

"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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## Inside this issue...

### 1. FEATURE

- Nearly 30 Percent of Affluent Leisure Travelers Use Travel Agents

### 2. HAWAII

#### Consumer Travel Behaviors

- Domestic Passenger Volume to Hawai'i Up Three Points for the Week

#### Current Industry Developments

- Domestic Arrivals to Hawai'i Continue at Record Pace Through Third Quarter

### 3. NATIONAL / INTERNATIONAL

#### Consumer Travel Behaviors

- TripAdvisor Consumers Reveal "Adventurous" Travel Trend for 2007
- Consumer Broadband Connection in Canada Outpaces U.S.

#### Current Industry Developments

- Nation's Industry Performance Indicators Healthy Through August

### 1. FEATURE

#### ➤ Nearly 30 Percent of Affluent Leisure Travelers Use Travel Agents

Twenty-eight percent (28%) of affluent travelers\* report using a travel agent to either gather information or book a leisure trip, during which they stayed in "luxury accommodations" in the past year, according to a study conducted by [Yesawich, Peppardine, Brown, and Russell](#). (YPB&R).

- This figure is only slightly down (and statistically insignificant, according to the report) from the 32 percent who reported the same in 2004.
- Most of these affluent travelers report using an agent to book a hotel or resort (71%), and/or an airline reservation (62%).
- Fifty-four percent (54%) stated that they used a travel agent to select the vacation destination, up significantly from 2004 figures (+25 percentage points).
- Nearly half (48%) of these travelers using an agent said that they consider their agents to be "very/extremely" influential in their travel making decisions.
- The study suggests that travel agents remain an important conduit for travel service suppliers, while continuing to play an important role in consumer travel decisions, particularly with affluent U.S. households.

**YPB&R: Affluent Leisure Traveler Bookings  
By Travel Agent  
2006 versus 2004**

| Booked by Travel Agent:  | Affluent Travelers |      |
|--------------------------|--------------------|------|
|                          | 2004               | 2006 |
| Hotel or Resort          | 71%                | 71%  |
| Airline                  | 68%                | 62%  |
| Destination*             | 29%                | 54%* |
| Cruise Line              | 25%                | 33%  |
| Vacation Package or Tour | 22%                | 30%  |
| Car Rental               | 29%                | 24%  |
| Destination Spa          | 3%                 | 5%   |

\* Denotes statistically significant difference from 2004  
Source: YPB&R 2006 Portrait of Affluent Travelers

\*Affluent travelers are defined as having an annual household income of \$150,000 or more, and make up the top seven percent of U.S. households.

