

# Miami-Dade County Industry Updates

September 19, 2022



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# Global Consumer Sentiment

## Consumers are...

### **Pessimistic about the global economic situation**

- 49% globally either “strongly” or “very much” believe we are entering a recession
- 1 in 4 think their personal finances will worsen this year

### **Cutting consumption and changing behavior**

% spending less on:

- 61% movies, concerts, sports
- 61% leisure travel
- 59% restaurants (dining in, take-out or delivery)
- 59% clothing

### **Looking for discounts, bargains, using less energy and cooking meals at home**

- 65% seeking deals
- 58% reduce energy consumption
- 56% cook at home
- 48% drive less
- 27% buying secondhand products

# Domestic Traveler Sentiment

## **Remaining stable, 90% of travelers say they have plans to travel in the near future**

- Concerns around COVID have continued to fall – only 1 in 5 say that COVID would have an impact on future travel intent

## **24% said that transportation costs would greatly impact their decision to travel in the next 6 months - this has come down over the past month from a high of 34% in July**

- However, gas price concerns are still here and not likely to go away anytime soon. Half of travelers said gas prices are impacting their decision to travel in the next six months (27% said greatly)

## **Travelers are adjusting their plans in response to economic concerns**

- 33% choosing destinations closer to home
- 30% reducing number of trips
- 25% reducing the amount spent of retail purchases, including entertainment and recreation
- 23% reducing spend on food and beverages
- 16% reducing spend on lodging

# “Gas Prices Fall, But Not Enough to Lure Drivers Back to the Pump”



August 8, 2022

Washington, DC - Despite steadily falling gas prices during the peak of the summer driving season, fewer drivers fueled up last week. It's another sign that, for now, **Americans are changing their driving habits to cope with higher pump prices.**

Meanwhile, the cost of oil has edged lower on **fears of economic slowdowns elsewhere around the globe.** Because of these factors, the national average for a gallon of gas fell to \$4.05.

According to new data from the Energy Information Administration (EIA), gas demand dropped from 9.25 million b/d to 8.54 million b/d last week. The rate is 1.24 million b/d lower than last year **(-15% year over year)** and **is in line with the need at the end of July 2020, when COVID-19 restrictions were in place** and fewer drivers hit the road.

# Drivers Change Habits to Counter High Gas Prices



In March, AAA released gas survey data examining the pump prices Americans would view as too expensive.

- **59% said they would change their driving habits or lifestyle if the cost of gas rose to \$4 per gallon.**
- **If gas were to reach \$5.00 (which it did in June), three-quarters said they would need to adjust their lifestyle to offset the spike at the pump.**
- At that time, among Americans who said they would make changes in response to higher gas prices, a majority (**80%**) **said they would opt to drive less.**

The July follow up survey found that **drivers are making significant changes to cope with record pump prices.**

- **Almost two-thirds (64%) of U.S. adults have changed their driving habits or lifestyle,** with 23% making "*major changes.*"

How they adjusted	%
Drove less	88%
Combined errands	74%
Reduced shopping or dining out	56%
Delayed major purchases	30%
Postponed vacations this year	29%
Put aside less money for savings	24%
Carpooled	16%
Drove a more fuel-efficient vehicle	13%
Used public transportation more regularly	5%
Switched to an electric vehicle	2%
Something else	5%

