Southern Lodging Conference State of the Industry

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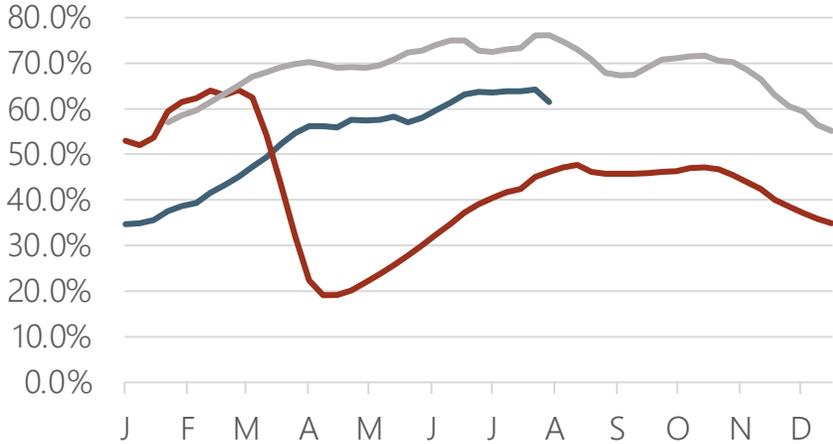
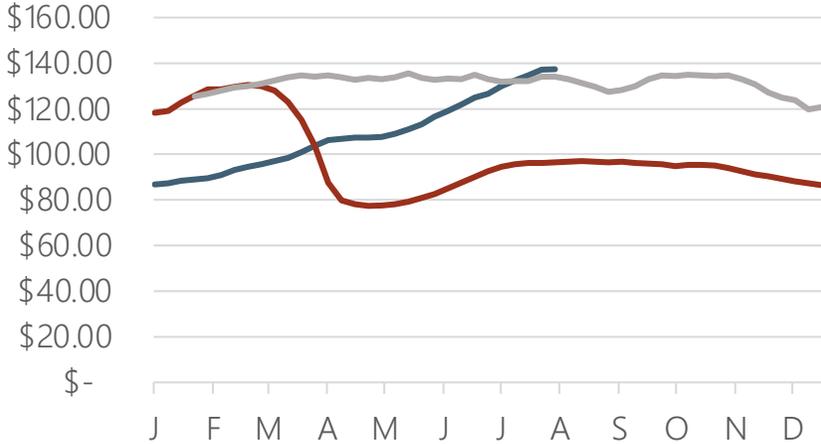# 2021 Occupancy surpassed 2020 levels by April; 2021 ADR has surpassed 2019 levels
Total U.S. hotels – Trailing 4-week average
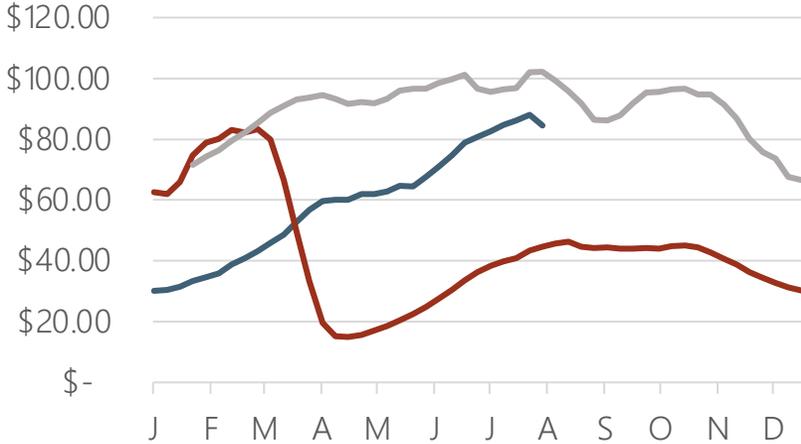

— 2021 — 2020 — 2019
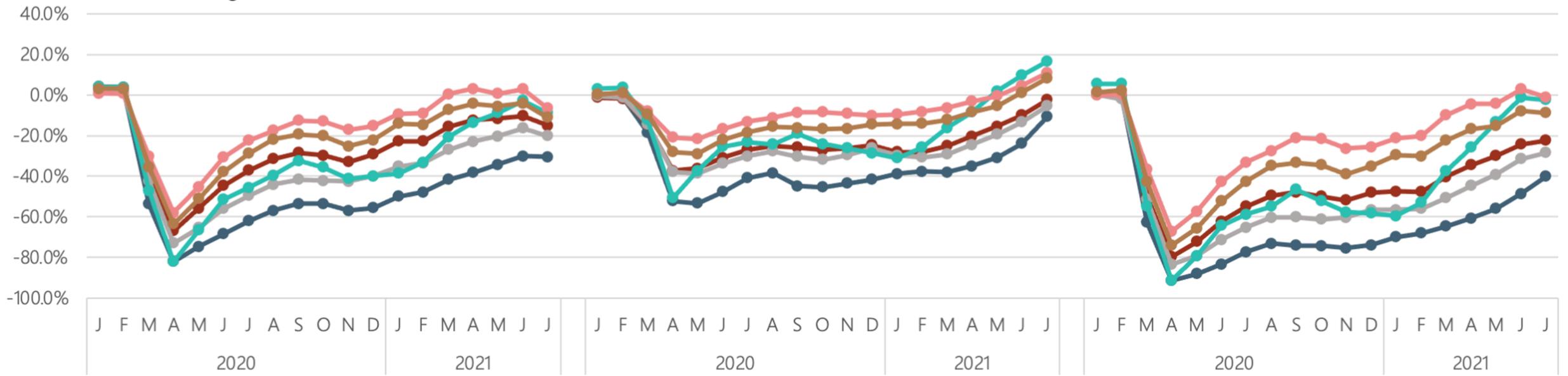
Occupancy

Guest Paid ADR

Guest Paid RevPAR

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Total U.S. by Market Location Type – 2021, 2020 vs. 2019

