



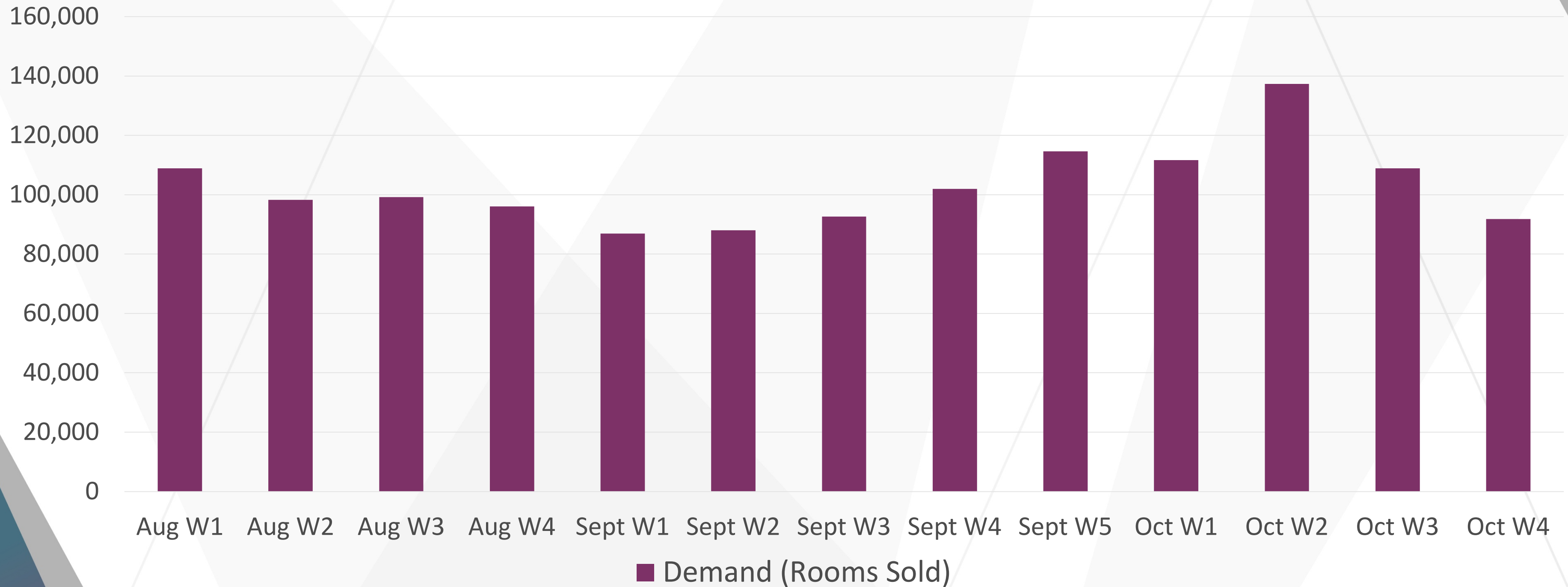
# RESEARCH UPDATE

November 10, 2021



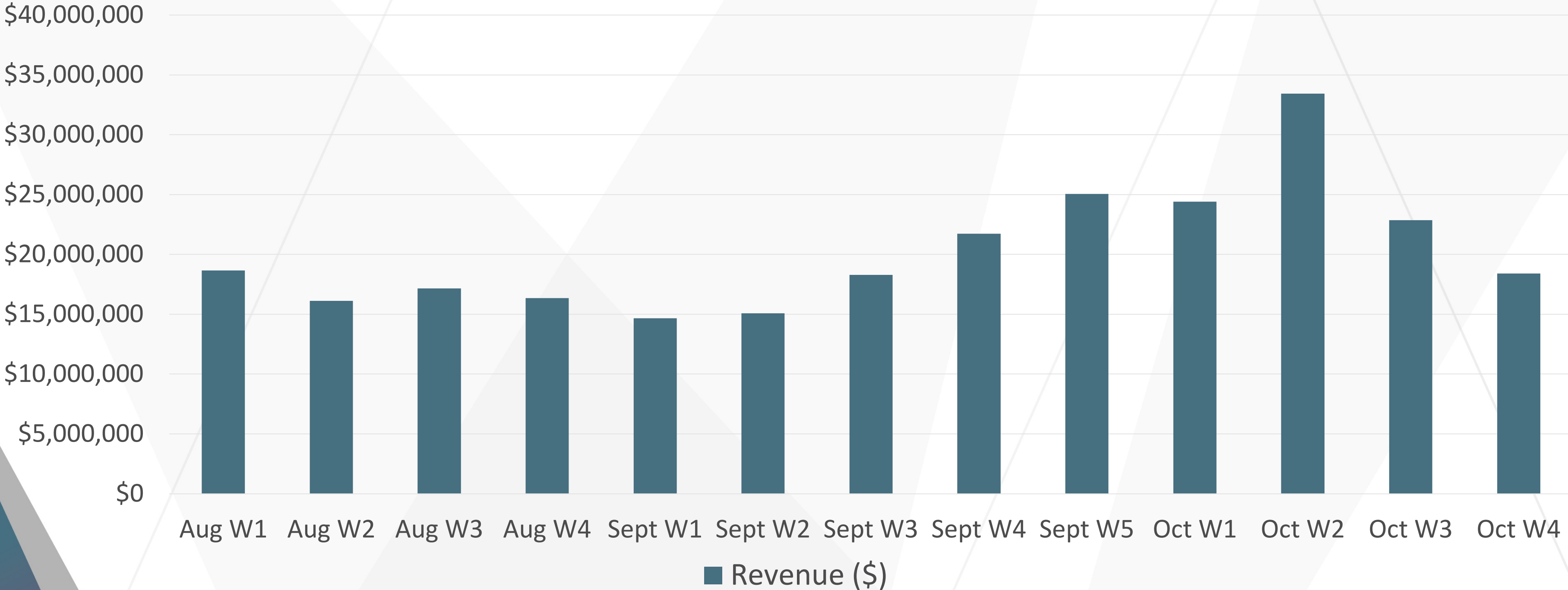
# **WASHINGTON, DC HOSPITALITY