



# Monthly Research Update

March 2024

## Kalispell Tourism Trends

- Glacier Park International Airport saw 7.4% Year-Over-Year (YoY) growth in total passenger traffic in March 2024.
- However, Kalispell Hotels showed significant headwinds in March 2024 when compared to March 2023.
  - Occupancy collapsed 19.1%, driven by a 17.0% drop in Demand and a 2.5% increase in Supply.
  - Although ADR climbed 8.2% for the month, Revenue fell 10.3% YoY.
  - *Note: The Motel 6 hotel is temporarily closed for remodeling as of February 2024, but is included in this hotel data set. Discover Kalispell is working with STR to remove that hotel from the data set and correct the impacted months.*
- Kalispell's short-term rental properties also reported lower results in March 2024 when compared to the same month last year.
  - Occupancy decreased 1.7% for the month, but ADR and Revenue plummeted by 24.9% and 26.7%, respectively, compared to March 2023.

## U.S. Market Review – Travel Demand Update (February 2024)

- **Air travel:** TSA air passenger growth picked up in February, growing 11% year-over-year compared to 6% in January. This marked the sixth consecutive month that total air traffic exceeded its 2019 comparison.
  - Meanwhile, airfares remain roughly equal to pre-pandemic prices—despite overall consumer goods costs being up 24% from 2019.
- **International travel:** International visits to the U.S. are accelerating across major markets, remaining a key driver of growth.
  - Overseas arrivals grew at a faster pace in February at 26% year-over-year, reaching 87% of 2019 levels.
  - Some of the bump can be attributed to the increased momentum of Asian outbound travel.
- **Hotel demand:** Hotel demand contracted for the 11th consecutive month in February and RevPAR continues to settle into single-digit gains, improving 2% year-over-year. Additional recent key insights from STR include:
  - The number of hotel rooms under construction continues to shrink, indicating slower future supply growth. Still, continued interest in new hotel development is evident in the number of projects currently in earlier pipeline stages.
  - Hotels in the upper, upper upscale and luxury verticals lead industry performance, boosted by group demand, while demand is falling for lower-tier chains.

## U.S. Market Review – Macroeconomic Trends (March 2024)

- “The economy performed well in March, but inflation also reached its highest level (3.5% YOY, as measured by the Consumer Price Index, or CPI) since September. The interplay of economic output and inflation reflect The Federal Reserve’s efforts to reduce inflation without throttling the economy with high interest rates. However, March’s higher inflation rate might have been more troubling if it accompanied weakening economic performance.”
- “Fortunately, economic performance was quite strong. The March jobs report showed that a strong 303,000 new jobs were added to the economy. This was the strongest month for new jobs since May 2023, helping push the unemployment rate down from 3.9% in February to 3.8% in March. Hourly earnings growth, while still above inflation, declined slightly, from 4.3% YOY in February to 4.1% in March, meaning the uptick in inflation doesn’t appear to be driven by a wage spiral just yet.”
- “The month’s performance seems to indicate both that more needs to be done to address inflation and that the economy isn’t suffering substantially. The Federal Reserve may have delayed its rate cuts, and there is some speculation that there may only be two cuts in 2024, rather than the three many experts hoped for. On the other hand, the changes are small, and the Fed may chalk up the higher inflation in March to statistical noise as more data comes in.”

## U.S. Hotel Performance (March 2024)

- The U.S. hotel industry reported higher performance results from the previous month, but mixed comparisons year over year, according to March 2024 data from CoStar. CoStar is a leading provider of online real estate marketplaces, information, and analytics in the property markets.
- **March 2024 (percentage change from March 2023):**
  - Occupancy: 63.7% (-2.5%)
  - Average Daily Rate (ADR): \$159.79 (+0.4%)
  - Revenue per Available Room (RevPAR): \$101.81 (-2.2%)
- Among the Top 25 Markets, Miami experienced the highest levels in each of the three key performance metrics: Occupancy (+2.3% to 83.5%), ADR (-0.6% to \$284.14) and RevPAR (+1.6% to \$237.25).
  - Markets with the lowest Occupancy for the month included Minneapolis (54.7%) and Detroit (55.1%).
- The Top 25 Markets showed higher occupancy and ADR than all other markets.

## Short Term Rentals (March 2024)

- The combination of slowing supply and surging demand increased March occupancy. After overcoming January's weak occupancy, 2024 has so far enjoyed higher occupancies YOY, with February 0.9% higher and March 2.0% higher. These two months of positive YOY occupancy growth come after a 23-month streak of falling YOY occupancies following the remarkable highs of 2021.
- On the other hand, the positive occupancy result in March may be owed entirely to the Easter shift, since when examining the individual weeks in March, the first three weeks' occupancy is, on average, down about 2.2%. The final week of March had an occupancy of 62.9%, up from March 2023, when the last week had an occupancy of 57.9%.
- Arguably, the most dramatic trend from the past few months is the renewed pricing power that arose from the reversal of occupancy declines.
- In response, ADR growth has flipped from a YOY decline of 3.9% in November to a gain of 4.0% in March. The RRI never reached negative growth in 2023, implying that while ADR declined on average, this was due to a mix shift; new properties were lower-priced than existing.
- Still, weak growth between 0-1% characterized much of the RRI performance of the past year. March's 6.5% YOY was RRI's strongest month since early 2022.

## Short Term Rentals (continued)

- **Key U.S. STR Performance Metrics for March 2024**
  - RevPAR increased 6.1% YOY to \$196.15
  - Available listings were 1.57 million, up 12.3% YOY
  - Total demand (nights) rose 15.2% YOY
  - Occupancy was 2.0% higher YOY at 60.2%
  - ADRs increased 4.0% YOY to \$326.02
  - RRI increased by 6.5% YOY
  - Nights booked increased by 12.5% YOY

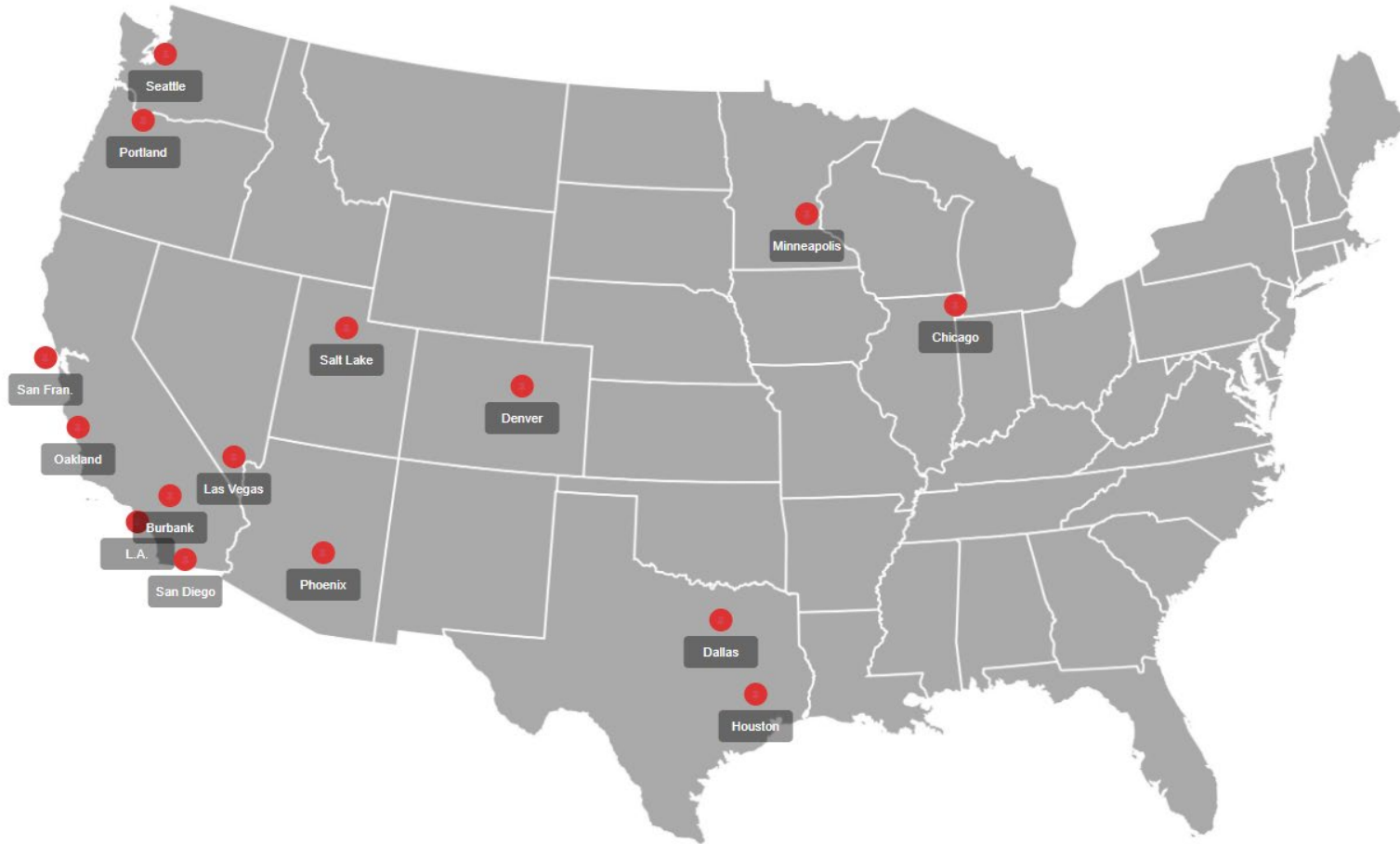
SECTION 01.

# Glacier Park International Airport Data



# Glacier Park International Airport

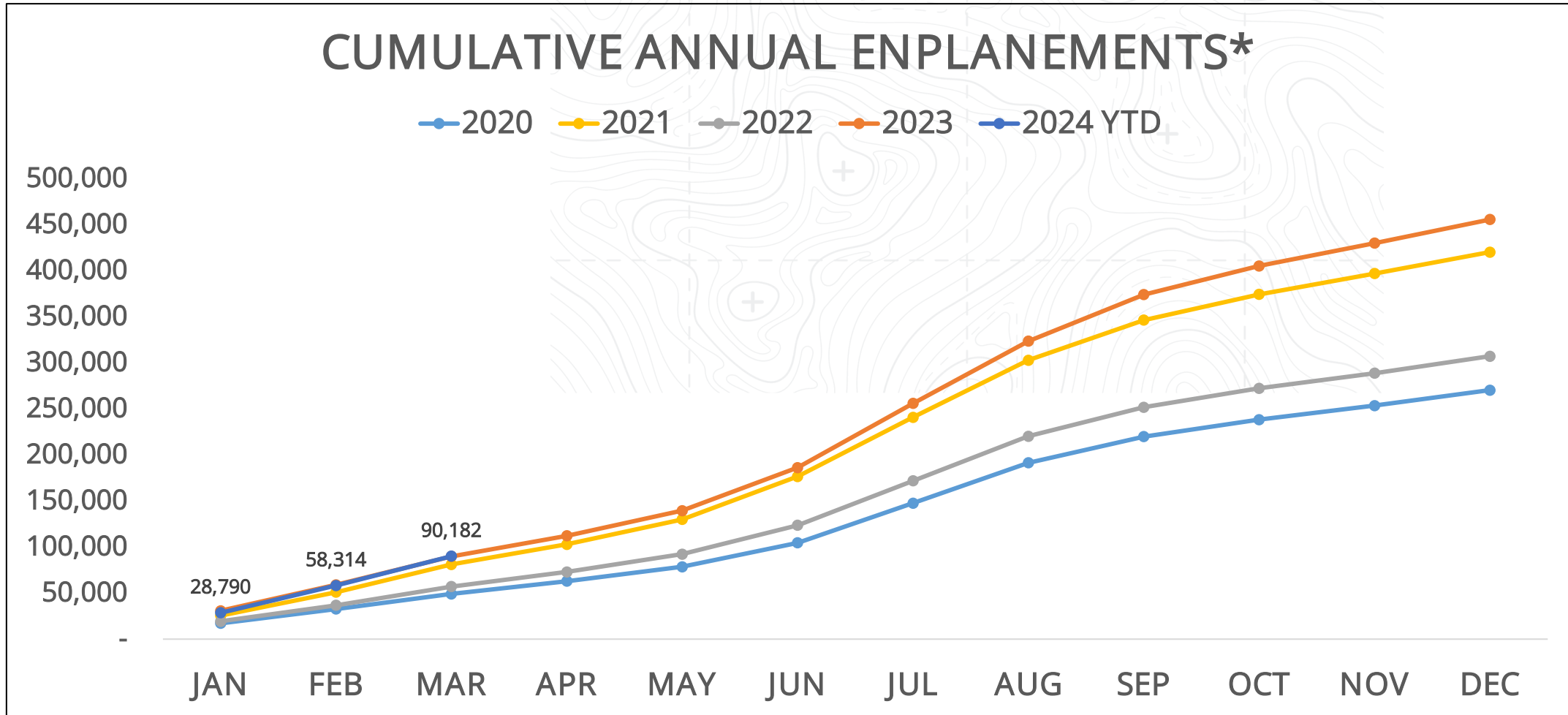
— Direct Flights —  
MAJOR CITIES SERVED



# Glacier Park International Airport

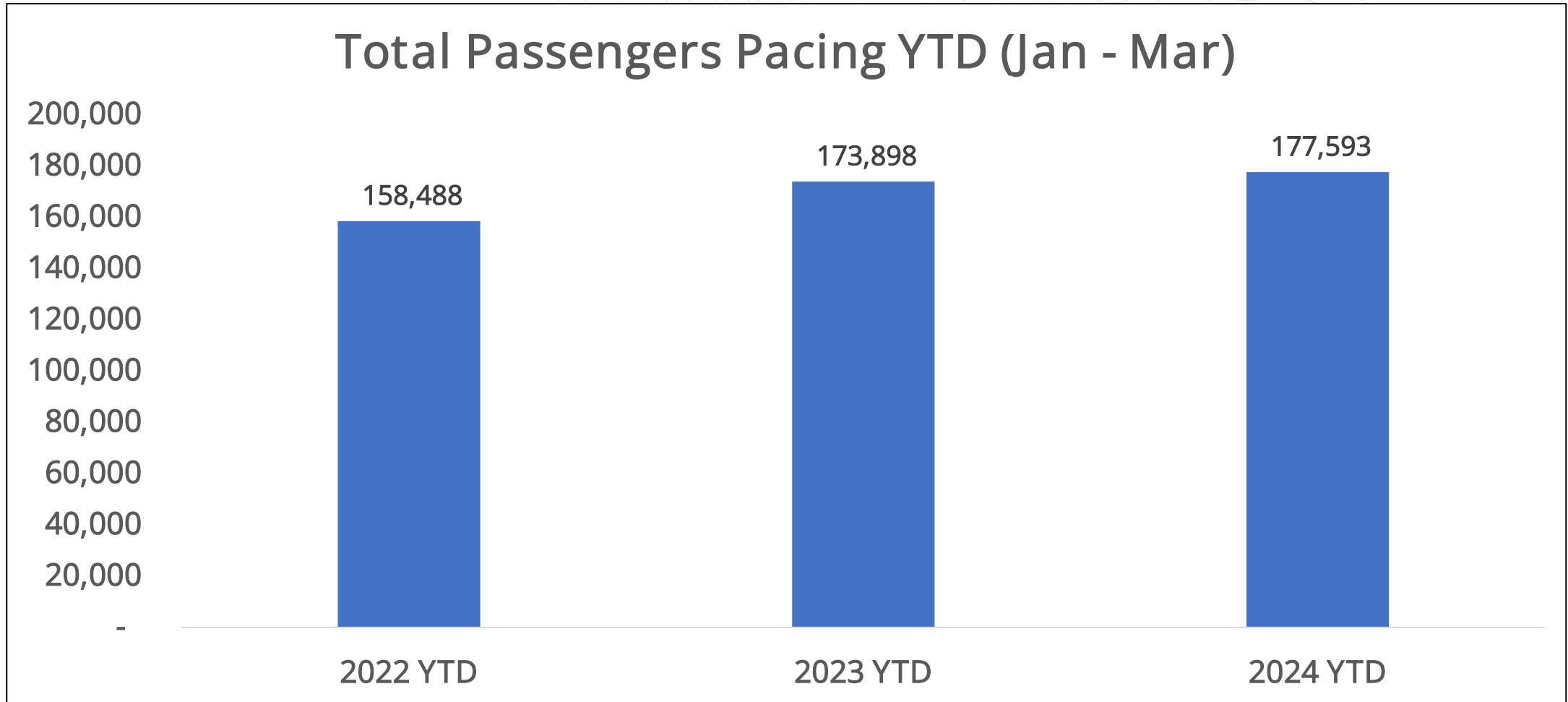
Total Passengers					
Month	2024	2023	% Change 2024 vs. 2023	2022	% Change 2024 vs. 2022
January	54,403	58,161	-6.5%	49,261	10.4%
February	59,344	56,277	5.4%	50,555	17.4%
March	63,846	59,460	7.4%	58,672	8.8%
April		45,073		43,836	
May		54,694		56,807	
June		96,564		97,429	
July		138,012		128,144	
August		129,078		119,508	
September		96,891		82,965	
October		59,071		53,031	
November		48,460		44,681	
December		54,257		47,629	
<b>Year-to-Date</b>	<b>177,593</b>	<b>173,898</b>	<b>2.1%</b>	<b>158,488</b>	<b>12.1%</b>
<b>Total</b>		<b>895,998</b>		<b>832,518</b>	

