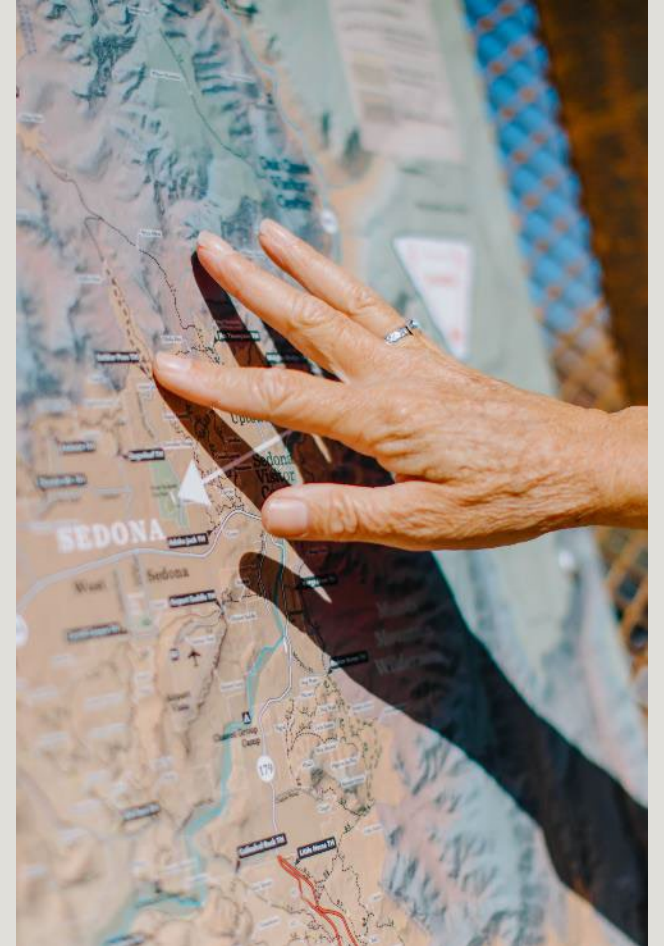# CITY OF SEDONA
TOURISM PROGRAM
Tourism Advisory Board
August 7, 2024 Meeting

State Of Sedona Tourism

Context

- We believe that access to research helps inform our ideas and measure results
- This is a priority action for us to strengthen the organization
- We are also committed to sharing any research we are allowed to republish with the Sedona tourism industry

Data Sources

- Lodging performance
  - Smith Travel Research
  - KeyData
- Lodging forecast
  - TravelClick
- Geolocation data
  - Azira
- TSA airport data
- TransUnion credit card spend data
- US Travel research
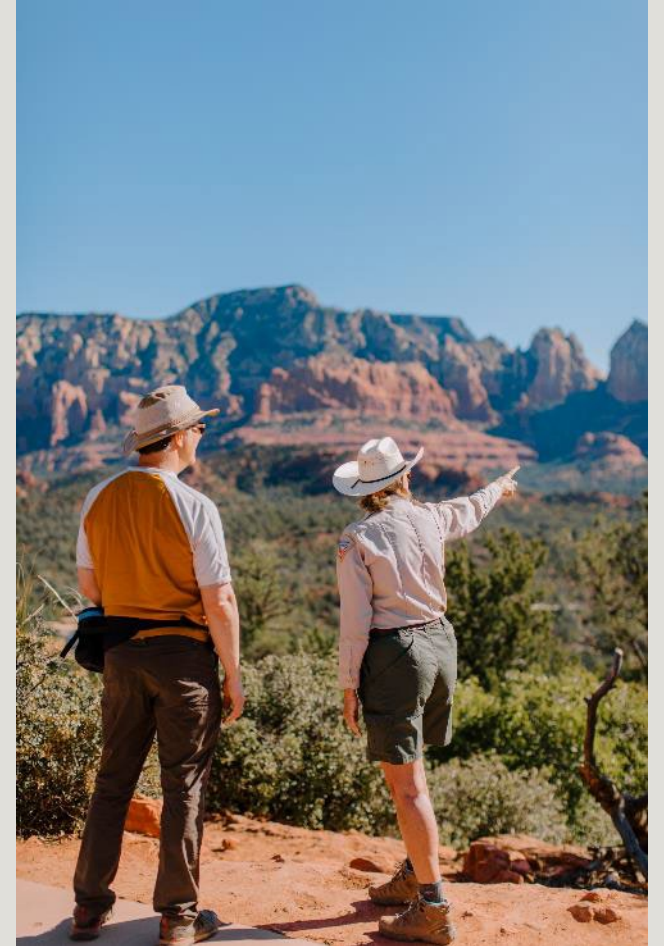
Monthly Summary Report
June 2024

Tourism Market Indicators

June 2024

Sedona hotel performance for June showed a decrease of -2.9% in RevPAR to end the month at $199. Demand in the market was down -3.4% resulting in the same YOY drop in occupancy to end at 68%. This is the first month this year where hotel occupancy has dropped from the prior year. Short term lodging occupancy increased +0.1% YOY to 44.9%, while demand was up 10.6% making this June the strongest..

Hotel ADR also increased compared to last year by +0.5% YOY to $292. The combined drops in demand and gains in ADR generated a -2.9% YOY decrease in revenue to $12.9M for the month. ADR among short term lodging decreased -5.2% to $312. The highest demand week was the first week with strong demand through the week and the weekend.

June also spending reached $6.2M, down from last year in the market. Overall average card spend per cardholder was up 3.1% with an increase of 0.9% in average spend per transaction.

Intent for leisure travel is up from the prior year across most income brackets nationwide. 73% of the highest earners are planning leisure travel in the next six months, up from 64% last year while 41% of survey respondents in the lowest income bracket have plans to travel, up from 35% last year. The share of middle class travelers planning a vacation in the next six months is down slightly from the prior year.

US hotel occupancy was 66% in May, a gain of 1.5% from the prior year and the highest May occupancy since pre-pandemic 2019. ADR was $160, a new high for the month of May and leading to a $105 RevPAR. It is the third consecutive month that has seen nationwide RevPAR exceed $100.

Recovery Indicators
% change relative to same month of previous year
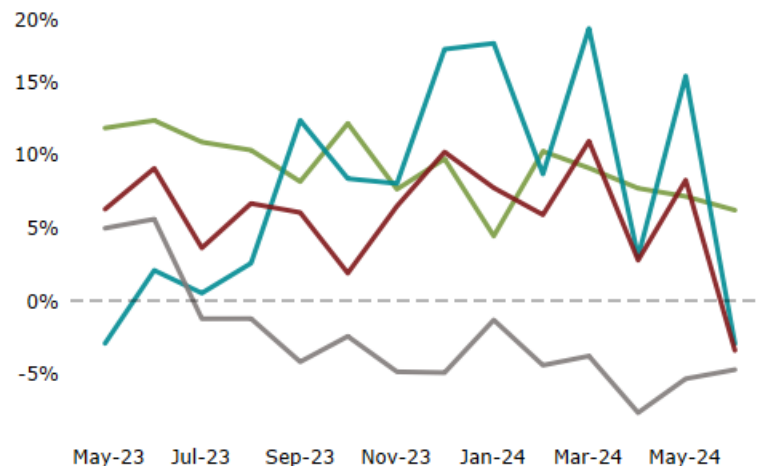
Legend:
- Leisure & Hospitality Jobs
- Hotel Demand
- Hotel Revenue
- TSA Throughput

68.0%
Hotel Occupancy
▼ -3.4% YOY

$12.89M
Hotel Revenue
▼ -2.9% YOY

1.7M
Airport Throughput
▲ 6.5% YOY, ▲ 21.0% vs. 2019

Lodging Summary

Aggregated Lodging Performance
Source: STR & KeyData

	Occupancy	ADR	RevPAR	Supply	Demand	Revenue
Jun 2024	65.4%	$293.77	$192.13	73.1K	47.8K	$14.0M
YOY % Change	-2.1%	-2.2%	-4.2%	3.5%	1.3%	-0.9%
CYTD 2024	70.0%	$360.58	$252.28	437.7K	306.2K	$110.4M
CYTD YOY % Change	2.6%	2.1%	4.8%	1.7%	4.4%	6.6%

Hotel Performance (Sedona+)
Source: STR

	Occupancy	ADR	RevPAR	Supply	Demand	Revenue
Jun 2024	68.0%	$292.26	$198.77	64.8K	44.1K	$12.9M
YOY % Change	-3.4%	0.5%	-2.9%	0.0%	-3.4%	-2.9%
CYTD 2024	71.7%	$358.81	$257.18	390.7K	280.1K	$100.5M
CYTD YOY % Change	4.8%	4.3%	9.3%	0.5%	5.3%	9.8%

