



# Loudoun County Lodging Study

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# Visit Loudoun – 2014 Lodging Study

## YSI Lodging Research Methodology

Young Strategies, Inc. (YSI) conducted a survey of the hotel/motel properties located in Loudoun County, Virginia at the request of Visit Loudoun (VL). A one-page questionnaire was written by YSI, approved by the VL, and sent to all Loudoun County, Virginia lodging properties to estimate the following for the full calendar year 2014: percentage of occupancy driven by nine (9) market segments as well as ranking group market segments for future sales and marketing efforts by Visit Loudoun. Hoteliers were also asked to provide annual occupancy percentages and transient guest percentages for government/business travelers.

## Loudoun County Lodging Inventory

Visit Loudoun provided YSI with a list of all lodging properties in Loudoun County. Updates in Loudoun County lodging inventory are as follows. 1) No new property openings reported in 2014. 2) The TownePlace Suites Dulles North was taken out of inventory and reopened in 1<sup>st</sup> quarter 2015 as the Hawthorn Suites (94 rooms). Additionally, the Salamander Inn (opened Sept'13, 168 rooms) was not included in this lodging market research. Due to its unique classification by STR (the only luxury class property in the Loudoun County market) and unique pricing structure, this property is considered an outlier in this analysis. Thus, a total of 33 hotel/motel properties with 5,301 rooms actively collecting the local lodging tax were included in the 2014 YSI lodging study.



## Loudoun County Lodging Survey Response by Geographic Area

A total of 19 hotel/motel properties representing 3,715 rooms participated in the survey, representing an overall hotel response rate of 70.1%. This response rate is very good and considered to be a highly predictive sample of the overall market based on the geographic distribution. The charts and tables on the following pages outline the overall findings from the lodging properties that responded to the YSI survey. YSI estimates a margin of error (+/- 3-5%).

Previous studies conducted for Visit Loudoun have identified geographically segmented areas within the Loudoun County lodging market. These areas are identified in the table below as Dulles, Highway 7 and Leesburg. The table outlines the total number of lodging rooms, total number of rooms that responded to the YSI survey and the percentage of response in each of the geographically segmented areas.

2014 Overall Lodging Inventory	2014 Dulles Properties	2014 HWY 7 Properties	2014 Leesburg Properties	Total Inventory
Total rooms	2,972	1,755	574	5,301
Total response	1,960	1,363	392	3,715
% of response	66.0%	77.7%	68.3%	70.1%

# Visit Loudoun – 2014 Lodging Analysis

## Loudoun County, VA 2014 Hotel/Motel Inventory – Age and Room Count

2014 Hotel/Motel Lodging Inventory	Open Date	Rooms
<b>Dulles = 56.1% of hotel/motel inventory</b>	<b>20 properties</b>	<b>2,972</b>
Marriott Washington Dulles Airport	Apr-70	344
Holiday Inn Washington Dulles	Sep-72	297
Best Western Dulles	Apr-87	122
Fairfield Inn & Suites Dulles Airport	Jan-97	106
Extended Stay America (formerly Homestead Studio Suites)	Aug-98	134
TownePlace Suites by Marriott Dulles	Aug-98	94
Country Inn & Suites	Dec-99	59
Comfort Inn & Suites	Mar-01	104
Candlewood Suites	Oct-04	121
Suburban Extended Stay	Dec-04	132
Homewood Suites Dulles North	Feb-05	90
Embassy Suites	Mar-05	154
Residence Inn Dulles	Apr-06	151
Springhill Suites Dulles	Jan-07	158
Hampton Inn Dulles Airport	Oct-07	170
Hyatt House Sterling	Oct-07	162
aLoft	Dec-08	136
Hilton Garden Inn	Jan-09	135
Springhill Suites Ashburn Dulles North	Oct-09	132
Doubletree Dulles Airport	Apr-10	171

