

Impact of COVID-19 on Tourism Industry

April 1, 2020

To help share information about COVID-19 impacts to the travel industry, Travel Oregon's research team is compiling state and national data on a weekly basis to share with external partners. The data below is this week's summary and is for informational purposes only.

Oregon Lodging Data

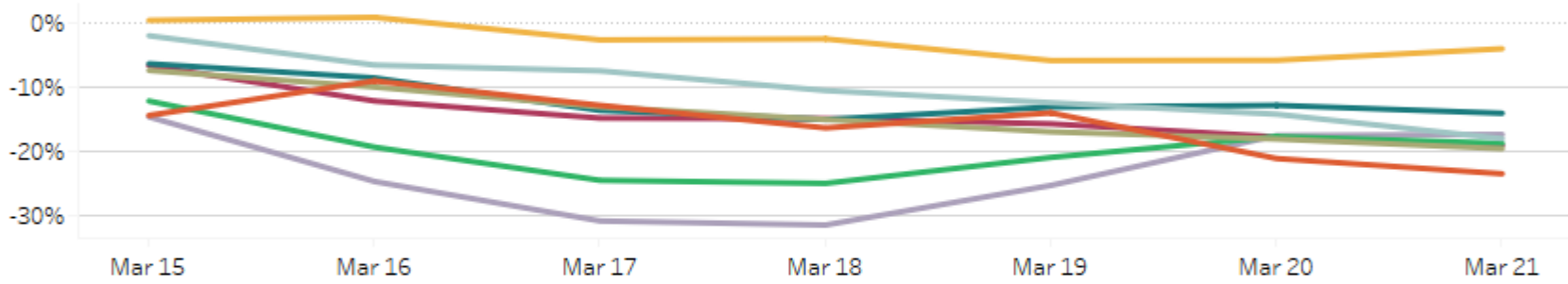
The chart below shows the year over year change in Average Daily Rate (ADR), Revenue Per Available Room (RevPAR), and Occupancy statewide and per region in Oregon. This data is provided by STR, Inc.



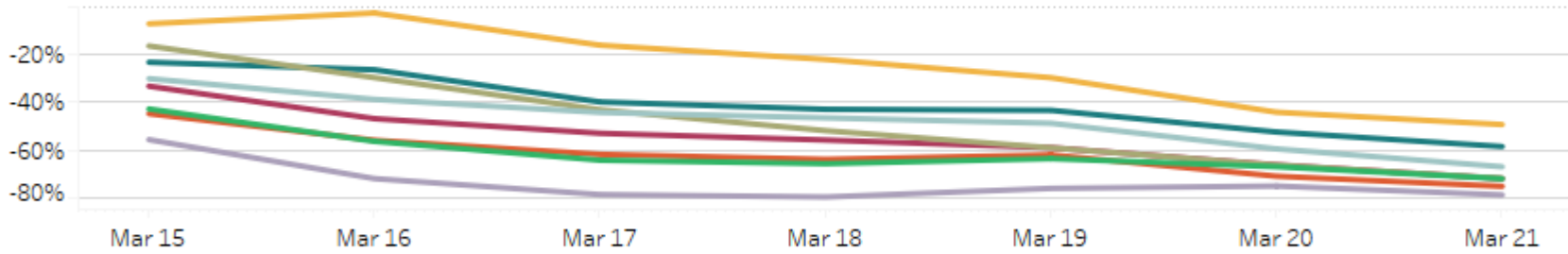
Weekly STR Report 2020 vs 2019 (March 15 to March 21)

Region	ADR			RevPAR			Occupancy		
All									
Oregon	\$90.11	\$112.64	-20.0%	\$27.17	\$73.11	-62.8%	30.1%	64.7%	-52.3%
Central	\$110.52	\$131.63	-16.0%	\$30.87	\$84.54	-63.5%	27.9%	64.1%	-55.1%
Coast	\$92.53	\$103.54	-10.6%	\$29.92	\$61.48	-51.3%	32.3%	58.0%	-42.3%
Eastern	\$75.41	\$77.61	-2.8%	\$30.67	\$41.88	-26.8%	40.6%	53.7%	-22.5%
Hood/Gorge	\$80.13	\$93.77	-14.5%	\$26.09	\$54.71	-52.3%	32.6%	57.8%	-40.5%
Portland	\$98.00	\$128.49	-23.7%	\$24.02	\$94.89	-74.7%	24.4%	73.4%	-65.9%
Southern	\$76.87	\$87.42	-12.1%	\$28.47	\$49.47	-42.5%	37.0%	56.4%	-33.1%
Willamette Valley	\$84.43	\$98.92	-14.6%	\$27.52	\$64.16	-57.1%	32.6%	64.4%	-47.9%

