# Executive Summary

Year-end 2022

PHLCVB
Philadelphia Convention & Visitors Bureau

| | | | | | |
|---|---|---|---|---|---|
| Hotel Occupancy | Hotel Average Daily Rate | Hotel Revenue per Available Room | Hotel Supply | Hotel Room Nights Sold | Hotel Room Revenue |
| 56.5% | $214.62 | $121.35 | 5.1M | 2.9M | $618.1M |
| YOY % Chg | YOY % Chg | YOY % Chg | YOY % Chg | YOY % Chg | YOY % Chg |
| ▲ 37.8% | ▲ 20.0% | ▲ 65.3% | ▲ 6.6% | ▲ 46.9% | ▲ 76.2% |

## Key Takeaways

Year-end 2022

1 After a slow start to 2022 with Omicron impacting Q1 demand, hotel demand picked up steam throughout the year and reached 2.9M room nights sold in 2022 – nearly a doubling over prior year.

2 The increased demand was a good mix of growth in all key segments (group, leisure, and corporate) with leisure closing out the year just short of 1M room nights followed by group who – at 900k room nights – nearly tripled 2021 demand.

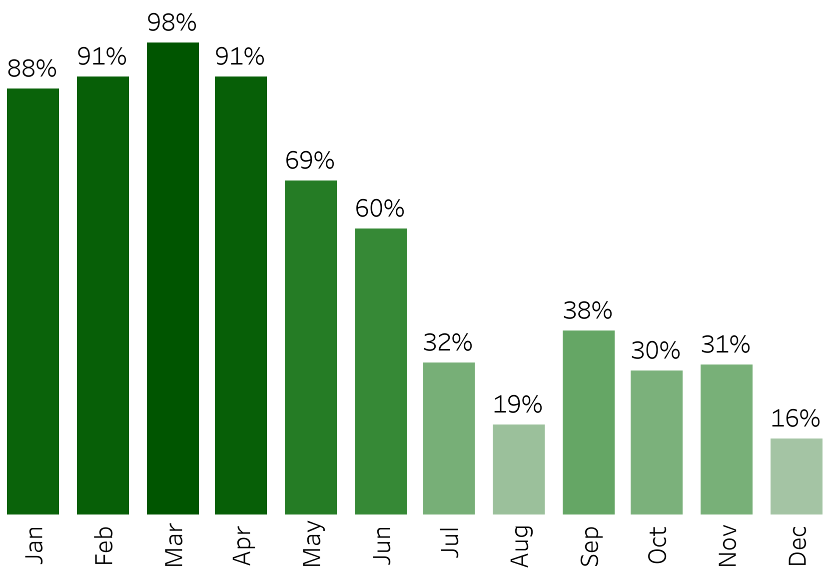
3 Average daily rate (ADR) continued to grow as well, hitting $215 this year – a 20% above prior year and well above growth of inflation (+6.5% YOY).

4 As a result of increased demand and ADR, room revenue reached $618M this year – up 76.2% over prior year, recovering to 13.4% below the 2019 benchmark.

5 Despite the additional demand, leisure & hospitality jobs ended the year at 70.4k – an 8.3% increase over 2021, but 9.2% below 2019 levels.