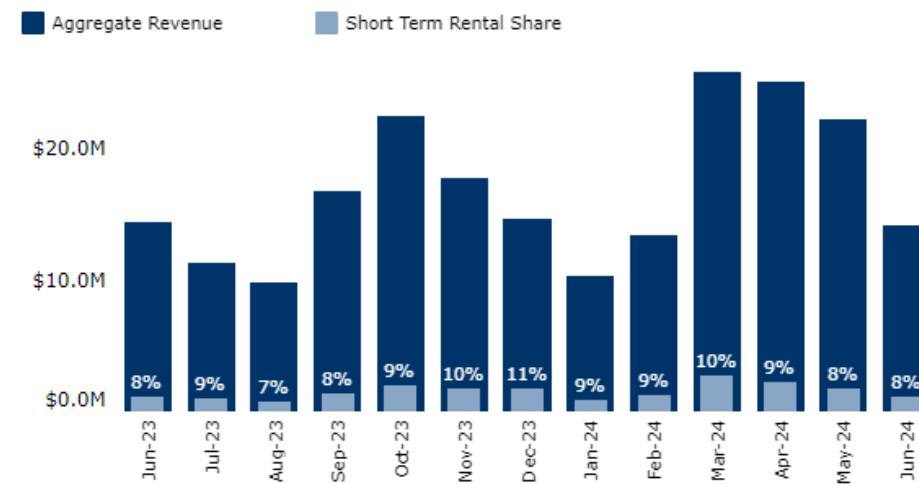## Short Term Lodging (Vacation Area - City of Sedona)
Source: KeyData

|	Adj. Paid Occ.	ADR	Adj. RevPAR	Supply	Demand	Revenue
Jun 2024	44.9%	$311.66	$139.89	8.3K	3.7K	$1.2M
YOY % Change	0.1%	-5.2%	-5.1%	10.4%	10.6%	4.8%
CYTD 2024	55.7%	$379.49	$211.44	46.9K	26.2K	$9.9M
CYTD YOY % Change	4.5%	--	4.4%	1.4%	5.9%	5.9%

Lodging Revenue & Contribution
Hotels: Sedona+; Short Term Rentals: Vacation Area - City of Sedona

Legend: Aggregate Revenue; Short Term Rental Share

Month	Short Term Rental Share
Jun-23	8%
Jul-23	9%
Aug-23	7%
Sep-23	8%
Oct-23	9%
Nov-23	10%
Dec-23	11%
Jan-24	9%
Feb-24	9%
Mar-24	10%
Apr-24	9%
May-24	8%
Jun-24	8%

Occupancy
Hotels: Sedona+; Short Term Rentals: Vacation Area - City of Sedona
Last 12 Months

Legend: Hotels; Short Term Rentals

Measure: Occupancy

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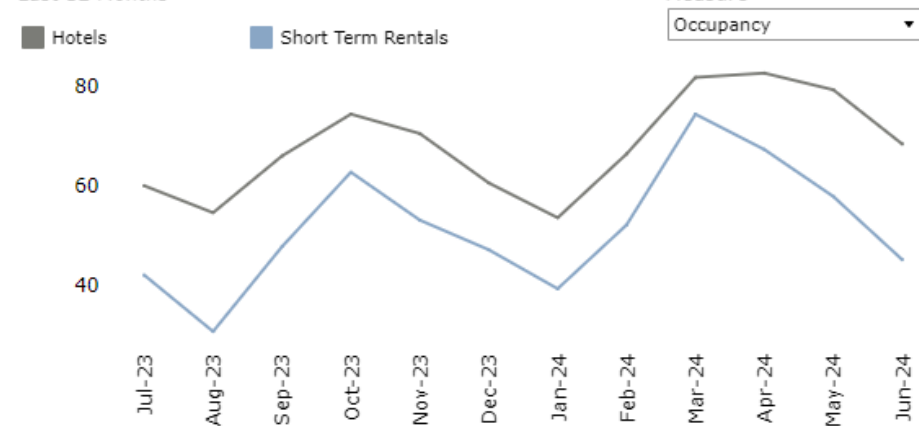
Hotel Performance Summary
Sedona+ | June 2024

Month	Location	Compare to	Year Type
June 2024	Sedona+	Previous Year	Calendar Year

	Occupancy	ADR	RevPAR	Supply	Demand	Revenue
	68.0%	**$292.26**	**$198.77**	**64.8K**	**44.1K**	**$12.9M**
Change vs. Previous Year	▼ -3.4%	▲ 0.5%	▼ -2.9%	▲ 0.0%	▼ -3.4%	▼ -2.9%
YTD Calendar Year	**71.7%**	**$358.81**	**$257.18**	**390.7K**	**280.1K**	**$100.5M**
YTD Change vs. Previous Year	▲ 4.8%	▲ 4.3%	▲ 9.3%	▲ 0.5%	▲ 5.3%	▲ 9.8%

Last Six Months Performance

Occupancy
Jan 2024	53.3%
Feb 2024	66.0%
Mar 2024	81.3%
Apr 2024	82.2%
May 2024	78.9%
Jun 2024	68.0%

ADR
Jan 2024	$263
Feb 2024	$307
Mar 2024	$421
Apr 2024	$427
May 2024	$384
Jun 2024	$292

RevPAR
Jan 2024	$140
Feb 2024	$203
Mar 2024	$343
Apr 2024	$351
May 2024	$303
Jun 2024	$199
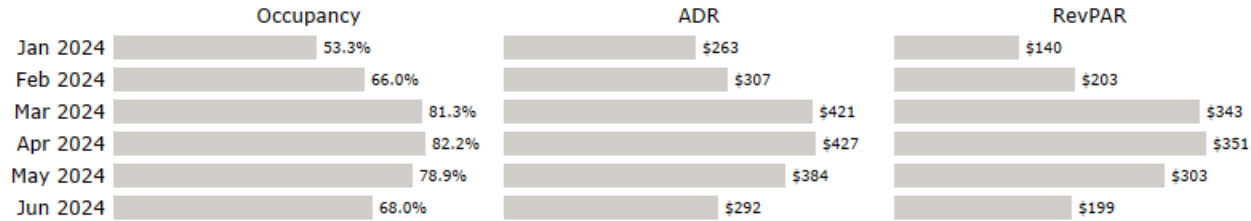
June Performance by Year
Sedona+

Occupancy
Jun 2019	74.7%
Jun 2020	62.9%
Jun 2021	76.8%
Jun 2022	66.5%
Jun 2023	70.4%
Jun 2024	68.0%

ADR
Jun 2019	$208
Jun 2020	$217
Jun 2021	$306
Jun 2022	$311
Jun 2023	$291
Jun 2024	$292

RevPAR
Jun 2019	$155
Jun 2020	$136
Jun 2021	$235
Jun 2022	$207
Jun 2023	$205
Jun 2024	$199
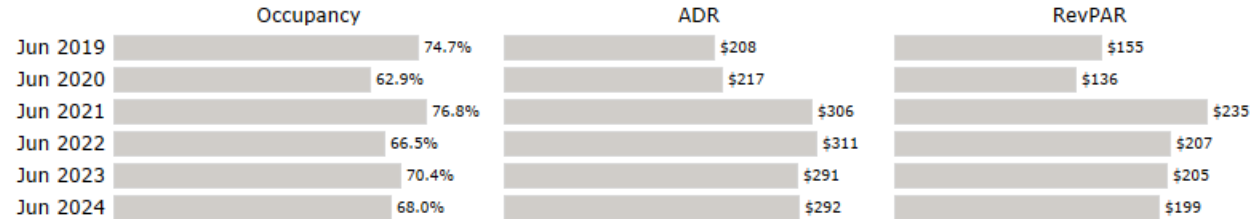
Occupancy YOY Comparison

Occupancy

Years: 3

Legend: CY2024, CY2023, CY2022
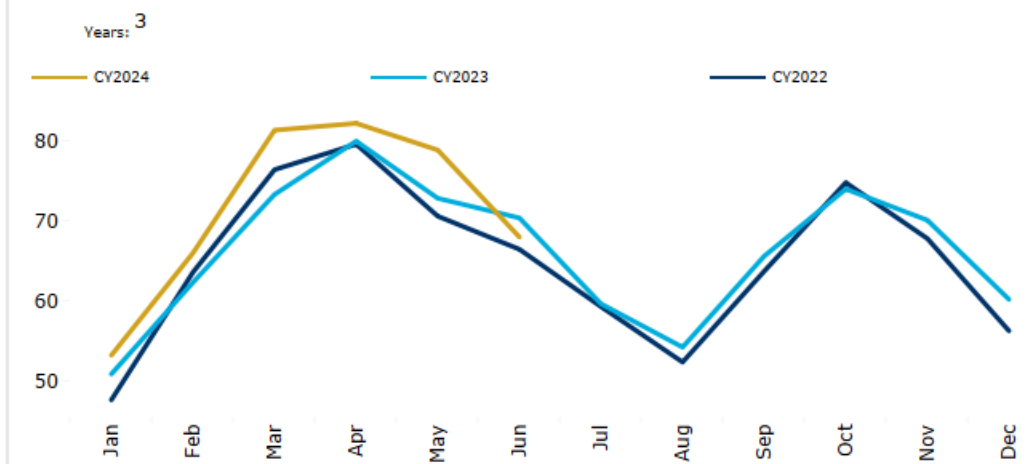
Occupancy Long Term Trend

Source: STR

SYMPHONY TOURISM ECONOMICS

Short Term Rental Review

	Adj. Paid Occ.	ADR	Adj. RevPAR	Supply	Demand	Revenue
	44.9%	**$311.67**	**$139.89**	**8.3K**	**3.7K**	**$1.2M**
Change vs. Previous Year	▲ 0.1%	▼ -5.2%	▼ -5.1%	▲ 10.4%	▲ 10.6%	▲ 4.8%
YTD Calendar Year	**55.7%**	**$379.49**	**$211.44**	**46.9K**	**26.2K**	**$9.9M**
YTD Change vs. Previous Year	▲ 4.5%	▲ 0.0%	▲ 4.4%	▲ 1.4%	▲ 5.9%	▲ 5.9%

