

Miami-Dade County Industry Updates

January 23, 2023



Andrew Wobensmith
Director – Research & Business Intelligence



Quote of the month

“I think driving value in 2023 is going to be really important. I think there’s a huge change coming. If you can drive value - there is more attention on ‘what’s the return on investment that I’m seeing here.’ If you can answer that question, then it’s a positive outlook for you.”

Lydia Irving

VP North American Sales and Commercial Strategy Development,
GFK

A new NerdWallet study found that the **U.S. households have reached a total debt of \$16.5 trillion, a 7.7% increase from the year before; the average U.S. household owes more than \$165,000 in debt.**

- Mortgages, auto loans and overall debt also went up over the past 12 months, meanwhile, student loan amounts dropped a bit, according to the study.

The study also found that the **credit card balances carried from month to month have gone up over the past year**, now totaling roughly **\$460 billion**.

- **The average U.S. household owed about \$222,000 in mortgages, \$17,000 in credit card debt as well as \$29,000 in auto loans last year.**

“Credit card debt is often thought to be the result of frivolous spending, but for many Americans, that’s just not true,” said Sara Rathner, a NerdWallet credit cards expert. ***“Consumers are feeling the squeeze of higher prices and interest rates, and paychecks just aren’t keeping up. That’s forcing many to make tough decisions, like going into debt to pay for necessities.”***

Average American Family Lost \$7,400 In Annual Income Since January 2021

WASHINGTON—New data released Thursday showed prices have risen **13.7%** since January 2021, as measured by the **consumer price index (CPI)**. The overall price level declined 0.1% last month but increased 6.5% in 2022, a year which saw **four-decade-high inflation**.

Compared to January 2021:

Eggs **+189.9%**

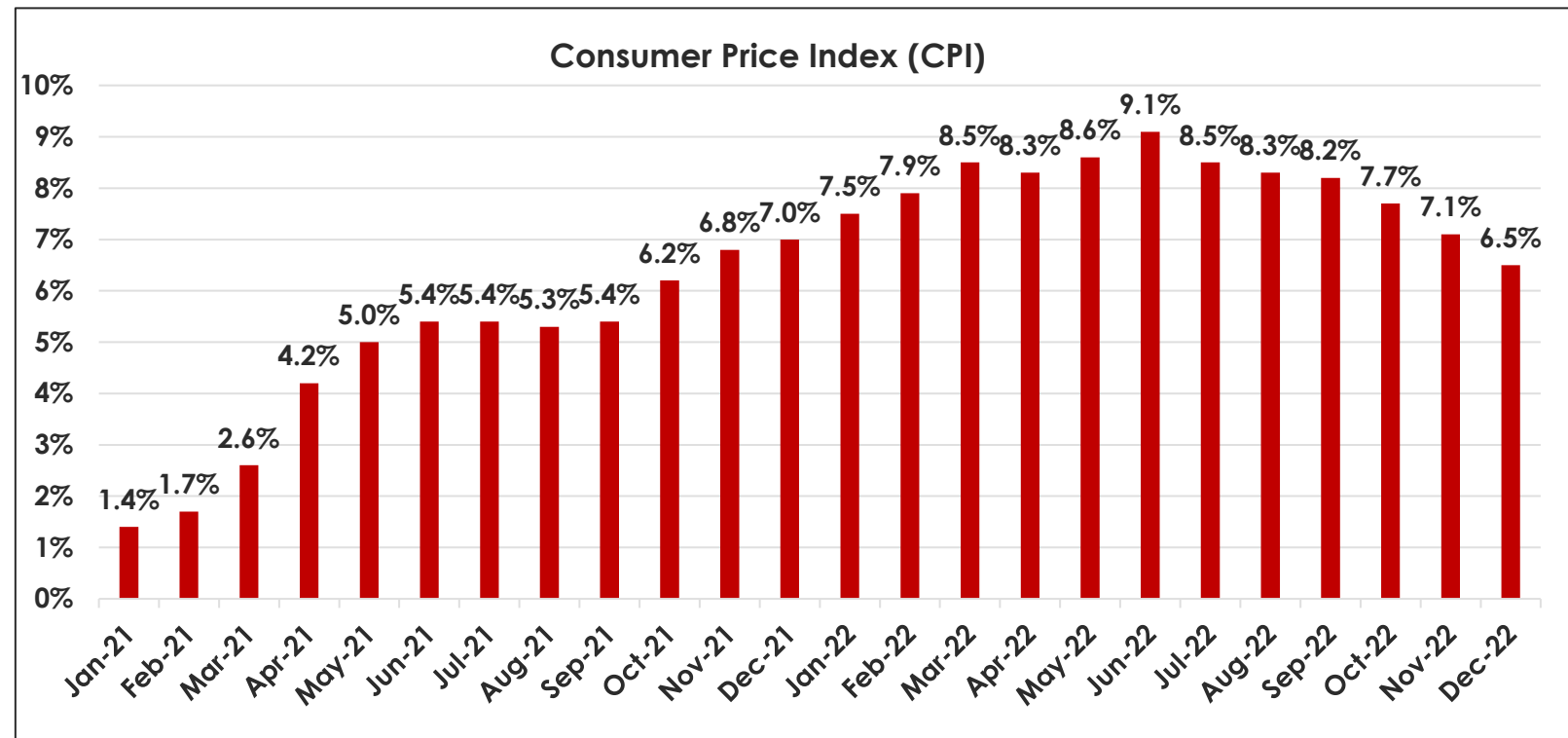
Ground beef **+21.1%**

Gasoline **+44.3%**

Electricity **+21.3%**

Transportation services **+19.5%**

Housing **+11.8%**



U.S. BUREAU OF LABOR STATISTICS

High Travel Prices Costly to Travel Morale

Currently 45% of American travelers said travel being too expensive kept them from taking as many trips as they would have liked in the past six months—now statistically tied with gas prices as the #1 cited travel deterrent (+5 pts over the past six months).

- **Airfare specifically being too expensive** was cited by 30% of American travelers as what has put them off travel.

Two thirds of American travelers agree that they are currently being careful with their money because they are concerned about an upcoming recession.

- That said, some **Americans may anticipate the recession to be short-lived**, as **nearly half of those surveyed still anticipate that their personal financial situation will improve in the next year.**
- **Expectations to travel and spend more in the new year are at the same levels they were at the onset of 2022—a year that saw records smashed for tourism.**
 - However, there are **concerns about price gouging (25%), labor shortages (24%)** and an increasingly **frustrating domestic travel experience overall (22%).**

Barriers To Visiting Greater Miami And Miami Beach

Q. Which of the following are reasons why you might not visit Miami/Miami Beach in the next six months?

2022	Jan	Jul	Aug	Sep	Oct	Nov	Dec
Would rather visit other locations in Florida	32%	31%	28%	21%	34%	33%	34%
Would rather visit other locations outside Florida	16%	15%	13%	15%	17%	17%	21%
Concerned with crowding	15%	11%	17%	19%	16%	12%	17%
Not enough time / too busy	17%	14%	22%	22%	14%	15%	16%
Too expensive to visit the Miami area	12%	17%	18%	20%	21%	21%	15%
I'm just not interested	7%	13%	12%	19%	11%	17%	11%
Unsure what COVID-19 restrictions will be in place	12%	8%	6%	8%	3%	3%	9%
Other (specify)	12%	4%	5%	5%	6%	5%	9%
General safety concerns (other than COVID-19)	8%	4%	8%	8%	12%	7%	8%
Media coverage of COVID-19 in the Miami area	6%	6%	2%	4%	8%	5%	6%
Concerned with contracting COVID-19	13%	10%	10%	8%	7%	7%	5%
None of these	10%	16%	16%	14%	17%	15%	14%

U-Haul Says Texas, Florida, South Carolina Were The Winners In 2022



Florida is the No. 2 growth state for the second year in a row and a top-three growth state for the seventh consecutive year, according to the U-Haul® Growth Index analyzing customer moves during 2022. Conversely, **California, Illinois and Michigan saw the steepest declines**. The U-Haul Growth Index is compiled according to the net gain of one-way U-Haul trucks arriving in a city or state, versus departing from that city or state, in a calendar year.

