Adventure Travel Business Impact Monitor Survey: COVID-19 March 2020 Snapshot

From the Adventure Travel Trade Association

MARCH 30 2020

About This Report

This report shares findings from a March 2020 survey of adventure industry organizations to establish a baseline understanding of the impact of COVID-19 outbreak on adventure businesses and destinations worldwide. Due to the fast-evolving nature of the pandemic, the results are true only for the March 11-30, 2020 timeframe.
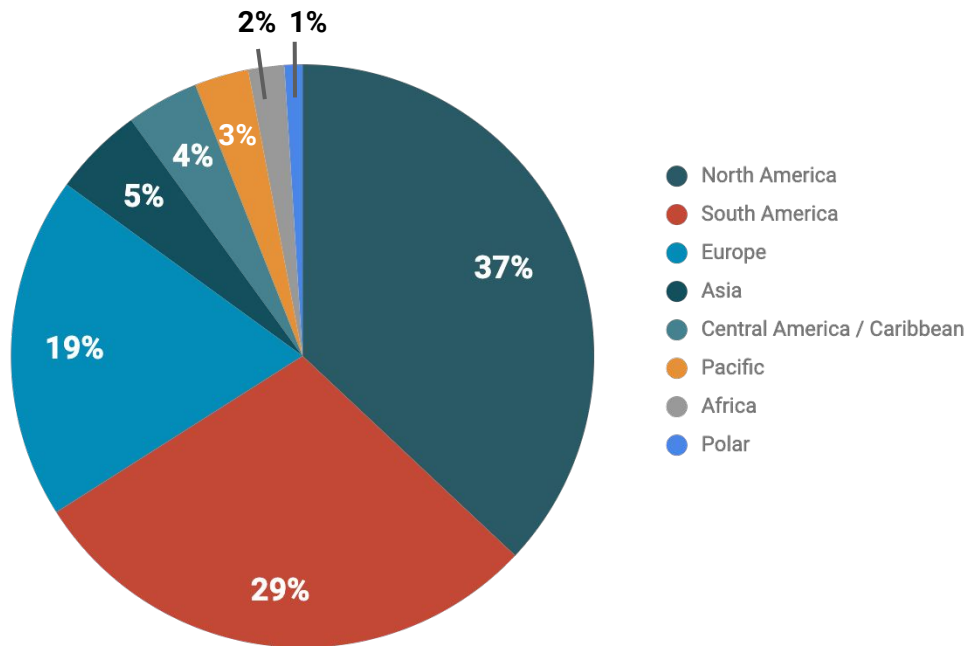
Contents

1.
Respondent Profile

162
ORGANIZATIONS

The dataset mainly reflects the views of Western (56%) and Latin American (33%) organizations.

North American and **European** organizations constitute over half **(56%)** of all responses.
Latin American and Caribbean organizations are one-third **(33%)** of the respondents.

- North America — 37%
- South America — 29%
- Europe — 19%
- Asia — 5%
- Central America / Caribbean — 4%
- Pacific — 3%
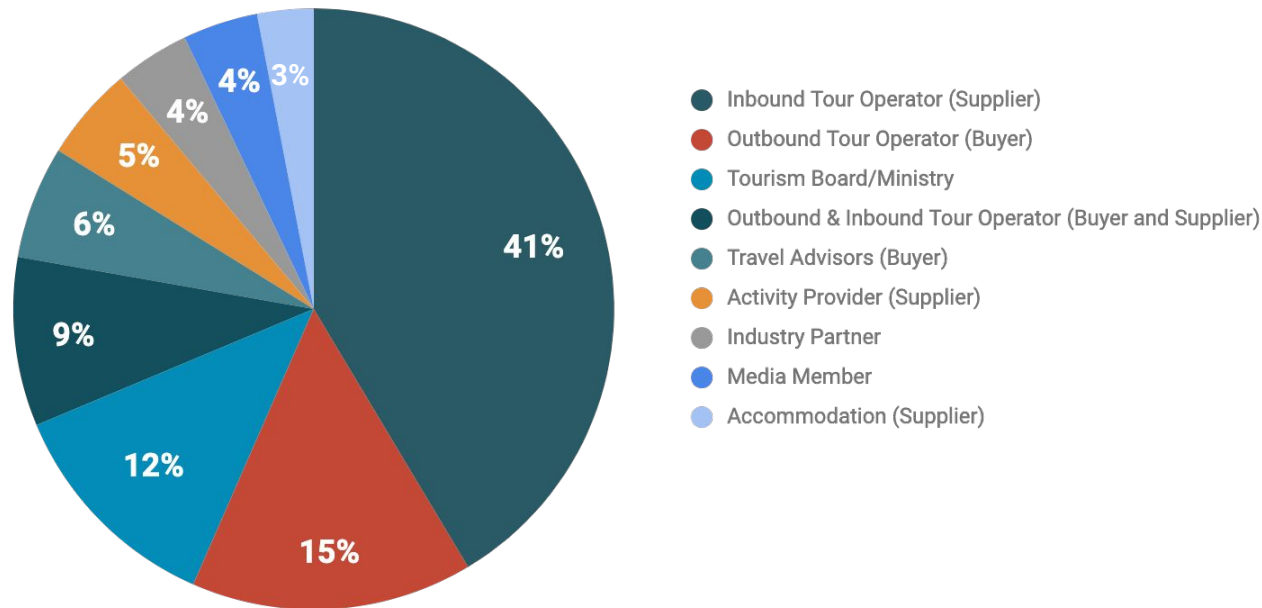- Africa — 2%
- Polar — 1%

Q1: In which country is your organization headquartered?
Base: All respondents (n=162)

The dataset leans toward the experiences of tour operators (65%).

Tourism boards, travel advisors, activity providers, accommodations, media and industry partners are also represented.

Pie chart:
- Inbound Tour Operator (Supplier): 41%
- Outbound Tour Operator (Buyer): 15%
- Tourism Board/Ministry: 12%
- Outbound & Inbound Tour Operator (Buyer and Supplier): 9%
- Travel Advisors (Buyer): 6%
- Activity Provider (Supplier): 5%
- Industry Partner: 4%
- Media Member: 4%
- Accommodation (Supplier): 3%

Q2: Please select the option that best describes your organization:
Base: All respondents (n=162)

2.
Adventure Travel Buyers and Suppliers' Outlook

(Tour Operators, Travel Advisors, Accommodations, and Activity Providers)

Micro (48%) and small (38%) organizations make up 86% of the buyer/supplier respondents.

Medium organizations (11%) and large organizations (3%) are also represented.

