

Philadelphia Travel Recovery Tracker

Released: October 2022

PHLCVB
Philadelphia Convention
& Visitors Bureau

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The Philadelphia Travel Recovery Tracker, sponsored by the Philadelphia Convention & Visitors Bureau (PHLCVB) and Visit Philadelphia, is the most comprehensive and centralized source for high-frequency intelligence on the Philadelphia travel industry and the broader economy.

The report, built on Tourism Economics SYMPHONY platform, is supported by more than twenty data partners and tracks industry performance, travel volumes, and predictive indicators of recovery to provide the two organizations with a detailed, interactive view of travel sector performance that offers three views: **where we were, where we are now and where we are headed.**

The dashboard is updated monthly once data is available (by the 26th or following business day), including key highlights and the latest summary.

Produced by Tourism Economics
On behalf of Visit Philadelphia and the Philadelphia Convention & Visitors Bureau

For any questions, please contact Erik Evjen at eevjen@tourismeconomics.com

 **TOURISM
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Travel Indicators, Philadelphia County

September 2022

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Philadelphia Convention & Visitors Bureau

Key Travel Metrics

% change relative to same period in 2019, Philadelphia County September 2022

Hotel Demand (STR)	Short Term Rental Demand (AIRDNA)	Air Trips (OAG)	Organic Web Sessions (discoverphl & visitphilly)	Leisure and Hospitality Jobs (BLS)
▼ -9.1%	▼ -8.7%	▼ -32.5%	▼ -6.8%	▼ -12.7%

Insights

September was by far the best month for the Philadelphia region since late 2019. While still behind 2019 in demand – with 378.3k rooms sold in Philadelphia County, the decline was only 9.1% to September 2019 levels. Occupancy was 67.6%, down 11.8 points to September 2019. Looking at Center City, demand was 285.4k – lagging September 2019 by just 7.1%. Weekday occupancy in Center City improved to 61% - behind only June 2022 for the best weekday occupancy since early 2020. ADR ran \$239 in Center City – the third highest month ever (behind July 2016 and May 2019). This resulted in 4.7% more revenue than September 2019. Notably, Philadelphia County weekday occupancy reached 62% in September.

All competitive CBD markets saw improved results relative to 2019. Demand in Boston remained ahead of its 2019 comparable for the sixth month in a row – 6% higher than September 2019. Both Washington DC and Baltimore CBDs saw demand 11% below September 2019. These were the best results for each of these markets in terms of demand.

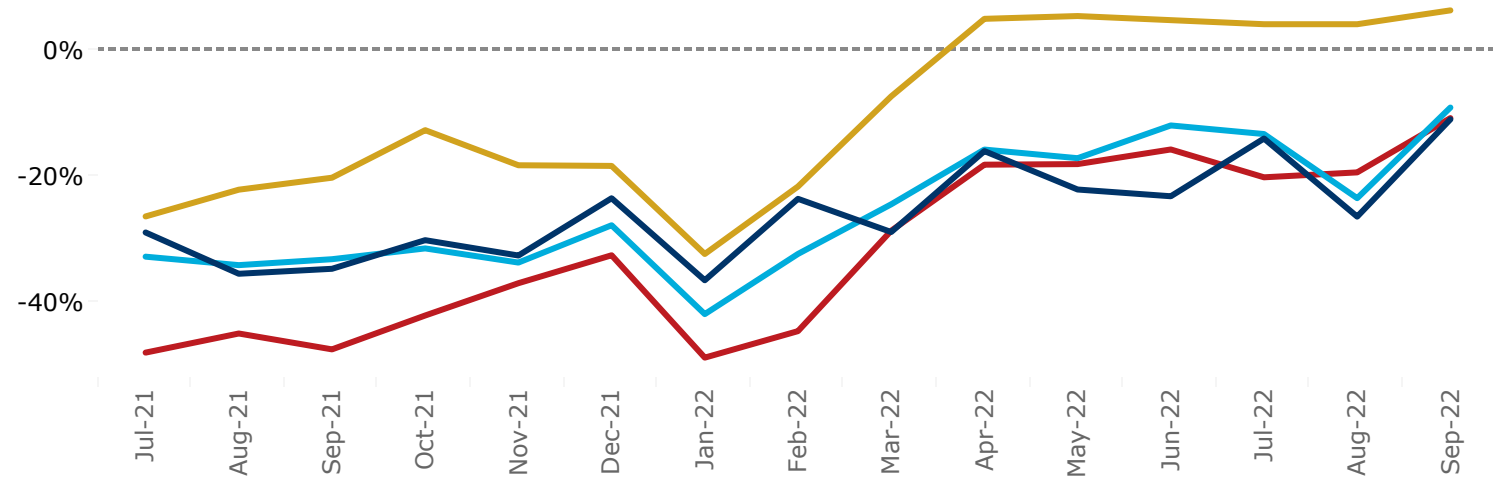
Organic website session traffic remained below 2019 levels - down 6.8% to September 2019 for the combined organizations. Visit Philly volume was 548.6k, down 10.8% to September 2019 while Philly CVB saw sessions grow by nearly 3x – to 36.5k.

Leisure & Hospitality employment levels in Philadelphia increased slightly from August to 68.9k. As compared to September 2019 levels, they declined 12.7% or 10.3k.

	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22
Hotel Demand (STR)	-33%	-32%	-34%	-28%	-43%	-36%	-26%	-17%	-19%	-13%	-13%	-23%	-9%
Short-term Rental Demand (AIRDNA)	-25%	-22%	-33%	-30%	-9%	-9%	-13%	-10%	-17%	-17%	-4%	-8%	-9%
Air Trips (OAG)	-45%	-45%	-37%	-40%	-50%	-46%	-35%	-32%	-32%	-32%	-34%	-35%	-32%
Organic Web Sessions (discoverphl & visitphilly)	-6%	9%	12%	-3%	10%	9%	11%	6%	-4%	9%	2%	-1%	-7%
Leisure and Hospitality Jobs (BLS)	-22%	-18%	-17%	-17%	-16%	-13%	-13%	-14%	-11%	-12%	-11%	-13%	-13%

Hotel Room Demand

Monthly demand relative to same month in 2019, Central Business Districts (CBD)

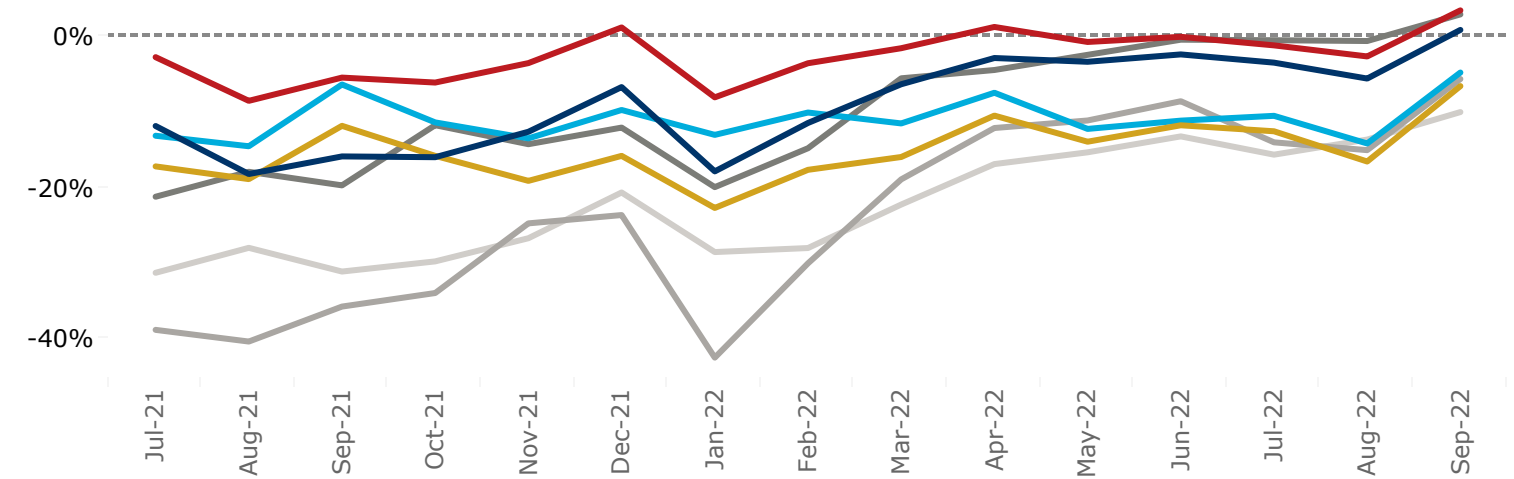


Source: STR

- Baltimore CBD
- Center City Philadelphia
- Boston CBD
- Washington, DC CBD

Hotel Room Demand

Monthly demand relative to same month in 2019, Markets/MSAs as defined by STR

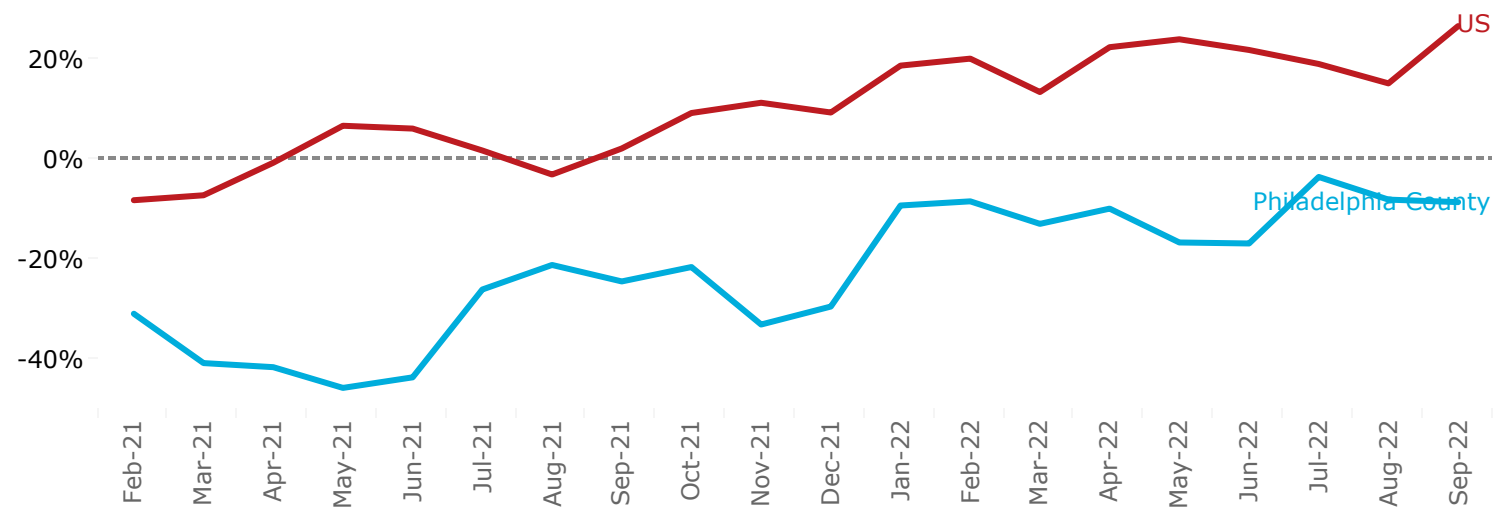


Source: STR

- US
- Philadelphia Market, PA-NJ-DE
- Washington, DC
- Top-25 US Markets
- Boston, MA
- 5-County Region (Phila.)
- New York, NY

Short-term Rental Demand

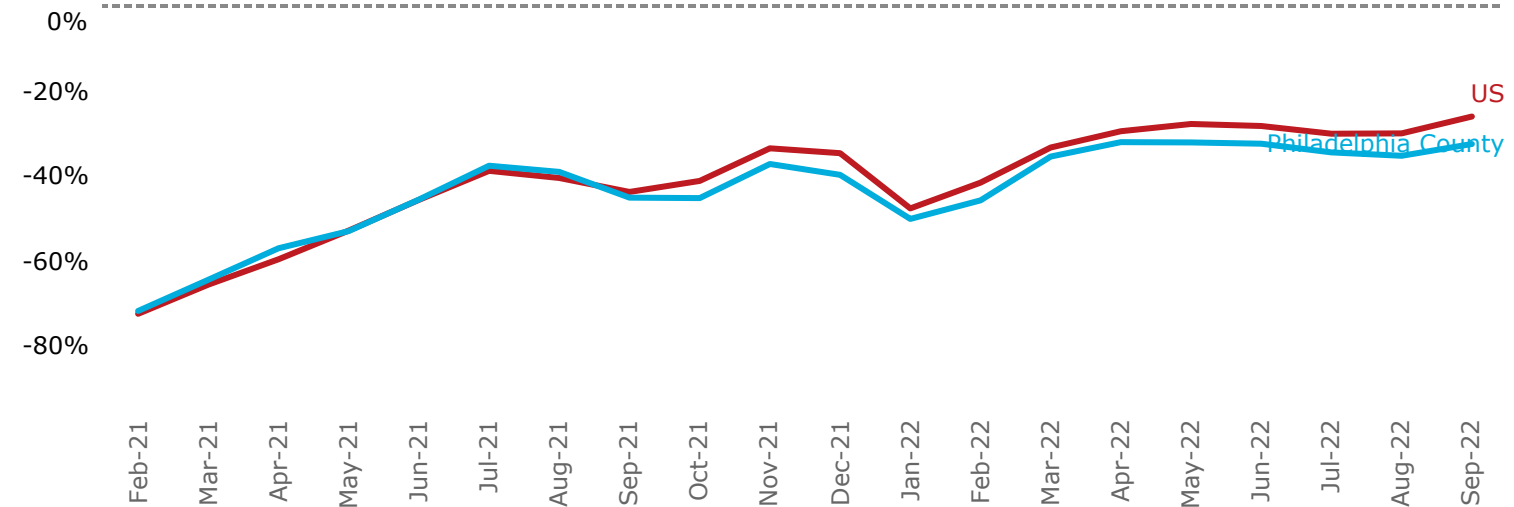
Monthly demand relative to same month in 2019



Source: AIRDNA

Air Travel

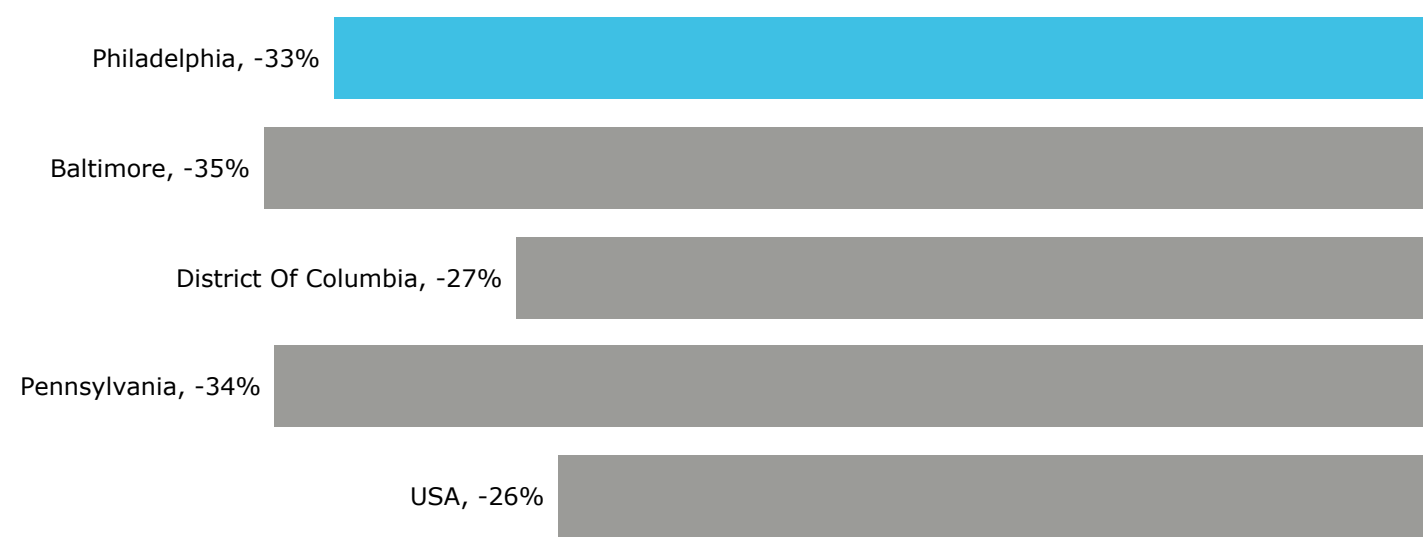
Monthly visits relative to same month in 2019



