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**RESEARCH UPDATE**

**MARCH 2024  
REVIEW**

**BIG SKY CHAMBER | VISIT BIG SKY**



## Big Sky Travel & Tourism Trends

- 192,315 total revenue passengers passed through the Bozeman Yellowstone International Airport in February 2024, a gain of 2.3% compared to the same month last year.
- Visa credit card spend in Big Sky increased slightly YoY in February 2024, with \$10.6 million being spent by domestic visitors and residents in the month. International Visa card spend also increased YoY, with \$217,959 being spent during the month of February 2024.
- Occupancy at Airbnb and Vrbo short term rentals in Big Sky fell from 81% in March of 2023 to 77% in March of 2024. Average Daily Rate at those same properties declined by \$36 YoY to \$876 in March of 2024.
- Professionally managed short-term rentals saw Occupancy increase slightly from 59% in March 2023 to 60% in March 2024. Average Daily Rate jumped from \$927 in March of last year to \$940 in March of this year.

## West Region Mountain Market Summary

- “Keeping the momentum from last month, snowfall held pace in March. As on-mountain conditions improved, customers watched snow stakes and base area webcams, stoking their desire to get out and enjoy the slopes.”
- “The season’s pent-up-demand actualized in March, adding 50,934 new bookings in the month for the month, while improving the occupancy rate from 58.4 percent as of February 29th to 66.6 percent. March’s occupancy rate slightly underperformed last year at this time, down -0.3 percent, while Average Daily Rate (ADR) was up +4.5 percent at \$662.”
- “Desirable on-mountain conditions boosted March’s performance, solidifying once again the assertion that snowfall is the make-or-break element. Despite strong snowfall boosting March bookings, the winter season as a whole remains relatively unchanged from last month. Occupancy decline has not changed, remaining down -3.8 percent, while ADR gain has decreased, now up +2.4 percent.”
- “As we move into the final weeks of winter, we look ahead to summer as bookings start to fill and the whole season comes into view.”

## Macroeconomic Trends

- “The economy performed well in March, but inflation also reached its highest level (3.5% YOY, as measured by the Consumer Price Index, or CPI) since September. The interplay of economic output and inflation reflect The Federal Reserve’s efforts to reduce inflation without throttling the economy with high interest rates. However, March’s higher inflation rate might have been more troubling if it accompanied weakening economic performance.”
- “Fortunately, economic performance was quite strong. The March jobs report showed that a strong 303,000 new jobs were added to the economy. This was the strongest month for new jobs since May 2023, helping push the unemployment rate down from 3.9% in February to 3.8% in March. Hourly earnings growth, while still above inflation, declined slightly, from 4.3% YOY in February to 4.1% in March, meaning the uptick in inflation doesn’t appear to be driven by a wage spiral just yet.”
- “The month’s performance seems to indicate both that more needs to be done to address inflation and that the economy isn’t suffering substantially. The Federal Reserve may have delayed its rate cuts, and there is some speculation that there may only be two cuts in 2024, rather than the three many experts hoped for. On the other hand, the changes are small, and the Fed may chalk up the higher inflation in March to statistical noise as more data comes in.”

## U.S. Hotel Performance

- The U.S. hotel industry reported higher performance results from the previous month, but mixed comparisons year over year, according to March 2024 data from CoStar. CoStar is a leading provider of online real estate marketplaces, information, and analytics in the property markets.
- **March 2024 (percentage change from March 2023):**
  - Occupancy: 63.7% (-2.5%)
  - Average Daily Rate (ADR): \$159.79 (+0.4%)
  - Revenue per Available Room (RevPAR): \$101.81 (-2.2%)
- Among the Top 25 Markets, Miami experienced the highest levels in each of the three key performance metrics: Occupancy (+2.3% to 83.5%), ADR (-0.6% to \$284.14) and RevPAR (+1.6% to \$237.25).
  - Markets with the lowest Occupancy for the month included Minneapolis (54.7%) and Detroit (55.1%).
- The Top 25 Markets showed higher occupancy and ADR than all other markets.

## Short Term Rentals

- The combination of slowing supply and surging demand increased March occupancy. After overcoming January's weak occupancy, 2024 has so far enjoyed higher occupancies YOY, with February 0.9% higher and March 2.0% higher. These two months of positive YOY occupancy growth come after a 23-month streak of falling YOY occupancies following the remarkable highs of 2021.
- On the other hand, the positive occupancy result in March may be owed entirely to the Easter shift, since when examining the individual weeks in March, the first three weeks' occupancy is, on average, down about 2.2%. The final week of March had an occupancy of 62.9%, up from March 2023, when the last week had an occupancy of 57.9%.
- Arguably, the most dramatic trend from the past few months is the renewed pricing power that arose from the reversal of occupancy declines.
- In response, ADR growth has flipped from a YOY decline of 3.9% in November to a gain of 4.0% in March. The RRI never reached negative growth in 2023, implying that while ADR declined on average, this was due to a mix shift; new properties were lower-priced than existing.
- Still, weak growth between 0-1% characterized much of the RRI performance of the past year. March's 6.5% YOY was RRI's strongest month since early 2022.

## Short Term Rentals (continued)

- **Key U.S. STR Performance Metrics for March 2024**
  - RevPAR increased 6.1% YOY to \$196.15
  - Available listings were 1.57 million, up 12.3% YOY
  - Total demand (nights) rose 15.2% YOY
  - Occupancy was 2.0% higher YOY at 60.2%
  - ADRs increased 4.0% YOY to \$326.02
  - RRI increased by 6.5% YOY
  - Nights booked increased by 12.5% YOY

# AIRPORT DATA





# BOZEMAN YELLOWSTONE INTERNATIONAL AIRPORT AIRPORT NON-STOP DESTINATIONS

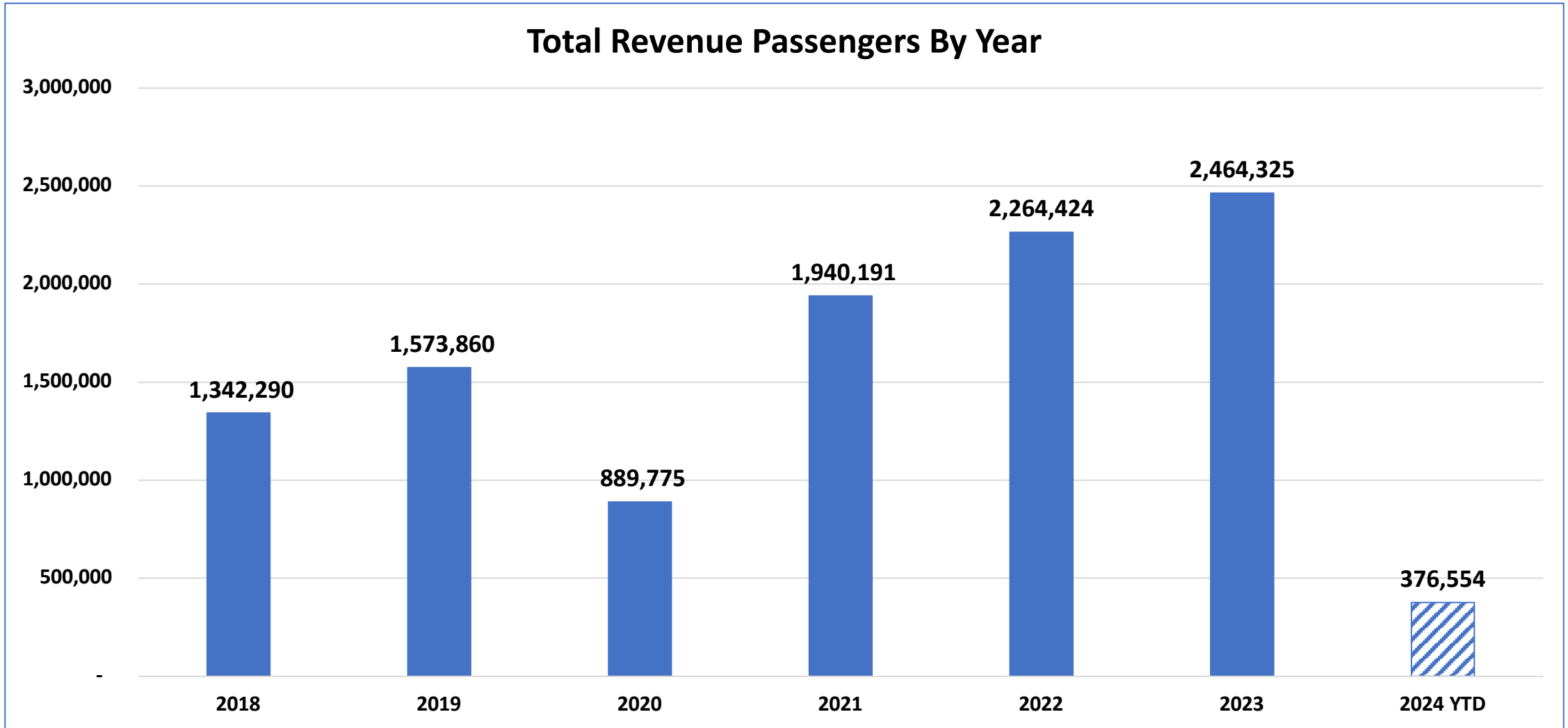
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# BOZEMAN YELLOWSTONE INTERNATIONAL AIRPORT - TOTAL PASSENGERS YEAR-TO-DATE

Total Revenue Passengers					
<u>Month</u>	<u>2024</u>	<u>2023</u>	<u>% Change vs. 2023</u>	<u>2022</u>	<u>% Change vs. 2022</u>
January	184,239	182,309	1.1%	167,043	10.3%
February	192,315	188,040	2.3%	171,096	12.4%
March		212,084		206,216	
April		144,862		140,031	
May		173,251		165,145	
June		248,492		225,410	
July		286,163		256,234	
August		281,444		254,445	
September		234,589		203,844	
October		185,605		167,851	
November		142,205		132,939	
December		185,281		174,170	
<b>Year-to-Date</b>	<b>376,554</b>	<b>2,464,325</b>	<b>-84.7%</b>	<b>2,264,424</b>	<b>-83.4%</b>
<b>Total</b>		<b>2,464,325</b>		<b>2,264,424</b>	