2014 Hotel/Motel Lodging Inventory	Open Date	Rooms
<b>Highway 7 = 33.1% of hotel/motel inventory</b>	<b>7 properties</b>	<b>1,755</b>
National Conference Center	Jul-97	915
Landsdowne Resort	Mar-91	296
Extended Stay America	Jul-98	101
Hyatt Place Dulles North	Apr-99	134
Hampton Inn Dulles Cascades	Nov-00	152
Courtyard by Marriott Dulles Town Center	Mar-01	157
<b>Leesburg = 10.8% of hotel/motel inventory</b>	<b>6 properties</b>	<b>574</b>
Clarion Inn (Formerly Holiday Inn Leesburg at Carradoc Hall)	May-86	122
Days Inn Leesburg	Jul-86	81
Best Western Leesburg	Apr-86	99
Comfort Suites at Prosperity Center	Dec-00	80
Hampton Inn & Suites Leesburg	Nov-02	101
Homewood Suites Leesburg	Sep-09	91
<b>33 TOTAL PROPERTIES</b>	<b>TOTAL RMS</b>	<b>5,301</b>

Source: STR – 6YR trend report and Visit Loudoun lodging property database

# Visit Loudoun – 2014 Lodging Study

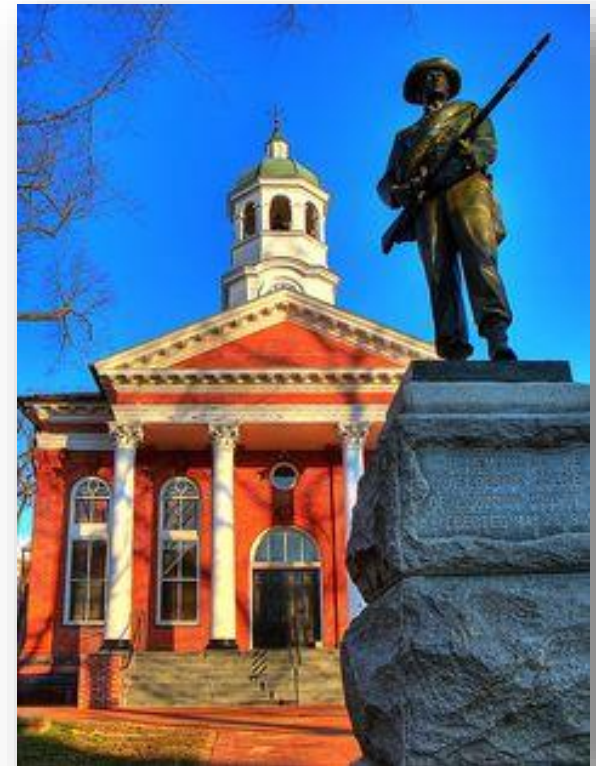
## 2014 Projected Annual Overall Lodging Market Segmentation

When marketing tourism for a destination, it is critical to understand the different market segments that drive occupancy in local lodging properties. These segments help provide an understanding of the visitor categories that drive the greatest economic impact for the area. Weighted averages were calculated for Loudoun County lodging market segmentation based on annual occupancy and total inventory of each reporting property. The 19 hoteliers responding to the YSI survey reported the 2014 annual average occupancy as 61.8%. STR data will be provided in 4<sup>th</sup> quarter 2014 with all key metrics.

## Loudoun County Market Segmentation

ALL	Dulles/ HWY7	Leesburg	Guest Segmentation
<b>61.9%</b>	<b>64.5%</b>	<b>29.4%</b>	<b>Transient &amp; Other</b>
50.3%	52.3%	18.1%	Transient
11.6%	12.2%	11.3%	Other: Airline distressed, construction, contract
<b>38.1%</b>	<b>35.5%</b>	<b>70.6%</b>	<b>Group Conference/Meeting</b>
11.0%	10.3%	20.7%	Corporate
8.1%	4.9%	35.3%	Weddings
6.8%	7.4%	3.6%	Group Tour/Motorcoach
4.0%	4.6%	1.0%	SMERF (social, military, educational, religious, fraternal)
3.5%	3.0%	7.5%	Team sports/events/tournaments
3.2%	3.6%	1.5%	Government
1.5%	1.7%	1.0%	Association

