Assessing the Recovery Timeline:

A sampling of economic analysis and traveler sentiment survey results around the industry
While the economy is in the midst of a **RECESSION**, the travel industry is in a **DEPRESSION**.

**IMPACT ON ECONOMY AND EMPLOYMENT**

1. In the year following September 11:
   - Travel spending declined **$57 BILLION**, representing **$133 BILLION** in economic loss.

   This year, due to the coronavirus pandemic:
   - Travel spending is expected to decline **$519 BILLION**, representing **$1.2 TRILLION** in economic loss—**9X** that of September 11

   In 1933, during the worst year of the Great Depression:
   - Unemployment was **25%**.

   This year, due to the coronavirus pandemic:
   - Overall travel industry unemployment is **51%—2X** the worst year of the Great Depression

SOURCE: Tourism Economics
Flattening the Curve of the Travel Downturn This Year

- Opening of travel businesses on a region-by-region basis
- Enhanced traveler safety measures
- Robust array of marketing campaigns to encourage travel among low-risk U.S. residents

+$147 BILLION in GDP Impact
+1.3 MILLION Jobs

SOURCE: Oxford Economics
Changes in Traveler Perception: Current State of Play

Americans largely associate fear and uncertainty with travel right now

Q: What ONE WORD best describes how you feel about travel right now?

SOURCE: Destination Analysts, April 27
### Changes in Traveler Perception: Safety and Travel

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I support opening up my community to visitors</td>
<td>18%</td>
<td>27%</td>
<td>24%</td>
<td>21%</td>
<td>10%</td>
</tr>
<tr>
<td>I feel safe traveling outside my community</td>
<td>15%</td>
<td>25%</td>
<td>25%</td>
<td>24%</td>
<td>11%</td>
</tr>
<tr>
<td>I would feel safe dining in local restaurants and shopping in retail stores in my community</td>
<td>19%</td>
<td>30%</td>
<td>19%</td>
<td>21%</td>
<td>10%</td>
</tr>
</tbody>
</table>
The Perceived Safety of Large Events Remains Low but Continues to Improve

Q: At this moment, how safe would you feel doing each type of travel activity?

[source: Destination Analysts, Week of May 15]
Uncertainty is affecting travel planning

73% of travelers will change their travel plans in the next six months

49% will reduce their travel plans

45% will cancel their trip completely

27% will change their destination so they can drive instead of fly

10% will change their trip from international to domestic

SOURCE: Longwoods International supported by Miles Partnership, May 26
With COVID-19 as a major factor contributing to their decision

53% (down from 60% the previous week)

indicated that coronavirus would greatly impact their decision to travel in the next six months

20% cite concerns over the economy

SOURCE: Longwoods International supported by Miles Partnership, May 26
However, Travel Aspirations are High

Nearly 70% of American travelers have at least tentative trips planned for 2020

1 in 5 are now already traveling or ready to travel with no hesitations

SOURCE: Destination Analysts, June 1
The Likelihood of Engaging in Most Travel Activities Varies by Event

Q: Are you currently willing to engage in the following activities, without hesitation?

![Bar chart showing the likelihood of engaging in various travel activities over time.](chart)

SOURCE: Engagious May 20, 2020 Back-to-Normal Barometer
Ready or Not: Traveler Sentiment Varies

Q: Which of the following conditions is closest to your point of view on staying at a hotel or resort?

Need a medical breakthrough: I would not be comfortable resuming activities unless there was an approved COVID-19 vaccine and/or a proven medical protocol to mitigate and remedy the effects of the virus.

Assurance Seekers: I would be willing to resume this activity, as long as a combination of local or national medical authorities local or national government officials, and/or the location I am visiting provided assurances it is safe to do so.

SOURCE: Engagious May 20, 2020 Back-to-Normal Barometer
Nearly 80% of Americans still feel hesitant to travel and say that they need more time to feel comfortable traveling again.

