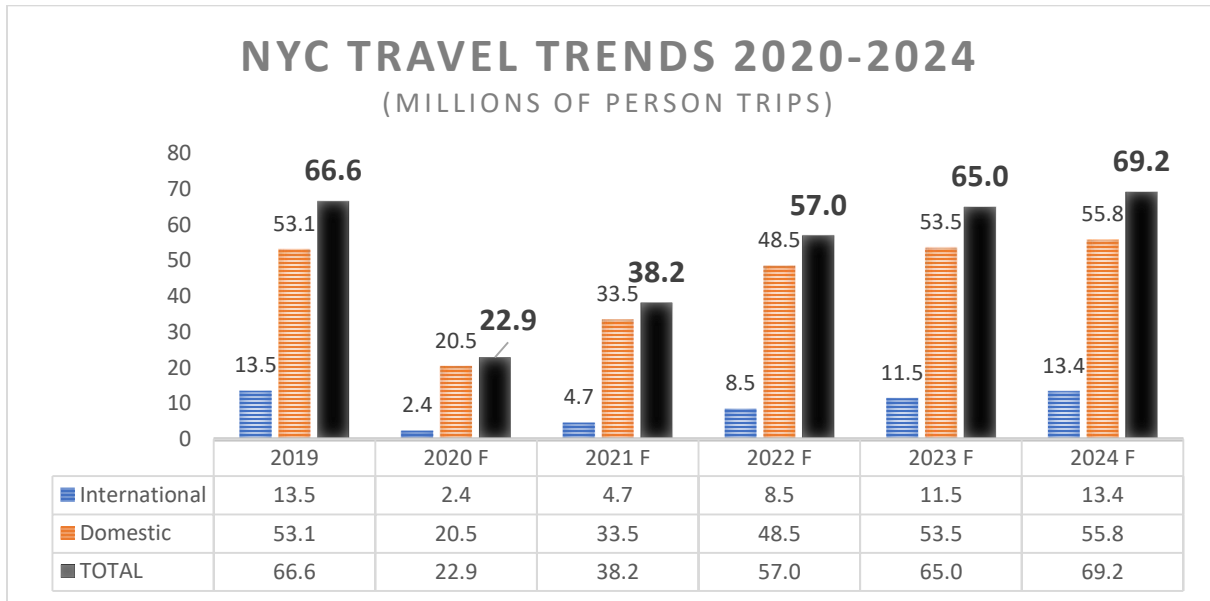


NYC Travel Trend Outlook 2020-2024



Source: NYC & Company/Tourism Economics as of 11/16/20 updated

The New York City travel industry began 2020 in good position for another record year, with very strong performance in January, February and early March. The public health and safety measures put in place in mid-March to address the pandemic put practically all leisure and most business travel on hold. The result has been an unmatched drop in visitation during the remaining nine months of 2020. The year-end forecast for 22.9 million visitors now looks to be 66% below 2019 levels. The domestic market was only one-third of typical annual travel (20.5 million. Domestic inbound visitation (i.e., travel from more than 50 miles one-way or with an overnight stay) was partially sustained by regional travel which began to pick up in summer. The international market was down over 80% compared to last year as inbound international has been frozen since April (2.4 million visitors).

With a plan for widespread vaccination taking shape for Q1 2021, the outlook for a pick-up in regional and short-haul domestic travel will begin to lift the levels of visitation in the late spring-early summer. If the health breakthroughs align with lifting restrictions on activities and gatherings the pace may move more quickly. The international market will take longer to catch up, but could pick up 2 million visitors by year end.

Given the uncertainty generated by the pandemic for economic recovery and consumer confidence in travel, the conservative outlook takes us to 2024 to top the 2019 benchmark. The overall industry could be back to 2019 levels in three years, especially if business travel restrictions affecting large events and meetings are eased in 2022. At the same time, New York City’s strong position with international travelers could help revive the cautious global travel market sooner. It is worth noting that international travel after September 11, 2001 took fully four years to recover.