

"HVCB Tourism Industry Update" is a bi-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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➤ Thanksgiving Holiday Travel Projected to Surpass Prior-Year Levels, Despite Barriers

Despite the recent drops in consumer confidence and rise in travel prices, domestic travel by Americans this Thanksgiving holiday is projected to inch up 0.8 percent compared to 2004, according to [AAA](#). A holiday trip is defined as travel of 50 or more miles away from home, one way.

- 4.6 million, or 12 percent of Thanksgiving travelers, expect to travel by air, up 1.3 percent from last year.
 - AAA suggests that airports will be crowded this holiday (see TSA story in this issue for details on their holiday air travel checklist).
- With 1.3 million air travelers, the Southeast region is expected have the highest number of air travelers, followed by the West (1.2 million), the Midwest (760,000); Northeast (750,000); and the Great Lakes region (620,000).
- Holiday auto travelers continue to make up the bulk this Thanksgiving, with 83 percent of holiday travelers (30.8 million), a nominal increase (+0.7%) from last year.
 - Though gas prices are down an average of 48 cents from last month, the price at the pump is still 32 cents higher than last year.

- AAA states that in addition to higher gas prices, hotel and car rental prices are also on the rise this holiday season.
- 55 percent of Thanksgiving holiday travelers are expected to stay with friends or relatives. Other types of accommodations during the holiday include: hotels and motels (28%); and cabin/condo (7%).
- The top destinations this Thanksgiving season:
 - Towns/Rural Areas -- 37%
 - City Destinations -- 34%
 - Oceans/Beaches -- 10%
 - Mountains -- 10%

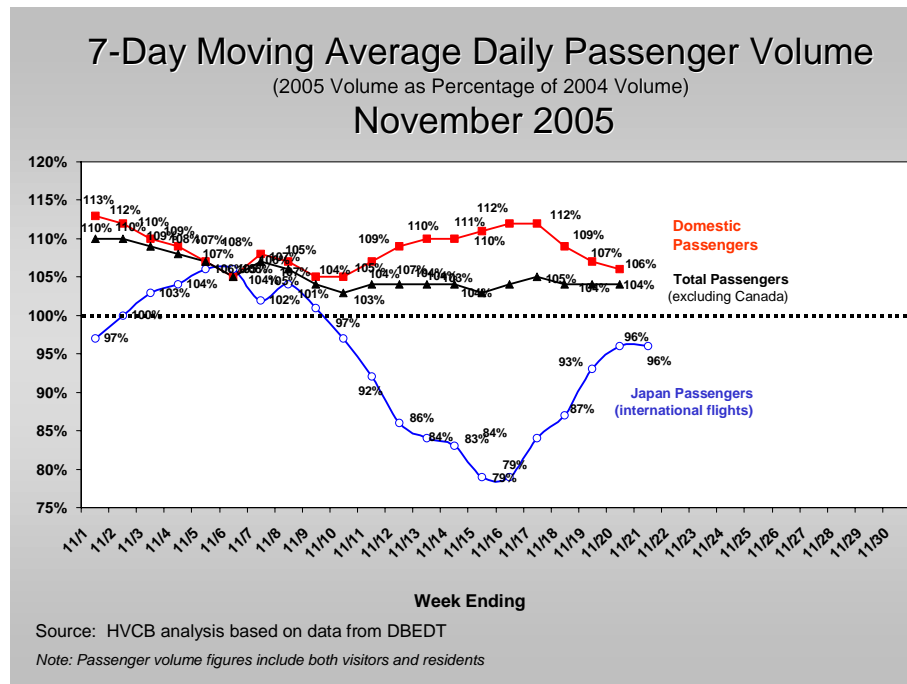
2. HAWAI'I

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■ CONSUMER TRAVEL BEHAVIORS

➔ Domestic Passenger Volume to Hawai'i Six Points Ahead for Latest Seven Day Average

According to statistics published by the state [Department of Business, Economic Development and Tourism](#), domestic passenger volume ended the latest seven-day period up six percent compared to prior-year levels for the period ending November 20, 2005. Nonstop passenger volume from Japan was down four percent below 2004 levels for the period, and total domestic and international (excluding Canada) passenger volume on nonstop flights to Hawai'i volume ended the week four percent above prior-year levels. *For the most recent Seven Day Moving Average chart, visit HVCB's Market Trends Online: <http://www.hvcb.org/trends>*



