

Sedona, AZ
Customer Development Analysis

Summary and Recommendations

The following document is a raw compilation of tourism data, blog articles, and demographic information on Sedona, AZ. The information is produced by Sedona's tourism bureau, chamber of commerce, and independent writers who specialize in travel blogging.

The cursory research found in this document is comprehensive in nature, however, it is important to note that travel trends are always changing, and more importantly the recent pandemic has drastically altered American's travel habits and it will likely be 2-3 more years before we understand what kind of permanent travel shifts have been established from the years of the pandemic. Therefore, the following conclusions and recommendations are indicative of the data currently available but should be continuously revised as new data becomes available in the coming years.

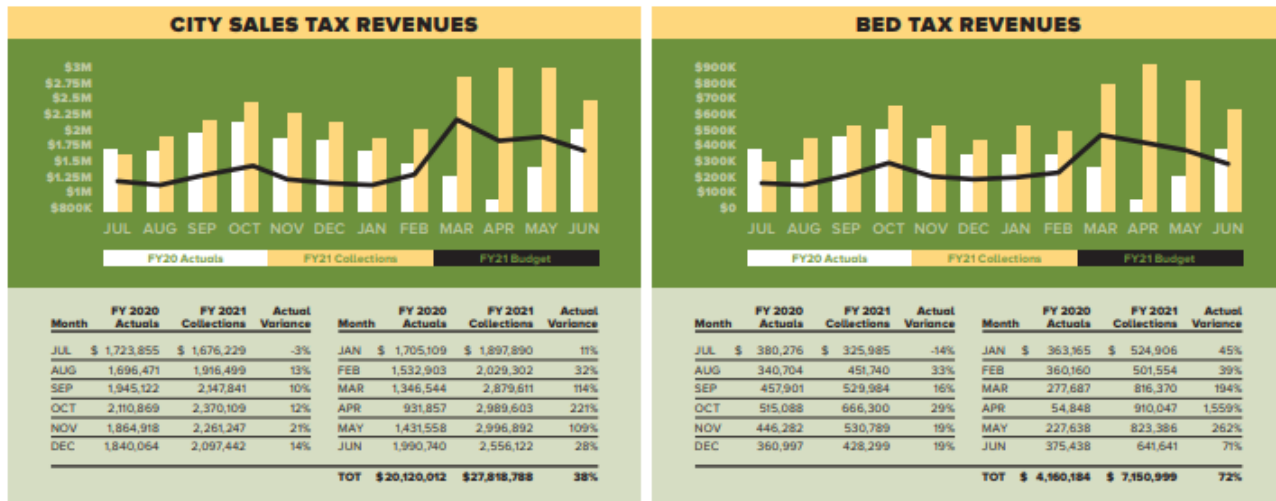
Overall, data suggests the typical visitor to Sedona, AZ is over the age of 50, traveling in groups of 2 people, and staying for roughly 2 days. During their time in Sedona, they are highly likely to do some sort of hike and or visit one of the state parks, shop in the downtown district, and dine out at least once. Most visitors arrive via personal vehicle and the preponderance of guests stay in a hotel accommodation. Lastly, most visitors learned about Sedona through word of mouth from friends and family. Understanding this to be the targeted customer avatar, the following recommendations should be considered to target these groups.

- Accommodation should host a minimum of 2 people.
- Accommodation should highlight proximity to popular hiking, shopping, and the most popular dining locations.
- Accommodation should create an environment that entices guests to share the property on their private social media. This is the most effective means of word-of-mouth advertising today. In other words, the accommodation should provide "Instagram worthy" opportunities. This can be unique architecture, unique views, texture backdrops like live walls, etc. If the accommodation is an integral part of their experience in Sedona, they will share it.
- Accommodation should employ a 2-night minimum.
- Accommodation should remain in the competitive range of ADR and provide discounts for longer stays.
- Accommodation should provide hotel level quality in amenities, and specifically highlight benefits over a hotel stay.
- Recommend listing on Airbnb, VRBO, and booking.com to ensure property is viewed in conjunction with hotels.
- Accommodation should be branded with accommodation name, and logo. Recommend the property has a social media presence, and marketing strategy should utilize targeted ads in major metro areas within 4 hours of Sedona. Campaigns should include info on amenities, location, and drivability from where the target guest is currently. Lastly, marketing should employ language that talks about reconnecting with the earth, finding peace and healing, as many traveling to the area are likely looking for reprieve.

