

COVID-19 Research Roundup

October 19, 2020

British Columbia is in Phase 3 of BC's Restart Plan

On June 24, 2020, it was announced that British Columbia is taking the next step in [BC's Restart Plan](#) with a gradual transition to Phase 3, including the smart, safe and respectful return of travel and tourism within the province.

On October 19, 2020, Canadian and US officials agreed to extend the closure of the border between the two countries to non-essential travel until at least November 21, 2020.

While BC is in Phase 3 of the BC Restart Plan, and is not open to non-essential travel from the US or International countries, information provided in this Research Roundup Report highlights not only local insights, but global insights which may be applicable to BC now.





Destination BC is rounding up relevant research and articles each week related to the travel and tourism industry and COVID-19.

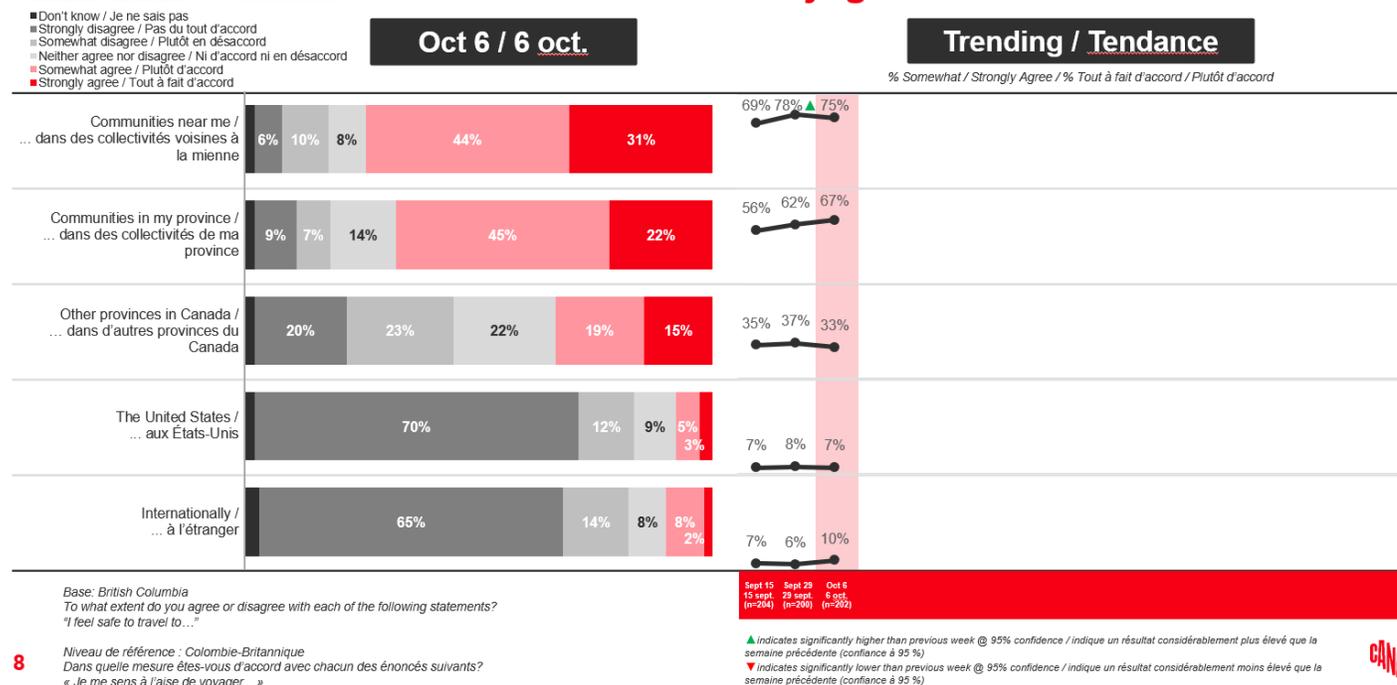
Last week in brief:

- BC residents remain stable in sentiment for travel and advertising
- BC residents' comfort with activities and modes of transportation remains stable
- Week-over-week domestic movement up across the province again
- Year-over-year domestic movement down overall for the province
- Some BC cities begin to close gap on year-over-year ADR
- BC's hotel occupancy is 48.5% for September 2020, down -40.0 points from 2019
- BC's average daily room rate was \$156.14 for the month of September, down -50.9% from 2019
- 16% of BC tourism firms are reporting 'closed' in any capacity
- Forecasts show current surge in Canadian employment will taper off in 2020
- Visiting family and friends became leading travel purpose in US
- American travellers want honest, friendly, and direct advertising
- Worldwide air travel down -58.4% for first half of 2020
- Intrepid Travel releases "How to Go in 2021" list
- Work-from-office setups may extend into the long-term
- Tourism and COVID-19 dashboard and reporting resources available

BC residents remain stable in sentiment for travel and advertising

- In Destination Canada's Wave 20 (October 6) report, feelings of safety towards travelling to any travel destination remained stable for BC residents.
- BC residents also remained stable in their receptivity towards promoting their community as a destination.
- Note, the cadence of Destination Canada's Resident Sentiment has reverted back to weekly, rather than bi-weekly. Each week, Canadian resident respondents will be asked to rate their level of agreement towards feeling safe to travel to various destinations. Alternating each week, respondents will also be asked to rate their level of welcome towards visitors visiting their community and their receptivity towards advertisement of their community as a travel destination.

