



CITY OF SEDONA

TOURISM PROGRAM

Tourism Advisory Board
September 4, 2024 Meeting



Vote On New TAB Leadership

Instructions

- We need to vote on a new TAB Chair
- We are asking TAB members to nominate another TAB member to serve as TAB Chair
- Once all nominations are received, we will have an open discussion about the nominees
- A hand vote will occur afterwards to select the next TAB Chair



State Of Sedona Tourism





July 2024

Tourism Market Indicators

July 2024

Demand for Sedona hotels in July fell -2.8% YOY causing an equal -2.8% YOY drop in occupancy to 58%. Demand for short term lodging increased +6.2% YOY but not enough to fully absorb the +7.1% YOY increase in supply resulting in a -0.9% YOY drop in occupancy to 41.3%.

ADR decreased for both types of lodging at -6.2% YOY to \$240.78 among hotels and -8.2% YOY for short term rentals to \$284.64. The decreases particularly in ADR for both caused declines in revenue at -8.8% YOY to \$9.4M in hotel revenue and -2.6% YOY to \$997.2K in short term rental revenue.

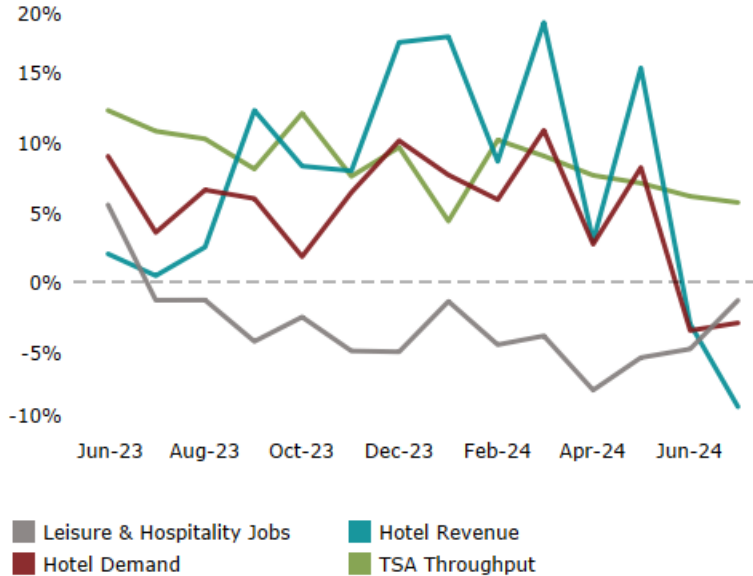
The July performance of other tourism indicators was mixed with TSA throughput at PHX up +6.3% YOY but Recreation Park Visits down -3.4% YOY and Leisure & Hospitality jobs dropping -1.2% YOY to 16K, accounting for 23.3% of total nonfarm jobs.

Gains to US employment for the month of June (+206K) were largely focused in Government, Health care, and Social assistance, with little movement in Leisure and hospitality or other remaining industries as job gains begin to slow.

Low-income households are bearing the brunt of a cooling labor market and sticky inflation, with consumer spending slipping among lower incomes, including tourism spend. Longer term consumer spending outlooks remain brighter at the prospect of inflation moderation and interest rates beginning to fall.

Recovery Indicators

% change relative to same month of previous year



58.0%

Hotel Occupancy

▼ -2.8% YOY



\$9.35M

Hotel Revenue

▼ -8.8% YOY



\$977.15K

Short Term Rental Revenue

▼ -2.6% YOY



1.6M

Airport Throughput

▲ 6.5% YOY, ▲ 19.0% vs. 2019



Lodging Summary

July 2024



Aggregate Lodging Performance

Sources: STR & KeyData

	Occupancy	ADR	RevPAR
Jul 2024	56.1%	\$244.34	\$137.18
YOY % Change	-2.9% YOY	-6.2% YOY	-8.9% YOY
Calendar Year-to-Date	67.9%	\$346.45	\$235.34
YTD YOY % Change	+3.8% YOY	+3.1% YOY	+7.0% YOY

Hotel Performance (Sedona+)

Source: STR

	Occupancy	ADR	RevPAR
Jul 2024	58.0%	\$240.78	\$139.62
YOY % Change	-2.8% YOY	-6.2% YOY	-8.8% YOY
Calendar Year-to-Date	69.7%	\$344.41	\$239.98
YTD YOY % Change	+3.8% YOY	+3.5% YOY	+7.5% YOY

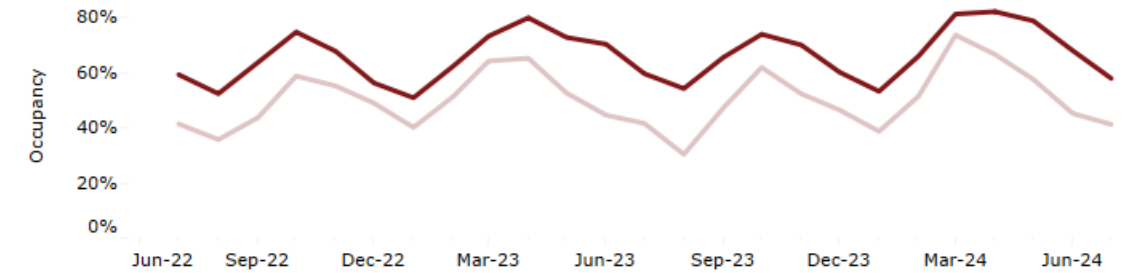
Short Term Vacation Rental Performance (Vacation Area - City of Sedona)

Source: KeyData

	Occupancy	ADR	RevPAR
Jul 2024	41.3%	\$284.64	\$117.50
YOY % Change	-0.9% YOY	-8.2% YOY	-9.0% YOY
Calendar Year-to-Date	53.5%	\$368.49	\$196.98
YTD YOY % Change	+3.8% YOY	-0.8% YOY	+3.0% YOY

