U.S. TRAVEL ASSOCIATION®

PUBLIC AFFAIRS UPDATE

This week

The broader U.S. airline industry is calling on the federal government to pilot a COVID-19 testing program for international flights, a step U.S. Travel applauds. We have long maintained testing is the key to both safer travel and reopening the economy.

Let's Go There Campaign

After several months of closely following key indicators including travel trends and consumer sentiment, the Let's Go There campaign officially launches on Tuesday, September 8, when the collective travel industry will encourage Americans to do what is safe and productive: make plans to travel.

Add your voice by using available toolkit resources.

Grassroots Activation

With Congress expected to return after Labor Day, please be prepared to activate as the administration, U.S. House and U.S. Senate resume negotiations on the next coronavirus recovery package. We will be calling on you to continue to make our voice heard through action alerts and social media as we continue to aggressively fight for relief, protection and stimulus for our industry. We appreciate your ongoing engagement to support our advocacy efforts—it makes a huge difference.

ECONOMIC IMPACT: A WEEKLY ANALYSIS

Analysis by Tourism Economics shows a week-by-week outlook on travel spending in the U.S. The analysis also looks at regional and state-by-state breakdowns.

- **Travel spending continued its anemic performance last week and grew by less than 1%**
  - In the week ending August 29, travel spending tallied $13 billion, reflecting a 43% drop below last year's levels (a $10 billion loss)
  - As of the 29th, August recorded $42.1 billion in travel spending losses. August is on pace to close the month with $45 billion in travel spending losses
  - While there was minor improvement on the national level, 31 states saw contractions, with most of the severe downturns being in the South. However, the most recent hurricanes saw an upswing in travel industry spending in some of the most affected states (Louisiana, Texas, and Florida), due to a strong improvement in hotel performance
  - Since the beginning of March, the COVID-19 pandemic has resulted in over $360 billion in cumulative losses for the U.S. travel economy
  - The continual depressed level of travel spending has caused a loss of $46.2 billion in federal, state, and local tax revenue since March 1

FULL REPORT

U.S. TRAVEL WEBINARS

Let's Go There: Ways to Amplify the Industrywide Movement

The Let's Go There Coalition hosted a webinar to walk through the recently released industry toolkit with materials to participate and amplify the Let's Go There campaign beginning

September 8. Several brands and organizations provided sneak peeks into their plans for engaging with the messaging and utilizing the many resources available. All slides are available here.

Featured speakers:

- Caroline Beteta, president and CEO, Visit California
- Brian King, global officer, digital, distribution, revenue strategy & global sales, Marriott International
- Casandra Matej, president and CEO, Visit San Antonio

FULL RECORDING

A note on the Assessing Recovery webinar series: The next webinar will take place the week of September 10. Access all previous recordings on our Assessing Recovery series webpage.

TRACKING TRAVELER TRENDS

Air travel declined for the second straight week as summer travel continued to slow down, but year-over-year (y/y) rates remained the same (-70%). Road travel, for which we now have y/y data, has improved dramatically since April and May and is nearing 2019 levels (just -13% y/y). Bookings for future air and hotel travel have continued to improve but remain deep in negative territory with strong regional differences.

UPDATE | Road Travel: Daily Travel Index (Year-Over-Year Comparison Now Included)

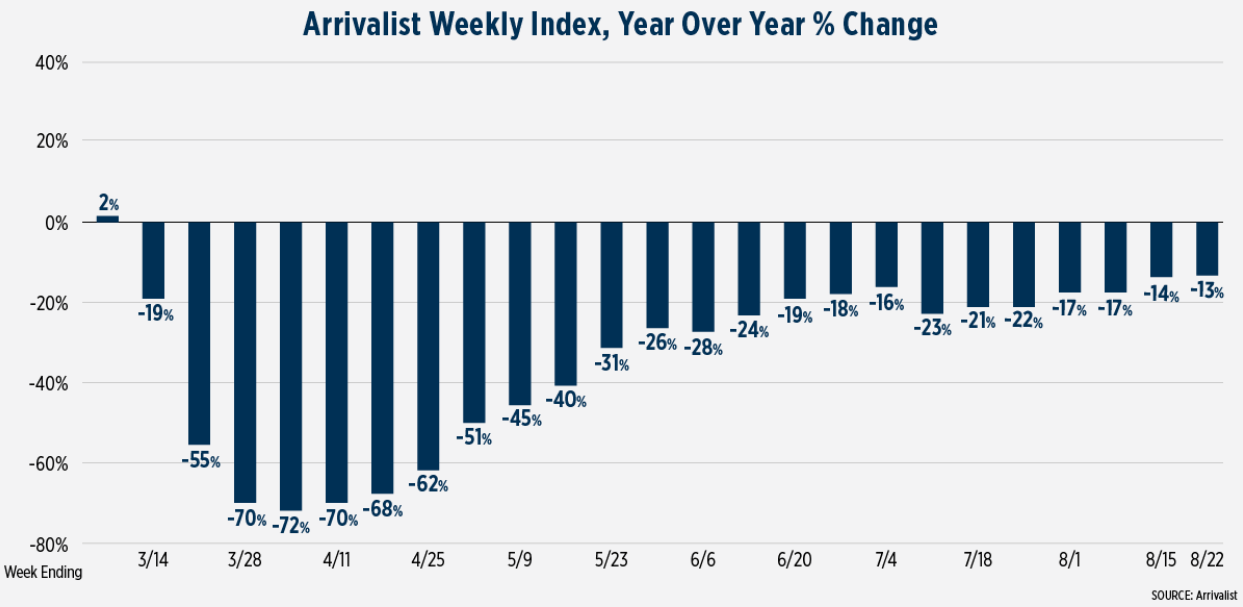
NEW! Arrivalist's Daily Travel Index, which measures consumer road trips of 50 miles or more in all 50 U.S. states, now provides year-over-year comparisons going back toJanuary.