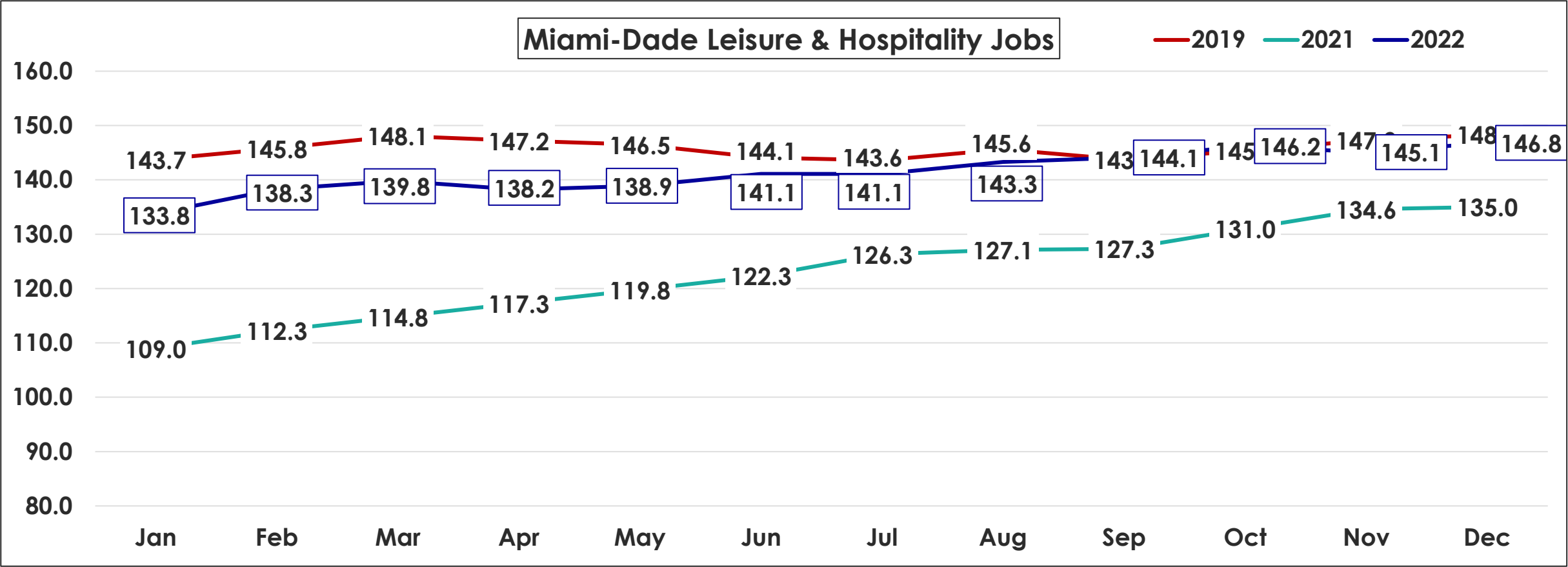
People arriving in Florida in one-way U-Haul trucks dropped 10% from 2021, but departures fell nearly 11% as overall moving traffic slowed. Demand for equipment out of California, Illinois and New York remained strong in 2022, as more people opted to leave areas of the West Coast, Northeast and Midwest. **California and Illinois ranked 50th and 49th, respectively, on the U-Haul Growth Index for the third consecutive year, meaning those states saw the greatest net losses of one-way U-Haul trucks**.