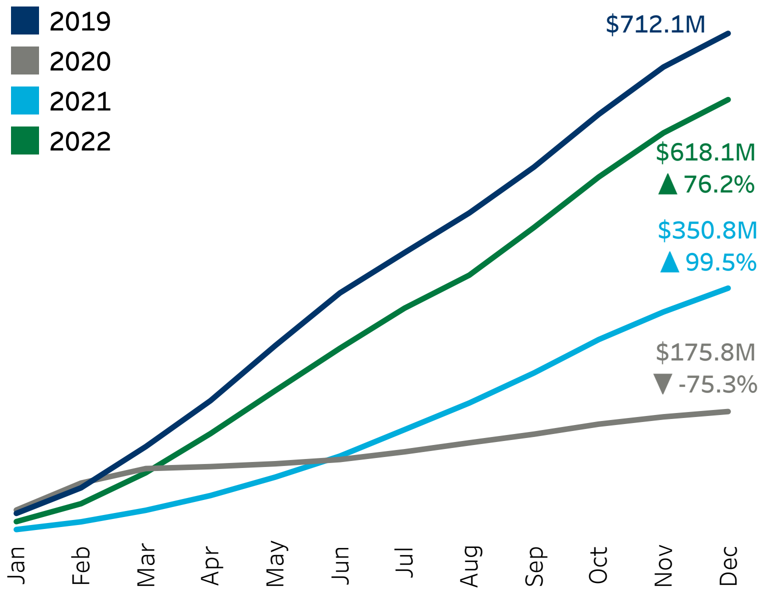
## Hotel Room Nights Sold

Prior 12 months YOY % change by month ending December, 2022



## Hotel Room Revenue YTD

Running total and % change YOY

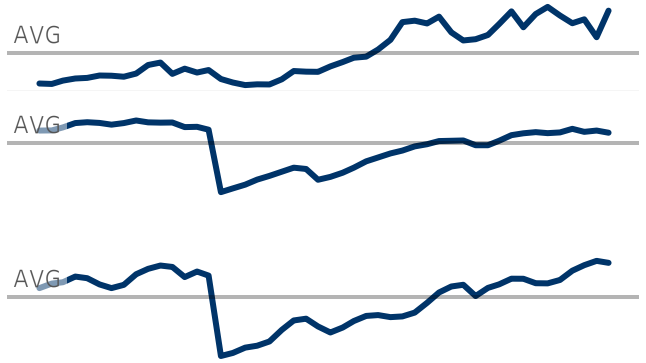


## Key Metrics

December, 2022 Employment trends and leading indicators for travel

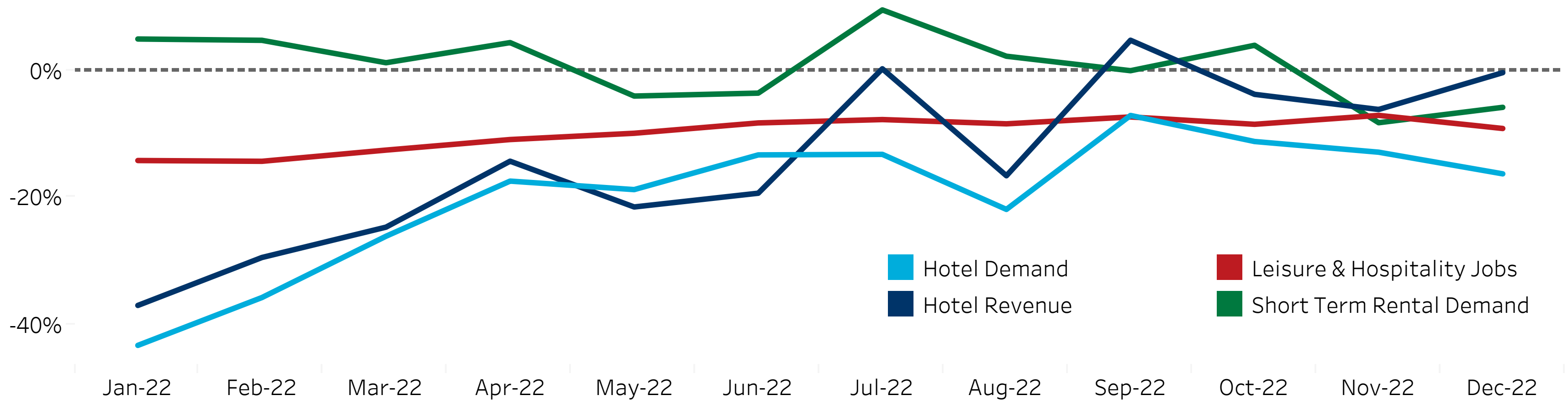
| | Sessions YTD | YTD |
|---|---|---|
| Organic Web Sessions | 445,128 | ▲ 30.5% |
| Leisure & Hospitality Jobs | 70.4K | ▲ 8.3% |
| Total Nonfarm Jobs | 762.7K | ▲ 4.2% |

2019 - Current Year (YTD)



## Recovery Indicators

% change relative to same month in 2019



Source: STR (Phila Center City), Google Analytics, AirDNA, and Bureau of Labor Statistics (Philadelphia City geography)

SYMPHONY | TOURISM ECONOMICS

# Executive Summary

January, 2023

PHLCVB
Philadelphia Convention & Visitors Bureau

Month January, 2023

| | | MOM | YOY | YTD |
|---|---|---|---|---|
| Hotel Occupancy | 45.4% | ▼ -7.4% | ▲ 61.1% | ▲ 61.1% |
| Hotel Average Daily Rate | $181.17 | ▼ -17.1% | ▲ 9.9% | ▲ 9.9% |
| Hotel Revenue per Available Room | $82.26 | ▼ -23.2% | ▲ 77.1% | ▲ 77.1% |
| Hotel Supply | 436.4K | ▼ -1.0% | ▲ 2.9% | ▲ 2.9% |
| Hotel Room Nights Sold | 198.1K | ▼ -8.3% | ▲ 65.8% | ▲ 65.8% |
| Hotel Room Revenue | $35.9M | ▼ -24.0% | ▲ 82.3% | ▲ 82.3% |

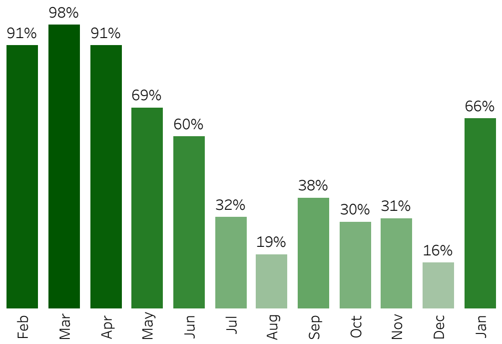
## Insights

January, 2023 Key takeaways

1. Center City Philadelphia hotels sold 197.9K rooms in January 2023, a 65.9% increase over the same month in 2022. Although lagging January 2019 by 5.1%, this month’s performance marks the closest CC Philadelphia hotels have come to 2019 room demand benchmarks.
2. Average rate for CC Philadelphia hotels was $181, a 9.9% increase over the same month last year and a 20.4% increase over January 2019. This is a continuation of a pattern started in July 2022 of rates remaining well over 2019 benchmarks despite room demand falling short of the volumes seen pre-pandemic.
3. PHLCVB’s website experienced a 27.0% YOY increase in sessions in January. While several sections of the website contributed to growth, the blog stood out this month with 60.8% of total sessions landing on a blog-related page. At 43.8K sessions in January starting on a post, the blog attracted 45.9% more sessions to the website than it did in January 2022.
4. Job performance across the US exceeded expectations in January with the economy adding 517K jobs, while the unemployment rate remained low at 3.4%. Leisure and hospitality continues to fuel job growth, with 25% of total US job growth sourced from the industry.
5. The US inflation rate sped up in January, with overall CPI up 6.4% compared to a year ago. Despite this, inflation has slowed from its 9.1% peak in June 2022, and is expected to continue to slow throughout the coming months.

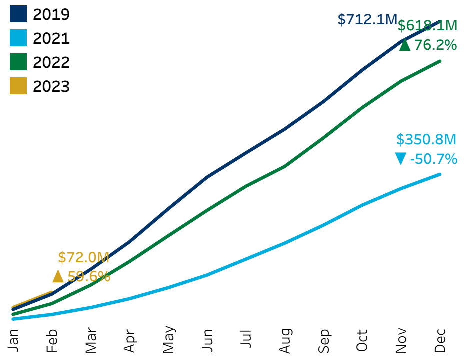
## Hotel Room Nights Sold

Prior 12 months YOY % change by month ending January, 2023



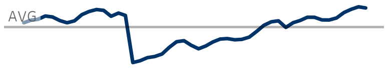
## Hotel Room Revenue YTD

Running total and % change YOY



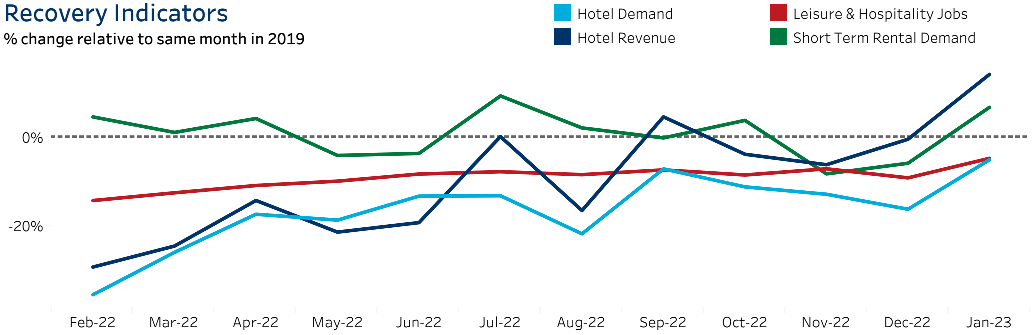
## Key Metrics

January, 2023 Employment trends and leading indicators for travel

| | | MOM | YOY | 2019 - Current Year (YTD) |
|---|---|---|---|---|
| Organic Web Sessions | 45.6K | ▲ 7.8% | ▲ 56.8% |  |
| Leisure & Hospitality Jobs | 69.0K | ▼ -2.0% | ▲ 11.8% |  |
| Total Nonfarm Jobs | 747.9K | ▼ -1.9% | ▲ 4.5% |  |

