

GULF COAST CAPITAL

QUARTERLY DATA REPORT



EXECUTIVE SUMMARY

Visitation in the second quarter started off slowly before building up as the weather warmed. As predicted by national surveys highlighting economic concerns, January and February saw fewer travelers than last year.

However, the beginning of spring break brought positive signs for travel demand during warm weather months. Visitor volume increased greatly compared to last year toward the beginning of spring break, although rain caused last minute cancellations towards the end of break. Even so, hotel occupancy rates over spring break exceeded last year's numbers despite the weather.

Short term rentals continued to see an increase in visitation this quarter even in the face of the economic climate. These increases in short term rental demand look as though they'll continue into the summer, albeit at a slower rate of growth than we saw last summer. The number of short term rentals in the city has also seemed to level out, although this can always change unpredictably in the coming months. That said, the registration process in place this year for short term rental properties means this is less likely than it was last year.

A hotel forecast conducted by Tourism Economics for Corpus Christi predicts that hotels will also see some increases in spring and summer demand compared to last year, especially during May and June, although these increases will slow for economic reasons in July and August. The increase is likely in part to the continued return of business travel post-COVID, which has still not reached 2019 levels nationwide.

Also in line with national trends, the Corpus Christi forecast predicts increased hotel room rates and revenue through the rest of the summer. Although some people are opting not to travel this year due to economic concerns, those who are traveling have prepared for the increased price of travel this year and are expecting (and ready to pay) those increased prices.

That means each visitor is giving more back to our economy than ever before. For that reason, your voice matters. 64% of Corpus Christi residents say that they interact with visitors to share recommendations with them. Remember, sharing what you love about the city means helping to grow the impact of tourism that we all benefit from!

PROGRESS REPORT

TOWARD ANNUAL GOALS ACROSS ALL DEPARTMENTS



\$156*

**AVG SPEND
PER PERSON
PER DAY
\$12 ABOVE
GOAL**

*Updated annually, not yet available



2.4

**AVG DAYS
STAYED
0.33 DAYS
ABOVE GOAL**



8.85

OUT OF 10

**LEISURE VISITOR
SENTIMENT
0.25 POINTS
UNDER GOAL**



4.08M

**DIGITAL
ENGAGEMENTS
51% OF GOAL**



31.5%

**EMAIL OPEN
RATE
75% ABOVE
GOAL**



1:25

**AVG WEBSITE
VISIT DURATION
2 SECONDS
UNDER GOAL**



85M

**EARNED MEDIA
REACH
47% OF GOAL**



93

**CONVENTION
RFPS
47% OF GOAL**



9K

**CONVENTION
ROOM NIGHTS
24% OF GOAL**



4.36M

**CONVENTION
ECONOMIC
IMPACT
22% OF GOAL**



\$129

**CONVENTION
ROOM RATE
\$7 BELOW GOAL**



4

**CONVENTION
SITE VISITS
22% OF GOAL**



8.5

OUT OF 10

**CONVENTION
PLANNER
SENTIMENT
1 POINT BELOW
GOAL**



55

**SPORTS LEADS
EVALUATED
110% OF GOAL**



19

**SPORTS LEADS
BOOKED
63% OF GOAL**



6.9K

**SPORTS NEW
ROOM NIGHTS
138% OF GOAL**



14.75

**SPORTS
REBOOKED ROOM
NIGHTS
546% OF GOAL**



1

**SPORTS SITE
VISITS
12.5% OF GOAL**

HOTEL REVIEW

DATA
FROM STR

J
A
N

AREA	ADR	% CHG	OCCUPANCY	% CHG	REVPAR	% CHG
United States	\$142.14	14.76%	52.77%	10.88%	\$75.01	27.25%
Texas	\$110.03	14.47%	56.28%	10.73%	\$61.93	26.75%
San Antonio	\$115.71	13.12%	52.29%	9.48%	\$60.50	23.84%
Austin	\$153.22	24.01%	58.22%	20.31%	\$89.20	49.19%
Houston	\$103.11	11.31%	53.62%	18.55%	\$55.29	31.96%
South Padre Island	\$91.79	3.69%	61.54%	0.89%	\$56.49	4.61%
Galveston	\$111.48	-0.49%	46.21%	26.94%	\$51.51	26.31%
Corpus Christi	\$89.87	4.21%	46.41%	-9.37%	\$41.71	-5.56%