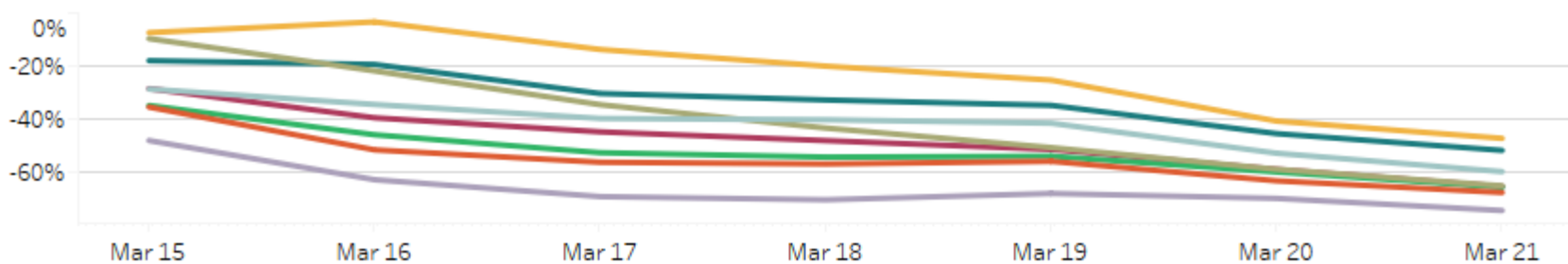
YOY Change in ADR



YOY Change in RevPAR

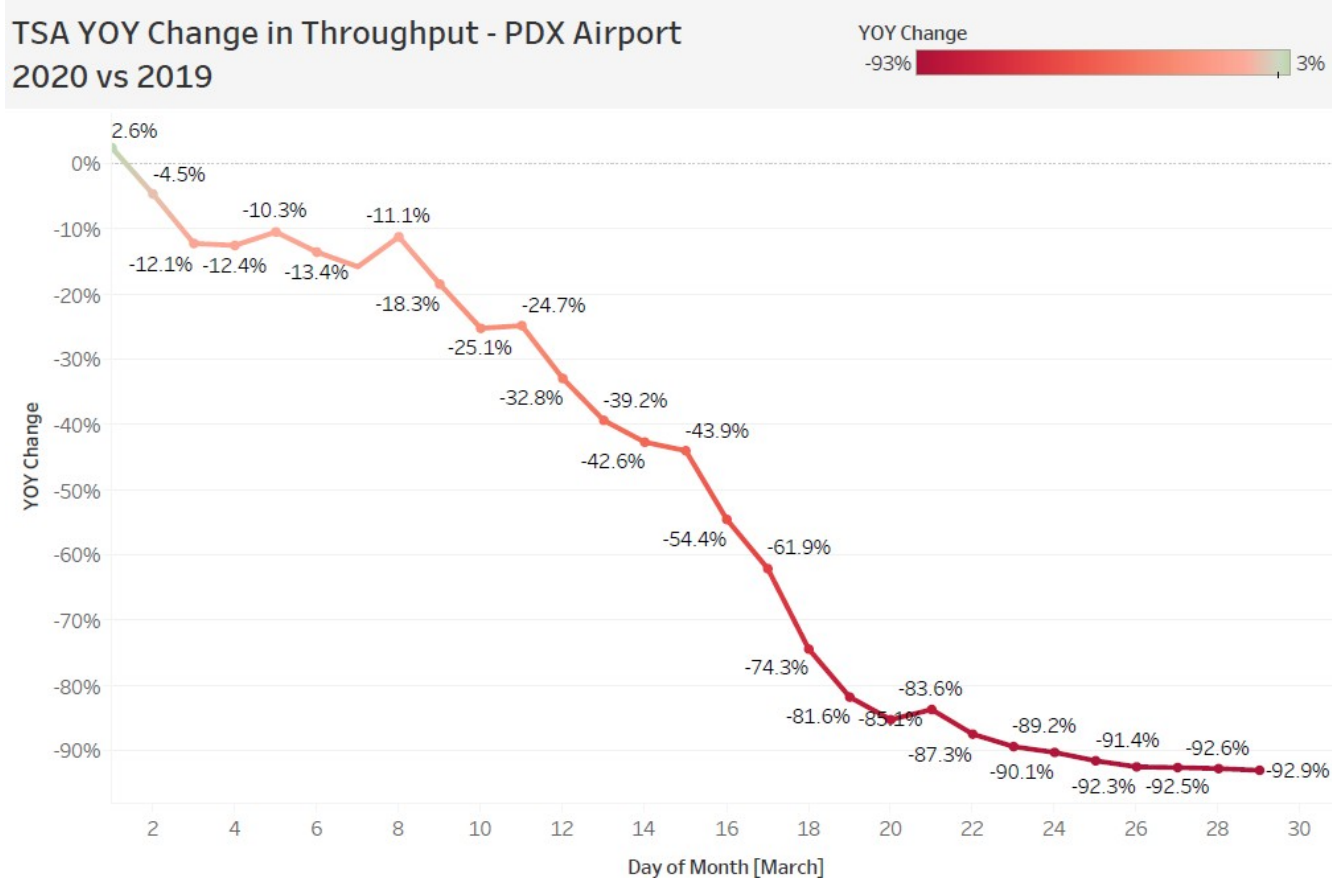


YOY Change in Occupancy



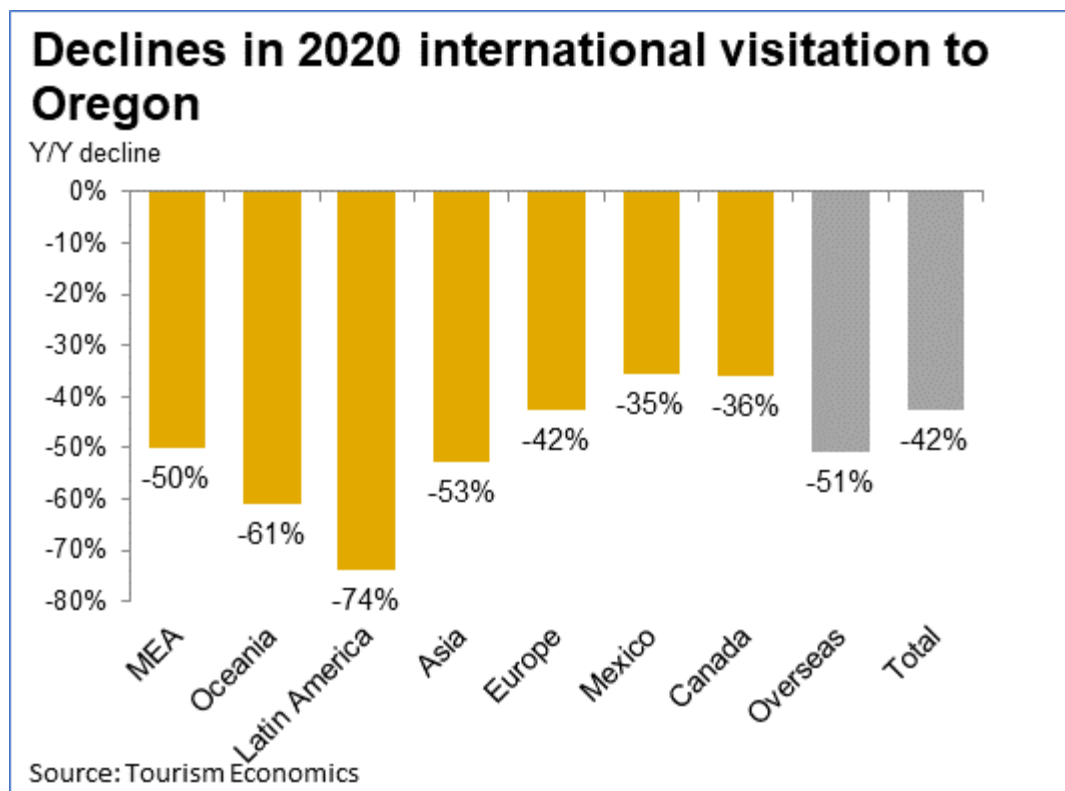
PDX Daily Passenger Throughput

- March 29th the PDX passenger throughput was 25,100 passengers below (92.87%) the same day, last year and month-to-date, passenger throughput was 388,190 (53.89%) below last year. This data is provided by Port of Portland.



Oregon International Arrivals Forecast

The chart below shows an analysis of the potential impact of COVID-19 on international arrivals to Oregon. This chart provides a downside scenario in which the recovery towards normal arrivals occurs very slowly. In this scenario, total international losses for the year amount to close to 42%.



Sparkloft MEDIA (Social Media Sentiment Analysis)

- There is anxiety and uncertainty about the future – misinformation is rampant and there's a lack of clarity around new policies (what's open/closed, can you go outdoors, can you travel in a car etc.)
- People are settling into the new normal – working/schooling from home, cancelled events, cancelled travel plans etc.
- As layoffs and unemployment increases, conversations about uncertainty and how to file for unemployment is increasing.
