Monthly Research Update

July 2023 Review

Kalispell Trends

- Glacier Park International Airport traffic remains elevated in 2023, with total YTD passenger counts through July 2023 up 2.2% compared to the same time period last year.
  - July 2023 passenger counts decreased by 2.3% compared to July 2022.

- Kalispell hotels saw a strong performance in July, and were up 4.6% in Occupancy, 5.3% in ADR, and 10.2% in RevPAR YoY.
  - Total hotel Revenue increased by 10.2% for the month of July YoY.

- Short term rental Total Available Listings grew by 52.2% YoY in July, increasing from 160 Available Listings in July of 2022 to 239 Available Listings in July of 2023.
  - This large increase in supply caused Occupancy to decrease 12.6% from 82% in July of 2022 to 72% in July of 2023, but an increase in total Demand helped Revenue grow by 42% YoY.

- Cumulative visitor Visa card spend in Kalispell through June 2023 remains healthy but decreased by 6.4% compared to the same time period last year.
  - Kalispell visitors have spent over $94 Million on Visa cards so far in the first 6 months of 2023.
  - *Note: Visa Destination Insights reports data quarterly.*

Macroeconomic Trends

- According to the Bureau of Labor Statistics, total employment picked up slightly in July, with 187,000 jobs added — compared to 185,000 in June.
    - This was enough to leave the unemployment rate hovering near its lowest point in 50 years but also represents a sustainable level of hiring.
    - Hourly earnings continued increasing at a moderately swift pace of 4.4% YOY, helping workers earn back some of the inflation-adjusted losses to wages seen during peak inflation.

- The remaining sticking point for the U.S. economy has been the ongoing inflation in excess of the Federal Reserve target of 2%.
    - With the latest rate hike in July, there has been some speculation that the Fed has approached the top of its interest rate cycle. The recent inflation report adds some weight to this theory, as prices increased 3.2% YOY in July, essentially the same as consensus expectations.
    - Although slightly higher than the June rate, July inflation came off of a difficult prior-year comparison, as prices did not increase at all in July 2022.

- The moderate inflation picture, sustainable hiring level, and expectation of mild economic weakness toward the end of the year point to the Fed pausing or potentially ending its rate-hiking regime.

- On the other hand, rate cuts that facilitate housing transactions probably will not occur until next year.

Source: Bureau of Labor Statistics and AirDNA

Smith Travel Research & Tourism Economics Hotel Growth Projections

- STR and Tourism Economics lowered their year-over-year growth projections in the revised 2023-24 U.S. hotel forecast just presented at the 15th Annual Hotel Data Conference.

- For 2023, growth in Revenue Per Available room (RevPAR) was lowered by 0.5 percentage points, due to a 0.6ppt downgrade in occupancy growth. While that RevPAR growth remains above the long-term historical average, most of the increase was frontloaded to the early portion of the year. For 2024, the RevPAR growth projection was also lowered 0.5ppts on a 0.5ppt downgrade in occupancy. Average daily rate (ADR) was upgraded 0.1ppts for 2023 but kept flat for 2024.

- "We brought down our growth projections with the industry in a period of normalization," said Amanda Hite, STR President. "Last quarter, demand underperformed projections in the luxury segment with travelers pulling back on their leisure spending or opting for overseas trips, as well as the midscale and economy portion of the market due to recessionary effects. There have been conflicting signs of economic slowdown and the impact on consumer sentiment, but hoteliers remain optimistic, especially those in the middle-to-higher end of the market. A lot of the normalization we have seen in the data supports that optimism with a steady uptick in business travel and continued improvement in the major markets. ADR growth rates have moderated as the impacts of inflation and record-breaking leisure travel have waned, but our forecasted growth rates are still skewed toward the upper-end hotels with a rate-focused performance strategy."

- "The economy has remained resilient, but the cumulative effects of past interest-rate hikes by the Federal Reserve and banks dialing back on lending will contribute to a mild recession later this year," said Aran Ryan, director of industry studies at Tourism Economics. "The impact of this slowdown on lodging demand will be limited, as group and business travel activity rebuilds, international visitors return, and leisure travelers continue to find room in household budgets to prioritize travel."

Source: Smith Travel Research (STR)

Takeaways from CBRE's National Hotel Outlook

- "Revenue per available room (RevPAR) growth slowed in the second quarter to 1.1%, down from 15.9% in Q1 2023 as demand declined 1.2% year-over-year (Y-o-Y). This marks the first decline since the post-pandemic recovery began in Q2 2021. The lower-than-expected demand and in-line ADR growth of 2.6% resulted in muted RevPAR growth for the quarter."

- "An analysis of travel trends suggests that record levels of U.S. consumers are traveling abroad this summer, particularly to Europe and the Caribbean. Inbound international travelers to the U.S. are still 27% below their pre-pandemic levels, causing a temporary imbalance in demand. As long-haul flights from APAC are added back and visa delays ease the uptick in inbound international travel to the U.S. should support additional demand growth."

- "CBRE Econometric Advisors expects inflation to continue to moderate while average GDP growth is projected to be 1.6% in 2023. CBRE has revised its 2023 RevPAR forecast to $96.64, up 4.6% Y-o-Y and a decrease of $1.25 from its previous forecast. The negative revision is predicated on a 70-basis-point (bps) decrease in expected occupancy compared with the previous forecast issued in May 2023. Average daily rate (ADR) is now expected to increase by 3.6% in 2023, down 10 bps from our previous growth forecast of 3.7% Y-o-Y."

- "CBRE Hotels Research expects RevPAR growth in the back half of the year to continue to slow, revising down our Q3 2023 estimates from 90 days ago because of the slower-than-expected return of inbound international travelers and near-term shifts in consumer preferences. Our Q3 2023 and Q4 2023 forecasts call for 1.9% and 2.0% RevPAR growth, respectively."

Source: CBRE

National Short-Term Rental Review

Summary

- "July 2023 broke the record for the most Short-Term Rental stays in one month, with 35.4 million nights stayed, beating the previous high recorded in July 2022 by 9.4%. The results were especially impressive amid a searing heatwave, increasing interest in off-season booking, and inflation-weary consumers looking for budget options. July historically marks both the highest Demand and Supply month of the year."

- "Supply (which is measured in monthly available listings) has been slowing as well, at 12.1% YOY in July. This was slower than June's growth of available listings of 13.7% and a far cry from July 2022, when supply in terms of available nights grew at a pace of 24.4% YOY."

- "Looking forward, August appears to be seeing a somewhat slower pace than current demand trends would indicate. Lead times have shortened since last year, so while August pacing is currently only 4% ahead of this time last year, last-minute bookings should push the final realized demand for August higher."

- "A larger unknown is the extended high season. Hot temperatures and budget-conscious travelers have heightened interest in bookings past August, and bookings already made for the months of September through November are more than 10% ahead of where they were at the same point in 2022. What remains to be seen is if shorter lead times will translate into higher demand than pacing suggests for these months, or if off-season travelers book further in advance than their peak-season counterparts."

Key Metrics

- Occupancy was 1.3% lower YOY at 69.5% (+8.6% vs. 2019), Average Daily Rate (ADR) declined 1.0% YOY to $338.50, and RevPAR declined 2.3% YOY to $235.50

- Available listings reached 1.51 million, up 12.1% YOY and Total Demand (nights) rose 9.4% YOY

Source: AirDNA

National Consumer Sentiment

<u>Concerns</u>

- Americans continue to report a decline in travel budgets. In January, the typical American traveler expected to spend $4,677 on leisure travel over the next 12 months. Since then, travel budgets have declined to $3,505—the lowest average budgets have reached since October 2021.

- 46% of American travelers report that high travel prices deterred them from traveling in the past 4 weeks—this is the second time this year sentiment has reached this (high) level. Similarly, the percentage of American travelers citing personal financial reasons as a recent deterrent to travel reached 38% for the second time this year. 41% believe travel prices are too expensive right now.

- Leisure day trips have risen at a higher rate than overnight leisure trips. A year ago, the percentage of Americans reporting taking leisure day trips and overnight leisure trips was almost equal. Now 45% of American travelers report they took an overnight leisure trip in the last month, compared to 54% who reported taking day trips.

- The average trip planning window has also declined. In January 2023, American travelers predicted they would take 11.5 weeks to plan a week-long domestic trip. Since then, that planning window has continued to get shorter, with American travelers now reporting they would begin planning such a trip just 9.8 weeks out.
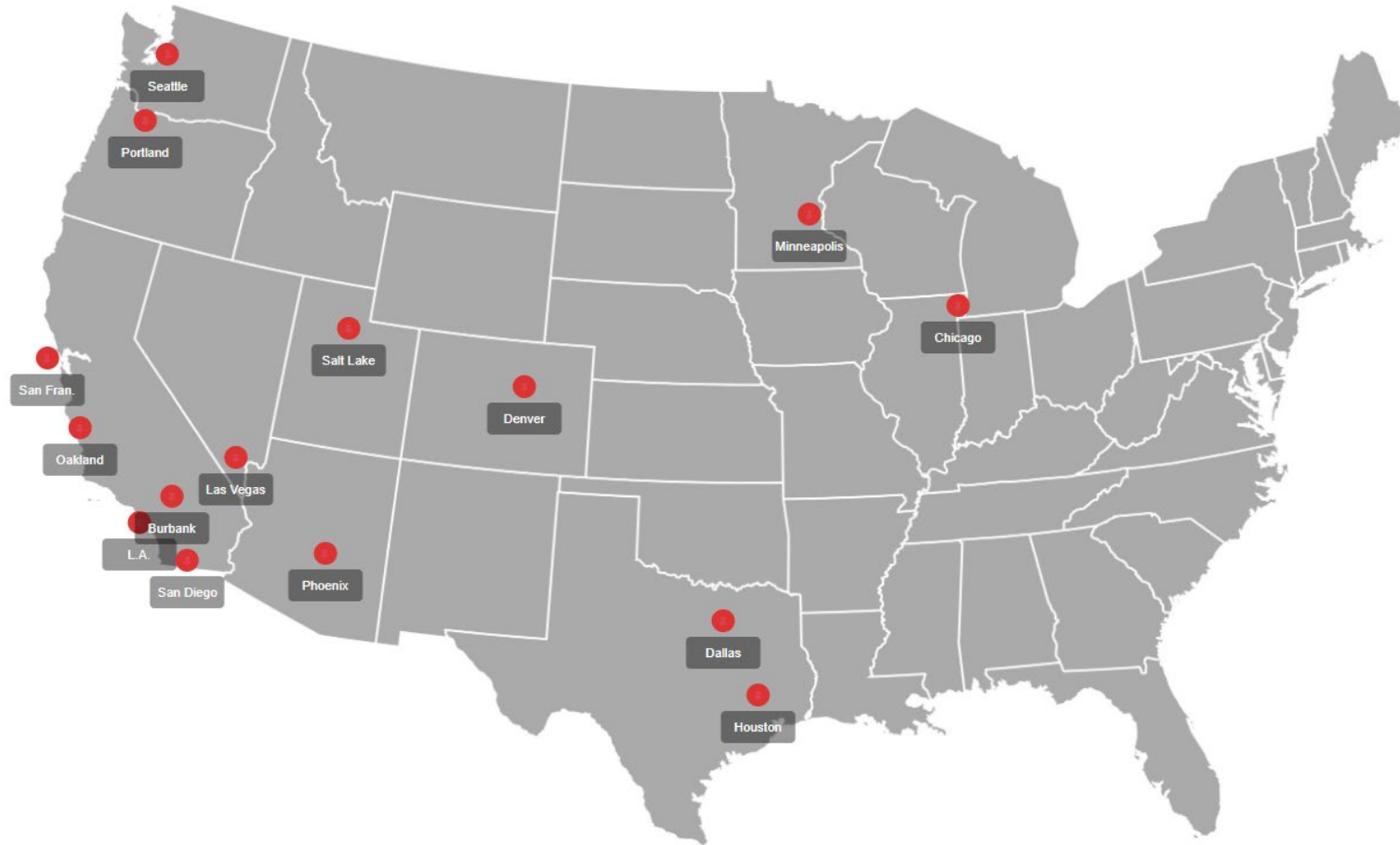
<u>On the upside</u>

- Fears of a recession continue to decline, reaching a 16-month low in July.

- American travelers are feeling better off financially now relative to how they felt a year ago. This month 31% say they are doing better now financially than they were a year ago, up from just 26% last July.

- One-third of American travelers believe it is likely that the US stock market will enter a bull market in the coming months.

- Although down slightly, excitement for travel remains at record levels (8.1 on a scale from 0-11). Just over 83% of American travelers have existing trip plans for the next 12 months.

Source: Destination Analysts

SECTION 01.

Glacier Park International Airport Data

Glacier Park International Airport
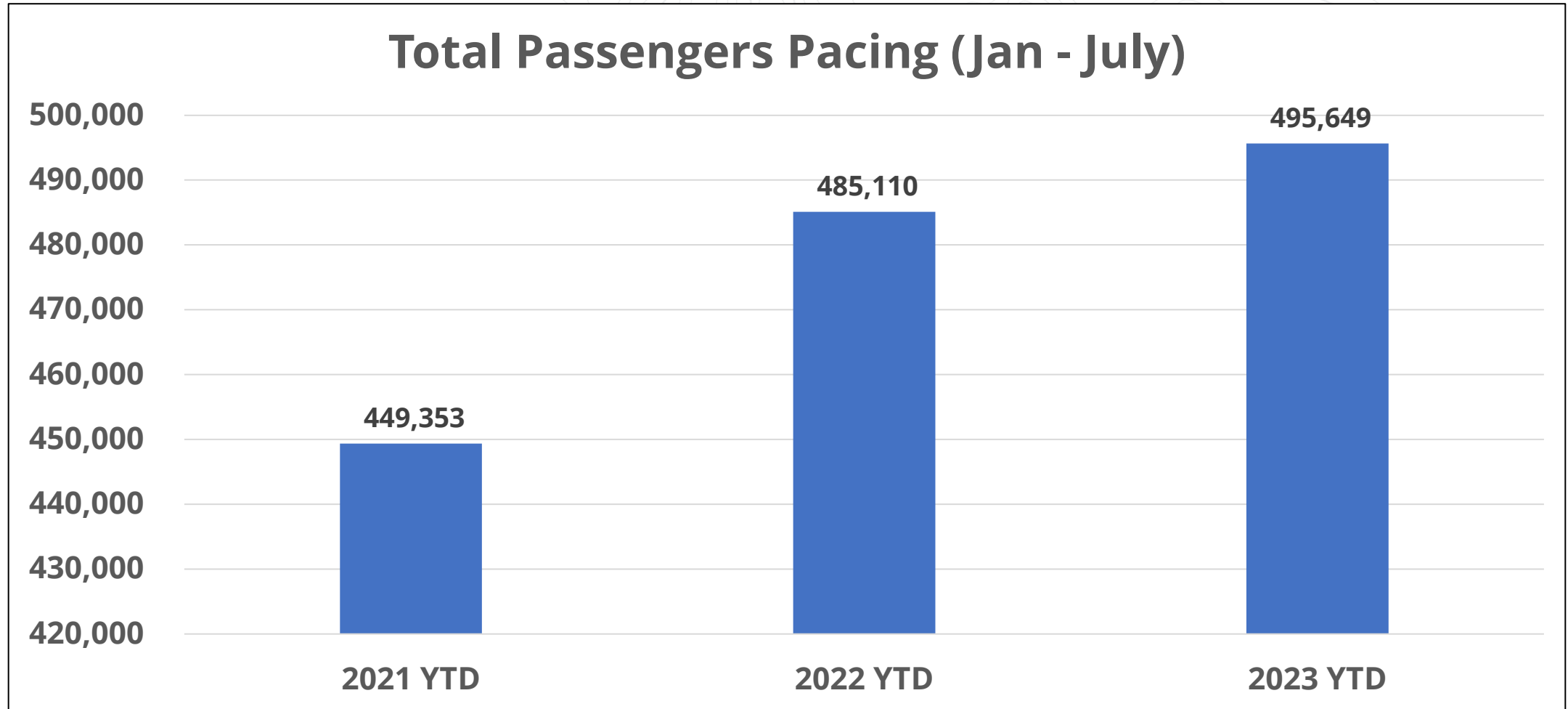
Direct Flights
MAJOR CITIES SERVED

Seattle
Portland
Minneapolis
Chicago
Salt Lake
San Fran.
Denver
Oakland
Las Vegas
Burbank
L.A.
San Diego
Phoenix
Dallas
Houston

Source: Glacier Park International Airport

Glacier Park International Airport

Total Passengers					
Month	2023	2022	% Chg 2023 vs. 2022	2021	% Chg 2023 vs. 2021
January	58,161	49,261	18.1%	32,629	78.2%
February	56,277	50,555	11.3%	36,194	55.5%
March	59,460	58,672	1.3%	44,961	32.2%
April	45,073	43,836	2.8%	34,258	31.6%
May	54,694	57,039	-4.1%	52,994	3.2%
June	96,564	97,429	-0.9%	103,426	-6.6%
July	125,420	128,318	-2.3%	144,891	-13.4%
August		119,193		132,811	
September		82,969		92,063	
October		52,129		58,516	
November		45,126		44,274	
December		47,618		49,079	
Year-to-Date	495,694	485,110	2.2%	449,353	10.3%
Total		832,145		826,096	

Source: Glacier Park International Airport

Glacier Park International Airport

Cumulative Annual Enplanements

Legend: 2023 YTD, 2022, 2021, 2020, 2019

2023 YTD data points: JAN 30,846 · FEB 59,156 · MAR 90,036 · APR 112,297 · MAY 139,594 · JUN 186,367 · JUL 254,871
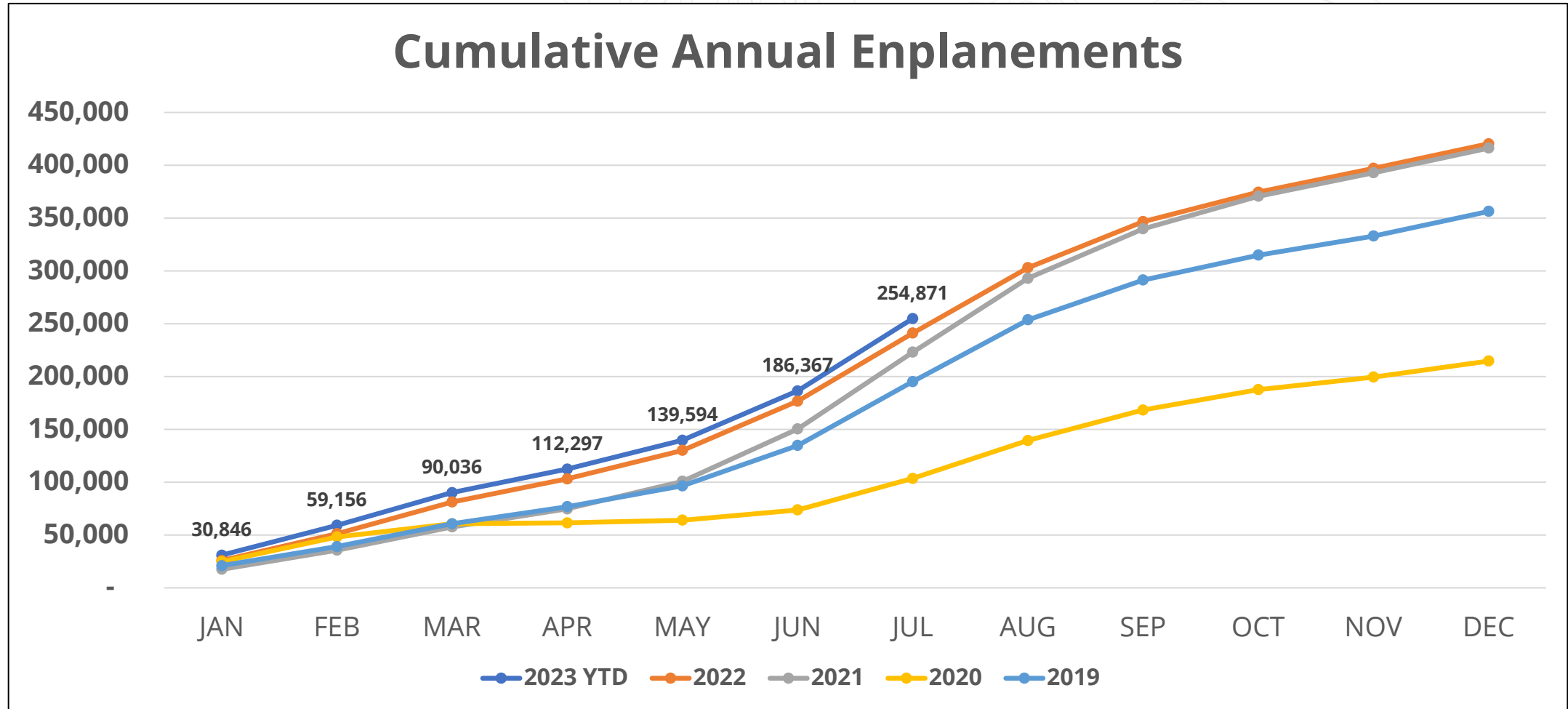
Enplanements only (not total passengers)

