



Henderson County Tourism Research: Pandemic Impacts and Beyond

Presented March 2021

Henderson County Tourism Research: Pandemic Impacts and Beyond



Overview:

- 1. Tourism partner survey highlights**
- 2. State of the market: hotels and short-term rentals**
- 3. COVID-related leisure traveler research**
- 4. Closing thoughts**



HENDERSON COUNTY TOURISM PARTNER SURVEY

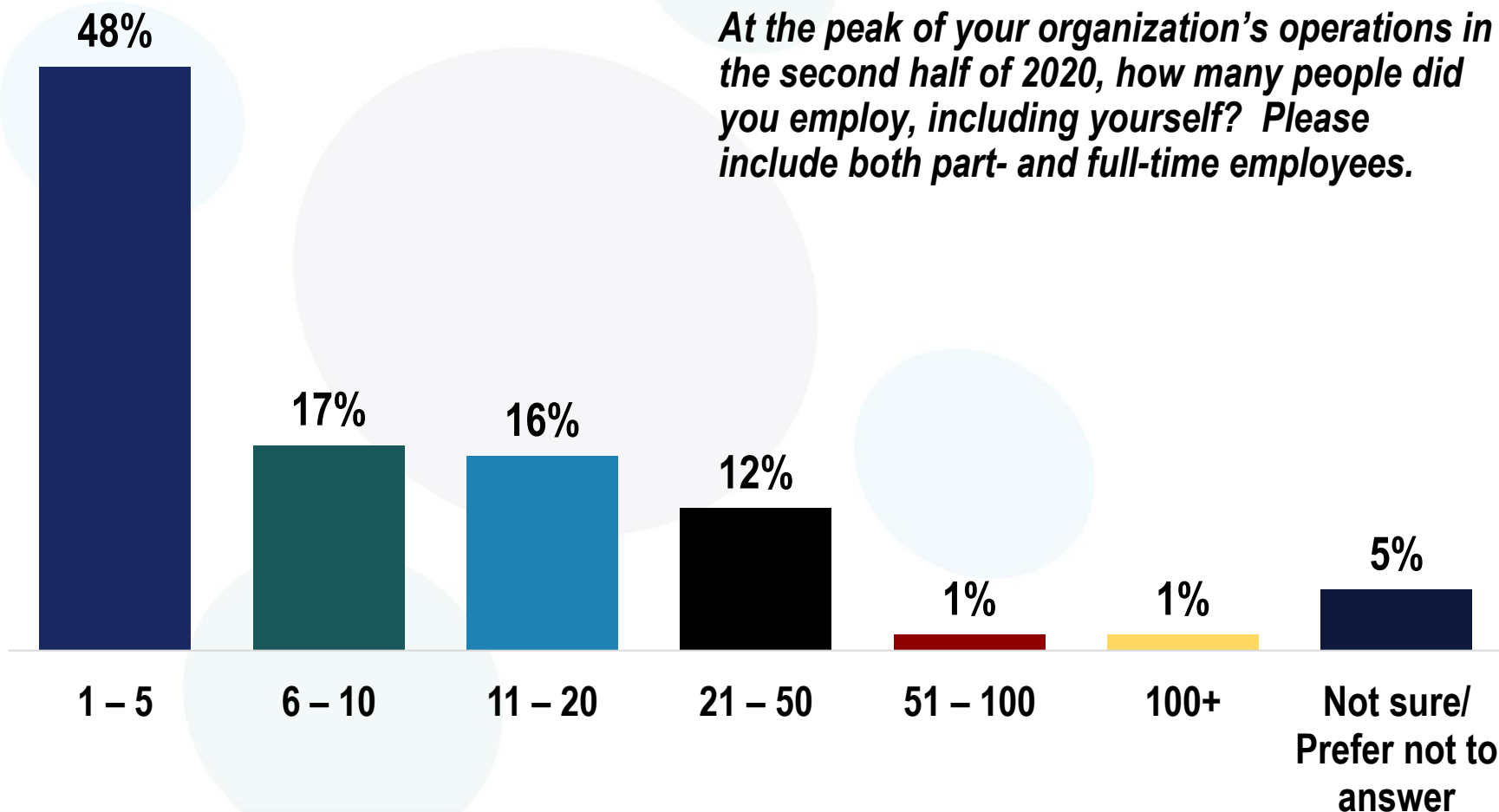


Henderson County Tourism Partner Survey

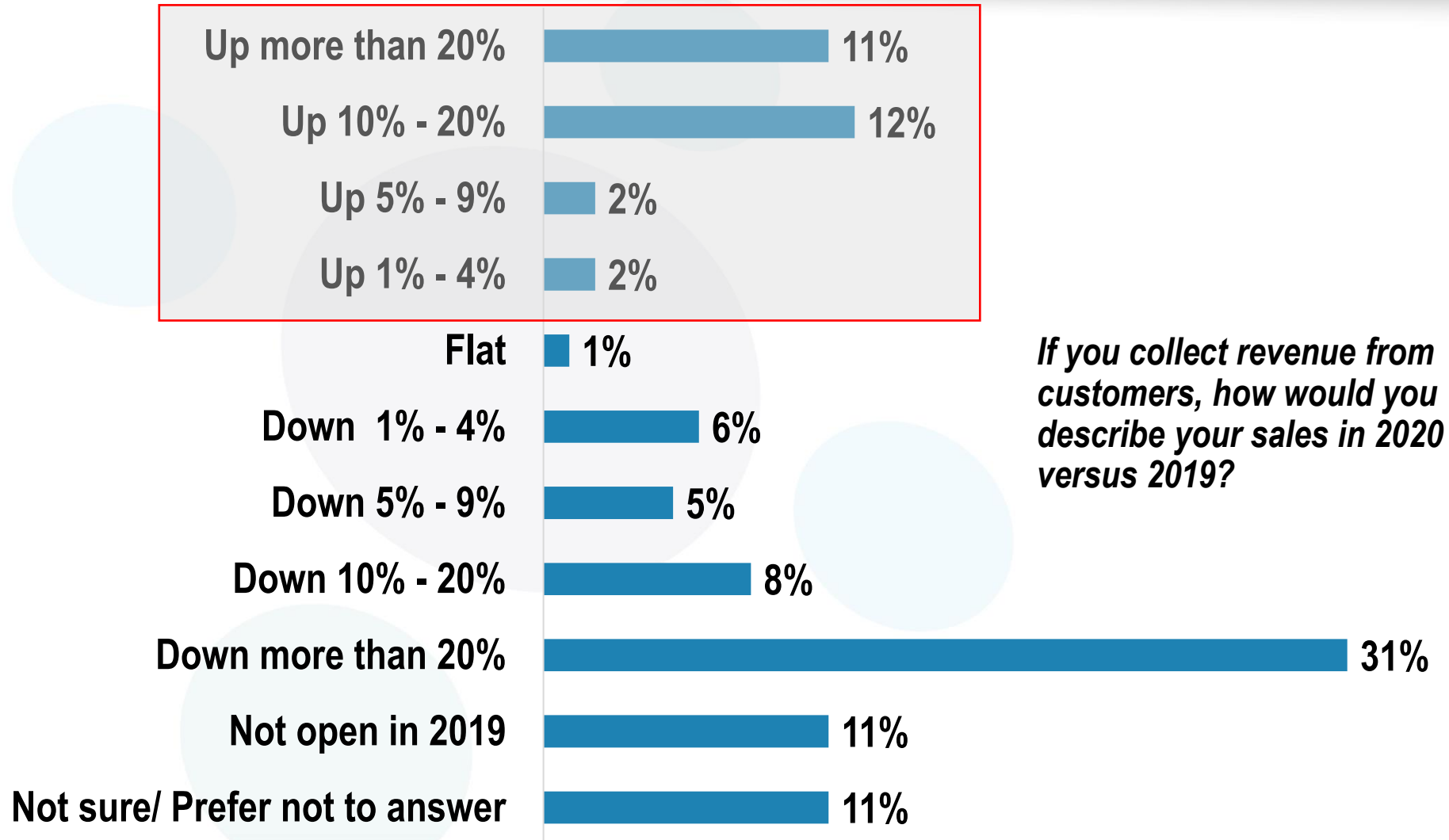
- Survey distributed in late February to TDA list of partners.
- 100 responses received.
- 1/3 of respondents are in downtown Hendersonville, 1/4 in the rest of Hendersonville and Laurel Park, and the remainder scattered across the rest of the county.
- Good representation of different categories of organizations—17% from retail, 17% from hotels and B&Bs, and a mix of respondents from other parts of the sector.

Half of the partners surveyed are very small organizations, employing between 1 and 5 people

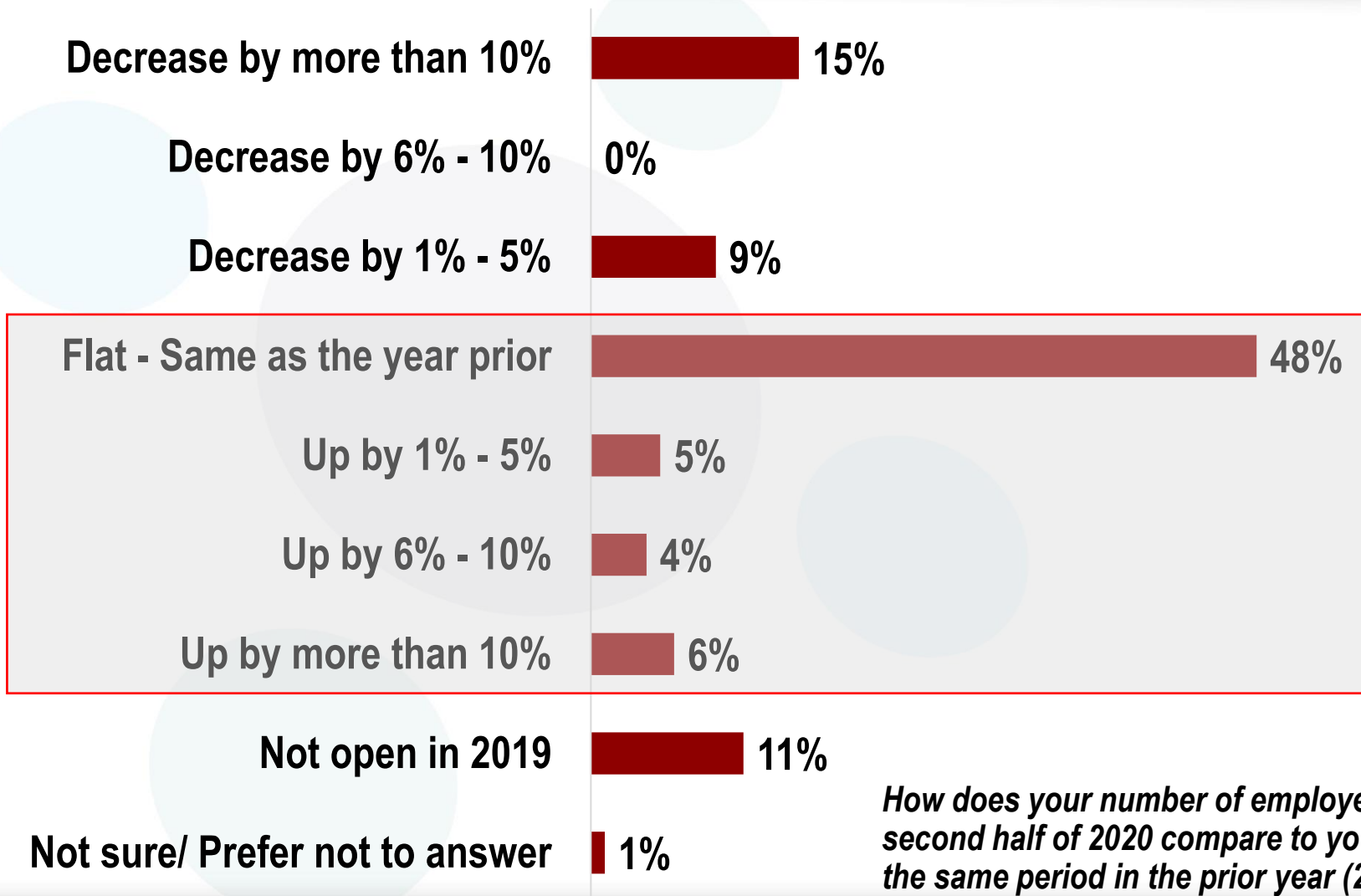
At the peak of your organization's operations in the second half of 2020, how many people did you employ, including yourself? Please include both part- and full-time employees.



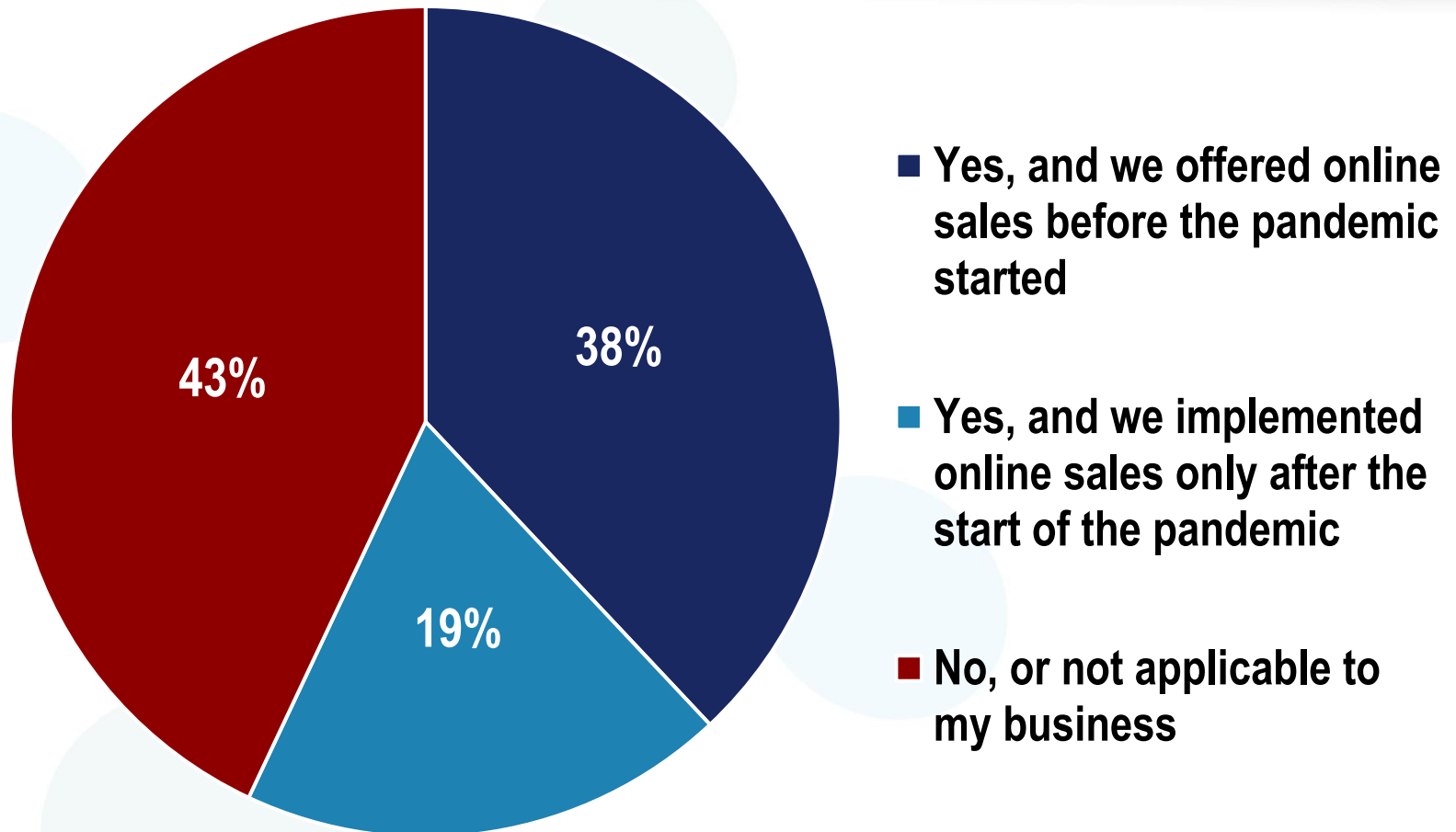
Nearly a third of respondents said their revenue was down more than 20% in 2020, but more than a quarter said revenue actually increased for them



Almost two-thirds of respondents said they employed the same number of people or more by the end of 2020 compared to the same time in 2019

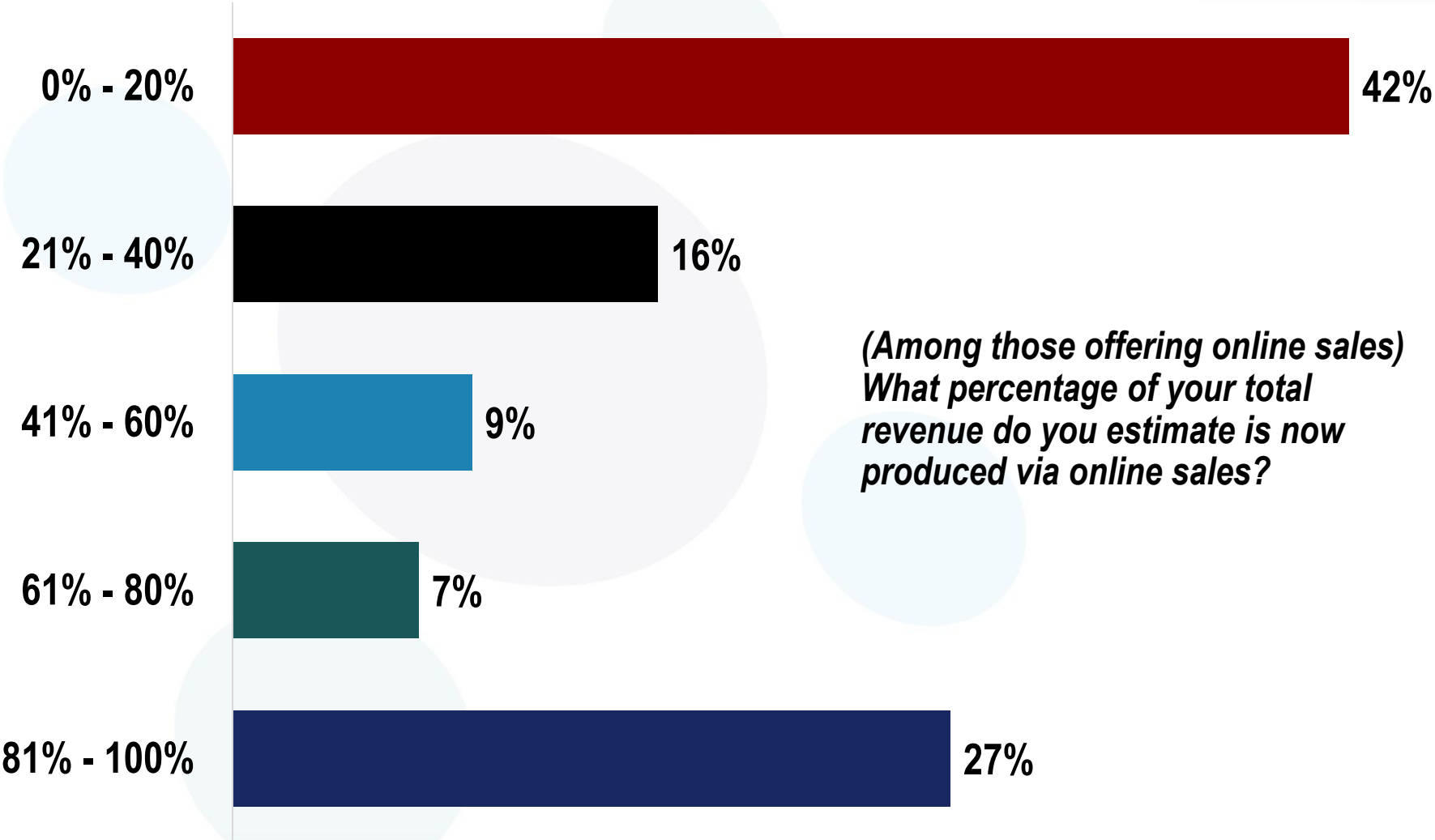


A fifth of respondents said they started offering online sales after the pandemic began, and over 50% of tourism partners now offer it

