

City of Waco

Winter 2024 & Spring 2025 Tourism & Travel Update



Cindy Decker, Senior Manager, Client Relationships & Insights, with Symphony by Tourism Economics

Hanna Andersen, Assistant Destination Development Officer, Destination Waco

Agenda

- Tourism and Convention Outlook
 - Outlook for US Travel
 - Waco Hotel and Short Term Rental Overview
 - Visitor Insights and Points of Interest
 - Convention Center Performance
- Waco Regional Airport
 - Visitor Data
 - Enplanement and Non-Airline Traffic
 - Key Airport Updates



Summary of Summer & Fall 2024

- Texas' travel sector outpaced the national average, with hotel demand and air travel showing stronger-than-average growth.
- Leisure and business travel surged, with group demand surpassing 2019 levels and enthusiasm for leisure travel reaching new highs.
- Hotel demand reached record levels, outpacing supply growth and driving strong revenue performance across the state.
- The industry closed out a strong fiscal year, with aggregated lodging metrics and attraction attendance contributing to the momentum.
- Tourism and Travel performance in Winter 2024 and Spring 2025 reflect a different macroeconomic environment and the absence of last year's one-time events, such as the eclipse.



Introduction: Cindy Decker

Sr. Manager Client Relations & Insights at Tourism Economics

Three decades of hospitality industry experience, with 25 years as a revenue management leader for Marriott

Before joining Tourism Economics, served Vice President of Business Intelligence and Market Strategy for Houston First Corporation

Data-driven knowledge of tourism dynamics | Solution-oriented leader for destination clients | Valuable business intelligence insights and strategic guidance for achieving organizational goals





TOURISM
ECONOMICS

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The Outlook for US Travel

Travel spending continues to grow

National Travel Indicators

March, 2025



Travel Spending*
(Tourism Economics)
\$107.7B
↗ +0.8%
March vs. Previous Year

↗ +2.0%
YTD vs. Previous Year



Air Passengers
(TSA)
↘ -0.2%
March vs. Previous Year

↘ -0.5%
YTD vs. Previous Year



Overseas Arrivals
(NTTO)
↘ -11.6%
March vs. Previous Year

↘ -3.3%
YTD vs. Previous Year



Hotel Demand
(STR)
↗ +0.4%
March vs. Previous Year

↗ +1.0%
YTD vs. Previous Year



Short-term Rental Demand
(AIRDNA)
↘ -1.6%
March vs. Previous Year

↗ +1.7%
YTD vs. Previous Year

Demand in Texas lagged the national average



↗ **+1.3%**

March YOY

L & H Jobs
(BLS)



↘ **-0.5%**

March YOY

Air Passengers
(Airline Data Inc; TSA)



↗ **+1.0%**

March YOY

Hotel Demand
(STR)



↗ **+1.3%**

March YOY

L & H Jobs
(BLS)



↘ **-1.7%**

March YOY

Air Passengers
(Airline Data Inc; TSA)

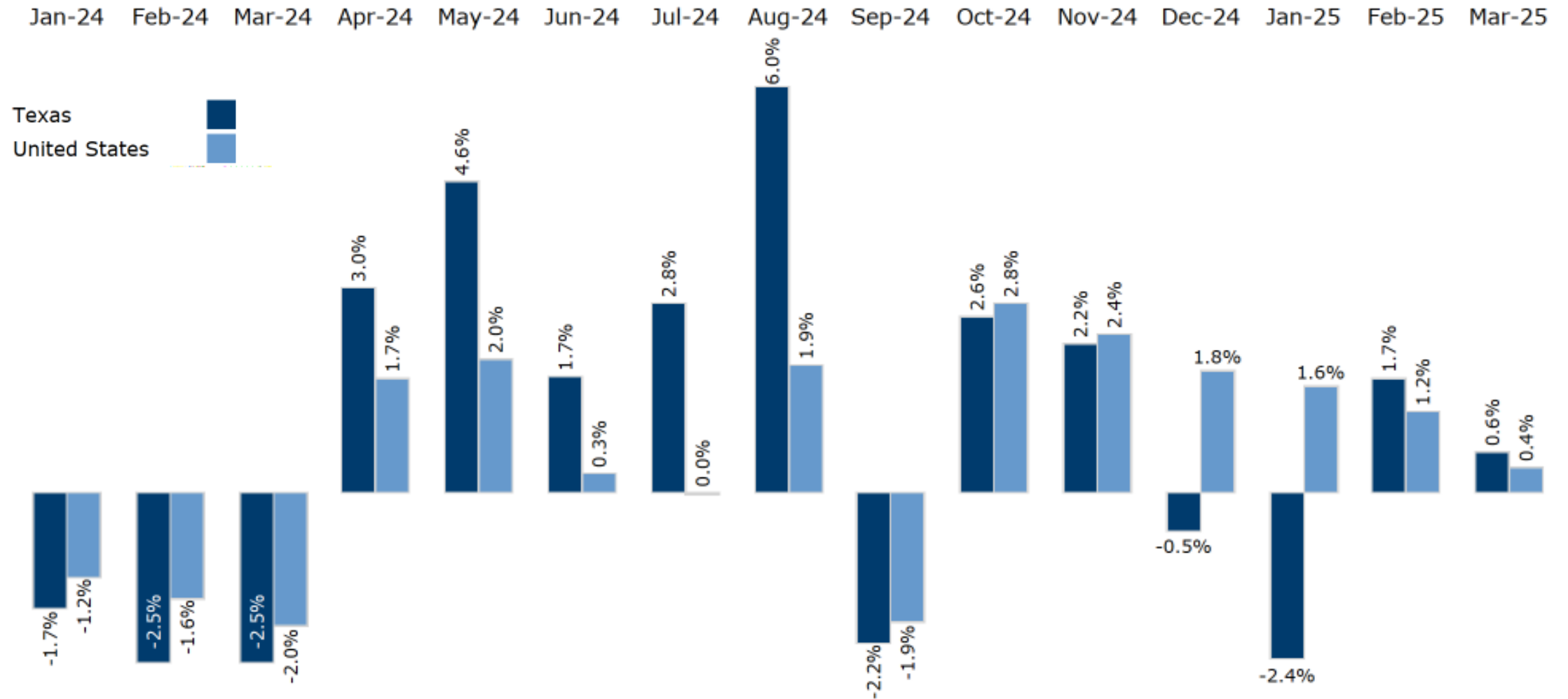


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March YOY

Hotel Demand
(STR)

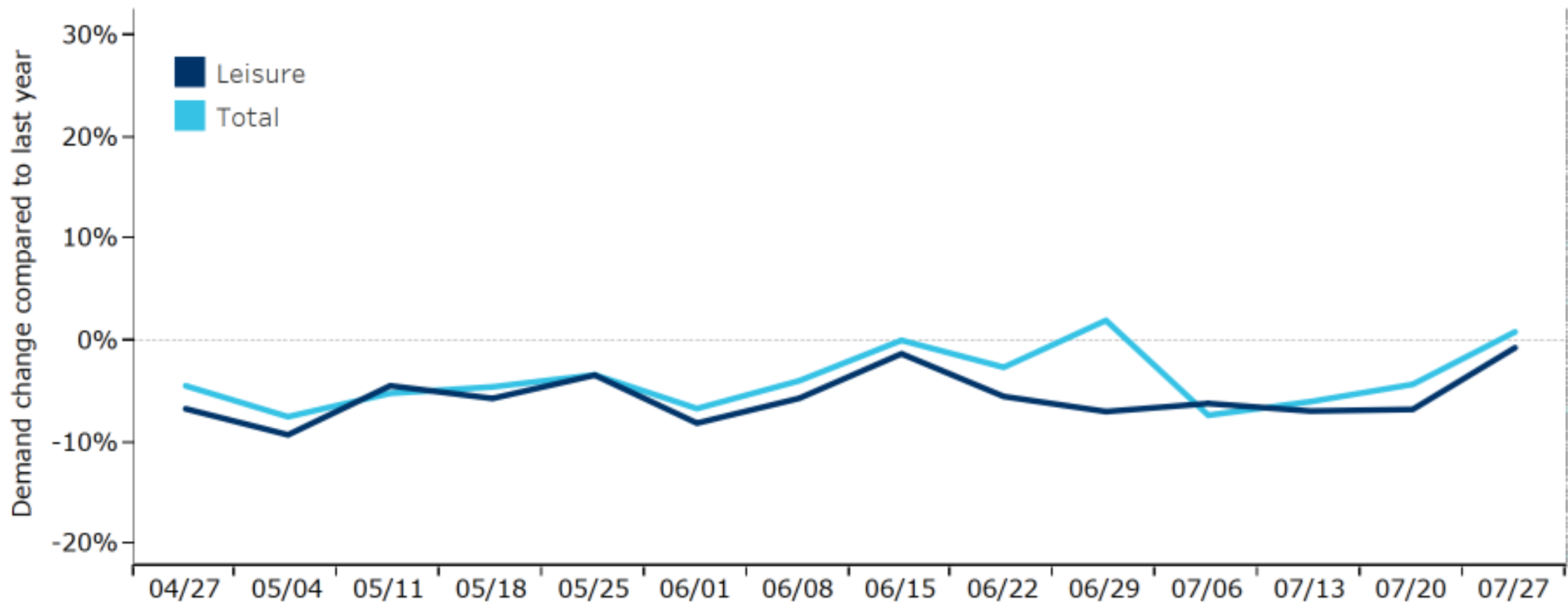
Despite slower start to 2025, Texas is following US lodging demand trends



US hotel demand has underperformed last year but expected to recover in Q3

U.S. Hotel Leisure Demand Pace

Leisure hotel booking pace vs same time last year, as of 4/23/2025

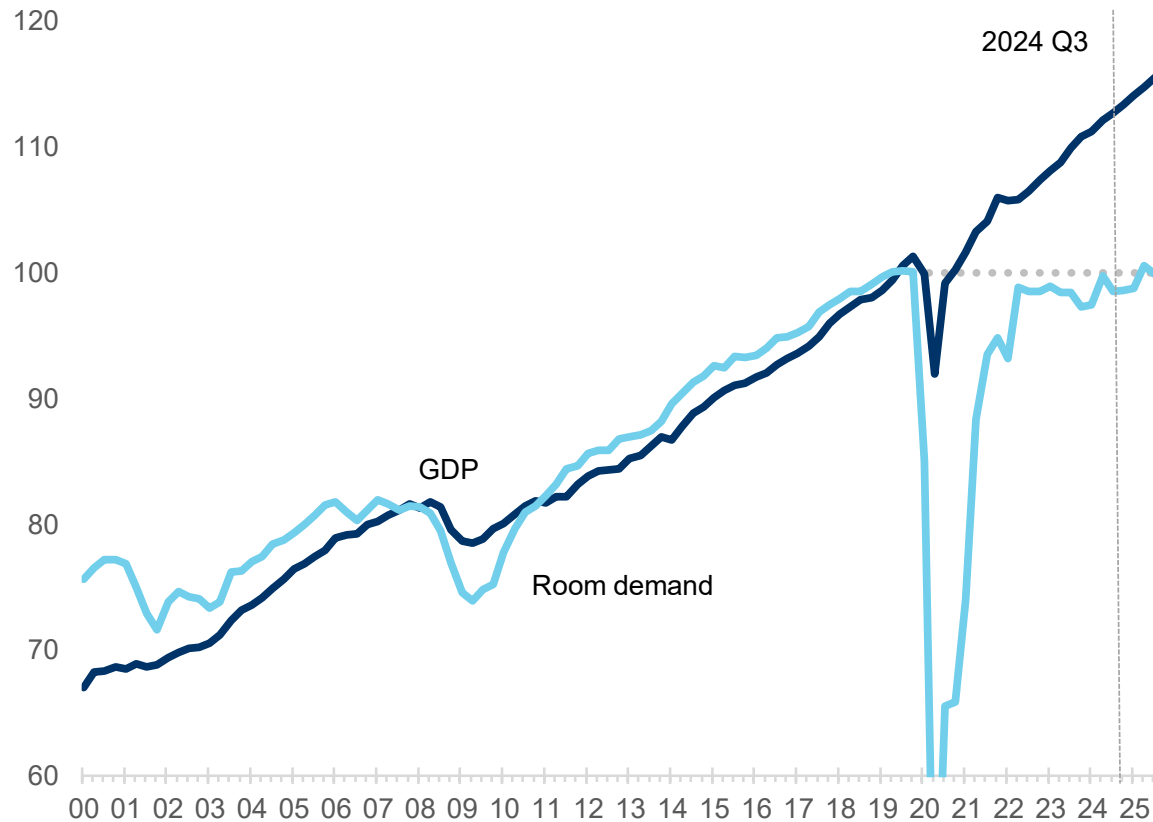


Source: Amadeus

Hotel room demand has decoupled from GDP

GDP and hotel room demand

Index (2019 = 100)

