

# Impact of COVID-19 on Travel Industry

April 14, 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.

## STR Weekly Data (Week of March 29)

The chart below shows the year over year (YOY) 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

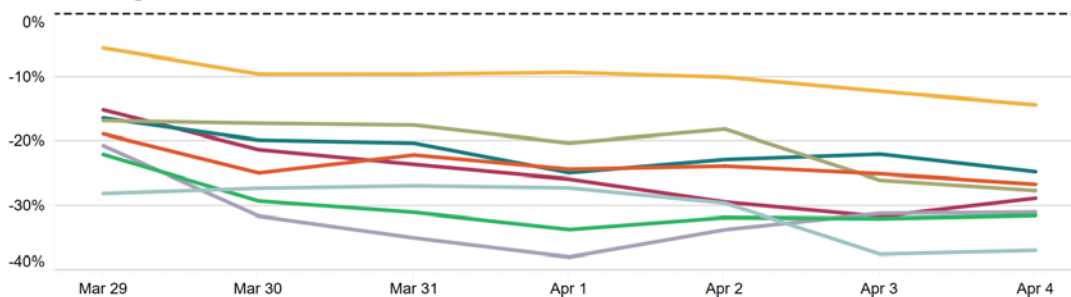
(March 29 to April 4)

Region  
All

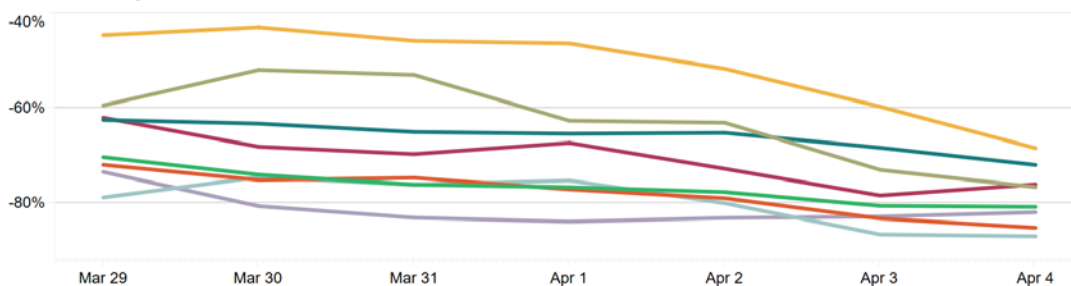
|                   | ADR     |          |        | RevPAR  |         |        | Occupancy |       |        |
|-------------------|---------|----------|--------|---------|---------|--------|-----------|-------|--------|
| Oregon            | \$80.05 | \$114.92 | -30.3% | \$17.83 | \$78.08 | -77.2% | 22.3%     | 67.6% | -66.7% |
| Central           | \$82.31 | \$107.93 | -23.7% | \$14.62 | \$68.99 | -78.8% | 17.7%     | 63.5% | -71.4% |
| Coast             | \$77.29 | \$111.68 | -30.8% | \$13.80 | \$71.65 | -80.7% | 17.8%     | 63.5% | -71.3% |
| Eastern           | \$72.21 | \$80.25  | -10.0% | \$23.28 | \$48.72 | -52.2% | 32.2%     | 60.5% | -46.2% |
| Hood/Gorge        | \$75.88 | \$95.60  | -20.6% | \$22.14 | \$61.61 | -64.1% | 29.1%     | 64.1% | -53.7% |
| Portland          | \$90.14 | \$132.38 | -31.9% | \$17.79 | \$98.38 | -81.9% | 19.8%     | 74.0% | -72.9% |
| Southern          | \$68.80 | \$87.75  | -21.6% | \$18.31 | \$54.27 | -66.3% | 26.6%     | 61.6% | -56.7% |
| Willamette Valley | \$75.99 | \$101.86 | -25.4% | \$19.74 | \$69.81 | -71.7% | 26.0%     | 67.9% | -61.1% |

■ Oregon 
 ■ Central 
 ■ Coast 
 ■ Eastern 
 ■ Hood/Gorge 
 ■ Portland 
 ■ Southern 
 ■ Willamette ..

