

# Memphis

## **The View from Memphis**

Kevin Kane, President & CEO  
Memphis Tourism

According to Tourism Economics, Memphis hotels  
**will recover to 2019 rooms sold in 2022.**



**12.4M**  
**Memphis MSA Visitors**

2019 Annual



**\$3.8B**  
**Shelby County Visitor Spending**

2019 Annual



**2.1K**  
**Leisure & Hospitality Businesses**

2019 Annual, Shelby County

To make sure our destination is prepared to capitalize on the full return of travel, Memphis Tourism is finalizing **our next strategic plan**.



## The Memphis SWOT

Our Competitive Landscape

A large, light blue, stylized letter 'S' on a blue background.

**Strengths**

A large, light gray, stylized letter 'O' on a gray background.

**Opportunities**

**Weaknesses**

A large, light yellow, stylized letter 'W' on a yellow background.

**Threats**

A large, light green, stylized letter 'T' on a green background.



## Strengths

### Memphis SWOT

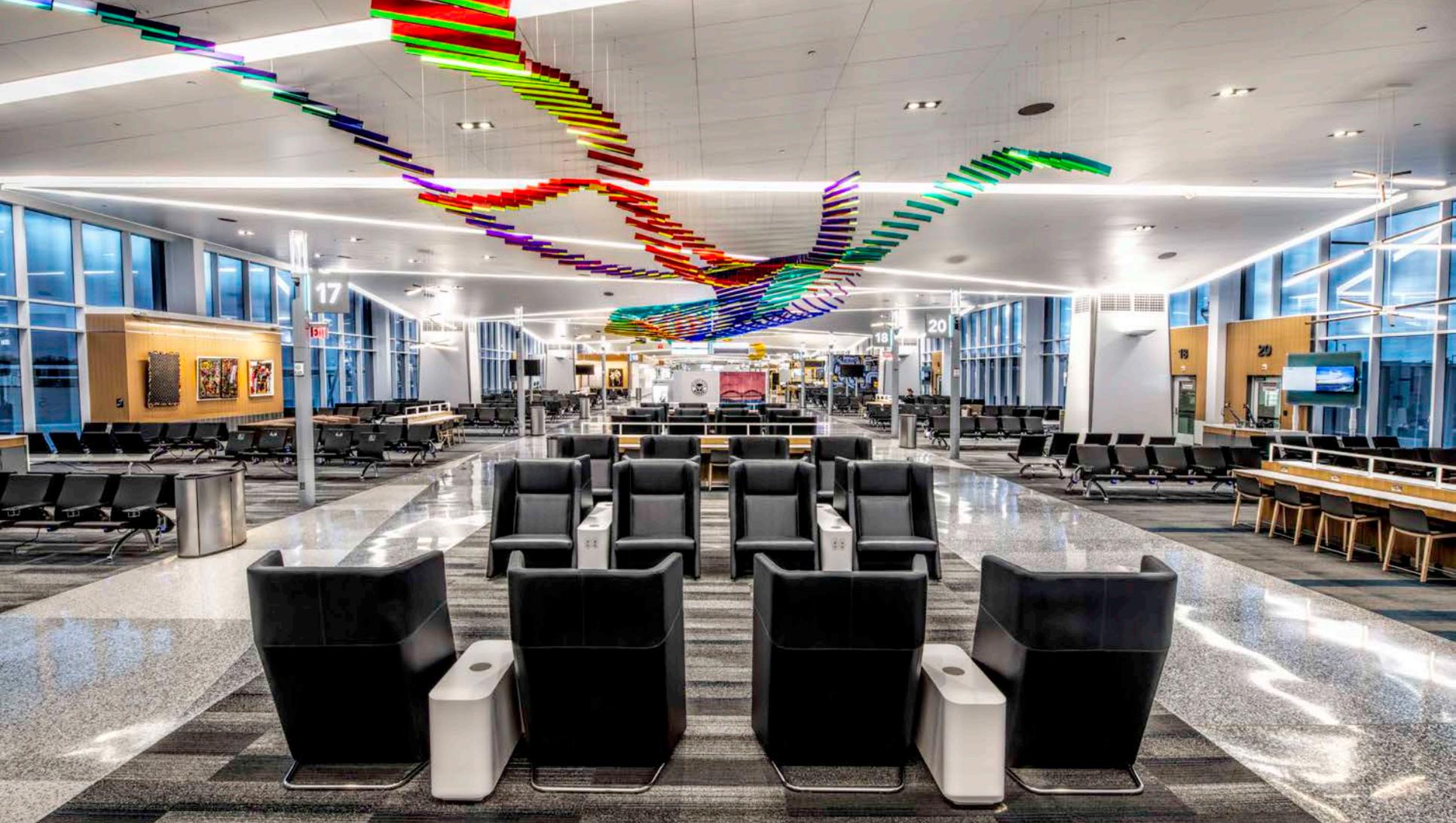


## The Newly Renovated Renasant Convention Center

The Renasant Convention Center will serve to position Memphis as the premier destination for boutique events in the Southeast.

A night-time photograph of the Renasant Convention Center. The building's facade is illuminated with vibrant purple and blue lights. The name 'RENASANT CONVENTION CENTER' is prominently displayed in white, illuminated letters at the top. To the left, a modern glass-walled structure is visible. In the foreground, a street with streetlights and a few pedestrians is shown. The sky is dark with some clouds.

RENASANT  
CONVENTION CENTER





## Strengths

### Memphis SWOT

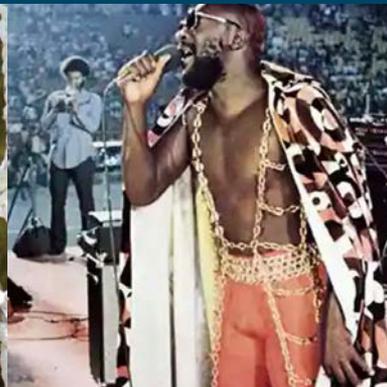


## Authentic, Unique & Diverse Travel Motivators

With dozens of diverse travel motivators that have broad audience appeal, the Memphis visitor experience is definitely not a one-hit-wonder.



In 2019, our **top 10 leisure demand generators** attracted nearly **4 million visits** from **domestic travelers** alone.





