

ECONOMIC IMPACT ON FLORIDA TOURISM

November 30th 2020

Destinations Florida

Downs & St. Germain Research



- » This study is designed to track the impact of the economic shutdown on the tourism industry of Florida
- » **Wave 1 - March 19th - March 24th**
 - » 995 tourism businesses representing 37 counties responded
- » **Wave 2 - April 15th - April 28th**
 - » 1,009 tourism businesses representing 36 counties responded
- » **Wave 3 - June 9th - June 29th**
 - » 210 tourism businesses representing 24 counties responded
- » **Wave 4 - October 27th - November 10th**
 - » 244 tourism businesses representing 19 counties responded
- » This study is a collaboration between Destinations Florida and Downs & St. Germain Research, which donated its time and expertise to this project
- » No attempt was made to weight results by county

Impacts from COVID-19 had lessened by October, yet:

» Revenue and Profit is down compared to 2019

» **Revenue YTD:** Down **40%** compared to 2019

» **Profit YTD:** Down **55%** compared to 2019

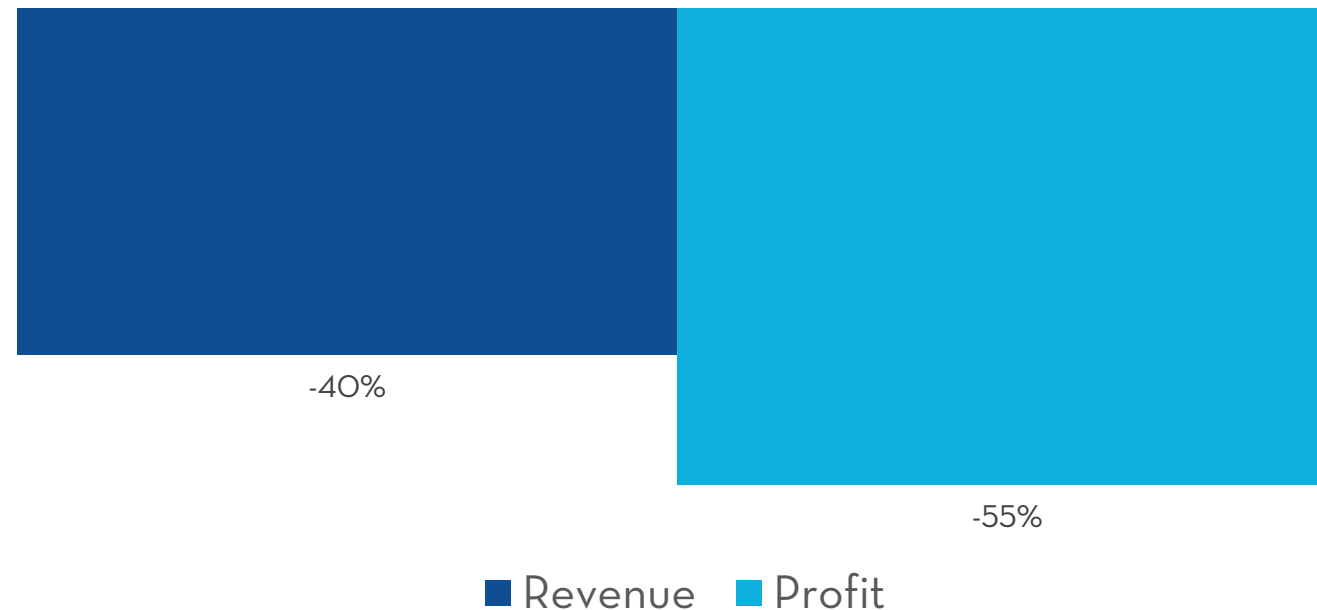
» Tourism businesses are less hopeful about the impacts of COVID-19 ending soon

» Tourism businesses retained more employees (**72%**), yet still experience difficulties with labor shortages

» **Half** of businesses received Paycheck Protection Program money, and **1 in 3** received other forms of monetary assistance