# Glacier Park International Airport

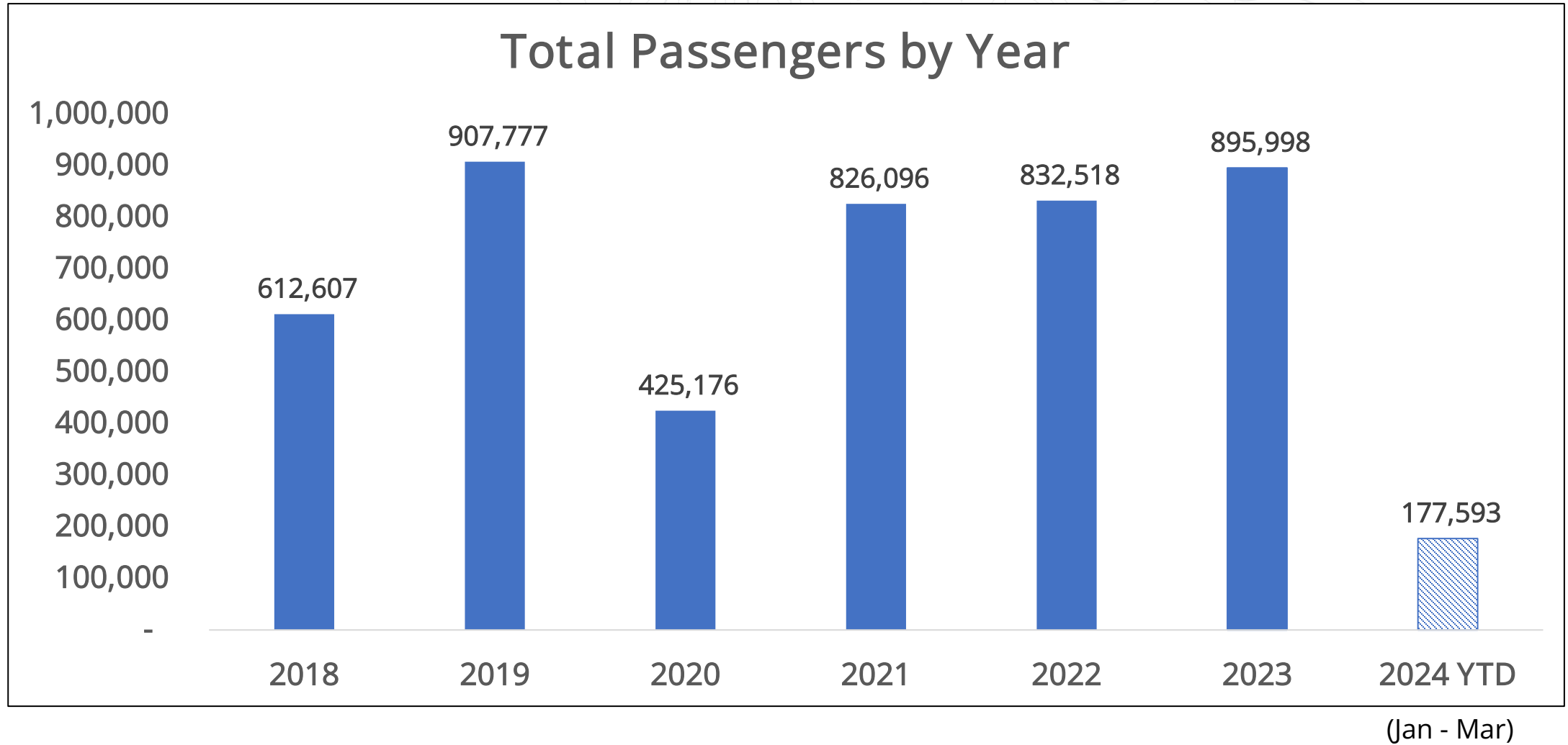


\* Enplanements only (not total passengers)

# Glacier Park International Airport



# Glacier Park International Airport

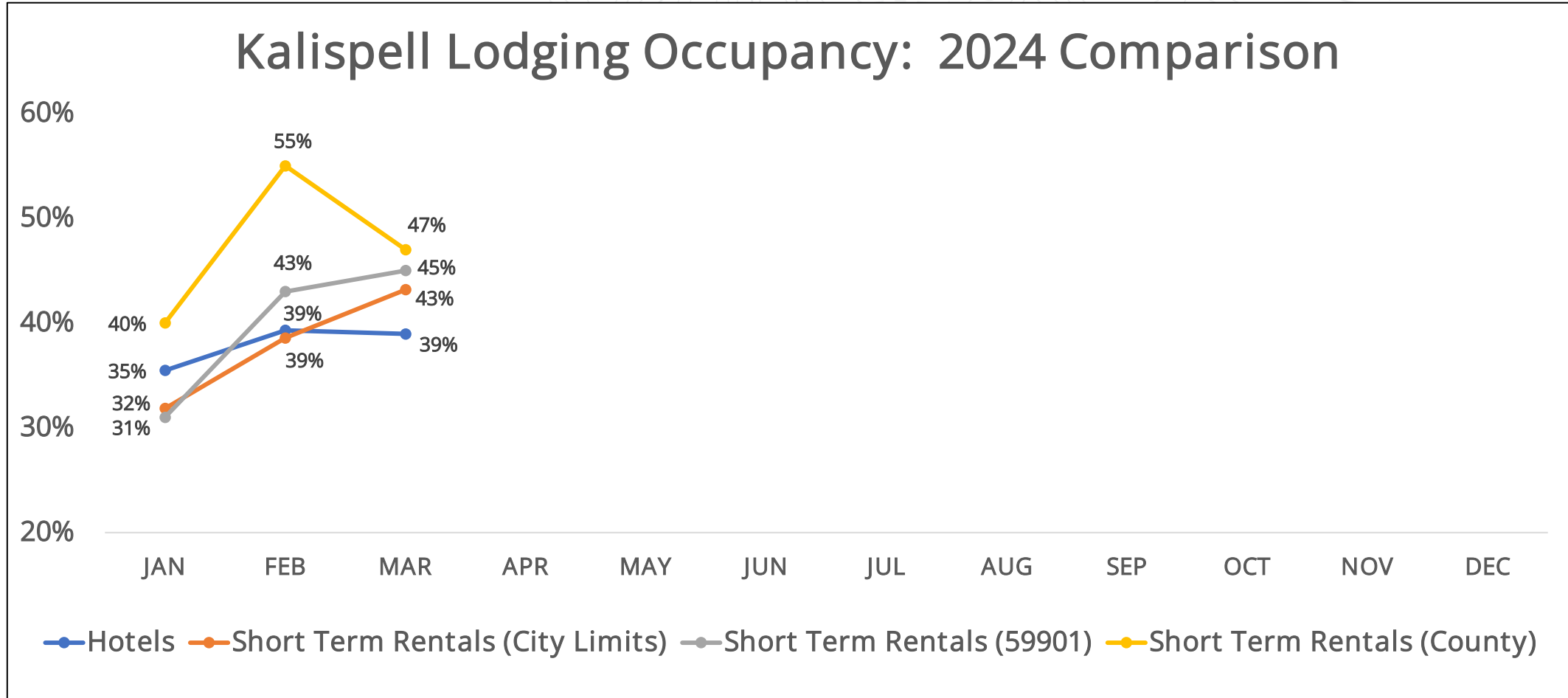


# STR Hotel Data

# 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.
  - $ADR = \text{Room Revenue} / \text{Rooms Sold}$
- **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.
  - $Occupancy = \text{Rooms Sold} / \text{Rooms Available}$
- **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.
  - $RevPAR = \text{Room Revenue} / \text{Rooms Available}$

# Kalispell 2024 Lodging Comparison

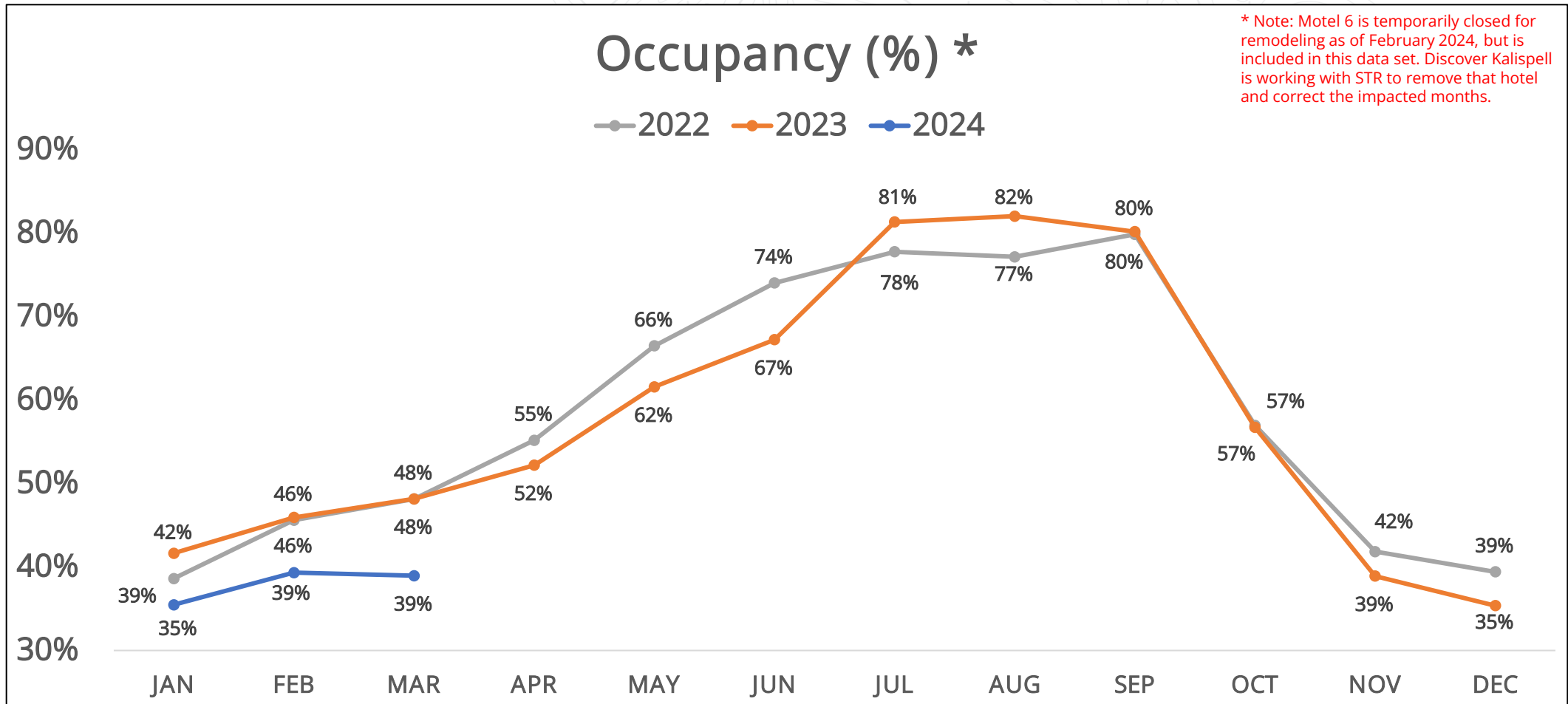






# Hotel Occupancy by Month

Kalispell hotel Occupancy decreased 19.1%, ADR increased 8.2%, and RevPAR decreased 12.5% Year-Over-Year

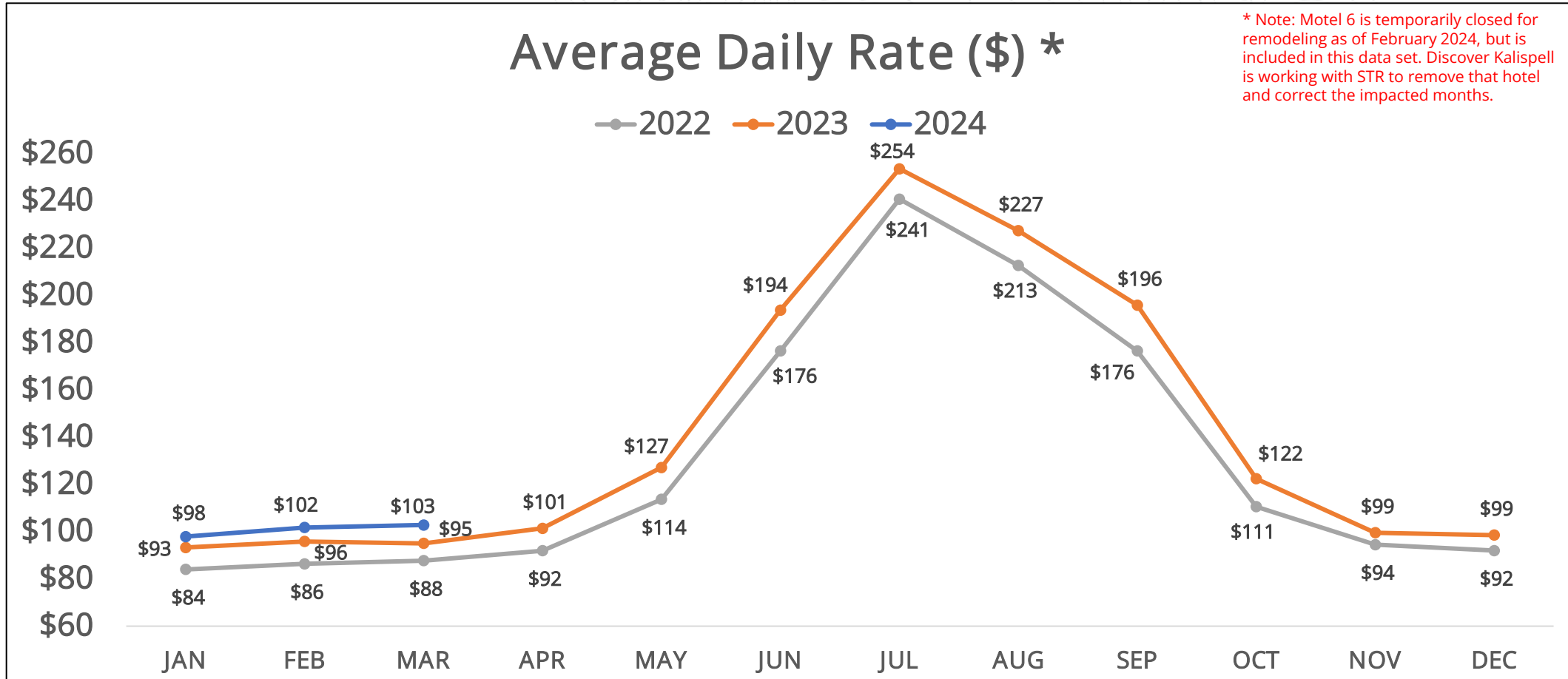


2022 Occupancy = 58%      2023 Occupancy = 58%



# Hotel Average Daily Rate (ADR) by Month

Kalispell hotel Occupancy decreased 19.1%, ADR increased 8.2%, and RevPAR decreased 12.5% Year-Over-Year



