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NTW Supplier Market Brief

US Markets

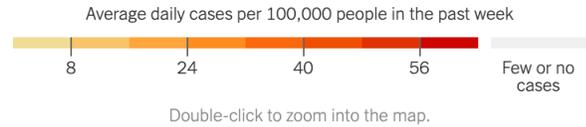
Presented 3 September 2020

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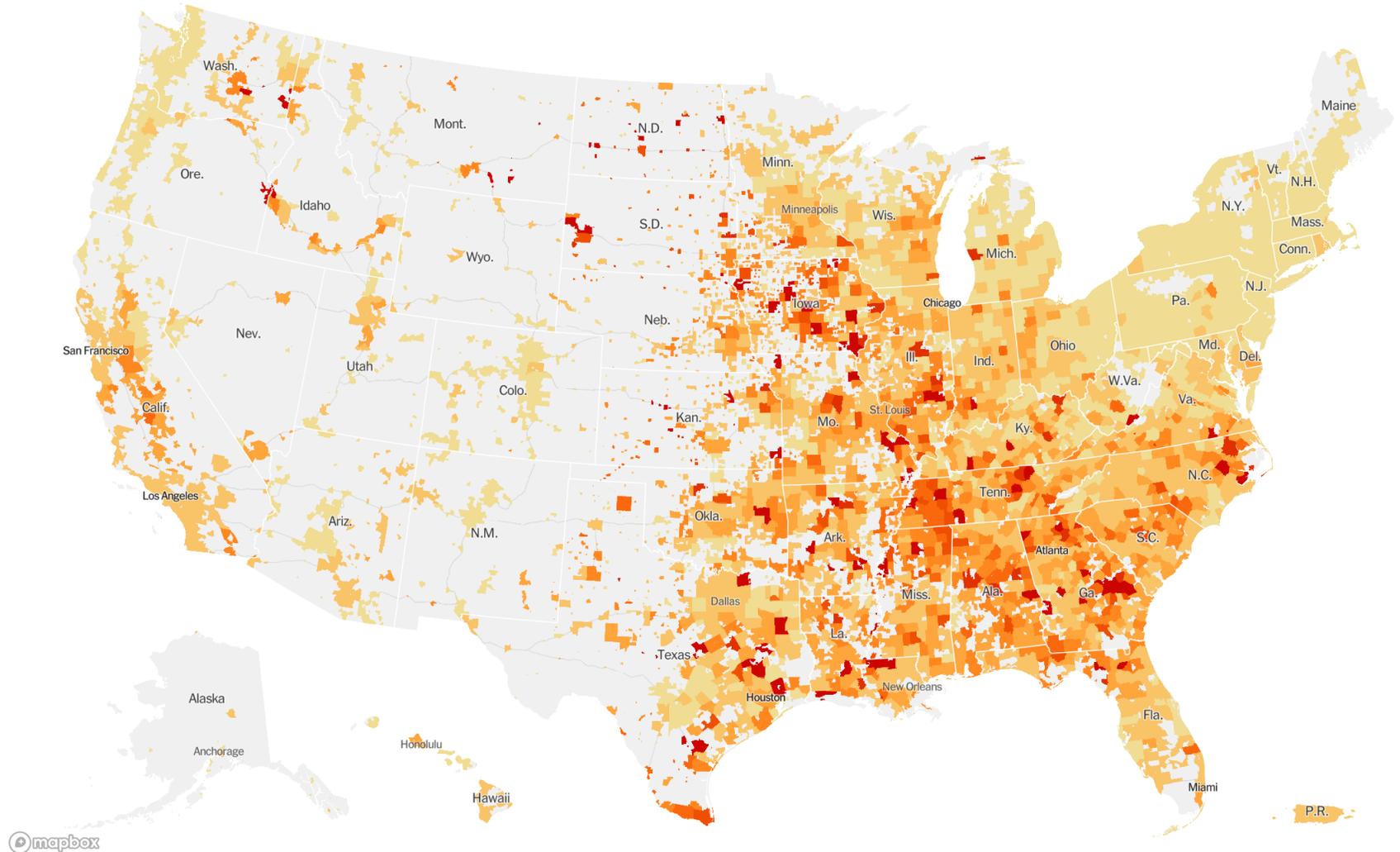
Average Daily Cases per 100,000 people