Legend: Urban · Suburban · Airport · Resort / Destination · Rural Area / Interstate · Small City / Town

Room Nights Demand YoY%

Hotel-Collected ADR YoY%
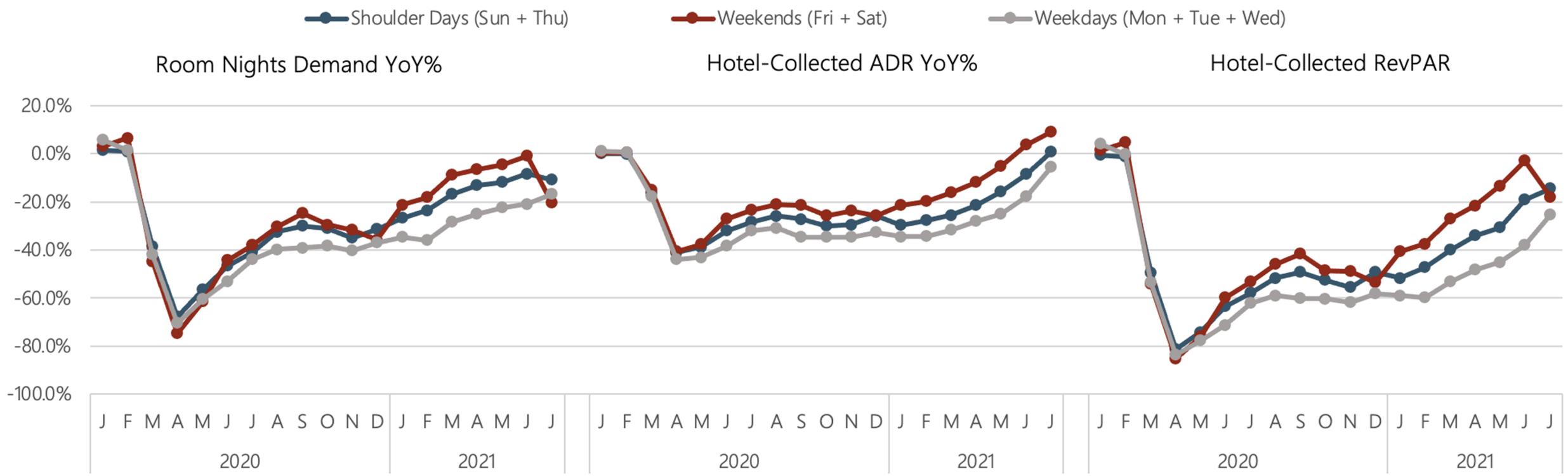
Hotel-Collected RevPAR

Source: **Kalibri Labs**; Actualized Data: 2019, 2020, 2021
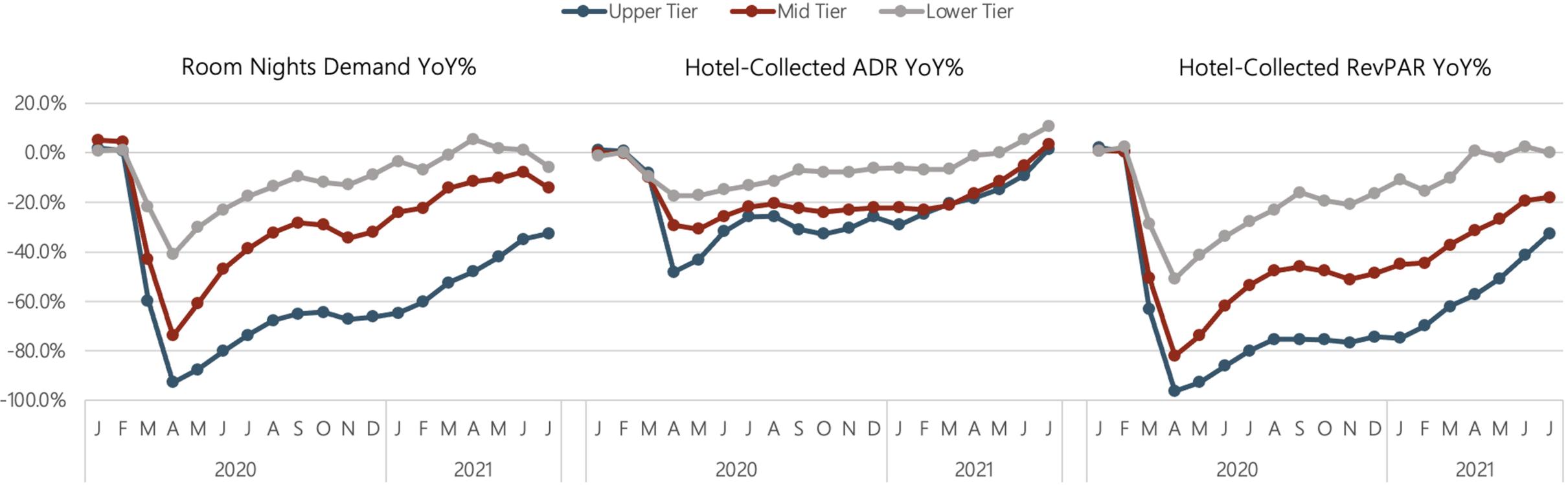
Total U.S. Weekpart Performance - 2021, 2020 vs. 2019

