



CARIBBEAN
HOTEL & TOURISM
ASSOCIATION

Caribbean Tourism Covid-19 Business Impact & Recovery Survey Results

March, 2021

CARIBBEAN

Background

The Caribbean Hotel and Tourism Association continues to survey tourism-related employers servicing the region to better understand the impact which the Covid-19 pandemic is having on the tourism industry, its employees, and the broader economy.

This is the third in a series of survey's CHTA has undertaken since March, 2020 to better gauge the impact of the pandemic on tourism and to help guide the industry, policy makers, and support institutions as they consider policies, operational practices, marketing and communications strategies, training and support efforts aimed at accelerating and stimulating tourism's recovery

The survey was conducted between February 15th and 24th via email.
Approximately 255 businesses completed the survey.

Summary of Results

Business Operations

- **67% of Caribbean's Tourism-related Businesses are Presently (end of February, 2021) Fully Operational; 17% reported being partially open; 16% of businesses remained closed; of those partially open or closed, 56% expect to be fully open by June.**
- **Caribbean Tourism Industry Reports a 74% Loss in Revenue in 2020 Against Forecast** prior to the pandemic. Impact is even more significant when considering the industry's robust performance in January and February, 2020 prior to the pandemic.
- **14% of Caribbean's Tourism-Related Businesses are Highly Likely or Likely to Permanently Close** as a result of the pandemic; 49% are not likely to permanently close and 37% said it is still possible that they could permanently close.
- **49% of Tourism-related Employers Expect Labor Costs to Increase** ultimately to support additional health safety measures.

Employment-Related

- **Caribbean's Tourism's Employment Levels were Reported to be 43% of Pre-pandemic** levels as of February, 2020, indicating some level of activity and high level of employers are retaining employees despite low level of tourist activity
- **38% of Employers are Able to Continue to Pay a percentage of Employee's salary for Employees who are Still Employed But are Not Working** (furloughed, laid-off, on leave, etc), while 62.5% are unable to do so.
- **The Average Percentage of Salary being Paid by those able to do so is 55%.** Most employers who are assisting with employee salaries and benefits expect to no longer be able to do so in the coming months.

Summary of Results *continued*

Health Safety

- **Nearly All Caribbean Tourism-Related Companies Invest Significantly** in New Health Safety Protocols, Technologies and Operations to protect employees and guests.
- **Three in Every Ten Employers Covering Costs for Employee and Guest Testing.**
- **Thirteen percent of Employers Indicate they Are Covering or Will Cover Costs for Employee Vaccine shots if not already covered. More Employers Would Consider.**
- **24% of Employers Offering or Plan to Offer Covid-19 Testing on site.**
- **54% Express Interest in Securing Special Pricing for Covid-19 Testing** for employees and guests through a CHTA recognized vendor.
- **All Employers Indicate They Intend to Continue to Adhere to Face Coverings and Physical Distancing Protocols for Employees and Guests.**

