INTRODUCTION

Dear all

In this week’s edition of our regular intel report, we have information about how different governments are supporting the travel industry, and key factors to be considered in preparing for recovery. There are learnings from China as they begin to increase inter-provincial travel – particularly the importance of the day visit market as a first step to recovery; and we will monitor closely learnings from other European countries as they begin to ease restrictions to travel and day to day life – and share those learnings with you through these reports.

We have updated and extended the section on our marketing response to Covid-19 on visitscotland.org to keep you abreast of our activity – pages that will regularly be developed to keep you informed and help you align to our activity. Thanks to all of you that have shared our Absence makes the heart grow fonder video.

Stay safe everyone and if anyone would like us to cover anything specifically in future updates please drop me an email.

Kind regards

Vicki

TRAVEL INDUSTRY INSIGHTS

The World Travel & Tourism Council advocates three policy areas that will directly support the tourism sector now and into recovery. Protecting the Livelihoods of Workers; Fiscal Support and Injecting Liquidity and cash to businesses.

The Italian government has put worker protection at its core through the reactivation of the Cassa integrazione for all the sectors, whereby the government pays 80% of the employee salaries. Self-employed or seasonal workers can apply for €600 in March. Families can apply for permission to suspend their mortgage payments if business shutdowns and parental leave has been extended to 15 days. People caring for a loved one with disabilities can take up to 12 days' leave a month instead of three. Italy has also set up a 500 million Euro fund to deal with the damage suffered by the aviation industry and the Alitalia operation.

The German government pledged unlimited cash to German businesses and is suspending legal obligations for firms facing acute liquidity problems to file for bankruptcy until September. The government’s liquidity assistance envisages a massive expansion of loans provided by KfW, the country’s development bank.

The Portuguese government launched over 30 initiatives aimed at protecting workers and families. The Government has focussed on the Tourism sector establishing a dedicated €60 million credit line for micro-businesses and working closely with Turismo de Portugal to bolster national capacity. Key measures include a credit line for businesses, and micro-enterprises in the tourism sector, and offering of training scholarships in the Institute for Employment and Vocational Training in Portugal (IEFP) .

Source: https://www.wttc.org/government-advice/
AN INTERNATIONAL PERSPECTIVE

The UNWTO has called on the global community – from government and destination organisations to industry – to include tourism as a priority in recovery plans and actions.

Emphasising tourism’s unique ability to lead local and national growth, the report, *Supporting Jobs and Economies through Travel and Tourism*, makes 23 recommendations to mitigate the socio-economic impacts of COVID-19 on our industry and accelerate sustainable recovery.

Recognising that tourism and transport has been one of the hardest hit of all sectors, the recommendations are distilled from perspectives around the world and are designed to support governments, the private sector and the international community in navigating the unparalleled social and economic emergency that is COVID-19.

Sustainable, inclusive and responsible growth are all prioritised, given the huge opportunity to build a recovery that balances economic growth with social and environmental capacity.

The recovery section of the report, Preparing for Tomorrow, identifies a number of key recommendations including the importance of diversifying markets, products and services; of investing in market intelligence and digital transformation; investing in human capital, skills and talent development; and placing sustainable tourism and responsible development firmly and meaningfully on national agendas.

LINKED IN OPINION PIECE

Clayton Reid, CEO of MMGY Global, specialists in travel and tourism marketing has shared a thought provoking insight piece into the future state of travel. Key insights are:

• Don’t wait to engage travelers, they’re coming back to you quickly and will book with short lead times and lower rate expectations.
• Consumers traditionally evolve their core behaviors slowly, and even a crisis, while creating atypical "flash" reactions, doesn't dramatically shift trends. Stay the course with proven strategies once the crisis ends.
• Most reaction to today’s marketplace should be minimal as it will be too late to capitalize once implemented - better to build 2020 Q3/4 and 2021 strategies that respond to the post-crisis mindset and were germane prior. Don’t overthink it.
• There is a relatively reliable cadence to the way industry and travelers will recover. Paying attention to these patterns help make marketing investments more efficient and guide investments in partner and sales programs across industry.

The full article can be read [here](#).
VISITSCOTLAND COVID-19 UPDATE

BROADER INDUSTRY TRENDS

Euromonitor predicts the COVID 19 pandemic will bring about lasting changes in consumer attitudes and behaviour. Being cooped up at home for a long period of time, consumers will buy and do more things online. Older consumers, previously reticent to e-commerce but now housebound, will have to resort to online grocery shopping and will likely continue to embrace e-commerce in the future.