## Recovery Indicators

% change relative to same month in 2019



Source: STR (Phila Center City), Google Analytics, AirDNA, and Bureau of Labor Statistics (Philadelphia City geography)

SYMPHONY | TOURISM ECONOMICS

# Executive Summary

February, 2023

Month February, 2023

| | Value | MOM | YOY | YTD |
|---|---|---|---|---|
| Hotel Occupancy | 48.7% | ▲ 7.3% | ▲ 23.4% | ▲ 40.4% |
| Hotel Average Daily Rate | $187.95 | ▲ 3.7% | ▲ 9.0% | ▲ 9.2% |
| Hotel Revenue per Available Room | $91.56 | ▲ 11.3% | ▲ 34.5% | ▲ 53.2% |
| Hotel Supply | 394.4K | ▲ 0.1% | ▲ 5.5% | ▲ 4.1% |
| Hotel Room Nights Sold | 192.1K | ▼ -3.0% | ▲ 30.3% | ▲ 46.2% |
| Hotel Room Revenue | $36.1M | ▲ 0.6% | ▲ 42.0% | ▲ 59.6% |

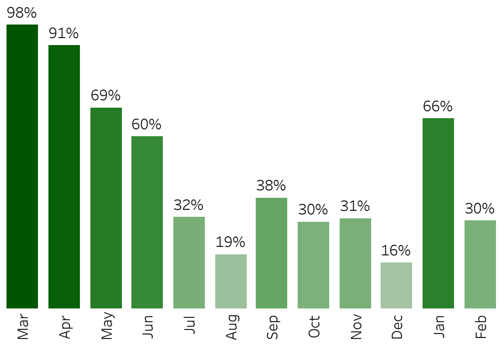
## Insights

February, 2023 Key takeaways

1. While Oxford Economics does not associate the recent bank failures with a systemic risk to the broader economy, a mild recession is still predicted to occur in the second half of 2023 representing a 1% loss in GDP.
2. Food services and drinking places accounted for 22.5% of total job growth in the United States during the month of February. Despite these gains, Leisure and hospitality as a whole remained below its pre-pandemic level (February 2020) by 2.4%.
3. Hotel performance for Center City in February led room nights sold to 192.1K, up 30.3% YOY but 15.7% down from February 2019. Given supply growth (+12.2% vs. 2019), RevPAR of $92 was down relative to 2019 by 11.2%.
4. ADR of $188 was 9% ahead of last year and 18.2% ahead of 2019 ADR, leading room revenue to $36.1M, significantly ahead of the previous year by 42% and level with February 2019 revenue.
5. Organic web sessions were 28.5K for the month, down 37.5% MOM and 8.2% below the previous year. Of those sessions, the top landing section was "Blog" (73%), and the top landing page was "Free and Budget Friendly" (12.7%).

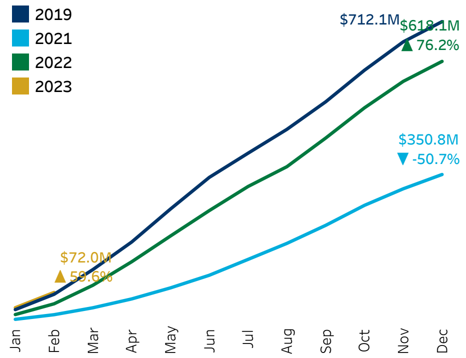
## Hotel Room Nights Sold

Prior 12 months YOY % change by month ending February, 2023



## Hotel Room Revenue YTD

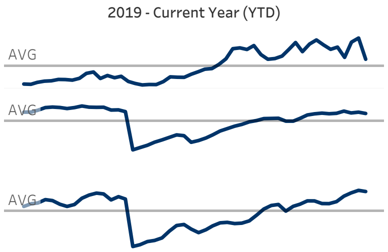
Running total and % change YOY



## Key Metrics

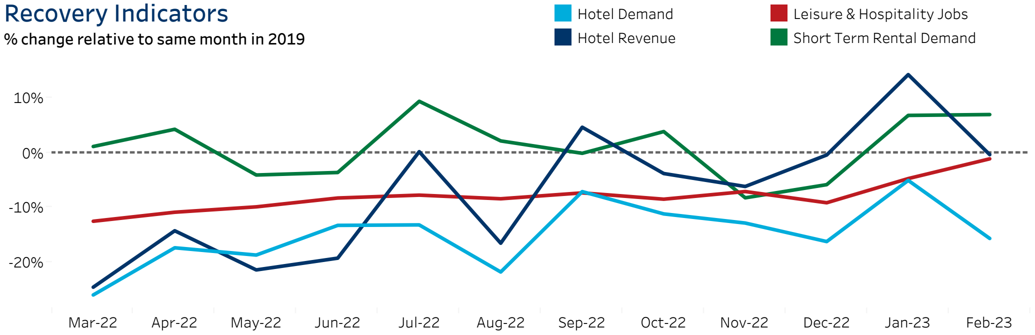
February, 2023 Employment trends and leading indicators for travel

| | | MOM | YOY |
|---|---|---|---|
| Organic Web Sessions | 28.5K | ▼ -37.5% | ▼ -8.2% |
| Leisure & Hospitality Jobs | 71.2K | ▲ 3.2% | ▲ 15.4% |
| Total Nonfarm Jobs | 759.4K | ▲ 1.5% | ▲ 4.4% |



## Recovery Indicators

% change relative to same month in 2019



Source: STR (Phila Center City), Google Analytics, AirDNA, and Bureau of Labor Statistics (Philadelphia City geography)

# Executive Summary

March, 2023

**PHLCVB**
Philadelphia Convention
& Visitors Bureau

Month March, 2023

| | Value | MOM | YOY | YTD |
|---|---|---|---|---|
| Hotel Occupancy | 59.5% | ▲22.2% | ▲12.4% | ▲27.5% |
| Hotel Average Daily Rate | $205.15 | ▲9.2% | ▲5.6% | ▲6.8% |
| Hotel Revenue per Available Room | $122.15 | ▲33.5% | ▲18.8% | ▲36.1% |
| Hotel Supply | 436.7K | ▲0.0% | ▲2.5% | ▲3.6% |
| Hotel Room Nights Sold | 260.0K | ▲35.3% | ▲15.3% | ▲32.0% |
| Hotel Room Revenue | $53.3M | ▲47.8% | ▲21.8% | ▲41.0% |

