



Monthly Research Update

September 2023 Review

Kalispell Trends

- Glacier Park International Airport continues to exceed 2022 traffic levels.
 - September total passengers increased 15.3% Year-Over-Year (YoY).
 - 2023 YTD total passengers pacing was up 6.6% compared to 2022 YTD.
- Kalispell hotels continued to trend positively into Autumn, with September Occupancy up 0.4%, ADR up 11.0%, and RevPAR up 11.4% compared to the same time last year.
 - These upticks contributed to an 11.4% increase in Total Revenue.
- The steady rise in Short Term Rental Supply continued to drive down Occupancy, ADR, and RevPAR. However, Demand and Total Revenue remained significantly above 2022 levels.
 - Total Available Listings increased 44.3% from 149 to 215.
 - Occupancy decreased 2.7%, ADR decreased 0.2%, and RevPAR decreased 2.9%.
 - Demand increased 52.7% and Total Revenue increased 52.4%.
- 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

- Recent economic data continues to positively surprise despite persistent recession forecasts.
- The October jobs report released by the Bureau of Labor Statistics (BLS) shows 336,000 new jobs added to U.S. payrolls, a steep increase from the 227,000 added in August and well above the estimated 170,000 jobs economists expected.
 - This was the strongest month for new jobs in seven months, and the leisure and hospitality industry enjoyed some of the biggest gains.
- At the same time, wage growth slowed slightly. This signals that robust hiring numbers aren't translating into wage inflation just yet, and the Fed might be able to hold off on rate increases for a bit longer.
- September inflation remained unchanged from August's 3.7%, which sits above the Fed target of 2%. Core inflation, which strips out volatile food and energy prices, crept down to 4.1% from 4.3% in August.
- The economy may continue to cool moving into the holiday season as excess savings decrease and student loan payments resume in October and November.

U.S. Hotel Performance Summary – September 2023

- The U.S. hotel industry reported higher performance results from the previous month, according to September 2023 from CoStar. CoStar is a leading provider of online real estate marketplaces, information and analytics in the property markets.
- September 2023 Statistics (percentage change from September 2022)
 - Occupancy: 66.2% (-0.5%)
 - Average Daily Rate: \$160.18 (+3.5%)
 - Revenue Per Available Room: \$106.07 (+2.9%)
- Top 25 Markets Summary
 - Among the Top 25 Markets, New York City experienced the highest occupancy level (87.6%), which was up 1.6% year over year.
 - Markets with the lowest occupancy for the month included New Orleans (53.0%) and Houston (59.5%).
 - The Top 25 Markets showed higher Occupancy than all other markets for the month of September 2023.

U.S. Market Review – Short Term Rentals

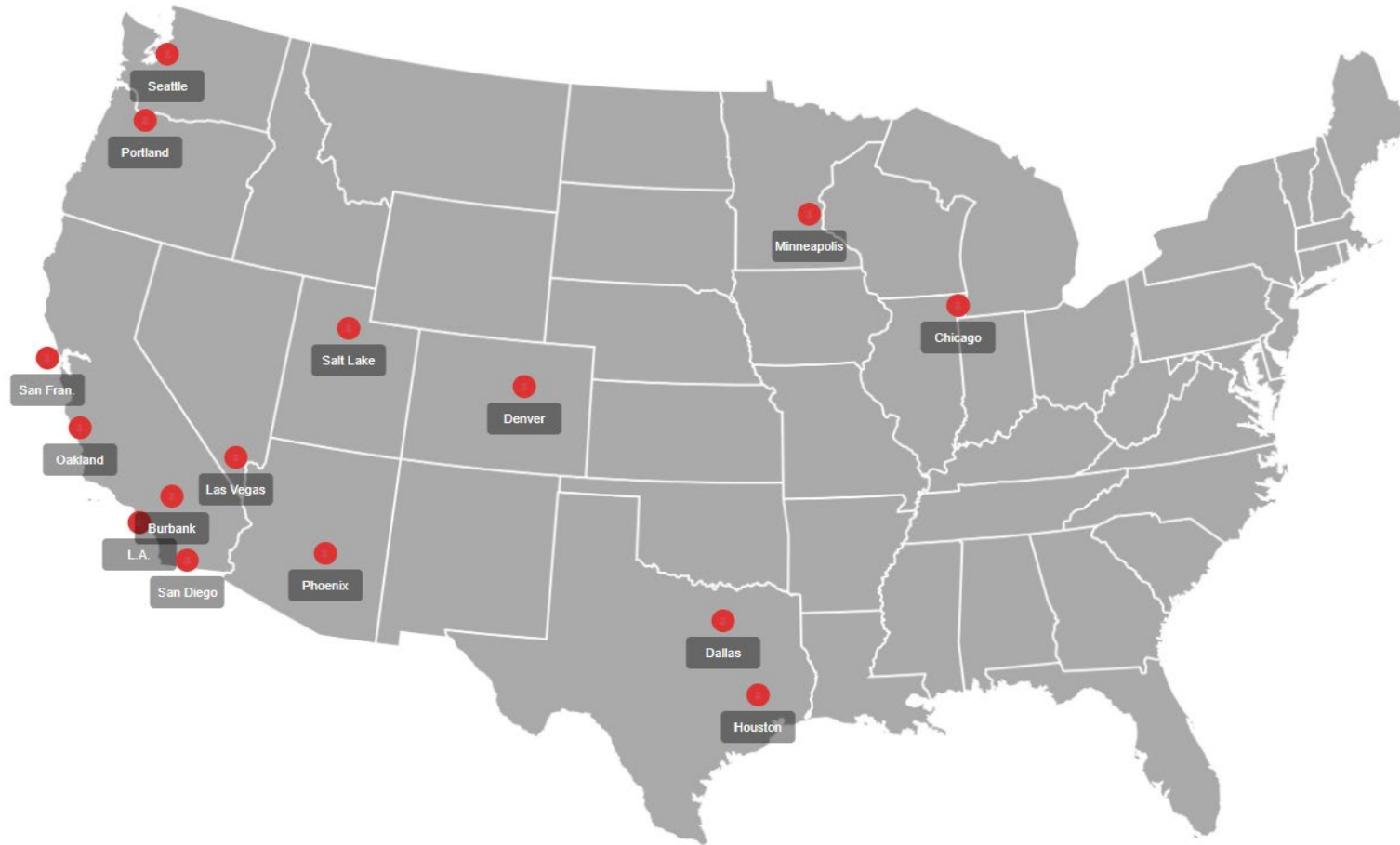
- September U.S. short-term rental (STR) demand growth strongly accelerated to 12.2% on a year-over-year (YOY) basis, up from 7.8% the month prior. This boost cemented the reign of off-season demand, making good on pacing signals throughout 2023 that pointed to strong travel during this year's shoulder season. Demand figures weren't the only positives, either. Average daily rate (ADR) and booking growth also accelerated, and RevPAR ticked up after five months of small declines.
- Perhaps the most welcome shift in September performance is the return of occupancy levels closer to 2022 than 2019. At the beginning of the year, occupancy tracked squarely between 2019 and 2022 levels. Slightly lower occupancy year-over-year was a foregone conclusion in 2023, as the STR market rebalanced following the extreme highs that characterized the recovery from the immediate aftermath of the COVID-19 outbreak.
- Still, occupancy fell very close to 2022 levels beginning in May. In August, that trend shifted again, as occupancy dipped *below* 2019 levels for the first time since January 2021. Fortunately, this doesn't seem to be the start of a new pattern. In September, occupancy once again tracked closely with 2022.
- Key U.S. Short Term Rental Performance Metrics – September 2023
 - Occupancy was 1.2% lower YoY at 56.9% (+6.6% vs. 2019)
 - Average Daily Rate grew 2.6% YoY to \$312.51
 - RevPAR increased 1.4% YoY to \$177.74
 - Total Available Listings reached 1.56 million, up 14.5% YoY
 - Total Demand (nights sold) rose 12.2% YoY

SECTION 01.

Glacier Park International Airport Data

Glacier Park International Airport

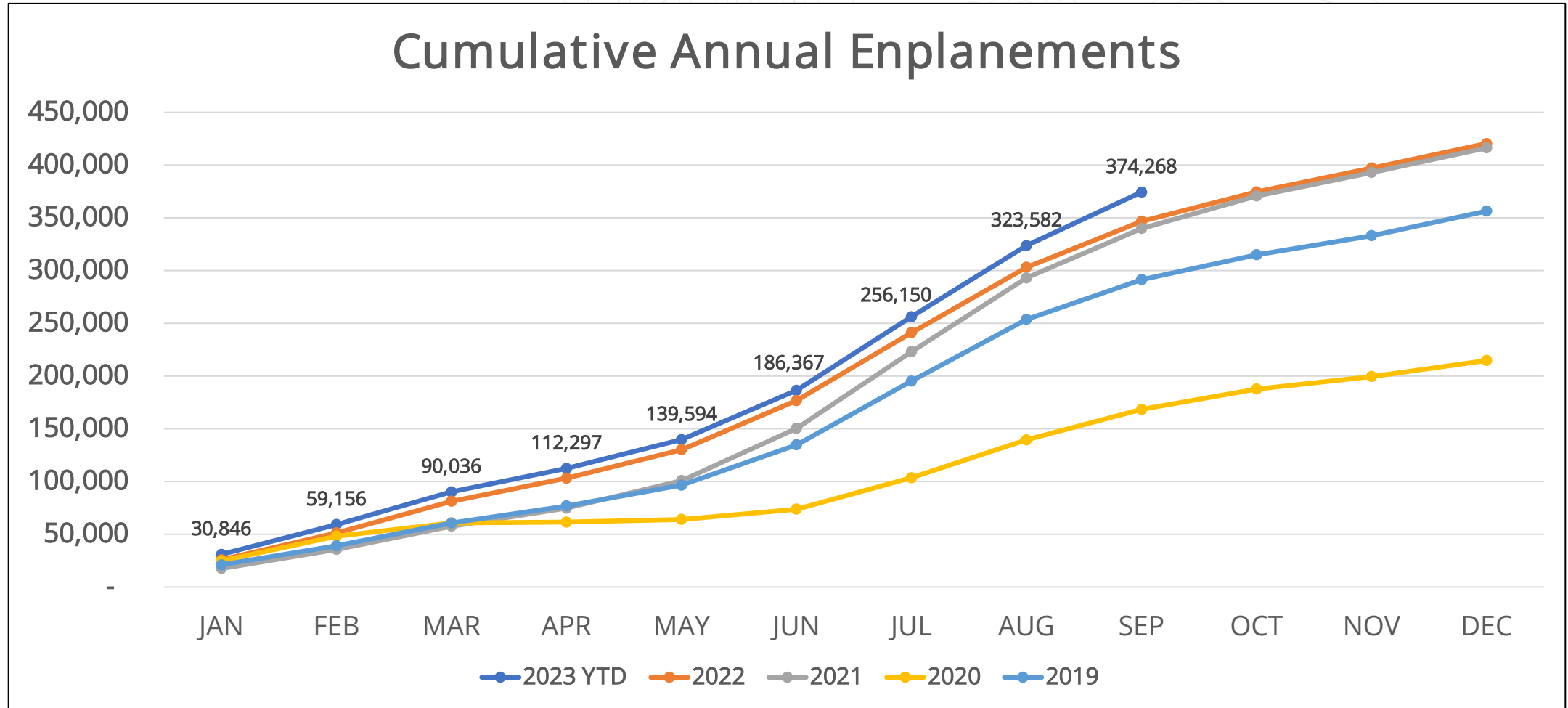
— Direct Flights —
MAJOR CITIES SERVED



Glacier Park International Airport

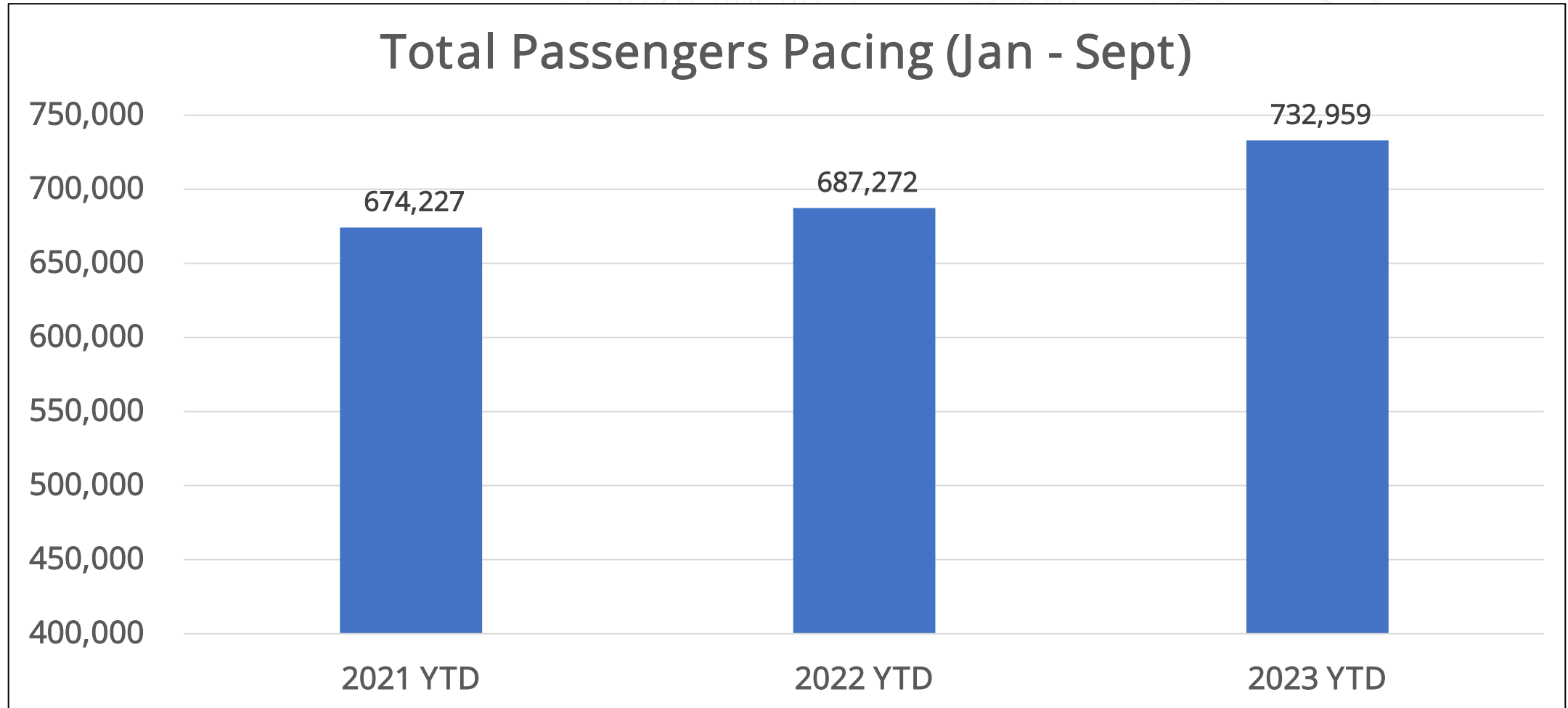
Total Passengers					
Month	2023	2022	% Chg 2023 vs. 2022	2021	% Chg 2023 vs. 2021
January	58,161	49,261	18.1%	32,629	78.2%
February	56,277	50,555	11.3%	36,194	55.5%
March	59,460	58,672	1.3%	44,961	32.2%
April	45,073	43,836	2.8%	34,258	31.6%
May	54,694	57,039	-4.1%	52,994	3.2%
June	96,564	97,429	-0.9%	103,426	-6.6%
July	138,012	128,318	7.6%	144,891	-4.7%
August	129,078	119,193	8.3%	132,811	-2.8%
September	95,640	82,969	15.3%	92,063	3.9%
October		52,129		58,516	
November		45,126		44,274	
December		47,618		49,079	
Year-to-Date	732,959	687,272	6.6%	674,227	8.7%
Total		832,145		826,096	