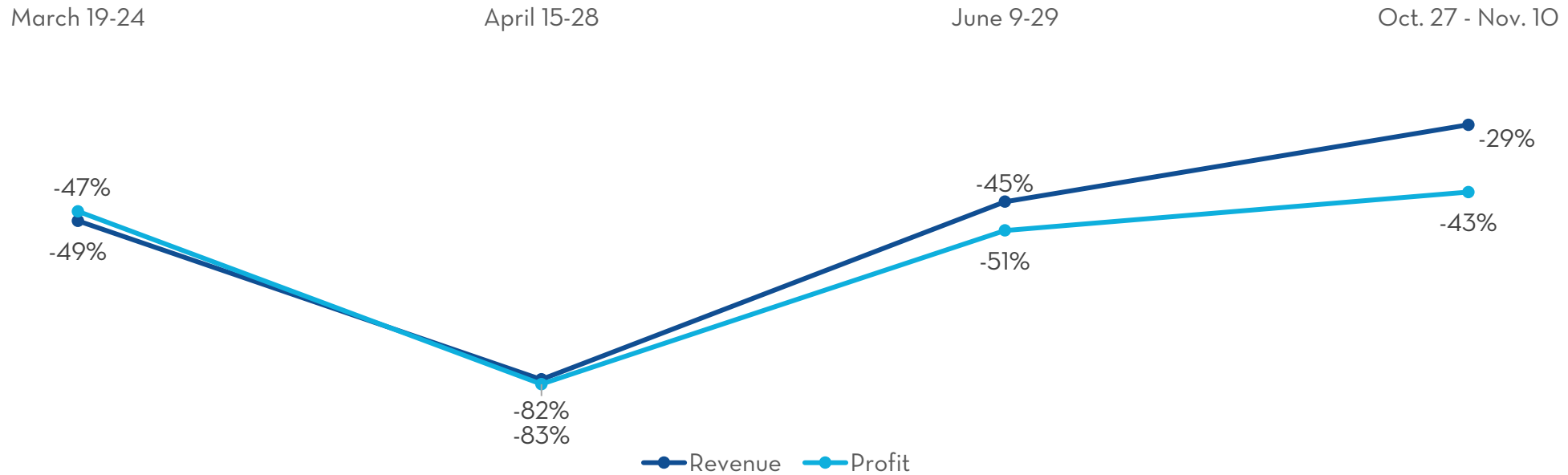
» Yet, **2 in 5** businesses say they would still qualify for a second round of COVID-19 funding, should a second stimulus bill pass

- » As of October 27, revenue year-to-date was down **40%** compared to 2019
- » As of October 27, profit year-to-date was down **55%** compared to 2019



