



Monthly Research Update

August 2023 Review

Kalispell Trends

- Glacier Park International Airport traffic remains elevated in 2023, with total YTD passenger counts through August 2023 up 5.4% compared to the same time period last year.
 - August 2023 passenger counts increased by 8.2% compared to August 2022.
- Kalispell hotels saw a strong performance in August, and were up 6.3% in Occupancy, 6.9% in ADR, and 13.7% in RevPAR YoY.
 - Total hotel Revenue increased by 13.7% for the month of August YoY.
- Short term rental Total Available Listings grew by 59.7% YoY in August, increasing from 154 Available Listings in August of 2022 to 238 Available Listings in August of 2023.
 - This large increase in supply caused Occupancy to decrease 16.2% from 77% in August of 2022 to 65% in August of 2023, but an increase in total Demand helped Revenue grow by 17.7% 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 in market so far in the first 6 months of 2023.
 - *Note: Visa Destination Insights reports data quarterly and has been update through June of 2023.*

U.S. Market Review - Macroeconomic Summary

- August travelers benefitted from an economy that continues to reduce inflation without triggering the recession that often follows Federal Reserve tightening.
 - According to the Bureau of Labor Statistics (BLS), 187,000 jobs were added in August—an improvement on the more than 157,000 jobs added in July.
 - This signals both a strong August and a sustainable level of hiring moving forward.
- Unemployment increased to 3.8% and is expected to remain stable in the long term.
 - The BLS reported that labor productivity also increased in the second quarter, putting pressure on inflation without the economic drag associated with higher interest rates.
 - Despite higher gas prices pushing up the CPI, core inflation — which strips out volatile food and energy prices — continued to decline in August.
- Prices appear to be stabilizing, the labor market is cooling after a period of overheating, and the Fed has legitimate reasons to hold off on interest rate hikes for the time being.
- There are still many recessionary threats, such as student loan repayments resuming, the possibility of a government shutdown, and the dwindling of American savings accounts, but it appears possible that the long-anticipated recession could be avoided.

U.S. Hotel Performance Summary – August 2023

- Following seasonal patterns, the U.S. hotel industry reported lower performance results from the previous month but improved comparisons year over year, according to August 2023 hotel performance data from Smith Travel Research.
- August 2023 Statistics (percentage change from August 2022)
 - Occupancy: 66.0% (-0.3%)
 - Average Daily Rate: \$153.60 (+1.8%)
 - Revenue Per Available Room: \$101.35 (+1.5%)
- Top 25 Markets Summary
 - Among the Top 25 Markets, Oahu Island experienced the highest Occupancy level (84.4%), which was up 3.4% year-over-year.
 - Markets with the lowest Occupancy included New Orleans (45.7%) and Houston (56.8%).
 - The Top 25 Markets showed higher Occupancy than all other markets for the month of August 2023.

U.S. Market Review – Short Term Rentals

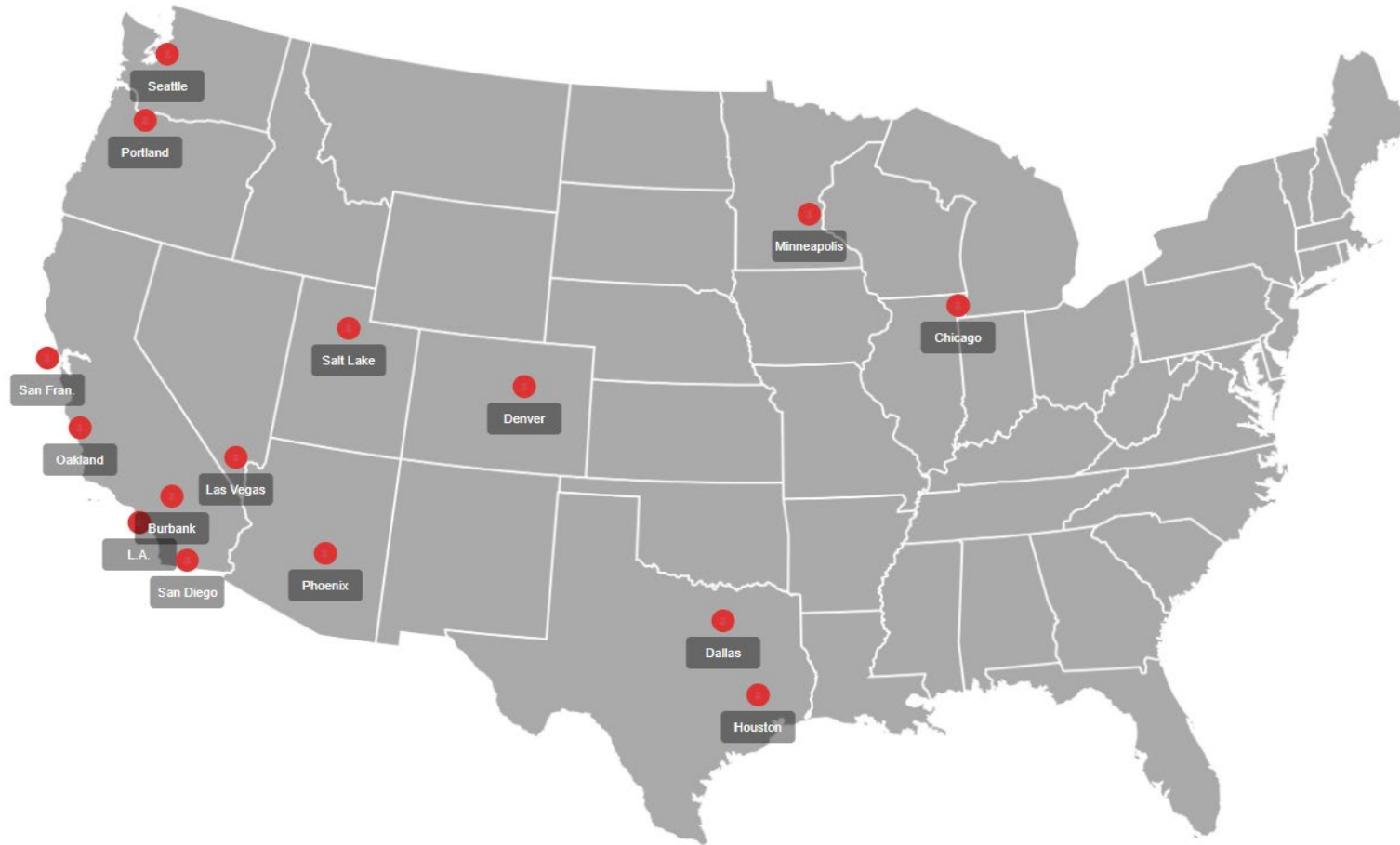
- After July set the all-time record for nights stayed in one month, U.S. short-term rental (STR) Demand cooled in August.
 - Demand grew 7.6% Year-over-Year (YoY), compared to the 9.3% growth in July.
 - Still, this was the biggest August ever, with 21.2 million nights booked, despite a punishing heat wave across much of the nation, devastating wildfires in Hawaii, and a hurricane passing through Florida.
- Key U.S. Short Term Rental Performance Metrics – August 2023
 - Occupancy was 4.2% lower YoY at 60.4% (-0.6% vs. 2019)
 - Average Daily Rate grew 0.1% YoY to \$324.85
 - RevPAR declined 4.0% YoY to \$235.50
 - Total Available Listings reached 1.53 million, up 13.7% YoY
 - Total Demand (nights sold) rose 7.6% YoY

SECTION 01.

Glacier Park International Airport Data

Glacier Park International Airport

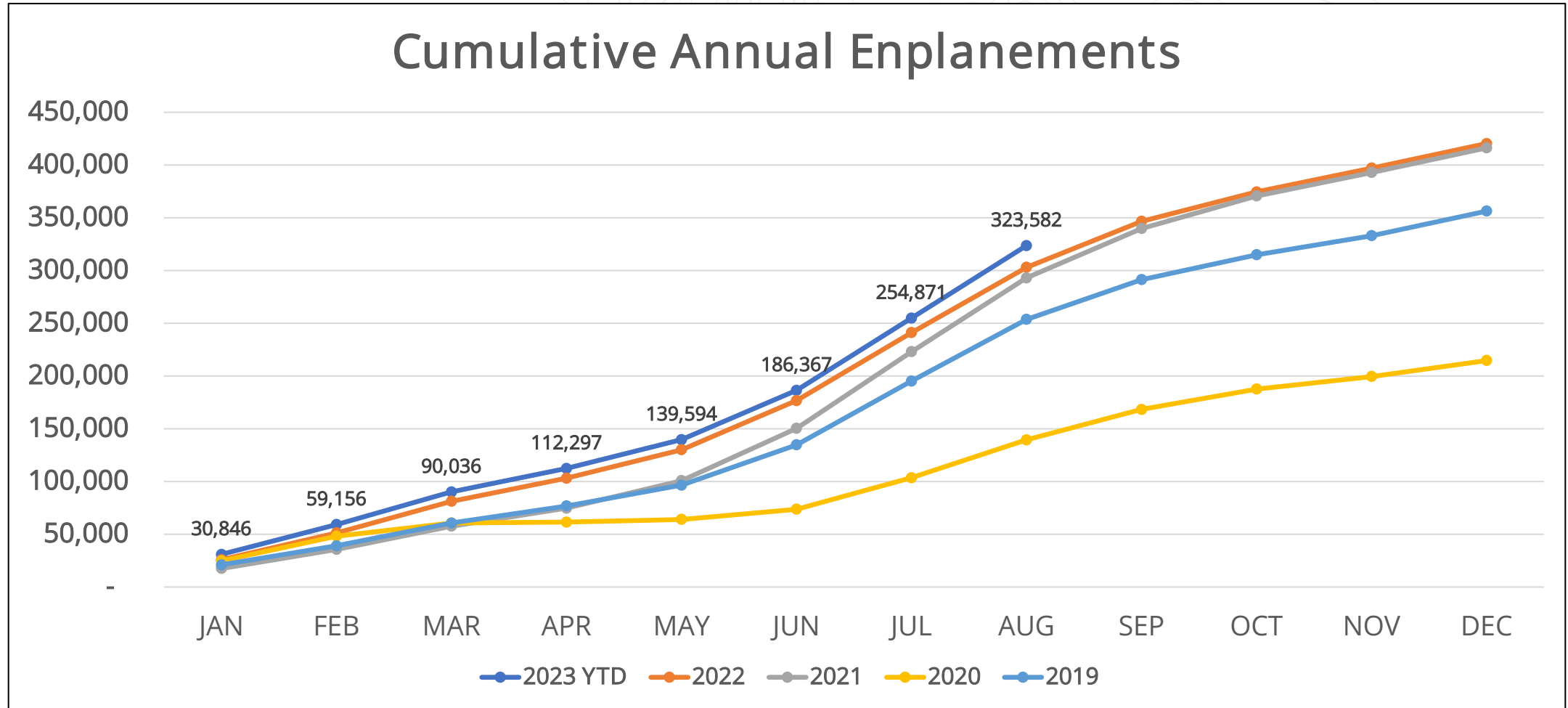
— Direct Flights —
MAJOR CITIES SERVED



Glacier Park International Airport

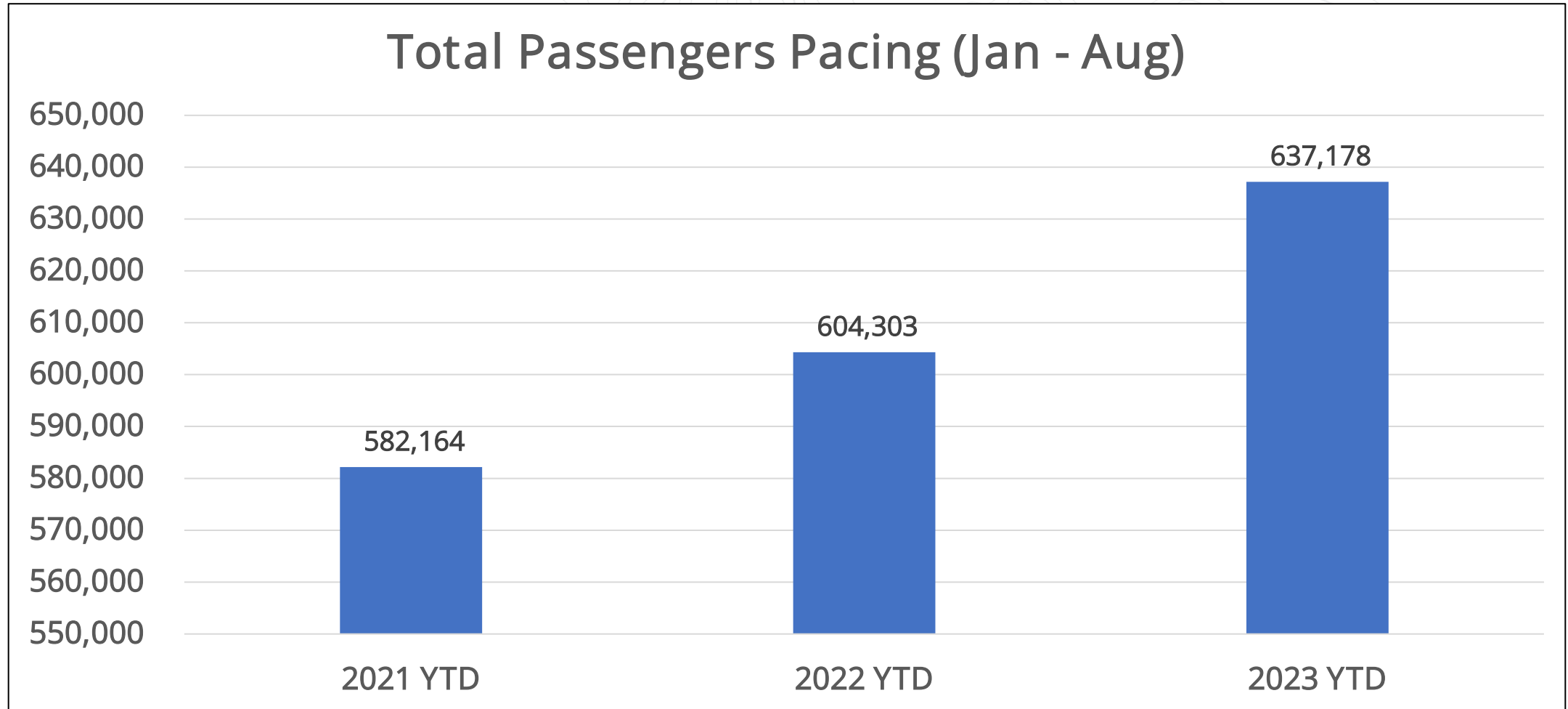
Total Passengers					
Month	2023	2022	% Chg 2023 vs. 2022	2021	% Chg 2023 vs. 2021
January	58,161	49,261	18.1%	32,629	78.2%
February	56,277	50,555	11.3%	36,194	55.5%
March	59,460	58,672	1.3%	44,961	32.2%
April	45,073	43,836	2.8%	34,258	31.6%
May	54,694	57,039	-4.1%	52,994	3.2%
June	96,564	97,429	-0.9%	103,426	-6.6%
July	138,012	128,318	7.6%	144,891	-4.7%
August	128,937	119,193	8.2%	132,811	-2.9%
September		82,969		92,063	
October		52,129		58,516	
November		45,126		44,274	
December		47,618		49,079	
Year-to-Date	637,178	604,303	5.4%	582,164	9.4%
Total		832,145		826,096	

Glacier Park International Airport

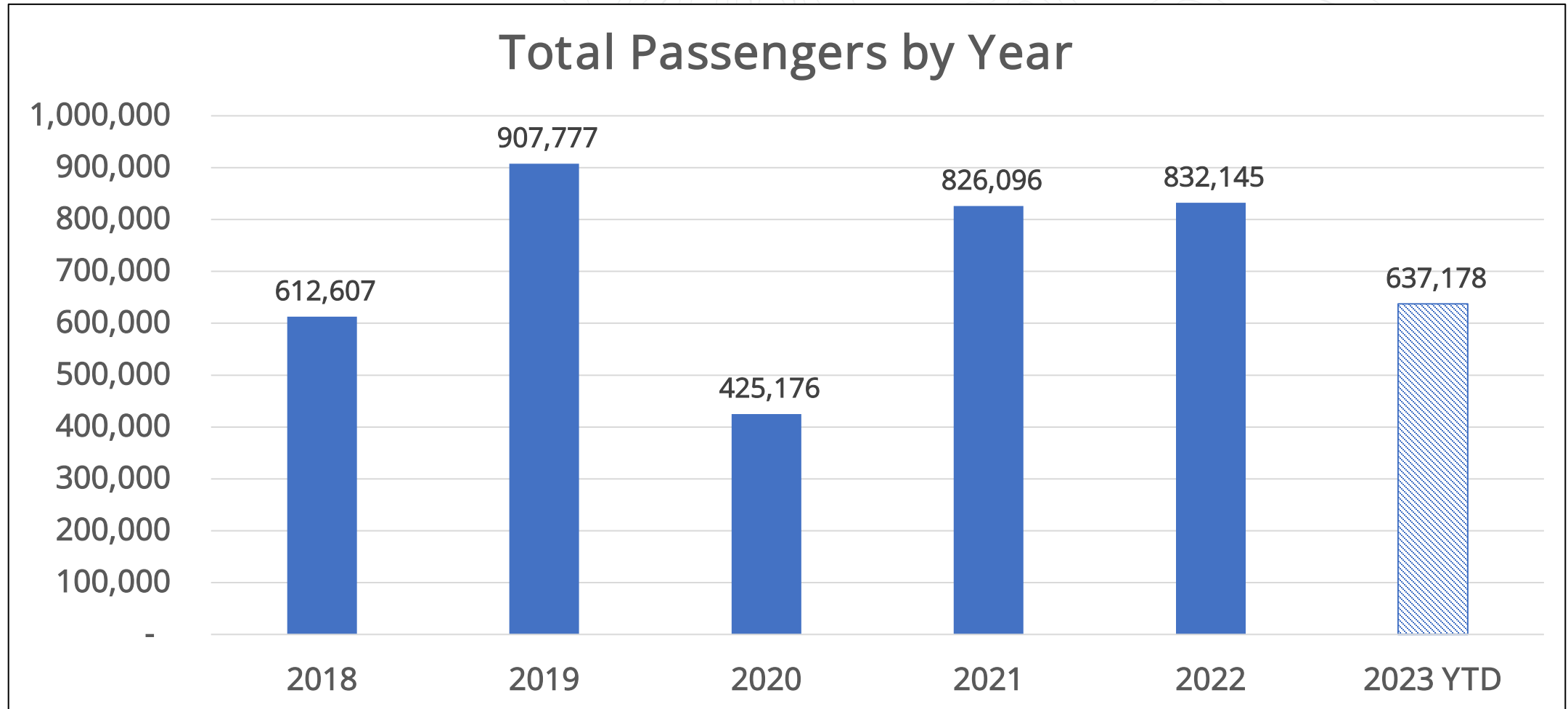


** Enplanements only (not total passengers)*

Glacier Park International Airport



Glacier Park International Airport



(Jan – Aug 2023)

