

COVID-19 IMPACT ON SRI LANKAN TOURISM

AN ONLINE CHANNEL ASSESSMENT
PRELIMINARY EDITION

2020

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ANTYRA
SOLUTIONS

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Note

This report is published by Antyra Solutions (Private) Limited. It was compiled through the collection of private and public online data, focusing solely on online behaviour. All data sources and the methodology used for analysis are presented in context. This report should be considered a preliminary edition only, given the recency of the COVID-19 pandemic and global impact.

Further editions of this report will be published when additional data is available. Marketing related recommendations and guidelines provided should be considered as an opinion only.

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Report Overview

This report is divided into two parts, a statistical review of the available data and a possible online marketing roadmap based on Antyra's Travel and Hospitality experience.

The data presented should be considered a preliminary analysis of the COVID-19 impact on Sri Lankan Tourism, as measured through online mediums such as the websites of prominent hospitality brands in Sri Lanka and online monitoring tools, analytics platforms and similar.

Focus areas include an analysis of online demand and trending topics related to Sri Lanka Travel, the measurable online travel interest variance and the COVID-19 impact on future booking demand.

The online marketing roadmap presented, should be considered an opinion only, given the recency of the COVID-19 pandemic and evolving situation. It addresses the needs to conserve budgets while offering suggestions on maximizing a brand's online presence and similar suggestions on building conversations with potential travelers, maintaining top-of-mind recall and possibly converting existing demand for future bookings with the hopes of ensuring a faster recovery as some semblance of normalcy returns.

The creation of this report and interpretation of data offered is by Antyra Solutions (Private) Limited and the sentiments expressed are wholly private.

Later editions of this report are planned when additional information becomes available.



Part I : Data Review

Timelines

November 2019 – The first cases of Novel Coronavirus and the resulting COVID-19 disease, initially diagnosed as Pneumonia, were reported from Wuhan in Hubei Province, China.

January 2020 – Escalation and lockdowns in several Chinese cities were reported. A majority of global leisure travel was unaffected.

March 2020 – The virus began to spread globally and Sri Lanka responded with temporary travel bans on arrivals from Italy, Iran and South Korea, as they were identified as potentially high-risk destinations for COVID-19.

13th – 15th March 2020 – Sri Lanka introduced multiple travel bans on selected countries, eventually leading to a total in-bound travel ban.

For a full timeline of events, visit:

www.lovesrilanka.org/is-sri-lanka-safe/covid-19-updates/

Data Collection and Sources

Hotel Industry Sources

For the purpose of analysing the COVID-19 pandemic impact, data from 63 individual hotels belonging to prominent hospitality brands in Sri Lanka were considered. These properties are categorized as three star and above or as boutique hotels, and were considered to constitute an adequate representative sample to analyse booking demand, online demand and brand interest in the online space for Sri Lankan Hotels.

Note: As at September 2019, there were 73 three to five star rated hotels in Sri Lanka, 34 boutique hotels and 230 unclassified tourist hotels registered with the Sri Lankan Tourism Development Authority.

Reference:

SLTDA Industry Report - www.slt-da.lk/sites/default/files/industry-report-quarter-3-2019.pdf

Data from budget, B&B and similar accommodation types are not included in this report version.

Other Sources

Paid Topic Research Tools, Google Analytics, Google Search Console, Google Trends.
Unless mentioned otherwise, all statistics exclude Sri Lankan users and paid channels.

Source Market COVID-19 Impact

A review of the Novel Coronavirus and resulting COVID-19 outbreak in key source markets as at 27th March 2020.

No.	Source Destination	Arrivals 2019	27th March 2020			
			Total Cases	Active	Recovered	Deaths
1	India	3,55,002	764	673	71	20
2	United Kingdom	1,98,776	11,658	10,945	135	578
3	China	1,67,863	81,340	3,460	74,588	3,292
4	Germany	1,34,899	47,278	41,324	5,673	281
5	Australia	92,674	3,166	2,983	170	13
6	France	87,623	29,155	22,511	4,948	1,696
7	Russian Federation	86,549	1,036	988	45	3
8	United States	68,832	85,740	82,569	1,868	1,303
9	Maldives	60,278	13	4	9	0
10	Canada	48,729	4,043	3,776	228	39
11	Netherlands	38,993	7,431	6,994	3	434
12	Ukraine	36,515	218	208	5	5
13	Italy	36,147	80,589	62,013	10,361	8,215
14	Japan	30,079	1,387	981	359	47
15	Switzerland	29,981	11,951	11,623	131	197
16	Spain	24,489	57,786	46,406	7,015	4,365
17	Sweden	22,464	2,858	2,765	16	77
18	Poland	20,896	1,244	1,221	7	16
19	Czech Republic	19,204	2,062	2,043	10	9
20	Denmark	16,869	2,010	1,968	1	41
21	Malaysia	16,861	2,161	1,876	259	26
22	Saudi Arabia	15,707	1,012	976	33	3
23	Belgium	14,948	7,284	6,137	858	289

24	Israel	14,770	3,035	2,946	79	10
25	Austria	14,713	7,196	6,913	225	58
26	Pakistan	14,655	1,235	1,203	23	9
27	Philippines	14,590	803	718	31	54
28	Singapore	13,871	683	509	172	2
29	Norway	13,446	3,423	3,402	6	15
30	New Zealand	12,463	368	331	37	0
31	South Korea	12,195	9,332	4,665	4,528	139
32	Thailand	9,861	1,136	1,034	97	5
33	Bangladesh	8,261	48	32	11	5
34	South Africa	7,132	927	913	12	2
35	Taiwan	7,127	267	235	30	2
36	Finland	7,028	1,032	1,017	10	5
37	Greece	6,980	892	823	42	27
38	Romania	5,463	1,029	911	94	24
39	Nepal	5,414	3	2	1	0
40	Portugal	5,193	3,544	3,441	43	60
41	Turkey	4,972	3,629	3,528	26	75
42	Slovakia	4,944	269	267	2	0
43	Indonesia	4,919	1,046	913	46	87
44	Belarus	4,796	94	65	29	0
45	Lebanon	4,304	368	339	23	6
46	Oman	4,117	131	108	23	0
47	Hungary	4,091	300	256	34	10
48	Egypt	3,708	495	369	102	24
49	United Arab Emirates	3,528	333	279	52	2
50	Iran	3,249	32,332	18,821	11,133	2,378
51	Kuwait	3,239	225	168	57	0
52	Myanmar	3,124	5	5	0	0
53	Jordan	3,085	212	210	2	0
54	Brazil	2,964	2,985	2,902	6	77
55	Cambodia	2,841	98	87	11	0
56	Lithuania	2,793	345	339	1	5
57	Vietnam	2,643	153	133	20	0
58	Estonia	2,516	575	563	11	1
59	Kazakhstan	2,399	125	122	2	1
60	Bahrain	2,285	458	244	210	4
61	Mexico	2,120	585	573	4	8
62	Kenya	1,559	31	29	1	1
63	Argentina	1,403	589	505	72	12
64	Qatar	1063	549	506	43	0
65	Morocco	1031	275	256	8	11
66	Chile	938	1,306	1,280	22	4

67	Iraq	852	382	241	105	36
68	Mauritius	739	81	79	0	2
69	Colombia	713	491	477	8	6
70	Sudan	584	3	2	0	1
71	Afghanistan	473	94	88	2	4
72	Bhutan	343	3	3	0	0
73	Nigeria	172	65	61	3	1
74	Costa Rica	143	231	227	2	2
75	Jamaica	58	26	23	2	1

Source: Arrival Statistics from www.slttda.lk/node/765 | Coronavirus / COVID-19 updates from <https://www.worldometers.info/coronavirus/>

Online Demand Review

Online Demand is defined as the declaration of identifiable intent, based on the search terms used on search engines. A 'search' can be construed as a request for information on a topic. Trending search terms are used to identify shifts in information demand. The 'volume' of searches conducted for a comparative group of search terms in each period is used as a comparative measure to quantify the differences in demand.