British Columbia / Colombie-Britannique I feel safe to travel / Je me sens à l'aise de voyager



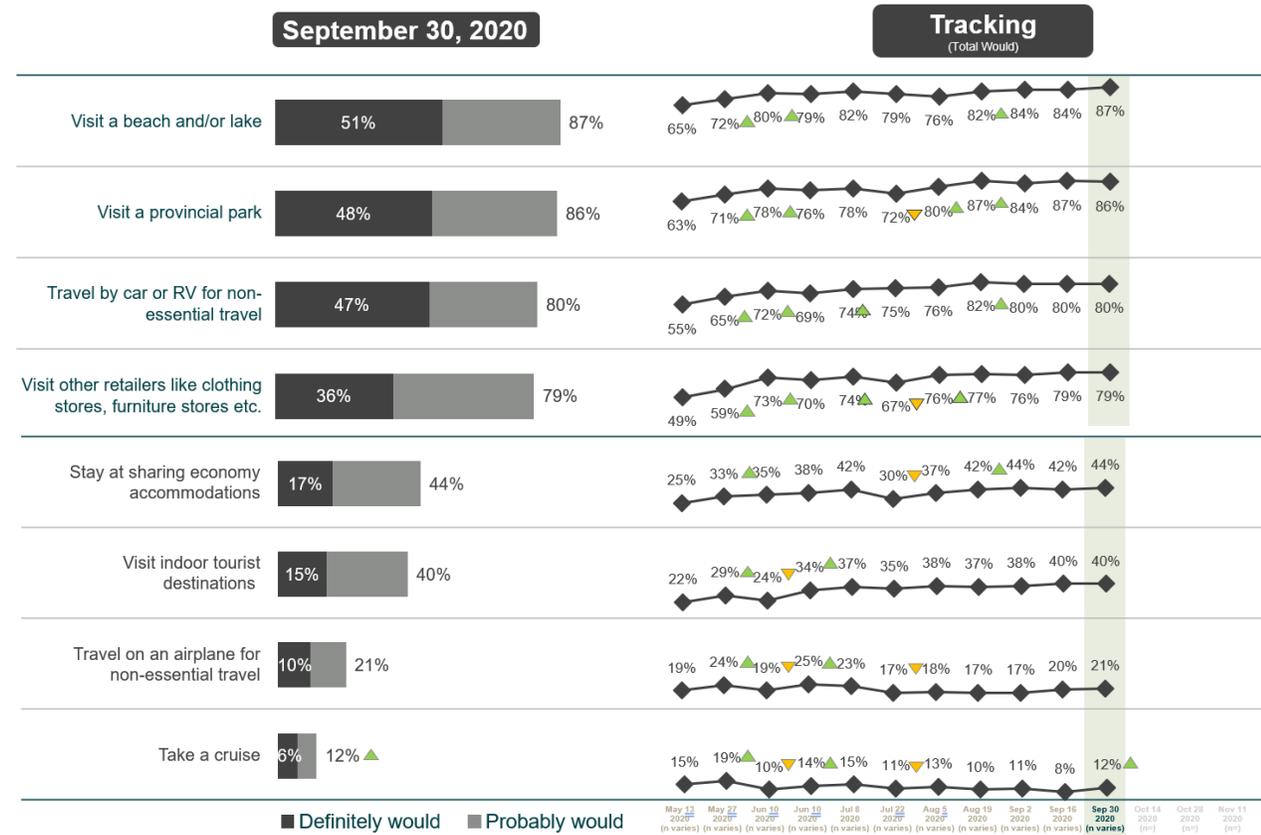
Source: [Destination Canada's Weekly Resident Sentiment, Wave 20, Leger, October 6, 2020](#)



BC residents' comfort with activities and modes of transportation remains stable

- Wave 11 (October 5) of Destination BC's BC Residents' Public Perceptions survey shows that BC residents' comfort with tourism-related activities remain stable across the board compared to Wave 10.
- BC residents' comfort with taking various modes of transportation for non-essential travel purposes has also remained stable from Wave 10, with the exception of taking a cruise, where comfort rose to 12% from 8% in the prior wave.

