

TRAVEL AND HOSPITALITY

## New York, San Francisco lag behind domestic travel surge

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*Domestic travel is surging, as hospitality brands look to make guests feel safe and interested in local offerings. Image credit: Equinox*

By KATIE TAMOLA

Domestic travel is surging, as travelers are continuing to adapt to the reality of unpredictable COVID-19 developments.

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Travel and tourism recovery is unevenly distributed, with some cities and regions garnering more foot traffic than others, according to a new [whitepaper](#) from analytics platform Placer.ai. Hospitality brands must continue to address travelers' safety concerns while augmenting arrays of offerings, from local tourist attractions to outdoor events and more.

"[Brands must] help create a reason to travel," said Ethan Chernofsky, vice president of marketing at [Placer.ai](#), Los Altos, CA. "Whether it's an amazing spa experience, emphasizing proximity to national parks, or encouraging visitors to test out a new place they haven't been before - the draw of travel is still there."

"In some cases, like areas that are less populated, there may be a uniquely exciting opportunity to emphasize the opportunity to try a new place combined with a greater level of security."

Placer.ai utilized data from location data of dozens of leading hotel chains, airports, and tourist attractions to analyze the travel and hospitality recovery patterns as well as its COVID-19 Recovery Dashboard which tracks domestic tourism visits (visits by individuals who live more than 50 miles away from the visited region) for every state and city (and county, ZIP code, and hundreds of BIDs) in the United States.

All facing challenges, progressing in disparate directions

The COVID-19 pandemic has imposed irrevocable and indisputable challenges upon the travel and hospitality industry. The combination of lockdowns and travel restrictions vastly affected hotels, airlines and more.

Many Americans are still apprehensive about traveling, but domestic travel is currently revealing a more optimistic picture. In July, many of the most visited states and cities in the U.S. saw monthly tourist visits exceed their 2019 numbers.

Domestic tourism increased throughout the spring, with monthly visits compared to August 2019 being higher in all

50 states. Different regions are experiencing different levels of foot traffic, however.

Nevada saw 30.5 percent increase in domestic tourism in August, as California received 18.0 percent more tourists than it had in July 2019. On the East Coast, domestic tourism was up 51 percent in Florida but only 22.4 percent in New York when compared to July 2019.

For the Midwest, year-over-two-year visits were up 29.5 percent in Texas, but only 14.4 percent in Illinois.

The gap between states could be related to the decline of business travel, with Delta and American Airlines reporting in June that domestic business travel had only reached 40 and 45 percent of June 2019 levels, respectively, for each airline.

New York, California, and Illinois three popular business destinations are seeing less overall foot traffic, which could be due to the lack of business travel.



*The recovery for some regions and cities, including San Francisco, has been more sluggish due to decreased business travel. Image credit: PropertyShark*

New York City and San Francisco's slower recoveries could be attributed to the fact that San Francisco in particular, which relies heavily on conferences and conventions to draw domestic visitors, is still lagging far behind 2019 domestic tourism levels, with 10.8 percent fewer domestic tourists in August 2021 than in the same month two years prior.

Cities, hotels and other tourism organizations must consider how far consumers are willing to travel, while augmenting vast offerings to locals.

Revenge travel brought significant year-over-two-year visit increases to several leading hotel chains in July including the Hilton Garden Inn, Hyatt Place, Best Western and Courtyard by Marriott, which saw a 5.7 percent, 11.3 percent, 9.8 percent, and 5.4 percent increase, respectively.

After COVID-related lockdowns and safety restrictions halted travel plans around the world, consumers are yearning to splurge on travel.

According to [Simon-Kucher & Partners](#), with more savings and collected travel miles, 45 percent of consumers are looking to travel more than they had pre-pandemic, implying a new era of "revenge traveling." During a webinar hosted by the International Luxury Hotel Association, leaders in the hospitality sector discussed how properties are preparing for an energized generation of vacationers ([see story](#)).

"Brands need to continue focusing on the [COVID-19] safety precautions that remove some of those fears, but there is also a lot that is beyond their control," Mr. Chernofsky said. "The key is to be prepared for the windows where the opportunities return."

Disparate types of hotels are recovering at different paces. Monthly visits to resorts, inns, airport hotels, and motels saw a 14 percent, 7.3 percent, 8 percent and 10.7 percent increase, respectively, when compared to July 2019.

However, hotels located in city centers did not recover as much, as July visits ranked 17.8 percent lower than visits in July 2019.

Several hospitality brands continue working to highlight local offerings, especially spacious tourist attractions that may help travelers feel safer during the pandemic.

Making moments

Americans are increasingly flocking to outdoor attractions as well as the opportunities for unique experiences. National and state parks have served as an attractive option, with year-over-two-year visits to national and state parks peaking at 32.8 percent in May 2021. Visit growth continued to vary over the summer, due to weather and wildfire concerns.

Consumers have also found zoos and aquariums enticing, experiencing a gradual recovery throughout the spring and summer.

In January, theme parks, zoos and aquariums were down 51.5 percent and 65.6 percent respectively, in year-over-two-year visit percentages. In July however, both categories had nearly reached their pre-pandemic number of visits.

Hospitality brands continue to highlight offerings that connect travelers with an array of outdoor experiences.

Hospitality group Marriott International is helping travelers make up for lost time in the relaunch of its **Marriott Bonvoy Moments** platform, aiming to offer unforgettable experiences.



*The revamped Marriott Bonvoy Moments platform is once again offering unforgettable experiences, including a tennis match with tennis legend Andy Roddick. Image courtesy of Marriott International*

Having launched on Aug. 5, Marriott Moments offers something for everyone, including foodies, fashion lovers, the athletically-inclined and more. Marriott Bonvoy, the group's rewards program, emphasizes one-of-a-kind experiences rather than solely focusing on amenities upgrades ([see story](#)).

"Domestic travel is being given a unique opportunity to operate without the same level of competition from international destinations," Mr. Chernofsky said. "Providing travelers with a safe and accessible place to go can drive a real win/win."

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