



Visit Finland

Agenda & Topics

Agenda:

- Opening Speech by VF management team
- VF's actions and plans after COVID-19 outbreak in China by Teemu Ahola
- Presentation - Impact of COVID-19 on Chinese Travel Trade by VF China team
- Q&A Session

Presentation Topics:

- Current Situation of COVID-19 outbreak in China and Global
- Travel bans & Flight cancellations
- Impact of COVID-19 on Chinese Travel Trade (opinions collected from Chinese travel trade)
- Overnight statistics and estimated losses
- Trends and some advices

Visit Finland's actions and plans after COVID-19 outbreak in China

- Business Finland corona task force group meets every morning
- Business Finland survey to approximately 3000 enterprises to understand the effect of the virus: supply chain, mobility, financial impact
- Business Finland launched **two new funding services** to ease the economic impact caused by the outbreak (https://www.businessfinland.fi/en/for-finnish-customers/services/funding/disruptive_situations_funding/)
- Visit Finland first tourism board to publish the guidance for Chinese travelers in Finland
- Visit Finland open letter to Chinese travel trade share our concern and understanding for the ongoing situation

Visit Finland's actions and plans after COVID-19 outbreak in China

- Visit Finland has halted all promotional activities in Mainland China and Hong Kong until 31st May
 - Campaigns, trade FAM trips, workshops, PR activities etc are all cancelled or postponed
- China Sales Mission event from March postponed until further notice
 - Aim to organise China Roadshow in November
- At this point Visit Finland does not sign any contracts involving financial commitments
- Currently Visit Finland in China focuses;
 - Maintaining close relation with trade partners
 - Evaluating the ongoing situation and planning future activities
 - Conducting webinars for tour operators and travel agents
 - Preparing e-learnig platform
 - Maintaining limited informative presence on Social Media and press
- Post COVID-19 period difficult to forecast
- Concern when being able to restart promotional activities -> focus on autumn and winter season
- With whom to work with and how?

