

## NATIONAL & STATE TRAVEL STATISTICS

### 1.1 Traveler Spending

The U.S. Travel Association (USTA, [www.ustravel.org](http://www.ustravel.org)) assessed spending by domestic and international travelers as follows:

	<b>Domestic</b>	<b>International</b>	<b>Total</b>
• 2008:	\$655.3 billion	\$104.6 billion	\$ 759.9 billion
• 2009:	\$602.8 billion	\$ 90.7 billion	\$ 693.5 billion
• 2010:	\$645.1 billion	\$106.9 billion	\$ 751.9 billion
• 2011:	\$697.3 billion	\$118.6 billion	\$ 815.9 billion
• 2012:	\$728.7 billion	\$126.7 billion	\$ 855.4 billion
• 2013:	\$751.9 billion	\$139.5 billion	\$ 891.4 billion
• 2014:	\$792.4 billion	\$149.8 billion	\$ 942.2 billion
• 2015:	\$815.0 billion	\$159.9 billion	\$ 974.9 billion
• 2016:	\$838.5 billion	\$155.6 billion	\$ 994.1 billion
• 2017:	\$881.9 billion	\$155.8 billion	\$1.037 trillion
• 2018:	\$930.8 billion	\$157.5 billion	\$1.088 trillion
• 2019:	\$991.8 billion	\$180.5 billion	\$1.173 trillion
• 2020:	\$681.4 billion	\$ 40.9 billion	\$ 722.0 billion
• 2021:	\$868.3 billion	\$ 41.1 billion	\$ 909.0 billion
• 2022:	\$918.3 billion	\$ 98.1 billion	\$1.016 trillion
• 2023:	\$943.1 billion	\$130.9 billion	\$1.074 trillion

Domestic travel spending in 2023 was distributed as follows (source: USTA):

- Leisure: \$720.4 billion
- Business: \$222.6 billion

The distribution of domestic and international travel expenditures was as follows (source: USTA):

- |                          |     |                             |     |
|--------------------------|-----|-----------------------------|-----|
| • Foodservices:          | 25% | • Auto transportation:      | 16% |
| • Lodging:               | 22% | • Entertainment/recreation: | 11% |
| • Public transportation: | 19% | • General retail:           | 7%  |

## 1.2 Travel Volume

Domestic travel volume has been as follows (source: USTA):

	<b>Leisure</b>	<b>Business</b>	<b>Total</b>
• 2019:	1.85 billion person-trips	464 million person-trips	2.32 billion person-trips
• 2020:	1.40 billion person-trips	181 million person-trips	1.58 billion person-trips
• 2021:	1.77 billion person-trips	250 million person-trips	2.02 billion person-trips
• 2022:	1.88 billion person-trips	371 million person-trips	2.25 billion person-trips
• 2023:	1.90 billion person-trips	413 million person-trips	2.31 billion person-trips

Domestic travel volume by mode of transportation has been as follows (source: USTA):

	<b>Auto</b>	<b>Air</b>	<b>Total</b>
• 2019:	2.13 billion person-trips	189 million person-trips	2.32 billion person-trips
• 2020:	1.50 billion person-trips	79 million person-trips	1.58 billion person-trips
• 2021:	1.89 billion person-trips	131 million person-trips	2.02 billion person-trips
• 2022:	2.08 billion person-trips	174 million person-trips	2.25 billion person-trips
• 2023:	2.12 billion person-trips	189 million person-trips	2.31 billion person-trips

## 1.3 State-by-State Travel Spending

By state, spending by travelers in 2022 was as follows (source: USTA):