Short Term Rental Performance by Week
City of Sedona

	Adj. Paid Occ.	ADR	Adj. RevPAR
26-May	56.4%	$349	$197
02-Jun	45.2%	$332	$150
09-Jun	44.2%	$314	$139
16-Jun	45.3%	$308	$139
23-Jun	44.0%	$294	$129
30-Jun	56.0%	$289	$162

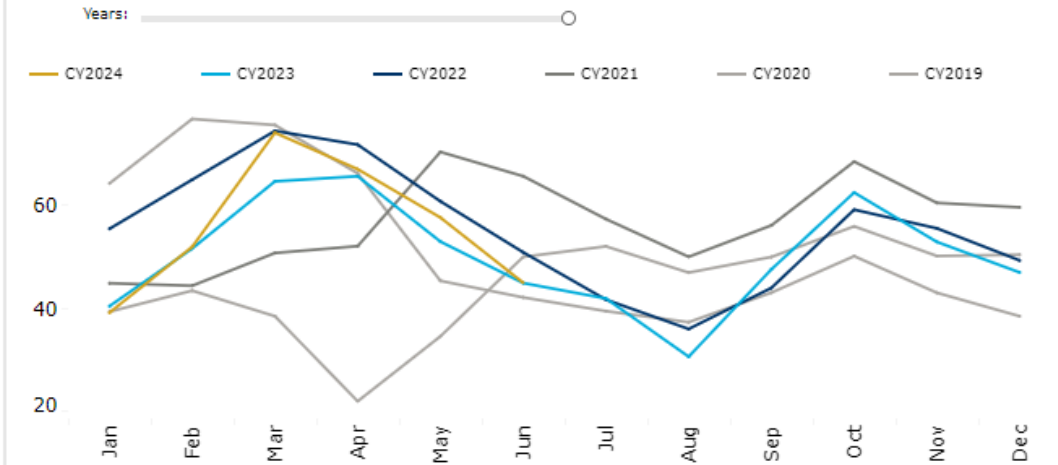## Adj. Paid Occ. YOY Comparison

Occupancy ▼

Years:

— CY2024 — CY2023 — CY2022 — CY2021 — CY2020 — CY2019

June 2024 Day-of-Week Performance vs. Previous Year
City of Sedona

	Adj. Paid Occ.		ADR		Adj. RevPAR	
Weekday	42%	+0.1% YOY	$305	-5.1% YOY	$129	-5.0% YOY
Weekend	51%	+0.3% YOY	$324	-5.4% YOY	$164	-5.1% YOY

Adj. Paid Occ. Long Term Trend

Note: Occupancy is not reflective of overall changes in short term rental demand
Source: KeyData

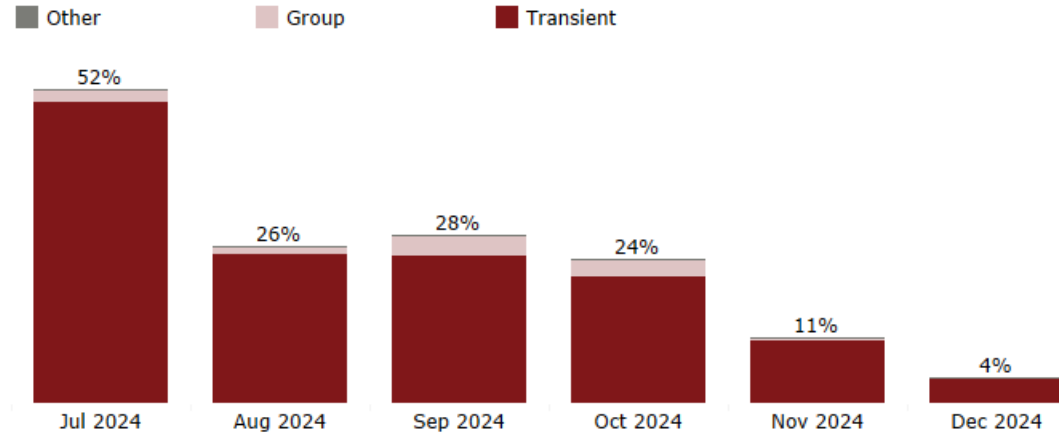Powered by **SYMPHONY** | TOURISM ECONOMICS

Hotel 6 Month Outlook
Data for zip code 86336

Occupancy as of 7/24/2024

Current Occupancy

- Other
- Group
- Transient

	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024
(Occupancy)	52%	26%	28%	24%	11%	4%

Booking Pace
Total Rooms Booked vs. Same-Time-Last-Year

	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024
	-5.7%	+0.3%	+13.4%	+1.7%	+9.4%	+32.3%

Bookings by Segment

Rooms Booked

	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024
Transient	14.3K	7.1K	6.7K	6.0K	2.9K	1.2K
Group	530	396	917	799	142	30
Other	80	16	0	1	3	0
Total	14.9K	7.5K	7.7K	6.8K	3.0K	1.2K
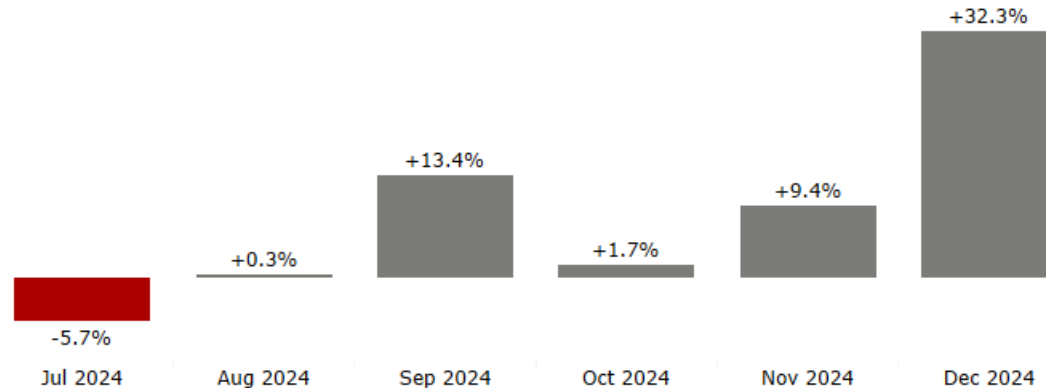
YOY % Change

	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024
Transient	-4.5%	+6.6%	+10.0%	+10.2%	+24.6%	+30.2%
Group	-22.6%	-48.0%	+55.7%	-33.5%	-67.9%	+650.0%
Other	-47.0%	-75.8%	-100.0%	-97.7%	-70.0%	-100.0%
Total	-5.7%	+0.3%	+13.4%	+1.7%	+9.4%	+32.3%

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Overnight Visitor Profile: Sedona

June 2024 Domestic Visits

2.7 days
Avg. Length of Stay

61.1%
Repeat Trip Share

Top Origin Markets

States

State	%
Arizona	42.2%
California	11.7%
Texas	5.6%
Florida	3.5%
Nevada	2.8%
Illinois	2.4%
Colorado	1.9%
Ohio	1.9%
Michigan	1.5%
North Carolina	1.4%

DMAs

DMA	%
Phoenix-Mesa-Chandler, AZ	35.0%
Los Angeles-Long Beach-Anaheim, CA	4.8%
Tucson, AZ	4.1%
Las Vegas-Henderson-North Las Vegas, NV	2.6%
Riverside-San Bernardino-Ontario, CA	2.4%
San Diego-Chula Vista-Carlsbad, CA	2.0%
Chicago-Naperville-Elgin, IL-IN	1.8%
Dallas-Fort Worth-Arlington, TX	1.6%
Houston-Pasadena-The Woodlands, TX	1.6%
New York-Newark-Jersey City, NY-NJ	1.6%