“You’re going to have a better employment rate in Florida than anywhere in the U.S.,” stated Brady Rome, U-Haul Company of Gainesville president. ***“There are plenty of job opportunities, and both businesses and residents find the tax benefits here very attractive.”***

Florida’s leading growth markets include Ocala, Palm Bay-Melbourne, North Port, Lakeland, Panama City, Daytona Beach, **Miami** and Fort Myers-North Fort Myers. Other notable net-gain cities are Davenport, St. Augustine, Sarasota-Bradenton, Davenport and Kissimmee-St. Cloud.

Miami-Dade County Employment

December	2019	2021	2022	22 vs 21	22 vs 19
Miami-Dade	1,235.7	1,231.9	1,292.9	+5.0%	+4.6%
Florida	9,128.3	9,233.7	9,669.1	+4.7%	+5.9%



Miami-Dade County Tourism Industry Performance

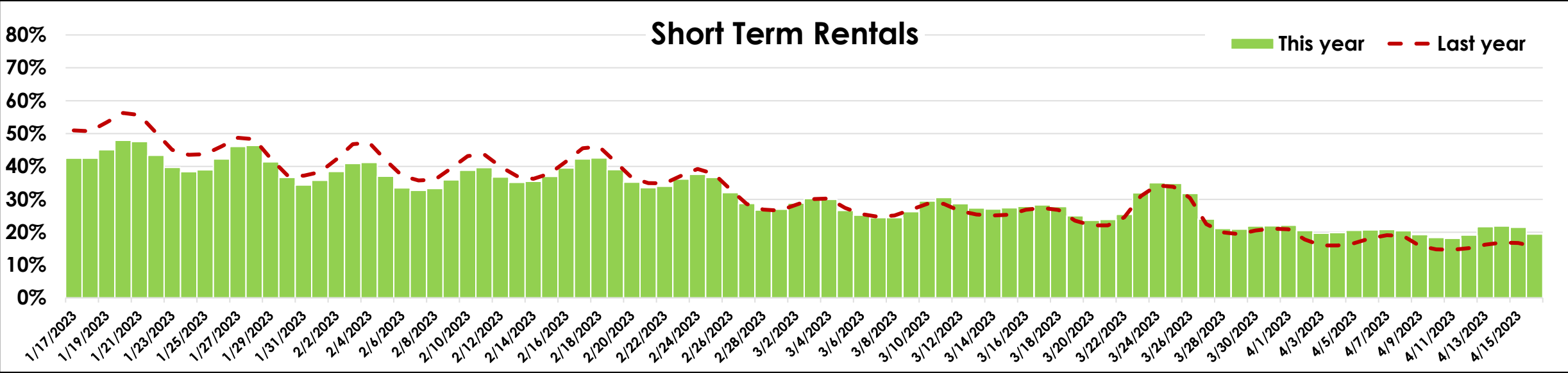
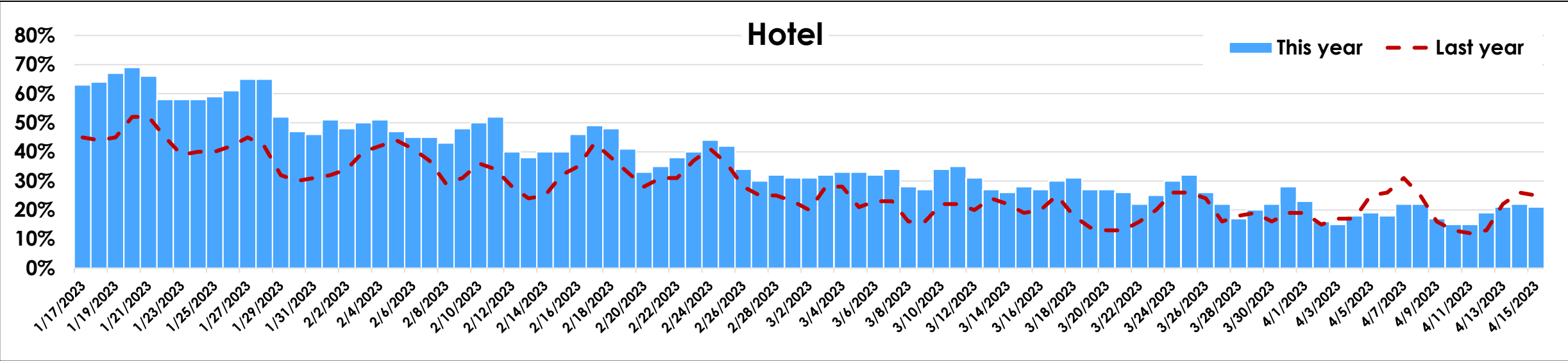
	2022		% VS 2021		% VS 2019	
<u>Air Arrivals</u>	November	Jan - Nov	November	Jan - Nov	November	Jan - Nov
MIA	2,084,554	23,023,792	+5.9%	+40.7%	+12.3%	+9.7%
FLL	1,374,954	14,329,576	+12.7%	+12.2%	-10.2%	-13.6%