• Alabama:	\$ 11.6 billion	• Minnesota:	\$ 13.0 billion
• Alaska:	\$ 3.0 billion	• Mississippi:	\$ 6.3 billion
• Arizona:	\$ 22.3 billion	• Missouri:	\$ 14.6 billion
• Arkansas:	\$ 9.2 billion	• Montana:	\$ 5.9 billion
• California:	\$145.5 billion	• Nebraska:	\$ 6.1 billion
• Colorado:	\$ 25.0 billion	• Nevada:	\$ 53.1 billion
• Connecticut:	\$ 11.8 billion	• New Hampshire:	\$ 4.0 billion
• Delaware:	\$ 2.3 billion	• New Jersey:	\$ 25.9 billion
• District of Columbia:	\$ 12.9 billion	• New Mexico:	\$ 9.2 billion
• Florida:	\$136.4 billion	• New York:	\$ 95.7 billion
• Georgia:	\$ 37.4 billion	• North Carolina:	\$ 32.4 billion
• Hawaii:	\$ 27.3 billion	• North Dakota:	\$ 3.3 billion
• Idaho:	\$ 5.8 billion	• Ohio:	\$ 24.4 billion
• Illinois:	\$ 44.3 billion	• Oklahoma:	\$ 7.8 billion
• Indiana:	\$ 12.7 billion	• Oregon:	\$ 12.5 billion
• Iowa:	\$ 10.6 billion	• Pennsylvania:	\$ 29.9 billion
• Kansas:	\$ 9.0 billion	• Rhode Island:	\$ 2.6 billion
• Kentucky:	\$ 12.5 billion	• South Carolina:	\$ 17.2 billion
• Louisiana:	\$ 14.0 billion	• South Dakota:	\$ 3.6 billion
• Maine:	\$ 5.5 billion	• Tennessee:	\$ 28.9 billion
• Maryland:	\$ 20.4 billion	• Texas:	\$ 81.9 billion
• Massachusetts:	\$ 25.5 billion	• Utah:	\$ 12.4 billion
• Michigan:	\$ 25.8 billion	• Vermont:	\$ 2.9 billion

- Virginia: \$ 30.2 billion
- Washington: \$ 22.6 billion
- West Virginia: \$ 5.3 billion
- Wisconsin: \$ 14.5 billion
- Wyoming: \$ 3.9 billion

#### 1.4 Market Resources

Part VI: Travel, *Pandemic Impact: Consumer Markets*, Richard K. Miller & Associates, July 2021. ([www.rkma.com/2022pandemic.pdf](http://www.rkma.com/2022pandemic.pdf))

*Travel & Tourism: Impact of the Pandemic*, Richard K. Miller & Associates, September 2020. ([www.rkma.com/2021travelpandemic.pdf](http://www.rkma.com/2021travelpandemic.pdf))

U.S. Travel Association, 1100 New York Avenue NW, Suite 450, Washington, DC 20005. (202) 408-8422. ([www.ustravel.org](http://www.ustravel.org))

## HOTELS & RESORTS

### 16.1 Market Assessment

*State Of The Hotel Industry 2024*, by the American Hotel & Lodging Association ([www.ahla.com](http://www.ahla.com)), assessed total guest spending at U.S. hotels as follows:

- 2018: \$581.9 billion
- 2019: \$612.9 billion
- 2020: \$342.9 billion
- 2021: \$523.2 billion
- 2022: \$691.2 billion
- 2023: \$723.4 billion
- 2024: \$758.6 billion

### 16.2 Financial Assessment

The primary metrics for financial assessment of hotels and resorts are as follows:

- Demand
- Room count
- Occupancy rate
- Average daily rate
- Revenue per available room

#### 16.2.1 Demand

Average daily rooms sold by U.S. hotels has been as follows (change from prior year in parenthesis; source: PricewaterhouseCoopers [PwC, [www.pwc.com](http://www.pwc.com)]):

- |                          |                            |
|--------------------------|----------------------------|
| • 2013: 3,099,000 (2.1%) | • 2019: 3,589,000 (1.5%)   |
| • 2014: 3,222,000 (4.0%) | • 2020: 2,293,000 (-36.1%) |
| • 2015: 3,299,000 (2.4%) | • 2021: 3,159,000 (37.8%)  |
| • 2016: 3,337,000 (1.1%) | • 2022: 3,495,000 (10.6%)  |
| • 2017: 3,421,000 (2.5%) | • 2023: 3,528,000 (0.9%)   |
| • 2018: 3,498,000 (2.2%) |                            |

### 16.2.2 Room Count

Total number of available hotel rooms in the U.S. have been as follows

(source: PwC):

• 2013:	4,954,000 (0.6%)	• 2019:	5,465,000 (1.8%)
• 2014:	4,982,000 (0.6%)	• 2020:	5,327,000 (-4.2%)
• 2015:	5,041,000 (1.2%)	• 2021:	5,538,000 (5.2%)
• 2016:	5,117,000 (1.5%)	• 2022:	5,554,000 (1.7%)
• 2017:	5,209,000 (1.8%)	• 2023:	5,584,000 (0.3%)
• 2018:	5,305,000 (1.8%)		

### 16.2.3 Occupancy Rate

Average occupancy rate has been as follows (source: PwC):