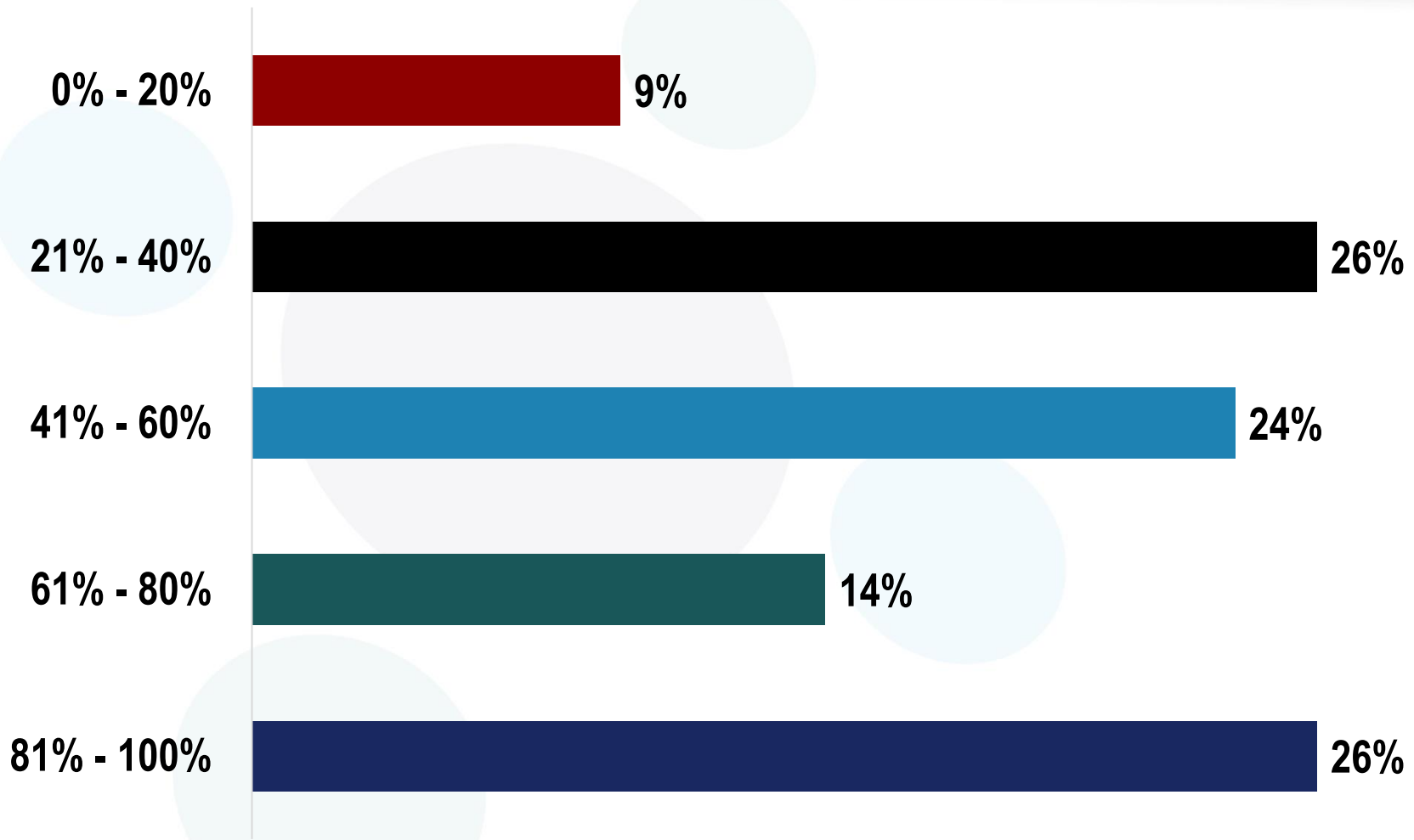


Does your business or organization currently offer online sales? This includes online ticketing and online ordering for restaurants but does not include online reservations where no commercial transaction occurs.

Among those respondents offering online sales, quite a few derive a significant amount of revenue from it



For the organizations surveyed, the visitor economy is a big part of their business—40% say visitors represent at least 60% of their customers



Please tell us what percentage of your customers you believe are visitors to the area.

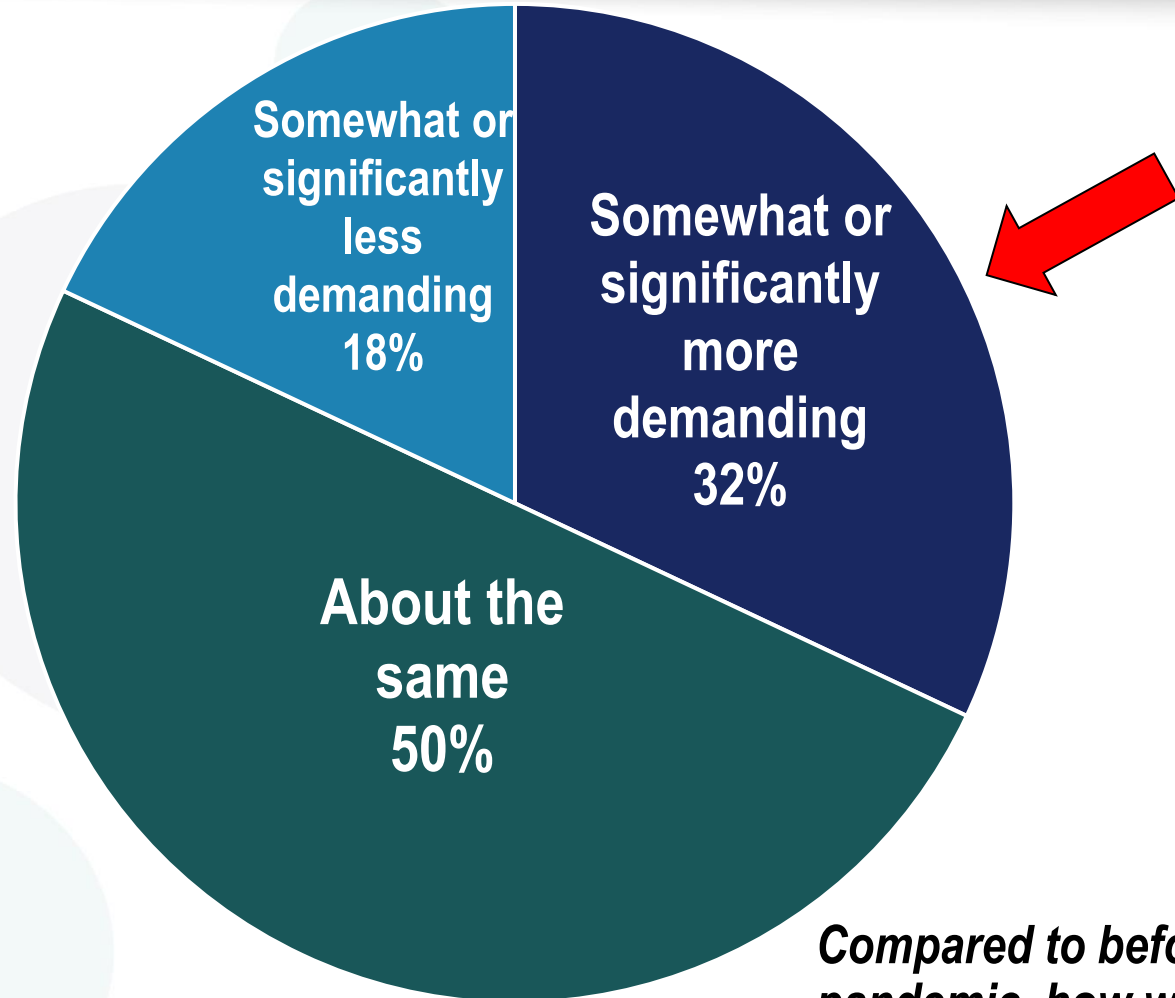
Following the shutdown last spring, what kinds of changes have you seen in your customers compared to before the pandemic?

Customer Type	More?	About the Same	Fewer?
Local Residents	26%	45%	29%
Visitors to the Area	27%	20%	53%
First-Time Customers	41%	38%	21%
Repeat Customers	31%	49%	20%
Younger Customers	39%	51%	10%
Older Customers	12%	49%	39%

Coronavirus-related issues continue to be at the top of the list of concerns for tourism partners going into 2021

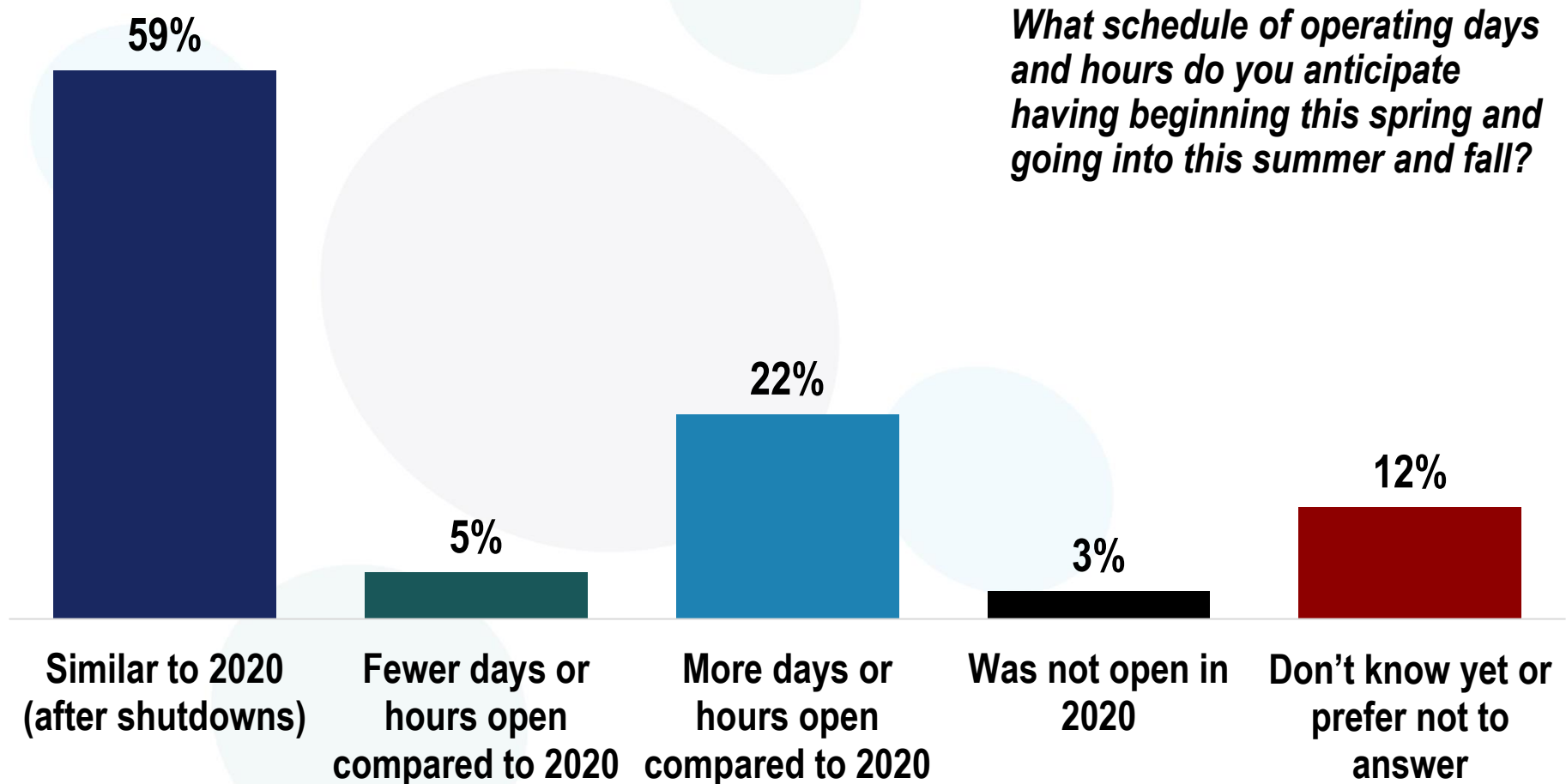


Adding to their challenges, a third of respondents say customers have become more demanding during the pandemic



Compared to before the pandemic, how would you describe your customers?

Almost all respondents anticipate being back to a normal operating schedule in 2021



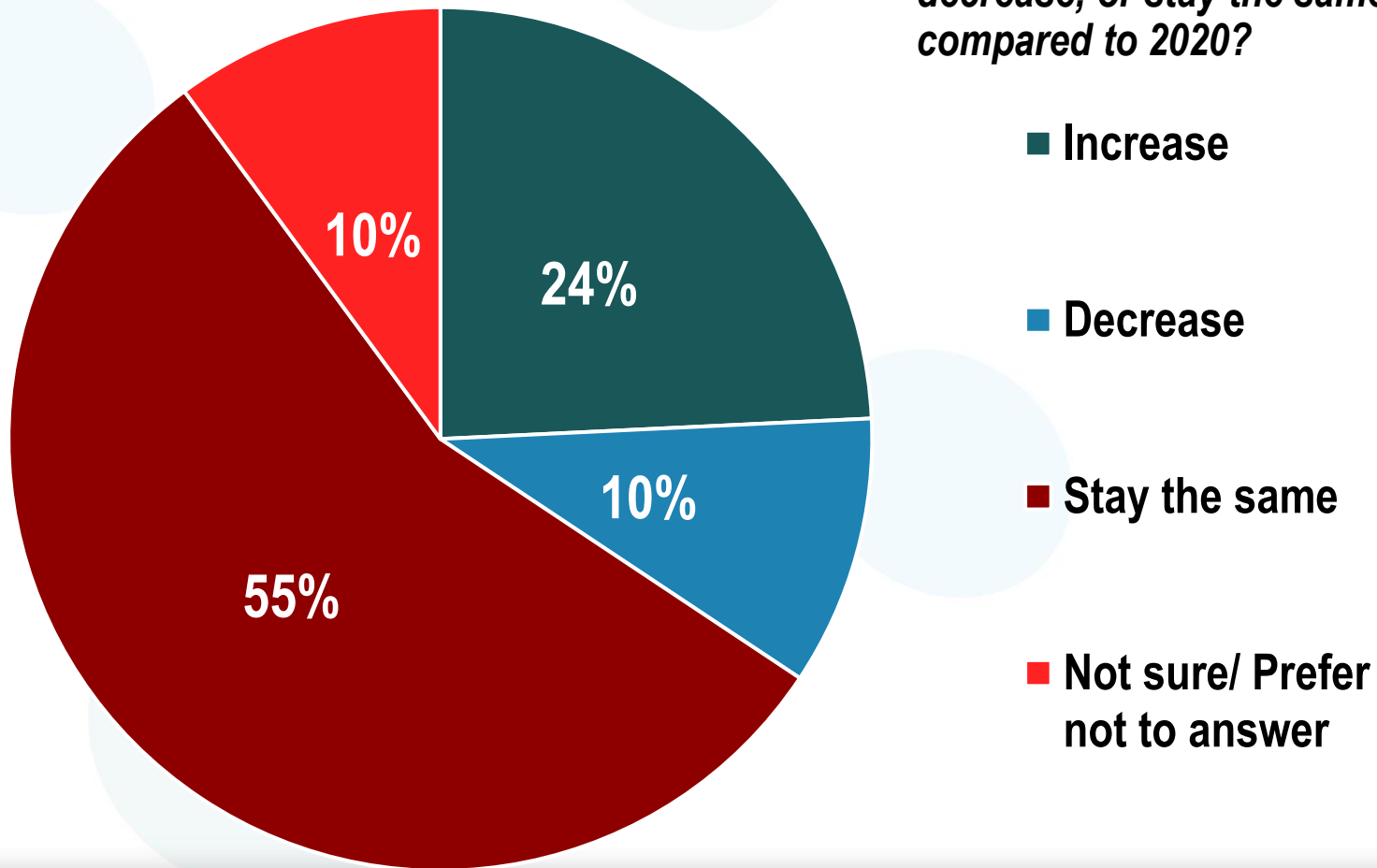
Finding new employees will be a challenge for many respondents, as more than a third expect to increase their staff in 2021



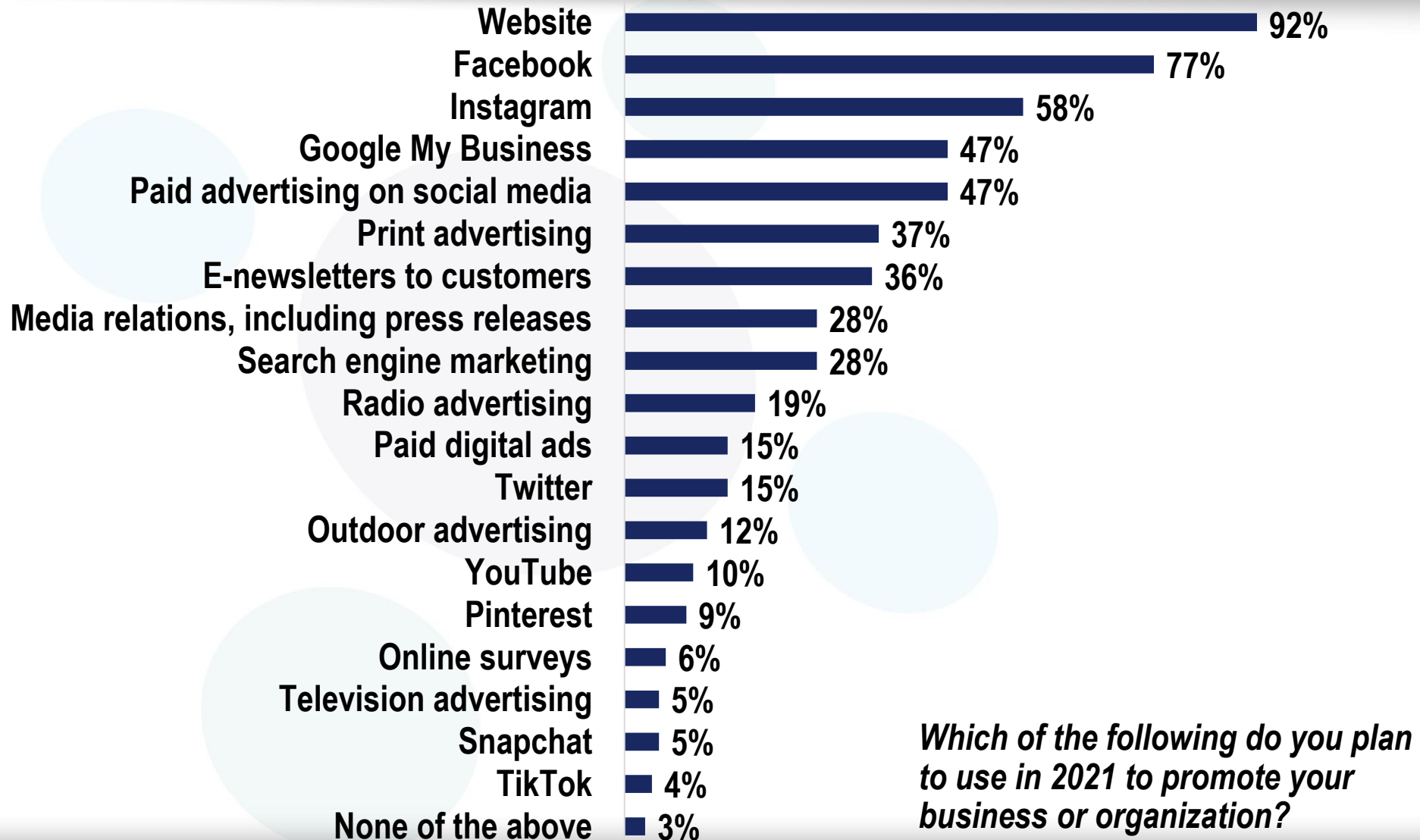
Do you anticipate any of the following for your business or organization in 2021?