Glacier Park International Airport

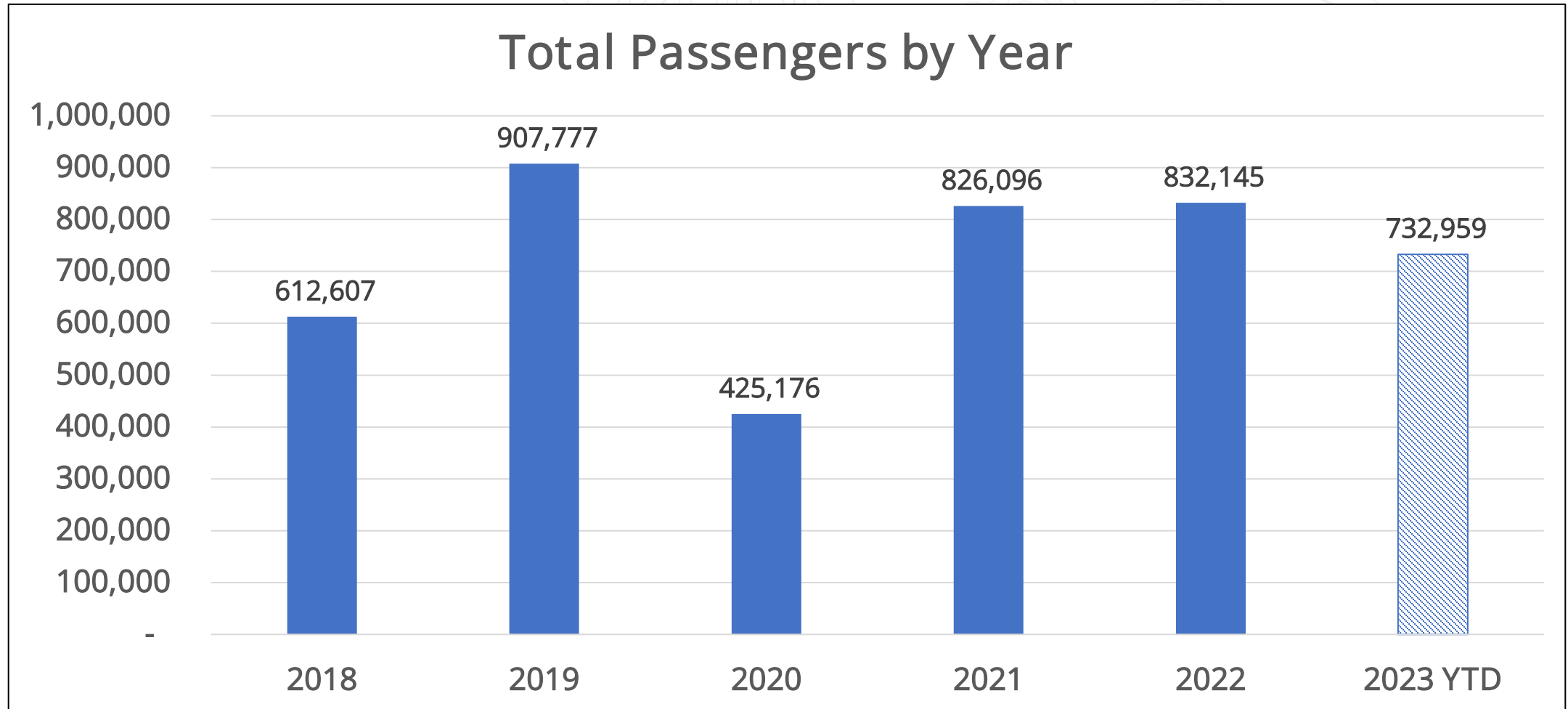


** Enplanements only (not total passengers)*

Glacier Park International Airport



Glacier Park International Airport



(Jan – Sept 2023)

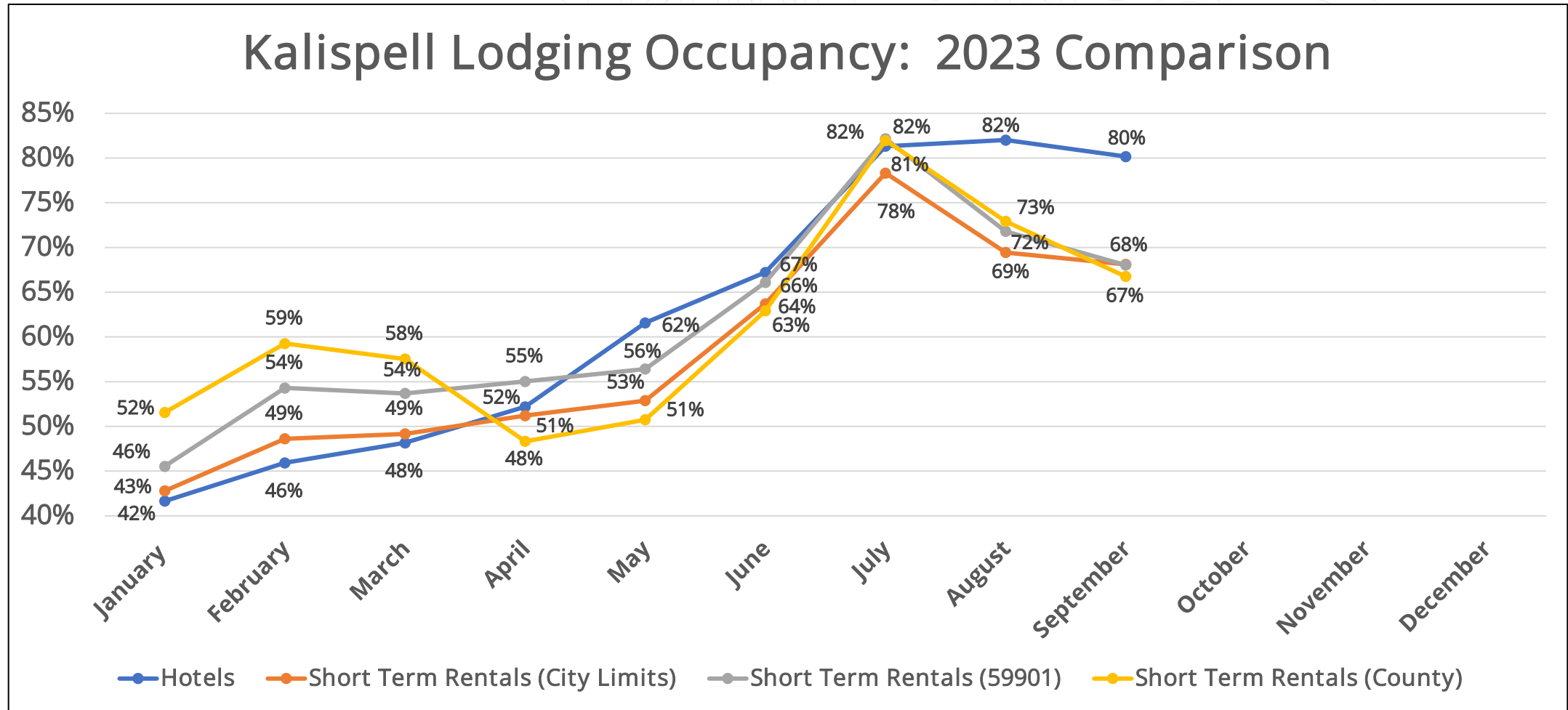
SECTION 02.

STR Hotel Data

STR Hotel Data - Definitions

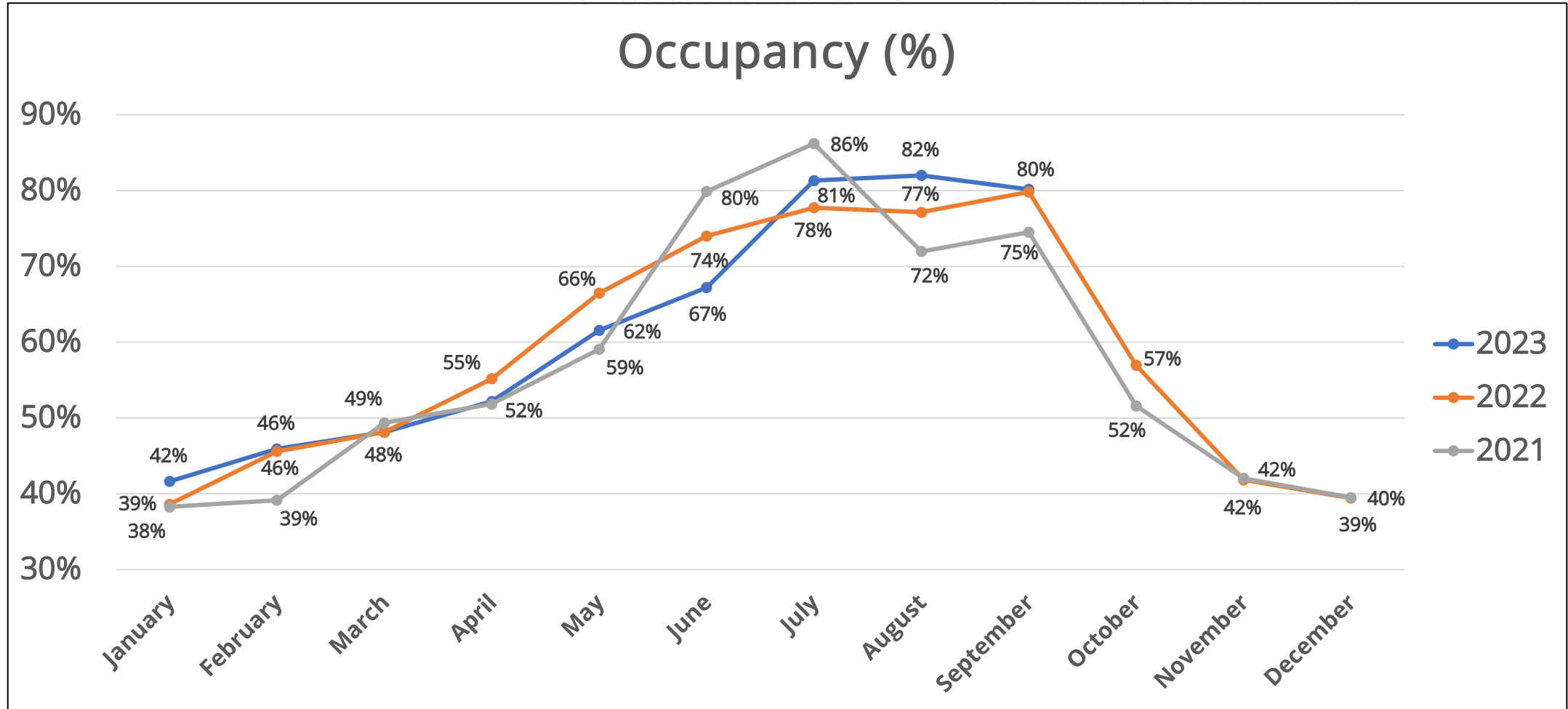
- **Average Daily Rate (ADR)** – A measure of the average rate paid for rooms sold, calculated by dividing room revenue by rooms sold.
 - $\text{ADR} = \text{Room Revenue} / \text{Rooms Sold}$
- **Demand** – The number of rooms sold in a specified time period (excludes complementary rooms).
- **Occupancy**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

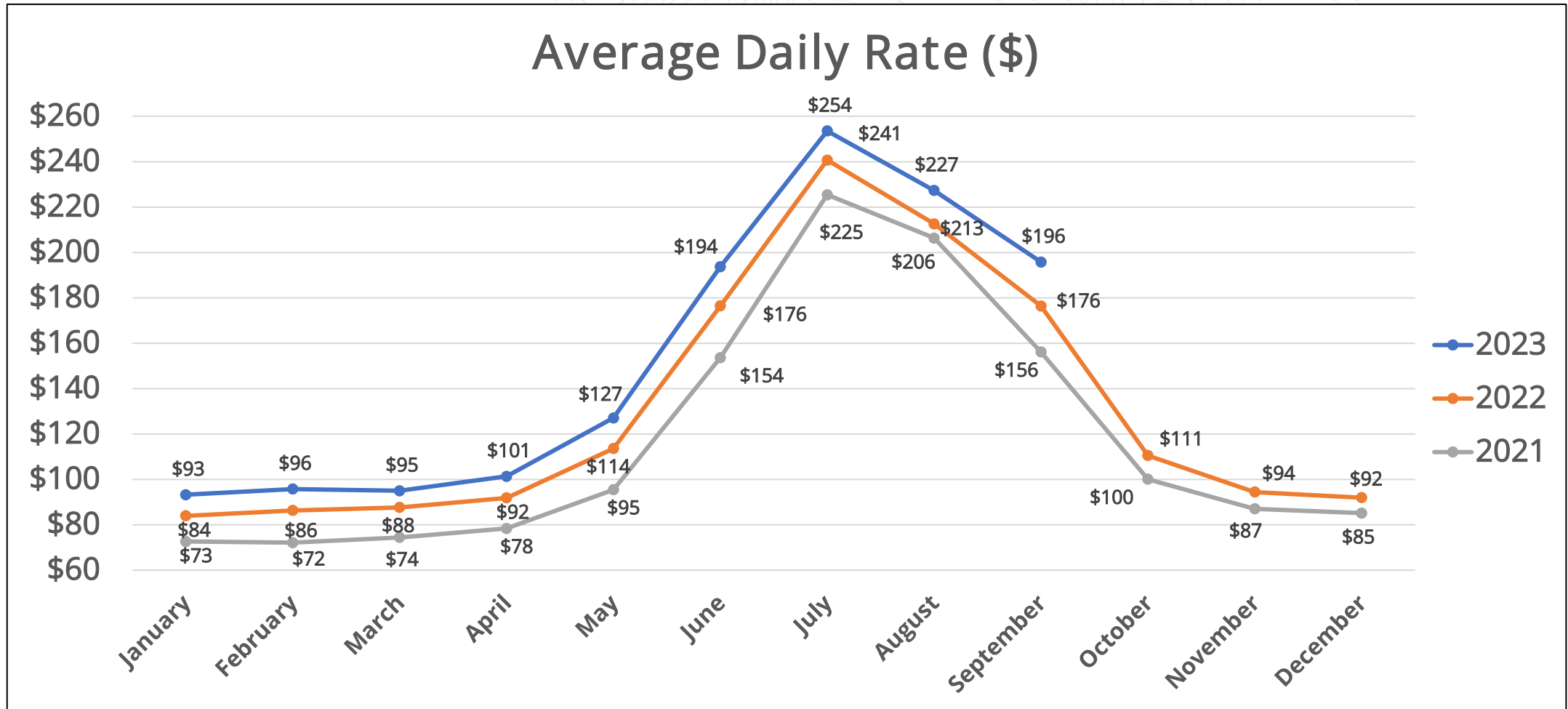
Kalispell hotel Occupancy increased 0.4%, ADR increased 11.0%, and RevPAR increased 11.4% Year-Over-Year





Hotel Average Daily Rate (ADR) by Month

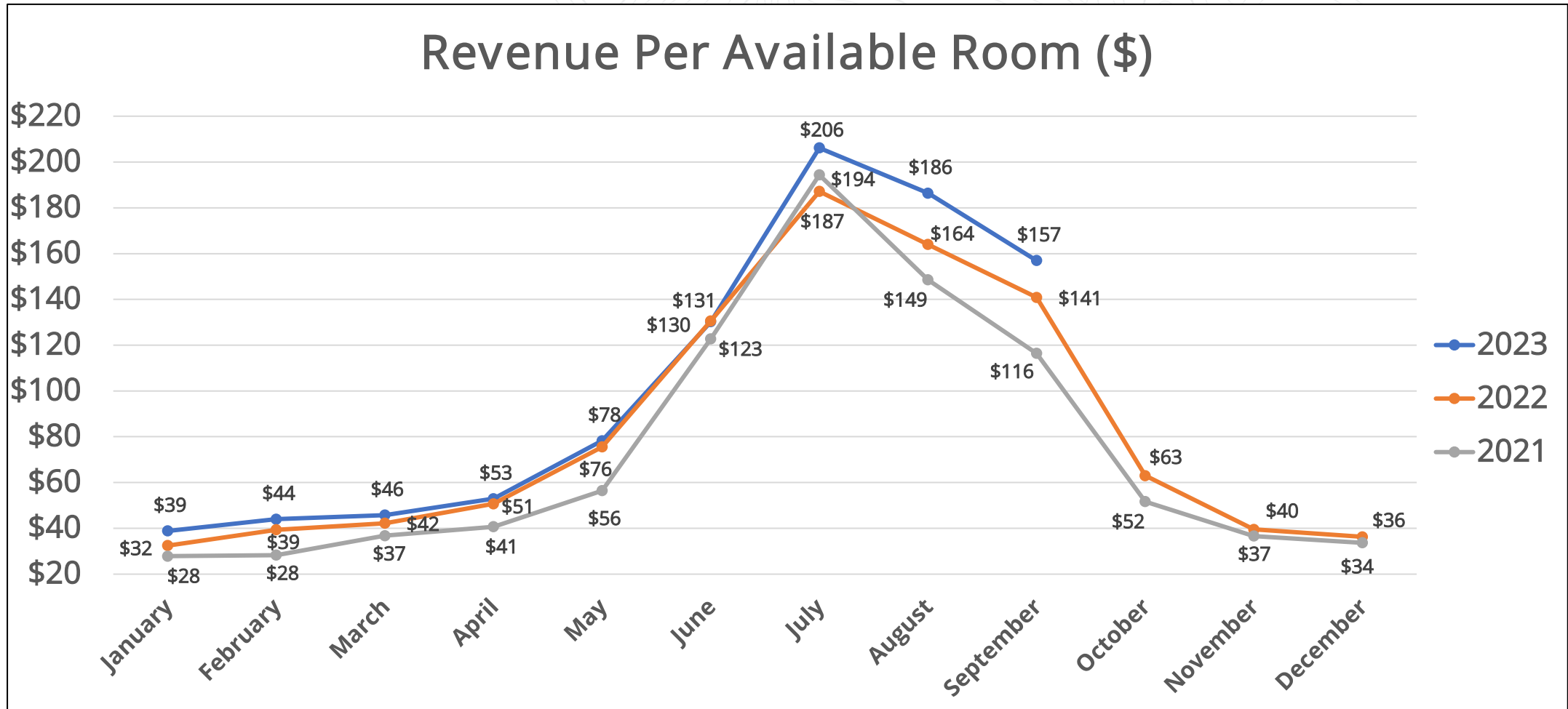
Kalispell hotel Occupancy increased 0.4%, ADR increased 11.0%, and RevPAR increased 11.4% Year-Over-Year





