

teaching note

American Tourist Travel to Cuba: A Case Study

Summary

The U.S. and Cuba have had a tumultuous relationship which has lasted for over five decades. Diplomatic ties between both countries were severed and a full economic embargo was imposed on February 7, 1962. However, in December 2014, both countries have finally agreed to efforts that would eventually normalize relations. Even though the economic embargo has not yet been lifted, embassies in both countries have been re-established on July 20, 2015. Recent efforts are being made to bridge the gap between the two countries which will result in a spike of American tourist travel to Cuba. However, potential travelers and businesses interested in Cuba must be aware of the numerous pitfalls and challenges that exist throughout the island, which are highlighted in this case.

Teaching Objective

It is important that students understand historical relations between the U.S. and Cuba prior to discussing the current state of affairs and addressing potential tourism problems an American tourist or business may encounter. A deeper understanding may be promoted through the reflection of historical events. The purpose of this case study is to provoke thought and discussion, and enhance critical thinking and problem-solving skills. It offers students an opportunity to explore current tourism industry issues in Cuba, issues that may result if and when the U.S. travel embargo is fully lifted, and develop a strategy to overcome those issues. By reviewing this case, students are expected to:

- Apply what has been learned in various hospitality and tourism management courses to business dealings in a country (Cuba) which has no history or logistical support of high quality hospitality and tourism operations.
- Analyze challenges pertaining to both American tourists and companies looking to conduct business in Cuba.
- Develop a strategy/business plan to overcome challenges and improve the overall quality of hospitality and tourism in Cuba.

Suitability for Use

This case is suited for use by undergraduate and graduate students enrolled in hospitality and tourism management courses. This case is also suited for hospitality and tourism industry professionals.

Teaching Approach

This case is designed to be used in various courses to explore various challenges that impact the tourism industry. The topics highlighted in this case are not exclusive to Cuba; this case incorporates an array of

topics which can be analyzed from many different angles in a variety of courses. This case may be used as an example for developing strategies and providing insight to tourists and international businesses seeking to travel or conduct business in countries facing similar problems.

The recommended approaches for use of this case by audience are listed below:

Undergraduate Students:

Students should be encouraged to read the case and absorb the material/information prior to class. Students are expected to provide answers to discussion questions through a written report, oral presentation, and/or an essay item(s) on an exam.

Graduate Students (and Industry Professionals):

Students should be encouraged to read the case and absorb the material/information prior to class. Discussion questions may be utilized to promote class discussion and may also be included as an essay item(s) on an exam. In addition, graduate students are expected to conduct research and be able to propose a tourism strategy and/or business plan. This case can easily expand into a full research project. Graduate students and industry professionals are expected to be able to analyze, evaluate, and put into practice what was learned through research proceedings. Studying previous experiences in such places as China and Vietnam will be instructive.

Suggested Assignments

For each of the following hospitality and tourism courses, students are expected to perform tasks individually and/or in groups:

Strategic Tourism Planning & Management Courses

- Discuss the benefits/drawbacks of pursuing multiple tourism strategies.
- Develop a clear tourism strategy (for Cuba).
- Develop an understanding of international travel to an exotic destination.
- Develop an understanding of economic impact on a destination and its various tourism sectors.
- Understand and discuss the importance of developing visitor attractions and the primary issues involved in their management.
- Understand and discuss the importance of sanitation and public regulations in tourism.
- Examine the ways in which cultural and heritage assets can become viable tourism attractions and contributions to community development.
- Recognize the importance of historical events and how they influence current issues and trends.

- Effectively forecast the future which will ensure long-term prosperity for the business.
- Understand and discuss the significance of sex tourism and its economic and social impact on travel/tourism (destination).
- Consider the environmental effects of increased tourism and prepare suitable management plans
- Apply climate change predictions to hospitality and tourism facilities and formulate appropriate management solutions.

Organizational Behavior Courses

- Understand and discuss how organizational effectiveness can be directly or indirectly influenced by workplace behaviors.
- Discuss how to successfully manage employees that are controlled by the state (Cuba).
- Explain organizational and individual sources of resistance to change.
- Discuss the relationship between motivation and employee performance.
- Develop a plan to effectively motivate state-controlled employees and control work output.

Foodservice Courses

- Understand and discuss the importance of sanitation and public regulations in foodservice.
- Understand and discuss the importance of customer service.
- Learn to overcome customer-employee related management challenges.
- Develop a training plan for safely acquiring, preparing and serving food.

