



# STRATEGIC

BUSINESS PLAN **2022-2023**



EXPERIENCE  
SCOTTSDALE





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# A MESSAGE

## FROM OUR LEADERSHIP

IN MAY OF 2020, EXPERIENCE SCOTTSDALE RELEASED OUR STRATEGIC RECOVERY BUSINESS PLAN. We had no idea what the next two years had in store for Scottsdale's tourism industry, but in that plan, we declared something that remains true to this day: Ours is a resilient industry, and we would emerge from the crisis stronger than ever.

Is it possible to say we arrived at the other side of the pandemic? After two years of new variants and dashed hopes, we will leave that for the experts to decide. Yet we can confidently say Scottsdale's tourism industry is stronger today than we were in May of 2020 – drastically so.

Though the 2021-22 fiscal year did not break any records, we welcomed the return of visitors. We saw occupancy rates reach pandemic-era highs, despite prolonged hurdles for international travelers and meetings groups. We experienced a banner spring as travelers filled our streets even in the weeks when there was no baseball to enjoy. Overall, Scottsdale performed better than many other destinations, as Experience Scottsdale continued our programs and promotions that emphasized the destination's wide-open spaces and natural beauty.

Experience Scottsdale's efforts over the past two years helped our industry recover, and this plan

showcases how we'll hone the lessons we learned throughout the pandemic, from entering new markets to leaning into digital trends.

Now, Experience Scottsdale has the opportunity to not only plan for the future but also take stock. This fiscal year, we'll host focus groups and assess our advertising to ensure that, as we move forward, we are positioning our destination in the best possible light. Experience Scottsdale's continued efforts in the diversity, equity and inclusion space will open our market to new and more diverse visitors and groups. We also will help implement the city's five-year tourism strategic vision while focusing on building a responsible, sustainable tourism landscape.

Thank you, as always, for being a part of Experience Scottsdale. Our industry is stronger because of Experience Scottsdale, and Experience Scottsdale is stronger because of your partnership.

Sincerely,



Rachel Sacco  
President & CEO



Kate Birchler  
Board Chair



- >> A 501(c)6 nonprofit **destination marketing organization** founded in 1987.
- >> Charting a path with a vision to establish Scottsdale as a year-round, **luxury travel destination**.

- >> Guided by a volunteer board of directors of **community leaders**.
- >> A team of **productive, positive people** passionate about Scottsdale, our businesses, our residents and our visitors.

# WHO WE ARE

## WE ARE EXPERIENCE SCOTTSDALE

- >> Aligning with nearly 400 tourism partners to **grow the industry**.
- >> **Strategically executing business strategies** under four key objectives.
  1. Generate visitor-related economic impact for the Scottsdale market area
  2. Foster positive relationships with customers and stakeholders
  3. Run an effective business
  4. Enhance the long-term health and development of the destination

- >> Delivering on the mission to **enhance the local community** by promoting the Scottsdale area as a luxury destination for meetings, events and leisure travel.
- >> Working **in tandem with city of Scottsdale and town of Paradise Valley** leaders and staff.
- >> **Mindfully administering private and public-sector revenue** via membership dues, bed-tax collections and state of Arizona, Prop. 302, dollars.





# WHAT WE DO

## FISCAL YEAR STRATEGIES

EACH YEAR, EXPERIENCE SCOTTSDALE MAINTAINS EXISTING PROGRAMS THAT PROVIDE A CONSISTENT RETURN ON INVESTMENT WHILE IMPLEMENTING NEW PROGRAMS THAT ALLOW US TO REMAIN COMPETITIVE. Tourism is an incredibly fierce industry, and as competitive destinations increase their budgets and ramp up their promotions, it's essential that Experience Scottsdale stay innovative and ahead of trends in both the leisure travel and meetings sectors. More on our established programs can be found on pgs. 8-15. In fiscal year 2022-23, our new and enhanced strategies include:

### **BUILDING A SUSTAINABLE TOURISM LANDSCAPE**

According to *Skift*, the prevalence of climate change and overtourism has travelers reconsidering how and where they travel – with many choosing more sustainable brands and experiences. Though a thriving tourism destination, Scottsdale is located in a delicate, natural environment where increasing temperatures and drought are major areas of concern. Fortunately, hospitality businesses have long been mindful of protecting our Sonoran Desert setting. Throughout the fiscal year and beyond, Experience Scottsdale will take on a destination stewardship role, developing content and leaning into messaging about sustainable and responsible tourism.

### **CHAMPIONING DIVERSITY, EQUITY & INCLUSION**

Industry research has shown that younger generations of travelers want to support brands that represent their values. For the tourism industry, championing diversity, equity and inclusion (DEI) is a gateway to growth. As we strive to connect with future customers, Experience Scottsdale will continue our efforts to educate our staff, leadership and members on the principles of DEI and the importance of becoming a truly welcoming and inclusive destination, while also ensuring our messaging authentically reflects a range of diverse backgrounds and experiences. This is an ongoing effort, and we will continue adding more inclusive imagery to our website and social media channels and partnering with influencers and writers who identify as people of color and LGBTQ+ to help tell our destination's story.

