U.S. TRAVEL ASSOCIATION®

PUBLIC AFFAIRS UPDATE

This week

U.S. Travel hosted the first-ever Travel's Virtual Hill Week where nearly 300 industry members participated in 75 online meetings with lawmakers and their staff in both the U.S. House of Representatives and U.S. Senate. The meetings were complemented by a robust social media and grassroots campaign to drive home the message: restoring travel will restore America. Thank you to all who were involved.

The week's advocacy priorities focused on:

- Extending Paycheck Protection Program eligibility to destination marketing organizations (DMOs).
- Tax incentives for a strong and safe restart of the travel economy.
- Protection from frivolous COVID-related lawsuits for businesses that follow proper health and safety guidelines.
- Providing $10 billion in Economic Development Administration grants for DMOs and small businesses.

You can continue to advocate on behalf of our industry by sending an action alert and sharing our message on social media.

Additional Updates

- Senators Cruz (R-TX), Rubio (R-FL) and Scott (R-SC) have officially introduced S. 3992, a bill to expand eligibility for the Paycheck Protection Program (PPP) to DMOs of all statuses. The bill's provisions match H.R. 6697, the "Local Chamber,

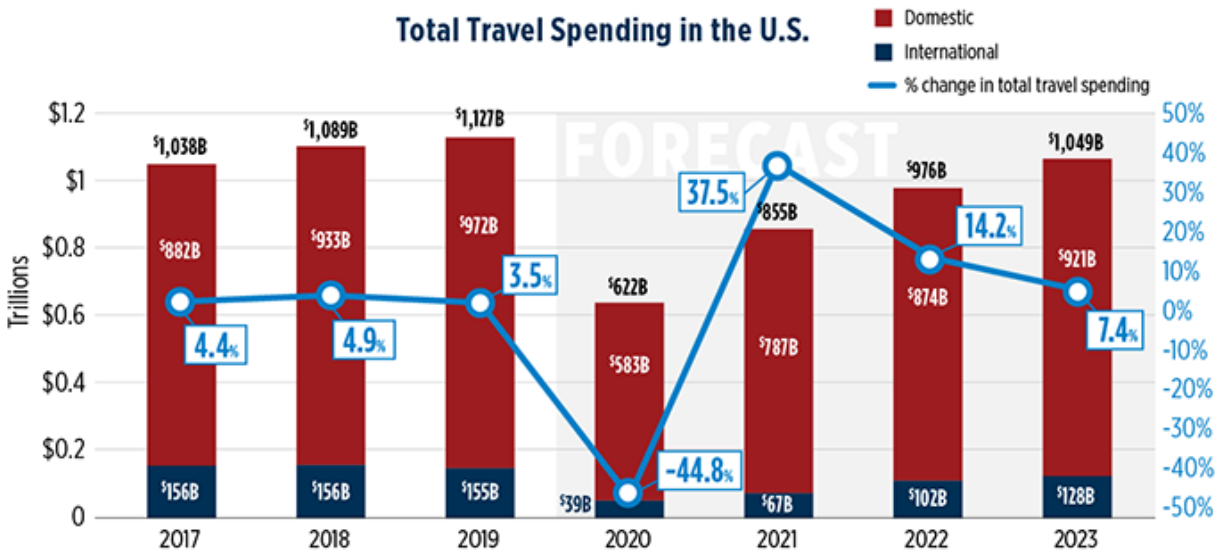
Tourism, and 501(c)(6) Protection Act of 2020," introduced in the U.S. House of Representatives last month by Reps. Pappas (D-NH) and Fitzpatrick (R-PA).

- Earlier today, U.S. Travel Executive Vice President of Public Affairs and Policy Tori Emerson Barnes testified at a hearing in front of the House Committee on Homeland Security Subcommittee on Transportation & Maritime Security. The hearing, titled, "Climbing Again: Stakeholder Views on Resuming Air Travel in the COVID-19 Era," featured perspectives from airports, flight attendants and other stakeholders on how to safely resume travel, with U.S. Travel providing a holistic, industrywide perspective. View the testimony here.

NEW | TRAVEL FORECAST

The latest forecast prepared for the U.S. Travel Association by Tourism Economics projects visitation and travel spending (both domestic and international).

