

"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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⇒ TIA Marketing Outlook Forum Exclusive: "Time for Travel Industry to Seize the Day"

With a positive outlook ahead for the U.S. travel and tourism industry, now is the time for the industry to seize the day, heralded Walt Disney Parks and Resorts President [James A. Rasulo](#) last week in his Keynote Address at the Travel Industry Association of America's 2004 Marketing Outlook Forum.

According to Rasulo, there are four new realities facing the industry:

- *Value:* As consumers have more travel choices and more information available to them, they have placed a premium on value. However, people will pay more for extraordinary vacation experiences.
- *Lifestyle:* Consumers have a strong desire for vacations tailored to unique habits and lifestyles. Cookie cutter vacations are a thing of the past, as people expect greater control and flexibility in their travel planning and travel experiences.
- *Experience:* People want experiences, not products. Communicating experiences is especially important for companies that offer multiple vacations products.
- *Global Competition:* The U.S. is losing the battle for international visitors, with the nation's share of international arrivals at a 12-year-low. The nation has been winning the race for international visitors for so long that it has forgotten how to compete.

The industry can either view these realities as challenges or opportunities. According to Rasulo, Disney has chosen to seize these opportunities by:

- Rewarding guests with memory making experiences they will not find anywhere else (e.g. turning holiday celebrations - Christmas, Halloween, Disneyland 50th anniversary - into special experiences).
- Putting guests in the “driver’s seat”. Give them the path of least resistance – make travel planning and booking as easy as possible. With emergence of “Togetherring” (i.e. growing trend of persons traveling as groups of friends, associates, etc.), Disney created a web-based initiative, which facilitates collaborative online travel planning among travel groups.
- Identifying unique experiences and putting these experience front and center in marketing efforts; and portfolio destination marketing – tapping Disney’s global assets in its marketing.

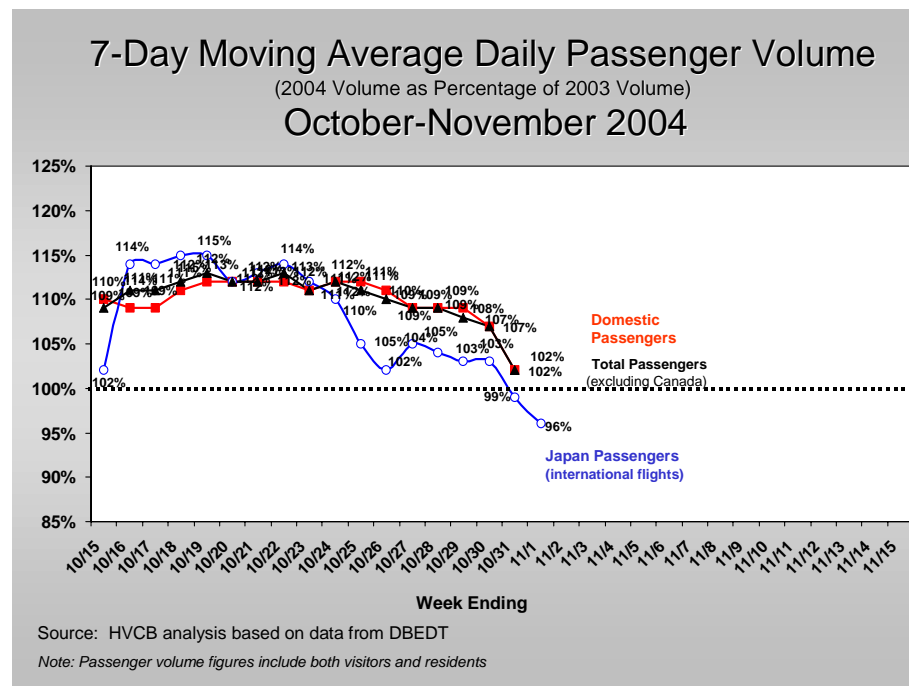
2. HAWAI’I

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■ CONSUMER TRAVEL BEHAVIORS

➔ Domestic Passenger Volume to Hawai’i 102 Percent of Prior Year Levels for Seven-Day Period

According to statistics published by the state [Department of Business, Economic Development and Tourism](#), domestic passenger volume on nonstop flights to Hawai’i increased two percent over 2003 levels for the seven-day period ending October 31, 2004. Nonstop passenger volume from Japan decreased four percent below prior-year levels, while total domestic and international (excluding Canada) volume on nonstop flights arriving in Hawai’i was 102 percent of prior-year levels for the latest seven-day period. For the most recent Seven Day Moving Average chart, visit HVCB’s Market Trends Online: <http://www.hvcb.org/trends>



■ CURRENT INDUSTRY DEVELOPMENTS

➔ Hawaiian Airlines to Add Second Daily Las Vegas-Honolulu Nonstop Service

[Hawaiian Airlines](#) announced that it will add a second nonstop flight between Las Vegas and Honolulu beginning April 4, 2005 (five flights per week), turning into daily service on May 1, 2005. The new flight is scheduled to depart Las Vegas at 2:45 am, arriving HNL at 5:55 am; and depart Honolulu at 2:15 pm, arriving LAS at 10:45 pm. Hawaiian Airlines notes that the added flight will enhance their partnership network connecting travelers with the Islands, as Las Vegas is a major hub for America West Airlines.

➤ Honolulu Named Most Livable Large City in the World

Honolulu won a coveted "Gold Award" at the [2004 International Awards for Livable Communities](#) (LivCom) for most livable community in the world, in the category including cities with a population over 750,000. Endorsed by the United Nations Environment Program, LivCom is considered the world's only international scheme for livable communities, addressing the management of the environment and enhancement of quality of life. After hearing presentations from 48 finalists from 20 countries, an international panel placed Honolulu first among the "large city" finalists – over Prague (Czech Republic); Westminster (U.K.); and Tshwane (South Africa).

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■ CURRENT INDUSTRY DEVELOPMENTS

➤ National Consumer Confidence Declines For Third Month in a Row

The Conference Board's [National Consumer Confidence](#) Index declined for the third month in a row in October, down 3.9 points from the previous month, to 92.8 (1985=100). The "Present Situation" index fell to 94.2 (from 95.3 in September), while the "Expectations" index declined 5.7 points to 92.0 during the month. According to Conference Board, subdued expectations and concerns about job growth were the main reasons behind the October consumer confidence decline.

➤ Travel Price Index Rises 4.1 Percent in September

The Travel Industry Association of America's (TIA) [Travel Price Index](#) (TPI) increased 4.1 percent in September 2004, compared to the same month last year. Airfares decreased 5.4 percent compared to September 2003, while lodging prices climbed 7.1 percent, and gasoline prices rose 9.6 percent for the month. In addition, the TPI again outpaced the nation's overall Consumer Price Index (+2.5%) in September. 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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