

# Budget Presentation

## COVID-19 Impact on Tourism in SC SCPRT FY 21 Budget Discussion

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Director

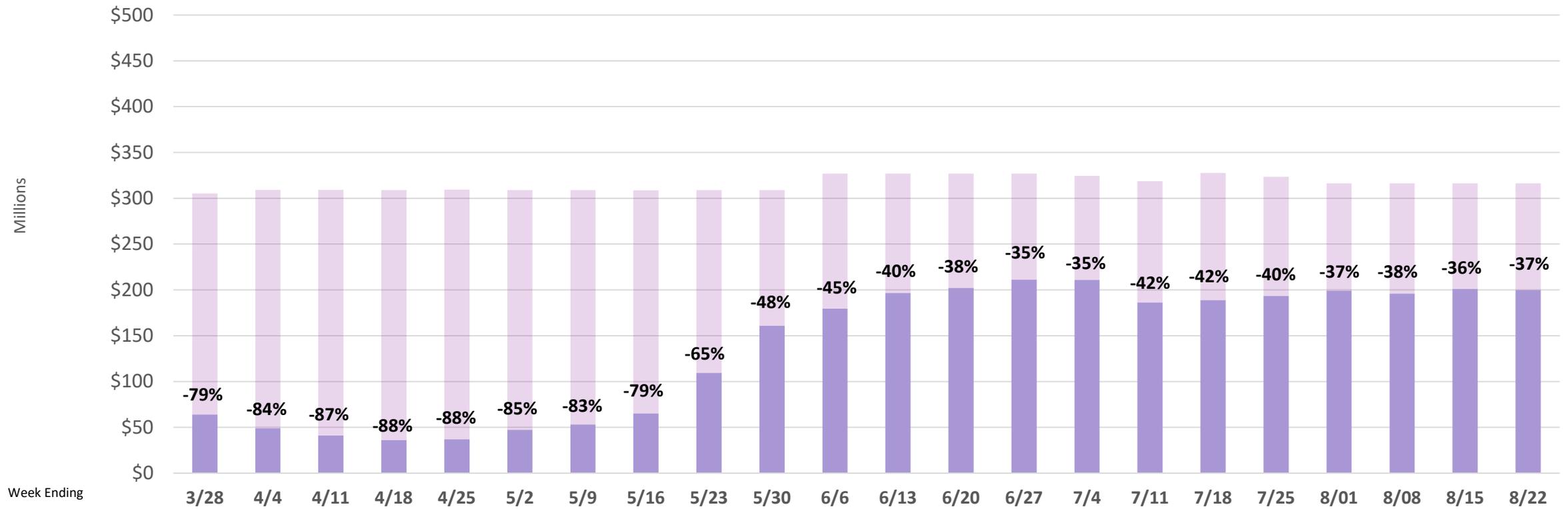
SC Dept. of Parks, Recreation & Tourism