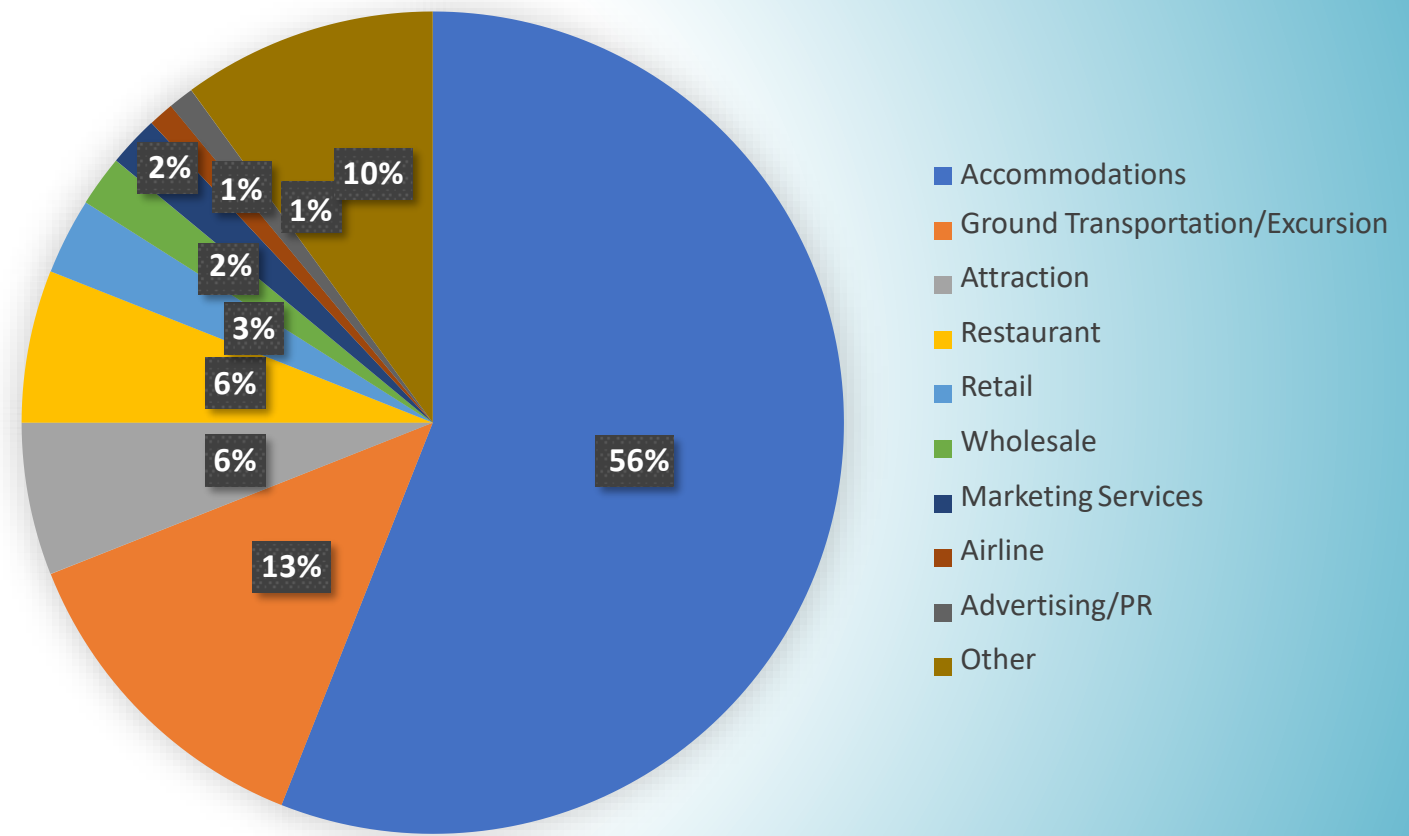
Summary of Results *continued*

Recovery Support

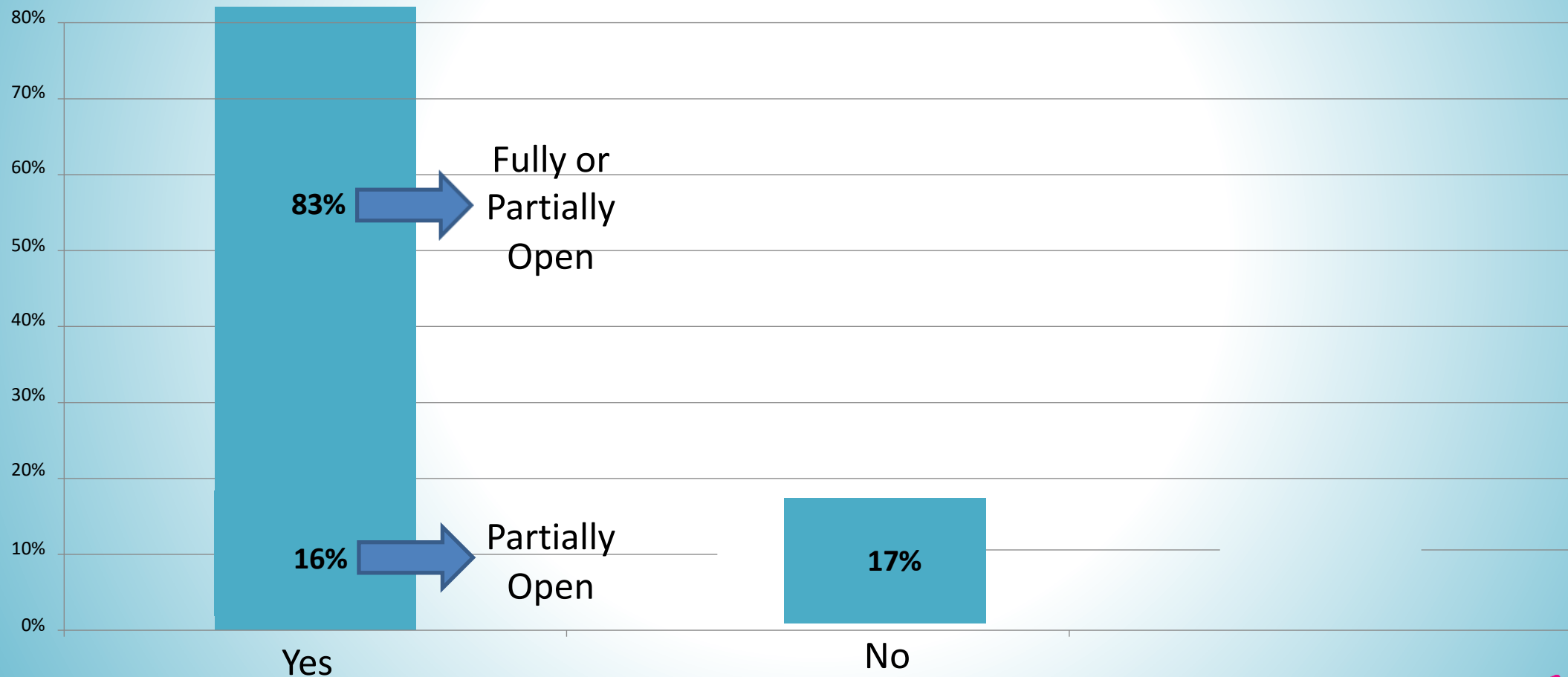
- **77% of Employers Are Not Receiving any Government Support to Assist with the Retention of Employees.**
- **Of the 23% of employers receiving Government support to retain employees, 42% of that support came in the form of lending subsidies while 32% reported that direct subsidies were provided to employees by the Government.**
- **Only 11 percent of employers report receiving tax or duty relief to support purchase of new health- safety-related equipment, materials and supplies**
- **Government, Utilities, and Financial Institution Support Provided in Some Jurisdictions.** Continued support and additional support needed to stimulate recovery. Tourism industry identifies key measures important to stimulating recovery.
- **Employers Advocate that Highest Priorities to Support Recovery should be placed on:**
 - (1) Marketing and Public Relations campaign by public and private sectors;**
 - (2) Support for Furloughed Employees and Stimulus for Rehires;**
 - (3) Electric Utilities Relief;**
 - (4) Stimulus to Rebound Airlift;**
 - (5) Tax Relief;**
 - (6) Flexible Banking Arrangements.**
- **One-Third of Tourism-related Businesses Willing to Contribute Room Inventory or other services (if not a hotel) in support of a destination or regional recovery marketing and public relations campaign. Fifty- four percent are open to consider this type of support but would like to know more before deciding.**

Sector Representation Based Upon 255 Company Survey Respondents:

Accommodations	56%
Ground Transportation/Excursion	13%
Attraction	6%
Restaurant	6%
Retail	3%
Wholesale	2%
Marketing Services	2%
Airline	1%
Advertising/PR	1%
Other	10%

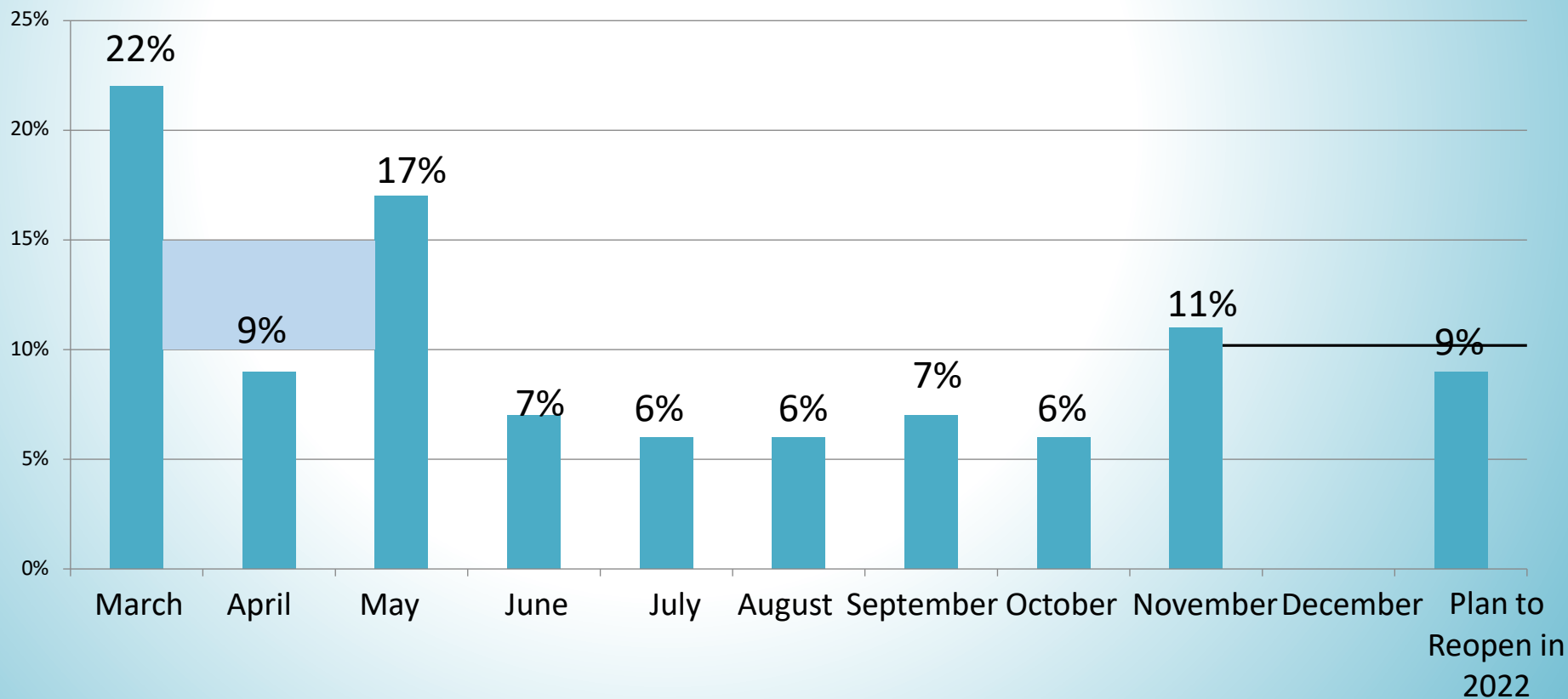


Are you presently open and conducting business?



