



INSIGHTS COLLECTIVE

Pandemic Economics Think Tank

**2020 Data & Revenue Management Conference -
Online!**



*Forces at Play
in a Pandemic Economy*



INSIGHTS COLLECTIVE

Pandemic Economics Think Tank

.....Platform for Collective: Destination Management In the Pandemic Economy

“None of Us is as Smart as All of Us, Together.”



In collaboration
with
Red Sky Travel
Insurance

INSIGHTS COLLECTIVE

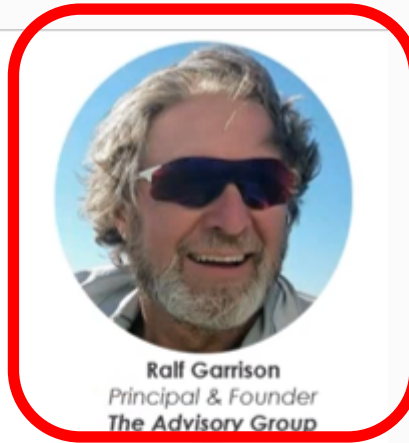
Pandemic Economics Think Tank



Chris Cares
Managing Director
RRC Associates



Tom Foley
SVP Business Process & Analytics
Inntopia



Ralf Garrison
Principal & Founder
The Advisory Group



Carl Ribado
President & Chief Strategist
SMC Consulting



Jesse True
President
True Mountain Consulting



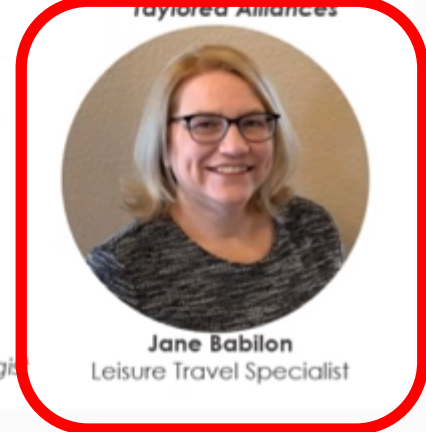
Barb Taylor-Carpender
Owner
Tailored Alliances



Brian London
President & CEO
London Tourism Publications



Susan Rubin-Stewart
Travel Industry & Call Center Strategist
SRS Consulting



Jane Babilon
Leisure Travel Specialist



Index:

Pandemic Economy, Winter 20/21

1. Situation – Pandemic Economy
2. Virus Tracking
3. Recovery Economics – Winter 20/21
4. Consumer Sentiment
5. Other Drivers – Time Permitting



Think Tank: Scenario Planning Process

QUESTION:

How can destination resorts plan and prepare for Winter 20/21 when there are so many unknowns and little reliable data or precedent.

Scenario:
Best Case

Scenario:
Middle Case

Scenario:
Worst Case

Driver 1
Virus Mgmt

Driver 2
Return of
Demand

Driver 3
Consumer
Attitudes

Driver 4
Local
Sentiment

Driver 5
DMO -
Community
Collaboration

Driver 6
Federal
Funding

Driver 7
In Migration



7 Key Drivers: Destination Travel Scenario

1. ***Virus Tracking and Management*** –in both feeder and destination markets will determine visitation and restrictions.
2. ***Reopening: Return of Demand and Economics*** - will drive travel, may override local or feeder market conditions, but may create fulfilment, image, brand, and health issues AND ramifications of pent-up demand.
3. ***Changing Consumer & Impacts*** - particularly in the consumer marketplace will create uncertainty on the fulfillment side and is not easily foreshadowed this time around
4. ***Local Sentiment*** - destination residents that are somewhat or highly resistant to outside visitation will push back against publicly funded entities marketing the destination, having an impact on previously more independent DMO / government directives
5. ***Paradigm Shift for DMOs*** - The pandemic will change how – or if – destinations make a call-to-action, which will change fulfilment volume, branding, competitive advantage.
6. **Federal Funding:** - Has played major role from PPP to various loan and guarantees, but as debt grows the future is after 9/30 is less certain.
7. ***New Realities: Migration: - Urban Exodus, changes in Schooling, Work from Home prompting***– changes to visitation behavior both within local and feeder markets creating opportunities



Scope of Evidence.....

IN:

- U.S. Destination Resort Communities and their:
 - tourism-dependent business,
 - associations
 - elected representatives

OUT:

- International
- All Business Travel
- Long Term Vacation Rentals*

1. Situation: Fall 20/21

Conditions which impact your ability to do business over which you have no direct control.

2019 VRM Intel

Data and Revenue Management Conference

Mapping the State of
Data-driven Tools and Technologies
in Today's Vacation Rental Industry

August 6, 2019

Ralf Garrison

Presented by Ralf Garrison

INDEX

1. Introduction
2. In the Beginning
3. Today
4. Looking Forward



1. Data – Quality, Quantity, Source, Privacy
2. Standards – Best Practices
3. Explosive Growth – Nascent Industry
4. Pushback Regulation re Vacation Rentals
5. Consolidation, Collaboration vs Competition
6. Algorithms in nascent VR: The Good, Bad and Ugly

