



WYSE TRAVEL
CONFEDERATION

COVID-19 TRAVEL BUSINESS IMPACT SERIES

MAY 2020

*Marketing youth travel in the shadow
of global crisis*

*Increased focus on visa regulations
and collaboration for youth travel to
survive the COVID-19 crisis*

*Outlook worsens and financial aid is
not the only investment governments
should make to help travel and
tourism*



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Young travellers are vital to the travel industry and travel is imperative to a connected, open and peaceful world. In light of the current COVID-19 pandemic and the crisis that it has brought upon our industry, WYSE Travel Confederation is concerned about the future of youth and student travel and the organisations that serve the unique interests and needs of young travellers.

Travel and tourism was an industry growing faster than global GDP. In 2019, the youth travel segment generated tourism receipts for destinations worth approximately USD 330 billion. Twenty-three percent of the world's international arrivals were young travellers under the age of 30. They were holidaymakers, but also international students, au pairs, interns and overseas volunteers and teachers, immersive language learners, cultural exchange programme participants, backpackers, flashpackers, digital nomads and a lot in between.

This report provides a summary of survey results from May 2020. Data for this report were collected between 1-11 May 2020 by WYSE Travel Confederation via a web-based questionnaire (in English). The survey was the third in a series titled COVID-19 Travel Business Impact Survey. The third iteration of the survey attracted 448 responses from 71 countries. Three-hundred and forty-seven responses were retained for analysis. Respondents included organisations specialised in youth travel products as well as those representing mainstream travel products, members and non-members of the association.

STUDENT TRAVEL

2

Foreword

4

Marketing youth travel in the shadow of global crisis

12

Increased focus on visa regulations and collaboration for youth travel to survive the COVID-19 crisis

18

Outlook worsens and financial aid is not the only investment governments should make to help travel and tourism

Marketing youth travel in the shadow of global crisis



Marketing has obviously been on the back burner for many travel and tourism businesses during the COVID-19 pandemic because travel has been widely restricted. The decision of businesses to de-prioritise or make significant cuts to marketing over the last three months has been picked up by WYSE Travel Confederation’s COVID-19 Travel Business Impact Survey. Such a decision during a period of crisis makes sense as a cash preservation strategy. This strategy was also seen during the global economic downturn of 2008–2010. Here we consider whether we can learn anything from the past about the point at which youth travel businesses should start investing in marketing amidst a crisis and what other actions make good business sense alongside marketing.

We take a look back at data collected by WYSE Travel Confederation on youth travel during the global financial crisis of 2008–2010 to review what we learned then and to consider what the trajectory of recovery could be for youth travel organisations as COVID-19 travel restrictions start to ease.

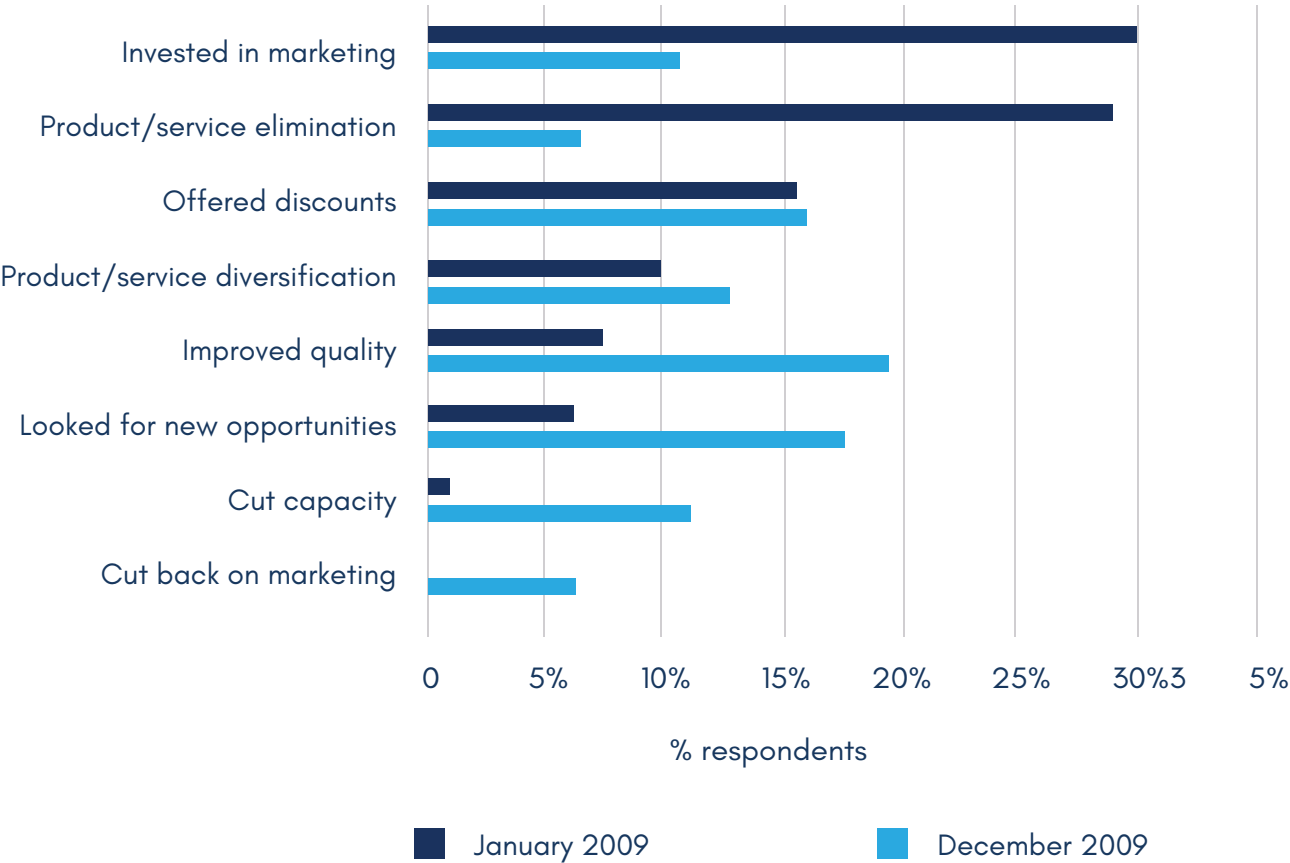
The growth of international tourism and youth travel

International travel experienced ten consecutive years of growth following the global economic crisis of 2009, according to UNWTO. Up until 2020, international travel grew on average 5% per year in terms of number of arrivals and strong growth was also recorded in the youth travel segment, the global market of travellers aged 15 to 29. In 2015, UNWTO and WYSE Travel Confederation reviewed the youth travel segment as a proportion of the global travel marketplace and together concluded that

the youth travel segment had grown from 20% to at least 23% of international arrivals.^[1] Marketing youth travel during a global economic crisis

At the start of 2009 as the economic downturn set in globally, WYSE Travel Confederation’s Youth Travel Industry Monitor found that about 30% of youth travel businesses were still investing in marketing activities despite a streamlining of product (28%) taking place at the same time. ^[2] By the end of 2009, about 12% of youth travel businesses were investing in marketing but improving quality (18%) and finding new opportunities (17%) also entered the mix to build successful survival strategies to make it to the other side of the crisis.

Actions taken in response to the global economic crisis (2009)



Source: Youth Travel Industry Monitor 2008–2010, WYSE Travel Confederation

During the 2008–2010 financial crisis, certain sectors of youth travel experienced greater drops in demand than others. However, overall, most of youth travel fared well over the duration of the financial crisis. For example, hostels and other forms of youth travel accommodation were hit hard early on, but over the course of the crisis hostel demand recovered more quickly than did demand for hotels, likely due to cost-conscious travellers. Work experience and internships suffered from a lack of placements and tightening of visa regulations, but by the end of 2009 this sector had experienced less than a 5% decrease in demand. Au pair, language travel programmes and insurance products all experienced growth in 2009. Over the course of 2009 costs rose by 3% on average for youth travel organisations.

The greatest negative influence on youth travel businesses during 2009 was considered to be consumer uncertainty. The perceived uncertainty of consumers may have led to increased marketing as 70% of organisations reported that they were planning to spend more on marketing in 2010. It could also have been that signs of general economic recovery were becoming clear and new investments in marketing made sense in order to take advantage of early growth in demand. These investments would reportedly be directed to website development and direct communications with consumers. At the time in 2009, online advertising and social media were certainly not the developed marketing and communication channels that they are today nor were they the main focus of marketing spend for youth travel businesses. Online Travel Agents (OTAs) and sites offering reviews and other user-generated content were also not as highly developed as marketing channels as they are today. There were clear indications in 2009 that digital media advertising had already surpassed print media advertising in importance for youth travel businesses and that it was also gaining ground on trade shows and industry events.

Partnerships, followed by marketing, were considered the biggest positive influences on youth travel business over the whole of 2009. This perhaps suggests why most youth travel organisations surveyed said they planned to attend trade shows and industry events and more than 50% of respondents indicated they would attend at least four such events in 2010. As mentioned earlier, by the end of 2009 youth travel businesses were utilising a mix of marketing (12%), new opportunities

(17%), and quality improvement (18%) as a survival strategy. Improving quality was likely a pre-requisite for solid partnership development. New opportunities to bring product to market were likely identified through partnerships and participation in industry events.

