



Hotel Performance Overview

Vacation Rental Data and Revenue
Management Conference

Patrick Mayock | VP

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Agenda



1.

Who we are

A brief introduction to STR and why we're the leader in accommodation benchmarking.

2.

View from the top

Setting the stage with global hotel performance.

3.

US overview

Hotel **performance** in the U.S.

4.

Top Markets

A look at U.S. market performance, with a focus on Labor Day weekend.

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STR – Who we are

The world's largest accommodation performance sample



over
35 years
of expertise



Data from
180 countries



67,000
Hotels



9.0 million
Rooms

Select snapshot of data providers

 **DHARMA** HOME SUITES

aka.

STAM
Short Term Accommodation Association

 **ACCOR HOTELS**
Feel Welcome


MINT HOUSE

 **kasa**

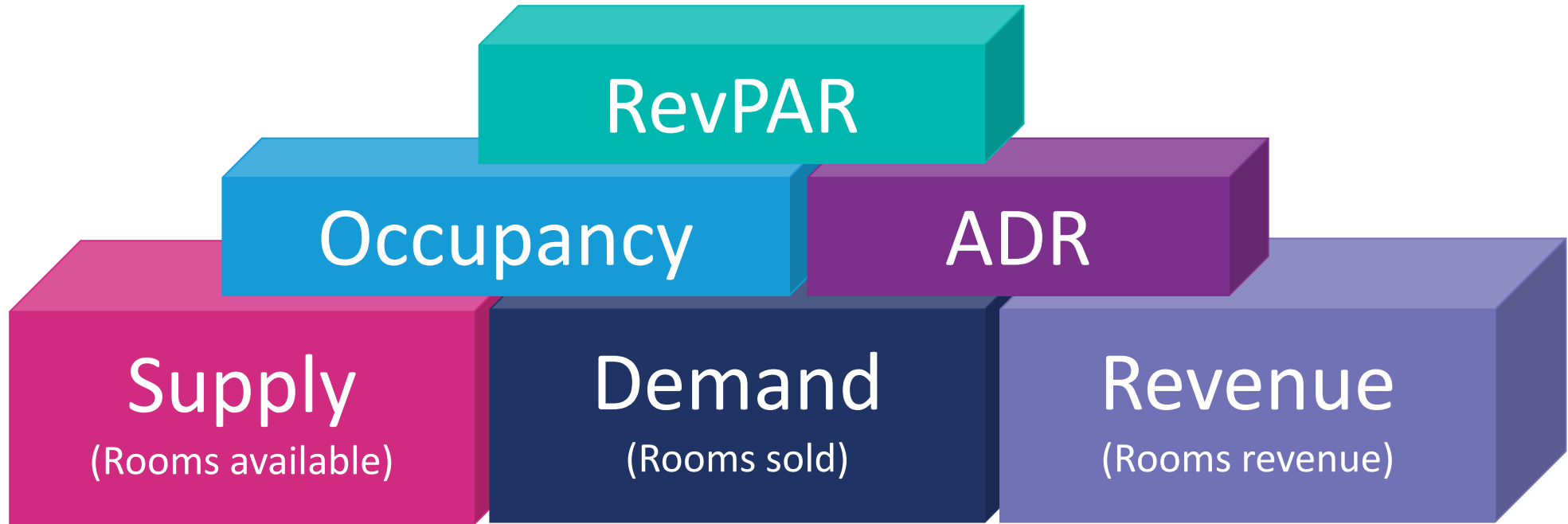
 **Marriott**

Hilton

STR is the leading provider of global data benchmarking, analytics and marketplace insights.

- All data collected **directly from the source.**
- **Confidentiality** is the core of STR's business.
- We are an **independent third-party.** We don't operate hotels or hostels.

Building Blocks of STR Benchmarking



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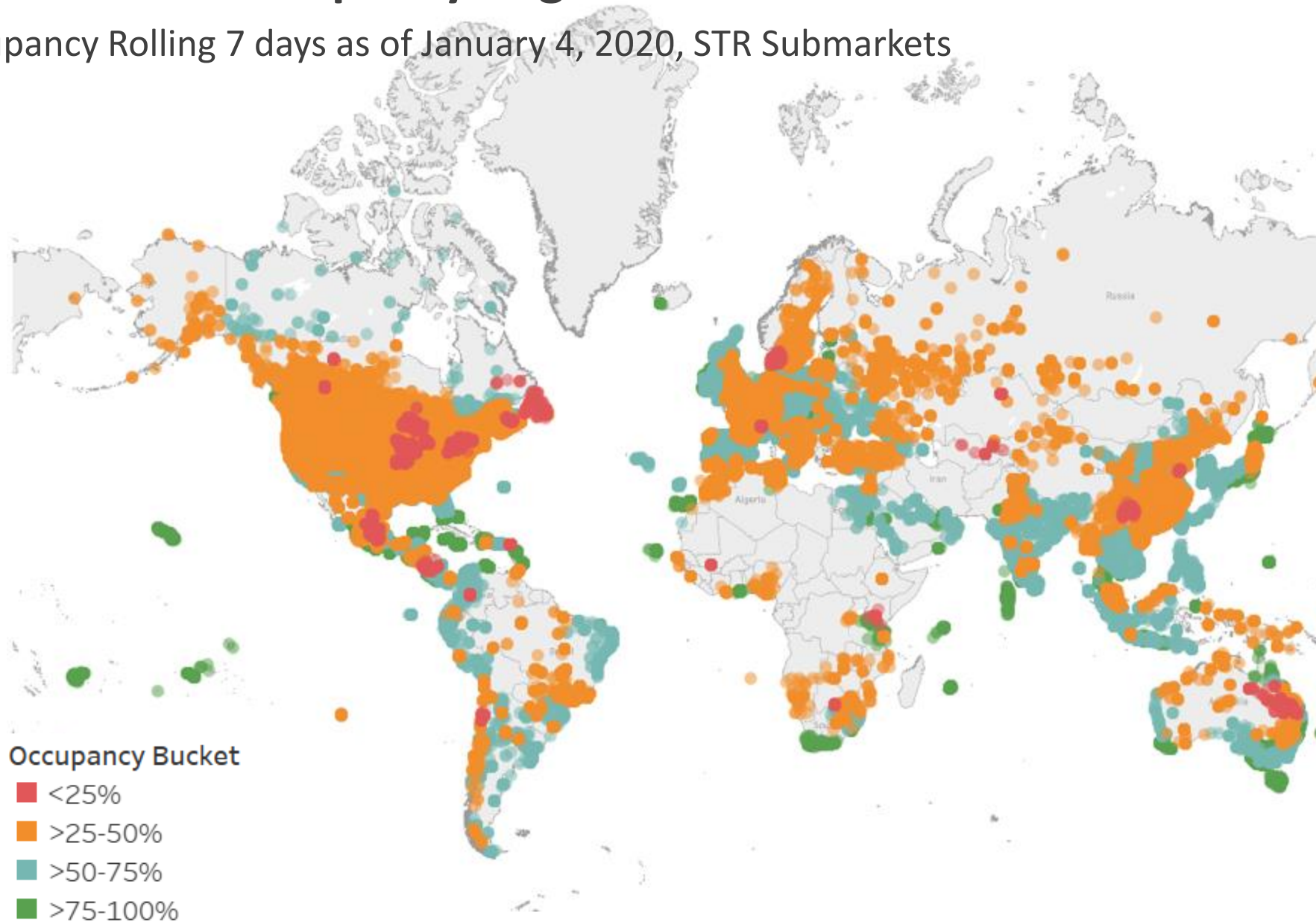
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A look at U.S. market performance, with a focus on Labor Day weekend.