Source: Glacier Park International Airport

Glacier Park International Airport

Total Passengers Pacing (Jan - July)

Year	Passengers
2021 YTD	449,353
2022 YTD	485,110
2023 YTD	495,649

Source: Glacier Park International Airport

Glacier Park International Airport

Total Passengers by Year

Year	Total Passengers
2018	612,607
2019	907,777
2020	425,176
2021	826,096
2022	832,145
2023 YTD	495,649

(Jan – July 2023)
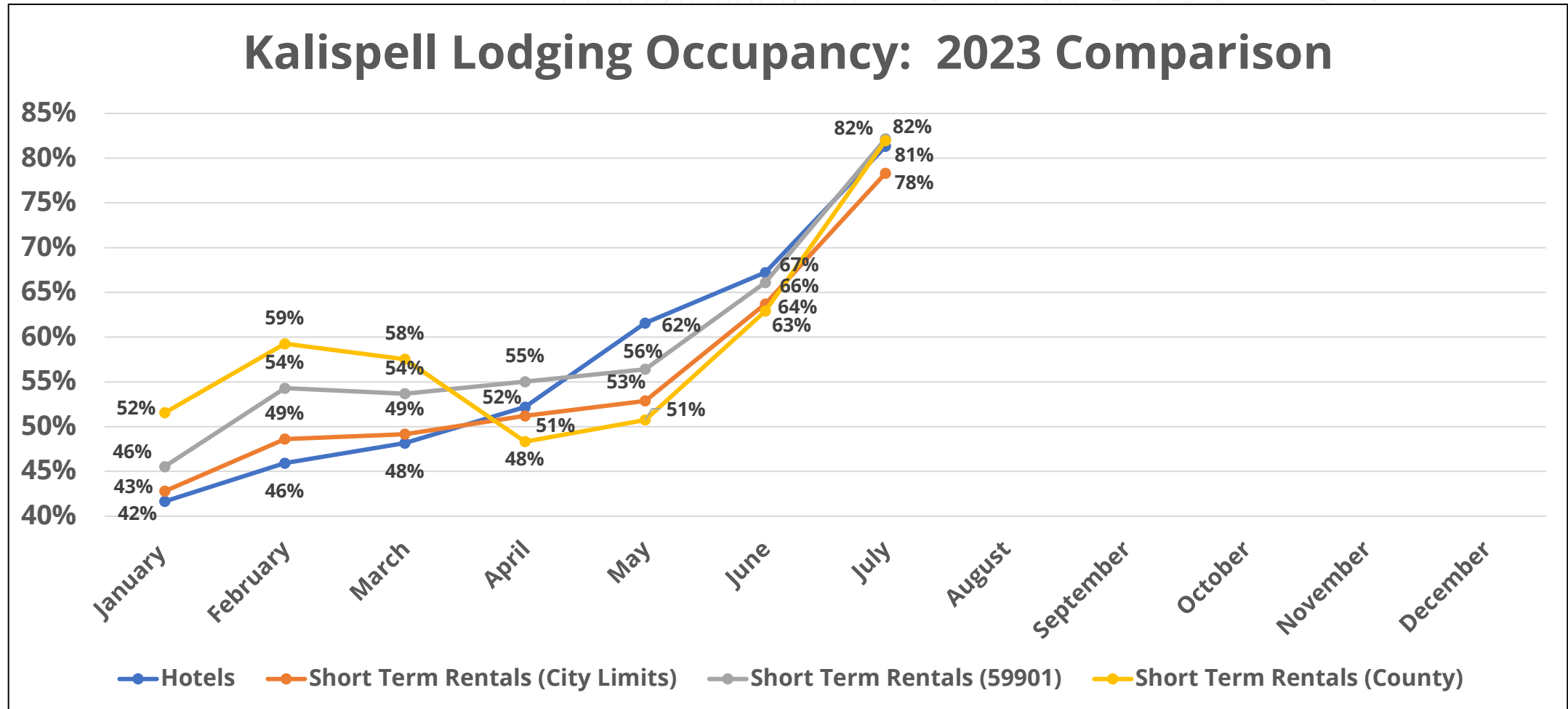
Source: Glacier Park International Airport
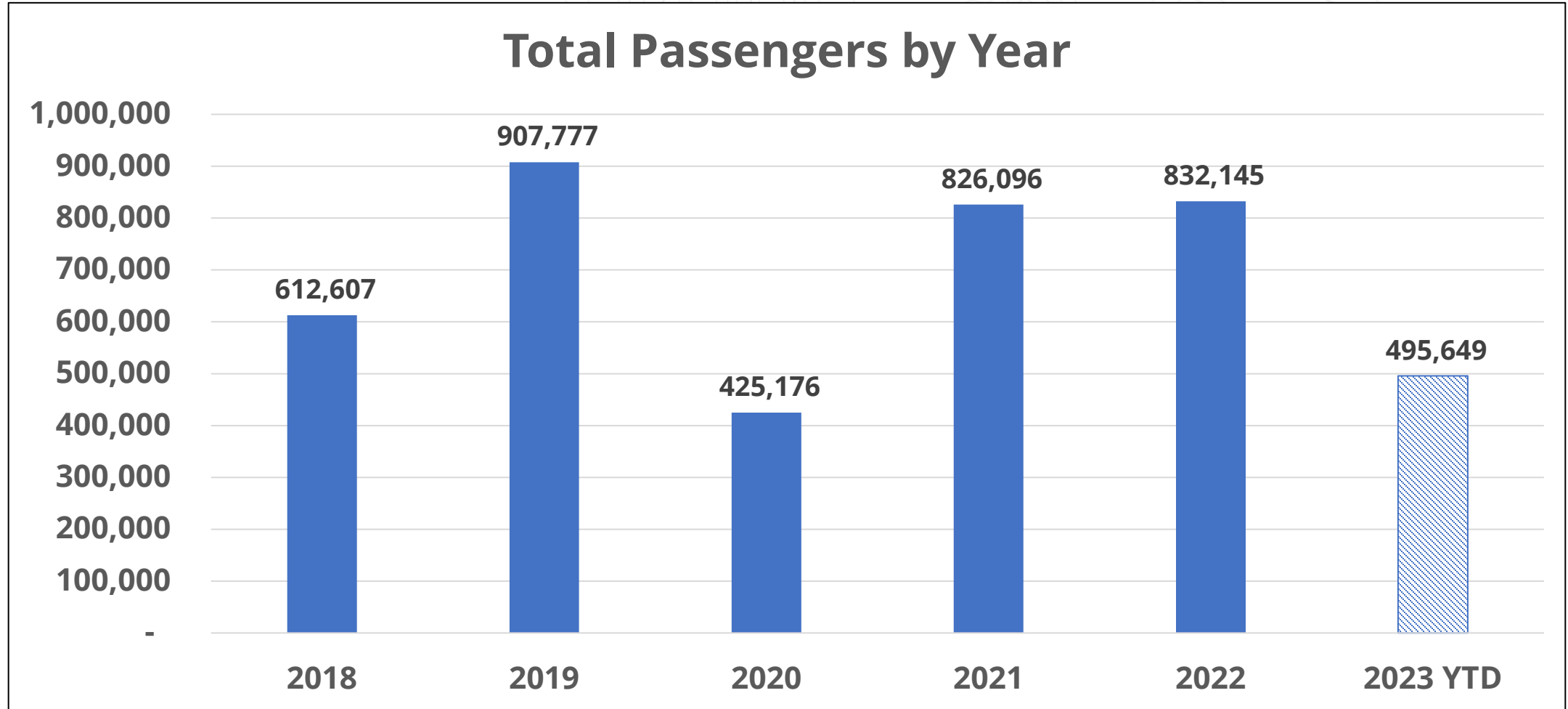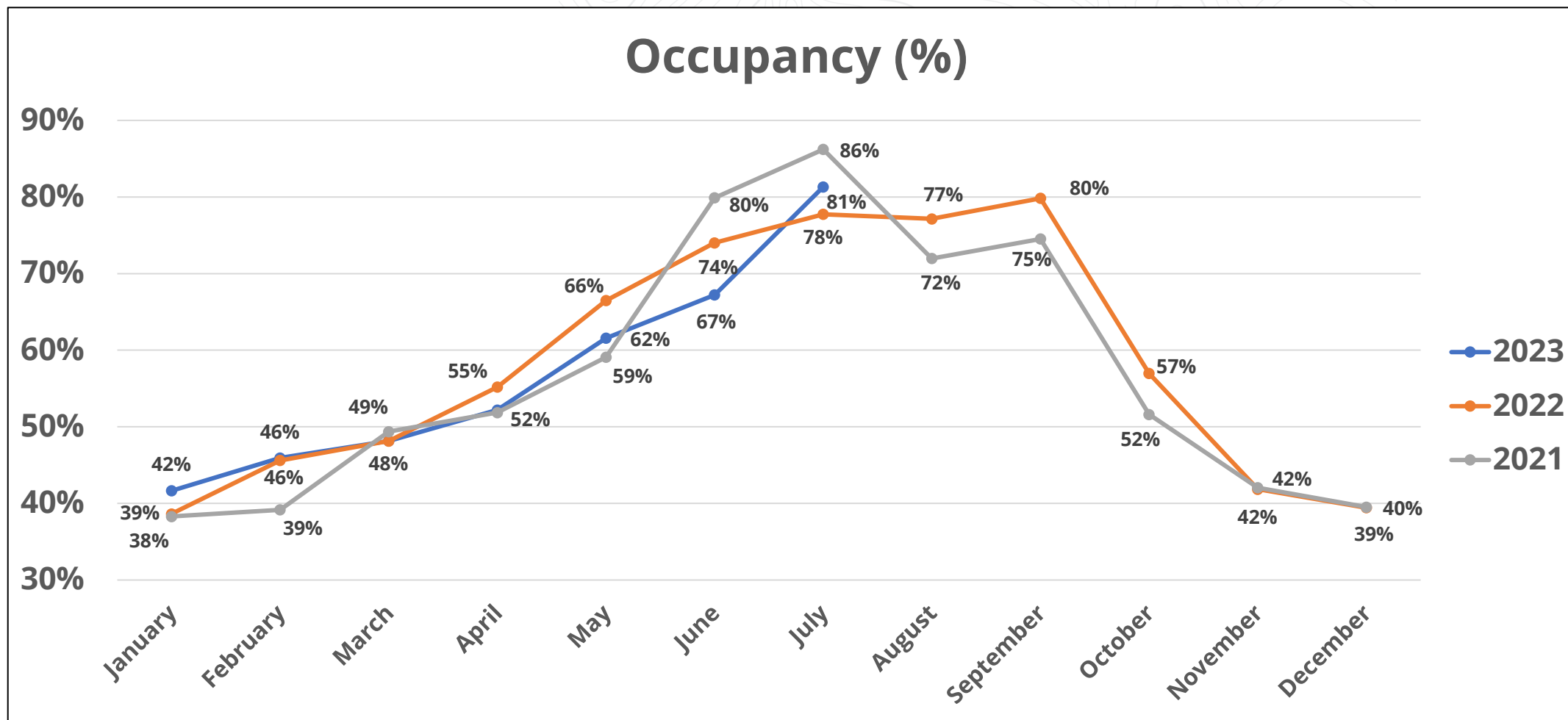
SECTION 02.

STR Hotel Data

STR Hotel Data - Definitions

- **Average Daily Rate (ADR)** – A measure of the average rate paid for rooms sold, calculated by dividing room revenue by rooms sold.
  - ADR = Room Revenue / Rooms Sold

- **Demand** – The number of rooms sold in a specified time period (excludes complementary rooms).

- **Occupancy** – Percentage of available rooms sold during a specific time period. Occupancy is calculated by dividing the number of rooms sold by rooms available.
  - Occupancy = Rooms Sold / Rooms Available

- **Revenue** – Total room revenue generated from the guestroom rentals or sales.

- **Revenue Per Available Room (RevPAR)** – Total room revenue divided by the total number of available rooms.
  - RevPAR = Room Revenue / Rooms Available

Source: STR

Kalispell 2023 YTD Lodging Comparison

Kalispell Lodging Occupancy: 2023 Comparison

Legend:
- **Hotels**
- **Short Term Rentals (City Limits)**
- **Short Term Rentals (59901)**
- **Short Term Rentals (County)**

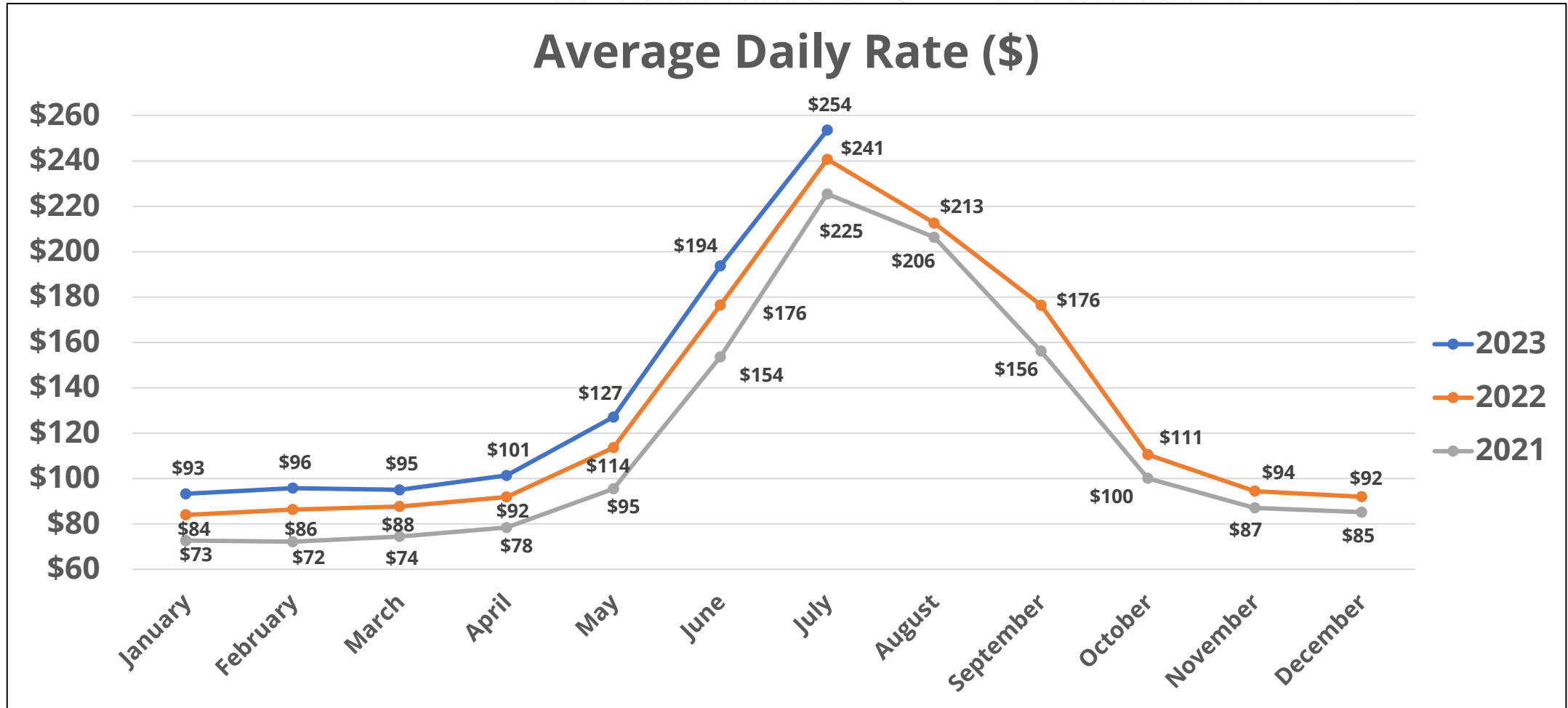*Source: Smith Travel Research (Hotels) and AirDNA (Airbnb/Vrbo Short Term Rentals)*

Hotel Occupancy by Month

Kalispell hotel Occupancy increased 4.6%, ADR increased 5.3%, and RevPAR increased 10.2% Year-Over-Year

Occupancy (%)

	January	February	March	April	May	June	July	August	September	October	November	December
2023	42%	46%	48%	52%	62%	67%	81%					
2022	39%	46%	48%	55%	66%	74%	78%	77%	80%	57%	42%	39%
2021	38%	39%	49%	52%	59%	80%	86%	72%	75%	52%	42%	40%

2021 Occupancy = 57%   **2022 Occupancy = 58%**

Source: Smith Travel Research

Hotel Average Daily Rate (ADR) by Month

Kalispell hotel Occupancy increased 4.6%, ADR increased 5.3%, and RevPAR increased 10.2% Year-Over-Year

Average Daily Rate ($)

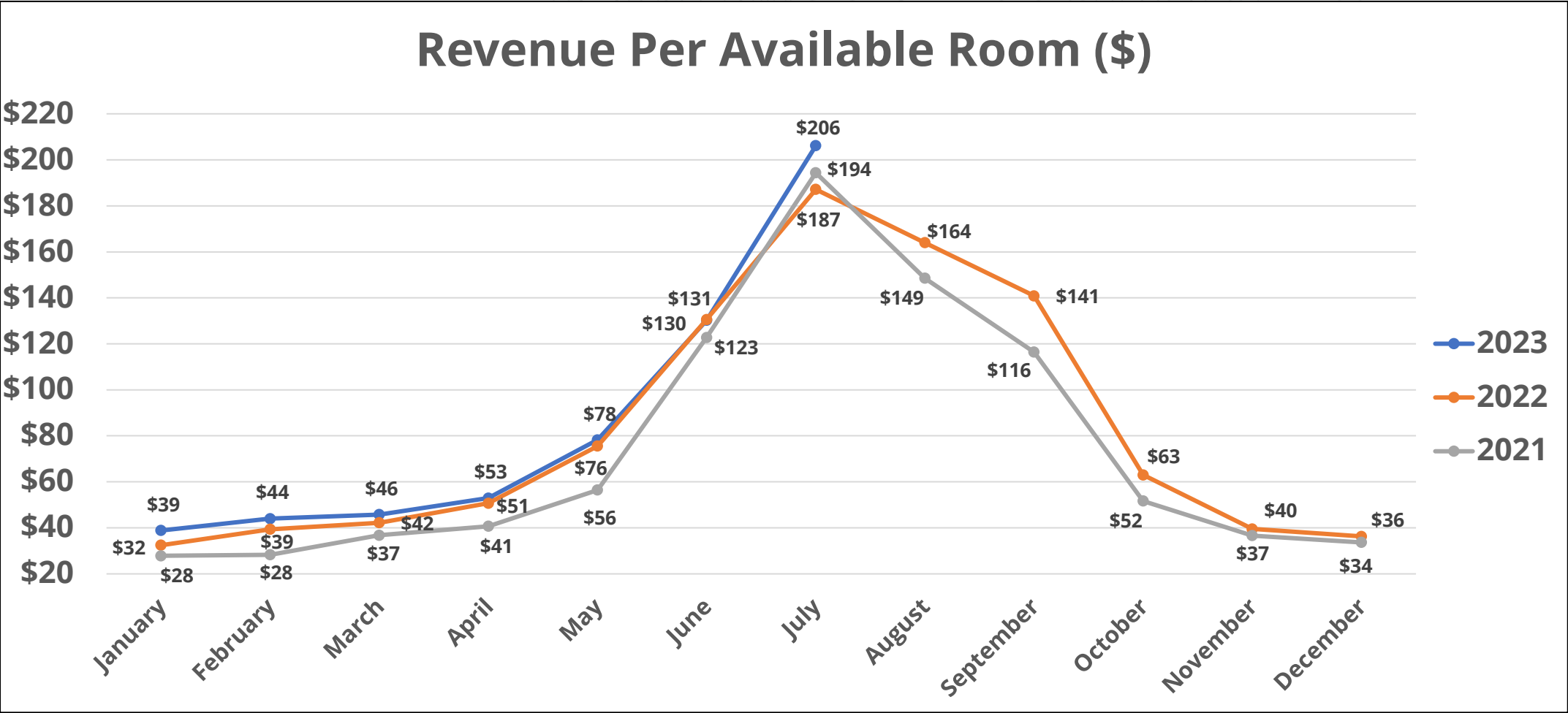Legend: 2023, 2022, 2021

Month	2023	2022	2021
January	$93	$84	$73
February	$96	$86	$72
March	$95	$88	$74
April	$101	$92	$78
May	$127	$114	$95
June	$194	$176	$154
July	$254	$241	$225
August		$213	$206
September		$176	$156
October		$111	$100
November		$94	$87
December		$92	$85

