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# Pandemic (COVID-19) Implications: Recommendations for the Events and Tourism Industry

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#### Abstract

This article reviews the implications of the COVID-19 pandemic on the events and tourism industry. The negative impact of COVID-19 on hotel performance worldwide was identified. Also, the effect of shutdown for a short period was compared worldwide. The lesson learned identifies the events and tourism trends during a pandemic and ideas for the survival of the events and tourism industry during a pandemic. Recommendations were also drawn for events and tourism professionals for advancing virtual or hybrid meetings or events during a pandemic.

*Keywords:* COVID-19, Pandemic, Virtual Meeting and Event, Hybrid Meeting and Event, COVID-19 Prevention, COVID-19 Symptoms

### Introduction

Due to the advent of the COVID-19 pandemic, many hospitality and tourism businesses were closed or operating at a lower capacity than usual because to fear and the necessary prevention measures to curtail infection and death. As of the time this article was written, according to the John Hopkins University of Medicine COVID-19 Dashboard, 80.5 million people were infected, and 1.76 million people have died globally due to COVID-19 infection (<a href="https://coronavirus.jhu.edu/map.html">https://coronavirus.jhu.edu/map.html</a>, 2020). COVID-19 is a disease caused by the SARS-CoV-2 virus. This virus is mainly transmitted via people's respiratory droplets and contact. The transmission may also occur by handling materials or objects carrying infection around an infected person (WHO, 2020a).

The symptoms of COVID-19 vary from one person to another (WHO, 2020c). The most common symptoms of infected people include tiredness, dry cough, and fever. Some of the less common symptoms include aches and pains, discoloration of toes or fingers or rash skin, sore throat, loss of smell or taste, diarrhea, headache, and conjunctivitis (WHO, 2020c). Some of the serious symptoms of COVID-19 include loss of movement or speech, chest pain or pressure, and shortness of breath or difficulty breathing (WHO, 2020c). It takes an average of 5–6 days for an infected person to show symptoms of COVID-19. However, it may take up to 14 days (WHO, 2020c). Infected people with mild or moderate illness could recover without hospitalization. People with serious symptoms should seek immediate medical attention (WHO, 2020c).

# **COVID-19 Prevention Measures**

The best way to prevent COVID-19 illness is to avoid exposure to the virus (CDC, 2020; WHO, 2020b). According to the Center for Disease Control and the World Health Organization, some of the prevention measures include the following:

- Maintain at least six feet away from people (physical distancing), whenever possible.
- Wear a mask to cover your nose and mouth when around people.
- Wash your hands regularly with water and soap. If water and soap are not accessible, use a hand sanitizer with at least 60% alcohol content.

- Avoid crowded spaces and ventilate indoor spaces properly with outdoor air to a large extent as possible.
- Isolate from people and stay home if sick.
- Consistently clean and disinfect often touched surfaces.

Keeping the information above in mind, it is common knowledge that the hospitality and tourism industry worldwide will suffer the negative impact of COVID-19 prevention measures. This article aims to explore the implications of COVID-19 to the hospitality and tourism industry and provide recommendations for the industry's future.

In this article, the implications of COVID-19 on the events and tourism industry are discussed. This article focused on three main sections. The first section is entitled "The Implications of COVID-19 on the Hotel Sector"; it describes the negative impact of COVID-19 on hotel performance worldwide. Also, the effect of shutdown for a short period was compared worldwide. The second section is entitled "The Implications of COVID-19 on the Events and Tourism Industry". This section reveals the challenges and the economic impact of COVID-19 on the events and tourism industry. Section three: "Lesson Learned, Conclusions, and Recommendations from COVID-19"; identifies the events and tourism trends during a pandemic, ideas for the survival of the events and tourism industry during a pandemic. Recommendations were also drawn for events and tourism professionals.

