Alexandria Brand and Visitor Research

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DEMOGRAPHIC PROFILE OF PAST VISITORS

Female – 50.8%
Male – 49.1%

Married/partnered – 72.1%
Single – 24.9%

Mean age – 52.8

Has children
under 18 – 16.4%

Mean annual household
income – $120,437

College
Educated – 82.3%
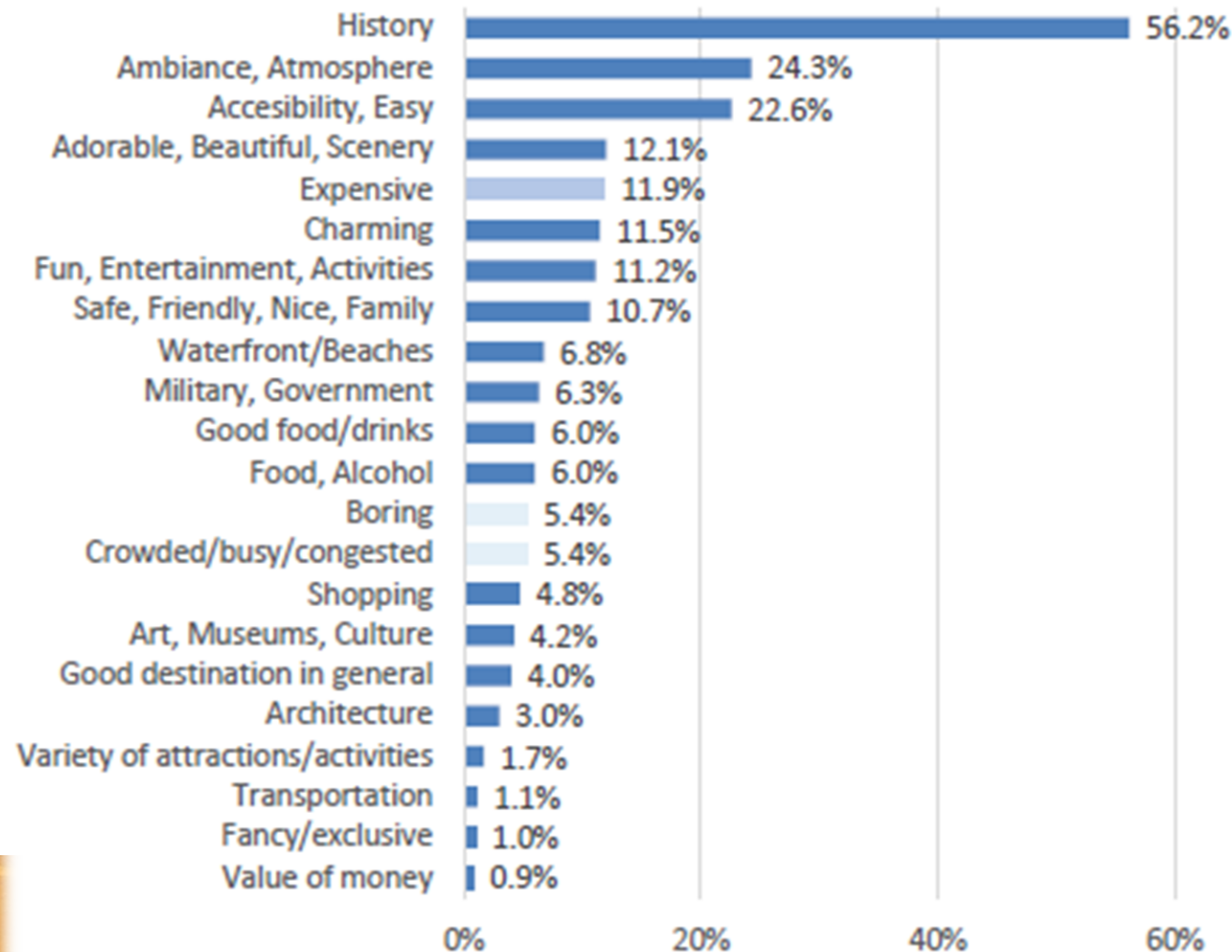
LGBTQ – 5.5%

Employed
(Full or part time) – 59.5%

Caucasian – 79.8%

Asian, Pacific Islander – 7.6%
Black, African-American – 6.1%

1) History is Top of Mind

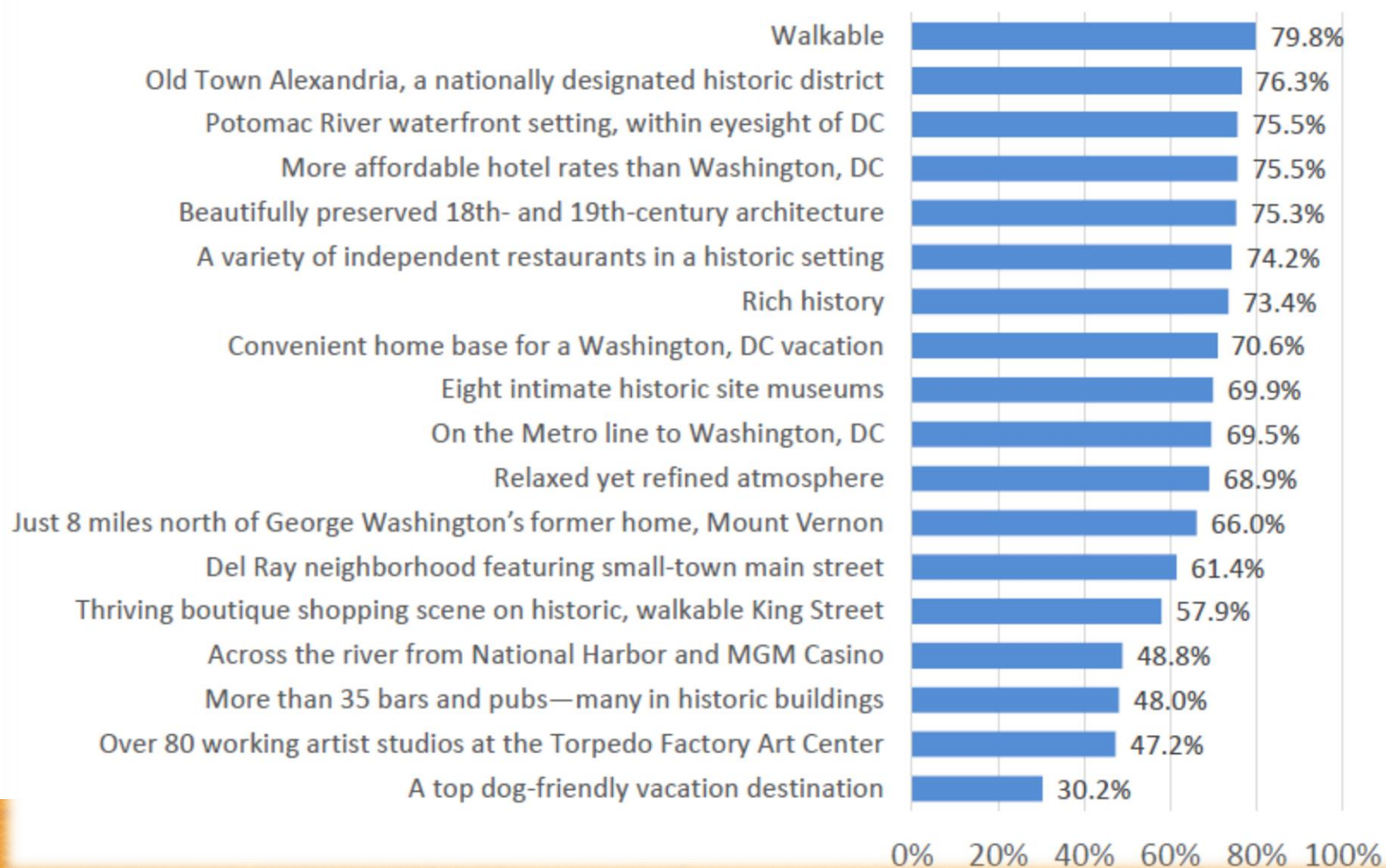Figure 3: Top-of-Mind Association With Alexandria

