

VISITSCOTLAND COVID-19 UPDATE

INTRODUCTION

Dear all

Welcome to this week's edition of our round up of market intelligence across the different teams at VisitScotland. This week includes a major new section on consumer behaviour, which will become a regular feature, with insight into the UK's consumer sentiment and travel intention – it shows that the mood is improving from the start of the crisis, but whilst intent to take a UK holiday is increasing, there's still uncertainty around timing.

As always, we have information on the broad international perspective, and detail on each of our key markets, with a number of European markets beginning to ease travel restrictions – a situation we will monitor closely.

And we continue to see some great examples of businesses innovating to adapt to the 'new normal'. Our Chief Executive, Malcolm Roughead shares his thoughts on the 'new normal' this week – follow him on Linked In to find out more.

Stay safe, and if there's any additions you would like us to make, please get in touch.

Vicki



Vicki Miller
Director of
Marketing & Digital

AN INTERNATIONAL PERSPECTIVE

Internationally, 100% of all worldwide destinations have now introduced travel restrictions in response to COVID-19. On 28 April, the **UNWTO**, of which VisitScotland is an Affiliate Member, reported:

- 45% have totally or partially closed their borders for tourists
- 30% have suspended totally or partially international flights
- 18% are banning entry for passengers from specific countries of origin or passengers who have transited through specific destinations
- 7% are applying different measures, such as quarantine or self-isolation and visa measures.
- 83% of all the world's destinations have had restrictions in place for a month or more.

As governments and tourism organisations around the world prepare for what recovery looks like, destinations are considering not only which markets will be able to travel, but which ones are safe to receive visitors from.

Austria is looking at bilateral agreements with countries such as Germany to enable tourists to enter the country during summer, while **Spain** is not expecting any resumption of tourist activity until the virus is under control and it is 'extraordinarily safe.' **New Zealand** is likely to place an initial focus on destinations that do not pose a health risk.

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CONSUMER BEHAVIOUR HORIZON SCANNING

This section will examine some weekly tracking research from BVA-BDRC for the **UK domestic market** which looks at **consumer sentiment** and **travel intentions**. Please note that to take part in this research, respondents must have done at least 2 of the following since 1st Jan 2020:-

1. Stayed in paid for accommodation
2. Went on a day out to a visitor attraction
3. Used one of the following transport modes: plane, train or bus

The survey covers all parts of the UK and is **nationally representative** on gender, age and regions (sample size: 897 respondents (wave 5)).

A **summary** of the findings can be found below:-

The **mood of the nation** is slowly improving across the 5 weeks of the survey: the average mood in the UK on a 10 point scale climbs to a **post-crisis high of 6.7**. Last week there was a dramatic decline in the proportion of the population who believed *the worst is yet to come* and this is repeated this week with an even bigger drop. As it stands, fewer than 2 in 5 respondents retain this pessimistic view, while 44% now believe that *things are going to stay the same* for the time being (18% believing the worst is over).

The improvement in national mood and optimism is mirrored by people's perception of their own **financial situation** – though not to the same extent. While it has not changed dramatically since the tracking began over a month ago, over the last two weeks there has been a **5 point drop in the proportion of people who consider themselves to have been negatively impacted by the crisis**, with a commensurate **increase in the proportion who describe their finances as 'alright'**. This 'alright' group continues to **over-index among retired consumers** and its expansion may partly be linked to **some recovery in the stock market**.

While they may be feeling more positive than they were a month ago, **UK consumers are typically less optimistic than they were previously**, about when life will return to something close to normal. **Just over half of (54%) expect a return to normality by the end of Q3 2020 (cumulatively), down from 67% two weeks ago**. Though a minority, the proportion that doesn't expect normality until 2021 continues to grow.

In terms of consumers' current intentions, the data this week indicates that **prospects for the international holiday and aviation markets in the next 6 months continue to worsen**. On the other hand, there is a **degree of improvement in outlook for the domestic holiday market, visitor attractions, bus and rail services**.

