

Recalibrate & Recover

Dear Stakeholder:

[Year-end tourism statistics](#) released this week are the facts and figures that back-up what all of us felt last year. The coronavirus pandemic dealt a devastating blow. There's no other way to explain it. And more than six weeks into 2021, the crisis still isn't over yet.



The future, though, is brighter. And tourism is won by how well we plan. At the Bermuda Tourism Authority (BTA) our planning phases for this year have been long underway and we are focussing on areas where we believe it's possible to accelerate tourism's recovery. Here are some of them:

Higher spend per visitor: With less airline seat capacity, fewer hotel rooms and a general hesitancy for international travel, high volume tourism will be slow to return. And while Bermuda is forced into a situation of lower visitor arrivals, it has a tremendous opportunity to attract consumers who spend more. The exit survey data from last year reveals a larger than normal share of air visitors with annual household income above \$250,000. That was predictable. However, the surprising statistic is travellers with household income above \$500,000 per year—**exploding from 7.5 percent of total visitors to 14 percent**. The BTA is recalibrating 2021 marketing activity to leverage this luxury traveller trend. Experience development will pivot too. Executing well with this high-income consumer segment, without ceding ground in other areas, will accelerate the country's tourism recovery—particularly if visitors' longer length of stay continues.

Sports: Last fall confirmed the power of sports tourism in the comeback. The data is compelling. There were 784 air visitors who marked themselves down as visiting Bermuda for sports in October 2020. That's **almost a 30 percent increase over October 2019**—an incredible feat during the worst pandemic in a century. To build on this green shoot, our team is working well with government officials to make the COVID-19 approval process more user-friendly for sports organizers—giving them confidence about what they need to do to meet Bermuda's standards for safety. Sailing, tennis and triathlon all have big events on the calendar this year. Plus, we're doubling down on golf at a time when the sport's popularity is at an all-time high. Bermuda has a golf course re-opening this year, new golf ad content, two new golf events are scheduled to launch in 2021 and the Bermuda Championship returns for another three years.

Weddings: There is pent up demand for weddings in the U.S. northeast because COVID-19 prevented many brides and grooms from having their special day over the past year. It's an awful reality, but it's also an opportunity. Our PR team has a campaign ready to go to drive new wedding business to Bermuda this year, while also significantly raising awareness for couples with weddings in the years to come. The campaign will roll the moment the right balance

of safety protocols and nuptial logistics can be struck. This would be such a valuable tool in the comeback toolbox.

Superyachts: At the start of 2020, our team had an action plan ready to attract superyachts to Bermuda to claim the secluded, island retreat lifestyle this audience covets. The pandemic halted that plan but did not stop it altogether. Superyachts found their way here, and for the first time, thanks to newly enacted legislation, superyacht charter guests flew here to spend time on these luxury vessels. The BTA is focused on attracting more of this activity in 2021 because the economic impact will stimulate the recovery.

These aren't the only four areas of concentration; there are others. And we'll need a no-compromise, always-on cadence to Bermuda's marketing as the world's destinations flood media channels in the months ahead. However very few of those destinations will have key developments baked into the first half of the year as Bermuda does. Our planning shows these items propelling us forward as we go into the second half of 2021:

- The Centers for Disease Control will improve Bermuda's travel risk ranking to a level more consistent with the country's successful pandemic management
- American Airlines direct service to Bermuda moves from Miami to Charlotte, likely to be more attractive to leisure travellers
- British Airways direct service from London moves from Gatwick to Heathrow, a friendlier hub for leisure and business travellers
- The opening of St. Regis
- More local hotels reopening after an especially difficult winter
- SailGP's media exposure tells the world Bermuda is open and safe and visitors are welcome
- Improved vaccination rollout in the United States

The last item is especially important because travel sentiment data shows half the consumers in our target areas of the United States, won't travel internationally until they're vaccinated. As the months tick by and the vaccines are more widely available, half will probably become three-quarters. That's why the BTA is recalibrating its marketing to ensure the consumers we target now are the people most likely to be vaccinated first.

All of this strategy-shaping will get a deep dive at the virtual [Tourism Outlook Forum](#) on Friday, February 19. We'll speak with clarity about what the latest travel trends are and our approach to get Bermuda into the best possible position for success. It's an all hands-on-deck moment to ready ourselves for a mission of tourism recovery that is the toughest we've ever faced.

Glenn Jones

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