

Visitor Industry Update GBTA Arizona February 2025

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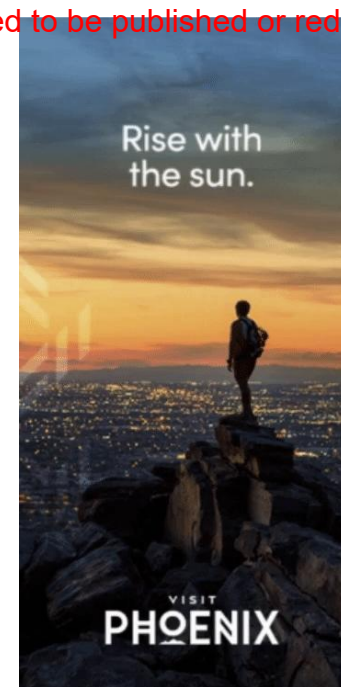
Market Update

- Recent Market Performance
 - Hotels, Vacation Rentals
 - Airports
 - Corporate Bookings
- 2024 Visitation Overview
- Group Trends & Pace
- Events & Developments



Who is Visit Phoenix?

- We promote the Phoenix community to a global audience of travelers.
- We book and assist conventions at the Phoenix Convention Center and area hotels and resorts.
- We maintain relationships with convention and meeting planners, journalists, influencers, travel agents and tour operators.
- We produce **marketing and brand campaigns** promoting leisure travel and meetings, and maintain the official tourism website for Greater Phoenix, **VisitPhoenix.com**.
- In partnership with our **nearly 1,000 member businesses**, Visit Phoenix brings business to Greater Phoenix that would not otherwise come—from leisure visitors to group meetings to popular sports events.



THINGS TO DO IN PHOENIX

Phoenix's perpetual sunshine might tempt you to find a secluded resort and spend all your days sipping margaritas next to the swimming pool. Don't give in. Exploring our city and finding things to do in Phoenix's desert horizons will broaden yours.

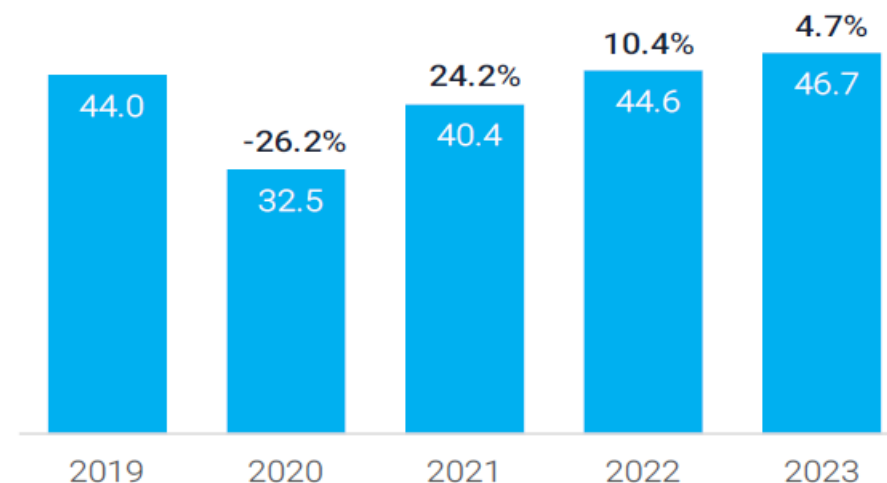


2023 Phoenix-metro Visitation & Impacts

- 46.7 million total visitors
- \$12.9 billion direct visitor spending
- \$22.8 billion total economic impact
- 141,004 jobs supported
- \$1.6 billion state & local taxes generated
- Each household in the Phoenix MSA would need to be taxed an additional \$893 to replace the visitor taxes received by the state and local governments in 2023.

