



CITY OF SEDONA

TOURISM PROGRAM

TAB Update

DATA

Monthly Reports

At a high level:

- Executive Summary with lodging performance
- Booking pace trend report
- Credit card spend report



Tourism Market Indicators

December 2023

Sedona hotel demand increased +9.7% YOY in December easily absorbing the +3% YOY supply increase generating a +6.5% YOY gain in occupancy to 60%. For the full year 2023, demand increased +4.8% absorbing the +2.7% supply increase resulting in a 2% YOY increase in occupancy to 66.1%.

Hotel ADR increased +6.5% YOY in December to \$319.55 but declined -4.8% YOY for the full year 2023 to \$337.27. The increase in demand in the full year 2023 offset the decreased ADR resulting in just a small drop of -0.3% YOY in revenue to \$175.4M for the year.

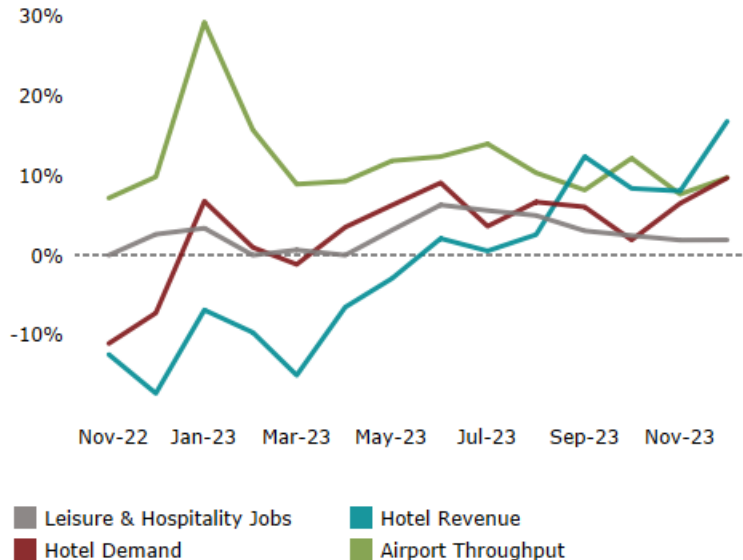
Short term lodging occupancy decreased -2.8% YOY in December to 34.6% and -10% YOY to 35.6% for the full year 2023. In contrast, ADR increased 4.1% YOY to \$372.89 in December and +2.5% YOY to \$343.96 for the full year 2023.

US hotel demand for 2023 was supported by growth in Upper Upscale (+6.7%), Luxury (+4.5%), Upscale (+3.5%) and Upper Midscale (+1.4%) compared to 2022. Economy room demand fell 5.2% vs. 2022, followed by Midscale at -1.9% (Source: STR, December preliminary results), in step with declining leisure travel plans for low-income earners (Source: MMGY).

The US unemployment rate continues to record historically low results, reporting at 3.7% for December. Leisure and hospitality jobs remained 1% behind their pre-pandemic February 2020 level, given slowed job growth in 2023 (averaging 39K jobs/month) compared to job growth in 2022 (averaging 88K jobs/month).

Recovery Indicators

% change relative to same month of previous year



60.0%

Hotel Occupancy
▲ 6.5% YOY



\$12.83M

Hotel Revenue
▲ 16.7% YOY



2,043.6K

Airport Throughput
▲ 7.8% YOY, ▲ 5.7% vs. 2019



16.0K

Leisure and Hospitality Jobs
▲ 1.9% YOY, ▲ 2.6% vs. 2019

Hotel Performance Summary

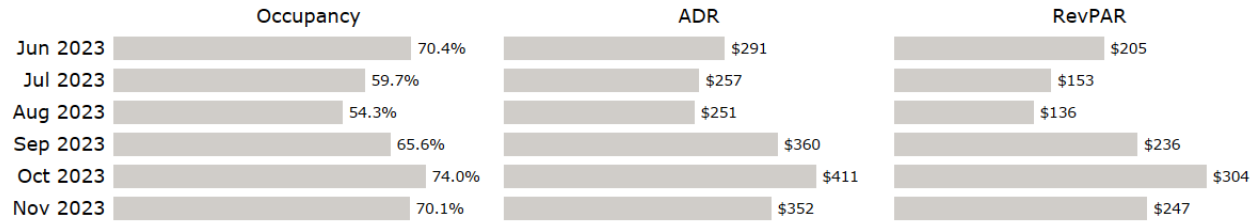
Sedona+ | November 2023



Month: November 2023 | Location: Sedona+ | Compare to: Previous Year | Year Type: Calendar Year

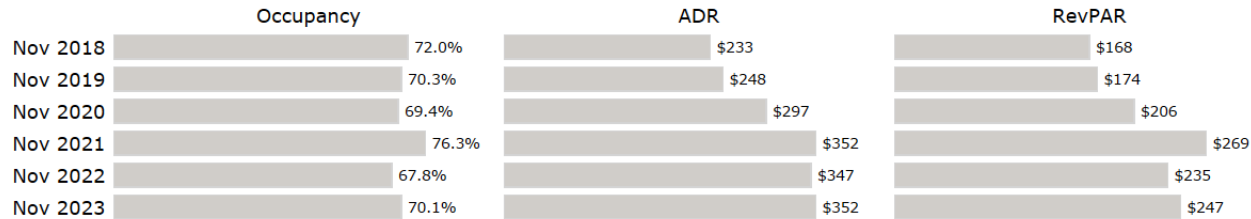
| | Occupancy | ADR | RevPAR | Supply | Demand | Revenue |
|------------------------------|-----------|----------|----------|--------|--------|----------|
| | 70.1% | \$351.57 | \$246.57 | 64.8K | 45.5K | \$16.0M |
| Change vs. Previous Year | ▲ 3.4% | ▲ 1.4% | ▲ 4.9% | ▲ 3.0% | ▲ 6.5% | ▲ 8.0% |
| YTD Calendar Year | 66.7% | \$338.75 | \$225.98 | 719.4K | 479.9K | \$162.6M |
| YTD Change vs. Previous Year | ▲ 1.6% | ▼ -5.5% | ▼ -4.0% | ▲ 2.7% | ▲ 4.4% | ▼ -1.4% |

