

2008 Scottsdale Lodging Performance & Market Share Analysis

Each year, Scottsdale receives data from Smith Travel Research comparing our destination's market performance relative to comparable destinations.

There are many variables beyond the control of the destination that influence market share. In addition to statistical data (supply, demand, occupancy, room rate, revenue per available room), anecdotal information such as overall market conditions and specific factors in an individual destination typically provide a more complete picture of comparative set performance. For these reasons, Scottsdale's performance within the comparative set is viewed as an "indicator", rather than a "measure" of destination marketing impact and product satisfaction.

The current comparative set consists of the following destinations:

- Metropolitan Phoenix, Ariz.
- Tucson, Ariz.
- Sante Fe, N.M.
- Naples, Fla.
- Durango, Colo.
- Hawaii
- San Antonio, Texas
- San Diego, Calif.
- La Jolla, Calif.
- Palm Springs, Calif.

2008 Market Analysis Report Summary

The following are highlights from the 2008 data and provide a snapshot of Scottsdale's performance relative to the comparative set.

- The following four destinations demand exceeded 100% of their 2008 "fair market share": Hawaii, San Diego, La Jolla, and San Antonio.
- Scottsdale's revenue per available room (RevPAR) ranked fifth in 2008. Scottsdale's RevPAR ranking has ranged from 3rd to 5th between 2003 and 2008. Because RevPAR factors occupancy and rate, it is recognized as an important gauge of hotel profitability.
- Scottsdale's market share decreased from 97.0% in 2007 to 95.8% in 2008, the lowest since 2002.
- The comparative set RevPAR declined 5.6% in 2008 over 2007. Scottsdale's RevPAR (\$105.37) declined 6.1% for the same period but remained strong in comparison to Phoenix (\$74.80) and Tucson (\$63.36).

Scottsdale Market Penetration vs. Competitive Set

	2008	2007	2006	2005	2004	2003	2002
Scottsdale	95.8%	97.0%	99.6%	101.2%	100.0%	97.6%	94.2%
Phoenix Metro*	93.4%	97.9%	97.6%	97.1%	95.3%	92.8%	90.5%
Tucson	97.7%	97.7%	97.3%	95.5%	94.3%	95.8%	93.8%
Santa Fe	96.3%	94.9%	92.7%	93.9%	93.9%	96.6%	98.9%
Naples	95.9%	94.3%	92.4%	94.1%	100.5%	92.0%	90.9%
Durango	90.0%	88.1%	81.7%	78.6%	78.6%	77.4%	80.5%
Hawaii	103.5%	106.9%	109.2%	111.6%	113.8%	113.9%	110.3%
San Antonio	102.1%	97.2%	98.7%	99.9%	96.6%	99.8%	101.9%
San Diego	112.0%	108.2%	106.8%	106.1%	107.8%	111.0%	112.7%
La Jolla	107.4%	107.8%	105.4%	103.8%	105.8%	107.6%	106.9%
Palm Springs	89.7%	89.5%	91.4%	88.1%	91.7%	90.1%	94.0%

*Excludes Scottsdale/Paradise Valley

(Source: Smith Travel Research, April 2009)