USA
5,972,356
TOTAL CASES
 CDC | Updated: Aug 31 2020 2:02PM

USA
182,622
TOTAL DEATHS
 CDC | Updated: Aug 31 2020 2:02PM

USA
289,865
Cases in Last 7 Days
 CDC | Updated: Aug 31 2020 2:02PM

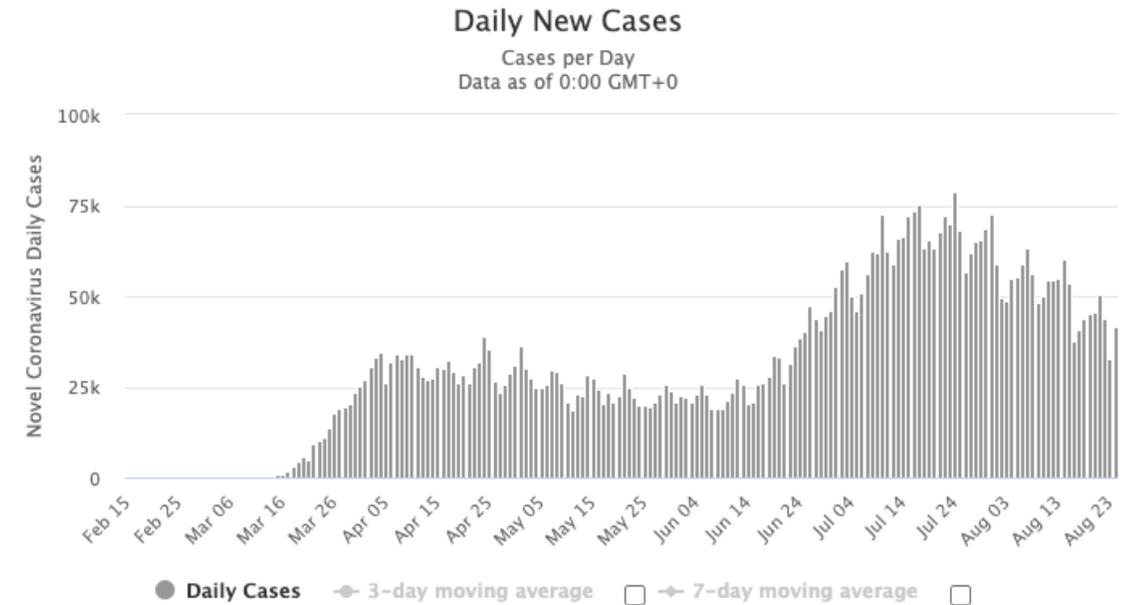
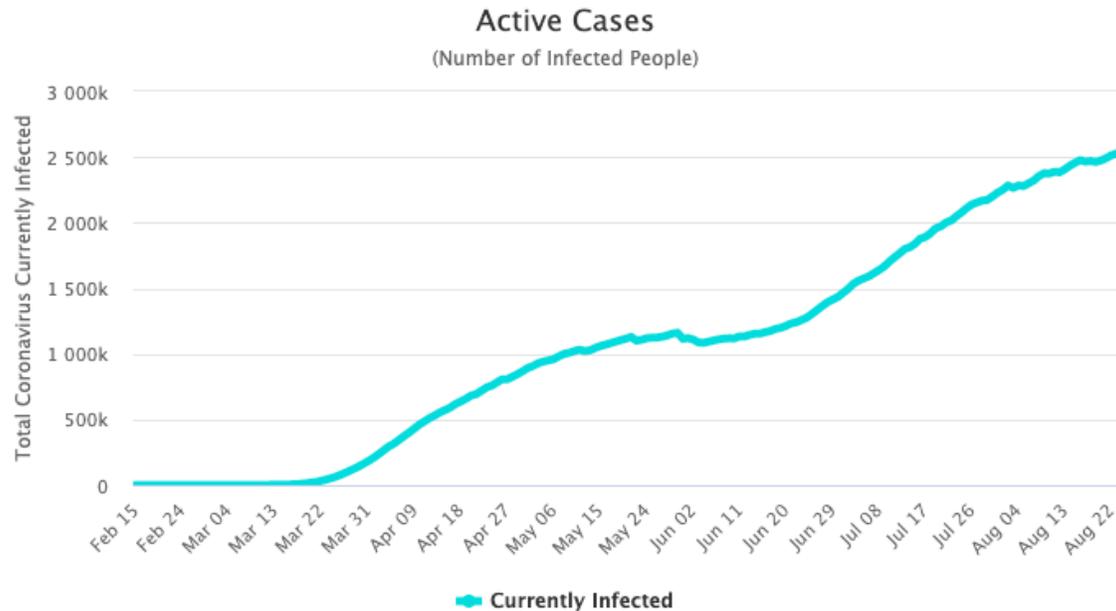