Operations Management Courses

- Understand and discuss the importance of sanitation and public regulations in lodging and tourism facilities.
- Understand the impact of supply deficit and logistical difficulties on operations.
- Review risk/crisis management practices that should be in place.
- Survey the limitations in transportation infrastructure for people and products and provide workable solutions.
- Discuss the improvements required to improve communications to world class standards.

Hospitality Law Courses

- Understand the primary role of dispute resolution.
- Discuss the significance of credible business-consumer dispute resolution and the options available for satisfactory dispute mechanisms.
- Review related cases involving disputes between businesses operating in Cuba.
- Propose improved solutions for responses to consumer complaints about services or facilities.

Discussion Questions

1. If you open/manage a hospitality business in Cuba, what would be your strategy for targeting American tourists?
2. How would you market your business to American tourists?
3. According to trends, what problems may develop if the travel embargo is lifted?
4. What are the benefits to the U.S. if the travel embargo is lifted? What are the drawbacks?
5. What types of tour packages / shore excursions would appeal to the American tourist?
6. As an American tourist, how can you prepare for a trip to Cuba?
7. If the opportunity to travel to Cuba arises, would you want to visit? Why or why not?
8. Why would an American tourist choose to travel to Cuba over another Caribbean destination?
9. Do you think Americans would prefer a cruise to Cuba over flying?
10. In what ways could the Cuban black market be counteracted?
11. How would you improve employee satisfaction among hospitality employees?
12. How would you fine tune quality and service?
13. Provide examples of previous dispute resolution cases involving Cuba.
14. Do you think sex tourism will increase/decrease if the travel embargo is lifted? How will sex tourism industry be affected?
15. Cuba is a leading sex tourism destination- What can we learn from other prominent markets such as the Netherlands and Thailand?

Potential Answers to Discussion Questions

Note: These questions are meant to be thought-provoking; the brief answers provided are one of many potential answers.

1. American tourists would be offered the opportunity to experience a trip of a lifetime by being allowed to visit a country which was once off-limits. A trip to Cuba offers the chance to be a part of history.
2. A business could be marketed to American tourists by highlighting special discounts and travel packages exclusive to the American tourist.
3. Potential problems that may develop as a result of lifting the embargo are overcrowding at airports/cruise terminals, an increase in sickness due to poor sanitation practices on the island, and an increase in crime.
4. Some benefits to the US could be a positive economic impact and the creation of more jobs; drawbacks could include potential overcrowding and longer wait times at cruise terminals and airports.
5. All-inclusive packages would appeal to the American tourist traveling to Cuba.
6. Before traveling to Cuba, research should be done so the trav-

eler knows what to expect. It is imperative that all documents such as passports are valid and valuables are left at home. The American tourist should understand that Cuba does not offer most luxuries found in the States.

7. If the opportunity arose, I would want to travel to Cuba because it has been a restricted destination for so long.
8. Americans may want to travel to Cuba because they haven't been able to for quite some time. Also, Cuba has old-world charm that may appeal to the American tourist.
9. A cruise may be preferred by American tourists because they can still enjoy modern luxuries of the ship that they may not be able to get on the island.
10. By lifting the embargo, the black market may be counter-acted because of the increase in American tourists who are willing to spend money and contribute to the overall Cuban economy. However, the black market may thrive on the influx of American tourists.
11. Employee satisfaction can be improved by boosting overall morale; employee's opinions and suggestions should be taken into consideration.
12. Quality and service could be fine-tuned by improving employee satisfaction and following other business models of successful companies.
13. Dispute resolution is not a common practice in Cuba; this will be an area to monitor as relations between the US and Cuba strengthen.
14. Sex tourism may decrease as a result of tighter restrictions and harsh punishments for those caught engaging in such acts.
15. American tourists need to be properly educated on the harsh realities of the sex trade and human trafficking.

Suggested Research Topics

- Examine private foreign companies currently conducting business in China/Vietnam (foreign companies conducting business in China and Vietnam face similar challenges as those conducting business in Cuba).
- What is the impact that the cruise industry will have on Cuban tourism? Provide an analysis of similarities with the burgeoning cruise industry in China and Southeast Asia.
- Sex Tourism – public health and safety challenges; compare with other similar countries
- Environmental protection issues – regulation and enforcement

Additional Reading for Students:

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- Suárez, J. A., Beatón, P. A., Escalona, R. F., & Montero, O. P. (2012). Energy, environment and development in Cuba. *Renewable and Sustainable Energy Reviews*, 16(5), 2724-2731.
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