Note: Most analysis platforms take time to update the most recent data. A more complete picture is likely to be available in April 2020 and will be included in future editions of this report.

Source Market Examples

Period: Snapshot Date – 28th March 2020

A sample of content consumed, and questions asked from two source markets.

Note: For more information on content consumption and online demand from other source markets, please contact us.

United Kingdom

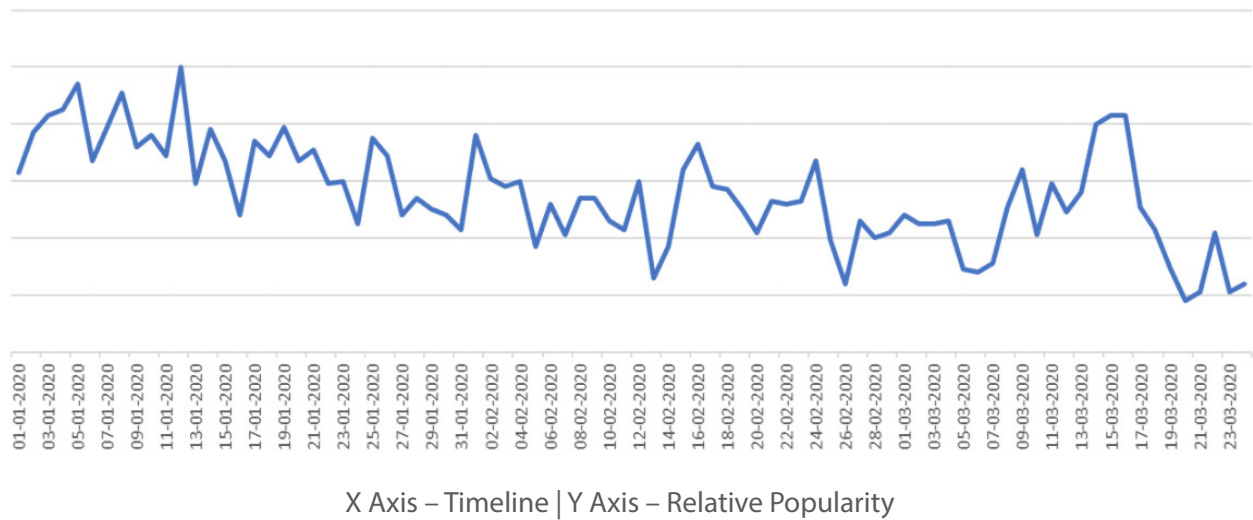


Example Topics:

- Are people in Sri Lanka preparing for the coronavirus?
- Do I need a visa for Sri Lanka?
- Is it safe to travel to Sri Lanka?
- What are my chances of contracting a coronavirus?

Search Term “Sri Lanka” – Travel Topics

Period: 1st January 2020 - 27th March 2020



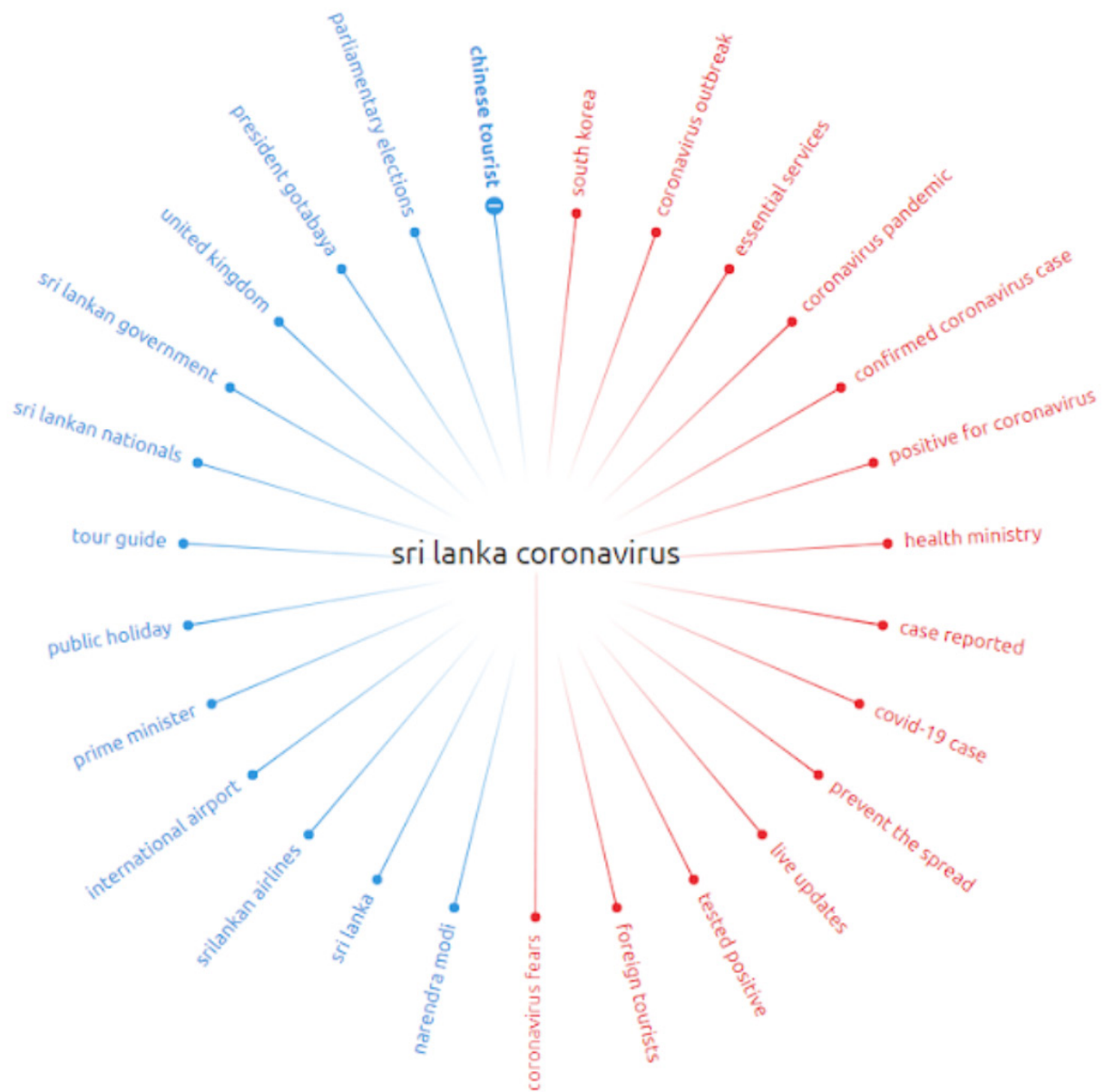
Source: Google Trends

Note: The Ban on Arrivals originating from UK to Sri Lanka was announced and enforced during 13th -15th March 2020 and is the likely reason for the spike in Sri Lanka related searches relating to Travel.

“A ban on all in-bound visitors to Sri Lanka was introduced in mid-March.”