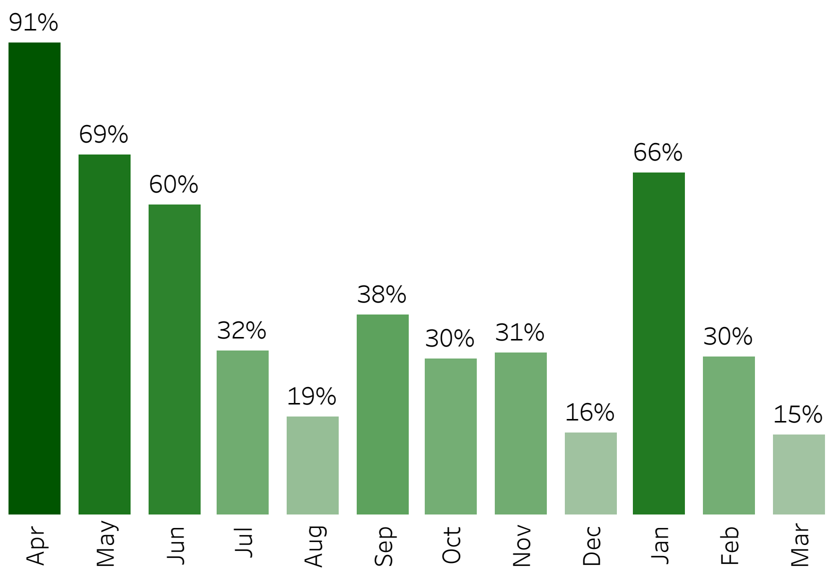
## Insights

March, 2023 Key takeaways

1. Philadelphia Center City hotel demand in March reached 260K nights, up 15.3% from last year, and 14.4% behind 2019 levels. This was an increase in recovery vs. 2019 of 2ppt from last month, with demand down 16% relative to 2019.
2. Given a lesser increase in supply from last year (+2.5%) than that of demand (+15.3%), occupancy of 59.5% was ahead of last year by 12.4%. In combination with greater ADR (+5.6%), room revenue reached $53.3M, up 21.8%.
3. Organic web sessions in March grew 3.5% from last month, but were 18.3% behind last year. In-market sessions from Philadelphia represented 18.8% of organic sessions, with "blog" as the most popular landing section at 68.3%.
4. Inflation remains a key source of US consumer unease, as prices register 6% higher than one year ago, equivalent to average households spending an additional $400/month to buy the same goods and services as last year.
5. The US unemployment rate remains at its lowest level in the past 50 years, pulling a 3.5% unemployment rate for March. Gains to total nonfarm jobs (+236K) were lower than the average monthly gain of the past six months (+334K).

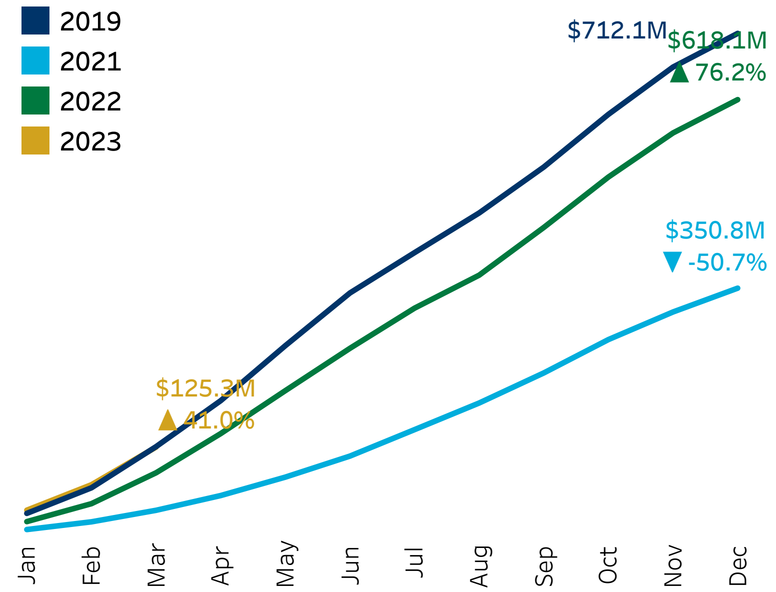
## Hotel Room Nights Sold

Prior 12 months YOY % change by month ending March, 2023



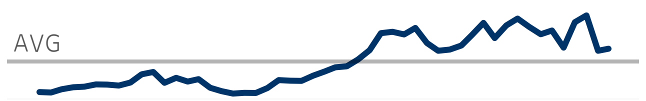
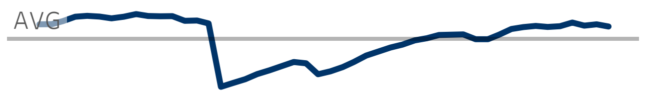
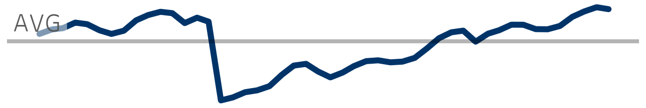
## Hotel Room Revenue YTD

Running total and % change YOY



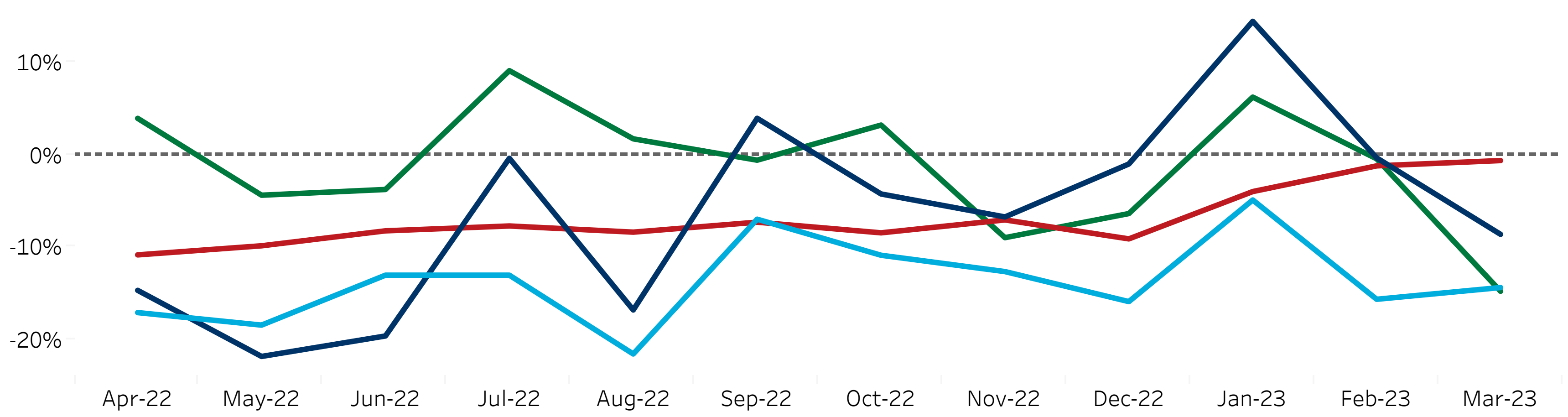
## Key Metrics

March, 2023 Employment trends and leading indicators for travel

| | | MOM | YOY | 2019 - Current Year (YTD) |
|---|---|---|---|---|
| Organic Web Sessions | 29.5K | ▲3.5% | ▼-18.3% |  |
| Leisure & Hospitality Jobs | 73.6K | ▲3.5% | ▲13.6% |  |
| Total Nonfarm Jobs | 763.3K | ▲0.6% | ▲4.2% |  |