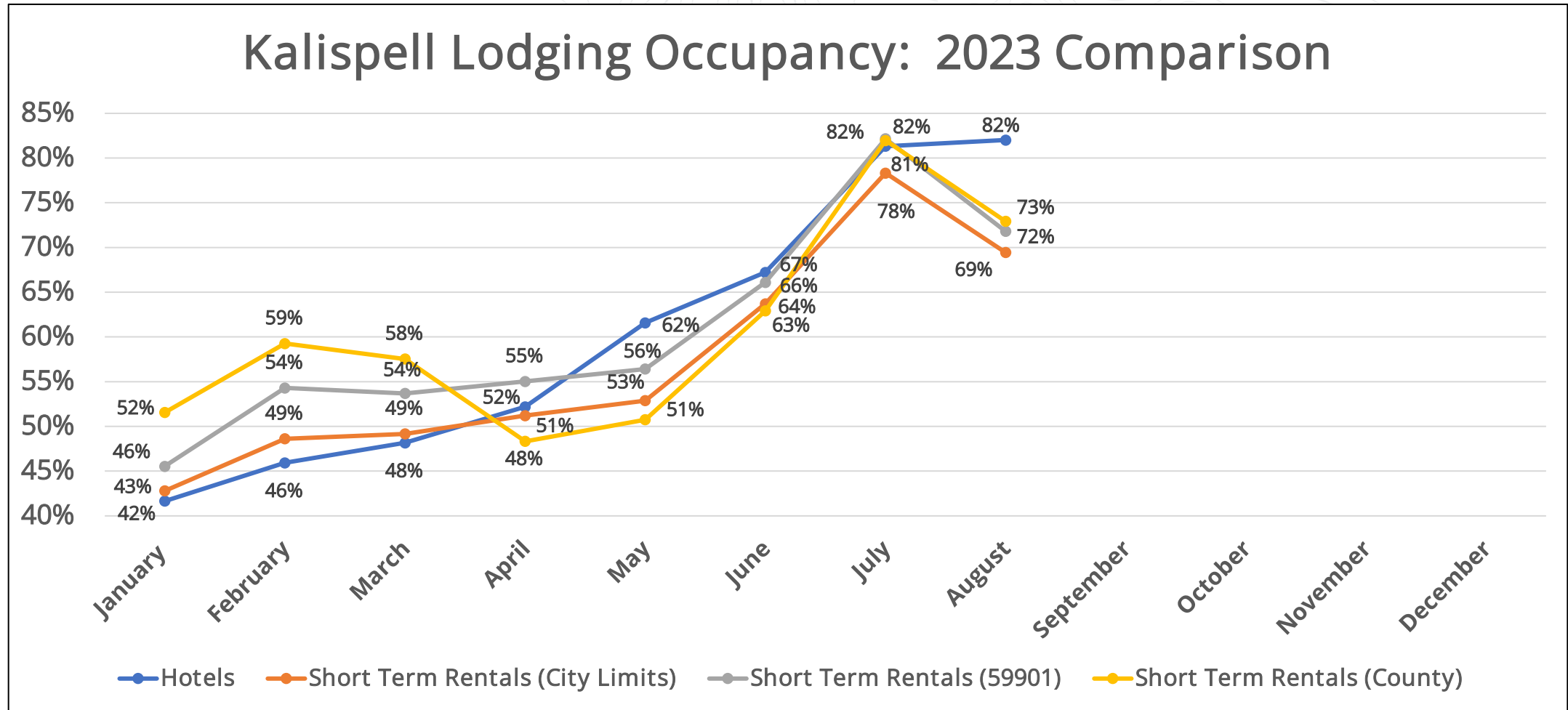
SECTION 02.

STR Hotel Data

STR Hotel Data - Definitions

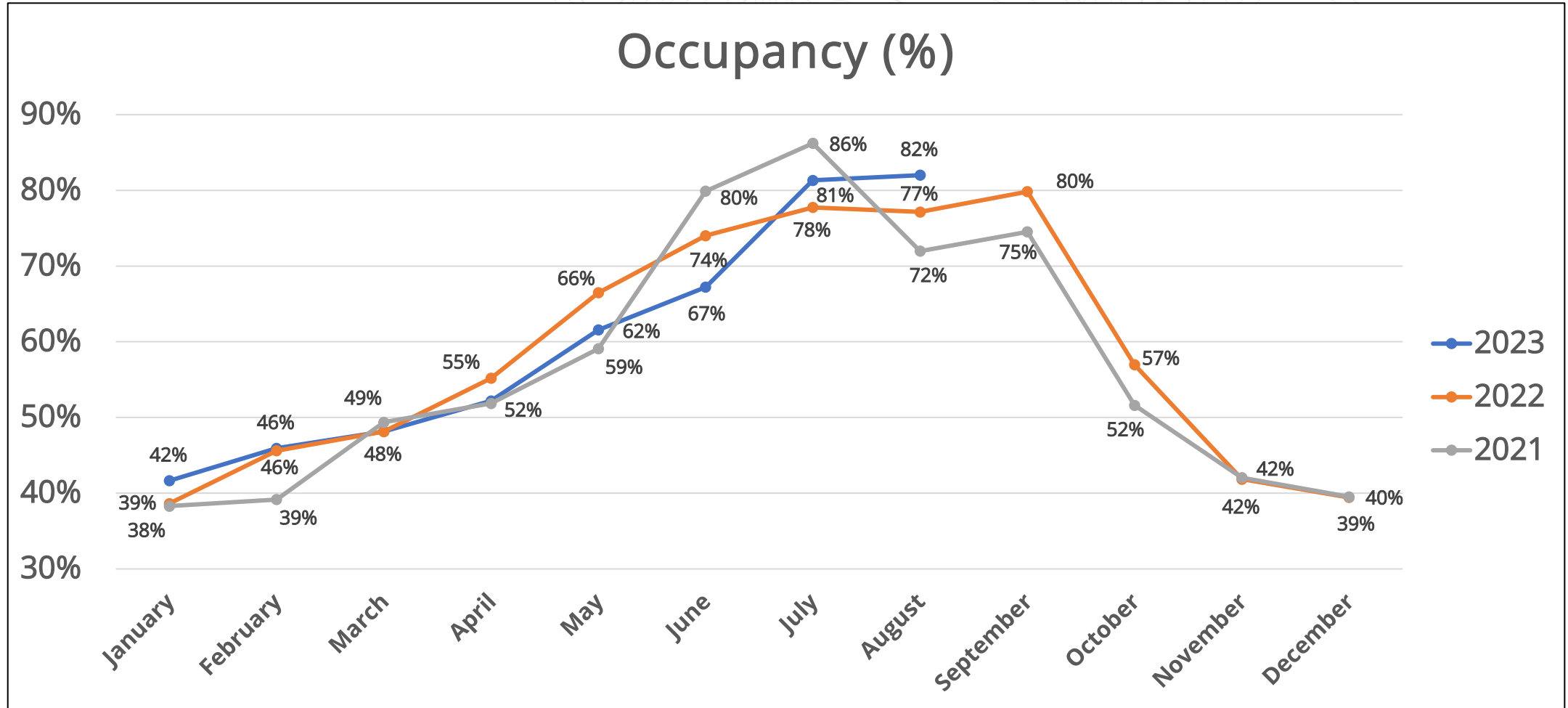
- **Average Daily Rate (ADR)** – A measure of the average rate paid for rooms sold, calculated by dividing room revenue by rooms sold.
 - $\text{ADR} = \text{Room Revenue} / \text{Rooms Sold}$
- **Demand** – The number of rooms sold in a specified time period (excludes complementary rooms).
- **Occupancy** – Percentage of available rooms sold during a specific time period. Occupancy is calculated by dividing the number of rooms sold by rooms available.
 - $\text{Occupancy} = \text{Rooms Sold} / \text{Rooms Available}$
- **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.
 - $\text{RevPAR} = \text{Room Revenue} / \text{Rooms Available}$

Kalispell 2023 Lodging Comparison



Hotel Occupancy by Month

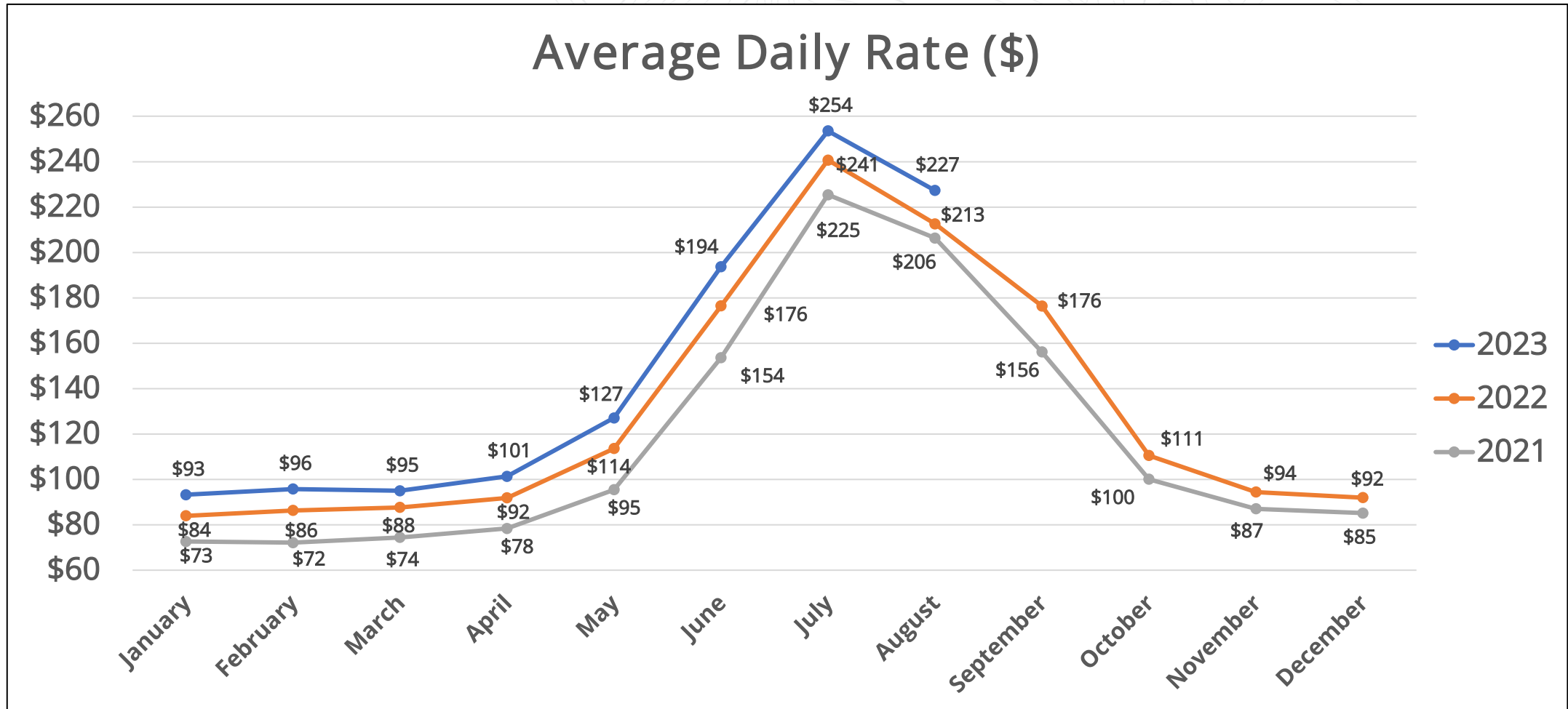
Kalispell hotel Occupancy increased 6.3%, ADR increased 6.9%, and RevPAR increased 13.7% Year-Over-Year





Hotel Average Daily Rate (ADR) by Month

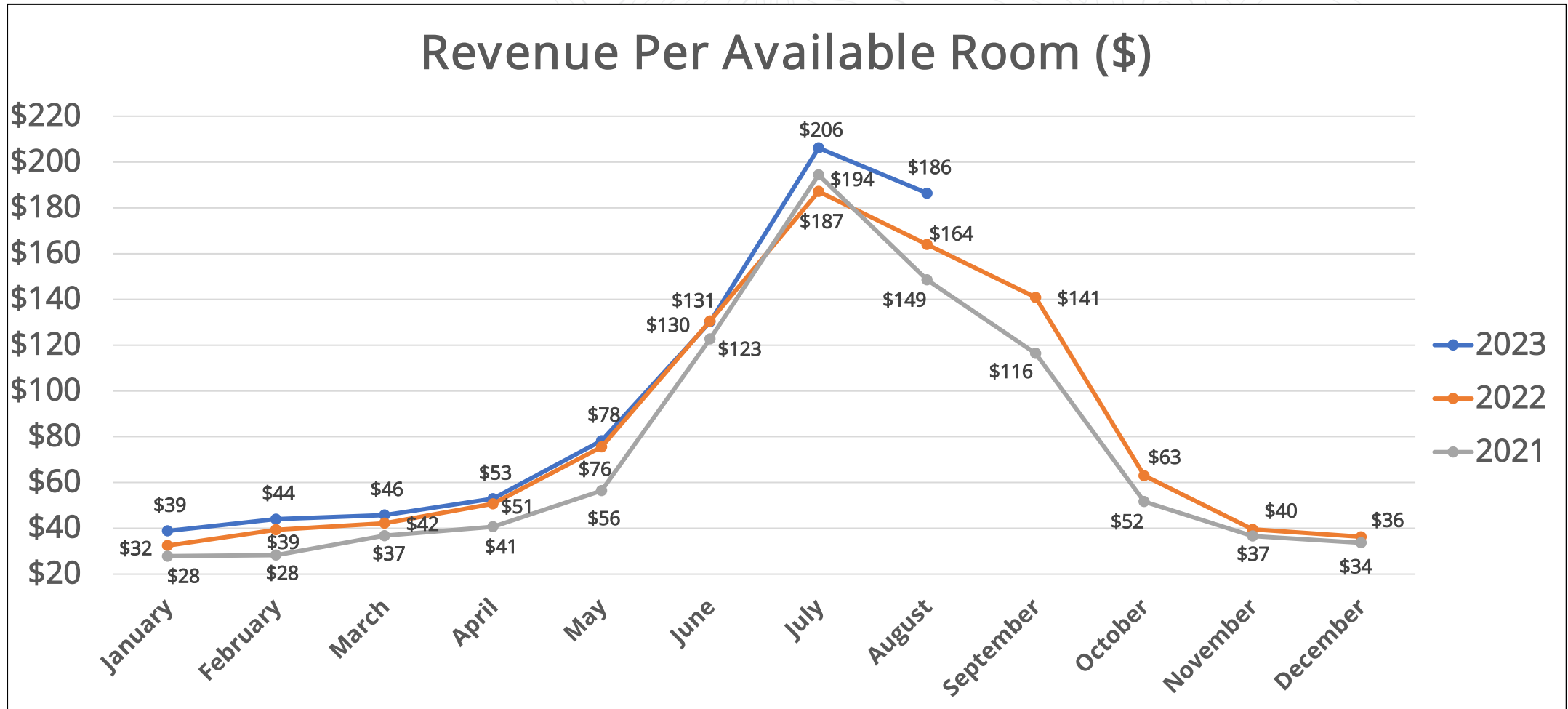
Kalispell hotel Occupancy increased 6.3%, ADR increased 6.9%, and RevPAR increased 13.7% Year-Over-Year