Sedona Chamber of Commerce and Tourism Bureau Actions and Tourism Data

FY21 Sales and Bed Tax Revenues

July 2020 – June 2021 vs July 2019 – June 2020
(COVID-19 impacted the months of March – June 2020)



Total Spend on Taxable Goods and Services

↑ \$219,965,029

Sales Tax Collected
\$27,818,788 **↑ \$7,698,776**
↑ 38%

Bed Tax Collected
\$7,150,999 **↑ \$2,990,815**
↑ 72%

Traditional Lodging Performance FY21 vs FY19

Occupancy
↓ 2.7%

Average Daily Rate
↑ 23.1%

Revenue Per Available Room
↑ 17.8%

Group Travel/ Conference Travel Demand Indicators

The tourism bureau does spend time and effort recruiting large scale events that drive traffic to the area. Although these events are not likely to drive serious traffic to individual Airbnb's it does assist in growing return customers.

Specifically, when noticing the largest percent of these travelers are from CA that can be one indicator of a state to heavily market individual travel opportunities to.

By the Numbers



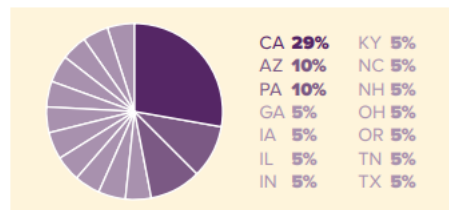
Attended/Organized

Destination West in Arizona (Face-to-Face)
Luxury Meetings Summit CA/Southwest (Virtual)
Luxury Meetings Summit Incentive Travel Meetings & Events (Virtual)
IPEC Independent Planners Education Conference (Face-to-Face)
Connect Corporate (Face-to-Face)
HelmsBriscoe Annual Business Conference (Virtual)

Annual HelmsBriscoe Luncheon

26 leads representing **2,996** room nights for events planned between March 1 and June 30, 2021

Group Bookings by Location



Visitor Experience Goals

The bureau is actively working to spread out the travel demand for Sedona to a more consistent visitor number per month across the calendar year. Additionally, they are using deliberate partnerships and marketing campaigns to spread guests out to a variety of different attractions throughout the greater Sedona area/valley to help lessen adverse effects on the environment and infrastructure.



TACTIC D2.1

Build on the success of Sedona's Secret 7 to distribute visitor impacts and lessen environmental impacts on selected trails and areas.

TACTIC D2.3

Spread visitor impacts regionally by supporting the Sedona Verde Valley Tourism Council and promoting awareness of Sedona/Verde Valley MapGuide and other regional attractions.

The tourism bureau has a heavy focus on sustainability and environmental stewardship. This speaks to who and how they market. They acknowledge that tourism is a \$1 billion economy for the Sedona area but it does have adverse impacts on infrastructure and natural features. These goals and tactics indicate much of the tourism bureau's efforts will appeal to travelers who are coming to experience Sedona's unique red rocks and the inbound marketing campaign will utilize environmental education as a marketing method to continue to attract sustainably conscious individuals. This is a positive trend for unique accommodations that provide a "sustainable accommodation."

Environmental Stewardship

Sedona's trails, forests, waterways, historic buildings and heritage sites are very valuable and enjoyed by both residents and visitors. Environmental sustainability means making sure these resources will be protected. Environmental programs through the STP ensure that Sedona's pristine beauty and cultural heritage remain intact for generations to come.

Goals, Objectives and Tactics

GOAL

Lead the tourism industry in implementing sustainability principles, positioning Sedona as a national and international leader in destination stewardship.

- A1** Implement new waste prevention, reduction and diversion strategies focused on visitors and their impacts in the Sedona region
- A2** Expand programs that encourage minimal water usage and protect water quality
- A3** Create new programs to help businesses and visitors moderate energy use and utilize alternative forms of energy
- A4** Launch initiatives that lessen impacts to lands (including noise, air and light pollution), and stimulate efforts for long-term sustainability
- A5** Take leadership role in educating and engaging businesses and visitors on sustainability initiatives and encouraging visitors to be sensitive guests while in the destination

TACTIC A1.3
Expand the Sustainability Alliance Business Certification program by creating a promotional program for participating businesses.

TACTIC A5.3
Develop a 'Sedona Sensitive Visitor' Pledge to help connect and engage visitors.

TACTIC A4.1
Develop programs to achieve sustainable funding for trail development and maintenance.

