



## Research Recovery Re-scaling

Industry Webinar Seminars



**Rosen College of  
Hospitality Management**

# The resilience and vulnerability of Small Lodgings in Florida: The Impact of Covid-19



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UCF

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**In partnership with:**

**Superior  
Small Lodging  
of Florida**



Verified Excellence in Lodging

Special thanks to Ms. Aileen Band



UCF

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Industry Webinar Seminars



**Rosen College of  
Hospitality Management**

## The resilience and vulnerability of Small Lodgings in Florida: The Impact of Covid-19

Rivera, M. & Croes, R. (2020) *The resilience and vulnerability of Small Lodgings in Florida: The impact of Covid-19* [Webinar].  
UCF- Rosen College of Hospitality Management.  
<https://hospitality.ucf.edu/research-recovery-re-scaling/>



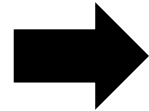


# Crises Lifecycle: Stage #1

## Discovery Phase



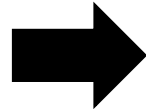
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### Awareness Phase



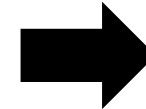
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### Trough Phase



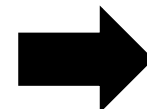
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### Recovery Phase



4



### Emergence Phase



5

SOURCE: [The Manager's Resource Handbook](#); Tools, Resources and Guides for Managers and Business Leaders. Real Advice from Real Bosses.



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# DISCOVERY PHASE

## What are superior small lodgings (SSL)?

1-Unique interactions  
between host and guests

3-A staple in peripheral or  
coastal areas of Florida

2-Psychological connection;  
beyond the commercial

4-Incorporate uniqueness  
of local culture

They are paradigmatic of FL's tourism  
unique offerings

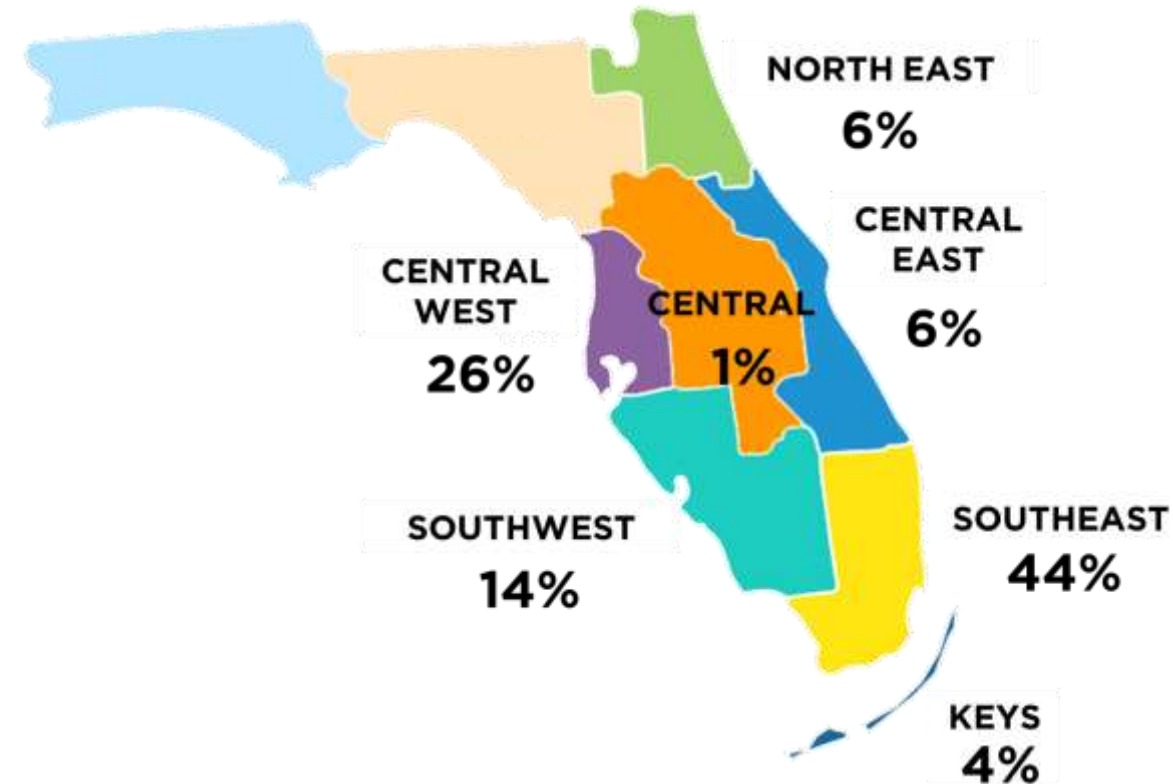
# DISCOVERY PHASE

## 182 Properties

Property Categories	# Properties
10 or less rooms	29%
11 to 20 rooms	29%
21 to 30 rooms	15%
More than 30 rooms	27%