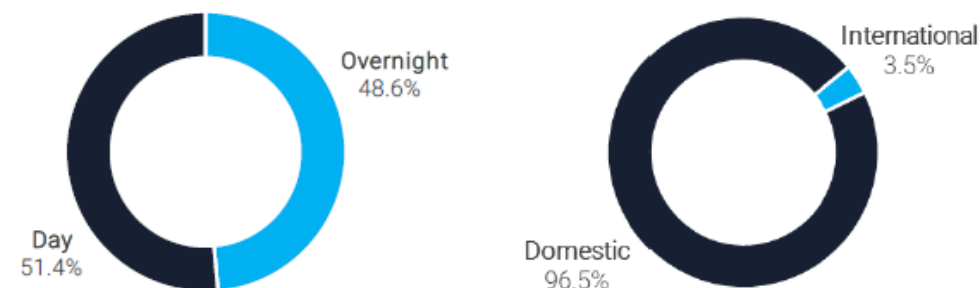
Phoenix MSA visitor volume

Amounts in millions of visitors



Phoenix MSA visitor volume share by segment

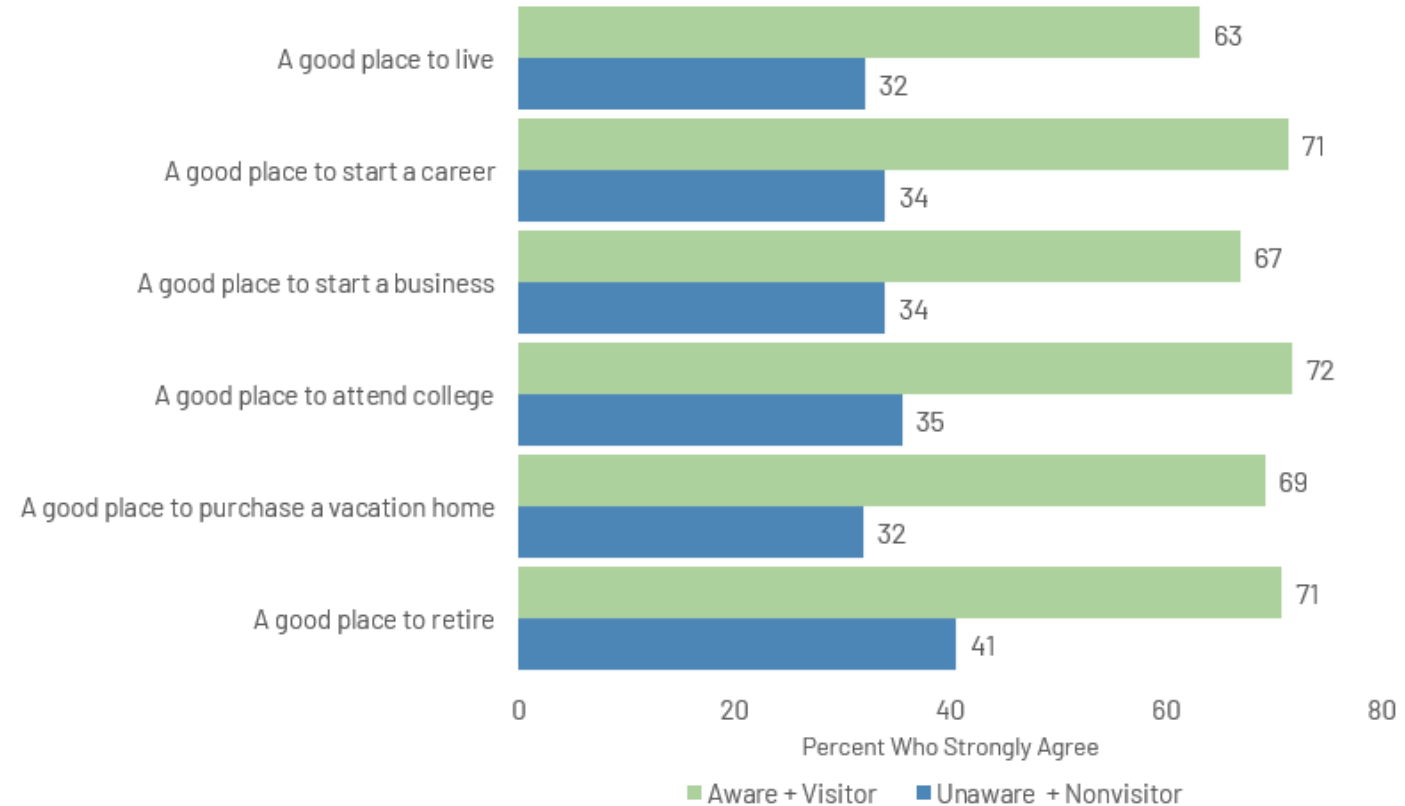
Percent of visitor volume by segment



Sources: Longwoods International, Tourism Economics

"HALO EFFECT" on Economic Development

- Determine if gains in image for Phoenix from its tourism advertising and visitation extend beyond the appeal as a place to visit.
 - Good place to live
 - Good place to start career
 - Good place to start business
 - Good place to attend college
 - Good place for vacation home
 - Good place to retire
- Advertising & Visitation both positively influenced all the economic development indicators



Accommodations Performance

December YTD

Hotels

- Occ, ADR & RevPAR down slightly YTD
- Increase in room demand equal with national performance

Short Term Lodging

- Nearly all STL metrics up YTD
 - Supply down -2.5%
- Dec YTD, short term lodging represents:
 - 18% of hotel demand
 - 22% of hotel supply



Phoenix-metro Hotels

Occupancy	ADR	RevPAR	Demand
67.9%	\$173.45	\$117.79	17.5 million
YOY	YOY	YOY	YOY
-0.6%	-0.8%	-1.4%	+0.5%

U.S. Comparison (YoY)

0.0%	+1.7%	+1.8%	+0.5%
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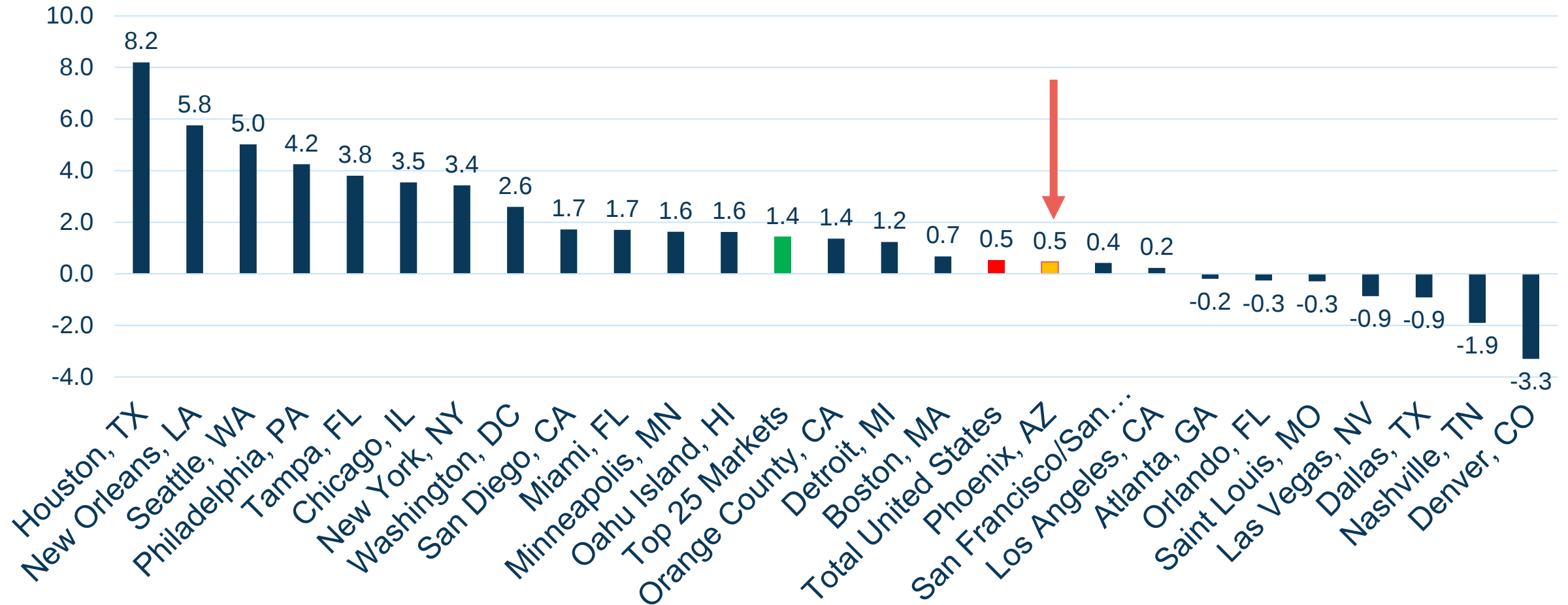
Phoenix-metro Short Term Lodging

