



Boundless Opportunity

— 2017 GOVERNOR'S CONFERENCE ON TOURISM —





ARIZONA TRAVEL PERFORMANCE

- Economic Impact of Arizona's Travel Industry
- Visitor Volume
- Looking Forward: 2017 YTD Indicators
- Visitor Profile
- Wine Tourism Impact Study
- Advertising Impact



ARIZONA TRAVEL PERFORMANCE

\$21.2 Billion

Direct Spending

43 Million

Overnight Visitors



2016 ARIZONA TRAVEL PERFORMANCE

\$21.2 Billion

Direct Spending



1.0% over 2015

43 Million

Overnight Visitors



2.3% over 2015



ARIZONA TRAVEL PERFORMANCE

\$21.2 Billion

Direct Spending in 2016



NON-TRANSPORTATION

\$13.8 Billion

Up 3.3% over 2015

TRANSPORTATION

\$4.8 Billion

Down -5.4% over 2015



ARIZONA TRAVEL PERFORMANCE

\$21.2 Billion

Direct Spending



EMPLOYMENT

184,200 direct jobs

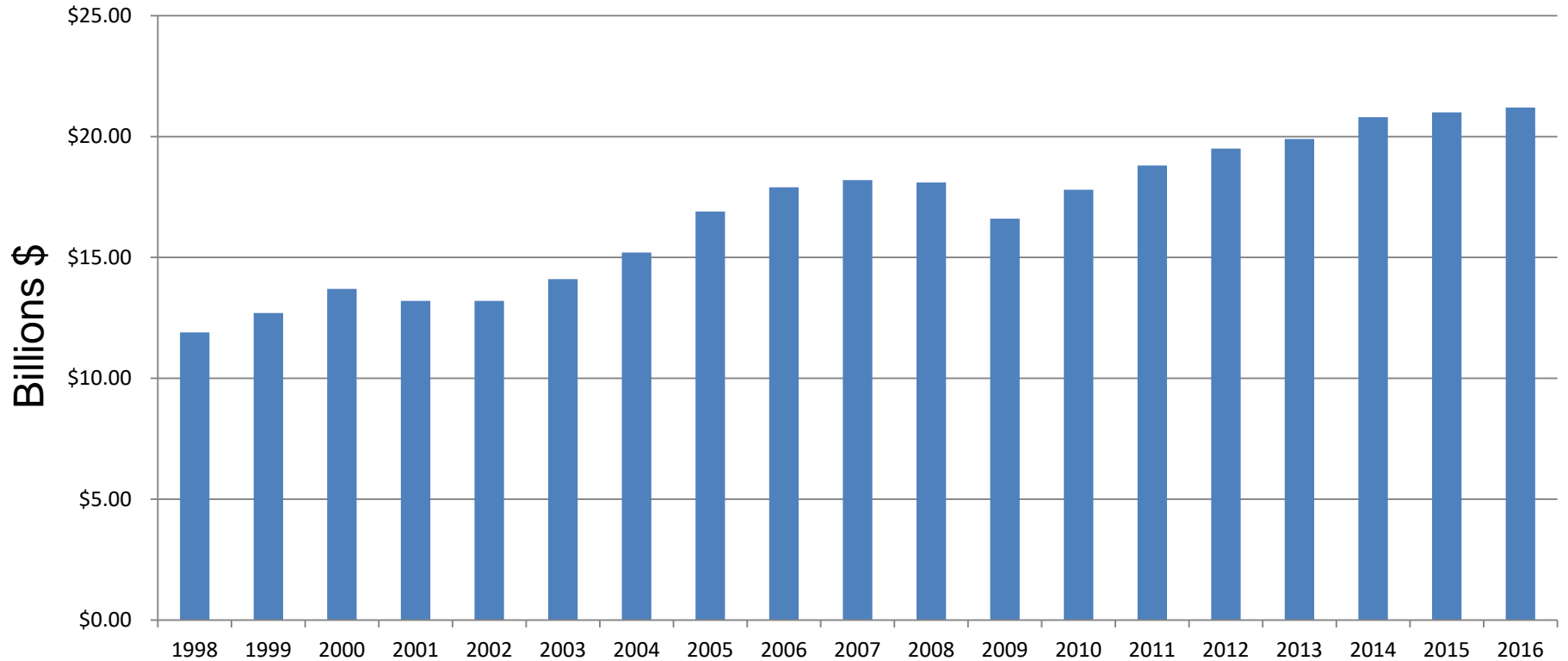
Up 2.6% over 2015

EARNINGS

\$6.5 Billion

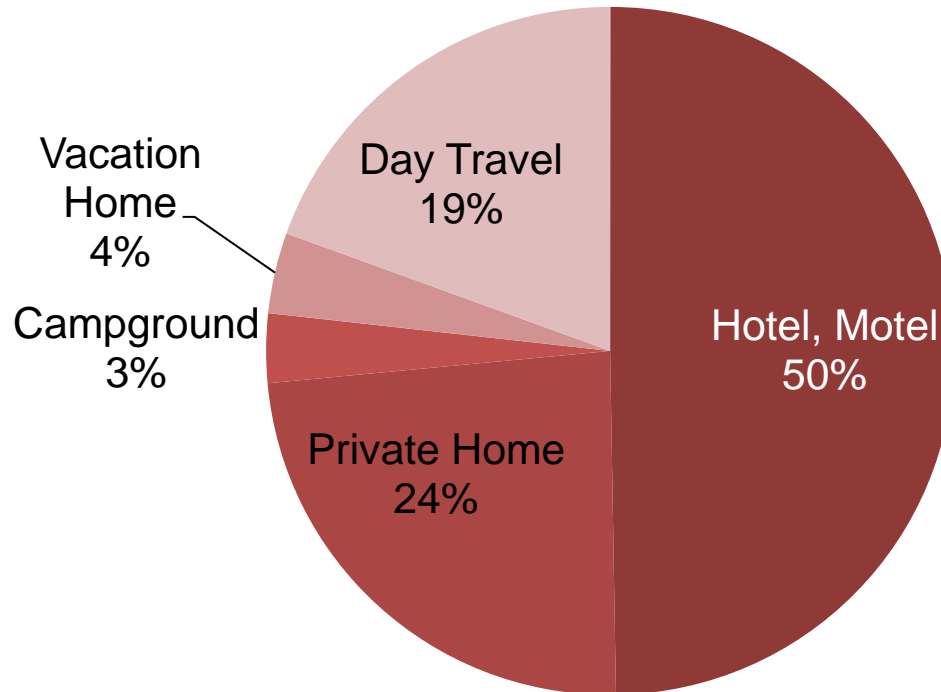
Up 4.0% over 2015

DIRECT SPENDING TREND



Source: Dean Runyan Associates, 2016p data

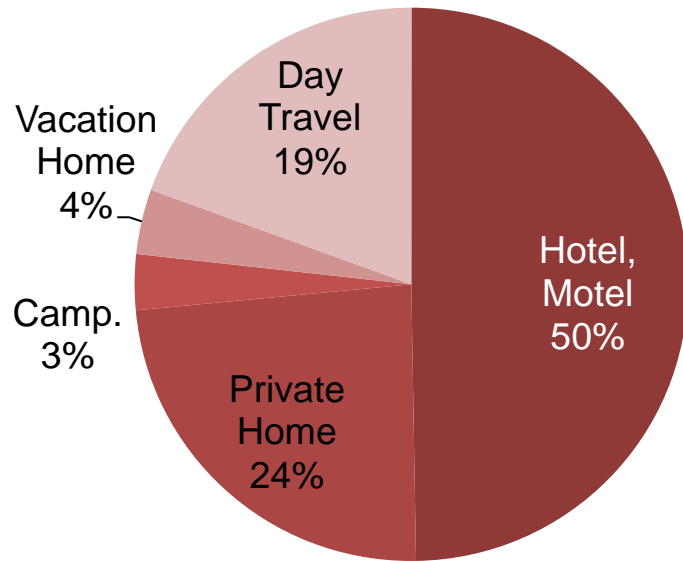
VISITOR SPENDING BY ACCOMMODATION TYPE



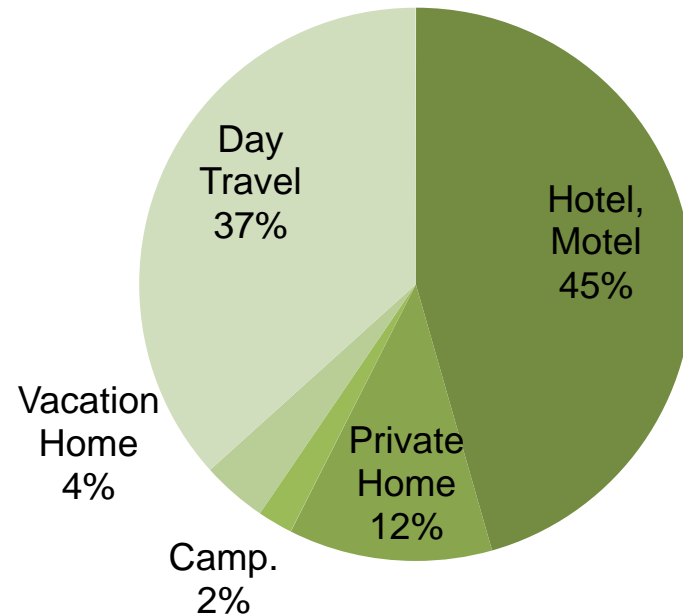
Source: Dean Runyan Associates, 2016p data

