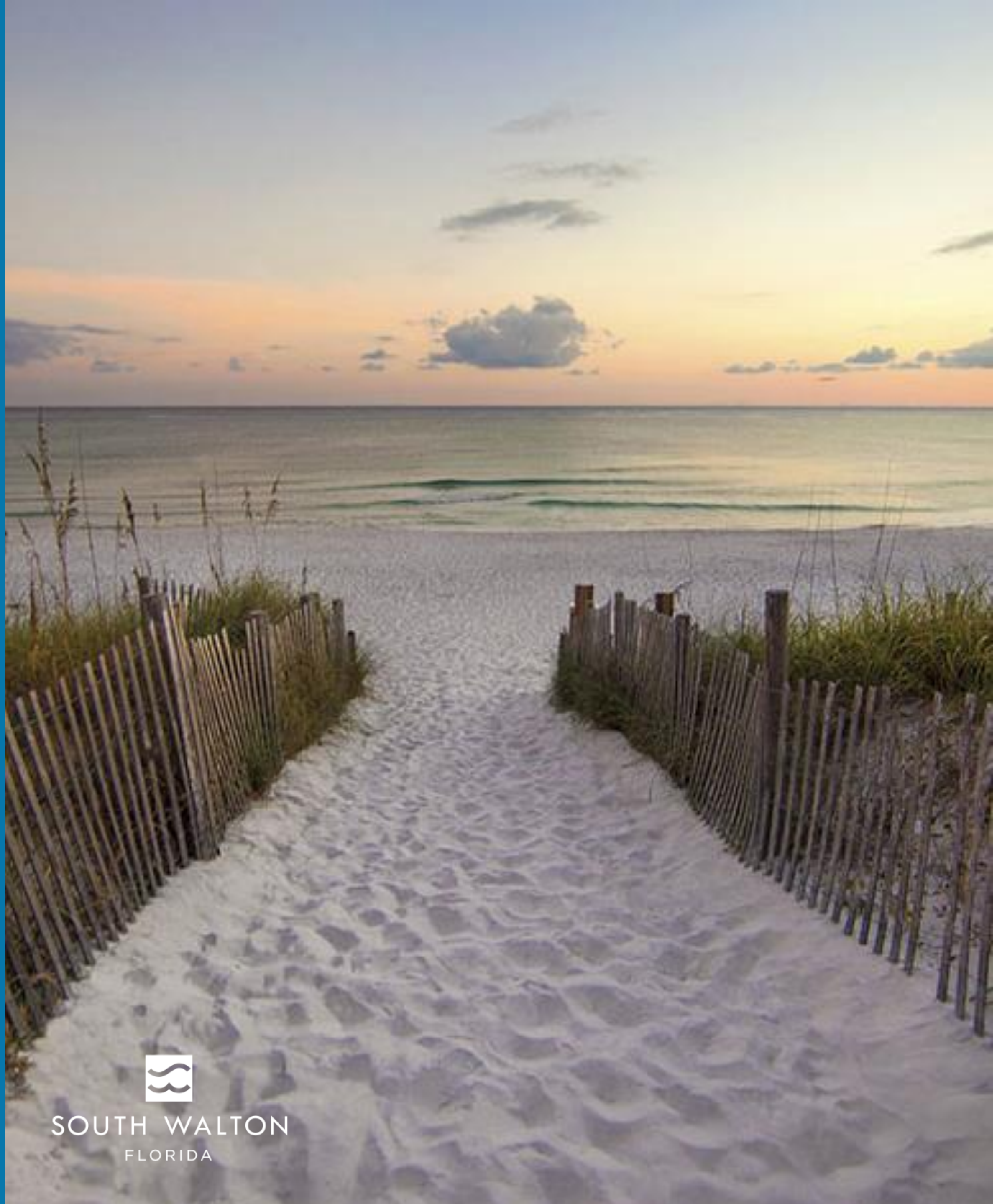

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FLORIDA

Consumer Sentiment Study

July 7th, 2020

Presented by Downs & St. Germain Research

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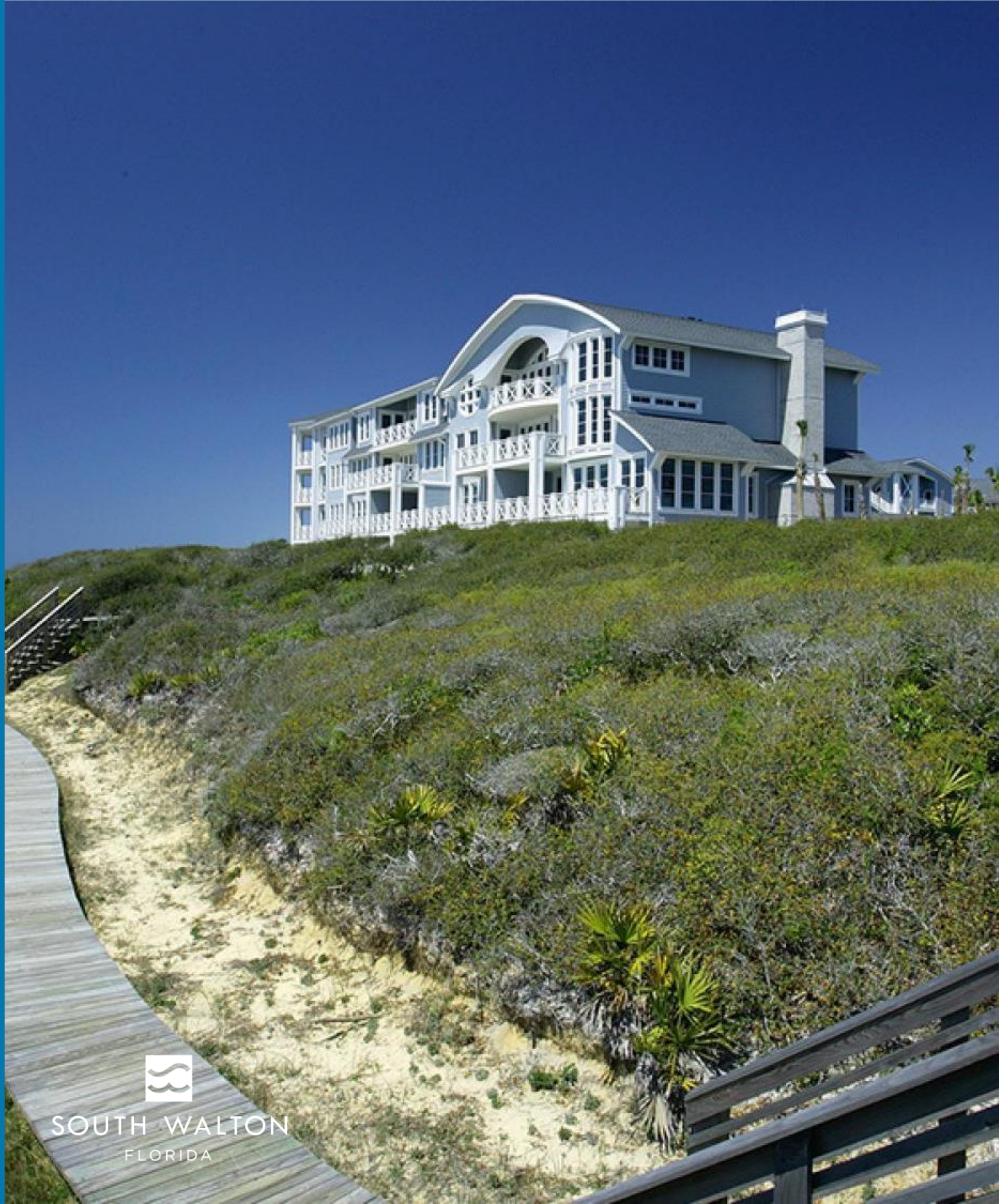

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Introduction

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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 4th 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 27th & 28th
- Wave 2 – May 12th & 13th
- Wave 3 – June 1st & 2nd
- Wave 4 – June 26th & 27th

Consumers were adults between 21 – 70 years old who earned at least $100,000 per year in household income, served as key household vacation decision-makers, 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 decreased** since early June, although more have traveled.

- Compared to early June, consumers now **feel slightly less safe traveling, in general, and more specifically:**
  - Going to the beach
  - Staying in a vacation rental home
  - Going to a bar/restaurant

- Consumers are now looking to reported decreases in new COVID-19 positive cases, vaccines, and medical treatments as signposts for travel safety

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Key Takeaways: Future Travel

- 3 in 4 consumers plan to take a vacation or getaway **within a month** of COVID-19 passing – an increase since early June
- 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 **almost twice as likely** as non-visitors **to consider coming to South Walton** after COVID-19 passes

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Key Takeaways: Marketing

- Fewer consumers are ready to see ‘normal’ destination advertising compared to early June

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

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

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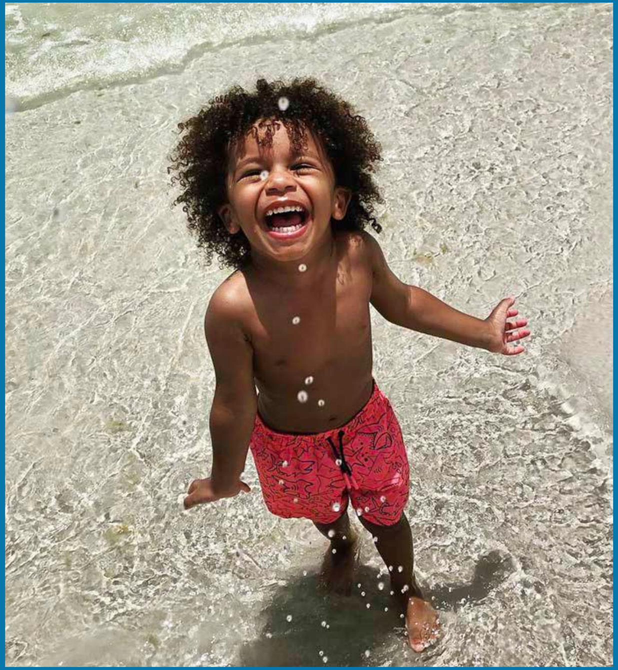

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Other Key Takeaways:

- **Unsafe, anxious** and **cautious** continue to be key feelings associated with travel; yet, consumers are increasingly using 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 vacations**

- **29%** of consumers **traveled** in the past 3 weeks (up 8% points since early June); 3 times as many for leisure than for business

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Other Key Takeaways:

South Walton is already experiencing high occupancy levels and has had **thousands of visitors in the past month**

3 in 10 consumers in this survey have **traveled in the past 3 weeks.** Consumers who have **already traveled** are more likely to:

- Feel it is **safe to travel again**
- Have already **begun planning more travel**
- Feel it is **safe to do all travel activities such as going to the beach, staying at hotels, going to bars & restaurants, and taking domestic flights**
- Feel it is **appropriate to resume "normal" advertising**
- **Interact with travel media**

Nonetheless, these travelers were hit just as hard, financially, by COVID-19, as non travelers

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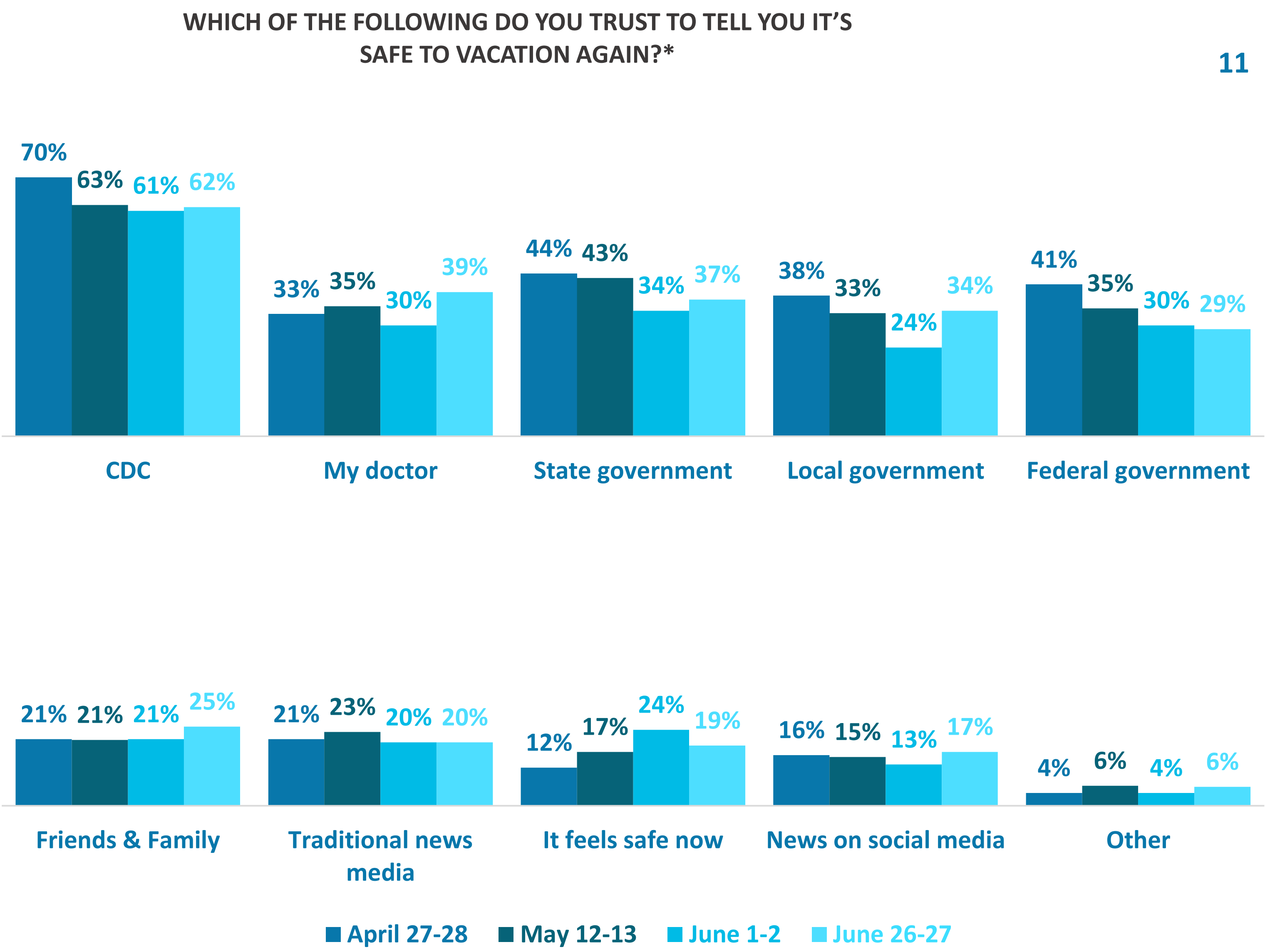
Detailed Findings

Trust in Travel Advice

Trust in the Centers for Disease Control and Prevention has remained steady and ranks **significantly higher** as a trusted source than other sources to tell consumers when it is safe to travel again

Trust in state and local governments has increased, with local government leading the way with a **10%** increase

Compared to early June, fewer consumers in late June felt it was safe to travel now



*Multiple responses permitted.

