

"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**

Contact: **Darlene Morikawa**  
dmorikawa@hvcb.org  
808.924.0259

## Inside this issue...

### 1. FEATURE

- ➔ eMarketer: U.S. Online Travel Sales to Grow 17 Percent Per Year Through 2010

### 2. HAWAII

#### Consumer Travel Behaviors

- ➔ Domestic Passenger Volume to Hawai'i up 10 Points for the Week

### 3. NATIONAL / INTERNATIONAL

#### Consumer Travel Behaviors

- ➔ YPB&R: Affluent Travelers Consider Themselves "Smart Shoppers"
- ➔ JTB Survey: Japanese Baby Boomers Expected to Commemorate Retirement By Traveling

#### Current Industry Developments

- ➔ Women Comprise 52 Percent of All Adventure Travelers According to Benchmark Study
- ➔ CheapTickets.com Survey: "Volunteer Vacations" Growing in Popularity

### 1. FEATURE

#### ➔ eMarketer: U.S. Online Travel Sales to Grow 17 Percent Per Year Through 2010

Online consumer travel sales in the U.S., which reached \$79 billion in 2006, is estimated to grow at an annual rate of 17 percent to reach \$146 billion in 2010, according to [eMarketer](#). However, the online travel sales growth forecast falls short of the 28 percent annual growth experienced from 2002 to 2006.

With this respectable, but slower growth, competition between online travel agencies and suppliers will become even more fierce. According to Jeffrey Grau, Senior Analyst for eMarketer, "The travel industry is undergoing a revolution that is redefining the rules of engagement between travel firms and consumers." He expects that new online travel business models can easily enter the market, due to the low number of industry entry barriers. Mr. Grau also points out that travel social networking sites are growing in popularity, and will have an increasing influence on consumer travel decisions.

**U.S. Online Leisure/Unmanaged Business Travel Metrics  
2006 & 2010**

	2006	2010	Compound Annual Growth Rate 2006-2010
Online travel sales (billions)	\$ 78.8	\$ 145.8	16.6%
Households that book travel online (millions)	37.1	51.1	8.3%
Average annual online travel spending per household that books travel online	\$ 2,122	\$ 2,854	7.7%