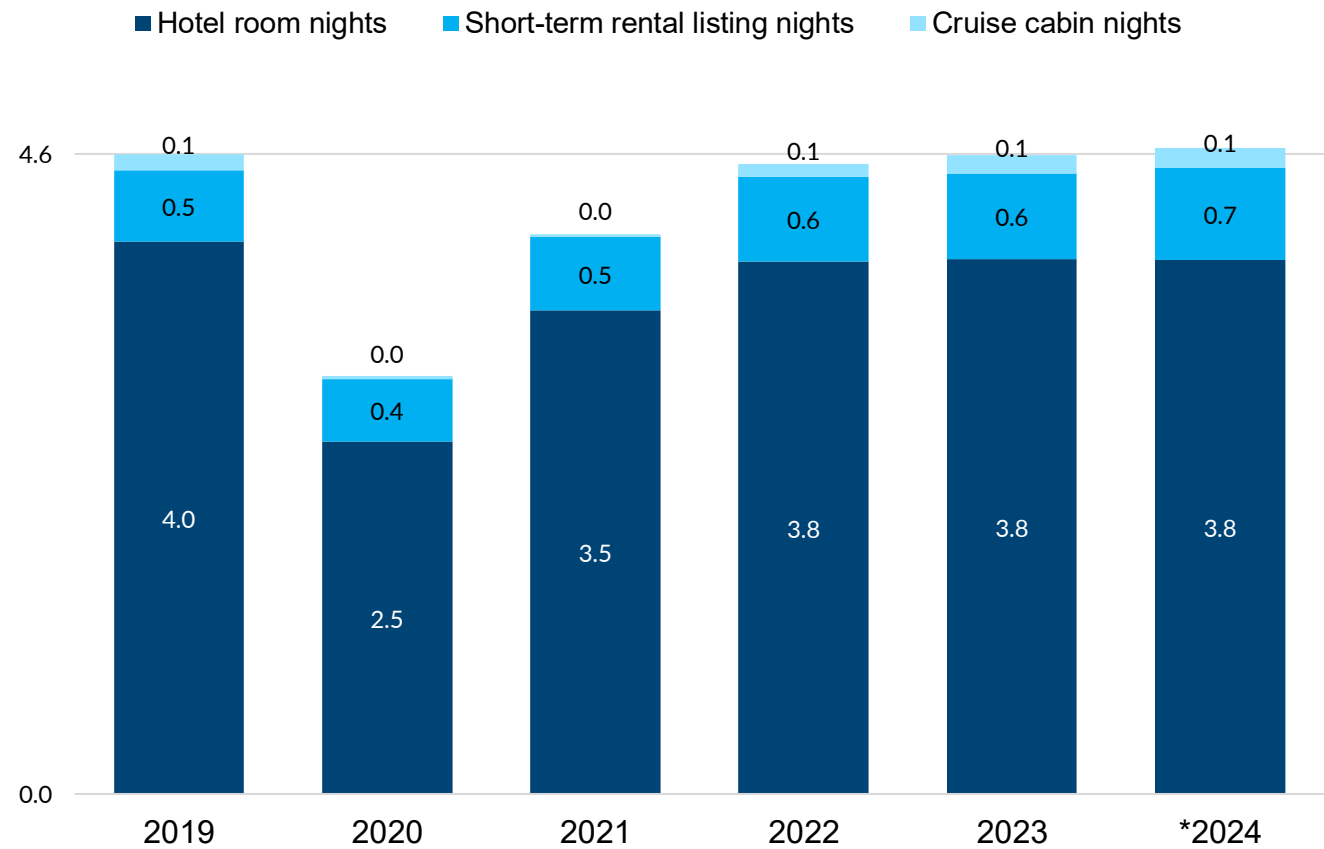


Note: Real GDP, seasonally adjusted.

Source: BEA; STR; Oxford Economics

The total paid lodging market has fully recovered

US lodging demand nights per capita

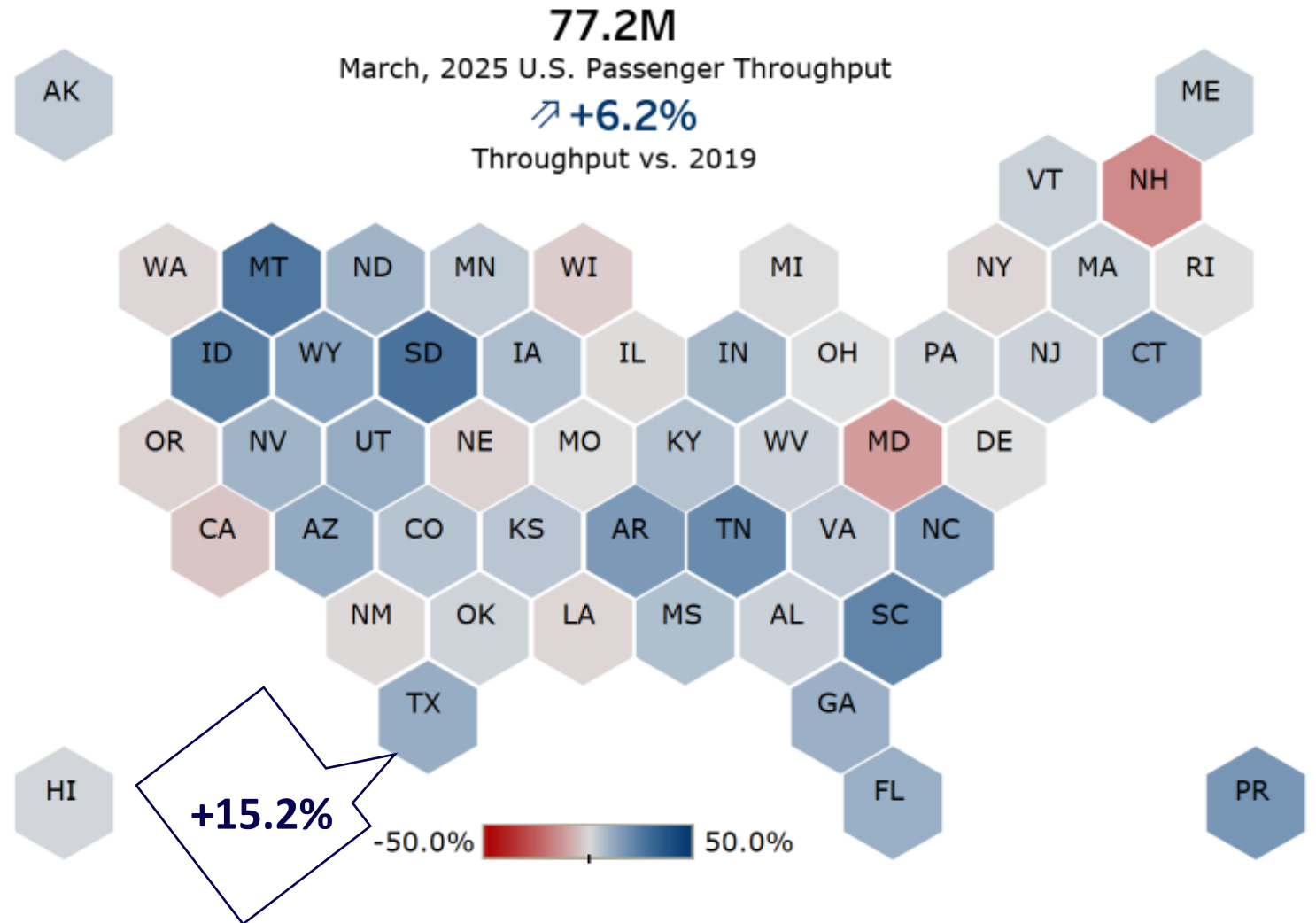


Sources: STR, AirDNA, CLIA/Tourism Economics, Census Bureau/Oxford Economics/Haver Analytics, *Full-year forecast as of Nov 2024

Texas air
travel also
outpacing
the US
average

March, 2025 Passenger Throughput by State

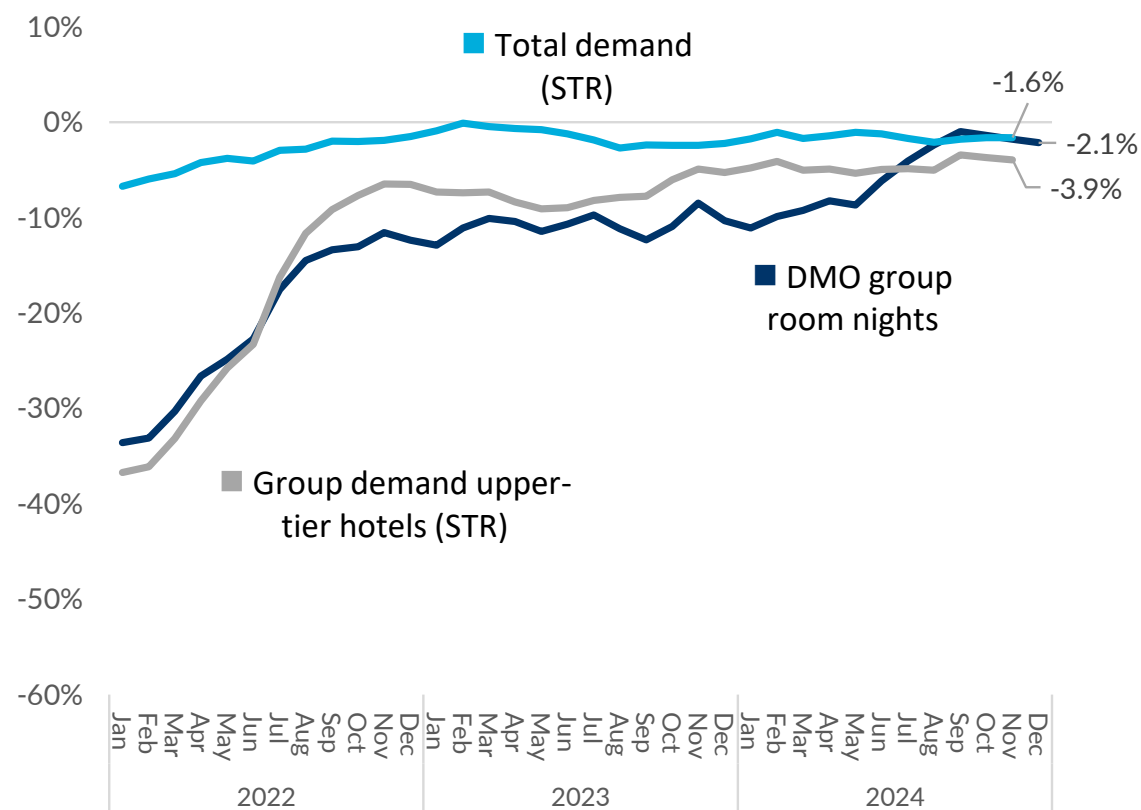
All passengers (domestic + international), % change vs. 2019