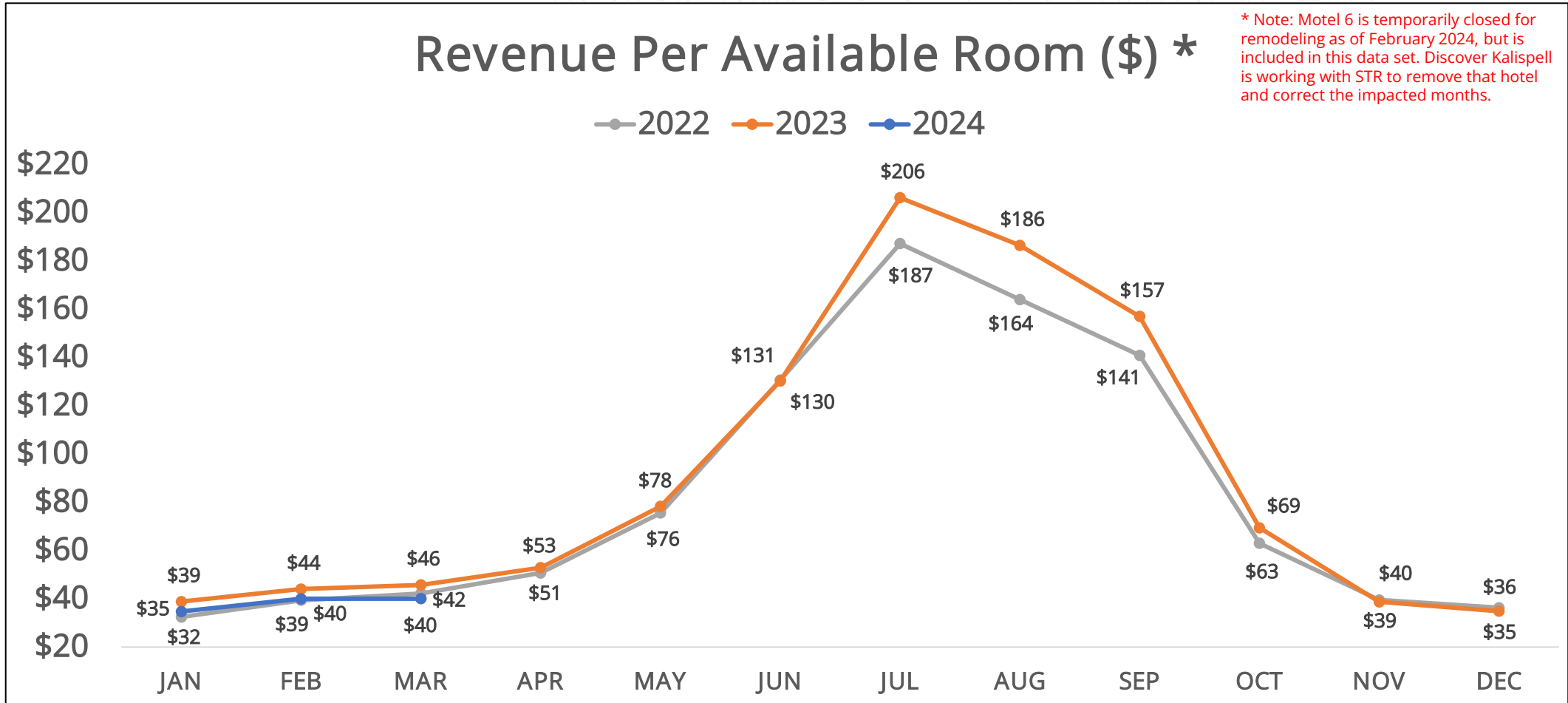
2022 ADR = \$142

2023 ADR = \$157



# Hotel Revenue Per Available Room by Month

Kalispell hotel Occupancy decreased 19.1%, ADR increased 8.2%, and RevPAR decreased 12.5% Year-Over-Year

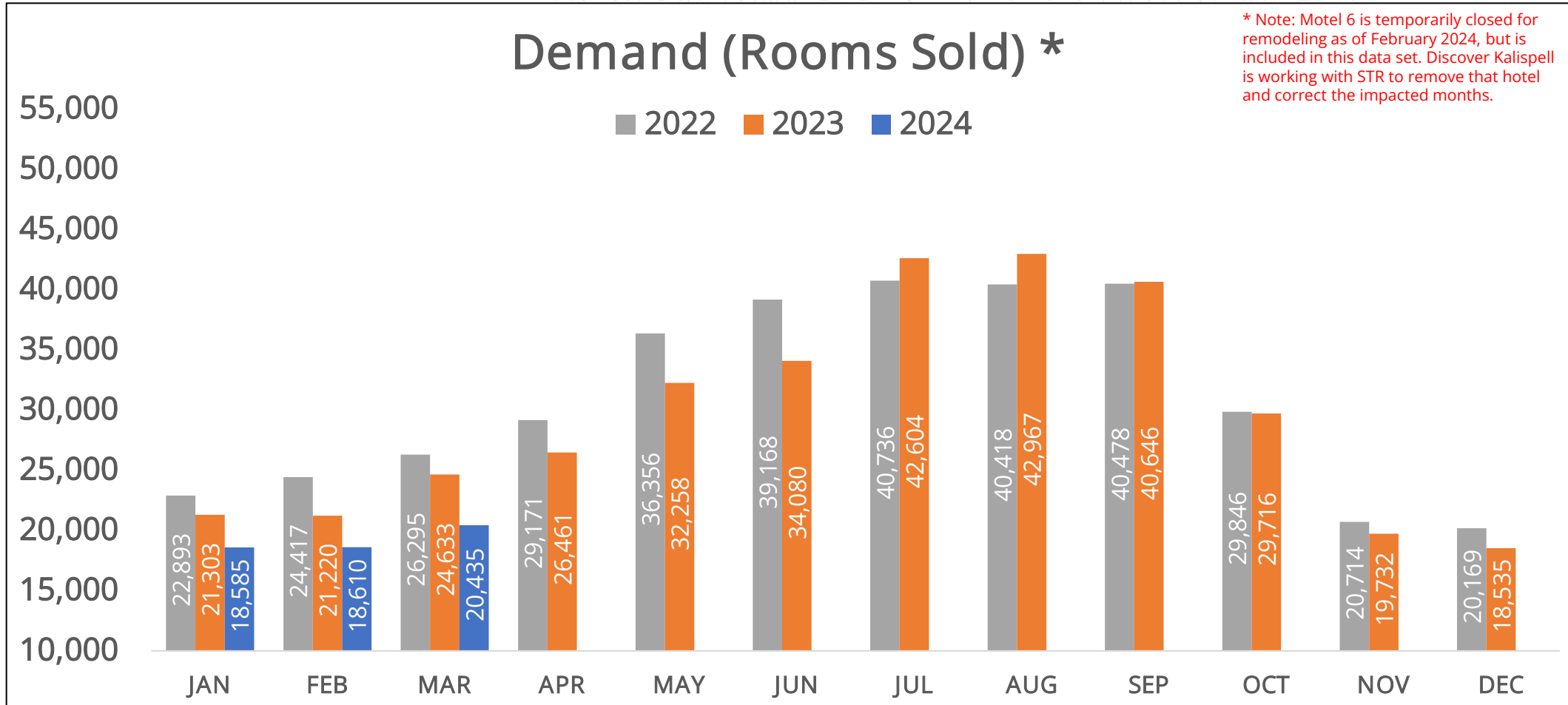


2022 RevPAR = \$82      2023 RevPAR = \$91



# Hotel Demand (Rooms Sold) by Month

Kalispell hotel Demand decreased 17.0%, Supply increased 2.5%, and Revenue decreased 10.3% Year-Over-Year

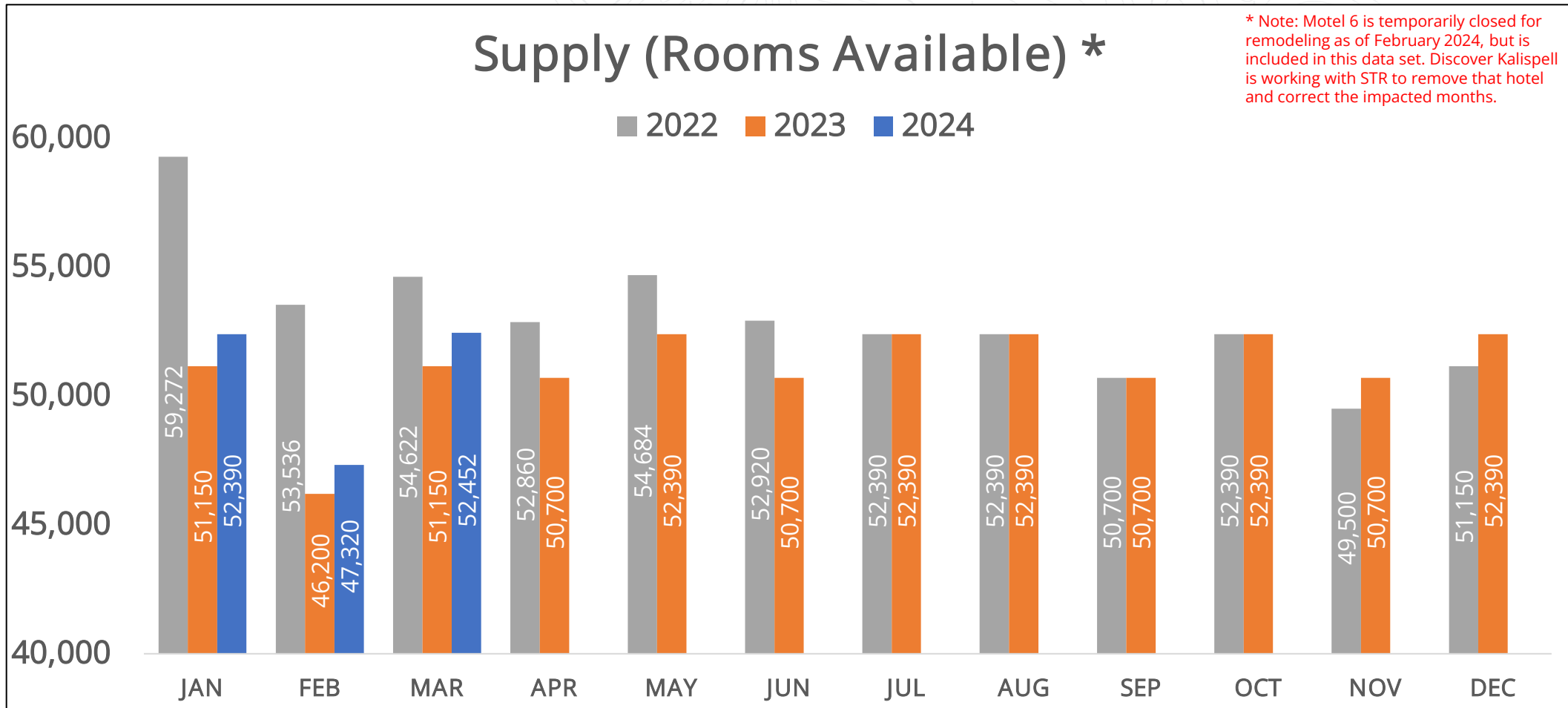


<b>2022 Demand = 370,661</b>	<b>2023 Demand = 354,155</b>
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# Hotel Supply by Month

Kalispell hotel Demand decreased 17.0%, Supply increased 2.5%, and Revenue decreased 10.3% Year-Over-Year

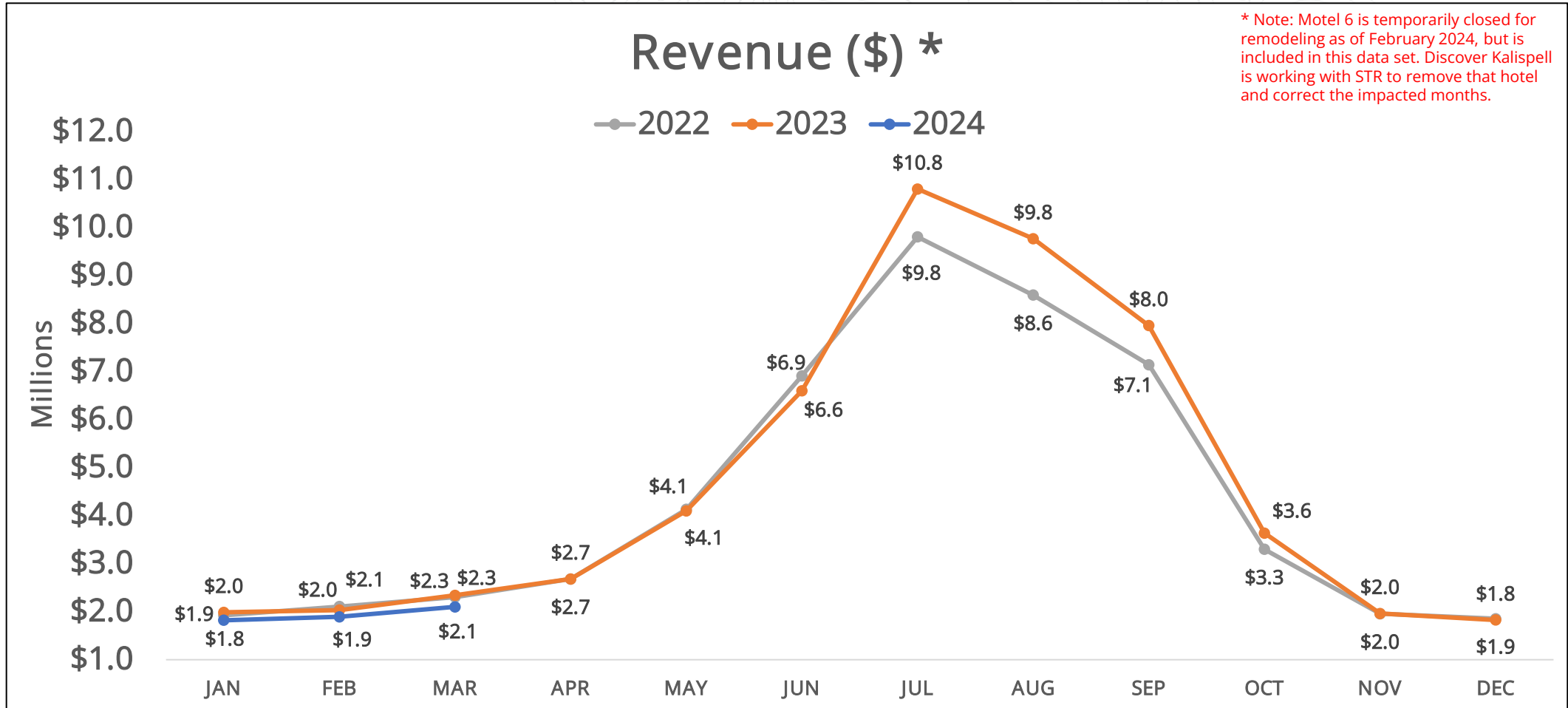


2022 Supply = 636,414      2023 Supply = 613,250



# Hotel Revenue by Month

Kalispell hotel Demand decreased 17.0%, Supply increased 2.5%, and Revenue decreased 10.3% Year-Over-Year



