



DISCOVER
DURHAMTM Tourism
Impact Report
fiscal year 2022

Durham Visitation Trends / Industry & Economy / New Developments / Destination Initiatives



Introduction

The theme of last year's report was cautious optimism. That optimism played out: we saw dramatic recovery in the last fiscal year, even though the visitor economy still has a way to go to get back to pre-pandemic levels. You'll see the progress made in the pages of this report. You should also see that the sector's recovery from COVID-19 is promising, but not finished.

The health and condition of hospitality businesses isn't told by visitor levels alone. Supply chain interruptions and rising prices – and competing for a smaller worker pool with higher wages – still threaten many hospitality businesses, many of which are small and owned by our friends and neighbors. We remain optimistic about their future, knowing more now about their resilience than ever before, but we should all be aware they're still fighting an ongoing battle for recovery.

Meanwhile, many of us can share the same sense of appreciation for a society returning to a semblance of normality. Where I once took for granted the simple pleasures of getting together with friends or sitting in a crowd of people watching an event, I'm now more conscious than ever that these are gifts to embrace.

That's also led me to a higher level of appreciation for the many businesses, venues, and workers that make those experiences possible. They add meaning, value, and enjoyment to our lives. And tourism and hospitality industries give more: they provide career pathways with fewer barriers to entry for residents, another year of income for a family-owned business, local and state taxes that help pay for neighborhood improvements, and public art that honors our community's history.

This report provides transparency to the work that we do as a destination marketing organization and holds us accountable to the residents of the destination we represent. We have more data driven

insights than ever to fuel our advocacy on behalf of small businesses. And have produced award-winning work that's performed better than our industry's benchmarks throughout the most volatile of times for travel and tourism. All told, we're proud to be the official, accredited authority doing it all on behalf of those who live in and enjoy Durham.

We honor those who work and serve in ways that make our community better. At the same time, we're increasingly turning our gaze to the horizon. Given the rapid growth and development of Durham, it's critical that we, as a community, have a vision for what we want Durham to look like for our future and the future of our children. What features, attractions, businesses and amenities will give us more and new experiences to look forward to? How do we guide Durham's development and not just allow it to happen to us?

As Warren Buffett once said, "Someone is sitting in the shade today because someone planted a tree a long time ago." We most certainly need to define the trees that need to be planted today that both our visitors and residents will enjoy in the future. With foresight, we can create the shade for future generations of Durhamites to enjoy.



A stylized, handwritten signature in black ink that reads "Susan Amey".

Susan Amey,
Discover Durham President & CEO



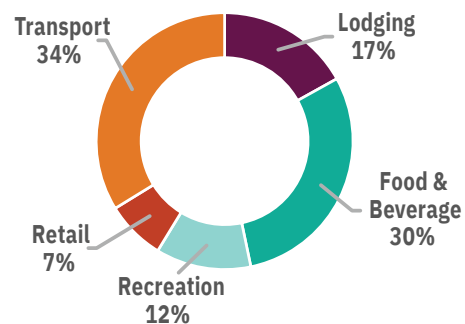


Economic Impact

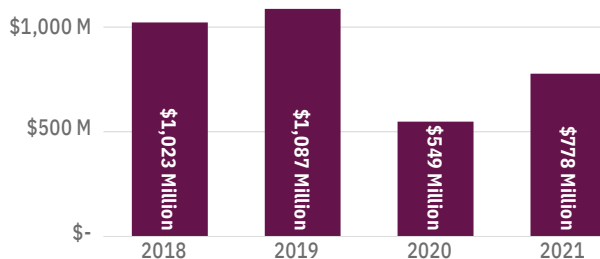
Impact of Visitor Spending*

Visitor spending in Durham was up 41.5% year over year from 2020, but even so, lagged statewide averages. Some NC mountain and beach destinations, havens for those seeking socially-distanced vacation spots, saw unprecedented visitor crowds. In Durham, while weekend leisure trips have largely returned, business travel and meetings are slower to bounce back. The following graphs portray data provided to us by Visit North Carolina through December 31, 2021. Note that employment in the tourism industry has also lagged, or at least not returned at the same pace as visitor spending, making for a frustrating experience for business owners who could capitalize more on pent-up demand with a full staff, as well as for visitors who see smaller menus, shorter hours, and more self-serve experiences.

