



COVID-19 Impact: Data Insights Now and Into the Future

Friday, April 3rd, 2020 9:30 – 10:30 a.m. est
#CHTALive

Panelists:

Patricia Affonso-Dass

President, Caribbean Hotel and Tourism Association
Group GM, Ocean Hotels, Barbados

Tiffany Misrahi

Vice-President of Policy
World Travel and Tourism Council

Emile Gourieux

Business Development Executive, Hotels
Canada, Caribbean & Mexico STR

Carolyn Corda

Chief Marketing Officer
ADARA

Dr. Jim Hepple

Managing Director
Tourism Analytics

Travel & Tourism and COVID-19

Tiffany Misrahi

Vice-President of Policy
World Travel & Tourism Council

The logo for the World Travel & Tourism Council, featuring the text "WORLD TRAVEL & TOURISM COUNCIL" in white serif font on a dark blue square background. A stylized white graphic of a person with arms raised is positioned to the right of the text.

WORLD
TRAVEL &
TOURISM
COUNCIL

COVID-19 in Numbers

- As of 2 April, there have been 965,246 reported cases.
- The fatality rate based on reported cases is 5%
- According to the WHO, 40% of cases are mild, 40% are moderate, 15% are severe and 5% are critical.



The Impact

- The latest WTTC research estimates that up to 75 million jobs are at immediate risk. GDP losses for the sector could reach \$2.1 trillion in 2020.
- IATA estimated 2020 revenue losses reaching \$113 billion of passenger revenue.
- UNWTO estimated loss of \$30-\$50 billion in international tourism receipts.



Our Research

- The average recovery times for disease and outbreaks was 19.4 months to pre-crisis arrival levels
- The T&T sector is becoming increasingly resilient – the average months to recovery decreased from 26 to 10 between 2001 and 2018.



What is Important?

- A global challenge and uncharted territory
- Avoiding disproportional reactions-
balancing personal and economic health
- Countries learn from their own
experience and experience of others
- Educating people to reduce fear
- Do not stigmatize
- Ensuring business continuity is key
- Government support through vital
measures.



Open Letter to Governments

1. Financial help must be granted to protect the incomes of the millions of workers in the sector facing severe economic difficulties.
2. Governments must extend vital, unlimited interest-free loans to global Travel & Tourism companies as well as the millions of small and medium sized businesses as a stimulus to prevent them from collapse.
3. All government taxes, dues and financial demands on the travel sector need to be waived with immediate effect at least for the next 12 months.

[Read WTTTC's Press release](#)

This is the time for facts, not fear. This is the time for science, not rumors. This is the time for solidarity, not stigma. We are all in this together.

Dr. Tedros, WHO



Thank You

Tiffany Misrahi

Vice-President of Policy
World Travel & Tourism Council





Caribbean Hotels and COVID-19 Impact

Emile Gourieux | Business Development Executive, Hotels
egourieux@str.com

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Feeling the effects...

Total Caribbean RevPAR % Change, Week ending 3/28



-89.0%

Feeling the effects...

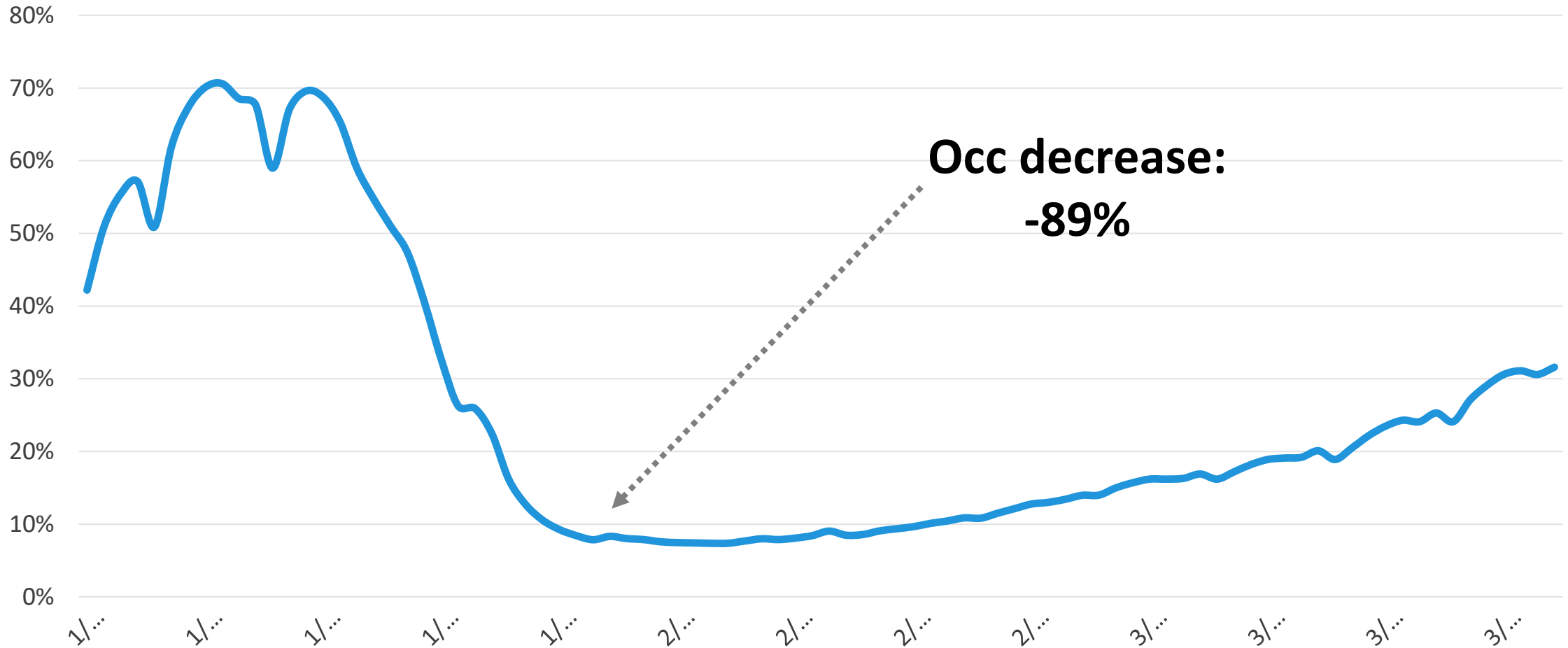
Total Caribbean Absolute Occupancy, Week ending 3/28



10.6%

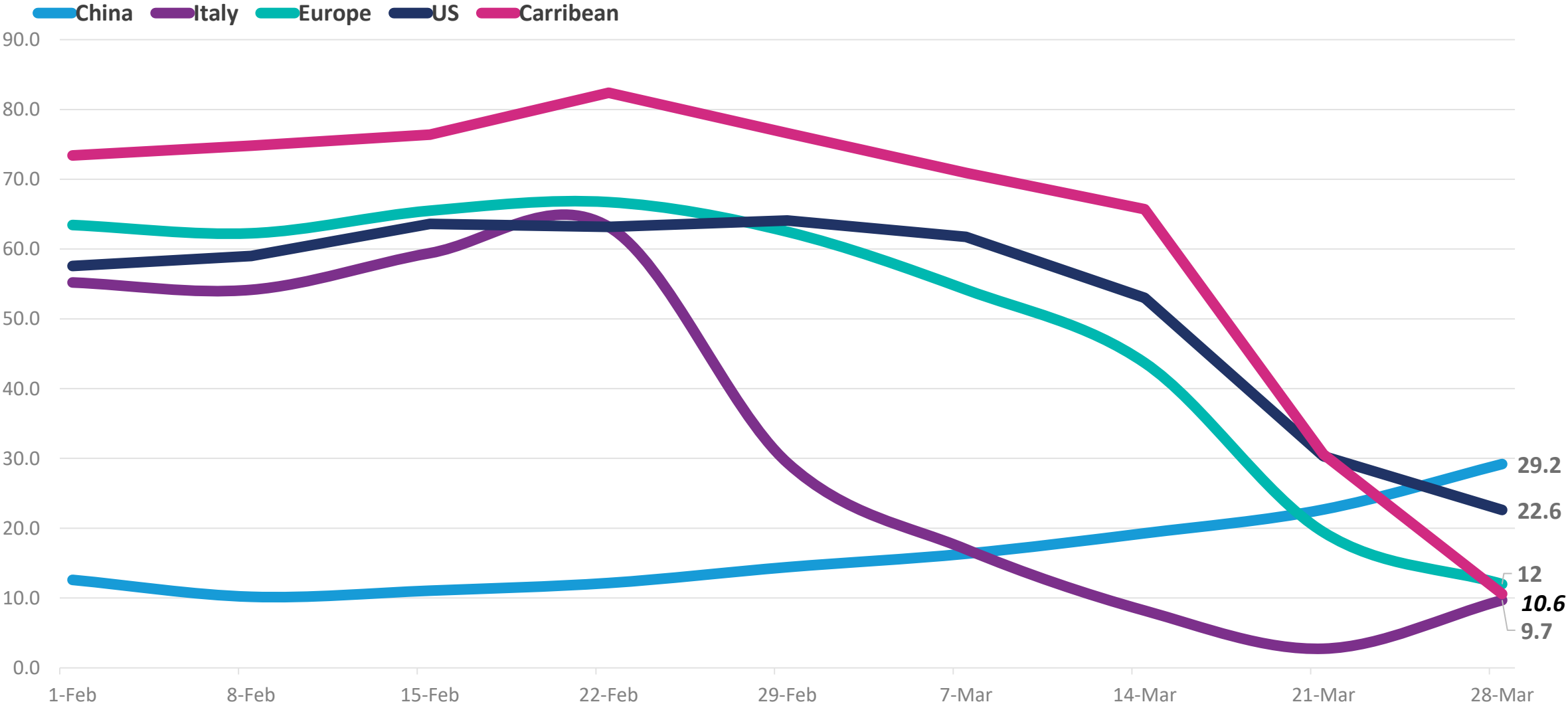
China occupancy dropped by 89% within 2 weeks