July 2021 Report to the City of Sedona

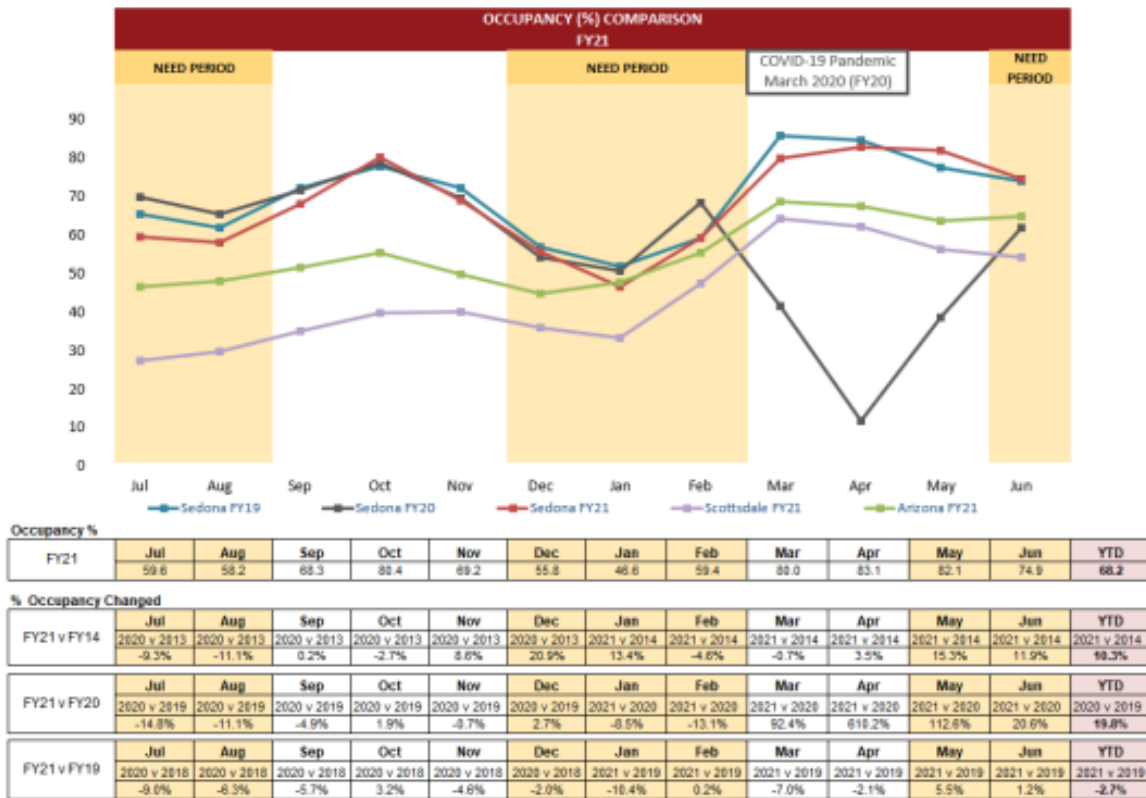
Representing May/June 2021 Activity

TRADITIONAL LODGING: OCCUPANCY Smith Travel Research

Key Takeaway: FY21 occupancy saw minimal growth year-over-year, while ADR was up which positively impacted RevPAR.

Compared to FY19, there were just two months in FY21 (October and May) that showed an increase while FY21 YTD overall was down nearly 3%. The bottom row (FY21 v FY19) in the chart below reflects a more accurate comparison to understand today's current Sedona lodging performance rather than comparing FY21 to FY20 (FY20 considered COVID year).

- Occupancy was down -2.7% YTD compared to the same period FY19 pre-COVID year (July 2018 – June 2019).
- Occupancy was up +19.8% YTD compared to the same period FY20 (July 2019 – June 2020).
- Occupancy was up +10.3% YTD compared to the same period Benchmark Year FY14 (July 2013 – June 2014).



Notes: FY14 is considered the benchmark year before the commencement of the 55% bed tax allocation destination marketing contract. Source: Smith Travel Research represents approximately 2,800 hotel rooms in the greater Sedona area (excluding timeshare, properties with fewer than 10 rooms, and short-term rentals). There are nearly 4,300 total lodging rooms in the greater Sedona area (excluding short-term rentals).