## Recovery Indicators

% change relative to same month in 2019



Source: STR (Phila Center City), Google Analytics, AirDNA, and Bureau of Labor Statistics (Philadelphia City geography)

SYMPHONY | TOURISM ECONOMICS

# Executive Summary

April, 2023

PHLCVB
Philadelphia Convention & Visitors Bureau

Month April, 2023

| Hotel Occupancy | | Hotel Average Daily Rate | | Hotel Revenue per Available Room | | Hotel Supply | | Hotel Room Nights Sold | | Hotel Room Revenue | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 62.3% | | $209.29 | | $130.38 | | 423.4K | | 263.7K | | $55.2M | |
| YOY | YTD | YOY | YTD | YOY | YTD | YOY | YTD | YOY | YTD | YOY | YTD |
| ▼ -0.6% | ▲ 17.8% | ▼ -2.6% | ▲ 2.7% | ▼ -3.2% | ▲ 20.9% | ▲ 2.7% | ▲ 3.3% | ▲ 2.0% | ▲ 21.7% | ▼ -0.6% | ▲ 24.9% |

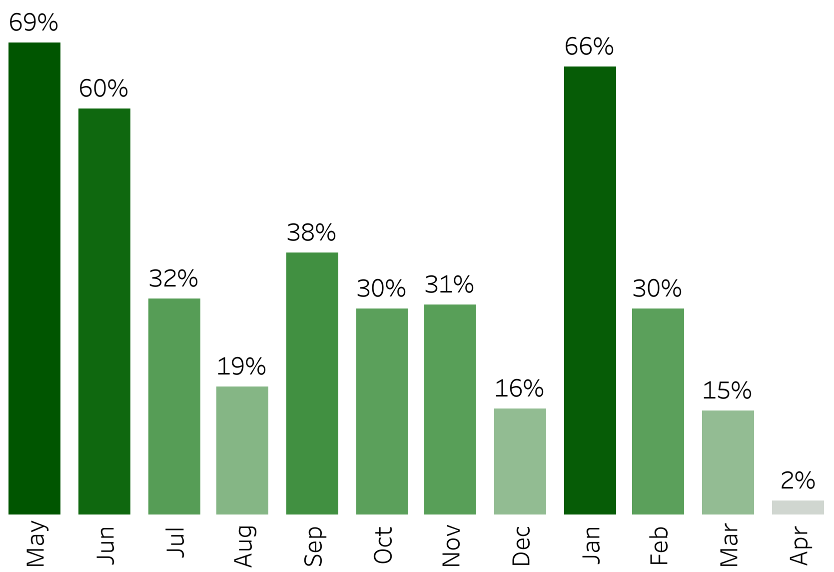
## Insights

April, 2023 Key takeaways

1. Center City hotels in April accumulated 263.7K room nights, ahead of last year by 2%, but remaining behind 2019 levels by 15%. A decrease in ADR ($209) of 2.6% contributed to room revenue of $55.2M dropping slightly from last year by 0.6%.
2. Short term rental demand likewise remained below 2019 levels, down 19%, but improved slightly compared to recovery as of last month (-21%). Revenue of $8.6M was behind April 2019 revenue levels of $9.4M, and additionally behind last year's $11M.
3. Leisure and hospitality jobs within the city were 76.3K, up 11.1% from job levels one year ago, experiencing faster growth from last year than total nonfarm jobs (+3.7%). However, L&H employment remained plateaued behind 2019 levels, down 1%.
4. Although Oxford Economics continues to predict a recession in the second half of 2023, effects are expected to be mild and unemployment projected to only reach 5% (Current rate, April 2023 = 3.4%).
5. Gains to leisure and hospitality jobs nationally in April were 81% attributable to food service and drinking places. Despite increases, the pace of jobs added for the month (+31K) was slower than the average gains in the last 6 months (+73K).

