



# Current trends and outlook

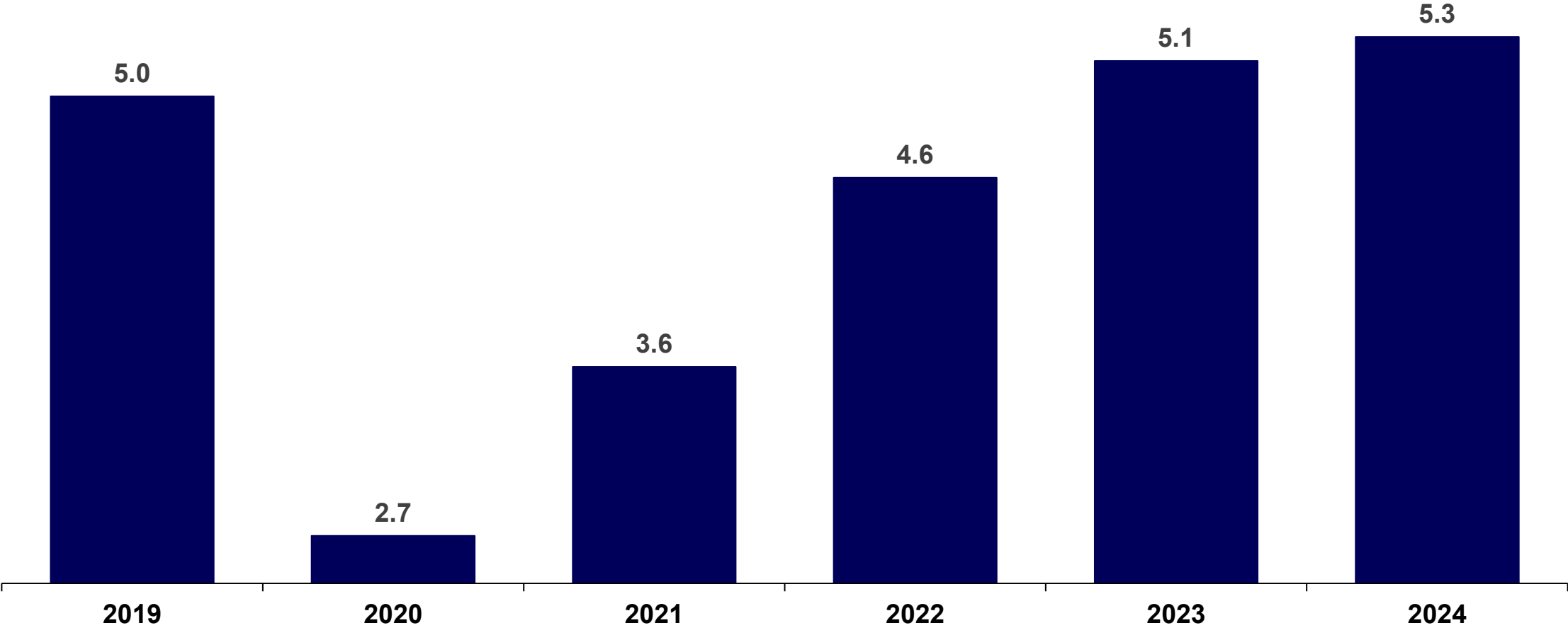
Isaac Collazo

January 2025



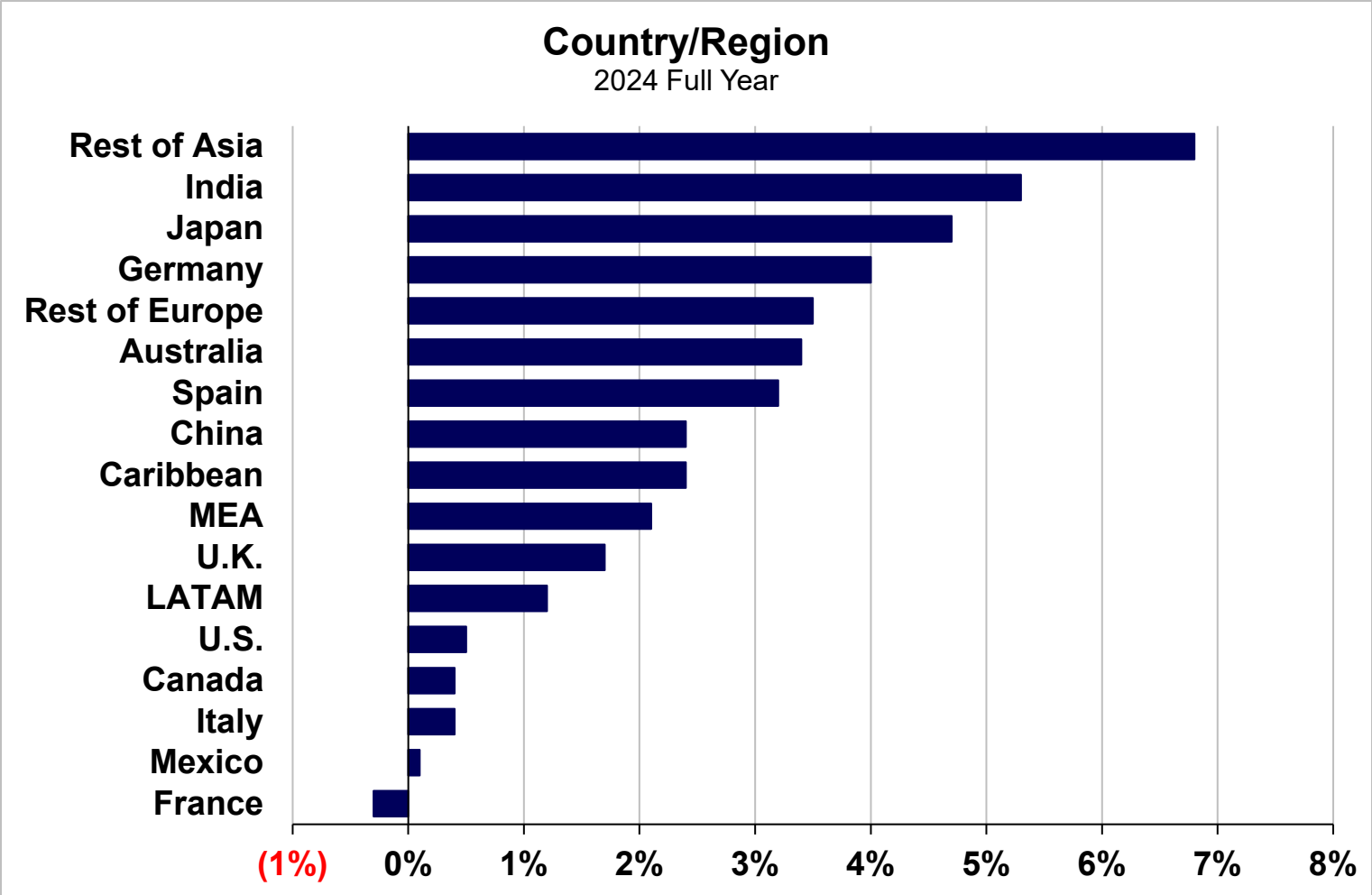
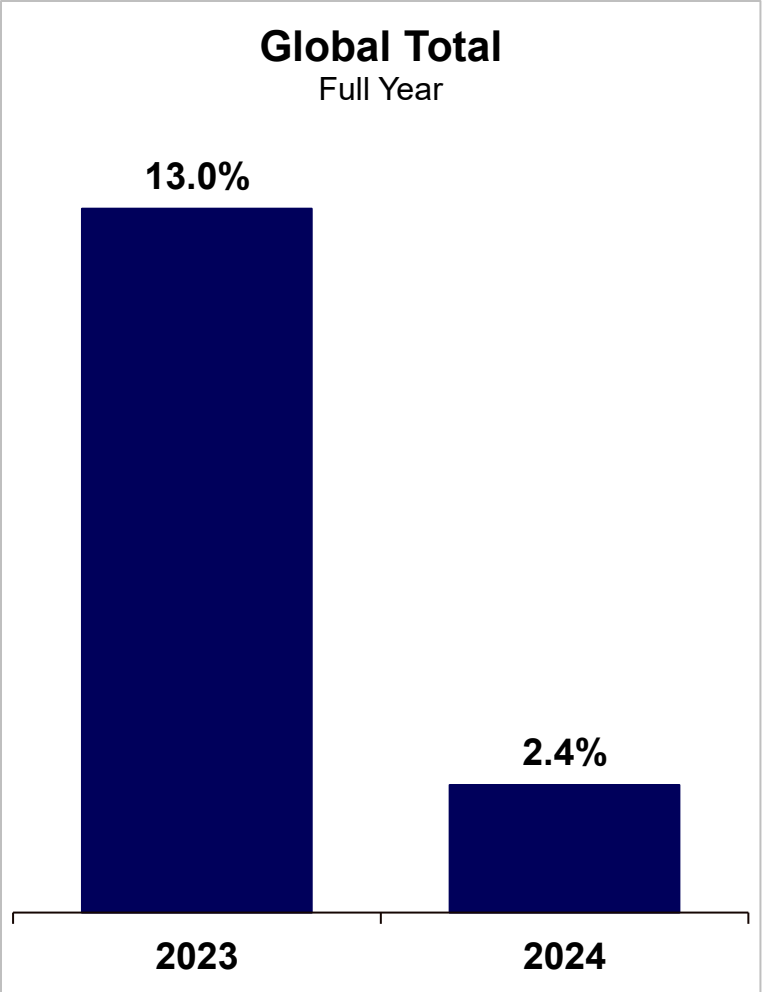
# Global room demand above 2019 levels

Global room demand, in billions, full year



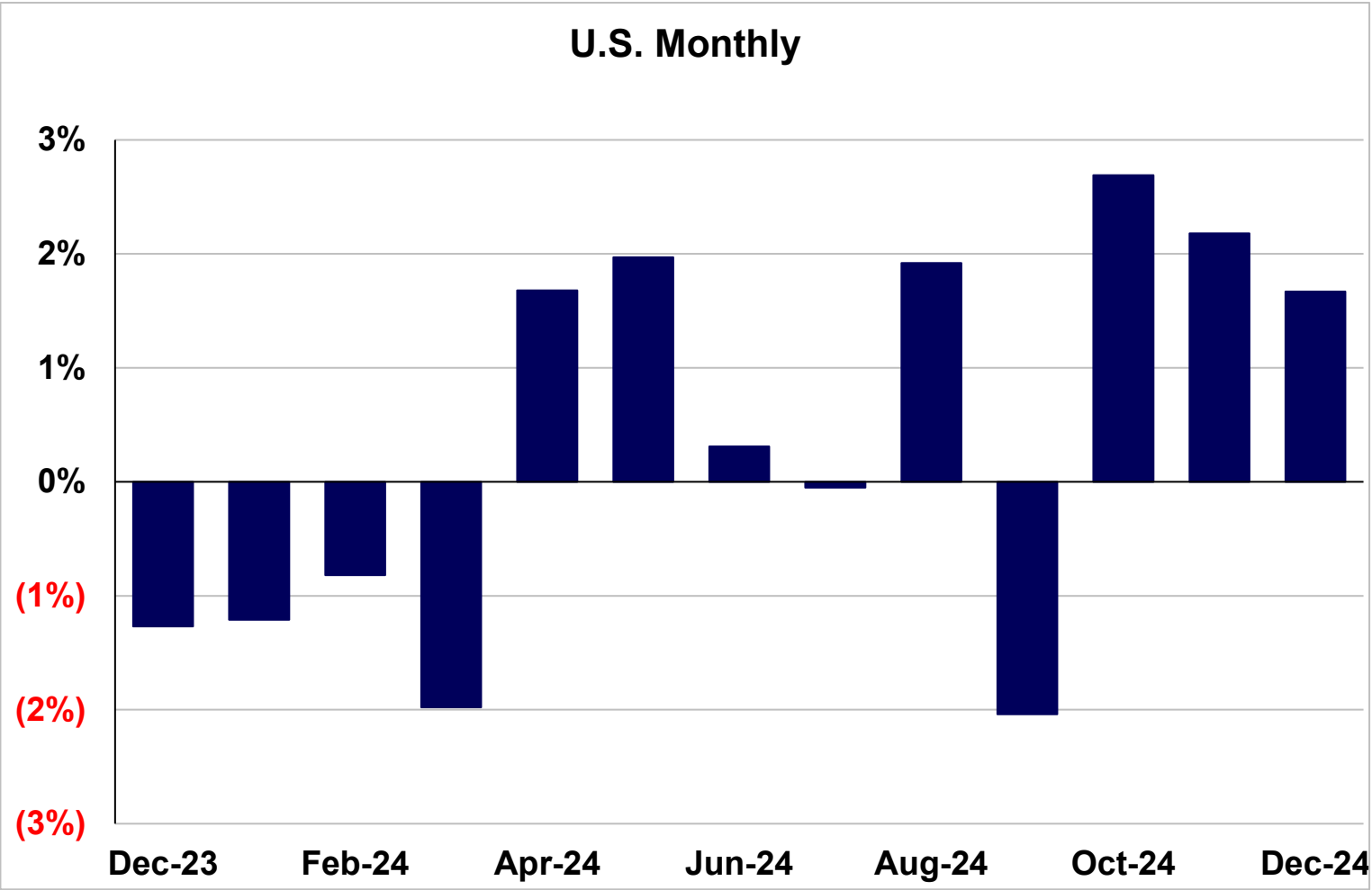
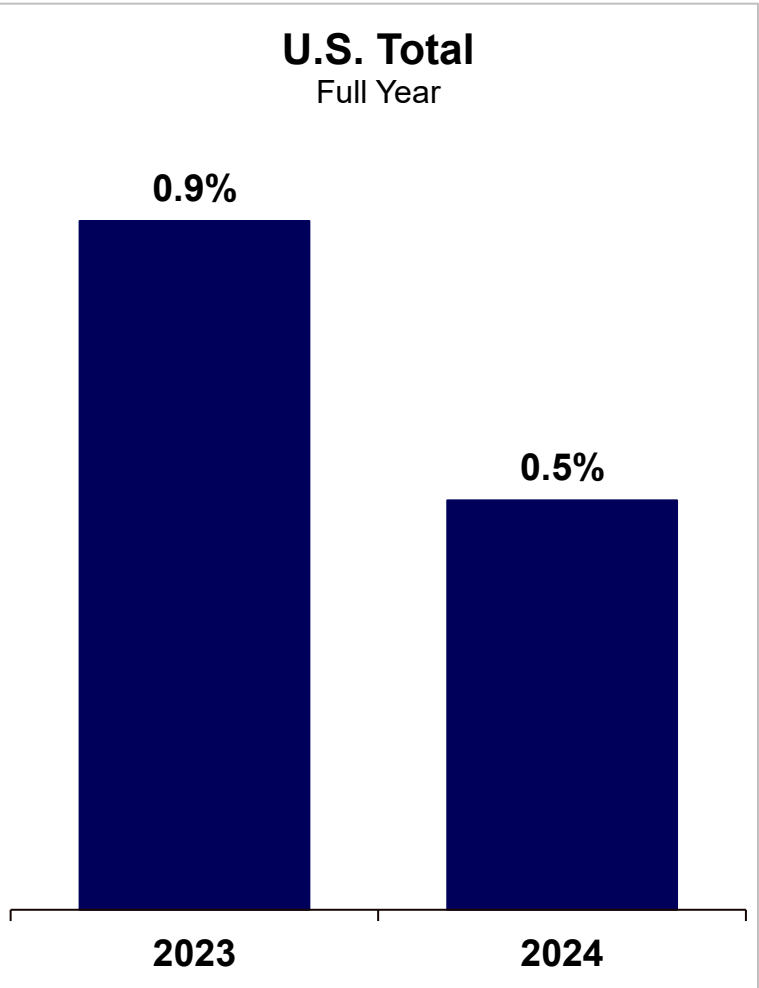
# Demand growing but moderating

Room demand change



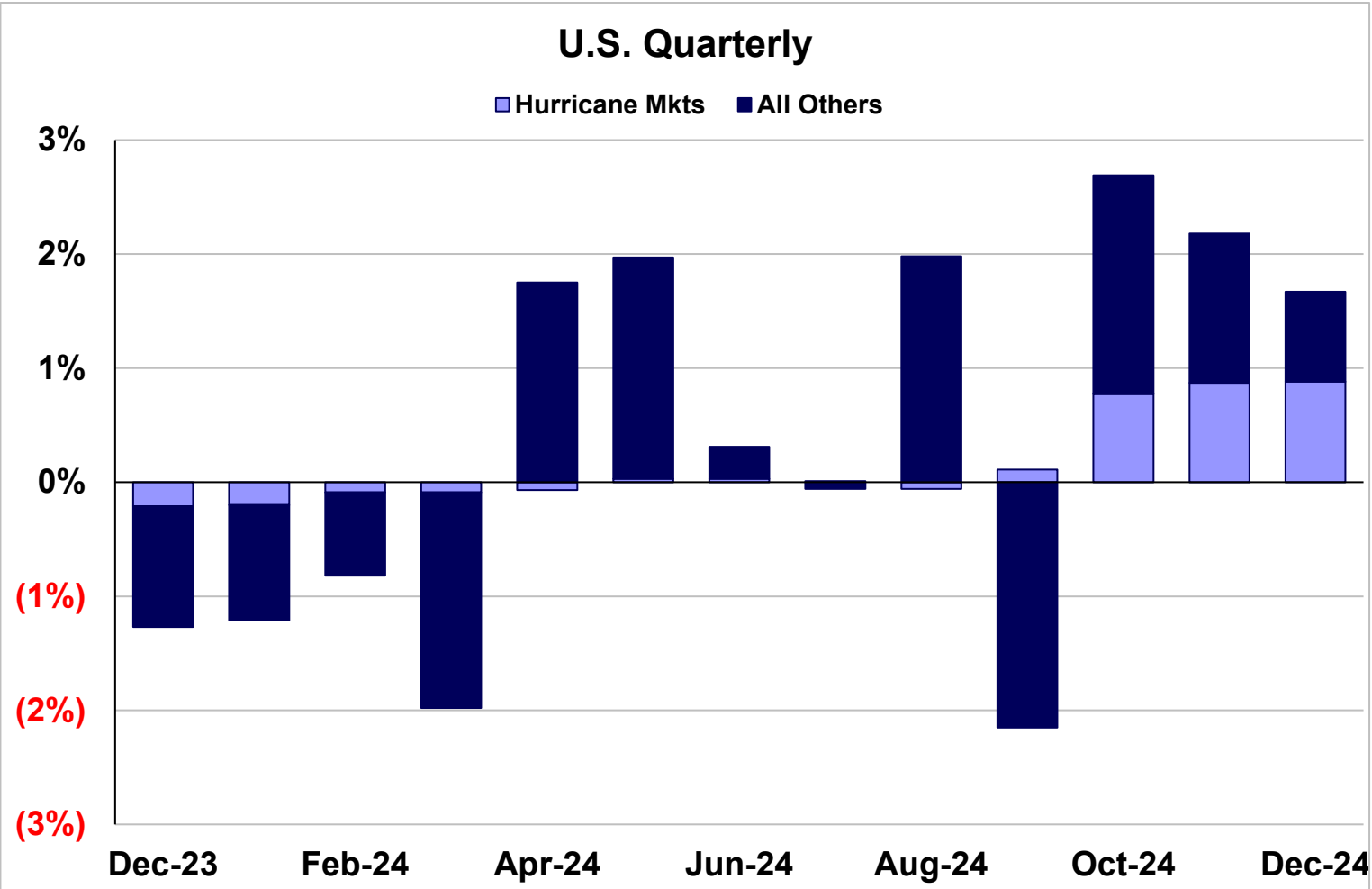
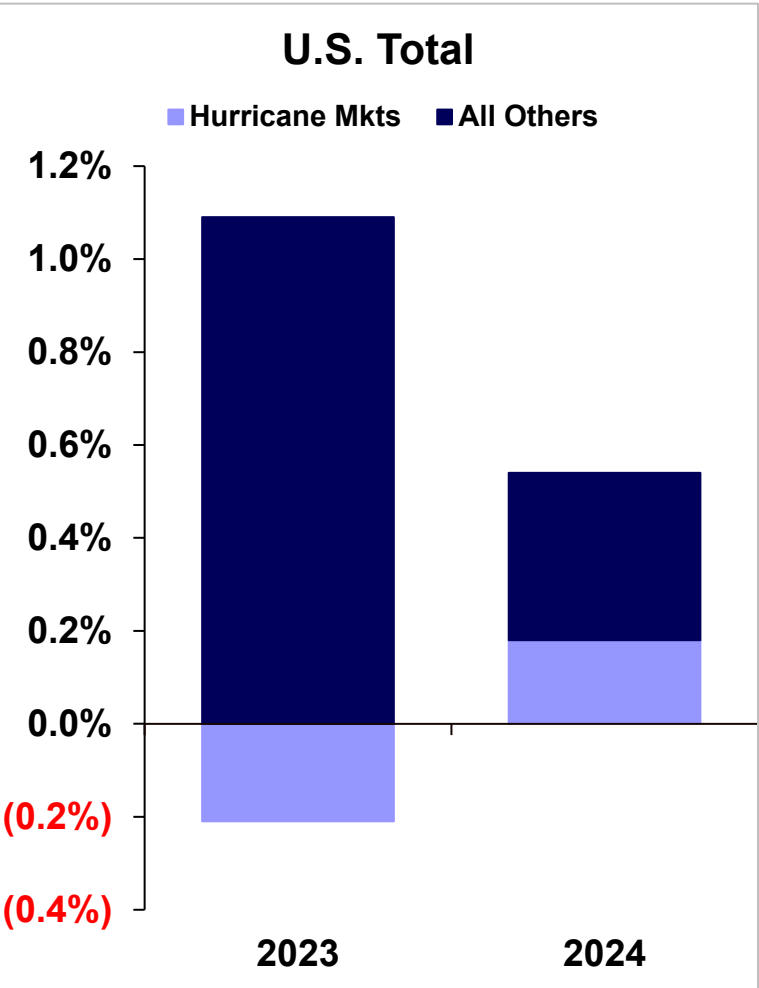
# U.S. room demand strengthening