Global hotel Occupancy began 2020 at normal levels

Occupancy Rolling 7 days as of January 4, 2020, STR Submarkets





Occupancy of reporting (open) hotels in STR sub-markets. Rolling 7 days to 04 April 2020

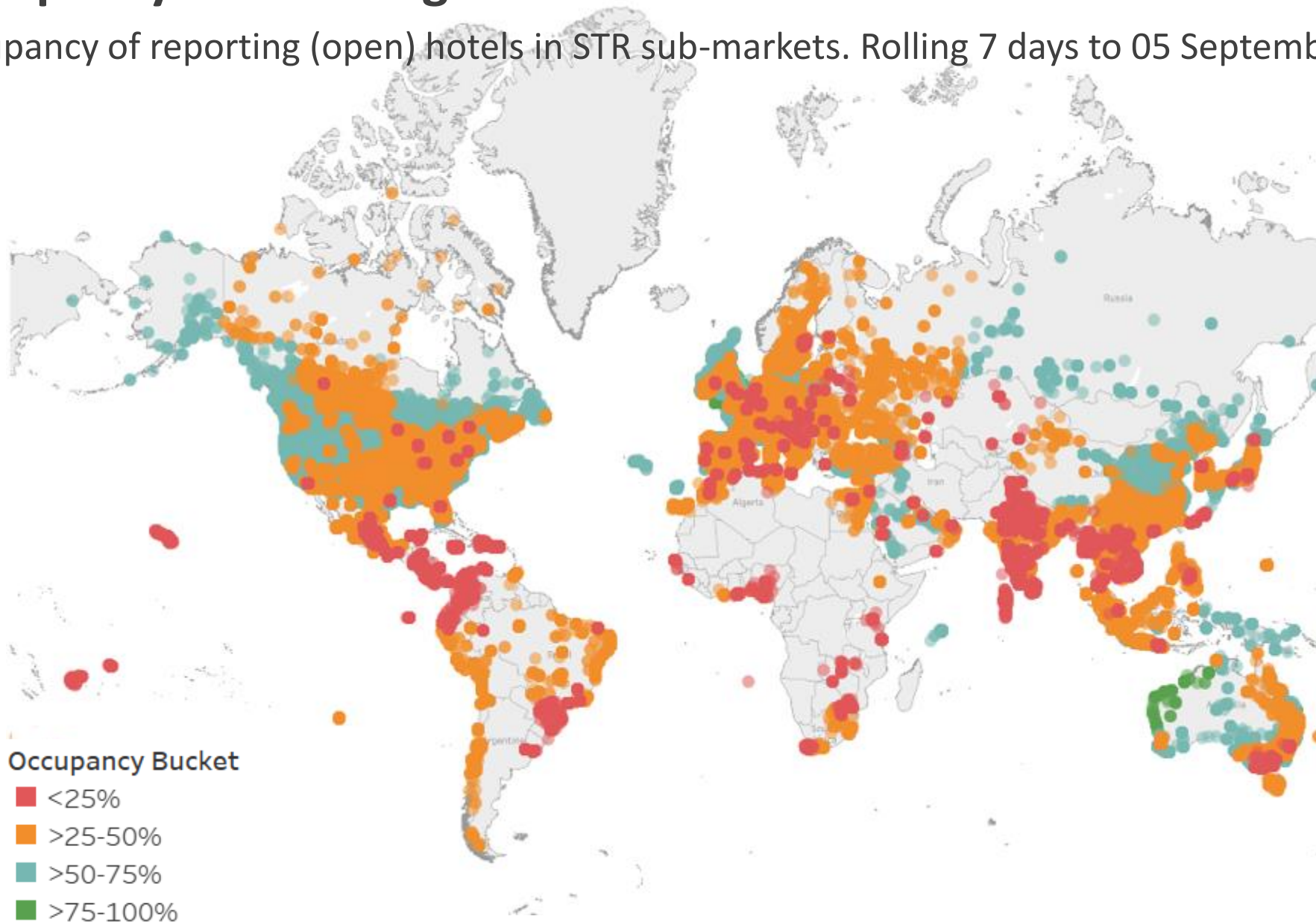
The map displays the occupancy of reporting (open) hotels in STR sub-markets as of April 4, 2020, based on a rolling 7-day average. The map uses a color-coded system to represent different occupancy buckets. The legend indicates four categories: red for occupancy below 25%, orange for 25-50%, teal for 50-75%, and green for 75-100%. The map shows a high concentration of red dots across North America, Europe, and Asia, indicating low occupancy levels. Orange dots are scattered across the Americas and Europe. Teal dots are visible in parts of Asia and Europe. Green dots are not visible on the map. The map also shows the outlines of major landmasses and some country borders.

Occupancy Bucket

- <25%
- >25-50%
- >50-75%
- >75-100%

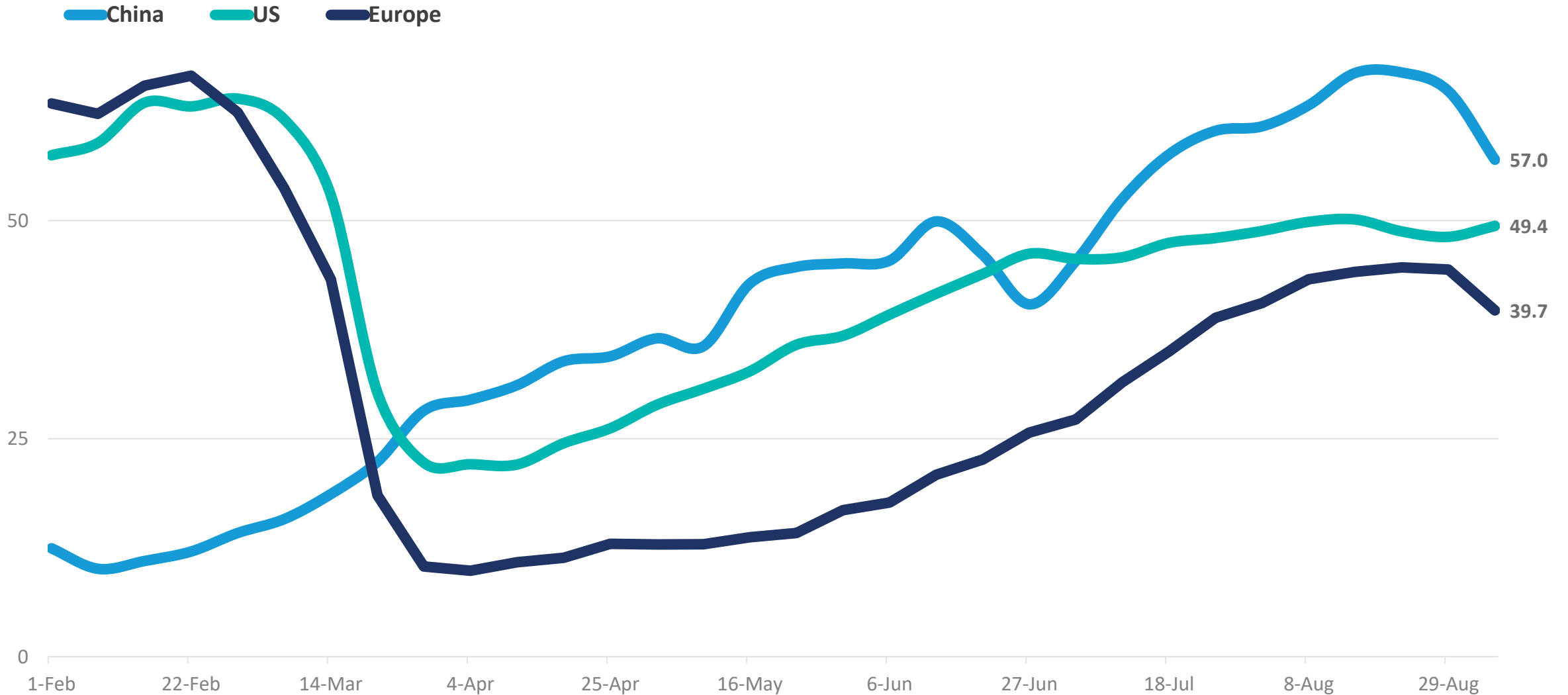
Occupancy still hurting several months into COVID