VISITOR SPENDING BY ACCOMMODATION TYPE

Arizona



Yavapai



Source: Dean Runyan Associates, 2016p data



ARIZONA TRAVEL PERFORMANCE

\$3.1 Billion

Total Tax Revenue



LOCAL

\$893 Million

Up 4.3% over 2015

STATE

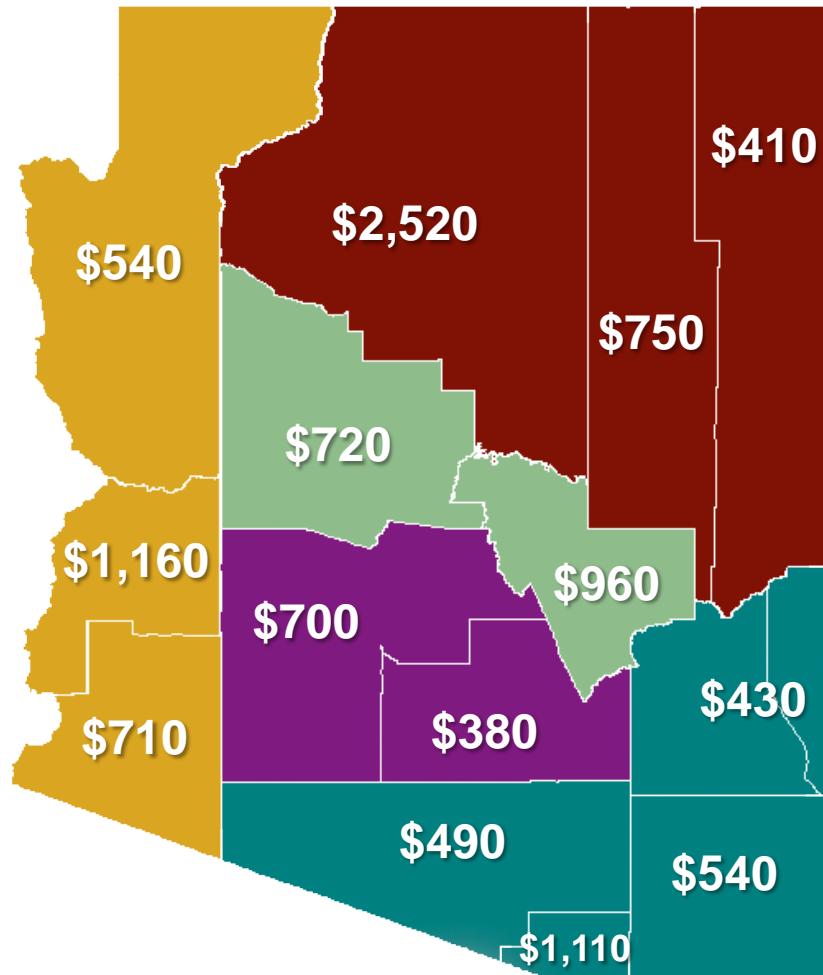
\$859 Million

Up 2.3% over 2015

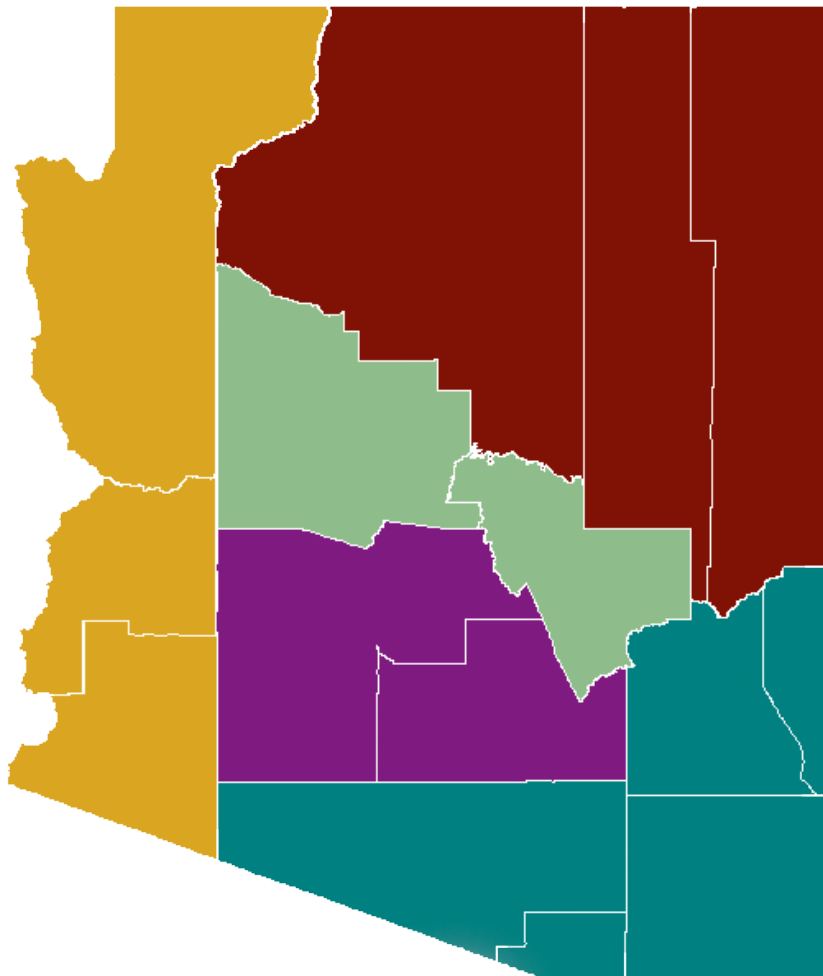
FEDERAL

\$1.3 Billion

Up 2.8% over 2015



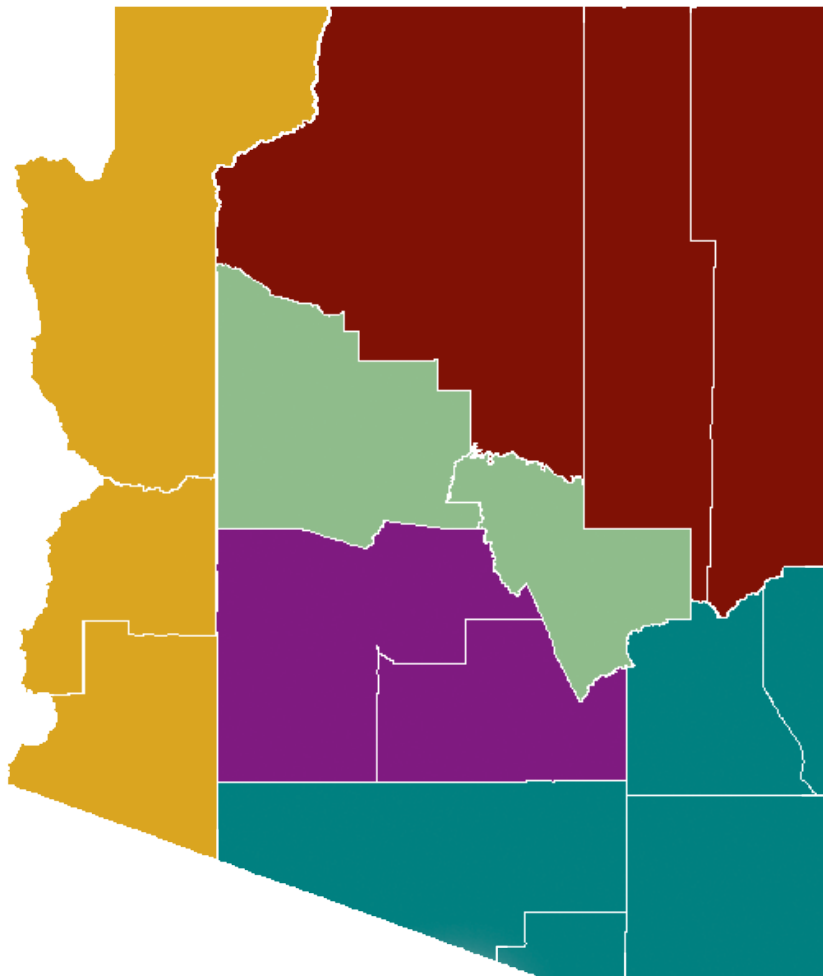
Taxes contributed by visitors save Arizona households an average of \$1,186 annually.



REGIONAL IMPACTS

Direct Spending

Northern	\$1.73 Billion
West Coast	\$1.28 Billion
North Central	\$1.04 Billion
Phoenix & Central	\$13.9 Billion
Tucson & Southern	\$3.31 Billion

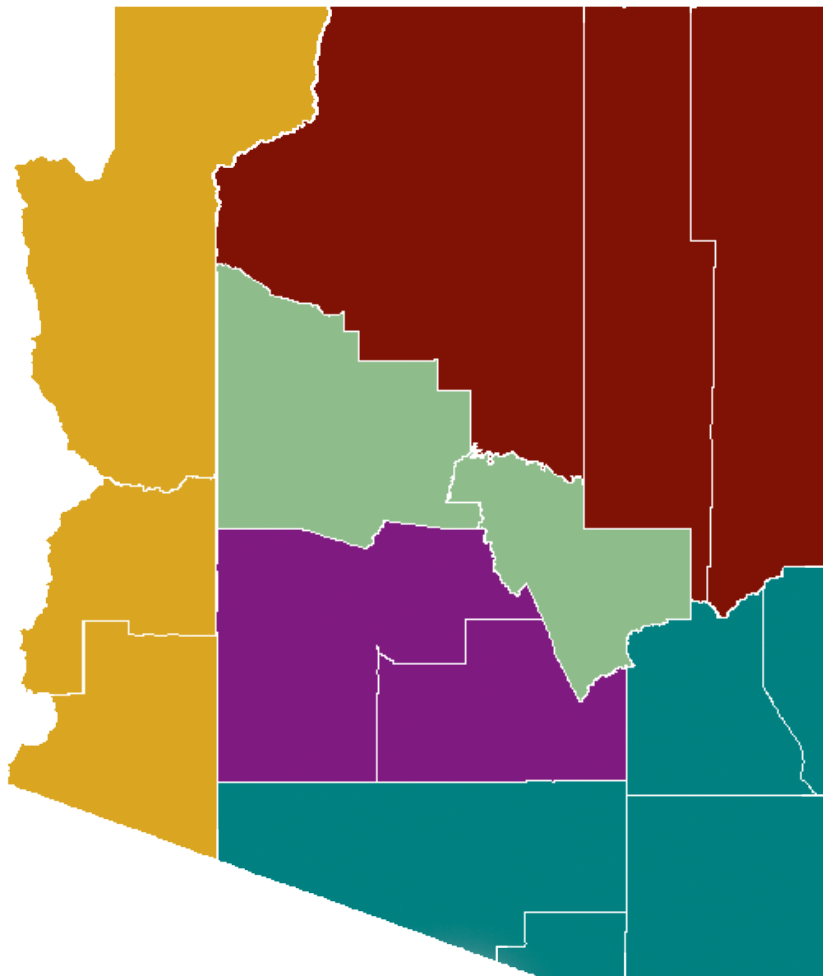


REGIONAL IMPACTS

Employment

Northern	18,300 jobs
West Coast	14,400 jobs
North Central	12,000 jobs
Phoenix & Central	108,000 jobs
Tucson & Southern	31,300 jobs

Source: Dean Runyan Associates, 2016p data



REGIONAL IMPACTS

Earnings

Northern	\$500 Million
West Coast	\$354 Million
North Central	\$294 Million
Phoenix & Central	\$4.4 Billion
Tucson & Southern	\$838 Million

Source: Dean Runyan Associates, 2016p data



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VISITATION VOLUME



VISITOR VOLUME

43 Million

Total Overnight Visitors in 2016



DOMESTIC

37.4

Up 2.7% over 2015

INTERNATIONAL

5.67 Million

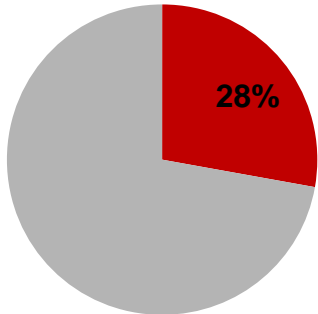
Down -0.7% over 2015



VISITOR VOLUME

37.4 Million

Domestic Overnight Visitors



RESIDENT

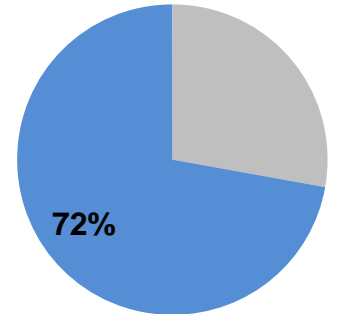
10.4 Million

Up 2.3% over 2015

NONRESIDENT

27.0 Million

Up 2.8% over 2015

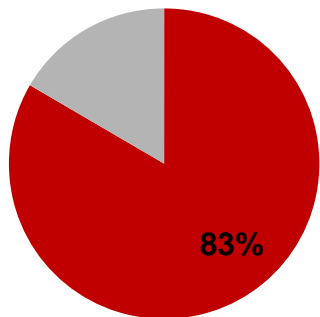




VISITOR VOLUME

37.4 Million

Domestic Overnight Visitors



LEISURE

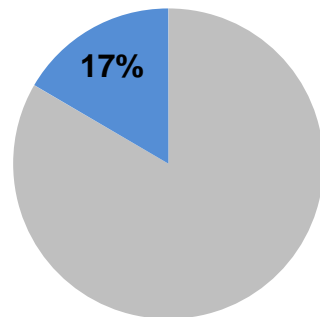
31.2 Million

Up 2.9% over 2015

BUSINESS

6.2 Million

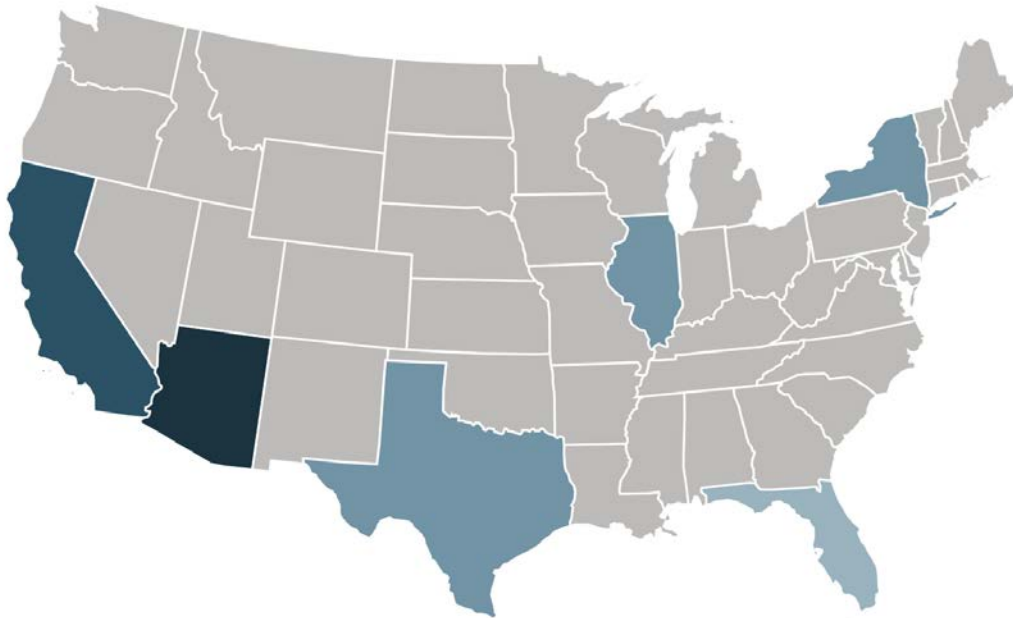
Up 1.5% over 2015





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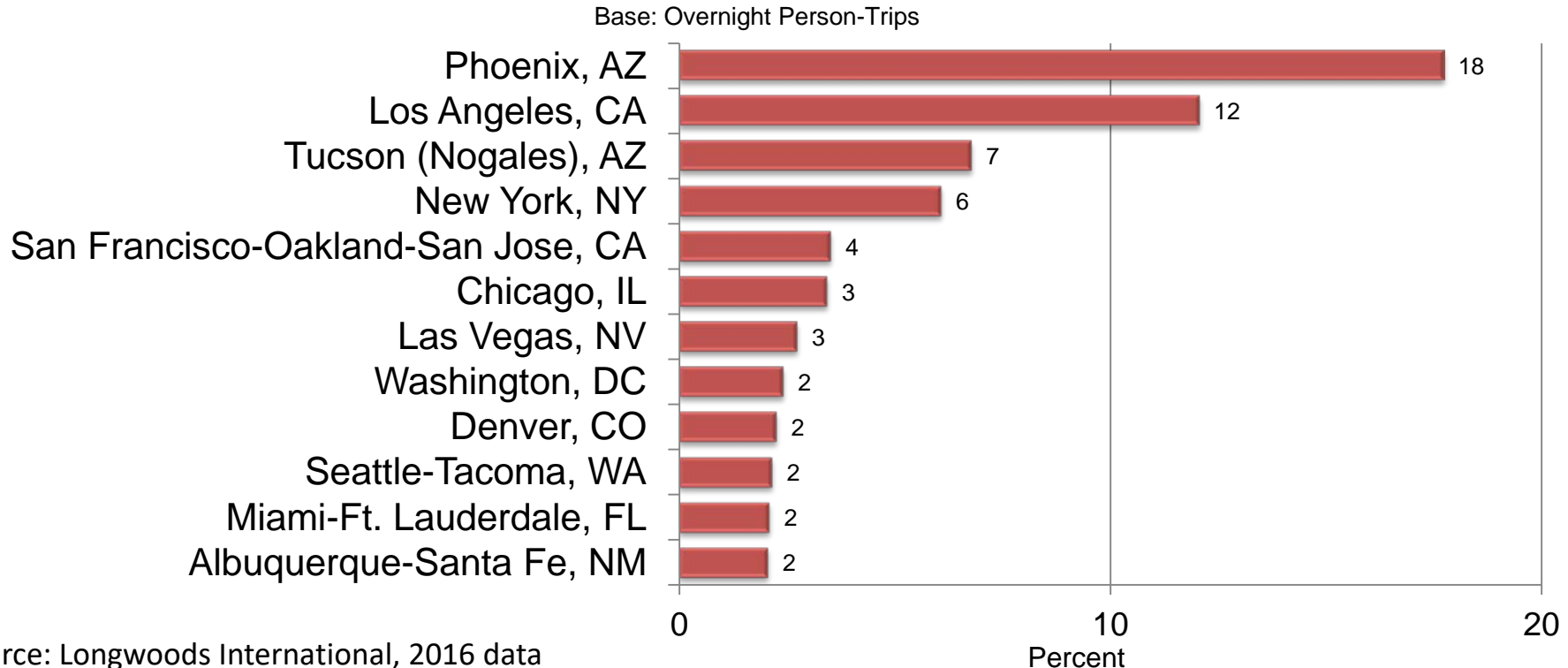
TOP DOMESTIC ORIGIN MARKETS