- **After falling to a low of -72% y/y in early April, road travel has improved considerably over the past five months**
    - Road travel has fared significantly better than air travel and has experienced year over year declines of less than 20% throughout most of the summer compared to 2019

- Nevertheless, it has consistently remained in negative y/y territory
- Although road travel declined in the weeks that followed the July 4 holiday asCOVID cases peaked in the South and West, it recovered in August
- In the week ending August 22, road travel was just 13% lower than in the comparable week in 2019
- Note: Data is also available on the site for the week ending August 29 but it is influenced by the earlier timing of Labor Day last year and thus shows a significantly larger decline

- **Based on the latest data, 42.5 million Americans will travel over the upcoming Labor Day weekend**

You can also view Arrivalist's Daily Travel Index here.



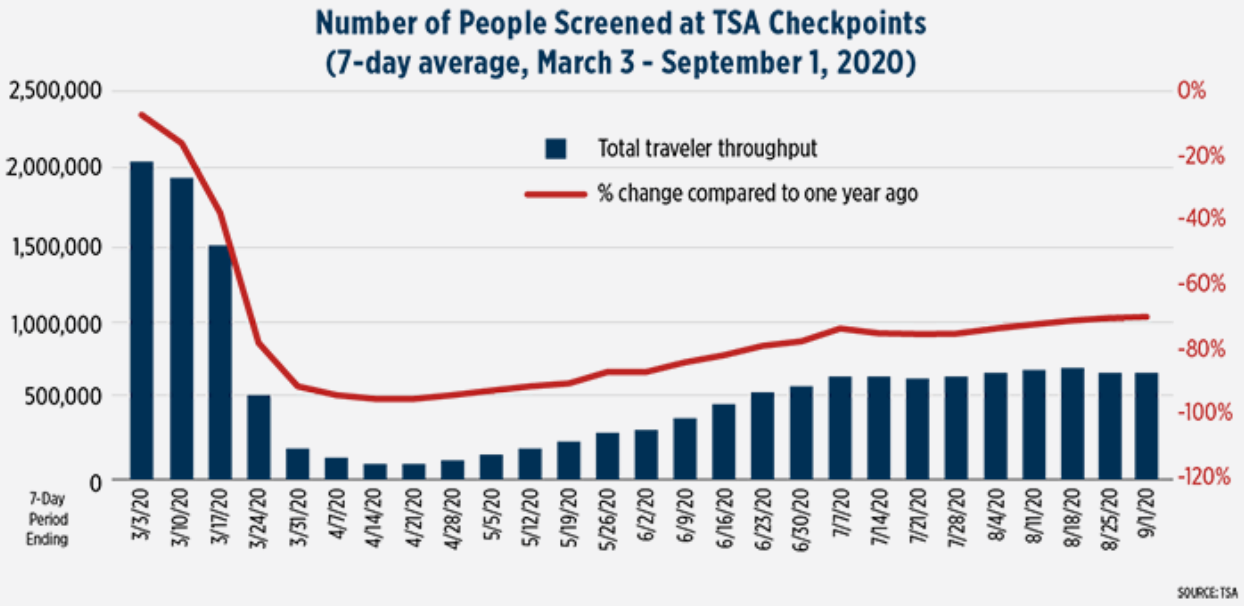
DAILY TRAVEL INDEX

Source: Arrivalist

Passenger Screenings at TSA

The Transportation Security Administration (TSA) updates passenger screenings on a daily basis, providing a comparison to the same time last year.