Cases in Last 7 Days by State/Territory  

State/Territory	Cases in Last 7 Days
California	36,240
Texas	32,817
Florida	20,466
Georgia	15,024
Illinois	13,462
North Carolina	11,014
Alabama	9,243
Tennessee	9,178

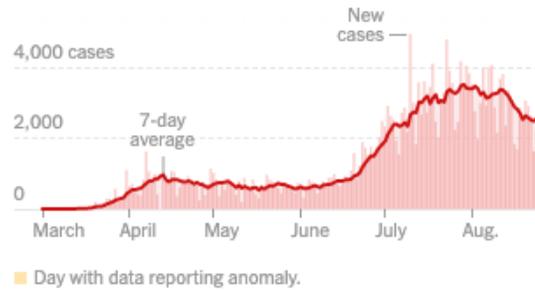
America First

- An average of 42,716 new cases per day over last week
 - (a 21% improvement from two weeks ago)
- An average of 1,000+ deaths per day
- 4% of the world's population, 25% of COVID deaths
- Active cases of 759/100,000 population (*key metric, Norway requiring 20/100,000 for travel*)



50 States, 50 Separate Crises

Georgia



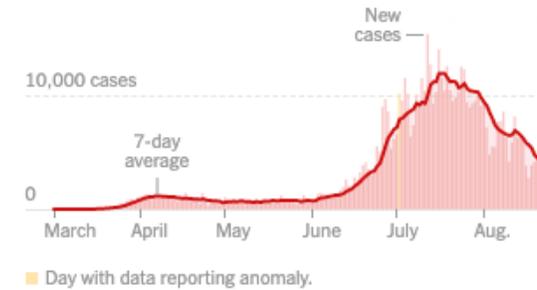
TOTAL CASES
239,612
DEATHS
5,045

Includes confirmed and probable cases where available

1,949
active
cases per
100,000

2,470
active
cases per
100,000

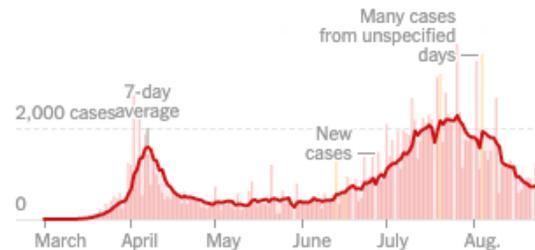
Florida



TOTAL CASES
605,494
DEATHS
10,579

Includes confirmed and probable cases where available

Louisiana



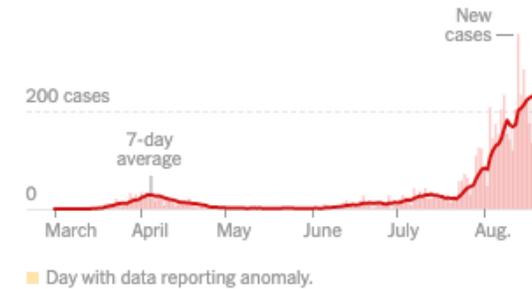
TOTAL CASES
143,707
DEATHS
4,764

Includes confirmed and probable cases where available

460 active
cases per
100,000

335 active
cases per
100,000

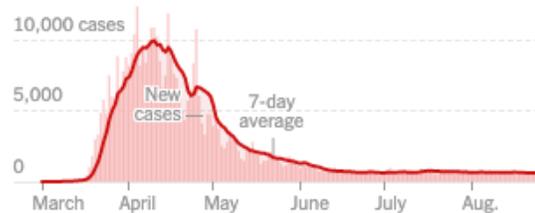
Hawaii



TOTAL CASES
6,746
DEATHS
48

Includes confirmed and probable cases where available

New York



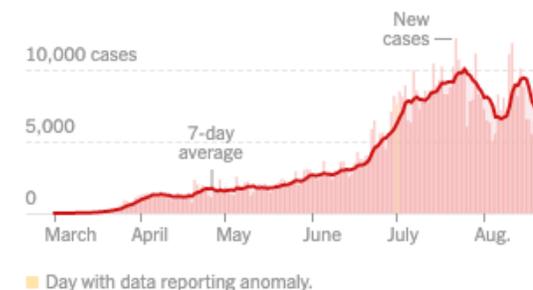
TOTAL CASES
434,866
DEATHS
32,489

Includes confirmed and probable cases where available

325 active
cases per
100,000

1,004
active
cases per
100,000

California



TOTAL CASES
676,476
DEATHS
12,252

Includes confirmed and probable cases where available

The Race for a Vaccine



Operation Warp Speed (OWS) aims to deliver 300 million doses of a safe, effective vaccine for COVID-19 by January 2021

