception, Uncertainty, Hospitality, Types of Risks, Control, Culture, Personality

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Although tourism and hospitality have transformed to be much safer activities compared with the past with the developments in transportation and information technologies, they still involve many risks. This review paper explains and discusses the influence of the perception of risk on consumer behaviour in tourism and hospitality and strategies that can be used to reduce consumers' risk perceptions. As eliminating or reducing consumers' risk perceptions help tourism and hospitality businesses attract more customers and maintain them, understanding concepts of risk and control may enable tourism and hospitality businesses to establish competitive advantage over their competitors. With this background in mind, the study introduces the concept of risk and the types of risks that may be associated with tourism and hospitality activities. The study also explains factors such as personality, personal characteristics which may influence customers' risk perceptions, and how these influences may take place in various contexts. Then, the study explains the theory of control and types of control which may be used to reduce consumers' risk perceptions.

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#### 1. Introduction

Etymologically the word travel comes from the French word travail, which means to operate under great duress and endure hardship, very tiring labour and a great danger (Koc, 2000). The word travail also traditionally referred to an instrument torture. Before the modernisation transportation methods, travel was associated with adventure and it had inherent connotations of risk and danger. For travel and tourism to become a mass activity these above connotations attributed to travel had to change.

The purchase of services, in general, tend to be riskier for customers than the purchase of tangible products (Laroche et al., 2003; Cunningham et al., 2005; Nordin et al., 2011; Dorothea and Benkenstein, 2014; Villi and Koc, 2018; Koc, 2020a). This is mainly to do with the general characteristics inseparability, service heterogeneity, intangibility, and perishability (Parasuraman et al., 1988) as these characteristics increase uncertainty and ambiguity, eventually leading to a relatively higher level of perception of risk by the customers. Furthermore, tourism and

hospitality services may involve encounters with many unknowns in the form of destinations, people, accommodation, transport, food, etc. (Koc, 2006). Hence, the perception of risk has wide spread implications, influencing a wide variety of issues, both for the demand (customer) and supply (service provider) sides.

The unexpectedness, arising out of uncertainty, of an event, exacerbates people's feelings towards that event, whether its outcome is a positive or a negative one. Research shows that unexpected gains cause more pleasure than expected gains, and unexpected losses cause more displeasure or pain than the expected losses (Mellers et al., 1997). Mellers et al. (1997) found that a surprising \$9 win was more enjoyable than an expected \$17 win, and likewise, a surprising \$9 loss was more painful than an expected \$17 loss. Koc (2017) argues that the occurrence of service recovery paradox (i.e. customer's post-failure satisfaction is greater than pre-failure satisfaction due to the service recovery) and customer delightment (surprising a customer

Erdoğan Koç: Professor, Bahcesehir University, Istanbul, Turkey, Email: erdogan.koc@eas.bau.edu.tr, Orcid Id: 0000-0003-3183-2574 🙃





<b>Table 1.</b> Types of flisk in Tourism and Hospitanty Adapted from Noc (2020	<b>Table 1:</b> Types of Risk in Tourism	sm and Hospitality Adapted from Koc (20)	20a)
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Type of Risk	Some of the Key Issues	Questions	
Physiological - Physical	Health, well-being, safety, security,	Would it be safe as the hotel is in nature, kilometers away from the	
Risk	hygiene, threat.	nearest town?	
		Would the staff be paying attention to hygiene requirements?	
		Would the food in the restaurant be fresh, hygienic, and healthy?	
Financial or monetary risk Money, Losing, Wasting, Cheating, Swindle		Can I afford to stay at this hotel?	
		Would there be extra charges?	
		Is it worth the money they charge?	
		Is it sensible to pay for the local trips beforehand?	
Social risk	Fashionable, popular, high, showing	Would people be impressed when they see my photos on social	
	off, class, prestige, old-fashioned,	media taken in this restaurant?	
	tasteless, low class, humiliating,	Would people envy me because of the cruise I am taking?	
		Does this destination have a poor image in the eyes of people?	
Ego or psychological risk Self-esteem, contentedness, feelings of		Does the business operate in a socially responsible manner?	
	guilt, regret,	Am I happy to be here?	
The performance or Performance, waiting time, ingredients,		Is it all-inclusive?	
Functional Risk	contents		
		Do they use all those ingredients? Are the dishes as delicious as	
		they look?	
Time Risk	Wasting time, irreversible, reversible,	How effective is their refund policy?	
	revocable, irrevocable, money-back	What if don't like the food there?	
	guarantee	What if the whole holiday turns out to be a failure?	