Hygiene and healthy living will be high on the agenda, as more consumers will prioritise self-care and self-prevention in the aftermath of the pandemic. Finally, COVID 19 will be a catalyst for a permanent shift to a cashless world, as retailers and consumers radically want to go cashless and contactless due to concerns over infection. (Source Euromonitor)

In Italy, bookstores, stationary stores and shops selling baby clothes and supplies could open nationwide on the 14th April, provided they could maintain the same social-distancing measures required in supermarkets. But there was no coherency to the openings, with some regional governors and individual shop owners still deciding to keep their doors shut for now. While the list of commercial activities allowed to reopen seemed random, officials offered the explanation that students needed to restock up on school supplies, new parents needed to outfit their growing babies.

Austria is beginning to relax its strict coronavirus lockdown measures by allowing small retailers and DIY and gardening supply stores to reopen. Customers will be required to wear masks to reduce the risk of infection for others and maintain social distancing. Austrian authorities have said they plan to let all stores reopen on May 2, followed by restaurants in mid-May, provided the pandemic remains under control.

In Spain, workers could return to factories and construction sites. Primary schools in Denmark are expected to open on Wednesday 15th April, while the Czech government has lifted bans on communal sports. It is becoming apparent that some governments are cautiously lifting restrictions subject to their individual conditions in hopes of reviving business activity. It appears it is a phased and gradual approach taken in Europe that suggests restrictions on daily life will loosen over weeks or months, instead of one clean break for the countries implementing these measures.

SCOTTISH TOURISM INDUSTRY

We have been working with key Online Travel Agents including Expedia, Booking.com and Air BNB to support postponement for bookings to Scotland, rather than cancellation and refunds. See our new section on visitscotland.org for the latest update on support and flexibility from these OTAs.
MARKET INSIGHTS

UK

• The UK government's action plan for dealing with the virus involves three phases; contain, delay, mitigate - alongside ongoing research. The UK Chief Medical Officers have raised the risk to the UK from moderate to high. Following an initial 3-week period of restricted movement (from 23rd March) the government does not expect to make changes to lockdown restrictions this week, as we are not passed the peak of the virus.

• UK airline routes remain limited or grounded. (Loganair operating emergency flights only, BA operating a reduced schedule, Ryanair has grounded over 90% of flights and easyJet has grounded all flights. Flybe went into administration (5th March 2020).

• Rail operators in the UK are also operating reduced services.

• The Coach Tourism Association continues to support UK wholesalers and coach operators with advice and have provided a legal helpline. Operators are now extending cancellations into May 2020 and looking to postpone tours where possible. Several businesses have furloughed staff. Of those still operating, there are signs of interest in product development for future tours.

GERMANY

• From April 10, everyone travelling back to Germany from spending more than two days abroad will be asked to self-isolate for 14 days at home. The federal government is expected to communicate whether domestic measures will be loosened on April 16.

• Lufthansa decided to retire its Germanwings operations earlier than originally planned. The whole group (incl. Eurowings) is taking at least 35 aircraft out of service, with Swiss, Austrian and Brussels Airlines still to provide numbers.

• German tour operator «Wikinger Reisen» made 71 staff redundant, the rest of the now only 84 employees are furloughed until further notice. They expect to take until 2025 to level with 2019 operations.

• German “Kompetenzzentrum Tourismus” is monitoring the situation closely, predicting that by September 2021 German tour operators could be back at their 2019 level of turnover.

FRANCE

• The French government extended its country lockdown until May 11.

• Destination Management Company E-Voyages furloughed a large proportion of its staff and are currently operating with reduced numbers of employees.

• France’s Transport State Secretary is recommending to hold off holiday planning, incl. summer holidays. The Ministry of Transport reiterated shortly thereafter that people should think of travelling in France rather than going abroad. A statement that was not well received by the wider tourism industry in the country.

• Destination Management Company Angleterre is concentrating its efforts on end-of-year programmes around Christmas markets and is looking at off season events and inspiration.
VISITSCOTLAND COVID-19 UPDATE

MARKET INSIGHTS

SPAIN & ITALY

• The Spanish government extended its country’s restriction measures until April 25 although total lockdown ended on April 13. Non-essential employees can return to work as their temporary leave allowance (in exchange for recovering these hours at a later date) during the pandemic peak ended on that date.
• The Italian government extended its lockdown measures until May 3 with some businesses allowed to open up again before this date.
• Destination Management Company Interopa furloughed most of its staff with only one person currently dealing with operations.
• Spanish tour operator Tourmundial and Italian tourism group Bluevacanze are only two examples of companies who are offering destination webinars to their networks of travel agents.