Those that love Alexandria value the following more than other travelers:

History
Small City Intimacy
Healthy Lifestyle
Arts and Culture
Beautiful Architecture
Cultural Diversity
Sophistication

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Figure 17: Alexandria Attributes That Motivate Visitation
(Top-Two Box Score—% Rating Each as "Interesting" or "Very interesting")

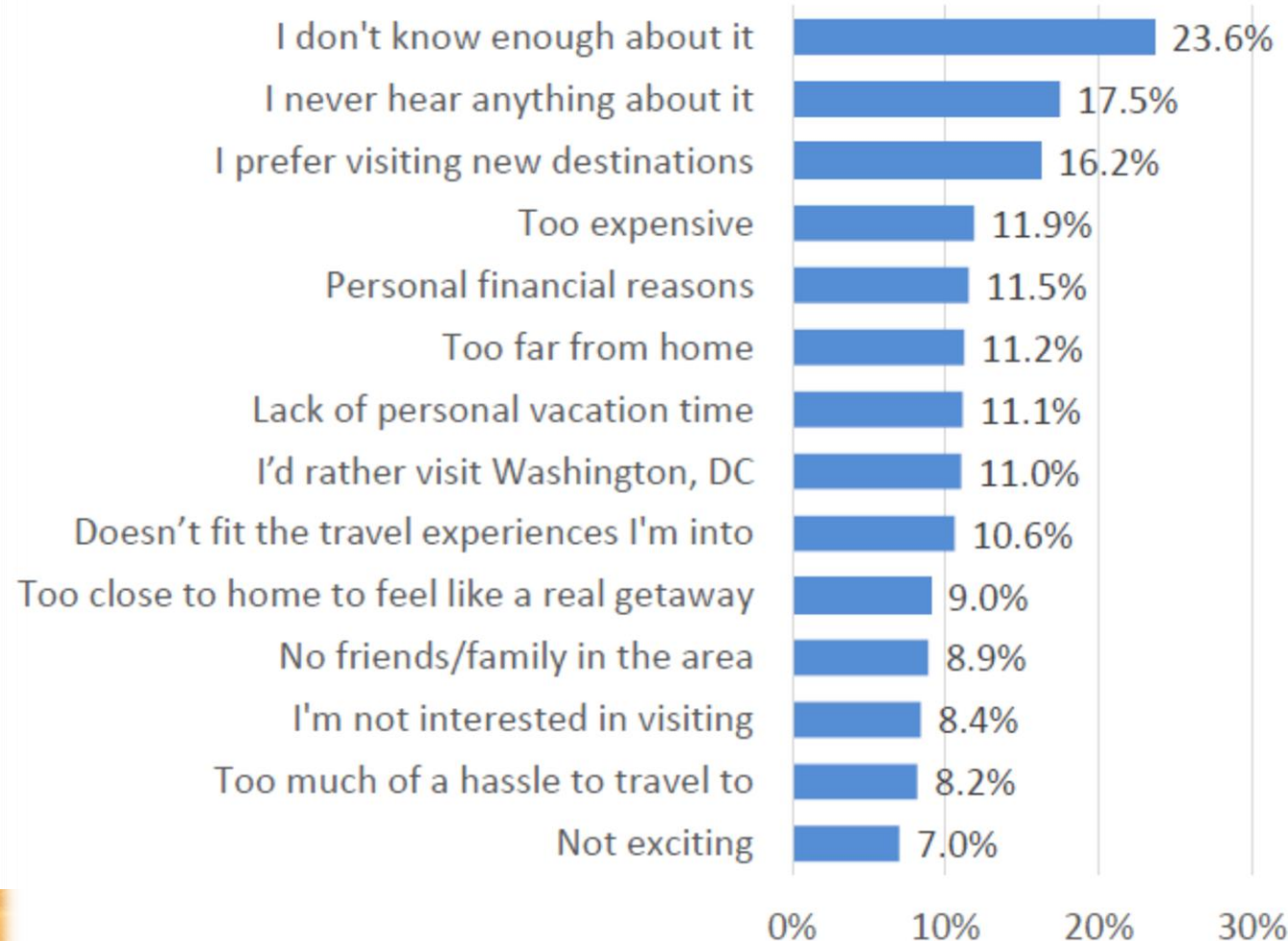| Attribute	Percentage
Walkable	79.8%
Old Town Alexandria, a nationally designated historic district	76.3%
Potomac River waterfront setting, within eyesight of DC	75.5%
More affordable hotel rates than Washington, DC	75.5%
Beautifully preserved 18th- and 19th-century architecture	75.3%
A variety of independent restaurants in a historic setting	74.2%
Rich history	73.4%
Convenient home base for a Washington, DC vacation	70.6%
Eight intimate historic site museums	69.9%
On the Metro line to Washington, DC	69.5%
Relaxed yet refined atmosphere	68.9%
Just 8 miles north of George Washington's former home, Mount Vernon	66.0%
Del Ray neighborhood featuring small-town main street	61.4%
Thriving boutique shopping scene on historic, walkable King Street	57.9%
Across the river from National Harbor and MGM Casino	48.8%
More than 35 bars and pubs—many in historic buildings	48.0%
Over 80 working artist studios at the Torpedo Factory Art Center	47.2%
A top dog-friendly vacation destination	30.2%