## Strengths

### Memphis SWOT



## Central Geographic Location & Ease of Drive Travel

Memphis is located within 500-miles of a third of the U.S. population. That's well within a one-day drive—and a strong position during a pandemic.



## Strengths

### Memphis SWOT



## High-Value Travel Product With Affordable Experiences

Visitors receive a strong value proposition in Memphis. That means they can have more experiences without breaking their travel budget.

# \$751

On average, surveyed Memphis hotel guests spent more than **\$750** **nightly per party** during their trip to Memphis in 2021.



## Weaknesses

### Memphis SWOT

## Limited High-End Hotel Capacity for Large Groups

Without a high-capacity hotel within walking distance of the Renaissance Convention Center, our pitches to large groups will not be as persuasive.



## Weaknesses

### Memphis SWOT

## Limited Domestic & International Air Service

With more frequent nonstop domestic flights as well as new international service, Memphis & Shelby County could capitalize grow demand faster.



## Weaknesses

### Memphis SWOT

## Limited Ground Transit Connectivity

Even visitors with access to their own transportation would benefit from increased ground transit connectivity in our destination.



## Weaknesses

### Memphis SWOT

## Limited Docking Capabilities at Beale Street Landing

Without a significant investment in expanding Beale Street Landing, we may not be able to fully accommodate increased river cruise demand.



## Opportunities

### Memphis SWOT



## **Continue to Outsmart the Competition by Maximizing Efficiencies with Data**

Expanding Memphis Tourism's business intelligence program will help our destination's marketing and sales strategies have an even larger impact.



ARRIVALIST



qualtrics XM

NETBASE  
QUID™

tableau



cvent

United States  
Census  
Bureau

Google Analytics

2 synergize, inc.

sproutsocial

DESTINATIONS  
INTERNATIONAL

sweetspot DS



AIRSAGE

Skift.