Source: OAG

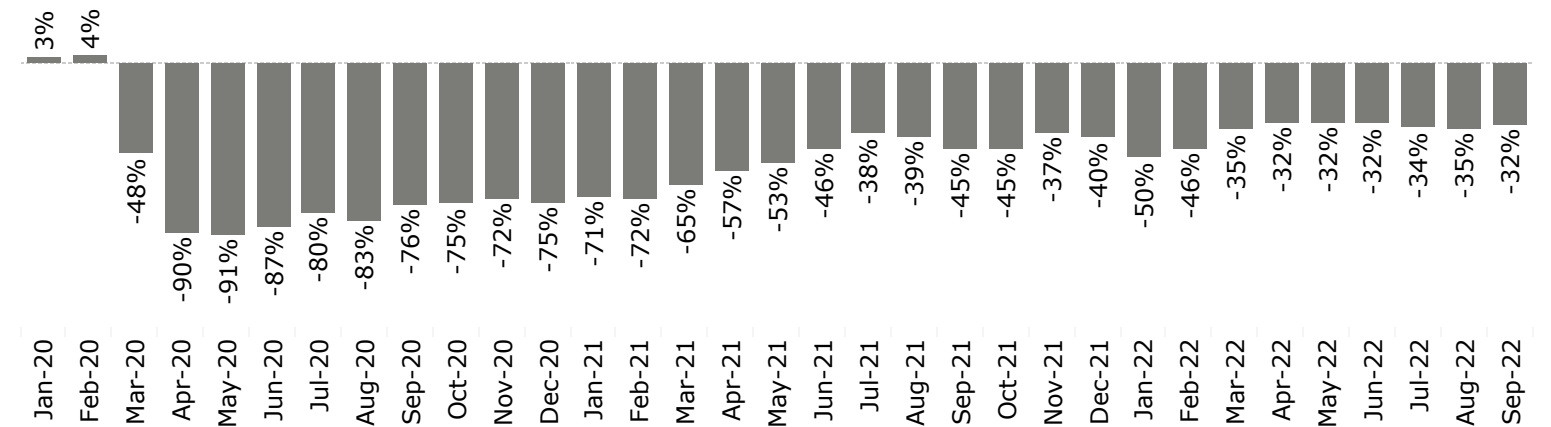
Air Travel Bookings

% change in bookings made in September 2022, compared to same month in 2019



Air Travel Booking Trends

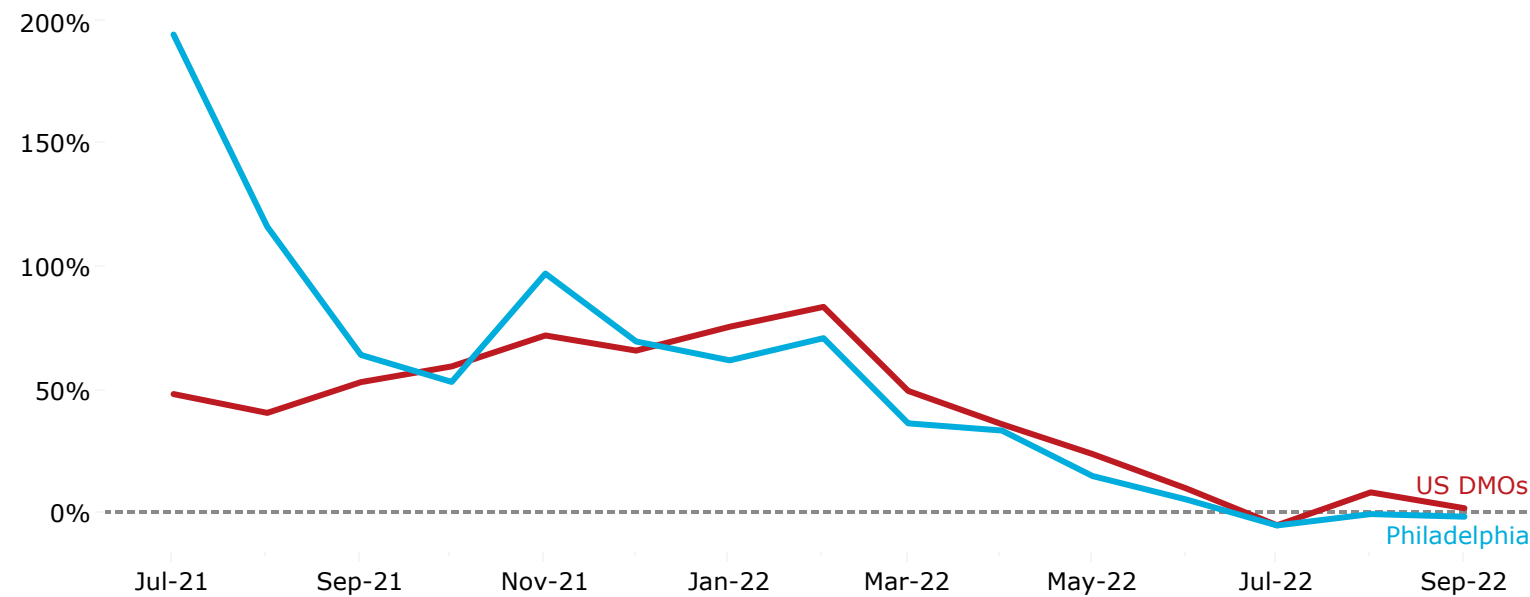
% change in bookings made compared to same month in 2019



Source: OAG (only includes visitor arrivals to Philadelphia)

Website Traffic

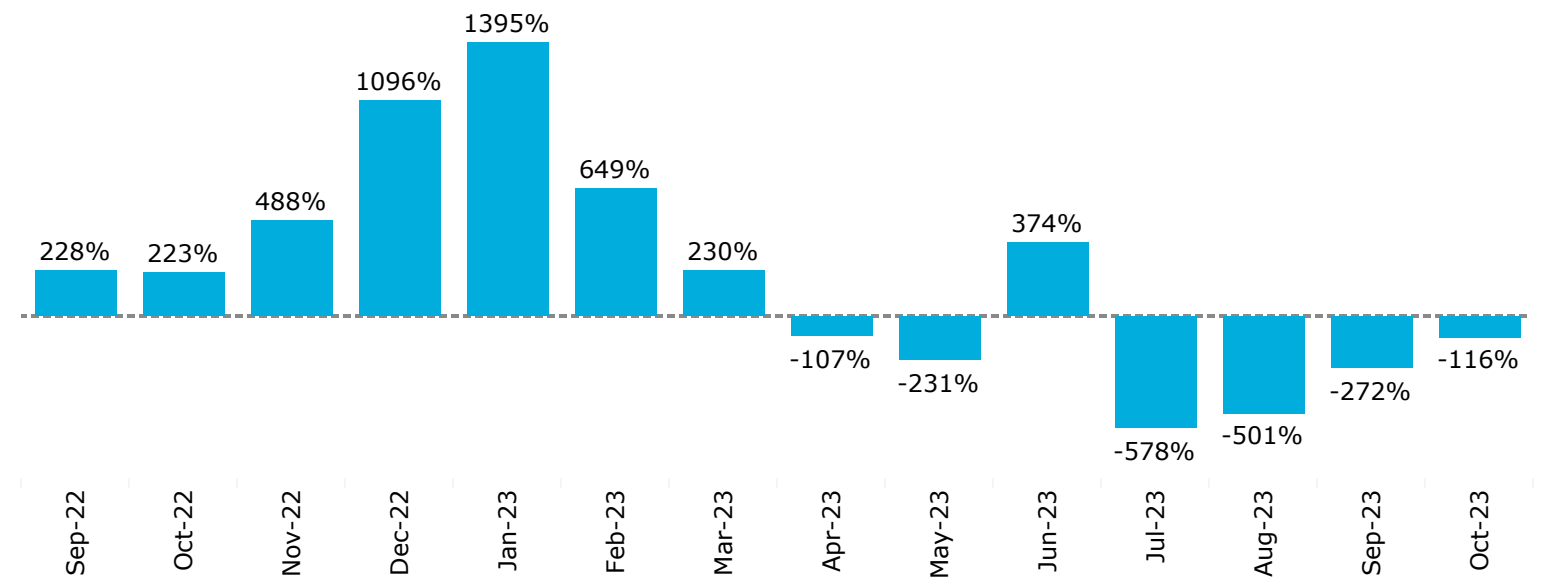
Organic website sessions, visitphilly.com & discoverphl.com



Source: Google Analytics

Hotel Booking Pace

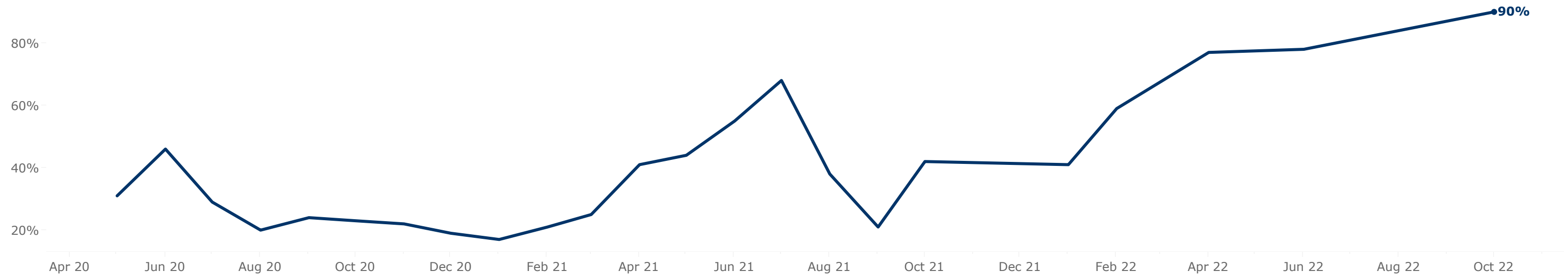
Room nights on the books relative to prior year, Center City Philadelphia (As of October 16, 2022)