SECTOR UPDATES**

# HOTEL DEMAND: AUGUST-OCTOBER 2021



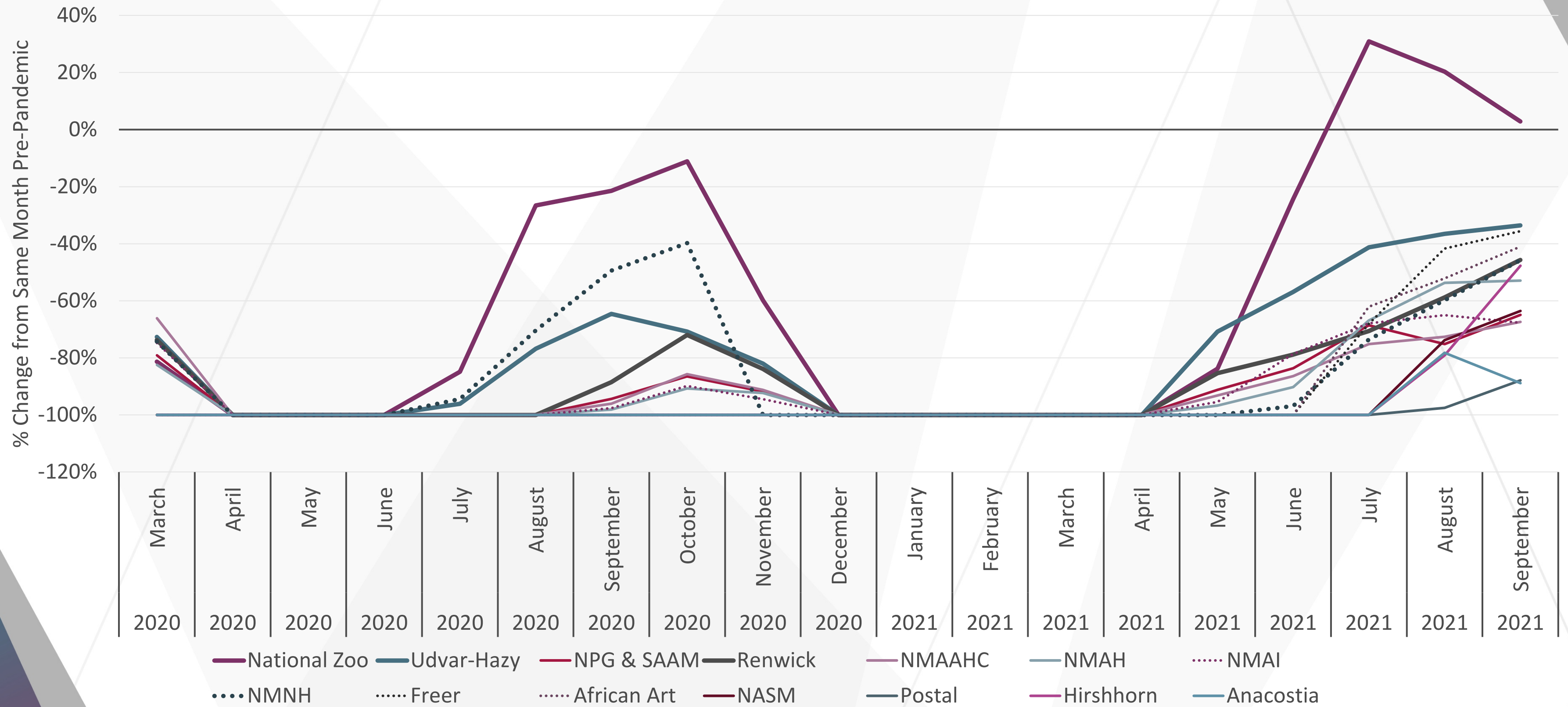
*Source: STR, data is for the District of Columbia*