A quarter of respondents say their marketing and promotion budgets will increase in 2021

Will your organization's budget for marketing and promotion increase, decrease, or stay the same in 2021 compared to 2020?



There are still many opportunities for organizations to expand their online and social media presence in 2021



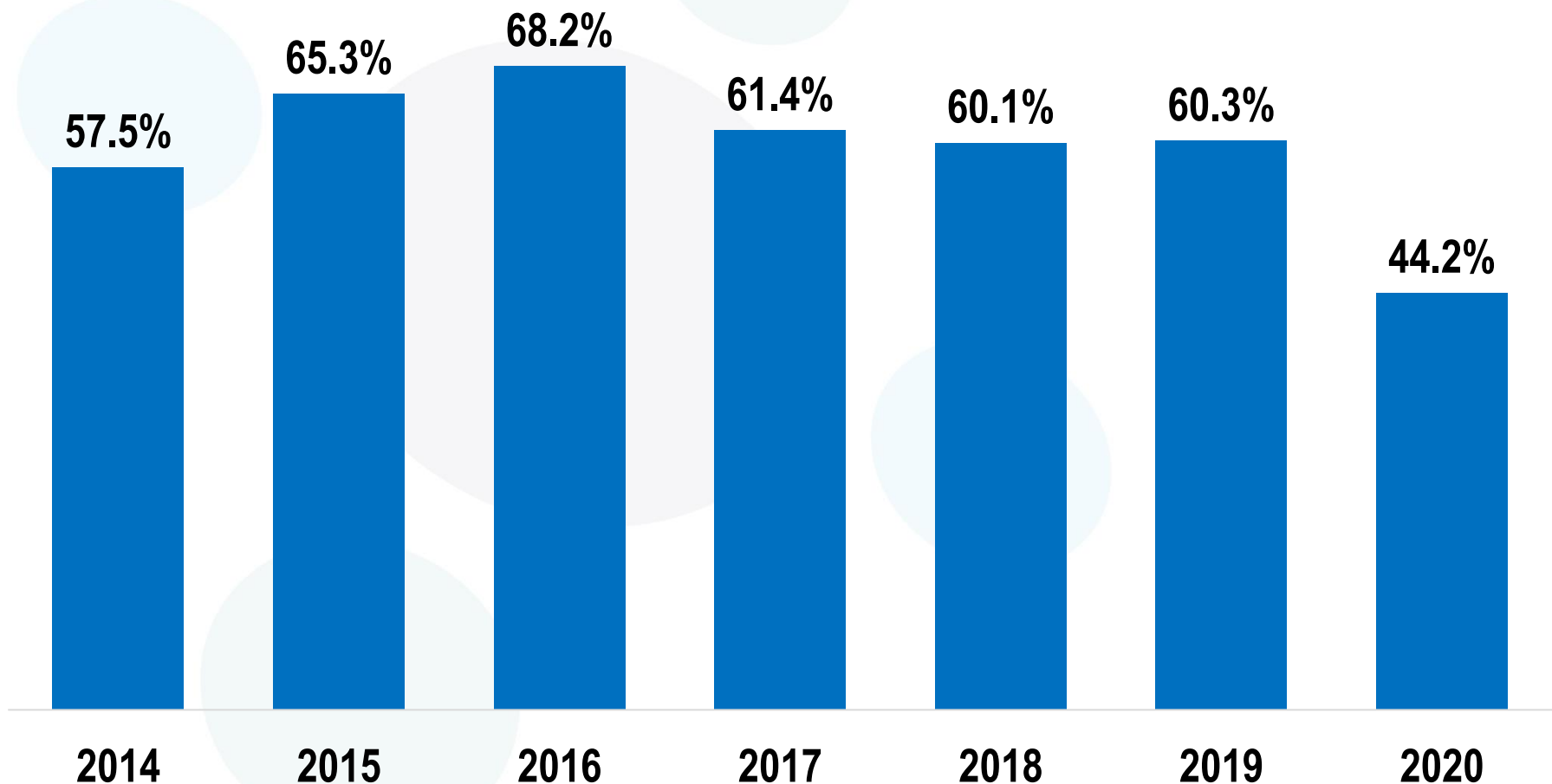


Hotels and Short-Term Rentals

**HENDERSON COUNTY
LODGING MARKET
PERFORMANCE**



Henderson County Hotel Occupancy, 2014-20

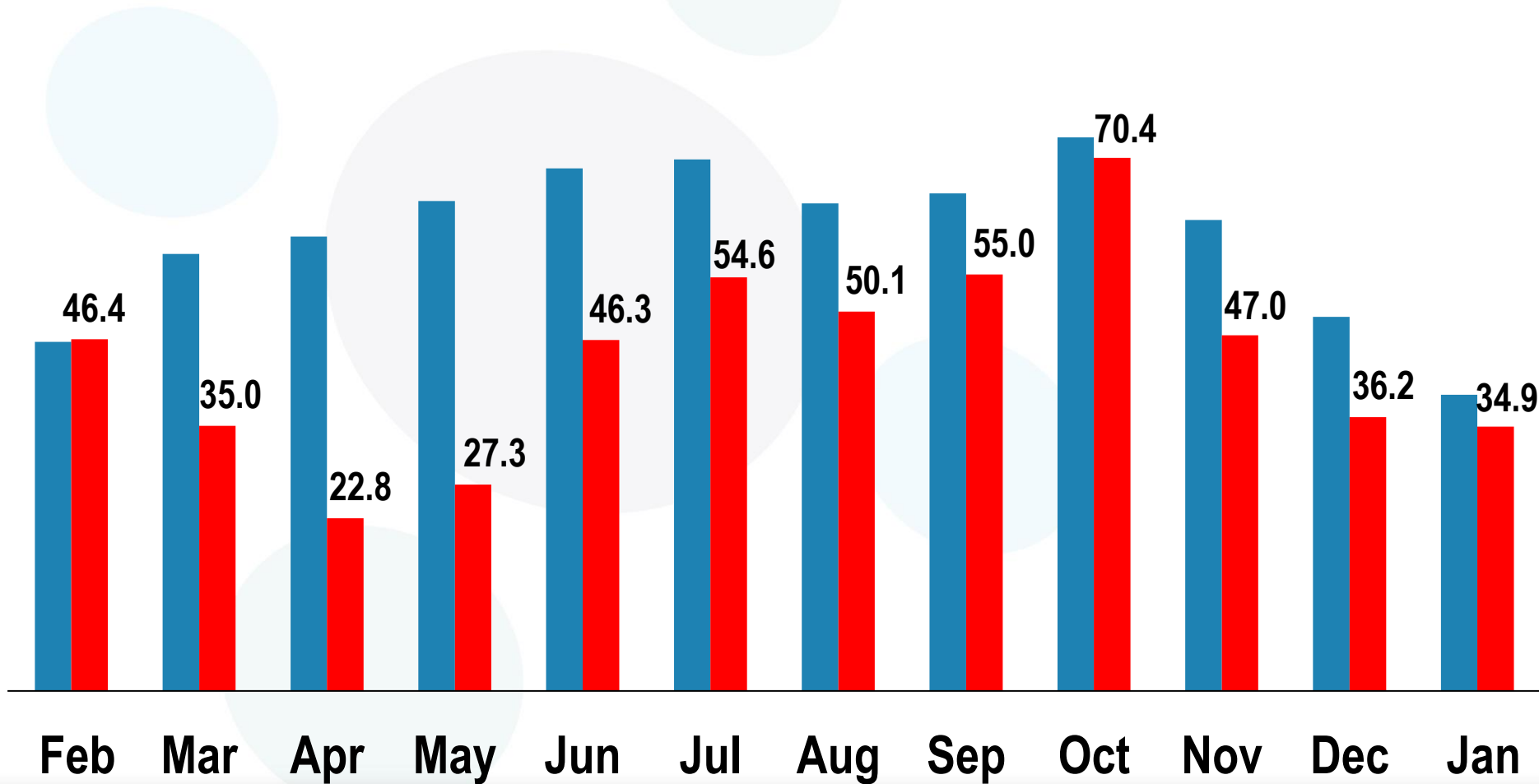


Henderson County Hotel Occupancy

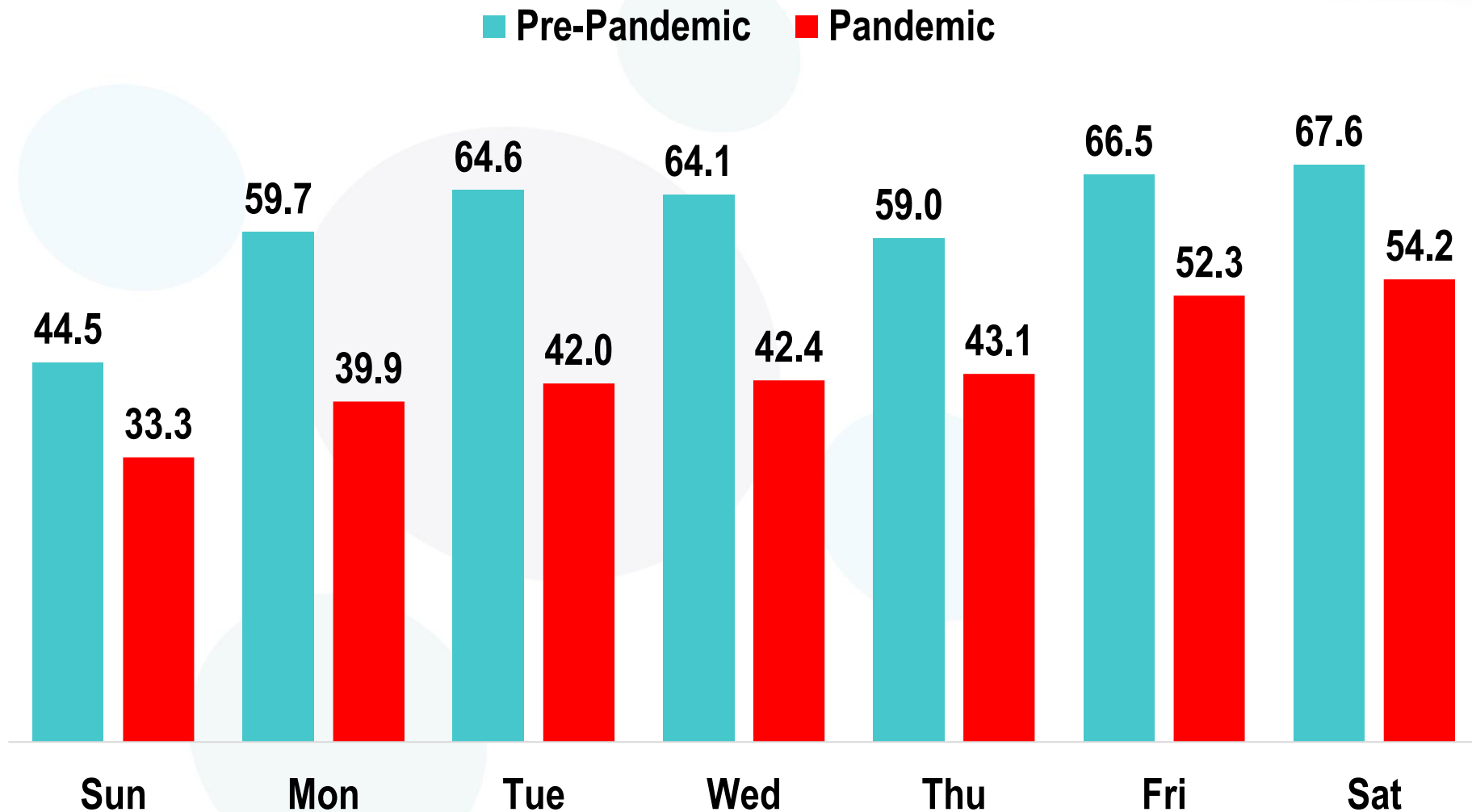
February – January, Prior 2 Years

■ Feb 2019 - Jan 2020

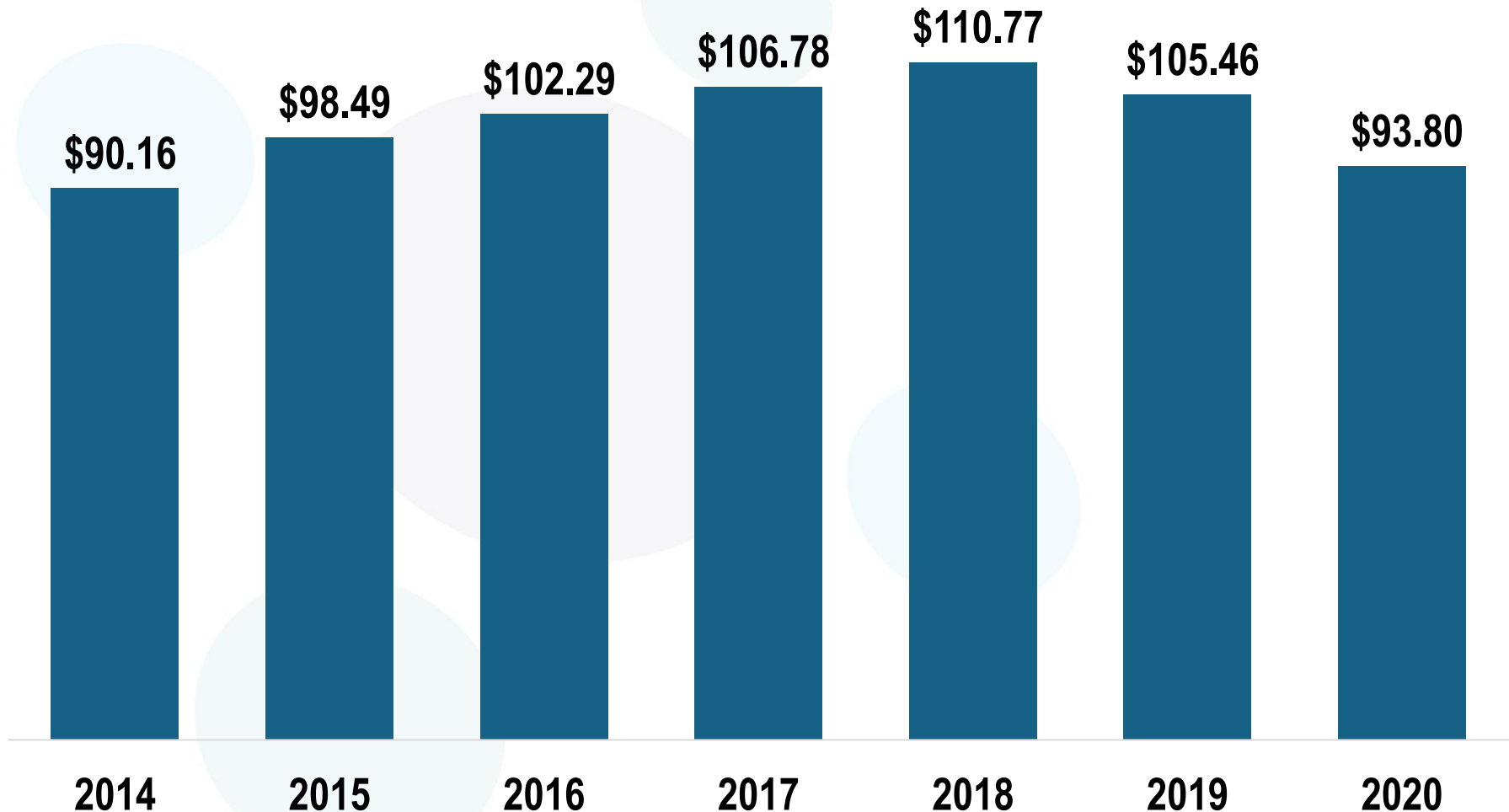
■ Feb 2020 - Jan 2021 (Pandemic)