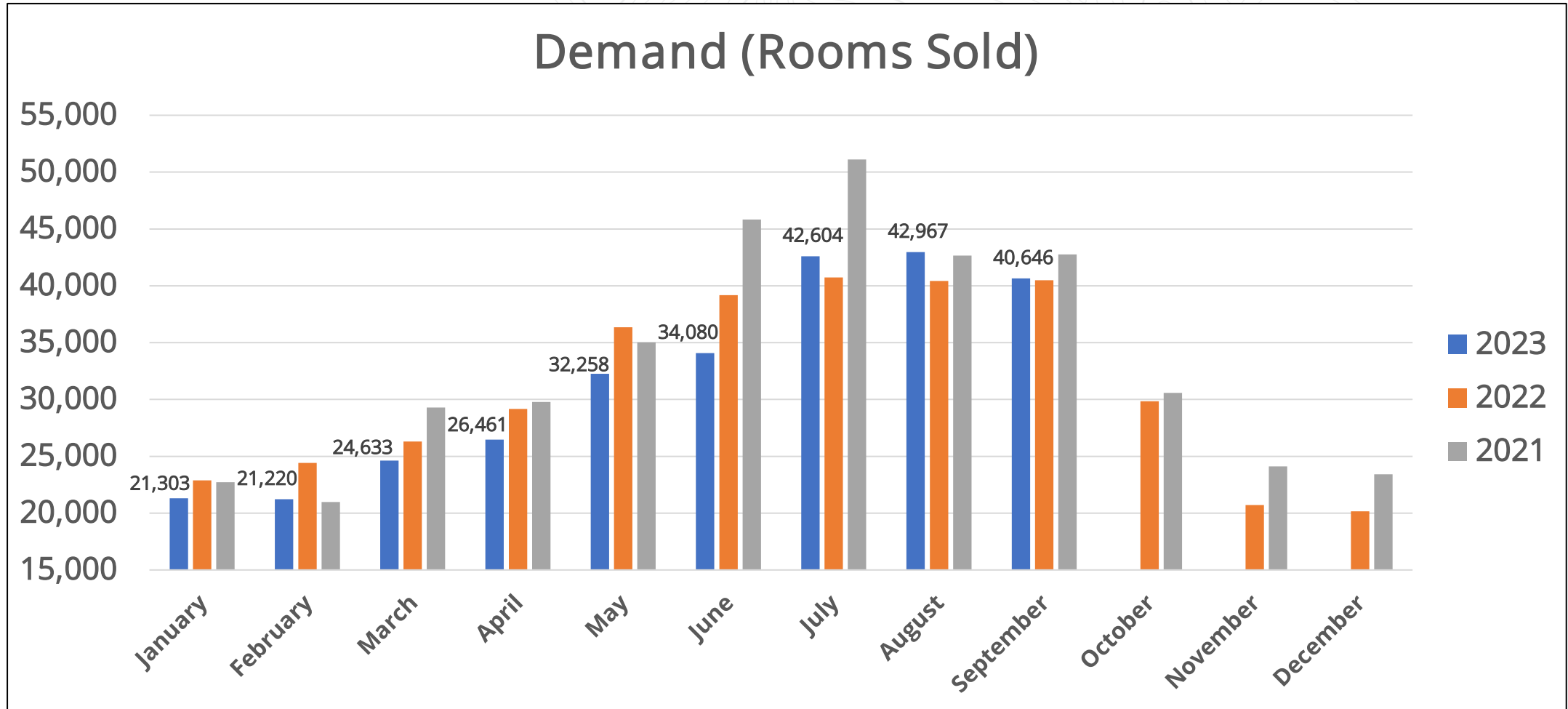
Hotel Revenue Per Available Room by Month

Kalispell hotel Occupancy increased 0.4%, ADR increased 11.0%, and RevPAR increased 11.4% Year-Over-Year



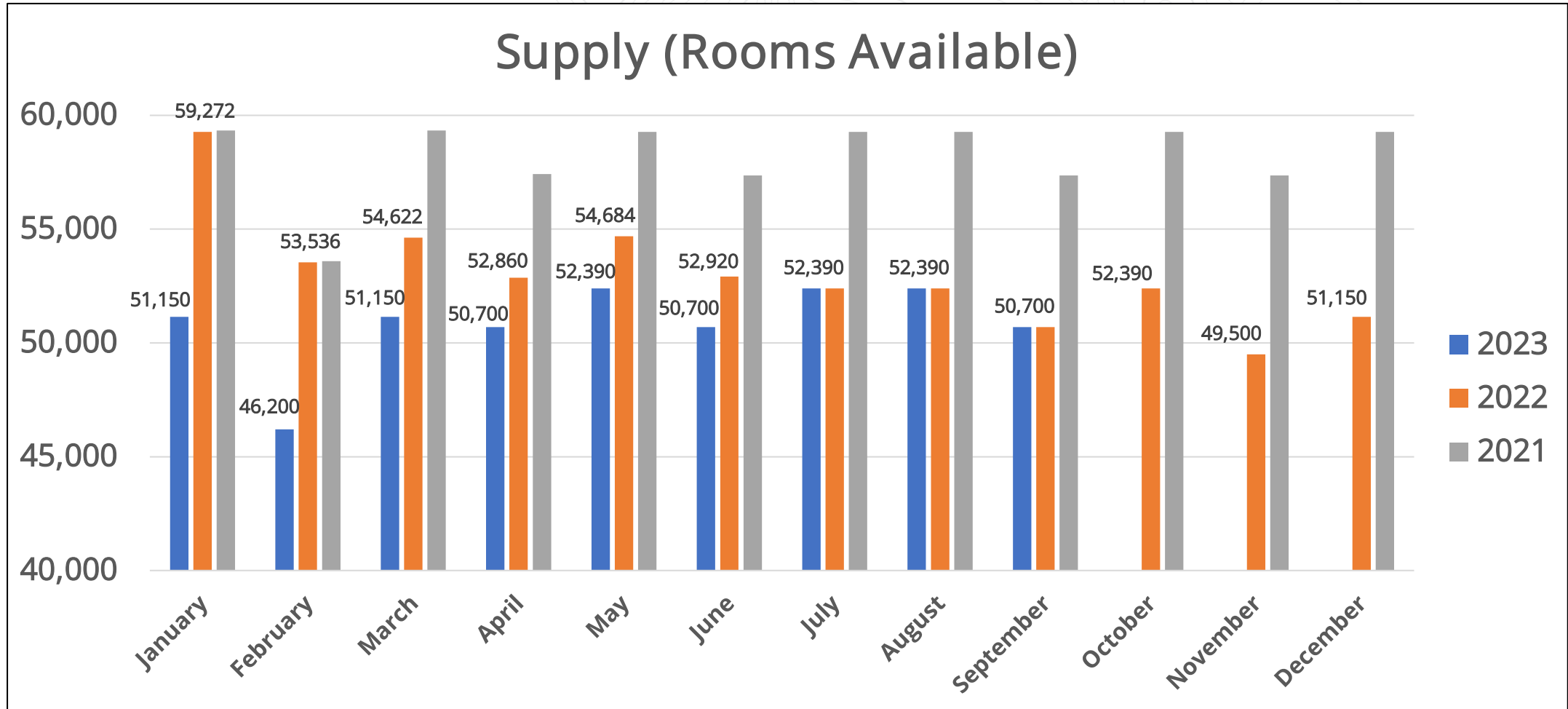
Hotel Demand (Rooms Sold) by Month

Kalispell hotel Demand increased 0.4%, Supply remained unchanged, and Revenue increased 11.4% Year-Over-Year



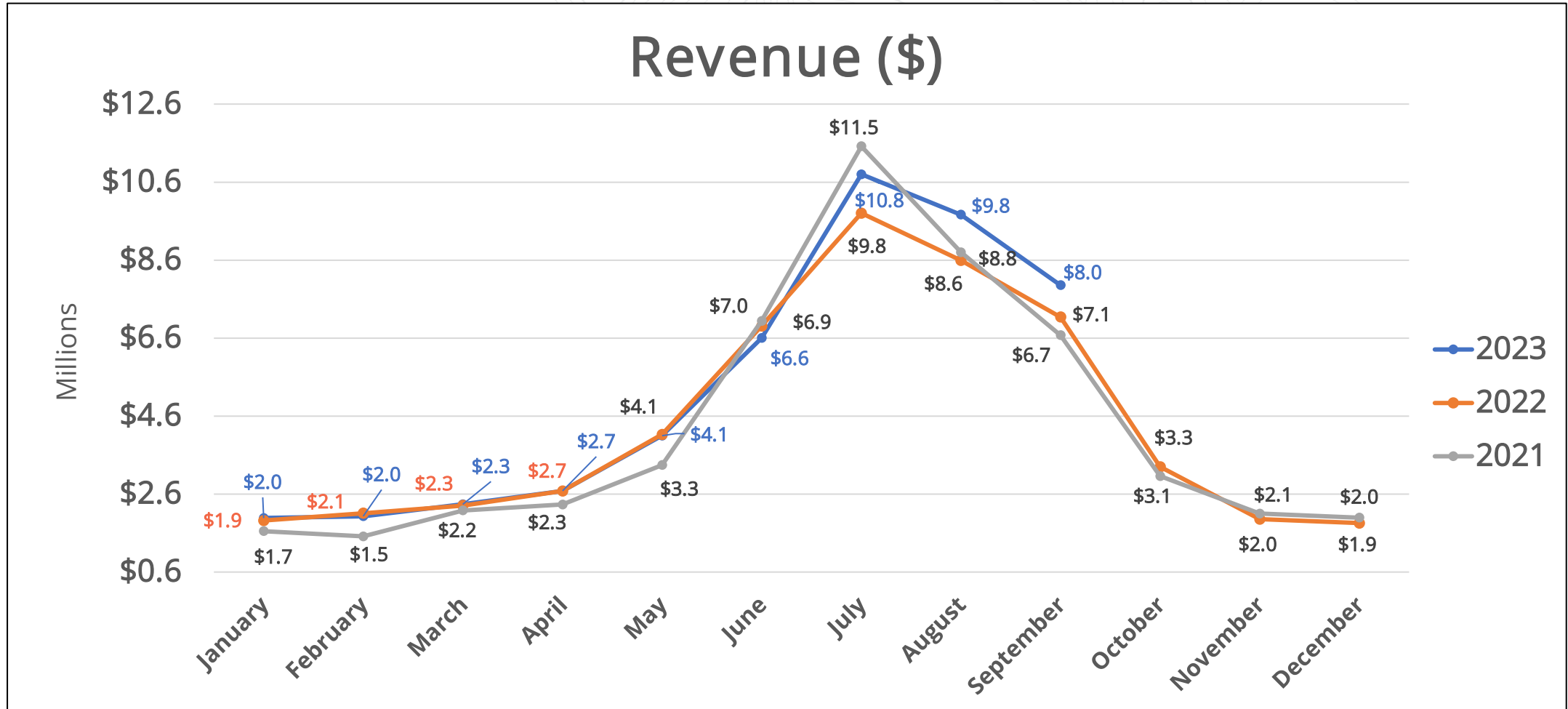
Hotel Supply by Month

Kalispell hotel Demand increased 0.4%, Supply remained unchanged, and Revenue increased 11.4% Year-Over-Year



Hotel Revenue by Month

Kalispell hotel Demand increased 0.4%, Supply remained unchanged, and Revenue increased 11.4% Year-Over-Year



SECTION 03.

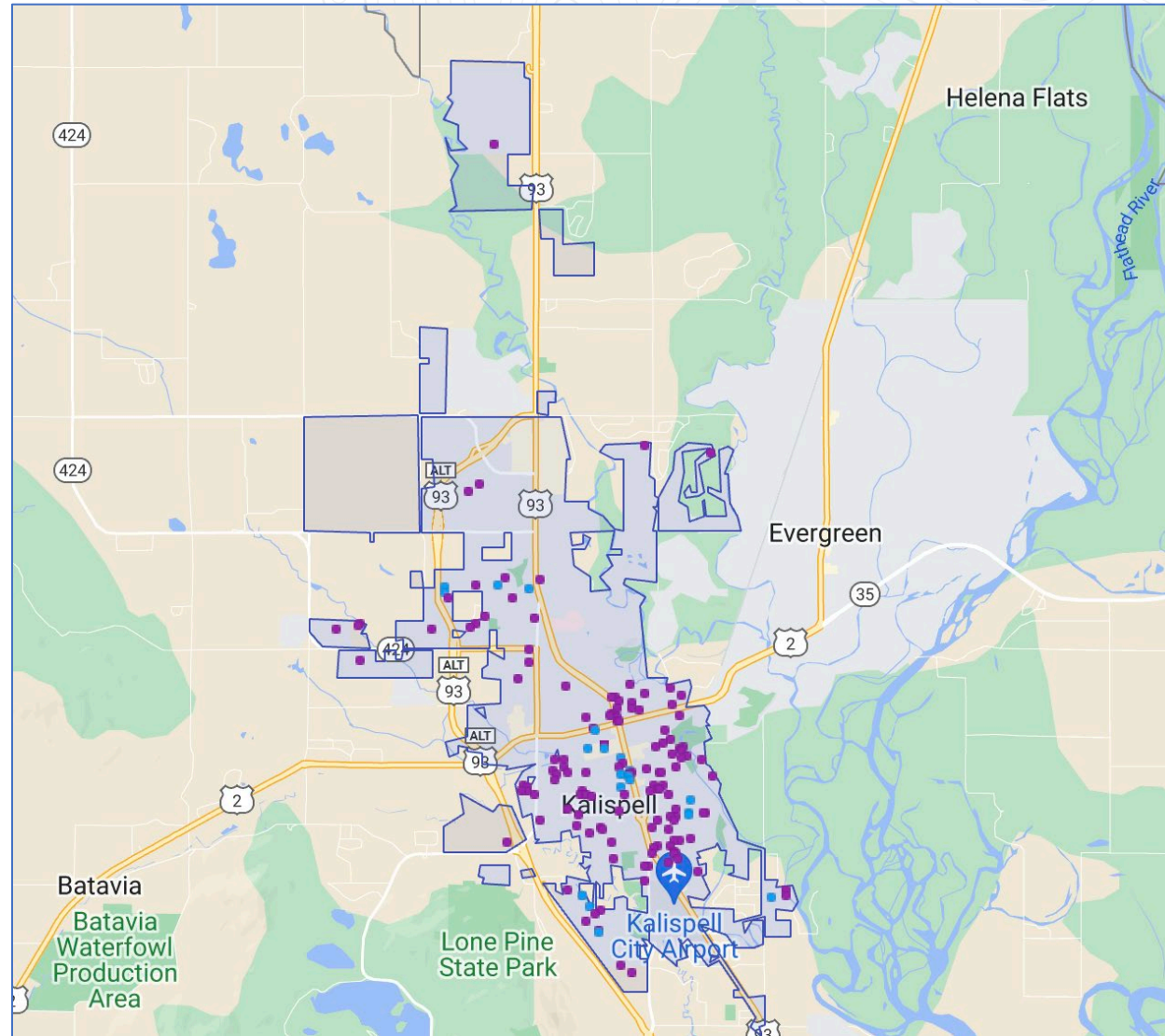
AirDNA Short Term Rental Data (Airbnb & Vrbo listings)