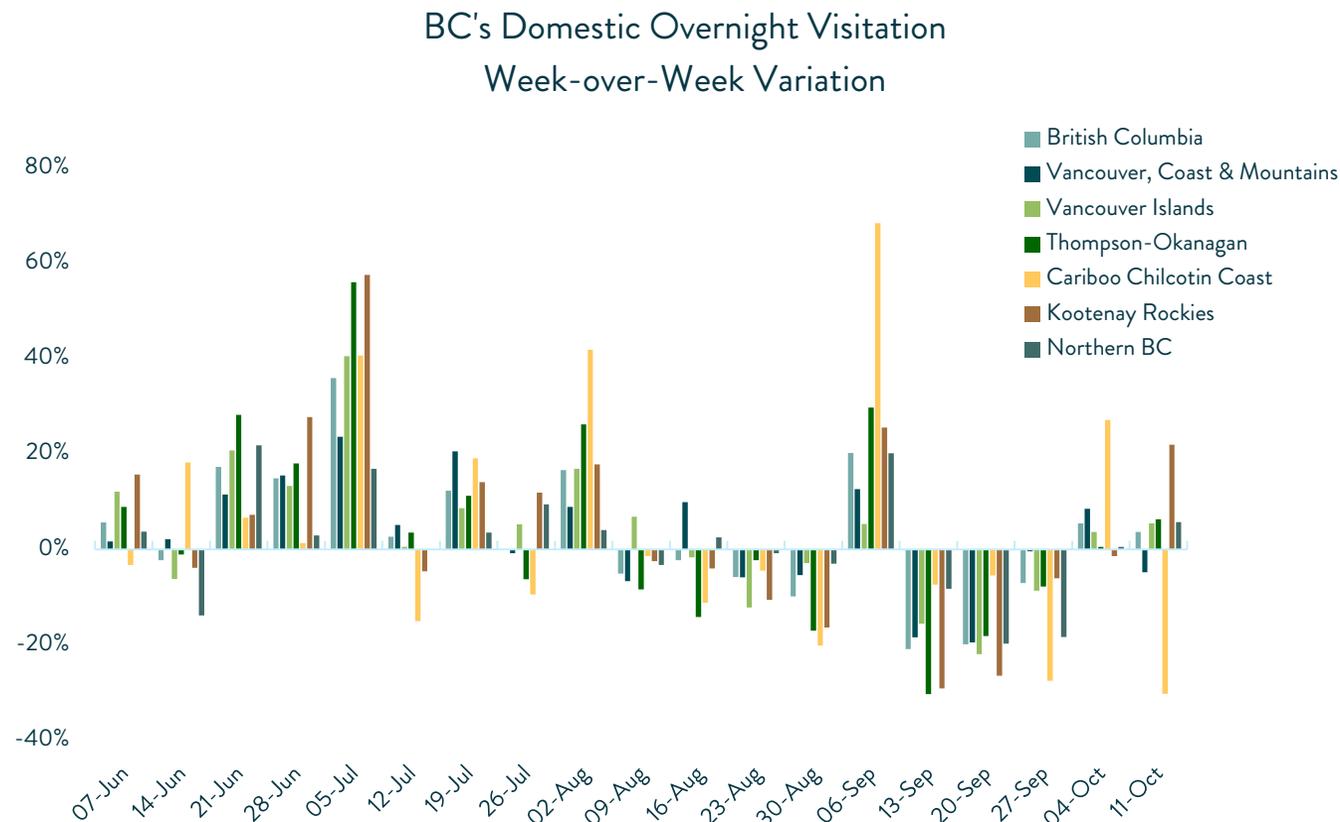
Comfort With Activities/Modes of Transportation (Among Those Who Generally Do Each)



Source: [Destination BC's BC Residents' Public Perceptions: COVID-19 Travel and Tourism Wave 11, Insights West, October 5, 2020](#)

Week-over-week domestic movement up across the province again

- According to Environics Analytics Weekly COVID Tracker Report, during the week ending October 11, BC experienced a week-over-week increase in domestic overnight visitation (+3.6%) from the previous week, resulting in two consecutive week-over-week increases since early September.
- Nearly all regions across the province saw week-over-week increases in movement compared to the previous week.
 - Kootenay Rockies (+21.9%)
 - Thompson Okanagan (+6.3%)
 - Northern BC (+5.7%)
 - Vancouver Island (+5.4%)
- The Cariboo Chilcotin Coast (-30.3%) and Vancouver, Coast & Mountains (-4.8%) were the only tourism regions that experienced a decrease in domestic movement, compared to the previous week.