2021 ADR = $117.26   2022 ADR = $130.55
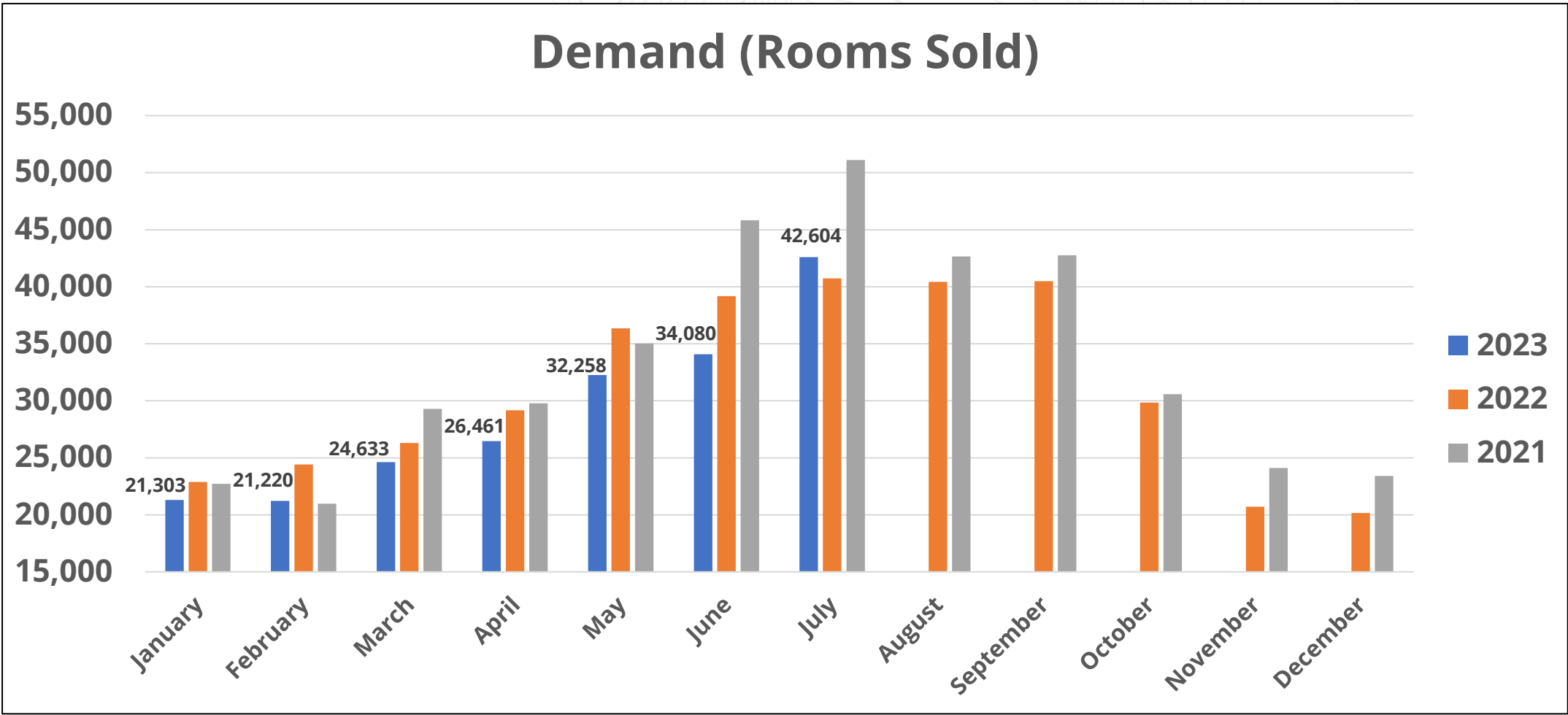
Source: Smith Travel Research

Hotel Revenue Per Available Room by Month

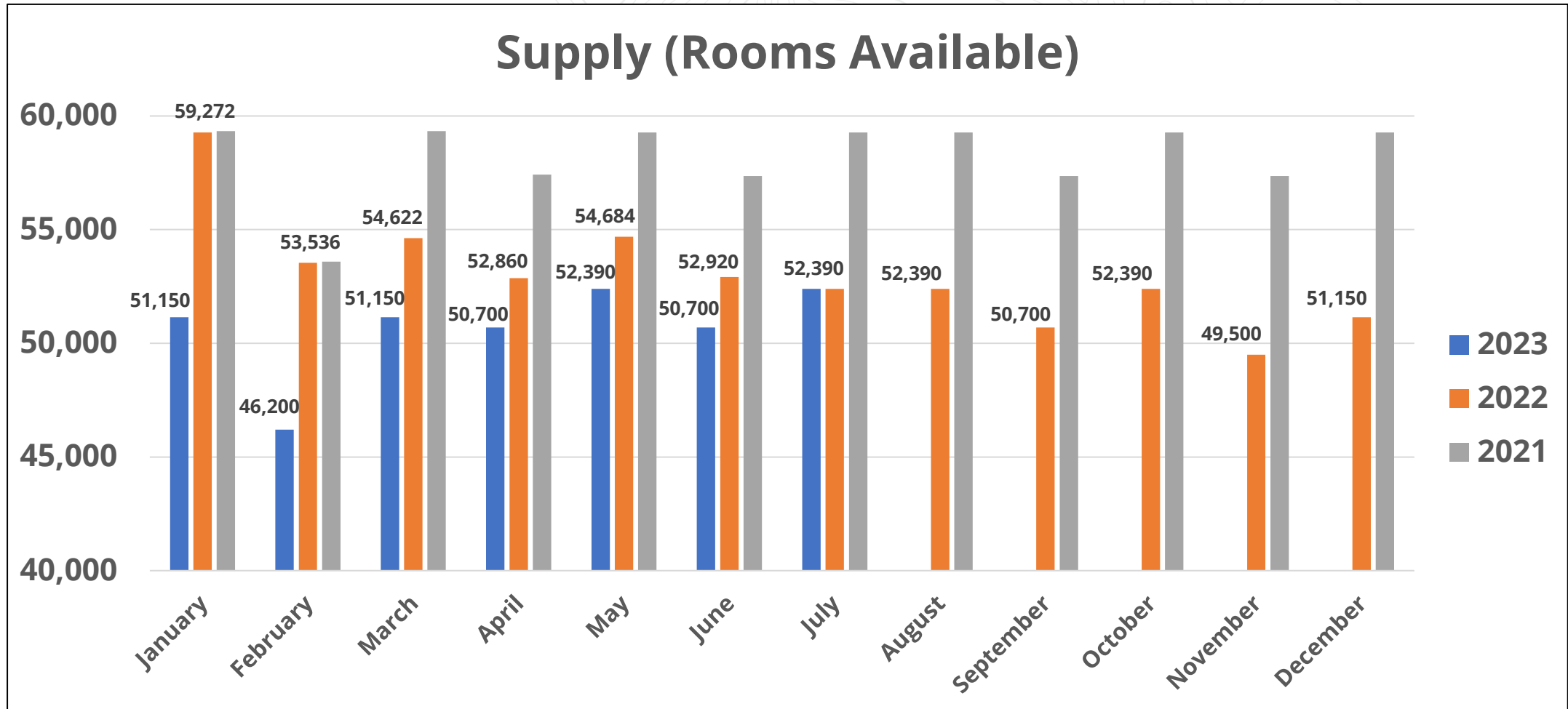**Kalispell hotel Occupancy increased 4.6%, ADR increased 5.3%, and RevPAR increased 10.2% Year-Over-Year**

Revenue Per Available Room ($)

Legend: 2023, 2022, 2021

Month	2023	2022	2021
January	$39	$32	$28
February	$44	$39	$28
March	$46	$42	$37
April	$53	$51	$41
May	$78	$76	$56
June	$131	$130	$123
July	$206	$187	$194
August		$164	$149
September		$141	$116
October		$63	$52
November		$40	$37
December		$36	$34

2021 RevPAR = $74.49   2022 RevPAR = $83.47

Source: Smith Travel Research

Hotel Demand (Rooms Sold) by Month

Kalispell hotel Demand increased 4.6%, Supply remained unchanged, and Revenue increased 10.2% Year-Over-Year

Demand (Rooms Sold)

Legend: 2023, 2022, 2021

Data labels (2023):
- January: 21,303
- February: 21,220
- March: 24,633
- April: 26,461
- May: 32,258
- June: 34,080
- July: 42,604

2021 Demand = 398,268   **2022 Demand = 370,661**

Source: Smith Travel Research

Hotel Supply by Month

Kalispell hotel Demand increased 4.6%, Supply remained unchanged, and Revenue increased 10.2% Year-Over-Year

Supply (Rooms Available)

2021 Supply = 698,120   **2022 Supply = 636,414**

Source: Smith Travel Research

Kalispell hotel Demand increased 4.6%, Supply remained unchanged, and Revenue increased 10.2% Year-Over-Year

Revenue ($)

DISCOVER KALISPELL MONTANA

2021 Revenue = $52.2M   **2022 Revenue = $52.7M**

Source: Smith Travel Research
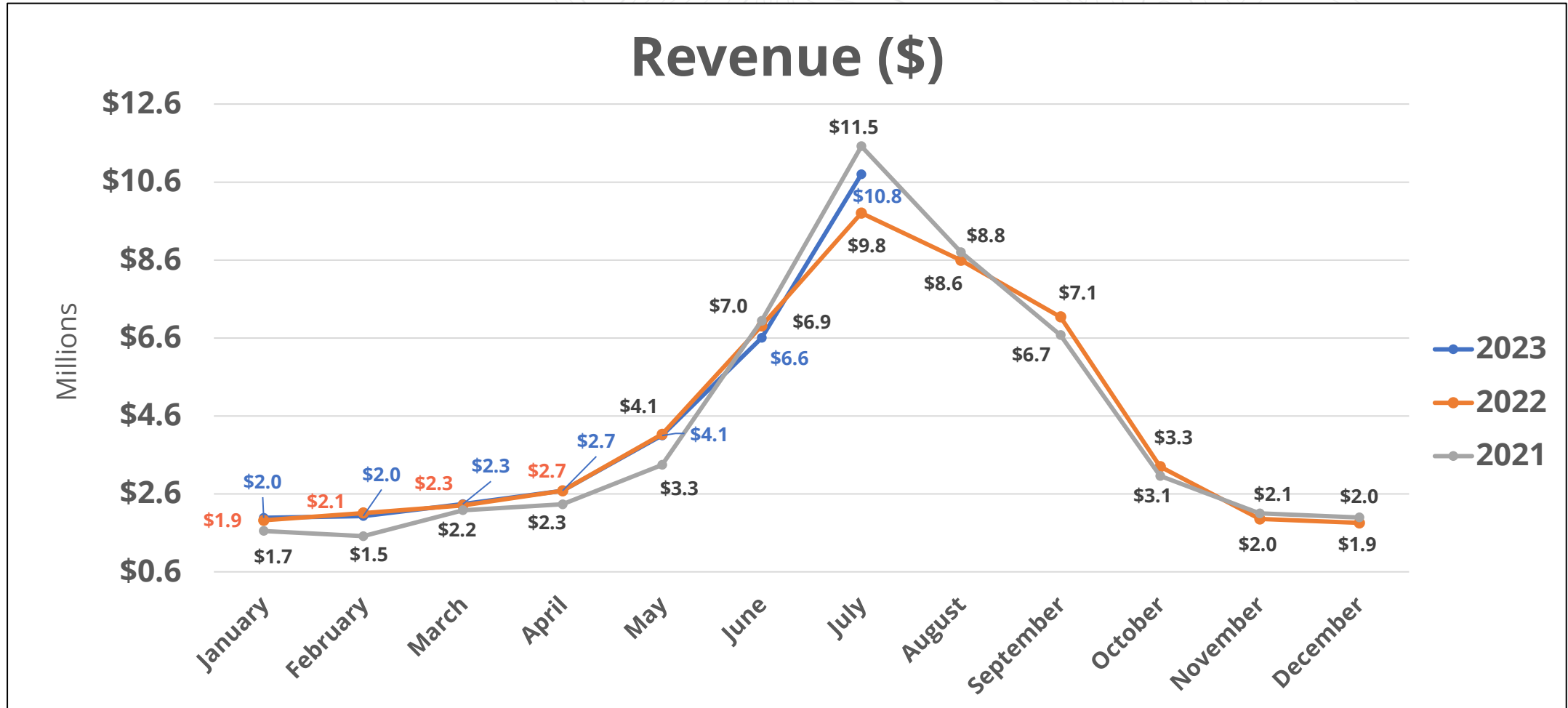
SECTION 03.

AirDNA Short Term Rental Data (Airbnb & Vrbo listings)

AirDNA Short Term Rentals - Definitions

> Note: AirDNA Data is comprised exclusively of Airbnb and Vrbo listing data.

- **Available Listings** – Total number of listings whose calendars had at least one day classified as available or reserved during the reporting period.

- **Average Daily Rate** – Average daily rate (ADR) of booked nights in USD (ADR = Total Revenue / Booked Nights).

- **Demand (Nights)** – Total number of Booked Nights during the reporting period.

- **Occupancy Rate** – Occupancy Rate = Total Booked Days / (Total Booked Days + Total Available Days). Calculation only includes vacation rentals with at least one Booked Night.

- **Revenue (USD)** – Total revenue (in US dollars) earned during the reporting period. Includes the advertised price from the time of booking, as well as cleaning fees.

- **RevPAR** – Revenue Per Available Rental = ADR * Occupancy Rate

AirDNA Short Term Rentals – Geographical Boundary *

*Kalispell City Limits

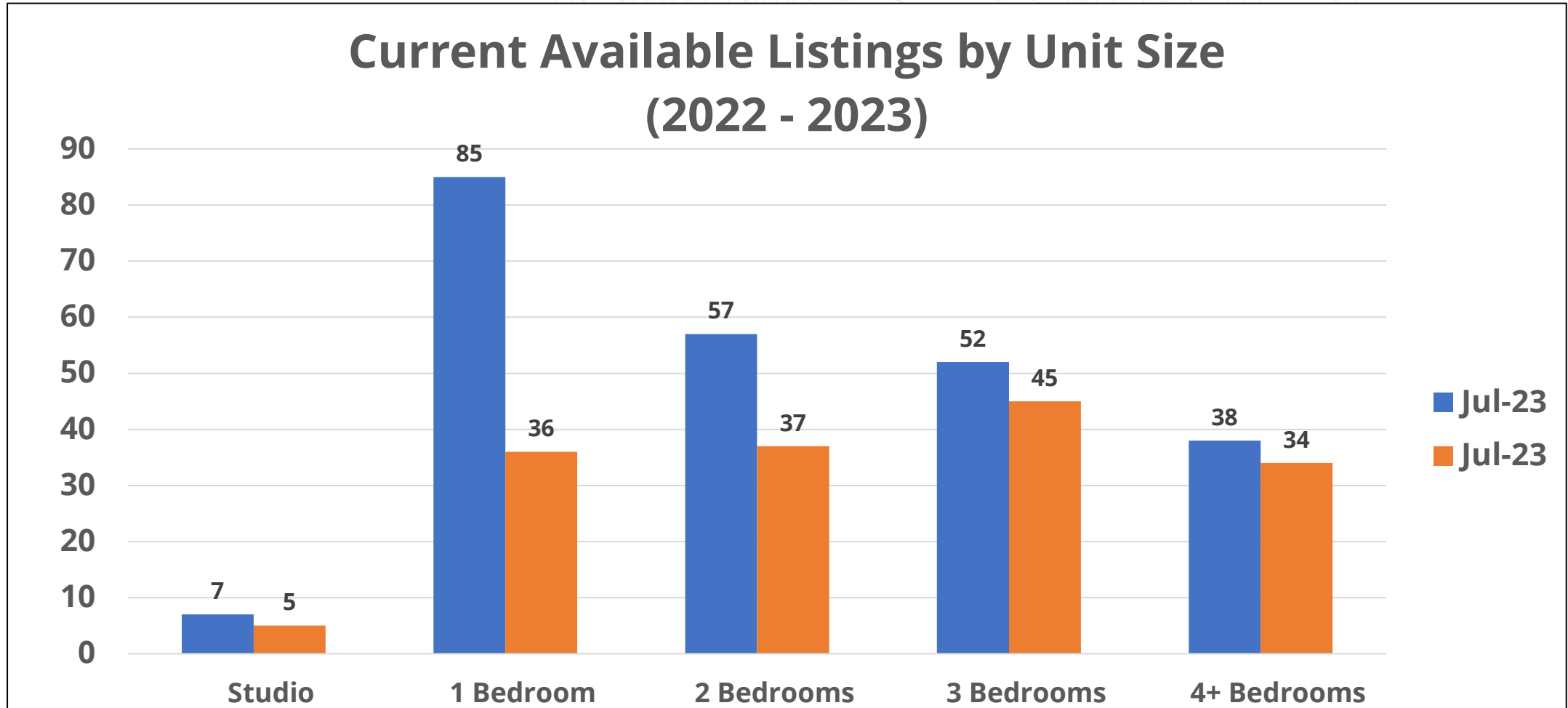Source: AirDNA (Airbnb/Vrbo Short Term Rentals)
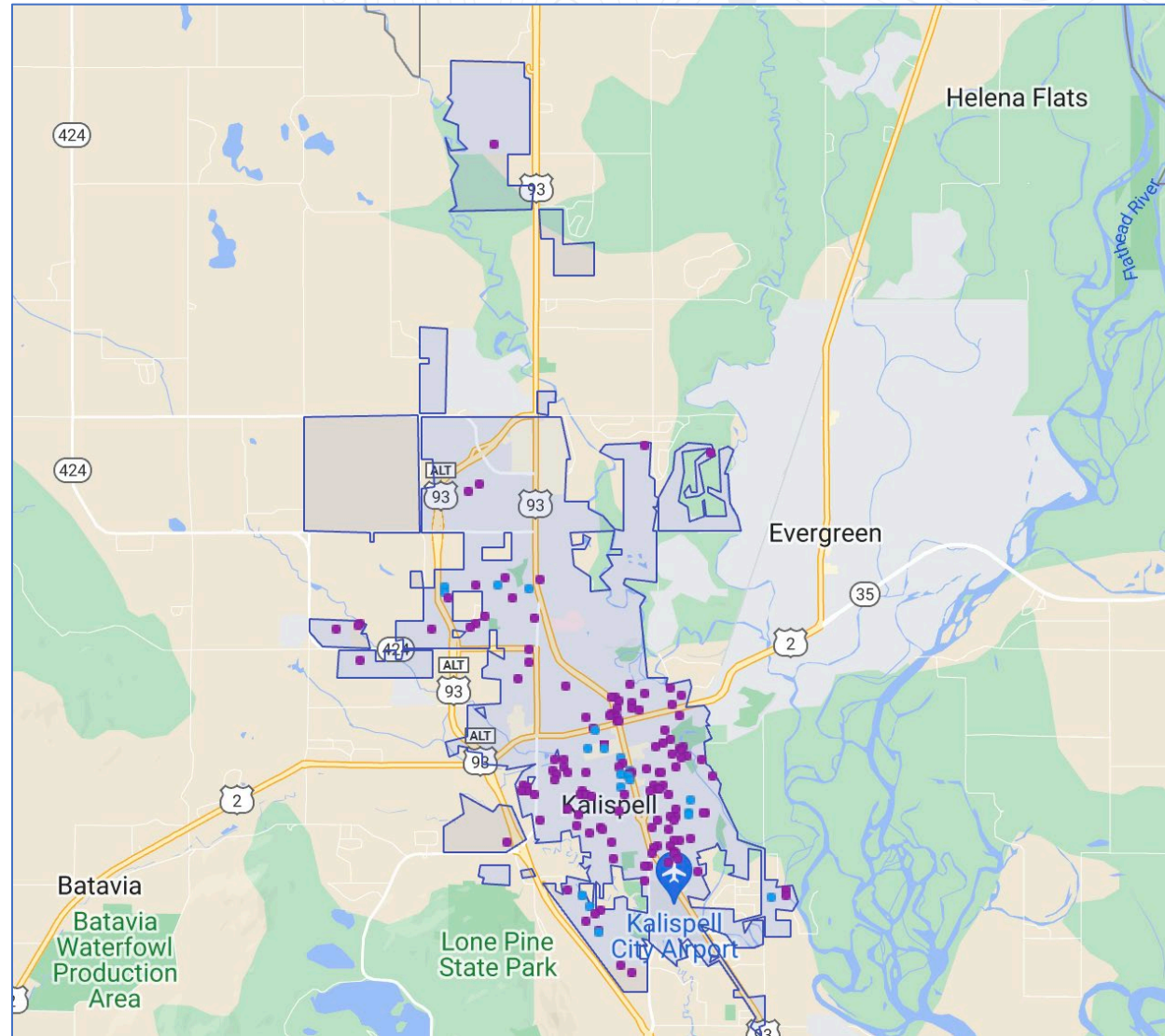
AirDNA Short Term Rentals - Available Listings

