

# Hotels - US - June 2019

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# This report looks at the following areas:

Travelers feel that hotels are a vital part of vacations, and with brands expanding their portfolios, new players entering the industry, and the line between hotelier and homeshare provider blurring, branding is becoming more important to success.

- · Hotel choice relies on experience
- Emerging travelers aren't connecting with brands
- · Homeshares are popular among younger travelers, parents



"The hotel market is strong, estimated to garner \$265.8 billion in revenue in 2019, and showing strong numbers in occupancy rate, average daily rate (ADR) and revenue per available room (RevPAR)."

– Mike Gallinari, Travel & Leisure Analyst

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- The accommodations market continues to be strong
- Hotels, motels and casino hotels are all growing
- Loyalty programs are an important tool for brand consideration
- · Big brands are expanding their portfolios
- Economic headwinds could temper healthy industry metrics
- · Labor shortages could affect consumer satisfaction

#### MARKET SIZE AND FORECAST

Hotel industry will continue its steady growth

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Figure 8: Total US revenues and fan chart forecast of hotel accommodations, at current prices, 2014–24

### What's included

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- Big brands are filling gaps in their portfolios
- Soft branding and lifestyle boutiques remain popular

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Occupancy is steady for each season

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ADR continues its steady climb

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Despite blip, RevPAR continues record streak

Figure 16: US hotel RevPAR, January 2017-March 2019

- Nice hotels you're building...
- ...shame there's nobody to staff 'em

#### **KEY PLAYERS – WHAT YOU NEED TO KNOW**

- OTAs are E-A-Ting hotel revenues
- Guests are thinking globally and locally
- · Hotel tech is getting away from guests...
- Google will run Lodgingtown
- From hotel lobby to town square
- The future won't have hotel companies or homeshare companies

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#### WHAT'S HAPPENING?

- · Direct booking efforts aren't resonating
- Wellness tourism taking off

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- Going green to earn green
- "Alexa...go away."
- Bringing local flavor to the hotel room
- Casinos betting on experiences
- Hotels are be places to be seen

### WHAT'S NEXT?

- Upscale hotels look to be tech LIDAs
- Google will dictate hotel booking
- It'll all be lodging

#### THE CONSUMER - WHAT YOU NEED TO KNOW

- Adults average three hotel stays per year
- · With age comes experience, and revisitation
- · Being an upscale hotel guest is something to aspire to
- · A good stay starts with a free breakfast
- · Robots haven't taken over...yet
- Hotels matter for vacations, and brand matters for hotels
- Hotels are generally preferred to homeshares
- Hotel guest segments

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#### **HOTEL AMENITIES**

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