US \$10 Billion to fund manufacturing and distribution infrastructure around a vaccine before a viable vaccine is actually approved

Many drug companies already in phase 3 clinical trials with 30,000 volunteers participating in AstraZeneca's study alone

The power of an approved vaccine to save travel

Travel Advisories

Level 4 – Do Not Travel

- Afghanistan
- Central African Republic
- Iraq
- Burundi
- Belize
- Turkmenistan
- Yemen
- Venezuela
- The Kyrgyz Republic
- Bahamas
- Tajikistan
- Syria
- South Sudan
- Somalia
- Saudi Arabia
- Sao Tome and Principe
- Russia
- Peru
- Panama
- Pakistan
- Oman
- North Korea
- Nicaragua
- Namibia
- Mongolia
- Mexico
- Mali
- Malawi
- Libya
- Kosovo
- Kazakhstan
- Iran
- Indonesia
- India
- Honduras
- Haiti
- Guyana
- Guatemala
- French Guiana
- Ethiopia
- Eswatini
- El Salvador
- Egypt
- Dominican Republic
- Cuba
- Costa Rica
- Colombia
- Burkina Faso
- Brazil
- Bolivia
- Bhutan
- Bangladesh
- Argentina
- China

Level 3 – Reconsider Travel

- Norway
- Pretty Much Everywhere Else
except a dozen Pacific islands, New Zealand and Antarctica

No Actual Outbound Travel Restrictions for Americans Leaving the USA

Travel Advisory Levels

- 1** Exercise normal precautions
- 2** Exercise increased caution
- 3** Reconsider travel
- 4** Do not travel

Support for Business

1. Paycheck Protection Program (PPP)

- Forgivable loan to cover payroll
- Requires business stay open
- 10 weeks of protection
- Closed August 8th

2. Economic Injury Disaster Loans (EIDL)

- Low interest loans for small businesses

3. Enhanced Unemployment

- Normal unemployment ~\$450/week
- Was +\$600/week extra unemployment
- Funding Expired 31 July
- Soon +\$300/week extra unemployment?