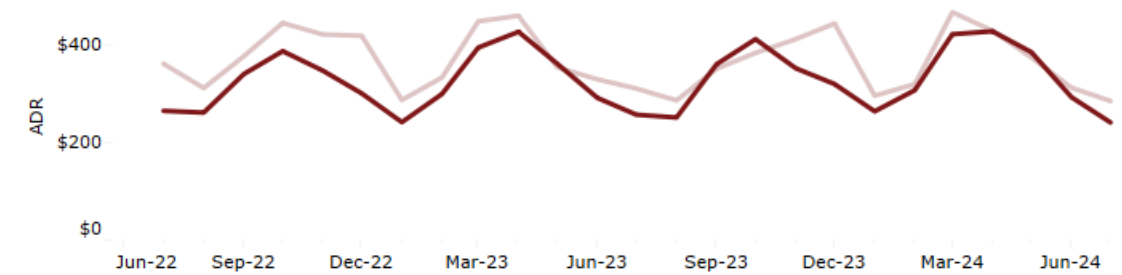
Occupancy by Month

Hotels Short Term Vacation Rentals



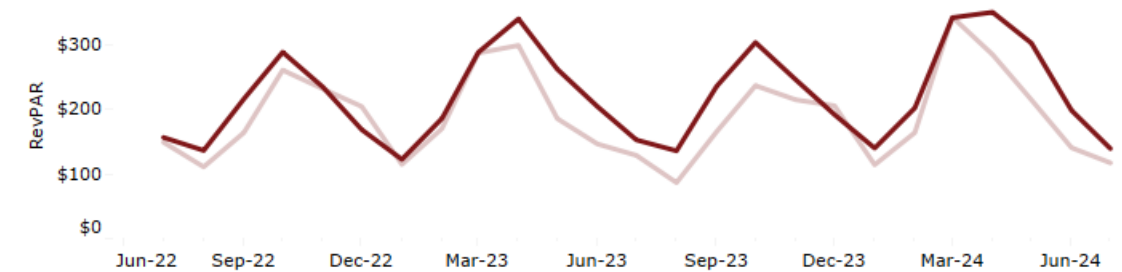
ADR by Month

Hotels Short Term Vacation Rentals



RevPAR by Month

Hotels Short Term Vacation Rentals

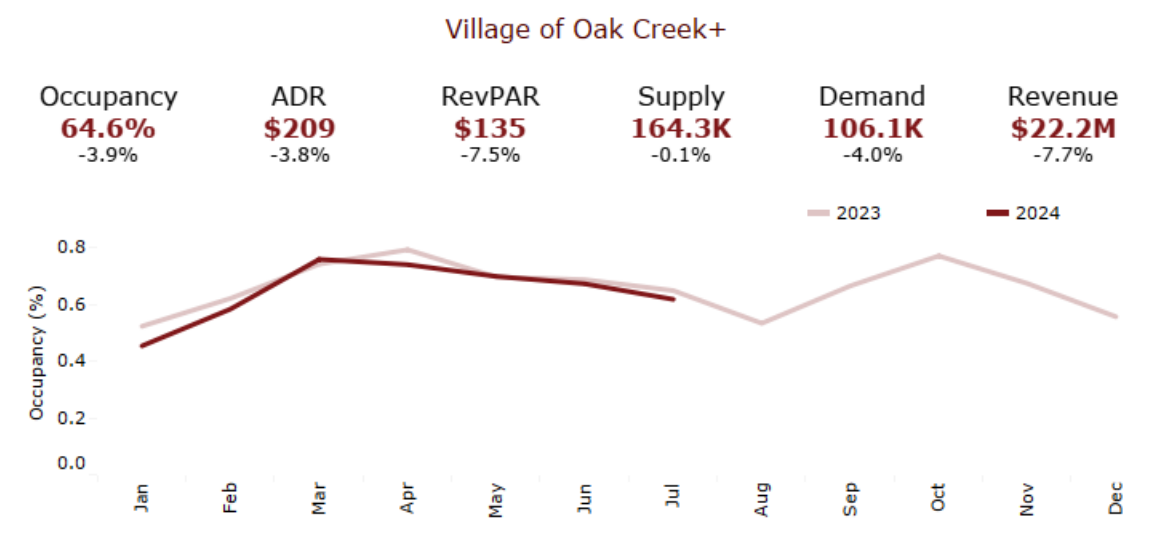
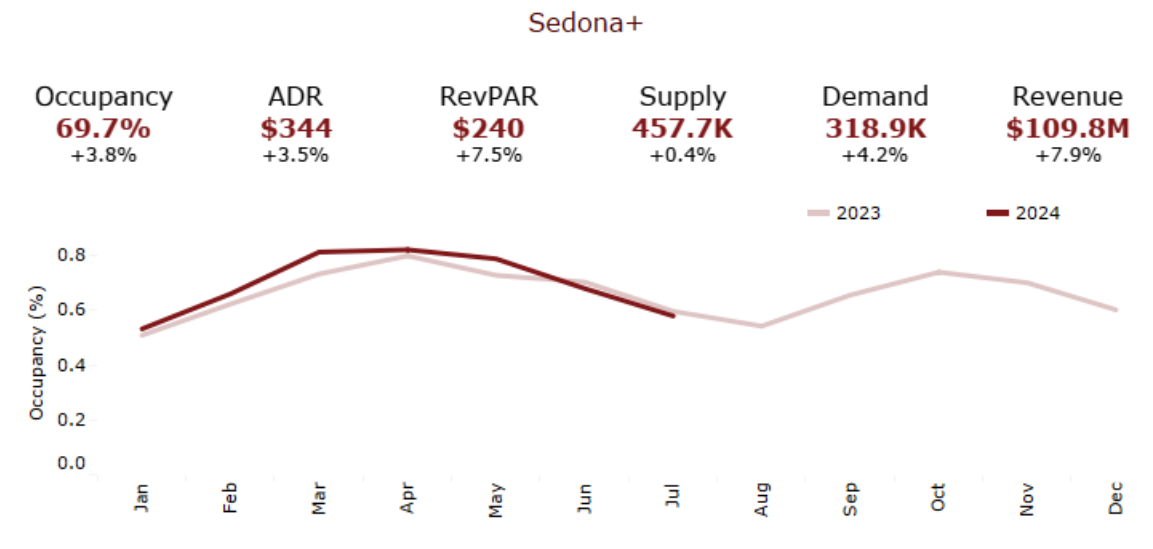




Monthly Performance by Market

	OCC	% CHG	ADR	% CHG	RevPAR	% CHG
May						
Sedona+	78.9%	+8.3%	\$384	+6.6%	\$303	+15.4%
Village of Oak Creek+	69.8%	+0.3%	\$225	-0.7%	\$157	-0.4%
Jun						
Sedona+	68.0%	-3.4%	\$292	+0.5%	\$199	-2.9%
Village of Oak Creek+	67.2%	-2.1%	\$185	-9.9%	\$124	-11.8%
Jul						
Sedona+	58.0%	-2.8%	\$241	-6.2%	\$140	-8.8%
Village of Oak Creek+	61.7%	-4.8%	\$162	-10.7%	\$100	-14.9%