For the first time in three weeks, the **proportion of Britons thinking about taking a UK holiday has increased**. However, there is no evidence of summer holiday consideration also rising, the **average time before planning a trip still over 5 months away**. This will continue to **cause concern for the UK tourism industry** for whom the summer season is the financial bedrock of their year. If the public's expectations are to change, the **UK government will need to provide assurances on the type of trips that are possible, and what tourism organisations can do facilitate them**.

Aligned with UK domestic holidays, there is **an increasing appetite amongst Britons to go to a visitor attraction** - overall intention and the proportion expecting to do so in the next 6 months are both at their highest levels in the last 5 weeks. Continued lockdown is clearly prompting Britons to think about a return to varied out of home activities, and visitor attractions have a strong role to play. Online content provides a meaningful stopgap for some (if not all) Britons, a third anticipating to view content in the next month.

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BROADER INDUSTRY TRENDS

- Forbes Magazine has reported there is a campaign in the US called “Buy Now, Stay Later” encouraging purchases of gift cards for a hotel that acts like a bond. The PR and marketing campaign is supporting hotels during this phase of COVID-19. The simple idea is consumers buy a \$100 “hotel bond” now, and in sixty days it will mature into a \$150 credit. The Buy Now, Stay Later initiative is to help your favourite hotels support their housekeepers, bartenders, concierges – and everyone who keeps the hotel running. *With lockdown, consumers buy gift cards for family, friends or themselves to provide money to businesses now and then cash in on them later while the sentiment is for optimism for better times in the future.*
- Italian aviation design firm Aviointeriors invents new airplane seats for a post-COVID world. The company designed two concepts to combat the spread of COVID-19 during flights. The first is ‘The Janus’, a two-faced seat that allows three passengers to be isolated and separated with a transparent shield. The second option is a kit-level solution called ‘Glassafe’ that doesn't require the plane’s interior to be modified.
- Amsterdam-based hotel Zoku has transformed its rooms into hideaway offices for home workers. Zoku introduced its Private WorkLofts for people who can’t work at home nor go to the office. For €50 per day, guests get ‘a bit of peace and quiet with a room-service lunch included and a room equipped with a kitchen, high-speed Wi-Fi and an office toolbox full of stationaries and other supplies’. *When travel restrictions lift and accommodation providers open, maximising revenue through adaptation will bring in additional revenue.*

SCOTTISH TOURISM INDUSTRY

In light of the COVID-19 situation, the tourism industry across Scotland continues to show resilience and innovation. We wanted to share a few examples of the great work that we know is being replicated across the country.

- Fèis Rois, a Highland based traditional music festival, is taking its 30th anniversary festival online. Scotland’s top musicians and singers will be taking part in [Virtual Fèis Rois](#) from Friday 1 May – Sunday 3 May via Facebook Live.
- Blair Drummond Safari Park is now doing weekly [Facebook live sessions](#) on a Thursday at 12pm (subject to change). Learn about the animals and how keepers look after them.
- Dynamic Earth has launched [#DynamicEarthOnline](#). Everyday families can get involved with new and exciting challenges.
- The Laird’s Table Restaurant at Craufurdland Country Estate has introduced [hampers and homemade ready meals for takeaway](#) and offering a home delivery service locally on weekends.
- Devils Porridge Museum in Dumfries & Galloway are listed as the 19th best museum to visit virtually [Virtual tour](#)

For more inspirational stories from our tourism industry visit: www.visitscotland.org/supporting-your-business/advice/coronavirus/inspirational-news

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MARKET INSIGHTS

UK

- On 16th April the UK Government extended the current lockdown restrictions for at least 3 more weeks. Lockdown restrictions have slowed down the rate of community transmission of the virus and now seeing signs that we are passing through the peak.
- The Scottish Government published a [paper](#) on 23 April outlining thinking on a potential strategy for lifting the lockdown. This is likely to include easing of restrictions in a phased manner.
- 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). *EasyJet* considering keeping middle seats empty to follow physical distancing rules once coronavirus travel restrictions are lifted. 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 continuing to postpone or cancel tours. Many businesses have furloughed staff. Of those still operating, there are signs of interest in product development for future tours.