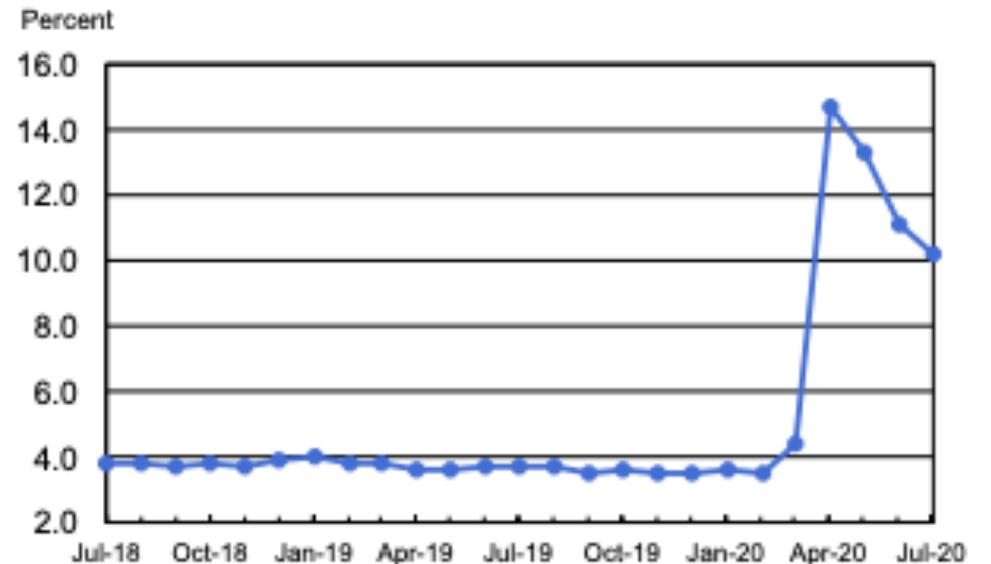
4. Stimulus Payment

- One-time \$1,200 payment for most Americans
- Unknown second round



U.S. Small Business
Administration

Chart 1. Unemployment rate, seasonally adjusted,
July 2018 – July 2020



16.3 Million Unemployed Persons (7 Aug data)

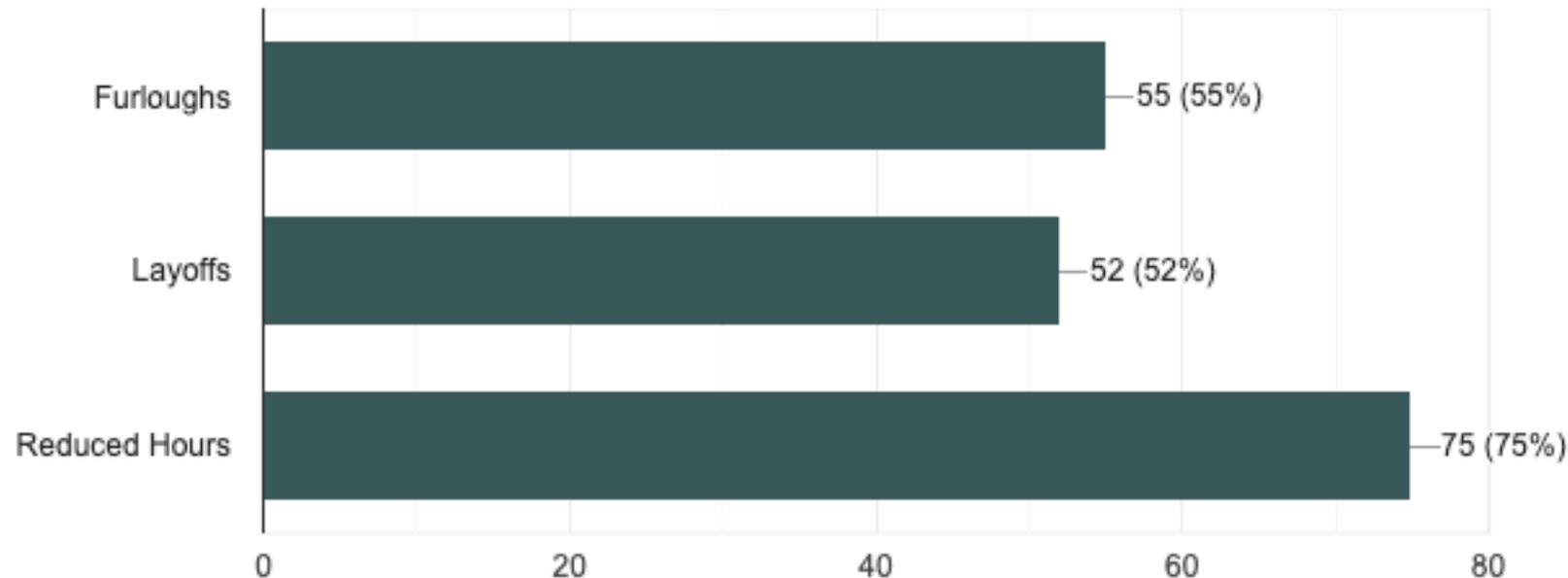
Market Insights



- Innovation Norway Market Survey
- MMGY Global Monthly Dataset
- TravelZoo Member Survey
- USTOA Active Member Survey
- USTOA Active Member Town Hall

Travel Trade Insights

86% of surveyed tour operators and travel agencies have had to enact some sort of cost-saving organization restructuring



Travel Trade Insights

- Long booking windows are now the norm, with travelers booking seven or more months in advance. Timeframes are even longer for international travel.
- More immediate travel is up slightly, rising from 10% to 16% booking North American travel for the next 30 days.
- The focus has shifted significantly toward domestic and outdoor vacations. Prior to the pandemic, domestic travel only made up about 16% of inquiries; today, it is close to 42%. This is a 163% increase.
- Travel advisors increasingly suggest that promotional offers would not impact their clients' decisions to book a trip.