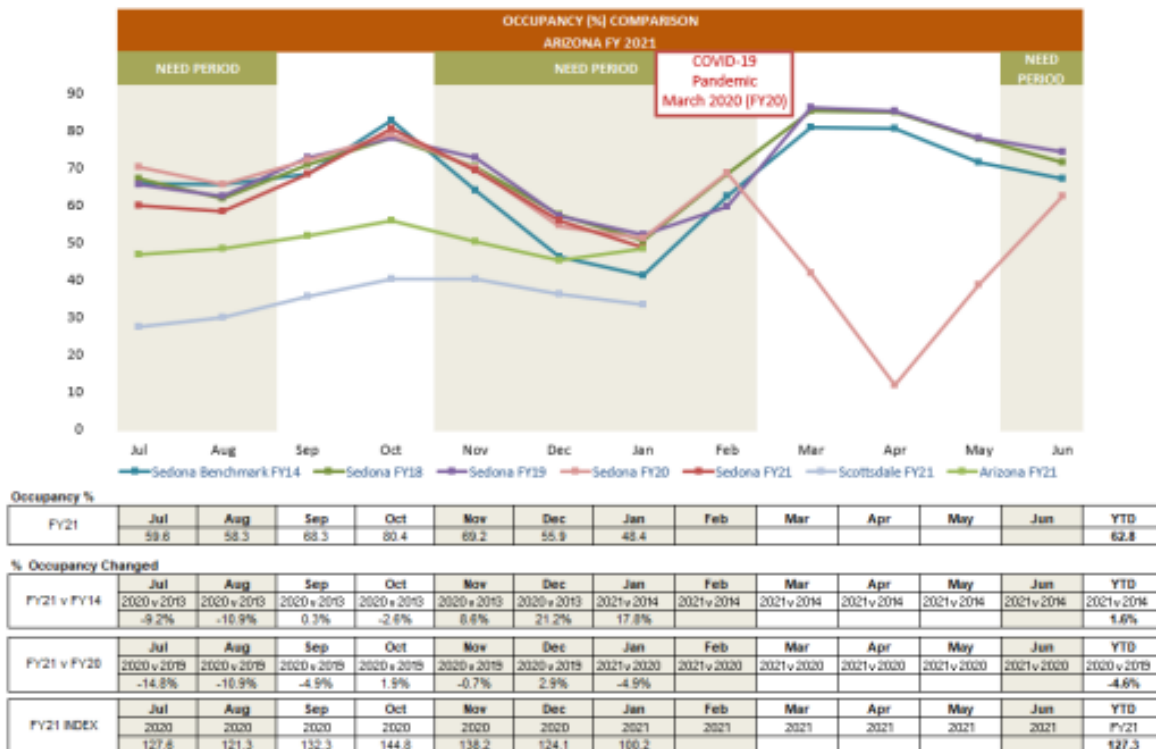
February 2021 Report to the City of Sedona

Representing January 2021 Activity

OCCUPANCY

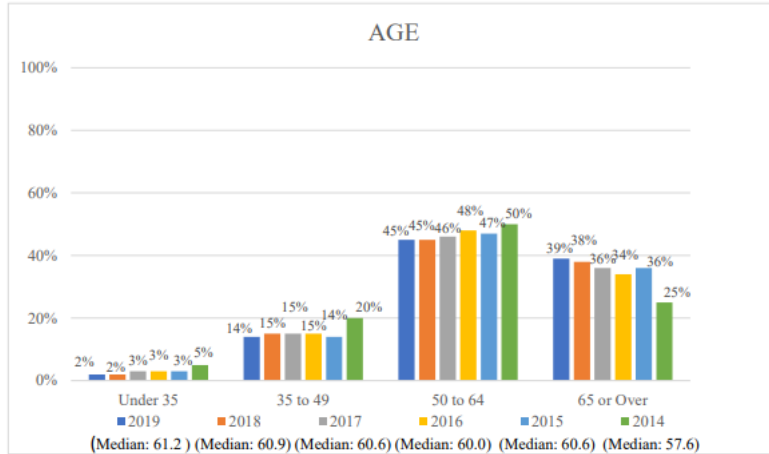
January showed a decrease from December which is a regularly occurring trend as we make our way further into the traditionally slow Sedona winter season. Winter has seen relatively flat occupancy, with January 2021 taking a greater dip (-4.9%) compared to January 2020. We continue to outperform Scottsdale, while the state overall witnessed a solid increase in occupancy in January close to Sedona's (AZ = 48.3% and Sedona = 48.4%) which is usually attributed to "snowbirds" arriving to the Phoenix metropolitan area for the warmer winter months.

- Occupancy decreased from 55.9% in December to 48.4% in January.
- Occupancy was down -4.6% YTD compared to the same period last fiscal year (July 2019 – January 2021).
- Occupancy was up +1.6% YTD compared to Benchmark Year FY14.
- Sedona's index illustrates a positive performance compared to the aggregate of our competitive set.