June 2024 Domestic Visitor Origin Characteristics

Household Income
Median: $92.9K

<25K	25K - 49K	50K - 75K	75K - 100K	100K - 149K	150K+
13%	16%	16%	13%	19%	23%

Age

<18Y	19Y -24Y	25Y - 34Y	35Y - 44Y	45Y - 54Y	55Y - 64Y	65Y+
22%	9%	12%	13%	13%	13%	18%

Race

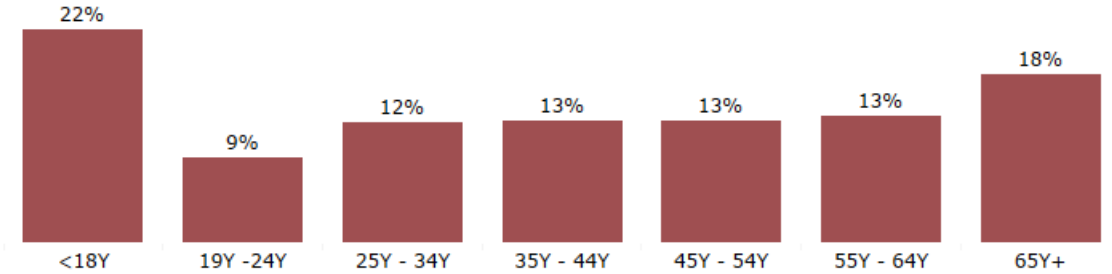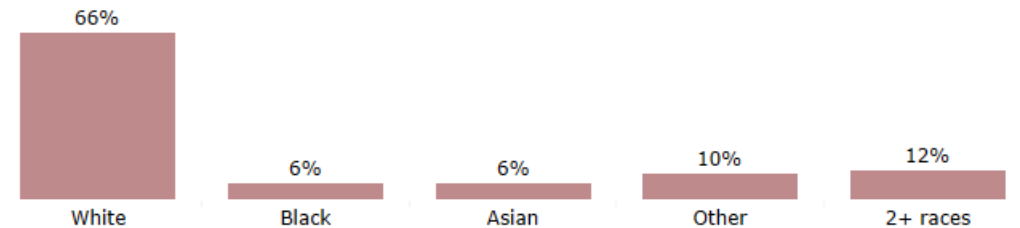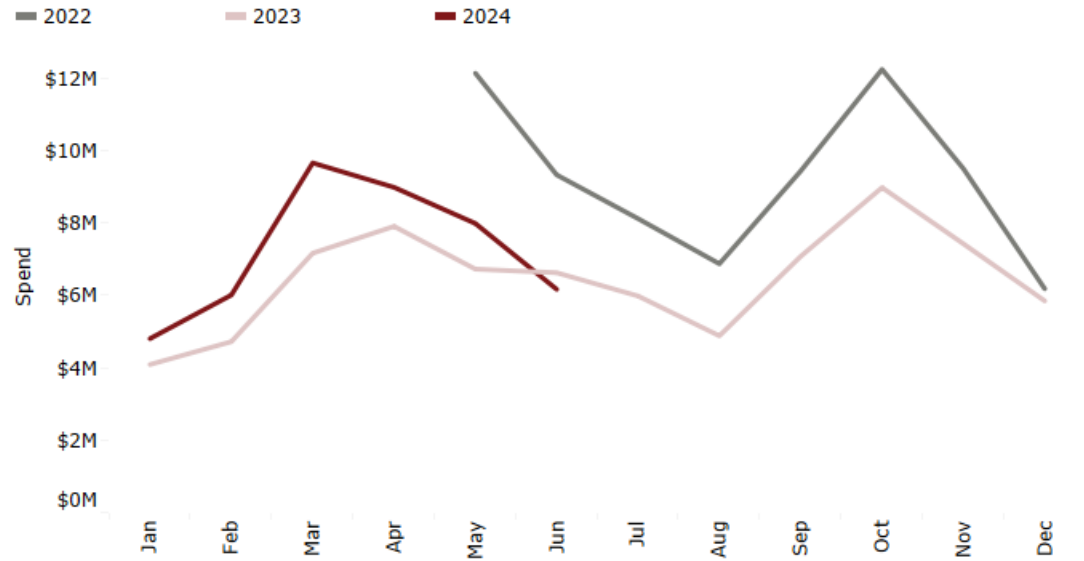| White	Black	Asian	Other	2+ races
66%	6%	6%	10%	12%

Visitor Spending

Visitor Credit Card Spending

June 2024 Card Spend
$6.2M
-6.9% YOY

Jan - Jun 2024 Card Spend
$43.6M
+17.1% YOY

June 2024 Visitor Credit Card Spending

46.7%
Food & Beverage

20.7%
Retail

15.8%
Lodging

10.6%
Transportation

6.3%
Other Categories

Visitor Spending Trend

Legend: 2022, 2023, 2024

Y-axis: Spend ($0M, $2M, $4M, $6M, $8M, $10M, $12M)

X-axis: Jan, Feb, Mar, Apr, May, Jun, Jul, Aug, Sep, Oct, Nov, Dec

Spending by Demographic

Age

Age	Percentage
20-29	1.9%
30-39	8.0%
40-49	15.5%
50-64	27.5%
65+	15.4%

Household Income

Income	Percentage
<50k	7.8%
50-100k	12.4%
100-150k	19.7%
150-200k	11.5%
200-250k	7.9%
250k+	14.9%
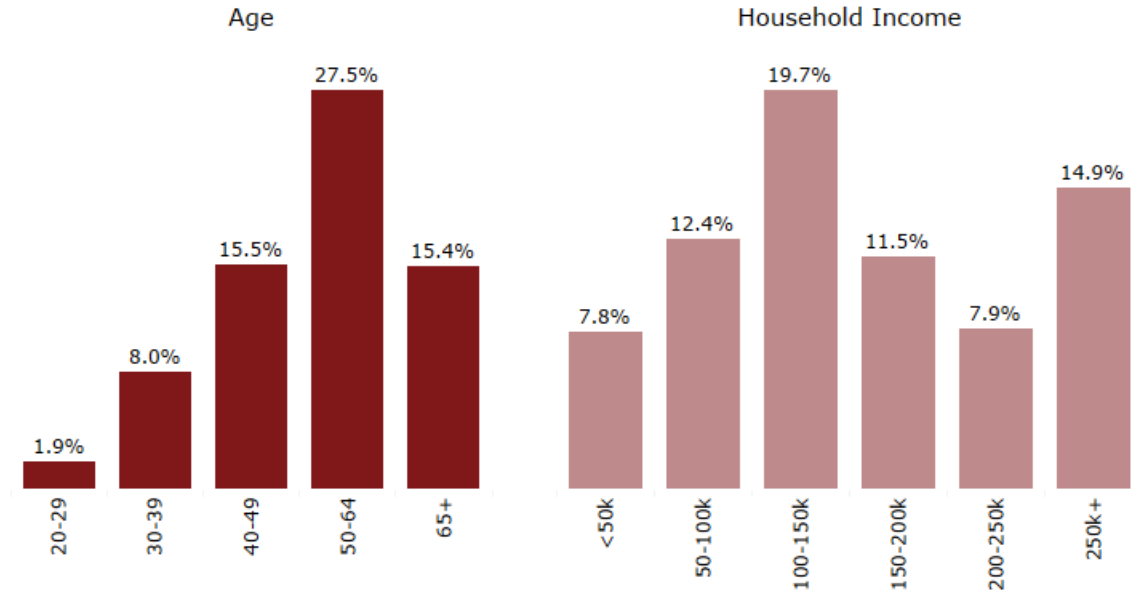
Airport TSA Checkpoint Volume & Visitor Origins

FLG - Flagstaff Pulliam & PHX - Phoenix Sky Harbor International

Monthly TSA Checkpoint Volume

June 2024 Volume
1.7M
+6.5% YOY

Year-to-Date TSA Checkpoint Volume & Visitor Origins
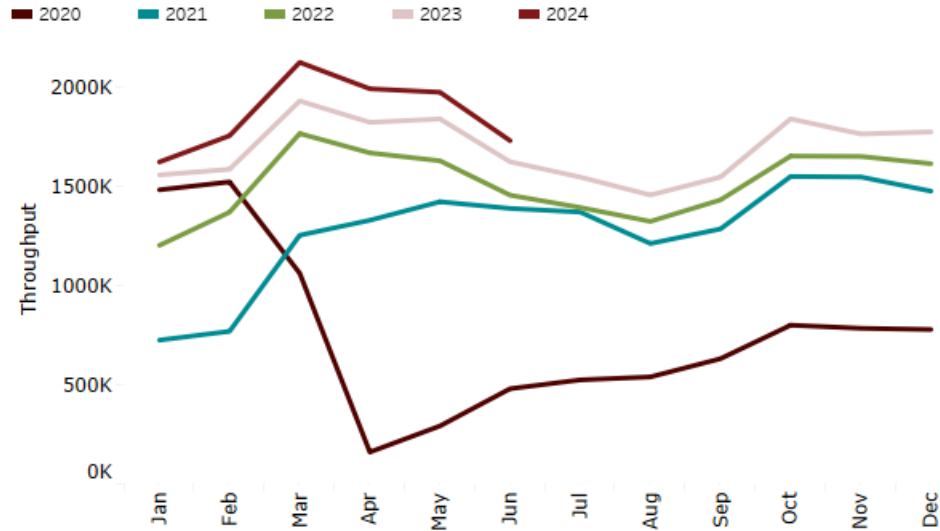
Jan - Jun 2024 Volume
11.2M
+8.1% YOY

Source: Transportation Security Administration
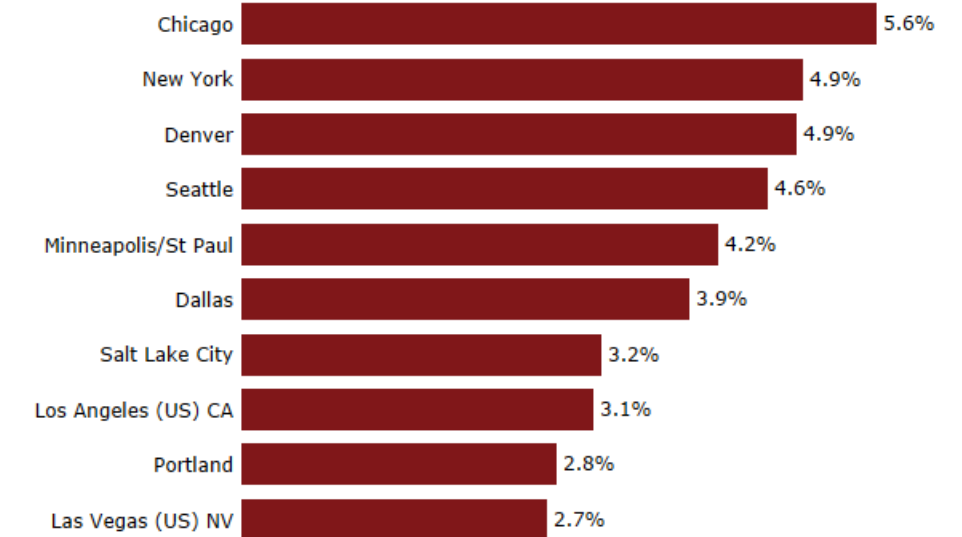
TSA Checkpoint Volume by Month
Last Five Calendar Years