Source: Koc, E. (2020a). Cross-Cultural Aspects of Tourism and Hospitality: A Services Marketing and Management Perspective. London: Routledge.

by exceeding her/his expectations) is to do with this unexpectedness. When the service recovery paradox and customer delightment occur, the surprise, or the unexpectedness of positive gains, cause elicitation of excessively/exacerbated positive emotions. Likewise, the unexpectedness of service failures may cause excessive negative feelings for the customers.

#### 2. The Concept of Risk and the Types of Risk

Risk can be defined as the probability or the possibility of harm or damage. In other words, the risk is to do with the probability of a loss, an injury, or an unwanted consequence (Häyry and Takala, 1998). The feeling of uncertainty tends to increase the perception of risk as uncertainty may possible inherently contain unpleasant consequences. As people perceive risks as threats to their survival and well-being, they tend to try to avoid risks and prefer to refrain from engaging in action (Koc, 2013). Koc (2020a) further summarises the risks associated with tourism and hospitality as shown in Table 1.

The various risks described in Table 1 may influence consumer decision-making differently and may require different actions and strategies to be taken by the tourism and hospitality managers. Hence, the managers in these businesses need to be aware of various types of risks (Suciu et al., 2020) as unless eliminated or reduced they would stand as a major barrier between the customer and the business (Dorothea and Benkenstein, 2014; Koc, 2020a).

#### 3. Factors Influencing Risk Perception and Risk-Taking Behaviours

Perception of risk and risk-taking behaviours of people may be influenced by a wide variety of factors such as physiological, personal, and cultural. As stated above, while most people tend to avoid risks, certain people, who may be classified as risk-takers, or risk lovers, may be comfortable or happy to take risks, to a certain extent, in certain situations. In terms of physiological factors, even a parasite (See the Information Box below) may influence risk perception and risk-taking behaviours of people.

Information Box:

Risk-Taking and Toxoplasma Gondii Parasite

It is known that Toxoplasma gondii, a parasite that can infect people, and also various animals such as cats, rats, and dogs, reduce the perception of risk in the brain (Koc, 2020a). Toxoplasma gondii, often referred to as toxo, reduces fear through dysfunctioning of the cortex and amygdala in the brain, the part of the brain responsible for detecting fear and preparing for emergency events. Toxoplasma gondii infected people and animals do not tend to fear and be more likely to take risks. Research shows that people who have Toxoplasma gondii engage more in traffic accidents as they are more likely to take engage in risky behaviours (Flegr, 2013). On the positive side, Johnson et al.'s (2018) study found that Toxoplasma gondii infection was a consistent positive predictor of entrepreneurial activity and entrepreneurial intentions. Likewise, people who engage in extreme sports such as sky diving, mountain cycling and climbing, and bungee jumping, and people who engage in adventure holidays such as rafting down the Grand Canyon, walking the Inca Trail, or climbing Kilimanjaro, or trekking and hiking may be Toxoplasma gondii infected (Koc, 2020a).

