



Visitors & Convention Bureau

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HVCB Tourism Industry Update

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"HVCB Tourism Industry Update" is a weekly briefing of travel news and developments affecting Hawai'i's visitor industry, compiled by the HVCB Market Trends Department.

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Feature

- **JNTO: 13.3 Million Japanese Outbound Travelers in 2003; Hawai'i Gains Market Share**
 - Preliminary year-end figures from the Japan National Tourist Organization (JNTO) show that Japanese outbound travelers totaled 13,297,234, a 19.5 percent decrease from 2002, according to *Travel Journal International*. JNTO cites the War in Iraq as well as the SARS outbreak as the main reasons behind the drop in Japanese overseas travel in 2003.
 - With 1,323,820 Japanese arrivals to Hawai'i, the Islands gained a full percentage point in Japanese outbound market share as the recovery in arrivals started in 2003. Using preliminary figures from the Department of Business, Economic Development and Tourism, Japanese outbound trips to Hawai'i made up 10.0 percent of all overseas travel from Japan, a 1.0 percentage point increase in Hawai'i's market share of Japanese overseas travel, compared to 2002.

Percentage Share of Total Japanese Outbound Travel to Hawai'i

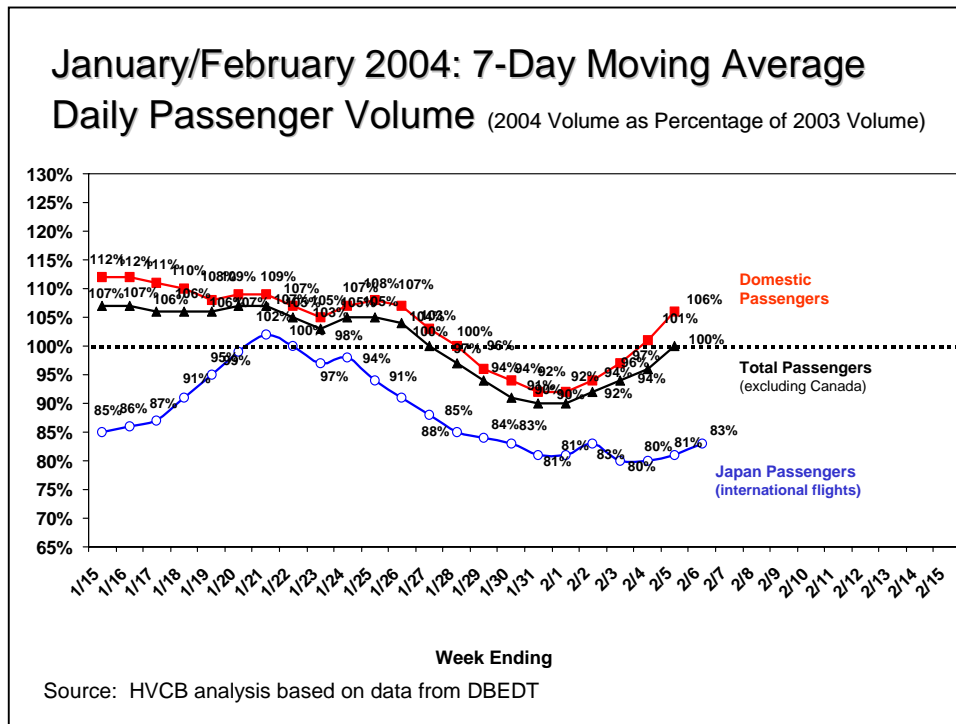
Year	Japanese Arrivals to Hawai'i	Total Japanese Outbound Travel	Hawai'i % Share
2001	1,528,563	16,215,657	9.4%
2002	1,483,121	16,522,804	9.0%
2003p	1,323,820	13,297,234	10.0%

Source: JNTO, DBEDT
p = preliminary

Hawai'i

CONSUMER TRAVEL BEHAVIORS

- **Pro Bowl Visitors Help Boost Domestic Passenger Arrivals Above 2003 Levels** - Passenger arrivals for the NFL Pro Bowl, held on February 8 this year, helped boost the average number of nonstop passengers on domestic flights arriving in Hawai'i to 106 percent of 2003 levels for the seven-day period ending February 5, 2004. Last year's Pro Bowl was held one week earlier (February 2, 2003), which contributed to the seven-day average percentage decline in total passenger arrivals, experienced last week. According to statistics published by the state [Department of Business, Economic Development and Tourism](#), total domestic and international (excluding Canada) passenger arrivals was on par (100%) with last year's average. Nonstop passenger arrivals from Japan remained below 2003 levels (83%) for the seven-day period.