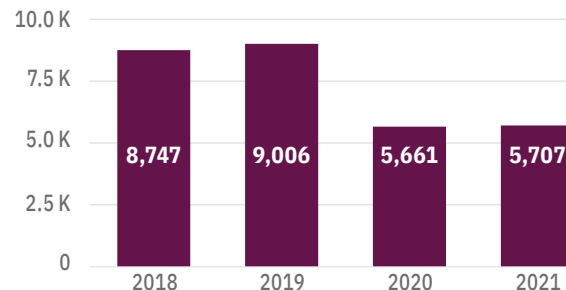
Visitor Spending by Sector



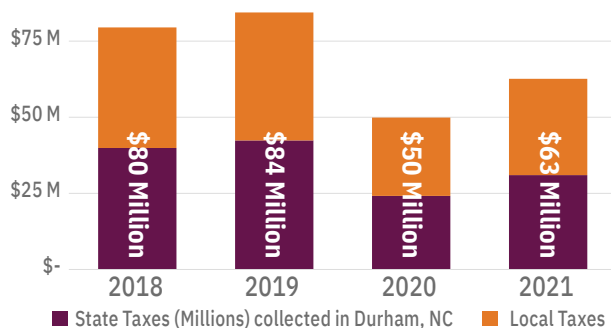
Direct Visitor Spending



Direct Tourism Employment

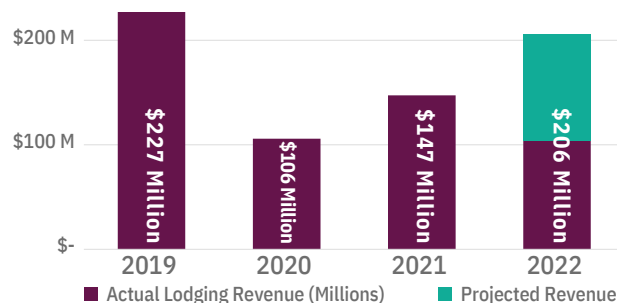


State & Local Tax Impact



Residents benefit from visitors in more ways than one. First, visitors support thousands of jobs in local hospitality businesses. And taxes paid by visitors help fund services provided by our local government. In 2021, visitors to Durham contributed **\$63 million in state and local taxes**, offsetting approximately **\$435 per Durham household** that would otherwise need to be collected from county residents.

Total Lodging Revenue**



Lodging revenue in 2022 continues to climb, led by the return of leisure visitors. Business travel has been picking up more slowly, and meeting and convention travel is not expected to fully return until 2024, with experts recognizing that our comfort level with virtual meetings may mean some amount of business travel may never turn. Added together, **lodging revenue for 2022 should finish at about 91% of the 2019 figure.**

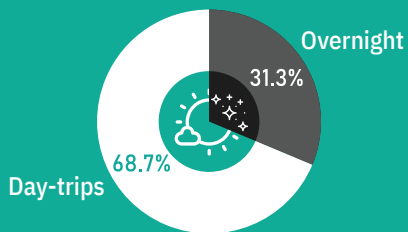
* 2021 visitor spending data from Tourism Economics, provided by Visit NC

** Lodging revenue data provided by Smith Travel Research (STR), retrieved through June 2022

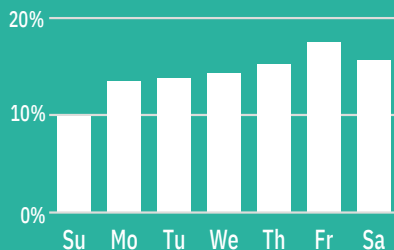


A Portrait of Durham's Visitor*

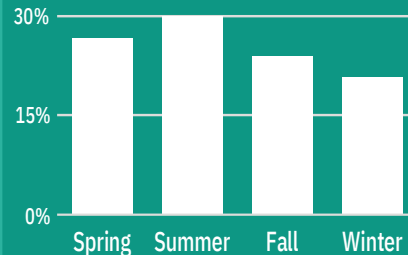
Visitation by trip type



Visitation by day**



Seasonality**



+38.7%
Growth in trips
taken compared to
2020



206.6 miles
Average distance
traveled
(+24.7% from 2020)



Top overnight origin DMAs

Raleigh-Durham (Fayetteville), N.C.***	14.0%
Greensboro/High Point/Winston-Salem, N.C.	9.2%
Charlotte, N.C.	8.9%
New York, N.Y.	7.3%
Washington, D.C.	6.0%



1.9 nights
Average trip duration
for overnight trips



+93.9%
Growth in overnight
trips through RDU
airport from 2020

* Discover Durham has compiled the above Arrivalist® Visitation Profile data for Durham County, N.C. for 2021. "Visitors" and "trips" are used here to indicate the number of mobile devices measured by Arrivalist methodology during the timeframes noted.

** Visitation by day and season includes repeat and multi-day trips.

*** Arrivalist® only measures trips originating from 30 miles outside of Durham, N.C., but still reports trips from within the greater Raleigh/Durham, N.C. DMA (designated market area).

State of the Industry



Industry Accolades & Awards

Headlined by the James Beard Foundation breakthroughs for Saltbox Seafood Joint and Alley Twenty Six, Durham's tourism and hospitality industries continue to catch the eye of national audiences, earning high praise from prominent third-party sources. For a more complete list of accolades, check out durh.am/accolades.