China, Absolute Occupancy, Daily Data, January 1st – March 28th 2020



China recovering slowly—demand tumbling everywhere else

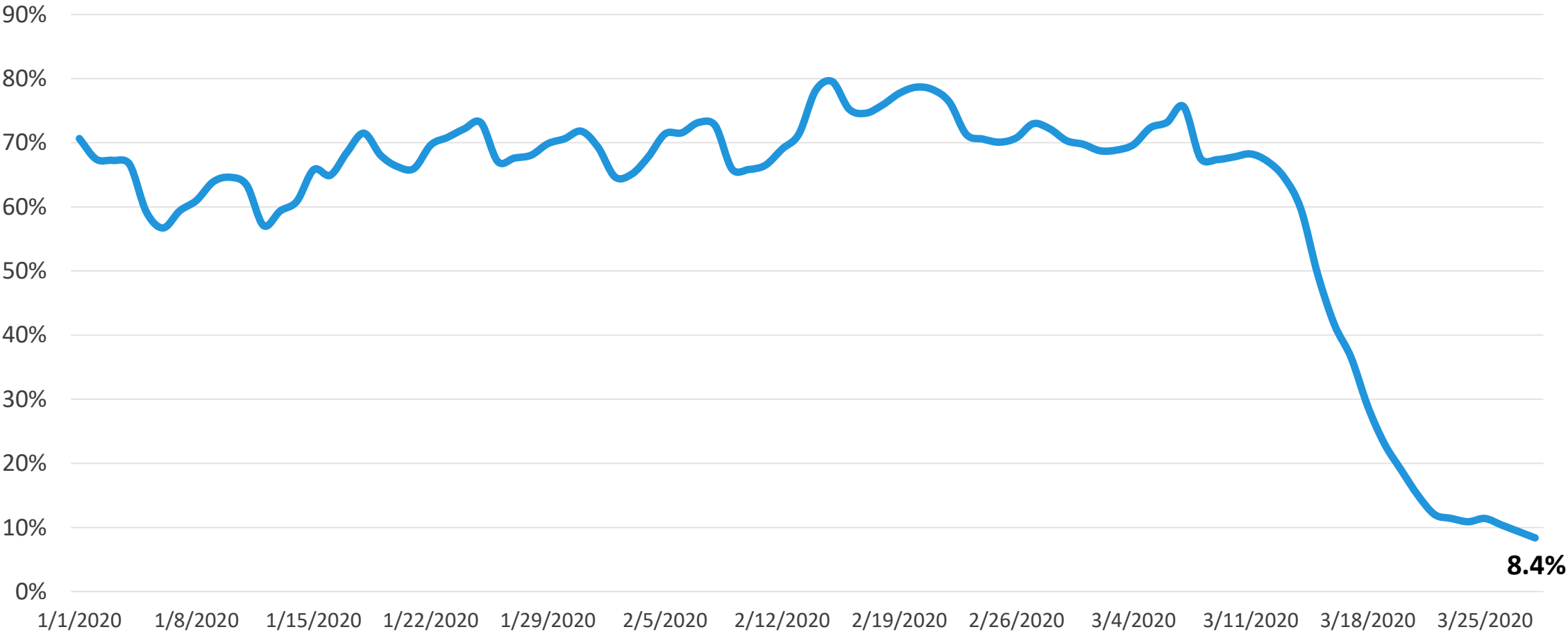
Absolute Occ %, Weekly Data, Select Countries



Source: STR. 2020 © CoStar Realty Information, Inc.

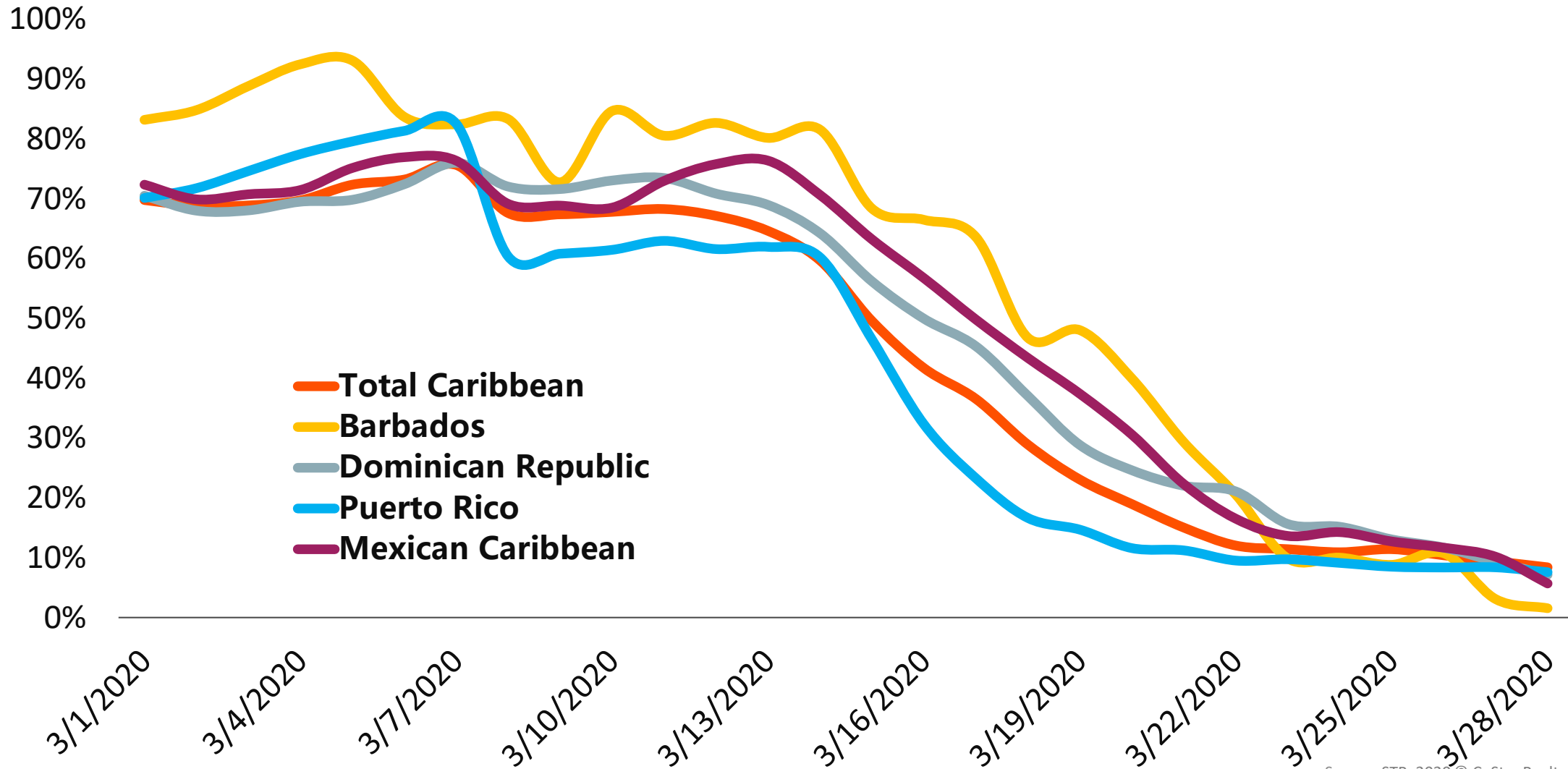
Caribbean occupancy headed to single digits

Total Caribbean, Absolute Occupancy, Daily Data, January 1st – March 28th 2020



Total Caribbean & select markets—daily occupancy rapidly declining

March 1st – 28th 2020 Absolute Occupancy





How Bad Will It Get?

How Long Will It Last?



Looking The Last Two Major Downturns: 9/11 and 2008

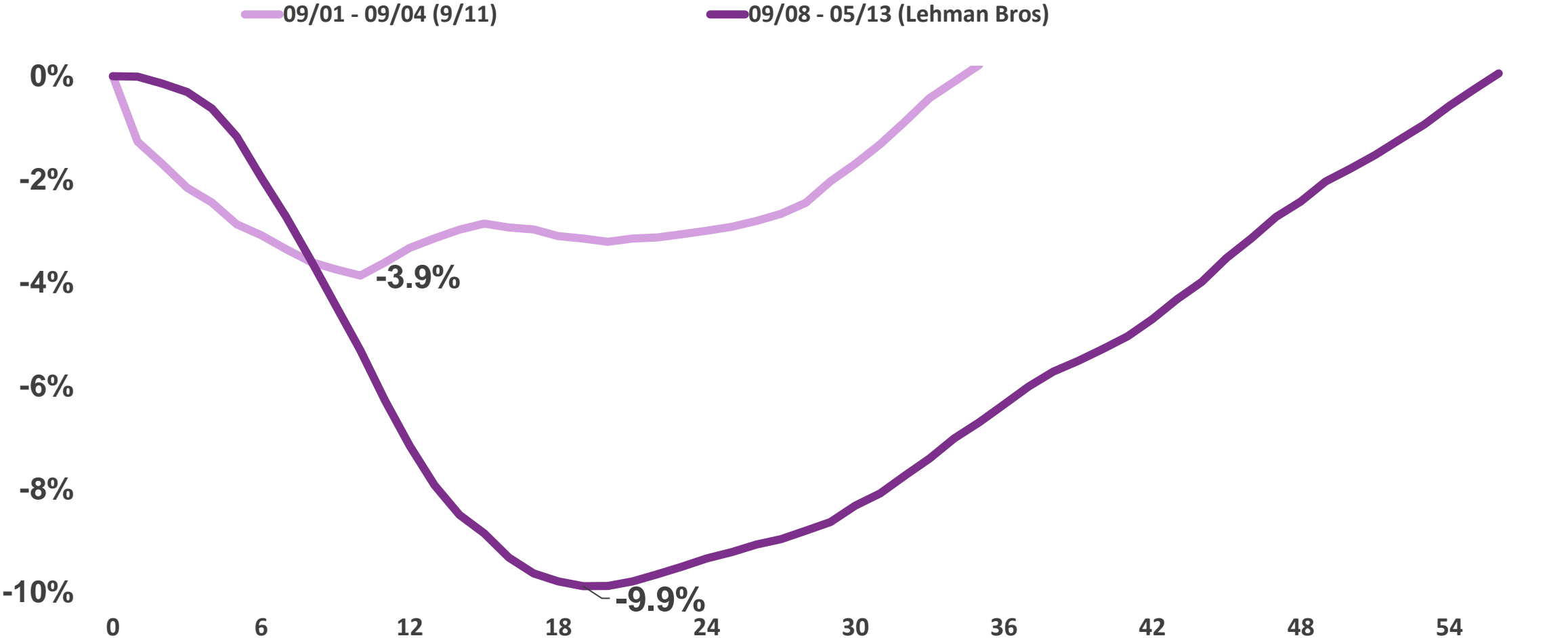


HOTEL DATA
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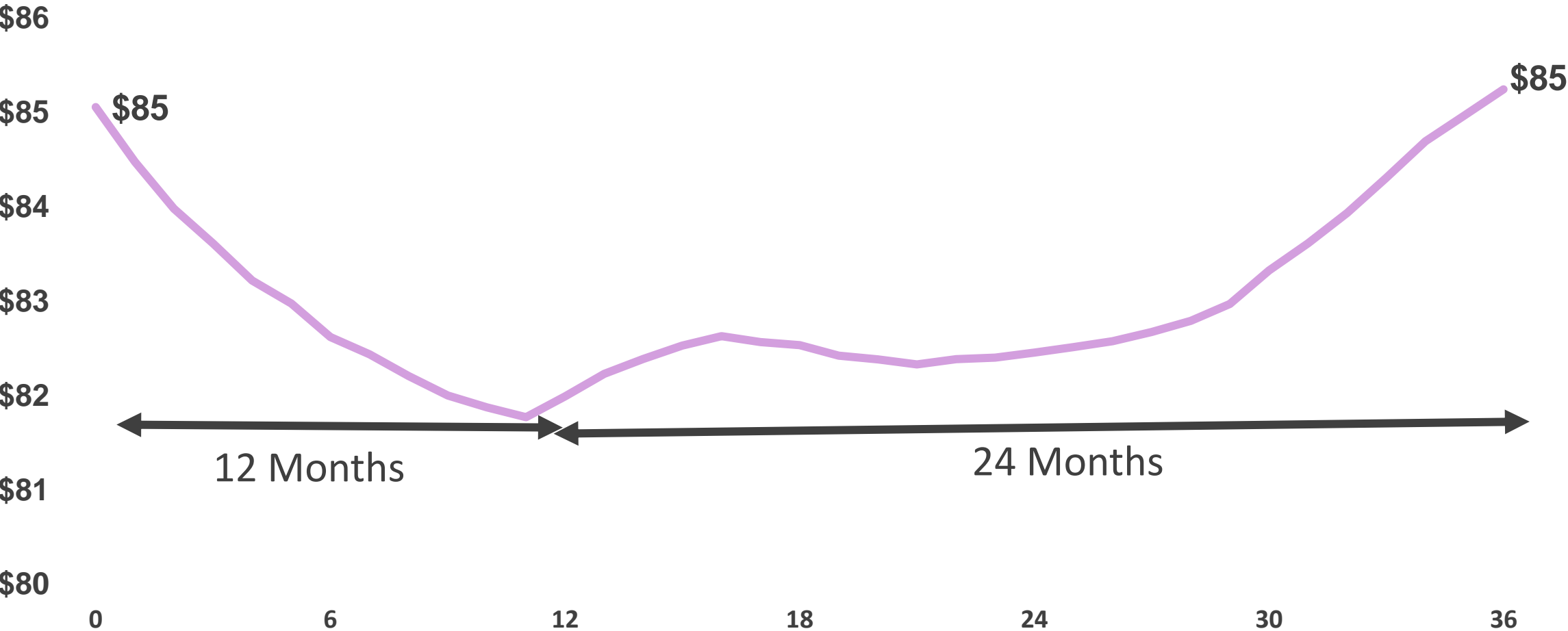
ADR discounts lead to long recovery time

