

A stylized graphic of a face on the left side of the cover. It features large, tan-colored sunglasses with a vinyl record as the right lens. Below the sunglasses are two small, black, upward-curving eyes and a pair of bright red, glossy lips with a black outline.

2021 ANNUAL REPORT

MEMPHIS TOURISM

Memphis
HOME OF BLUES,
SOUL & ROCK 'N' ROLL



FROM KEVIN KANE

EVERYTHING
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OUR OPENING NOTE

Kevin Kane

President & CEO of Memphis Tourism

Much has changed over the past year, and I know we've all taken joy in watching the hospitality industry in Memphis and Shelby County come roaring back—faster than anyone imagined.

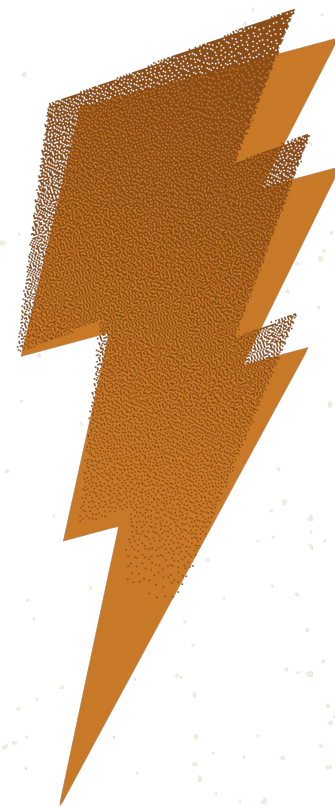
Just look at the facts: In 2021, we sold a quarter of a million more room nights in Shelby County than anticipated by the experts at Tourism Economics. We beat the national demand index by +5 percent, getting closer to 2019 levels than the nation overall. We welcomed 10.7 million visitors—and our visitors are staying longer than ever, averaging 3.12 nights as the average trip duration.

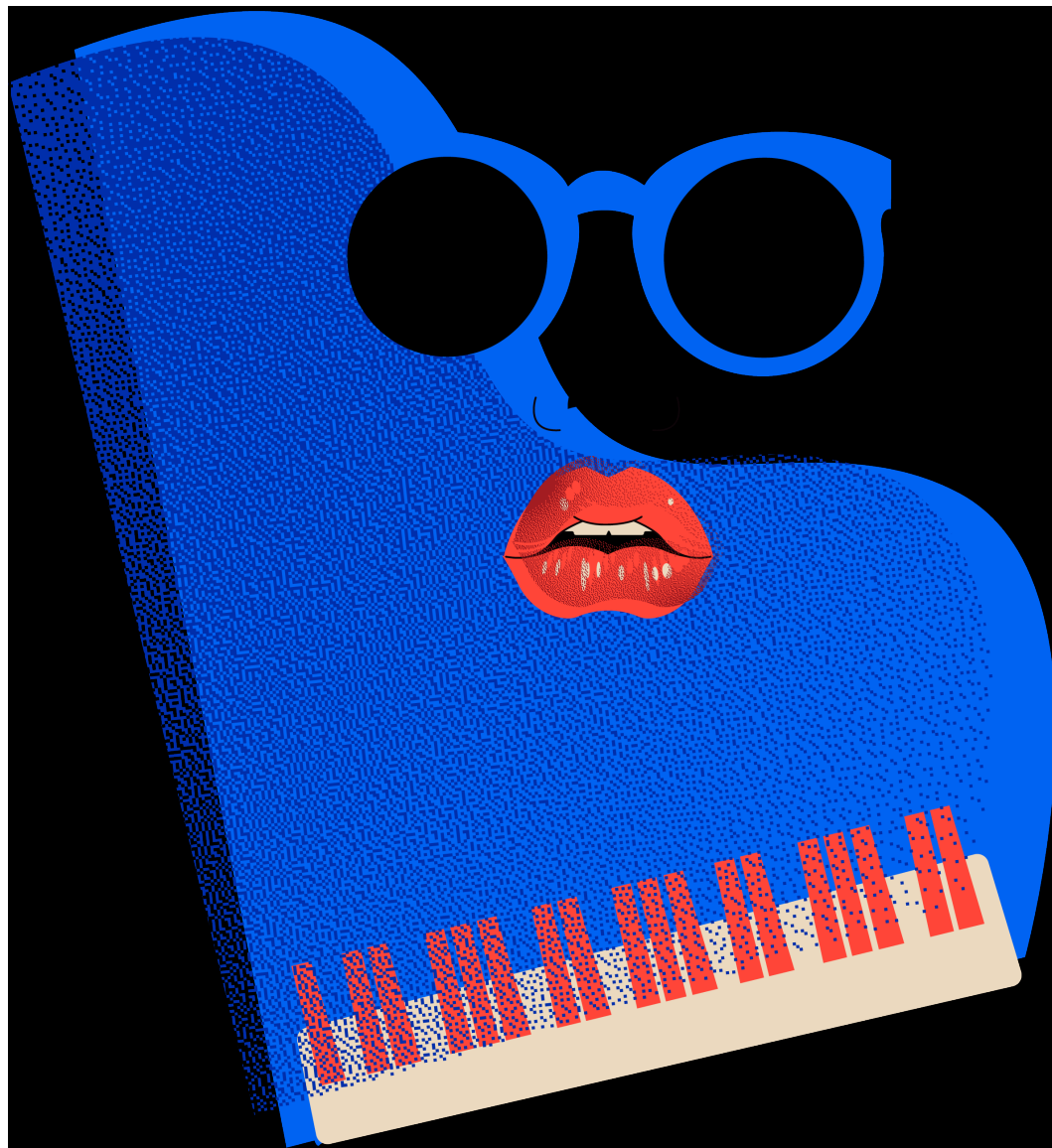
Of course, there are still obstacles to face—like the challenging labor market, for starters. But I hope that as you pause to review this report, you'll feel a deep sense of pride.

