

HOSPITALITY EUROPE BUSINESS NEWSLETTER

SPECIAL ISSUE ON COVID-19

Issue 22 — 30 June 2020



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INDUSTRY INTERVIEWS

Interview with Mr Fabrizio Orlando, Senior Manager Industry Relations, Global, at Tripadvisor



Fabrizio joined Tripadvisor in 2018 and now leads the Industry Relations team globally, overseeing Tripadvisor's institutional relationships, as well as leading the company's global projects and partnerships. Fabrizio brought his consulting experience into the role and now works with government, national hospitality organisations and tourism bodies to build Tripadvisor's role as a trusted partner for stakeholders in the travel and tourism industry.

1. The COVID-19 pandemics halted international tourism for more than 2 months and only now countries in Europe are gradually starting to relax containment measures and to plan the reopening of their borders. Given this unprecedented situation, how do you think the consumers' behaviour concerning services in the European hospitality sector will change in the short- and long-term? What trends do you see as most likely to emerge?

It's true that COVID-19 had and is still having a strong impact on the travel industry, but our industry is very resilient and we're seeing how much people want to travel, and I am sure will travel again once the restrictions are lifted. In a multi-month study we just released we analysed consumer travel sentiment and behavioural data related to the pandemic and we had some very encouraging answers from the travel community. The paper, "Beyond COVID-19: The Road to Recovery for the Travel Industry", outlines a five-stage recovery for the travel and hospitality industry, and identifies significant pent up demand for travel, a shift in traveller and dining behaviours, and a domestic-first activity.

One of the many encouraging news coming from our study is that people do still want to travel. 57% of respondents agree they would feel comfortable travelling internationally in the next twelve months, with half of them saying they expect their international trip to happen within the next six months. And when we look at dining at restaurants, 42% of respondents said they will dine-in at restaurants just as they did before the pandemic, with 35% of them saying that they will emphasize restaurants that keep customers safe.

Safety is another important topic discussed in our paper "Beyond COVID-19: The Road to Recovery for the Travel Industry" and probably the most interesting behavioural shift for travellers and diners alike. It comes with no surprise that after the pandemic travellers will be more cautious on where to travel to and where to eat, but I was not expecting that 92% of respondents to our surveys mentioned cleanliness as the most important factor in determining accommodations after COVID-19. Furthermore, 84% of them said that cleanliness or sanitization certificates are important when booking a travel experience, and 79% added that it will be important for them to see that a hotel or restaurant displays compliance to government safety standards.

Another interesting trend that we saw in our paper is that, with markets across the world looking at a phased reopening, future travellers are likely to focus on domestic trips first, with outdoor travels and activities being the most popular as a way to reconnect with nature and enjoy open spaces after the lockdown: relaxing trips, beach holidays, nature trips and road trips will be favoured against city centres.

I believe that this pandemic is affecting everyone around the world and, as we are all in it together, we should also think about recovery in the same way and try to tackle it together, especially within the travel industry. I think that to accelerate the recovery process we need to create a synergy between the private and the public sector and ensure we continue to be guided by the public health data from organizations like the WHO and our local public health officials. Safety is, of course, the top priority, and a smart reopening has to be guided by data that saves lives. On top of that, the private sector can help understand what are the top-of-mind concerns for travellers and, subsequently, address them. Building consumer confidence in the fact that they will be safe is a key aspect that businesses need to consider, and this is no different for Tripadvisor. This synergetic approach I was mentioning is even more important to adopt if we take into account the fact that a second wave of the virus might hit in the future. If a scenario like this will become reality, the impact on the travel industry will be dramatic, and that's why the industry needs and will need to operate responsibly to ensure that recovery is sustained and sustainable in the long term. I believe this is going to be the real challenge for our industry in the months to come.