Source: TravelClick Demand360

U.S. Business Travel Sentiment

Companies resuming domestic travel in next 90 days



Source: GBTA Business Travel Survey

Consumer Travel Sentiment

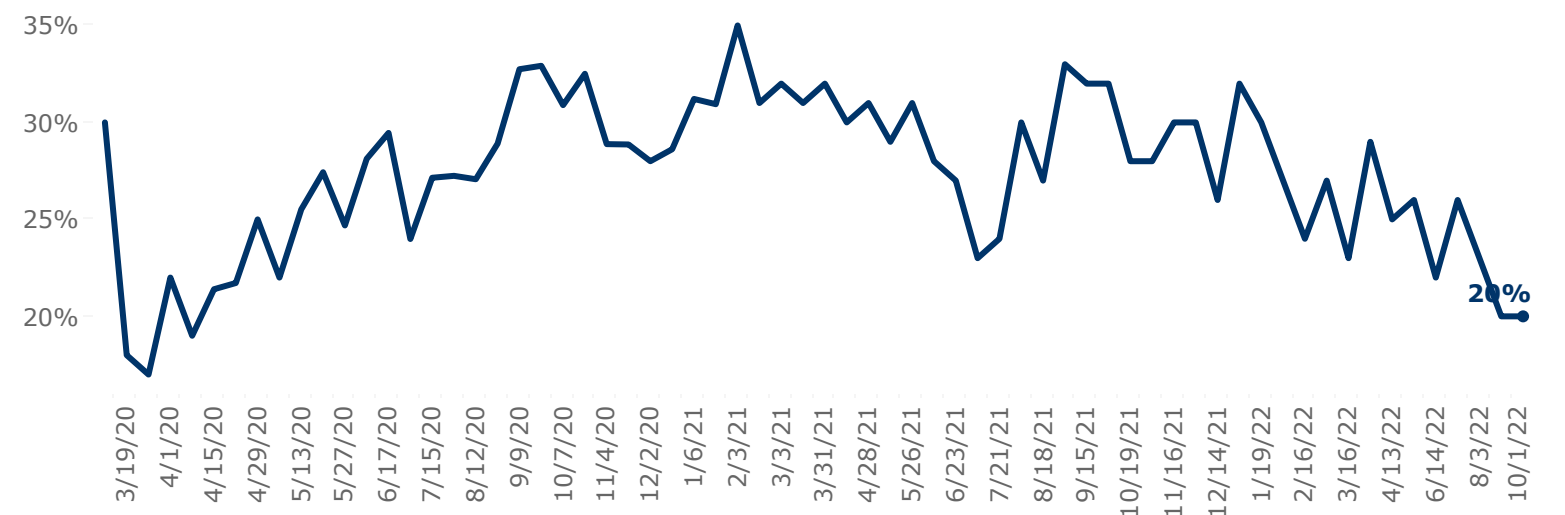
% of travelers that are ready to travel



Source: Destination Analysts

Travel Sentiment

Percent who changed destination to one I can drive as opposed to fly

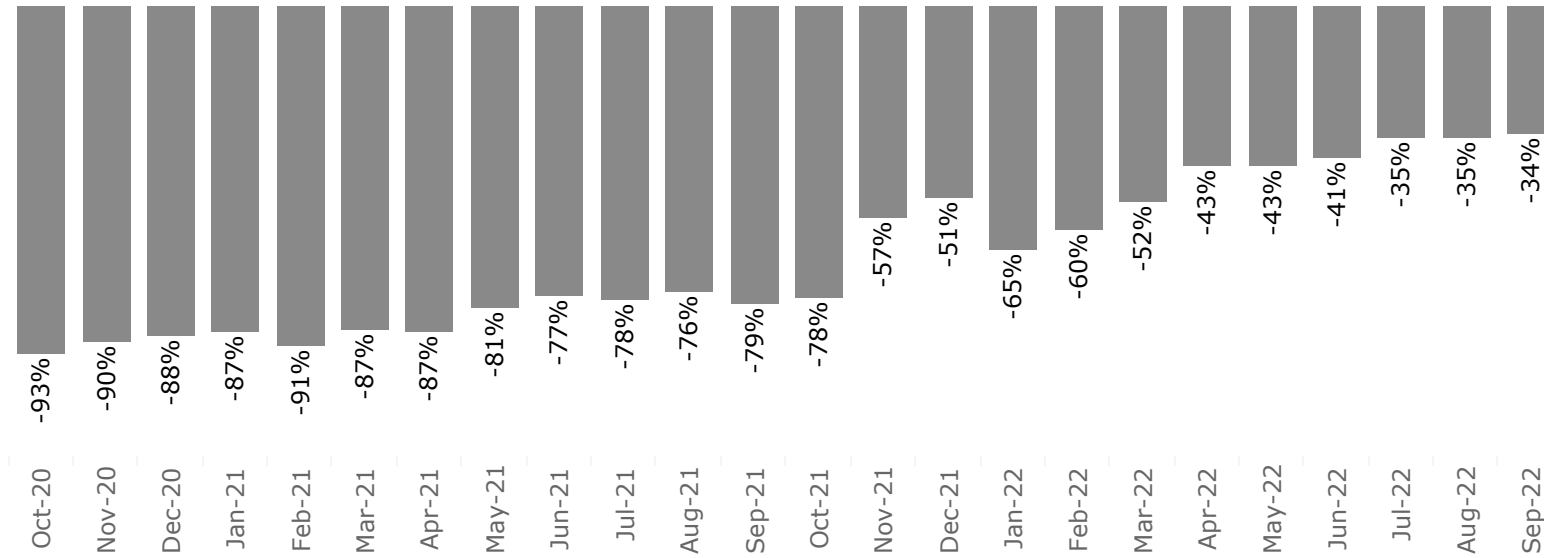


Source: Longwoods International



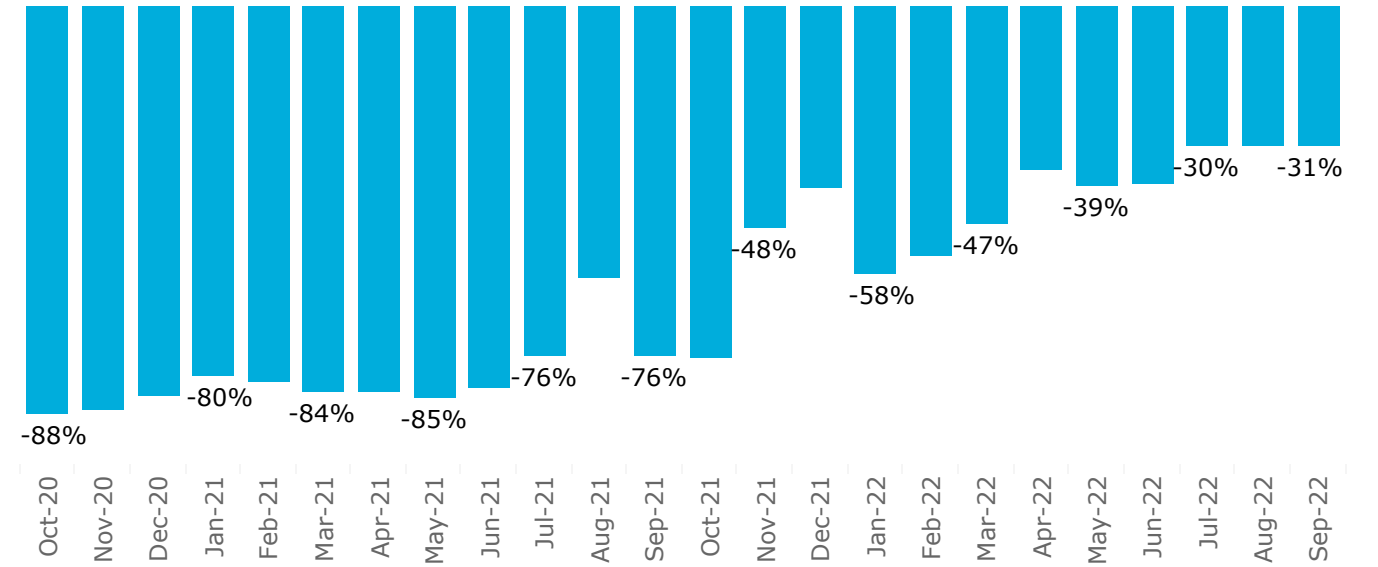
Arrivals to the U.S. by Origin

Visitors from Total Overseas, compared to same month in 2019



Overseas Arrivals to Pennsylvania

Overseas Arrivals, compared to same month prior year



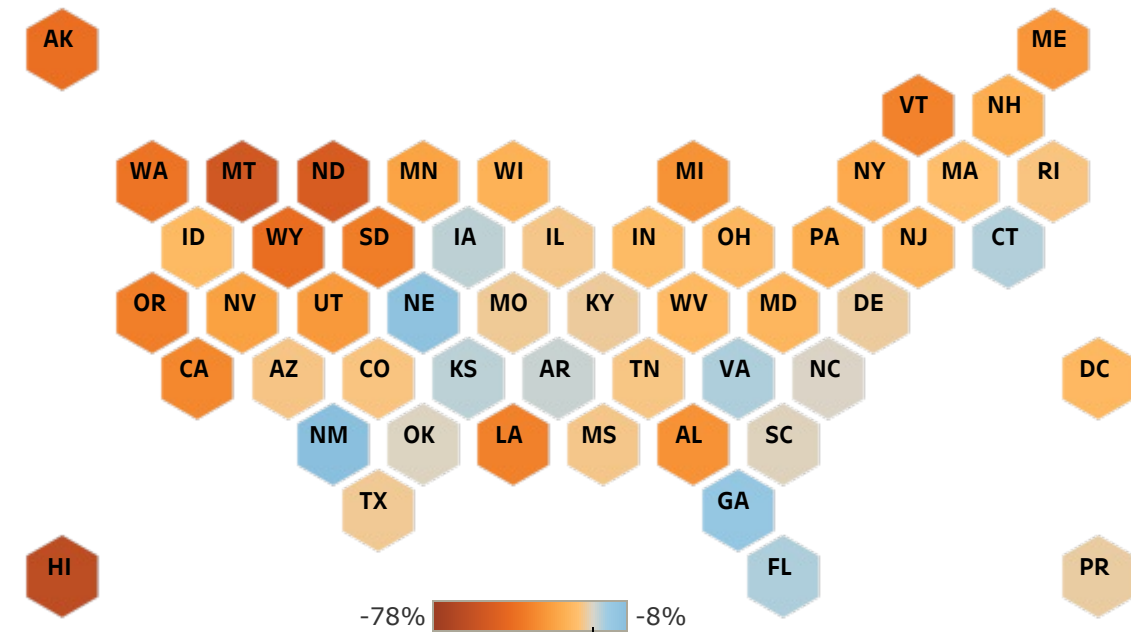
International Origin Market Comparison to Pennsylvania

Arrivals, compared to same month in 2019

	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22
Total Overseas	-59%	-76%	-76%	-48%	-39%	-58%	-54%	-47%	-36%	-39%	-39%	-30%	-30%	-31%
India	-42%	-80%	-80%	-8%	-12%	-34%	-23%	-30%	-17%	-21%	-25%	-7%	5%	-6%
Spain	-65%	-70%	-83%	-29%	-17%	-16%	-38%	-12%	-5%	-7%	-12%	4%	39%	6%
Germany	-85%	-89%	-88%	-47%	-38%	-58%	-70%	-51%	-34%	-33%	-33%	-29%	-23%	-25%
France	-89%	-94%	-95%	-35%	-35%	-48%	-47%	-52%	-44%	-40%	-44%	-21%	-27%	-44%
Italy	-86%	-86%	-86%	-43%	-32%	-30%	-48%	-31%	-33%	-20%	-23%	-26%	-5%	-9%
UK	-91%	-96%	-95%	-51%	-41%	-63%	-56%	-44%	-35%	-30%	-31%	-22%	-18%	-32%
South Korea	-49%	-66%	-69%	-61%	-67%	-54%	-68%	-68%	-42%	-36%	-56%	-42%	-35%	-24%
China	-57%	-89%	-96%	-91%	-90%	-91%	-95%	-90%	-93%	-89%	-90%	-87%	-72%	-92%
Argentina	-50%	-63%	-60%	-65%	-37%	-44%	-5%	-40%	-50%	-59%	-41%	-23%	-4%	18%
Australia	-90%	-97%	-96%	-82%	-75%	-70%	-60%	-56%	-46%	-42%	-47%	-35%	-36%	-35%
Brazil	-68%	-89%	-86%	-48%	-24%	-41%	-37%	-39%	-28%	-39%	-40%	-17%	-24%	-27%
Ireland	-92%	-96%	-92%	-61%	-39%	-47%	-44%	-52%	-21%	-15%	-21%	-30%	-15%	-36%
Israel	-57%	-54%	-63%	-39%	-52%	-62%	-50%	-33%	-30%	-27%	-29%	-25%	-38%	-29%
Japan	-79%	-85%	-84%	-87%	-87%	-64%	-93%	-81%	-74%	-59%	-73%	-55%	-51%	-38%

Overseas Arrivals by State

Arrivals, September 2022 compared to same month in 2019



Insights

Consumers spent prudently in August as households cut their goods outlays and spent cautiously on services. Nonetheless, consumers are showing resilience in the face of elevated inflation and easing gas prices provided a welcome relief. Sluggish consumer spending growth in the second half of 2022 should be followed by a cutback in spending at the start of 2023 as softer hiring and wage growth weigh on incomes and pandemic-related savings have been significantly drawn down.

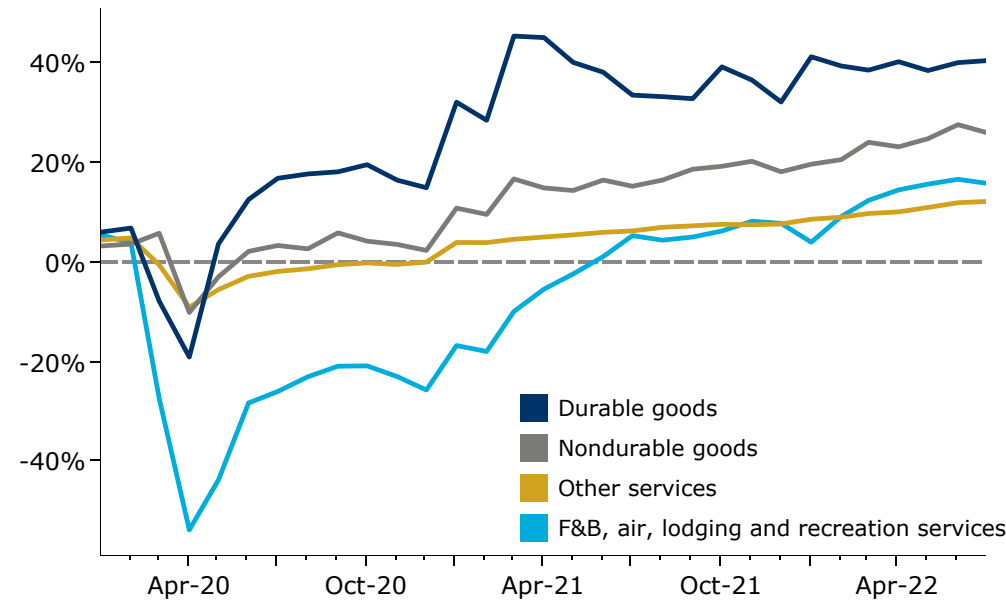
The labor market remains hot with 275,000 private job growth in September and a modest rise in average private hourly earnings to 15.3% above 2019. With job creation and wage growth still healthy and the labor market very tight, the Fed has much more work to do to subdue inflation. We expect a substantial moderation in job growth in Q4 followed by outright job losses as companies face higher rates and weaker demand through 2023 H1.

The September Consumer Price Index (CPI) report shows that consumer inflation remains stubborn, registering a 15.6% increase relative to 2019, up from a 15.4% increase in August. We look for inflation to remain well above the Fed's 2% target through 2023 with risks tilted to the upside. The travel price index (TPI) continued its rapid abatement, falling to 15.1% in September from its 21.0% peak in June, thanks in large part to falling gasoline prices.

The economy continues to navigate persistently high inflation, rising interest rates, elevated supply chain issues, and depressed consumer sentiment. With recession dynamics building steam, we expect economic momentum will slow in the near term, and we have cut our 2023 US GDP forecast to -0.5% from 0.0% previously. Corporations will likely begin to rein in hiring amid a weaker growth environment and historic inflationary pressures as a mild recession drags the economy during the first half of 2023.