- Stories highlighting resiliency and community are being shared at increasing rates.

Based on the sentiment and the stage of the COVID-19 crisis, we are currently in the “Active Crisis Messaging” stage of messaging.



In response, we recommend the following messaging actions.

- **Be a resource:** share accurate, timely public safety and health messages from authoritative sources. People want to know what specific policies mean for their way of life, with clear definitions of the expectations and timeframes.
- **Resiliency and Inspiration:** Share stories of resiliency and general stories that keep your destination top-of-mind when folks are ready to travel. People are craving stories celebrating frontline heroes: medical community, essential service employees and others who are banding together to help their fellow Oregonians. Endorse and share content from others, especially local businesses, media or community leaders. Tell a full range of community stories to emphasize unity and civic pride.
- **Enjoying your destination from home:** Think about how locals can still help and enjoy your destination (podcasts, movies, deals, what's open etc.)

For examples on how DMOs are pivoting their content to address COVID-19, see Travel Oregon's [content calendar here](#).

Wine America Survey

- The survey was sent on Thursday, March 19 with a deadline of March 23, and went to all wineries in the United States. Responses were received from 1,085 wineries in 49 states, or more than 10% of all American wineries. Questions examined the overall effects on employment, production, tourism, sales, expenses, and total financial loss. Because there is such variability in the sizes of wineries, WineAmerica is reporting both the mean (average) and median (midpoint) of responses to present a more complete picture.
- Normal Employment: 11,043
- March Layoffs: 4,496
- Normal Annual Visitors: 26,096,279
- Events Canceled: 4,582
- Unanticipated Expenses: \$840,487
- Total Financial Loss in March due to Coronavirus: \$40,439,764
- Tourism: In a full year, the average winery welcomes 24,111 visitors, with 5,500 the median. The average winery expected a 75% decrease in visitors in March, and the median an 80% decrease, compared with previous years or 2020 projections. The average winery cancelled 4 special events, and the median 3, in March due to the crisis.
- Recovery Time: If wineries were able to resume operations on April 30, the average winery said it would require 12 weeks (3 months), and median 8 weeks (2 months), to return to normal business in terms of employees, visitors, sales, and other factors.