Travelers Will Remain Cautious at First

SOURCE: Destination Analysts, Week of June 1
A Majority are not Expected to Resume Normal Travel Habits Right Away

Road travel over the seven days ending Monday, May 25 was 24% higher than the previous seven days and only 21% lower than it was in Feb. 2020.

In comparison, road travel was 73% lower than in Feb. 2020 during the first week of April.

Over 44% of Americans plan to take a road trip in the next 3 months, while just over 14% plan to travel by air during the same time period.

SOURCE: Arrivalist, May 25 Destination Analysts, Week of May 29
Travelers are Looking for Guidance to Resume Normal Behavior

With assurances, **67%** return in 3 months
(up from 57% the previous wave)

**Q:** Assuming you had the necessary assurances that it was safe to resume normal activities, how quickly would you next take a trip that included 1+ nights in a hotel or other paid lodging?

SOURCE: Engagious May 20, 2020 Back-to-Normal Barometer
Some Assurances Really Matter A Lot

Q: Which of these singular occurrences would make you comfortable to stay at a hotel or resort or visit a theme park without hesitation?

- Approval of a COVID-19 vaccine: 37% Theme Park, 25% Hotel or Resort
- Approval of a pharmaceutical protocol to mitigate the effects of COVID-19: 23% Theme Park, 16% Hotel or Resort
- Assurance from a reputed national medical authority: 39% Theme Park, 14% Hotel or Resort
- Assurance from the U.S. Government: 23% Theme Park, 25% Hotel or Resort
- Assurance that customer-facing employees are required to be tested for COVID-19: 16% Theme Park, 13% Hotel or Resort
- Assurance from the theme park or property: 10% Theme Park, 9% Hotel or Resort
- Assurance from a friend or family member who has just completed this activity: 7% Theme Park, 11% Hotel or Resort

SOURCE: Engagious Mid April 2020 Back-to-Normal Barometer
More Than One Assurance is Vital

Q: Which of these singular occurrences (alone or in conjunction with something else) would make you comfortable to stay at a hotel or resort or visit a theme park without hesitation?

- Approval of a COVID-19 vaccine: 48% (Theme Park), 45% (Hotel or Resort)
- Approval of a pharmaceutical protocol to mitigate the effects of COVID-19: 50% (Theme Park), 39% (Hotel or Resort)
- Assurance from a reputed national medical authority: 54% (Theme Park), 48% (Hotel or Resort)
- Assurance from the U.S. Government: 50% (Theme Park), 50% (Hotel or Resort)
- Assurance that customer-facing employees are required to be tested for COVID-19: 58% (Theme Park), 51% (Hotel or Resort)
- Assurance from the theme park or property: 48% (Theme Park), 45% (Hotel or Resort)
- Assurance from a friend or family member who has just completed this activity: 38% (Theme Park), 38% (Hotel or Resort)

SOURCE: Expedia Group Mid April 2020 Back-to-Normal Barometer
And Travelers have New Expectations for Safety Protocols

Q: When thinking about visiting commercial public locations like theme parks, sports venues and malls, what operational practices will you want to see used?
Continued: **Travelers have New Expectations for Safety Protocols**

**Q:** When staying in a hotel in the future, which operational practices do you think should be used?

- Guests provided with hand sanitizer, face masks, disinfectant wipes, etc. (55.9%)
- Cleaning/sanitizing procedures well-explained (54%)
- Required employee health screening (53%)
- Cleaning activity visible in public areas during your hotel stay (51.4%)
- Social distancing guidelines enforced (47.2%)
- Breakfast buffets replaced by room service or grab-n-go options (46.9%)
- Require employees wear masks and gloves (45.8%)
- Contactless check-in (40.1%)
- Sneeze guard barriers at front desk, gift shop, etc. (36.3%)
- Smartphone-based mobile room keys (34.7%)
- Floor markings for social distancing (30.3%)
- Automated restaurants (14.8%)

*Source: Destination Analysts, Week of April 27*
All Ages are Looking for Certified Cleaning Protocols

Q: Moving forward, which of these would you want to see as a common business practice?