• 2013:	62.2%	• 2019:	65.8%
• 2014:	64.3%	• 2020:	43.9%
• 2015:	65.3%	• 2021:	57.5%
• 2016:	65.4%	• 2022:	62.5%
• 2017:	65.8%	• 2023:	62.9%
• 2018:	66.1%		

### 16.2.4 Average Daily Rate

Average daily rate (ADR) has been as follows (source: PwC):

• 2013:	\$109.59 (3.8%)	• 2019:	\$131.50 (1.0%)
• 2014:	\$114.75 (4.7%)	• 2020:	\$103.22 (-21.5%)
• 2015:	\$119.98 (4.6%)	• 2021:	\$124.52 (20.7%)
• 2016:	\$123.66 (3.1%)	• 2022:	\$149.38 (19.9%)
• 2017:	\$126.46 (2.3%)	• 2023:	\$155.84 (4.3%)
• 2018:	\$129.64 (2.5%)		

### 16.2.5 Revenue Per Available Room

Revenue per available room (RevPAR) has been as follows (source: PwC):

• 2013:	\$68.16 (5.2%)	• 2019:	\$86.54 (0.7%)
• 2014:	\$73.78 (8.2%)	• 2020:	\$45.31 (-47.6%)
• 2015:	\$78.33 (6.2%)	• 2021:	\$71.66 (58.2%)
• 2016:	\$88.82 (3.2%)	• 2022:	\$93.40 (30.3%)
• 2017:	\$83.20 (2.9%)	• 2023:	\$98.04 (5.0%)
• 2018:	\$85.65 (2.9%)		

## 16.3 Revenue Distribution

*Trends In The Hotel Industry U.S. Edition 2024*, published by CBRE Hotels' Americas Research ([www.cbrehotels.com](http://www.cbrehotels.com)), provides the following revenue distribution for U.S. hotels:

- Rooms: 69.1%
- Food and beverage: 22.8%
- Other operated departments: 5.5%
- Rentals and other income: 2.7%

#### 16.4 Operational Performance

Operational performance for U.S. hotels was as follows (change from previous year in parenthesis):

- Occupancy: 69.6% (4.5%)
- Average daily rate: \$213.41 (3.0%)
- Total revenue per available room (RevPAR): \$78,416 (8.7%)

The average hotel size was 217 rooms.

The following is the operational profile, by segment, for U.S. hotels (source: *Trends In The Hotel Industry U.S. Edition 2024*):

##### **Full Service**

- Average size: 237 rooms
- Performance:
  - Occupancy: 68.5% (5.4%)
  - Average rate: \$214.11 (3.8%)
  - RevPAR: \$146.73 (9.4%)

##### **Limited Service**

- Average size: 114 rooms
- Performance:
  - Occupancy: 70.4% (3.1%)
  - Average rate: \$150.46 (3.2%)
  - RevPAR: \$105.85 (6.4%)

##### **Suite with food & beverage**

- Average size: 205 rooms
- Performance:
  - Occupancy: 70.5% (4.9%)
  - Average rate: \$172.08 (4.2%)
  - RevPAR: \$121.39 (9.3%)

##### **Suite without food & beverage**

- Average size: 124 rooms
- Performance:
  - Occupancy: 75.4% (0.7%)
  - Average rate: \$150.94 (5.4%)
  - RevPAR: \$113.85 (6.1%)

## Convention

- Average size: 897 rooms
- Performance:
  - Occupancy: 66.7% (9.4%)
  - Average rate: \$225.79 (4.2%)
  - RevPAR: \$150.58 (14.0%)

## Resort

- Average size: 422 rooms
- Performance:
  - Occupancy: 69.3% (1.1%)
  - Average rate: \$362.72 (-1.6%)
  - RevPAR: \$251.36 (-0.5%)

## 16.5 Operating Margin and Profit

*Trends In The Hotel Industry U.S. Edition 2024* reported gross operating margin as a percentage of total operating revenue for all U.S. hotels as follows:

- |         |       |         |       |
|---------|-------|---------|-------|
| • 2010: | 32.6% | • 2017: | 38.3% |
| • 2011: | 33.7% | • 2018: | 38.4% |
| • 2012: | 34.9% | • 2019: | 37.7% |
| • 2013: | 36.1% | • 2020: | 15.5% |
| • 2014: | 37.4% | • 2021: | 33.7% |
| • 2015: | 37.7% | • 2022: | 37.9% |
| • 2016: | 38.2% | • 2023: | 37.1% |

