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The Impact of Tourism on the Population Growth in Orlando, Florida

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HOSP6900: Hospitality Capstone

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Abstract

Orlando, Florida is currently experiencing one of the fastest population booms in the country. The purpose of this research is to explore possible factors that have acted as a catalyst for this population boom. With tourism, hospitality and events being such an important part of the economy, a qualitative field study will be used to determine whether tourism or hospitality can make an impact on how people are moving. Walt Disney World is one of the largest employers in central Florida and has a strong relationship with the City of Orlando and its residents. The participants in this qualitative field study will be surveyed to see what motivational factors contributed to their migration to Orlando, FL. The methodology to gather the motivational factors will be conducted using an online short survey

Keywords: tourism, Orlando, population, growth, Walt Disney World, impacts

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Introduction

The focus of this research is to explore the recent population growth in Orlando, FL and compare it to the national average population increases. The research is looking at the relationship between the highly successful tourism and hospitality industry and the relationship it plays influencing and guiding the population growth in Orlando, FL. Walt Disney World is one of the largest tourism company's and hospitality operators not only in Orlando, but in the country. This research is looking to see if there is any correlation between Walt Disney World and the rapid population increase in Orlando, FL. Simply put, are people moving to Orlando because of the impact that Walt Disney World creates or are there other factors?

This study will investigate the economic and social impacts that Walt Disney World has on Orlando, FL as well as any other factors that have led to the rapid population increase in Orlando, FL. The results generated can provide great insight for city planners and government officials who would be able to then ensure that facilities are created and managed to meet the needs of the growing population.

Most of this research will consist of a critical analysis of previous articles and former research; however, a small sample study of Orlando's Horizon West residents will also be conducted to see if Walt Disney World is making an impact on how people are moving. The survey is designed to capture those motives that lead to the resident establishing in Orlando, FL. Hopefully the research gathered from the sample study will support the research conducted by previous scholars and highlight opportunities for future studies.

Literature Review

The United States Census Bureau has closely monitored the country's population and made projections regarding the future population. The national average for population growth since 2010 is 5.96% (United States Census Bureau, 2019), however Florida's growth rate has grown a lot higher than the average. Florida's population has grown by 2,494,745 since 2010, that is the second largest population growth by state, just after Texas which had an increase of 3,555,731 residents. Florida's population increased by 13.3%, the 4th highest percentage and its much greater than the median population increase of 4.7% amongst other states. This data from The United States Census Bureau has illustrated that Florida has seen a huge population increase compared to other states, especially in the Orlando area, which itself has seen a population increase of approximately 55,000 residents over the last ten years which is a 19.6% increase (United States Census Bureau, 2018).

Dr. Richard E. Foglesong is considered an expert scholar on Florida economics and politics. Foglesong has been studying the relationship between Walt Disney World and Orlando, FL for many years and continues to monitor that relationship. In 1969, once the Florida Project had commenced, Orlando became one of the faster growing metropolitan areas in the country. Downtown Orlando had failed to become a shopping region, however with Disney construction, many other companies began to relocate to Orlando, causing an influx of new residents establishing their homes (Foglesong, 2001). Once the Magic Kingdom had opened, approximately 119 families had begun moving to the Orlando region each week for employment purposes whether through Disney or through other companies who had relocated to Orlando. Even the school districts were experiencing overcrowding for the first time. The school district began the school year with 75,000 students and ended with 90,000 students (Foglesong, 2001, p.

98). The school overcrowding is still an issue many residents experience in the Horizon West neighborhood of Orlando today. Whilst the rapid population of the 1970's may not have been directly caused by Walt Disney World itself, Walt Disney World certainly acted as the catalyst for many organizations relocating to Orlando, creating that multiplier effect which lead to the population boom.

Dr Martin Fluker, an Australian professor at Victoria University, has been studying the economic impact of tourism for host communities for many years and has determined that tourism can create a source of income for many different people in the community in various industries, known as a multiplier effect. However, money can also leave an economy through imports known as leakage (Richardson & Fluker, 2004). Visit Florida, the state's destination marketing organization has incorporated the principals that Fluker has studied and applied it to the state of Florida. The tourism and hospitality industry is Florida's 5th biggest industry's that hires just over 408,000 people in Orange County alone, the home of Walt Disney World (Rockport Analytics, LLC, 2017). Visit Florida has worked out that 98 cents of every dollar have stayed in the state of Florida which shows minimal leakage and that every 81 visitors the state receives, it creates an employment opportunity for someone.