Kalispell Short Term Rentals Available Listings increased 52.2%, 1-Bedroom Listings increased 136.1%, and 2-Bedroom Listings increased 54.1% Year-Over-Year


Total Available Listings

2023 values: January 152, February 153, March 158, April 171, May 191, June 222, July 239

2022 values: January 86, February 70, March 73, April 92, May 113, June 133, July 160, August 154, September 155, October 127, November 136, December 148

2021 values: January 61, February 47, March 64, April 70, May 81, June 101, July 115, August 114, September 99, October 84, November 77, December 84

Source: AirDNA (Airbnb/Vrbo Short Term Rentals)
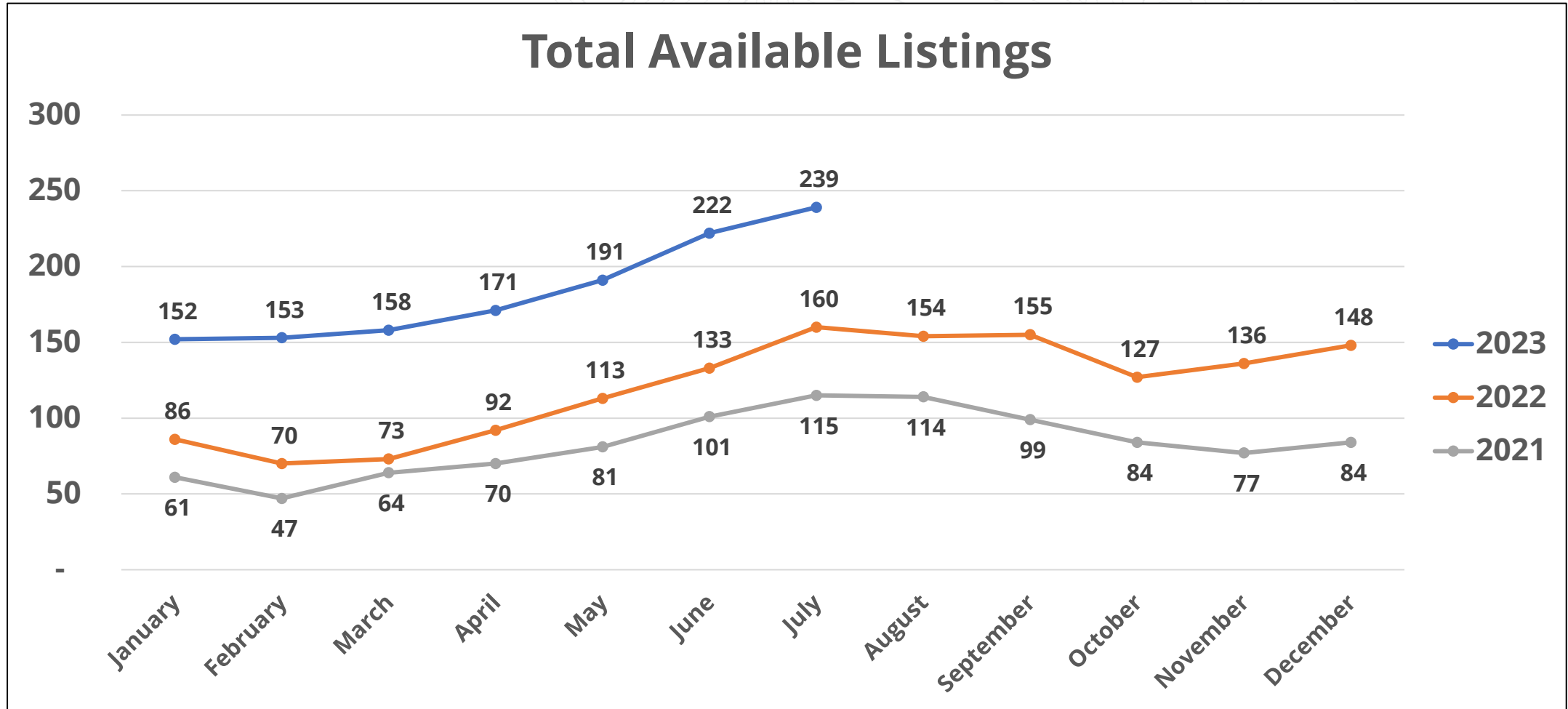
AirDNA Short Term Rentals - Unit Size

Kalispell Short Term Rentals Available Listings increased 52.2%, 1-Bedroom Listings increased 136.1%, and 2-Bedroom Listings increased 54.1% Year-Over-Year

Current Available Listings by Unit Size
(2022 - 2023)

Unit Size	Jul-23 (blue)	Jul-23 (orange)
Studio	7	5
1 Bedroom	85	36
2 Bedrooms	57	37
3 Bedrooms	52	45
4+ Bedrooms	38	34

Source: AirDNA (Airbnb/Vrbo Short Term Rentals)

AirDNA Short Term Rentals – Occupancy

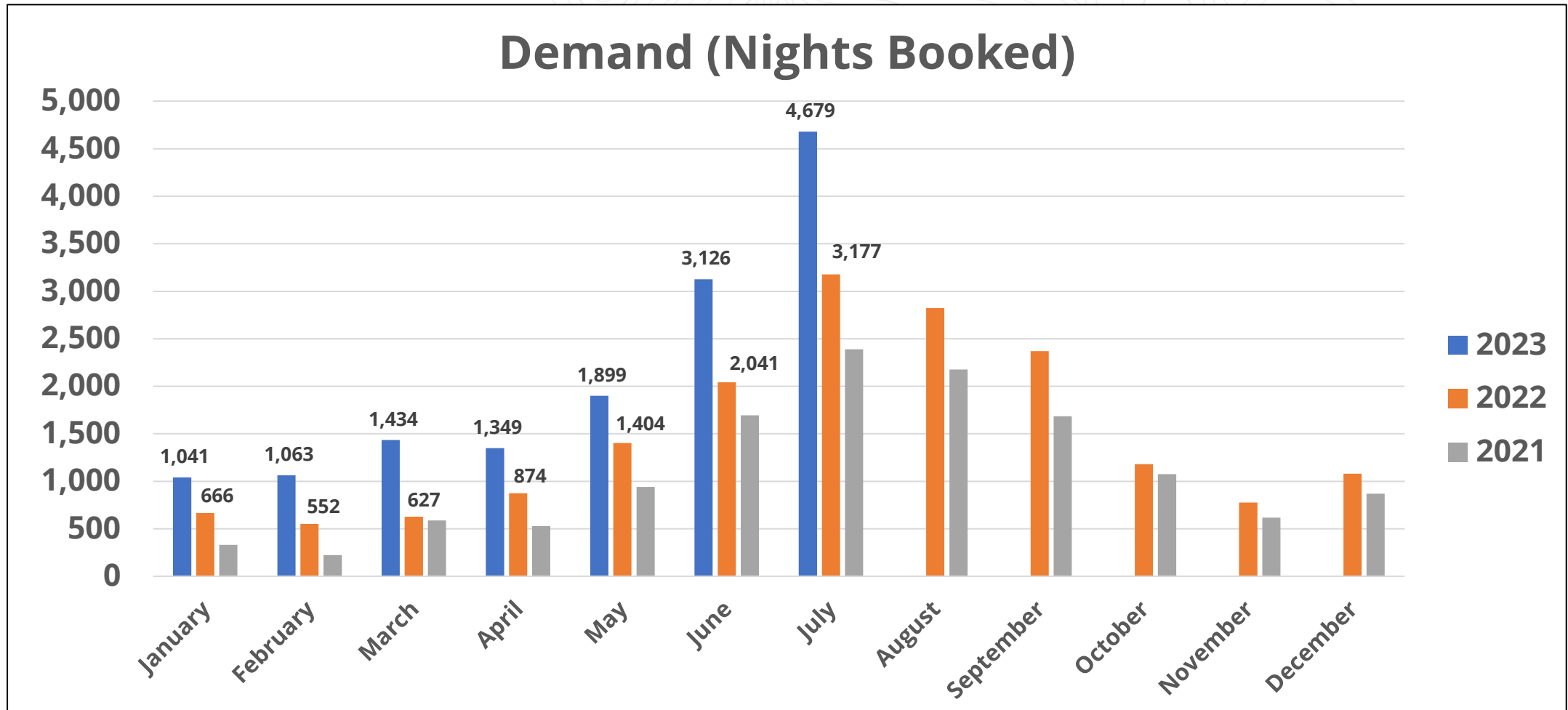## Kalispell Short Term Rentals Occupancy decreased 12.6%, ADR decreased 3.6%, and RevPAR decreased 15.7% Year-Over-Year

Occupancy (%)

2023, 2022, 2021 monthly data:

Month	2023	2022	2021
January	39%	51%	52%
February	42%	50%	46%
March	44%	51%	64%
April	46%	57%	51%
May	46%	57%	64%
June	59%	66%	78%
July	72%	82%	88%
August		76%	85%
September		71%	81%
October		53%	62%
November		42%	56%
December		37%	53%

Source: AirDNA (Airbnb/Vrbo Short Term Rentals)

Kalispell Short Term Rentals Occupancy decreased 12.6%, ADR decreased 3.6%, and RevPAR decreased 15.7% Year-Over-Year

Average Daily Rate ($)

Source: AirDNA (Airbnb/Vrbo Short Term Rentals)
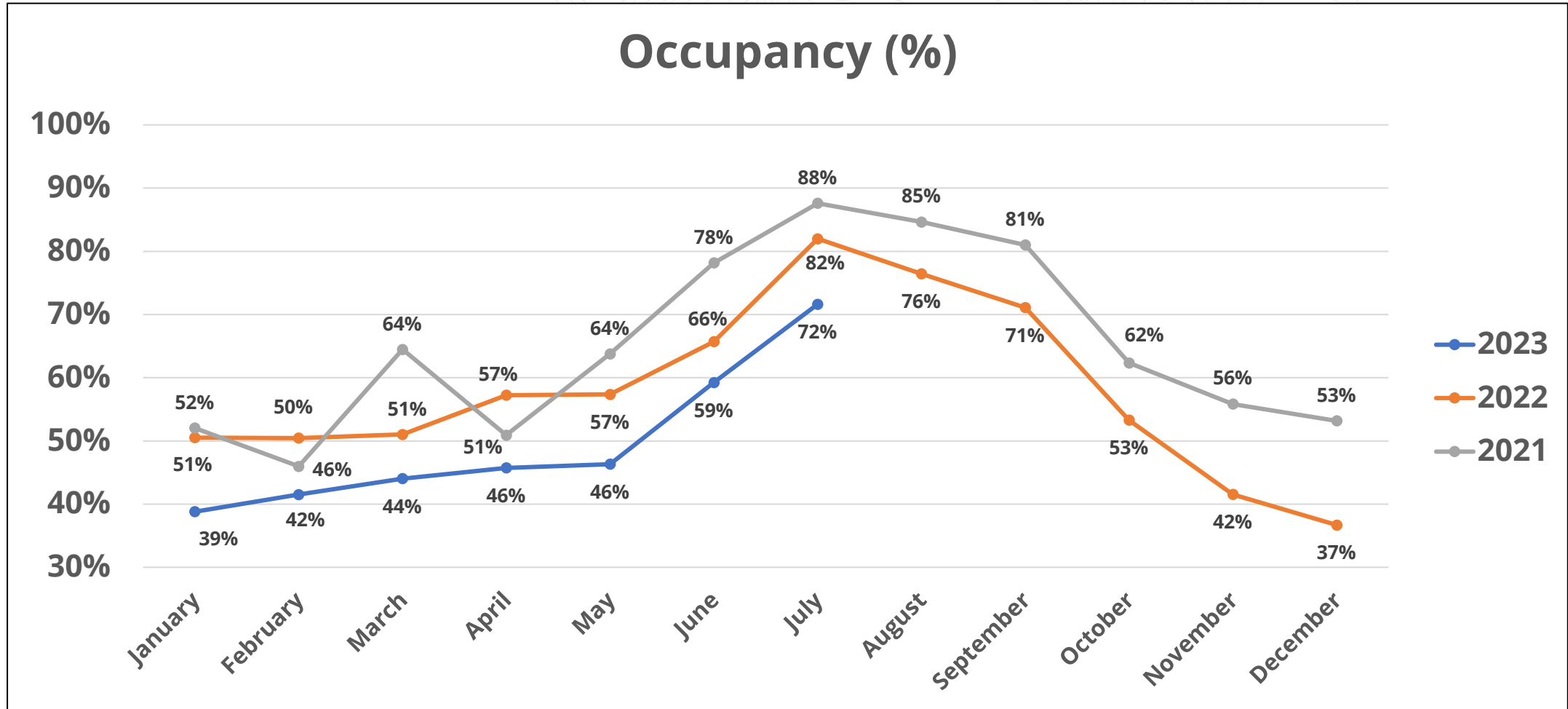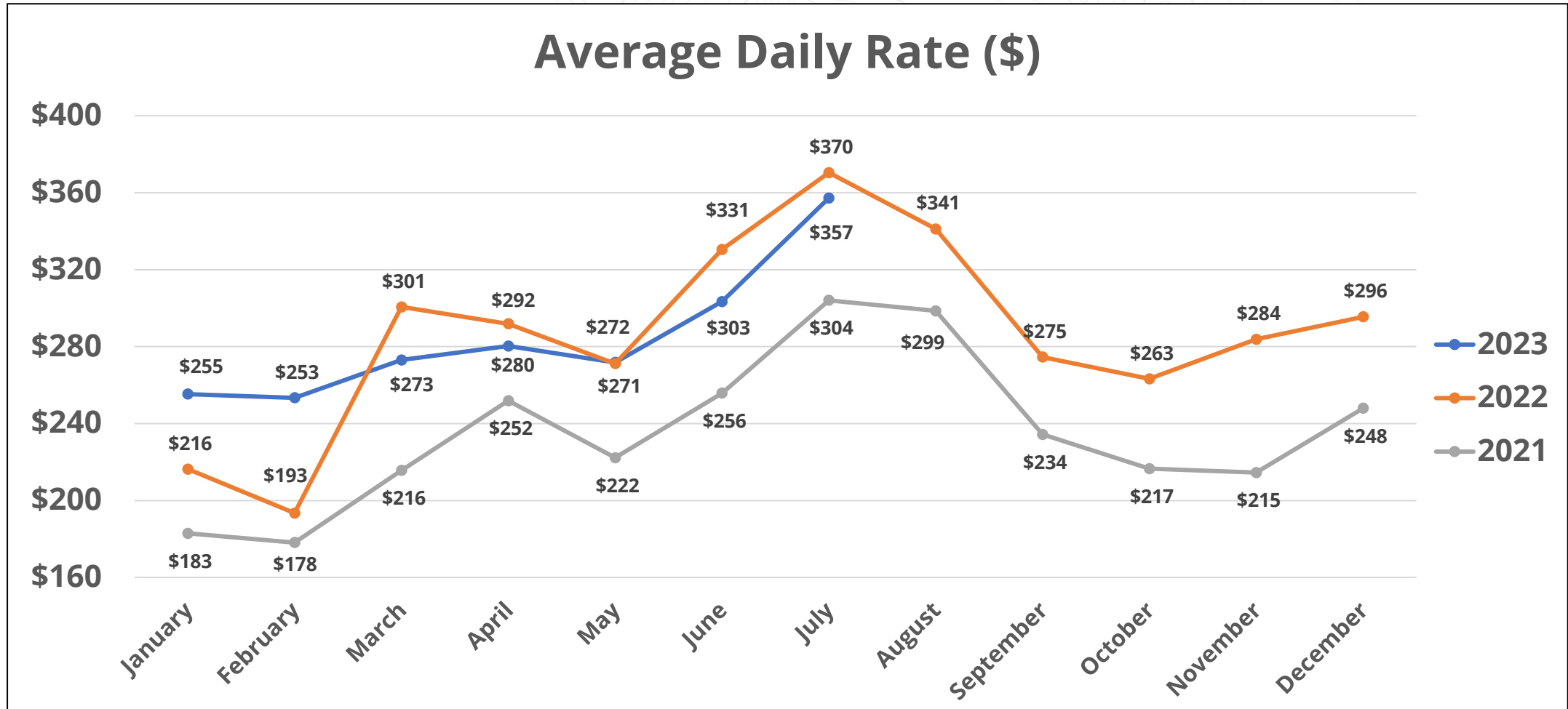
AirDNA Short Term Rentals - RevPAR

Kalispell Short Term Rentals Occupancy decreased 12.6%, ADR decreased 3.6%, and RevPAR decreased 15.7% Year-Over-Year

Revenue Per Available Rental ($)

Data points by month:

Month	2023	2022	2021
January	$99	$109	$95
February	$105	$98	$82
March	$120	$153	$139
April	$128	$167	$130
May	$126	$157	$142
June	$180	$217	$200
July	$256	$304	$266
August	$253	$261	$253
September	$190	$195	$195
October	$135	$140	$140
November	$120	$118	$118
December	$108	$108	$132

