

POUSADA DO GARRIDO

Tumbira - AM

DESCRIPTION

NAME	Pousada do Garrido
SECTOR	Tourism
LOCAL	Tumbira

ECONOMIC

Revenue	R\$ 64.685,00
Tourists	246/year
Gross margin	68%

SOCIAL

Families directly involved	4
Communities	1

ENVIRONMENTAL

Score for greenhouse emission	5/5
Score for deforestation reduction	4/5
Score for waste management	4/5

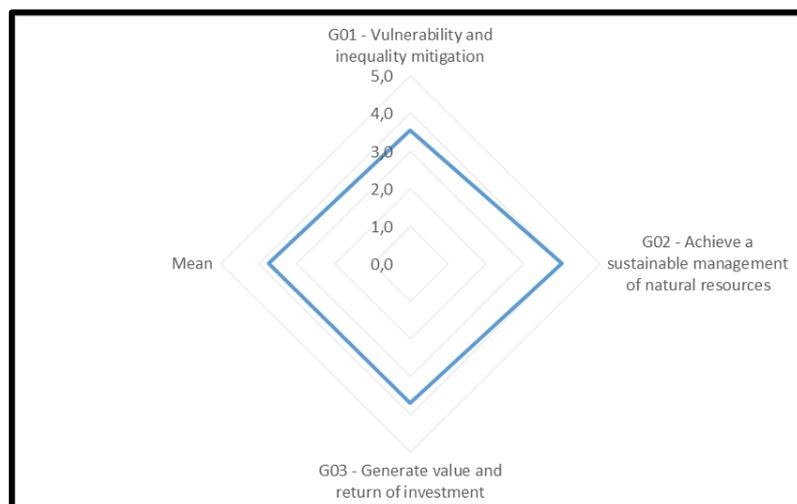
General description. Located in the Sustainable Development Reserve of the Rio Negro (Reserva de Desenvolvimento Sustentável do Rio Negro), near the metropolitan area of Manaus, Pousada do Garrido is a community-based tourism enterprise.

Proven viability. With a monthly average gross revenue growth of 128% between 2016 and 2018, the venture has proven economic viability and an interesting future growth prospect.

High profitability. Compared to similar developments in the State of Amazonas, Pousada do Garrido is the one with the highest net margin. This shows a reduced cost structure, especially with regard to variable costs and equipment depreciation costs.

Supply of environmental services. Ecotourism uses nature and its elements as the main attraction factor for tourists. This provides an economic incentive to the local community for the conservation of natural and forest resources.

Capital as a limitation. The initiative in question still lacks the acquisition of machines, equipment, instruments and other materials to increase possible profits through the provision of lodging services and tourist activities.



GOAL #1: SOCIAL IMPACT

Score: 3,6/5,0

SPECIAL FEATURES

Creation of economic value. In relation to the set of enterprises analyzed, Pousada do Garrido has one of the highest rates of profit. Specifically with respect to other hotel developments, incubated or otherwise accompanied by the Fundação Amazonas Sustentável (FAS), the initiative in question is the one with the highest rate of profit (Figure 1).

Fig. 1: Profitability among similar initiatives



Source: FAS

Reduction of rural exodus. The community of Tumbira is located in the municipality of Iranduba, close to the municipality of Manaus. In the absence of local jobs, local people tend to migrate to the city. The success of this enterprise is demonstrated by stopping prevalent migration trends. Raising family incomes through the promotion of community-based tourism has helped reduce the rural exodus.

Fig. 2: Pousada do Garrido



Source: Tripadvisor

Reduced margin of payment to third parties. Gains in productivity and gross product can be achieved without the need to employ subcontractors/third parties. An increase in the number of rooms, community-based trails, other tourist activities and food services are seen as effective and inexpensive strategies to increase revenue and returns.

Gap: greater involvement of families. Only 4 families are currently directly involved in the management of Pousada do Garrido. Expansion of tourism activities and hosting services, for example – which account for less than half of the gross revenue of the enterprise – could increase the number of families directly involved and, thus, the economic value created locally.