# HOTEL REVENUE: AUGUST-OCTOBER 2021



Source: STR, data is for the District of Columbia

# SMITHSONIAN: DECLINE FROM PRE-PANDEMIC

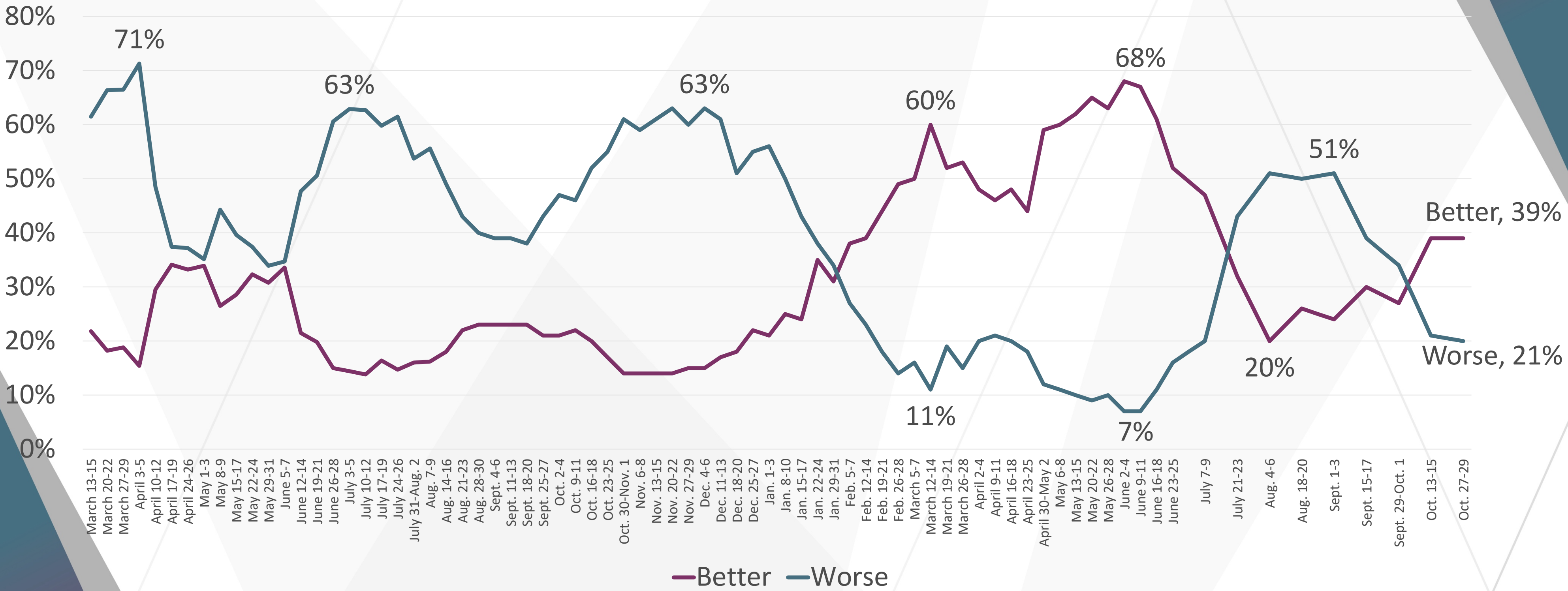


Source: Smithsonian



# CONSUMER SENTIMENT

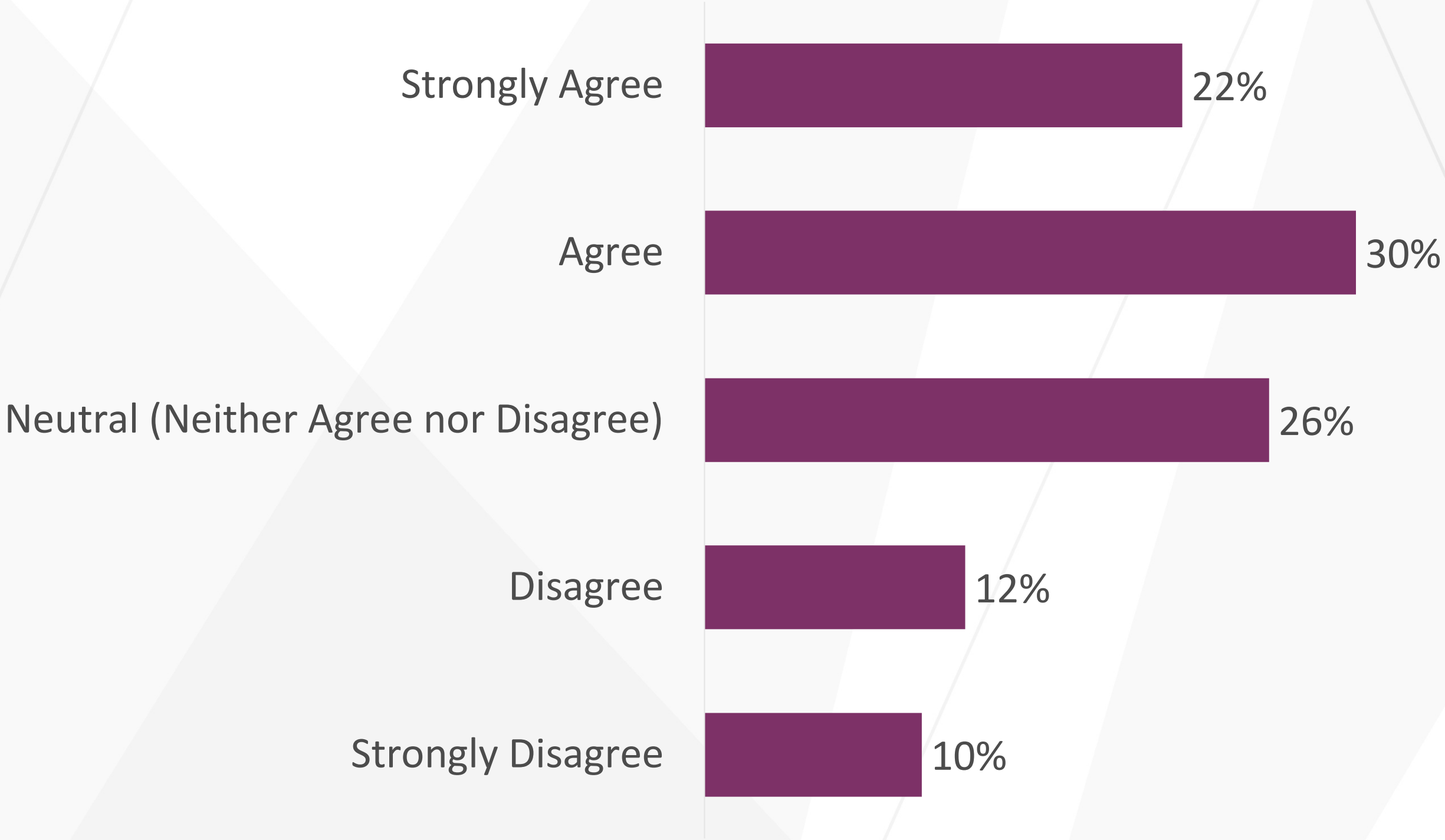
# OPTIMISM



“In the next month, the coronavirus situation will get \_\_\_\_\_”

Source: Destination Analysts

# CONCERNS ABOUT THE DELTA VARIANT



“Recent news about increasing ‘Delta Variant’ cases make me less interested in traveling right now.”