Room demand change



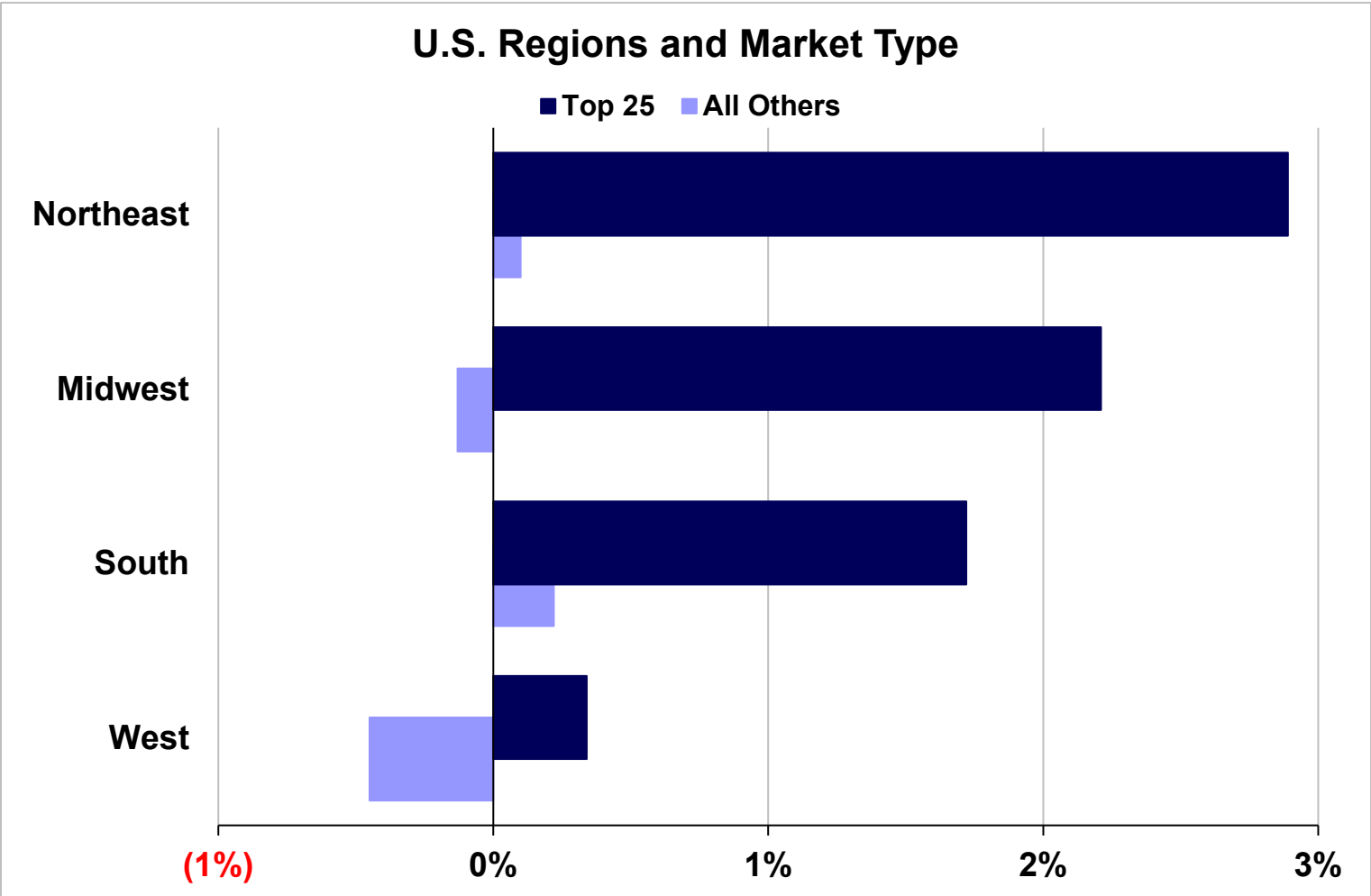
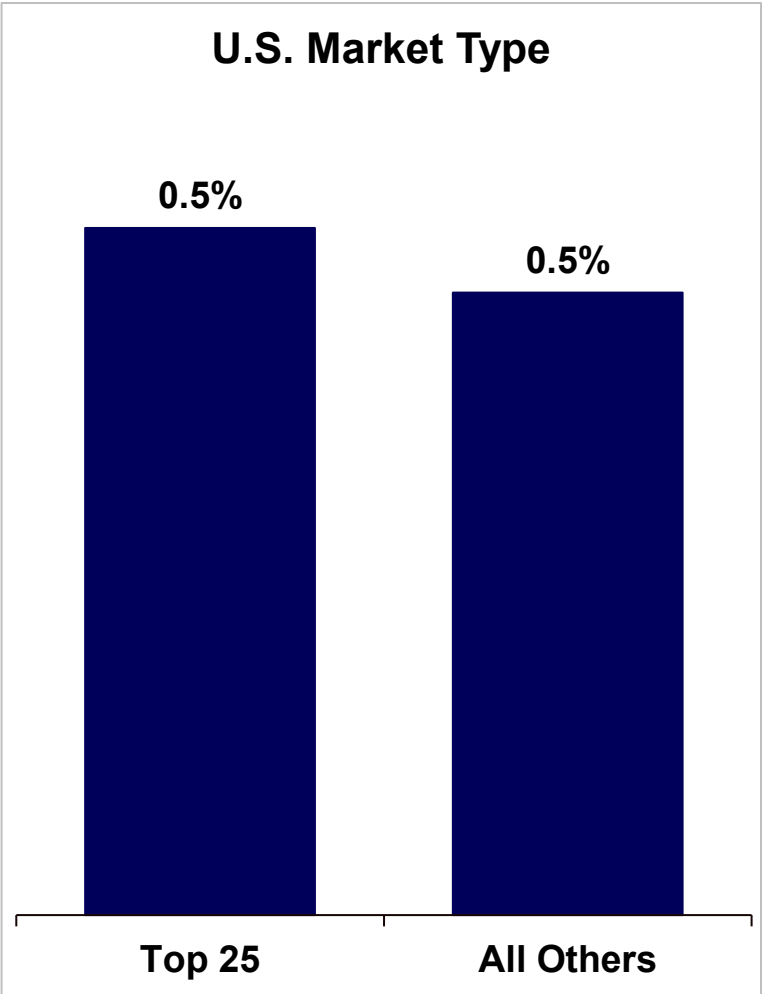
# Hurricanes Helene and Milton drove 4Q U.S. demand

Room demand change



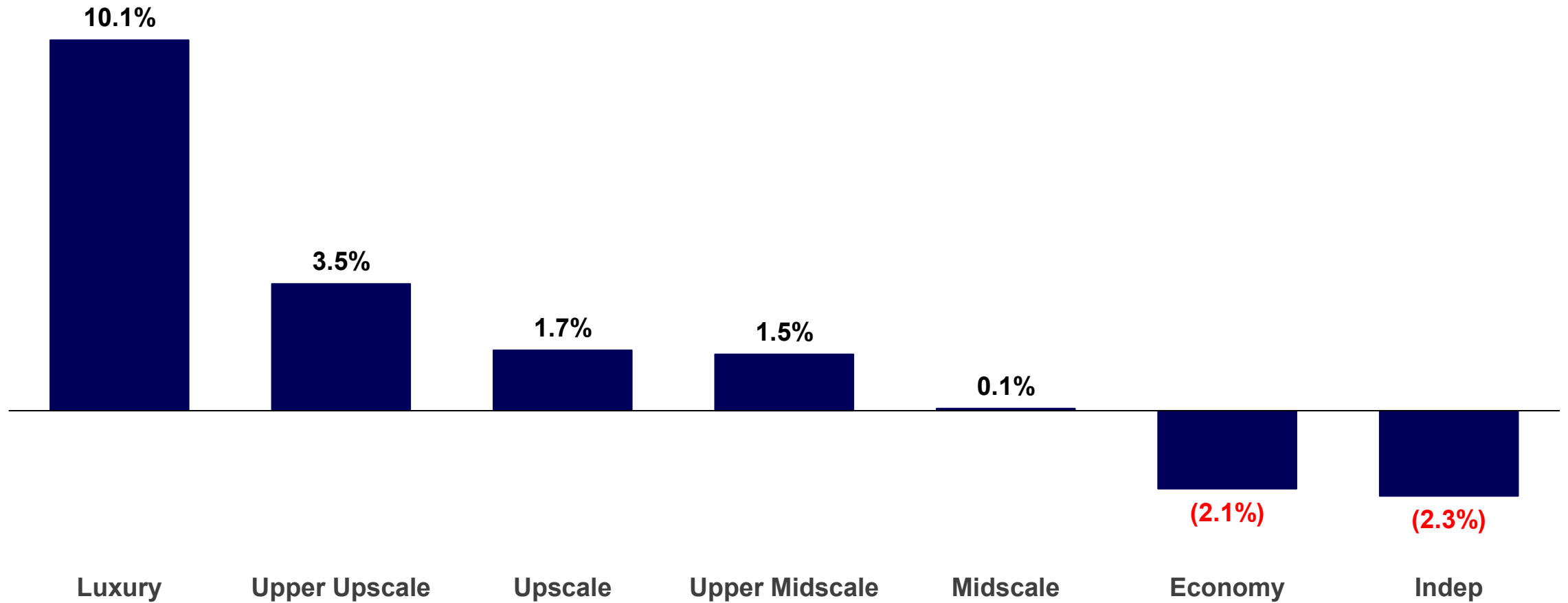
# Top 25 driving U.S. demand gains

Room demand change by market location, 2024 full year



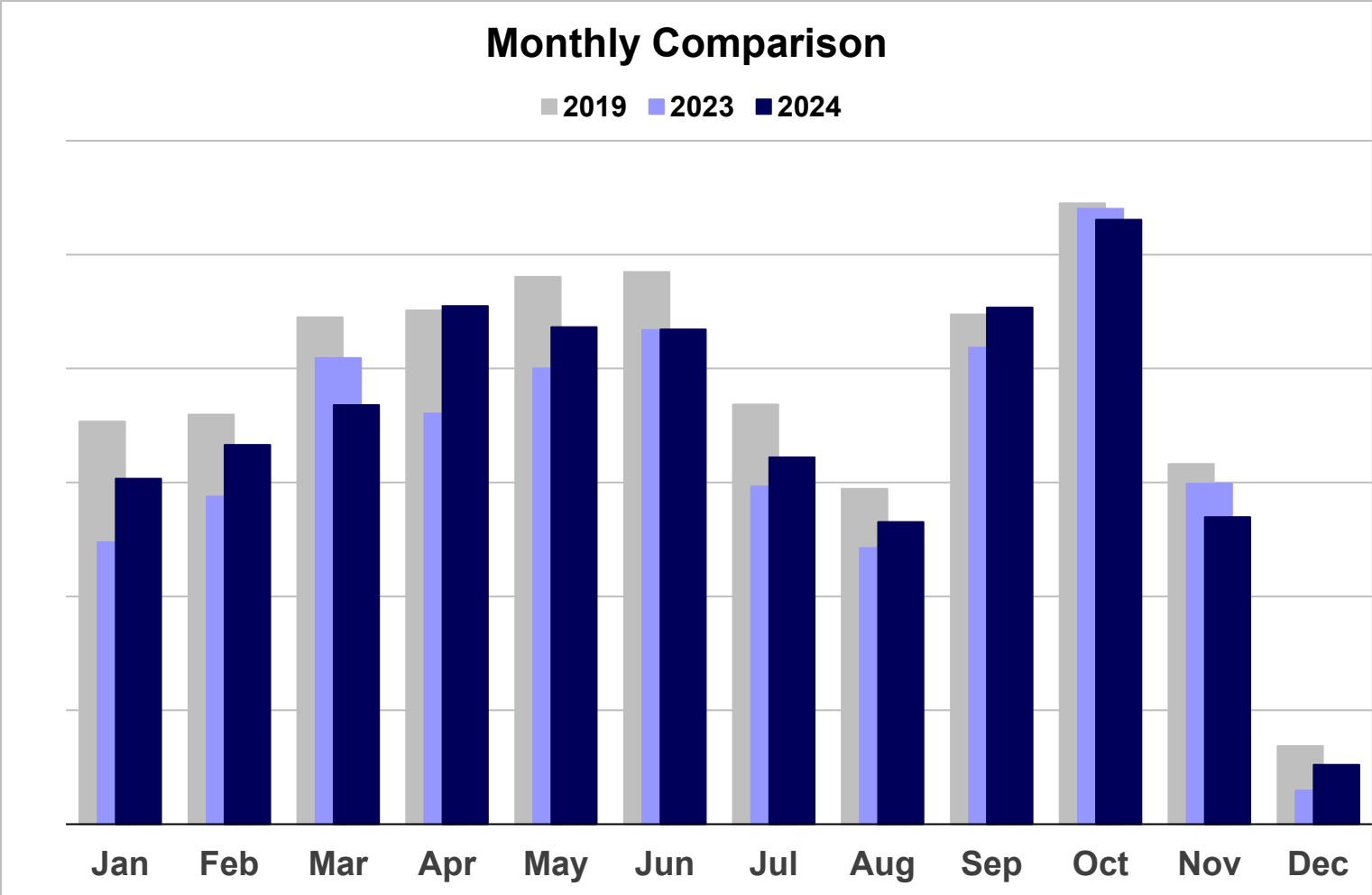
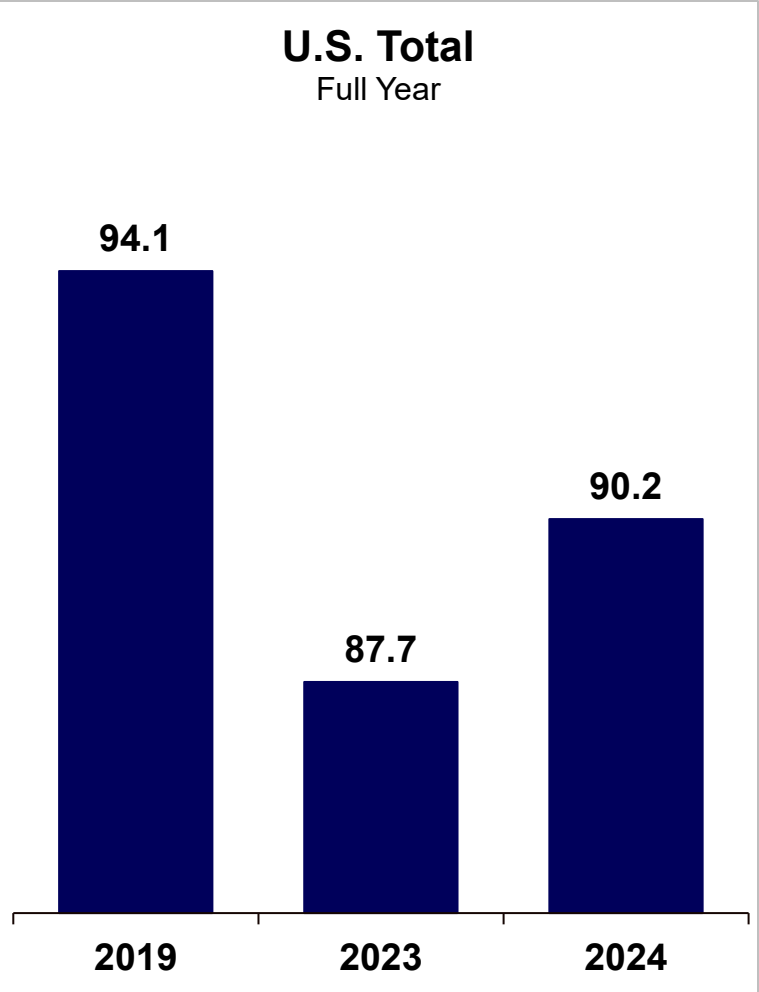
# Demand bifurcated by hotel type

Chain scale room demand change, 2024 full year



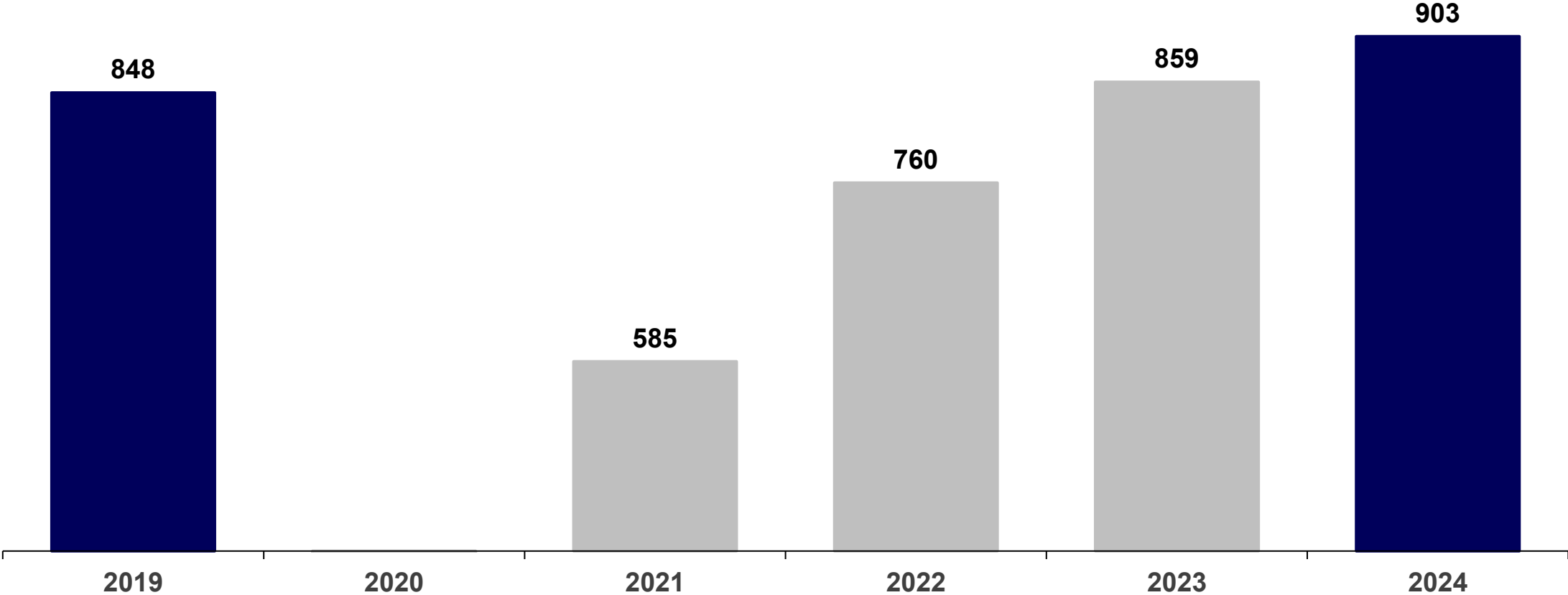
# Group demand strengthening

Luxury and Upper Upscale group room demand (in millions)