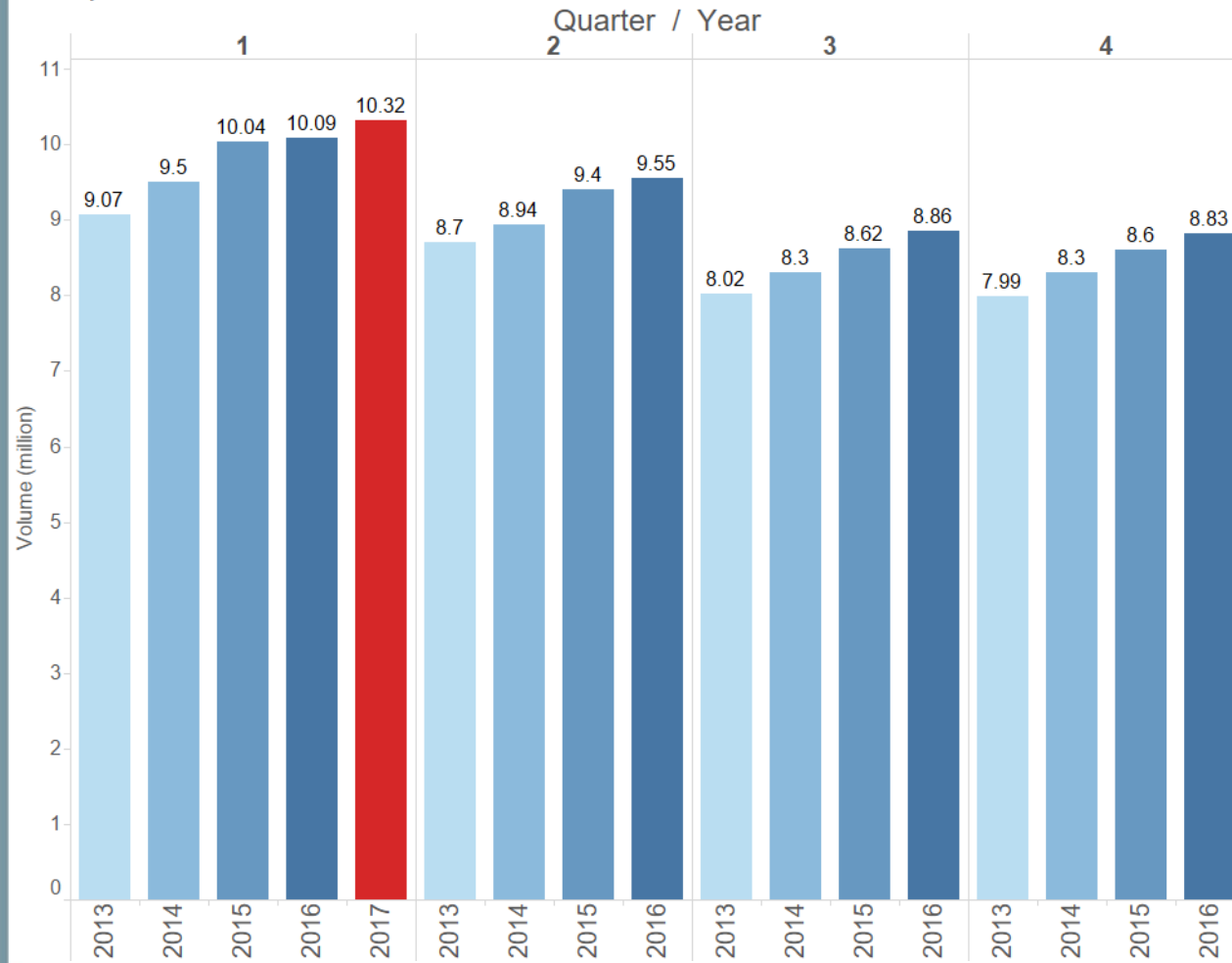
- Arizona 10.4 Million
- California 8.1 Million
- New York 2.6 Million
- Texas 1.8 Million
- Florida 1.6 Million
- Illinois 1.4 Million

Source: Tourism Economics, Longwoods International, and AOT Research, 2016 data

DMA ORIGIN OF TRIP



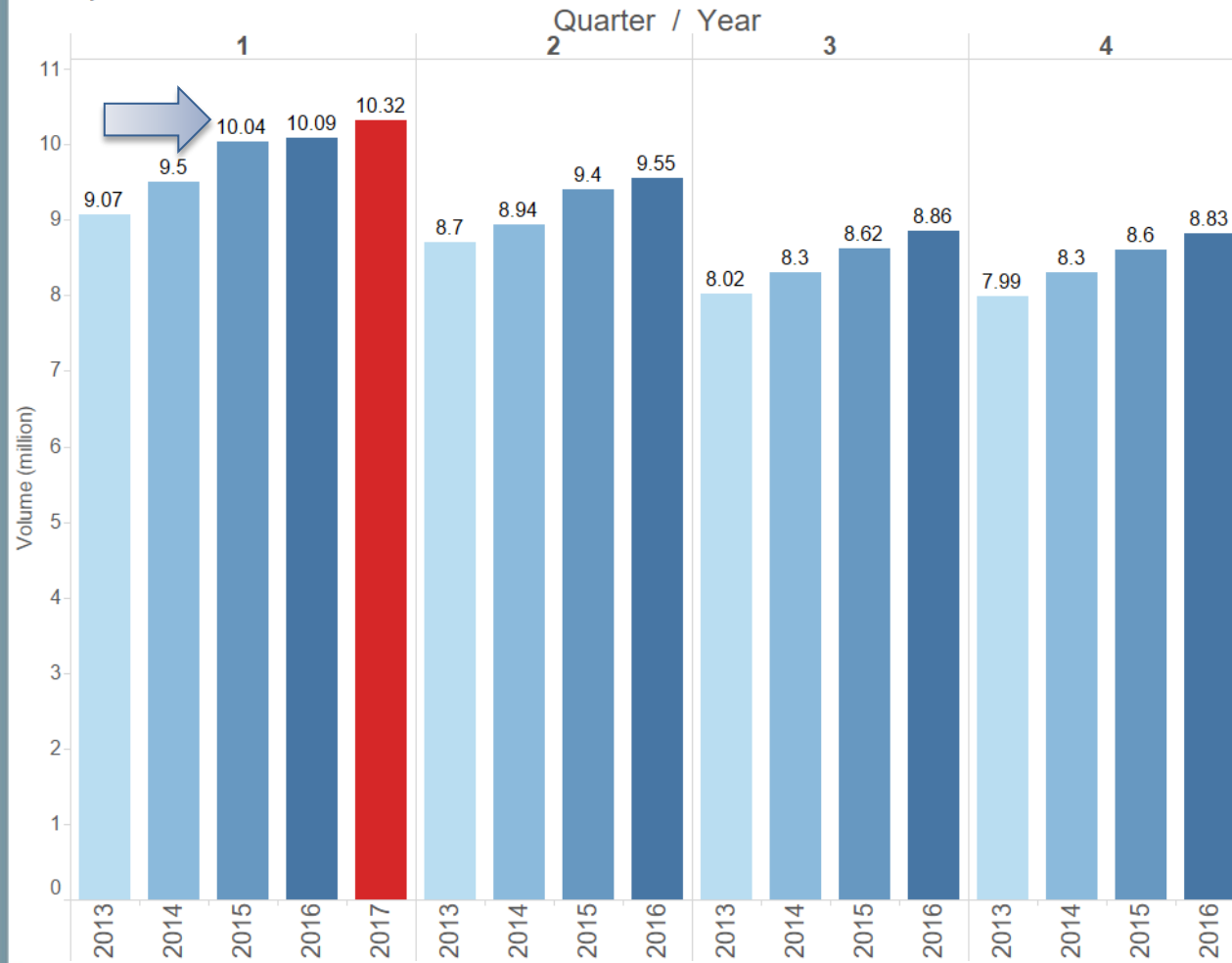
Quarterly Visitation Volume



QUARTERLY DOMESTIC VOLUME TRENDS

Source: Tourism Economics, 2016-2017 data

Quarterly Visitation Volume

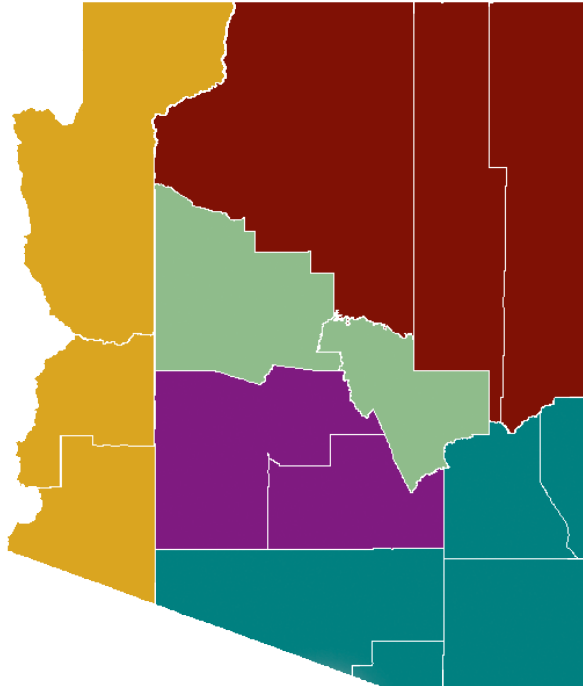


QUARTERLY DOMESTIC VOLUME TRENDS

Source: Tourism Economics, 2016-2017 data



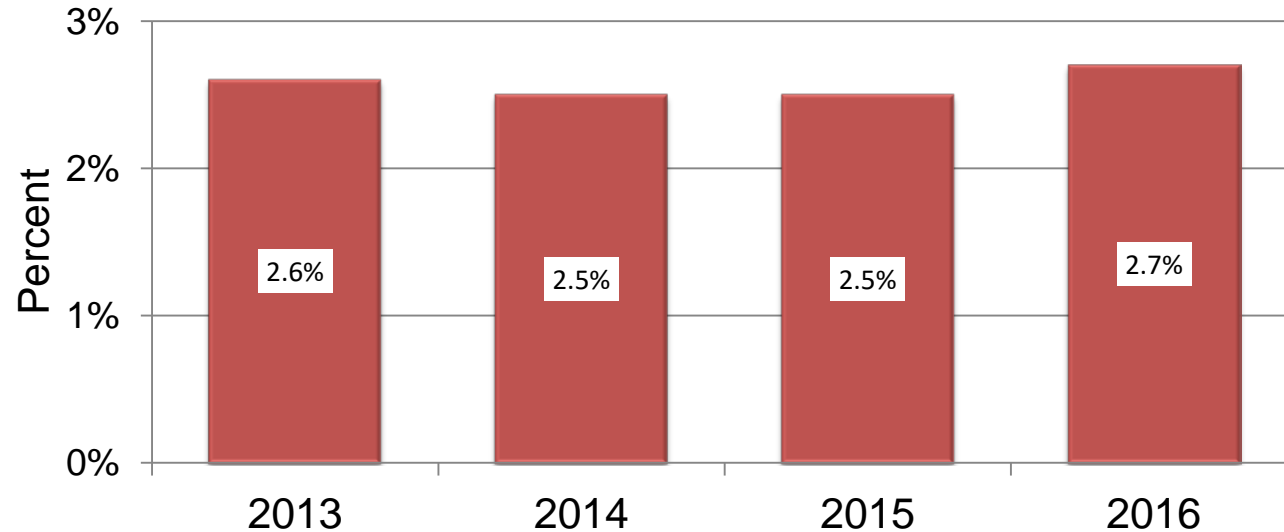
DOMESTIC OVERNIGHT VISITATION



- Phoenix & Central 22.8 Million
- Tucson & Southern 6.0 Million
- Northern 8.1 Million
- North Central 6.2 Million
- West Coast 6.3 Million