### **ALIGNING WITH DIGITAL TRENDS**

Consumers use digital mediums for an average of eight hours a day, with social, mobile audio and video being the most dominant forms of use. That shift to digital continues to grow, and nearly 80% of visitors to Experience Scottsdale's website are browsing on their mobile devices. Though we will continue to have a strong integrated media mix, we will implement a digital media



strategy that focuses on leveraging influencer partnerships, enhancing our video content, and advertising in travel-focused apps, among other initiatives. To meet the needs of our web visitors, Experience Scottsdale also will revamp our website for a mobile-first experience. Digital publications have long been important in providing readers immediate calls to action and in enhancing our search engine optimization with links to ours and our members' websites. Experience Scottsdale will continue to connect with travel writers producing for digital outlets in the year.

### **TARGETING UP-AND-COMING MARKETS**

Throughout the course of the pandemic, we saw new customers take interest in all that Scottsdale has to offer leisure visitors and meetings groups. We relied upon those emerging feeder markets, which became focal points for our marketing, tourism, communications and sales recovery programs. As our industry continues to recover, we're extending our reach even further. Our new digital strategy will include promotions that target Austin, Atlanta, Houston and Omaha. Our tourism team will connect with travel professionals in those same markets before our promotions hit, preparing travel advisors and tour operators in those areas to sell Scottsdale vacations. Experience Scottsdale will explore new markets for media missions and satellite media tours, such as Seattle, which is ripe with freelance writers and media outlets. We also will develop relationships with meeting planners in second- and third-tier markets with new business potential like Austin, Detroit, Indianapolis and Salt Lake City through a mixture of traditional sales calls and one-on-one appointment-based trade shows.

### **TAPPING FEEDBACK & RESEARCH**

Research and industry insights have always guided our strategies, but they have proven to be a lifeline in this pandemic-era recovery. To better understand the needs and wants of meetings groups in this new landscape, Experience Scottsdale will convene focus groups during our sales missions throughout the fiscal year, allowing us to gather valuable feedback about the destination directly from highly qualified planners in key markets. One of the focus groups will comprise sports event organizers to discuss the city of Scottsdale's venues and funding programs. Experience Scottsdale also will participate in an advertising effectiveness study to better

understand the return on investment from our advertising campaigns, which include updated imagery, taglines and messaging. The new findings will help to inform, adjust and measure the success of our marketing efforts on shaping positive perceptions of the destination and impacting incremental visitation and spend.

### **LEANING INTO LUXURY PARTNERSHIPS**

Scottsdale's visitors tend to be more affluent, and with a new partnership, Experience Scottsdale will ensure Scottsdale remains top of mind for luxury travel advisors and their clients. Experience Scottsdale will partner with Virtuoso, the leading global network of agencies specializing in luxury and experiential travel. Through the partnership, we will train thousands of advisors in Virtuoso's network to sell Scottsdale vacations and experiences. Experience Scottsdale also will reach luxury advisors through trade show participation, notably at the International Luxury Travel Market (ILTM) North America and Europe. We attended ILTM Europe for the first time last fiscal year and stood out as one of only four U.S. cities to exhibit at the highly curated, premier trade show.

### **MAPPING OUT A FIVE-YEAR STRATEGIC PLAN**

In fiscal year 2021-22, Experience Scottsdale partnered with the city of Scottsdale and Resonance Consultancy to develop a comprehensive, five-year strategic plan to support Scottsdale's tourism industry in the short- and long-term. The process included stakeholder interviews, visitor and community surveys, and research and destination analysis. Experience Scottsdale will review the plan's findings and recommendations to determine how best to incorporate them into our programs.

### **PROMOTING CITY VENUES**

As always, Experience Scottsdale will work with the city of Scottsdale to promote the city's event venues, such as WestWorld of Scottsdale, Scottsdale Stadium, Scottsdale Sports Complex, and Bell94 Sports Complex. These venues offer unique, outdoor spaces for meetings, events and sports tournaments. We also will promote city destinations, such as Old Town Scottsdale, Scottsdale Airport, Scottsdale Arts and Western Spirit: Scottsdale Museum of the West through our marketing, communications, convention sales and services, and tourism programs.

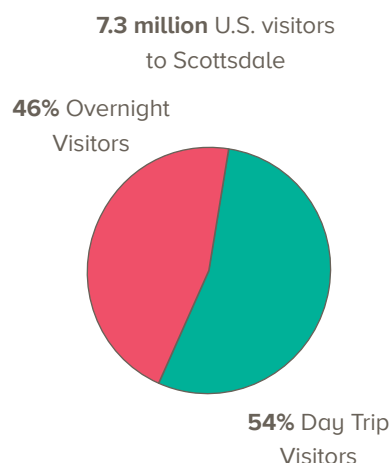
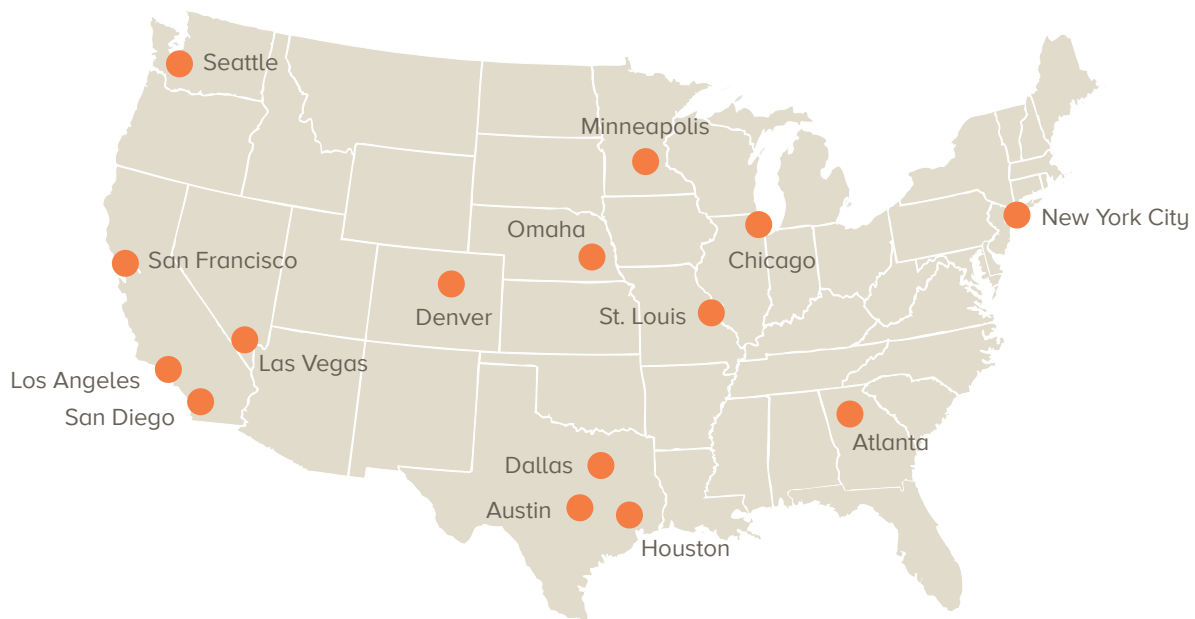