# BOZEMAN YELLOWSTONE INTERNATIONAL AIRPORT - YEARLY TOTAL PASSENGERS



(Jan-Feb 2024)

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**AIRDNA  
DATA**

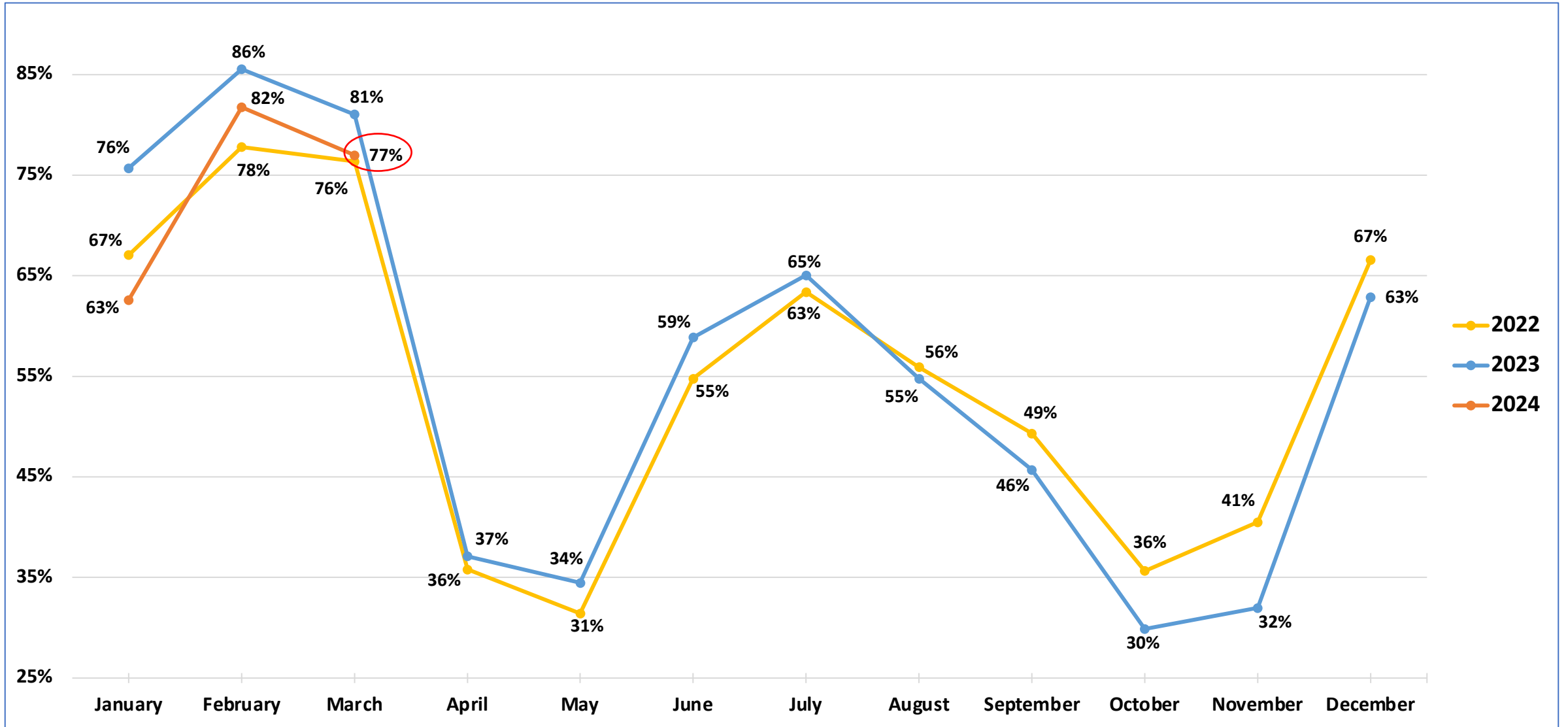


# AIRDNA SHORT TERM RENTAL (INCLUDES AIRBNB & VRBO LISTINGS) DEFINITIONS

## Definitions (provided by AirDNA)

- **Available Listings** – Total number of listings whose calendars had at least one day classified as available or reserved during the reporting period.
- **Average Daily Rate** – Average daily rate (ADR) of booked nights in USD (ADR = Total Revenue / Booked Nights).
- **Booked Listings** – Total number of listings that had at least one reservation during the reporting period.
- **Demand (Nights)** – Total number of Booked Nights during the reporting period.
- **Entire Place** – Type of listing in which guests have the whole home to themselves. This usually includes a bedroom, a bathroom, and a kitchen.
- **Hotel Comparable Listings** – Studio and one-bedroom Entire Home vacation rentals. AirDNA believes these are the type of listings most likely to compete directly with hotels.
- **LTM** – Last Twelve Months
- **Occupancy Rate** – Occupancy Rate = Total Booked Days / (Total Booked Days + Total Available Days). Calculation only includes vacation rentals with at least one Booked Night.
- **Private Room** – Type of listing in which guests have their own private room for sleeping. Other areas could be shared.
- **Revenue (USD)** – Total revenue (in US dollars) earned during the reporting period. Includes the advertised price from the time of booking, as well as cleaning fees.
- **RevPAR** – Revenue Per Available Rental = ADR \* Occupancy Rate
- **Shared Room** – Type of listing in which guests sleep in a bedroom or a common area that could be shared with others.
- **Supply (Nights)** – Total number of Available Nights and Booked Nights from Active Listings.

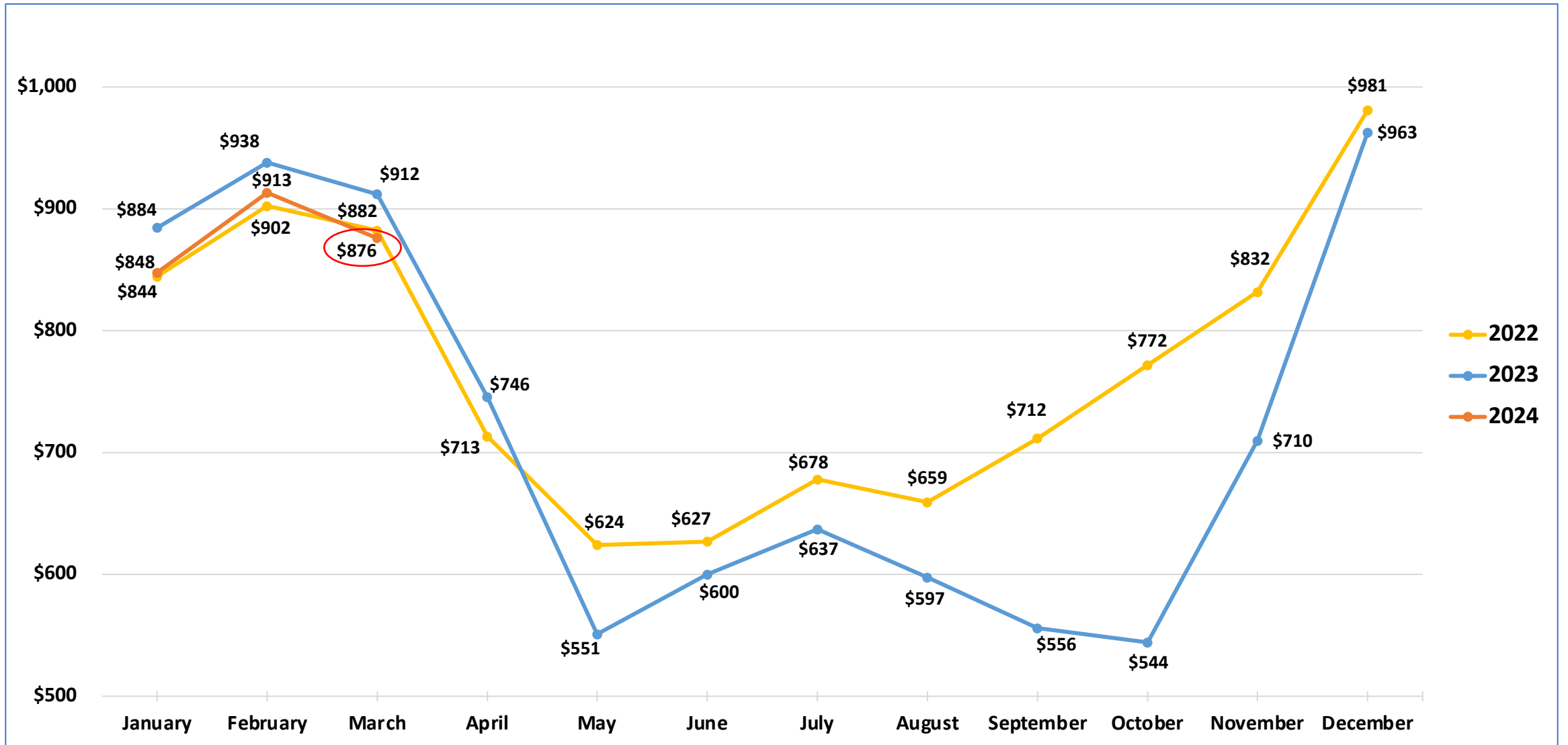
# AIRDNA – OCCUPANCY (%) BY MONTH



Source: AirDNA (Includes Airbnb and Vrbo data)

# AIRDNA – AVERAGE DAILY RATE (\$) BY MONTH

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Source: AirDNA (Includes Airbnb and Vrbo data)