3.7 Today: Pricing Tools/Algorithms



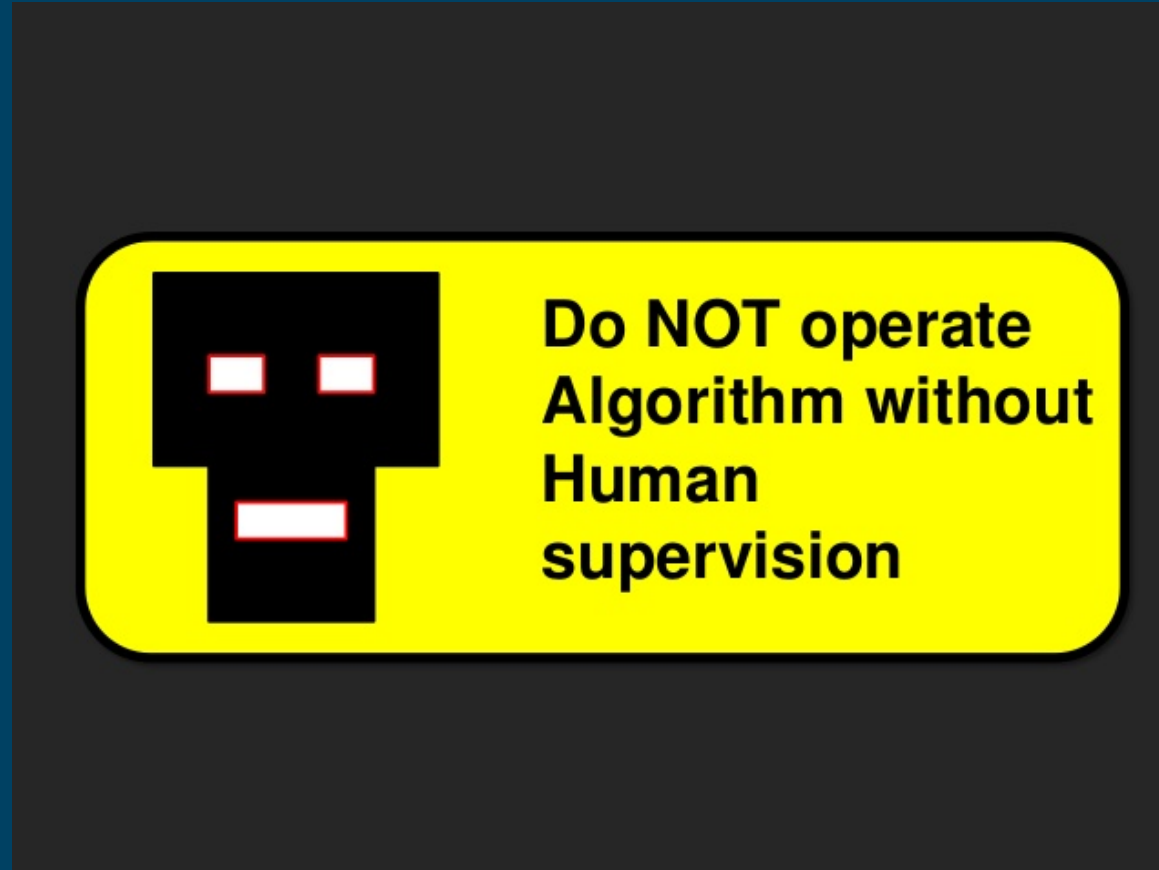
“Holy Grail” or “Accident
Looking for A Place to Happen”



“Autonomous
Pricing”

2019:

Today?



Swan Event....

- An event that comes as a surprise, could not be predicted has a major effect, and is often inappropriately rationalized after the fact with the benefit of hindsight.

- The disproportionate role of high-profile, hard-to-predict, and rare events that are beyond the realm of normal expectations in history, science, finance, and technology





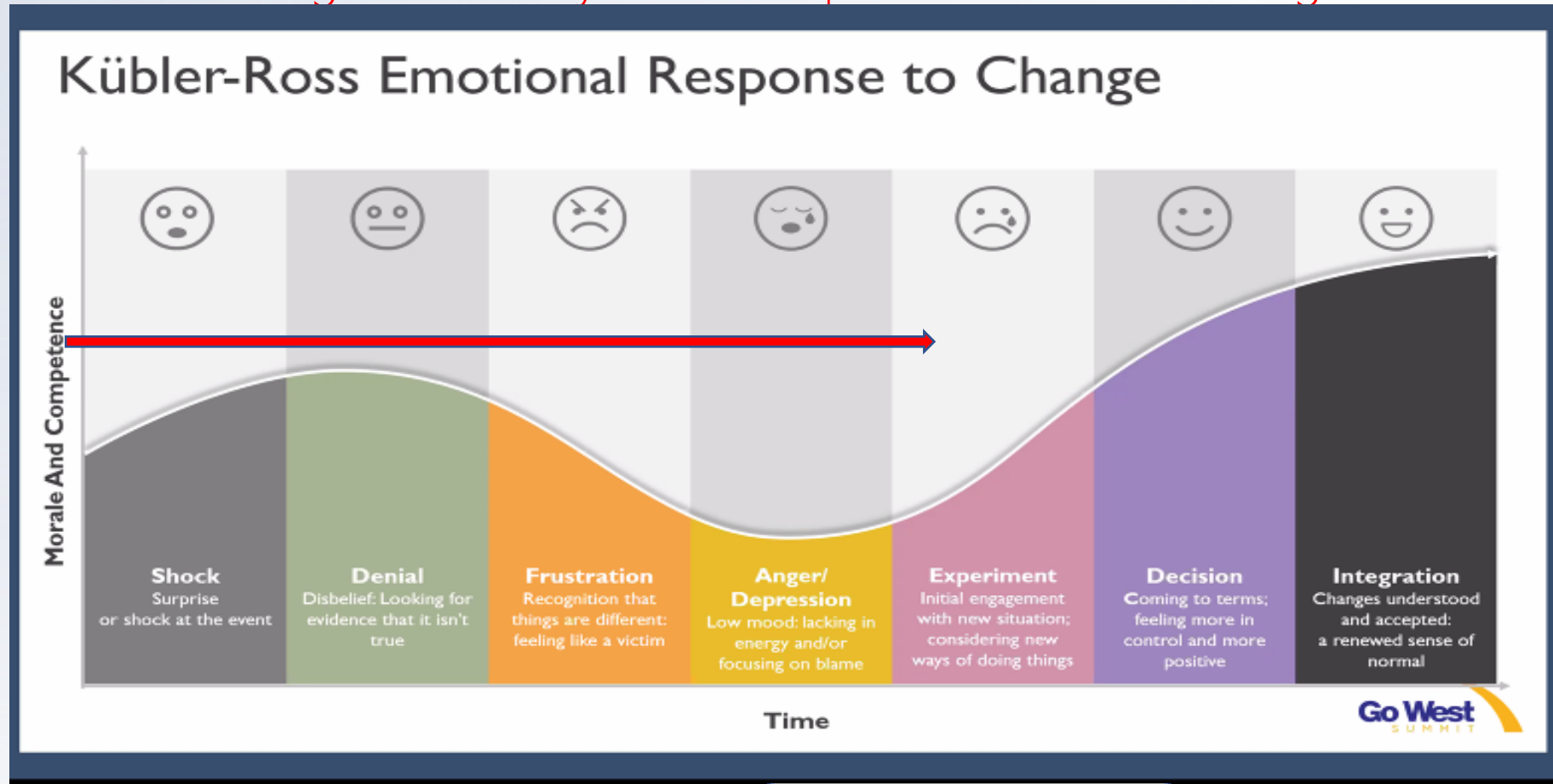
Situation: Pandemic Economy

- ✓ The COVID-19 Pandemic and its economic consequences is unprecedented
- ✓ Reliable data is not available
- ✓ Result is disruptive beyond conventional business norms.
- ✓ The New Reality has yet to become clear