# WHERE WE TARGET

RESEARCH IS CRITICAL TO THE SUCCESS OF EXPERIENCE SCOTTSDALE'S INITIATIVES, ENSURING OUR PROGRAMS ARE COST-EFFICIENT AND EFFECTIVE. Industry-wide research allows us to stay ahead of trends and innovate. Experience Scottsdale's proprietary

research, like the Visitor Industry Customer Analysis, keeps us apprised of the demographics and interests of our high-value travelers, while geographic location data helps us identify new and impactful markets to target with our promotions and programs.

## WHERE WE TARGET: DOMESTIC LEISURE MARKETS



### Scottsdale's Average Domestic Overnight Traveler

**42.8 years** average age

**\$86,800** average household income

Staying an average of **3.3 nights**

Spending **\$257** per person

**66%** of Scottsdale's average visitors stay overnight in hotels/resorts

### Scottsdale's Luxury Leisure Traveler

**53.3 years** median age

**\$246,900** median household income

Staying an average of **2.5 nights**

Spending an average of **\$628** daily on property

**53%** of Scottsdale's luxury visitors are repeat visitors

The above data is based on 2020 visitation impacted by COVID-19. Pre-pandemic, Scottsdale welcomed **9.3 million** domestic visitors, who skewed slightly older.



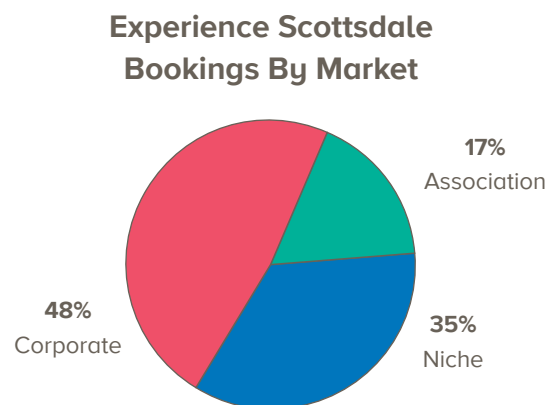
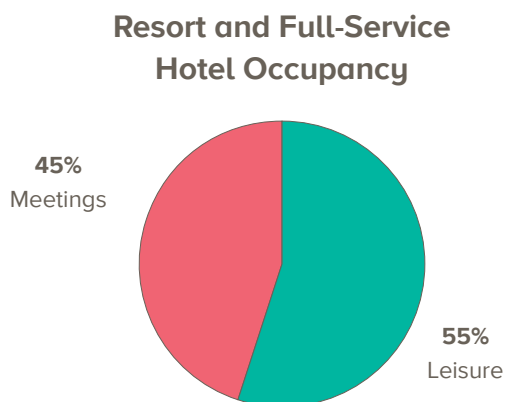
## WHERE WE TARGET: **INTERNATIONAL MARKETS**

In 2020, Scottsdale welcomed just **858,500** international travelers. Pre-pandemic, however, Scottsdale saw **1.7 million** international visitors. International visitors to Arizona largely travel for leisure and tend to spend more and stay longer than U.S. travelers, making them an important segment of the industry that Experience Scottsdale continues to target. Traditionally these visitors come to Arizona from:



## WHERE WE TARGET: **MEETINGS MARKET**

Though leisure visitation has led the way for Scottsdale's rebound, the meetings sector remains an essential part of Scottsdale's tourism industry. Meaningful, sustainable recovery must include this sector. Experience Scottsdale has seen leads for future business return to pre-pandemic levels, and we continue to secure short- and long-term group business for hotels, resorts and venues. We focus on corporate (healthcare, high tech, financial, manufacturing, insurance and retail), association (major conventions, board meetings, training/educational seminars and professional/technical meetings) and niche meetings (sports, government, social, military, educational, religious and fraternal meetings).