Dr Abraham Pizam, a professor at the University of Central Florida (UCF) and a hospitality expert looked at the impacts of tourism on central Florida and how it has benefited the community. A booming tourism industry has created a variety of income sources through direct and in-direct employment as well as development of recreational resources for residents and increase in the quality of life (Milman & Pizam, 1988). Both Orlando Weekly and Orlando Sentinel, two highly regarded newspapers in the Orlando area have stated that Orlando has become a mecca for tourism and education which has been attracting large waves of migration

(Zimmerman, 2018), which supports the positive impacts Pizam has identified. Pizam's models that have been used in his research have been adopted by other scholars for their research. Cevat Tosun was able to utilize the similar methodology used in a comparative study for tourism and its impacts on Turkish towns, however it did yield opposite results and highlighted negative impacts on a community (Tosun, 2002).

The Economic Research Associates developed a theory that the Orlando population would greatly increase with the opening of Walt Disney World. The Economics Research Associates linked the boom in population to the employment opportunities available with Walt Disney World but also with the industries growing to support the Walt Disney World operation (Economics Research Associates, 1967). This research directly supports the research that this article presents, that rapid population of Orlando, FL has been directly impacted by Walt Disney World. The Economics Research Associates predicted that with approximately every 5,000-employee increase at Walt Disney World, the population of Orlando would increase by 10,000 residents approximately. This research was conducted in 1967, 4 years before the opening of Walt Disney World, however, it was incredibly accurate as illustrated by both the City of Orlando as well as an analysis of the 1980's United States Census (Adams, 1988).

More recent research is showing that immigration has been the catalyst for successful hospitality and tourism enterprises, especially in Italy (Massidda, Etzo, & Piras, 2017). In Italy, the population has increased solely on immigration. Immigrants have been successful in establishing their own business and working in tourism and or hospitality enterprises. In this research, it has also shown that with an increase in immigration, there has been an increase in the VFR tourism sector.

The population boom in Orlando may have started by the success of Walt Disney World, but also the relative low cost of living in comparison of other states (Kevin & Kris, 2009). Whilst the population boom isn't related directly to Walt Disney World, but more specifically its success and with many companies needing labor to help construct and maintain the infrastructure supporting Walt Disney World (Foglesong, 2001). The Economic Commission of Mid-Florida Inc. launched a campaigning to highlight Orlando, FL as a technology and healthcare hub to lure families to move to Orlando, FL. This was designed to counter the negative image that Orlando, FL only had low wage tourism and hospitality jobs.

In terms of international travel, visiting friends and relatives, often abbreviated to VFR, was the second biggest sector of tourism in Florida. Central Florida had the highest number of VFR tourism compared to other sections of the state (Pennington-Gray, 2003). A United Nations report estimated that VFR accounts for around 26% of all international tourism travel (World Tourism Organization, 2015). Seldomly, VFR tourism can lead to permanent migration which creates a population boom, which is evident in Australia (Dwyer, Seetaram, Forsyth, & King, 2014) with its rapidly increasing population. Whilst this may not be the main reason for the population increase in Orlando, FL, it is important to note that Orlando, FL does have a diverse immigrant population and a strong tourism market based on VFR.

Methodology

The primary research will be completed as qualitative field study set up as a short survey for Orlando's Horizon West residents that will help determine the primary factor that influenced the decision to reside in Orlando, FL. The research results should result in qualitative data that can be categorized to illustrate the influencing factors that can determine where an individual or family decides to live. Whilst it is not possible to gather data from every resident, the research is relying on convenience sampling. The survey will be made up of two questions to determine how long the resident has been living in Orlando, FL and what the main factor was that caused the resident to move. The simplicity of the survey was designed to attract residents to participate in this field study.