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

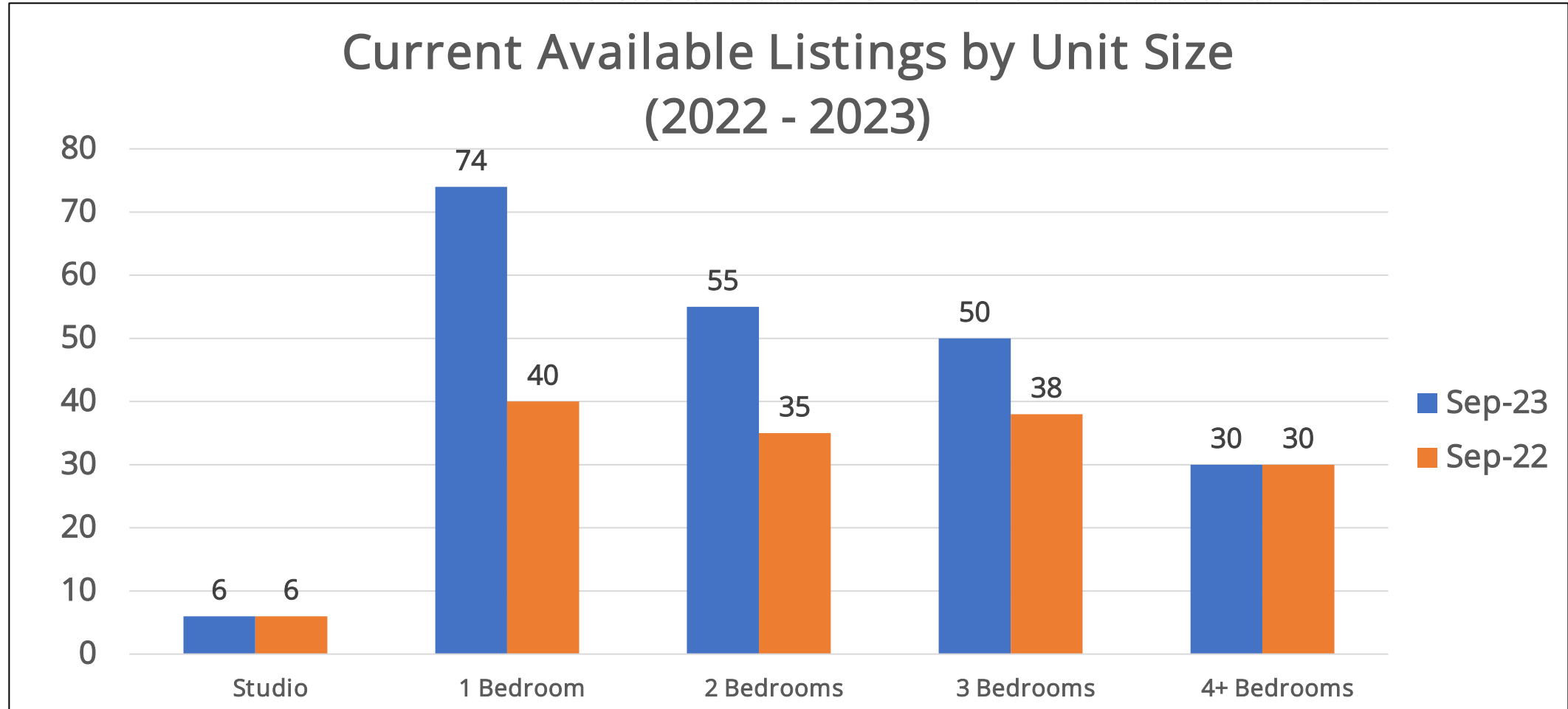
AirDNA Short Term Rentals - Available Listings

Kalispell Short Term Rentals Available Listings increased 44.3% Year-Over-Year



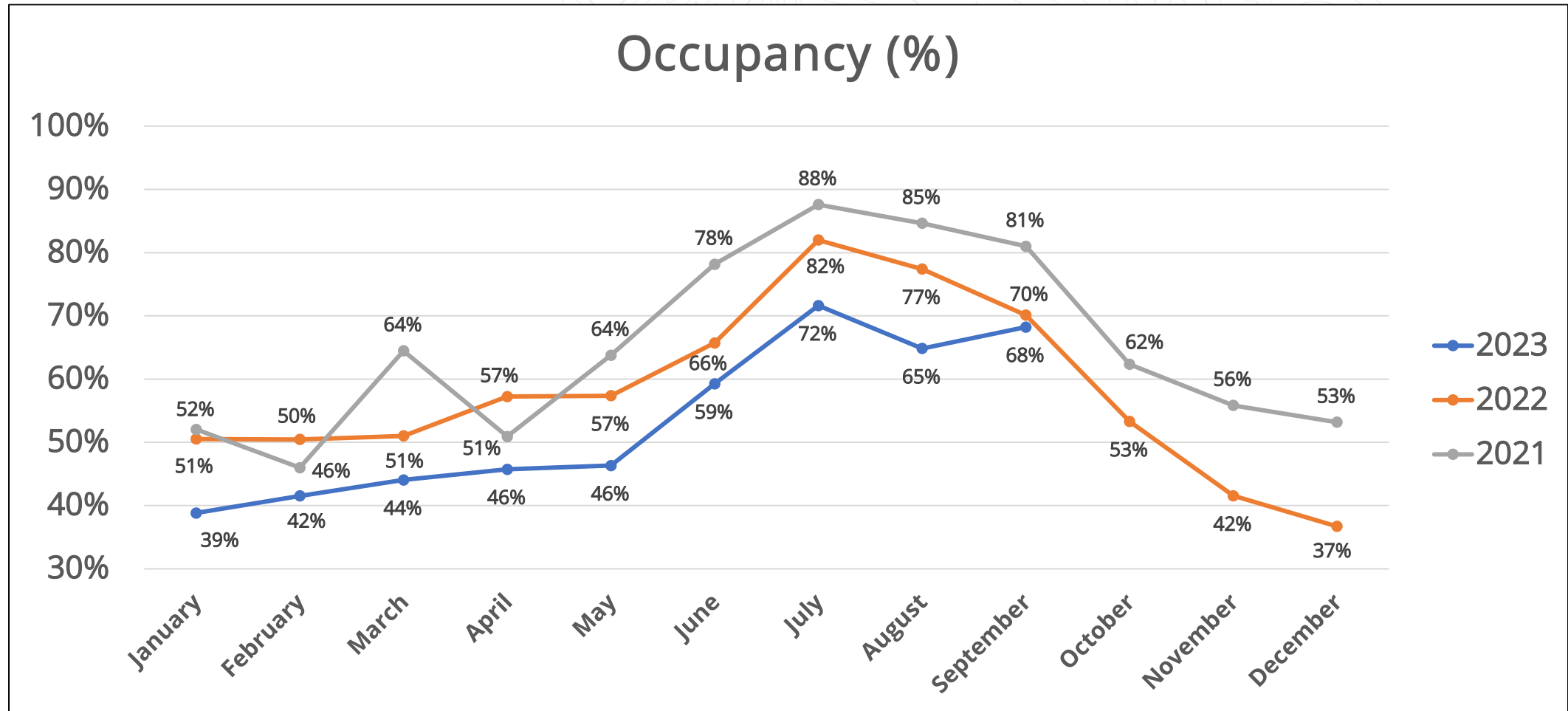
AirDNA Short Term Rentals - Unit Size

1-Bedroom Listings increased 85.0% and 2-Bedroom Listings increased 57.1% Year-Over-Year



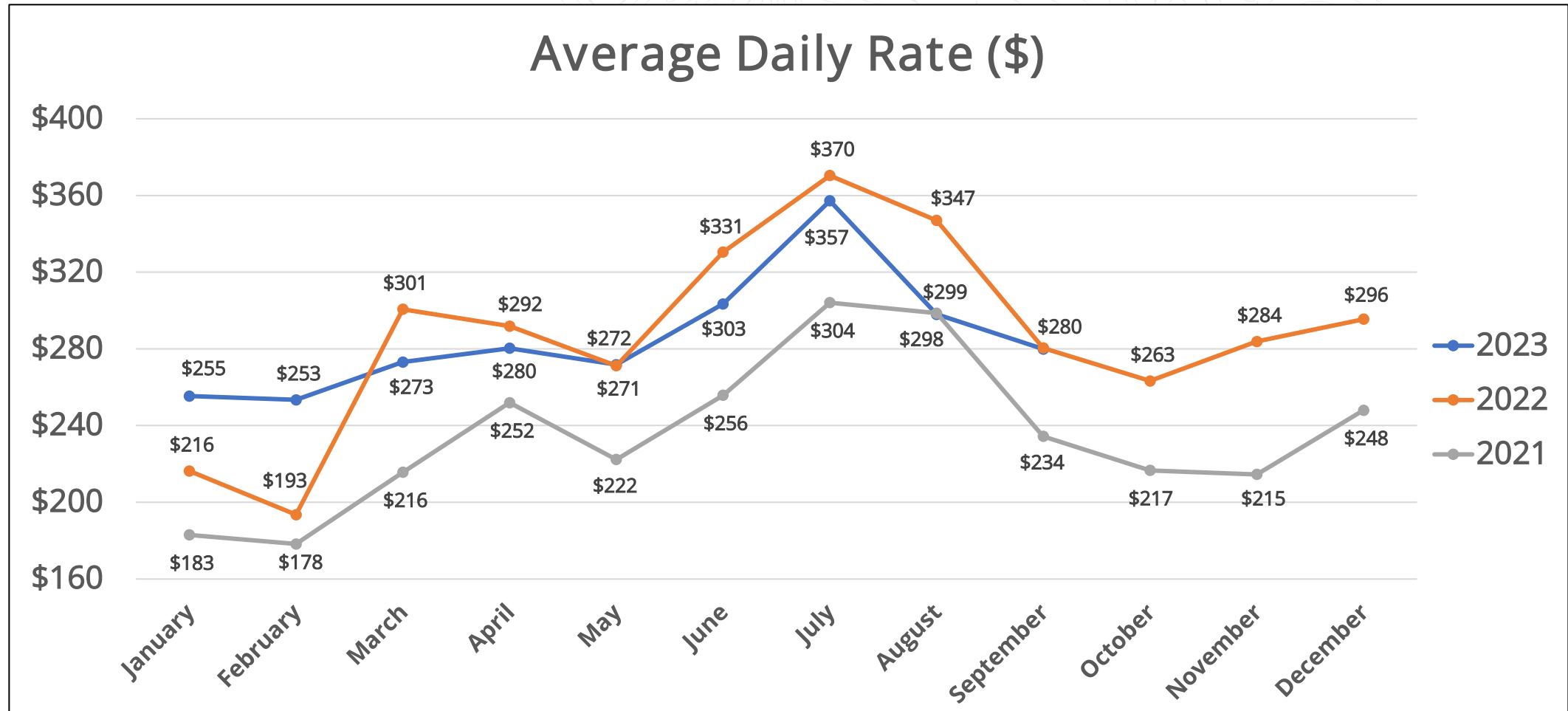
AirDNA Short Term Rentals – Occupancy

Kalispell Short Term Rentals Occupancy decreased 2.7%, ADR decreased 0.2%, and RevPAR decreased 2.9% Year-Over-Year



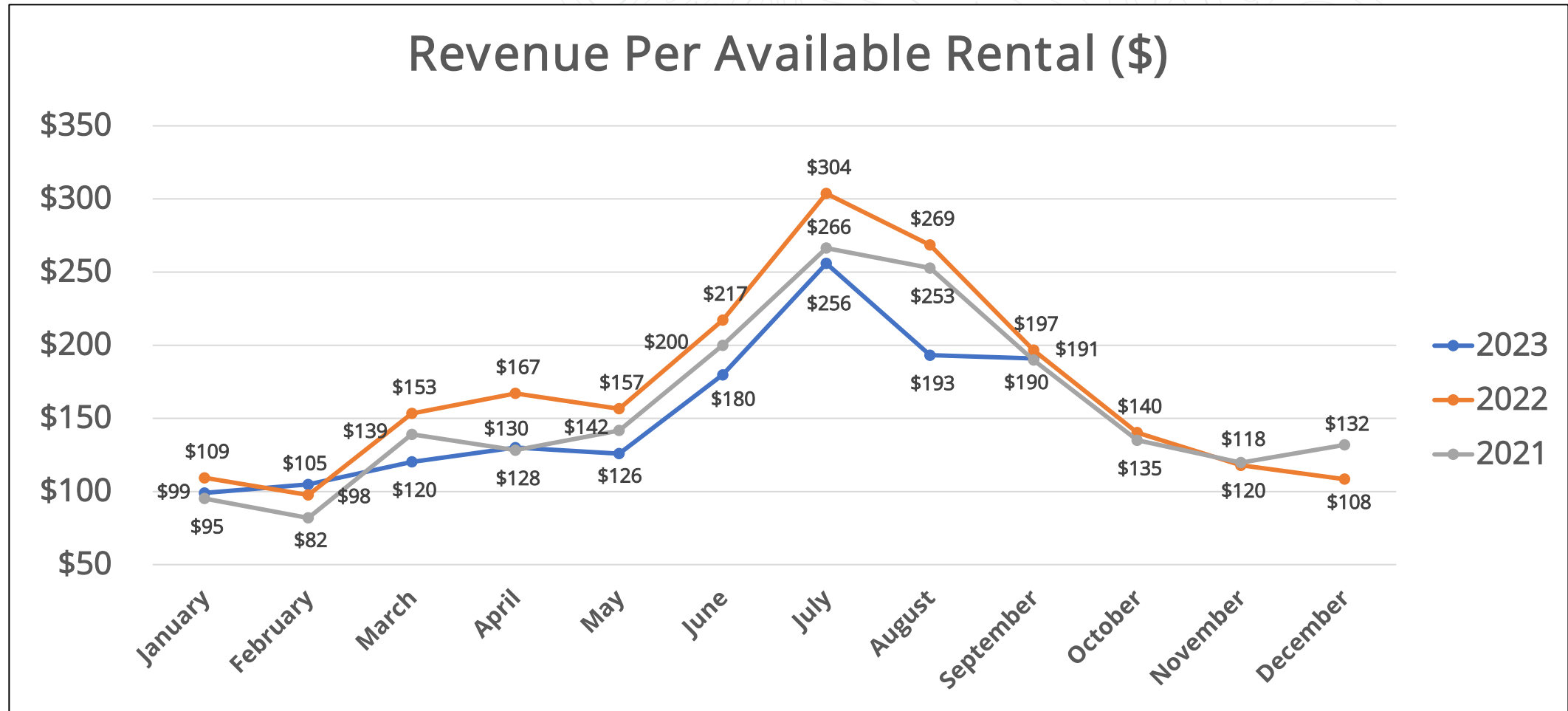
AirDNA Short Term Rentals - ADR

Kalispell Short Term Rentals Occupancy decreased 2.7%, ADR decreased 0.2%, and RevPAR decreased 2.9% Year-Over-Year



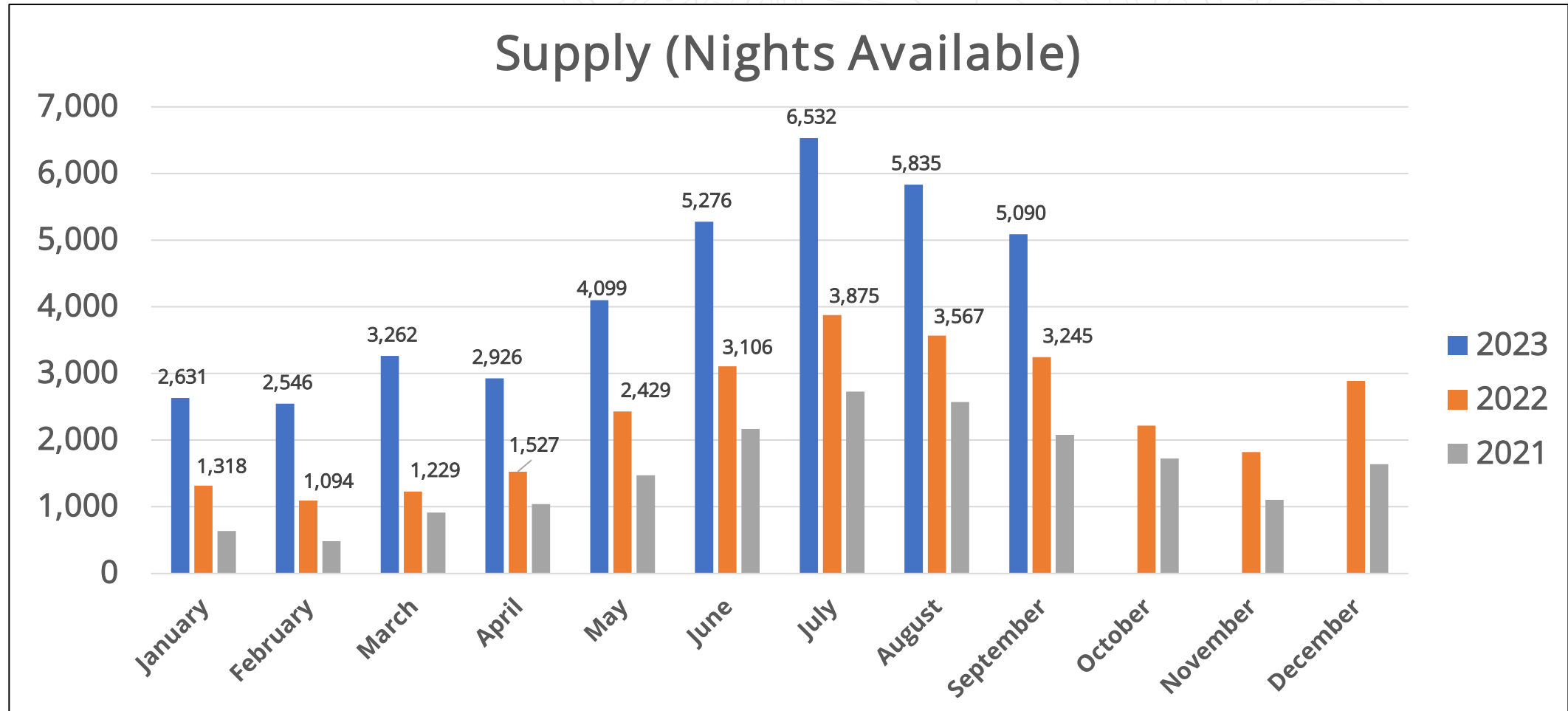
AirDNA Short Term Rentals - RevPAR

Kalispell Short Term Rentals Occupancy decreased 2.7%, ADR decreased 0.2%, and RevPAR decreased 2.9% Year-Over-Year