Occupancy	ADR	RevPAR	Demand
58.3%	\$308.34	\$179.77	3.3 million
YOY	YOY	YOY	YOY
+5.3%	+2.4%	+7.8%	+2.7%

Hotel Performance:

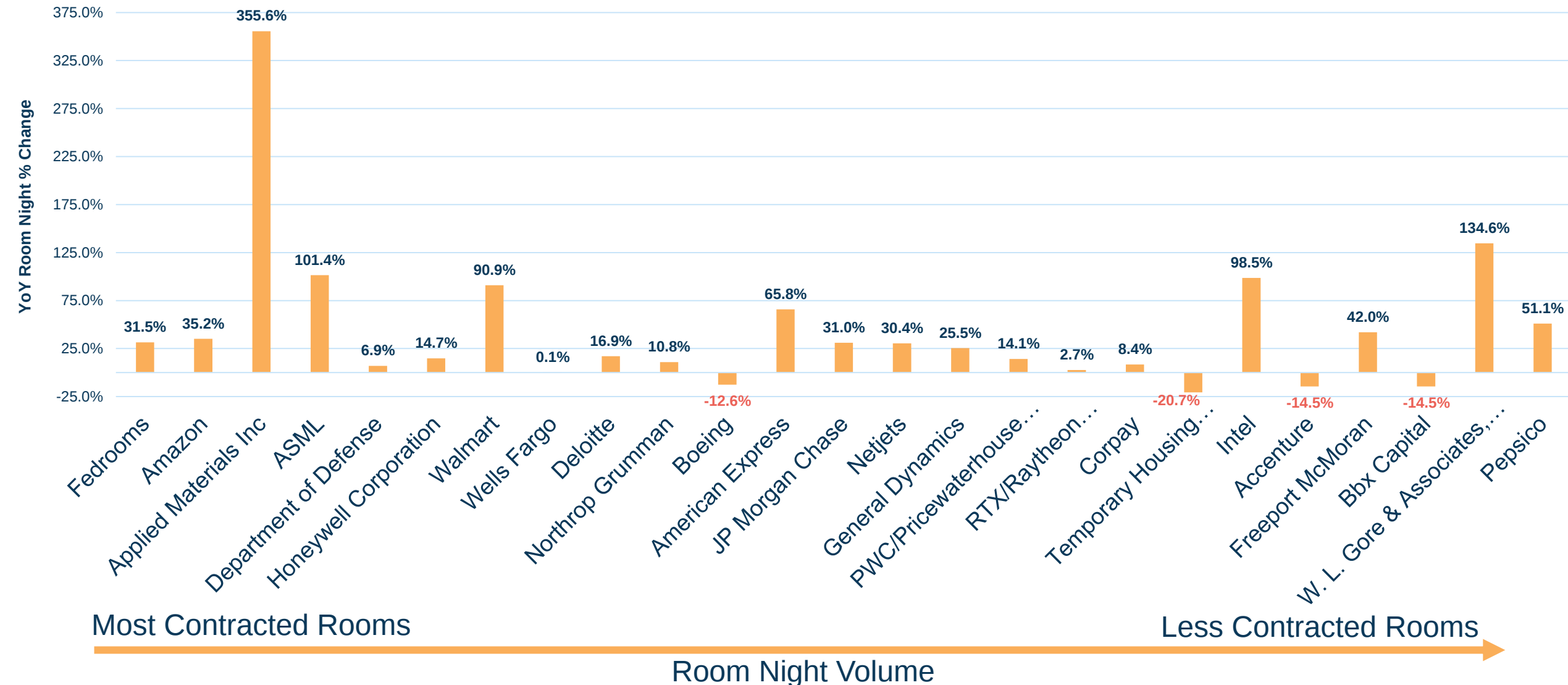
Top 25 Dec. YTD Room Demand % change

2024 Rooms Sold Percent Change



Top 25 Corporations for Market Room Nights in Phoenix

Room Nights percent change, Jan-Dec, 2024 YoY



Sky Harbor Record Year

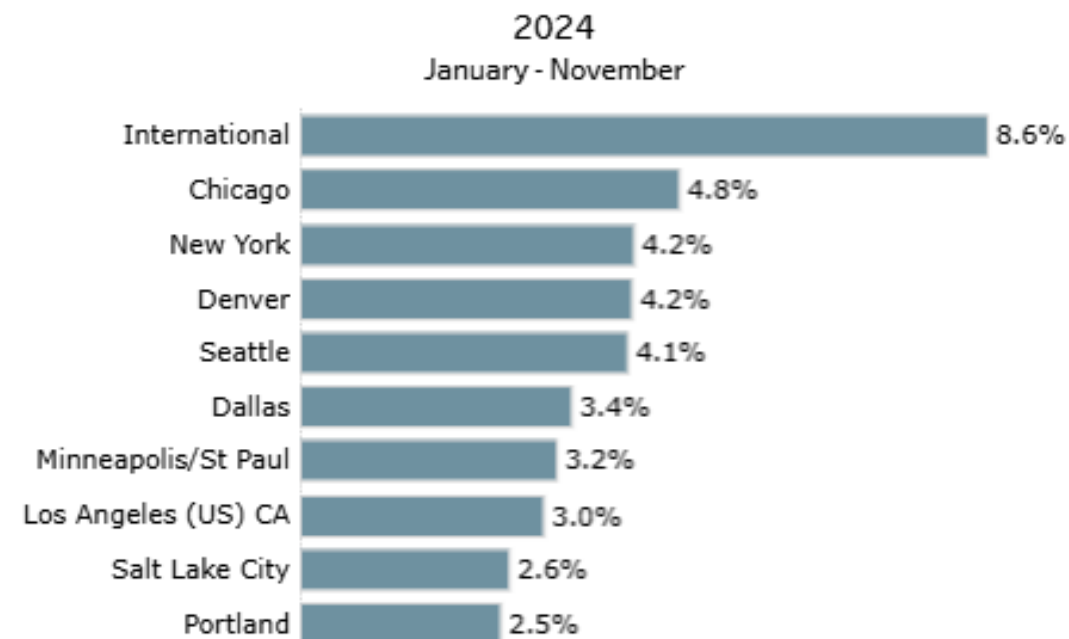
- 2024 record number of passengers.
 - **52.3 million passengers**
 - +7.5% vs. 2023; +12.9% vs. 2019
 - International passengers +15%
- Two new airlines added in 2024 (**Air France & Porter**)
- **Aeromexico**, Phoenix to Mexico City
 - Daily service begins **March 30, 2025**
- Air France to add more flights starting **May 2025**
 - Will increase from 3 to 5 days per week
 - Air France increasing size of aircraft from 279 to 328 seats



Airport Performance

- Air origin markets nearly mirror 2019 (through Nov.)
 - Salt Lake City replaces San Francisco; Las Vegas falls off top 10
 - International share remains higher than 2019
- Visitor air arrivals have surpassed 2023 volume for 12 months straight in 2024