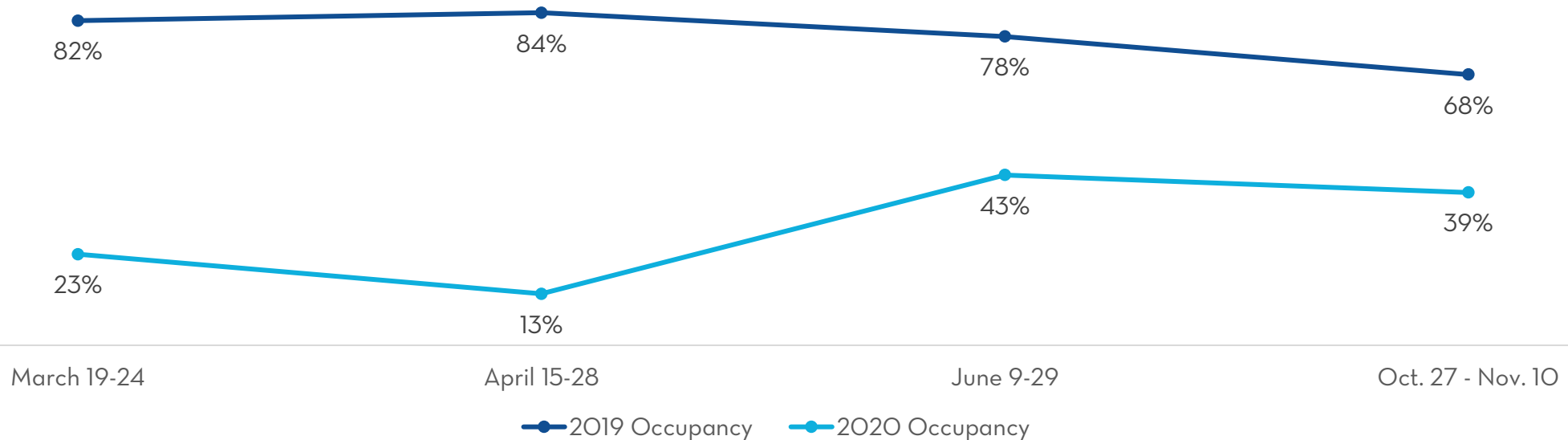
REVENUE AND PROFIT: 2019 VS 2020

- » As of June 9, revenue was down by **45%**; this changed to **29%** down by October 27
- » As of June 9, profit was down by **51%**; this changed to **43%** down by October 27

