

"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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#### ➤ Survey: Hospitality Industry One to Two Years Away From Global Recovery

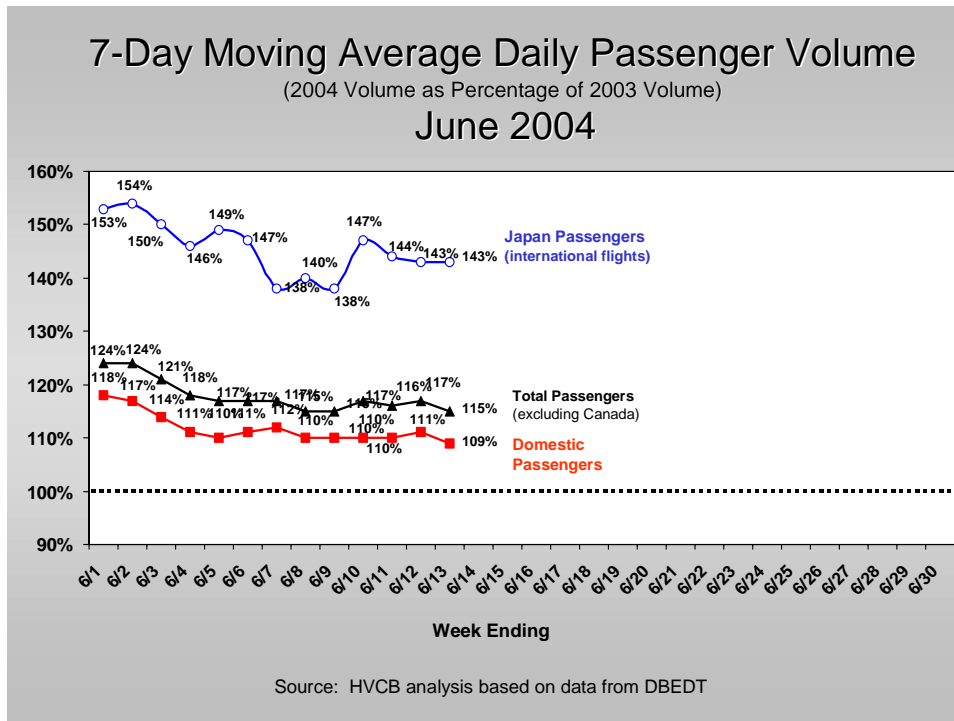
A survey of hospitality executives attending New York University's 26<sup>th</sup> Annual International Hospitality Industry Investment Conference indicate that global recovery of the hospitality industry is one to two years away, according to [Travel Daily News](#).

- Sixty-two percent (62%) of respondents see an overall recovery of occupancy and average daily rates (ADR) to 2000 levels in the next two years.
- However, 51 percent say an increase in revenue per available room (RevPAR) is the measure to watch in the coming few years as the best indicator of recovery for the industry.
- When asked about the factors having the greatest effect on the pace of industry recovery, 63 percent cited the revival of corporate travel, and 22 percent indicated the rate of job growth.
- Most respondents (51%) state that the potential for worldwide terrorist attacks is the biggest threat to a full recovery of the worldwide hospitality industry. Thirty-five percent (35%) believe that the economy has more to do with the recovery.
- In addition, the Asia/Pacific (55%) and North America (29%) were projected to be the regions most likely to experience the greatest percentage increase in lodging investment over the next five years.

■ CONSUMER TRAVEL BEHAVIORS

➤ Total Passenger Volume to Hawai'i Up 15 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 was 15 percent above prior-year levels for the seven-day period ending June 13, 2004. Total domestic passenger volume was up nine percent over last year's average, while total volume of nonstop passengers from Japan continued to perform above 2003 levels, up 43 percent over last year's figures for the seven-day period.



■ CURRENT INDUSTRY DEVELOPMENTS

➤ HVCB Welcomes New Managing Director of Travel Industry Partnerships

[HVCB](#) is proud to welcome Elizabeth Johnsen, a seasoned expert in national travel trade sales, as its new managing director of travel industry partnerships. She joins HVCB leaving her present position as Vice President of Marketing for Carlson Wagonlit Travel, one of the world's largest and most respected travel agency networks. She has also served on several regional and national travel industry boards and helped plan numerous events, especially in affiliation with the American Society of Travel Agents. Johnsen will direct HVCB's travel trade efforts in North America, working with travel agencies, wholesalers, cruise lines, and online travel partners. She will also work closely with the four Island Chapter bureaus to create mutually beneficial opportunities that promote the destination as a whole. Johnsen begins work for HVCB on July 1, 2004.

## ⇒ HVCB Launches Hawaiian Music Tourism Promotion: *Aloha Live!*

[HVCB](#) and WorldSound, LLC are co-promoting a summer concert tour entitled *Aloha Live!*, using music to promote Hawai'i as a destination. Hawai'i entertainers Willie K., Amy Hanaiali'i Gilliom, Robi Kahakalau, and Sean Na'auao will perform their signature music while singing the praises of travel to Hawai'i between July 29 and August 25 in 20 of Hawai'i's top source markets in North America. Markets include San Diego, Los Angeles, Orange County, San Francisco, Las Vegas, Sacramento, Seattle, Vancouver, Salt Lake City, Phoenix, Houston, Dallas, St. Louis, Denver, Chicago, Detroit, and New York. The tour paves the way for HVCB regional advertising and publicity campaigns that will follow in September.

## ⇒ Australian Morning News Show to Feature Live Broadcast from Hawai'i

"[Sunrise 7](#)," proclaimed as Australia's "number one breakfast show," will be broadcasting live from various locations throughout Hawai'i for their week-long feature entitled "Sunrise in Hawai'i." The morning news show has teamed up with Aloha Airlines, Starwood Hotels, Qantas Holidays, and other travel partners to feature the Islands with live coverage, special segments, and high-profile guests. The show, which is scheduled to air during the last week in June, will also be giving away tickets to the attractions they highlight throughout the week.



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#### ■ CONSUMER TRAVEL BEHAVIORS

### ⇒ International Arrivals to the U.S. Grow for Second Straight Quarter

First quarter 2004 international arrivals to the U.S. totaled 3.1 million, up 12 percent from the same period last year, according to the [Office of Travel and Tourism Industries](#) (OTTI) of the U.S. Department of Commerce. This marked the second consecutive quarter of positive growth in international travel to the country, continuing from the fourth quarter 2003. Visitation from Asia totaled 1.4 million, up 15 percent in the first quarter 2004. Two-thirds of all Asian travel to the U.S. came from Japan (904,000 visitors) during the quarter, up 17 percent compared to first quarter 2003.

#### ■ CURRENT INDUSTRY DEVELOPMENTS

### ⇒ Survey: CEOs Expect Continued Strengthening of U.S. Business Conditions

Chief Executive Officers of leading U.S. corporations are forecasting an improvement in U.S. business conditions, according to [Business Roundtable's](#) June 2004 CEO Economic Outlook Survey. The survey's key findings include:

- 88 percent of CEO respondents expect an increase in sales, while only four percent project a decrease over the next six months.
- 38 percent of respondents to the survey forecast an increase in hiring plans over the next six months, while only 19 percent foresee a decrease.
- Capital spending over the next six months also had a bright outlook: 44 percent project that their company's U.S. capital spending will increase; seven percent expect a decrease.
- CEOs also expect real GDP growth in 2004 to be higher than 2003 growth (3.7% in 2004 versus 3.1% in 2003).

*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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