Legend: 2020, 2021, 2022, 2023, 2024

Source: Transportation Security Administration

Air Domestic Visitor Origins
Jan - May 2024 Visitor Arrivals

Origin	%
Chicago	5.6%
New York	4.9%
Denver	4.9%
Seattle	4.6%
Minneapolis/St Paul	4.2%
Dallas	3.9%
Salt Lake City	3.2%
Los Angeles (US) CA	3.1%
Portland	2.8%
Las Vegas (US) NV	2.7%

Source: OAG

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US Travel Trends

Travel Price Index
% Change Relative to Same Month in Previous Year | Last 12 Months

Legend: ■ Airline Fares ■ F&B ■ Motor Fuel ■ Other Lodging ■ Rec. Services ■ Transportation

Values shown: 4.0%, 4.1%, -2.5%, -5.1%

X-axis: Jul, Aug, Sep, Oct, Nov, Dec, Jan, Feb, Mar, Apr, May, Jun
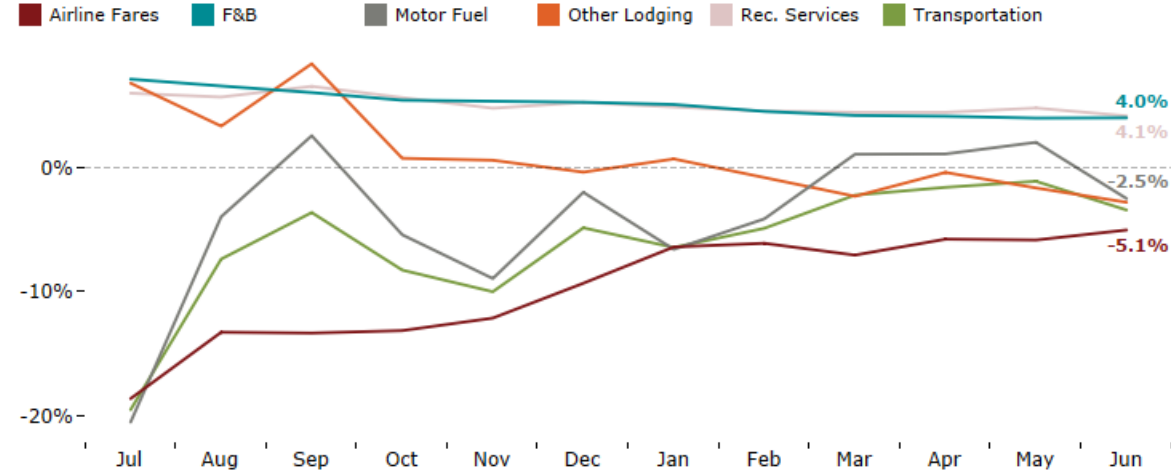
Travel Spending (% change vs 2019)
% Change vs. 2019 | U.S. total

Legend: ■ US % change

Value shown: 11.6%

X-axis: Jan-20, Jul-20, Jan-21, Jul-21, Jan-22, Jul-22, Jan-23, Jul-23, Jan-24, Jul-24
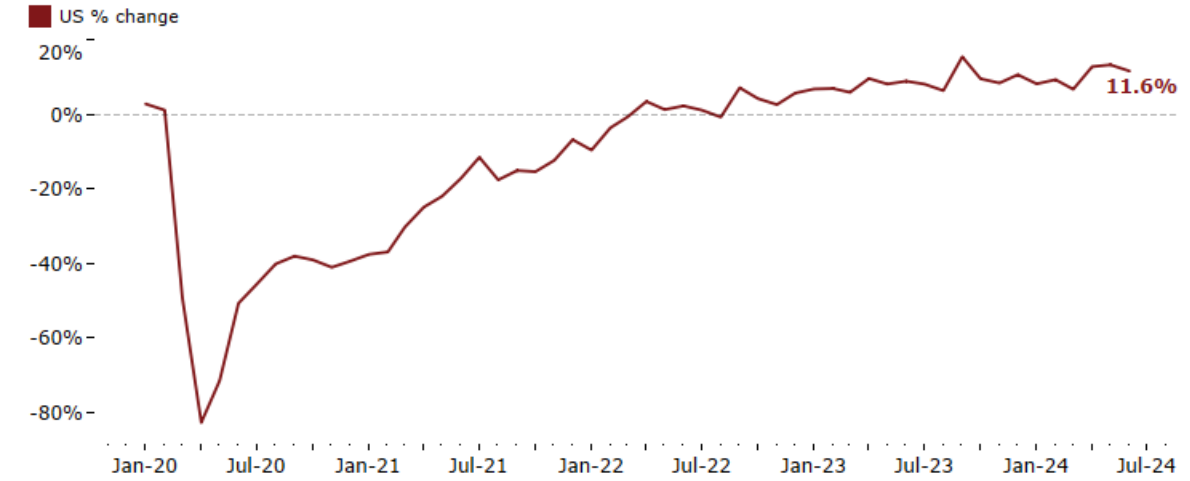
Planning Leisure Travel Within the Next 12 Months
% of American Consumers Planning Travel by Household Income (Calendar Year)
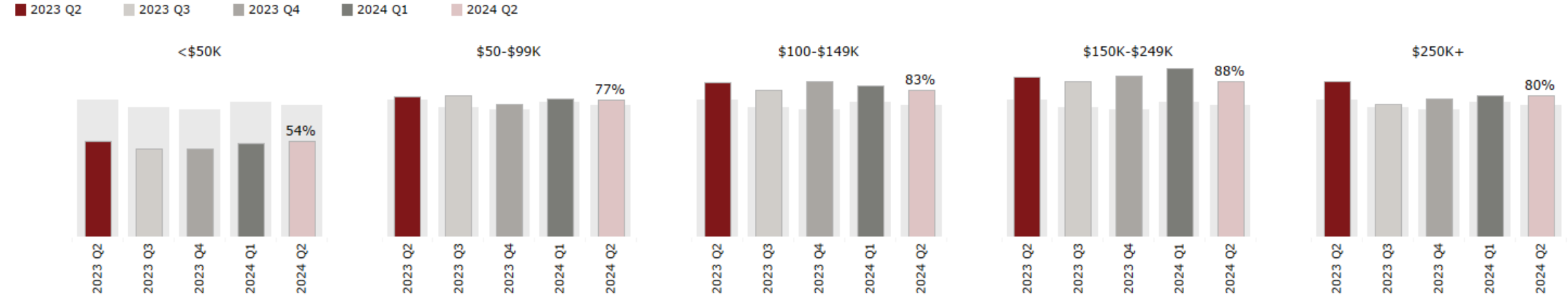
Legend: ■ 2023 Q2 ■ 2023 Q3 ■ 2023 Q4 ■ 2024 Q1 ■ 2024 Q2

Categories: <$50K (54%), $50-$99K (77%), $100-$149K (83%), $150K-$249K (88%), $250K+ (80%)

Domestic Travel Forecast

Real Domestic Leisure Travel Spending
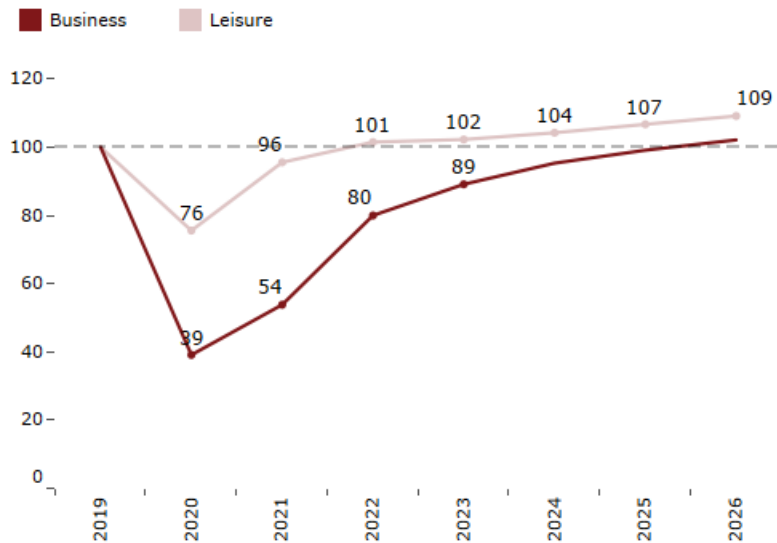Forecasted recovery, relative to 2019 (index, 2019=100)