Occupancy of reporting (open) hotels in STR sub-markets. Rolling 7 days to 05 September 2020



Europe opens up. China at 67%. US backtracks to 48.8%

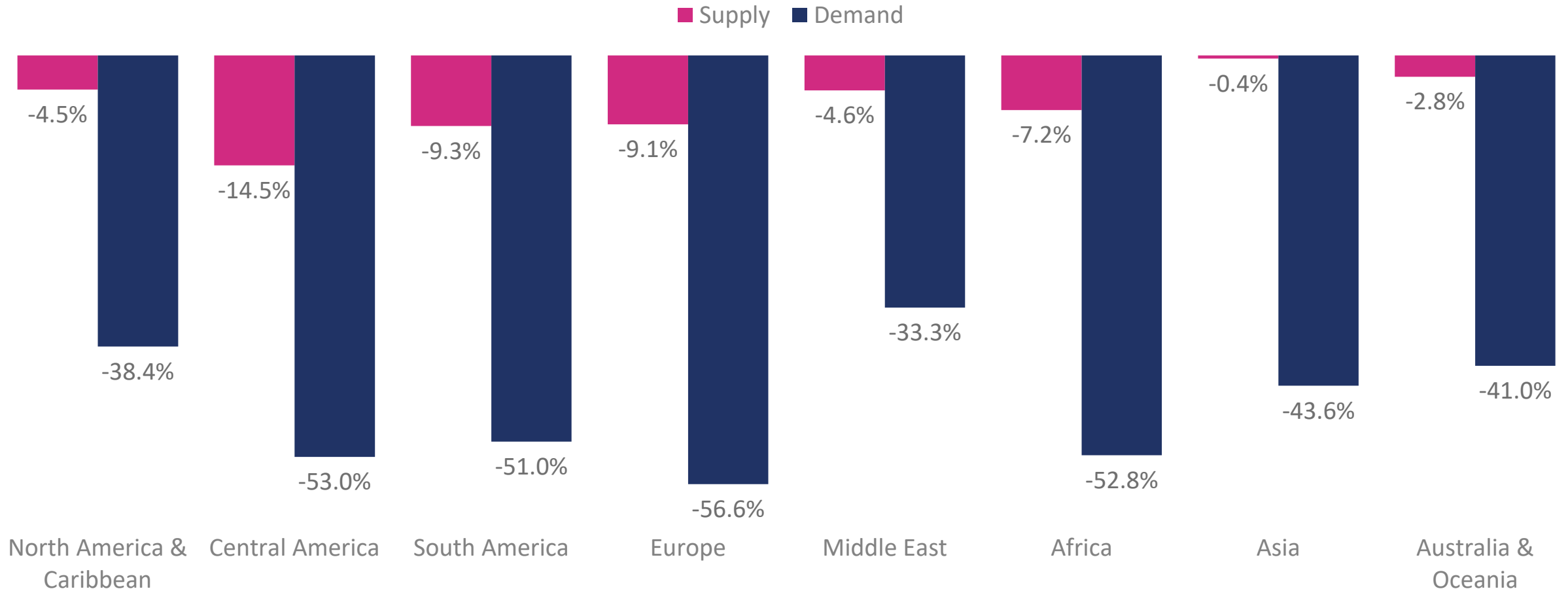
Absolute Occ %, Select Areas, Week ending September 5



Source: STR. 2020 © CoStar Realty Information, Inc.

Steep decrease in Demand as COVID-19 spreads across the globe

Global Supply & Demand % Change, July 2020 YTD



STR.com (COVID-19 landing page)

Analysis blogs, webinar recordings, press releases, etc.



The image shows a screenshot of the STR.com website. The top navigation bar includes the STR logo, links for DATA SOLUTIONS, INDUSTRIES WE SERVE, DATA INSIGHTS, WHO IS STR, and CONTACT. It also features a search icon, location (North America), language (English), a shopping cart icon with '0' items, and a LOG IN button. The main content area has a large heading 'Data-driven solutions that empower your business' and a subheading 'Our global data and analytics services set the hospitality industry standard and inform your decisions through insights into your market and competition.' Below this are two buttons: 'TREND REPORTS' and 'COVID-19 UPDATES'. A large, semi-transparent overlay of a dashboard is positioned on the right side of the page. The dashboard shows a 'Week of August 26, 2018' report for a property in Washington D.C. It includes sections for 'Property Details', 'Top Performing Week/Day', 'Bottom Performing Week/Day', 'Comp Sets', and 'At A Glance'. The 'At A Glance' section displays various metrics like Occupancy, ADR, and RevPAR with their respective values and percentage changes.

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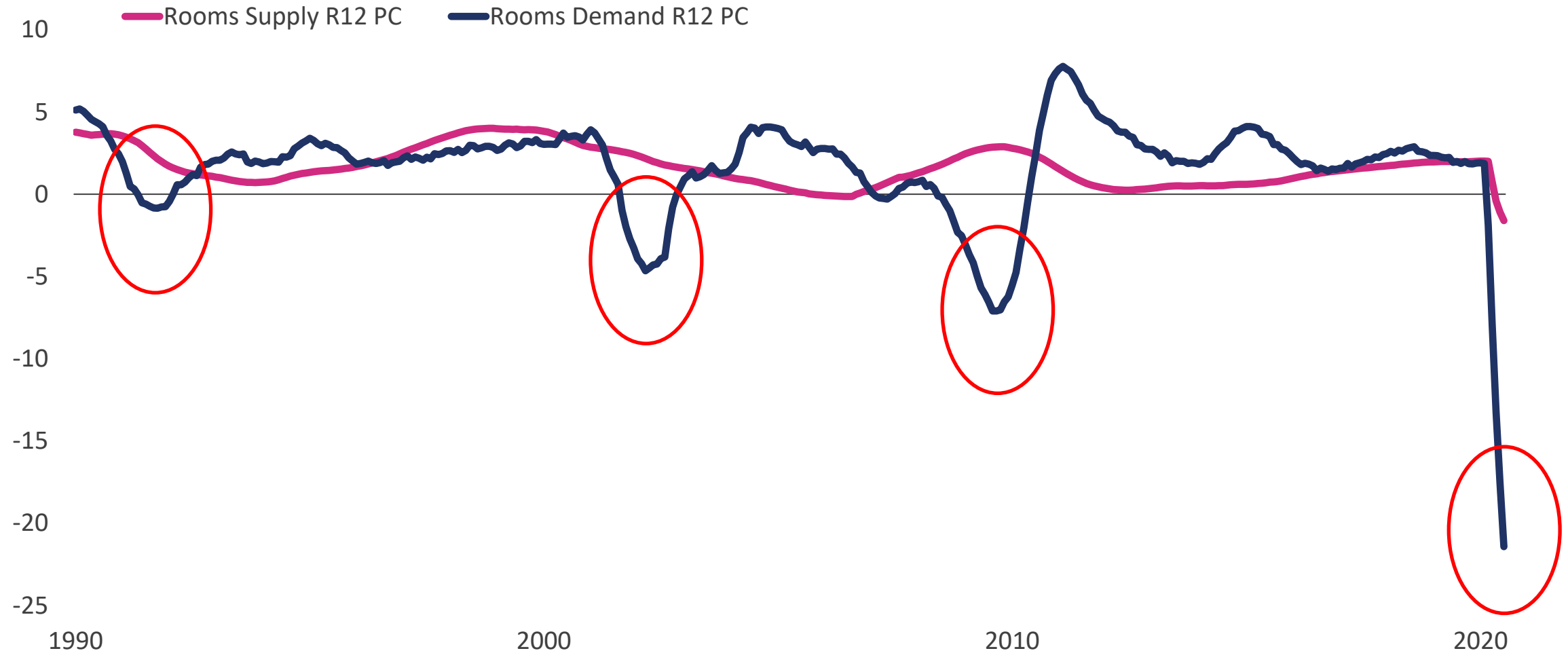
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Demand decline basically a straight line down

