MARKET REPORT

Tulsa Tourism Is on the Rise

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Tulsa’s tourism industry has experienced a strong recovery from the COVID-19 pandemic. Tulsa experienced record-breaking revenue from tourism in 2022 and 2023, encouraging the local chamber of commerce to focus on sustaining tourism and community-building for the foreseeable future.

Tulsa’s tourism industry has experienced a strong recovery from the COVID-19 pandemic. Tourism is Oklahoma's third-largest industry and is second only to oil and gas in bringing out-of-state dollars into Oklahoma. In 2021, along with the recovery from the pandemic and rebound of the hospitality industry, tourist spending was slightly below the 2019 revenue level. Leisure and group demand recovery continued through 2022, resulting in record-breaking tourism revenue for Tulsa.



Many of Tulsa's tourism and group demand generators are located downtown, such as the Tulsa Performing Arts Center, the Cox Business Convention Center, and the BOK Center. Casinos in the market, such as River Spirit Casino Resort, Hard Rock Hotel & Casino Tulsa, Margaritaville Casino, and Osage Casino Hotel Tulsa, are another big draw for tourism demand. In addition to their gaming facilities, these properties showcase musical acts year-round. Additional attractions include the following:

- Gathering Place, an expansive riverfront park outside of Downtown Tulsa along the Arkansas River
- The Tulsa Zoo, located in Mohawk Park

- ONEOK Field, home to the minor league baseball team Tulsa Drillers
- Cain's Ballroom, the local music hub that hosts Tulsa Music Month every July
- Philbrook Museum of Art, a 25-acre art museum and garden

State-wide, Oklahoma collected $11.8 billion in tourism spending in 2022, up 12% from the prior year, the highest improvement since 2012. According to Governor Stitt, *"In 2022, Oklahoma had more visitors per capita than both Texas and Kansas. We had over 18 million visitors to the state of Oklahoma."* In Tulsa specifically, 9.7 million visitors spent $1.4 billion in 2022. As a result, according to STR, the Downtown Tulsa hotel market experienced 8.0% growth in occupancy for 2022 when compared to 2021. Similarly, ADR increased 17.5% from 2021, resulting in a market RevPAR of $63.00 in 2022.

According to the Tulsa Regional Chamber, the market continued to experience record-breaking visitor numbers in 2023. Moreover, Tulsa exceeded expectations in the 2022/23 fiscal year, which included 201,820 booked room nights. Hotel demand in the market had a total economic impact of $317.2 million, greatly surpassing the goal of $203.5 million. The notable surge in tourism reflects Tulsa's growing appeal to visitors.

Inspired by the recent success, the Tulsa Regional Chamber launched a proposition that local voters approved called Improve Our Tulsa. The $814-million capital improvement package, which is the third of its kind, will address infrastructure projects and updates to the Tulsa Zoo, the Cox Business Convention Center, the Tulsa Performing Arts Center, and the BOK Center.

New lodging developments in Tulsa include The Vitality Hotel, a 286-room full-service hotel in the Southern Hills neighborhood of Tulsa, expected to open in 2024. Furthermore, the Tulsa Regional Chamber 2023 annual report states that a 650-room convention hotel in Downtown Tulsa is in the early planning stages. This hotel is expected to break ground in 2024 and open by 2026.

Overall, these developments and the growth of tourism for Tulsa are expected to continue supporting improvements in hotel metrics in 2024.

Our work within local markets empowers us to conduct primary interviews with key market participants. This approach ensures we obtain real-time insights and current data for each market we operate in. For more information about the Tulsa market or for help making informed investment decisions that align with your goals and risk tolerance, please contact Kira Black.

Sources:

STR (Downtown Tulsa submarket)
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