U.S. TRAVEL  
ASSOCIATION

TOURISM  
ECONOMICS  
AN OXFORD ECONOMICS COMPANY



CIRIUM

TANGO

CARD®

TravelClick  
an amadeus company

CISION®

Destination



Analysts

DO YOUR RESEARCH

simpleview



Buxton®

quizmaker



SurveyMonkey®

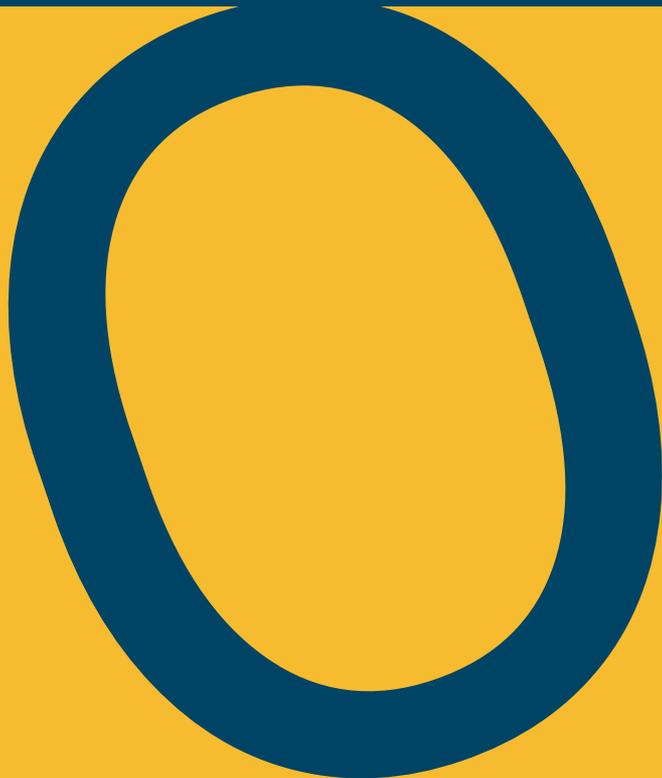
experian™

Memphis Tourism leveraged our business intelligence resources to assist, inform and inspire **20+ tourism partners** in 2021.



## Opportunities

### Memphis SWOT



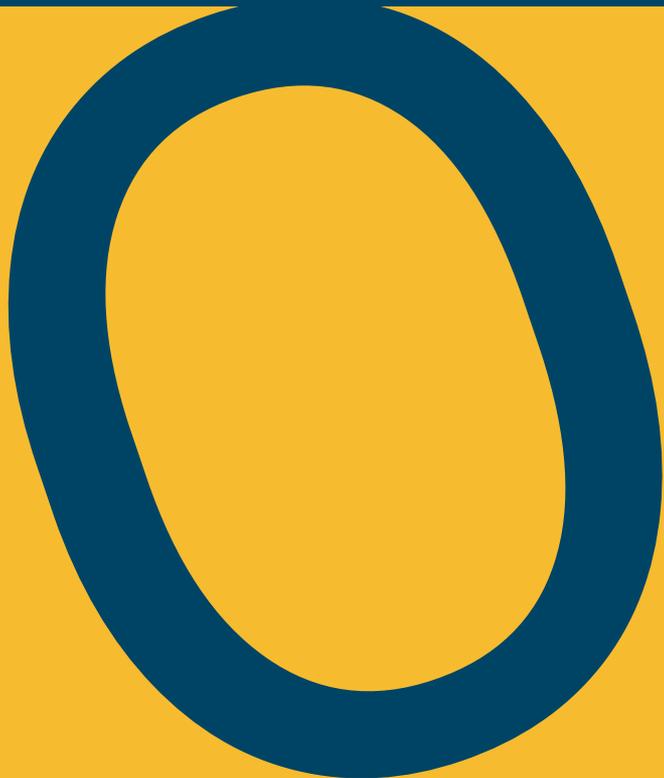
## Capitalize on New Demand from Overnight River Cruises

With more Mississippi River cruises docking in downtown Memphis than ever before, we have a clear opportunity to attract more new visitors.



## Opportunities

### Memphis SWOT



## Grow Amtrak Service to Memphis with Key Partners

New federal investments in additional railway service could benefit Memphis and Shelby County—if we can capitalize on the opportunity.



## Opportunities

### Memphis SWOT



## **Build Local Labor Pipeline with Community Partnerships**

Local high schools and community colleges, as well as regional four-year colleges, could supply new talent for the Memphis hospitality industry.



## Threats

### Memphis SWOT

## Labor Crisis Limiting Efforts to Capitalize on Return of Travel

Without sufficient staffing resources, our local hospitality industry will not be able to capitalize on the roaring return of travel in summer 2022.