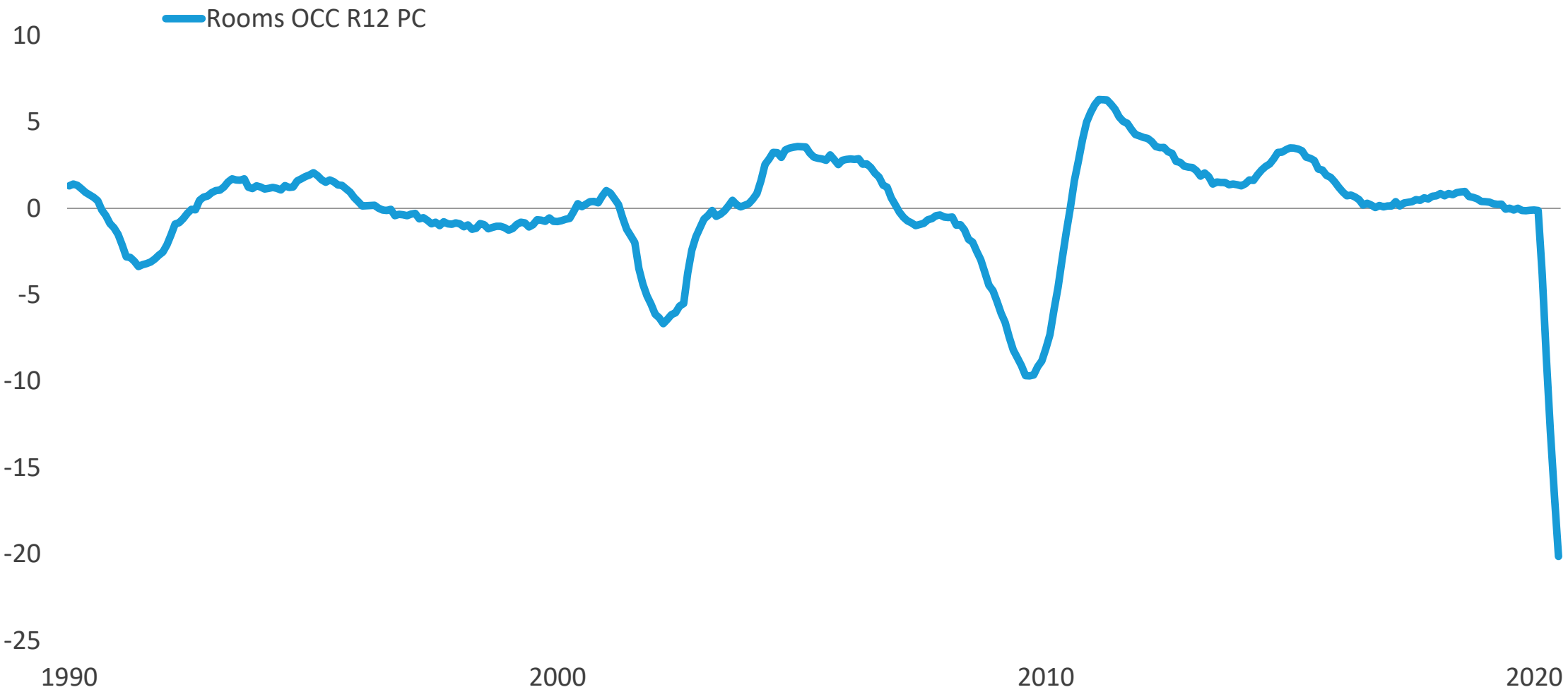
Total U.S., 12 MMA 1/1990 – 07/2020





Long-run occupancy trends point in one direction: Down!

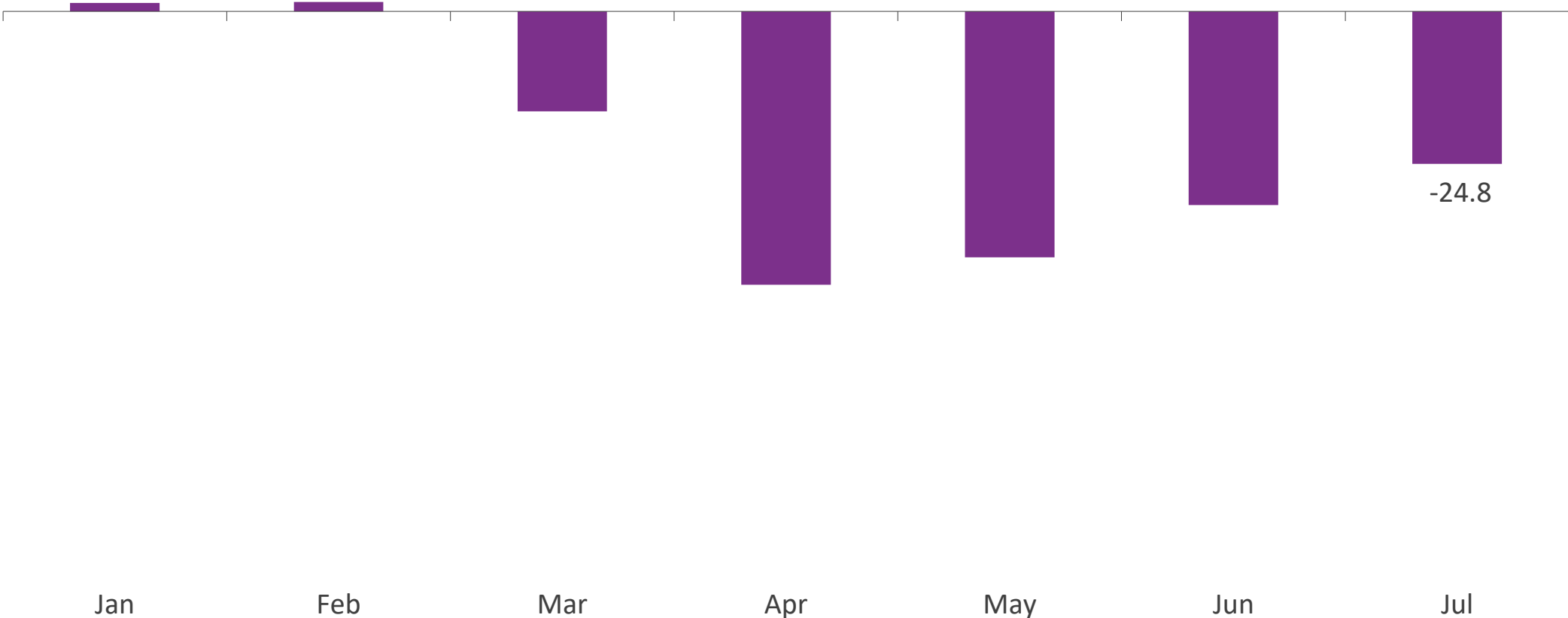
Total U.S., 12 MMA 1/1990 – 07/2020



Source: STR. 2020 © CoStar Realty Information, Inc.