India

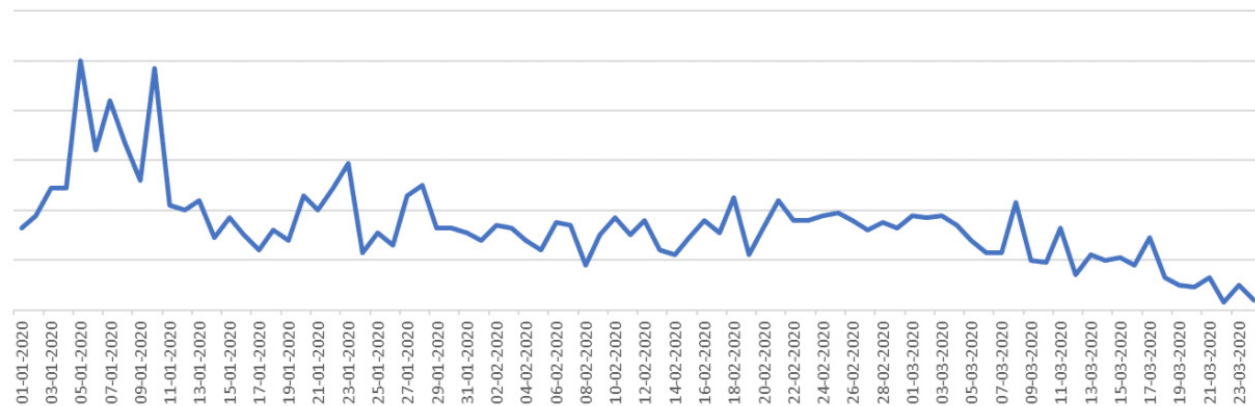


Example Topics:

- Is Sri Lanka safe from COVID - 19 ?
- Are people in Sri Lanka preparing for the coronavirus?
- What countries are still safe from COVID-19?
- How do we get a visa on arrival in Sri Lanka?
- Will Modi's COVID-19 fund initiative revive SAARC?

Search Term “Sri Lanka” – Travel Topics

Period: 1st January 2020 - 27th March 2020



X Axis – Timeline | Y Axis – Relative Popularity

Source: Google Trends

Search Term Examples

Period: Snapshot Date – 28th March 2020

Example Search Terms from UK and India

- Sri Lanka Coronavirus
- Sri Lanka News
- Sri Lanka Travel Advice NHS
- Sri Lanka Travel April
- Sri Lanka Travel Covid
- Sri Lanka Travel Advice Health
- Sri Lanka Travel CDC
- Sri Lanka Travel Ban UK
- Sri Lanka Travel Ban List
- Sri Lanka Travel Ban Lifted
- Sri Lanka Travel Safety 2020
- Sri Lanka Electronic Travel Authorization System
- Sri Lanka Electronic Travel Authorization
- Sri Lanka Electronic Travel Visa

Source(s): Paid Topic Research Tools, Google Trends

Travel Interest Review

We define travel interest as the consumption of content on hotel brand websites by users. The volume of website visitors is used as a metric for comparative analysis between dates compared. **All visitor numbers are excluding Sri Lanka.**

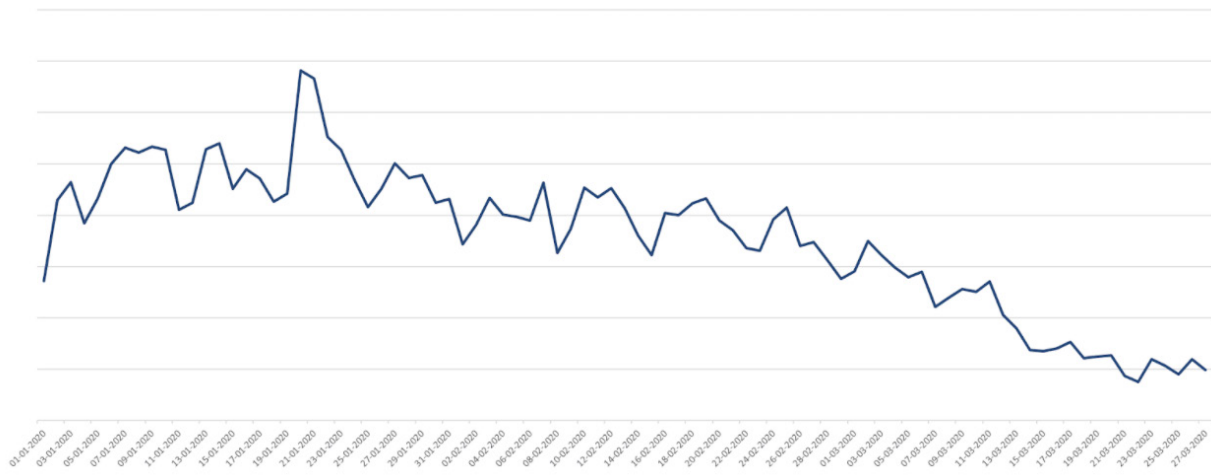
When comparing travel interest, four distinct considerations should be kept in mind:

- 1** The impact of the Easter Sunday Attacks of April 2019 on year-on-year comparisons.
- 2** Total website traffic numbers are extracted from multiple properties and combined to plot against a timeline, in order to identify a trend. As one user may visit multiple websites, website visitor numbers in this report cannot be used as an absolute measure of unique visitors.
- 3** Sri Lanka has a 'high' and 'low' season as seen through a historical analysis of monthly tourist arrivals. March is considered by most to be the tail end of the 'high' season and a natural drop in traffic is visible.
- 4** All paid campaign traffic was removed to minimize the impact of advertising campaigns and similar on traffic numbers.



Daily Traffic Trend in 2020

Period: 1st January 2020 - 27th March 2020



X Axis – Timeline | Y Axis – Daily Total Traffic Volume

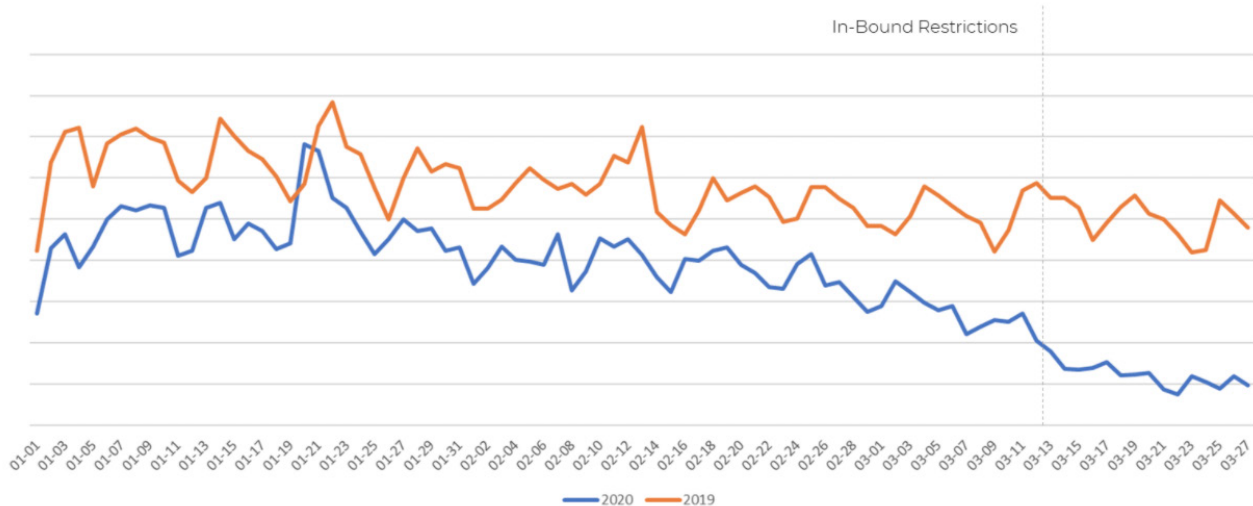
Source: The number of combined daily non-Sri Lankan visitors to the 63 hotels (includes chain hotel properties and individual properties)

A significant drop towards the latter half of March 2020 can be seen.