*Source: Destination Analysts, October 27-29*



# CONSUMER TRAVEL SENTIMENT INDEX

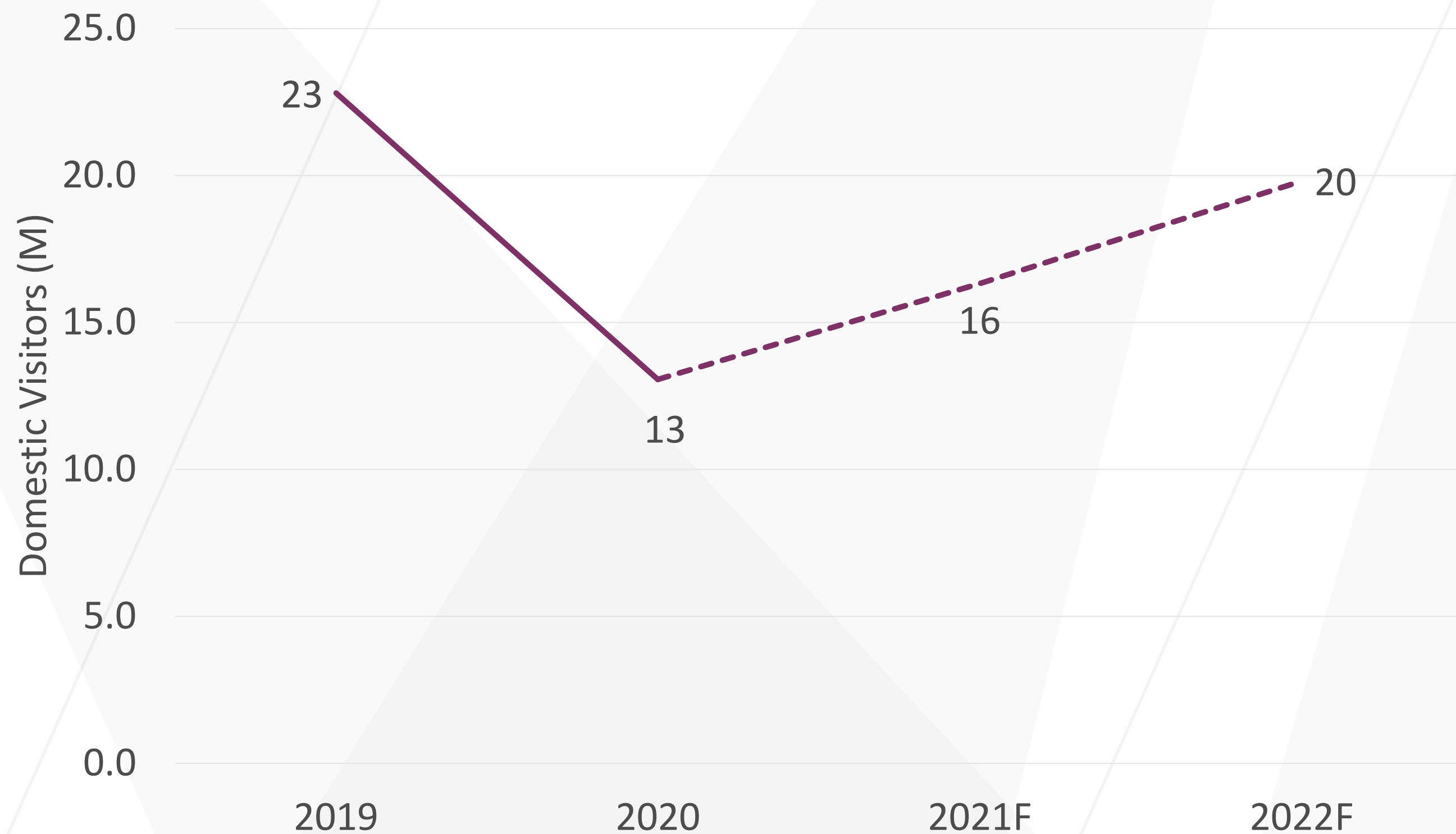
- Weekly (now bi-weekly) tracking survey of a representative sample of adult American travelers in each of four U.S. regions
- First wave: March 13-15, 2020
- 1,200+ fully completed surveys collected each wave
- Confidence interval of +/- 2.8%
- Data is weighted to reflect the actual population of each region
- Conducted by Destination Analysts:

<https://www.destinationanalysts.com/covid-19-insights/>

# FALL 2021 FORECAST

# DOMESTIC VISITATION FORECAST THROUGH 2022

Washington, DC (District of Columbia)