In Their Own Words

- “Health is not a strategy. People are very willing to travel but it’s incumbent on us to do it well. What consumers want has not changed dramatically. Once travel is possible again, customers are looking to travel the way they did before.”
-Jeff Roy, Collette Vacations
- “Clients are looking for smaller, more intimate customized experiences with people who know each other.”
-Carol Dimopoulos, Perillo
- “There is huge pent-up demand that will be met once a vaccine is on hand or the situation is otherwise under control”
-John Hanratty, Avanti Destinations
- “Limited air service will be a problem even as things open up, as will increased fares. There will be more point-to-point itineraries and more open jaw travel as travelers use trains, cars and bicycles to get from place to place before returning by air from a different gateway.”
-Emma Cottis, Goway
- “Data shows increasing demand for sustainable travel and that suppliers should look to destinations like Switzerland and Denmark that handle sustainability well and consider responsibility as part of your platform.”
-Carol Dimopoulos, Perillo

Consumer Insights

- The Majority Are Likely to Travel Domestically Before a COVID-19 Vaccine Is Made Available to the Public
- While Only 26% Would Travel Internationally as Early as This Year, More Than Half Would Book a Future International Trip in 2020
- One in three would book an international trip in the next three months



MMGY GLOBAL

TRAVELZOO®

Consumer Insights

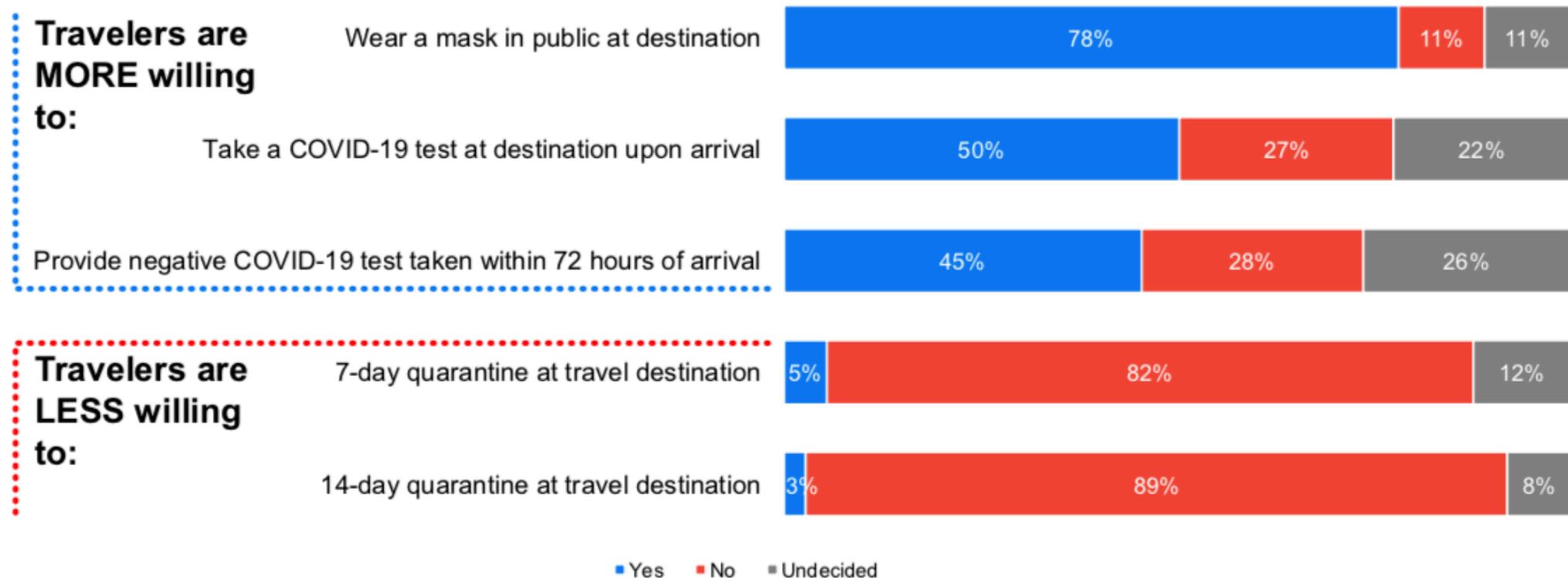
Above all, containing the virus will influence travel decisions (58%) versus the easing of travel restrictions (33%) or enticing travel deals (30%).

