

Impact of COVID-19 on Travel Industry

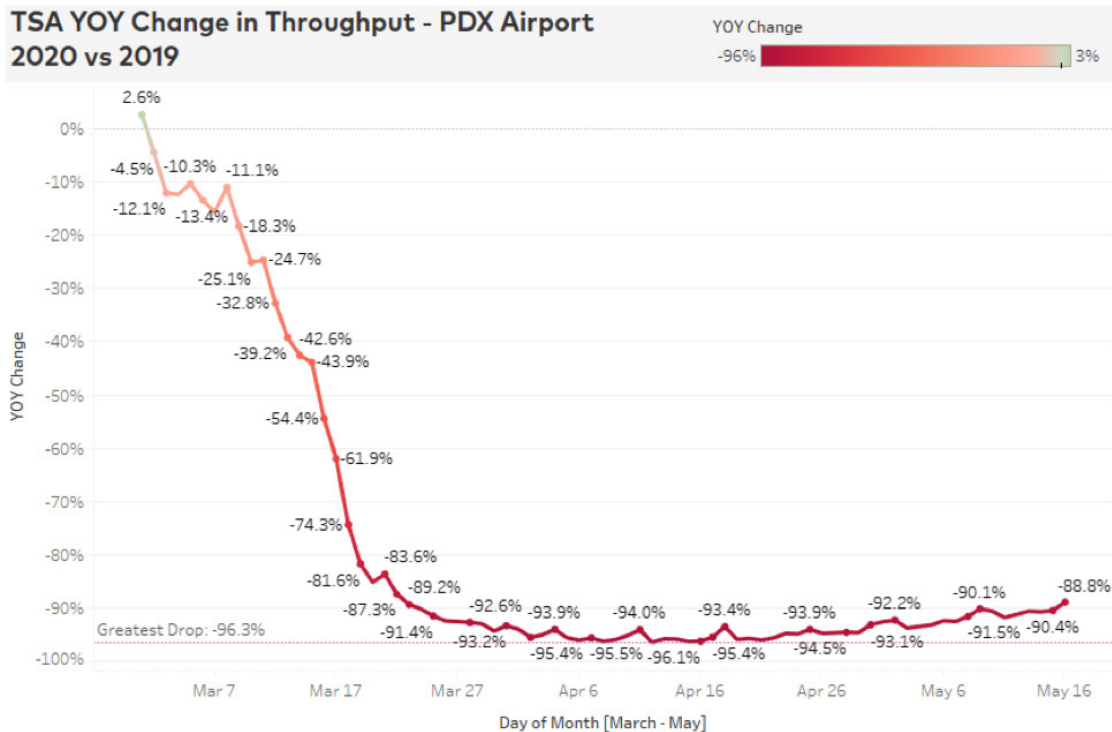
May 19, 2020

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.

PDX Airport Data

May 16th, the PDX passenger throughput was 18,402 passengers below (88.8%) the same day, last year. Month to date, May 2020, passenger throughput is 371,474 (91.6%) below last year.

We're starting to see trips return as the thru-put trends upwards.



TR Weekly Data (Week of May 3)

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.

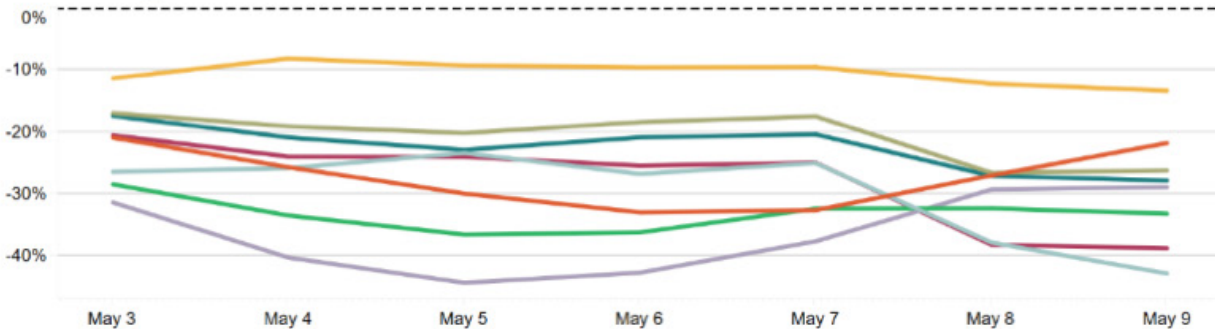
Weekly STR Report 2020 vs 2019

(May 3 to May 9)