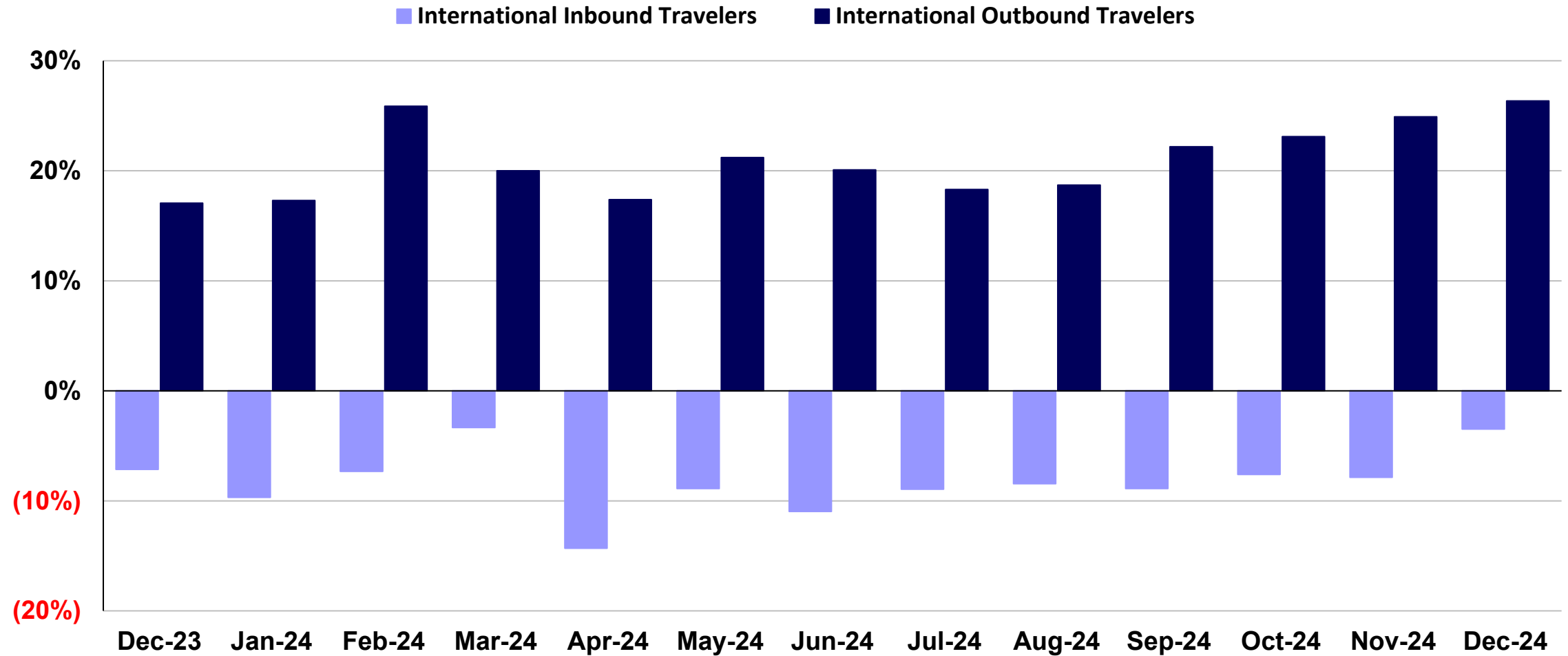
# Air travel still on the rise

U.S. TSA airport screenings (millions), full year



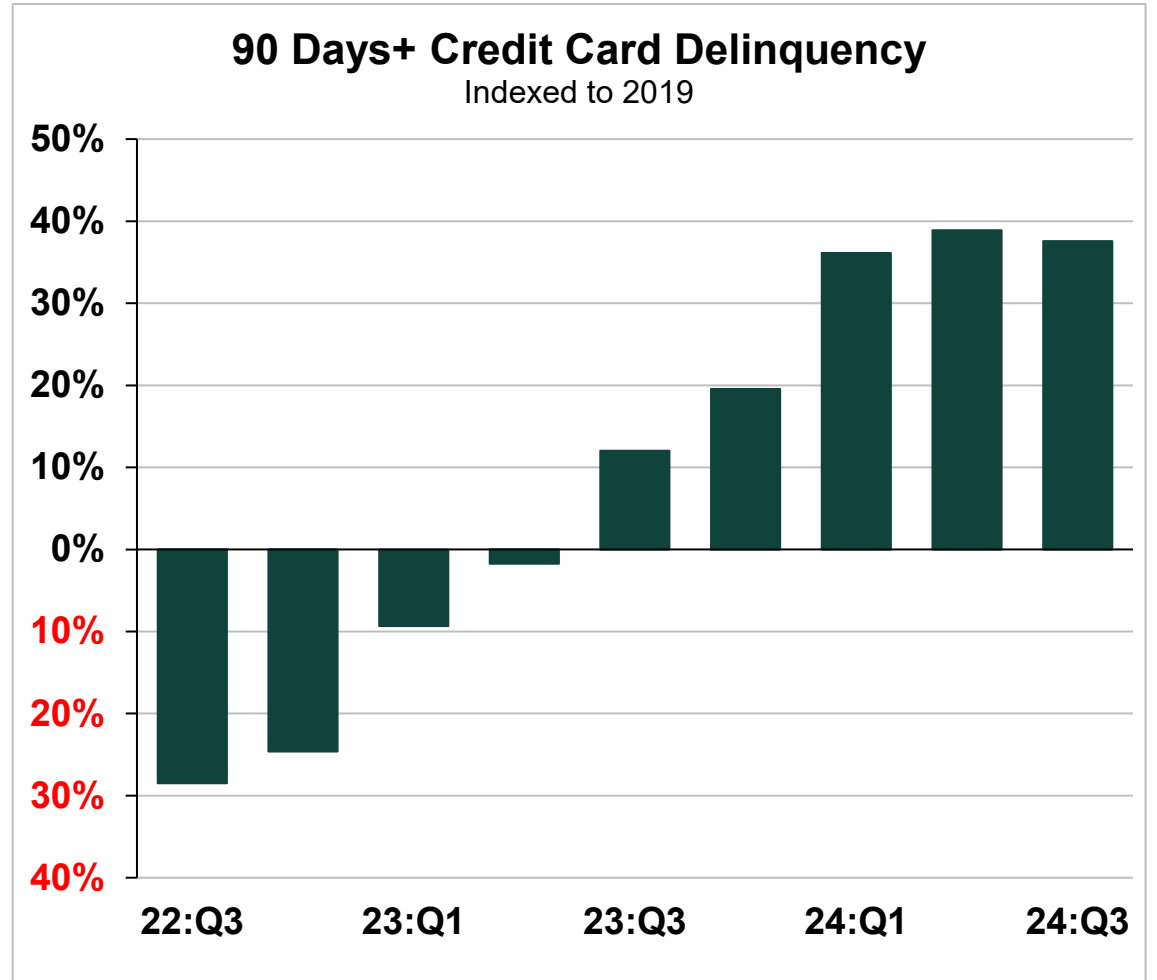
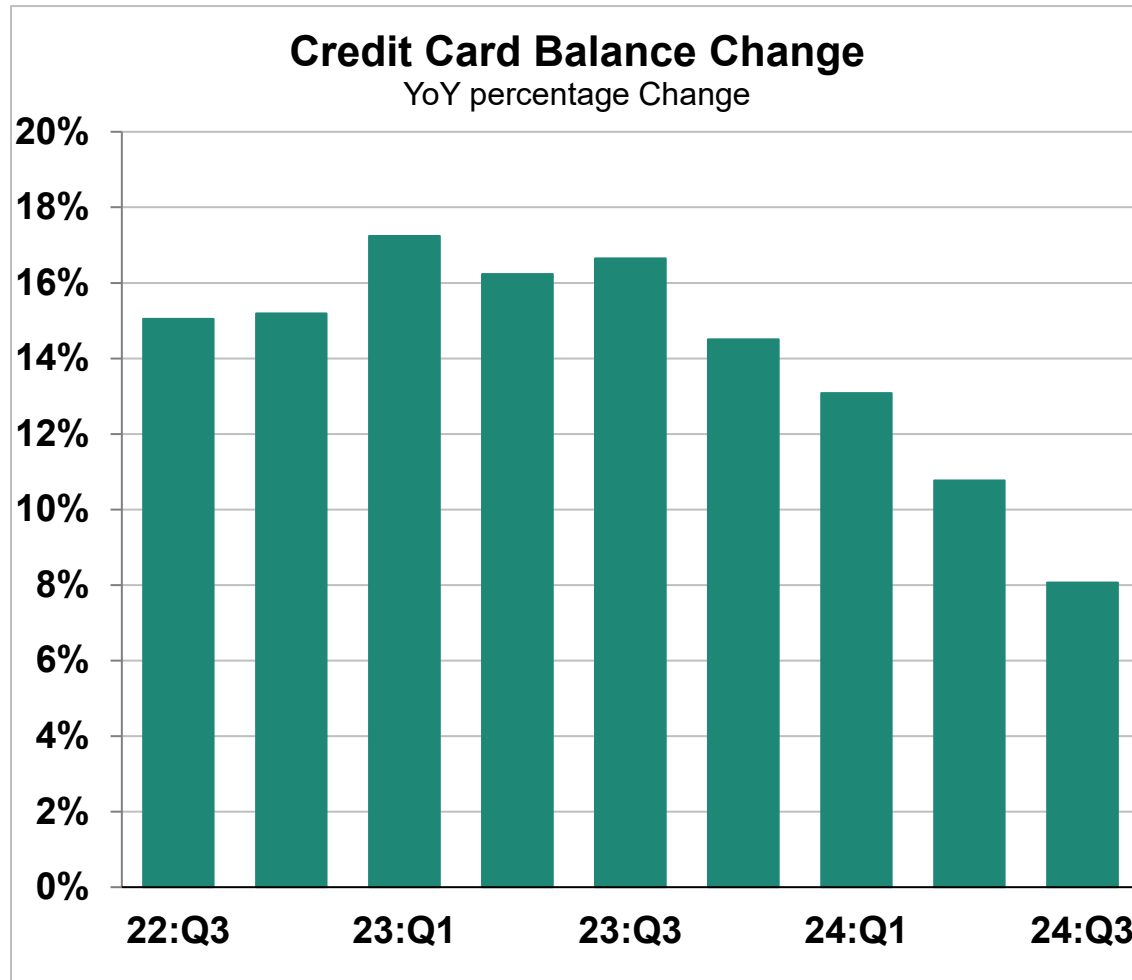
# Inbound travel below 2019; outbound very strong

U.S. international inbound/outbound, indexed to 2019



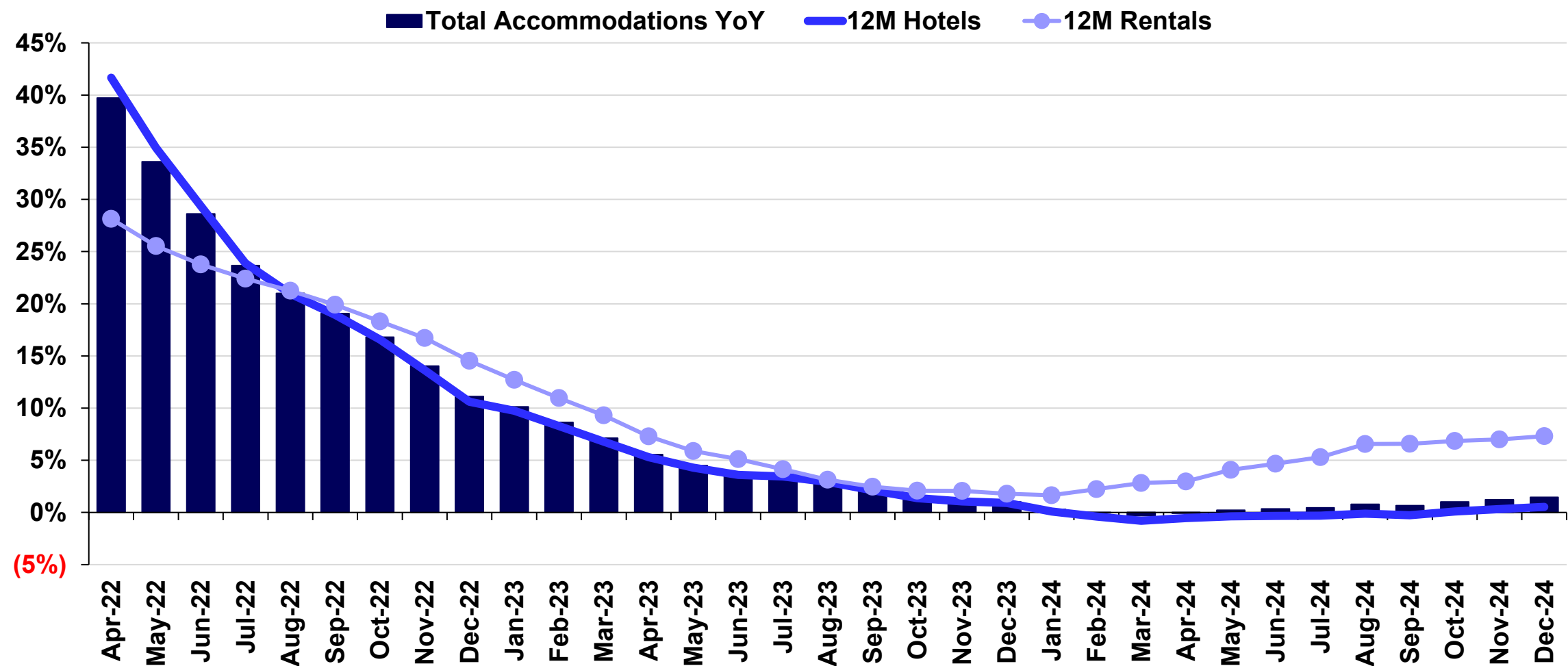
# Credit card growth slowing; delinquencies elevated

U.S. credit card balance, YoY change and delinquency change



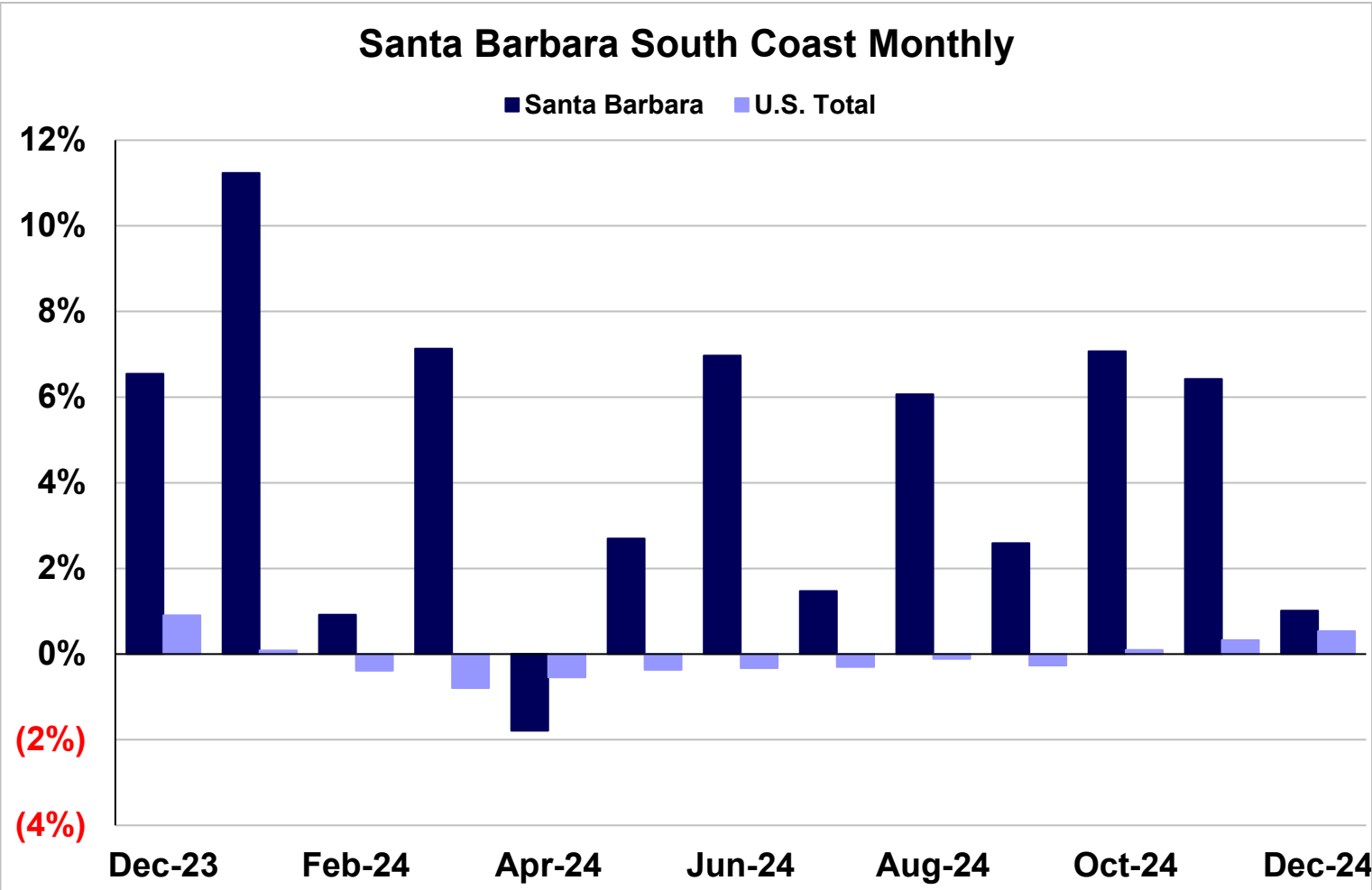
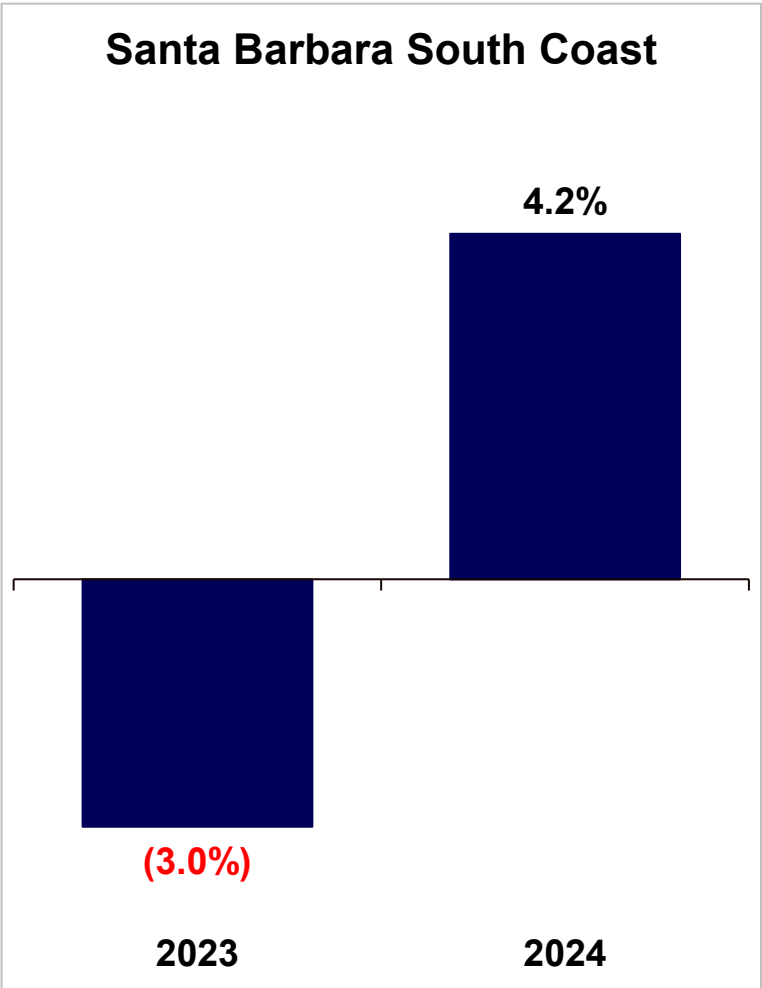
# Alternative accommodations demand growth still outpacing hotels

U.S. hotels and short-term rentals, year-over-year change, 12-month moving total



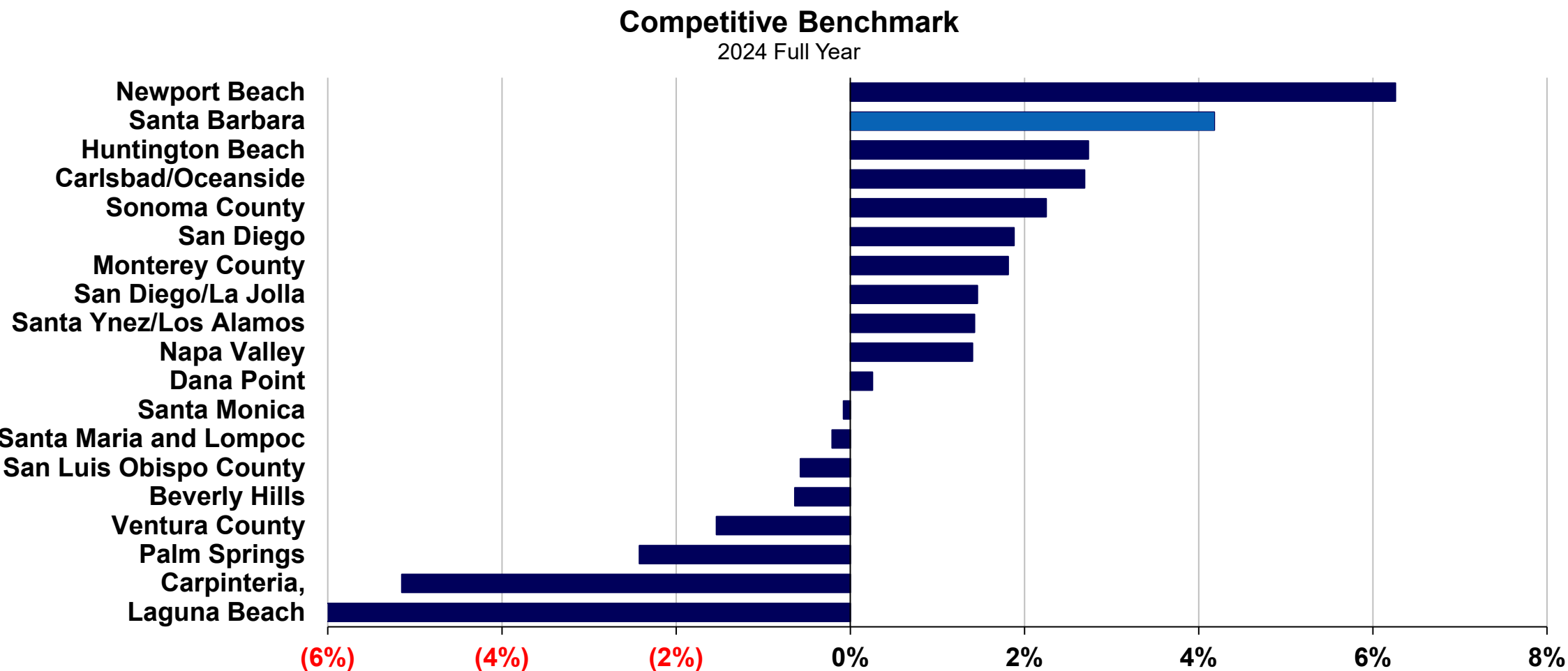
# Santa Barbara outperformed the U.S.

