RESEARCH UPDATE
July 10, 2023
WASHINGTON, DC
HOSPITALITY SECTOR
UPDATES
HOTEL DEMAND:
NOVEMBER 2022 - JUNE 2023

Greatest demand since March 2020

Source: STR, data is for the District of Columbia
HOTEL REVENUE: NOVEMBER 2022 - JUNE 2023

The greatest revenue since March 2020 was in Week 2, October 2022.

2nd Greatest revenue since March 2020

Source: STR, data is for the District of Columbia
DOMESTIC AIRPORT ARRIVALS: DCA AND IAD

Source: Metropolitan Washington Airports Authority
INTERNATIONAL AIRPORT ARRIVALS: DCA AND IAD

Source: Metropolitan Washington Airports Authority
WASHINGTON, DC RECAP:
SMITHSONIAN MUSEUMS AND NATIONAL PARKS VISITATION
NON-MALL VISITATION

Source: Smithsonian, NPS
FORECAST UPDATE
MONTHLY HOTEL ROOM DEMAND FORECAST

Source: STR, CoStar
MONTHLY HOTEL REVENUE FORECAST

Source: STR, CoStar
CONSUMER SENTIMENT TOWARDS TRAVEL
EXCITEMENT FOR LEISURE TRAVEL IN THE NEXT TWELVE MONTHS

“A which best describes how excited you are about LEISURE TRAVEL in the next twelve (12) months?”

Source: Destination Analysts, May 17-21, 2023
LIKELIHOOD TO TRAVEL ABROAD THIS YEAR

- Very Likely: 16.9%
- Likely: 11.2%
- Neutral - Neither likely nor unlikely: 12.8%
- Unlikely: 14.3%
- Very Unlikely: 44.8%

Expectations for travel outside the U.S. have been moving slowly downward this year.

“How likely are you to travel outside the United States for leisure in the NEXT TWELVE (12) MONTHS?”

Source: Destination Analysts, May 17-21, 2023
ECONOMIC CONCERNS
PERCEPTION OF TRAVEL PRICES

- Strongly Agree: 19.0%
- Agree: 27.7%
- Neither Agree or Disagree: 21.0%
- Disagree: 20.8%
- Strongly Disagree: 11.5%

On an upward trend since December.

“High travel prices have kept me from traveling in the past month.”

Source: Destination Analysts, May 17-21, 2023
INFLATION & TRIP CANCELLATIONS

Strongly Agree: 13.0%
Agree: 19.9%
Neutral (neither agree nor disagree): 23.9%
Disagree: 26.7%
Strongly Disagree: 16.6%

Went up from last month.

32.9%

“Recent inflation in consumer prices has led me to cancel an upcoming trip.”

Source: Destination Analysts, May 17-21, 2023
“Thinking only of your household's finances, do you feel NOW is a good or bad time for you to spend money on leisure travel?”

Source: Destination Analysts, May 17-21, 2023
"I expect the United States will enter an economic recession sometime IN THE NEXT SIX(6) MONTHS."

Source: Destination Analysts, May 17-21, 2023

Recessionary concerns continue to be widespread.
WILL TRAVELERS BE MORE CAREFUL WITH THEIR MONEY

- Strongly Agree: 26.1%
- Agree: 36.5%
- Neutral - Neither agree or disagree: 26.0%
- Disagree: 9.0%
- Strongly Disagree: 2.4%

Source: Destination Analysts, May 17-21, 2023

More travelers are exercising spending caution due to concerns about a recession.

“Right now, I am being careful with my money because I’m concerned about an upcoming recession.”
Hotel performance forecasts became available to Destination DC in Spring 2023.

CoStar hotel performance forecasts are based on a top-25 market volatility score and combined with DC's historical data, supply and demand, pipeline, and other macroeconomic influences. The forecasts are updated monthly with the addition of new historical data.