

Visit Anchorage Report to the Community

January 16, 2020

2019 set records for Anchorage tourism, and 2020 looks positive as well.

2019 Performance

- Last year saw growth in both cruise ship capacity and the number of available seats on flights into Anchorage's airport. Expect those to stay at or near historic highs for 2020.
- State data shows leisure and hospitality jobs in Anchorage hit a record last year, with modest growth of just under 2% forecast for 2020. Tourism is 1 in 9 jobs in Anchorage.
- Good 2019 hotel performance with strong rates, and a growth in demand for hotel rooms, both in the summer and from fall 2018 to spring 2019. Anchorage is growing demand year-round. We beat the national average for hotel performance in 2019 by many measures.
- Hotels saw more than \$300 million in revenue last year.
- Estimate \$31.2 million in 2019 bed taxes for Anchorage.
 - Split three ways: Travel promotion, civic & convention center funding, and the municipal general fund.
- Preliminary estimates anticipate \$38 million in local hotel and car rental taxes combined for Anchorage.
- In addition to tax revenue, visitors spend \$297 million in Anchorage every single year.

2020 Expectations

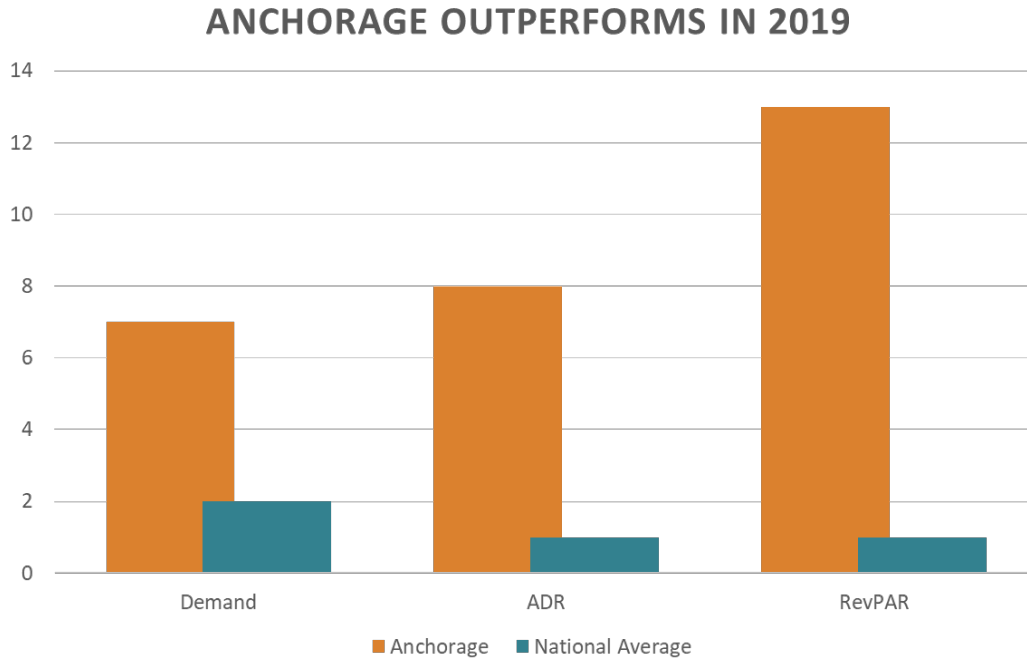
- National economy is strong, though showing some signs of slowing.
- Anecdotally, local tourism businesses report positive outlook for 2020.
- Anchorage maintains same air capacity, may even be up slightly.
- Cross-gulf cruise capacity (trips beginning or ending in Seward or Whittier, or making day calls on Anchorage) down slightly, making 2020 the second biggest year on record.
- State/local discussions about budgets and revenue continue to be source of uncertainty to broader economy.

Key initiatives for 2020

Continued focus on growing demand year-round.

Expanded marketing and sales efforts aligned with results of recent traveler sentiment research.

Hotel Performance versus National Average



Anchorage Tax Collections from Tourism