Marketing youth travel in 2020 during COVID-19

It is understandable that marketing during the COVID-19 pandemic has taken on low importance to businesses because most consumers are simply not allowed to travel. In contrast to the global economic crisis in 2009, the lockdowns of the COVID-19 crisis of 2020 have offered ‘time to kill’, which seems to have pushed businesses to identify new partners and opportunities much earlier. Even so, the three-pronged partners-opportunities-marketing approach to survival might be similar for businesses as travel restrictions loosen in the coming months and



companies begin to add marketing to their overall business development again.

Since the start of the COVID-19 Travel Business Impact Survey in March, the most frequent action taken by travel companies has been to modify cancellation policies and

terms & conditions. As of May there were more moves to cut capacity and diversify product offering. Very few respondents increased capacity or prices, but there are some signs that capacity is being added in anticipation of easing of travel restrictions. It also appears that the number of actions being taken overall is growing as the crisis deepens. More businesses are now forming new partnerships in attempts to weather the storm.

Top actions (% listing in top 3)	March	April	May
Modified cancellation policies or terms & conditions	25 %	30 %	39 %
Reduced capacity	9 %	22 %	28 %
Product/service diversification	11 %	12 %	22 %
Reduced marketing	7 %	17 %	16 %
Modified target markets	13 %	7 %	13 %
Increased marketing	11 %	8 %	12 %
Reduced prices	10 %	7 %	11 %
Improved quality	6 %	8 %	11 %
Formed new partnerships	6 %	5 %	11 %
Product/service elimination	7 %	15 %	10 %
Increased capacity	0.8 %	1 %	4 %
Increased prices	0.8 %	0 %	1 %

Source: COVID-19 Travel Business Impact Survey, March-May 2020, WYSE Travel Confederation

Economic uncertainty, travel restrictions, political uncertainty and employment topped the business concerns in May for both the short- and long-term. Short-term concerns about visa regulations rose notably in May. Marketing was the least important of short-term concerns for businesses in May.

Ranking of short-term business concerns, March-May 2020			
Rank	March	April	May
1	Economic uncertainty	Economic uncertainty	Economic uncertainty
2	Travel restrictions	Travel restrictions	Travel restrictions
3	Employment	Employment	Employment
4	Political uncertainty	Placement availability	Political uncertainty
5	Exchange rates	Political uncertainty	Visa regulations
6	Pricing	Exchange rates	Placement availability
7	Marketing	Marketing	Pricing
8	Visa regulations	Staffing	Staffing
9	Staffing	Pricing	Exchange rates
10	Placement availability	Visa regulations	Marketing

Source: COVID-19 Travel Business Impact Survey, March-May 2020, WYSE Travel Confederation

What will be different for youth travel during COVID-19?

For the short term, travel businesses perceive a consumer confidence problem that can be addressed through marketing. Many travel and tourism businesses are now developing messaging around health, safety and quality standards to communicate to consumers in order to re-build confidence in travel. Similar efforts to encourage booking with flexible change and cancellation policies have already been made by companies. Unlike in 2009, these efforts represent pre-requisite investments in marketing (time and cost) and the possibility for businesses to find new opportunities with partners. WYSE Travel Confederation's COVID-19 Travel Business Impact Survey findings suggest that youth travel businesses have already acted quickly to identify new opportunities and partners that will complement their marketing initiatives once travel starts to resume.

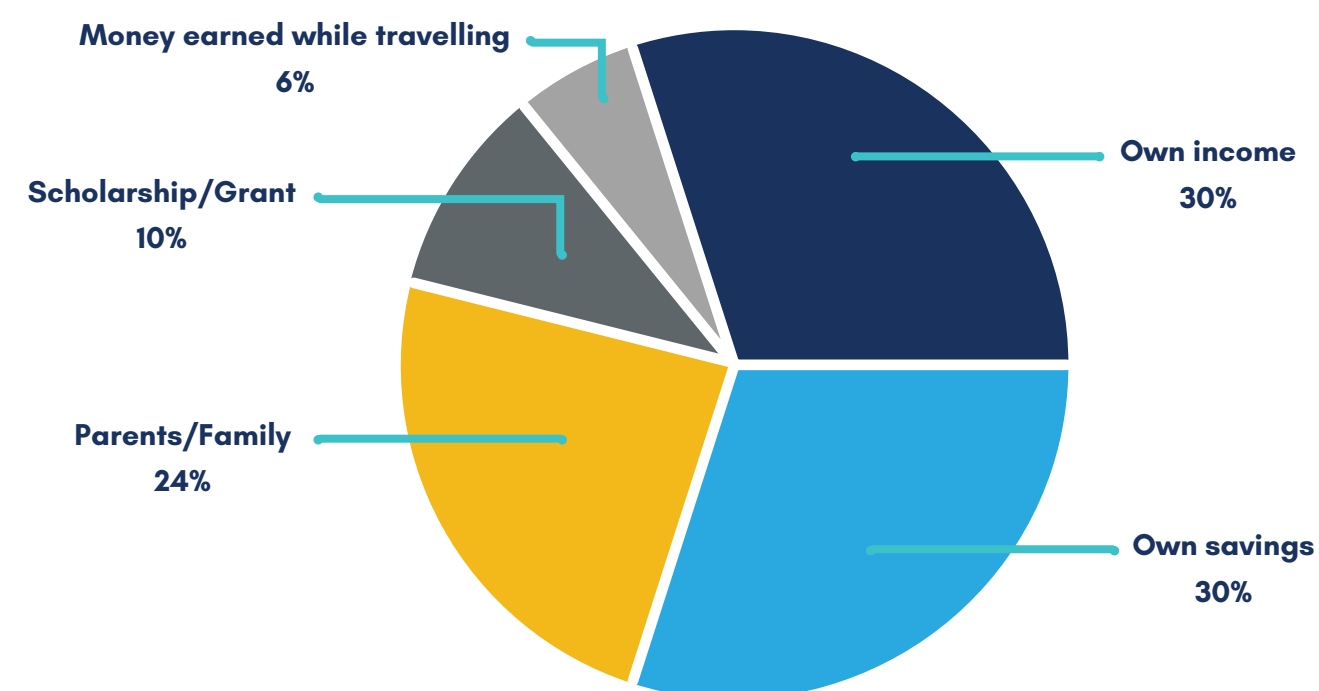
However, COVID-19 is not a marketing problem. COVID-19 is a global health crisis. Not only has it triggered a global economic crisis, it is also becoming wrapped up in a crisis of civil rights as unrest increases in the USA and other countries around the world. The positive and negative effects of global and local mobility have been stark and painful during the pause caused by the pandemic. These effects have been environmental, health-related, social, cultural, economic and political and will likely continue to present challenges and opportunities for all travel and tourism

businesses.

The economic crisis brought on by COVID-19 will have an impact on funds available to youth for the purpose of international travel and education. While there is no doubt there will be 'pent up demand' for exploration and discovery through travel, youth travel is funded by a mix of sources and those sources are at risk during an economic crisis.

On average, an international youth trip relies on parents/family to fund 24% of the total cost and the traveller her/himself generally covers 60% of the cost. The remaining 16% may come from sources such as scholarships, grants or money earned while travelling, such as through a working holiday or work & travel scheme. With entire industries at a stand-still and forced to lay off staff and unemployment at all-time highs, it is reasonable to expect that families will have less to contribute to leisure and educational travel for their children. With fewer jobs available, it is also reasonable to expect that young travellers will not have the same level of economic independence and therefore not be able to save as much of their own earned income for travel. Furthermore, opportunities that combine international cultural exchange and the possibility to earn a small amount of money while abroad may also become scarce as fewer placements for work experience, internships, or research become available within host companies and educational institutions. Visa regulations and funding for such programmes may also tighten.

Trip funding sources for youth travellers

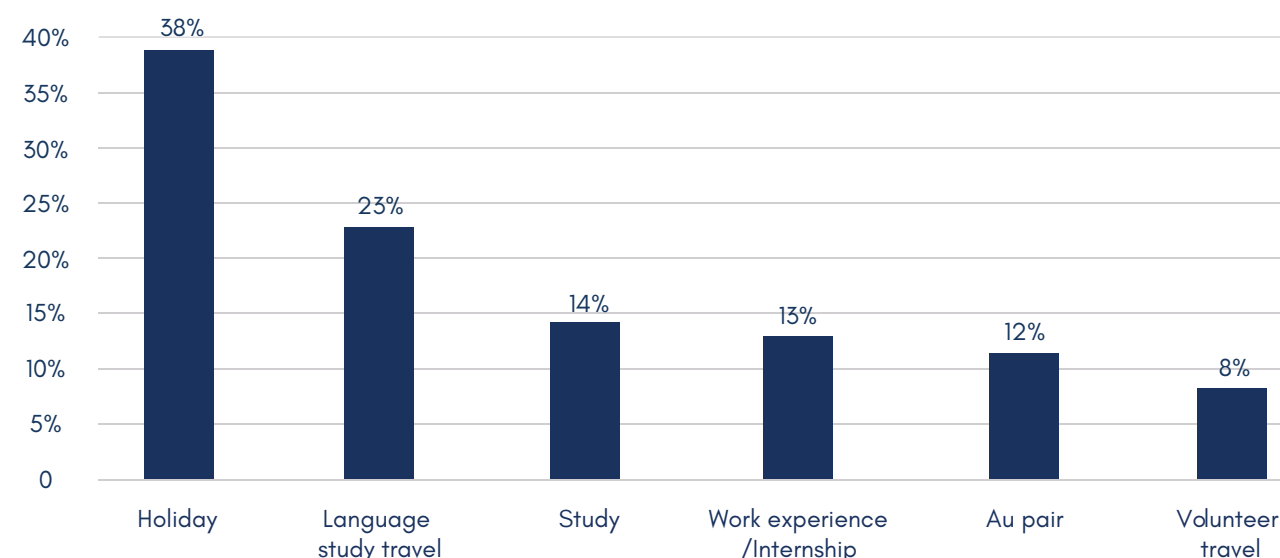


Source: New Horizons IV: A global study of the youth and student traveller, July 2018, WYSE Travel Confederation