Legend:
- Micro Organizations (<10 employees)
- Small Organizations (10-49 employees)
- Medium Organizations (50-249 employees)
- Large Organizations (250+ employees)
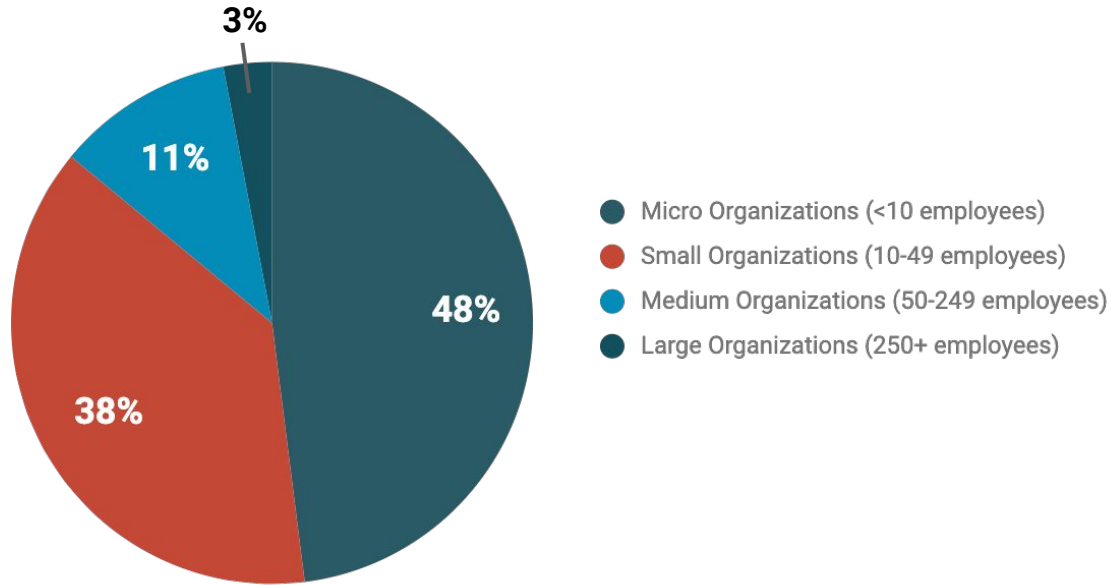
Q4: Please share your current workforce size.
Base: Buyer and supplier respondents (n=127); missing (n=2); total (n=129)

Responding organizations have a **negative** outlook on their business' prospects over the next calendar year.

84% of the responding organizations report a 'negative' or 'somewhat negative' outlook on their business' prospects.

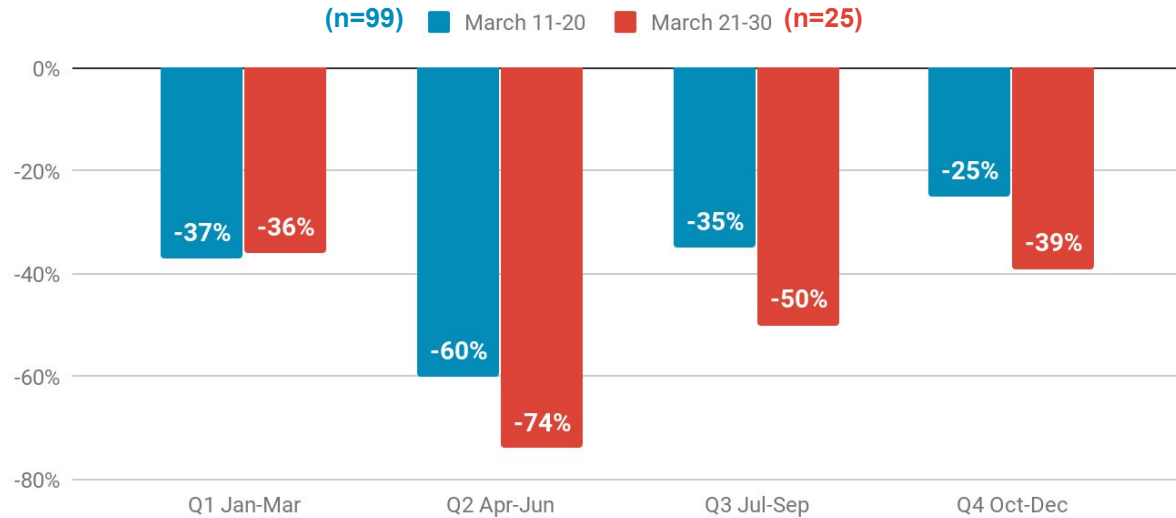| Category	Percentage
Negative	48%
Somewhat negative	36%
Neutral	9%
Somewhat positive	6%
Positive	2%
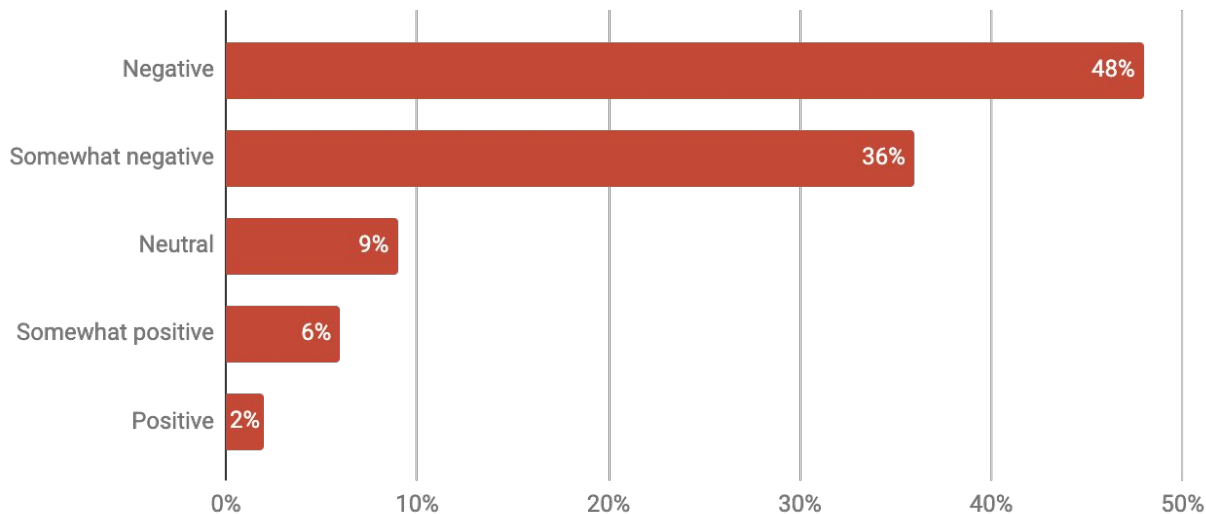
Q5: Please share your organization's outlook on your business's prospects over the next calendar year.
Base: Buyer and supplier respondents (n=129)

Businesses report an overwhelming decrease in demand (bookings) compared to 2019 — the situation only worsening in late March.

For Q2, responding organizations have seen demand fall by 63% on average overall.