<u>PortMiami</u>	October	Jan - Oct	October	Jan - Oct	October	Jan - Oct
Passengers	453,579	3,677,176	+148.1%	+745.6%	+7.4%	-31.9%

<u>Home Sharing</u>	December	Jan - Dec	December	Jan - Dec	December	Jan - Dec
Occupancy	51.3%	53.4%	-9.7%	+2.2%	+5.9%	+16.4%
ADR	\$198.91	\$188.04	+1.4%	+7.9%	+19.4%	+30.9%
RevPAR	\$102.02	\$101.23	-8.4%	+10.8%	+26.5%	+52.1%

<u>Hotel</u>	December	Jan - Dec	December	Jan - Dec	December	Jan - Dec
Occupancy	70.9%	72.1%	-4.8%	+8.0%	-9.3%	-5.0%
ADR	\$289.74	\$253.11	-7.4%	+14.0%	+13.9%	+28.7%
RevPAR	\$205.29	\$182.55	-11.8%	+23.1%	+3.2%	+22.4%

Miami-Dade County - 90 Day Reserved Occupancy, Hotel & Short Term Rentals



Great News About Brazil!!!



More flights have resumed service:

- GOL: Fortaleza to MIA 1X week, Manaus, 2X week
- Latam: Guarulhos to MIA, 14x week (back to 2019 #s), Fortaleza to MIA, 2X week
- Azul: Manaus to FLL, 3X week, Belem to FLL, 4X a week

Issuance of U.S. visas to Brazilians is the highest since 2015!

- From January to October 2022, the U.S. issued 626,202 Tourist Visas to citizens of Brazil – the highest number recorded in a year since 2015, when issuances surpassed 800,000.
- Through September 2022, they were the **second highest international travel market into Miami International Airport**.
- For those who book their **first visa** with an interview at the Consulate of São Paulo, the **queue could take up to 491** days, followed by the offices in **Rio de Janeiro (449)**, **Brasília (437)**, **Recife (337)** and **Porto Alegre (333)**.
- In October, the **most issued U.S. visas for Brazilians were Business and Tourism (B1/B2)**, with 58,576 authorizations, and **Student (J1)**, with 1,631.
- Recent research suggests that while **Brazilian luxury travelers** have not yet returned to the frequency of travel they did pre-pandemic, 50% said their **travel budget has actually increased from pre-pandemic and their top international destination is the United States**.

