Hurricane Harvey Makes Waves for Tourism In Texas: A Case Study

By Sean Stott, Lisa Cain and Miranda Kitterlin-Lynch

Introduction

Recent history has seen a spike in both the occurrence and strength of natural disasters. For example, since January of 2017, Rigopiano, Italy experienced an avalanche, Mocoa, Colombia and Democratic Republic of the Congo experienced major landslides, Sri Lanka, Bangladesh, India, and Nepal all experienced severe flooding and landslides, Afghanistan and Pakistan experienced avalanches that destroyed over 300 homes, China experienced severe floods that displaced over 1 million people, Southwest and Central Mexico experienced earthquakes that measured 8.1 and 7.1 at their epicenters respectively and killed over 230 people (Jacobo, Winsor, & Nestel, 2017), California and Pedrogao Grande, Portugal experienced wildfires that caused major devastation, and the Eastern Caribbean, Florida, and Texas experienced hurricanes that caused billions in destruction (Natural Disasters Association News, 2017). While this list is by no means exhaustive, it demonstrates the frequency with which the world is impacted by natural disasters. In fact, recent scholars have asserted that the number of catastrophes around the world and the corresponding economic loss has increased 3-fold (Tsai & Chen, 2011).

Hurricane Harvey specifically has been documented as one of the most destructive and costly hurricanes in recorded history, with damage estimates exceeding \$75B. The storm was a category 4 hurricane with winds exceeding 130mph and a diameter of 280 miles when it made landfall in Texas in August of 2017, and it proceeded to dump 27 trillion gallons of rain across the state (Hurricane Harvey Aftermath, 2018). Because having an emergency plan is touted as the first step to take before a disaster happens (Gunter, 2005), this case study sought to understand how one specific hospitality organization prepared for this storm. According to tourism researchers, tourism interests are subject to prolonged reduction of visitation, damage to critical infrastructure, and negative media attention, and can resonate many years after a disaster happens (Orchiston, 2013). Orchiston (2013) asserts that smaller hospitality organizations tend to be reactionary and larger organizations tend to be more proactive. Additional scholars have demonstrated that small businesses are less likely to be covered by insurance and there may be poor communication between tourism and governance bodies (Pyke, De Lacy, Law, & Jiang, 2016). A call for improved information for visitors about safety and risk, better planning and risk management was suggested and the

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authors concluded that communication and planning mechanisms are necessary to engage all stakeholders in planning and recovery (Pyke et al., 2016). Therefore, this case also sought to understand how management at the Stinson Suites responded to the devastation that occurred and that was broadcast to the world. Identifying the best practices for preventative maintenance as well as reactionary measures taken by this firm may benefit other tourism organizations, the economy of the respective locations, and the tourists wishing to visit these locations.

This case starts by describing the Stinson Suites and how the management and staff prepared for the Hurricane and the aftermath. It then examines the impact that the hurricane had on the property during and immediately following the storm. Finally, it examines the ways in which the management at Stinson Suites marketed and reintroduced the hotel after the negative publicity surrounding the devastation caused by Hurricane Harvey.

Stinson Suites

Stinson Suites is a four-star, extended stay property located in coastal Texas. The property caters mostly to business travelers. In addition to offering traditional extended stay amenities (free wifi, complimentary breakfast, fitness facilities, a pool), the property also boasts meeting and convention space. Because the property is located just outside of Houston, it is prone to hurricanes and flooding, and was impacted by Hurricane Harvey as so many others in the state of Texas were. For the purpose of this study, the operations manager, Ms. Juliet Young, was interviewed regarding her experience during Hurricane Harvey along with its aftereffects. Ms. Young has been working in the hospitality industry since April 2012 and has been in a managerial position at Stinson Suites for three years. As an operations manager, she works on average 50 to 70 hours a week. During the interview, the impacts of natural disasters on tourism and travel along with how her hotel prepared her for this disaster were discussed. In addition, this study questioned how her specific hotel marketed immediately after the hurricane now and in the long term.