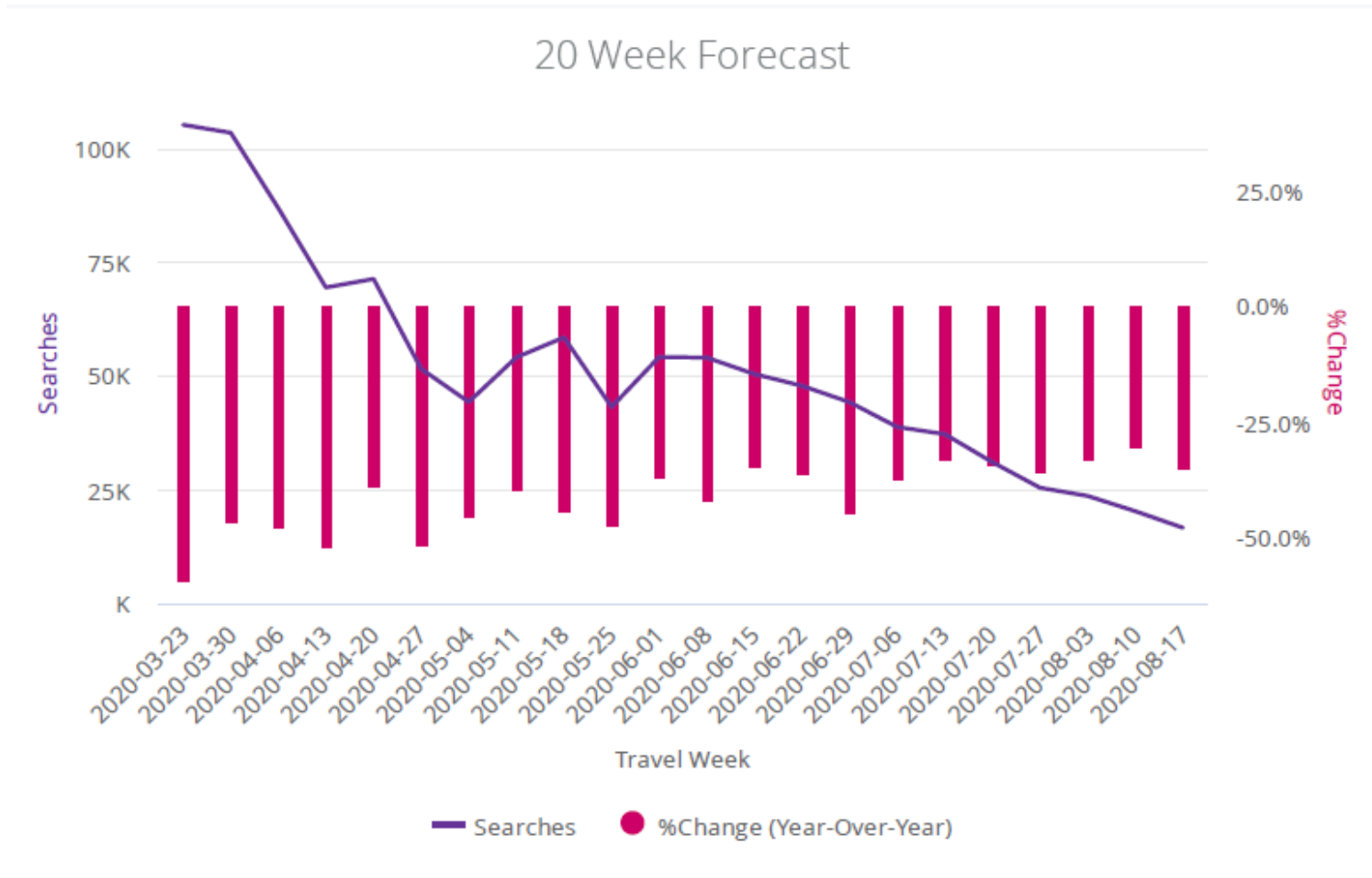
ADARA Impact Data

ADARA has access to search and booking data for several airlines and hotels. They have provided a forward-looking analysis of bookings and travel intent. There's been about a 58.2% decrease YoY for this week's demand intent for travel to Oregon compared to the same week last year; for total US travel, the demand is down 50.8%.