Chef Ricky Moore of **Saltbox Seafood Joint** wins James Beard Award for Best Chef: Southeast



Alley Twenty Six is the first bar in NC to be named a finalist for Outstanding Bar Program

J.D. POWER

Raleigh-Durham International Airport (RDU) ranks as the third best large airport in North America



Washington Duke Inn & Golf Club wins Forbes Travel Guide's 2022 Star Award



OpenTable

M Sushi is the only NC spot to make OpenTable's Top 100 Restaurants in America for 2021

DPAC dominates national rankings for tickets sold and ticket revenue

#1 in attendance

venues of 2-5K capacity



#2 in attendance

theatre venues



#5 in gross sales

US venues up to 5K seats



Business & Economy



70%

of downtown's retail, restaurant and personal service businesses originated right here in Durham*



22%

of downtown businesses are minority-owned*

* Data from Downtown Durham, Inc.

8th best city

where **Black Americans** fare best economically

smartasset™



Local Business & New Developments

Business Growth



935

Leisure & hospitality
businesses*
(+20 net new businesses
compared to 2020)

*U.S. Bureau of Labor
Statistics, 2021
Durham County data



Littler reopens



Hub RTP breaks ground

Notable Openings & Updates

Lodging & Transportation:

- The **AC Hotel Durham** and **Springhill Suites Durham City View** opened, totaling 246 new rooms
- **East End Connector** is now open between NC-147 and US-70

Meeting & Event Venues:

- **NCCU** opened a 100K-sq-ft new student center that seats up to 1,100 guests for lectures and events
- Nine new meeting facilities opened in 2021, compared to three in 2020
- Durham currently has 906K+ square feet of meeting space across 257 venues

Attractions & Things to Do:

- **Topgolf** broke ground near Research Triangle Park
- **Nasher Museum of Art** at Duke University now offers free admission for all

Food & Beverage:

- Highly acclaimed restaurants like **Saint James Seafood** and **Littler** reopened
- **Press Coffee, Crepes and Cocktails**, and **Ideal's Sandwich and Grocery** made both Durham Magazine & Indy Week's Best New Restaurants list
- **Boxyard RTP's** grand opening took place in November 2021, including **Lawrence Barbecue**, one of Southern Living's Best New Barbecue Joints

Notable Projects in Development

- **American Tobacco Campus'** expansion will bring three new towers with retail, structured parking, office space, entertainment options, and more
- Durham won a \$9 million grant to develop the **Durham Rail Trail**, a long-planned 1.8-mile multi-use walking and biking trail from northern Durham to downtown
- **Hub RTP** kicked off construction on new labs, offices, retail space, apartments, and a 250-room hotel

Pandemic Recovery



Discover Durham certainly champions our own organization and mission, but also advocates heavily for the broader travel and tourism sector of the region. We will continue our efforts to prioritize the diverse interests of our stakeholders and customers that contribute to Durham's recovery, growth, and development.

Dine Safely Campaign



Discover Durham's
social accounts reached

216,318 viewers

to encourage safely supporting local
businesses during winter months

Small Plates Crawl



Amplified a weekly promotion
initiative from **16 independent**
downtown restauranteurs over

21 weeks

of fiscal year 2022

Workforce Development



To aid recovering hospitality
businesses, Discover Durham hosted

3 job fairs that connected
248 job seekers
& 89 businesses

Elected Leaders Small Business Tours



Discover Durham connected

14 diverse
business owners

with state and local elected officials
during personalized tours

Industry Roundtables



Discover Durham managed
8 regularly occurring
industry roundtables:

Arts & Culture

Festival & Event Owners

Lodging & Venues

Hospitality Workforce

Durham Marketing Leaders

Restaurant, Bar, Brewery &
Distillery Owners or Managers

Economic Development
Partners of Durham

Retail



Groups & Meetings Business



**DURHAM CONVENTION
& ARTS COMPLEX**

Discover Durham spearheaded a collaboration between the Durham Convention Center, Carolina Theatre of Durham, Durham Arts Council, and the Durham Armory — with supporting funding from the City and County — to create the **Durham Convention & Arts Complex (DPLEX)**. The DPLEX opens the door to recruit more and larger meetings, events, and conventions to the area, allowing for gatherings of up to **30% more attendees** than the 35,000 square feet of the Convention Center alone.

To raise awareness of the DPLEX, we led an advertising campaign in the spring to reach meeting and event owners with messaging about the innovative, new configuration. It was the first time we incorporated a familiarization trip giveaway in a sales-focused campaign, receiving great interest from meeting planners to see the space in person.