Last Six Months Performance

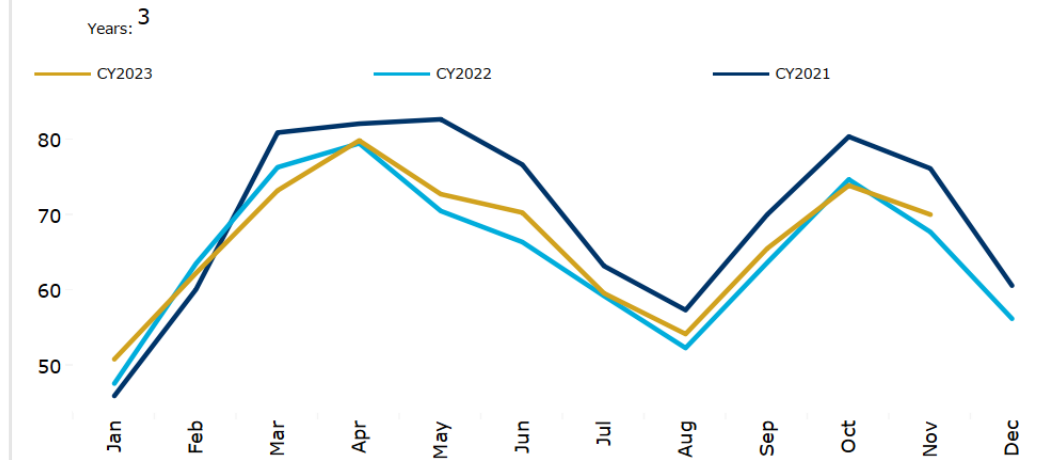


November Performance by Year

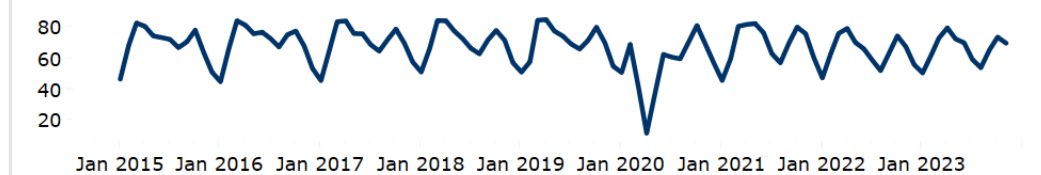
Sedona+



Occupancy YOY Comparison



Occupancy Long Term Trend



Hotel Performance Summary

Sedona+ | December 2023



Month
December 2023

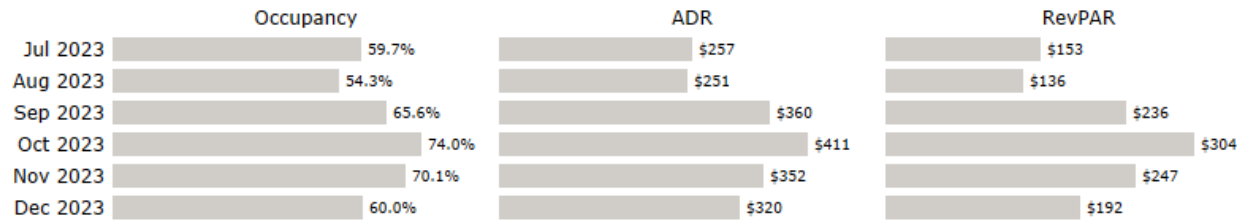
Location
Sedona+

Compare to
Previous Year

Year Type
Calendar Year

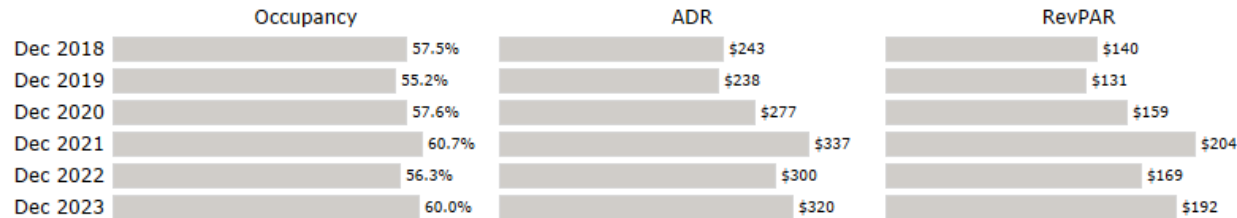
| | Occupancy | ADR | RevPAR | Supply | Demand | Revenue |
|------------------------------|-----------|----------|----------|--------|--------|----------|
| | 60.0% | \$319.55 | \$191.58 | 67.0K | 40.2K | \$12.8M |
| Change vs. Previous Year | ▲ 6.5% | ▲ 6.5% | ▲ 13.3% | ▲ 3.0% | ▲ 9.7% | ▲ 16.7% |
| YTD Calendar Year | 66.1% | \$337.27 | \$223.05 | 786.4K | 520.1K | \$175.4M |
| YTD Change vs. Previous Year | ▲ 2.0% | ▼ -4.8% | ▼ -2.9% | ▲ 2.7% | ▲ 4.8% | ▼ -0.3% |