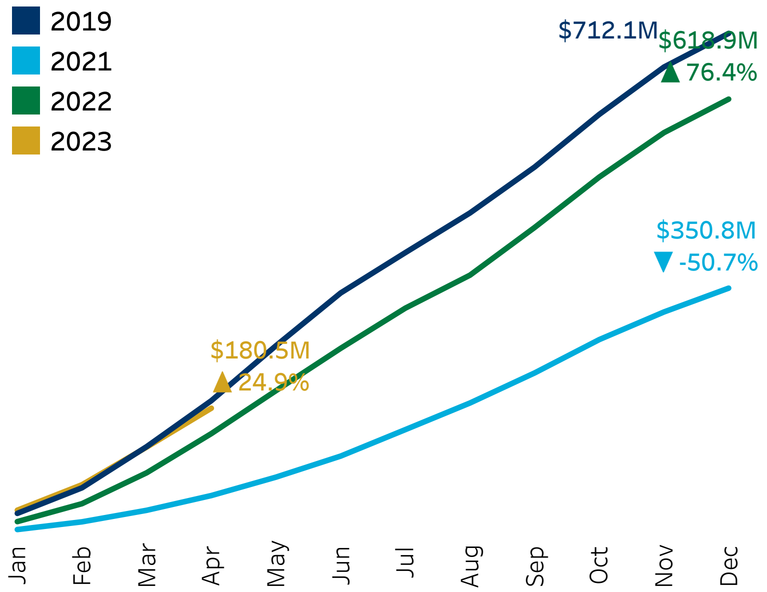
## Hotel Room Nights Sold

Prior 12 months YOY % change by month ending April, 2023



## Hotel Room Revenue YTD

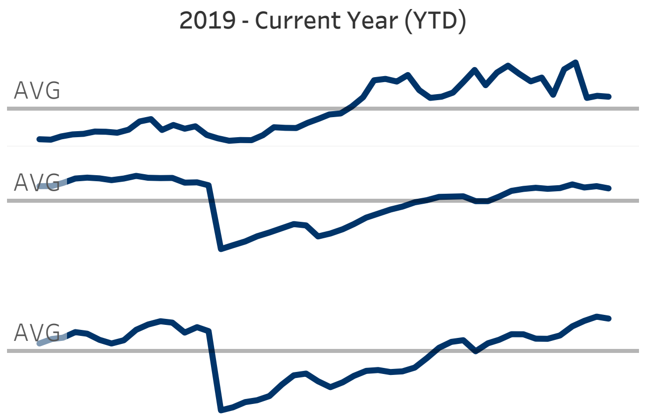
Running total and % change YOY



## Key Metrics

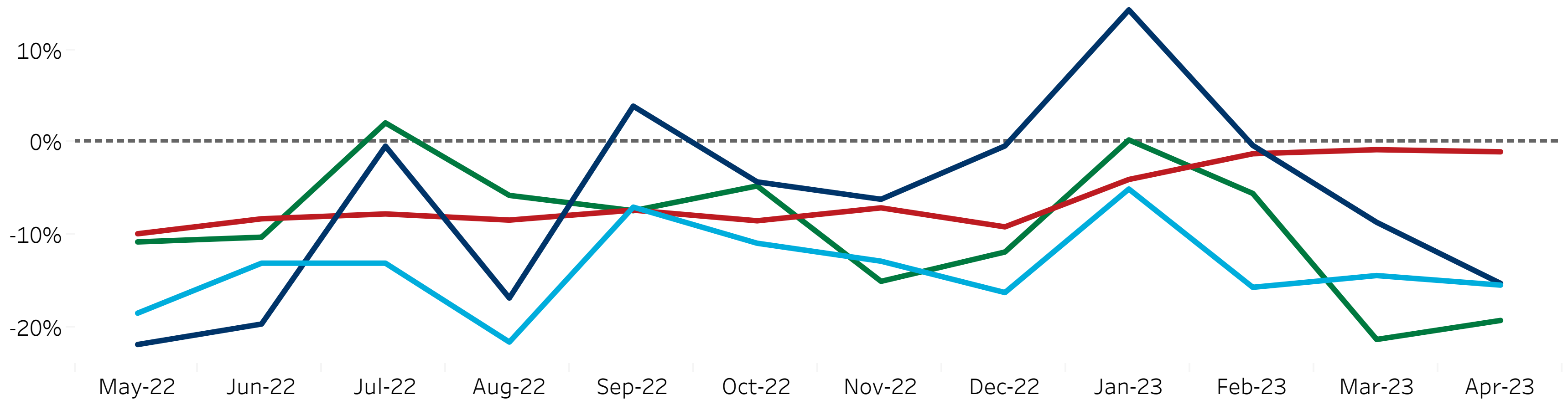
April, 2023 Employment trends and leading indicators for travel

| | | MOM | YOY |
|---|---|---|---|
| Organic Web Sessions | 29.1K | ▼ -1.4% | ▼ -30.8% |
| Leisure & Hospitality Jobs | 76.3K | ▲ 3.8% | ▲ 11.1% |
| Total Nonfarm Jobs | 767.9K | ▲ 0.6% | ▲ 3.7% |



## Recovery Indicators

% change relative to same month in 2019



Source: STR (Center City Philadelphia), Google Analytics, AirDNA, and Bureau of Labor Statistics (Philadelphia City geography)

SYMPHONY | TOURISM ECONOMICS

# Executive Summary

May, 2023

**PHLCVB**
Philadelphia Convention
& Visitors Bureau

Month May, 2023

| Hotel Occupancy | | Hotel Average Daily Rate | | Hotel Revenue per Available Room | | Hotel Supply | | Hotel Room Nights Sold | | Hotel Room Revenue | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 67.8% | | $249.99 | | $169.45 | | 438.8K | | 297.5K | | $74.4M | |
| YOY | YTD | YOY | YTD | YOY | YTD | YOY | YTD | YOY | YTD | YOY | YTD |
| ▲11.5% | ▲16.1% | ▲7.6% | ▲3.8% | ▲20.0% | ▲20.5% | ▲1.7% | ▲3.0% | ▲13.5% | ▲19.5% | ▲22.1% | ▲24.1% |

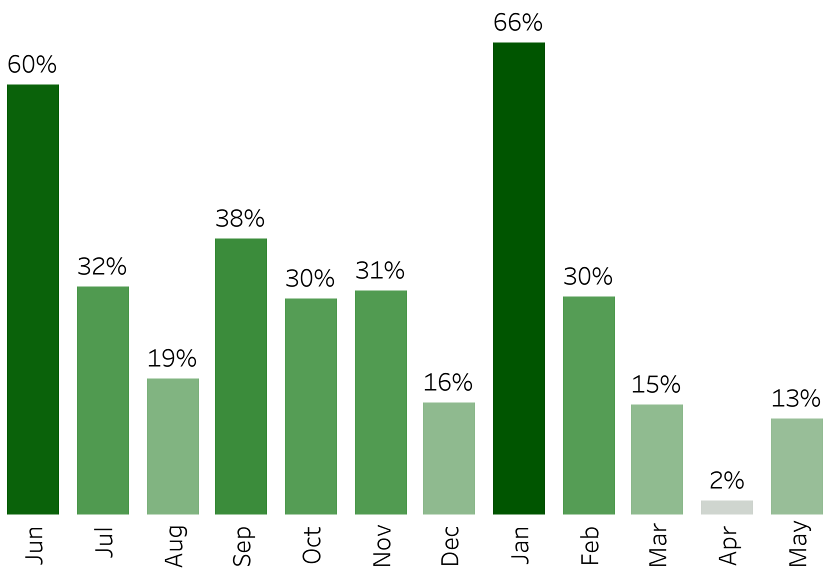
## Insights

May, 2023 Key takeaways

1. Philadelphia Center City hotel occpuancy in May reached 67.8%, an increase of 11.5% from the previous year as demand pulled ahead of 2022 levels, up 13.5%. This was a combination of both group (+8.8%) and transient (+6.7%) growth in nights.
2. Among the comp set, Boston occupancy was highest at 84.5%, ahead of last year by 7.3% due to growth in demand and lower supply. Philadelphia occupancy was ahead of Baltimore (67.1%), Miami (65.2%), Atlanta (64.2%), and San Francisco (62.5%).
3. Leisure and hospitality jobs were 9.7% ahead of last year employment counts, at 76.8K jobs. Despite this, jobs remained plateaued just below 2019 levels for the fourth month in a row, down 1%,
4. US hotel performance held competitive with the previous year - occupancy was just below May 2022 (-0.2%), while ADR and RevPAR for the US were both ahead by +3.8% and +3.7%, respectively.
5. Headline inflation across the US managed to fall below 5% for the first time in two years (relative to the previous year) - however, targeted 2% inflation is not expected to be reached in the near future.