Total U.S., 12MMA , Monthly ADR % Change, Indexed to Event



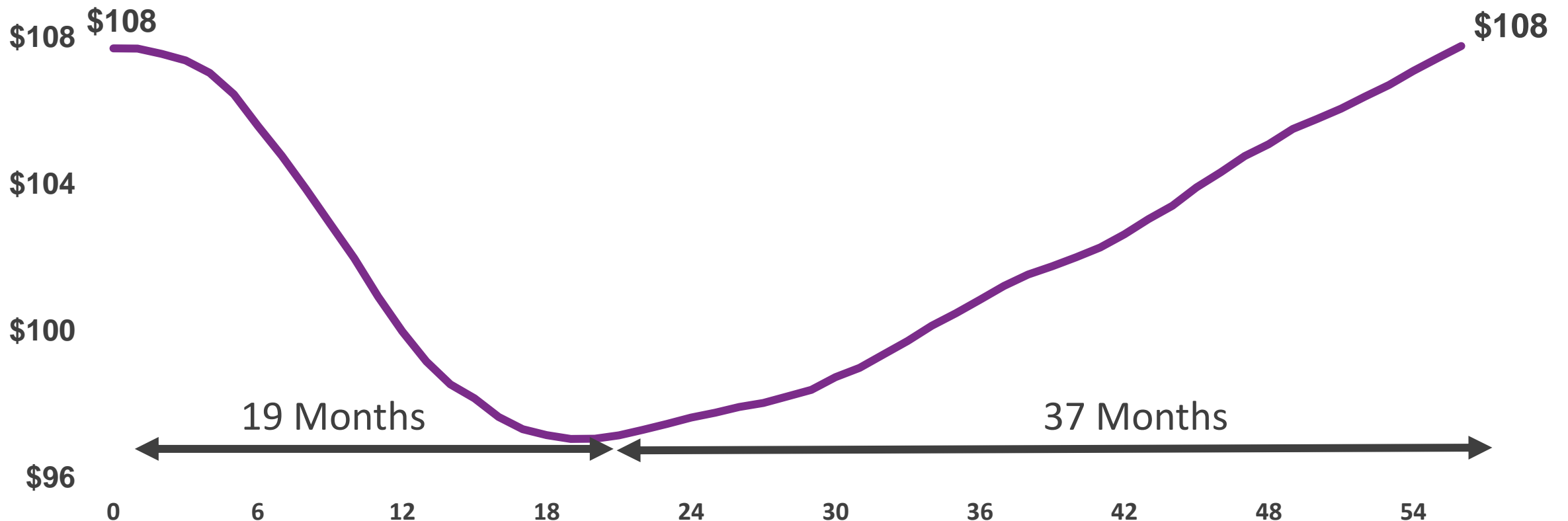
ADR rebound time: 2X the decline

Total US, ADR \$, 12MMA , Post-9/11



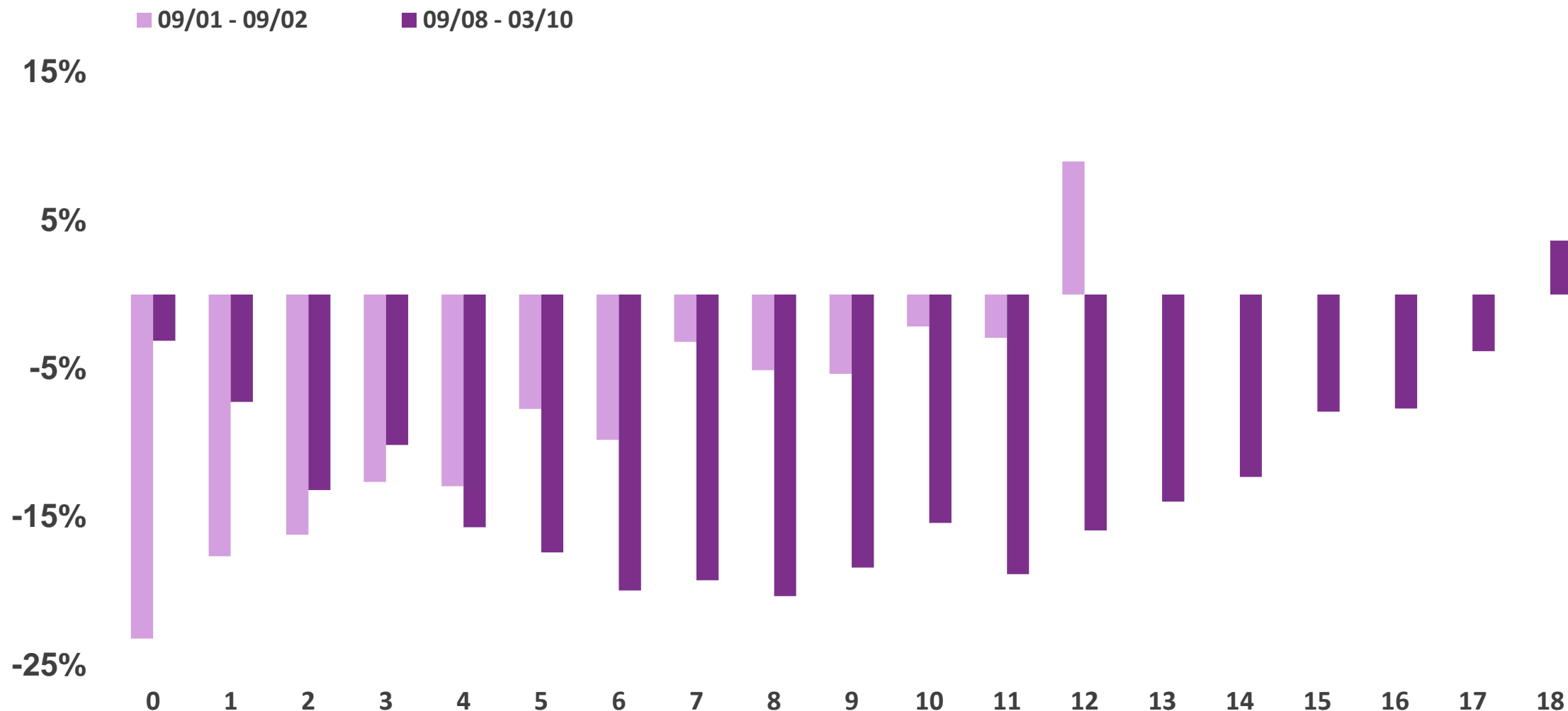
ADR rebound time: 2X the decline

Total US, ADR \$, 12MMA , Post Lehman Bros Bankruptcy (09/2008)



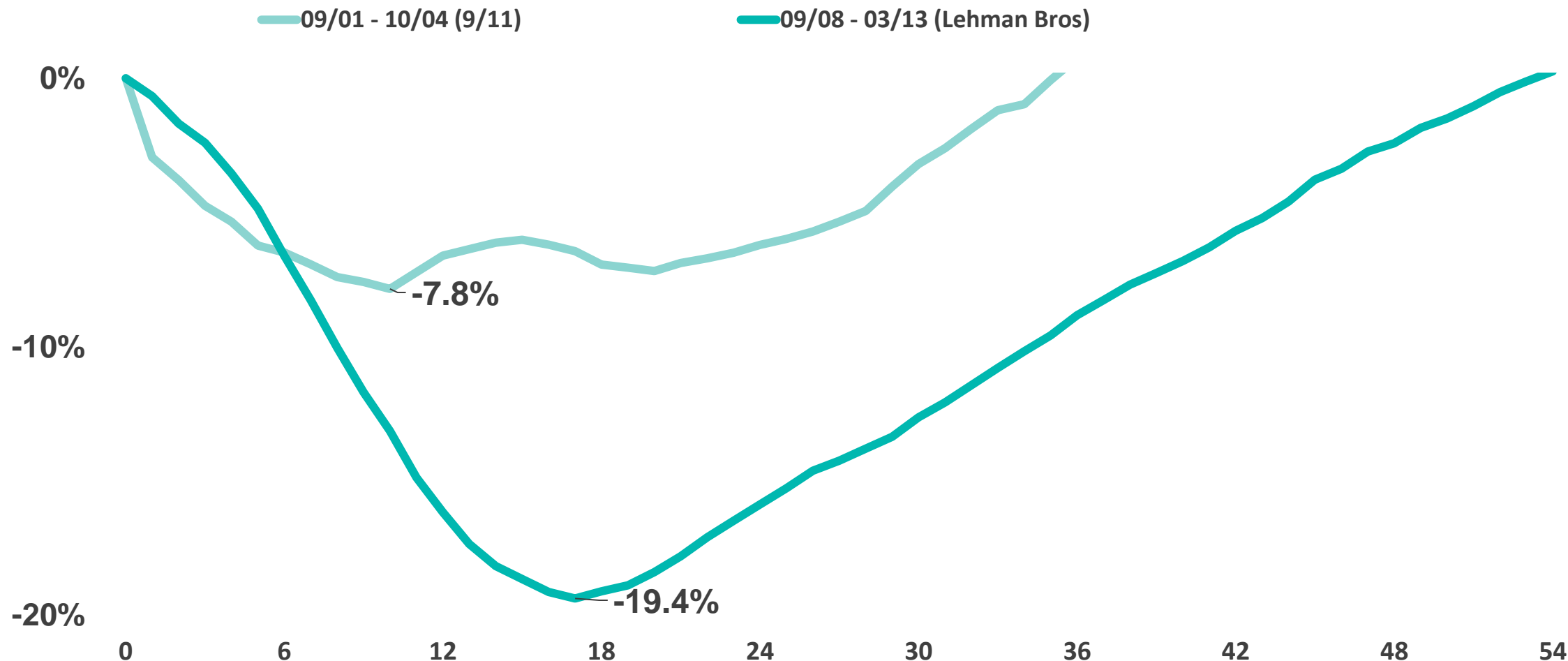
Past ADR declines were very different

Total US, Monthly ADR % Change, Starting 9/11 and Lehman Bros Bankruptcy



RevPAR rebound after external shock takes time

Total US, 12MMA , Monthly RevPAR % Change, Indexed to Event



US Forecast as of 3/30

Key Performance Indicator Outlook (% Change vs. Prior Year)

2020F – 2021F

Outlook		
Metric	2020 Forecast	2021 Forecast
Supply	-14.9	+15.6
Demand	-51.2	+81.8
Occupancy	-42.6	+57.3
ADR	-13.9	+3.7
RevPAR	-50.6	+63.1

US Forecast as of 3/30

Key Performance Indicator Outlook (Absolute Values)

2019, 2020F – 2021F


Outlook			
Metric	2019	2020 Forecast	2021 Forecast
Occupancy	66.1%	37.9%	59.7%
ADR	\$131	\$113	\$117
RevPAR	\$87	\$43	\$70