- **HVCB Exceeds 2003 Lead Production Goals for CMI**
 - The [Hawai'i Visitors and Convention Bureau's](#) (HVCB) Corporate Meetings and Incentives (CMI) department topped 2003 lead production goals, set by the Hawai'i Tourism Authority (HTA).
 - In 2003, HVCB generated 1,136 qualified hotel leads, representing 795,651 room nights - a 15 percent increase in leads and a 17 percent increase in room nights compared to 2002.
 - CMI exceeded its 2003 goal for number of leads by 20 percent, and surpassed its room night goal by 26 percent.
 - HVCB-generated leads produced 383 confirmed bookings in 2003, resulting in 234,888 hotel room nights.
 - These leads produced an estimated \$248.7 million in visitor spending, including \$20.7 million in state and county tax revenues.
 - The HVCB-generated leads covered a wide business spectrum, including technology, pharmaceutical, finance, insurance, manufacturing and construction.
 - The CMI division is charged with marketing Hawai'i's meeting capabilities at facilities throughout the state with the exception of the Hawai'i Convention Center, and developing qualified hotel leads for corporate and incentive groups. Leads are converted into bookings by hotels on all islands, with economic benefits extending to ancillary businesses of all types (i.e. transportation, retail, restaurants, activities, attractions).

- **Hawai'i Ranked as Top Romantic Destination by Yahoo/National Geographic Traveler** - A poll conducted by [Yahoo! Travel](#) and *National Geographic Traveler* ranks the Islands of Hawai'i as the top romantic destination in the United States. Further poll results on the romance travel market, as well as romantic destination highlights will be featured in the March 2004 issue of *National Geographic Traveler*.

Yahoo!/National Geographic Traveler Top Romantic Destinations - U.S.	
1. Islands of Hawai'i	6. New Orleans
2. New York City	7. Aspen
3. San Francisco	8. Lake Tahoe
4. Miami	9. Martha's Vineyard
5. Las Vegas	10. Napa Valley

- **CURRENT INDUSTRY DEVELOPMENTS**

- **Producer Plans to Shoot *Magnum P.I.* Feature Film in Hawai'i** - Academy Award-winning producer, Brian Grazer, said that he plans to shoot his next film, "Magnum P.I.," in Hawai'i, according to the [Honolulu Star Bulletin](#). Grazer indicated that he plans to film the entire movie in the Islands with an "all-Hawai'i" crew, which may employ up to 90 people. Pre-production is slated to begin as early as April, with three months of filming in Hawai'i following the initial preparations.

National and International

- **CONSUMER TRAVEL BEHAVIORS**

- **International Arrivals to the U.S. Show Signs of Recovery in November** - The U.S. welcomed 2.7 million international visitors in November 2003 -- a 7.1 percent increase over November 2002, and the second straight month of positive visitor growth, according to the [Office of Travel and Tourism Industries](#) in the U.S. Department of Commerce. For the first 11 months of 2003, international arrivals to the U.S. are down 4.6 percent compared to same period in 2002.
 - In its best monthly performance since February 2003, Japanese arrivals to the U.S. totaled 296,776 in November 2003, a 2.8 percent increase over November 2002.
 - Thus far, Hawai'i is seeing a faster recovery of Japanese arrivals than the U.S. mainland, when compared to 2002. Japanese travel to the U.S. mainland (excluding Hawai'i and Guam) is down 13.7 percent (January-November), while Japanese travel to Hawai'i, during the same period, is down 11.1 percent.
- **NBTA: Business Travel Expected to Rebound in Late 2004** - An online survey of business travel management professionals conducted by the [National Business Travel Association](#) (NBTA) indicates that business travel will begin a recovery later this year, with 71 percent of survey respondents stating that business travel will rebound significantly toward the end of 2004 and into 2005. Forty-eight percent (48%) of respondents report an increase in corporate travel budgets for 2004, while only 18 percent show a decrease. Business travel managers point to a recovering U.S. economy as the main reason behind the bright corporate travel outlook.

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We welcome any suggestions or comments that you may have that will help us improve the quality of the weekly "HVCB Tourism Industry Update" for our readers. Please feel free to share your ideas with Darlene Morikawa via email at: dmorikawa@hvcb.org