Source: AirDNA (Airbnb/Vrbo Short Term Rentals)
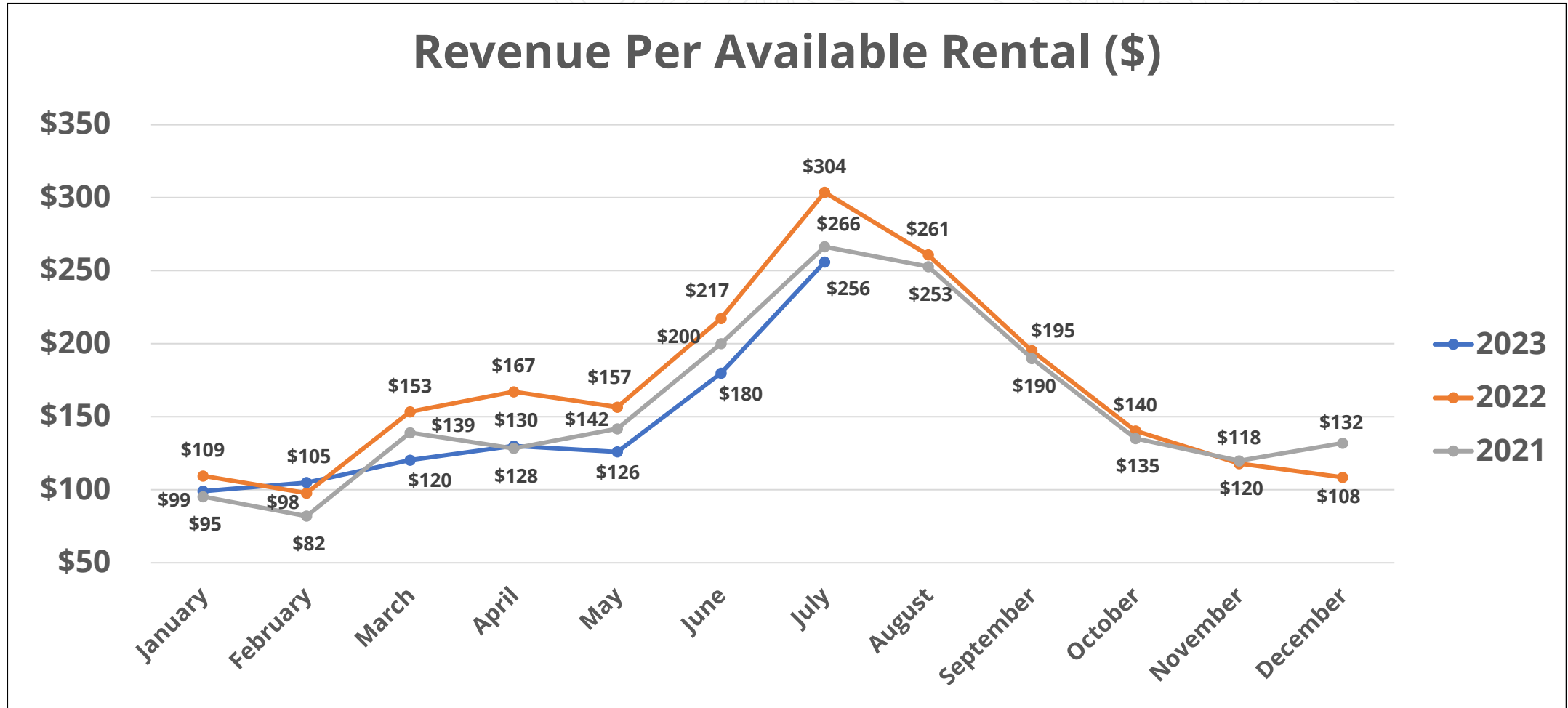
AirDNA Short Term Rentals – Supply

Kalispell Short Term Rentals Supply increased 68.6%, Demand increased 47.3%, and Total Revenue increased 42.0% Year-Over-Year

Supply (Nights Available)

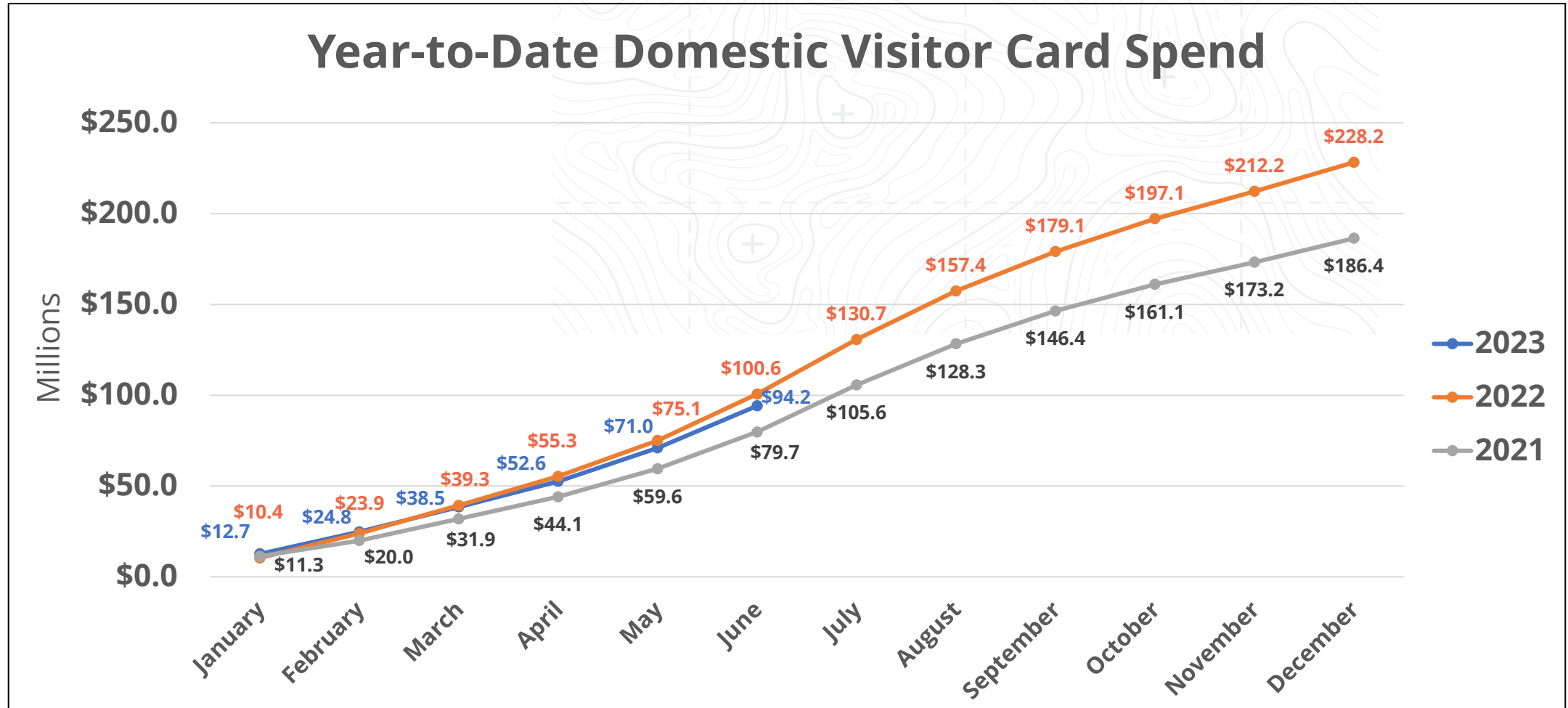Legend: 2023, 2022, 2021

Month	2023	2022	2021
January	2,631	1,318	
February	2,546	1,094	
March	3,262	1,229	
April	2,926	1,527	
May	4,099	2,429	
June	5,276	3,106	
July	6,532	3,875	

Source: AirDNA (Airbnb/Vrbo Short Term Rentals)
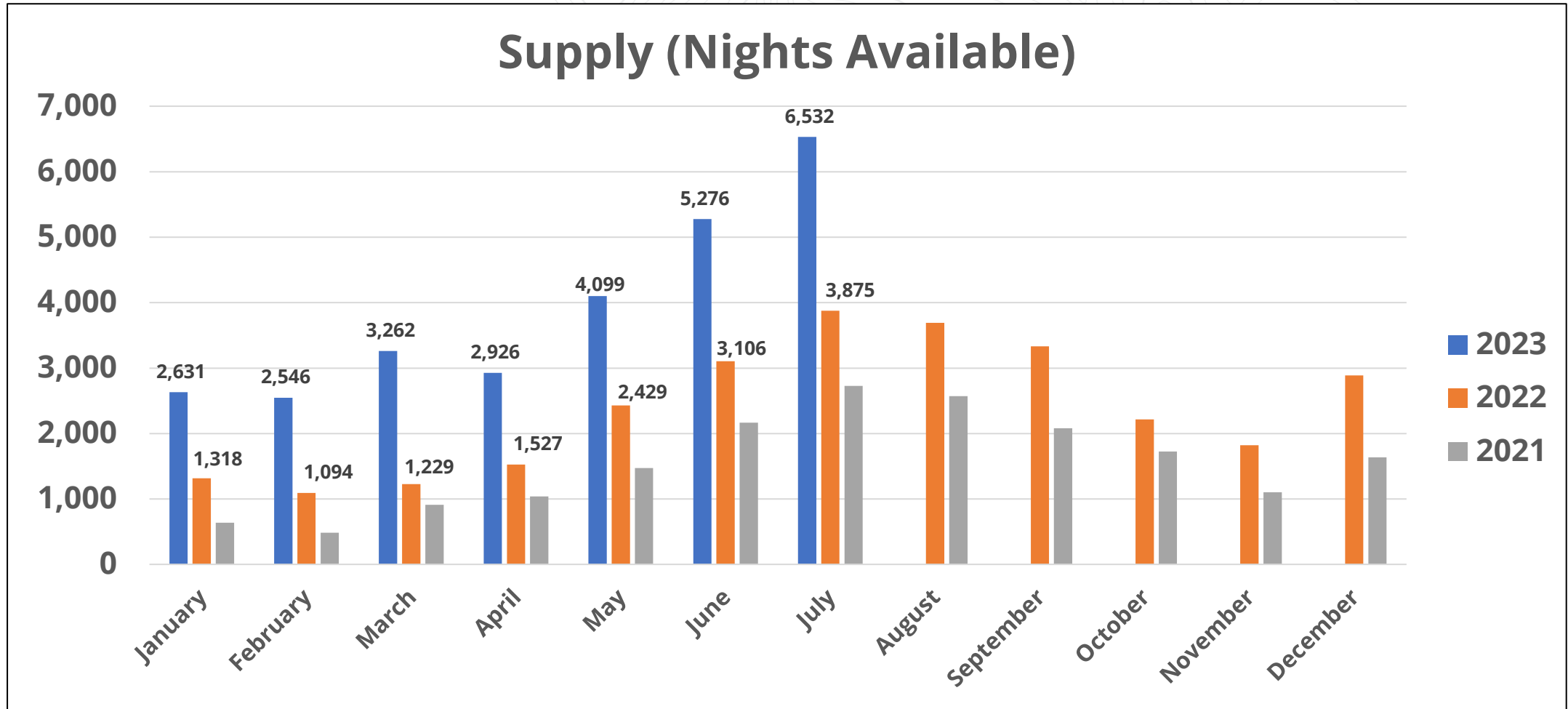
AirDNA Short Term Rentals – Demand

Kalispell Short Term Rentals Supply increased 68.6%, Demand increased 47.3%, and Total Revenue increased 42.0% Year-Over-Year

Demand (Nights Booked)

Legend: 2023 (blue), 2022 (orange), 2021 (grey)

Labeled values:
- January: 2023 = 1,041; 2022 = 666
- February: 2023 = 1,063; 2022 = 552
- March: 2023 = 1,434; 2022 = 627
- April: 2023 = 1,349; 2022 = 874
- May: 2023 = 1,899; 2022 = 1,404
- June: 2023 = 3,126; 2022 = 2,041
- July: 2023 = 4,679; 2022 = 3,177

Source: AirDNA (Airbnb/Vrbo Short Term Rentals)

AirDNA Short Term Rentals – Total Revenue

Kalispell Short Term Rentals Supply increased 68.6%, Demand increased 47.3%, and Total Revenue increased 42.0% Year-Over-Year

Total Revenue ($)

Source: AirDNA (Airbnb/Vrbo Short Term Rentals)
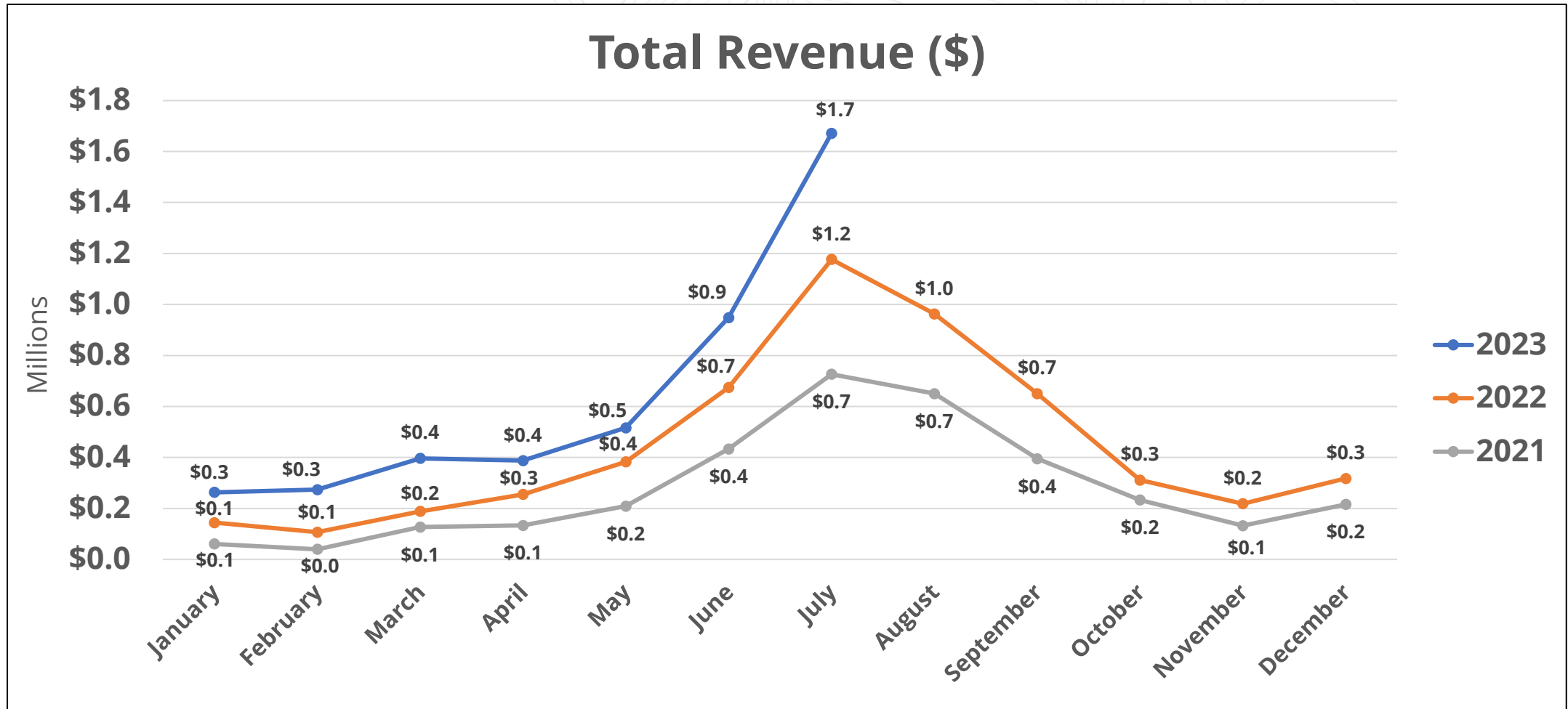
SECTION 04.

Visa Destination Insights

Visa – Domestic Visitor Spending

Kalispell Domestic Visitor Visa Card Spend decreased 9.1% and Year-to-Date Spend decreased 6.4%

Domestic Visitor Card Spend by Month

Millions

2023
2022
2021

Source: Visa Destination Insights

Visa – Domestic Visitor Spending

Kalispell Domestic Visitor Visa Card Spend decreased 9.1% and Year-to-Date Spend decreased 6.4%

Year-to-Date Domestic Visitor Card Spend

Millions

2023
- January: $12.7
- February: $24.8
- March: $38.5
- April: $52.6
- May: $71.0
- June: $94.2

2022
- January: $10.4
- February: $23.9
- March: $39.3
- April: $55.3
- May: $75.1
- June: $100.6
- July: $130.7
- August: $157.4
- September: $179.1
- October: $197.1
- November: $212.2
- December: $228.2

2021
- January: $11.3
- February: $20.0
- March: $31.9
- April: $44.1
- May: $59.6
- June: $79.7
- July: $105.6
- August: $128.3
- September: $146.4
- October: $161.1
- November: $173.2
- December: $186.4

Source: Visa Destination Insights
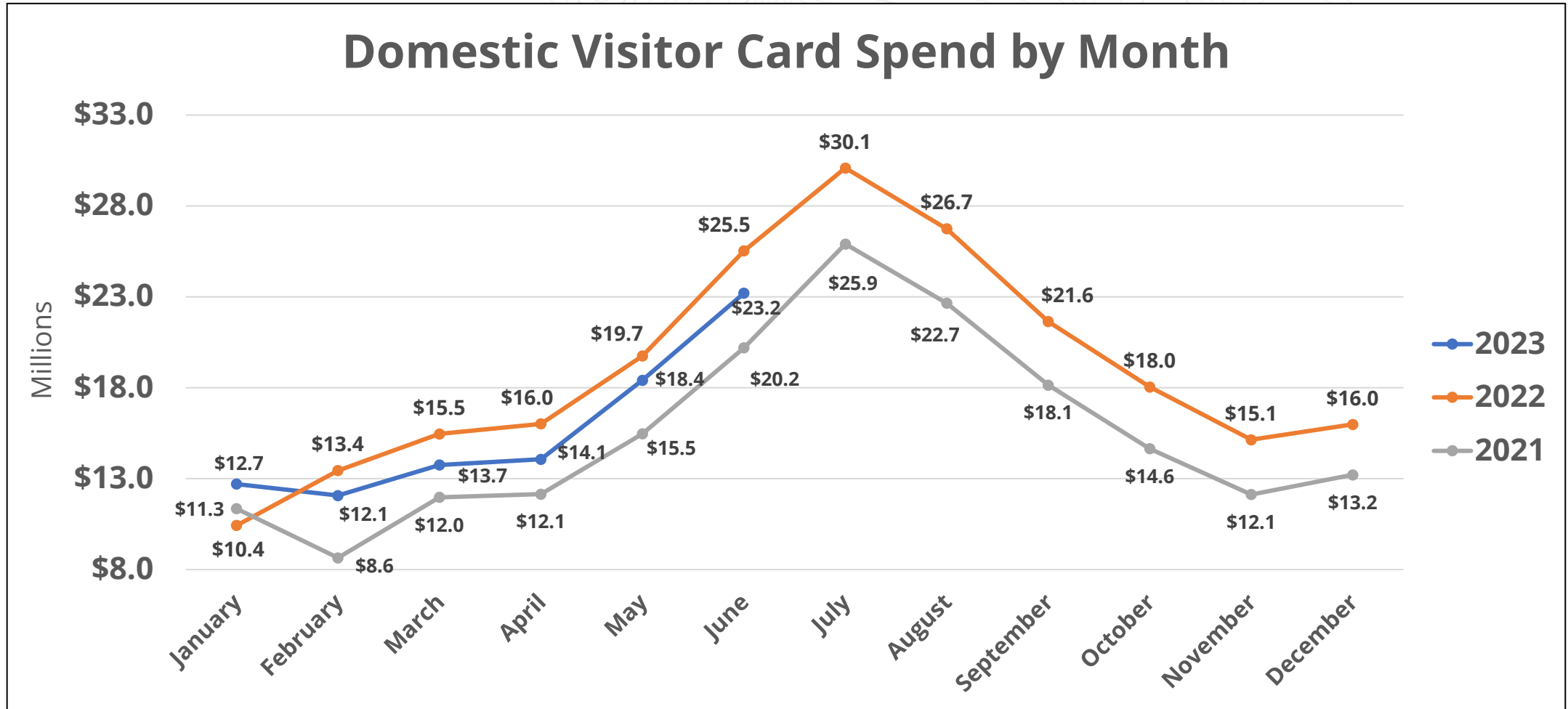
Visa – Domestic Visitor Origin