As the above scenario illustrates, youth travel is not just leisure travel.^[3] Actually, less than 40% of international trips taken by travellers age 29 or younger are leisure trips. Most other international trips taken by youth are related to education and cultural exchange or a combination of the two with leisure. Lower levels of mobility for international educational travel and cultural exchange mean that destinations and their local economies will not benefit from the business generated by the secondary travel and tourism that long-stay youth travellers and the visiting family and friends of these travellers bring to host destinations. This will leave accommodation, hospitality, attractions, retail and many other services to rely on business from local and regional visitors.



Trip purpose of youth travellers



Source: New Horizons IV: A global study of the youth and student traveller, July 2018, WYSE Travel Confederation

Hostels and other types of youth travel accommodation that operate largely with shared, communal spaces face greater recovery challenges than hotels and other providers of private accommodation. As a result, hostels may be slower to recover than they did during the global financial crisis in 2009.

Online Travel Agents (OTAs) and Google will likely develop new services for suppliers and consumers in attempts to recover from mass cancellations brought on by COVID-19 and re-invigorate traveller confidence. These have so far come in the form of limited marketing credits and commission reductions for suppliers. However, Google is reportedly experimenting with a pay-per-stay product and a network of large travel brands have partnered with Booking.com and Trivago to form the COVID Travel Alliance to offer the COVID-19 Travel Database, “a free access database to support the travel industry through the reopening period, providing a single data source for travellers in a period of low travel confidence.”

Exhibitions, conferences and trade shows that connect international buyers and sellers of travel product have played an important role for the niche products and markets that form the youth travel industry. For the immediate future the events industry will be somewhat limited in its ability to offer the same experiences and opportunities for B2B trade as it did pre-COVID-19, which could affect the speed of recovery for some sectors. Trade associations and other industry networks have swiftly moved to adopt virtual events to fill the gap. However, with few possibilities for international arrivals while health risks continue to be managed within countries, trade opportunities will likely remain limited until global mobility resumes.

Youth travel recovery from the COVID-19 pandemic will be different from the economic downturn of 2008–2010 because the situation is much less predictable, and more adaptation is required. The physical restriction of mobility and the curtailing of leisure activities are radical ideas in advanced economies, the effects of which are still playing out. Once restrictions are lifted, travel and tourism businesses will hope for a fast rebound, but whether this is possible will depend on successfully managing public health risks and keeping the virus under control. This obviously requires large-scale collaboration, including from consumers,

and is a question of social responsibility and not only personal preservation. More broadly, a rift may develop between travellers who would like to use their personal leisure time to simply have fun and travellers who will be more conscientious about the places they choose to visit and the purpose and impacts of their travel. The participation of youth in the large-scale public protests against police brutality and racism amidst a global public health crisis illustrates the risks that some young people are willing to take for the social good and their potential as a force for meaningful change as travellers.

[1] Youth and student travellers age 15 to 29 represent 23% of international tourist arrivals, September 2015

[2] WYSE Travel Confederation, the global trade association of youth, student and educational travel organisations, conducted the Youth Travel Industry Monitor from December 2008 to March 2010 in response to the then economic crisis. The survey periodically measured the impact of the economic crisis on international travel organisations serving the youth market, tracking the business response amidst conditions of financial crisis. The purpose of the Youth Travel Industry Monitor was to help members of WYSE Travel Confederation to better understand the impact of the crisis on international travel trade, make informed decisions and develop business survival strategies. The survey was launched in December 2008, conducted quarterly throughout 2009 and completed at the end of Q1 2010.

[3] New Horizons IV: A global study of the youth and student traveller, July 2018, WYSE Travel Confederation.

Increased focus on visa regulations and collaboration for youth travel to survive the COVID-19 crisis



Concerns about visa regulations are on the rise while marketing has become the least of worries for travel businesses, according to findings of WYSE Travel Confederation’s May edition of the COVID-19 Travel Business Impact Survey^[1]. In their search for new sources of business, it appears that many are looking for new modes of collaboration, and respondents also expressed greater satisfaction with partner cooperation in May compared with April. Volunteer and educational travel businesses were the most satisfied with partner cooperation. The deepening crisis is reflected in rising requests for financial assistance, up from 28% of respondents in April to 43% of respondents in May. Business is also moving online, particularly in the education and language learning fields, and investment in online communication tools and employee training have risen, suggesting that businesses are adapting to new conditions of operation.

Concerns

Economic uncertainty, travel restrictions, political uncertainty and employment topped the business concerns in May for both the short- and long-term. While there does not seem to be much concern with marketing, issues such as visa regulations, placement availability and pricing hovered at the middle of the top ten concerns for travel businesses.

Ranking of top 10 business concerns, May 2020		
Rank	Short term	Long term
1	Economic uncertainty	Economic uncertainty
2	Travel restrictions	Travel restrictions
3	Employment	Political uncertainty
4	Political uncertainty	Employment
5	Visa regulations	Pricing
6	Placement availability	Placement availability
7	Pricing	Exchange rates
8	Staffing	Visa regulations
9	Exchange rates	Marketing
10	Marketing	Staffing

Over the three waves of the survey, there has been little change in both the top short- and long-term concerns for travel businesses. However, short-term concerns about visa regulations rose notably in May, whereas exchange rates became less of a concern. Marketing was the least important of short-term concerns for businesses in May.

Ranking of short-term business concerns, March-May 2020			
Rank	March	April	May
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8	Visa regulations	Staffing	Staffing
9	Staffing	Pricing	Exchange rates
10	Placement availability	Visa regulations	Marketing

Again, the long-term concerns have remained similar to short-term concerns and relatively stable across the three waves of the survey. Marketing, just as for the short-term, dropped down the list of long-term business concerns. This tendency to make significant cuts to marketing during financial crisis was also picked up during the global economic downturn of 2008 - 2010 by WYSE Travel Confederation’s Youth Travel Monitor survey. The nature of the COVID-19 pandemic is of course different than an economic crisis in that travel restrictions mean very few travellers to market travel products to. The importance of product marketing is therefore logical for the short term, though some destinations have recently invested in ‘visit later’ marketing campaigns, encouraging potential visitors to keep travel in mind for a later date. The health and safety messaging that many operators will likely focus on communicating as travel resumes, could potentially be viewed as marketing and begin to push marketing back up in the ranking of business concerns. Standards for hygiene and safety protocols will be particularly important for providers of accommodation, tours, activities and attractions to communicate to both travellers and business partners. The role that Online Travel Agents (OTAs) may play in these communication activities remains to be seen.

Actions taken

Since the start of the survey in March, the most frequent action taken by travel companies has been the modification of cancellation policies. This has also grown in importance over time. However, as of May there were more moves to cut capacity and diversify product offering. Very few respondents increased capacity or prices, but there are some signs that capacity is being added in anticipation of easing of travel restrictions. It is also clear that the number of actions being taken overall is growing as the crisis deepens. More businesses now seem to be forming new partnerships in attempts to weather the storm.



Top actions (% listing in top 3)	March	April	May
Modified cancellation policies or terms & conditions	25%	30%	39%
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Product/service elimination	7%	15%	10%
Increased capacity	0.8%	1%	4%
Increased prices	0.8%	0%	1%

The other actions taken most frequently by travel businesses included requesting financial assistance, which rose from 28% of respondents in April to 43% of respondents in May. Investment in online communication tools also rose, along with encouraging employee training. Such actions seem logical with educational travel experiences moving to online environments and the need for hospitality providers to implement new health and safety protocols. There was no change to the investment in membership with associations or networks, however there was an increase in cancellation of such memberships.