We have come so far—and we're almost there.

Most importantly, I know we'll all continue to navigate the path ahead the same way—working for the greater good of our businesses, our industry and our community.

Together in Spirit & Soul, **Kevin**





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COVID RECOVERY



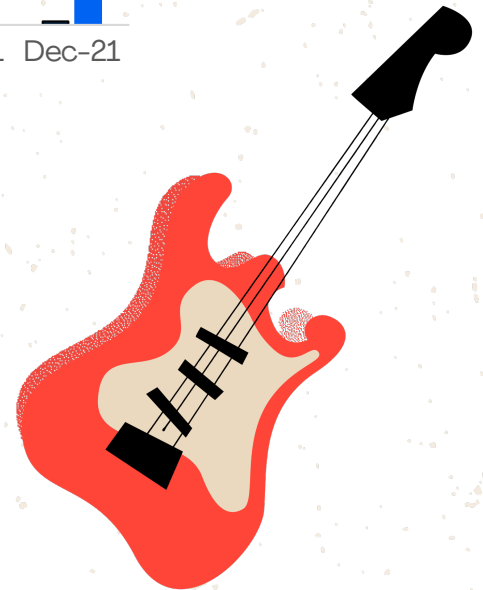
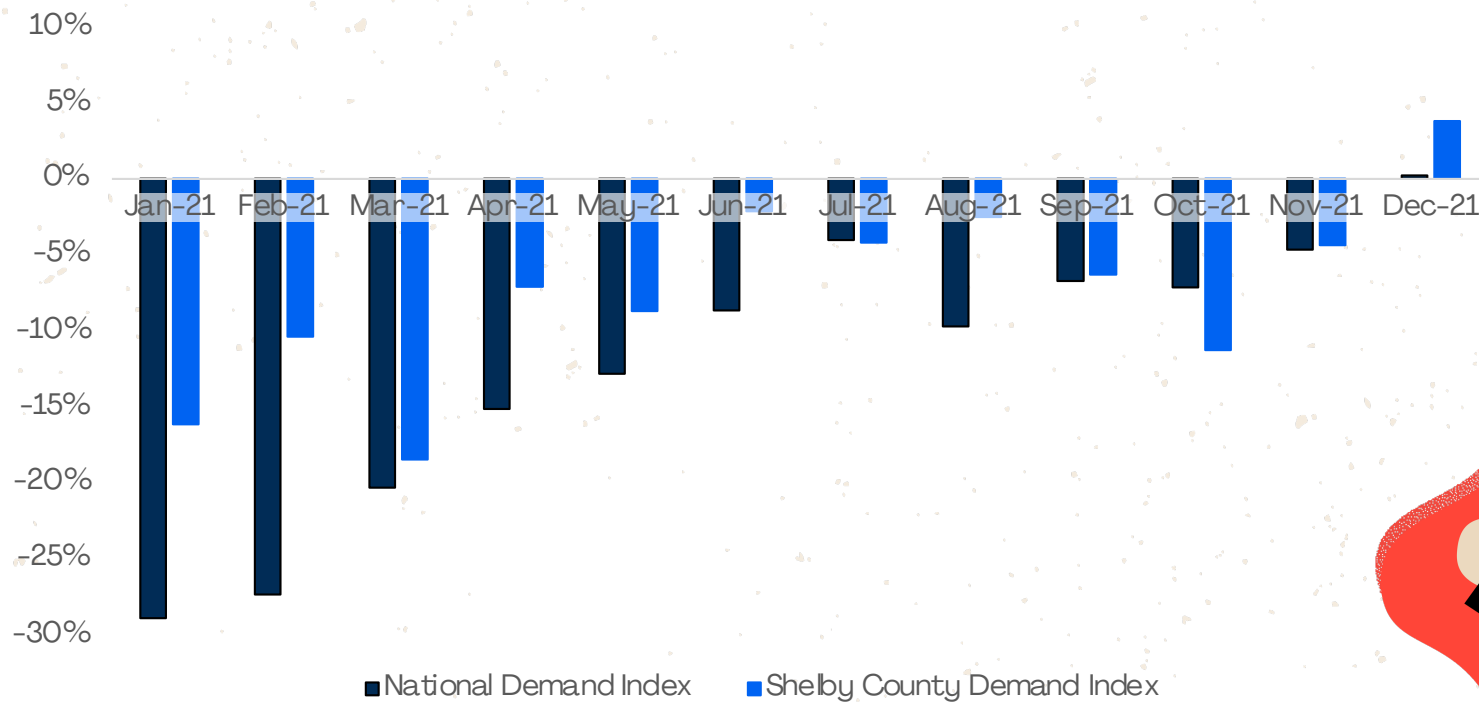
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The impacts of the COVID-19 health crisis have been severe in Shelby County, but we have still **outperformed national trends.**

EVERYTHING SOUNDS BETTER HERE

DEMAND RECOVERY

According to STR data, Shelby County has **overperformed** actual national demand recovery trends throughout 2021—surpassing the national recovery index by 3.6 percentage points in December 2021.





88%

National Demand Index

2021 as a percentage of 2019

93%

Shelby County Demand Index

2021 as a percentage of 2019



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Memphis Tourism has partnered with the experts at **Tourism Economics** to forecast our market's performance for 2022 and beyond.