2. What measures is Tripadvisor taking to support the hospitality sector in this difficult time?

We at Tripadvisor sit in a unique position as we are at the epicentre of travel and dining, and a company like us that influenced more than \$500 billion in travel sales in the past year has a responsibility towards the industry. This is why, since the beginning of the Covid-19 pandemic, we at Tripadvisor did our best to support and serve our community of owners and travellers. We realised that in such a moment of crisis we wanted to be close to our 8.7 million partners and help them understand the pathway through this pandemic with helpful solutions. We started with supporting owners with their cash flow and hence offered them financial relief to grant them to have more liquidity to invest for reopening. On top of this financial support, we also created and offered webinars focused on data and insights on how to best rethink business and react to the pandemic, and on other key topics for the industry.

We also launched several initiatives in these months, among which a campaign to collect funds for restaurants that we called #LoveYourLocal, and a project named Hotels for Health to connect healthcare and government agencies around the world with lodging providers who can supply rooms to healthcare providers during the COVID-19 pandemic.

Another initiative we are driving and that we launched officially last week with three webinars is related to travellers' safety. I was mentioning how important safety is going to be for travellers and we always took pride in our efforts to help travellers feel safe and secure. With this initiative, we aim at helping owners informing travellers about their sanitization practices as they emerge from COVID-19. Leveraging expertise from world health and safety organizations, we compiled a simple sanitization checklist to demonstrate how businesses comply with the latest guidelines. Travellers can also search for "clean" businesses and toggle to relevant traveller reviews about health and safety protocols. We are very confident this initiative will help the industry in rebuilding travellers' confidence: we want people to feel confident and comfortable to travel and venture out again. History tells us that the travel industry is incredibly resilient. We are already seeing early signs of recovery in the travel planning habits of millions of consumers all over the world. Traveller demand will rebound, but we must ensure traveller safety is given the highest priority.

15 June 2020





Interview with Mr Ramón Estalella Halffter, Secretary General of Confederación Española de Hoteles y Alojamientos (CEHAT)

Mr Estalella Halffter has been Secretary General of the Confederación Española de Hoteles y Alojamientos (CEHE) since 2004 and is a Member of the HOTREC Executive Committee. Prior to his involvement in the hotel sector, he has worked in the financial (Aon Gil and Carvajal), industrial (Firestone), associative (Ashotel) and health (Hospiten) areas.



1. The hospitality industry in Spain was severely hit by the COVID-19 outbreak – with 99% of hotels closed since mid-March. What kind of measures is in place to support businesses in the industry – SMEs and micro-enterprises in particular – in your country and for how long will the sector continue to benefit from them?

I don't think that, at this moment, there are enough measures in place to support hospitality businesses in the country. For this reason, [CEHAT](#) is currently asking for further financial help to back up both the labour force and the companies. For instance, we are demanding increased flexibility on loans and improved rules on social security payments – instead of just closing the operation.

2. Hospitality businesses are gradually restarting their activities in the country and Spanish borders are bound to reopen to international tourists on 1 July. What are your recommendations for the reopening of businesses in the sector? Did the Spanish government issue a general safety and health protocol?

Yes, we already have a protocol which we are now adopting. However, I must say that we are not happy at all with the decision to further delay the reopening of the Spanish borders, as it leaves us with no time to make plans. You must understand that the aviation sector is the main mean of transportation for international tourists – because Spain is so far from the rest of the market. Therefore, to us, it is not just a matter of health protocols, but more a question of low demand and lack of flights.

3. As Spain is deconfining regionally, how do you think this process is influencing the industry at national level? Could you explain to us what kind of challenges is it posing?

Discussing different reopening dates for the sector at regional level is causing many problems for hotels and hospitality businesses in general. It feels as if, all of a sudden, everyone now is starting to be afraid of people coming from big cities – and this, of course, represents an unprecedented problem for city travellers as well.

I can't say I approve what the government is doing with the regulation. We understand it is not an easy task to handle, but we believe there are many other solutions to tackle the problem.

17 June 2020



LOBBYING

Beyond COVID-19: The Road to Recovery for the Travel Industry, by Tripadvisor



In its latest report “Beyond COVID-19: The Road to Recovery for the Travel Industry”, Tripadvisor analyses the road to recovery for the global travel and hospitality industry.