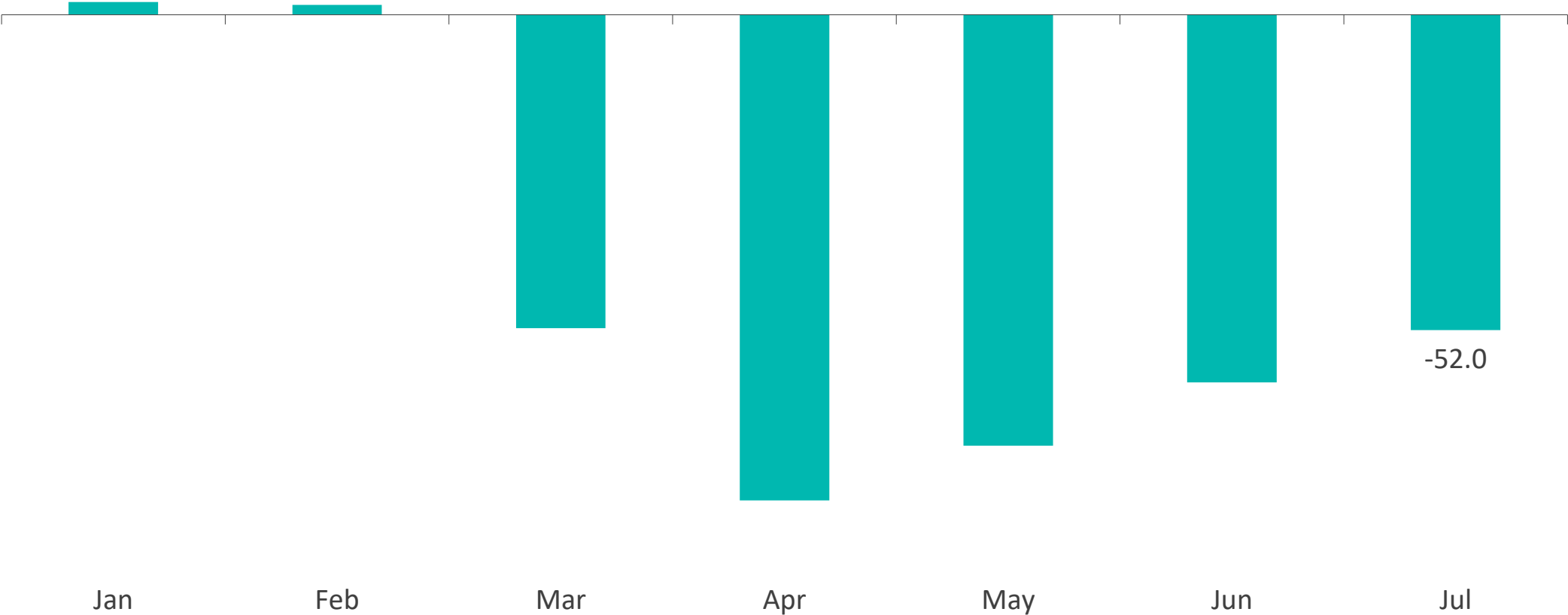
2020 ADR declines: Slowly getting less bad

Total U.S, by Month, 2020



2020 RevPAR declines: Like ADR, slowly getting less bad

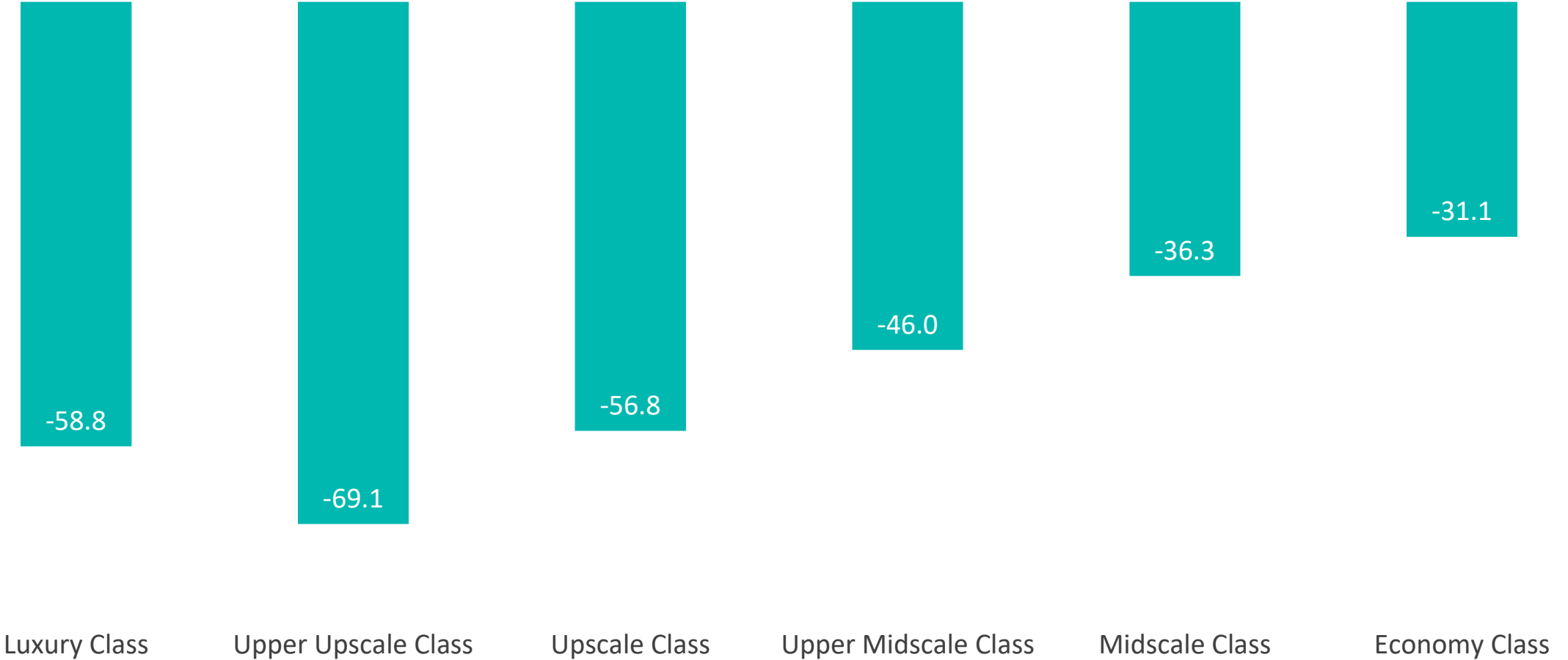
Total U.S., by Month, 2020



Source: STR. 2020 © CoStar Realty Information, Inc.