Source: **Kalibri Labs**; Actualized Data: 2019, 2020, 2021

Total U.S. by Tier – 2021, 2020 vs. 2019

Source: **Kalibri Labs**; Actualized Data: 2019, 2020, 2021

Total U.S. by Major Rate Categories – 2021, 2020 vs. 2019

Legend: Corporate — Group — Rack/BAR — Promotion/LMR — OTA

Room Nights Demand YoY%

Hotel-Collected ADR YoY%

Contribution to RevPAR (HC) YoY%

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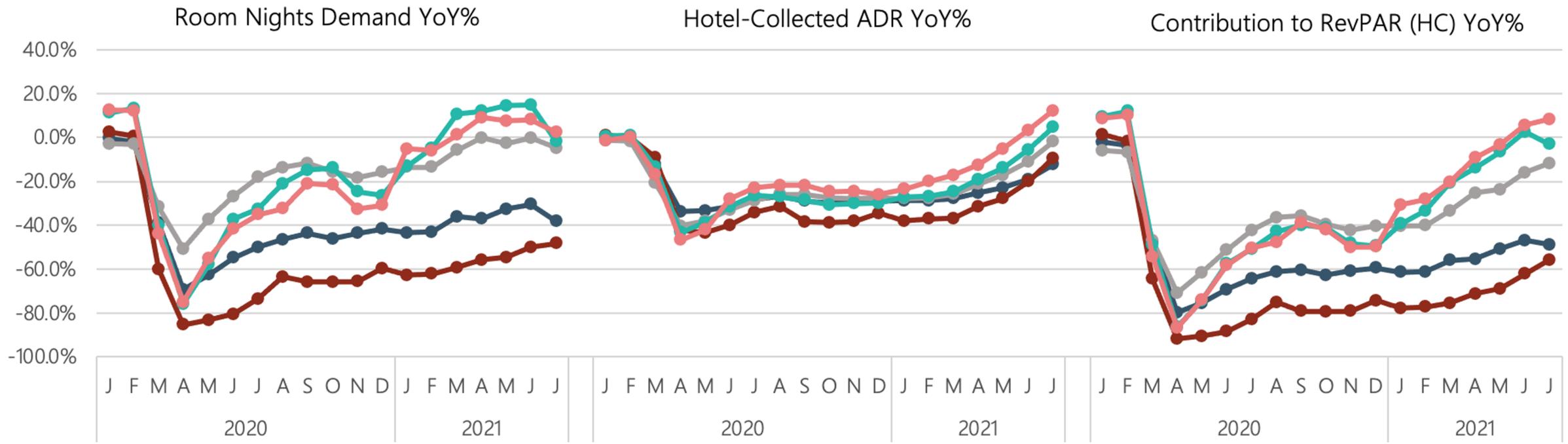
RevPAR Index for U.S. and by Chain Scale
2020, 2021, 2022 indexed against 2019 (2019 RevPAR=100)

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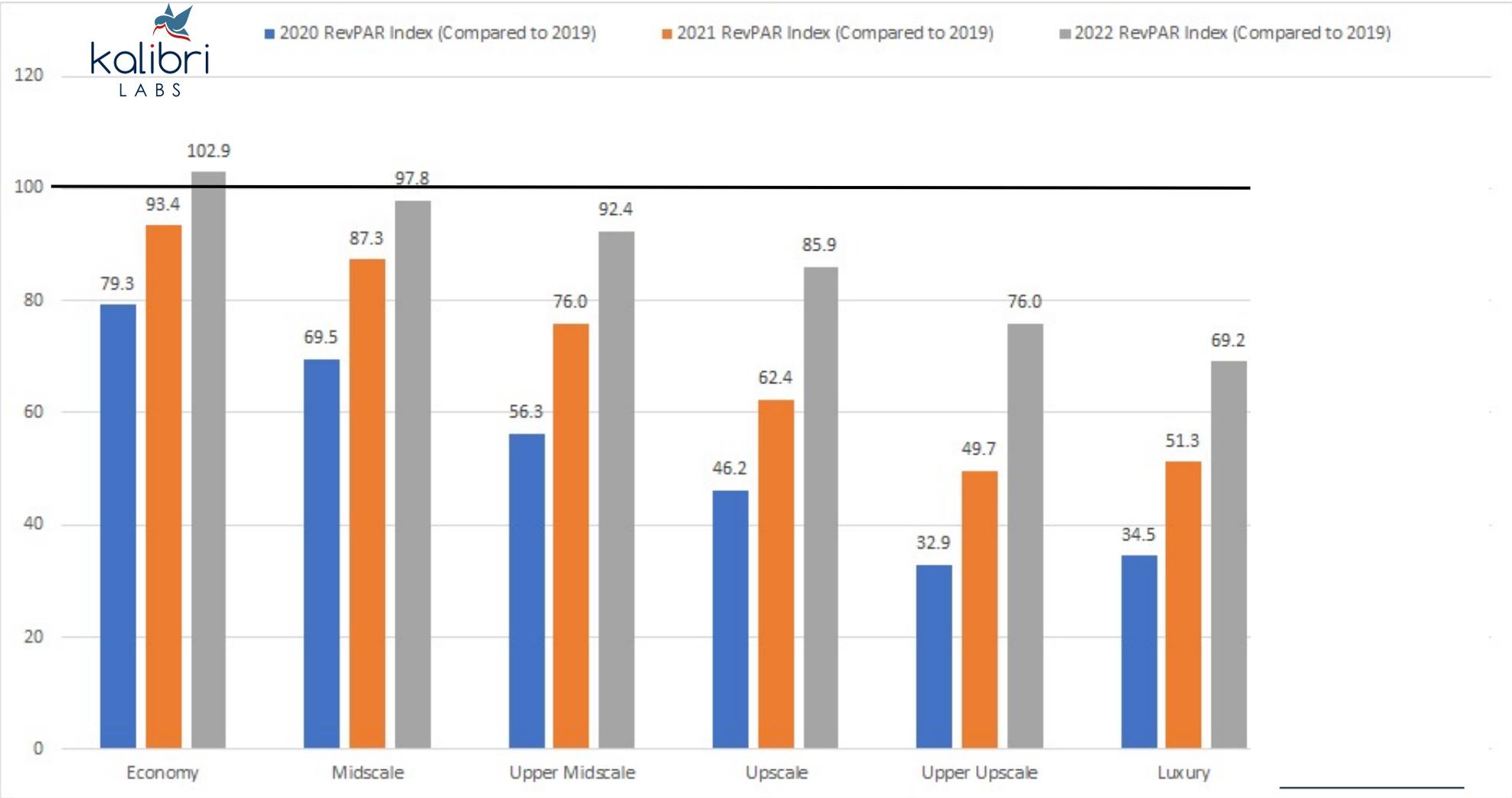
Commercial and Leisure Segment Definition