risk-sensitivity Also, according to theory individuals may engage in risky decisions depending on their needs. If people feel that they are unable to meet their needs through safer, lower-risk means, they may be more likely to engage in risk-taking behaviours (Kacelnik and Bateson, 1996; Mishra et al., 2017; Li et al., 2019). This means that when people need something, and especially when the strength of that need is relatively high, they may shift from risk-aversion to risk-taking, with the belief that risky options, though slim, may create for them at least some chance to satisfy their needs (Mishra et al., 2014; Li et al., 2019). In other words, individuals can make risk-sensitive decisions depending on the level of motivation they have to satisfy those particular needs. This means that people are more likely to take risks if they feel that those needs are unlikely to be met through safer, low-risk means (Kacelnik and Bateson, 1996, 1997; Mishra et al., 2017; Li et al., 2019).

#### Personal Factors: Personality and Gender

In terms of the personal factors, personality characteristics of people (e.g. openness to experience. conscientiousness, extraversion. agreeableness, and neuroticism), may influence people's attitudes towards risk (Koc, 2019 and 2020a). For instance, research shows that people who have a high level of extraversion and openness to experience, and lower levels of conscientiousness as personality characteristics, are more likely to be comfortable with risk-taking and more capable of enduring in uncertain and ambiguous environments (Tok, 2011; McGhee et al., 2012). Moreover, other sub-traits of personality may also play an important role in risk-taking behaviours of people. Gupta et al's (2006) study found that factors such as disinhibition, boredom. susceptibility, cheerfulness, and excitability, as well as low levels of conformity, and self-discipline were more strongly associated with risk-taking behaviours, such as gambling. Additionally, researchers (e.g. Pizam et al. 2004; Reisenger and Mavondo, 2005; Gray and Wilson, 2009; Williams and Baláž, 2013) demonstrated that there is a significant relationship between sensation seeking as a personality trait and risk-taking.

Another factor that influences people's responses towards risk is their gender (Meyers-Levy and Loken, 2015; Koc, 2020b). Due to males' mating concerns, their search for status, and their achievement orientation, in general, they tend to be more comfortable with taking a risk, and consequently, they are more likely to take a risk

than females (Ellis, 2006; Charness and Gneezy, 2012; Ertac and Gurdal, 2012). On the other hand, due to their communal orientation, females, in general, tend to be more risk-averse, cautious, and avoidance-based than males (Fischer and Mosquera, 2001; Meyers-Levy and Locken, 2015; Koc, 2020b).

#### Culture

influences Culture also consumers' risk perceptions, attitudes towards risk, and their overall behaviours. Hofstede (2001) developed a cross-cultural variable, called uncertainty avoidance, to measure, classify and compare countries in terms of the degree of comfort members of a society feel in unfamiliar or unstructured situations and the degree to which a society tries to control the uncontrollable. The presence of cultural distance between the service provider in tourism and hospitality increases the perception of risk (Shenkar, 2001; Litvin et al, 2004). Ahmed and Krohn (1993) demonstrated that there are plenty of Japanese owned hotels in Hawaii, as many Japanese believe that only the Japanese can fully meet their needs.

## 4. Implications of Risk Perception and Uncertainty Avoidance for Consumer Behaviour

As stated above customers tend to perceive the purchasing of services as riskier than the purchasing of tangible products (Nordin et al., 2011; Dorothea and Benkenstein, 2014). Hence, the loyalty of customers towards services is higher than their loyalty to tangible products (Zeithaml, 1981; Setó-Pamies, 2012). This is mainly to do with the heterogeneity/variability inherent in services (Koc, 2017). Moreover, the switching costs of services (financial and non-financial costs, e.g. search costs in the form of effort, etc.) may be relatively higher compared with tangible products (Ruyter et al., 2001; Koc, 2017). Additionally, the availability of substitutes/alternatives, or as often referred to as repertoire, consideration set or the evoked set, i.e. the range of different service brands/products available for purchase and use by consumers may be relatively limited compared with tangible products (Koc, 2017).