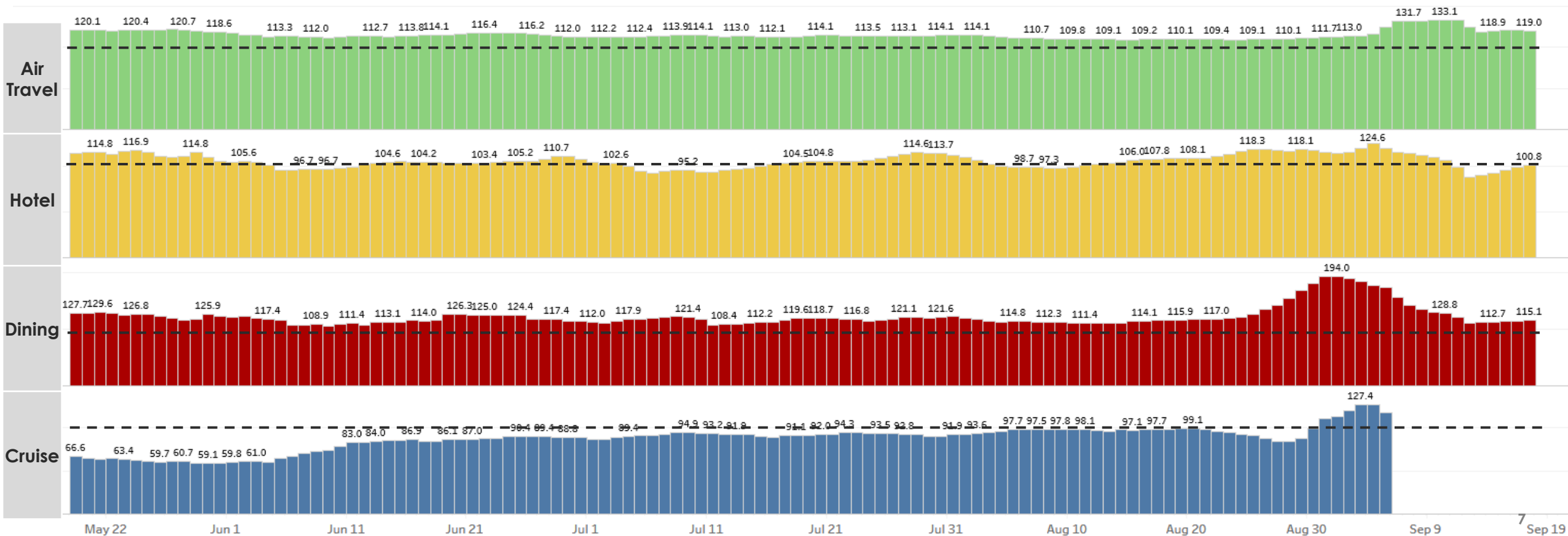
# Online Travel Search Activity

Kayak.com US Market	Week ending (vs 2019)				
	8/14/22	8/21/22	8/28/22	9/4/22	9/11/22
West Palm Beach	-5%	-5%	-1%	-7%	6%
Fort Myers	-5%	0%	11%	-5%	2%
Tampa	-5%	-1%	3%	-4%	1%
Miami	-5%	-4%	2%	-1%	0%
Charleston	-17%	-11%	-2%	-1%	-4%
Santa Ana	-4%	-4%	-1%	-4%	-4%
Phoenix	-12%	-10%	-8%	-16%	-8%
Cincinnati	-12%	-13%	-15%	-16%	-11%
Orlando	-18%	-13%	-7%	-14%	-11%
Boston	-14%	-12%	-13%	-18%	-13%
Nashville	-13%	-11%	-13%	-19%	-15%
Jacksonville	-19%	-14%	-9%	-7%	-15%
Dallas	-14%	-14%	-18%	-17%	-15%
Minneapolis	-22%	-21%	-17%	-22%	-18%
Las Vegas	-18%	-15%	-16%	-18%	-19%
Fort Lauderdale	-22%	-19%	-15%	-20%	-19%
Oahu	-21%	-20%	-16%	-21%	-19%
New York	-24%	-22%	-24%	-16%	-20%
San Francisco	-23%	-22%	-20%	-27%	-21%
San Diego	-20%	-19%	-22%	-24%	-22%
Washington DC	-23%	-21%	-23%	-25%	-22%
Philadelphia	-20%	-19%	-24%	-23%	-23%
Los Angeles	-27%	-27%	-28%	-28%	-26%
Chicago	-27%	-25%	-28%	-27%	-26%
New Orleans	-35%	-33%	-33%	-36%	-34%