Source: Developed by Rivera & Croes 2020

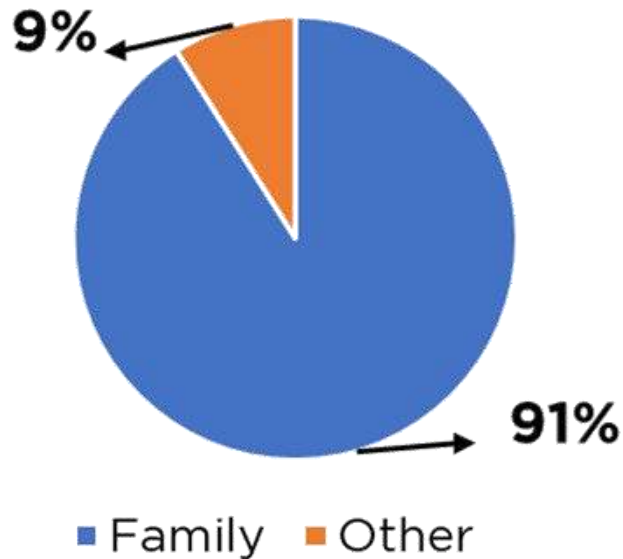
## Locations



Source: Developed Rivera & Croes 2020

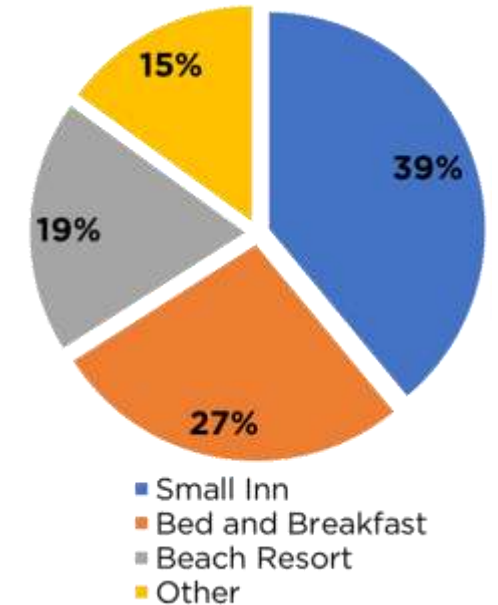
# DISCOVERY PHASE

## Legacy Properties



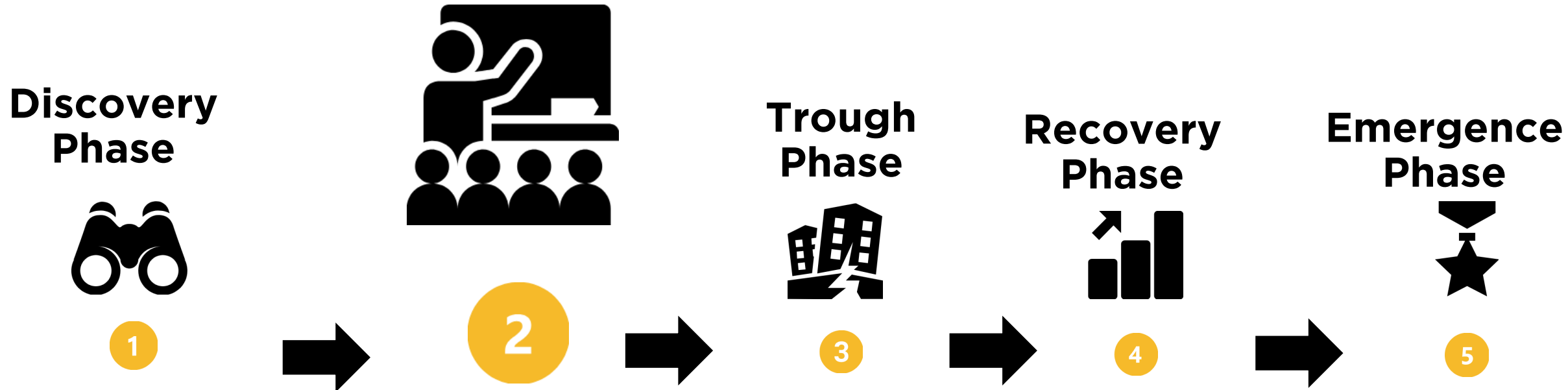
Years in operation	
ALL PROPERTIES	18.19
10 or less rooms	17.24
11 to 20 rooms	17.61
21 to 30 rooms	17.71
More than 30 rooms	20.94

Source: Developed by Rivera & Croes 2020



# Crises Lifecycle: Stage #2

## Awareness Phase



SOURCE: [The Manager's Resource Handbook](#); Tools, Resources and Guides for Managers and Business Leaders. Real Advice from Real Bosses.