- This chart shows the number of hotels and flight bookings and searches (Domestic)



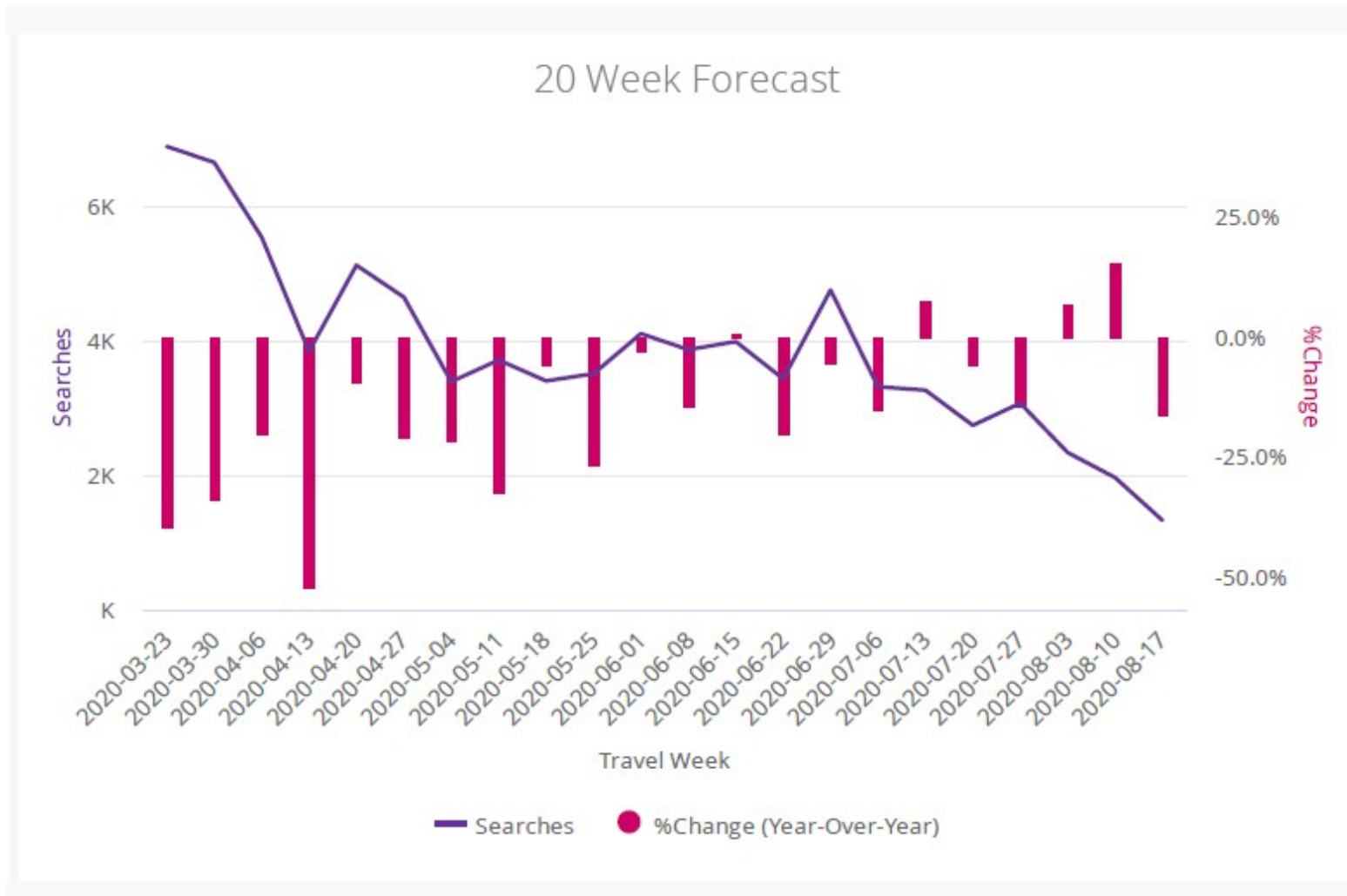
- YoY travel intent trend for the upcoming weeks to Oregon (Domestic)



- This chart shows the number of hotels and flight bookings and searches (International)



- YoY travel intent trend for the upcoming weeks to Oregon (International)