The data showed in the report is based on an extensive qualitative survey conducted by [Qualtrics](#) and quantitative site behavioural data. According to Tripadvisor, the path to recovery for the industry will include five distinct stages, namely:

- **Decline** – News and concern spread rapidly, people begin practising social distancing and travel declines sharply as a result;
- **Plateau** – Potential travellers stay inside to ensure safety and help “flatten the curve”;
- **Emerge** – As the crisis begins to pass, lockdown restrictions begin to ease and people begin to venture out again to visit restaurants and businesses in their home city;
- **Domestic** – As confidence continues to grow, people feel more comfortable travelling again and begin to visit friends and family in their home country;
- **International** – In the final stage of recovery, people once again feel comfortable travelling abroad.

Tripadvisor provides access to insights into what each of these five stages looks like, how long they will last and what it will take to business to plan the upcoming months.

25 June 2020



Coronavirus crisis: support measures for the Swiss tourism industry

The economic environment for Swiss tourism remains difficult and the low demand for tourism is set to continue for a long time. To make its voice heard on a political level, [HotellerieSuisse](#) is working closely with other tourism associations to bundle the needs of the industry and place them centre stage.

The initial phase focused on alleviating liquidity shortfalls through emergency loans from the Swiss government and providing administrative relief in connection with short-time working arrangements. Also thanks to persistent lobbying, HotellerieSuisse found solutions for the hotel and accommodation industry:

- An emergency programme to secure liquidity was set up in cooperation with the banks;
- Deadlines for payments of any taxes and fees were extended and debt enforcement proceedings suspended;
- Support services to help increase tourism demand was established;





- Additional funds allocated by parliament (CHF 40 million) will be used for marketing campaigns to help get the tourism industry moving again.

However, the above-discussed measures are still not enough to lead the Swiss hotel and accommodation industry out of the crisis in the medium and long term. HotellerieSuisse is, therefore, continuing to liaise closely with actors in politics and administration.

While the situation remains tense in the country – especially in the urban areas, where business tourism completely collapsed – significant steps towards the reopening of the sector have been implemented in Switzerland since 6 June and the government is planning security measures to reduce the negative effects of the coronavirus crisis.

10 June 2020



BEST PRACTICES & GUIDELINES

Hospitality industry reopening protocol

Since mid-March, hospitality establishments in the Netherlands were forced to close due to the COVID-19 outbreak – except for hotels, takeaways and delivery services – and many entrepreneurs in the sector are still struggling over reduced income and expenses stacking up.

Now that the industry is gradually reopening all over Europe, hospitality entrepreneurs can start operating again, and many are bursting with creative ideas to bring this about.



The key question for this partial reopening is: how can we restart the hospitality industry while safeguarding the health of our guests and employees? The [Dutch Hotel, Restaurant and Café Association](#) (KHN) took the initiative to draft a “hospitality industry reopening” protocol, which describes the requirements that hospitality entrepreneurs should meet to responsibly reopen and minimise the risk of infection.

Hereunder, a few points out of the protocol:

- Max. 2 persons sitting at the same table or bar – unless you are living in the same house;
- People who do not live in the same house must keep a minimum safe distance of 1,5 metres;
- “Health check” at arrival;
- Reservation is obligatory for restaurants and pubs;
- No more than 30 people are allowed inside every restaurant or pub;
- Serving at the table is allowed;
- Screens (so that the 1,5-metre distance is not necessary anymore) are not allowed yet.

2 June 2020



Best practices for the reopening of the hospitality sector



On 6 June 2020, the restrictions put in place on 11 May 2020 to contain the coronavirus outbreak were relaxed, with an increase in the maximum number of people allowed in public gatherings (up to 300), clubs reopening, etc. – current safety guidelines can be downloaded [here](#) and further protocols for hotel services [here](#).

Possible products and providers to help implement the government's safety guidelines for the sector are listed in the brochure "[Product presentation for members of GastroSuisse](#)" (in German).