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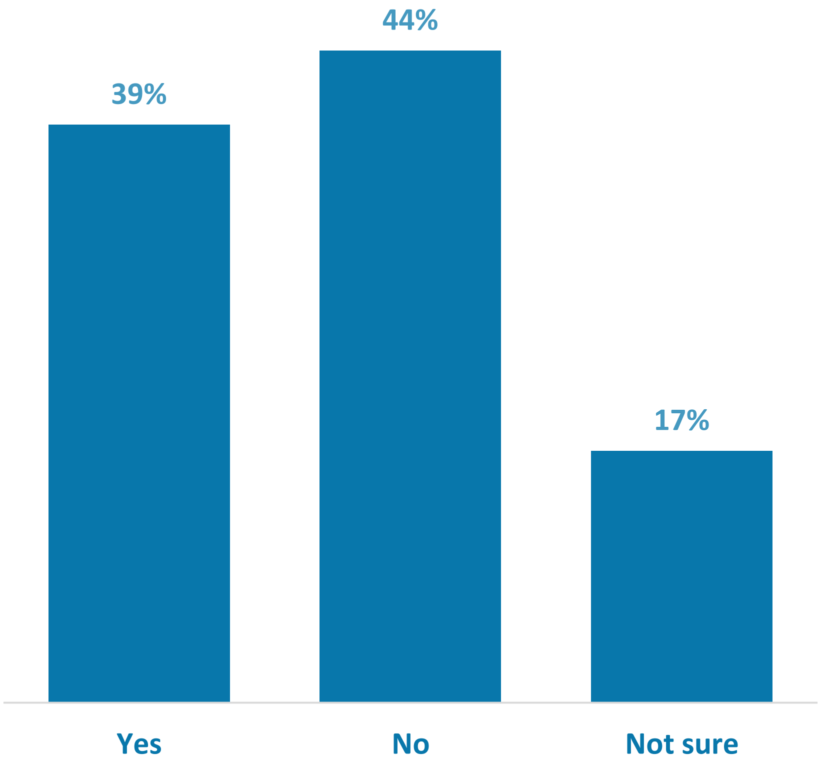
Opinions on Travel Safety

2 in 5 consumers believe that it is safe to vacation again, while almost half still feel it is not safe

NOW THAT MANY BEACHES, RESTAURANTS, ATTRACTIONS, ETC ARE OPEN OR WILL BE OPENING SOON, DO YOU FEEL IT IS SAFE TO VACATION AGAIN?



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Opinions on Travel Safety Indicators

Consumers who do not feel safe or are unsure about traveling, will now rely heavily on **a decrease in reported COVID-19 positive cases,** the **availability of a vaccine,** and **viable medical treatments** to determine when it is safe to travel again

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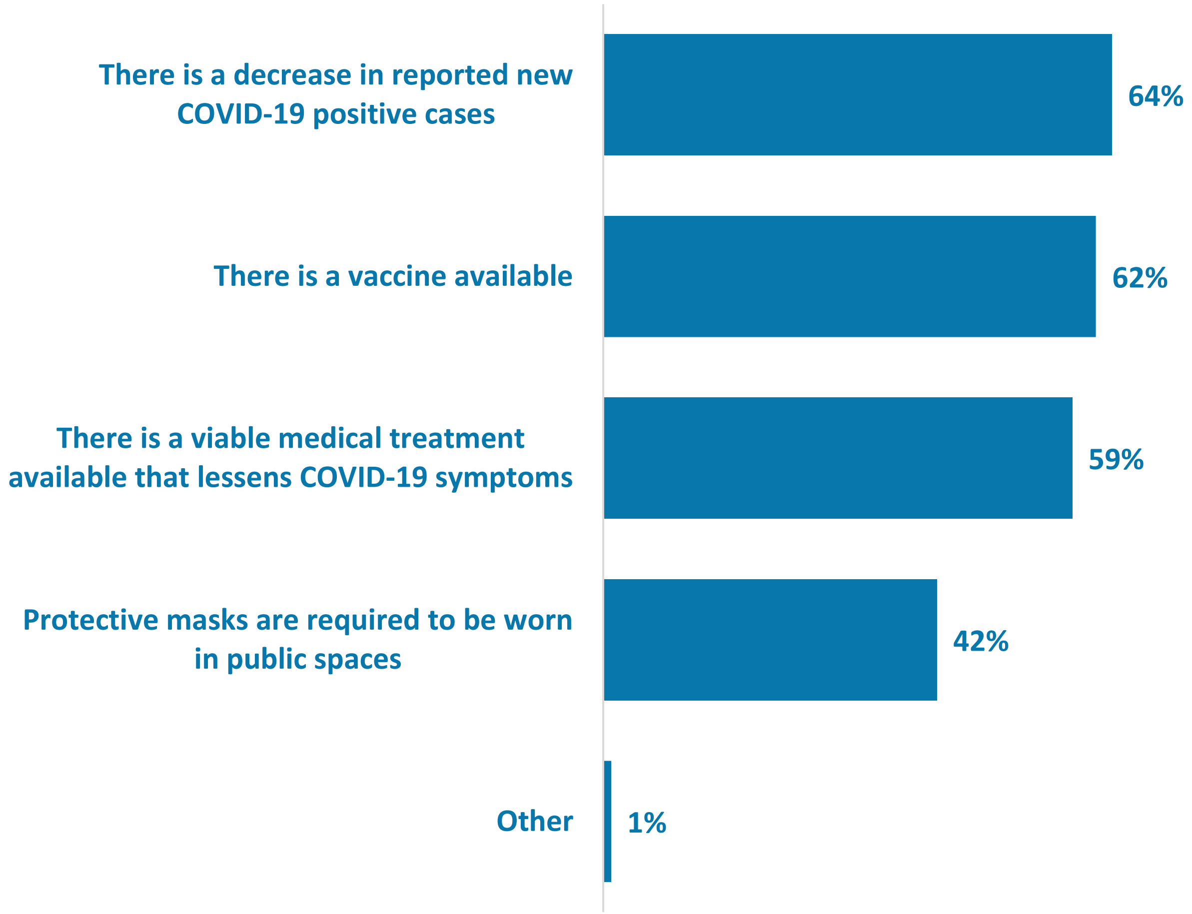
PEOPLE WHO DO NOT FEEL SAFE VACATIONING NOW, WILL FEEL SAFE WHEN*:



*Multiple responses permitted.

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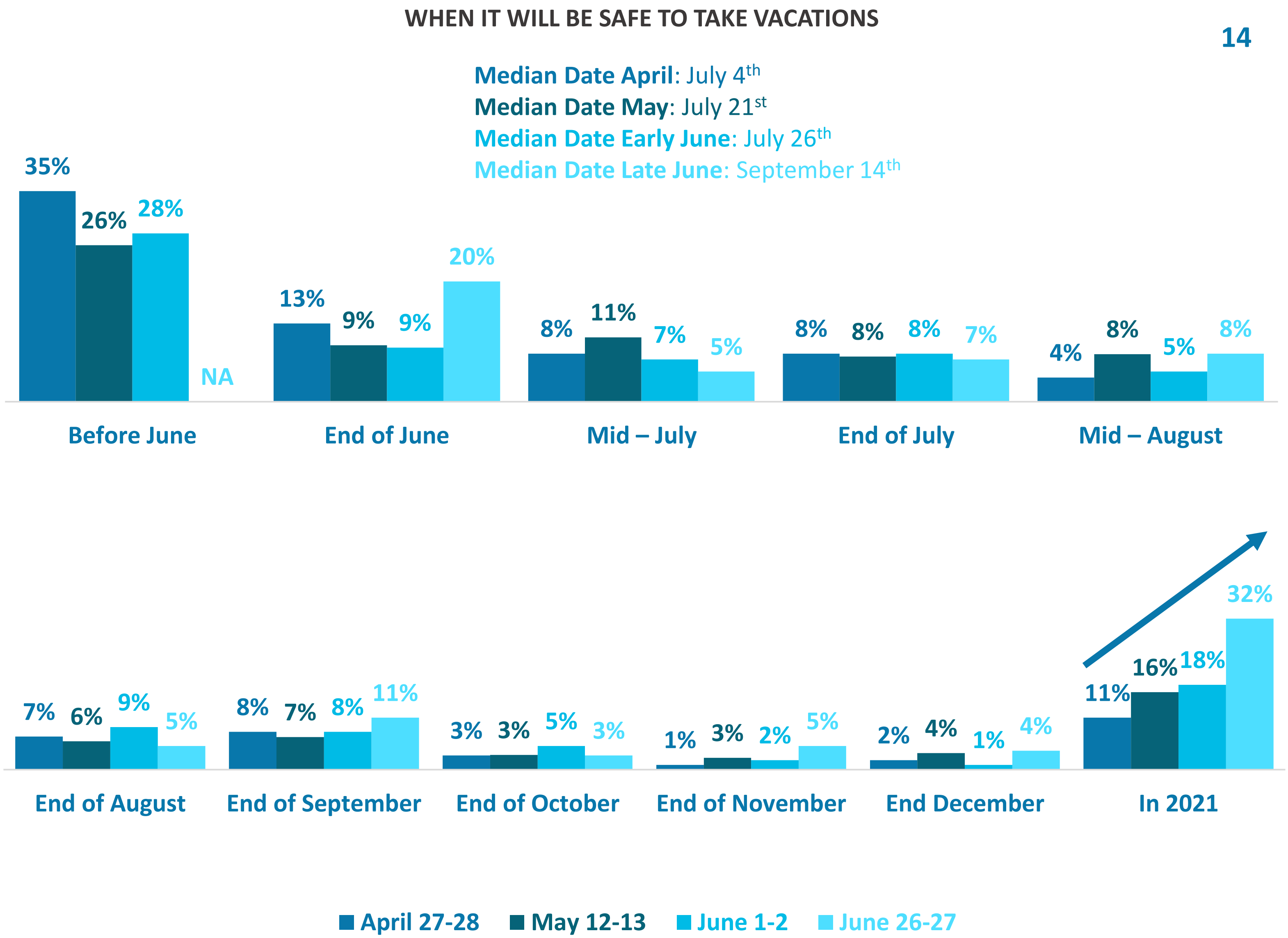
Travel Safety Timeline

The travel window is longer 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
- Late June 80 days

Although significantly more consumers believe it is safe to take a vacation **now,** the travel window has been pushed back to **Fall and into 2021**