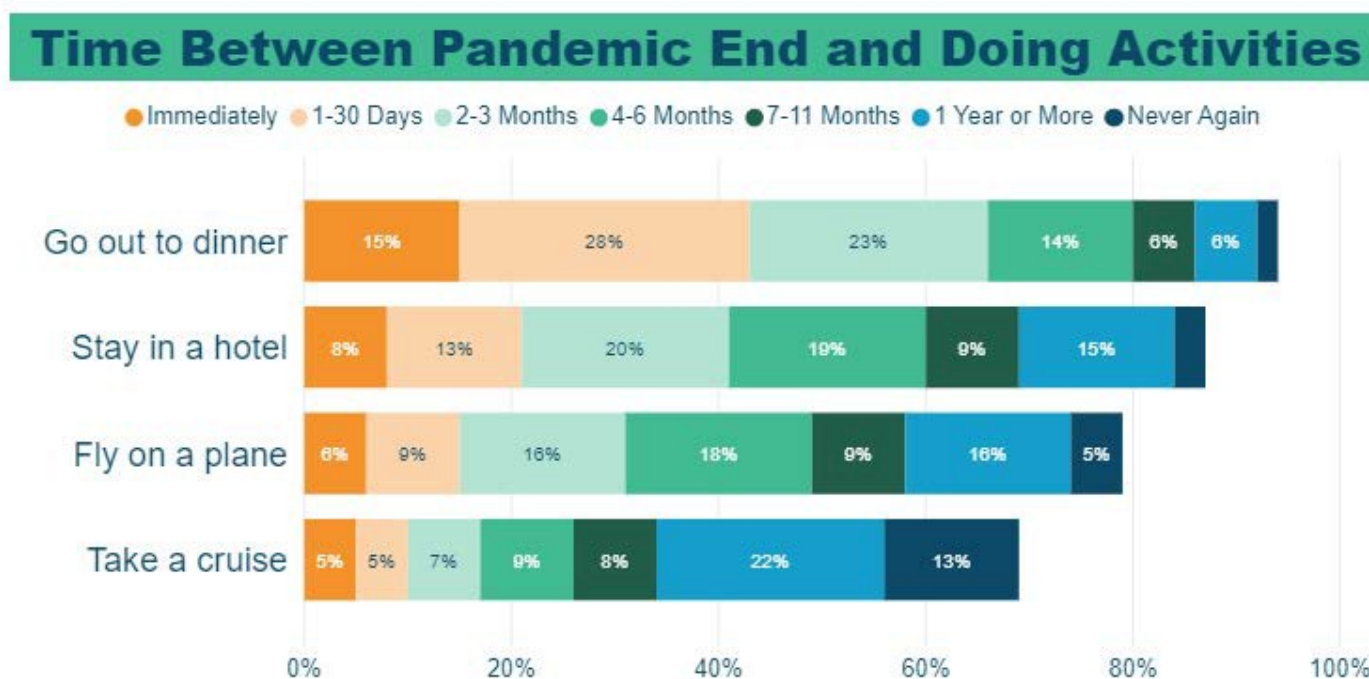
U.S.

Destination Analysts (3/30) (Travel Sentiment Tracking Study)

- This week, 66.1% of American travelers report trips affected by COVID-19, essentially flat from last week. While the near-term (March/April) shows the heaviest losses, the percent reporting cancelled and postponed trips in later months is increasing.
- While Americans predominantly attach fear to traveling right now, they miss it: two-thirds agree they “can’t wait to get out and travel again.” #whencoronavirusisover
- However, nearly one-third of American travelers say they will change the types of destinations they choose to visit after the coronavirus situation is resolved; another 26.0% are unsure if they will.
- In the interim, 55.4% of American travelers have been taking action to support local businesses where they live.

The Harris Poll COVID-19 Tracker

Chart below shows data from a survey fielded by Harris Poll. Results are updated once a week. Looks like a majority of travel pickup will be between 2-11 months of pandemic end.



Longwoods International Survey

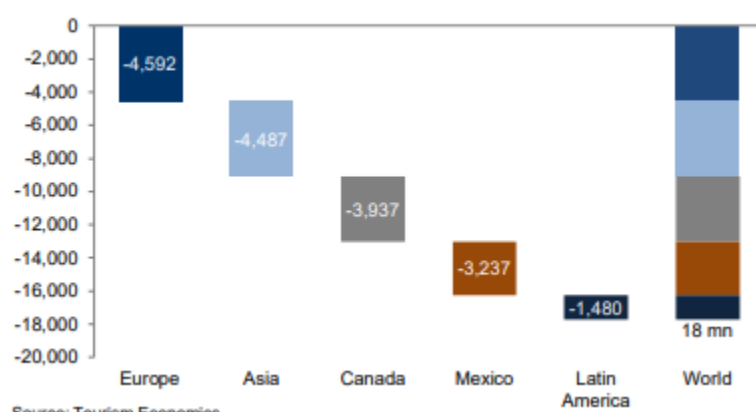
This survey is fielded weekly and studies the impact of COVID-19 on travel for domestic travelers. The second wave of the study, fielded March 25-26, 2020, found a large increase in the percentage of respondents whose travel plans had been affected by the virus. According to this survey, 84% of American Travelers are changing their travel plans for the next six months because of coronavirus, up from 58% two weeks ago