Meetings from third-party planners account for more than half of Experience Scottsdale's bookings, largely due to Experience Scottsdale's relationships with companies such as AMEX, ConferenceDirect, Experient, Global Cynergies, HelmsBriscoe, HPN, Maritz and Prestige Global Meeting Source.





# HOW WE TARGET MARKETING

EXPERIENCE SCOTTSDALE BRANDS THE SCOTTSDALE MARKET AREA AS A LUXURY LEISURE AND MEETINGS DESTINATION THROUGH BRAND ADVERTISING, INCLUDING HIGH-END COLLATERAL AND PUBLICATIONS, TRADITIONAL MEDIA, DIGITAL EFFORTS AND SOCIAL MEDIA. We provide the information leisure visitors need before they arrive and once they are here.

## BRANDING

Experience Scottsdale maintains, protects and promotes Scottsdale's destination brand. Following extensive research and testing, we developed the *Effortless Revitalization* brand story that showcases our desert

destination as the nexus of relaxation and adventure. We created the current *Absolutely Scottsdale* print advertising campaign to help tell that story, along with our two commercials, *Let's Get Together* and *Extraordinary Moments, Lifelong Memories*.

## MEDIA PLAN

Experience Scottsdale develops a media plan based on extensive research and strategic planning to align Scottsdale's brand message with appropriate mediums that best reach our target audiences. With intense competition in the travel marketplace, Experience Scottsdale develops a strong integrated media mix that drives reach, frequency



and awareness. Our promotions – high-end print, radio, television, digital and out-of-home – effectively capture the interest of potential baby boomer, Gen X and millennial travelers in traditional and emerging feeder markets.

### **DIGITAL MARKETING**

Experience Scottsdale's digital marketing tactics include paid search engine, video and connected television, social and influencer, and digital media advertising. Our objectives are to increase brand awareness, showcase members, and increase visitation and bookings with advertising focused on inspiration, rates and niche travel. Digital promotions drive visitors to our primary website, ExperienceScottsdale.com, and to our dedicated micro-sites. We maintain an active presence on social media channels such as Facebook, Twitter, YouTube, Instagram, Pinterest and LinkedIn to generate organic engagement. Experience Scottsdale also offers videos, digital flipbooks and downloadable guides to provide greater access to information online.

### **SEASONAL CAMPAIGNS**

We develop seasonal marketing campaigns to drive additional visitation during need periods: the holidays and summer. These targeted campaigns use online mediums, radio, outdoor advertising and various other efforts to strengthen destination awareness during times when hospitality-related businesses need it most.

### **RELATIONSHIP MARKETING**

Experience Scottsdale maintains permission-based databases of leisure travelers, meeting planners and Arizona residents for direct mail and email. Our relationship marketing keeps Scottsdale top of mind with people who have visited, expressed interest in visiting, or fit our target audience demographics.

### **PROMOTIONAL MATERIALS**

Experience Scottsdale produces a variety of publications for leisure travelers, including the Scottsdale Visitor Guide; Hiking, Biking & Trail Guide; Old Town Guide; Historic Walking Tour Map and more. To assist meeting planners, travel advisors and tour operators, Experience Scottsdale produces the Scottsdale Meeting & Travel Planners Guide and offers high-quality promotional materials that can be used to sell Scottsdale, including brochures, maps, photos and videos.

### **EVENT MARKETING**

To help drive incremental visitation to the destination, Experience Scottsdale supports special events by incorporating them into our advertising, guides, website, emails and social media channels. Our team partners with the city of Scottsdale and our members to promote umbrella events like Scottsdazzle and Western Week. Experience Scottsdale provides visitor services and materials at several events, and we work with event producers to secure new events that fill room nights and attract new customers to Scottsdale.

### **VISITOR SERVICES**

Experience Scottsdale operates a Tourist Information Center in Scottsdale Fashion Square. We provide visitors with destination information via phone, email and our web chat.





# HOW WE TARGET

## COMMUNICATIONS

EXPERIENCE SCOTTSDALE GARNERS POSITIVE PUBLICITY FOR THE SCOTTSDALE MARKET AREA AS A LUXURY TRAVEL AND MEETINGS DESTINATION THROUGH TARGETED, POSITIVE MEDIA EXPOSURE IN PRINT, BROADCAST, ONLINE AND SOCIAL MEDIA. In markets where advertising dollars are scarce or nonexistent, communications programs are critical in generating interest.

### **TRADE SHOWS & MEDIA MISSIONS**

To build relationships and target high-caliber journalists with strategic messages, Experience Scottsdale conducts one-on-one editorial meetings and hosts receptions and events in key cities. When possible, Experience Scottsdale

also attends travel trade shows to pitch story ideas and further develop media relationships.

### **PRESS TRIPS & CONFERENCES**

Experience Scottsdale encourages qualified journalists to explore Scottsdale, as media who visit typically produce better coverage and write more frequently about the destination than those who do not. We facilitate individual and group visits by providing story ideas and coordinating customized itineraries with the support of our members. Group tours are often produced around specific drivers or special events to attract niche media. Experience Scottsdale also hosts a biennial travel writers



conference, Travel Classics West, which provides an additional way to introduce top editors and freelance writers to the destination. When the conference is in another city, Experience Scottsdale attends as a sponsor to develop and maintain media relationships.