GERMANY

- The German government extended its international travel warning until June 14.
- On April 20 shops were allowed to re-open if they could ensure physical distance. The German government also advised citizens to wear face masks (or scarves) when using public transport or visiting a shop/bank/post office. This advice was made compulsory in all federal states from April 27, albeit different states exercising flexibility on implementation and fines. Since relaxing its lockdown measures, the infection rate has increased from 0.7 to 1.0. The government made clear that they will go back to lockdown should the number of cases exceed a manageable level.
- Airline carrier Lufthansa entered more detailed government discussions on state aid this week. The initial offer is unlikely to be accepted as it offers government buy-in rather than loan-type funding. Lufthansa is continuing to negotiate terms, but also looking at other options.
- While German citizens are allowed to visit their own holiday homes, renting for holiday purposes within the country is not yet permitted.
- The German travel trade remains hopeful that late summer/autumn trips to Scotland can still go ahead. Even group travel is being discussed, with potential adjustments to group size and with heightened hygiene measures.

FRANCE

- The French government proposed an exit strategy on April 28, with a phased approach to re-opening schools, libraries and small museums from May 11 and allowing domestic travel up to 100km.
- On April 21 further financial support was released by the French government. So far, 27,000 tourism businesses received financial support, accounting for a total of €2.4 billion.
- There are talks and reminders from local authorities and government bodies not to forget commitments and objectives set previously to tackle climate change.
- Brittany Ferries paused Channel crossings for leisure purposes until May 15. Airline carrier Transavia suspended all flights until June 3.
- Many tour operators remain hopeful they will be able to resume travel to Scotland as early as September. According to some, short haul destinations and 'nature' destinations will be more appealing to visitors after months of lockdown.

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MARKET INSIGHTS

SPAIN & ITALY

- The Spanish government extended its country's lockdown until May 9, but relaxed measures for children under 14 years old, who from April 27 onwards are allowed to accompany an adult on essential outings.
- Major festivals in Spain have either been cancelled or postponed. Italy extended its restrictions on public events until July 31.
- DMCs important in the Italian market are running destination trainings to improve their travel agents' knowledge on available tours and products. VisitScotland is supporting this in order to help promote the wider destination.
- St Martin Business Travel is expanding its partner travel agency network and chose Scotland as one of the destinations to promote to their luxury clients and honeymooners in 2021.
- Generally tour operators are expecting travels to resume as soon as borders are re-opened. Similar to other markets, South European consumers are likely to look for nature and outdoor escapes.

BENELUX & NORDICS

- The Dutch government extended its country's lockdown measures to May 19, but will re-open primary schools on May 11, with other schools and universities to follow on June 2. Restrictions on large-scale events have been extended to September 1.
- Sweden's government is not imposing federal lockdown measures but continues to appeal to its citizens' own judgment and self-regulation of physical distancing.
- Dutch tour operators are very quiet, but given the independent nature of this market, this is not a cause for concern. VisitScotland is in regular contact offering support and guidance.

USA

- The US Government's current travel ban to UK and Europe to stop the spread of coronavirus in the US (enacted 16 March) is still in operation.
- President Trump unveiled guidelines for reopening the US economy 'Opening Up America Again' with a three-phased approach: <https://www.whitehouse.gov/openingamerica>
- More US states are beginning to lift lockdown orders and Georgia, Oklahoma, Alaska and South Carolina have already allowed some businesses to reopen.
- President Trump has signed the largest-ever US financial stimulus package, known as a CARES act, worth \$2tn (£1.7tn) to tackle the impacts of the coronavirus pandemic.
- The US CARES act directed \$58 billion to US airlines out of the \$2 trillion economic stimulus package – key beneficiaries pertinent to Scotland are American Airlines, Delta Air Lines and United Airlines who all receive a combination of direct grants and loans (see previous updates for detail).
- Airlines must not cut pay or jobs through Sept. 30 as a condition of the grants and are barred from buying back stock or paying dividends and face restrictions on executive compensation.
- Delta Air Lines has further extended its change fee waiver policy to include existing bookings or cancelled travel through September 2020, as well as extending the expiration date for tickets into September 2022.
- Continued focus from intermediaries on 'dreaming of future travel' and inspirational content.