Consumer Spending

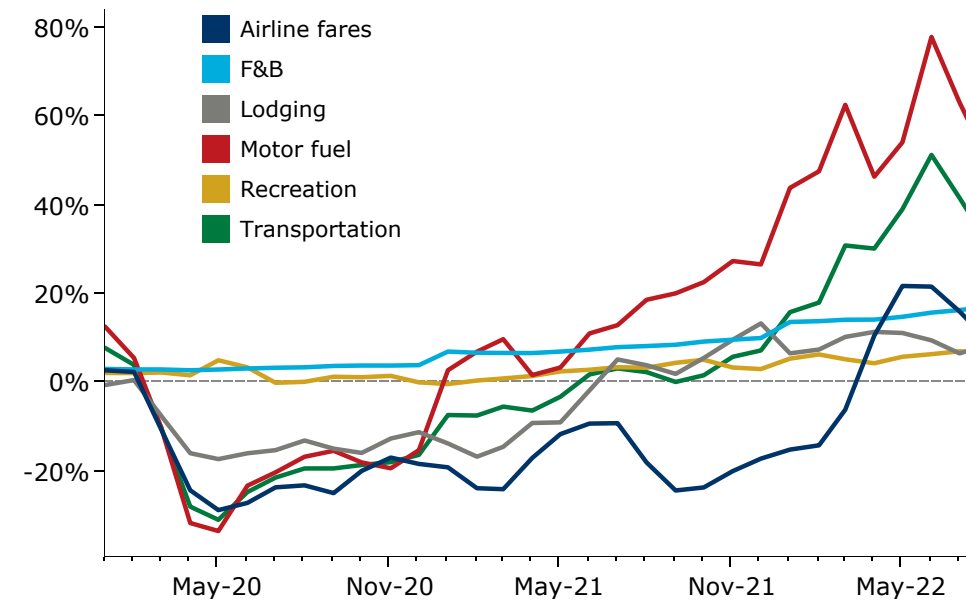
% change relative to same month in 2019



Source: BEA

Travel Price Index, Major Components

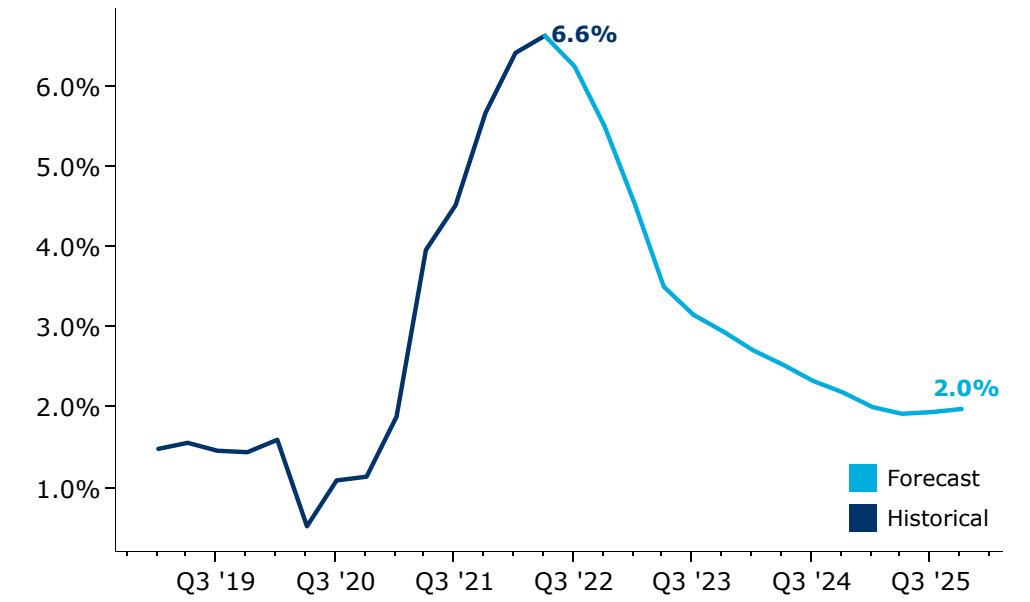
% change relative to same month in 2019



Source: U.S. Travel Association

PCE Inflation

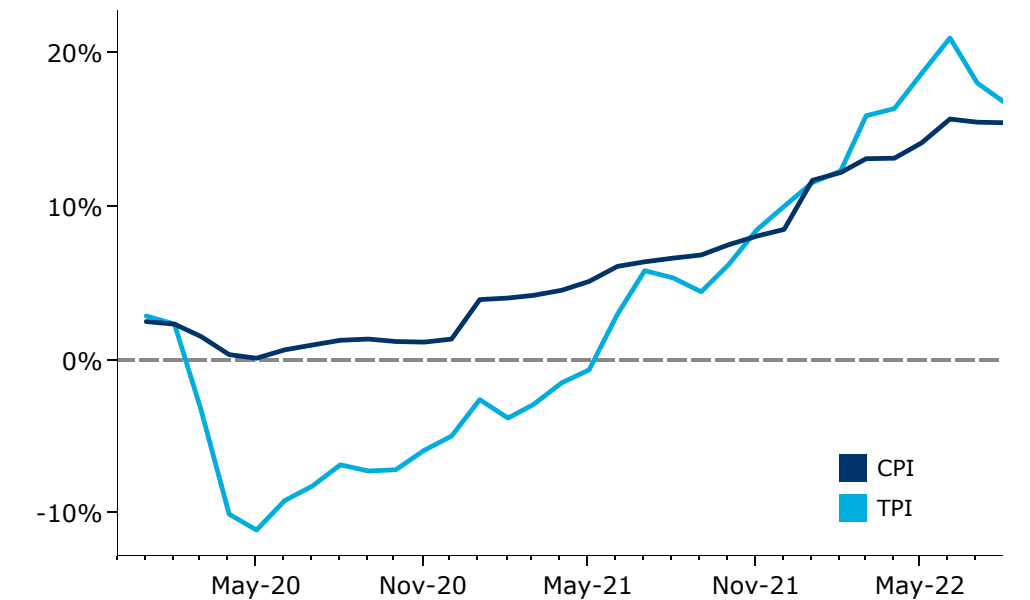
Year-over-year growth, personal consumption expenditure index



Source: BEA; Oxford Economics

Travel (TPI) and Consumer (CPI) Price Indices

% change relative to same month in 2019

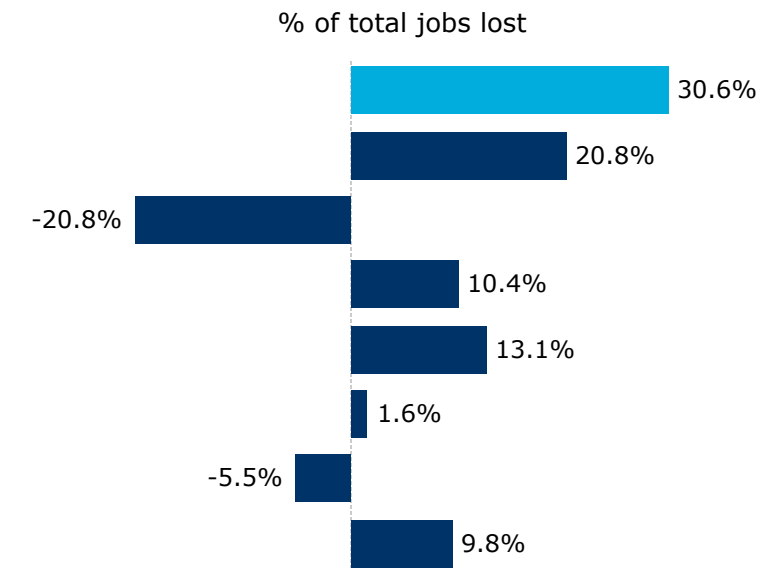


Source: BLS (CPI); and U.S. Travel Association (TPI)

Job Losses Across Industries

Philadelphia County, February 2020 through September 2022

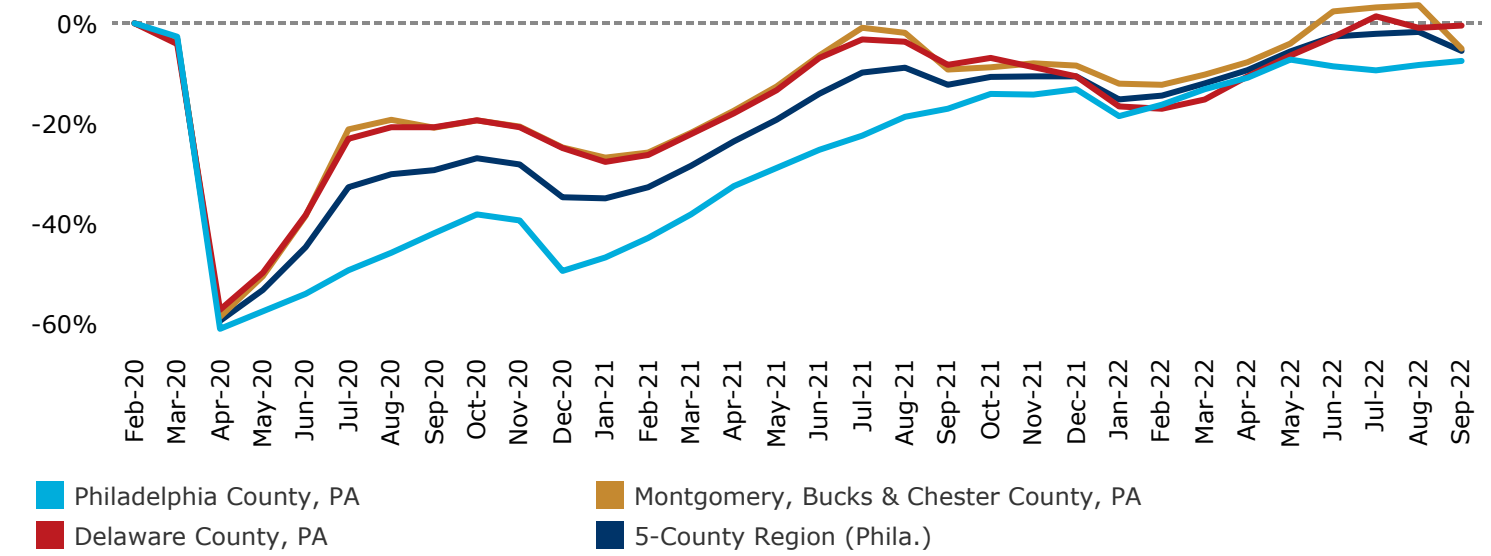
Leisure and Hospitality	-5.6K
Government	-3.8K
Professional and Business Services	3.8K
Retail Trade	-1.9K
Information	-2.4K
Manufacturing	-0.3K
Wholesale Trade	1.0K
Other Services	-1.8K



Source: BLS

Leisure and Hospitality Jobs

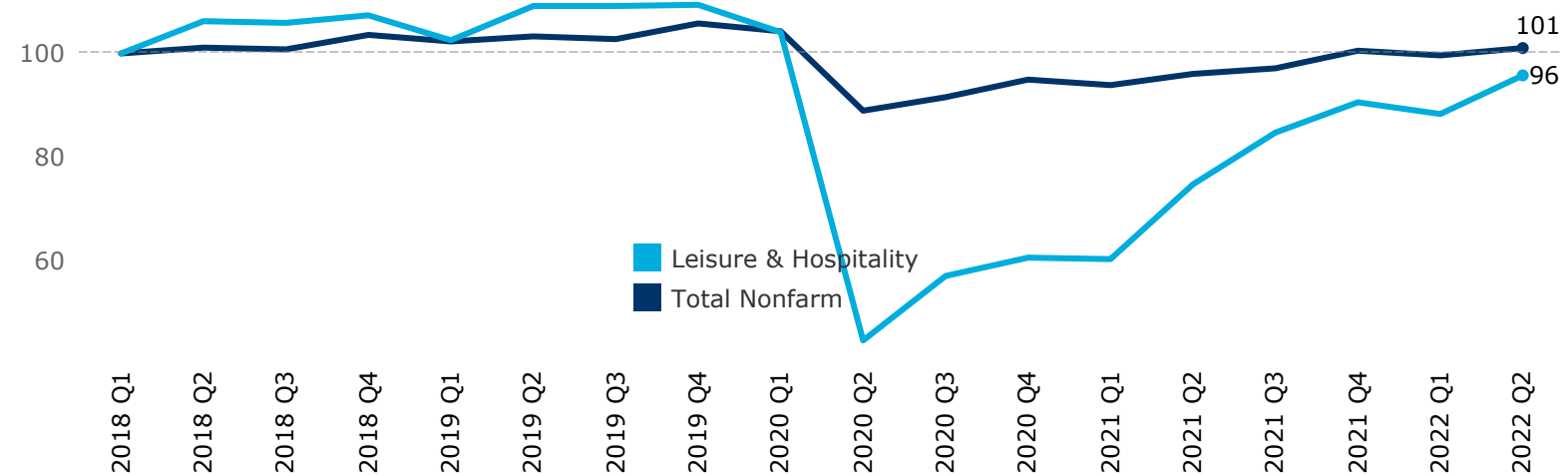
% change since February 2020



Source: BLS

Employment Index

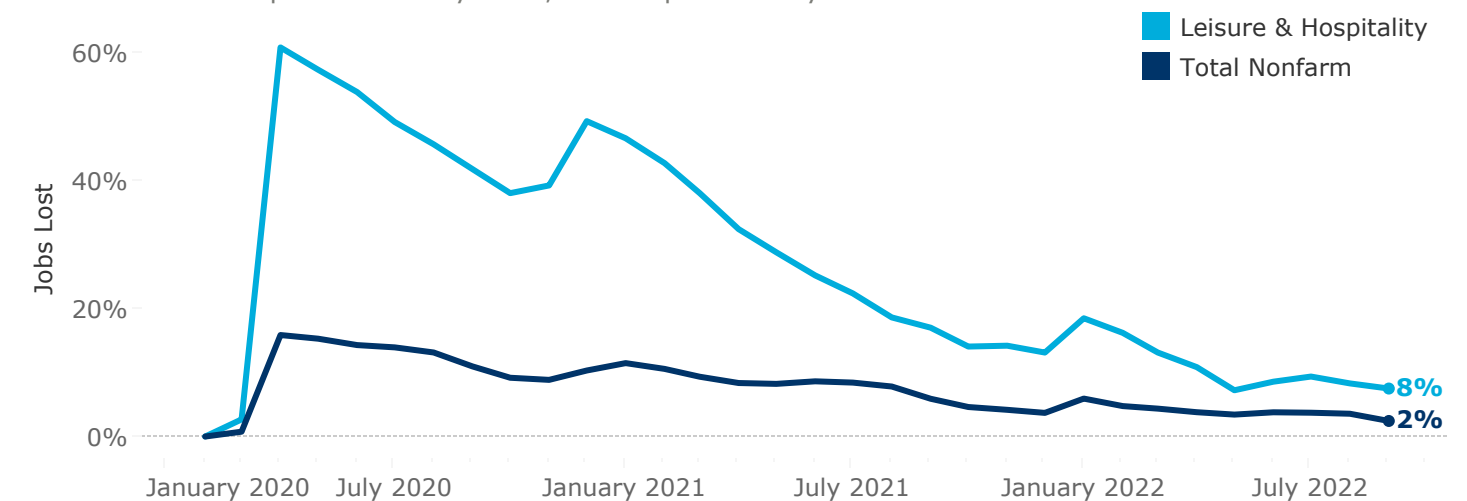
Philadelphia County (Index 2018 Q1= 100)



Source: BLS

Jobs Lost

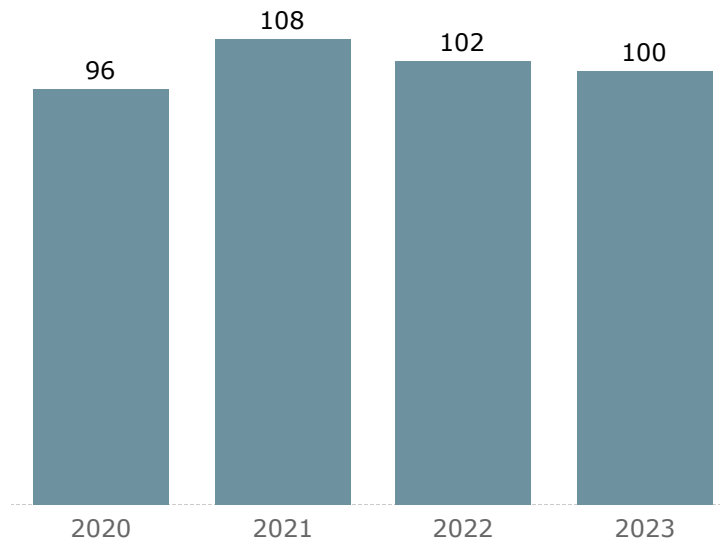
% of Jobs lost compared February 2020, Philadelphia County



Source: BLS

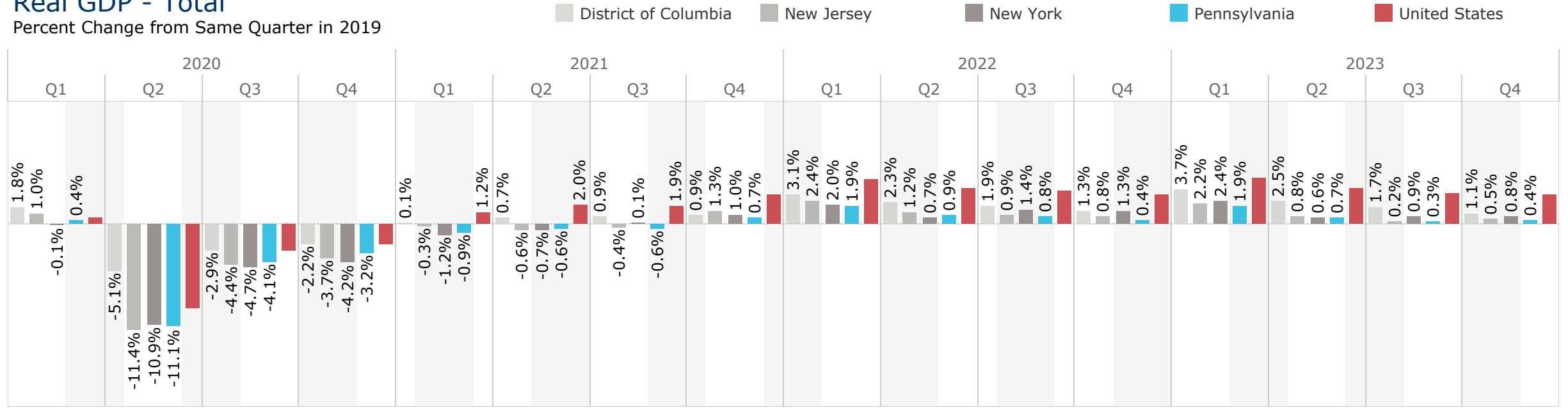
Total Consumer Spending

United States, Annual, Indexed (2019 = 100)



