Louisiana Travel

COVID-19 Forecast and Planning
As of: March 25, 2019

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Young Strategies, Inc.

The opinions, timeline, phases and forecasts herein are expressed by Berkeley Young and do not reflect the position of any travel industry association, business or affiliation. Each destination should form a forecast based on their unique market conditions.
3 big things happened in the last 48 hours

Effectively, we’d ‘reboot’ our society in two or perhaps more weeks from now. “The rejuvenating effect on spirits, and the economy, of knowing where there’s light at the end of this tunnel would be hard to overstate. Risk will not be zero, but the risk of some bad outcome for any of us on any given day is never zero.”

By Thomas L. Friedman
Opinion Columnist
Runners pace themselves based on the length of the race to the finish line.

We must set a goal/finish line and work toward it, replace fear with optimism!

Memorial Day is a reasonable goal for some travel segments to be returning to normal

Let’s work toward having a good summer leisure travel season

Start rebooking group business in late April and May

Berkeley’s Louisiana Forecast

(I’ll take the blame if I’m wrong)

Every state, every destination is different. Make your decisions based on your destination’s market conditions.
As of today...

Cumulative total number of COVID-19 cases in the United States by report date, January 12, 2020, to March 24, 2020, at 4pm ET (n=54,453)*

<table>
<thead>
<tr>
<th>Date</th>
<th>02/26/2020</th>
<th>02/27/2020</th>
<th>02/28/2020</th>
<th>02/29/2020</th>
<th>03/01/2020</th>
<th>03/02/2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>15</td>
<td>16</td>
<td>16</td>
<td>24</td>
<td>30</td>
<td>53</td>
</tr>
<tr>
<td>03/03/2020</td>
<td>80</td>
<td>98</td>
<td>164</td>
<td>214</td>
<td>279</td>
<td>42</td>
</tr>
<tr>
<td>03/09/2020</td>
<td>647</td>
<td>937</td>
<td>1215</td>
<td>1629</td>
<td>1896</td>
<td>2234</td>
</tr>
<tr>
<td>03/15/2020</td>
<td>3487</td>
<td>4226</td>
<td>7038</td>
<td>10442</td>
<td>15219</td>
<td>18747</td>
</tr>
</tbody>
</table>
As of today…

States Reporting Cases of COVID-19 to CDC*

Reported Cases
(last updated March 24, 2020)
- None
- 6 to 50
- 51 to 100
- 101 to 500
- 501 to 1000
- 1001 to 5000
- 5001 or more
Berkeley’s Forecast – 3 Phases

Phase 1 – WTF?
March 30 (next week)
2 weeks: Quarantine

Phase 2 – Riding Out the Storm
April 1 – April 21
3 weeks: Quarantine

Phase 3- Turning the Corner
Starts the day the number of cases stabilizes

Every state, every destination is different. Make your decisions based on your destination’s market conditions.
MAR 9 - First case of COVID-19 reported in Louisiana (Orleans Parish)

MAR 11 - WHO declares the COVID-19 outbreak a pandemic

MAR 13 - A US national emergency is declared over the COVID-19 outbreak

MAR 11 - President Trump bans all travel from 26 European countries

MAR 19 - Nearly all US states declare a state of emergency

MAR 23 - About 1 in 3 Americans are under lockdown as 12 states issue stay-at-home orders

FEB 28 ITB Berlin canceled (March 4 - 8th)

APR 12 - Easter Sunday

Today

Every state, every destination is different. Make your decisions based on your destination's market conditions.
Berkeley’s Forecast – 3 Phases

Phase 1 – WTF?
March 30 (next week)
2 weeks: Quarantine

- Crisis assessment and planning
- Still trying to figure out what is happening
- No idea how long this could last
- Economic panic
- How to adapt to the situation.
- Working and staying at home
- Managing board & hotelier expectations
- Layoffs & furloughs
- Government assistance
- Adjusting our budgets & plans
- Assisting our industry
- Lodging segmentation analysis
- The story changes daily

Phase 2 – Riding Out the Storm
April 1 – April 21
3 weeks: Quarantine

- Settled-in to the new routine
- Communications in-market
  - Businesses & residents
  - Educational training
  - Local PR
- Start planning for the recovery and getting people to travel again
- Start checking travel sentiment
- Increase external social media
- Virtual travel for shut-ins
- PR with travel media to talk about travel as therapy to relieve the stress.
- Allocate reserve funds to ramp up advertising to lure travelers back.
- Plan with your ad partners.
- Planning to rebook lost group business.

Phase 3- Turning the Corner
Starts the day the number of cases stabilizes

- Stock market will surge
- Some areas with low cases getting out of quarantine
- People can start planning to go back to work and public gatherings can be rescheduled.
- Time to market your destinations and start booking travel.
- Shut-ins eager to GET OUT!
- Major push to rebook lost group business.

