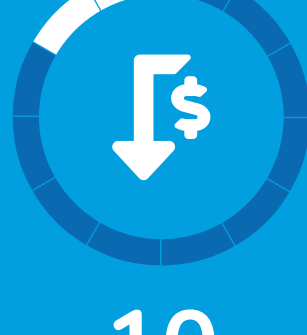


HOSPITALITY 5 TRENDS REPORT

Q2 2023

Trend 1: The Summer Travel Season is Poised for Strong Performance



10

consecutive months of easing inflation¹.



25%

increase in flight searches for June-August compared to the same time last year².



47%

of Americans ranked a vacation as their number-one discretionary spend³.

“This summer’s travel demand will be as strong as we’ve seen since before the pandemic, and potentially the strongest ever.”

Geoff Freeman
President & CEO, U.S. Travel Association⁴

Trend 2: Boomerang Workers?

2020



4.8 mil

Hospitality jobs slashed during the pandemic⁵.

“Many of these workers took jobs in the technology sector, which desperately needed to fill positions to keep up with sudden demand created by lifestyle changes that came up about due to the pandemic.”

Umar Riza for Ernst & Young

2023



135,000

Tech companies are shedding jobs in response to the state of economy - 135,000 workers at U.S. based tech companies have been laid off in 2023.



72,000

Hospitality companies are hiring in response to the expected increase in travel - Leisure and hospitality led sectors with growth of 72,000 jobs in March 2023.

Trend 3: Supply Chain Trending Toward Normalcy



Most OEMs predict they will complete their backlogs and return to normal lead times toward the end of 2023.

Trend 4: Weekdays (Monday-Wednesday) are Driving Top 25 Market Growth as Business Travel Continues its Recovery:

The first week of April:



71.5%

5.9 ppt increase in occupancy YoY to 71.5%⁶.



60%

Weekday stays accounted for 60% of the YoY gain in weekly room demand.



25

All Top 25 Markets, minus Atlanta and Miami, saw year-over-year growth in weekday room demand.

Trend 5: Major Brands Remain Confident Despite Current Banking Challenges:

“We do expect the tightening in hotel financing to be short-term.”

Anthony Capuano
CEO & President⁷

“We feel really strong about the 2023 financing situation. We’re not concerned about financing largely for new construction projects that don’t currently have financing in place. There certainly seems to be a good amount of capital still available.”

Michele Allen
Chief Financial Officer at Wyndham⁸

“Fears over the pipeline and net unit growth outlook are overdone.”

Steven Pizzella
a research analyst at Deutsche Bank

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