

"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

- American Travelers Continue to be Very Interested in Visiting Hawai'i This Year

### 2. HAWAII'

#### Consumer Travel Behaviors

- Domestic Passenger Volume to Hawai'i Up Two Points for the Week
- Domestic Arrivals to Hawai'i Set First Quarter Record

### 3. NATIONAL / INTERNATIONAL

#### Consumer Travel Behaviors

- YPB&R: 35 Percent of Active Business Travelers Plan to Travel More This Year
- Japanese Overseas Travel Records Third-Highest March Count

#### Current Industry Developments

- National Consumer Confidence Decreases in April
- Travel Price Index Up 2.8 Percent in March

### 1. FEATURE

#### ➤ American Travelers Continue to be Very Interested in Visiting Hawai'i This Year

A survey conducted by Yesawich, Pepperdine, Brown and Russell (reported by [The Chicago Tribune](#)) reveals that "Hawaiian Neighbor Islands" and "Honolulu, Hawai'i" continue to be hot vacation spots, ranking one and three, respectively, among the top domestic destinations American travelers are most interested in visiting this year. Preliminary results from the *2007 National Leisure Travel Monitor* show that 68 percent of all respondents are extremely or very interested in visiting the Neighbor Islands in the next two years, while Honolulu garnered 63 percent. National parks (67%) ranked as the second most desired destination, while the Florida Keys (51%) ranked fourth. San Diego, San Francisco, and Orlando (each with 43%), tied for the fifth most desired destinations. Other insights from the study include:

- Family travel will continue to grow faster than all other types of leisure travel.
- Only 23 percent of Americans take an "extended vacation," defined as a trip of five or more consecutive days.
- 48 percent of Americans fly to at least one vacation destination
  - 33 percent of travelers choose a low-fare carrier
  - 23 percent use a major airline
  - 44 percent have no preference
- 66 percent use the internet to plan their trip, while 23 percent rely on a combination of the internet and a travel agent.
- 6 of 10 leisure travelers now make a reservation online, up 6 percent from last year

Survey results were based on a national representative sample of over 1,800 U.S. adults, conducted online in January and February 2007.

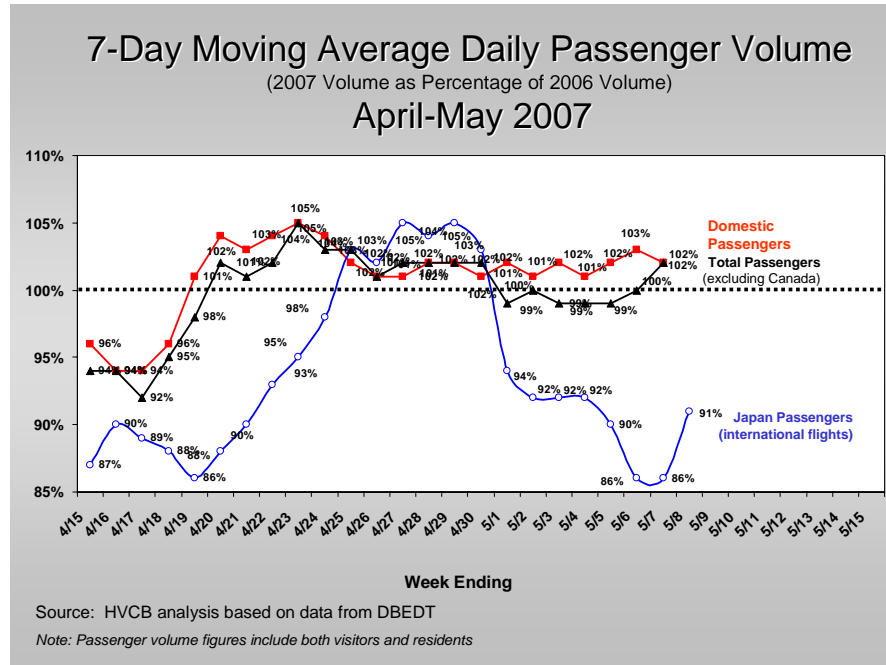
## 2. HAWAII

### CONSUMER TRAVEL BEHAVIORS

#### Domestic Passenger Volume to Hawai'i Up Two 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 up two points over prior-year levels for the seven-day period ending May 8, 2007. Total domestic and international (excluding Canada) passenger volume ended the period up two points, while nonstop passenger volume from Japan to Hawai'i was down nine points for the week versus prior-year levels.

