



Montgomery, MD

INDUSTRY UPDATE

Moving the Needle Forward
on Your Sales Recovery Plan



SALES TEAM



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Destination Sales Manager

Market Segment: Corporate including BioHealth, Government and Association Group Markets

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Market Segment: Tour and Travel, SMERFE and Association Group Markets

Tour and Travel Updates

- Consumer confidence will dictate how and when travel will return
- Travelers Safety and Security is top priority – visible property signage
- Hyper-local Travelers – Friends and Family, Staycations – first to travel
- Exciting New Experiences – Outdoors or areas with social distancing measures in place
- Unsure of how social distancing will work on motor coaches – retail vs preformed
- Flexibility in booking terms (cancellation, attrition, deposits, comps)
- Adult market looking for Regional destinations (drivable 4-6 hours)
- Tour operators will offer more day trips
- Holding group rates for smaller group numbers – most tours at 50% or below capacity

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SMERFE Updates

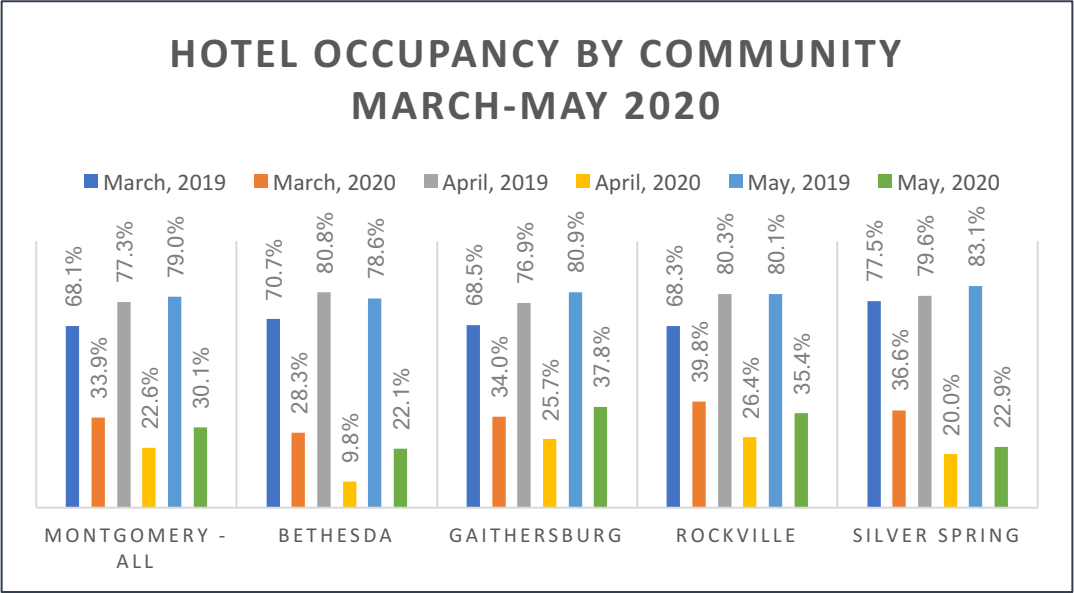
- Social events – Weddings and Mitzvahs/Religious Ceremonies, Graduations, Life Celebrations – will come back first
 - Family Reunions – summer of 2021 and 2022
 - Faith Based Events – smaller and more regional
 - Board Meetings will still be held based on Association/Organization by laws
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Transient: Corporate | Government | Leisure