(n=99) ■ March 11-20   ■ March 21-30 **(n=25)**

|	Q1 Jan-Mar	Q2 Apr-Jun	Q3 Jul-Sep	Q4 Oct-Dec
March 11-20	-37%	-60%	-35%	-25%
March 21-30	-36%	-74%	-50%	-39%

% = Percentage of demand

Q6-Q9: Compared to Q(1-4) 2019, we are seeing _____ (in) demand for bookings in Q(1-4) 2020.
Base: Buyer and supplier respondents (n=124); missing (n=5); total (n=129)

And they report a drastic increase in cancellations, culminating in lost revenue — the situation only worsening over time.

Please note: This data pertains to cancellations only. Questions related to reservation modifications or postponement were not asked in the survey.

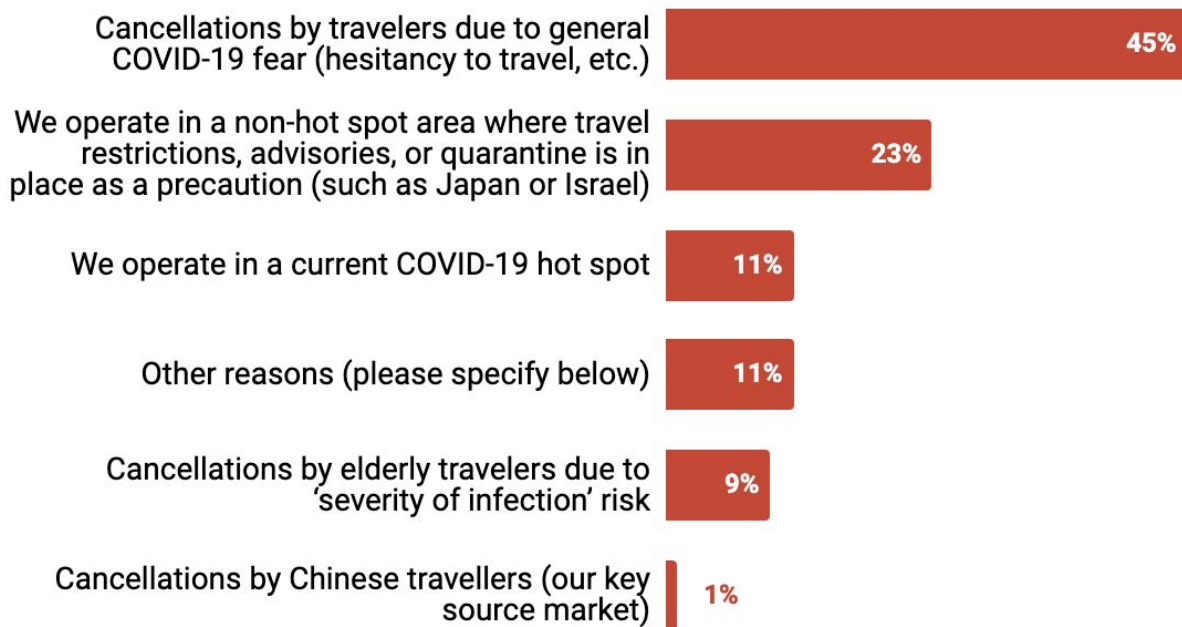
(n=91) ■ March 11-20 ■ March 21-30 **(n=25)**
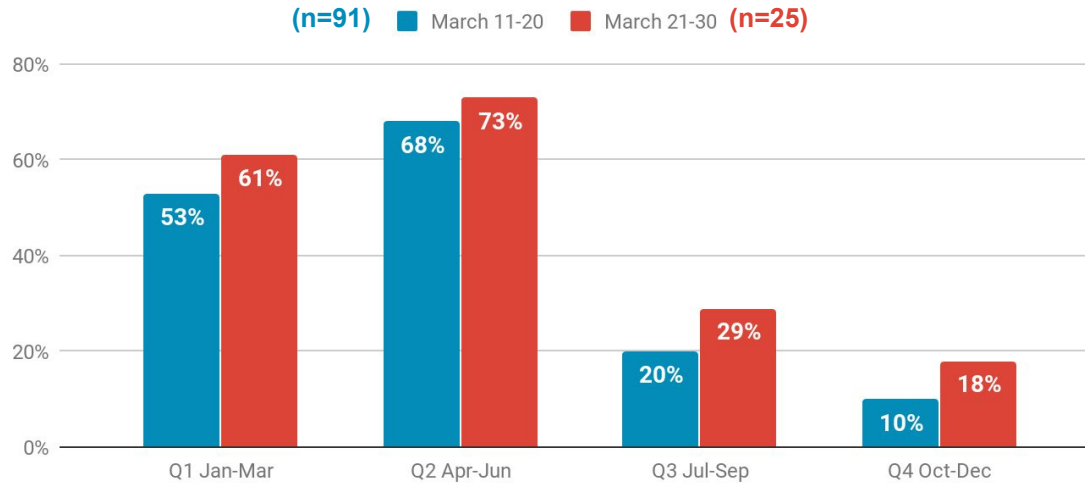
% = Percentage of bookings that have been cancelled compared to Q(1-4) 2019

Q10-Q13: Compared to Q(1-4) 2019, we are seeing a/an _____ (in) cancellations in Q(1-4) 2020.
Base: Buyer and supplier respondents (n=116); missing (n=13); total (n=129)

Consumer hesitancy to travel (45%) and travel restrictions (23%) are the top-cited reasons for cancellations.

Cancellations by travelers due to general COVID-19 fear (hesitancy to travel, etc.)	45%
We operate in a non-hot spot area where travel restrictions, advisories, or quarantine is in place as a precaution (such as Japan or Israel)	23%
We operate in a current COVID-19 hot spot	11%
Other reasons (please specify below)	11%
Cancellations by elderly travelers due to 'severity of infection' risk	9%
Cancellations by Chinese travellers (our key source market)	1%

Q14: Out of 100%, to what do you attribute the cancellations, and by how much?
Base: Buyer and supplier respondents (n=59); missing (n=70); total (n=129)

In 2020, reporting businesses have lost, on average, 29% of their 2019-equivalent revenues due to cancellations.

56 reporting organizations have collectively lost **USD $14.3 million** in revenues, directly attributable to cancellations in 2020. The range for 2020 losses compared to responding organizations' 2019 revenues is **3-97%**, depending on the company and areas of operation.

29%

Estimated average loss of 2019-equivalent revenues in 2020 due to cancellations per reporting organization

28%

Average loss for organizations reporting between **Mar 11-20**, inclusive. n=49

32%

Average loss for organizations reporting between **Mar 21-30**, inclusive. n=7

Q16: For your business, what is the approximate value (revenue potential) of bookings canceled in 2020 due to COVID-19 related reasons?
Q17: What proportion of your annual 2019 revenues does the figure you reported in the previous question represent?
Base: Buyer and supplier respondents (n=56); missing (n=73); total (n=129)

Overall, reporting businesses expect a two-fifths decrease in business volume compared to the last calendar year.