2022 Revenue = \$52.7M      2023 Revenue = \$55.7M

# AirDNA Short Term Rental Data (Airbnb & Vrbo listings)

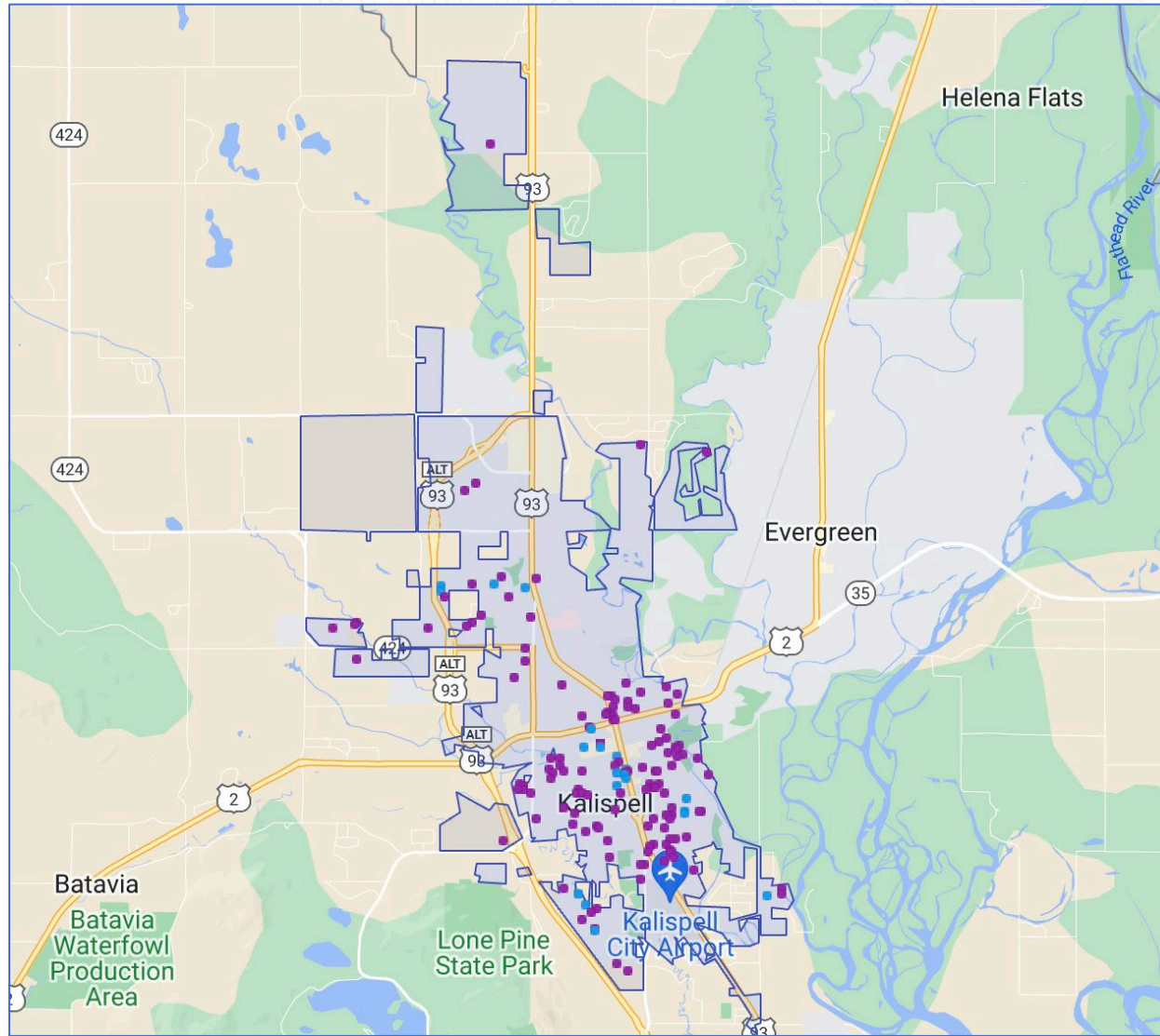
# AirDNA Short Term Rentals - Definitions

*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 \*

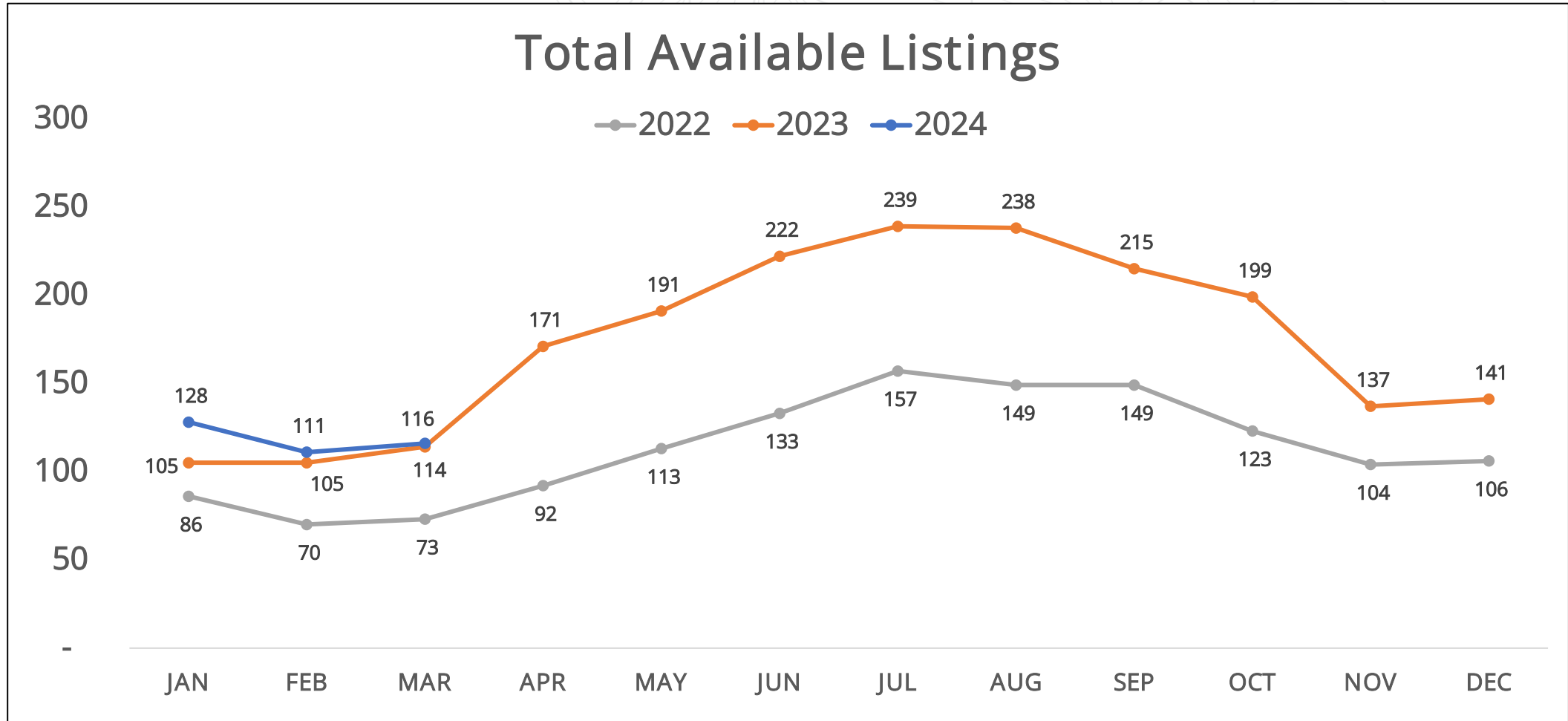


\*Kalispell City Limits



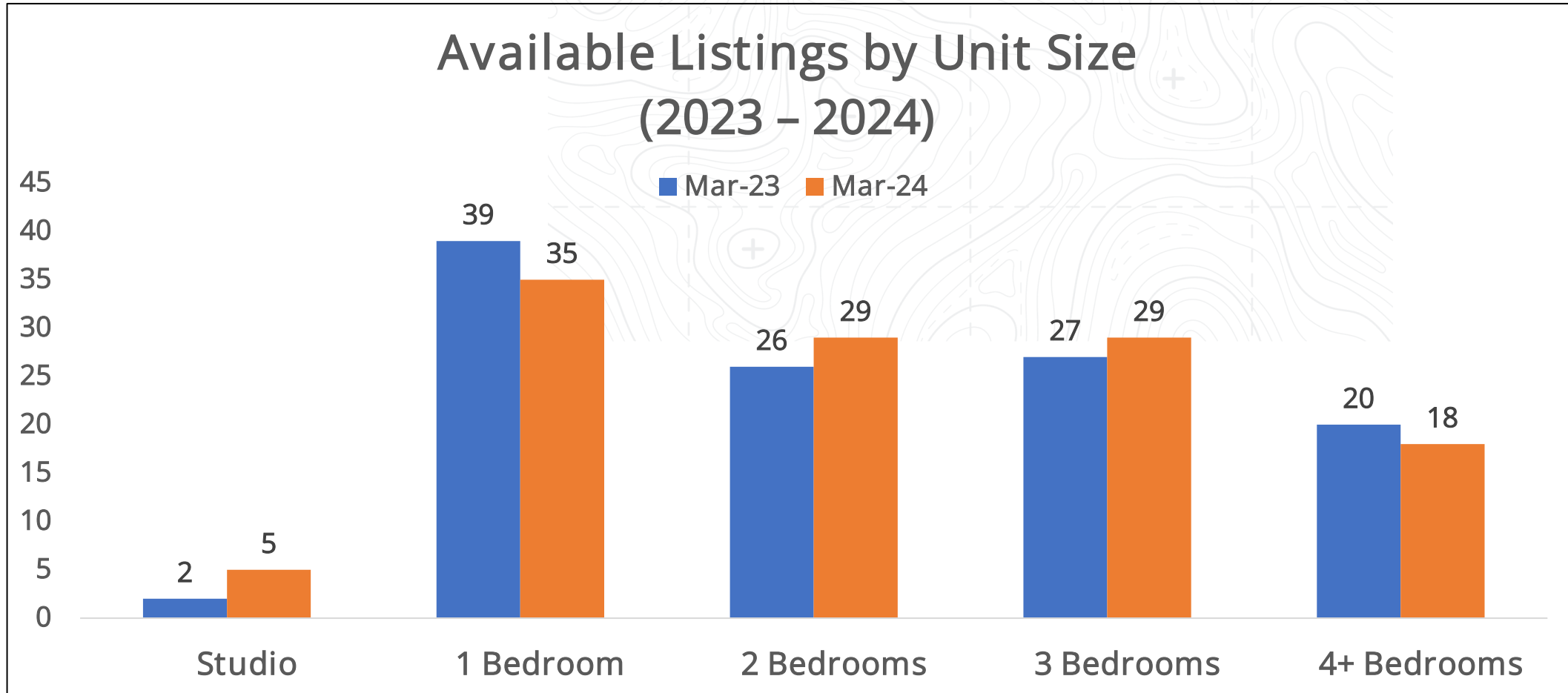
# AirDNA Short Term Rentals - Available Listings

Kalispell Short Term Rental Available Listings increased 1.8% Year-Over-Year



# AirDNA Short Term Rentals - Unit Size

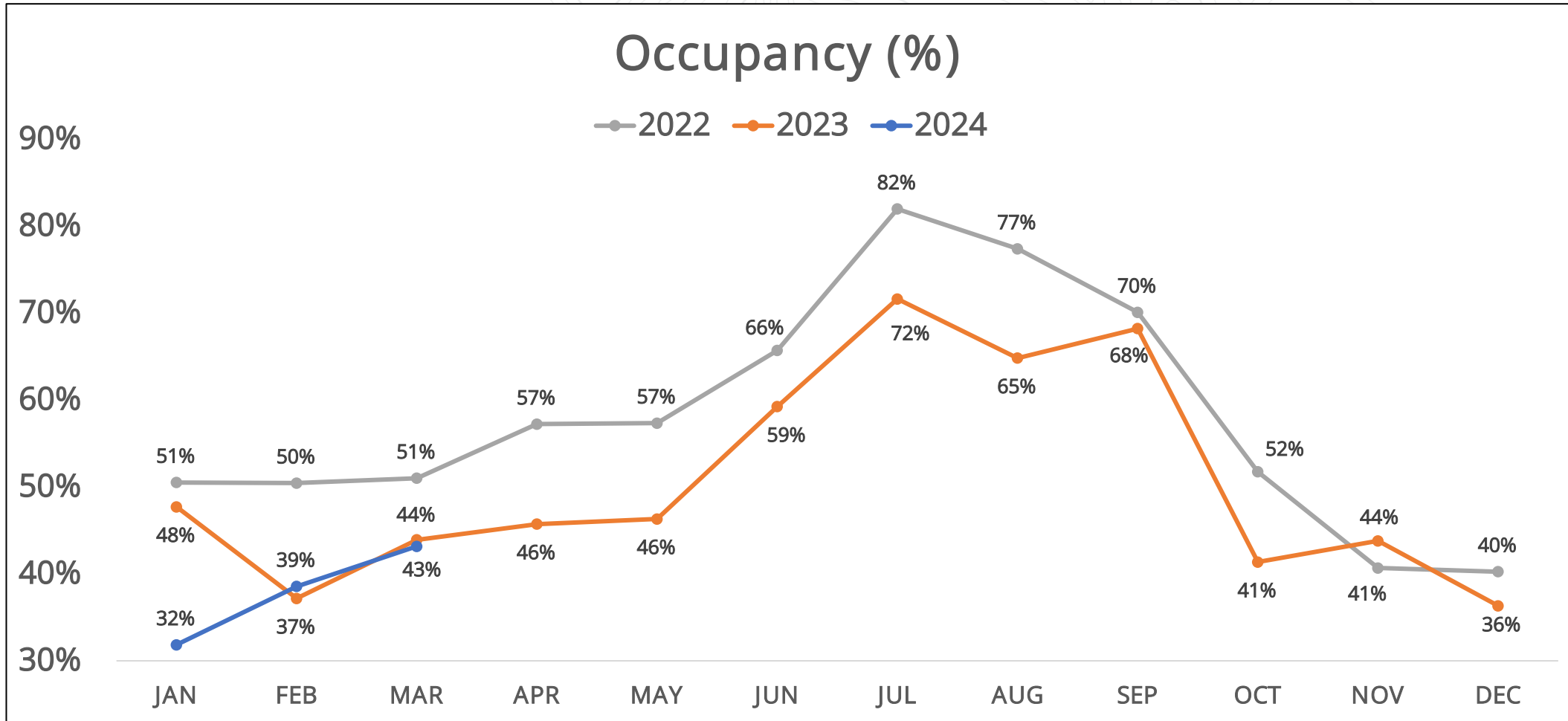
Kalispell Short Term Rental 1-Bedroom listings decreased 10.3% and 2-Bedroom Listings increased 11.5% Year-Over-Year