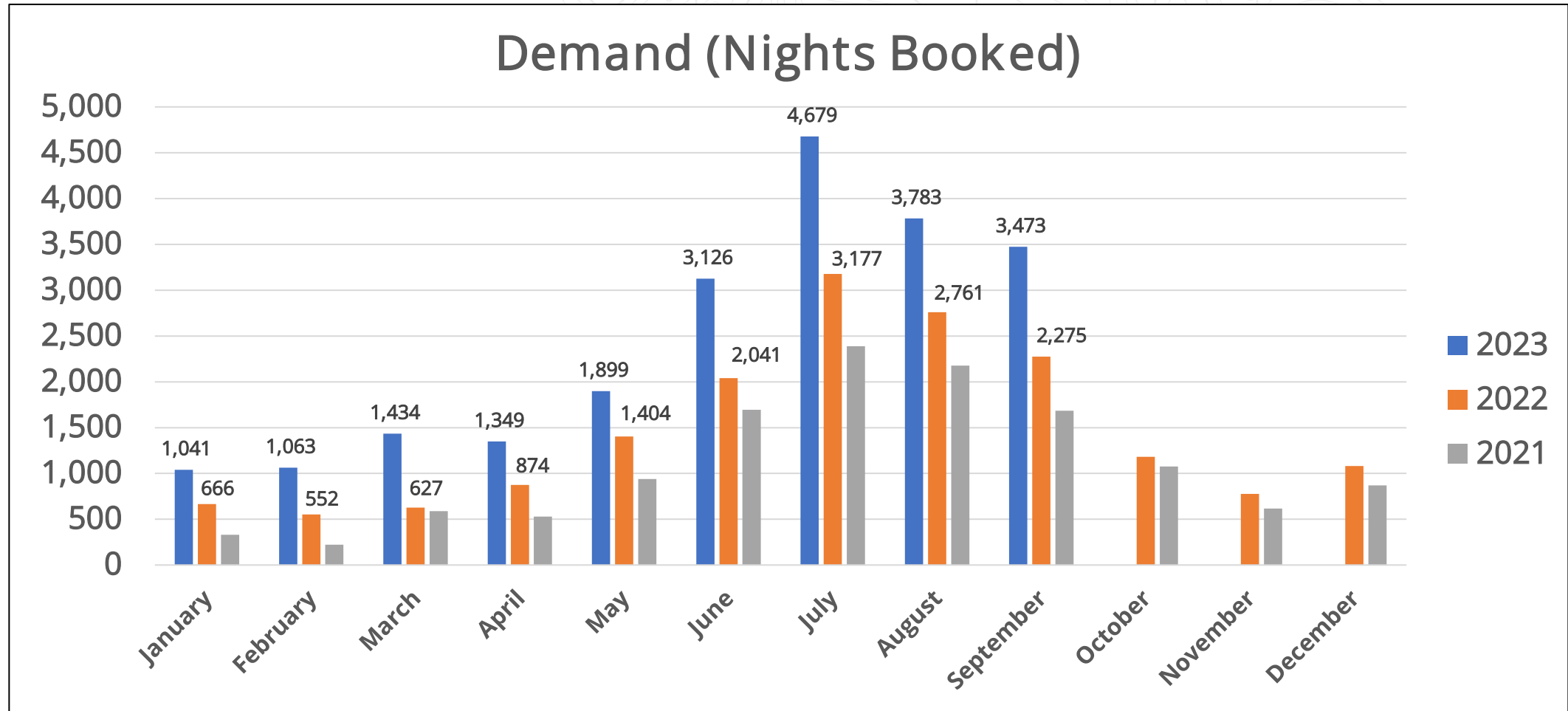
AirDNA Short Term Rentals – Supply

Kalispell Short Term Rentals Supply increased 56.9%, Demand increased 52.7%, and Total Revenue increased 52.4% Year-Over-Year



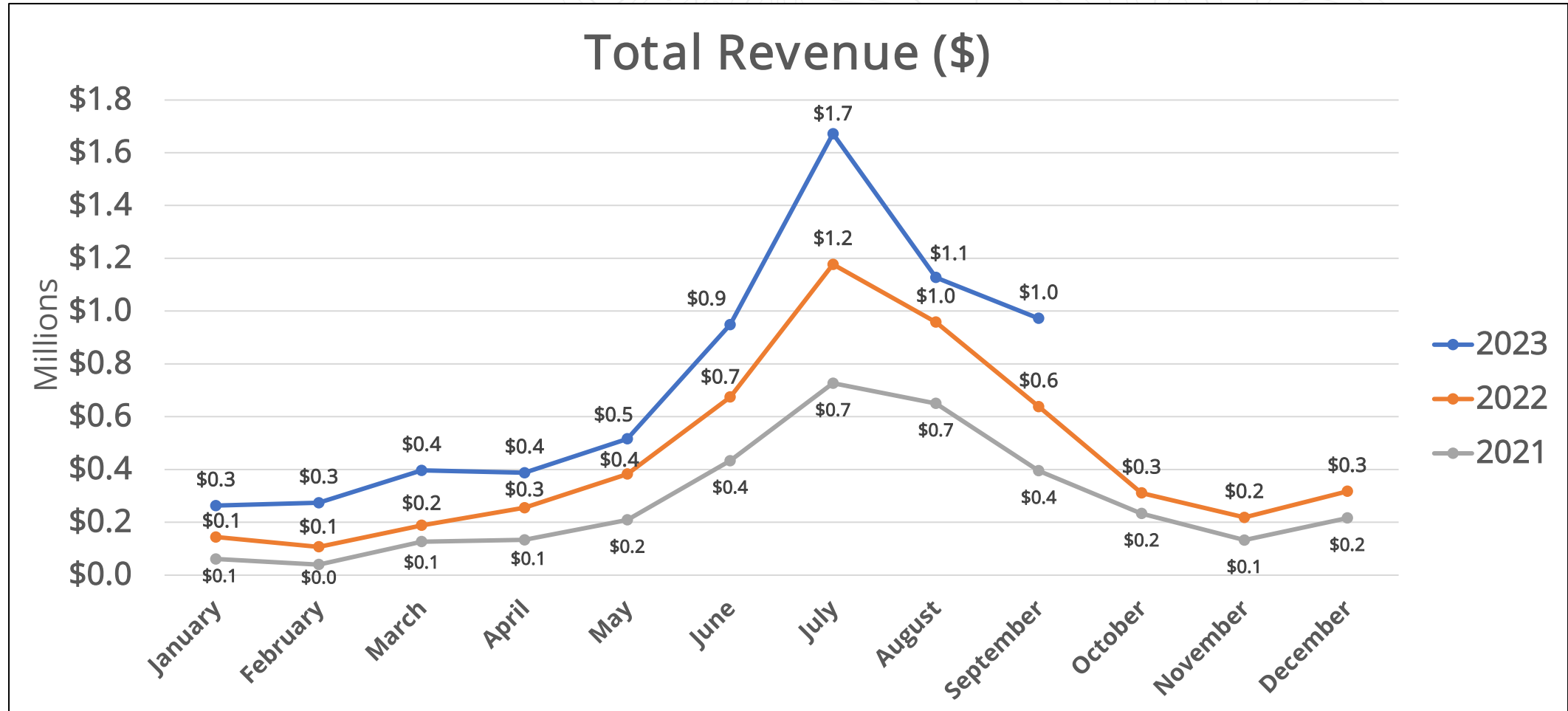
AirDNA Short Term Rentals – Demand

Kalispell Short Term Rentals Supply increased 56.9%, Demand increased 52.7%, and Total Revenue increased 52.4% Year-Over-Year



AirDNA Short Term Rentals – Total Revenue

Kalispell Short Term Rentals Supply increased 56.9%, Demand increased 52.7%, and Total Revenue increased 52.4% Year-Over-Year

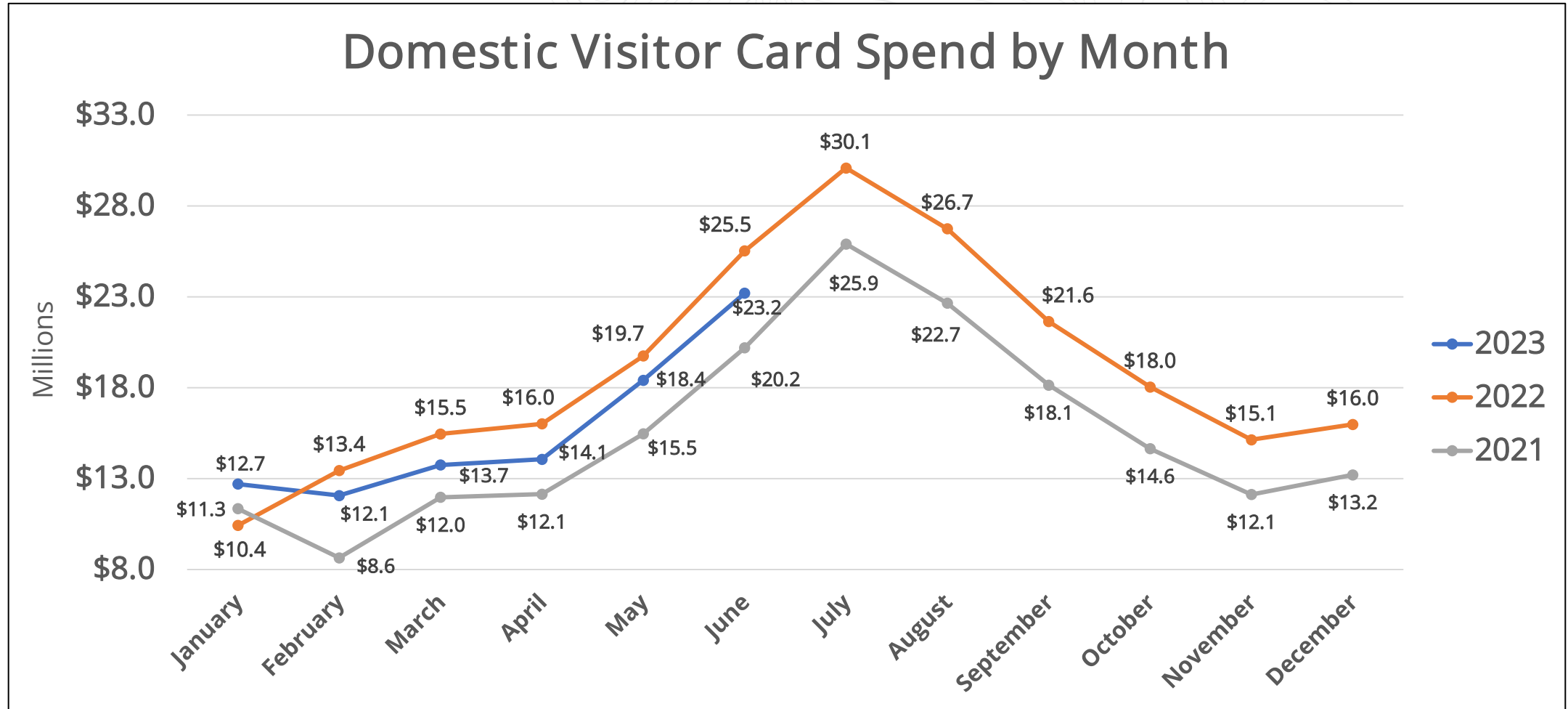


SECTION 04.

Visa Destination Insights

Visa – Domestic Visitor Spending

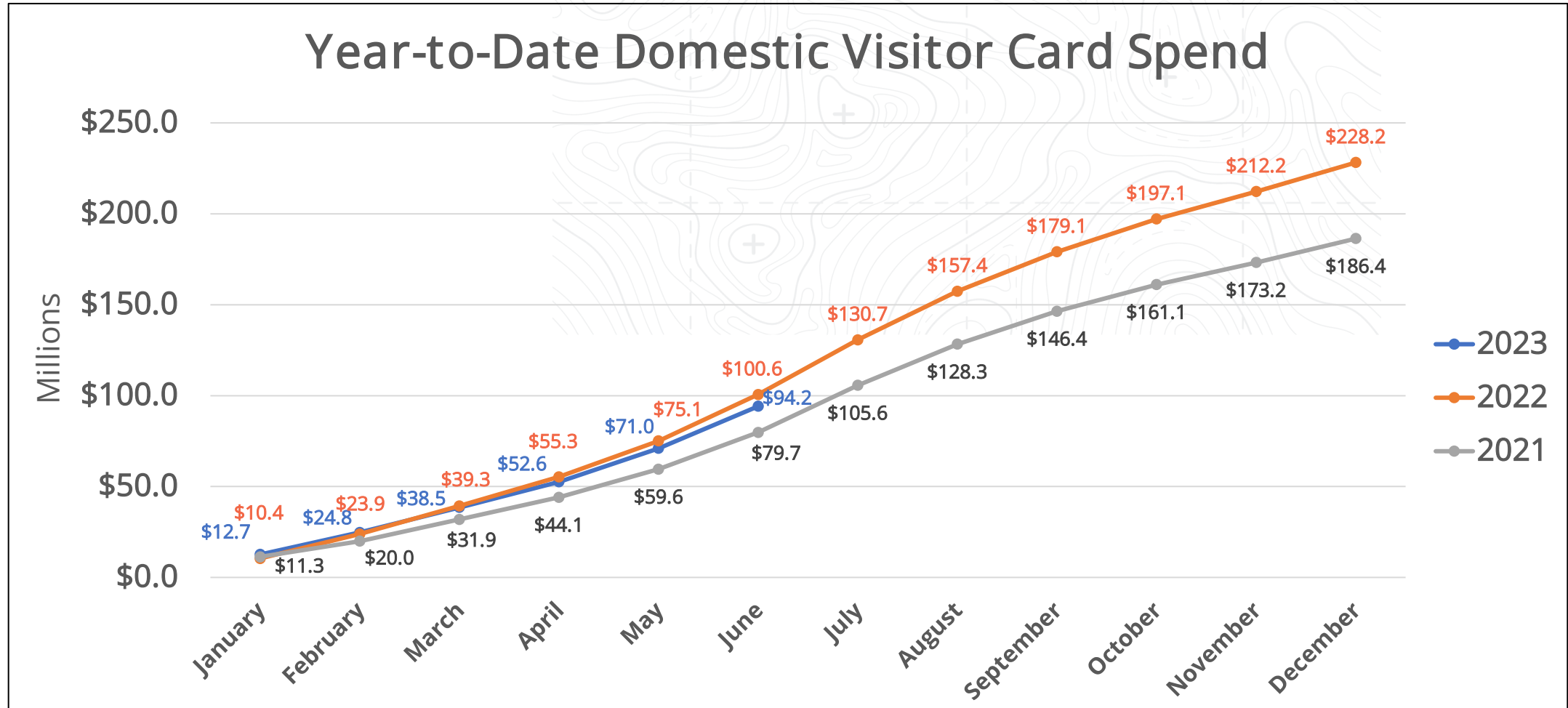
Kalispell Domestic Visitor Visa Card Spend decreased 9.1% and Year-to-Date Spend decreased 6.4%





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.