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



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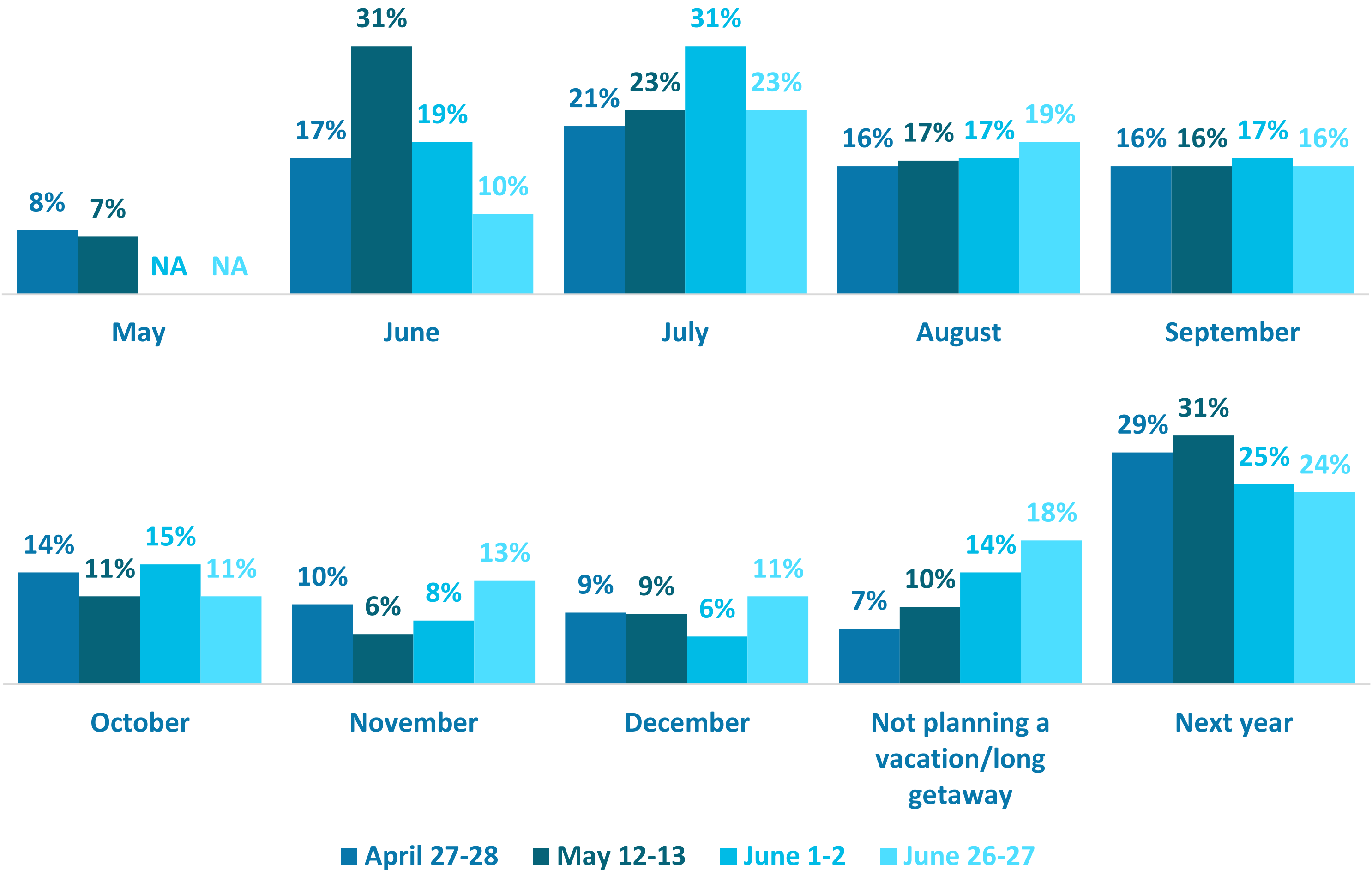
Planned Vacations & Long Getaways

Compared to early June, there has been an increase in consumers planning vacations in **November and December**

About **1 in 5** consumers is not planning a vacation/long getaway, this figure has increased in each wave

PLANNING A VACATION FOR THE FOLLOWING MONTHS*



*Multiple responses permitted.

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Perception of Safety in Travel Activities

Consumers are now slightly less comfortable traveling, in particular:

- Going to the beach
- Staying in a vacation rental home
- Going to a bar/restaurant
- Going to an outdoor attraction

Compared to early June, there was a slight increase of consumers who do not feel safe traveling

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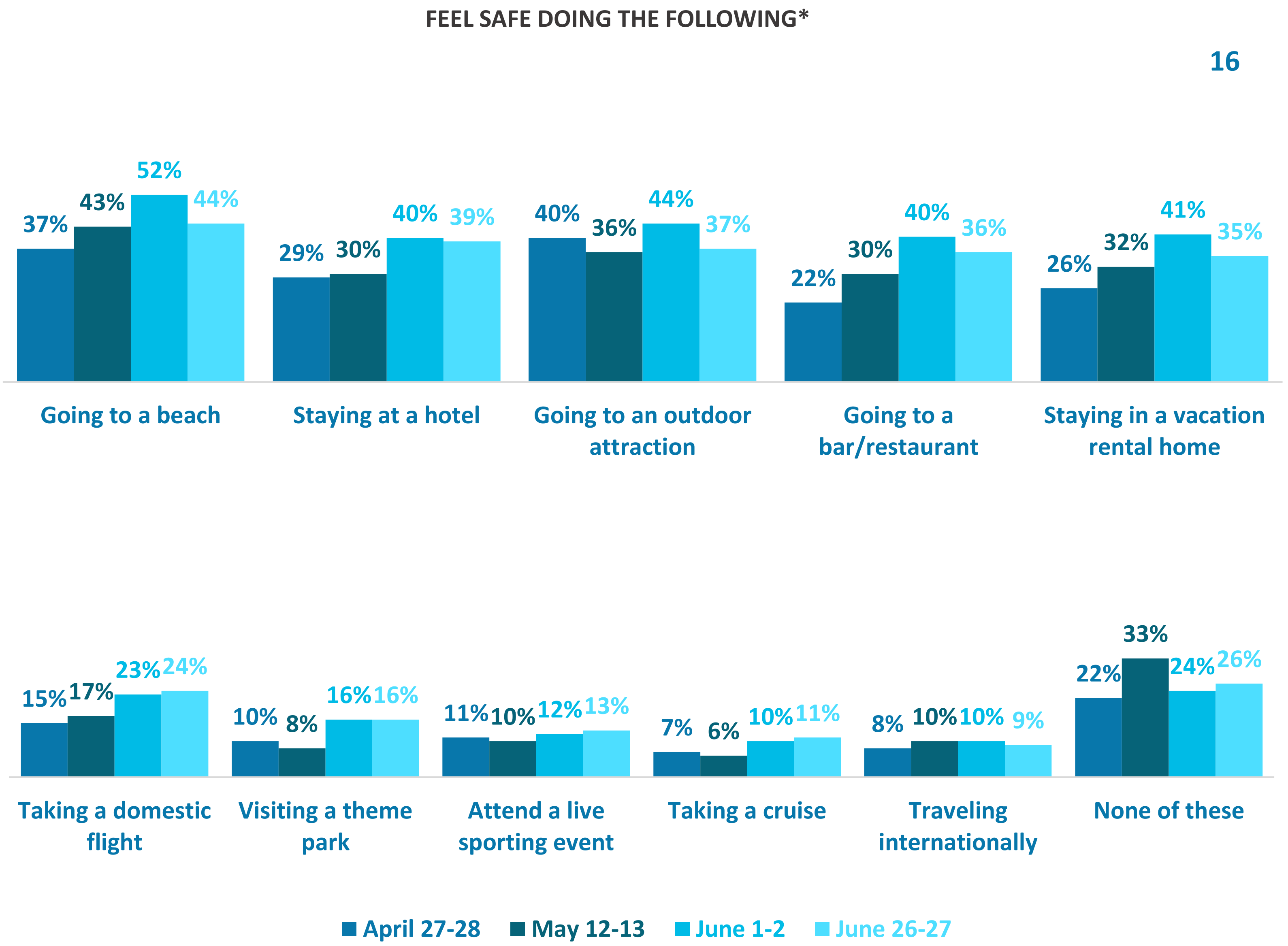

*Multiple responses permitted.

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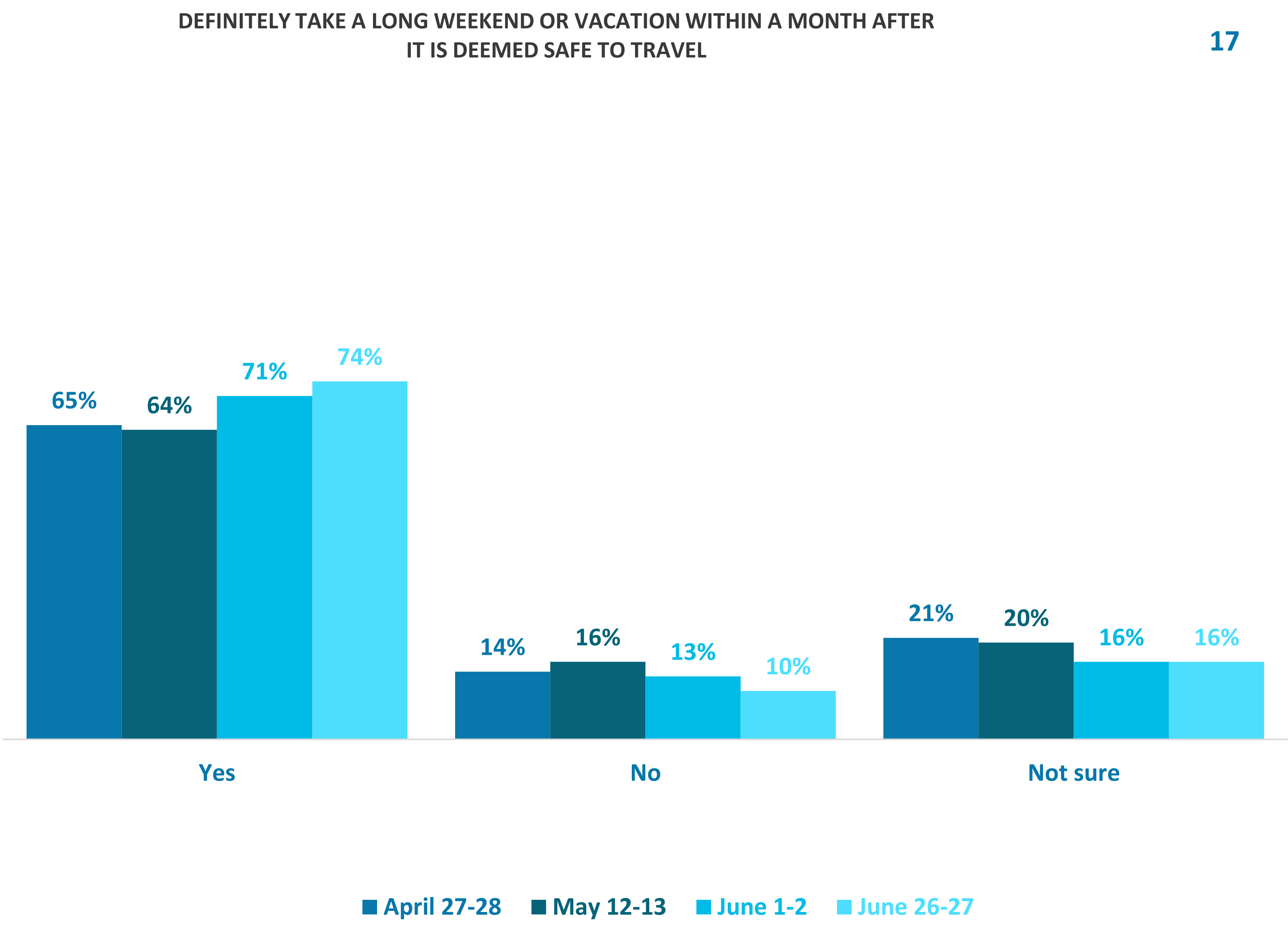
Likelihood of Imminent Travel after COVID-19

There continues to be indications of pent up travel demand as **3 in 4** consumers remain interested in taking a long weekend or vacation within a month or so after COVID-19 seems to be over



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Travel Preferences after COVID-19

Consumer preference to visit **an uncrowded destination/attraction** has remained consistently high

Compared to previous waves, consumers are slightly less likely to **prefer driving over flying**

Preferences have shifted slightly in favor of vacationing in consumers **own state or local area**, compared to early June

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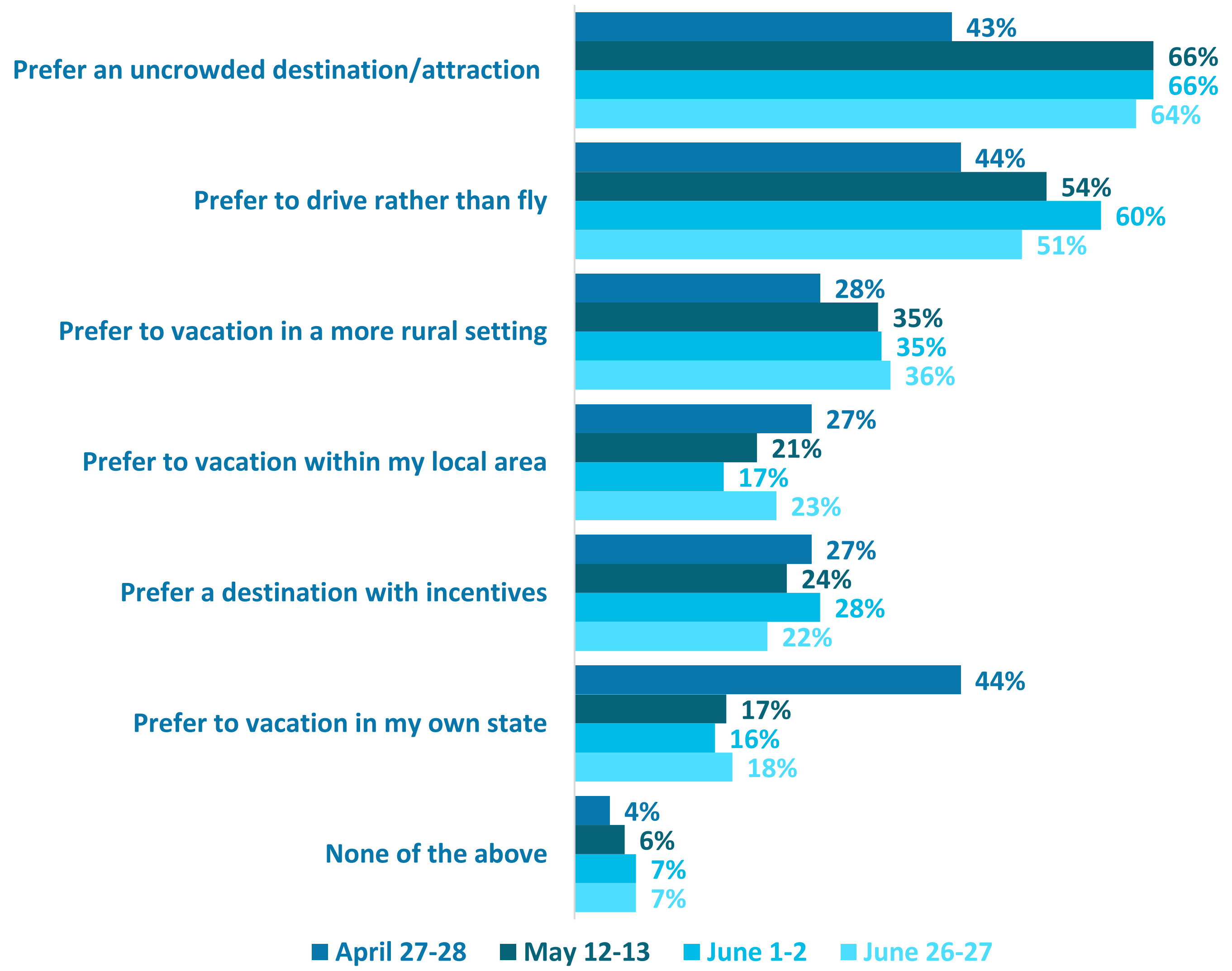
ONCE IT IS DEEMED SAFE TO TRAVEL AGAIN, WHICH DO YOU PREFER?*



*Multiple responses permitted.