Calendar Year-to-Date Performance



Hotel 4 Month Outlook

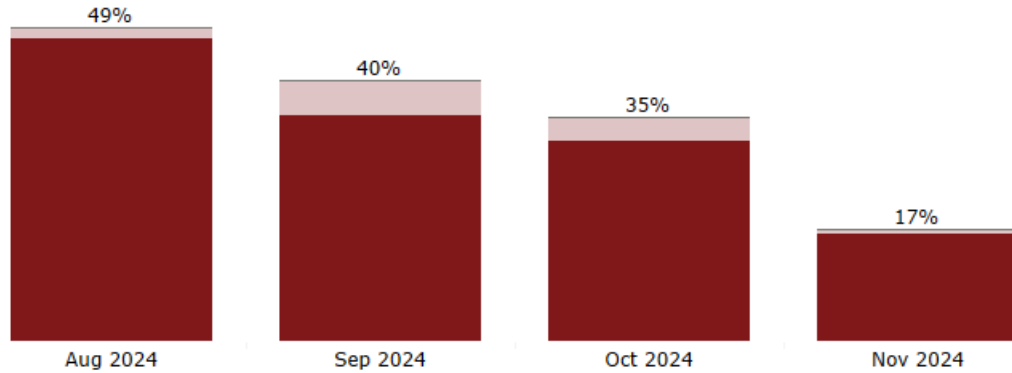
Data for zip code 86336



Occupancy as of 8/21/2024

Current Occupancy

Other Group Transient



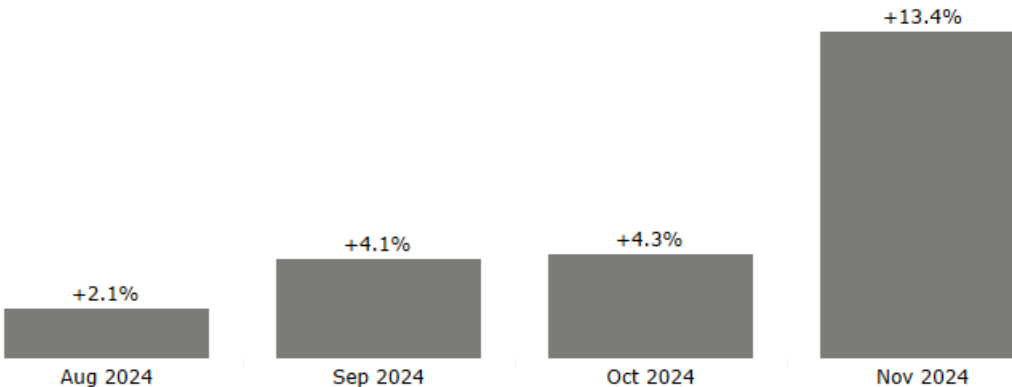
Bookings by Segment

	Aug 2024	Sep 2024	Oct 2024	Nov 2024
Transient	12.1K	8.7K	8.0K	4.1K
Group	421	1.3K	923	209
Other	43	0	1	12
Total	12.5K	10.1K	8.9K	4.3K

Rooms Booked

Booking Pace

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



YOY % Change

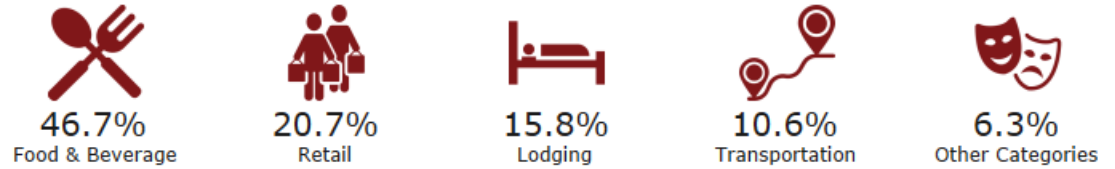
	Aug 2024	Sep 2024	Oct 2024	Nov 2024
Transient	+8.3%	+4.2%	+11.8%	+21.2%
Group	-58.5%	+9.0%	-29.3%	-48.0%
Other	-63.9%	-100.0%	-99.0%	-55.6%
Total	+2.1%	+4.1%	+4.3%	+13.4%