# SC Tourism Revenue & Percent Change

## Weekly: 3/28 – 8/22

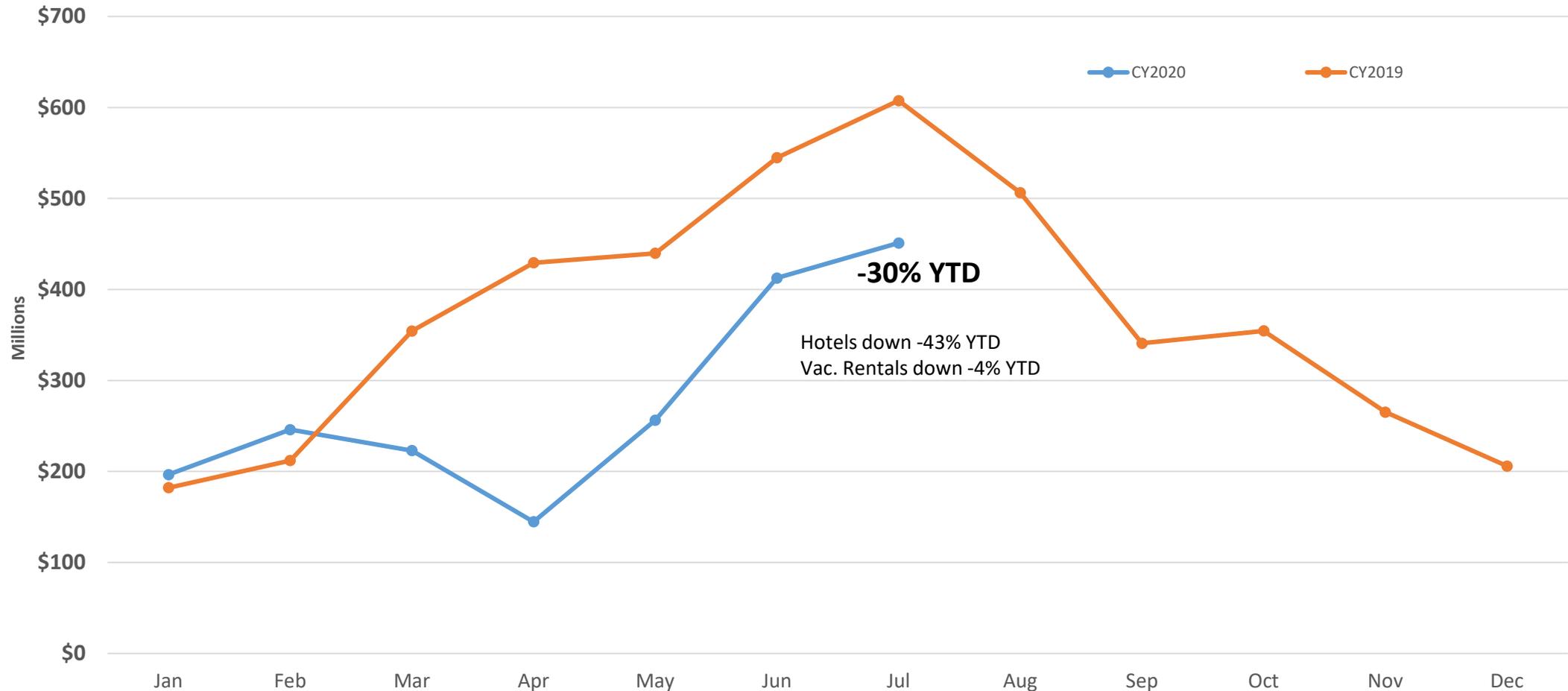
Estimated South Carolina Tourism Revenue and Percent Change by Selected Week in 2020



Note: Dark purple bars represent weeks in 2020. Light purple shaded bars represent weeks in 2019