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# AWARENESS PHASE

## Performance Indicators 2019-20

	Occ. %	ADR (\$)	Group Size	Length of Stay (days)
<b>ALL PROPERTIES</b>	<b>65%</b>	<b>\$180</b>	<b>2.56</b>	<b>4.27</b>
10 or less rooms	60%	\$198	2.55	5.41
11 to 20 rooms	59%	\$177	2.31	3.69
21 to 30 rooms	64%	\$176	2.90	4.88
More than 30 rooms	76%	\$168	2.66	3.32

# AWARENESS PHASE

## Total Tourists in 2019

	Rooms Nights Sold	Total Tourists	Out of State	In State
<b>ALL PROPERTIES</b>	<b>754,765</b>	<b>500,757</b>	<b>284,134</b>	<b>216,623</b>
10 or less rooms	88,832	41,870	24,053	17,816
11 to 20 rooms	195,697	122,368	69,876	52,491
21 to 30 rooms	193,654	115,192	78,254	36,938
More than 30 rooms	276,582	221,328	111,951	109,377

Source: Developed by Rivera & Croes 2020

# AWARENESS PHASE

## Jobs/Property in 2019-20

	Salary Employess	Hourly Employees	Total Employees
<b>ALL PROPERTIES</b>	<b>1.81</b>	<b>7.63</b>	<b>1,553</b>
10 or less rooms	1.52	2.04	221
11 to 20 rooms	1.77	5.86	466
21 to 30 rooms	1.90	10.25	401
More than 30 rooms	2.21	15.68	465

Source: Developed by Rivera & Croes 2020

# AWARENESS PHASE

## Economic Contribution 2019

	Total Direct Econ. Impact	Direct Impact Out of State	Direct Impact In State
<b>ALL PROPERTIES</b>	<b>\$133,971,777</b>	<b>\$77,240,657</b>	<b>\$56,731,120</b>
10 or less rooms	\$17,728,871	\$10,184,931	\$7,543,940
11 to 20 rooms	\$34,959,501	\$19,963,081	\$14,996,420
21 to 30 rooms	\$34,453,357	\$23,405,314	\$11,048,043
More than 30 rooms	\$46,830,048	\$23,687,332	\$23,142,716

Source: Developed by Rivera & Croes 2020



# AWARENESS PHASE

## Total Economic Impact 2019

Impact Type	Total Output	Value Added	Total Jobs	Labor Income
<b>Total Effect</b>	<b>\$247 M</b>	<b>\$150 M</b>	<b>1,919 jobs</b>	<b>\$78 M</b>
Direct Effect	\$134 M	\$86 M	1,144 jobs	\$42 M
Indirect Effect	\$51 M	\$28 M	351 jobs	\$17 M
Induced Effect	\$62 M	\$36 M	424 jobs	\$19 M