2) Water Moves People

76% say they find Alexandria's waterfront setting motivating for visitation
Only trails 1) Walkability and 2) Old Town

3) Shift to Building Awareness

Figure 9: Top Deterrents to Visiting Alexandria

Deterrent	Percentage
I don't know enough about it	23.6%
I never hear anything about it	17.5%
I prefer visiting new destinations	16.2%
Too expensive	11.9%
Personal financial reasons	11.5%
Too far from home	11.2%
Lack of personal vacation time	11.1%
I'd rather visit Washington, DC	11.0%
Doesn't fit the travel experiences I'm into	10.6%
Too close to home to feel like a real getaway	9.0%
No friends/family in the area	8.9%
I'm not interested in visiting	8.4%
Too much of a hassle to travel to	8.2%
Not exciting	7.0%

3) Shift to Building Awareness

Tourism Budgets of Condé Nast Traveler Readers' Top 10 Small Cities

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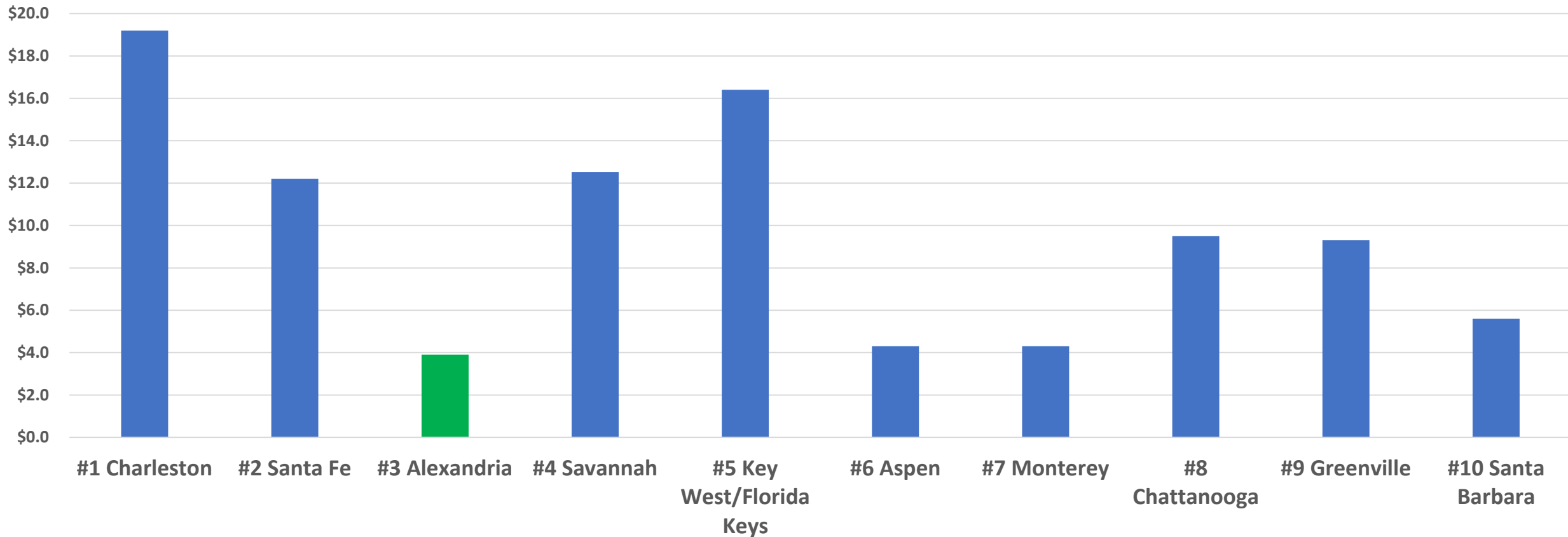
4) DC is a Double-Edged Sword

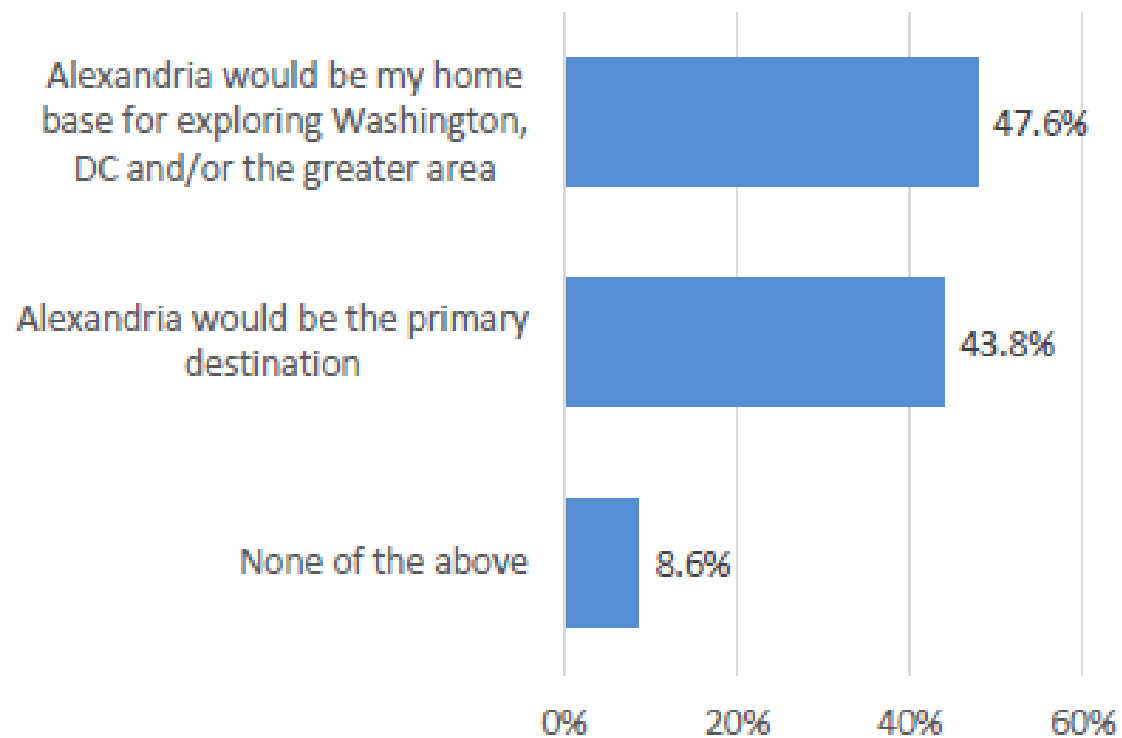**Positive – 72% rate proximity to major attractions as good or very good**

