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Consumer Sentiment Study
June 5th, 2020

Presented by Downs & St. Germain Research

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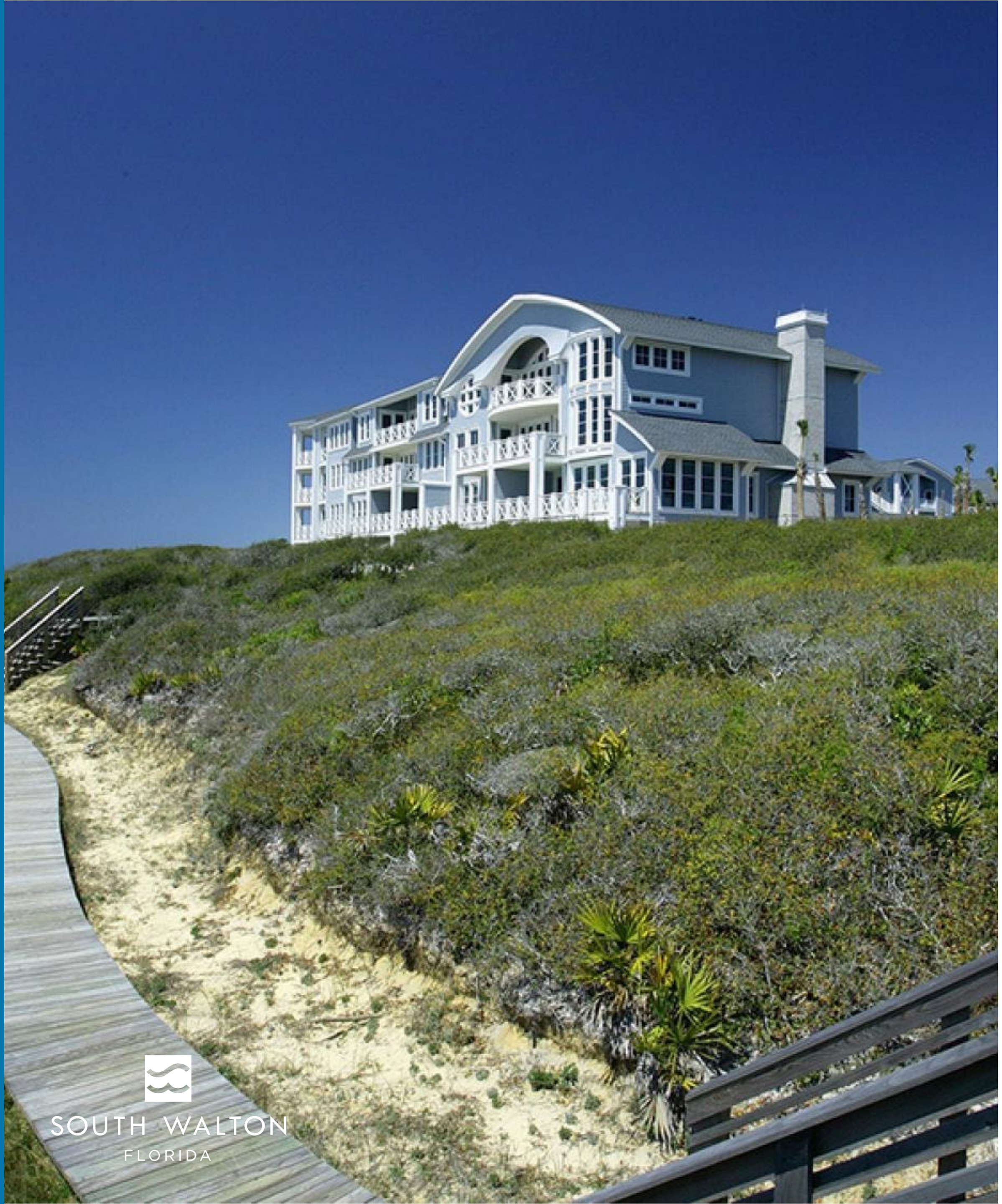

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Introduction

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Study Purpose & Research Methods

Study Purpose

Determine the impact of COVID-19 on consumers' feelings about travel and travel-related advertising. This is the 3^{rd} wave of multiple waves of the survey to see how consumer sentiment changes over time.

Research Methods

Data were collected through online surveys with 300 consumers in Atlanta, Nashville, Houston, Dallas, Birmingham, and New Orleans/Baton Rouge

- Wave 1 – April 27^{th} & 28^{th}
- Wave 2 – May 12^{th} & 13^{th}
- Wave 3 – June 1^{st} & 2^{nd}

Consumers were adults between 21 – 70 years old who earned at least $100,000 per year in household income, served as a key household vacation decision-maker, and had stayed in paid accommodations in 2019.

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Key Takeaways

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Key Takeaways: *Safety*

The percentage of consumers **who feel it is safe to travel now has doubled** since late April

Compared to May, consumers now **feel safer traveling, in general, and more specifically:**

- Going to the beach
- Staying in a vacation rental home
- Staying at a hotel
- Attending a live sporting event

As large attractions, restaurants, and retail stores have reopened in many locations in the past 3 weeks, using their reopening as a sign post for travel safety has decreased

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Key Takeaways: Future Travel

- 7 in 10 consumers still plan to take a vacation or getaway **within a month** of COVID-19 passing – an increase since May

- Consumers continue to say that **uncrowded areas and places that can be driven to** will be their most likely destinations when it is safe to travel

- **Past visitors** to South Walton were **more than twice as likely** as non-visitors **to consider coming to South Walton** after COVID-19 passes

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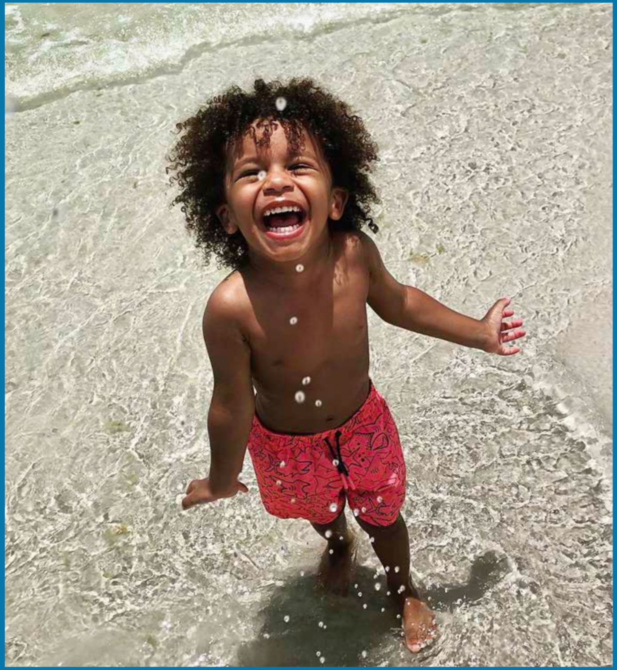
Key Takeaways: Marketing

- More consumers are ready to see 'normal' destination advertising compared to May

- Consumers continue to want to know that **destinations are prioritizing safety**

- Consumers **interaction with travel media** has **decreased** in the past 3 weeks, but **short online videos** and **online articles on travel** continue to be the most popular travel media



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Other Key Takeaways:

- **Scared, unsafe,** and **caution** continue to be key feelings associated with travel, yet in the past 3 weeks, consumers have also increasingly used words such as **ready, safe, fine, and excited** to describe feelings about travel
- **2 in 5** consumers have been **negatively impacted financially** by COVID-19, and they will **take fewer and shorter vacations**
- **21%** of consumers **traveled** in the past 3 weeks (up 4% points since mid-May), significantly more so for leisure than work

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Detailed Findings

Trust in Travel Advice

Consumers trust the Centers for Disease Control and Prevention **significantly more** than they trust other sources to tell them when it is safe to travel again

Trust in the CDC and all levels of government has dropped in the past 3 weeks

Twice as many consumers in early June compared to mid-April feel it is safe to vacation right now

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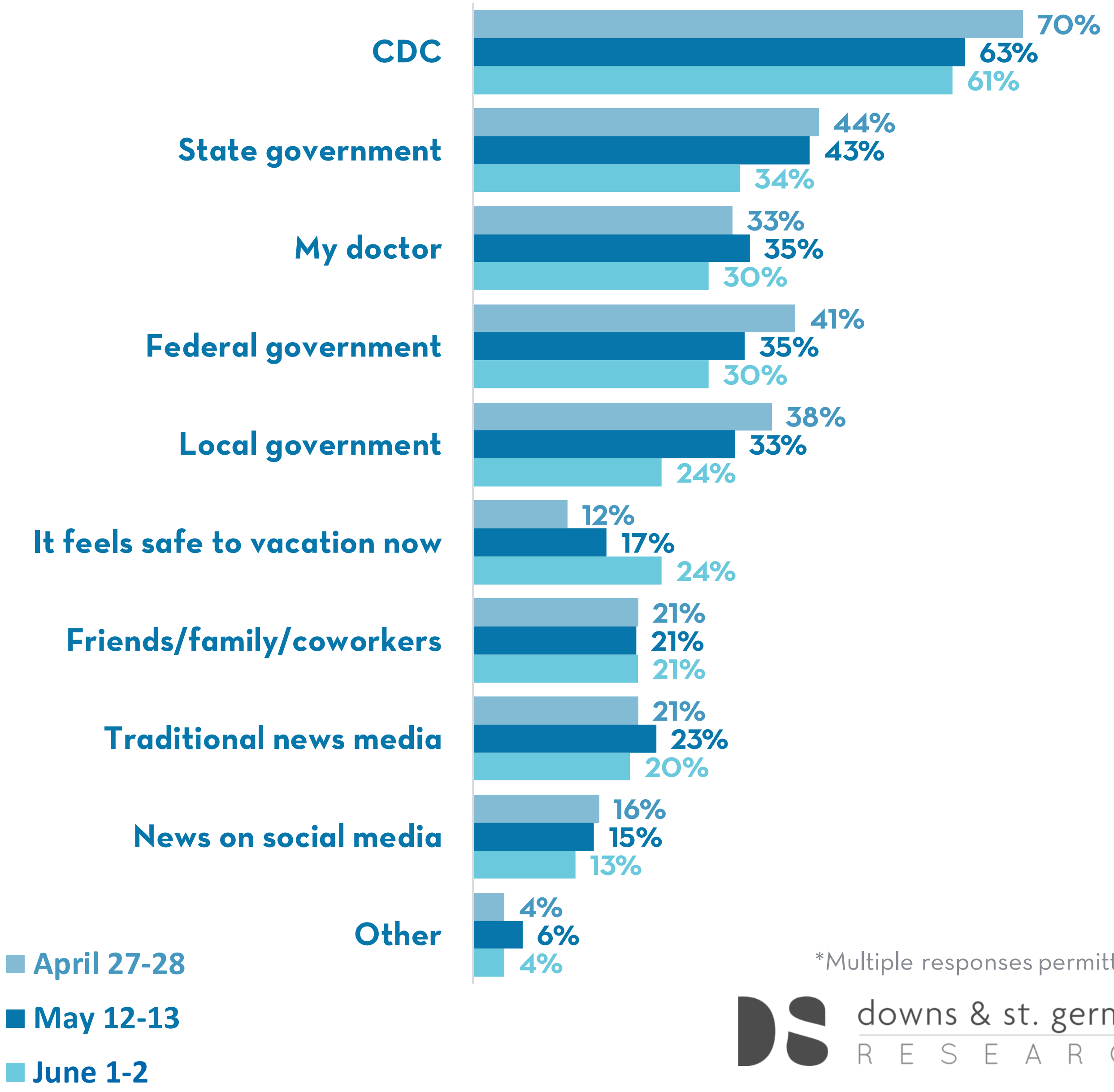
WHICH OF THE FOLLOWING DO YOU TRUST TO TELL YOU IT'S SAFE TO VACATION AGAIN*



*Multiple responses permitted.

