

"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

➤ Study Reveals That Half of Affluent Travelers Visited a Luxury Hotel Spa in Past Year

Nearly half of all affluent travelers* visited a luxury hotel or resort spa at least once during the past year, according to [Yesawich, Pepperdine, Brown & Russell's](#) (YPB&R) *2006 Portrait of Affluent Travelers* report. YPB&R reports that spa activity is increasing in popularity, and is one of the primary purposes of vacation for a growing number of travelers.

- This trend appears to be a direct result of the growing level of stress in contemporary life, and corresponding desire to be pampered.
- An estimated three-quarters of all adults now state that they are actively seeking ways of reducing stress.
- "Massage" (65%) was the most popular spa treatment activity affluent leisure travelers are interested in, followed by pedicure (45%); facial (45%); and manicure (40%).

*Affluent travelers are defined as those with an annual household income over \$150,000, or the top 7% of all households defined by annual income

YPB&R: 2006 Portrait of Affluent Travelers Survey: Activities Extremely/Very Interested In

Extremely/Very Interested In...	Percent
Massage	65%
Pedicure	45%
Facial	45%
Manicure	40%
Hiking/outdoor adventure	38%
Exercise/fitness classes	37%
Yoga and mind/body/spirit programs	29%
Body scrub	29%
Health/wellness classes	27%
Spa cuisine	25%

Source: YPB&R Portrait of Affluent Travelers

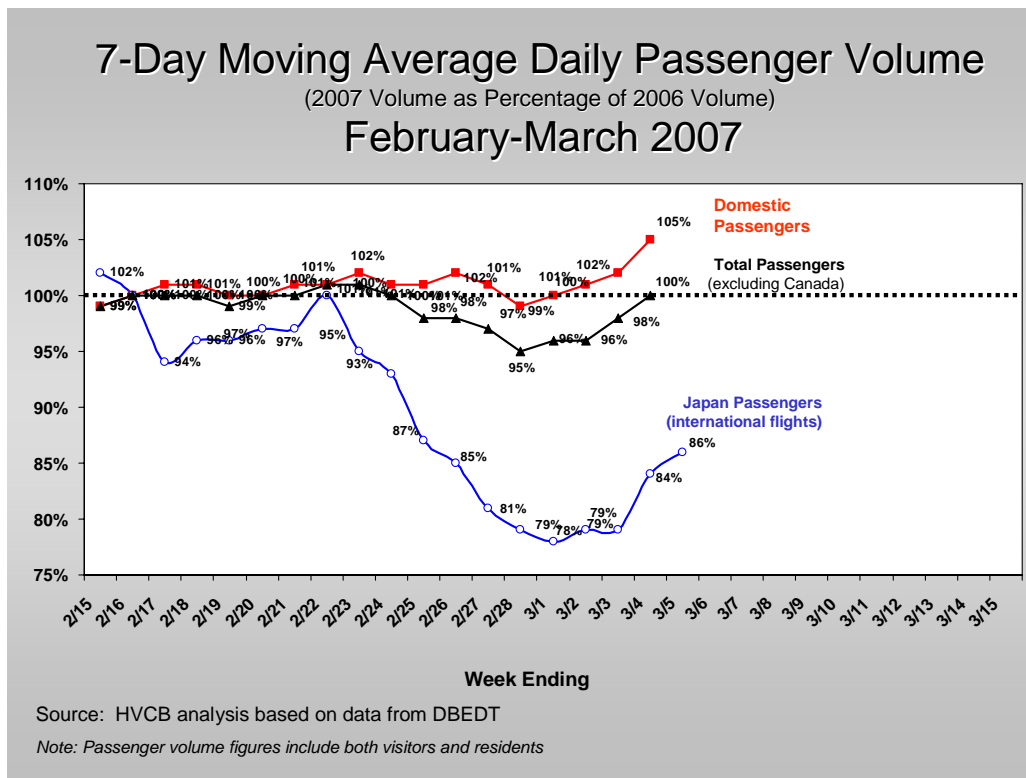
2. HAWAII

CONSUMER TRAVEL BEHAVIORS

Domestic Passenger Volume to Hawai'i up Five 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 was five points above prior-year levels for the seven-day period ending March 5, 2006. Total domestic and international (excluding Canada) passenger volume ended the period on par with prior-year levels, while nonstop passenger volume from Japan to Hawai'i was down 14 points for the week.