- The latest seven-day average of screenings (through Tuesday, September 1) was 661,000, 4.4% lower than in the previous week
- Screenings over the last seven days were 70% lower than in the same period last year, the same as in the previous week



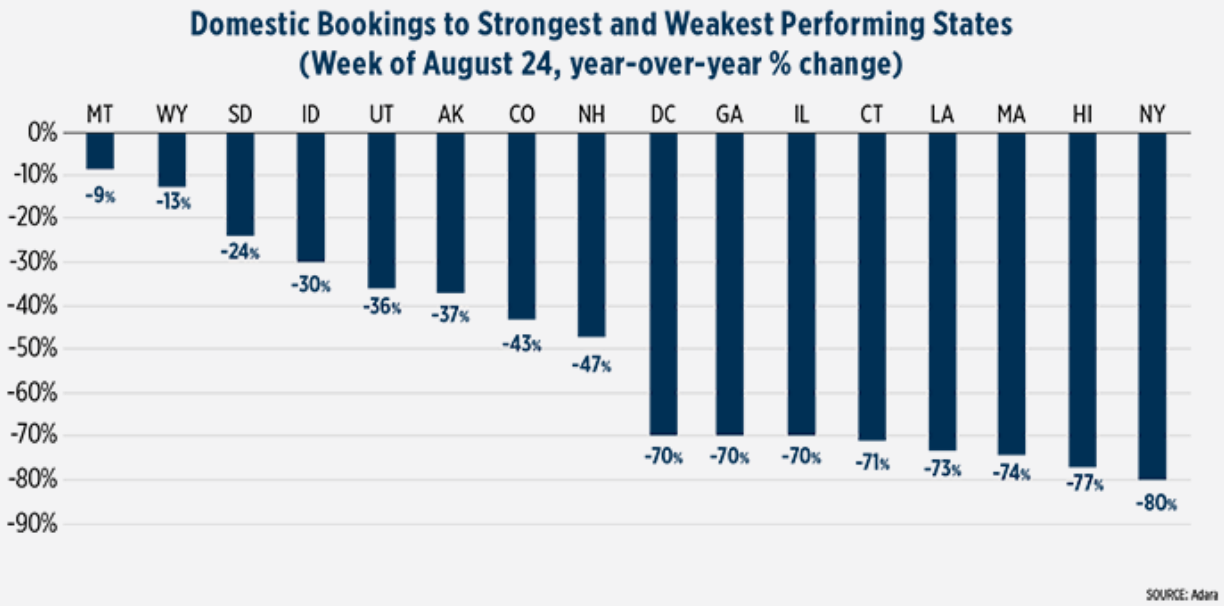
Source: TSA

Hotel and Air: Traveler Trends Tracker

ADARA's Traveler Trends Tracker taps into real-time travel data on travel-related consumer behavior including hotel volume and flight bookings for both business and leisure travel. Updated daily.

- **Domestic air and hotel bookings for future travel have been slowly but steadily improving throughout the summer—from a low of -73% y/y in early July to -64% y/y at the end of August—but remain deep in negative territory**

- Domestic bookings to Montana (-9%), Wyoming (-13%) and South Dakota (-24%) experienced the lowest y/y declines, but all performed worse than the previous week (MT: -7%, WY: +1% and SD: -14%)
- Domestic bookings to New York (-80%), Hawaii (-77%) and Massachusetts (-74%) again saw the highest declines, but improved slightly compared to the previous week
- International bookings for future travel to the U.S. improved slightly, from a low of -79% earlier in the summer to -72% y/y at the end of August



TRAVELER TRENDS TRACKER

Source: ADARA

Visitation Trends: U.S. National Parks

Note: the Visitation Tracker is paused this week as it undergoes a refresh with new data available the week of September 7. We appreciate your understanding.

NATIONAL PARKS DASHBOARD

Source: Rove Marketing and Uber Media

TRAVELER AND CONSUMER SENTIMENT SURVEY RESULTS

Coronavirus Travel Sentiment Index Report

August 31, 2020

- American travelers recorded another measured gain in optimism about the pandemic's course
    - The proportion of American travelers with high degrees of concern for their safety against the virus has dropped back to June levels after being heightened over the last two months while cases surged
    - While 40% of respondents continue to think the pandemic will get worse, this is down markedly from 54% one month ago
- **Americans have also recently demonstrated increased travel readiness**
    - **The perception of travel activities as unsafe is the lowest it has been since June 15**
    - **Excitement to take a potential getaway in the next month and openness to travel inspiration levels increased for the second week in a row**
    - **Fall travel expectations improved from 30% the previous week to 36%**
- Nevertheless, trips for the upcoming Labor Day and Thanksgiving holidays currently look to be at about half of 2019 levels
    - 46% of respondents report that they are "not very" or "not at all" confident that they can travel safely in the current environment. In comparison, only 30% feel confident or very confident to do so