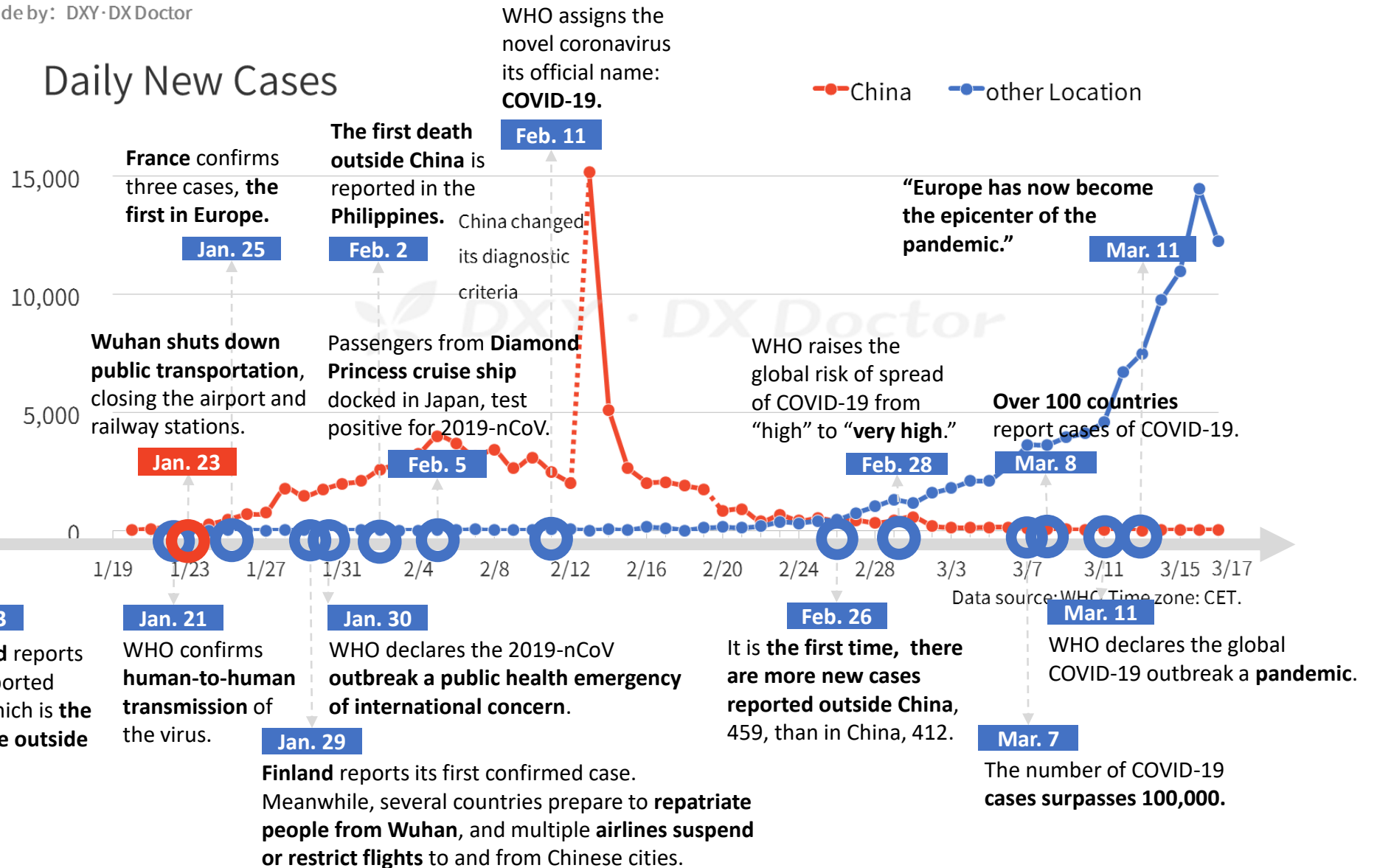
Topics

- **General Information of COVID-19 Outbreak in China and Global**
- **Travel bans, Restrictions and Flight cancellations**
- **Impact of COVID-19 on Chinese Travel Trade**
- **Overnights Statistics and Estimated Losses**
- **Trends and Advices**

Current Situation of COVID-19 outbreak in China and Global - Timeline

Made by: DXY-DX Doctor

Daily New Cases



Current Situation of COVID-19 outbreak in China and Global

SPREAD OF COVID-19 BY 1ST CONFIRMED CASES

192 COUNTRIES/
REGIONS

381,653 DEC. 31, 2020 CASES

16,558 DEATHS

Figures as of Mar. 24.



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MAP BY MAPCHART.NET

COUNTRY NUMBER OF CASES

China	81,077
Italy	24,747
Iran	14,991
South Korea	8,236
Spain	7,753
France	5,380
Germany	4,838
Switzerland	2,200
United States	1,678
Japan	1,526
United Kingdom	1,395
The Netherlands	1,135
Belgium	1,085
Norway	1,077
Sweden	992
Austria	959
Denmark	898
Malaysia	553
Qatar	401
Greece	331

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Do Good. Do It Well.™

Top 20 countries with the most number of cases until Mar. 16.

Travel bans & Flight cancellations

Chinese Travel Bans

Jan. 24

Chinese government orders all national travel operators and online travel agencies to temporarily **suspend group travel and "air ticket + accommodation" package.**

FIT was not interpreted in the beginning.

Jan. 28

Suspends the issuance of group and individual travel permissions for **China mainland residents to Hong Kong and Macao.**

Mar. 17

The foreign ministry reminded Chinese citizens to fully assess the risk of infection caused by overseas travel **and not to visit high-risk countries** such as Italy, Spain, France, Germany, the United States, Switzerland, the United Kingdom, the Netherlands, Sweden, Norway, Denmark, Austria, Belgium, Iran and South Korea.



Airlines Cancellations

Published Feb. 14 – Updated Mar. 3 

SAS has decided to prolong the suspension of all flights to/from **Shanghai and Beijing until 30 April 2020.**

Mar. 4 

Finnair cancels all flights to/from **mainland China** and **Hong Kong until the end of April 2020.**

Mar. 5 

SAS flight schedule to/from **HK** will be suspended from **05 March - 30 April 2020** and reduced in May.

As the largest airlines in the world, AA's decision will serve as reference for others.

Mar. 10 

American Airlines will suspend select routes to **mainland China and Hong Kong until October.**



Restrictions by Other Locations

End of Jan to Beginning of Feb

Some countries, such as the United States, Australia, Singapore and so on, have implemented measures to **deny entry or visas to Chinese or those who have been to China in the past 14 days.**

In the early stage of the outbreak, some countries' overreaction to China in their exit and entry policies sent a misleading signal to the public, leading to resentment towards Chinese people.