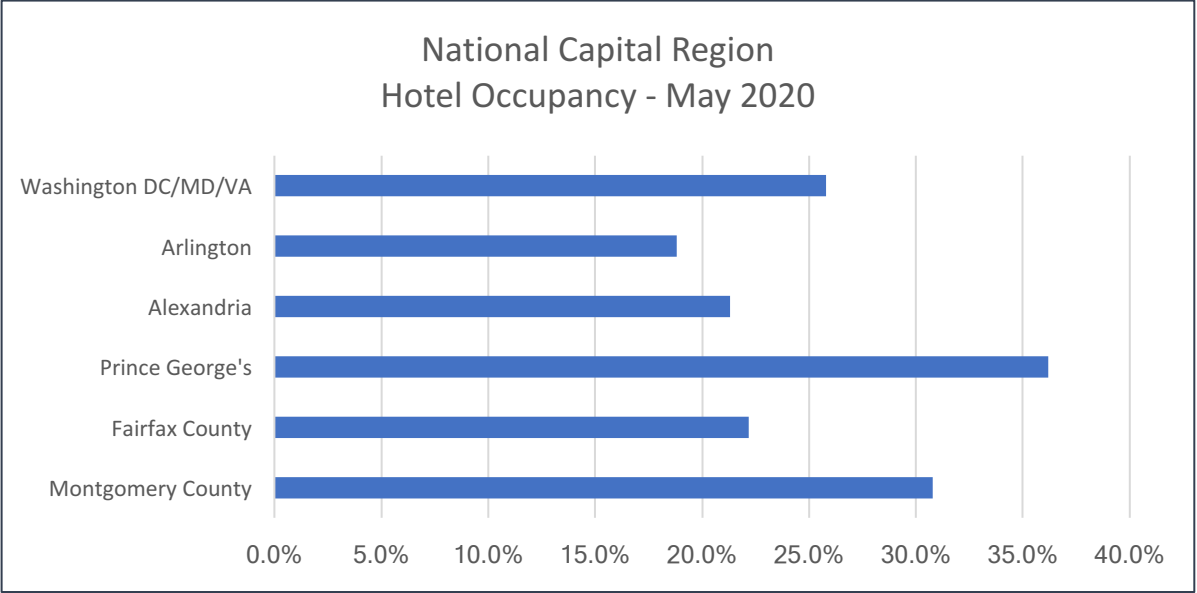
- Groups and Meetings: Smaller and shorter booking windows.
- Some government agencies planning trainings as there is budget to spend before the end of September 2020. Pentagon has their own reopening schedule and they not following DC/VA.
- TravelClick reports pace is obviously down for group and transient however transient is seeing an increase. It's group that we not seeing right now.
- In May STR for Montgomery County, MD demand has picked up by 21k (rooms sold, excludes complimentary rooms) and we expect incremental growth for June based on our conversations with our partners and the bookings especially on weekends.

STR Information from May Lodging Monitor

Local Community Information



Bethesda was the hardest hit community in April 2020 with hotel occupancy for the month at 9.8%. Hotel occupancy increased in Bethesda to 22.1% in May 2020. Gaithersburg and Rockville also saw notable increases, while Silver Spring saw a modest increase over prior month.



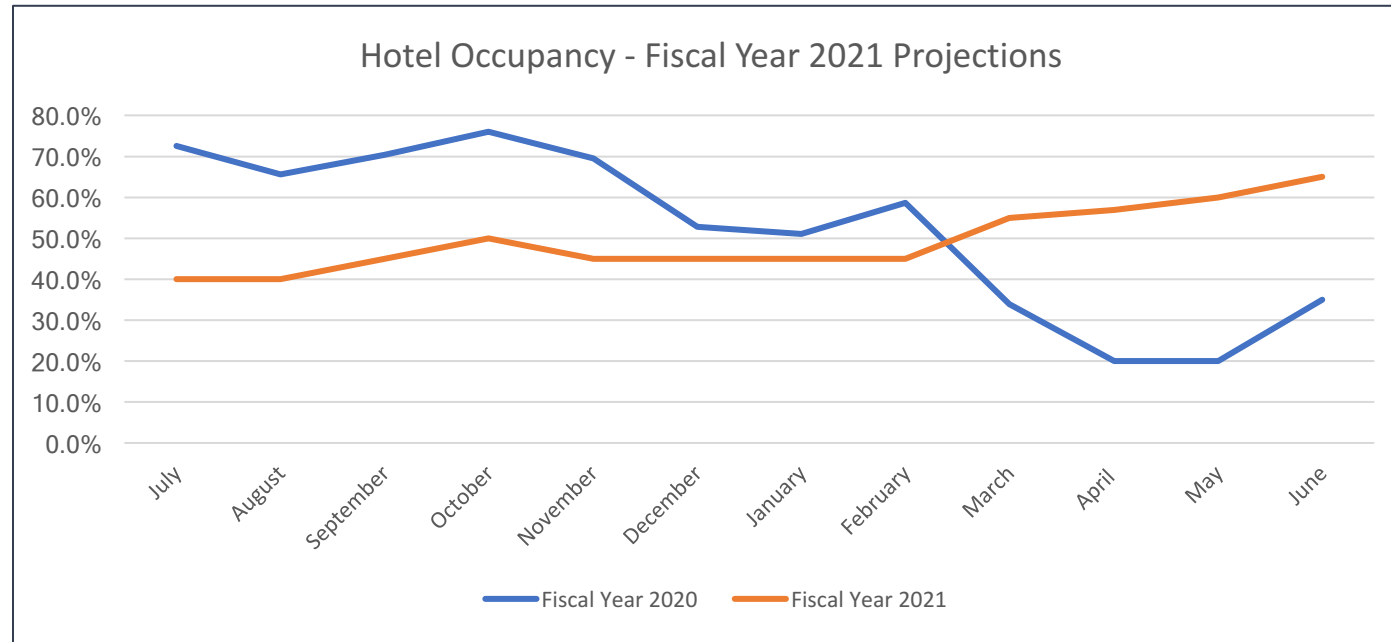
The hotel average daily rate for Montgomery County in May 2019 was \$145.24. There was a -41.5% decline in hotel average daily rate in May 2020, \$84.90.