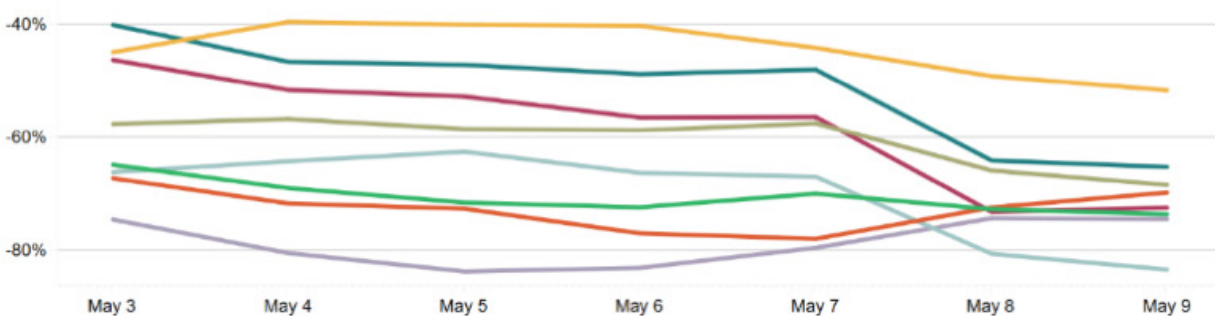
Region
All

	ADR			RevPAR			Occupancy		
Oregon	\$80.33	\$120.31	-33.2%	\$23.16	\$79.62	-70.9%	28.8%	65.9%	-56.0%
Central	\$85.02	\$117.14	-27.4%	\$22.10	\$82.67	-73.3%	26.0%	70.0%	-62.5%
Coast	\$78.00	\$112.23	-30.5%	\$19.19	\$69.51	-72.4%	24.6%	60.5%	-58.1%
Eastern	\$74.15	\$82.78	-10.4%	\$27.91	\$49.93	-44.1%	37.5%	60.2%	-37.8%
Hood/Gorge	\$82.22	\$103.81	-20.8%	\$27.27	\$69.47	-60.7%	33.1%	66.8%	-50.3%
Portland	\$86.95	\$137.63	-36.8%	\$20.37	\$98.35	-79.3%	23.4%	70.8%	-66.6%
Southern	\$72.49	\$93.68	-22.6%	\$27.49	\$58.67	-53.1%	37.9%	62.1%	-37.8%
Willamette Valley	\$76.83	\$107.72	-28.7%	\$26.99	\$69.63	-61.2%	35.1%	63.4%	-43.1%