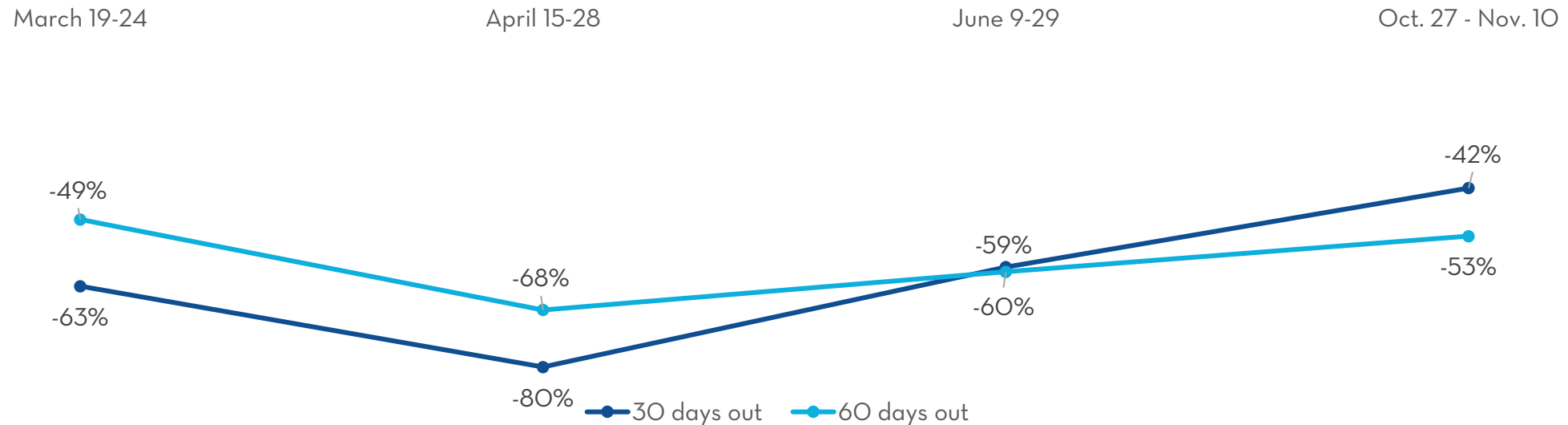


AVERAGE OCCUPANCY: 2019 VS 2020

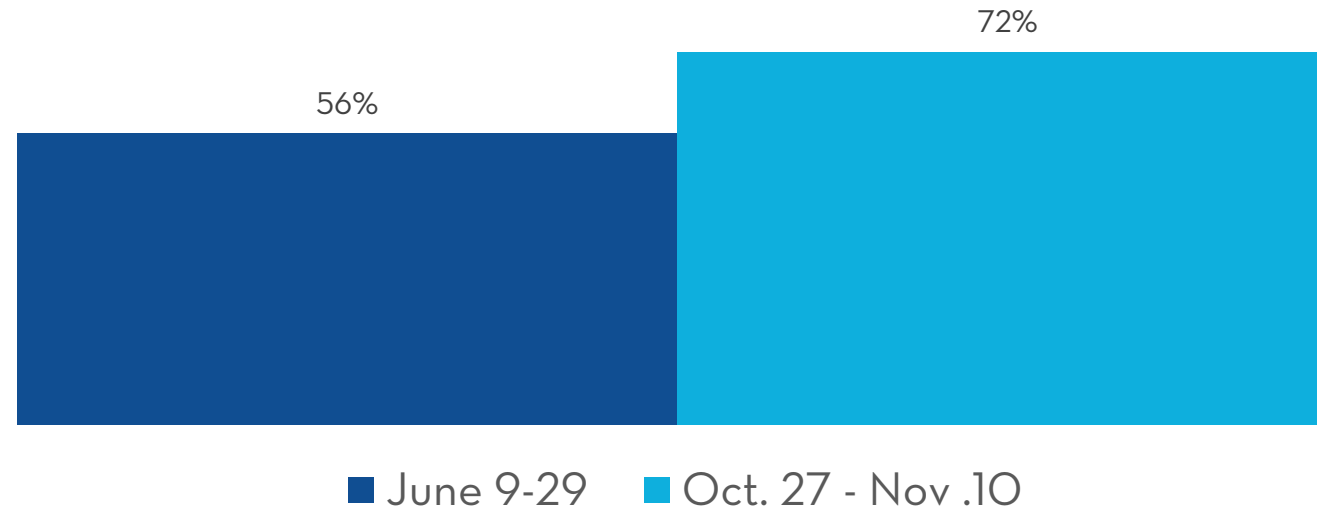
- » As of October 27, the average annual occupancy drop was **-29%** points
- » We have come a long way to close the occupancy gap since the lowest drop in April at **-71%** points



- » As of June 9, average bookings 30-days out were down **59%**; this changed to **42%** down by October 27
- » As of June 9, average bookings 60-days out were down **60%**; this changed to **53%** down by October 27

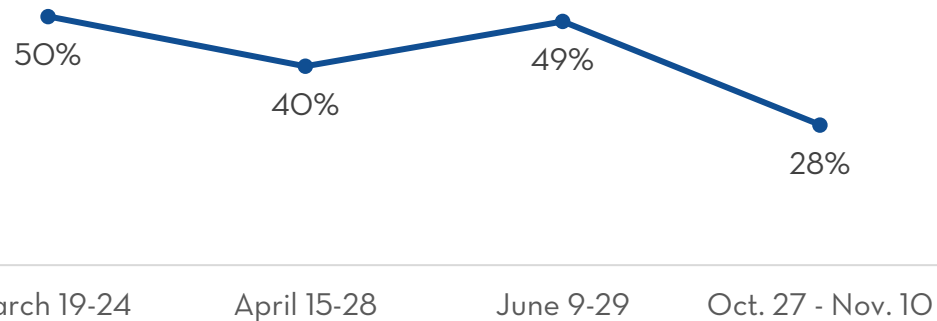


» On average firms have **72%** of employees working compared to pre-COVID-19

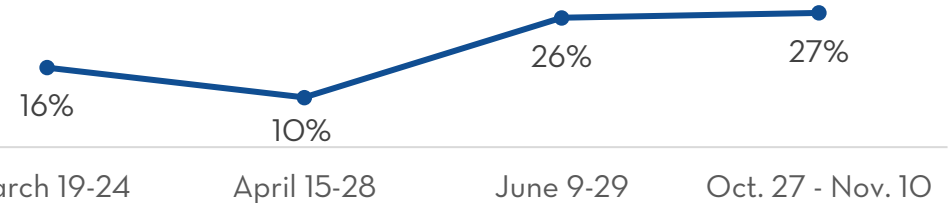


- » Far fewer businesses in October (**28%**) had difficulty finding supplies than in June (**49%**)
- » Labor shortages remained constant at **27%**