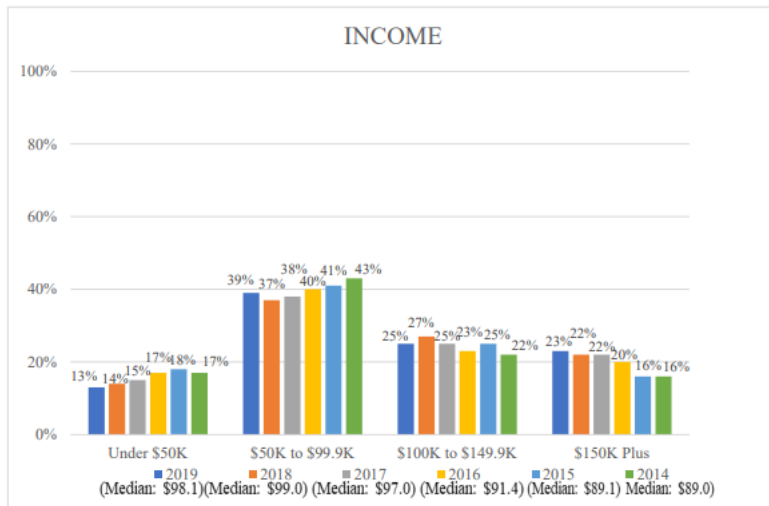


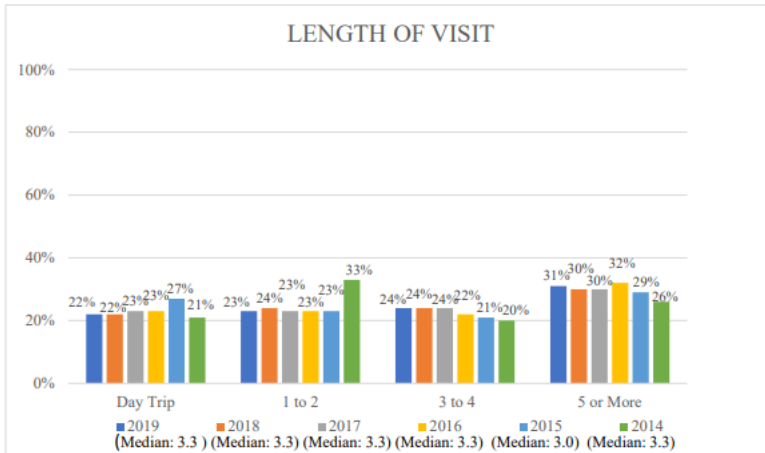
TRAVELOR DEMOGRAPHICS (2014-2019)

The typical 2019 visitor was 61.2 years old – up from 57.6 in 2014. Eighty-six percent of visitors were 50 or older.

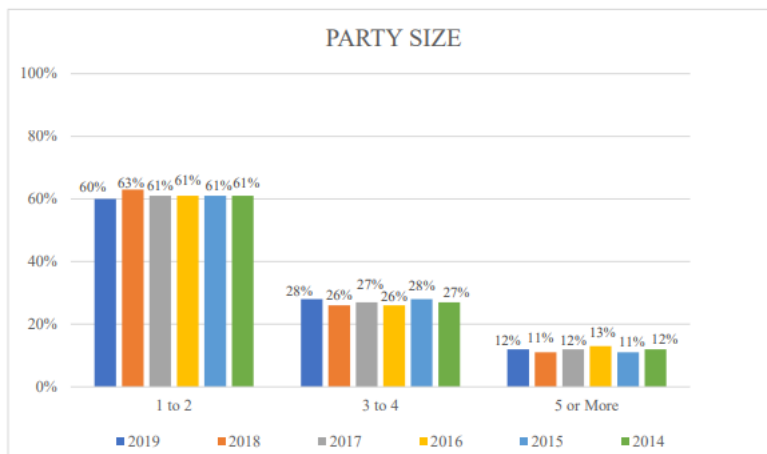


The typical 2019 visitor earned \$98,100 per year with nearly one-half (48%) earning \$100,000 or over.

