



TOURISM
ECONOMICS

AN OXFORD ECONOMICS COMPANY

ANALYSIS OF DESTINATION MARKETING IN GREATER PALM SPRINGS

Prepared for:
Visit Greater Palm Springs

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1 Introduction and Key Findings

Introduction

Visit Greater Palm Springs (VGPS) markets the Greater Palm Springs area as a destination for vacations, meetings, and conventions, and also functions as an advocate for the local tourism community.

Tourism Economics, an Oxford Economics company, has been retained to analyze the economic value generated by Visit Greater Palm Springs through both its leisure marketing and group sales channels for the Greater Palm Springs lodging industry. The analysis examines key performance indicators (KPIs) for both sales and marketing activities over time. Impacts of Visit Greater Palm Springs activities are measured in terms of incremental visitors and visitor spending on lodging (lodging revenue). Additionally, the impacts to visitor volumes and lodging spending generated by VGPS are categorized by the type of lodging establishment benefitted, as well as the share of generated benefits that accrue to TBID properties.

These impacts could be considered conservative as they do not include the secondary benefits derived through industry partnerships, market intelligence provided to the industry, or the longer-term benefits of public relations and branding impacts.



Key Findings

Visit Greater Palm Springs (VGPS) generated measurable economic value to the Greater Palm Springs area in 2023.

- VGPS group sales generated \$157 million in lodging revenue in 2023.
- VGPS leisure marketing activities drove \$382 million in lodging revenue in 2023.
- Overall, VGPS created \$539 million in lodging revenues between its group sales and leisure marketing efforts.
- Larger hotels and resorts benefitted most from VGPS activities, with 60% of leisure marketing benefits, 100% of group sales benefits, and 72% of overall benefits.
- Short-term vacation rental properties increased their share of generated benefits to 35% of leisure marketing and 25% overall.
- The benefits accrued to TBID properties versus non-TBID properties increased to 87% overall in 2023.

An aerial photograph of a golf course and surrounding landscape at dusk. The foreground shows a golf course with green fairways and sand traps. In the background, there are dark, silhouetted mountains under a cloudy sky. The overall scene is dimly lit, with the primary light source being the ambient light from the setting or rising sun.

2 Visit Greater Palm Springs Economic Impacts

Group Sales

Visit Greater Palm Springs group sales efforts generated \$157 million in lodging revenue in 2023

Visitor volume and lodging revenues generated by Visit Greater Palm Springs group sales, by category, 2023

Number of visitors, \$ millions

	All Lodging Types	Hotel or Resort	Short-Term Rental	Small Hotel or RV Resort
Visitor impacts				
Contract rooms	223,509	223,509	-	-
Additional visitors	107,900	107,900	-	-
Spending impacts				
Lodging revenue	\$157M	\$157M	-	-
Lodging revenue to TBID properties	\$157M	\$157M	\$0	\$0
Lodging revenue to non-TBID properties	\$0	\$0	\$0	\$0
% lodging revenue to TBID properties	100%	100%	N/A	N/A
% lodging revenue to non-TBID properties	0%	0%	N/A	N/A

Source: Visit Greater Palm Springs, Tourism Economics

*Due to rounding, percentages may not total to 100%.

Group sales impacts are calculated using event attendance and event days for all events sold by Visit Greater Palm Springs (VGPS).

VGPS generated substantial lodging revenues through group sales for conventions, trade shows, and other events. In 2023, VGPS group sales efforts generated \$157 million.

It is assumed that lodging revenues driven by VGPS group sales efforts accrue to larger hotels and resorts in the Greater Palm Springs area.

The reason for this is twofold: TBID properties take precedence for VGPS group sales efforts. Additionally, group sales and events generally require greater capacity, a requirement that is fulfilled by larger hotels and hotels with 50 rooms or more.

Leisure Marketing

Visit Greater Palm Springs leisure marketing efforts drove \$382 million in lodging revenue in 2023

Visitor volume and lodging revenues generated by Visit Greater Palm Springs leisure marketing, by category, 2023

	All Lodging Types	Hotel or Resort	Short-Term Rental	Small Hotel or RV Resort
Visitor impacts				
Additional visitors	1,442,635	980,992	346,232	115,411
Spending impacts				
Lodging revenue	\$382M	\$229M	\$132M	\$21M
% of lodging revenue	100%	60%	35%	5%
Lodging revenue to TBID properties	\$310M	\$223M	\$87M	\$0M
Lodging revenue to non-TBID properties	\$73M	\$7M	\$46M	\$21M
% lodging revenue to TBID properties	81%	97%	66%	0%
% lodging revenue to non-TBID properties	19%	3%	34%	100%

Source: SMARI, Tourism Economics

*Due to rounding, percentages may not total to 100%.

Leisure marketing impacts are calculated using a combination of SMARI visitor attribution survey data and Tourism Economics analysis of visitor spending in the destination.

Visit Greater Palm Springs leisure marketing generated a total of \$382 million in lodging revenues. The largest share of lodging revenues accrued to larger hotels and resorts at 60%, although Greater Palm Springs' growing short-term vacation rental industry increased its share of benefits to 35% of all generated leisure revenues.

Since the previous analysis in 2020, short-term vacation rental properties have been included in the Greater Palm Springs TBID (in addition to hotels with 50 rooms or more). As a result, the proportion of lodging revenues accrued to TBID properties has increased to 81% in 2023.