Operating gross profit per available room has been as follows:

- |         |          |         |          |
|---------|----------|---------|----------|
| • 2010: | \$16,120 | • 2017: | \$26,130 |
| • 2011: | \$17,700 | • 2018: | \$26,705 |
| • 2012: | \$19,240 | • 2019: | \$26,545 |
| • 2013: | \$20,952 | • 2020: | \$ 4,063 |
| • 2014: | \$23,194 | • 2021: | \$15,264 |
| • 2015: | \$24,656 | • 2022: | \$27,403 |
| • 2016: | \$25,568 | • 2023: | \$29,123 |

## 16.6 Hotel Brands

The following are the largest U.S. hotel companies and their brands:

### **Accor North America** ([www.accorhotels.com](http://www.accorhotels.com))

- 21c Museum Hotels, Fairmont Hotels & Resorts, ibis, Pullman, and Sofitel

### **Best Western International** ([www.bestwestern.com](http://www.bestwestern.com))

- Best Western, Best Western Plus, Best Western Premier, GI , SureStay Collection, WorldHotels Collection, and V b

**Choice Hotels International Inc.** ([www.choicehotels.com](http://www.choicehotels.com))

- Ascend Hotel Collection, Cambria Suites, Clarion, Comfort Inn, Comfort Suites, Country Inn & Suites, Econo Lodge, MainStay Suites, Park Inn by Radisson, Quality, Radisson, Rodeway Inn, Sleep Inn, and Suburban Extended Stay

**Extended Stay Hotels** ([www.extendedstayhotels.com](http://www.extendedstayhotels.com))

- Crossland Suites, Extended Stay America, Extended Stay Deluxe, Homestead Studio Suites Hotels, and StudioPLUS

**Hilton Worldwide** ([www.hilton.com](http://www.hilton.com))

- Canopy by Hilton, Conrad Hotels and Resorts, Curio Collection, DoubleTree by Hilton, Embassy Suites Hotels, Embassy Vacation Resort, Hampton Inn by Hilton, Hilton Hotels & Resorts, Hilton Garden Inn, Home2 Suites, Homewood Suites by Hilton, LXR Hotels & Resorts, Motto, Signia by Hilton, Tempo, Tru by Hilton, and Waldorf Astoria

**Hyatt Hotels Corporation** ([www.hyatt.com](http://www.hyatt.com))

- Andaz, Grand Hyatt, Hyatt Hotels, Hyatt House, Hyatt Place, Hyatt Regency, Hyatt Resident Clubs, Hyatt Zilaria, Hyatt Ziva, and Park Hyatt

**InterContinental Hotels Group** ([www.ichotelsgroup.com](http://www.ichotelsgroup.com))

- Candlewood Suites, Crowne Plaza Hotels & Resorts, EVEN Hotels, Holiday Inn, Holiday Inn Express, Holiday Inn Resorts, Holiday Inn Club Vacations, Hotel Indigo, InterContinental Hotels & Resorts, and Staybridge Suites

**LaQuinta Corporation** ([www.lq.com](http://www.lq.com))

- La Quinta Inns, La Quinta Inns & Suites, and LQ Hotel by La Quinta

**Marriott International Inc.** ([www.marriott.com](http://www.marriott.com))

- AC Hotels by Marriott, Aloft, Autograph Collection, Bvlgari Hotels & Resorts, Courtyard by Marriott, Delta Hotels, EDITION, Element, Fairfield Inn & Suites by Marriott, Four Points by Sheraton, Gaylord Hotels, JW Marriott, Le Méridien, Luxury Collection, Marriott Executive Apartments, Marriott Hotels & Resorts, Marriott Vacation Club, Moxy Hotels, Protea Hotels, Renaissance Hotels, Residence Inn by Marriott, Sheraton, SpringHill Suites by Marriott, St. Regis, The Ritz-Carlton, TownePlace Suites by Marriott, W Hotels, and Westin

**Wyndham Worldwide Corp.** ([www.wyndhamworldwide.com](http://www.wyndhamworldwide.com))

- Baymont Inn & Suites, Days Inn, Dream Hotels, Hawthorn Suites by Wyndham, Howard Johnson, Knights Inn, Microtel Inn & Suites by Wyndham, Night Hotels, Planet Hollywood, Ramada, Super 8, Travelodge, TRYP by Wyndham, Wingate by Wyndham, Wyndham Garden Hotels, Wyndham Grand, and Wyndham Hotels and Resorts

