

2001 Lodging Industry Profile

2000 At-a-Glance Statistical Figures

53,500	properties
4.1	million rooms
\$108.5	billion in sales
63.7%	average occupancy rate

2000 surpassed 1999 as the most profitable year in the lodging industry, grossing \$24.0 billion in pretax profits — 9 percent more than in 1999 and double the amount earned in 1996, according to Smith Travel Research. The lodging industry has grown steadily after suffering losses nearly a decade ago. Total industry revenue rose from \$62.8 billion in 1990 to \$108.6 billion in 2000. Total pretax profits rose from a \$5.7 billion loss in 1990 to a \$24.0 billion profit in 2000.

THE LODGING INDUSTRY

■ Had an average room rate of \$85.89 in 2000, \$81.33 in 1999, \$78.62 in 1998, \$75.31 in 1997, \$70.93 in 1996, \$66.65 in 1995, \$62.86 in 1994, \$60.53 in 1993, \$58.91 in 1992, \$58.08 in 1991, and \$57.96 in 1990.

THE TOURISM INDUSTRY

In the United States, the tourism industry is currently the third largest retail industry, behind automotive and food stores. Travel and tourism is the nation's largest services export industry, third largest retail sales industry, and one of America's largest employers. In fact, it is the second or third largest employer in 29 states. The tourism industry includes more than 15 interrelated businesses, from lodging establishments, airlines, and restaurants to cruise lines, car rental firms, travel agents, and tour operators.

TOURISM EFFECTS ON OUR ECONOMY

- Spending an averaged \$1.5 billion a day — that's \$64.1 million an hour, \$1.1 million a minute, and \$17,800 a second.
- Generating \$561.2 billion in sales (excludes the \$21.3 billion that international travelers spend on U.S. air carriers — total amount is over \$582 billion).
- Paying \$171.5 billion in travel-related wages and salaries.
- Paying \$99.5 billion in federal, state, and local taxes.
- Directly supporting more than 7.8 million jobs.
- Employing one of every seven Americans either directly or indirectly because of people traveling to and within the United States.

PROMOTIONAL SPENDING

The money all 50 states allocated to tourism promotion totaled nearly \$686 million. Illinois was the leader in tourism office spending with a budget of \$61.1 million. Hawaii was second with a budget that increased slightly to \$61 million, and Florida rounded out the top three with a budget of \$59.8 million, despite a budget decrease of 6.9 percent. Hawaii plans to spend the most on domestic advertising, budgeting \$11.1 million for 2000–2001, followed by Texas (\$10.9 million), Florida (\$10.2 million), Illinois (\$8.5 million), and Pennsylvania (\$8.3 million). The total collective domestic advertising budget is more than \$178 million.

2000 PROPERTY/ROOM BREAKDOWN

By Location	Property*	Rooms†
Urban	10.2%	16.0%
Suburban	33.6%	30.4%
Highway	42.2%	31.0%
Airport	7.7%	10.2%
Resort	6.3%	12.4%
By Rate		
Under \$30	13.8%	3.3%
\$30–\$44.99	26.9%	18.1%
\$45–\$59.99	34.1%	27.3%
\$60–\$85	16.2%	25.3%
Over \$85	9.0%	26.0%
By Size		
Under 75 rooms	51.5%	22.5%
75–149 rooms	33.5%	35.1%
150–299 rooms	10.9%	21.3%
300–500 rooms	2.8%	9.9%
Over 500 rooms	1.3%	11.2%

*Based on a total of 53,500 properties.
†Based on a total of 4.1 million rooms.

THE TYPICAL LODGING CUSTOMER

- 28.4% are transient business travelers
- 25.3% are attending a conference/group meeting
- 24.6% are on vacation
- 21.8% are traveling for other reasons
(e.g., personal, family, special event)

The typical business room night is generated by a male (60%), age 35–54 (52%), employed in a professional or managerial position (48%), earning an average yearly household income of \$72,240. Typically, these guests travel alone (81%), make reservations (91%), and pay \$91 per room night.

The typical leisure room night is generated by two adults (50%), ages 35–54 (42%), earning an average yearly household income of \$64,386. The typical leisure traveler also travels by auto (75%), makes reservations (83%), and pays \$84 per room night.

For a hotel stay, 36 percent of all business travelers spend one night, 25 percent spend two nights, and 39 percent spend three or more nights. Of leisure travelers, 43 percent spend one night, 28 percent spend two nights, and 29 percent spend three or more nights.