Top 10 Origin Markets by Air Sky Harbor & Mesa-Gateway



Domestic Overnight Visitation Summary

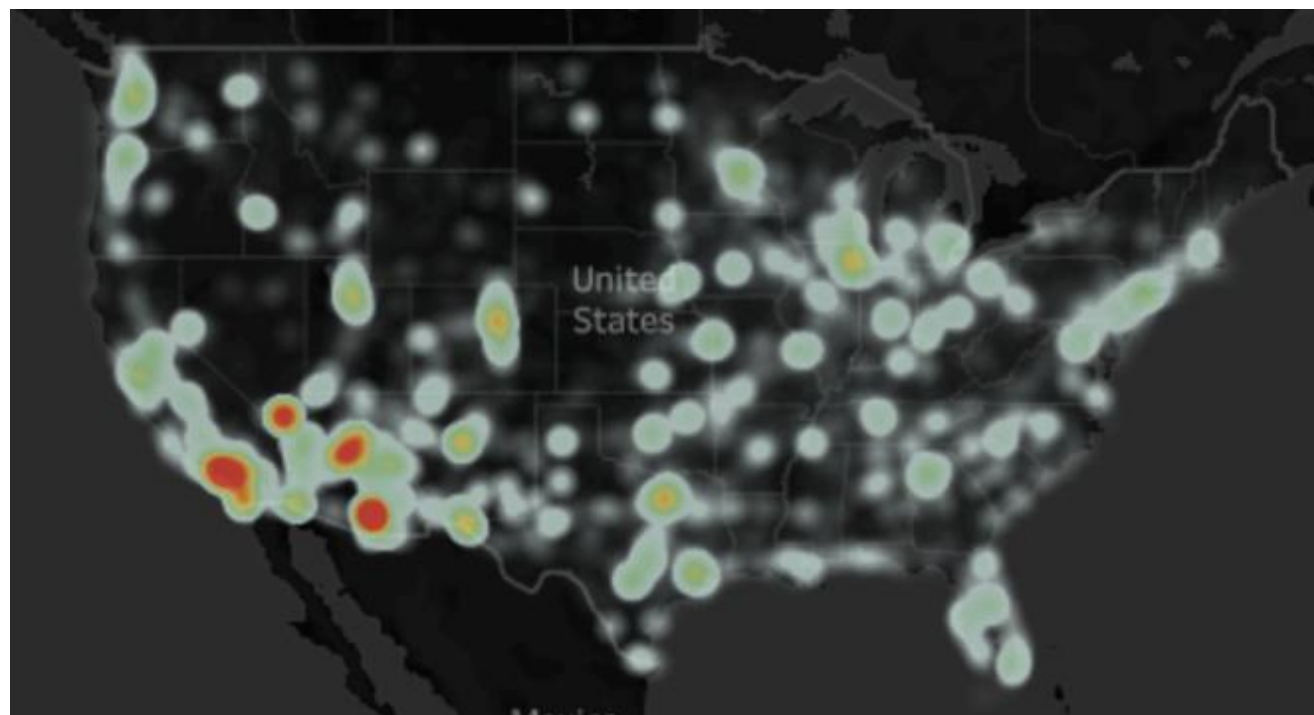
Jan. – Dec. 2024 Origin Markets



3.8 days
Avg Length of Stay

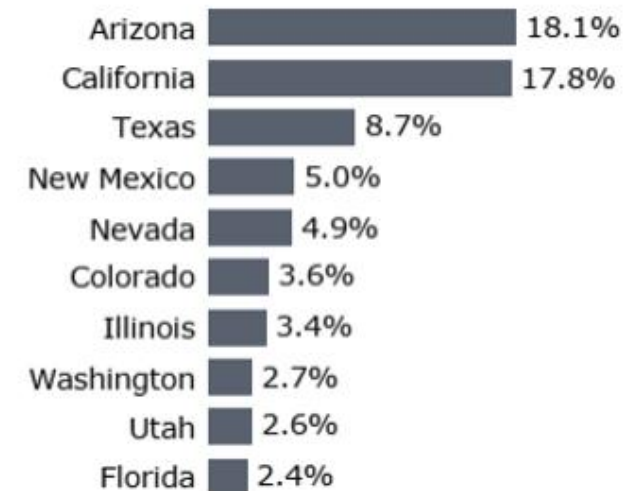


79.7%
Repeat



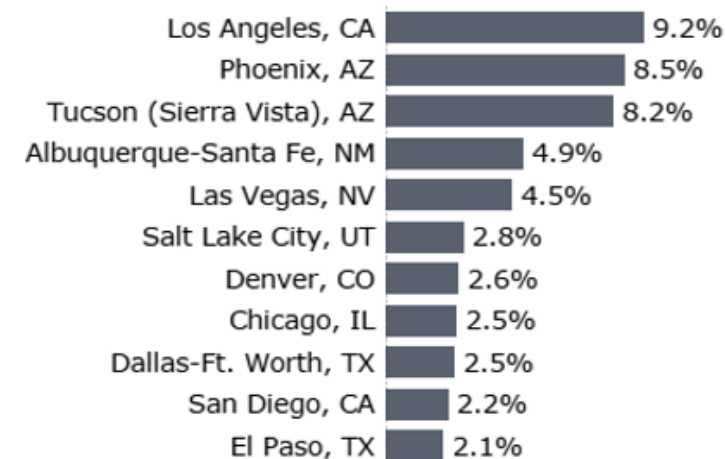
Top Visitor Origin States

% share of total

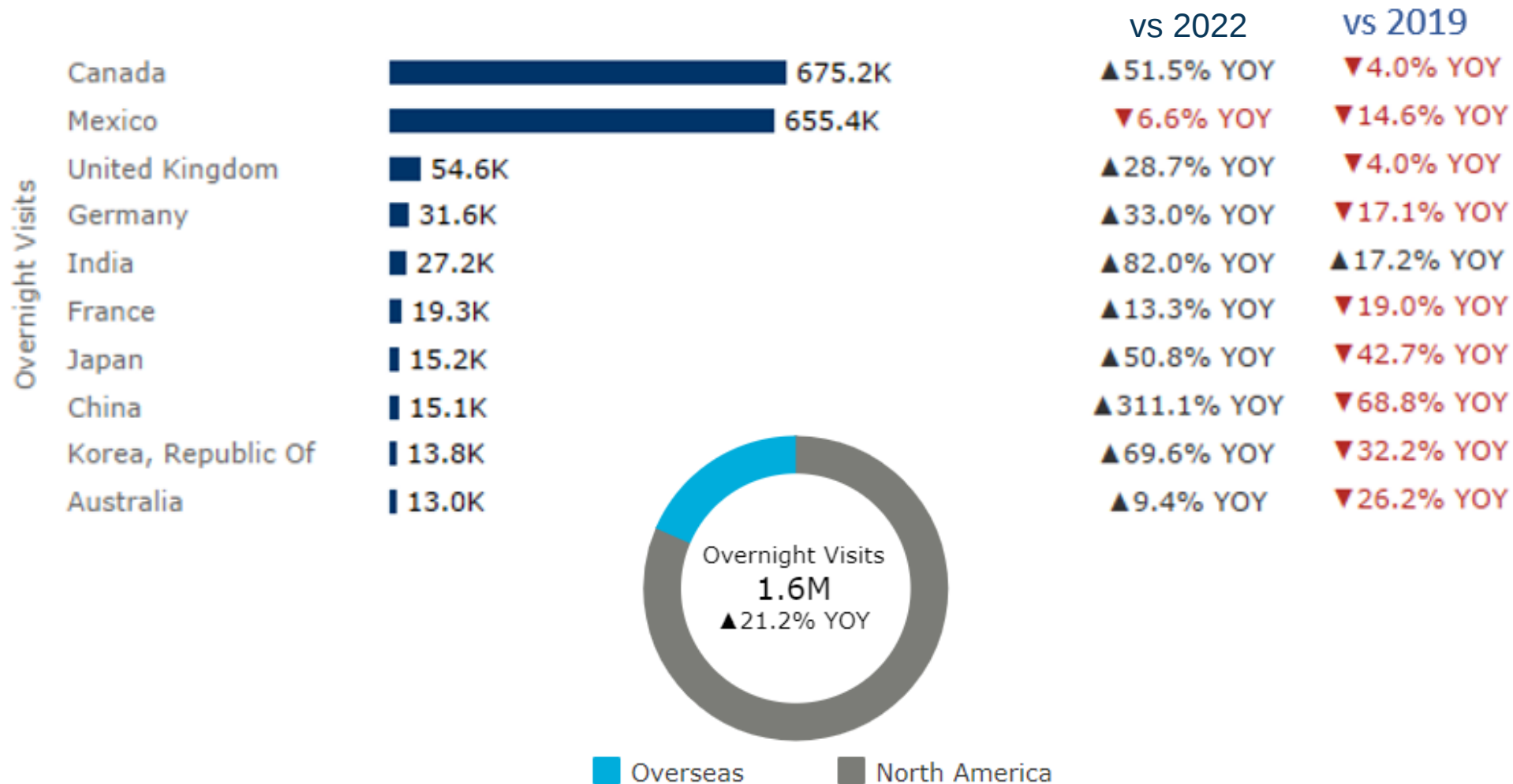


Top Visitor Origin DMAs

% share of total



2023 Top 10 International Markets for Phoenix Year-over-year & 2019 Comparison



2024 Rankings & Accolades

- Maritz
 - Top 10 for meetings with multiple hotels