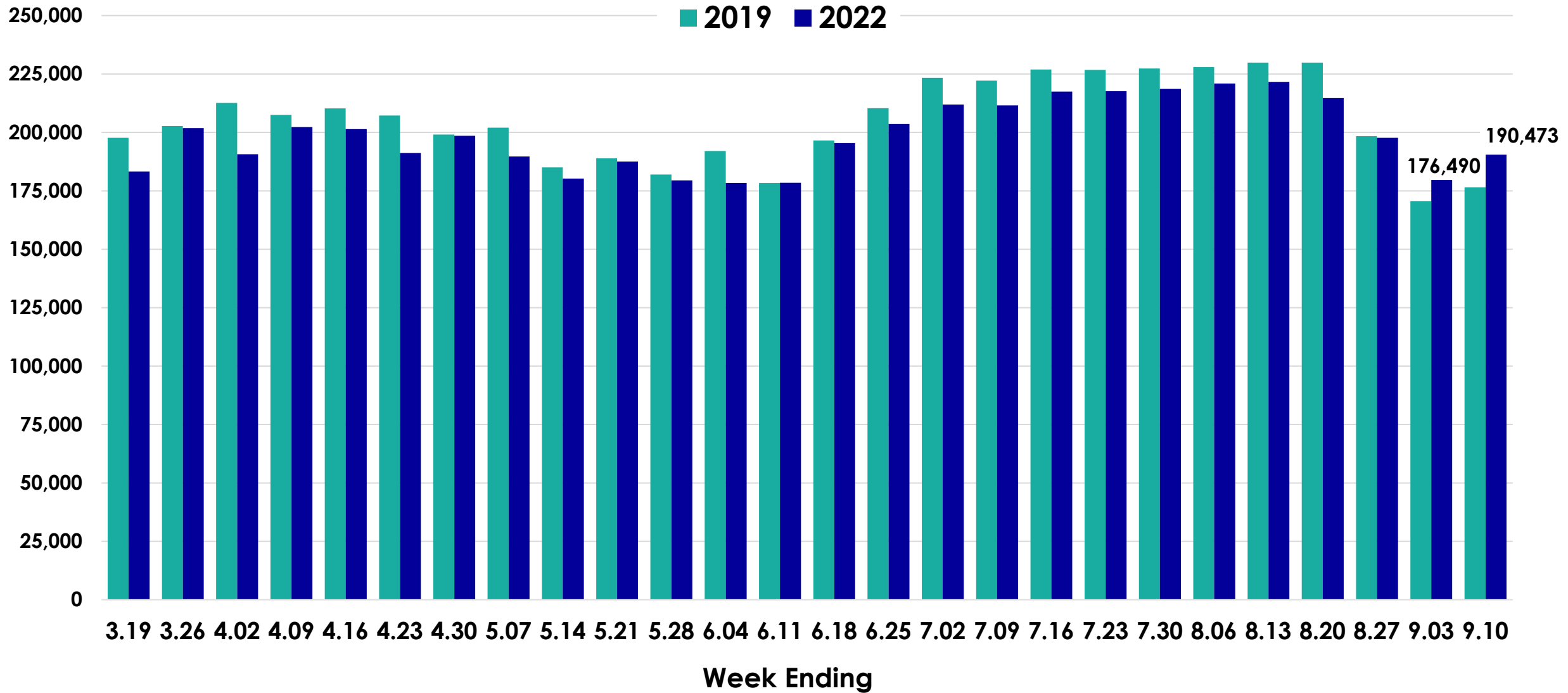
Origin	Total Searches for Miami (June-Aug)	Share of total
United States	13,967,345	45.9%
Spain	2,230,468	7.3%
Colombia	2,163,985	7.1%
Germany	2,042,198	6.7%
Brazil	1,529,113	5.0%
Mexico	1,244,963	4.1%
France	1,174,495	3.9%
Italy	1,071,262	3.5%
United Kingdom	1,031,154	3.4%
Israel	917,686	3.0%
Peru	690,150	2.3%
Chile	650,461	2.1%
Dominican Republic	568,575	1.9%
Switzerland	558,681	1.8%
Ecuador	556,360	1.8%

# Miami-Dade County Daily Demand Indexes: May 19– September 17 2022

vs 2019 (7 day rolling average)		
	Saturday, September 18, 2021	Saturday, September 17, 2022
Air Travel – MIA passengers	81.6	119.0
Hotel – rooms sold	85.3	100.8
Dining – in-house seated diners	104.5	115.1
Cruise – passengers*	27.7	127.4



# Miami International Airport - Weekly International Arrivals





# International Arrivals – MIA vs Total USA, January through June 2022

Country of Residence	2021	2022	% YOY MIA	% YOY Total USA*
Argentina	123,909	151,246	22.1%	99.5%
Brazil	32,976	148,340	349.8%	1,126.9%
Colombia	191,794	135,434	-29.4%	-0.9%
United Kingdom	14,392	104,201	624.0%	3,130.1%
Canada	8,486	87,793	934.6%	1,461.0%
Chile	46,026	87,256	89.6%	289.0%
Mexico	67,752	64,085	-5.4%	-22.5%
Germany	7,405	59,821	707.8%	1,499.9%
France	4,769	49,787	944.0%	1,827.4%
Others	476,055	723,016	51.9%	203.5%
<b><u>Total international arrivals</u></b>	<b><u>973,564</u></b>	<b><u>1,610,979</u></b>	<b><u>65.5%</u></b>	<b><u>217.3%</u></b>

