

Monterey County 2023 Tourism Spending Not Fully Recovered

Critical travel segments like group and international continue to lag, keeping the County from a full recovery to pre-pandemic levels

Monterey, Calif., May 9, 2023 – Tourism, the number two economic driver in Monterey County and the top driver on the Monterey Peninsula, saw only a small increase in overall visitor spending in 2023, leaving the County 8.6% below the 2019 total of \$3.24 billion, according to See Monterey. The numbers, part of an annual Tourism Impacts report, show that while Visit California is touting statewide recovery – driven mostly by larger destinations such as Los Angeles, San Diego and Orange County – a handful of smaller destinations including Monterey County have a ways to go.

Historically, Monterey County has been reliant on two key travel segments – groups and conferences and international visitors. For group business the destination is down 5.3% compared to 2019. This is a very lucrative traveler as group visitors spend 158% of what leisure visitors spend. Yet there is reason for optimism.

"We have significant momentum on our side," said Rob O'Keefe, president and CEO of See Monterey. "We're actually putting more group business on the books now than we were in 2019, but many larger meetings and conferences book further out, so we will see that business in the County in 2025, 2026 and beyond."

International travel has also been slower to recover for the entire state, particularly the China market, which, prior to the pandemic, was the top spending overseas tourism market for California and for Monterey County. Challenges with visitor visa wait times and overall airlift from China remain the largest hurdles for recovery. Here again, See Monterey sees great opportunity on the horizon.

"Relationships are critical with international markets and nowhere is that more evident than China," said O'Keefe. See Monterey has maintained critical relationships in the market throughout the pandemic and is sending a small delegation to Shanghai at the end of May to attend several key conferences in an effort to heighten Monterey County's visibility and position the destination for future success. Additionally, for the first time ever, See Monterey has established a representation office in the United Kingdom to further develop the market and begin reaching further into western Europe.

Another challenge unique to Monterey County in the past year has been closures along Highway 1 in Big Sur. The Highway 1 road trip is a major attraction for the area, and the state of California as a whole. The heavy rains in early 2023 caused mudslides to cut off the full length of Highway 1 for much of last year and the situation was made worse in recent weeks with the slip out near Rocky Creek Bridge.

"The Big Sur experience is an incredibly alluring attraction for the state and our destination," said O'Keefe, "when people don't think they can get that experience, they may choose a different place to visit."

The annual Tourism Impacts report, prepared by Dean Runyan Associates, was recently released providing a look back at the calendar year 2023. According to the report, in 20223 Monterey County saw \$3.0 billion in travel spending, a 0.4% rise year over year, but still 8.6% below 2019. Visitor spending in the destination supported 26,799 jobs (a 6.2% increase from 2022) and generated \$307 million in state



and local tax revenue that supports infrastructure improvements, first responder and emergency services, and other programs and projects that benefit residents of the community.

To learn more about See Monterey and tourism's economic impact on the County, visit <u>www.SeeMonterey.com</u>.

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ABOUT SEE MONTEREY.

See Monterey is a 501c6 non-profit organization that drives tourism for Monterey County. Tourism is the largest industry on the Monterey Peninsula and the second largest in the County. The MCCVB is a partnership of the hospitality community and local governments that aims to generate community prosperity and enrich economic vitality for Monterey County through the responsible growth of the tourism economy. Travel spending in Monterey County was nearly \$3 billion in 2023, supporting 26,799 jobs and generating \$307 million in state and local tax revenue that directly benefited the community. For more information, visit <u>www.SeeMonterey.com</u> and follow us on <u>Facebook</u>, <u>Instagram</u> and <u>X</u>.

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