We live in cycles—the industry always recovers



12MMA RevPAR % Change, Total Caribbean 1/1990 – 01/2020



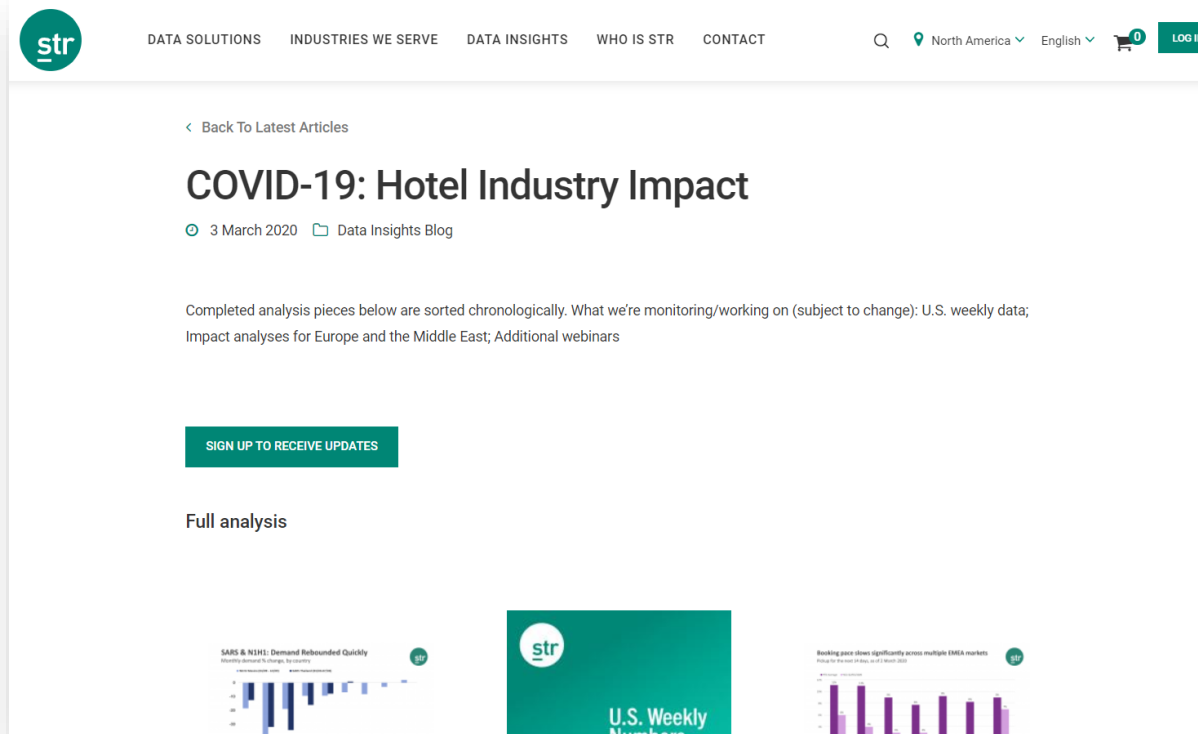
A tropical beach at sunset. The sun is low on the horizon, casting a warm orange glow across the sky and reflecting on the turquoise water. White waves are breaking onto a sandy beach in the foreground. The sky is filled with soft, colorful clouds. On the left, a small strip of land with palm trees is visible.

**“When fishermen cannot go to sea,
they repair nets.”**

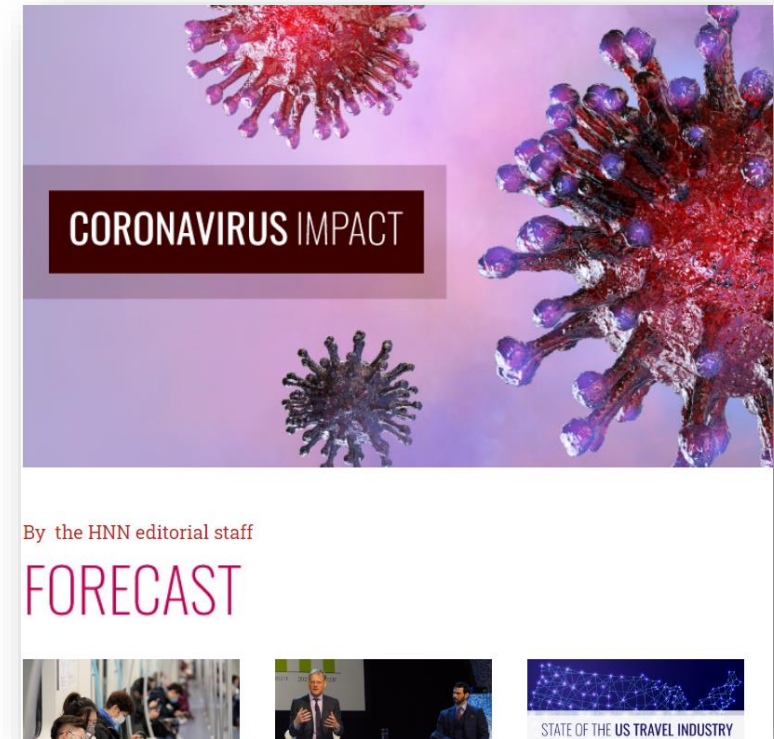
- Nabil Sabio Azadi

Resources:

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Thank you!

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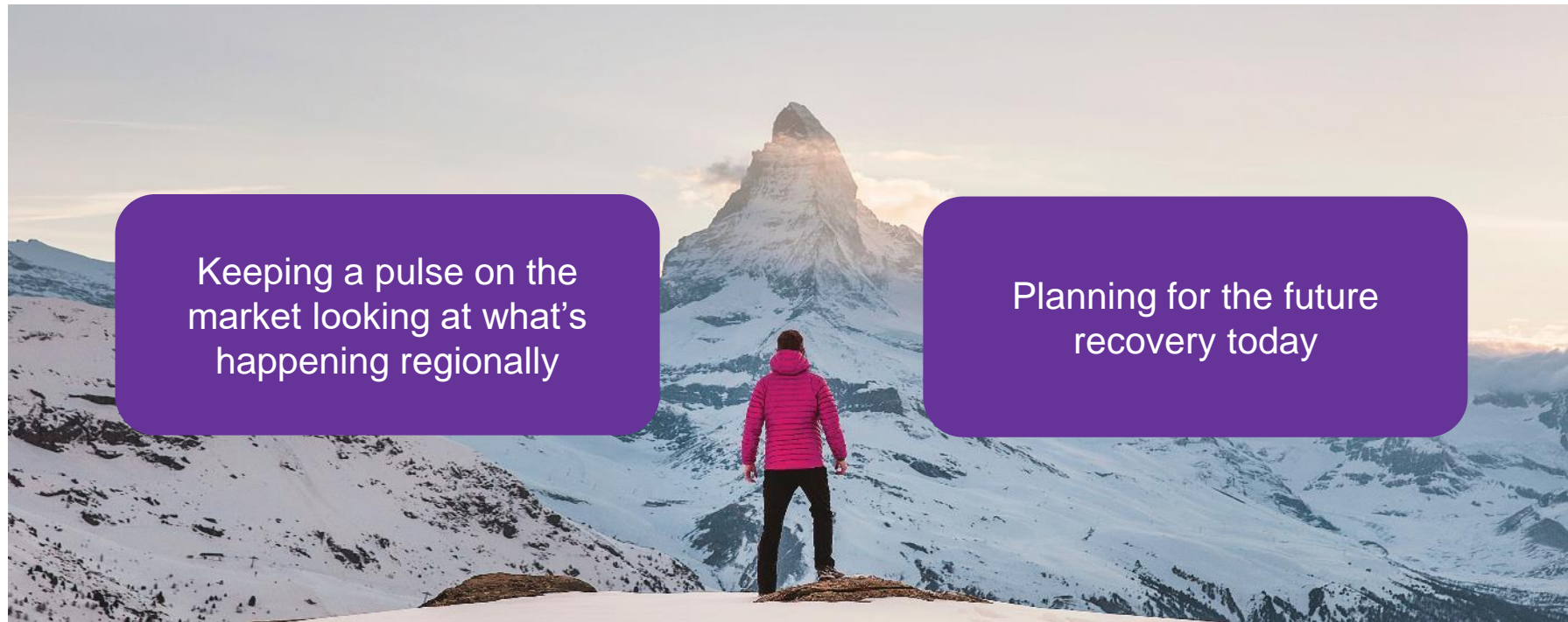
Carolyn Corda, CMO &
Piyush Shrivastava, Director, Product Management, Analytics





Determining the Inflection Point

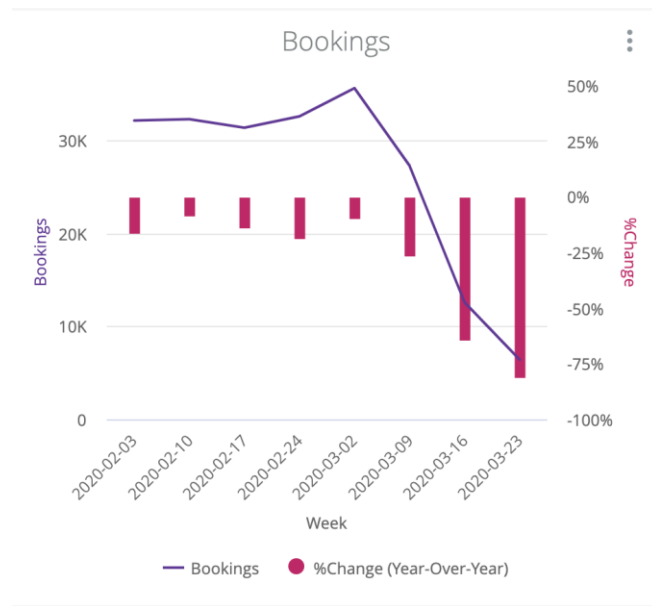
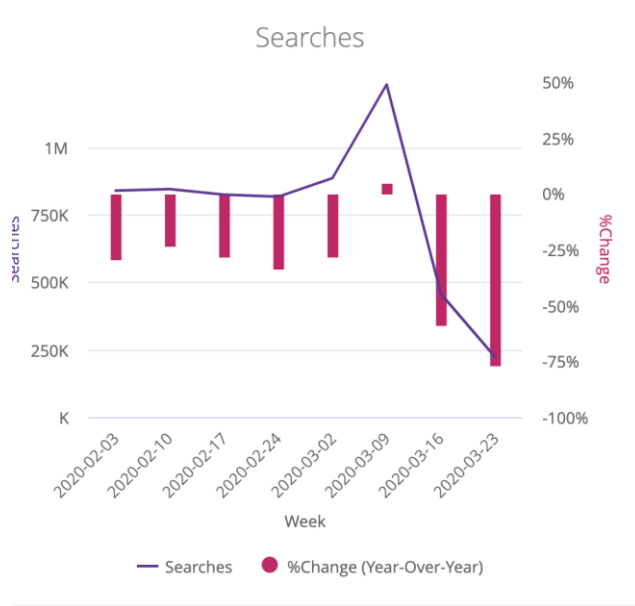
Traveler Intent Tracking



Keeping a pulse on the market looking at what's happening regionally

Planning for the future recovery today

Year over Year Change in Searches & Bookings



Searches & Bookings saw sharp decline in last 2 weeks. Bookings are down by 81% YoY for week of March 23rd

Year over Year Change in Demand – By Caribbean Islands



Demand for travel in upcoming week is down across all islands. However, Some islands are faring better than others