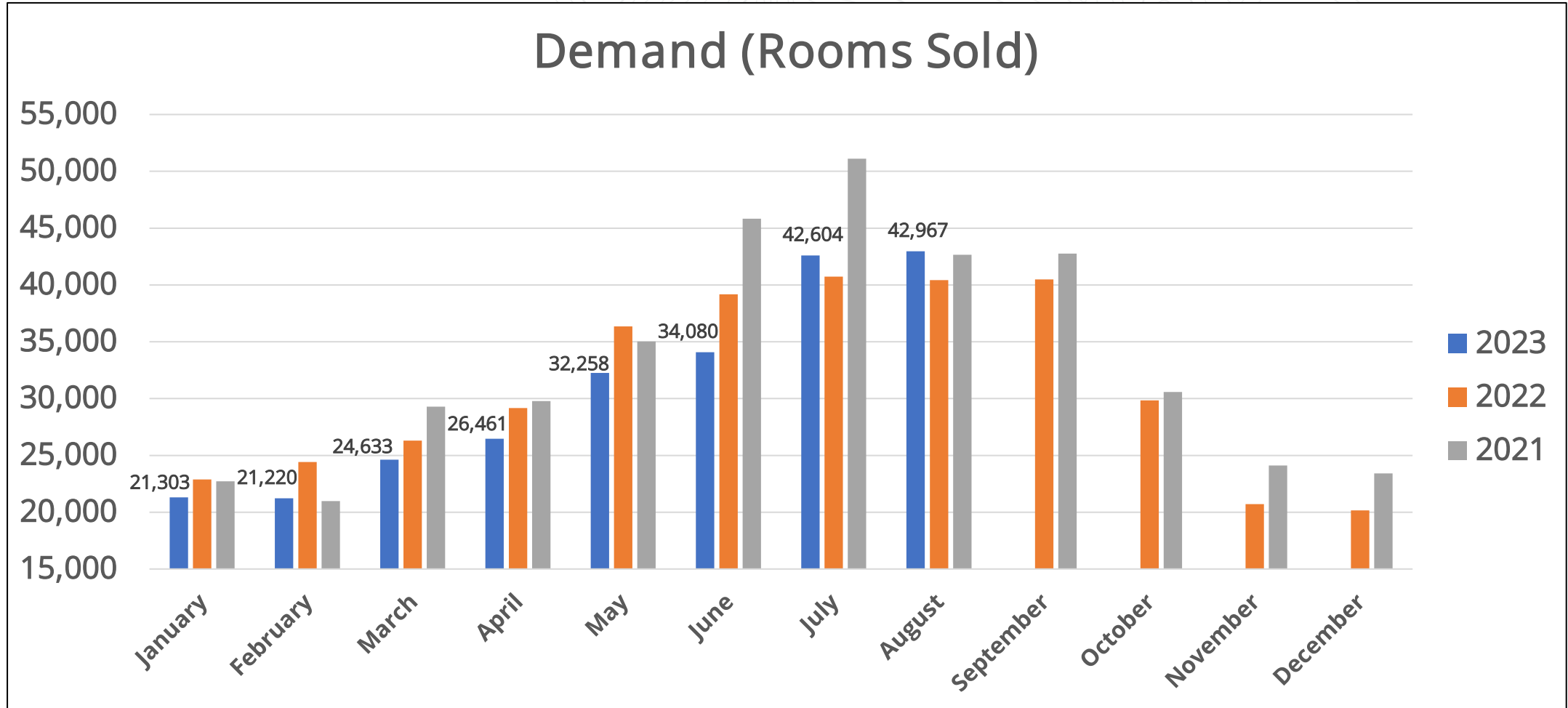
Hotel Revenue Per Available Room by Month

Kalispell hotel Occupancy increased 6.3%, ADR increased 6.9%, and RevPAR increased 13.7% Year-Over-Year



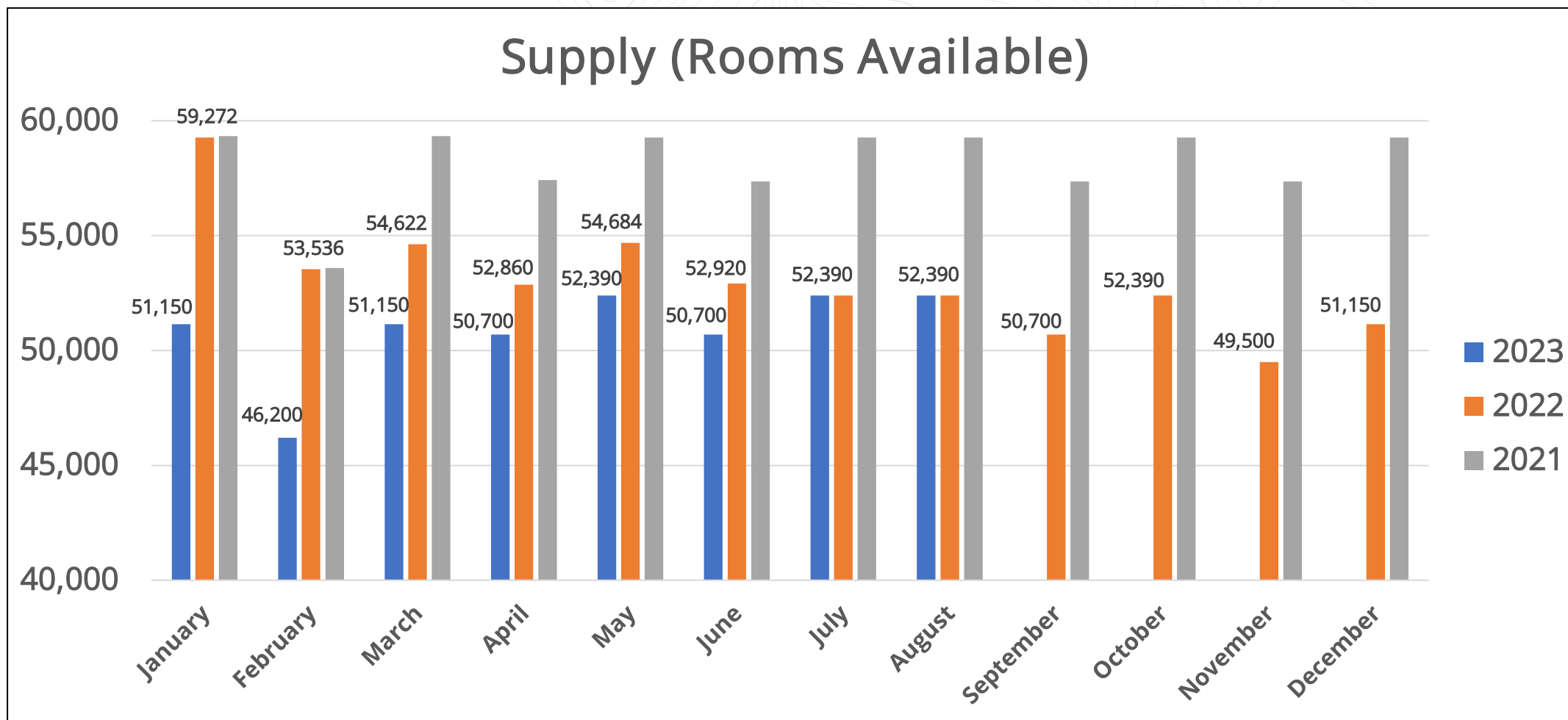
Hotel Demand (Rooms Sold) by Month

Kalispell hotel Demand increased 6.3%, Supply remained unchanged, and Revenue increased 13.7% Year-Over-Year



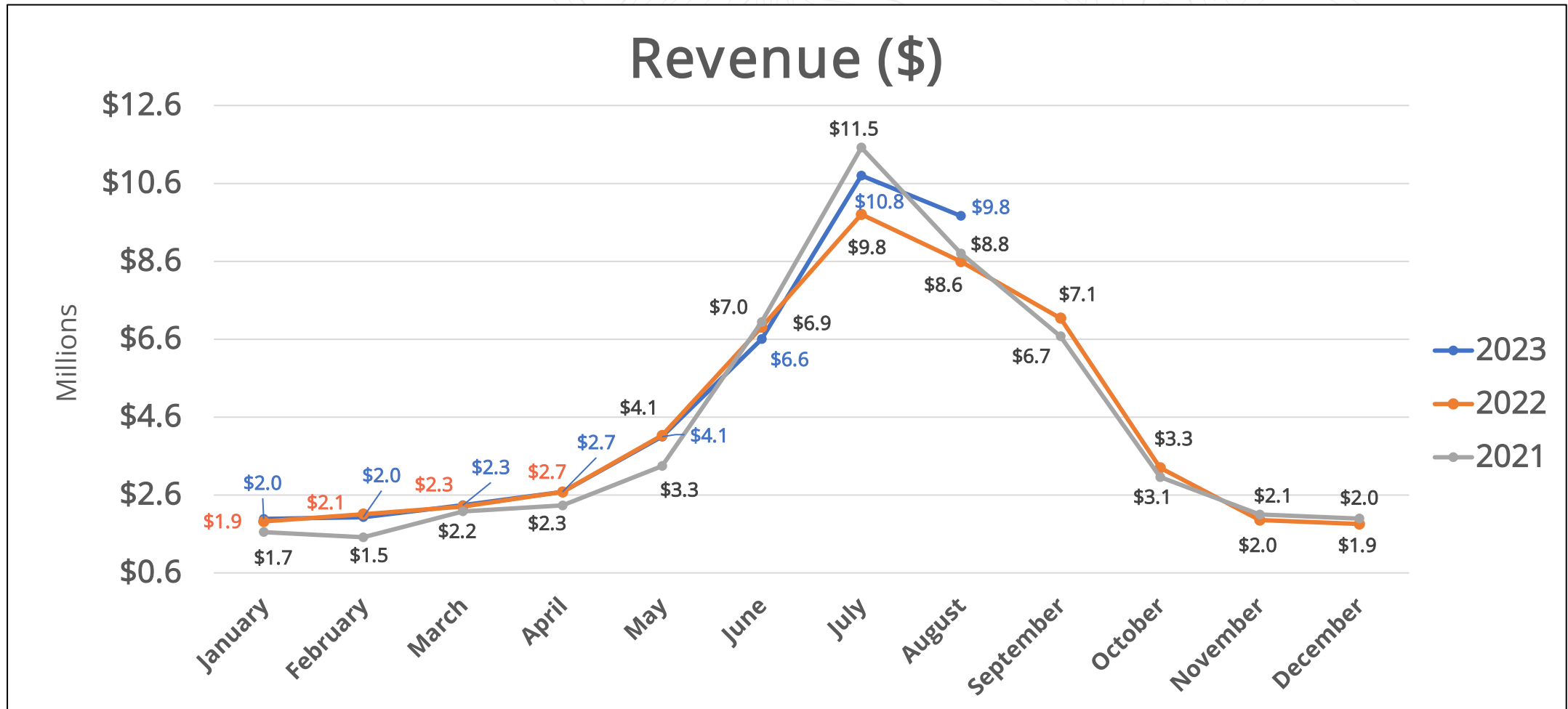
Hotel Supply by Month

Kalispell hotel Demand increased 6.3%, Supply remained unchanged, and Revenue increased 13.7% Year-Over-Year



Hotel Revenue by Month

Kalispell hotel Demand increased 6.3%, Supply remained unchanged, and Revenue increased 13.7% Year-Over-Year



SECTION 03.

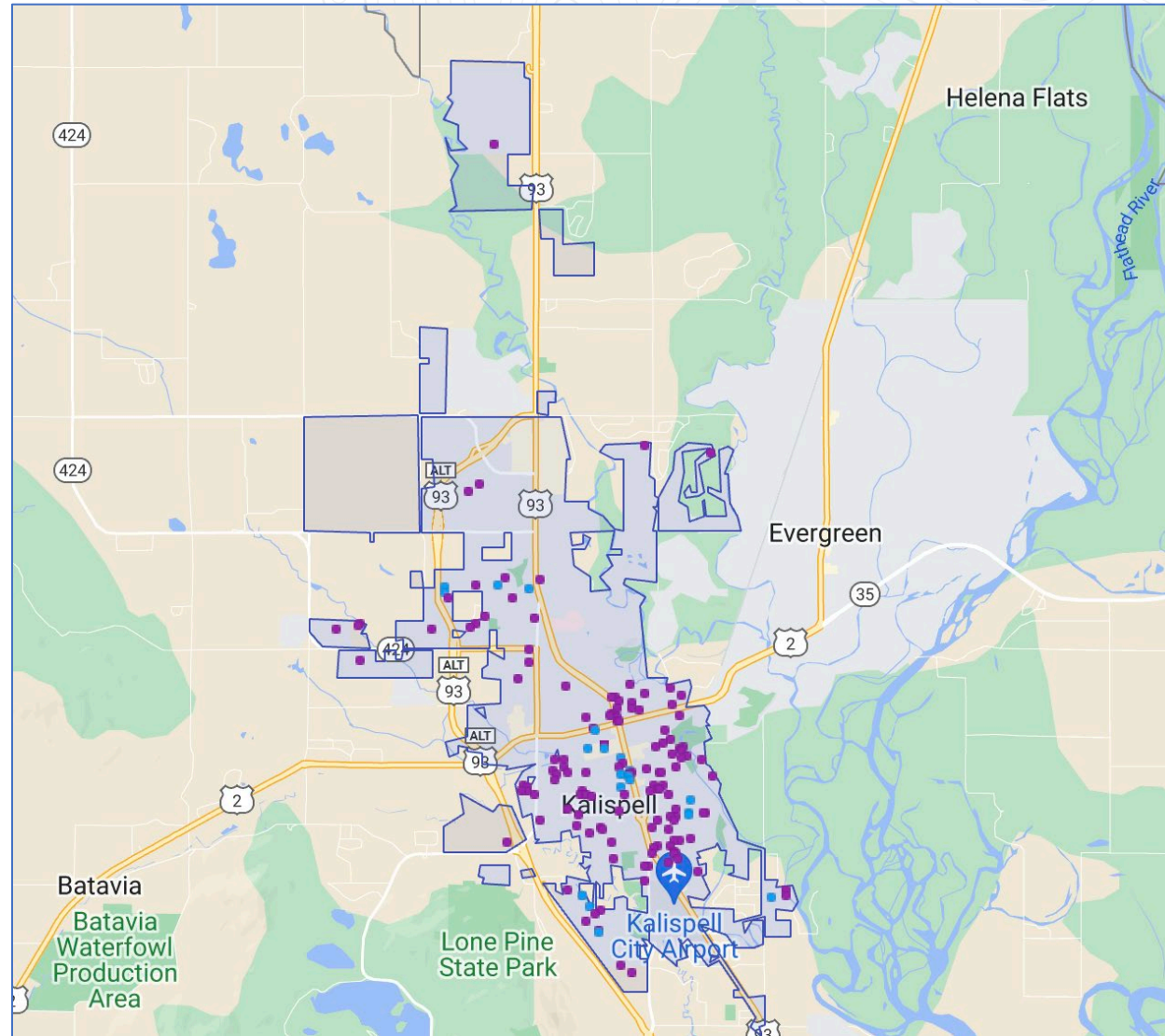
AirDNA Short Term Rental Data (Airbnb & Vrbo listings)

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 ($\text{ADR} = \text{Total Revenue} / \text{Booked Nights}$).
- **Demand (Nights)** – Total number of Booked Nights during the reporting period.
- **Occupancy Rate** – $\text{Occupancy Rate} = \text{Total Booked Days} / (\text{Total Booked Days} + \text{Total Available Days})$. 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** – $\text{Revenue Per Available Rental} = \text{ADR} * \text{Occupancy Rate}$

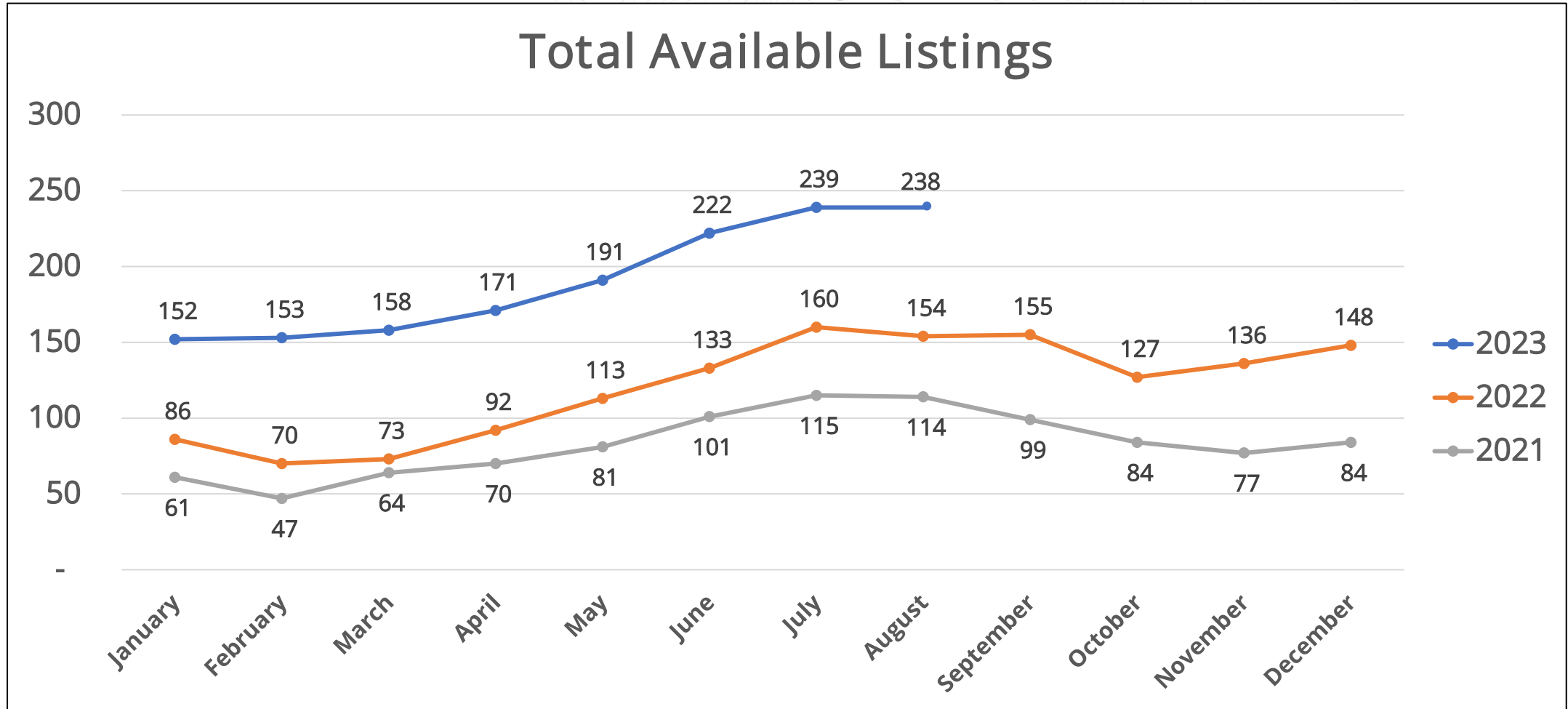
AirDNA Short Term Rentals – Geographical Boundary *