Other actions	% taking actions	
	April	May
Requested financial assistance	28%	43%
Deep cleaning or physical restructuring of properties	24%	31%
Encouraged staff training	19%	27%
Invested in online communication tools	14%	23%
Cancelled memberships with associations or networks	6%	9%
Other	8%	8%
Invested in memberships with associations or networks	3%	3%

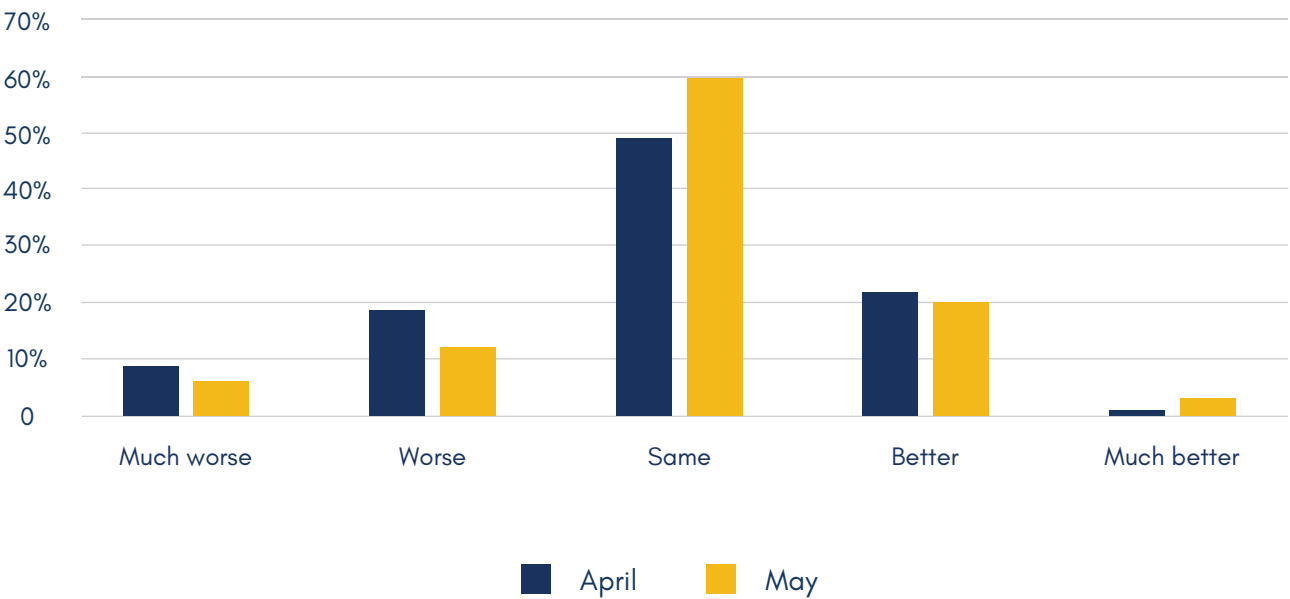
Collaboration

In seeking new opportunities, collaboration with business partners seems to have become more important. A greater proportion of respondents commented on collaboration in May than in April.

Amidst a climate of increasing collaboration, just under half the respondents indicated they had experienced some kind of partner dispute as a result of the COVID-19 crisis. However, the proportion of organisations reporting disputes fell slightly between April and May. This may indicate that there is a concerted effort to find successful mechanisms to resolve disputes or that disputes have been resolved by indirect means, such as business closures. Most disputes were financial, with refunds and cancellations being the issues causing most friction, followed by payments.

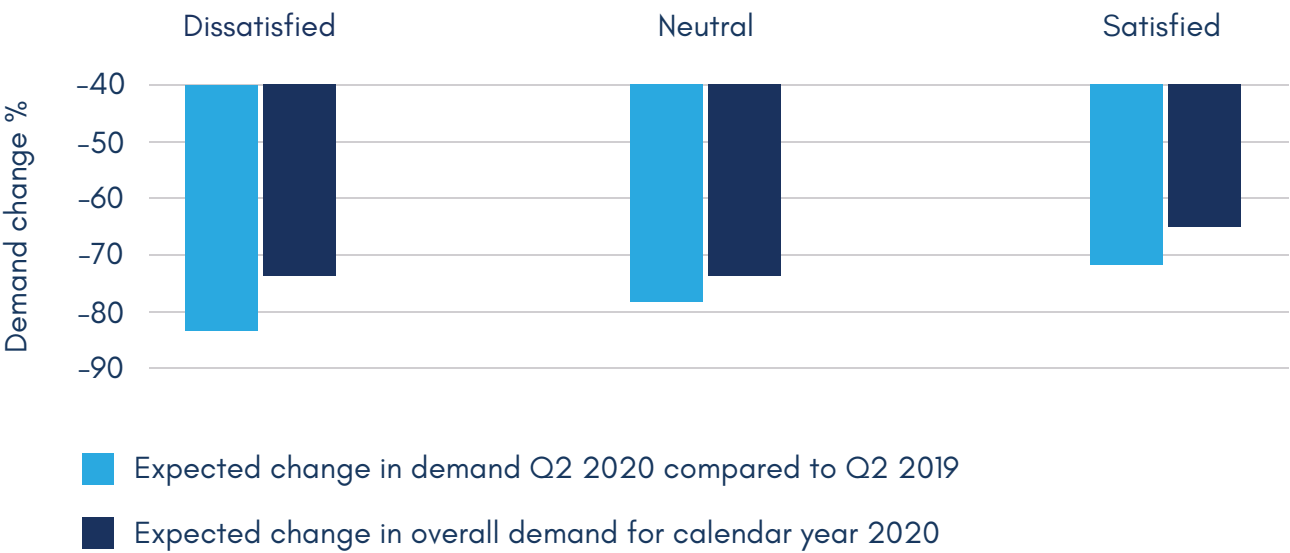
In general, the climate of B2B collaboration has remained similar throughout the pandemic thus far, with a rise in respondents indicating that collaboration is the same, and fewer respondents saying it had become worse.

Has collaboration with your business partners become better or worse?



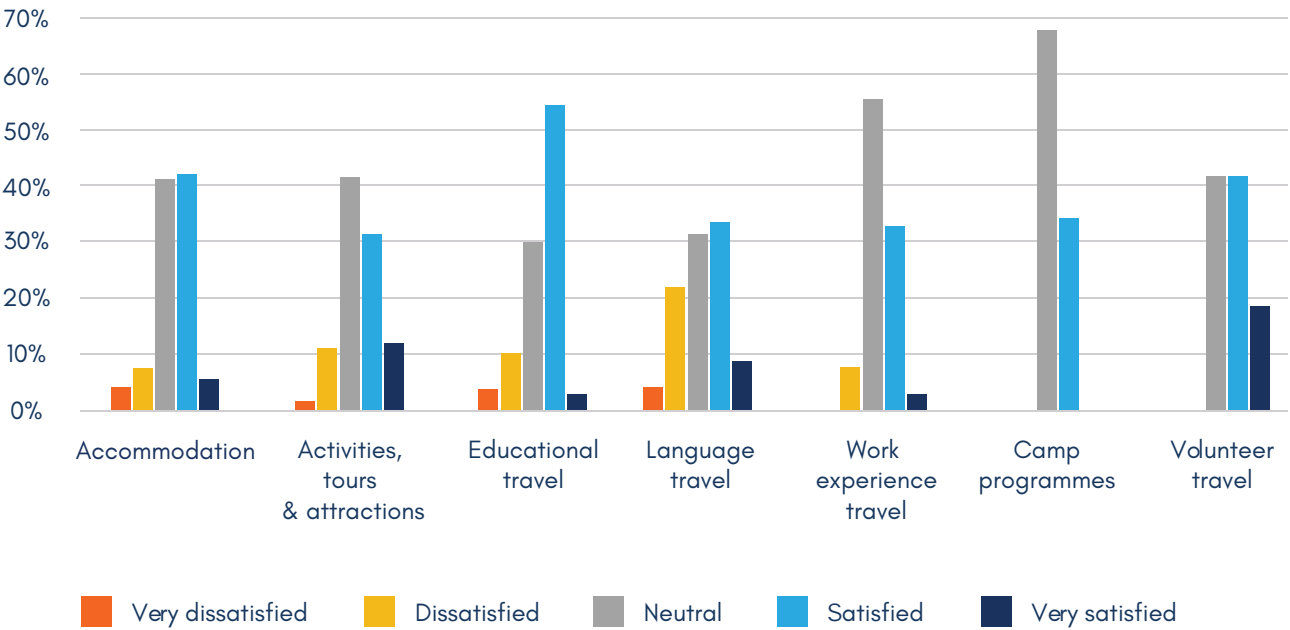
There appears to be a direct relationship between change in demand and satisfaction with cooperation, which may indicate that better cooperation leads to better results and/or higher expectations.

Satisfaction with cooperation and change in demand



Levels of satisfaction with business cooperation were highest in the volunteer and educational travel sectors.

Satisfaction with cooperation by sector



[1] Data for this report were collected between 1 – 11 May 2020 by WYSE Travel Confederation, the global association for youth, student and educational travel organisations, via web-based questionnaire (in English). The survey was the second in a series titled COVID-19 Travel Business Impact Survey. The second iteration of the survey attracted 448 responses from 71 countries. Three-hundred and forty-seven responses were retained for analysis. Respondents included organisations specialised in youth travel products as well as those representing mainstream travel products, members and non-members of the association. All respondents were asked about the impact that the COVID-19 (Coronavirus) pandemic has had on their business in travel. Questions related to change in demand, outlook for 2020, main concerns and actions taken in response to COVID-19 have been repeated across surveys. New questions related to government action, types of financial assistance and potential trends were added to the third iteration of the survey. The profile of respondents to the second survey in May 2020 was similar to that of respondents of the second survey in April 2020, with there once again being relatively fewer responses from language and educational travel providers and more responses from providers of accommodation and activities, tours & attractions. When comparing the May, April and March survey respondents, there has been a slight decrease over time in the level of youth travel specialisation of respondents, going from 69% in March of doing 50% or more of their business in youth travel down to 60% in May.