### **PAID STORYTELLING PROGRAM**

Experience Scottsdale spent years navigating the world of social media to develop strict standards for vetting, selecting and negotiating influencer partnerships that will benefit the destination. For our paid storytelling program, Experience Scottsdale partners with highly qualified influencers with target audiences. Our team works hand-in-hand to shape their message, allowing us to address niche topics, complement seasonal marketing campaigns and improve search engine optimization. We also conduct satellite media tours, in which we partner with a broadcast television expert to produce news segments about Scottsdale's offerings that air in markets across the country.

### **PUBLIC RELATIONS REPRESENTATIVES**

Experience Scottsdale contracts with international public relations representatives in Canada, the United Kingdom and Germany to have a more consistent presence in these markets. Experience Scottsdale also contracts with a domestic agency with offices in New York and Los Angeles to help us further penetrate these media-rich cities. In addition, Experience Scottsdale partners with a local golf-focused public relations agency. Our representatives help build relationships with media in their respective markets, respond to media requests, distribute press materials, coordinate media visits to Scottsdale, and advise Experience Scottsdale regarding opportunities to further our positioning.

### **MEDIA RESOURCES**

Our resources provide story ideas, enhance editorial coverage and help Experience Scottsdale build relationships with media.

- **Monthly E-Newsletter:** Our monthly newsletter updates over 4,000 domestic and international media on what's new in Scottsdale.
- **Press Releases:** Experience Scottsdale disseminates news and seasonal releases, which often incorporate information submitted by Experience Scottsdale

members. Some releases are published in other languages.

- **Customized Pitches:** Customized pitches allow Experience Scottsdale to tailor the message to a publication and its audience to secure thorough, high-value coverage.
- **Destination Images:** Experience Scottsdale provides media with high-definition video footage and images to enhance Scottsdale editorial.
- **Downloadable Guides:** Experience Scottsdale's website offers downloadable fact sheets on some of Scottsdale's main tourism drivers, as well as maps and guides, to further educate media.





# HOW WE TARGET **TOURISM**

EXPERIENCE SCOTTSDALE PROVIDES DESTINATION EDUCATION TO TRAVEL ADVISORS, TOUR OPERATORS, AIRLINE VACATION DIVISIONS AND INTERNATIONAL MEETINGS GROUPS. We help travel professionals best capture the Scottsdale experience for their clients, and we ensure Scottsdale stands out as a unique destination in travel company product inventories throughout the world.

## **LEADS**

Experience Scottsdale generates leads for members, including Scottsdale-area hotels. Once a travel professional has established a relationship with a Scottsdale market-

area hotel, Experience Scottsdale introduces new itinerary ideas to enhance the experience for customers and increase the number of nights booked for a Scottsdale vacation.

## **TRADE SHOWS & SALES MISSIONS**

We connect face-to-face with travel professionals at select trade shows, which generate immediate leads for Experience Scottsdale members. In addition, Experience Scottsdale conducts sales missions, client events and educational seminars in key markets to cultivate relationships with new clients and meet with longtime clients. During one-on-one client meetings, Experience Scottsdale reviews the travel company's product offering to ensure



that area hotels and resorts are properly featured within a Scottsdale-branded section, prominently featured in printed travel brochures or highlighted on the cover.

#### **FAMILIARIZATION TOURS & SITE INSPECTIONS**

Experience Scottsdale hosts familiarization tours (FAMs) for travel professionals to increase their overall knowledge of the destination by experiencing it firsthand.

These FAMs and site inspections provide an opportunity for members to showcase their properties, services and events to travel professionals who are actively seeking new product to sell.

#### **PRODUCT TRAINING SEMINARS**

Experience Scottsdale conducts in-person and online product training sessions for travel industry clientele and reservation agents who sell Scottsdale hotels and activities. These seminars are a valuable tool for increasing room-night bookings to the area; the more information each travel advisor absorbs, the easier the destination is to sell to the leisure traveler.

#### **TRADE COOPERATIVE MARKETING**

To drive more travelers to purchase Scottsdale vacation packages, we partner with international and domestic tour operators to create trade cooperative marketing campaigns in their respective cities and countries. Experience Scottsdale matches the nominal cost incurred by the tour operator to execute the promotion and in turn receives exposure in every medium of the promotion (e.g. print ads, direct mail, in-store displays).

#### **FLIGHT SERVICE & PROMOTION**

Experience Scottsdale partners with Phoenix Sky Harbor International Airport to attract new international flight service, ensuring travelers from Canada and Europe have more opportunities to visit the destination. In recent years, Sky Harbor has secured additional service from London, Frankfurt and Montreal, in part, because of Experience Scottsdale and other area destination marketing organizations' commitment to promote the flights. Our team also promotes Scottsdale Airport's fix-based operators and amenities during product training seminars, ensuring luxury travel advisors are aware of this option as private jet travel has become more prevalent.

#### **SERVICES**

We help travel professionals sell Scottsdale by providing complimentary materials such as photos, videos, visitor guides, maps, brochures and itinerary ideas. Many travel professionals include Scottsdale promotional pieces with itineraries for clients who have purchased a Scottsdale vacation.

#### **TOURISM REPRESENTATIVES**

Experience Scottsdale works with trade representatives in the United Kingdom, Germany, France, Canada and Mexico. Our representatives respond to travel industry requests, participate in trade shows, and conduct educational seminars and sales missions to promote tourism to Scottsdale.