- Over a third of respondents agree that if they took a trip this year, the emotions most negatively impacted by the pandemic would strengthen

Source: Destination Analysts

National Tracking Poll: COVID-19 and Travel Sentiment

September 1, 2020

- **Travel confidence is rebounding as we head into Labor Day weekend**
    - **The percentage of those confident in traveling outside their communities jumped to 49%, up from 39% two weeks ago, and the highest level in months**
    - The percentage of those confident in dining in local restaurants and shopping in local stores rose to 48%, up from 45% two weeks ago and from a low of 31% in mid-May
    - The percentage of those supporting opening their communities to visitors rose to 44%, up from 35% two weeks ago and from a low of 31% in mid-May

Source: Longwoods International supported by Miles Partnership

The Harris Poll CV-19 Tracker

August 30, 2020

- **Three-quarters (74%) of Americans currently working remotely would consider taking a 'workcation'**
    - The most popular spots are California (19%) and Florida or New York (15%)
- As American workers look for a change in scenery from their home office, Airbnb has seen a significant increase in long term rentals in destinations outside urban areas
    - According to TWKTD, in the last three months, Airbnb has seen a threefold increase in reviews mentioning remote work

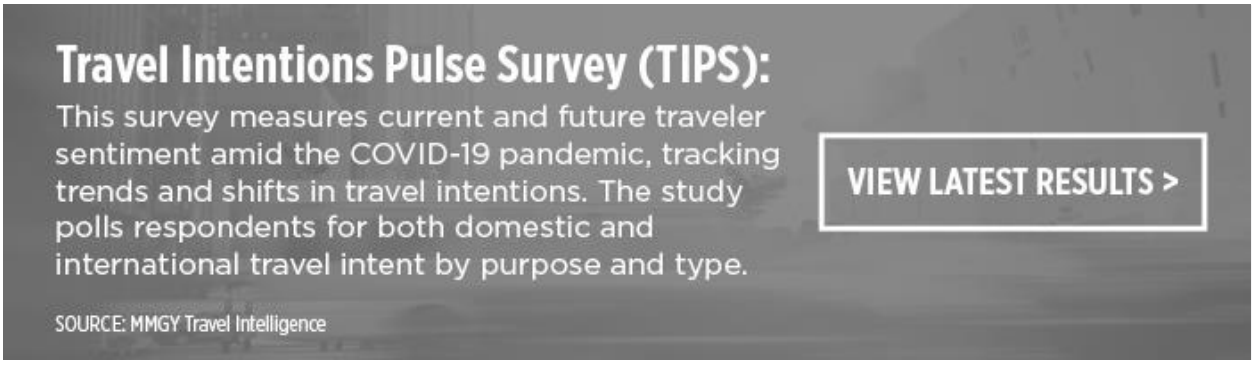
Source: Harris Poll

iMeet Survey of Meeting Planners

August 30, 2020

- **Planners who believe they will resume face-to-face meetings by the end of the year declined to 18% this week, down from 21% last week**
- Just 11% of planners are targeting Q4 2020 for face-to-face meetings
- One third of planners expect to resume face to face events in Q2 of 2021 and 18% are hoping for Q1
- Planners expect to initially start with small events within driving distance or hybrid events

Source: iMeet



RESOURCES AND EXAMPLES FROM AROUND THE INDUSTRY

- COVID-19 Resources | MMGY Global Intelligence
- State of the Hotel Industry | American Hotel and Lodging
- AmEx TrendEx Back to School Season and Future Travel Dreaming | American Express
- CBRE Projects U.S. Lodging Sector Recovery Path | CBRE
- What Worries the World | Ipsos
- COVID-19 Recovery Dashboard | PCMA
- Article: Accelerating Recovery Through Travel Advertising | Expedia Media Group Solutions

UPCOMING INDUSTRY WEBINARS

- **Ongoing** | COVID-19 Webinar Series | Expedia Media Group Solutions
- **September 9 at 10:00 a.m. ET** | Laying the Groundwork for a Tourism Recovery in NYC | NYC & Company
- **September 17 at 2:00 p.m. ET** | How Traveler Communication Supports a Safe Return to Travel | American Express Global Business Travel
- **October 20, 2020 9:00am–5:00pm ET** | American Express Business Class LIVE: Summit for Success Virtual Event

QUESTIONS?

Access top findings each week on our COVID-19 Travel Industry Research webpage.

Please submit any questions to us. We will do our best to reply in a timely manner.

You received this email because you participated in a recent webinar or have a relationship with U.S. Travel Association. If you have a colleague who would appreciate receiving these updates, please have them sign up here.