“A 62% drop in travel interest is observed in March 2020, compared to 2019.”

March 2020 Traffic Trend

Period: 1st March - 27th March 2020 vs. 1st March 2019 - 27th March 2019



X Axis – Timeline | Y Axis – Daily Total Traffic Volume

Source: The number of combined daily non-Sri Lankan visitors from non-paid channels to 63 hotels (includes chain hotel properties and individual properties)

Analysis:

- 1** Year-to-Year, comparing 1st to 27th March 2019 vs. 2020, the drop in traffic is at 62% in 2020.
- 2** For the first 12 days of March, before the in-bound travel bans were put into effect, the year-on-year drop was approximately 46%. This could likely be due to the growing concerns on COVID-19, in addition to the residual drops in traffic following the Easter Sunday Attacks.
- 3** As reviewed below, this drop in March is significantly higher than the preceding two months in 2020.
- 4** After the travel bans were introduced, the drop in traffic from 13th to 27th March 2020 compared to 2019 is at 76%.

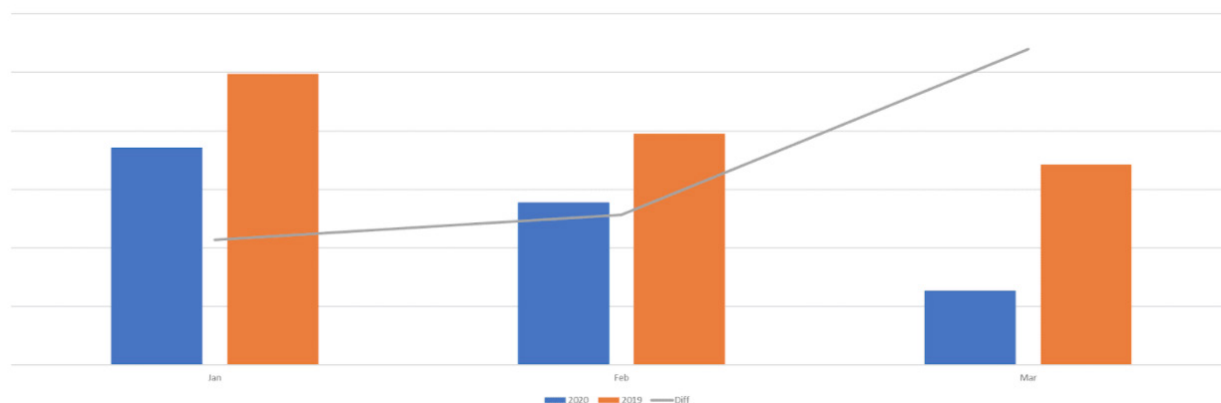
Q1: Year-on-Year Comparison

Period: 2019 vs. 2020

1st January - 27th January

1st February - 27th February

1st March - 27th March



Orange – 2019 | Blue – 2020 | Grey – Line Graph
X Axis – Months | Y Axis – Total Traffic Volume 1st to 27th Jan, Feb, Mar
Line Graph – Difference as a Percentage

Source: The number of combined daily non-Sri Lankan visitors from non-paid channels to 63 hotels (includes chain hotel properties and individual properties)

Analysis: Date Range – 1st to 27th January, February and March – 2019 and 2020

- 1** A month-on-month drop in traffic is visible in 2019 which can be attributed to the 'high' season coming to an end. This time period was pre-Easter Sunday Attacks and its impact on Sri Lankan Tourism. The average month-on-month drop in traffic is 17%, from January to March 2019.
- 2** In 2020, a similar pattern of traffic reduction is visible. The drop in traffic from January 2020 to February 2020 is 25%. The reason for the higher percentage drop in traffic in 2020 could be related to the growing concerns about COVID-19. However, the data is insufficient to make a firm conclusion.

- 3** Comparing January and February year-on-year, 2019 vs. 2020, the average drop in traffic is 28%. This is likely due to the residual effects of the April 2019 Easter Sunday Attacks as well as increasing concerns about COVID-19.
- 4** With in-bound travel restrictions introduced, the March 2020 traffic drop compared to 2019 is at 67%.

In the absence of the COVID-19 outbreak, the post Easter Sunday Attacks travel interest for Sri Lanka in 2020 could be estimated at -28% or less, compared to 2019, based on the sample size reviewed. Based on the assumption that the same traffic pattern held.

Booking Demand Review

Booking Demand is calculated through rate searches conducted on hotel brand website booking engines. The volume of rate searches is used as the metric for booking demand, taken as a basis of comparison during specified date ranges.

Future Demand – the desired stay period for a potential guest is calculated through a lead time analysis on rate searches. The check-in date selected is used to plot the desired stay period and then compared against the date the rate search was made to calculate lead time.

When comparing booking demand, four distinct considerations should be kept in mind:

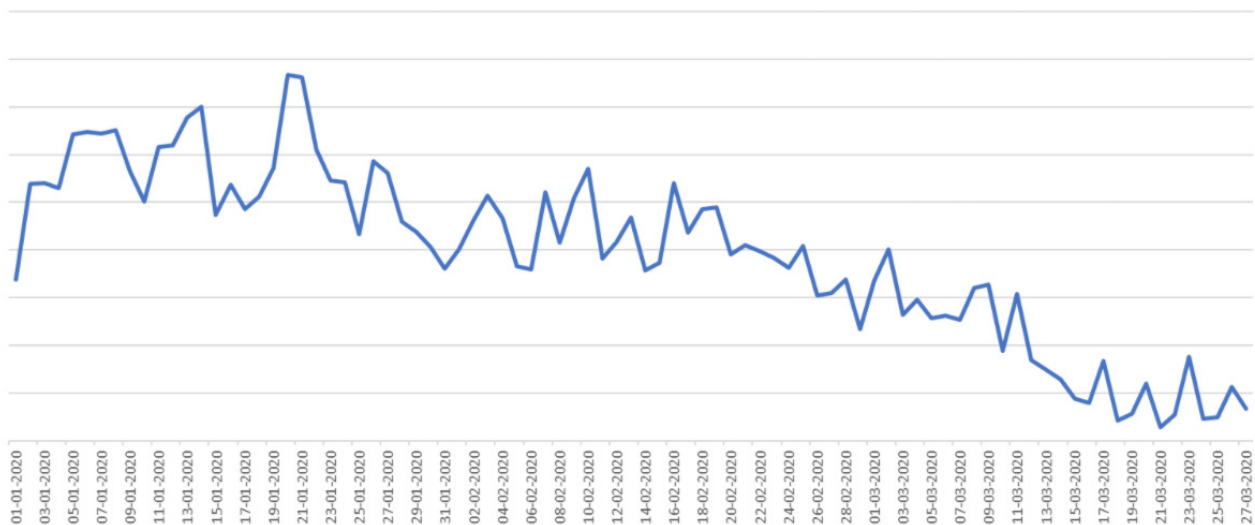
- 1** The impact of the Easter Sunday Attacks in April 2019 on year-on-year comparisons.
- 2** Total rate search numbers are extracted from multiple properties and combined to plot against a timeline, in order to identify a trend. As one user may visit multiple websites, rate searches in this report cannot be used as an absolute measure of unique demand.

- 3 Sri Lanka has a 'high' and 'low' season as seen through a historical analysis of monthly tourist arrivals. March is considered by most to be the tail end of the 'high' season and a natural drop in rate searches is visible.
- 4 All paid campaign traffic was removed to minimize the impact of advertising campaigns and similar on rate searches.

Rate Search Trend in 2020

Period: 1st January 2020 - 27th March 2020

The number of rate searches done on a given day was taken to plot a volume trend for booking demand.



