# INSIGHTS COLLECTIVE

Pandemic Economics Think Tank



#### **VIRUS**

Dr. Fauci noted a "great deal of faith in the American people" to wash their hands, practice social distancing, wear masks, avoid crowds and congregate outside during the Labor Day weekend celebrations. School reopening, holiday travel and more indoor activity because of colder weather could all increase transmission of the virus and combine in ways that could multiply the threat. Source: Arkansas Democrat-Gazette

And why is that important [Insights Collective] ... The virus is blamed for more than 183,000 deaths and 6 million confirmed infections in the U.S. Worldwide, the death toll is put at almost 850,000, with more than 25 million cases. The U.S. saw a surge in virus cases after the Memorial Day and July Fourth holidays. We can avoid that fate this holiday by leading the industry in best practice protocols.

## REOPENING

Vail Resorts is implementing a new reservation system for its ski slopes. The system will require advance scheduling to access its five ski areas in Colorado, and the company said it would be limiting overall visitor numbers and prioritizing season pass holders. Despite the lower capacity, it expects to be able to accommodate all visitor demand on the "vast majority of days." Source: Summit Daily

And why is that important [Insights Collective] ... This move to better control the number of skiers and ultimately which customers can ski poses an underlying threat in two important ways. (1) Pricing power. As supply is artificially limited and demand remains the same (if not primed to increase) - then skiing may just get even more elite. (2) Disintermediation. As the ski areas prioritize the pass holder it could become a way to eliminate the middleman via lift ticket access – which could also push out the local hotel bundling packages, as well as the Expedia full packaging.

#### **ECONOMY**

Since March 2020, \$2 billion of lost economic activity has accrued in Chicago – attributed to the cancellation of 150 conventions. The latest blow was the 17,000 room-nights canceled when the Chicago Dental Society cancelled their February 2021 annual meeting. The number of meeting cancelations in the destination is now more than 150. Under Gov. J.B. Pritzker's five-phase reopening plan, large events like conventions can resume once there is a vaccine or an effective treatment for COVID-19. Source: Chicago Tribune

And why is that important [Insights Collective] ... We suspect it is news to many that Chicago is restricted from hosting conventions until a vaccine is available. Political considerations certainly keep the event from being hosted elsewhere, and the association has proposed a virtual event in place of in-person meetings. This is an opportunity all around: for hotels to invest in video conferencing technology and for resorts to work with destination organizations to offer alternatives to meeting planners.

# **NEW REALITIES**

All incoming passengers into Hawaii will now go through thermal screening.

New cameras installed at the state's airports will automatically check passengers for elevated temperatures. Those with potential fevers will have their picture taken and analyzed with facial recognition software (starting in December) and be diverted to extra screening. Source: <u>Hawaii Public Radio</u>

And why is that important [Insights Collective] ... The use of facial recognition cameras by Hawaii is a significant step in terms of both new technology and impact on privacy. The cameras with the recognition technology don't go into service in state airports until December, so privacy advocates still have time to weigh in, but given the importance of keeping COVID-19 off the Hawaiian islands and the already-signed 10-year contract by the state, arriving passengers should expect to smile for the automated cameras if they are experiencing fever-like symptoms.

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The COVID-19 Briefing Sheet is a weekly distribution of Insights Collective, an industry Think Tank focused on leading resorts and destinations through the New Realities of management, marketing, and positioning. It is made possible by contribution from other civic minded organizations including Red Sky Travel Insurance.

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