Consumer Sentiment: 6 Months In....

Moving Emotionally toward Experiment/Decision Stage

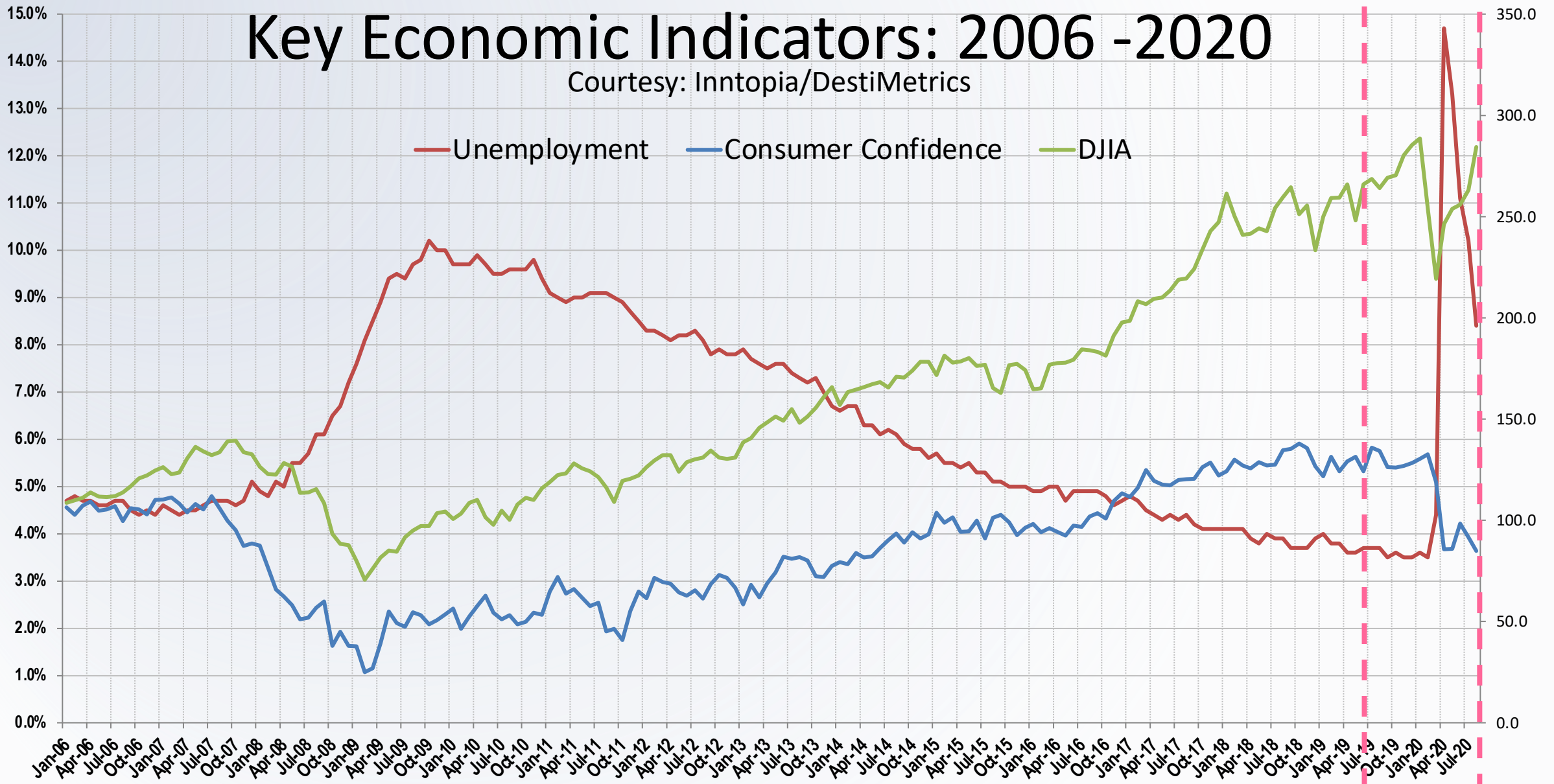


What You Need to Know...

New Realities.....