The secondary research needs to be analyzed in depth to measure the economic and social impact of tourism on the population of Orlando, FL. This will allow a solid comparison between the survey results to see if there are any trends and to see if tourism does make an impact on how people are moving. Secondary research may also uncover secondary and other supporting factors that can illustrate why people have moved to Orlando, FL. Due to the specific targeting of Horizon West residents, it is expected that some residents response rates may not be utilized due to the fact that they may have been born in the area and not have relocated. Therefore, secondary research will be such a critical as it will be utilized to see if motivational factors are related to the social impacts of tourism.

Analysis of Findings

The short question survey was posted on different social outlets targeting homeowners in Orlando's Horizon West neighborhood. This neighborhood was specifically chosen for its rapid population growth and proximity to desirable facilities along with an abundance of tourism, events, sporting and hospitality enterprises. The survey link was left live for 3 weeks with approval from the Home Owner Association.

Ninety-one surveys were filled in and submitted however, only eighty-eight could be used for the purpose of research. The three surveys that couldn't be used were based upon the resident being born in the neighborhood and not migrating. This illustrates a response rate of 97%. Even though the qualitative field study may only contain eighty-eight successful submissions, it does provide substation information on what motivates residents to migrate to Orlando, FL. The central limit theorem states that sample sizes of thirty or more are enough for the central limit theorem to be applicable, resulting in a normal distribution as the sample size grows (Barron, 1986).

The responses were carefully analyzed and categorized into 4 motivational categories including Walt Disney World, Benefits, VFR and Other. Walt Disney World was categorized by responses that contained either a love or passion for Walt Disney World or if the residents had migrated to Orlando due to a job offer from The Walt Disney Company. The Benefits category was made up of responses that resembled Pizam's categories from *Social impacts of tourism on central Florida*. These categories were the benefits that were the result of a successful tourism economy such as increased quality of life, lower cost of living. It is important to note that many residents also listed warmer weather and health care accessibility as a response which has also been featured in the Benefits category. Residents responded that they were motivated to move to

be closer to family. For the purpose of this research, this has been categorized simply as Visiting Friends and Relatives (VFR), that shifted towards permanent migration. Other responses, mainly ones that were outside of the resident's control such as military deployment, were categorized as Other.

Out of the eighty-eight respondents, forty replied with Walt Disney World being their biggest motivation factor for moving to Orlando, FL. Twenty-six replied with Benefits as their motivational factor. twelve residents responded with VFR, wanting to be closer to family as their motivational factor and the final ten residents had varying answers that were categorized into Other as their motivational factor.

To further explore this research, duration of residence was also captured to explore any correlations or patterns. The duration categories were broken up into five years or less, more than five years but less than ten, ten years to twenty years and finally, more than twenty years. Out of the eighty-eight respondents, forty-four respondents have been residents of Orlando, FL for five years or less, twenty-six residents responded with more than five years but less than ten years, twelve residents have been residing for ten years but less than twenty. Finally, only six residents have been residing in Orlando, FL for more than twenty years.

By cross comparing the motivational factors and the length of residence, there was no patterns or correlations. This illustrates that the motivational factors are not based on any time period or trends. The motivational factors and length or duration of residence in Orlando, FL are mutually exclusive.

Limitations

The main limitation for this research is that the sample used in the qualitative field study may not accurately represent the growing Orlando population. The questions on the survey were designed to be simple and easy to interpret, however, when describing motivational factors, it is subjective as opposed to objective. Generational differences may interpret the questions differently. Age was not captured as a demographic which may have provided additional insight into whether tourism has influenced and aided with the population increase in Orlando, FL.

The data was collected from residents of Orlando's Horizon West neighborhood and may not accurately represent the greater Orlando area such as Kissimmee or Davenport, which is home to a very diverse population. If this research was conducted in either the Kissimmee or Davenport neighborhoods, the results may have greatly differed as Kissimmee residents may have different motivational factors for migration such as wanting to be closer to family.

Residents who selected the Benefits category as their motivational factor to migrate to Orlando, FL may have also been influenced by other factors too. Whilst many respondents chose Orlando, FL due to the year-round warm weather as well as low cost of living due to the social impacts of tourism, further study would need to be conducted to see why Orlando was more desirable than other similar towns such as Las Vegas, NV.

