

OXFORD ECONOMIC STUDY

Economic Impact Of The Hotel Industry Showcases Potential Negative Impact of Coronavirus Pandemic

SUMMARY

Representing the most thorough economic impact analysis of the hotel and lodging industry to date, this comprehensive analysis of the industry was conducted by Oxford Economics and is based primarily on data from federal agencies and from leading providers of travel and hotel industry data, STR and Longwoods International. The data reveals that the industry is a driver of economic growth, supports millions of jobs, spurs community development, and provides guests and consumers with unrivaled experiences and satisfaction.

HOW HOTEL INDUSTRY SUPPORTS JOBS AND U.S. ECONOMY

ANNUALLY	MONTHLY	DAILY
<ul style="list-style-type: none"> Supports 1 in 25 American jobs <ul style="list-style-type: none"> 2.3 million direct jobs 8.3 million total jobs \$97 billion+ in wages and salary income Contributes nearly \$660 billion to U.S. GDP Includes more than 33,000 small businesses - 61% of hotel properties nationwide 	<ul style="list-style-type: none"> 105 million room nights \$102 billion of total business sales \$55 billion of GDP \$15 billion of tax revenue \$46 billion of guest spending 	<ul style="list-style-type: none"> 3.5 million room nights \$3.4 billion of total business sales \$1.83 billion of GDP \$500 million of tax revenue \$1.53 billion of guest spending

SHOWS DECLINE IN HOTEL GUEST OCCUPANCY DUE TO CORONAVIRUS PANDEMIC WOULD HURT INDUSTRY, LOCAL COMMUNITIES AND NATIONAL ECONOMY

Percentage drop in occupancy rate (from average of 66%)

Impact	-20%	-30%	-40%	-50%
Room nights	-380 million	-570 million	-760 million	-950 million
Total Business Sales	-\$370 billion	-\$558 billion	-\$740 billion	-\$925 billion
Direct hotel jobs	-690,000	-1.04 million	-1.38 million	-1.73 million
Total Jobs*	-2.6 million	-3.9 million	-5.2 million	-6.5 million
Wages*	-\$120 billion	-\$180 billion	-\$240 billion	-\$300 billion
GDP	-\$200 billion	-\$300 billion	-\$400 billion	-\$500 billion
Guest spending	-\$166 billion	-\$249 billion	-\$332 billion	-\$415 billion

* total jobs, including supply chain; Note: figures represent proportionate impacts of US hotel industry based on historical performance (each 10 percentage point decline in occupancy is shown as having the same successive impact for illustrative purposes). Economic impacts are based on Oxford Economics research for AHLA