Santa Barbara and U.S. room demand change



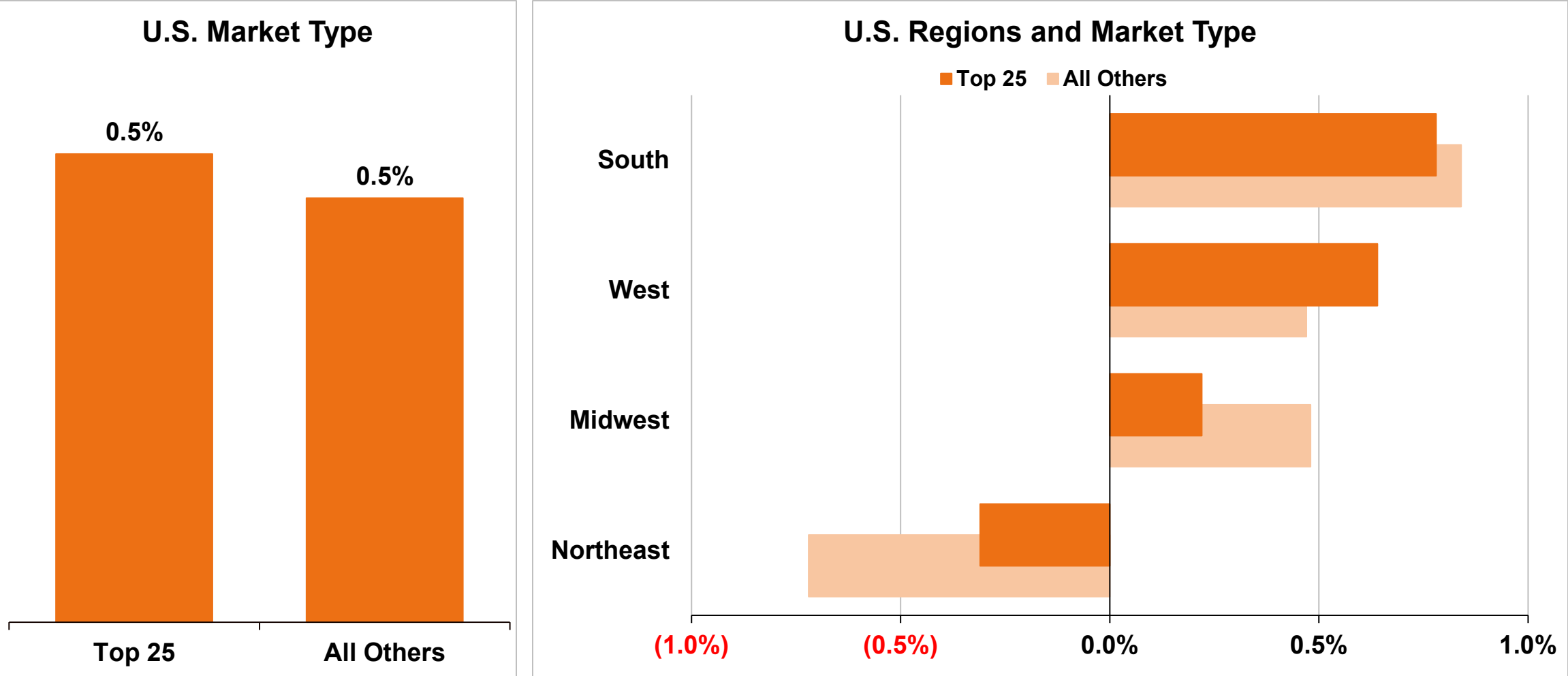
# Santa Barbara still in recovery as demand remains down to 2019

Room demand change



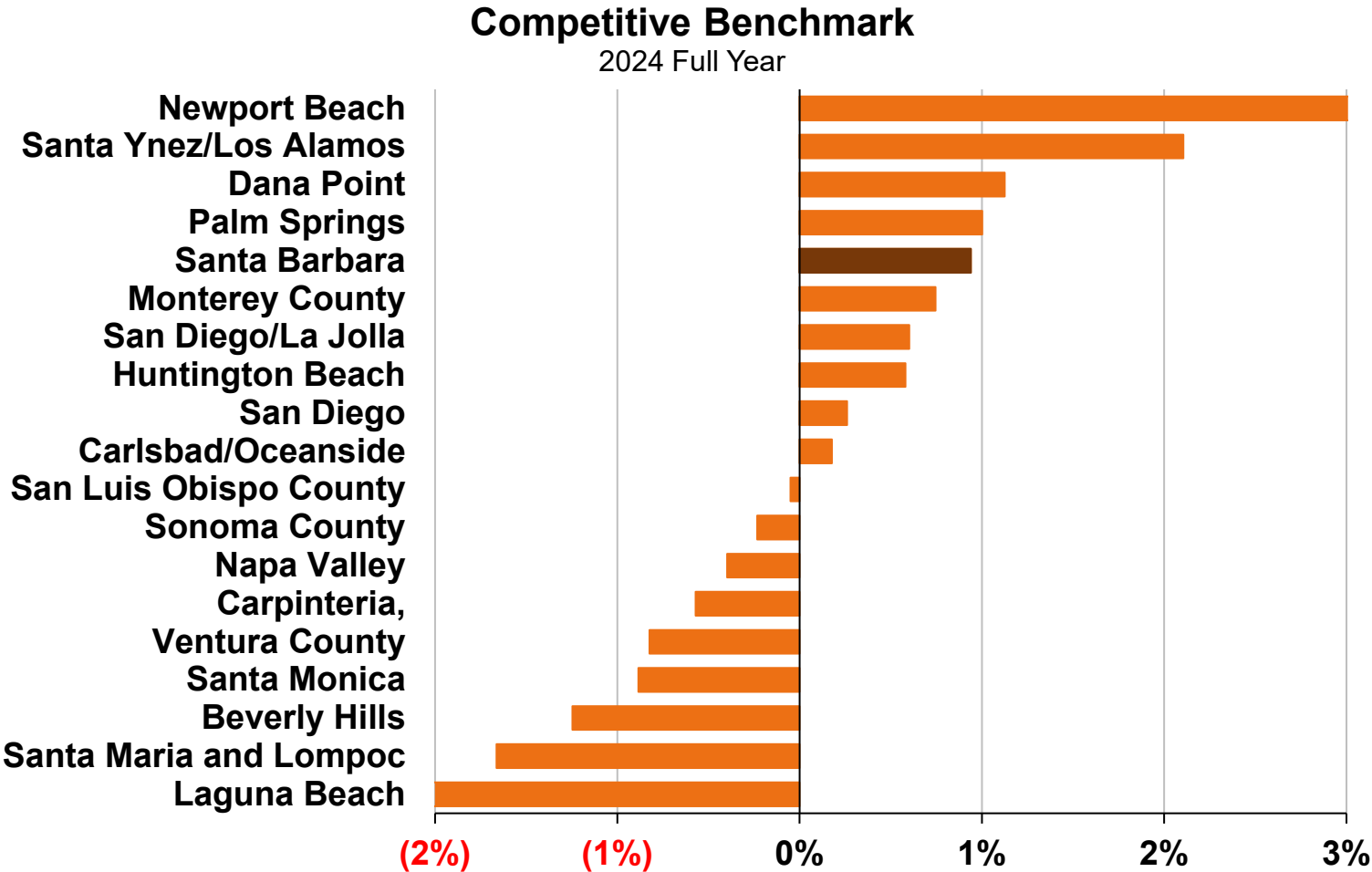
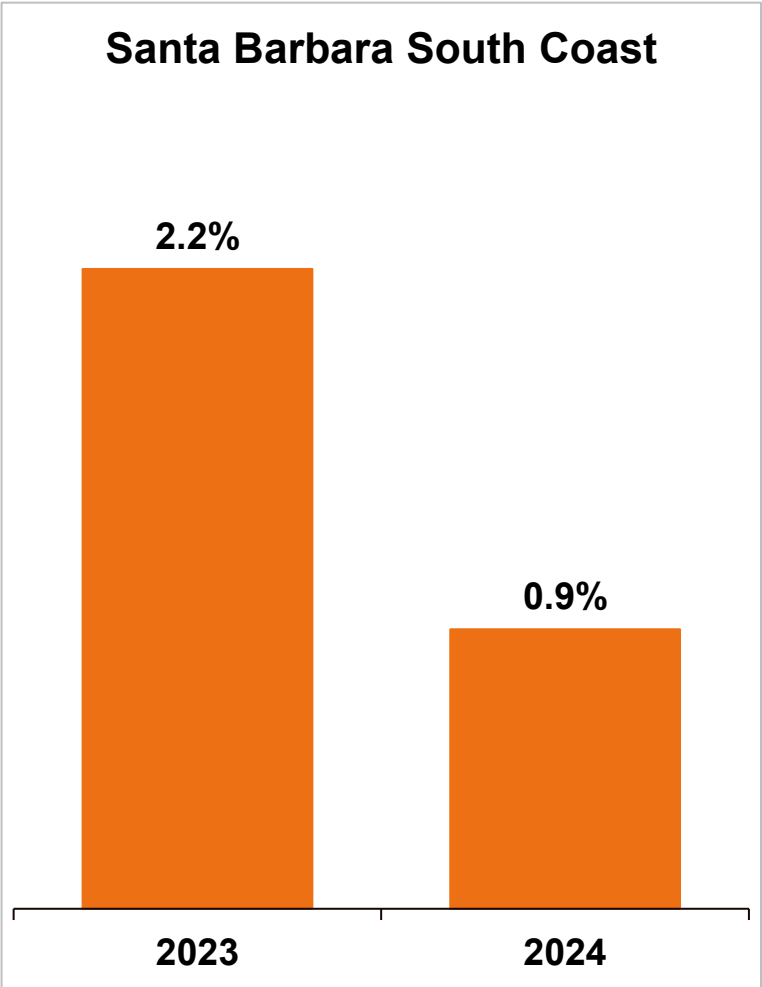
# U.S. supply increasing slowly and mostly in the South and West

U.S. supply change by market location, 2024 full year



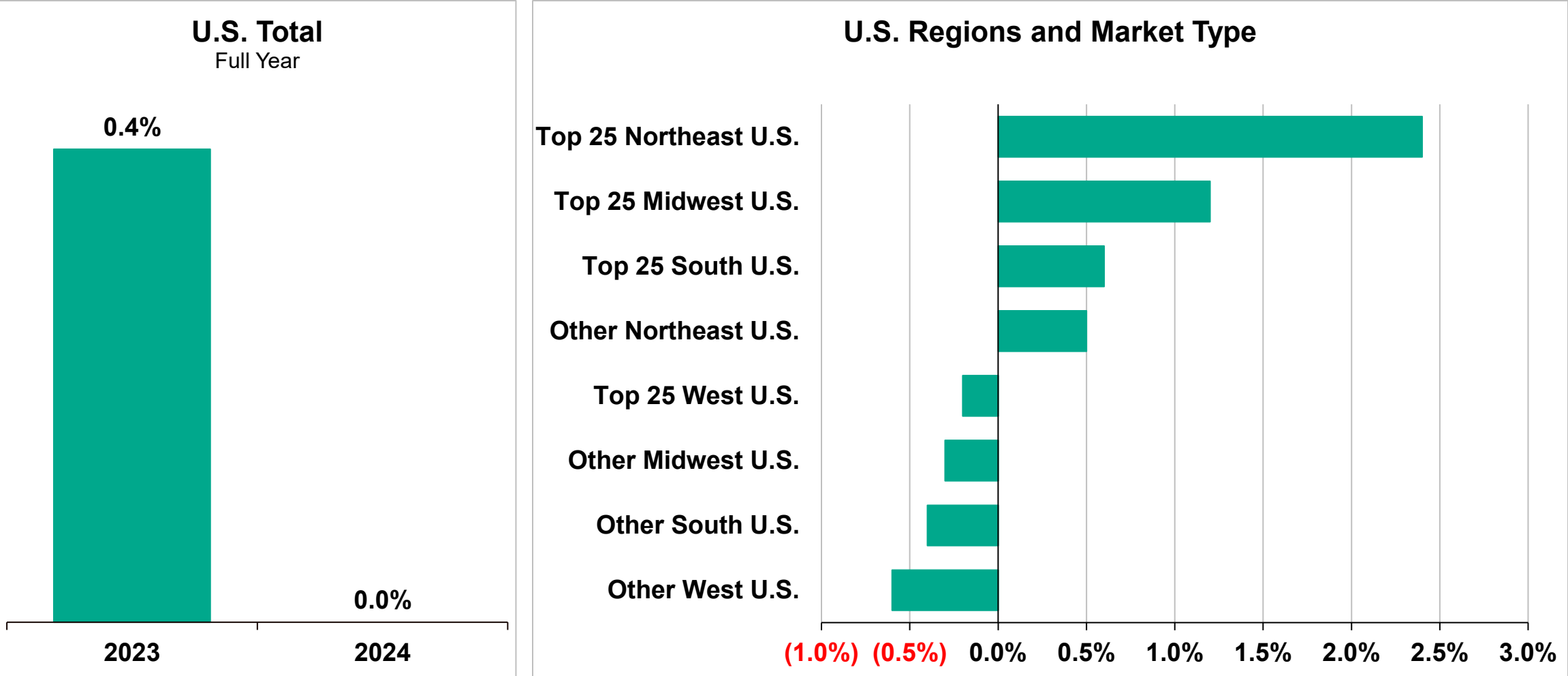
# Supply in the market down compared to pre-pandemic level

Room supply change



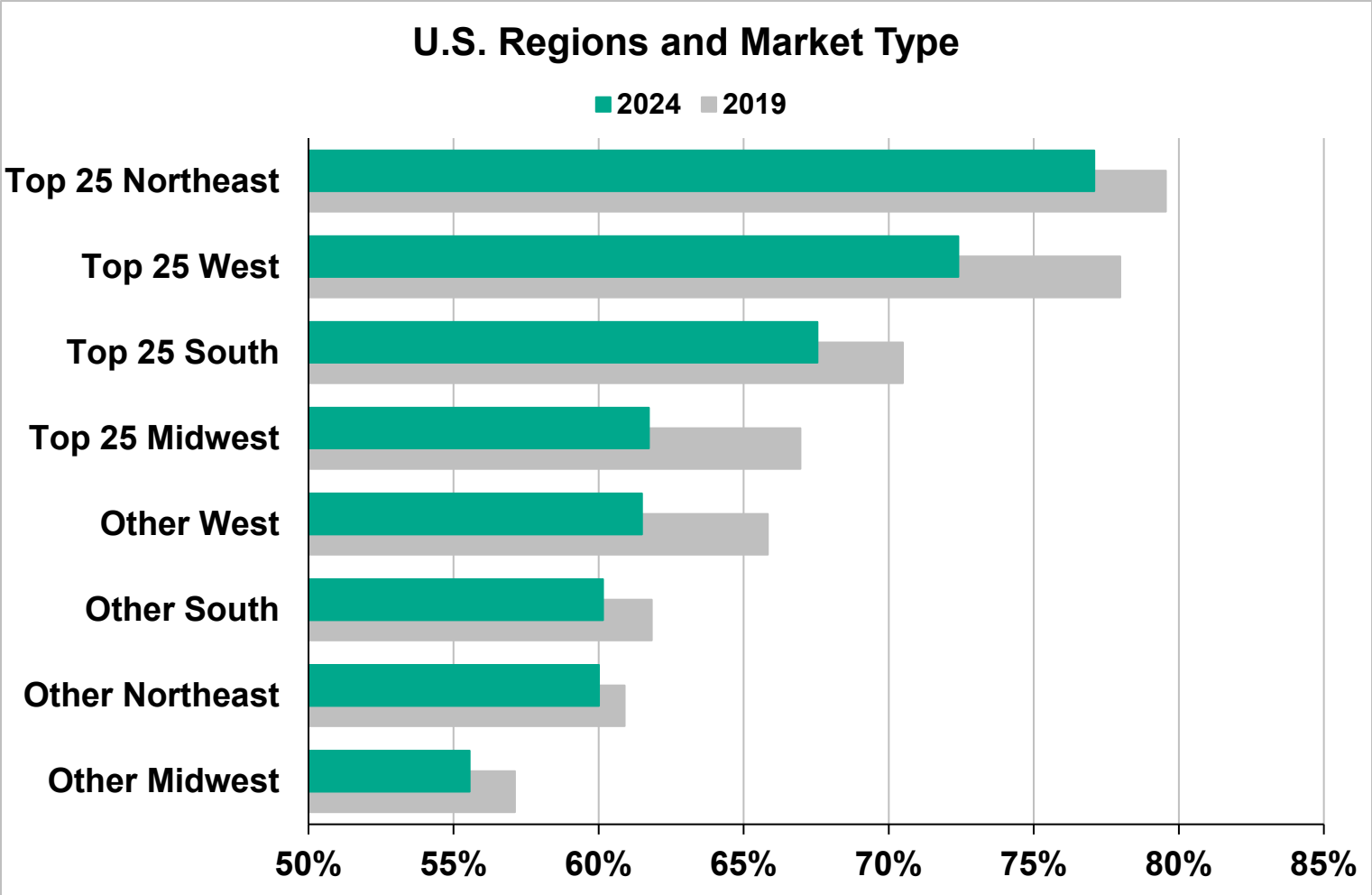
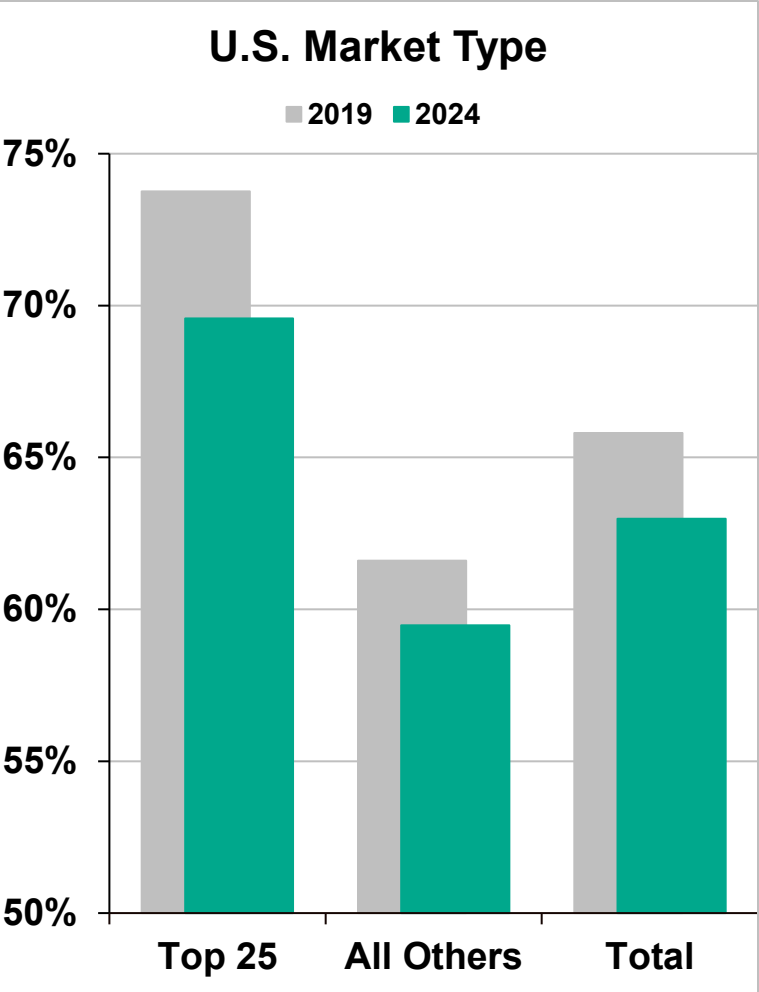
# Occupancy growth was mostly in Top 25 markets