+0.2%

Full Recovery to 2019 Hotel Rooms Sold

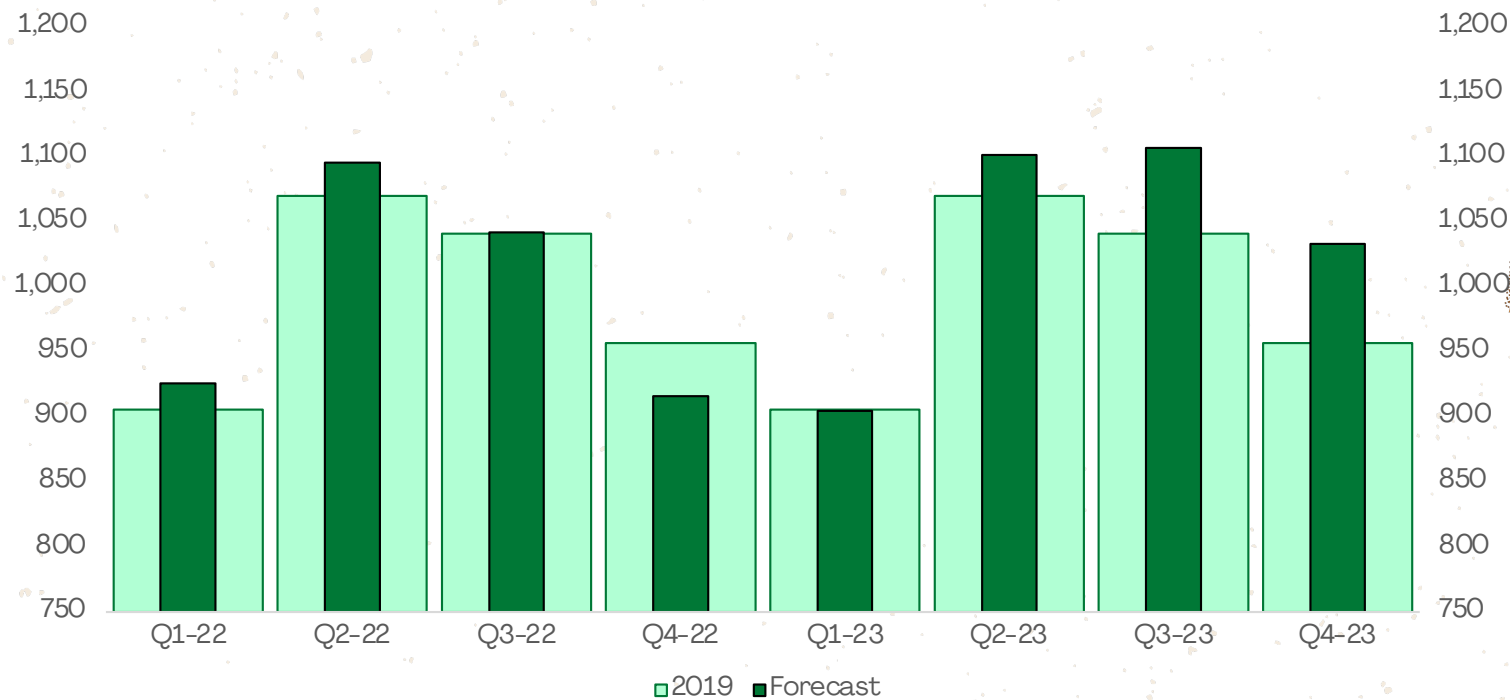
Memphis in 2022, Tourism Economics



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The Forecast

Tourism Economics is anticipating a more difficult winter in 2022 than we observed at the end of the 2019 calendar year, but **Memphis will still make a full recovery to 2019 levels in 2022** in our most-likely scenario.

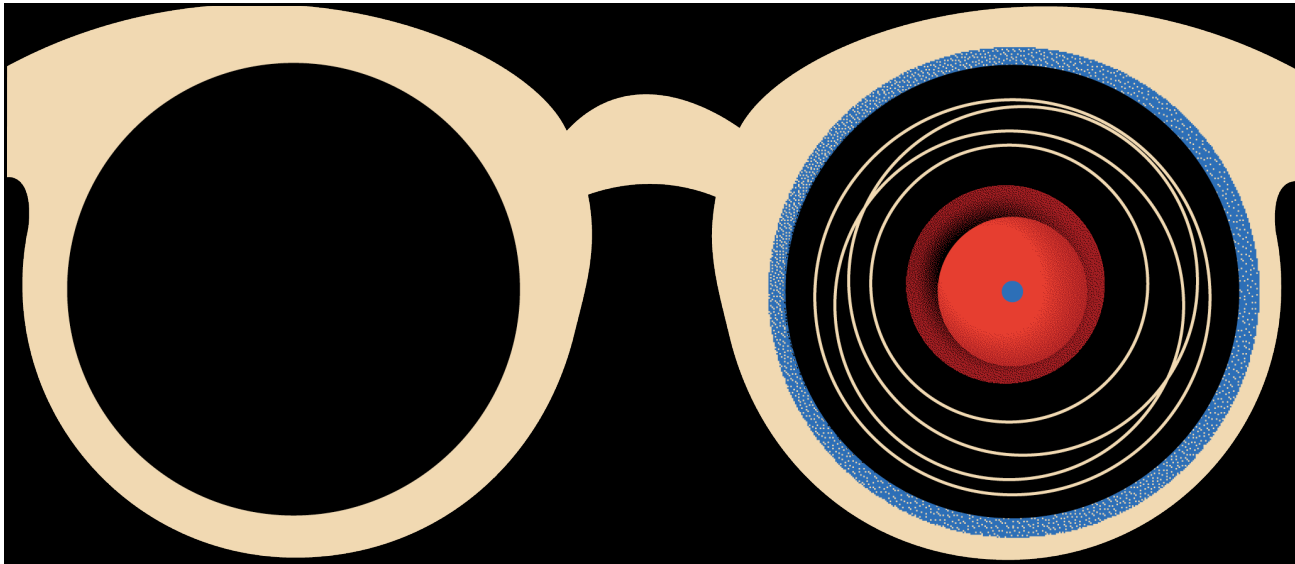


+4.3%

Growth Over 2019 Hotel Room Nights Sold

Memphis in 2023, Tourism Economics





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FACT SHEET

DESTINATION



How did our destination perform?