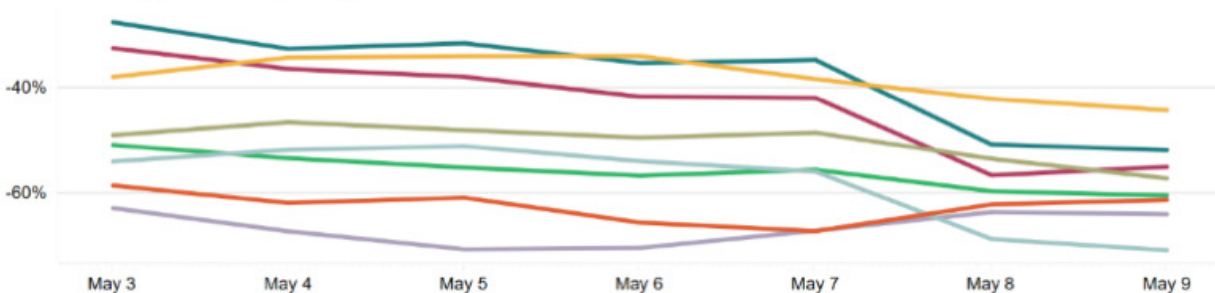
YOY Change in ADR



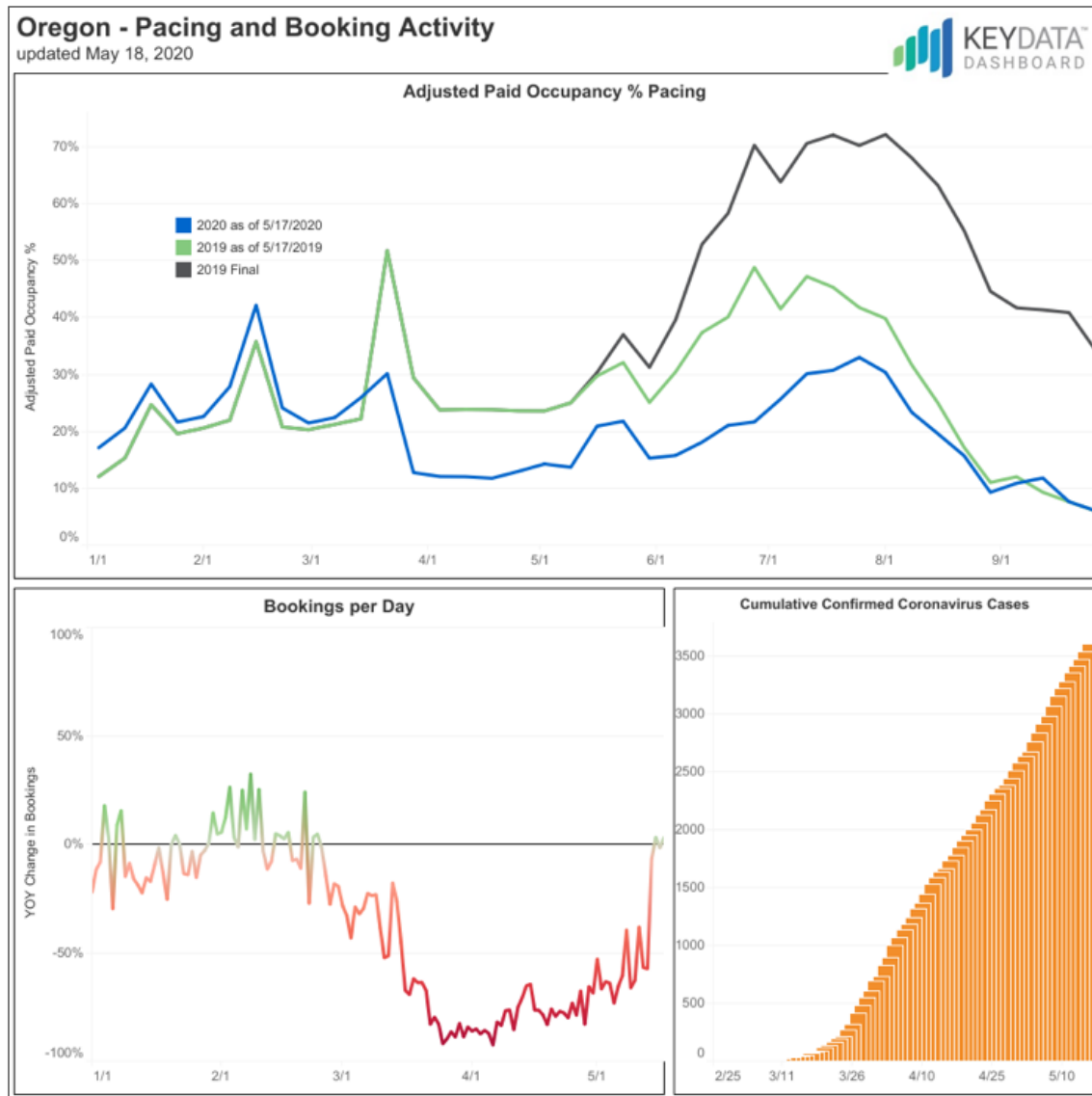
YOY Change in RevPAR



YOY Change in Occupancy



Oregon Vacation Rentals

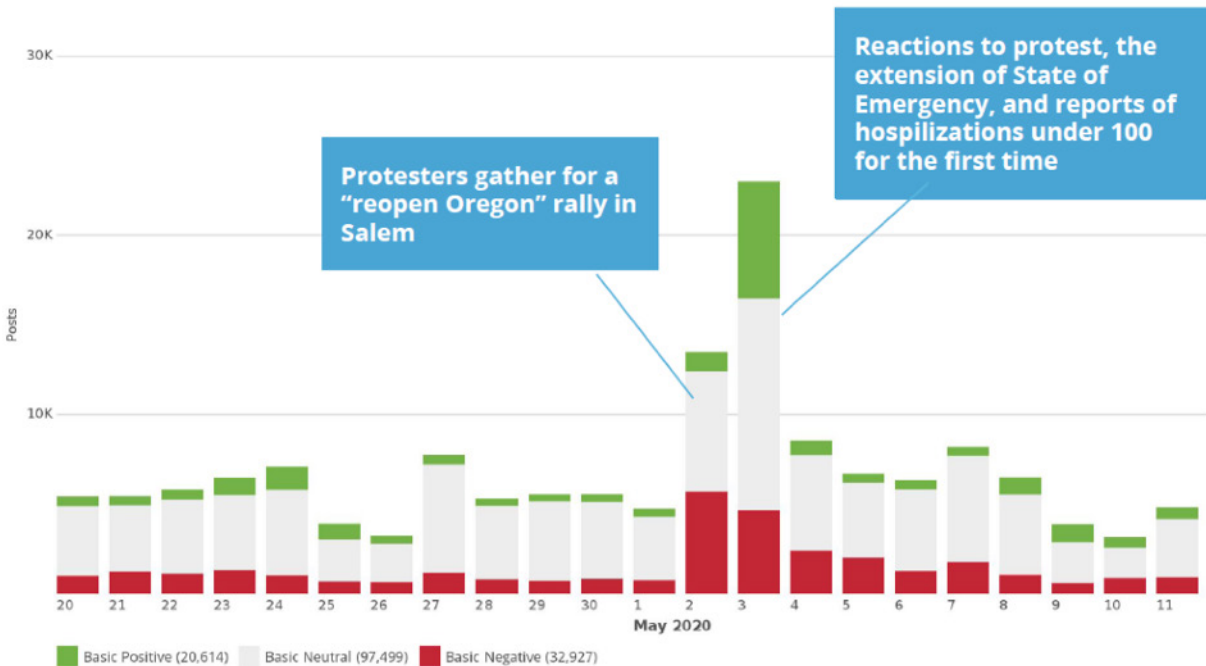


Social Sentiment

After nearly two months of dizzying twists and turns in story as COVID-19 raged in the U.S., it seems like we have reached a state of tug-of-war with our emotions and responses.

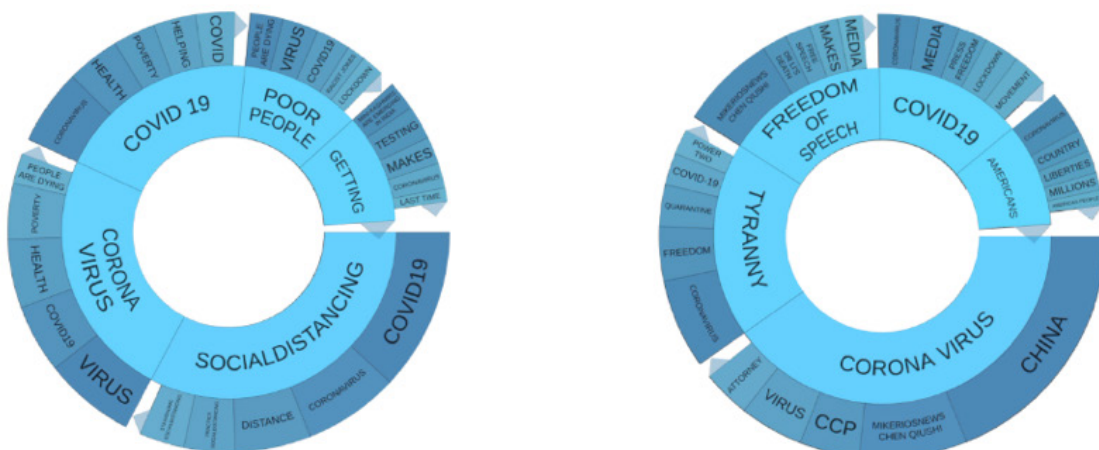
- With most states reopening (or reopening regionally), the fear of a second wave is real in the medical community is very real. In fact, Dr. Fauci, testified before Congress this week that "reopening too soon" could trigger a new outbreak and lead to "some suffering and death that could be avoided, but could even set you back on the road to trying to get economic recovery."
- On the economic front, both the International Monetary Fund (IMF) and Federal Bank are calling for more stimulus activity. Federal Reserve Chair Jerome Powell warned that [unemployment may reach depression level lows](#) and IMF chief Kristalina Georgieva predicts it may take until 2023 for the [global economy to return to its pre-coronavirus levels](#).
- Politicians however seem unable to compromise on what to do next. The House passed a \$3 trillion stimulus last week, but the Senate called it 'Dead-on-Arrival'. As COVID-19 response plays out in the context of looming fall elections, the conversations are turning political across the board.

- Overall conversations about COVID-19 globally and in Oregon are much lower than they were during its mid-March highs. In Oregon, the peak conversation points in the last month came during when "reopen" conversations were trending in the media and when protesters gathered at the state capitol (see April 27 and May 4 reports). Positive sentiments were expressed about Governor Brown's [Key to Oregon](#) research announcement, news about hospitalization and deaths prevented by 'Stay Home' and national coverage of Oregon's vote-by-mail in the context of national discussions. Anger about the shutdown, economic downturn, and anger towards those who want to open too soon drove negative sentiment.