Occupancy change, percentage points



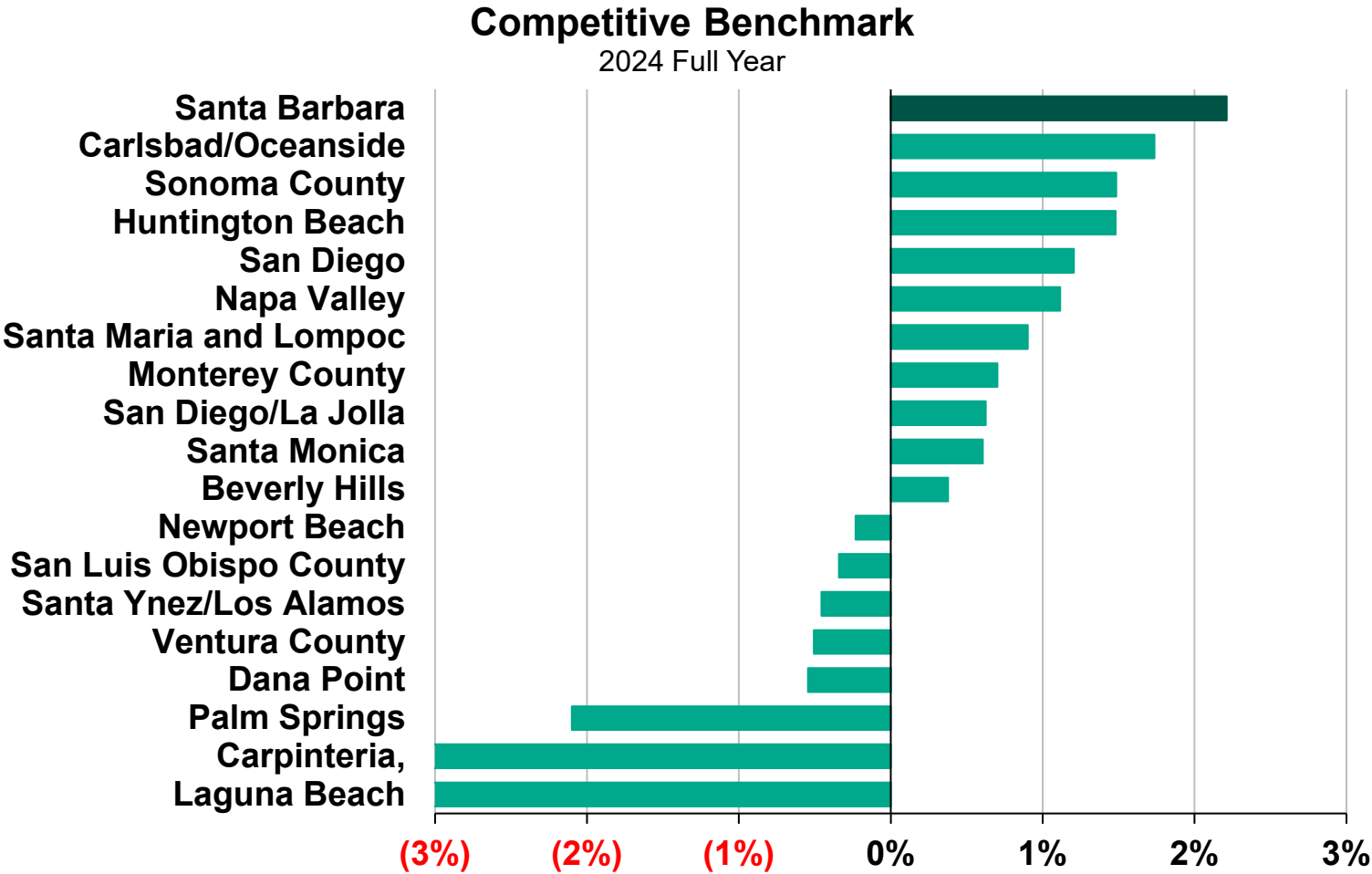
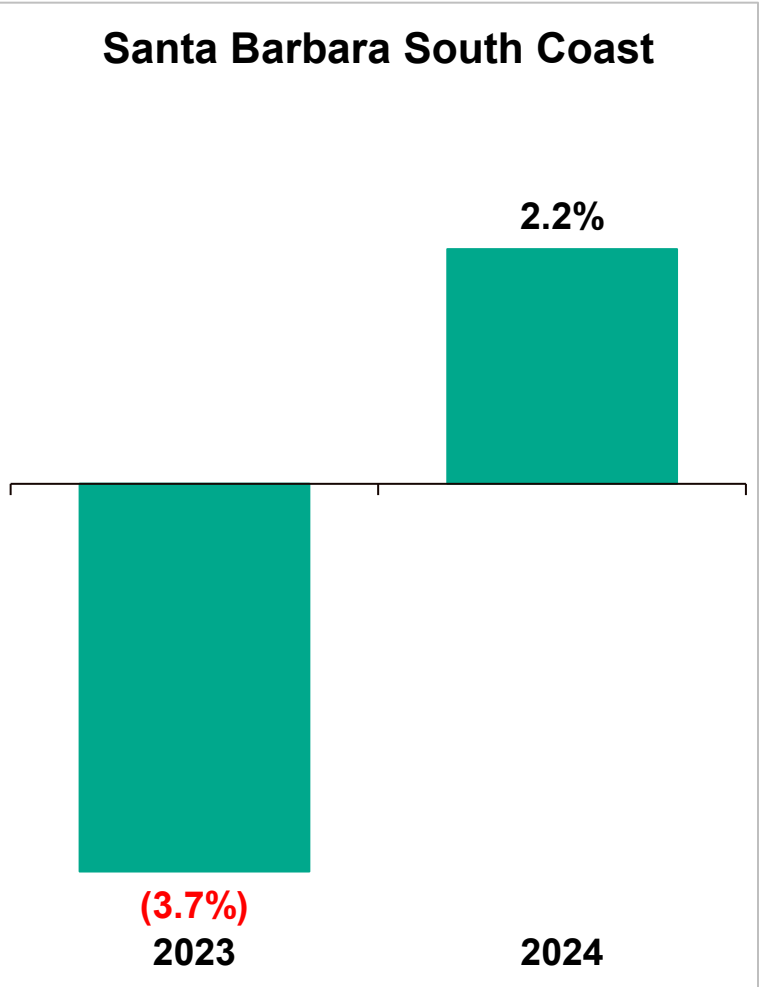
# While growing, Top 25 occupancy gap to 2019 significant

U.S. occupancy by market location, full year



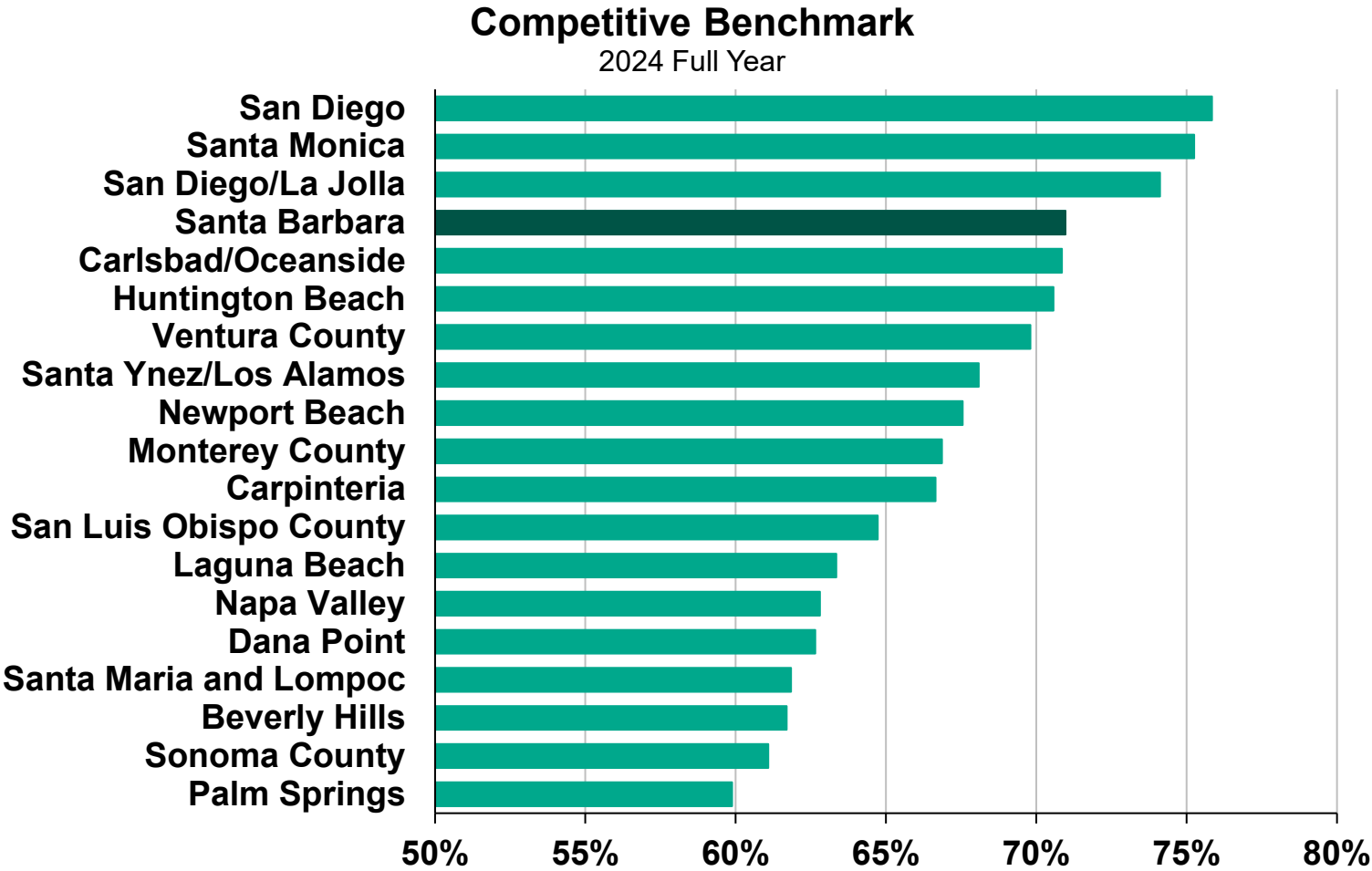
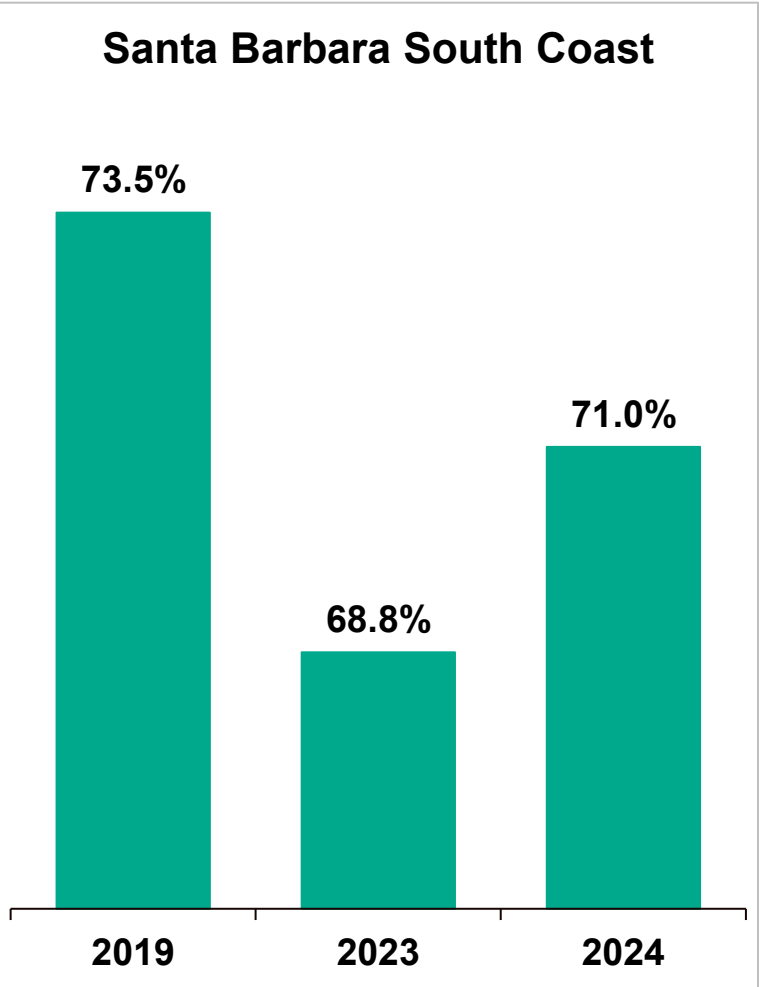
# Occupancy on the rise

Occupancy change



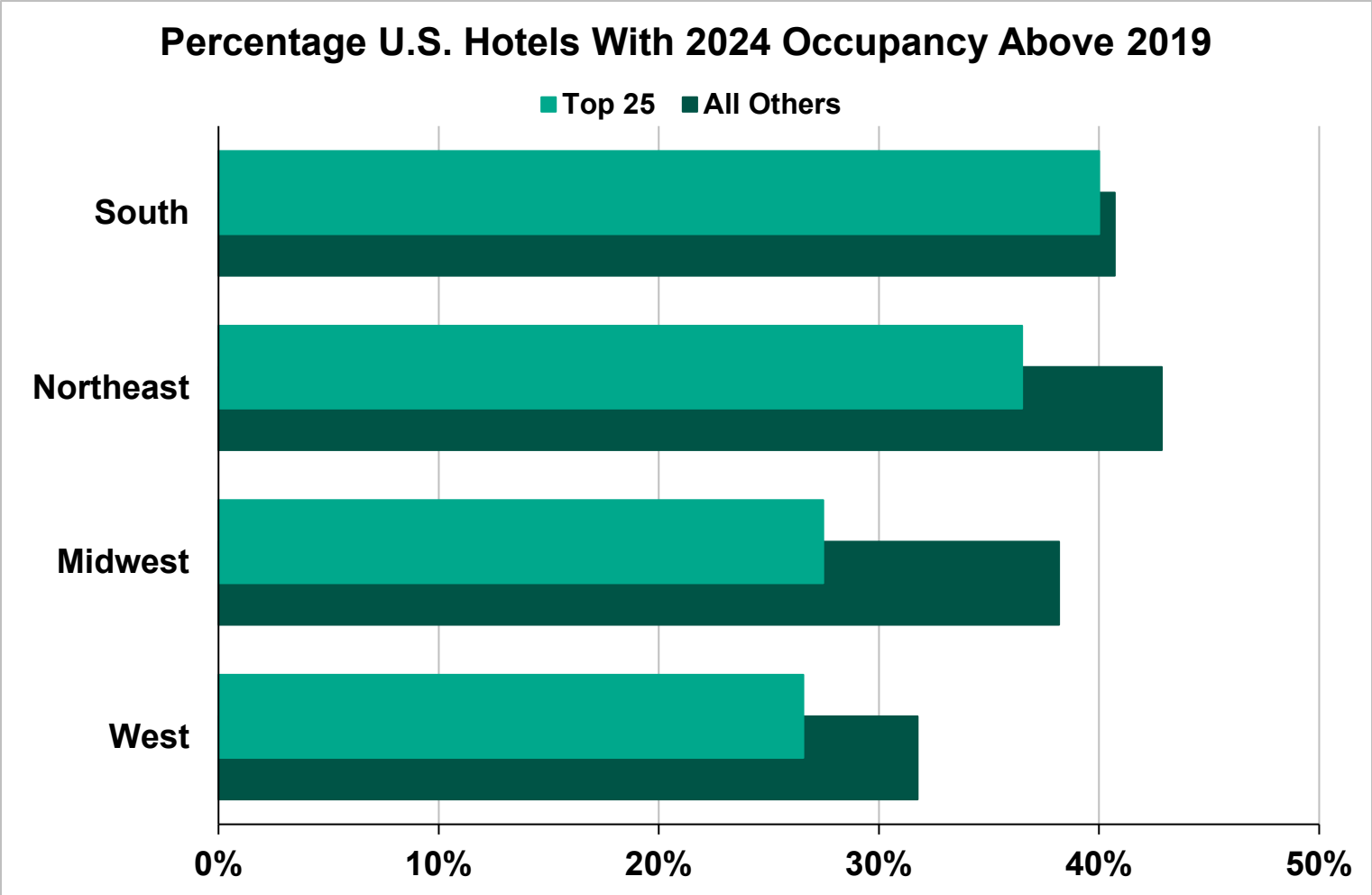
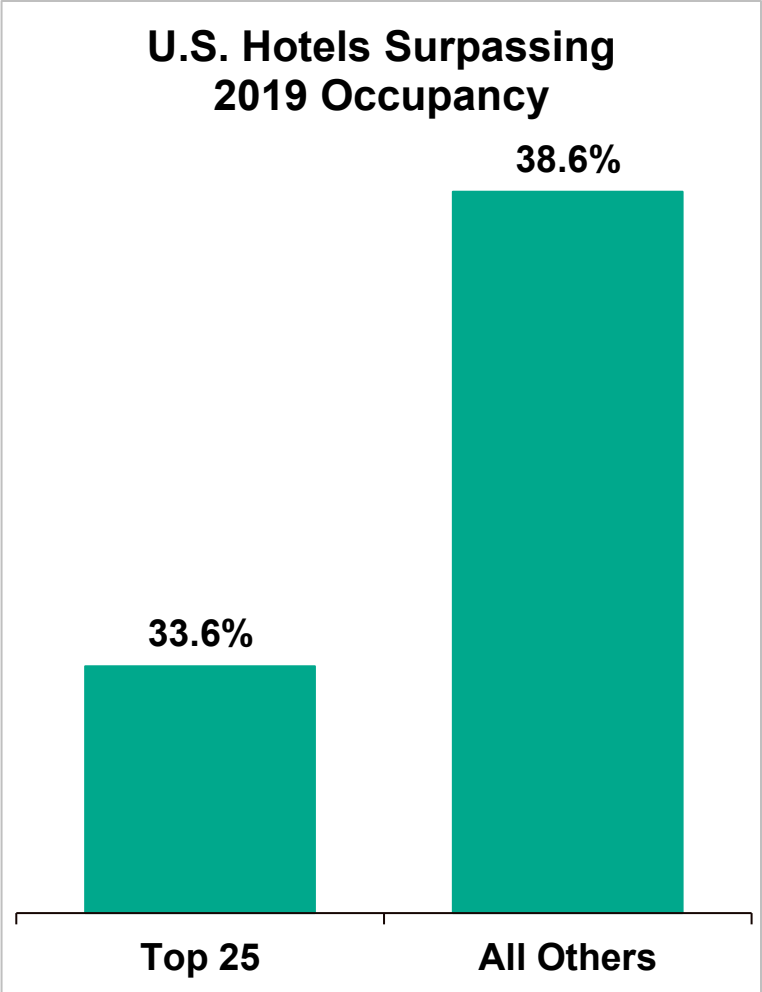
# While strong, Santa Barbara occupancy down compared to 2019