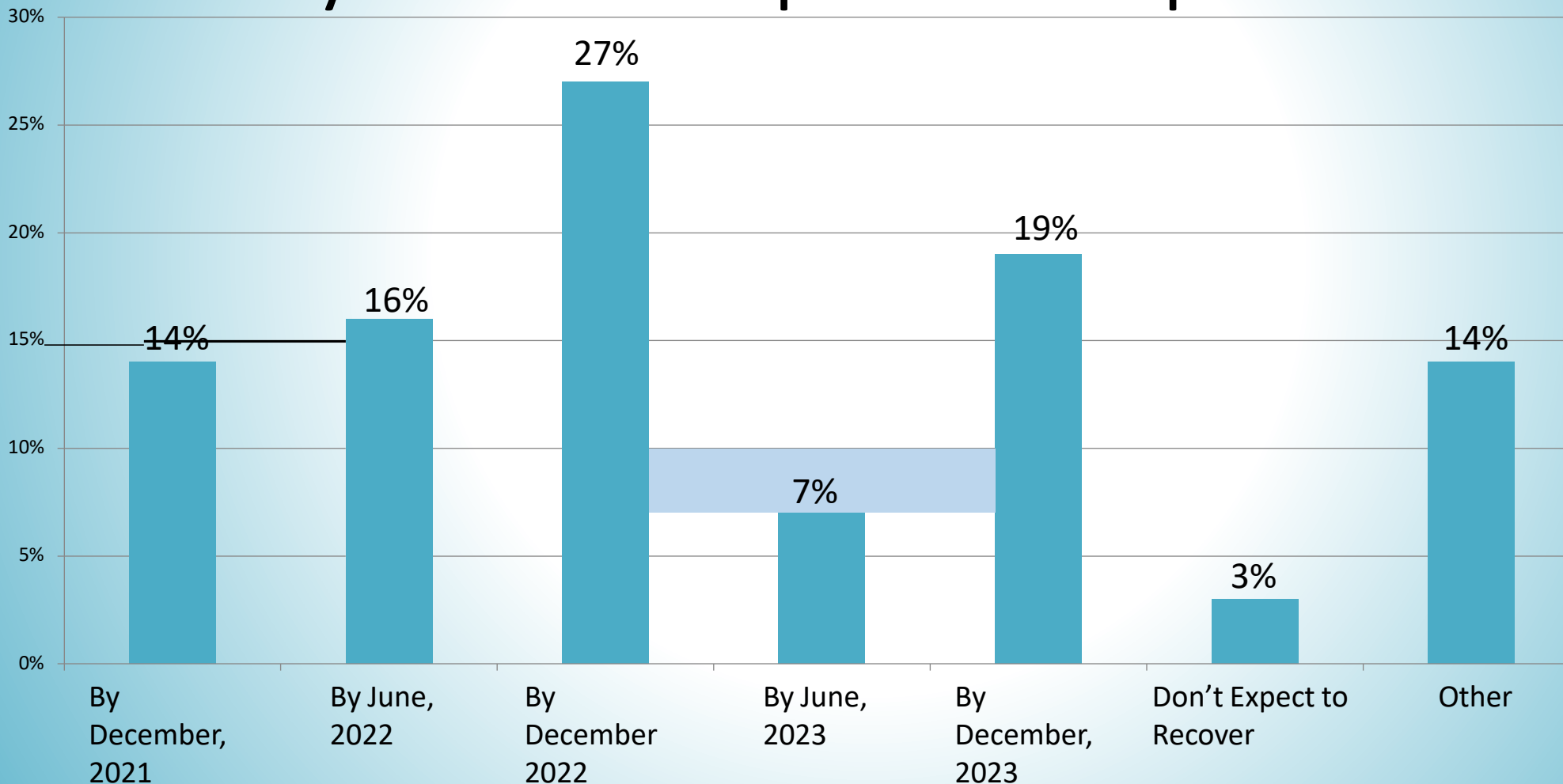


If not presently open, when do you expect to reopen or fully open this year?



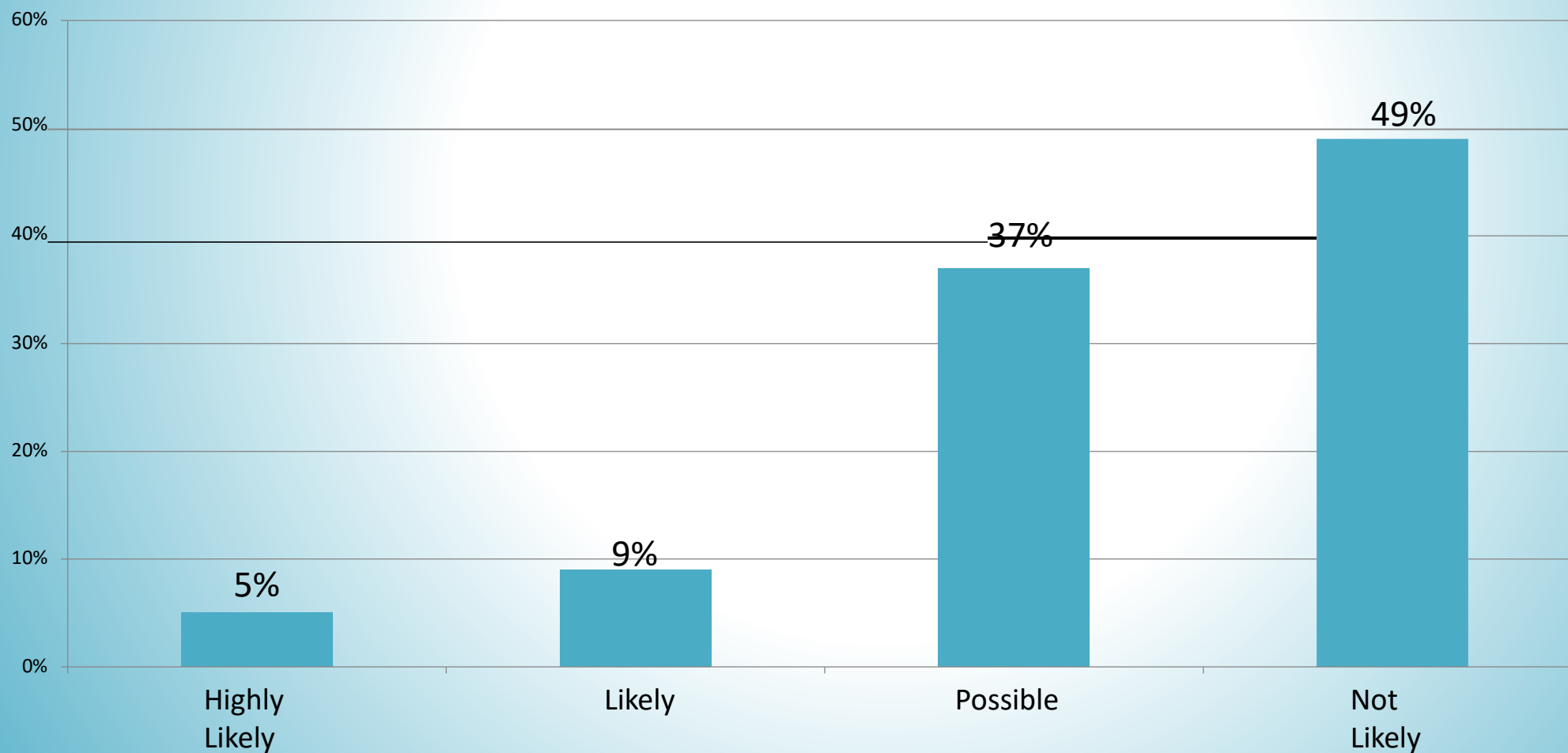


When do you expect your business to recover financially from the impact of the pandemic?



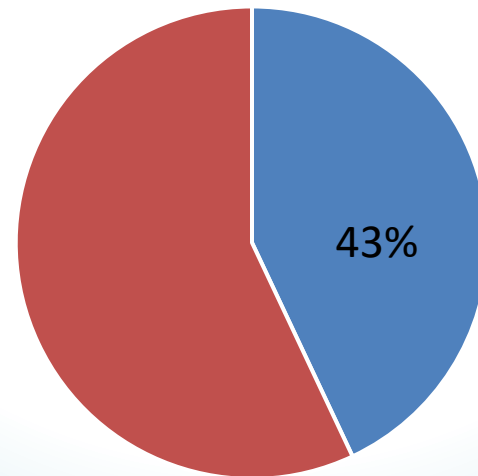


How likely is your business to permanently close as a result of the pandemic?



