

"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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⇒ HTA to Hold Public Meetings to Present State Tourism Strategic Plan

The Hawai'i Tourism Authority (HTA), with assistance from PBR Hawai'i, will be presenting the *Draft State of Hawai'i Tourism Strategic Plan: 2005-2015* at community meetings on the six major islands during the month of August:

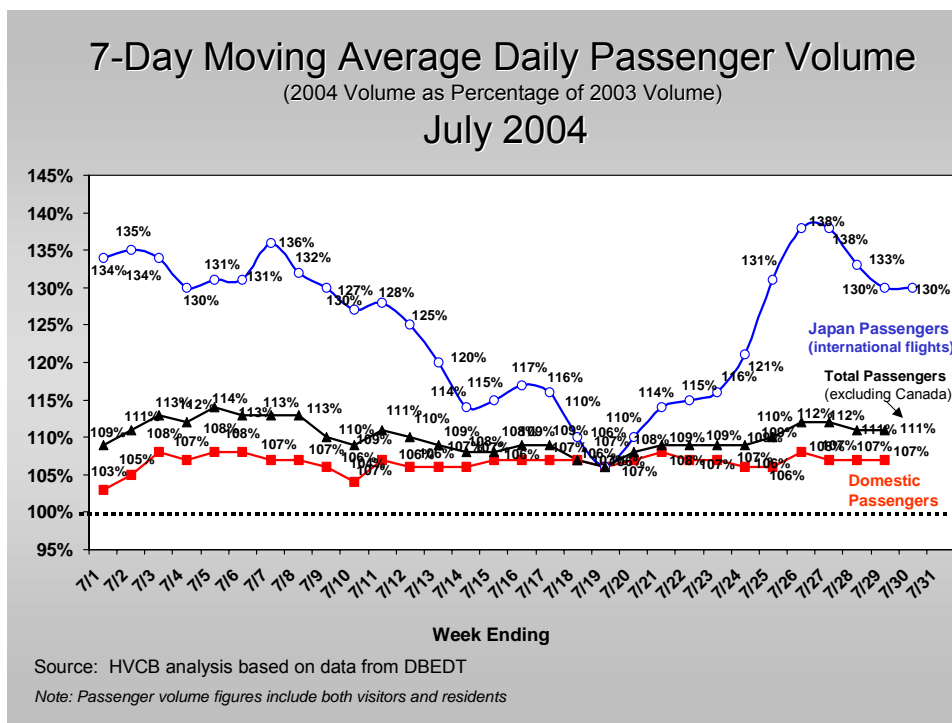
- Big Island: August 5th; 1:00 – 3:00 p.m. at the Jacaranda Inn
- Moloka'i: August 7th; 11:30 a.m. – 1:30 p.m. at Kaunakakai Elementary School
- O'ahu: August 9th; 1:00 – 3:00 p.m. at the Hawai'i Convention Center
- Kaua'i: August 11th; 1:00 – 3:00 p.m. at the Kaua'i Marriott Resort & Beach Club
- Lāna'i: August 16th; 10:30 a.m. – 12:15 p.m. at the Lāna'i Library
- Maui: August 18th; 1:00 – 3:00 p.m. at the Maui Beach Hotel

The draft plan, developed using research, and community and industry input, is designed to provide an overall strategic direction for tourism in Hawai'i. HTA welcomes additional public input on the draft plan during the no-cost community meetings. More information about these meetings, and electronic copies of the draft plan are available on HTA's website: <http://www.hawaii.gov/tourism>

CONSUMER TRAVEL BEHAVIORS

➤ Total Passenger Volume Up 11 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 11 percent over 2003 figures for the seven-day period ending July 29, 2004. Total volume of nonstop passengers from Japan continued to perform well above 2003 levels, up 30 percent over last year's figures, while total domestic passenger volume held steady at seven percent above prior-year levels for the seven-day period.



