

## 2020 Santa Monica Tourism Economic & Fiscal Impacts and Visitor Profile Summary

**Summary:** Santa Monica Travel & Tourism has tracked tourism since 1983. In 2020, Santa Monica’s vital travel industry suffered - along with almost everywhere else - the impacts of the unprecedented COVID-19 pandemic. The steep declines in 2020 were especially stark coming off record years of 2018 and 2019. Overall, 2020 visitor volume of 2.0 million fell by 76% from 2019. Average stay rose slightly to 1.5 from 1.4 days, but total visitor days was still off by 73%. With daily per-capita spend down by 10%, and the anemic visitor volume, 2020 visitor spending totaled \$453 million, off by 76% from \$1.89 billion in 2019. These decreases impacted visitor supported taxes; lodging tax slipped 68% and visitor retail taxes fell by 78%. Thus, visitor spending supported just 3,100 local jobs in 2020 versus 12,010 in 2019. Of note, international and domestic volume changed places, with domestic share rising to 75% and International at 25% of total Santa Monica visitation and 29% of total spending. Thus, Santa Monica tourism took a great hit in 2020, yet is expected to rebuild in 2021 and beyond once restrictions are lifted and consumers are confident that they can travel safely.

### 1. OVERALL SANTA MONICA VISITOR ACTIVITY INDICATORS (2020 VS. 2019)

| Indicator  | 2020          |          | 2019           | 2018           |
|--|---------------|----------|----------------|----------------|
|  | Number        | % Change |                |                |
| Total Number of Visitors   | 2,031,100     | -75.9%   | 8,413,100      | 8,399,000      |
| Average Length of Stay (days, all visitors)                      | 1.52          | 11.0%    | 1.37           | 1.37           |
| Total Visitor Days   | 3,079,900     | -73.3%   | 11,528,200     | 11,511,600     |
| Total Annual Visitor Spending                                    | \$453,820,900 | -76.0%   | \$1.89 billion | \$1.93 billion |
| Per-capita Daily Visitor Spending                                | \$147         | -10.4%   | \$164          | \$168          |
| Hotel Tax Revenue to City (from non-local visitors) <sup>1</sup> | \$18,698,400  | -67.9%   | \$58,315,740   | \$58,597,400   |
| Visitor Retail Sales Tax Revenue to City <sup>1</sup>            | \$3,090,100   | -77.7%   | \$13,875,500   | \$14,487,400   |
| Equivalent tax per SM household from visitor spend               | \$453         | -69.7%   | \$1,496        | \$1,540        |
| Santa Monica Jobs Supported by Tourism                           | 3,095         | -74.2%   | 12,010         | 12,573         |

Source: Lauren Schlau Consulting and CIC Research, Inc. for Santa Monica Travel & Tourism

### 2. TOTAL ANNUAL VISITOR SPENDING IN SANTA MONICA BY CATEGORY (2020 VS. 2019)

| Indicator                         | 2020                  |               | % Change<br>2020/2019 | 2019                    |               |
|-----------------------------------|-----------------------|---------------|-----------------------|-------------------------|---------------|
|                                   | Total Spending        | Ratio         |                       | Spending                | Ratio         |
| Lodging                           | \$ 154,355,273        | 34.0%         | -69.5%                | \$ 506,791,398          | 26.8%         |
| Meals                             | \$ 122,576,428        | 27.0%         | -64.3%                | \$ 343,357,493          | 18.1%         |
| Beverages                         | \$ 30,406,969         | 6.7%          | -79.2%                | \$ 146,175,194          | 7.7%          |
| Shopping/gifts                    | \$ 126,193,246        | 27.8%         | -82.6%                | \$ 724,154,650          | 38.3%         |
| Admissions fees                   | \$ 3,371,929          | 0.7%          | -88.5%                | \$ 29,390,845           | 1.6%          |
| Activities                        | \$ 4,675,782          | 1.0%          | -79.4%                | \$ 22,743,153           | 1.2%          |
| Local transportation/parking/etc. | \$ 6,096,285          | 1.3%          | -86.2%                | \$ 44,071,023           | 2.3%          |
| Spa/beauty/health club            | \$ 117,822            | 0.0%          | -99.7%                | \$ 35,090,906           | 1.9%          |
| Groceries/other items             | \$ 6,027,183          | 1.3%          | -85.0%                | \$ 40,071,223           | 2.1%          |
| <b>Total</b>                      | <b>\$ 453,820,918</b> | <b>100.0%</b> | <b>-76.0%</b>         | <b>\$ 1,891,845,886</b> | <b>100.0%</b> |

Source: Lauren Schlau Consulting and CIC Research, Inc. for Santa Monica Travel & Tourism