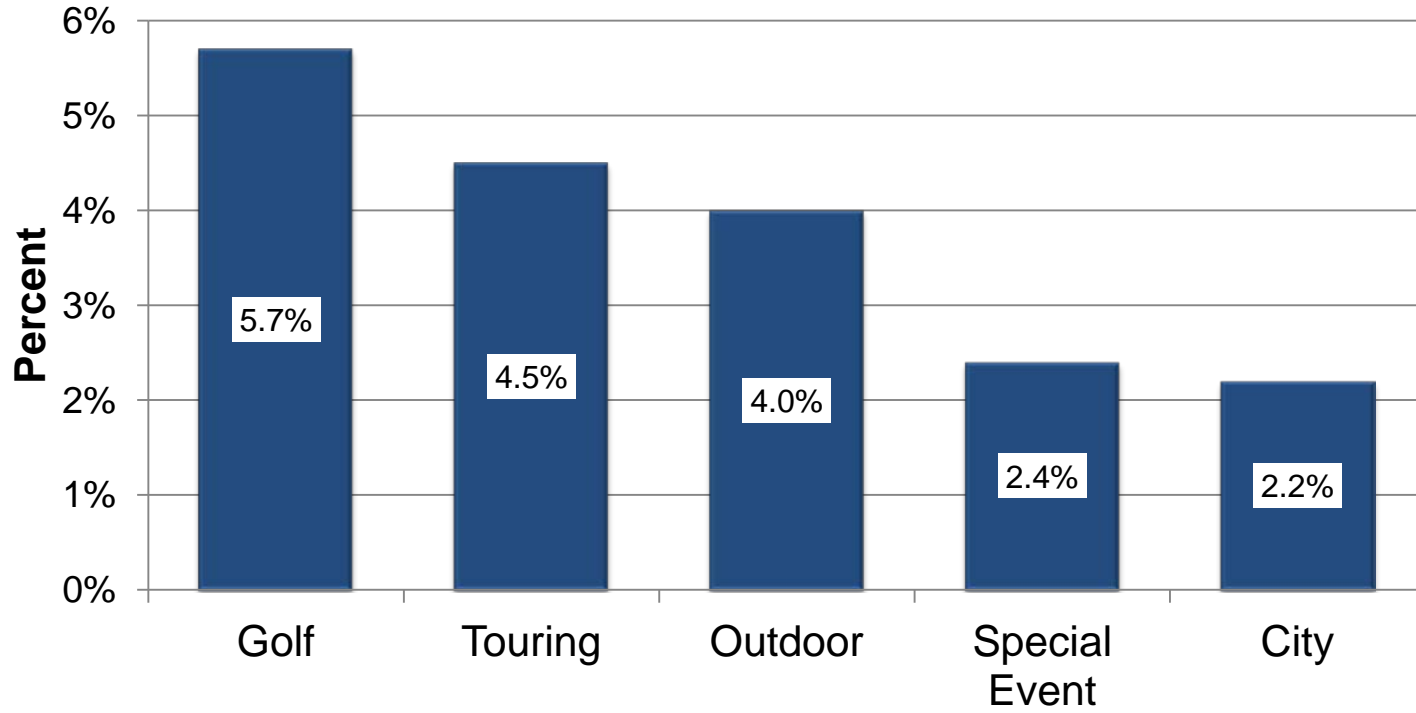
ARIZONA'S SHARE OF ADULT DOMESTIC OVERNIGHT TRIPS

Base: Adult Overnight Person-Trips



Source: Longwoods International, 2016 data

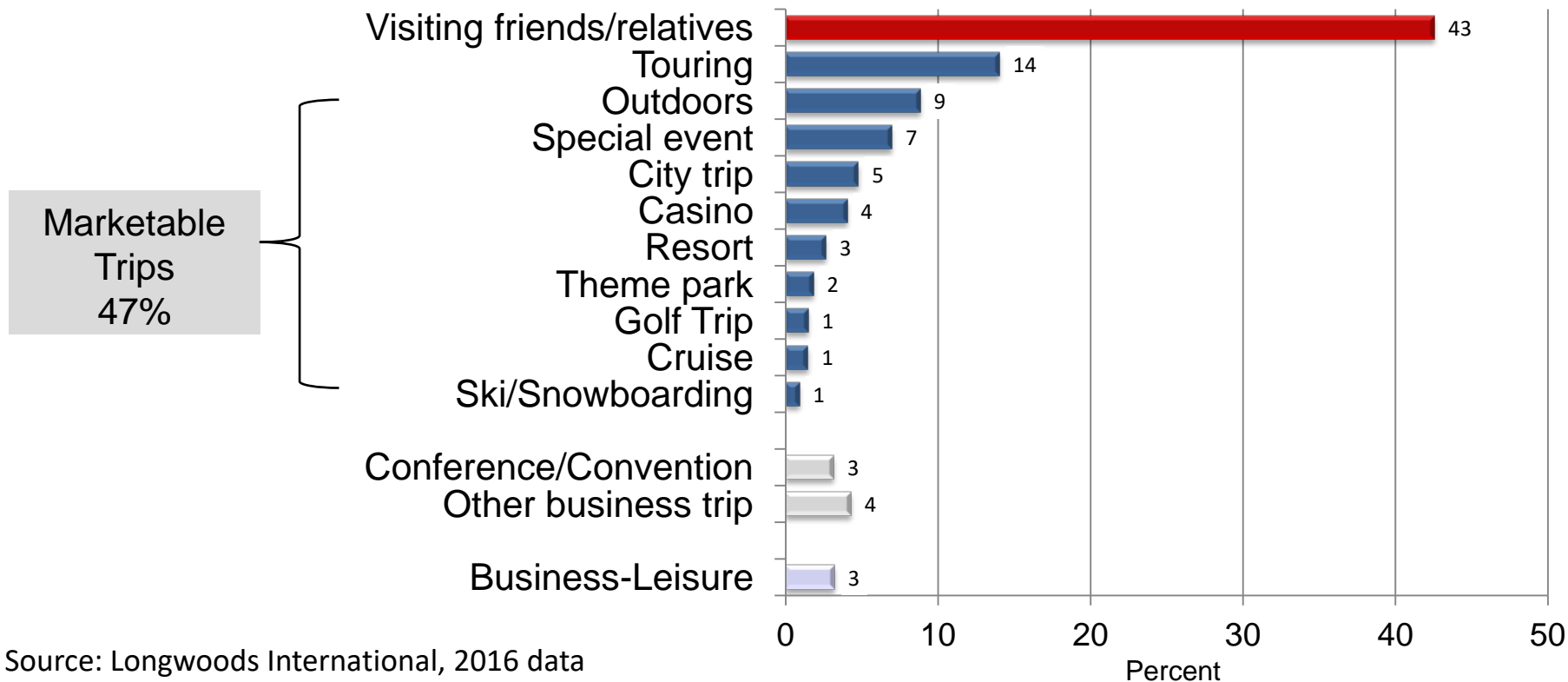
MARKET SHARE BY TRIP TYPE



Source: Longwoods International, 2016 data

MAIN PURPOSE OF TRIP

Base: Overnight Person-Trips



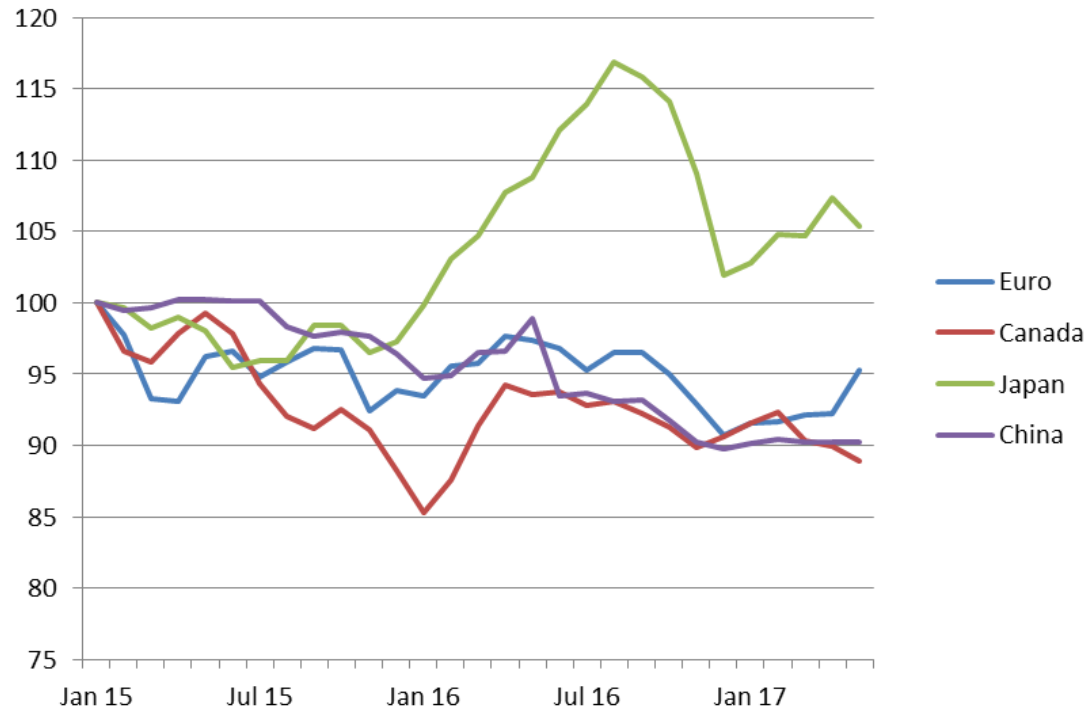


INTERNATIONAL VISITATION



- Mexico 3.77 million
- Canada 878,647
- Germany 127,823
- United Kingdom 124,013
- France 101,303
- China 76,884
- South Korea 63,524
- Japan 62,724
- Australia 59,908

RELATIVE VALUE OF SELECTED FOREIGN CURRENCIES COMPARED TO U.S. DOLLAR



Source: Dean Runyan Associates, 2016p data



2016 INTERNATIONAL VISITATION



- Mexico -0.5%
- Canada -5.3%
- Germany -4.5%
- United Kingdom 5.5%
- France -9.9%
- China 20.3%
- South Korea 3.9%
- Japan 14.5%
- Australia 10.0%

2016 INTERNATIONAL VISITATION












	ARIZONA	US
• Mexico	-0.5%	1.9%
• Canada	-5.3%	-6.8%
• Germany	-4.5%	-10.4%
• United Kingdom	5.5%	-6.7%
• France	-9.9%	-7.1%
• China	20.3%	14.7%
• South Korea	3.9%	11.8%
• Japan	14.5%	-4.8%
• Australia	10.0%	-7.1%

Source: Tourism Economics, US Dept. of Commerce, 2016p data



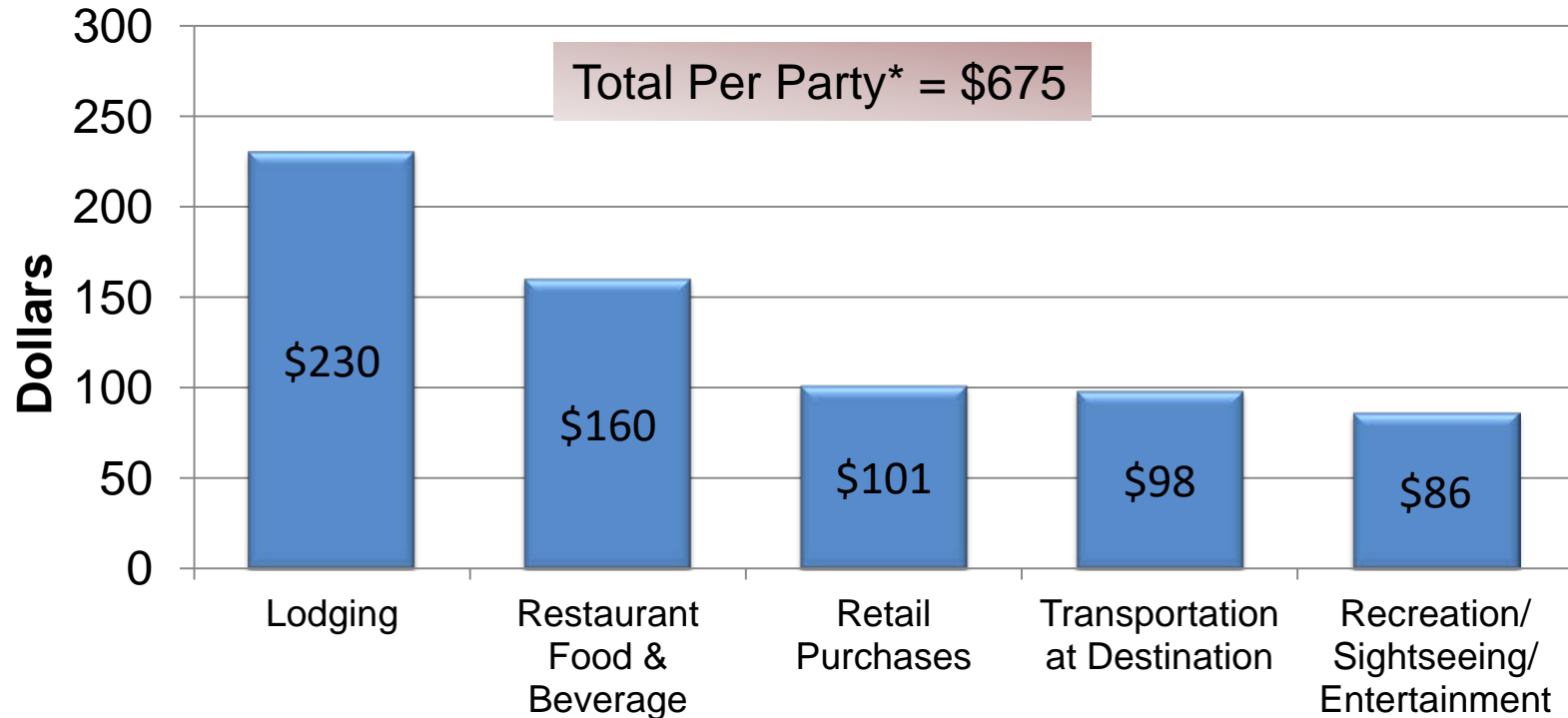
2017 YTD ARIZONA INDICATORS

- Gross Sales – YTD May
 - Lodging  9.1%
 - Restaurant/Bar  5.8%
 - Retail  3.7%
 - Amusement  5.7%
 - Total  4.1%
- Lodging - YTD June
 - OCC 70.1%  1.6%
 - ADR \$129.22  5.1%
 - RevPAR \$90.57  6.8%
- AZ State Parks - YTD May
 - 1.46 million visitors  9.4%
- See website for latest Airport and National Park data