Mar. 16

The European Union (**EU**) **proposes restricting non-essential travel** to its 27 member nations for at least the next 30 days.

Mar. 18

Finland restrict the Finnish border traffic.

Impact of COVID-19 on Chinese Travel Trade – Cancellations...

- Leisure group – Mono Finland product, Nordic tour, etc.
- FIT
- Edu travel group
- MICE group
- Government Delegation
- Technical visit



Impact of COVID-19 on Chinese Travel Trade – Current Situation in General



Finance

- Tight cash flow
- High operational costs

Employment

- Salary adjustment
- no-pay leave
- Shift work in office
- Home office

Action

- Online training for employees
- E-commerce

Expectation

- Best scenario: reboot in summer, peak in winter
- Worst scenario: rebound only next year

“The whole market will be more *rational*, but compare to SARS’ retaliatory growth, requirement for product pattern and standard have also changed. Add-on service, such as *safety precaution and health consciousness* will be required.”

—— Mr. Tony Ong
CBO of Beijing HCG

“I am afraid this **summer 2020** would be a disaster since the situation in Europe is getting more serious, **Q4** might be the period we could look forward to, but it really depends on how well Europe could handle the epidemic situation.”

—— **Ms. Wang Chenchen**
Director of CITS

“The epidemic has a significant impact and a long recovery period. After the epidemic, because of the loss of personal income and supplement for extra holiday due to lockdown, consumers will not travel immediately, and it might recover slowly and gradually. ***Sales of 2020 is not optimistic.***”

— Ms. Wang Meidan
GM of Beijing Aplus Travel Co., Ltd

“For consumers, I predict that ***FITs, semi-FITs and small tailor-made groups*** might have an increase of demand, as ***quality*** would be the aspect that consumers need. ‘***Retaliatory Rebound***’ as people say, ***might not be so realistic***, I think.”

—— Mr. Li Meng
Product Manager of Beijing CAISSA Travel

“It will be quite critical for the **education travel** companies, as **cash flow** will be a big problem. Traditional offline companies will actively transfer the business to be **online**. Online companies can seize the opportunity to expand customer tiers and quantity.

Since there will be impact on the global and China economy, Chinese people will be more cautious for the outbound travel costs since usually they are quite high. But the **travel needs are still there**, maybe firstly start with travel domestically, then with the countries who **acts friendly** to China during the virus outbreak time. ”

— Ms. Echo Chen
Product Director of Summerhill Education

“**Price** will be quite **sensitive** in the market, low-priced product may attract the customers and build up the confidence to travel again in the beginning. For European destinations, massive groups and government delegations might decrease a lot. For Finland, **FIT products** with eye-catching programs will be quite attractive still.

The trend for **e-commerce** is increasing rapidly, quite many tour operators have set up their e-commerce platform, Hangzhou OTC is one of them. Companies started to realize **they cannot rely on travel business only**, more business sectors should be explored. It might be that the Wechat business is booming in everywhere, though I don't like it at the first place.”