Rank	Origin Market	Spend ($)	YoY % Change	Card Count	YoY % Change
1	Missoula, MT	$3,393,442	2%	19,035	13%
2	Seattle-Tacoma-Bellevue, WA	$1,895,226	-18%	8,056	-5%
3	Bozeman, MT	$1,228,994	7%	7,380	25%
4	Phoenix-Mesa-Chandler, AZ	$1,219,474	-8%	4,305	-1%
5	Los Angeles-Long Beach-Anaheim, CA	$1,189,029	-4%	4,668	7%
6	Great Falls, MT	$1,013,934	4%	6,515	5%
7	Salt Lake City, UT	$1,002,055	-52%	27,450	-50%
8	Helena, MT	$991,188	-2%	6,505	2%
9	Portland-Vancouver-Hillsboro, OR-WA	$923,257	-17%	4,826	1%
10	Spokane-Spokane Valley, WA	$821,850	-10%	5,428	3%
11	Billings, MT	$785,810	8%	3,893	7%
12	New York-Newark-Jersey City, NY-NJ-PA	$692,653	-77%	2,576	-47%
13	Coeur d'Alene, ID	$656,736	-16%	4,096	3%
14	San Francisco-Oakland-Berkeley, CA	$638,209	0%	4,316	104%
15	San Diego-Chula Vista-Carlsbad, CA	$629,539	-19%	2,216	-2%

Source: Visa Destination Insights

DISCOVER
Kalispell
MT

Consumer Sentiment & Macroeconomic Data

*Survey Fielded July 19, 2023; US National Sample of 1,000 adults 18+

IMPACT ON TRAVEL PLANS

Travelers with Travel Plans in the Next Six Months Comparison
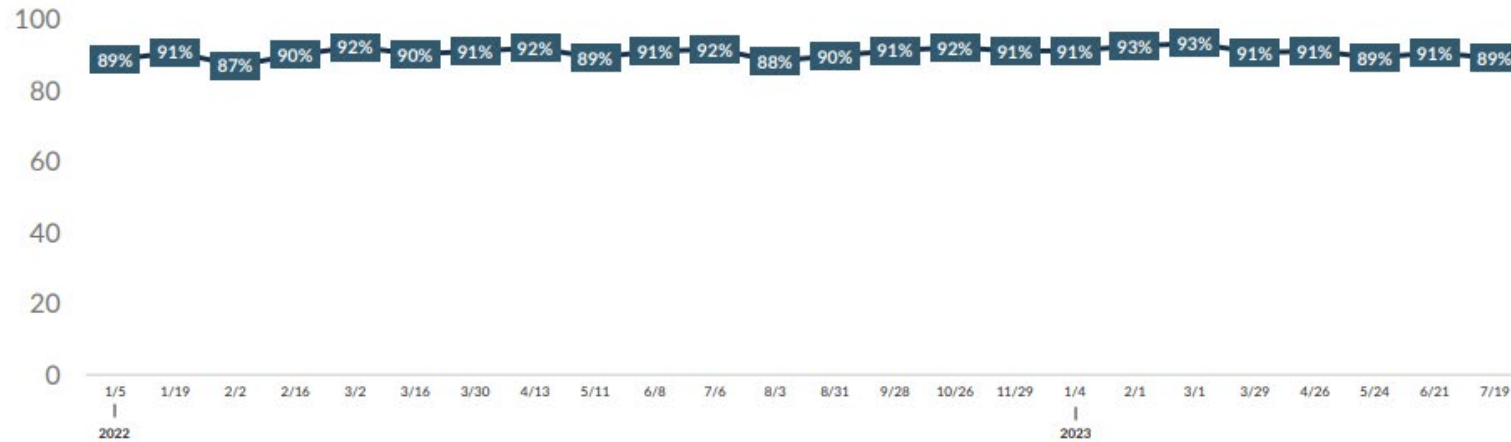
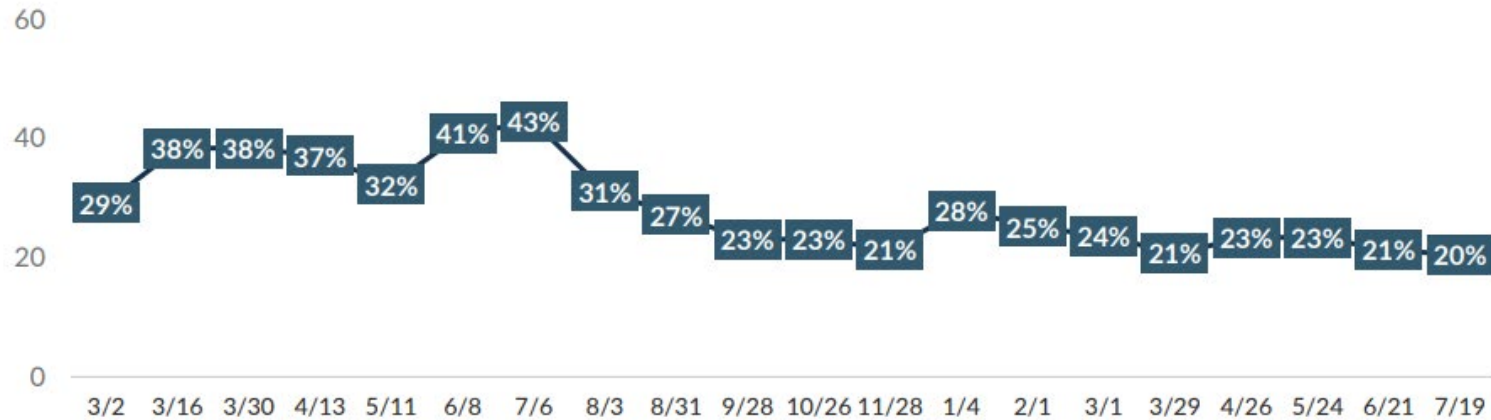*Note: Data spanning multiple years, beginning from 1/5/2022.
Travel Sentiment Study Wave 76

Source: Longwoods International

LONGWOODS INTERNATIONAL – Travel Sentiment Study Wave 76

*Survey Fielded July 19, 2023; US National Sample of 1,000 adults 18+

IMPACT ON TRAVEL PLANS

Indicated that Coronavirus Would Greatly Impact their Decision to Travel in the Next Six Months

*Note: Data spanning multiple years, beginning from 1/5/2022.
Travel Sentiment Study Wave 76

Longwoods INTERNATIONAL | miles PARTNERSHIP
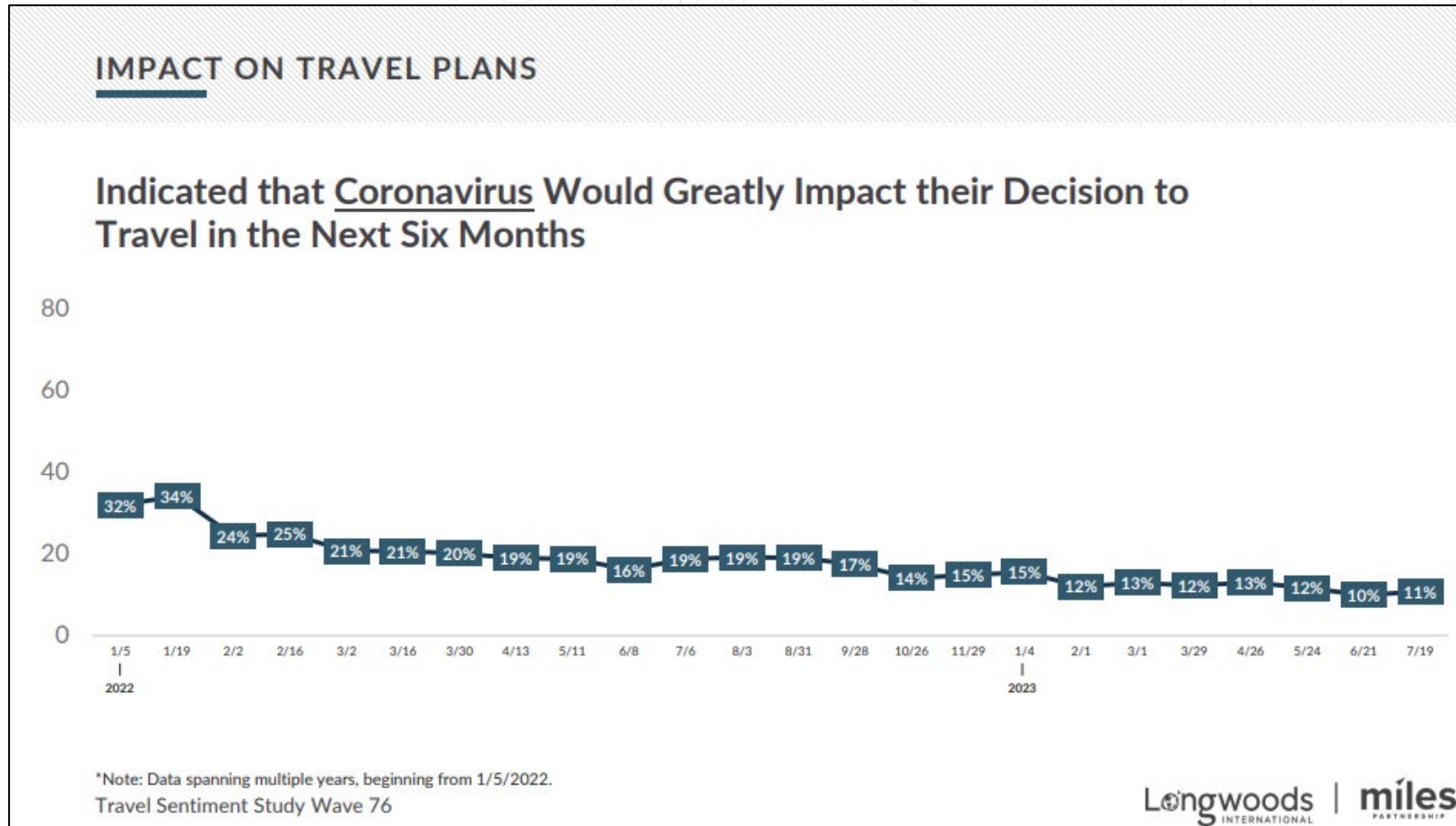
Source: Longwoods International

*Survey Fielded July 19, 2023; US National Sample of 1,000 adults 18+

IMPACT ON TRAVEL PLANS

Indicated that Concerns About Personal Financial Situation Would Greatly Impact their Decision to Travel in the Next Six Months
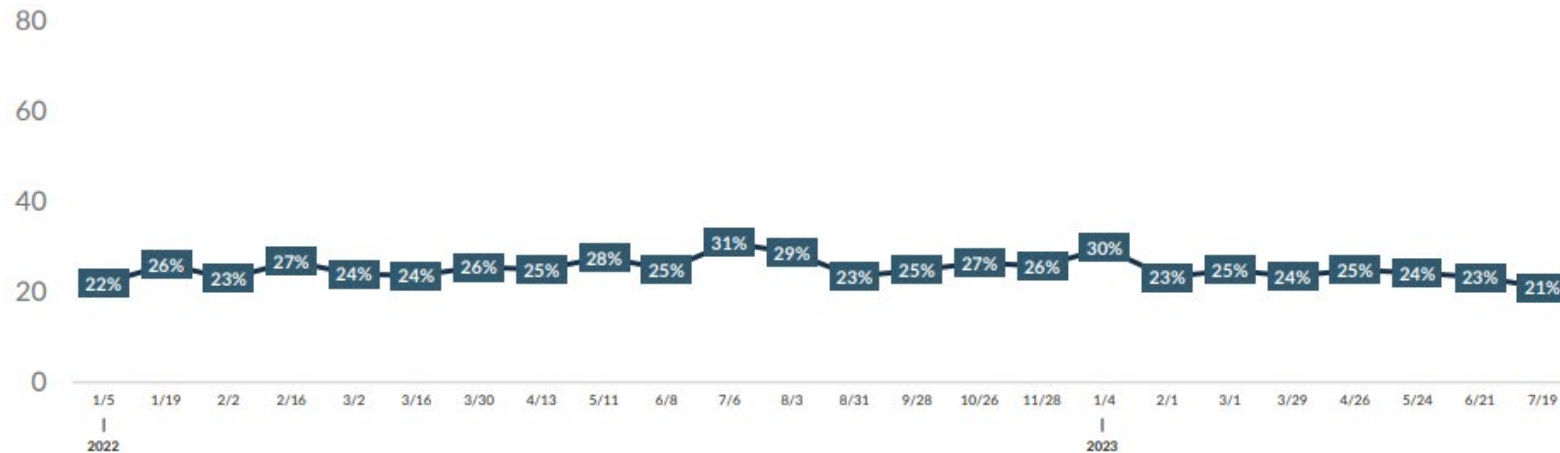
*Note: Data spanning multiple years, beginning from 1/5/2022.
Travel Sentiment Study Wave 76

Source: Longwoods International

LONGWOODS INTERNATIONAL – Travel Sentiment Study Wave 76

*Survey Fielded July 19, 2023; US National Sample of 1,000 adults 18+

IMPACT ON TRAVEL PLANS

Indicated that Transportation Costs Would Greatly Impact their Decision to Travel in the Next Six Months
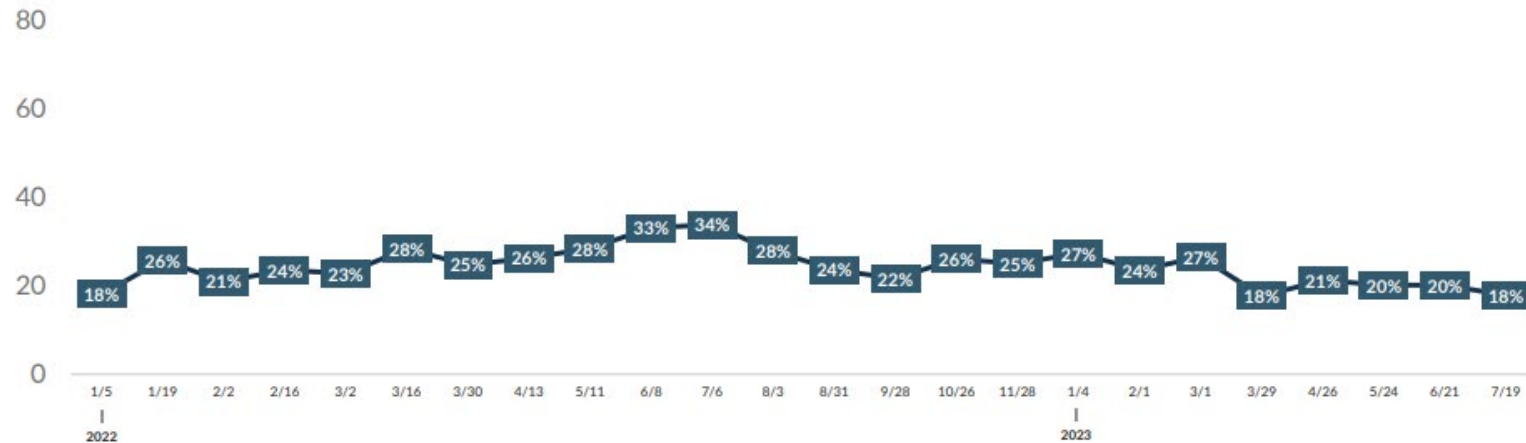
*Note: Data spanning multiple years, beginning from 1/5/2022.
Travel Sentiment Study Wave 76

Source: Longwoods International

*Survey Fielded July 19, 2023; US National Sample of 1,000 adults 18+

IMPACT ON TRAVEL PLANS

Indicated that Gas Prices* Would Greatly Impact their Decision to Travel in the Next Six Months

*Note: Prior to 8/31, respondents were asked about the impact of *rising* gas prices. Beginning on 8/31, *rising* was removed from the question.
Travel Sentiment Study Wave 76

Source: Longwoods International

*Survey Fielded July 19, 2023; US National Sample of 1,000 adults 18+

IMPACT ON TRAVEL PLANS

Indicated that _Inflation_ Would Greatly Impact their Decision to Travel in the Next Six Months

Date	Percent
1/4	30%
2/1	29%
3/1	32%
3/29	26%
4/26	27%
5/24	28%
6/21	24%
7/19	23%

Travel Sentiment Study Wave 76

Longwoods INTERNATIONAL | miles PARTNERSHIP

Source: Longwoods International

*Survey Fielded July 19, 2023; US National Sample of 1,000 adults 18+

IMPACT ON TRAVEL PLANS

Indicated that <u>Airfare Prices</u> Would Greatly Impact their Decision to Travel in the Next Six Months

Date	1/4	2/1	3/1	3/29	4/26	5/24	6/21	7/19
%	31%	24%	30%	25%	25%	25%	24%	23%

Travel Sentiment Study Wave 76

Longwoods INTERNATIONAL | miles PARTNERSHIP
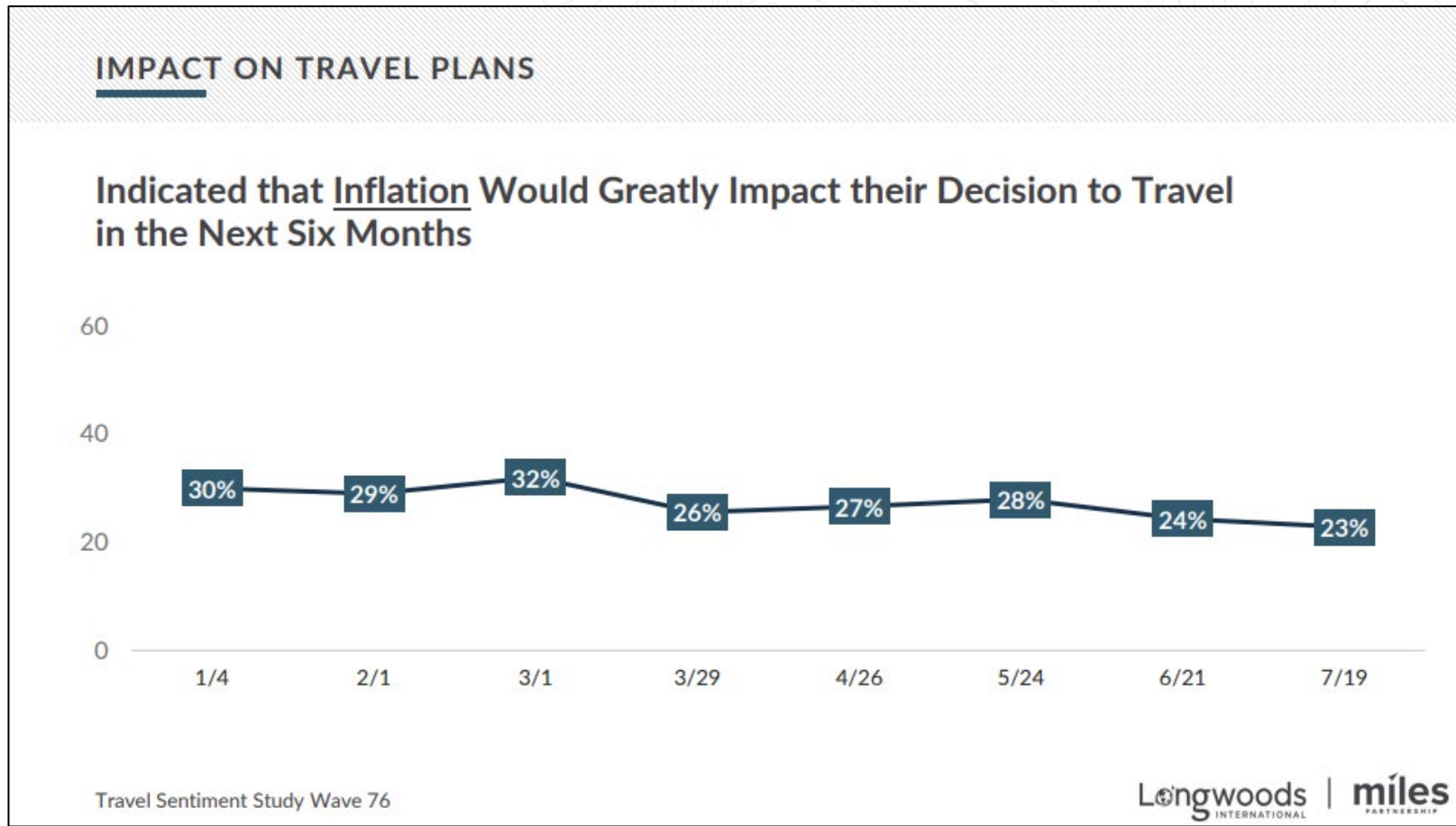
Source: Longwoods International

*Survey Fielded July 17-21, 2023; Representative sample of adult American travelers; N=4,000+

Question: Would you say that you (and your household) are better off or worse off financially than you were a year ago?