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CANADA

- Reminder: CA-US land border remains closed for the next 30 days (from 21 April), this is a further extension from the initial 30 day closure on 20 March.
- Update: Air Canada has now cancelled all US flights until 22 May following the extension to the border closure. Air Canada continue to repatriate Canadians, offer some international flights to London, Paris & Frankfurt and also are operating cargo flights.
- Update: Ontario's Premier Doug Ford announced the framework to help restart the Ontario economy. A three stage approach, starting with businesses that demonstrate they can assume operations to meet public health guidance and occupational health and safety, and opening of some outdoor spaces. Stage 2 will allow opening of more work spaces and allow some larger public gatherings. Stage 3 will allow all workplaces to open responsibly, further relaxing public gatherings, continued restrictions on large gathering such as concerts and sporting events for the foreseeable future. All 3 stages will have measures in place to continue to protect the vulnerable population and continued practice of physical distancing.
- Update: Other provinces are currently planning similar measures but vary due to differing levels of cases. Quebec & Ontario have approx. 90% of Canada's Covid-19 cases.
- Reminder: The Federal Government is considering financial aid options for airlines. News from Ottawa is that a credit availability option may be provided. IATA is calling for Governments to support the airline industry globally.
- Reminder: ongoing challenges within the industry around refunds/credits, travel vouchers and chargebacks.
- Update: current industry insight shows that this pandemic has highlighted the value of using a Travel Agent and that its predicted that the use of agents will increase once consumers start to book travel again. There are currently approx. 24,000 Travel Agents across Canada.

AUSTRALIA

- Successfully managing the spread of Covid-19, Australia is almost down to single figures for new cases with almost no community transmission. Reduction of restrictions is being managed by individual states, including opening of local parks and beaches, and allowing people to have up to 2 people visit them in their homes. They are in a similar position to New Zealand who have officially moved into level 3 restrictions which will see many of the population return to work with the aim of having 75% of the economy up and running.
- Whilst domestic and international travel restrictions remain in place in Australia there are early discussions re potential of travel between Australia and New Zealand as both countries are progressing well in virus management; no date has been given for this.
- Australian government has pledged \$165m to underwrite domestic key flight routes for at least 8 weeks, due to the low levels of infection there is potential that domestic travel will resume sooner than anticipated, no update on wider support packages for aviation.
- Emirates have announced they will commence international flights from 1 July 2020.
- Tour Operators are offering increasingly flexible cancellation or postponement options including rebooking travel up until 2022. With some group operators working on policies and guidelines on how they will manage group travel in post-pandemic world.
- Australian Government has introduced its largest ever government support package – A\$130billion to support the salaries of 6 million workers for 6 months. So far in total Government aid to support businesses is approaching A\$200bn, around 10% of GDP.
- In addition to the above income support programmes that can be accessed by workers from the tourism industry, the Australian Government will also give A\$95m to zoos, wildlife parks and aquariums that are suffering from a downturn in domestic tourism following the combined impact of the pandemic and the bushfires.

CHINA

Airlines

- 17/04/20 CAAC requires Chinese airlines to adopt a direct selling mode for all international tickets during the fight against COVID-19 to eliminate price inflation and ticket re-selling by ticketing agents. Airlines are to strengthen the management of international ticket sales channels so they can sell direct. Since the notice was issued, major Chinese airlines have started comms across their channels to encourage passengers to book or reserve future flights with them directly.
- Air China has just released their international schedule for May. There are 10 European routes (Austria Vienna is added back from 9th May). No changes on UK Heathrow route which is on Friday every week from Shanghai Pudong Airport. In addition to Vienna route, Air China also add Beijing – Dubai route back from 7th May.
- Emirates are currently scheduled to begin flying again from Shanghai on 1 Jun, Beijing on 1 July and into Glasgow from 1 Jul and Edinburgh from 1 Aug.