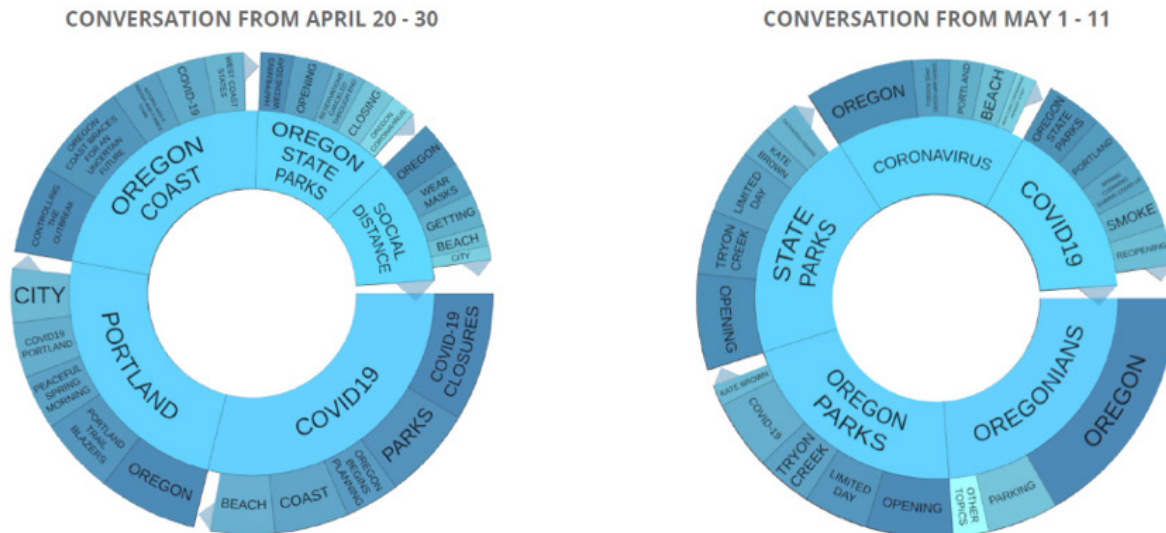


- The political nature of COVID-19's health response and economic downturn is clearly observed when reviewing the keywords associated those who are on either end of the political extreme. Health continues to be the biggest driver of conversation in more liberal circles, despite being tired of sitting at home. In the conservative circles, wealth and government overreach dominate the conversation with some sharing conspiracy theories or arguing that the government has taken away freedom of choice, ultimately calling for a more laissez-faire approach.

A view into the social echo chambers of the "left" and the "right":



- The reopening of public lands (led by Oregon State Parks on May 8) has captured most of the outdoor conversation in Oregon for the past few days. While some people are excited about getting to go outside again, many have also begun asking questions around the timeframe of additional places opening. Overall, the need for continued clear and concise information is critical, as people seek information about open parks and trailheads and look for safety information about visiting parks.
- A topical view into how the conversation about the outdoors shifted since limited openings were announced:



- With the announcement of [large events being banned](#) through September, there was a lot of sadness about the cancellation of events in Oregon with the Oregon State Fair, Ducks football (particularly Oregon v Ohio State) and Oregon Shakespeare Festival receiving the majority of attention.

Other Hot Topics in Media and Travel

- Reopening stories continue to dominate locally, nationally, and internationally.
 - In Oregon there's cautious optimism with many owners [hoping that their year could be saved](#) while others are [hesitant to open](#) due to reopening guidelines, financial insecurity or reduced customer experience. National data also indicates that customers are hesitant to return.
 - According to OpenTable data the "number of diners in every state where the company tracks data was still down by 82 percent or more" through May 11 compared to the same period the previous year. This includes Georgia (down 92 percent), Utah (down 91 percent), Nebraska (down 90 percent), South Carolina (down 89 percent), Tennessee (down 87 percent), Texas (down 83 percent), and Oklahoma (down 82 percent). [Oregon continues to be down 97% as of 5/17.](#)
 - Internationally, the focus has been on Italy, one of the hardest hit by COVID-19 with more than 31,000 dead, is [emerging from 10-weeks](#) of lockdown and will be welcoming travelers starting on June 3. Italy's opening will offer the tourism industry a template for how the industry can emerge from COVID-19 and [how travel will look slightly different](#) in this environment including bookable beach spots, social distancing and location tracking (for contract tracing purposes).
- We've [successfully #FlattenTheCurve](#) across the country an extended period of quarantine is required to "quash" the virus. Despite the overwhelming support for support stay-at-home measures, extended quarantine, warmer weather, and the economic crisis means we are all keen to get out and fully containing the virus maybe problematic.

Messaging Recommendations

- There are many questions about what reopening means and new guidelines. If your county/destination was not part of Phase 1 reopening in Oregon, inform your customers about the timeline to reopen and continue to focus on resiliency and supporting businesses.
- If your county/destination is in Phase 1, it is crucial to over-communicate exactly what measures will be in place to keep customers and employees safe to set expectations (such as the requirement of face masks or changes in capacity to accommodate social distancing). Create FAQs, social tiles, and other long form content with links to authoritative sources to spell out everything in detail.
- For businesses, keep your customers informed through updates on Google My Business.