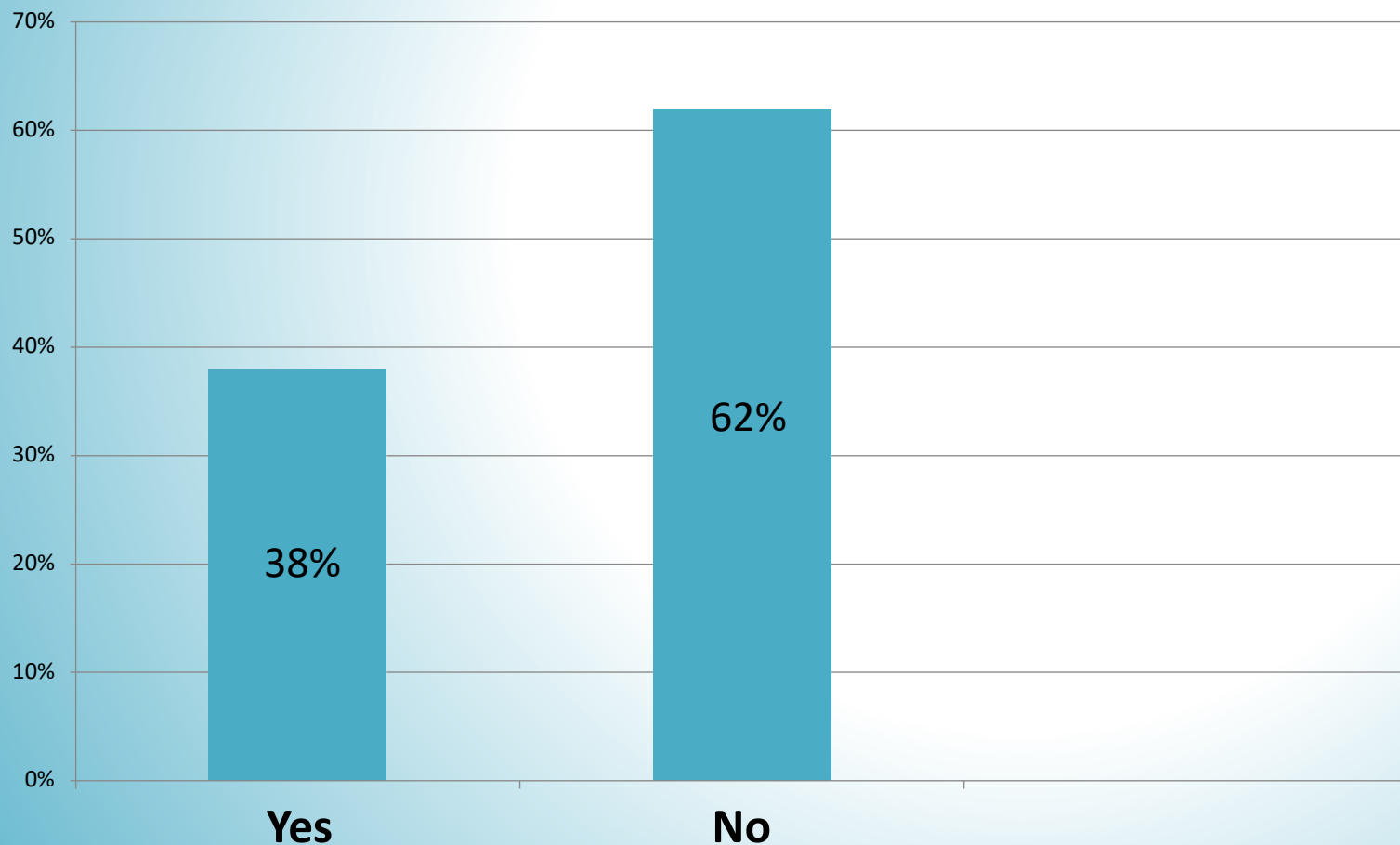
Please estimate the total number of employees working in your business now vs. prior to pandemic...

Employers Retain 43 Percent of Employees, February 2021





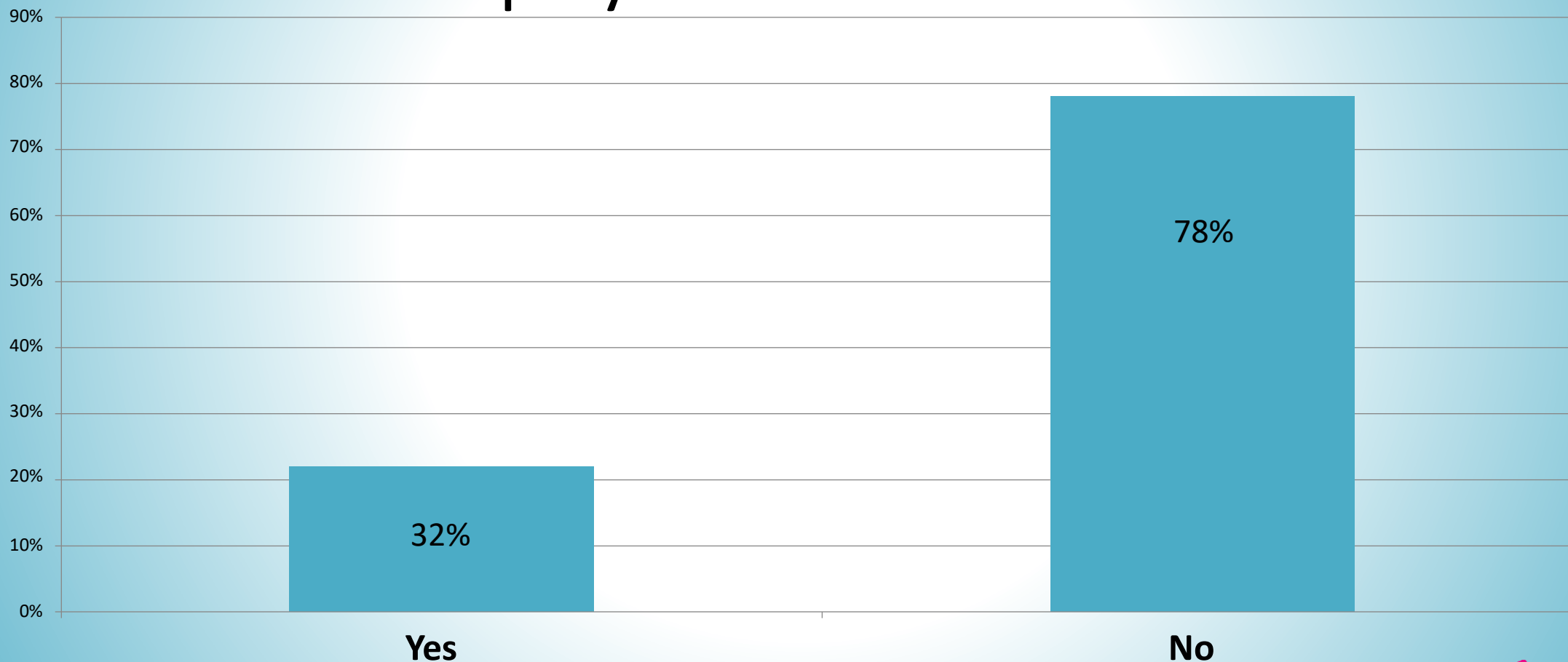
For those employees who are still employed but are not working (furloughed, laid-off, on leave, etc), are you continuing to pay a percentage of their salary?