Intermediary

- In a recent survey of the travel trade conducted by VisitBritain in China, the top 5 products they would like to hear more about are 1) tailor-made travel, 2) leisure 3) family 4) luxury and 5) study tours/summer camp.
- The survey also revealed that most travel trade in China sells a mixed product, for example, small group tailor-made / FIT, series group tours, themed tours as well as MICE.
- 84.4% of respondents indicated that they would like to receive information about Scotland (ahead of London, England and Wales)
- In terms of the content, respondents wanted to hear more about 1) hidden gems /regions that are not known to them or to consumers 2) itinerary ideas 3) destination practical information i.e. visas / transport / accommodation / F&B / shopping / festivals
- The top 4 themes they would like to include in their future packages are 1) nature 2) traditions & customs 3) local F&B 4) history
- The travel trade are very keen to hear about the “new products /additional services/upgrade from suppliers” and “safety information”, followed by “destination recommendations”
- The top 3 channels where travel trade gather information from are: 1) search engine results 2) DMCs 3) VB’s WeChat account. Live stream events still least favourite although during the epidemic webinars have become a key channels for working with the trade.

In other news...

On 21 April, the Head of the Bali’s provincial tourism office announced that Chinese tourists will be returning to Bali as early as June 15th. The Minister of Tourism, held a video conference where regional tourism leaders discussed future dates for reopening their regions.

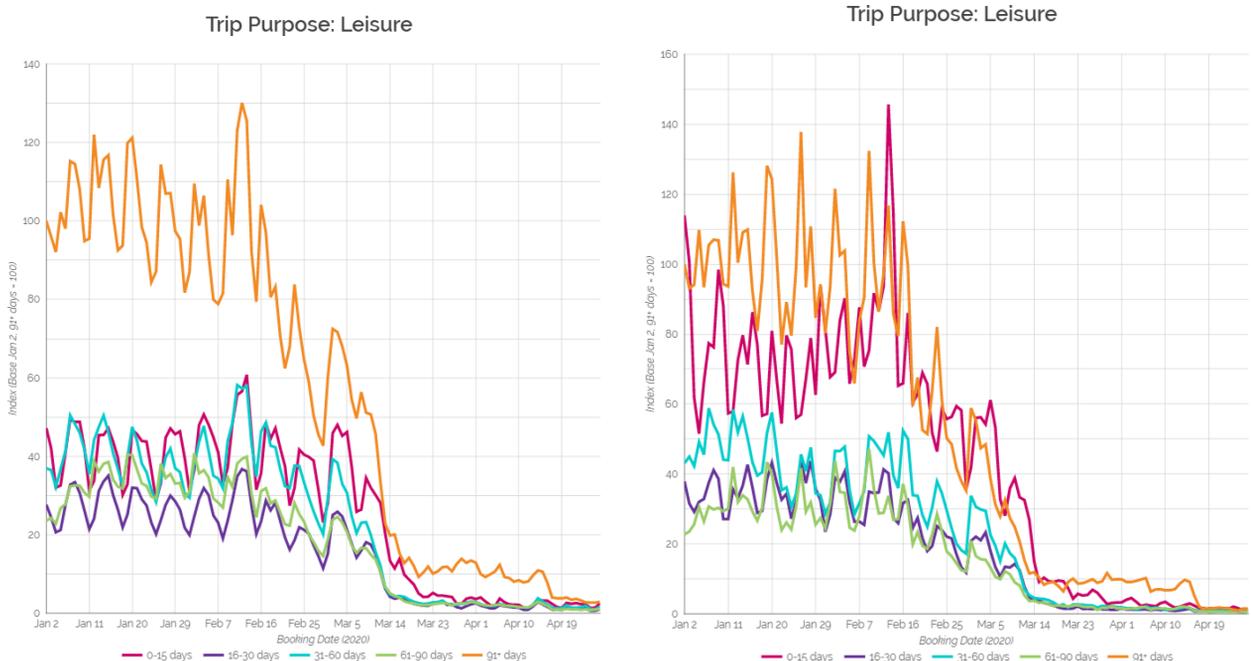
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DIGITAL INSIGHTS – THIRD PARTY

ADARA

These charts show the relative booking volume of flights and hotels with different departure windows (<15 days advanced booking, 16-30 days, 31-60 days, 61-90 and 91+ days advanced booking). All of the bookings are indexed to 91+ days advanced booking for the leisure segment. This data is provided by ADARA.

Though up until recently slightly more resilient, bookings for 91+ days in the future have now dropped to an index of ~2.0 (relative to 2nd Jan), similar to advanced bookings of shorter lengths. In other words, people are now equally reluctant to book trips for 3+ months time as they are to book sooner trips.



