

"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

➔ Hawai'i's Top City Markets Show Strong Growth Through the Third Quarter

The number of visitors from nine of the top 10 U.S. metropolitan statistical area (MSA) markets topped previous-year levels through the third quarter of 2006, in keeping with the record high domestic arrivals year-to-date.

- Hawai'i's top market, Los Angeles, was the source of some 653,300 visitors through September, up 4.0 percent from the same period in 2005. Hawai'i's second largest source market, the San Francisco Bay Area, increased 1.9 percent during this period.
- Some of the other top U.S. West markets that grew during the first nine months of the year include Seattle (+4.2%); San Diego (+1.9%); Sacramento (+3.9%); Phoenix (+38.4%); and Portland (+6.1%). The significant increase in preliminary arrivals from Phoenix is mainly attributed to added air service from America West Airlines (to Honolulu, Kahului, Kona, and Lihue).
- The top U.S. East market, New York, fell 5.3 percent during the nine-month period. However, both Chicago (+2.7%) and Washington D.C. (+0.9%) experienced growth.

Preliminary 2006 Arrivals to Hawai'i from Top 10 MSAs
January - September 2006

Metropolitan Statistical Area	Total YTD Jan-Sep	% Change 2006/2005
LOS ANGELES-RIVERSIDE-ORANGE COUNTY, CA CMSA	653,309	4.0%
SAN FRANCISCO-OAKLAND-SAN JOSE, CA CMSA	449,276	1.9%
SEATTLE-TACOMA-BREMINGTON, WA CMSA	177,422	4.2%
SAN DIEGO, CA	134,777	1.9%
NEW YORK-NORTHERN NEW JERSEY-LONG ISLAND, NY-NJ CT-PA CMSA	130,095	-5.3%
PHOENIX-MESA, AZ	112,236	38.4%
CHICAGO-GARY-KENOSHA, IL-IN-WI CMSA	94,566	2.7%
SACRAMENTO-YOLO, CA CMSA	93,570	3.9%
PORTLAND-SALEM, OR-WA CMSA	90,581	6.1%
WASHINGTON-BALTIMORE, DC-MD-VA-WV CMSA	89,385	0.9%

Source: HVCB analysis of DBEDT data

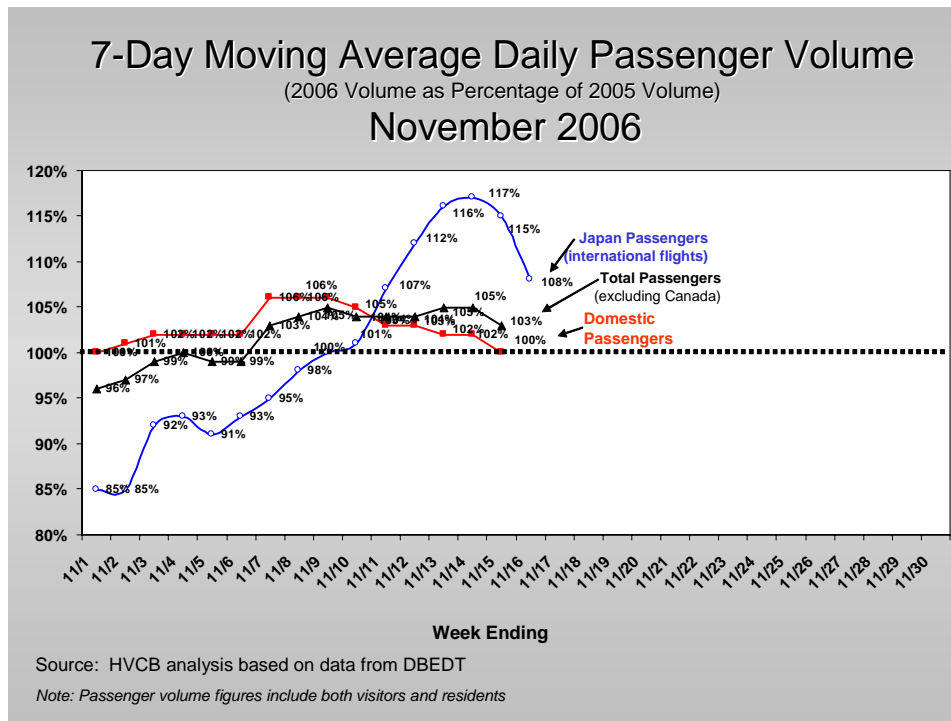
2. HAWAII

CONSUMER TRAVEL BEHAVIORS

Total 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](#), domestic and international (excluding Canada) passenger volume gained three points above prior-year levels for the seven-day period ending November 16, 2006. Total domestic passenger volume on nonstop flights to Hawai'i ended the period on par with prior-year levels, while nonstop passenger volume from Japan to Hawai'i was up eight points for the week.