Risk perception of customers may influence a wide variety of aspects of tourism and hospitality, ranging from their responses to all marketing mix elements (7Ps) to their general perceptions of and responses towards service quality perceptions and individual service quality dimensions. However, here the influences of risk perception on customers' product choices and information collection, loyalty



and complaint behaviour, price, and marketing communications will be explained as examples.

#### Product Choices and Information Collection

As stated above, behaviours of consumers are very much influenced by the cultures they come from. For instance, as opposed to people from lowuncertainty avoidance cultures (e.g. Singapore, Sweden, Hong Kong, United Kingdom, United States, Norway, and New Zealand) people from high-uncertainty avoidance cultures are more likely to feel uncomfortable and threatened in unstructured, uncertain, and environments. These people tend to value structure and predictability more than other people (Litvin et al., 2004). Moreover, tourism and hospitality customers from high-uncertainty avoidance cultures are more likely to have a higher preference for their cuisine and are more likely to have food neophobia (fear of eating new or unfamiliar foods) (Koc, 2020a). Also, consumers who are from highuncertainty avoidance cultures tend to collect more information, use more personal sources of information (e.g. brick-and-mortar travel agencies rather than on-line travel agencies and Internet sources), travel in larger groups, prefer safer activities (e.g. favour slow-paced, participate in more indoor activities, visiting friends and relatives, shopping and staged events (Money and Crotts, 2003; Manrai and Manrai, 2011; Chen and 2019). Sabiote-Ortiz  $_{
m et}$ al. demonstrated that travel agencies cause lower levels of uncertainty for customers due to personal interaction, and the control they offered to the customers. Tourism and hospitality customers with lower levels of risk perception (e.g. customers from the UK) do not tend to associate online information with high risk, while customers with higher levels of risk perception (e.g. customers from France, Belgium, and Italy) preferred travel agencies as low-risk information sources (Frias et al.,2012). While the risk perception may influence the types of tourism and hospitality activities, it may also influence the design of these particular services and the servicescape. For instance, Zein (2015) puts forward that in low-uncertainty avoidance cultures children are left on their own to play, while in high-uncertainty avoidance cultures children are carefully looked after, and are never let out of sight. For instance, Koc (2016a) argued that IKEA's Smaland application would not work in Turkey due to the high-risk perception and uncertainty avoidance of Turkish people. Smaland, named after the region in southern Sweden where IKEA originated, is a supervised children's area in IKEA stores, with a forest-themed playground

equipped with a ball pit, where parents can leave their children with caretakers while they shop for as long as 90 minutes, free of charge. Koc (2020) argues the design of servicescape and amenities (e.g. the swimming pool; children's playgrounds, etc.) need to take into account the customers' level of risk perceptions.

#### Customer Loyalty and Complaint Behaviour

From a customer loyalty perspective, Ndubisi et al. (2012) demonstrated that when customers' risk perceptions were low (e.g. when they are from low-uncertainty avoidance cultures) their loyalty towards service providers appeared to be low. On the other hand, customers with higher levels of risk perceptions tend to stick to and be loyal towards the service providers who satisfy their needs. In general, customers frequently engage in variety-seeking behaviour when they purchase hedonic experiences like tourism and hospitality (Bigné, et al., 2009).

However, for customers with higher levels of risk perception, the thrill of seeking variety tends to be lower than the motivation to avoid risks. Hence, service providers' efforts to increase customer loyalty may work better with customers with highrisk perceptions.

Moreover, tourism and hospitality customers with higher levels of risk perception are more likely to praise the service provider and less likely to make a complaint (Tsaur et al., 2005). Customers with higher risk perceptions are less likely to switch to other services even if they encountered service failures with the current service provider. As in the proverb "better the devil you know than the devil you don't", these customers may think that switching to other service providers may involve further uncertainties and risks. Hence, these customers may refrain from switching to other service providers (Koc, 2020a). However, it must be borne in mind that, though these customers may not switch, yet other negative consequences may occur such as engaging in negative word-of-mouth communication, etc.