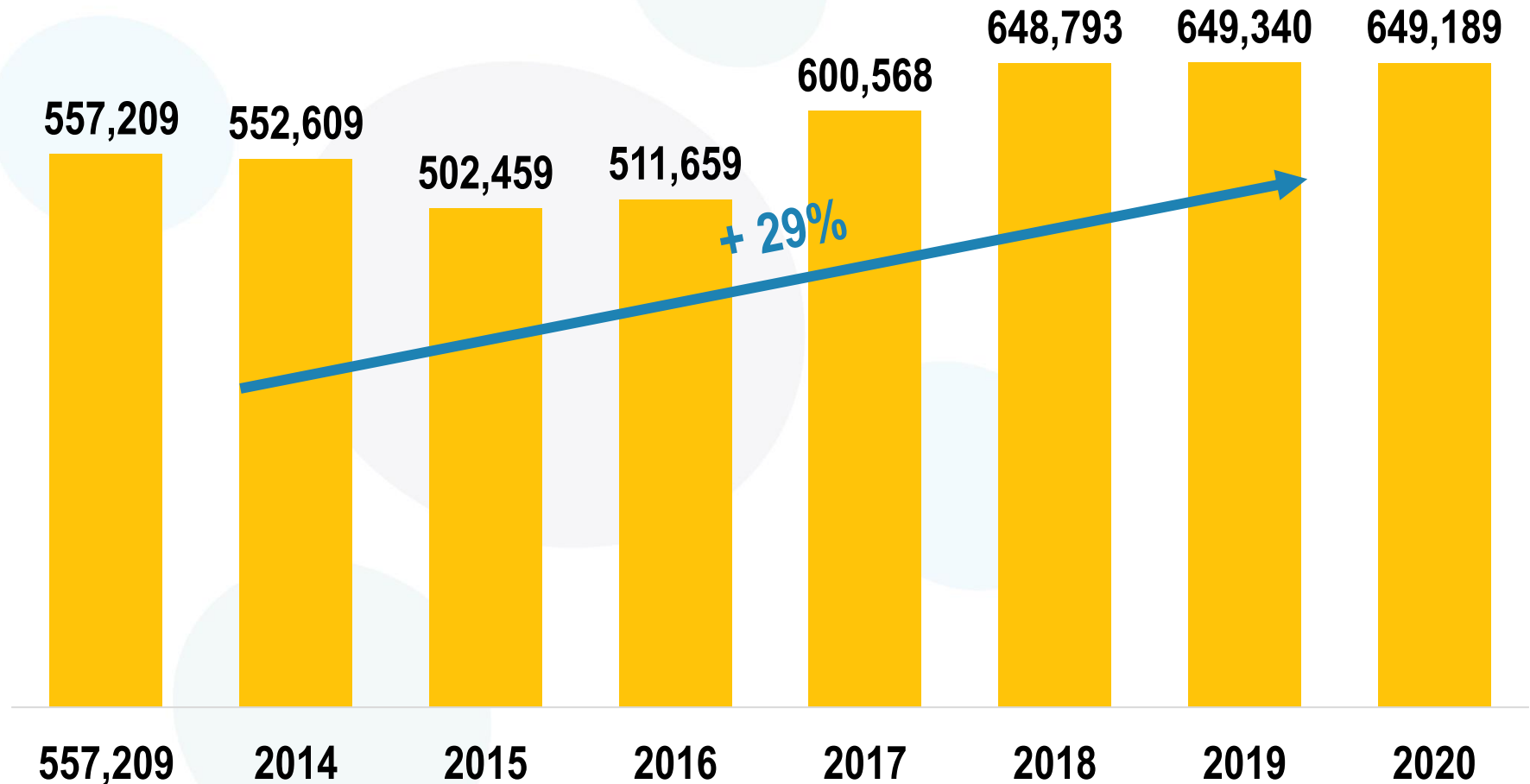
Henderson County Day of Week Hotel Occupancy, Feb. through Jan., Before and During the Pandemic



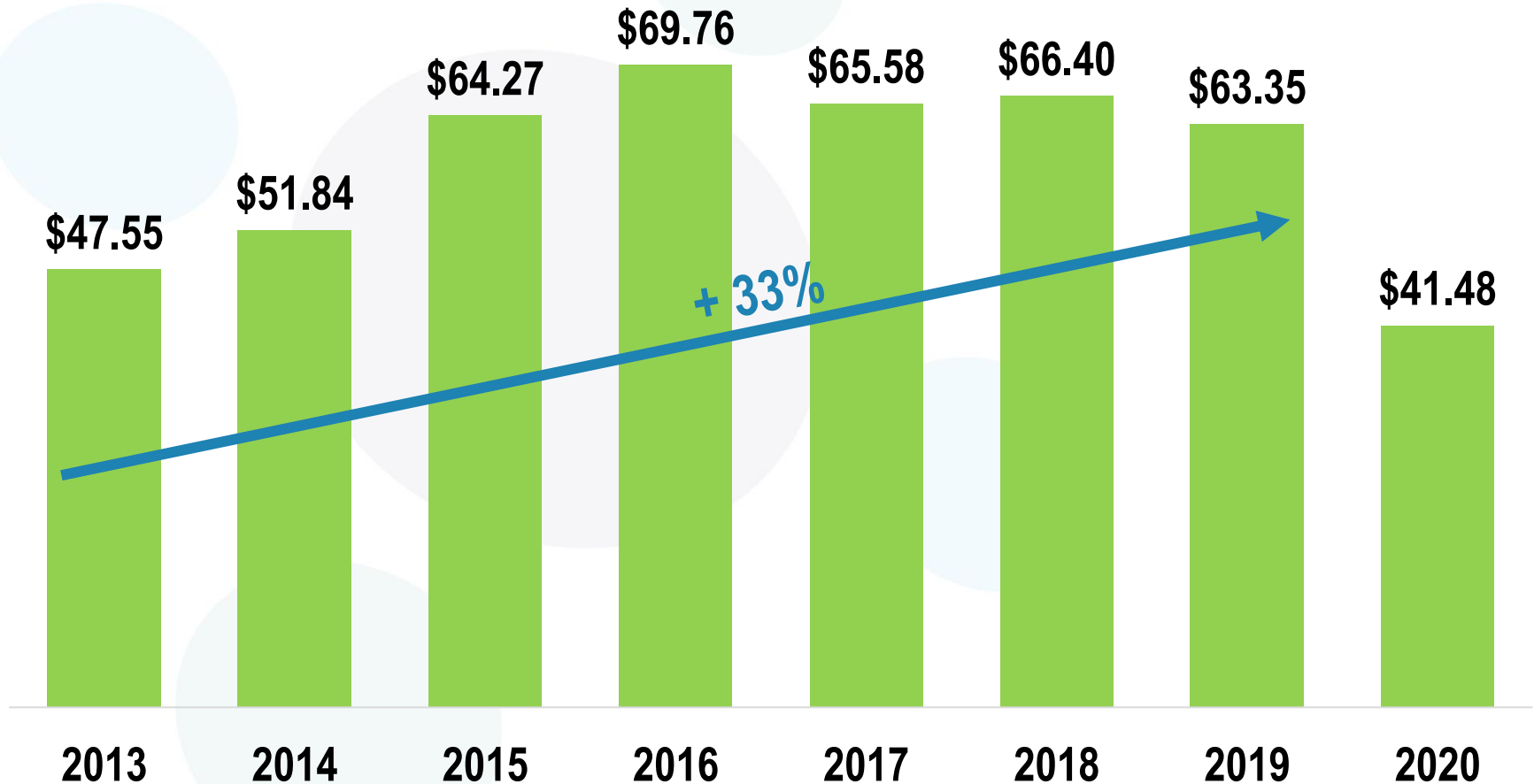
Henderson County Hotel ADR, 2014-20



Henderson County Hotel Room Night Supply, 2014-20



Henderson County Annual RevPAR, 2013-20



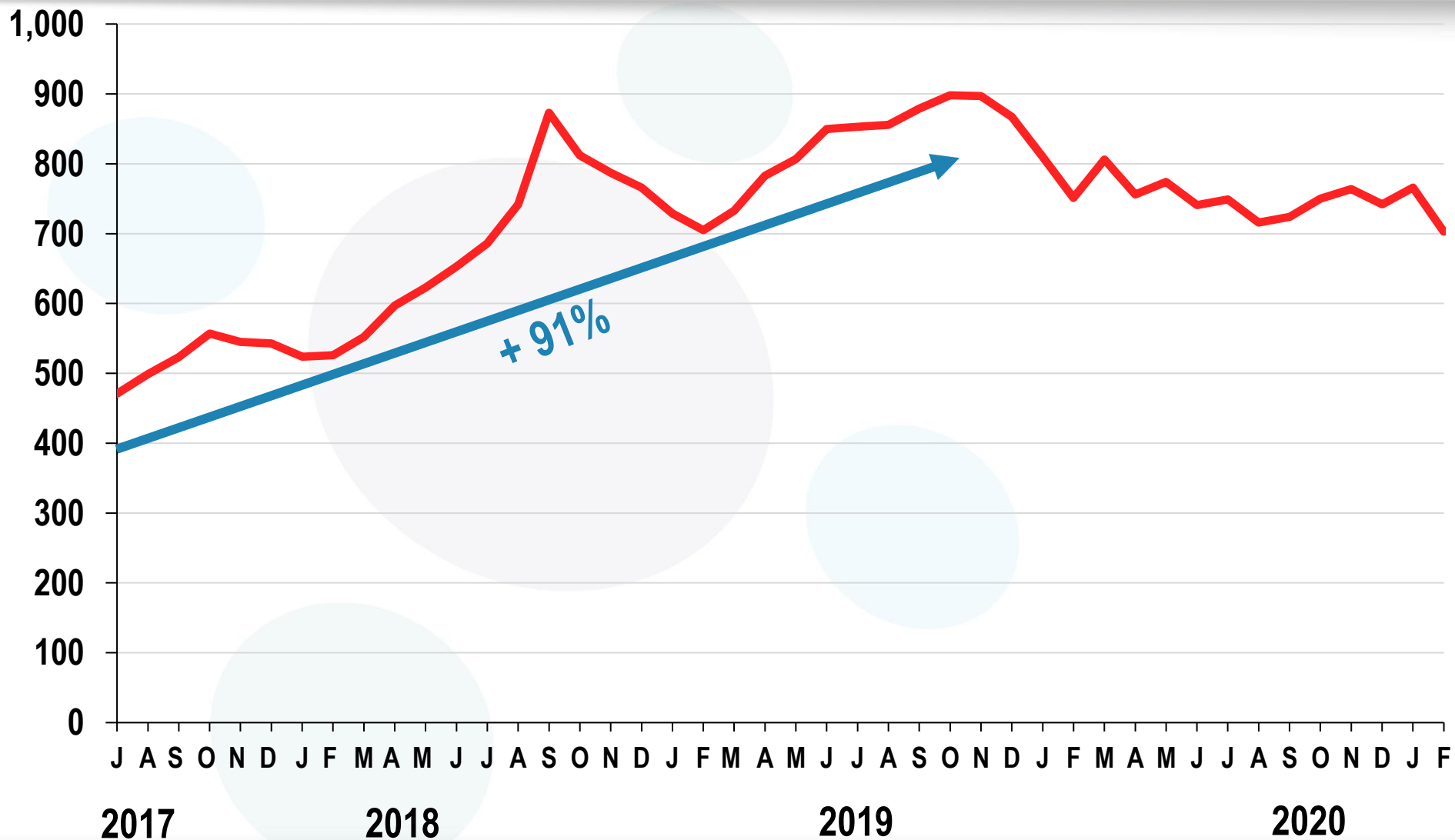


Airbnb, VRBO, & HomeAway

SHORT-TERM RENTAL MARKET PROFILE FOR HENDERSON COUNTY



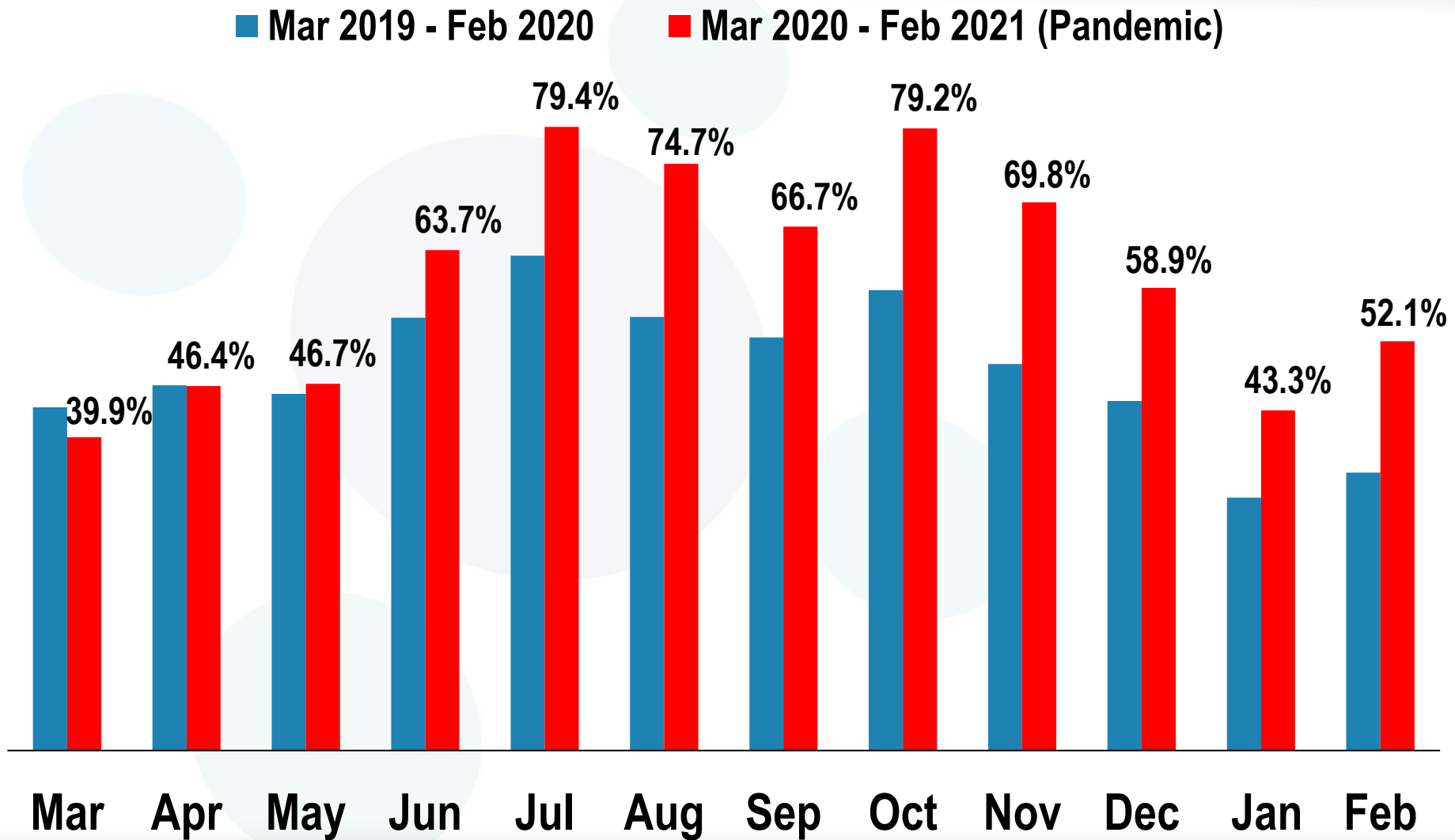
Henderson County - Total Available Short-Term Rental Listings, Entire Place, July 2017 – Feb 2021



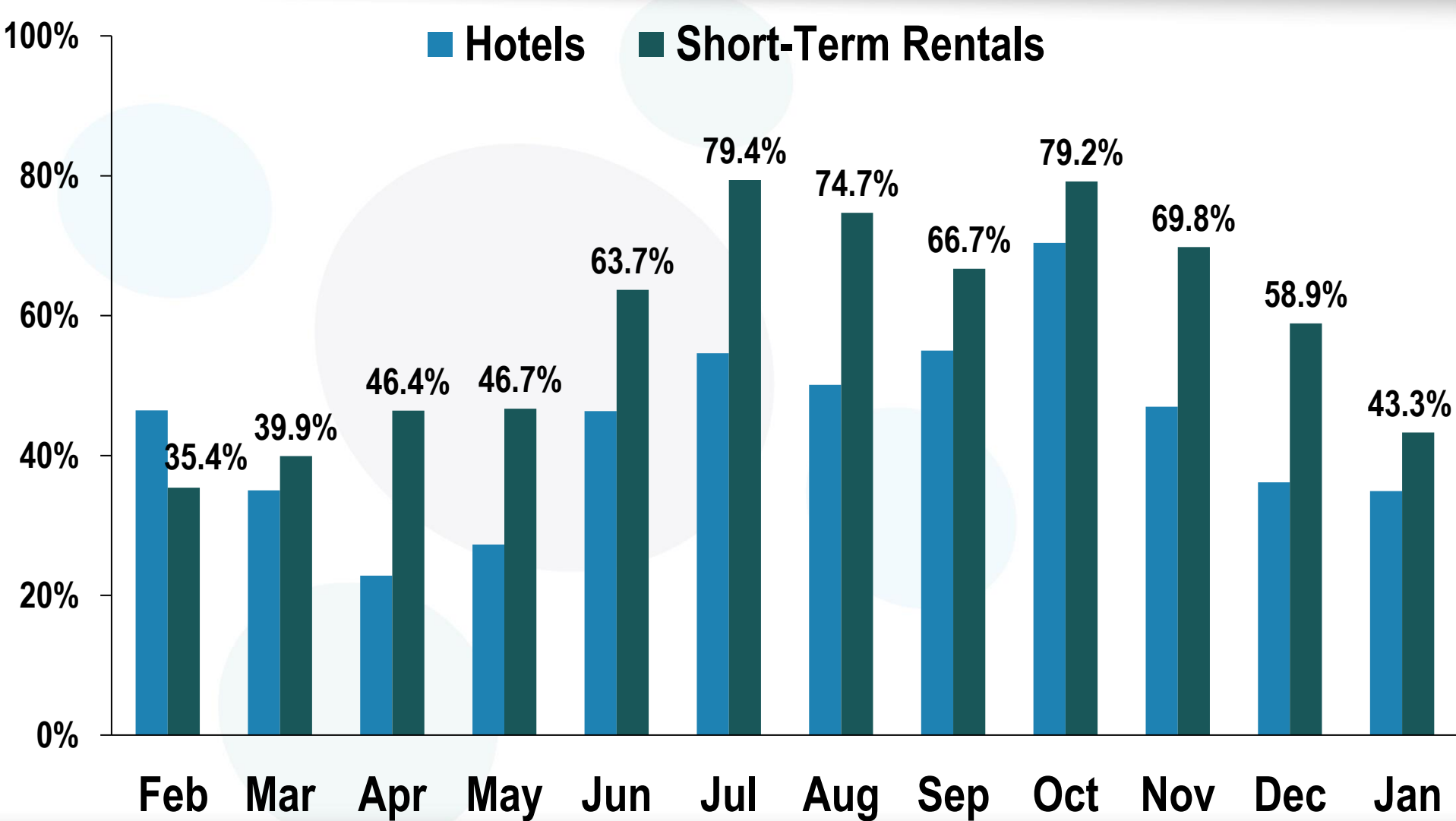
Henderson County: Occupancy, Entire Place Short-Term Rentals, July 2017 – Feb 2021



Henderson County Entire Place Short-Term Rental Occupancy, Before and During the Pandemic