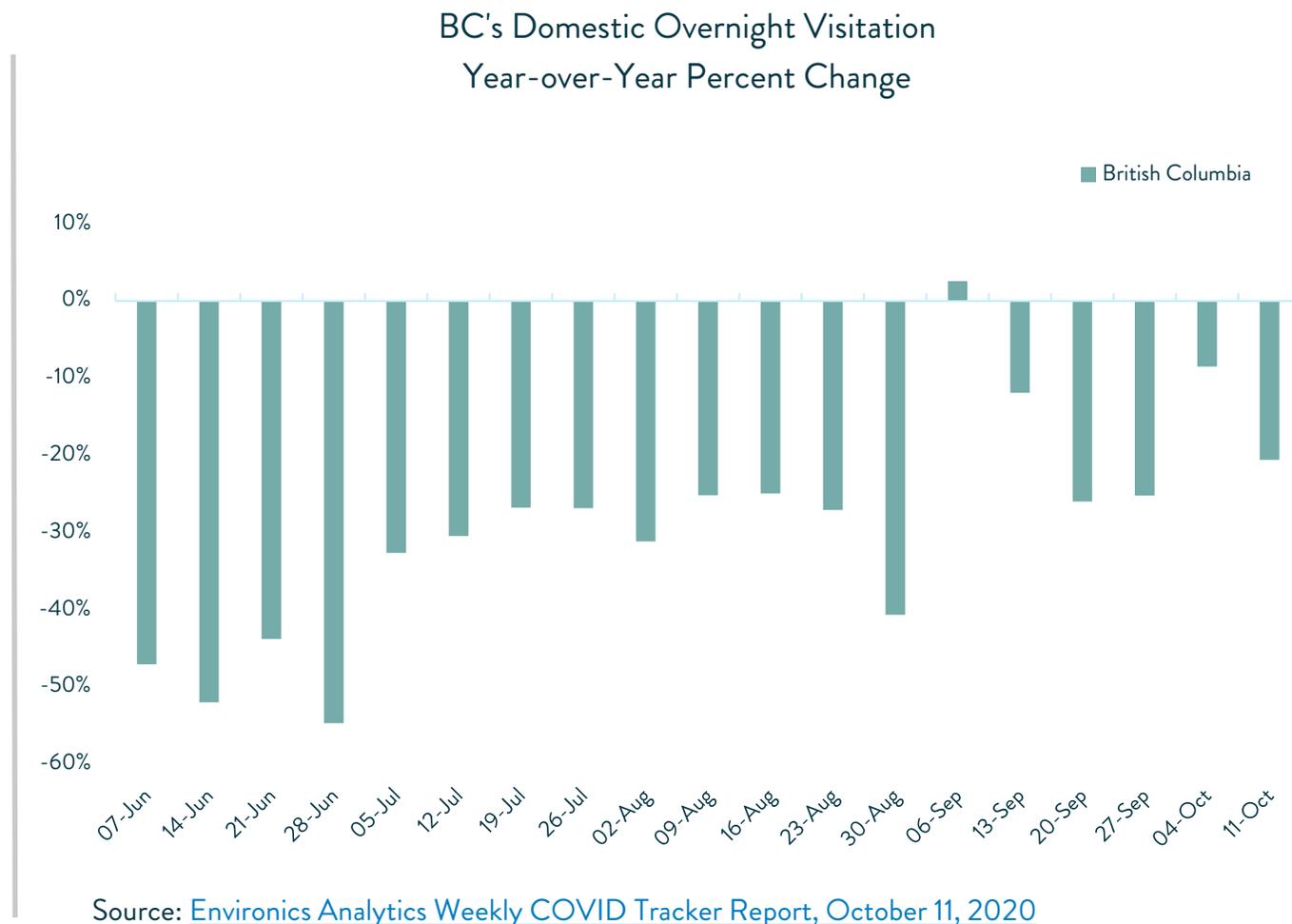


Source: [Environics Analytics Weekly COVID Tracker Report, October 11, 2020](#)



Year-over-year domestic movement down overall for the province

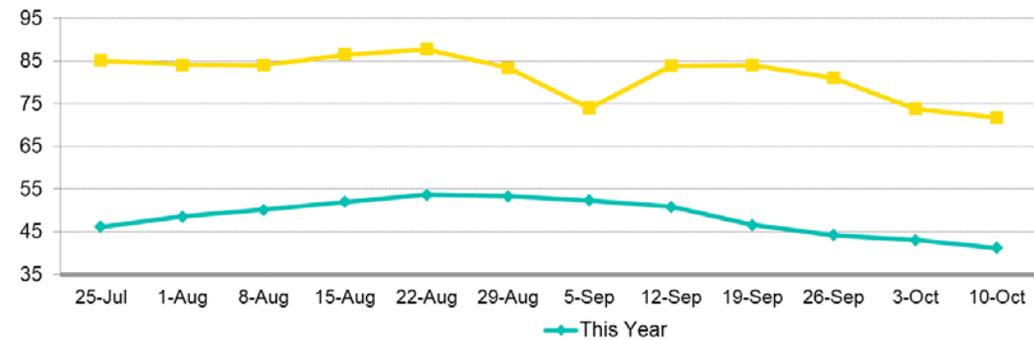
- Environics Analytics also reports year-over-year analysis in the Weekly COVID Tracker Report.
- Following the first year-over-year increase since mid-February during the week ending September 6, BC resumed the year-over-year decrease in visitation trend for the fifth consecutive week. For the week ending October 11, overnight domestic visitation was down -20.6%, compared to the same week in 2019.
- Year-over-year increases in visitation were seen in the Kootenay Rockies (+11.5%), however, decreases in visitation were seen in the remaining tourism regions:
 - Vancouver Island (-30.3%)
 - Vancouver, Coast and Mountains (-29.4%)
 - Cariboo Chilcotin Coast (-25.9%)
 - Thompson Okanagan (-14.7%)
 - Northern BC (-10.2%)