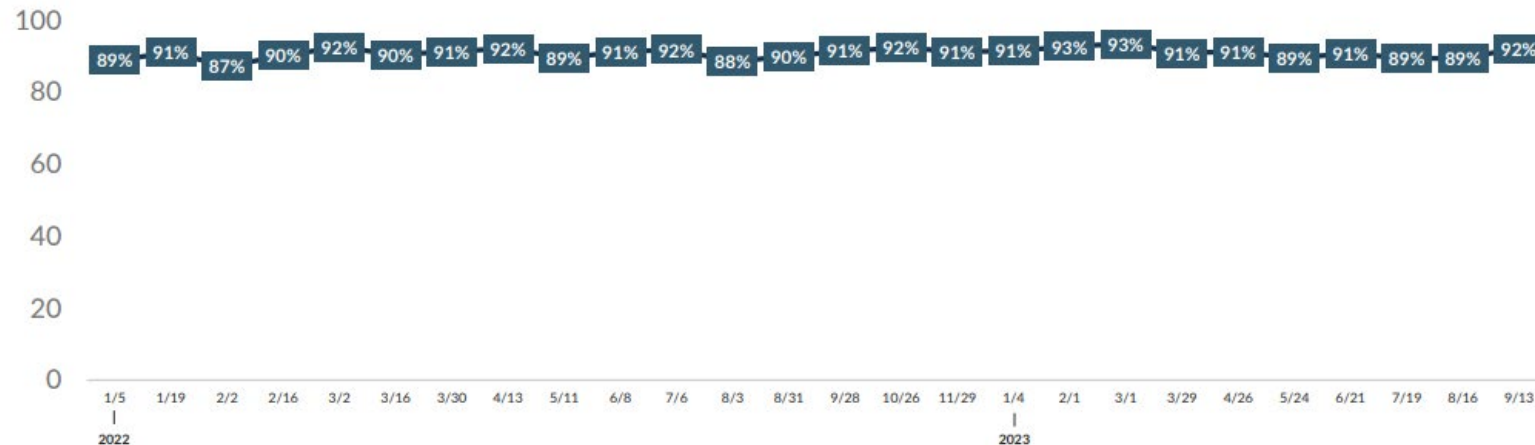
Consumer Sentiment & Macroeconomic Data

Longwoods International – Travel Sentiment Study Wave 78

*Survey Fielded September 13, 2023; US National Sample of 1,000 adults 18+

IMPACT ON TRAVEL PLANS

Travelers with Travel Plans in the Next Six Months Comparison



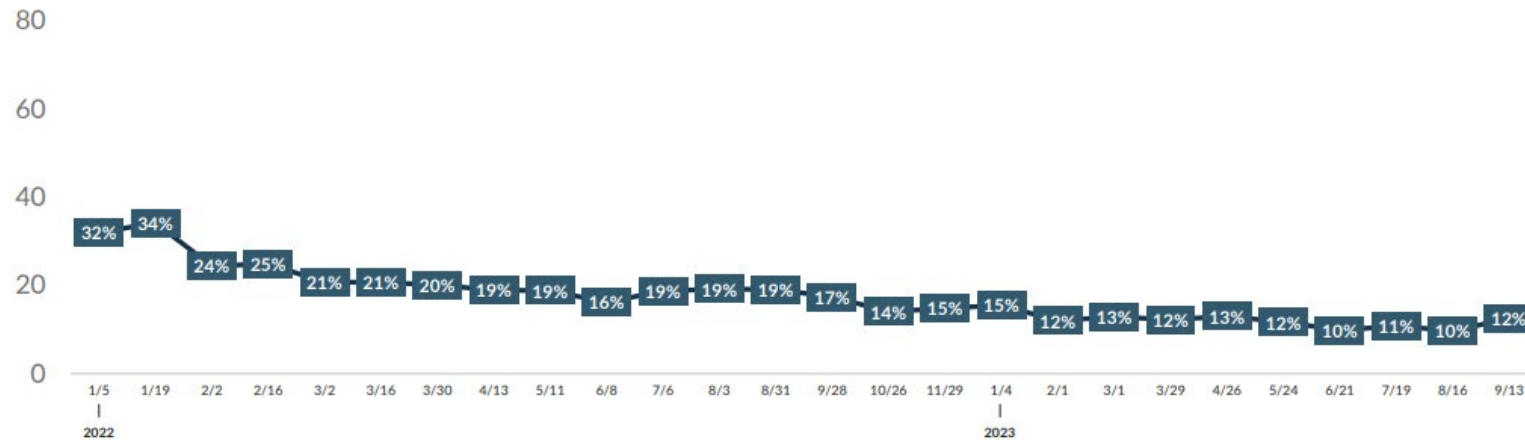
*Note: Data spanning multiple years, beginning from 1/5/2022.
Travel Sentiment Study Wave 78

Longwoods International – Travel Sentiment Study Wave 78

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IMPACT ON TRAVEL PLANS

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



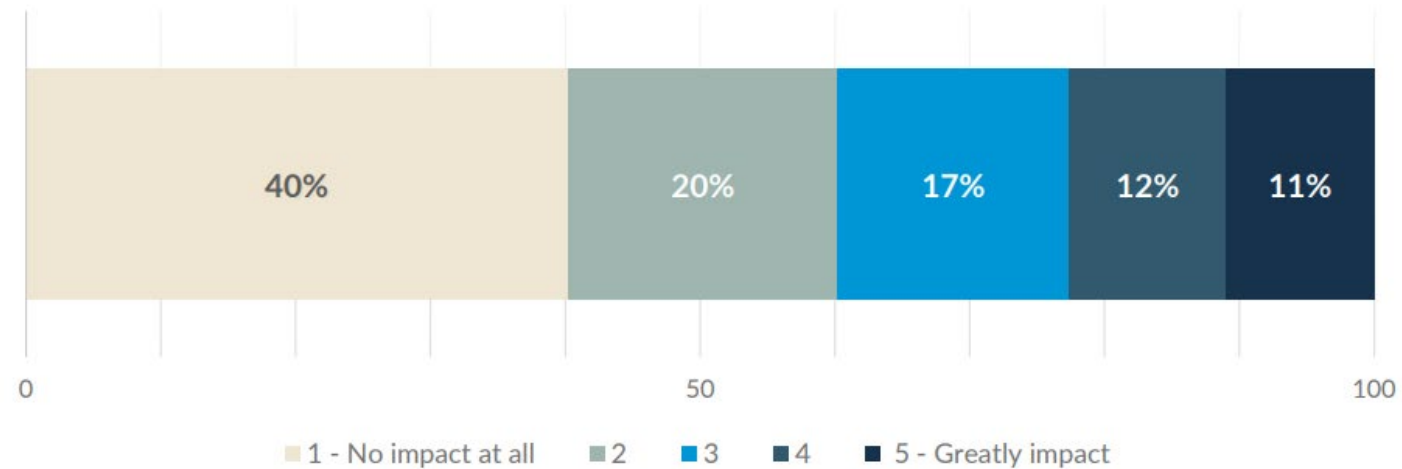
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Travel Sentiment Study Wave 78

Longwoods International – Travel Sentiment Study Wave 78

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IMPACT ON TRAVEL PLANS

How has the Coronavirus spike impacted your decision to travel in the next 90 days?



Travel Sentiment Study Wave 78

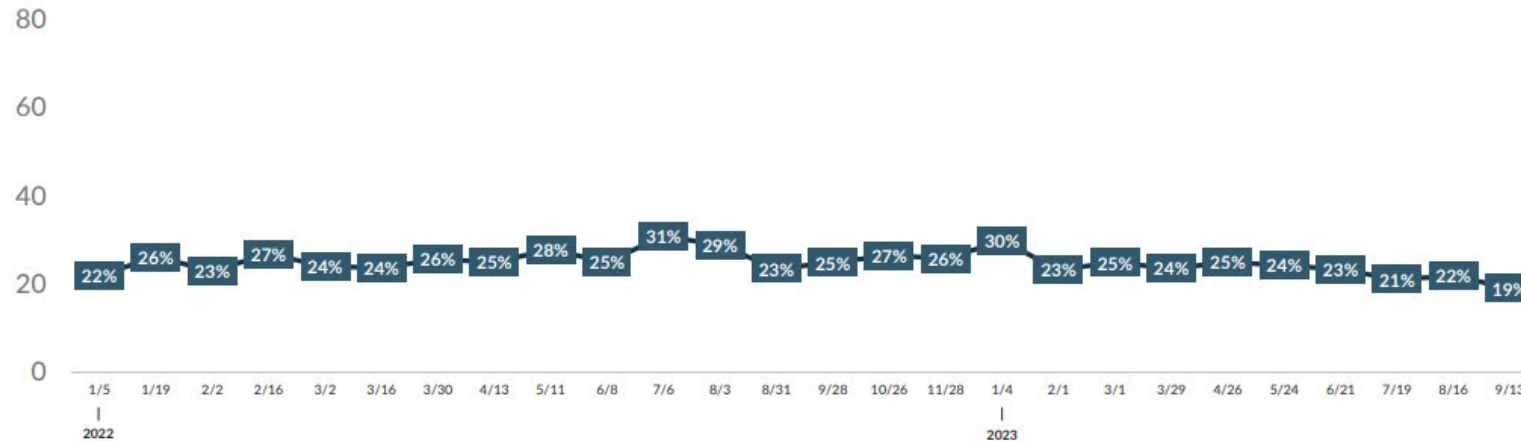
Longwoods INTERNATIONAL | **miles** PARTNERSHIP

Longwoods International – Travel Sentiment Study Wave 78

*Survey Fielded September 13, 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



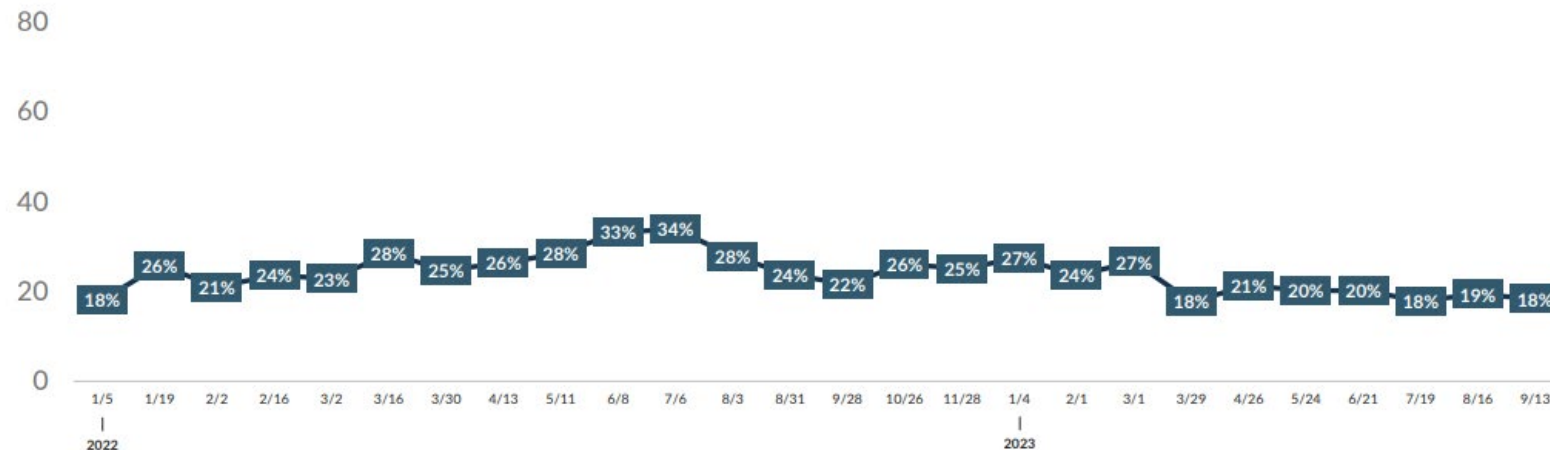
*Note: Data spanning multiple years, beginning from 1/5/2022.
Travel Sentiment Study Wave 78

Longwoods International – Travel Sentiment Study Wave 78

*Survey Fielded September 13, 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 78

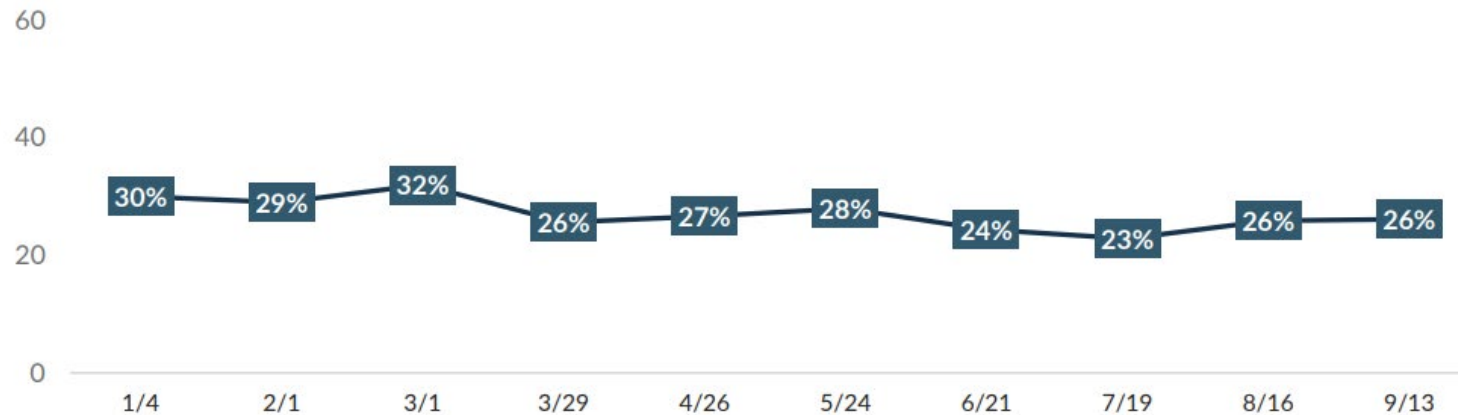
Longwoods | miles
INTERNATIONAL PARTNERSHIP

Longwoods International – Travel Sentiment Study Wave 78

*Survey Fielded September 13, 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 78

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INTERNATIONAL PARTNERSHIP

Future Partners – The State of the American Traveler

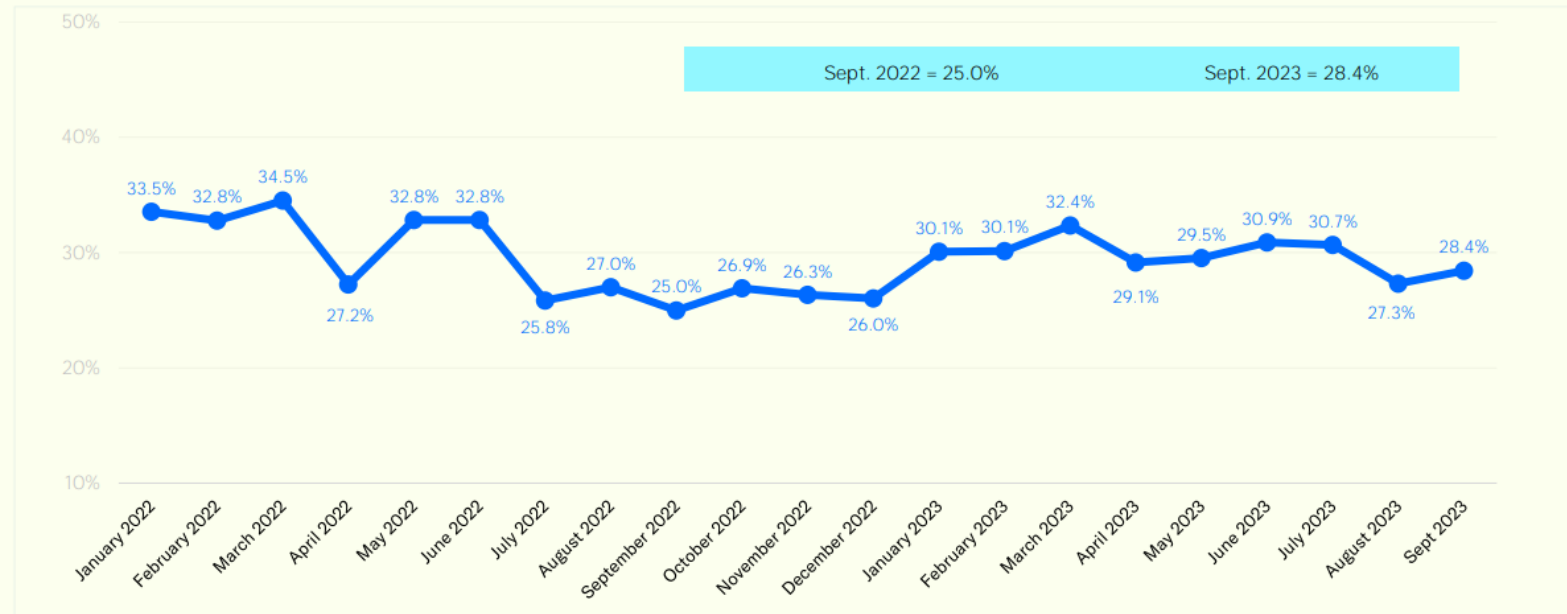
*Survey Fielded September 17-21, 2023; Representative sample of adult American travelers; N=4,000+

There has been a Small Improvement in Financial Sentiment this Month—and Year-Over-Year

Question:

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

% Better off or Much better off



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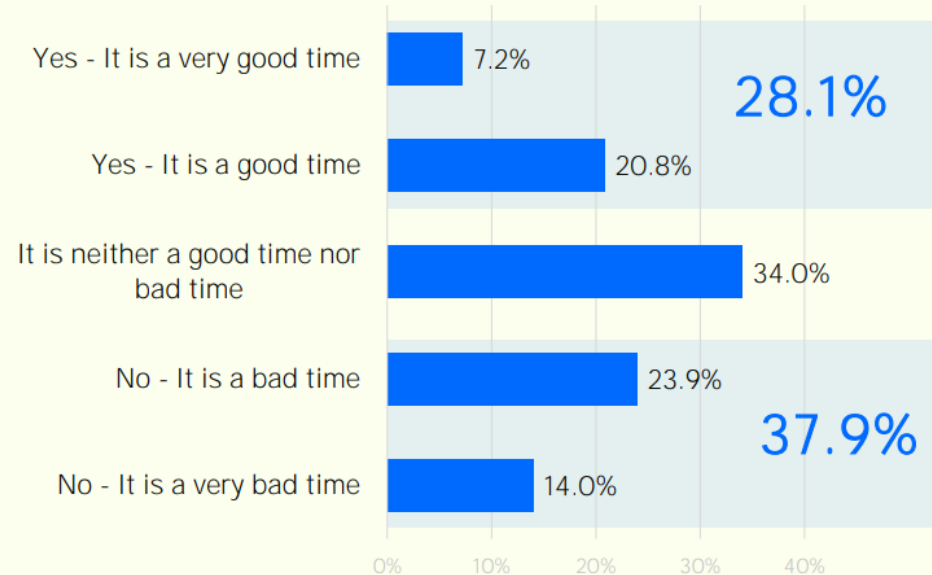
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*Survey Fielded September 17-21, 2023; Representative sample of adult American travelers; N=4,000+

The Belief that Now is a Bad Time to Spend on Travel Remains Elevated...