Miami-Dade County Top Visitor Markets: January – September 2022

Jan - Sep	Domestic	% YOY	International	% YOY
2022	11,559,000	+35%	5,217,000	+47%

Florida Resident	% YOY	Total	% YOY
5,024,000	+5%	21,800,000	+29%

2022 Rank	Country	% YOY
1	Colombia	-24%
2	Canada	*
3	Brazil	+727%
4	Argentina	+71%
5	Mexico	+5%
6	United Kingdom	+1,045%
7	Chile	+143%
8	Ecuador	-16%
9	Peru	-32%
10	Spain	+384%

2022 Rank	DMA	% YOY
1	New York	+30%
2	Chicago	+13%
3	Philadelphia	+34%
4	Boston	+60%
5	Dallas-Ft. Worth	+10%
6	Washington DC	+41%
7	Atlanta	+33%
8	Detroit	+29%
9	Los Angeles	+108%
10	Minneapolis-St. Paul	+33%

International Inbound Airfare Sold To MIA Through Travel Agencies (Incl. OTAs)

Q1 - Q3 2023

Q1 2023	Tickets	Pax Share	Q2 2023	Tickets	Pax Share	Q3 2023	Tickets	Pax Share
Argentina	35,277	10%	Argentina	8,425	14%	Argentina	2,896	15%
Canada	33,246	10%	Brazil	4,868	8%	Germany	2,438	12%
Brazil	28,699	8%	Germany	4,533	8%	Italy	1,361	7%
United Kingdom	23,090	7%	Canada	3,708	6%	Brazil	1,254	6%
Colombia	17,238	5%	United Kingdom	2,907	5%	Spain	917	5%
Mexico	16,821	5%	Italy	2,365	4%	United Kingdom	837	4%
Chile	11,627	3%	Mexico	2,210	4%	Switzerland	801	4%
Germany	10,453	3%	France	1,873	3%	Israel	790	4%
Italy	9,749	3%	Spain	1,866	3%	France	694	4%
Ecuador	8,384	2%	Colombia	1,670	3%	Canada	655	3%

International Planned Seat Capacity To MIA

Q1 - Q3 2023

Q1 2023	Seats	Pax Share	Q2 2023	Seats	Pax Share	Q3 2023	Seats	Pax Share
Colombia (-6%)	322,872	9%	Colombia (-21%)	312,081	9%	Colombia	334,167	10%
Mexico (-12%)	235,961	6%	Mexico (-5%)	245,394	7%	Cuba	249,212	7%
Cuba (+184%)	215,857	6%	Cuba (+158%)	242,631	7%	Mexico	243,244	7%
Dominican Republic (+2%)	189,163	5%	Dominican Republic (-18%)	185,864	5%	Dominican Republic	190,226	5%
Brazil (+20%)	176,511	5%	Brazil (+38%)	173,306	5%	Brazil	175,493	5%
United Kingdom (+32%)	154,993	4%	Bahamas (+28%)	138,864	4%	United Kingdom	130,896	4%
Bahamas (+30%)	142,062	4%	United Kingdom (+11%)	130,159	4%	Panama	127,540	4%
Canada (+31%)	130,834	4%	Puerto Rico (+4%)	129,897	4%	Spain	125,184	4%
Puerto Rico (+1%)	128,210	3%	Spain (-1%)	126,335	4%	Peru	123,400	4%
Spain (+11%)	123,857	3%	Panama (-9%)	122,788	4%	Bahamas	114,686	3%
Total International (+21%)	4,032,513	100%	Total International (+18%)	4,178,458	100%	Total International	3,929,620	100%

In Summary

- Inflation, along with everything that comes with it is not going away. It is affecting consumer decisions and many of those who wish to travel will want to maximize their dollars. This is our opportunity to think about how to provide value and ROI.
- Barriers to visiting Greater Miami among the domestic market do not seem to be price-related; Miami is competing with other destinations for their next trip.
- The Florida job market is very healthy, and Miami-Dade overall is doing well. Leisure and hospitality employment is right about where it was at the end of 2019.
- International travel to Greater Miami continues to build momentum, with good news continuing to come in. Airlines are optimistic and adding capacity from Brazil, Europe and Canada.
- While tourism industry metrics have been great, we are now starting to see some year over year declines in paid lodging booking activity.

Thank you!



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