BENELUX & NORDICS

• The Dutch government is looking into app-based tracing of sources and contacts to control the spread of the disease and aid decisions on relaxing lockdown measures. The apps are intended to form part of a more intense testing strategy and are yet to be released to the public.
• Government officials deem it "unlikely" that the Netherlands will return to normal on April 28 or thereafter.
• Denmark is monitoring the situation around its re-opened schools and creches in order to consider allowing smaller businesses and shops to reopen on a gradual basis.
• KLM started its summer schedule with a significantly reduced network. The European network has been set up that as many European flights as possible connect to the intercontinental network. Aberdeen-Amsterdam will be flown daily between March 28 to May 3 (subject to change).
• Many Dutch tour operators are offering their clients vouchers at face value to be redeemed within one year.

USA

• The US Government’s current travel ban to UK and Europe to stop the spread of the coronavirus in the US (enacted 16 March) is still in operation.
• The Trump Administrated has indicated that it may look to reopen the US economy by 1 May. Some West Coast states (California, Oregon and Washington) are in discussion over a phased approach to re-opening their economies with similar discussions taking place for a number of East Coast states.
• President Trump has signed the largest-ever US financial stimulus package, worth $2tn (£1.7tn) to tackle the impacts of the coronavirus pandemic. This stimulus package will include $58 billion in support for US airlines.
• American Airlines, Delta Air Lines and United Airlines have all applied for support from the CARE stimulus. All three airlines have said they were evaluating the aid terms but had no additional comment. We expect to hear further updates later this week.
• Continued interest from some US operators on re-focusing their content to feature dreaming of future travel, virtual travel and providing future inspiration.
**CANADA**

- Reminder: Borders remain closed to non-citizens and Canadian/US land border closed for a period of 30 days (from 20 March).
- Airline Update: Transat have extended the cancellation of all flights up to 31 May. Air Canada have also extended cancellation with the following destinations in EU operating: London, Paris and Frankfurt. WestJet yet to announce any further changes to their schedule.
- WestJet & Air Canada have successfully applied to the Canada Emergency Wage Subsidy. AC bringing back 16,500 employees and WestJet 6,400 to their payroll.
- Tours Operators/Agents are continuing to rebook/cancel client bookings. One operator indicating that consumers still want to travel in 2020 with many currently rebooked for autumn.
- Refunds/credits & travel vouchers/chargebacks: The Air Passenger Rights (APR) advocacy group have filed a case against the Canadian Transportation Agency (CTA) where APR has concerns over the CTA statement of the appropriateness of travel vouchers/credits could be interpreted as legally binding – refunds should still be offered. Filed at Federal Court of Appeal.
- Reminder - Govt support: Stimulus package up to $107 billion now passed in law (previous $82billion). Direct support for airports (approx. $331m) but as of yet no support directly offered to airlines despite calls from the industry.

**AUSTRALIA**

- There are initial positive signs that Australia is successfully managing to flatten the coronavirus infection curve. Despite this the government is strongly urging against complacency and are continuing with strong social distancing policies across all states which include restrictions on international and domestic travel, and all non-essential businesses closed.
- Currently hugely reduced capacity from Australia from all airlines. Qatar Airways continues to fly predominantly assisting with repatriation flights whilst Emirates are currently planning to re-commence international flights on 01 May 2020, including all Australian routes.
- Tour Operators currently focused on managing cancellations for 2020 bookings, they are seeing temporary and permanent redundancies across the industry as well as a number of travel agent store closures. Tour Operators are offering increasingly flexible cancellation or postponement options including rebooking travel up until 2022.
- The Australian Government has indicated that the raft of financial support packages available for businesses will be available for 6 months which includes signing off a £130bn job keeper programme allowing businesses to furlough staff.
The lockdown of Wuhan, the city at the centre of the coronavirus epidemic in China, was lifted on 8 April after 76 days. Train, road and rail connections have now been re-established.

On 7 April, China for the first time since the outbreak, reported no daily deaths from COVID-19.

In a recent survey of consumers aged between 18 & 45 years old, conducted by Ctrip China's largest OTA, themes such as relaxation, leisure, natural scenery, outdoor, family travel and self-drive were found to be of most interest to consumers.