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?



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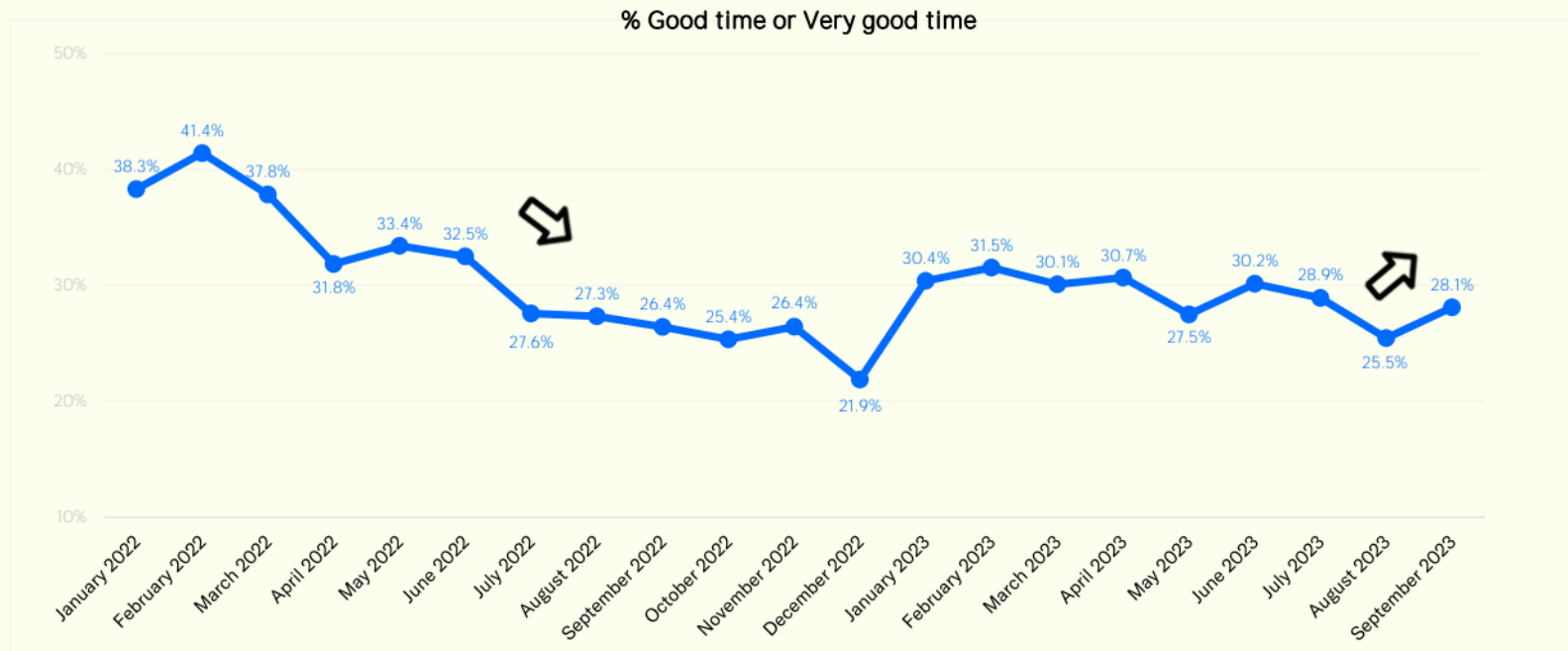
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But Positive Feelings Toward Travel Spending did Rebound this Month

Question:

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Future Partners The State of the American Traveler, October 2023

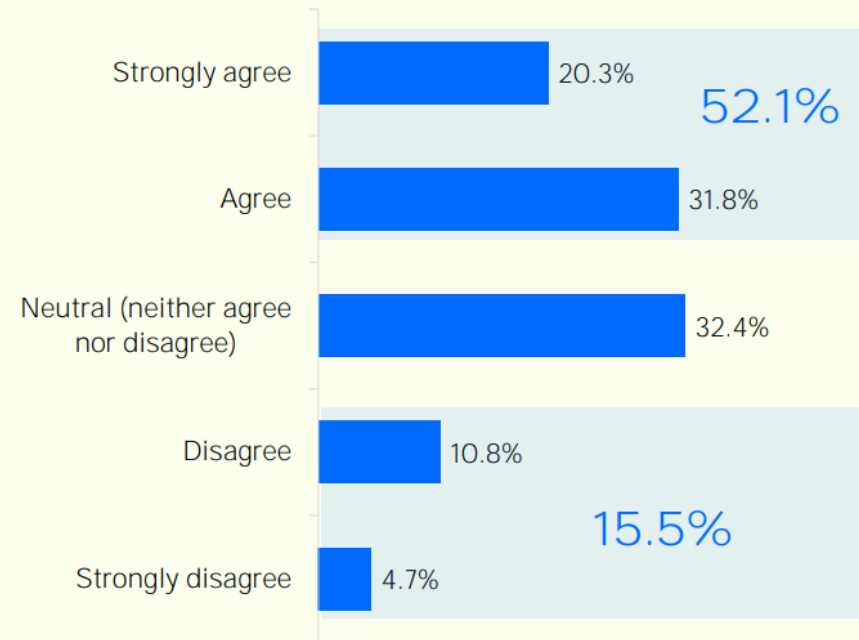
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A Significant Sense of Economic Uncertainty Exists...

Question:

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



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19

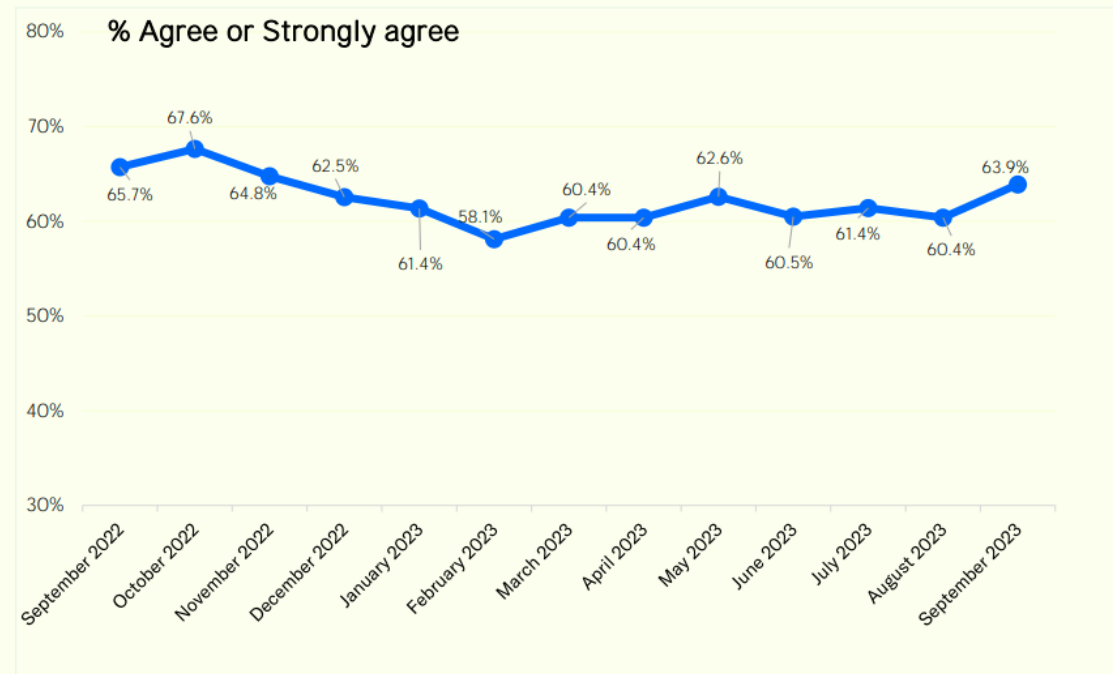
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This Spending Caution Worsened this Month

Statement:

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



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22

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

There was Slight Improvement in Travel being too Expensive Acting as a Deterrent

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)

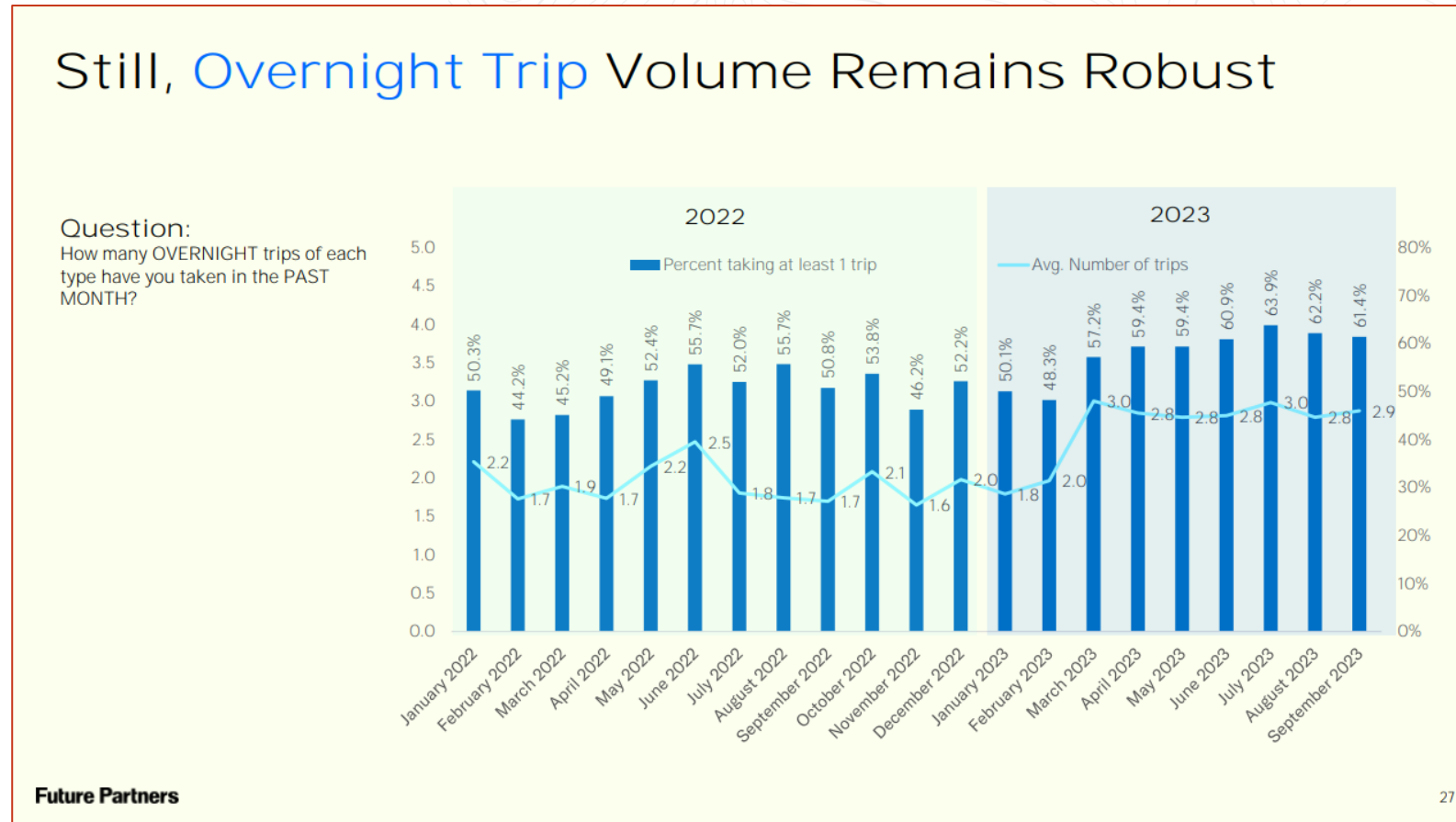


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24

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27

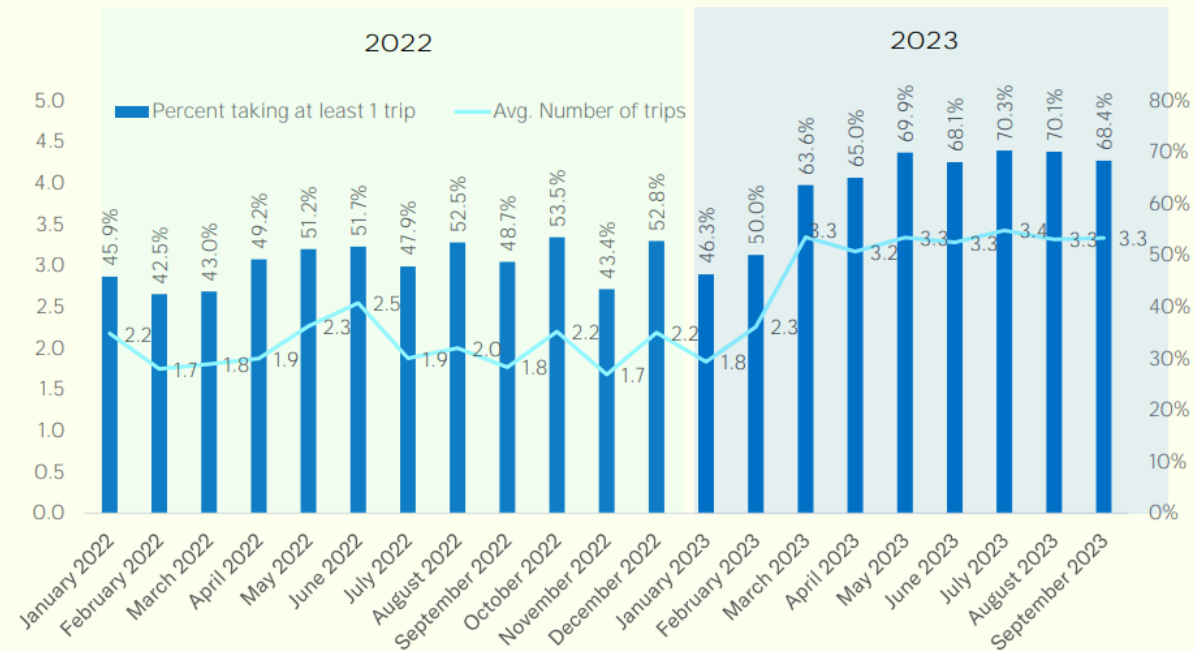
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*Survey Fielded September 17-21, 2023; Representative sample of adult American travelers; N=4,000+

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?