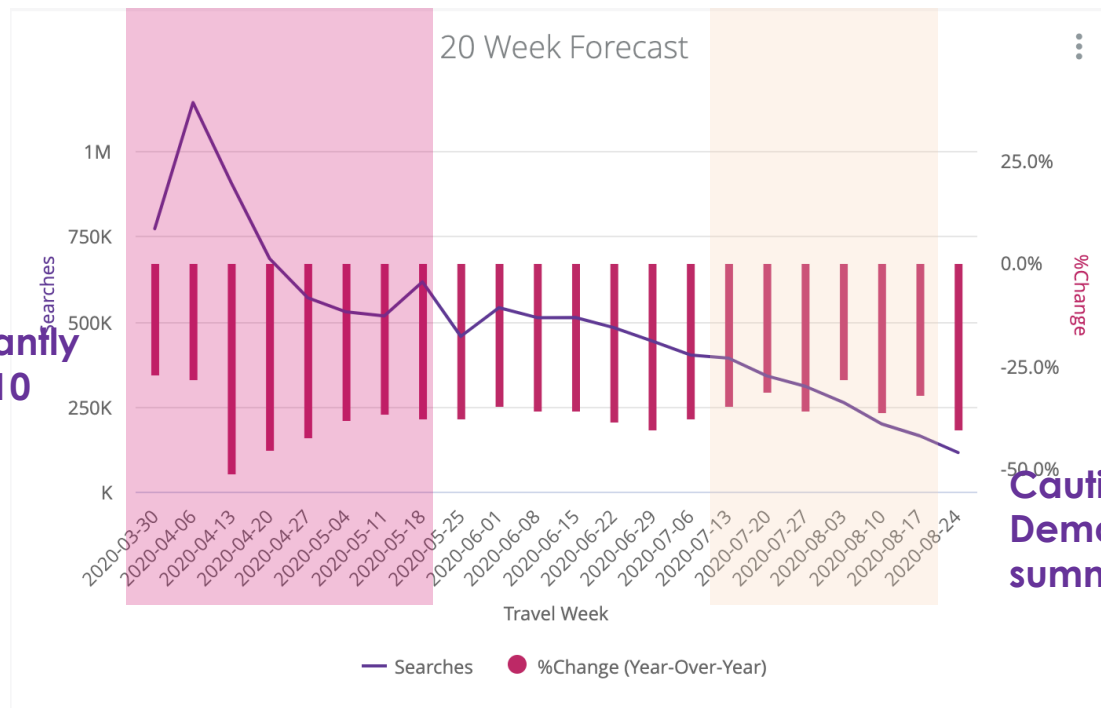
Year over Year Change in Demand - International Travel to Caribbean



International Travel is down YoY from most of the countries.

Demand for Forward Looking 20 weeks

Demand is significantly down for the next 10 weeks



Cautious Optimism in Demand during late summer



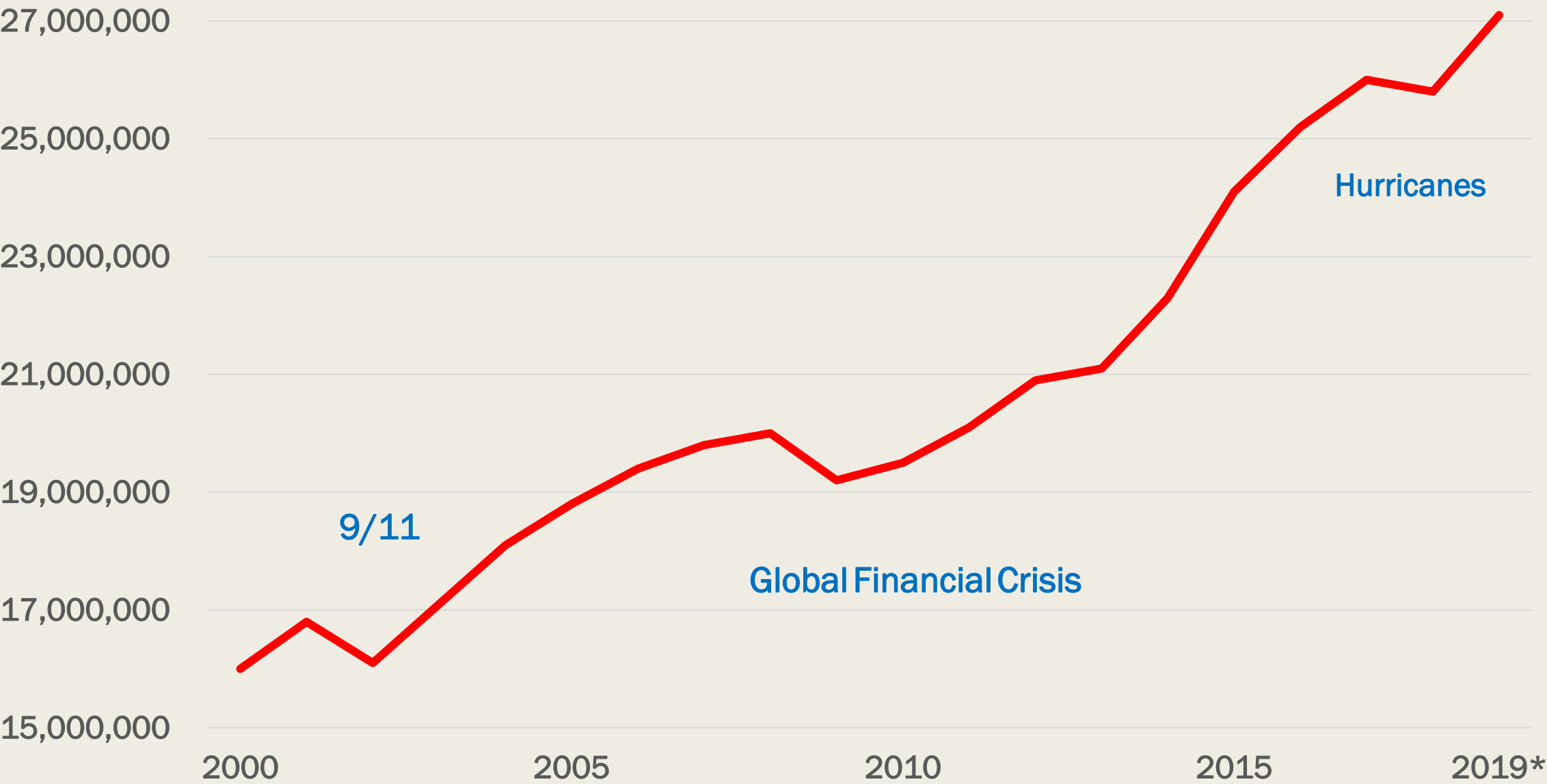
REBOUNDING FROM CRISIS: WHAT EXPERIENCE TELLS US

Friday April 3, 2020



Caribbean Stopovers

UNWTO



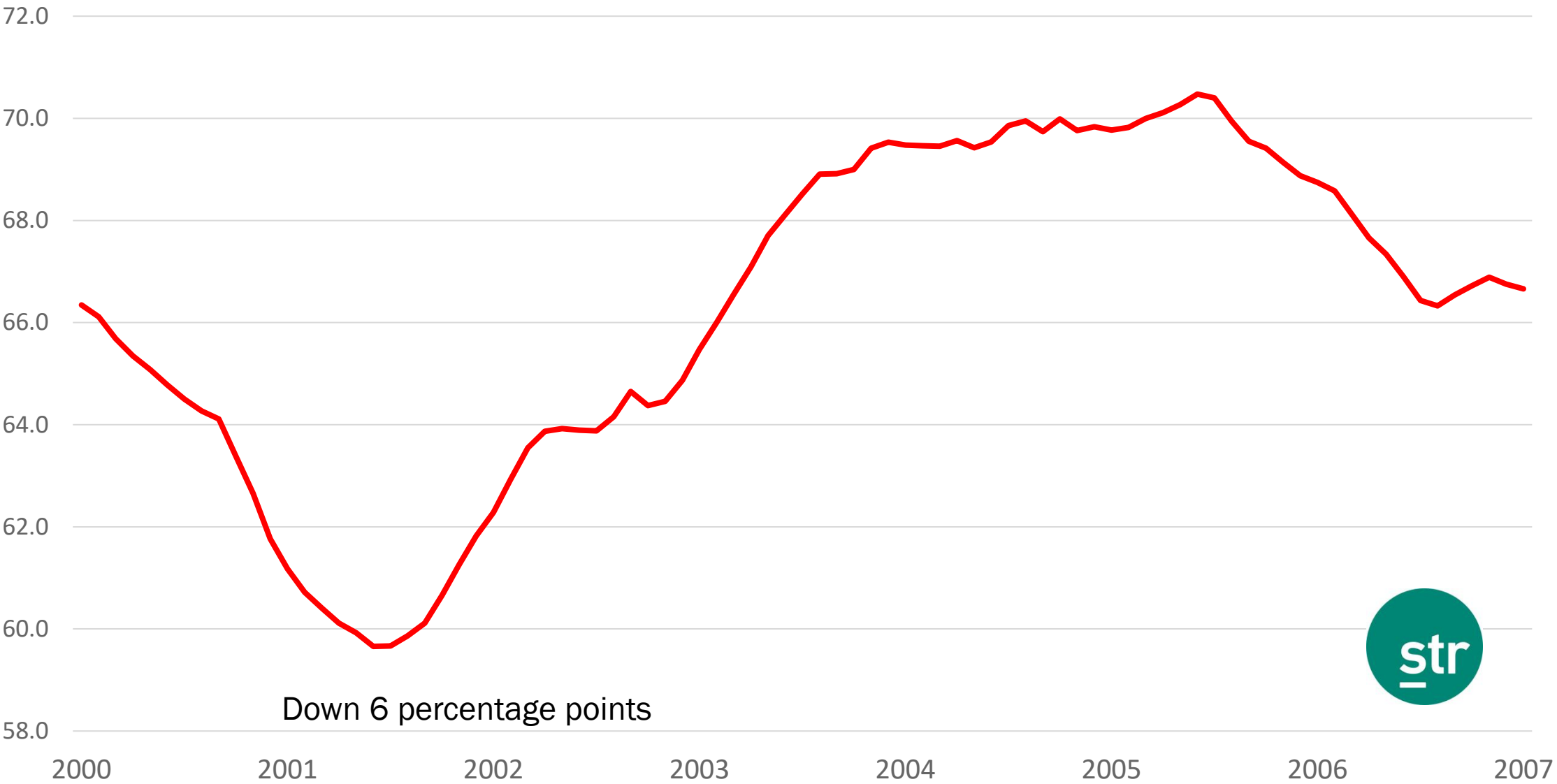
There are various reasons for a downturn in business

- Terrorist attacks/violent conflicts
- Economic Recessions
- Natural Causes – Hurricanes
- Political decisions

COVID -19: Worse than 9/11

- American Airlines CEO says the coronavirus crisis is “worse than 9/11 for the industry”
- BA says jobs will go as airline industry faces crisis 'worse than 9/11'
- How the deadly coronavirus brought an industry to its knees: The ‘cruise lines 9/11’
- Fallout from the Covid-19 coronavirus will be six times worse for the travel industry than the terrorist attacks of 9/11, a new report from Tourism Economics estimates.