Group room nights drawing closer to 2019 levels

Room demand relative to 2019

Six-month moving average



Source: STR; Simpleview CRM (250+ DMOs)



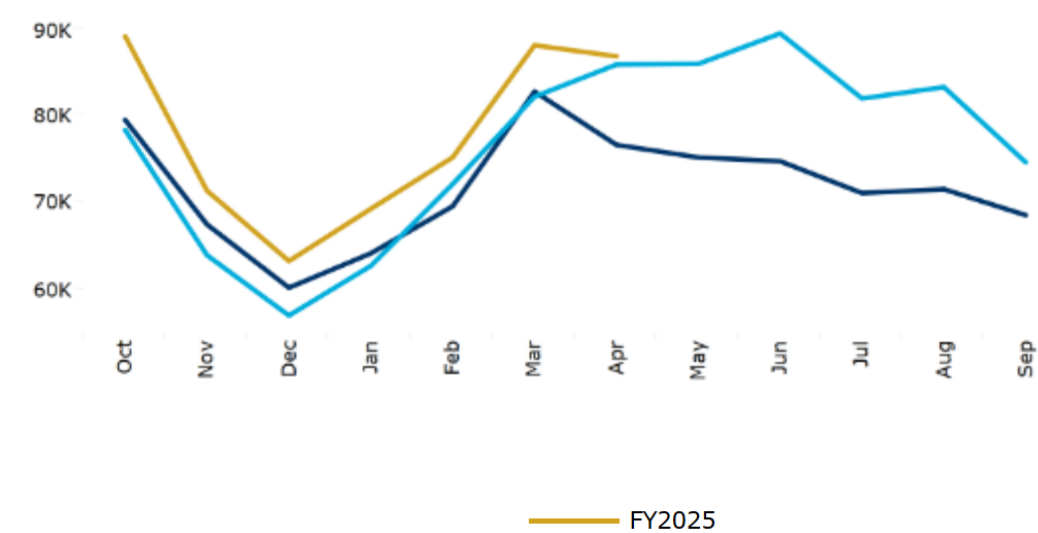
How is Waco?

Hotels off to a strong start to 2025

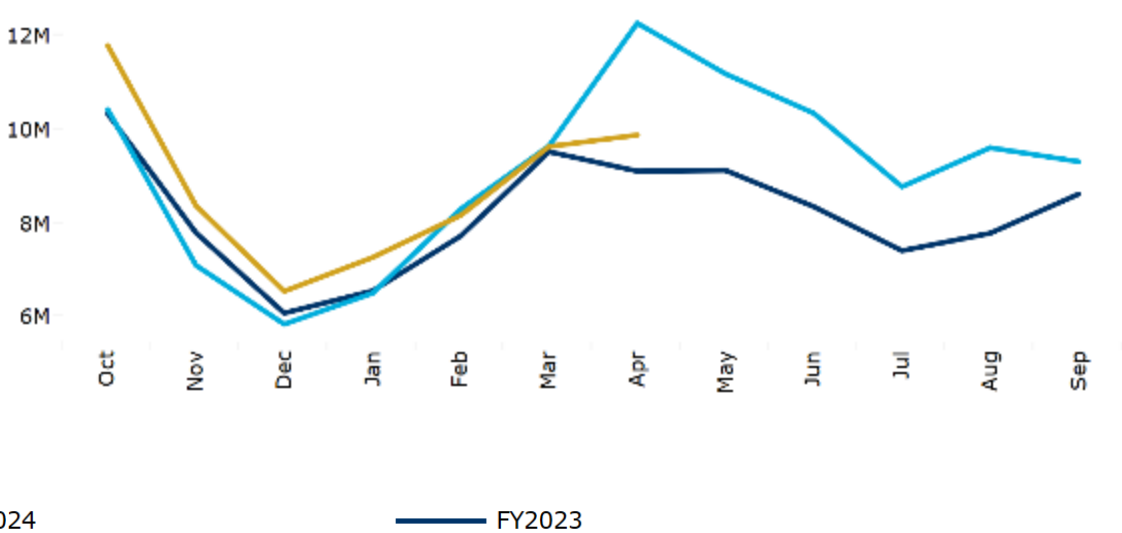
Year-to-Date Fiscal 2025

	Occupancy	ADR	RevPAR	Supply	Demand	Revenue
YTD Fiscal Year	59.9%	\$113.45	\$67.97	905.9K	542.7K	\$61.6M
YTD Change vs. Previous Year	▼ -5.2%	▼ -5.1%	▼ -10.1%	▲ 14.1%	▲ 8.1%	▲ 2.6%

Demand



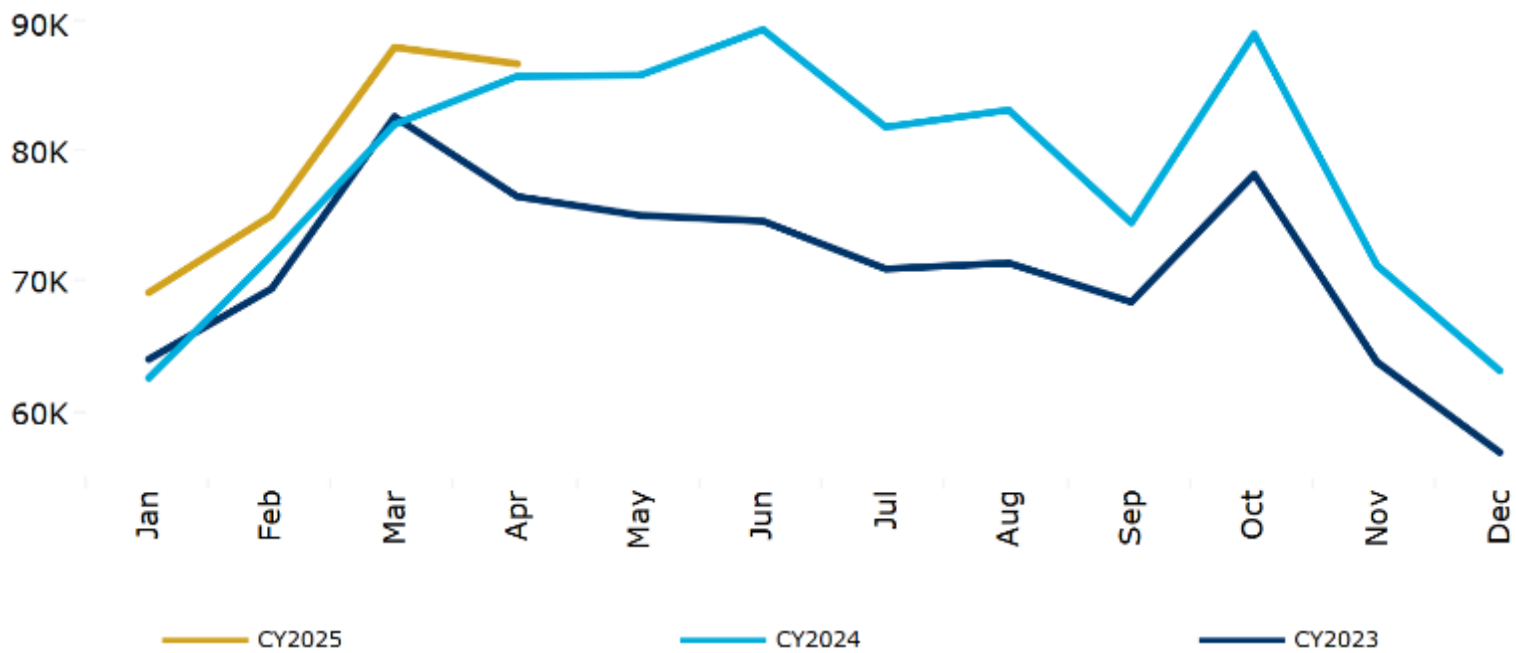
Revenue



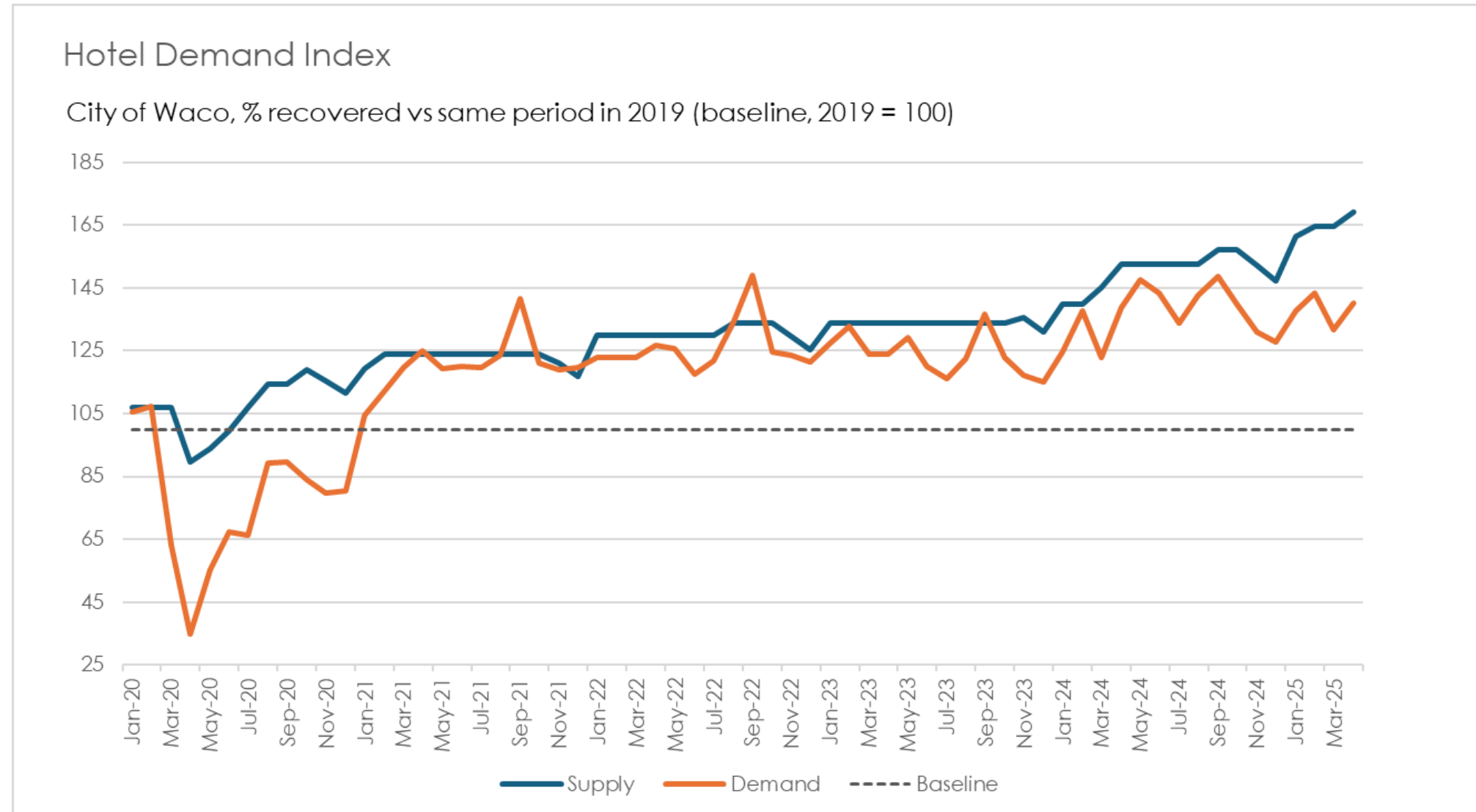
Hotel Demand Consistently Outpacing Previous Years