% Better or Much Better
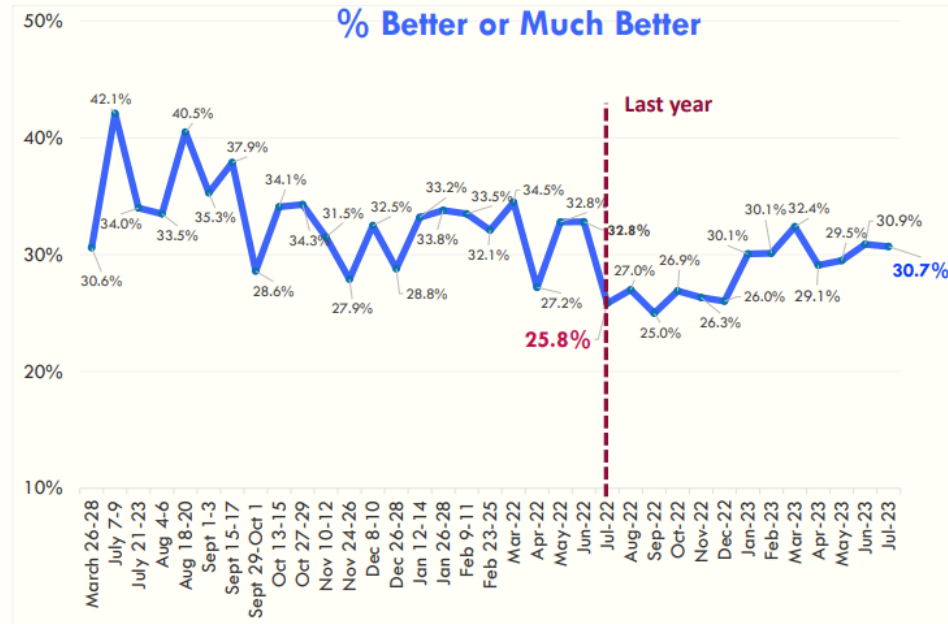
Travelers are feeling better off financially than they were one year ago.

Source: Destination Analysts

*Survey Fielded July 17-21, 2023; Representative sample of adult American travelers; N=4,000+
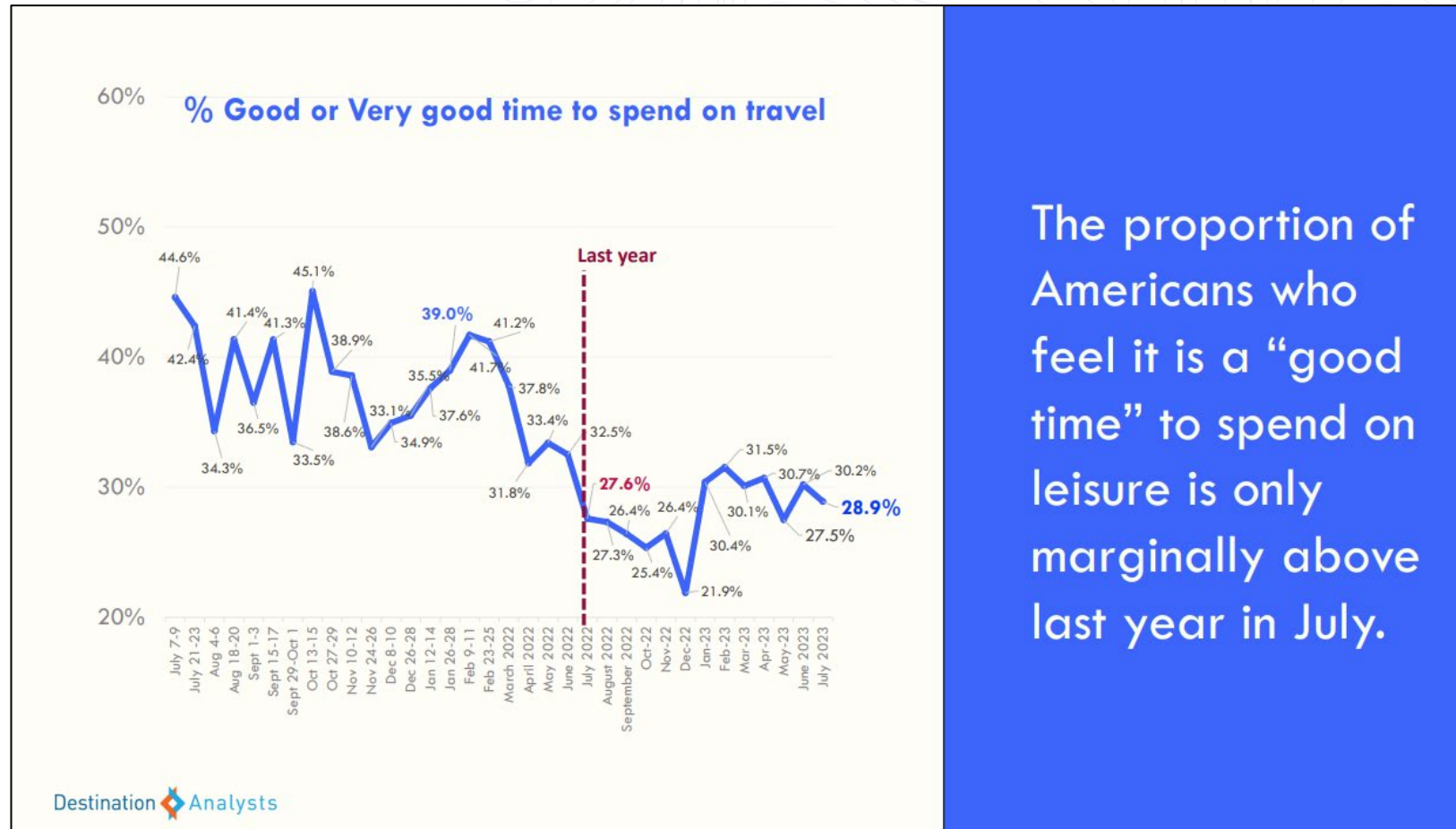
The proportion of Americans who feel it is a "good time" to spend on leisure is only marginally above last year in July.

Source: Destination Analysts

MAXIMUM TRAVEL SPENDING: NEXT 12 MONTHS—TIME SERIES

Question: How much IN TOTAL is the maximum you will spend on leisure travel (including airfare, accommodations and all other trip related spending) during the NEXT 12 MONTHS?

Maximum I would spend on leisure travel (next 12 months):
_____

(Base: All respondents, 1,200+ completed surveys each wave in 2021. 4,000+ completed surveys each wave in 2022 and 2023)
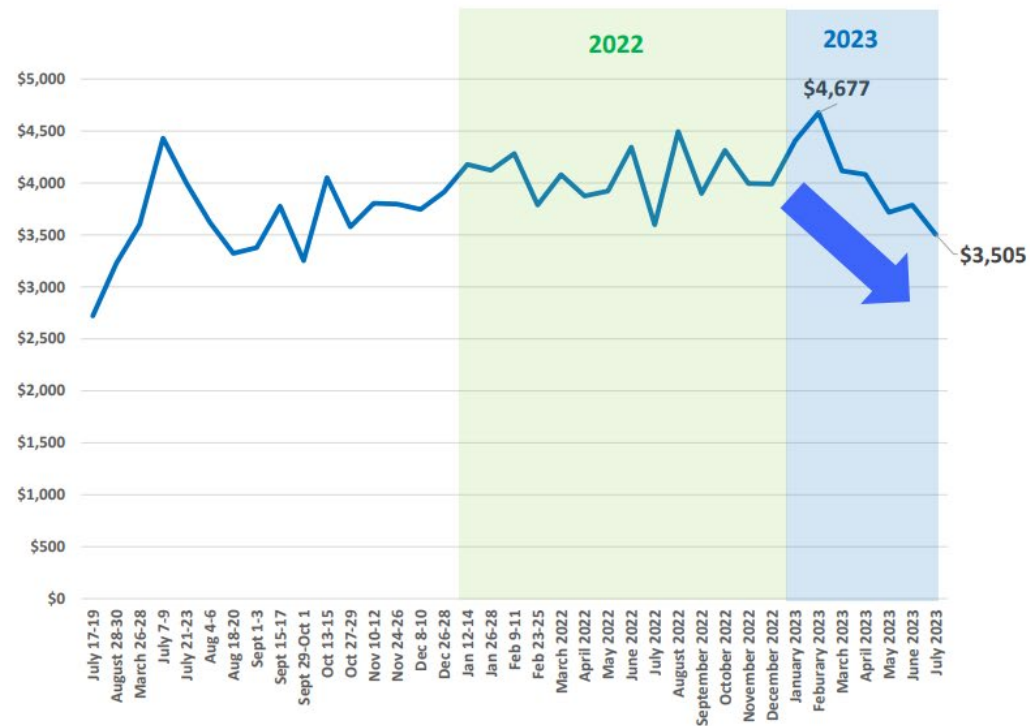
$4,677
$3,505

Source: Destination Analysts

% Expecting a Recession in the Next 6 Months

Recessionary concerns continue to diminish.

Source: Destination Analysts

% Being Cautious with Money Due to Recessionary Concerns

- September 2022: 65.7%
- October 2022: 67.6%
- November 2022: 64.8%
- December 2022: 62.5%
- January 2023: 61.4%
- February 2023: 58.1%
- March 2023: 60.4%
- April 2023: 60.4%
- May 2023: 62.6%
- June 2023: 60.5%
- July 2023: 61.4%

The proportion of travelers exercising spending caution due recessionary concerns increased slightly month.
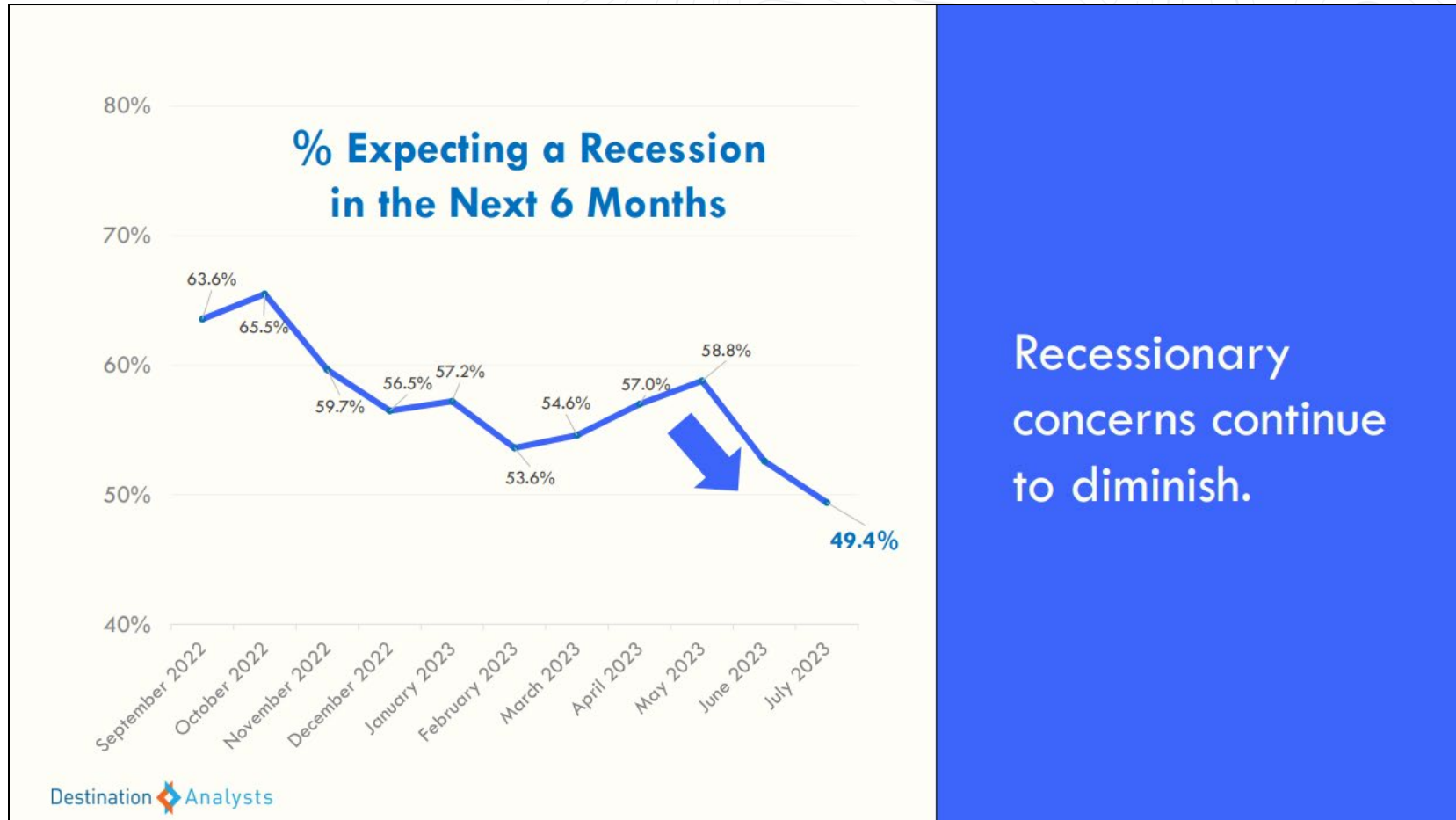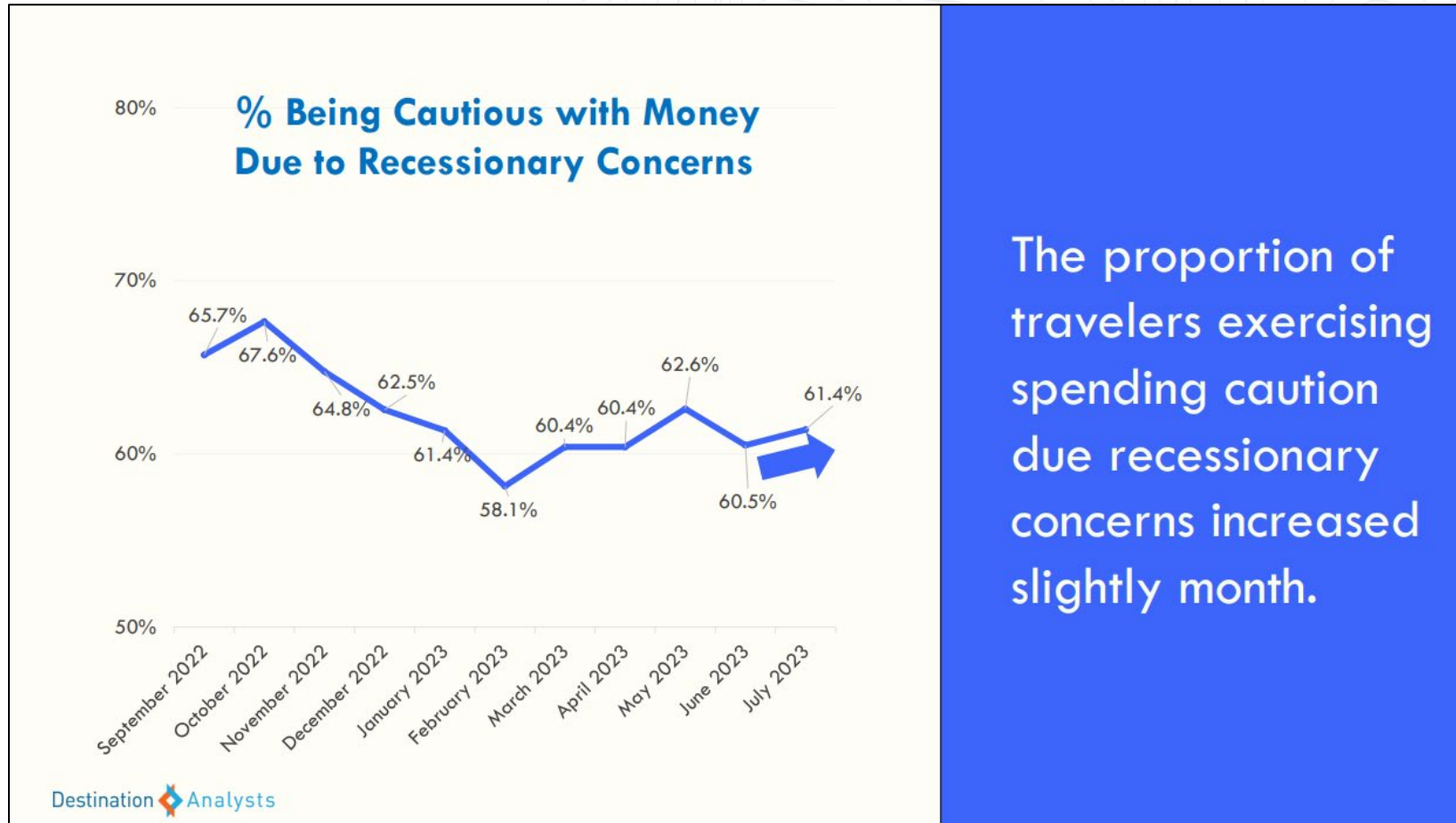
Destination Analysts

Source: Destination Analysts

*Survey Fielded July 17-21, 2023; Representative sample of adult American travelers; N=4,000+

Question: Which best describes how excited you are about **LEISURE TRAVEL** in the **NEXT TWELVE (12) MONTHS?** (Please answer using the 11-point scale below)
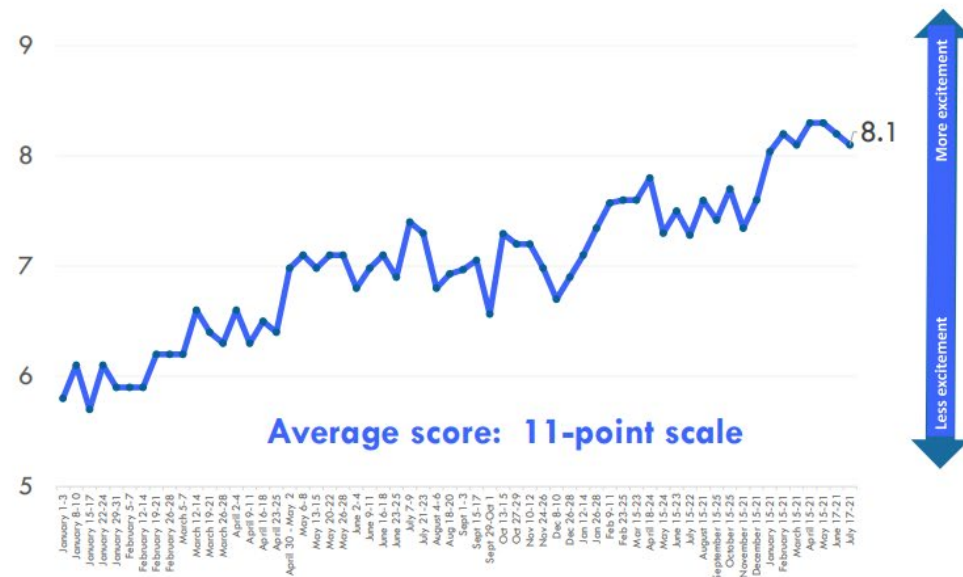
Average score: 11-point scale

8.1

More excitement

Less excitement

Despite being down slightly from last month, travel enthusiasm remains at record levels

Source: Destination Analysts

Source: Destination Analysts

*Survey Fielded July 17-21, 2023; Representative sample of adult American travelers; N=4,000+

Statement: Recent inflation in consumer prices has led me to cancel an upcoming trip.
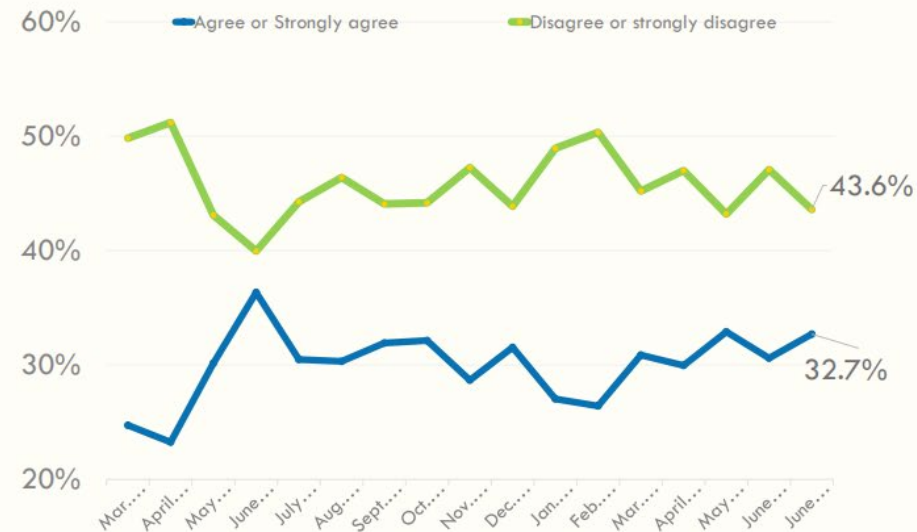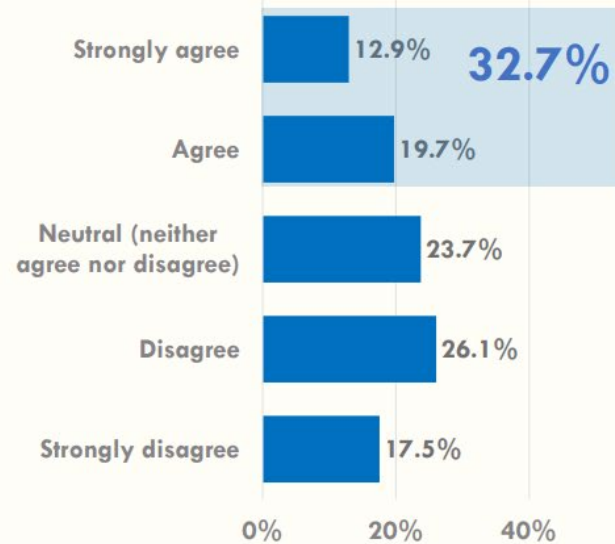
Strongly agree — 12.9% — **32.7%**
Agree — 19.7%
Neutral (neither agree nor disagree) — 23.7%
Disagree — 26.1%
Strongly disagree — 17.5%

Agree or Strongly agree — 32.7%
Disagree or strongly disagree — 43.6%

(Base: All respondents, 4,011 completed surveys. Data collected July 17-21, 2023.)