Last Six Months Performance

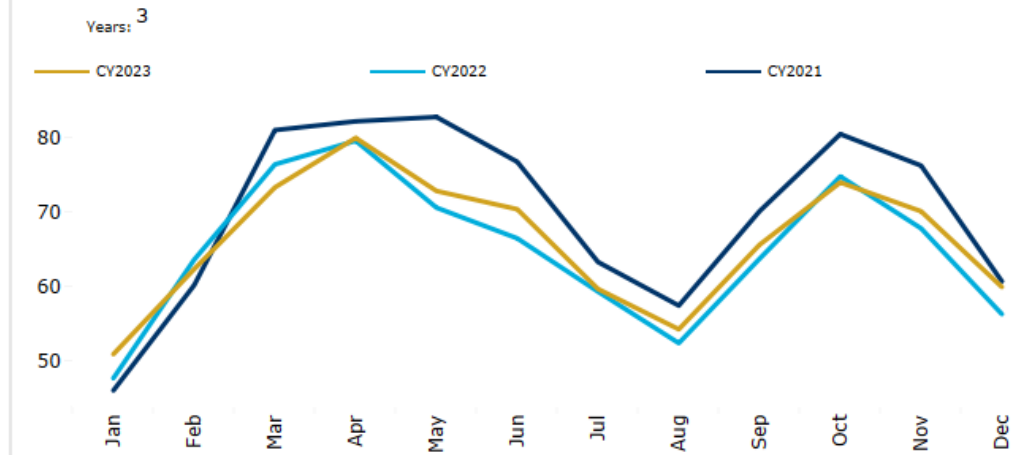


December Performance by Year

Sedona+



Occupancy YOY Comparison



Occupancy Long Term Trend





Sedona+ Lodging Summary

December 2023



Aggregated Lodging Summary

Source: STR & KeyData

| | Occupancy | ADR | RevPAR |
|------------------------|--------------|-----------------|-----------------|
| Dec 2023 | 42.2% | \$330.34 | \$139.55 |
| % Change vs. Dec 2022 | -2.8% | 2.0% | -0.8% |
| % Change vs. Nov 2023 | -7.2% | 1.4% | -5.9% |
| CYTD 2023 | 45.5% | \$328.86 | \$149.69 |
| % Change vs. CYTD 2022 | -10.0% | 0.1% | -10.0% |

Hotel Performance (Sedona+)

Source: STR

| | Occupancy | ADR | RevPAR |
|------------------------|--------------|-----------------|-----------------|
| Dec 2023 | 60.0% | \$319.55 | \$191.58 |
| % Change vs. Dec 2022 | 6.5% | 6.5% | 13.3% |
| % Change vs. Nov 2023 | -14.5% | -9.1% | -22.3% |
| CYTD 2023 | 66.1% | \$337.27 | \$223.05 |
| % Change vs. CYTD 2022 | 2.0% | -4.8% | -2.9% |

Short Term Lodging (Vacation Area - City of Sedona)

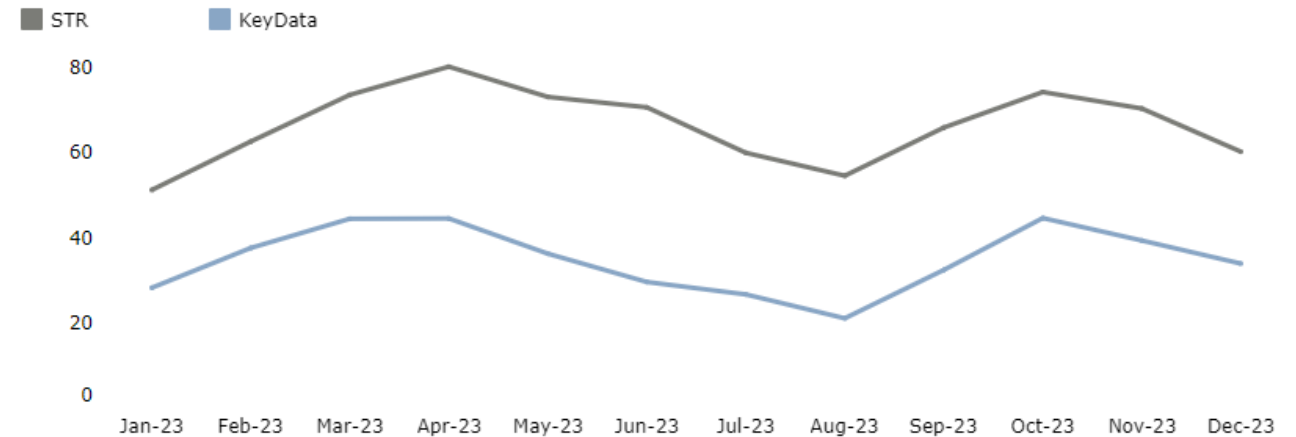
Source: KeyData

| | Occupancy | ADR | RevPAR |
|------------------------|--------------|-----------------|-----------------|
| Dec 2023 | 33.6% | \$339.75 | \$114.14 |
| % Change vs. Dec 2022 | -1.7% | 1.0% | -0.6% |
| % Change vs. Nov 2023 | -13.9% | 3.8% | -10.7% |
| CYTD 2023 | 34.5% | \$320.23 | \$110.42 |
| % Change vs. CYTD 2022 | -11.5% | 1.2% | -10.4% |