10.7 MILLION

Total Memphis MSA Visitors



4.1 MILLION

Shelby County Hotel Rooms Sold

+93%

2019 Hotel Demand Recovered **EVERYTHING**

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A STRATEGIC RECOVERY



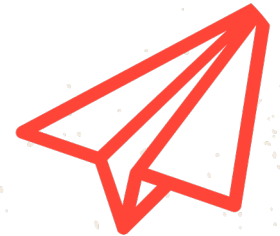
While the impacts of the pandemic have certainly been severe in Memphis and Shelby County, our market consistently outperformed national benchmarks. Based on available hotel performance data, the U.S. hotel market recovered approximately 88 percent of 2019 room-night demand in 2021. Meanwhile, in Shelby County, we recovered 93 percent of 2019 room-night demand in 2021—that's 5 percent more demand recovered.

On the Fast Track



Tourism Economics, the leading forecasting firm in the travel industry, recently updated the custom forecast Memphis Tourism commissioned for Memphis and Shelby County in 2022 and 2023—and our recovery trajectory is stronger than ever. According to the experts at Tourism Economics, Memphis hotels will make a full recovery to 2019 levels in 2022; and in 2023, Memphis hotel room-night demand will surpass 2019 demand levels by +4.3 percent.

A Complete Recovery



Over the course of the pandemic, travel patterns have shifted for many Memphis visitors. For example, the current travel party size has gone down to 1.9 adults per travel party—a decrease of -13 percent. Meanwhile, the average trip duration has extended to over 3 nights—an increase of 33 percent. That means that while the same volume of hotel room nights are being sold, there are fewer buying decisions being made, resulting in increased competition in the travel landscape.

Growing Competition



+5%

More demand recovered, compared to national index



+0.2%

2019 Demand Recovered in 2022, Tourism Economics Forecast



+4.3%

Forecasted 2023 Demand Growth Over 2019

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1.94

Adults Per Travel Party, 2021



3.12

Average Overnight Trip Duration, 2021



\$742

Average Nightly Travel Party Spending, 2021

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ORIGINS



What were some key origin markets in 2021?