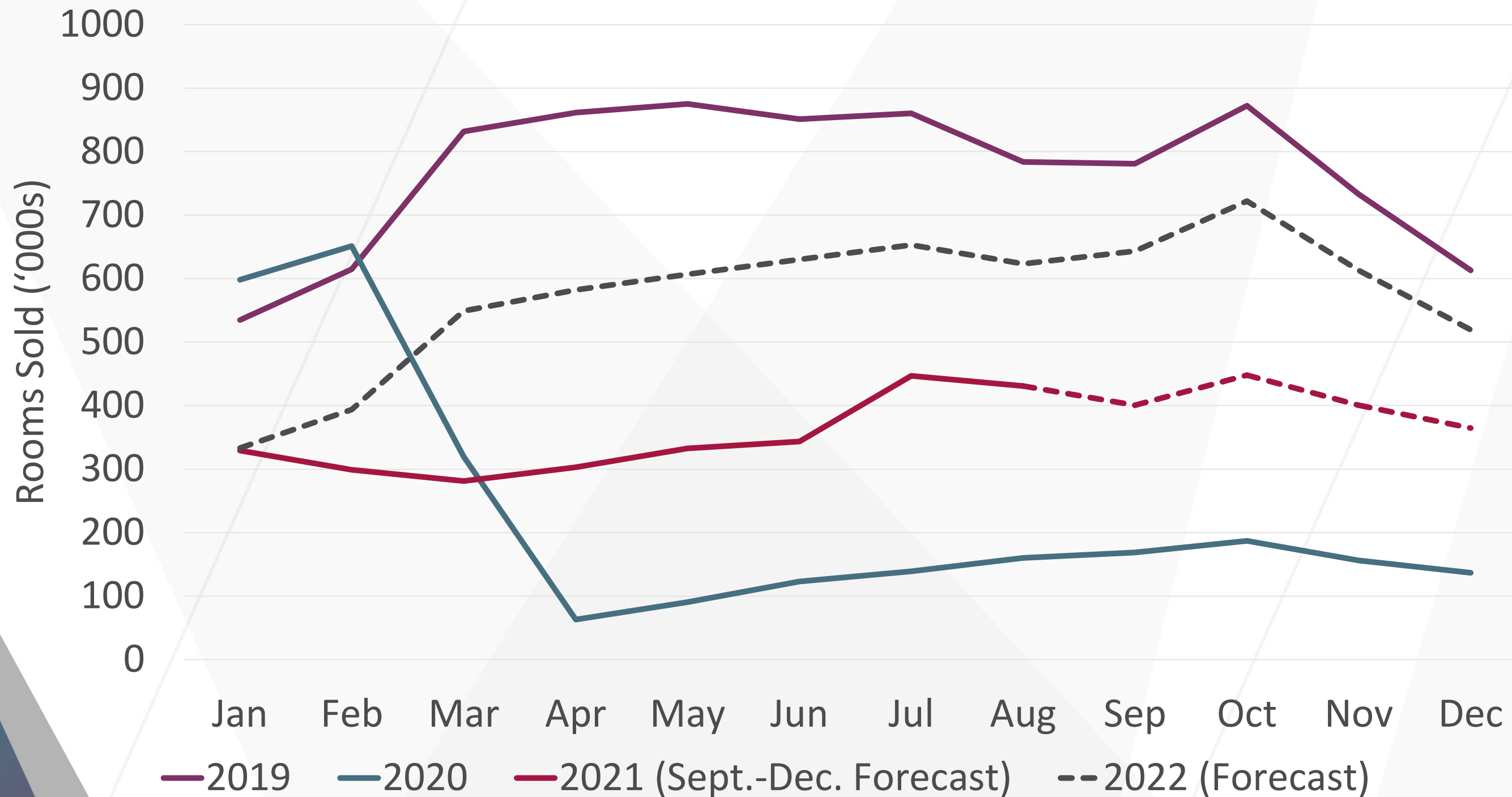
Washington, DC's domestic visitation dropped to 13 million in 2020. Domestic visitation is forecasted to rise to 16 million in 2021 and 20 million in 2022, 87% of 2019 levels.

The baseline forecast assumes the virus is contained in some regions with some restrictions remaining. It assumes that in most areas, groups are permitted to meet with modifications.

*Sources: MMGY Travel Intelligence; Tourism Economics (Fall 2021)*

# MONTHLY HOTEL ROOM DEMAND FORECAST

Washington, DC (District of Columbia)



The baseline forecast for DC's room sold (demand) shows a subtle increase in seasonality at the end of 2021 and a steady increase in the first half of 2022.

By Q4 of 2022, demand is forecasted to be down 16% each month compared to 2019.