GastroSuisse is now committed to achieving several **goals in dialogue with the government and the parliament** – amongst others, quickly ensuring liquidity, favouring the reopening of the restaurant sector and supporting badly affected companies with tax reductions. The Association is also involved in the "Tourism Alliance" under the umbrella of the Swiss Tourism Association. The Tourism Alliance met twice with the Federal Council and discussed steps for reopening for the tourism industry and solutions to mitigate the serious economic issues (here highlights of the meetings on [26 April](#) and [24 May 2020](#)).

BAK Economics estimates that the hospitality industry is experiencing a ten-fold slump than the overall economy and more than a fifth of the added value will be lost in this industry in 2020.

10 June 2020

GASTROSUISSE

CAMPAIGNS

Azerbaijan Sanitation And Hygiene Methods And Norms Program (SAHMAN)

The State Tourism Agency and the Azerbaijan Tourism Board created the **Sanitation And Hygiene Methods And Norms (SAHMAN)** program during the spread of the coronavirus.

SAHMAN is an example of the proactive approach taken by governmental authorities to ensure the safety of guests. The program, while not mandatory and completely free of charge, is enforced by the Operational Unit under the Cabinet of Ministers of Azerbaijan and promotes the adoption of a set of sanitation and hygiene recommendations as preventive measures to safeguard guests against respiratory diseases amid the current outbreak of COVID-19.

The goal is to reinforce sanitation and hygiene across the country's tourism industry and position Azerbaijan as a safe tourism destination, as perceived by both local and international guests. The program provides new standards and norms for hotel and hotel-type facilities, food and beverage operators, tourist transportation providers as well as tourist guides.





In return for the local tourism industry members joining SAHMAN and accepting and applying its duties of compliance, operators will receive a range of incentives and support from the government such as official program certification, training in sanitation and hygiene, provision of various types of sanitation materials and equipment, and a range of promotional benefits. Hotels and hotel type facilities will go through a training program and obtain SAHMAN certification, after monitoring by relevant parties, properties will receive SAHMAN label. The label is an assurance of implementation of applicable measures and strategies to stop the spread of the virus.

The [Azerbaijan Hotel Association](#) (AHA) actively participated as a contributor to the development of training materials based on hospitality industry needs and best international practices as well as organized successful information sessions for industry leaders. Auditors from AHA will be conducting on-site monitoring of hotel and hotel-type facilities to ensure fulfilment of SAHMAN principles during operations.

4 June 2020



"We missed you, too"

[GastroSuisse](#) developed a campaign to strengthen guests' trust and to stimulate their return to restaurants (promoting demand).

Implementation:

- Various restaurateurs were photographed at their workplace ("faces from the industry") – 10 different subjects from all language regions;
- Posters, [Internet](#), magazines (GastroJournal), social media (Facebook).



To convey the most important rules of conduct and recommendations for guests in a way that is easy to understand, GastroSuisse has created a "guest poster". Further information [here](#).

10 June 2020



Campaign for health and safety guidelines on the workplace



In view of the gradual reopening of the hospitality sector in the country, the *Dutch Hotel, Restaurant and Café Association* (KHN) issued some communication materials for their members (e.g. rules for guests when they enter a hospitality business, for staff members and suppliers).

Members can print these rules on posters, flyers etc. and both KHN members and non-members can also purchase our materials from our webshop – posters, flyers, table tents, stickers, etc.

Hereunder, links to the KHN posters:

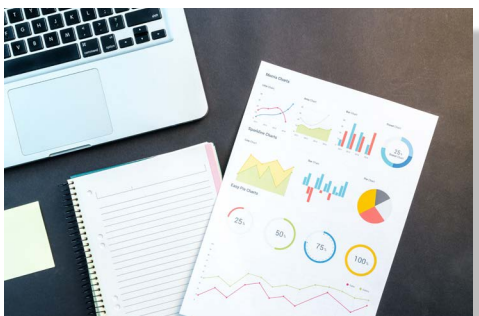
- [Welcome](#)
- [What is expected of me and my co-workers](#)
- [What is expected from me and my supplier\(s\)](#)
- [Check](#)