- % Chg Spending
- Spending

Year	Index	Spending
2019	100	$723B
2020	81	$589B
2021	104	$753B
2022	99	$718B
2023	100	$720B
2024	102	$739B
2025	104	$752B
2026	105	$759B
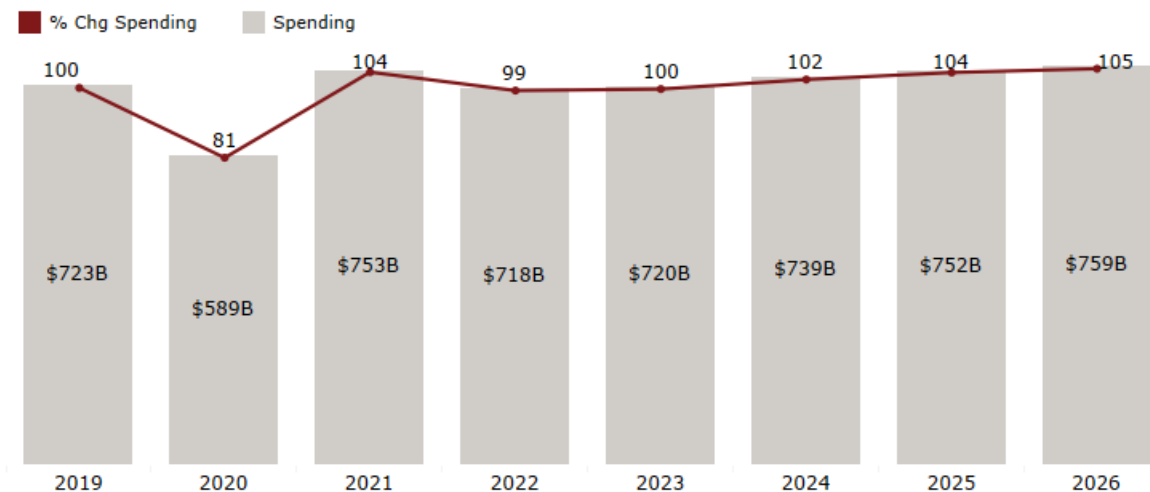
Real Domestic Business Travel Spending
Forecasted recovery, relative to 2019 (index, 2019=100)

- % Chg Spending
- Spending

Year	Index	Spending
2019	100	$269B
2020	34	$93B
2021	43	$115B
2022	74	$201B
2023	83	$223B
2024	88	$237B
2025	92	$247B
2026	93	$251B
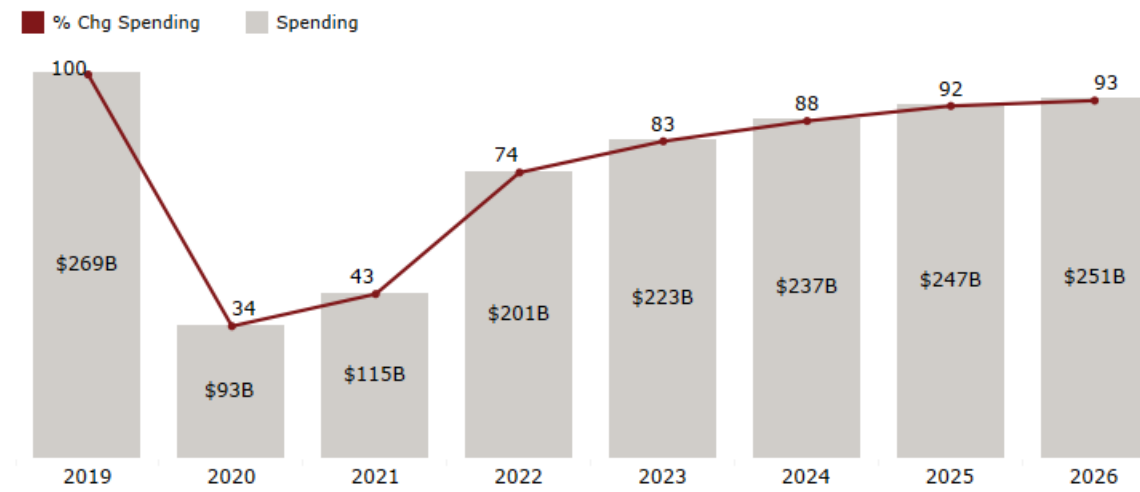
Leisure vs. Business Travel Volume
Forecasted recovery, relative to 2019 (index, 2019=100)

- Business
- Leisure

Year	Business	Leisure
2019	100	100
2020	39	76
2021	54	96
2022	80	101
2023	89	102
2024		104
2025		107
2026		109

Auto vs. Air Travel Volume
Forecasted recovery, relative to 2019 (index, 2019=100)

- Air
- Auto

Year	Air	Auto
2019	100	100
2020	42	71
2021	70	89
2022		98
2023	100	
2024	104	
2025	107	
2026	108	
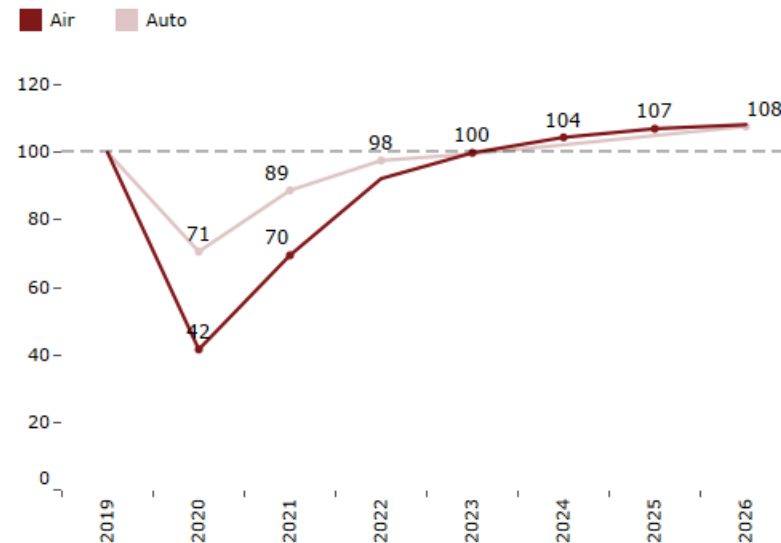
Group vs. Transient Travel Spending
Forecasted recovery, relative to 2019 (index, 2019=100)

- Group
- Transient

| Year	Group	Transient
2019	100	100
2020	26	40
2021	30	52
2022		78
2023		84
2024		89
2025		93
2026		94
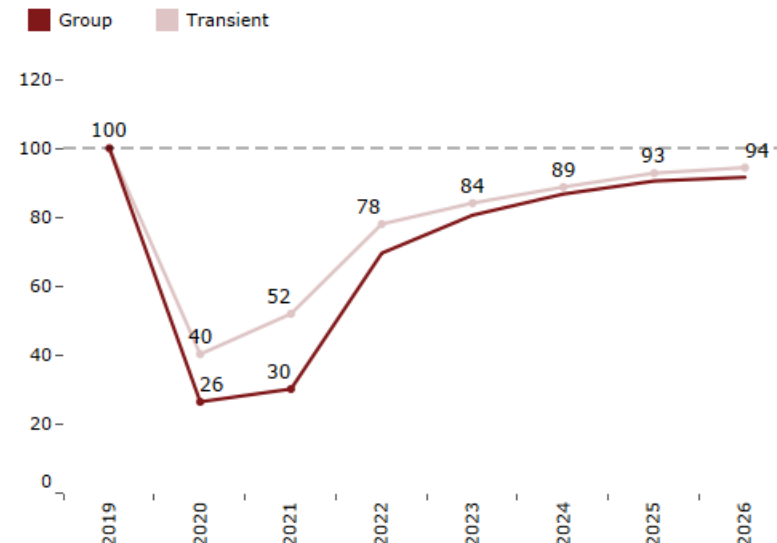
Community Values Discussion

Context

- Residential quality of life is a key focus of the new tourism plan

- Today, we want to learn more about how you as Sedona residents define quality of life and what gives you pride of place

- This input will help us better understand how the tourism industry enhances our quality of life
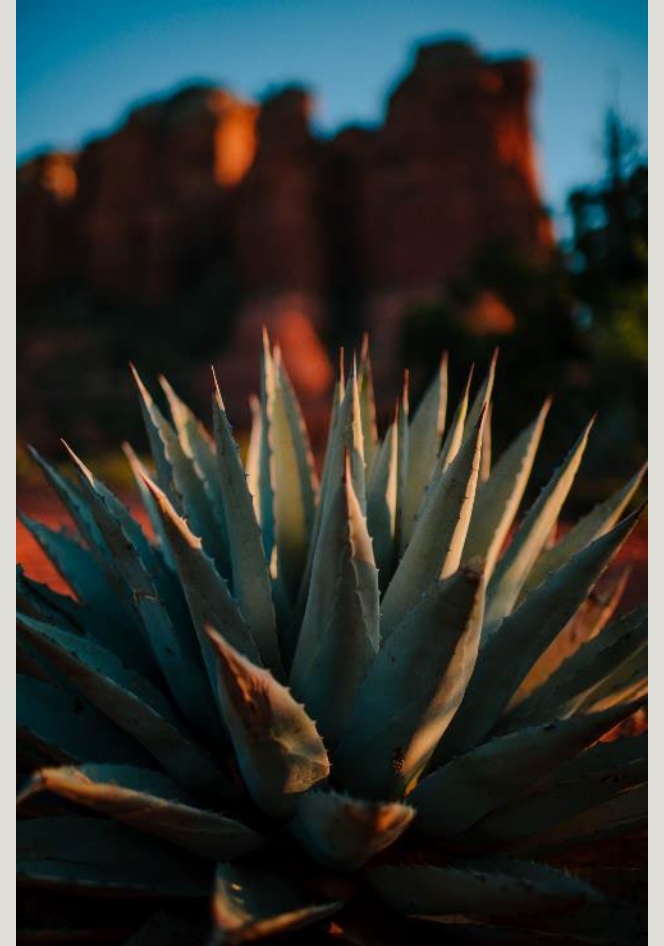
Context

- This exercise is tied to the communications plan that is central to enhancing community engagement with tourism

- Our team is working with the city finance team to confirm the initial figures we received from Dean Runyan Associates around visitor tax contributions in 2022

- Our goal is to communicate the benefits of tourism quantitatively through understanding tax benefits and qualitatively through community values

Background

- Our aim is to build on previous feedback we've gathered about this topic

- Examples include:
  - Scenic beauty
  - Transformational
  - Access to quality experiences

Questions

- What do you value about being a resident of Sedona?