If yes, please indicate what percentage: **55%**

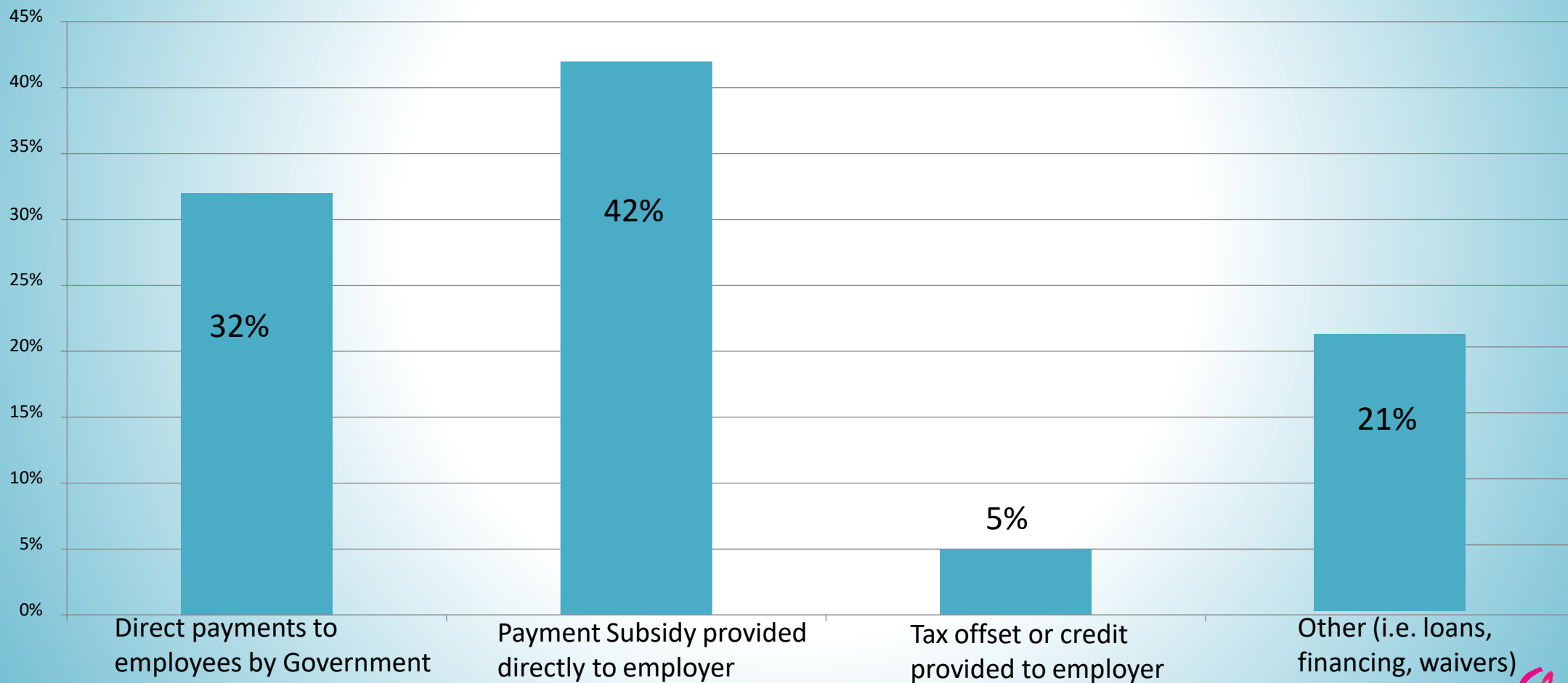


Is Government providing support to assist in your retention of employees?





If yes, how?





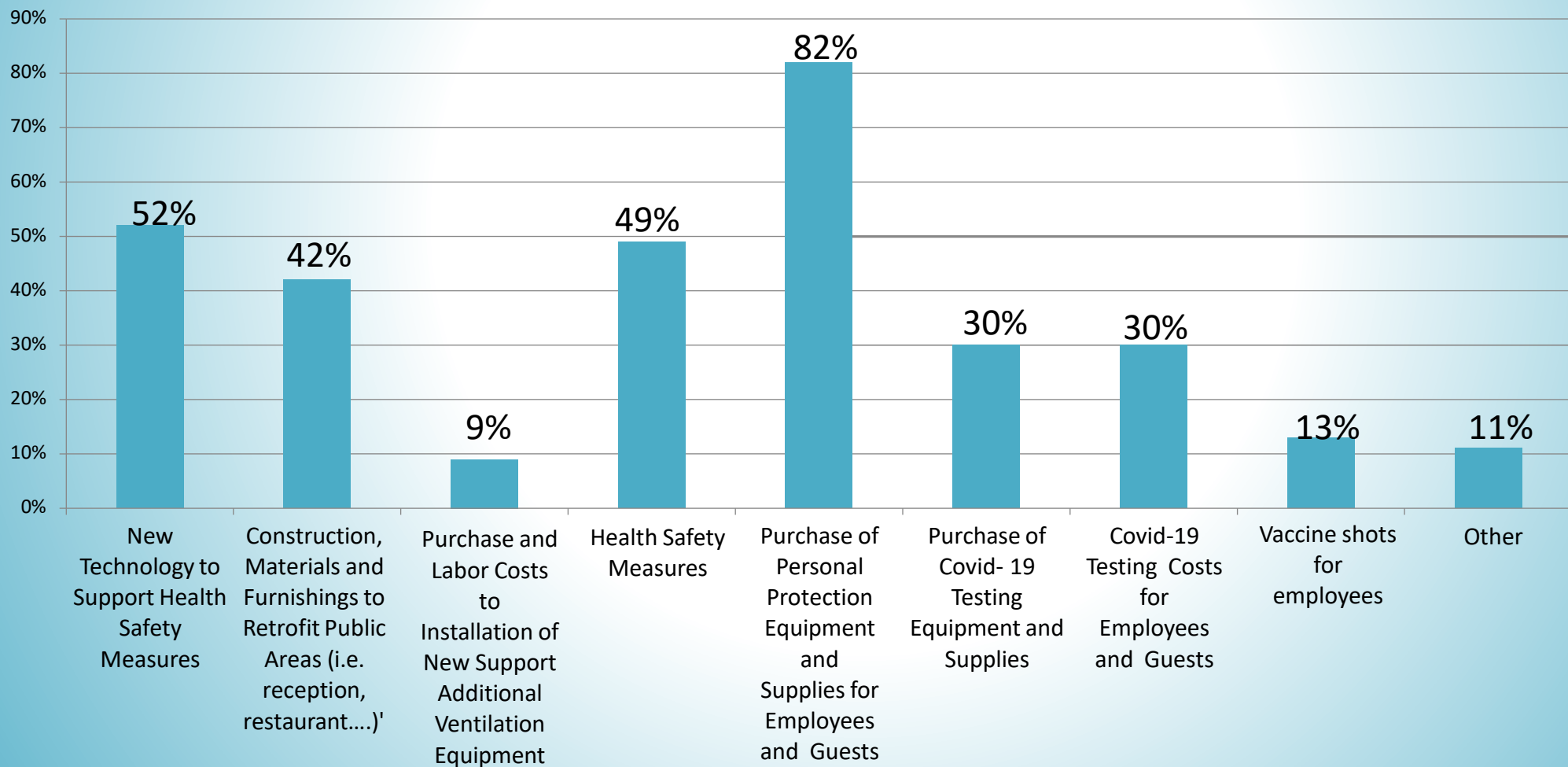
Please estimate your company's revenue loss against budget forecasts prior to the pandemic incurred in 2020 due to the pandemic:

Average 2020 Revenue Loss: Down 74%

(Note: This factors in January and February, 2020, when revenue was not impacted by the pandemic)