Real GDP - Total

Percent Change from Same Quarter in 2019



Employment Growth by State

Indexed (2019 = 100)

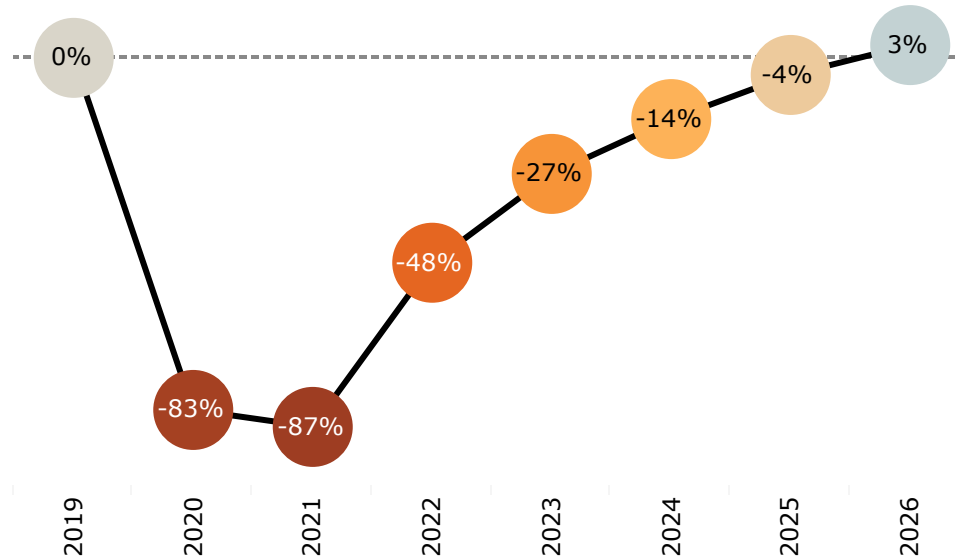
		2020				2021				2022				2023			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total	District of Columbia	101	91	92	91	92	92	94	95	96	96	97	97	98	99	99	99
	New Jersey	101	85	91	93	94	95	96	97	99	100	101	101	101	101	100	100
	New York	101	83	88	90	91	92	93	94	96	96	97	98	99	99	99	99
	Pennsylvania	101	86	92	93	94	94	95	96	98	98	99	99	100	99	99	99
	United States	101	89	93	94	96	96	97	98	100	101	101	101	102	101	101	101
Accommodation and Food Services	District of Columbia	100	39	46	47	47	54	65	73	75	80	83	86	90	95	97	96
	New Jersey	101	51	70	77	78	82	86	88	93	96	97	97	98	98	98	98
	New York	99	43	62	67	67	73	79	83	86	88	90	92	93	94	94	95
	Pennsylvania	101	53	74	76	77	81	84	87	89	90	92	92	94	94	94	93
	United States	101	63	78	79	81	84	88	90	93	94	95	95	97	96	96	96
Arts, Entertainment, and Recreation	District of Columbia	98	54	52	49	51	60	65	74	74	75	79	81	81	84	85	84
	New Jersey	102	38	50	72	77	77	82	89	94	101	102	101	102	101	100	100
	New York	100	45	48	60	63	65	72	79	82	83	85	87	88	90	90	92
	Pennsylvania	101	41	63	71	76	77	80	87	91	96	98	98	98	98	97	97
	United States	102	52	65	71	74	79	84	88	92	94	95	96	97	97	97	97
Retail Trade	District of Columbia	101	80	84	84	87	86	87	90	92	90	90	92	93	93	93	93
	New Jersey	99	80	92	95	94	95	96	98	98	99	100	101	100	100	100	100
	New York	98	76	88	89	89	90	91	93	93	93	95	98	98	98	98	99
	Pennsylvania	99	84	95	95	97	97	98	98	99	100	101	101	100	99	99	99
	United States	99	89	96	97	98	98	99	100	101	101	102	102	101	101	101	101

International Travel Forecast

Visitors to Philadelphia Region, as of September 2022

Total Spending

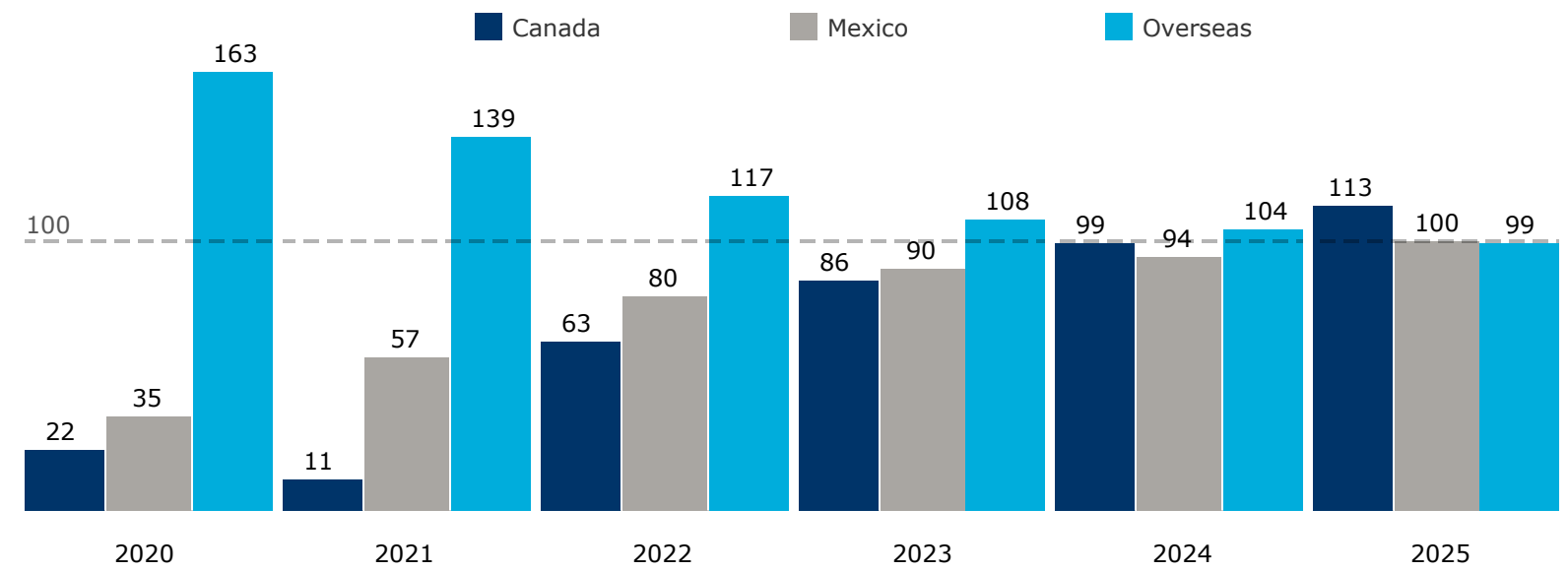
All international visitors to Philadelphia, % change relative to 2019



Source: Tourism Economics

Spending Recovery

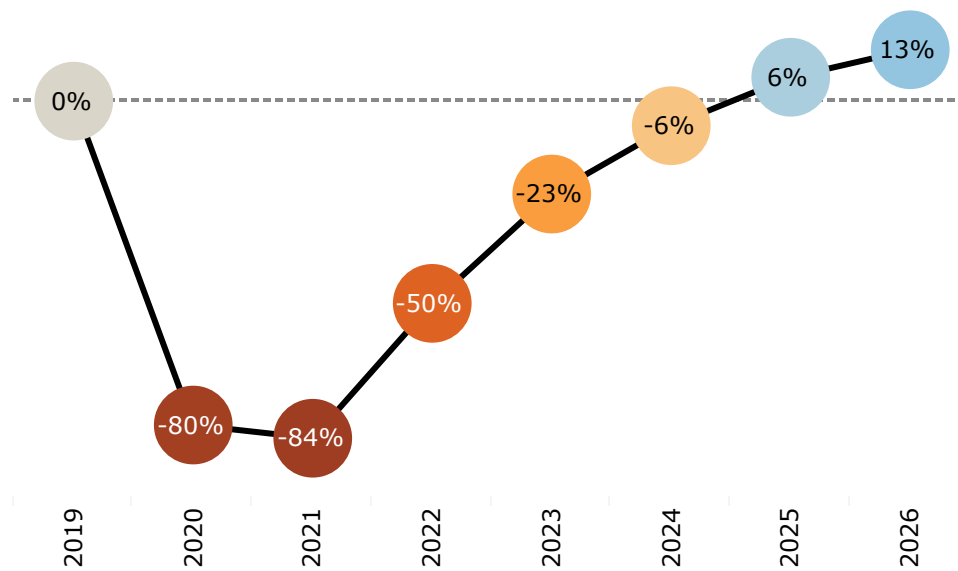
All international visitors to Philadelphia, index (2019=100)



Source: Tourism Economics

Overnight Visits

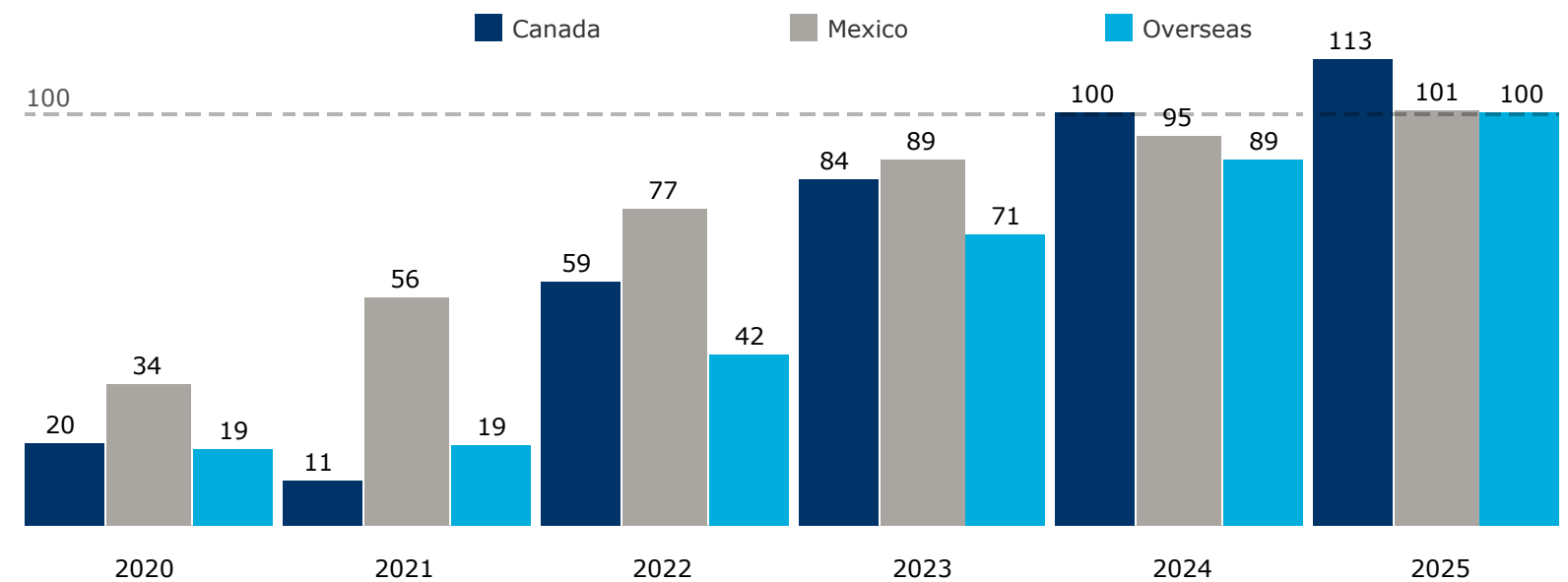
All international visitors to Philadelphia, % change relative to 2019



Source: Tourism Economics

International Visitor Recovery

All international visitors to Philadelphia, index (2019=100)



Source: Tourism Economics

Hotel Lodging Forecast

Center City Philadelphia (released 8/15/2022)

Forecast Summary

Center City Philadelphia, Forecast Date of 8/15/2022

	2019	2020	2021	2022	2023	2024
Occupancy	76.4%	31.1%	40.8%	57.6%	67.5%	71.0%
ADR	\$201.82	\$156.05	\$181.14	\$210.60	\$217.29	\$224.96
Rev PAR	\$154.15	\$48.56	\$73.85	\$121.24	\$146.59	\$159.73
Supply	4.7M	3.7M	4.8M	5.0M	5.1M	5.1M
Demand	3.6M	1.1M	1.9M	2.9M	3.4M	3.6M
Room revenue	\$718.0M	\$179.3M	\$352.6M	\$612.1M	\$745.9M	\$817.9M

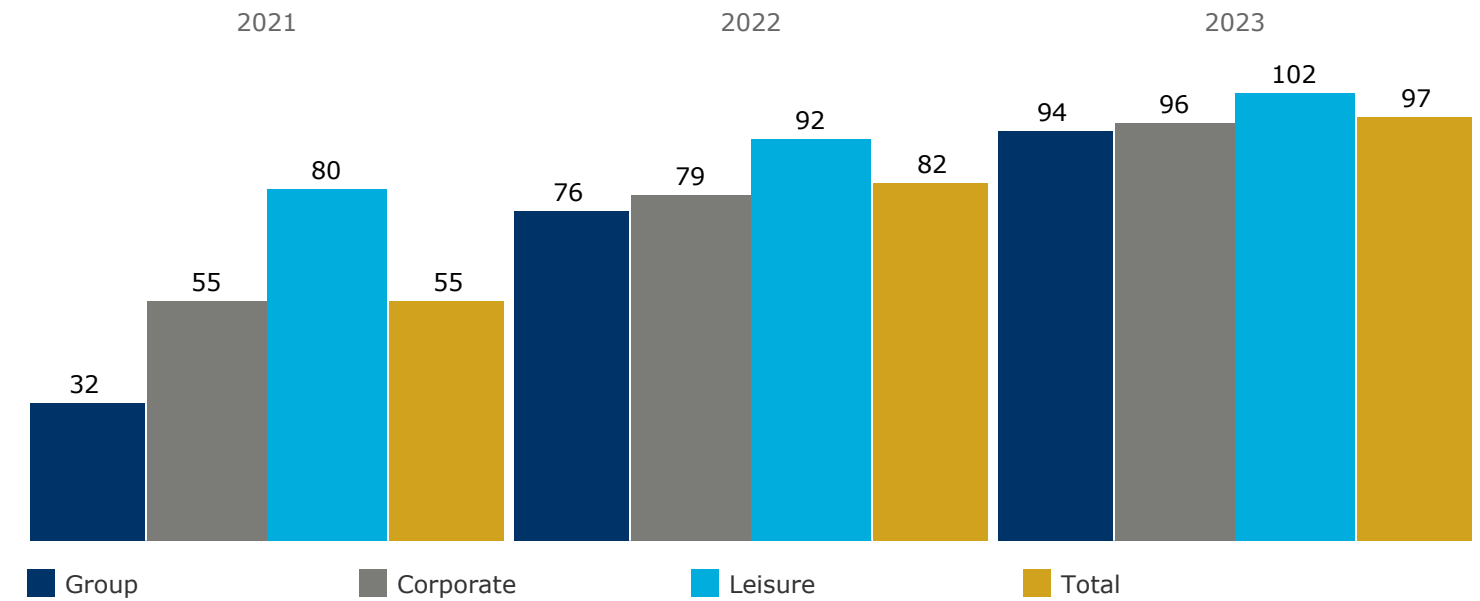
Growth Year-over-Year

	2020	2021	2022	2023	2024	
Occupancy	-59.3%	31.0%	41.2%	17.2%	5.2%	
ADR	-22.7%	16.1%	16.3%	3.2%	3.5%	
Rev PAR	-68.5%	52.1%	64.2%	20.9%	9.0%	
Supply	-20.7%	29.3%	5.7%	0.8%	0.6%	
Demand	-67.7%	69.4%	49.3%	18.1%	5.9%	
Room Revenue	-75.0%	96.7%	73.6%	21.9%	9.7%	
Revenue difference from 2019 level	0.0%	-75.0%	-50.9%	-14.8%	3.9%	13.9%

