

Study touts value of hostels as part of lodging mix

Boston Business Journal - by [Mark Hollmer](#)

It turns out that all of Boston's new high-end hotels aren't the only economic draw for tourists. Low-cost facilities and their draw for students and 20-somethings are still in high demand.

That's according to a new study from Suffolk University's Center for Public Management, which recently looked at the economic impact of Hosteling International's 208-bed Boston facility.

The study found that the hostel's 32,800 guests in 2007 contributed \$12.5 million to the local economy, even as they paid as little as \$35 per night for simple dormitory-style sleeping arrangements.

"There are virtually no other low-cost accommodations in the City of Boston," said Deborah Ruhe, executive director of the non-profit Hosteling International USA, which runs the Boston hostel and five others in the state. "We are serving a clientele that wouldn't even be able to visit ... if we weren't here. There is a great demand."

Broken down, the Suffolk Study figured that HI-Boston visitors spent \$2.5 million for lodging and another \$10 million for retail, food and recreation. Estimates are that an expanded facility could bring another 10,400 guests annually who would add almost \$4 million in spending.

What's more, 65 percent of the guests — mostly ages 18 to 25 — came from countries outside of the U.S. including Australia, Austria, Egypt, Ireland, Germany, Korea, Japan, South Africa and Turkey. And the facility contributed 5,000 hours of community service in 2007 with various organizations, valued economically at as much as \$100,000.

Other study conclusions:

- HI-Boston visitors generally enjoyed the city and said they'd spread the word about Boston "and what a wonderful place Boston is to visit."
- One out of three HI-Boston guests said they would not come to Boston if the hostel wasn't available because the city is otherwise too expansive.
- Most hostel guests budgeted less than \$200 for their trip.
- 66 percent of the Boston hostel visitors stayed for a vacation, but 27 percent staid for work or career reasons.

All contents of this site © American City Business Journals Inc. All rights reserved.