↓**38%**

Estimated decrease in business volume
over the next calendar year

Q18: Compared to the last calendar year (2019-2020), we expect to see _____ (in) business volume (revenues) over the next calendar year (2020-2021).
Base: Buyer and supplier respondents (n=85); missing (n=44); total (n=129)

Responding Organizations' Open Thoughts: Negative and Positive Impact of COVID-19

Negative Impact (n=70)

- Cancellations and postponements
- Decrease in demand
- Travel restrictions
- Loss of revenue/income
- Strained cash flow
- Staff stress and anxiety
- Payments delayed to staff/contractors
- Expenses frozen
- Unstable and damaged relations with suppliers
- Layoffs and reduction in employee salaries/hours

"675 cancellations over the past 17 days. Loss of approximately 300 new reservations so far."

Positive Impact (n=36)

- Last-minute bookings in February (from a COVID-19 hotspot to a non-hotspot)
- Contingency planning for the future
- Deeper look into finances, seeking efficiencies
- Creation of new rules and cancelling policies
- Greater staff ability to work remotely
- Downtime
- Time to invest in other things, such as upgrading company website
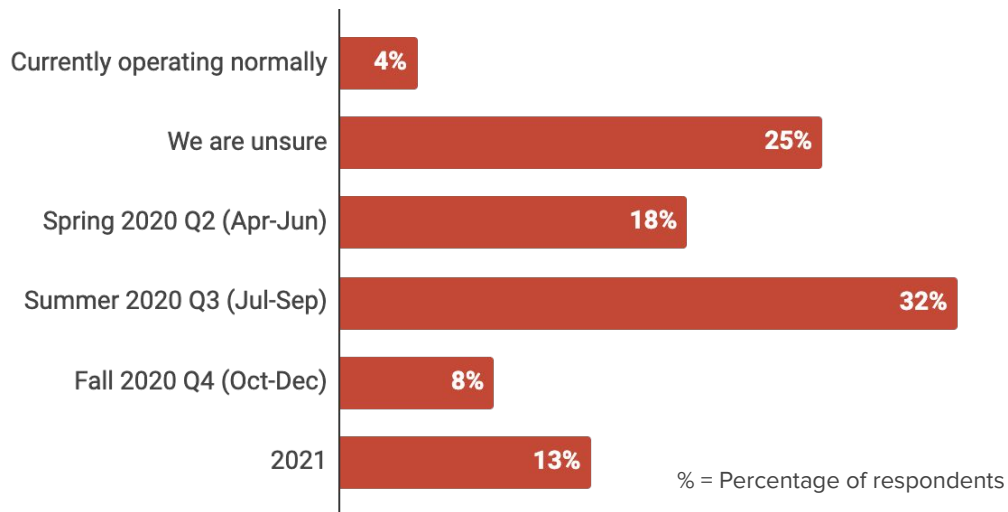- Travel industry coming together

"We're thinking about how to be more resilient in the future."

Q20-Q21: If applicable, please share how your organization has been impacted (negatively/positively) by the COVID-19 outbreak.
Base: Buyer and supplier respondents (n=70); missing (n=59); total (n=129)

Half (50%) of the responding businesses expect to resume normal operations by the end of Summer 2020. A quarter of the businesses (25%) are unsure.

Overall, businesses are expecting a quick recovery.

Category	Percentage
Currently operating normally	4%
We are unsure	25%
Spring 2020 Q2 (Apr-Jun)	18%
Summer 2020 Q3 (Jul-Sep)	32%
Fall 2020 Q4 (Oct-Dec)	8%
2021	13%

% = Percentage of respondents

Q21: When do you expect your business to resume normal or accelerated operations?
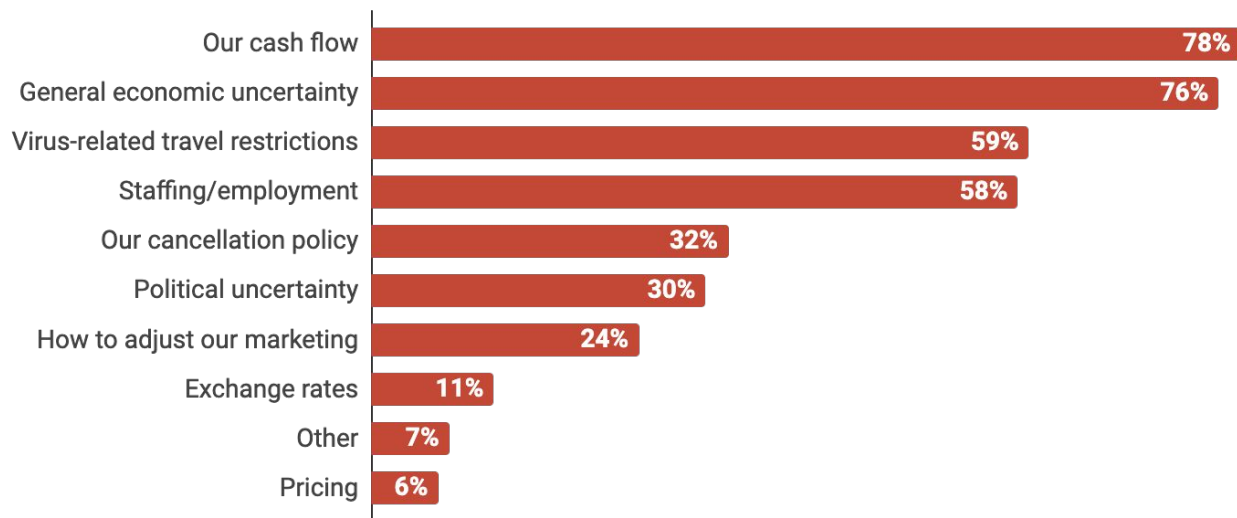**Base: Buyer and supplier respondents (n=84); missing (n=45); total (n=129)**

ORGANIZATIONAL CONCERNS

(Tour Operators, Travel Advisors, Accommodations, and Activity Providers)

Cash flow (78%) and general economic uncertainty (76%) are responding businesses' key short-term concerns.

Businesses are also having to deal with travel restrictions, staffing/employment issues, and cancellation policies.

Concern	Percentage
Our cash flow	78%
General economic uncertainty	76%
Virus-related travel restrictions	59%
Staffing/employment	58%
Our cancellation policy	32%
Political uncertainty	30%
How to adjust our marketing	24%
Exchange rates	11%
Other	7%
Pricing	6%

% = Percentage of respondents

Q36: What are your organization's key short-term concerns concerning COVID-19?
Base: Buyer and supplier respondents (n=88); missing (n=41); total (n=129)

Building an economically-resilient operation (64%) is the top long-term organizational concern.

Modification of cancellation policies, diversification of source markets, and forming new partnerships are also key long-term business concerns.