*Kalispell City Limits

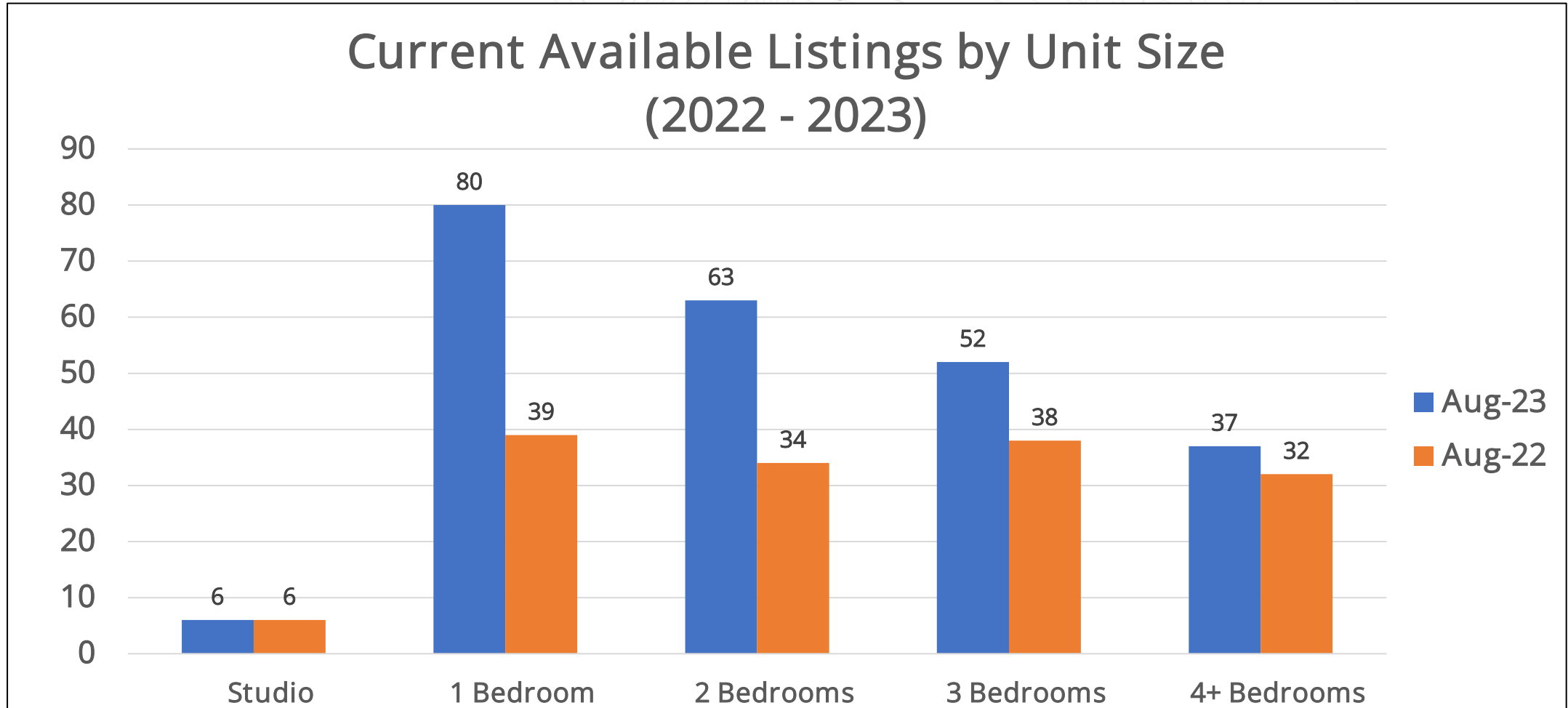
AirDNA Short Term Rentals - Available Listings

Kalispell Short Term Rentals Available Listings increased 59.7%, 1-Bedroom Listings increased 105.1%, and 2-Bedroom Listings increased 85.3% Year-Over-Year



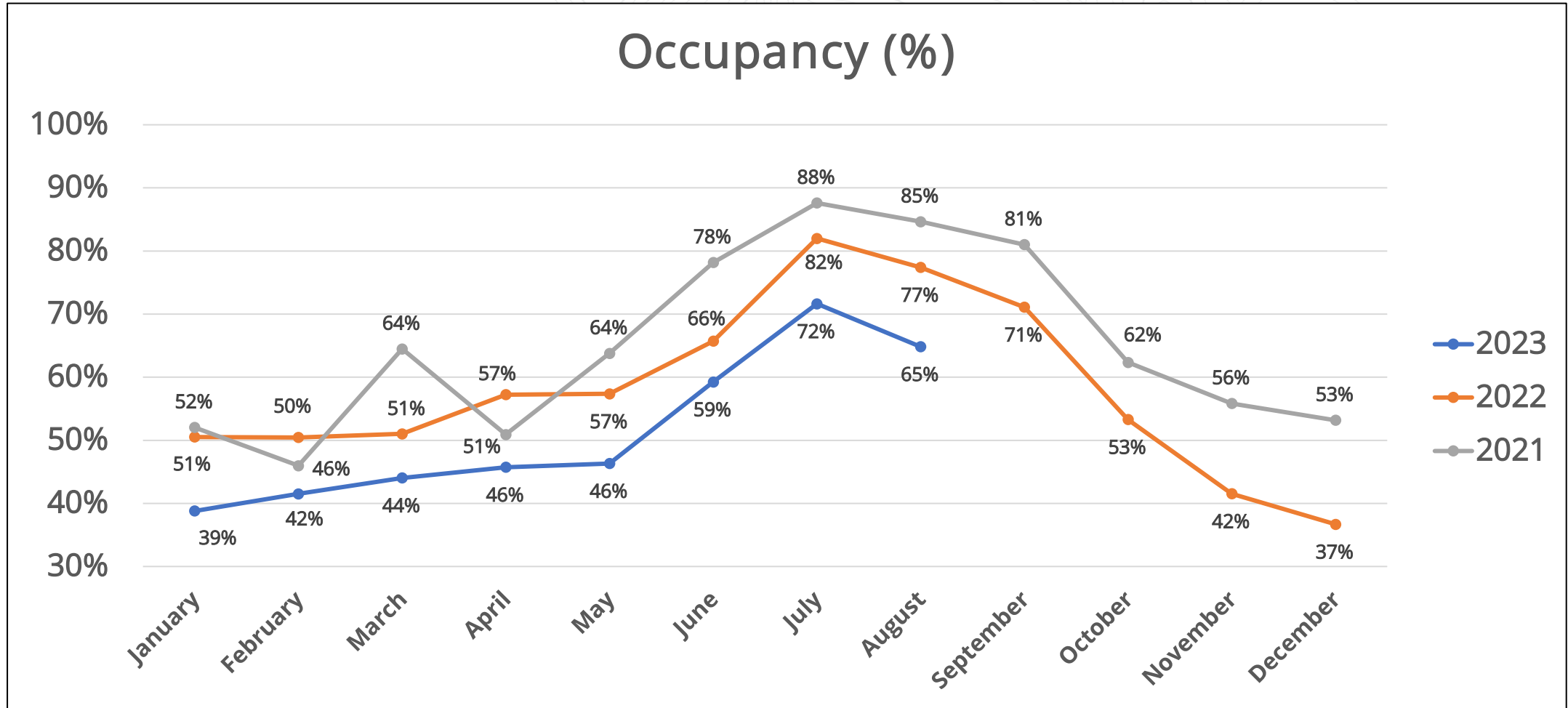
AirDNA Short Term Rentals - Unit Size

Kalispell Short Term Rentals Available Listings increased 59.7%, 1-Bedroom Listings increased 105.1%, and 2-Bedroom Listings increased 85.3% Year-Over-Year



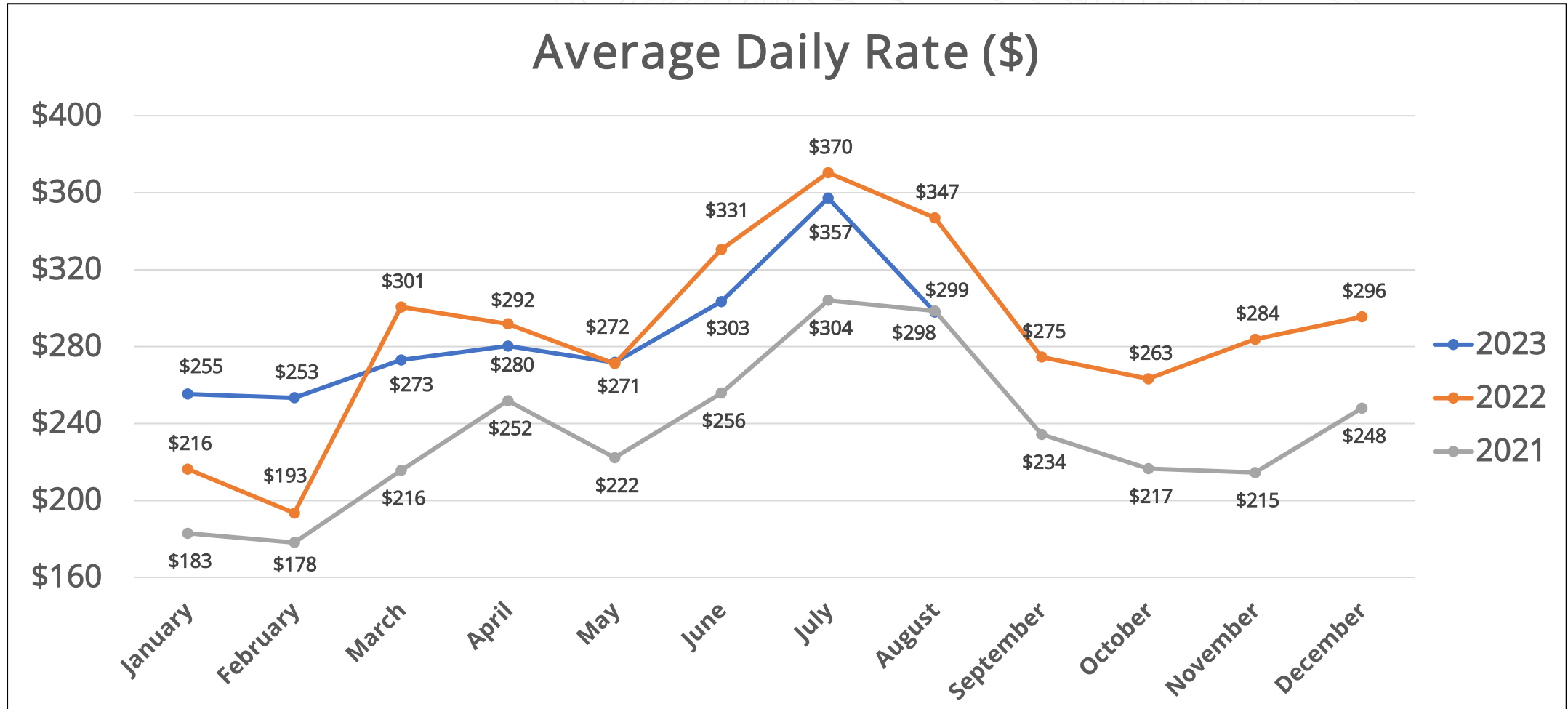
AirDNA Short Term Rentals – Occupancy

Kalispell Short Term Rentals Occupancy decreased 16.2%, ADR decreased 14.1%, and RevPAR decreased 28.1% Year-Over-Year



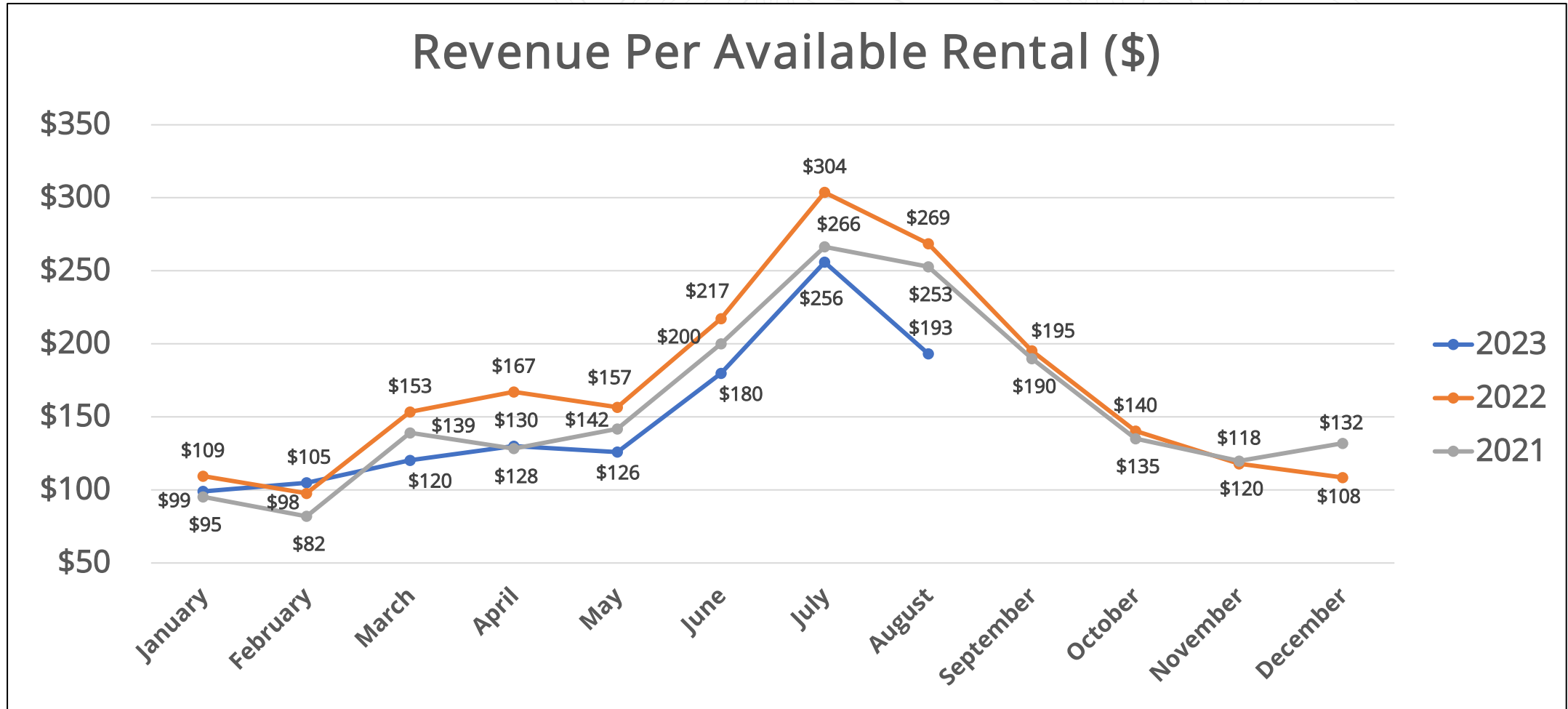
AirDNA Short Term Rentals - ADR

Kalispell Short Term Rentals Occupancy decreased 16.2%, ADR decreased 14.1%, and RevPAR decreased 28.1% Year-Over-Year



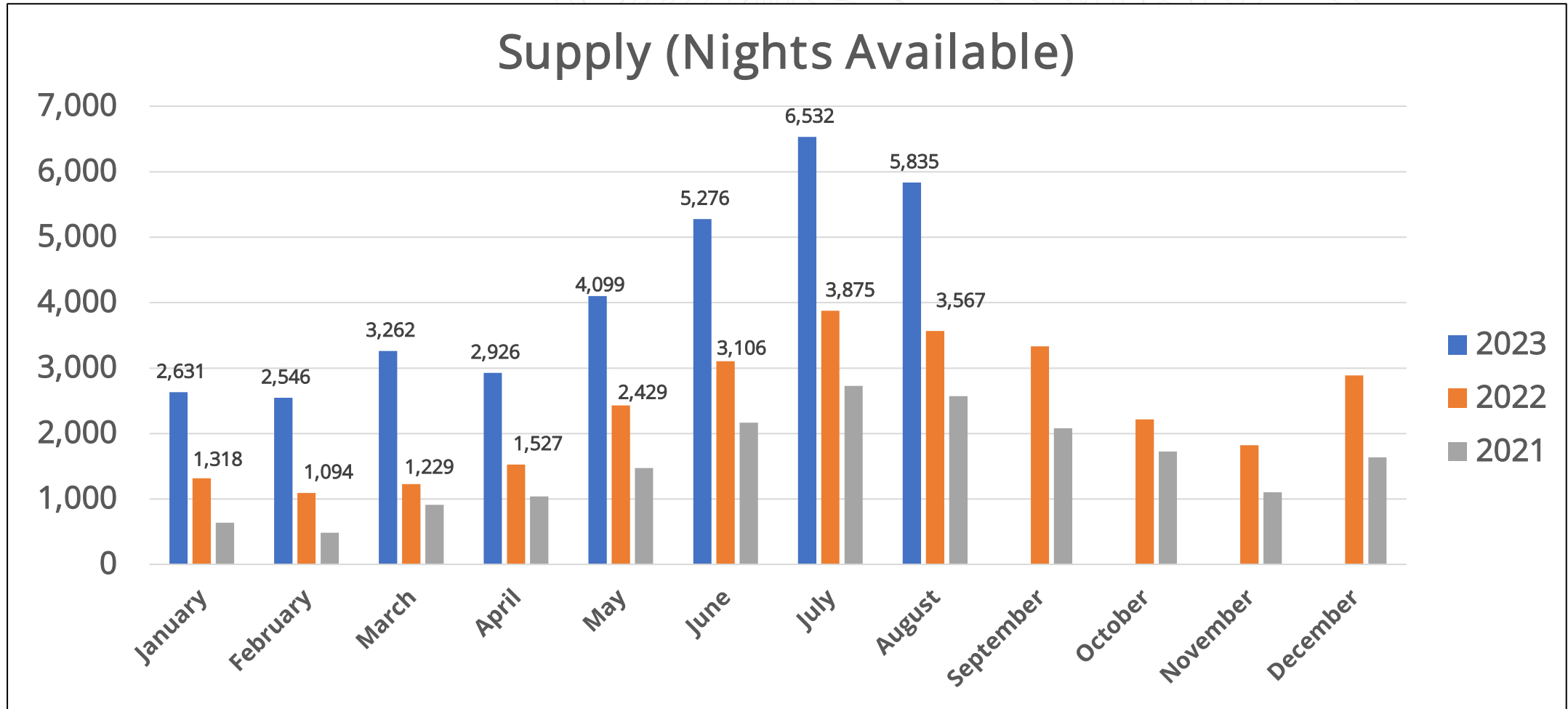
AirDNA Short Term Rentals - RevPAR

Kalispell Short Term Rentals Occupancy decreased 16.2%, ADR decreased 14.1%, and RevPAR decreased 28.1% Year-Over-Year