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Opinions on Travel Safety Indicators

1 in 2 consumers believe that it will be safe to travel again **when large attractions re-open**, but consumers also look to re-opening of **restaurants** and **retail stores** as an indicator of travel safety

As restaurants and retail stores have reopened in many locations in the past 3 weeks, using their reopening as a sign post for travel safety has decreased

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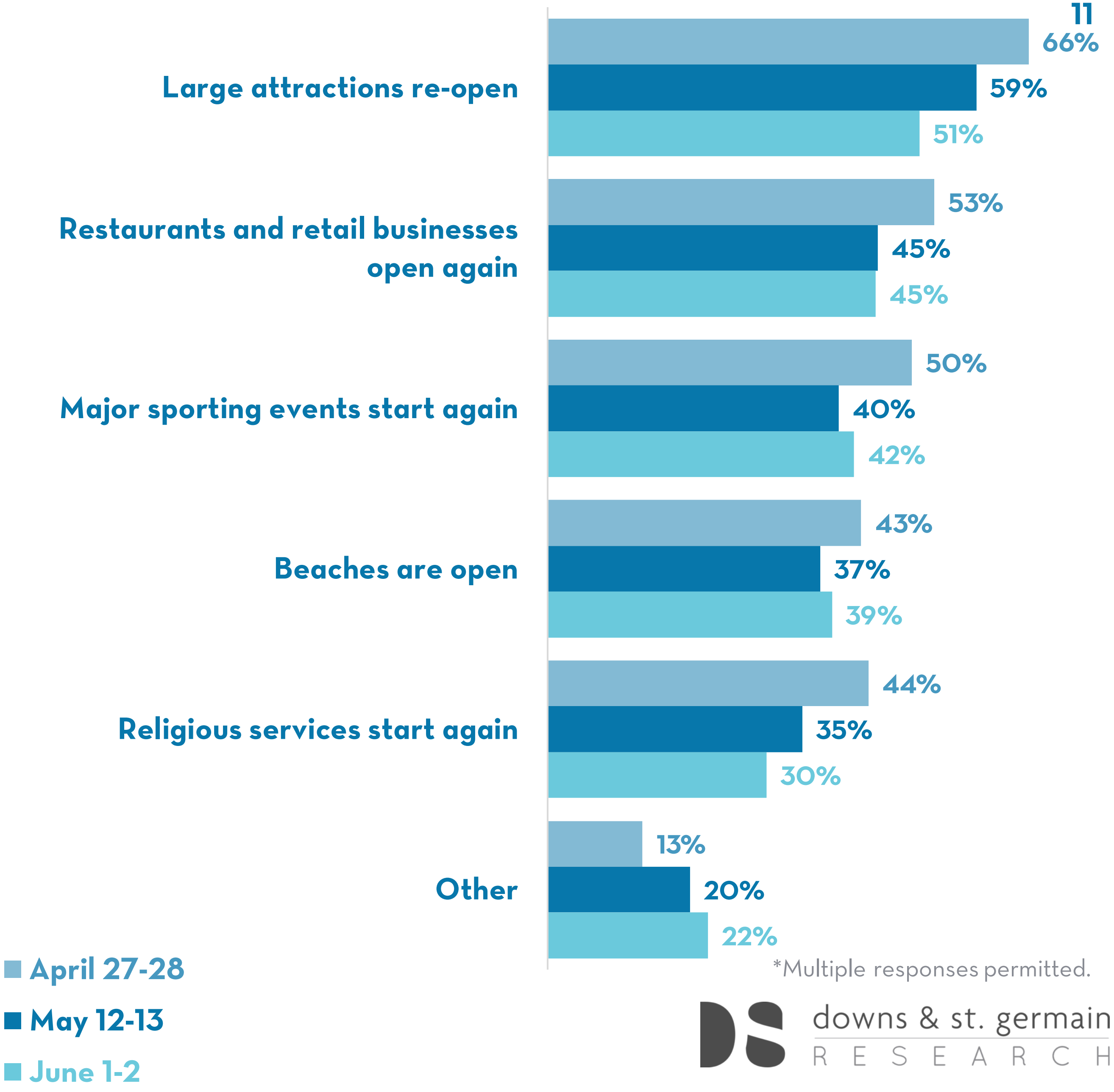
IT WILL BE SAFE TO TRAVEL AGAIN WHEN....*



*Multiple responses permitted.

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Travel Safety Timeline

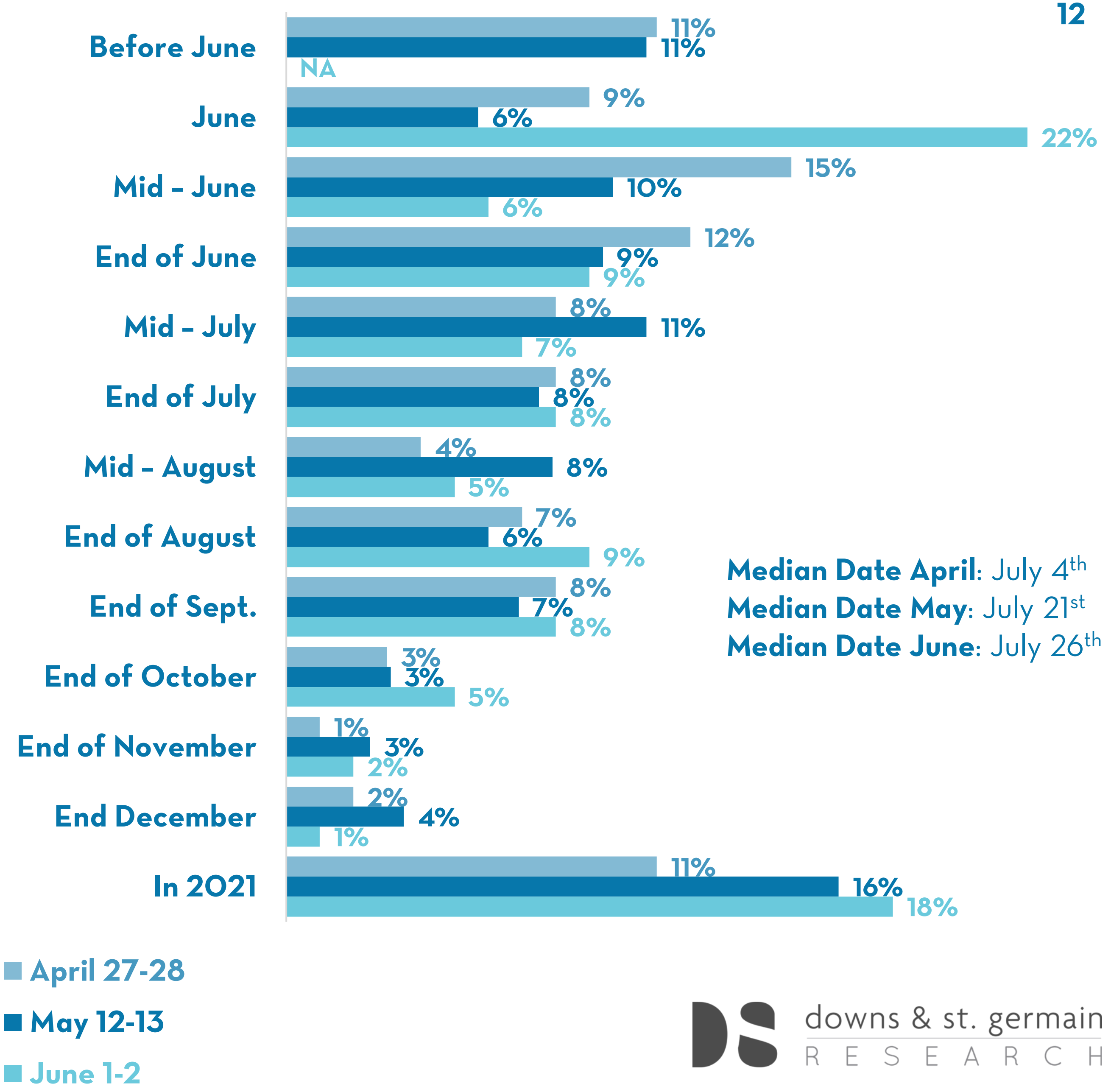
The travel window is shorter now than it was in mid-April. Days into the future when consumers are ready to travel”

- Mid-April 68 days
- Mid-May 70 days
- Early June 55 days

Significantly more consumers believe it is safe to take a vacation **now**

Percentage of consumers who believe it will not be safe to travel until **2021** has increased