34%

National Arrivals



38%

Regional Arrivals



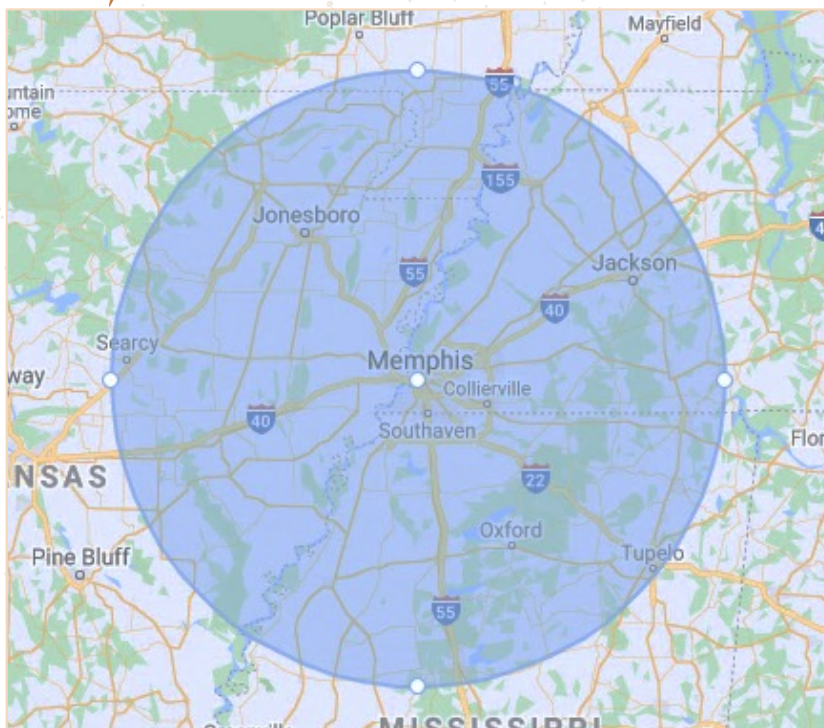
28%

Proximity Arrivals

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4 Proximity Markets



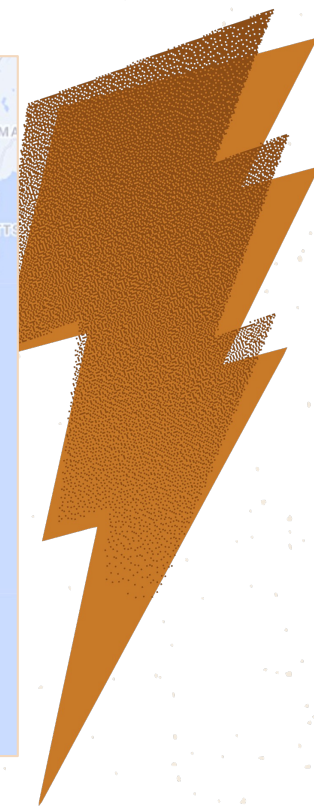
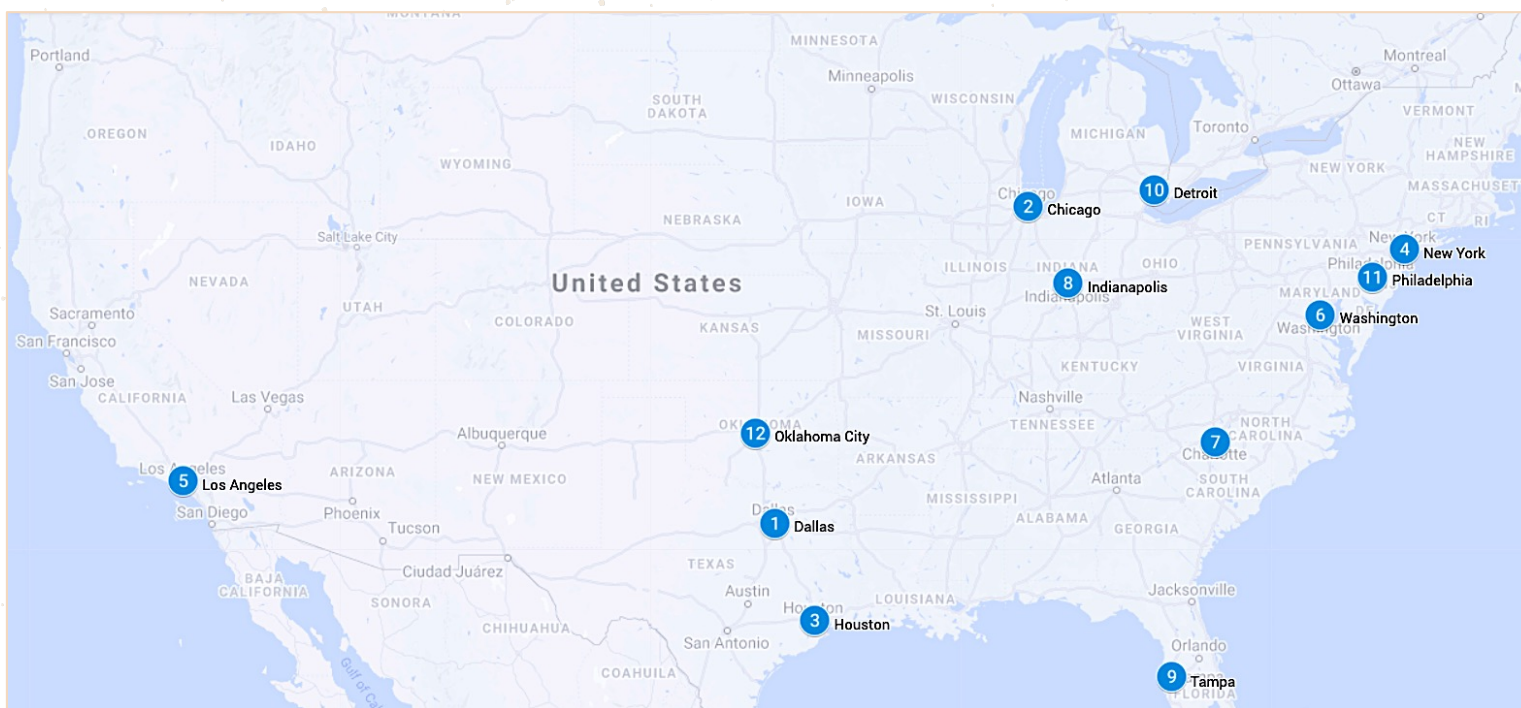
- Memphis DMA
- Jackson, TN
- Jonesboro
- Columbus-Tupelo



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2021 National

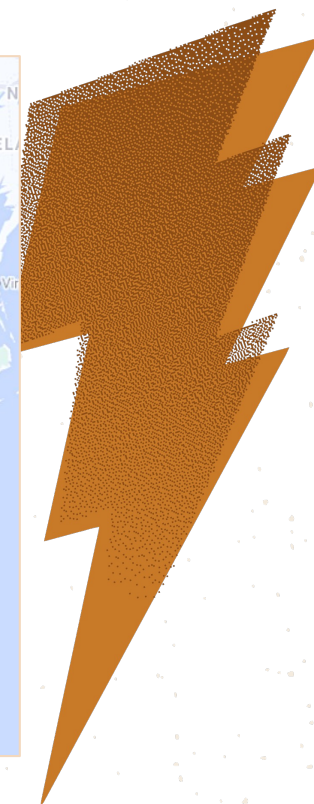
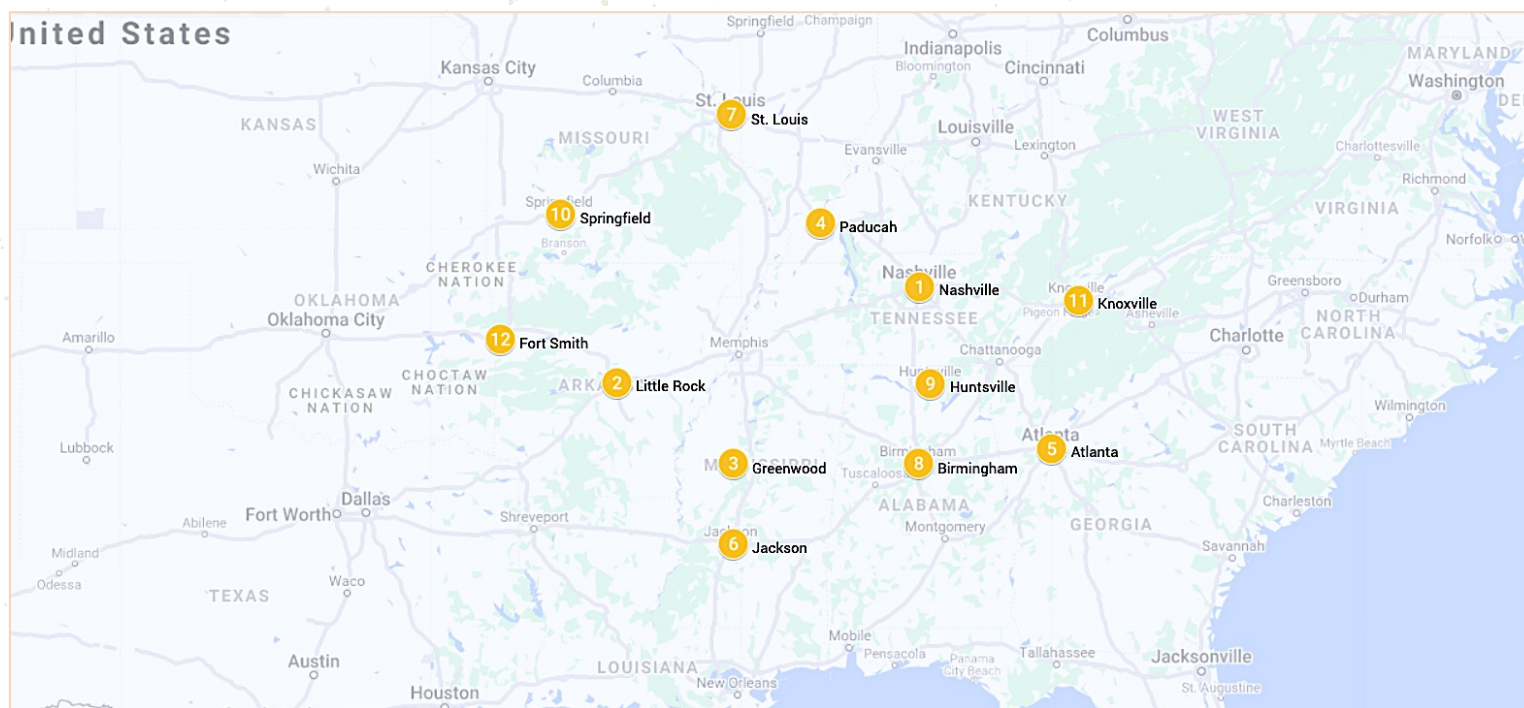
All of these markets generated at least 45 thousand annual visits to Memphis in 2021, with Dallas as the highest volume origin market.