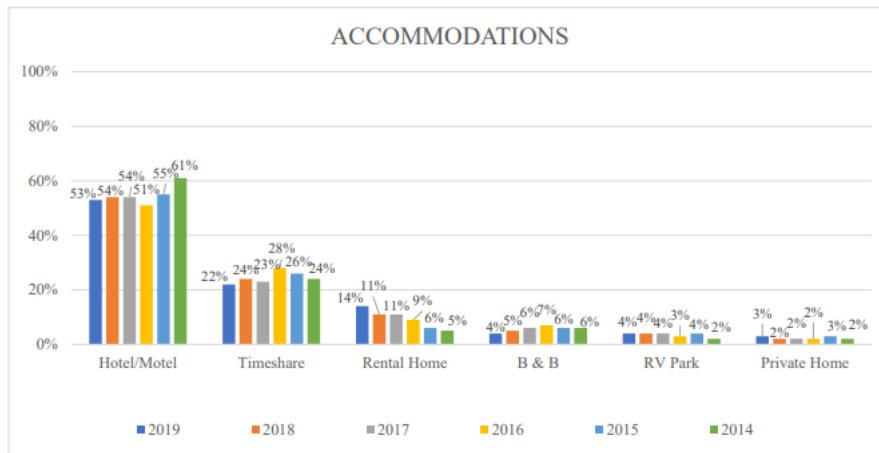




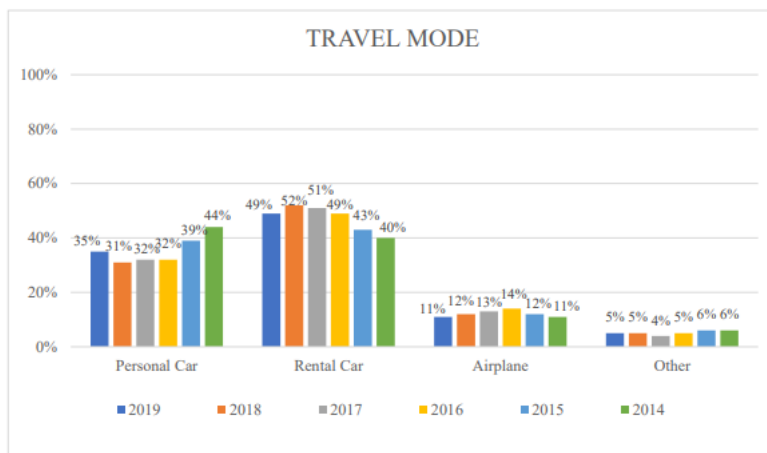
Sixty percent of travel parties to Sedona continue to contain one or two people, with 53 percent of all parties containing two individuals.



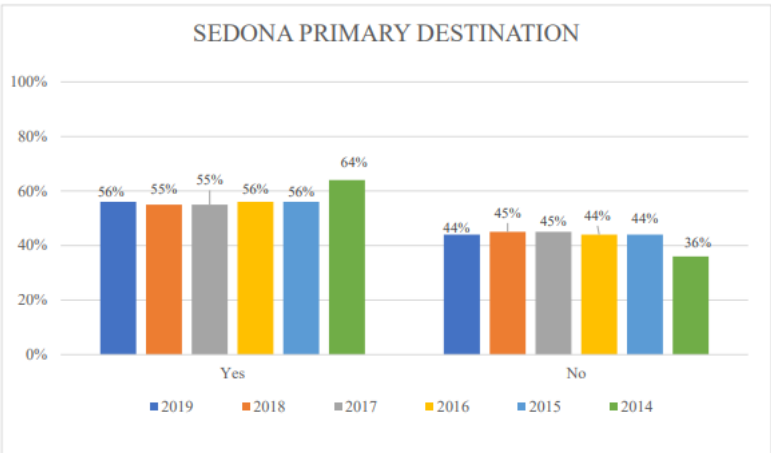
- Fifty-three percent of visitors stayed at a hotel and 22 percent at a timeshare.



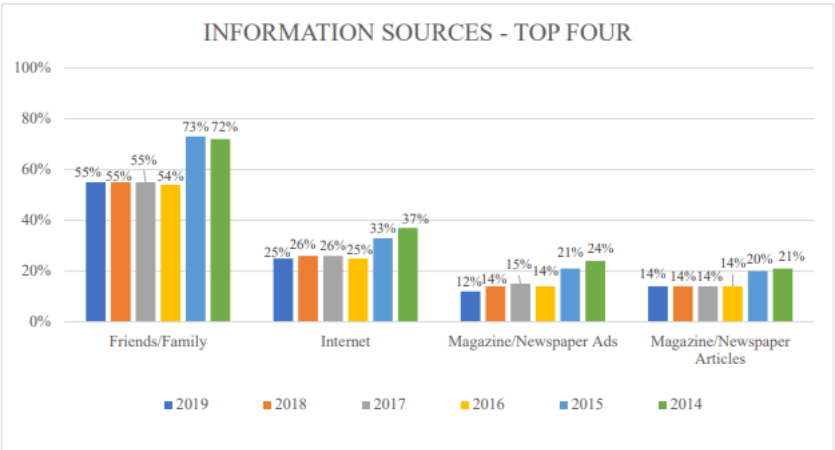
Eighty-four percent of Sedona visitors arrive in Sedona via personal car (35%) or rental car (49%).