WHEN IT WILL BE SAFE TO TAKE VACATIONS



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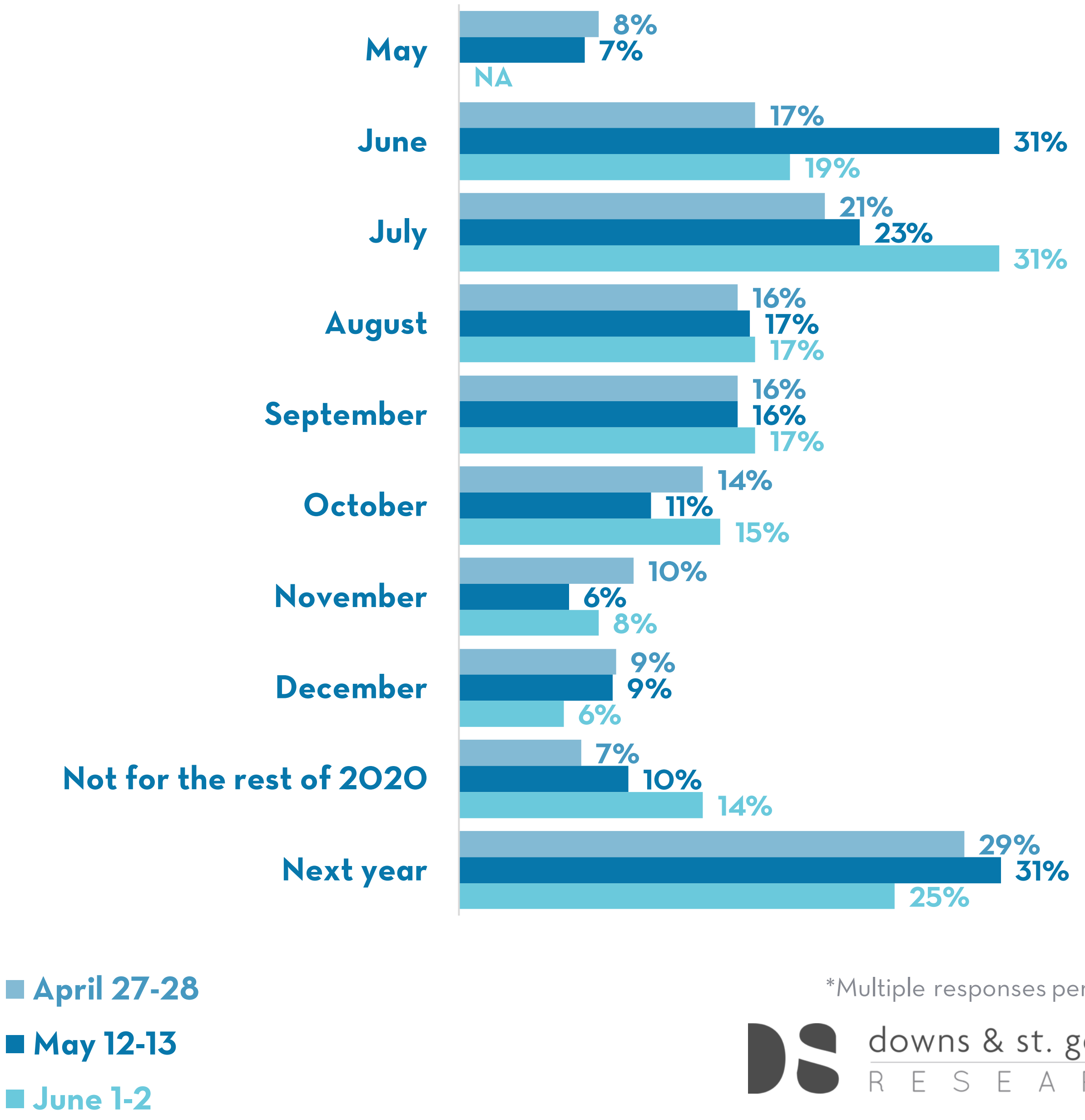
Planned Vacations & Long Getaways

Compared to May, more consumers are planning a vacation in **July.**

Consumers who have planned at least one vacation before the end of 2020 are more likely to travel over the **summer** than **fall.**

Compared to May, fewer consumers in early June are delaying travel until 2021

PLANNING A VACATION FOR THE FOLLOWING MONTHS*



*Multiple responses permitted.

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Perception of Safety in Travel Activities

Consumers are now significantly more comfortable traveling, in particular:

- Going to the beach
- Staying in a vacation rental home
- Staying at a hotel
- Attending a live sporting event

1 in 4 consumers is now ready to take a domestic flight

Compared to May, there was a decrease of consumers who do not feel safe traveling

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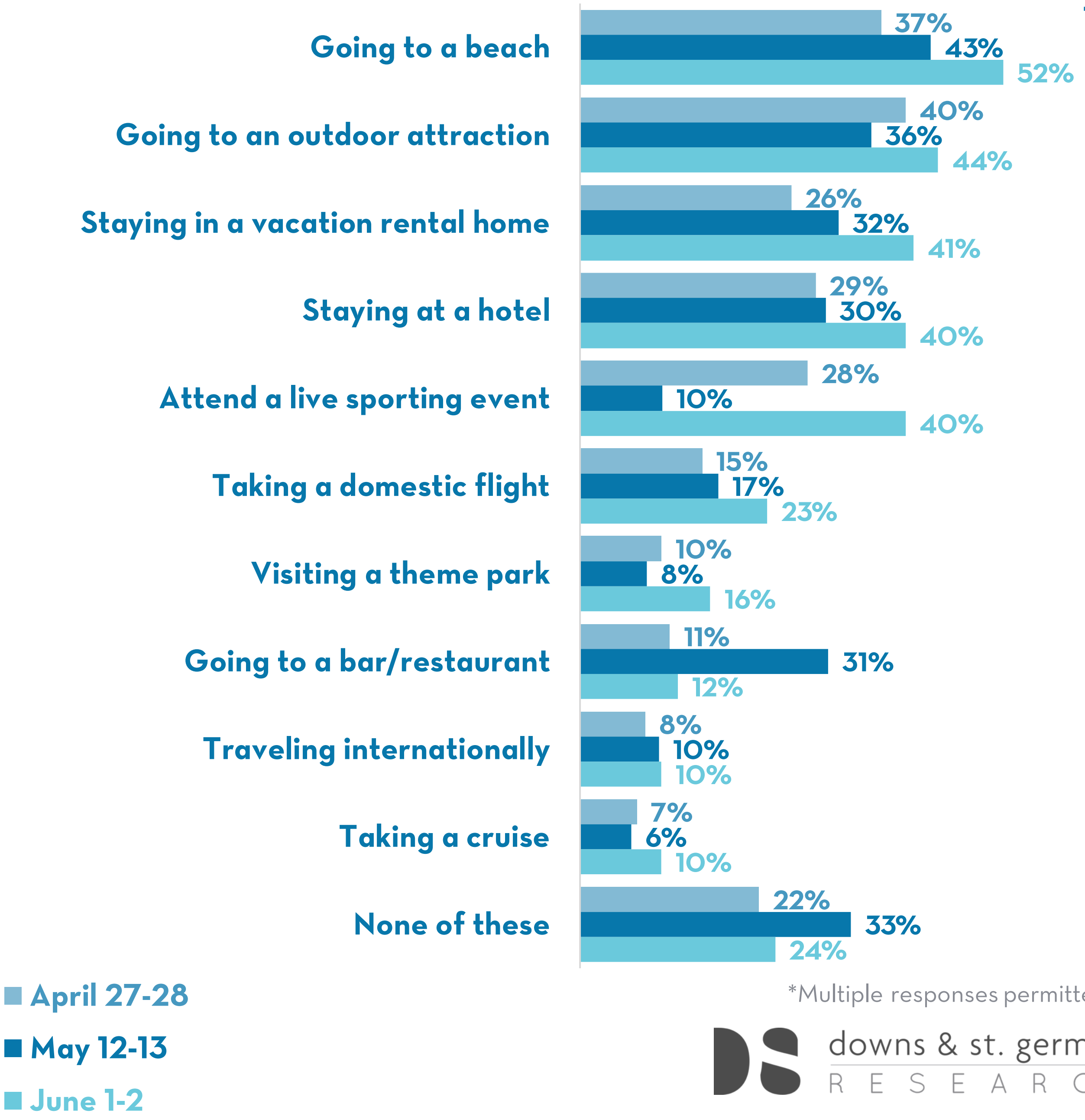
FEEL SAFE DOING THE FOLLOWING*



*Multiple responses permitted.

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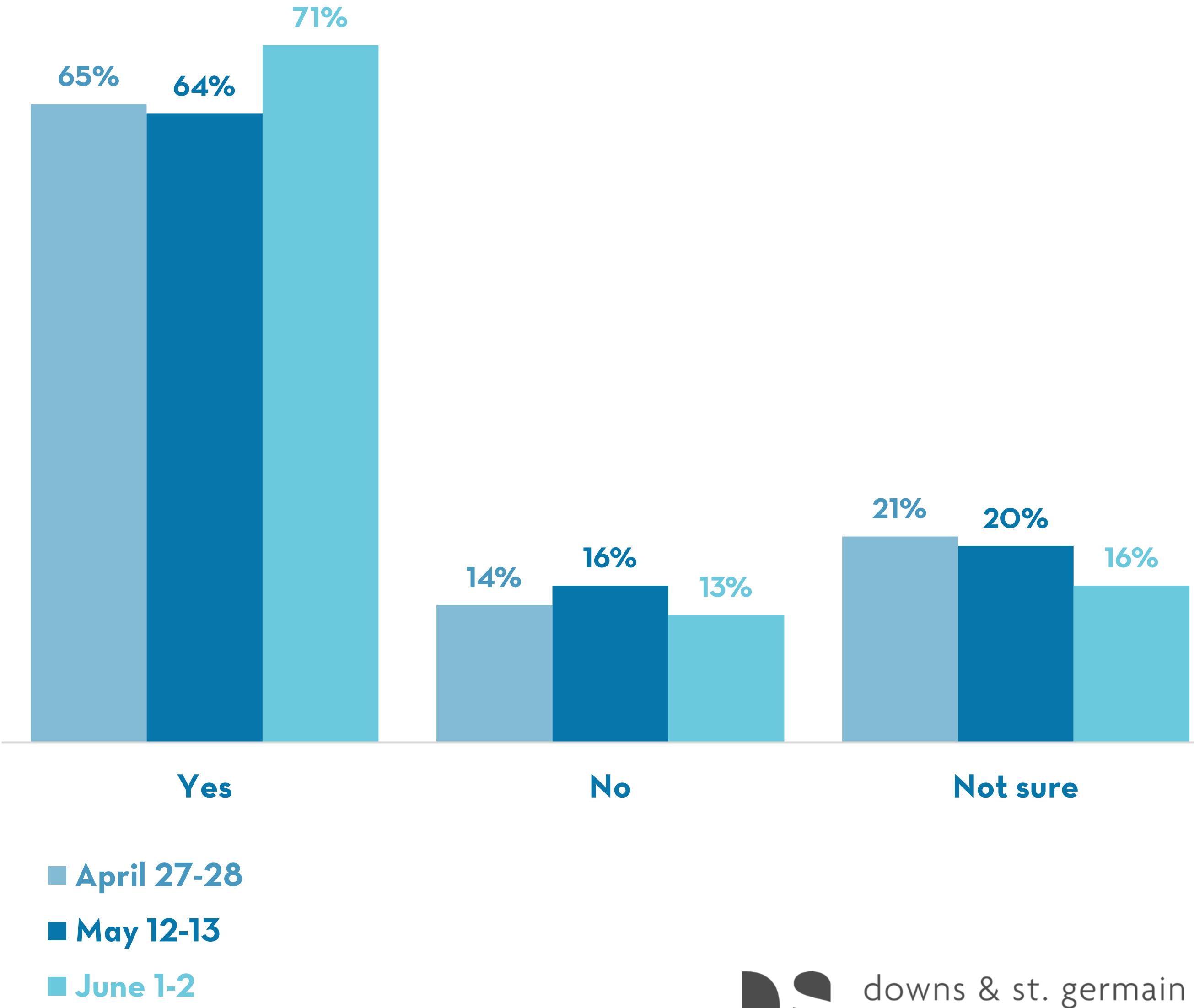
Likelihood of Imminent Travel after COVID-19