—— Ms. Wang Xiaoyan
GM, Europe Dept. of Hangzhou OTC Travel



Impact of COVID-19 on Chinese Travel Trade

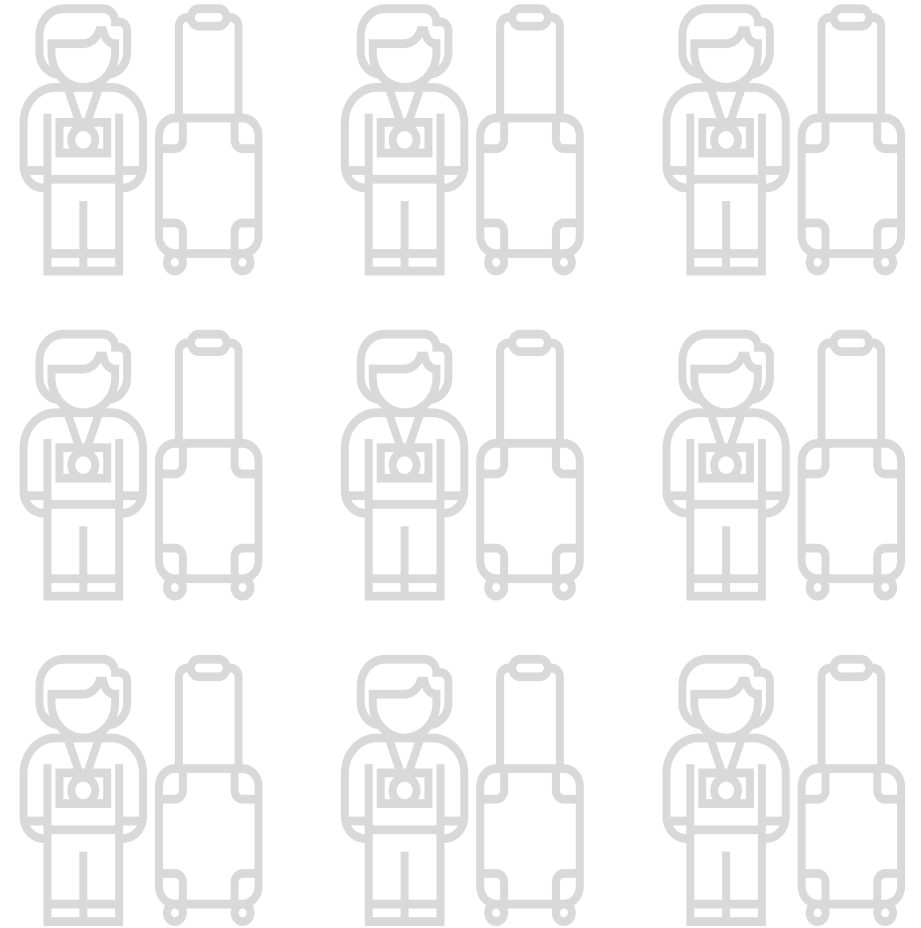
change of travel season



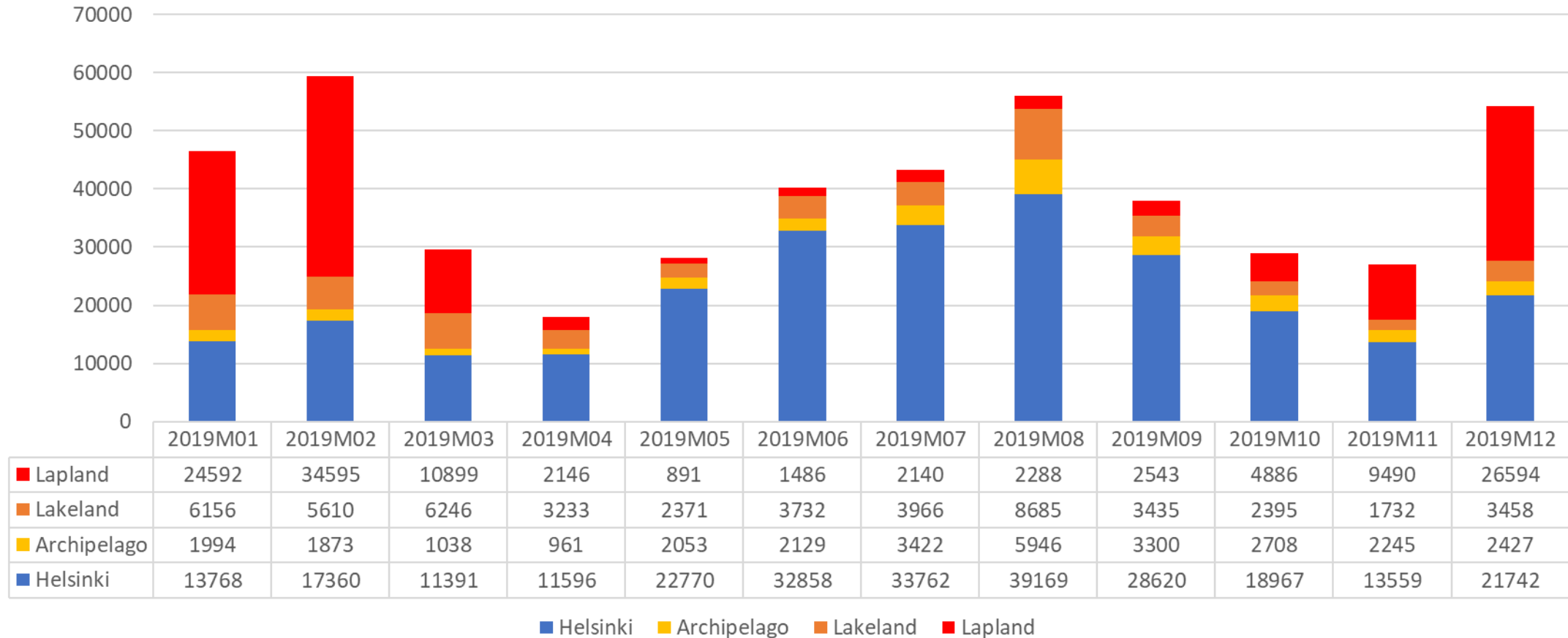
Would the coming winter be the peak for Finland?