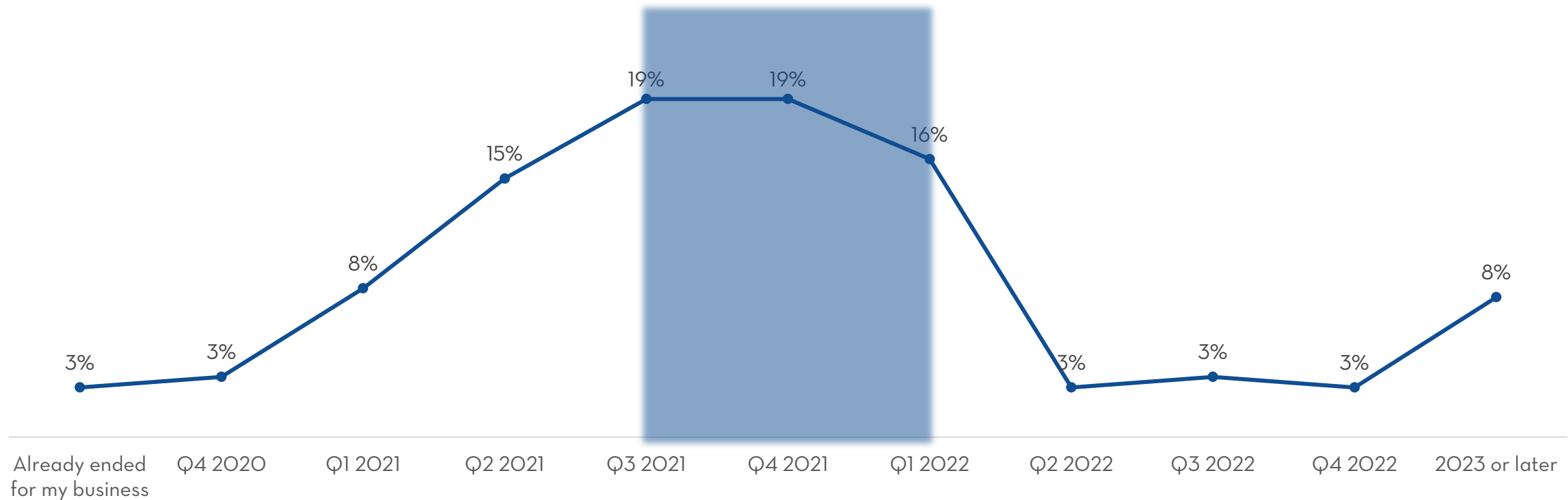
Supplies Shortages



Labor Shortages



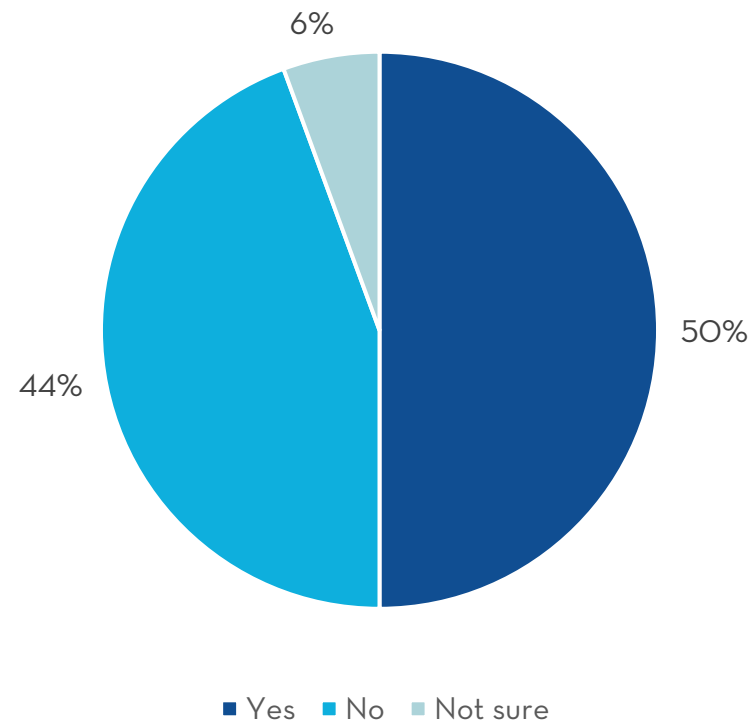
» **54%** of tourism partners believe the impact of COVID-19 will last until **Q3 2021** and **Q1 of 2022**