**KEY DATA**  
**DATA**





# KEY DATA DIRECT SOURCE LODGING PARTNERS

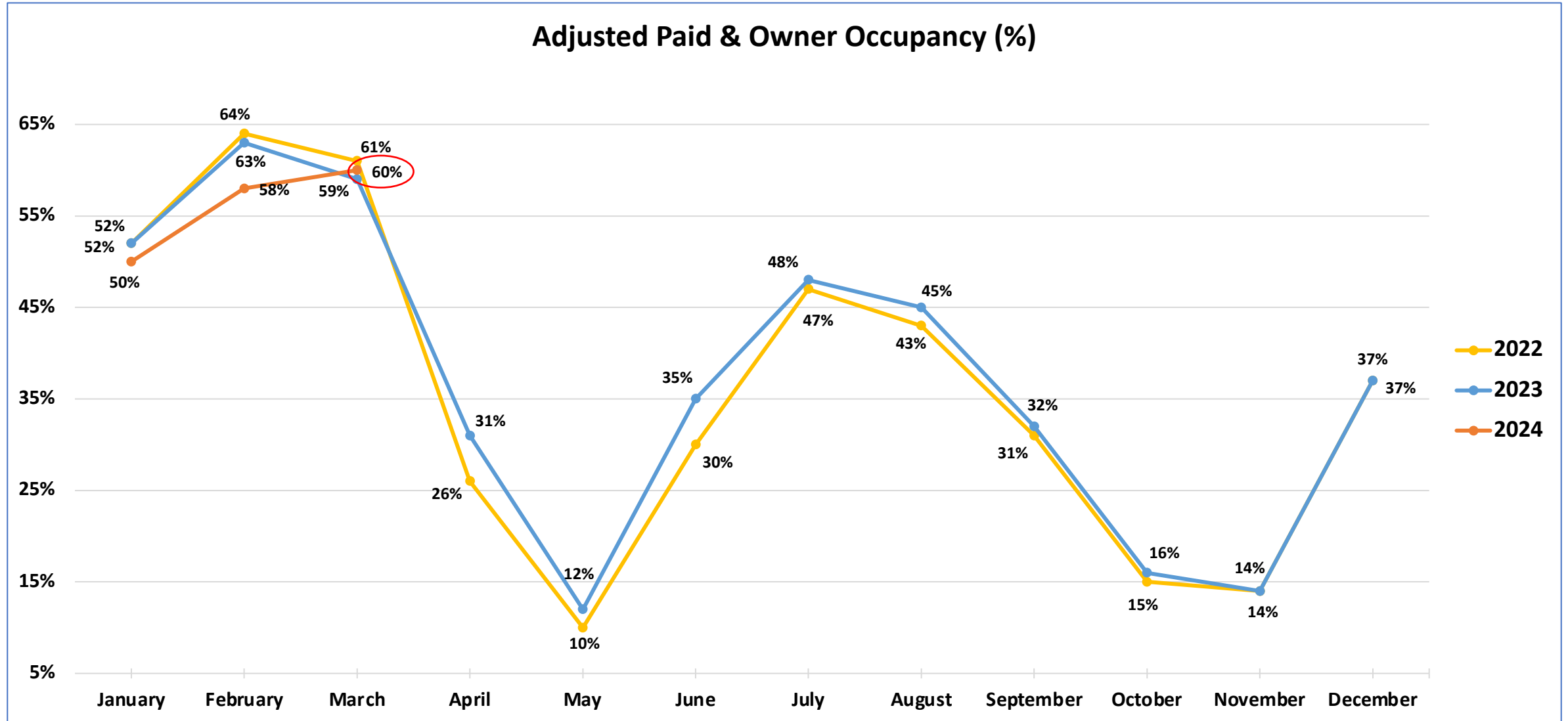


- Key Data currently partners with 12 Big Sky property management companies and hotels.
  - In total, this represents ~1,439 rental units in the Big Sky area.
  - All figures in the following slides are taken exclusively from the following 12 property management companies and hotels:
    - Big Sky Luxury Vacations, Big Sky Resort, Big Sky Vacation Rentals, EVOLVE, Lone Mountain Ranch, Montage Big Sky, Moonlight Basin, Natural Retreats, Stay Montana, Two Pines, Vacasa, and Wilson Peak Properties
- We hope to add additional property management companies to the platform in the future, which will improve data quality and increase the total rental unit count.

# KEY DATA DIRECT SOURCE DEFINITIONS

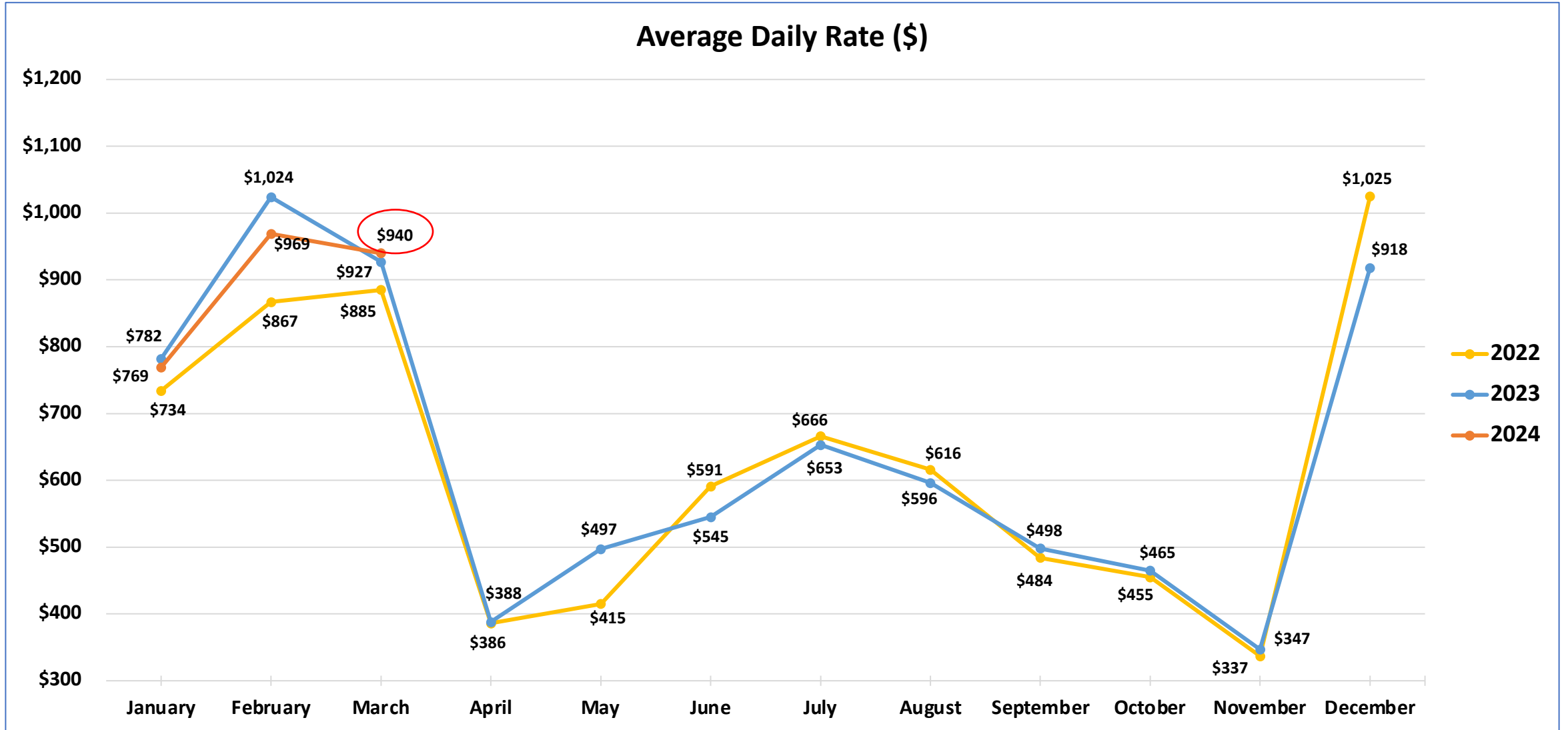
- **Average Daily Rate (ADR)** - The average Unit Revenue paid by guests for all the Nights Sold in a given period. ADR, along with the property's Occupancy, are the foundations for the property's financial performance.
  - = Total Unit Revenue / Nights Sold
- **Adjusted Paid & Owner Occupancy** - The percentage of nights occupied by guests and owners out of the Total Nights minus hold nights in the period.
  - = (Nights Sold + Owner Nights) / (Total Nights - Hold Nights)
- **Adjusted Revenue Per Available Room (RevPAR)** - A critical KPI for measuring revenue performance, RevPAR takes into account both the average rate at which you booked the property (ADR) and the number of nights it was booked (Occupancy). This provides a better indicator of overall performance when compared to looking at the ADR or the Occupancy alone.
  - = Occupancy x ADR (or) Total Unit Revenue / Nights Available in a given period
- **Average Revenue (Nightly)** - The amount charged to guests, excluding taxes. The total property revenue generated directly from the property rental, including any mandatory, non-discretionary or other charges automatically added to a guest account in which a guest has no ability to “opt-out.”