AREA	ADR	% CHG	OCCUPANCY	% CHG	REVPAR	% CHG
United States	\$152.01	10.26%	60.01%	5.79%	\$91.22	16.64%
Texas	\$117.08	11.74%	63.69%	7.00%	\$74.58	19.57%
San Antonio	\$134.34	12.85%	64.68%	6.47%	\$86.88	20.15%
Austin	\$166.10	13.54%	70.73%	12.66%	\$117.48	27.91%
Houston	\$113.57	11.58%	62.72%	15.51%	\$71.23	28.88%
South Padre Island	\$101.45	5.68%	76.51%	3.09%	\$77.62	8.95%
Galveston	\$126.53	5.55%	54.08%	32.69%	\$68.43	40.04%
Corpus Christi	\$93.62	4.28%	53.44%	-10.02%	\$50.03	-6.17%

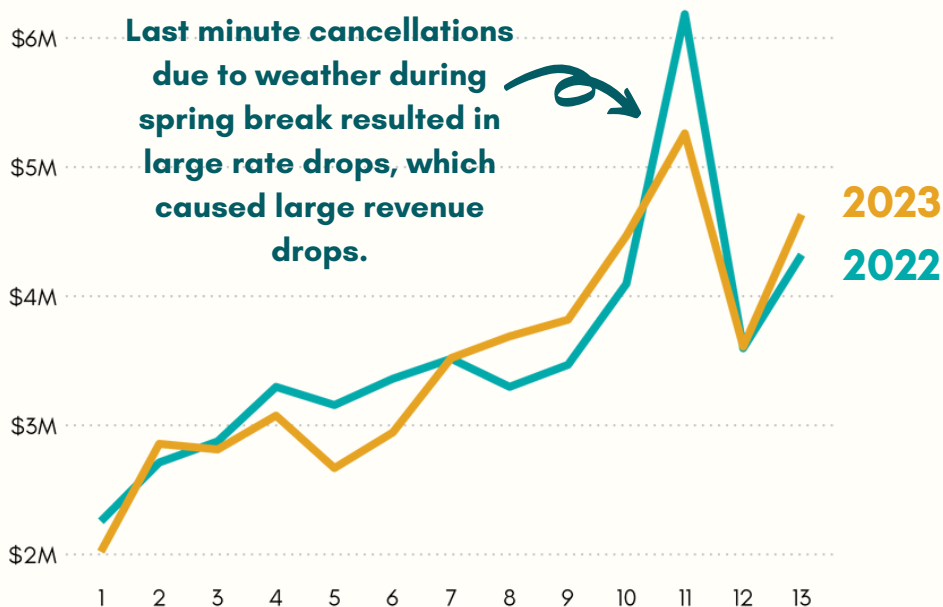
F
E
B

M
A
R

AREA	ADR	% CHG	OCCUPANCY	% CHG	REVPAR	% CHG
United States	\$158.17	7.76%	65.34%	2.45%	\$103.35	10.40%
Texas	\$126.44	6.97%	69.04%	2.49%	\$87.29	9.63%
San Antonio	\$147.49	1.92%	70.63%	-1.96%	\$104.17	-0.08%
Austin	\$209.02	9.22%	76.49%	-0.41%	\$159.87	8.77%
Houston	\$121.04	8.24%	68.24%	8.00%	\$82.59	16.90%
South Padre Island	\$138.85	9.13%	67.54%	-1.34%	\$93.78	7.67%
Galveston	\$156.32	4.43%	61.77%	8.94%	\$96.56	13.76%
Corpus Christi	\$111.83	-3.40%	62.74%	5.38%	\$70.16	1.80%