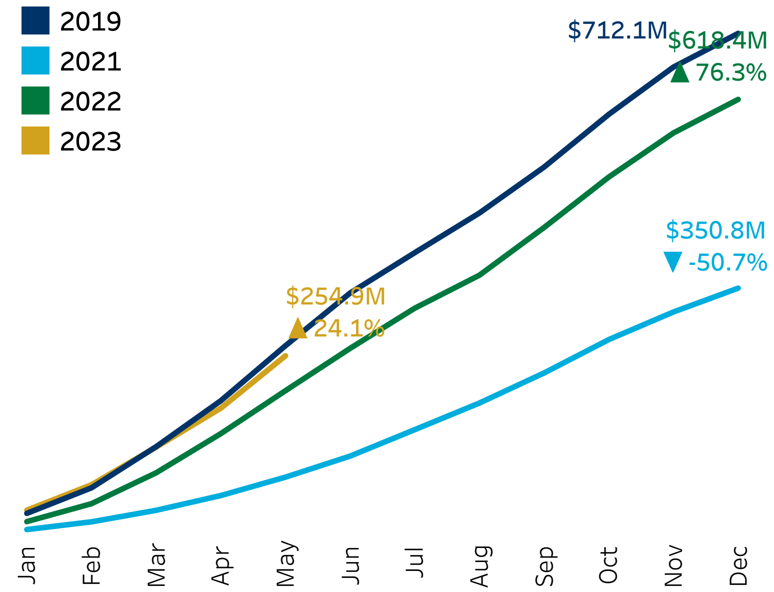
## Hotel Room Nights Sold

Prior 12 months YOY % change by month ending May, 2023



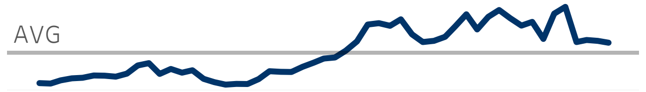
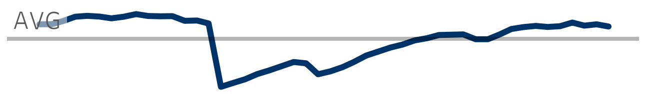
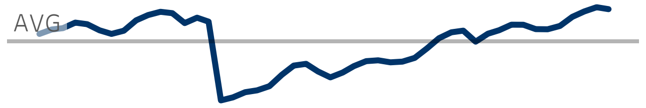
## Hotel Room Revenue YTD

Running total and % change YOY



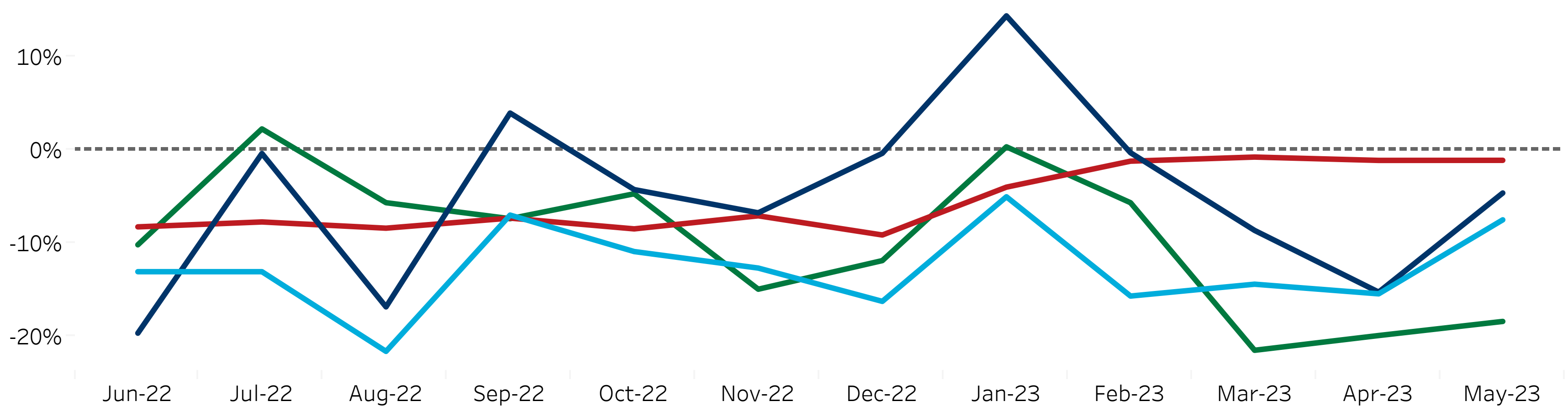
## Key Metrics

May, 2023 Employment trends and leading indicators for travel

| | | MOM | YOY | 2019 - Current Year (YTD) |
|---|---|---|---|---|
| Organic Web Sessions | 28.2K | ▼-3.1% | ▼-18.6% |  AVG |
| Leisure & Hospitality Jobs | 76.8K | ▲0.8% | ▲9.7% |  AVG |
| Total Nonfarm Jobs | 766.4K | ▼-0.2% | ▲3.5% |  AVG |

## Recovery Indicators

% change relative to same month in 2019



Source: STR (Center City Philadelphia), Google Analytics, AirDNA, and Bureau of Labor Statistics (Philadelphia City geography)

SYMPHONY | TOURISM ECONOMICS

# Executive Summary

June, 2023

PHLCVB
Philadelphia Convention
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Month June, 2023

| | | YOY | YTD |
|---|---|---|---|
| Hotel Occupancy | 72.9% | ▲9.5% | ▲14.6% |
| Hotel Average Daily Rate | $238.85 | ▲10.9% | ▲5.2% |
| Hotel Revenue per Available Room | $174.08 | ▲21.4% | ▲20.6% |
| Hotel Supply | 424.7K | ▲1.4% | ▲2.7% |
| Hotel Room Nights Sold | 309.5K | ▲11.0% | ▲17.7% |
| Hotel Room Revenue | $73.9M | ▲23.1% | ▲23.9% |