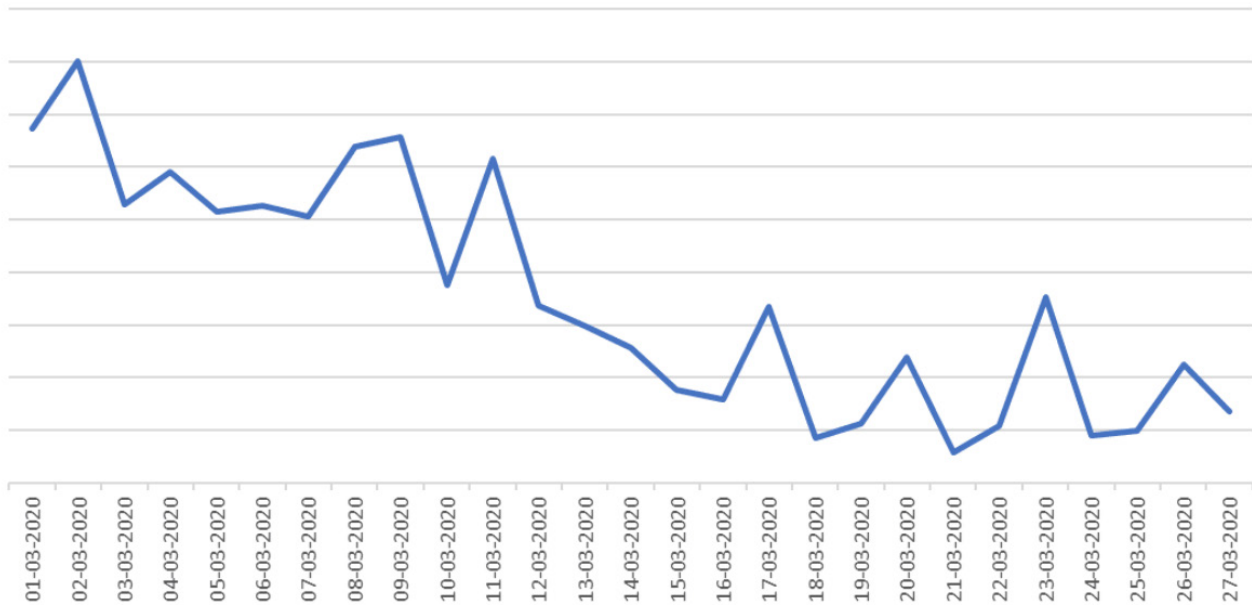
X Axis – Timeline in Days | Y Axis – Total Booking Demand Volume 1st Jan to 27th Mar|

Source: The number of combined daily non-Sri Lankan rates searches from non-paid channels. Extracted from 63 hotels (includes chain hotel properties and individual properties)

March 2020 Demand Trend

Period: 1st March - 27th March 2020

The number of rate searches done on a given day was taken to plot a volume trend for booking demand.



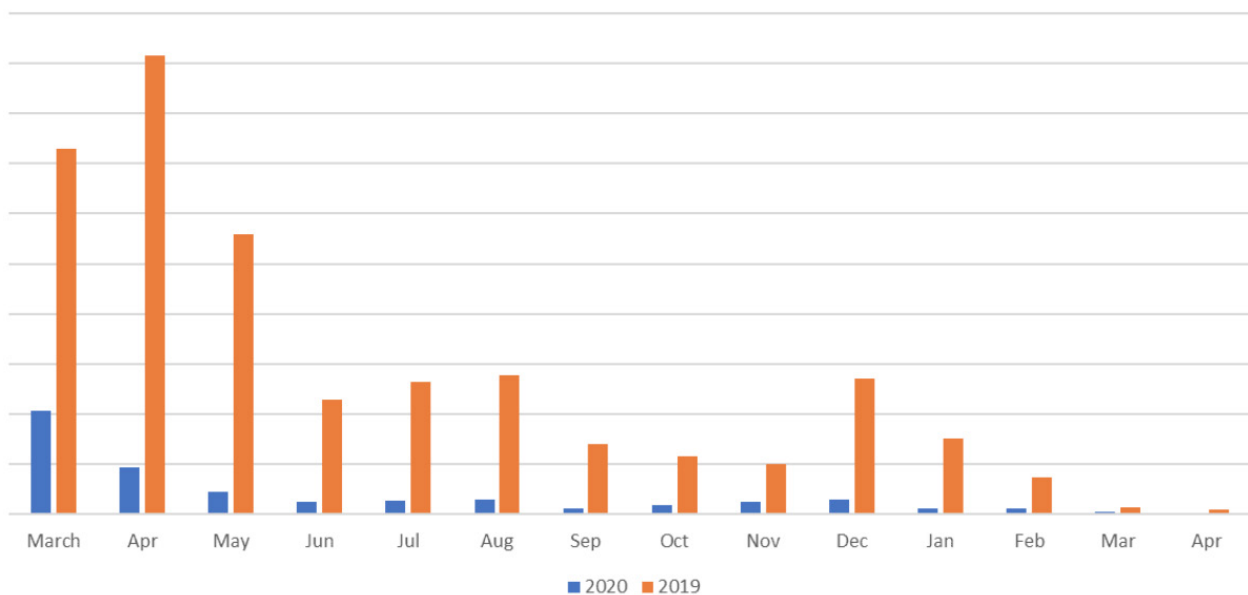
X Axis –Timeline in Days | Y Axis – Total Booking Demand Volume 1st to 27th Mar

Source: The number of combined daily non-Sri Lankan rates searches from non-paid channels. Extracted from 63 hotels (includes chain hotel properties and individual properties)

A drastic drop in booking demand is visible, post the introduction of in-bound travel restrictions.

