

Downtown Scottsdale is losing its market share of locals to downtown Phoenix

Aug 31, 2017, 2:33pm MST
Steven Totten

Old Town Scottsdale, and the greater surrounding downtown area of the city, has long been a destination for locals and tourists, whether to shop at Fashion Square, go on the Scottsdale ArtWalk or go clubbing at night.

But the Valley has changed during the years, and downtown Scottsdale may not be as attractive as it once was.



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Old Town Scottsdale

MIKE SUNNUCKS

“Downtown Scottsdale has a lot of competition. We’re losing a lot of market share,” said [Jason Hackett](#), owner and creative director of advertising firm Hapi.

Hapi, along with Scottsdale's tourism and events department, are working to rebrand downtown Scottsdale as a destination for locals once more. Though Experience Scottsdale, the agency that promotes tourism for the city, rebranded itself and [its prerogatives as of late](#), those initiatives are meant for the out-of-state visitor.

Hapi and Scottsdale are trying to get Valley residents back to Scottsdale as it competes with downtown Phoenix and its growth as an entertainment and dining destination. With Downtown Phoenix Inc. promoting every inch of the downtown area, as well as [the growth of the music scene](#) here thanks to [Charlie Levy](#) and Tucker Woodbury, downtown Scottsdale is not immune to competition.

“We as a city haven’t done a lot marketing specifically for downtown,” said [Karen Churchard](#), Scottsdale tourism and events director.

More than \$9 million is currently being spent in downtown Scottsdale investments, with \$3.14 million from tourism bed tax and \$5.9 million from the city's general fund.

All of the capital is sure to help Scottsdale's downtown area, but for folks who live in the Valley, Scottsdale has a pretty notorious reputation.

When Hapi conducted focus groups and online surveys with people who lived either in Scottsdale, the Phoenix metro or Tucson, three outliers arose when it came to reasons people were deterred from downtown Scottsdale: not enough available parking, things being too expensive and a snooty or arrogant vibe from the area — though of course Scottsdale residents didn't think they were snooty.

These issues have plagued Scottsdale for years, and some may be hard to dispell, especially when it's a city known for having the highest number of spas per capita.

Downtown Scottsdale is making a go of it nonetheless. The new brand is set to debut this October.

Steven covers retail, restaurants, hospitality/tourism as well as aviation, small business and nonprofits.