BRANDWATCH

- Between 21st and 27th April there were over 6K relevant mentions about Scotland and Coronavirus. Sunday 26th April was the busiest day.
- Conversations increased by 3% compared to the previous week.
- The main conversation topics were:
 - General chat about COVID-19 and its evolution in Scotland;
 - “stay at home” messages from users encouraging the community to remain safe and continue the lockdown, as well as showing their support by staying home and
 - key workers became a main theme with user showing their support and appreciation, sharing stories of key workers across the Scotland, as well as news and using the hashtag #ClapForOurCarers.

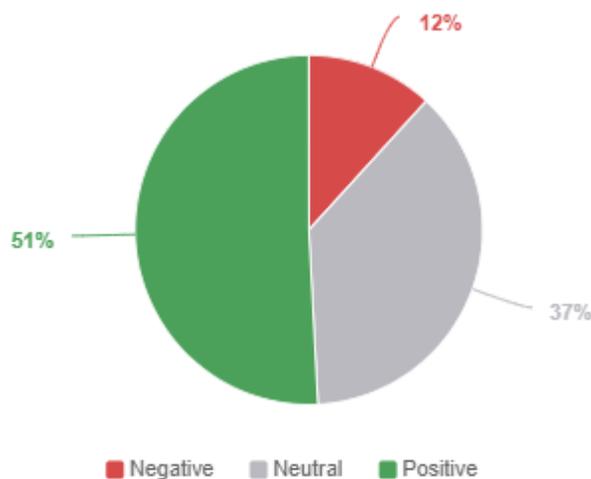
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DIGITAL INSIGHTS – THIRD PARTY

BRANDWATCH

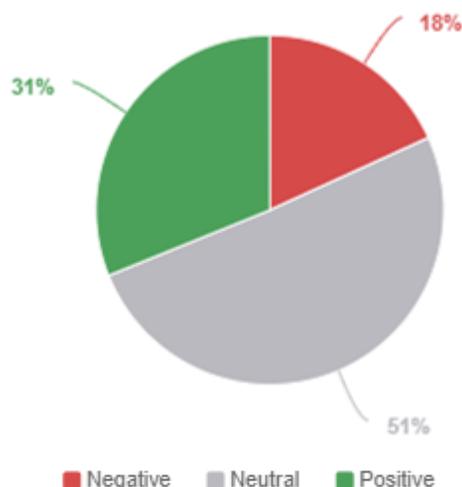
- Conversations about COVID-19 take place on social media sites (Instagram 49% and Twitter 48%).
- People use Instagram to share images of their past trips or the landscapes around them, showing their support to key workers and sharing how they spend time in lockdown.
- Similar themes can be found on Twitter, however this channel shows a higher number of conversations about news updates, politicians, government measures and chats about the wider UK.
- Online sentiment is positive (51%) and the main conversations are encouraging messages from the wider community. Negative conversations are driven by news updates and debates about government measures.

Scotland and COVID-19
21st to 27th April 2020



- Then, we analysed online conversations about “travelling to Scotland” or “holiday in Scotland” that contained mentions of COVID-19, or coronavirus.
- 226 relevant mentions were identified under these premises.
- This is a 11% decrease compared to the previous week.
- The main conversation topics are people:
 - sharing their experiences with trip cancellations,
 - talking about not being able to travel to Scotland at the moment and
 - sharing their previous trips.

Travelling to Scotland and COVID-19
21st to 27th April 2020



- 79% of the COVID-19 mentions about travelling to Scotland took place on social media sites (Instagram 32%, Twitter 47%).
- The rest of the conversations spread on forums, blogs and reviews sites as users share their experiences with trip cancellations or talk about their past holidays.
- Online sentiment is neutral to positive as users have adjusted to the current situation.
- Negative chat is mainly driven by news events and users complaining about the difficulty to get refunds for events or trips.