Sources: STR and KeyData

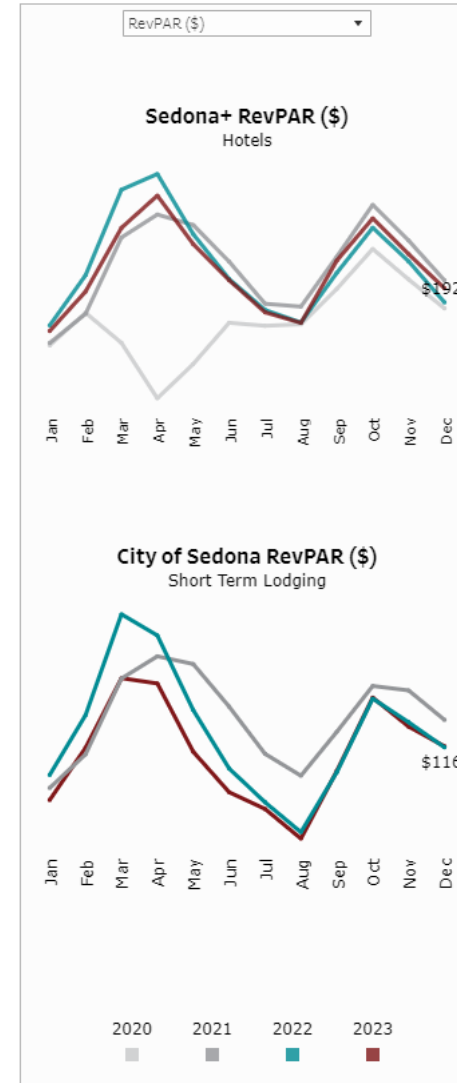
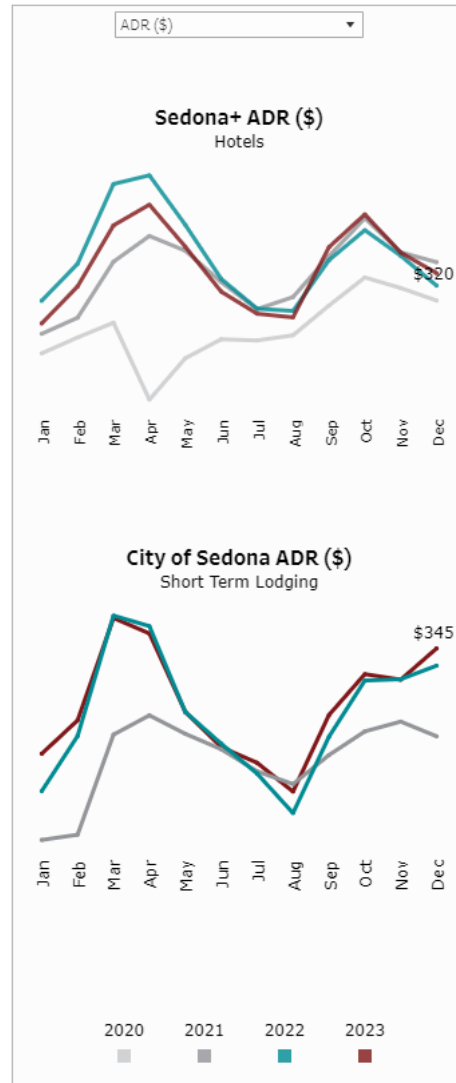
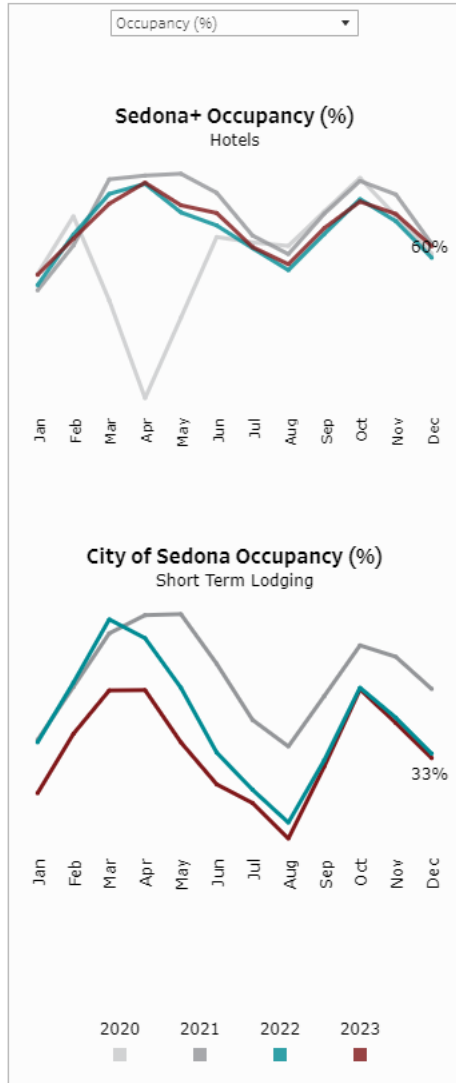
Occupancy (Hotels: Sedona+; KeyData: Vacation Area - City of Sedona)

Last 12 Months



Lodging Performance

December 2023



Domestic Visitors: Greater Sedona Area



Study Geography

Greater Sedona Area

Start Date

December 01, 2023

End Date

December 31, 2023

Trip Type

Overnight



Weekend/Weekday Trips

(All)