INTERNATIONAL TRAVEL

■ The United States receives a larger share of world international tourism than any other country in the world. The U.S. share of the world tourism receipts rose from 17.4 percent to 18.0 percent in 1992 and 1993. In 1994, the U.S. market share dropped to 16.5 percent. In 1995, it fell again to 15.6 percent and then increased to 16.0 percent in 1996. In 1997, the market share increased to 16.9 percent, but it dropped to 16.1 percent in 1998, and then it increased slightly to 16.4 percent in 1999. In 2000, the country's preliminary share of world travel receipts jumped to 17.9 percent, representing \$85 billion in travel receipts.

■ The top 10 countries in terms of U.S. arrivals for 2000 were Canada (14.6 million), Mexico (10.3 million), Japan (5.1 million), United Kingdom (4.7 million), Germany (1.8 million), France (1.1 million), Brazil (737,000), Republic of Korea (662,000), Italy (612,000), and Venezuela (577,000).

■ According to the U.S. Department of Commerce, International Trade Administration, Tourism Industries, there were significant increases in arrivals from three of the top 10 markets. Korea had the largest increase of 33 percent over the 1999 arrival total, and the United Kingdom and Brazil each posted an 11 percent increase.

■ According to Tourism Industries, a record 50.9 million international* travelers visited the United States in 2000, a 5 percent increase over the decline in travel in 1999. Overseas** arrivals set a new record in 2000 when they increased by 6 percent to 26.0 million. Canadian arrivals increased by 3 percent in 2000 to 14.6 million. Mexican arrivals increased by 4 percent to 10.3 million.

■ The impact of international travelers on the hotel industry is considerable. In 2000, 21.0 million overseas travelers stayed in a hotel/motel. Their average length of stay in a hotel was 7.6 nights, with 1.7 people in the travel party. The main purposes of trips for overseas travelers who stayed in hotels and motels were leisure, recreation, and holiday at 52 percent, and business at 30 percent. These extremely mobile travelers visited 1.7 states while within the country. To move about the United States they rented cars (37%) and took domestic flights (32%).

■ Preliminary figures for 2000 reveal that international visitor spending in the United States increased by 13 percent, resulting in \$106.5 billion total travel receipts. Thus, even though American spending surpassed \$88.9 billion (+10%) outside the United States, the trade surplus increased to \$17.5 billion. This is the first increase in the international travel trade surplus since the record surplus in 1996.

*International includes Canada, Mexico, and overseas.

**Overseas excludes Canada and Mexico.

THE 2001 LODGING INDUSTRY PROFILE WAS PREPARED BY:

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AH&LA 2002 CALENDAR OF EVENTS

February 3-5

The Americas Lodging Investment Summit
Renaissance Hollywood Hotel
Los Angeles, CA

February 20-23

International Resort Conference
The Biltmore Hotel
Coral Gables, FL

February 26-28

Legislative Action Summit
Loews L'Enfant Plaza Hotel
Washington, DC

April 3-5

AH&LA Annual Conference & Leadership Forum/
The Lodging Expo
Loews Philadelphia Hotel/Philadelphia Convention Center
Philadelphia, PA

May 19-21

Multiunit Lodging Owners & Operators Forum
New Orleans, LA

August 25-28

AH&LF Golf & Tennis Classic
Pinehurst
The Village of Pinehurst, NC

November 8-11

AH&LA Fall Conference
Waldorf=Astoria
New York, NY
(In conjunction with the International Hotel/Motel &
Restaurant Show, November 9-12.)

For more information, please contact David Corson, manager of meetings & conventions, at 202-289-3114, or send an e-mail to dcorson@ahla.com.

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The American Hotel & Lodging (AH&LA), is a 91-year-old federation of state lodging associations throughout the United States with some 11,000 property members worldwide, representing more than 1.4 million guest rooms. AH&LA provides its members with assistance in operations, education, and communications, and lobbies on Capitol Hill to provide a business climate in which the industry can continue to prosper. Individual state associations provide representation at the state level and offer many additional cost-saving benefits.

Information contained in this pamphlet is based on data provided by D.K. Shifflet & Associates, Ltd.; Smith Travel Research; the Travel Industry Association of America; and the U.S. Department of Commerce, International Trade Administration, Tourism Industries.