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DIGITAL INSIGHTS – OWNED CHANNELS

SCOTLAND.ORG

Traffic to the site has been 110% higher in April than the previous year, with traffic growing over the last 7 days to 140% higher than the previous year. Domestic traffic is 117% higher than this time last year while international is 200% higher (i.e. 3x as high). English traffic has grown significantly faster than Scottish and now accounts for 1/3rd of domestic traffic (up from 1/4th), while the US now accounts for 1/3rd of the international traffic.

VISITSCOTLAND.COM

Over the past week traffic to the consumer site is down ~60% compared with the previous year, which is an improvement on a month ago where traffic was down ~75% on the previous year. Both Domestic and International traffic appears to be returning – Domestic traffic has improved from being down ~75% to now down ~66%, while our key international markets have improved from being down ~75% to now down only ~50%.

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



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



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

Region	Sessions -	% Δ
1. England	34,995	-61.8% ↓
2. Scotland	30,988	-72.3% ↓
3. Wales	1,057	-51.4% ↓
4. Northern Ireland	615	-60.2% ↓

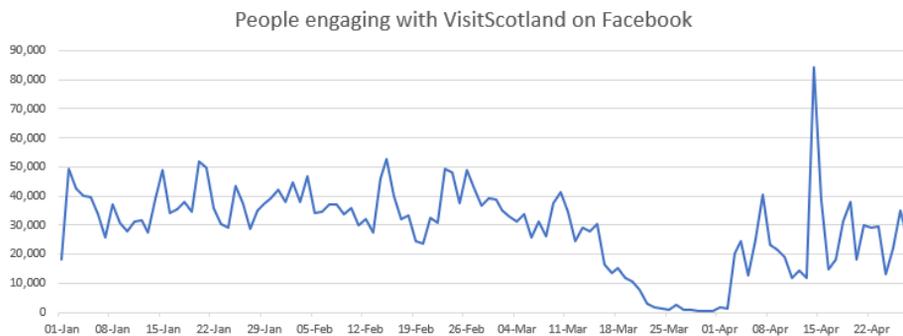
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DIGITAL INSIGHTS – OWNED CHANNELS

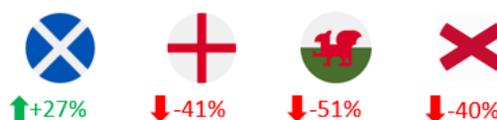
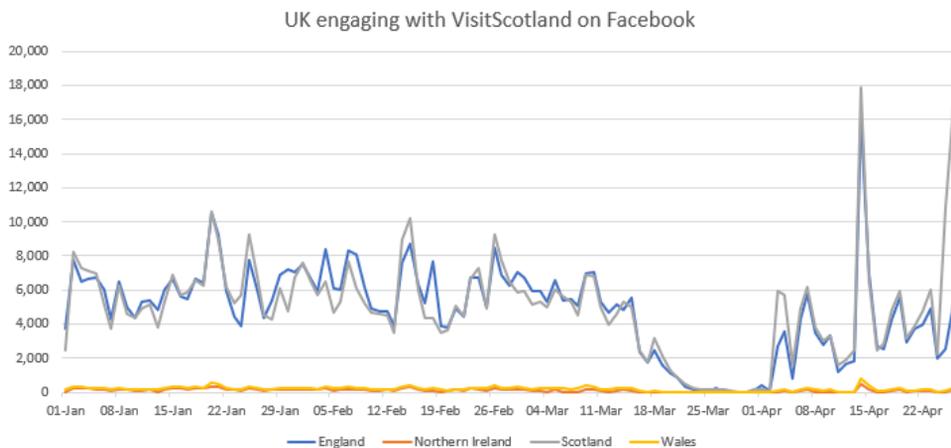
SOCIAL MEDIA

This time last year 2/3rd of people who engaged with our Facebook channel were from international markets, with 75k individuals engaging with the posts over the 7 day period between 21-27th April. The same number of international individuals are engaging with the page this year, but they now only account for a little over 1/2 of people engaging as domestic users have grown from 39k to 67k.

A post about Prince Albert's cairn in Balmoral Estate and a poll about Argyll & the Isles correlated with a huge spike in Scots engaging with our channel last Sunday, represented in the bottom chart.



