

AH&LA 2008 Lodging Industry Profile Reveals Increased Hotel Profits, Sales, and International Arrivals
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Reveals \$139.4 Billion in Sales, Qualifies Consumer Characteristics and Expenditures

The U.S. lodging industry recorded its best year to date in 2007, posting pre-tax profits of \$28 billion - up from \$26.6 billion in 2006 - and \$139.4 billion in sales - a rise from \$133.4 billion in 2006 - according to the American Hotel & Lodging Association (AH&LA) Lodging Industry Profile (LIP), a statistical analysis of the lodging industry for year-end 2007. This \$139.4 billion contributed to an overall \$740 billion in tourism sales*, with resident and international travelers' expenditures in the U.S. estimated at \$2 billion/day, \$84.5 million/hour, \$1.4 million/minute, and \$23,500/second.

The percentage of international travelers to the U.S. was a record 56 million, a 10 percent increase over international arrivals in 2006, arrivals from overseas travelers in particular jumped a similar 10 percent to total 23.9 million. The top 10 countries in terms of U.S. arrivals for 2007 were Canada (17.8 million), Mexico (14.3 million), the United Kingdom (4.5 million), Japan (3.5 million), Germany (1.5 million), France (998,000), South Korea (806,000), Australia (670,000), Brazil (639,000), and Italy (634,000). These 10 countries accounted for 89 percent of U.S. international visitors.

The steady rise in hospitality profits in 2007 and over the past several years is attributed to a variety of sources, including the industry's ability to raise room rates - an average of \$103.87 in 2007, up from \$97.78 in 2006 - in response to increased demand from both leisure and business travelers and a steadily-increasing availability of hotel product.

Other facts found in the LIP:

A detailed breakdown of the 48,062 U.S. hotels by room number, size, location, and nightly rate,

Statistics on promotional spending for tourism for the 2007-2008 fiscal year, including state totals contributing to the \$868.8 million spent nationally - California increased tourism budgets by 137 percent, while Alaska cut theirs by 19 percent,

Quantitative analysis of reasons international travelers - making up 22 percent of all U.S. roomnights for 2007 - visit the country and details of their stays,

Profiles of the typical lodging consumer's leisure stay (56 percent of all travelers' stays, categorized by two adults ages 35-54, who spend an average of one night paying a rate of \$109) vs. a typical business travelers stay (44 percent of all travelers' stays, most likely to be spent by a sole male age 35-54, for three or more nights at a rate of \$119).

'The positive numbers leads us to believe that despite the country's fluctuating economy, interest from both U.S. and international travelers has and will continue to translate into real dollars supporting a robust tourism product,' said AH&LA president/CEO Joseph A. McInerney, CHA. 'Sizable increases on these fronts, which define our success, indicate the tourism industry remains a formidable competitor in the face of economic recession, and will continue to thrive in its place as the third-largest retail industry in the U.S. Americans have shown they believe that travel is a right, not a luxury.'

AH&LA's LIP provides a comprehensive, easy-to-read list of these and other significant facts about the lodging, travel, and tourism industries, including employment impact, international travel statistics, and property and room breakdowns by location, rate, and size. The complete 2008 AH&LA Lodging Industry Profile is available on [AH&LA's News & Information Center Webpage](#).

Information contained in the LIP is based on 2007 data provided by D.K. Shifflet & Associates, Ltd., Smith Travel Research, Travel Industry Association of America, Bureau of Labor Statistics, U.S. Department of Commerce, International Trade Administration, Office of Travel and Tourism Industries, and Bureau of Economic Analysis. Figures for year-end 2008 will be available in fall 2009.

**excludes spending on U.S. airlines by international travelers*

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