# KEY DATA – OCCUPANCY (%) BY MONTH



# KEY DATA – AVERAGE DAILY RATE (\$) BY MONTH

### Average Daily Rate (\$)

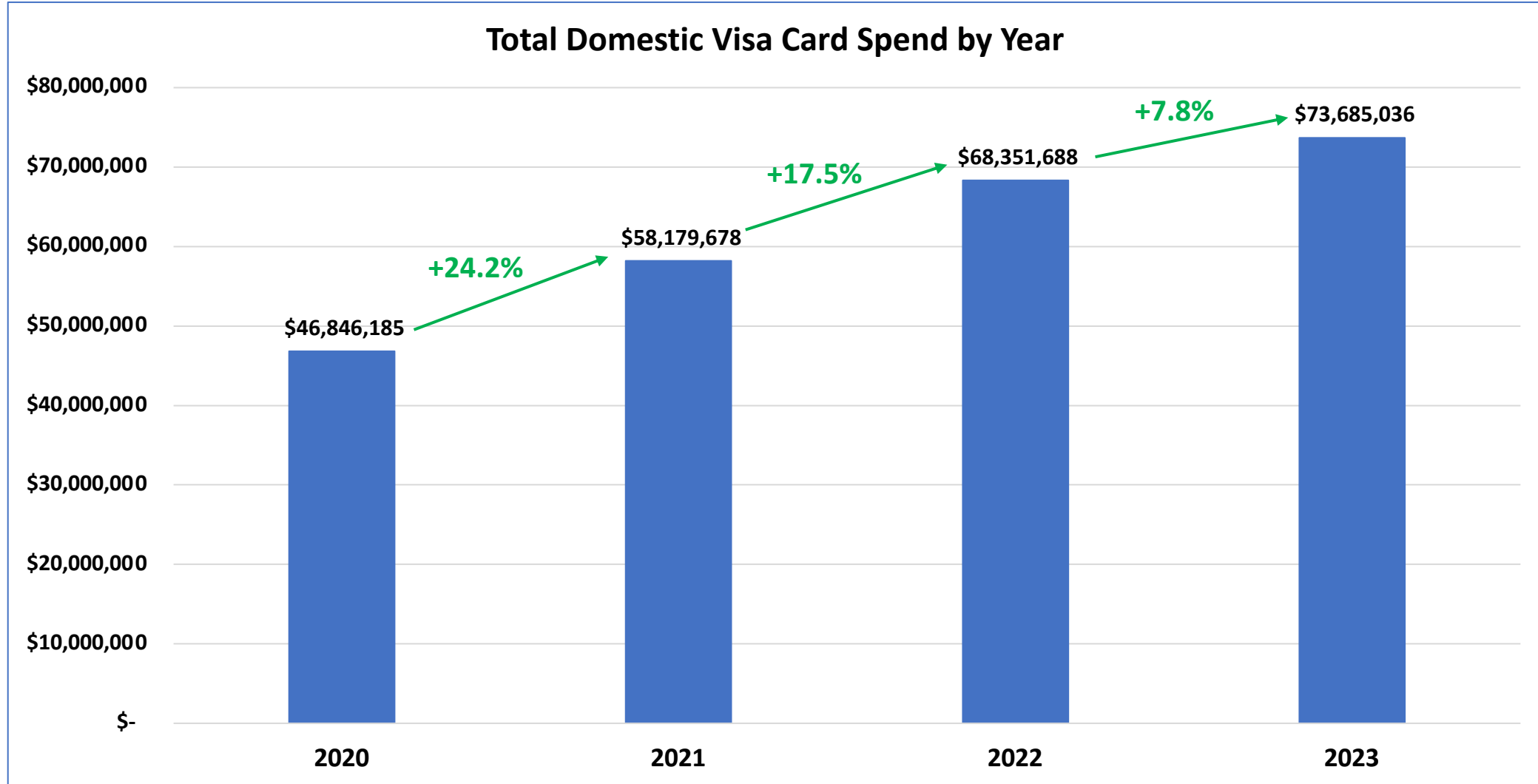


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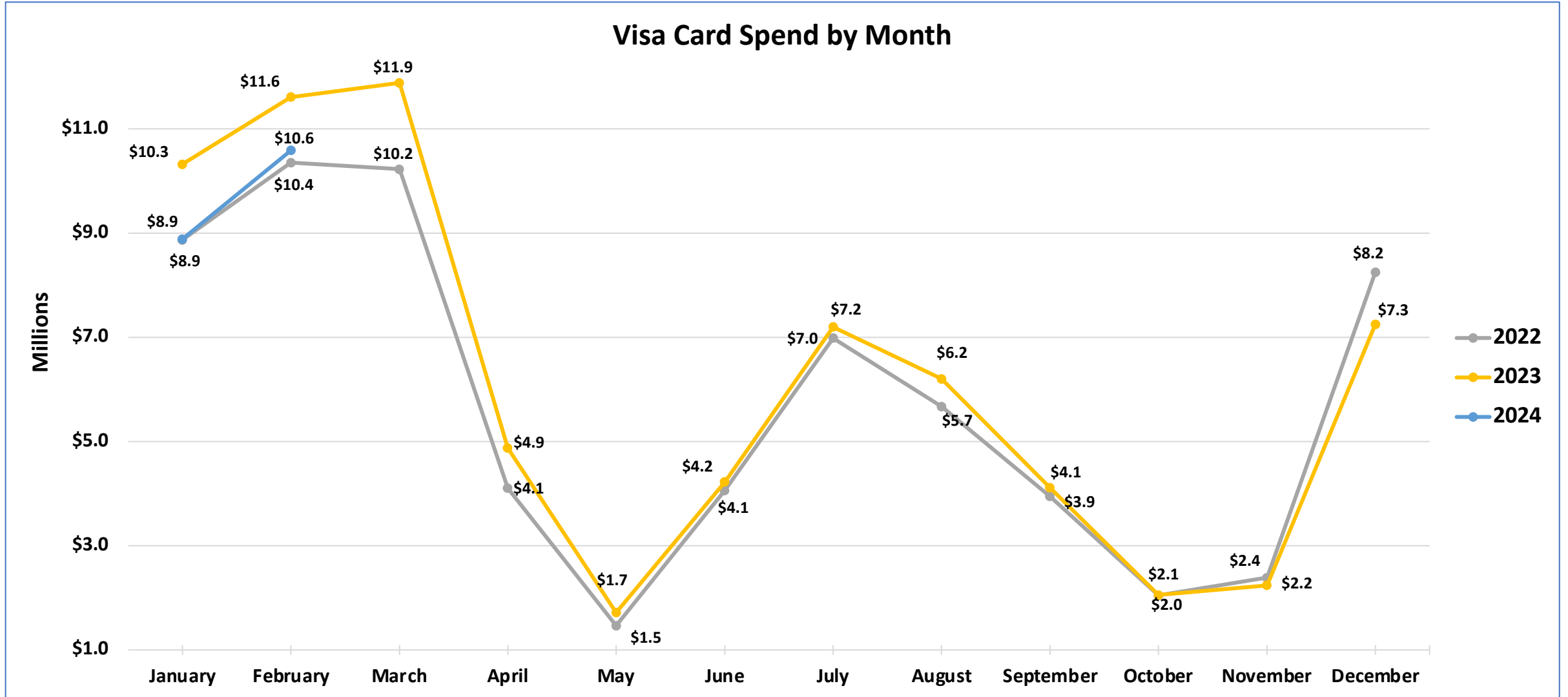
# VISA DESTINATION INSIGHTS