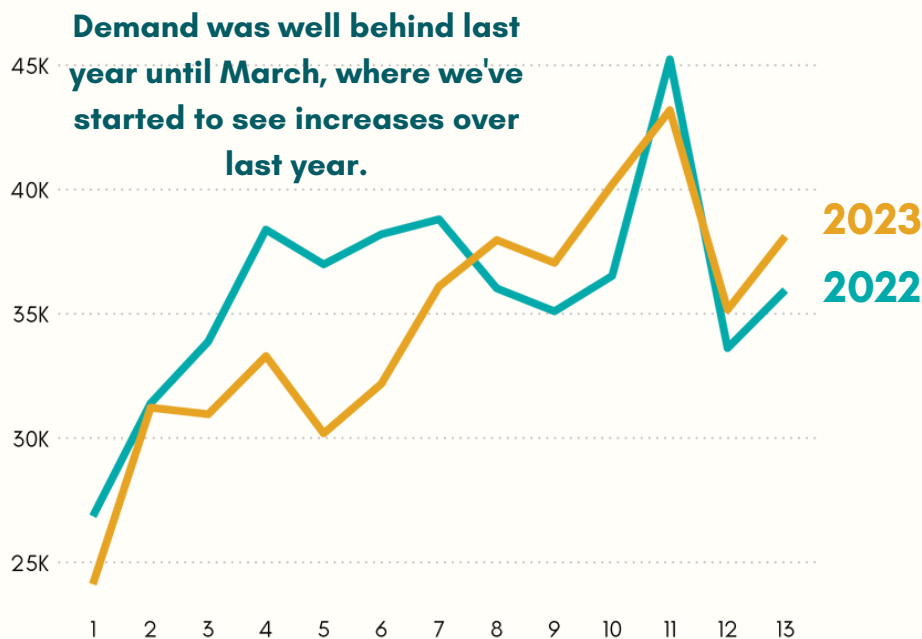
REVENUE



-5%
HOTEL
DEMAND
Q2 VS 2022

Q2 started out slowly, with drops in demand and revenue in January and February. Demand increased in March, but rate decreases meant revenue did not.

ROOMS SOLD



-4%
HOTEL
REVENUE
Q2 VS 2022

WEEK OF YEAR

APRIL HOTEL REPORT

PRELIMINARY
DATA FROM
STR

*data for month not yet complete

AREA	OCC.	% CHG	ADR	% CHG	REV PAR	% CHG
United States	62%	0.70%	\$149.88	4.41%	\$92.36	5.13%
Texas	63%	3.00%	\$119.58	7.52%	\$75.47	10.74%
San Antonio	59%	-4.48%	\$128.91	0.39%	\$76.33	-4.11%
Austin	71%	-4.99%	\$174.47	5.68%	\$123.15	0.40%
Houston	61%	9.60%	\$122.25	17.00%	\$75.10	28.23%
South Padre Island	67%	-1.01%	\$121.09	10.24%	\$81.04	9.12%
Galveston	49%	-6.61%	\$120.54	1.70%	\$59.00	-5.02%
Corpus Christi	57%	5.74%	\$99.76	-1.22%	\$56.82	4.45%

WEEK DAYS

WEEK ENDS

AREA	OCC.	% CHG	ADR	% CHG	REV PAR	% CHG
United States	72%	-2.62%	\$166.38	1.63%	\$119.12	-1.03%
Texas	73%	-1.01%	\$131.72	4.46%	\$96.10	3.41%
San Antonio	76%	-6.33%	\$146.35	-5.03%	\$110.72	-11.04%
Austin	81%	-6.51%	\$205.92	4.61%	\$166.00	-2.21%
Houston	73%	6.84%	\$129.84	16.82%	\$94.72	24.82%
South Padre Island	77%	-13.26%	\$160.88	-1.39%	\$123.77	-14.46%
Galveston	78%	-2.65%	\$187.74	1.81%	\$145.72	-0.88%
Corpus Christi	69%	-1.69%	\$116.33	-5.10%	\$80.80	-6.70%

HOTEL FORECAST

data via STR and Tourism Economics

	MAY	JUN	JUL	AUG
OCC	61.6% +2.9% vs last year	68.6% +1.3% vs last year	75.0% -0.6% vs last year	54.6% -1.9% vs last year
ADR	\$112 +1.3% vs last year	\$120 +2.3% vs last year	\$135 +1.3% vs last year	\$110 +2.3% vs last year
REVPAR	\$69 +4.2% vs last year	\$82 +3.6% vs last year	\$101 +0.6% vs last year	\$60 +0.3% vs last year
DEMAND	171.4K +4.7% vs last year	184.8K +3.1% vs last year	208.9K +2.5% vs last year	151.9K +1.0% vs last year
REVENUE	\$19.2M +6.0% vs last year	\$22.1M +5.4% vs last year	\$28.2M +3.7% vs last year	\$16.7M +3.3% vs last year

Overall, Corpus Christi room revenue in 2023 is forecasted to grow 2.1%. An expected recession will negatively affect demand in the latter half of 2023, and Tourism Economics expects it to improve quickly in 2024.