# AirDNA Short Term Rentals – Occupancy

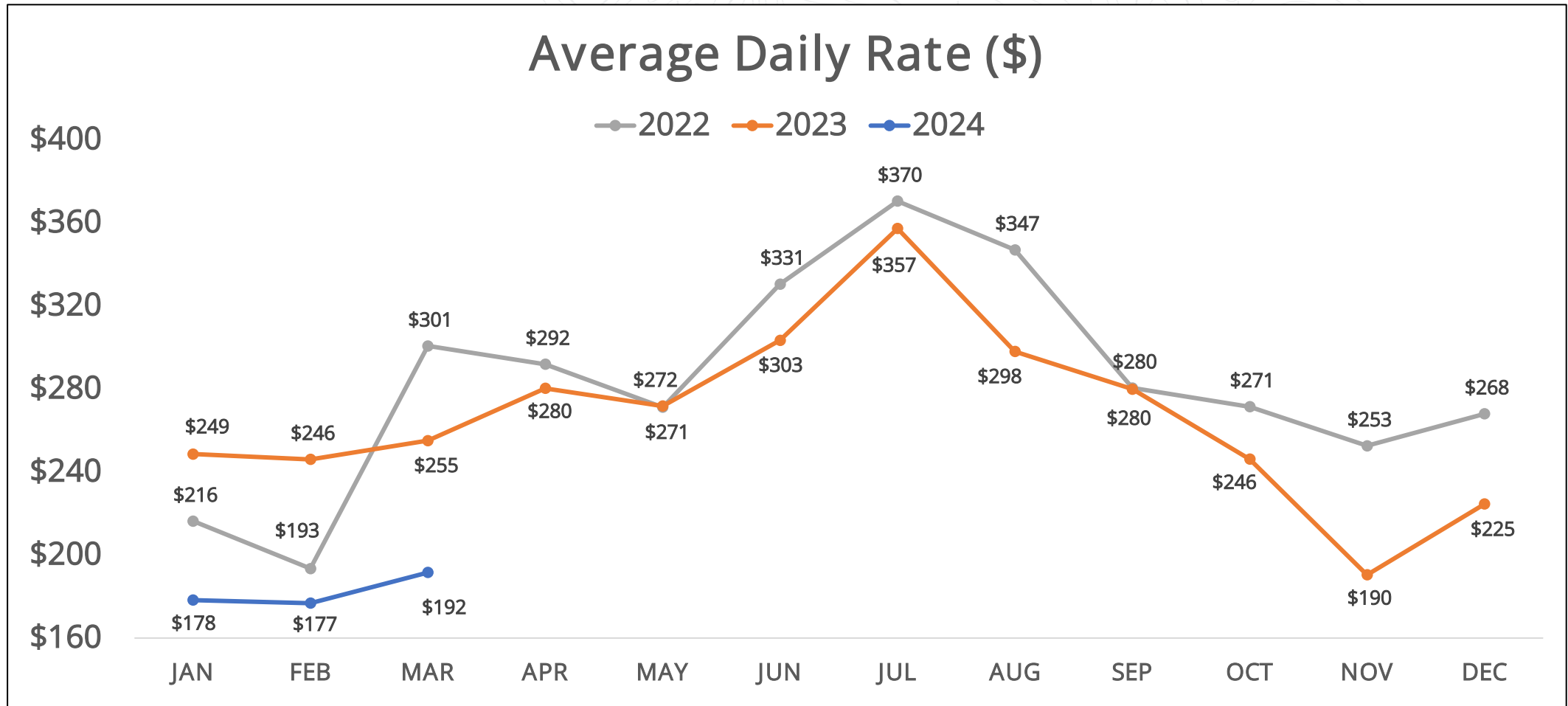
Kalispell Short Term Rental Occupancy decreased 1.7%, ADR decreased 24.9%, and RevPAR decreased 26.2% Year-Over-Year





# AirDNA Short Term Rentals - ADR

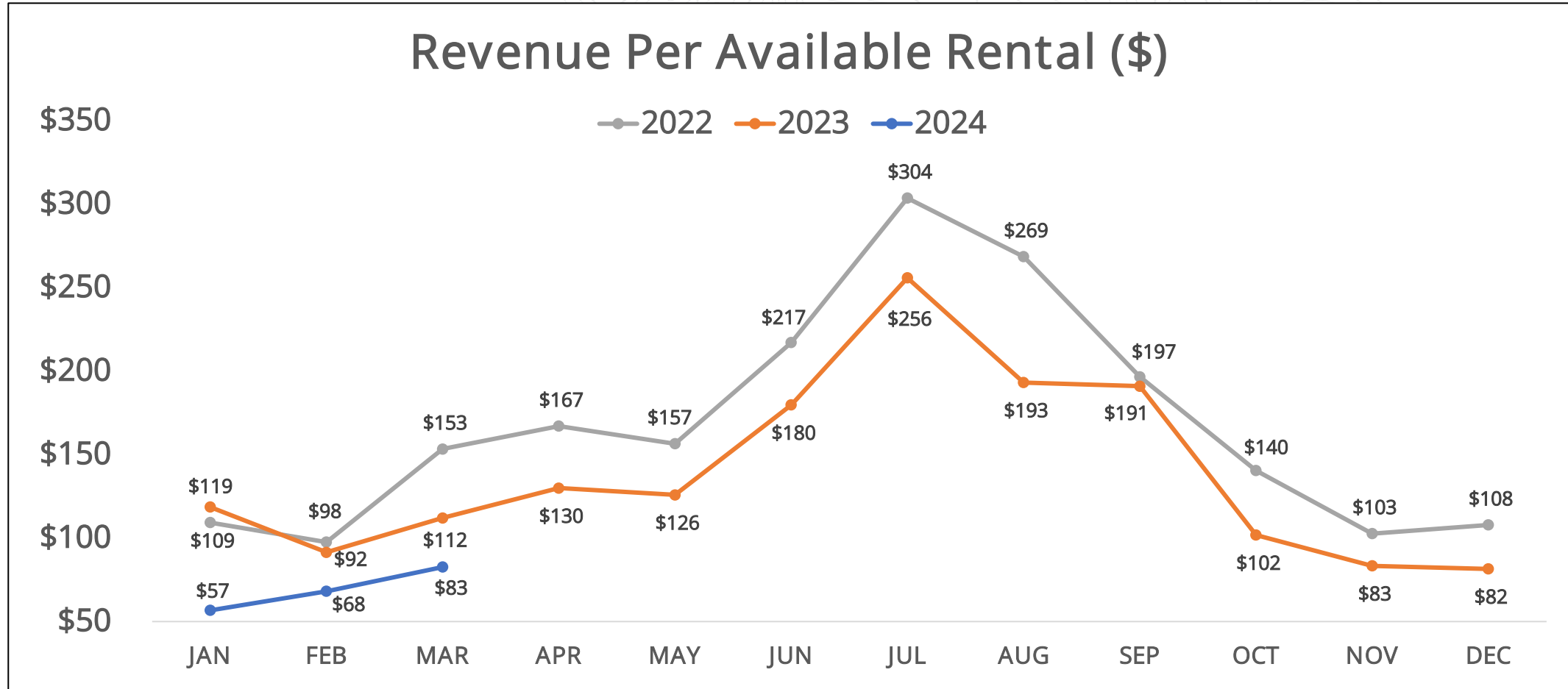
Kalispell Short Term Rental Occupancy decreased 1.7%, ADR decreased 24.9%, and RevPAR decreased 26.2% Year-Over-Year





# AirDNA Short Term Rentals - RevPAR

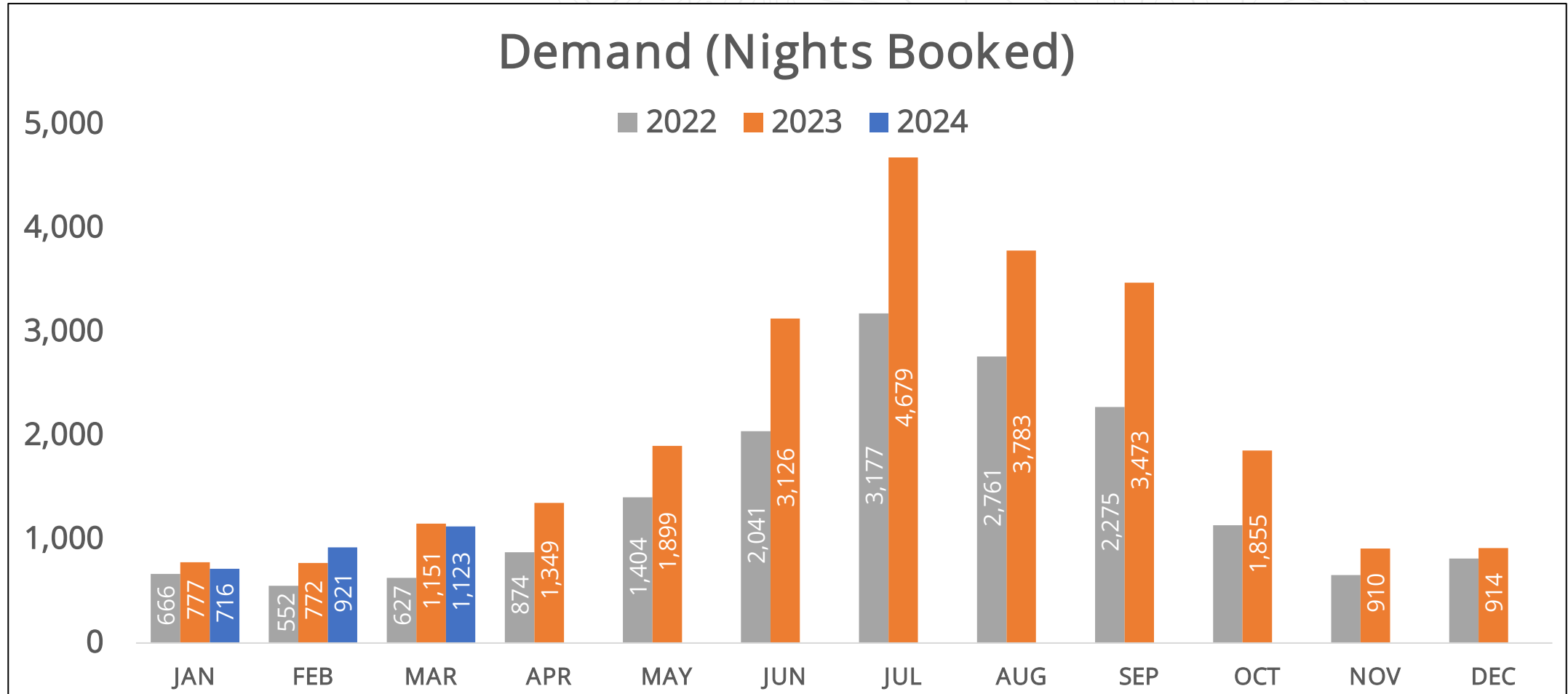
Kalispell Short Term Rental Occupancy decreased 1.7%, ADR decreased 24.9%, and RevPAR decreased 26.2% Year-Over-Year





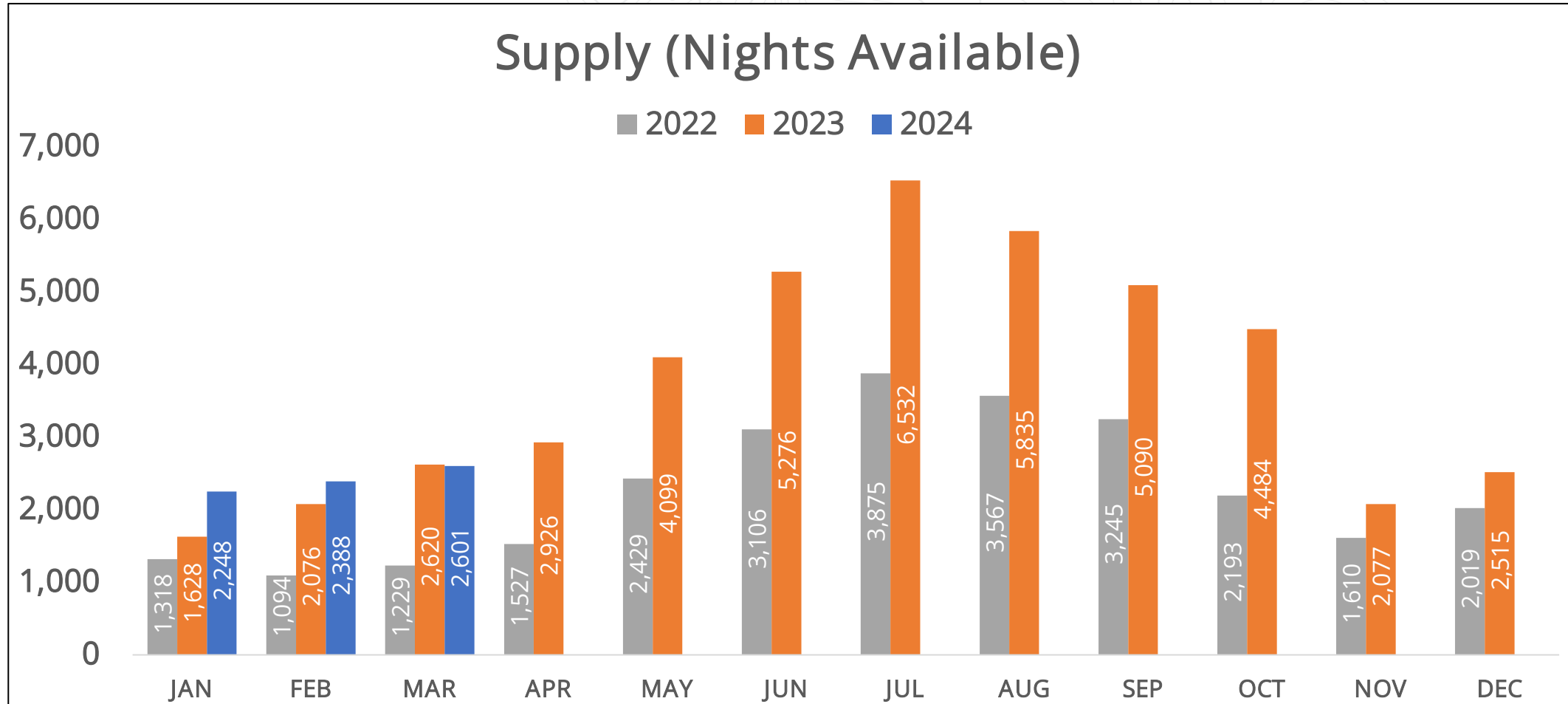
# AirDNA Short Term Rentals – Demand

Kalispell Short Term Rental Demand decreased 2.4%, Supply decreased 0.7%, and Total Revenue decreased 26.7% Year-Over-Year