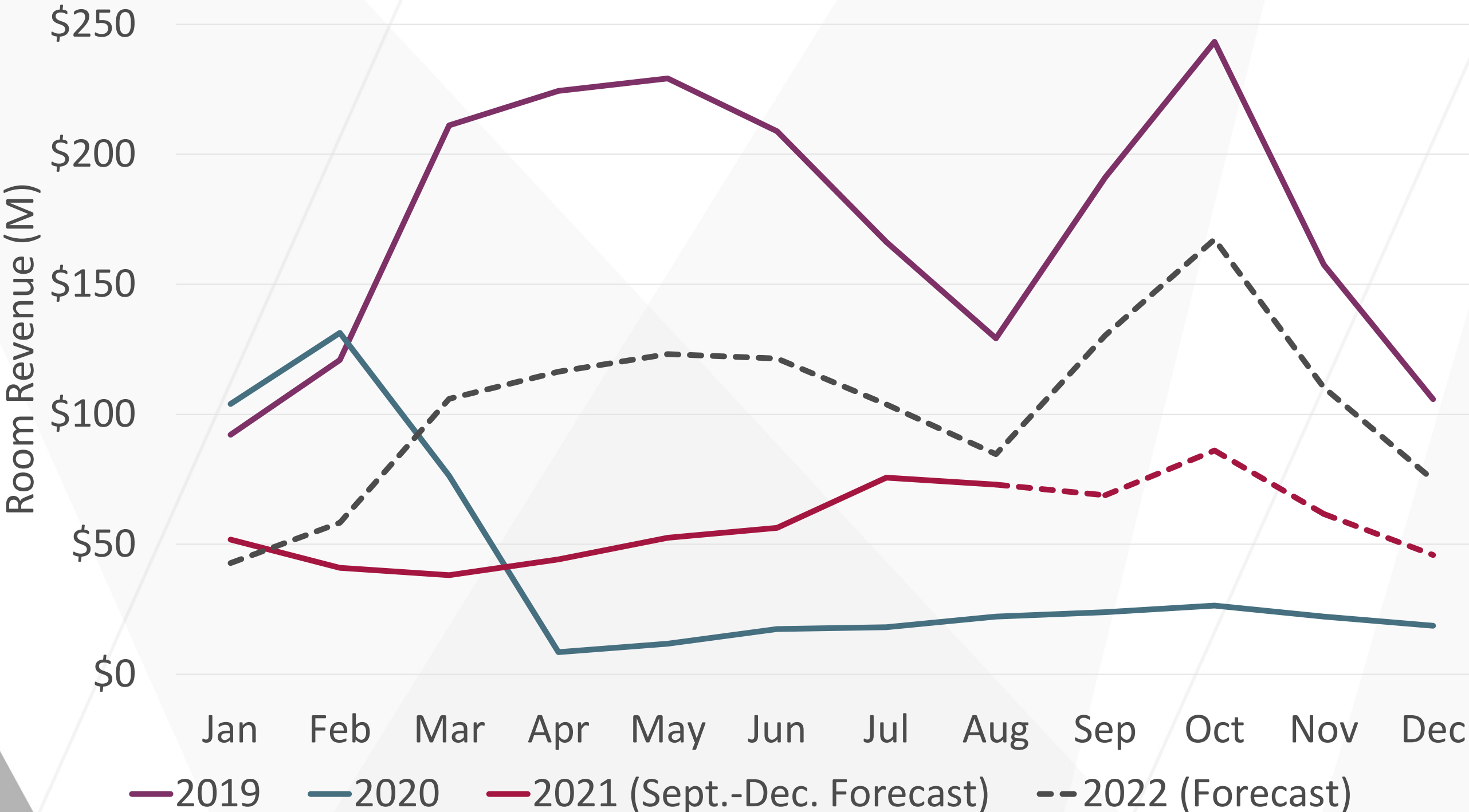
The baseline forecast assumes the virus is contained in some regions with some restrictions remaining. It assumes that in most areas, groups are permitted to meet with modifications.

Sources: STR; Tourism Economics (Baseline, Fall 2021)



# MONTHLY HOTEL REVENUE FORECAST

Washington, DC (District of Columbia)



The baseline forecast for DC's hotel revenue shows a modest peak in October 2021, then a decrease as typically seen in the winter months.

By Q4 of 2022, demand is forecasted to be down 30% each month compared to 2019.