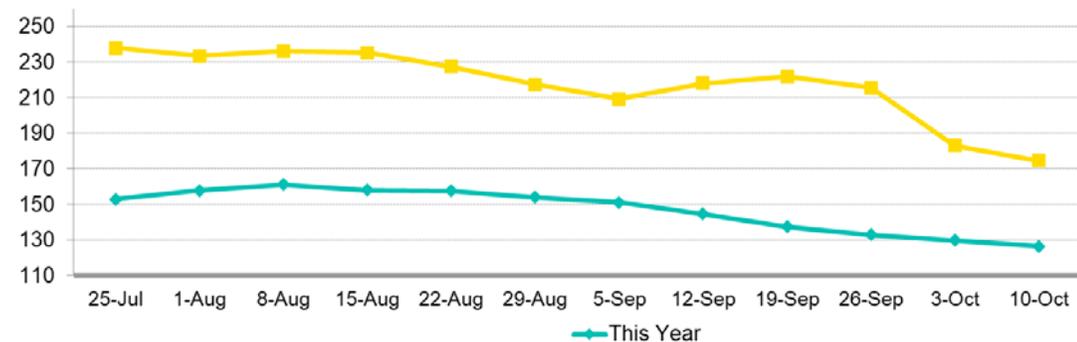
Some BC cities begin to close gap on year-over-year ADR

- STR, an agency which captures BC hotel performance, shows the average weekly ADR for BC was \$126.46 for the week of October 4-10, which represents a -27.6% change year-over-year (October 6-12, 2019).
- Of the six cities tracked, the City of Vancouver saw the highest year-over-year rate of ADR percent change at -37.8%, followed by Richmond (-28.4%), Victoria (-19.5%), Kelowna (-13.0%), Kamloops (-12.3%), and Whistler (-1.0%).
- BC hotel occupancy was 41.2% for the week of October 4-10. This represents a decrease of -2.0 points from the previous week and a decrease of -42.6 points compared to the previous year.

Weekly Occ (%) - Jul 25, 2020 to Oct 10, 2020



Weekly ADR - Jul 25, 2020 to Oct 10, 2020



Source: [2020 STR, STR Global Ltd](#)



BC's hotel occupancy is 48.5% for September 2020, down -40.0 points from 2019

- According to STR, BC's hotel occupancy rate for the month of September (a running 28 day total, including August 30 – September 26, 2020) was 48.5%.
- This is down -40.0 points from the corresponding September period in 2019.
- The City of Vancouver had an occupancy rate of 28.2% in September 2020, a -69.6 point decrease from 2019.
- Kelowna's occupancy rate was 56.6% for the month of September, down -23.1 points from a similar period in 2019.

Destination	September 2020 Hotel Occupancy Rate	Point Change (over similar 2019 period)
British Columbia Overall	48.5%	-40.0
Vancouver (City of)	28.2%	-69.6
Whistler	45.7%	-34.2
Victoria	43.6%	-46.6
Kelowna	60.6%	-23.1
Kamloops	56.6%	-28.7
Richmond	41.6%	-54.4



BC's average daily room rate was \$156.14 for the month of September, down -50.9% from 2019

- According to STR, BC's average daily room rate for the month of September (a running 28 day total, including August 30 – September 26, 2020) was \$156.14.
- This is down -50.9 percent from the corresponding September period in 2019.
- Both the City of Vancouver (\$205.73) and Victoria's (\$166.13) September ADR was down only slightly from the corresponding period in September 2019; down -9.5% and -5.6%, respectively.

