

California Travel Research Bulletin

August 2008



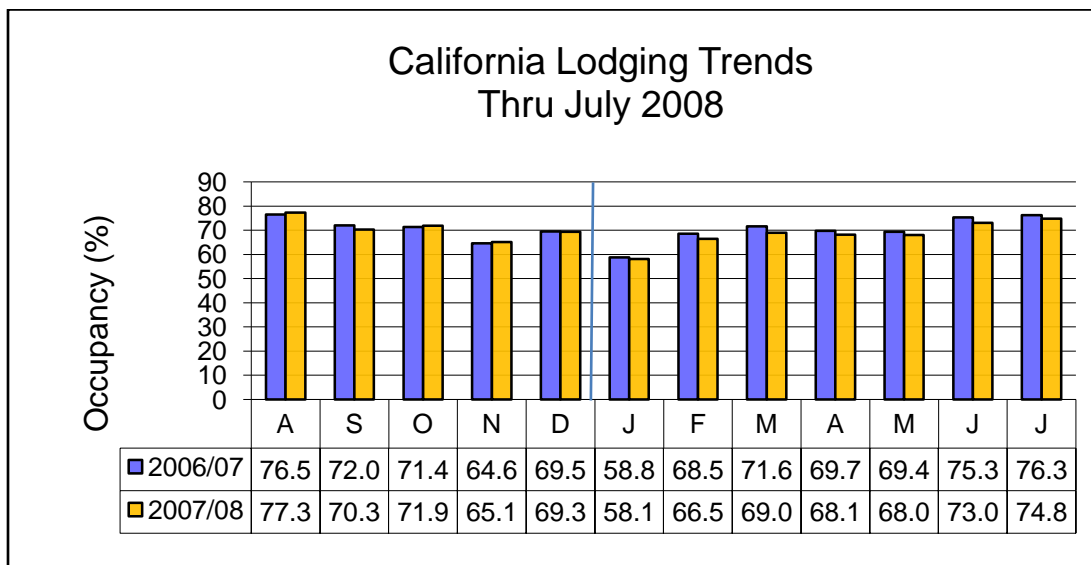
Hello California! For my first California Research Bulletin I thought I'd take a few lines to introduce myself. My name is Dan Mishell and I started working as director of research for the California Travel & Tourism Commission on August 1. My last position was at LA INC. Los Angeles Convention & Visitors Bureau, where I worked for over 10 years. I look forward to reporting tourism industry trends and statistics to you each month in this report. I also invite you to contact me at any time with questions about state-level data or thoughts on national news or trends in your locality. Now on to the news...

2007 Country Profiles Available on Visitcalifornia.com Web Site- New profiles of visitors and trip characteristics for 25 countries are now available on the CTTC Web site. Included in each profile are reporting of 2007 visitor volumes and total visitor spending in California for each market, historical trends in visitation, monthly point-of-entry arrival data for California airports, and detailed information about trip planning, travel behaviors, and visitor demographics. Great summaries that are easy to read and easy to share...look toward the bottom of the page at: [Link to page at visitcalifornia.com](http://www.visitcalifornia.com).

California Hotel Occupancy and Room Rates (July 2008) – California statewide hotel occupancy measured 74.8% in July, down 1.9% from last year's mark of 76.3%. The near- 75% occupancy was the highest monthly rate in the 2008 calendar year and the highest rate since August, 2007, reflecting typical summer expansion in the lodging market. The San Francisco/San Mateo market continued to outperform the rest of the state with a July occupancy rate of 85.2%- up 2.5% from 2007- and the northern California market also had a strong month in occupancy with occupancy up 3.4% year over year.

California average room rates (ADR) registered at \$127.60 in July and continued to rise compared to 2007 but at a lower rate of growth (+2.5%), than we've seen year to date, +4.5%. San Diego and San Francisco/San Mateo had the highest ADRs in July at \$156.91 and \$156.16, with the lowest average rates measured in hotels in southern central California, \$76.27.