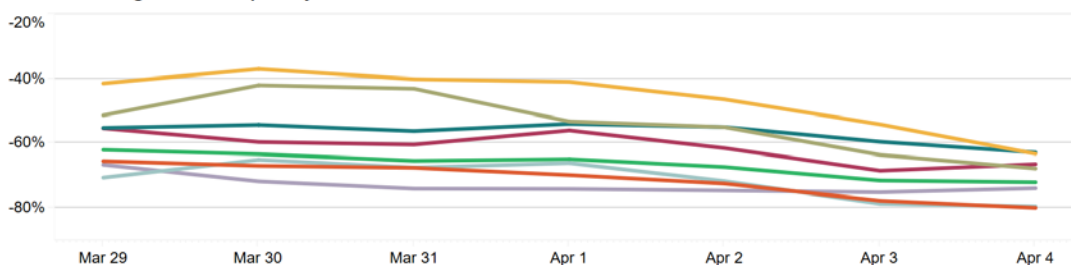
#### YOY Change in ADR



#### YOY Change in RevPAR



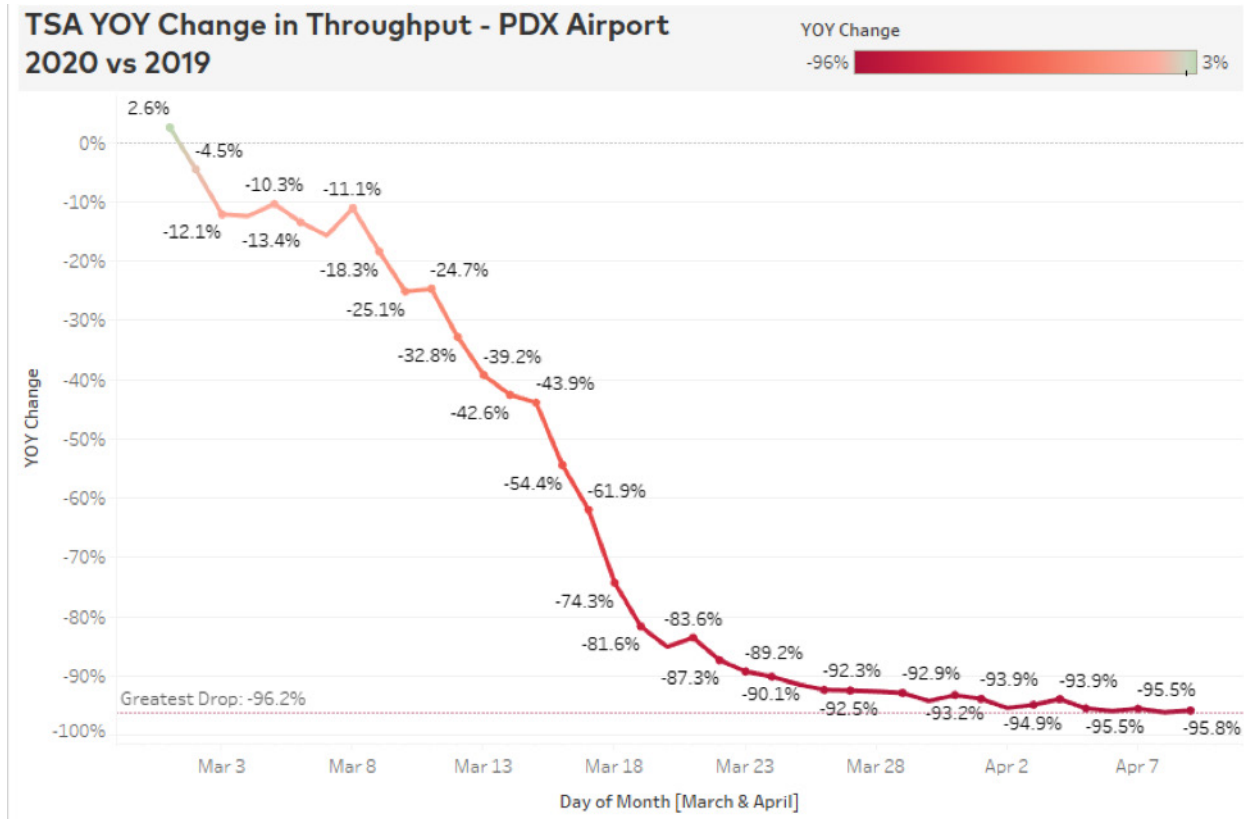
#### YOY Change in Occupancy



## PDX Airport Data

April 9, the PDX passenger throughput