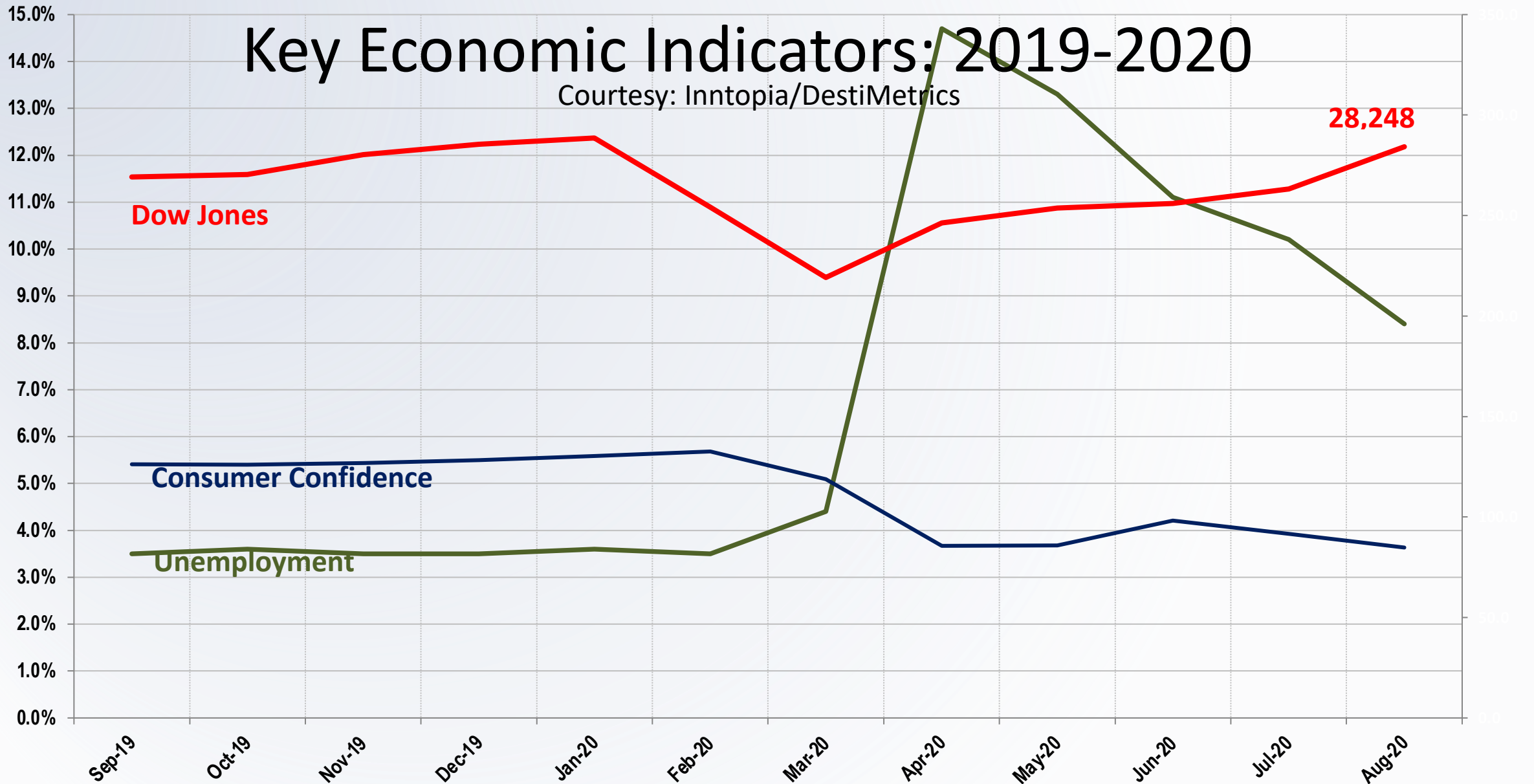
Key Economic Indicators: 2006 -2020

Courtesy: Inntopia/DestiMetrics



Key Economic Indicators: 2019-2020

Courtesy: Inntopia/DestiMetrics





Situation: Pandemic Economy

Demand

**Pricing
Power**

**Rate
Set**

=



Supply



2. Virus Tracking – Jane Babilon





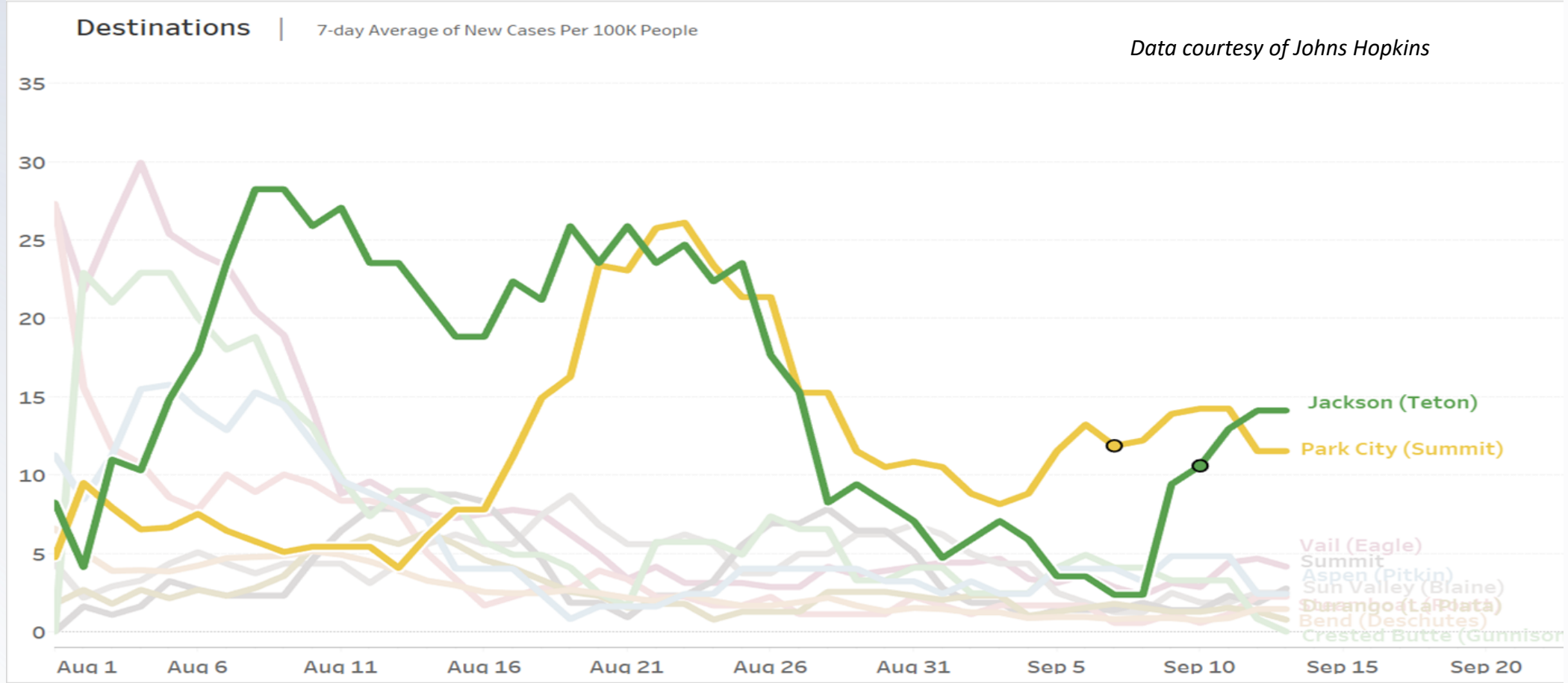
2. Virus Tracking:

- CDC Projections = 410,000 US Deaths by 12/31
- Uncertain trend in new cases over the next four weeks
- 12 States/Territories forecast to have a decrease in number of new cases per week over the next four weeks
- Dr. Anthony Fauci Predictions: “Hunker Down”
 - Fall Flu / COVID / Winter Conditions Shift to Indoors
 - No Vaccine widely in use until 2021/Q3-4
- Management/Mitigation will determine Winners vs Losers



C19 New Cases in Western Destinations

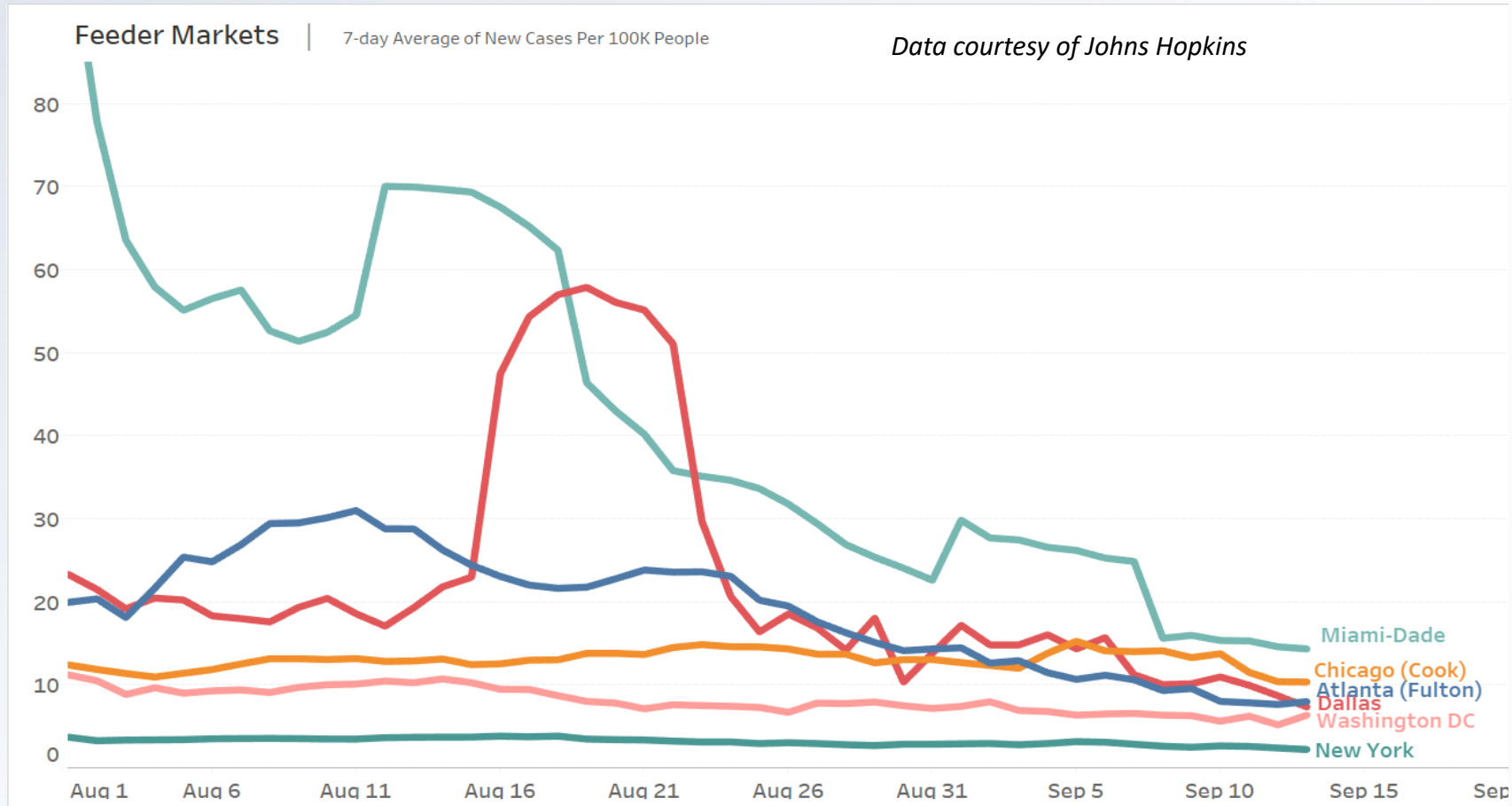
as of 9/6



Custom views/reports are available, subject to available time and at nominal costs for set up



C19 New Cases at Northeast, South & Midwest Feeder Markets as of 9/6



Custom views/reports are available, subject to available time and at nominal costs for set up



CDC's Travel Health Advisories

If your destination would be considered Level 1 Low Risk, how can you use this to your advantage?

COVID-19 Travel Health Notice Levels* Destinations with Populations Greater than 300,000 People

	LEVEL 3 HIGH RISK	LEVEL 2 MODERATE RISK	LEVEL 1 LOW RISK
Number of new cases	More than 500	251-500	50-250
Incidence Rate (per 100,000 people)	More than 3	1.5-3	Less than 1.5
New Case Trajectory	Accelerating or growing	Decelerating, slowing, OR stable	

COVID-19 Travel Health Notice Levels* Destinations with Populations of 300,000 People or Less

	LEVEL 3 HIGH RISK	LEVEL 2 MODERATE RISK	LEVEL 1 LOW RISK
Number of new cases	More than 10	7-10	3-6
Incidence Rate (per 100,000 people)	N/A	N/A	N/A
New Case Trajectory	Accelerating or growing	Decelerating, slowing, OR stable	



Virus Tracking: Case Count: Why Does It Matter?