Commercial	Transient	Group
	Corporate	Association
	Government	Convention
	Consortia	Corporate
	Rack/BAR (Sun-Thurs)	Government
	Loyalty Member Rate (LMR) (Sun-Thurs)	Contract/Crew

Leisure	Transient	Group
	AAA/AARP	SMERF
	Advance Purchase	Tour/Wholesale
	Friend & Family	
	Promotion/Packages	
	Loyalty Redemption	
	Rack/BAR & LMR (Fri-Sat)	
	OTA	

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Total Guest Paid Revenue – Commercial vs. Leisure
Indexed against 2019 (2019 RevPAR=100)

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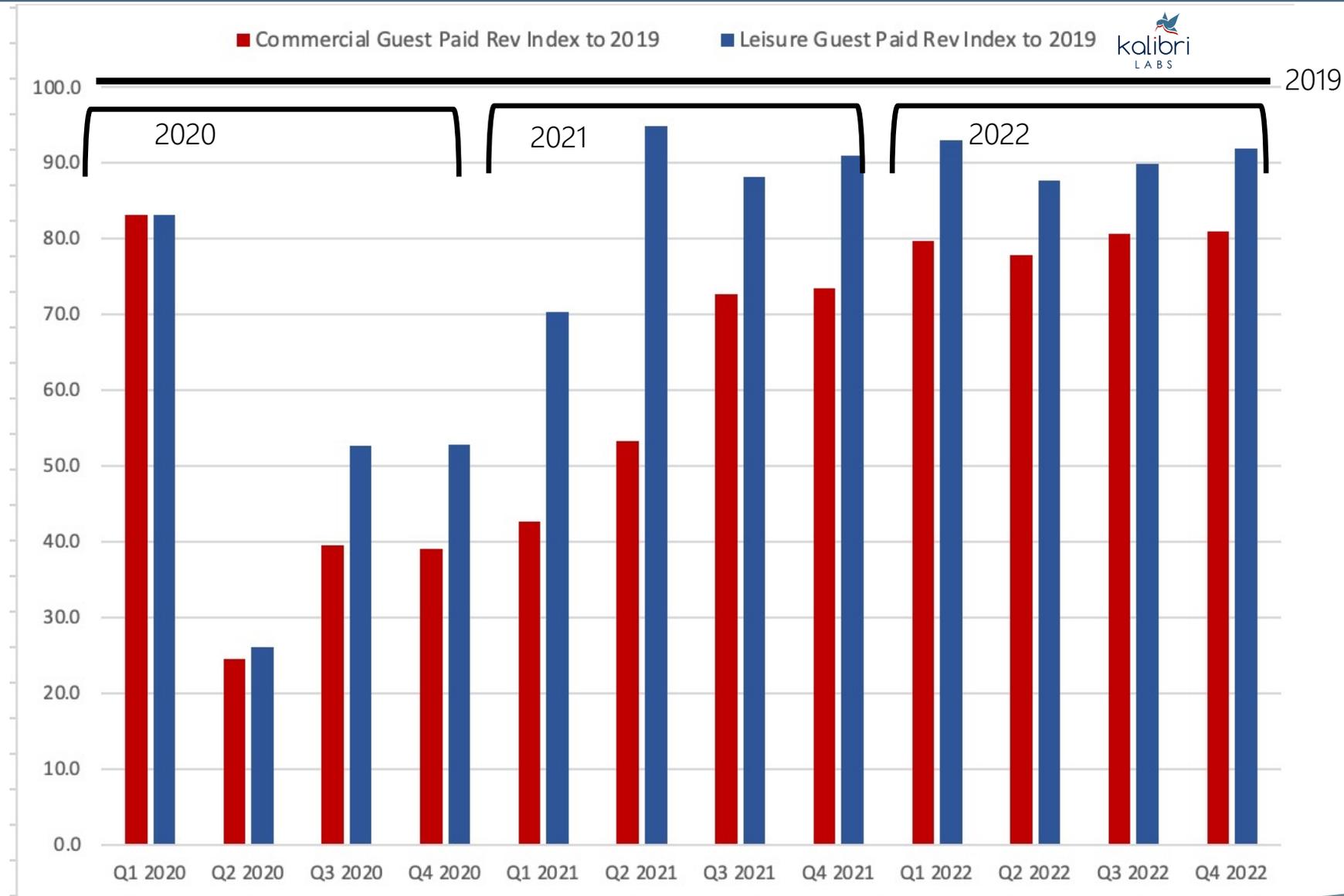
Total U.S. Room Night Demand by Commercial vs. Leisure Rolling 3m Indexed to 2015, 2015 - 2021 (YTD)
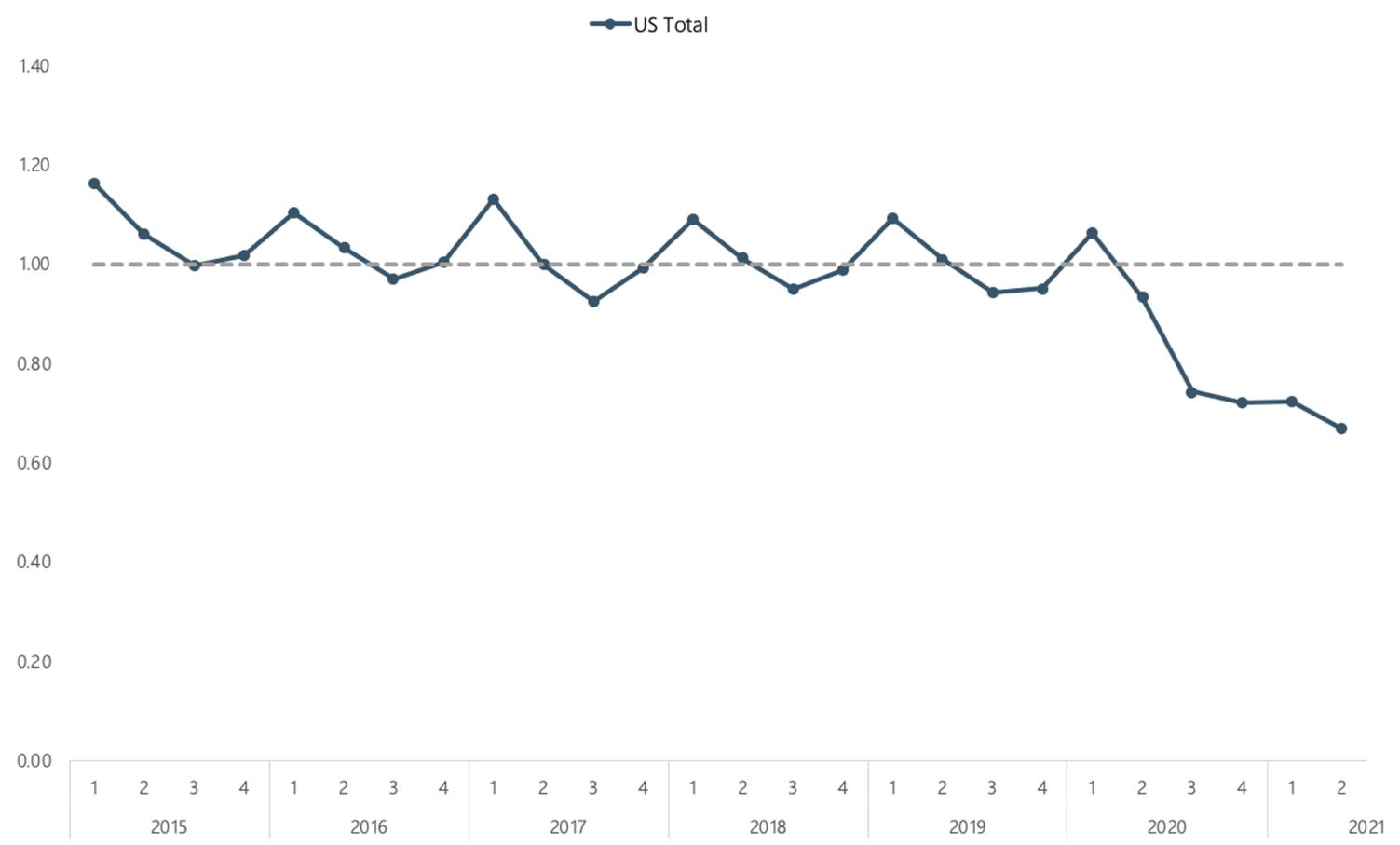
Source: **Kalibri Labs;** Actualized Data: 2019, 2020, 2021