ARIZONA'S DOMESTIC VISITOR PROFILE

AVERAGE PARTY EXPENDITURES ON DOMESTIC OVERNIGHT TRIPS — BY SECTOR

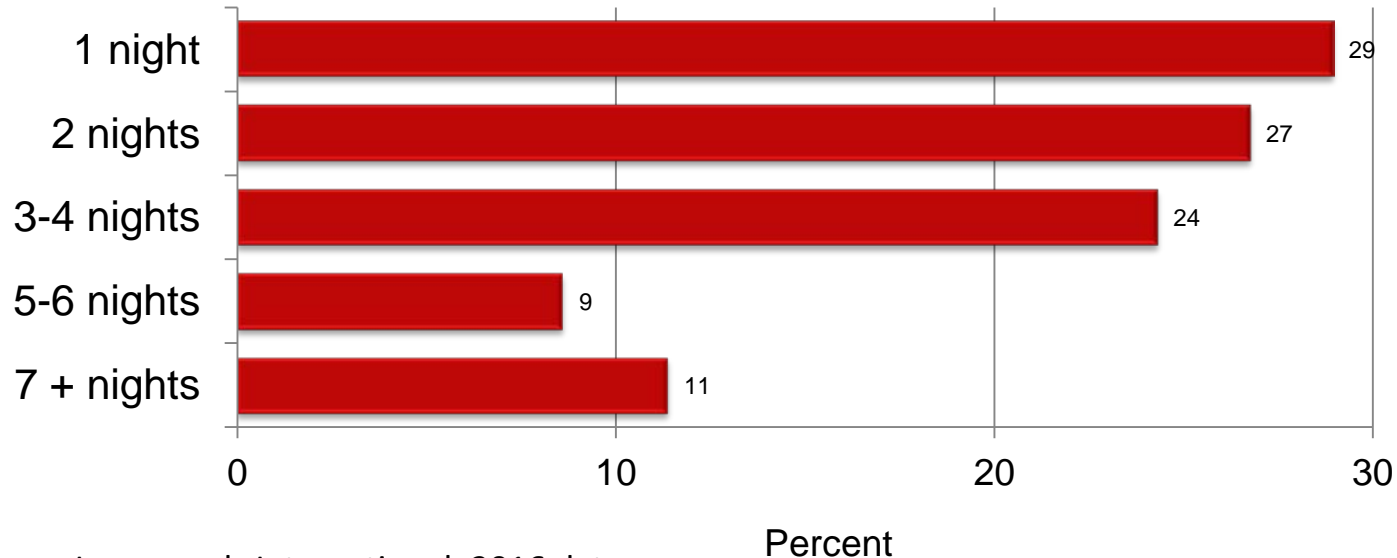


Source: Longwoods International, 2016 data

NUMBER OF NIGHTS SPENT IN ARIZONA

Base: Overnight Person-Trips with 1+ Nights Spent In Arizona

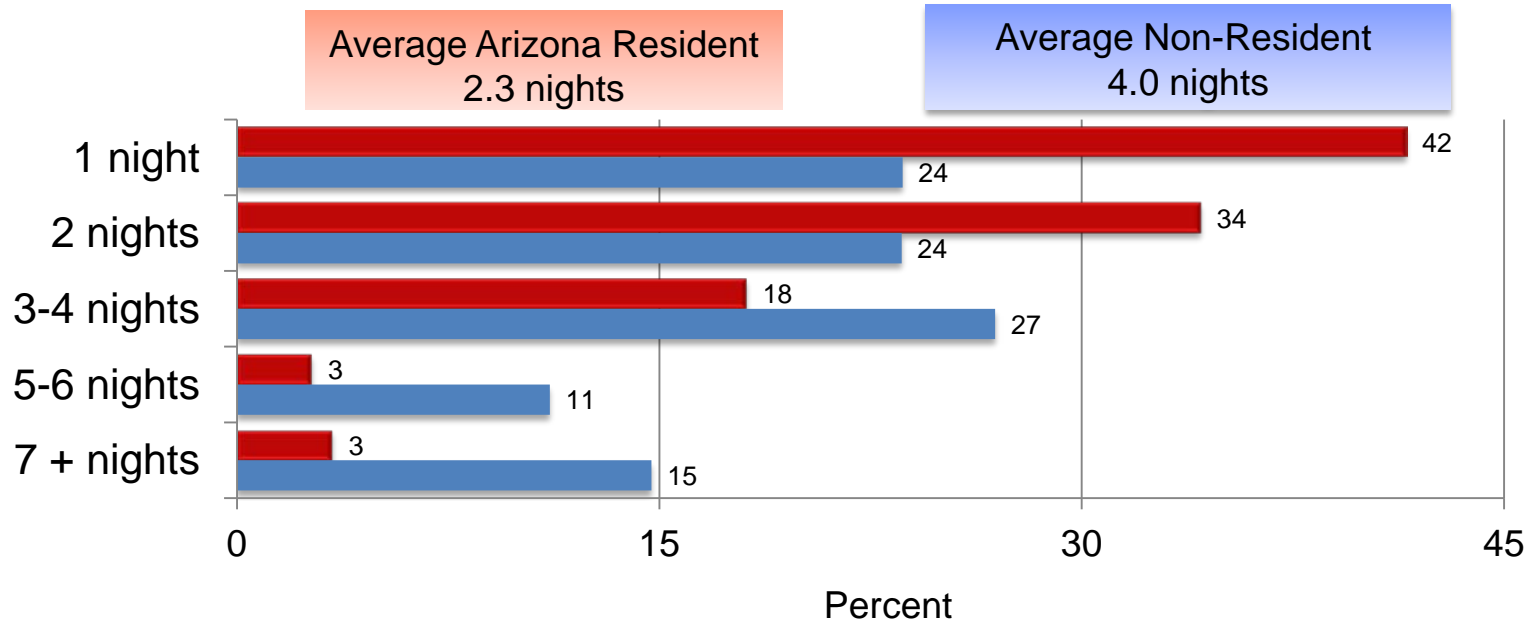
Average Nights Spent in Arizona = 3.5



Source: Longwoods International, 2016 data

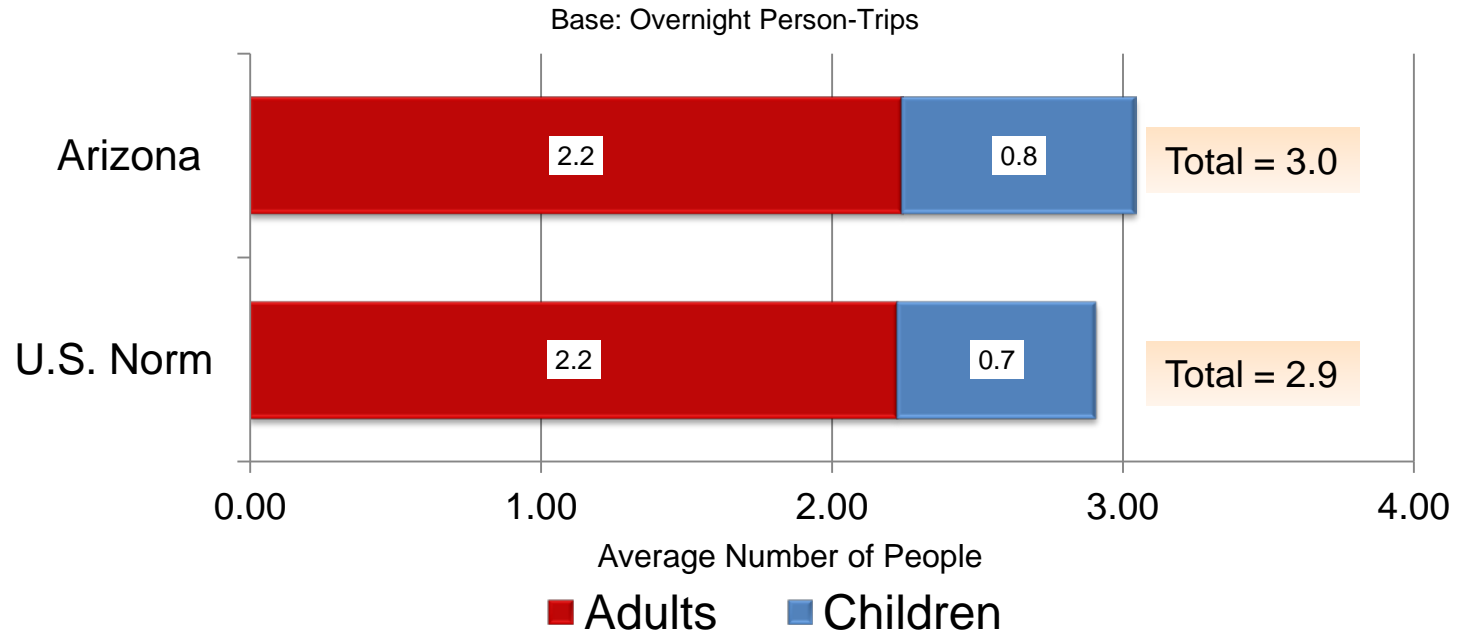
NUMBER OF NIGHTS SPENT IN ARIZONA

Base: Overnight Person-Trips with 1+ Nights Spent In Arizona



Source: Longwoods International, 2016 data

SIZE OF TRAVEL PARTY



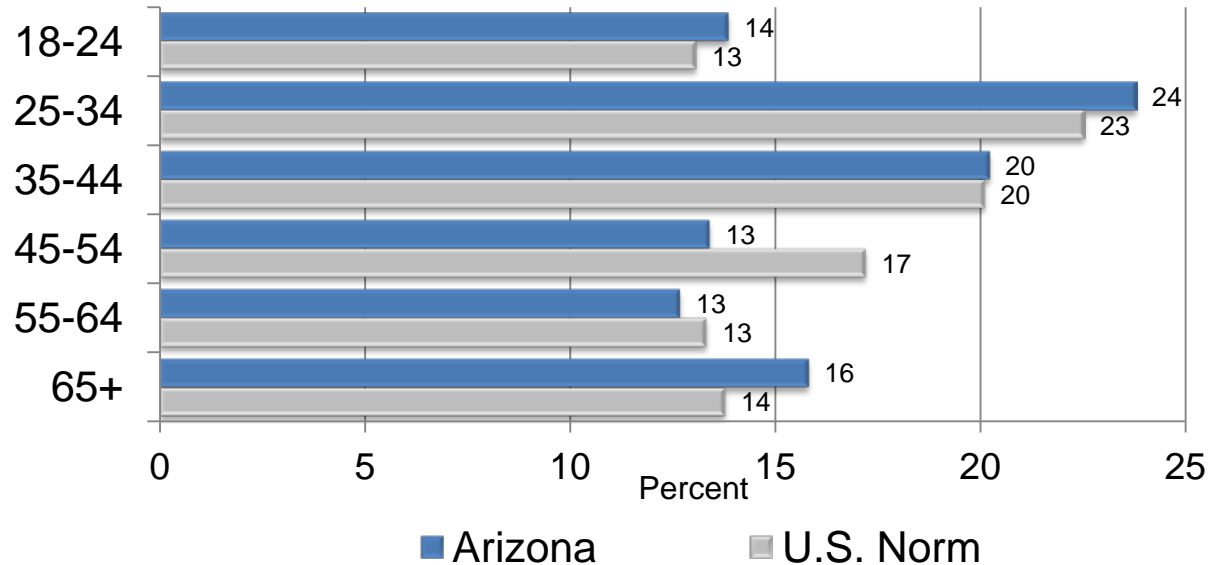
Source: Longwoods International, 2016 data

AGE

Base: Overnight Person-Trips

Average Arizona = 43.6

Average U.S. Norm = 43.8



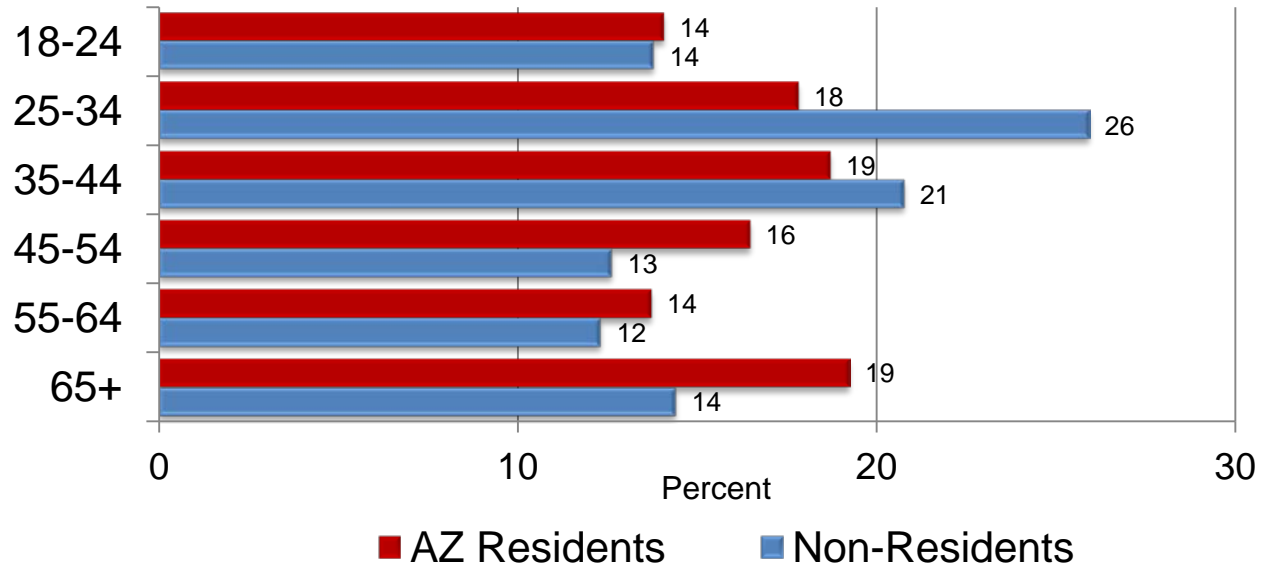
Source: Longwoods International, 2016 data

