

"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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⇒ JATA: Hawai'i Helps Boost Japanese Overseas Travel Business in Third Quarter

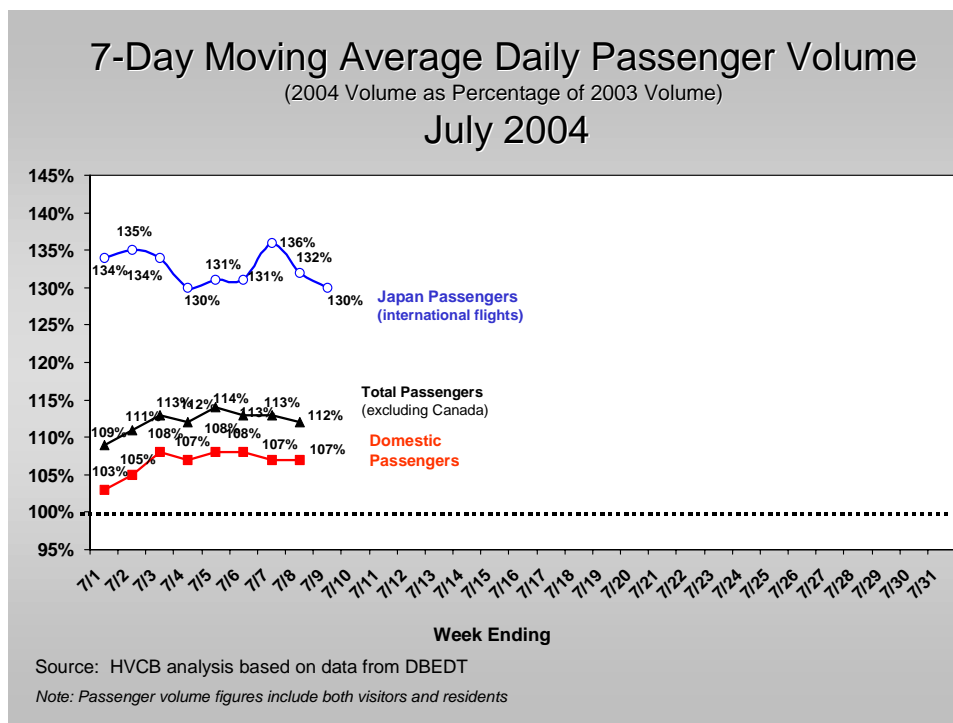
Japanese travel retail outlets expect Hawai'i to be the destination with the most significant Japanese outbound market increases in the third quarter of 2004, according to the Japan Association of Travel Agents' (JATA) latest short-term quarterly diffusion index survey (reported in *Travel Journal International*). On a scale of +100 (very good) to -100 (poor), Japanese propensity to travel to Hawai'i stands at +8, higher than any other destination reported. The third quarter expectations are a sign of continued recovery in Hawai'i's Japan market, and compares with previous readings of Japanese outbound travel to Hawai'i: +0 (2nd Quarter of 2004); -27 (1st Quarter 2004); -28 (4th Quarter 2003); and -63 (3rd Quarter 2003). Destination results for the 3rd quarter in rank order:

- Hawai'i (+8)
- Europe (+7)
- China (+6)
- Micronesia (+1)
- Asia (0)
- North America (-10)
- Oceania (-17)

CONSUMER TRAVEL BEHAVIORS

Domestic Passenger Volume to Hawai'i Up 7 Percent for Latest Seven-Day Period

According to statistics published by the state [Department of Business, Economic Development and Tourism](#), domestic passenger volume increased during the Fourth of July weekend, hovering between 107-108 percent, and ended the latest seven day period (July 8, 2004) up seven percent over 2003 levels. Nonstop passenger volume from Japan remained above 2003 levels for the seven-day period, up 30 percent, helping boost total domestic and international (excluding Canada) volume on nonstop flights arriving in Hawai'i up 12 percent.



Hawai'i Hotel Occupancy Up 7.4 Percent For Week Leading Up to Fourth of July

Hawai'i hotel occupancy reached 84.7 percent for the week ending July 3, 2004, 7.4 percent higher than the same week last year, according to Hospitality Advisors LLC. Statewide average daily room rates (ADR) also increased (+7.0%) to \$168.19. The state's hotel performance during the week far outpaced the national average of 65.8 percent hotel occupancy, and \$84.78 ADR.