There continues to be indications of pent up travel demand as **7 in 10** consumers remain interested in taking a long weekend or vacation within a month or so after COVID-19 seems to be over

DEFINITELY TAKE A LONG WEEKEND OR VACATION WITHIN A MONTH AFTER IT IS DEEMED SAFE TO TRAVEL



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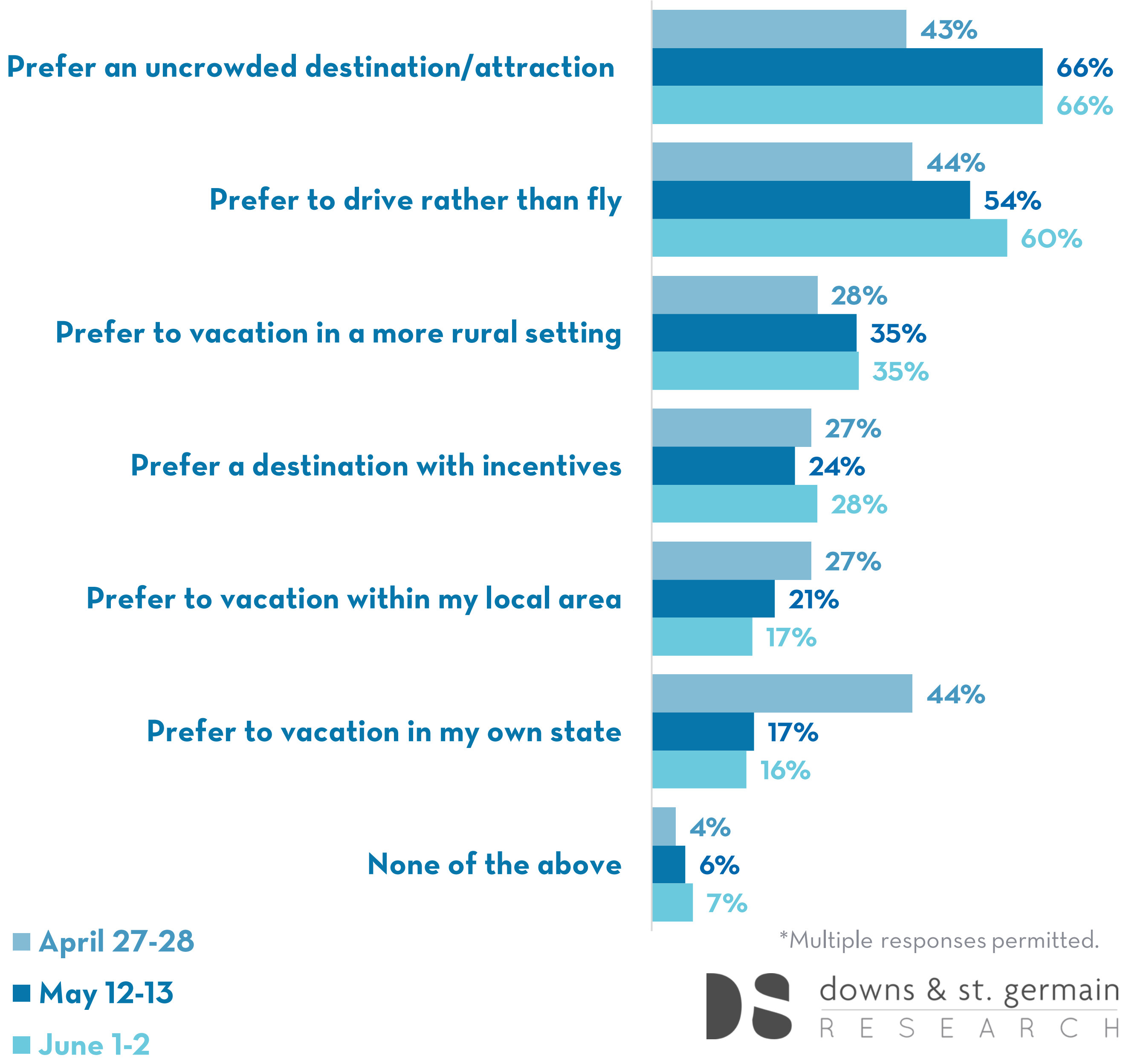
Travel Preferences after COVID-19

Compared to May, once it is safe to travel again, consumers are equally as likely to visit **an uncrowded destination/attraction** and more likely to **drive**

In a show of optimism, considerably fewer consumers in June compared to April prefer to vacation in their own state

ONCE IT IS DEEMED SAFE TO TRAVEL AGAIN, WHICH DO YOU PREFER?*



*Multiple responses permitted.

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Destination Advertising during COVID-19

Interest in destination advertising has increased since May – now 36% want to be exposed to destination advertising now

Yet, almost half of consumers still want advertising to focus on what destinations are doing to help with the crisis

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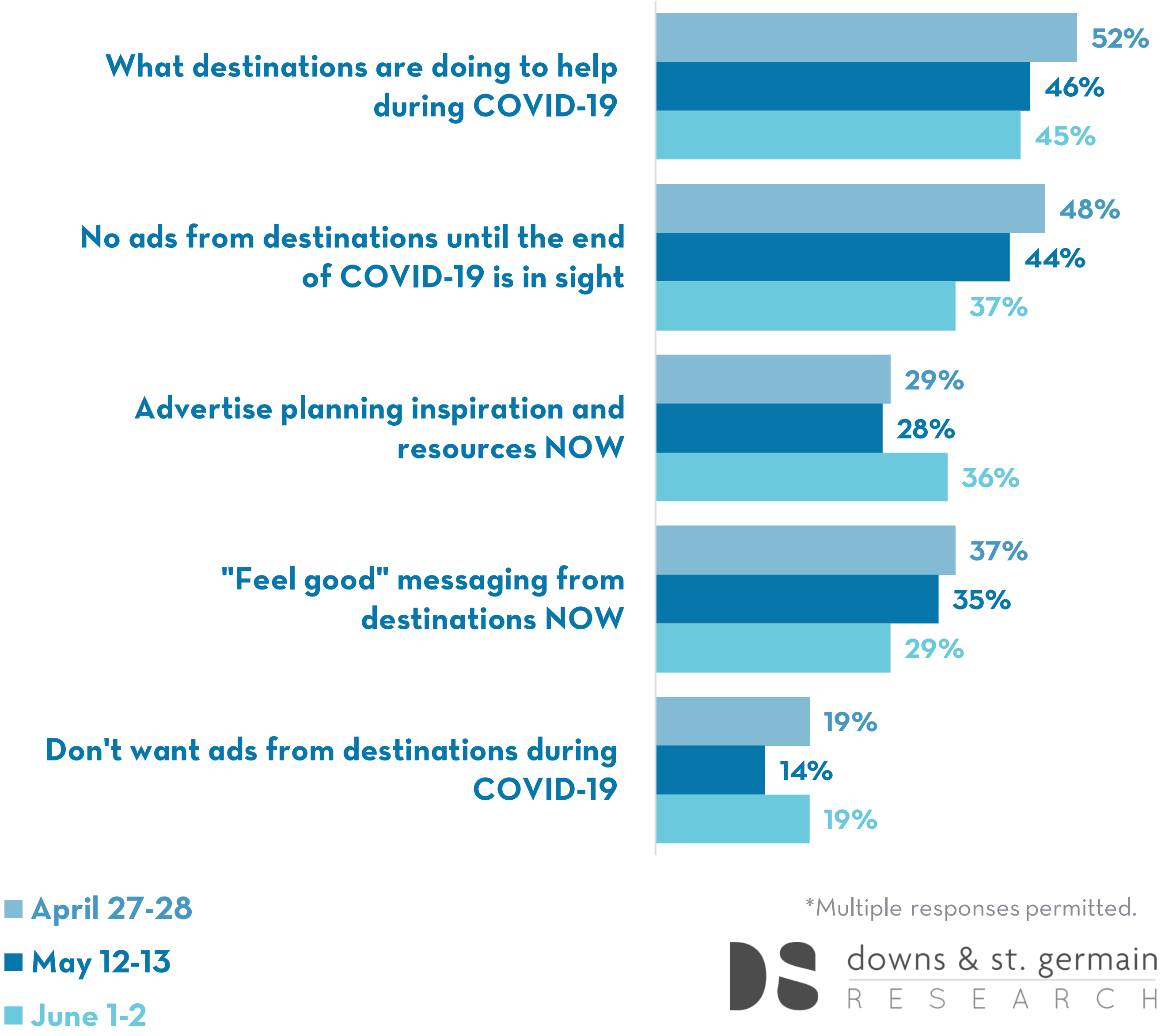
PREFERENCES REGARDING ADVERTISING MESSAGING FROM DESTINATIONS



*Multiple responses permitted.

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Continuation of Travel Advertising

The window for resuming normal advertising is shorter it was in April and May. Days into the future when consumers want normal destination advertising:

- Mid-April 47 days
- Mid-May 47 days
- Early June 37 days

Compared to previous waves, there was a significant increase in consumers who believe it will be appropriate to resume normal advertising in **June**.