Ranked by number of U.S. locations, the following are the top hotel brands  
(source: *Hotel Business*):

• Super 8:	2,873
• Holiday Inn Express:	2,974
• Hampton Inn by Hilton:	2,682
• Comfort Inn:	2,109
• Best Western:	2,000
• Quality:	1,836
• Days Inn:	1,777
• Motel 6 and Studio 6:	1,392
• Holiday Inn Hotels & Resorts:	1,232
• Courtyard by Marriott:	1,219
• Fairfield by Marriott:	1,150
• Hilton Garden Inn:	906
• La Quinta Inns & Suites:	889
• Ramada:	873
• Residence Inn by Marriott:	850
• Econo Lodge:	820
• Red Roof Inns:	665
• Extended Stay America:	652
• DoubleTree by Hilton:	620
• Marriott Hotels:	589
• Comfort Suites:	587
• Hilton Hotels & Resorts:	582
• Rodeway Inn:	553
• Americas Best Value Inn:	552
• Novotel:	548
• Homewood Suites by Hilton:	516
• Home2 Suites by Hilton:	478
• Country Inns & Suites by Radisson:	453
• TownePlace Suites by Marriott:	449
• Sheraton:	441
• Baymont Inn & Suites:	437
• Sleep Inn:	434
• Crowne Plaza Hotels & Resorts:	420
• Travelodge:	415
• Hyatt Place:	391
• Ascend Hotel Collection:	379
• SpringHill Suites by Marriott:	373
• Howard Johnson:	364
• Candlewood Suites:	361
• Microtel Inn & Suites:	337
• Staybridge Suites:	305
• WoodSpring Suites:	296

• Four Points by Sheraton:	295
• Clarion:	282
• Embassy Suites by Hilton:	259
• Westin:	224
• Autograph Collection by Marriott:	221
• Hyatt Regency:	214
• InterContinental Hotels:	206
• Aloft Hotels:	199
• Tru by Hilton:	192
• Knights Inn:	180
• AC Hotels by Marriott:	184
• Renaissance Hotels:	174
• Wingate by Wyndham:	155
• Budget Host Inns:	140
• Pullman Hotels & Resorts:	145
• Sofitel:	129
• Hotel Indigo:	127
• Radisson:	127
• The Luxury Collection:	119
• Hyatt House:	118
• TRYP by Wyndham:	115
• Scottish Inns:	115
• M Gallery Hotels:	118
• Cobblestone Hotel:	109
• Wyndham Garden:	109
• Hawthorn Suites by Wyndham:	108
• Le Méridien:	107
• JW Marriott:	104
• Wyndham Hotels & Resorts:	104
• The Ritz-Carlton:	102
• Curio Collection by Hilton:	101
• MainStay Suites:	93
• Delta Hotels by Marriott:	88
• Red Carpet Inn:	88
• Fairmont Hotels & Resorts:	82
• Moxy Hotels:	81
• Element by Westin:	71
• Suburban Extended Stay:	66
• My Place Hotels:	65
• Kimpton Hotels & Restaurants:	60
• W Hotels:	59
• HomeTowne Suites:	58
• Tapestry Collection by Hilton:	57
• Cambria Hotels:	57

## 16.7 Hotel Corporations

Revenue of the major hotel corporations has been as follows:

### **Marriott**

- |         |                 |         |                 |
|---------|-----------------|---------|-----------------|
| • 2018: | \$20.76 billion | • 2021: | \$13.86 billion |
| • 2019: | \$20.97 billion | • 2022: | \$20.77 billion |
| • 2020: | \$10.57 billion | • 2023: | \$23.77 billion |

### **Hilton**

- |         |                 |         |                 |
|---------|-----------------|---------|-----------------|
| • 2018: | \$ 8.91 billion | • 2021: | \$ 5.79 billion |
| • 2019: | \$ 9.45 billion | • 2022: | \$ 8.77 billion |
| • 2020: | \$ 4.31 billion | • 2023: | \$10.24 billion |

### **Hyatt Hotels**

- |         |                |         |                |
|---------|----------------|---------|----------------|
| • 2018: | \$4.45 billion | • 2021: | \$3.03 billion |
| • 2019: | \$5.02 billion | • 2022: | \$5.89 billion |
| • 2020: | \$2.07 billion | • 2023: | \$6.67 billion |