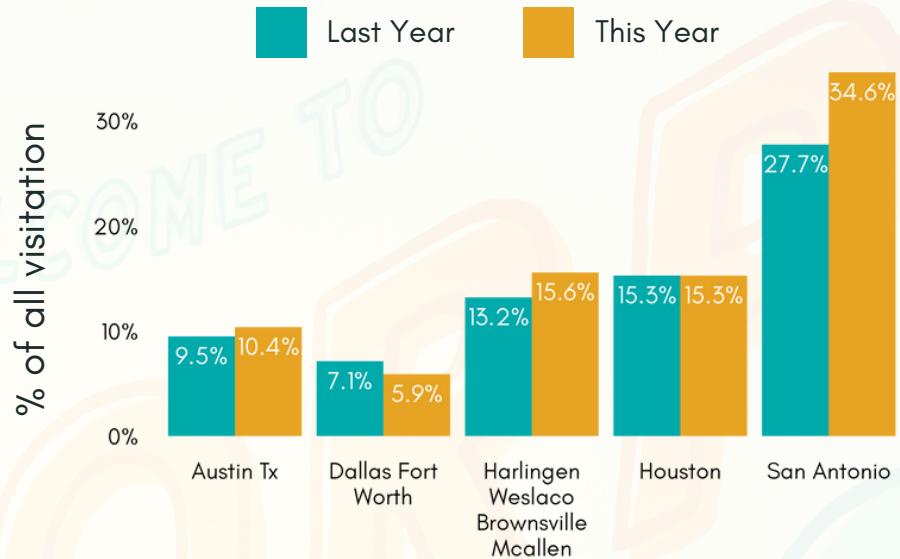
VISITOR ORIGINS

DATA VIA
ARRIVALIST

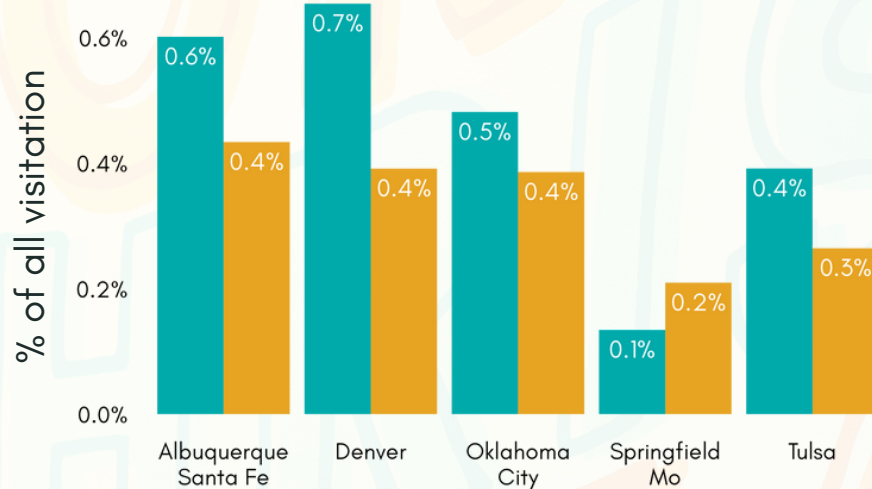
Compared to last year, in state visitors were more likely to be from closer markets like San Antonio or the valley. Meanwhile, the out of state visitor base was much more widespread this year, with smaller percentages of the total concentrated in the top 5 geographies.

Geolocation-based comparisons of people who saw our ads compared to a control group indicate recent ad campaigns have been effective, with ads increasing the likelihood of visitation by 75% compared to controls.