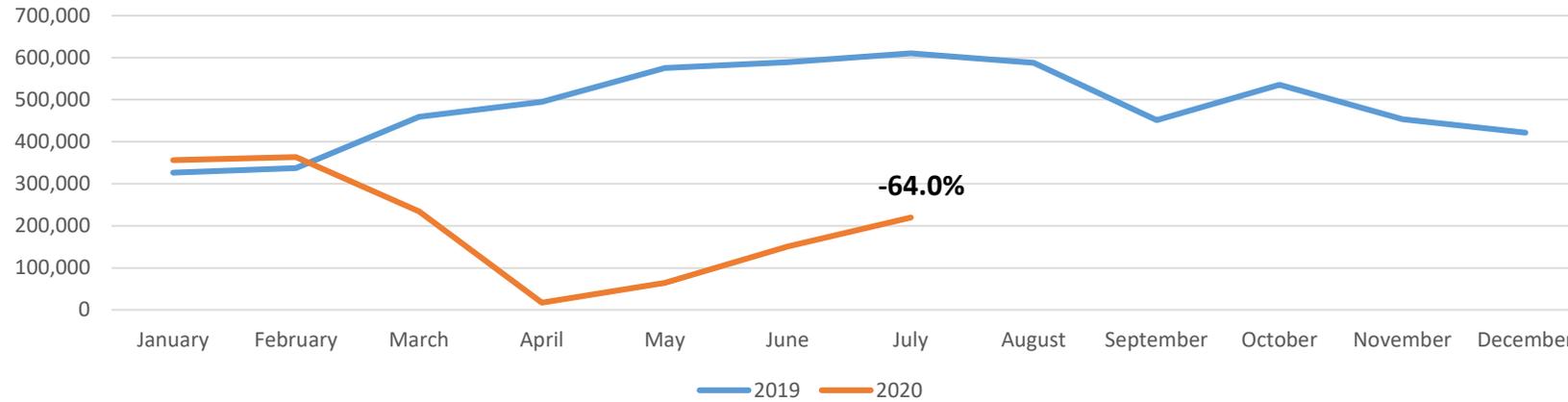
# SC Lodging Revenues

## Hotels & Short-term Rentals Combined

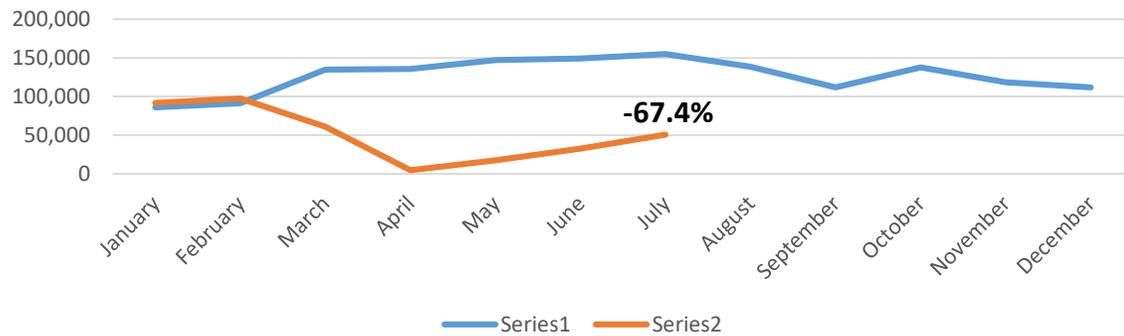


# South Carolina Air Traffic

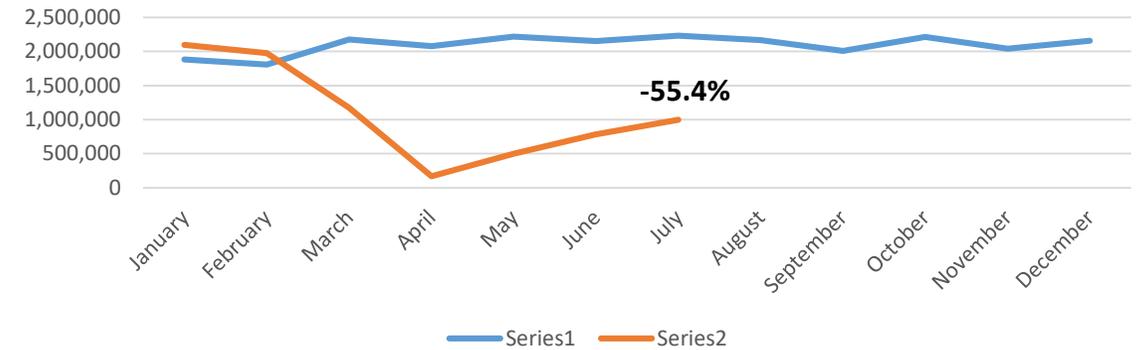
## Deplanements - SC Airports 2019 v. 2020



