Washington, DC Hospitality Sector Updates
Hotel Demand:
January - April 2022

Source: STR, data is for the District of Columbia
Hotel Revenue:
January - April 2022

Source: STR, data is for the District of Columbia
Smithsonian: Decline from Pre-Pandemic

Source: Smithsonian
Consumer Sentiment
"In the next month, the coronavirus situation will get ____________"

Source: Destination Analysts
Travel State-of-Mind

<table>
<thead>
<tr>
<th>Description</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>I'm already traveling</td>
<td>29%</td>
</tr>
<tr>
<td>I'm ready to travel, with no hesitation</td>
<td>23%</td>
</tr>
<tr>
<td>I'm ready to travel, but feel some hesitation</td>
<td>31%</td>
</tr>
<tr>
<td>I need a littler more time to be ready to travel</td>
<td>12%</td>
</tr>
<tr>
<td>I need a lot more time to be ready to travel</td>
<td>5%</td>
</tr>
</tbody>
</table>

Pandemic Record

Ready to Travel: 85%

“When it comes to getting back out and traveling again, which best describes your current state of mind?”

Source: Destination Analysts, February 23-25
“Imagine that a good friend (or close family member) asks you to take a weekend getaway with them sometime in the next month. How excited would you be to go? (Assume the getaway is to a place you want to visit).

Source: Destination Analysts, February 23-25
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/
Trends to Watch for in 2022

1. Travelers still demand flexibility: the top consideration for booking is an ability to get a refund if their plans change.

2. Trip expectations for 2022:
   a. Shorter
   b. More frequent
   c. With friends & family

3. Inflation concerns: Inflation in consumer prices has led 23.2% of American travelers to cancel an upcoming trip.

4. Gas prices: If gasoline prices don’t come down, 58.0% of American travelers predict they will be taking fewer road trips this spring and summer.

*Source: Expedia Group; Destination Analysts, February 23-25*
Forecast Update
DOMESTIC VISITATION FORECAST

Sources: MMGY Travel Intelligence; Tourism Economics (Fall 2021)
Monthly Hotel Room Demand FORECAST

Sources: STR; Tourism Economics (Baseline, Forecast Released Fall 2021)
Monthly Hotel Revenue FORECAST

Sources: STR; Tourism Economics (Baseline, Forecast Released 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.