Occupancy change



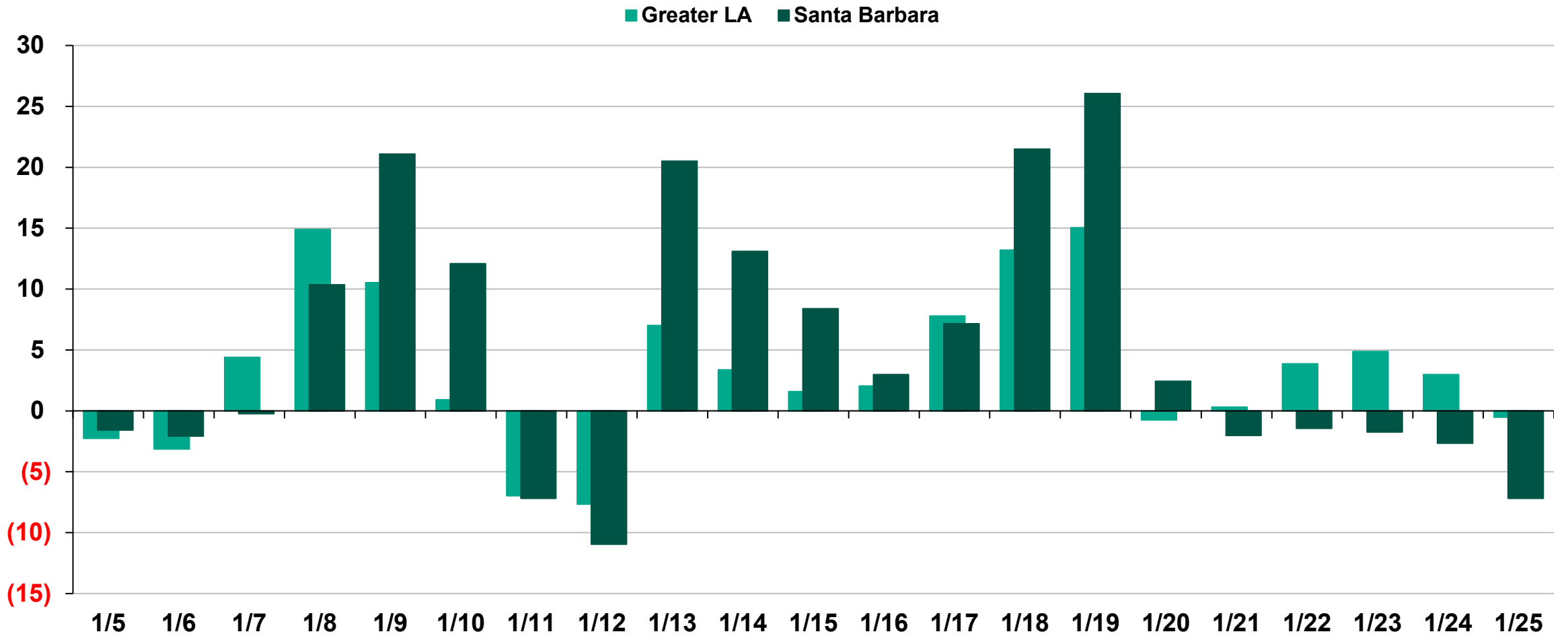
# Northeast leads in the percentage of hotels fully recovered in occupancy

Percentage of U.S. hotels with occupancy above 2019 levels, November YTD\*



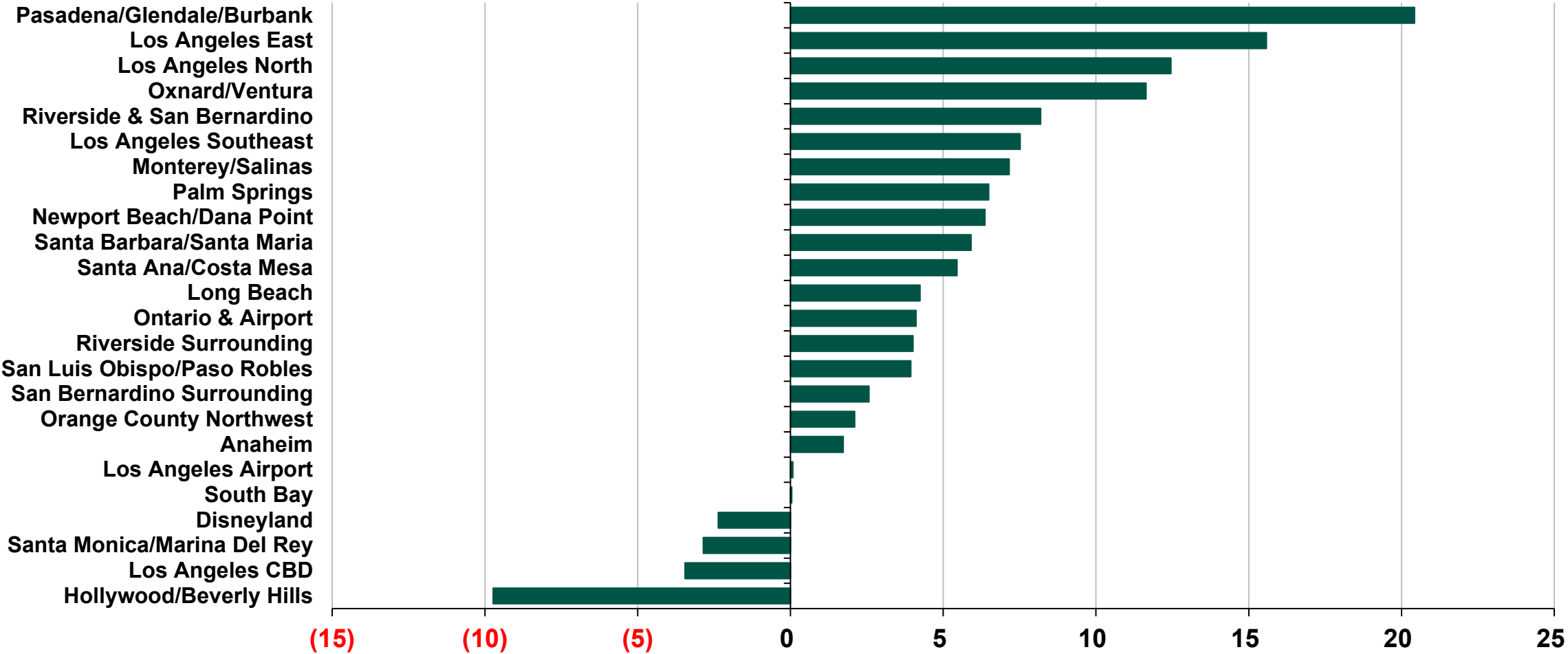
# Los Angeles area occupancy elevated

Occupancy change



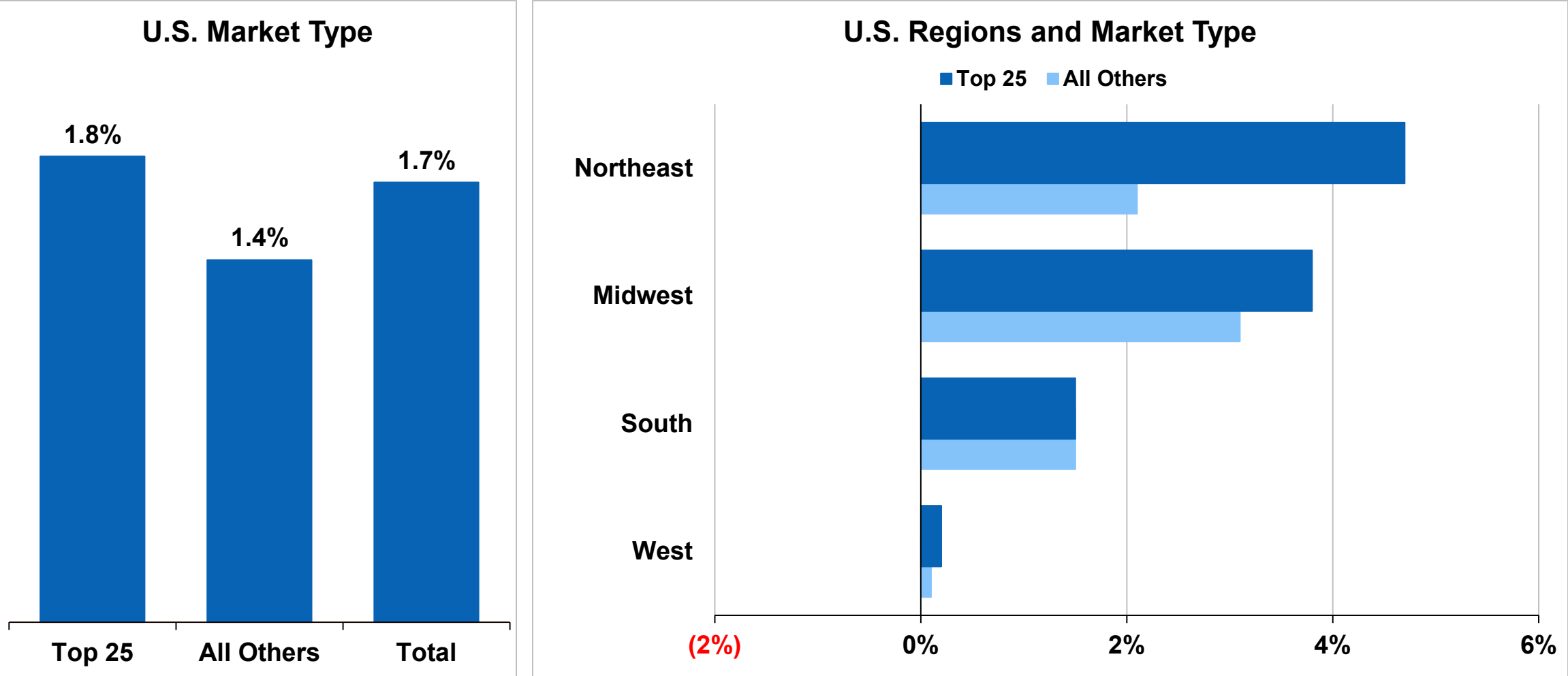
# LA tourist areas seeing sharp occupancy decreases

Greater Los Angeles submarket occupancy, January 7-25, 2025



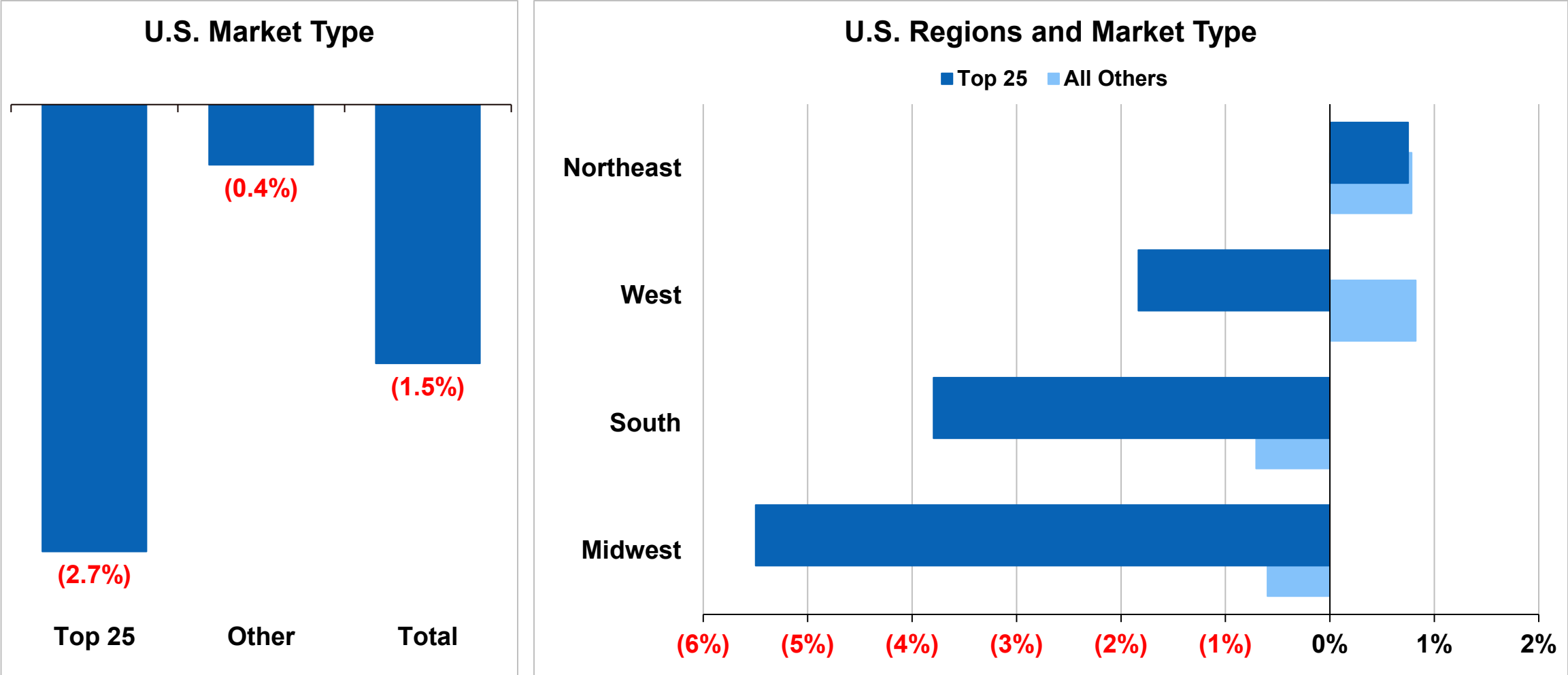
# U.S. ADR growth led by top markets

ADR change by market location, 2024 full year



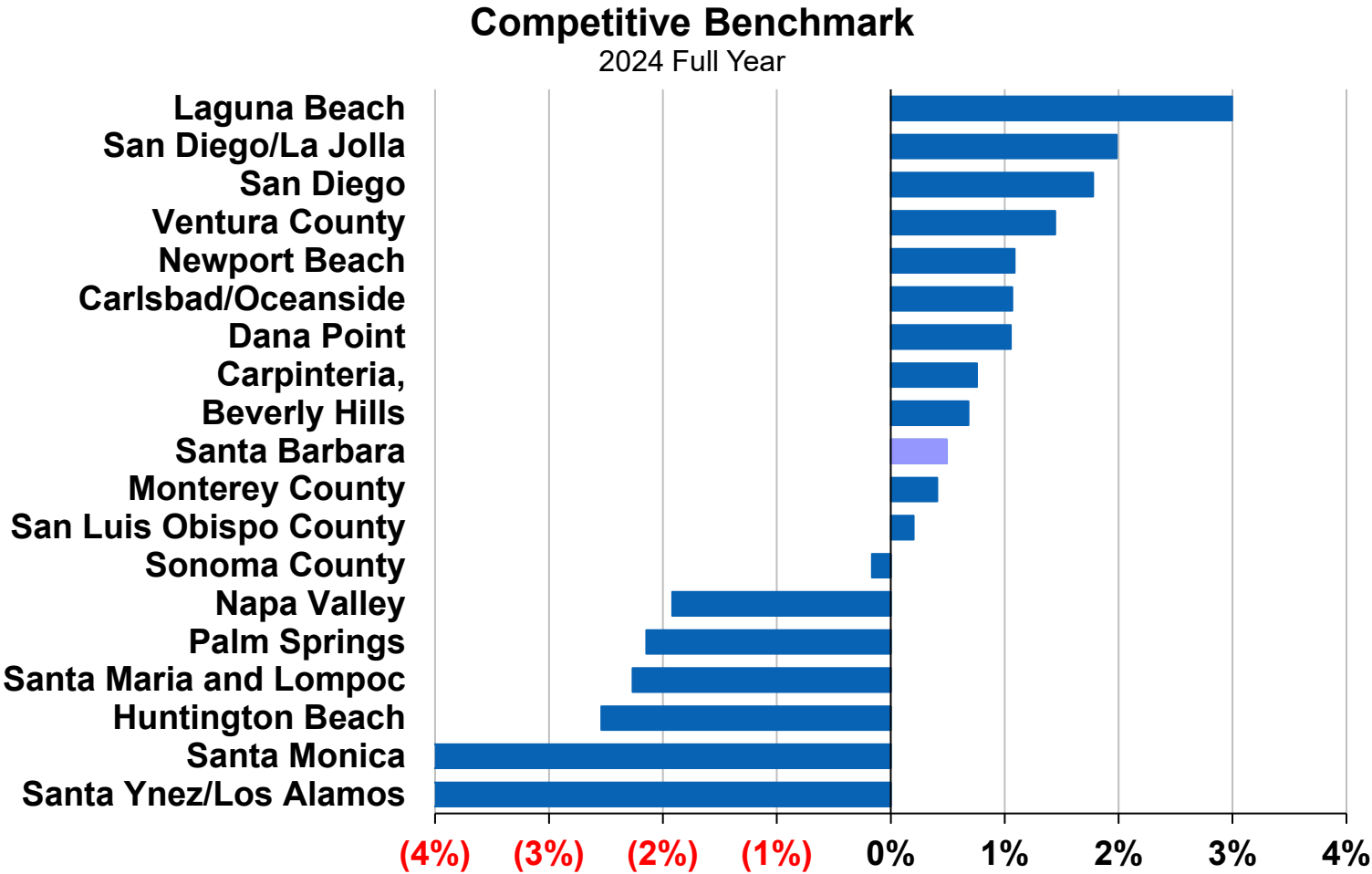
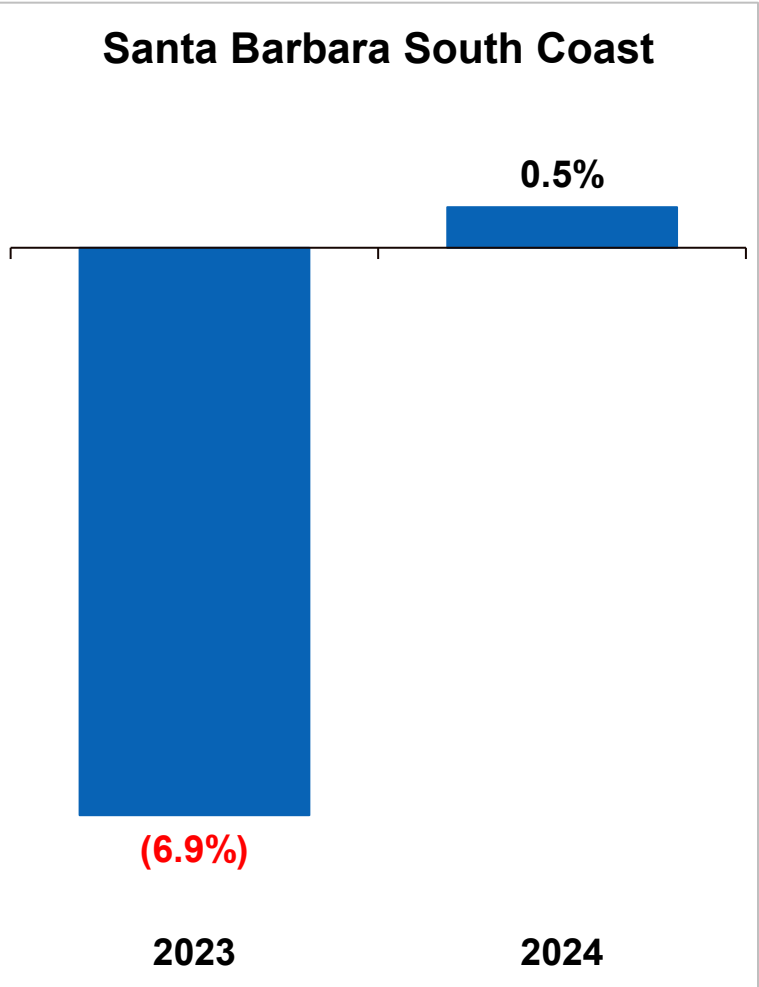
# Top 25 Markets outside of the Northeast keeping real ADR in arrears

Real (inflation-adjusted) ADR change by market location versus 2019, 2024 full year