Overnight statistics and estimated losses – 2019 Chinese Tourism Industry

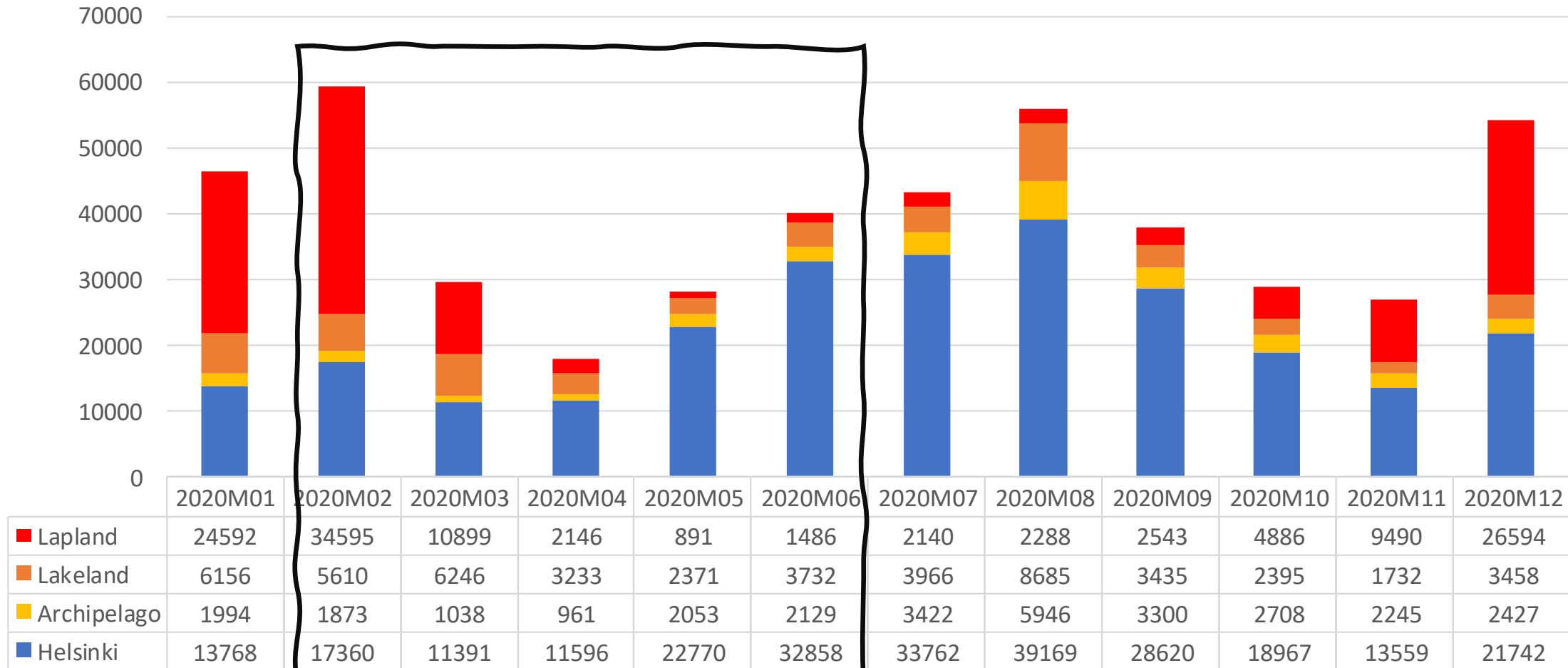
- 2019 Tourism Industry generated **10.94 Trillion RMB** and took **11.05%** of the whole GDP of China.
- China outbound tourist reached to **155 million** in 2019, which had **3.3% increase** compared with 2018.

