



## **United States-Market Update- Q2 2024**

### **Americas – Market Update – Q2 2024**

#### **Corporate Updates**

- Deloitte 2025 RFP Launch – requesting flat rates from almost all hotels, except for India, Canada and Malaysia, where they are requesting rate decreases ranging from 10% - 13%. As in past years, account is not accepting unsolicited bids; RFP invitations are extended to hotels tracking volume organically.
- JPMC Bidders Conference on July 15<sup>th</sup> - RFP will be launched on July 26<sup>th</sup>. Notes from Bidders' Conference:
  - 2025 Projecting the same volume as for 2024; possible small increase although highly dependent on the economy.
  - New destinations – travels remain strong through major hubs and cities; some growth in Africa, specifically Nairobi, South America, NY, London are also growing. New HQ in Midtown Manhattan is scheduled to open in August – September 2025.
  - 2025 requests: Most competitive pricing, LRA, Wifi, Same-day cancellation; additional consideration = total value of offer, 50% inventory for RT1, limited black-out period and minimal rate differential between RT1 and RT2.
  - Current acceptance is not guaranteed for 2025 acceptance; hotels must put best offer forward.
  - Tighter timeline this year – goal is to conclude the RFP in early November. There will be limited rounds of negotiations.
  - VAT inclusive is key for EMEA
  - Extended-stay programs in India; be sure to include length of stays, rates + amenities.
  - Will be negotiating for double occupancy as well for employees' bleisure trips
  - No dynamic nor NLRA rates to be submitted
  - Service fee, resort fee, destination fee etc will not be accepted
- JP Morgan Chase 2025 RFP launch: They added 4 hotels out of 20 volunteer hotels that were submitted. They are extremely selective and they will want to include hotels only with existing volume and, also within less than a mile to the local offices.
- Bloomberg 2025 RFP Bidders Conference (Aug 5, 2024):
  - 2024 YTD travel volume is 7% increase from 2023; travel remains robust, especially for the sales team. Sales-related travel is 65% of total travel volume.

Sales-related travel are mostly in-region given sales team structure/territory. The pattern typically checks in on Mondays and checks out on Thursdays.

- In-region travels are mandated for a minimum 3-night stay, and international travels are mandated for a minimum 5-night stay (few exceptions can be made internally). Therefore, robust check-ins on Sundays, Mondays and Tuesdays.
  - 94% compliance of bookings into hotels accepted in program.
  - New for 2025 RFP: Bloomberg will send target rates ahead of RFP launch. Hotels submitting 1<sup>st</sup> bid in RFP meeting target rates will be automatically accepted; hotels not agreeing to target rates, will be subject to 1 round of negotiation only.
  - RFP launch August 12<sup>th</sup>. New this year, will request for static rates for 3<sup>rd</sup> room category to increase inventory.
- Netflix 2025 RFP launch:
    - RFP period is October 1, 2024 – December 31, 2025.
    - Using a new platform called Vindow (looks similar to ReadyBid). ConsortiaSales team had launched internally in Cvent.
    - Account continues to consolidate number of hotels in most markets. Los Angeles as an example, Hollywood Roosevelt is tracking 220 RNs YTD but not solicited as account is inviting hotels with 500+ RNs only to consolidate.
    - Volunteer bids – will only consider hotels with significant bookings and/or new hotel openings – will submit by August 15<sup>th</sup>.
  - Amazon 2025 RFP:
    - The 2025 Dynamic RFP that was launched in July is for existing hotels to roll over offers into 2025 (no changes, and no negotiations!).
    - There will be 2 additional RFPs launched in August/September for static rates and new opportunities for dynamic hotels.

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