



BEHIND THE COST OF BED BUGS

HOSPITALITY INDUSTRY REPORT



PEST CONTROL DOWN TO A SCIENCE.™

Bed bugs scuttled back into the hospitality industry more than a decade ago. The seed-sized pest plagued more than seedy motels, threatening the most sterling reputations in the hotel industry. From headlines to online reviews, bed bugs bit into business – but how deep does the bed bug’s bite go into the bottom line?

Orkin partnered with market research firm The Bantam Group to find out. The 2016 research surveyed 100 U.S. hotels of all sizes to ascertain the impact of bed bugs. Beyond the lost stars on review sites, how much money is spent on these nocturnal pests?

The results are startling. The research reveals that far from being just a nuisance pest, bed bugs are a significant business challenge. Their prevalence can result in costly remediation and, in some cases, litigation. Consistently introduced from the outside by the very driver of business revenue – guests – bed bugs can’t be kept at bay just by exemplary housekeeping practices. So, hoteliers face an ongoing threat and a major expense if bed bugs do come calling.

Read on for insights into the state of bed bugs in the hospitality industry – facts and figures that illustrate why bed bugs make it difficult for any hotel operator to sleep tight.



BED BUGS ARE **NOT** A RARE OCCURRENCE

Four out of five hotels surveyed treated for bed bugs in the past year. That means bed bugs – once a rare find – are now a common pest. Respondents indicated:

90% OF HOTELS
HAVE TREATED FOR BED BUGS

82% IN THE PAST YEAR

58% TREATED IN THE
PAST THREE MONTHS

40% TREATED IN THE PAST MONTH

Introductions vs. Infestations

Bed bugs can check in with guests, leading to an introduction of the pest. A bed bug introduction occurs when just one pregnant female bed bug or multiple bed bugs get inside a hotel. These bed bugs haven't started reproducing yet – but they could, and that's what can lead to an infestation. Bed bug infestations develop when all bed bug life stages – egg, nymph and adult – are present, and the adults start reproducing. In a matter of weeks, a bed bug population can explode and start invading adjacent rooms.

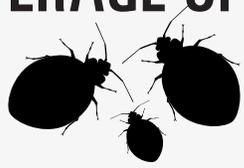


THE BED BUG PRICE TAG

If you've dealt with bed bugs recently (and chances are, you have), you know that these bloodsuckers can do some serious damage to the bottom line.

We asked about all the costs associated with a bed bug incident – the loss of room revenue, disposal of soft goods and pest control treatment. What we found was that hotels' most recent bed bug incidents cost an average of \$6,383 – the equivalent of 51 nights in the average hotel room.²

**BED BUG INCIDENTS
COST AN AVERAGE OF
\$6,383**



	REPLACEMENT OF SOFT GOODS	\$2,826
+	TREATMENT	\$1,820
	LOST BUSINESS	\$1,737

²Average daily rate of hotels in the United States from 2001 to 2016 (in U.S. dollars). Statista, 2017. <https://www.statista.com/statistics/195704/average-hotel-room-rate-in-the-us-since-2005>.

Almost half of hotels have been the subject of litigation because of bed bugs. One in five found themselves party to a lawsuit in the past 12 months.