Visitor Credit Card Spending

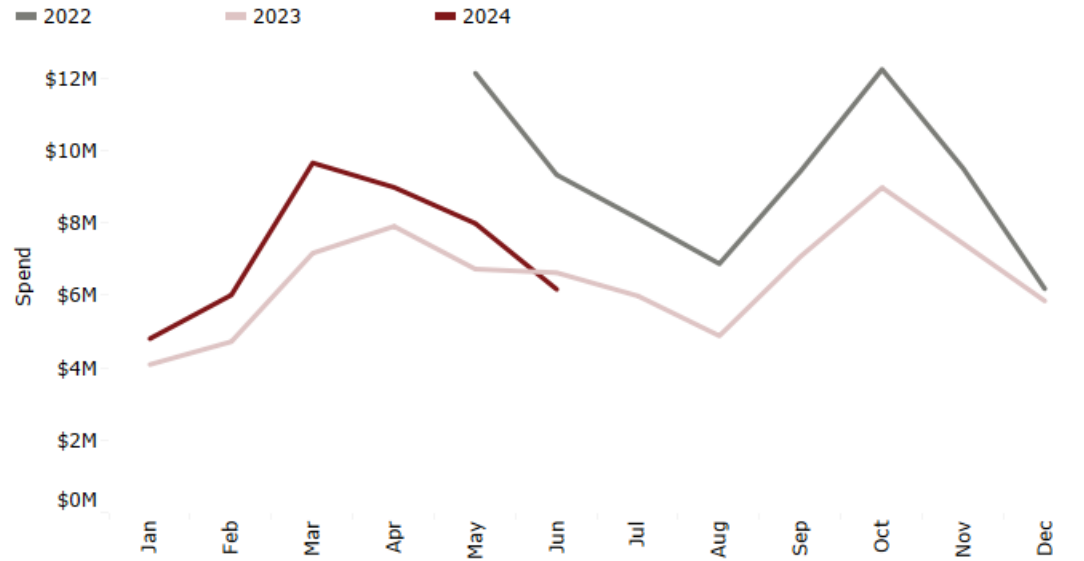
June 2024 Card Spend
\$6.2M
 -6.9% YOY

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

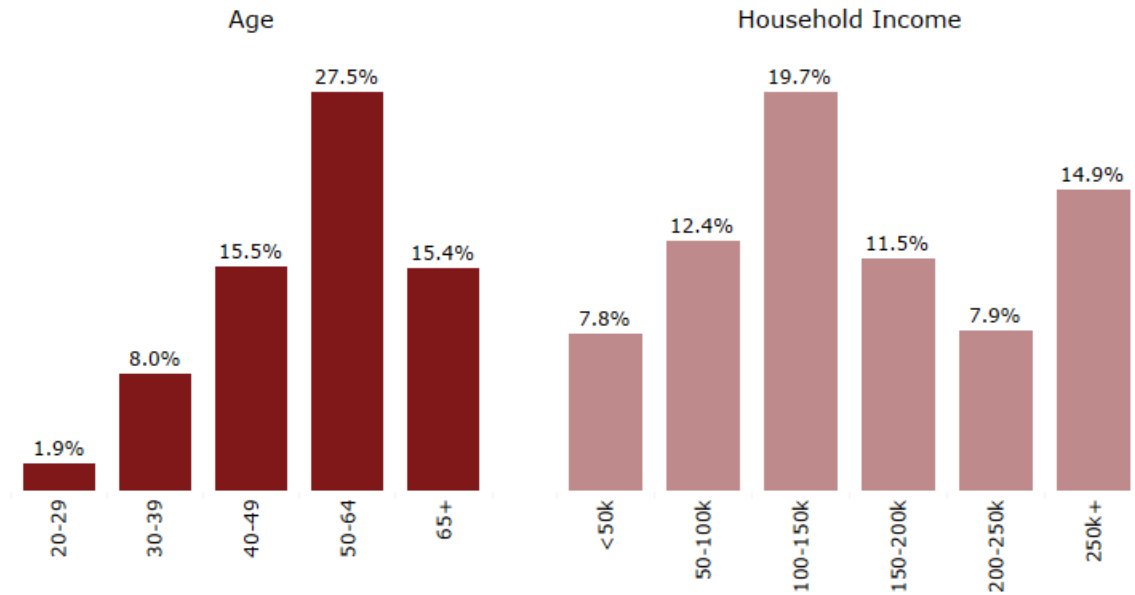
June 2024 Visitor Credit Card Spending



Visitor Spending Trend



Spending by Demographic

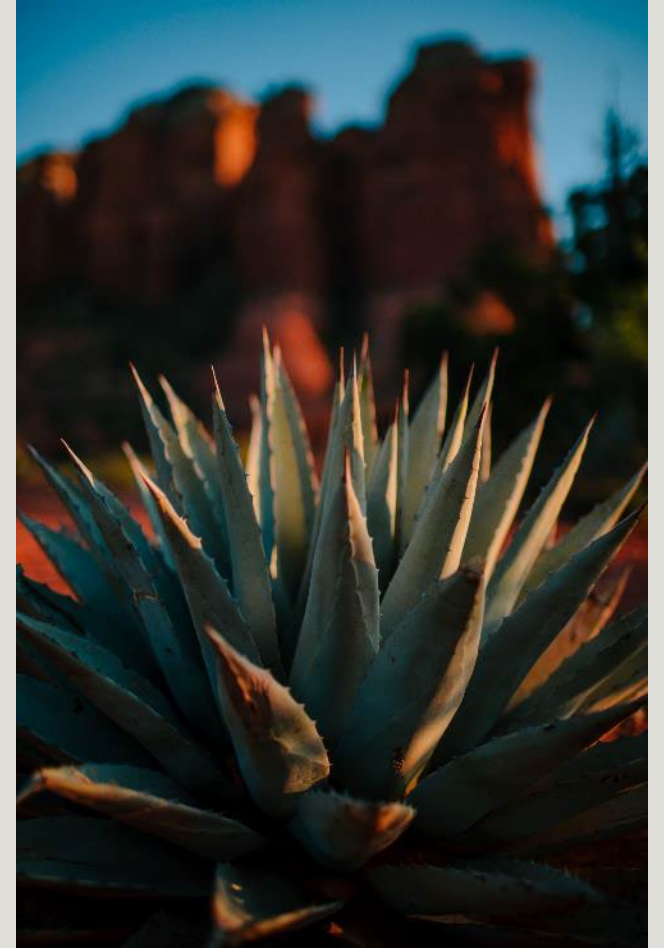


Update On Visitor Services Discussion



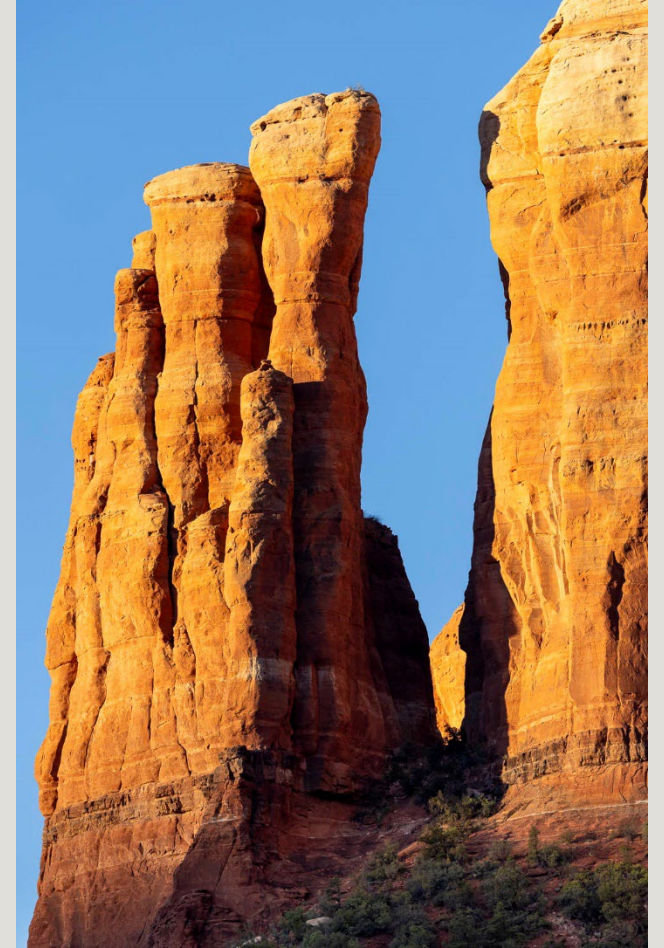
Expectations For The TAB

- 4 TAB meetings will be dedicated to robust discussions about visitor services
 - August, October, November, & December
- We are requesting that a recommendation to City Council is prepared by the end of December
- Although not required, TAB members can volunteer additional time on activities related to this discussion



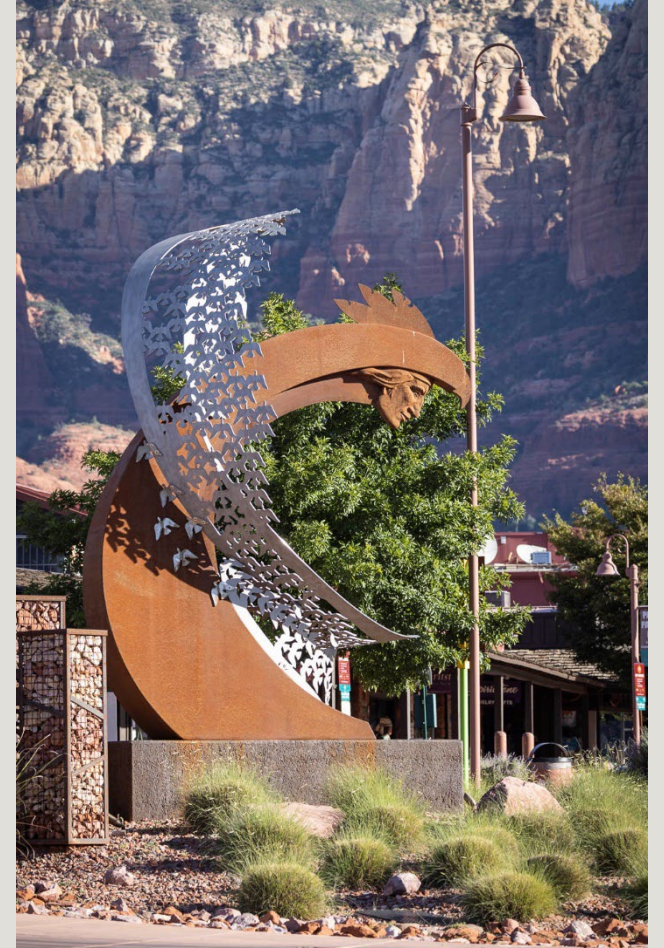
Key Takeaways From August

- We should approach these discussions through the lens of available visitor services within Sedona
 1. Make information available (e.g. digital, print, toolkits)
 2. Leverage a captive audience (e.g. hotels, shuttles, restaurants)
 3. Provide a personal touch (e.g. visitor center, parks and rec rangers, frontline staff)



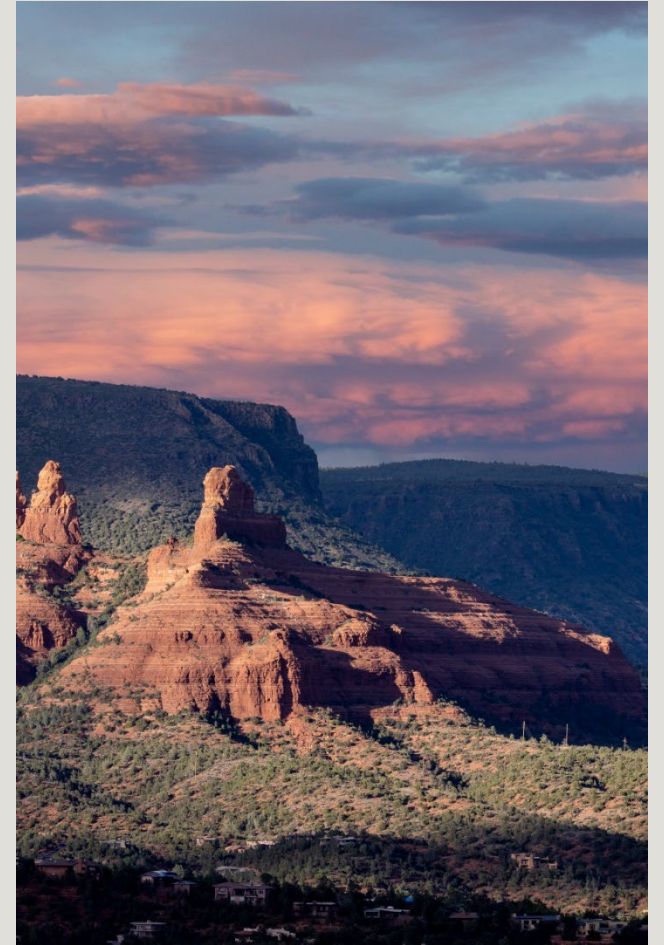
Key Takeaways From August

- The discussion began to focus on three different types of potential recommendations:
 - Enhancements to a physical visitor center
 - Implementation of new visitor services technology
 - Decentralization of the delivery of visitor services