### **Intercontinental Hotels**

- |         |                |         |                |
|---------|----------------|---------|----------------|
| • 2018: | \$4.34 billion | • 2021: | \$2.91 billion |
| • 2019: | \$4.63 billion | • 2022: | \$3.89 billion |
| • 2020: | \$2.39 billion | • 2023: | \$4.62 billion |

### **Choice Hotels**

- |         |                |         |                |
|---------|----------------|---------|----------------|
| • 2018: | \$1.04 billion | • 2021: | \$1.07 billion |
| • 2019: | \$1.12 billion | • 2022: | \$1.38 billion |
| • 2020: | \$ 744 million | • 2023: | \$1.54 billion |

### **Wyndham Hotels & Resorts**

- |         |                |         |                |
|---------|----------------|---------|----------------|
| • 2018: | \$1.87 billion | • 2021: | \$1.56 billion |
| • 2019: | \$2.05 billion | • 2022: | \$1.50 billion |
| • 2020: | \$1.30 billion | • 2023: | \$1.40 billion |

## 16.8 Management Companies

The following are the largest hotel management companies ranked by annual gross revenue (source: *Hotel Business*, April 2024):

- |                               |                |
|-------------------------------|----------------|
| • Highgate:                   | \$5.90 billion |
| • Pyramid Global Hospitality: | \$3.10 billion |
| • HEI Hotels & Resorts:       | \$2.40 billion |
| • Davidson Hospitality Group: | \$2.00 billion |
| • Crecent Hotels & Resorts:   | \$1.98 billion |

- Remington Hospitality: \$1.34 billion
- Concord Hospitality: \$1.10 billion
- Sage Hospitality Group: \$1.08 billion
- Atrium Hospitality: \$1.02 billion
- Crestline Hotels & Resorts: \$ 875 million
- Dimension Hospitality: \$ 864 million
- Driftwood Hospitality: \$ 815 million
- GF Hotels & Resorts: \$ 790 million
- PM Hotel Group: \$ 786 million
- EOS Hospitality: \$ 695 million
- CoralTree Hospitality: \$ 668 million
- Noble House Hotels & Resorts: \$ 530 million
- Azul Hospitality Group: \$ 500 million
- Hospitality Ventures Mgt. Group: \$ 485 million
- Spire Hospitality: \$ 438 million

### 16.9 Owners and Developers

The following are the largest hotel owners and developers ranked by number of hotel rooms owned (source: *Hotel Business Green Book 2024*):

- Service Properties Trust: 37,527
- Apple Hospitality REIT: 28,984
- MCR: 23,611
- Atrium Hospitality: 21,773
- Procaccianti Companies: 17,110
- Baywood Hotels: 12,473
- The Buccini/Pollin Group: 11,761
- Rockbridge: 11,229
- Shamin Hotels: 9,000
- Clarion Properties: 8,471
- Peachtree Group: 7,090
- Kana Hotel Group: 7,479
- First Hospitality: 7,350
- Auro Hotels: 6,321
- OTO Development: 6,869
- Oxford Capital Group: 6,800
- Commonwealth Hotels: 6,395
- Newcrest Image: 6,248
- Chatham Lodging Trust: 5,915
- AD1 Global: 5,650

## 16.10 Hotel Construction

Balancing room supply and demand is essential to strategic planning in the hotels and resorts sector. Data and projections for hotel projects in the planning stages or under construction is provided by the following firms:

- Lodging Econometrics ([www.lodgingeconometrics.com](http://www.lodgingeconometrics.com))
- CBRE Hotels ([www.cbrehotels.com](http://www.cbrehotels.com))
- STR ([www.str.com](http://www.str.com))

According to STR, the average time for a hotel project from construction start to opening is 19.3 months. The average time from groundbreaking to opening by chain segments is as follows:

- Luxury: 29.0 months
- Midscale with food & beverage: 24.2 months
- Upper-upscale: 23.3 months
- Upscale: 18.2 months
- Midscale without food & beverage: 18.2 months
- Economy: 12.6 months

The average time by size of hotel is as follows:

- 75 or fewer rooms: 18.7 months
- 76-to-150 rooms: 17.9 months
- 151-to-300 rooms: 23.4 months
- 300 or more rooms: 28.3 months

## 16.11 Segmentation

The hotel and lodging sector is classified into the following segments:

- Luxury hotels
- Upper-upscale
- Upscale
- Upper-midscale
- Midscale
- Economy

Within these segments, hotels are further classified as chain or independent. Some hotels are also classified as extended-stay or boutique/lifestyle.

