



PUERTO RICO'S TOURISM INDUSTRY EXPERIENCES RECORD-BREAKING 2019

SAN JUAN, Puerto Rico (January 30, 2020) - Today, Discover Puerto Rico, the island's official destination marketing organization, announced record-breaking numbers in lodging revenue, airport arrivals and meetings, incentives, conferences and exhibitions (MICE) bookings for the 2019 calendar year. These all-time high tourism industry numbers have surpassed the island's past high in 2015 and demonstrate the positive impact the tourism industry is having, growing the economy and fueling local communities across the island.

"We are excited to see such strong numbers, resulting in an impressive return on investment of \$97.55 per \$1 invested by Discover Puerto Rico. In addition, the future sales pipeline through 2026, at this time, now represents an additional potential of \$320 million to Puerto Rico's economy. In addition, the tourism sector supports 80,000 jobs, directly and indirectly, that Puerto Rico needs in order to keep the island's economy growing," said Brad Dean, CEO of Discover Puerto Rico.

The most impactful segments for the industry are outlined below:

LODGING REVENUE:

Since Hurricane Maria, the island has seen notable advancements in the lodging industry, from hotel re-openings after major renovations to new hotel inventory hitting the market, and a rapid increase in available independent rentals. "With the additional hotel and independent rental inventory injected into the market in 2019, the overall supply on the island has increased 11.1 percent from the previous high in 2017. In addition to record supply, there was also record demand, with a 2.3 percent increase, signaling an unprecedented pace of recovery for the destination," Dean stated. "Lodging revenue reached an all-time high of nearly \$1 billion."

The origin of the demand shifted from previous years due to the rapid increase in independent rentals, which make up 30 percent of the demand in 2019. For hotel properties across the island, the revenue per available room (REVPAR) was \$139.66, only 1 percent below the record high. Hotel properties were able to maintain competitive rates all year (from July 2019 – November 2019) leading to an increase in room tax collection of 8.7 percent.¹

AIRPORT ARRIVALS:

Air arrivals into Luis Muñoz Marín International Airport continue to set records, with a 5.3 percent increase in arrivals over the previous high in 2016, and a total of 4.7 million passengers in 2019. Additionally, Aguadilla and Ponce airports have seen 374,000 and 109,000 passengers, respectively, in 2019. The island has received a total 5.2 million arrivals across all airports, which include tourists, diaspora, and visiting friends and relatives (VFR)².

MEETINGS, INCENTIVES, CONFERENCES & EXHIBITIONS (MICE) BOOKINGS:

¹ Per PRTC tax collection data

² Source: Aerostar Airport Holdings LLC and Puerto Rico Port Authority (January – December 2019)



The MICE sector has showed a tremendous increase in leads, which could positively impact the next six years, providing a potential economic impact of over \$320 million to Puerto Rico. The leads generated (1,095) and the leads booked (269) this year, have exceeded pre-Zika year numbers. There have been 706,824 room nights requested, which have materialized in a total of 141,772 booked room nights, compared to 2016 where 670,269 were requested and 123,412 were booked.

MARKETING EFFORTS:

Since launching our paid digital campaign in April 2019, we have seen that consumers exposed to our advertising have stayed 11.7 percent longer, averaging 4 days and 9 hours in their stays on the island. Also, we have learned that tourists who have been exposed to the digital campaign travel beyond the beaches and Old San Juan area to visit El Yunque, Ponce, and Casa Bacardi.

The ongoing earned media efforts continue to position the island as a desirable destination for leisure and business. In 2019, Discover Puerto Rico garnered a total 8,914,826,480 impressions equating to \$157,501,440.83 in ad value. From Forbes to Condé Nast Traveler, Puerto Rico has been included as a top destination in 22 leading national travel and lifestyle outlets in 2019. This momentum continues into 2020 with Puerto Rico making the list of best places to visit this year in over 20 top tier publications including AFAR, Refinery29, and MSN among others. Volume of coverage continues to balance out metro San Juan with non-metro, highlighting different parts of the island.

“This is an exciting time for Puerto Rico’s visitor economy, and it’s rewarding to see success in our first 18 months of operation. Tourism is the strongest it’s ever been, and we expect that our efforts will continue driving this upward trend. Discover Puerto Rico is fueling the local communities of Puerto Rico by not only increasing the number of visitors to the island, but extending the length of their stay, their average daily expenditure, and spreading visitation throughout the destination so all municipalities can be supported by tourism,” Dean said.

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