Source: Developed by Rivera & Croes 2020



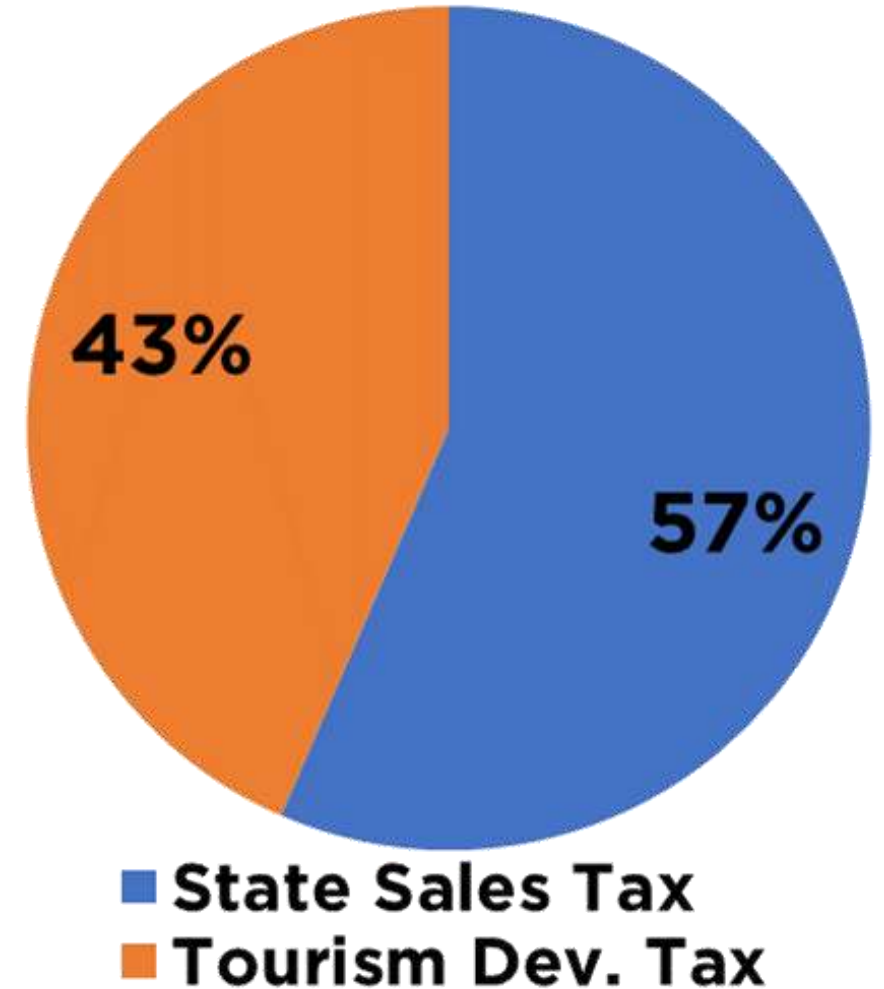


# AWARENESS PHASE

## Taxes generated 2019

Impact Type	Taxes Generated
<b>Total Taxes</b>	<b>\$15,406,754</b>
State Sales Tax	\$8,708,166
Tourism Dev. Tax	\$6,698,589

Source: Developed by Rivera & Croes 2020



# AWARENESS PHASE

## Things to remember



**\$681,512**  
TOTAL IMPACT PER DAY



**\$79,044**  
TOTAL IMPACT PER  
ROOM AVAILABLE



**\$28,396**  
TOTAL IMPACT PER HOUR



**1,919**  
TOTAL JOBS SUPPORTED



**\$248.8 M**  
TOTAL IMPACT  
ECONOMY



**\$496**  
GENERATED PER GUEST

Source: Developed by Rivera & Croes 2020



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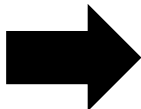
# Crises Lifecycle: Stage #3

## Trough Phase

Discovery Phase



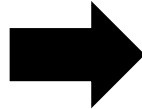
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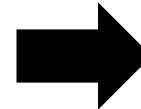
Awareness Phase



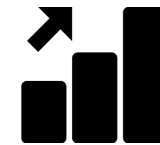
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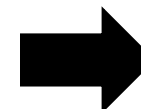
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Recovery Phase



4



Emergence Phase



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SOURCE: [The Manager's Resource Handbook](#); Tools, Resources and Guides for Managers and Business Leaders. Real Advice from Real Bosses.



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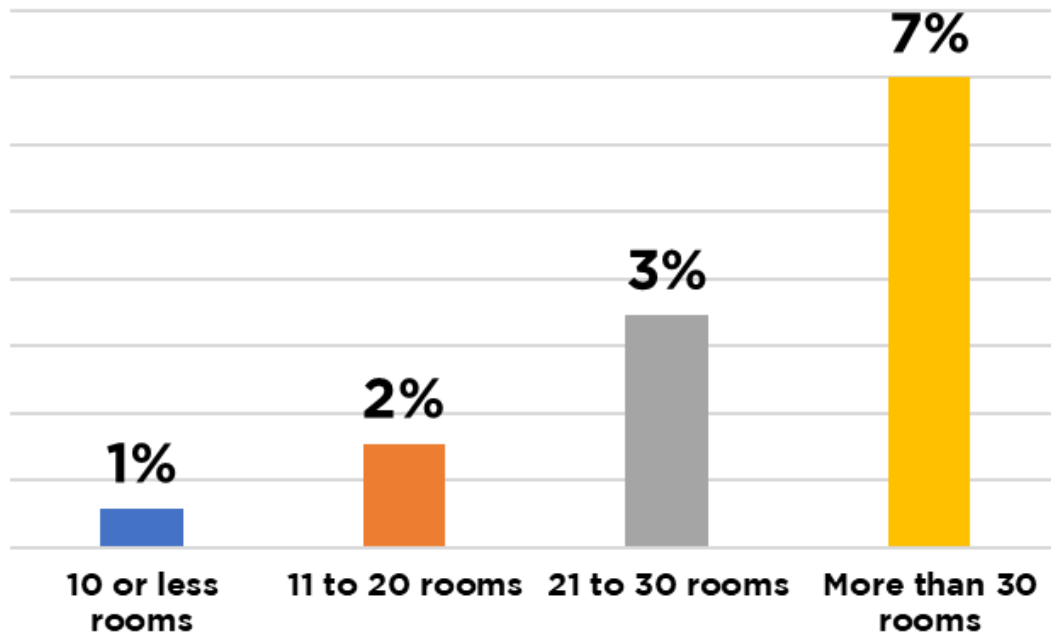
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# THE TROUGH PHASE