AGE

Base: Overnight Person-Trips

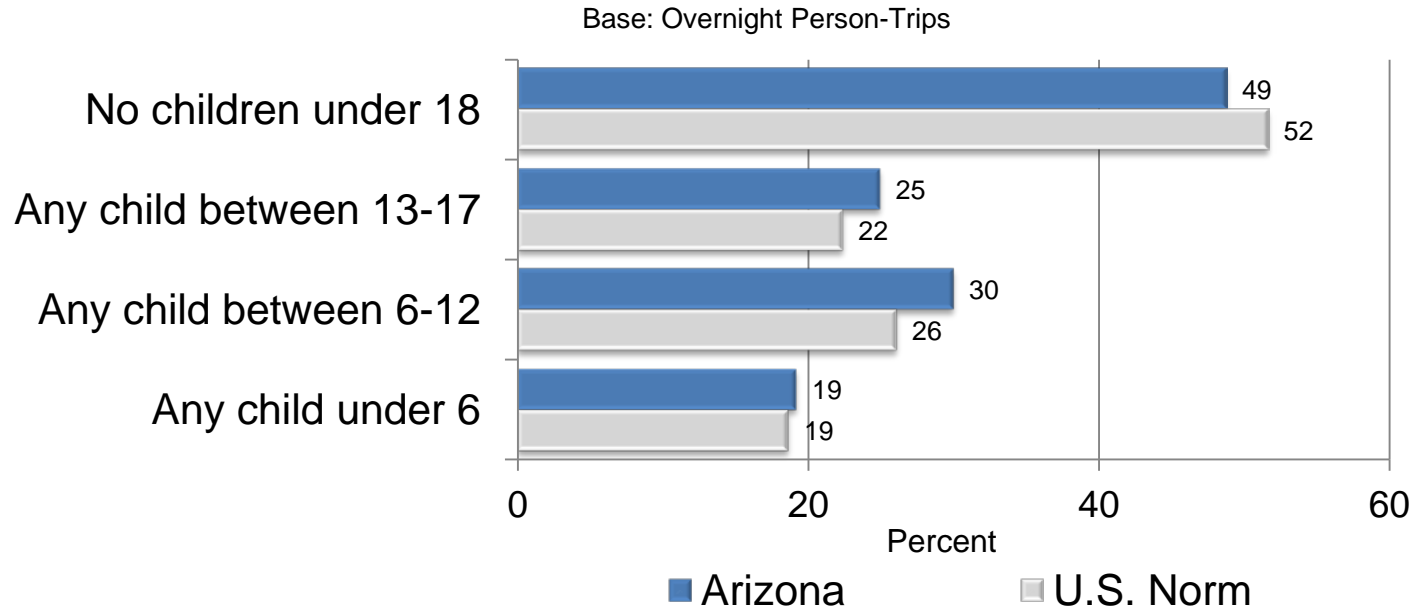
Average AZ Resident = 45.7

Average Non-Resident = 42.9



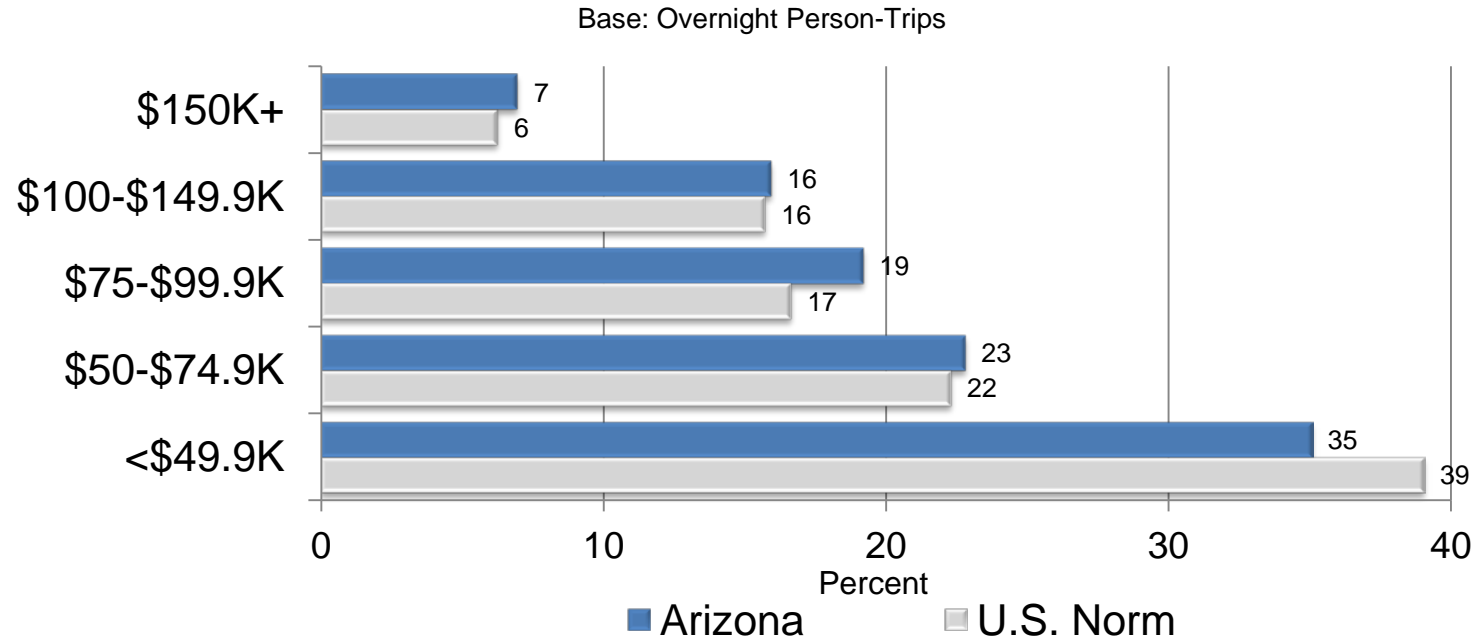
Source: Longwoods International, 2016 data