Negative – Perceived weaknesses: Expensive and Congested

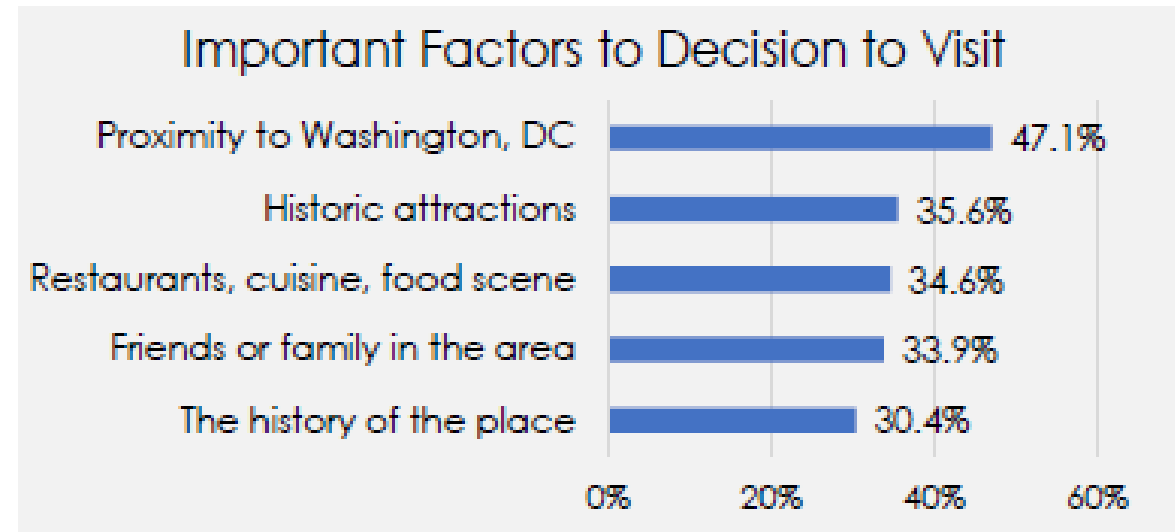**Overcoming these weaknesses? We are the solution to these problems.**

Figure 6: Negative Perceptions of the Alexandria Brand (aided)

Category	Percentage
Expensive	21.8%
Congested	17.4%
Overcrowded	11.2%
Lack of things to do	6.8%
Inconvenient to get to	6.4%
Pretentious	5.7%
Tourist trap	5.4%
Boring	5.4%
Overrated	4.6%
Undistinguished	4.3%
Generic	4.0%
Difficult to walk around in	3.4%
Unsafe	2.6%
Unfriendly	1.7%
Dirty	1.6%
NONE OF THESE	53.7%
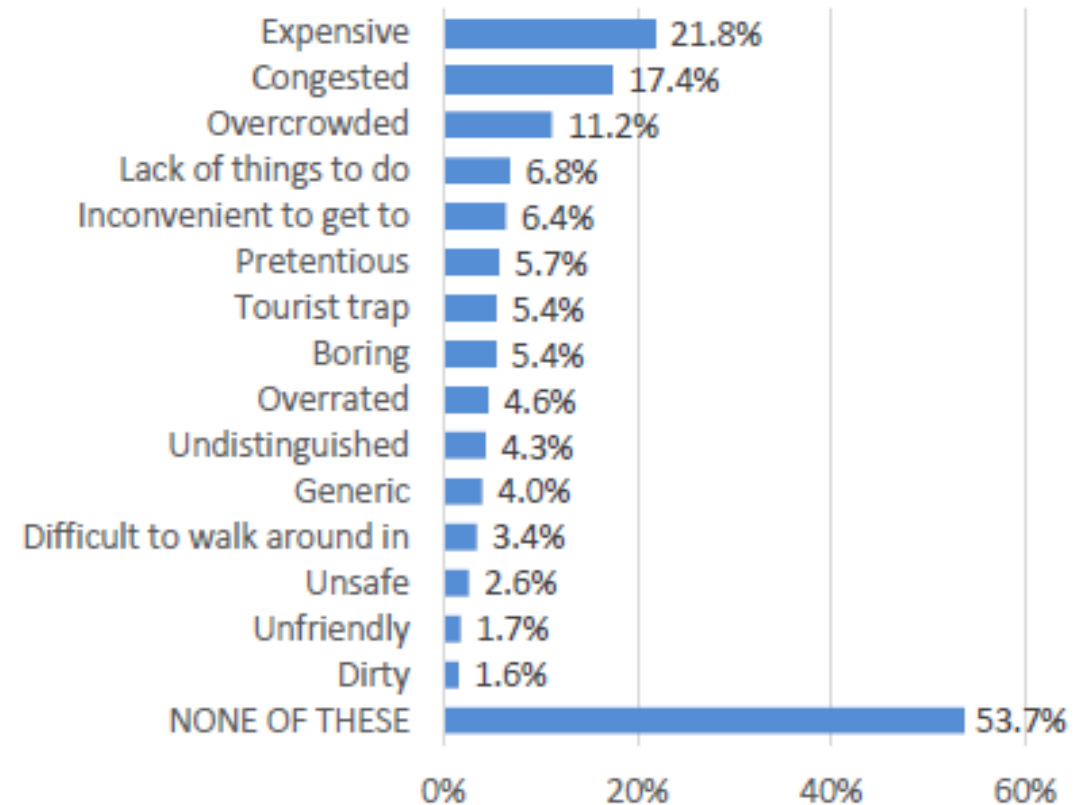
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5) Destination or Home Base?

Figure 19: Destination Focus For Ideal Trip To Alexandria

PAST VISITORS:

Alexandria would be my home base for exploring Washington, DC and/or the greater area — 47.6%

Alexandria would be the primary destination — 43.8%

None of the above — 8.6%

Important Factors to Decision to Visit

Proximity to Washington, DC — 47.1%
Historic attractions — 35.6%
Restaurants, cuisine, food scene — 34.6%
Friends or family in the area — 33.9%
The history of the place — 30.4%

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6) Affirming the Media Strategy

Other than word of mouth, most important channels for inspiration:

1. Online search
2. Travel review sites
3. Magazine and online articles

Social Media top channels:
1. Facebook
2. Instagram
3. YouTube

Figure 10: Sources for Destination Inspiration

Source	Percentage
Friends/Family through direct contact	56.5%
Online searches	46.8%
Travel review sites	35.7%
Magazine articles	28.4%
Friends/Family via social media	26.6%
Online travel articles and videos	25.5%
Official destination tourism websites	22.6%
Online travel agencies	21.7%
Travel planning apps	20.7%
Television program(s)	20.3%
Advertising	18.6%
Social networking websites	17.0%
News-related content	11.9%
Films/movies	10.3%
Social media influencers	9.0%
Travel agencies—traditional	8.6%
Email newsletter(s)	8.2%
Blogs	4.7%
Radio program(s)	3.4%
Podcasts	3.0%
None of the above	5.5%