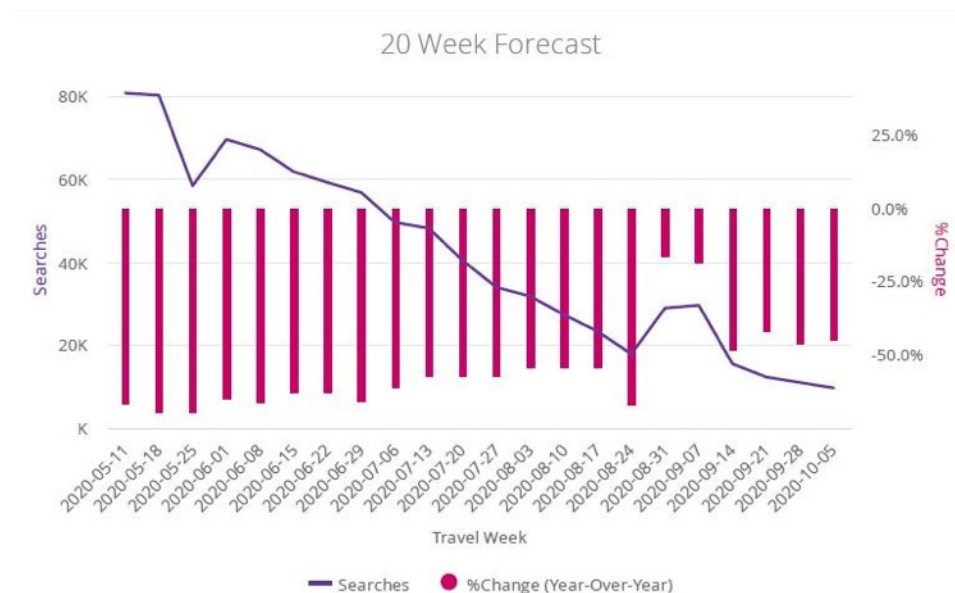
ADARA Tracking Search and Booking Behavior

ADARA has access to search and booking data for several airlines and hotels. They have provided a forward-looking analysis of searches or travel intent.

Weekly searches and bookings for Oregon (U.S domestic)



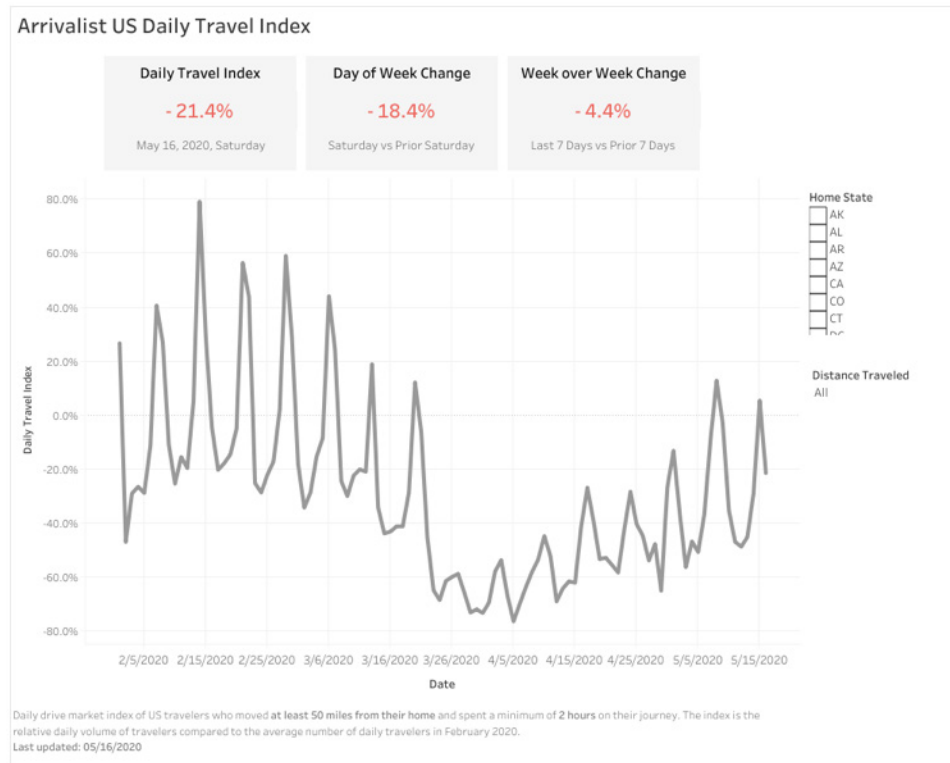
Travel intent for the upcoming weeks to Oregon (U.S domestic)



How well are we physical distancing?