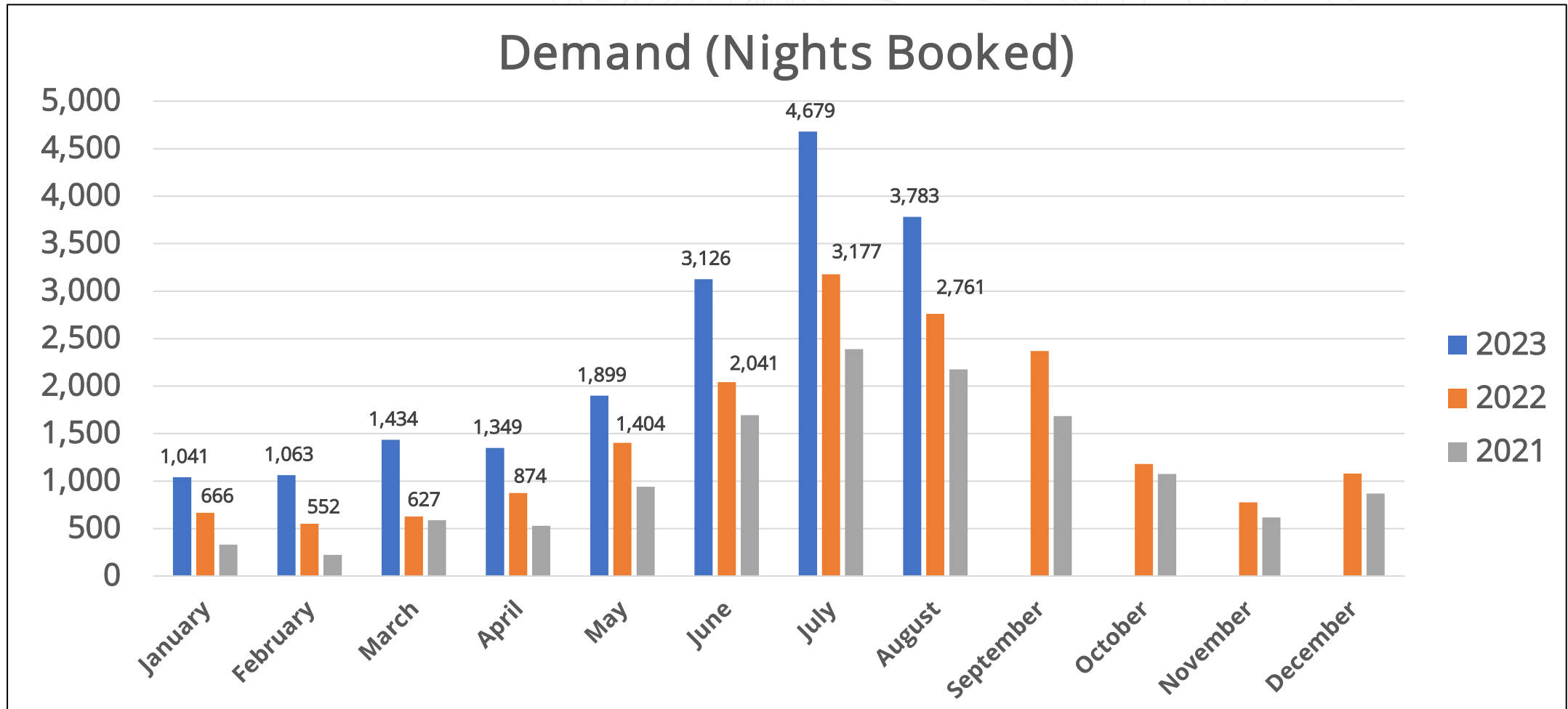
AirDNA Short Term Rentals – Supply

Kalispell Short Term Rentals Supply increased 63.6%, Demand increased 37.0%, and Total Revenue increased 17.7% Year-Over-Year



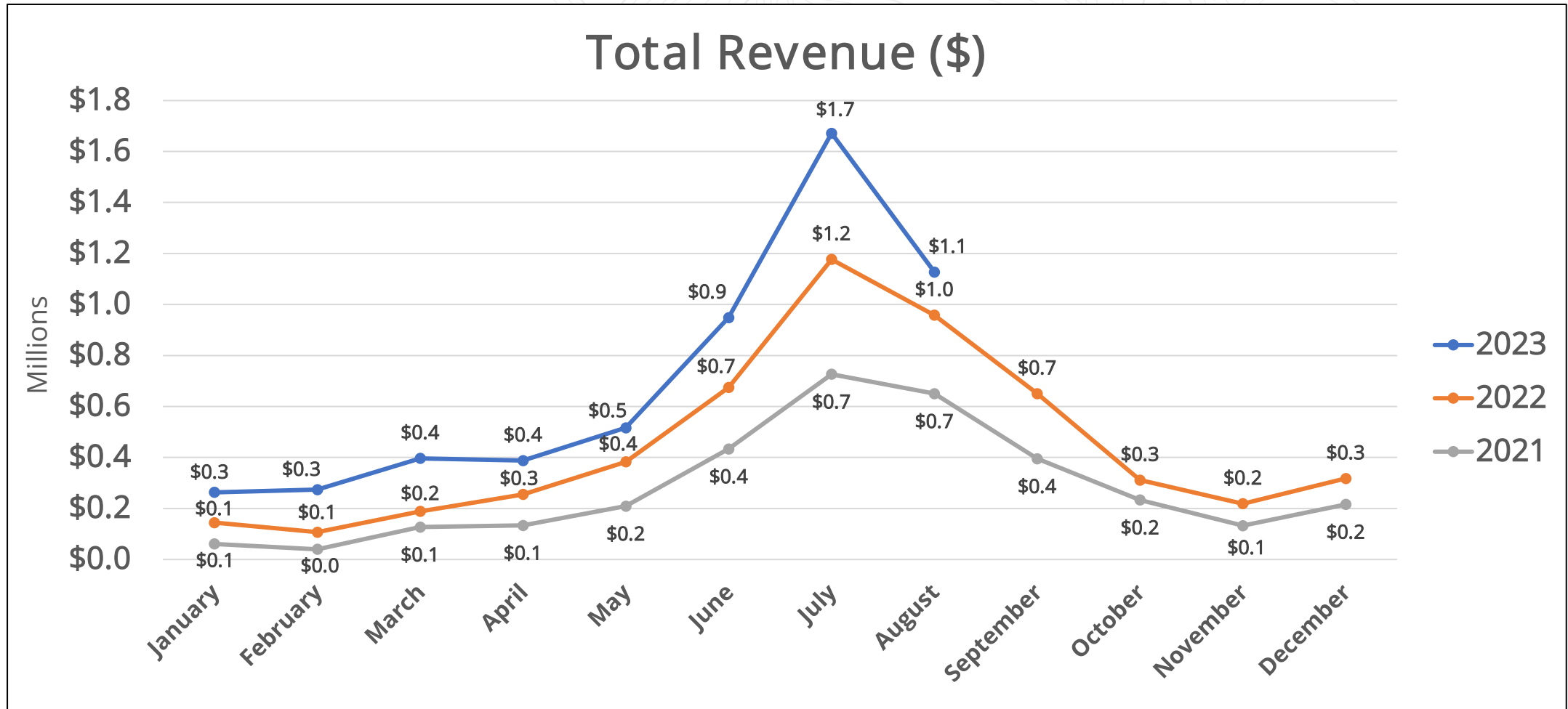
AirDNA Short Term Rentals – Demand

Kalispell Short Term Rentals Supply increased 63.6%, Demand increased 37.0%, and Total Revenue increased 17.7% Year-Over-Year



AirDNA Short Term Rentals – Total Revenue

Kalispell Short Term Rentals Supply increased 63.6%, Demand increased 37.0%, and Total Revenue increased 17.7% Year-Over-Year

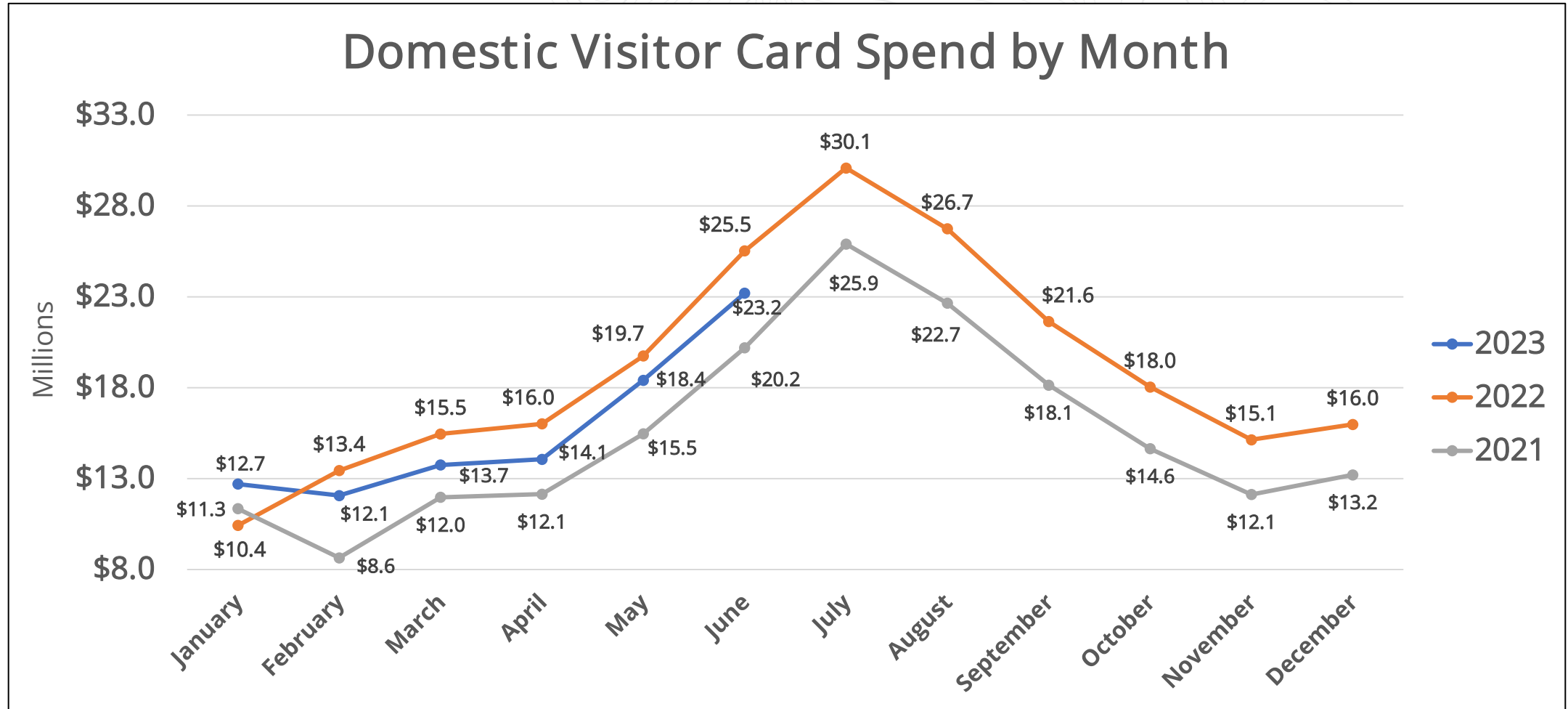


SECTION 04.

Visa Destination Insights

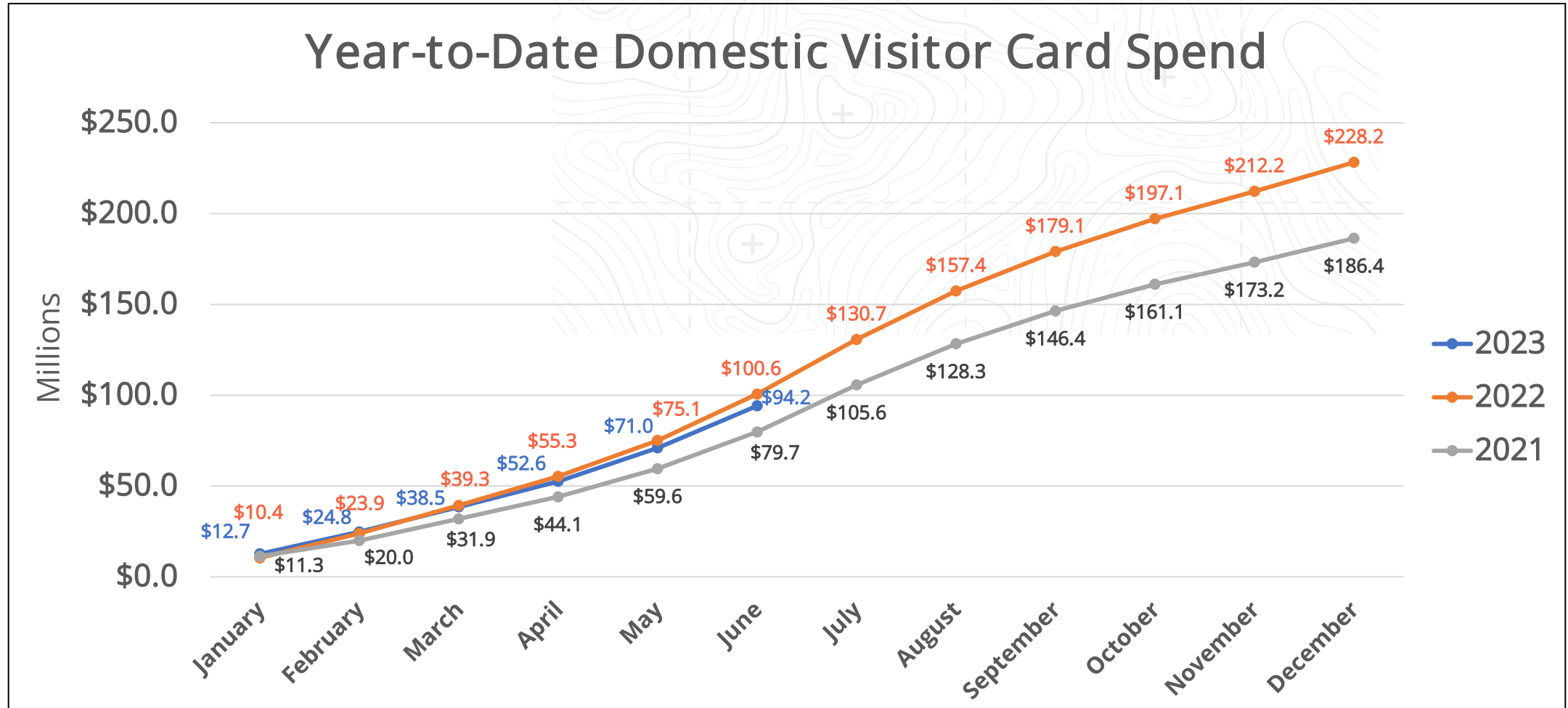
Visa – Domestic Visitor Spending

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



Visa – Domestic Visitor Spending

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



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%

SECTION 05.