Caribbean: Average Room Occupancy
12 month rolling average

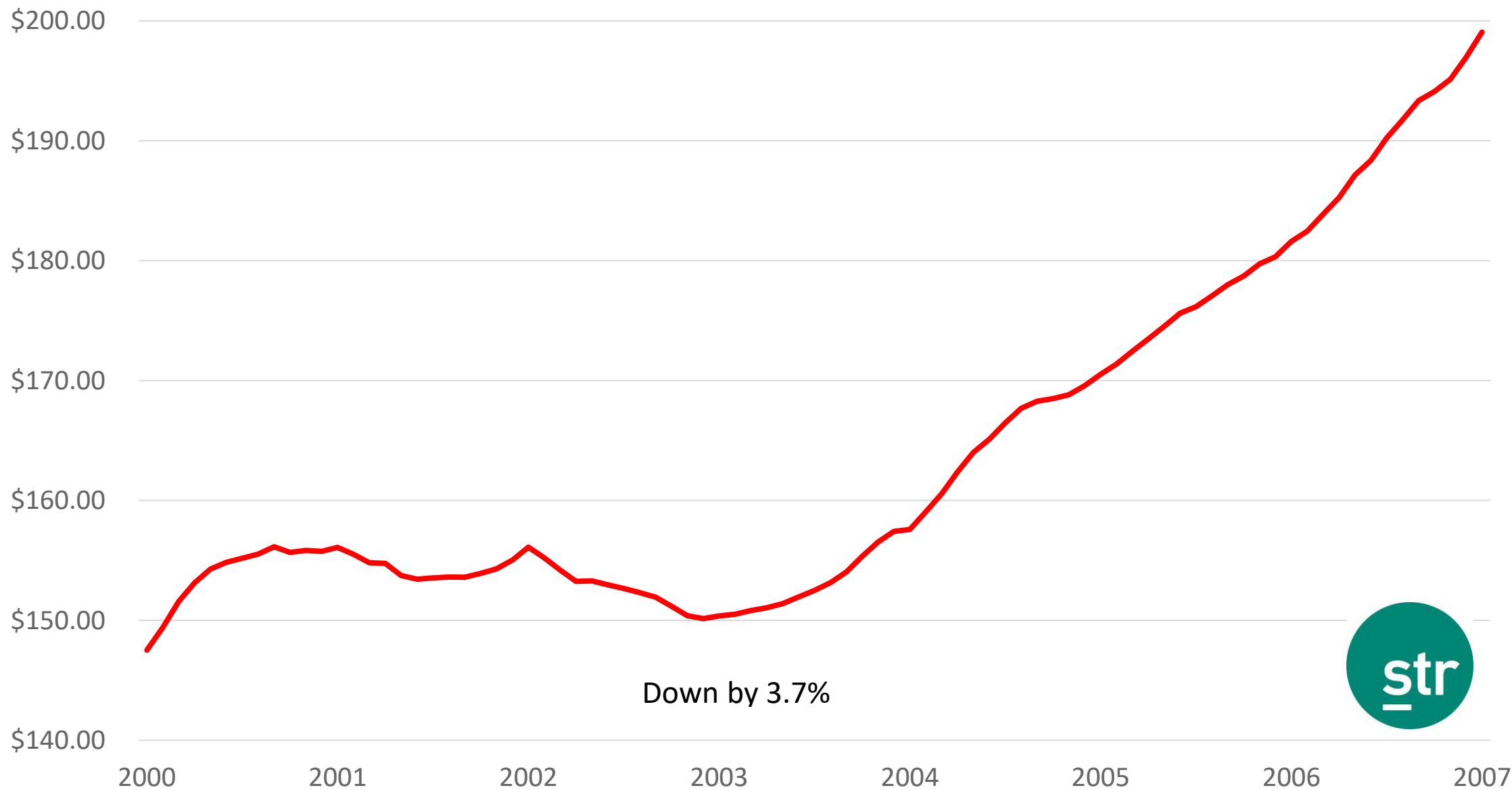


Down 6 percentage points



Caribbean: ADR

Rolling 12 month average

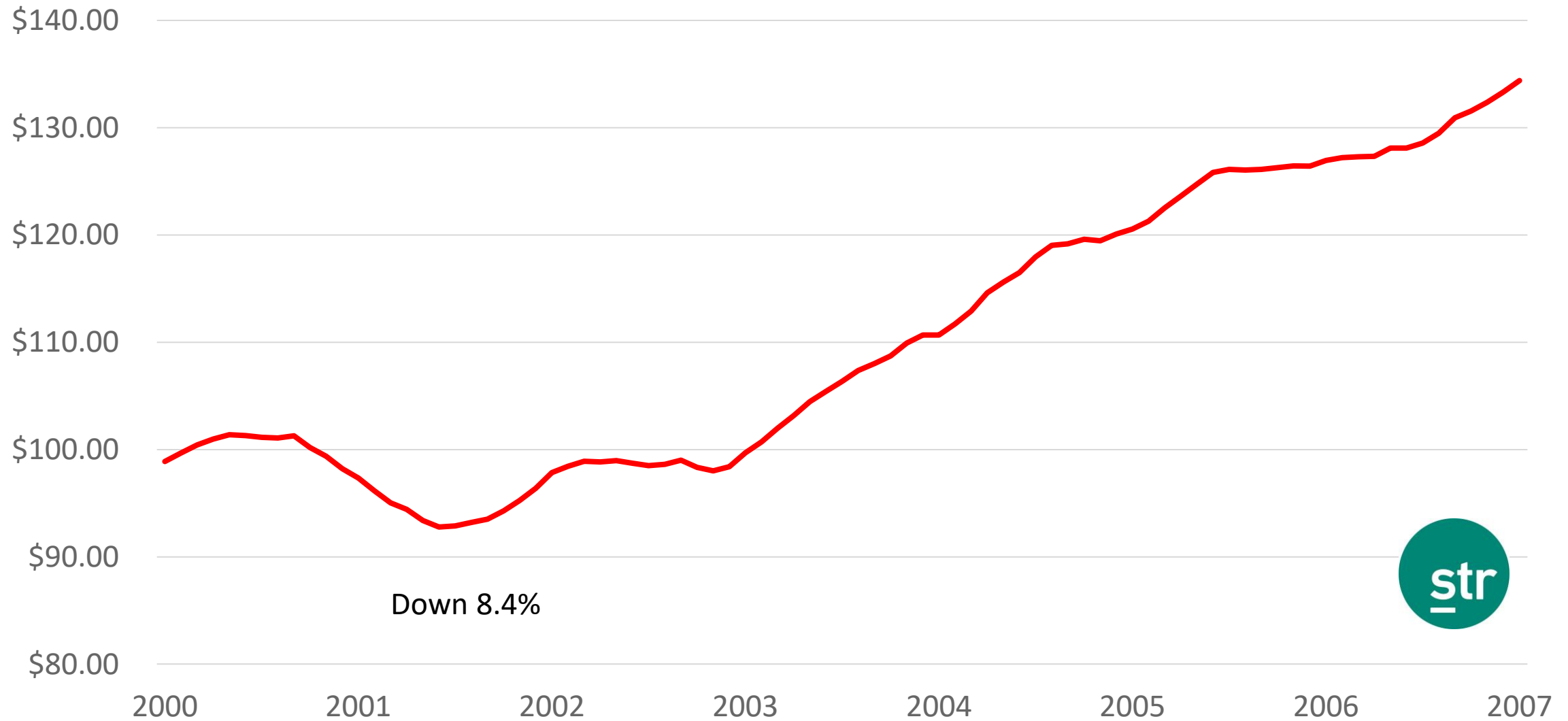


Down by 3.7%



Caribbean: RevPar