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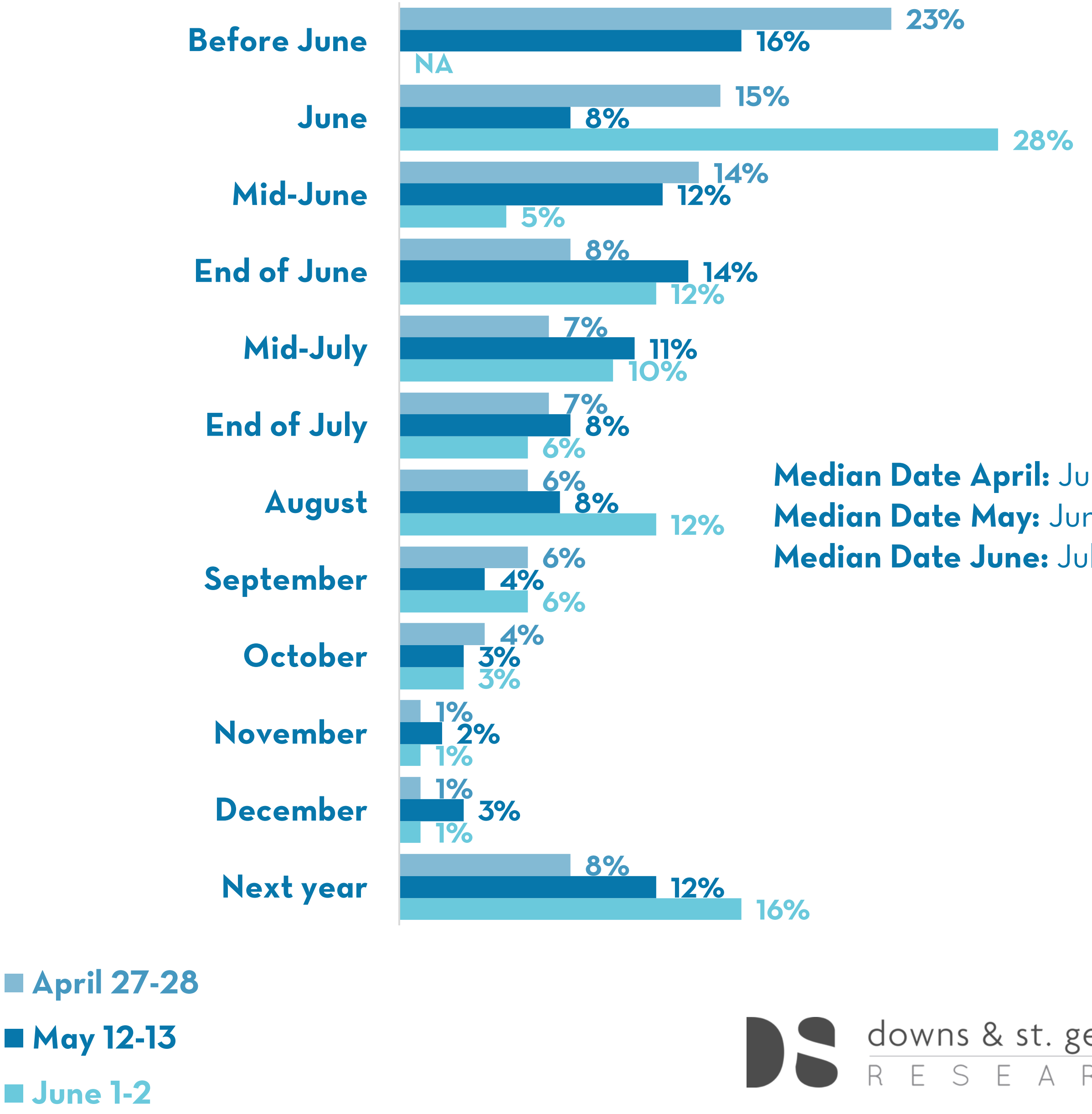
APPROPRIATE FOR DESTINATIONS TO RESUME NORMAL ADVERTISING



Median Date April: June 13th
Median Date May: June 28th
Median Date June: July 8th

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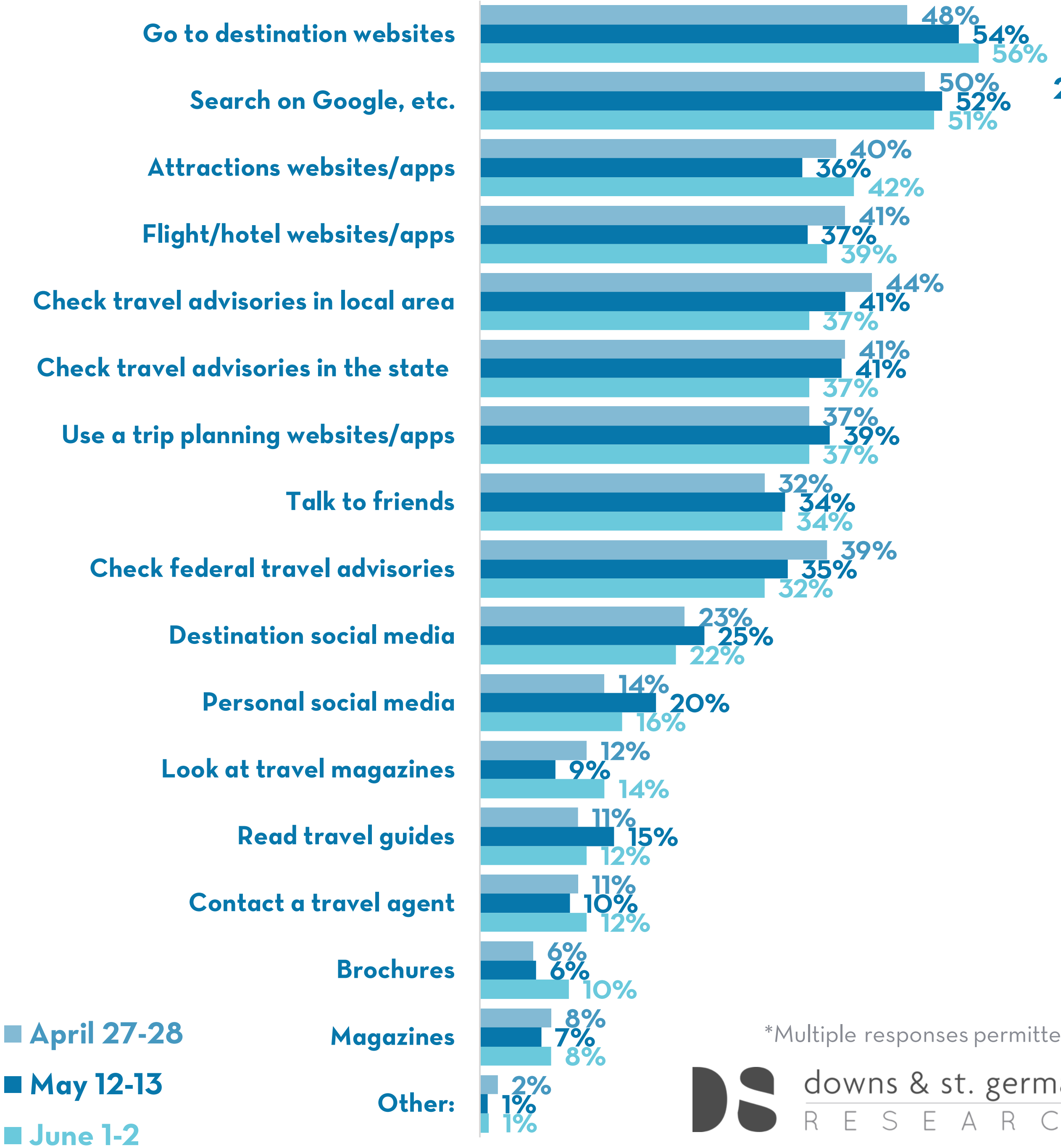
Future Travel Planning Resources

Over half of consumers continue to rely on destination websites and Google searches to help them plan their trips when they are ready to travel again

PLANNING SOURCES WHEN READY TO TRAVEL AGAIN*



*Multiple responses permitted.

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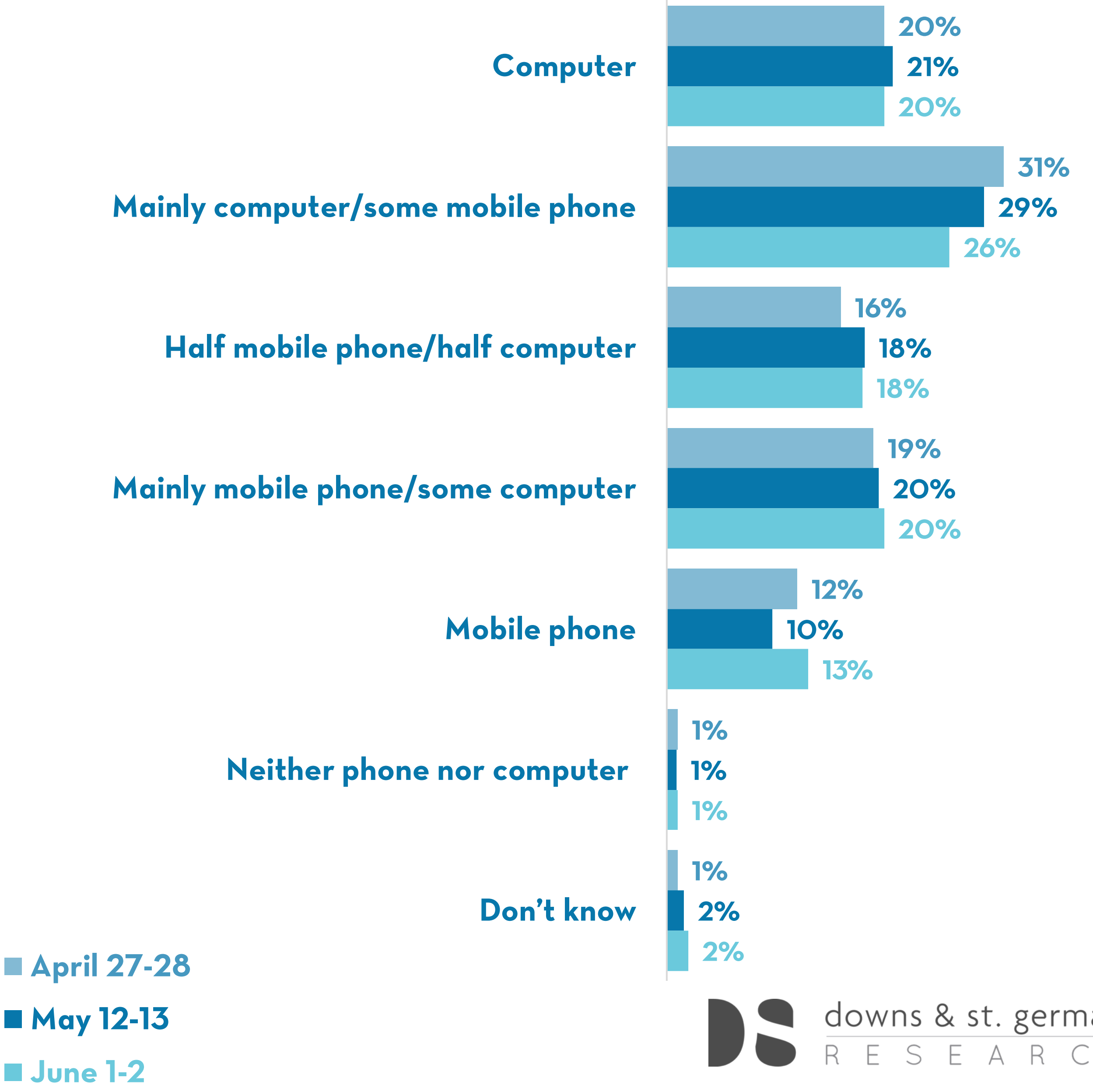
Travel Information in Destination