#### <u>Price</u>

It was explained above that tourism and hospitality decisions were risky due to the many unknowns, uncertainties, and general service characteristics such as intangibility and heterogeneity. Further, the purchase of particular types of touristic products/services may involve spending large sums of money on something which cannot be fully perceived before it is experienced. Though duration wise, tourism and travel

activities may represent a relatively smaller proportion of time in a year, they may cost large amounts of money. For instance, Koc (2000) argues that while a week's holiday may represent less than 2% of the time in a fifty-two-week year, this holiday may cost as much as 10% or more of the annual income of the customer. Research shows that while an open demonstration of a tourism and establishment's pricing information influenced risk aversive customers (e.g. customers from high-uncertainty avoidance cultures such as South Korea) positively, it had no effect on low-uncertainty customers from avoidance cultures (e.g. the USA) (Mattila and Choi, 2006).

#### Marketing Communications

As all promotional tools (advertising, public relations, sales promotion, and personal selling) are used to convey messages to the customers, when designing messages aimed at the target market, customers' levels of risk perceptions need to be taken into account. For instance, advertising messages need to use themes that are appropriate for customers who have high levels of risk perception. Albers-Miller and Gelb (1996) proposed three advertising appeals most relevant to customers from highly risk-averse cultures. These are i) safety (carefulness, guarantees, caution, and stability), ii) tamed (compliant, faithful, reliable, responsible, domesticated, docile, and civilised) and iii) durable (long-lasting, permanent, stable, strong, powerful, tough and enduring). However, one must be careful when conveying a safety message to customers. Rittichainuwat (2013) demonstrated that manifest safety measures and messages may increase risk perceptions of customers and scare them, especially customers who are risk-averse. Rittichainuwat (2013) found that an increase in safety measures frightened about 33% of tourists. This may be attributable to priming (Koc, 2016a), or co-variance bias, since the safety measures, or cues relating to safety in communications, may act as signals or reminders for the risks and threats looming.

#### 5. Control as a Risk Reduction Strategy

Customers perceive risks as uncertainties that cause helplessness or a lack of control against likely negative events that may take place. Hence, people, in general, prefer to have control in almost all situations in order to reduce the level of uncertainty and increase predictability (Ding et al., 2016; Koc and Boz, 2017). This is because of the absence of uncertainties and risk and the presence of predictability and control foster the survival of human beings.

*Information Box:* 

Risk-Taking and Pro-Social Behaviour

According to Kenrick and Griskevicius (2013) exposure to fear (risk) increases people's tendency to engage in social behaviour. In other words, when people perceive risks or threats, their tendency to be part of a group, and their tendency to conform to a group increases. Kenrick and Griskevicius's (2013) research showed that when people were shown horror movies their tendency to like advertisements and commercials that implied togetherness and being with a crowd of people increased. On the other hand, people's tendency to like advertisements and commercials which implied being alone and separated from a group increased when they were shown romantic movies. This is because human beings since the early primitive ages have been aware that they would be unable to survive on their own. Even in today's modern world, loneliness and social isolation are among the high-risk factors for mortality (Holt-Lunsad et al., 2015), though for mainly psychological reasons, rather than the physiological ones.

Reducing risk and maintaining predictability has been so important that they have been even instrumental in the establishment of the main pillars of today's modern society. This is because the main motivation behind the move from a hunter-gatherer to agrarian society, around 8000 BCE in Mesopotamia, was based on the need to reduce risk and increase predictability, by having control over certain aspects of life (Harari, 2016; Koc and Boz, 2017). In the agrarian society, people tried to establish systems and life styles within which they were able to have control. According to Miller's (1979) "Minimax Hypothesis" control allows the individual to minimise the maximum danger/risk or discomfort. This means that the individual with control can attribute the cause of relief from the aversive event to a stable internal source, the self, rather than a less stable external source (Chen and Cooper, 2014). This means that when an individual has control over various events taking place in her/his environment, s/he may be in a position to ensure encountering a lower level of maximum danger than someone who does not have control (Koc and Boz, 2017).