SPECIAL FEATURES

Incentives for conservation. Community-based tourism provides a clear economic incentive for the conservation of the local landscape, given its importance in the financial performance of the enterprise.

Important environmental services. Community-based tourism represents one of the economic activities analyzed with the lowest environmental impact, especially with regard to the level of greenhouse gas emissions. The conservation of natural and forest resources, in order to ensure the continuous flow of tourists to the region, promotes a series of important environmental services, such as water conservation, standing forest, fauna and flora.

High self-sufficiency index. The self-sufficiency of the enterprise is high, since it demands few external resources, mainly using materials and products sourced locally. This contributes to reduce not only the logistical costs associated with the consumption of products supplied by external suppliers, but also reduces the ecological footprint of the services offered.

Waste Management. The expected flow of tourists, however, opens up challenges with regard to solid waste management. With the expectation of increasing demand for tourist attractions and lodging services, there will also be an increase in garbage produced, raising questions to the collection, transport and recycling of the waste produced. It is therefore necessary to consider the use of possible biodegradable materials, recycling practices and the production of non-toxic waste.

Fig. 3: Total revenue growth, in 2017

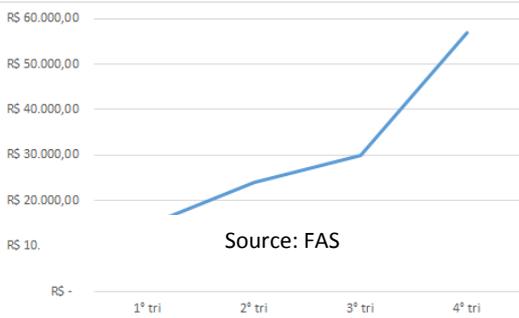
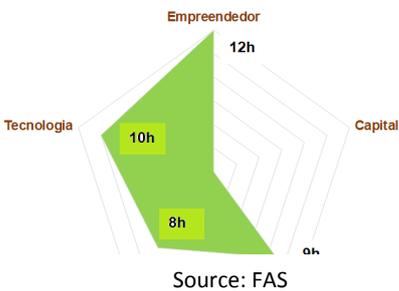
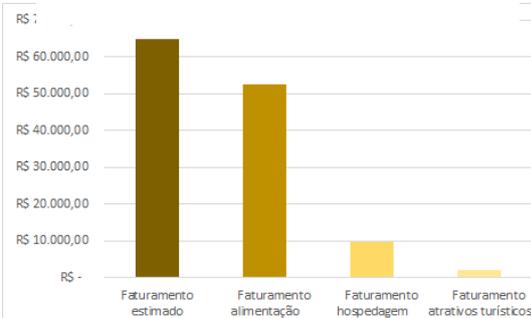


Fig. 4: Total training hours given by FAS



SPECIAL FEATURES

Fig. 5: Revenue by offered service



Source: FAS

Proven growth. The Pousada do Garrido, as shown in Figure 6, has shown a process of growth in average monthly gross revenues, comparing the year 2018 with the year 2016 with a 128% increase. This points not only to the economic viability of the enterprise, but also to its ability to generate increasing economic gains.

Potential in lodging and tourist attractions. Located less than two hours from the urban center of Manaus, the Tumbira community enjoys relative ease of logistics for tourists. There are opportunities of increasing incomes on these fronts – a fact that would increase the profitability of the enterprise to significantly higher levels.

Reduced cost structure. As shown in Figure 1, Pousada do Garrido has the highest profitability index among similar enterprises, which points to a low cost structure. This structure also includes reduced labor costs, depreciation of equipment and payment of loans.

Need for capital. In the long run, more capital will be needed for investments in infrastructure that helps increase revenue such as additional guest rooms, machinery/equipment and touristic activities.

Fig. 6: Evolution of the average monthly income, from 2016 to 2018



Source: FAS