# Regional Hotel Occupancy / ADR / RevPAR

Week Ending 9/10/2022

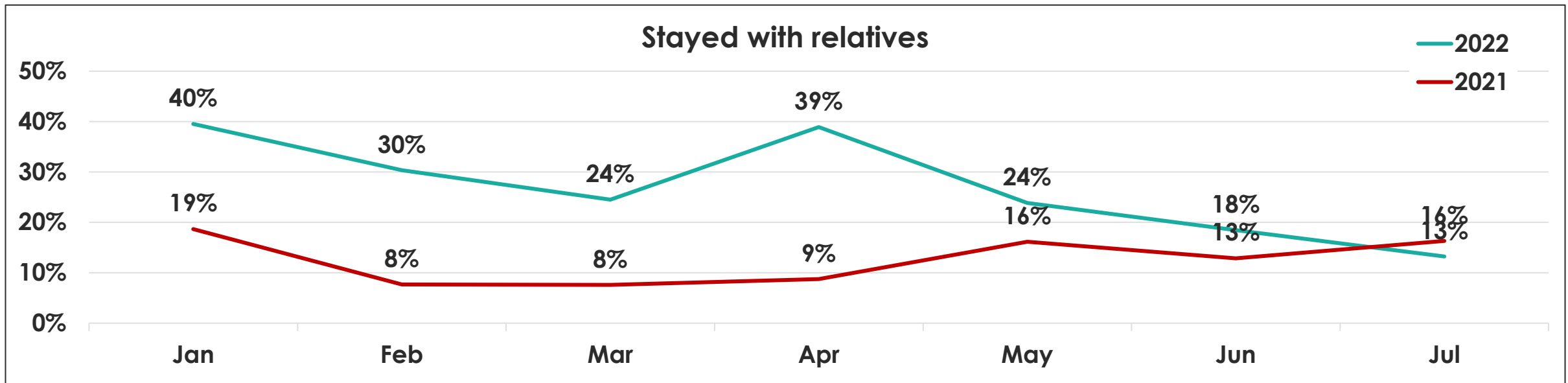
Area	Occ	% Change		ADR	% Change		RevPAR	% Change	
		22 vs 21	22 vs 19		22 vs 21	22 vs 19		22 vs 21	22 vs 19
Miami-Dade	59.7%	14.5%	-5.3%	\$175.85	2.8%	32.6%	\$104.90	17.7%	25.6%
Miami Beach	56.4%	16.5%	0.3%	\$240.82	-0.3%	37.4%	\$135.76	16.1%	37.9%
Downtown Miami / Brickell	55.4%	20.2%	-16.5%	\$185.29	3.9%	25.2%	\$102.61	24.9%	4.6%
Aventura / Sunny Isles	53.4%	16.5%	16.9%	\$211.98	8.1%	51.5%	\$113.11	26.0%	77.2%
Surfside / Bal Harbour	37.4%	-1.2%	-24.5%	\$487.12	0.1%	95.1%	\$182.36	-1.1%	47.4%
Coconut Grove / Key B.	47.1%	8.7%	-23.6%	\$185.27	-6.7%	46.5%	\$87.22	1.5%	11.9%
Central Miami-Dade	65.8%	18.8%	-4.9%	\$107.22	0.6%	12.6%	\$70.56	19.5%	7.1%
South Miami-Dade	56.7%	7.3%	-18.7%	\$88.80	6.4%	13.1%	\$50.39	14.1%	-8.0%
Airport	73.1%	14.5%	-1.0%	\$109.24	7.8%	21.0%	\$79.88	23.4%	19.8%
North Miami-Dade	63.8%	20.7%	-5.7%	\$121.79	20.3%	38.1%	\$77.68	45.1%	30.2%
Coral Gables	62.9%	9.2%	-6.6%	\$151.45	9.9%	33.3%	\$95.33	19.9%	24.6%
Doral	66.0%	6.9%	-9.9%	\$120.49	7.2%	21.9%	\$79.49	14.5%	9.8%
Broward	60.3%	8.7%	-7.6%	\$137.53	7.2%	31.9%	\$83.00	13.9%	21.9%
Florida Keys	60.4%	-4.7%	18.2%	\$292.39	2.8%	61.6%	\$176.53	-11.0%	91.0%
Florida	58.0%	7.4%	-1.8%	\$140.10	2.7%	26.6%	\$81.23	10.4%	24.3%

