



Discover Puerto Rico Announces Record Year for Tourism

It was also the best year in lodging income, room tax revenue, and the average length of stay.

San Juan, Puerto Rico, February 2, 2022 – 2021 finished with the Puerto Rico's tourism industry setting new records in lodging income, room tax collections, and passenger arrivals, while the average stay of tourists increased by 5%.

This level of industry performance allowed that by December 2021, about 80,000 people were employed in the economy's leisure and hospitality sectors. According to the U.S. Department of Labor Statistics data, this figure is among the highest for a month in the last decade, and it's only 500 jobs off pre-COVID-19 levels. It is 29,600 more than those working in these sectors in April 2020, when the pandemic brought much of the economy to a halt.

"We just experienced a phenomenal year for the industry. 2021 meant a great recovery for many of the tourism sectors. It was a year in which Puerto Rico and much of the industry managed to successfully adapt to the new reality brought to us by the COVID-19 pandemic. The challenges are still present today, but we are confident in the ability to adapt and to continue this momentum in 2022," said Brad Dean, Chief Executive Officer of Discover Puerto Rico.

The first big breakthrough was in accommodation revenue. In 2021, lodging in Puerto Rico surpassed the \$1 billion mark for the first time, and at years-end, it had increased \$1.3 billion. That figure represents 37% more than the previous record set in 2019.

This bonanza in accommodation responds to an increase in demand and a consequent increase in room and short-term rentals rates. This had a cascade effect growing the room tax collections. In 2021 about \$98 million was collected from this tax, the highest figure in the history of Puerto Rico. This collection level is 48% higher than the average revenue of the previous ten years of \$66 million.

The number of passengers arriving in Puerto Rico was also at the highest levels in the past decade. Figures provided by Aerostar Airport Holdings show that in 2021 4.84 million passengers arrived at Luis Muñoz Marín airport. Not only is this 2.6% higher than 2019, the year with the most passengers in the past decade, but more of those passengers were visitors. Airline Data, Inc. reports that through September, 62.3% of the arrivals were visitors rather than residents, up from 59% in 2019.

The duration of the stays of the visitors also experienced significant progress. The firm Arrivalist estimated that in 2021 visitors stayed in Puerto Rico, on average, 4.6 days. This is 5% more than what was experienced in 2019. The firm Adara, which analyzes the trends of consumers exposed to advertising, estimated that visitors exposed to Discover Puerto Rico's marketing stay longer on the Island, about 6.3 days on average.

"These records in visitor arrivals, accommodation revenues, and collections were achieved even though the start of 2021 was slow due to the COVID pandemic. Today, a year later, the Omicron variant similarly impacts us. However, we are in a better position than last year. Data suggests that the industry already experienced the worse part of the Omicron effect on the occupancy rate. On the week of January 16, the industry started showing signs of a bounce back," said Alisha Valentine, director of Research and Analysis at Discover Puerto Rico.

Several surveys show that, despite the variant, a positive feeling remains among travelers on new voyages during 2022. On January 18, the firm Destination Analysts estimated that 86% of U.S. consumers expect to take a trip in the year in its Travel Sentiment Index Report. This is one of the highest percentages of travel intention since the pandemic began.



On January 25, Longwoods International Travel Sentiment Study informed that 91% of surveyed planned a trip in the next six months.

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