**\*Note: Segmentation data above does not include the National Conference Center. Data represents 18 properties reporting an overall 52.82% response.**



Hoteliers were also asked to provide a breakdown of the transient market segmentation they reported into leisure transient and business transient. A total of 19 hoteliers contributed data. Excluding the NCC, the overall transient segment was reported as 50.3%. Of the 50.3% transient reported, the business transient was reported ranging from a low of 24% to a high of 100%; average reported as 60.3%. Leisure transient was reported ranging from a low of 0% to a high of 76%; the average reported as 39.7%.

### Future Target Group Segments (Rank Order)

YSI asked the hoteliers to indicate in rank order what markets should be targeted for future growth; ranking scale was 1 – 8, with 1 being the highest and 8 being the lowest. Thus, the prioritized ranking for future direct sales efforts by VL is shown in the table below as provided by the lodging properties that responded to this question. A total of 19 lodging properties reported data about future marketing segments.

Market Segment	Rankings		
	2014	Dulles/Hwy 7	Leesburg
Corporate	2.16	2.07	2.50
Association	3.74	3.67	4.00
Government	4.16	4.07	4.50
SMERF	4.58	4.53	4.75
Grp Tour / Motorcoach	5.21	5.80	3.00
Weddings	5.21	5.07	5.75
Sports	5.26	5.33	5.00
Leisure	5.63	5.40	6.50

\*Top rankings for overall response as well as each geographically segmented area of Loudoun County are highlighted in blue\*



## Major shifts or changing trends in room night sales

Hoteliers were asked to provide any insight into major shifts or changing trends in room night sales in Loudoun County over the last year. 13 properties responded; verbatim comments are below:

- Airline crews continue to bounce from one hotel to another. We have also seen an increase in flight service such as Air Alaska and Aer Lingus.  
Government with the lower per diem will cause a shift in both OCC & ADR
- Decrease in airline contract business (3)
- Group demand continues to be solid. However, the growth in eChannels RFPs has had a negative impact on conversion.
- Increase booking of government business due to lower per diem rate.
- Increased rate flexibility & capture. Volume extended stay needs grows each month.
- Most major shift revolve around crew rooms switching from one hotel to another. Corporate segment has grown a bit.
- October has performed very poor the last two years.
- There was an increase in long-term stays mostly due to changes in weather. Increase in government bookings due to lower per diem.
- We notice less Corporate Business.



## Hotel/Motel Future Sales and Marketing Suggestions for Visit Loudoun:

Hoteliers were also asked to provide any suggestions for future sales and marketing efforts of Visit Loudoun. 10 properties responded; verbatim comments are below:

- Color brochure of area attractions/events to hand to our new guests.
- Govt per diem needs to increase. Dulles Airport - declining passenger counts - route cause as to why & plan to address. Position Loudoun as a convention destination.
- I think the shift in 3rd party on-line booking sights (currently we have 11) people are now booking on mobile devices and we are losing the ability to track why those people are coming. 3rd party reservations do not even request they provide an address to make their reservation. We of course ask what brings them to town business or pleasure. We personally capture that information when they are willing to provide it.
- More marketing for Corporate & Government packages
- More marketing for Corporate packages
- None
- Soliciting accounts within Loudoun should be less of priority if not eliminated altogether. Bringing more tournaments, government business and corporate accounts out to Loudoun should be the main focus as these are areas that we continue to lack.
- We need more business travel demand generators in the county. With group during the week, it is hard to sell out. Heavy emphasis on Corporate Group. Association is important. However, are we the right destination for the association market. Rates, space, etc. Heavier focus on in state organization who have local demand. Really ROI all tradeshow we attend.
- Wedding increase of 20% year-over-year.
- Would love more Visual & SocialMedia marketing around the ease of doing business with an International Airport in the county.