May 2020 hotel revenue per available room significantly declined from \$114.72 to \$26.14, a -77.2% drop year-over-year.

Note: The Gaylord Hotel in Prince George's County remains closed during COVID-19 taking the property out of the census for May 2020.

STR Information from May Lodging Monitor

Regional Information



Visit Montgomery is projecting that hotel occupancy in the month of June 2020 will end at 35%. June 2019 occupancy was 78.8%.

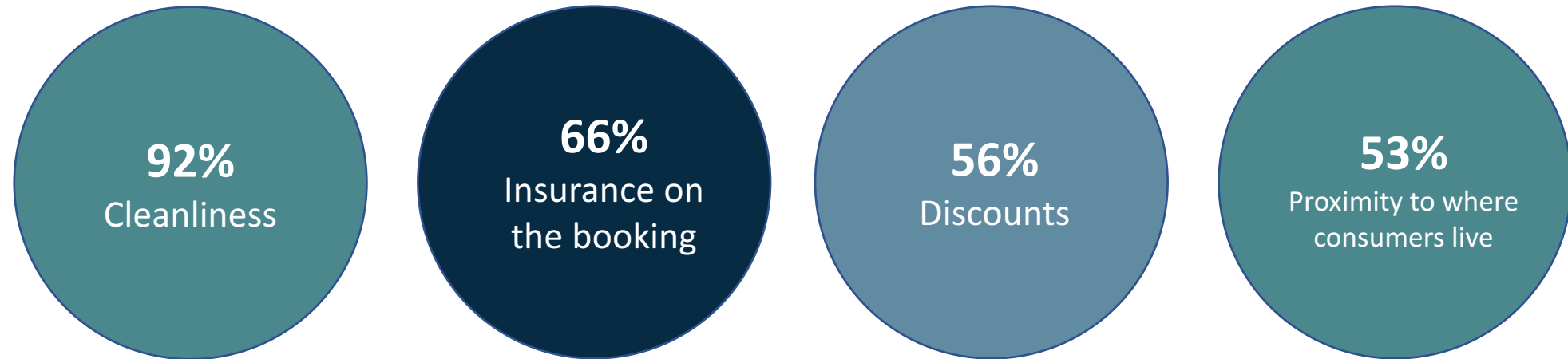


Destination DC 2020 Citywides

Location	Account	Meeting	Start Date	End Date	Peak Rms	Total Rms	Attendees
WEWCC	Transportation Research Board	Annual Meeting	1/12/20	1/14/20	5500	23433	10000
WEWCC	Capitol Hill VolleyBall Classic	2020 Capitol Hill Volleyball Classic	2/14/20	2/17/20	3800	11400	33000
WEWCC	Credit Union National Association	Governmental Affairs Conference 2020	2/23/20	2/27/20	3819	16805	5350
WEWCC	American Israel Public Affairs Committee	Policy Conference	3/1/20	3/3/20	4509	15750	18000
WEWCC	American Psychological Association	Annual Meeting	8/6/20	8/9/20	4000	17200	12000
Hotel Only	Department of Health and Human Services	HIV/AIDS Bureau's 2020 Biennial All Grantee Ryan White HIV/AIDS Program Meeting	8/10/20	8/13/20	2600	11807	4500
WEWCC	National Black MBA Association	2020 Annual Conference	9/23/20	9/24/20	3338	11300	10000
WEWCC	American Society of Anesthesiologists	Annual Convention	10/2/20	10/5/20	7000	37450	16000
WEWCC	Association of the United States Army	Annual Meeting	10/11/20	10/14/20	3000	13800	30000