Class RevPAR: Higher end hit hardest

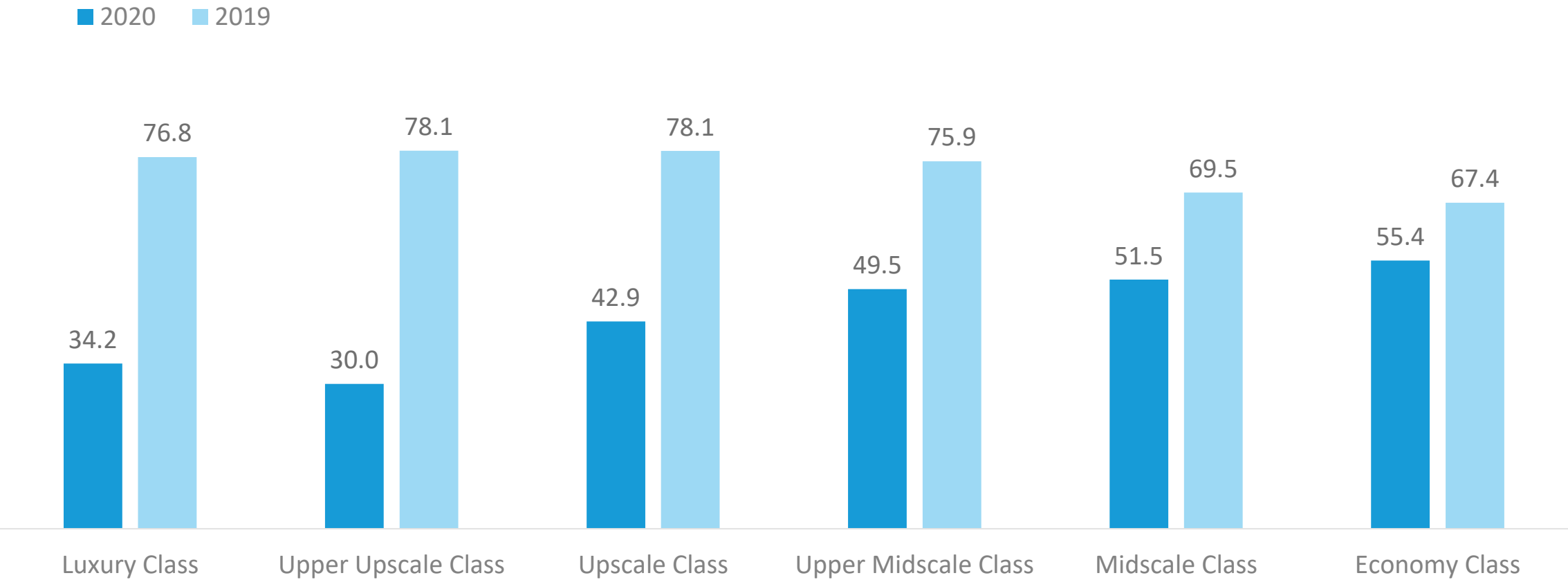
U.S. RevPAR % change by chain scale, July 2020



Source: STR. 2020 © CoStar Realty Information, Inc.

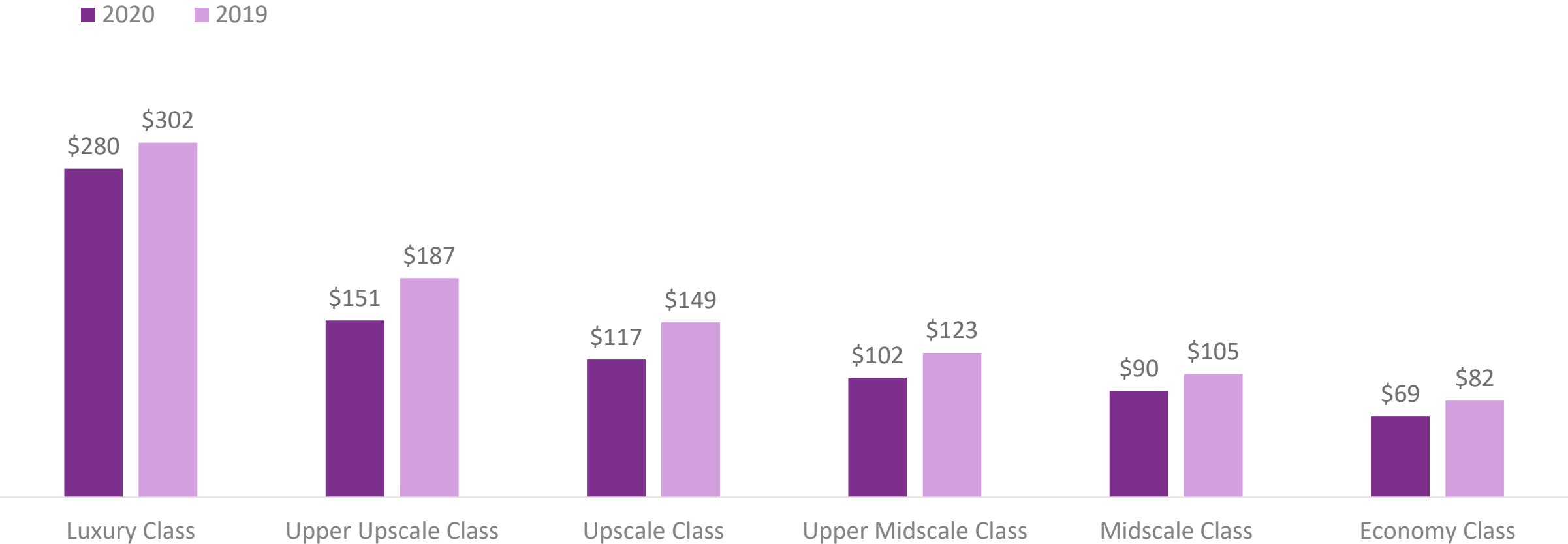
Class Occupancy: Lower end half full

July absolute Occupancy by class, 2020 vs 2019



Class ADR: \$20+ declines are the norm

July absolute ADR by class, 2020 vs 2019



US Forecast (as of August 13)

Key Performance Indicators (% Change vs. Prior Year)

2019 – 2020F – 2021F

Outlook			
Metric	2019 Actual	2020 Forecast	2021 Forecast
Supply	+2.0%	-3.7%	+5.8%
Supply (Total Room Inventory) *	+2.0%	+1.4%	+1.3%
Demand	+1.9%	-38.9%	+32.2%
Occupancy *	-0.1%	-39.7%	+30.5%
ADR	+0.9%	-20.9%	+5.6%
RevPAR *	+0.8%	-52.3%	+37.9%

*Reflects Total-Room-Inventory (TRI) methodology, which assumes no temporary hotel closures.

