



Newsletter of the International Association for Tourism Economics

Vol. 4, No 1, 31 January 2021

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Message from the President

The year 2020 has been exceptionally challenging for everyone, and especially for those involved in the tourism industry. It becomes increasingly clear that although there has been progress in treatment and vaccines to curb the pandemic, it will take some time before enough resilience is built for the tourism industry to recover. As an association, our decisions and actions should take this into consideration in planning our activities. Please read the newsletter and other sources of communication that will keep you informed of our plans!

I would like to close by wishing everyone a prosperous 2021. Keep safe until we meet again!

Andrea Saayman
IATE President

Postponement of IATE Conference to 2022

Although we all looked forward to meet one another in Perpignan in the summer of 2021, the uncertainties due to the COVID pandemic has to be taken into consideration. After deliberations with council members, it was decided that the IATE conference will be postponed to 2022.

The new date for the conference is 28 June – 1 July 2022. The conference will still be co-hosted by the Department of Tourism Management of the Institute of Business Administration and the CRESEM laboratory of the University of Perpignan. The event will co-organized by University of Perpignan, Polytechnic University of Hauts-de-France and University of Corsica.

More information will soon be circulated.

<https://iate2021perpignan.com/>

Nicolas Peypoch
On behalf of the Organizing Committee

News from the journal, Tourism Economics

November and December 2020

The November issue of Tourism Economics covers the following topics.

- Robots in tourism
- Forecasting and stochastic frontier
- Revenue management practices at peer-to-peer accommodations

- Modelling international monthly demand with climate indicators and web-traffic data
- Economic and political crises and the survival of firms
- Pollution and tourism-led growth
- Size and the profitability of ski lift operations
- Strategic orientation of hotels
- Urban-rural income disparity
- Data source combination for forecasting
- Corruption and outbound business travels
- Residents' perception towards tourism

The December issue is a Special Issue on "Tourism Demand – Emerging Theoretical and Empirical Issues", edited by Frank Wogbe Agbola, Tarik Dogru, and Ulrich Gunter. It covers the following topics.

- Tourist arrivals versus tourist expenditures
- Determinants of hiking tourism
- Economic policy uncertainty: its impact on tourism demand, and the effect of an EPU index in predicting demand
- Freedom and tourism demand
- Migration–tourism nexus
- Gravity model for tourism demand with panel data
- Inbound tourism on FDI

As usual, we would like to thank all contributors, in particular the IATE members, and we look forward to receiving your future submissions!

Albert Assaf and Raffaele Scuderi
TOURISM ECONOMICS

<https://journals.sagepub.com/home/teu>

Global hospitality industry overview

The hotel performance reports for 2020 are currently available from STR. In this newsletter, the unprecedented performance lows due to the Covid-19 are shared with the IATE community with reference to five main regions of the world.

Asia-Pacific

According to STR data, reflecting the effects of the COVID-19 pandemic, the Asia Pacific hotel industry reported all-time lows in the three key performance metrics during 2020. The following statistics summarise the Asia-Pacific performances of 2020 compared to 2019:

- Occupancy: 44.5% (-35.6%)
- Average daily rate (ADR): US\$74.99 (-22.2%)
- Revenue per available room (RevPAR): US\$33.39 (-49.9%)

Each of the three key performance metrics were the lowest for any year on record in the region.

Central/South America

In its first month with a visible impact from the COVID-19 pandemic, the Central/South America hotel industry reported declines in the three key performance metrics during 2020. The following statistics summarise Central/South America performances in 2020 compared to 2019:

- Occupancy: 30.0% (-48.7%)
- Average daily rate (ADR): US\$78.75 (-10.1%)
- Revenue per available room (RevPAR): US\$23.62 (-53.9%)

Europe

Reflecting the impact of the COVID-19 pandemic, Europe's hotel industry reported unprecedented performance lows during 2020, according to data from STR:

- Occupancy: 33.1% (-54.2%)
- Average daily rate (ADR): EUR93.34 (-18.2%)
- Revenue per available room (RevPAR): EUR30.86 (-62.5%)

With respect to UK, the absolute occupancy and RevPAR levels were the lowest for any year on record in STR database. Amid

continued COVID-19 lockdowns around the country, December performance was down from the prior month, and the country's 26.1% occupancy level was its lowest since May. Worth noticing also the indicators of the Netherlands, where key performance metrics were the lowest for any year on record. Occupancy in the country fell to a low point in April (8.5%) but improved to as high as 44.2% in August thanks to domestic demand during the summer holidays. However, reflecting the impact of a new lockdown, in the Netherlands December occupancy (14.2%) was the lowest for the country since May.

Middle East and Africa

Showing the impact of the COVID-19 pandemic, hotels in the Middle East and Africa reported steep declines across the three key performance metrics in 2020 compared to the same month last year.