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7) A Value (Not Budget) Destination

Expense is a WEAKNESS.
(#1 negative perception)

BUT affordability compared to DC is an ASSET.
(#4 positive motivator)

Much of our audience
"happily spends more for higher quality things"

8) Service and Satisfaction

82% were satisfied on prior Alexandria trip

56% rated Alexandria as 4 or 5 out of 5 on being "welcoming"
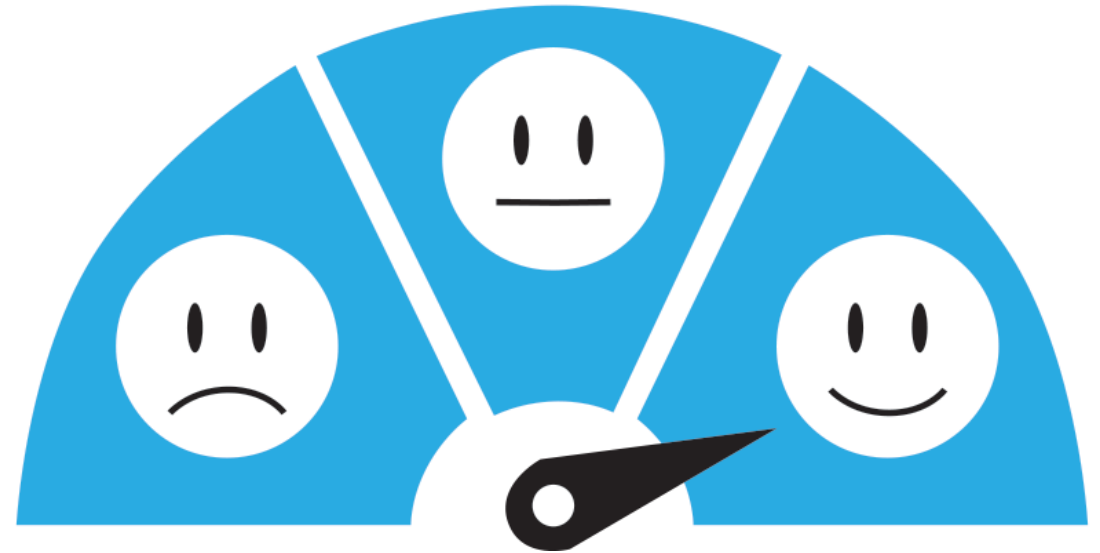
9) Accolades are Powerful

When presented in interviews, many found them surprising

Independent verification of national significance/stature

3 in 10 travelers get travel ideas from magazine articles

Money

Southern Living

Condé Nast Traveler

"Sometimes when something is right in your backyard, you don't appreciate it as much as you should. Seeing these, I do understand why Alexandria got these awards, but I didn't realize it had such recognition nationwide.... It makes me assign a little more value to it."
-Interview Participant

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10) Opportunity to Extend

Current Length of Stay
1.5 Days
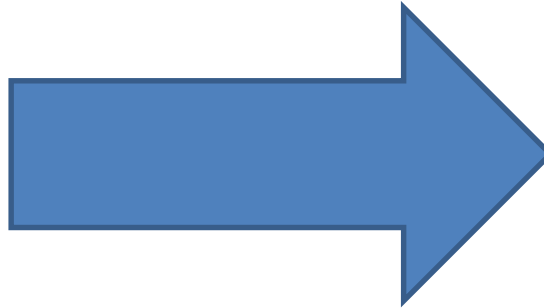
Potential Length of Stay
2.6 Days

"Bleisure": 65% of those in the DC area for business would find
staying an additional night or two in Alexandria appealing

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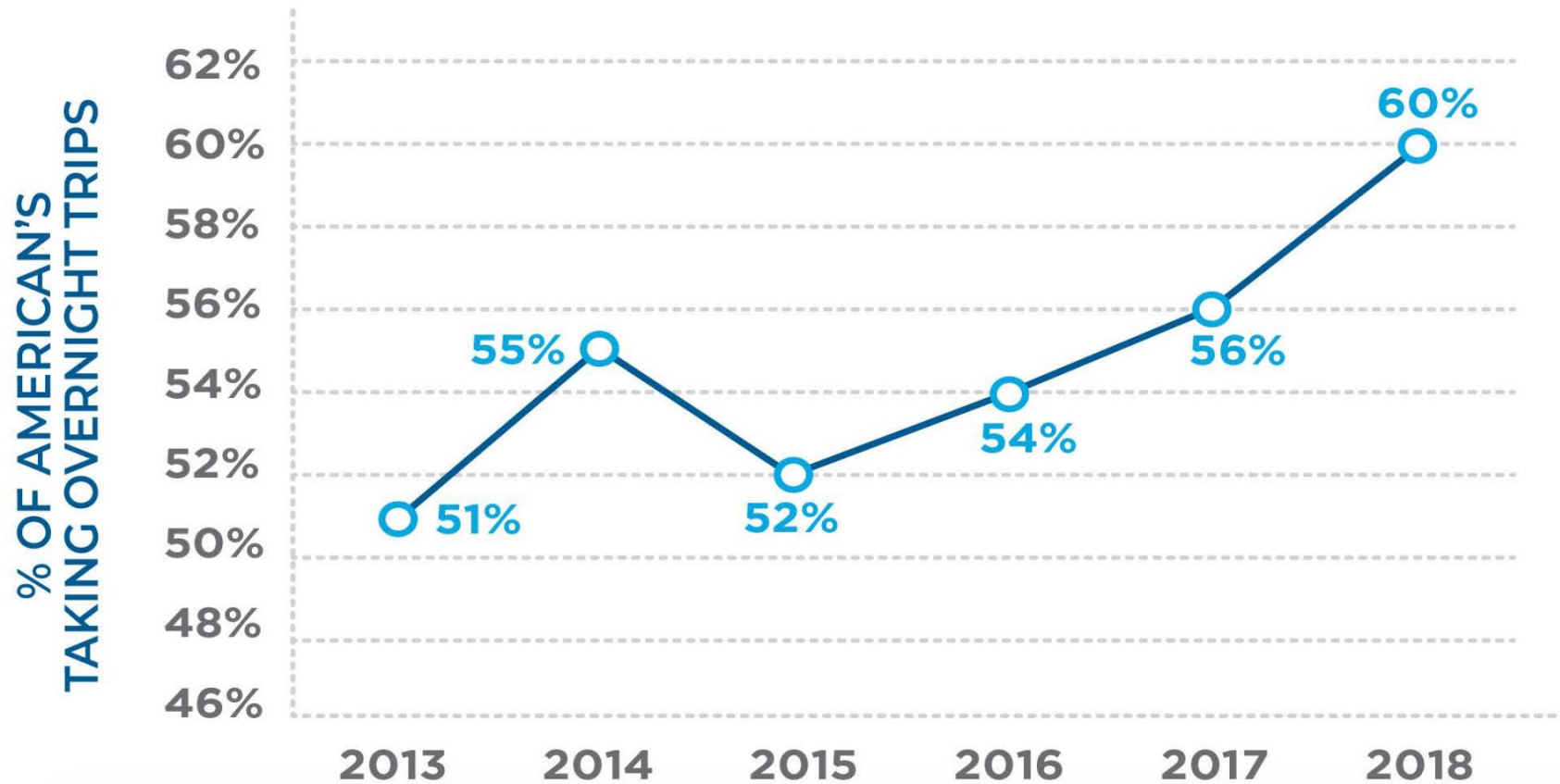**10 National Tourism and Consumer Trends for 2020**

