

Presidential inaugurations boost tourism, but not this year

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While new research from West Virginia University economists finds that presidential inaugurations have gained popularity as must-see tourist events in recent years, major security threats will keep visitors away for the inauguration of President-Elect Joe Biden.

Published in *Tourism Economics*, the study, by Joshua Hall, chair and professor of economics, and economic doctoral student Clay Collins, examined the impact of the inaugurations of Barack Obama and Donald Trump on hotel occupancy in the Washington, D.C.-area.

Daily occupancy rates around the inaugurations were four-to-six times higher than the next largest event in the sample. The research team also concluded that inaugurations tend to serve as multiple-day tourist events, with hotel occupancy rates seeing positive leads and lags.

"We got the idea to look at this because of the public debate over the size of the Trump inaugural compared to the Obama one," Hall said. "While we couldn't answer that question given the data, that got us thinking about how important inaugurations are as tourist events."

The available hotel data dated back to 2010, therefore the researchers could only focus on the second Obama inaugural (2012) and the Trump one (2016). One of the complicating factors of accurately comparing the two is that the Trump inaugural also attracted scores of protestors to the area. The Women's March on Washington was also held a day after the Trump event.

Nonetheless, the economists found relatively little difference in the scale of the impact on hotel occupancy overall. One difference is that the Obama [inauguration](#) saw greater increases prior to the swearing-in ceremony, while the Trump event saw upticks after inauguration day.

Both inaugurations accounted for large increases in hotel occupancy, considerably more than any tourism-related sporting or cultural event.

Throughout his [various studies](#), Hall has found that unique, one-off events, such as concerts or music festivals, typically serve as greater economic boosters than sporting contests, which tend to attract only local

residents.

"Regular events like baseball games may draw a few people from out of the area, but most are locals," Hall said. "You need something that is a once every couple—in this case, four—years event to get people to consider traveling.

"My sense is that interest in attending inaugurals has come from lower relative costs of attendance over time, both because of improved roads and lower airplane costs, along with rising real incomes. It is far easier to get to get to Washington, D.C. from Morgantown since the completion of Interstate 68, for example."

But, any economic impact from the [hotel](#) and tourism industries will be minimal, if any, this time around.

The FBI and Washington, D.C. officials have warned of threats ahead of Inauguration Day, Wednesday (Jan. 20), after the recent deadly riot at the U.S. Capitol. The Presidential Inaugural Committee has asked Americans to stay home and celebrate virtually. In-person attendance is limited to Congress.

As National Guard units took up residence inside the Capitol, Airbnb announced it is blocking and canceling reservations in Washington, D.C. during inauguration.

"This year will definitely be very different," Hall said. "It will not involve the multi-day celebrations of past inaugurals."

More information: Clay Collins et al. Presidential inauguration tourism and hotel occupancy: Evidence from the Obama and Trump inaugurals, *Tourism Economics* (2020). [DOI: 10.1177/1354816620956821](https://doi.org/10.1177/1354816620956821)

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