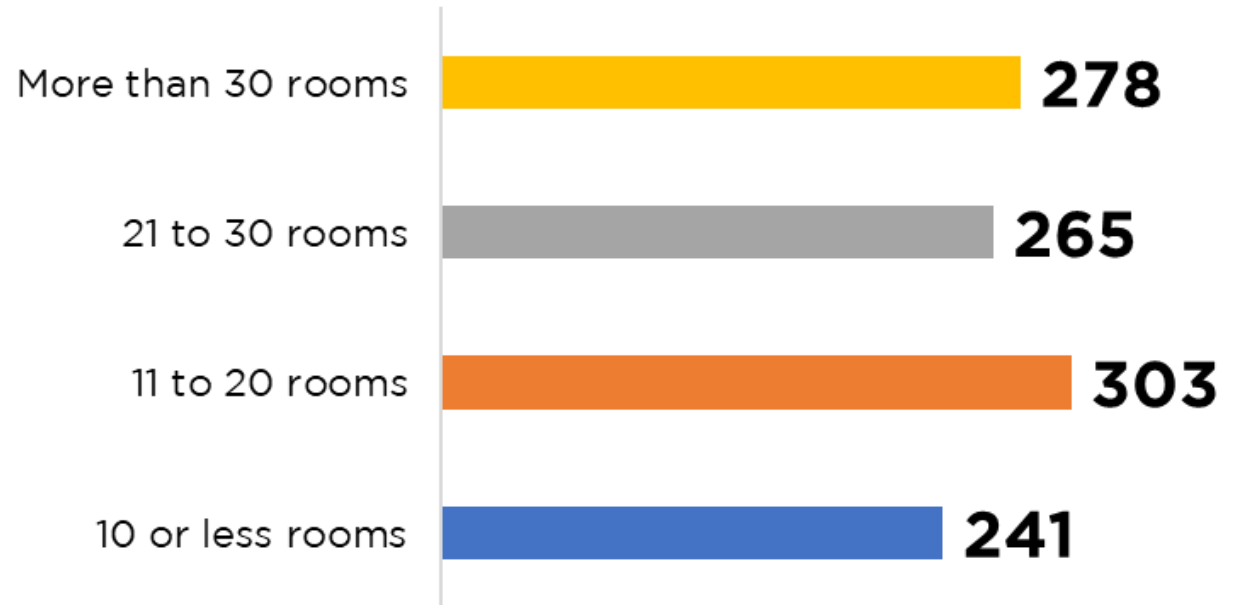
## Covid-19 impact

Current Operating Level



Source: Developed by Rivera & Croes 2020

Expected Recovery Period (days)



Source: Developed by Rivera & Croes 2020

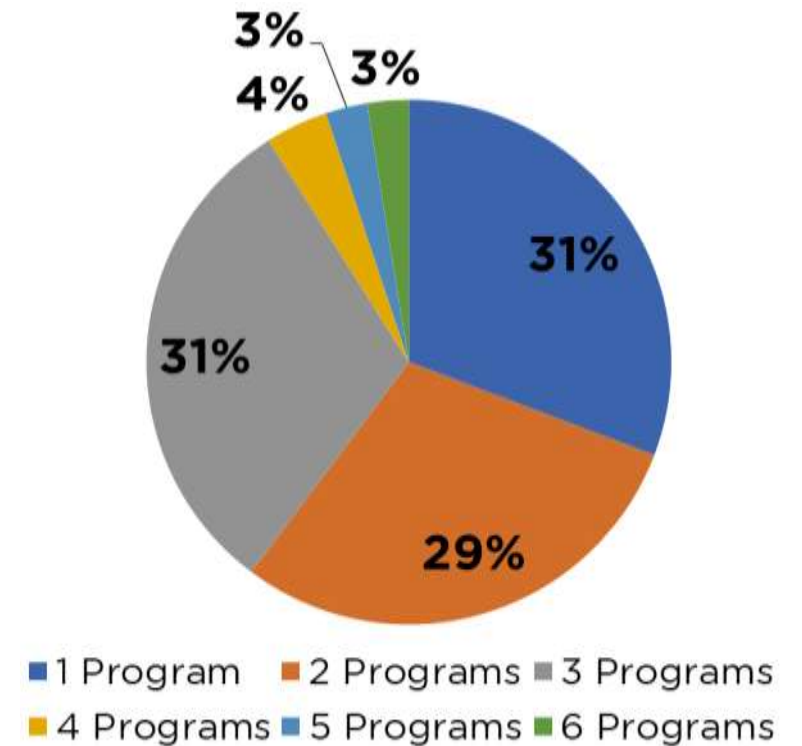
# THE TROUGH PHASE

## Covid-19 shutdown

Economic Relief Programs	Applied
Paycheck Protection Plan	61%
Economic Injury Disaster Loan (EIDL)	47%
Florida SBA Emergency Bridge Loan	34%
SBA 7A Loan	11%
Other recovery	9%
Line of credit from your bank	8%
Private loan from your bank	5%

Source: Developed by Rivera & Croes 2020

### Total Applications



Source: Developed by Rivera & Croes 2020



# THE TROUGH PHASE

## Risks of Nonintervention?

- Are the current relief Programs enough?
- Are Small Lodging Operators resilient enough?
- How can we put into perspective a potential plan towards recovery?
- What performance benchmarks can serve as goals to drive strategies?
- How vulnerable are they?