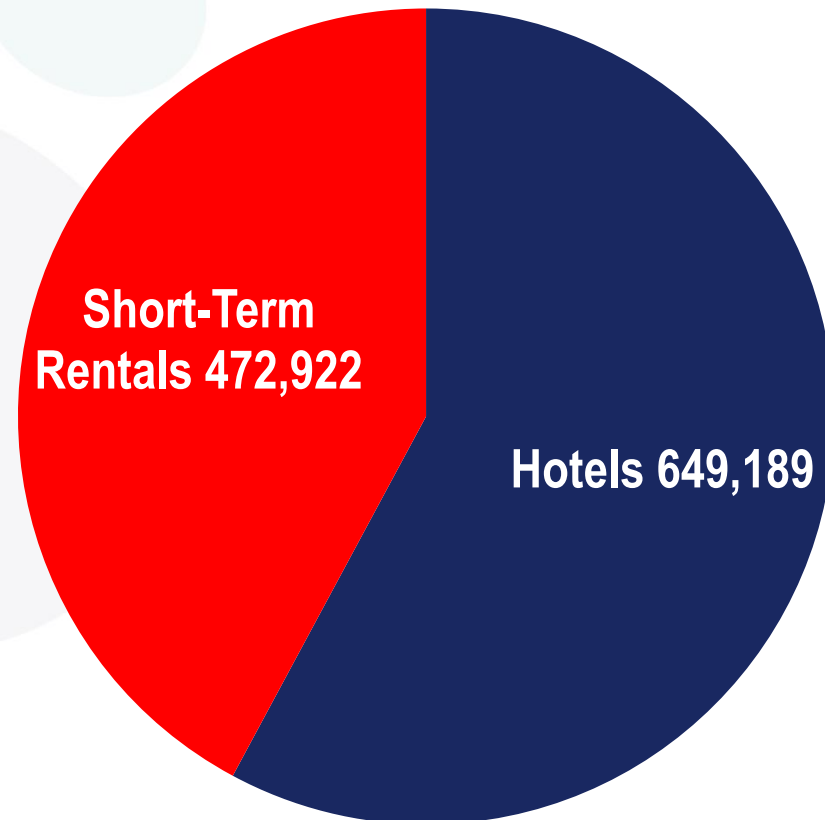


Henderson County Occupancy Feb 2020 – Jan 2021, Hotels vs. Entire Place Short-Term Rentals



Annual Room Nights Generated in Henderson County, 2020

Entire Place Short-Term
Rentals Represented
42% of All Room Nights
Generated in Henderson
County in 2020





2021 LEISURE TRAVELER RESEARCH

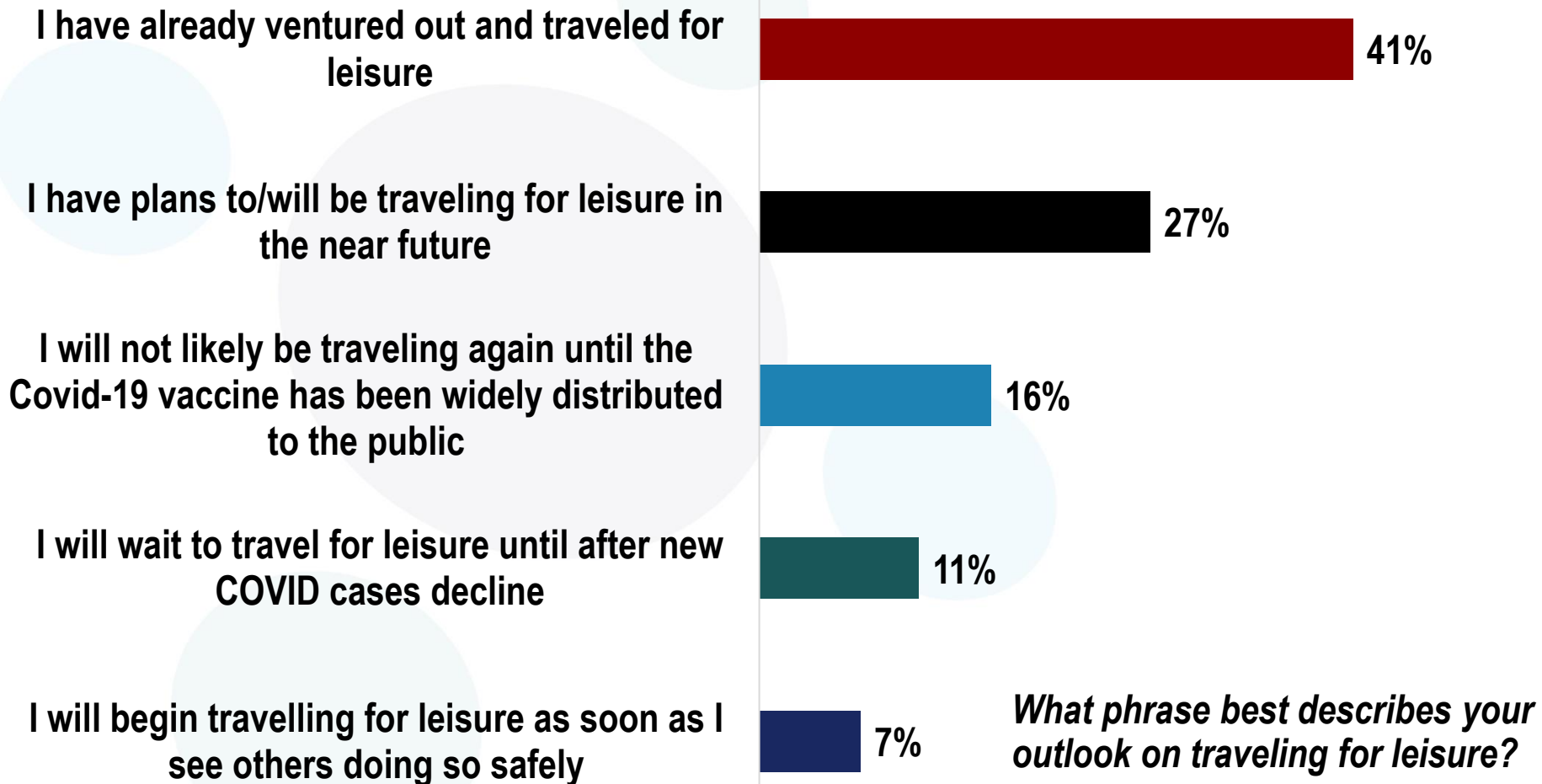


Summary of 2021 Leisure Traveler Research

- **Online survey administered to almost 1,000 leisure travelers:**
 - **400 members of an online travel panel living within a 5-hour radius of Hendersonville plus northern and central Florida.**
 - **593 members of Hendersonville Tourism's email database.**
- **Survey distributed in February included coronavirus-related travel questions and several questions allowing for comparison to 2020 study conducted in same month.**

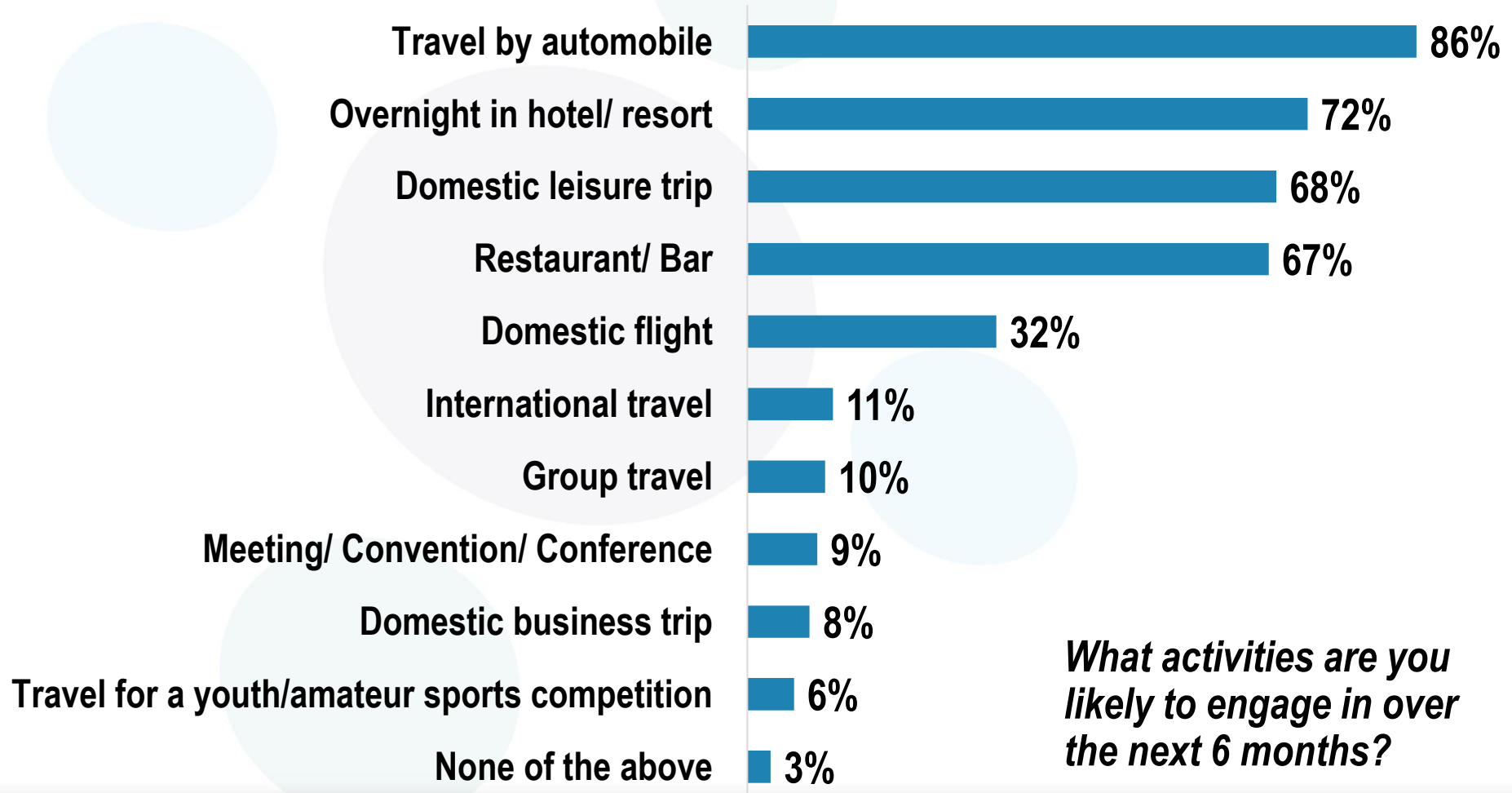
The recovery of the tourism sector is already well underway and will be strong into this summer

All Respondents



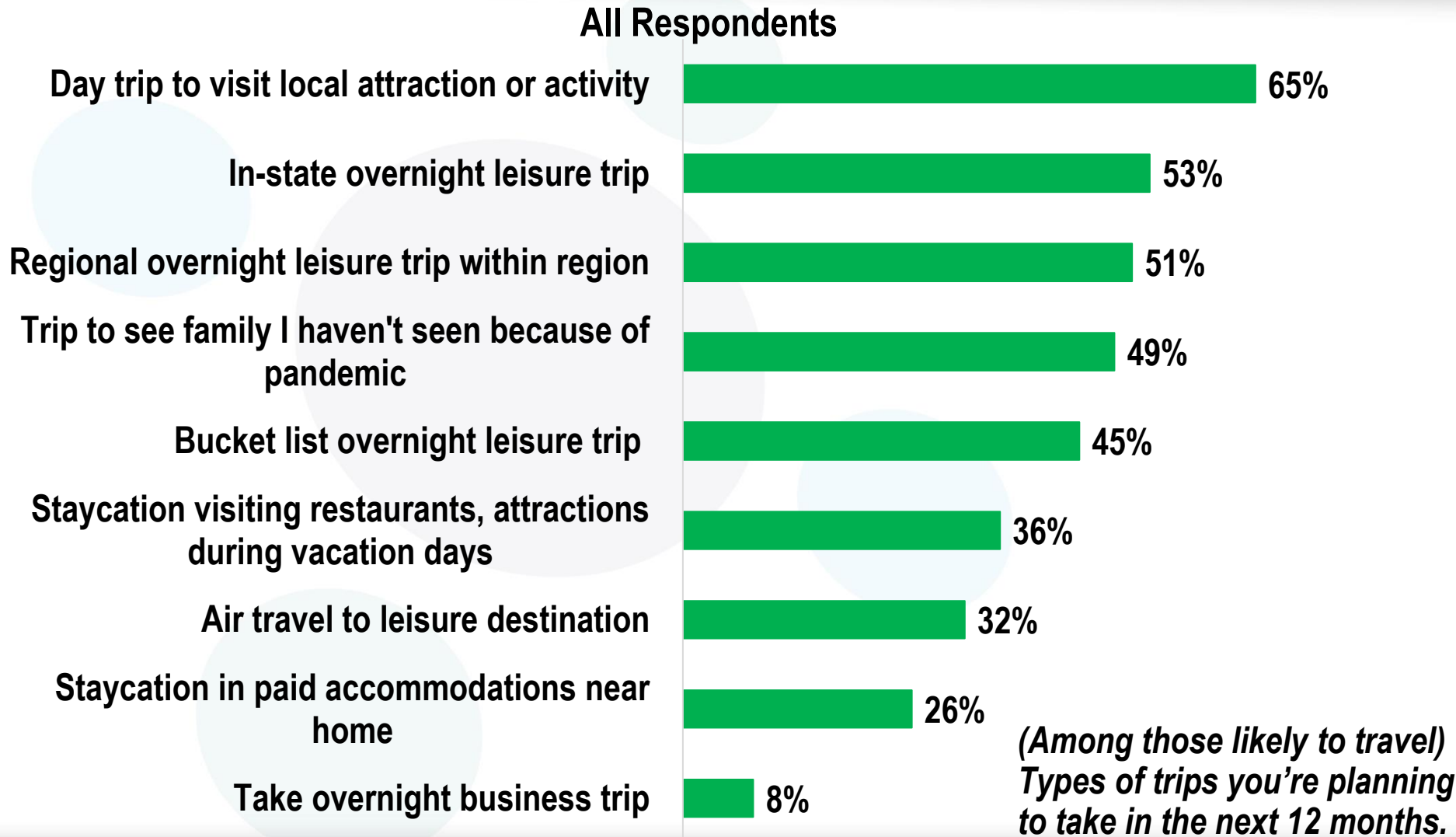
As expected, there is significant pent-up demand for domestic leisure travel among most travelers

All Respondents



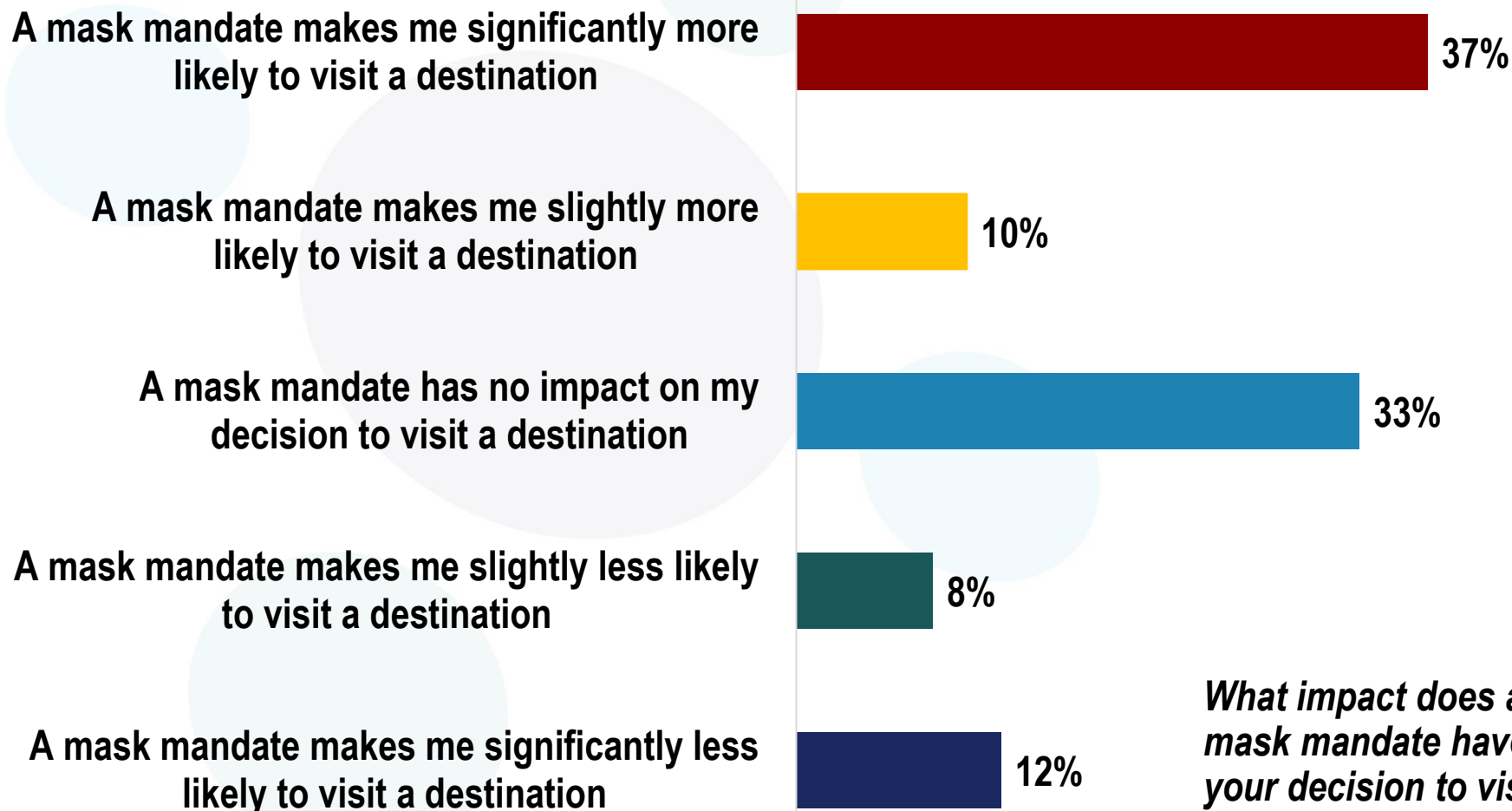
What activities are you likely to engage in over the next 6 months?