# HOW WE TARGET

## CONVENTION SALES

EXPERIENCE SCOTTSDALE PROVIDES DESTINATION EDUCATION TO MEETING PLANNERS AND ASSISTS WITH SECURING SPACE AND SERVICES FOR MEETING AND INCENTIVE PROGRAMS. We help planners understand the opportunities available that meet the needs of their programs, from our venues and off-site attractions to our services and amenities, ensuring their attendees have the best possible experience in the destination.

### LEADS

Experience Scottsdale customizes all meeting planners' requests for accommodations, meeting space and other types of services. We work closely with both clients and

members to ensure a great match between the needs and wants of our clients and the products and services of our members. Because of this, Experience Scottsdale does not produce a convention calendar. In addition to leads generated from our own efforts, Experience Scottsdale also has an agreement with Cvent to generate incremental leads for the destination.

### TRADE SHOWS & SALES MISSIONS

Experience Scottsdale connects face-to-face with meeting planners at select trade shows, which typically generate immediate leads for Experience Scottsdale members. Often in conjunction with a trade show, our



team conducts sales calls to connect with additional planners. Members frequently partner with Experience Scottsdale for these events, increasing Scottsdale's presence in the markets.

#### **FAMILIARIZATION TOURS & SITE INSPECTIONS**

To give clients a firsthand experience of the destination, Experience Scottsdale conducts meeting planner familiarization tours (FAMs) each year. These FAMs provide an opportunity for members to showcase their properties and services to highly qualified meeting planners who are actively considering Scottsdale for future programs. In addition to FAMs, our team arranges smaller and more customized site inspections for qualified clients throughout the year.

#### **CLIENT OUTREACH**

Experience Scottsdale keeps the destination top of mind through client outreach. We contact clients during the year via direct mail, phone calls and emails to generate awareness and provide updates on new amenities and products in Scottsdale.

#### **ADVERTISING & PUBLIC RELATIONS**

Experience Scottsdale reaches meeting planners through advertising, email blasts, digital efforts, social media, and online RFP tools such as Cvent. Experience Scottsdale also works to keep Scottsdale top of mind with media from key meetings publications. In addition, we create meeting planner promotions to promote business during need periods like the summer and to target specific geographic areas, such as Canada and Arizona.

#### **SPORTS TOURNAMENTS & MEGA EVENTS**

Sports tournaments and mega events attract groups and individuals who might not otherwise come to Scottsdale, broadening the destination's exposure and encouraging return travel. We work closely with the city of Scottsdale to promote and secure tournaments for the city's event venues, WestWorld of Scottsdale, Scottsdale Stadium, Scottsdale Sports Complex and Bell94 Sports Complex. Our partnership with the Fiesta Bowl Organization guarantees teams, media and alumni stay at Scottsdale-area hotels and resorts during our holiday need period. Experience Scottsdale also collaborates with partner organizations on bids to secure mega events, such as the Super Bowl and NCAA and Pac-12 tournaments.

#### **DESTINATION SERVICES**

Experience Scottsdale efficiently matches planners' requests for destination management services, off-property venues, speakers, wholesale gifts, and other types of services with member businesses. Our team helps planners boost attendance for their programs by providing complimentary materials such as photos, videos, brochures, visitor guides and welcome letters.



# WHY WE MEASURE

## INDUSTRY OUTLOOK

THE HEALTH OF SCOTTSDALE'S TOURISM INDUSTRY IS LARGELY RELIANT ON THE STRENGTH OF THE NATIONAL AND GLOBAL TOURISM INDUSTRY. Experience Scottsdale monitors research and publications to stay apprised of trends and shifts in the industry-at-large.

### COVID-19 IMPACT & RECOVERY

- The pandemic resulted in **\$774 billion** in cumulative losses for the U.S. travel economy through April 2022
- The continual depressed level of travel spending caused a loss of **\$95 billion** in federal, state and local tax revenue
- The leisure and hospitality sector remains **1.4 million** jobs below its pre-pandemic levels as of April 2022

### LEISURE TRAVEL

- More than **54%** of American travelers plan to spend more than they did pre-pandemic
- Nearly **3 in 5** American travelers are willing to pay more in fees to make a trip sustainable, and **50%** would choose a less crowded destination to reduce the effects of overtourism
- **76%** of travelers will spend more on travel for well-being and health
- **7 in 10** travelers in the U.S. anticipate visiting an outdoor destination such as a beach, lake, mountain or desert

*“Barring some new setback, the much-awaited shift in mindset among American travelers from ‘pandemic’ to ‘endemic’ travel finally may be underway.” – Longwoods International President & CEO Amir Eylon*

### MEETINGS & BUSINESS TRAVEL

- **75%** of meeting planners anticipate favorable live attendance numbers for the year ahead
- **50%** of meeting planners report their events are shorter than in 2019
- **3 in 4** travel managers expect business travel volume to be higher in 2022 than it was in 2021

### INTERNATIONAL TRAVEL

- 2021 was the second worst year on record for global tourism with international arrivals down **72%** from pre-pandemic levels
- **58%** of global experts expect a rebound for international travel in 2022, while **64%** see international arrivals returning to 2019 levels in 2024 or later
- The pandemic inspired **83%** of global travelers to make sustainable travel a priority in the future

*“2022 is going to be a very positive year. I’ve said multiple times, with [the] reopening of international travel, we have every piece of the demand segment now that we need to put the pieces of the puzzle back together for a full recovery.” – STR President Amanda Hite*

LODGING INDUSTRY FORECASTS			
	2022 STR Forecast	2023 STR Forecast	2024 STR Forecast
Occupancy	63.4%	65.1%	66.4%
Average Daily Rate	\$145	\$150	\$155
Revenue Per Available Room	\$92	\$98	\$103