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

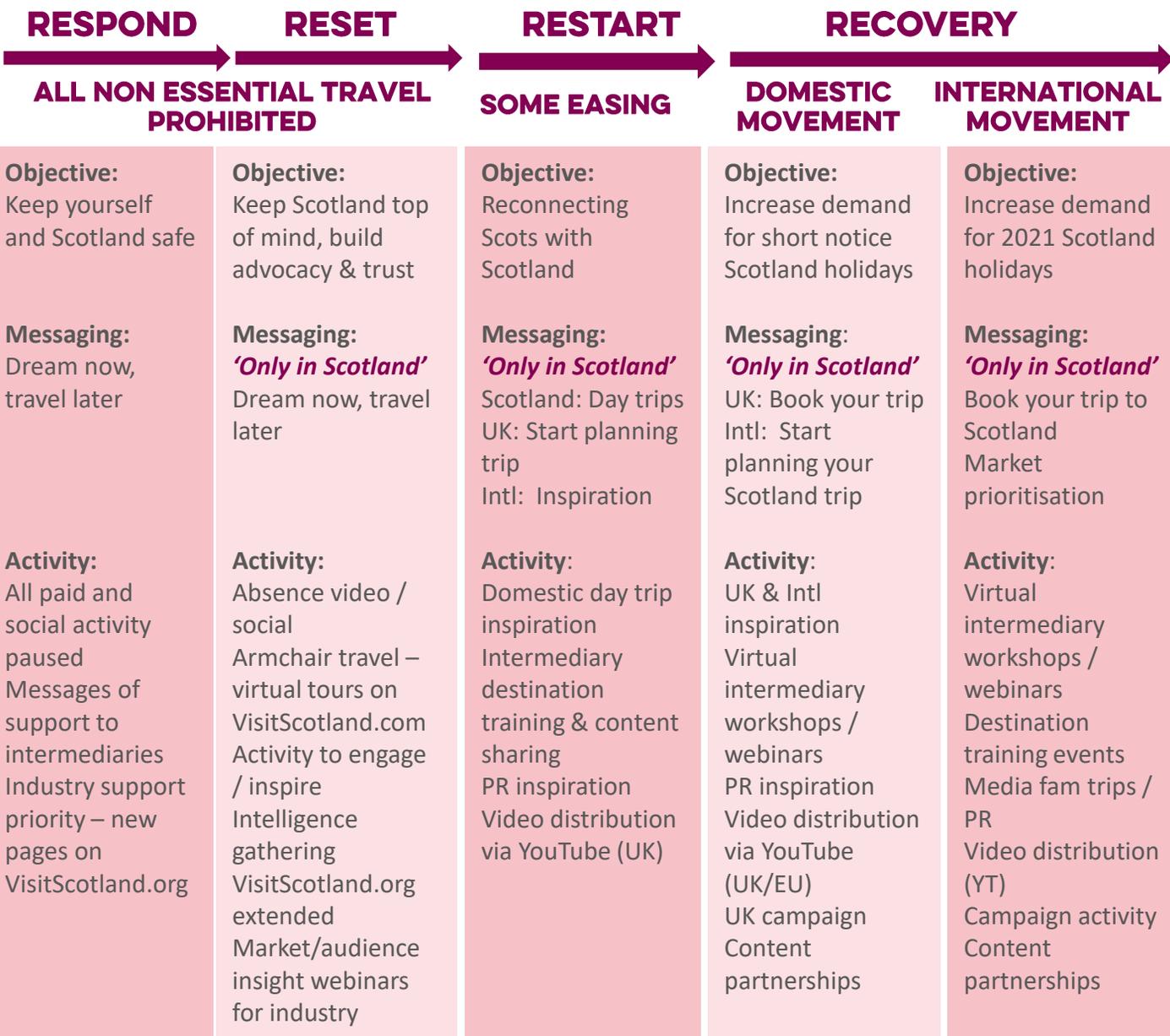


MARKETING ACTIVITY RESPONSE

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. New sections include:

- Information on how we're working with intermediaries across our key markets
- An update on the PR coverage we've achieved in key markets during the current situation, and information about the stories the media are interested in
- Detail about the content we've been developing for the different phases of recovery

RECOVERY PHASES



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
- 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](#)

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