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



3. NATIONAL / INTERNATIONAL

CONSUMER TRAVEL BEHAVIORS

Sixty Percent of U.S. Leisure Travelers Interested in Culinary Travel, Study Says

According to a survey commissioned by the Travel Industry Association (conducted by Edge Research), 60 percent of U.S. leisure travelers are interested in culinary tourism, or travel motivated by interest in food experiences. The study shows that 17 percent of all leisure travelers actually engaged in "culinary tourism" (those who traveled to learn about or enjoy unique and memorable eating and drinking experiences). TIA's study indicates that these cuisine travelers are younger, more affluent, and better educated than non-culinary travelers. Culinary travelers not only dine out, but they also participate in activities like cooking classes, visiting farmers' markets, attending food festivals, and shopping for gourmet food products.

■ CURRENT INDUSTRY DEVELOPMENTS

➤ National Consumer Confidence Hits Five-Year High in February

The [National Consumer Confidence](#) Index hit a five-and-a-half-year high in February, reaching 112.5 (1985=100), up 2.3 points from the January reading. The "Present Situation" index rose to 139.0 (from 133.9 in January), while the "Expectations" index inched up 0.4 point to 94.8 during the month (from 94.4). Conference Board officials state that the slight increase was attributed to a favorable job market outlook, and that the Index suggests a moderate improvement in the pace of growth in early 2007.

➤ International Travel to the U.S. Projected to Reach Record

International travel to the United States will break the record high in arrivals set in 2000, according to a statement by [U.S. Department of Commerce](#) secretary, Carlos Gutierrez. According to the forecast, the U.S. will host four percent more international travelers this year over 2006 figures (51.1 million international travelers). In addition, the Commerce Department (Office of Travel and Tourism Industries) projects that international arrivals will grow 21 percent over the next five years, reaching 61.6 million by 2011.

➤ January International Air Passenger Demand Up 6.1 Percent Worldwide

International air passenger traffic for January was up 6.1 percent compared to the same month last year, according to preliminary [International Air Transport Association](#) (IATA) traffic figures. Average international passenger load factors were 74.9 percent, representing two years of consecutive monthly increases year-over-year.

- Passenger growth stabilized in North America (+6.6%); Europe (+5.5%); and the Asia-Pacific (+5.0%).
- IATA represents 250 airlines comprising 94 percent of international scheduled air traffic. Statistics cover international scheduled air traffic – domestic traffic is not included.

REGION	RPK* Growth (2007 over 2006)
Africa	8.1%
Asia/Pacific	5.0%
Europe	5.5%
Latin America	-8.7%
Middle East	19.8%
North America	6.6%
TOTAL INDUSTRY GROWTH	6.1%

(p) = provisional figures
* Revenue Passenger Kilometres (measurement of actual passenger traffic)
Source: International Air Transport Association

➤ ANA, JAL to Reduce Fuel Surcharges This Spring

All Nippon Airways (ANA) and Japan Airlines (JAL) both announced that they plan to reduce fuel surcharges on international flights this April, according to a report in *Travel Journal International*. Beginning April 1, 2007, the proposed change in fuel surcharge is as follows:

- **Hawai'i**, Thailand, Malaysia, Singapore, Indonesia, and India: from ¥8,900 (approximately \$73) to ¥8,700 (\$71)
- North America, Europe, Middle East and Oceania: ¥13,000 (\$107) to ¥12,000 (\$99)
- Korea: ¥1,800 (\$15) to ¥1,700 (\$14)
- China: ¥4,300 (\$35) to ¥4,100 (\$34)
- Taiwan, Philippines, Guam, and Vietnam: ¥5,400 (\$44) to ¥5,200 (\$43)
- Brazil: ¥16,500 (\$136) to ¥15,500 (\$128)

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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