Daytrips will still be strong, but future overnight leisure trips are fast increasing in popularity



For most travelers, a mask mandate either has no impact or positively influences a decision to visit

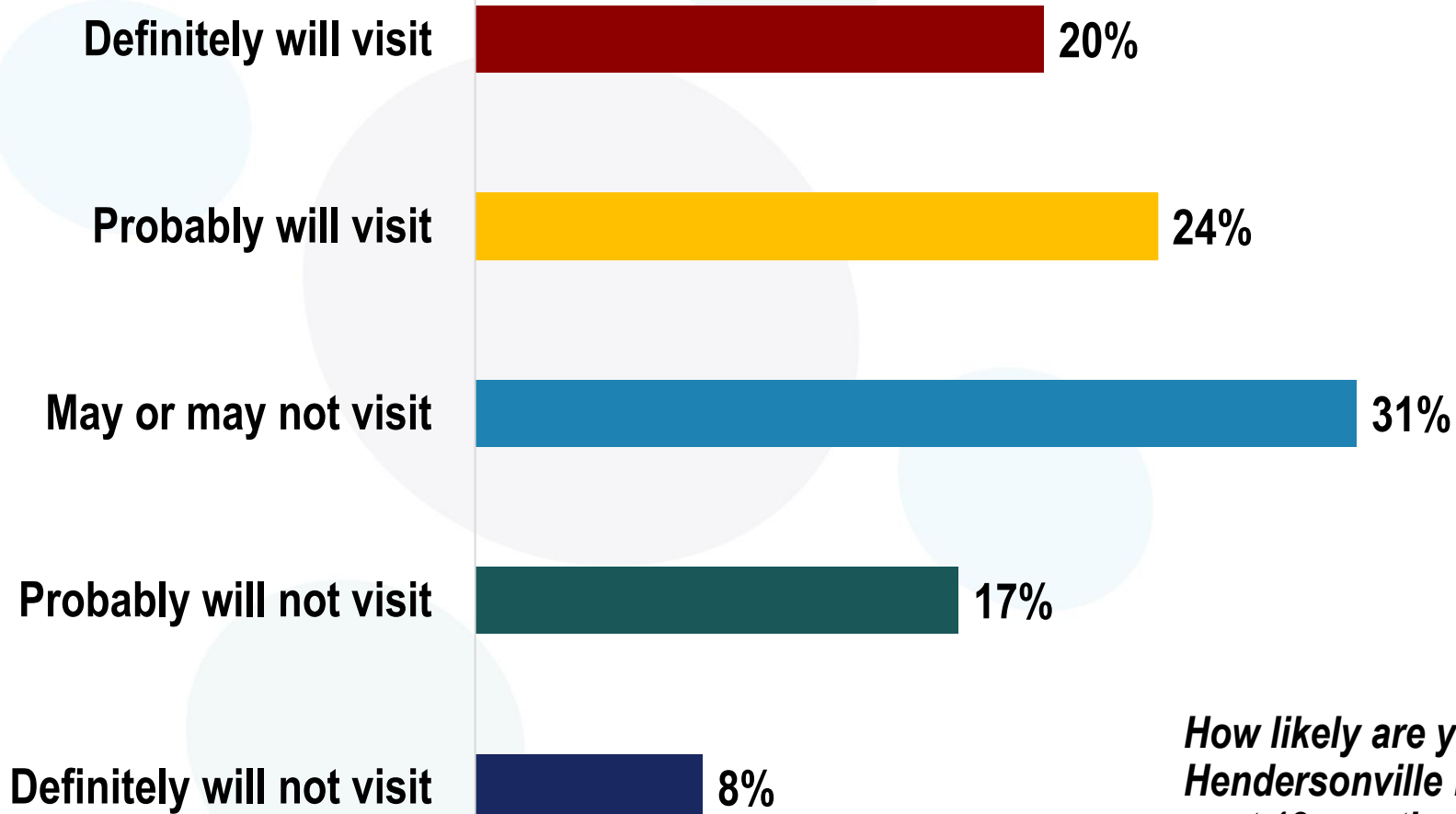
All Respondents



What impact does a mask mandate have on your decision to visit?

Those panel respondents who are familiar with Hendersonville show a strong interest in visiting the area in the next 12 months

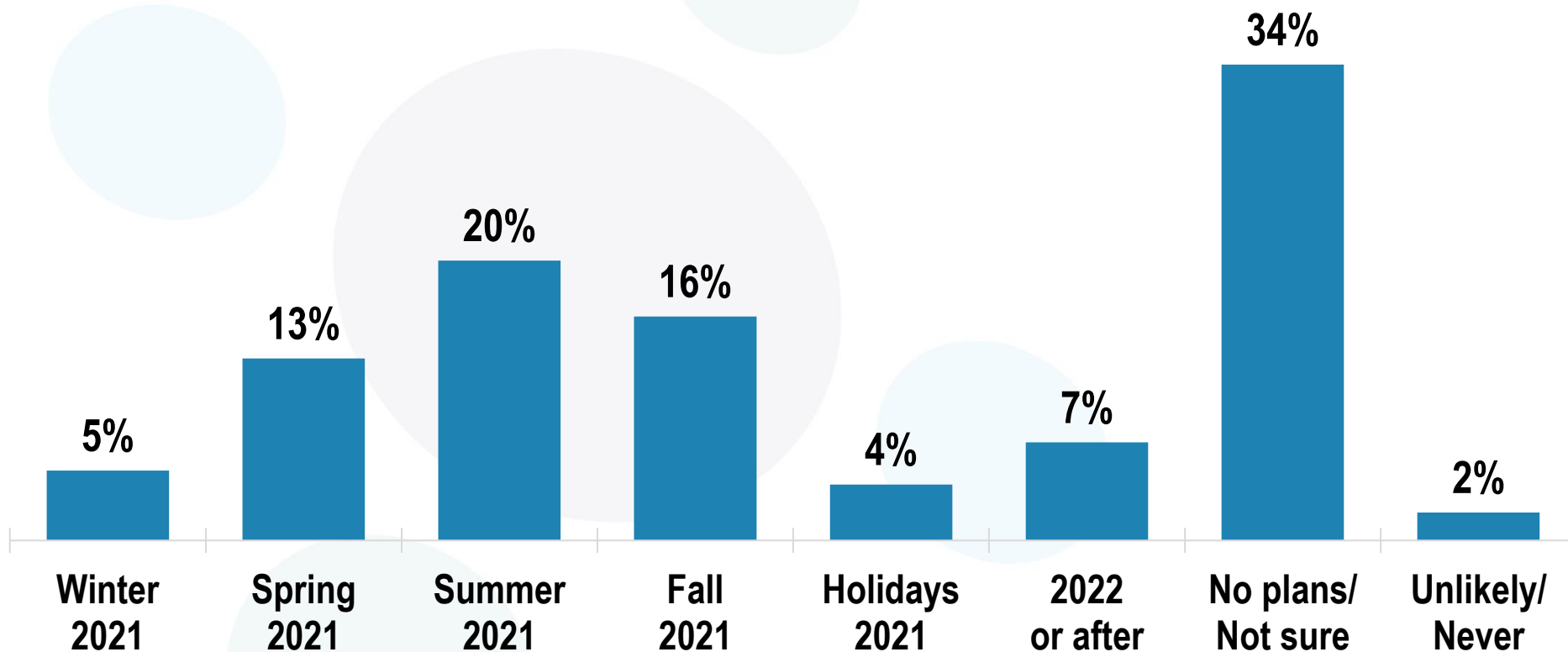
Panel Respondents Only (No House List)



How likely are you to visit Hendersonville in the next 12 months?

There are plenty of travelers who anticipate visiting the Hendersonville area this year, but a third don't have any specific plans just yet

Panel Respondents Only (No House List)



When do you anticipate your next visit to Hendersonville to occur?

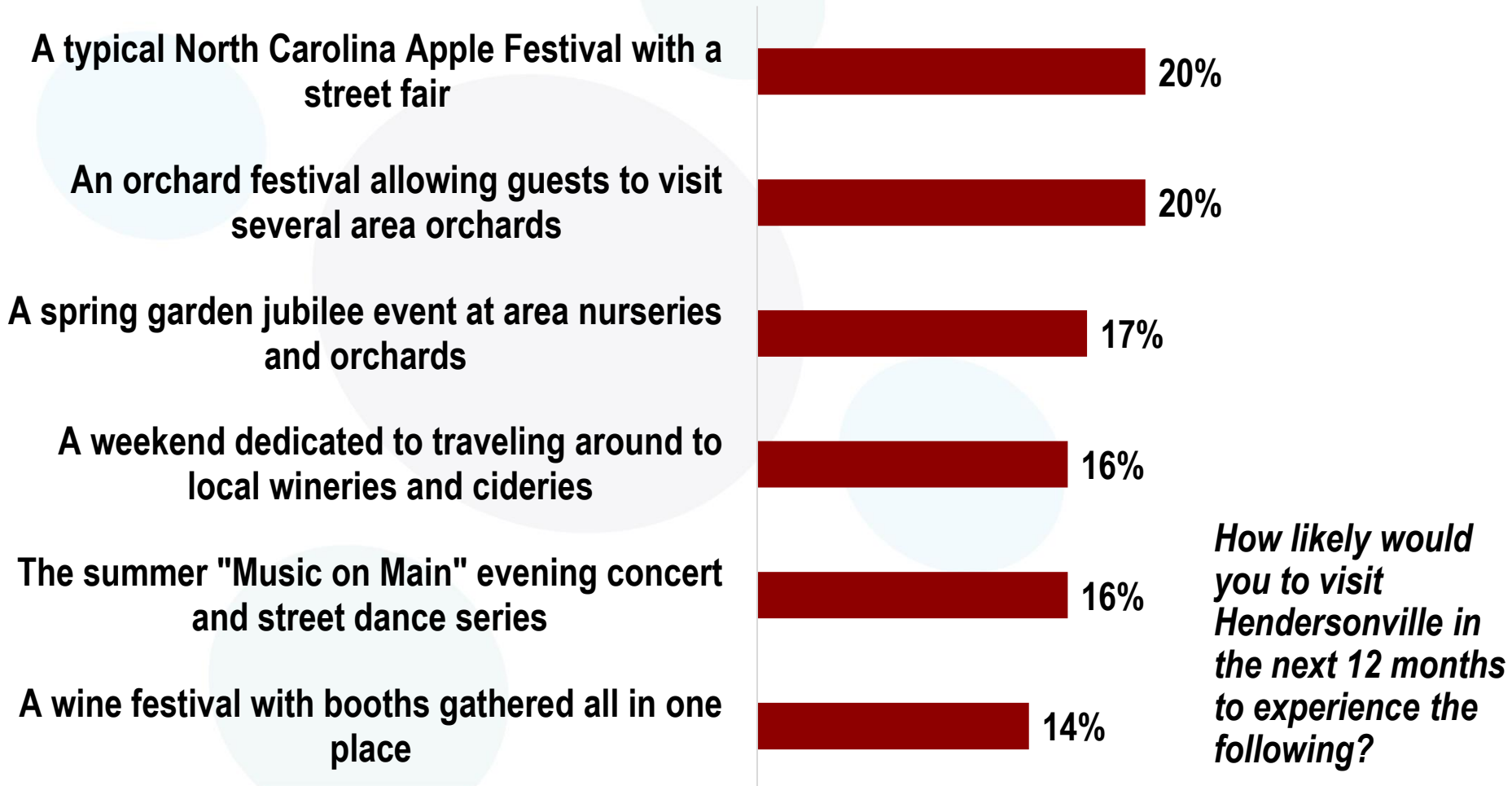
Among those travelers familiar with Hendersonville, the various event concepts presented were mostly equally appealing

All Familiar Respondents: % Like a great deal (5 on a 1-5 scale)



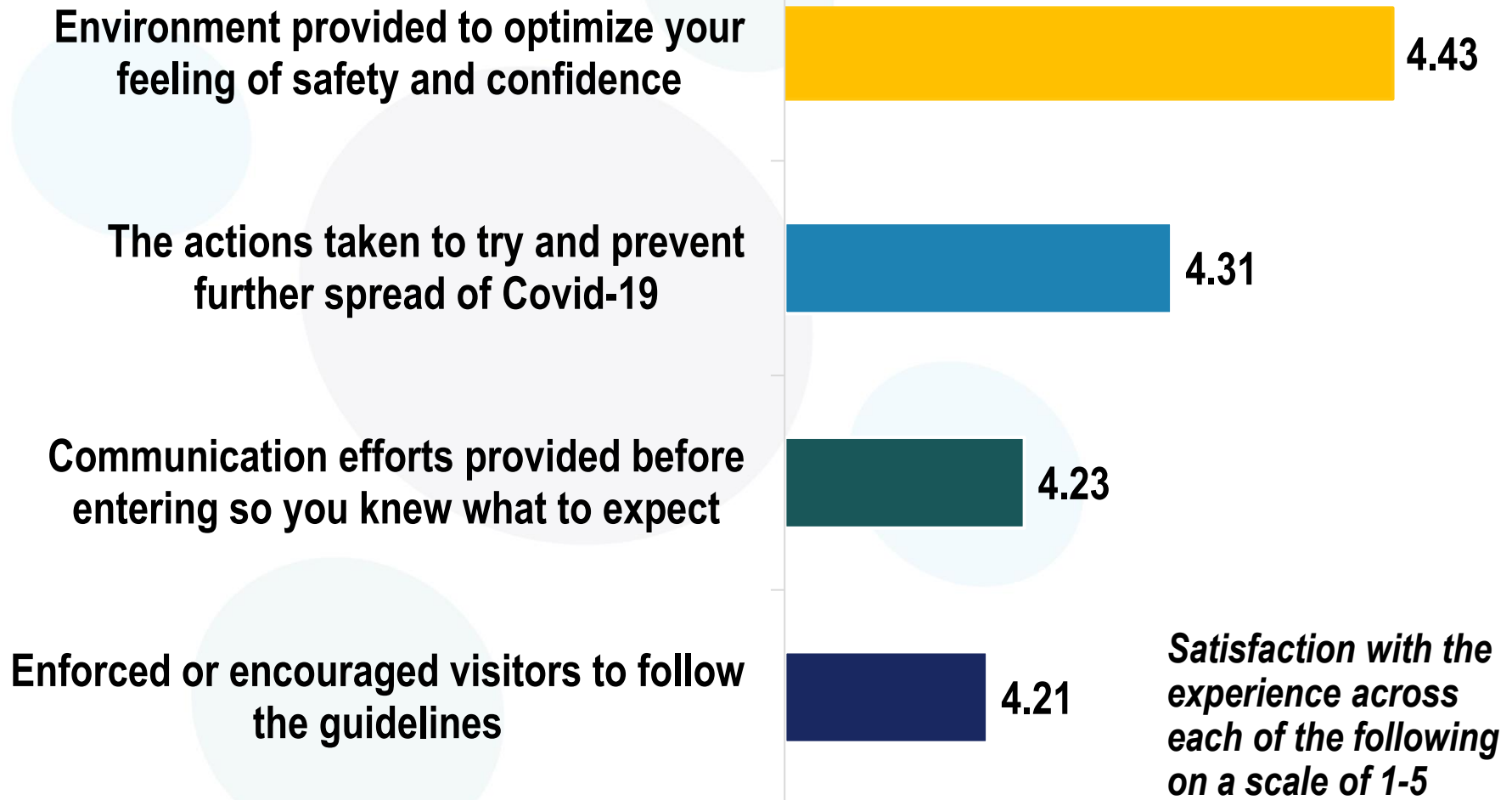
Among those travelers familiar with Hendersonville, there were only marginal differences in the likelihood to be motivated by the different event concepts presented

All Familiar Respondents: % saying definitely would visit



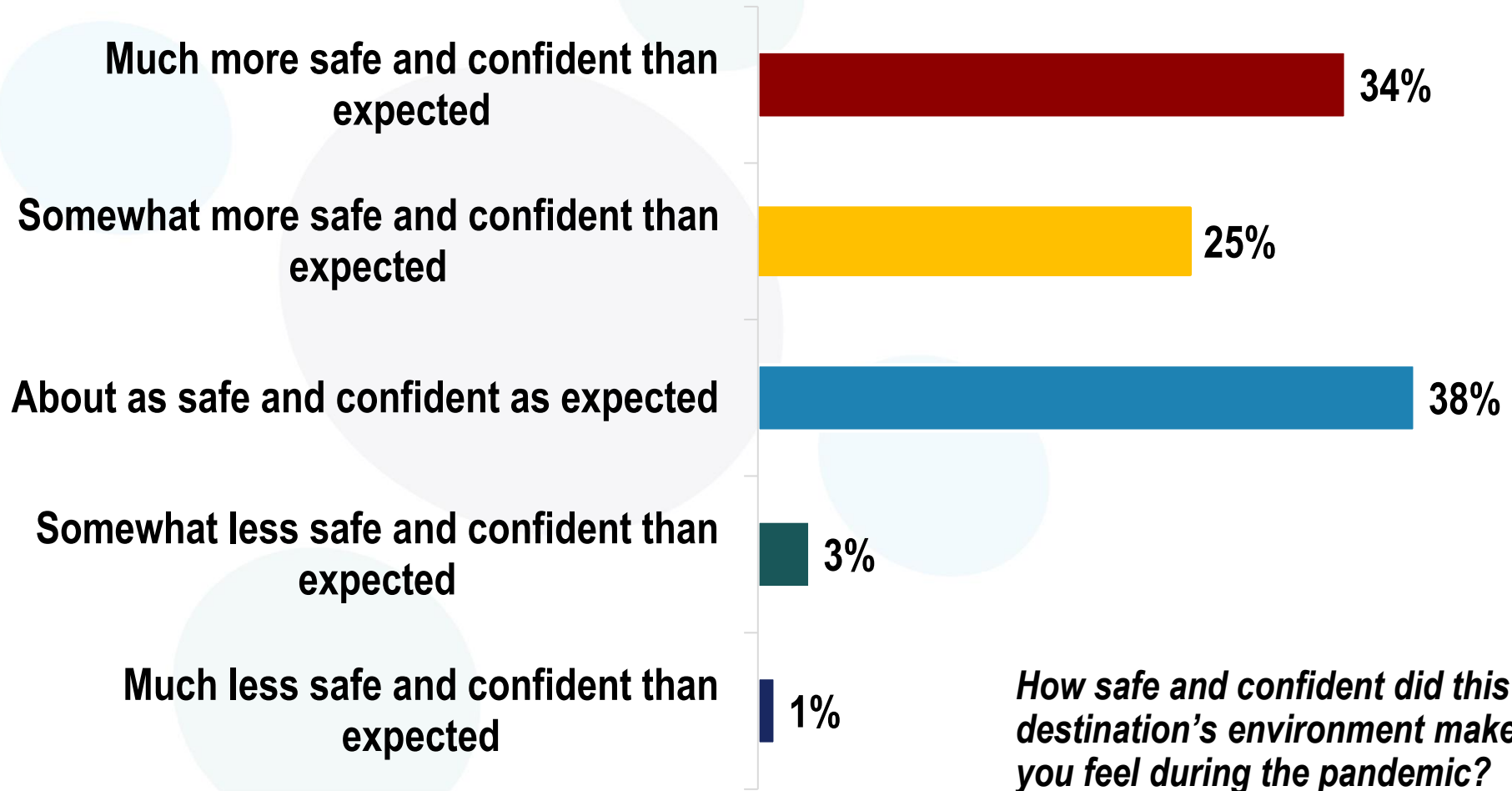
Visitors to Hendersonville during the pandemic expressed strong satisfaction with the level of safety provided during their visit