	Occupancy	ADR	RevPAR	Supply	Demand	Revenue
April 2025	64.6%	\$113.78	\$73.50	134.3K	86.7K	\$9.9M
Change vs. Previous Year	▼ -8.8%	▼ -20.4%	▼ -27.4%	▲ 10.9%	▲ 1.1%	▼ -19.5%
YTD Calendar Year	61.0%	\$109.37	\$66.67	523.4K	319.1K	\$34.9M

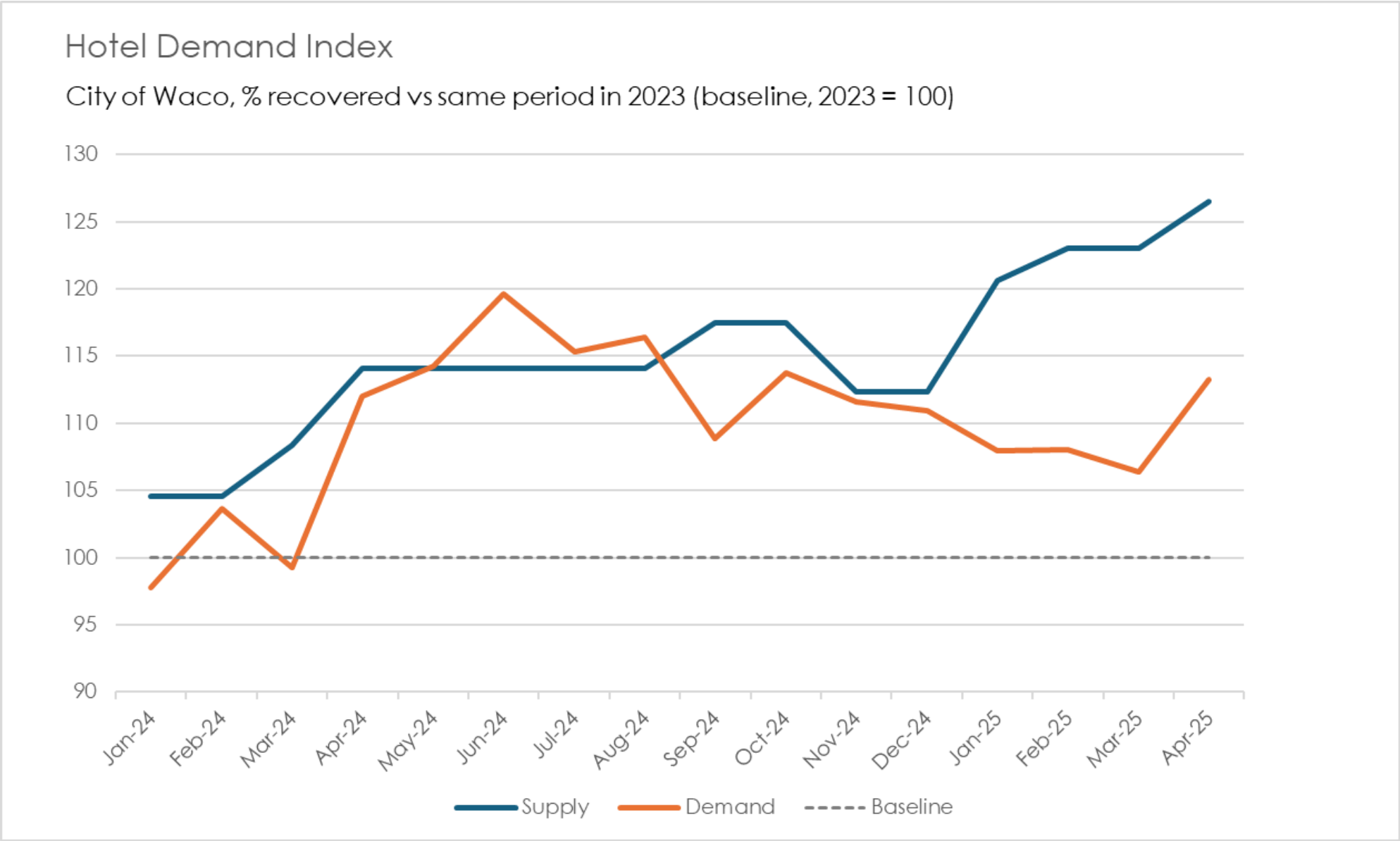
Demand



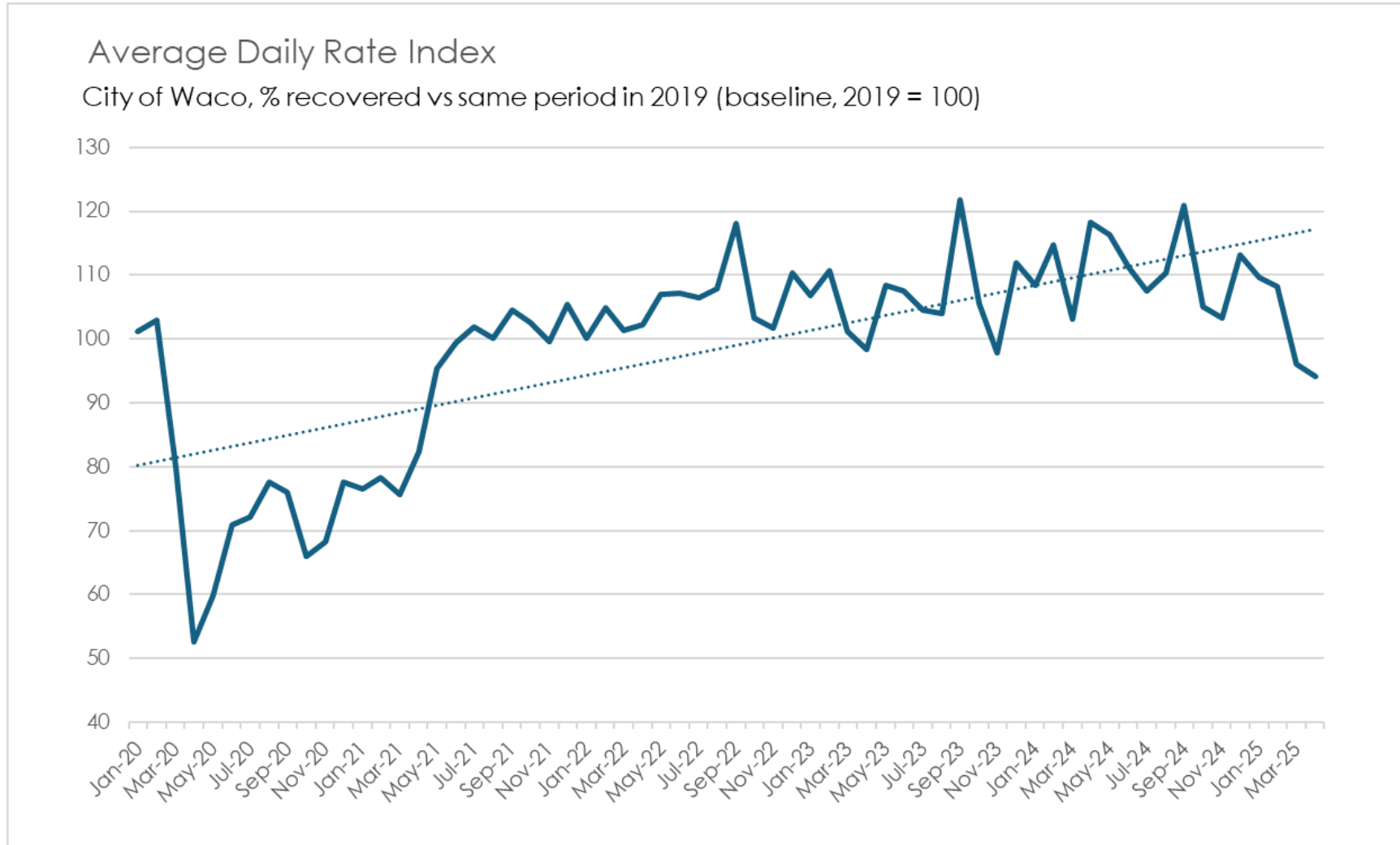
Demand is back, we continue to catch up to supply



Supply Growth continues to Outpace Demand



Growth in Supply is showing pressure on rates

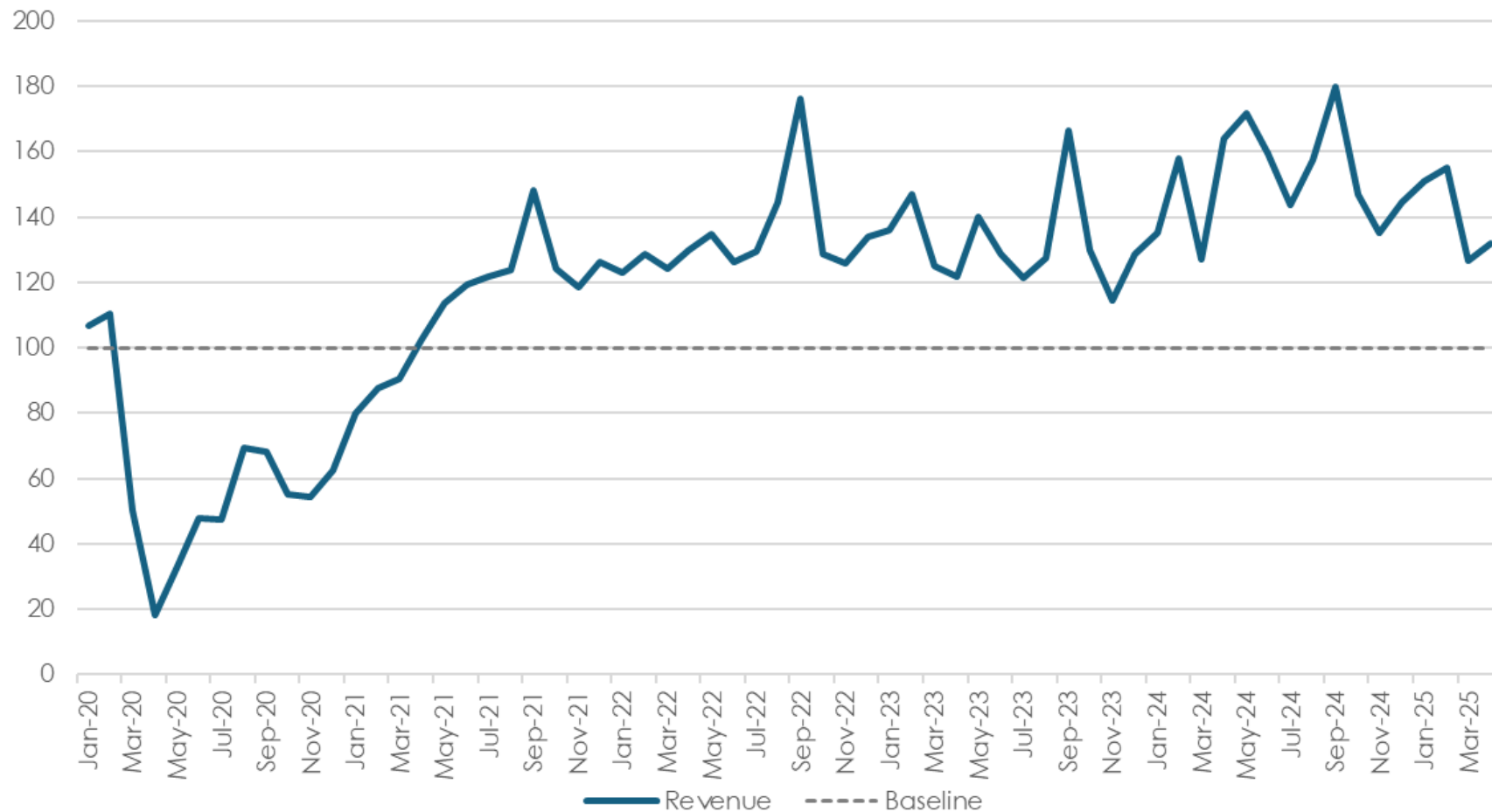


Year to date
-20.4% vs. Last year
-5.8% vs. 2019

Driving overall Revenues (\$\$)