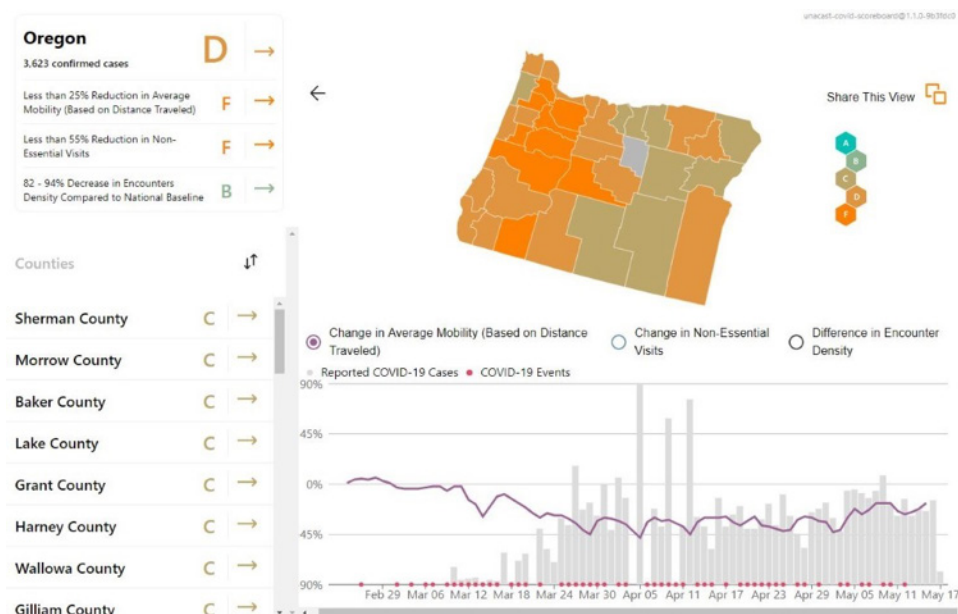
Arrivalist's Daily Travel Index measures consumer road trips of 50 miles or more in all 50 U.S. states. The data is drawn from a panel of GPS signals representing road trips taken by car.

In Oregon, trips of 50 miles or more were down 4.4% last week compared to prior week. May daily traffic compared to average daily traffic for month of February is also down by 21.4%.



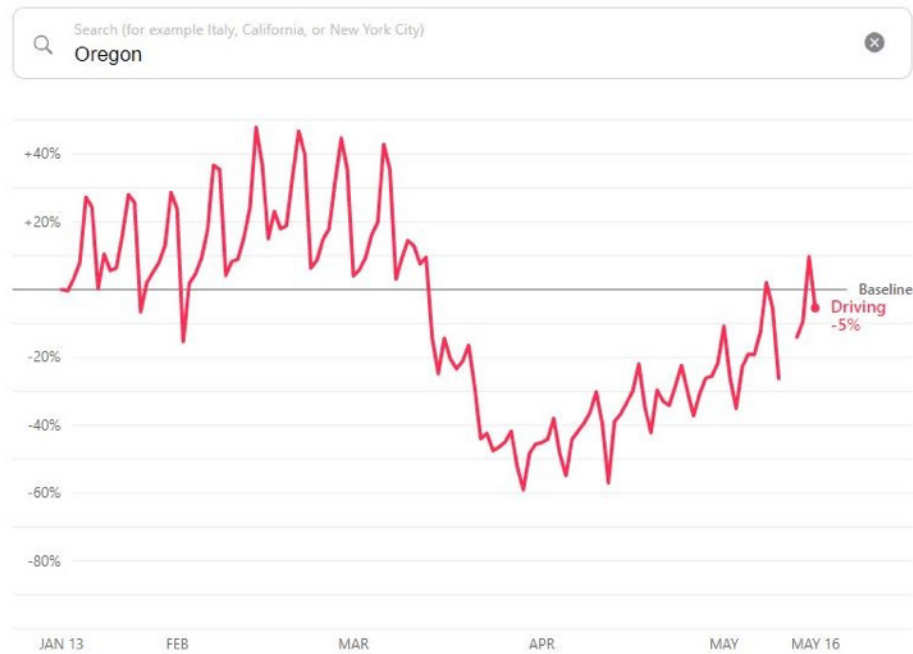
Unacast, a Norwegian company which collects and analyzes location data from various sources, released a study **ranking all 50 states and the District of Columbia on a Social Distancing Scoreboard**, updated daily, to empower organizations to measure and understand the efficacy of social distancing initiatives at the local level.

Oregon received a D (25-40% reduction in average mobility).



Apple Mobility Trends

Change in routing requests since January 13, 2020

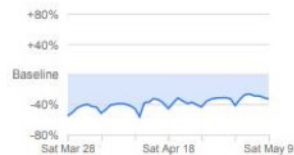


Google reports changes in mobility to help understand responses to social distancing guidance related to COVID-19 in Oregon.