and 75% last week. When asked how these travelers will change their plans because of the pandemic, 50% said they would cancel some trips, and 35% said they will reduce travel in the next six months. Changing trips from international to domestic and switching from air travel to auto travel continue to occur but were less frequent than the two weeks prior.

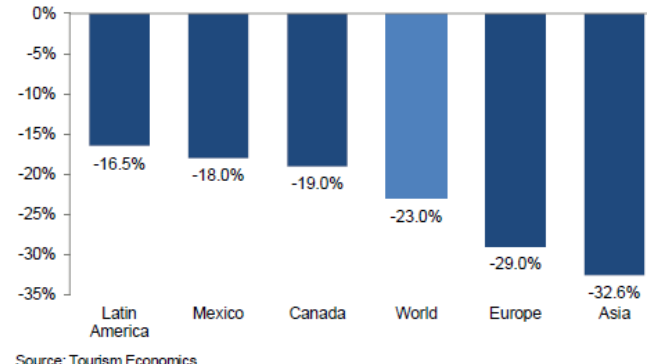
US Travel

- A new [analysis](#) released 3/16 by the U.S. Travel Association projects that decreased travel due to coronavirus will inflict an \$809 billion total hit on the U.S. economy and eliminate 4.6 million travel-related American jobs this year.
- Total spending on travel in the U.S.— transportation, lodging, retail, attractions and restaurants—is projected to plunge by \$355 billion for the year, or 31%. That is more than six times the impact of 9/11.
- The estimated losses by the travel industry alone are severe enough to push the U.S. into a protracted recession— expected to last at least three quarters, with Q2 2020 being the low point.
- The projected 4.6 million travel-related jobs lost would, by themselves, nearly double the U.S. unemployment rate (3.5% to 6.3%).
- International visits to the US are expected to decline at least 23% this year. 18 million fewer travelers will visit the US in 2020 than in 2019. These losses span all markets with the largest declines from Asia and Europe.

Decline in International Visitors to the US in 2020
Thousands



Decline in International Visitors to the US in 2020
% change



- International market impacts will tally 13 times the impact of SARs and nearly double the impact of 9/11.
- A loss of \$49 billion in international spending is anticipated this year.

Additional COVID-19 Tourism Research and Analytics Resources

- <https://ttra.com/resources/covid-19-travel-and-tourism-research-resources/>
- [ADARA: COVID-19 Resource Center](#)
- [Tableau COVID-19 Resource Center](#)
- CBRE: https://www.cbrehotels.com/-/media/cbre/countrycbrehotels/documents/viewpoint_updated-2020-outlook-expectations-for-the-year-ahead.pdf?la=en
- STR:
 - o USA/Canada – Updated report should be available tomorrow afternoon (3/26) here: <https://str.com/data-insights-blog/coronavirus-hotel-industry-data-news>
- Oxford Economics: https://resources.oxfordeconomics.com/hubfs/Global_economy_enters_recession_March_2020.pdf
- <https://www.mmgyglobal.com/covid-19/>
- <https://www.ustravel.org/press/latest-data-coronavirus-cause-59-million-travel-related-job-losses-may>
- <https://www.destinationanalysts.com/update-on-coronavirus-impact-on-american-travel-week-of-march-30th/>
- <https://keydatadashboard.com/coronavirus-impact-report-on-short-term-vacation-rental-regions/>
- <https://keydatadashboard.com/covid-19-impact-report-on-short-term-vacation-rentals-in-oregon/>
- <https://covid19.ubermedia.com/>

If you have any questions, please direct them to: ladan@traveloregon.com