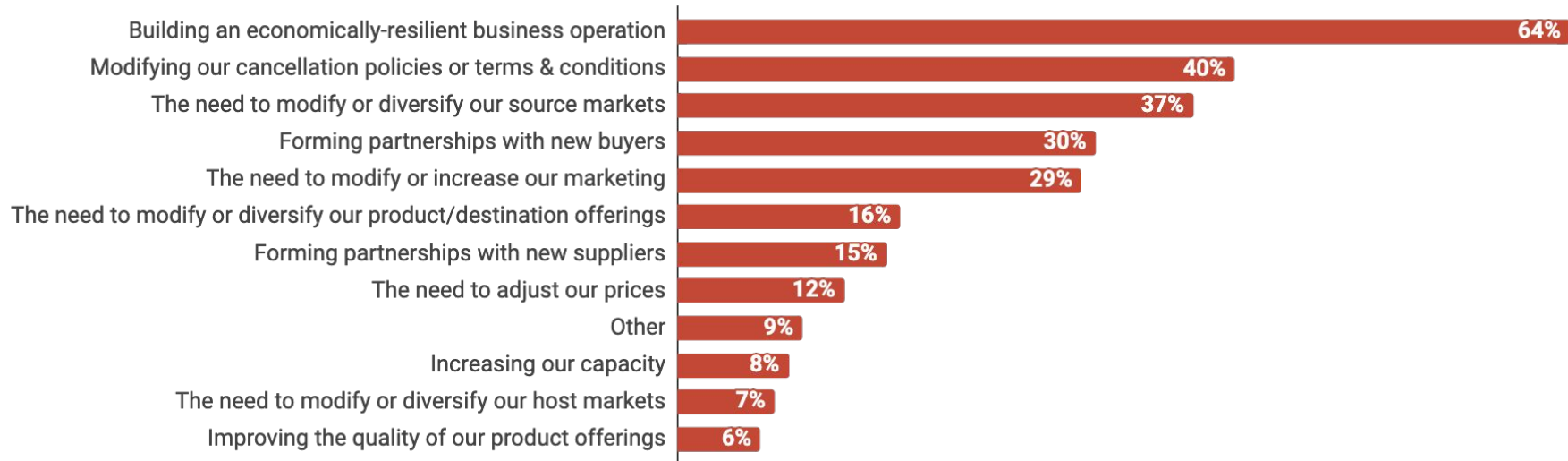| Category	Percentage
Building an economically-resilient business operation	64%
Modifying our cancellation policies or terms & conditions	40%
The need to modify or diversify our source markets	37%
Forming partnerships with new buyers	30%
The need to modify or increase our marketing	29%
The need to modify or diversify our product/destination offerings	16%
Forming partnerships with new suppliers	15%
The need to adjust our prices	12%
Other	9%
Increasing our capacity	8%
The need to modify or diversify our host markets	7%
Improving the quality of our product offerings	6%

% = Percentage of respondents

Q36: What are your organization's key long-term concerns concerning COVID-19?
Base: Buyer and supplier respondents (n=86); missing (n=43); total (n=129)

CRISIS MANAGEMENT STRATEGIES & SUPPORT

(Tour Operators, Travel Advisors, Accommodations, and Activity Providers)

The three most effective crisis management strategies organizations have already implemented are as follows:

Responding organizations were asked to rank their implemented crisis management strategies by effectiveness.

1. **Changing cancellation and transfer policies**
2. **Reducing general business/organization expenses**
3. **Reducing employee hours or pay, or layoffs**

Q38: What measures has your organization already implemented to brace for the impact of COVID-19?
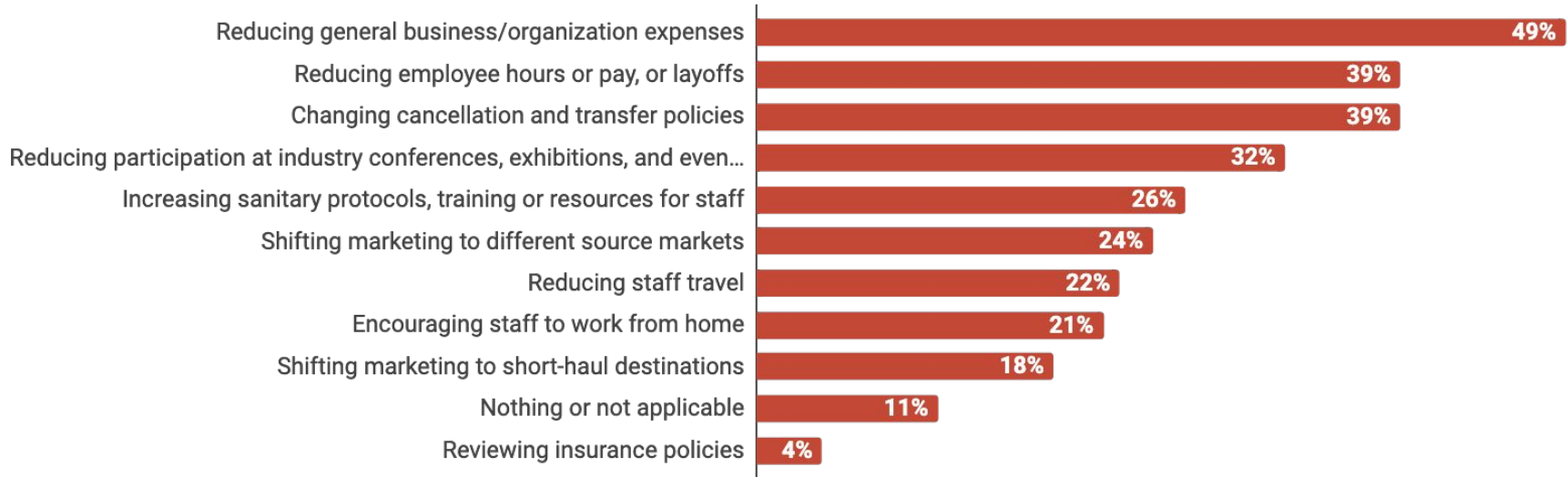**Q39:** Please 'drag and drop' your selected options to rank the coping strategies your organization has already implemented by importance and effectiveness (top/key/most-effective strategies first).
Base: Buyer and supplier respondents (n=86); missing (n=43); total (n=129)

The already implemented strategies may also prove to be the most effective strategies to be reimplemented.

Among other strategies being considered is reducing industry event participation.