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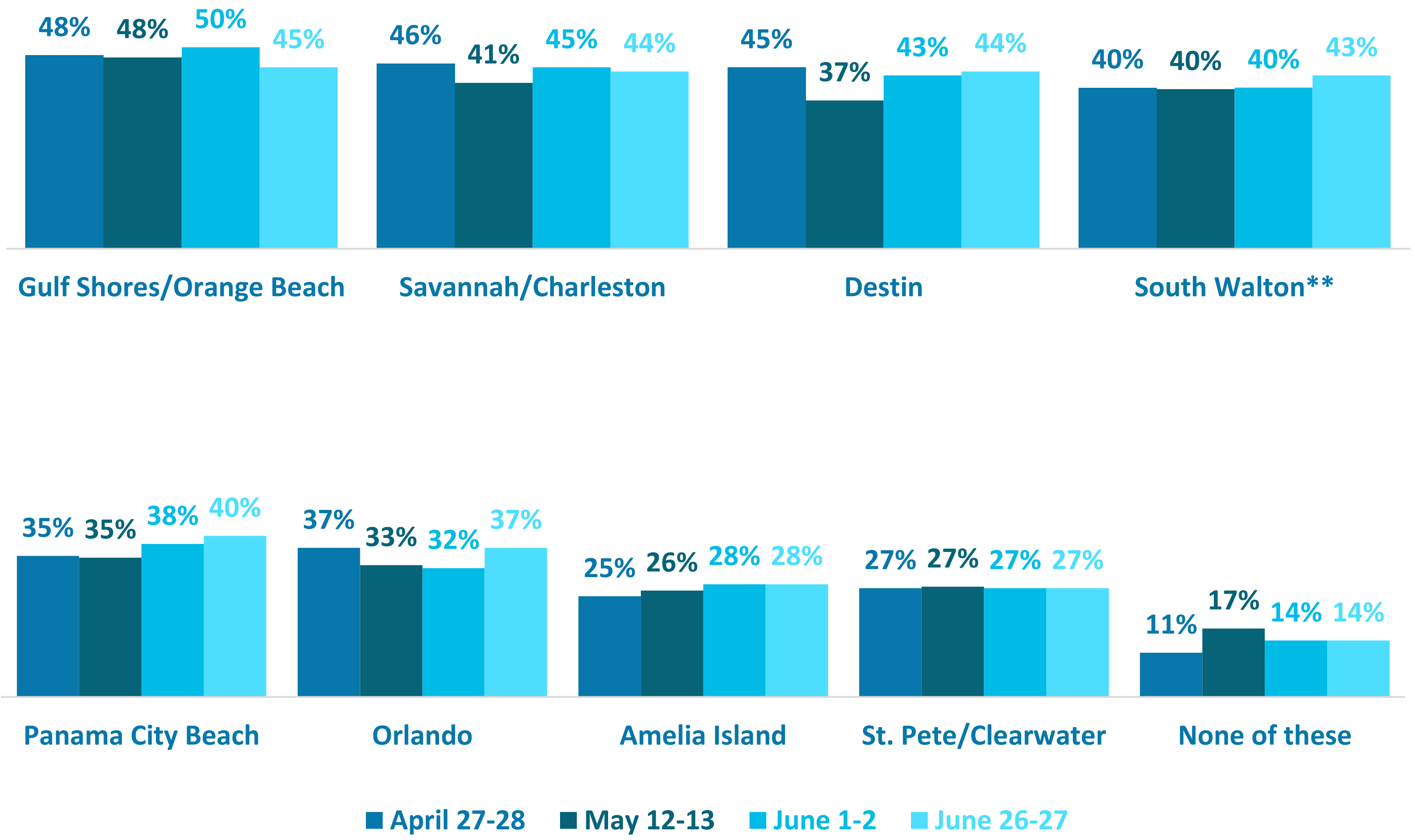
Travel Destinations to Consider after COVID-19

As in previous waves, **2 in 5** consumers would consider visiting a South Walton beach community once COVID-19 passes and it is deemed safe to travel again

CONSIDER VISITING AFTER COVID-19 PASSES*



*Multiple responses permitted.
**South Walton was defined by listing beach communities.

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Travel to South Walton

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

Past visitors to South Walton are more likely to be interested in travel in general

Consumers who have not been to South Walton previously were more likely to consider **Gulf Shores/Orange Beach, Destin** or **Savanah/Charleston**

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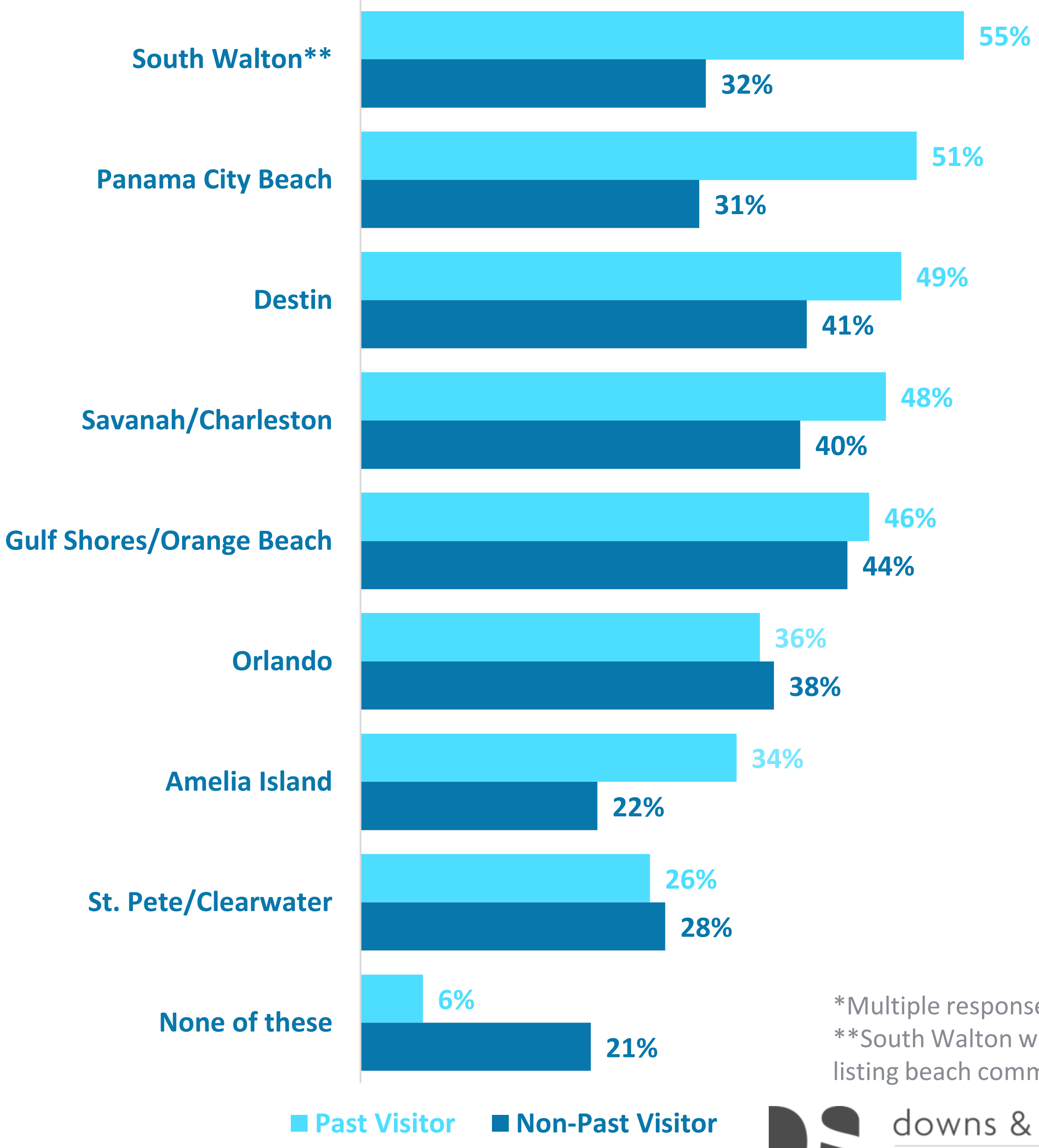
CONSIDER VISITING AFTER COVID-19 PASSES*
Past SW Visitors vs. Non-Visitors



*Multiple responses permitted.
**South Walton was defined by listing beach communities.

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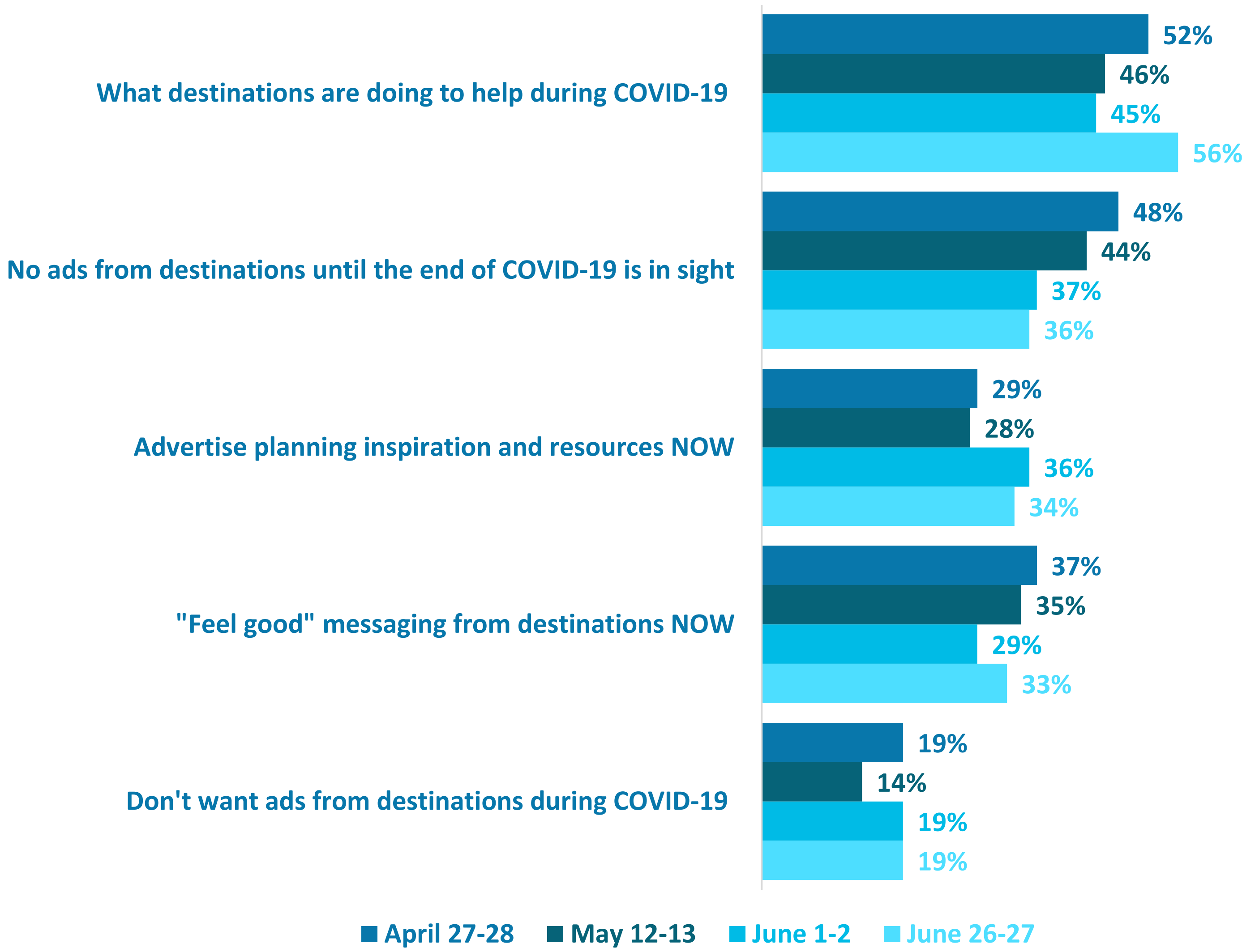
Destination Advertising during COVID-19

Over half of consumers still want advertising to focus on what destinations are doing to help with the crisis, a large increase from early June

Interest in destination **"feel good" advertising** has increased since early June – now **33%** want to be exposed to destination "feel good" advertising now

PREFERENCES REGARDING ADVERTISING MESSAGING FROM DESTINATIONS



*Multiple responses permitted.