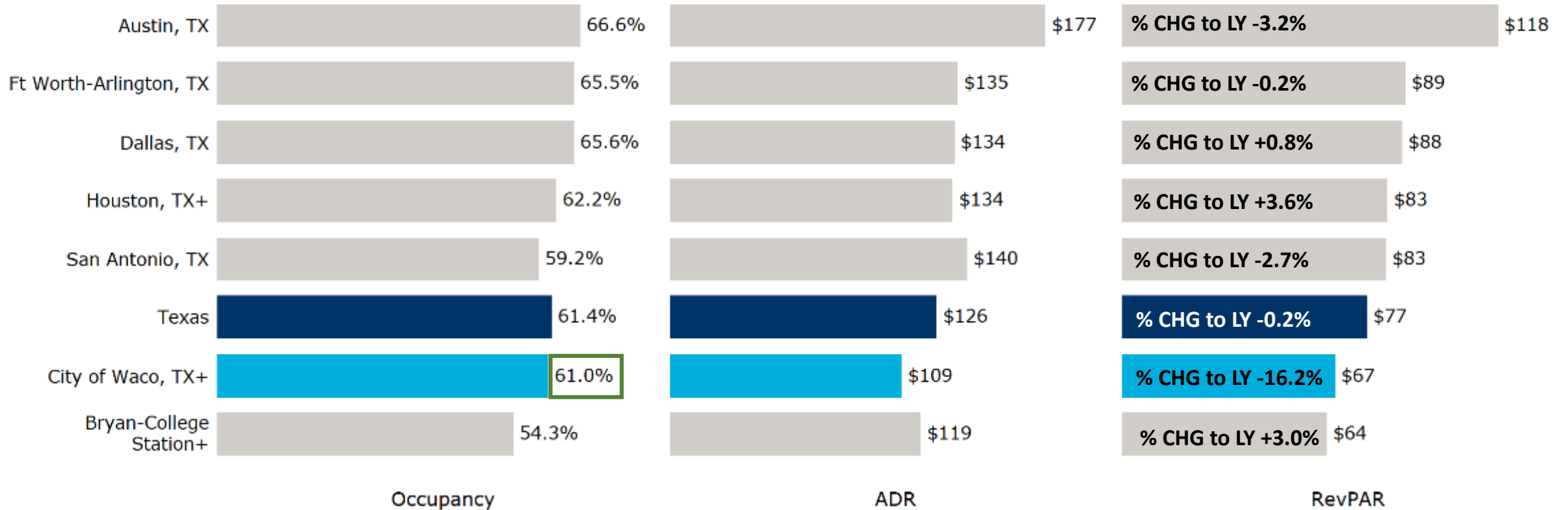
Hotel Revenue Index

City of Waco, % recovered vs same period in 2019 (baseline, 2019 = 100)



Competitive Overview

Jan - Apr 2025, Comp. Markets Hotel KPIs



Short Term Rental Market

April 2025

	Occupancy	ADR	RevPAR	Supply	Demand	Revenue
	48.8%	\$229.00	\$111.75	17.2K	8.4K	\$1.9M
YOY Change	▼ -9.9%	▼ -12.8%	▼ -21.4%	▼ -20.8%	▼ -28.6%	▼ -37.7%
Fiscal Year-to-Date	47.7%	\$233.18	\$111.24	129.7K	61.9K	\$14.4M
YOY Change YTD	▼ -4.3%	▼ -2.0%	▼ -6.2%	▼ -3.3%	▼ -7.4%	▼ -9.3%

Booked Listings

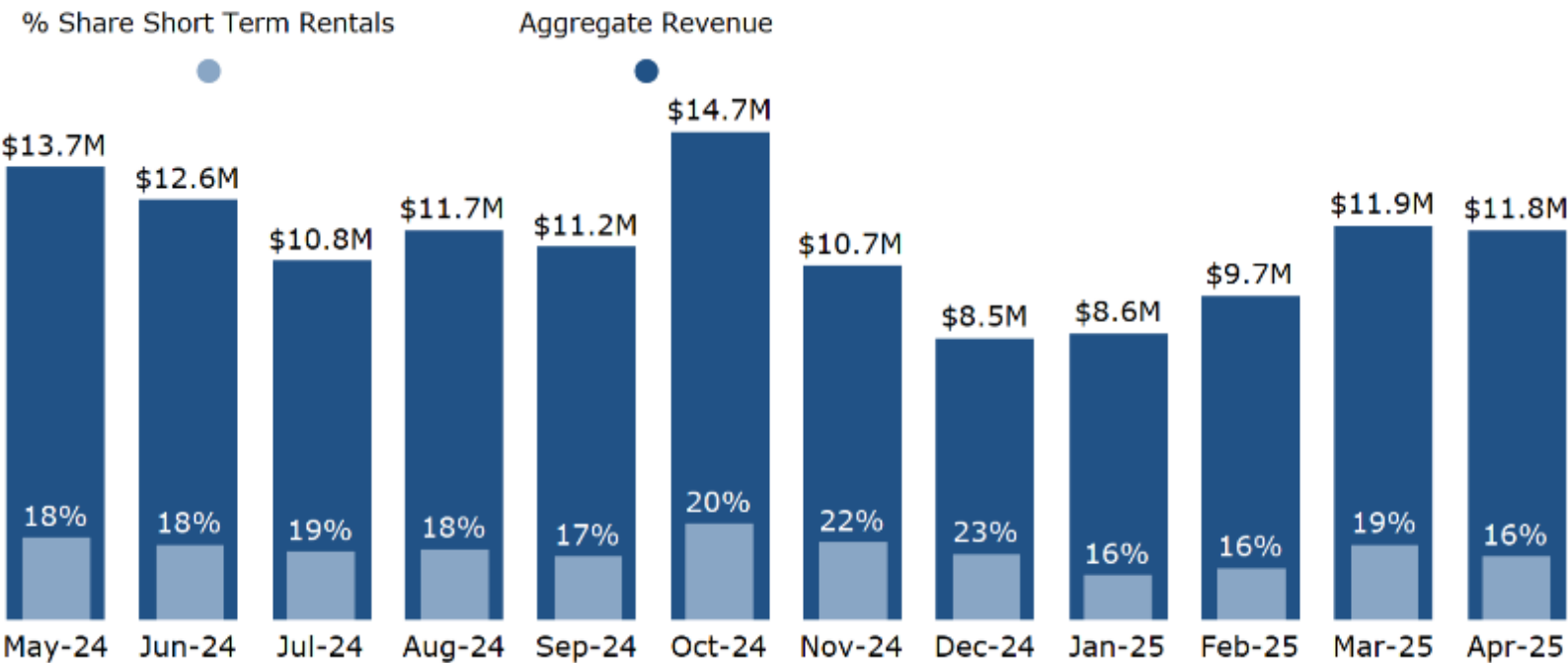
Waco



Aggregated Lodging is up YTD

Lodging Revenue & Contribution

Aggregate of City of Waco, TX+ (Hotels) and Waco (Short Term Rentals)



Aggregated hotel & short-term rental lodging demand is up **+3.3%** Year to date.

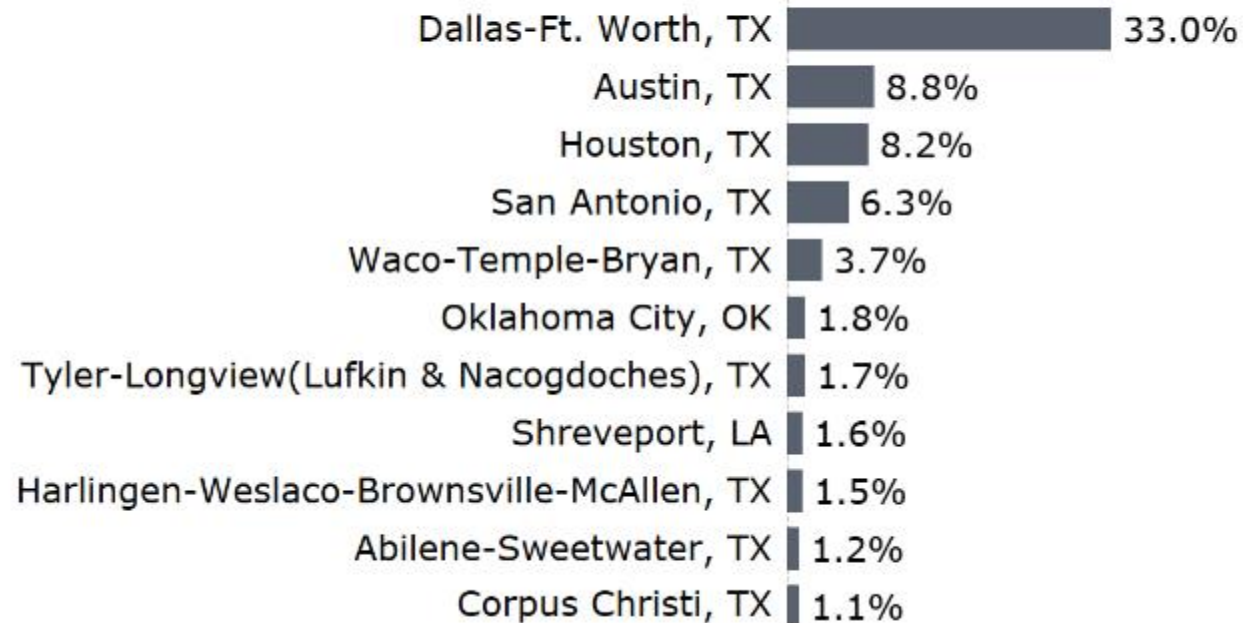
Short term rentals are down **-14.4%**, while hotel demand is ahead by **+5.4% Year to date.**

Who is Visiting Our City?