## Deplanments - SAV 2019 v. 2020

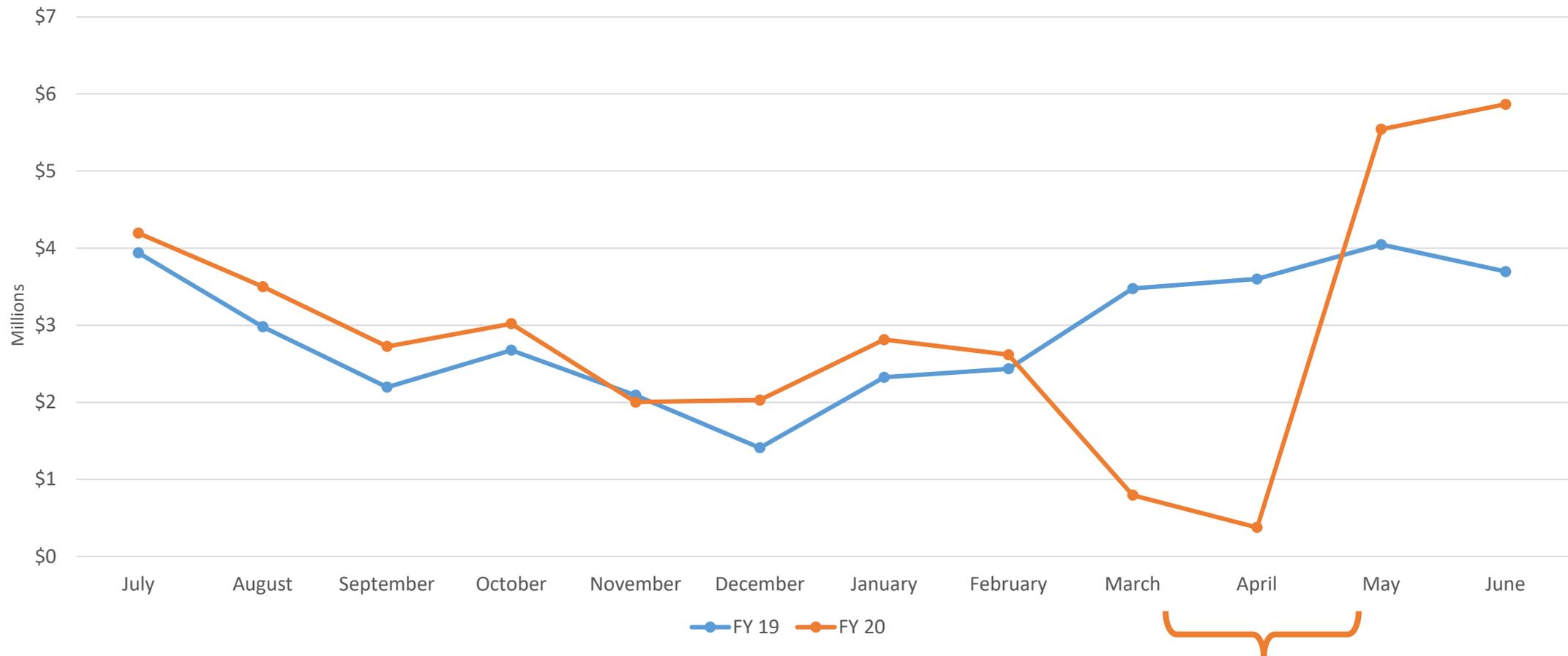


## Deplanements - CLT 2019 v. 2020



# SC State Parks Revenue FY 19 vs FY 20

South Carolina State Parks were closed to the public from March 27 – April 30, 2020. State Parks reopened for day-use on May 1, 2020. Overnight use (i.e., camping/cabin rentals) were resumed on a staggered basis throughout May.