was 24,176 (95.83%) passengers below the same day last year. This data is provided by Port of Portland.

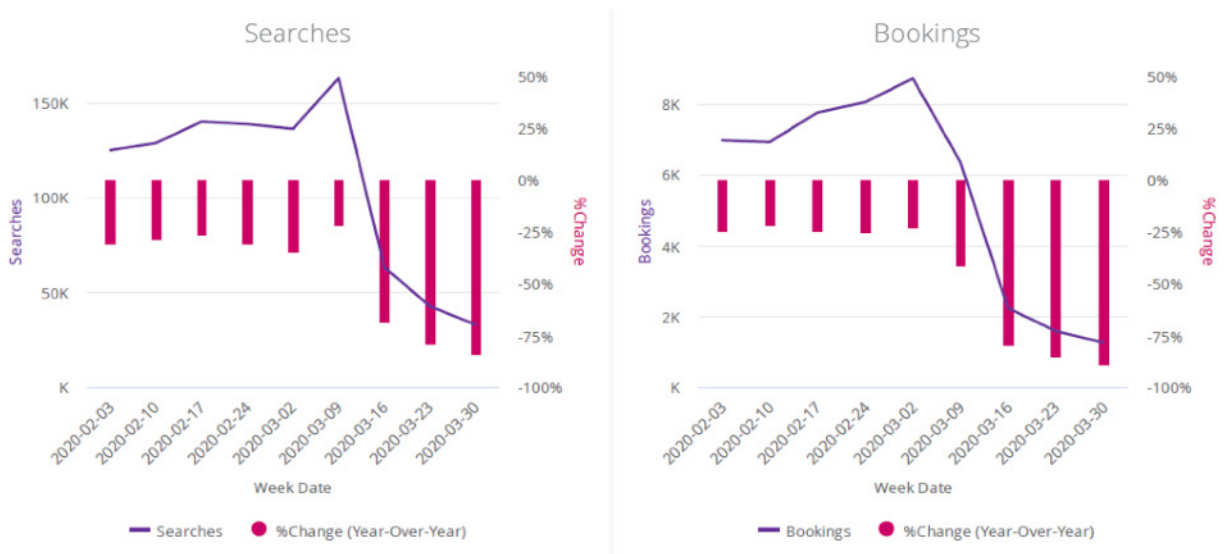
\* Throughput is the count of people going through the TSA checkpoint.