- **Total travel spending in the U.S. is predicted to drop 45% by the end of this year**
  - Domestic travel spending is expected to fall 40% (from $972 billion in 2019 to $583 billion in 2020)
  - International inbound spending is expected to fall 75% ($155 billion to $39 billion)



SEE FULL FORECAST

ECONOMIC IMPACT: A WEEKLY ANALYSIS

- **National weekly travel spending grew by 7% to $10.3 billion last week (about four times its level in late April), but remains severely depressed at less than half of 2019 spending levels**
    - In the week ending June 13, the travel economy witnessed its seventh-consecutive week of expansion since the start of the pandemic but still registered 56% below last year's levels (a $13.4 billion loss)
    - Since the beginning of March, the COVID-19 pandemic has resulted in over $237 billion in cumulative losses for the U.S. travel economy
    - The number of states with weekly losses of less than 50% expanded from seven to 15
    - The greatest improvements in percentage of travel spending lost from last week were seen in Delaware, Puerto Rico, Kansas, South Carolina, and Arizona
    - The District of Columbia, Hawaii, and Massachusetts suffered declines exceeding 70% in the week ending June 13, an improvement from earlier weeks but worse than all other states
    - The continual depressed level of travel spending has caused a loss of $30.1 billion in federal, state, and local tax revenue since March 1

FULL REPORT

U.S. TRAVEL WEBINARS

A Deeper Dive into Evolving KPIs for DMOs

June 19, 2020 | 12:00 p.m. ET

Join us on **tomorrow at 12:00 p.m. ET** for the next webinar in the Assessing Recovery series, which will involve a detailed discussion on what new and valuable key performance indicators (KPIs) are emerging in today's environment. Learn how they can be used to better position your destination for recovery and measure value for your organization.

Featured speakers:

- Esra Calvert, chief data advisor, Entrada Insights
- Zeek Coleman, director of data intelligence, Visit Savannah
- Andria Godfrey, vice president, Longwoods International
- John Groh, CDME, president & CEO, Rockford Area CVB
- Ted Sullivan, vice president of destination analytics, ADARA

REGISTER

TRACKING TRAVELER TRENDS

NEW | Visitation Trends: U.S. National Parks

In partnership with Rove Marketing and Uber Media, U.S. Travel is offering a new and exclusive dashboard that monitors daily unique mobile devices across various points of interest at sample U.S. national parks, and provides a breakdown of top origin cities and driving distances. This product can serve as a leading indicator to help destinations better understand American travel trends related to drive markets and outdoor recreation locations in the U.S.

GO TO DASHBOARD

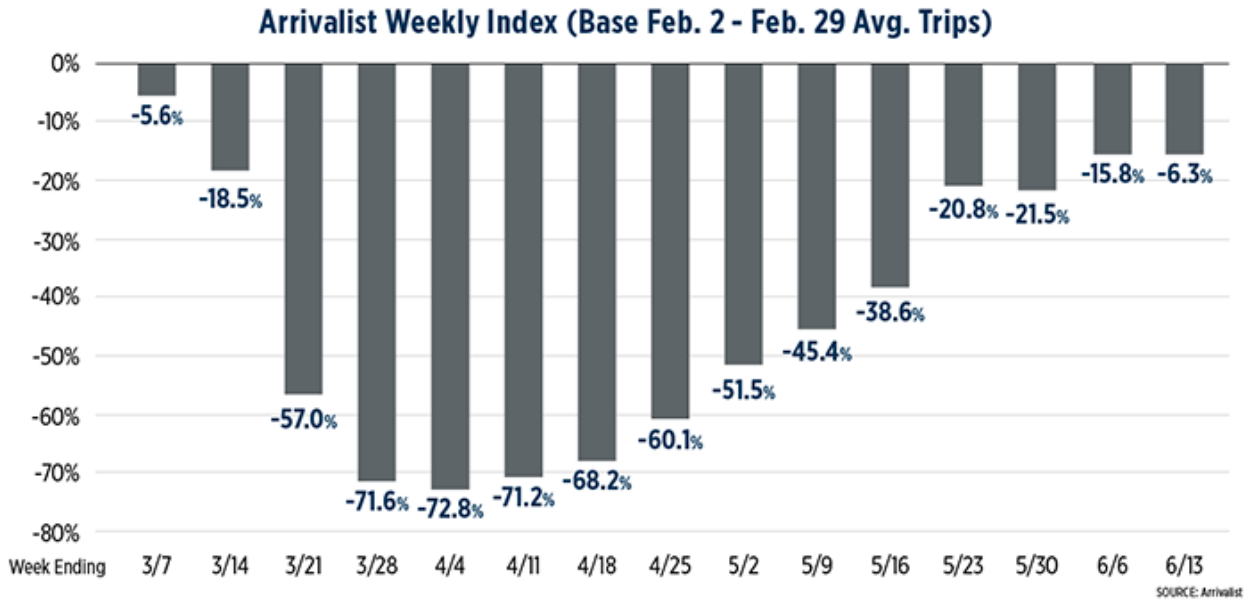
Source: Rove Marketing and Uber Media

Road travel has continued to recover and is nearing pre-crisis levels. Travelers remain far more concerned about flying on commercial airlines and the number of passengers screened by TSA is still about 80% lower than a year ago. On a more positive note, there has been exponential growth in air passengers in recent weeks and this is expected to continue as air travel follows its steady but long path to recovery.