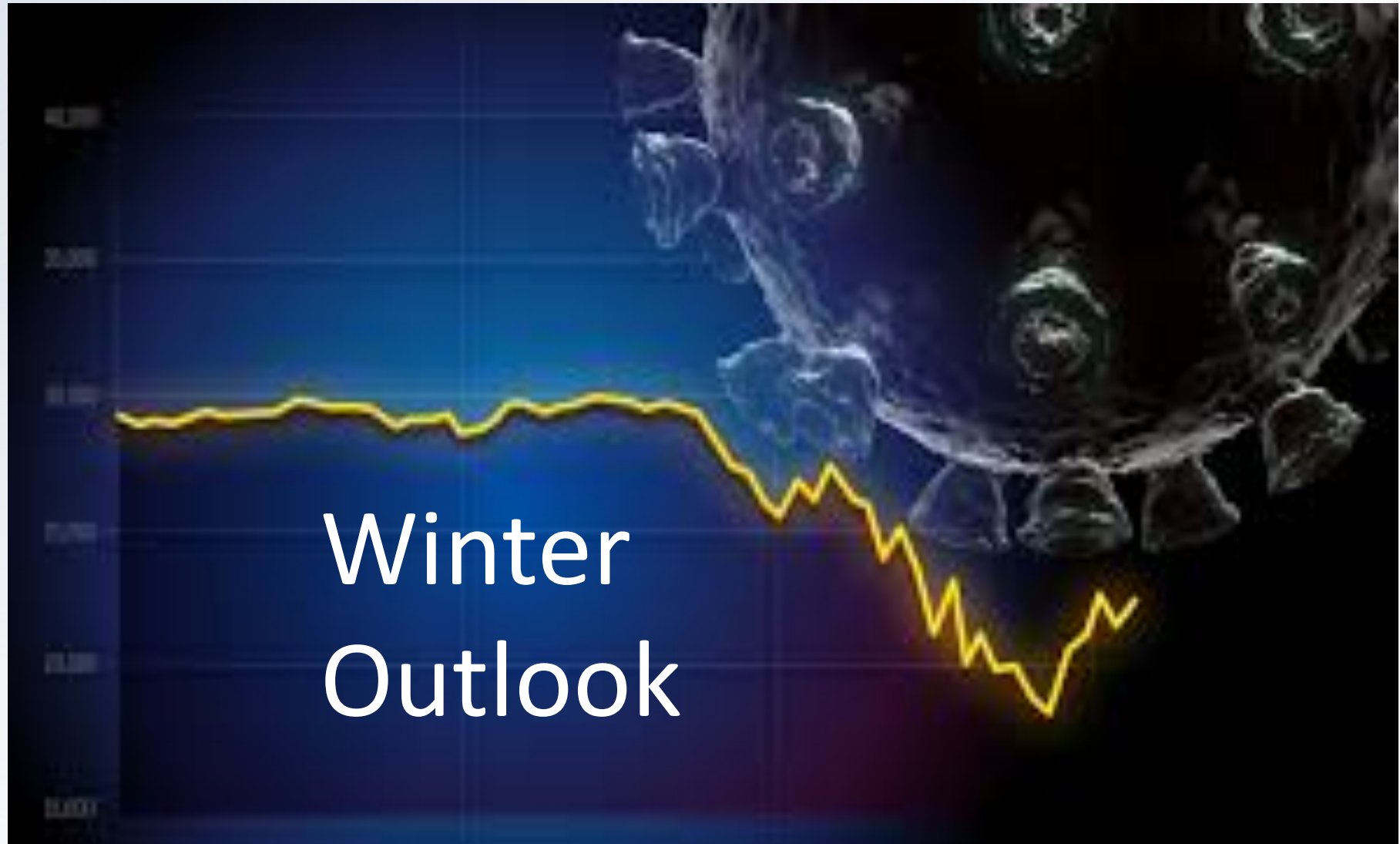
- Supply – Cases Determine capacity limits
- Demand – Perception of guests
- Demand – Quarantine regulations when returning home
- Harris Poll results – residents of hardest hit areas most likely to travel



Discussion.... So What?



3. Recovery Economics:



3. Recovery Economics: Winter 20/21



Scott Shatford, AirDNA

6:00 PM ET

Jason Sprenkle, Key Data

3:00 PM PT

Patrick Mayock, STR

Moderated by Amy Hinote

2020 Vacation Rental Performance (Part 2)

In the second part of the 10:00 AM 2020 Performance session, AirDNA CEO Scott Shatford and Key Data CEO Jason Sprenkle, and STR Global's Lyse Perrigo will examine both hotel, OTA, and PM performance data and booking trends, along with projections for the remainder of the year. This session will look at western North America (incl. HI), Australia, and New Zealand.



3. Recovery Economics: Winter 20/21

.... About SUPPLY

- Will Vary with Covid Management/Mitigation Travel Restrictions
- In play thru Winter 20/21 – Possibly Much Longer....
- Key Elements:
 - Attractions; Ski Example
 - Transportation: Air Carrier Example
 - Lodging
 - Other: Dining/Entertainment/Activities
- Variable by Destination / Fluctuations throughout Season



3 . Recovery Economics: Winter 20/21 About DEMAND

- Inherent Demand for Leisure Travel: American Birth Right
- New Covid Considerations: Health/Wellbeing
- Re- Opening Has Been.... Awkward: V. U. L. W.. K
- Pent Up Demand: Now behind us? Lead times?
- Mountains vs Sun/Beach: Similar or Not?
- Changing Guest Profile?: More early adopters / Fewer “at Risk”