# The Implications of COVID-19 on the Hotel Sector

The challenges of the hotel sector as a result of COVID-19 cannot be overemphasized. As of April 2020, the hotel sector has furloughed or laid off 70 percent of its employees (Gangitano, 2020). According to the American Hotel and Lodging Association (AHLA) report, full-service hotels that usually employ 50 employees (on average) now employ 14, while resort hotels that usually employ 90 employees (on average) now employ five (Gangitano, 2020). According to the STR report, hotel performances have shrunk worldwide at the end of the first quarter of 2020 (Steve Hood, Personal Communication, April 9, 2020). Based on the STR data, 2020 was the worst year for U.S. hotel performance on record.

## **Hotel Performance Indicators**

As of April 4, 2020, when the revenue per available room (RevPAR) due to COVID-19 was compared to the RevPAR due to the incidence of U.S. terrorism attack (9/11) of 2001 and the 2009 recession, the RevPAR due to COVID-19 (-81.6%) was the lowest as compared to RevPAR due to the incidence of U.S. terrorism attack (-38.0%) and 2009 recession (-25.3%). The RevPAR and the occupancy rates were very low compared to the previous year (see Table 1). The STR report of April 4, 2020, also indicated that around 133 events were canceled, and 250 were postponed due to COVID-19. The U.S. market key performance indicators (KPIs) showed a significant difference between 2020 and the previous year's group reservation occupancy rate (-94.8%). Similarly, there was a significant difference between 2020 and the previous year's group RevPAR rate (-96.7%) and Average Daily Rate (ADR) rate (-37.3%). The U.S. transient guest's performance indicators were also bad. There was a significant difference between 2020 and the previous year's transient guest's occupancy rate (-90.2%). Similarly, there

was a significant difference between 2020 and the previous year's transient guest's RevPAR rate (-94.0%) and ADR rate (-39.2%). The decline in occupancy was not limited to U.S. hotels. It was observed worldwide due to the pandemic of 2020 (see Table 2).

Table 1. Total U.S., RevPAR and Occupancy Rate Change

<b>Hotel Class</b>	RevPAR	Occupancy	<b>Hotel Segments</b>	RevPAR %	
	<b>%</b>	%			
Luxury Class	-93.4	9.1	Urban	-90.3	
Upper Upscale Class	-92.7	9.2	Suburban	-76.2	
Upscale Class	-84.6	15.8	Airport	-78.8	
Upper Midscale Class	-79.6	18.8	Interstate	-67.4	
Midscale Class	-69.4	24.5	Resort	-91.5	
Economy Class	-57.1	34.8	Small Metro/Town	-70.0	

STR Report as of April 4, 2020

Table 2. Global Hotel Occupancy (OCC) Rate Change Vs. Prior Year

Country	% OCC	Country	% OCC	Country	% OCC	Country	% OCC
	Change		Change		Change		Change
Czech Rep.	-96%	Kuwait	-85%	Oman	-75%	Cambodia	-62%
Italy	-96%	France	-84%	Belarus	-74%	Indonesia	-61%
Greece	-94%	Tunisia	-84%	Saudi	-74%	Myanmar	-61%
				Arabia			
Austria	-93%	Netherland	-84%	Egypt	-74%	Philippines	-60%
		S					
Lebanon	-92%	Switzerlan	-83%	Malaysia	-74%	Laos	-58%
		d					
Poland	-91%	Denmark	-83%	Kenya	-72%	Maldives	-56%
Romania	-91%	Germany	-83%	Main.	-72%	UAE	-54%
				China			
Israel	-91%	morocco	-80%	Ghana	-69%	Russia	-52%
Bulgaria	-91%	Sweden	-80%	Jordan	-68%	Singapore	-51%
Hungary	-90%	Finland	-79%	Tanzania	-68%	South	-50%
						Africa	
Serbia	-90%	Portugal	-78%	Japan	-68%	Australia	-47%
Belgium	-89%	Vietnam	-77%	Sri Lanka	-67%	Nigeria	-45%
Georgia	-86%	South	-77%	India	-67%	New	-44%
		Korea				Zealand	
Ukraine	-86%	Ireland	-77%	Thailand	-66%	Seychelles	-32%
Lithuania	-85%	Bahrain	-75%	UK	-63%	Qatar	-30%
Spain	-85%	Turkey	-75%	Ethiopia	-62%		