All Respondents--Hendersonville Visitors in 2020



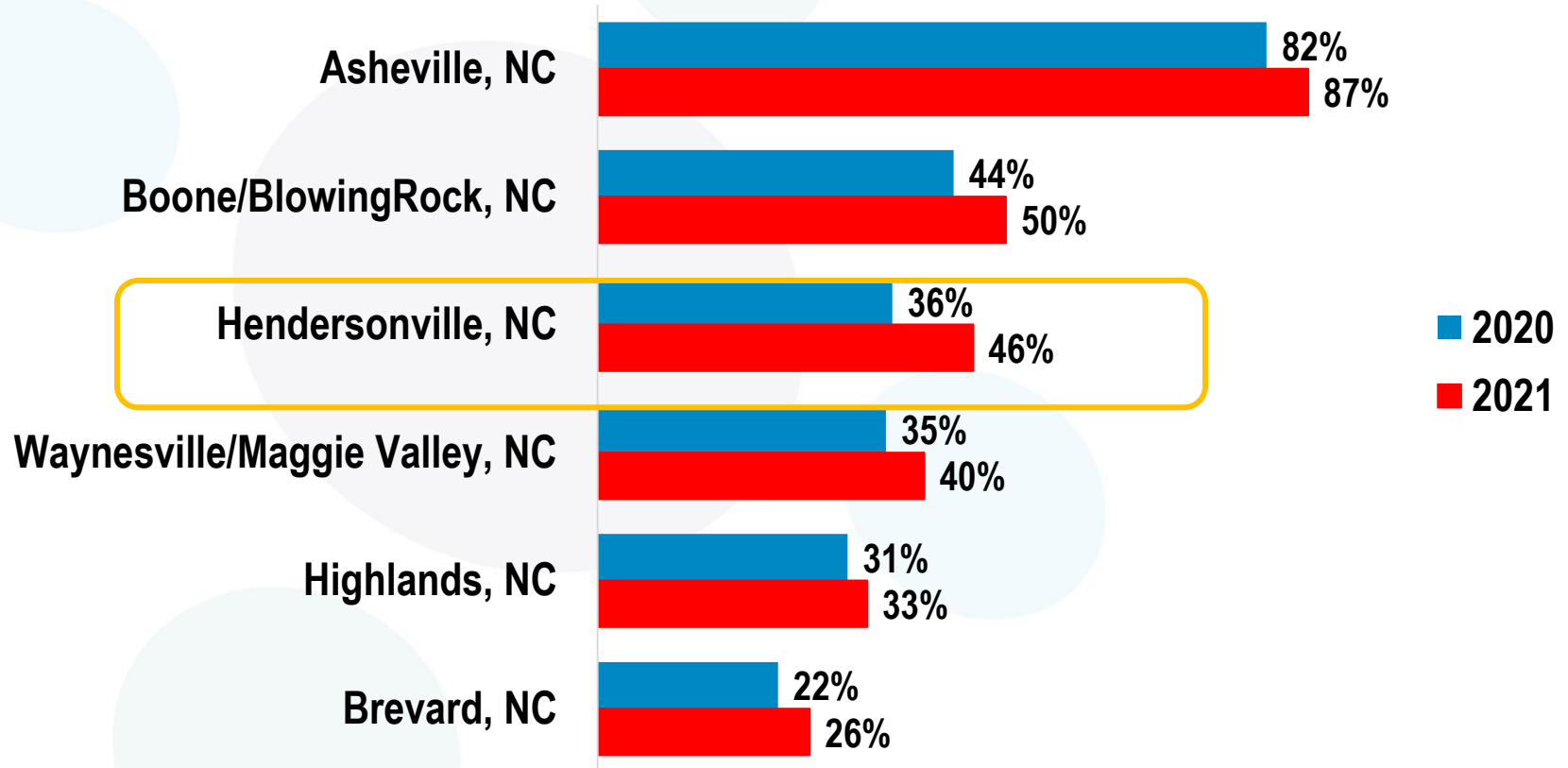
Visitors to Hendersonville during the pandemic expressed confidence in the measures taken to provide a safe visit experience

All Respondents--Hendersonville Visitors in 2020



Hendersonville's aided awareness among all regional leisure travelers actually increased by 10 pts. compared to the 2020 study

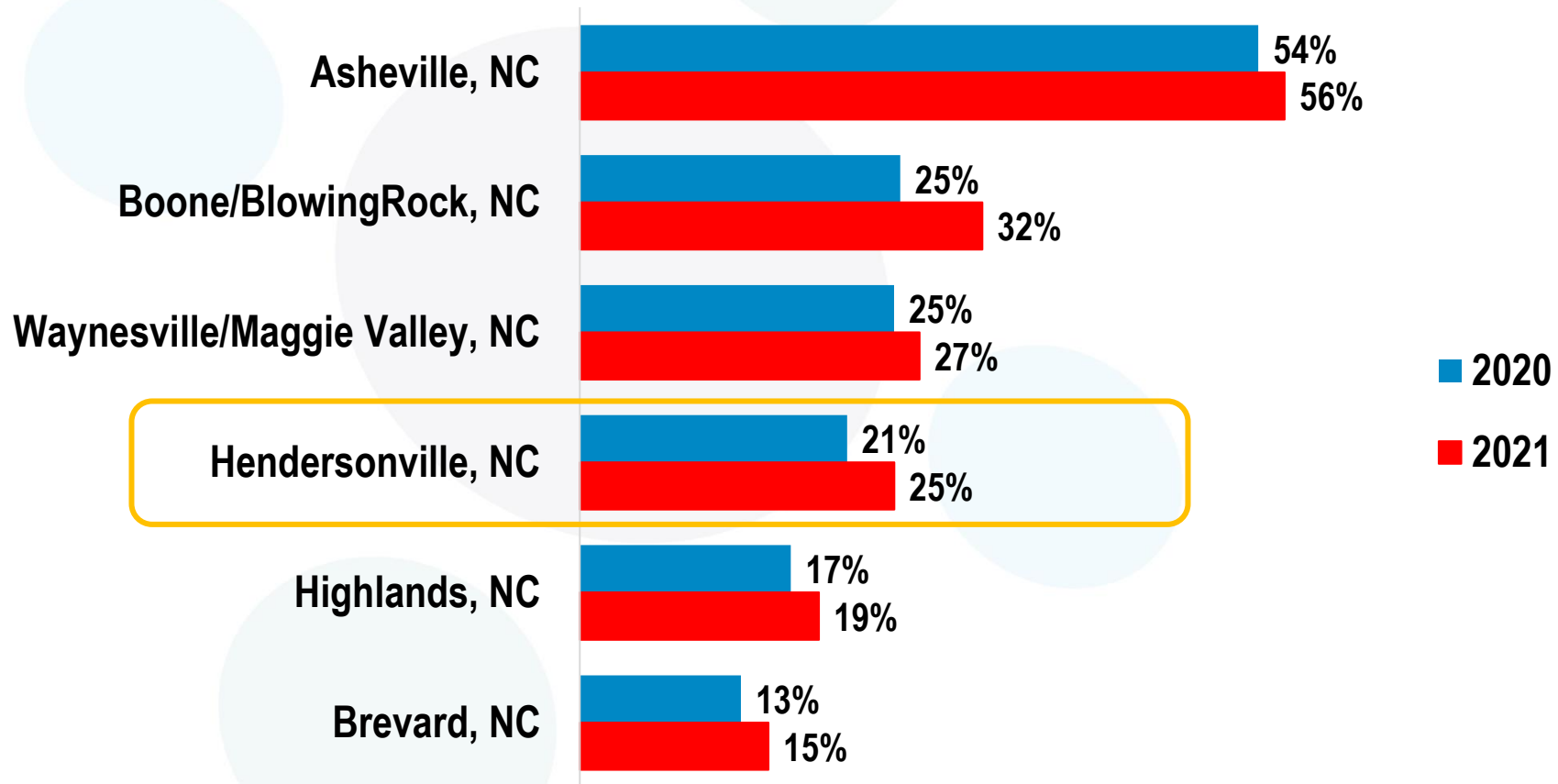
Aided Brand Awareness of Competitive Set Destinations Among Panel Participants



Which of the following destinations are you familiar with (e.g. heard of, considered visiting or visited)?

The percentage of travelers saying they have ever visited Hendersonville also increased compared to the 2020 study

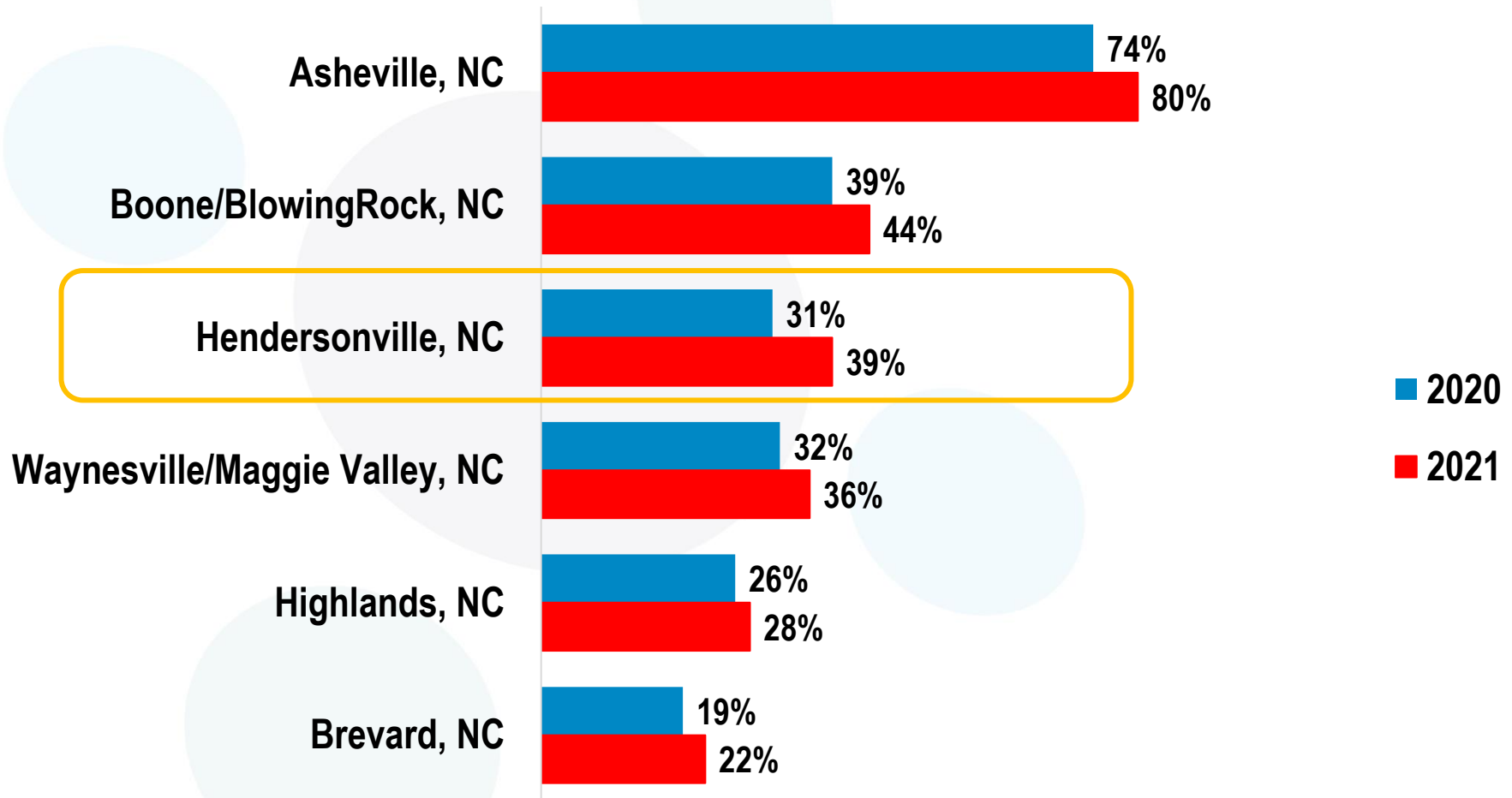
Visitation (Ever) to Competitive Set Destinations Among Panel Participants



Please indicate your awareness and prior visitation of the following destinations.

The market potential (past visitors + those willing to consider visiting) for Hendersonville also increased substantially in 2021 versus a year ago

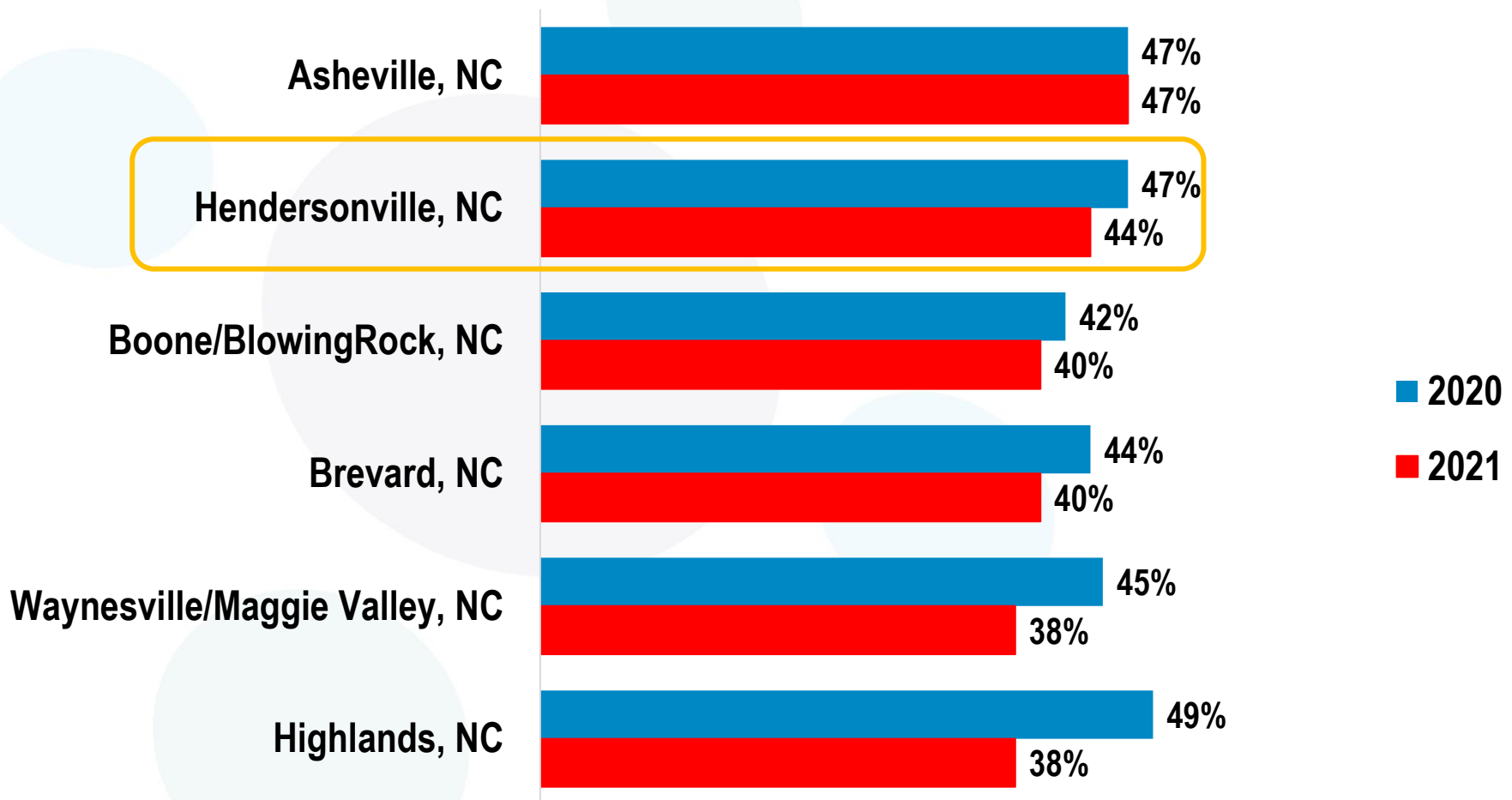
Market Potential: Considerers + Past Visitors Among Panel Participants



Please indicate your awareness and prior visitation of the following destinations.

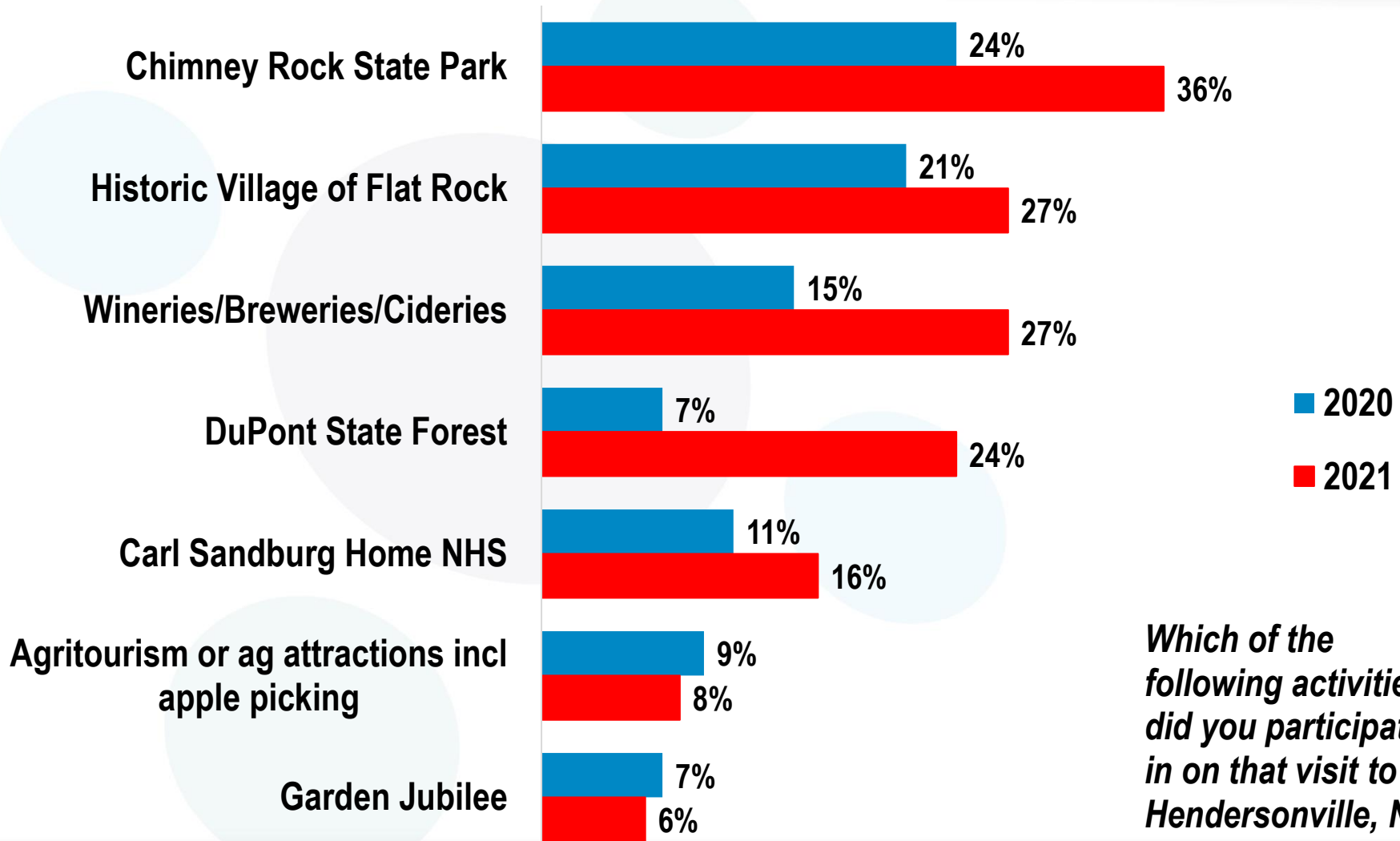
Intent to visit Hendersonville in the next 12 months declined slightly versus a year ago, but intent also declined for almost all other destinations, too

Intent to Visit in Next 12 Months (5-point scale) Among Panel Participants



Please indicate how likely you are to visit each of the following destinations in the next 12 months.

Outdoor-oriented activities saw sizeable increases in participation among visitors to the Hendersonville area compared to the 2020 study



Which of the following activities did you participate in on that visit to Hendersonville, NC?