Conde Nast Traveller, one of China's most influential travel and lifestyle publications is planning its summer issue and the theme of 'the outdoors' and 'adventure'. Other media are focusing on stories inspired by sustainable tourism, self-guided tours, health and wellness, and nature and wildlife.

When it comes to which destinations Chinese travellers choose when they do begin to travel, it’s likely that people will begin by visiting local sites and attractions in their surrounding areas, followed by domestic travel within China and then moving into short and long-haul international travel. It is believed that it will take 6 weeks from when the international travel ban is lifted for consumers to regain confidence and begin travelling internationally again.

GZL (one of the biggest offline Tour Operators in China) conducted a survey of consumers aged 18 to 60 which found that 35% of mature consumers in the aged 60+ and 19% of consumers aged 18-23 would consider travelling within 1-2 month after the travel ban is lifted.
VISITSCOTLAND COVID-19 UPDATE

DIGITAL INSIGHTS - THIRD PARTY

ADARA

ADARA provide insights to accommodation and flight search patterns and booking behaviours. The charts below represent all EMEA activity within ADARA’s ecosystem, and the trends correlate with visitscotland.com visitor engagement patterns, with a rapid decrease in activity over February and March.

![Flight Volume by Purpose](chart1.png)

![Hotel Volume by Purpose](chart2.png)

BRANDWATCH

- Between 7 Apr and 13 Apr, there were 8K relevant conversations about Coronavirus and Scotland. This is a 5% decrease compared to the previous 7 days.

- The main conversations were about:
  - staying home during Easter break and sharing how they are spending this time, from home workouts to recipe ideas;
  - “stay safe” messages from people sharing pictures of their past holidays in Scotland or their current surroundings;
  - News and updates around COVID-19 such as news of manufacturers of protective equipment prioritising care homes in England, updated number of deaths in the UK, etc.
DIGITAL INSIGHTS – THIRD PARTY

BRANDWATCH

• Sentiment was positive with over 50% of the conversations sharing “stay home”, “stay safe” and “Happy Easter” messages.
• The percentage of negative conversations decreased from 13% the previous period to 8% in this period.
• Negative conversations were mainly driven by news and updates related to COVID-19, for example, increase in the number of deaths related to Coronavirus in the UK or the situation in care homes in England.

• For the same period, we then analysed conversations about travelling to Scotland or holiday plans in Scotland that mentioned “Coronavirus” or “COVID” or “Covid-19”. 400 relevant mentions were identified for this period.
• The main conversation topics were people:
  • cancelling their upcoming holidays due to Coronavirus;
  • looking for advice or sharing their experience as they receive notification from booking and travel providers cancelling their upcoming trips;
  • sharing images of their previous holidays or talking about wanting to come back to Scotland when the situation improves,
  • sharing images of their surroundings while on lockdown period.

• As it happened with the main Coronavirus conversations, conversations about travelling to Scotland or visiting Scotland are mostly taking place on social media sites (Twitter 41% and Instagram 45%).
• However, there is a slight increase of conversation in different channels, such as reviews sites and forums, as users seek advice or share their experiences.
• Online sentiment remains neutral to positive on a week on week basis as travelling is still not possible. Users share their disappointment with cancellation of their trips but are adjusting to the situation and also think about future travels.
**DIGITAL INSIGHTS – OWNED CHANNELS**

**SCOTLAND.ORG**

- After a surge in March traffic volumes have continued to decrease over the past two weeks, though in April traffic is still ~80% higher than this time last year.
- In general long-haul markets are still visiting the site significantly more (+134%) than this time last year. Short-haul traffic levels are more varied, however on average they’re only visiting the site 11% more than this time last year.

**VISITSCOTLAND.COM**

- Only 23% of the number of Scots that browsed visitscotland.com during the 2019 Easter bank holiday weekend did so this Easter bank holiday, while 35% of visitors from the rest of the UK browsed visitscotland.com this bank holiday weekend.
- 44% of the number of international audiences that browsed visitscotland.com during the 2019 Easter bank holiday did so this year – which is a slight improvement on traffic levels from last week.