Sample Size: 25,687



2.5 days
Avg Length of Stay

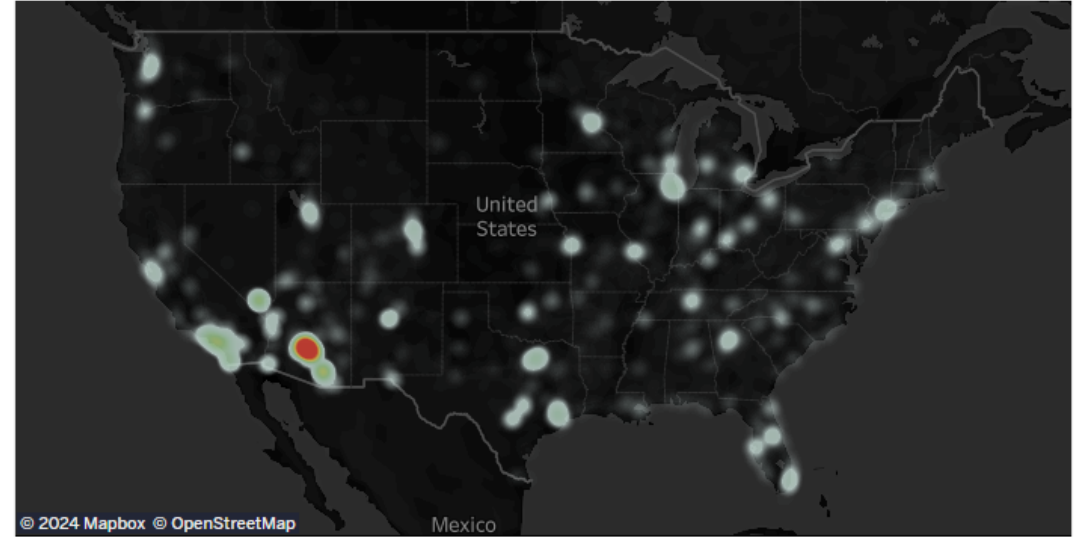


100.0%
Overnight



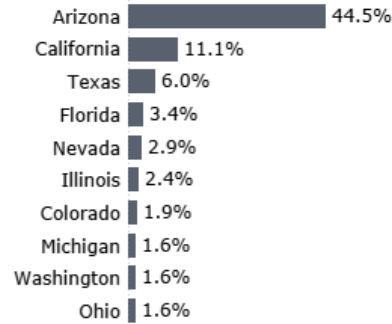
62.2%
Repeat

US Mainland Origin Heat Map



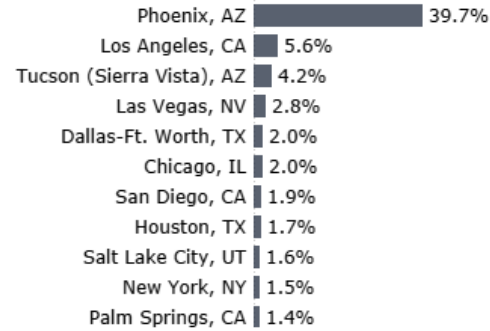
Top Visitor Origin States

% share of total



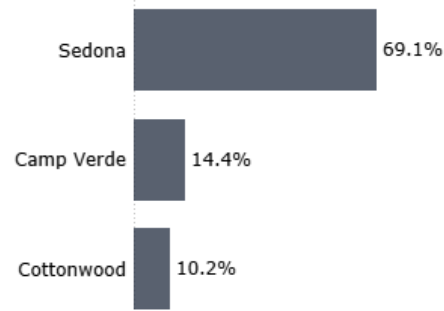
Top Visitor Origin DMAs

% share of total



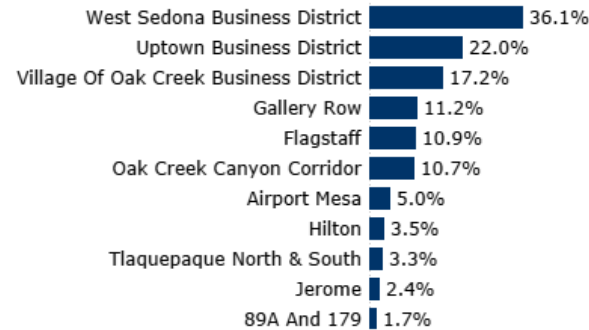
Cross Visits

% share of visitors



Top POIs Visited

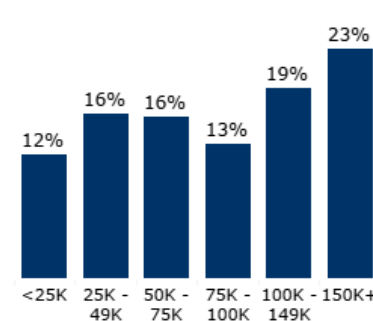
% share of trips



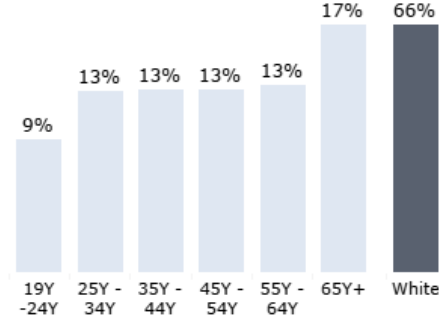
Demographic Estimates

Household Income

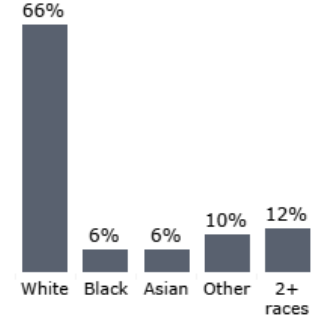
Median: \$94.2K



Age Groups



Race



Source: Near & US Census Bureau

Domestic Visitors: Sedona



Study Geography: Sedona | Start Date: January 01, 2023 | End Date: December 31, 2023 | Trip Type: Overnight | Weekend/Weekday Trips: (All)