November 2024 – April 2025

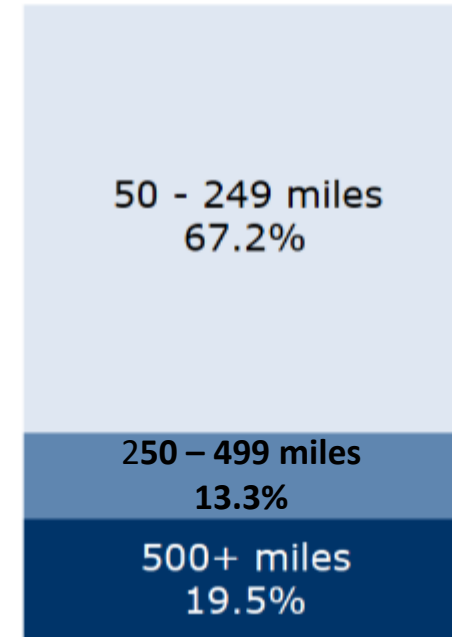
Top Visitor Origin DMAs

% share of total



Distance Share

% share of total

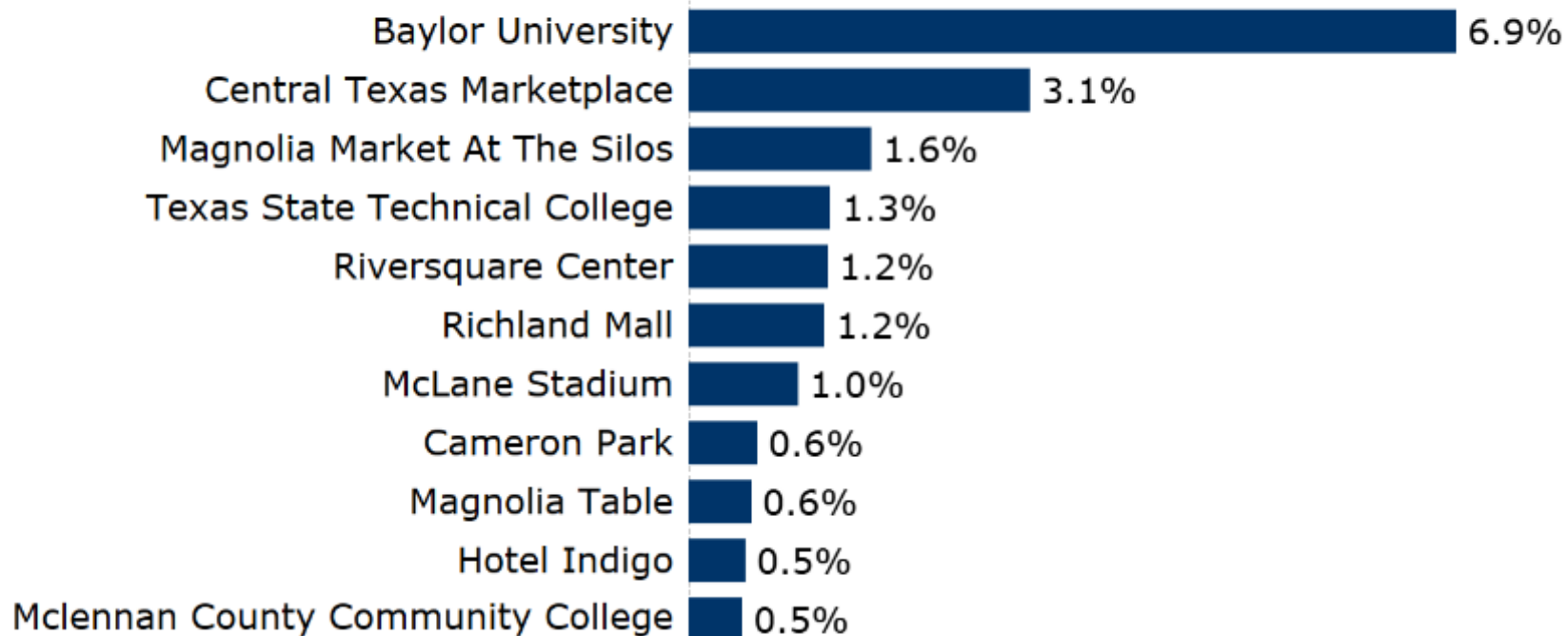


What are they doing?

November 2024 – April 2025

Top POIs Visited

% share of trips



1.6 days

Avg Length of Stay



64.5%

Overnight



73.3%

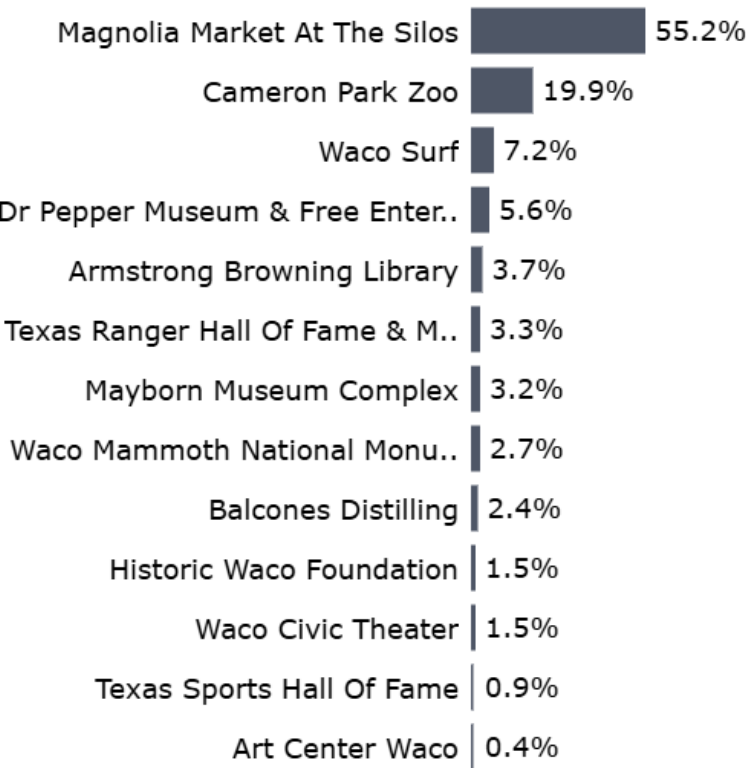
Repeat

Points of Interest

November 2024 - April 2025

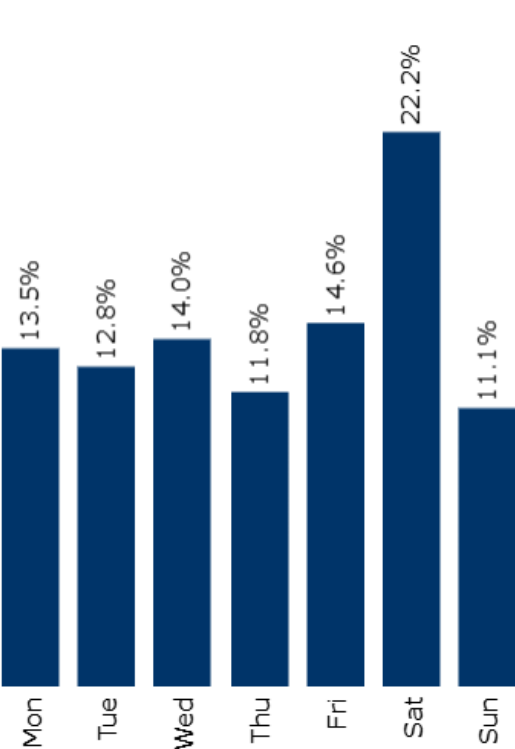
POI Split

Unique Visitors



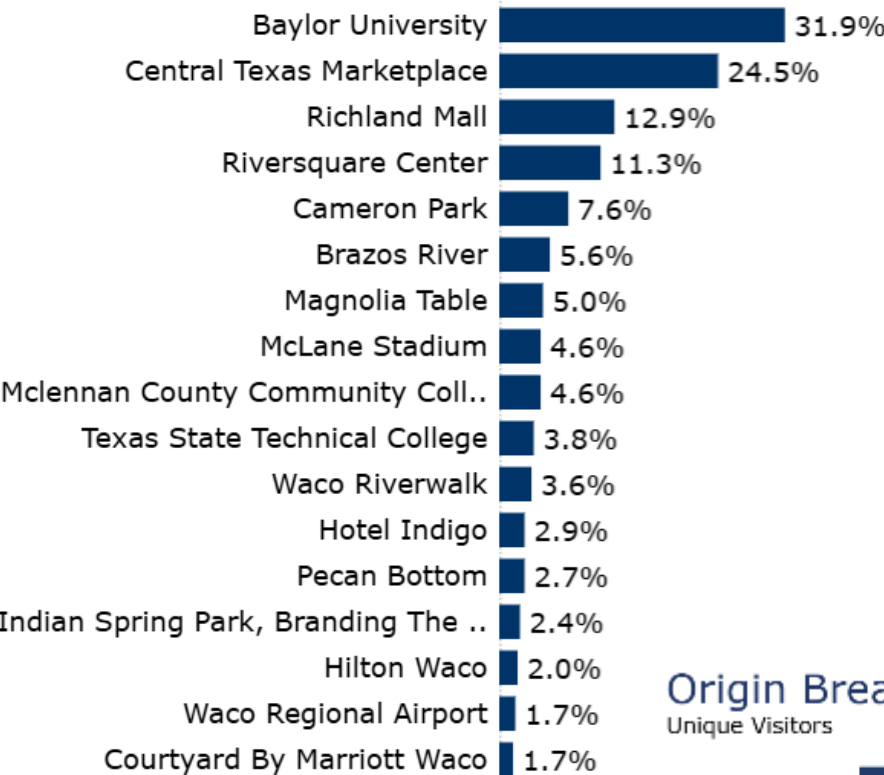
Visits Breakdown

Total Visits



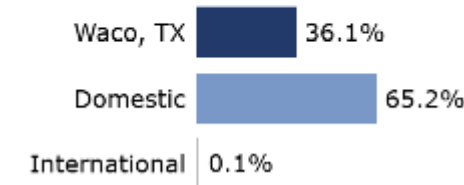
Top Cross-Visited Points of Interest

who visited any of Market Attractions POI



Origin Breakdown

Unique Visitors



Waco Hospitality Employment

(March 2025)