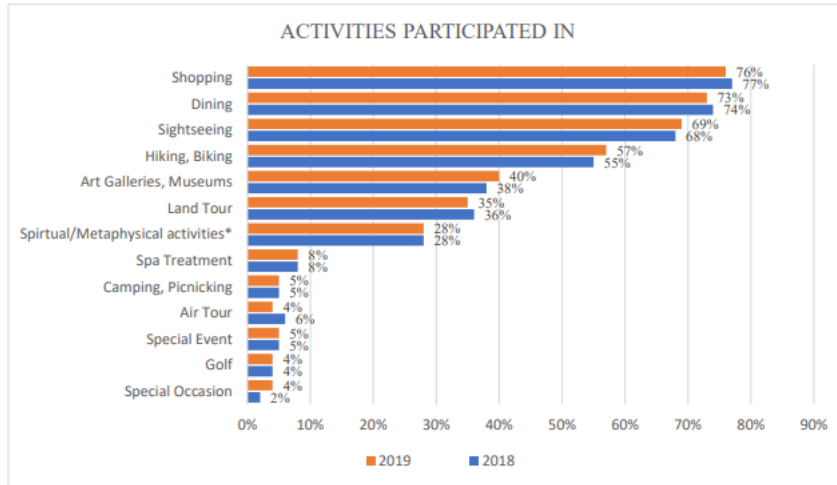
Sedona is the primary destination of 56 percent of visitors.



Word of mouth (friends/family) (55%) continues to be the most common way visitors hear about Sedona followed by the Internet (25%). These readings are little changed from the prior three years.



Similar to past years, shopping (76%), dining (73%), sightseeing (69%) and hiking biking (57%) are the most popular activities among 2019 visitors.



<https://sedonachamber.com/wp-content/uploads/2015/08/ANNUAL-2019-REPORT-1.pdf>

Visitor Trends via Travel & Leisure

Top Points Below:

Primary take away from this type of article is what features of Sedona does it focus on. As noted, it is heavily outdoor based. This is a factor in defining the customer base.

Most Popular Time to Sedona

The most popular time to visit Sedona, according to Sedona.net, is in the spring, between March and May. People flock here for those beautiful temperatures that allow for plenty of outdoor exploration without it being too hot or cold. The spring is prime time to head out on a hike to see the aforementioned wildflowers, take a [Jeep tour](#) through the canyons, walk through the center of town for some shopping, and sit and watch a magical desert sunset. During the spring season, you can hop aboard the Verde Canyon Railroad once again to take its [Spring in Bloom train](#) to see the cacti burst with color.

Be warned: Things get very busy during this time of year, so if you plan on visiting in the spring, it's best to book your [accommodations](#) and activities as early as possible.

Least Crowded Time to Travel to Sedona

As you may have guessed, winter is the least crowded time to visit Sedona. During these months, the temperatures drop below 60°F and the days get a little shorter. But there are plenty of advantages to visiting this time of year — namely, the fact that you can likely snag a reservation wherever you want. Plus, you'll probably have the [hiking trails](#) to yourself and can even snuggle up by a warm fire at night for a cozy stay. A visit to Sedona in the winter also means you'll get to see it decked out in [holiday lights](#) and can cruise through the shops to find the perfect gift for everyone on your list.

<https://www.travelandleisure.com/travel-tips/best-time-to-visit-sedona>

Top 10 Reasons to Visit Sedona (visitsedona.com): Specifically focusing on coordinated touring companies. Sedona appears to be a location that is often included on nation wide site seeing tours that are often popular with younger and older generations. This won't directly influence an individual Airbnb, but it does speak to how customers learn more about the destination, which may influence a return trip.

TOP TEN REASONS TO INCLUDE SEDONA IN YOUR TOUR PROGRAMS

1. Unplug & Connect

Why visit Sedona? Sedona is a place where your clients can escape to reconnect as a family, as a couple, or to oneself.

2. Sedona Will Change You

Sedona is known as the place to inspire transformative experiences. Sedona's stunning and unique natural beauty combined with a breadth of amenities nourishes the soul.

3. Lodging

Accommodations in Sedona range from budget to 4-diamond luxury. Many FIT hotels and group friendly properties with meeting facilities offer net rates, group rates, and excellent service.