 - Top 10 for Corporate Meetings 2024 & beyond
- HelmsBriscoe
 - Top 10 Destinations in North America
- NorthStar Site Selection Survey - Feb. 2024
 - Phoenix #2 Most Desirable
 - Phoenix highest growth in appeal
- NorthStar, Convention Cities Index, June 2024
 - Phoenix #9
- Cvent's 2024 Top List
 - 3 Cities in top 50
 - Phoenix #9, Scottsdale #12, Tempe #45
 - 14 hotels in top 250
- Cvent Market Rankings - 2024
 - #2 for RFPs Received
 - #3 for RFPs Awarded
- Phoenix Convention Center
 - #8 Convention Center in U.S.
 - Wall Street Journal
- Sky Harbor
 - Nations top large airport
 - Wall Street Journal
 - #2 Mega airport for customer satisfaction
 - JD Power
- Hotel Pipeline
 - #4 largest hotel pipeline in U.S.
 - Lodging Econometrics
- Top 24 Destination for 2024
 - Forbes Travel Guide
- International Visitation
 - #8 for visitation from Canada
 - #8 for visitation from Mexico
 - Tourism Economics

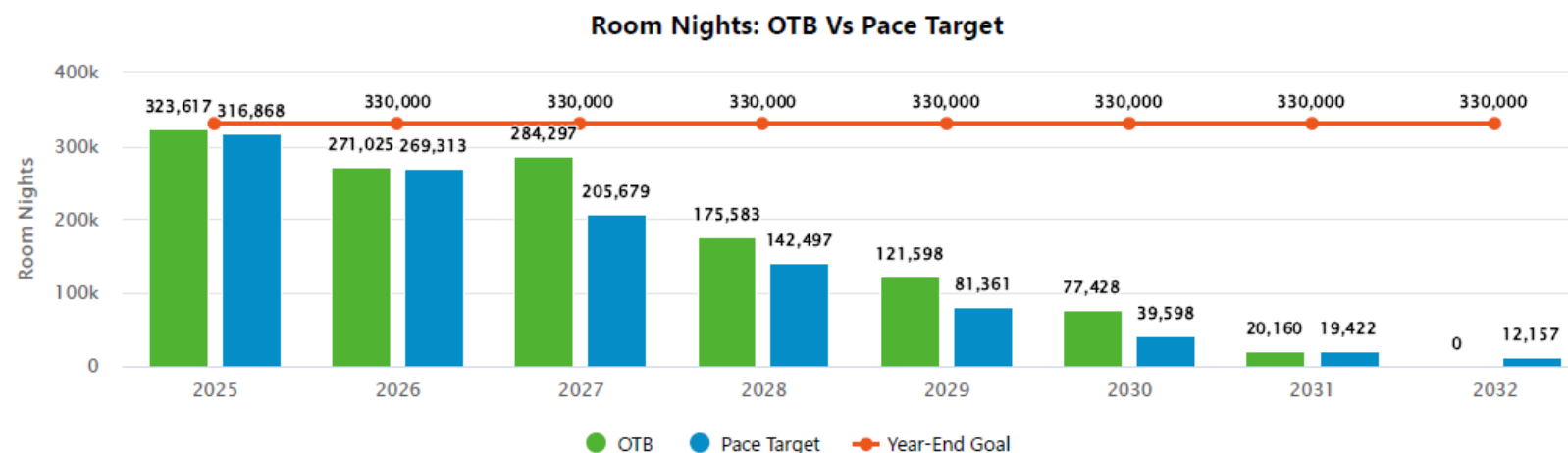


Long-Term Meetings & Conventions

Room Night Pace, Dec. 2024

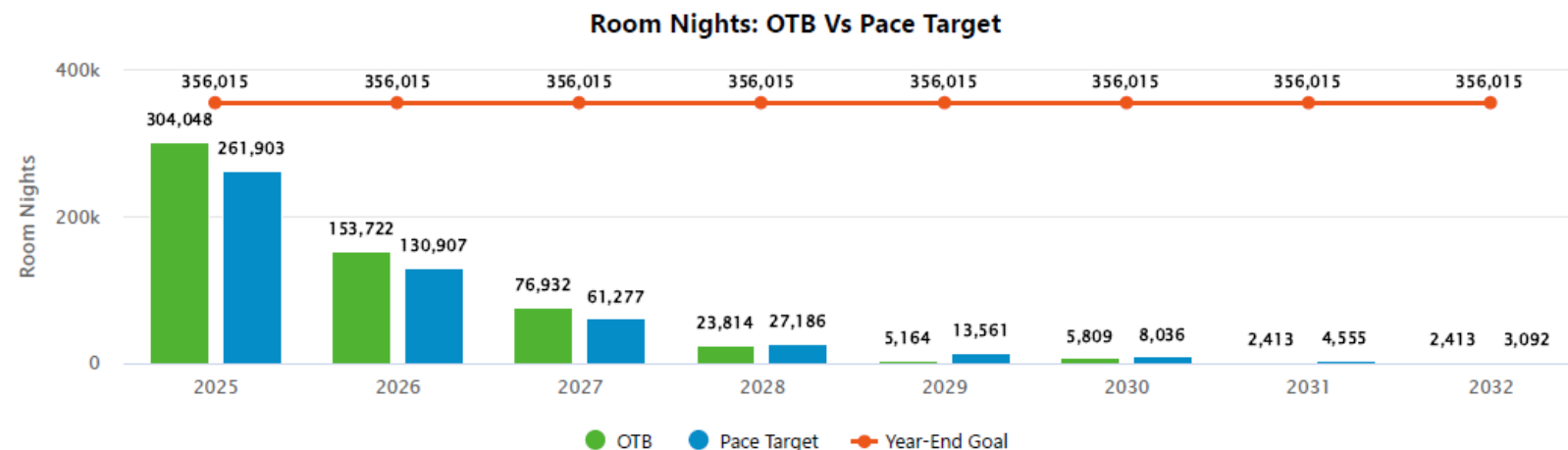
PCC Room Nights

- Target: 330,000 annually
- 8-year: +17%
- 2025: +2%
- 2026: +1%
- Need year: 2032, -100%