CHILDREN IN HOUSEHOLD



Source: Longwoods International, 2016 data

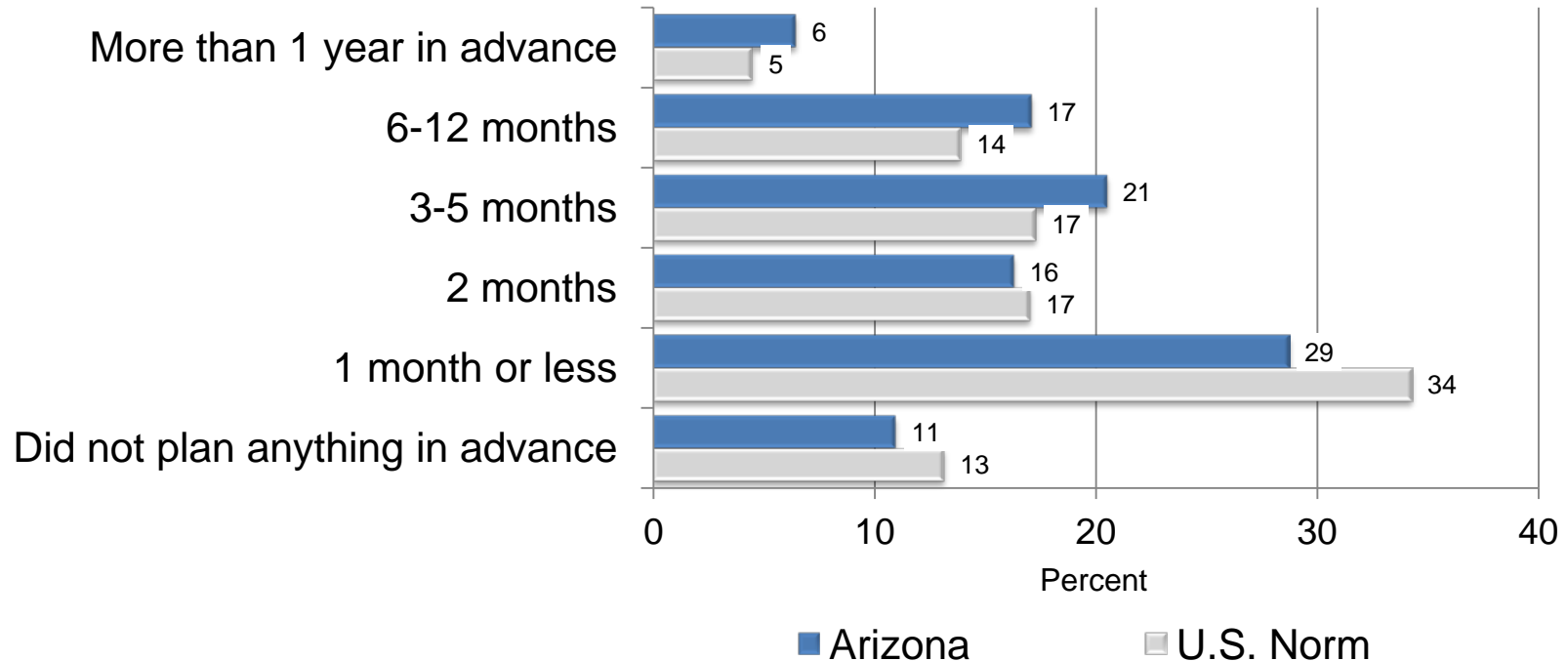
HOUSEHOLD INCOME



Source: Longwoods International, 2016 data

LENGTH OF TRIP PLANNING

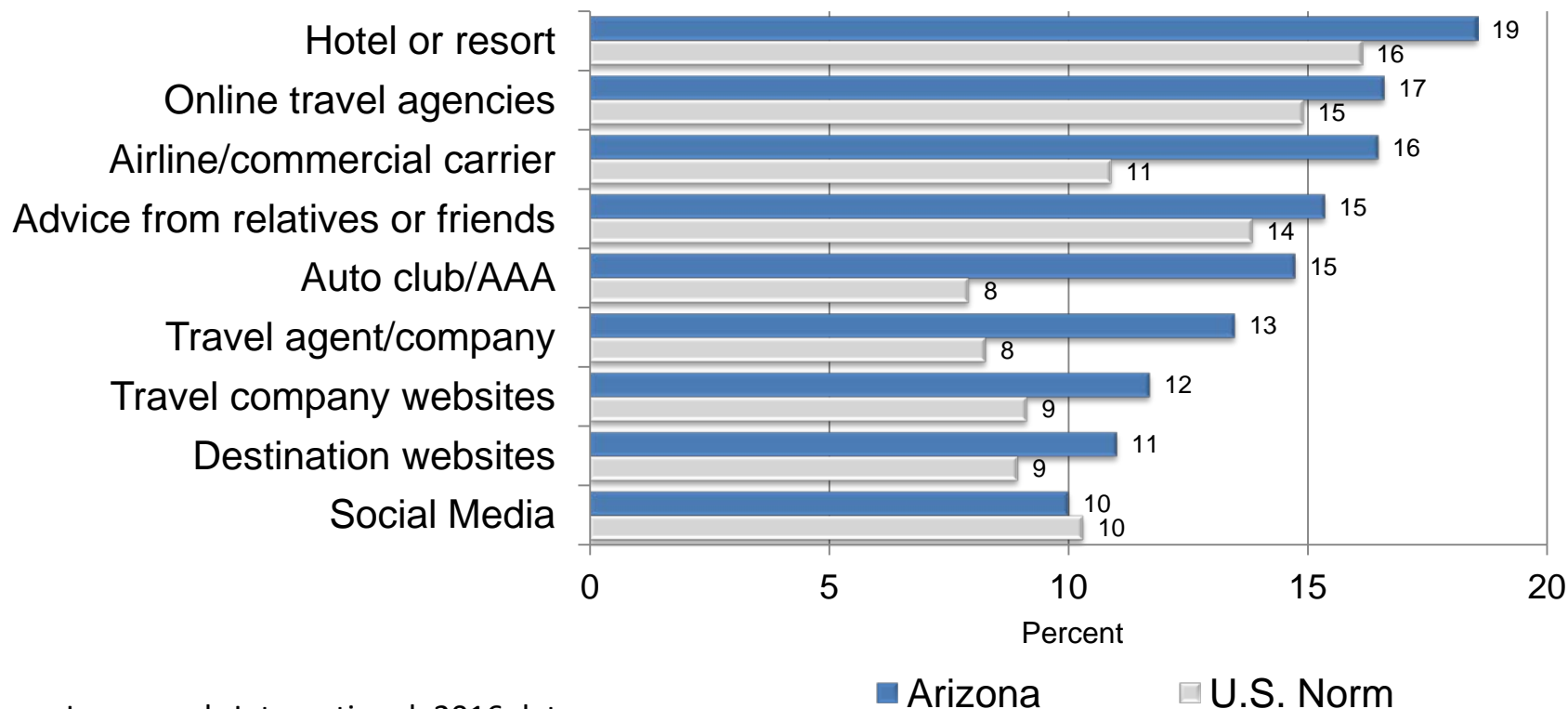
Base: Overnight Person-Trips



Source: Longwoods International, 2016 data

TRIP PLANNING INFORMATION SOURCES

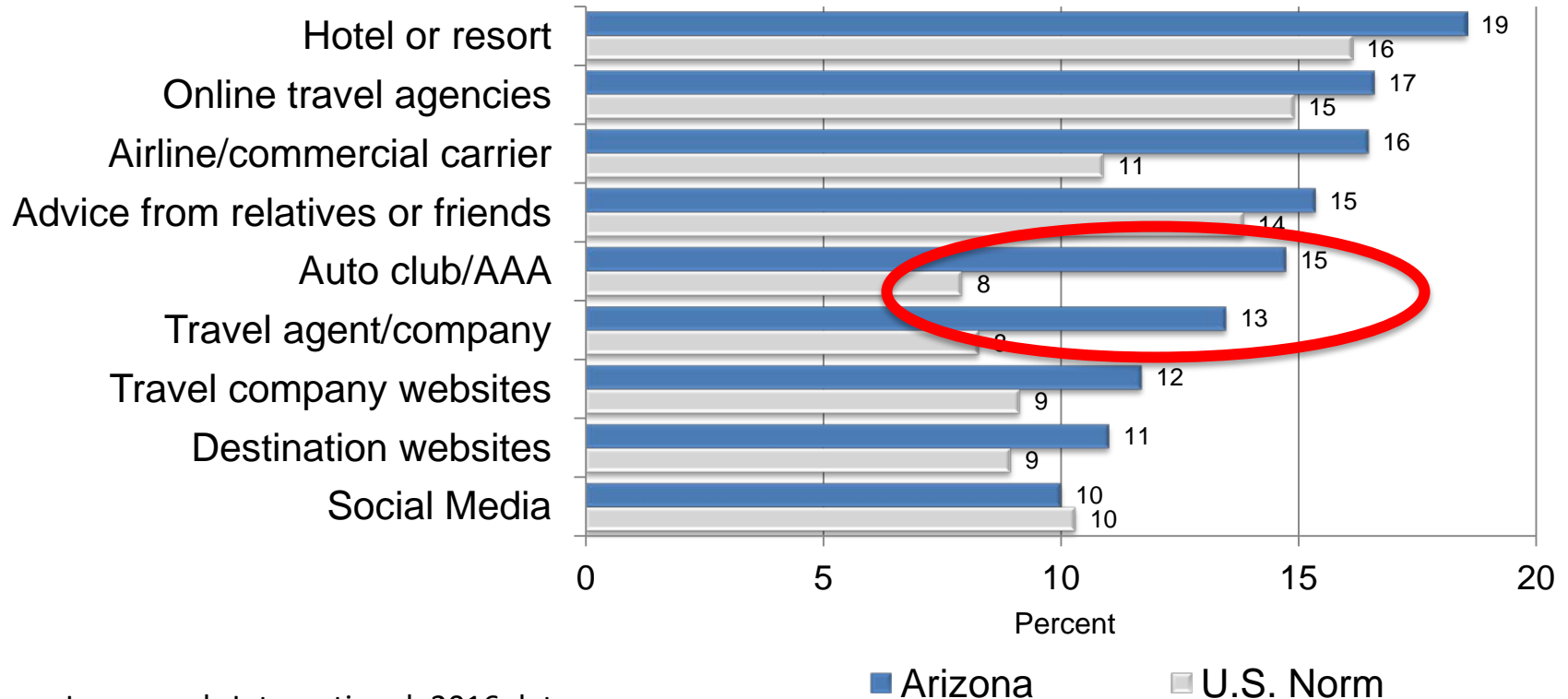
Base: Overnight Person-Trips



Source: Longwoods International, 2016 data

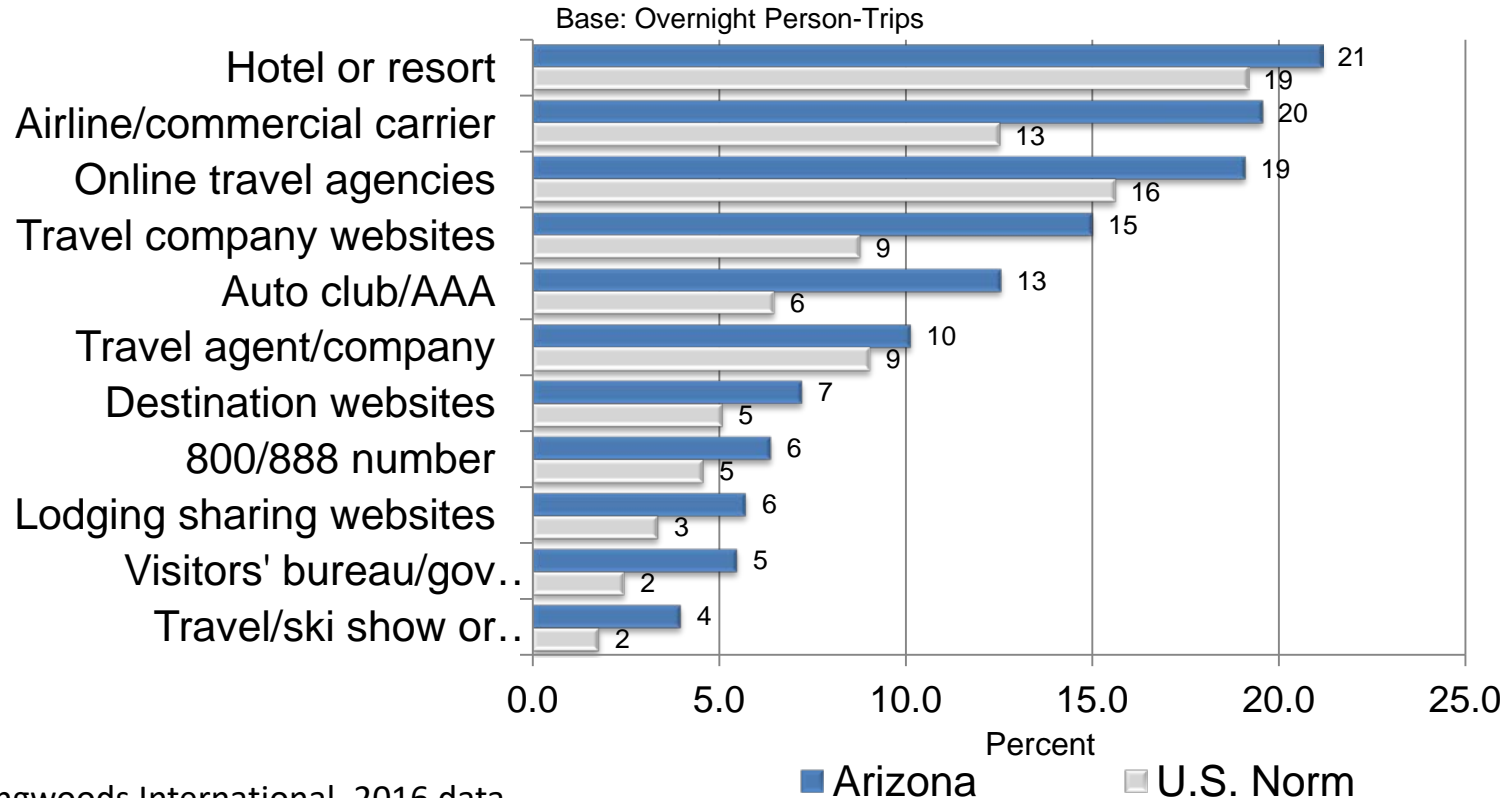
TRIP PLANNING INFORMATION SOURCES

Base: Overnight Person-Trips



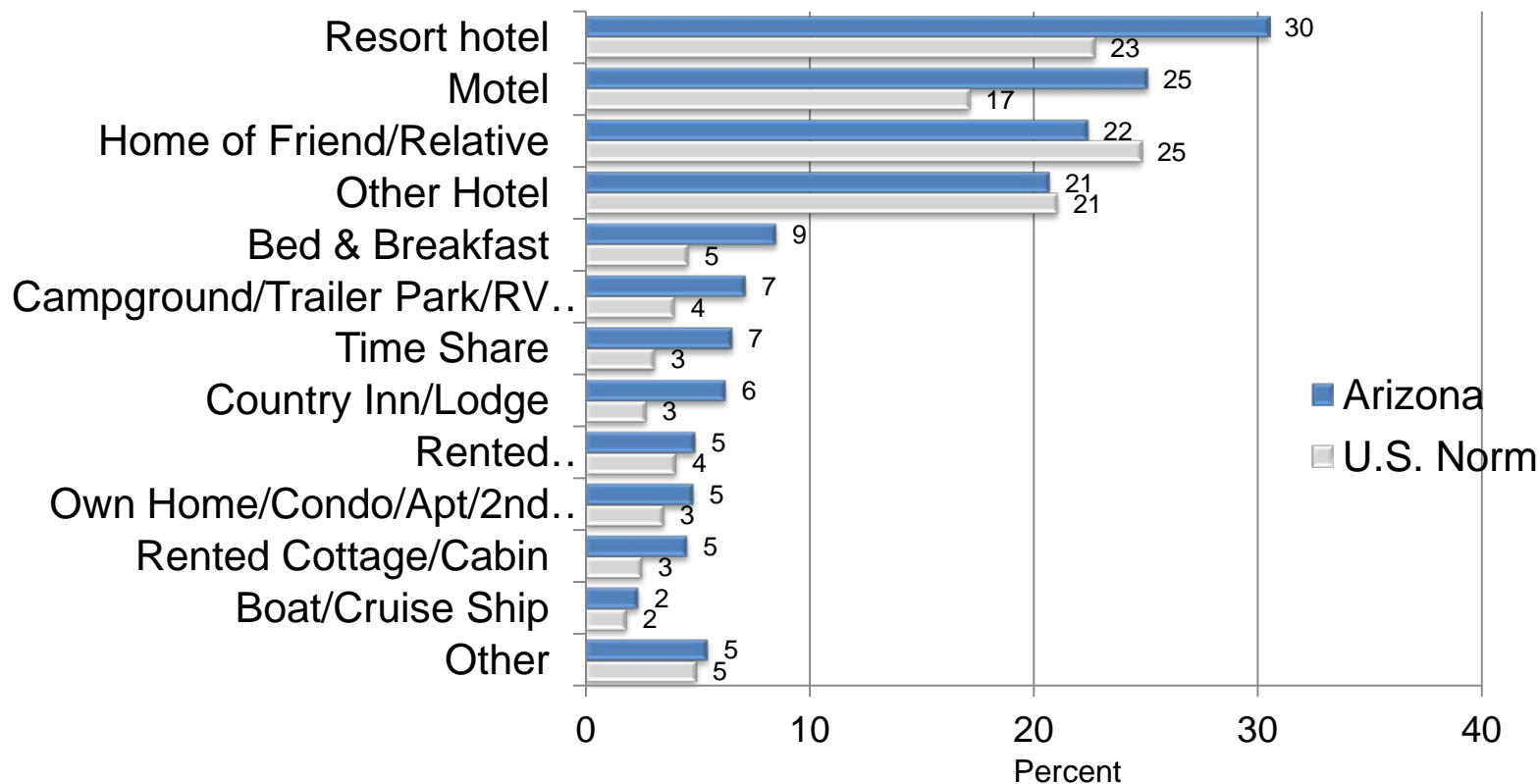
Source: Longwoods International, 2016 data