The Dilemma

There are several issues that the Stinson Suites faced when preparing for and responding to Hurricane Harvey. The first issue they had to tackle was their disaster preparedness plan and the protocol they had to follow. Disaster preparedness is essential to industry operations, and may include action plans, training, and supply stocking. However, properties often forget about disaster plans due to outdated plans or a change in management. Researchers have encouraged companies to update plans yearly and to train employees accordingly (Arlotta, 2017). It is important for the property management to read and understand the corporate plans and policies so as to adequately prepare for the storm and to anticipate reactions to the myriad issues that may arise from a storm of that magnitude. These issues may include everything from loss of power to contaminated water to structural damage. Anticipating each of these scenarios and having the plans in place to guide the employees would be imperative for present and future success.

The second dilemma the Stinson Suites faces are related to human resource management. Understanding how to properly staff the property has implications for the employees who do and do not have to work during this time of crisis. The company needs to consider how to staff the property properly to ensure guest and property safety. These decisions can ensure or detract from the well-being of the clientele, the staff, and the physical property.

The third dilemma concerns the corporate social responsibility of the firm. There is always a delicate line to tow when partaking in measures of corporate social responsibility. While efforts to help citizens or the environment may come from a place of altruism, they may also be viewed as advantageous to the organization. "Disaster capitalism" is a trend that highlights the firm in a negative light for profiting on the misfortune of others (Black, 2005). While the Stinson Suites may want to open their doors to those in need, they are still an operating business and must determine at what cost they will charge people to stay on their property. They must also determine whether or not this price is seen as 'fair' or 'gauging.'

Finally, whenever a city faces devastation, be it natural or through acts of terrorism, there is always trepidation and fear that surround visiting that destination thereafter. The result is that tourism in that area declines (Khazai, Mahdavian, & Platt, 2018). Scholars have demonstrated that this is due to negative marketing on the part of the media (Cassedy, 1991; Drabek, 1992; Murphy & Bayley, 1989). The amount of time it takes for the industry to rebound relies heavily upon the marketing techniques that the city and the facilities in that city are able to put forth. Research has shown that as little as 3% of hospitality organizations actually experience a positive outcome from unexpected issues and disasters (Kwortnik, 2005). The reintroduction of an impacted destination plays a huge role in the survival of a property post-disaster, and this can take several years. How the Stinson Suites will manage their brand and reputation and advertise their ability to function after the storm will prove pivotal for success.

Preparing for the Storm and its Aftermath

In the event of a natural disaster, prevention and response procedures must be in place to ensure the safety of both guests and employees. The guests will inherently look to the staff for guidance and peace when natural disasters are imminent and after a disaster strikes, so providing the staff with the tools to succeed is vital for future success and repeat business after a catastrophe. The Stinson Suites in coastal Texas requires its employees to take a hurricane preparedness class that teaches them how identify necessary supplies, and to where and how to stock those supplies. In addition, the class provides that staff with a booklet of information regarding staff scheduling including the amount of staff needed to operate the property during the hurricane and the number and type of staff needed to relieve the disaster staff once it was over.

As the operations manager, Young knew she would have to be there during the hurricane but said, "the good thing about hurricanes is you have a lot of time to prepare." The hospitality industry, according to Ms. Young, "came together during Hurricane Harvey to open their hotels to FEMA guests who had lost their homes. This included already homeless individuals along with all kinds of people: wealth, middle class, and very poor who did not know where to go or what to do." Because Stinson Suites is part of a larger branded hotel group, they have response and outreach strategies in place to assist their properties. The hotel group takes pride in providing relief for their communities in times of disasters.