Sample Size: 143,472



2.1 days
Avg Length of Stay



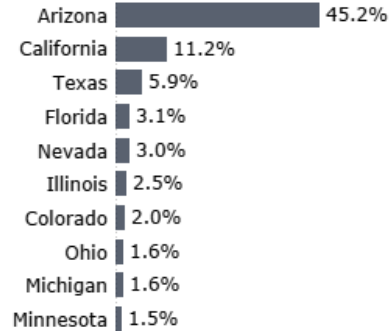
100.0%
Overnight



27.4%
Repeat

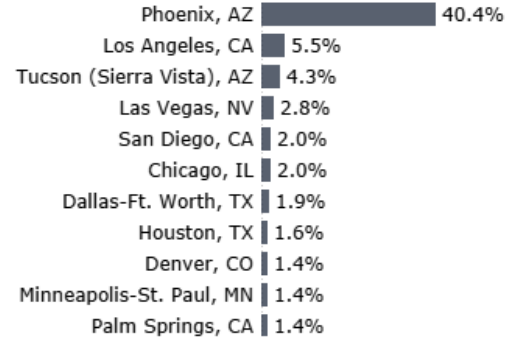
Top Visitor Origin States

% share of total

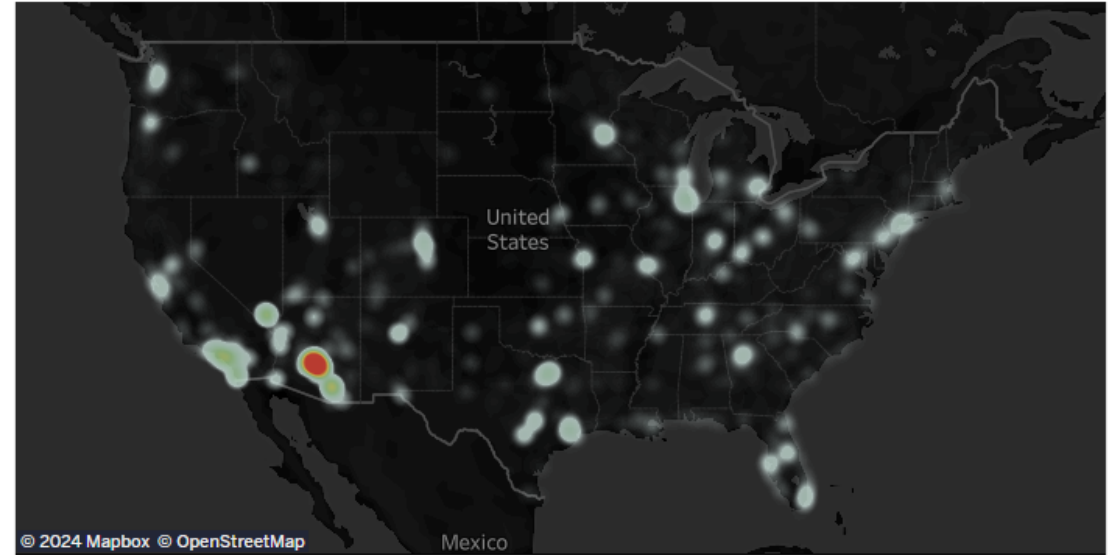


Top Visitor Origin DMAs

% share of total

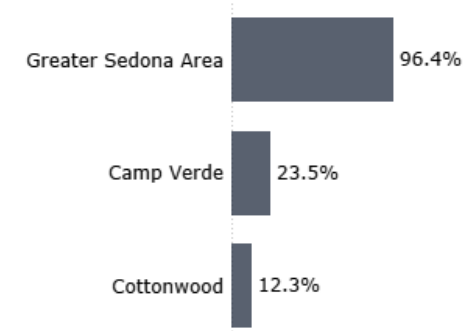


US Mainland Origin Heat Map



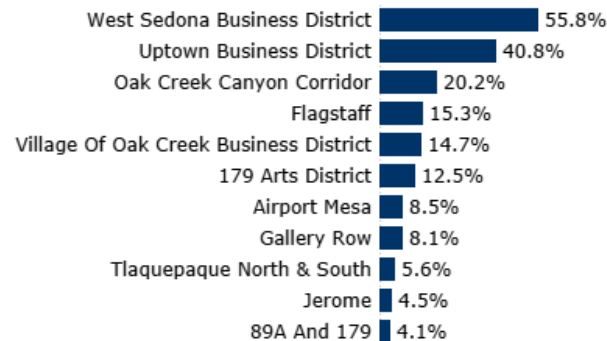
Cross Visits

% share of visitors



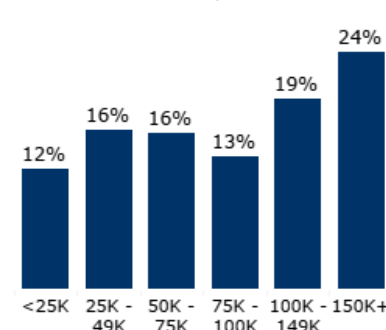
Top POIs Visited

% share of trips

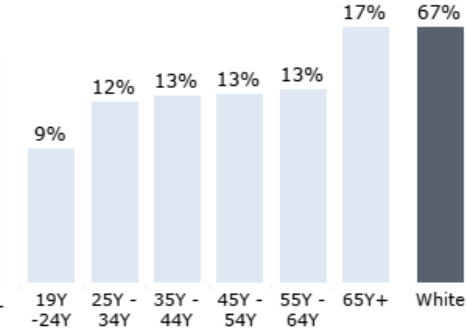


Demographic Estimates

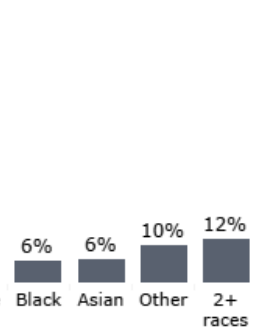
Household Income
Median: \$96.3K



Age Groups