- What aspects of Sedona instill a sense of pride of place?
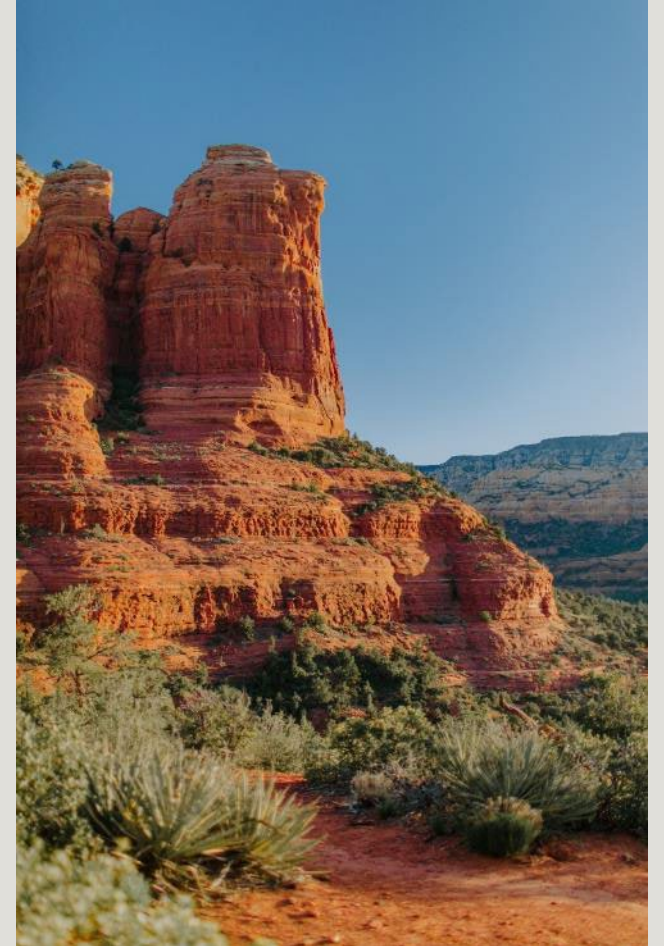
Community Values			
Being a small city	Having a sense of community	Access to cultural offerings	Access to quality businesses & experiences
Quiet places to explore	An engaged community	Strong sense of community	Local community groups
Pride of Place			
Cleanliness	Open space	Pristine look and feel	400+ miles of trails
World-Class Scenic Beauty	Being an international destination with cultural exchange	Less chains, more local businesses	Being in a supportive community

TOURISM PROGRAM

Next Steps

- Validate the results of the Dean Runyan Associates economic impact report

- Compile information about investments made by taxes visitors contribute to

- Compile qualitative and quantitative talking points that help us consistently and collectively communicate the value of tourism for Sedona
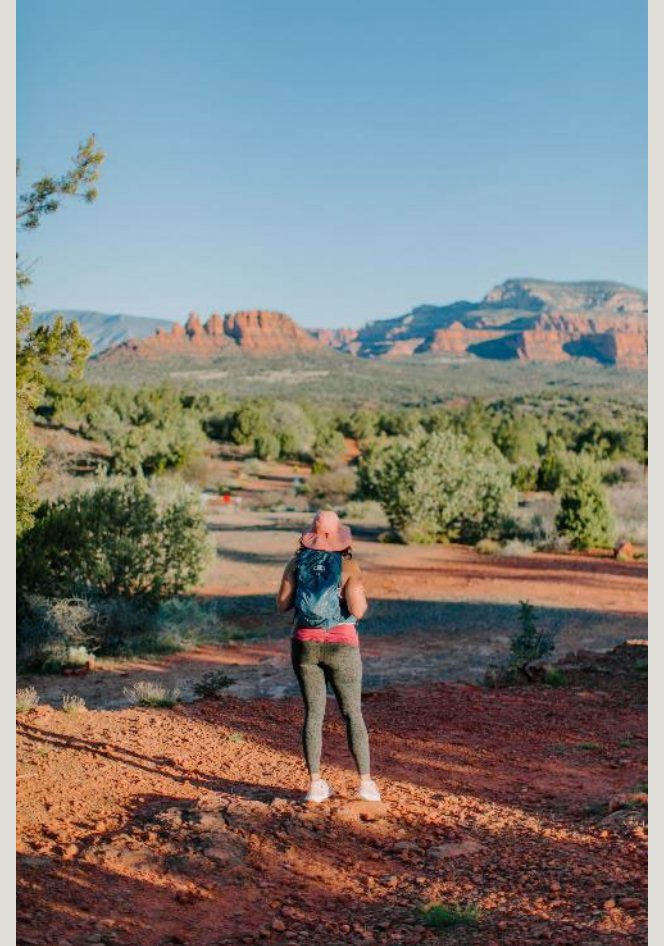
Sedona Visitor Center

Context

- This will be the first of several discussions we intend to have with the TAB about the Sedona Visitor Center

- Our goal is to provide a history of the Sedona Visitor Center, update on FY24 engagement, and share case studies of visitor centers from other destinations

- We also want to hear from you about your vision and goals for the visitor center to set the stage for future discussions

Uptown Sedona Visitor Center
TOURISM ADVISORY BOARD | AUGUST 7, 2024

Serving Visitors Since the 1956

Visitor Center Staff & Volunteers

DEDICATED. VALUED. IRREPLACEABLE.

More than **6,493**
Volunteer Hours Donated

Value = $206,495

FY23 – Based on the 2023 Value of Volunteer Time national report

Contractual Services

FY25: JULY 1, 2024 – JUNE 30, 2025

Visitor center building and restrooms located at 331 Forest Road and SR89A

- Schedule and monitor all necessary services such as cleaning, computer maintenance, system upgrades, and grounds maintenance
- Operate no less than 57 hours per week except on weeks that include Thanksgiving and Christmas Day (closed)
- Adequately staff, manage and train all volunteers
- Manage and assist all walk-in visitors, phone calls and emails
- Educate visitors about sustainability principles (Leave No Trace, Recreate Responsibly)
- Educate visitors and businesses about the Sedona Shuttle and Verde Shuttle
- Communicate knowledge of all area trails, forest service, ways to experience Sedona, local businesses such as art galleries, restaurants and stores
- Share Sedona news, road closures, weather conditions and other timely information
- Showcase businesses through rack cards (not restricted to membership)
- Provide space for advertising at 4 locations (not restricted to membership)
- Provide referrals to all businesses (not restricted to membership)
- Manage retail inventory and Red Rock Passes
- Oversee, maintain, and organize all collateral materials including storage and delivery systems
- Not include repairs of the Visitor Center

Local Influence

WHO BETTER TO ASK VISITORS TO ACT LIKE A LOCAL, THAN A LOCAL?

Visitor Education

HIGHLIGHTING SEDONA'S SUSTAINABILITY VALUES

The Golden Rule of Tourism

TREAT OTHERS AS YOU WOULD LIKE TO BE TREATED

Reviews

BEST CUSTOMER SERVICE AND RESOURCE FOR VISITORS AND RESIDENTS

David Ballenger
2 reviews

★★★★★ 2 months ago

The Sedona visitor center is a must for the first time visitor. The staff is very knowledgeable, friendly, and helpful in getting you familiar with the area and identifying specific areas to visit. And if you are interested in hiking on the numerous trails available, they have the type of info available to rate the trails, how to get there, and what to expect depending on the weather and trail conditions. And they have a public bathroom!

Katherine Raines
Local Guide · 17 reviews · 5 photos

★★★★★ a week ago   NEW

The most useful thing I could've done arriving in Sedona. So many great resources and helpful staff to plan the walking routes for what I needed. Plus amazing to have an immediate friendly trustworthy face in Sedona.

Katie Lee
4 reviews

★★★★★ 5 days ago   NEW

Elinor was professional, knowledgeable ad so pleasant with us! The team of volunteers you have t your chamber are invaluable. Please keep them helping you!!!