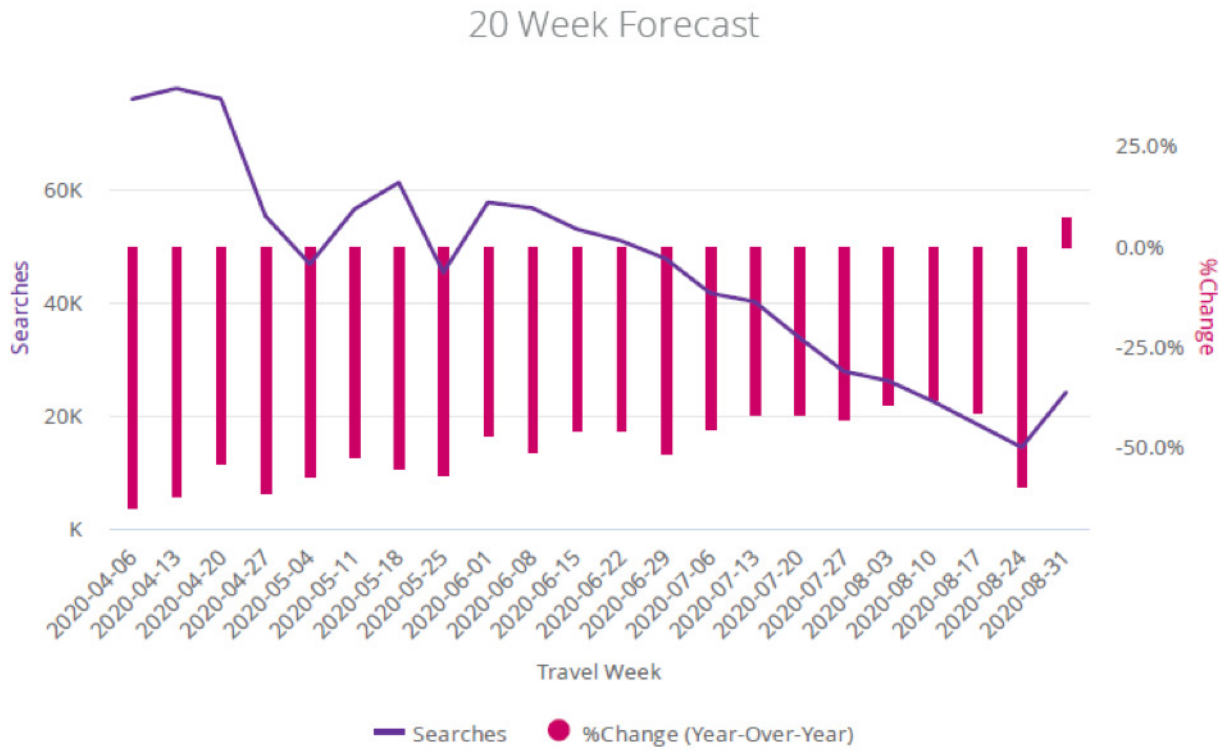
## ADARA Tracking Search and Booking Behavior

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.