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2021 Regional

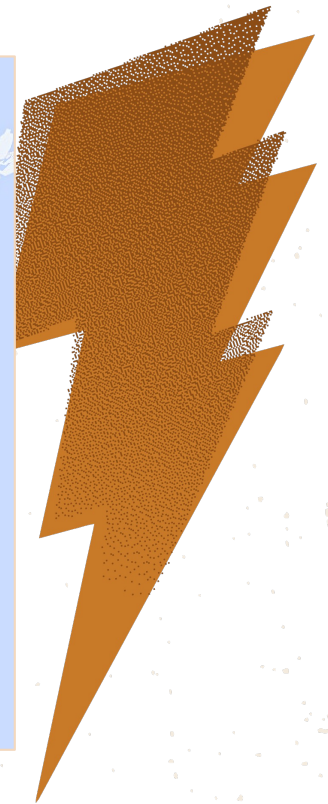
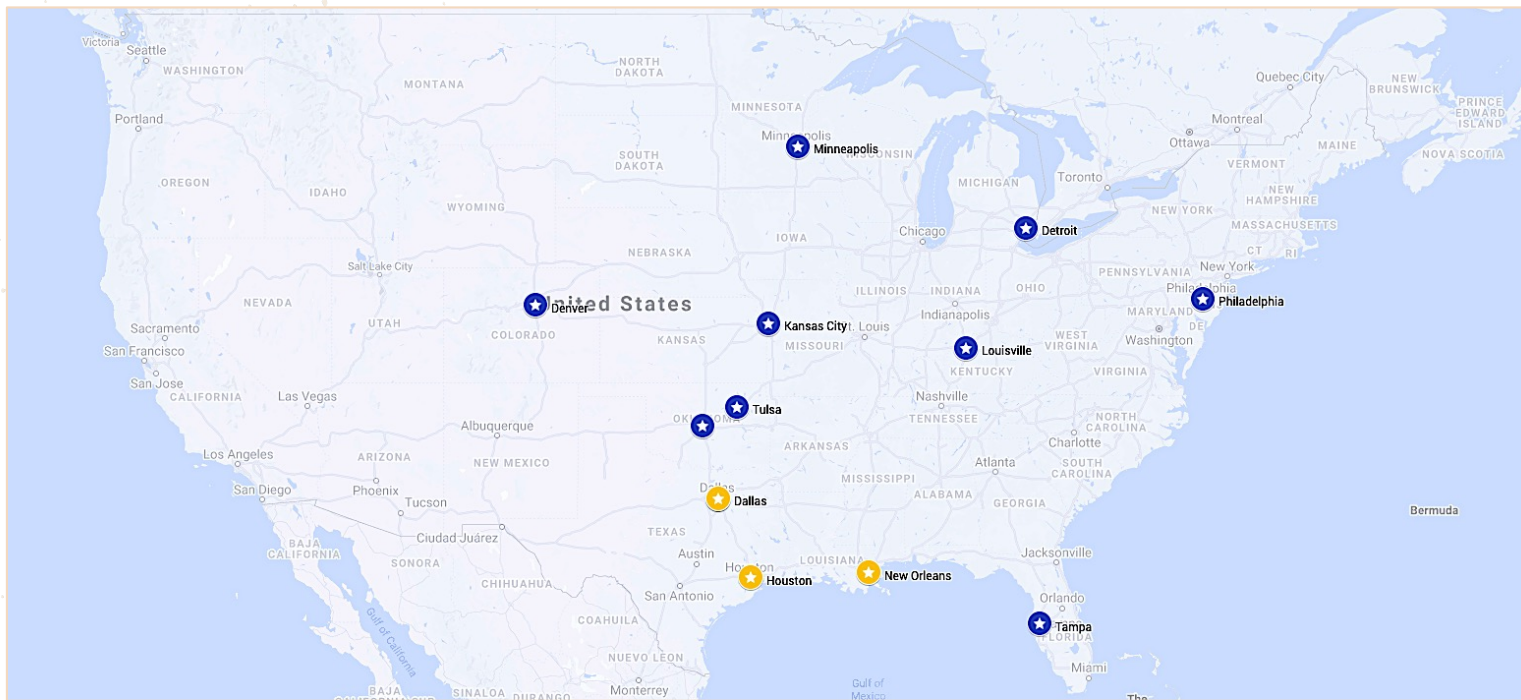
All of these markets generated at least 60 thousand annual visits to Memphis in 2021, with Nashville as the highest volume origin market.