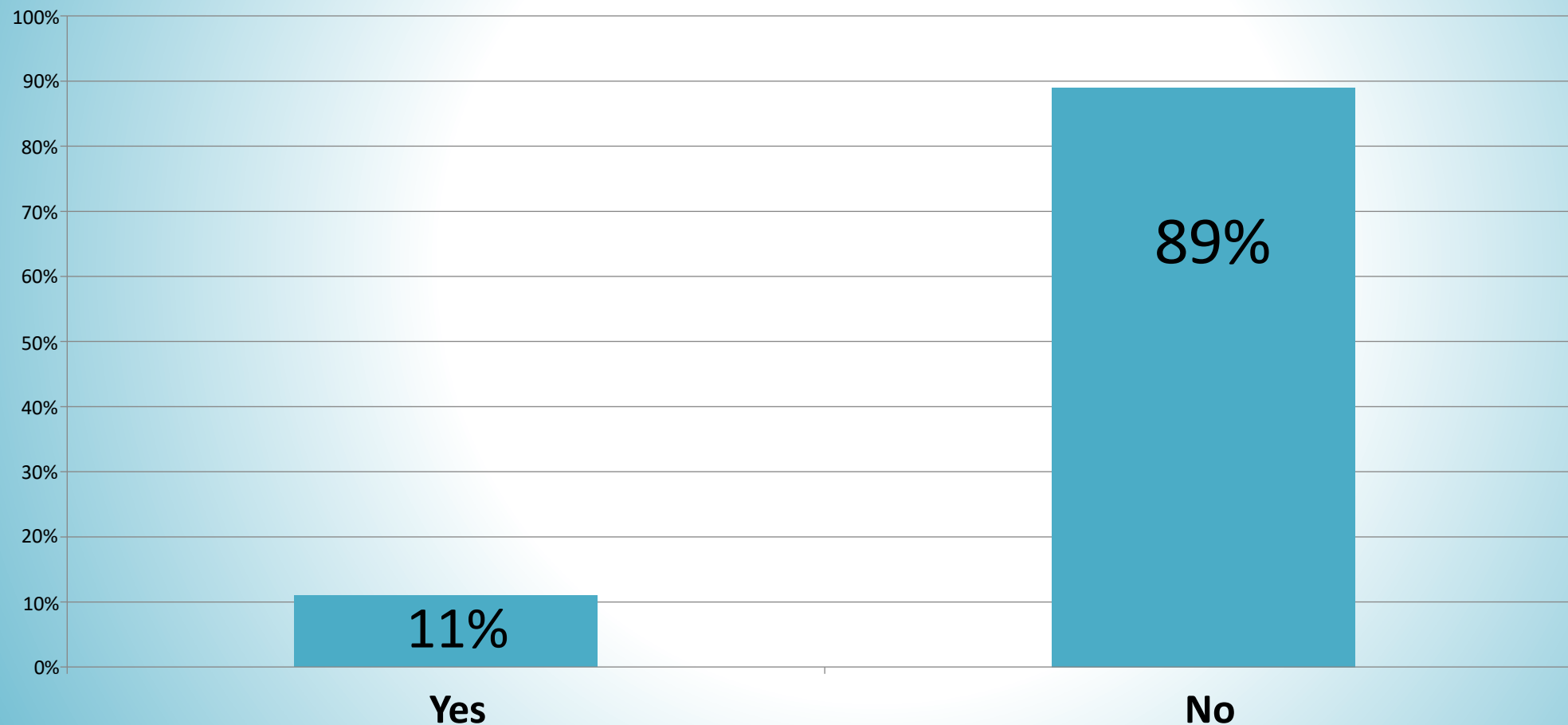
Please identify those areas where your operating costs have increased or are expected to increase as a result of implementing health safety protocols due to the pandemic:





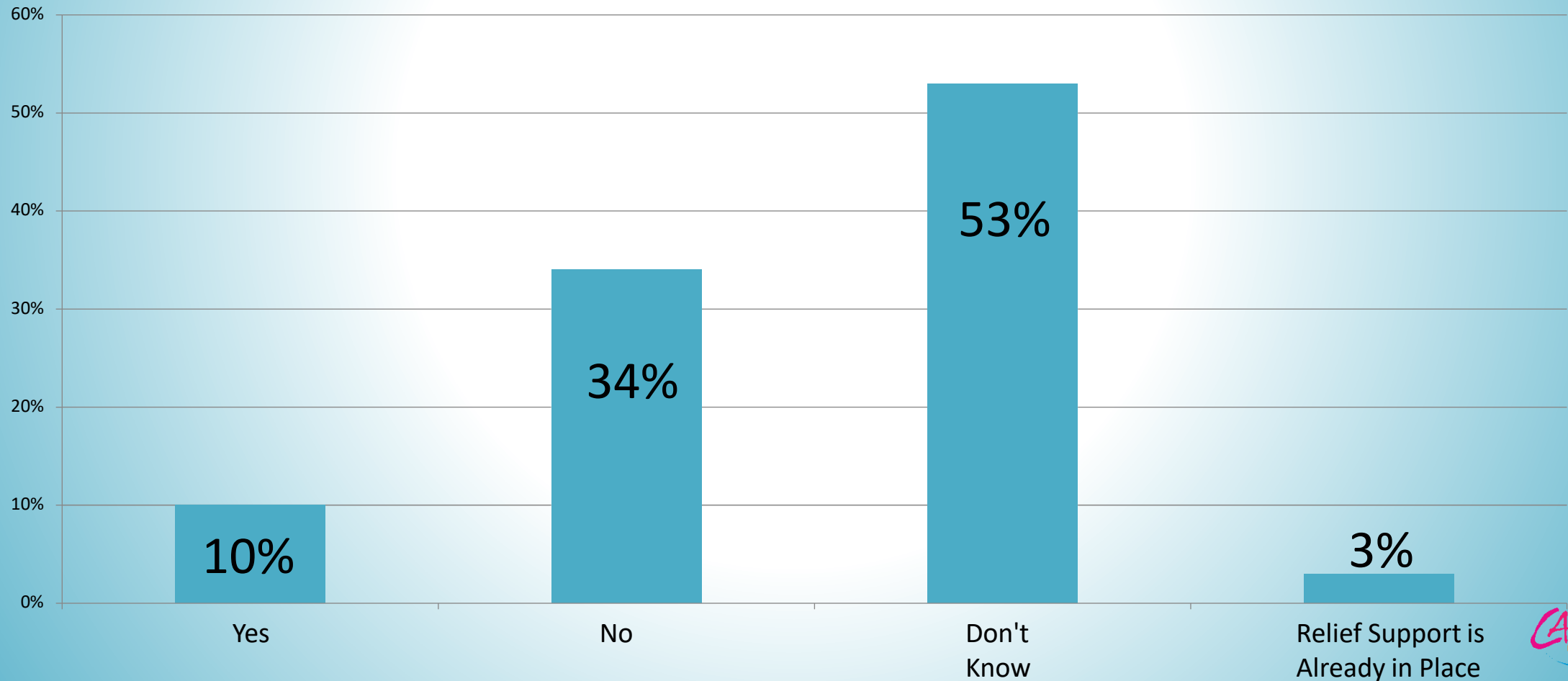
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Have you received tax or duty relief to support purchase of new health-safety-related equipment, materials and supplies?





Is Government presently considering providing tax or duty relief to support your purchase of new health-safety-related equipment, materials and supplies?





Please indicate the level of importance you place on the following potential stimulus measures:

Measures Important to Stimulate Tourism's Recovery	Weighted Average
Increased Marketing and Public Relations: By Government	4.15
Increased Marketing and Public Relations: Collaboratively by Public and Private Sectors	4.15
Increased Marketing and Public Relations: By Industry	4.12
Unemployment Support to Furloughed Employees	4.11
Utilities – Electricity Relief	4.11
Utilities – Electricity Peak Demand Adjustment	4.03
Stimulus Support to Generate Airlift	3.96
Bank – Soft Loans/Low Interest	3.8
Tax Relief – Other	3.76
Tax Credits for Employee Retention	3.76
Working Capital Support	3.75
Bank Loan Payment Deferral	3.72
Employment Tax Credits or Payroll Support for Early Rehires	3.65
Tax Relief – VAT	3.59
Aviation and Airline Related Fees Reduction	3.55
Tax Relief – Corporate Income Tax	3.5
Suppliers – Discounts, Deferred Payments	3.45
Tax Payment Deferral	3.4