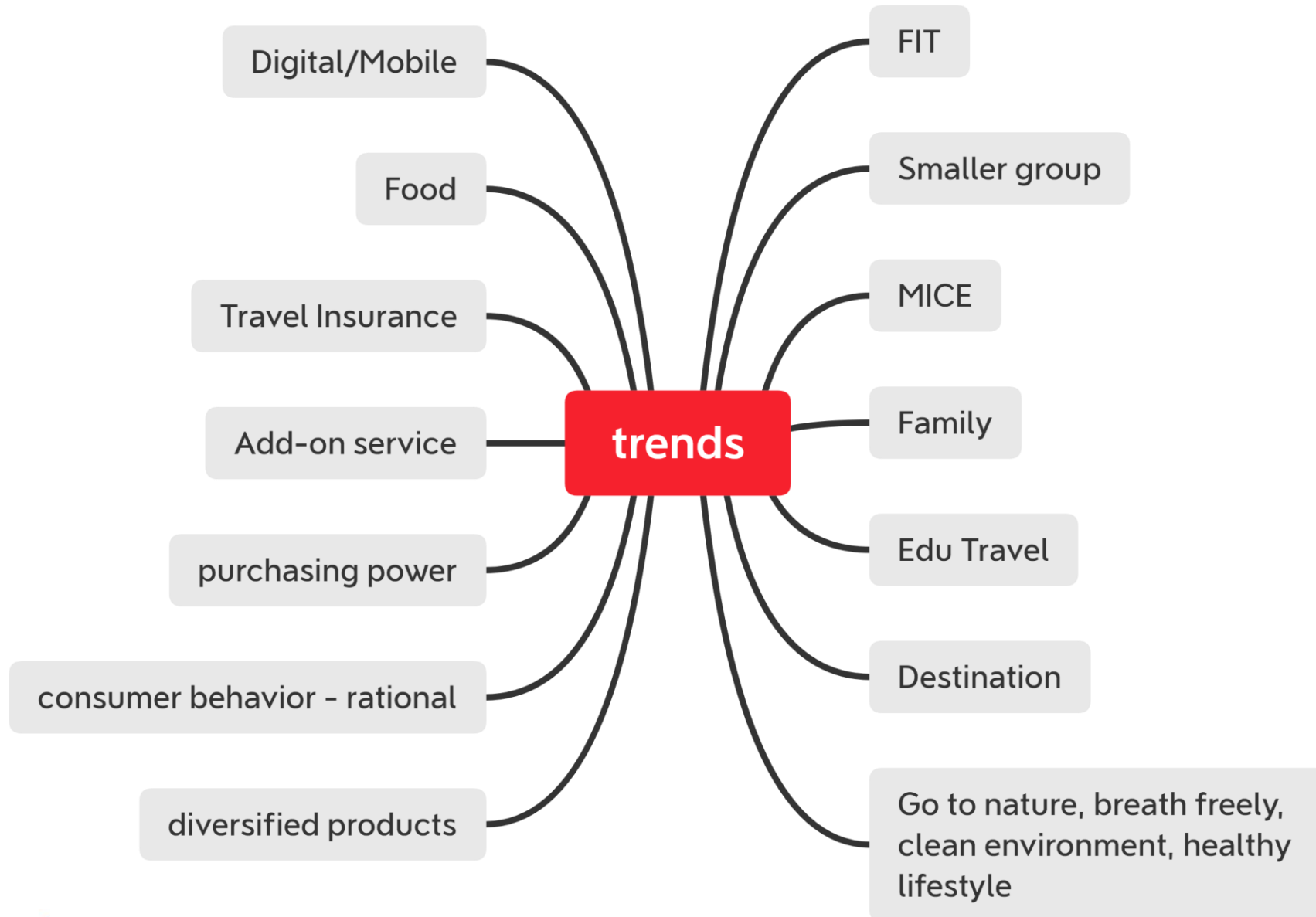


Overnight statistics and estimated losses



Overnight statistics and estimated losses





advices

go digital

materials for digital (mobile) needs, like vertical video

Keep in touch

B2B/B2C

Image

Product development

productized product

signature product / IP — eg, Santa

meet the demand for customization

Sustainability

Hang on

“The coronavirus outbreak is a test of our systems, values and humanity.”

—— UN Refugee Agency



Visit Finland