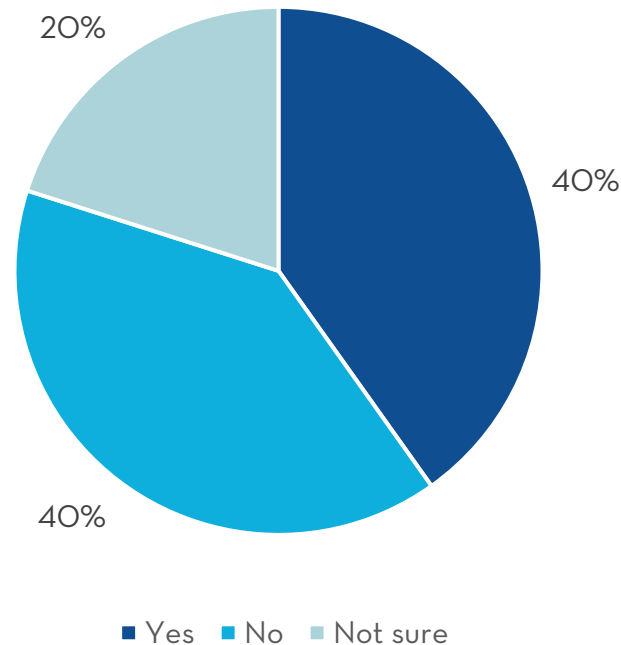
FINANCIAL STIMULUS



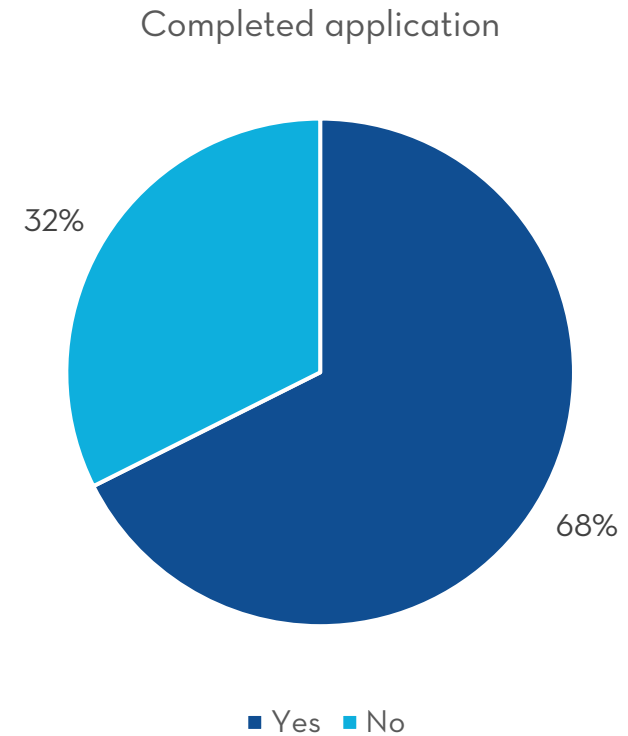
» **Half** of businesses received Paycheck Protection Program money



» **2 in 5** businesses have received their application for forgiveness of PPP money



- Over **2 in 3** businesses have completed their application for forgiveness of PPP money
- On average business believe **97%²** of PPP funding will be forgiven