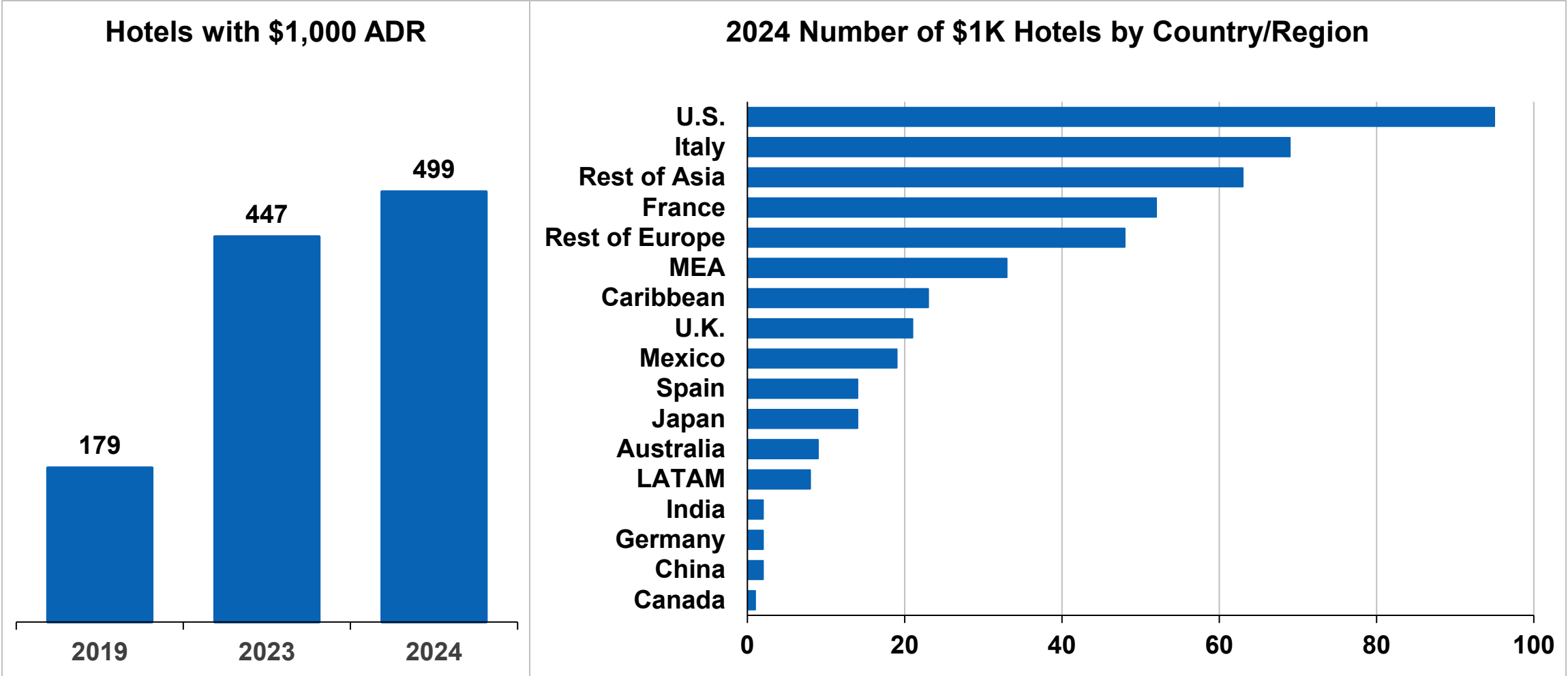
# Despite the decrease in 2023, real ADR well above 2019

ADR change



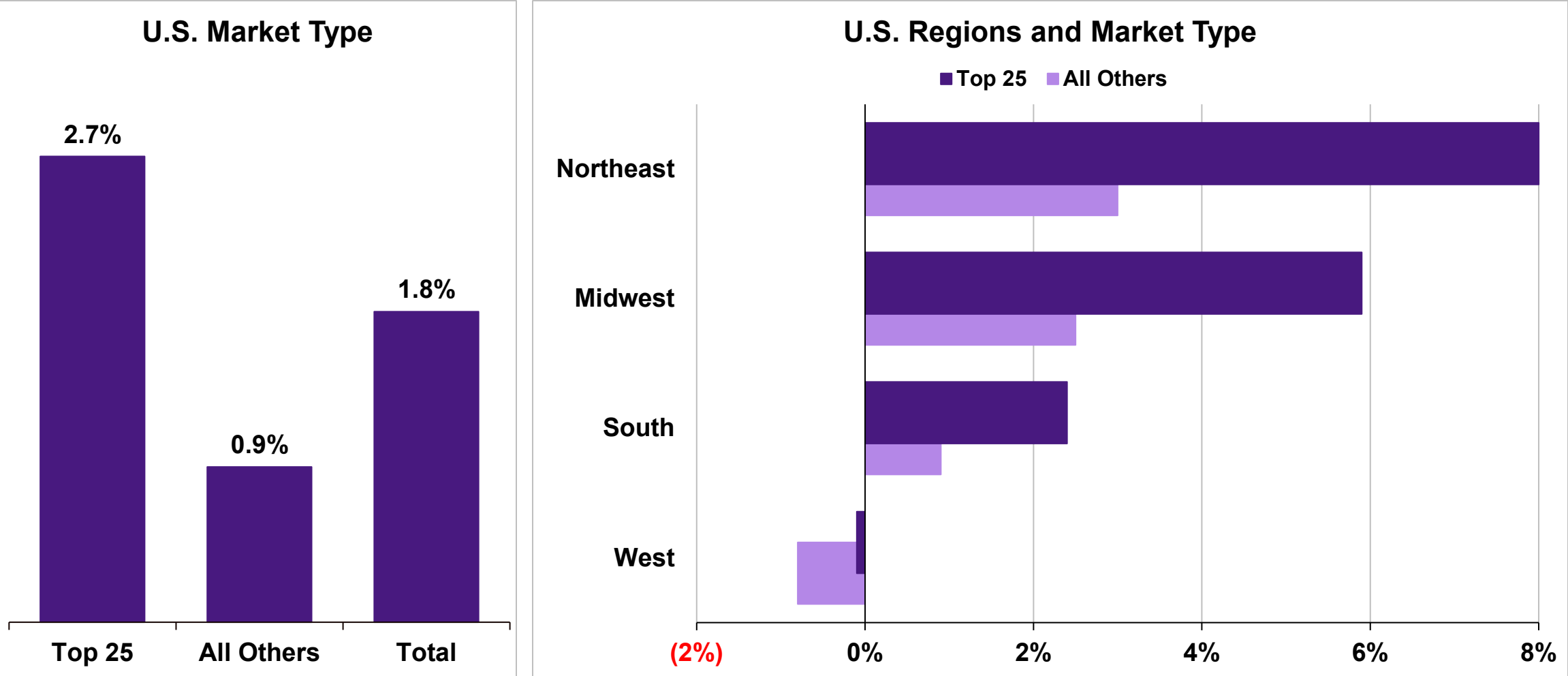
# \$1,000 ADR hotels increasing

Number of hotels with an average ADR above \$1,000, reporting hotels



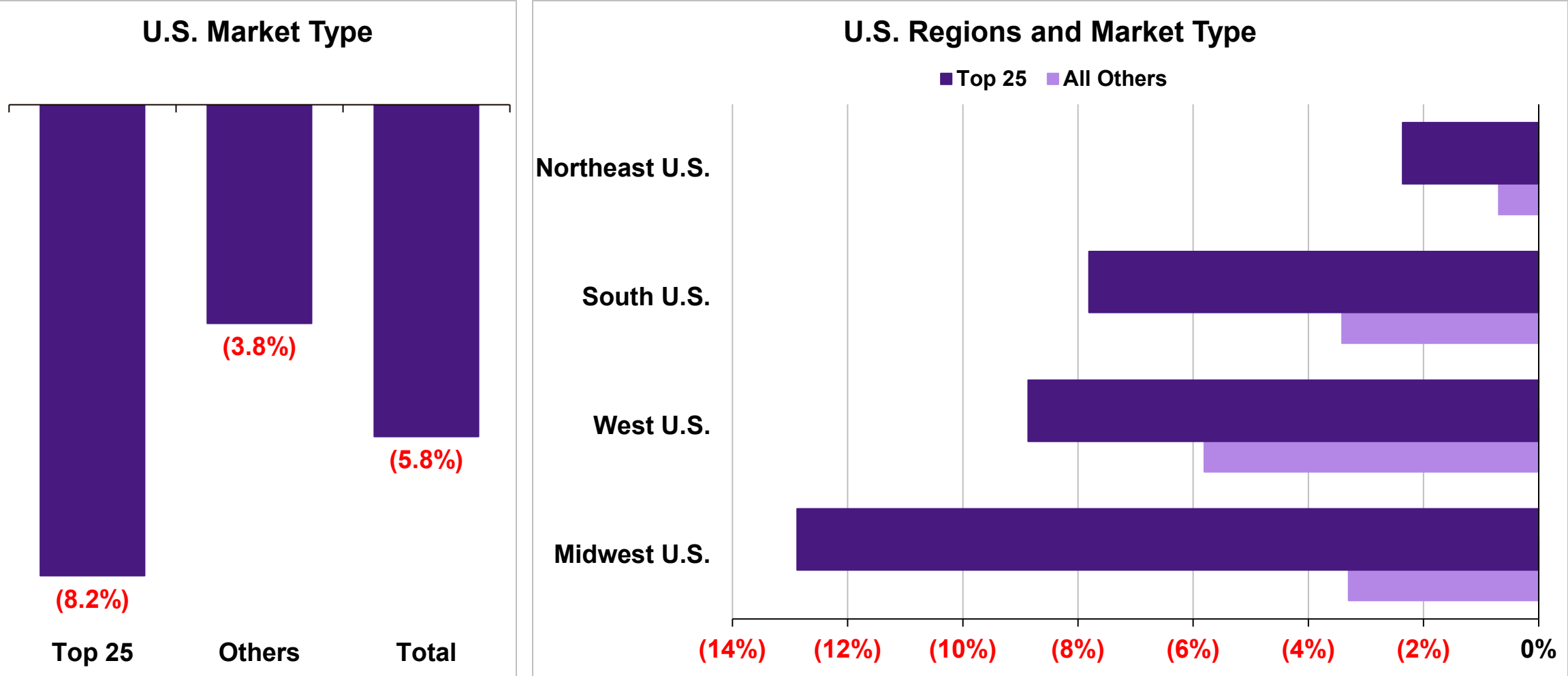
# Large cities drove 2024 RevPAR growth

RevPAR change by market location, 2024 full year



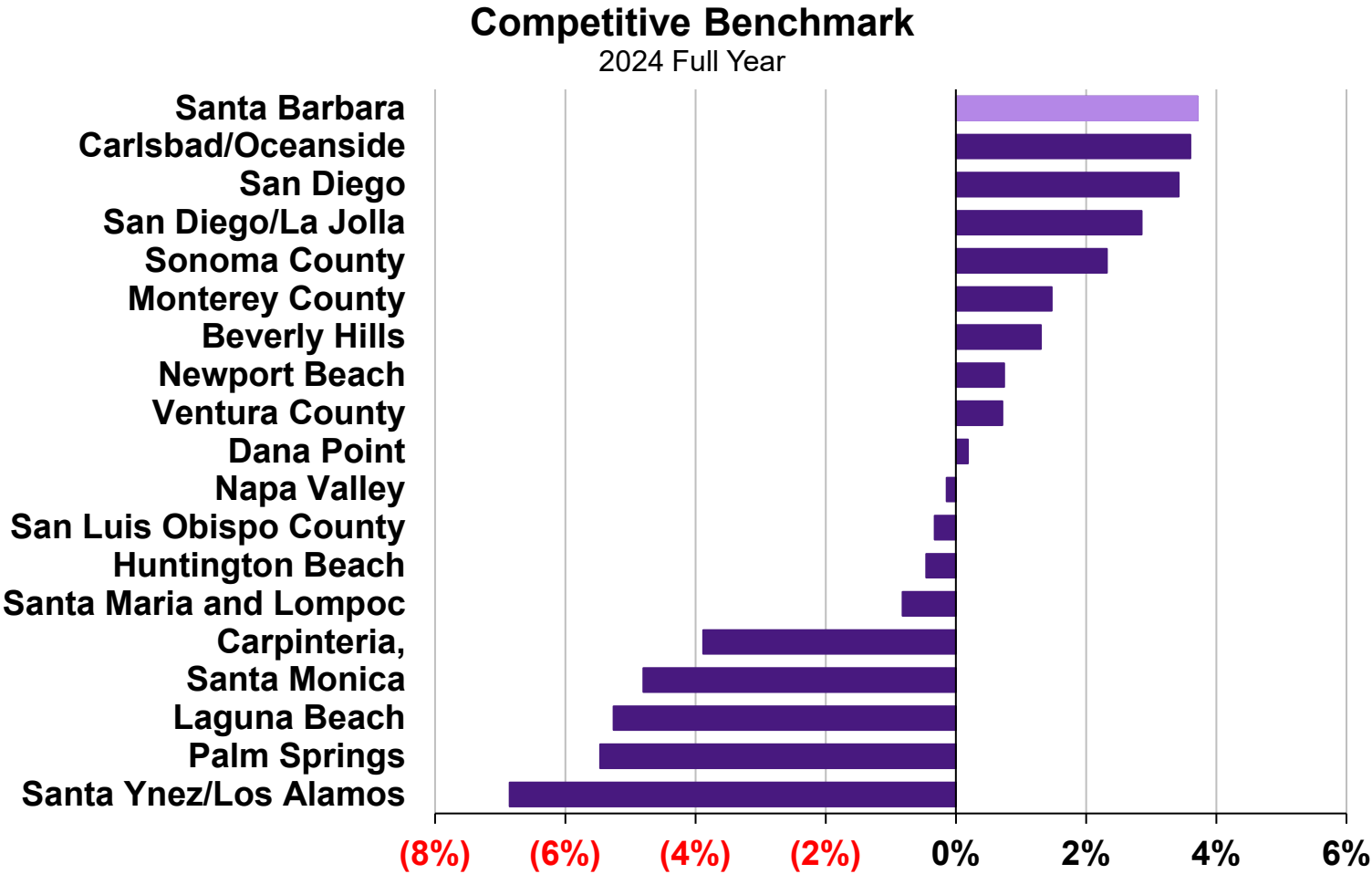
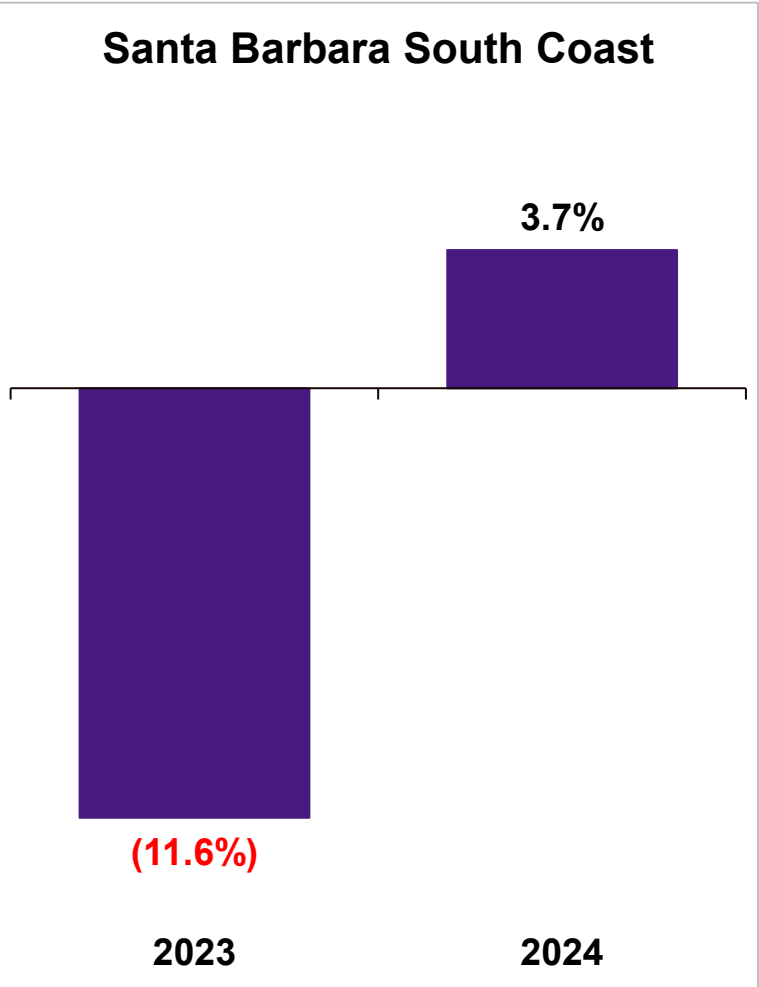
# Real RevPAR not yet at 2019 levels

Real (inflation-adjusted) RevPAR change by market location versus 2019, 2024 full year