1 **Warning Signs, but Consumer Strength**

- Manufacturing decline, Inverted yield curve
- Meeting planners cautious
- Pessimism at DMOs (Optimism index down 22 points from 2018)
- BUT domestic leisure travel intentions generally positive
- Consumer spending strong – can it save us?
- 25-40% chance of recession in 2020

US: Yield curve has been flattening

— 10-year minus 2-year Treasury
— 10-year minus 3-month Treasury

Source: Oxford Economics/Haver Analytics

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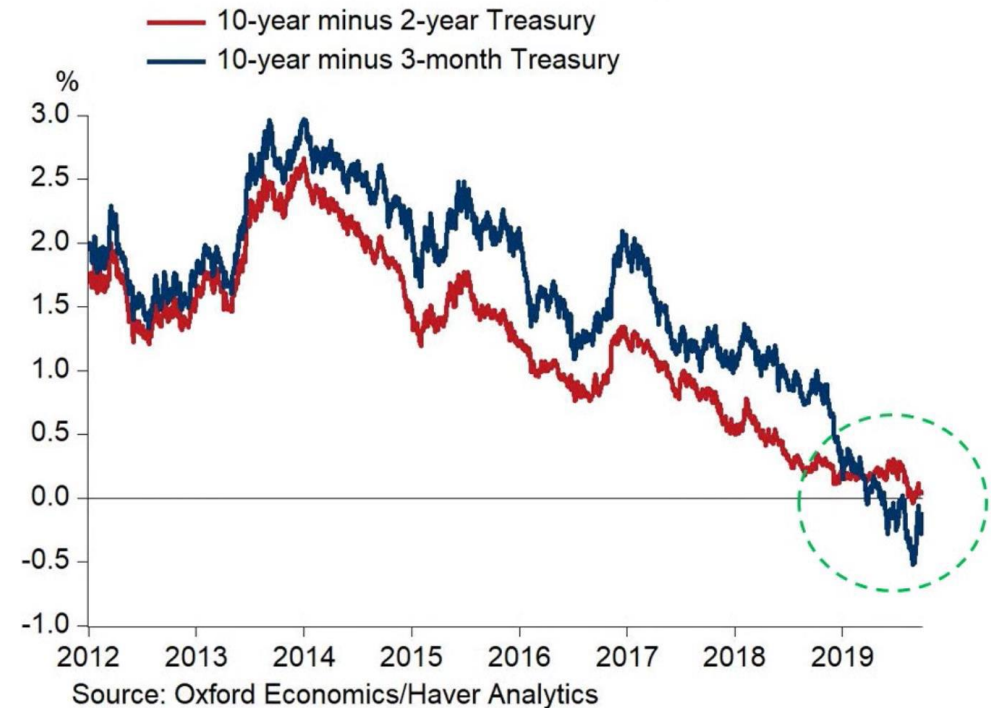
More Americans Traveling

% OF AMERICAN'S TAKING OVERNIGHT TRIPS

- 51% (2013)
- 55% (2014)
- 52% (2015)
- 54% (2016)
- 56% (2017)
- 60% (2018)

2018 Longwoods Travel USA®

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Hotels: Record Performance, Challenging Environment

- US Occupancy and RevPAR near records

- BUT expansion is over and growth has stopped

- Weathering a recession – different world from 2008

  - Acquisition costs (15-20%), new gatekeepers (FB, Google, Amazon), workforce issues

- Hotels battling OTAs → offering personalization and controlling experience

RevPAR Growth: Almost 10 Years in, Bouncing Around the "0%" Line
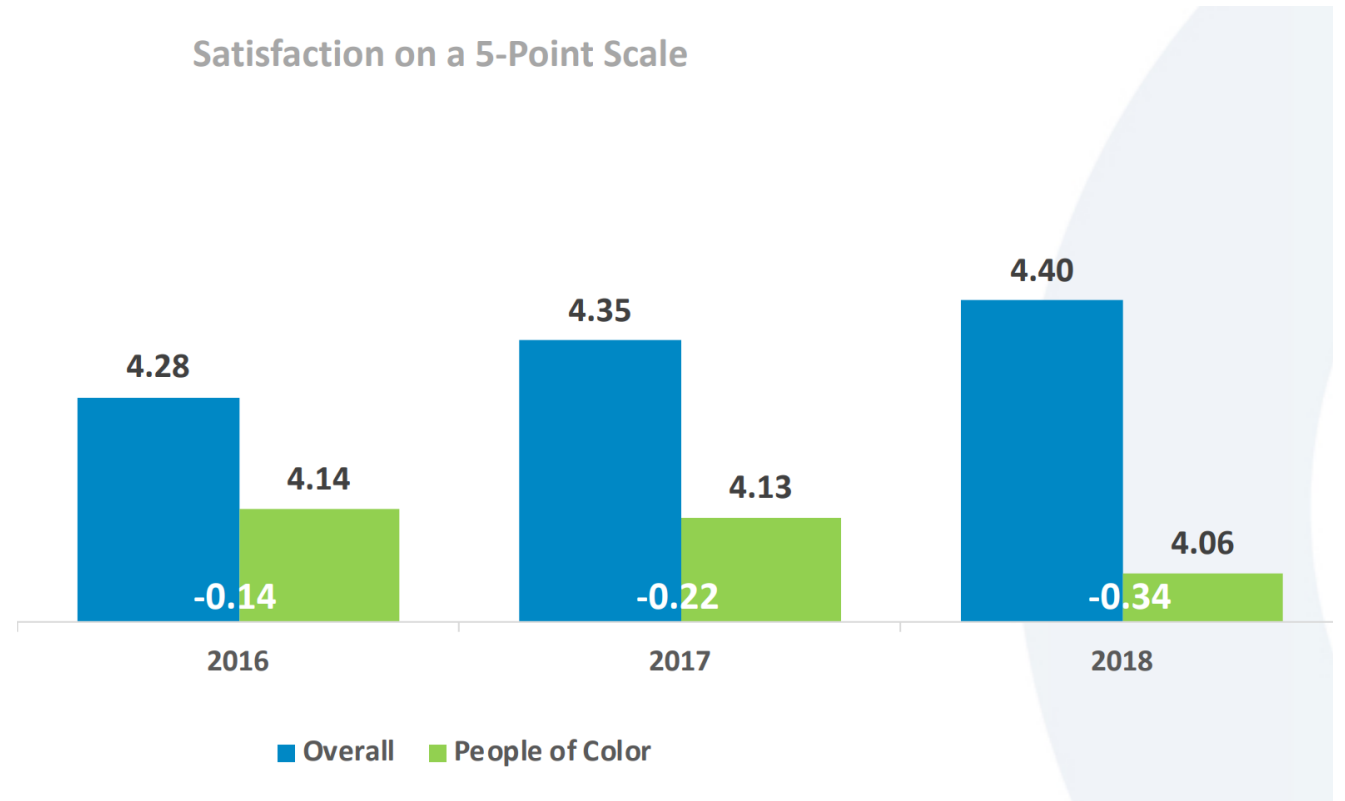
111 Months (out of 112) 56 Months 113 Months (out of 117)
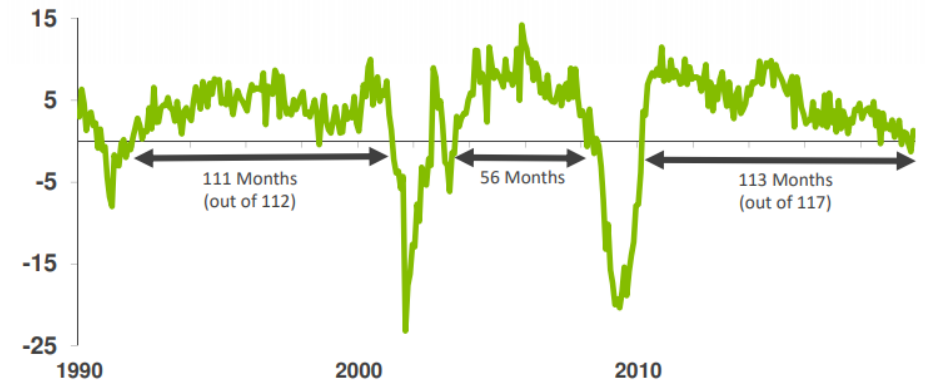
Total U.S., RevPAR % Change, 1/1990 – 11/2019