Consumers continue to rely more on their computers than on their mobile phones for vacation planning

COMPUTER vs. PHONE POST COVID-19 PLANNING



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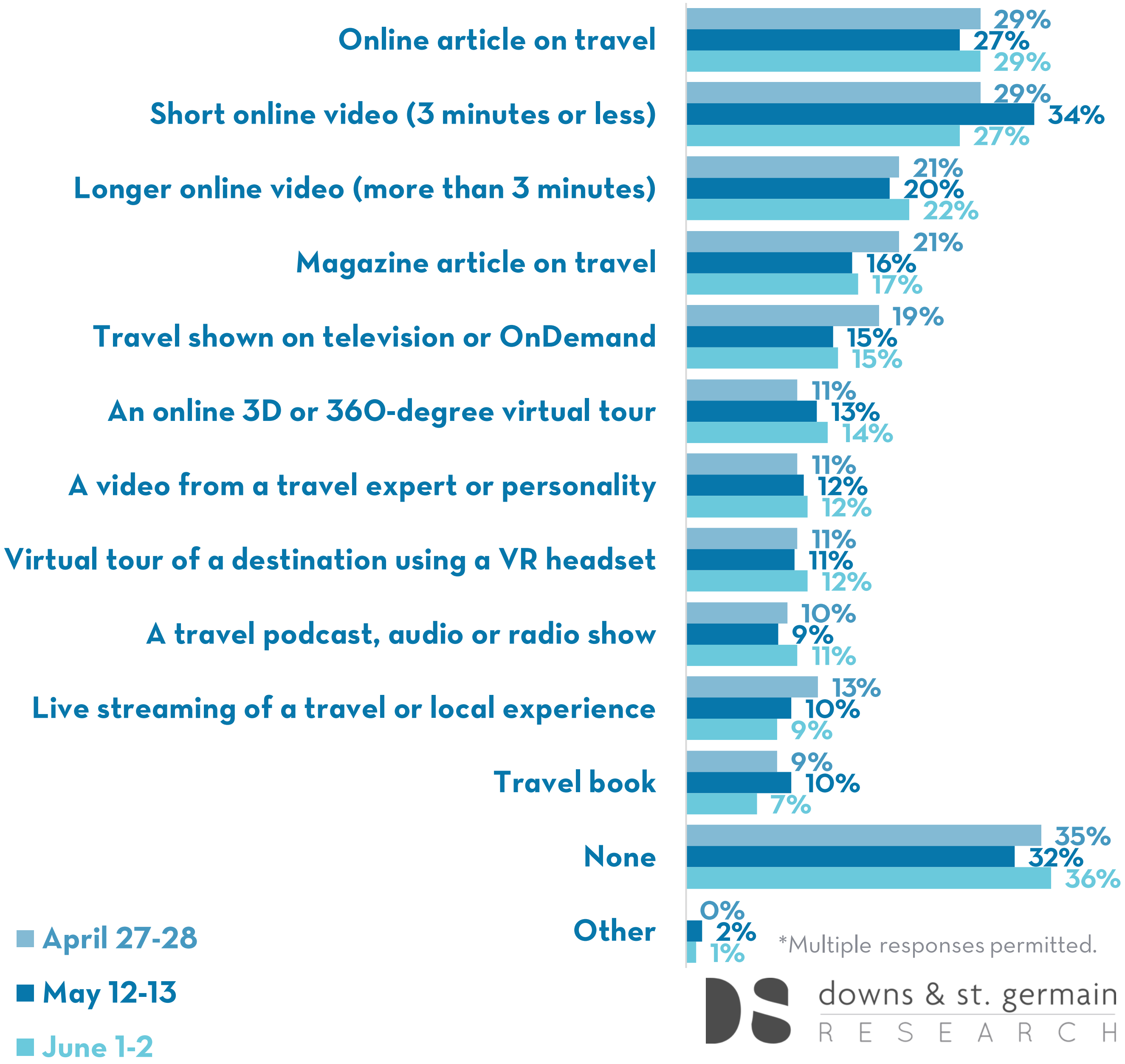
Recent Interactions with Travel Media

Compared to May, slightly fewer consumers are interacting with travel media

Short online videos and **online articles on travel** continue to be more frequently used travel media

TRAVEL MEDIA ACTIVITY IN THE PAST 2 WEEKS*



*Multiple responses permitted.

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Personal Effects of COVID-19

Compared to April and May, fewer consumers say they have been negatively affected financially by the economic downturn due to COVID-19

About 1 in 10 continue to say the pandemic has helped them financially

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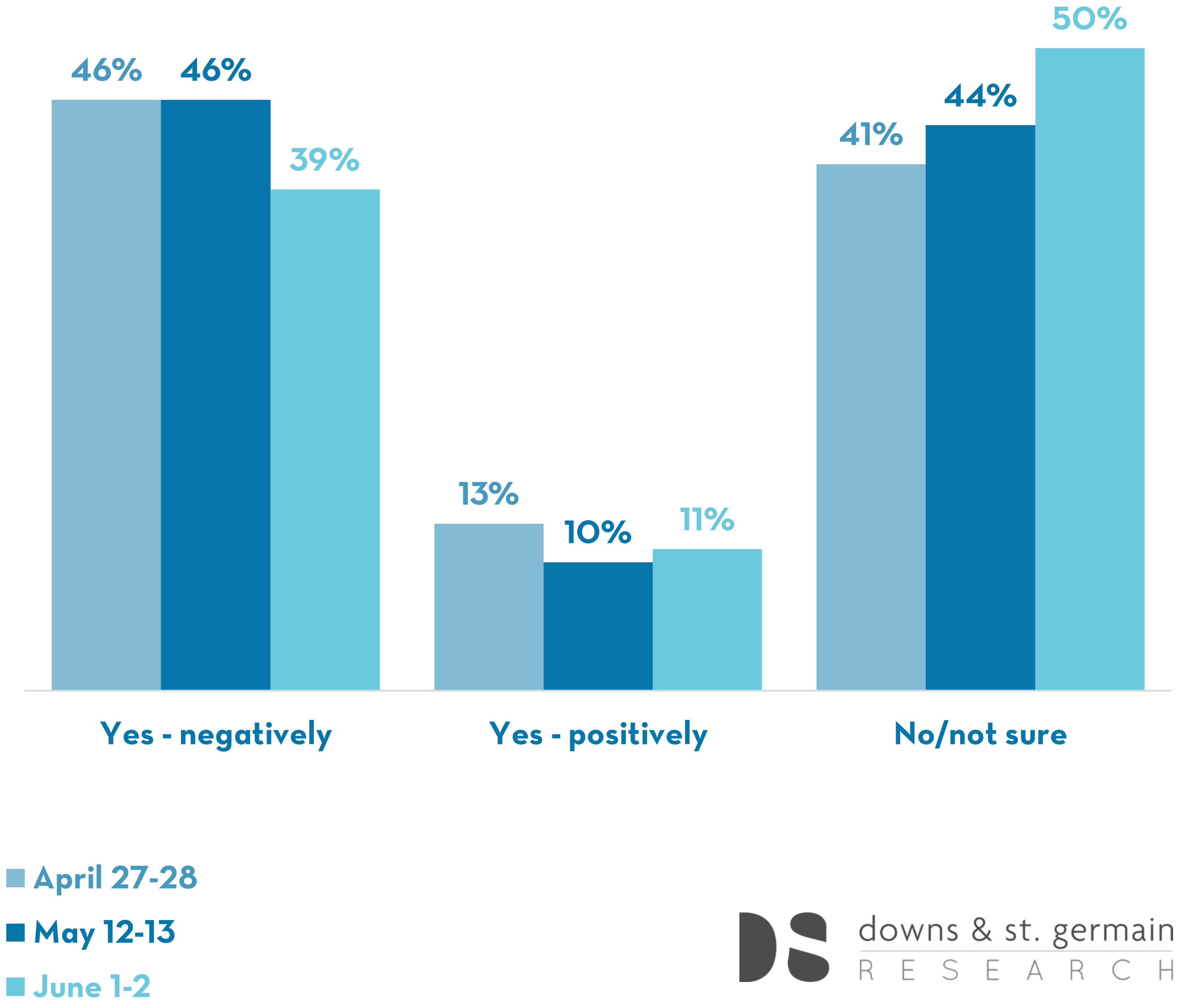
BEEN AFFECTED FINANCIALLY BY COVID-19



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Future Travel Plans

Almost half of consumers who have been impacted financially by COVID-19 will take fewer vacations/getaways

As in previous waves, **2 in 10** consumers will not change their travel plans due to the financial effects of COVID-19