Total U.S. Occupancy by Commercial vs. Leisure by Month, 2015 - 2021 (YTD)
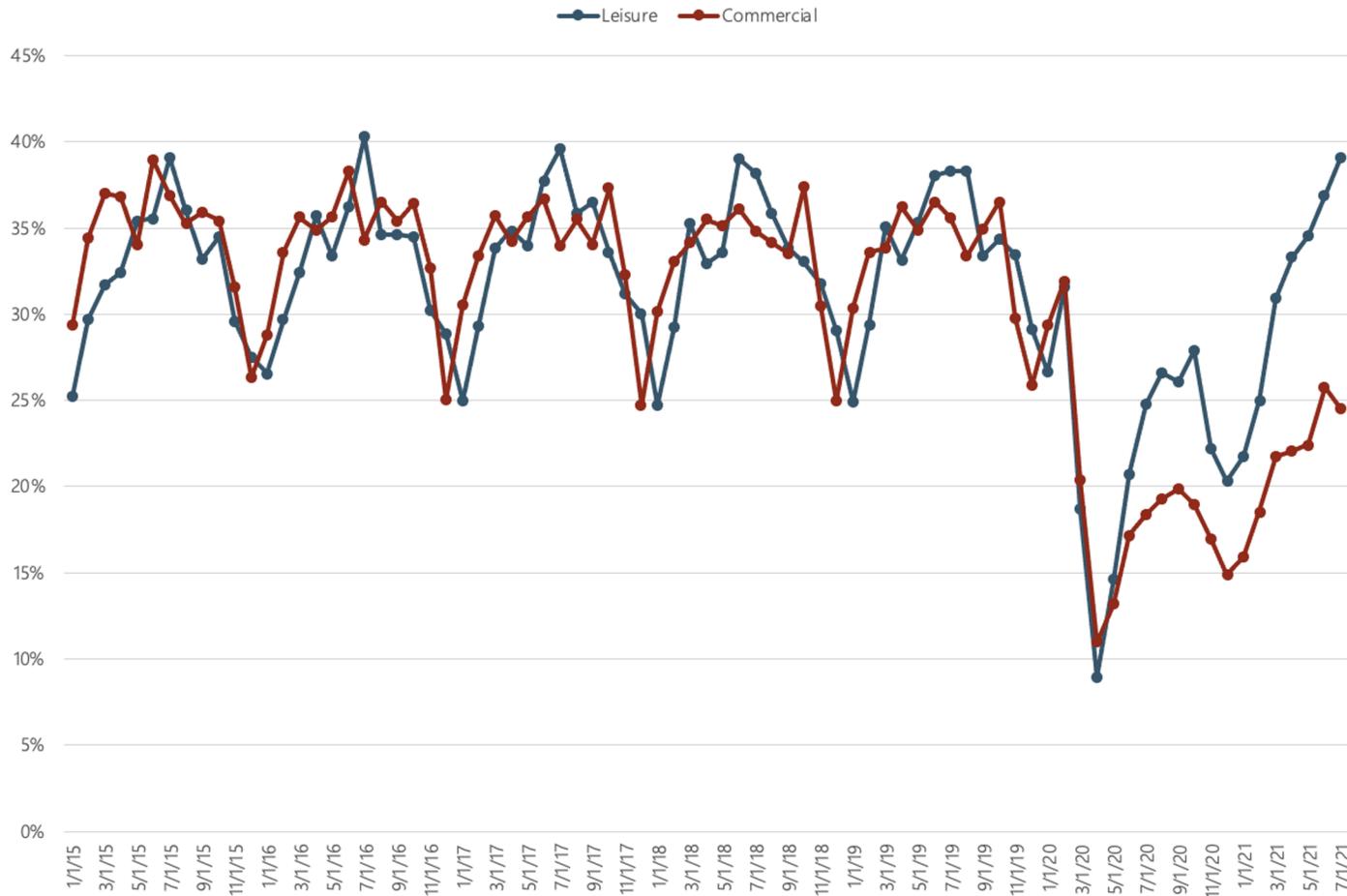

Source: Kalibri Labs; Actualized Data: 2019, 2020, 2021

Total U.S. Room Night Demand by Commercial vs. Leisure, 2015 - 2021 (YTD)
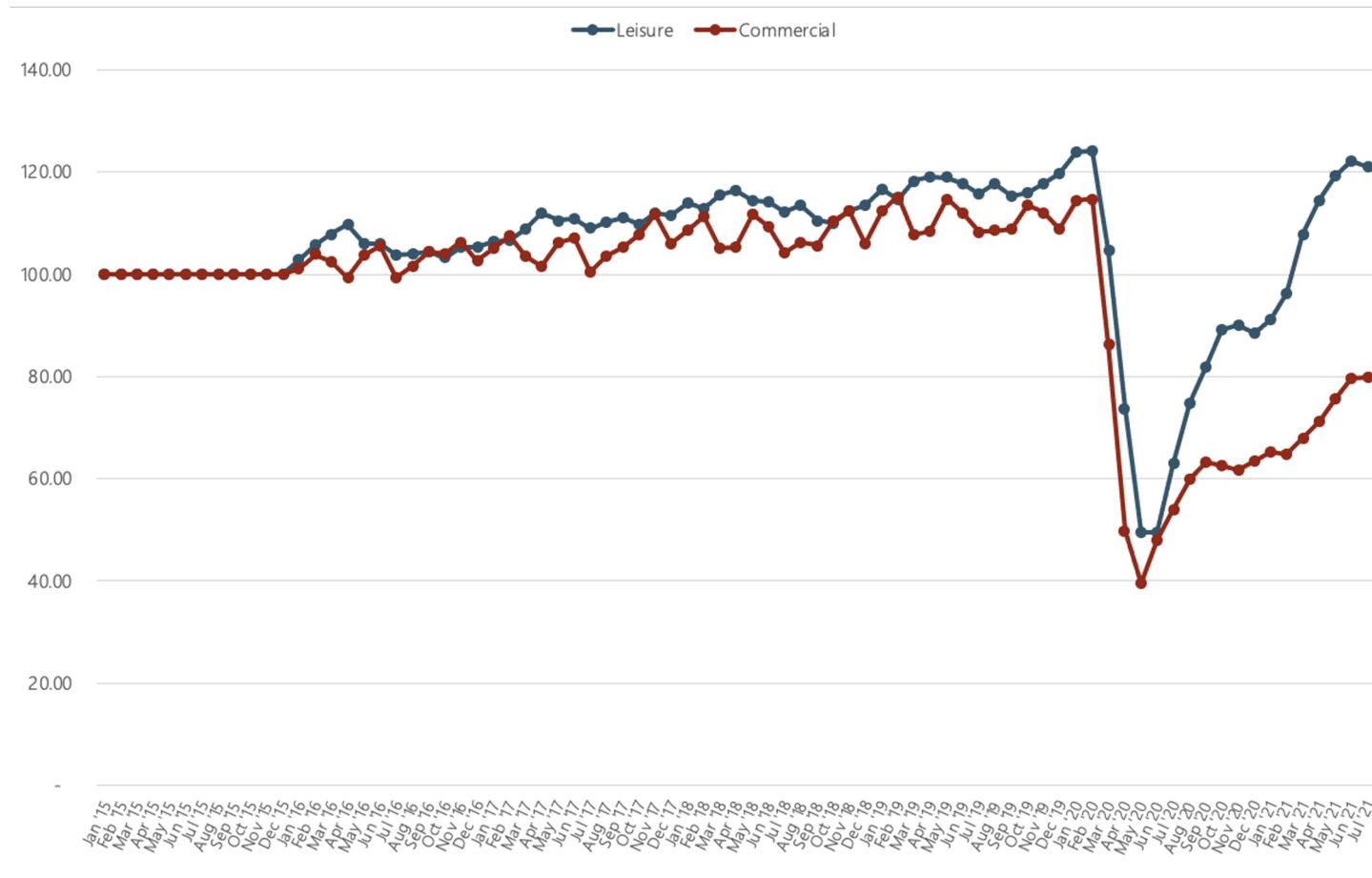
Source: **Kalibri Labs**; Actualized Data: 2019, 2020, 2021