STR Report as of April 4, 2020

# The implications of COVID-19 on the Events and Tourism Industry

During the COVID-19 pandemic, the meetings and events sector has the following options:

- Cancel your meetings or events for the rest of the year
- Postpone or reschedule for smaller meetings or events that meet the CDC guidelines of physical distancing
- Postpone or reschedule your meetings or events for a better period of no infection
- Organize hybrid meetings or events (i.e., a live and virtual event at the same time)
- Plan all virtual (digital) event to replace the live event

Making a decision based on any of the above choices is not easy because of the economic impact and the number of internal and external stakeholders affected. Regardless, many organizations have no choice but to cancel or postponed their meetings or events. Some of the notable canceled or postponed events include the 2020 Olympic Games (Tokyo, Japan), the National Basketball Association (U.S.), the Kentucky Derby (U.S.), NASCAR (U.S.), the Indianapolis 500 (U.S.), the French Open, Chinese Grand Prix, Italy's Sporting Events, Iran's Sporting Events, the Cannes Film Festival (Cannes, France), St. Patrick's Day parades (Ireland), Glastonbury (Britain), the Rolling Stones tour of North America, the Walt Disney World Resort (Orlando, Florida), the Disney Cruise Line, the New York International Auto Show, Google I/O developer event, many businesses, and professional organizations conferences.

## Lesson Learned, Conclusions, and Recommendations

1. According to the STR report of April 4, 2020, physical distance or shutdown during a pandemic helps reduce the virus' spread. When China shutdown for two months, the country curtailed the incidence of COVID-19 and recovered slightly while the U.S. and Europe that did not follow China's example saw their hotel performance tumbled. Table 3 shows that China's occupancy rate increased by 15.2% after the pandemic was curtailed. This is an example of how consumer confidence in an organization's (destination's) control of the pandemic situation could enhance its performance.

Table 3. The Impact of Shutdown on Hotel Performance During Pandemic

Region	Occupancy Rate,	Occupancy Rate,	Difference
	February 1	April 4	
China	~15%	30.2%	+15.2
U.S.	~60%	21.6%	-38.4
Europe	~65%	7.7%	-57.3

- 2. In a study by the Professional Convention Management Association (PCMA) with 1,776 respondents, the following are evident (PCMA Convene, 2020):
  - 87 percent of respondents have canceled meetings/events
  - 66 percent have postponed meetings/events
  - 70 percent have moved their face-to-face event fully or partially to a virtual platform

- 3. The future of meetings and events would include a lot of virtual events. Many meetings that don't require networking experience (e.g., Staff Meetings, Advisory Board Meetings, Board of Directors Meeting, Employment Interviews, etc.) would be moving to virtual meeting platforms.
- 4. When planning face-to-face or hybrid meetings or events during a pandemic, a duty of care is critical to protect attendees. The event professionals may consider a sponsor for duty of care (healthcare and wellness). The need for sanitization in various location of the meeting or events venue, the possibility of an in-house physician(s) depending on the size of the meeting or event, app health check or temperature check, different entrance and exit doors for safety measures, signs to remind and inspire attendees to follow CDC or WHO guidelines (e.g., wear a mask, physical distance, etc.), and the use of transparent barriers between suppliers and buyers during a one-on-one meeting.
- 5. The marketing and promotion of the event during a pandemic have to be very innovative. It is critical to utilize a customer-centric marketing campaign. A customer-centric marketing campaign uses distinguished messages and actions to ensure the customers are getting exactly what they want. It is critical to promote the meeting's or event's duty of care to assure potential attendees' safety.
- 6. If possible, use influencers to promote and inspire people to the meeting or event.
- 7. Regarding virtual or hybrid meeting or event program, plan to create a fantastic experience as much as possible. Virtual meetings or events would require a lot of time to design and produce. In some cases, the virtual event would need more time to plan and execute than a face-to-face meeting or event.

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