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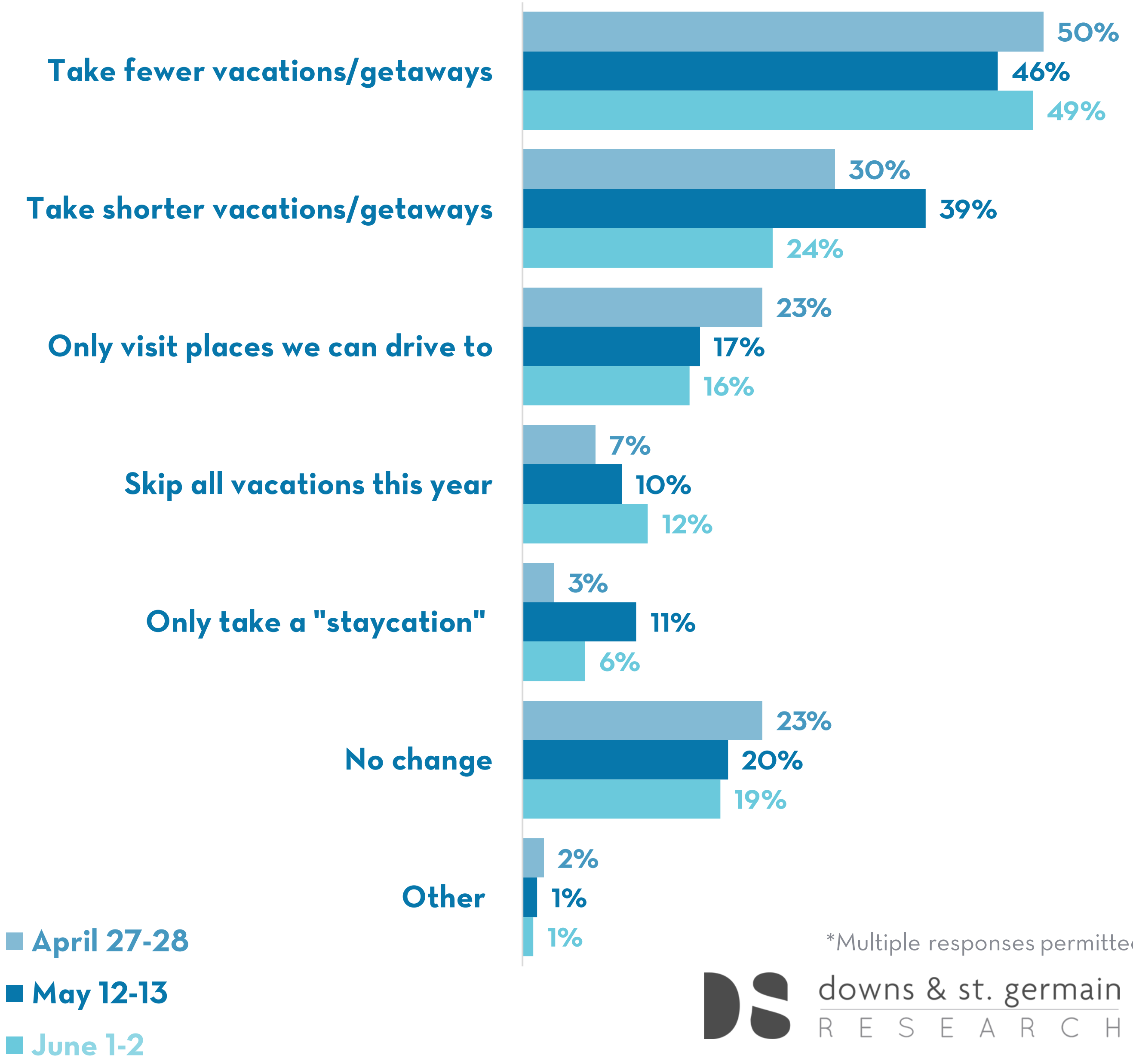
IMPACT OF ECONOMIC DOWNTURN ON YOUR TRAVEL PLANS*



*Multiple responses permitted.

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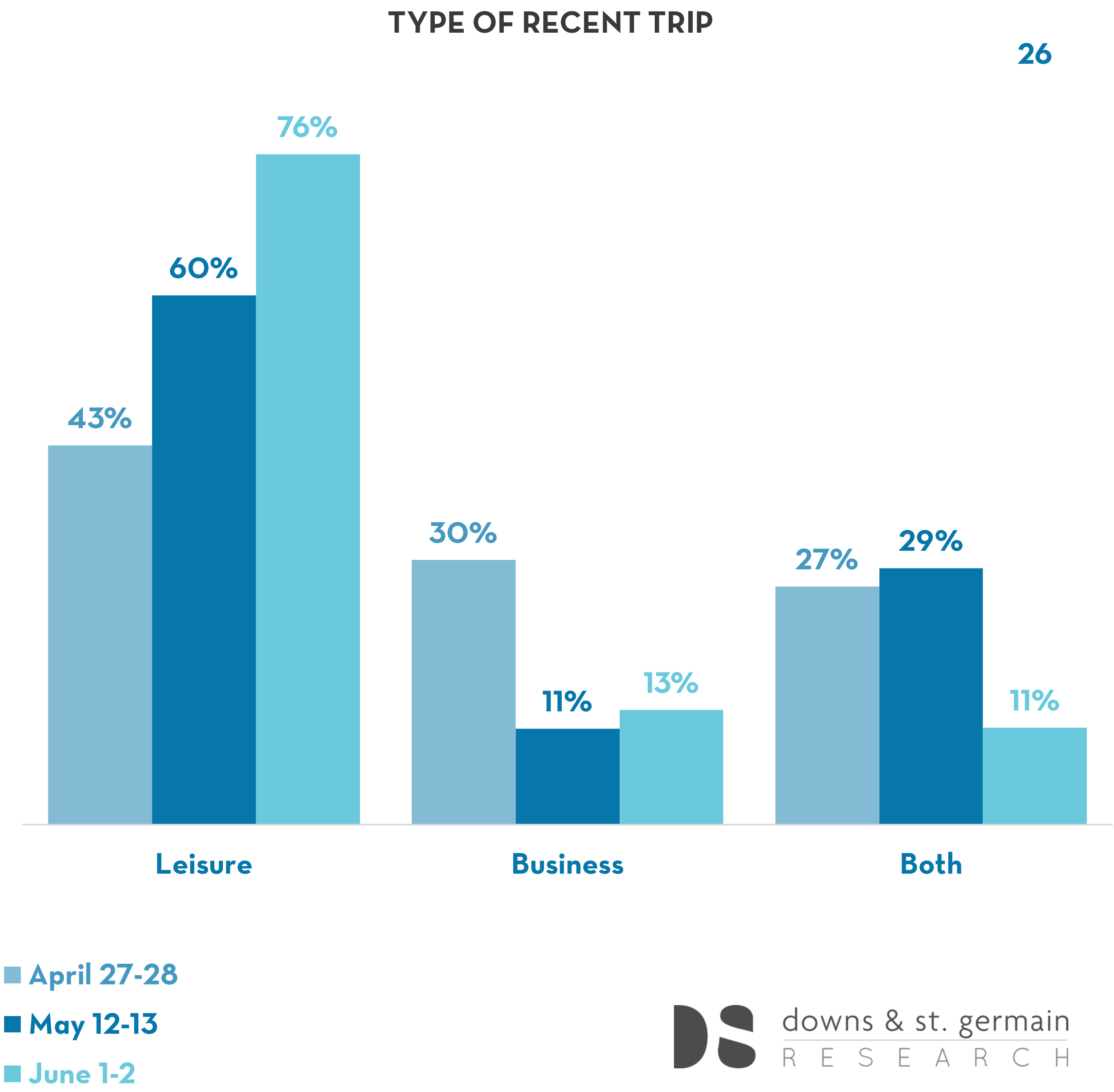
Recent Overnight Travel

Despite Florida's economy partially re-opening on May 1, and other states' economies in various forms of opening, 2 **in 10** consumers traveled in the past 3 weeks – up 4% points since early May.

Of those who have traveled in the past three weeks; 3 out of 4 traveled for **leisure purposes,** a significant increase from April and May



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Recent Trip Accommodations

A decrease from previous waves, **2 in 5** consumers who traveled overnight in the past three weeks stayed in a hotel, motel, resort, etc. or with friends or relatives

Compared to April and May, there has been an increase of stays in **second homes** at **19% and Airbnb/HomeAway at 31%**

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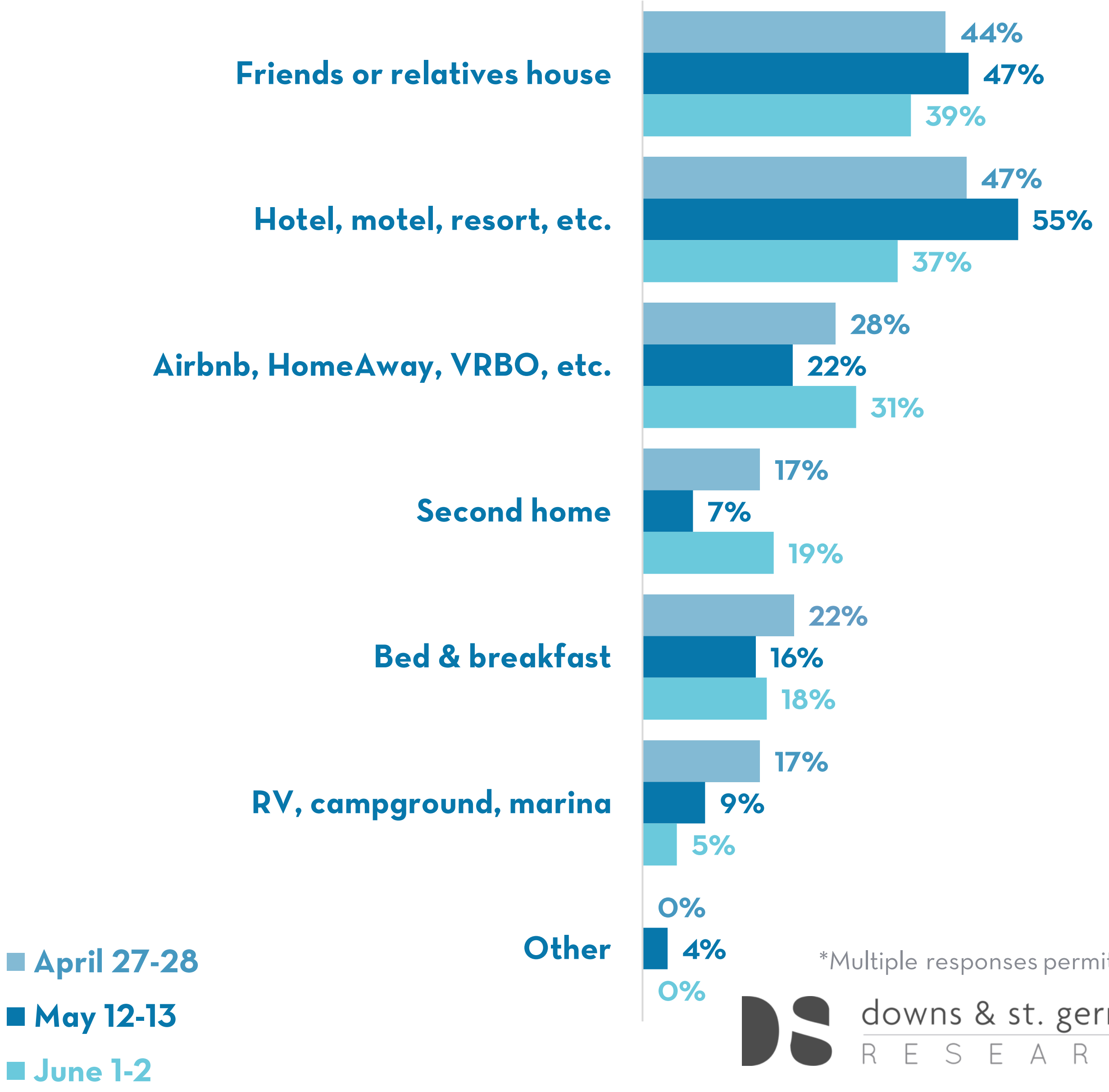
ACCOMMODATIONS ON RECENT OVERNIGHT TRIP



*Multiple responses permitted.