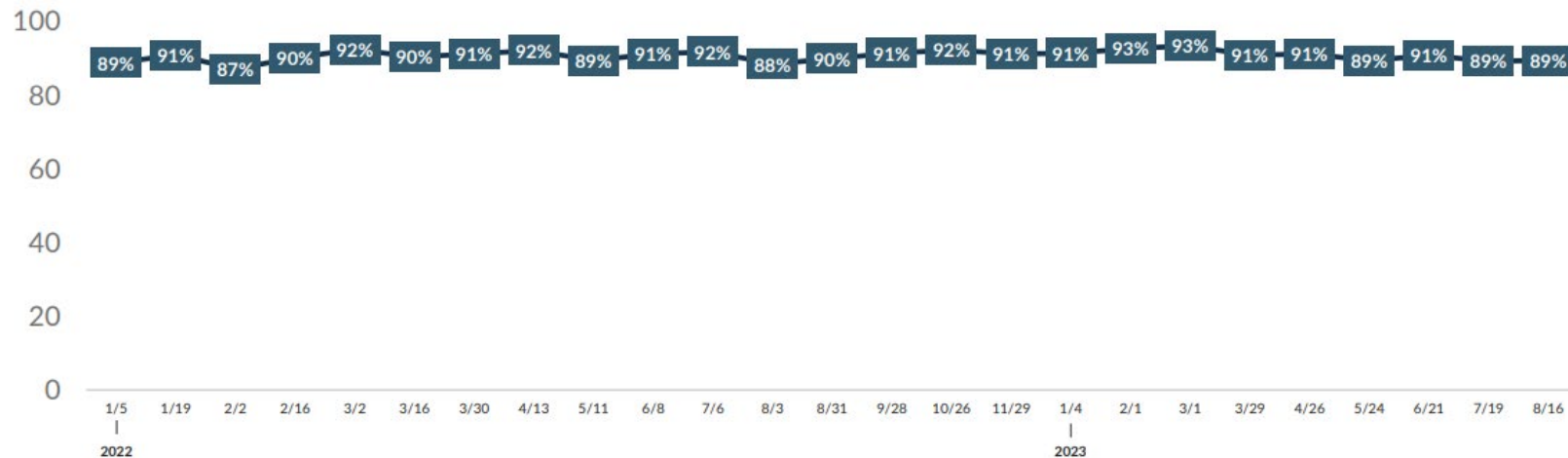
Consumer Sentiment & Macroeconomic Data

Longwoods International – Travel Sentiment Study Wave 77

*Survey Fielded August 16, 2023; US National Sample of 1,000 adults 18+

IMPACT ON TRAVEL PLANS

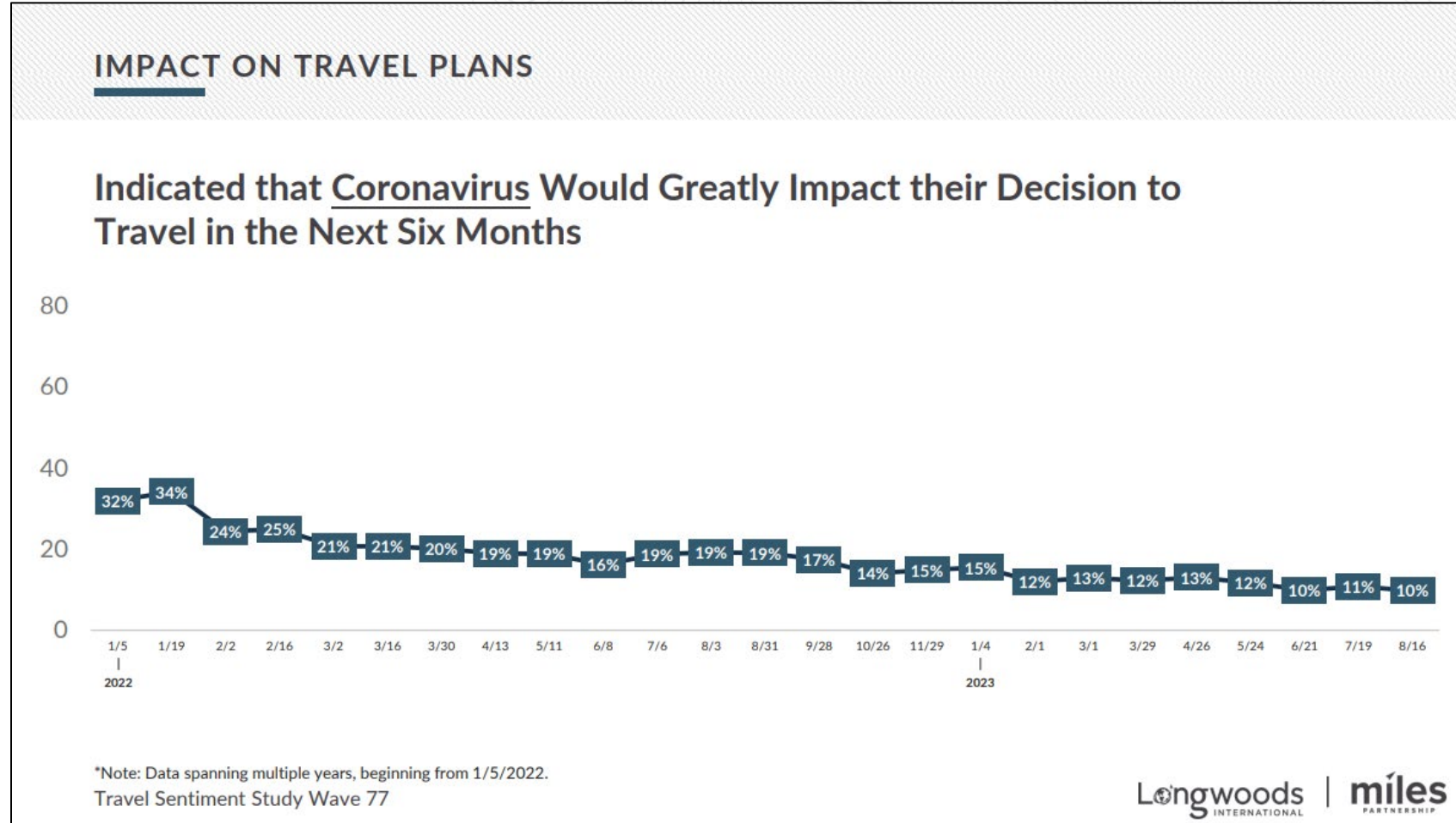
Travelers with Travel Plans in the Next Six Months Comparison



*Note: Data spanning multiple years, beginning from 1/5/2022.
Travel Sentiment Study Wave 77

Longwoods International – Travel Sentiment Study Wave 77

*Survey Fielded August 16, 2023; US National Sample of 1,000 adults 18+

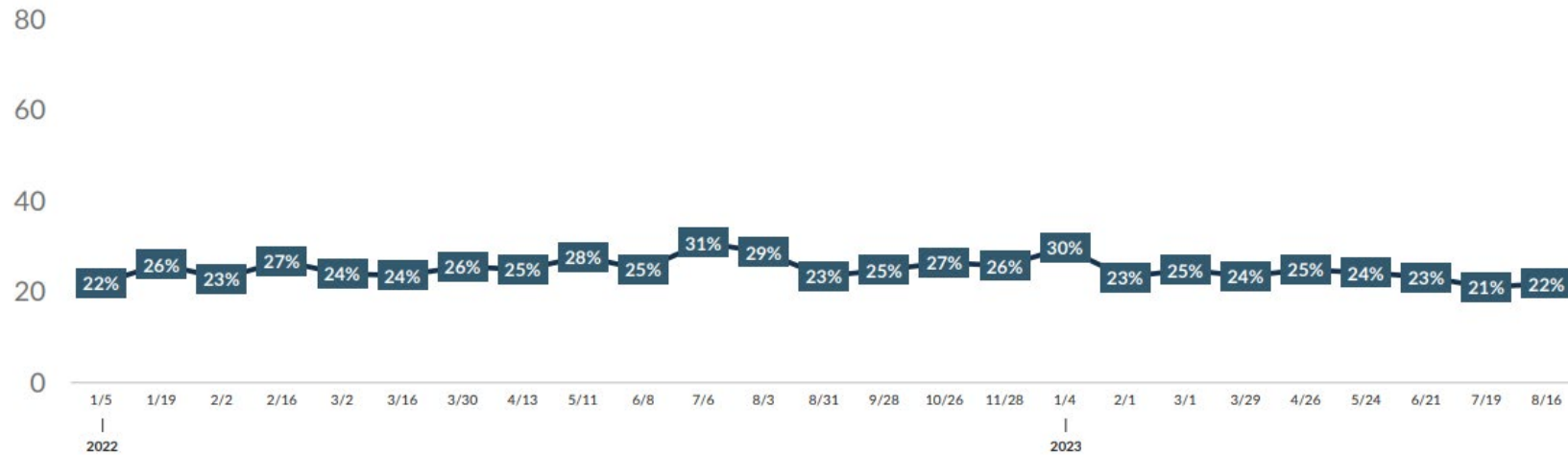


Longwoods International – Travel Sentiment Study Wave 77

*Survey Fielded August 16, 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



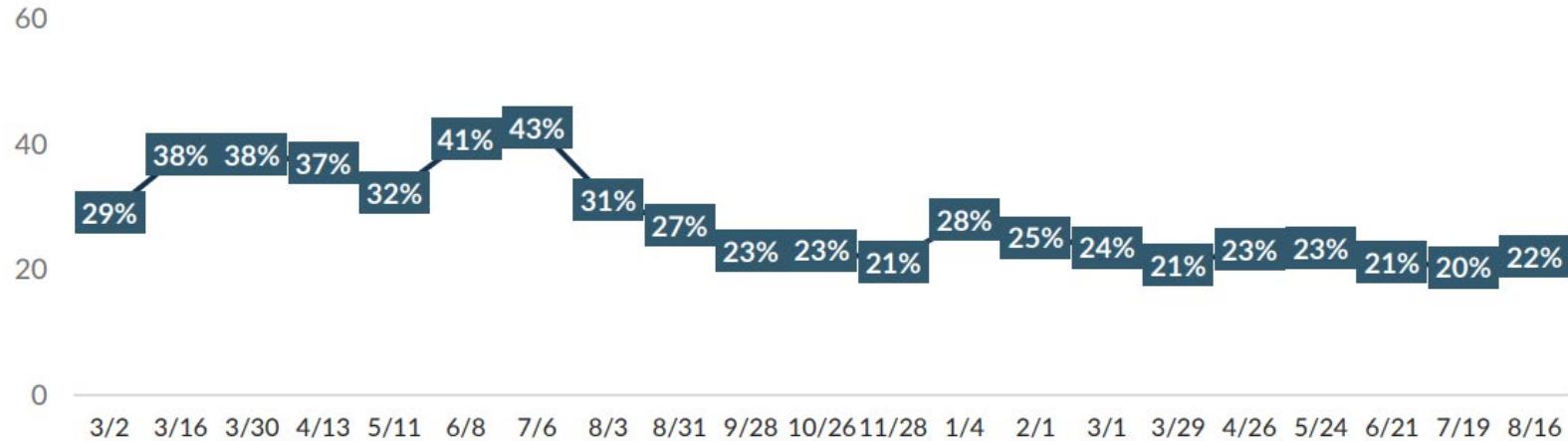
*Note: Data spanning multiple years, beginning from 1/5/2022.
Travel Sentiment Study Wave 77

Longwoods International – Travel Sentiment Study Wave 77

*Survey Fielded August 16, 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



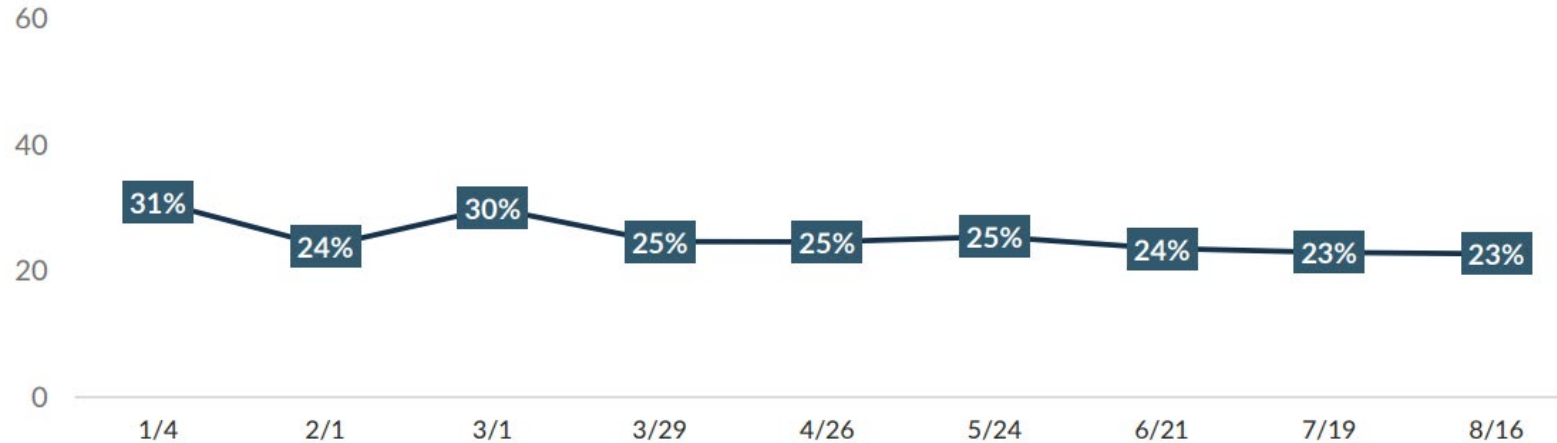
*Note: Prior to 8/31, respondents were asked about the impact of *rising* gas prices. Beginning on 8/31, *rising* was removed from the question.
Travel Sentiment Study Wave 77

Longwoods International – Travel Sentiment Study Wave 77

*Survey Fielded August 16, 2023; US National Sample of 1,000 adults 18+

IMPACT ON TRAVEL PLANS

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



Travel Sentiment Study Wave 77

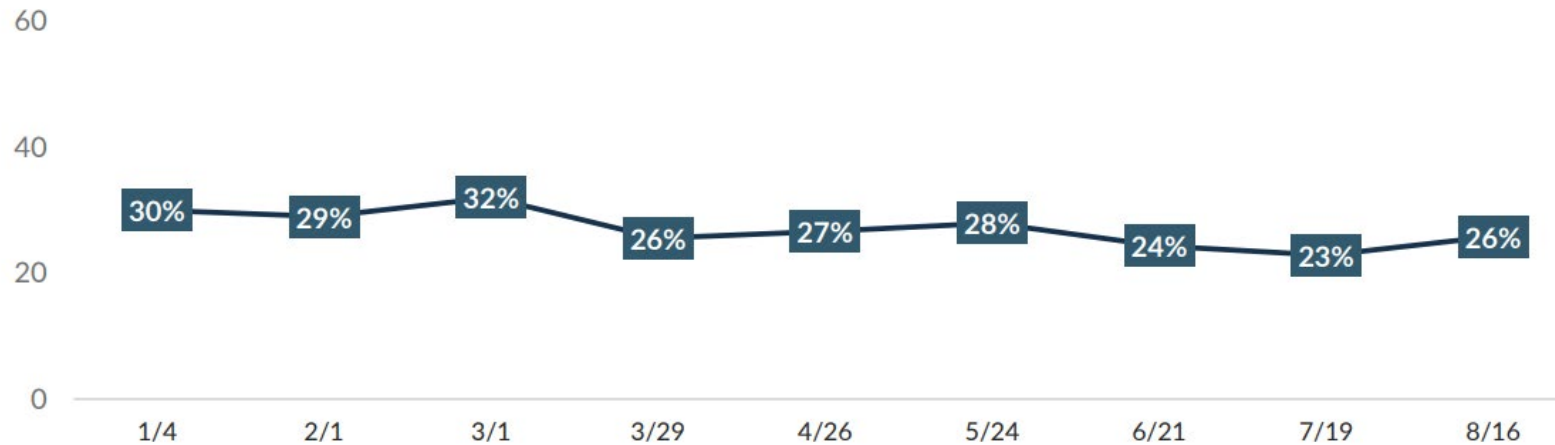
Longwoods INTERNATIONAL | miles PARTNERSHIP

Longwoods International – Travel Sentiment Study Wave 77

*Survey Fielded August 16, 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



Travel Sentiment Study Wave 77

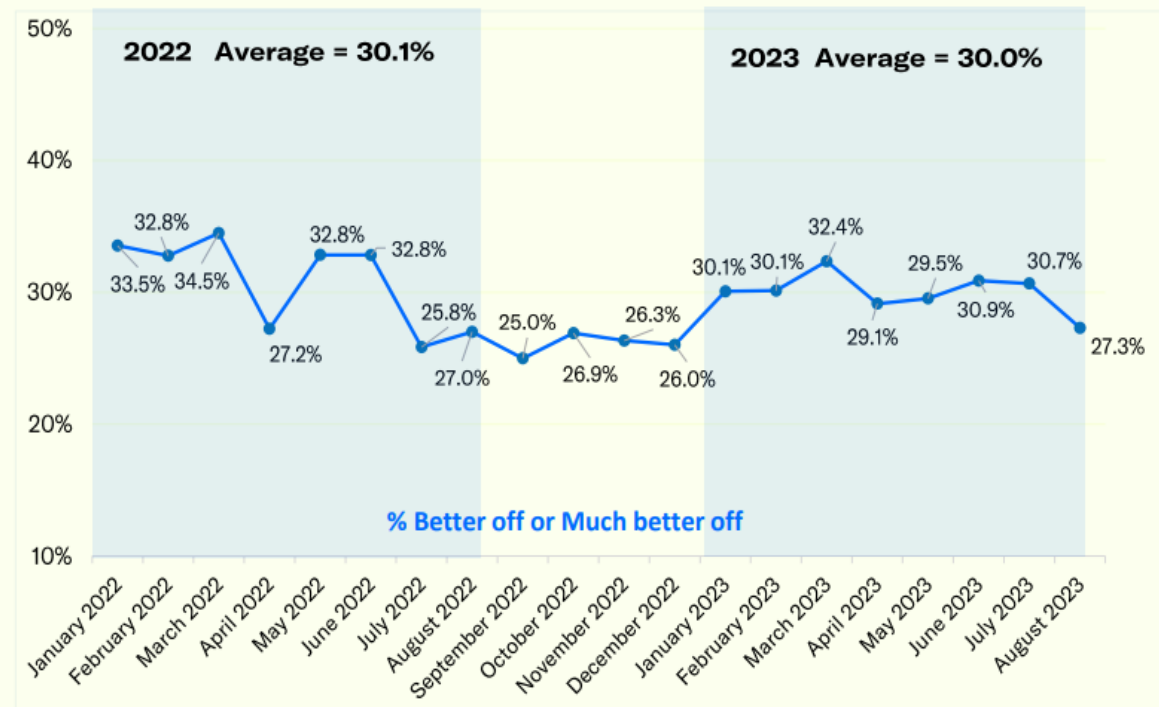
Longwoods INTERNATIONAL | miles PARTNERSHIP

Future Partners – The State of the American Traveler

*Survey Fielded August 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?**

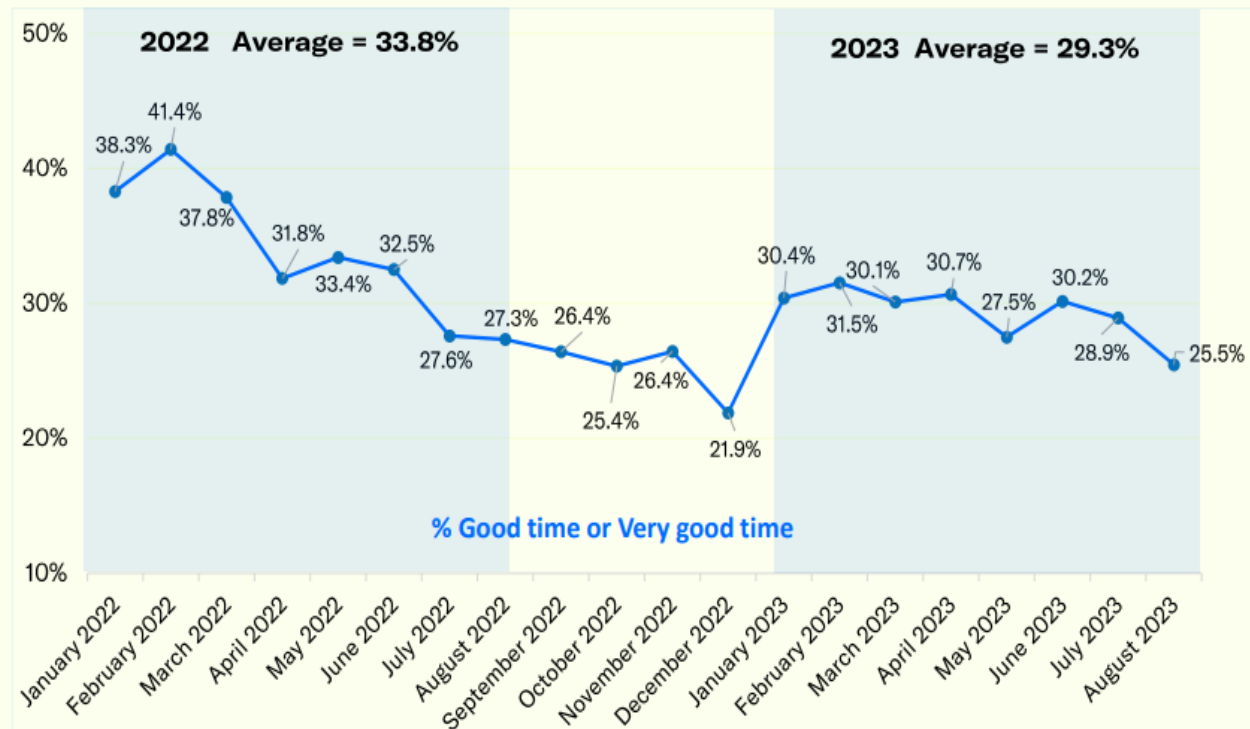


Future Partners – The State of the American Traveler

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

Question:

Thinking only of your household's finances, do you feel **NOW** is a good or bad time for you to spend money on leisure travel?