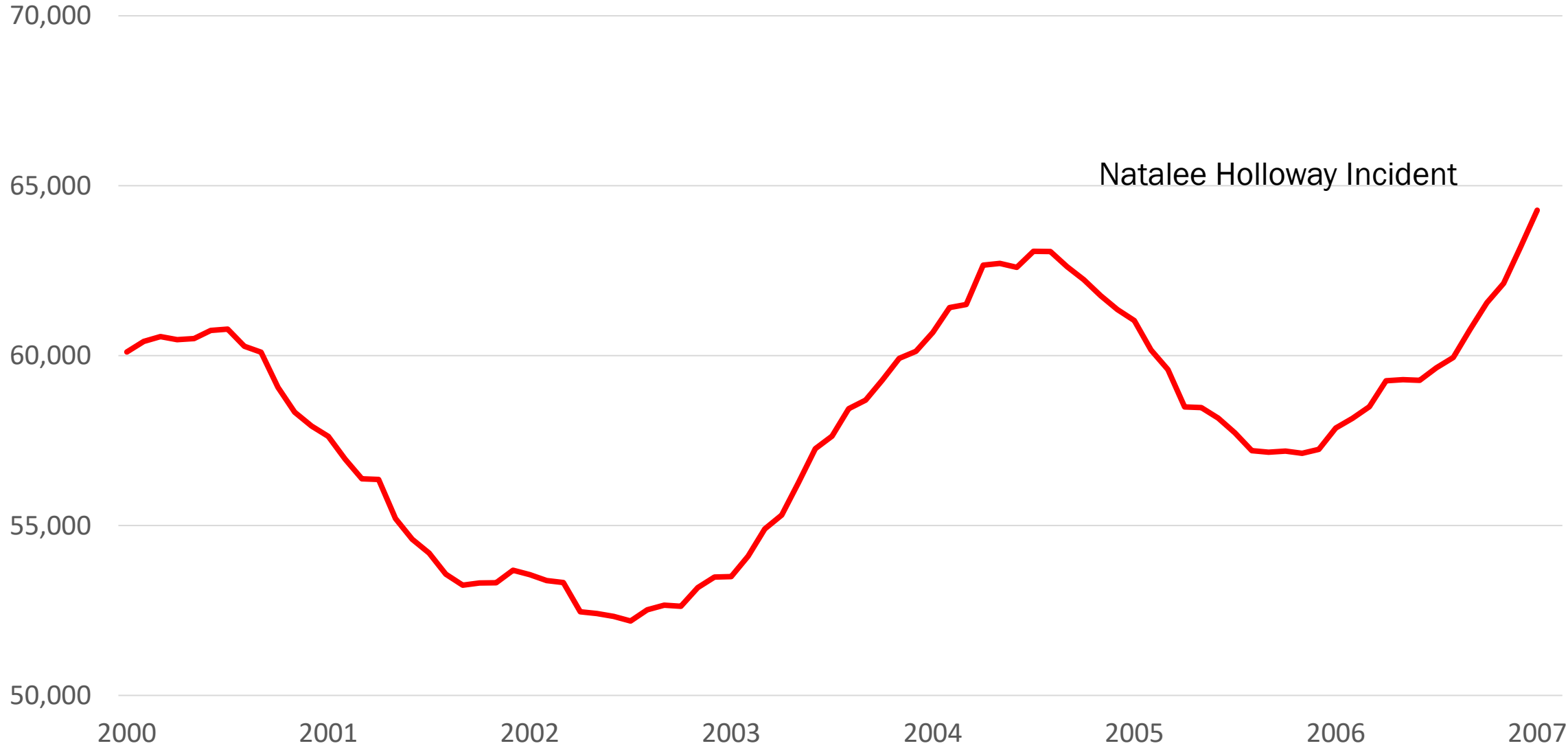
Rolling 12 month average



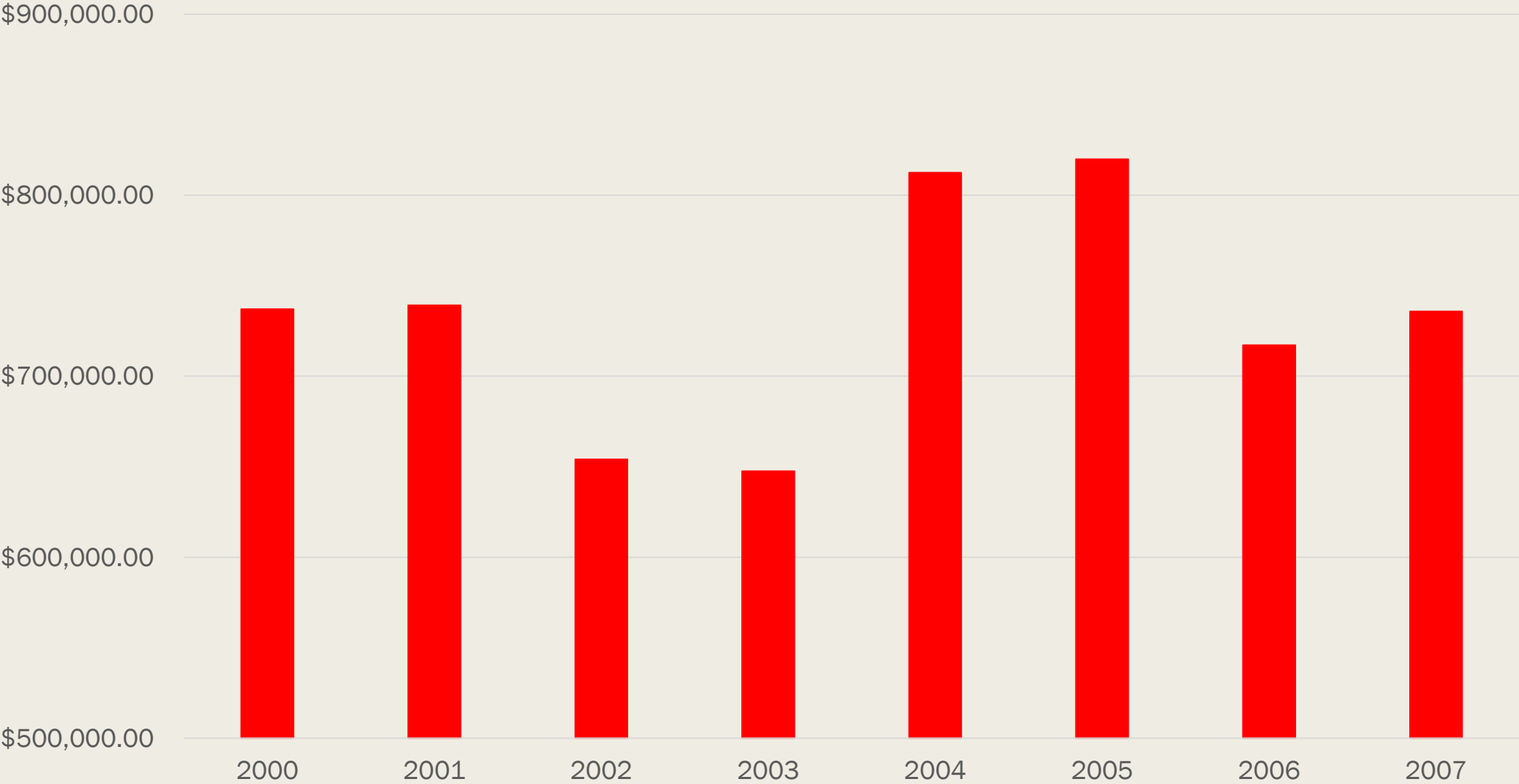
Aruba Total Stopovers

Rolling 12 month average

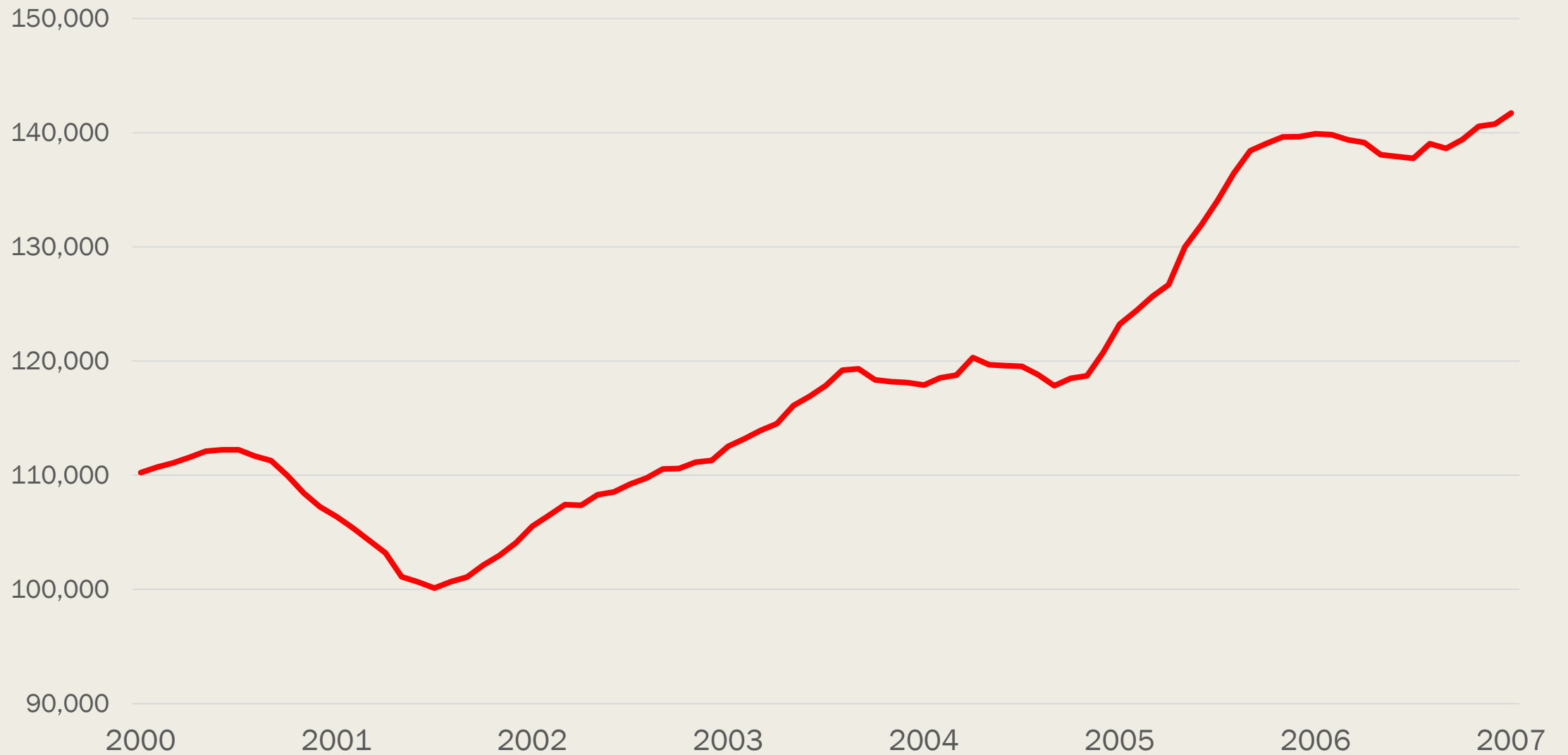
Natalee Holloway Incident



Aruba Tourism Expenditures in US\$ (000s)