Business travel—transient and group is creating a gap in demand
Recovery is linked to its return

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Distribution of 975 U.S. Submarkets 2021 vs. 2019
Guest Paid RevPAR Index

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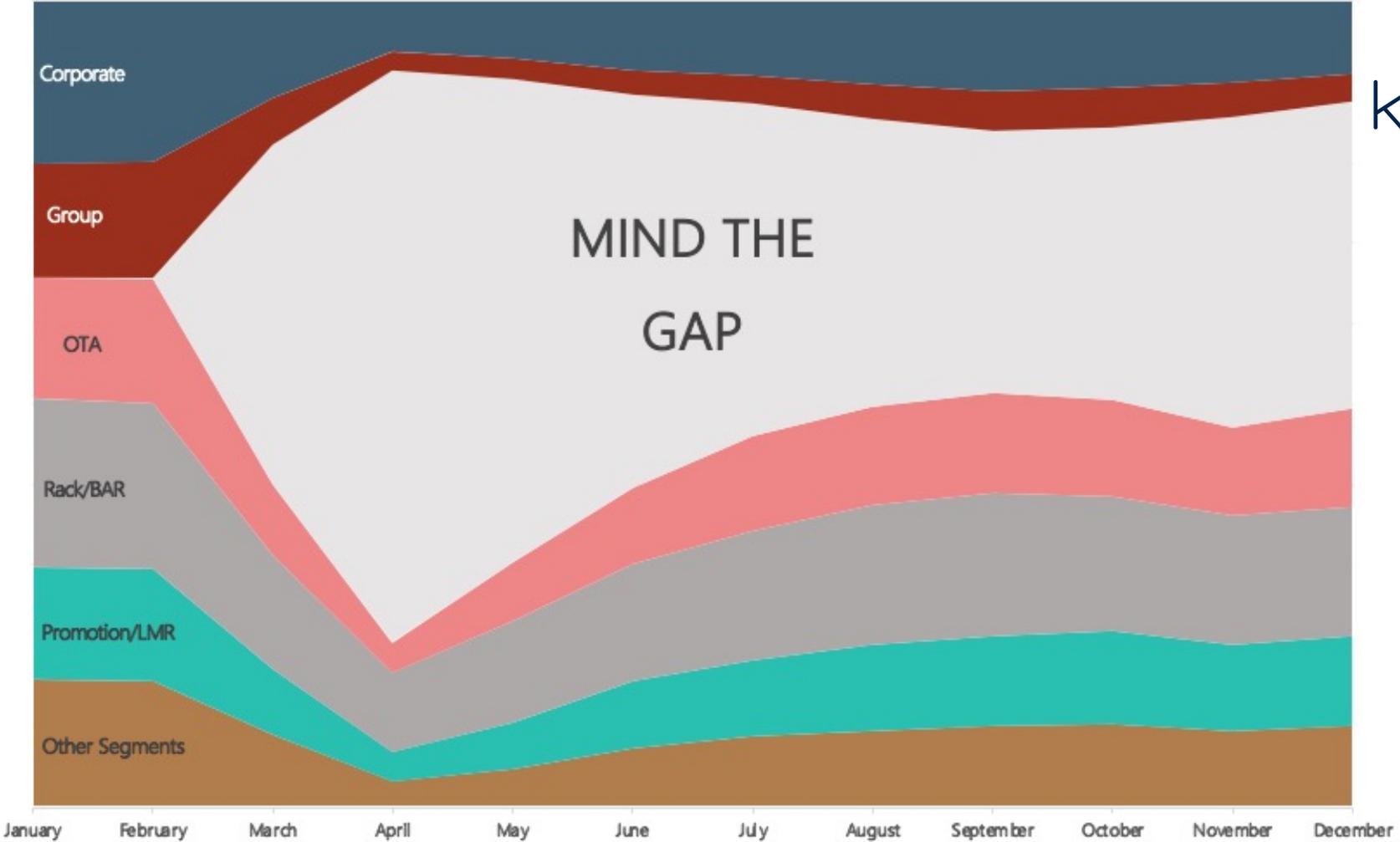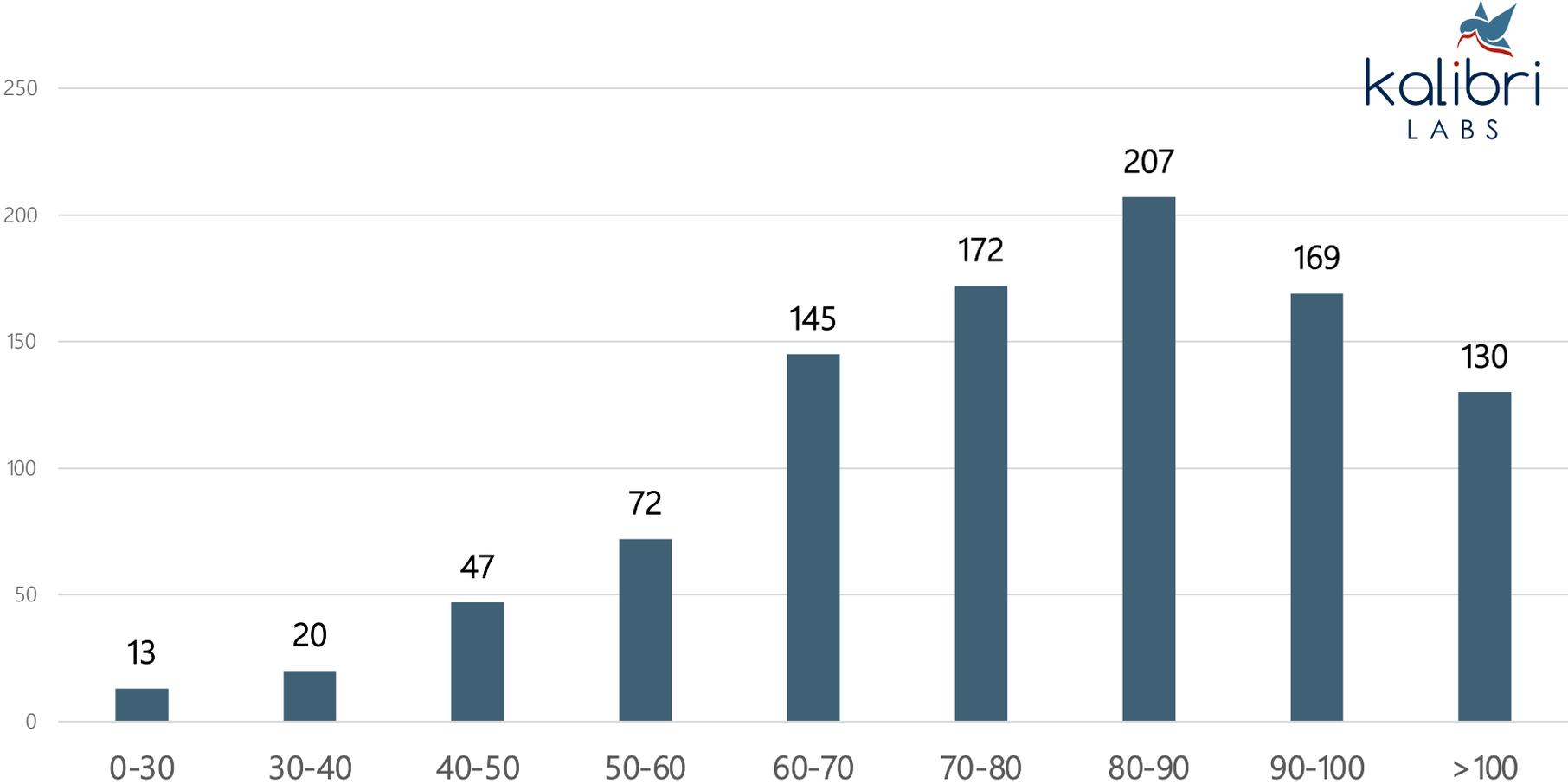# Guest-Paid RevPAR vs. 2020: +$15 in 2021 and +$27 by 2022
Total U.S. 2019-2022

	2019	2020	% Change '19 vs '20	2021*	% Change '19 vs '21*	2022**	% Change '19 vs. '22*
Occupancy	67.1%	41%	-38.9%	53.4%	-20.4%	59.9%	-10.7%
ADR	$130.63	$101.89	-22.0%	$106.35	-18.6%	$114.61	-12.2%
RevPAR	$87.64	$41.78	-52.3%	$56.78	-35.2%	$68.69	-21.6%

*Jun YTD Actual + Forecast

** Forecast

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What Can We Expect?
Some Predictions Related to the Economics of Hotels

- The Economics of Hotels Will Change
  - Large brands growth will be led by their soft brands
  - Top line revenue will not be sustainable as basis for chain fees; COVID was the first domino
  - Benchmarking will shift to profit-based performance

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What Can We Expect?
Some Predictions Related to the Economics of Hotels

⤣ Third Parties will dominate the top of the funnel for hotels

- Google, AirBnB, Amazon, Facebook, Alibaba will rise dramatically
- More branding options than just chains; hotels will operate with or without traditional brands
- Fragmentation of the industry may save it

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What Can We Expect?
Some Predictions Related to the Economics of Hotels

- Hoteliers **will have more choices** and will gain expertise in managing marketplace costs as they learned to manage labor costs

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/ˈkalə,bri/ from the Latin for
hummingbird (colibrí)

Looking back, moving forward…

Calibrate *- compare against a
standard & refine through data*

Greek goddess Libra *- representing
balance & truth*

Lab *- a virtual "think tank" to research
& innovate*

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