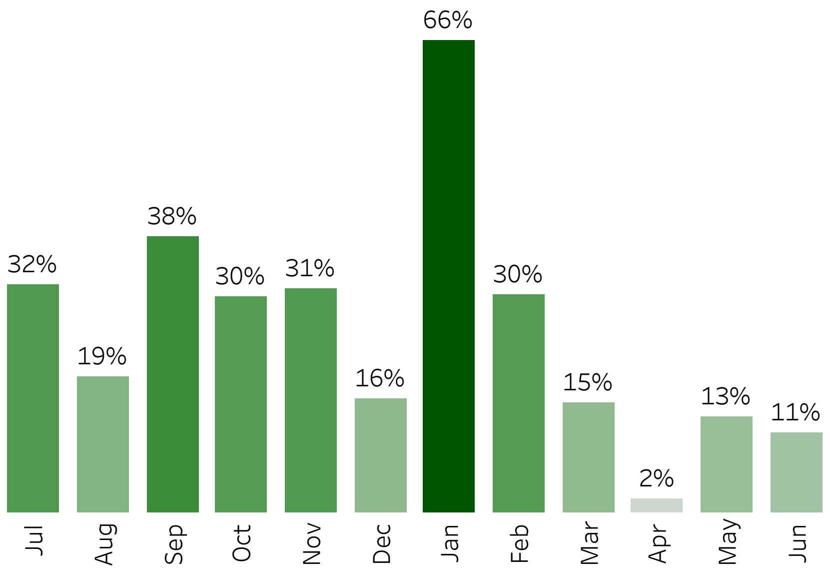
## Insights

June, 2023 Key takeaways

1. Philadelphia hotels did well in June with an +11% YOY increase in hotel room nights sold easily absorbing the +1.4% YOY increase in supply resulting in a +9.5% gain in occupancy to 72.9%. Growth in hotel room nights sold has been positive for the past 12 months.
2. ADR also did well with a +10.9% YOY increase in June to $238.85. The combined increases in ADR and room nights sold resulted in a +23.1% YOY gain in revenue to $73.9M for the month.
3. Organic web sessions to discoverphl.com were down -30% YOY to 28.5K during the month of June. However, the Paid Search channel grouping generated 11.6% of all traffic, just under 8,000 sessions.
4. Despite continuing gains to leisure and hospitality jobs in the US, increases have slowed moving just +21K in June relative to last year. Average gains in 2023 thus far (+43K/month) were half of the average gains seen in 2022 for the same period (+86K).
5. Recent weakness in overall US hotel demand during the week ending July 8 (-0.6% YOY, six-week moving average) points to slippage among lower income earners, evident by decreasing economy chain performance relative to 2019 across the US.

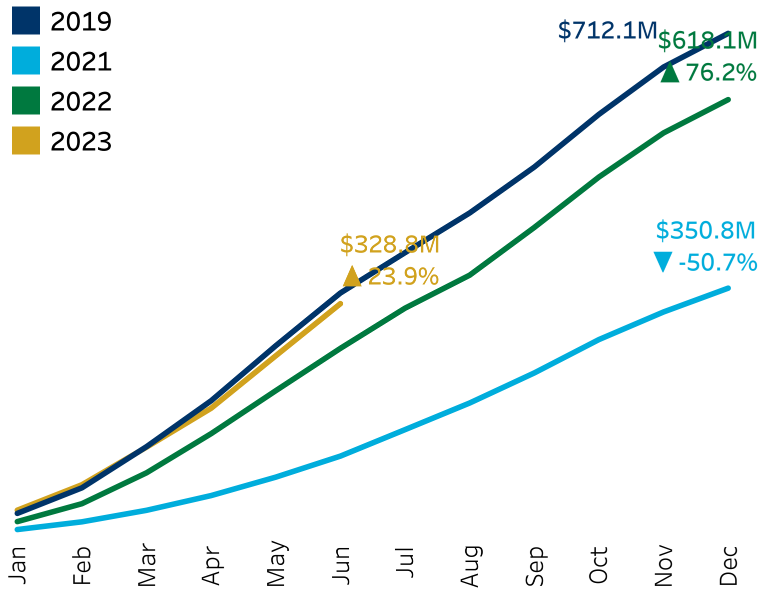
## Hotel Room Nights Sold

Prior 12 months YOY % change by month ending June, 2023



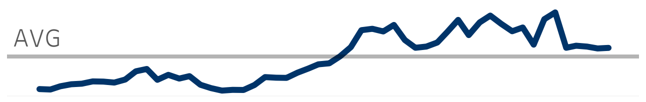
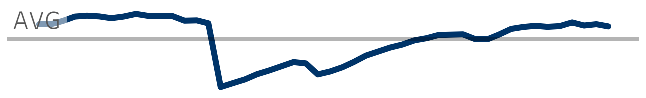
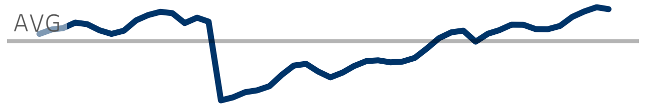
## Hotel Room Revenue YTD

Running total and % change YOY



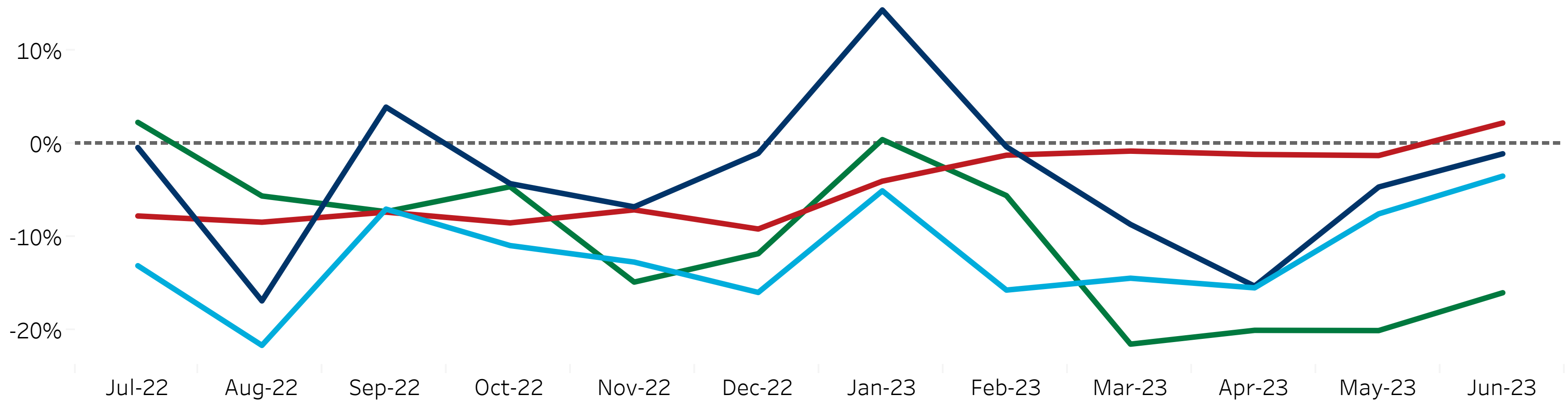
## Key Metrics

June, 2023 Employment trends and leading indicators for travel

| | | MOM | YOY | 2019 - Current Year (YTD) |
|---|---|---|---|---|
| Organic Web Sessions | 28.5K | ▲1.0% | ▼-30.2% |  |
| Leisure & Hospitality Jobs | 78.9K | ▲2.9% | ▲11.4% |  |
| Total Nonfarm Jobs | 765.3K | ▼-0.3% | ▲4.3% |  |

## Recovery Indicators

% change relative to same month in 2019



Source: STR (Center City Philadelphia), Google Analytics, AirDNA, and Bureau of Labor Statistics (Philadelphia City geography)

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