# THE TROUGH PHASE

## Adverse impact: Covid-19 impact

	Losses Per day
10 or less rooms	-\$472
11 to 20 rooms	-\$1,039
21 to 30 rooms	-\$1,896
More than 30 rooms	-\$3,210

Source: Developed by Rivera & Croes 2020

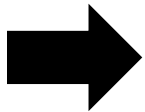
# Crises Lifecycle: Stage #4

## Recovery Phase

Discovery Phase



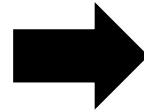
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Awareness Phase



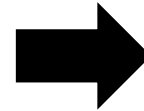
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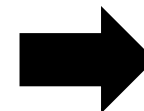
Trough Phase



3



4



Emergence Phase



5

SOURCE: [The Manager's Resource Handbook](#); Tools, Resources and Guides for Managers and Business Leaders. Real Advice from Real Bosses.



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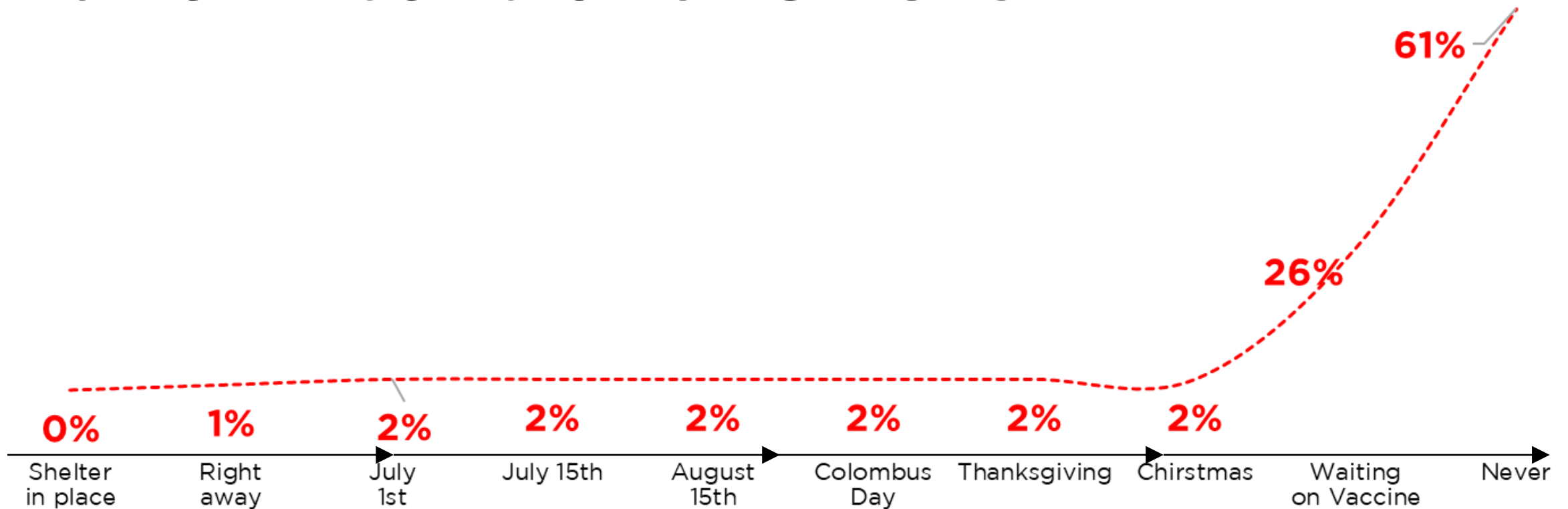
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# THE RECOVERY PHASE

## Travel intentions: CRUISE



Source: Magma Global Travel: Travel Post COVID-19 Survey Results 2020



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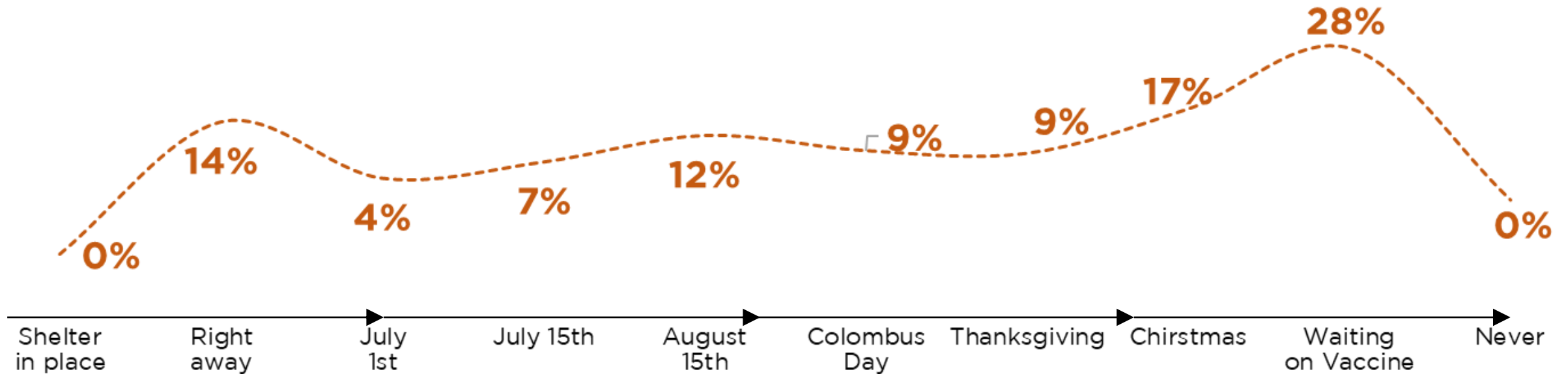
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# THE RECOVERY PHASE