Future Booking Demand: Post In-Bound Travel Restrictions

Period: 13th March - 27th March 2020 vs. 2019

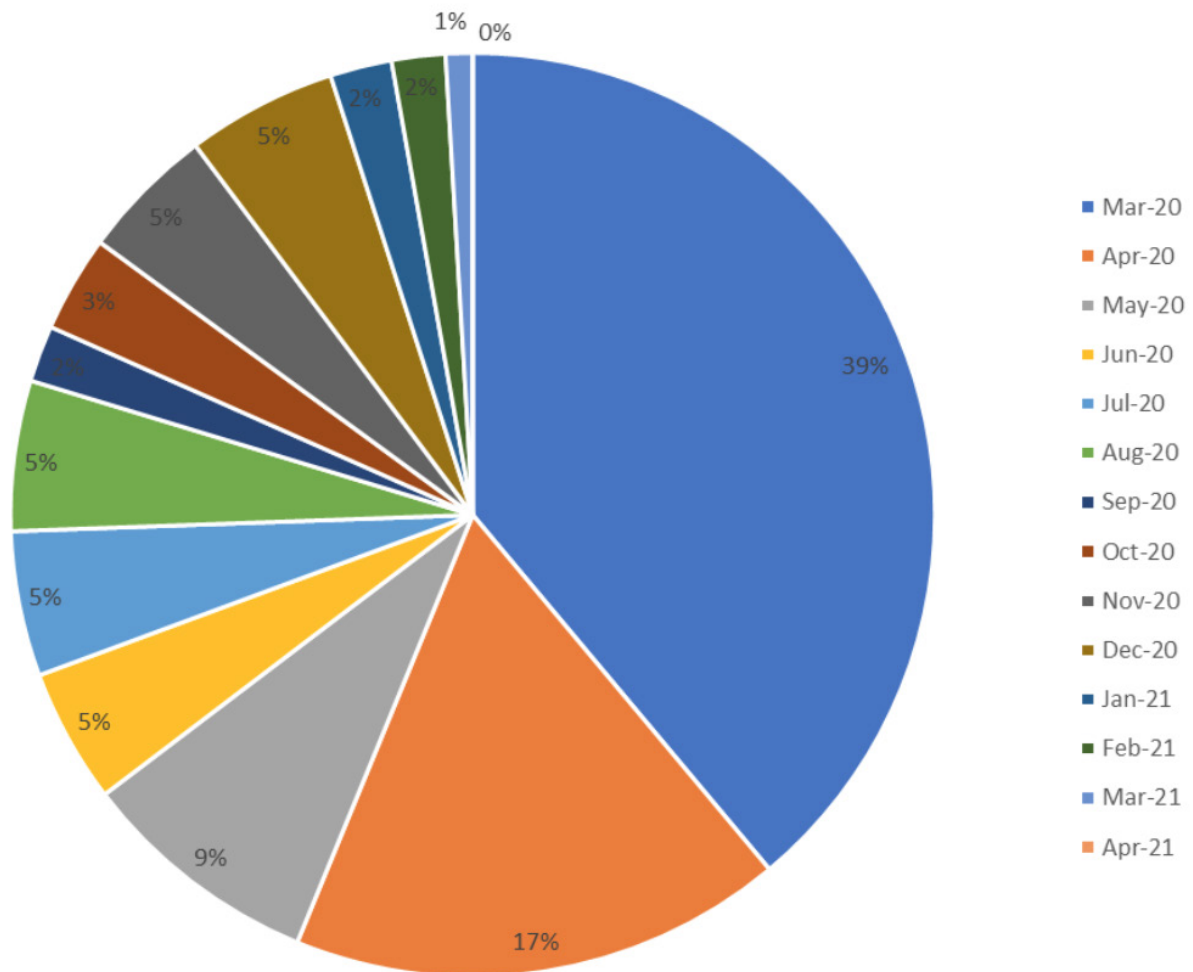


Blue – 2020 | Orange – 2019

X Axis – Timeline in Days | Y Axis – Total Forward Booking Demand Volume 13th to 27th Mar

Source: The number of combined daily non-Sri Lankan rates searches from non-paid channels. Extracted from 63 hotels (includes chain hotel properties and individual properties)

“An 86.2% reduction in booking demand is visible from 13th to 27th March 2020, compared to 2019.”



Analysis:

- 1** The check-in date of a rate search done between 13th – 27th March was used to calculate the desired stay period.
- 2** For example, 9% of rate searches conducted in 2020 during this period were for possible stays in May 2020.
- 3** An 86.2% drop-in rate searches were observed between 13th to 27th March 2020, in comparison to the same period in 2019.

A photograph of a tropical road scene. A dark-colored vehicle, possibly a bus or truck, is driving away on a paved road that is flanked by dense palm trees. The scene is bathed in warm, golden light, suggesting sunrise or sunset. The palm fronds create a canopy over the road, and the light filters through the leaves, creating a hazy, dreamlike atmosphere. A yellow rectangular box is overlaid on the left side of the image, containing the text 'Part II : A Digital Channel, Hospitality Marketing Plan'.

Part II : A Digital Channel, Hospitality Marketing Plan

COVID-19 & Its Aftermath

In these troubling times, as most brands consider complete or temporary shutdowns of hotels, staff layoffs and other economic and cost cutting measures, we understand that thinking of marketing is probably not a priority for many. However, ignoring doomsday scenarios, we think a stage-based approach to marketing should be considered at this time, in order to maintain a level of visibility that may lead to a faster online channel recovery.

This marketing plan is based on our experience as an agency specializing in travel and hospitality marketing. It should be considered as an opinion only at this time due to the lack of certainty and data available.

We strongly encourage rational discourse and consideration, if the suggestions made are suitable for your brand.

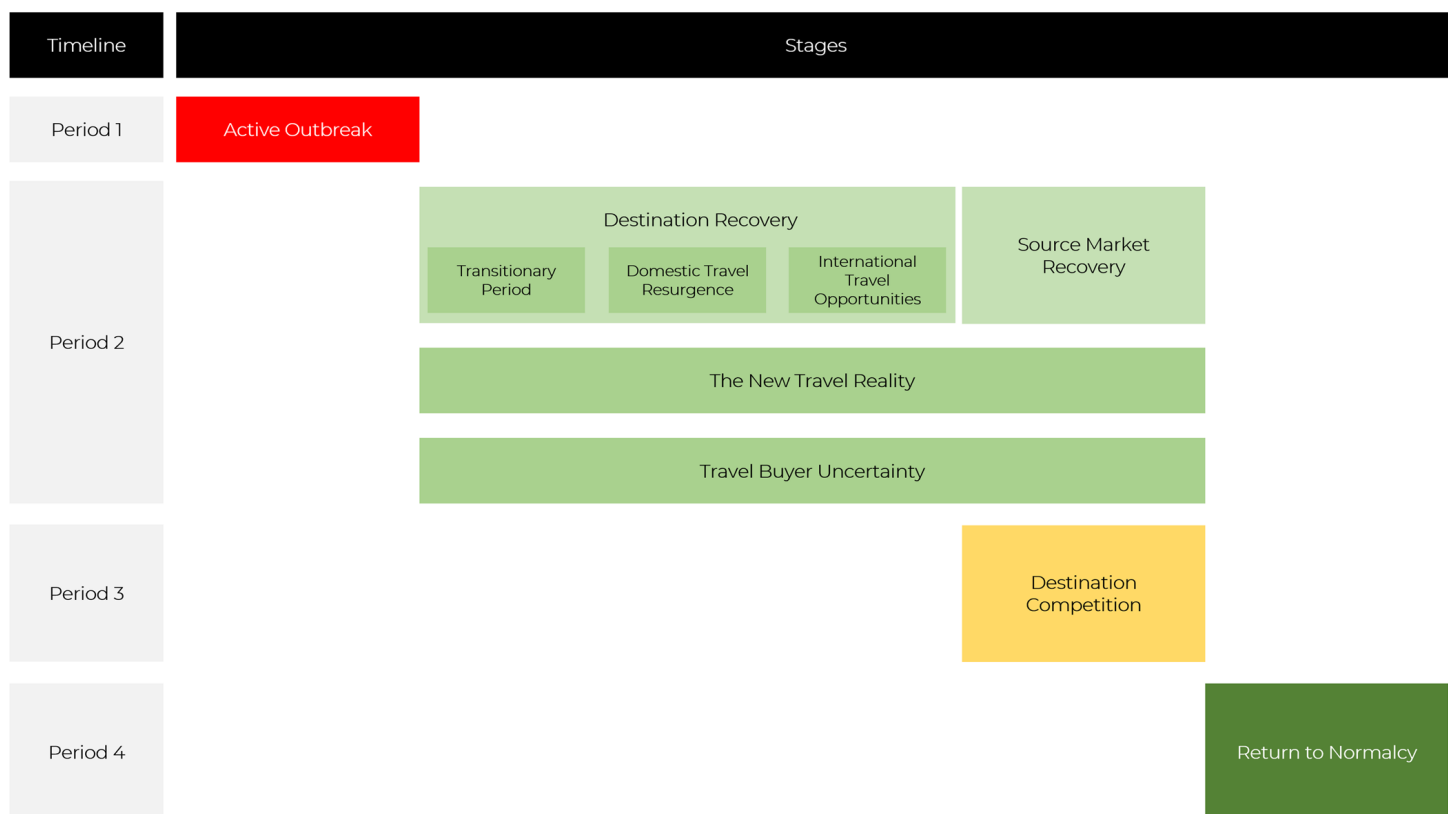
Most countries are currently functioning on the basis that a peak in COVID-19 active cases are yet to be reached.