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Continuation of Travel Advertising

The window for resuming normal advertising is longer than it was in previous waves. Days into the future when consumers want normal destination advertising:

- Mid-April 47 days
- Mid-May 47 days
- Early June 37 days
- Late-June 71 days

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

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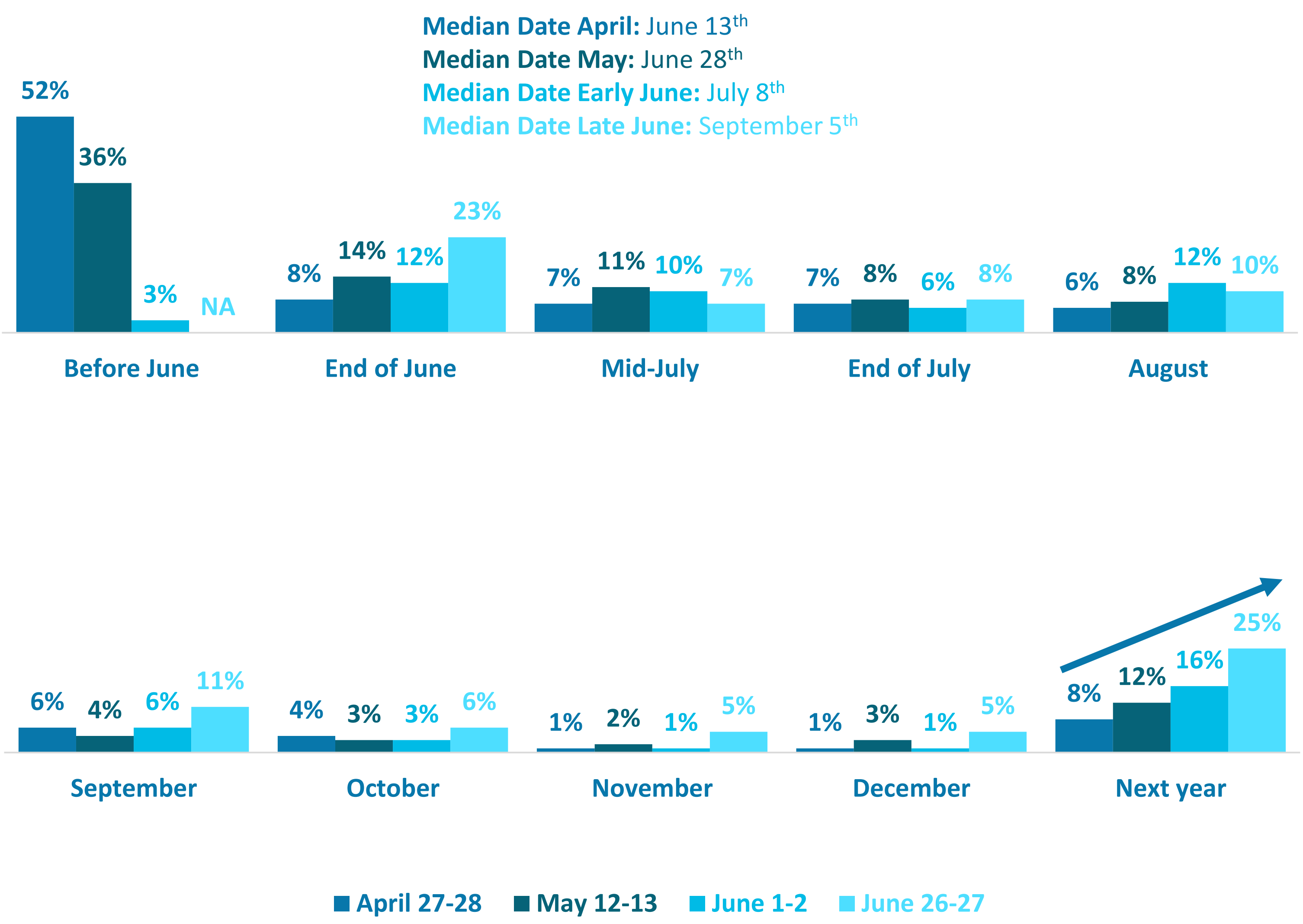
APPROPRIATE FOR DESTINATIONS TO RESUME NORMAL ADVERTISING



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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

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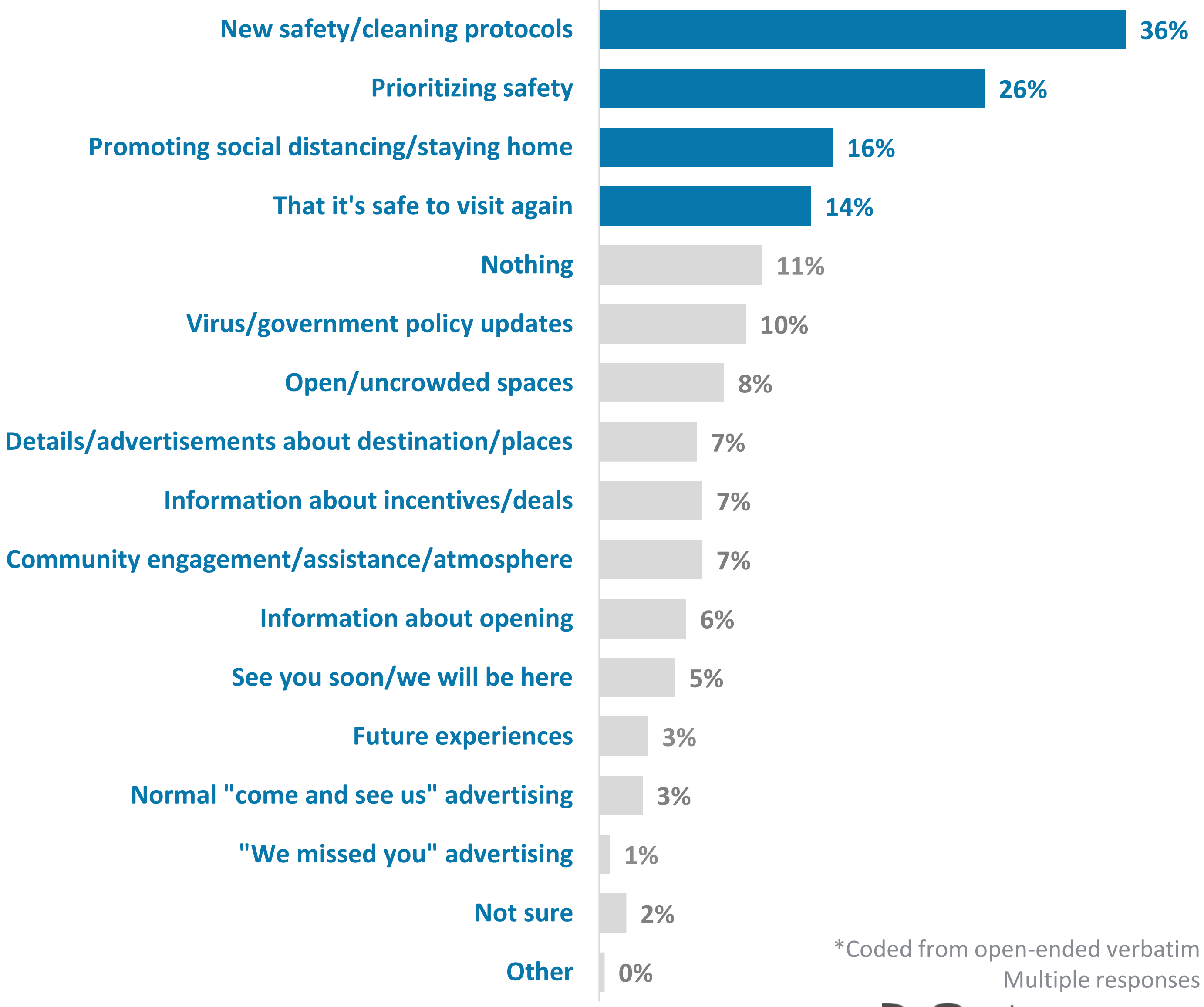
ADVERTISING MESSAGING THAT WILL MOTIVATE YOU ONCE IT IS DEEMED SAFE TO TRAVEL*



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

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Future Travel Planning Resources

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

More consumers in late June relied on state and local travel advisories as vacation planning resources

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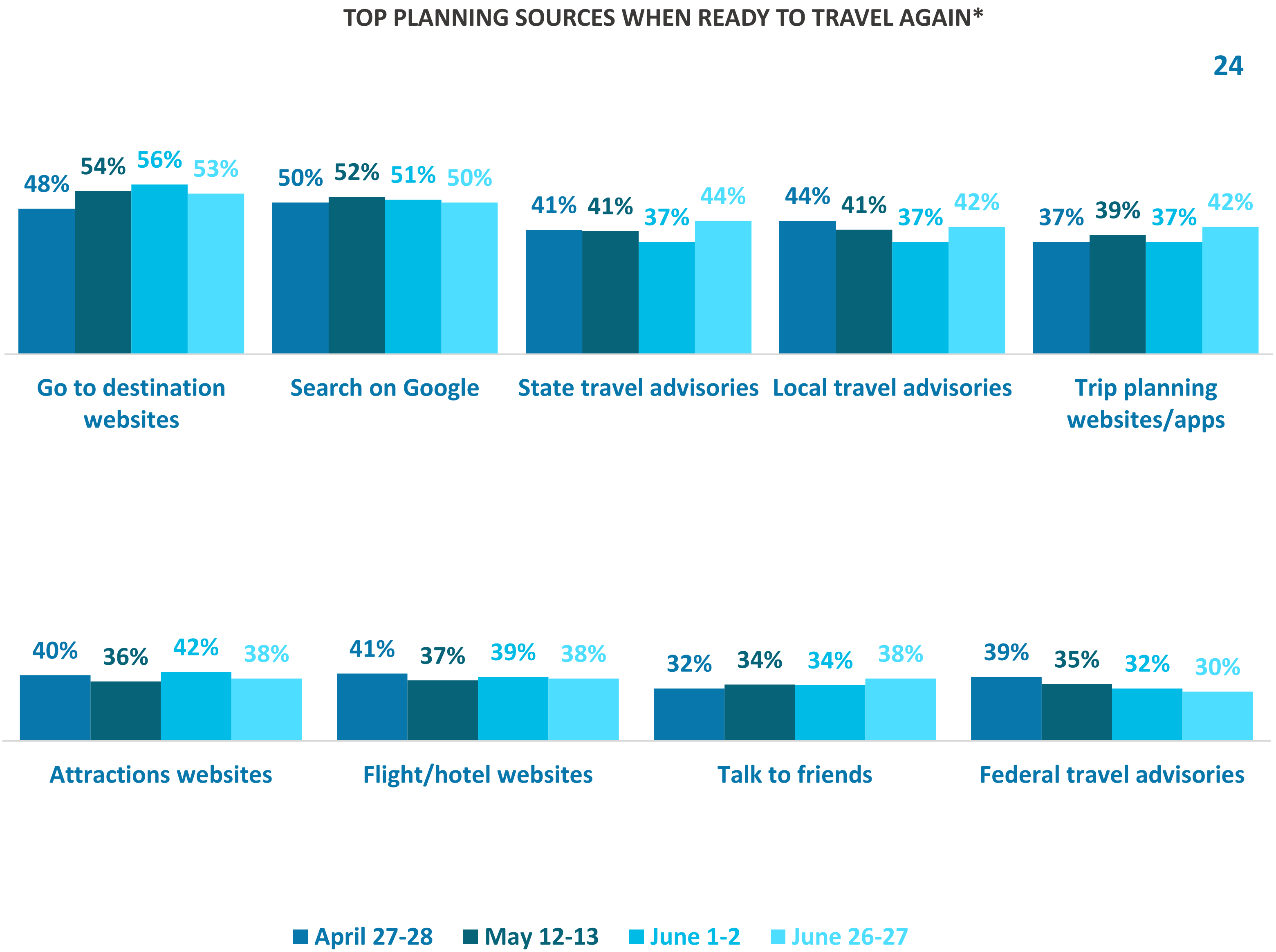

*Multiple responses permitted.