ORIGINS BY VISITOR SHARE WITHIN EACH YEAR



TOP TEXAS
MARKETS

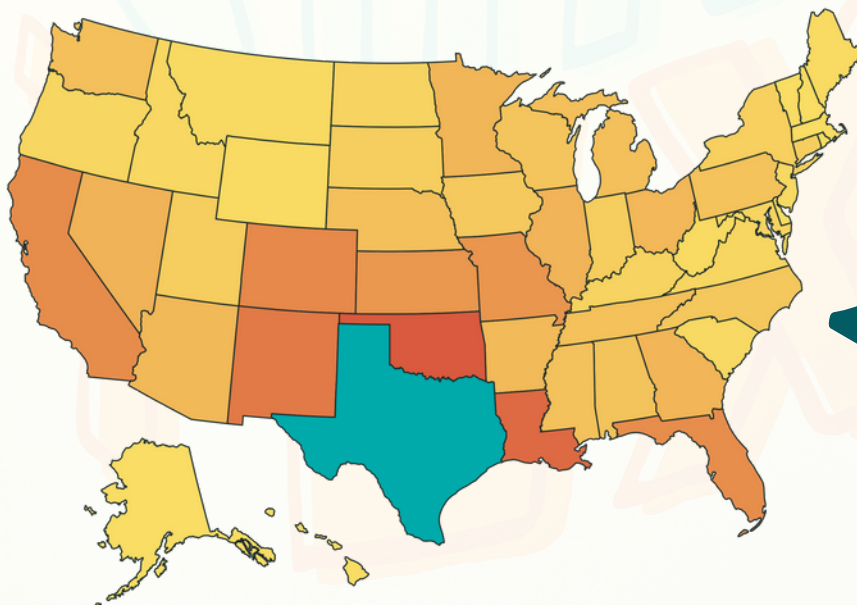


TOP OUT OF STATE
MARKETS



LIFT FROM ADS

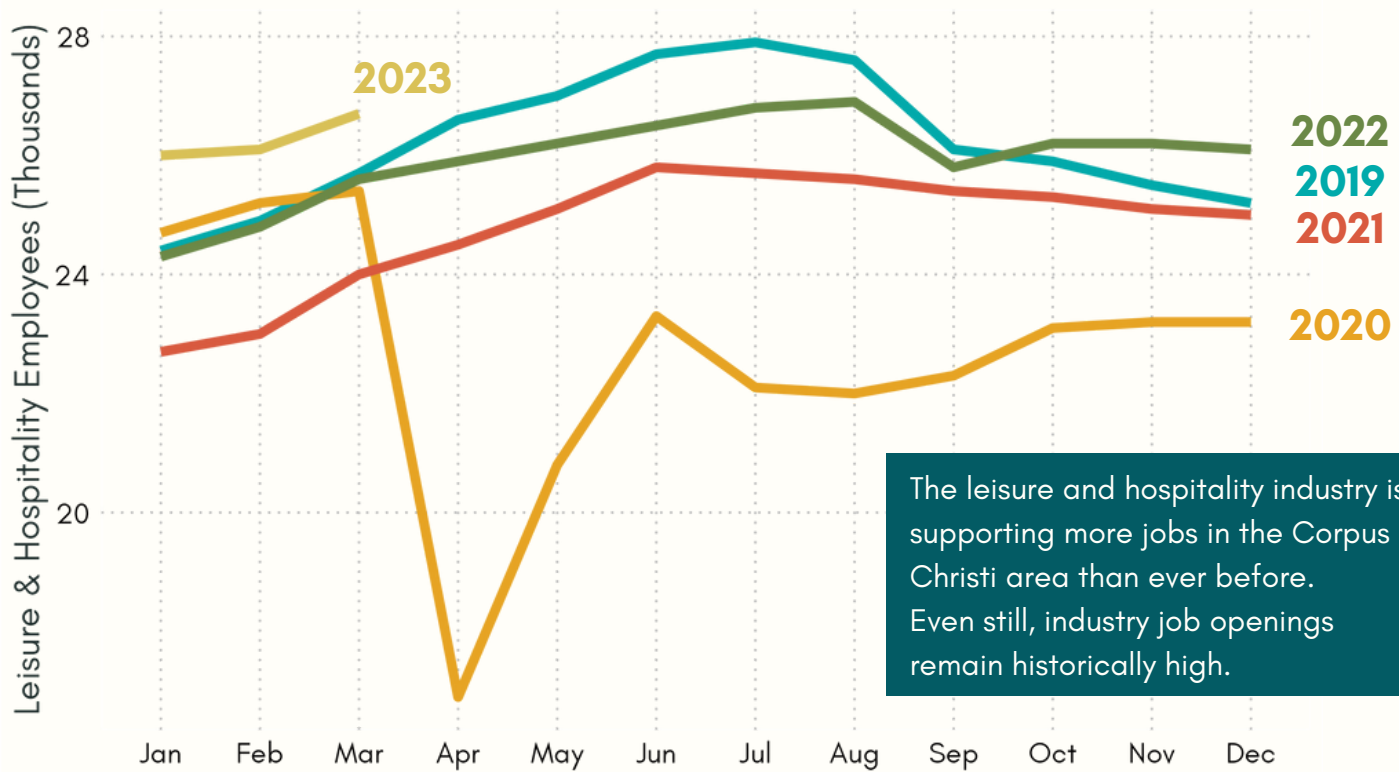
People who saw our ads were
75% more likely to visit