4. Outdoor Adventures

Sedona is a paradise for outdoor enthusiasts. Your clients can take a hike or a bike ride

or perhaps just enjoy a beautiful sunset. They may see Sedona from the back of a jeep, atop horseback or from a hot air balloon or a helicopter.

5. Dining & Wineries

Sedona's restaurants cater to every taste; from breakfast to dinner and from healthy to indulgent, you will find plenty of choices. The combination of high desert sunshine and cool nights provides a perfect synergy for varietals. Our wineries offer tastings, tours, fantastic atmosphere and delicious wines!

6. Art Galleries & Shops

So, what is Sedona, Arizona known for? Sedona is home to more than 500 artists and 80 unique shops & galleries. Specialty items and artwork include famous Sedona landscapes, Kachina dolls, hand-made pottery, sculptures, Native American jewelry and Sedona memorabilia.

7. Metaphysical & Spiritual

There's something magical about Sedona. Its world-wide reputation as a spiritual Mecca and global power spot has drawn some of our world's most amazing healers, intuitives, and spiritual guides. Sedona is a perfect place for spiritual and personal enrichment of the body and soul.

8. Native American Culture

Sedona was regarded sacred by its early inhabitants and visitors. The red rock landscape served as a ceremonial meeting place and a crossroads for trading routes. Native tours are offered by knowledgeable guides. Unique Native American inspired treatments can be experienced at spas in Sedona.

9. Weather

Four mild seasons marked by sunny skies and clean air! With an average daily high temperature of 24C (75F) and over 300 sunny days, Sedona is a year-round leisure destination.

10. The Way Sedona Makes You Feel!

Bonus... Your clients will love you for taking them to Sedona to experience all of the above!

Sedona by the Numbers

- 2 hours north of Phoenix
- 45 minutes from Flagstaff
- 2 hours south of the Grand Canyon
- Nearly 4,300 rooms
- 50+ Restaurants
- 60+ Local Tour Operators & Attractions
- 80+ Galleries & Shops
- Elevation 1,400 m (4,500 ft)
- Meeting Space up to 14,400 sq ft (1,338 sq meters)
- High Seasons: Spring & Fall
- Average Daily Temperatures - High of 24C (75F) and over 300 sunny days. Sedona is a year-round leisure destination.

Why is Sedona So Popular?

A common theme that is noted in nearly all articles written about Sedona speak to its reputation as a spiritual vortex where the energy of the earth can be felt. This often attracts what may be called the “hippie” crowd, but more specifically often attracts those on a spiritual, healing, or enlightenment journeys as they are seeking a peaceful retreat where you can connect to the earth.

Quote: “Recently voted as one of the ["10 most sacred spots on Earth,"](#) and dubbed by "Good Morning America" as ["the most beautiful place in America,"](#) Sedona, Arizona, attracts more than 4.5 million visitors per year.”

<https://exclusive.multibriefs.com/content/what-makes-sedona-such-a-popular-tourist-attraction/travel-hospitality-event-management>

How long should you stay in Sedona?

As noted by nearly all articles related to Sedona, hiking is always on the menu for tourists. Common throughout are recommendations to spend 2-3 days to explore many of the vast trails. If guests are not avid hikers it appears they generally do 1-2 nights. These are likely individuals coming from places like Phoenix who are looking for a quick reprieve from their daily lives.

HOW MANY DAYS DO YOU NEED IN SEDONA?

How many days do you need in Sedona? The answer to this question really depends on how much you like hiking.

Sedona is [jam packed with hiking trails](#). You can literally spend one week here, hiking one to two trails a day, and never run out of new places to explore. We know, because we have done it.

If you are an avid hiker, I recommend spending a minimum of three days in Sedona. This gives you enough time to pick five or six hikes from Sedona’s long list of hiking trails, sample a few restaurants, and catch a few sunsets. Even more time allows you to drive or tour the 4WD roads, go wine tasting, and venture to some off-the-beaten-path destinations.

If you are not an avid hiker, then you can see the best of Sedona in just a day or two. In my opinion, Sedona is really geared to hikers. But with its great restaurants and shopping, scenic drives, and sunset viewpoints, two days is the perfect amount of time to spend in Sedona if you don’t want to go hiking.

<https://www.earthtrekkers.com/sedona-itinerary/#:~:text=Sedona%20Itinerary%20Suggestions%20for%20Hikers,other%20unique%20experiences%20in%20Sedona.>

<https://www.thegeographicalcure.com/post/2-days-in-sedona-itinerary>

<https://bucketlistbri.com/sedona-3-day-itinerary/>