## Travel intentions: FLYING



Source: Magma Global Travel: Travel Post COVID-19 Survey Results 2020



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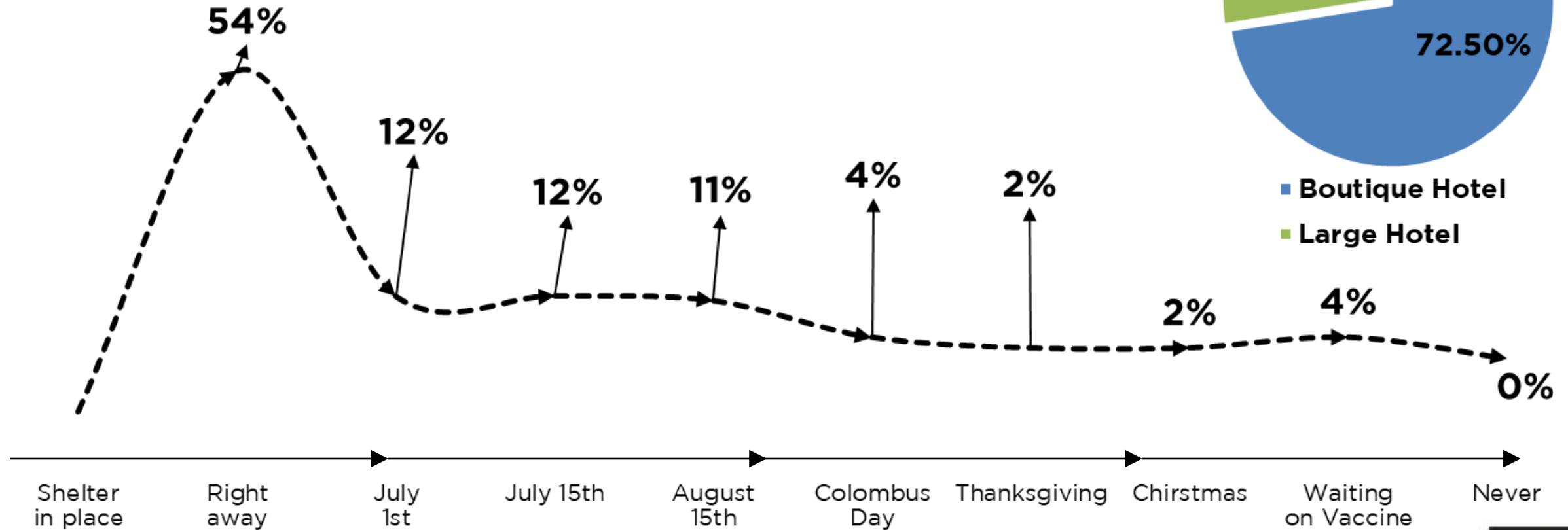


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# THE RECOVERY PHASE

## Travel intentions: DRIVING



Source: Magma Global Travel: Travel Post COVID-19 Survey Results 2020

# THE RECOVERY PHASE

## What would be enough?

Scenario Assumptions	10 or less rooms	11 to 20 rooms	21 to 30 rooms	30 or more rooms
<b>Recovery Period (days)</b>	241	303	265	278
<b>50%↓ in Occupancy</b>	30%	29%	32%	38%
<b>30%↓ in Daily Rates</b>	\$138	\$124	\$123	\$117
<b>Same Group size</b>	2.55	2.31	2.90	2.66
<b>50%↓ Length of stay</b>	2.71	1.85	2.44	1.66
Bookings	10,823	43,923	28,882	63,572
Tourists	27,616	101,477	83,759	168,820
<b>Potential Revenues</b>	<b>\$4,056,430</b>	<b>\$10,056,895</b>	<b>\$8,690,362</b>	<b>\$12,391,127</b>