In line with Miller's (1979) Minimax Hypothesis, Kahneman and Tversky's (1979) Prospect Theory demonstrates that human beings ascribe more value to not losing than the value they ascribe to winning. This is because losing may place people in jeopardy, preventing their survival, i.e. the primary goal of all human beings. In line with people's desire to control their environments, Averill (1979) suggested three types of control as i) cognitive, ii) behavioural, and iii) decisional.

Cognitive control (See Table 2) is about the control is to do with having sufficient information about



the future, and being confident about the future (Faranda, 2001; Koc and Boz, 2017). Cognitive control ensures the evasion of encountering negative surprises (Faranda, 2001; Koc and Boz, In tourism and hospitality activities customers may be said to have control if they have been provided informed appropriately with the necessary details regarding prices, payments, and service features. For instance, tourists who are sensitive towards risk (e.g. due to their personal, personality, and cultural characteristics) tend to be more likely to purchase pre-paid all-inclusive packages to ensure that they have maximum control over their holidays (Koc, 2006). Likewise, hospitality establishments such as restaurants and cafes may clearly display their menus (in terms of all details regarding prices, ingredients, etc.) to allow their targeted consumers to have cognitive control (See Table 2).

As another type of control, decisional control (See Table 2) can be defined as the ability and the freedom of a consumer to make her/his own product/service decisions according to her/his needs and desires (Koc, 2013; Koc and Boz, 2017). Hence, decisional control also involves having a sufficient number of alternatives and being free from the pressures and intrusion of others when making decisions. The availability of alternatives for the customers enables the customers to make their choices more freely, choices that would match their needs better. For instance, the availability of several alternative holiday packages, and the right to make alterations to these packages according to one's needs would allow customers to have decisional control. Likewise, all-inclusive holidays with open buffet meals can allow customers to have decisional control in terms of choosing what to eat and the amount of food they would like to have. Burger King's "Have it Your Way" slogan is also another example of decisional control reminding customers that they can make alterations to food items according to their specific needs and wants.

However, decisional control may often cause a Pavlovian conditioning called the illusion of control (Heider, 1958; Langer, 1975; Unzicker, 1999; Koc, 2013). As a cognitive bias or an attributional error, Illusion of control is the tendency of an individual to overestimate her/his ability to control events and the attaching ascribing positive qualities to her and his decision. The illusion of control creates a feeling of illusory superiority or an optimistic bias and resulting in inflated self-efficacy beliefs (Lovallo and Kahneman, 2003). The illusion of control also increases the amount of value attached to and liking for the choices the individual makes (Bandura, 1997; Weiner, 2000; McKenna and Albery, 2001). As a similar phenomenon to the illusion of control, the endowment or divestiture effect (Thaler, 1980) is the attribution of increased value or increased liking for the choices an individual makes (Kahneman et. al, 1991).

Koc (2013 and 2016b) found that decisional control in all-inclusive open-buffet holidays caused customers to have an illusion of control. Customers on these holidays were more likely to attach more value to the food they chose from the open buffet restaurants and liked the food they chose more than they normally did. As a result, tourists on all-inclusive open-buffet holidays tended to consume more food, both quantity, and variety wise, than they did in their usual daily lives. Koc (2013 and 2016b) showed that all-inclusive holidays with open buffet restaurants had the potential to cause obesity among the customers.