Darker red
means more
visitors from
state in Q2

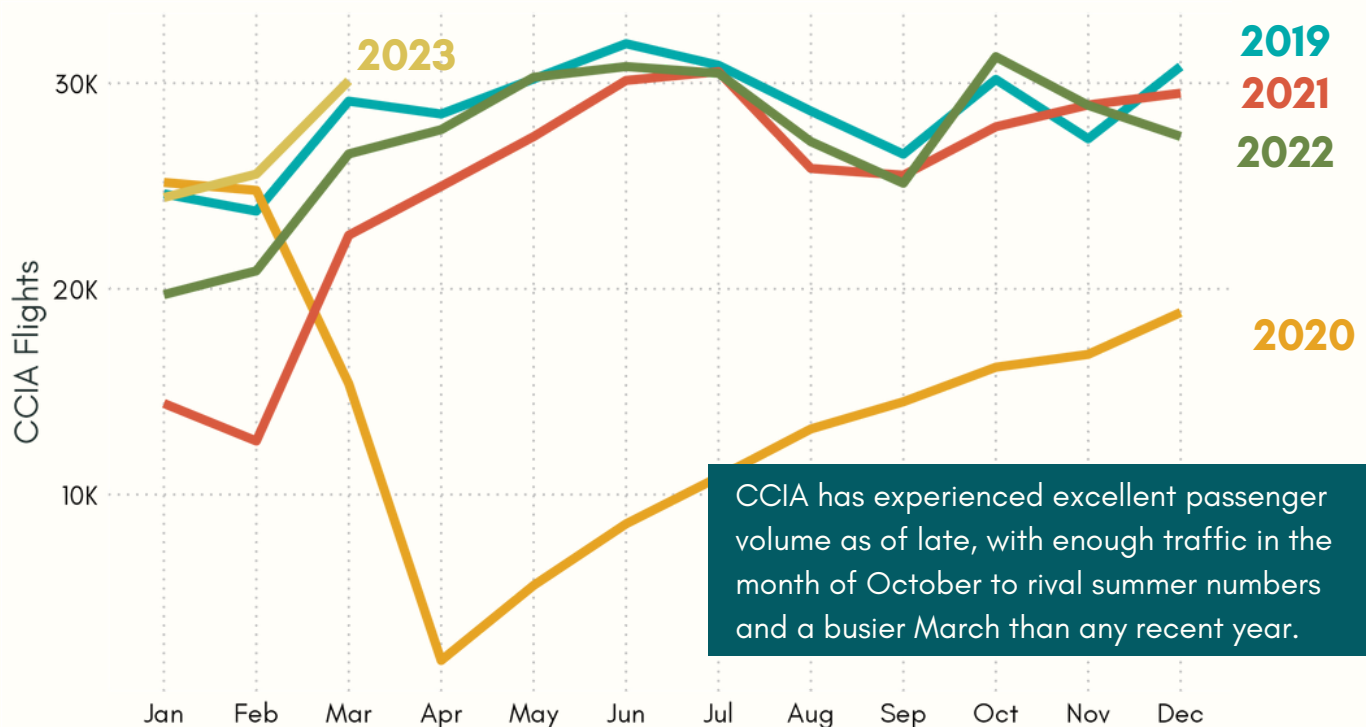
L&H LABOR FORCE

data via Bureau of Labor Statistics



FLIGHT TRAFFIC

data via Corpus Christi International Airport



SHORT TERM RENTAL REVIEW

DATA FROM
KEYDATA

JAN

AREA	DEMAND	% CHG	ADR	% CHG	REVPAR	% CHG
Corpus Christi	14,061	15.93%	\$163.88	5.00%	\$41.31	8.64%
Galveston	17,212	41.53%	\$232.13	60.82%	\$58.33	87.82%
Port Aransas	12,261	29.20%	\$362.42	-1.86%	\$76.09	17.67%
S Padre Island	16,662	28.06%	\$214.67	8.06%	\$52.19	27.43%

FEB

Corpus Christi	15,616	17.58%	\$163.98	5.34%	\$52.28	21.72%
Galveston	18,720	30.08%	\$156.06	-0.13%	\$47.56	13.86%
Port Aransas	11,577	-4.73%	\$341.14	-0.47%	\$75.97	-5.67%
S Padre Island	18,647	22.12%	\$231.78	2.62%	\$71.00	22.59%

MAR

Corpus Christi	22,906	11.49%	\$200.66	1.83%	\$79.06	6.43%
Galveston	28,084	10.07%	\$187.94	-1.42%	\$71.59	-8.99%
Port Aransas	19,605	-12.01%	\$459.26	9.90%	\$153.67	-1.28%
S Padre Island	26,549	17.29%	\$312.67	-2.88%	\$119.04	7.95%

APR

Corpus Christi	19,295	-4.48%	\$179.72	-4.12%	\$59.77	-15.82%
Galveston	22,951	-4.68%	\$173.25	0.50%	\$53.10	-21.20%
Port Aransas	16,378	-26.11%	\$442.16	12.63%	\$124.64	-15.17%
S Padre Island	25,831	14.61%	\$267.35	1.61%	\$100.60	10.57%

Short term rental **demand continued to increase** throughout most of the quarter.