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Current Associations with Travel

Consumers continue to associate travel with a **lack of safety** and feelings of **caution** and **anxiety**

Yet, consumers increasingly characterize travel with positive words such as safe, **excited**, **ready**, **optimistic**, **fine**, and **let's go**

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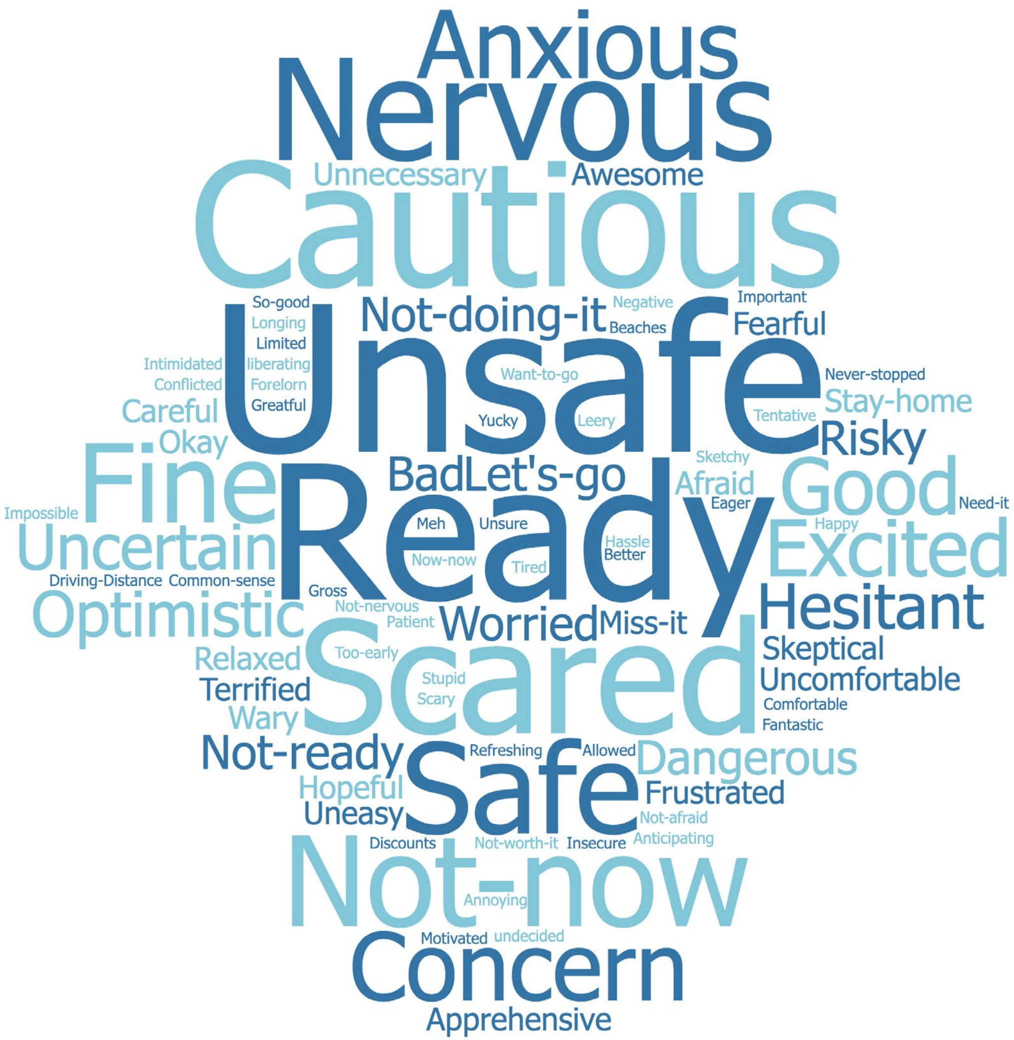
FEELINGS ABOUT TRAVEL RIGHT NOW



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Desired Messaging from Destinations/Attractions

Once it is deemed safe to travel again, consumers continue to believe that advertisements from vacation destinations that underscore how they are introducing **new safety /cleaning protocols** and **prioritizing safety** will be most effective at enticing them to visit

ADVERTISING MESSAGING THAT WILL MOTIVATE YOU ONCE IT IS DEEMED SAFE TO TRAVEL*

*Coded from open-ended verbatim responses. Multiple responses permitted.

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Consumer Profile

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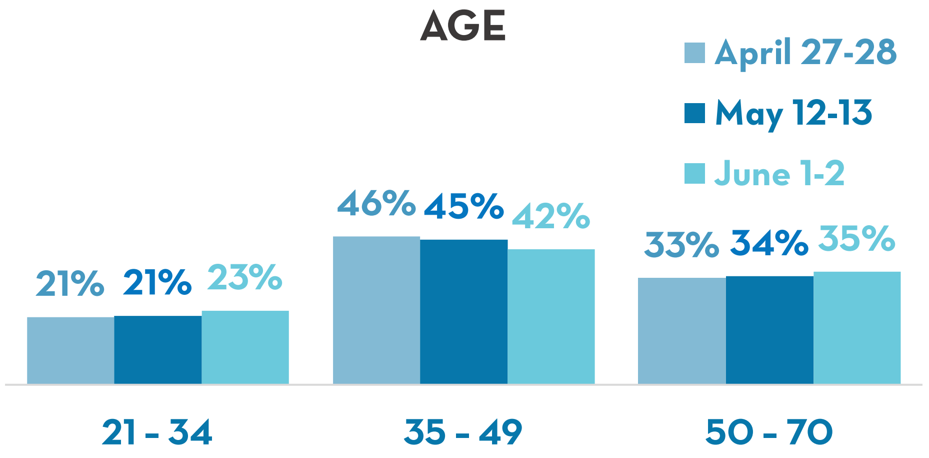
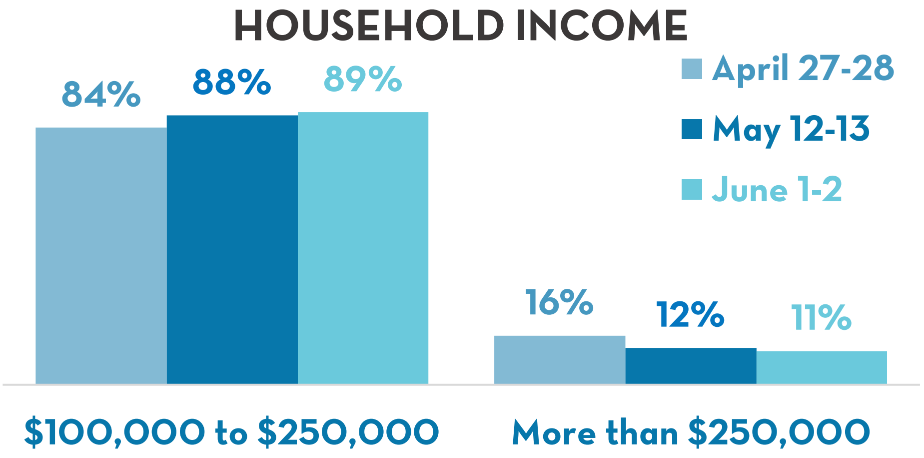
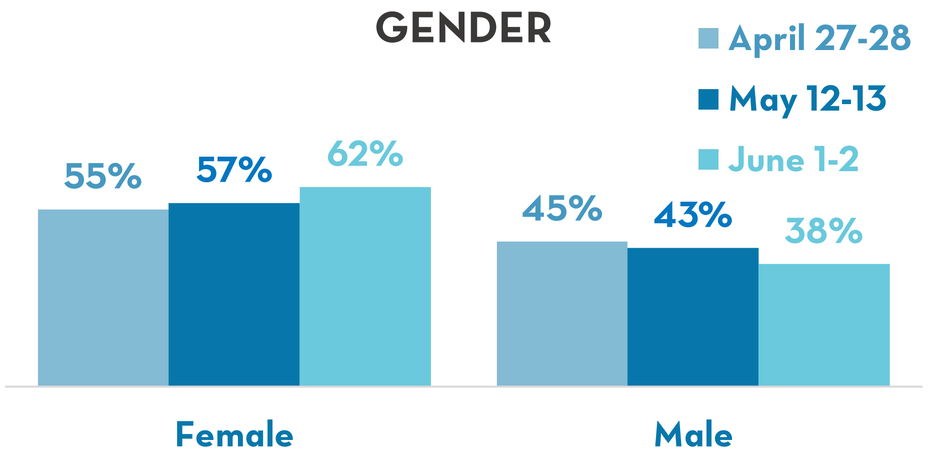
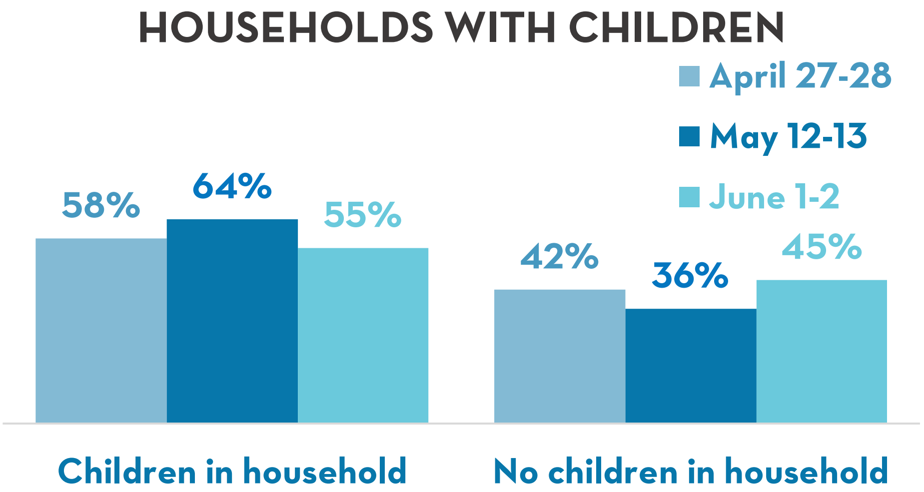
Consumer Profile*









*Demographic questions were used primarily to screen participants.

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