Source: Tourism Economics

Demand Recovery by Segment

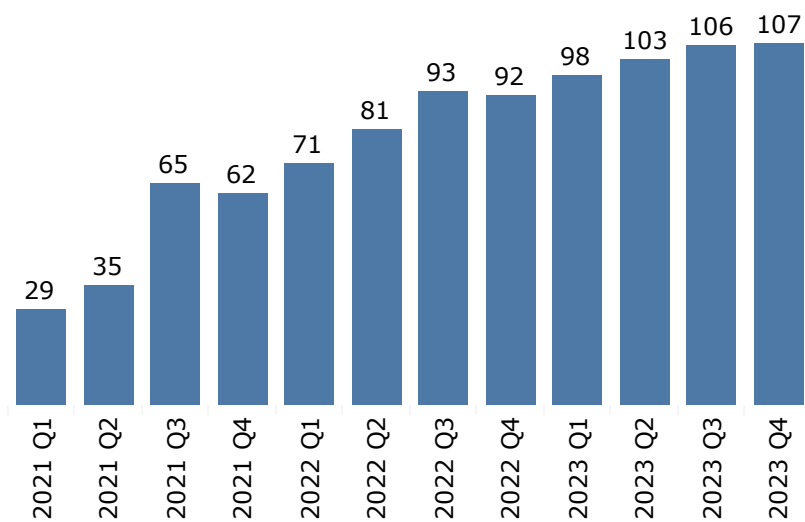
Demand Index (2019=100), Center City Philadelphia, Forecast Date of 8/15/2022



Source: Tourism Economics

Room Revenue Forecast

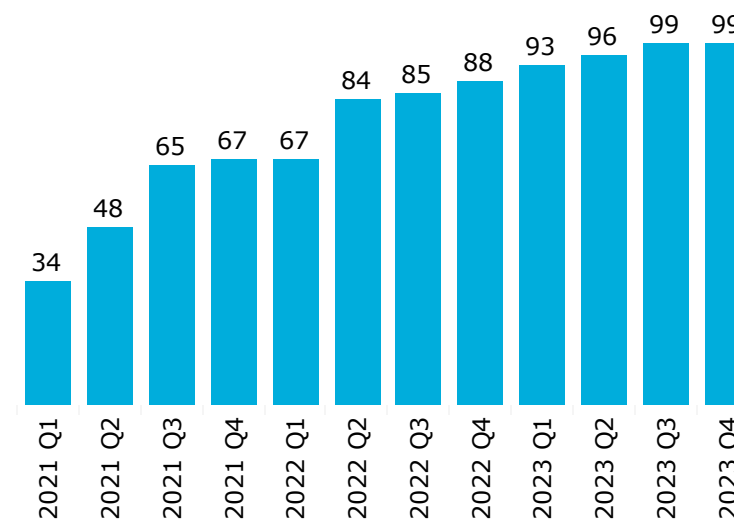
Revenue Index (2019=100), Center City Philadelphia
Forecast Date of 8/15/2022



Source: Tourism Economics

Room Demand Forecast

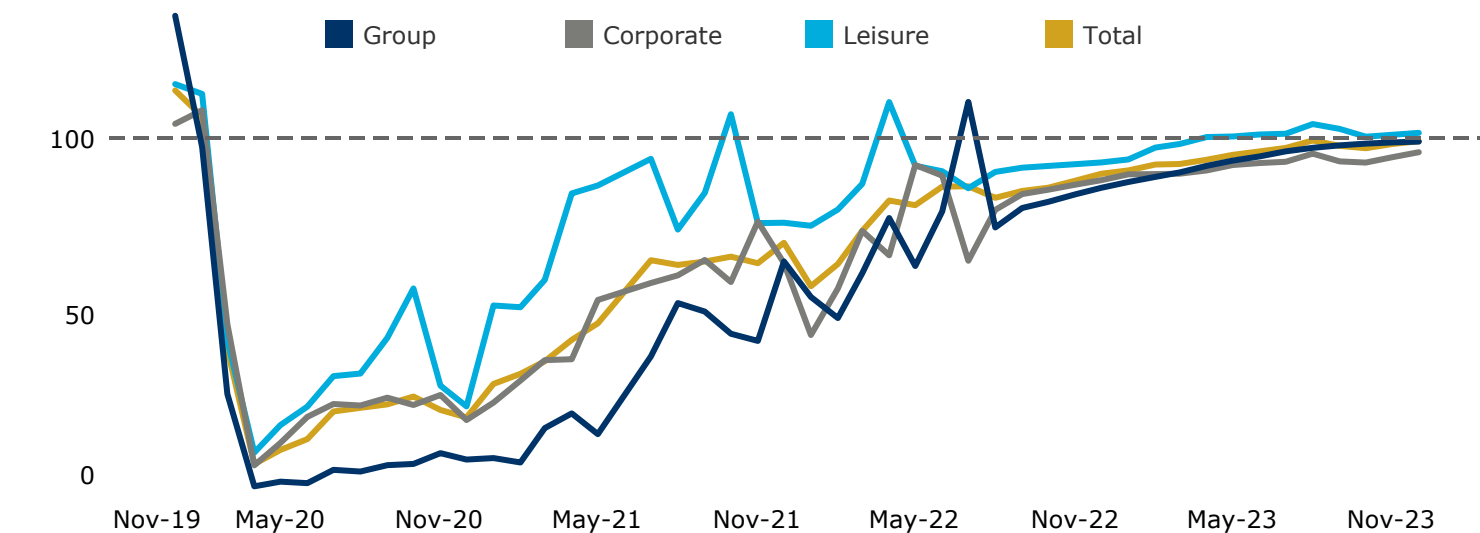
Demand Index (2019=100), Center City Philadelphia
Forecast Date of 8/15/2022



Source: Tourism Economics

Demand Recovery by Segment

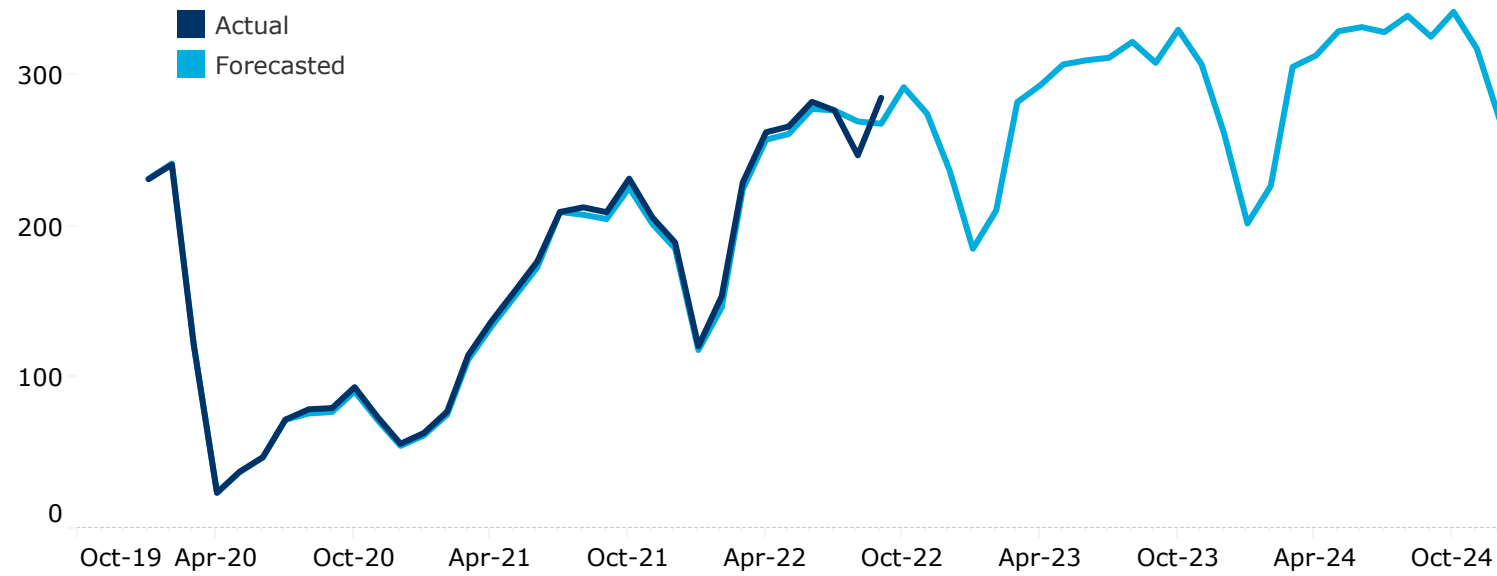
Demand Index (2019=100), Center City Philadelphia, Forecast Date of 8/15/2022



Source: Tourism Economics

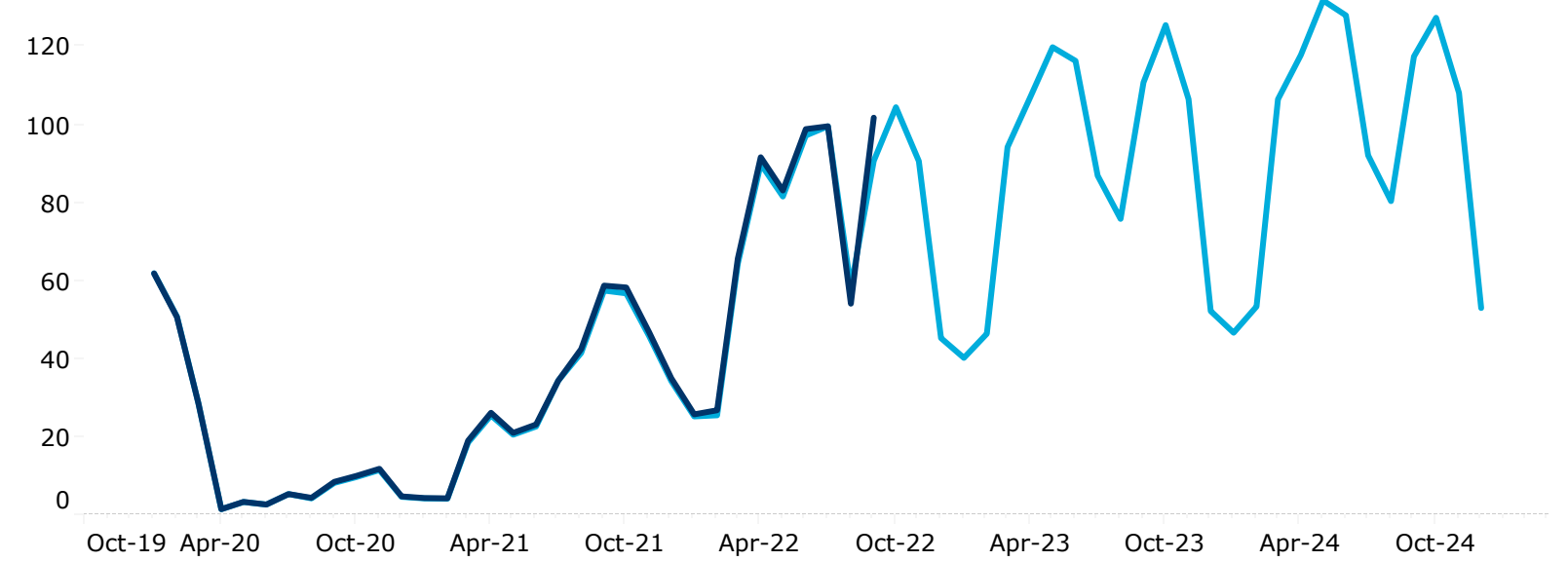
Forecasted vs Actual Demand Performance

Segment: Total, Forecast Date of 8/15/22, Demand (Thousands)



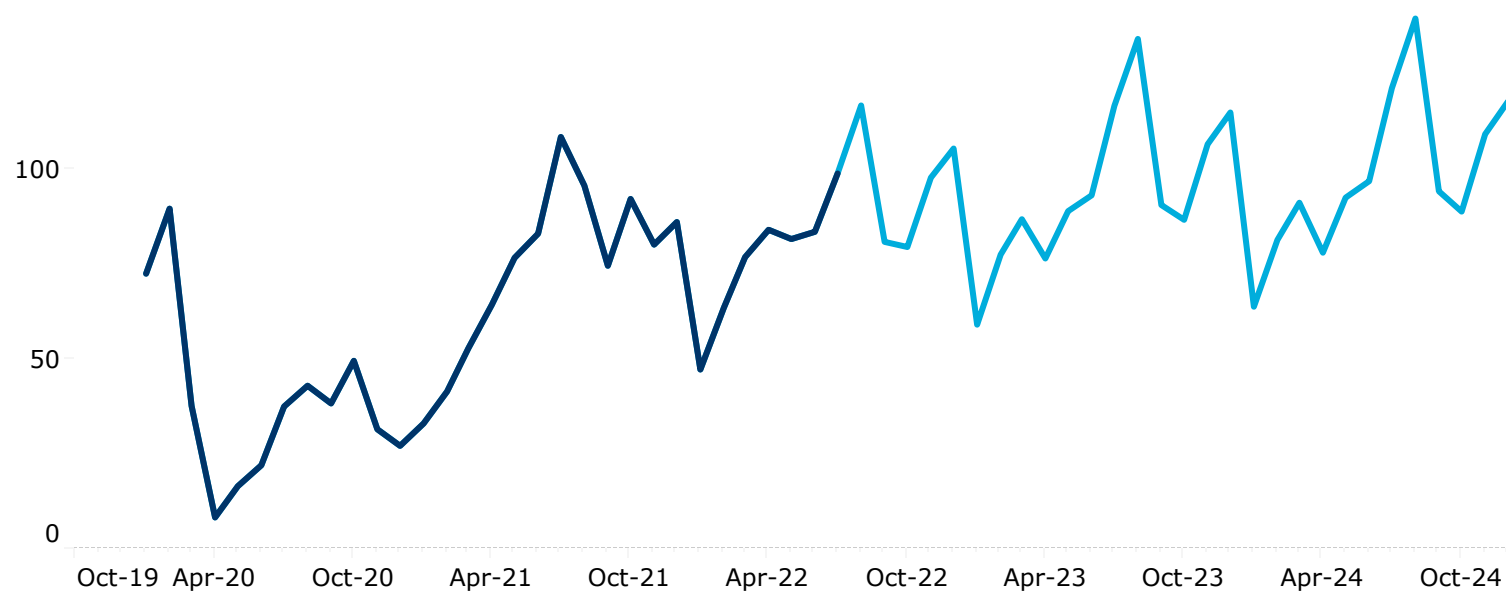
Forecasted vs Actual Demand Performance

Segment: Group, Forecast Date of 8/15/22, Demand (Thousands)