WEWCC	Society for Neuroscience	Annual Convention	10/23/20	10/27/20	10000	54100	30000
Hotel Only	Marine Corps Marathon	2020 45th Annual Marine Corp Marathon	10/24/20	11/1/20	3777	10076	30000
WEWCC	American College of Rheumatology	Annual Meeting	11/6/20	11/10/20	11700	62938	15000
WEWCC	Association of American Medical Colleges	2020 Annual Meeting	11/13/20	11/16/20	3245	13413	4200
TOTAL CITYWIDES 2020:		13			66,288	299,472	218,050

Cleanliness is the most important factor in determining accommodations after COVID-19

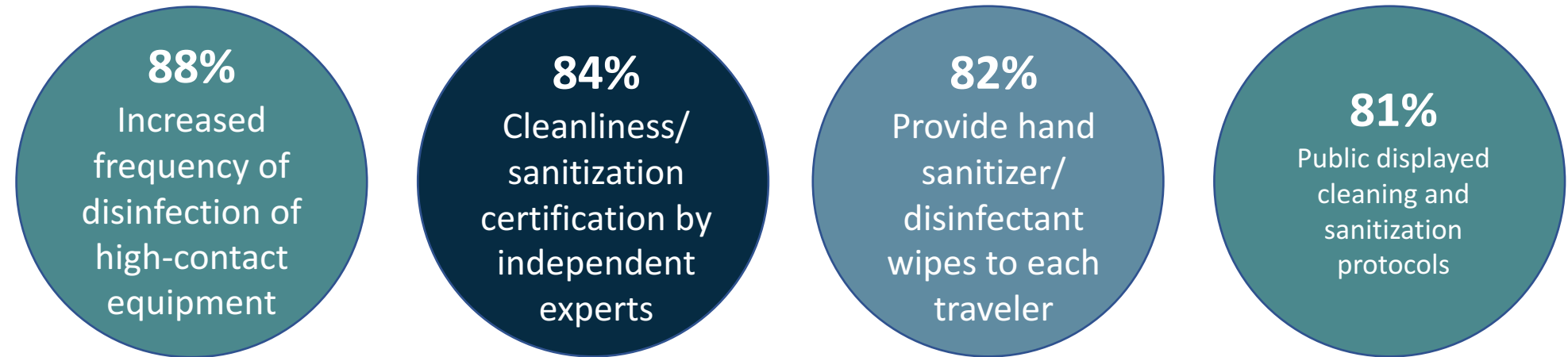
Thinking about traveling after COVID-19, how important are the following choices in selecting an accommodation? (Extremely/very important)



Source: COVID-19 Pandemic Survey; Tripadvisor Users

What actions can accommodations, restaurants and destinations take to increase cleanliness for consumers?

How important are the following health and safety considerations when deciding to book a travel experience?



Source: COVID-19 Pandemic Survey; Tripadvisor Users

Current Opportunities That will also help in 2021!

- Transient segments
- Drive Market
- Technology
- Flexibility
- Customer Engagement
- Partnerships
- Innovation



Key Takeaways

- Safety and Security Top Priority
- Manage Guest Expectations and Experiences
- Transparency of Services Being Offered, and Services Suspended
- Communicate, Communicate, Communicate
- Use of Special Promotions
- Include Us
- Disruption = Reinvention

We are your partners!



THANK YOU &
SEE YOU SOON!