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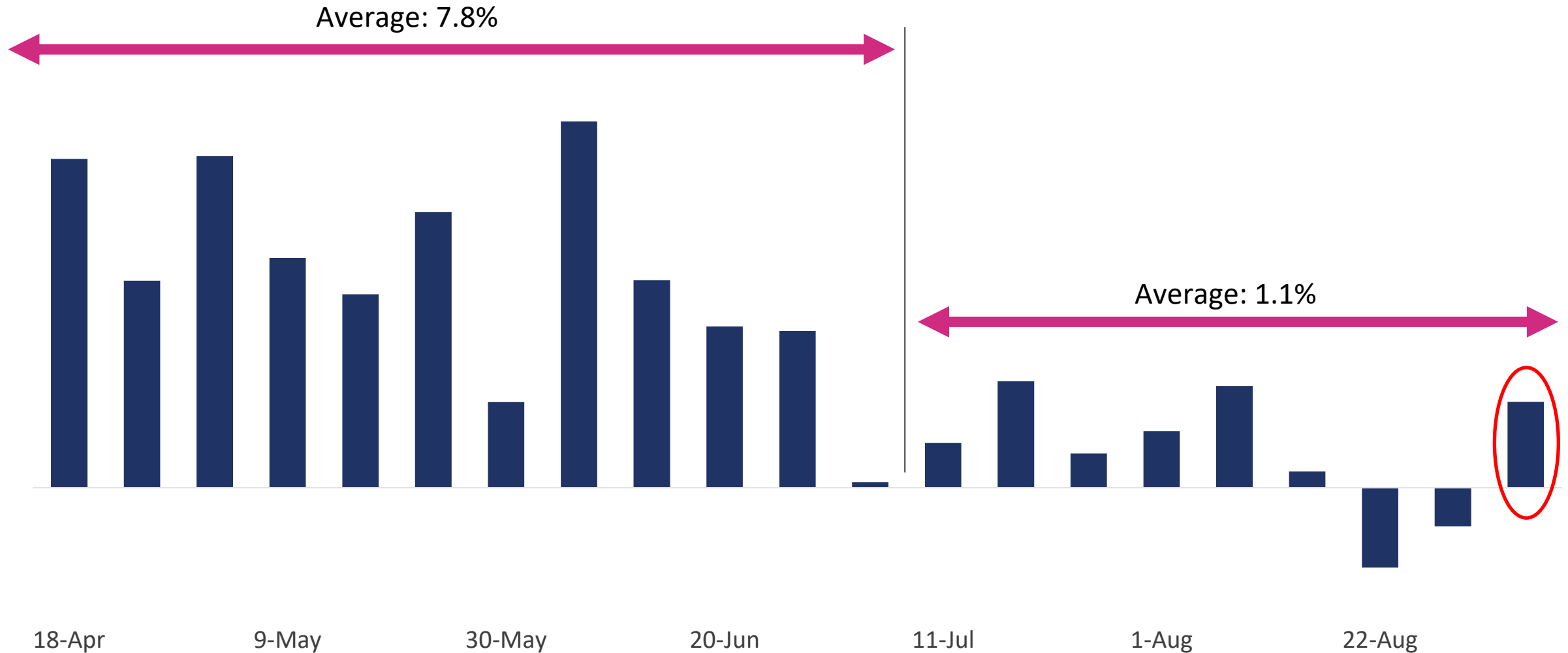
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Is Summer over?

Total U.S., Demand % Change, Week over Week, from 4/11



Labor Day Weekend

U.S. Occupancy: 63.4%



Saturday 09/05
69% (-2.6% YoY)



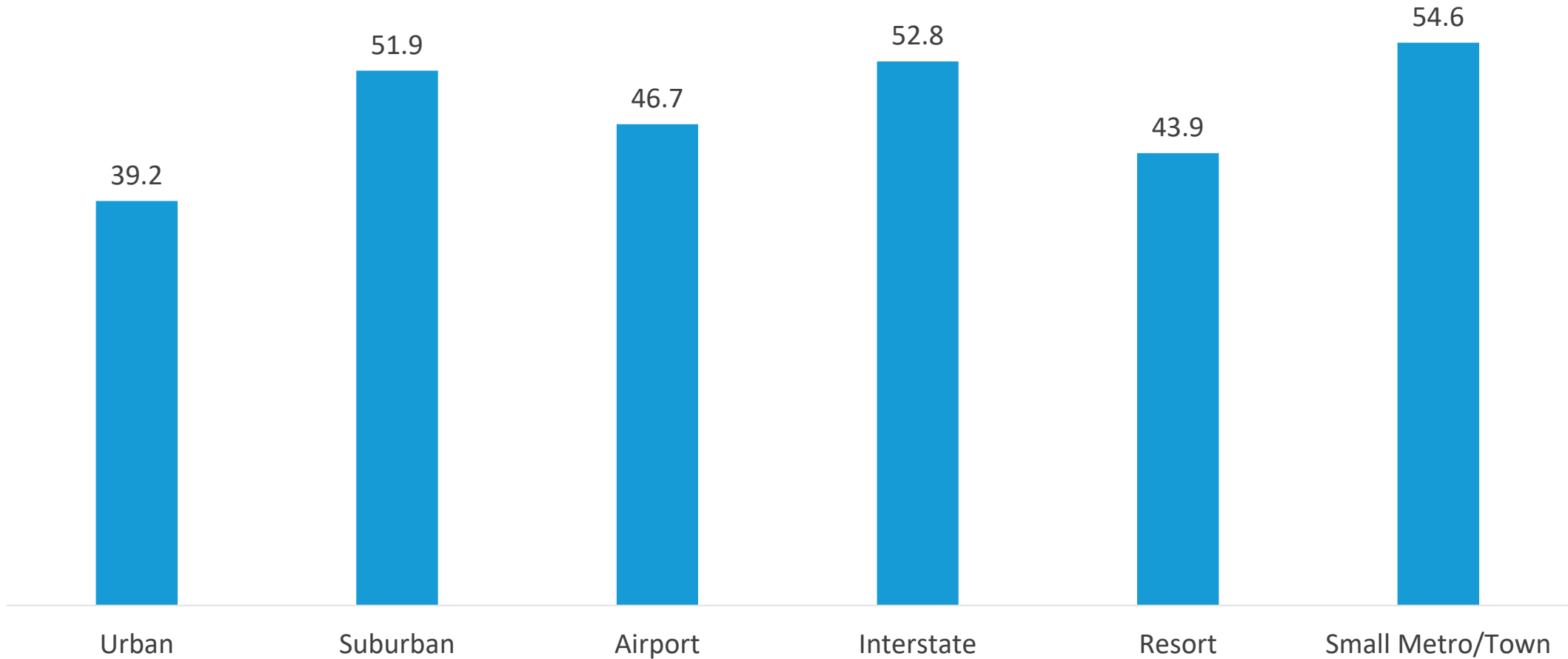
Weekend Occ increased sharply in leisure destinations

Markets with Highest WE (9/4-5) OCC % Increase from prior WE (8/28-29)

Market	08/28-29	09/04-05	% increase
Fort Myers, FL	50.1	80.7	61%
Chattanooga, TN-GA	53.9	81.3	51%
Illinois South	37.4	56.4	51%
Knoxville, TN	58.9	86.6	47%
Indianapolis, IN	44.8	65.4	46%
Mobile, AL	56.2	81.3	45%
Missouri South	48.1	69.0	44%
Kentucky Area	41.4	59.1	43%
Florida Panhandle	55.2	78.8	43%
North Carolina West	56.2	80.2	43%