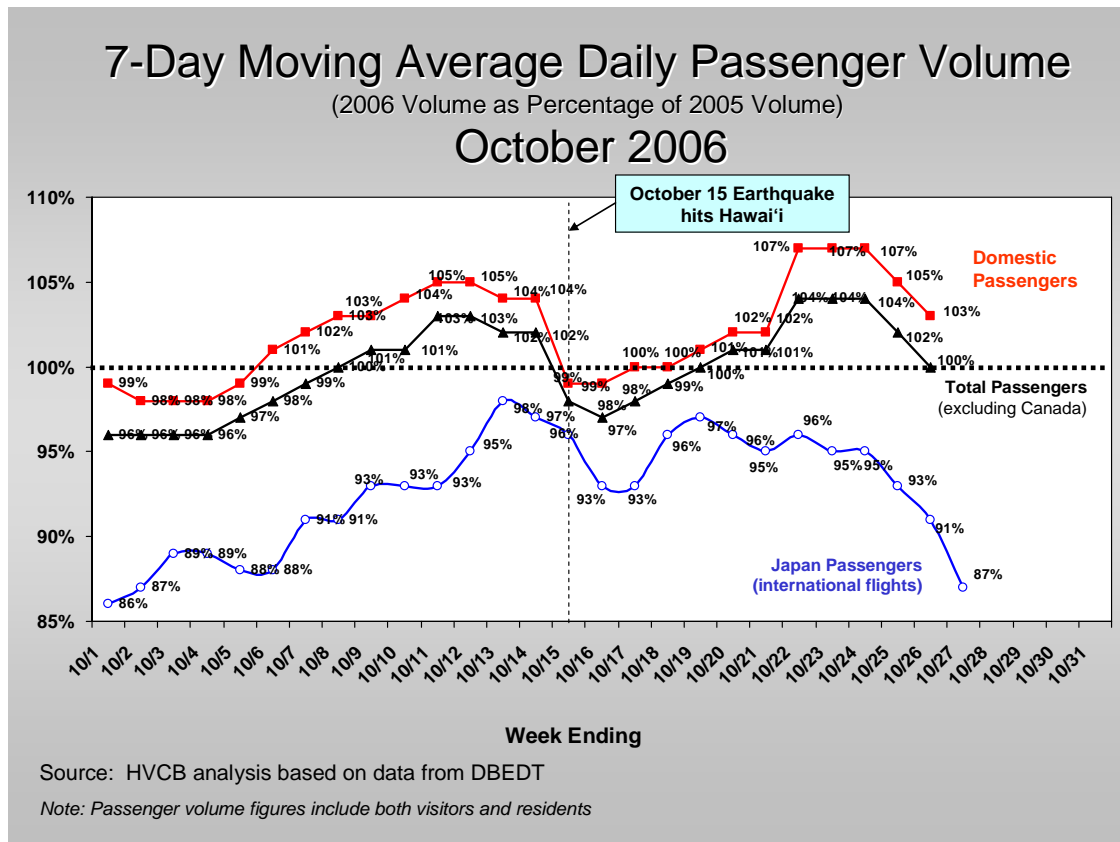
## 2. HAWAII

### CONSUMER TRAVEL BEHAVIORS

#### Domestic Passenger Volume to Hawai'i Up Three Points for the Week

According to statistics published by the state [Department of Business, Economic Development and Tourism](#), total domestic passenger volume on nonstop flights to Hawai'i gained three points above prior-year levels for the seven-day period ending October 27, 2006. Total domestic and international (excluding Canada) passenger volume ended the period even with prior-year levels, while nonstop passenger volume from Japan to Hawai'i fell 13 points for the week.

For the most recent Seven Day Moving Average chart, visit HVCB's Market Trends Online: <http://www.hvcb.org/trends>



### CURRENT INDUSTRY DEVELOPMENTS

#### Domestic Arrivals to Hawai'i Continue at Record Pace Through Third Quarter

Domestic air arrivals to Hawai'i increased 4.8 percent in September, helping boost year-to-date levels up 2.5 percent through the third quarter, according to figures released by [DBED](#). The estimated 4.1 million visitors through September surpass record domestic arrivals set last year. However, a slightly lower average length-of-stay (-0.6%) dampened domestic visitor day growth (+1.8%) through September. By Major Market Area, U.S. West arrivals are up 3.8 percent (to 2.4 million), while the U.S. East market is down slightly (-0.2% to 1.5 million) through the third quarter.

- Total (domestic and international) visitor arrivals were up nominally (+0.1%), reaching 5.6 million through the third quarter.
- International visitor arrivals by air are down 5.9 percent through the third quarter (to 1.5 million arrivals).

### 3. NATIONAL / INTERNATIONAL

#### ■ CONSUMER TRAVEL BEHAVIORS

##### ➤ TripAdvisor Consumers Reveal “Adventurous” Travel Trend for 2007

TripAdvisor.com, which claims to be the largest travel community in the world, revealed results of its [annual travel trends survey](#) of nearly 4,000 worldwide respondents. In particular, survey results suggest a trend toward adventure activities -- some 43 percent of respondents said that they are likely to go hiking (up from just 24 percent who said the same in last year’s survey); and 39 percent said they intend to participate in an adventure activity (i.e. parasailing, whitewater rafting, etc.), up from 29 percent last year. Other highlights from the study include:

- 59 percent of travelers are planning a beach vacation in 2007 (up from 52% in last year’s survey)
- 20 percent said it took them less than one hour to relax on their last vacation; 35 percent said it took them less than a day.
- 16 percent of travelers checked their work e-mail or voicemail at least once daily on their last vacation.
- **Kailua, Hawai’i** ranked as the second top “Hot U.S. Destination” for 2007, after Anna Maria, Florida.

##### ➤ Consumer Broadband Connection in Canada Outpaces U.S.

An estimated 59 percent of Canadian households will be connected to high-speed Internet service by the end of the year, outpacing the 44 percent of U.S. households that will say the same, according to eMarketer’s [Canada Online report](#). Although there is a slightly higher percentage of U.S. households online (63% of the population in the U.S. versus 58% in Canada), Canadian broadband growth has far exceeded growth in the U.S. A slightly higher percentage of online Canadians are active Internet shoppers (81% versus 78% of U.S. online consumers), but the study found that Canadians do not buy online as often as their U.S. counterparts (56% versus 66%, U.S.). Statistics Canada figures show that e-commerce sales in Canada have increased by 38 percent or more per year since 2001.

#### ■ CURRENT INDUSTRY DEVELOPMENTS

##### ➤ Nation’s Industry Performance Indicators Healthy Through August

The [Travel Industry Association’s](#) (TIA) Industry Performance Indicators (IPI) for August 2006 revealed that year-to-date international air revenue passenger miles (RPMs) increased 5.2 percent, while domestic air RPMs were down nominally (-0.7%) compared to the same period in 2005. TIA also reports that overall air load factor improved by 2.9 percentage points through August versus prior-year levels. Lodging performance indicators were also robust, with room demand (+1.7%); occupancy rate (+1.4%); and room revenue (+8.6%) increasing so far this year. The IPI is released by TIA each month to give a monthly snapshot of recent trends in the travel industry.

*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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