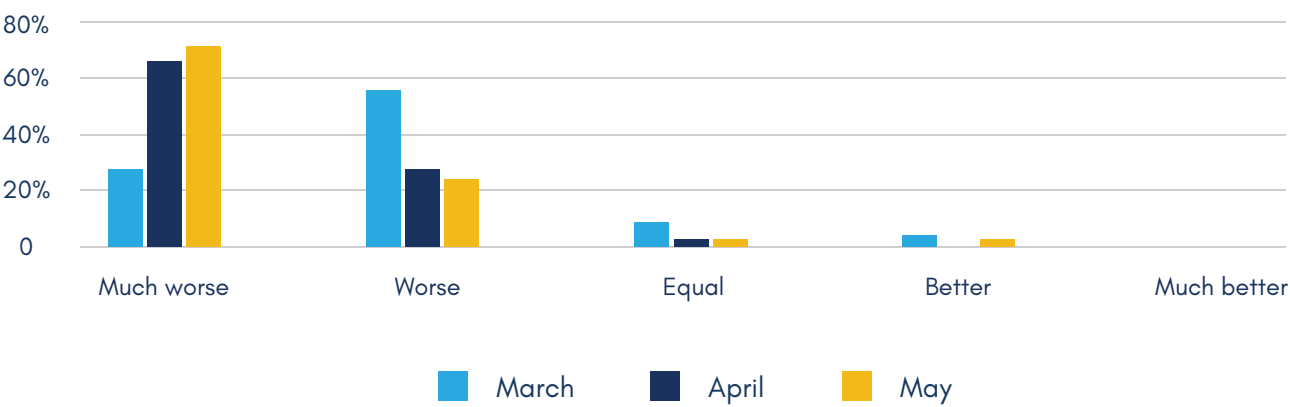
Outlook worsens and financial aid is not the only investment governments should make to help travel and tourism

The business outlook of travel and tourism companies continues to worsen, according to findings of WYSE Travel Confederation’s third COVID-19 Travel Business Impact Survey.^[1] For the second quarter of this year, the average expected change in demand relative to the same period last year is -76%. For 2020 as a whole, respondents expect to see, on an average, a 70% decrease in demand. In this May edition of this survey series we take a look at the actions that respondents would like to see governments taking to address the crisis, including the provision of financial assistance, investment in public health and establishing global standards.



Business prospects for 2020 continue to worsen. The proportion of respondents expecting things to get much worse as a result of COVID-19 has gone from 28% in March to 72% in May. Hardly any respondents in May expected business prospects for 2020 to get better or even to remain the same.

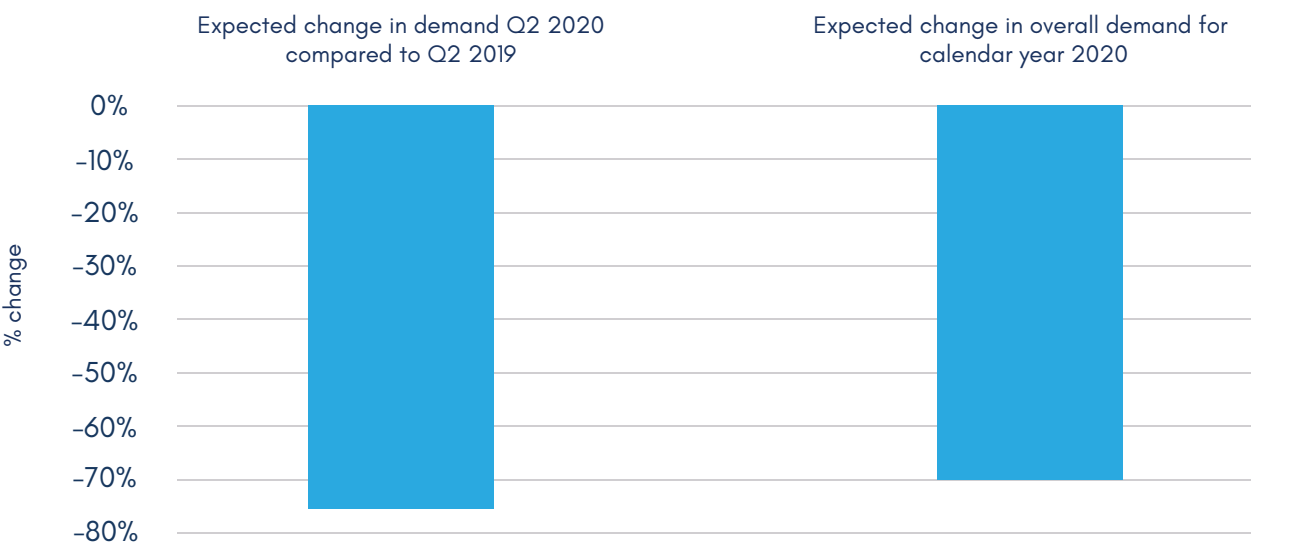
Business prospects for 2020



Demand

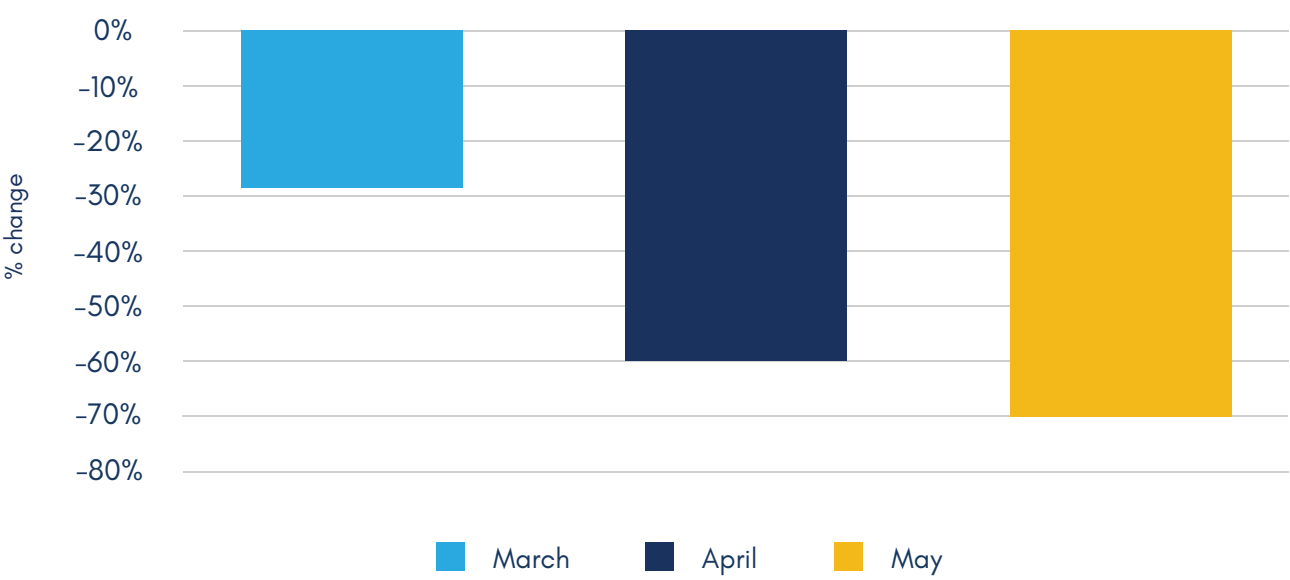
With travel restrictions in place across the globe, it is not surprising that demand continues to fall. The average expected change in demand for Q2 2020 relative to Q2 2019 was -76%. For 2020 as a whole, respondents expect to see an average 70% decrease in demand for their primary product/line of business.

Expected change in demand



Between March and April 2020 there was a sharp fall in expected demand for the calendar year, from just under -30% in March to -60% in April. In May, results indicate a stabilisation in expectations, although continue to reflect a severe reduction in demand.