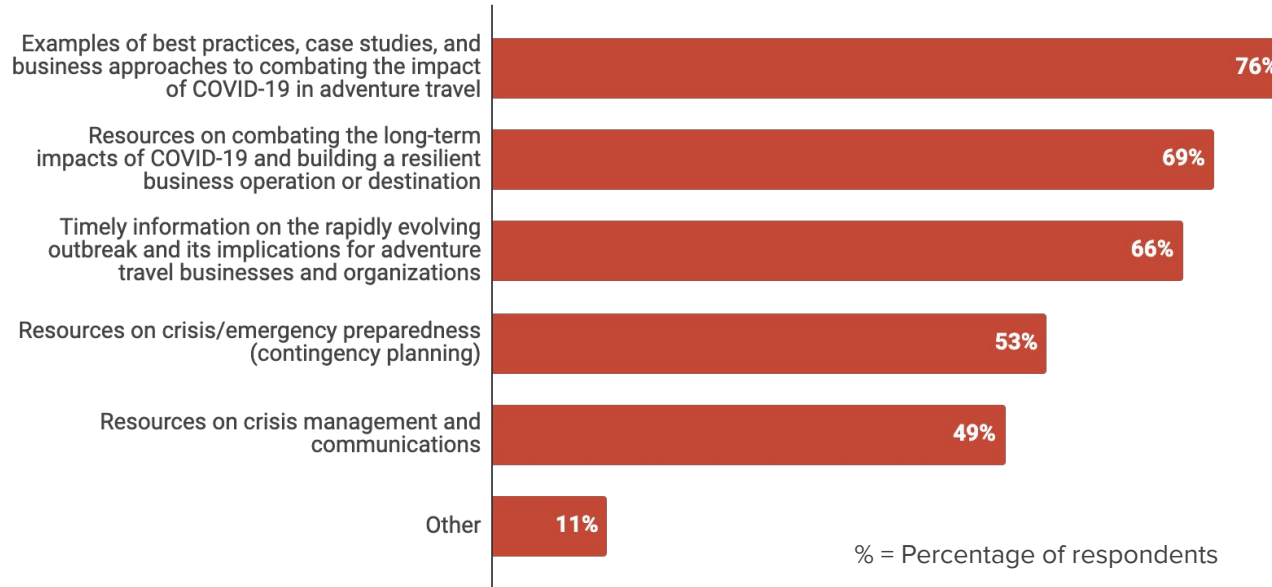| Strategy	%
Reducing general business/organization expenses	49%
Reducing employee hours or pay, or layoffs	39%
Changing cancellation and transfer policies	39%
Reducing participation at industry conferences, exhibitions, and even...	32%
Increasing sanitary protocols, training or resources for staff	26%
Shifting marketing to different source markets	24%
Reducing staff travel	22%
Encouraging staff to work from home	21%
Shifting marketing to short-haul destinations	18%
Nothing or not applicable	11%
Reviewing insurance policies	4%

% = Percentage of respondents

Q40: What other measures is your organization considering implementing to brace for the impact of a prolonged COVID-19 outbreak?
Base: Buyer and supplier respondents (n=76); missing (n=53); total (n=129)

Ways the ATTA Can Best Support My Organization at this Time

Organizations are seeking best practices for combating the impact of COVID-19, resources on combating the long-term effects, and timely information on the outbreak.

Category	Percentage
Examples of best practices, case studies, and business approaches to combating the impact of COVID-19 in adventure travel	76%
Resources on combating the long-term impacts of COVID-19 and building a resilient business operation or destination	69%
Timely information on the rapidly evolving outbreak and its implications for adventure travel businesses and organizations	66%
Resources on crisis/emergency preparedness (contingency planning)	53%
Resources on crisis management and communications	49%
Other	11%

% = Percentage of respondents

**Q41:** How can the ATTA best support your organization at this time?
Base: Buyer and supplier respondents (n=80); missing (n=49); total (n=129)

3.
Destination/Tourism Boards' Outlook and Perspectives

Almost two-thirds (65%) of responding destinations have a negative outlook on their destination's prospects over the next calendar year.

One-fifth (20%) of the responding destinations report a 'neutral' outlook.
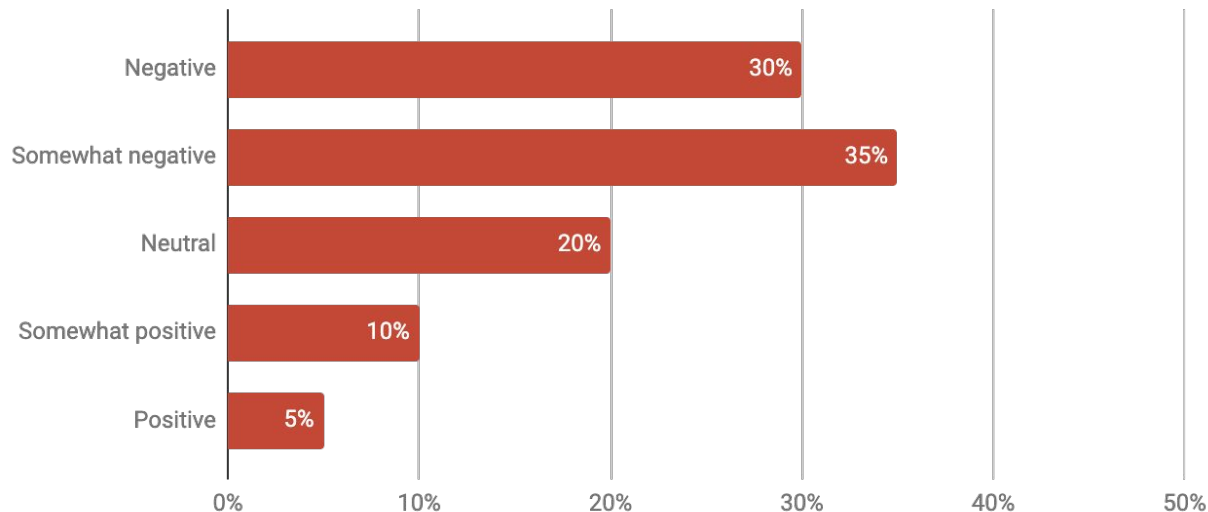
Q31: Please share your outlook on your destination's prospects over the next calendar year.
Base: Tourism board respondents (n=20)

Responding Destinations' Open Thoughts: Negative and Positive Impact of COVID-19

Negative Impact (n=16)

- Travel bans and restrictions
- Trip cancellations and postponements
- Dwindling visitor numbers
- Loss of business affecting livelihoods
- Fear among local operators about the economic viability of the future

"Cancellations throughout all segments: conferences, events, accommodation, press trip, fam trips, and trade fairs."

Positive Impact (n=6)

- Enhanced crisis communications
- Reduction in pollution
- Local operators see value in sourcing travelers from the domestic market
- A small surge in visitor numbers when an outbreak happened in a competing destination (consumers diverted their trip plans)
- The travel industry coming together

"Sense of coming together. More in depth conversations. Cooperation. Lots of admin time allowing us to plan for the future."

Q32-33: If applicable, please share how your destination is being (negatively/positively) impacted by the COVID-19 outbreak.
Base: Tourism board respondents (n=16); missing (n=4); total (n=20)

What help are your local tourism businesses looking for concerning COVID-19?