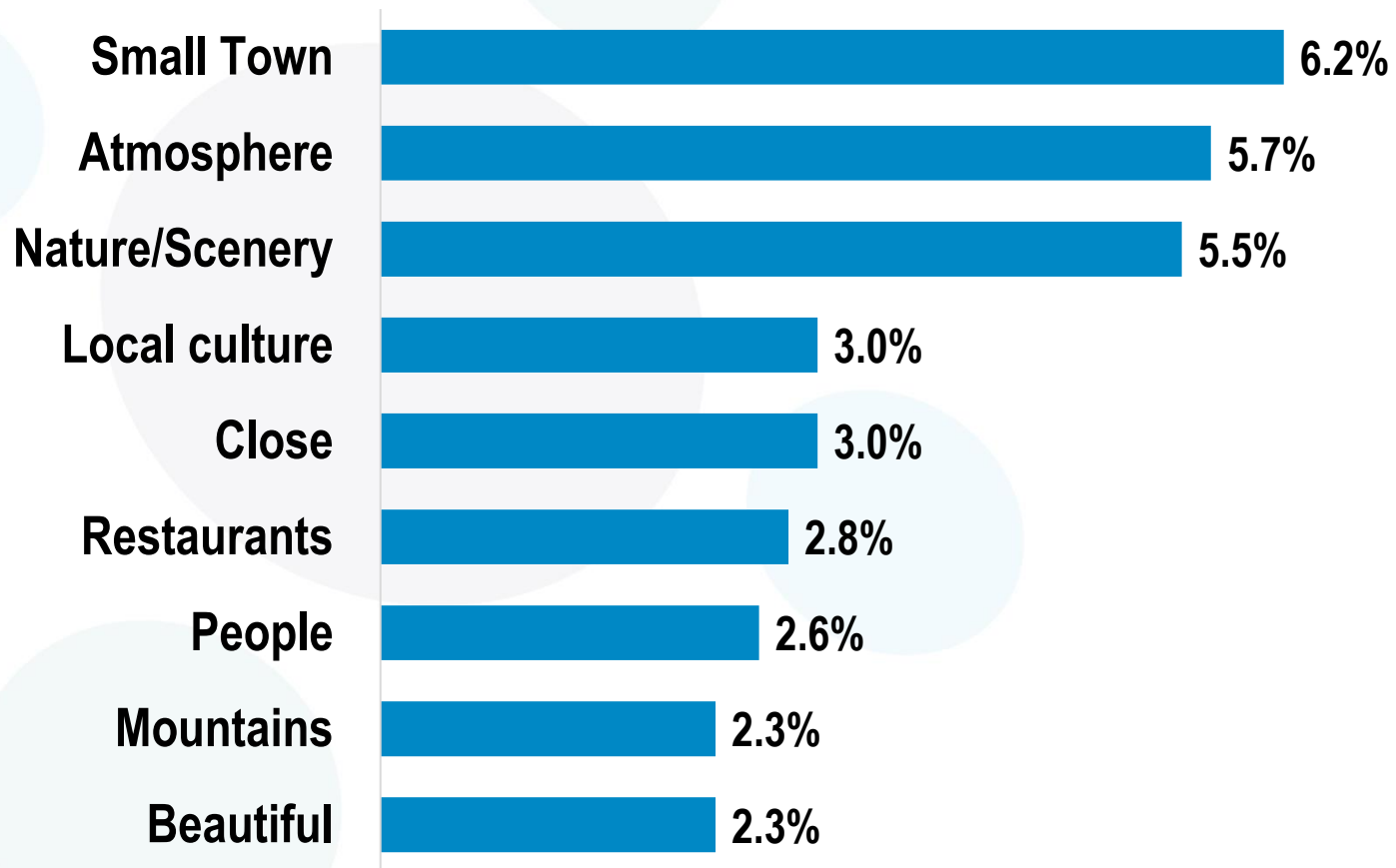
Demographic Comparison of Hendersonville Visitors, Before and During the Pandemic



	2021 Study Pandemic Year Visitors	2020 Study Recent Visitors, Pre-Pandemic (2018-2019)	2020 Study, Visitors <u>Ever</u> to Hendersonville
Avg. Adult Visitor Age	58	49	51
Families	17%	25%	27%
Adults Only	83%	75%	73%
Party Size	2.6	2.2	2.4
Avg. Household Income	\$104.2k	\$85.2k	\$85.3k
Spent the Night	69%	78%	74%
Nights in Area	4.1	3.6	3.1
Avg. Distance from Hendersonville (miles)	127	189	217

The same qualities and attributes that attracted visitors before the pandemic will continue to resonate with travelers for the foreseeable future

Top of Mind Words to Describe Hendersonville, NC Among Panel Participants



2020 Study Q19: What differentiates Hendersonville, NC from other leisure destinations you are familiar with or have visited? Please list below.

The same qualities and attributes that attracted visitors before the pandemic will continue to resonate with travelers for the foreseeable future

% Describes Hendersonville, NC Very Well/Perfectly (2020)



2020 Study Q20: Please rate how well you believe the following attributes describe Hendersonville, NC.



SOME CLOSING THOUGHTS



Last Summer's Competition will be this Summer's Competition

Travelers will flock back to the same kinds of places that had record visitation last summer and fall: beaches and small towns.

The competition will be more aggressive in marketing this year, flush with cash and less likely to be surprised.



New Competition in New Places

- Airlines have been adding flights for spring and summer 2021 to leisure-driven destinations, especially Western outdoor recreation locations and beaches.
- Two states actually have more flights scheduled as of March 2021 than in March 2020: Montana and South Dakota.
- Booking trends continue to be last minute, and airlines are shuffling schedules accordingly. Additional expansion and reallocation of aircraft to new or more profitable opportunities will continue thru 2021.



New Competition in New Places

- Destinations dependent upon business travel and meetings and events have had a year to pivot in preparation for a slower recovery.
- Renewed emphasis upon leisure transient travel to non-leisure destinations.
- Examples: Charlotte, Greenville, Columbia, Greensboro
- Theme parks and other attractions that were closed or had limited capacity in 2021 offer additional competition.
- Other things we didn't do last summer.



“Demand” Means Different Things to Different People

Pre-pandemic, demand for travel experiences was more or less viewed as “a rising tide lifts all boats”

During the pandemic, demand is no longer monolithic nor predictable:

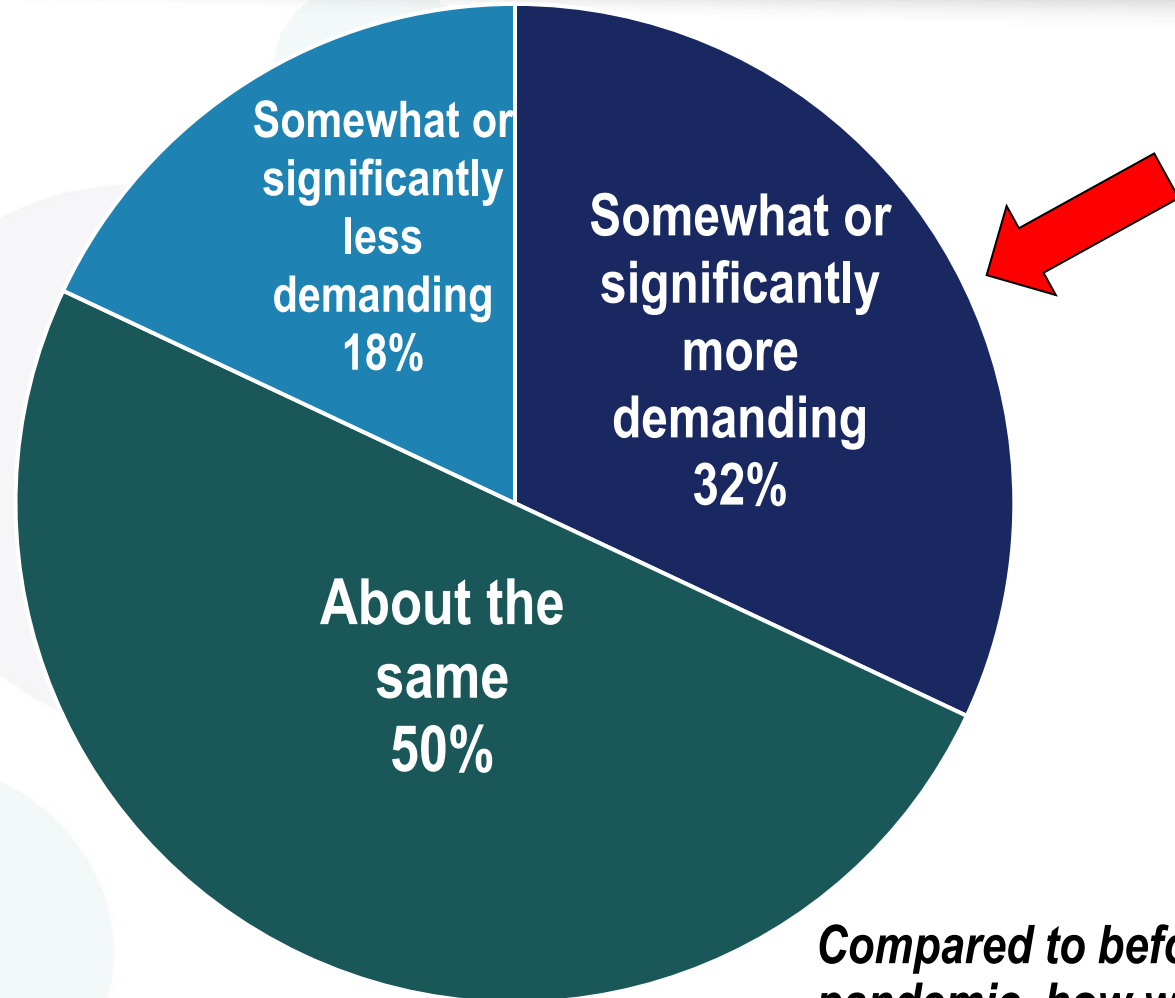
- **Dollars versus customers**
- **Capacity restraints**
- **Destination preferences**
- **Accommodation preferences**
- **Consumer hesitations and concerns**
- **Dispersal of potential customers**
- **New substitutes**



A photograph of two tall, clear glasses filled with red wine, placed on a light-colored, textured surface. The wine is a deep red color. The glasses are slightly out of focus, with the one in the foreground being sharper than the one in the background. The lighting is soft, creating a warm and inviting atmosphere.

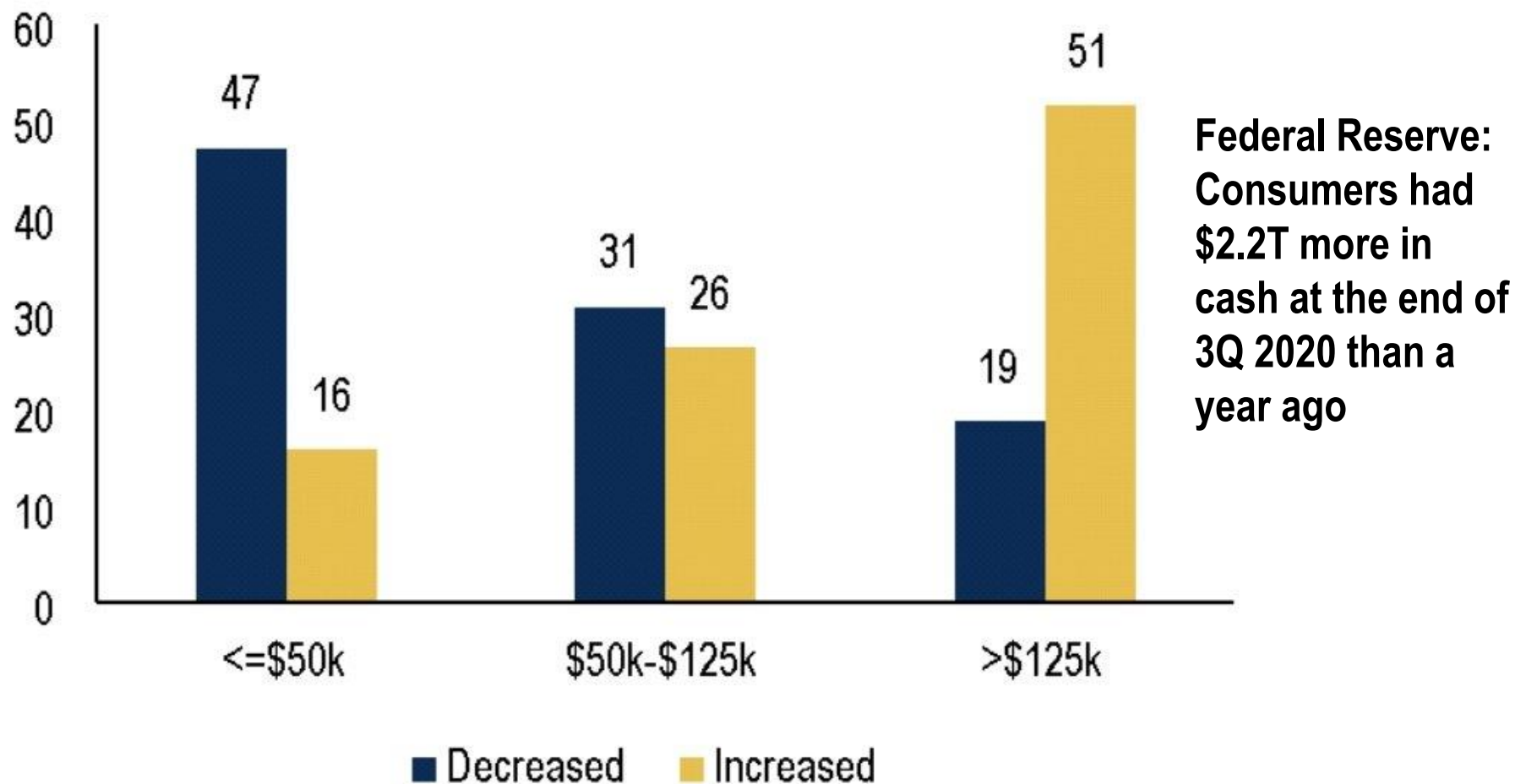
**Managing high
traveler
expectations**

Adding to their challenges, a third of respondents say customers have become more demanding during the pandemic



Compared to before the pandemic, how would you describe your customers?

Chart 7: Compared to last year, how has your personal savings (e.g. cash on hand, checking account, saving account) changed? (% , by household income)



Sample size: 1499

Source: BofA Global Research, December 2020



How do we
connect to
experiences that
won't disappoint?

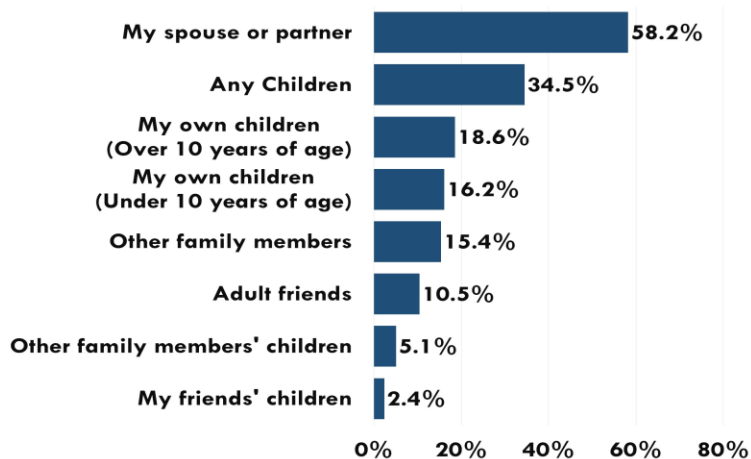
Al Fresco Everything
Isn't Going Anywhere



AMERICANS' NEXT LEISURE TRIP

AS OF FEBRUARY 14, 2021

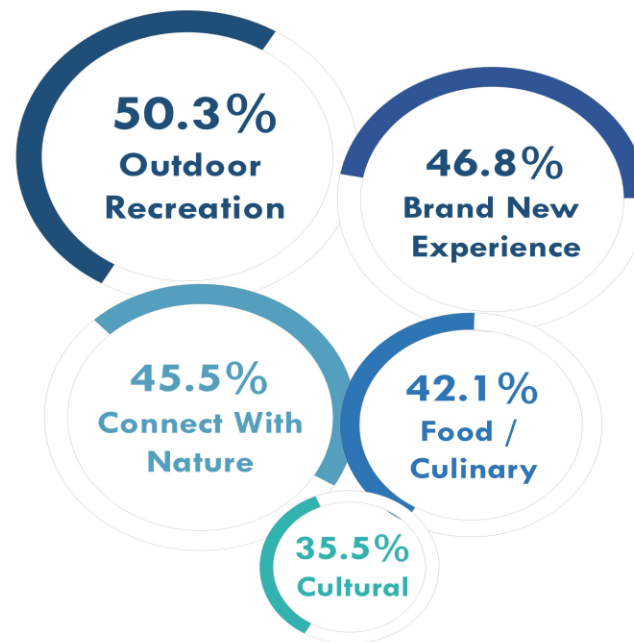
TRAVEL PARTY ON NEXT LEISURE TRIP



PRIMARY TRIP MOTIVATORS



TRIP EXPERIENCES OF IMPORTANCE



PLANNING TASKS ALREADY COMPLETED

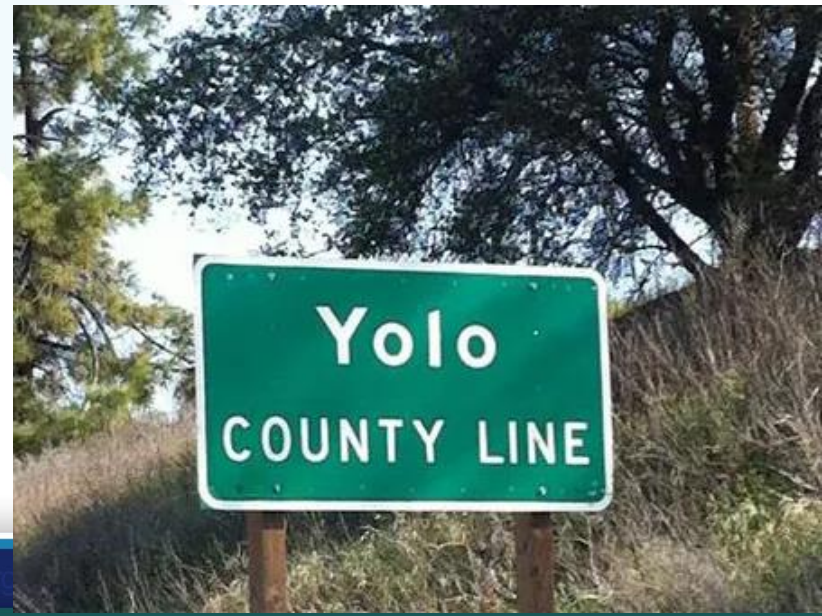


(Base: Wave 49 data. All respondents, 1,216 completed surveys.
Data collected February 12-14, 2021.)



Five Motivators for Leisure Travel in 2021

1. **Gathering**
2. **Guilt**
3. **Delayed Gratification**
4. **Indulgence/YOLO**
5. **FOMO**





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