Fifty-One Percent of Visitors to O'ahu Went to North Shore in Fourth Quarter 2003

Fifty-one percent of all over-night visitors to O'ahu visited its North Shore, according to a special study of North Shore visitors conducted by the OmniTrak Group Inc. for the [Hawai'i Tourism Authority](#) (HTA). The study, which surveyed visitors in the fourth quarter of 2003, shows that three-fifths of all international visitors (61%) and one-third of Japanese visitors (36%) to O'ahu went to the North Shore, while 60 percent of U.S. visitors to the island went to the region. The study also shows that North Shore visitors were generally satisfied with their experience, with 86 percent saying they are likely to return to the area on their next O'ahu visit.

■ CURRENT INDUSTRY DEVELOPMENTS

⇒ HVCB Earns *Meetings and Conventions* Gold Service Award for 15th Straight Year

For the 15th consecutive year, HVCB earned a 2004 Gold Service Award from *Meetings and Conventions* magazine. Meeting planners nominated HVCB for the prestigious industry award based on their experience on a strict set of criteria – professionalism of staff; support on hotels and site inspections; assistance with ground transportation planning; guidance on local attractions; and liaison with local vendors and services. Mike Murray, director of sales for HVCB's Corporate Meetings and Incentives (CMI) division, commented, "earning a meetings award of this stature for 15 years in a row is a testament to the world-class team of industry professionals we have here in Hawai'i, including our island chapter bureaus, hotel partners, and the Hawai'i Convention Center."

⇒ HTA: Five Locally-Produced Cultural Films Receive State Funding

Five locally-produced films will receive a total of \$100,000 in funding from the Hawai'i Tourism Authority (HTA) through the [HTA Cultural Films Initiative](#). The HTA Initiative was established, in conjunction with DBEDT's Hawai'i Film Office, as a pilot project to grow and support the synergy between the tourism and film industries in Hawai'i. Its main purpose is to support cultural film projects that preserve, perpetuate and promote Hawai'i's multi-ethnic culture. The five award recipient films include: *Makali'i – Voyage of Vision*; *True Love and Mimosa Tea*; *The Hawaiian Legacy Series*; *Fishbowl*; and *Ho'olina*. Further details are available from HTA.

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■ CONSUMER TRAVEL BEHAVIORS

⇒ TIA 10-Year Perspective: Domestic Leisure Trips Up; Business Trips Down

In 2003, 68 percent of all traveling households residing in the contiguous 48 states took a leisure or business trip of 50 miles or more one-way, according to the [Travel Industry Association's](#) (TIA) *Domestic Travel Report*. Domestic leisure travelers accounted for a total of 929.5 million person trips in 2003, up 1.9 percent over prior year figures, and up 16.1 percent since 1994. Domestic business and convention travel, on the other hand, declined for the fifth straight year in 2003, down 2.0 percent (to 138.2 million person trips) from 2002, and down 15.1 percent from a decade ago. Domestic leisure travel accounts for 82 percent of all domestic travel, while business/convention travel makes up 12 percent of the total market.

■ CURRENT INDUSTRY DEVELOPMENTS

⇒ Logistics Most Important Factor for Corporate Meeting Planners

According to the biannual METROPOLL X survey of 1,200 meeting planners (conducted by Gerard Murphy & Associates), 83 percent indicated that convenient airline service was the single most important factor in selecting a destination and convention center (reported by [MeetingsNet](#)). Other important factors, in rank order, include availability of hotel rooms; good hotel rooms; ease to get to; food and lodging costs; and travel costs. The survey also asked meeting planners about the major factors in selecting a convention center – adequate breakout rooms (74%); adequate seating at large sessions (73%); competent management (72%); and helpful staff and facility rental rates (67%) topped the list. As reported in an April edition of [TIU](#) (edition 04-14), the Hawai'i Convention Center ranked as the most "attractive" convention center, and earned high marks on many other attributes in the same METROPOLL survey.

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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