Middle East

- Occupancy: 45.9% (-30.3%)
- Average daily rate (ADR): US\$117.23 (-17.3%)
- Revenue per available room (RevPAR): US\$53.77 (-42.4%)

Africa

- Occupancy: 29.0% (-52.6%)
- ADR: US\$103.12 (-3.3%)
- RevPAR: US\$29.86 (-54.1%)

While total-year occupancy and RevPAR levels fell to all-time lows, both regions ended the year on a high note, with December monthly data reaching closer to pre-pandemic levels in each of the three key performance metrics.

North America/US

The U.S. hotel industry reported all-time lows in occupancy and revenue per available room (RevPAR), according to year-end 2020 data from STR.

In addition to historically low absolute levels in the aforementioned metrics, average daily rate (ADR) came in lower than any year since 2011. Year-over-year declines were the worst on record across the three key performance metrics.

- Occupancy: 44.0% (-33.3%)
- Average daily rate (ADR): US\$103.25 (-21.3%)
- Revenue per available room (RevPAR): US\$45.48 (-47.5%)

For the first time in history, the industry surpassed 1 billion unsold room nights, which eclipsed the 786 million unsold room nights during the great recession in 2009.

Among the Top 25 Markets, Minneapolis/St. Paul, Minnesota-Wisconsin, reported the lowest occupancy level (33.3%), which represented a 49.9% decline in year-over-year comparisons.

For more information, contact the STR SHARE Center, sharecenter@str.com.

Steve Hood
STR

<https://str.com/>

Call for Papers

Special Issue

Sustainability
on

*"Rethinking Novel Tourism Demand
Modelling and Forecasting Due to COVID-19:
Uncertainty, Structural Breaks and Data"*

Due to the SARS-CoV-2 virus and the resulting COVID-19 disease, many will be reading this under some type of self-isolation or mandated confinement or quarantine, or may have experienced it recently. Times of great uncertainty have a huge impact on every aspect of our lives. After we eventually overcome the health, medical, social, environmental, economic, and financial crisis which is capturing all of our present thoughts and actions, it will be necessary to implement strategies to

recover from the catastrophe that this once-in-a-century phenomenon has left on our devastated planet.

Obviously, the limitations of mobility and the application of social distancing measures have had significant impacts on the tourism industry. Unlike the other major industry that contributes substantially to the world GDP (i.e., energy), tourism has been one of the most severely affected industries. The world has never experienced such a long period in which tourism was literally shut down for such an extended period. Consequently, tourism will face many challenges in the coming months and years to recover from the devastation of COVID-19.

In this context, this Special Issue focuses on the challenges faced in providing novel tourism demand modelling and forecasting methods post COVID-19. Any strategies need to be based on the behavior of inbound and outbound tourists. The primary purpose is to shed light on how we can provide insights into many important aspects of tourism demand. This covers a broad scope from theoretical to empirical contributions, as well as other important considerations, such as:

- Behavioral change;
- Uncertainty, risk, risk perception;
- Related health risks;
- Structural breaks;
- Duration of shocks;
- Limited data models and availability of data;
- Early and advanced indicators;
- Hybrid forecasting;
- Forecast based on scenarios;
- Arrivals versus revenues;
- Behavior of specific segments;
- Case studies from different origins and destinations;
- Impact of policy and industry measures;
- Linkages between tourism and economy;
- Income and price elasticities.

Manuscript due date: 30 April 2021

As the conventional modelling and forecasting of tourism demand is not likely

to hold during and after the coronavirus pandemic, with or without a safe, reliable, efficient, and accessible vaccine, novel modelling and forecasting methods need to be developed. This is the intended purpose of the present Special Issue.

Dr. Vicente Ramos
Prof. Dr. Chia-Lin Chang
Prof. Dr. Michael McAleer

For further information please refer to:
[https://www.mdpi.com/journal/sustainability/special issues/Novel Tourism Demand Modelling](https://www.mdpi.com/journal/sustainability/special%20issues/Novel%20Tourism%20Demand%20Modelling)

Vicente Ramos

Conference Call for Papers

*New challenges for tourism in a post-COVID world” conference
Tahiti, June 1-3, 2020*

The Center for Research on Tourism in Oceania-Pacific (CETOP) and the Governance and Insular Development research center (GDI, EA 4240) organize at the University of French Polynesia (UPF) an **international conference on "New challenges for tourism in a post-COVID world", June 1st-3rd, 2021 in Tahiti.**

This academic conference is planned during “tourism week” (May 31–June 5, 2021) at the UPF, which will also feature an AIMTD (International Association of Sustainable Tourism Management) workshop, and other seminars (forthcoming). The aim of this multidisciplinary conference is to present new research in tourism post-COVID, notably to understand the consequences of the pandemic and the economic crisis for the tourism industry in the short and long term. Applied or theoretical papers in tourism based on rigorous techniques of analysis are welcomed. The selection process will be based on scientific quality.

Papers related to the following fields will be particularly appreciated:

- Destination management and tourism policy evaluation
- Economic and social impacts of tourism
- Tourism competitiveness
- Changes in tourism demand
- Innovation in tourism supply and supply chains
- Tourism forecasting and recovery

Authors are requested to submit an electronic copy of their manuscript (full paper or extended abstract) in PDF format to sylvain.petit@upf.pf

Please feel free to share the present call for papers widely with your contacts.