6. Recovery Economics: Winter 20/21 About Supply

**Discussion....
So What?**



4. Consumer Trends and Considerations

With Brian
London

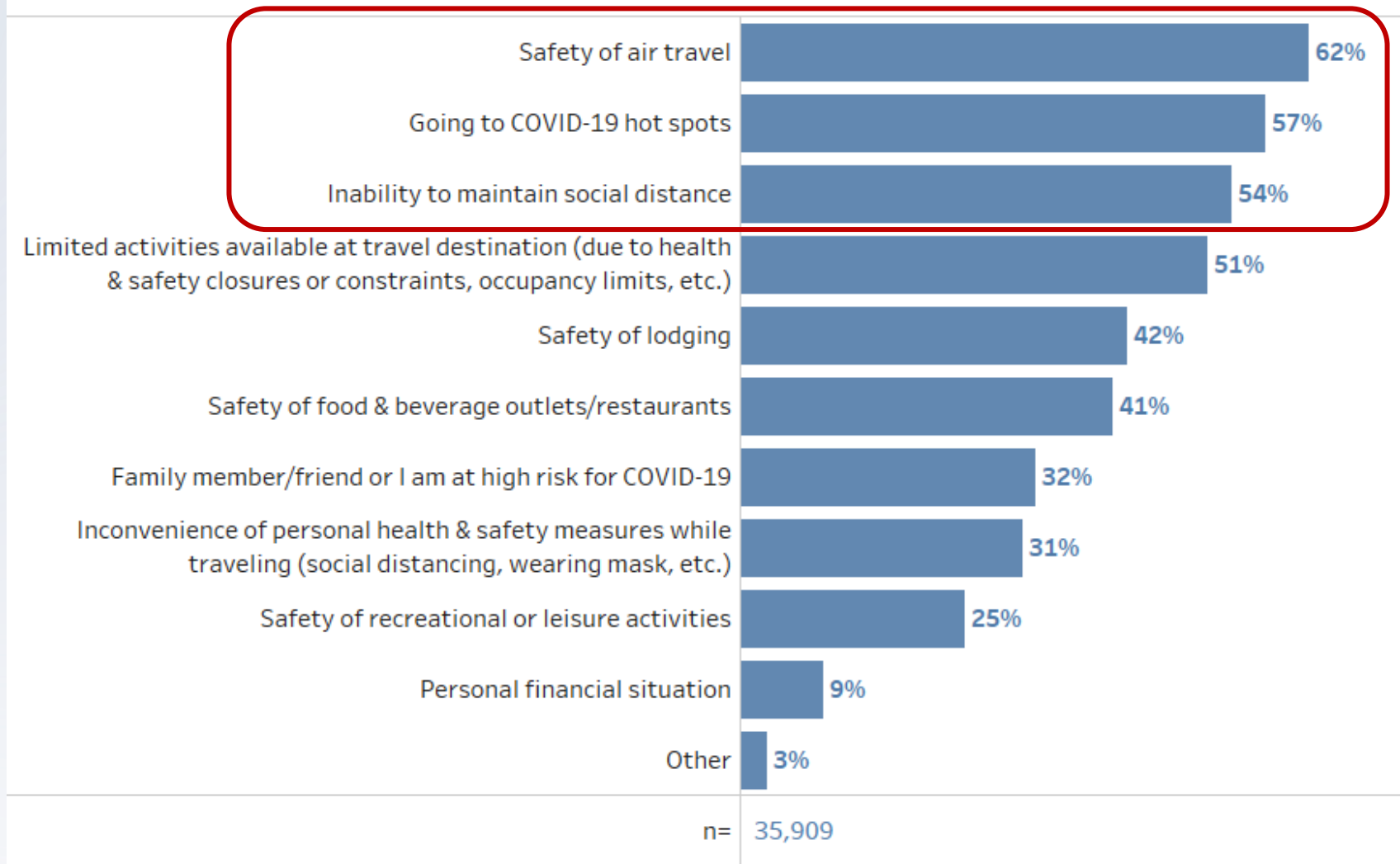


Concerns About Starting to Travel



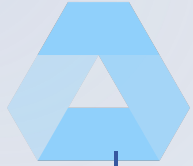
Air travel, potential COVID-19 hot spots and social distancing are key concerns for mountain travelers. Personal financial situation is a factor, but for only about 1 in 10.

What would be your biggest concerns about starting to travel again? (Check all that apply)



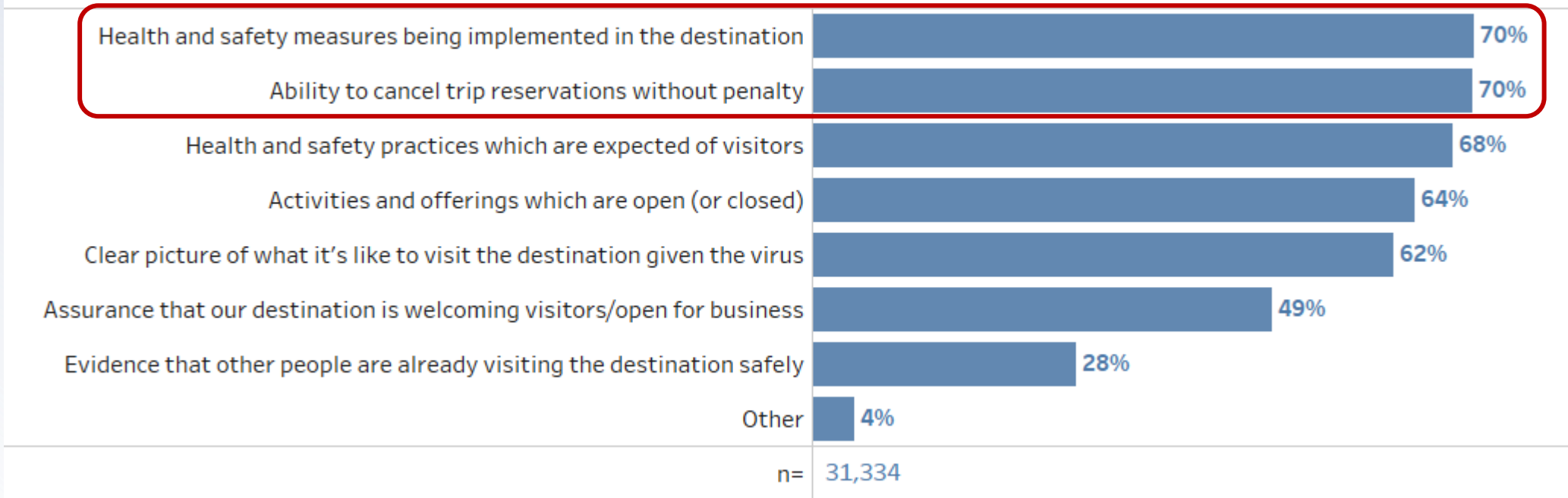
RRC Associates Mountain Traveler Sentiment Survey, August 2020

Information to Increase Likelihood of Visiting



Travelers want to know what's being done and what's expected of them to keep visitors safe. An ability to cancel reservations is also important. This information will be key to messaging.