### 3. SANTA MONICA VISITOR VOLUME & ECONOMIC IMPACT BY SEGMENT (2020 only)

| Visitor Segment        | Annual Visitors | Ratio | % Chg. Vis. (prior) | Avg. Stay (days) | Annual Visitor Spending | Ratio | % Chg. Spend. (prior) | Daily Avg. Spend per-person | % Chg (prior) |
|------------------------|-----------------|-------|---------------------|------------------|-------------------------|-------|-----------------------|-----------------------------|---------------|
| Hotel/motel            | 478,769         | 23.6% | -42.2%              | 2.51             | \$ 289,542,599          | 63.8% | -69.8%                | \$ 241.40                   | -41.6%        |
| Unpaid/private lodging | 29,643          | 1.5%  | -83.4%              | 4.78             | \$ 9,929,824            | 2.2%  | -88.9%                | \$ 70.02                    | -32.7%        |
| Other paid lodging     | 71,564          | 3.5%  | -62.5%              | 4.02             | \$ 30,081,709           | 6.6%  | -85.9%                | \$ 104.61                   | -44.1%        |
| Day Visitors           | 1,451,150       | 71.4% | -79.9%              | 1.00             | \$ 124,266,786          | 27.4% | -80.2%                | \$ 85.63                    | -1.1%         |
| International          | 504,987         | 24.9% | -88.3%              | 1.75             | \$ 133,616,830          | 29.4% | -88.6%                | \$ 151                      | -44.3%        |
| U.S. Domestic          | 1,526,139       | 75.1% | -62.6%              | 1.44             | \$ 320,204,063          | 70.6% | -55.3%                | \$ 146                      | -18.0%        |

Source: Lauren Schlau Consulting and CIC Research, Inc. for Santa Monica Travel & Tourism

<sup>1</sup> Lodging and Sales tax based on estimated direct taxable visitor spending; may vary from City reported lodging and sales tax revenue.

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### 4. SUMMARY - SANTA MONICA VISITOR PROFILE (2020 vs.2019) <sup>1, 2</sup>

| Characteristic  | 2020      | 2019      |
|---|-----------|-----------|
| % International Visitor   | 24.9%     | 51%       |
| % U.S. Resident visitor (excl. California)                                  | 42.6%     | 30%       |
| % California resident   | 32.6%     | 19%       |
| % First-Time Visitor/Repeat Visitor (past three years)                      | 42% / 58% | 53% / 47% |
| Avg. number past visits in past 3 years by repeat visitors (excl this trip) | 2.5       | 2.4       |
| % Mainly visiting Santa Monica for pleasure/vacation                        | 42%       | 56%       |
| Santa Monica <i>main</i> destination of this trip                           | 30%       | 16%       |
| Arrived in Southern California by commercial air                            | 47%       | 68%       |
| % Day Visitor / % Overnight Visitors in Santa Monica                        | 71% / 29% | 86% / 14% |
| % Staying in a Santa Monica hotel: all Visitors/of overnight visitors       | 24% / 83% | 10% / 69% |
| % of all International visitors staying overnight in a Santa Monica hotel   | 18%       | 12%       |
| % of all U.S. (excl. Cal) visitors staying in Santa Monica hotel            | 32%       | 9%        |
| Average stay in Santa Monica - all overnight visitors (nights)              | 2.8       | 3.6       |
| Avg. stay in Santa Monica - all hotel guests (nights)                       | 2.5       | 2.8       |
| Avg. stay in Santa Monica – other paid lodging guests (nights)              | 4.2       | 6.0       |
| Average travel group size (persons)   | 2.5       | 2.5       |
| Average daily per-person spending in Santa Monica (all visitors)            | \$147     | \$164     |
| Median annual household income  | \$76,000  | \$96,500  |
| Equivalent Taxes per Santa Monica Household from Visitor Spending           | \$453     | \$1,496   |

Source: Lauren Schlau Consulting and CIC Research, Inc. for Santa Monica Travel & Tourism

### 5. VISITOR ORIGIN – SANTA MONICA’S TOP U.S. & INTERNATIONAL FEEDER MARKETS 2020

| Top 10 U.S. Feeder Markets |              | Top International Feeder Markets (>2.5%) |       |
|----------------------------|--------------|--|-------|
| (share of U.S.)            | Share        | (share of Int'l.)                        | Share |
| California                 | 43.3%        | Australia/New Zealand                    | 14.9% |
| Arizona                    | 5.7%         | England                                  | 10.5% |
| Nevada                     | 5.6%         | Western Canada                           | 8.7%  |
| Texas                      | 4.2%         | Mexico                                   | 8.1%  |
| Washington                 | 3.9%         | Other Nor./Central America               | 7.3%  |
| Florida                    | 3.2%         | Eastern Canada                           | 4.5%  |
| Indiana                    | 3.1%         | Germany                                  | 4.5%  |
| New York                   | 2.8%         | Israel                                   | 3.9%  |
| Colorado                   | 2.7%         | Scandinavia                              | 3.5%  |
| Ohio                       | 1.9%         | Spain                                    | 3.1%  |
| <b>Top 10</b>              | <b>76.4%</b> | Argentina                                | 2.8%  |
|                            |              | Chile                                    | 2.5%  |
|                            |              | Switzerland                              | 2.5%  |

Source: Lauren Schlau Consulting and CIC Research, Inc. for Santa Monica Travel & Tourism

<sup>1</sup> A visitor is someone who resides *outside* of Los Angeles County, in Santa Monica for the day or overnight, for leisure, business, a meeting, special event or other temporary purpose except regular work or to attend school.

<sup>2</sup> Profile data based on 480 on-site interviews during Winter and Fall 2020 among Santa Monica visitors as defined above.