45% OF HOTELS
HAVE FACED LITIGATION BECAUSE OF BED BUGS

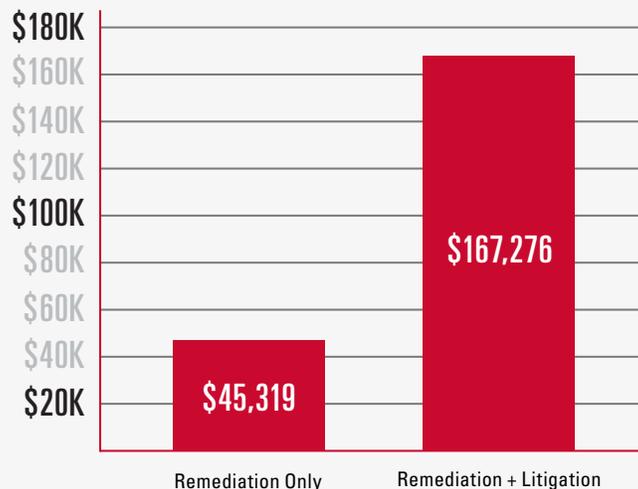
20% IN THE PAST YEAR ALONE

\$17,177 AVG. LITIGATION COSTS

Survey respondents reported an average of \$17,177 in litigation costs – per incident. If you combine the cost to remediate with potential litigation, the total could reach an average of \$23,560 per bed bug incident.

Our research shows that a hotel has an average of 7.1 bed bug incidents over a five-year period. Even if each incident generated just the *average* remediation and litigation costs, the total cost of bed bug infestations over five years would be \$167,276.

POTENTIAL COST OVER 5 YEARS



BED BUGS KEEPING HOTELIERS UP AT NIGHT

If these numbers make your skin crawl, you're not alone. The volume of bed bug incidents, combined with their associated costs and potential for lost business, have hotels on high alert.

We know that bed bugs are not going away – and hotel managers know it too.



Here's the breakdown:

- **71%** of hospitality facilities are **VERY WORRIED**
- **20%** of hospitality facilities are **SOMEWHAT WORRIED**



WHAT'S ON THEIR MINDS?