# AirDNA Short Term Rentals – Supply

Kalispell Short Term Rental Demand decreased 2.4%, Supply decreased 0.7%, and Total Revenue decreased 26.7% Year-Over-Year

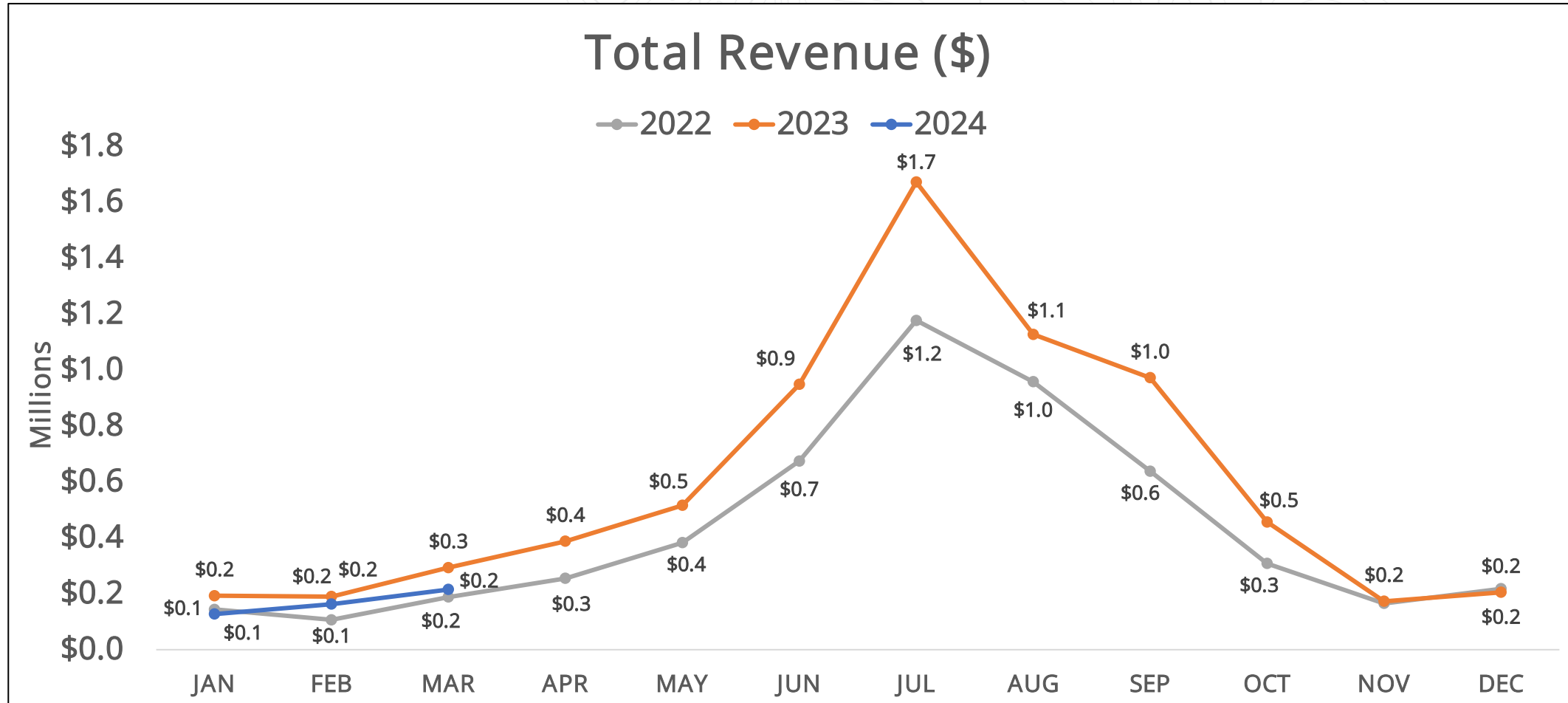






# AirDNA Short Term Rentals – Total Revenue

Kalispell Short Term Rental Demand decreased 2.4%, Supply decreased 0.7%, and Total Revenue decreased 26.7% Year-Over-Year



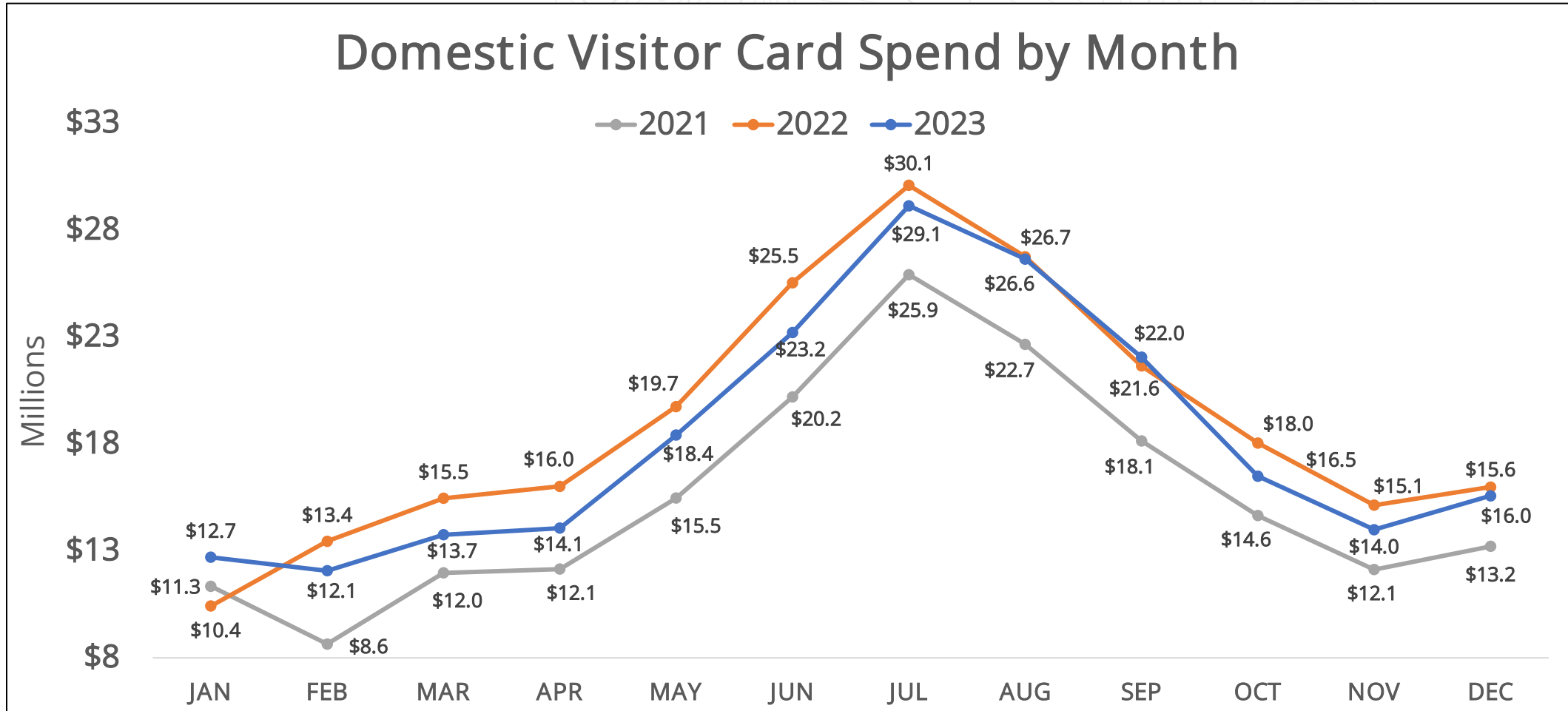
SECTION 04.

# Visa Destination Insights



# Visa – Domestic Visitor Spending

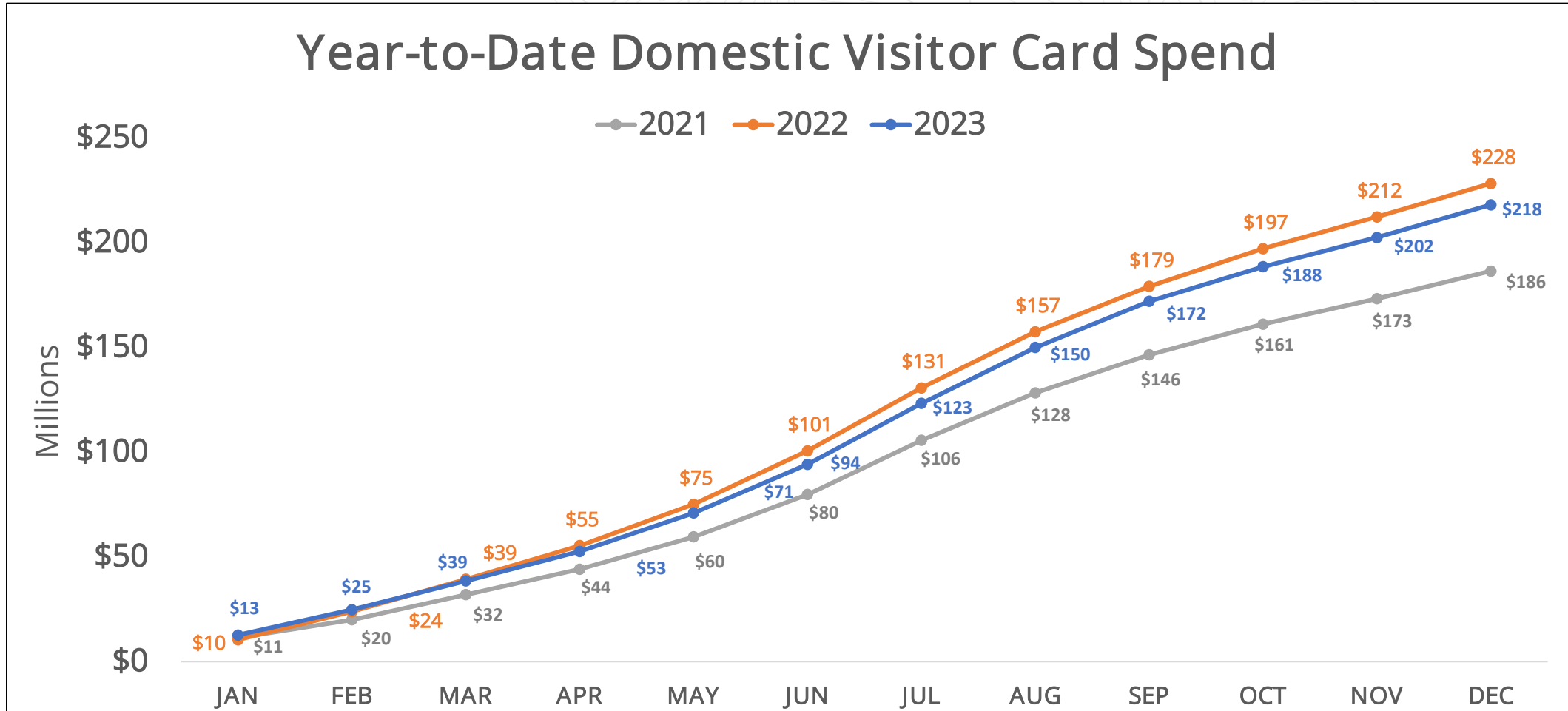
Kalispell Domestic Visitor Visa Card Spend decreased 2.6% and Year-to-Date Spend decreased 4.5%





# Visa – Domestic Visitor Spending

Kalispell Domestic Visitor Visa Card Spend decreased 2.6% and Year-to-Date Spend decreased 4.5%



# Visa – Domestic Visitor Origin

Rank	Origin Market	Spend (\$)	YoY % Change	Card Count	YoY % Change
1	Missoula, MT	\$7,835,904	7%	38,006	20%
2	Seattle-Tacoma-Bellevue, WA	\$5,006,384	-16%	21,262	-2%
3	Los Angeles-Long Beach-Anaheim, CA	\$3,366,753	1%	11,828	6%
4	Phoenix-Mesa-Chandler, AZ	\$3,103,381	-1%	10,528	1%
5	Bozeman, MT	\$3,035,325	4%	15,174	7%
6	Portland-Vancouver-Hillsboro, OR-WA	\$2,421,898	-13%	11,962	1%
7	Helena, MT	\$2,256,957	3%	12,329	5%
8	Great Falls, MT	\$2,188,651	-5%	12,115	-8%
9	Spokane-Spokane Valley, WA	\$2,016,547	-4%	11,837	2%
10	Billings, MT	\$1,958,304	5%	8,841	7%
11	San Diego-Chula Vista-Carlsbad, CA	\$1,923,486	1%	6,125	4%
12	San Francisco-Oakland-Berkeley, CA	\$1,666,467	4%	9,952	69%
13	Denver-Aurora-Lakewood, CO	\$1,624,209	-11%	8,070	0%
14	Salt Lake City, UT	\$1,575,125	-59%	30,897	-63%
15	Dallas-Fort Worth-Arlington, TX	\$1,514,001	-5%	6,337	0%