METHOD OF BOOKING



Source: Longwoods International, 2016 data

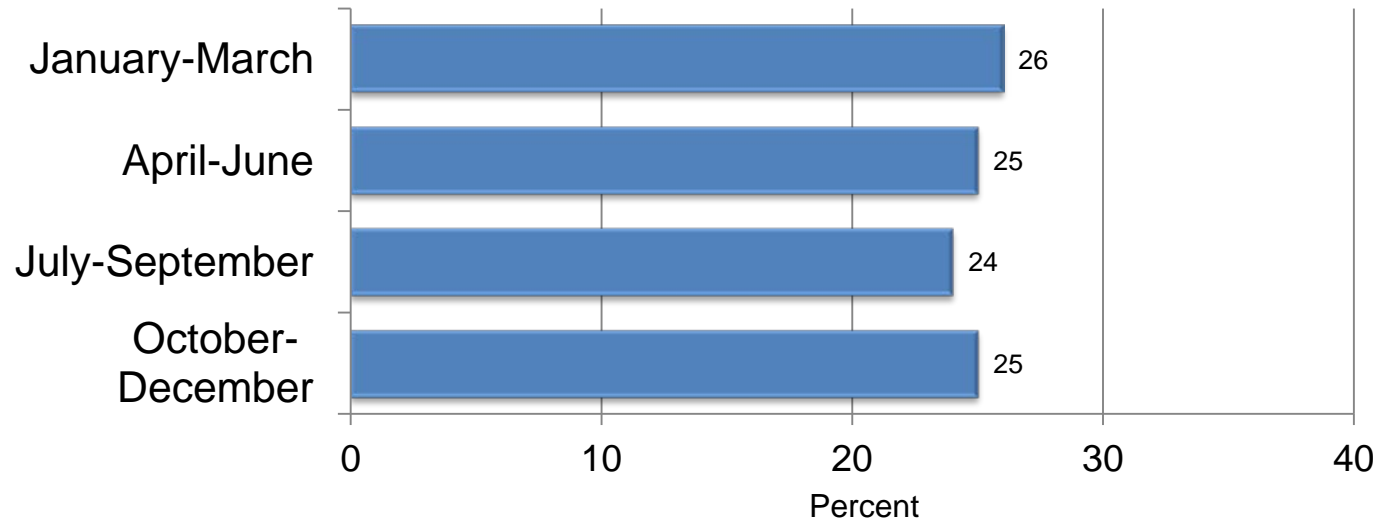
ACCOMMODATIONS



Source: Longwoods International, 2016 data

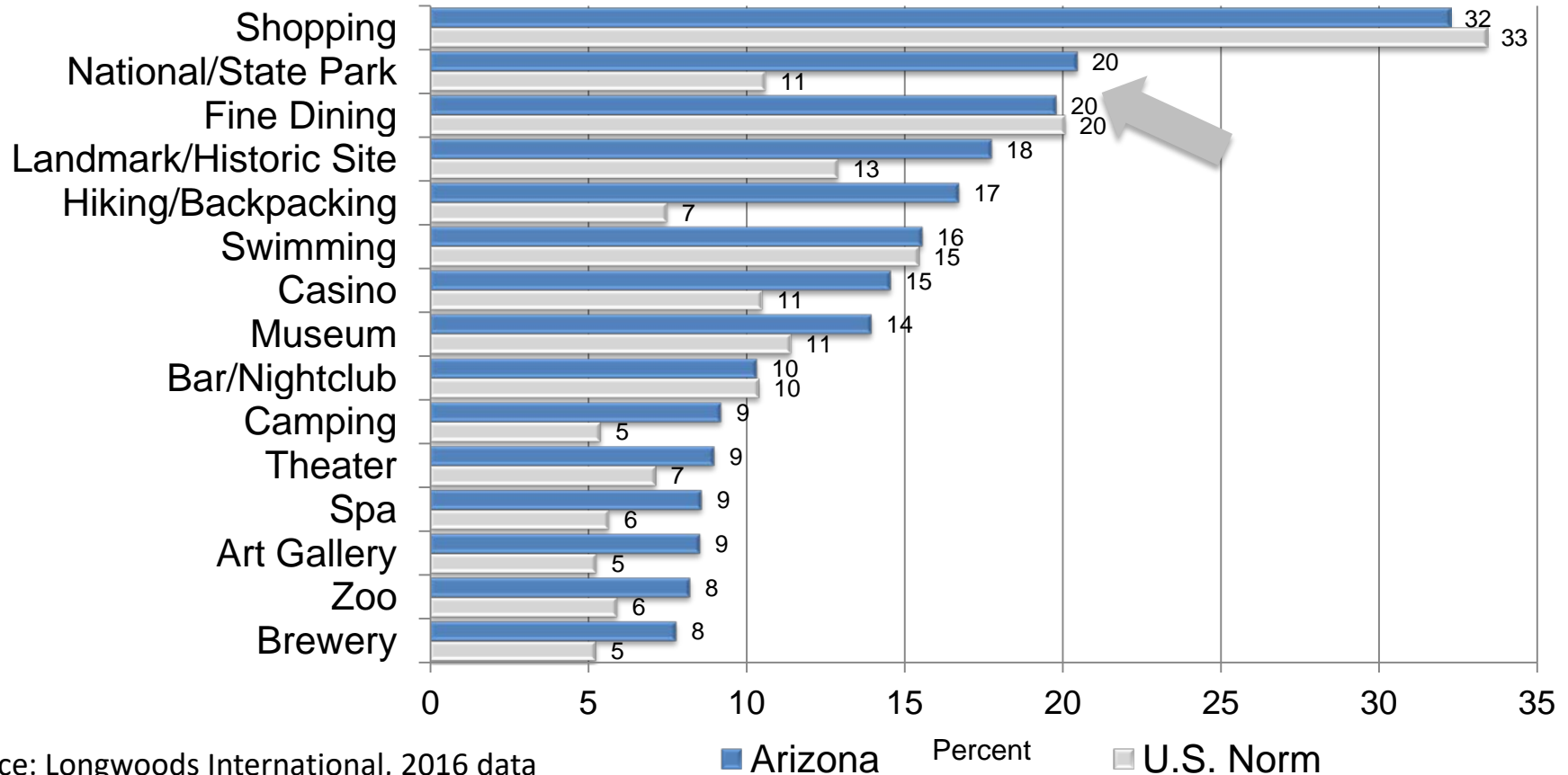
SEASON OF TRIP

Base: Overnight Person-Trips

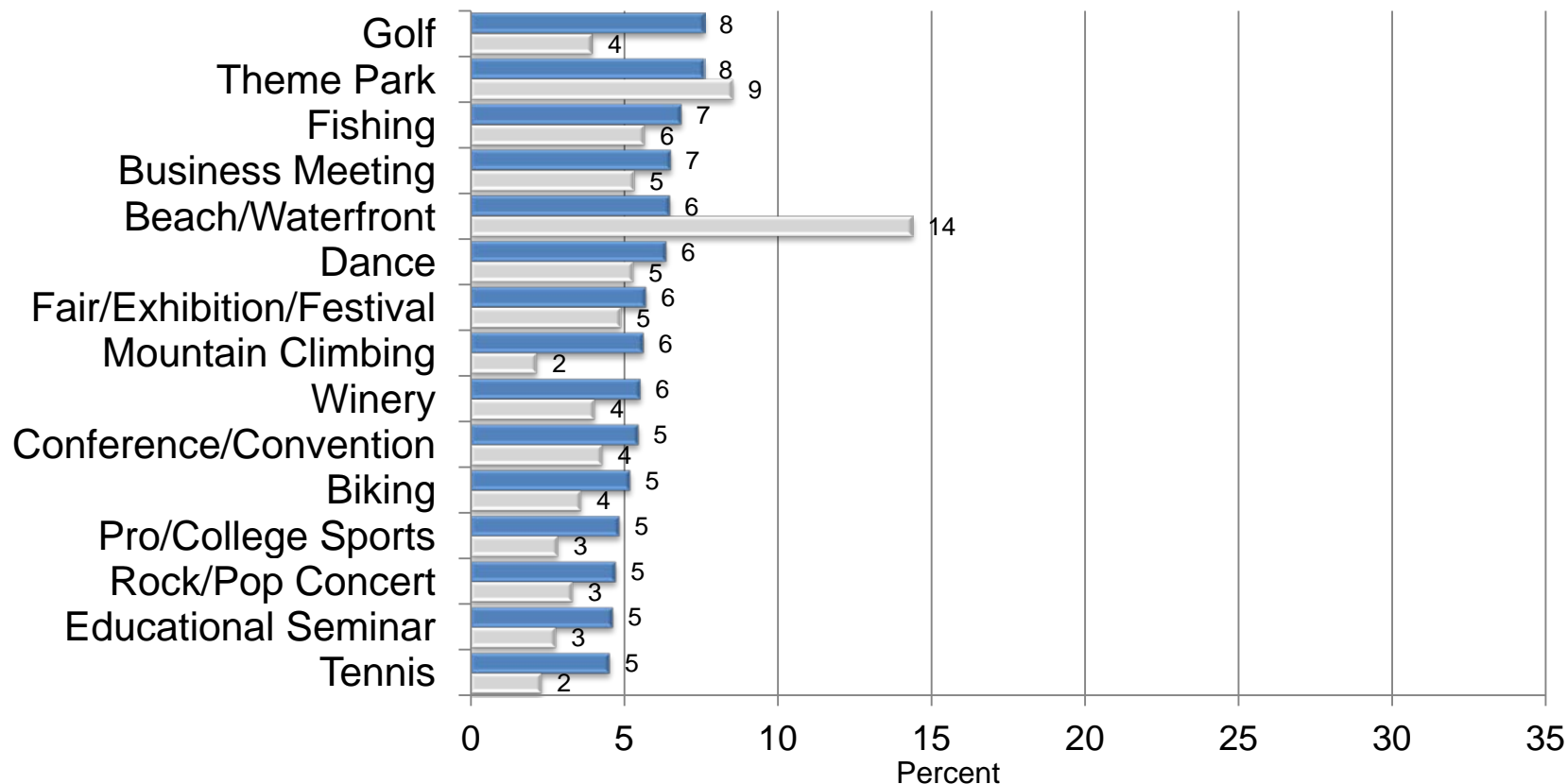


Source: Longwoods International, 2016 data

ACTIVITIES AND EXPERIENCES



ACTIVITIES AND EXPERIENCES (CONT.)



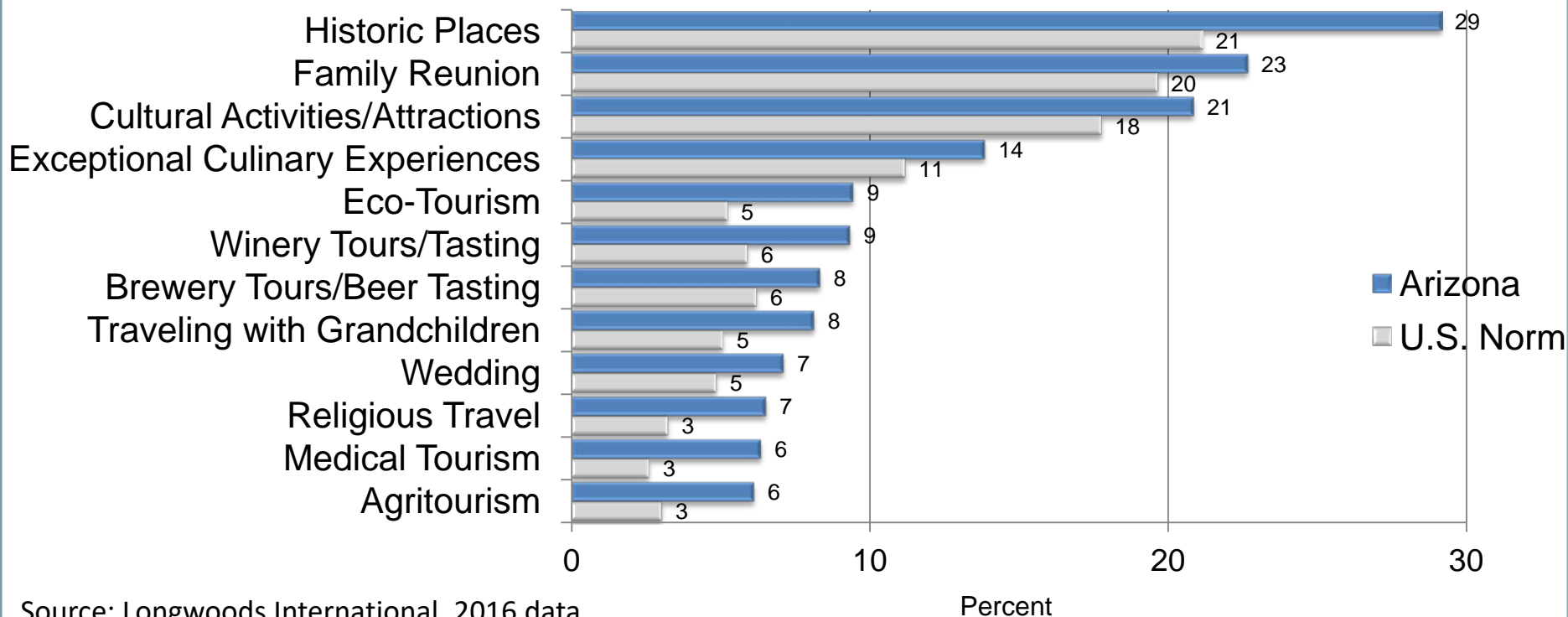
Source: Longwoods International, 2016 data

■ Arizona

■ U.S. Norm

ACTIVITIES OF SPECIAL INTEREST

Base: Overnight Person-Trips



Source: Longwoods International, 2016 data



Alliance Bank
Business Outreach Center

The Arizona Wine Tourism Industry – 2017

Prepared for the
Arizona Office of Tourism
July 2017



STATISTICS



COMPARISON



RATIOS/PROBABILITIES



ECONOMIC IMPACTS

Alliance Bank Business Outreach Center
Northern Arizona University

Ryan Fitch, Ph.D., Research Associate
Thomas Combrink, M.S., Senior Research Specialist
Tom Pitts, Chair of the Arizona Association for Economic Development's Rural Task Force



2017 ARIZONA WINE TOURISM STUDY

https://tourism.az.gov/sites/default/files/documents/files/AHRRC-AZWineTourismStudy-2017-report_07-18-17.pdf



ARIZONA WINE TOURISM STUDY RESULTS

\$56.2 Million

Economic Output

640

Jobs

\$3.6 Million

State & Local Taxes



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FY17 ADVERTISING EFFECTIVENESS

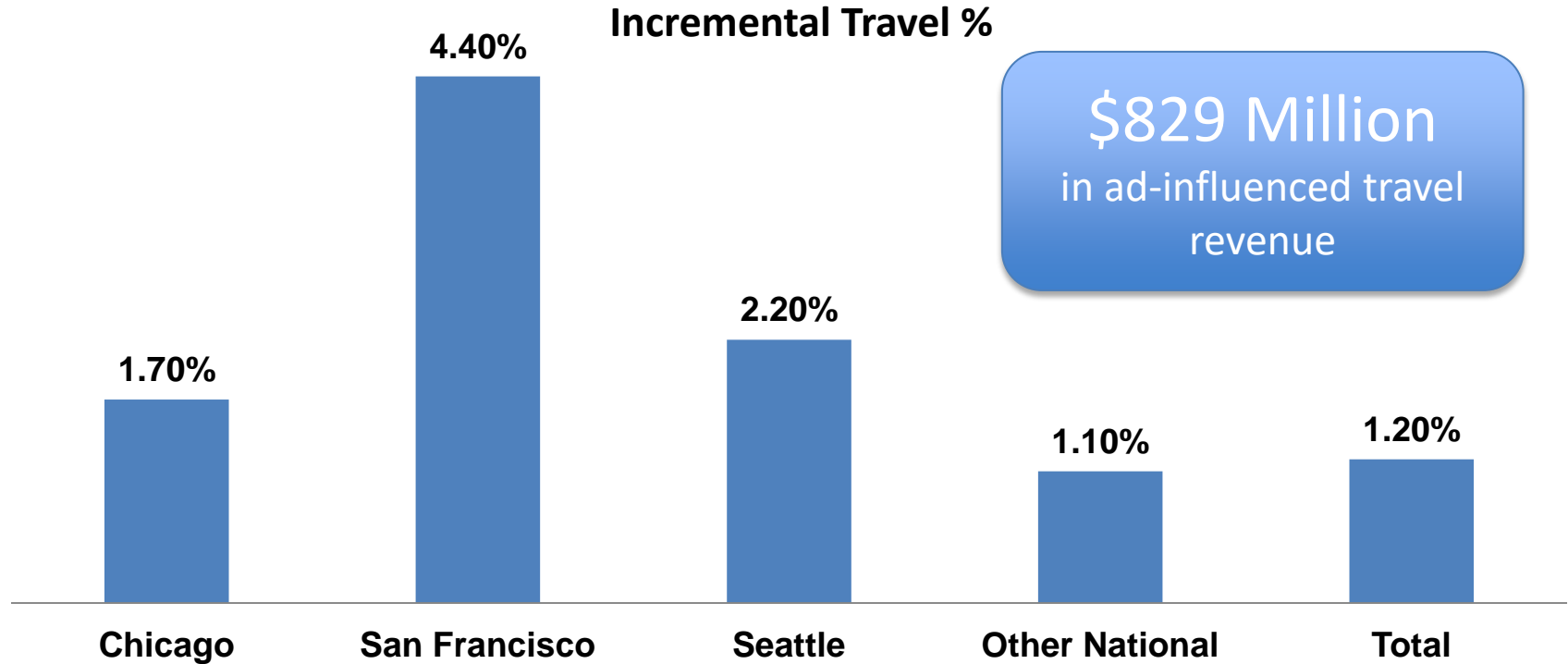


Plan Your Trip



Plan Your Trip

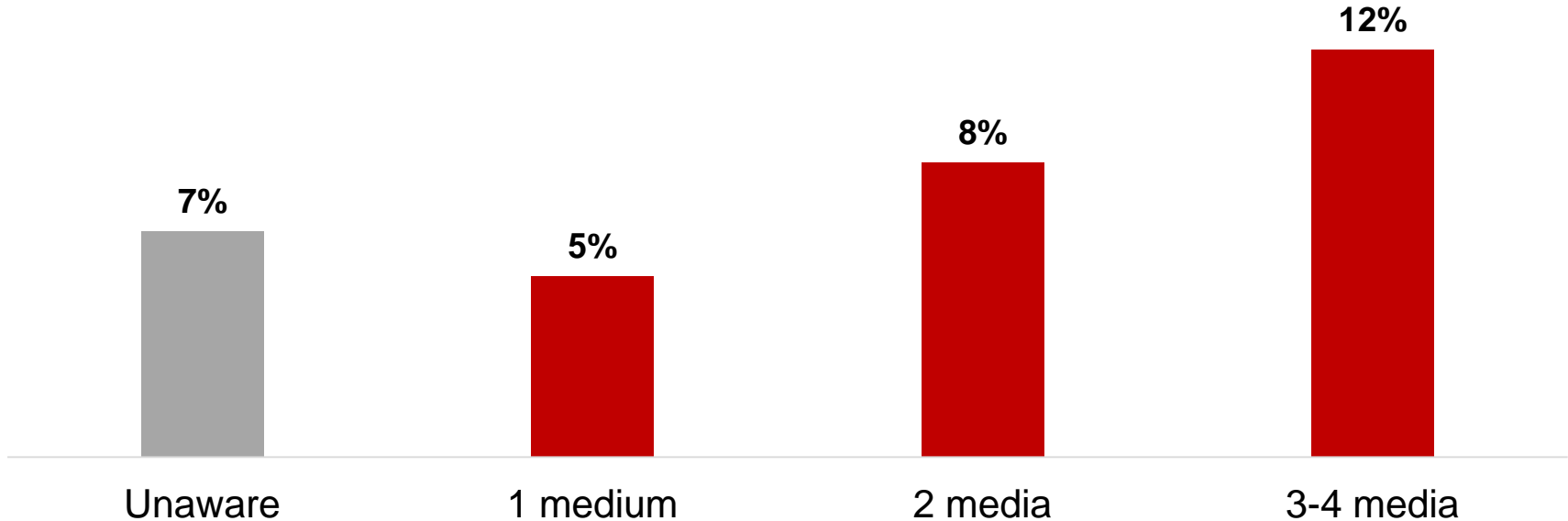
FY17 ADVERTISING EFFECTIVENESS



Source: Strategic Marketing and Research Insights, 2017

FY17 ADVERTISING EFFECTIVENESS

Media Overlap Impact
(AZ Visit %)



Source: Strategic Marketing and Research Insights, 2017

ECONOMIC DEVELOPMENT IMAGE

Arizona is...

A good place to purchase a vacation home



A good place to live



A good place to start a career



A good place to start a business



A good place to attend college



A good place to relocate a business



A good place to retire



■ Unaware
■ Ad-Aware

Source: Strategic Marketing and Research Insights, 2017



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