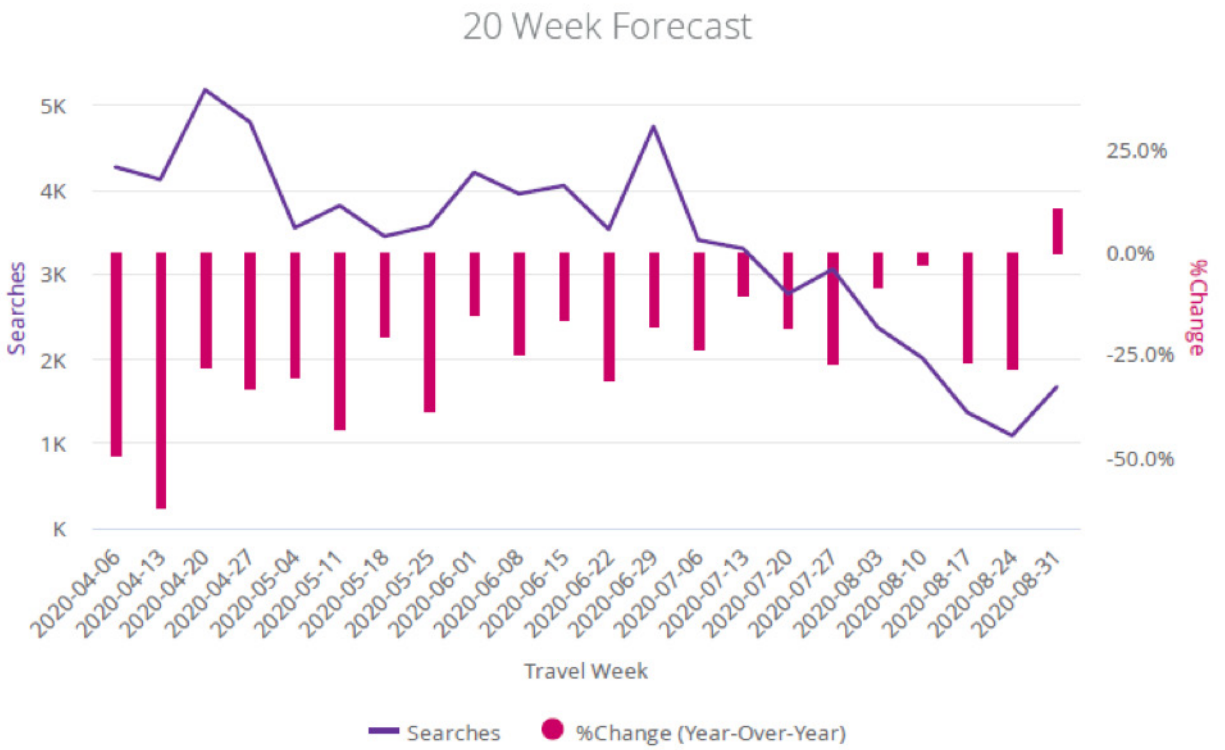
This chart shows total searches and bookings for Oregon week-to-week.



