

# Hotel News Now

Opinions

## 2020's top stories, month by month

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### **This year's list of most-viewed stories reflects the industry's emotional highs and lows**

Typically in December we revisit the year's top stories from Hotel News Now, and that list paints a fairly accurate picture of how the industry flowed in a normal year: Did strong travel in the first quarter set companies up for a good year? Did one landmark deal cause ripple effects that shaped the rest of the year? How people feel about the issues is reflected in what they read. Straightforward.

This year, though, we knew right away that the list of Hotel News Now's most-viewed stories of 2020 would need a little more context. Rather than presenting a list of the top stories of the year, we decided to take a look at the top stories from each month.

To me, this year's top-viewed stories reflect more than just the biggest news of the month; they reflect the emotional rollercoaster hoteliers rode in 2020—and continue to ride.

Let's take a look.

#### **January**

We have found through the years that Hotel News Now readers love to peek in on what CEOs are doing—for inspiration, for validation, for education. In January, CEOs from all sorts of companies around the world had been enjoying still-robust growth and were approaching 2020 with all cylinders firing. Executives like Marriott International's Arne Sorenson, Remington Hotels' Sloan Dean and Accor's Heather McCrory were excited to talk about growth, diversification and new brands. It was a great start to the year.

#### **February**

But by February the global hotel industry knew the novel coronavirus would hit and hit hard. We couldn't write news fast enough for readers to consume it, and this landing page

became a one-stop shop for the latest forecasts and news around this virus' spread. Soon enough we realized we couldn't contain all pandemic-related news on one page; the virus would be a part of every story we reported from then on. From this page our COVID-19 timeline launched, which is the No. 1 most-viewed article of 2020, truly reflecting the day-by-day changes this virus has wrought.

In February, public lodging companies began reporting their 2019 financial data and talking officially about how the COVID-19 outbreak (then it was still just an outbreak affecting China) would have an impact on 2020. The month's second most-read story, "Coronavirus effects color Hilton's 2020 outlook," really exemplifies the uncertainty executives had at this point in the year. We wouldn't know until the official numbers came out a few months later that the U.S. officially entered a recession in February.

## **March**

This is the story that made us at Hotel News Now realize we couldn't just present a list of the year's top stories without any context. This story, which is coverage of a joint news conference held by five U.S. travel and commercial organizations, represents a time-capsule slice of what the industry knew at the time. Readers immediately jumped on this story with a lot of hope, I believe. They wanted to be told that travel was still safe. This news conference came in the same week of the industry's first major event cancellation of 2020. The International Hotel Investment Forum in Berlin was postponed from March to May—a lot of us still thought the virus could be under control in just a few months. However, other indicators told us that this would be a marathon, not a sprint. In March, Marriott executives said they expected global furloughs to reach into the tens of thousands.

## **April**

By April, China was beginning to emerge out of the virus' shadow and hotel occupancies were improving there. STR's Jan Freitag looked at China's performance as well as how the U.S. typically emerged from past recessions through the lens of the current pandemic (which was officially declared in March). Freitag's piece really laid out the big factors affecting hotels—safety, leisure demand and what might happen with business and group travel.

## **May**

This Q1 2020 earnings call from MGM Resorts International represented an early look at how far a major company fell, and also how it could start to rebuild. MGM's acting CEO Bill Hornbuckle laid out on the call his company's efforts to reopen—themes that were governing every hotel company around the world: physical distancing, sanitation protocols, PPE, crowd management and more.

## **June**

By June, the hotel industry had come to terms with what would become a first wave of the pandemic, at least in the U.S.—furloughs had occurred and performance was dismal, but leisure travel was showing signs of a pickup now that the world knew it was safer to be outdoors than in. Hotel company CEOs voiced long-term optimism during an online panel discussion, collectively predicting that recovery would take two to three years.

## July

July was a tale of many stories around the world: GDP numbers sunk yet travel in warmer climates picked up as people hit the road for socially distanced outdoor-centric vacations. But the financial implications of several months of poor performance started rising to the surface. At the end of July, real estate investment trust Service Properties Trust announced its intention to cut ties with InterContinental Hotels Group over nonpayment of \$8.4 million in guaranteed returns. Analysts at the time said they would be surprised if IHG walked away from 103 hotels, but walk away it did. Service Properties Trust terminated its deal with IHG, moving those hotels to the Sonesta flag on 30 November. The REIT would end a similar agreement with Marriott International in October.

## August

Several months into the pandemic, it became apparent that hotel owners with significant exposure in major urban cities would be hit especially hard. In Host Hotels & Resorts' Q2 earnings call with analysts, Host President and CEO James Risoleo said he expects in general to see "record levels of permanent hotel closures due to the unprecedented level of distress" caused by the pandemic in top-tier urban markets.

## September

Economist **Bernard Baumohl** is well known for his realistic candor, which he delivered again through the lens of the COVID-19 pandemic in September at The Lodging Conference's online event. His reality check reminded hoteliers that "We have to be very careful about having a false sense of security. The reason is that an economic rebound is not the same thing as an economic recovery. It doesn't tell us we're on a sustainable economic recovery course right now because, again, it is the virus that is still calling the shots and will until there is a vaccine."

## October

When CEOs talk, readers listen and that's especially true when it comes to conversations about recovery. IHG CEO Keith Barr spoke in October at the Annual Hotel Conference (online, of course—the norm for 2020) and predicted that in five years, the hotel industry would be bigger than it is today. Barr forecast a few trends he thought would drive that growth in coming years: hotels growing in importance as meeting spaces and companies scale back on office space, and the effects of industry consolidation, to name a few.

## November

In November the NYU International Hospitality Industry Investment Conference reconvened its panel of hotel company CEOs it first gathered in June to update the discussion. By November the impact of data and understanding surrounding the virus was evident, and the CEOs projected a sense of optimism tempered by reality. The words "hope" and "strong 2021" drew readers into this headline.

## December

You know optimism is returning when talk turns to deals. In early December, hotel executives spoke about the deals environment at Driftwood Capital's annual investor conference. Driftwood CEO Carlos Rodriguez Sr. summed it up by saying, "when the capital markets have been dislocated the way they have, and with discounts we're seeing in the hotels being transacted, I can't help but get excited for the future of all of our funds. With discipline and a methodical manner, now is the time to pounce."