Creating a Roadmap

Mapping Possible Stages of the COVID-19 Impact on Tourism Behaviour

We are of the opinion that our macro-environment will likely follow the seven stages listed below, and that a potential digital marketing plan should take into consideration the operating and communication realities of each stage.

Timelines cannot be ascertained at the moment and as such, each stage has been grouped into time periods of uncertain duration merely to offer some semblance of a sequence.



Stage 1: Active Outbreak

This is a period of uncertainty, travel restrictions, quarantine efforts, lockdowns, curfews and similar. Monitoring the COVID-19 outbreak and 'flattening the curve' (reduction in active cases as a measure of the virus spread among the population) are top priorities, while the total number of cases are used as a metric of assessing the country's COVID-19 impact.

Stage 2: Destination Recovery

This stage will see positive progress in the COVID-19 situation in Sri Lanka, the reviewing of in-bound travel restrictions and the country opening up for tourism. This is likely to happen in phases, over a period of time, after careful consideration by the relevant authorities.

In the context of travel, this stage will likely have three phases:

Transitional Period – From an active outbreak to a gradual reduction in active and new COVID-19 cases, causing optimism for economic stabilization and travel.

Domestic Travel Resurgence – Easing of restrictions on free movement within the country will lead to domestic tourism being actively considered once more. This will likely be encouraged further by discounts offered by hospitality brands.

International Travel Opportunities – The gradual easing of in-bound restrictions and downgrading of risk assessments will make travel to Sri Lanka possible again.

Stage 3: The New Travel Reality

The world will unlikely 'recover' collectively, and instead each country will have its own process of dealing with the de-escalation of the pandemic. In Sri Lanka, we are likely to see new travel processes introduced to safeguard the country as in-bound travel restrictions are eased.

These could be in the form of restrictions on entry from certain countries, quarantine processes, changes to on-arrival travel visa processes and similar. We believe it would be highly unlikely that there would be an immediate return to normalcy with regard to in-bound travel processes.

Stage 4: Source Market Recovery

As mentioned before, it is unlikely that each source market will have the same recovery timelines. Each source country will have their own processes of de-escalation, opening of borders, declaration of travel restrictions, removal of restrictions and a methodical route to establishing their leisure out-bound tourism sector. It is likely that business travel will resume faster than leisure related travel.

Stage 5: Travel Buyer Uncertainty

Personal safety is, well, a personal decision. We can draw a parallel with Sri Lanka's Easter Sunday recovery process at this stage. Post the 2019 Easter Sunday Attacks, there was a massive surge in online demand for Sri Lanka safety related online queries on platforms such as Google. Comparing June 2019, when Travel Advisories were in place, with November 2019, when most Travel Advisories had been lifted, the online demand volume for safety related topics had reduced by approximately 15%.

(Extrapolated through a calculation of the difference in impression volume, maintaining the same search terms, positions and relative impression share)

As such, it is highly likely that we will see a similar trend, with individuals hoping to travel to Sri Lanka wanting to know more about the country's COVID-19 safety status.

Considerably different from Easter Sunday though will be the likely economic impact felt globally. We are likely to see increases in unemployment rates, draining of savings and similar negative economic considerations globally among a potential travel audience.

These two considerations are likely to impact the total volume of travellers to Sri Lanka post COVID-19 'recovery' in the short term.

Stage 6: Destination Competition

As each country that depends on Tourism starts promoting their respective destinations, it is likely that we will see a resurgence in country level marketing campaigns. Competition in Asia is likely to increase as well, with flight related deals functioning as a key travel initiation trigger. Markets that are better served internationally via multiple airlines will possibly see a higher influx of tourism interest in conjunction with the increase in destination marketing.

Given the economic impact of COVID-19, those who take vacations abroad may seek lower cost alternatives.

Stage 7: Return to Normalcy

Unfortunately, with the information at hand, it is impossible to accurately predict when this stage would realize, but most are optimistic it will eventually arrive. There is even a possibility of a 'boom' in travel as those who postponed their vacations may feel confident to travel again.

For Sri Lanka, we can define normalcy as a return to the pre-COVID-19 travel state, with the issuance of on-arrival visas, active tourism interest and zero travel restrictions.

Marketing Activity Plan

Based on the likely stages of the full recovery process discussed above, we propose the execution of the following marketing activities during each stage. Please note, this is an opinion only and should be considered within the context of your brand.

Period I

Active Outbreak

During this period, we recommend caution, conserving budgets and sensitivity in brand marketing. As a global consensus on the possible duration of the pandemic is yet to be reached, at present a timeline for recovery cannot be confirmed. We do however recommend maintaining some brand visibility during this period. Creating conversations with potential travellers who may actively consider Sri Lanka once some semblance of normalcy has returned to the tourism industry, is in our opinion, the fastest route to recovery.

Based on our evaluation of non-Sri Lankan website visitors to 60 individual hotels across leading hotel chains in the country, there were still potentially thousands of tourists consuming content on hotel brand websites between 13th– 20th March 2020

Channels to Consider

Search Engine Optimization and Content Marketing

Brands don't need to pay per visitor generated through these channels and as such, they are important aspects of maintaining visibility. We recommend thematic based targeting (when you have a better understanding of the reason for travel) using topics such as family travel, honeymoon, safari, surfing and similar for optimization.

Email Marketing

We consider email marketing to be an essential component of digital marketing, especially in times such as this, when immediate bookings may not materialize. Email marketing allows for maintaining a conversation through a relatively cost-effective channel, so that when potential customers are ready to book, you have maintained top-of-mind recall.

Conversation starters should be considered, in order to provide valid reasons for potential customers to keep in touch by signing up for your emails. For example, 'we are launching new offers soon, stay in touch to be the first to know.'

Social Media Communication

While we advise you to be cautious with ad spend, we do recommend maintaining your posting schedules and continuing to publish engaging social content. Try to humanize the brand and tell your stories, from staff features to active measures taken to protect guests during the COVID-19 pandemic. If you can connect emotionally, people will remember you.

Search Engine Advertising (to be reviewed with caution)

Search Engine Advertising on platforms such as Google, are based on CPC (cost per click) bidding. In short, you pay only if a user clicks on your ad, shown for a search term of your choosing. While overall online search demand might be down, search advertising allows you to target remaining interest, while also paying only if a user decides to visit your website.

Keeping the lights on through brand search term advertising campaigns or niche destination level campaigns would be a great way to maintain and even raise your visibility over your competition.

We do not recommend search advertising unless you have a mechanism in place to capture interest such as a chat, email inquiry forms and similar.

Another consideration for search advertising is the actual cost of acquiring a website visitor (cost per click paid). CPC works on an auction model, the more participants competing for a given keyword, the more expensive it would be. As most hotels work with multiple distribution partners from OTAs to travel agents, in most scenarios, you would see online competition for your own brand name. This drives the cost per click higher.

The following is an auction insights screen capture from January 2020 for a hotel brand keyword in the UK market.

DISPLAY URL DOMAIN	IMPRESSION SHARE	OVERLAP RATE
You	97.99%	-
mrandsrsmith.com	72.90%	73.62%
booking.com	35.38%	35.85%
edgeretreats.com	30.49%	31.11%
tailoredjourneys.co.uk	22.71%	23.18%
expedia.co.uk	22.33%	22.79%
bestattravel.co.uk	17.57%	17.93%
kuoni.co.uk	12.05%	12.29%
scottdunn.com	11.29%	11.52%
imaginettravel.com	< 10%	6.91%
hotels.com	< 10%	9.86%

This particular property had 10 distribution partners advertising for the property brand name. As per the report, Mr. and Mrs. Smith had an overlap rate of 73.62% (an ad from Mr. and Mrs. Smith was shown at the same time that an ad from the property was shown).