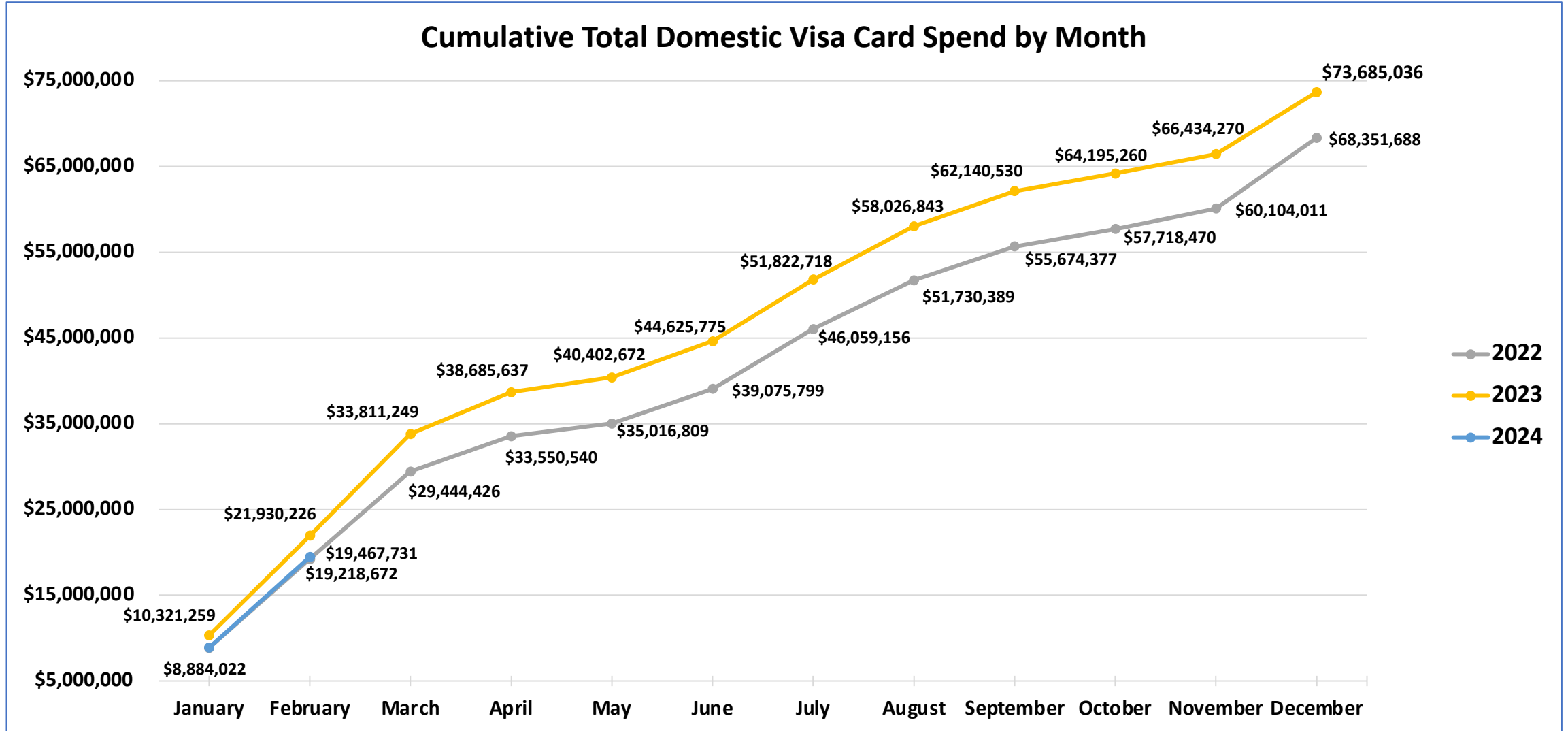
# VISA VUE – TOTAL DOMESTIC VISA CARD SPEND DATA BY YEAR



# VISA VUE – TOTAL DOMESTIC VISA CARD SPEND DATA (Spend by Month)



# VISA VUE – TOTAL DOMESTIC VISA CARD SPEND DATA (Cumulative Spend by Month)



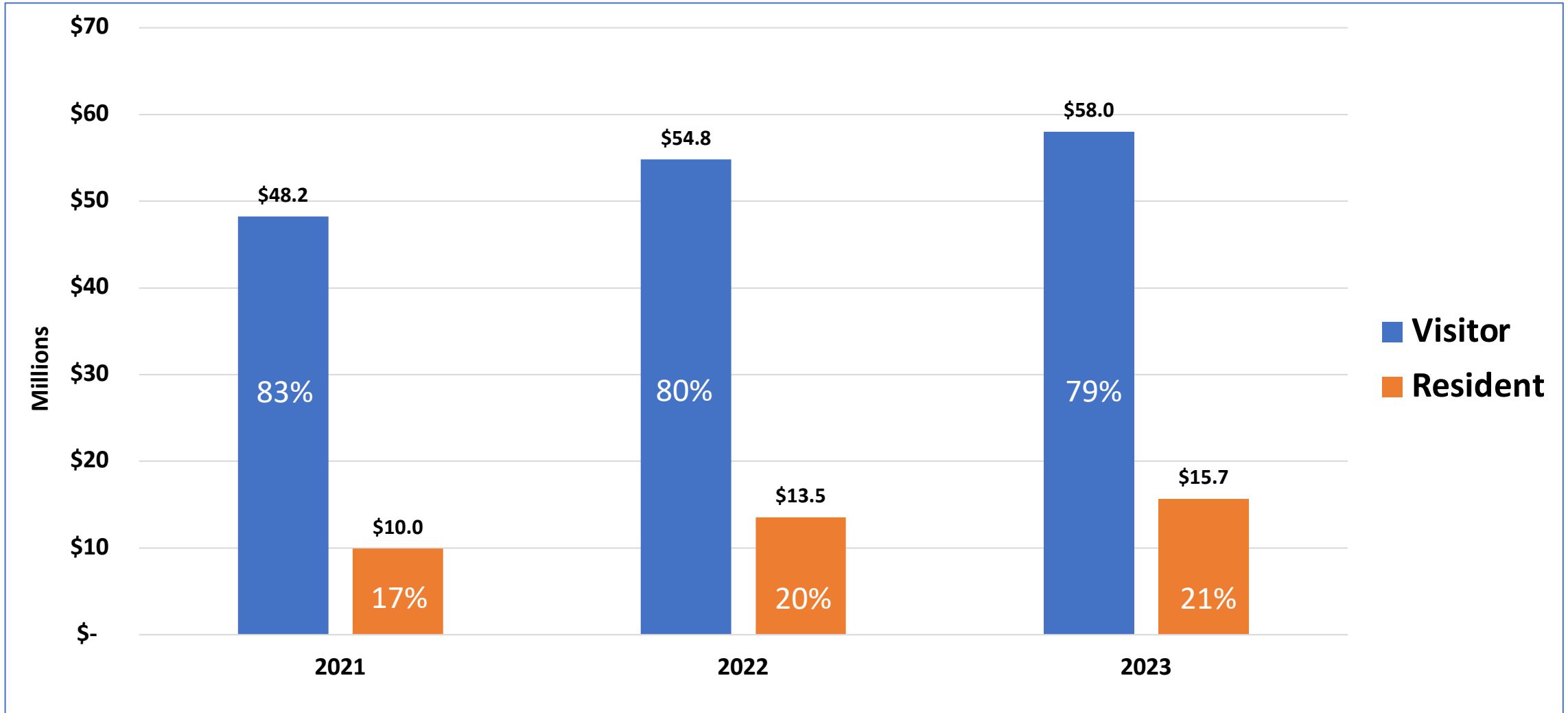


# VISA VUE – 2024 YEAR-TO-DATE VISA CARD SPEND DATA - Spend by Market 2024 YTD (January-February)

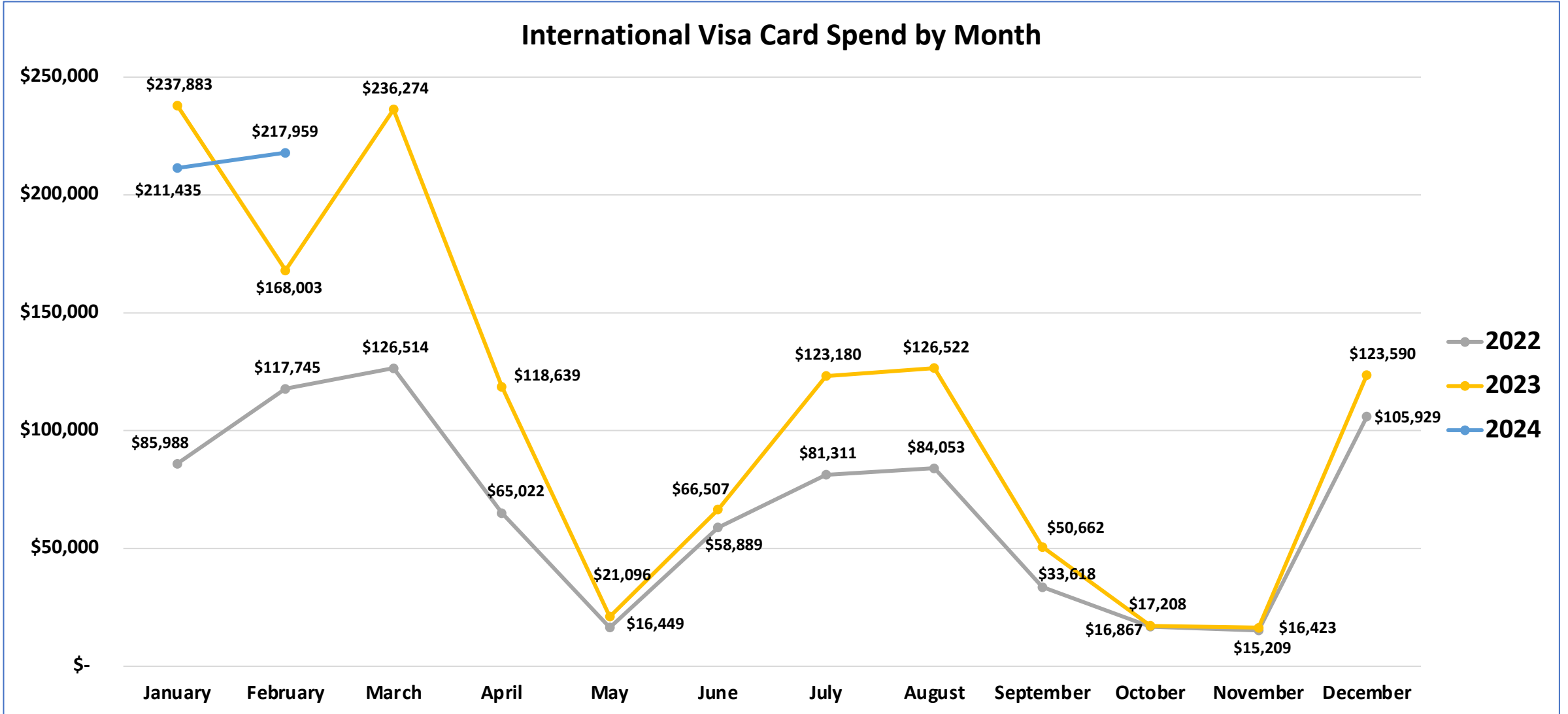


Rank	Market	Total Spend	YoY Change %	Card Count	YoY Change %
1	Bozeman, MT	\$4,910,892	-8%	18,772	-6%
2	New York-Newark-Jersey City, NY-NJ-PA	\$1,130,076	-11%	3,768	+2%
3	Chicago-Naperville-Elgin, IL-IN-WI	\$810,673	+5%	2,175	+1%
4	Los Angeles-Long Beach-Anaheim, CA	\$638,188	-14%	2,299	-7%
5	Seattle-Tacoma-Bellevue, WA	\$498,607	-25%	2,041	-18%
6	San Francisco-Oakland-Berkeley, CA	\$497,953	-7%	1,644	-10%
7	Boston-Cambridge-Newton, MA-NH	\$427,307	-25%	1,383	-23%
8	Denver-Aurora-Lakewood, CO	\$367,228	-22%	1,911	-22%
9	Washington-Arlington-Alexandria, DC-VA-MD	\$338,995	-17%	1,040	-3%
10	San Diego-Chula Vista-Carlsbad, CA	\$321,934	+1%	1,155	-2%