## Threats

### Memphis SWOT

## **The Slow Return of Business Transient & Corporate Travel.**

While leisure demand has largely driven the recovery of the travel industry across the world, we will not fully recover without more business travel.



## Threats

### Memphis SWOT

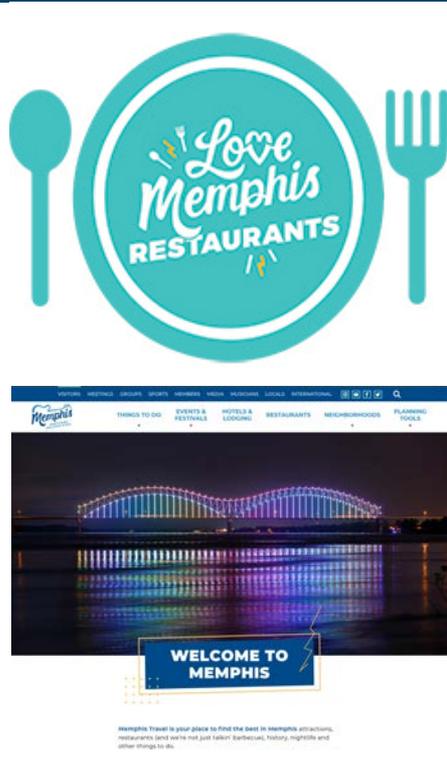
## Increased Competition for Regional Visitors

Destinations that previously didn't focus on regional travelers have been forced to pivot due to the pandemic, creating more competition.



# Destination Marketing

## Motivating Leisure Travel



42 : 1

**Leisure Advertising ROI**  
Memphis Tourism, 2021<sup>P</sup>



## Threats

### Memphis SWOT

## Limited Impact of Conventions, Events and Festivals

Large-scale events of all kinds have struggled to recover from the pandemic, due to both mandated capacity restrictions as well as traveler perceptions.



## Threats

### Memphis SWOT

## **New & Unforeseen Impacts of the Ongoing Pandemic**

While it seems like the travel recovery is securely underway in the US and abroad, new variants could always prompt renewed restrictions.



# 2021 Performance

The impacts of the COVID-19 health crisis have been severe in Shelby County, but we have still **outperformed national trends.**