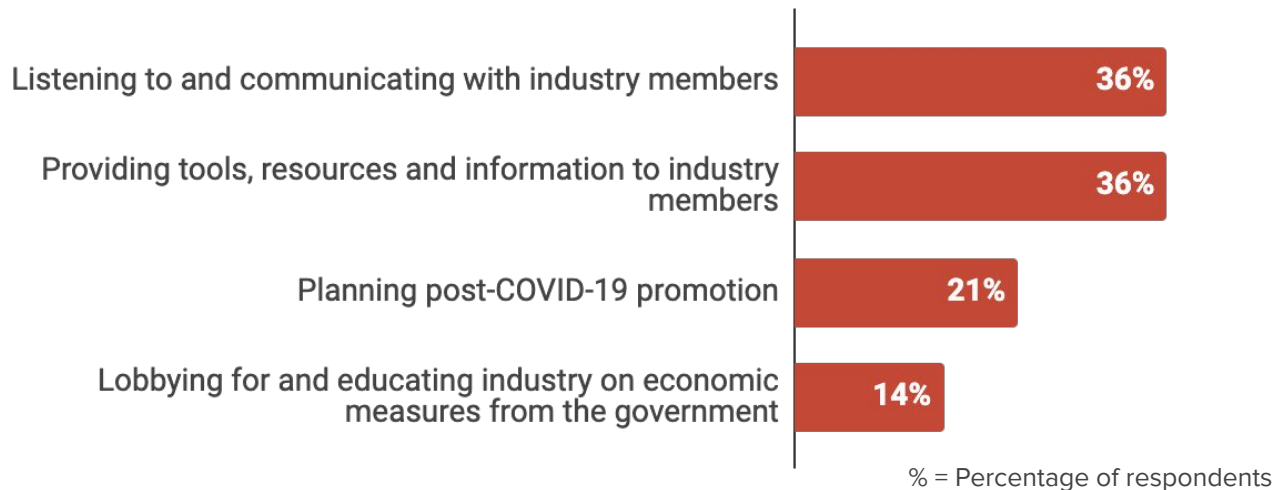**Businesses are primarily seeking timely information and advice to get through this crisis.**

Timely information — 29%
Resources, advice (business and legal), and best practices for combating the effects of COVID-19 — 29%
Marketing and promotional support — 21%
Financial support and relief — 21%
Post-COVID-19 support in increasing business for local operators — 21%
Domestic source market development — 7%

% = Percentage of respondents

Q34: What kind of help are your local tourism businesses looking for concerning COVID-19?
Base: Tourism board respondents (n=14); missing (n=6); total (n=20)

How are you currently supporting your local tourism businesses concerning COVID–19?

Tourism boards are primarily supporting the local industry through open communication, and by providing tools, resources and information to help members weather the crisis.

Listening to and communicating with industry members — **36%**

Providing tools, resources and information to industry members — **36%**

Planning post-COVID-19 promotion — **21%**

Lobbying for and educating industry on economic measures from the government — **14%**

% = Percentage of respondents

Q35: How are you currently supporting your local tourism businesses concerning COVID-19?
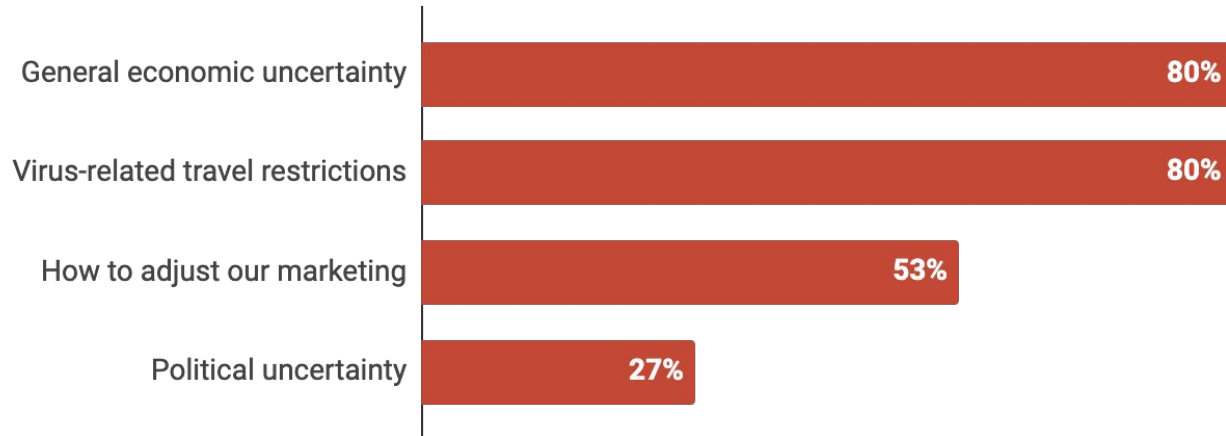**Base: Tourism board respondents (n=14); missing (n=6); total (n=20)**

ORGANIZATIONAL CONCERNS

(Tourism Boards)

General economic uncertainty (80%) and travel restrictions (80%) are reporting destinations' key short-term concerns.

Destinations are also having to adjust marketing and deal with political uncertainty.

General economic uncertainty — 80%
Virus-related travel restrictions — 80%
How to adjust our marketing — 53%
Political uncertainty — 27%

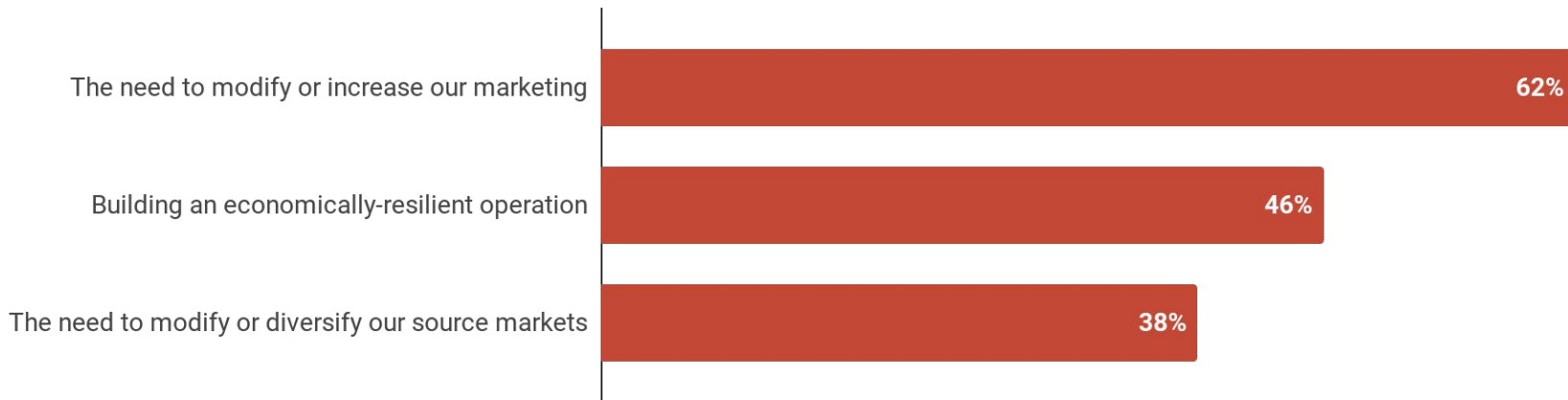% = Percentage of respondents

Q36: What are your organization's key short-term concerns concerning COVID-19?
Base: Tourism board respondents (n=15); missing (n=5); total (n=20)

Increasing/modifying marketing (64%) and modifying/ diversifying source markets (46%) are two of destinations' top long-term concerns.