Leisure and Hospitality Jobs

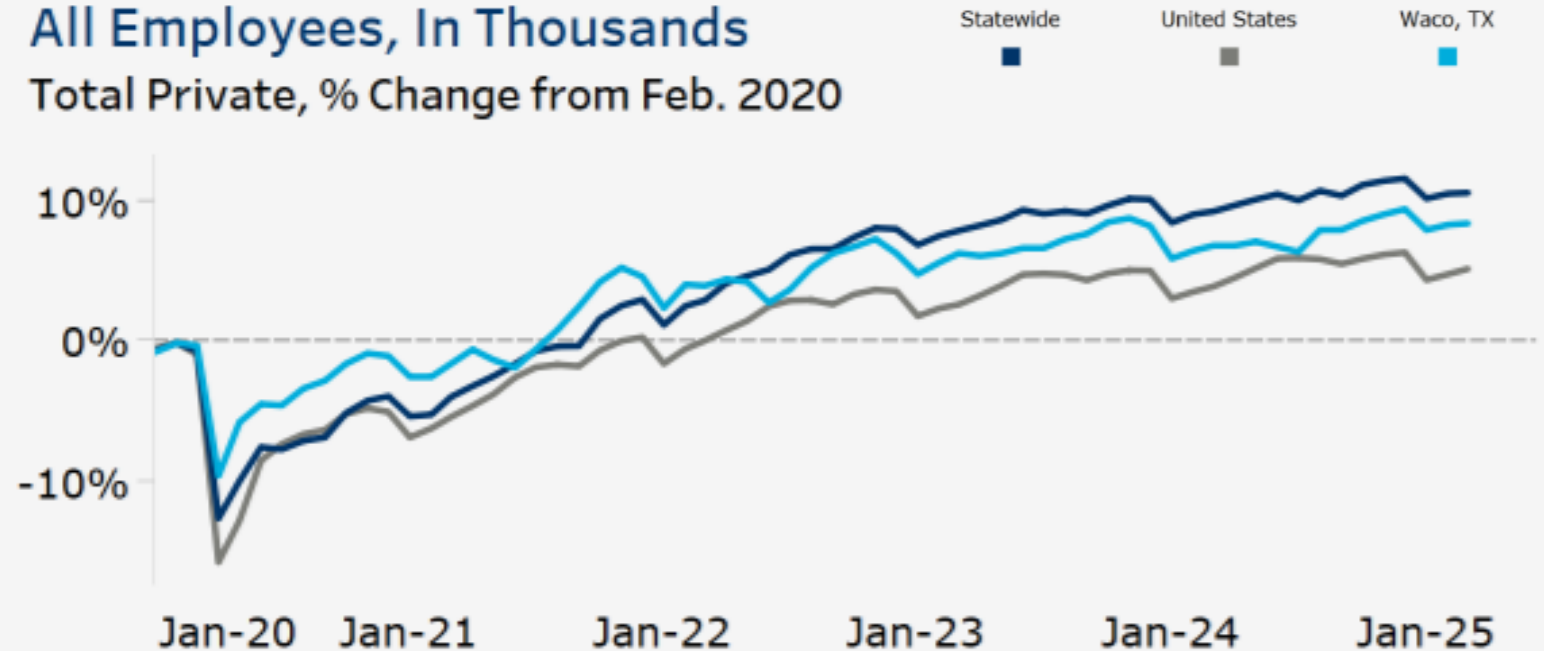
Waco 14.4K

+0% YOY | +12% vs 2019

State of TX +1% | +9% vs 2019

Source: Bureau of Labor Statistics

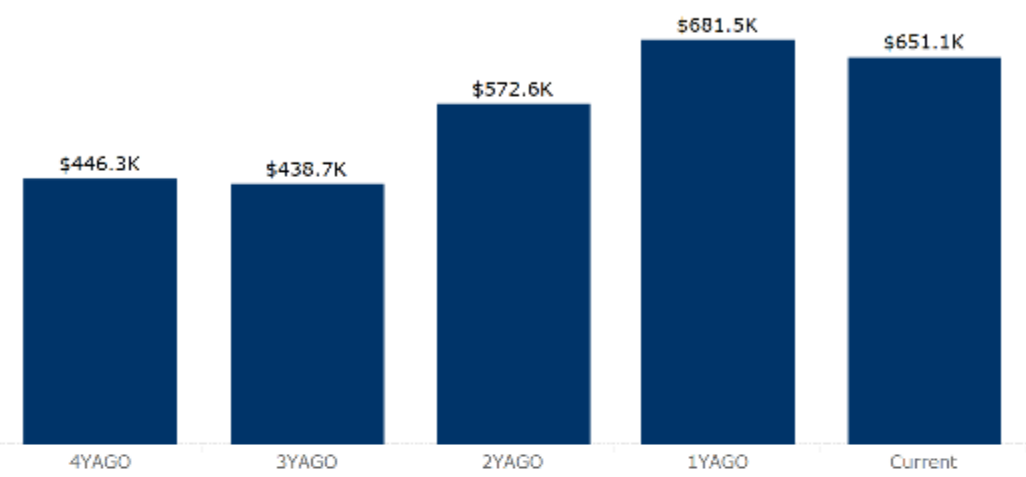
All Employees, In Thousands
Total Private, % Change from Feb. 2020





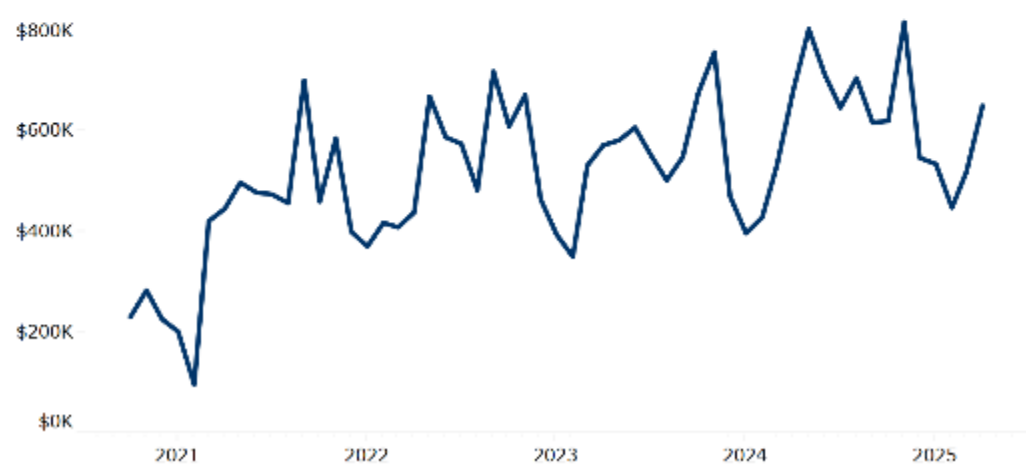
Hotel Occupancy Tax Collections

April 2025 vs. comparable months over the past 5 years



Hotel Occupancy Tax Collections

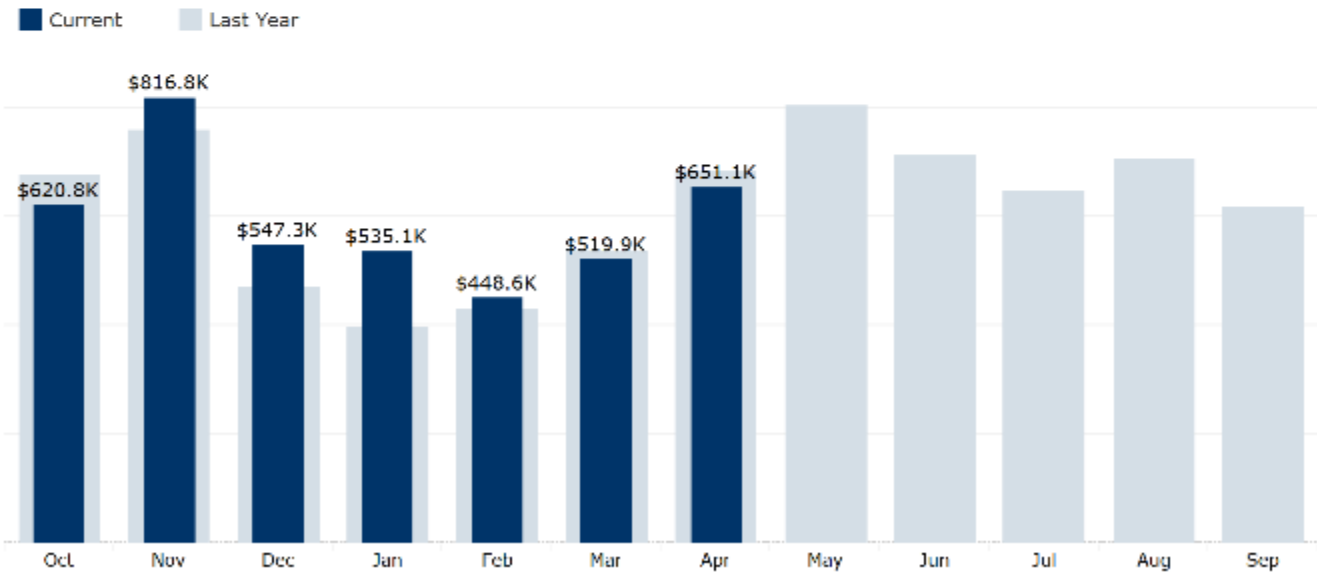
Long Term Trend



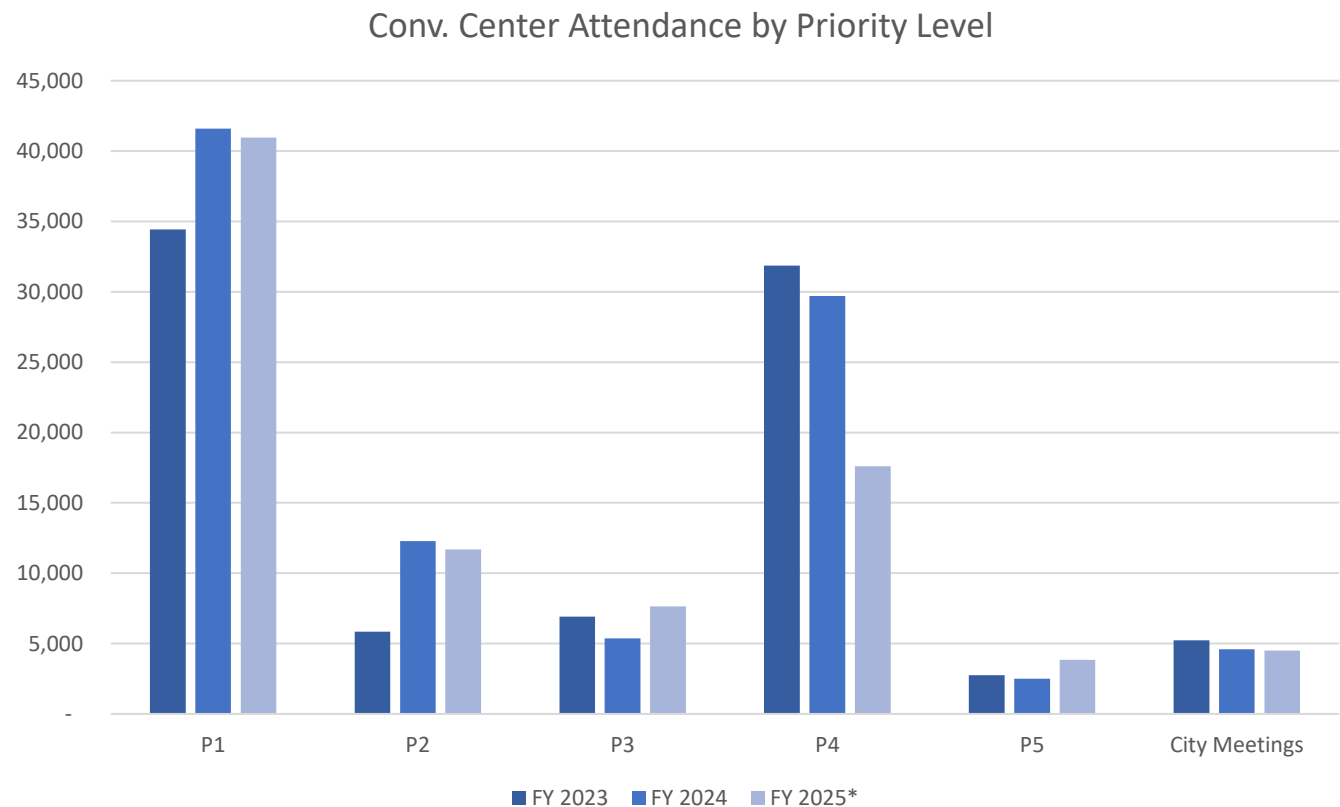
Hotel Occupancy Tax Collections by Month

Fiscal Year 2025

Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
\$620.8K	\$816.8K	\$547.3K	\$535.1K	\$448.6K	\$519.9K	\$651.1K					
-8.2%	+7.9%	+16.1%	+34.6%	+4.6%	-2.7%	-4.5%					



Convention Center Event Attendance by Priority Level – FY 2023 - FY 2025



*Includes booked business through 9/30/2025 – this number will likely grow as additional business is booked throughout the FY