# January – July Hotel Performance By Class: 2022 vs 2019

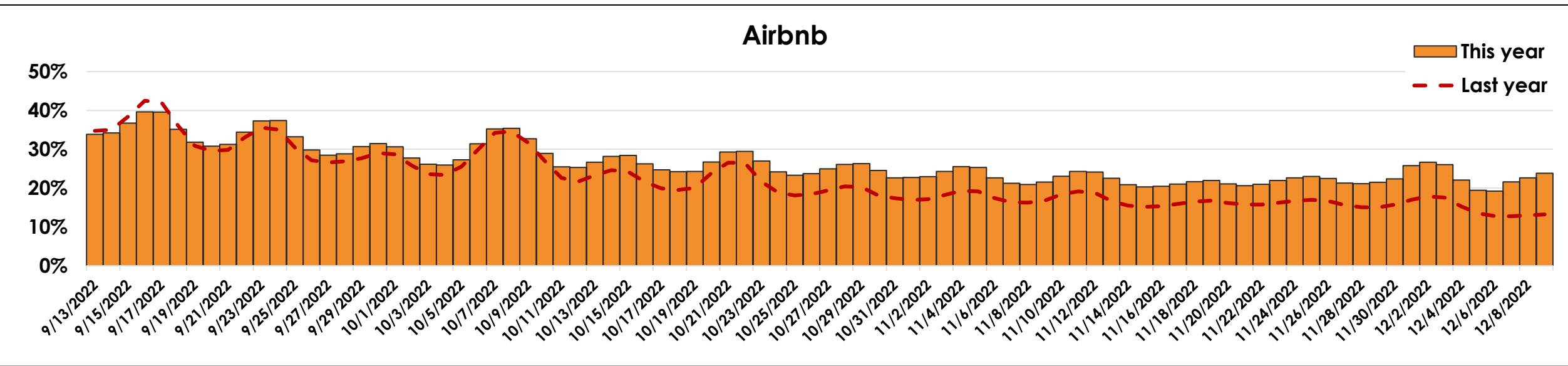
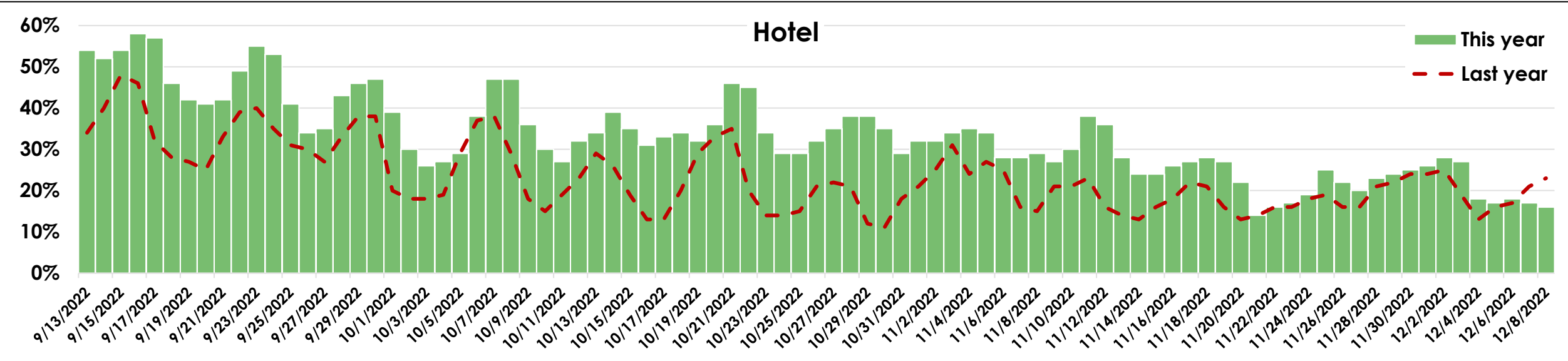
Class	Occupancy		ADR		RevPAR		Percent Change from YTD 2019			Difference from 2019 to 2022		
	2019	2022	2019	2022	2019	2022	Occ	ADR	RevPAR	Occ	ADR	RevPAR
Luxury	78.1%	70.9%	\$417.29	\$613.23	\$325.95	\$435.08	-9.2%	47.0%	33.5%	-7.2%	\$195.94	\$109.10
Upscale	77.2%	70.1%	\$224.94	\$311.15	\$173.64	\$217.99	-9.2%	38.3%	25.5%	-7.1%	\$86.21	\$44.30
Midprice	79.9%	74.3%	\$175.24	\$222.62	\$139.96	\$165.49	-6.9%	27.0%	18.2%	-5.5%	\$47.38	\$25.50
Economy	80.6%	81.6%	\$145.76	\$164.50	\$117.53	\$134.17	1.1%	12.9%	14.2%	0.9%	\$18.75	\$16.60
Budget	79.5%	75.9%	\$139.58	\$166.65	\$111.01	\$126.49	-4.6%	+19.4%	13.9%	-3.6%	\$27.07	\$15.50