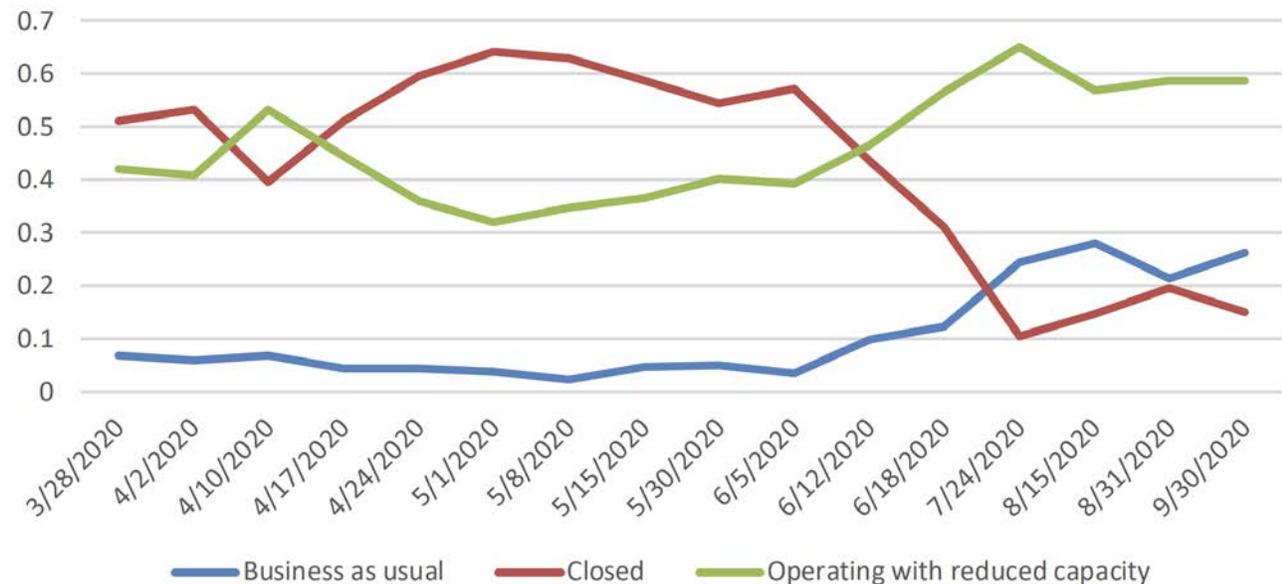
Destination	September 2020 Average Daily Room Rate	Percent Change (over similar 2019 period)
British Columbia Overall	\$156.14	-50.9%
Vancouver (City of)	\$205.73	-9.5%
Whistler	\$171.45	-22.0%
Victoria	\$166.13	-5.6%
Kelowna	\$105.52	-14.6%
Kamloops	\$126.47	-41.0%
Richmond	\$156.14	-50.9%



16% of BC tourism firms are reporting 'closed' in any capacity

- According to the BC Regional Tourism Secretariat's September survey, the number of tourism firms that are reporting they are closed has fallen slightly in September, with roughly 16% of firms reporting that they are closed in any capacity. As reported by the CFIB, this is lower than the BC average of 60% and the Canadian national average for hospitality firms of 31% that report closures.
- Almost 40% of firms say they need additional funding outside of already available programs to sustain through the next 6 months. This includes over two-thirds of hotel/resort firms.
- 14% of seasonal tourism firms expect to be unable to pay their fixed costs within the next 6 months.