U.S. Travel Association and Tourism Economics | Bureau of Labor Statistics | Expedia | MMGY Global | World Travel & Tourism Council | MPI | Global Business Travel Association | Business Travel News | United Nations World Travel Organization | STR, © 2022 CoStar Group



# WHY WE MEASURE

## LOCAL OUTLOOK

EXPERIENCE SCOTTSDALE AND THE CITY OF SCOTTSDALE COMMISSION RESEARCH AND REPORTS FROM MARKET LEADERS IN BENCHMARKING, DATA ANALYSIS AND ECONOMIC IMPACT. Data shows that the Scottsdale market area has continued rebounding from the COVID-19 pandemic, with promotions helping move the needle in a positive direction.

### WHY WE MEASURE: **INDUSTRY IMPACT**

INFORMATION BASED ON 2020 VISITATION



**8.2 million** domestic and international visitors generated an economic impact of **\$2 billion**



Visitor-paid tax dollars accounted for **15%** of the city's privilege tax collections



**15,602** jobs were directly attributable to Scottsdale's tourism industry

### WHY WE MEASURE: **ORGANIZATIONAL IMPACT**

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On average, Experience Scottsdale's annual direct economic impact to the community is **\$247 million.**

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Experience Scottsdale's tourism promotions directly generate an average of **\$31.4 million** in annual state and local tax revenue.

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THIS REVENUE SUPPORTS ESSENTIAL PUBLIC SERVICES AND IS ENOUGH MONEY TO PAY FOR:



THE SALARIES  
OF **498** POLICE  
OFFICERS AND  
FIREFIGHTERS

OR



THE SALARIES  
OF **830** PUBLIC  
SCHOOL  
TEACHERS

OR



BUILDING **8**  
TRAILHEADS IN  
THE MCDOWELL  
SONORAN  
PRESERVE

OR



REPAVING  
**98** MILES  
OF FOUR-LANE  
CITY STREETS

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Without these travel-generated revenues, each Scottsdale household would have to pay an average of **\$307** more in state and local taxes every year to maintain the same level of services.

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City of Scottsdale Applied Economics 2020 Visitor Statistics | Tourism Economics and Longwoods International Organizational Impact Study; Information based on 2018 impact and inflation.



## WHY WE MEASURE: **LODGING PERFORMANCE**

SCOTTSDALE VS. OTHER U.S. MARKETS				
2021 (January – December)				
	Scottsdale Area*	Phoenix Metro <sup>+</sup>	Top 25 Markets	Total U.S.
<b>Occupancy</b>	56.5%	63.0%	56.8%	57.7%
<b>Average Daily Rate</b>	\$227.13	\$128.17	\$136.29	\$124.68
<b>Revenue Per Available Room</b>	\$128.24	\$80.73	\$77.44	\$71.88

### SCOTTSDALE VS. OTHER U.S. MARKETS Percent Change – 2021 vs. 2020

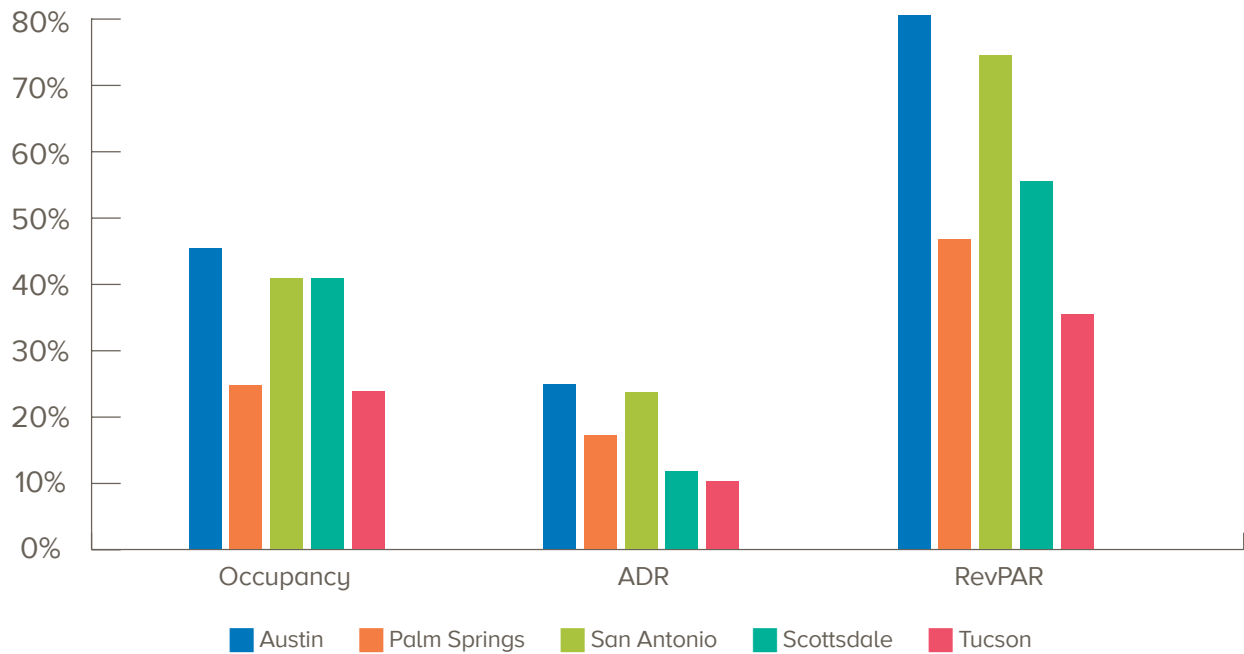


*\*Includes all hotels in Experience Scottsdale's membership, including properties in Scottsdale, Paradise Valley, Salt River Pima-Maricopa Indian Community, and a few in Phoenix*