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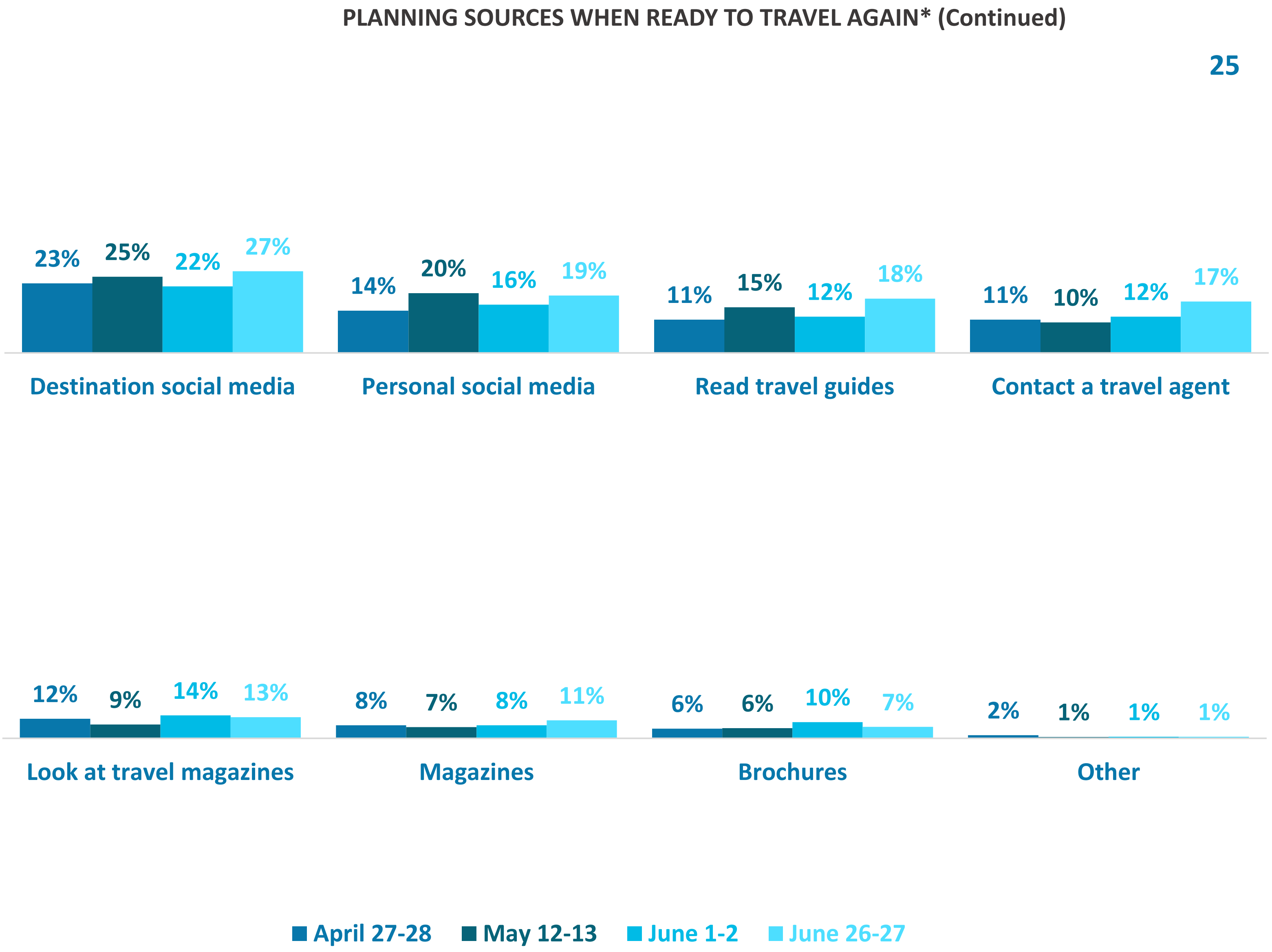
Future Travel Planning Resources (Continued)

Travel magazines, brochures, and other print media continue to be the least used travel planning resources



*Multiple responses permitted.

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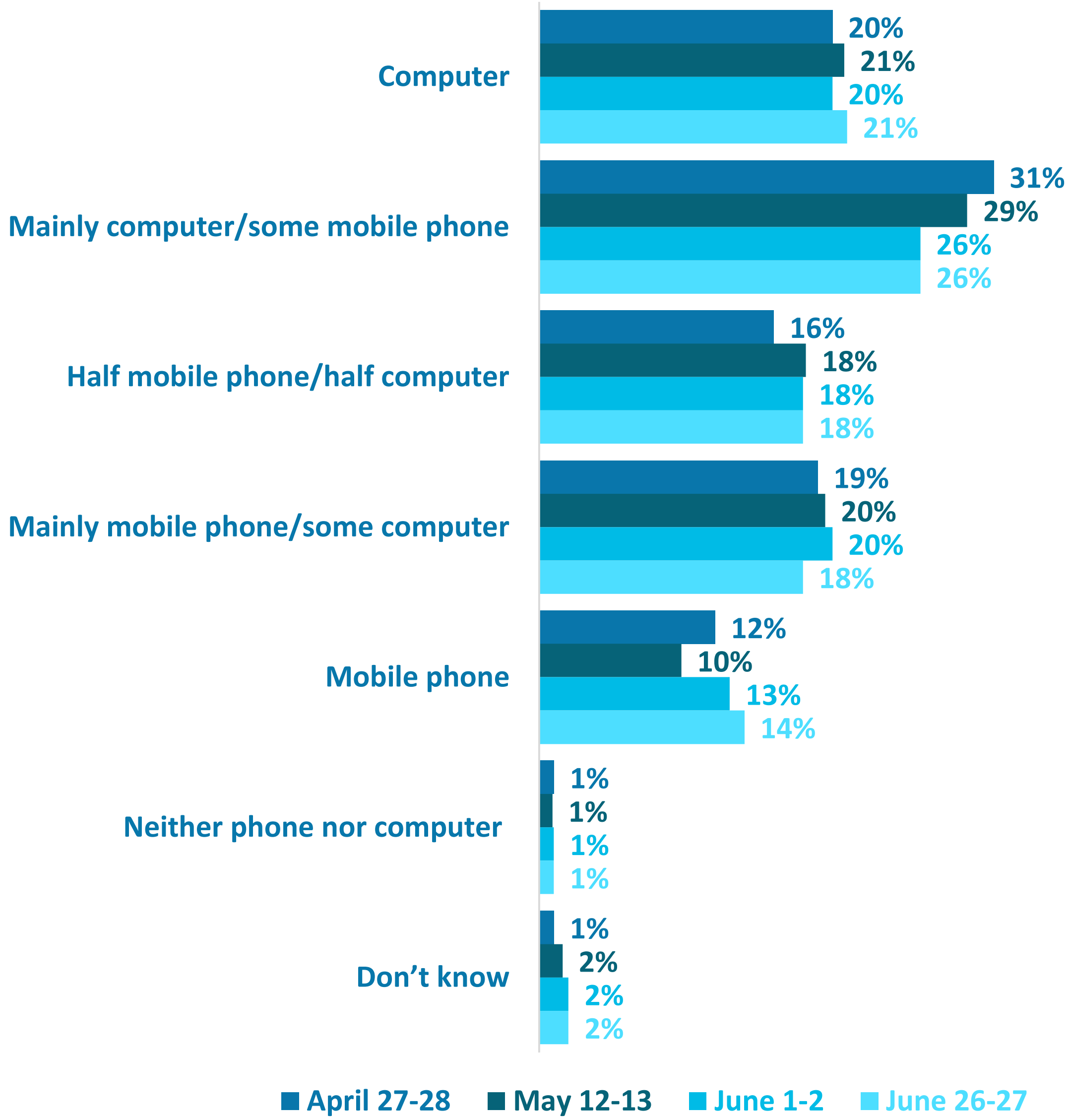
Travel Information in Destination

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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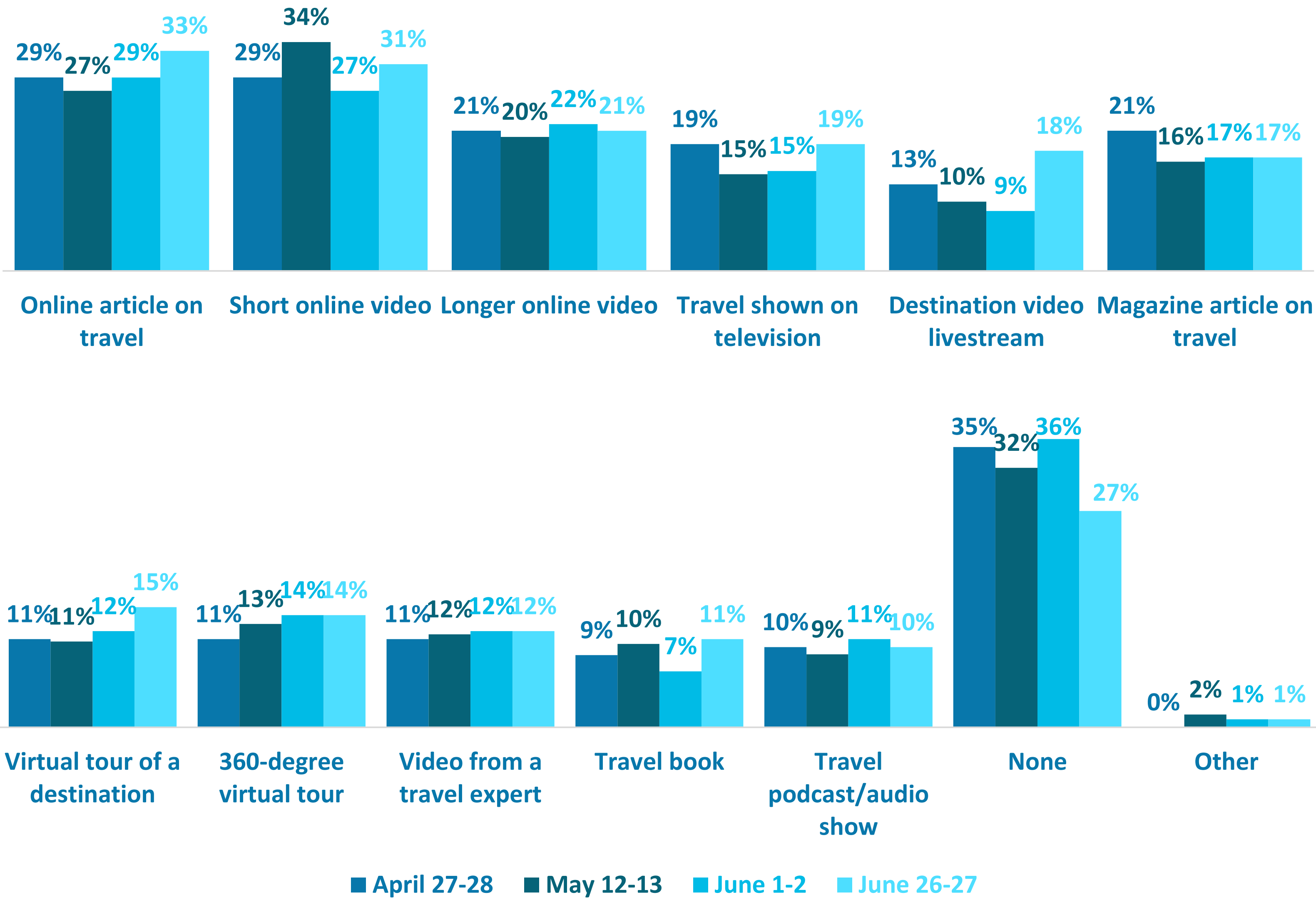
Recent Interactions with Travel Media

Compared to previous waves, more consumers are interacting with travel media

Short online videos and **online articles on travel** continue to be more frequently used travel media, with increases since early June

TRAVEL MEDIA ACTIVITY IN THE PAST 2 WEEKS*



*Multiple responses permitted.

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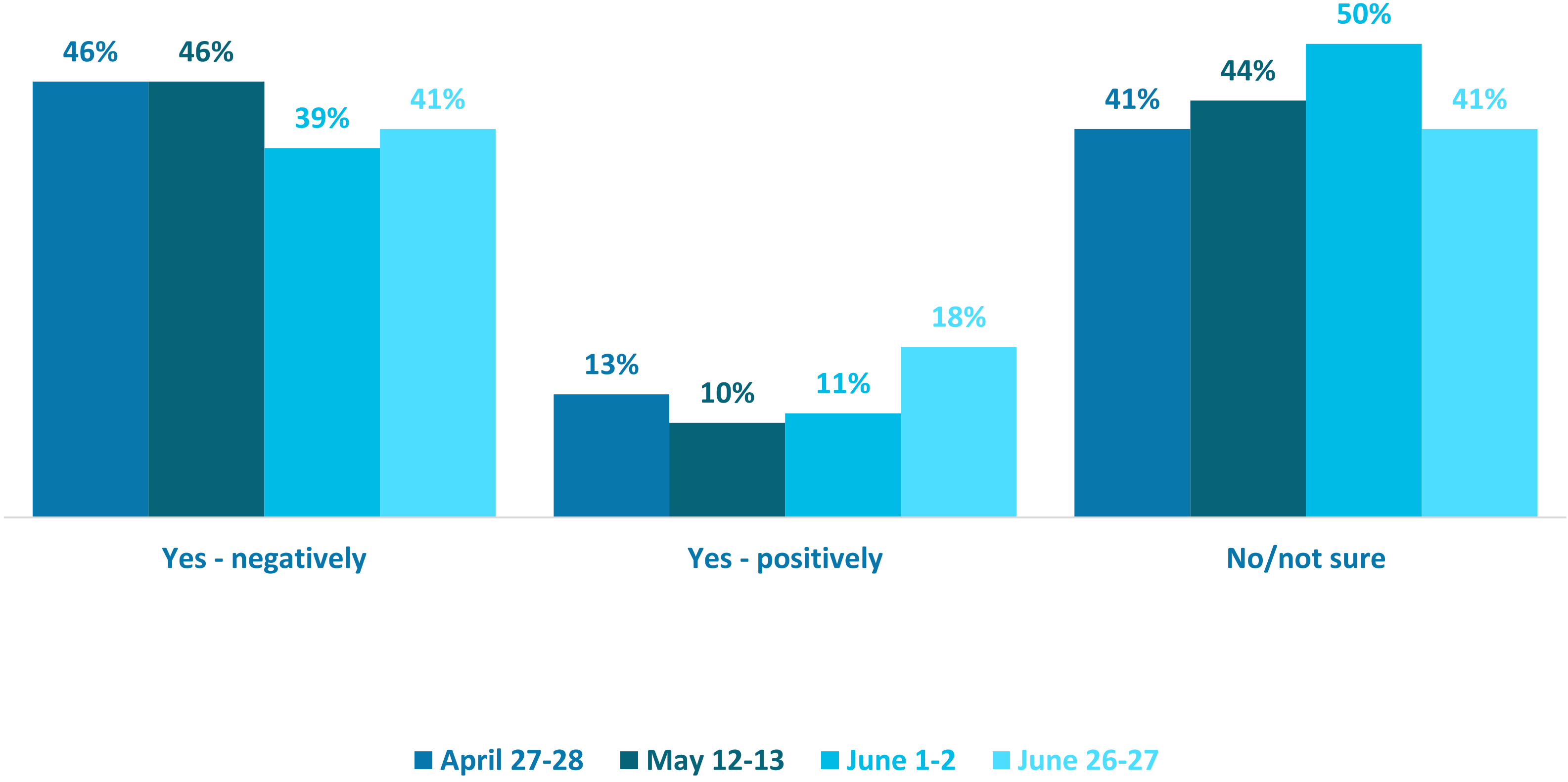
Personal Effects of COVID-19