Hotel & Resort Room Nights

- Target: 356,000 annually
- 8-year: +12%
- 2025: +16%
- 2026: +17%
- Need year: 2028 -12%



All Bookings Pace 2025-2026

- PCC & Hotel/Resort Bookings
- Target: 686,000 room nights
- As of 1/6/2025

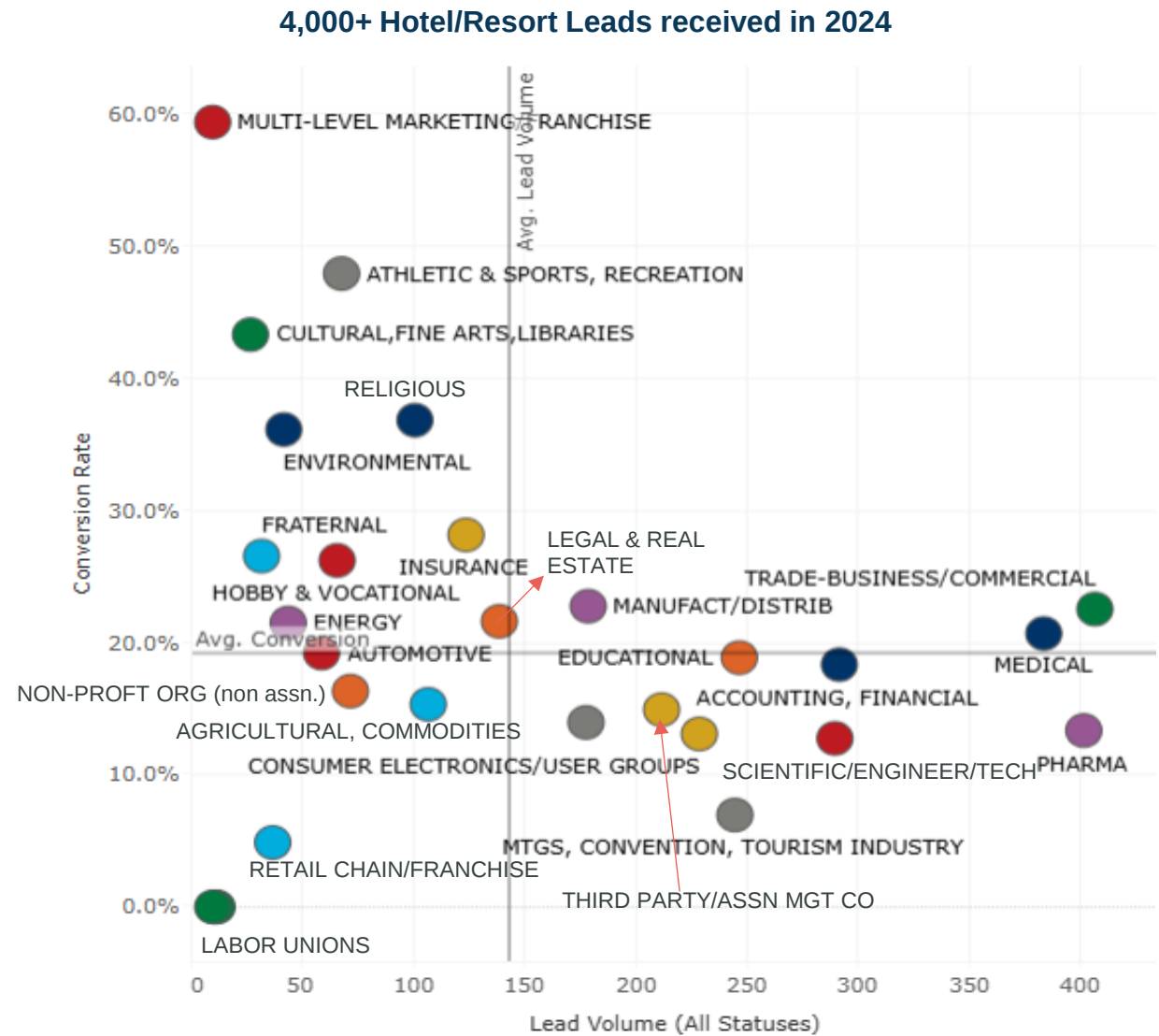
- **2025:** 8% above pace
 - Q1: -3%
 - Q2: +0%
 - Q3: +26%
 - Q4: +25%
- **2026:** 6% above pace
 - Q1: -6%
 - Q2: +14%
 - Q3: +7%
 - Q4: +12%

Room Nights: Monthly Pace Target Variances

2025	2,858	-12,611	3,786	-3,535	-8	3,180	8,733	1,763	16,779	6,609	12,729	8,433
2026	3,835	-6,999	-4,968	6,459	8,236	2,378	8,273	-4,312	1,204	8,054	-6,906	7,929
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec

Visit Phoenix M&C Market Segments

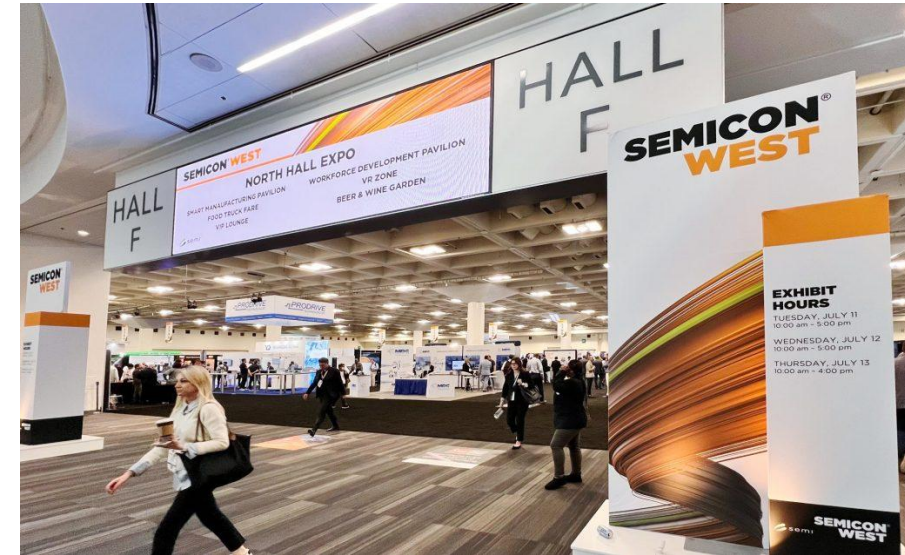
- Top Volume
 - Trade-Business/Commercial
 - Pharma
 - Medical
- Top Conversions
 - Multi-Level Marketing/Franchise
 - Athletic & Sports, Recreation
 - Cultural, Fine Arts, Libraries
- Wheelhouse
 - Trade-Business/Commercial
 - Medical
 - Manufacturing
 - Educational
 - Accounting/Financial
 - Legal & Real Estate



Leads with no Market Segment listed are excluded. Those contributing fewer than 10 leads in Calendar year 2024 are excluded.

Major conventions 2025 and beyond

- **American Clean Power Association (2025)**
- **SEMICON West (2025, 2027, 2029)**
- American Assoc. for the Advancement of Science (2026)
- Society for Immunotherapy of Cancer (2026)
- Congress of Neurological Surgeons (2027)
- **American Institute of Chemical Engineers (2028)**
- Golf Course Superintendents Assoc. of America (2028)
- Institute of Electrical & Electronics Engineers (2028)
- Pediatric Academic Societies (2030)
- Cystic Fibrosis Foundation (2031)



2025 Major Events

February 2025

Feb. 20-March 25, Cactus League Spring Training, **Valley-wide**
Feb. 23, SheBelieves Cup, **State Farm Stadium**

March 2025

March 9, NASCAR Cup Series, **Phoenix Raceway**
March 26-28, American College of Foot & Ankle Surgeons, **PCC**
March 27-30, LPGA Ford Championship, **Whirlwind Golf Club**

April 2025

April 12-13, Confidential Sports Group. **Phoenix Convention Center**
April 14-16, Big Sky Conf. Women's Golf Championship, **The Wigwam**
April 17-19, National Collegiate Volleyball Federation, **PCC**

May 2025

May 5-11, Carlisle Arizona Women's Golf Classic, **TPC Scottsdale**
May 19-22, American Clean Power Association, **PCC**

June 2025

June 6-8, Phoenix Fan Fusion, **PCC**
June 23-30, Volleyball Festival, **PCC**

July 2025

July 1-6, Kappa Alpha Psi Fraternity, **PCC**
July 7-11, Church of God in Christ, **PCC**
July 22-27, ATA International, **PCC**

October 2025

Oct. 7-9, Semicon, **PCC**
Oct. 24-29, American College of Gastroenterology, **PCC**
Oct. 18-19, Phoenix Pride Festival, **Steele Indian School Park**
Oct. 15-18, Barrett Jackson Fall Auction, **Westworld**

November 2025

Oct. 31-Nov. 2, NASCAR Championship, **Phoenix Raceway**
Nov. 13-16, Charles Schwab Cup, **Phoenix Country Club**

December 2025

Dec. 6-9, American Association for Respiratory Care, **PCC**
Dec. TBD, Rate Bowl, **Chase Field**

Jan. 8, 2026 VRBO Fiesta Bowl, **State Farm Stadium**
CFP Semifinal

Year	Year-end change in Supply
2019	+1.2%
2020	-2.7%
2021	+6.2%
2022	+0.8%
2023	+0.4%
2024	+1.1%



Phoenix-metro Developments

Desert Diamond Casino White Tanks



Waddell, 303 & Northern Ave.

- Opened Dec. 2024
- \$450 million+ development
- 37-acre mixed use development
- 184k square foot facility
- 16-story hotel with 350 rooms planned, will include 65,000 sq. ft of conference space

International Dark Sky Discovery Center



Fountain Hills

- Est. open late Summer 2025
- \$25 million project
- 23,000 sq. ft. facility
- Multipurpose auditorium for 150 guests
- Will house largest telescope in Greater Phoenix area

Pure Pickleball & Padel



Scottsdale, east of Loop 101 between Topgolf and OdySea Aquarium

- Est. open TBD
- Facility size has increased from 108k to 186k sq. ft. since initial planning
- Venue will host AZ pro pickleball team, AZ Drive
- 48 pickleball courts, space for 5,000-person championship court, championship court for up to 1,200 spectators + full- service restaurant & bar

Mattel Theme Park



Glendale, 95th Ave. and Cardinals Way

- Plans to open in 2025 as part of VAI Resort phase 1 opening
- World's first Mattel Theme Park
- Barbie Dream House, mini golf, go-karts, Hot Wheels roller coaster and Thomas & Friends electric train, Masters of the Universe laser tag

Questions?

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VISIT PHOENIX