



**TRAVEL AND TOURISM  
RESEARCH ASSOCIATION**

CenStates Chapter

AUGUST 2020

# TOURISM SPOTLIGHT

CenStates TTRA members share research  
guidance for experts and novices alike.

## CENSTATES RESEARCH COMMITTEE

2020 is a year like no other. In years past, we've focused on case studies from CenStates DMOs who have put research to the test and won. This year, we're all in this together, learning as we go and adapting to new curveballs. As you make your marketing and destination plans for 2020-2021, we wanted to prepare members with a simplified view of what guidance to use when planning.

# WHERE TO BEGIN

*With so much research, where do you start?*

There's no question the pandemic has forced the travel industry to rethink, rework and relaunch its plans for the year, but with news changing daily and stay at home orders lifting, what has the visitor been up to and what will they do as we head into the fall?

We've compiled highlights from research on visitors, the hotel industry, and more to give our members in CenStates direct access to the latest. These insights give a peek of what to expect in the next few months and resources for you and your partners to prepare to make up for lost time during the pandemic.

As always, your CenStates organization is a resource to help you through these unique times. If you have a question or need additional resources, please contact our chapter president and leadership team:

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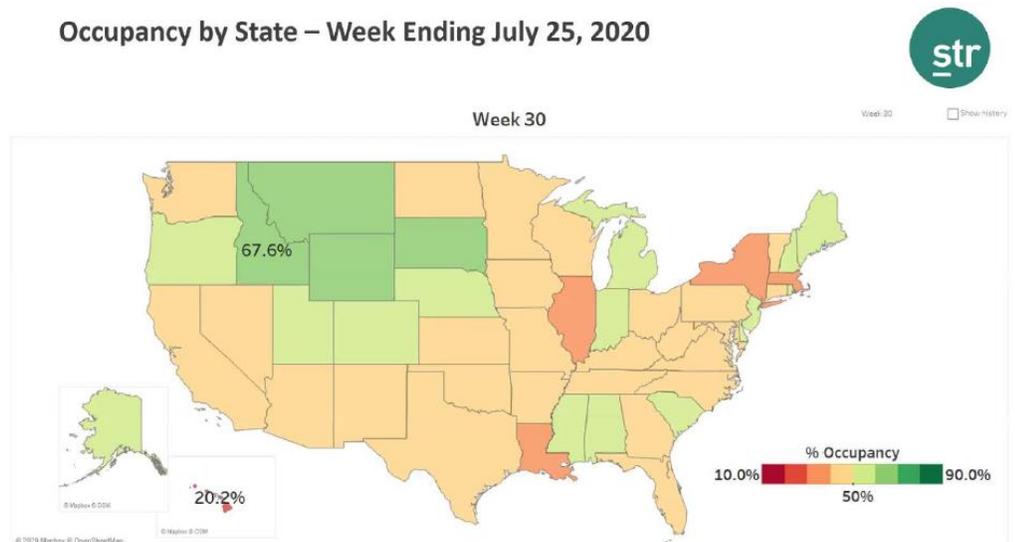
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# TODAY'S VISITOR

## *Are visitors prepared to travel?*

Cautious optimism seems to be the theme for leisure travel as we enter the fifth month of quarantine. An informal poll of CenStates DMOs in late July indicated generally improving occupancy rates, but things are nowhere near pre-pandemic levels.

### Occupancy by State – Week Ending July 25, 2020



<https://str.com/press-release/str-us-hotel-results-week-ending-25-july>

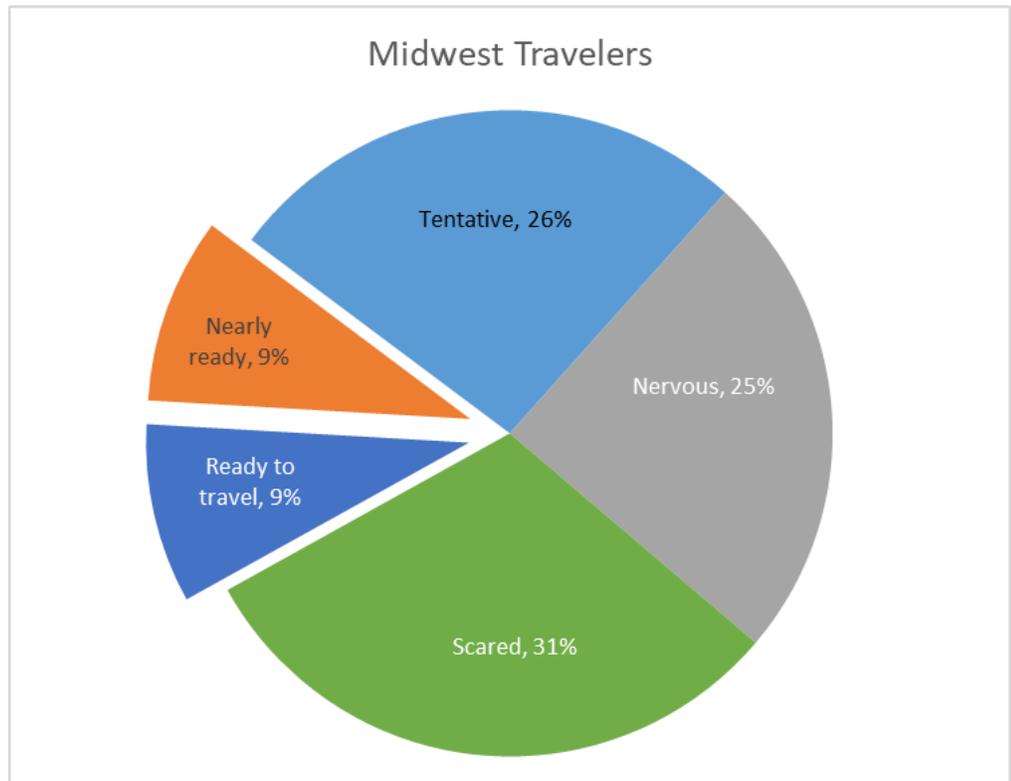
CVB offices that furloughed staff remain furloughed to some degree. Others have created work-arounds such as shifting in-office and from-home work to allow employees to continue working at safe distances from one another.