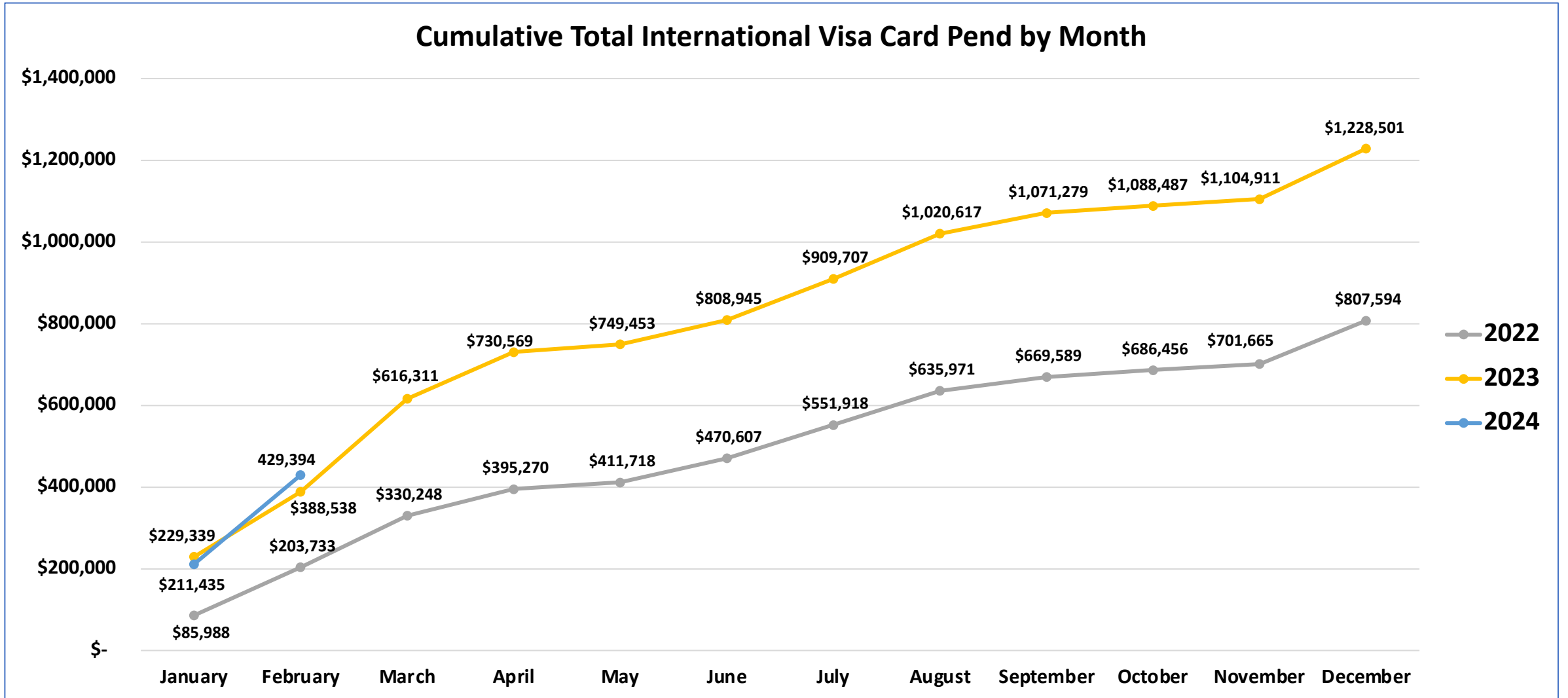
# VISA CARD SPEND ANALYSIS BY YEAR: TOTAL ANNUAL SPEND - VISITORS VS. RESIDENTS



# VISA VUE – TOTAL INTERNATIONAL VISA CARD SPEND DATA (Spend by Month)



# VISA VUE – TOTAL INTERNATIONAL VISA CARD SPEND DATA (Cumulative Spend by Month)



# VISA VUE – 2024 YEAR-TO-DATE VISA CARD SPEND DATA - Spend by International Market 2024 YTD (January-February)



Rank	Market	Total Spend	YoY Change %	Card Count	YoY Change %
1	Canada	\$194,621	+38%	658	+33%
2	Australia	\$66,464	-25%	158	-9%
3	New Zealand	\$21,343	-9%	46	-23%
4	United Kingdom	\$19,222	+69%	61	+9%
5	Mexico	\$17,919	+45%	50	+22%
6	Brazil	\$13,224	+85%	24	+50%
7	Puerto Rico	\$9,670	-28%	18	-49%
8	Dominican Republic	\$7,725	N/A	10	N/A
9	Luxembourg	\$6,585	+8151%	< 10	N/A
10	Bahamas	\$6,220	N/A	< 10	N/A

**CONSUMER  
SENTIMENT DATA**

**LONGWOODS  
INTERNATIONAL**

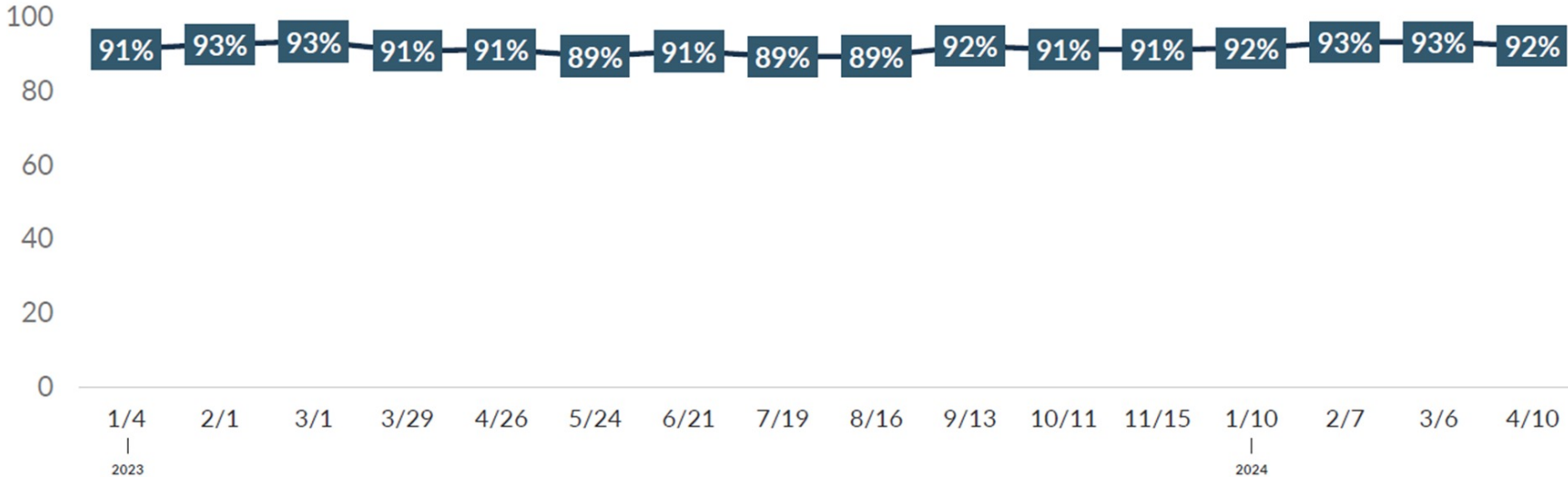


# TRAVEL SENTIMENT STUDY WAVE 84

\*Survey fielded April 10, 2024; US National Sample of 1,000 adults 18+

## IMPACT ON TRAVEL PLANS

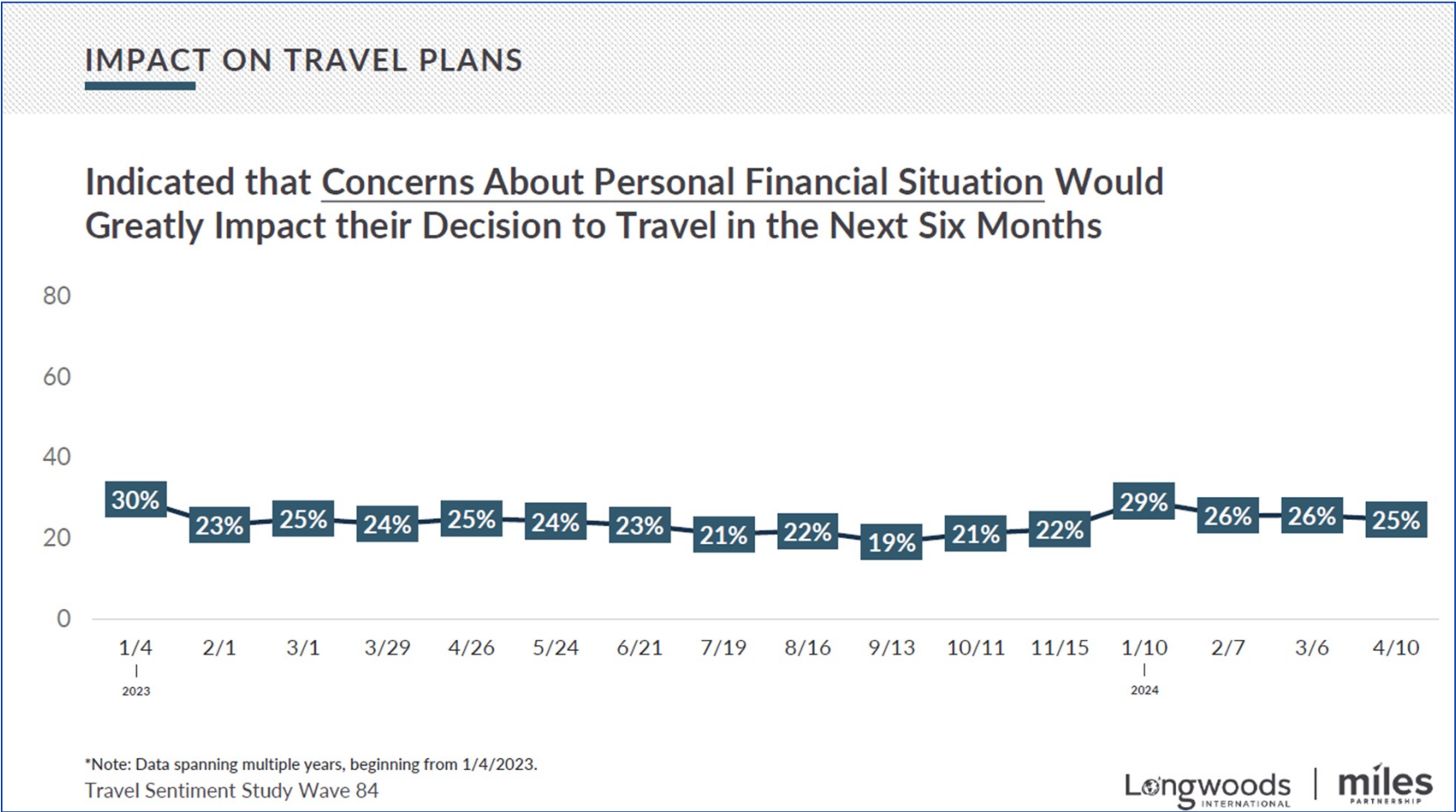
### Travelers with Travel Plans in the Next Six Months Comparison