Source: STR
2020 © CoStar Realty Information, Inc.

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3 **Is Everyone Part of the Story?**

- Non-white visitors to attractions and historic sites on decline
- Feeling welcome is important
- Inclusion across all content
- LGBTQ travel as cultural identity
  - 76% worry about rollback of rights in next year
- White non-Hispanic = 68% → 60% and falling

Satisfaction on a 5-Point Scale

	2016	2017	2018
Overall	4.28	4.35	4.40
People of Color	4.14	4.13	4.06
	-0.14	-0.22	-0.34

■ Overall ■ People of Color

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What Happened to Millennials?

- Millennial hype
- Actually: weaker travel intentions than other generations (down 2% from previous year)
- Declining attendance at attractions: represent 36% of attendance vs. 39% in past years
- Intent to visit and satisfaction declining

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5 The Evolution of "Sustainability"

- Beyond environmental impact
- Placemaking + placekeeping
- Yield management – revenue increase without visitation increase
  - Increased length of stay
 - Higher ROI visitors

Personalization and Choice

- 171 hotel brands among top 8 companies
- Targeted marketing
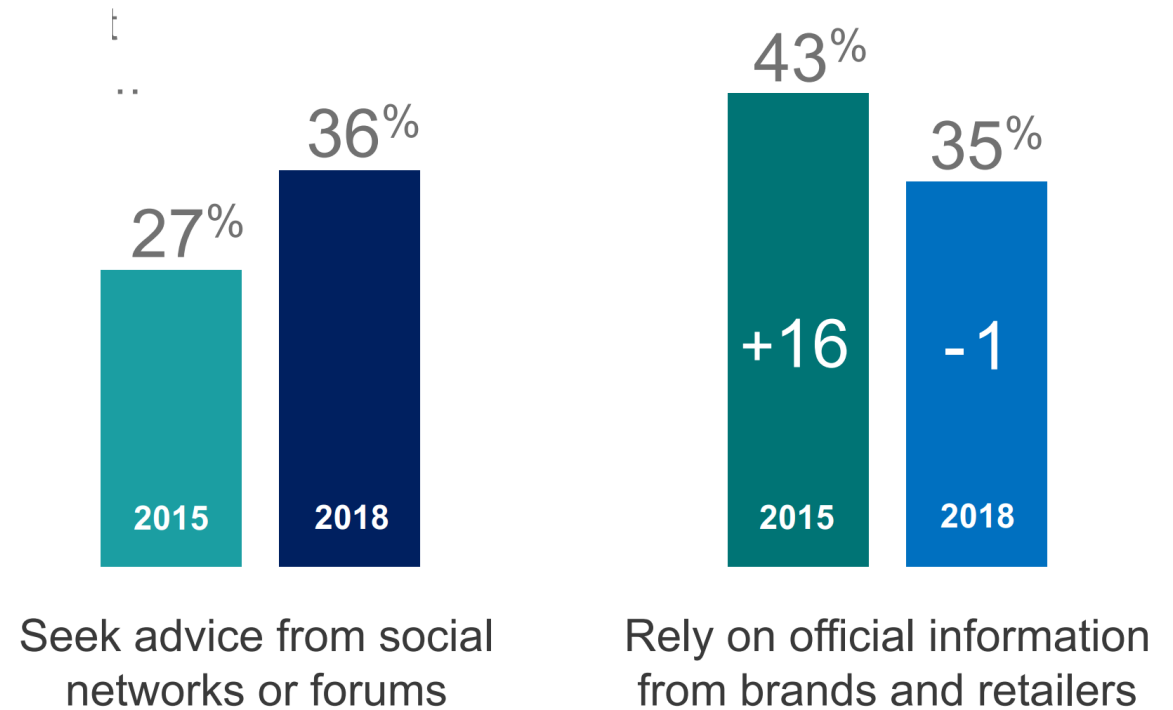- Interest and location data for customers
- Niche audiences

Brand Clarity on the Decline

- Down 33% compared with 2008
- Differentiation is necessary
- Conflict with previous trend of customization?
- Don't get trapped – find the best segments but keep it simple and play to your strengths