2 June 2020



LATEST NEWS

Survey on the economic impact of the coronavirus



In May 2020, GastroSuisse asked its members to reply to a survey on the economic impact of the coronavirus on the industry. According to the results of this survey:

- 74.9% of restaurants and accommodation establishments surveyed reopened their businesses (with certain conditions) while only 12.2% remained open during the outbreak;
- 87.3% of open businesses assume they will have losses. Restaurants lack on average 38.2% of the usual seating capacity – mostly due to the required minimum distance of 2 meters between tables. Up to CHF 200 million are

expected to be lost;

- The first 15 days of lockdown in March cost over CHF 1 billion to the industry. For every additional month at a standstill, an additional CHF 2.5 billion were lost;
- Further information is available at the following [link](#) (in German).

10 June 2020





Italy and COVID-19: an estimate on the impact of the coronavirus

Federalberghi recently published the report “Estimate of the impact of COVID-19 in Italy”, providing insight and a few estimates on the number of damages provoked by the COVID-19 outbreak to the hospitality industry in Italy.

The report is available at the following [link](#).

9 June 2020



Reopening of the hospitality sector in the Netherlands



Restaurants and pubs in the Netherlands reopened as of 1 June.

Hospitality establishments will have to observe a 1,5-metre minimum distance between guests – except for people living in the same house – and it will not be possible for them to host more than 30 people at once indoor.

Terraces also reopened and will be obliged as well to ensure a minimum distance of 1,5 metres will be kept.

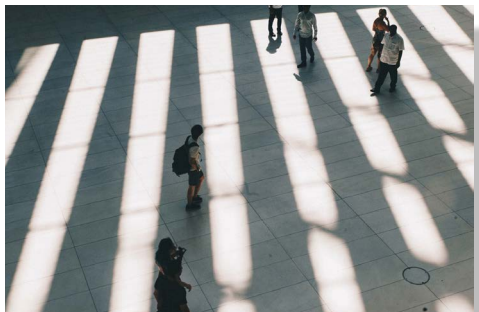
The situation in the Netherlands will further evolve starting on 1 July, with the maximum number of people allowed indoor increasing from 30 to 100 people – admitted that the current coronavirus figures in the country will either remain steady or continue to improve.

Before guests enter the restaurant, pub or terrace, they must first answer a few questions on their health. If they reply to all the question with a no, they can go inside. Guests are obliged to reserve for the restaurant and pub, not for the terrace.

2 June 2020



KOF tourism forecast: number of overnight stays will fall by a third



According to a recent tourism survey by the [Swiss Economic Institute \(KOF\)](#) at ETH Zurich, domestic tourists in Switzerland will not be able to compensate for the absence of international guests in the summer.

For the entire 2020 Swiss tourism year, the number of overnight stays is expected to fall by 31.4% compared to the previous year (-50% in the cities and -20-30% in the Alpine region) – with overall losses in added value amounting to more than CHF 900 million. While the decline in domestic demand is comparatively small (-14%), the losses in international business are huge (-45%) and last

year's level is only likely to be reached again after 2021.

The 2019/2020 winter season got off to a promising start – until the coronavirus pandemic brought tourism to a standstill. Throughout March, virtually all international guests left Switzerland. The number of overnight stays in hotels fell by 62% compared to the previous year and in April the occupancy rate was probably as low as 10%. Tourism will now slowly pick up again in the run-up to the summer season and, as in many other countries, the focus in Switzerland will be on domestic tourism.

Overall, the COVID-19 pandemic will lead to an estimated loss of 14.3 million overnight stays in the 2020 tourism year – compared to a pandemic-free scenario in which demand was expected to remain strong. For the hotel industry, this is predicted to lead to a loss of value-added of CHF 904 million. The loss of turnover is likely to amount to CHF 1.8 billion.

The likelihood of bankruptcy remains as high at 23% in the country and emergency loans can only secure liquidity for the short term. There is a risk of 3,200 business closures and over 30,000 job losses. Read the related article [here](#).

10 June 2020

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