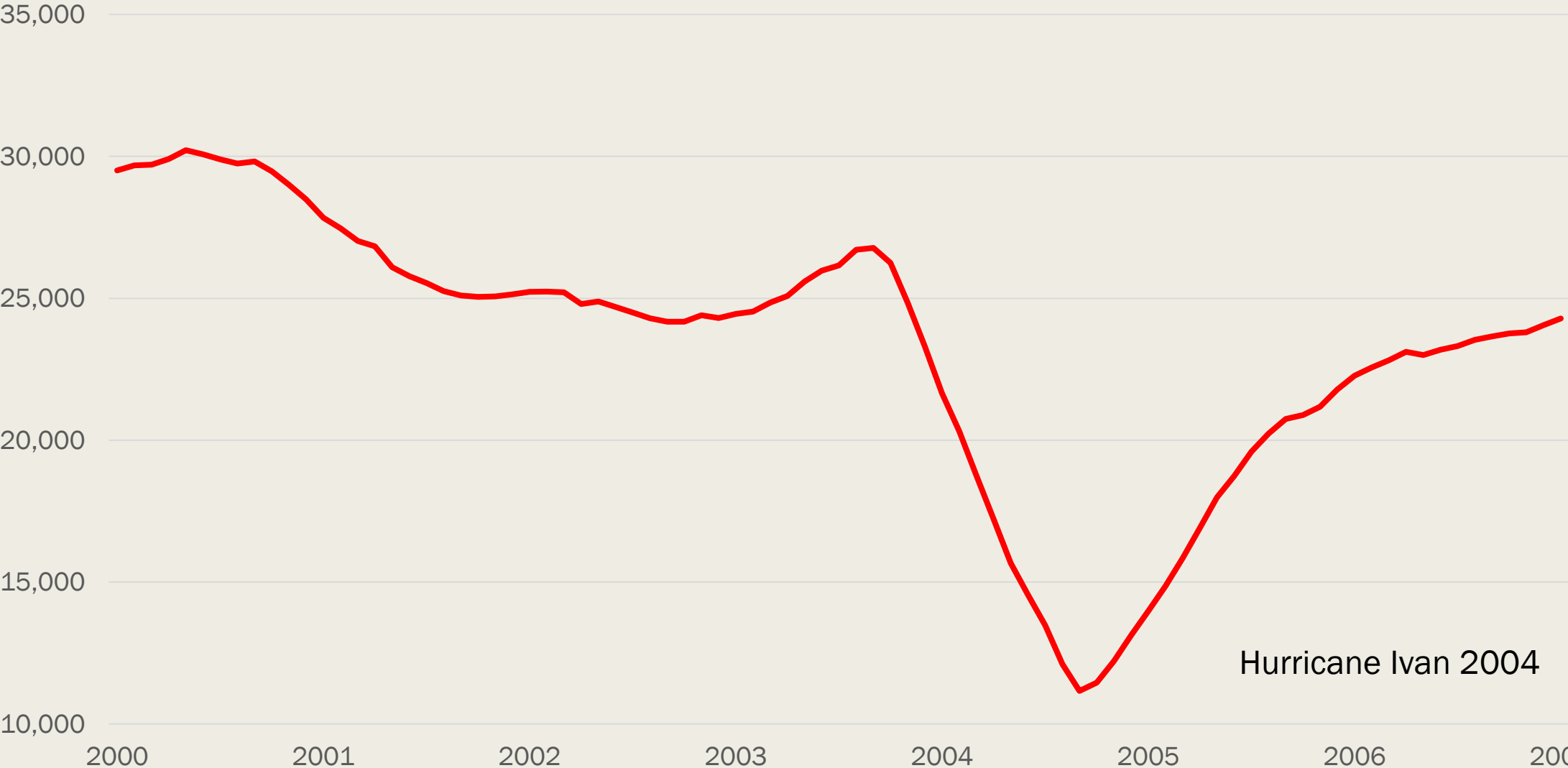


Jamaica: Total Stopovers Rolling 12 month average



Cayman Islands Total Stopovers

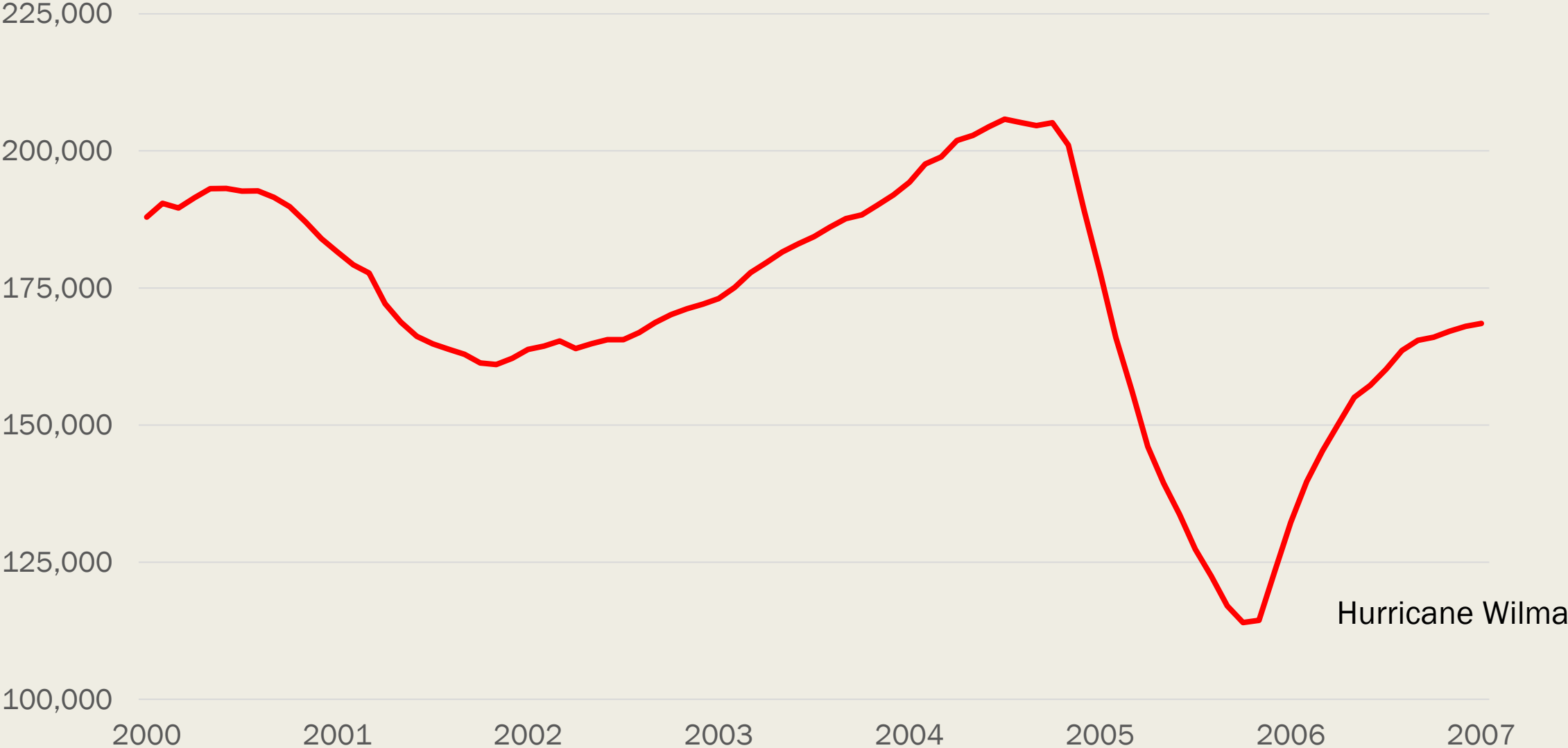
Rolling 12 month average



Hurricane Ivan 2004

Cancun: Foreign Hotel Guests

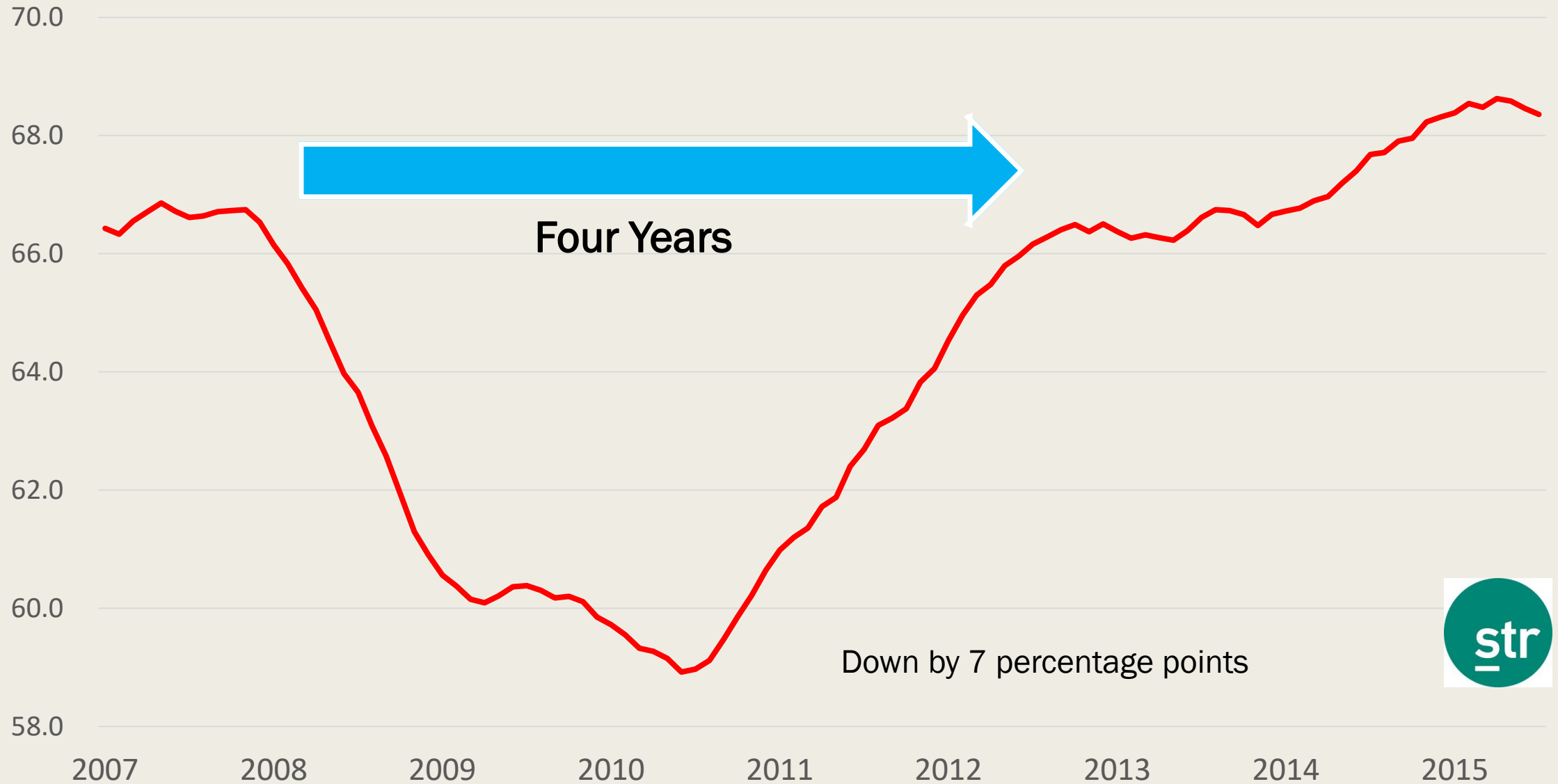
Rolling 12 month average



Hurricane Wilma

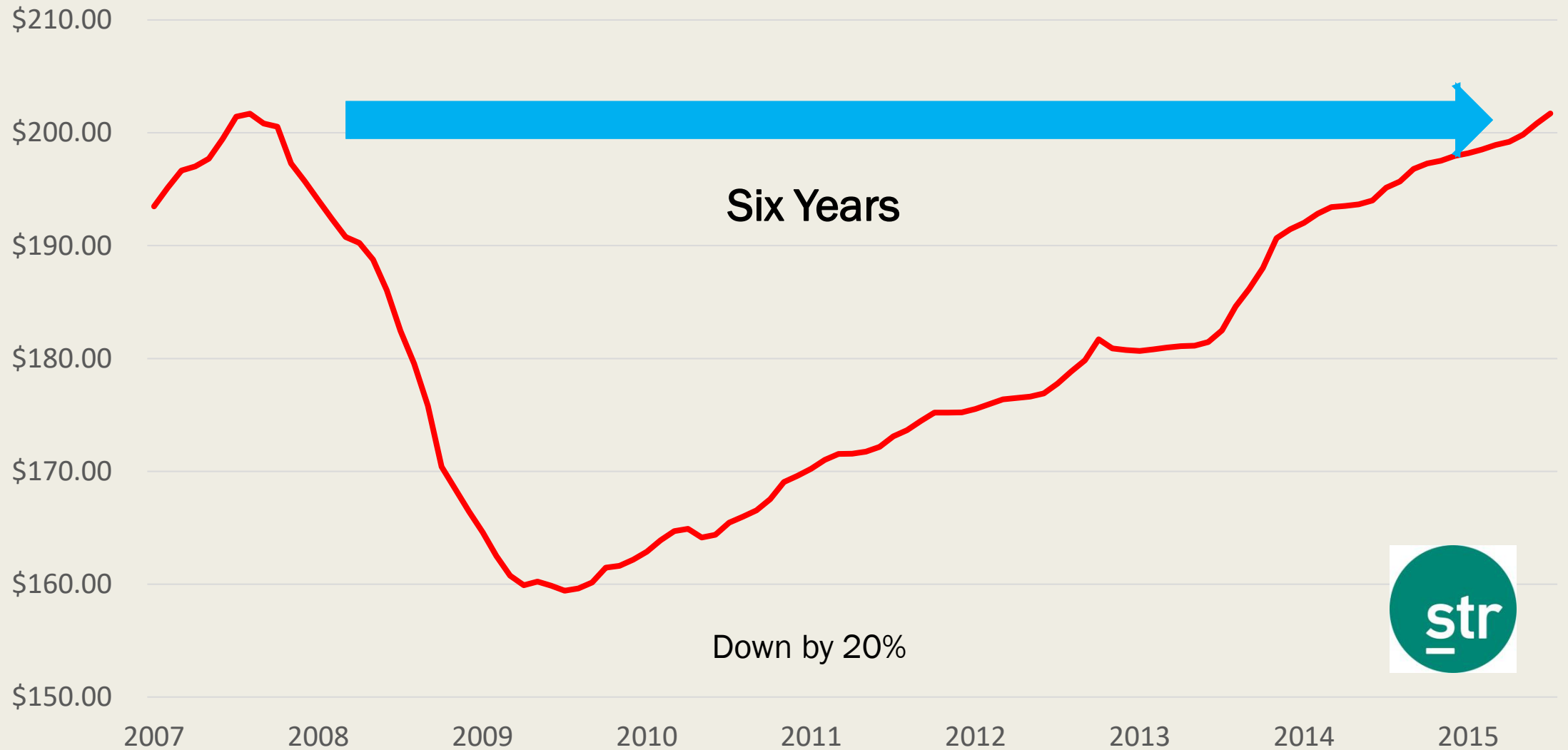
THE GREAT FINANCIAL CRISIS

% Room Occupancy



Caribbean Hotel ADR

Rolling 12 month average



- It will take between three to five years for the Caribbean to recover.



COVID-19 Impact:
Data Insights Now and Into the Future

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Thank You for Attending!

CHTA COVID-19 Resource Center:
caribbeanhotelandtourism.com/covid-19/

Next Webinar: Debt Restructuring
Wednesday, April 8th, 2020 2:00 p.m. est

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