### Organic Traffic over last 7 days (excluding today) compared to same dates last year as a percentage:

<table>
<thead>
<tr>
<th></th>
<th>UK</th>
<th>Ireland</th>
<th>USA</th>
<th>Germany</th>
<th>France</th>
<th>Spain</th>
<th>Italy</th>
<th>Netherlands</th>
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<tbody>
<tr>
<td></td>
<td>65,166</td>
<td>642</td>
<td>17,300</td>
<td>9,793</td>
<td>7,227</td>
<td>4,826</td>
<td>4,515</td>
<td>3,582</td>
</tr>
<tr>
<td>Change</td>
<td>-71.6%</td>
<td>-69.4%</td>
<td>-48.8%</td>
<td>-40.5%</td>
<td>-57.8%</td>
<td>-44.2%</td>
<td>-55.5%</td>
<td>-56.7%</td>
</tr>
</tbody>
</table>

### Organic Traffic over last 7 days (excluding today) compared to same dates last year as absolute figures:

<table>
<thead>
<tr>
<th></th>
<th>UK</th>
<th>Ireland</th>
<th>USA</th>
<th>Germany</th>
<th>France</th>
<th>Spain</th>
<th>Italy</th>
<th>Netherlands</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>65,166</td>
<td>642</td>
<td>17,300</td>
<td>9,793</td>
<td>7,227</td>
<td>4,826</td>
<td>4,515</td>
<td>3,582</td>
</tr>
<tr>
<td>Change</td>
<td>-164,174</td>
<td>-1,453</td>
<td>-16,513</td>
<td>-6,664</td>
<td>-9,002</td>
<td>-3,827</td>
<td>-5,631</td>
<td>-4,099</td>
</tr>
</tbody>
</table>

### Organic Traffic by UK country over last 7 days (excluding today) compared to same dates last year as a percentage:

<table>
<thead>
<tr>
<th>Region</th>
<th>Sessions</th>
<th>% Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. England</td>
<td>33,730</td>
<td>-67.8%</td>
</tr>
<tr>
<td>2. Scotland</td>
<td>29,148</td>
<td>-75.2%</td>
</tr>
<tr>
<td>3. Wales</td>
<td>1,003</td>
<td>-57.6%</td>
</tr>
<tr>
<td>4. Northern Ireland</td>
<td>674</td>
<td>-59.7%</td>
</tr>
</tbody>
</table>
The total number of people engaging with our Facebook posts over the past week is equal to the same week last year, though this is still around 1/3rd less than we’d expect if Covid-19 hadn’t occurred. Engagement specifically from international audiences has still increased, rising 11% since the same week last year, though this has been offset by an equal decline in engagement from domestic audiences in the Rest of UK and particularly in Scotland, down 18% and 26% respectively.

People engaging with VisitScotland on Facebook over past 7 days compared to previous 7 days:

- UK: +38%
- USA: +91%
- Germany: +303%
- France: +79%
- Spain: +29%
- Italy: +65%
- Ireland: +54%

UK engaging with VisitScotland on Facebook:

- Scotland: +20%
- England: +69%
- Northern Ireland: +49%
- Wales: -32%
MARKETING ACTIVITY RESPONSE

Whilst all paid for media campaigns have been paused while the most severe travel restrictions are in place, the marketing teams at VisitScotland still have a key role to play in keeping Scotland top of mind with potential visitors of the future; and supporting our intermediary partners in destination training and planning new tours to Scotland. Visit our dedicated marketing response page on visitscotland.org, which will be updated regularly.

- A range of dedicated new content, encouraging visitors to dream now, travel later
- Social activity to engage visitors and keep Scotland top of mind
- Regular email communication to our Scotland fans across the world

INDUSTRY SUPPORT

VisitScotland.org | Visit our dedicated advice page for up to date information and advice on Coronavirus (COVID-19) for tourism businesses, including:

- Latest COVID-19 information and resources
- Practical advice on sharing content
- Tourism industry FAQs
- VisitScotland's response to COVID-19

Dedicated tourism industry advice | Our experienced team of Industry Relationship Managers can be reached at business.advice@visitscotland.com to help with any questions you have about business operations or marketing at this time.

Financial support advice | 0300 303 0660 | Contact the dedicated Scottish Enterprise business support line. Open Monday - Friday between 8.30am and 5.30pm or go to findbusinesssupport.gov.scot/coronavirus-advice

Industry newsletter | Stay up to date with the latest regional and national news by signing up to VisitScotland's Tourism Insider newsletter at visitscotland.org/news

Social media | Stay in touch with the latest from VisitScotland on Linkedin or Twitter

DISCLAIMER:
VisitScotland has published this report in good faith to update stakeholders on its activity. VisitScotland has taken all reasonable steps to confirm the information contained in the publication is correct. However, VisitScotland does not warrant or assume any legal liability for the accuracy of any information disclosed and accepts no responsibility for any error or omissions.

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