\*Note: Data spanning multiple years, beginning from 1/4/2023.  
Travel Sentiment Study Wave 84

# TRAVEL SENTIMENT STUDY WAVE 84

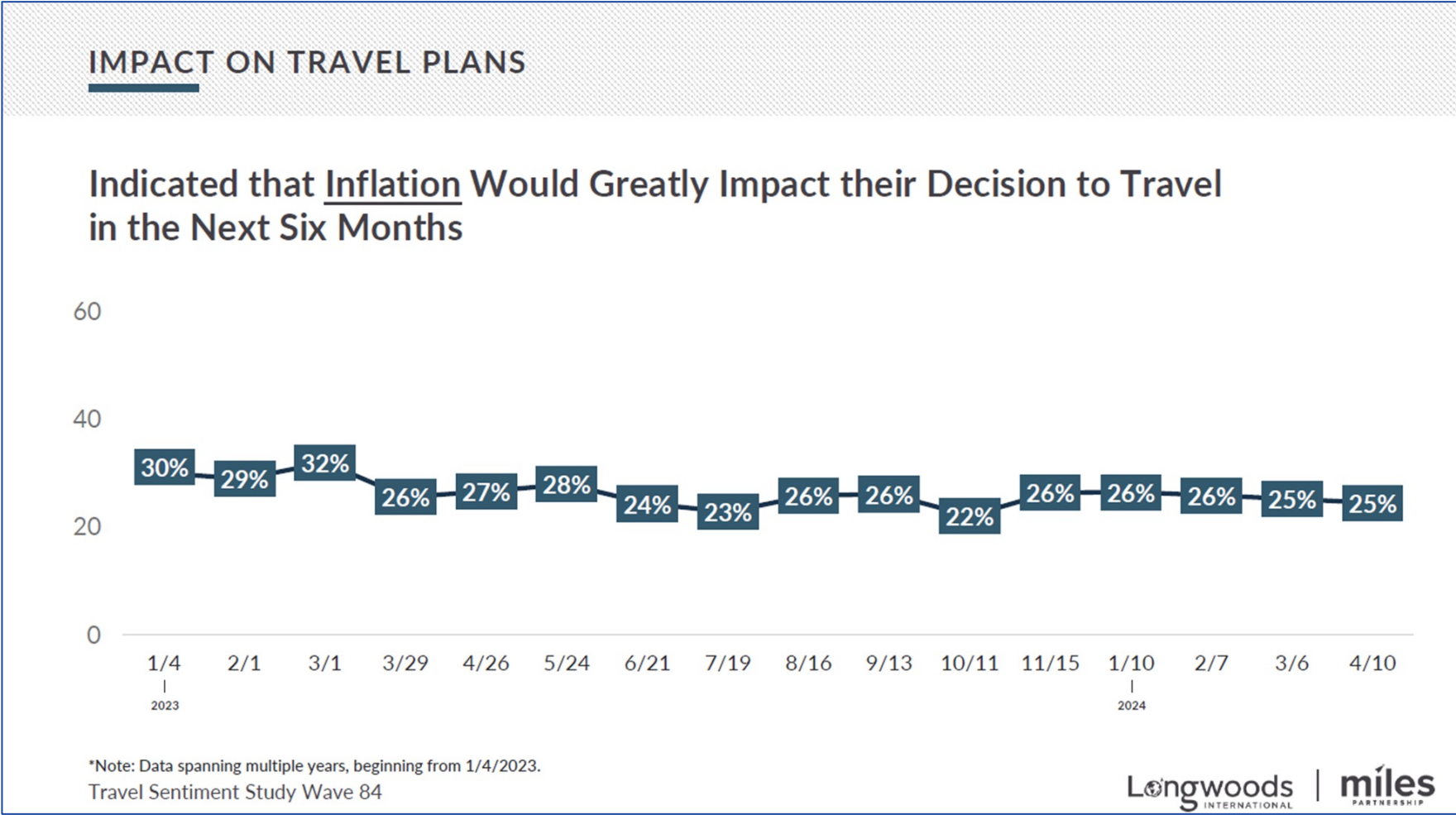
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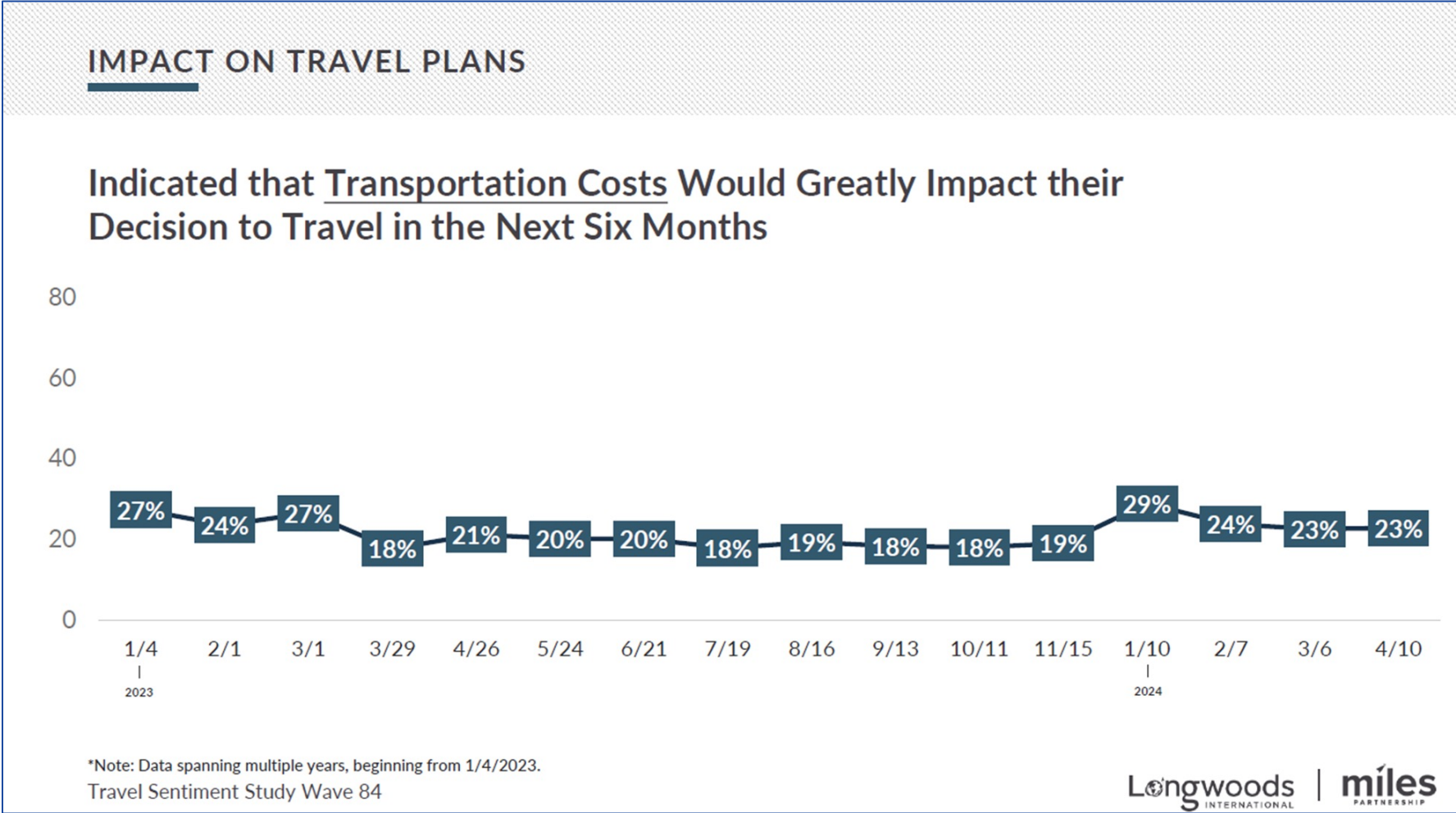
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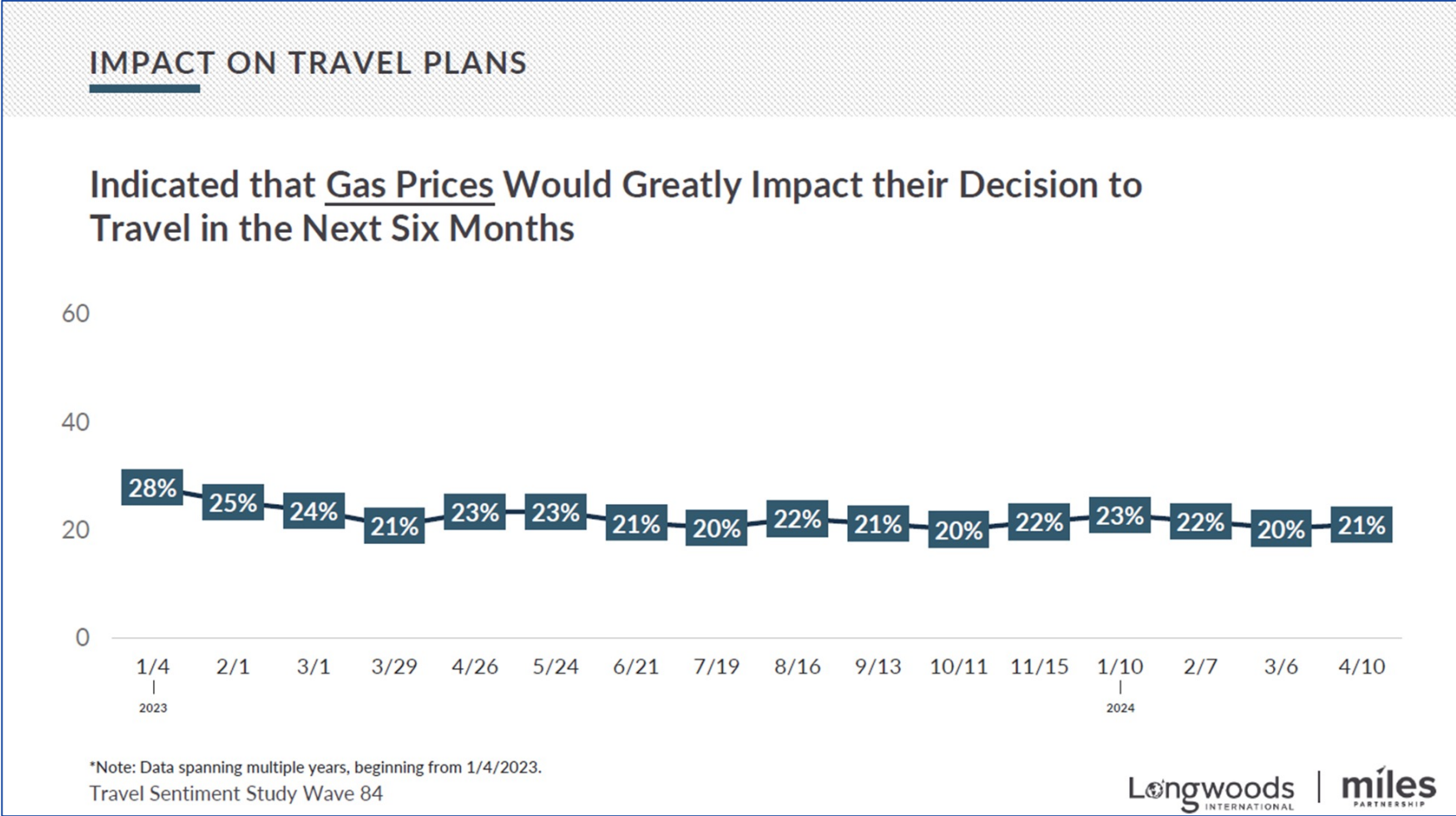
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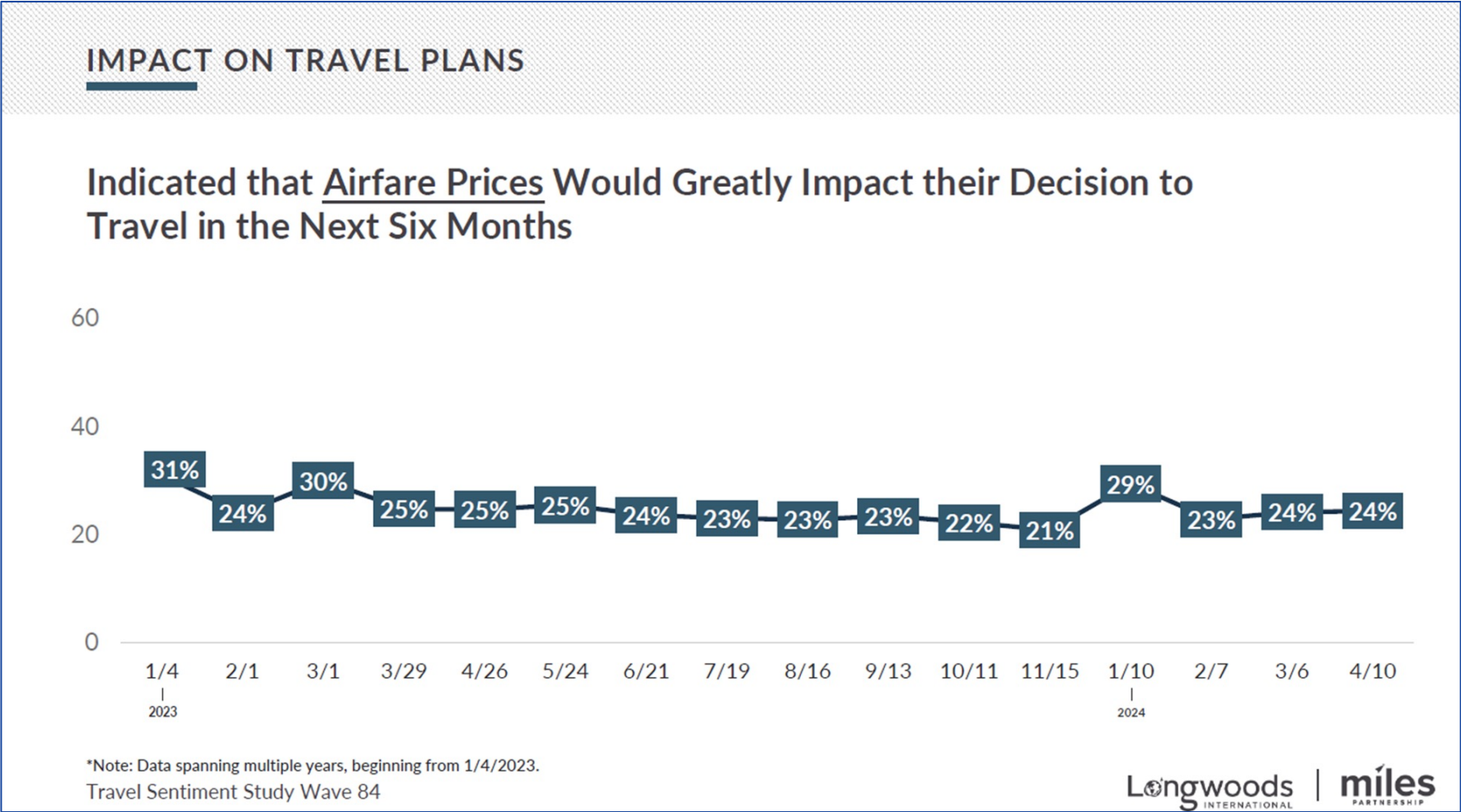