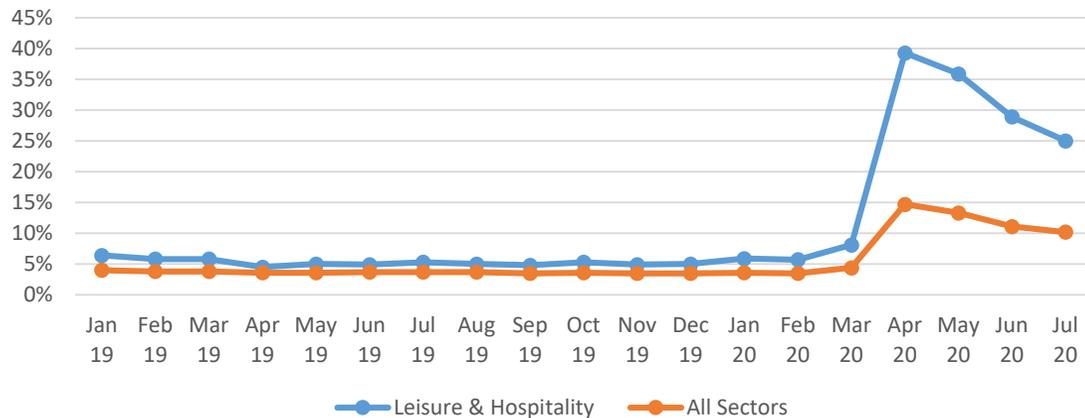
SC State Parks issued \$3,366,871.81 in refunds from March 9 – April 30, 2020.

# Tourism (L&H) Employment

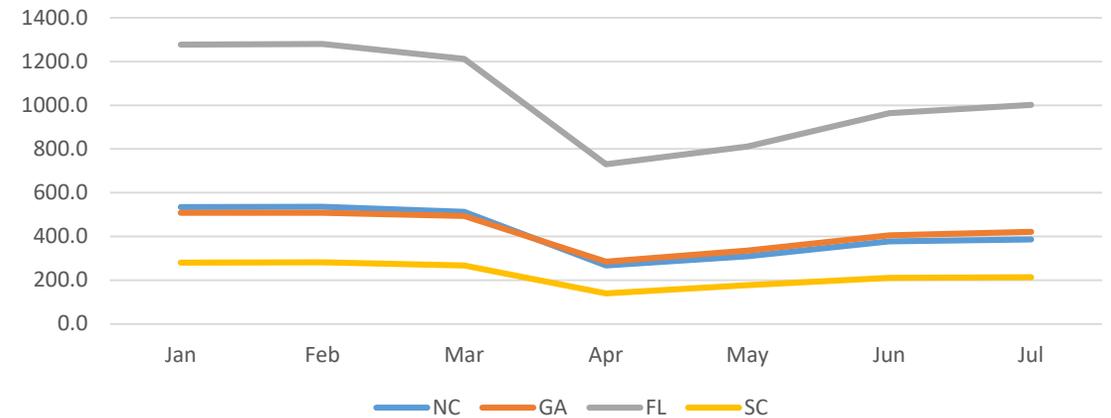
State							% Change	% Change
	Feb. 2020	Mar. 2020	Apr. 2020	May-20	Jun-20	July 2020 (P)	Feb-July	July 2019-July2020
South Carolina	2217.1	2,197.7	1,921.8	1,986.9	2,059.4	2,071.5	-6.6%	-5.5%
Construction	109.9	109.0	102.7	106.9	107.4	106.9	-2.7%	-0.1%
Manufacturing	258.2	258.4	244.9	244.8	252.3	252.7	-2.1%	-2.7%
Trade, Transportation & Utilities	410.2	408.7	376.6	388.2	398.0	392.3	-4.4%	-4.0%
Financial Activities	104	103.4	100.0	102.1	103.2	103.2	-0.8%	-1.9%
Professional & Business Services	305.4	303.8	264.9	268.2	280.5	286.8	-6.1%	-3.9%
Education & Health Services	259.7	258.3	228.5	238.3	245.4	247.6	-4.7%	-4.1%
<b>Leisure &amp; Hospitality</b>	<b>281.7</b>	<b>267.7</b>	<b>139.9</b>	<b>176.7</b>	<b>210.7</b>	<b>213.2</b>	<b>-24.3%</b>	<b>-21.6%</b>
Government	376.6	377.6	363.2	357.0	357.0	355.3	-5.7%	-3.8%