Brands within each segment are listed at [www.rkma.com/hotelbrands.pdf](http://www.rkma.com/hotelbrands.pdf).

The following is 2023 market data for each hotel segment (source: *Hospitality Directions U.S.*, by the Hospitality & Leisure Group of PricewaterhouseCoopers):

### **Luxury Hotels**

- Demand: 92,500 rooms
- Supply: 140,700 rooms
- Occupancy: 65.7%

- Average daily rate: \$426.08
- Revenue per available room: \$279.95

### **Upper-Upscale**

- Demand: 468,800 rooms
- Supply: 692,400 rooms
- Occupancy: 67.7%
- Average daily rate: \$222.81
- Revenue per available room: \$150.88

### **Upscale**

- Demand: 623,600 rooms
- Supply: 900,800 rooms
- Occupancy: 69.2%
- Average daily rate: \$161.83
- Revenue per available room: \$112.02

### **Upper-Midscale\***

- Demand: 771,700 rooms
- Supply: 1,167,300 rooms
- Occupancy: 66.1%
- Average daily rate: \$132.15
- Revenue per available room: \$87.36

\* Upper-midscale hotels have food and beverage service while midscale hotels do not.

### **Midscale**

- Demand: 296,500 rooms
- Supply: 501,900 rooms
- Occupancy: 59.1%
- Average daily rate: \$95.91
- Revenue per available room: \$56.66

### **Economy/Budget**

- Demand: 357,800 rooms
- Supply: 649,900 rooms
- Occupancy: 55.0%
- Average daily rate: \$72.78
- Revenue per available room: \$40.07

### **Independent Hotels**

- Demand: 916,900 rooms
- Supply: 1,551,500 rooms
- Occupancy: 59.1%
- Average daily rate: \$161.99
- Revenue per available room: \$95.72

### 16.12 Extended-Stay

Extended-stay lodging generally provides suite-style accommodations with kitchens, complimentary breakfasts, and wi-fi. Most upscale and some midprice extended-stay hotels offer swimming pools, fitness facilities, laundry facilities, happy hours, and evening snacks. The segment accounts for more than 6% of the U.S. room supply. Distribution of extended-stay guests is as follows:

- Business: 73%
- Leisure: 27%

According to The Highland Group ([www.highland-group.net](http://www.highland-group.net)), there are over 300,000 extended stay rooms in the U.S.

### 16.13 Boutique/Lifestyle Hotels

Boutique hotels and lifestyle hotels – terms coined in the late 1990s – are typically small upscale hotels that provide a hip environment and personal connection with members of the hotel staff.

According to the Boutique & Lifestyle Lodging Association (BLLA; [www.blla.org](http://www.blla.org)), characteristics of a boutique hotel include offerings of unique services, high-quality in-room features, and social living spaces.

According to STR, there are approximately 1,000 boutique hotels with about 100,000 rooms in the U.S. Independent hotels account for roughly one-half of boutique rooms. The top three boutique markets – New York, Miami, and San Francisco – account for nearly one-third of the segment’s supply. Room revenue for the segment is over \$6 billion.

### 16.14 Hotel Valuation

In a typical year, 400 to 500 hotels change hands in the United States. Valuation trends are of vital importance to those involved in these transactions, either as a buyer or seller.

John W. O’Neill, Ph.D., managing director of Hospitality Advisory Services ([www.hospitalityadvisoryservices.com](http://www.hospitalityadvisoryservices.com)) and a professor in the School of Hospitality Management at Pennsylvania State University ([www.hhdev.psu.edu/shm/](http://www.hhdev.psu.edu/shm/)), assessed hotel room valuations in 2024, by segment, as follows (change from previous year in parenthesis):

- Overall: \$173,907 (4.2%)
- Luxury: \$540,041 (2.3%)
- Upper Upscale: \$269,812 (3.8%)
- Upscale: \$189,895 (4.7%)
- Upper Midscale: \$145,051 (4.4%)
- Midscale: \$ 92,272 (3.5%)
- Economy: \$ 56,944 (3.5%)

## 16.15 Historic Hotels

There is no set definition for what a historic hotel is, but Historical Hotels of America ([www.historichotels.org](http://www.historichotels.org)) requires member properties to be more than 50 years old and remain largely faithful in architecture and decor to their period of construction. Over 280 hotels, among them many of the larger and grand-scale properties, are members of Historical Hotels of America ([www.historichotels.org](http://www.historichotels.org)), an affiliation of the National Trust for Historic Preservation ([www.preservationnation.org](http://www.preservationnation.org)).