Every state, every destination is different. Make your decisions based on your market conditions.
### Know Your Market’s Lodging Segmentation

<table>
<thead>
<tr>
<th>2018</th>
<th>Market Segmentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>69.1%</td>
<td>Individual Business/Government/Skilled Worker Travelers</td>
</tr>
<tr>
<td>48.2%</td>
<td>Business &amp; government travelers (individuals)</td>
</tr>
<tr>
<td>20.9%</td>
<td>Skilled workers (long-term labor-construction, energy)</td>
</tr>
<tr>
<td>15.5%</td>
<td>Groups / Conferences / Meetings</td>
</tr>
<tr>
<td>6.1%</td>
<td>Conferences / Meetings</td>
</tr>
<tr>
<td>3.2%</td>
<td>Team Sports &amp; Tournaments</td>
</tr>
<tr>
<td>3.2%</td>
<td>Group Tour / Motorcoach</td>
</tr>
<tr>
<td>3.0%</td>
<td>Wedding / Reunion / Family events</td>
</tr>
<tr>
<td>12.5%</td>
<td>Individual Leisure Travelers</td>
</tr>
<tr>
<td>12.5%</td>
<td>Tourists visiting the area (local attractions, shopping, events, visiting friends/relatives, etc.)</td>
</tr>
<tr>
<td>2.9%</td>
<td>Other</td>
</tr>
</tbody>
</table>

- Lodging guest segmentation from two Parishes in South Louisiana
- Very different markets in close proximity
- These don’t have casinos, casino markets will be differ greatly
- Different recovery strategies for each of these DMOs
- Survey your hotels to find out their segmentation prior to Covid-19
- Develop a strategy for each segment focusing on drive leisure market 1st.

#### 2017 Market Segmentation

<table>
<thead>
<tr>
<th>Market Segmentation</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Transient</td>
<td>42.5%</td>
</tr>
<tr>
<td>Group / Conference / Meeting</td>
<td>27.7%</td>
</tr>
<tr>
<td>S.M.E.R.F (Social, Military, Educational, Religious, Fraternal)</td>
<td>8.7%</td>
</tr>
<tr>
<td>Conferences / Meetings</td>
<td>7.0%</td>
</tr>
<tr>
<td>Association</td>
<td>5.2%</td>
</tr>
<tr>
<td>Team Sports</td>
<td>4.8%</td>
</tr>
<tr>
<td>Group Tour / Motorcoach</td>
<td>2.0%</td>
</tr>
<tr>
<td>Leisure transient – (visiting attractions, shopping, visiting friends &amp; relatives, etc.)</td>
<td>24.3%</td>
</tr>
<tr>
<td>Other</td>
<td>5.5%</td>
</tr>
</tbody>
</table>

Every state, every destination is different. Make your decisions based on your destination’s market conditions.
Step 1:
Start by accessing your lodging inventory and gathering contact information for each property.

Step 2:
Talk to a mix of your hoteliers to determine the market segments that drive room nights in your destination. Edit the table below to reflect your market’s segments.

<table>
<thead>
<tr>
<th>Market Segmentation</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Category 1 - Transient</strong></td>
<td></td>
</tr>
<tr>
<td>Leisure Transient - (visiting attractions, shopping, visiting friends &amp; relatives, passing through, etc.)</td>
<td>%</td>
</tr>
<tr>
<td>Business Transient – (individual business travelers - non group)</td>
<td>%</td>
</tr>
<tr>
<td>Skilled Workers – (commercial, construction laborers, etc.)</td>
<td>%</td>
</tr>
<tr>
<td><strong>Category 2 - Groups / Conferences / Meetings</strong></td>
<td></td>
</tr>
<tr>
<td>Conferences / Meetings</td>
<td>%</td>
</tr>
<tr>
<td>Team sports / tournaments</td>
<td>%</td>
</tr>
<tr>
<td>Wedding / Reunion / Family Events</td>
<td>%</td>
</tr>
<tr>
<td>Group Tour / Motorcoach</td>
<td>%</td>
</tr>
<tr>
<td>Other</td>
<td>%</td>
</tr>
<tr>
<td>Other (please specify):</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL (SUM of ALL percentages must total to 100%)</strong></td>
<td>%</td>
</tr>
</tbody>
</table>

Step 3:
Create an online survey (using SurveyGizmo for example) with a table to send to hoteliers to complete (example below).

<table>
<thead>
<tr>
<th>Lodging Property Name:</th>
<th>Number of rooms:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Table completed by:</td>
<td>Contact phone:</td>
</tr>
</tbody>
</table>

Step 4:
Compile completed responses and weight the percentages by the room inventory at each property.
Some Industries Doing Okay?

You might have some industries that can book hotel rooms.
Who will start traveling to Louisiana?

- Truckers
- Essential business
- Construction labor (non crowding)
- Finance, insurance, medical, technical, utilities

Who will start traveling first?

- Leisure drive market (get me out of this house)
- Salary level managers and professionals
- People who worked throughout the quarantines

Next Wave

- Leisure fly market
- Summer leisure travel
- Casinos
- Summer team sports

After Memorial Day

Every state, every destination is different. Make your decisions based on your destination’s market conditions.
Thank you!

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