Travel intent for the upcoming weeks to Oregon (U.S domestic)



Travel intent trend for the upcoming weeks to Oregon (International)

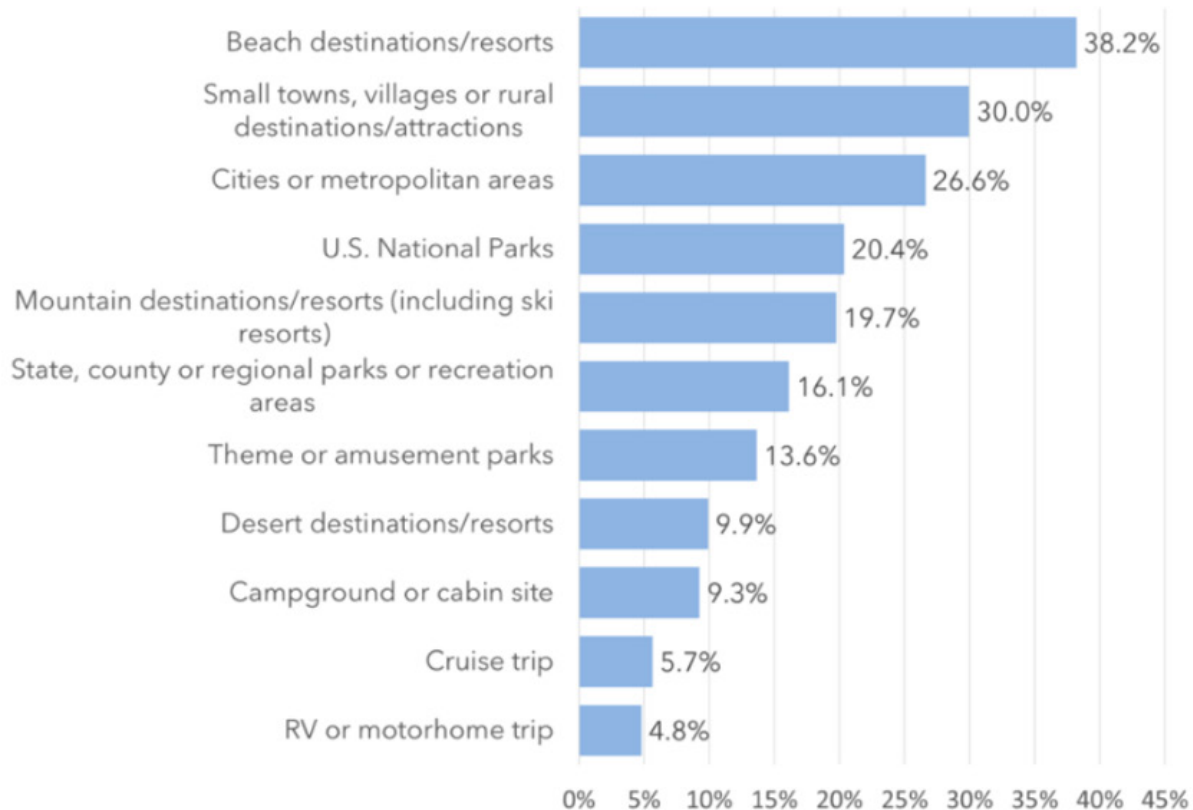


## National Trends

### Destination Analysts: Update on Coronavirus' Impact on American Travel—Week of April 13

- Americans are feeling somewhat better that the worst of COVID-19 in the U.S. may soon be over. The percent feeling the coronavirus situation in the United States will get better in the next month nearly doubled to 29.5% from 15.4%
- While nearly 70% continue to say they miss travel, few will jump right back in when the coronavirus situation has passed. Nine in 10 American travelers say they will approach travel carefully with at least some trepidation
- It will not be a simple return to pre-pandemic sentiments and behaviors. Nearly 40% of American travelers say they will change the types of destinations they choose to visit when they begin traveling again. This is up nearly 10 percentage points from just one week ago
- American travelers increasingly say they will be avoiding crowds—including conferences/conventions—destinations hardest hit by coronavirus, and destinations slow to put social distancing measures in place. Also, on a continual rise is the number agreeing they will take a staycation this summer, and the number of younger travelers who say they will take more road trips to avoid airline travel (49.4% from 43.4% one month ago)
- If you are looking to discounts and deals as a strategy to attract travelers, this is likeliest to be most effective with younger travelers. This week, 42.1% of Millennial and GenZ travelers say price cutting and discounting makes them more interested in traveling in the next three months
- When asked the place they will visit on their first post-pandemic trip, beach/resort destinations top the list, followed by small towns/rural areas, then cities

