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## HVCB Tourism Industry Update

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"HVCB Tourism Industry Update" is a weekly briefing of travel news and developments affecting Hawai'i's visitor industry, compiled by the HVCB Market Trends Department.

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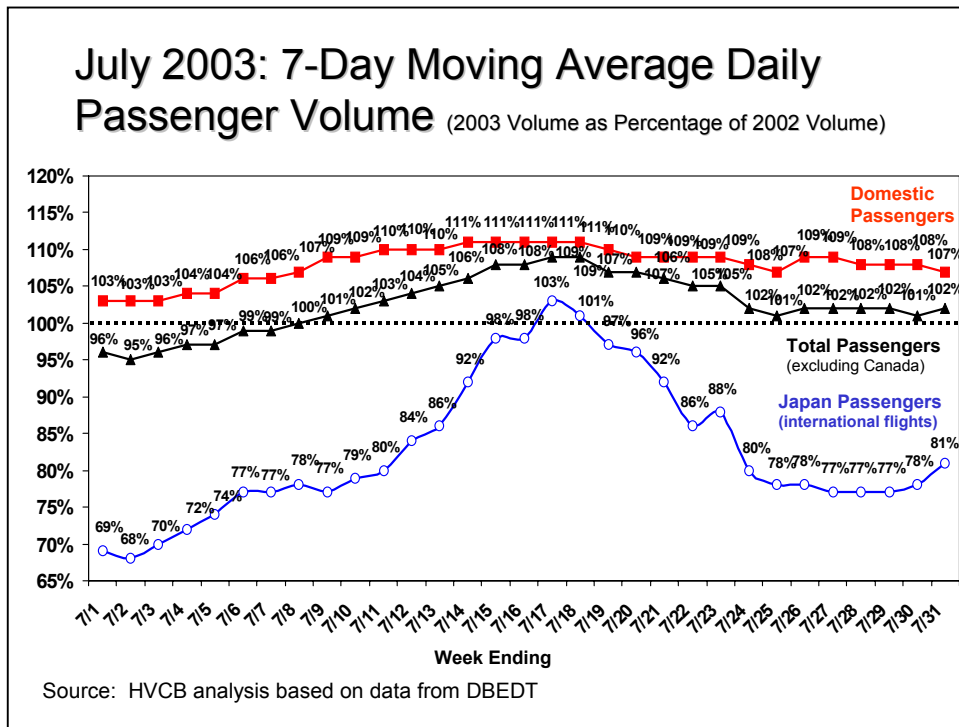
### ***Feature***

- **Governor's Ohana Mission to Japan Produces Exceptional Results for Hawai'i**
  - The Governor's Ohana mission to Japan this year produced 136 million impressions worth over \$759,000 in positive media exposure for Hawai'i and its visitor industry. According to final estimates by public relations firm Weber Shandwick - Japan for HVCB:
    - Print media exposure during the mission produced nearly 97.1 million impressions, worth an estimated \$306,558 in exposure for the state of Hawai'i.
    - Television exposure during the mission generated nearly 13.4 million impressions, valued at approximately \$390,795.
    - Exclusive interviews with the governor and other tourism representatives produced 25.6 million impressions, worth \$62,042.
  - Since the first Governor's Ohana Mission in 1997, led by the Governor and Island Mayors and implemented by HVCB, the program has produced valuable media exposure for the state of Hawai'i.

## Hawai'i

### CONSUMER TRAVEL BEHAVIORS

- Total Passenger Volume Averages 102 Percent Of 2002 Levels** – The average number of total nonstop passengers on domestic and international (excluding Canada) flights arriving in Hawai'i was on par with 2002 levels, at 101 percent of last year's levels for the seven-day period ending July 31, 2003. According to statistics published by the state [Department of Business, Economic Development and Tourism](#), total nonstop domestic arrivals averaged 107 percent of last year's number. Nonstop passenger arrivals from Japan remained below 2002 levels, ending the seven-day period at 81 percent compared to last year.



- Hawai'i Hotel Revenues Climb, Occupancy Gains in First Half of 2003** - Through the first half of 2003, Hawai'i hotels have earned an estimated \$1.24 billion in room revenue, a 3.1 percent increase over the same period in 2002, according to Hospitality Advisors LLC. In addition, statewide hotel occupancy averaged 71.0 percent during the first six months in 2003 (up from 69.7% in 2002), while average daily room rates also increased 2.4 percent to \$144.70. Occupancy and room rate gains contributed to the boost in revenue per available room (RevPAR), to \$102.74 during the first half of the year, up 4.4 percent from the same period in 2002.