# Miami-Dade County - Visitor Lodging

Lodging*	2021 YTD	2022 YTD	Jan	Feb	Mar	Apr	May	Jun	Jul
Hotel/Motel/Resort/Spa	58%	55%	40%	52%	52%	43%	54%	59%	67%
Rented a residence (Airbnb, etc)	14%	10%	8%	5%	9%	5%	12%	11%	11%
Stayed with friends	10%	10%	15%	11%	11%	12%	8%	10%	7%
Stayed with relatives	12%	24%	40%	30%	24%	39%	24%	18%	13%
Stayed at own residence	2%	2%	2%	2%	2%	3%	2%	2%	2%
Own home	0%	1%	0%	0%	0%	1%	1%	1%	0%



# Miami-Dade County - 90 Day Future Reserved Hotel & Airbnb Occupancy

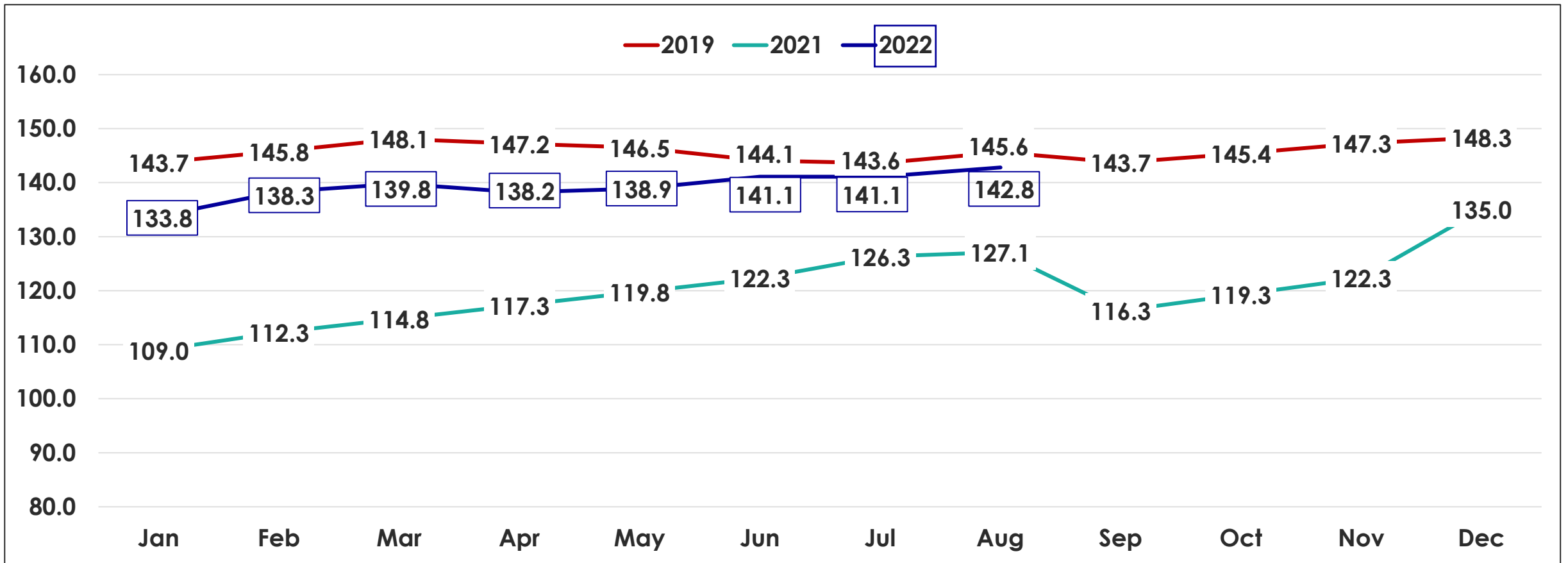


# Miami-Dade County Hotel Performance Forecast - Year Over Year

Month	Occupancy		ADR		RevPAR		Supply		Demand		Revenue	
	Current	YoY %	Current	YoY %	Current	YoY %	Current	YoY %	Current	YoY %	Current	YoY %
Sep 2022	57.5%	6.4%	\$170.20	-0.1%	\$97.94	6.3%	1.935	3.4%	1.114	10.0%	\$189.5	10.0%
Oct 2022	65.2%	5.9%	\$195.97	6.8%	\$127.80	13.1%	2.008	3.1%	1.310	9.2%	\$256.7	16.6%
Nov 2022	74.0%	5.3%	\$220.47	-1.4%	\$163.03	3.9%	1.955	3.5%	1.446	9.0%	\$318.7	7.5%
Dec 2022	73.6%	-1.3%	\$317.96	1.6%	\$233.86	0.3%	2.024	3.6%	1.489	2.2%	\$473.4	3.9%
Jan 2023	73.4%	7.4%	\$288.60	5.2%	\$211.84	13.0%	2.025	2.5%	1.486	10.2%	\$428.9	15.9%
Feb 2023	79.2%	-2.9%	\$320.68	-0.5%	\$253.86	-3.4%	1.829	2.5%	1.448	-0.4%	\$464.3	-0.9%
Mar 2023	80.9%	-2.1%	\$312.76	-4.6%	\$253.16	-6.6%	2.030	2.7%	1.643	0.5%	\$513.9	-4.1%
Apr 2023	76.7%	-5.1%	\$269.34	-11.9%	\$206.46	-16.4%	1.966	2.7%	1.507	-2.5%	\$405.9	-14.1%