Combined Economic Impact

Overall, Visit Greater Palm Springs created \$539 million in visitor spending in 2023 between group sales and leisure marketing

Visitor volume and lodging revenues generated by Visit Greater Palm Springs, by category, 2023

	All Lodging Types	Hotel or Resort	Short-Term Rental	Small Hotel or RV Resort
Visitor impacts				
Additional visitors	1,550,535	1,088,892	346,232	115,411
% of additional visitors	100%	70%	22%	7%
Spending impacts				
Lodging revenue	\$539M	\$386M	\$132M	\$21M
% of lodging revenue	100%	72%	25%	4%
Lodging revenue to TBID properties	\$467M	\$380M	\$87M	\$0
Lodging revenue to non-TBID properties	\$73M	\$7M	\$46M	\$21M
% lodging revenue to TBID properties	87%	98%	66%	0%
% lodging revenue to non-TBID properties	13%	2%	34%	100%

Source: Visit Greater Palm Springs, SMARI, Tourism Economics

*Due to rounding, percentages may not total to 100%.

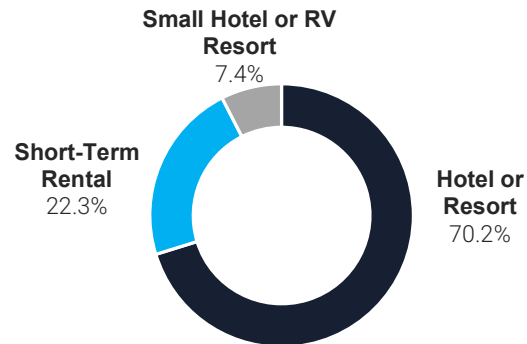
Combining group sales and leisure marketing impacts, Visit Greater Palm Springs generated \$539 million in lodging revenues in 2023.

Inclusion of group sales impacts boosts the share of lodging revenues that accrued to 72%. Because all lodging revenues generated through group sales activities are attributed to larger TBID hotels, a vast majority of the overall benefits are realized by TBID properties: \$467 million or 87%.

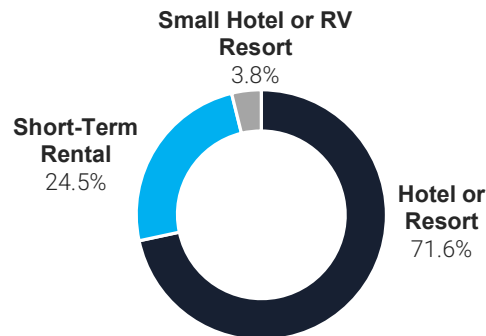
Visit Greater Palm Springs Benefits by Category: Combined

. A majority of benefits accrued to TBID properties

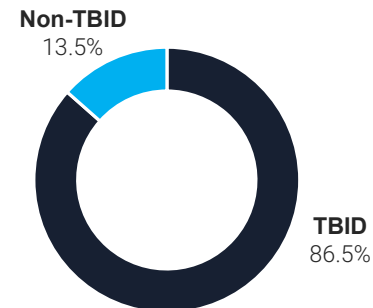
Additional visitors generated by Visit Greater Palm Springs, by segment, 2023
% of total visitors generated



Lodging revenue generated by Visit Greater Palm Springs, by segment, 2023
% of lodging revenue generated



Lodging revenue generated by Visit Greater Palm Springs, by segment, 2023
% of total visitors generated



Source: Visit Greater Palm Springs, SMARI Tourism Economics
*Due to rounding, percentages may not total to 100%.

3 Appendix

The background of the slide is a dark, atmospheric photograph of a landscape. In the foreground, there is a golf course with visible green fairways and sand traps. Numerous palm trees are scattered throughout the scene, particularly in the middle ground. In the background, a range of mountains is visible under a dark, cloudy sky. The overall lighting is low, creating a moody and serene atmosphere.

Appendix A: Summary Tables

Visitor volume and lodging revenues generated by Visit Greater Palm Springs, by category, 2023

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Source: Visit Greater Palm Springs, SMARI, Tourism Economics

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About Tourism Economics

Tourism Economics is an Oxford Economics company with a singular objective: combine an understanding of the travel sector with proven economic tools to answer the most important questions facing our clients. More than 500 companies, associations, and destination work with Tourism Economics every year as a research partner. We bring decades of experience to every engagement to help our clients make better marketing, investment, and policy decisions. Our team of highly-specialized economists deliver:

- Global travel data-sets with the broadest set of country, city, and state coverage available
- Travel forecasts that are directly linked to the economic and demographic outlook for origins and destinations
- Economic impact analysis that highlights the value of visitors, events, developments, and industry segments
- Policy analysis that informs critical funding, taxation, and travel facilitation decisions
- Market assessments that define market allocation and investment decisions

Tourism Economics operates out of regional headquarters in Philadelphia and Oxford, with offices in Belfast, Buenos Aires, Dubai, Frankfurt, and Ontario.

Oxford Economics is one of the world's foremost independent global advisory firms, providing reports, forecasts and analytical tools on 200 countries, 100 industrial sectors and over 3,000 cities. Our best-of-class global economic and industry models and analytical tools give us an unparalleled ability to forecast external market trends and assess their economic, social and business impact. Headquartered in Oxford, England, with regional centers in London, New York, and Singapore, Oxford Economics has offices across the globe in Belfast, Chicago, Dubai, Miami, Milan, Paris, Philadelphia, San Francisco, and Washington DC, we employ over 600 full-time staff, including 300 professional economists, industry experts and business editors—one of the largest teams of macroeconomists and thought leadership specialists.

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