Source: Destination Analysts

Question: LOOKING FORWARD—do you feel that a year from now, you (and your household) will be better off financially, or worse off, or just about the same as now?
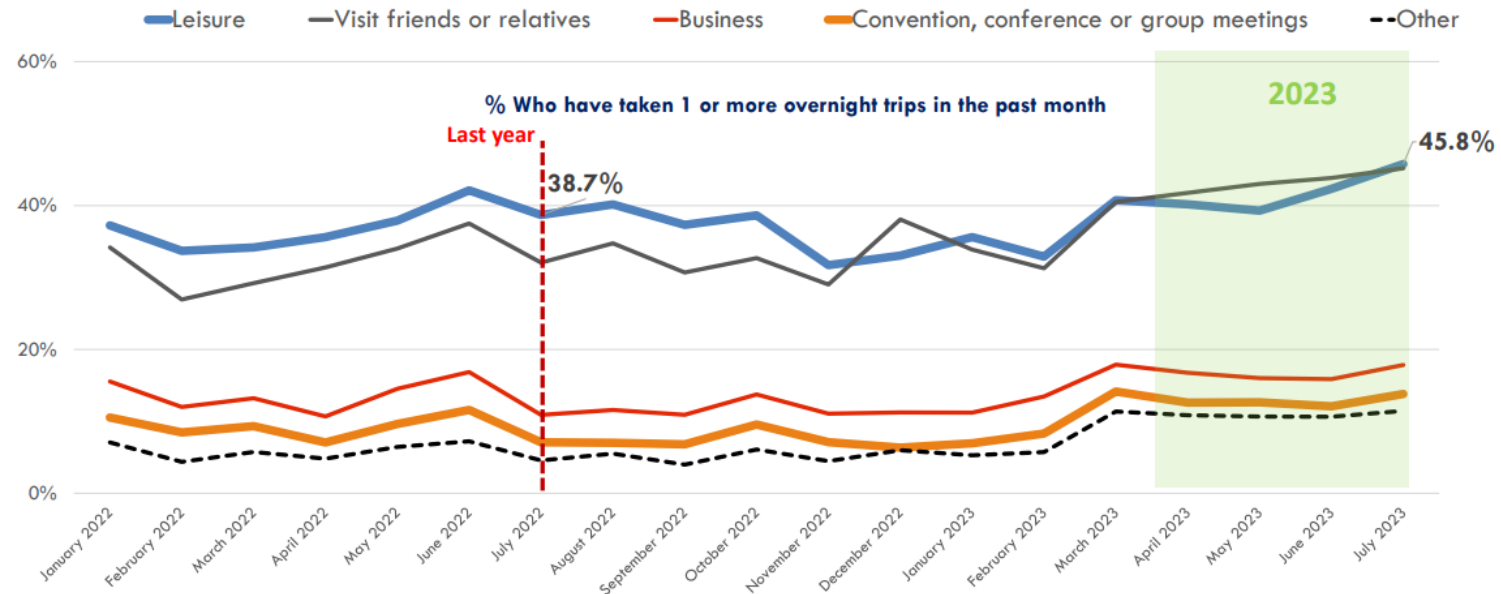
% Better or Much Better
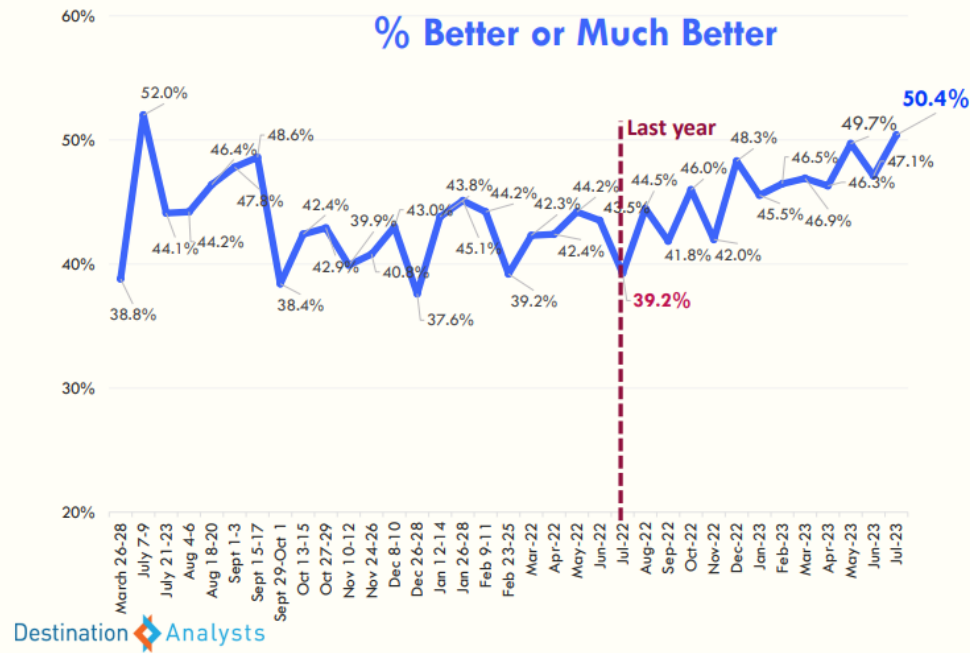
Traveler expectations for their financial prospects in the next year continue to improve.

Source: Destination Analysts

OVERNIGHT TRIPS IN THE PAST MONTH: BY TRIP TYPE

Question: How many OVERNIGHT trips of each type have you taken in the PAST MONTH? (Select the correct number of each trip type)
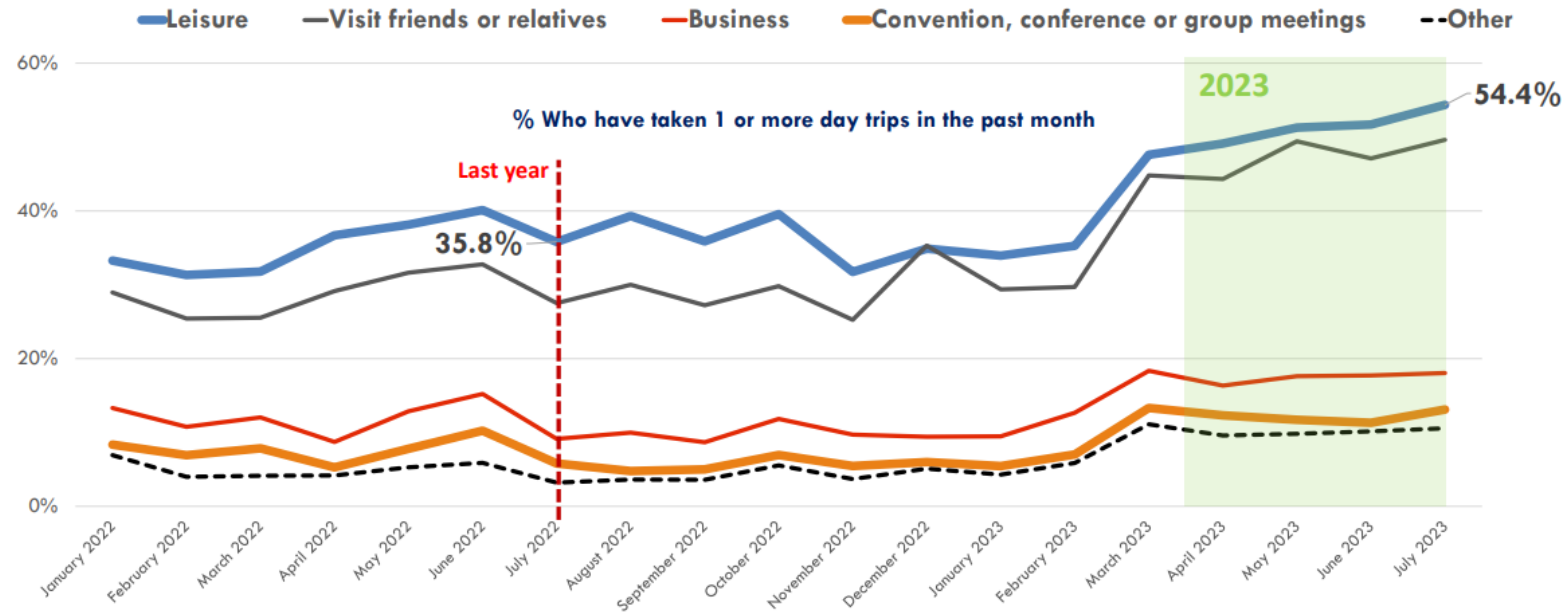
Legend: Leisure — Visit friends or relatives — Business — Convention, conference or group meetings — Other

% Who have taken 1 or more overnight trips in the past month

Last year: 38.7%

2023

45.8%

Source: Destination Analysts

DESTINATION ANALYSTS – The State of the American Traveler

***Survey Fielded July 17-21, 2023; Representative sample of adult American travelers; N=4,000+**

Source: Destination Analysts

POPULAR NATIONAL PARKS WILL BE OVER-RUN WITH TOURISTS

Question: Let's talk about next year. Thinking about how 2023 will evolve, how likely do you think each of the following will be?

Response	Percentage
Certain – 100% chance	4.7%
Extremely likely	13.0%
Likely	27.0%
Neither likely nor unlikely	32.5%
Unlikely	17.9%
Extremely unlikely	3.5%
Impossible – 0% chance	1.4%

44.7%

(Base: All respondents, 4,011 completed surveys. Data collected July 17-21, 2023.)

Destination Analysts

Source: Destination Analysts

*Survey Fielded July 17-21, 2023; Representative sample of adult American travelers; N=4,000+

POPULAR NATIONAL PARKS WILL BE OVER-RUN WITH TOURISTS

Question: Let's talk about next year. Thinking about how 2023 will evolve, how likely do you think each of the following will be?
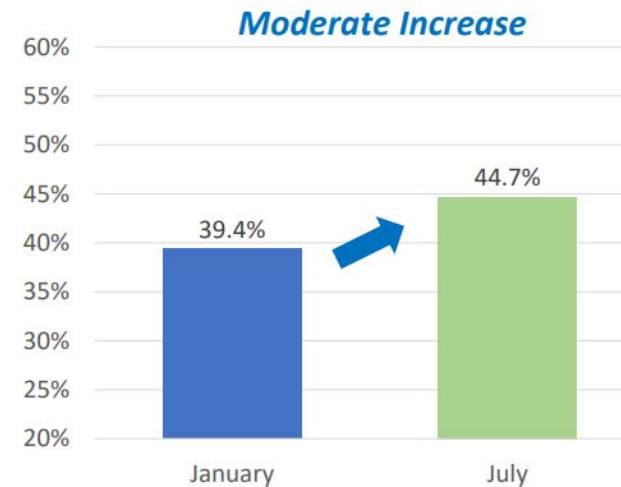
Moderate Increase

January: 39.4%
July: 44.7%

(Base: All respondents, 4,011 completed surveys. Data collected July 17-21, 2023.)

Top 3 Box Score: Certain, Extremely Likely or Likely

Destination Analysts

Source: Destination Analysts

DESTINATION ANALYSTS – The State of the American Traveler

*Survey Fielded July 17-21, 2023; Representative sample of adult American travelers; N=4,000+

WILDFIRES WILL BE A PROBLEM IN THE WESTERN USA

Question: Let's talk about next year. Thinking about how 2023 will evolve, how likely do you think each of the following will be?
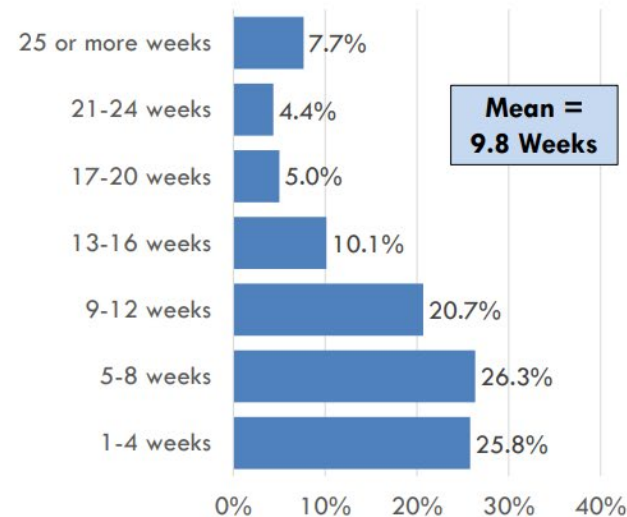
Certain – 100% chance	11.2%
Extremely likely	22.9%
Likely	37.8%
Neither likely nor unlikely	20.4%
Unlikely	5.0%
Extremely unlikely	1.6%
Impossible – 0% chance	1.1%

71.9%
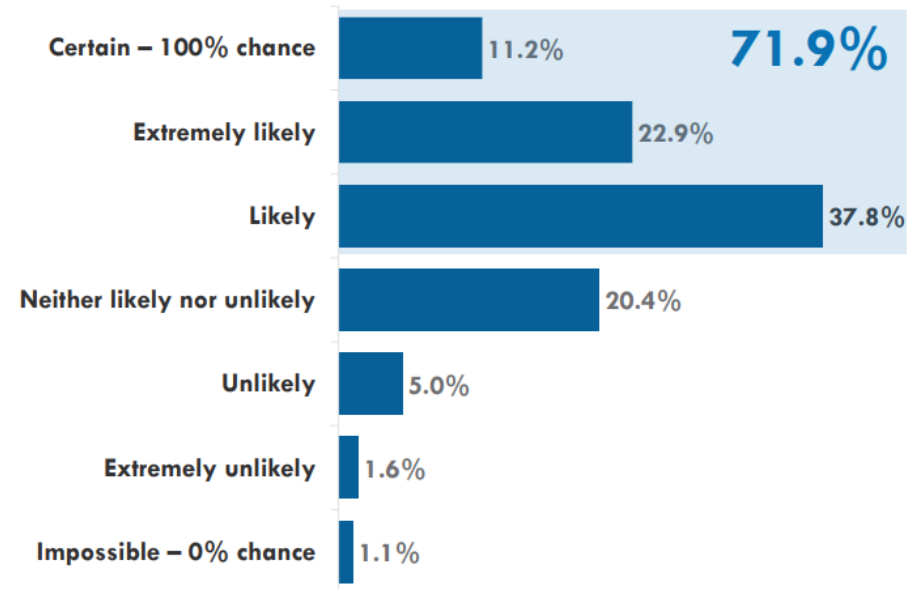
(Base: All respondents, 4,011 completed surveys. Data collected July 17-21, 2023.)

Destination Analysts
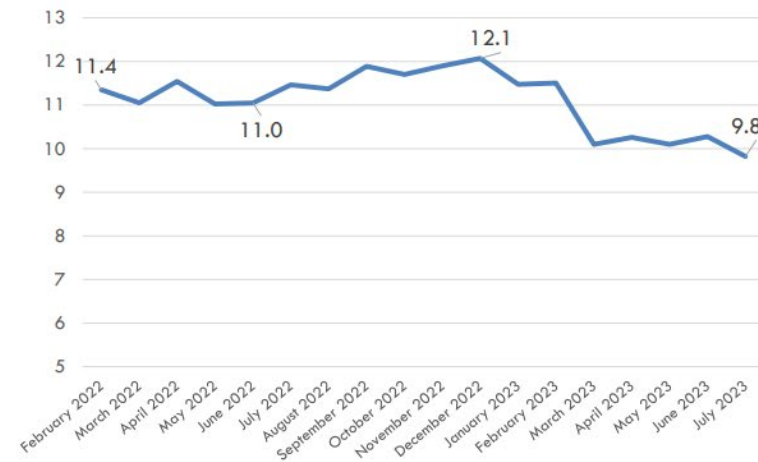
Source: Destination Analysts

*Survey Fielded July 17-21, 2023; Representative sample of adult American travelers; N=4,000+

PLANNING WINDOW FOR DOMESTIC LEISURE TRAVEL

Question: How many weeks IN ADVANCE would you typically begin planning a domestic leisure trip (of at least one week in length)?

Planning Window	Percentage
25 or more weeks	7.7%
21-24 weeks	4.4%
17-20 weeks	5.0%
13-16 weeks	10.1%
9-12 weeks	20.7%
5-8 weeks	26.3%
1-4 weeks	25.8%

Mean = 9.8 Weeks

Historical data **Mean in Weeks**

11.4 ... 11.0 ... 12.1 ... 9.8

(February 2022 – July 2023)

(Base: All respondents, 4,011 completed surveys. Data collected July 18-22, 2023.)

PAGE 86

Source: Destination Analysts

*Survey Fielded July 17-21, 2023; Representative sample of adult American travelers; N=4,000+

OVERNIGHT TRIPS: PLANNING WINDOW

Question: How many weeks IN ADVANCE did you begin planning your most recent overnight trip?

(Base: Respondents who took an overnight trip, 2,577 completed surveys. Data collected July 18-22, 2023.)

Mean = 6.8 Weeks

Weeks	Percent
25 or more weeks	5.1%
21-24 weeks	1.5%
17-20 weeks	3.2%
13-16 weeks	5.4%
9-12 weeks	12.2%
5-8 weeks	23.2%
0-4 weeks	49.3%

Destination Analysts

PAGE 87

Source: Destination Analysts