Impact of COVID-19, share of responses since start of survey

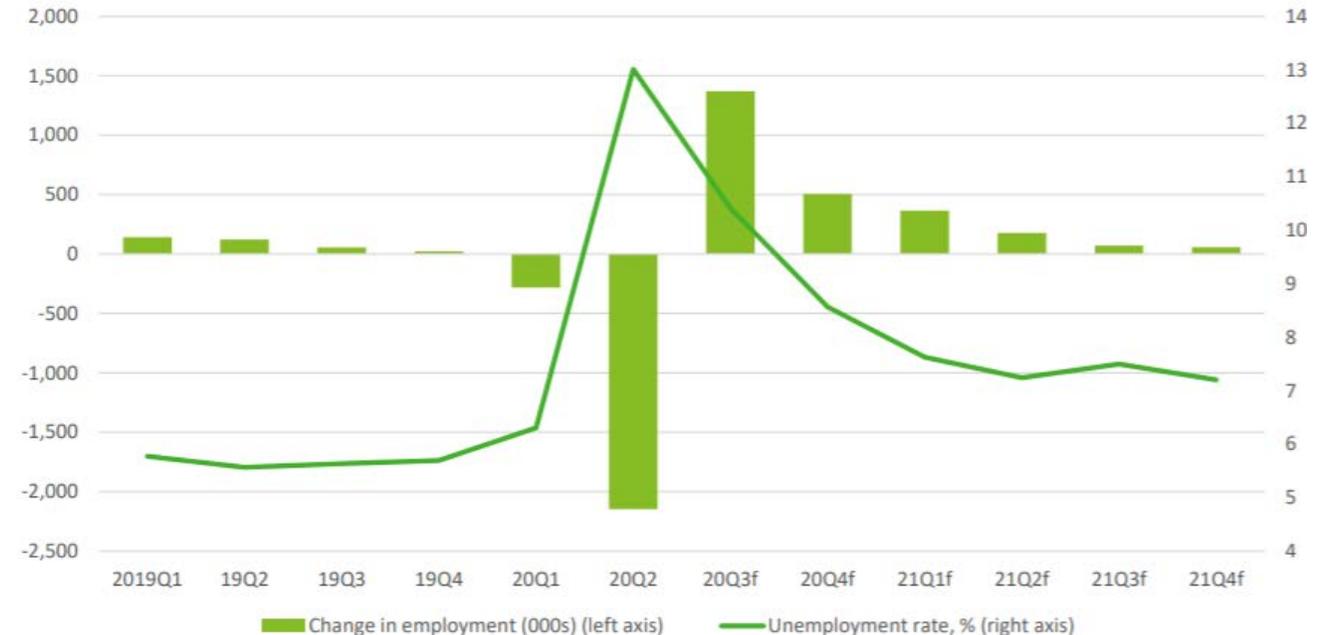


Source: BC Regional Tourism Secretariat, September 2020

Forecasts show current surge in Canadian employment will taper off in 2021

- Forecasts from Deloitte's September economic outlook report show that after a substantial increase in Canadian unemployment in Q2, Q3 will regain almost 1.5 million jobs, though this rate of growth will largely slow in the following quarters.

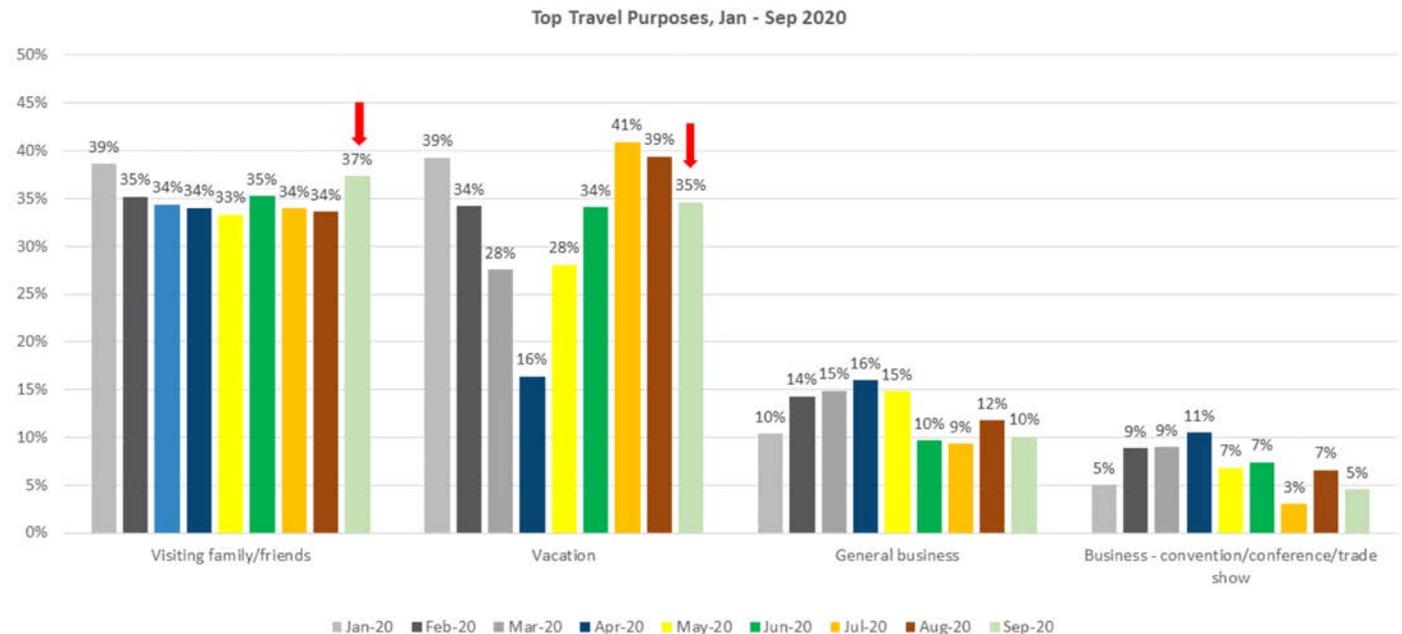
Employment growth set to slow, unemployment rate to remain elevated



Source: [Economic Outlook, Deloitte, September 2020](#)

Visiting family and friends became leading travel purpose in US

- According to Haiwai Wang & Skift Research's September U.S. travel tracker survey, 37% of Americans travelled in September; similar to the percentage of travellers in August. Visiting families and friends became the leading travel purpose, accounting for 37% of all trips in September.
- As summer drew to an end, vacations made up only 35% of all trips in September, dropping from 39% in August and 41% in July.
- In September, 8% of personal trips taken by Americans included a flight.