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2021 Growth

Visits to Memphis originating in each of these markets grew by 83 percent or more, compared to 2020.



MARKETING



How did our marketing strategies perform?



+600% MORE INFLUENCE



In 2021, Memphis Tourism focused heavily on motivating more leisure travel from seven of our primary origin markets as well as ten emerging origin markets.

17 MARKETS



Our targeting strategies were driven by factors like total visitation volume and the likelihood of overnight stays by market.

SMART TARGETING



Based on data from our partners at Arrivalist, we are pleased to report that we attracted over +600 percent more ad-influenced visitors from these target markets than we did in 2019.

+600% MORE VISITORS



EFFICIENT & EFFECTIVE

In 2021, our advertising cost per influenced visitor decreased by -58 percent compared to 2019 benchmarks, more than doubling our marketing efficiency—which allows us to influence even more visitors. By capitalizing on data and insights to strategically target visitors, we will continue to drive strong efficiencies.

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MARKETING THAT MATTERS



Based on our data, over 127.5 thousand visitors arrived in Memphis & Shelby County after viewing our digital ads.

127.5 THOUSAND VISITORS



Combined, these visitors spent 161.5 days in the Memphis market and spent over \$31.6 million during their trips.

\$31.6 MILLION SPENT



That means our 2021 leisure marketing strategies earned a 57:1 ROI—and that's just what we can track digitally.

57 : 1 MARKETING ROI



127.5 THOUSAND

Ad-Influenced Visitors, 2021



161.5 THOUSAND

Person-Days in Memphis, 2021



\$31.6 MILLION

Ad-Influenced Visitor Spending

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DIGITAL MARKETING METRICS



Based on data from Arrivalist, we know that visitors to our owned websites are 4-times more likely to arrive in Memphis.

Motivating Travel



Website visitors who arrive in Memphis are also twice as likely to stay overnight in our destination during their trip.

Sweet Dreams



One way we attract users to our websites is via social media—and social referrals to our websites grew by +55 percent in 2021.

Social Studies



WE REALLY CLICK

The Memphis Travel website generated over 185.8 thousand link clicks in 2021, sending likely visitors directly to the websites of our community partners—because we know our marketing is more persuasive when we work together.

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A stylized orange lightning bolt graphic with a 3D effect, positioned behind the text 'EVERYTHING SOUNDS BETTER HERE' on the right side of the page.



400+ STORIES

Earned Media Coverage of Memphis & Shelby County

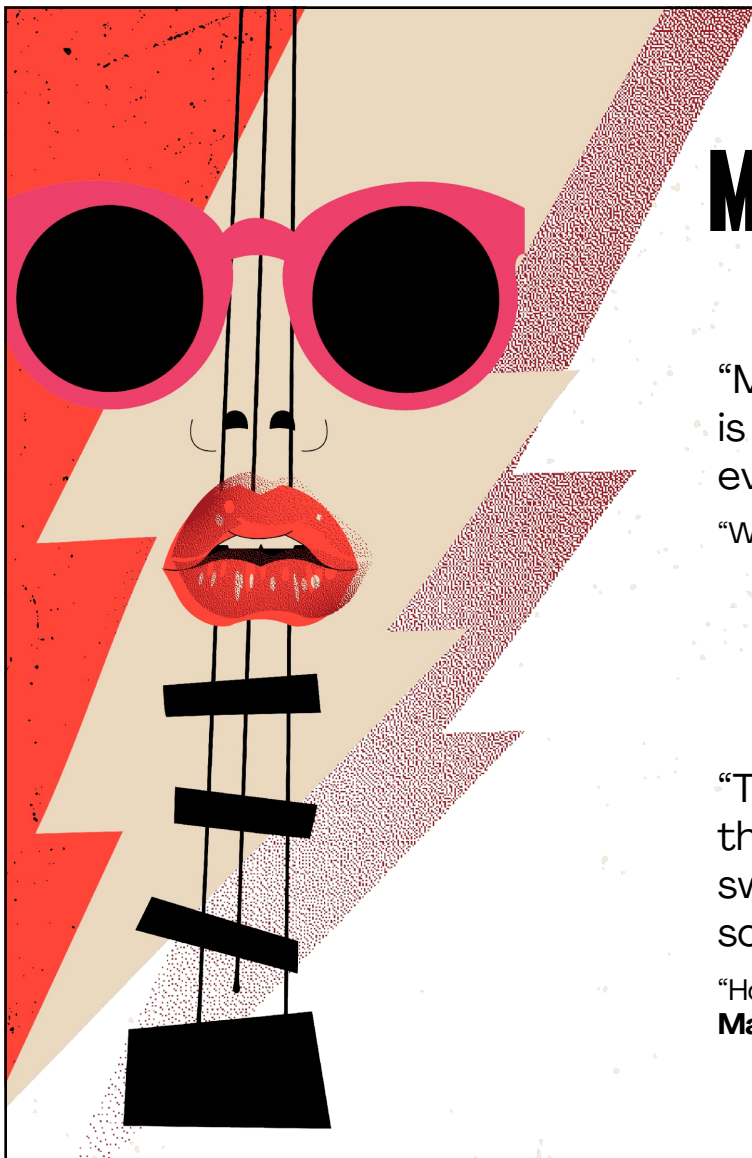
4.9 BILLION

Readers Reached with Earned PR Coverage

\$7.973 MILLION

Aggregate Ad Value of Earned PR Coverage

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MEMPHIS IN THE MEDIA

“Memphis, Graceland’s home, is in the midst of an exciting evolution.”