Today's Discussion

- We agreed to hold an open discussion this month so that the TAB can provide any additional comments, reflections, or questions
- This time is intended to keep this agenda item a priority in preparation for next month's meeting and to further align our understanding of the work ahead





GROUP DISCUSSION

Next Steps

- The October meeting will focus on reviewing the Sedona Visitor Center budget and aligning on the general focus for any TAB recommendations
- The November meeting will focus on discussing potential budget scenarios related to any emerging priorities for recommendation
- The December meeting will focus on finalizing any TAB recommendations related to visitor services in Sedona





**Encourage Responsible & Respectful
Use Throughout The Year**

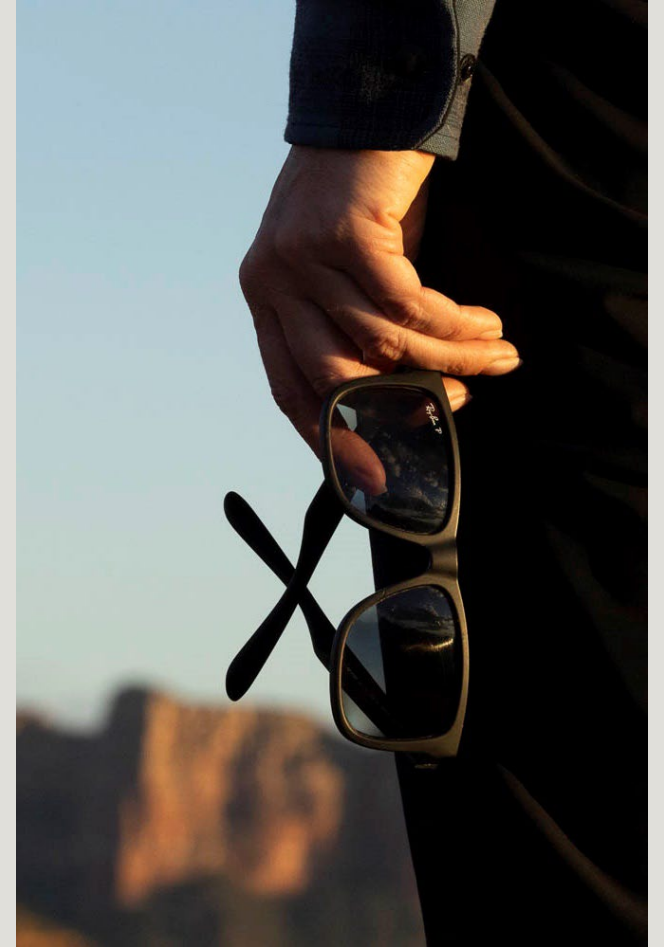
Background

- There are behaviors we would like to see changed in Sedona
- Many of these behaviors occur due to a lack of awareness of them leading to a negative outcome
- Strategic educational messaging can help build awareness of positive behaviors and reduce negative outcomes



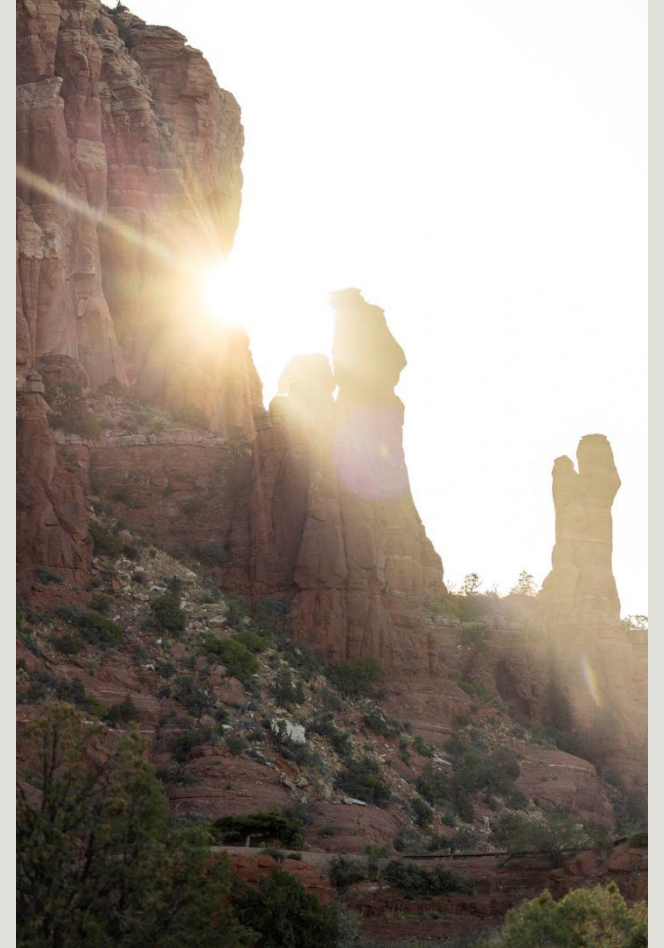
Approach

- Prioritize the behaviors we want to address as a destination
- Validate that these behaviors can be influenced by strategic educational messaging
- Develop key messages for each behavior and align the distribution of messages with the timing of when decisions are being made