### HVCB Bids Warm Aloha to Tony Vericella

*The Hawai'i Visitors and Convention Bureau bids a warm farewell and aloha to its former President & CEO, Tony Vericella. Since joining HVCB in October 1997, Tony piloted the organization through some of the visitor industry's most volatile economic and political environments in the state's history.*

*From the economic crisis in Asia, to Y2K fears, to dengue fever, to 9/11 and the threat of terrorism, to the war in Iraq, and through the SARS epidemic, Hawai'i continued to welcome visitors with open arms, while remaining one of the world's premier destinations. Under Mr. Vericella's leadership, HVCB continued its role in keeping Hawai'i at the forefront of global travel and tourism through these turbulent times.*

**Aloha & Mahalo, Tony!**

- **JATA: Japanese Travel Agencies Report Strong Bookings for Hawai'i** - A quarterly survey by the Japan Association of Travel Agencies (JATA) of the five largest Japanese travel agencies shows that travel bookings for Hawai'i in August and September are outperforming most other destinations, according to *Travel Journal International*. While tentative July bookings for Hawai'i were expected to be down 29.3 percent, the travel agencies surveyed are expecting overall, worldwide bookings to be down 52.8 percent. In September, bookings for Hawai'i (down 34.9% compared to the global average of -52.1%) are expected to show a faster rebound than any other worldwide destination from this market.
- **CURRENT INDUSTRY DEVELOPMENTS**
  - **ATA Airlines to Add Additional Daily San Francisco-Honolulu Service** - [ATA Airlines](#) has announced a significant increase in services at San Francisco International Airport (SFO), including an additional daily nonstop flight to Honolulu. The new service, which is scheduled to begin on November 20, 2003, will also provide one-stop service to the Islands for travelers from the carrier's Indianapolis hub
  - **HVCB Brings *American Idol* to Hawai'i** - The popular, Emmy-nominated FOX television series, *American Idol*, has named Honolulu as an audition city for its upcoming third season. [HVCB](#) worked with the shows producers to bring *American Idol* to Hawai'i. The show's Supervising Producer, David Goffin, stated, "we are grateful to HVCB for their persistence, enthusiasm and cooperation...they helped us see the value of being in Hawai'i and they've really made it happen." The Honolulu segment of the audition show will be taped September 28-October 5, and broadcast in prime time on FOX in late January or early February 2004.

## ***National and International***

- **CONSUMER TRAVEL BEHAVIORS**
  - **U.S. Consumer Confidence Index Declines in July** - After improving moderately in May 2003, the U.S. consumer confidence index was flat in June at 83.5 (1985=100), [according to the Conference Board](#). The "Present Situation" index fell to 61.9 (from 64.2), possibly because of rising unemployment. The "Expectations" index also fell, from 96.4 in June to 86.4 in July, likely due to a bleak outlook on labor market conditions.
  - **Japan: Unemployment Rate Falls, Household Spending Rises** - Japan's Home Ministry reported that unemployment in Japan fell to 5.3 percent in June from the month earlier (5.4%), according to *Pacific Business News*. An increase in health care jobs, mostly taken by women, contributed to the drop in unemployment. The Ministry also reports that household spending in June ran four-tenths of a percent higher than a year ago, the first increase in household spending in nine months.
  - **Family Travel Survey: Children Take Pleasure in Simple Things** - A recent Hilton Hotels & Resorts survey of parents and children shows that during family travel, children look to reconnect with family members and meeting other children, according to *Business Wire*. Fifty-eight percent (58%) of children prefer doing simple things during family travel - like playing with other kids and riding elevators. Sixty percent (60%) of the parents surveyed think that their children want to explore new adventures during family travel, while only 39 percent of the children shared the same feeling.

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*We welcome any suggestions or comments that you may have that will help us improve the quality of the weekly "HVCB Tourism Industry Update" for our readers. Please feel free to share your ideas with Gail Chew via email at: [gchew@hvcb.org](mailto:gchew@hvcb.org)*