Future Partners The State of the American Traveler, August 2023

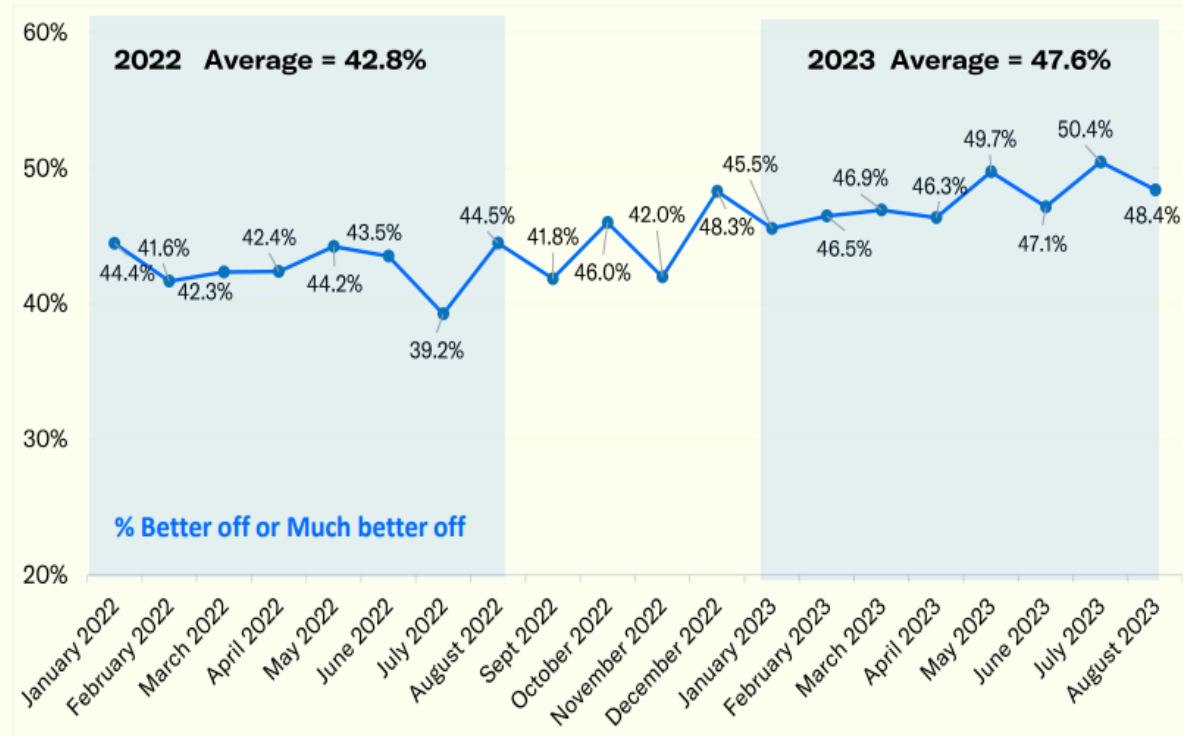
15

Future Partners – The State of the American Traveler

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

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?



Future Partners – The State of the American Traveler

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

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): _____



Future Partners – The State of the American Traveler

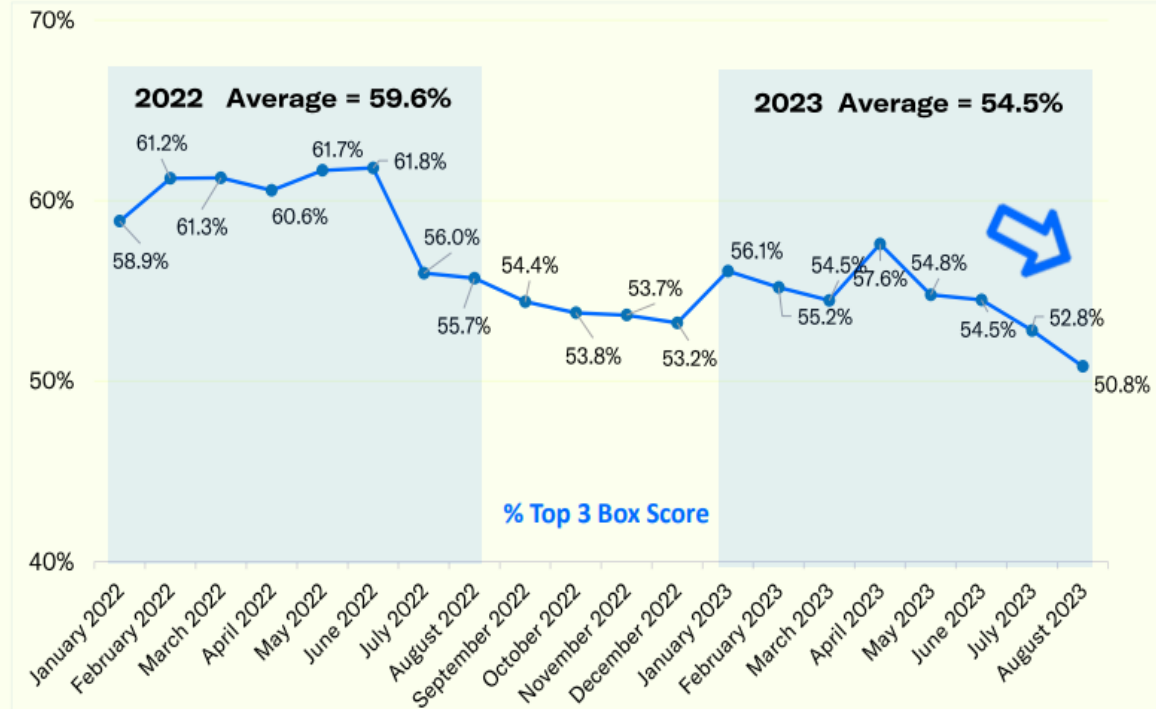
*Survey Fielded August 17-21, 2023; Representative sample of adult American travelers; N=4,000+

Question:

Thinking carefully about how you expect to spend your income in the **NEXT THREE MONTHS**, please use the scale below to describe your spending priorities.

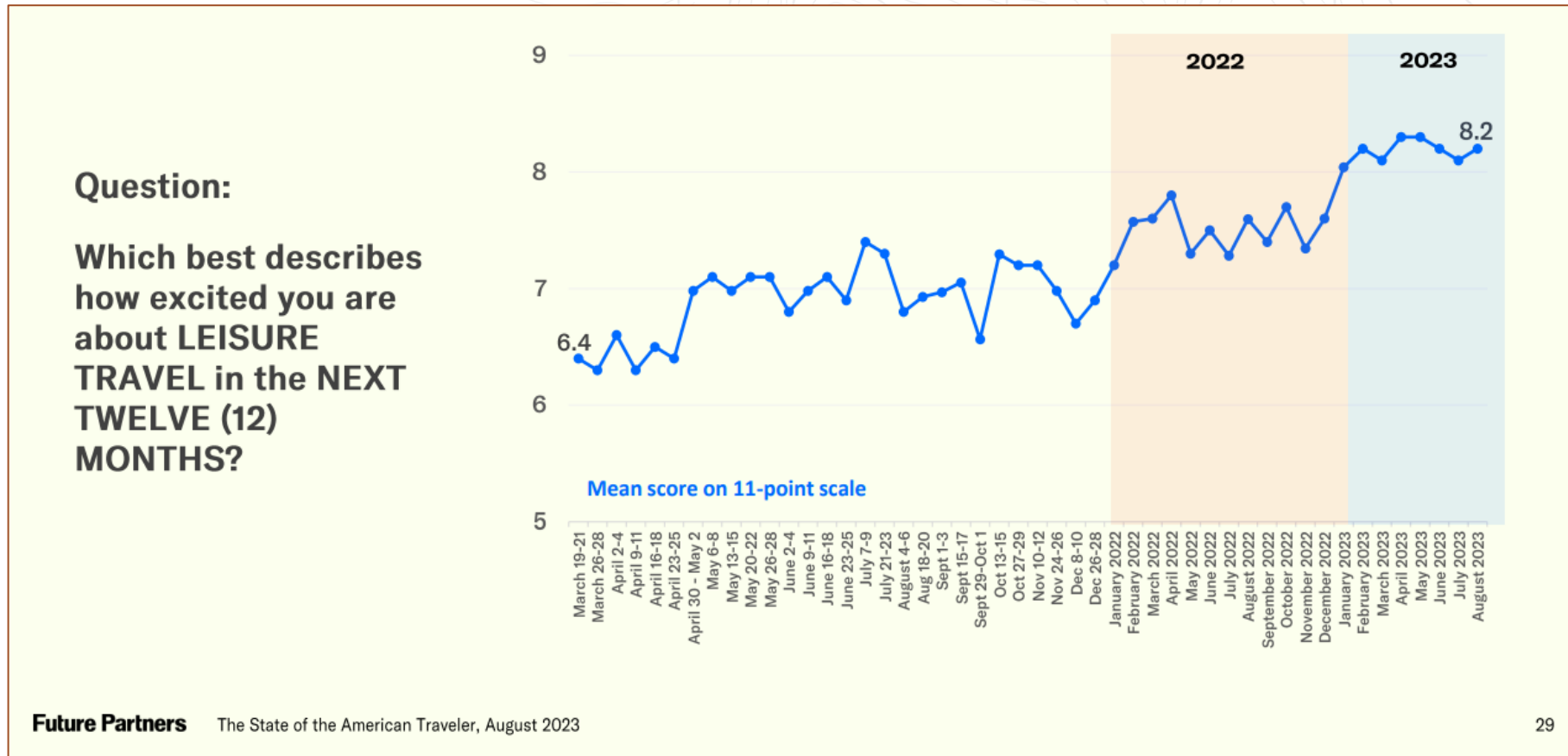
Leisure travel will be a(n)

_____.



Future Partners – The State of the American Traveler

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

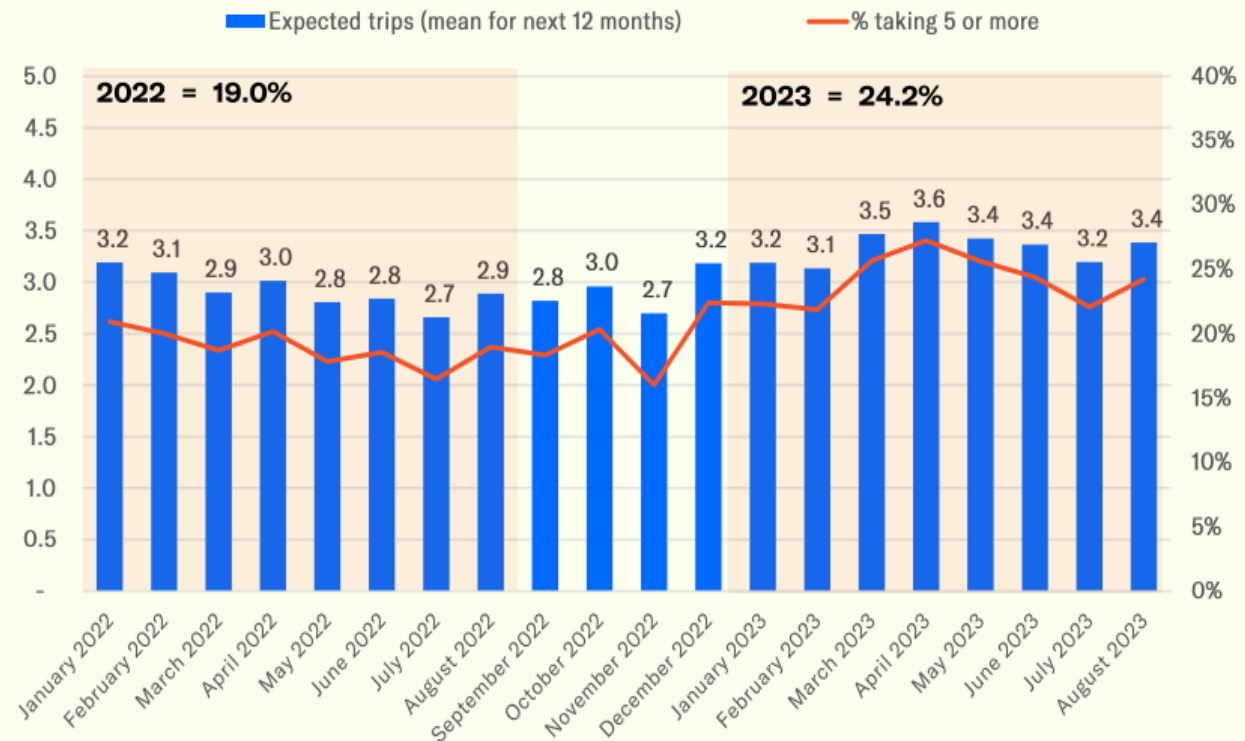


Future Partners – The State of the American Traveler

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

Question:

IN TOTAL, how many leisure trips (of 50 miles or more from your home) do you expect to take in NEXT TWELVE (12) MONTHS?

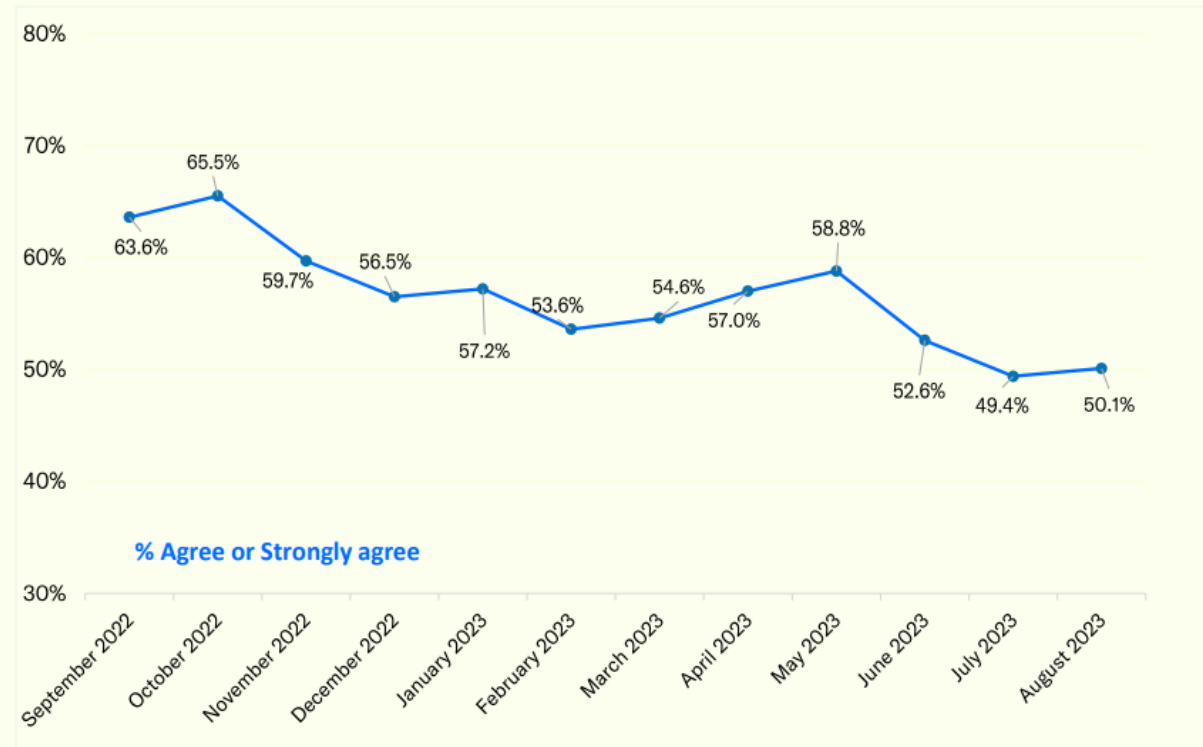


Future Partners – The State of the American Traveler

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

Statement:

I expect the United States will enter an economic recession sometime in the NEXT SIX (6) MONTHS.