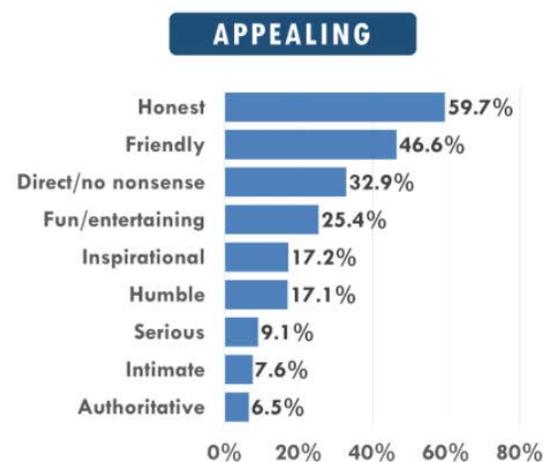
Source: US Travel Tracker, September 2020, Haixia Wang & Skift Research

American travellers want honest, friendly, and direct advertising

- According to Destination Analysts, American travellers are receptive to advertisements that are honest, friendly, direct, and/or fun in their tone.
- They are turned off by advertising that feels authoritative, intimate, and/or serious.
- 69.2% of American travellers feel that face masks in travel advertisements are positive or very positive. 9.8% feel they are negative.
- With 79.8% claiming it as important or very important, mandatory face masks remain the most important protocol for motivating air travel.

PREFERRED TONES IN TRAVEL ADVERTISEMENTS

AS OF OCTOBER 11TH



QUESTION: HOW WOULD YOU LIKE TRAVEL DESTINATIONS TO SPEAK TO YOU IN THEIR ADVERTISEMENTS? WHICH OF THESE TONES WOULD YOU FIND GENERALLY MOST APPEALING RIGHT NOW? (SELECT AT MOST 3)



QUESTION: WOULD ANY OF THESE TONES (IF USED BY A TRAVEL DESTINATION) TURN YOU OFF? (SELECT ANY THAT APPLY)

(Base: Wave 31 data. All respondents, 1,203 completed surveys. Data collected Oct. 9-11, 2020)

Destination Analysts
DO YOUR RESEARCH



Source: [Destination Analysts, October 11, 2020](#)

Worldwide air travel down -58.4% for first half of 2020

- According to the International Airport Review, worldwide airport passenger numbers decreased by -58.4% for the first half of 2020 when compared to the same period in 2019.
- International passenger traffic was hit the hardest, recording a -64.5% drop.



Source: [International Airport Review, October 15, 2020](#)

Intrepid Travel releases “How to Go in 2021” list

- Intrepid Travel, the world’s largest adventure travel company, has released a ‘How To Go In 2021’ instead of their annual *Where to Go* list. Key points include:
 1. Go slower: new “unpack once” retreats designed to engage with surrounding communities away from crowds and in a more controlled setting.
 2. Go into the wild: the US has seen pandemic-fueled visitation to national parks tracking to break visitor records.
 3. Go on your terms: a focus on customization and flexibility.

5. Go on your own terms

The future of travel will be forever flexible. Whether you feel more comfortable booking with your bubble, going solo, or pursuing adventures closer to home, it’s important you travel on your own terms, in a way that is comfortable for you and your loved ones. This is why we’re so excited to continue rolling out our [Tailor-Made](#) style of travel, where over 800 Intrepid itineraries will now be available for you to customise and tailor to your individual travel preferences.



Source: [Adventure Travel Trade Association, October 9, 2020](#)



Work-from-office setups may extend into the long-term

- Co-working provider Industrious and Proper Hospitality have partnered together to promote working in hotels in several US cities. The partnership includes options for workers to book by day, week, or month, with discounts for longer stays.
- Other hotels to pursue work-from-hotel options include MGM Resorts, Mandarin Oriental, and CitizenM.
- Skift suggests that this trend may continue for the long-term, even after rates have increased and the pandemic has subsided.



Source: [Skift, October 6, 2020](#)

Tourism and COVID-19 dashboard and reporting resources

- Destination BC developed a [Signals & Sentiment dashboard](#) to follow core markets and inform their approach through COVID-19. We also conduct and commission general [research and insights](#) related to travel and tourism in British Columbia, as well as [COVID-19 Research and Insights](#).
- The UNWTO has [launched a new tourism recovery tracker](#), the most comprehensive tourism dashboard to date.
- The UNWTO has an [online dashboard of international statistics](#) on the impact of COVID-19 on the tourism sector.
- MPI has created a [coronavirus resource page](#) that pulls together meetings and events information as well as links to several other resources helpful to the Business Events segment in our industry.
- PhocusWire has a live roundup of [coronavirus-related tourism news](#).
- Skift has a [global travel reopening timeline](#).
- The BC Tourism Resiliency Network hosts [tourism impact reports and travel pattern studies](#).
- The Travel and Tourism Research Association links to many [research & analytics companies](#) on their COVID-19 Resource Centre.





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This report can be found online on the [Destination BC Research & Insights COVID-19](#) webpage

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