

"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.

**FOR IMMEDIATE RELEASE**

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### 1. FEATURE

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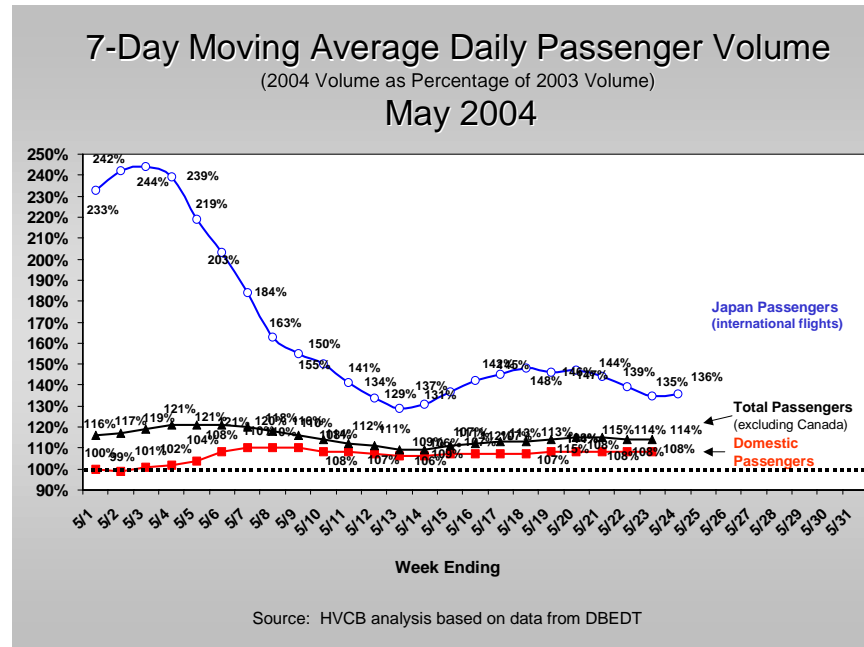
#### ➤ Luxury Travelers Seek the Great Outdoors

- Nature and outdoor activities are an important component of vacations among nearly all (87%) luxury travelers of all ages, according to results of travel agency network Virtuoso's 2004 LuxeReport.
- More than 6,000 Virtuoso travel specialists participated in the study from which results were recently published in a *Travel Agent Magazine* supplement.
- The LuxeReport includes insights into the hottest luxury segment travel trends:
  - Among male luxury travelers, crucial factors when selecting a trip include: golf/sports; safety/security measures; adventure or outdoor activities; five-star dining and fitness facilities.
  - Among female luxury travelers, crucial destination factors include shopping; cuisine; cultural and historic sites and museums.
  - Among younger travelers (ages 34-52), top outdoor activities included biking; hiking; scuba diving; skiing/snowboarding; and golf.
  - Among older travelers (Over age 52), golf prevailed over all other outdoor activities, followed by hiking/walking; going on safari; skiing; and biking.

## ■ CONSUMER TRAVEL BEHAVIORS

### ➤ Total Passengers Up 14 Percent for Latest Seven-Day Period

According to statistics published by the state [Department of Business, Economic Development and Tourism](#), total domestic and international (excluding Canada) passengers on nonstop flights arriving in Hawai'i was 14 percent over 2003 figures for the seven-day period ending May 23, 2004. Total volume of nonstop passengers from Japan continued to perform well above 2003 levels, up 36 percent over last year's figures, while total domestic passenger volume held steady at eight percent above prior-year levels for the seven-day period.



## ■ CURRENT INDUSTRY DEVELOPMENTS

### ➤ Summer Domestic Air Seats to Hawai'i Expected to Beat Pre-9/11 Levels

As summer travel heats up, scheduled domestic nonstop air seat capacity to Hawai'i is expected to beat pre-September 11 levels this summer, according to OAG data. Domestic scheduled summer service to Hawai'i is set to climb 7.5 percent to a total of 1.7 million air seats – a volume roughly equivalent to 35 times the seating capacity of Aloha Stadium. The expected seat volume for summer 2004 represents an increase of 17 percent compared to the 1.5 million inbound seats operated to Hawai'i in summer 2000.