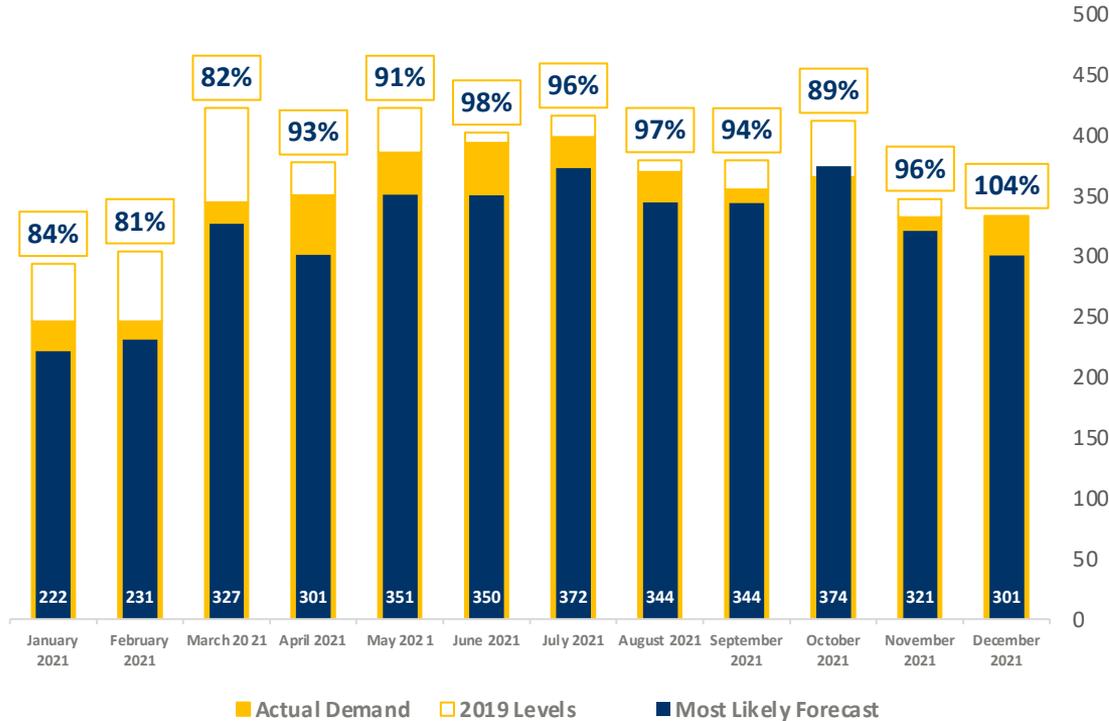
# 92%

Shelby County **recovered 92 percent** of 2019 hotel room night demand in 2021.



# Shelby County Performance

## Tourism Economics Forecast

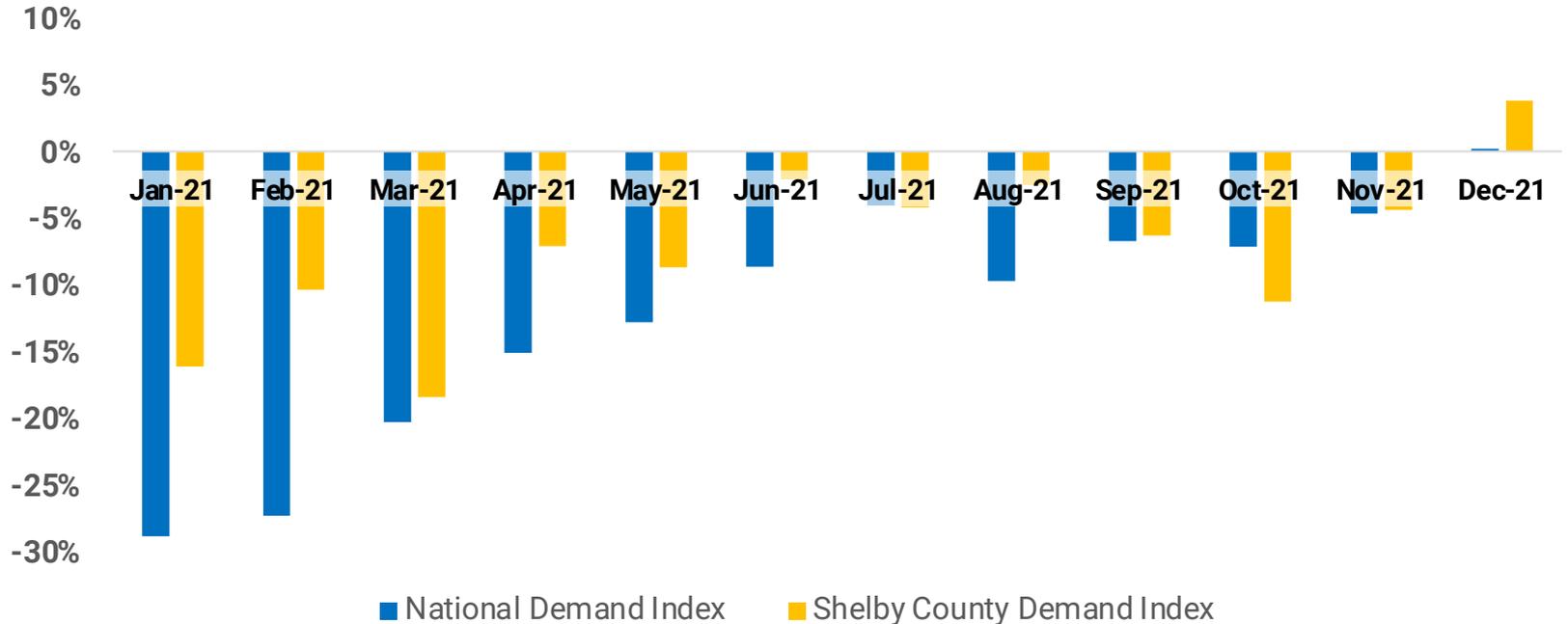


Shelby County has **outperformed our Tourism Economics forecast every month so far this year**, with the singular exception of October 2021—and definitely ended the year on a high note.