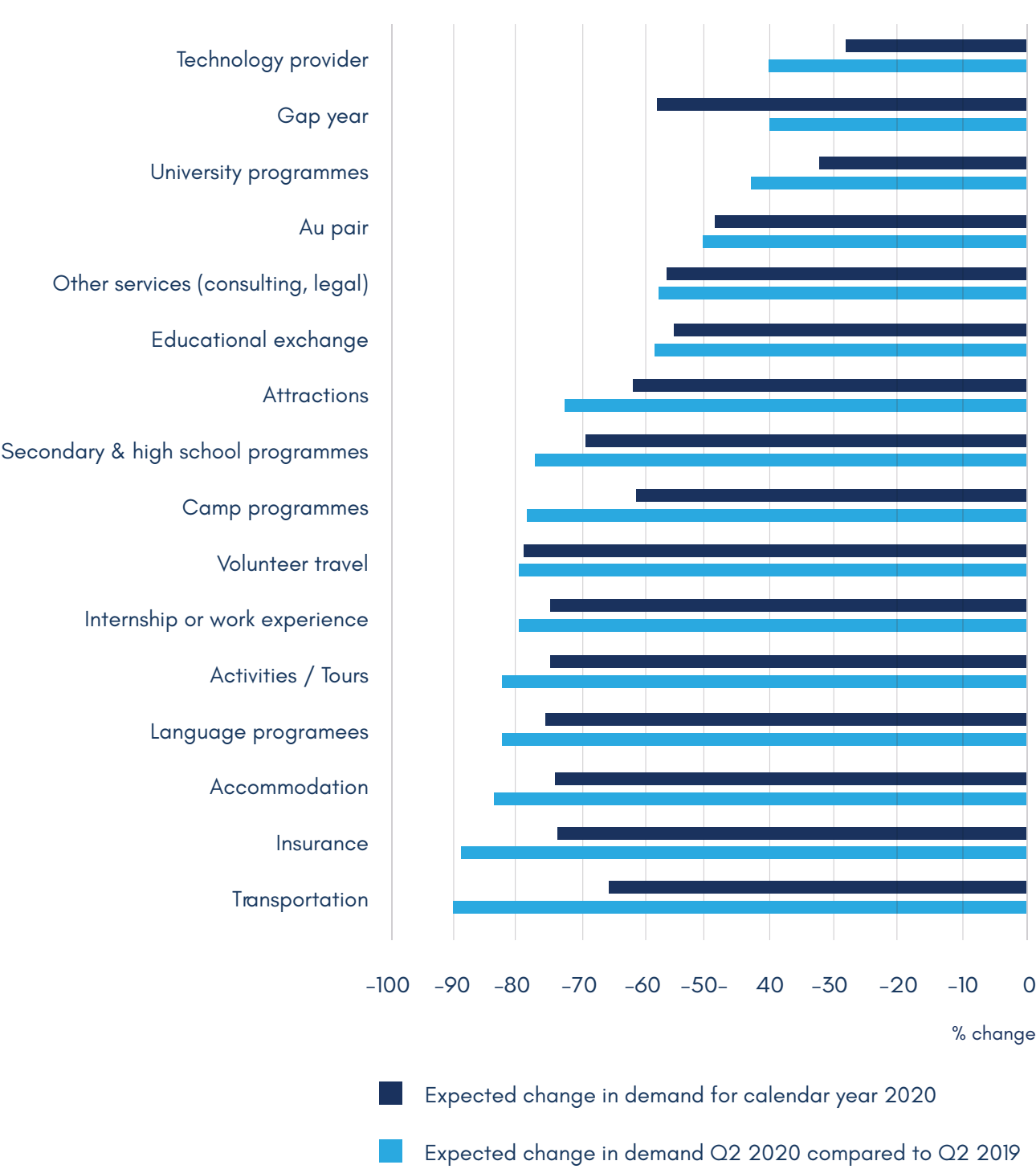
Expected change in demand for calendar year 2020



Different areas of youth and student travel show some variation in expectations for both Q2 2020 and the whole of 2020. The least pessimistic are technology providers. Gap year companies have been least affected compared to others but are expecting a sharper decline over the rest of 2020. The most severely affected businesses in youth and student travel in Q2 are transportation, insurance and accommodation providers.

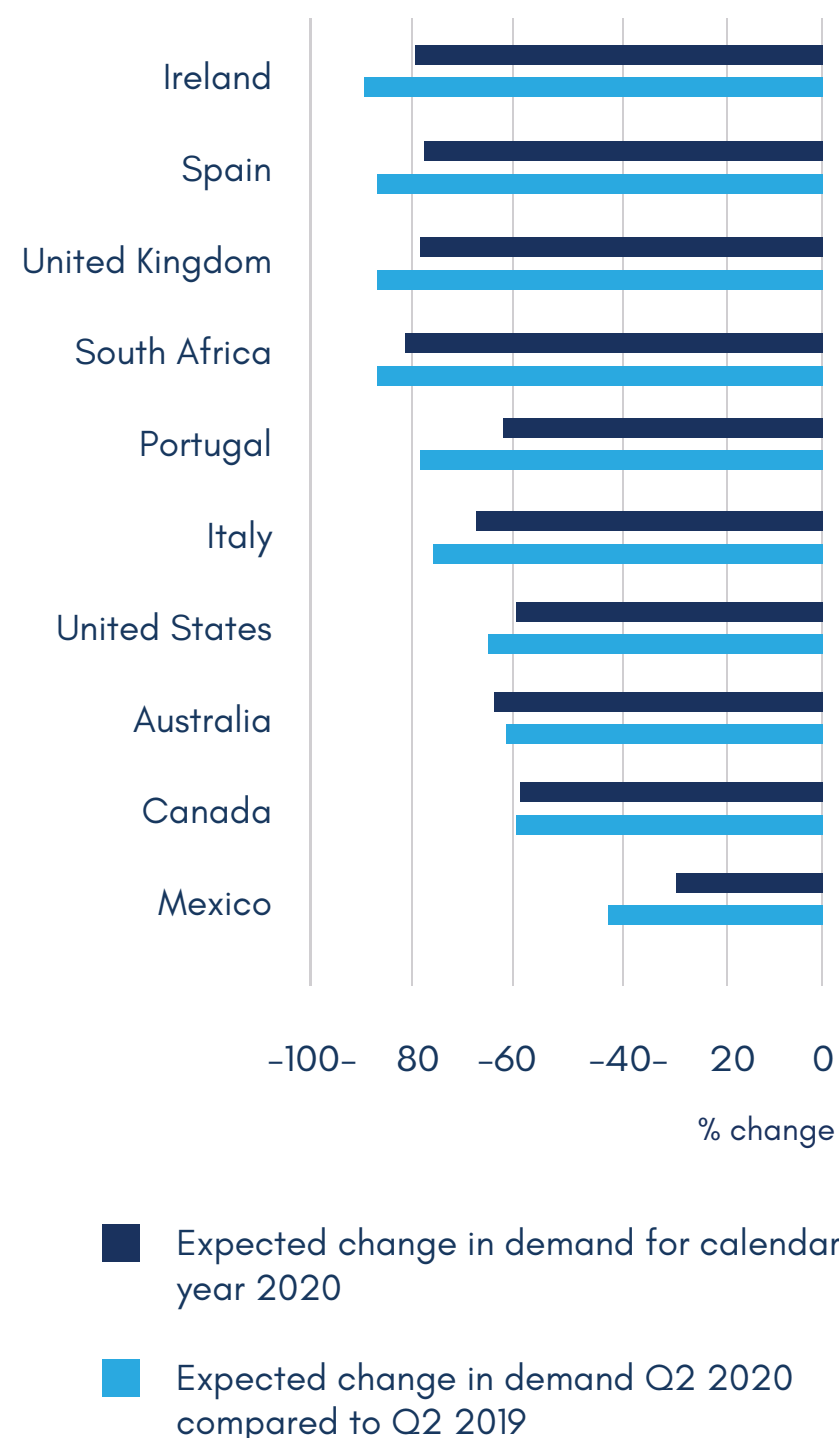


Expected change in demand by sector



At country level there are some differences in demand. Respondents based in Ireland have been hardest hit in Q2, followed by Spain and the UK. Italy, the first European country to be severely hit by the virus, is expecting slightly stronger demand in Q2 this year than other European countries. Portugal, which has so far done a good job of containing COVID-19 deaths, is the most optimistic European country in terms of anticipated business prospects for 2020. North American countries and Australia are expecting slightly better results for both Q2 and the whole of 2020 than their European counterparts.

Expected change in demand by country



What could governments do to help travel and tourism businesses?

Respondents feel that the most important action that government could take to immediately help business prospects is to open borders for travel. Obviously without borders open for travel, businesses across the travel and tourism industry have limited opportunities. Because it is unlikely that all borders will open in the near future, businesses are looking to governments for financial assistance to see them through the crisis. The most frequent suggestions on financial support were for governments to make loans and tax relief available.

What could governments do to help travel and tourism business?



Other suggestions revolved around the themes of public health, global standards, confidence, and visas.

Funding for public health

Respondents recognised that COVID-19 represents a global health crisis, which can only be effectively tackled through government action to strengthen health systems. In the short term this should include action to increase the availability of Personal Protective Equipment (PPE), more testing and contact tracing. In the longer term, the travel industry recognises the need for a vaccine to allow customer-facing operations to return to some kind of 'new normality'. A number of respondents also saw the need for specific improvements in health systems in travel destinations, and government measures to restore consumer confidence in travelling again. Comments about the importance of public health were most likely to come from respondents based in the USA, followed by the EU.

Establishing global standards

Some respondents underlined the need for governments to develop global standards that would help to create confidence and improve clarity for suppliers. Although closing operations down was relatively straightforward, the measures needed to enable re-opening are less clear. To provide a more level playing field, some respondents emphasised the need for common standards and clear guidelines on operation under a 'new normal'.

Confidence

Some respondents noted that governments could help to improve business and consumer confidence by taking measures to help people navigate the COVID-19 landscape, most notably by testing and tracing and making information available to the general public and to businesses.