### Americans' First Trip Destination Post-Pandemic

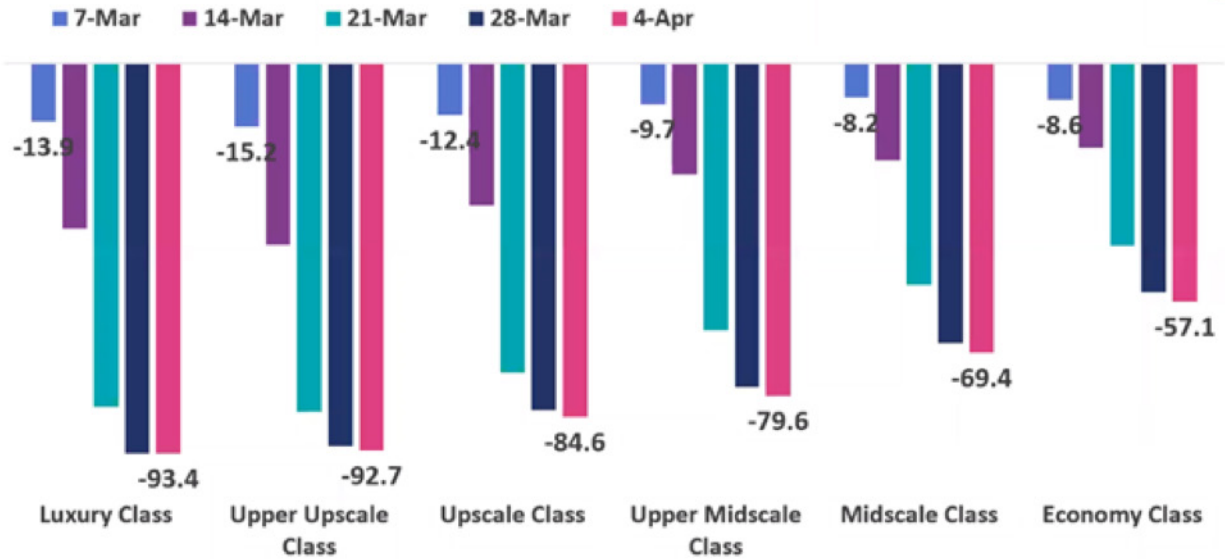


## STR Updates

RevPAR declines in the 80% range is the new norm for the foreseeable future (until July according to the forecast). Total U.S. RevPAR declined -81.6% during week ending April 4.

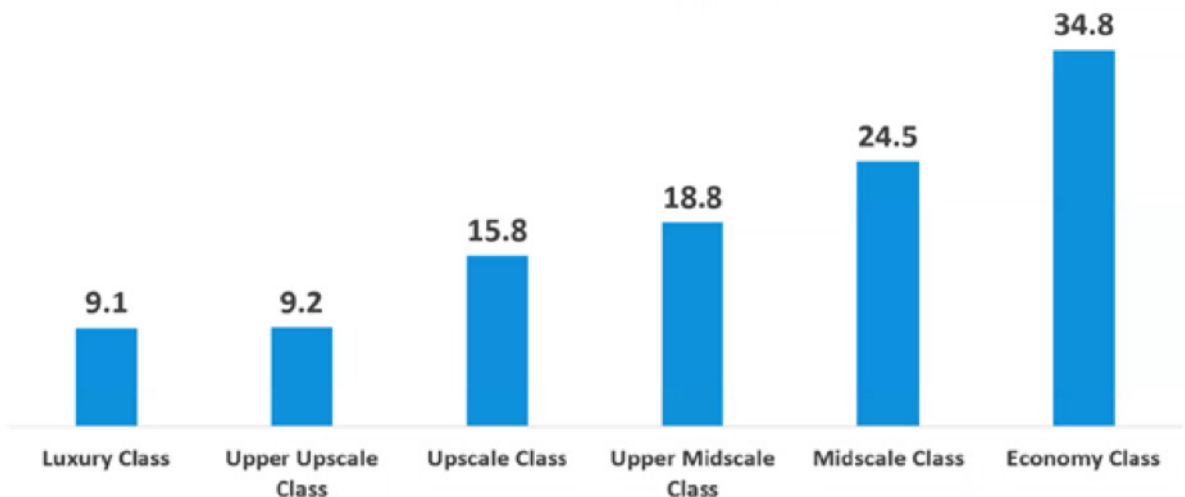
In the United States as of April 9, 12% of all the rooms are closed because of COVID-19.

Class performance (RevPAR) has rapidly deteriorated over last four weeks and now is plateauing at a very low level. For economy class we see over 57% decline in RvPAR.



Source: STR, 2020 © CoStar Realty Information, Inc.

For Occupancy, the economy class is still filling one in three rooms and midscale class is still filling one in four rooms which might be due to accommodating essential workers.



Source: STR, 2020 © CoStar Realty Information, Inc.

## Tourism Economics week-by-week outlook on travel spending in the U.S.

- National weekly travel spending dropped to just \$3.3 billion last week, down from \$19.8 billion during the first week of March
- All regions in the U.S. are experiencing travel spending declines between 82% to 86%
- The week ending April 4 suffered a \$18.6 billion loss in travel spending, an 85% drop from last year's levels

