

Memorandum

To: Pat Murdo, Economic Affairs Interim Committee
From: Norma Nickerson, Director
Date: 4/9/2020
Re: Impact of COVID-19 on tourism

Two surveys two weeks apart were conducted by the institute for Tourism and Recreation Research March 11th and March 25. These were sent to tourism related business owners/managers and another to potential travelers (nonresidents and residents)

Tourism businesses

- Cancellations of current bookings went from 36% who had cancellations dues to COVID-19 to 81% of all business in that 2-week time frame
- Future bookings (in a time when most businesses are receiving their seasonal bookings) were reported to be zero for 57% of business for April; 57% for May had zero, 44% for June had zero, and 23% had zero for July and beyond. At this point the good news behind the bookings is that the number of business reporting zero bookings is not going up or staying high

Travelers

- 38% of nonresidents have already cancelled trips to Montana and another 37% are considering cancelling trips to Montana.
- 48% of Montanans have already cancelled trips within Montana and another 30% are considering cancelling trips within Montana (these are trips within 50 miles of home or further)

According to ITRR 24% of all nonresident spending occurs in the 2nd quarter while 50% of all nonresident spending occurs in the 3rd quarter. Second quarter will see up to a 75% decrease in spending. Third quarter could be down 25% to 50% for nonresident spending. Third quarter, however, could jump back!

For a review of the business survey visit <https://bit.ly/39zEFVT>

For a review of the traveler survey visit <https://bit.ly/2JEbbMe>