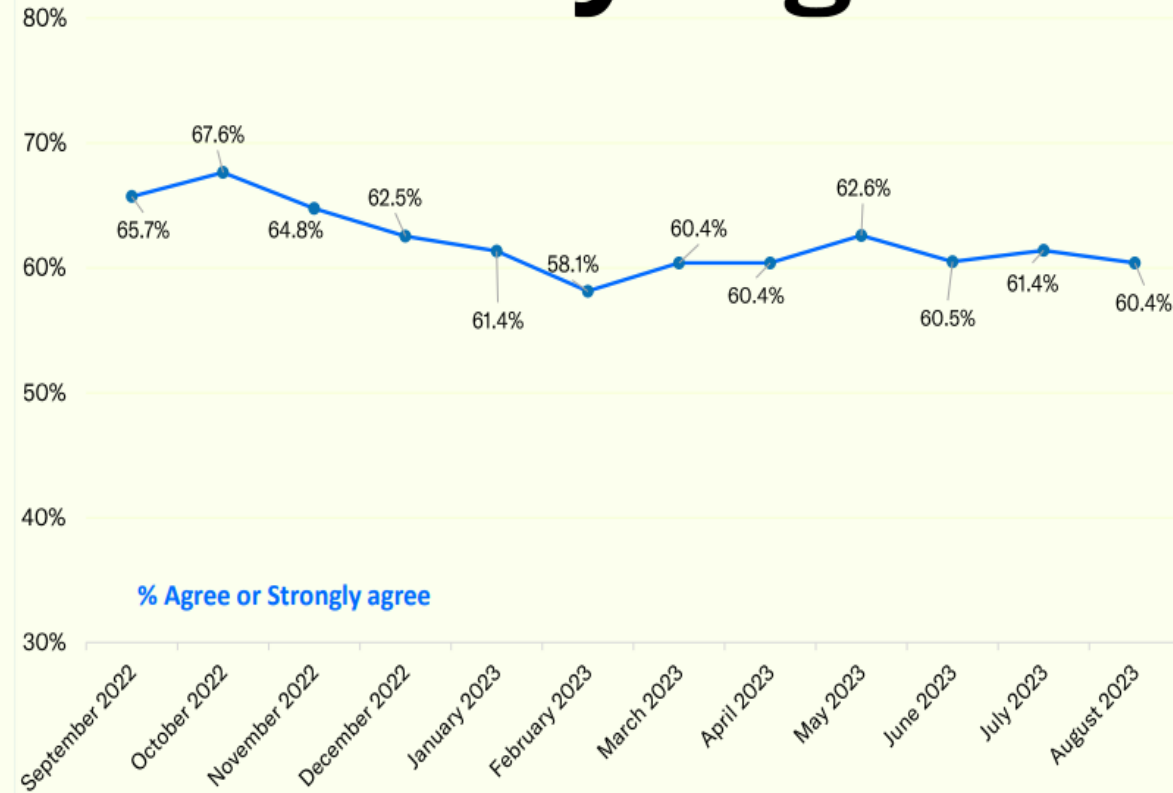


Future Partners – The State of the American Traveler

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

Statement:

Right now, I am being careful with my money because I'm concerned about an upcoming recession.

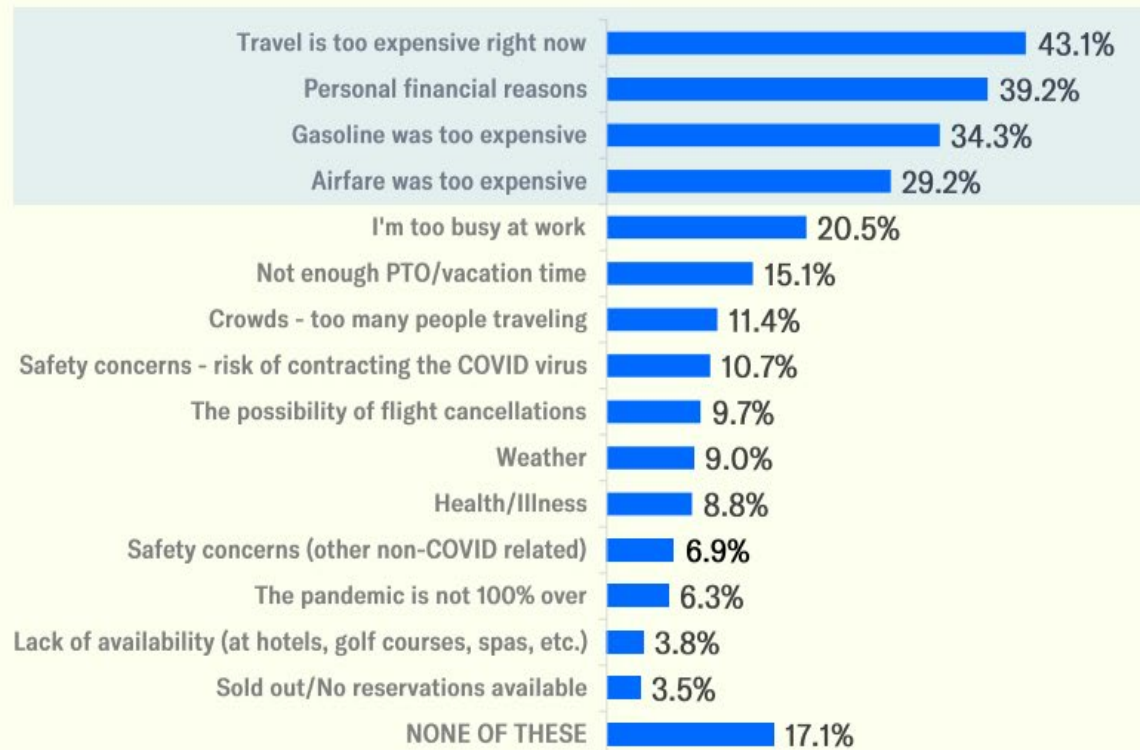


Future Partners – The State of the American Traveler

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

Question:

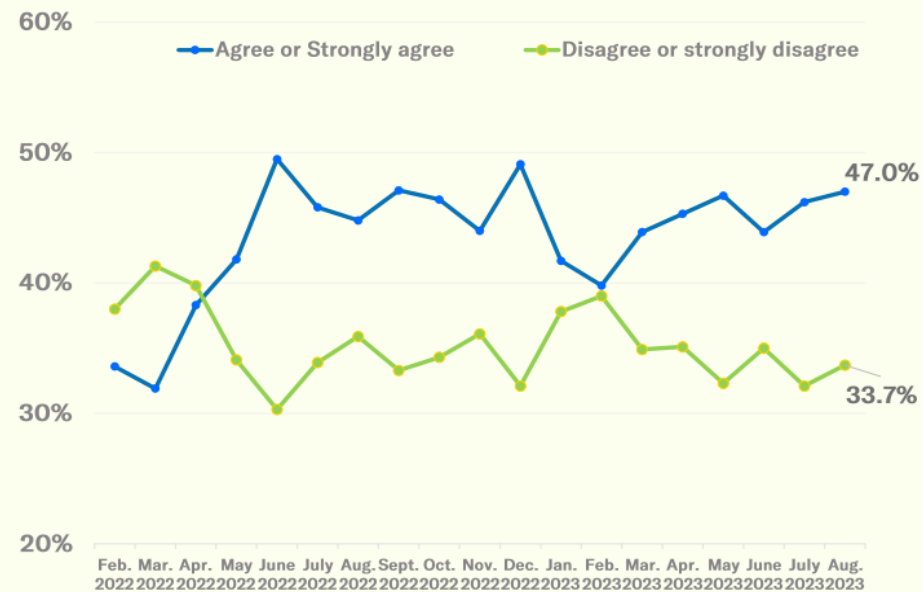
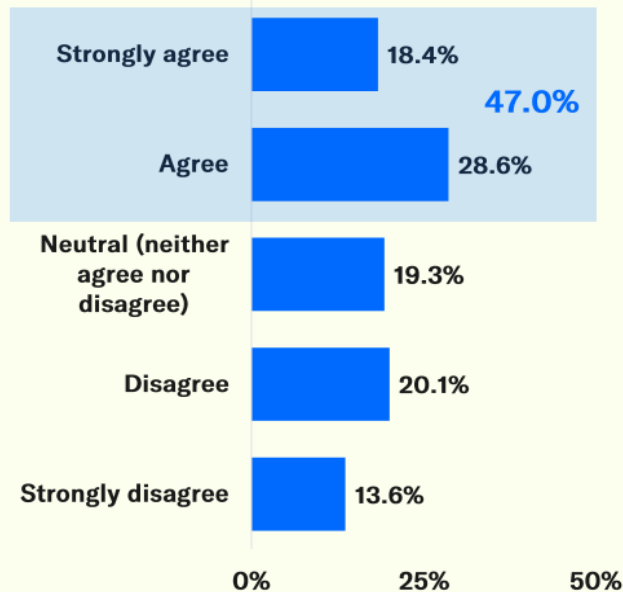
In the PAST SIX (6) MONTHS, which (if any) of the following have kept you from traveling more than you would have otherwise preferred? (Select all that apply)



Future Partners – The State of the American Traveler

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

Statement: High travel prices have kept me from traveling in the past month.



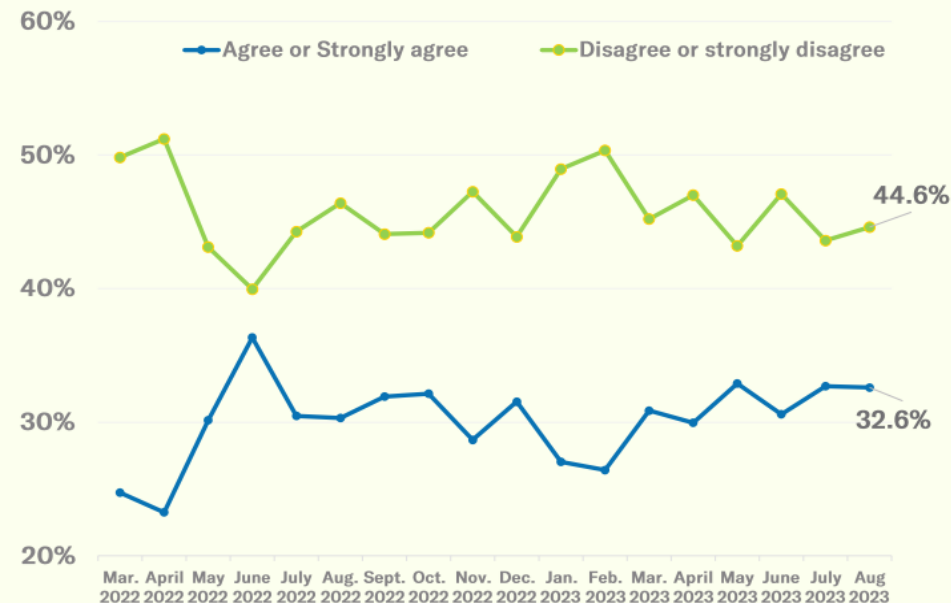
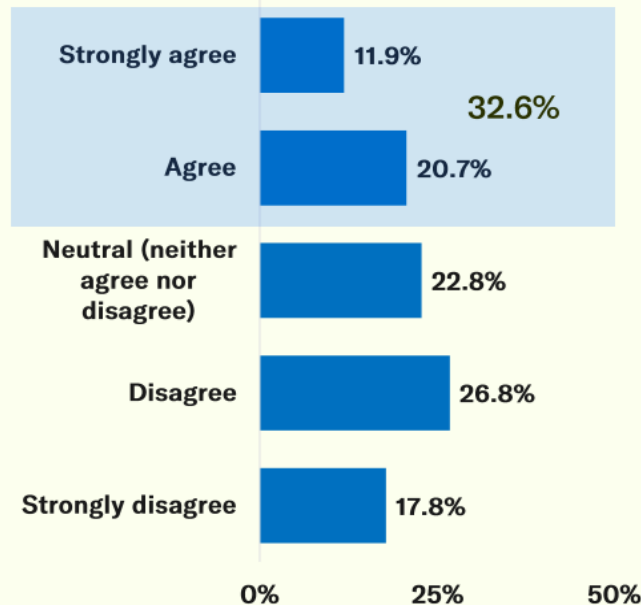
Future Partners The State of the American Traveler, August 2023

41

Future Partners – The State of the American Traveler

*Survey Fielded August 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.



Future Partners The State of the American Traveler, August 2023

42

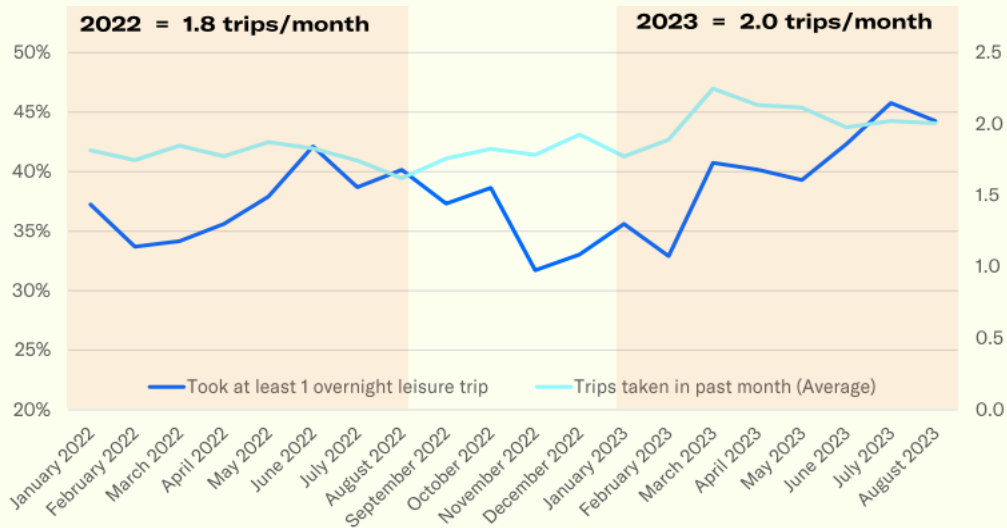
Future Partners – The State of the American Traveler

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

Still, **overnight leisure travel** volume remains robust.

Question:

How many **OVERNIGHT** trips of each type have you taken in the **PAST MONTH**?



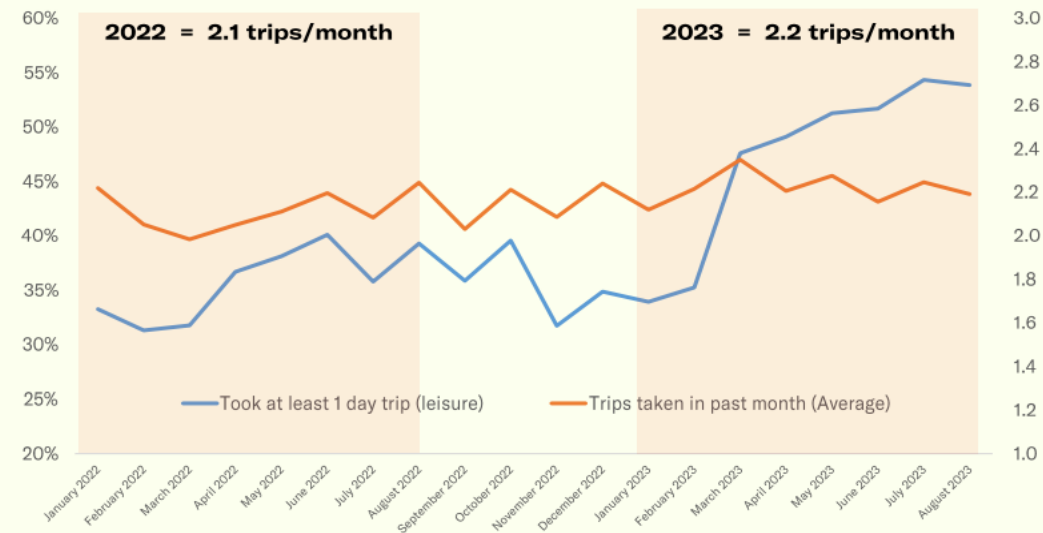
Future Partners – The State of the American Traveler

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

Leisure **day trip** volume has been very strong this year.

Question:

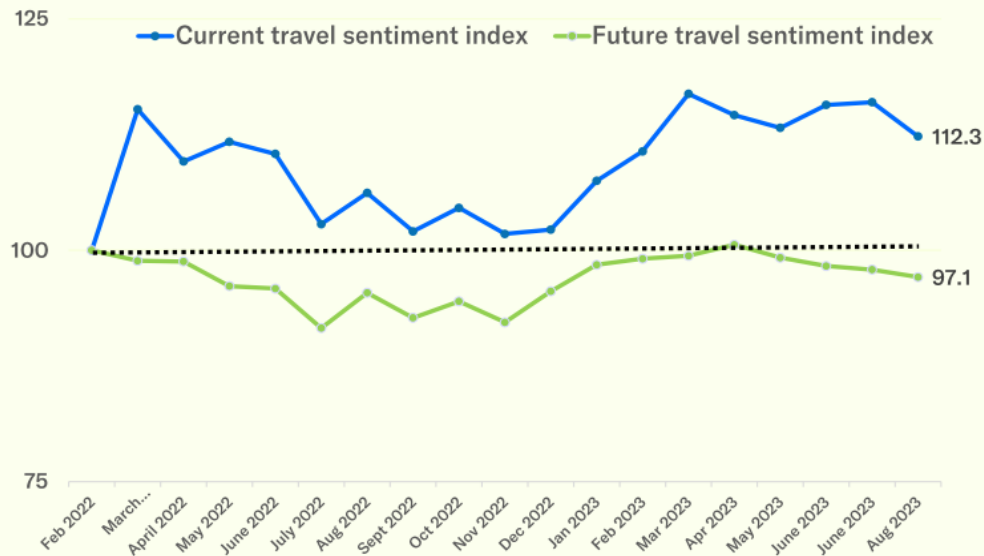
How many DAY TRIPS (i.e., no overnight stay) of each type have you taken in the PAST MONTH?



Future Partners – The State of the American Traveler

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

TRAVEL SENTIMENT INDICES:



Note: These indices measure change in sentiment relative to Feb 2022.

- Current travel enthusiasm weakened this month.
- Future travel sentiment also dropped slightly this month.



Thank You!

DISCOVER KALISPELL MONTANA