Certified cleaning protocols:
- Millennial or Younger: 60.7%
- Gen X: 59.8%
- Baby Boomer: 66.7%

Published cleaning protocols:
- Millennial or Younger: 47.7%
- Gen X: 62.7%
- Baby Boomer: 65.5%

SOURCE: Destination Analysts, Week of April 27
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SOURCE: Destination Analysts, Week of April 27
Business Travelers are More Likely to Value Government-Issued Certification Than Leisure Travelers

I’d be much 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 sanitation.
Medical Screenings and Access to Testing can Provide Security some Travelers are Looking For

The visible presence of medical screenings, like taking one's temperature or being swabbed or tested prior to allowing one to access the venue.

Knowledge that employees have frequent access to COVID-19 testing, should they not feel well.

Knowledge that all employees are regularly tested for COVID-19.

Percentage who said it would have an extremely positive impact:

- **Business**: 55% (52% in Leisure)
- **Leisure**: 42% (44% in Business)

SOURCE: Engagious Late April 2020 Back-to-Normal Barometer
Business Travelers are only Slightly More Willing to Participate in Enhanced Screening Measures than Leisure Travelers

Q: Which one of the following best describes how you might react to a requirement for you and all others visiting hotels or casinos be subject to a medical screening including taking one’s temperature and being swabbed/tested for COVID-19?

**BUSINESS TRAVELERS**
- 16% I would participate but with reservations
- 18% I would need to think further about it
- 40% Gladly participate each time I attended
- 9% I would not attend
- 16% I would likely seek other options

**LEISURE TRAVELERS**
- 14% I would participate but with reservations
- 18% I would need to think further about it
- 35% Gladly participate each time I attended
- 17% I would not attend
- 16% I would likely seek other options

SOURCE: Engagious, Late April 2020 Back-to-Normal Barometer
Boomers are More in Favor of Enhanced Screenings

Q: Moving forward, which of these would you want to see as common business practices?

- Passenger health screenings (on cruises)
  - Millennials or Younger: 41.8%
  - Generation X: 59.7%
  - Baby Boomers: 70.2%
- Passenger health screenings (at airports)
  - Millennials or Younger: 47.1%
  - Generation X: 60.3%
  - Baby Boomers: 69.3%
- Health screenings for employees dealing with public
  - Millennials or Younger: 52.1%
  - Generation X: 57.0%
  - Baby Boomers: 68.6%

SOURCE: Destination Analysts, Week of April 27
Oxford Economics in coordination with its Tourism Economics subsidiary company
A model of the expected downturns in the U.S. travel industry in 2020 as a result of Coronavirus, as well as a model of the economic impacts of these travel industry losses in terms of GDP, unemployment, and taxes.

Longwoods international supported by Miles Partnership
A weekly survey using a national sample randomly drawn from a consumer panel of 1,000 adults, ages 18 and over.

MMGY Travel Intelligence
An online survey designed and analyzed by MMGY Travel Intelligence conducted bi-weekly among 1,200 U.S. residents who have taken an overnight trip for either business or leisure in the past 12 months. The maximum error at the 95% level of confidence for a sample of 1,200 +/- 2.83%.

Destination Analysts
A weekly survey of a random sample of American travelers which, among other topics related to their travel, inquired about the impact of the coronavirus on their current and future travel plans. Data collected March 13-15 had a base of 1,201; March 20-22 had a base of 1,200; March 27-29 had a base of 1,201; April 3-5 had a base of 1,216 and April 10-12 had a base of 1,263.

Engagious
A quantitative online survey of 513 adult Americans who participate in sports or leisure activity with aggregate “Confidence Barometer,” drawn from component measures of perceived comfort, challenges and connection.