Retail & recreation

-33%

compared to baseline

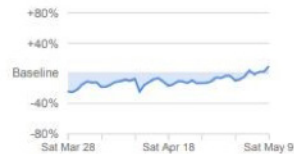


Mobility trends for places like restaurants, cafes, shopping centers, theme parks, museums, libraries, and movie theaters.

Grocery & pharmacy

+9%

compared to baseline

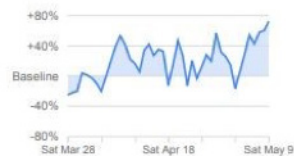


Mobility trends for places like grocery markets, food warehouses, farmers markets, specialty food shops, drug stores, and pharmacies.

Parks

+72%

compared to baseline



Mobility trends for places like national parks, public beaches, marinas, dog parks, plazas, and public gardens.

National Trends

Destination Analysts: Update on Coronavirus' Impact on American Travel—Week of May 18th

Key Findings to Know:

- American travelers are demonstrating increased comfort with (or in spite of) their concerns surrounding COVID-19.
- Feelings about the virus and travel are not uniform—geographically, demographically or psychographically.
- American travelers are opening back up to attending conferences and conventions.
- Travel planning is happening.
- Marketing could be effective in swaying travelers to choose a specific destination.
- Travelers need destination-level information on safety.
- Rural residents are the least comfortable with tourists presently, setting up potential tensions with travelers desiring the types of assets found in these places.
- Travel remains recognized for its positive emotional benefits for families.

Preparations Already Completed for Next Leisure Trip

(% of travelers selecting any of the following)



Tourism Economics

New analysis by Tourism Economics shows a week-by-week outlook on travel spending in the U.S.

Findings from the May 14 report:

- National weekly travel spending rose modestly to **\$2.9 billion** last week (returning to levels experienced the week ending April 11) as the benefits of easing lockdown measures began to take hold
- In the week ending May 9, the travel economy witnessed its second-consecutive week of expansion since the start of the pandemic but still registered **87% below last year's levels** (a \$19 billion loss)

- Since the beginning of March, the COVID-19 pandemic has resulted in over **\$157 billion** in cumulative losses for the U.S. travel economy
- Four states witnessed losses of **over 90%**, and Hawaii and Washington, D.C. endured yet another week of declines exceeding **95%**
- Notably, the number of states enduring weekly losses of **less than 80%** increased again last week from six to nine states
- Kentucky, Nebraska, Montana, and Alabama saw their percentage decline improve by **more than 5%**
- Declines in travel spending have caused a **loss of \$20.3 billion** in federal, state and local tax revenue since March 1

MMGY's [recent survey](#) tracks traveler sentiment and looks at impact on travel with regard to planning, booking and cancellations, as well as intention to travel over the next six months.

Key findings from May 14:

- Approximately one-third of travelers remain committed to postponing, rather than canceling, scheduled travel for the months ahead
 - Activities with the longest booking windows, such as vacation rental homes and cruises, are still the most likely to remain unchanged
- Most respondents do not feel safe today in any public venue:
 - **34%** feel safe today in parks
 - **31%** feel safe today at grocery stores/supermarkets
 - **14%** feel safe today at outdoor concerts/festivals
- Most travelers (**68%**) still feel safe today in their personal vehicles
- One in five travelers are willing to drive 500 or more miles one-way for a leisure trip during the next six months

Back-to-Normal Barometer

What will it take to get Americans to travel? [Engagious](#) looked into that million-dollar question. [View public opinion insights from the May 6 Back-to-Normal Barometer](#) of consumer sentiment around leisure activities:

- When it comes to feeling comfortable resuming travel activities without hesitation, the following developments or assurances alone will have the strongest impact:
 - Approval of a COVID-19 vaccine: **46%** say it alone would be a sufficient to stay at a hotel again without hesitation
 - Approval of a pharmaceutical protocol to mitigate the effects of COVID-19 (**21%**)
 - Assurance from a reputed national (**24%**) or local (**19%**) medical authority that it is safe to do so
- **Assuming they had the necessary assurances that it was safe to do so, most respondents would stay at least one night at a hotel or other paid lodging (64%) or visit a theme park (59%) within three months:**
 - 17% (hotel) and 12% (theme park) would do so immediately
 - 17% (hotel) and 15% (theme park) within one month
 - 18% (hotel) and 13% (theme park) within two months
 - 12% (hotel) and 19% (theme park) within three months (for a cumulative 64% or 59% within three months)
- 63% of travelers agree that they would be more likely to visit a public place or fly on an aircraft that displays a certificate issued by a local government authority indicating that it has adhered to established protocols for sanitization

Research and Analytics Resources

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

<https://str.com/event/covid-19-webinar-us-canada-hotel-weekly-performance-analysis>

<https://www.mmgyglobal.com/covid-19/>

<https://www.ustravel.org/toolkit/covid-19-travel-industry-research>

<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