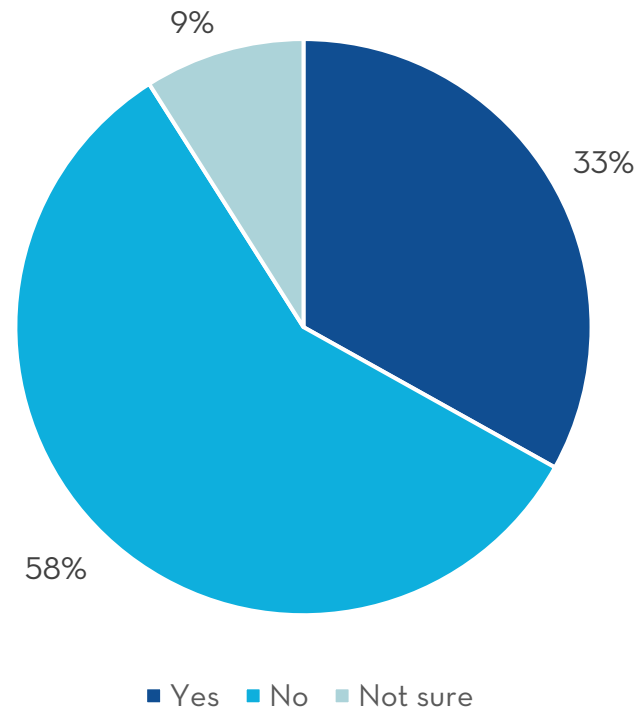
¹Has your organization completed your application for forgiveness of PPP money?

Only asked to those who receive their application for forgiveness

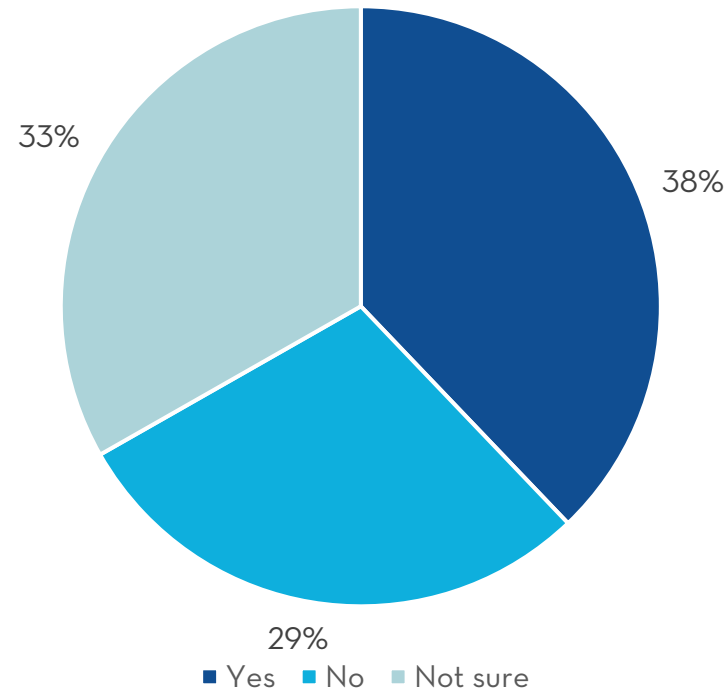
²What percentage of your PPP funding do you believe will be forgiven?

Only asked those who received PPP money.