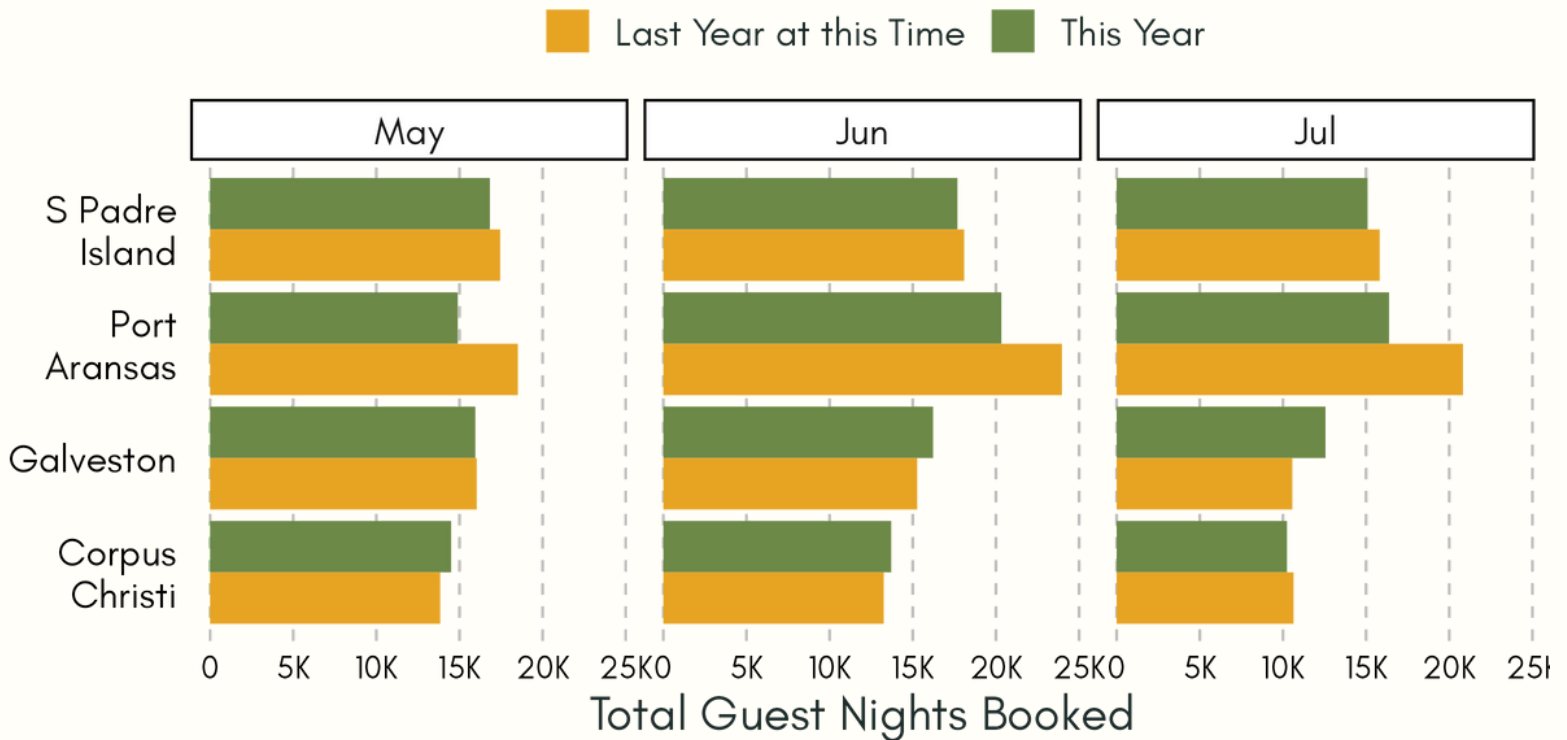
Supply has remained fairly steady as of late compared to last year, although fluctuations are hard to predict.

This would be good news for current operators, who would benefit more if demand increases outpace supply increases.

Data reflective of rental listings on Airbnb

SHORT TERM RENTAL PACING

DATA FROM
KEYDATA



Future demand is pacing **slightly head of last year** in May and June, a **positive indication for summer business.**





July's demand is **pacing slightly behind last year** at this point, although pacing that far ahead should always be taken with **a grain of salt.** Nevertheless, hotel predictions indicate that demand will slow slightly in July due to financial pressure, and rental pacing so far seems to match.