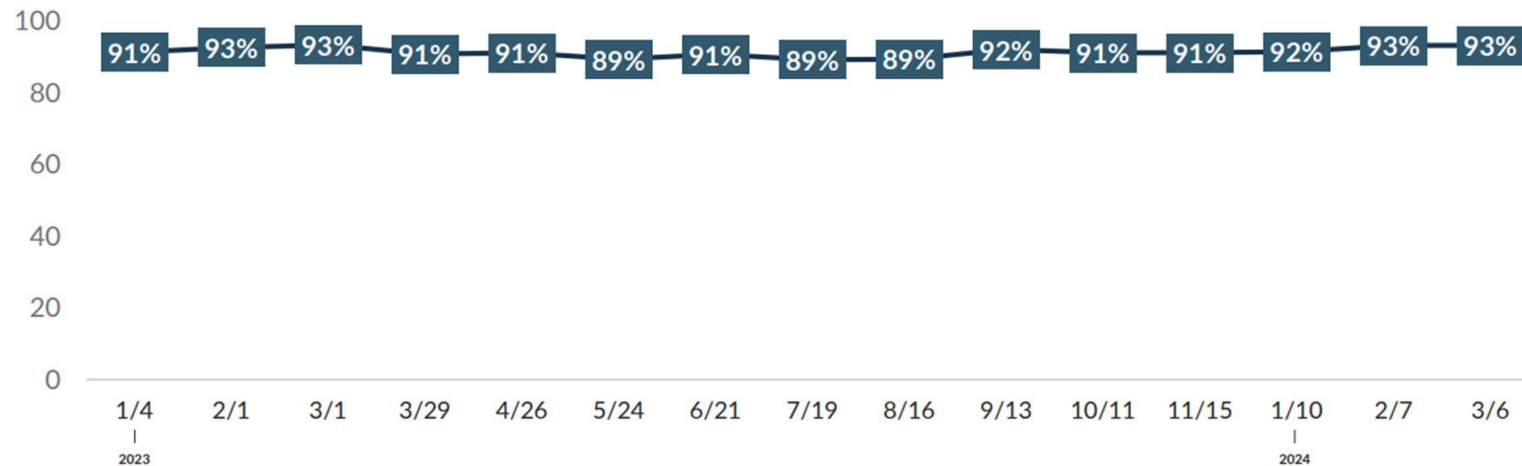
# Consumer Sentiment Data

# LONGWOODS INTERNATIONAL Travel Sentiment Study Wave 83

\*Survey Fielded March 6, 2024; US National Sample of 1,000 adults 18+

## IMPACT ON TRAVEL PLANS

### Travelers with Travel Plans in the Next Six Months Comparison



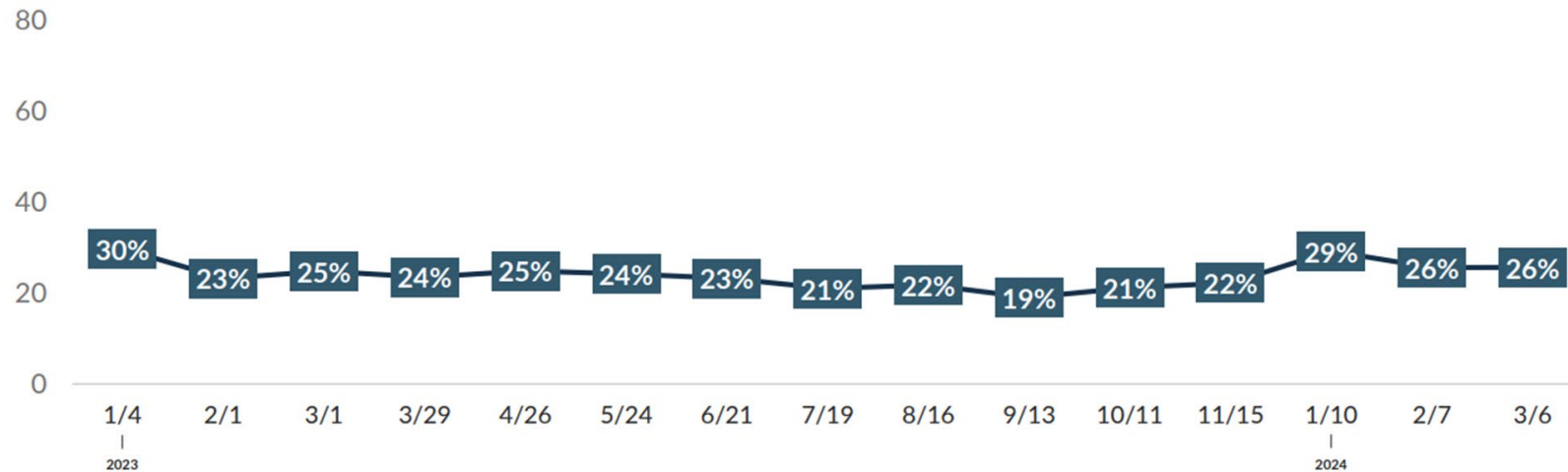
\*Note: Data spanning multiple years, beginning from 1/4/2023.  
Travel Sentiment Study Wave 83

# LONGWOODS INTERNATIONAL Travel Sentiment Study Wave 83

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## 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 1/4/2023.  
Travel Sentiment Study Wave 83

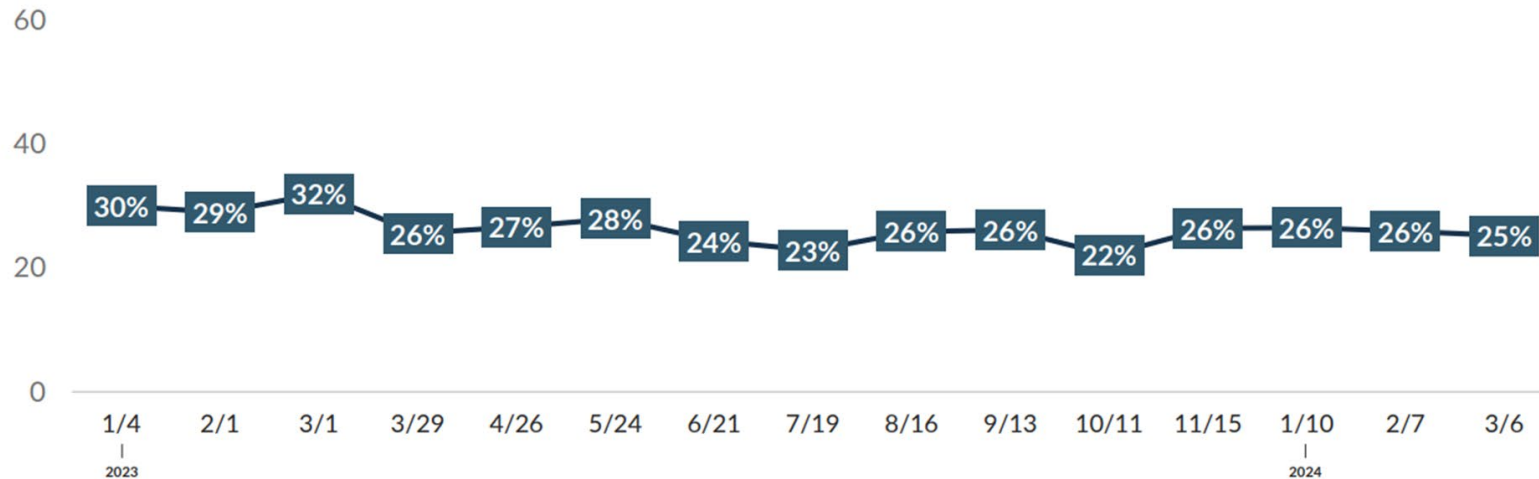


# LONGWOODS INTERNATIONAL Travel Sentiment Study Wave 83

\*Survey Fielded March 6, 2024; 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



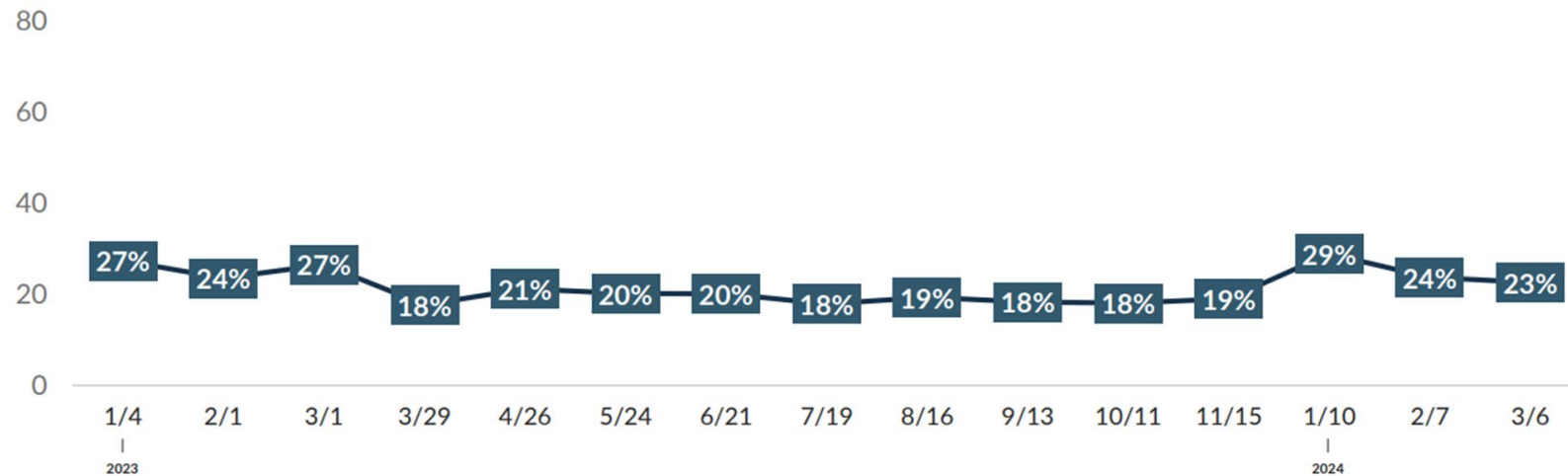
\*Note: Data spanning multiple years, beginning from 1/4/2023.  
Travel Sentiment Study Wave 83

# LONGWOODS INTERNATIONAL Travel Sentiment Study Wave 83

\*Survey Fielded March 6, 2024; 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



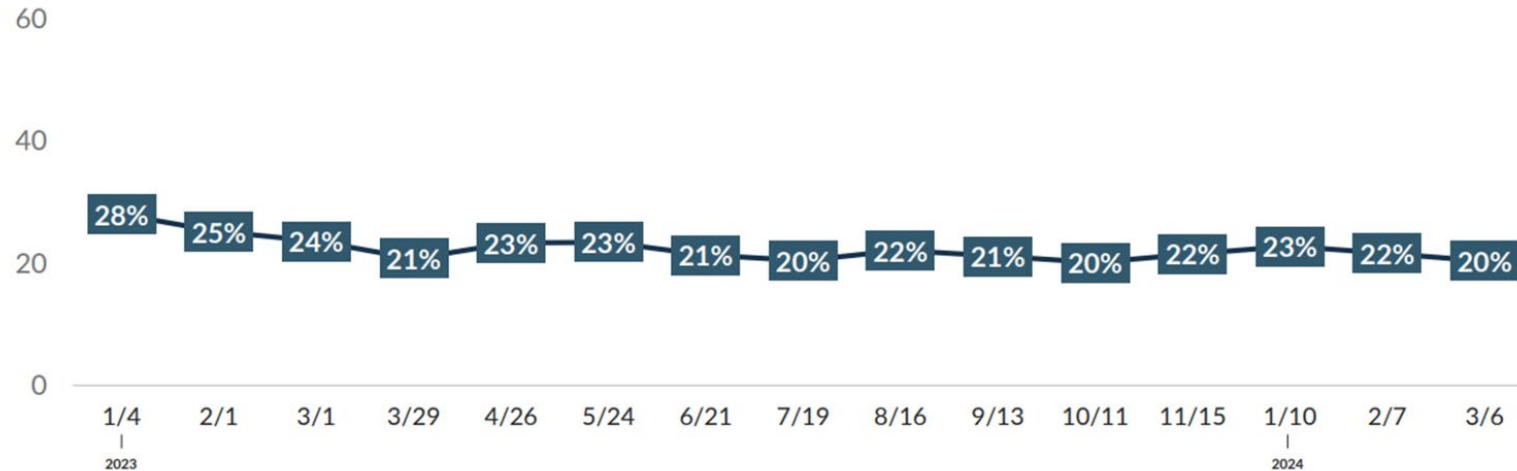
\*Note: Data spanning multiple years, beginning from 1/4/2023.  
Travel Sentiment Study Wave 83

# LONGWOODS INTERNATIONAL Travel Sentiment Study Wave 83

\*Survey Fielded March 6, 2024; 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



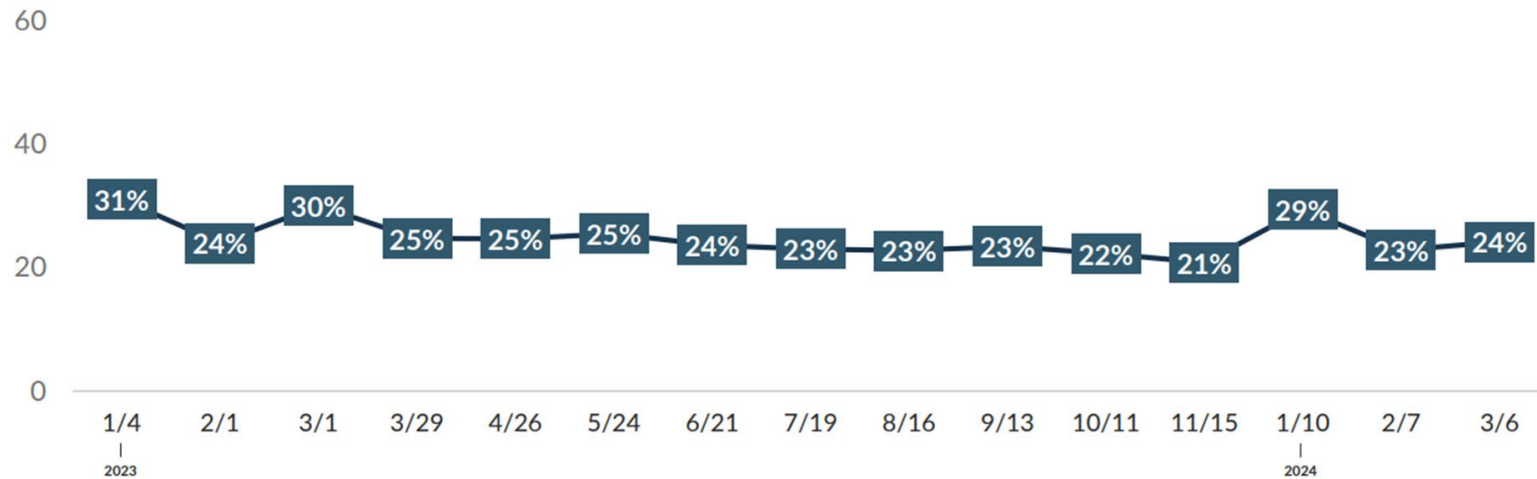
\*Note: Data spanning multiple years, beginning from 1/4/2023.  
Travel Sentiment Study Wave 83

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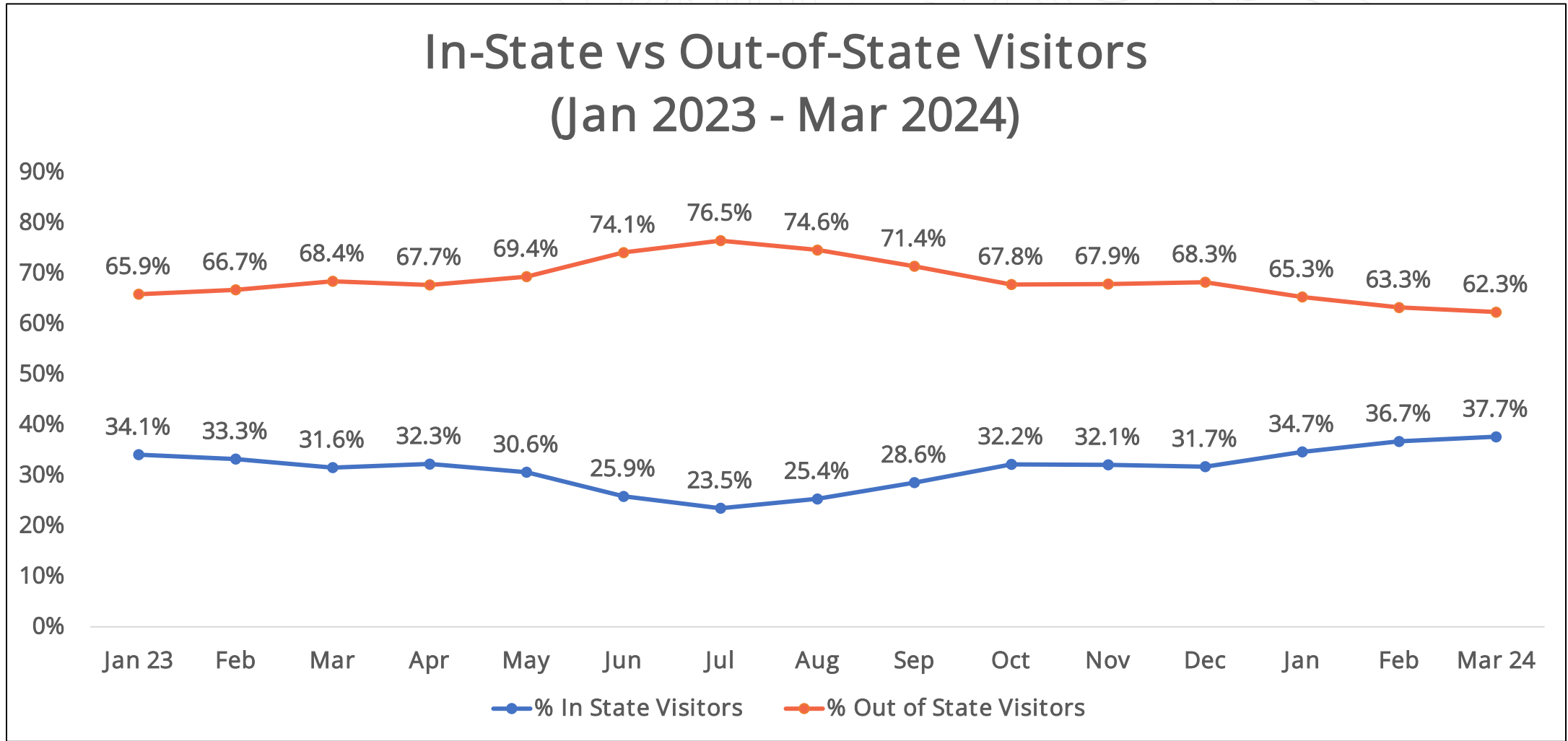
## IMPACT ON TRAVEL PLANS