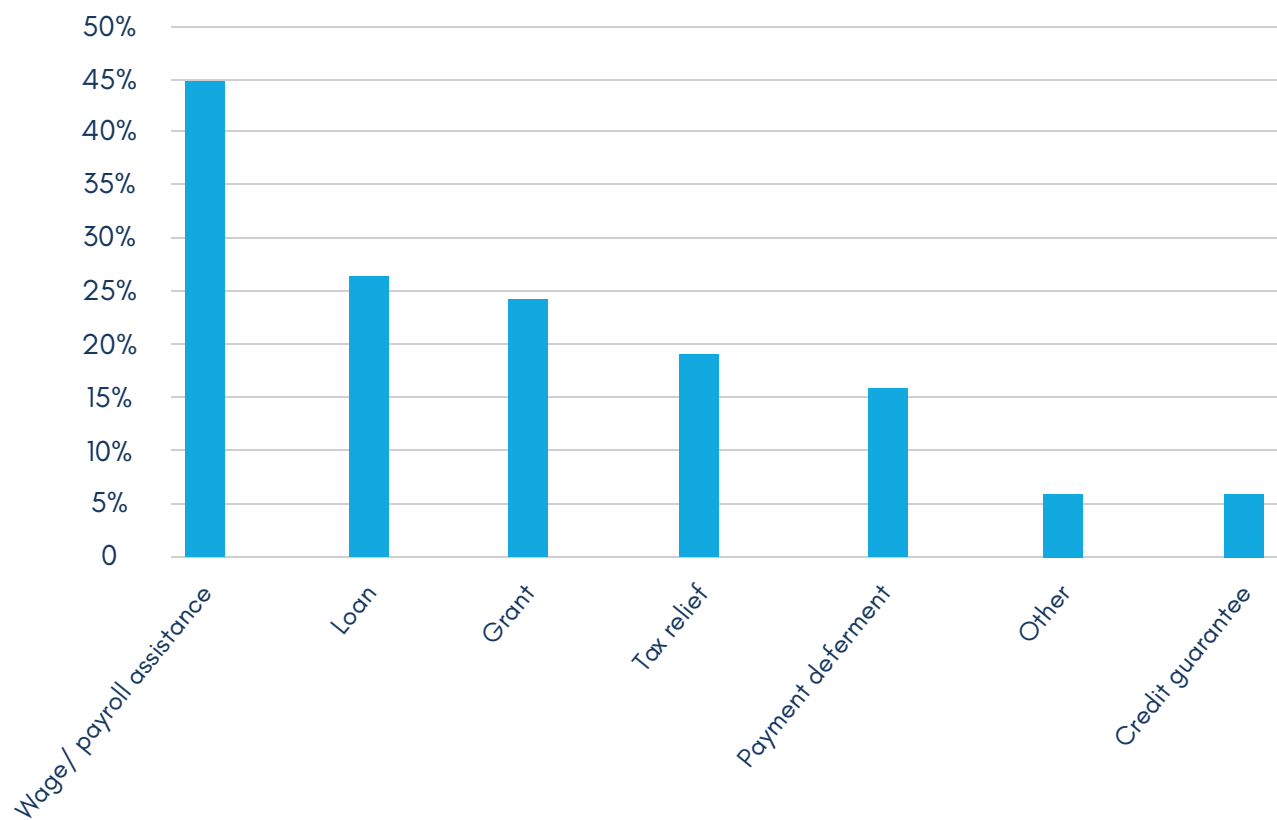
Visas

A number of respondents mentioned the issue of visas, which is now becoming problematic for travellers and operators. There is a need for clarity on the availability of visas and for visa application processes to be opened up as soon as possible. There was also the suggestion that there should be free visas for long-stay international students, perhaps a market that can help to provide a much-needed boost to local economies.

Financial assistance

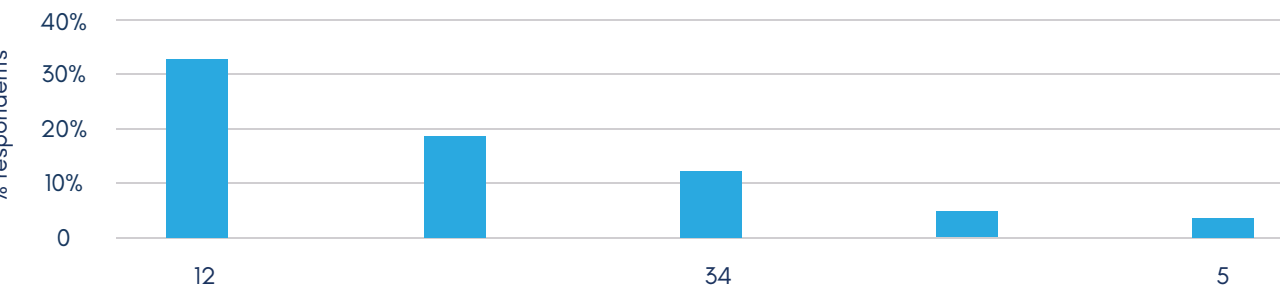
In April we asked respondents to estimate how long they could keep trading without financial assistance. The average estimate was four months. This explains why a high proportion of businesses are now seeking financial assistance from government or other sources. As of May, the most common types of financial assistance sought were wage/payroll support (45%), loans (27%) and grants (24%). [2]

Types of financial assistance sought

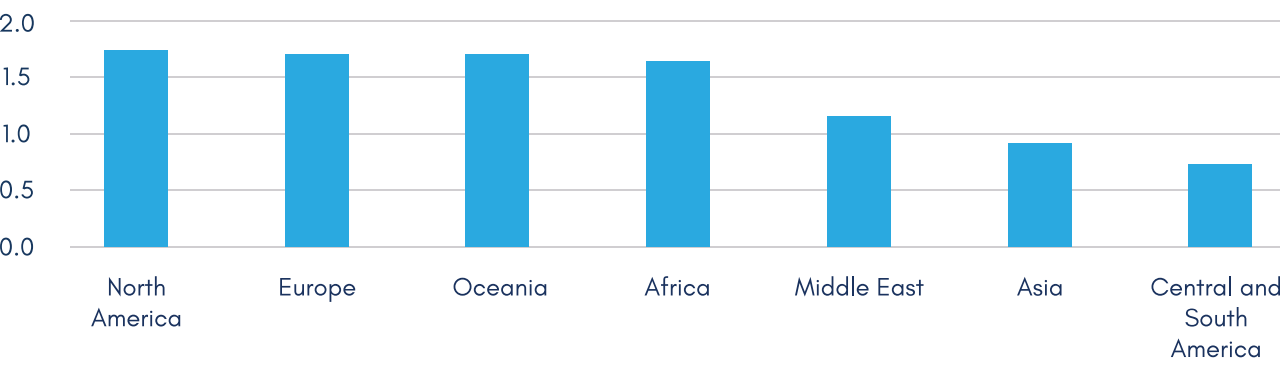


A significant number of respondents were seeking more than one type of financial assistance.

Number of types of financial assistance sought

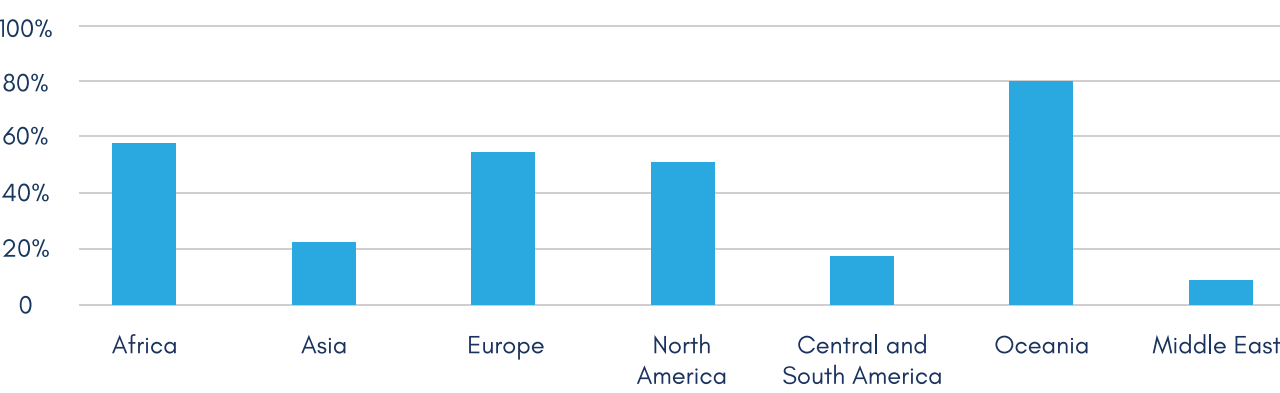


Average number of financial assistance types sought by region



The type of assistance sought varied by region, with Oceania having the highest proportion of companies seeking wage support (80%), while this was much less likely to be requested in Asia, Central and South America and the Middle East.