It is estimated that over 2,000 hotels across the U.S. could be classified as historic hotels. In addition, there are some 16,000 inns and bed & breakfast accommodations with historical significance, according to the Professional Association of Innkeepers International (PAII, [www.paii.org](http://www.paii.org)).

Many historic hotels are landmark destinations, either regionally or nationally. Most large older cities have a few historic hotels. Boston, Charleston, Chicago, New Orleans, New York, and San Francisco have large concentrations. The art deco hotels of Miami Beach are noteworthy for their architectural style.

According to an assessment by CBRE Hotels, historic hotels have an average daily rate of \$465.00. Occupancy rates are eight to 10 percentage points above the national average.

The National Trust for Historic Preservation recognized the following with its 2023 Historic Hotels of America Awards of Excellence:

- Historic Hotels of America Best Historic Hotel, over 400 guestrooms: Hilton Chicago (Chicago, IL)
- Historic Hotels of America Best Historic Hotel, 201-400 guestrooms: The Edgewater (Madison, WI)
- Historic Hotels of America Best Historic Hotel, 76-to-200 guestrooms: Skytop Lodge (Skytop, PA)
- Historic Hotels of America Best Small Historic Inn/Hotel, under 75 guestrooms: Hassayampa Inn (Prescott, AZ)
- Historic Hotels of America Best City Center Historic Hotel: Martinique New York on Broadway, Curio Collection by Hilton (New York, NY)
- Historic Hotels of America Best Historic Resort: Grand Hotel (Mackinac Island, MI)
- Historic Hotels of America Sustainability Champion: Mohonk Mountain House (New Paltz, NY)
- Historic Hotels of America Best Social Media of a Historic Hotel: 1886 Crescent Hotel & Spa (Eureka Springs, AR)
- Historic Hotels of America Best Historic Restaurant in Conjunction with a Historic Hotel: The Savoy at 21c Museum Hotel Kansas City (Kansas City, MO)
- Historic Hotels of America New Member of the Year: JW Marriott Savannah Plant Riverside District (Savannah, GA)

The *Historic Hotels of America 2024 Directory* ([www.historichotels.org/directory](http://www.historichotels.org/directory)) lists hotels that have faithfully maintained their historic integrity, architecture, and ambiance.

## 16.16 Market Resources

*AHLA's State Of The Hotel Industry 2024*, American Hotel & Lodging Association.  
([www.ahla.com/sites/default/files/SOTI.2024.Final\\_.Draft\\_.v4.pdf](http://www.ahla.com/sites/default/files/SOTI.2024.Final_.Draft_.v4.pdf))

American Hotel & Lodging Association, 1250 I Street, NW, Suite 1100, Washington, D.C. 20005. (202) 289-3100. ([www.ahla.com](http://www.ahla.com))

CBRE Hotels' Americas Research, 3550 Lenox Road, Suite 2300, Atlanta, GA 30326. (404) 812-5183. ([www.cbrehotels.com](http://www.cbrehotels.com))

Cornell University, Center For Hospitality Research, Statler Hall, Ithaca, NY 14853.  
([www.hotelschool.cornell.edu/research/chr/](http://www.hotelschool.cornell.edu/research/chr/))

Penn State Index of U.S. Hotel Values (<https://hhd.psu.edu/shm/Hotel-Values>)

Pennsylvania State University, School of Hospitality Management, 201 Mateer Building, University Park, PA 16802. (814) 865-1853. ([www.hhdev.psu.edu/shm](http://www.hhdev.psu.edu/shm))

PricewaterhouseCoopers (PwC), Hospitality & Leisure Group, Two Commerce Square, Suite 1800, 2001 Market Street, Philadelphia, PA 19103. (267) 330 3000.  
([www.pwc.com/bm/en/industries/hospitality-and-leisure.html](http://www.pwc.com/bm/en/industries/hospitality-and-leisure.html))

STR, 735 East Main Street, Hendersonville, TN 37075. (615) 824-8664.  
([www.str.com](http://www.str.com))