Car: Daily Travel Index

Arrivalist's Daily Travel Index measures consumer road trips of 50 miles or more in all 50 U.S. states.

- **Road travel increased significantly last week and was nearly at pre-pandemic levels:**
    - Road travel last week was only 6.3% lower than it was right before the crisis (in Feb. 2020)
    - In comparison, when looking at the average in the first week of April, road travel was 73% lower than Feb. 2020
- Road travel over the last seven days (through Monday, June 15) was 7.9% higher than the previous seven days
- Road travel over the weekend of June 12 exceeded the volume of road travel observed over Memorial Day weekend 2020



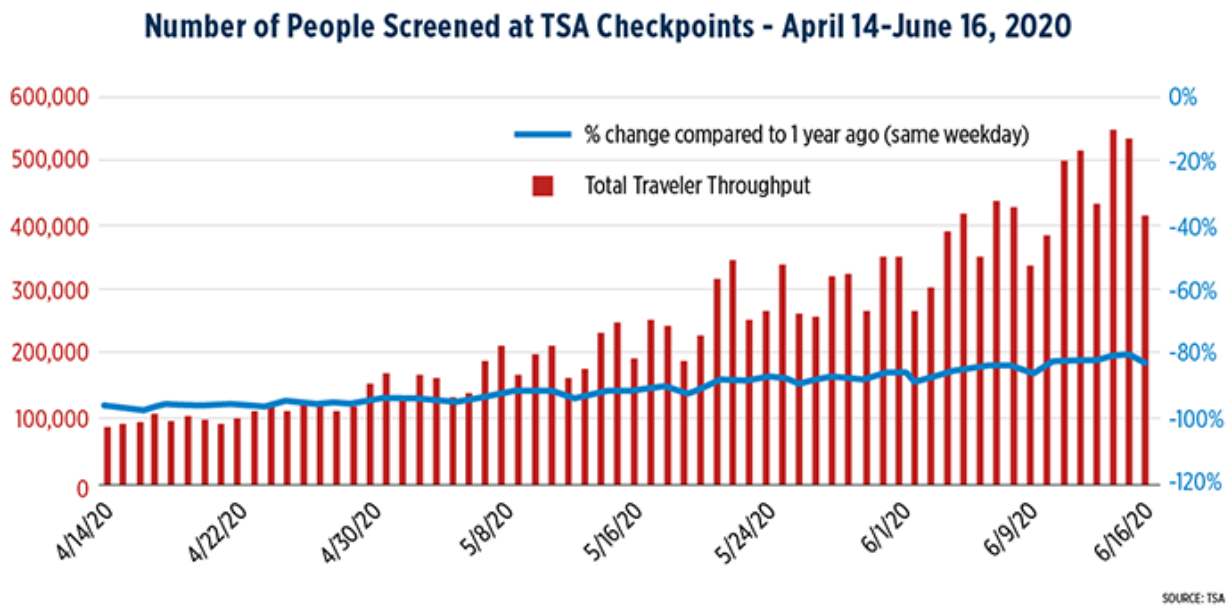
GO TO DAILY TRAVEL INDEX

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.

- **For the first time since the start of the pandemic, the number of people screened daily by TSA at U.S. airports surpassed 540,000 this past Sunday (June 14)**
    - After sinking below 100,000 throughout much of April (-96% year-over-year change), the number of people screened daily by TSA remained above 400,000 every day since last Thursday (June 11), and peaked at 544,000 on Sunday
    - Despite the strong growth in passengers in recent weeks, the number of passengers on Sunday remained 79% lower than in the same period last year