» **1 in 3** businesses received money other than PPP money to mitigate COVID-19 impacts



» Nearly **2 in 5** businesses say they would qualify for a second round of COVID-19 funding, should a second stimulus bill pass



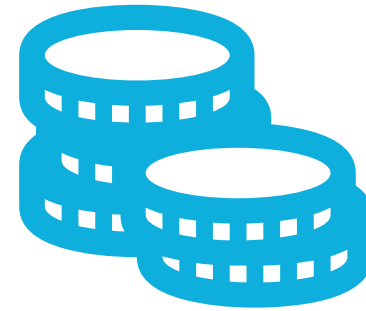
TOURISM BUSINESS PROFILE



Typical firms in Waves 1, 2, 3 & 4 are small businesses
(fewer than 10 employees and less than \$1 million in annual revenue)

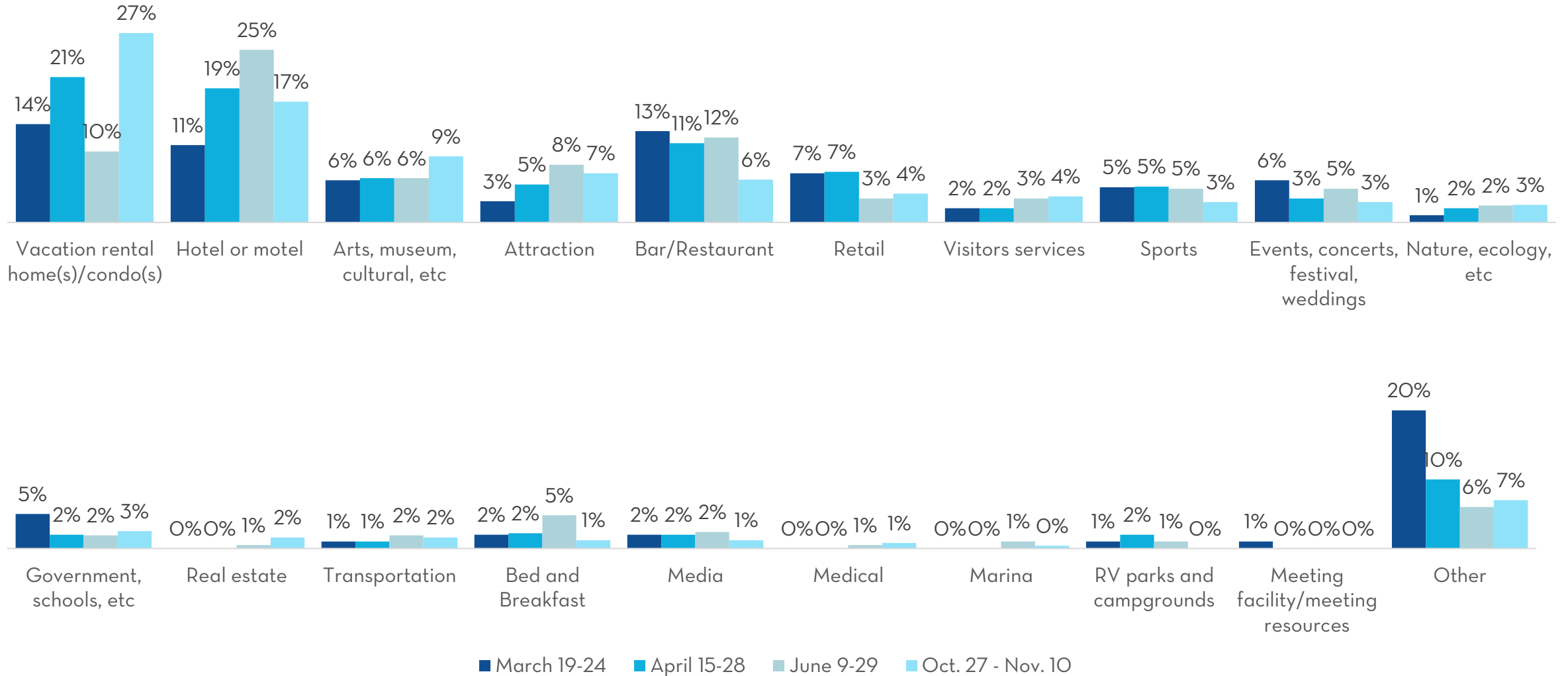


**Average number of
employees:**
<10



**Average annual
revenue:**
< \$1 million

TOURISM BUSINESSES¹



¹Other categories include health/wellness, construction, finance, non-profit, DMO, park, etc.



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