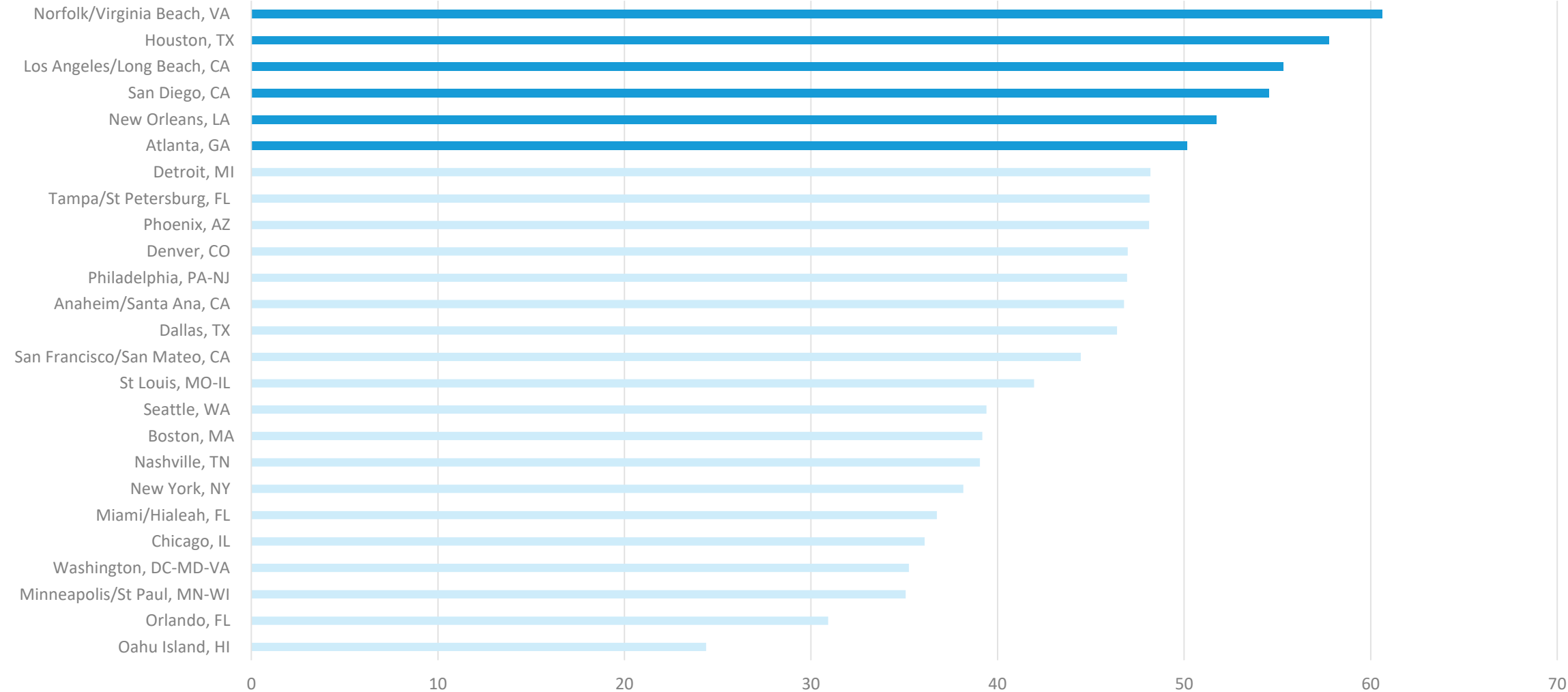
Location: Vacationers took to the roads

Total U.S. , Occupancy %, week ending September 5



Top 25: 6 markets over 50% Occupancy

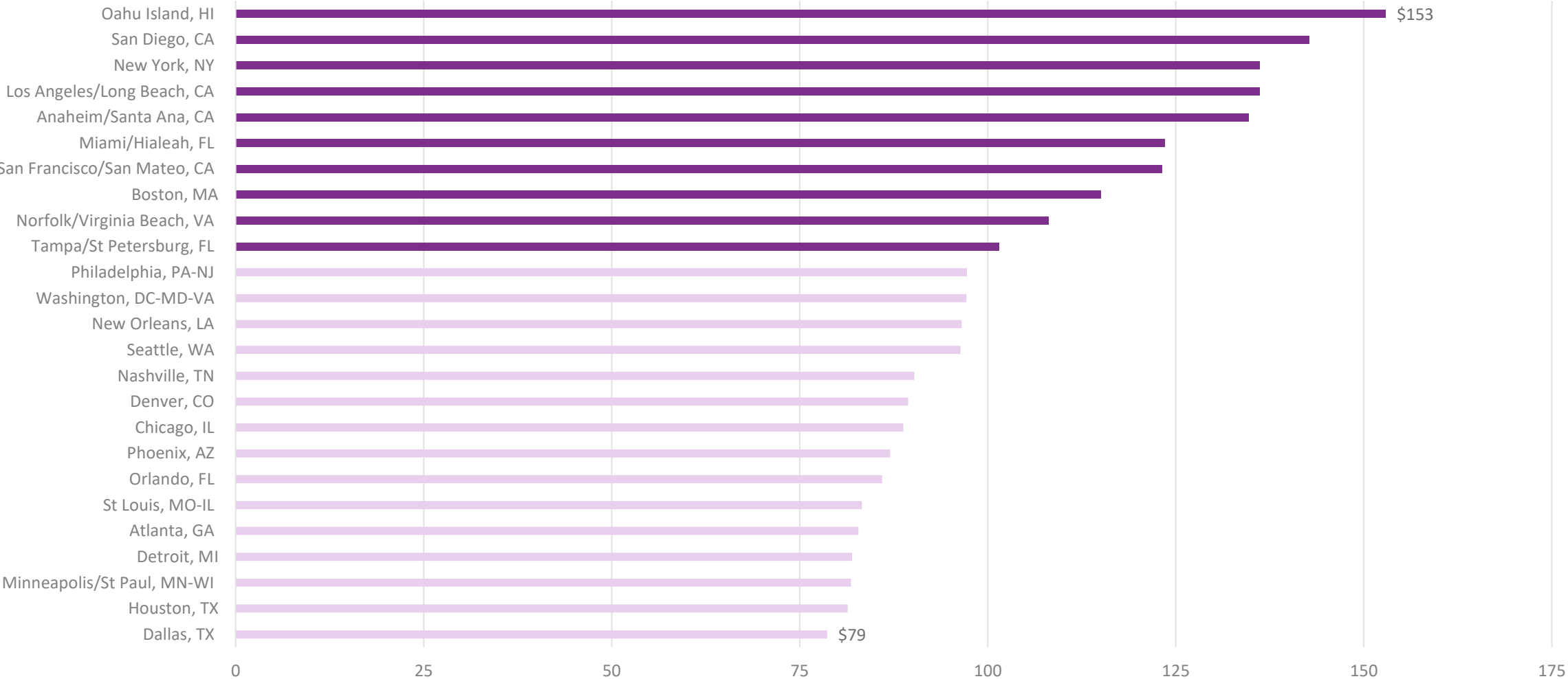
Occupancy %, week ending September 5



Source: STR. 2020 © CoStar Realty Information, Inc.

Top 25: Only 10 Markets with ADR of \$100+

ADR \$, week ending September 5



Source: STR. 2020 © CoStar Realty Information, Inc.

Key takeaways



Takeaway

01

The COVID pandemic has had a significant impact on the hospitality sector in every part of the globe.

The earliest hit regions, such as China, have made the most progress toward recovery.

Takeaway

02

While performance in the U.S. is less bad with each passing month, the hotel industry still has a long road to recovery. Many markets will not fully recover until 2022.

Takeaway

03

Labor Day provided a brief boom in performance in many markets—particularly regional and vacation destinations.

Key takeaways



The screenshot shows the STR Data Insights website. The navigation bar at the top includes the STR logo, links for DATA SOLUTIONS, INDUSTRIES WE SERVE, DATA INSIGHTS (highlighted with a red box), WHO IS STR, and CONTACT. On the right of the navigation bar are search, location (North America), language (English), a shopping cart icon with '0', and a LOG IN button.

The main content area is divided into three columns: Data Insights, RESOURCES, and NEWS. Under RESOURCES, the links are: > Glossary, > FAQ, > Documents, > Case Studies, and > Whitepapers (highlighted with a red box). Under NEWS, the links are: > Data Insights Blog, > Press Releases & Media, and > Hotel News Now.

Below the navigation, there are two filter boxes on the left: 'Month' with a dropdown arrow and 'Whitepapers region' with a dropdown showing 'North America'. The main content area displays a list of items, including 'Webinar Recording: COVID-19 impact on Europe hotel performance - 7August'.

A red box highlights a specific article titled 'COVID-19 impact on hotels and short-term rentals'. The article details are as follows:

- Title:** COVID-19 impact on hotels and short-term rentals
- Date:** 10 August 2020
- Category:** Whitepapers
- Summary:** STR and AirDNA analyzed the performance of hotels and short-term rentals, respectively, in 27 markets around the globe. The analysis, which covers the time period from January 2019 through June 27, 2020, compares hotel data with two different categories of short-term rentals.



Questions?

Presentation is available for download.

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