# Santa Barbara RevPAR growth ahead of peers

RevPAR change



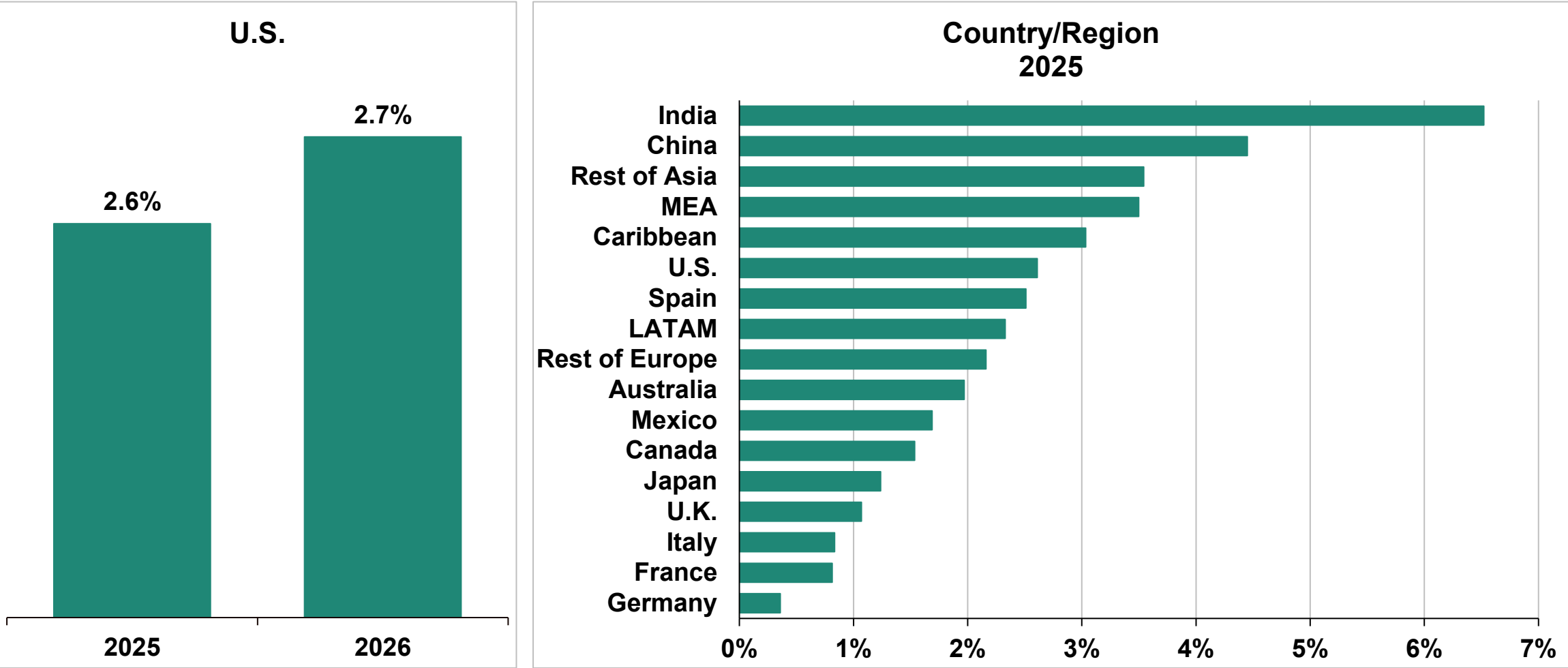


# Outlook



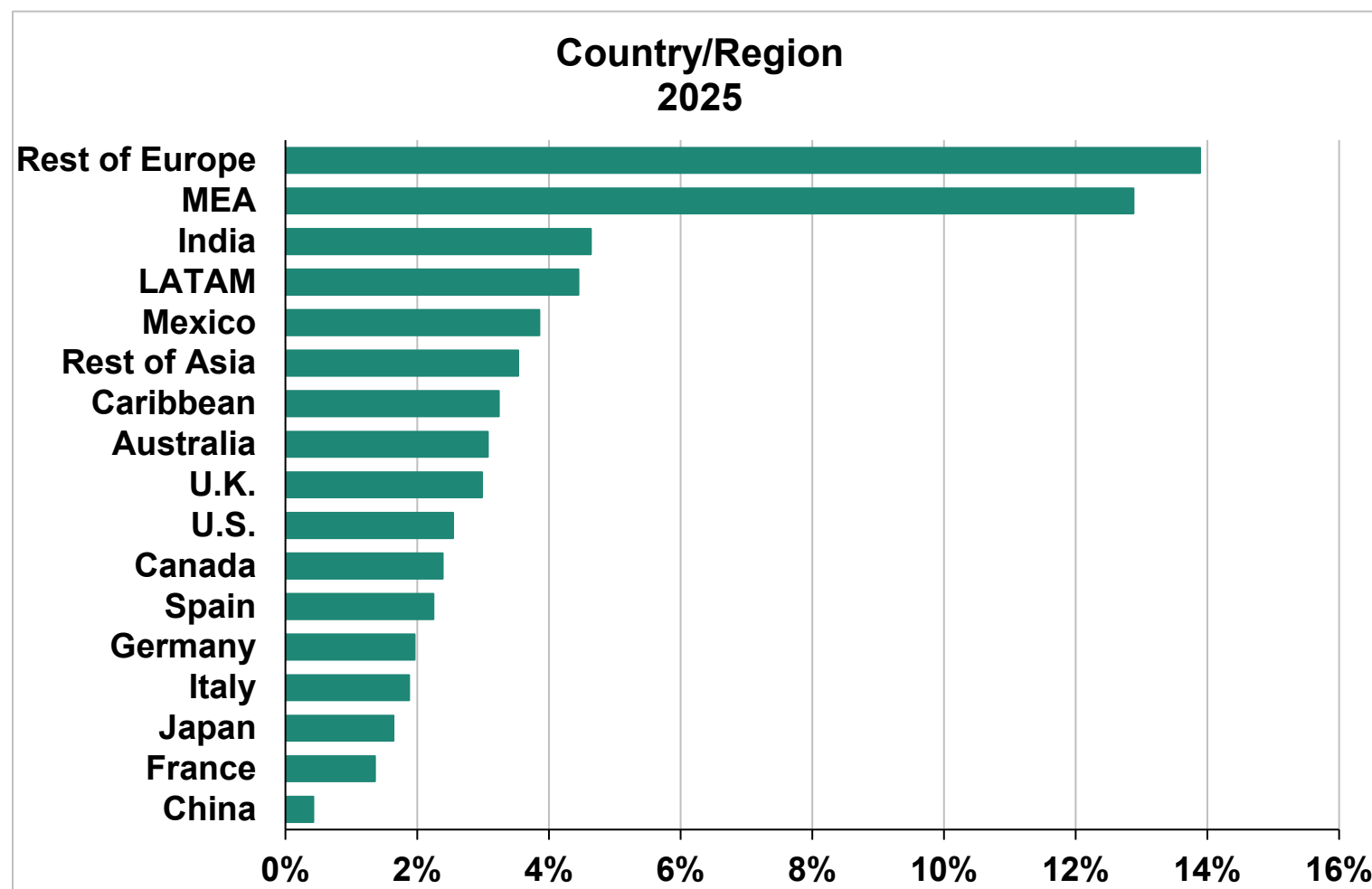
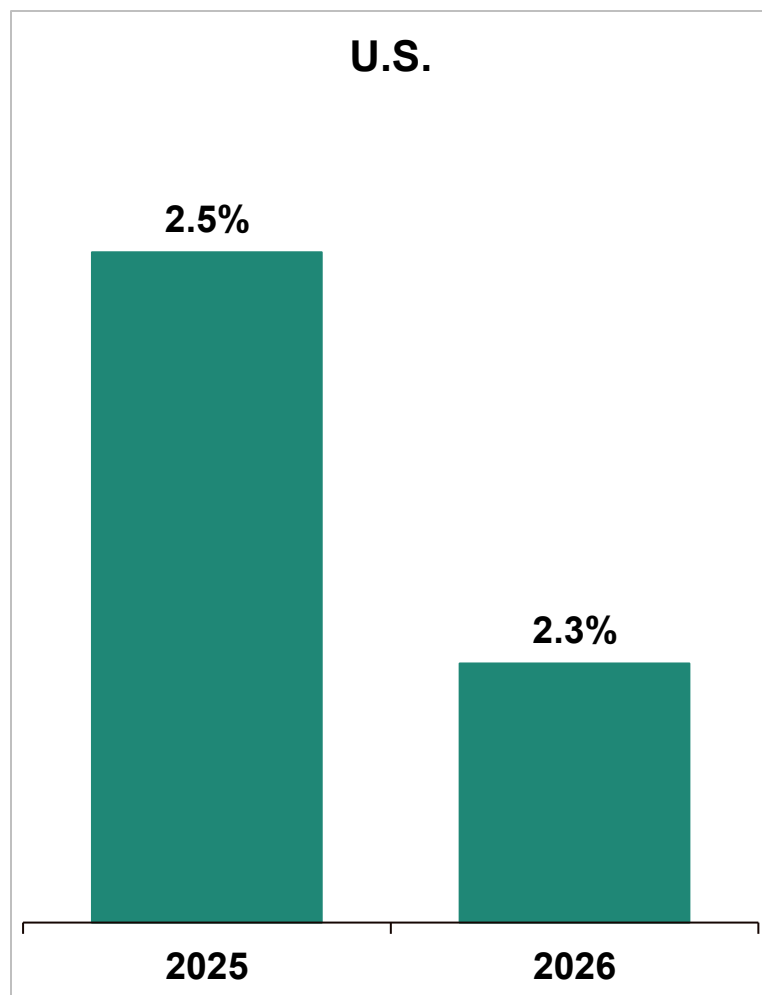
# The global economy looks favorable for travel

Real GDP, year over year change



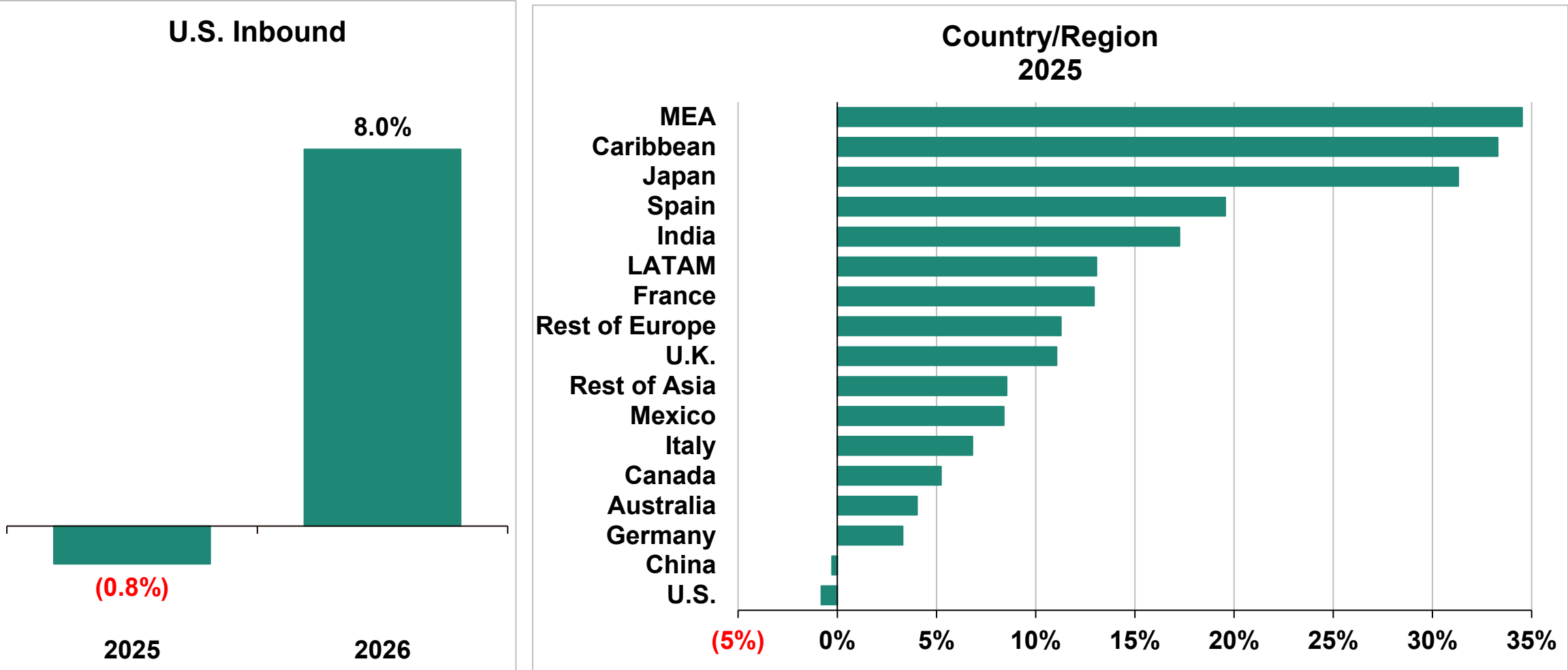
# Inflation slowing

Inflation, year-over-year change, regions weighted by GDP



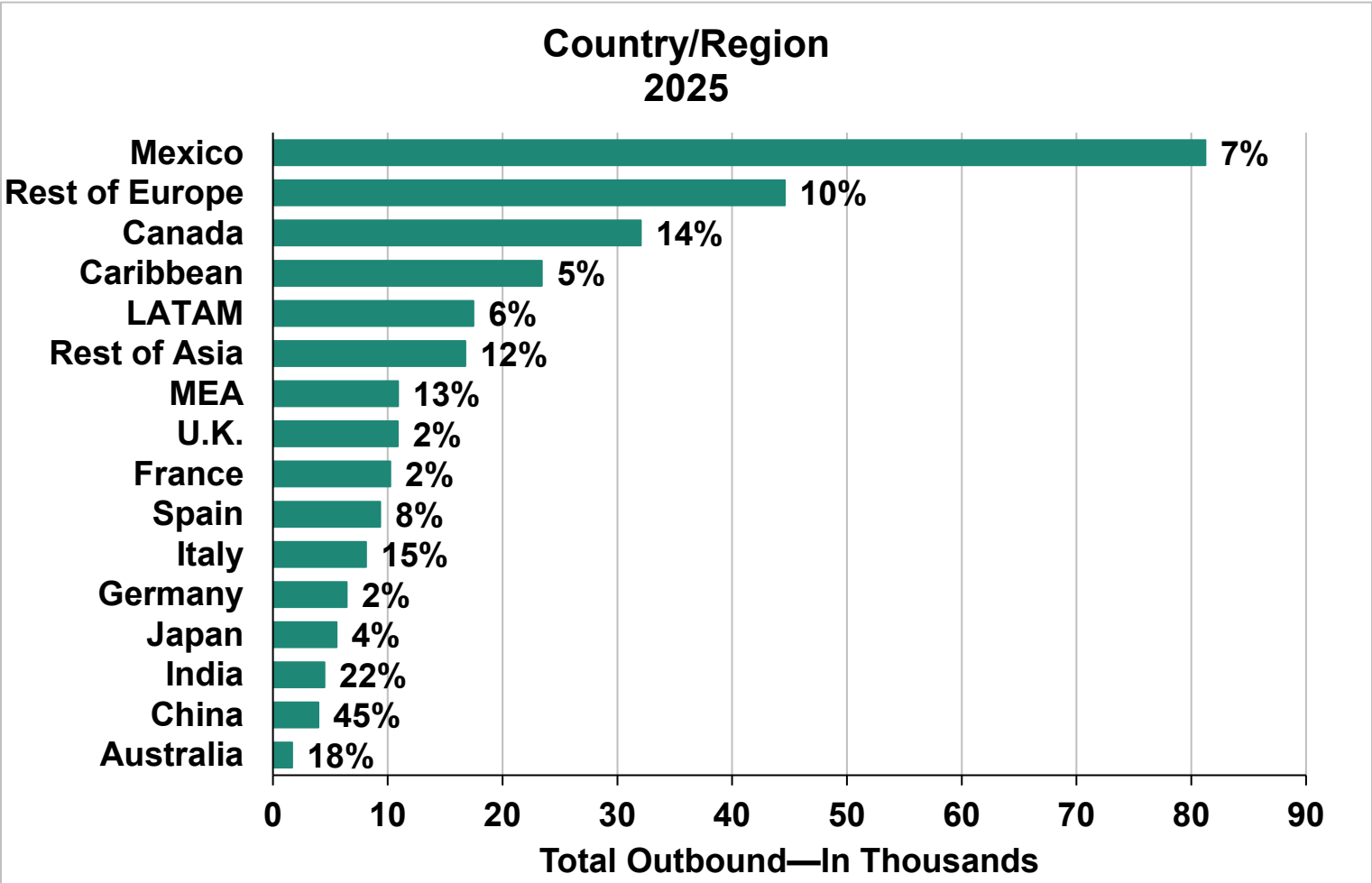
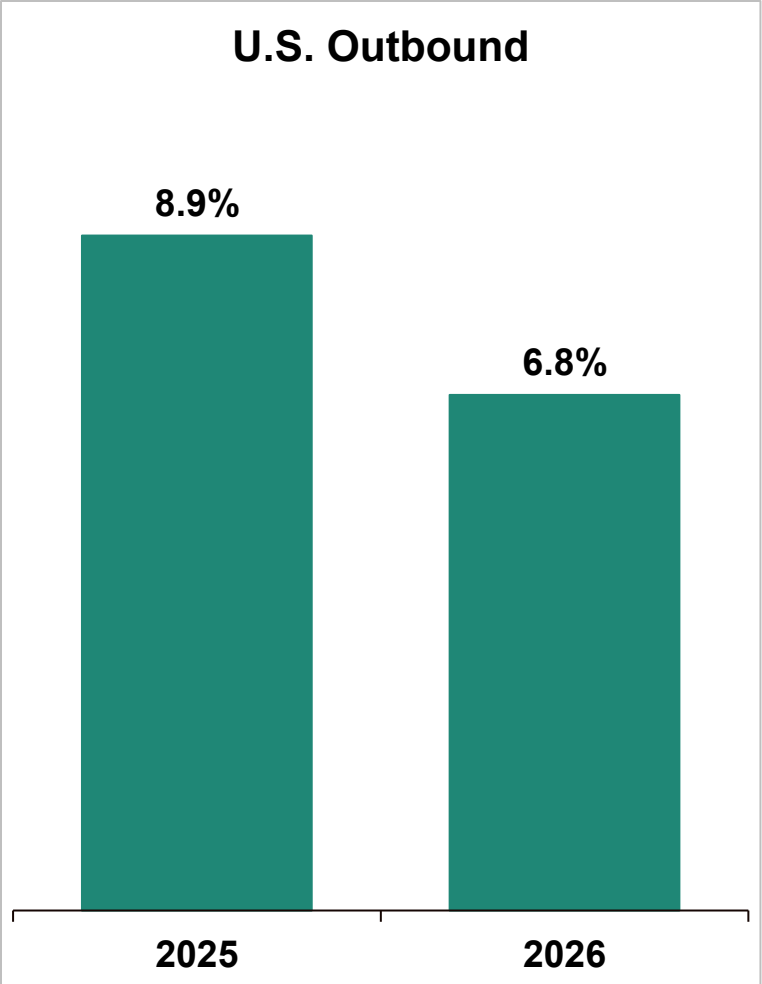
# International travel to surpass pre-pandemic levels

International overnight arrivals, indexed to 2019



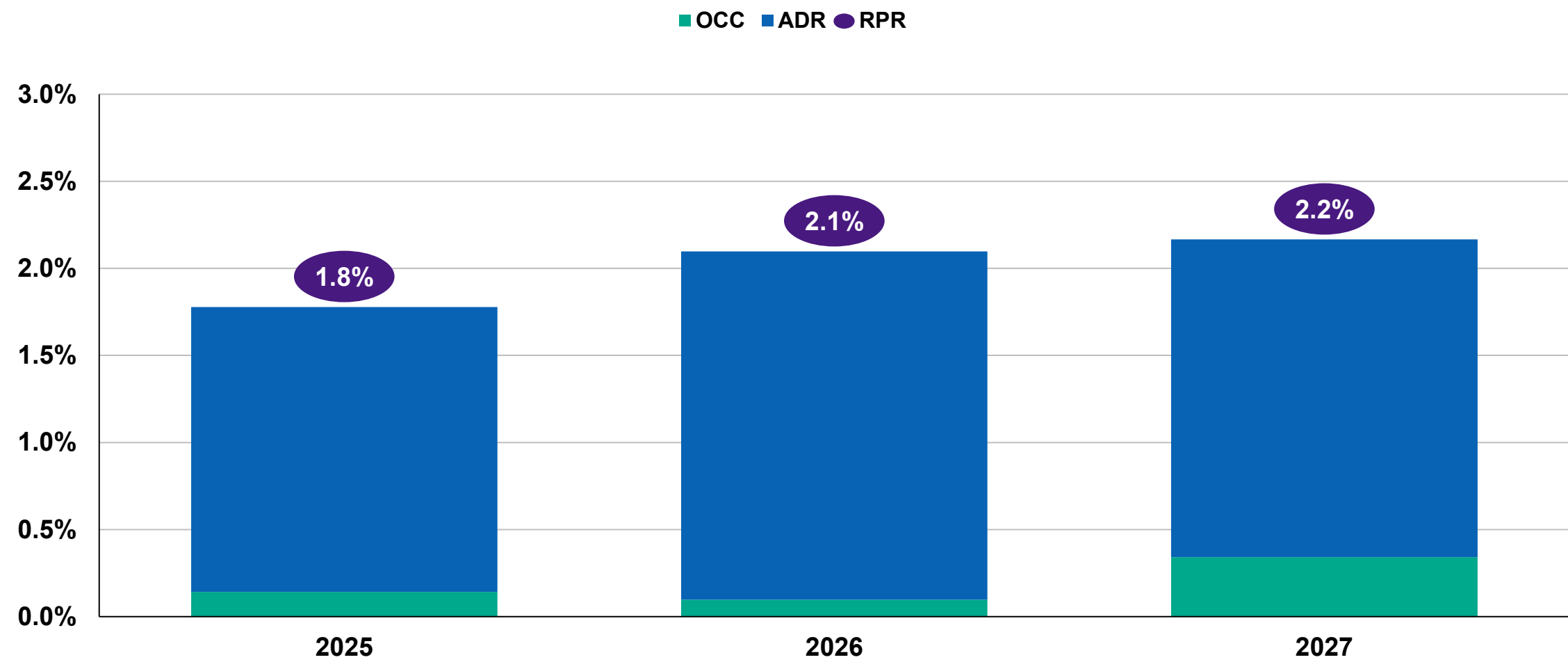
# U.S. outbound to continue growing

U.S. outbound arrivals, year over year change



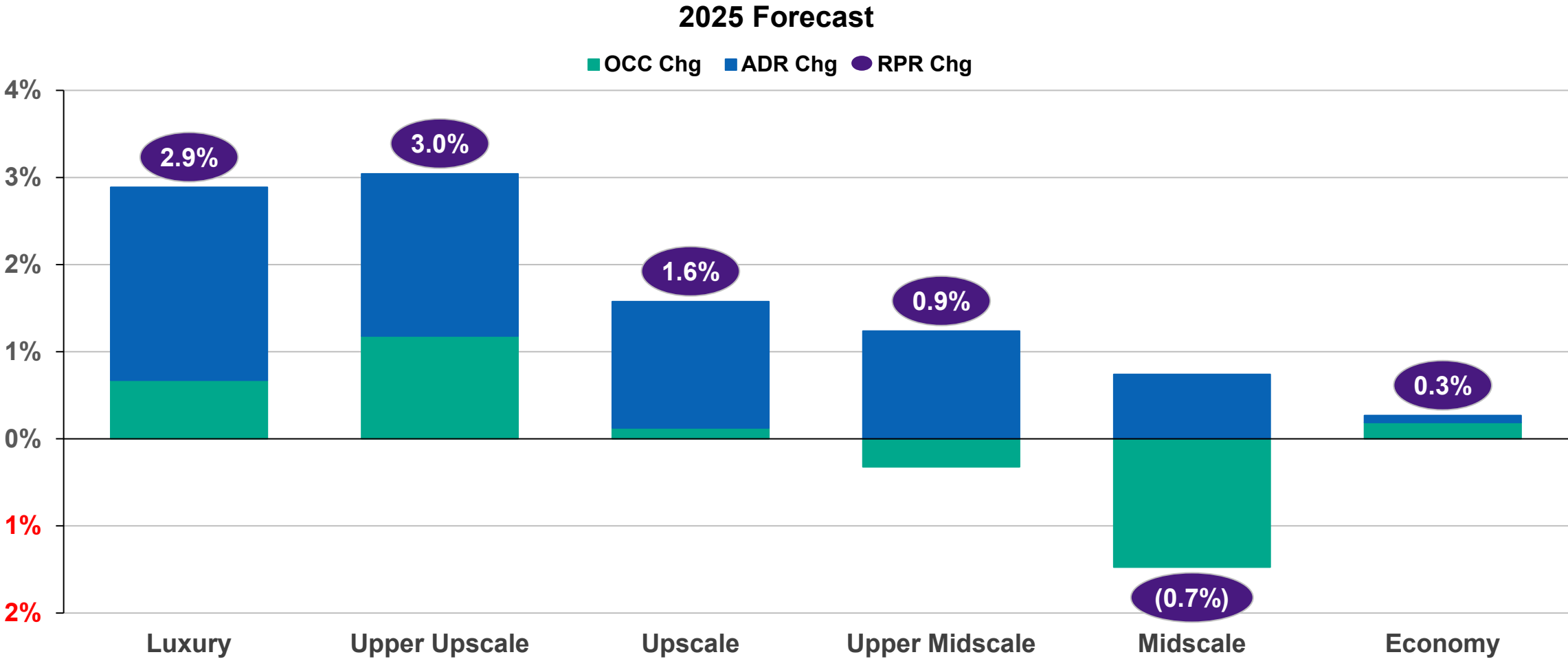
# Moderate RevPAR growth still expected in U.S.

U.S. forecast, January 20225 update



# Mainstream brands to drive RevPAR growth

U.S. chain scale forecast, January 2025 update



## Key Takeaways

Moderating performance

Significant gaps to 2019 remain

Increasing optimism



# Tell Me More

A HOSPITALITY DATA PODCAST





# Thank you.

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