■ CURRENT INDUSTRY DEVELOPMENTS

➔ State of Hawai'i Forecasts Solid Tourism Growth for 2005

The state [Department of Business, Economic Development and Tourism](#) (DBEDT) released its latest *Quarterly Statistical and Economic Report* (for the 4th Quarter 2005), revising its forecast positively to a 6.5 percent increase in both visitor arrivals (to 7.4 million) and visitor days (to 67.5 million) for 2005. Visitor expenditures are also expected to increase by the end of the year, reaching an estimated \$11.6 billion, up 6.9 percent over 2004 levels. The Hawai'i Tourism Authority is targeting a 3.0 percent increase in visitor arrivals to Hawai'i; a 3.7 percent increase in visitor days; and 6.1 percent increase in visitor expenditures for 2005.

- Looking ahead to 2006, DBEDT forecasts visitor arrivals, visitor days and visitor expenditures to rise 2.9 percent, 2.9 percent, and 5.8 percent, respectively, compared to 2005 levels. Each of these figures has been revised upward compared to the third quarter forecast.

3. NATIONAL / INTERNATIONAL

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■ CONSUMER TRAVEL BEHAVIORS

➤ Online Travel Revenues Projected to Increase Nearly 20 Percent in 2005

Online travel spending in the U.S., including both leisure and business, is expected to reach \$68 billion by the end of the year, up nearly 20 percent from 2004 levels, according to a forecast by JupiterResearch (reported by [eMarketer](#)). Online revenues are expected to grow steadily over the next five years, reaching \$104 billion by 2010. The report cites the growing number of online consumers in the U.S., as well as increased awareness of travel services offered online, as the main reasons behind the growth.

- The forecast also states that online bookings are being driven in part by hotel, airline and car rental suppliers offering online pricing and packaging incentives.
- When compared to online travel agency websites (i.e., Expedia, Orbitz, and Travelocity), online bookings made directly from supplier websites will equal 56 percent of all travel booked online in 2005, and should hit 62 percent by 2010, according to Jupiter's forecast.

■ CURRENT INDUSTRY DEVELOPMENTS

➤ TSA Issues Holiday Checklist for Air Travelers for Busy Holiday Season

The [Transportation Security Administration](#) (TSA) of the U.S. Department of Homeland Security issued a Holiday Checklist (see box at right), urging air travelers to plan ahead for air travel security procedures this holiday season. The agency expects heavy passenger volume throughout the busy November and December holidays. The checklist offers passengers tips to prepare for the screening process to minimize delays and help make the process as efficient as possible.

➤ International Arrivals to the U.S. Up 7.9 Percent Through August

The U.S. welcomed over 27.9 million international visitors through August 2005, up 7.9 percent over prior-year levels, according to the [Office of Travel and Tourism Industries](#) (OTTI) of the U.S. Department of Commerce. Highlights for the eight-month period include:

- Japanese arrivals totaled over 2.5 million through August, an increase of 3.1 percent over prior-year levels.
- Arrivals from Canada increased 8.8 percent over year-to-date 2004 levels, totaling 10.6 million arrivals through August 2005.
- According to OTTI estimates, Honolulu was the fourth largest [U.S. port-of-entry](#) for overseas visitors to the U.S., welcoming nearly 1.1 million overseas travelers (not including Canada or Mexico), up four percent through August 2005. Honolulu ranks just behind New York City (2.1 million overseas arrivals), Miami (1.7 million), and Los Angeles (1.5 million) in overseas arrivals to the U.S. Honolulu ranks ahead of Newark (860,000), Chicago (834,000), and San Francisco (806,000).



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- Double check the contents of your pockets, bags and carry-on luggage to ensure no prohibited items were inadvertently packed. Lighters, firearms or other weapons are prohibited as carry-on items.
- Firearms placed in checked bags must be properly declared to your airline.
- Get to the airport in plenty of time.
- Take laptops and video cameras out of their cases.
- Do not wrap gifts.
- Do not pack fragile or valuable items in checked baggage. Ship or take them with you in carry-on baggage.
- Put undeveloped film in checked baggage. Screening equipment will damage film.
- You are **NOT REQUIRED** to remove your shoes. However, many types of footwear with metal, or thick soles or heels, may require additional screening even if the metal detector **DOES NOT** alarm.
- Do not overpack bags. Closing overstuffed bags can be difficult and many result in that checked bag being delayed.
- Do not lock your bag unless you use a TSA-authorized lock.
- Passengers selected for additional screening have the right to request it be done in a private location.

Source: Transportation Security Administration

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

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