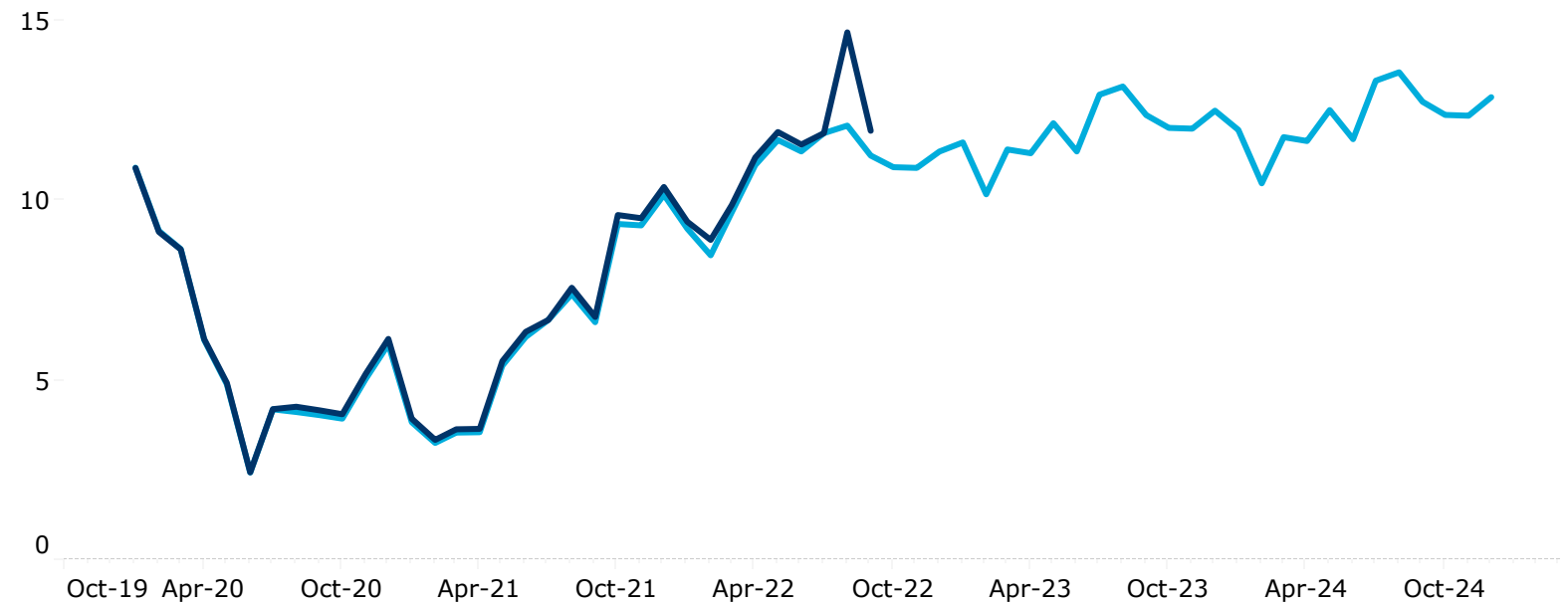
Forecasted vs Actual Demand Performance

Segment: Leisure transient, Forecast Date of 8/15/22, Demand (Thousands)



Forecasted vs Actual Demand Performance

Segment: Contract, Forecast Date of 8/15/22, Demand (Thousands)



Travel Trends, Philadelphia 5-County Region

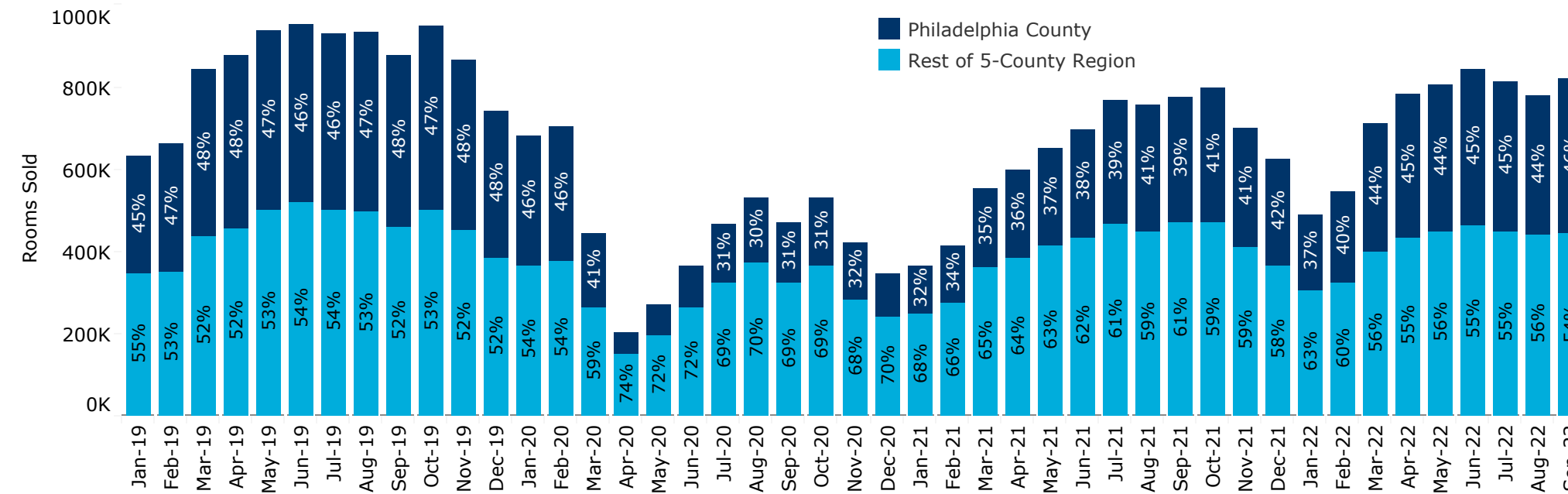
September 2022

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PHLCVB
Philadelphia Convention & Visitors Bureau

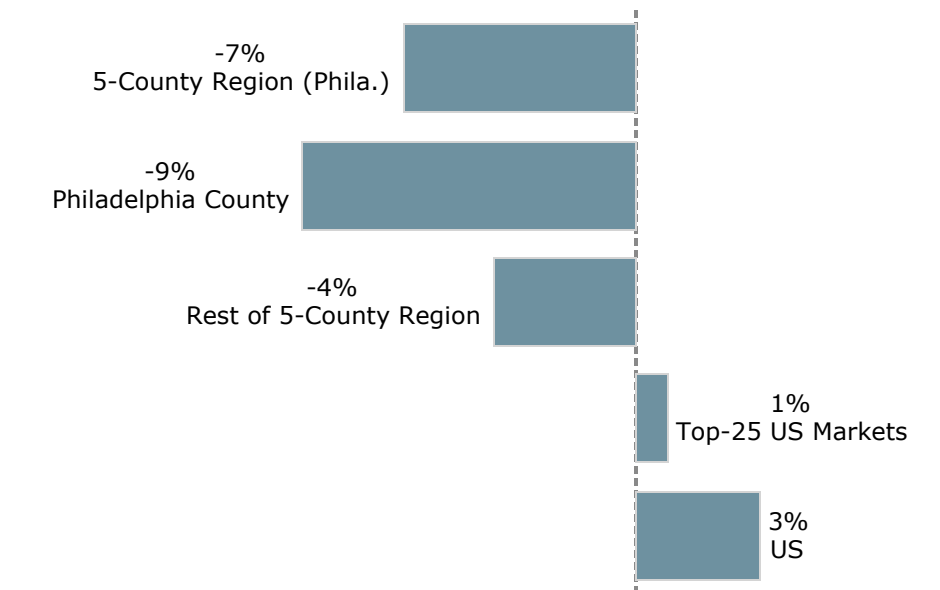
Hotel Room Demand

Total Demand & % share of Philadelphia County vs other four counties (Bucks, Delaware, Chester, Montgomery)



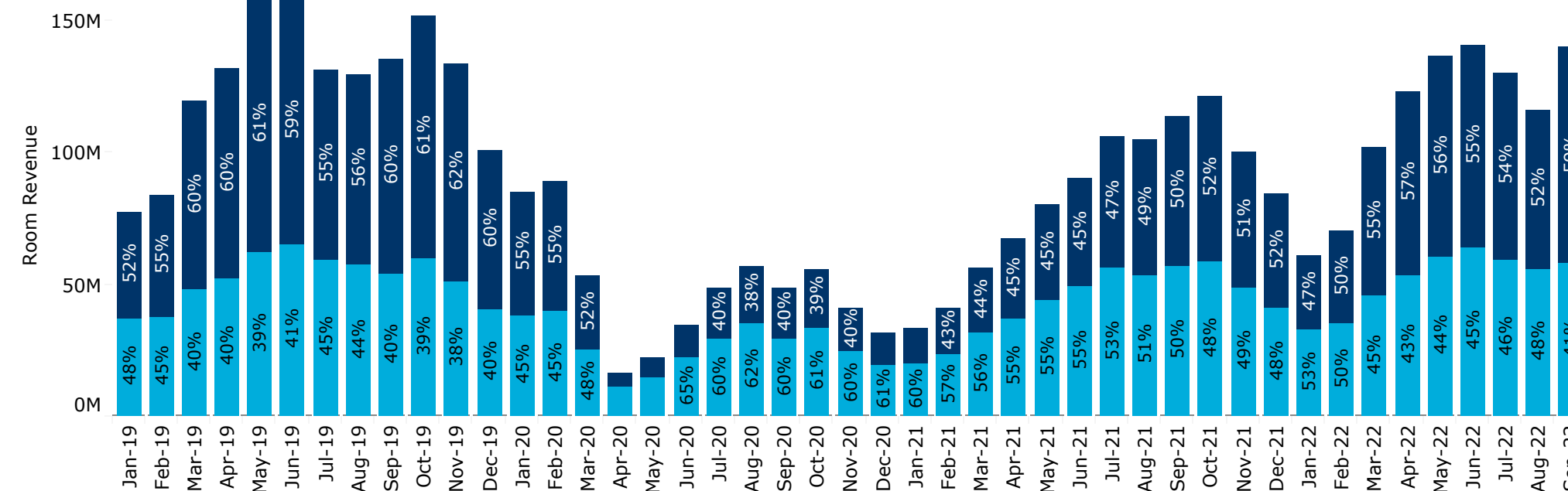
Hotel Room Demand

September 2022 demand relative to same month in 2019



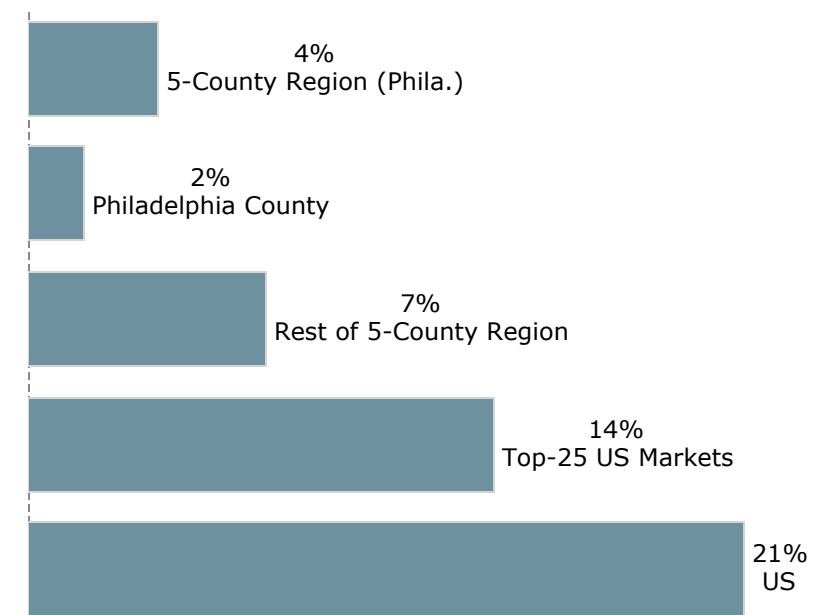
Hotel Room Revenue

Total Room Revenue & % share of Philadelphia County vs other four counties (Bucks, Delaware, Chester, Montgomery)



Hotel Room Revenue

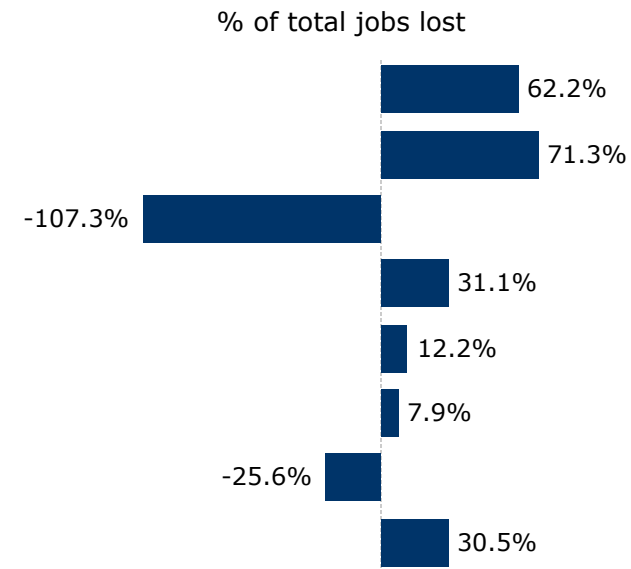
September demand relative to same month in 2019



Job Losses Across Industries

5-County Region, February 2020 through September 2022

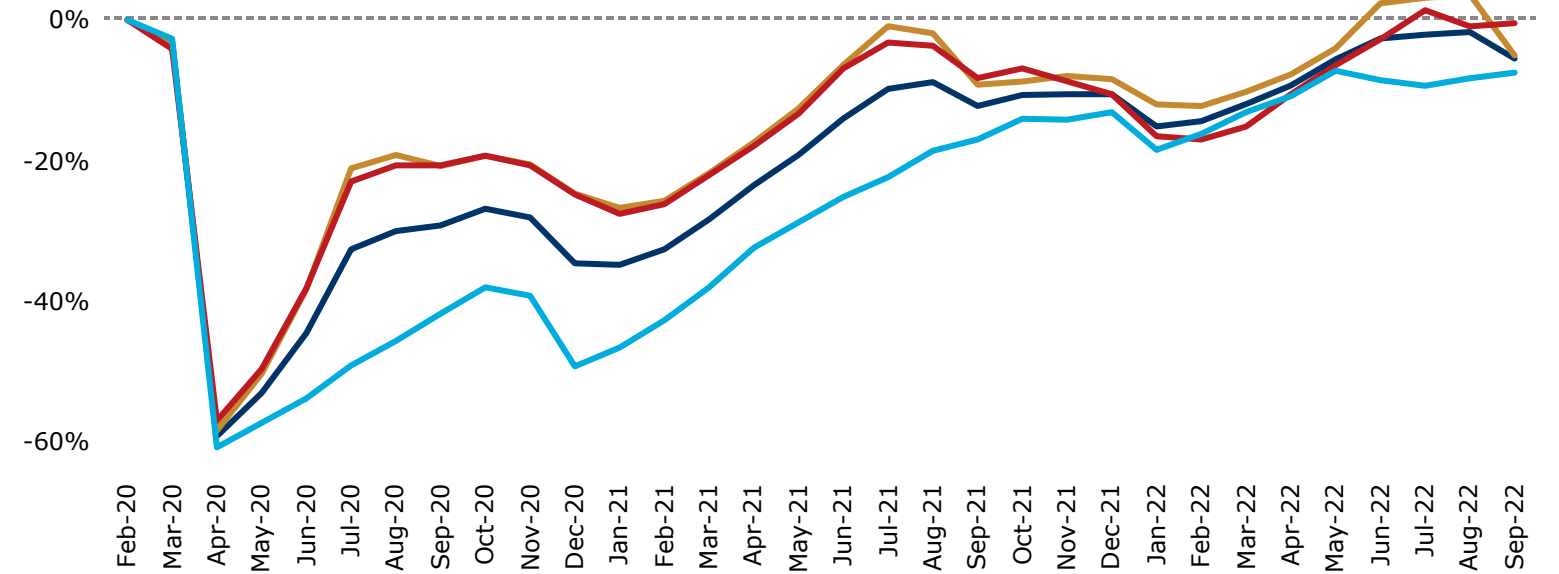
Leisure and Hospitality	-10.2K
Government	-11.7K
Professional and Business Services	17.6K
Retail Trade	-5.1K
Information	-2.0K
Manufacturing	-1.3K
Wholesale Trade	4.2K
Other Services	-5.0K