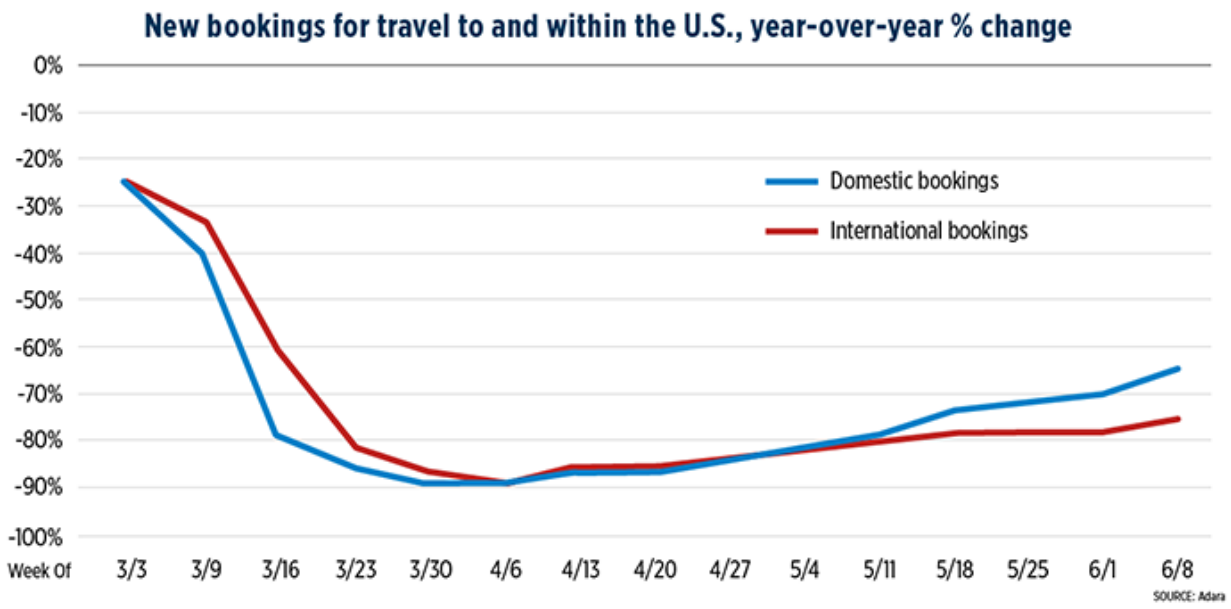


Source: TSA

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 continued to recover last week (from a peak of -89% year-over-year in the week of April 6 to -64% in the week of June 8)**
    - **Domestic bookings to Wyoming (-24%) and Montana (-25%) exhibited the lowest year-over-year declines while domestic bookings to New York (-80%), New Jersey (-78%) and Massachusetts (-77%) saw the highest declines**
- International bookings for future travel to the U.S. remained closer to peak levels but improved moderately (from -88% in the week of April 6 to -76% in the week of June 8)



GO TO TRAVELER TRENDS

Source: ADARA

TRAVELER AND CONSUMER SENTIMENT SURVEY RESULTS

Travel Intentions Pulse Survey (TIPS): Impact Of COVID-19

June 15, 2020

- **The likelihood of participating in a number of key travel activities increased considerably in recent weeks:**
    - **After dipping last month, there is rising intent in staying in hotels and resorts in the next six months; 38% now say it is likely they will do so, compared to 31% in May**

    - 40% of those who took a business trip in the past 12 months now say they will do so again in the next six months, compared to 30% who said so in early June
- Interest in attending off-site business meetings or conventions/conferences in the next six months is rising. Among those who participated in these activities in past 12 months:
    - 22% now say they will likely attend an offsite business meeting in the next six months, compared to 16% who said so in May
    - 20% now say they will likely attend a conference or conventions in the next six months, compared to 15% who said so in May
- **The appeal of participating in select outdoor activities during the next six months is rising:**
    - 45% now say they will likely visit a beach, compared to 35% who said so in May
    - 18% now say they will likely visit a theme/amusement park, compared to 15% who said so in May

Source: MMGY Global Intelligence

Coronavirus Travel Sentiment Index Report

June 15, 2020

- Expectations about the virus' course have dampened and some travelers that thought they would take trips this year have walked that back for now
- Among Americans who are expecting to travel in 2020, most say they will avoid crowded destinations (53%) and many say they will avoid attending conferences (46%), air travel (34%) or cities/urban areas (25%)
- Americans are feeling more comfortable about visiting familiar destinations than new destinations; over 60% say it is likely that the primary destination of their next leisure trip would be one they have visited before
- **Poor "pandemic etiquette" behavior by others, as portrayed by the media, is affecting the desirability of travel destinations: 61% of American travelers say such behavior would make a given destination less desirable**

Source: Destination Analysts

RESOURCES AND EXAMPLES FROM AROUND THE INDUSTRY

- COVID-19 Resources | MMGY Global Intelligence
- Americans Fear a Second Wave | Axios-Ipsos Poll
- DMO/Website Importance Study | Destination Analysts
- COVID-19's Impact on Tourism | Gray Research Solutions
- COVID-19 Tracker | The Harris Poll
- When Will You Fly? Early Signs Reveal Mixed Message | OAG

UPCOMING INDUSTRY WEBINARS

- **June 19, 12:00 p.m. ET:** A Deeper Dive Into Evolving KPIs for DMOs | U.S. Travel Association
- **June 23, 2:30 p.m. ET:** COVID-19 Research Update | Brand USA
- **June 24, 2:00 p.m. ET:** Impacts of COVID-19 on Zoological Operations, Conservation, Rescue and Research | Oceans Caucus Foundation