May 2023	72.3%	0.2%	\$245.57	-8.9%	\$177.47	-8.7%	2.030	2.4%	1.467	2.6%	\$360.2	-6.5%
Jun 2023	69.0%	2.4%	\$185.76	-7.6%	\$128.20	-5.4%	1.965	1.6%	1.356	4.1%	\$252.0	-3.8%
July 2023	71.3%	0.5%	\$191.44	-6.9%	\$136.42	-6.5%	2.030	1.9%	1.446	2.4%	\$276.9	-4.7%
Aug 2023	68.0%	0.5%	\$179.20	-4.9%	\$121.86	-4.4%	2.029	1.7%	1.380	2.2%	\$247.2	-2.8%
Sep 2023	57.9%	0.6%	\$165.12	-3.0%	\$95.58	-2.4%	1.965	1.5%	1.137	2.1%	\$187.8	-0.9%

# Leisure & Hospitality Employment – August 2022

YTD Averages	2019	2021	2022	22 vs 21	22 vs 19
Miami-Dade	145.6	118.6	139.3	17.4%	-4.3%
Florida	1,245.7	1,145.4	1,295.7	13.1%	4.0%



## In Summary

- Tourism in Greater Miami & Miami Beach continues to perform well and has not skipped a beat. The 90-day outlook looks good.
- Economic concerns are global. Consumers are adjusting their spending and habits, but most travelers still say they are likely to travel in the near future. Luxury travel appears to be undeterred.
- Search activity for Miami versus pre-pandemic is still much stronger than most other domestic destinations- that's encouraging. However, that of other destinations has really weakened. We'll be watching this metric.
- Hotel forecasts point to an eventual decline in room rates, which is expected (hey, what a run!). Modest demand growth is forecasted in the next year.
- While leisure & hospitality employment in Florida is thriving, Miami-Dade County lags and has still not reached 2019 levels.



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