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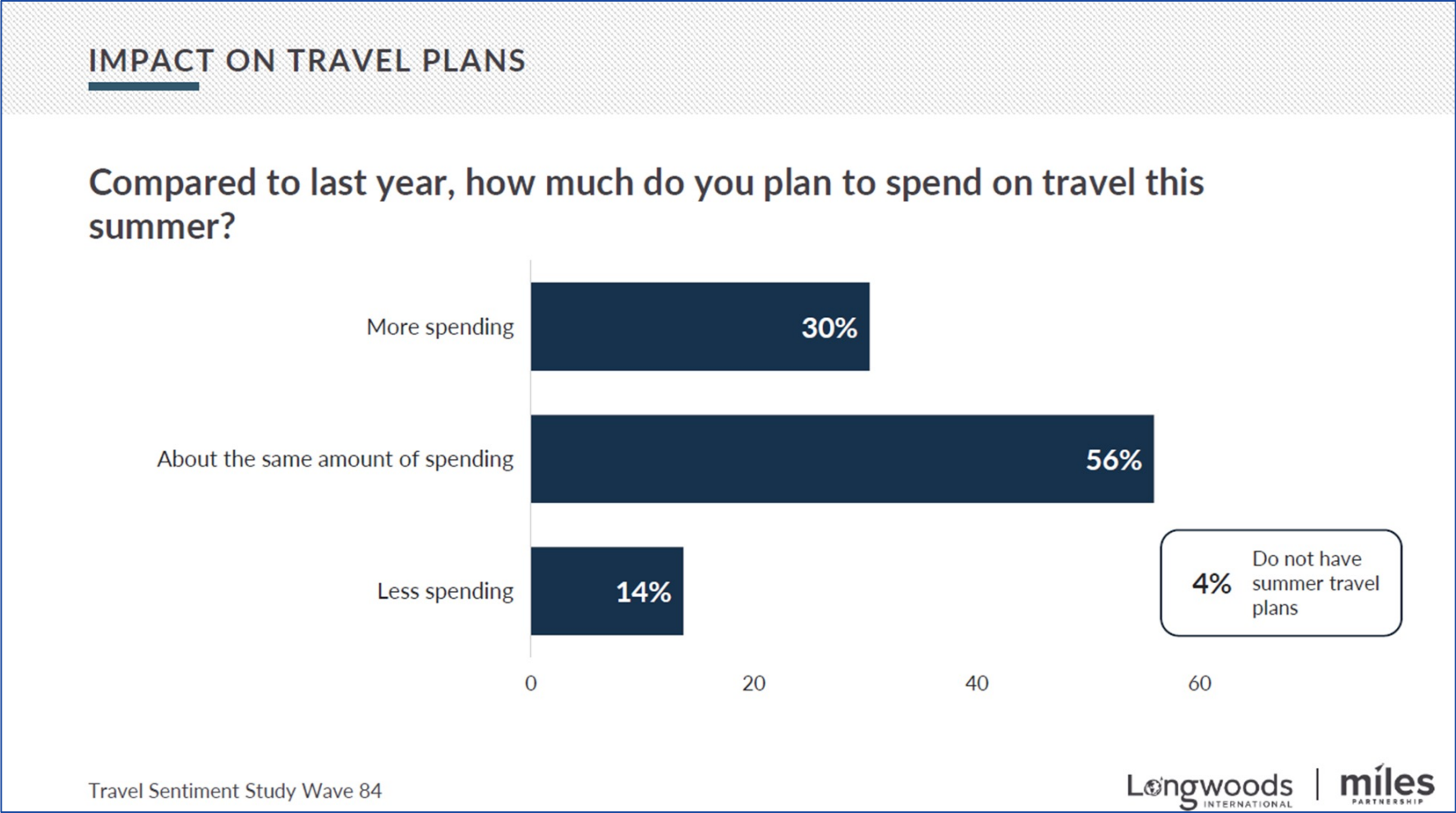
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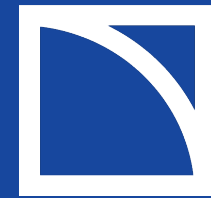
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Source: Longwoods International

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**BLUE ROOM**  
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