While **Corpus** has **fewer short term rental stays** than South Padre or Port Aransas, it has many more hotels, so **it has the most visitation of these places in total.**

Data reflective of rental listings on AirBnb

NEED DATE CALENDAR

GROUPS BOOKED IN 2023


 Group Booked
  High Need
  Low Need
  Medium Need

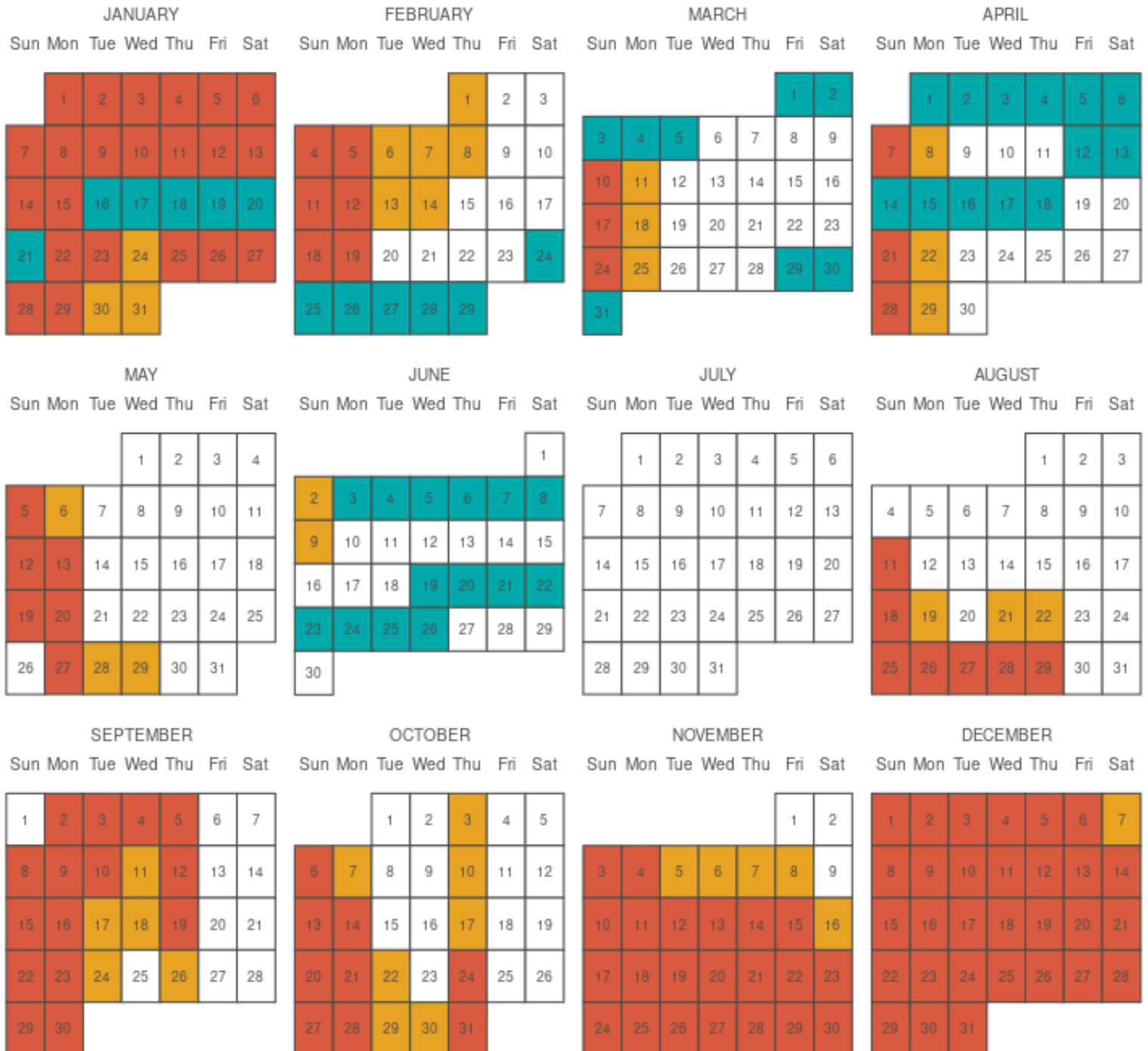


Our strategy is to bring visitors to Corpus Christi when our community benefits from their impact the most: during slower times of year. To accomplish this, we use a need date calendar based on seasonal projections to help monitor our progress. Projected occupancy rates below 55% are marked as medium need (orange); below 50% are marked high need (red).

NEED DATE CALENDAR

GROUPS BOOKED IN 2024

 Group Booked
  High Need
  Low Need
  Medium Need



The calendar does not depict effects of all holidays, but they are always taken into account when booking groups. Only very large groups are blocked off on the calendar which represent dates for which we can no longer book further group business - we have booked business for dates elsewhere, but will continue to try to fill those dates.