Table 1

Consider Safety Hazards	Ensure your staff can safely turn off electricity in damaged areas of the property and that the power can return without warning.
Examine Exterior Doors and Windows	Ensure handles, locks, and weather strips are working correctly. To prevent further damage, if any doors or windows need repair, they should be boarded up or repaired immediately.
Disinfect contaminated surfaces.	Everything must be disinfected post disaster as it can create problems down the road. All contaminat- ed items must be properly disposed of while making sure to not contaminate the surrounding area. Wall cavities, studs, and other fixtures must also be thoroughly disinfected and cleaned.
Restore plumbing and water lines	To prevent backflow and clogs, hire a professional to clear the pipes to limit risk of bathroom closures and odor problems.
Deep clean floors	Deep cleaning will extract soil and residue along with any remaining odors from flood water.

Facility Preparedness Checklist

(Is Your Facility Prepared, 2015)

The senior director of marketing for Cincinnati-based Cintas Corp stated that being unprepared for an emergency coupled with the lack of expectation that something could happen could be detrimental to the success of a business (Is Your Facility Prepared, 2015). Therefore, reactionary steps are provided to help lessen the extent of the damage after a disaster (see Table 1). The items listed are only some of the ways to respond after a natural disaster. Additionally, it is important to be prepared and safe when assessing the damage. No one can prevent a natural disaster, but with the proper procedures in place for before, during, and after a natural disaster, it is easier to mitigate the damage and ensure the safety of guests and employees.

Hurricane Harvey Hits Stinson Suites

During Hurricane Harvey, Ms. Young was forced to lead and operate the Stinson Suites hotel. This turned out to be a solo endeavor that lasted five days straight. To make matters more challenging, she only had four other staff members to assist her in operating this property – two housekeepers, one food and beverage attendant, and one night auditor. Young worked sixteen-hour shifts and switched off with the night auditor in an attempt to relieve some pressure off herself. Towards the fifth day, they began running out of food as they had people coming in who had not eaten in over twenty-four hours; however, she was able to get to the grocery store on the fifth day. Because "there was no bread, no milk, but plenty of people," Young and her staff stocked up on frozen food as that was the only food left. They were fortunate that they had not lost power.

In fact, the hotel and its owners, employees and guests did not experience the same magnitude of damage as many other properties did. This was something that Ms. Young related she felt very lucky to have avoided. Additionally, this allowed them provide relief for their community. Hurricane Harvey was Young's first hurricane experience, as she had been living and working in the Midwest before moving to Texas. Prior to this storm, Young had only ever experienced tornados, which never reached the destructive magnitude that her first hurricane did.

Marketing and Reintroduction

When discussing how natural disasters affect travel and tourism, she stated, "After the hurricane in Houston, there were less travelers to the city." However, this did not impact the occupancy of the hotel as they were full with FEMA guests (those who lost their homes to flooding). Because of the high occupancy rates, the impact of how this affected tourism was not entirely apparent to Ms. Young. While it might be expected that the hotel would lose an extraordinary amount of travel and tourism business due to natural disaster, for hotels providing relief to the hurricane's victims and aids, the rate of business may be comparable or even greater to than before the disaster. Stinson Suites aided in relief and therefore, did not experience the same drop in business that many other properties might have experienced. In fact, at the time the study was written in February

2018, the hotel was still hosting guests who were displaced from the hurricane. Natural disasters can have a variety of effects on the Hospitality industry. While it is devastating to all from a humanitarian standpoint, for some it can be devastating to the operation as well, while for others it is an opportunity to provide aid and relief.