## Demand Recovery Our Current Outlook

According to STR data, Shelby County has **overperformed** actual national demand recovery trends throughout 2021—surpassing the national recovery index by 3.6 percentage points in December 2021.





## Demand Index Comparison National & Local Trends

The Shelby County hotel market has **overperformed the national demand index by +5.0 percent** in 2021 YTD.

88%

National Demand Index  
2021 as a percentage of 2019

93%

Shelby County Demand Index  
2021 as a percentage of 2019



**8.8M**  
**Estimated Visitors**

2021, Memphis MSA



**4.1M+**  
**Hotel Rooms Sold**

2021, Shelby County



**2.2K**  
**Leisure & Hospitality Businesses**

2021<sup>P</sup> YTD, Shelby County

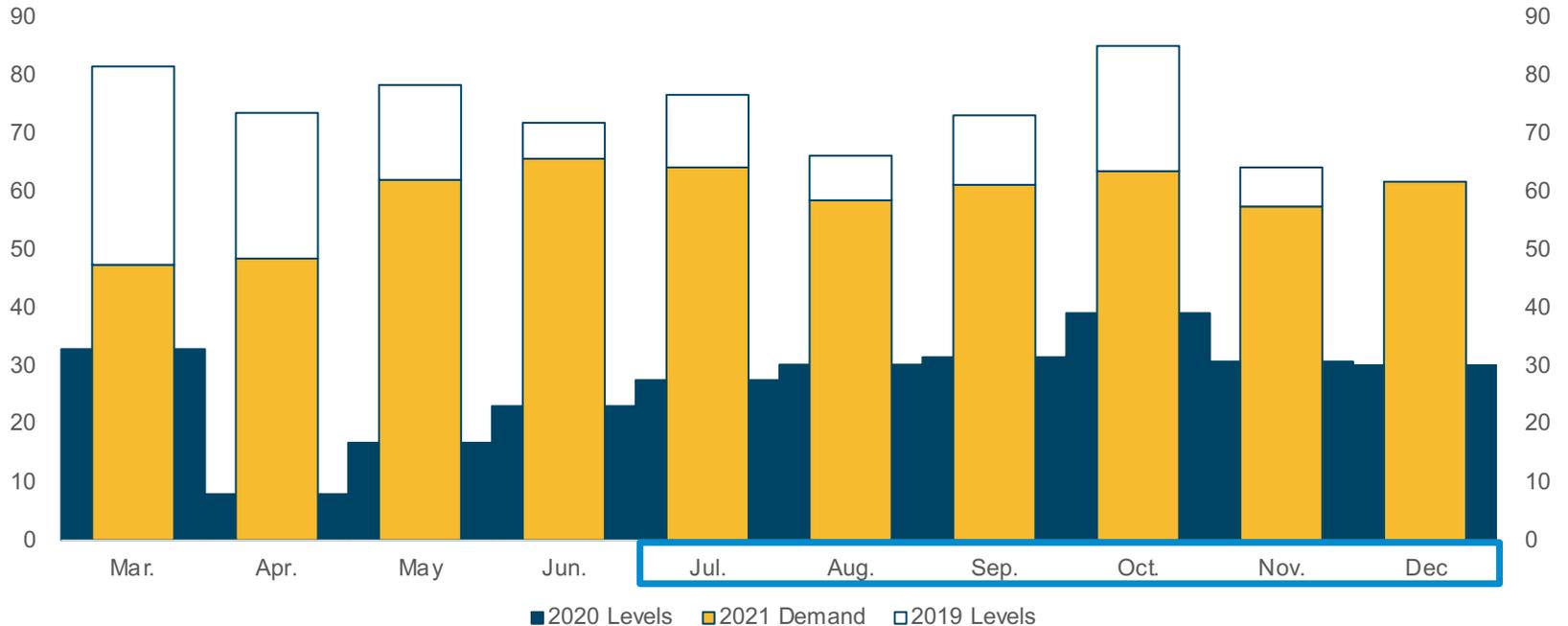
**Downtown**



# Downtown Memphis Demand

## Hotel Room Nights Sold

Downtown hotels have recaptured 86+ percent of 2019 demand levels over the past six months—and outperformed the volume of room nights sold during the early days of the pandemic by +129 percent.



Memphis hotels will have a difficult time achieving true 2019 demand levels until the **labor shortage** is fully resolved.