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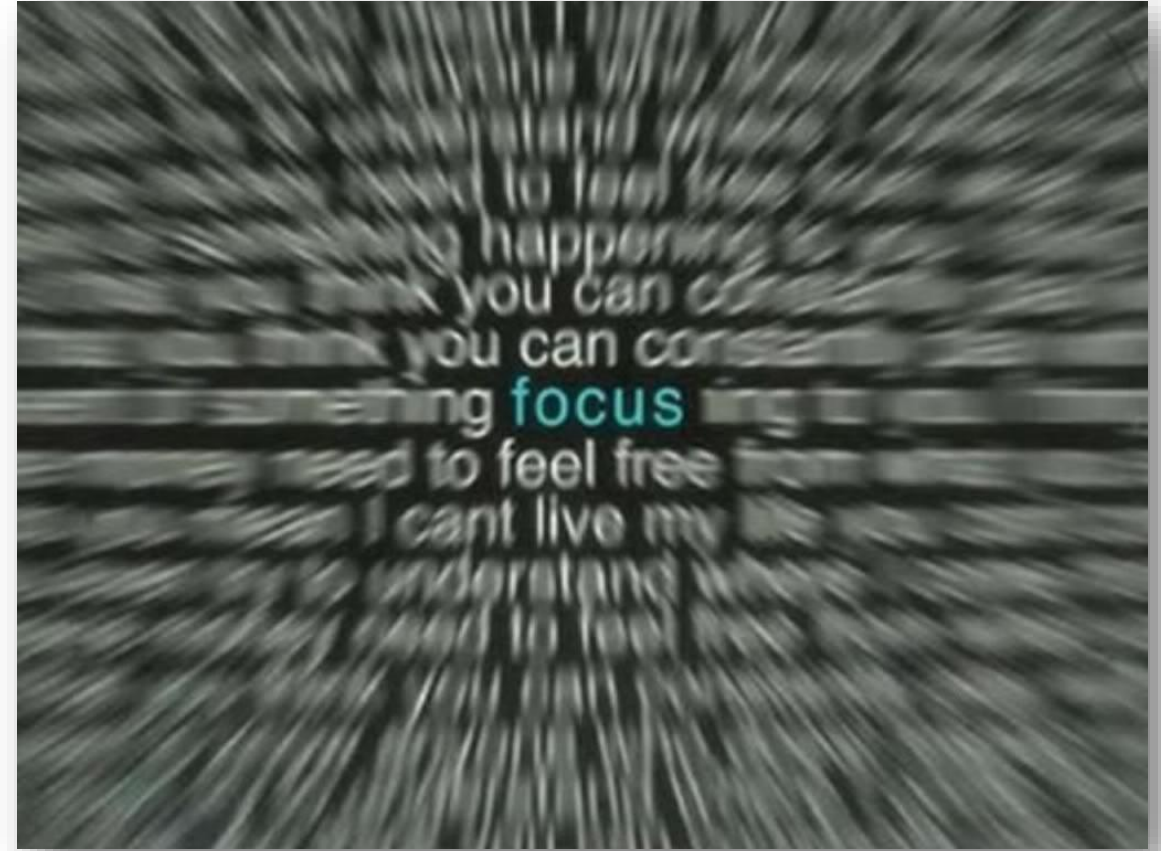
Advertising to Algorithms

- Before: Brand → Consumer
- Now: Consumer ←→ Consumer
  - Social media, review sites
- Next: The Internet of Things Buying Things
- Algorithms use consumer behavior to make decisions for them

27% 2015 **36%** 2018

Seek advice from social networks or forums

43% +16 2015 **35%** -1 2018

Rely on official information from brands and retailers

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Contact on a Human Scale

- Rise of printed media
- Farmers' markets, cafes, buy local, etc.
- Increased demand for walkability
- Alexa, Google Home, Siri
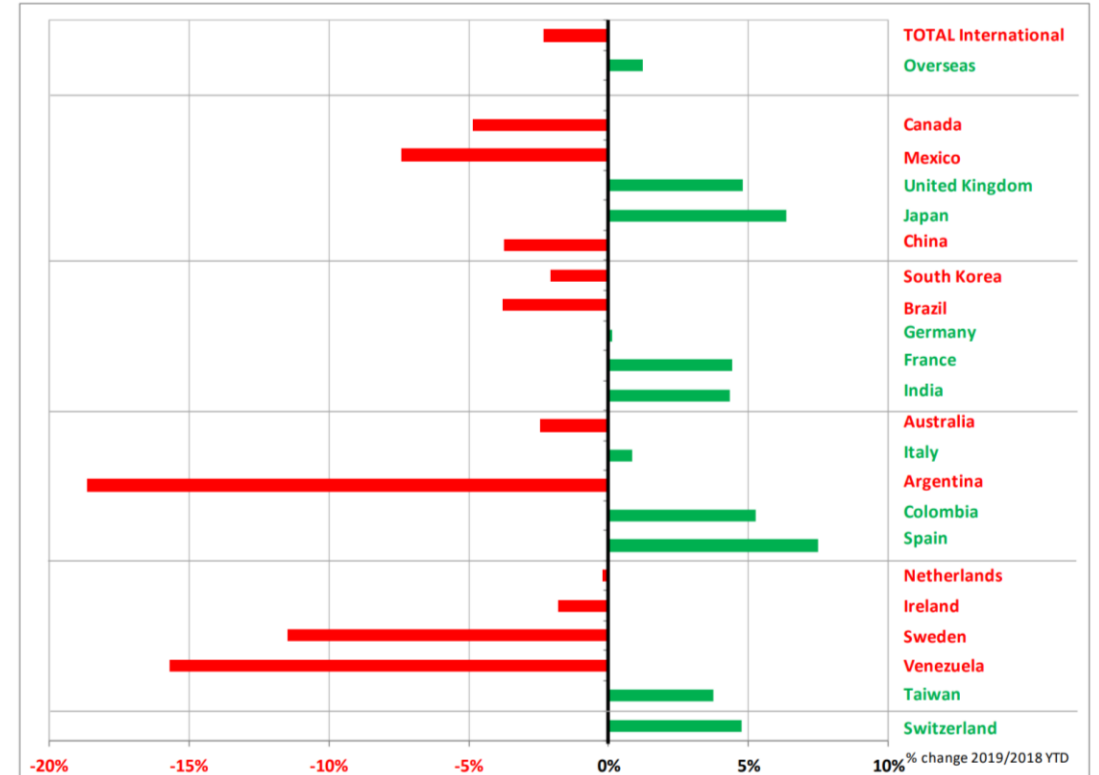- Desire for human-level interaction
- Combining tech + humanity?

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International Inbound Weakness

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- Mexico/Canada inbound to US down in 2019
- US declining share of global travel market
- Rebounding in coming years but growth will be very slow

Visitor Percent Change 2019 YTD vs. 2018 YTD

January-August (Total/Canada/Mexico are January-July)

National Travel and Tourism Office, International Trade Administration, U.S. Department of Commerce

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Thank You!

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