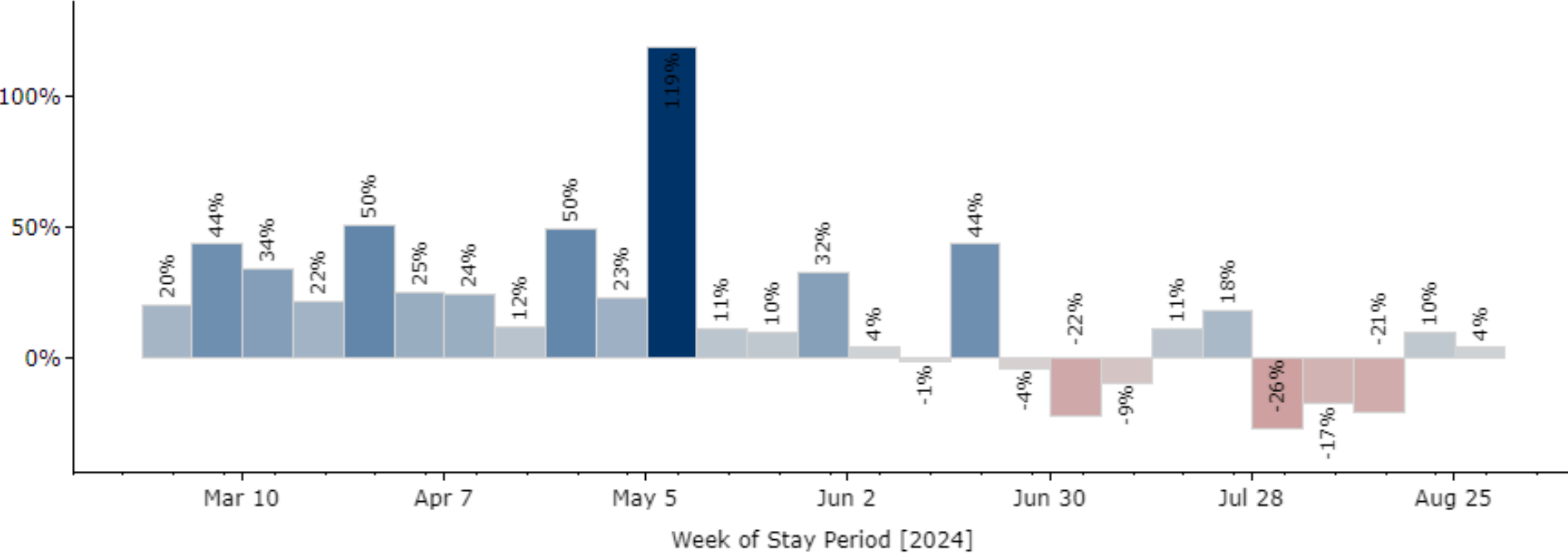
Race



Source: Near & US Census Bureau

Future hotel demand looks strong

Occupancy Outlook Compared to Same Time Last Year



Visit Sedona Spending Summary



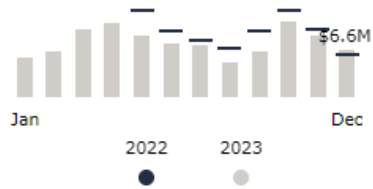
Period: December 2023

Month: Report Type:



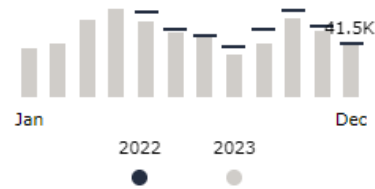
\$6.6M
Card Spend

+6.1% vs. Previous Year



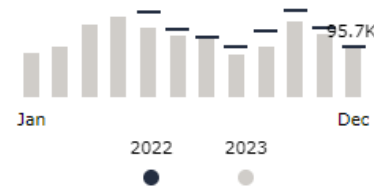
41.5K
Cardholders

-1.0% vs. Previous Year



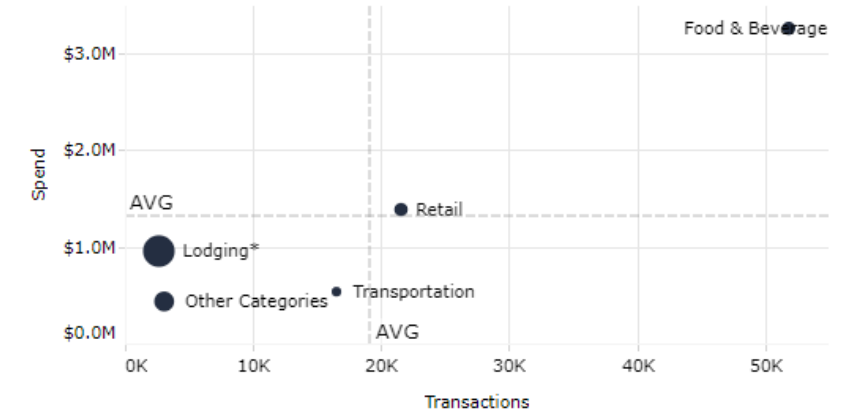
95.7K
Transactions

+0.7% vs. Previous Year

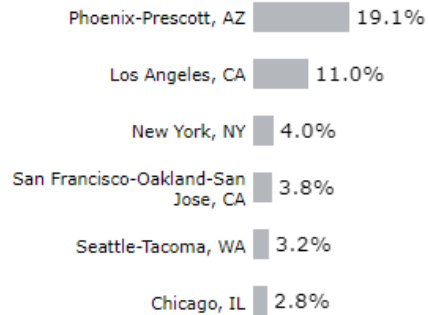


Transactions vs. Spend Amount

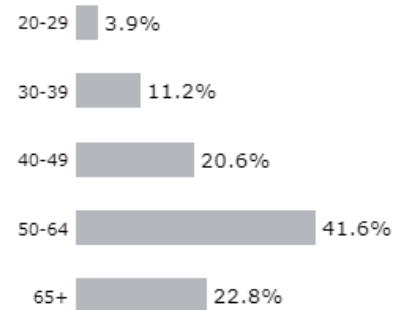
Size of bubble denotes spend per transaction