For more information, please contact us or visit

<https://cetop2021.sciencesconf.org/>

Sylvain Petit

New Journal

International Journal of Island Research

The new journal for islands researches was launched. The *International Journal of Island Research*, is a high-quality, international, open access, online, double blind reviewed publication which deals with all aspects of Island research. The International Journal of Island Research (IJIR) was founded in 2019 by the *Observatory on Tourism for Islands Economy* (OTIE) and is published by the Technological University of Dublin.

The journal takes an interdisciplinary international approach and includes all aspects of islands research. It is inclusive of all disciplines, subjects, research approaches and practices. While the main emphasis is on primary research articles, it also welcomes suitably relevant discussion papers, research / review pieces, industry focused case studies and evaluations, management guides and reports, economic evaluations, book reviews, announcements for upcoming meetings etc. Papers/articles should be

relevant to both academics and practitioners.

Papers can include a variety of media elements including audio and visual files, a range of image formats and hyper links to websites and other online resources. 1st issue: <https://arrow.tudublin.ie/ijir/>

<https://arrow.tudublin.ie/ijir/about.html>

<https://www.otie.org/international-journal-of-islands-research.html>

Giovanni Ruggieri

Publications

New contribution

Larry Dwyer (2020) Tourism development and sustainable well-being: *Beyond GDP* perspective *Journal of Sustainable Tourism*

Dear IATE members. I have recently become interested in the implications of the 'Beyond GDP' approach for research on the role of well-being in achieving sustainable tourism development. The Beyond GDP approach is supported by several Nobel Prize Laureates including Arrow, Sen and Stiglitz. I have just had a paper published in *Journal of Sustainable Tourism* on this theme. I think that tourism economists can make important contributions in this area of research. I know some of you have made useful contributions to this topic, but I think we can do more. I have several other papers in mind to occupy me in retirement and will work on these between visits to the beach, tennis court and various pubs. I reproduce below the abstract of my recently published paper to convey the flavour of some of my ideas.

The Beyond GDP approach to development is gaining widespread support from policy makers and researchers worldwide. While not formulated specifically for tourism activity,

the approach serves as a guide to measuring the current and future well-being of destination residents associated with tourism development. The Beyond GDP approach identifies key well-being indicators that can usefully be employed by tourism stakeholders to determine the types of tourism developments that best meet resident needs. The discussion of sustainability criteria reveals that much of current tourism research does not fully understand the dynamics of this concept, failing to appreciate the essential role played by measures of changing capital stocks as sources of resident sustainable well-being. Discussion of some of the main implications for destination management and tourism stakeholder responsibilities is structured according to several different senses of 'beyond' that characterise the Beyond GDP research agenda.

Larry Dwyer (2020) Tourism development and sustainable well-being: a *Beyond GDP* perspective, *Journal of Sustainable Tourism*, DOI: [10.1080/09669582.2020.1825457](https://doi.org/10.1080/09669582.2020.1825457)

Published online 08 October, 2020.

Larry Dwyer

Other announcements

Covid-19 pandemic - a boon for digital tourism startups

The catastrophic effect of the Covid-19 pandemic on the world tourism industry is reflected in the gloomy global hospitality industry overview given in this newsletter. However, I want to provide an example here for the possibilities for the tourism industry that the Covid-19 pandemic opened up. Digital technology allows for the development of new opportunities for tourism services suppliers. The tourism start-up in the example I am giving here does not fall in the traditional definition of tourism service which entails the travel of a person from her home to the tourism site.

Yet, it still creates economic benefits to the local suppliers of tourism services in different locations.

Hop A Tour (hopatour.com) is a startup founded by the CEO Kenan Braun, one of our alumni, which provides professionally guided livestream virtual tours on location with HD quality video streaming. The viewers can communicate with the tour guide and other participants in real-time. Hop A Tour brings immersive exploration experiences to a global audience. The success of this startup was accelerated due to the Covid-19 pandemic. Hop A Tour provides training and equipment to professional tour guides on location and works with them to create an itinerary suitable for a remote viewing audience. The standardized quality control ensures a uniform high-quality experience for all of the customers on every tour.

This digital platform provides sustainable, scalable growth for tour guides, whether located in a large urban center or remote village. By bringing immersive tourism to a global audience, tourism is democratized for guides and would-be tourists. This platform provides a new income stream for guides, opens the possibilities for online shopping from local stores and exposure of destinations to new potential customers.

For further information you can contact: Aliza Fleischer at aliza.f@mail.huji.ac.il (Hebrew University of Jerusalem).

Aliza Fleischer

A note from the editors

Thanks to all our contributors! We call on all of you to keep sending news, updates, research projects, conference and other calls to include in the IATE newsletter. These can be sent to Serena Volo (Serena.Volo@unibz.it) and/or Mondher Sahli (Mondher.Sahli@vuw.ac.nz).