“World’s Greatest Places 2021,” **TIME**

“Try out all the BBQ joints in the day and by night get swept up in the club-hopping scene.”

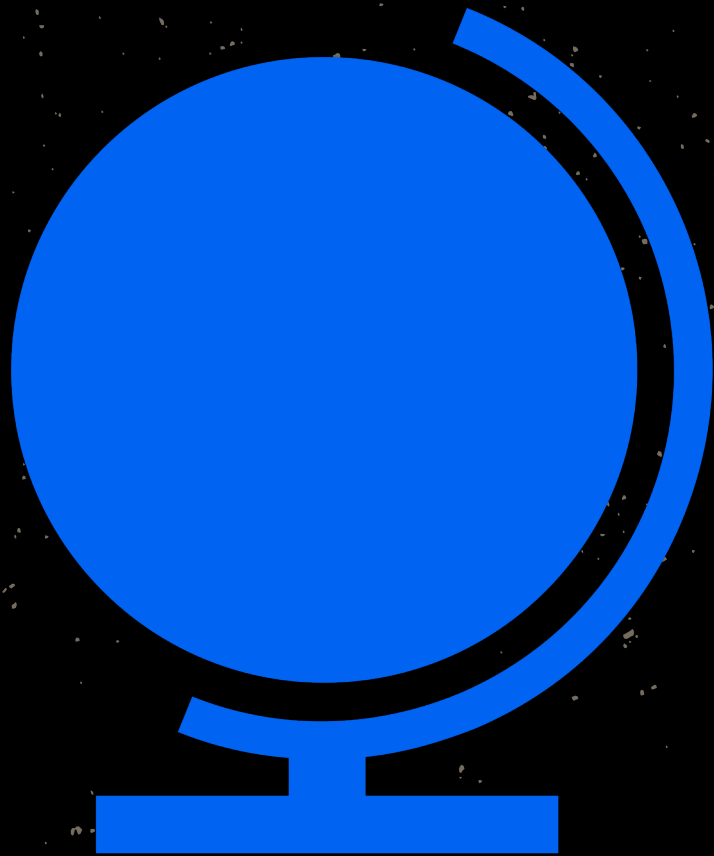
“Hottest Cities in the South,” **Deep South Magazine**

“Visiting Memphis left me with the desire to return, to dig deeper into its history.”

“Memphis — A Cultural Oasis Under a Steamy, Hot Sun,” **Medium**

“What I value about Memphis music is its tenacity and resourcefulness, and I think Hi Tone embodies that in its own gritty way.”

Julien Baker, quoted in **Pitchfork**



TOUR + TRAVEL

Our Tour & Travel sales team worked extensively with tour operators around the world in 2021 to put Memphis on the map.

- 6 Dedicated International Offices
- 215.2 Thousand Rooms Booked
- \$189.9 Million in Economic Impact

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MEETINGS



How did our meetings and events team perform?



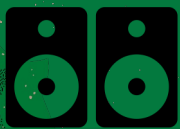
170.4 THOUSAND

Total Room Nights Booked in 2021 for Future Dates



30.5 THOUSAND

Convention Room Nights Consumed in 2021, RCC



\$116.6 MILLION

Economic Impact of 2021 Events

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OUR SALES STRENGTHS



How likely are you to recommend Memphis as a meetings destination? By asking that one question, we can see where we rank competitively. Meeting planners who recently held an event in Memphis reported a +67 score for recommending Memphis as an events destination. That's more than twice as high as the industry benchmark of +29.

A New High Score



According to our partners at Destination Analysts, 53 percent of meeting planners agree that a professional word-of-mouth recommendation is the best way to research destinations—second only to relying on their own individual experiences in the destination. That's how we know the 25+ testimonials we've collected from happy clients will undoubtedly assist in attracting new business to Memphis.

Our Network Works



According to our partners at Destination Analysts, 54% of meeting planners report that mid-sized destinations are more attractive destinations now, compared to 2020. Only beach destinations were rated more attractive.

Ready to Win





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FROM SALLY PAGE

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FOR THE CHOIR

Sally Pace, Board Chair
CEO, Connect Healthcare

Over the past two years, as I served as the Board Chair of Memphis Tourism, I've been given a chance to delve deep into the travel and hospitality industry in Memphis and Shelby County—and I'm still profoundly impressed by the drive, resilience and passion I've found beating at the core of the visitor economy.

I've always loved Memphis and Shelby County. But seeing the heart of this city embodied and amplified by this industry, especially through such difficult times, has been truly inspirational. It reminds me that tourism is fundamentally driven by a deeply human desire—a need to be seen, understood and appreciated for what is uniquely yours to share with the world.

Of course, Memphis and Shelby County have so much to share—and there are so many distinguished voices working to uplift the stories of our unique and authentic destination. But in Memphis, there's always room for one more voice in the choir—and now I'll always be grateful that, over the past two years, one of those voices was mine.

Together in Spirit & Soul, **Sally**





OUR EXECUTIVE COMMITTEE

Sally Pace, Chair
Connect Healthcare Collaboration

Doug Browne, Vice Chair
The Peabody Memphis

Harold Graeter, Secretary
AutoZone Liberty Bowl

Scott Brockman, Treasurer
Memphis-Shelby County Airport Authority

Craig Unger
Memphis Redbirds

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Wright Investments

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