40% of residents selected Walt Disney World as their motivational factor for moving to Orlando, FL. Walt Disney World was selected regardless of whether a resident was employed or frequented the theme parks for leisure. Business owners, scholars, tourism experts and government officials may dismiss this as a coincidence and not a social impact of a strong tourism economy.

Implications

Scholars may argue that a sample size of eighty-eight may not support this specific research but scholars and research experts have concluded that there are many factors such as acceptable margin of error, to consider when deciding a sample size for field study (Kotrlík, Bartlett, & Higgins, 2001). Even with a different amount of responses, the results from the Horizon West neighborhood would unlink like change, however, if results are captured from a variety of neighborhoods experiencing growth in Orlando, FL, the results may have differed greatly in this study.

This research highlights that 45% of residents of this qualitative field study have moved to Orlando, FL due to either employment opportunities or the enjoyment of the experiences created at Walt Disney World. This highlights that tourism can impact population growth. 30% of residents explained that the low cost of living, great school districts and great recreation outlet benefits are a motivational factor for moving to Orlando. These benefits are a positive social impact brought on by the tourism industry.

City planners and local government must understand the population growth in order to develop, create and implement infrastructure and government offerings such as libraries and schools to meet the needs of a growing community. This research has highlighted that tourism has played a catalyst role in the population growth and with the continued success in the tourism and hospitality industry, the population will continually grow. Failing to plan and accommodate for the growing population can lead to cataclysmic traffic congestion, improper waste management and lack of affordable housing options.

Whilst this research was only conducted in the Horizon West neighborhood of Orlando, it would be highly recommended to conduct research in other neighborhoods and smaller towns in proximity such as Kissimmee, Davenport and Lake Nona, to compare their motivational factors for moving to Orlando with Horizon West residents. These results could illustrate other motivational factors such as VFR leading to permanent migration, that could surpass Horizon West's main motivation of Walt Disney World.

Conclusion

The residents in this research have shown that Walt Disney World has been a motivational factor for moving to Orlando. Furthermore, this highlights that the success of the tourism and hospitality industry has played a catalyst role in the increasing population due to Walt Disney World being the largest employer in the Orlando area. People have moved to Orlando, FL due to the benefits of the tourism and hospitality industry such as no state income tax, low cost of living, accessibility to health care, housing affordability and recreation facilities. Whilst these factors aren't tourism or hospitality motivational factors, they are factors created by the successful tourism industry.

City planners and government officials need to ensure that they are investing into infrastructure to support the growing population caused by the success of tourism and hospitality. Roads and schools need to be developed to match the growing population. Walt Disney World has a positive social impact on Orlando, FL which suggests why more people have migrated to Orlando as opposed to Las Vegas despite the similar benefits caused by a successful tourism and hospitality industry.

This research was conducted by 88 respondents through a qualitative pilot study in Horizon West, an emerging neighborhood in Orlando's west. More research needs to be conducted to further support the hypothesis that tourism is the catalyst for Orlando's population increase. This research needs to be conducted in other neighborhoods displaying high population growth such as Kissimmee and Davenport, both are proximity to Walt Disney World. Furthermore, the residents of Kissimmee and Davenport may also help identify other motivational factors that have aided with the population growth of the Orlando metropolitan area.

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Appendix

Captured survey data.

Motivation Category	#	%
Disney	40	45%
Benefits	26	30%
VFR – Permanent Residence	12	14%
Other	10	11%
Total	88	100%

Duration of residence		
One to Five	44	50%
Six to Ten	26	30%
11 to Twenty	12	14%
More than 20	6	7%
Total	88	100%

Comparing duration of residence and motivational factors

More than 20	
Disney	4
Benefits	2
VFR	
Other	
Total	6

11 to Twenty	
Disney	4
Benefits	4
VFR	4
Other	
Total	12

Six to Ten	
Disney	12
Benefits	6
VFR	2
Other	6
Total	26

One to Five	
Disney	20
Benefits	14
VFR	6
Other	4
Total	44

Sample survey utilized to capture motivational factors for moving to Orlando, Florida

Name: *John Doe*

How long have you currently been living in Orlando? *It will be 12 years next January.*

What was the biggest factor that made you move to Orlando? *I was offered an accounting job at Walt Disney World*