#1 CONCERN 

OF DECISION MAKERS IS
NEGATIVE WORD OF MOUTH
AND REPUTATION DAMAGE

1/3 WORRY

ABOUT LOST CUSTOMERS
AND GETTING CUSTOMERS TO
COME BACK



OF DECISION MAKERS
WORRY THE SAME OR MORE
THAN THEY DID **5** YEARS AGO

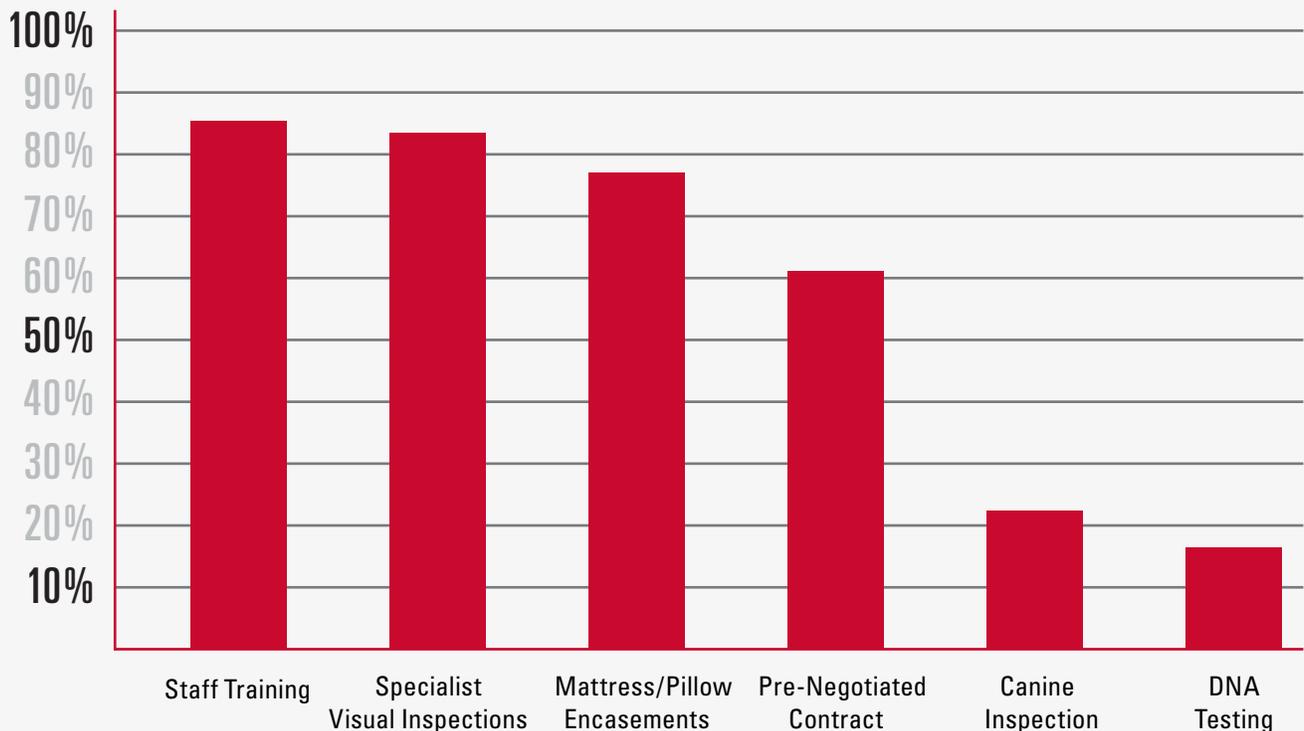
HOTELS TO STAFF: BE ON THE LOOKOUT

When it comes to bed bugs, there's little hotels can do to keep them from getting inside. With rooms turning over daily, a new guest could arrive with bed bug stowaways, probably without ever knowing it. However, hotels can help prevent an introduction from growing into an infestation by proactively involving staff in rigorous inspection protocols.

82% OF HOTELS
SAY IT'S LESS EXPENSIVE
TO PREVENT THAN TO TREAT BED BUG ISSUES

98% OF HOTELS
HAVE AT LEAST ONE ONGOING
BED BUG PREVENTION PROGRAM IN PLACE

MOST COMMON ONGOING PREVENTION PROGRAMS



THE STAFFING CHALLENGE

Concerned about bed bugs and eager to prevent bed bug incidents, hotels rely heavily on staff to play a key role in helping to keep an introduction from turning into an infestation. However, with many rooms to service and a wide range of housekeeping and maintenance items on the to-do list, it can be difficult to keep up.

9/10 HOTELS
FACE BED BUG-RELATED
STAFFING CHALLENGES

50% OF HOTELS
USE INTERNAL STAFF TO CONDUCT
BED BUG INSPECTIONS

TOP 4 CAUSES FOR CONCERN

1. KEEPING STAFF TRAINED DUE TO TURNOVER
2. PRIORITIZING ONGOING STAFF INSPECTION PRACTICES
3. COORDINATING STAFF TRAINING
4. FINDING SOMEONE TO LEAD STAFF TRAINING

The more frequent the inspection, the more likely it is to be conducted by hotel staff. Here's the breakdown:

- **DAILY inspections** – 3-4 times more likely to be conducted by hotel staff
- **WEEKLY inspections** – equally likely to be conducted by hotel staff and pest management providers
- **MONTHLY AND QUARTERLY inspections** – more likely to be conducted by pest management providers

Staff involvement is essential to an effective bed bug program, so don't overlook these challenges as you ready your defenses.

THE BOTTOM LINE

Bed bugs are not a rare occurrence. And they can be expensive – for a hotel’s bottom line and reputation. Just one bed bug sighting or bed bug review online can be all it takes to send guests packing. With more than half of hotels surveyed treating for bed bugs every three months on average, lessening the impact of an introduction can be the key to saving a hotel property from a full-blown bed bug infestation. Hotels know these bloodsuckers are a problem, and it’s no secret that a proactive approach can go a long way in mitigating the damage.

So, do what you can to make sure guests sleep tight – and don’t let the bed bugs bite.



After significant onsite testing, Orkin is proud to introduce an effective, ongoing defense protocol for the hospitality industry to help prevent bed bug infestations and help make the cost associated with bed bugs more predictable.

To learn how you can help defend your hotel against bed bugs, visit proact.orkin.com or call **844-324-5470**.



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