Priority Levels

P1: 300 peak room nights min/500+ total event

P2: 100 peak room nights min/100-499 total event

P3: 10-99 hotel room nights total event

P4: 0-9 hotel room nights total event

P5: no room nights

City Meetings: no room nights

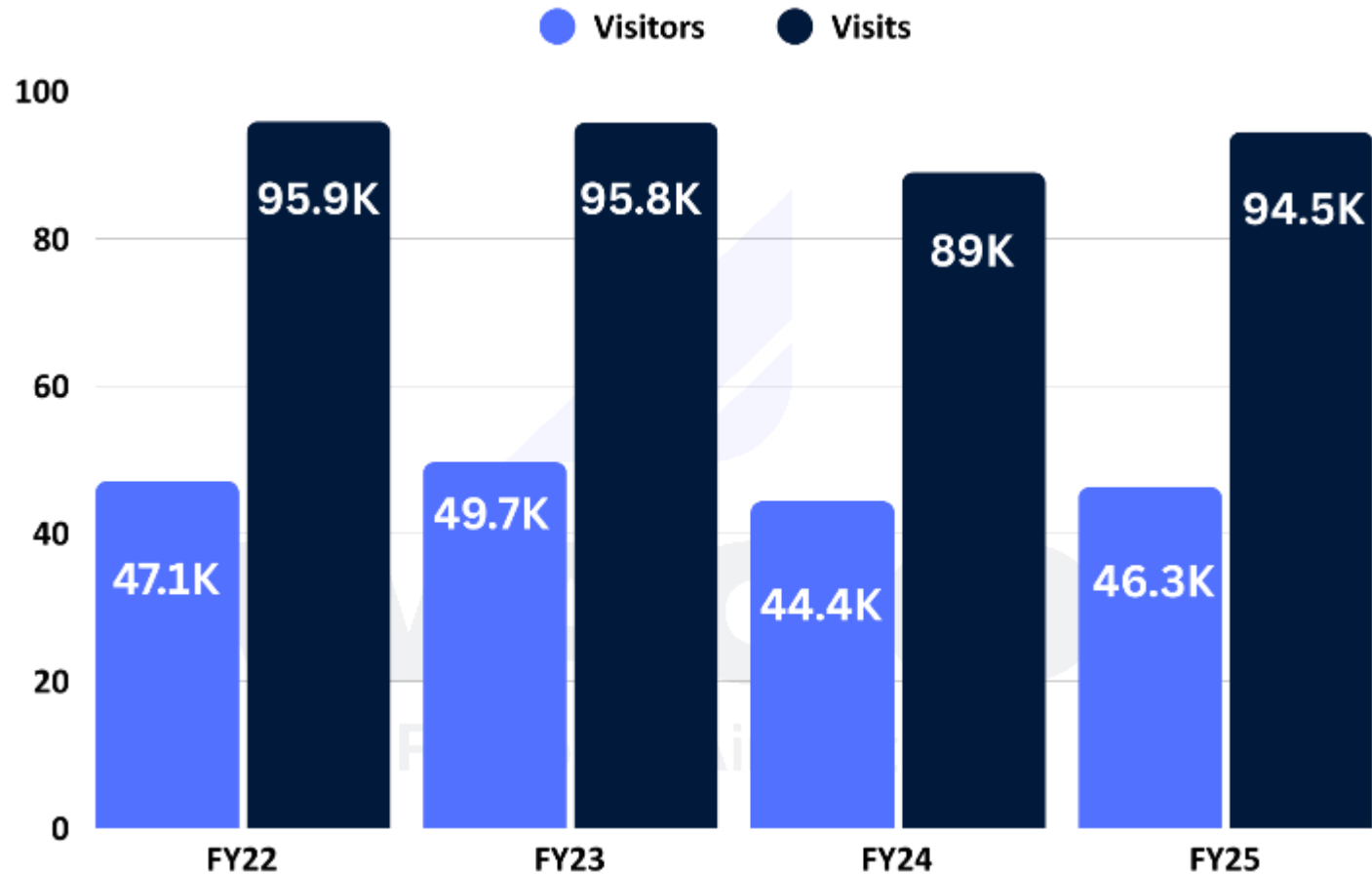


WACO

Regional Airport

Waco Regional Airport

Airport Visitors



Source: Placer.ai Visitor Analytics, November-April 2021–2025



State	Visits	% of Total Visits
TX (non-local)	19,661	21%
CA	5,420	5.73%
FL	2,631	2.78%
AZ	2,052	2.17%
NC	1,835	1.94%
CO	1,581	1.67%
IA	1,175	1.24%
TN	1,140	1.21%
OH	1,096	1.16%
KS	994	1.05%

Source: Placer.ai Visitor Analytics, November-April 2021–2025

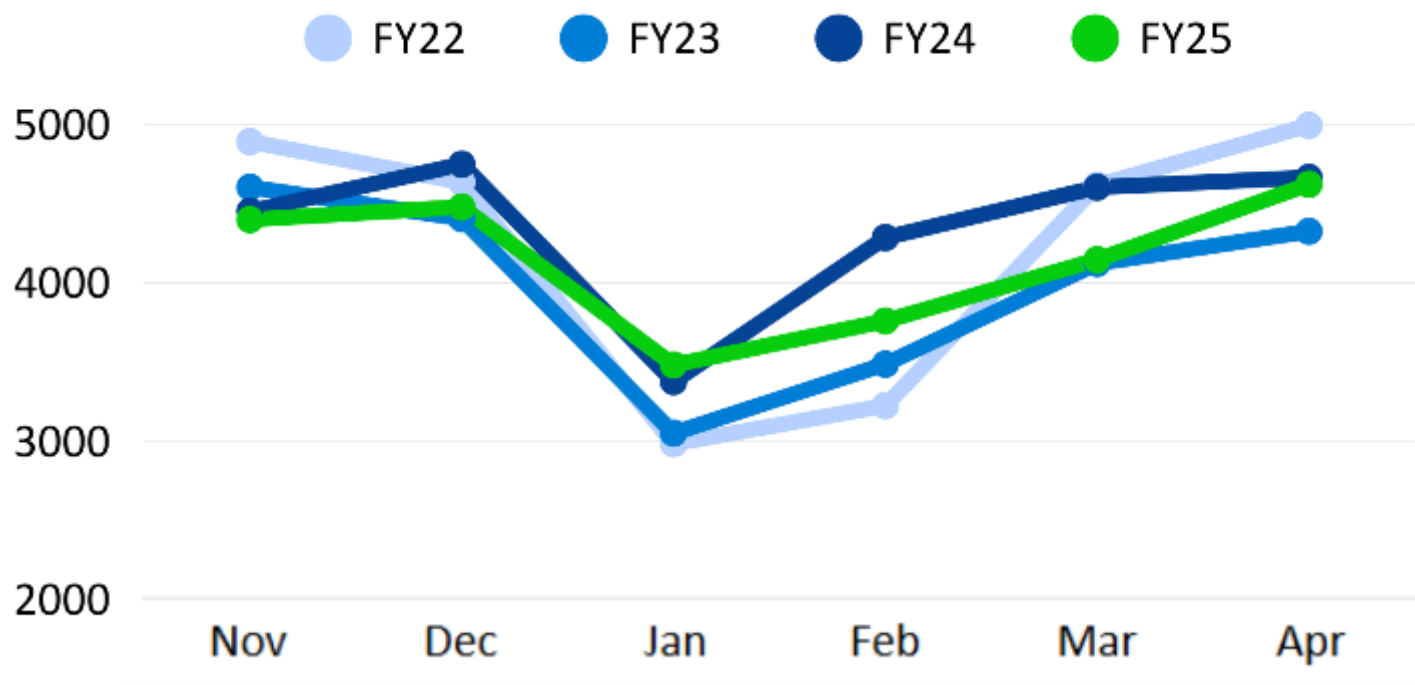
Visitor Data

Visitors by State of Residence

Locals within a 25-mile radius accounted for 42% of our airport visitors over the past six months.

Commercial Activity

American Airlines Passenger Enplanements

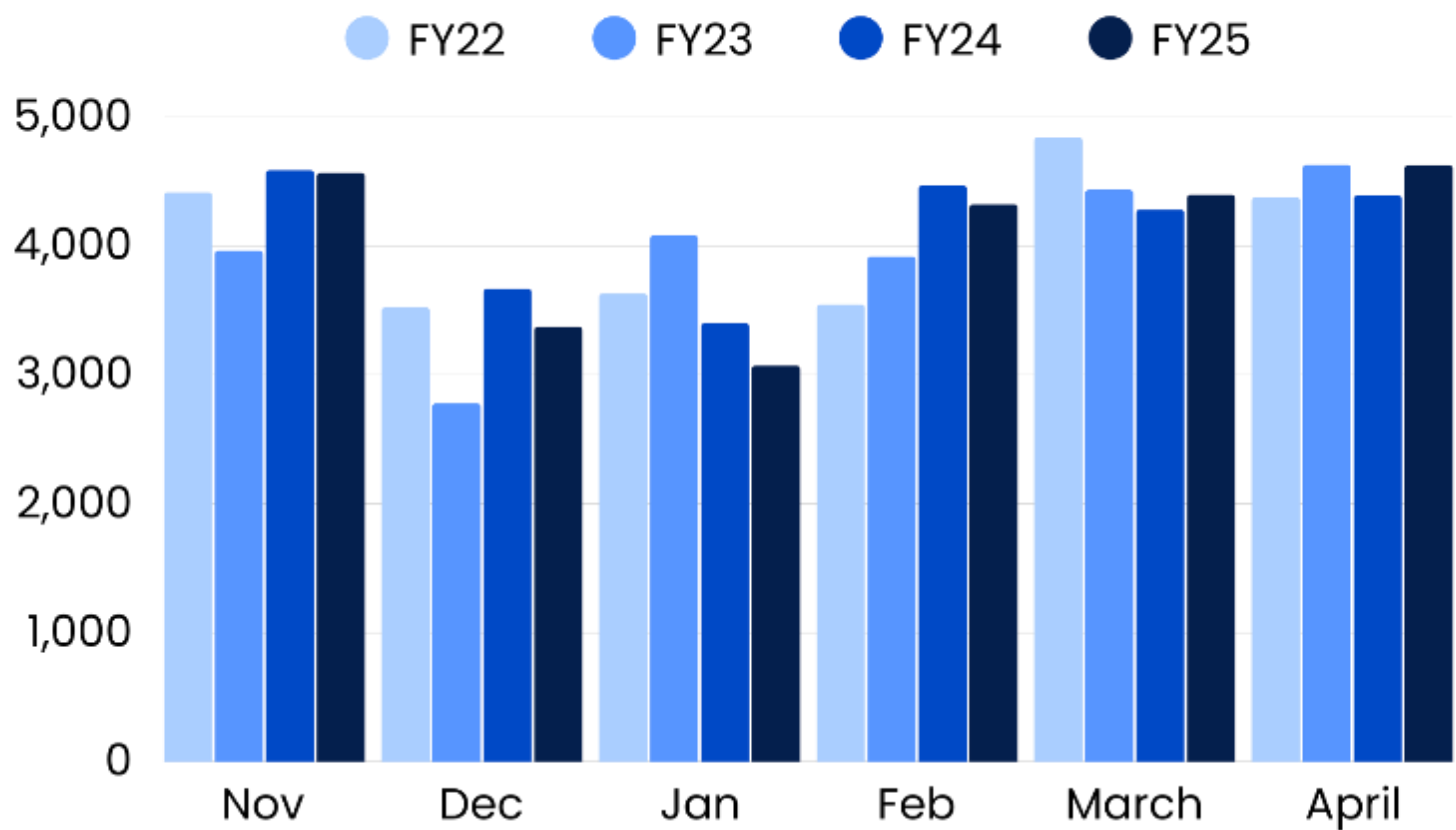


Source: Commercial enplanement data provided by American Airlines management, Waco Regional Airport, November–April 2021–2025



General Aviation Activity

Airport Operations



Source: FAA Aviation System Performance Metrics (ASPM), Nov.-April 2021–2025 (aspm.faa.gov)



Key Airport Updates

- Welcoming new Airport Manager, starting in mid-June 2025
- Entering design phase of the Runway Rehabilitation Project
- Advancing paid parking system, with an anticipated rollout in Fall 2025



Future Updates

December 2025:

- Review data from May 2025 – October 2025.



THANK YOU