Compared to early June, slightly more consumers say they have been negatively affected financially by the economic downturn due to COVID-19

About 1 in 5 consumers say the pandemic has helped them financially

BEEN AFFECTED FINANCIALLY BY COVID-19



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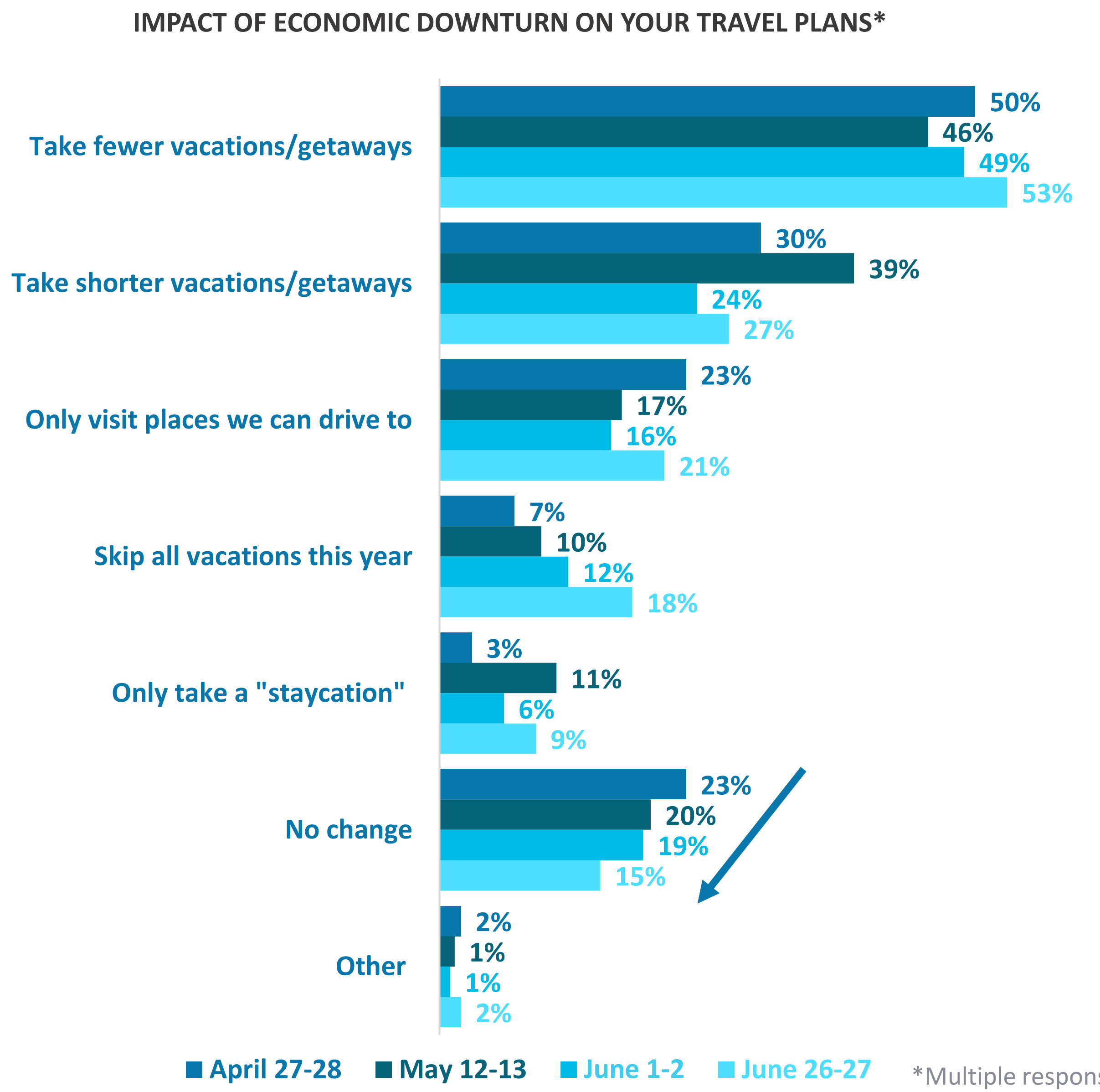
Future Travel Plans

Compared to early June, there has been an **increase** in travel changes due to the economic downturn

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

In each data collection cycle since April, **more consumers** have **changed their travel plans** because of COVID-19



*Multiple responses permitted.

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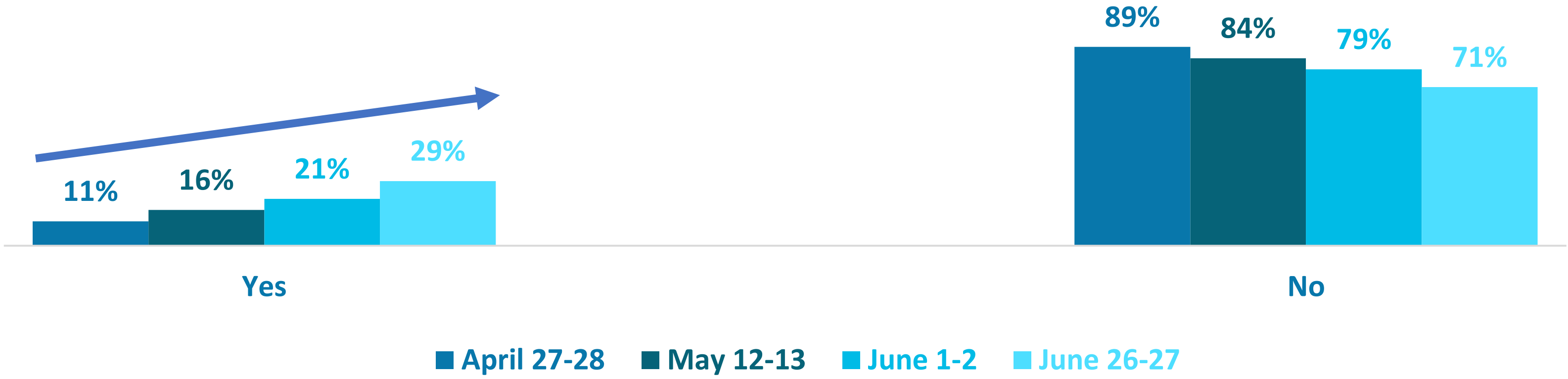
Recent Overnight Travel

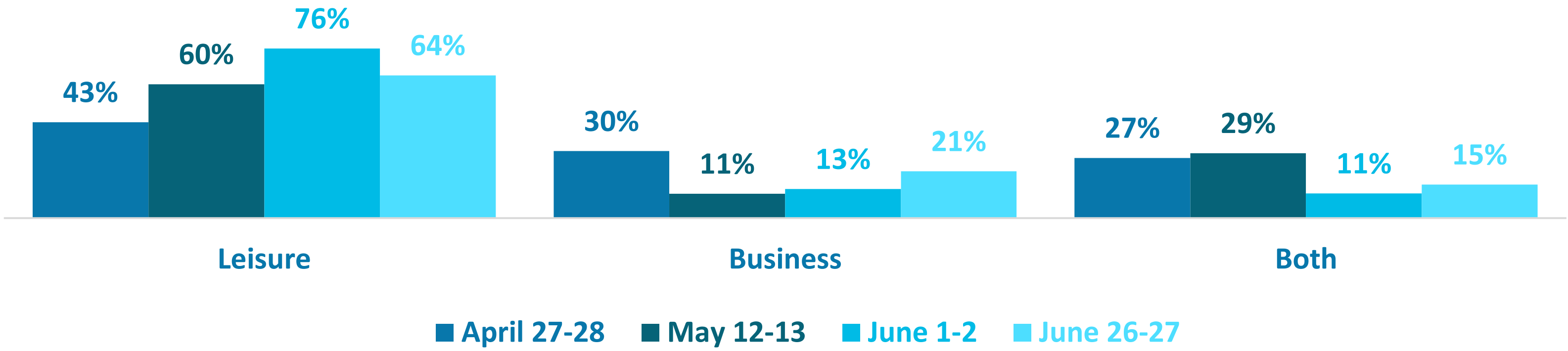
Despite Florida's recent uptick in COVID-19 positive cases, **3 in 10** consumers traveled in the past 3 weeks – up **8%** points since early June.

Of those who have traveled in the past three weeks; nearly **2 out of 3** traveled for **leisure purposes,** a significant decrease from early June

TRAVELED OVERNIGHT IN PAST 3 WEEKS



TYPE OF RECENT TRIP



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Recent Trip Accommodations

A significant increase from previous waves, **over half** of consumers who traveled overnight in the past three weeks stayed in a hotel, motel, resort, etc.

Compared to early June, there has been a decrease of stays in **Airbnb/HomeAway at 23%, Bed & Breakfast at 10% and second homes** at **8%**

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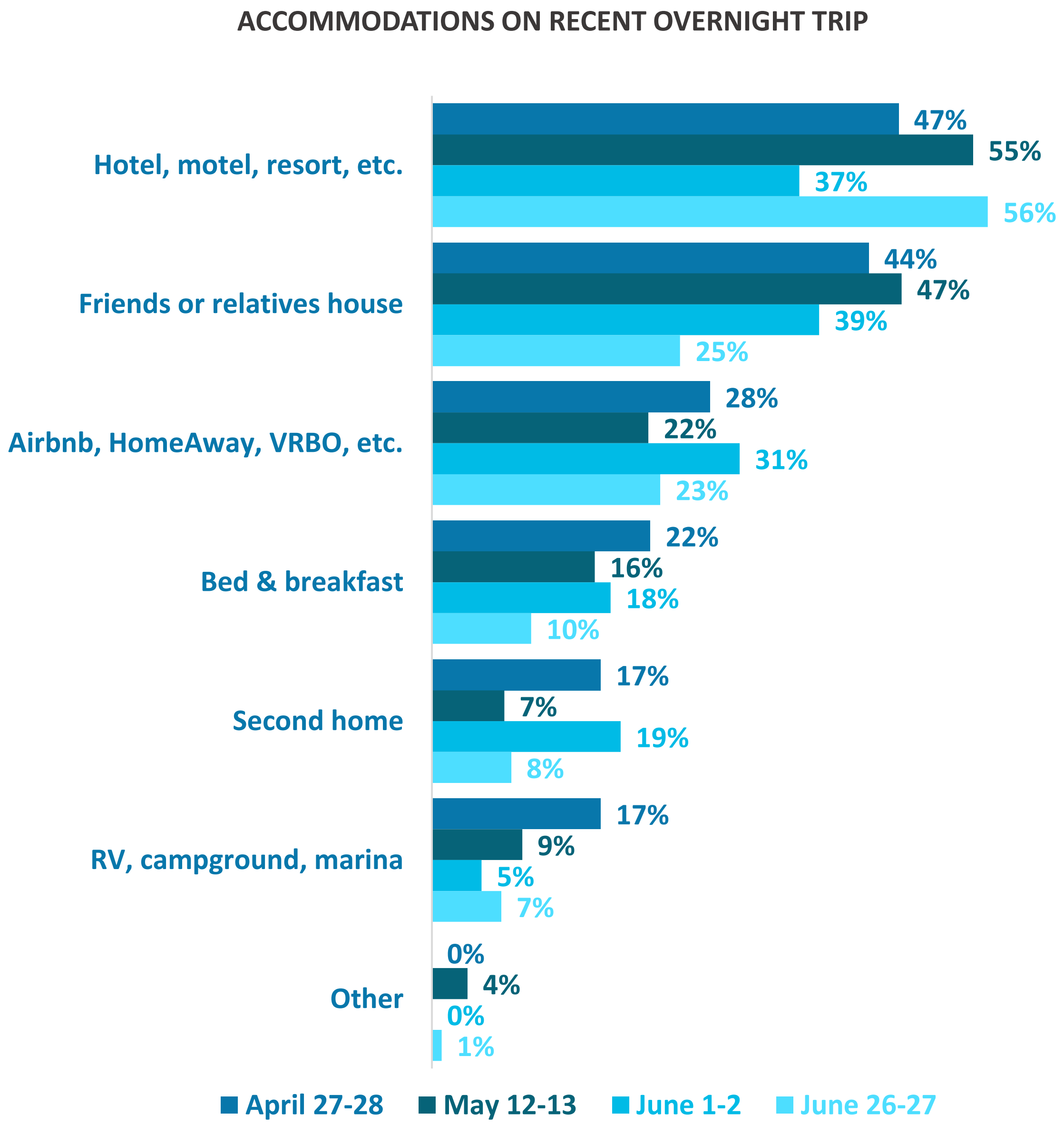

*Multiple responses permitted.