Because tourists will continue to travel despite natural disasters, it is the job of the hospitality industry to reintroduce an impacted destination to the consumer as a viable destination for tourists. This process can take several years depending on how extensive the damage is, how guickly they can return to business-ready, and how strong of a marketing message they advertise (Durocher, 1994). Based on the research performed for this case study, it appeared that the biggest issue experienced by these disaster-affected destinations was misinformation from media outlets that portrayed their destinations as unlivable (images of flooding peppered the news) and still devastated. Post Hurricane Katrina, New Orleans struggled to attract tourists as many people remained unaware of the city's condition. A report from January 2008 in which Jim Funk, chief executive of the Louisiana Restaurant Association, was interviewed, he stated that despite their marketing efforts, tourists still believed they were under water (Walkup, 2008). Considering Hurricane Katrina made landfall in August of 2005, the impact of the hurricane's damage to the reputation of the city was still being felt 2.5 years later. According to visitation records in 2004, New Orleans had reached an all-time high of 10.1 million visitors. However, that number plummeted to 3.6 million in 2006 and was sustained at 7 million visitors per year for many years thereafter. It wasn't until 2016 that New Orleans finally bounced back from the devastation to its tourism industry and logged a record 10.4 million visitors (New Orleans Breaks, 2017).

When discussing marketing and reintroduction with Ms. Young, she stated that after Hurricane Harvey, noted that there were noticeably less travelers to the city. However, the full effects of the damage to the reputation of the property and city were difficult for her to assess due to the local FEMA supported occupancy of the Stinson Suites. She noted that post natural disaster, once damages had been assessed and repaired, affected businesses and the local area must advertise their destination to potential tourists. It may take several years to regain the same tourism numbers prior to Harvey, but the amount of time it takes can be reduced through active marketing. Reaching out to news outlets and working with the local tourism center to create tourism campaigns that can be advertised nationwide are some potential strategies that can successfully reintroduce their destination to the public. After the earthquake and tsunami in Japan in 2012, 10,000 visitors were offered free airfare if they wrote a positive review about their time in Japan in order to change people's outlook of their country (Matulonis, 2015). There are plenty of strategies to combat misinformation and re-attract tourists to the destination (e.g. Becken & Hughey, 2013; Khazai, Mahdavian, & Platt, 2018). With a strong, effective, and memorable campaign that reintroduces the opportunities a destination has to offer, the lull in tourism can be minimized.

Conclusion

The impacts of natural disasters on travel and tourism is vast and can affect the industry in a variety of ways as it can damage infrastructures, reputation, and lives. Natural disasters can devastate everything in their wakes and when the local area is impacted, the hospitality industry suffers along with it. Through prevention and response procedures and the implementation of strong marketing campaigns, the hospitality industry can make those long-lasting effects potentially temporary. Additionally, the hospitality industry has the inspiring opportunity to provide aid and relief for its local area and its colleagues.

Analysis of the Dilemma

There are several implications for managers of hospitality and tourism organizations that warrant analysis and discussion. Because disaster preparedness is essential for survival, there are several dilemmas that arose from this case that warrant study.

The first issue is how to properly prepare for a disaster, and how that preparation may change depending on whether or not the disaster is predictable or not (Is Your Facility Prepared, 2015). Under these circumstances, the storm itself was forecasted, but the damage was unpredictable.

The second issue to arise is that of human resources management in times of crises. Proper staffing of the property is something that must be taken into consideration. The hotel must have enough staff to operate it and ensure guest safety. However, there is also the issue of ensuring that staff can take care of themselves and their loved ones during this time of crisis.

Third, corporate social responsibility is always an issue when a crisis occurs. The hotel opened its door to FEMA victims. This may prove beneficial as the hotel has opened its doors to those in need or detrimental as there is still capital gain on the hotel's part. Finally, this study touches upon the importance of marketing a city recovering from disaster. The hotel and its staff had a fully operational hotel that was not devastated in the way that surrounding areas were. They needed to find ways to demonstrate that their property was still a viable destination for individuals looking to visit the areas.

Discussion

Below are some questions to help generate discussion:

- How do you prepare for a natural disaster that is not predictable?
- How do you prepare for unpredictable damage to your property and the surrounding areas?
- How does one properly staff in a time of crisis?
- How does an organization decide who must work and who gets to take care of their families at home?
- What if Ms. Young had been given instruction to operate with a

larger staff? What if she had to operate alone?

- Are there any issues with capitalizing on the displacement of families due to natural disasters?
- How does the hotel recuperate from the images of devastation that pepper the news?

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