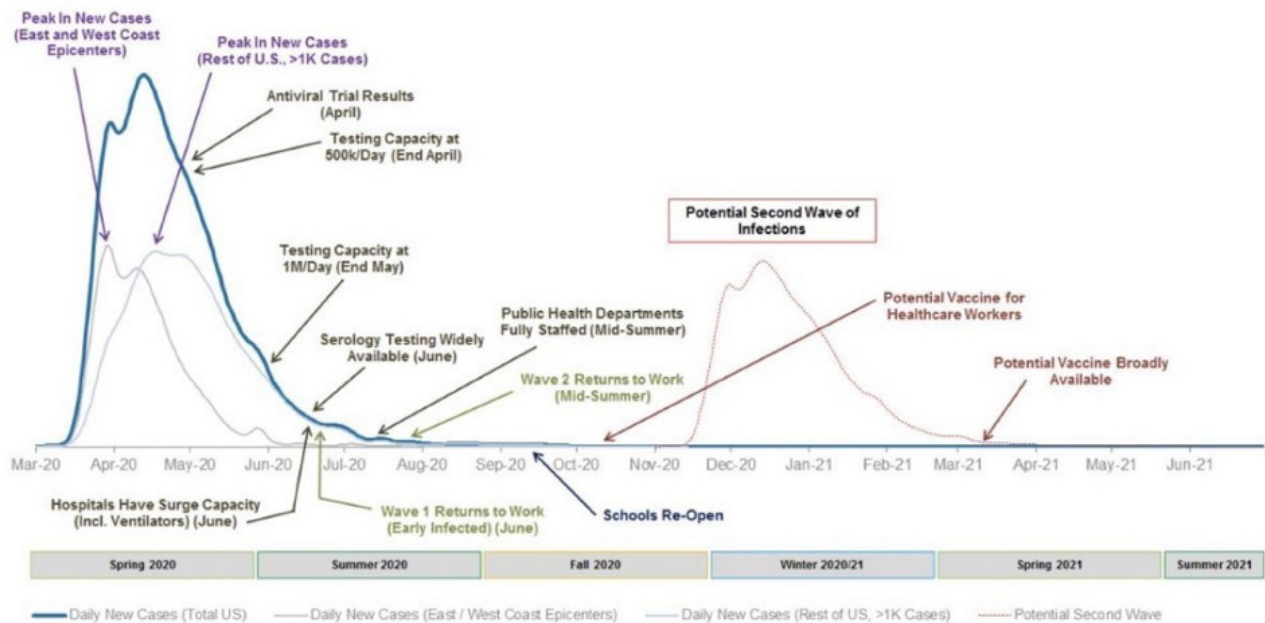
## Morgan Stanley's "COVID-19: A Prescription to Get the US Back to Work"

Over the weekend, Morgan Stanley biotech analyst Matthew Harrison released a report that analyzes the current status of the outbreak and shared his predictions. In an annotated graphic, Harrison offered a mix of optimism and caution about the current trajectory and indicates:

- New cases of COVID-19 should reach its peak in the coastal epicenters (NY, OR, WA, CA) while peaking in the rest of the country in about three weeks.
- Cases will decline sharply in May and testing capacity could hit one million per day by the end of May with widespread serology testing (indicating immunity).
- The country will go back to work in waves, with the first one happening in June while the next one happening by mid-summer.
- A vaccine could become available to health-care workers by the fall of this year and more broadly by the spring of 2021.
- There's a potential for a second wave of infections in December 2020 and January 2021.

Source stories: [NonPerele](#), [Politico](#) and [MarketWatch](#)

### Actual/Estimated New Case Count (United States, Non-Cumulative)



## **COVID-19 Research and Analytics Resources**

ADARA: [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](https://www.cbrehotels.com/-/media/cbre/countrycbrehotels/documents/viewpoint_updated-2020-outlook-expectations-for-the-year-ahead.pdf?la=en)

STR: USA/Canada: <https://str.com/data-insights-blog/coronavirus-hotel-industry-data-news>

<https://ttra.com/resources/covid-19-travel-and-tourism-research-resources/>

<https://www.ustravel.org/press/latest-data-coronavirus-cause-59-million-travel-related-job-losses-may>

<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/>

<https://www.arrivalist.com/daily-travel-index/>

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