

HOSPITALITY 5 TRENDS REPORT

Q3 2022

Trend 1:

Demand and occupancy are returning to pre-pandemic levels, but guests are less satisfied overall



**-8
POINT**

Decline in guest satisfaction as demand and occupancy return to pre-pandemic levels. ¹

What's driving the dissatisfaction?

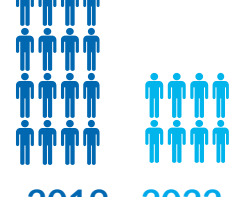


Pricing is up across all segments & travelers don't feel they're getting their money's worth.

Expected amenities are not free:

81% Guests who accessed the Internet in their hotel rooms.

+4% Guests who **paid extra** for WiFi compared to 2019.



Guests are experiencing fewer interactions with staff amid an industry labor shortage.

Trend 2:

Conferences and events are experiencing a dramatic resurgence



334% ²

Increase in meetings and events for June 2022 over June 2021. From May to June 2022, the industry saw a 16.6% increase in meetings and events.

Trend 3:

Two new FCC orders are set to impact hotel telephony



988

Phone service and text providers in the United States and the five major U.S. territories were required to direct all 988 calls and texts to the National Suicide Prevention Lifeline by July 16, 2022. ³

Hotels need to...

1 Check with their PBX Support Vendor for dial programming and request confirmation it is configured for 988 direct dialing.

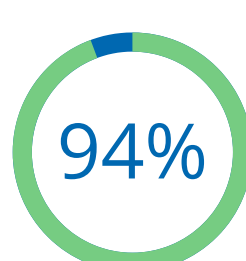
2 Ascertain whether their carrier is in compliance, i.e., 988 connects to "The Lifeline".

3 If their Carrier does not support 988, they should initially contact the Carrier, but ultimately report non-compliance to the FCC.



August 2, 2022 - the goal date for the replacement of POTS lines (Plain Old Telephone Service lines) to alternative technology ⁴

With FCC Order 19-72A1 telecommunications carriers are **RAISING COSTS**



Increase some hotel clients are experiencing in POTS line costs from 12 months ago.

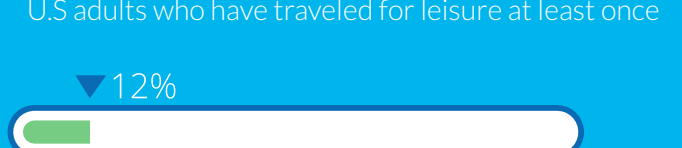
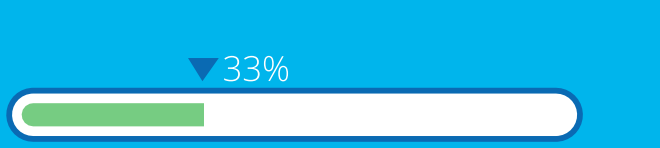
\$755/month

High end of rate hikes per POTS line.

Trend 4:

Bookings have leveled off, but spending is still up

So far in 2022 ⁵



"Bookings were surging past 2019 levels when we got into 2022, and there was a lot of enthusiasm about traveling. Now we're falter a little bit relative to 2019, but the spending is still pretty high because of the price increases we're seeing."

VIVEK PANDYA
Adobe Digital Insights Lead Analyst

Trend 5:

Equipment shortages equal longer lead times



Ongoing Covid-19 outbreaks



Increased consumer demand

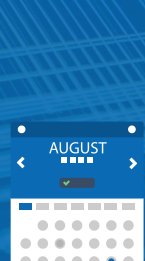


The continued war in Ukraine



A world wide shortage in the chips necessary to produce everything from automobiles...and WiFi networks

NETWORK INSTALL LEAD TIMES ARE NOW AT **6-9 MONTHS**



Hotels need to begin planning for 2023 now – in Q3 of 2022 – in order to secure their place in line as new equipment becomes available.

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