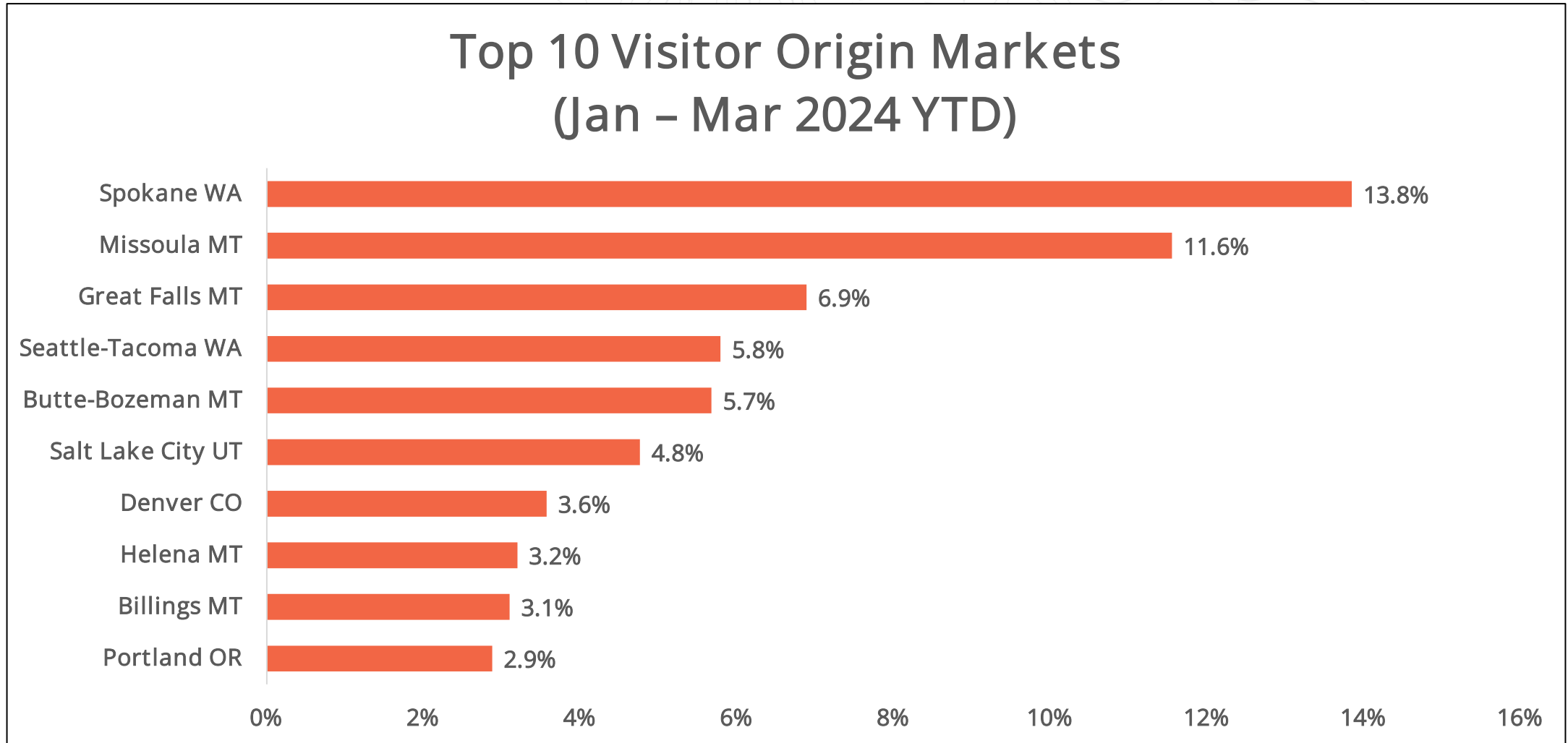
Indicated that Airfare Prices Would Greatly Impact their Decision to Travel in the Next Six Months

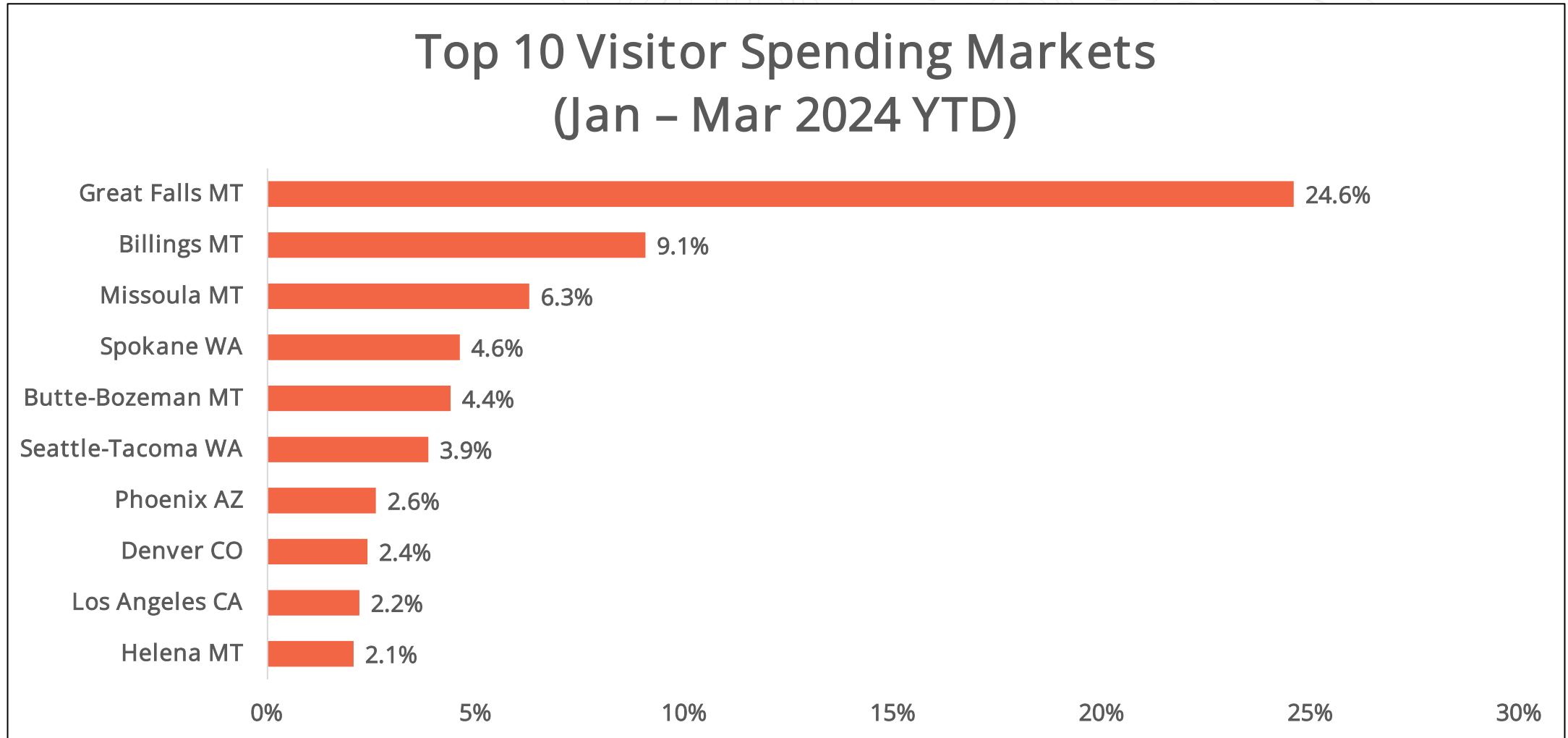


\*Note: Data spanning multiple years, beginning from 1/4/2023.  
Travel Sentiment Study Wave 83

# Zartico Geolocation Data

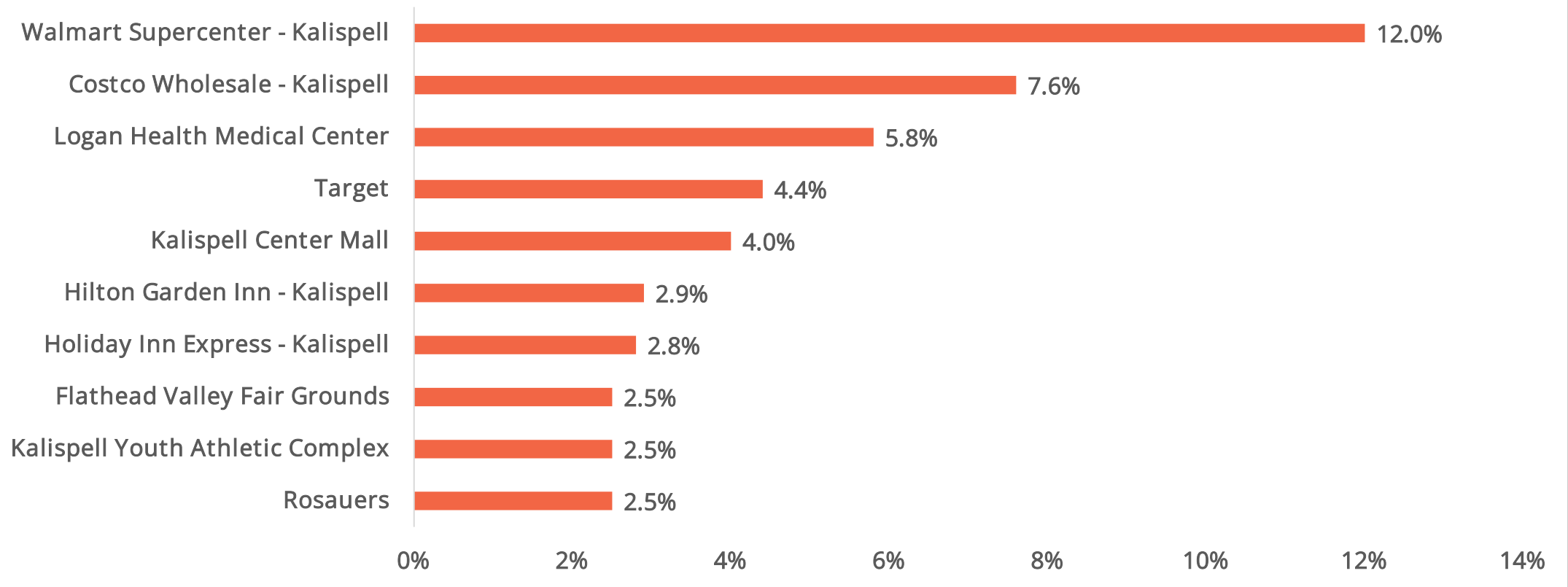




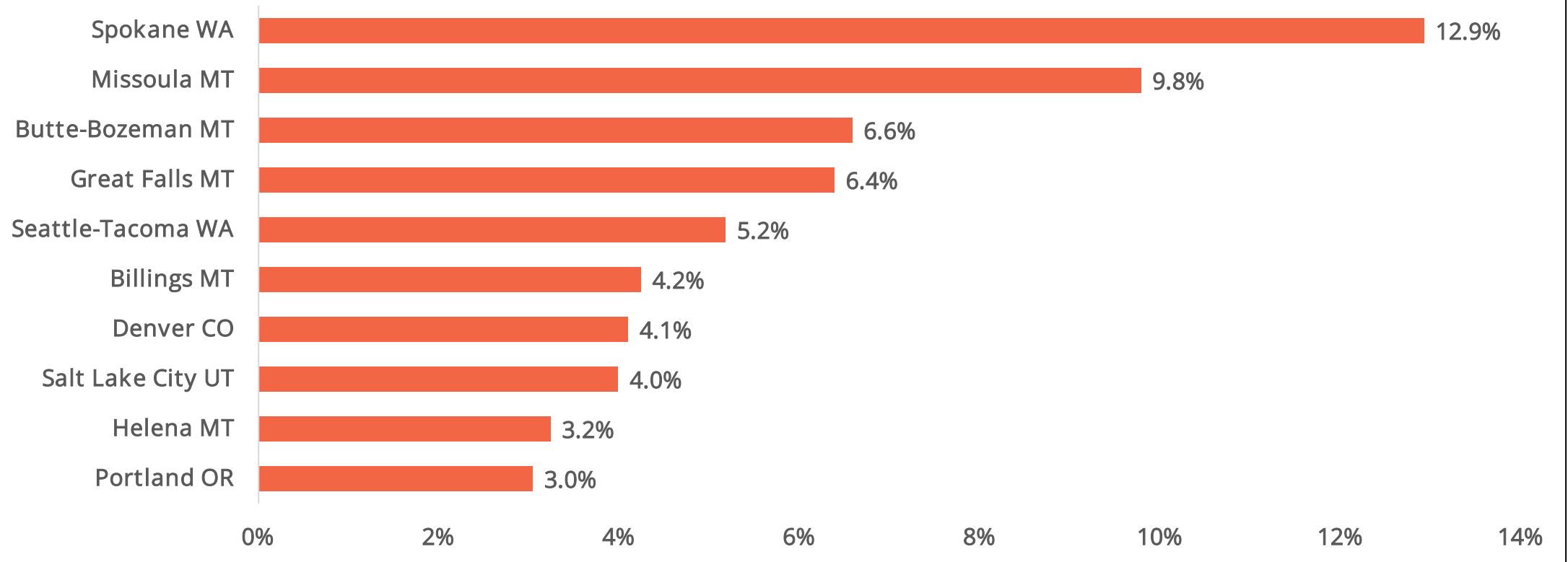




## Top 10 Visitor POIs - % of Visitation (Jan - Mar 2024 YTD)

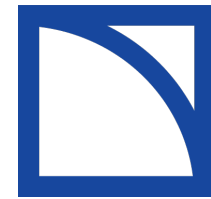


## Accommodations - Top 10 Visitor Origin Markets (Jan – Mar 2024 YTD)





Thank You!



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RESEARCH