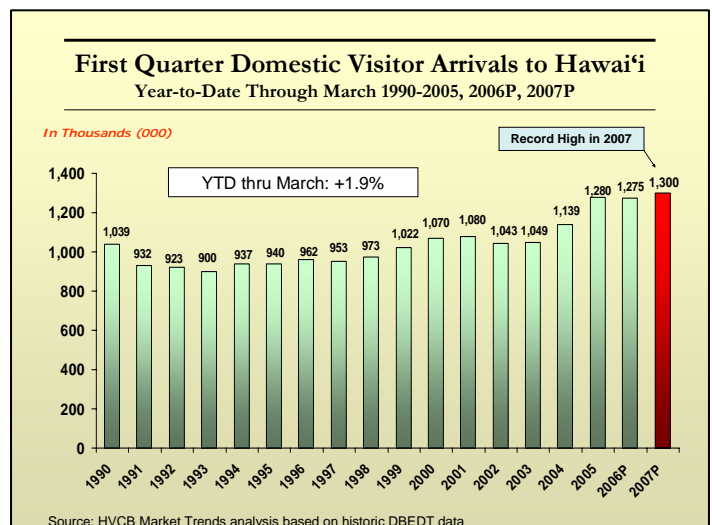
For the most recent Seven Day Moving Average chart, visit HVCB's Market Trends Online: <http://www.hvcb.org/trends>



#### Domestic Arrivals to Hawai'i Set First Quarter Record

Domestic visitor arrivals to Hawai'i set another first quarter record high, according to preliminary figures released by the state Department of Business, Economic Development and Tourism.

- Visitors arriving aboard domestic flights to Hawai'i totaled an all-time first quarter high of 1.3 million, a 1.9 percent increase over the same quarter last year.
  - Domestic average length of stay, however, decreased 1.8 percent (to 10.17 days), dampening domestic visitor days, which ended the quarter up nominally (+0.1 percent) over first quarter 2006 figures.
- Arrivals from the U.S. West, the largest source market of visitors to Hawai'i, increased 7.5 percent for the first three months of 2007, while U.S. East arrivals decreased 6.0 percent versus the same quarter last year. Canadian arrivals declined 0.8 percent by the end of the quarter.



- Total U.S. visitor spending in Hawai'i reached a record high \$2.01 billion in the first quarter, an increase of 2.3 percent over prior-year expenditures. Growth in spending from the U.S. West market (+8.8%) offset a slight decrease in total spending by U.S. East (-3.8%) visitors.
- International air arrivals declined 8.4 percent (to 482,647) compared to first quarter 2006 figures.
- Total arrivals to the state were down 1.1 percent (to 1,782,579) compared to prior-year levels.

### 3. NATIONAL / INTERNATIONAL

#### ■ CONSUMER TRAVEL BEHAVIORS

##### ☞ YPB&R: 35 Percent of Active Business Travelers Plan to Travel More This Year

Some 35 percent of active business travelers indicated that they plan to take more business trips this year versus 27 percent who said they plan to take fewer trips, according to Yesawich, Pepperdine, Brown and Russell's (YBP&R) *2007 National Business Travel Monitor*. However, only one-third of business travelers said that they plan to extend their business trip to include a leisure segment, compared to 60 percent who planned to do so in 2000. Other results from the survey show that some aspects of a business trip are viewed as burdensome by some:

- 48% of business travelers report they do not get enough sleep on their business trips
- 43% feel the new airport security measures are a big hassle
- 27% do not sleep well on business trips
- 26% eat too much on business trips
- 19% get lonely on business trips

##### ☞ Japanese Overseas Travel Records Third-Highest March Count

The number of Japanese overseas travelers in March reached nearly 1.57 million, registering the third-highest ever count for the month, behind 2001 (1.61 million), and 2006 (1.58 million), according to the Japan National Tourist Organization (reported by *Travel Journal International*). JNTO states that March is traditionally a strong month with student graduation travel as well as the lead up to the Golden Week and summer travel seasons. Year-to-date, Japanese overseas travel is up 1.1 percent (4.67 million) from prior year levels.

#### ■ CURRENT INDUSTRY DEVELOPMENTS

##### ☞ National Consumer Confidence Decreases in April

Following a sharp decline in March, the [National Consumer Confidence](#) Index fell again in April – down 4.2 points from the March reading – 104.0 (1985=100). The "Present Situation" index fell to 131.3 (from 138.5 in March), while the "Expectations" index declined 2.1 points to 85.8 during the month (from 87.9). Conference Board officials state that April's decline can be attributed to a combination of weakening expectations and a less favorable assessment of present-day conditions.

##### ☞ Travel Price Index Up 2.8 Percent in March

The Travel Industry Association of America's (TIA) [Travel Price Index](#) (TPI) increased 2.8 percent in March 2007, compared to the same month last year. Airfares increased 1.8 percent compared to March 2006 levels, and lodging prices were up 1.1 percent. Motor fuel prices experienced a 7.2 percent increase during the month versus prior year levels. The TPI equaled the nation's overall Consumer Price Index (also +2.8%) in March. The TPI is a monthly indicator of the price change in travel goods and services available to the U.S. consumer.

*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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