



International B2B status report

- in connection with the Covid-19 pandemic situation

March 2020



Italy

The current situation

Italy was the first European country to be severely hit by corona virus and the first to take strong measures to try to stop the spread of it. Many restrictions were implemented already in the last week of February mainly in some Italian regions (Lombardy and parts of Veneto and Emilia Romagna, the three most productive and affluent regions in Italy).

On March 9th the Italian Parliament passed measures regarding a strict lockdown in all Italy. These measures implied that non-strategic sectors were obliged to stop or to reduce normal activities implementing home working. All citizens were obliged to stay home and to go out only for very important reasons (buy food, medicines and only in their hometown).

- The lockdown will go on at least until April 13th .
- This means that since the beginning of March most of the activities related to travels were stopped and it was just a question of bringing back all the tourists still around on vacation.
- All travel agencies were closed since then to the public (as most of shops) and TO's are working mainly from *home*.

What are your biggest challenges right now?

The tourist sector is facing one of the biggest crisis since the end of WWII.

Most of the tour operators and travel agencies have started to put their staff on temporary layoffs (one of the first actions taken by the Italian Government has been to prevent companies to fire people for 9 weeks and to give help to support temporary layoff for the same period).

All the employees of SAS Scandinavian Airlines and Norwegian Air Shuttle based in Italy are going to be put on temporary layoff.

At the moment all trips until end May / mid June has been cancelled but further cancellations are planned if the lockdown is going on.

The big question mark is to see how much time the lockdown will last and how much this will affect the travel industry this year first and in the future.

All tour operators are very worried about the future (some more than other depending also from the size/structure of their company).

Many TOs consider that long haul trips will be the most affected. Short/medium haul trip will start before which will be good for countries like Norway.

The cruise sector seems to be the one, among the most affected, which will take more time to recover after the crisis.

Are you still getting a lot of cancellations? Are customers still keen to travel to Norway in the future?

- Having started the lockdown early before the other countries the operations of bringing home clients from Norway have been probably smoother than in other countries (for example more problems have been faced in other countries like Finland).

How has the cancellation process with the Norwegian suppliers been? Have you experienced any changes in cancellation terms and conditions as a result of the situation we find ourselves in?

- In general Norwegian suppliers showed to be helpful with Italian Tour Operators with very few exceptions. The biggest problems are witnessed with airline companies and hotels chains.
- Some TOs witnessed some slowness in answering by Norwegian partners during this period of emergency.

When speaking to your customers – have you been encouraging them to rebook for later? Have they wanted to rebook, or have they wanted to cancel completely?



The decree passed at the beginning of the crisis gives the possibility to the TO/TA to issue vouchers to the client when cancelling but in many cases, it hasn't been accepted by the clients. This creates very big problems of liquidity to the TO/TAs that from one side get a voucher from the supplier and on the other hand have to refund the client.



The tours planned after June have not been cancelled but the outlook is not positive and most of the TOs are "prepared" to loose at least the summer season. Some are still hoping that there will be some traffic in August/September (mainly FIT and not groups).



At the moment the only TO who is planning to have a charter flight for the summer season to Norway (Giver Viaggi) has not cancelled it but is considering to do so if the lockdown is going on.



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