Industry Best Practices

DO WHAT WORKS BEST FOR **YOUR** DESTINATION AND ITS VISITORS

Funding History

Visitor Center Allocations – 100% City		
FY15	$295,000	
FY16	$320,000	
FY17	$381,000	
FY18	$455,000	Includes administrative fee $45,000
FY19	$410,000	
FY20	$498,000	Includes restrooms renovation $95,000
FY21	$414,000	
FY22	$410,000	
FY23	$405,000	
Visitor Center Allocations – 80% City / 20% Chamber		
FY24	$297,000	
FY25	$341,000	Budget

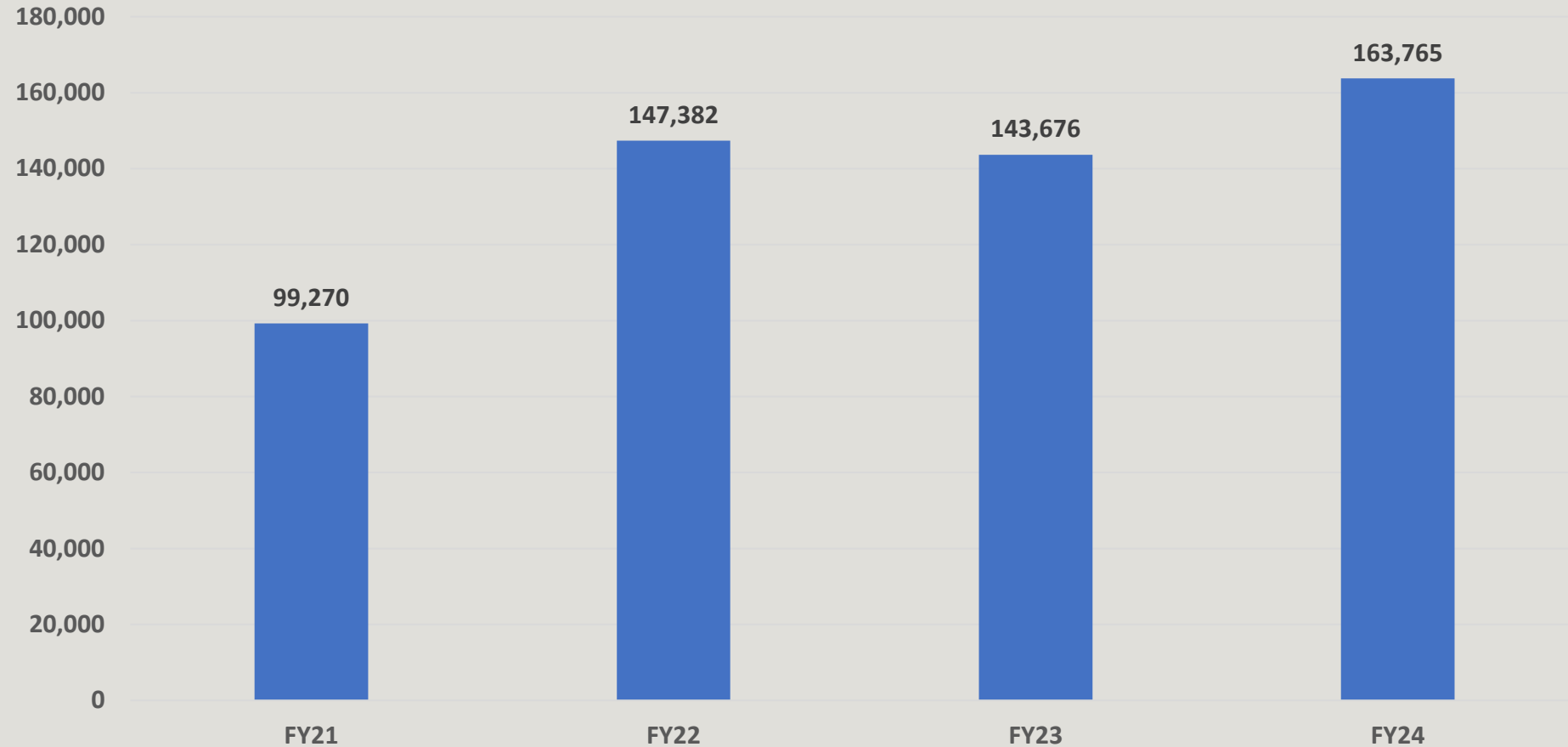# Performance Measurement

FY24

- Total walk-ins, calls and emails – 163,765
- Top five states – California, Arizona, Illinois, Wisconsin, Texas
- Volunteer hours donated = 5,877 valued at $196,820

FY25

- Number of visitors assisted in-person at the visitor center – GOAL 150,000
- Number of visitors assisted electronically or telephonically – GOAL 7,500
- Visitor service satisfaction measured by online survey

Thank You!

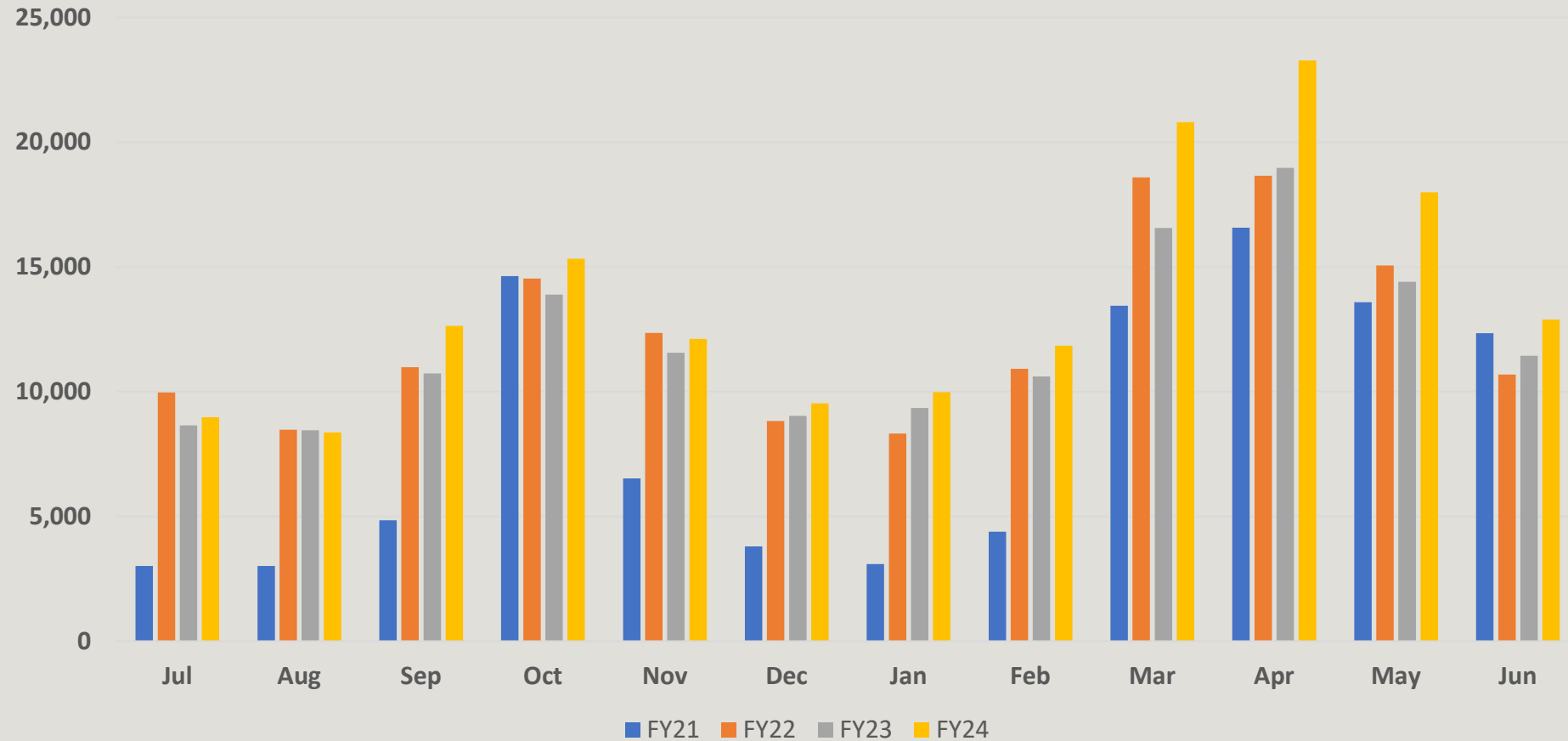# Visitor Center Case Studies

Destination	Estimated Annual Visitation	Visitor Center Engagement	Annual Visitor Center Budget
Cottonwood	1-1.75M	10,000	$95,000
Santa Fe, NM	3M	120,000	$440,000
Flagstaff	5M	120,000	$670,000
Williams	1.5M	80,000	$368,000
Tucson	4.9M	33,000	$1,291,557

Visitor Center Case Studies

Destination	Estimated Annual Visitation	Visitor Center Engagement
Bisbee	70,000	52,000
Scottsdale	10.8M	7,124
Phoenix	19.5M	46,500
Kingman	4.8M	173,000
Page	5.2M (Glen Canyon)	16,750

Ideas To Enhance Utilization

- Offer a locally sourced showcase or local art exhibit that the visitor center volunteers are trained to provide information about where visitors can learn more purchase them

- Partner with local tour operators to start and/or end tours at the visitor center

- Offer self-guided tours, such as a public art crawl, that start and end from the visitor center

- Combine the concept of a visitor center and an interactive museum with displays that showcases the natural and geological history of Sedona

- Install interactive kiosks that include photo booths with backdrops of Sedona, example itineraries, and opportunities to purchase activities, make reservations, and purchase public land passes

Group Discussion

- What is the ideal way for us to provide a warm welcome and trip planning information to our visitors when they arrive?

- What new and innovative ideas do you have in mind for in-market communication with our visitors?

- What are potential measurements we can use to report on successful efforts to provide a warm welcome and trip planning information about Sedona to our visitors?

TOURISM PROGRAM

THANK YOU

CITY OF SEDONA