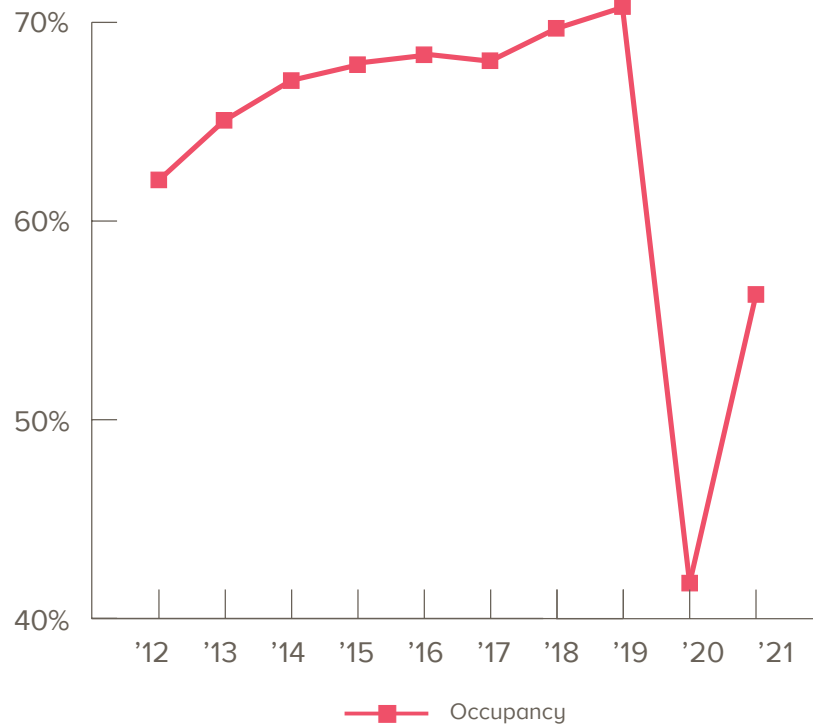
*+Includes Scottsdale area*



### SCOTTSDALE VS. WARM WEATHER COMPETITORS Percent Change – 2021 vs. 2020

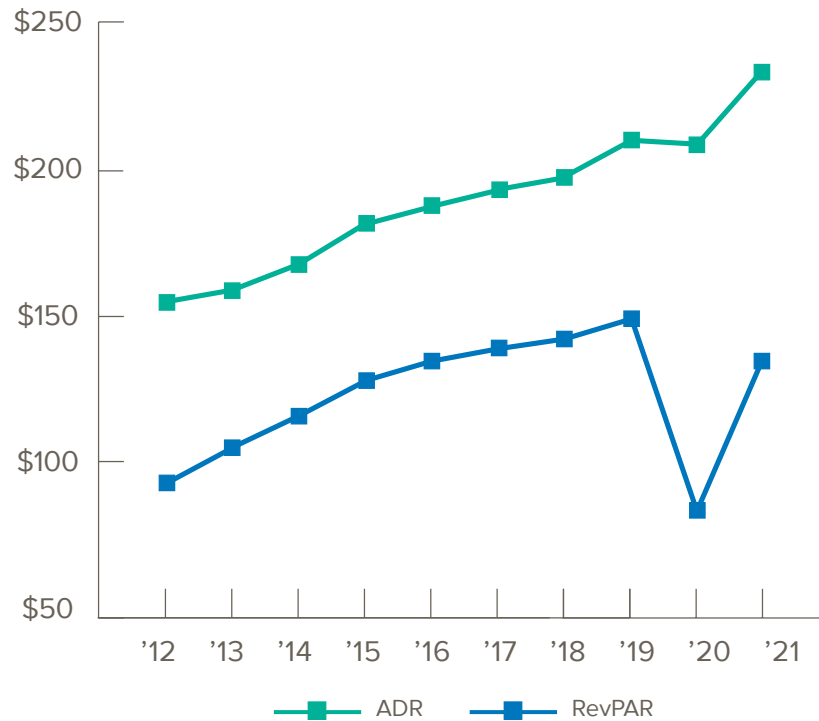


### 10-YEAR SCOTTSDALE AREA TOURISM INDUSTRY MEASUREMENTS





## 10-YEAR SCOTTSDALE AREA TOURISM INDUSTRY MEASUREMENTS



## WHY WE MEASURE: **LODGING FORECAST**

In 2022, Scottsdale-area hotels and resorts are projected to experience growth in occupancy, average daily rate (ADR) and revenue per available room (RevPAR). Actual ADR and RevPAR are forecasted to be much higher than years past.

SCOTTSDALE LODGING FORECASTS	
Occupancy	65.0% (+15.3%)
Average Daily Rate	\$274.66 (+17.5%)
Revenue Per Available Room	\$178.59 (+35.4%)



# THANK YOU

## EXPERIENCE SCOTTSDALE'S BOARD OF DIRECTORS

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\*Joe Iturri, Vice Chair  
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