After Easter Sunday 2019, we noticed most partners stopping their advertising campaigns, which in turn reduced the cost of acquiring website visitors through search advertising. This also increased the potential for better ROI

Conversion Rate Optimization

Bottom of the funnel optimization is now more important than ever. Average looker to booker conversion ratios on hotel brand websites range from decimal points to single digits. Significant travel interest and booking demand drops discussed in the previous half of this report also highlight a lesser considered fact, there are still thousands of non-Sri Lankan website visitors and rate searches done on your brand websites.

Today's focus should be on how best to capitalize this existing demand, however reduced it may be, by actively pursuing possible engagement opportunities to start a dialogue. Publish your forward booking offers, introduce online chats, create exit-intent pop-ups on your booking engines such as 'enter your email and we'll notify you if better rates are published' as an example.

Period II

Stages 2 - 5: Destination Recovery | Source Market Recovery | The New Travel Reality | Travel Buyer Uncertainty

Destination Recovery

Phase I: Transitional Period

General Best Practices to be considered for publication and execution on your website:

- **Flexible Cancellation Policies**
- **Early Bird / Advance Purchase Offers**
- **Local / Resident Offers**
- **Flexible Payment Terms**
- **Personalization – inquiry form-based conversations in addition to booking engines**
- **Real-time Engagement – explore options such as chat**

Phase II: Domestic Travel Resurgence

Post Easter Sunday 2019, we saw a race to the bottom with discount heavy incentives to promote domestic travel. In addition to discounting, we recommend creating thematic based offers such as honeymoon or romance-based packages, family travel packages and similar, where the experiential nature of the offering matters.

While we understand that room rates account for larger margins, we also saw how hotels executed strategies to increase the per head revenue in-property, to offset discounting losses following Easter Sunday. Yoga classes with a small per head fee, cooking lessons for kids, spa packages and similar were actively promoted to in-house guests or were bundled as value-added offers for bookings.

Phase III: International Travel Resurgence

The brave few who postponed instead of cancelling their plans may actively consider travel again.

Business travel will start to pick up. Bargain hunters will actively look for the best offers available with the understanding that there may be a limited window to travel on a smaller budget.

After Easter Sunday 2019, we saw the luxury travel segment taking the longest to recover and we may likely see the same scenario replayed here due to the economic instability caused by COVID-19.

Source Market Recovery

It is likely that not all source markets will recover and ease travel restrictions at the same time. We recommend setting up an active process to monitor your booking engine rate searches by country on Google Analytics or your tracking platforms, as well as your brand keyword impression share by country on Google Search Console.

From our context, it would make sense to monitor a brand's historical country-based occupancy mix, in addition to possible new source market opportunities based on source market recovery progress. Google Trends can be used to understand the online demand for travel from varying source markets. Melt Water, Brand24, Media Tool Kit and similar social media monitoring tools can be used for brand mention monitoring as well as for monitoring travel related conversations about Sri Lanka that are relevant to you. These processes will allow you to better understand your brand demand from relevant source markets. In addition, you should also monitor arrivals through the Sri Lanka Tourism Development Authority Arrivals Reports.

The New Travel Reality

Due to the global nature of the COVID-19 pandemic and how quickly the Novel Coronavirus spread across the world, most health experts are cautious of a resurgence of the virus. With these hard lessons learnt, we are likely to see certain travel restrictions, quarantine processes for designated high-risk source markets and similar imposed by Sri Lanka as well. There is likely going to be a segment of the market that is deterred by such restrictions.

As Sri Lanka has few direct flight providers from key source markets, the connecting chain of travel hubs will also need to be considered when evaluating source market viability.

Travel Buyer Uncertainty

Post Easter Sunday, the search volume for 'is Sri Lanka Safe' and related permutations were significantly larger than the search volume for 'Sri Lanka Travel Advisories' related permutations. We also noticed that the safety related information demand remained relatively high, even after most travel advisories were lifted. This indicates that most potential tourists need active reassurance. We recommend personalizing engagements through chat and email inquiries in addition to booking engine channels, publishing information on safety regulations, minimizing the financial risk to guests through flexible cancellation terms and similar. The purchase funnel might be longer during the research and consideration phases of the buying funnel, with shorter lead times for bookings.

Channels to Consider

- SEO
- In-Bound Content
- Email Marketing
- Social Media Communications

- Search Advertising – Possibly expand campaigns executed during Period I, or if you decided to conserve budgets in full, this is the time to launch campaigns. In addition to brand campaigns to promote book direct and your website as a viable distribution channel, focus on awareness creation through destination and travel segment specific keywords (e.g. – luxury hotels in Yala) should be considered.
- Google Display / Re-marketing Campaigns – Consider dynamic ads with rate feeds, as we are likely to see a price sensitive market.
- Social Media Advertising – A must for local promotion, as social media ads are an ‘interruption medium’. You have the ability to instigate desire through visual advertising to your target segments.
- Social Media Re-Marketing – Inspirational re-marketing ads work quite well in ‘pushing’ a potential customer into make a booking. Curated Instagram stories of your experiences, Facebook Ads on offers and similar can be used.
- Digital PR – A great low-cost mechanism to ensure maximum reach. Specific services such as Marketer’s Media, PRWire and similar can be used to publish articles for a relatively lower cost, while specialized agencies can probably help with publication in larger and more well-known media outlets.
- We believe PR should be productized and sustained. Launching an ‘all-inclusive romance package’ for your hotel might not be considered adequate for mainstream media, but can be distributed effectively through Digital PR platforms.

Period III

Destination Competition

May happen in parallel with source market recovery or Period II, as we are likely to see country level activity to boost tourism interest.

This is not usually a stage that an individual brand could address from a marketing perspective.

It is merely mentioned here to offer a more complete 'timeline'.

We usually discourage individual hospitality brands from utilizing their considerably smaller budgets to promote the country as a whole. The average long-haul source market booking window is four to six months and the ROI would be difficult to justify for an individual brand to maintain visibility for that duration, in the hopes that country-level would translate to regional and finally property- level consideration.

We do however recommend collective campaigns, joining Governmental initiatives and similar. For example, low cost alternatives such as regional #hashtag campaigns across brands of a specific region would be a great way to generate social media interest.

Channels to Consider

All digital channels for property and brand level promotion should be active by this period.

Period IV

Return to Normalcy

The duration for returning to normalcy is anyone's guess at this moment. We firmly believe that brands that maintained an active presence and encouraging dialogues with potential travellers are likely to see a return to normal occupancies and FIT direct booking performance sooner than the competition.

Channels to Consider

All digital channels for property and brand level promotion should have been active prior to this period.

Help Us, Help You

The larger the sample size, the better the data for analysis. If you are operating a Hotel in Sri Lanka, your anonymized data contribution can help us better quantify the impacts of COVID-19.

We request the following anonymized data from 1st March 2020:

- Daily Traffic Number
- Daily Rate Search Volume
- Rate Search, Check-In Dates

Contact us at info@antyrasolutions.com for further information.



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Antyra Solutions is a boutique, integrated agency bringing together creative services, technical innovation and great digital marketing. A team of passionate professionals adamant to stand out from the crowd, we choose to work with a select number of clients to ensure they have our undivided attention as we innovate together, building great brands.

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Additional Resources

- Digital Strategy - www.antyrasolutions.com/digital/digital-strategy/
- Digital Analytics - www.antyrasolutions.com/digital/analytics/
- Search Engine Optimization - www.antyrasolutions.com/digital/search-engine-optimization/