In terms of marketing, many destinations have shifted to social and digital, which is more nimble and enables messaging to shift as often as it needs to in this uncertain environment. With many facing cuts to marketing budgets, some CenStates destinations are focusing their messaging in-state and on closer-in markets, to reflect consumer interest in drive travel.

These have been the strategies so far, but as an early recovery devolved into a second wave (or second part of the first wave) CenStates members are eager to share and hear best practices for communicating with travelers, residents, and stakeholders.

## Leisure Travelers

In terms of leisure travelers, there is also cautious optimism. For example, roughly 10% of travelers are ready to travel. Strategic Marketing & Research Insights (SMARInsights) has seen this result with a number of destinations, including Choose Chicago, whose results are shown below. These “ready to travel” consumers anticipate their travel behaviors will not differ significantly from pre-pandemic.



Strategic Marketing & Research Insights ([SMARInsights](#))

Since May, [SMARInsights](#)' national research has shown that destinations – and individual businesses within destinations – can help potential visitors feel more comfortable about visiting by communicating what they are doing to help keep people safe. At this point in the pandemic, it seems that most people recognize there are things we don't know and cannot control about the virus. Therefore, focusing on what can be controlled becomes more important; namely, stringent cleaning/sanitizing, and enforcement of consumer behaviors: social distancing, occupancy limits, and mask-wearing.

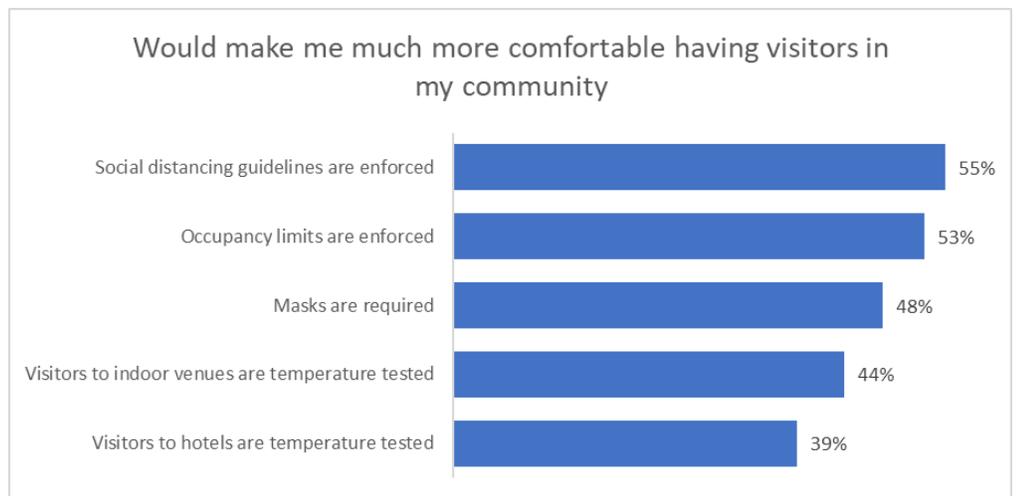
Longwoods International published findings in July that mask requirements reassure travelers (<https://longwoods-intl.com/news-press-release/most-americans-prefer-travel-destinations-require-face-masks-public>). And because consumers are reassured by this information, it makes sense to incorporate it into marketing messaging, as many brands such as Amazon have begun doing.



*SMARInsights' custom research for Visit Wichita within Kansas*

## Resident Sentiment

In the hopeful climb to re-open tourism destinations, people are concerned about visitors to their community bringing the virus with them. There are things DMOs can do to help manage these concerns. In fact, as illustrated by this in-state data gathered for Visit Wichita recently, the steps communities can take to reassure visitors are the same ones that are likely to reassure residents: enforce social distancing guidelines, mask-wearing, and occupancy limits.



*SMARInsights' custom research for Visit Wichita within Kansas*

How to enforce these guidelines in a way that encourages residents to safely welcome guests, and encourages guests to engage safely with the destination, may be the next frontier. As one CenStates CVB director quipped, “We’re building the boat in the water.”