As the third type of control, behavioural control (Table 2) is the ability of a customer to influence a situation or an event. Hence, for instance, behavioural control can be described as an ability of a customer to cancel her/his purchase of a service (a holiday reservation or a restaurant booking)

Table 2: The Three Types of Control and the Recommended Courses of Actions

Type of Control	Recommended Courses of actions		
Cognitive Control	Provision of all the necessary information to the customers. Making information more accessible to customers.		
	Making sure that customers know various aspects of the tourism and hospitality service such as the price, payment and package details, service times, etc.		
	Forming standard product packages with fixed prices - e.g. all-inclusive holidays package holidays, set menus in a		
	restaurant, etc.		
	Eliminating the heterogeneity of services as much as possible and providing more standardised services.		
Decisional	Offering as many alternatives and choices as possible for the customers.		
Control	Allowing customers to take part in the design of the services to make services fit their specific needs.		
	Allowing customers to make their choices freely without the intrusion of the sales staff. Avoiding hard-sell tactics.		
Behavioural	Offering customers opportunities to cancel their purchase decisions when they wish to do so.		
Control	Making sure that customers trust the business in terms of refunds. Making sure that customers believe that they can get		
	their money back when/if they cancel.		

Source: Adapted from Koc, E. (2017). Service failures and recovery in tourism and hospitality: A practical manual. Wallingford, Oxford: CABI.

without incurring any, or any significant costs/fines (See Table 2). Koc (2013) argues that businesses that allow cognitive, decisional, and behavioural control to their customers may be in a position to establish a competitive advantage over their competitors.

#### 6. Conclusions

This review paper explains how consumers' risk perceptions may influence their beliefs, attitudes, and behavioural responses when they make purchasing and consumption decisions in tourism and hospitality. The study shows that unless eliminated or reduced, risk stands as a barrier between the customer and the service provider. Understanding the concept of risk, its main types, factors influencing consumers' perceptions, and the strategies which may be used to eliminate or reduce risk may help practitioners in a number of ways. First, they may be able to attract more customers. Secondly, they may be able to expand the market they target. Thirdly, they may satisfy the needs of the customers better and they may be able to maintain and keep more of their customers. Therefore, understanding various aspects of risk and control relating to tourism and hospitality services may enable tourism and hospitality businesses to establish competitive advantage. For example; consumers should be clearly informed about the costs or legal obligations that they must face after purchasing the related service. product and Additionally, consumers the opportunity to return the product if they are not satisfied with it after the purchase will be a remarkable factor reducing the risk uncertainty.

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#### **INFO PAGE**

# Transformation of tourism and hospitality customers' perception of risk and customers' needs for control

#### **Abstract**

Although tourism and hospitality have transformed to be much safer activities compared with the past with the developments in transportation and information technologies, they still involve many risks. This review paper explains and discusses the influence of the perception of risk on consumer behaviour in tourism and hospitality and strategies that can be used to reduce consumers' risk perceptions. As eliminating or reducing consumers' risk perceptions help tourism and hospitality businesses attract more customers and maintain them, understanding concepts of risk and control may enable tourism and hospitality businesses to establish competitive advantage over their competitors. With this background in mind, the study introduces the concept of risk and the types of risks that may be associated with tourism and hospitality activities. The study also explains factors such as personality, personal characteristics which may influence customers' risk perceptions, and how these influences may take place in various contexts. Then, the study explains the theory of control and types of control which may be used to reduce consumers' risk perceptions.

**Keywords:** Risk perception, uncertainty, hospitality, types of risks, control, culture, personality

#### **Authors**

Full Name	Author contribution roles	Contribution rate
Erdoğan Koç: Methodology, Reso	urces, Writing - Original Draft, Visualization,	60%
Bilge Villi: Validation, Resource	es, Writing - Review & Editing,	40%

**Author statement:** Author(s) declare(s) that All procedures performed in studies involving human participants were in accordance with the ethical standards of the institutional and/or national research committee and with the 1964 Helsinki declaration and its later amendments or comparable ethical standards. **Declaration of Conflicting Interests:** The author(s) declared no potential conflicts of interest with respect to the research, authorship, and/or publication of this article

This paper does not required ethics committee report

Justification: The methodology of this study does not require an ethics committee report.