# Our Future Outlook

Memphis Tourism has partnered with the experts at **Tourism Economics** to forecast our market's performance for 2022 and beyond.



# Best

No New Variants, No Restrictions Needed



# Most Likely

Some New Variants, Few Restrictions



# Worst

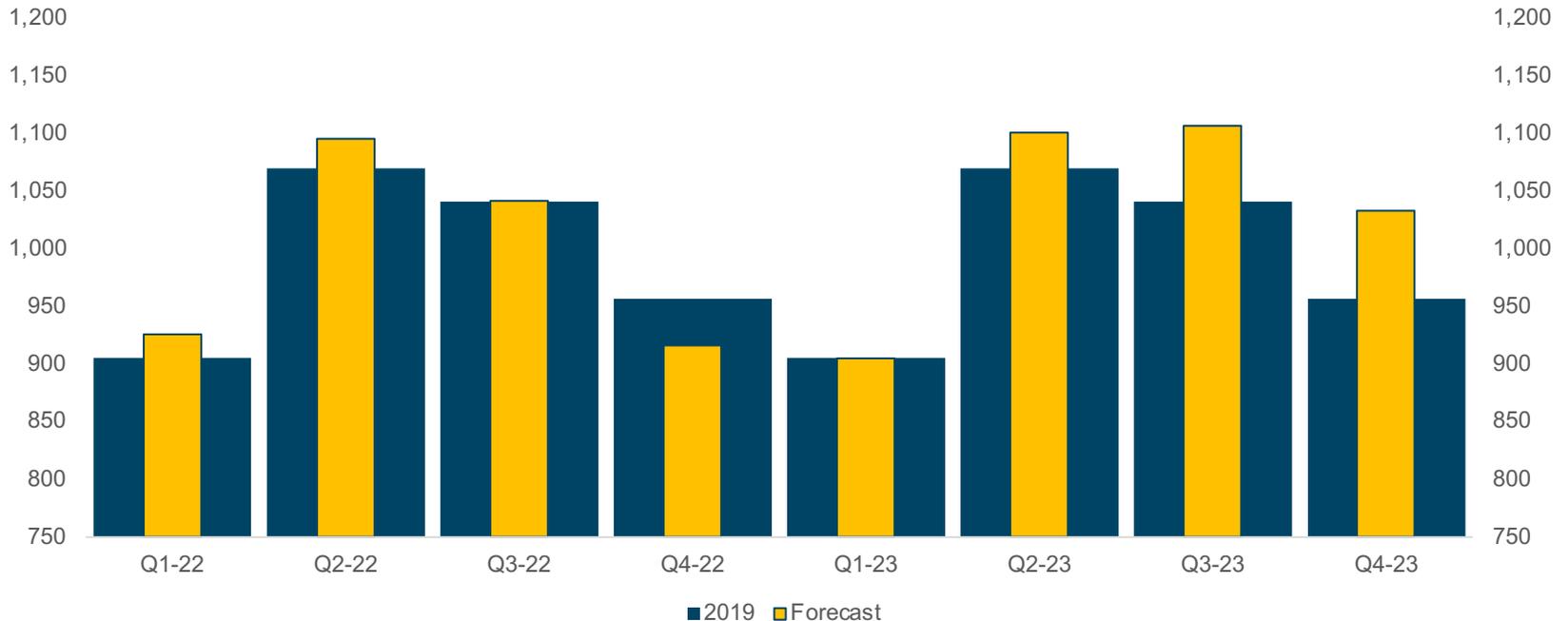
Dangerous New Variant, Many Closures



# The Most Likely Forecast

## Tourism Economics

Tourism Economics is anticipating a **more difficult winter** in 2022 than we observed at the end of the 2019 calendar year, but **Memphis will still make a full recovery** to 2019 levels in 2022 in our most-likely scenario.



**+0.2%**

**Full Recovery to 2019 Hotel Room Nights Sold**

Memphis in 2022, Tourism Economics



**59%**  
**Occupancy Rate**

City of Memphis, 2022



**\$109**

**ADR**

City of Memphis, 2022



**\$65**

**RevPAR**

City of Memphis, 2022

**+4.3%**

**Growth Over 2019 Hotel Room Nights Sold**

Memphis in 2023, Tourism Economics



# Questions & Observations