### ➤ Northwest Airlines Announces Seattle-Kona Service; Enhanced Narita-Honolulu Service

[Northwest Airlines](#) (NWA) announced that it will begin one-stop daily service from Seattle/Tacoma to Kona (via Kahului), and nonstop service from Kona to Seattle/Tacoma. The new routes will begin on July 15, and will be serviced by a Boeing 757-300 aircraft, seating 224 passengers. NWA currently has flights to Honolulu and Kahului from its hubs in Minneapolis/St. Paul, Detroit and Seattle. NWA will also resume its Los Angeles-Honolulu route on July 1<sup>st</sup>.

- Travel Journal International reported that NWA will introduce three additional weekly flights on its Tokyo (Narita)-Honolulu route, and will introduce a larger aircraft for the flights this summer. Between July 16 and September 4, NWA will utilize a Boeing 747-400 on the route instead of the current DC-10 aircraft. Capacity on the route is estimated to increase 32 percent, according to the report.

#### ■ CONSUMER TRAVEL BEHAVIORS

##### ➤ Leisure Travelers See Cyberspace as Realm of Best Prices

Consumers continue to count on the Internet as the source for the lowest travel prices, reports Yesawich, Pepperdine, Brown & Russell/Yankelovich Partners, based on results of its 2004 National Travel Monitor. Results show that:

- 56 percent of leisure travelers surveyed cite "the Internet" as the source of the best prices in 2004 - a level relatively even with 2003, but significantly higher than 2002 (38%).
- The opposite trend appeared in regards to suppliers (23% in 2003/04, down from 33% in 2002) and travel agents (21% in 2003/04, down from 29% in 2002).

##### ➤ National Summer Leisure Travel Expected to Increase 3.2 Percent

The Travel Industry Association of America (TIA) released its [Summer 2004 Forecast](#) report, projecting that Americans will take more than 334 million leisure trips of 50 or more miles away from home during the months of June, July and August 2004, an increase of 3.2 percent over last summer. TIA notes, however, that consumers continue to be concerned about rising gas prices and the overall affordability of travel. Although auto travel is expected to remain strong, air travel is expected to increase more than auto travel this summer, up five percent (compared to +3% in auto travel). Other highlights of the study:

- Thirty-eight percent (38%) of travelers will include children on their longest trip this summer.
- Top activities this summer include: visiting cities/urban areas (61%); visiting national or state parks (48%); visiting historic sites (41%); attending family reunion (38%); camping, hiking or climbing (37%).
- Hawai'i ranked as the third most desired state destination this summer, ranking behind Florida and California.

#### ■ CURRENT INDUSTRY DEVELOPMENTS

##### ➤ Puerto Rico Extends Meetings Development Networking Initiative Overseas

The Puerto Rico Convention Bureau (PRCB) will expand its lucrative meetings development "Ambassador's Program" to Spain, the United Kingdom, Germany and the United States, according to [Successful Meetings](#). Previously, the Ambassador's Program was initiated only within the island, but had been credited for producing up to 25,000 room nights in one year, contributing as much as \$10 million to the local economy. The Ambassadors Program promotes Puerto Rico as a meetings and convention destination through events and activities outside of the island. PRCB offers its "Ambassadors" island orientations, customized presentations, and personalized assistance from its six regional sales offices to encourage conventions and meetings planners to choose Puerto Rico as their preferred business destination.

#### Special Announcement

HVCB is proud to present the new design for the weekly Tourism Industry Update, designed by HVCB Market Trends' intern, Heribert Gangl.

We welcome any suggestions or comments that you may have that will help us improve the quality of the weekly Tourism Industry Update. Please feel free to share your ideas:

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