Source: Bureau of Labor Statistics

National Unemployment Rate for Leisure & Hospitality vs Overall Economy



L&H Employment Trends NC, GA, FL, SC



# Projected SC Tourism Revenue

## 2020

	CY2019 Estimated	CY2020 Projected	2020 vs 2019 % Change
Domestic Visitors Travel Spending	\$16.5B	\$9.9B	-40%
International Visitors Travel Spending	\$930M	\$90M	-90%
State & Local Government Spending on Tourism	\$530M	\$213M	-60%
Tourism-Related Capital Investment	\$910M	\$544M	-40%
Exports of Manufactured Tourism Merchandise	\$5.7B	\$1.4B	-75%
<b>Total Gross Tourism-Related Spending</b>	<b>\$24.5B</b>	<b>\$12.2B</b>	<b>-50%</b>

Source: Tourism Economics

# SCPRT Budget

Carryforward Base Budget  
No Impact on Level of Operations

## Budget Reduction Scenarios

3% = \$1.5 MM

5% = \$2.5 MM

7% = \$3.5 MM

# Urgent Non-Recurring Needs



\$360,000

2021 PGA Championship



\$3,000,000

Hunting Island Lighthouse Repairs



\$3,000,000

Fair Play Welcome Center Rebuild

# Urgent Non-Recurring Needs

## Other Funds Authorization Requests

State Park Service (includes 3.5 FTEs): \$4,290,000

PARAD: \$1,500,000

Recreation Grants & Policy (Federal Funds): \$2,000,000

# CARES Act Funding Requests

SCPRT has applied for **\$146,990.38** in CARES Act funds for expenses incurred in FY2019-2020. To-date, \$96,813.27 has been approved for CARES Act Funding.

These expenses are for signage, supplies to secure the parks during closure, sneeze guards/protection at park offices and retail location, hardware/software to support telecommuting and cleaning supplies.

CARES Act funds help to cover expenses not covered by FEMA. SCPRT has submitted **\$96,357** for FEMA reimbursement for expenses incurred during FY2019-2020.

SCPRT completed the EBO SCCARES survey for the estimated expenses for FY2020-2021. SCPRT estimates **\$60,000** for technology needs to support telecommuting and **\$5,000** for PPE and cleaning supplies.

# CARES Act Funding Requests

Tourism Economics forecasts that it may take between **one to three years** for visitor spending to return to pre-COVID levels.

How quickly South Carolina's **\$24 Billion Tourism Economy** recovers depends on the actions we take to aid this recovery.

SCPRT is requesting \$10,000,000 for Statewide Recovery Marketing and \$30,000,000 to use as Recovery Marketing Grant Funding for the state's five major destinations.

Activity	Amount
SCPRT Statewide Recovery Marketing	\$10,000,000.00
Major Destination Recovery Marketing Grants (Myrtle Beach, Charleston, Hilton Head Island, Greenville, Columbia)	\$30,000,000.00