Source: BLS

Leisure and Hospitality Jobs

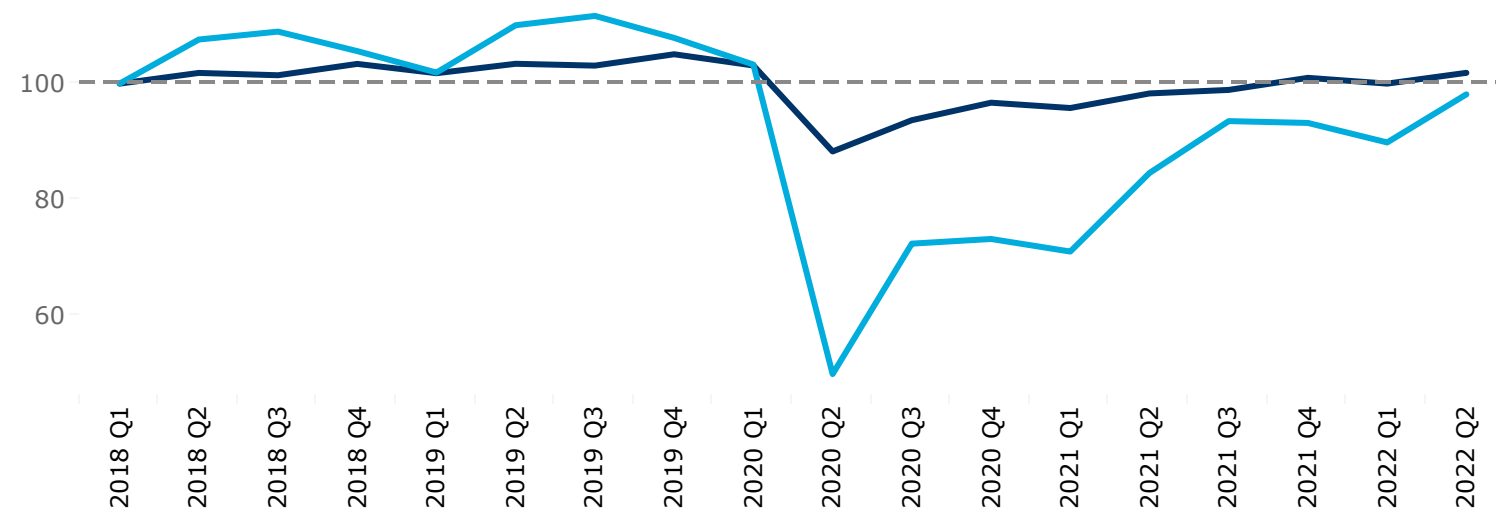
% change since February 2020



Source: BLS

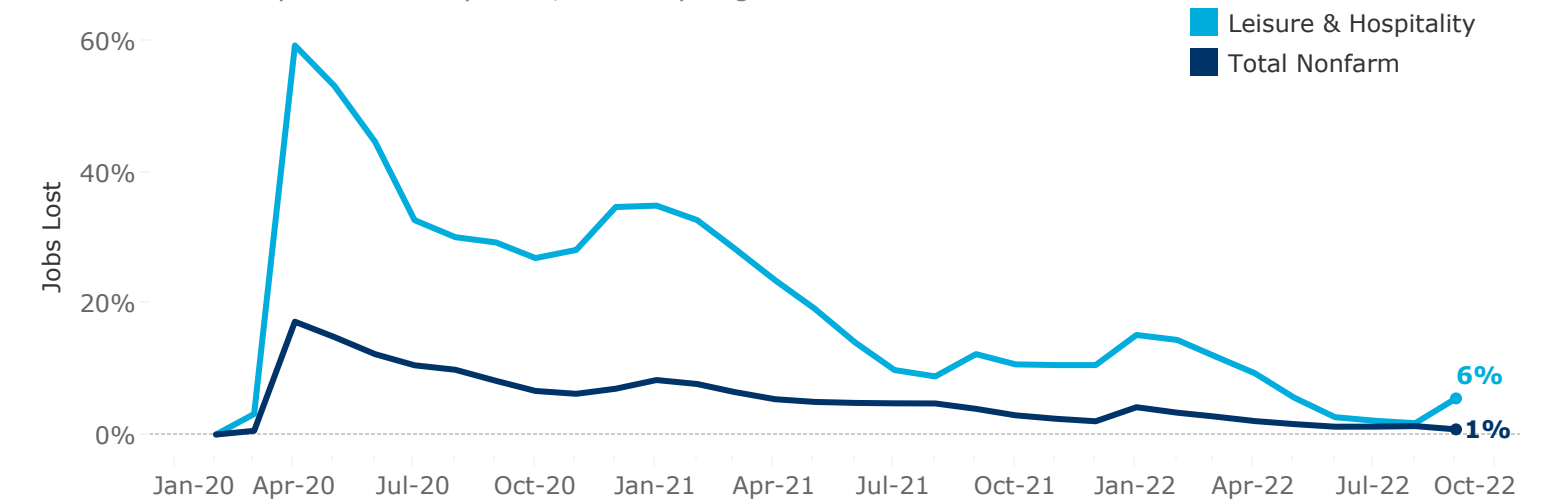
Employment Index

5-County Region (Index 2018 Q1= 100)



Jobs Lost

% of Jobs lost compared February 2020, 5-County Region



Source: BLS

Travel Impact Summary, Pennsylvania

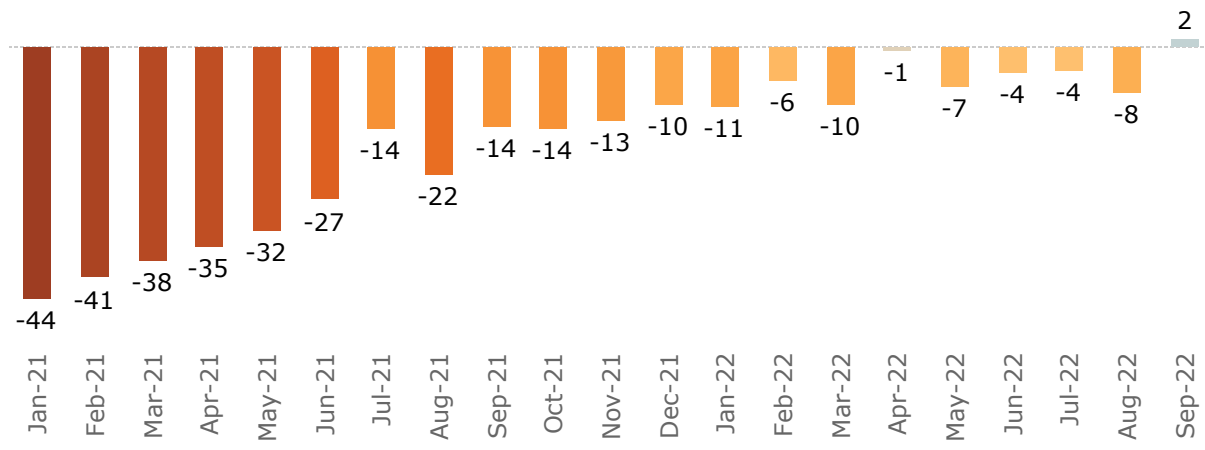
Travel Spending and Taxes Recorded vs. 2019 Pennsylvania, September 2022

Pennsylvania	
Travel Spending	1.6%
Federal Taxes	1.4%
State Taxes	1.2%
Local Taxes	1.0%

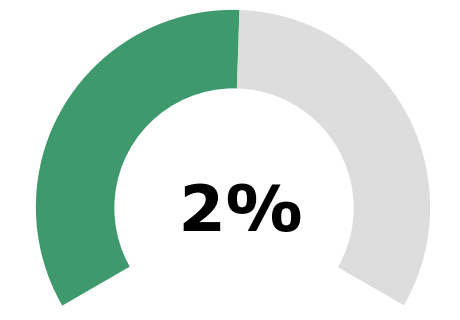
Travel Spending Losses Pennsylvania

	Travel Spending	Travel Spending (difference)	Travel Spending (YOY % CH)
Jan-21	\$1.3B	(\$1.0B)	-44.0%
Feb-21	\$1.4B	(\$0.9B)	-40.5%
Mar-21	\$1.6B	(\$1.0B)	-37.6%
Apr-21	\$1.6B	(\$0.9B)	-35.2%
May-21	\$1.8B	(\$0.8B)	-32.1%
Jun-21	\$2.0B	(\$0.7B)	-26.9%
Jul-21	\$2.3B	(\$0.4B)	-14.5%
Aug-21	\$2.1B	(\$0.6B)	-22.4%
Sep-21	\$2.1B	(\$0.4B)	-14.1%
Oct-21	\$2.2B	(\$0.4B)	-14.3%
Nov-21	\$2.1B	(\$0.3B)	-13.0%
Dec-21	\$2.2B	(\$0.2B)	-10.0%
Jan-22	\$2.1B	(\$0.2B)	-10.6%
Feb-22	\$2.1B	(\$0.1B)	-5.9%
Mar-22	\$2.3B	(\$0.3B)	-10.2%
Apr-22	\$2.5B	\$0.0B	-0.7%
May-22	\$2.4B	(\$0.2B)	-7.0%
Jun-22	\$2.6B	(\$0.1B)	-4.5%
Jul-22	\$2.6B	(\$0.1B)	-4.2%
Aug-22	\$2.5B	(\$0.2B)	-8.1%
Sep-22	\$2.5B	\$0.0B	1.6%

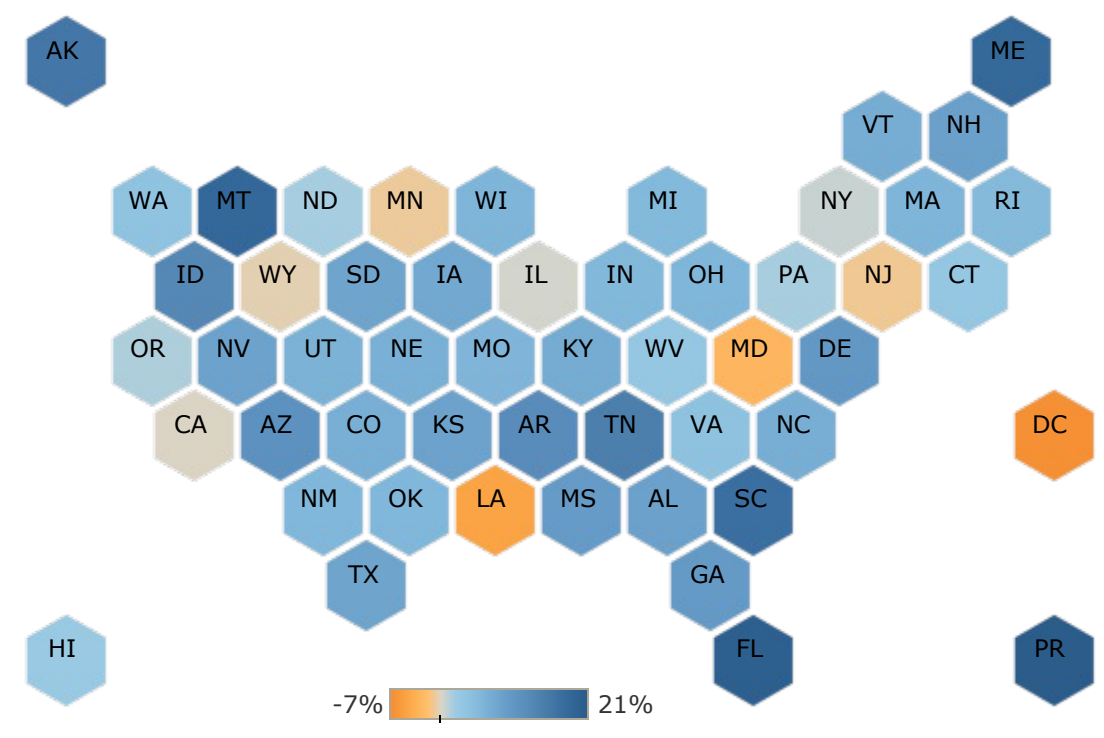
Travel Spending (% change vs. 2019) Pennsylvania



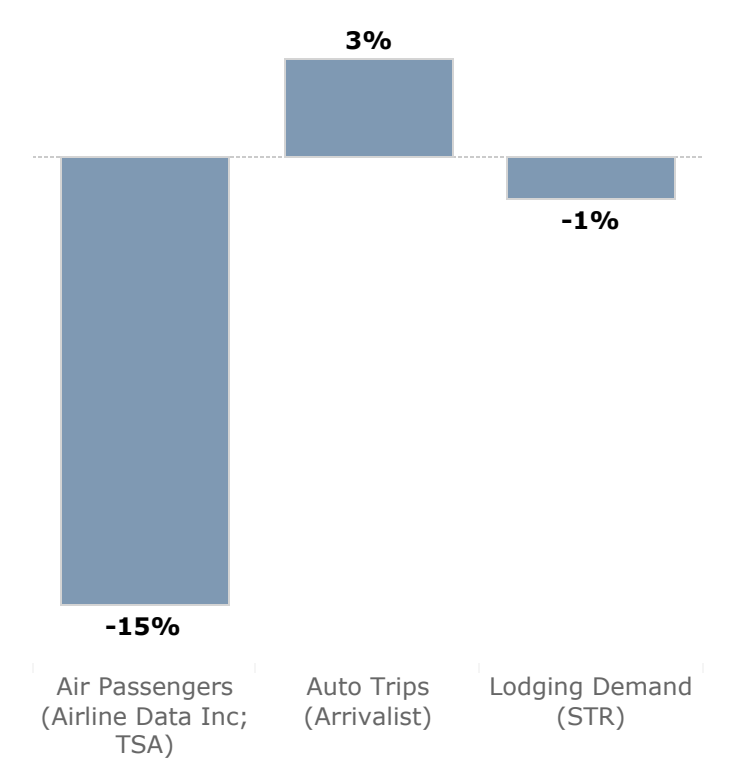
Travel Spending Pennsylvania September 2022, % change compared to 2019



U.S. Travel Spending by State September 2022, % change compared to 2019



Travel & Tourism Recovery Pennsylvania September 2022, % change compared to 2019



Source: Tourism Economics (travel spending)