CURRENT INDUSTRY DEVELOPMENTS

➤ Meetings and Incentives Stay Strong Through Second Quarter

Through the first six months of the year, [HVCB](#) generated 505 qualified hotel leads, representing more than 372,000 hotel room nights. Based on industry standards, approximately one-third of the leads and hotel room nights will be converted into bookings, resulting in 123,000 room nights, and \$130 million in direct visitor spending, including \$10.8 million in state tax revenues. HVCB has major marketing initiatives in place for the rest of 2004 to promote Hawai'i's meetings attributes and diversity of experiences.

- According to the Department of Business, Economic Development and Tourism (DBEDT), there were 275,000 arrivals for meetings, conventions, and incentives statewide through June 2004. Forty-two percent (42%) were from the U.S. East, and 32 percent from the U.S. West.

➤ United Airlines to Launch Chicago-Kahului-Kona Route in December

[United Airlines](#) announced that it will launch nonstop service from Chicago O'Hare to Kahului, Maui and continuing on to Kona, beginning December 16, 2004. This will be United's second daily nonstop flight between Chicago and the Islands. The new flight will be operated using a Boeing 777 aircraft with 348 seats, including 36 first class seats.

↻ Statewide Room Revenue Hits Record High \$1.39 Billion for First Half of 2004

The hotel industry in Hawai'i generated a record high \$1.39 billion in room revenue during the first half of year, up 13.0 percent over the same period last year, and a full percent over the previous record set in the first half of 2000, according to Hospitality Advisors LLC. Statewide hotel occupancy during the first half equaled 77.8 percent (+7.1 percentage points over the same period in 2003); average daily room rate (ADR) gained 3.4 percent to \$152; and revenue per available room (RevPAR) grew 21.6 percent to \$118.19. When compared to the rest of the nation, Hawai'i ranked second (just behind New York City) in hotel occupancy, ADR, and RevPAR.

3. NATIONAL / INTERNATIONAL

↑TOP

■ CONSUMER TRAVEL BEHAVIORS

↻ IACVB: Average Convention Delegate Spends \$266 per Day in Meeting Destination

According to the International Association of Convention and Visitor Bureaus' (IACVB) [ExPact](#) (Convention Expenditure and Impact) Study, delegates at conventions spent an average of \$266 in the meeting destination per day. The ExPact study is a project that evaluates the monetary impact of the meetings, conventions and exhibitions industry, calculating direct expenditures per event. Other results from the ExPact 2004 include:

- Total spending per delegate per trip is estimated at \$945 in the host destination
- Delegates stayed an average of 3.6 nights in an event destination
- Delegate expenditures increased 36 percent from 1998 (the last comparative study conducted), while average length of stay increased 18 percent
- Meeting planners spent an average of \$96 per event, per delegate, with food and beverage accounting for the largest share (27%) of expenditures
- Delegates stayed within the designated room block 81 percent of the time

■ CURRENT INDUSTRY DEVELOPMENTS

↻ National Consumer Confidence Up 3.3 Points to 106.1 in July

After improving to its highest point of the year in June, the [National Consumer Confidence](#) Index improved even further in July, up 3.3 points from the previous month to 106.1 (1985=100), according to the Conference Board. The "Present Situation" index inched up to 106.5 (from 105.9 in June), while the "Expectations" index increased 5.0 points to 105.8 during the month. Overall consumer confidence has increased for four consecutive months, reaching its highest level since June 2002. According to Conference Board officials, consumer confidence in the spring was boosted mainly by the improved job market.

↻ TIA: June Travel Price Index Increases 5.7 Percent

The Travel Industry Association of America's (TIA) [Travel Price Index](#) (TPI) increased 5.7 percent in June 2004, the largest year-over-year increase since September 2000, and faster than the nation's overall Consumer Price Index (CPI) for the month. Lodging prices rose five percent, while airfares dropped 2.4 percent, compared to June 2003. The main factor behind the overall TPI increase was gasoline prices, up 33.2 percent in June. The TPI is a monthly indicator of the price change in travel goods and services available to the U.S. consumer.

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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