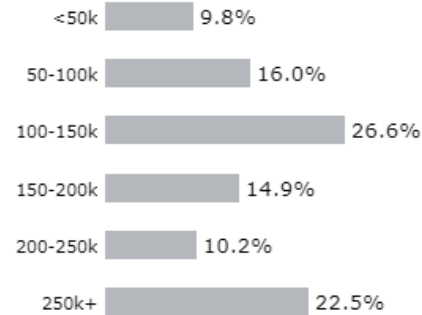
Top Origin DMAs



Spend Share by Age**

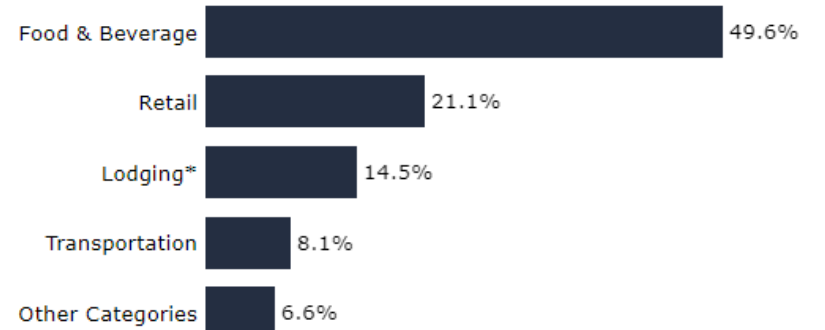


Spend Share by Income**



Spending Categories

% Share of total in-market credit card spend



Source: TransUnion/Commerce Signals; *Lodging spend represents in-market spend only; **Sample with unspecified age/income excluded

Visit Sedona Spending Summary



Period: January - December 2023

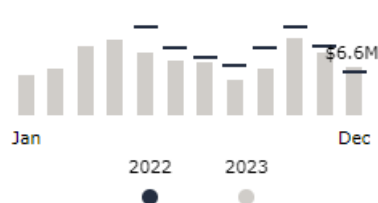
Month: Report Type:



\$90.9M

Card Spend

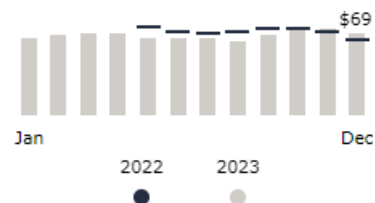
+23.2% vs. Previous Year



\$68

Spend per Transaction

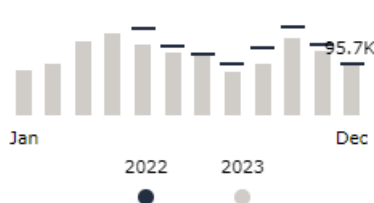
-6.5% vs. Previous Year



1.3M

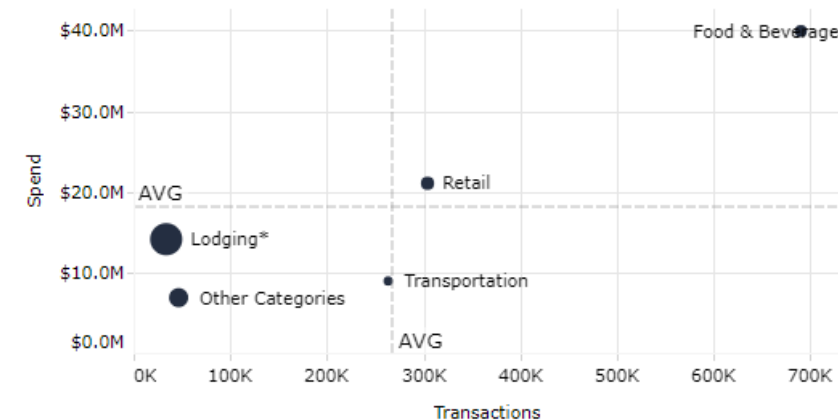
Transactions

+31.7% vs. Previous Year

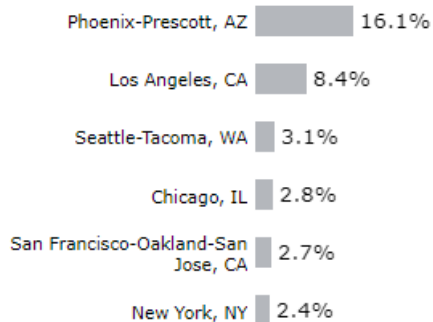


Transactions vs. Spend Amount

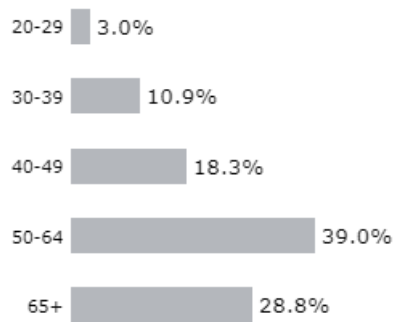
Size of bubble denotes spend per transaction



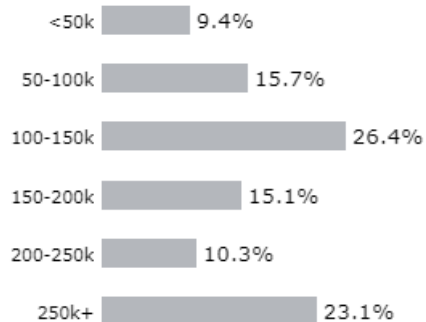
Top Origin DMAs



Spend Share by Age**

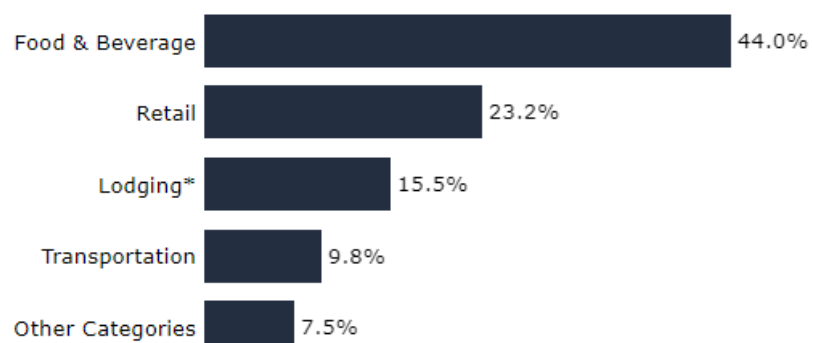


Spend Share by Income**



Spending Categories

% Share of total in-market credit card spend



Source: TransUnion/Commerce Signals; *Lodging spend represents in-market spend only; **Sample with unspecified age/income excluded