**Total Revenues ► \$35,194,815**

# THE RECOVERY PHASE

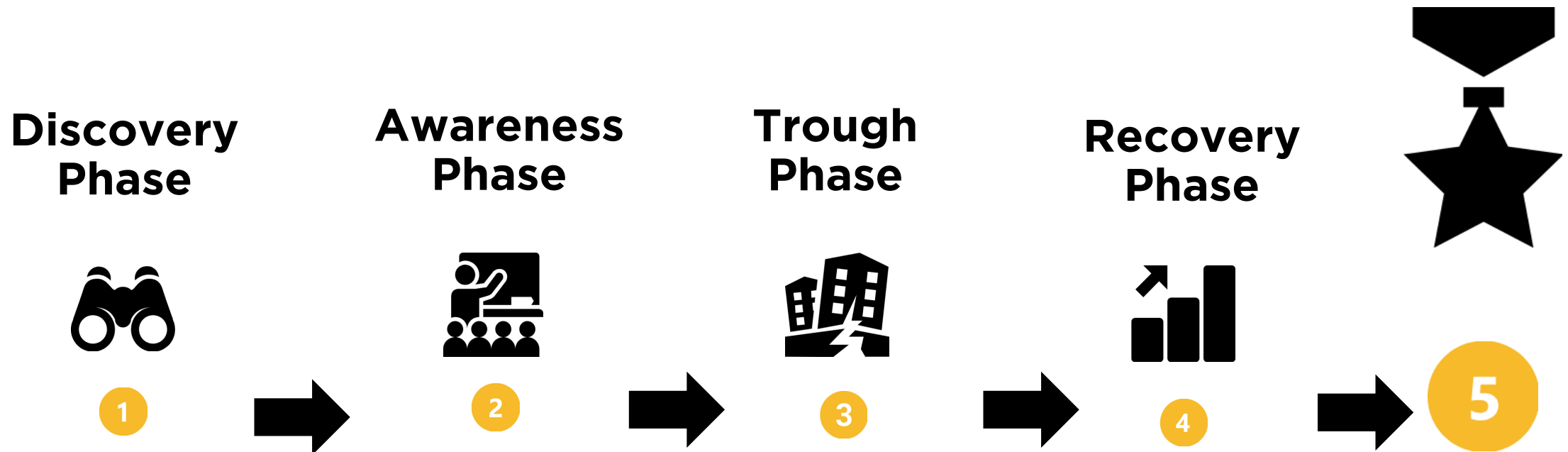
## Breakeven Modeling

Breakeven Scenario	10 or less rooms	11 to 20 rooms	21 to 30 rooms	30 or more rooms	All Properties
Breakeven sales	6.07 M	17.8 M	14.4 M	23.7 M	61.9 M
Difference to Breakeven	-2.01 M	-7.79 M	-5.67 M	-11.26 M	-26.74 M
Add. Toursits to Breakeven	-13,713	-78,565	-54,686	-153,438	-300,402

\*Note: Estimated loss could vary due to: additional operational cost, PPEs, smaller margins, or level of financial mitigation support among others.

# Crises Lifecycle: Stage #5

## Emergence Phase



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# THE EMERGENCE PHASE

**"Alone we can do so little; together we can do so much."**





# THE EMERGENCE PHASE

## Partnerships that support:

- Safety is #1 priority
- Then....
  - Promotions/Media
  - OTA agreements
  - Financial support
  - DMO support
  - Interorganizational Collaboration
  - Crisis/Contingency Plans



**Hotels**



**Restaurants**



**Government**



**Suppliers**



**Employees**



**Utilities**



**Education**



**Communities**



**Transportation**



## Dick Pope Sr. Institute for Tourism Studies

In This Section



## DICK POPE SR. INSTITUTE FOR TOURISM STUDIES

### New Research

UCF Rosen College of Hospitality Management's Dick Pope Sr. Institute for Tourism Studies conducted a study explicitly tailored to understand the economic impact and coronavirus COVID-19 related challenges faced by small, independent Florida hotels, and bed and breakfasts. From that study a webinar series was developed to share information with our industry partners. The webinar series provides strategic business information to prepare and support business leaders for the post Covid-19 world. Learn more about the research and how to access the webinar by clicking the button.

**RESEARCH RECOVERY RE-SCALING: INDUSTRY SEMINARS**

The first webinar is Wednesday, May 20, 2020 at 3 p.m.





UCF Rosen College of Hospitality Management's Dick Pope Sr. Institute *for* Tourism Studies conducted a study to understand the economic impact of the vacation home rentals industry in Florida. Based on this study's findings, the Institute estimated the impact of the coronavirus COVID-19 related challenges facing by the vacation home industry in Florida.

This study has three pivotal goals:

1. Quantify the economic contributions of the vacation home rentals industry (including their direct, indirect and induced impacts) on Florida's economy. This data will show how valuable this industry is to their communities and the State of Florida;
2. Quantify the impact of the COVID-19 epidemic on the operations of the industry and the State of Florida; and
3. Provide recommendations to assist in the industry's recovery

From that study, a webinar series was developed to share information with our industry partners. The series discuss different post Covid-19 scenarios, sharing current research-based information and perspectives, which could potentially impact the industry. This study is unique because it will show the value of the vacation home rentals industry to Florida's economy and community.

## Webinar #2

Date: Wednesday, May 27, 2020

Time: 11:00 AM

Title: The Impact of Covid-19 on the vacation home industry in Florida