Once you consider travel to be safe again, what information would you need to help make you more likely to visit [Your Resort]? (Check all that apply)



RRC Associates Mountain Traveler Sentiment Survey, August 2020



4. Consumer Considerations

**Discussion....
So What?**

5. Other Forces at Play..

(Time Permitting).





7 Key Drivers: Destination Travel Scenario

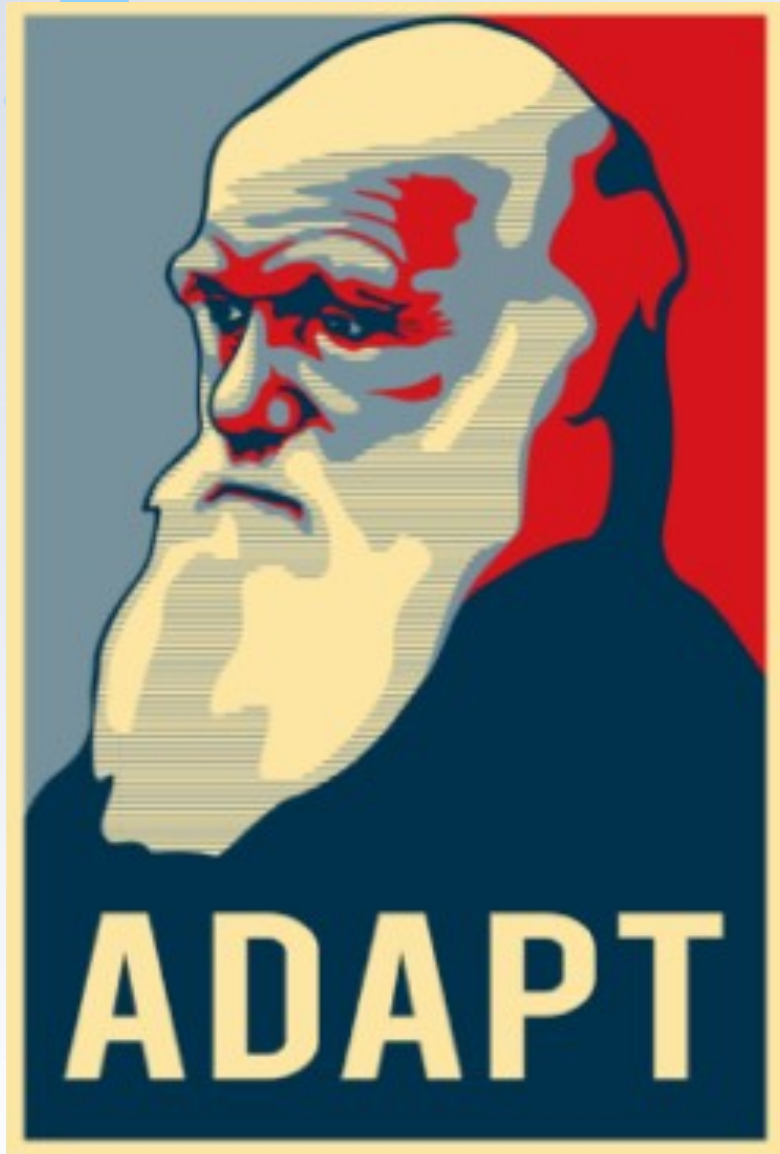
1. ***Virus Tracking and Management*** –in both feeder and destination markets will determine visitation and restrictions.
2. ***Reopening: Return of Demand and Economics*** - will drive travel, may override local or feeder market conditions, but may create fulfilment, image, brand, and health issues AND ramifications of pent-up demand.
3. ***Changing Consumer & Impacts*** - particularly in the consumer marketplace will create uncertainty on the fulfillment side and is not easily foreshadowed this time around
4. ***Local Sentiment*** - destination residents that are somewhat or highly resistant to outside visitation will push back against publicly funded entities marketing the destination, having an impact on previously more independent DMO / government directives
5. ***Paradigm Shift for DMOs*** - The pandemic will change how – or if – destinations make a call-to-action, which will change fulfilment volume, branding, competitive advantage.
6. ***Federal Funding:*** - Has played major role from PPP to various loan and guarantees, but as debt grows the future is after 9/30 is less certain.
7. ***In Migration:*** - *Urban Exodus, changes in Schooling, Work from Home prompting*– changes to visitation behavior both within local and feeder markets creating opportunities



OTHER FORCES AT PLAY

Secondary Drivers

1. **Exuberant Financial Markets:** Financial Markets are not viable economic indicators
2. **Break Down of Geo-Political Order/Election:** Nationalism, partisanship and growing distrust in the establishment is accelerating as elections draw near, jeopardizing consumer confidence during winter booking season
3. **Social Justice Movement:** has emerged as unintended consequence of Covid's additional disparity between "Have's" and "have nots"
4. **Role of Technology:** Comes to the rescue for those positioned to execute and has become ubiquitous in video conferencing and remote learning, powering work-at home and migration.
5. **Re-opening has been sporadic** and may not be economically sustainable for seasonal attractions, retail, restaurants, and the local work force etc
6. **Remote Resort Real Estate:** appears to be very strong, likely driven by inbound migration and adding pressure to local housing/bed base



IN CONCLUSION....

It is neither the fittest nor Is it
the most cunning, but
the most adaptive
who will survive and
prosper....

**2020 Data & Revenue Management Conference -
Online!**



INSIGHTS COLLECTIVE

Pandemic Economics Think Tank

Winter 2020/2021 Outlook in
a Pandemic Economy

Thanks for Joining!



Info@TheInsightsCollective.com