# Impact on Consumer Travel Sentiment

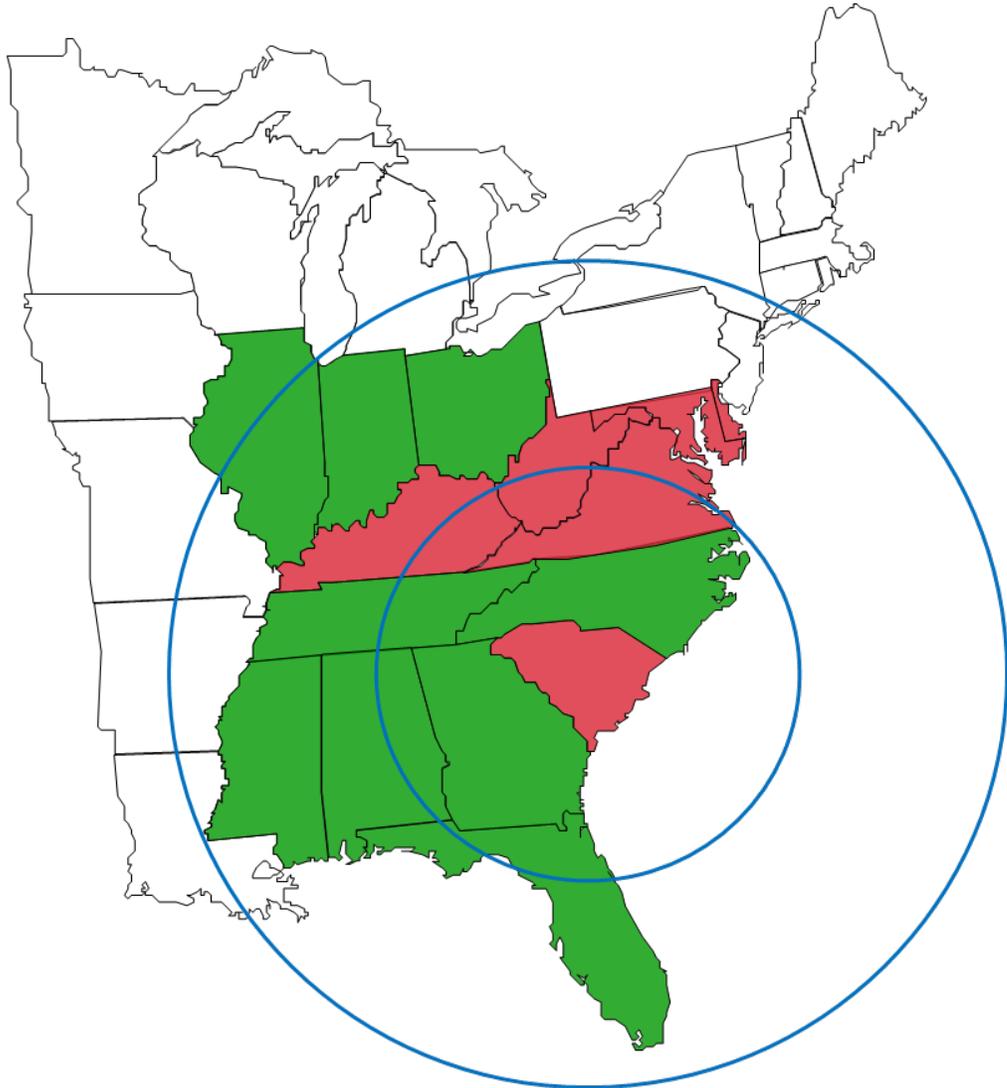


Nearly half of all Americans cancelled a planned trip due to COVID-19

44% reduced their travel plans as a result of the virus, with many changing from a fly-in to a drive-in destination

The status of COVID-19 and economic concerns are two primary factors that will influence consumer travel decisions in the short term

# Statewide Recovery Marketing



Approximately 88% of South Carolina's domestic visitors arrive by car

COVID-related travel cancellations or reductions have yielded pent-up demand for travel

An overwhelming percentage of consumers plan to travel by car for their first trip within the next six months

SCPRT's Tourism Recovery Marketing focuses on consumers within a 350-mile radius and utilize easily adaptable media placements

# Statewide Recovery Marketing

## Phase One

### Maintaining Consumer Awareness



# Statewide Recovery Marketing

## Phase Two

Resuming Active Consumer Engagement



# Statewide Recovery Marketing

## Phase Two Resuming Consumer Engagement



**South Carolina**  
**Just right.**