- Road tripping is still the primary narrative, as Americans are firm in their conviction that traveling by personal vehicle is the safest form of transportation. The safety barometer around this rose to 79, up 7 points from the previous wave.
- There has been only a slight uptick in perceptions of safety around hotels and vacation rentals. However, when compared to earlier spring and summer months, those numbers have gone up dramatically.
- Interest in outdoor experiences is up again, with traveler confidence reaching 58 points for visiting a state or national park and 51 points for going to the beach. This far outpaces interest in indoor events and indicates that upcoming travels will continue to incorporate open-air activities – including outdoor dining and entertainment.
- Where once free breakfast and fitness classes were considered premium amenities, today, travelers are seeking assurance that their accommodations are clean and safe, and the hotel industry has quickly shifted to promoting stringent sanitization protocols, low-touch interactions, and complimentary masks and hand sanitizers.

Travelers Are Increasingly Confident in the Safety of Outdoor Vacation Activities

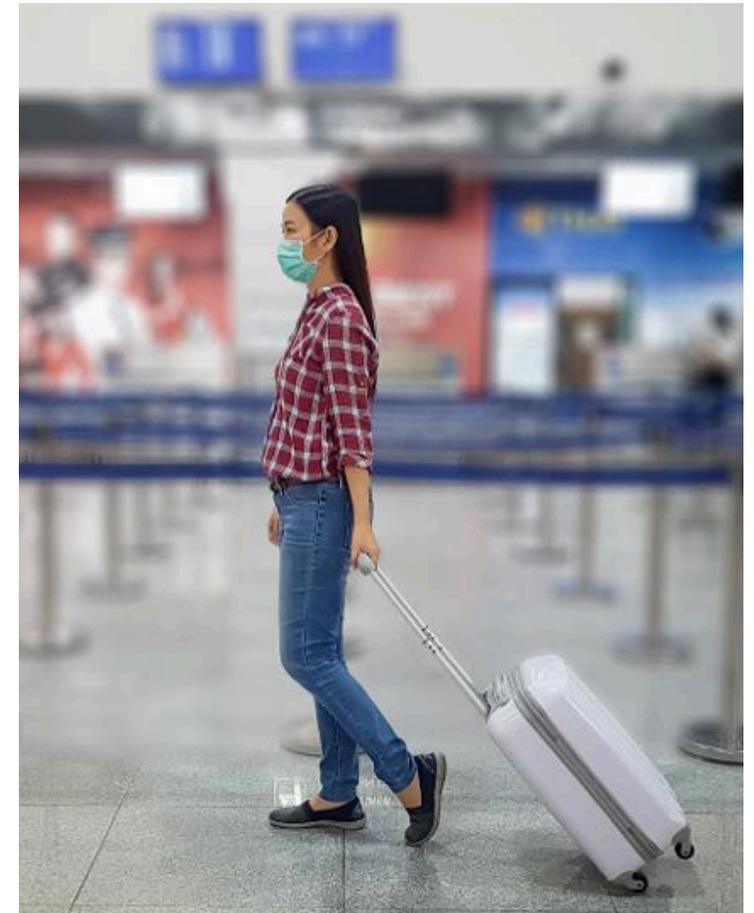


COVID-19 Testing & Quarantine Protocols Impact Travel Plans Differently



Some Advice

- North American travel trade are anxious. Make them feel confident in selling Norway and in your business's ability to serve them during this crisis.
- Articulate why Norway should be a priority destination right now.
- Understand the new normal, what clients are looking for and be proactive in both providing it and communicating it.



NTW North American Buyers

Established



SKAL JOURNEYS



EUROBOUND



Developing



New



Thank You

US Market Brief

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