The Three E's

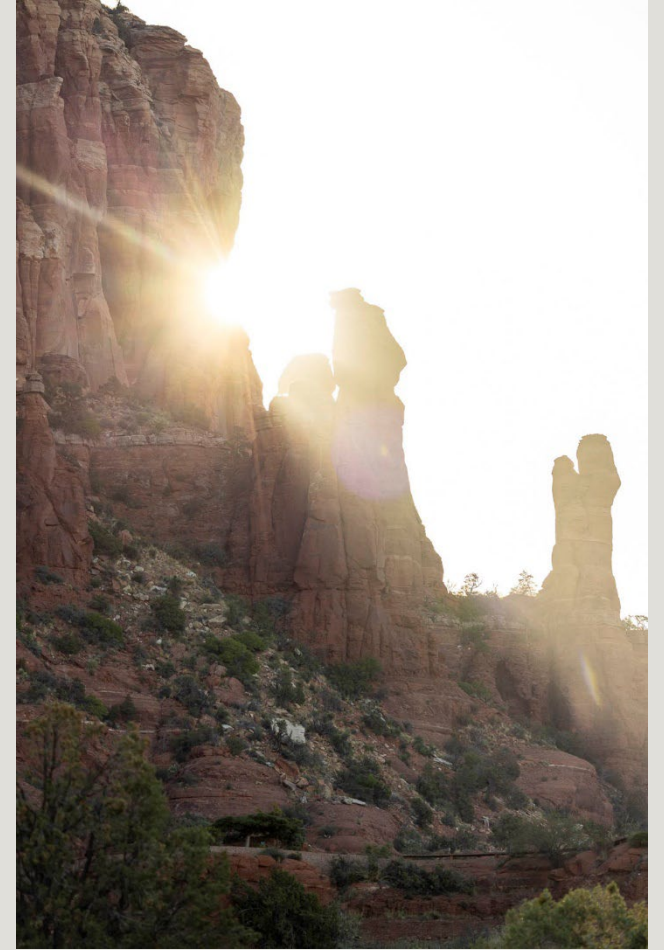
- Engineering
- Education
- Enforcement



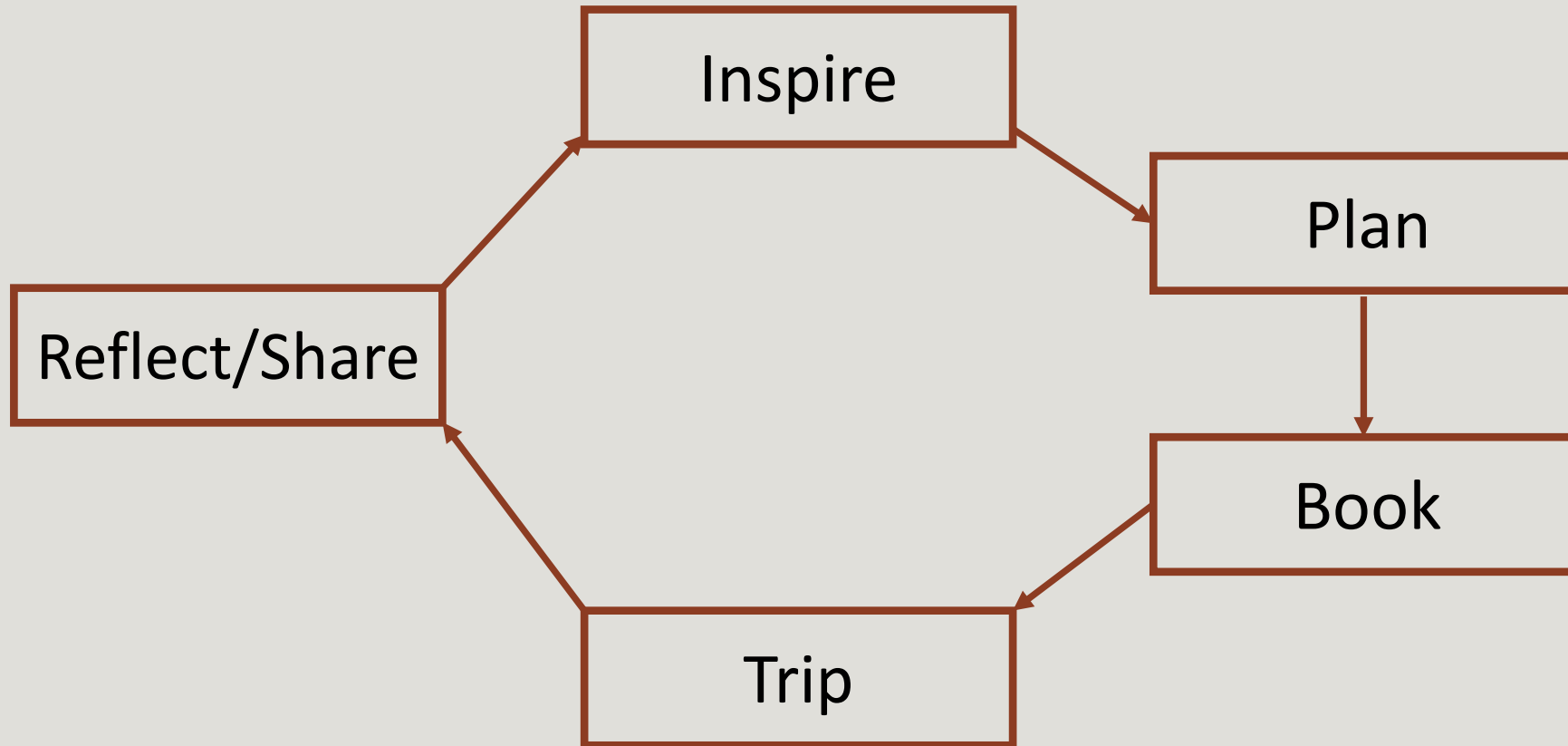
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The Three E's

- Engineering
- **Education**
- Enforcement



Visitor Experience Life Cycle



Examples

- Bring enough water for your hike
 - Trip: Before leaving the hotel
- Be mindful of daylight & weather
 - Trip: At the trailhead
- Use public transit
 - Inspire, plan, book, and trip



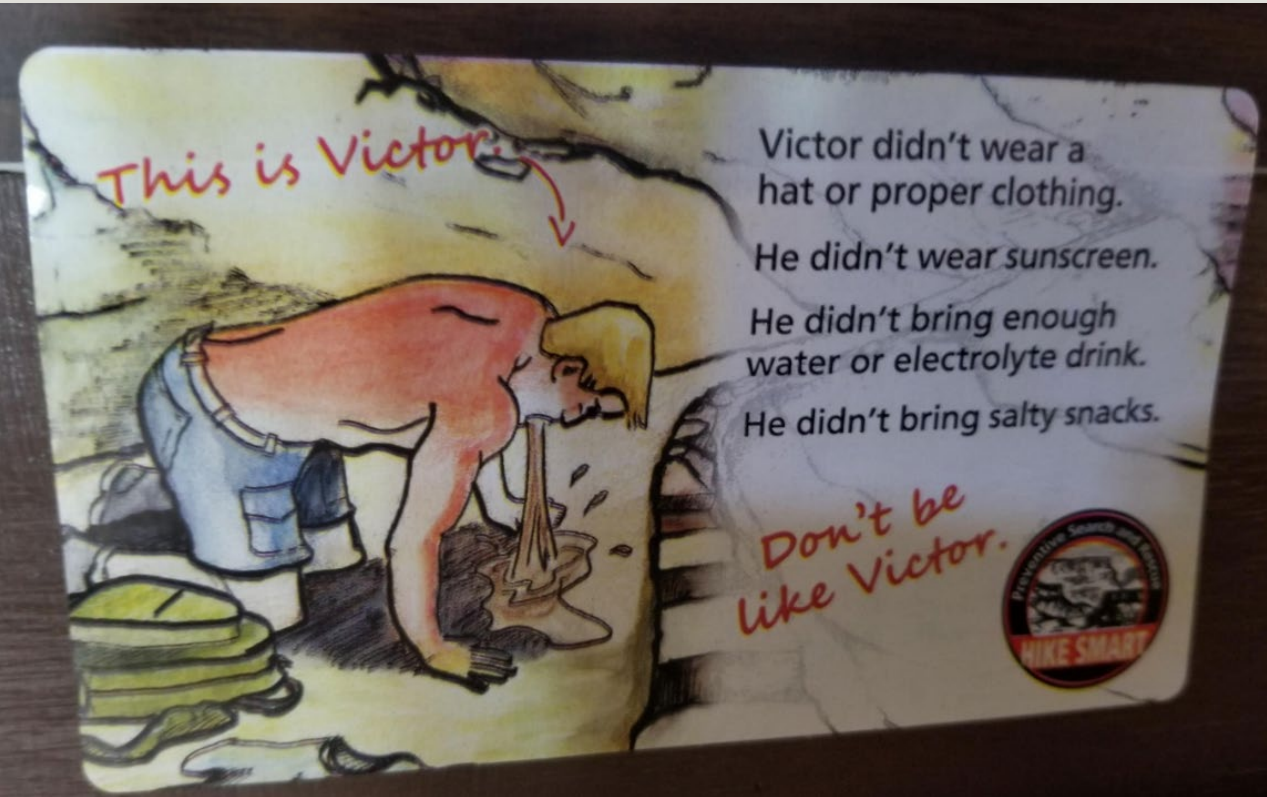
Examples Of Previous Messaging

- This is not a new strategy for Sedona
 - Sedona Cares
 - Respect Red Rock Country
 - Leave No Trace
 - Bring Your Own Sedona
 - Tread Lightly
 - Search & Rescue



Finding The Right Voice

ENROLL IN THE ACADEMY



HOW TO DRIVE IN ICELAND

Make sure you always stay safe on the roads when you head out to explore our beautiful country....