Source: eMarketer, March 2007

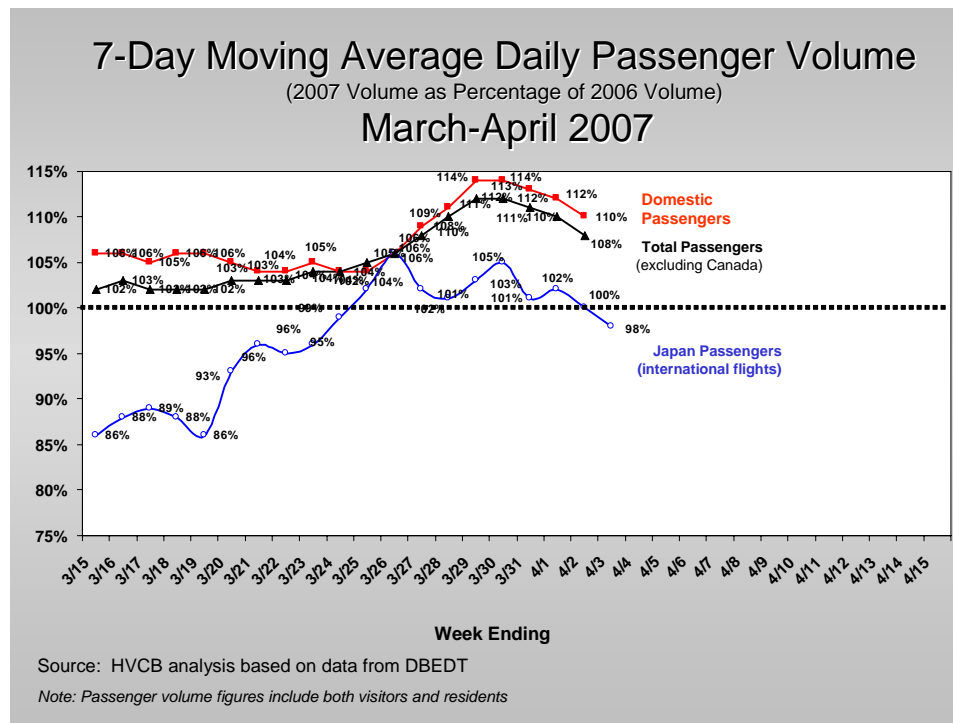
## 2. HAWAI'I

### ■ CONSUMER TRAVEL BEHAVIORS

#### ➤ Domestic Passenger Volume to Hawai'i up 10 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 10 points above prior-year levels for the seven-day period ending April 1, 2007. Total domestic and international (excluding Canada) passenger volume ended the period up eight points, while nonstop passenger volume from Japan to Hawai'i was down two points versus prior-year levels 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

#### ➤ YPB&R: Affluent Travelers Consider Themselves “Smart Shoppers”

Results from [Yesawich, Pepperdine, Brown & Russell's](#) (YPB&R) *2006 Portrait of Affluent Travelers* reveal that most affluent travelers\* consider themselves to be price sensitive, with 72 percent of survey respondents stating that they “always look for the best price when buying things.” These “smart shoppers” also prefer to buy brands with a reputation for quality (81%), and “always try to avoid flaunting what [they] have” (73%). Other results from the profile study include:

- 68% state that “enriching experiences are more important than a luxurious lifestyle”
- Eight out of 10 have Internet access at home
- Six out of 10 read a daily newspaper (versus just 4 out of 10 in the general population)

\*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

## ➤ JTB Survey: Japanese Baby Boomers Expected to Commemorate Retirement By Traveling

According to a recent poll conducted by the Japan Travel Bureau (JTB Corp), over 50 percent of Baby Boomers of retirement age (born between 1946-1950) took a trip -- or are considering/planning a trip -- to commemorate their retirement (*Travel Journal International*). Only 22.4 percent stated that they did not, or do not plan to travel after retiring. An overwhelming majority (93.8%) said they plan to travel with their spouse. Excluding domestic destinations, the top overseas travel destinations among Baby Boomers include:

- Europe (30.8%)
- Hawai'i (12.5%)
- Australia-New Zealand (10.6%)
- Southeast Asia (5.2%)
- North America (4.5%)
- Mainland China (3.4%)

## ■ CURRENT INDUSTRY DEVELOPMENTS

### ➤ Women Comprise 52 Percent of All Adventure Travelers According to Benchmark Study

According to the [Adventure Travel Trade Association's](#) first annual *Adventure Travel Industry Survey, Practices and Trends\* 2006*, women made up a slight majority of worldwide adventure travelers. The study, which is expected to serve as the standard in reporting on the state of the adventure travel industry, also indicates that the highest participating age group is between 41-60 years of age. Other results from the study include:

- Highest adventure travel consumer regional interest is South America
- "Search engine optimization" ranked as the top ("extremely effective") booking source, followed by word-of-mouth and repeat clients
- 35% of businesses surveyed do not allow customers to book online
- 46% of businesses offer sustainability programs for customers

*\*Results based on data from 200+ companies representing 35 countries and 3.6 million+ customer-booked visitor days*

### ➤ CheapTickets.com Survey: "Volunteer Vacations" Growing in Popularity

A recent online poll conducted by [CheapTickets.com](#) indicates that 55% of U.S. respondents would consider taking a day or two out of an already planned vacation to volunteer in an area near where they are vacationing. However, the poll also shows that only five percent have ever participated in a volunteer vacation even though nearly half (48%) have heard of the concept. Other results from the online panel include:

- 50% of respondents would consider taking a vacation for the sole purpose of volunteering
- 68% of travelers would likely use a travel website to learn more about volunteer vacations

*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:*

Darlene Morikawa ✦ [dmorikawa@hvcb.org](mailto:dmorikawa@hvcb.org) ✦ tel. 808.924.0259