Economic resilience is also one of destinations' key long-term concerns.

The need to modify or increase our marketing — 62%

Building an economically-resilient operation — 46%

The need to modify or diversify our source markets — 38%

% = Percentage of respondents

Q36: What are your organization's key long-term concerns concerning COVID-19?
Base: Tourism board respondents (n=13); missing (n=7); total (n=20)

CRISIS MANAGEMENT STRATEGIES & SUPPORT

(*Tourism Boards*)

The three most effective crisis management strategies tourism boards have already implemented are as follows:

Responding organizations were asked to rank their implemented crisis management strategies by effectiveness.

1.   **Reducing staff travel**
2.   **Encouraging staff to work from home**
3.   **Reducing participation at industry conferences, exhibitions, and events**

Q38: What measures has your organization already implemented to brace for the impact of COVID-19?
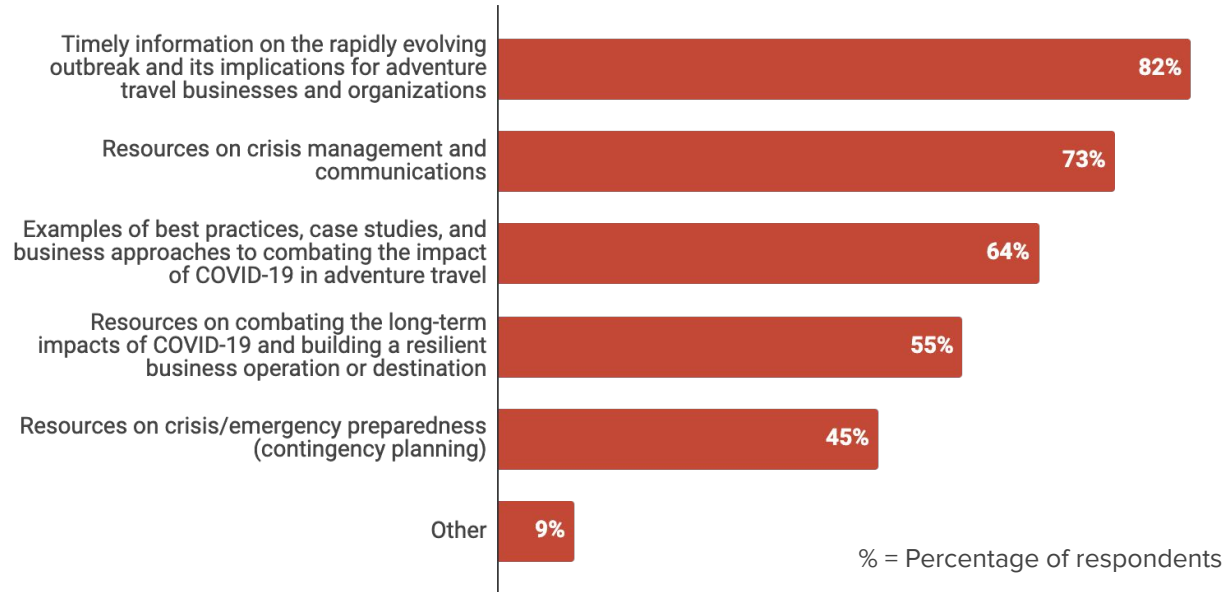**Q39:** Please 'drag and drop' your selected options to rank the coping strategies your organization has already implemented by importance and effectiveness (top/key/most-effective strategies first).
Base: Tourism board respondents (n=12); missing (n=8); total (n=20)

Ways the ATTA Can Best Support My Destination at this Time

Destinations are seeking timely information on the pandemic, industry best practices/examples, and resources on crisis management/communications/preparedness.

Timely information on the rapidly evolving outbreak and its implications for adventure travel businesses and organizations	82%
Resources on crisis management and communications	73%
Examples of best practices, case studies, and business approaches to combating the impact of COVID-19 in adventure travel	64%
Resources on combating the long-term impacts of COVID-19 and building a resilient business operation or destination	55%
Resources on crisis/emergency preparedness (contingency planning)	45%
Other	9%

% = Percentage of respondents

Q41: How can the ATTA best support your organization at this time?
Base: Tourism board respondents (n=11); missing (n=9); total (n=20)

4.
COVID-19 Guide for the Adventure Travel Industry

COVID-19 Guide for the Adventure Travel Industry

Following the UNWTO's lead, ATTA encourages its community to respond to COVID-19, the virus caused by novel coronavirus, in a measured and consistent way, proportionate to the public health threat and based on local risk assessment, involving every part of the tourism value chain – public bodies, private companies and tourists. International collaboration and cooperation is needed to ensure the tourism industry, which is so important to the global economy, can rebound and rebuild. **At this web address**, the ATTA is gathering resources on strategies for adventure travel businesses and destinations to cope with the current situation. Kindly submit your strategies and questions in the comment section on the webpage.

Thank you.

For more information, please contact:
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Senior Research Manager, ATTA
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Photo © ATTA / Hassen Salum

About the ATTA

Established in 1990, the Adventure Travel Trade Association (ATTA) serves over 1,300 members in 100 countries worldwide. Members predominantly include tour operators, tourism boards, specialty agents and accommodations with a vested interest in the sustainable development of adventure tourism. The ATTA delivers solutions and connections that propel members towards their business goals and the industry toward a responsible and profitable future. Through its regional AdventureConnect and AdventureNEXT events and annual Adventure Travel World Summit and AdventureELEVATE trade conference, the ATTA excels in professional learning, networking and partnering services. With expertise in research, education, adventure travel industry news and promotion, members of the ATTA receive competitive opportunities that help establish them as leaders in adventure tourism.

About our Research

The ATTA strives to produce regular reports that take the pulse of the industry through our membership as well as the global travel industry. In addition, consumer research studies lend insight into the fast paced and changing world of travel and travelers' perceptions of it. At adventuretravel.biz, our Research Reports can be located that dive deeply into the motivations of adventure travelers, the size of the industry, the landscape and health of the industry at large, as well as other targeted reports on subjects ranging from Travel Agents to adventure travel in specific destinations.

The ATTA's Web Properties

ADVENTURE TRAVEL
TRADE ASSOCIATION

The ATTA's homepage online at www.adventuretravel.biz

ADVENTURE
Travel News

The adventure travel industry's source of trade news online at www.adventuretravelnews.com

ADVENTURE
.TRAVEL

The traveler's guide to finding adventure at www.adventure.travel

ADVENTURE
HUB

ATTA's Online Members Community at http://members.adventuretravel.biz