WATCH VIDEO



RESPONSIBLE TRAVELLING IN ICELAND

Iceland is one of the most awe-inspiring places on earth. We'll show you how to respect and be ...

WATCH VIDEO



AVOIDING HOT-TUB AWKWARDNESS

Sharing a hot tub in Iceland is one of life's little pleasures. In this class we'll teach you t...

WATCH VIDEO



A GUIDE TO SAFE SELFIES

Selfies can be dangerous when you're focusing on your pout and not the volcanic hot spring abou...



PACK WARM

Iceland's weather is constantly changing. Follow these simple packing tips and you'll be ready ...

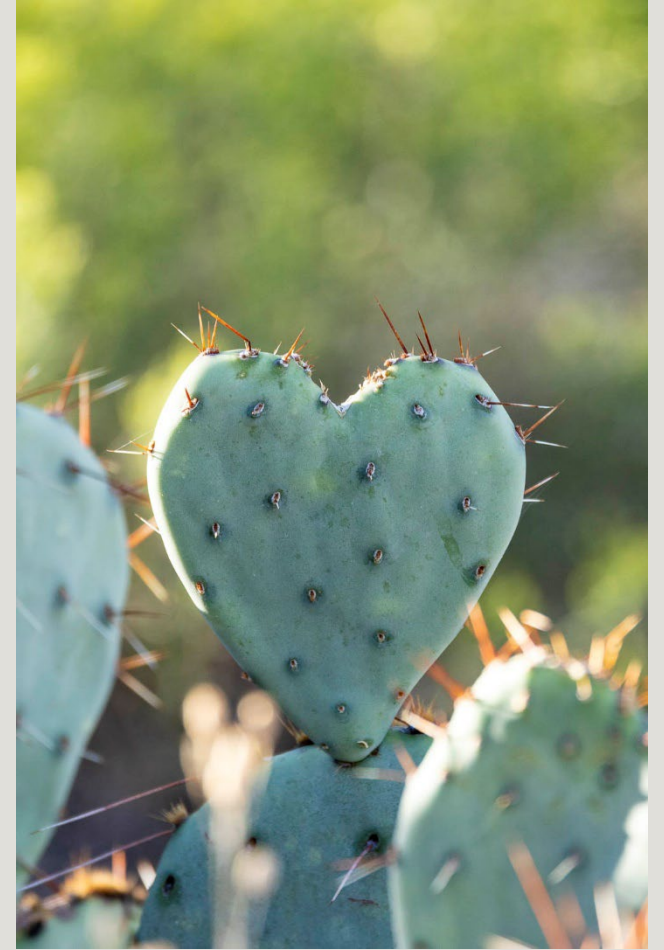
Visit
Iceland



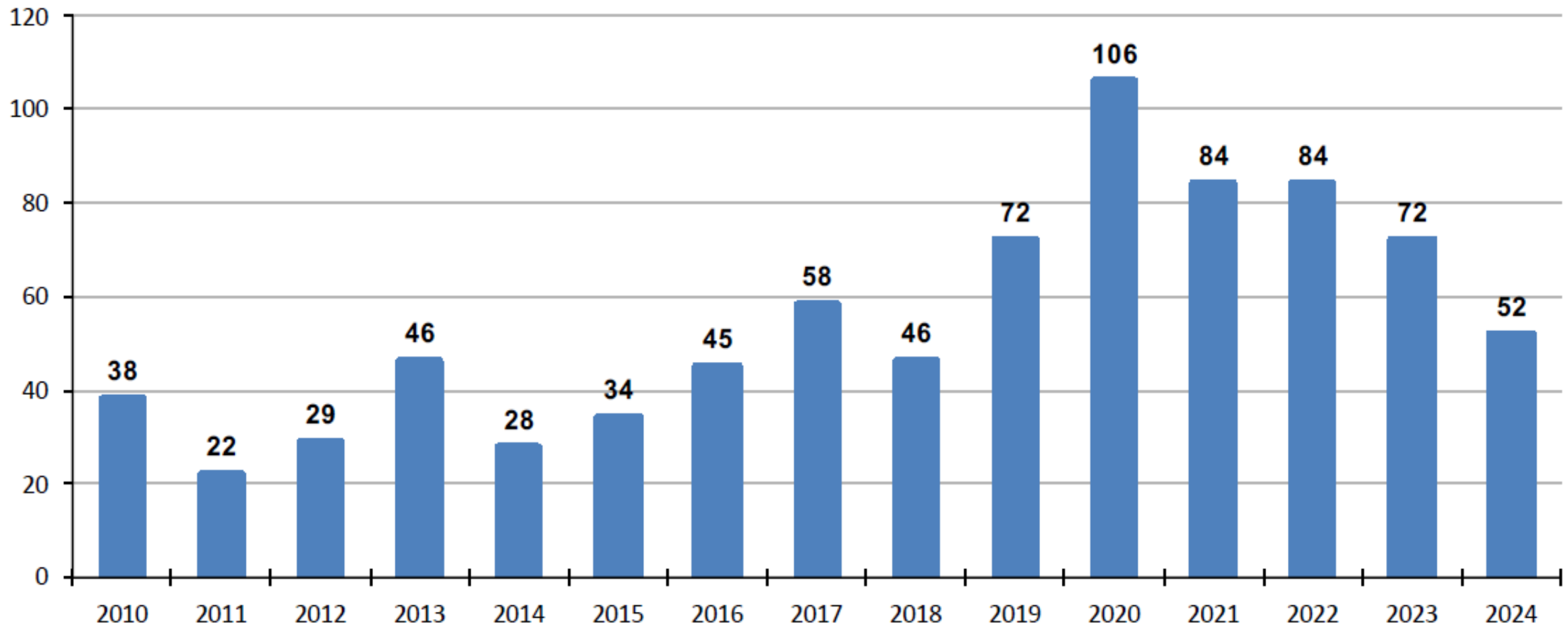
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Measuring Success

- Measurement will require looking beyond traditional tourism marketing metrics
- The aim will be to identify umbrella metrics and specific metrics related to specific behaviors
 - Umbrella: Search & Rescue instances
 - Specific: Use of public transit



VSAR Callouts by Year



YTD



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Today's Discussion

- This will be the first of several discussions we are planning with the Sedona community
- We want to hear from you about the priority behaviors to address through educational messaging
- Our focus is behavior on public lands and behaviors within our community
- We also welcome input on metrics to report on successful behavior messaging