Destinations can be thinking about how to communicate to travelers the steps they are taking to manage visitors to ensure social distancing guidelines can be maintained. [Destination Analysts' Coronavirus Travel Sentiment Index Report](#) says, “When asked about the resources they would trust to provide the information needed to travel safely, DMOs were cited second behind friends and family.”

## Messaging

In terms of communications, DMOs have an opportunity to guide consumers through their marketing messaging. As communities begin to open cautiously and with new standards of behavior, there is concern that life will not return to “normal” and that in-person interactions with family and friends may be on hold for some time, as [Prodege’s COVID-19 Leisure Tracker illustrates](#).

For many, leisure travel – even if in a truncated form – will serve (as it always has) as an escape from the confines of home, and the new limitations brought on by the pandemic. Messaging that reassures consumers of what does remain despite the changes – such as “We are still here”, “We still want you here”, “We offer you safe ways to get out and enjoy XYZ...” -- are likely to resonate with those looking to venture out.

And, as outlined above, both travelers and residents want consumer behavior managed to ensure safety. Examples of communications for acceptable visitor behaviors include:

- What days/hours a destination is open for visitors
- What supplies/equipment/food visitors should bring themselves and what will be available for purchase
- Availability of restroom facilities in public places
- Parking expectations
- Clear expectations of social distancing standards, and penalties for non-compliance
- Clear expectations for mask usage, and penalties for non-compliance

Many destination websites feature a COVID-19 news and announcements page linked from the homepage. However, many DMO homepages still feature pre-pandemic images of consumers without masks and who are not observing social distancing guidelines. Recognizing that many DMO budgets and personnel have been severely cut back due to the pandemic and that website overhauls may not be feasible, one approach would be to replace these photos with images of the destination that do not include people. [SMARInsights’](#) research has shown place-focused (rather than people-focused) images to be a powerful way to enable travelers to envision themselves in the destination. Images that feature the leisure product itself may be more consistent with accompanying visitor guidelines.

The ideal would be to update visuals with images of consumers in masks, not only to reassure travelers but also to help normalize safety precautions and signal to consumers that this is the expectation.

# Re-Entry Plan

## *Hoteliers' Brace for Unpredictability*

Although new research is coming out daily for the hotel industry, especially now with some people traveling and booking vacations, predictions on what's ahead for the hotel industry run the gamut. McKinsey even created [nine models](#) showcasing potential futures for how the pandemic and hotel industry could play out over the next few years. Predictions range from a 2% growth by 2023 to a 20% decline that same period.

The challenges in predicting what's ahead start with uncertainty from travelers. Although [STR data](#) shows a slow, steady growth in occupancy through this summer thus far – occupancy average 48.9% and ADR of \$100 through August 1, 2020 - consumer decisions change instantly as new information is shared about the pandemic. For example, research from [Amadeus Hospitality](#) showed growth in 0-7 day booking window. That narrow time frame was accentuated for those booking direct but remained the most common booking period across all methods tracked.

[ADARA's](#) travel trends tracker reinforces the frenetic decisions with domestic hotel bookings from families and solo and couple travelers consistently at the 0-15 day booking window.

With 2020 being unprecedented (yep – we said it if you're keeping score for overused crisis words), even STR has scrambled to create a new measurement to make sense of what's happening. Mid-summer they introduced [Total-Room-Inventory Occupancy](#) as a way to compare demand against the available rooms in the market – regardless if they were open or closed as part of the pandemic. This metric reinforces the need for hoteliers to be flexible as we prepare for what's ahead and how to adapt to the unknown.

# INDUSTRY PROJECTIONS

## *Future Industry Projections*

Tourism Economics, in partnership with the U.S. Travel Association, is conducting a weekly COVID-19 impact on travel expenditures in the U.S. report, which includes regional and state-level findings. This report can be found at <https://www.ustravel.org/toolkit/covid-19-travel-industry-research>

For the week ending July 25th, travel spending rose for the first time in three weeks, albeit moderately (+1%). Not including the week of July 4th, travel spending growth momentum has waned significantly in recent weeks. National weekly travel spending saw a slight uptick from the previous week, tallying \$11.6 billion. The travel economy measured 51% below last year's levels, registering a \$11.9 billion loss when compared to the same week a year ago.

Since the beginning of March, the COVID-19 pandemic has resulted in about \$309 billion in losses for the U.S. travel economy.

Over the past 21 weeks, cumulative losses were \$48.2 billion for the Midwest Census region.

Oklahoma, is among the 10 states suffering from the lowest percentage of weekly travel spending loss. However, Illinois is among the 10 states experiencing the highest drop.

Please visit the website to access specific state-level findings.

Curious for more on what's happening in the central U.S. tourism region?  
[Join our organization](#) and stay in contact with our quarterly [Travel  
Spotlight](#) emails with the latest in tourism research in the region.



TTRA strives to increase the quality, value, effectiveness, and use of research in travel marketing, planning and development.

CenStates is the regional chapter that focuses on issues in the 15-states Central US region.