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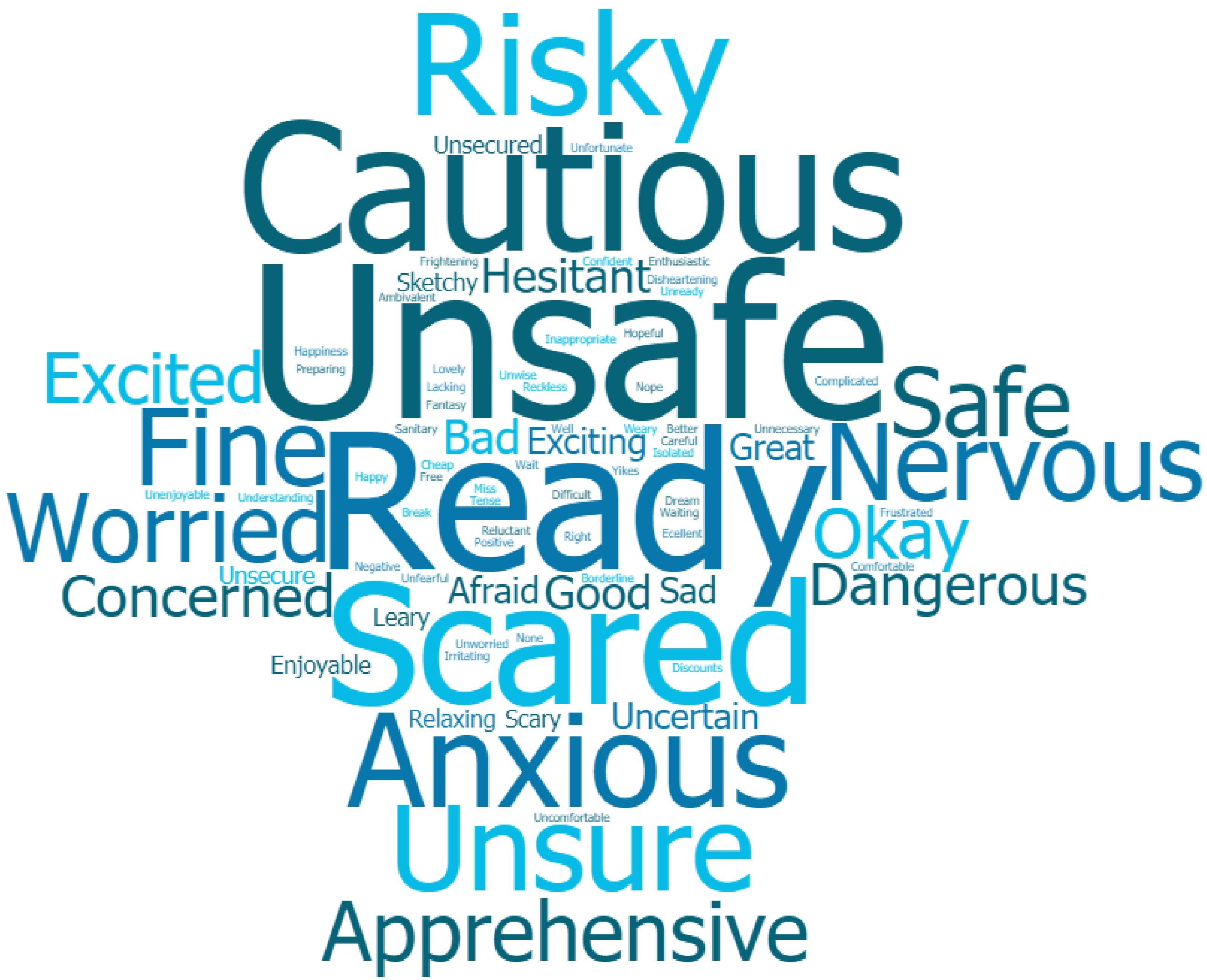
Current Associations with Travel

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 **ready, safe, fine, and excited**

FEELINGS ABOUT TRAVEL RIGHT NOW



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Consumer Profile

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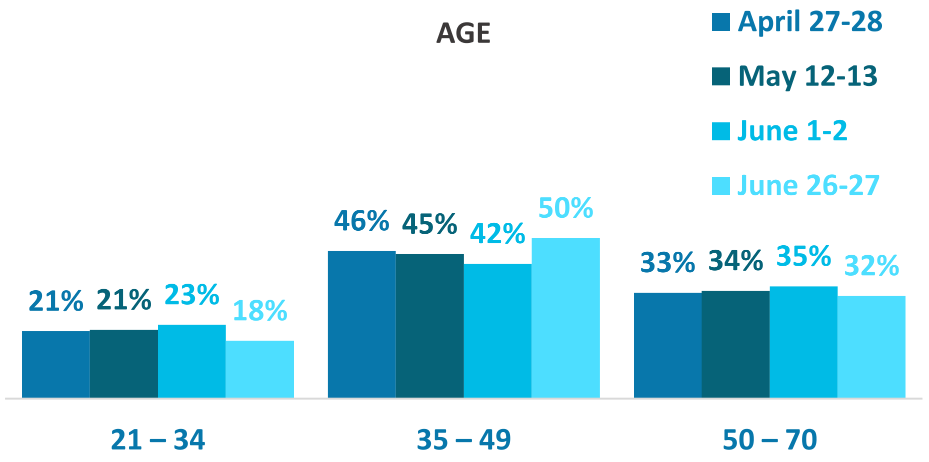
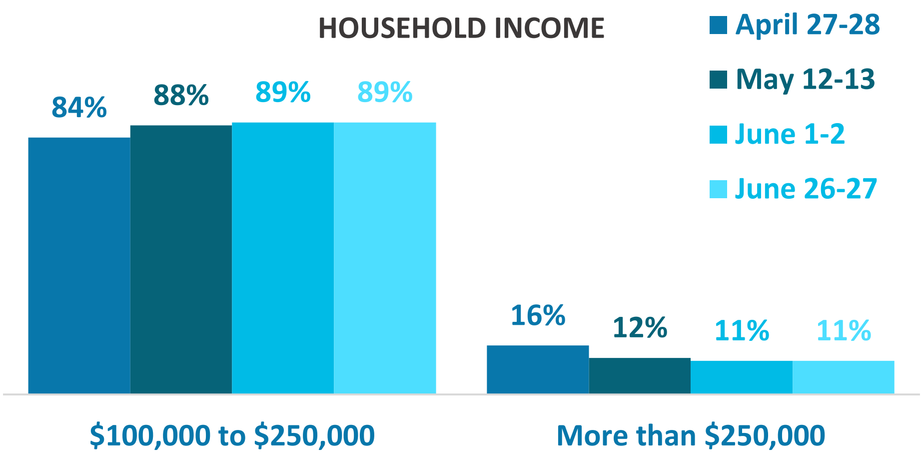
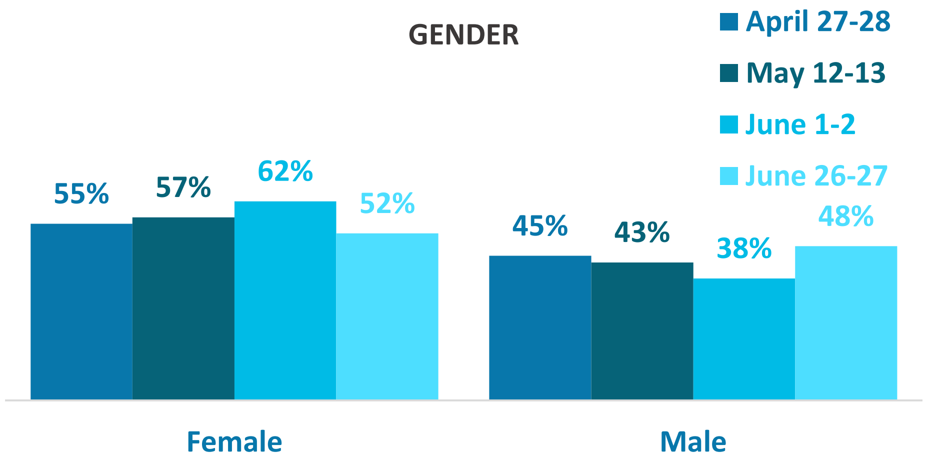
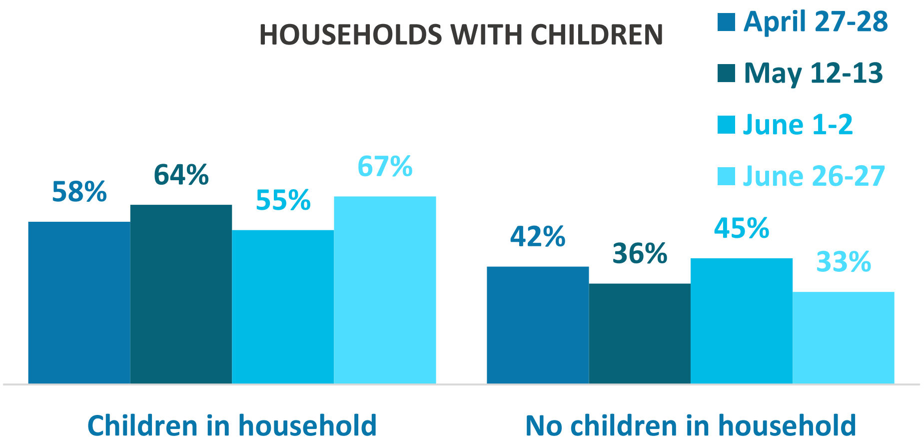
Consumer Profile*

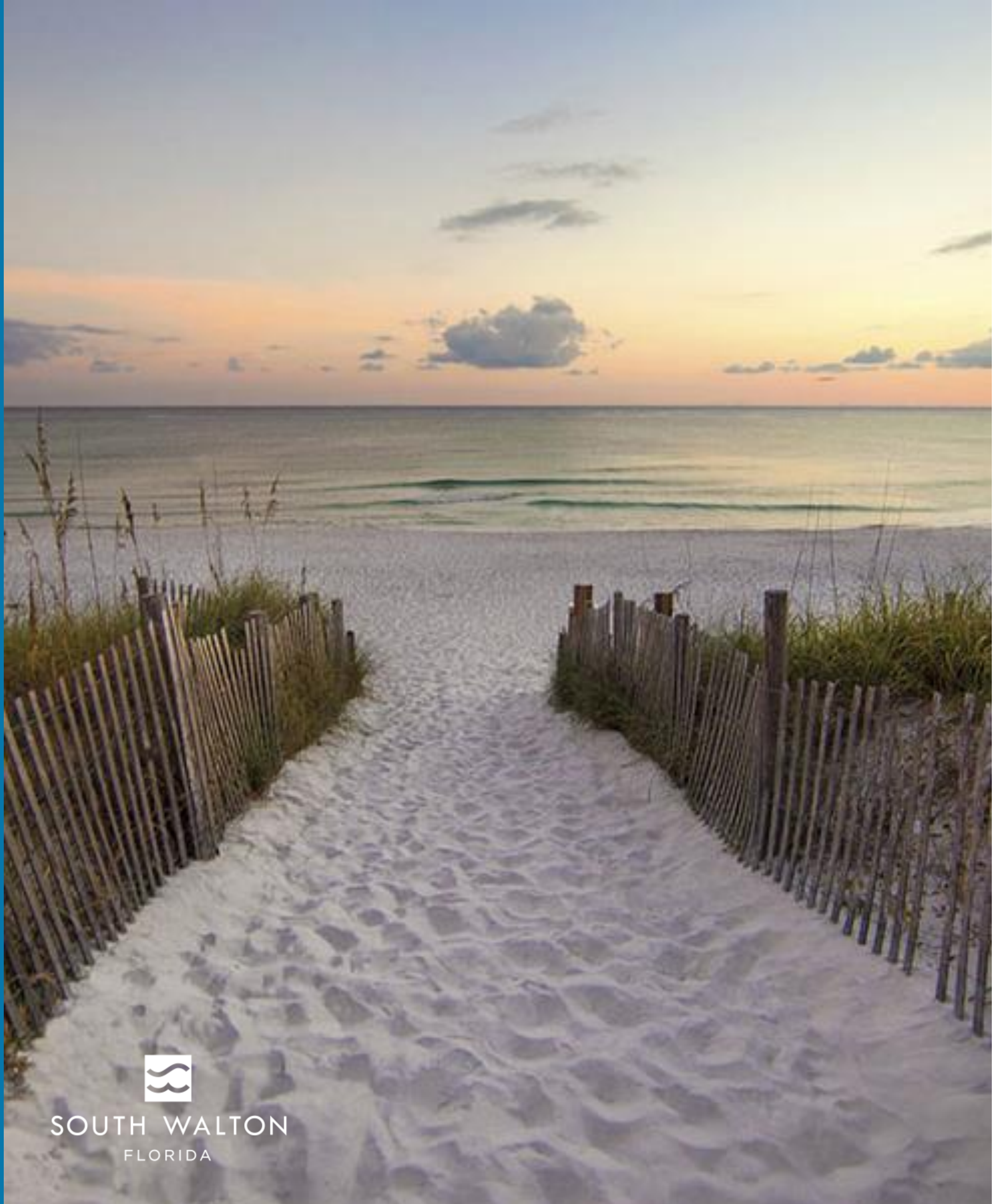








*Demographic questions were used primarily to screen participants.



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Consumer Sentiment Study

July 7th, 2020

Presented by Downs & St. Germain Research
dsg-research.com/800.564.3182

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