DPLEX Advertising Campaign: Apr - Jun, 2022



\$398,000+
generated in RFP value



571 room nights
generated via Cvent



711,000+
ad impressions



Top markets:
**North Carolina,
Florida, and Georgia**

Advertising Campaigns



We remain effective in reaching new and returning visitors, inspiring travel to Durham and support of local businesses. Increasing awareness of Durham's differentiation factors, we succeeded in achieving (or surpassing) nearly all goals set at the beginning of our **Rediscover Durham** and **Hightail it to Durham** campaigns with ads served across North Carolina and the Southeast.

Rediscover Durham: Sep - Nov, 2021



9 target geographic areas (geos)

(Asheville; Charlotte; the Triangle; the Triad; Greenville, NC; Wilmington; Atlanta, GA; Richmond, VA; and Washington, DC)



9.9 million
ad impressions



76,700+
ad clicks

Hightail it to Durham: Apr - Jun, 2022



3 target geos

(Charlotte; the Triad; and the Triangle excluding Durham County)



\$2 million
in generated Expedia/
VRBO gross bookings



16.3 million
ad impressions



926,000+
completed video views



Marketing of Durham

Discover Durham has proven itself a trusted authority for all things Bull City-related, nominated for Indy Week's 'Best of' Instagram and Twitter accounts in the Triangle, while maintaining high page view counts and email marketing open rates. At every turn, we champion small businesses, particularly those that are minority-owned, to drive economic development. The following stats reflect work produced during FY22.



19.6 million

organic social impressions across Instagram, Facebook, and Twitter



170,600+ followers

across Instagram, Facebook, and Twitter



7.3 million

organic video views across Instagram, Facebook, Twitter, and TikTok



87+ million

PR impressions across national, regional, and local media



126,200+ views

of **Black History Month videos** featuring local small business owners



477

unique hospitality businesses promoted on Discover Durham channels



25 **journalists & influencers** hosted in Durham



1,800+ new followers

generated for 3 local businesses featured in **Black History Month videos**



470,000+ inboxes reached via email newsletters

More Tourism Activations



Our work as Durham's marketing and sales agency is multi-faceted and dynamic. While we have the largest audiences online, we also work to serve visitors in-market and engage with sports event owners and the local sports community.



Operated by Discover Durham, the Durham Sports Commission (DSC) creates social and economic impact by leading the community's efforts to attract, support and promote sporting and recreational events of all kinds. **During FY22**, the team:

- Supported **34 events**
- Generated **\$10.5 million in economic impact** that translated to **\$146,779 in local sales tax**
- Booked **16,639 room nights**, garnering **\$108,413 in occupancy tax**



Inaugural Champion Durham Classic



2021 NAIA Football National Championship

For the complete scoop on the DSC and its accomplishments, read its most recent annual report: durhamncsports.com/about-the-dsc/annual-reports



Visitor Info Center Reopens



Out of an abundance of caution, our Visitor Info Center on Main Street closed for a few months due to COVID-19 variants. Its re-opening was welcomed, with walk-in visitors returning, seeking expert Durham advice.

During FY22, despite the closure, the Visitor Info Center:

- Welcomed **3,021 walk-in visitors**
- Distributed **35,726 printed maps and guides**



FY22 Tourism Development Authority

We're grateful to the **Tourism Development Authority (TDA)**, Discover Durham's Board of Directors. The TDA brings together critical hospitality sector stakeholders and community leaders that provide much-needed guidance to our efforts.



Aubrey Zinaich
Piedmont Wine Imports
Chair
Food Service



Lois Deloatch
Self Help Credit Union
Immediate Past Chair
Visitor Feature or Entertainment



Daniel Edwards
Morehead Manor
Bed & Breakfast
Vice Chair
Lodging - Limited Service



Barry Van Deman
Secretary/Treasurer
Citizens At-Large and Neighborhood Associations



Jennings Brody
Parker & Otis, Chet Miller, Tiny, and Parker Paper Company
Retail/Transportation



Prerna Desai
Comfort Inn & Suites Durham
Near Duke University
Lodging - Limited Service



Wendy Jacobs
Durham Board of County Commissioners
Durham County



Tom Lubbe
DoubleTree by Hilton Hotel
Raleigh-Durham Airport at RTP
Lodging - Full Service/Conference Center



Michael Page
North Carolina Central University
Major Employer, University or Meeting Planner



Carlos Rubio
Delta Hotels by Marriott
Raleigh-Durham at Research Triangle Park
Lodging - Full Service/Conference Center



Leonardo Williams
Durham City Council
City of Durham



Susan Amey
Discover Durham President & Chief Executive Officer
Ex-Officio




We're grateful for our talented cast of characters, and to **Durham Bottling Company**, which hosted our end-of-year staff retreat.

Need to get in touch? Here's who to contact about what: www.discoverdurham.com/about/contact-us



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