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28

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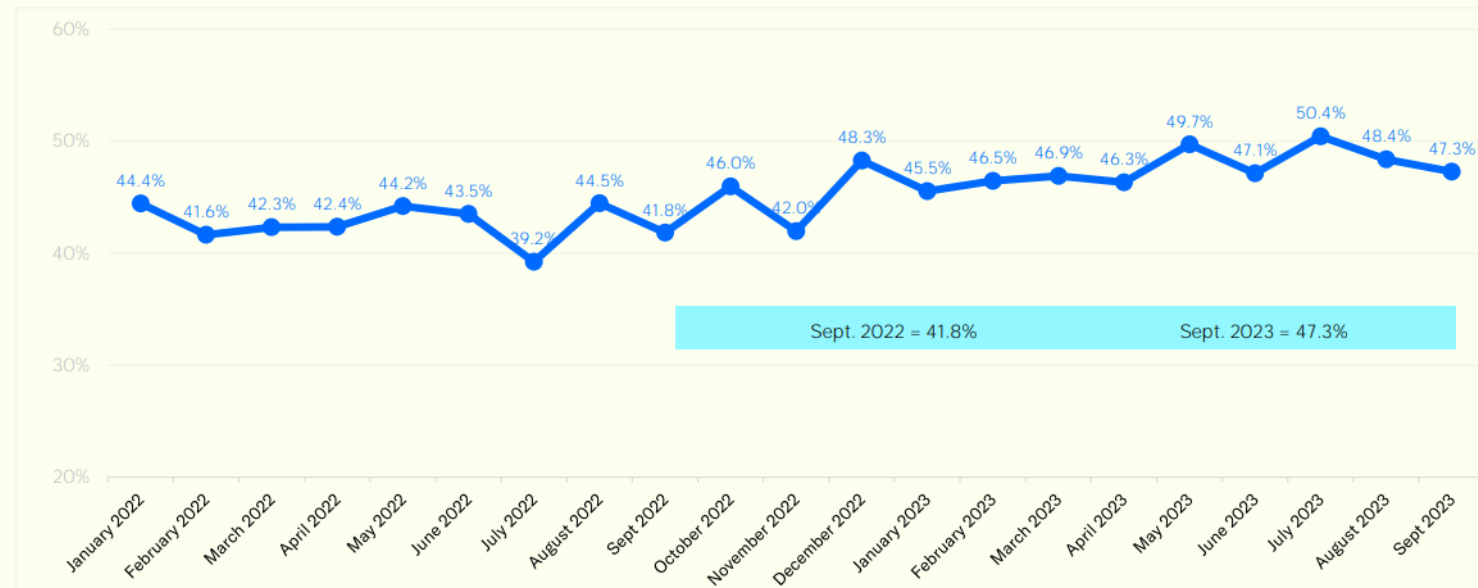
*Survey Fielded September 17-21, 2023; Representative sample of adult American travelers; N=4,000+

Financial Optimism is Down Again this Month, but Up Compared to One Year Ago

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 off or Much better off



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The State of the American Traveler, October 2023

Future Partners – The State of the American Traveler

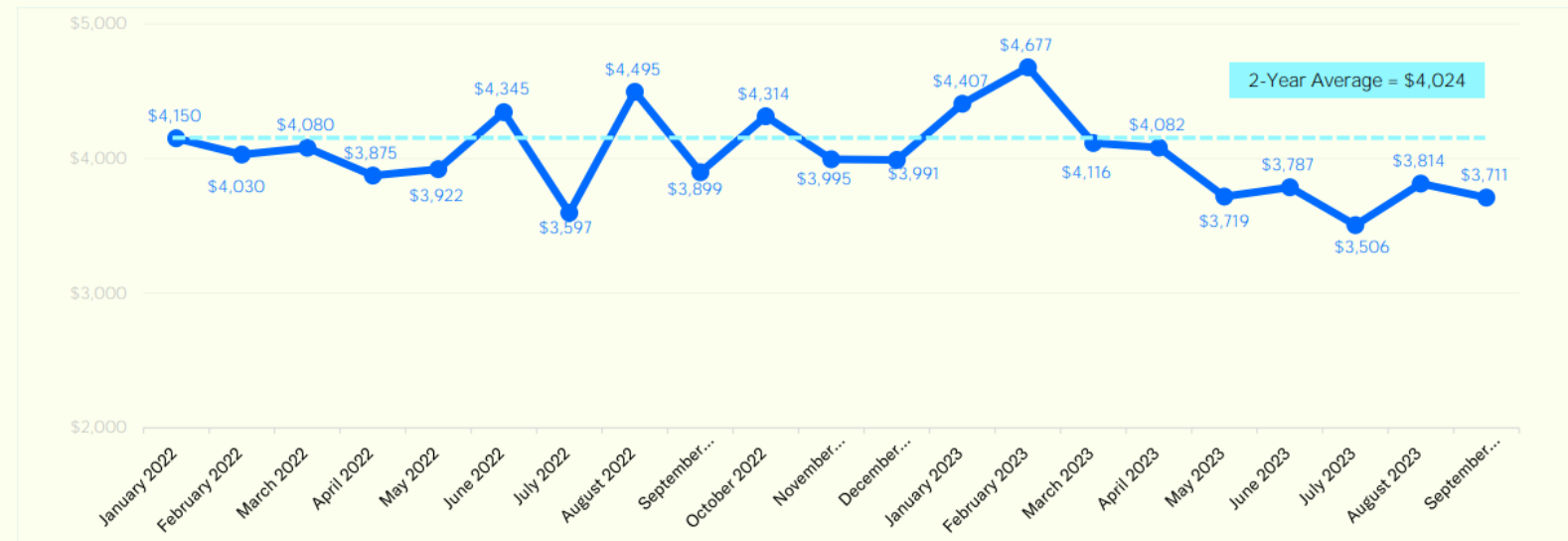
*Survey Fielded September 17-21, 2023; Representative sample of adult American travelers; N=4,000+

Travel Budgets Declined Slightly This Month and are Below the 2-Year Average

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):

Mean Maximum Expected Spending



Future Partners The State of the American Traveler, October 2023

Future Partners – The State of the American Traveler

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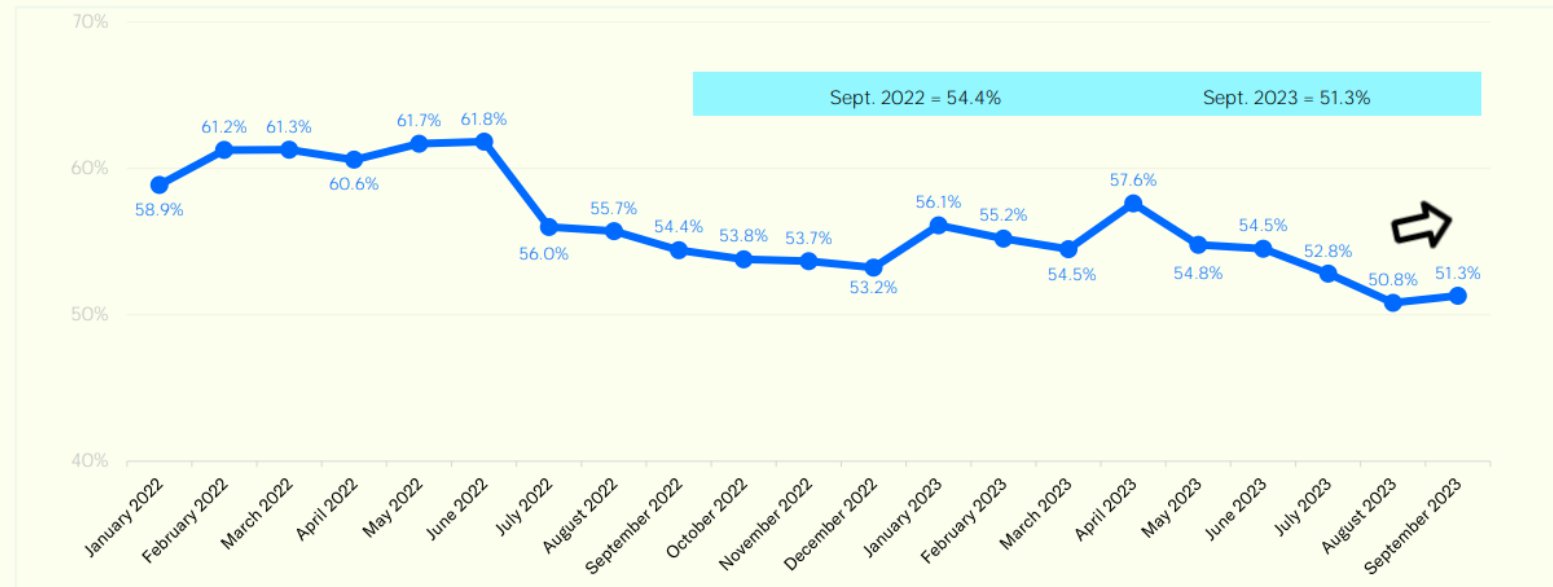
...Although this is Down Somewhat from Last Year

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) _____.

% Top 3 Box Score



Future Partners The State of the American Traveler, October 2023

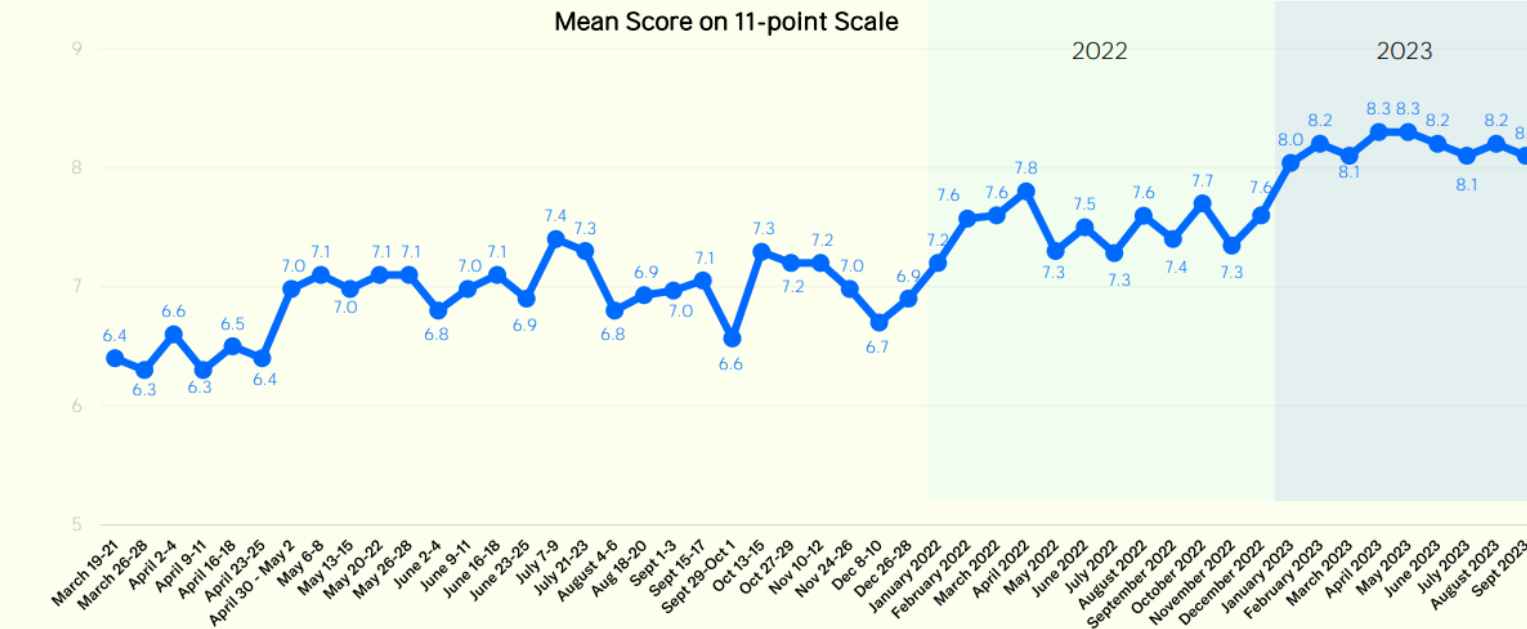
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*Survey Fielded September 17-21, 2023; Representative sample of adult American travelers; N=4,000+

Although Down Very Slightly this Month, Excitement for Travel Remains at Record Levels

Question:

Which best describes how excited you are about LEISURE TRAVEL in the NEXT TWELVE (12) MONTHS?



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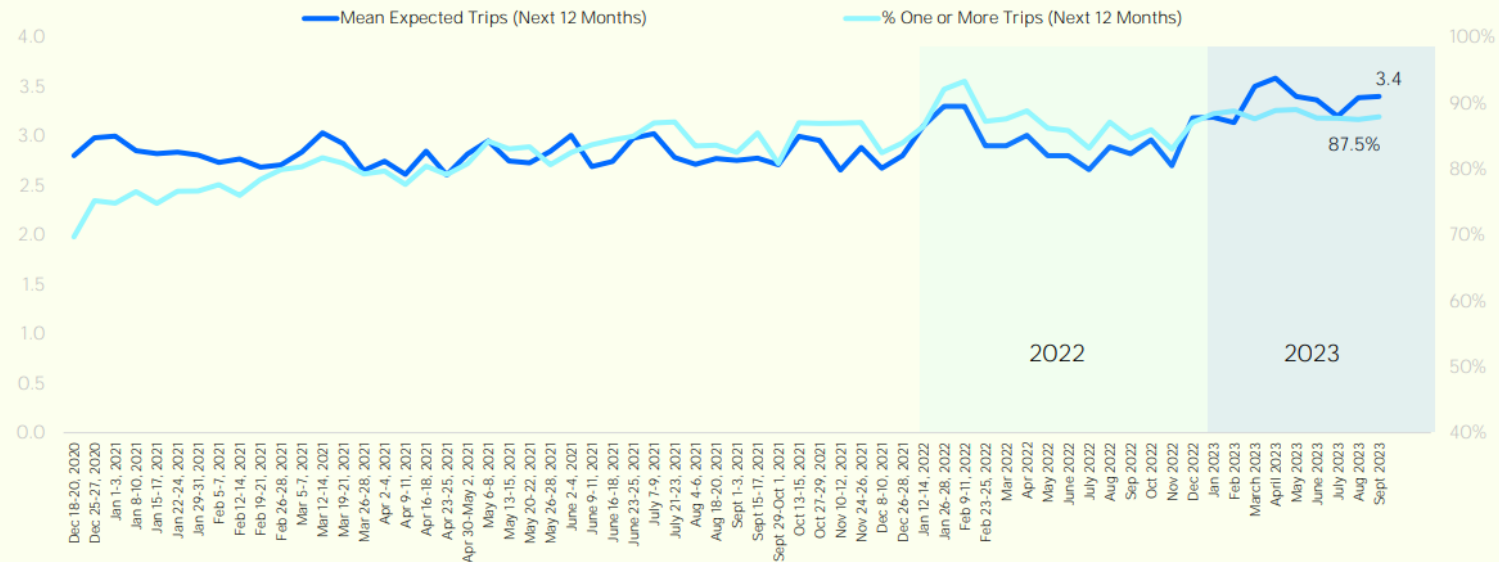
Future Partners – The State of the American Traveler

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

The Proportion of Americans Traveling Remains at Healthy Levels

Question:

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



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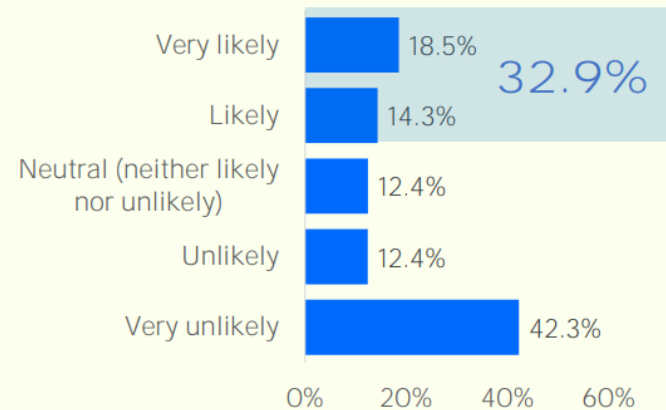
(Base: All respondents, 1,200+ completed surveys each wave in 2021. 4,000+ completed surveys each wave in 2022 and 2023)

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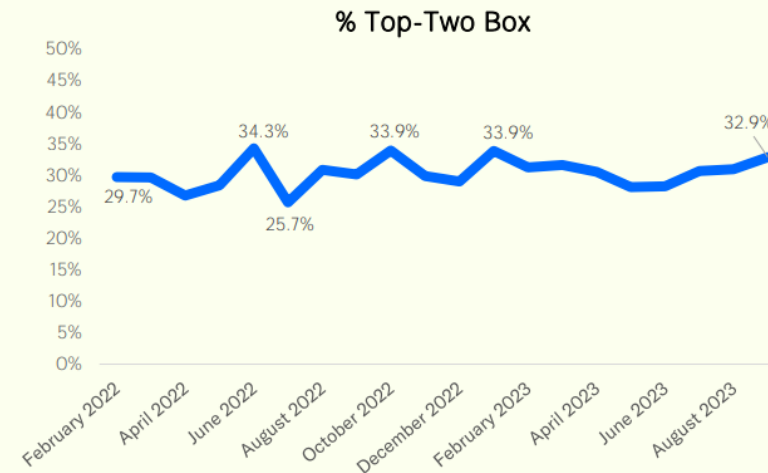
*Survey Fielded September 17-21, 2023; Representative sample of adult American travelers; N=4,000+

1-in-3 Americans Plan to Travel Abroad in the Next Year.

Question: How likely are you to travel outside the United States for leisure in the NEXT TWELVE (12) MONTHS?



Historical data



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

Americans' Trip Planning Windows Have Shrunk in the Last Year

Question:

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



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Thank You!

DISCOVER KALISPELL MONTANA