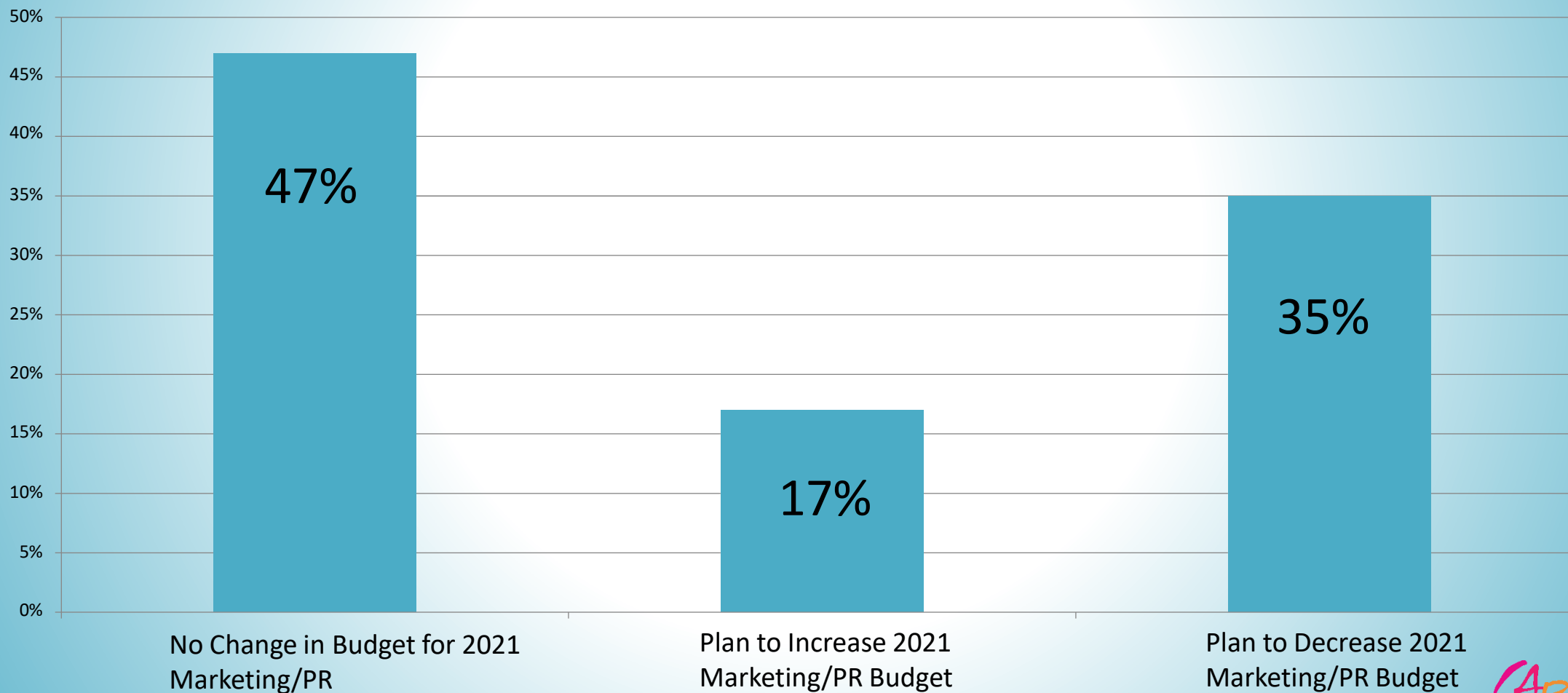


Has your government, utilities or financial institutions provided support in the following areas:

	Yes	No	Don't Know
Tax Relief – VAT	11%	67%	22%
Tax Relief – Corporate Income Tax	9%	67%	24%
Tax Relief – Other	10%	61%	29%
Tax Payment Deferral	17%	59%	24%
Bank Loan Payment Deferral	48%	32%	20%
Bank – Soft Loans/Low Interest	28%	46%	26%
Tax Credits for Employee Retention	7%	63%	30%
Employment Tax Credits or Payroll Support for Early Rehires	5%	63%	32%
Unemployment Support to Furloughed Employees	39%	38%	23%
Utilities – Electricity Relief	18%	66%	16%
Utilities – Electricity Peak Demand Adjustment	3%	71%	26%
Aviation and Airline Related Fees Reduction	2%	59%	38%
Increased Marketing and Public Relations	22%	38%	40%
Stimulus Support to Generate Airlift	10%	45%	40%

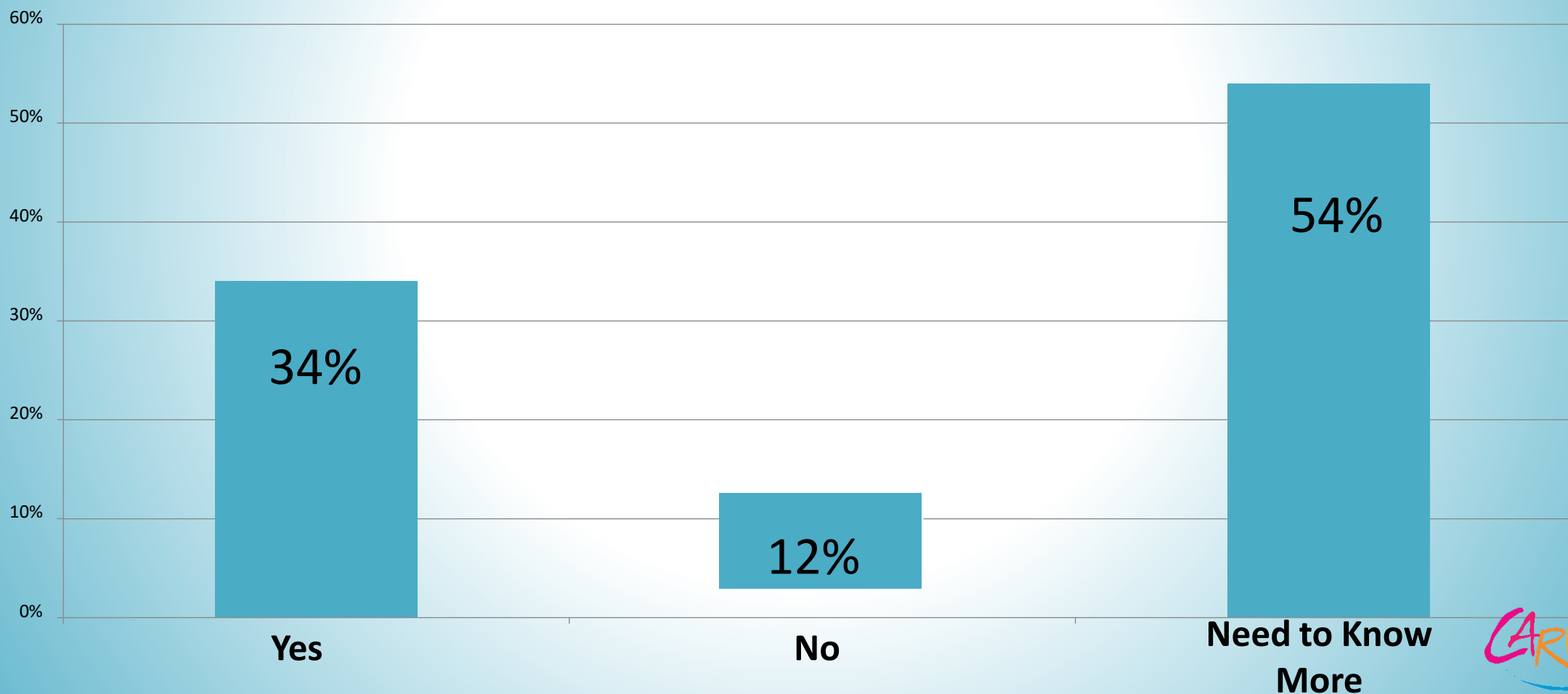


What are your company's plans regarding your marketing and public relations budget expenditures for the remainder of 2021:

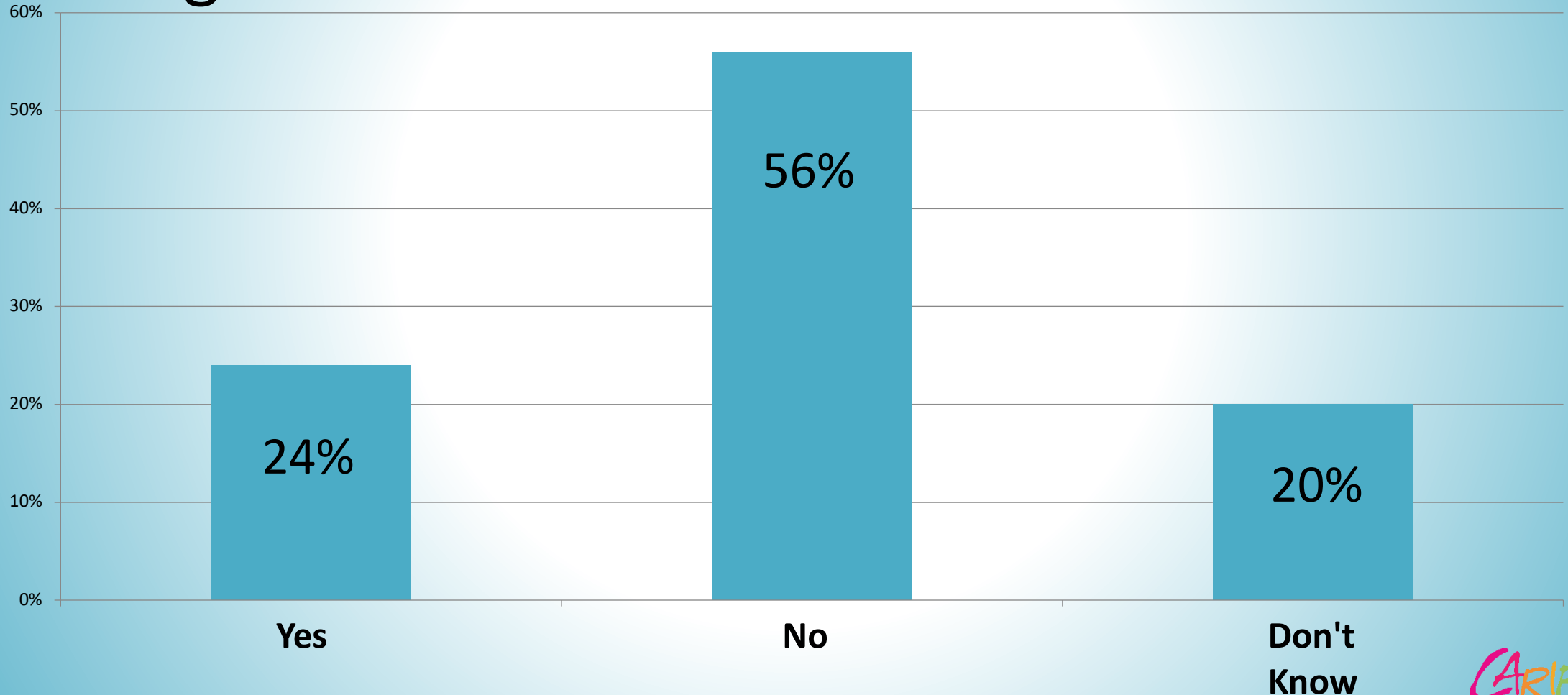




Would you be willing to contribute room inventory or other services (if not a hotel) in support of a destination or regional recovery marketing and public relations campaign?

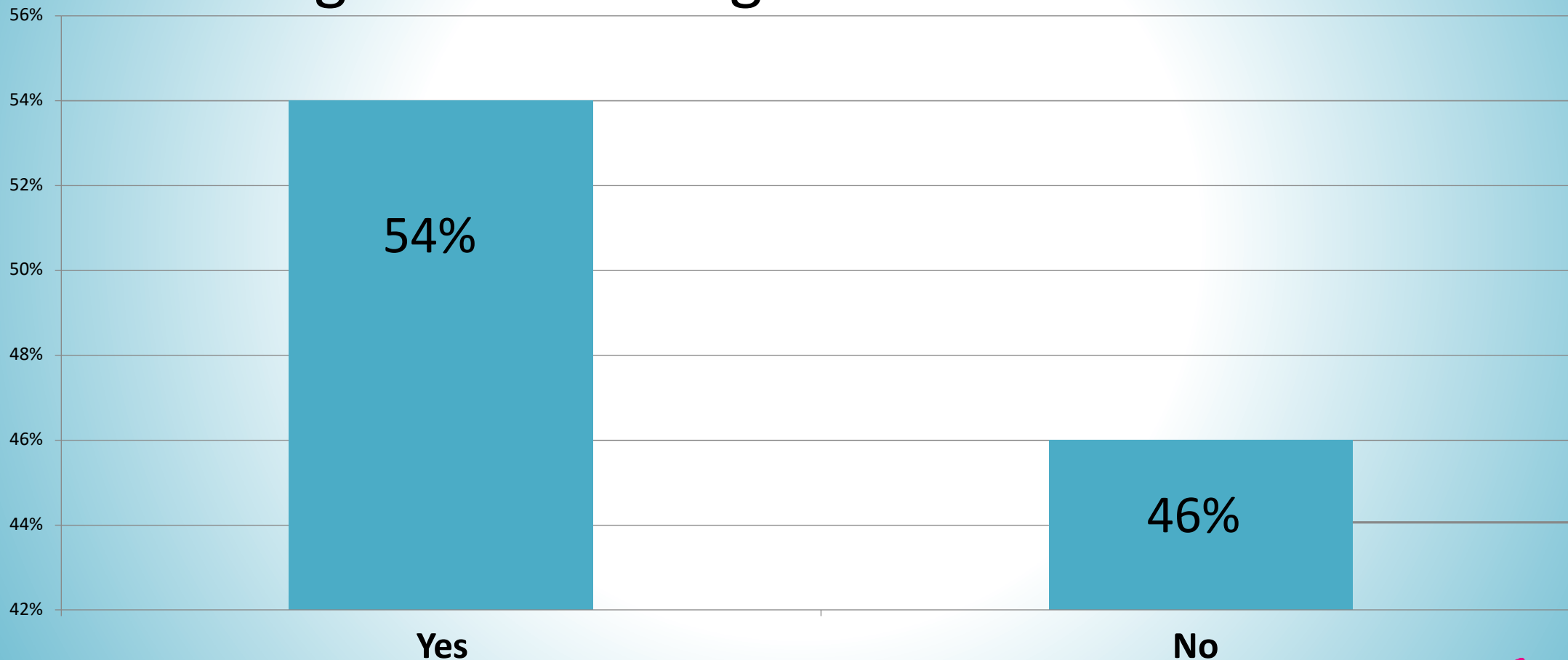


Are you offering or do you plan to offer Covid-19 testing on-site?





If Yes, would you be interested in special pricing for tests through a CHTA recognized vendor?





Covid-19 Business Impact and Recovery Survey Results March, 2021

Please indicate the value level which you place on the following subject matter areas for training and information sharing to support your company's ongoing recovery efforts:

Digital Marketing Strategies in a Covid-19 Environment	69%
Health Safety Training for Front Line Workers	69%
Reducing Employer Risk/Liability Due to Potential Virus Exposure	67%
Effective Customer Service - Social Distancing in a Social Business	65%
Marketing Strategies in a Covid-19 Environment	65%
Best Public-Private Sector Practices to Support Tourism's Recovery	64%
Maintaining Rate Integrity Thru a Crisis and Beyond	58%
Communications and Public Relations Strategies Now and Thru Recovery	57%
Supervisory and Management Leadership to Guide Recovery and Beyond	53%
Strategies for a Caribbean Brand Marketing Approach	52%
Labor Management Thru the Crisis	49%
Leveraging Resources to Conduct Destination Marketing	48%
Market Differentiation Out of a Crisis	48%
Stress Management Training for Employees	48%
Bank Lending, Refinancing and Debt Restructuring	42%
Renegotiating Tour Operator Contracts Post Recovery	40%



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For Additional Information Contact membership@caribbeanhotelandtourism.com

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