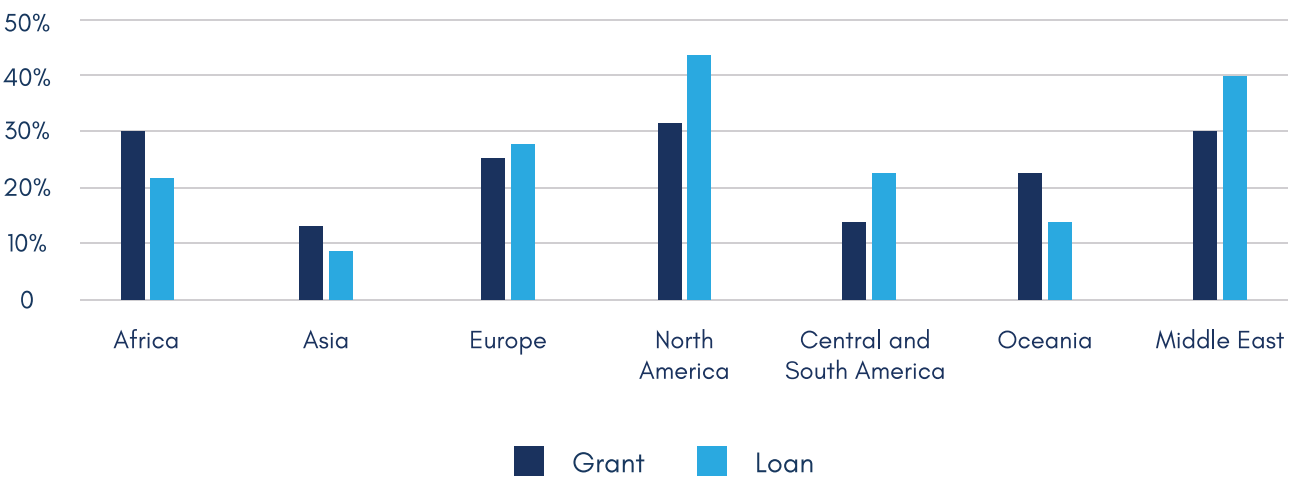
Wage/ payroll assistance



Loans were most likely to be sought by respondents in North America (44%) and the Middle East (40%), which were also regions with relatively high levels of requests for grants. In contrast, Asian respondents were least likely to have asked for either of these modes of assistance.

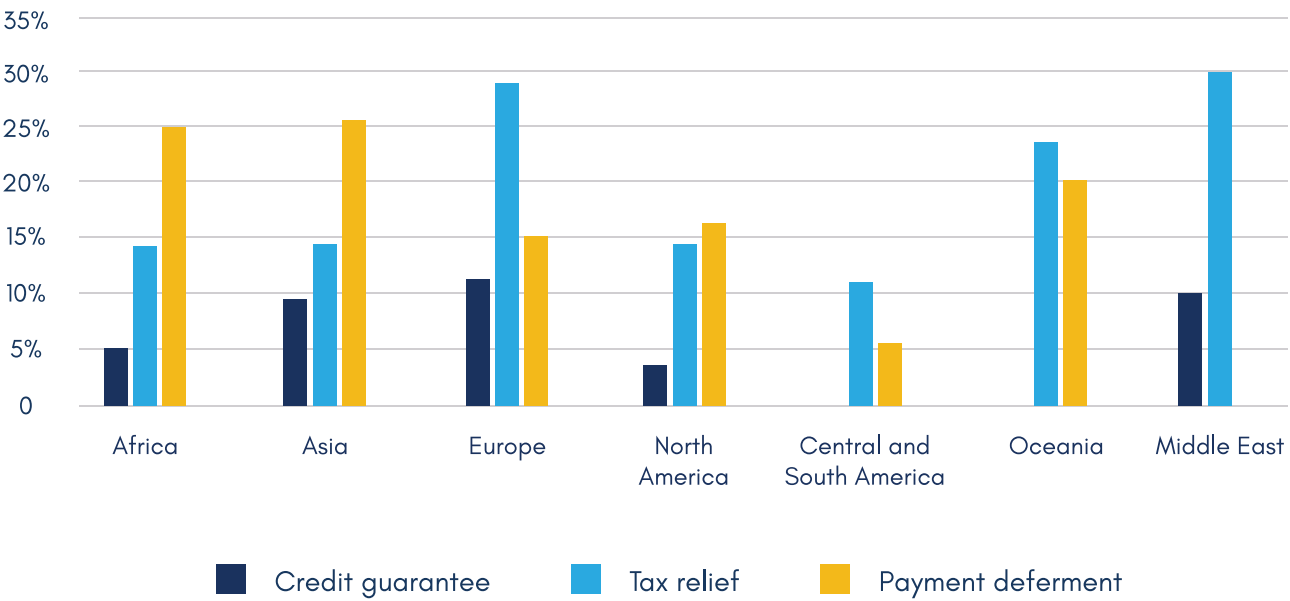


Grants and loans



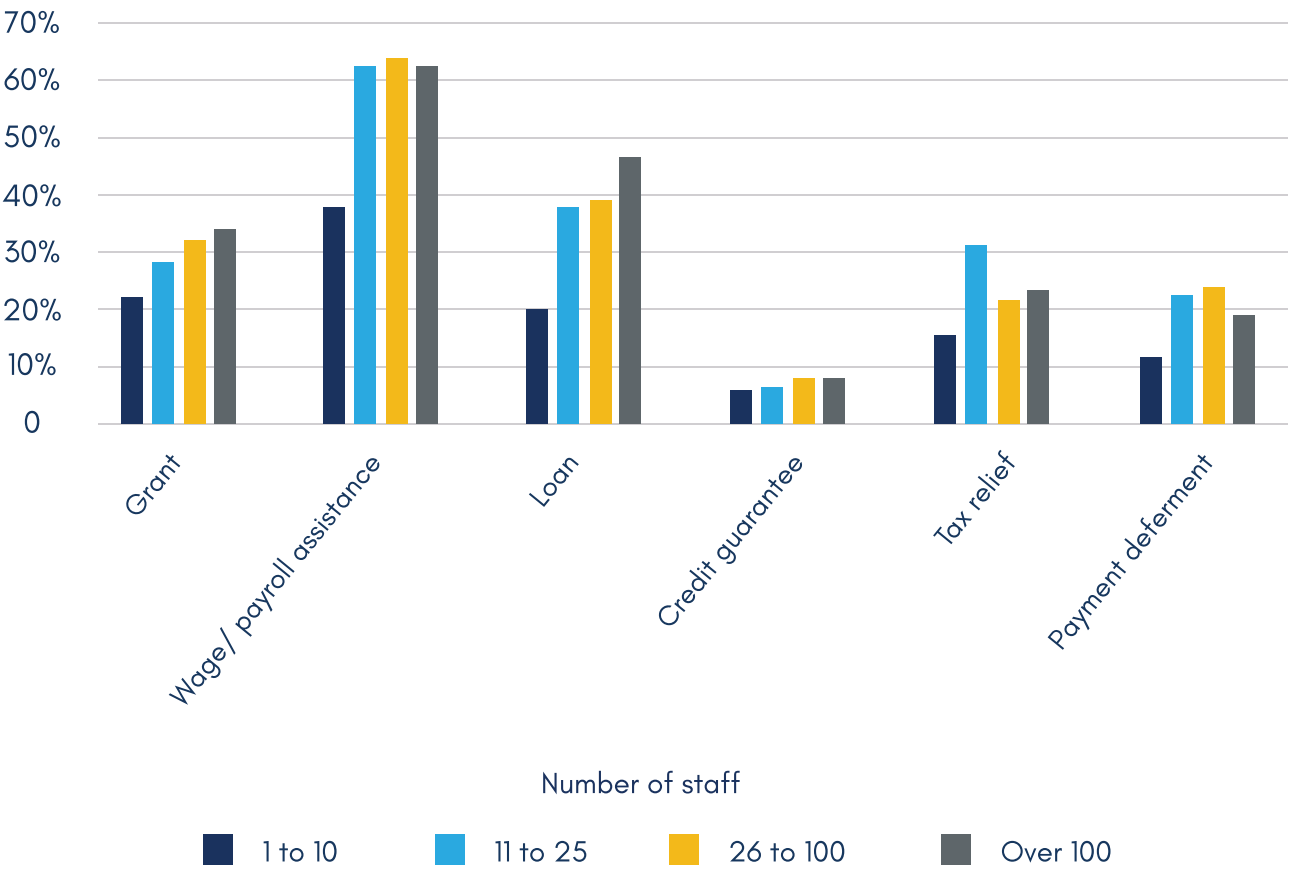
Of other financial assistance measures being deployed, tax relief was the most widely mentioned by respondents in May. Payment deferment was also fairly widespread, with African and Asian respondents most likely to be requesting this. Credit guarantees were most likely to be requested in Europe, whereas respondents in Central and South America and Oceania did not mention this.

Credit guarantee, tax relief and payment deferment



Larger organisations were more likely to seek financial assistance and to request more than one source of assistance than smaller organisations.

Financial assistance types by organisation size



[1] Data for this report were collected between 1-11 May 2020 by WYSE Travel Confederation, the global association for youth, student and educational travel organisations, via web-based questionnaire (in English). The survey was the third in a series titled COVID-19 Travel Business Impact Survey. The third iteration of the survey attracted 448 responses from 71 countries. Three-hundred and forty-seven responses were retained for analysis. Respondents included organisations specialised in youth travel products as well as those representing mainstream travel products, members and non-members of the association. All respondents were asked about the impact that the COVID-19 (Coronavirus) pandemic has had on their business in travel. Questions related to change in demand, outlook for 2020, main concerns and actions taken in response to COVID-19 have been repeated across surveys. New questions related to government action, types of financial assistance and potential trends were added to the third iteration of the survey. The profile of respondents to the third survey in May 2020 was similar to that of respondents of the first and second surveys in March and April, with there once again being relatively fewer responses from language and educational travel providers and more responses from providers of accommodation and activities, tours & attractions. When comparing the May, April and March survey respondents, there has been a slight decrease over time in the level of youth travel specialisation of respondents, going from 69% in March of doing 50% or more of their business in youth travel down to 60% in May.

[2] Please note that the type of financial assistance sought by the respondent does not necessarily mean that it was actually received by the respondent.

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