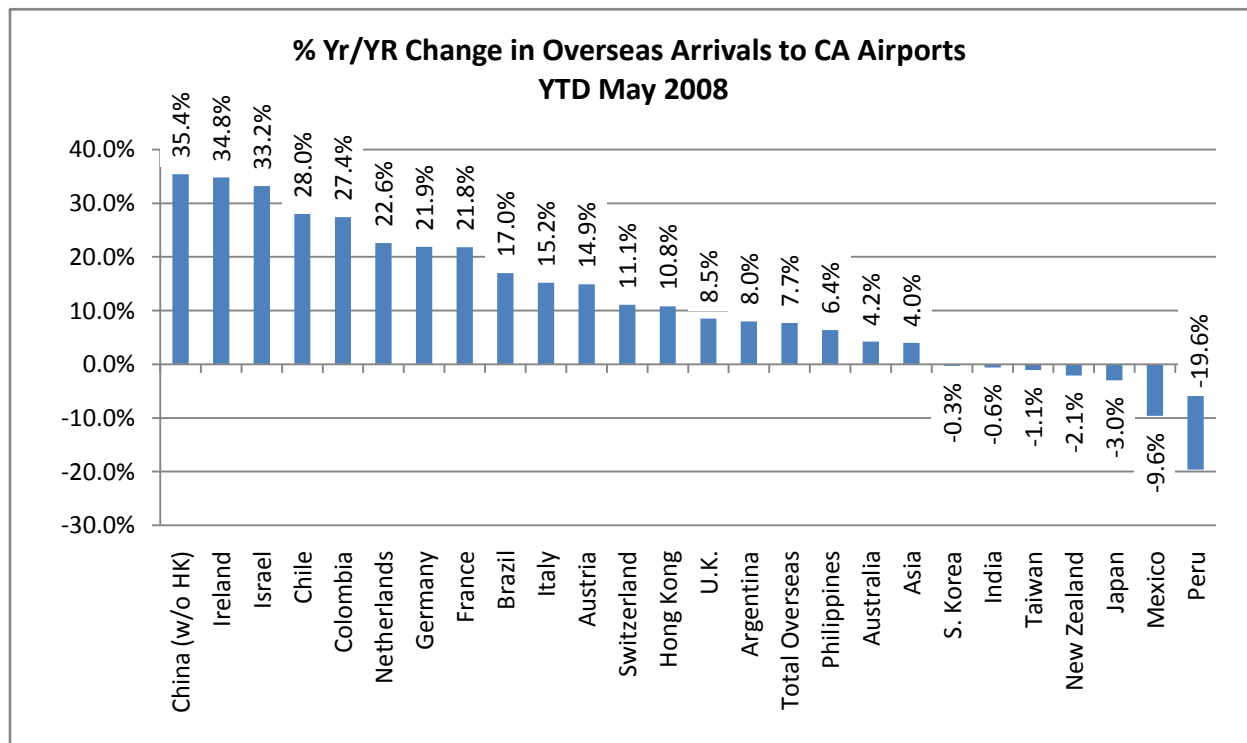
Full July and year-to-date lodging details are available for viewing at [Link to report at visitcalifornia.com](http://www.visitcalifornia.com).



Source: Smith Travel Research

50% of American travelers to take fewer auto trips in next six months- the good news is that 57% of Americans intend to travel by car in the next six months. The bad news is that 50% of these travelers say they will take fewer trips than they otherwise would if gas prices and the economy were not pinching pockets, according to the results of the August TNS Omnibus Topical Travel Insights survey. The August survey results are consistent with results of similar TNS surveys conducted in March, April, and July and suggest a further tightening in leisure travel around the country. Of note is that 80% of those cutting trips say they will cut at least two upcoming trips, and 39% say they will cut at least three upcoming trips. Other findings include 39% saying they will cut back on travel expenses, 26% saying they will cut back on miles driven, and 18% saying they will stay fewer days on their trips. The results vary by income level with travel by affluent travelers less affected than other's travel. Persons under 40, too, expect to take more trips than older travelers, but they also plan to reduce spending disproportionately more on those trips. [Link to report at visitcalifornia.com](http://www.visitcalifornia.com).

International Arrivals at California and US Ports of Entry (May 2008) – Arrivals from all overseas markets into California ports of entry were up 9.3 percent in May 2008 vs. May 2007, the largest year over year gain in 2008. Despite the large gain, overseas arrivals into mainland U.S. ports showed even greater growth, +15%, primarily driven by huge increases into east coast ports: New York +26%; Newark +23%; Orlando +18%. Year to date, arrivals into California ports are up 7.7%, led by increases from the Middle East (+20%), Europe (+16%), and South America (+11%). Arrivals from Asian markets (+4.0%) and Australia and New Zealand (+2.8%) are up as well but by lesser degree. While arrivals do not necessarily reflect actual visitation, the trends are usually indicative of trends in visitation. [Link to visitcalifornia.com](http://www.visitcalifornia.com).



Source: OTTI, CIC Research Inc., CTTC Research, July 2008

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