Behaviors To Address

Degradation of the natural environment
(staying on trail/avoid social trails)
(Don't litter)

Safety on Public Lands
(weather issues)
(Heat issues)
(timing issues)
(enough gear)
(keep rocks where they are)

Traffic congestion
(How to zipper merge)
(travel without a car)

Giving Back to Sedona

Night Sky Etiquette

Noise Etiquette
(keeping music off public lands)
(no facetime on speaker)

Support local businesses
(Don't pack lunch, eat in Sedona)

Wildfire Safety

Water Quality



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Metrics To Consider

Monitoring trash and/or waste on trails

Search and Rescue instances

Visitor origin in congested areas

Transit ridership

Traffic counts

E-Coli Measurements in Oak Creek



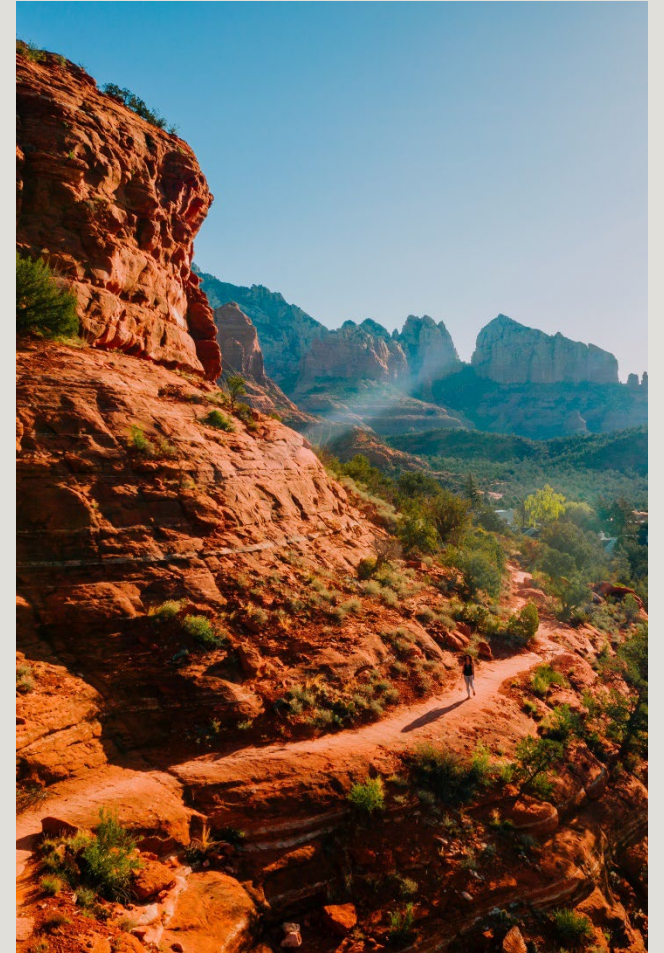
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Marketing Plan & Branding Update

Context

- We continue to make progress on the tourism marketing plan and the branding initiative
- Our Arizona Office of Tourism (AOT) Rural Co-Op application was also approved in August



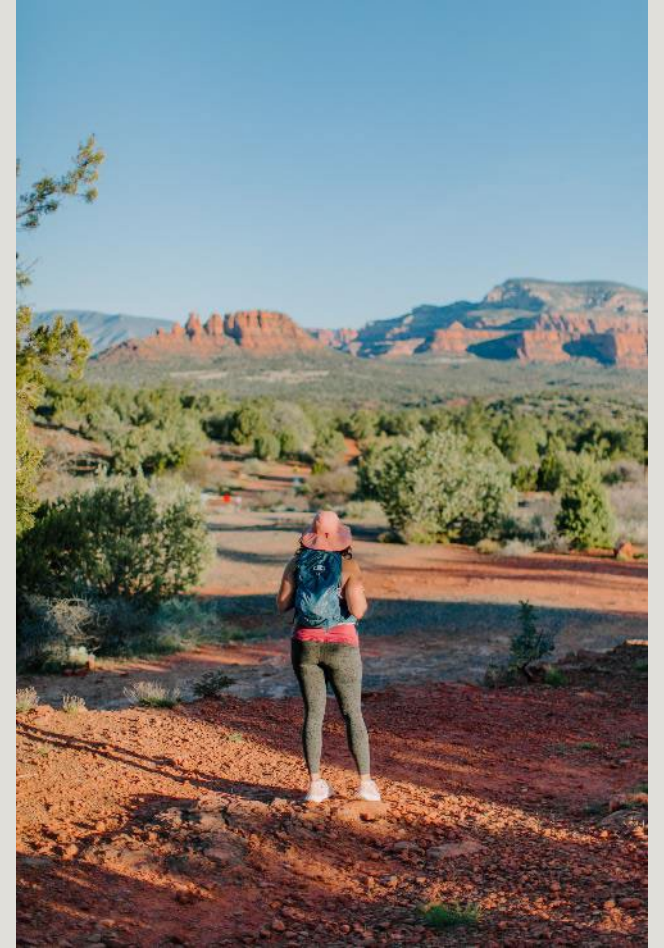
AZ Coop Partner	Publisher	Placement	Run Date	Media Half Net - Your total
City of Sedona	Arizona Office of Tourism	France Trade and Media Mission	March 26-27, 2024	\$875
City of Sedona	Arizona Office of Tourism	GO WEST SUMMIT	January 6-9, 2024	\$1,500
City of Sedona	Arizona Office of Tourism	IPW Chicago	June 14-18, 2025	\$2,500
City of Sedona	Arizona Office of Tourism	NTA TREX (National Tour Association Travel Exchange)	November 18-20, 2024	\$897
City of Sedona	Arizona Office of Tourism	TRAVEL CLASSICS WEST - Scottsdale	November 21, 2024	\$200
City of Sedona	Arizona Office of Tourism	UK Trade and Media Mission	March 24-25, 2024	\$875
City of Sedona	Azira	Digital Display, Level 1	March 1, 2025	\$6,000
City of Sedona	Casual Astronaut	Social Media Support	November 1, 2024	\$5,000
City of Sedona	CrowdRiff	Content Creator	September 1, 2024	\$5,040
City of Sedona	Datafy	Partial Data Package	November 1, 2024	\$4,166
City of Sedona	Go Travel Sites	Lead Generation	September 1, 2024	\$1,800
City of Sedona	Go Travel Sites	Annual Website Maintenance	September 1, 2024	\$648
City of Sedona	Madden Media	Search Engine Marketing (SEM)	December 1, 2024	\$3,075
City of Sedona	Madden Media	Search Engine Optimization (SEO)	October 1, 2024	\$2,800
City of Sedona	Miles	AZ Official State Travel Guide 2025 - 2026	October 1, 2025	\$300
City of Sedona	Open	Custom Products - Creative Asset Production Shoot	TBD	\$10,000
City of Sedona	Premier Travel Networks	Destination Reunions - FP	March 1, 2025	\$1,453
City of Sedona	Premier Travel Networks	Leisure Group Travel - Route 66 Centennial - FP	December 1, 2024	\$1,475
City of Sedona	Pride Guide	Full Page display ad	February 1, 2025	\$865
			Total	\$49,468



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Trade Shows & Conferences

1. NTA Exchange – November 2024
2. Travel Classics West – November 2024
3. GoWest Summit – January 2025
4. UK & France Media & Sales Mission – March 2025
5. IPW – June 2025



THANK YOU