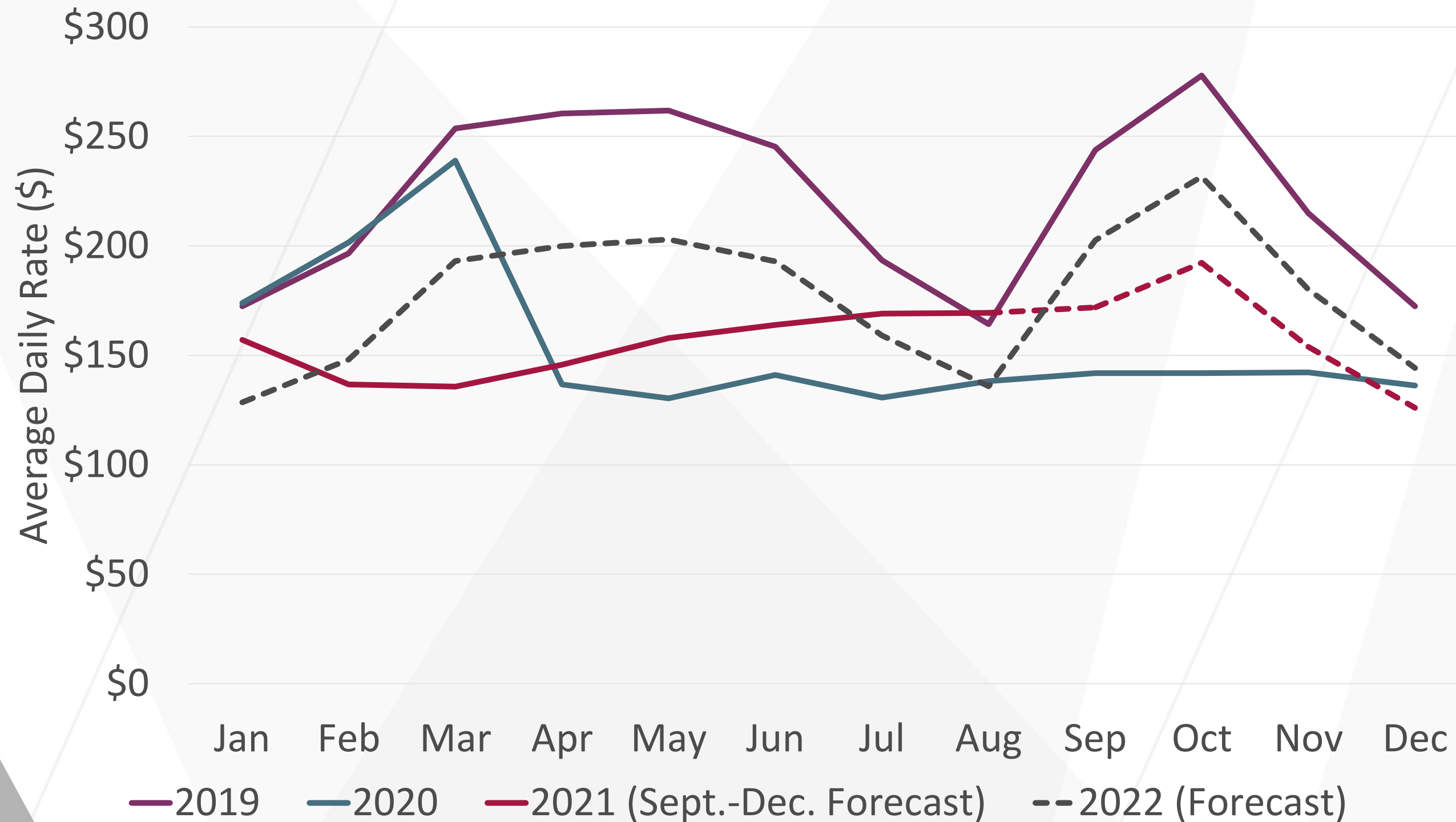
The baseline forecast assumes the virus is contained in some regions with some restrictions remaining. It assumes that in most areas, groups are permitted to meet with modifications.

Sources: STR; Tourism Economics (Baseline, Fall 2021)



# MONTHLY HOTEL AVERAGE DAILY RATE FORECAST

Washington, DC (District of Columbia)



The baseline forecast for DC's average daily rate (ADR) anticipates a modest peak in October 2021, then a decrease as typically seen in the winter months.

By end of 2022, ADR is forecasted to be down more than 16% each month compared to 2019.

The baseline forecast assumes the virus is contained in some regions with some restrictions remaining. It assumes that in most areas, groups are permitted to meet with modifications.

Sources: STR; Tourism Economics (Baseline, Fall 2021)

# FALL 2021 FORECAST METHODOLOGY

## DOMESTIC VISITOR VOLUME: MMGY TRAVEL INTELLIGENCE

- Domestic data is collected using an online panel methodology, contacting more than 50,000 distinct U.S. households each month; data is weighted by key demographics to balance the sample to the U.S. population.

## HOTEL PERFORMANCE: STR

- Hotels share raw data (rooms sold, revenue and rooms available). The data is then aggregated into regions and used to benchmark for each hotel and geographic area.

## VISITOR AND HOTEL PERFORMANCE FORECAST: TOURISM ECONOMICS

- Visitor volume and hotel performance data is combined with economic variables, DC tax collections and other tourism indicators to calculate forecasts. The forecast was created in Fall 2021 using 2020 domestic visitation and STR data through August 2021.