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



Hawai'i Remains Top Honeymoon Destination for Japanese

For the ninth straight year, Hawai'i retained its ranking as the top honeymoon destination for overseas travelers from Japan according to the Japan Travel Bureau's (JTB) *Overseas Honeymoon and Wedding Report*. This ranking includes both overseas and Japanese domestic honeymoon destinations. JTB states that Hawai'i's top ranking is due in large part to the lack of problem with language or security, as well as the rich variety of beach resorts, shopping and gourmet dining. The study also suggests that during a typical Hawai'i honeymoon trip, Japanese travelers spend much of their time relaxing at the beach or pool; shopping; and, recently, taking cruises to other islands. Hawai'i has been among the top three most popular honeymoon destinations for this market since 1977.

- Hawai'i also ranked as the most popular overseas wedding ceremony destination, with over half of all Japanese destination weddings being performed in the Islands of Aloha.

Reminder: HVCB's 104th Annual Luncheon

I kēia lā ka hana pololei I pono ka lā 'āpōpō
"The right way today for a prosperous tomorrow"

The HVCB 'Ohana would like to remind you about next week's 104th Annual Luncheon, being held at the Sheraton Waikīkī Hotel and Resort on Monday, November 20, 2006. Registration runs from 11:15 a.m. until noon. The program begins at noon and runs until 1:30 p.m. For more information:

<http://www.hvcb.org/luncheon>

E-mail: luncheon@hvcb.org

Tel: (808) 924-0262

Registration is now closed for this event

- JTB states that a typical Japanese wedding ceremony in Hawai'i may take place in a glass-walled seaside chapel. They also note that night weddings by candlelight are becoming popular.

3. NATIONAL / INTERNATIONAL

■ CONSUMER TRAVEL BEHAVIORS

⇒ AAA: Thanksgiving Holiday Travel Projected to be Robust

Despite a rise in travel prices, domestic travel by Americans this Thanksgiving holiday weekend is projected to increase 2.7 percent compared to 2005, according to [AAA](#). A holiday trip is defined as travel of 50 or more miles away from home, one way.

- 4.8 million, or 12.5 percent of Thanksgiving travelers, are expected to travel by air, up 3.2 percent from last year's holiday weekend.
 - With 1.3 million air travelers each, the Southeast and West regions are expected to have the highest number of air travelers this holiday weekend. These regions are followed by the Midwest (789,000); Northeast (772,000); and the Great Lakes region (643,000).
- Holiday auto travelers continue to make up the bulk of travelers this Thanksgiving, with 82.8 percent of holiday travelers (31.7 million), a 2.6 percent increase in volume from last year.
 - Gas prices have been declining for the past several months, and are expected to be down an average of nine cents this holiday weekend from the same time last year.
- 69.5 percent of Thanksgiving holiday travelers are expected to stay with friends or relatives. Other types of accommodations during the holiday include: hotels and motels (16%); and cabin/condo (5%).
- The top destinations this Thanksgiving season:
 - Small towns/Rural Areas -- 45%
 - City Destinations -- 35%
 - Mountains -- 8%
 - Oceans/Beaches -- 5%

■ CURRENT INDUSTRY DEVELOPMENTS

⇒ National Consumer Confidence Declines Nominally in October

The [National Consumer Confidence](#) Index declined slightly in October to 105.4 (1985=100), down 0.5 point from 105.9 in September. The "Present Situation" index decreased to 124.7 (from 128.3 in September), while the "Expectations" index increased 1.6 points to 92.6 during the month (from 91.0). The nominal decline shows that consumers have a mixed assessment of current business conditions, and a less favorable view of the job market, according to Conference Board officials. However, the expectations index suggests a moderate pace of economic growth through the first few months of 2007.

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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