TOURISM IN PRE-PANDEMIC TIMES

1.5 billion
INTERNATIONAL TOURISTS
International tourist arrivals in 2019 (10th consecutive year of sustained growth)

MILLIONS OF JOBS
With a high share of women (54% of the workforce) and youth

US$ 1.7 trillion
EXPORT REVENUES
• 3rd largest export category
• 50% of total exports for many small developing countries

GROWING FASTER THAN THE WORLD ECONOMY
Tourism is a key sector in many advanced and emerging economies

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THE IMPACT OF COVID-19 ON INTERNATIONAL TOURISM
2020

a timeline marked by closures

- **23 JANUARY**: Wuhan lockdown
- **30 JANUARY**: WHO declares the outbreak a global health emergency
- **11 MARCH**: WHO declares the outbreak a pandemic
- **20 APRIL**: 100% of worldwide destinations have introduced travel restrictions
- **1 NOVEMBER**: 27% of all destinations worldwide keep their borders completely closed for international tourism
INTERNATIONAL TOURIST ARRIVALS
JANUARY–DECEMBER

WORLD
2019: 1.5 BILLION (+4%)
2020: 381 MILLION (-74%)

AMERICAS
2019: 219 MN (+1%)
2020: 69 MN (-69%)

EUROPE
2019: 746 MN (+4%)
2020: 221 MN (-70%)

AFRICA
2019: 70 MN (+2%)
2020: 18 MN (-75%)

MIDDLE EAST
2019: 65 MN (+8%)
2020: 16 MN (-75%)

ASIA & THE PACIFIC
2019: 360 MN (+4%)
2020: 57 MN (-84%)

SOURCE: WORLD TOURISM ORGANIZATION (UNWTO), JANUARY 2021
Unprecedented fall of international tourism
INTERNATIONAL TOURIST ARRIVALS (MILLIONS)

SARS EPIDEMIC (2003)
-2 MILLION
-0.4%

GLOBAL ECONOMIC CRISIS (2009)
-37 MILLION
-4.0%

COVID-19 PANDEMIC (2020)
-1.1 BILLION
-74%

(1990 LEVELS)

* Data for 2020 is preliminary and based on estimates for countries which have not yet reported results.

SOURCE: VARIOUS (SEE INDICATOR)

JANUARY 2021

(e) Estimate
IMPACT OF COVID-19 ON INTERNATIONAL TOURISM 2020

INTERNATIONAL TOURIST ARRIVALS, 2020

RESULTS AND SCENARIOS

Note: These scenarios are not forecasts. They represent alternative monthly % change in arrivals based on the gradual opening of national borders and lifting of travel restrictions on different dates, (published in May 2020)

* Actual data is preliminary and based on estimates for countries which have not yet reported full-year results.

MAY 2020 SCENARIOS

SCENARIO 1: -58%
SCENARIO 2: -70%
SCENARIO 3: -78%
ACTUAL DATA: -74%

ANNUAL CHANGE

0 -1 -16 -64 -91 -80 -77 -79 -83 -88 -85

JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC

LOSS OF 1 billion INTERNATIONAL TOURIST ARRIVALS
LOSS OF US$1.3 trillion IN TOURISM EXPORTS
11xs THE INCOME LOSS OF THE 2009 ECONOMIC CRISIS

INTERNATIONAL TOURIST ARRIVALS, 2020

-74% LOSS OF INTERNATIONAL TOURIST ARRIVALS
-1 billion

LOSS OF INTERNATIONAL TOURIST ARRIVALS
-74%

THE INCOME LOSS OF THE 2009 ECONOMIC CRISIS

11xs

US$1.3 trillion

Note: These scenarios are not forecasts. They represent alternative monthly % change in arrivals based on the gradual opening of national borders and lifting of travel restrictions on different dates, (published in May 2020)

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SOURCE: WORLD TOURISM ORGANIZATION (UNWTO) JANUARY 2021

JANUARY 2021
International tourism back to levels of 30 years ago

-74% International tourist arrivals

International tourism could plunge to levels of 1990s

Loss of international tourist arrivals 1 billion

Loss in export revenues from international tourism US$ 1.3 trillion

Estimated loss in global GDP over US$ 2 trillion

100-120 million direct tourism jobs at risk
SELECTED TOURISM INDICATORS 2020

(CHANGE, %)*

*change correspond to the period January through December 2020. All indicators refer to % change compared to last year whereas Occupancy and Travel Sentiment refer to the average value throughout 2020.

TRAVEL SENTIMENT - TCI RESEARCH
SHORT-TERM RENTALS - AirDNA
HOTEL BOOKINGS - SOJERN
HOTEL SEARCHES - SOJERN
OCCUPANCY RATES - STR
ACTUAL AIR RESERVATIONS - FORWARDKEYS
SEAT CAPACITY - INTERNATIONAL - ICAO
SEAT CAPACITY - DOMESTIC - ICAO
INT. TOURIST ARRIVALS - UNWTO

SOURCE: VARIOUS (SEE INDICATOR)
JANUARY 2021
LOOKING AHEAD
2021–2024 SCENARIOS

2 ½ TO 4 YEARS TO RECOVER 2019 LEVELS

INTERNATIONAL TOURIST ARRIVALS

SOURCE: WORLD TOURISM ORGANIZATION (UNWTO)

* Actual data for 2020 is preliminary and based on estimates for countries which have not yet reported results.
Most tourism experts do not expect international tourism to return to pre-COVID levels before 2023.
What are the main factors weighing on the recovery of international tourism?

- Travel restrictions: 80%
- Slow virus containment: 60%
- Economic environment: 40%
- Lack of coordinated response among countries: 40%
- Low consumer confidence: 20%
- Slow flight resumption: 10%
- Other: 0%

Source: UNWTO Panel of Experts survey, UNWTO World Tourism Barometer, January 2021
Progressive decline in number of completely closed destinations

Share of destinations with complete closure of borders, by region, 2020 (%)
(% of region’s arrivals)*

*Shares calculated in terms of 2019 international arrivals

Source: UNWTO

E.g. European destinations with complete closure on 1 Nov. represent 3% of region’s arrivals.
WHAT HAS CHANGED?
Domestic tourism has shown positive signs in many markets since people tend to travel closer. Travellers go for 'staycations' or vacations close to home.

Health & Safety measures and cancellation policies are consumers' main concerns.

Closer

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Get away

Nature, Rural Tourism and Road Trips have emerged as popular travel choices due to travel limitations and the quest for open-air experiences.

New concerns

Health & Safety measures and cancellation policies are consumers' main concerns.

Last minute

Last-minute bookings have increased due to volatility of pandemic-related events and the travel restrictions.
Changes in traveller behaviour in times of COVID-19

- short-lived trends or here to stay? -

Younger travellers most resilient

Change in demographics:

travel recovery has been stronger among younger segments. 'Mature' travellers and retirees will be the most impacted segments.

More responsible

Sustainability, authenticity and localhood:

travellers have been giving more importance to creating a positive impact on local communities, increasing looking for authenticity.