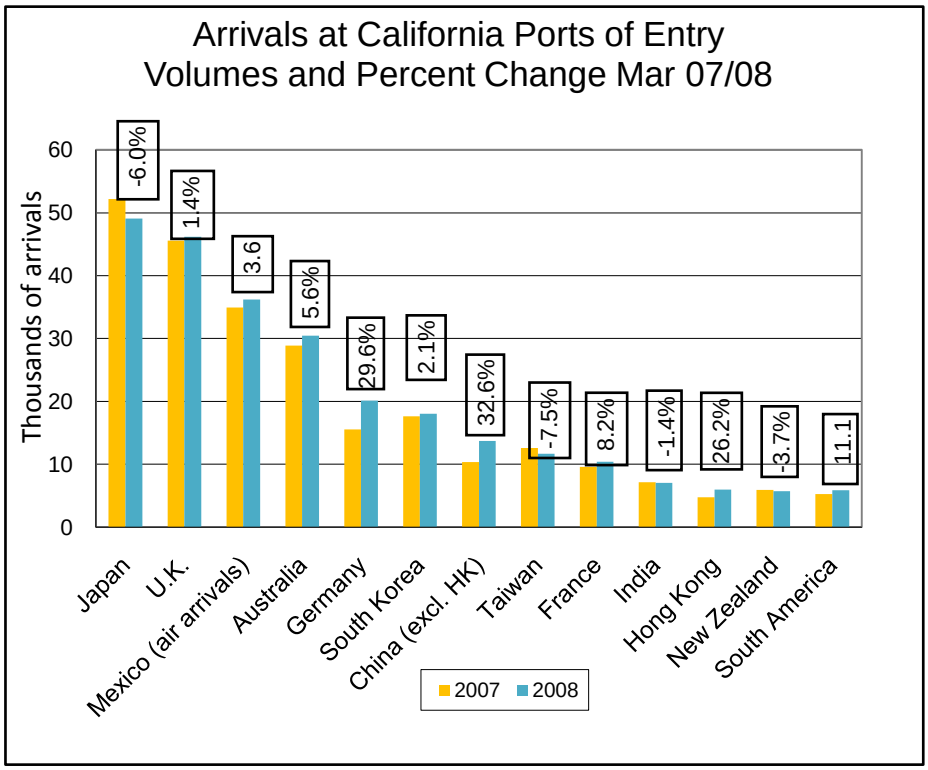
California Travel and Tourism Commission

California Travel Research Bulletin

June 2008

International Arrivals at California and US Ports of Entry (March 2008) – March 2008 arrivals at California ports of entry from all overseas markets were up 5.7 percent from March 2007. Japan dipped again, by 6 percent, after a positive February showing. China, Hong Kong, and Germany gains were especially strong, while arrivals from Taiwan were down 7.5 percent from last year. Arrivals do not necessarily reflect actual visitation. **Link to report at visitcalifornia.com.**



Source: OTTI, CIC Research Inc,, CTTC Research, June 2008

Travel and Tourism Research Association – We are pleased to be able to share with Bulletin subscribers two excellent presentations given at the June 15-17, 2008 TTRA Annual Conference.

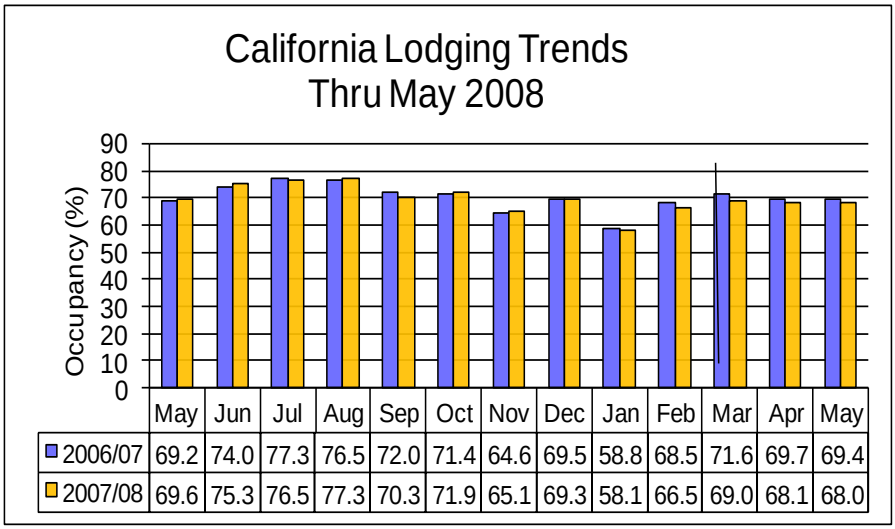
Impact of Gas Prices on Travel by Nandini Nadkarni, VP, Operations at D.K. Shifflet & Associates, Ltd.

- What people say they will do and what they actually do is not always the same.
- Some consumers are being impacted by decreases in disposable income due to increased energy costs.
- Expect to see more trade-offs in the vacation expense mix rather than vacation suspensions.
- Stay length and/or trade down in hotel segments may be influenced by rising gas prices combined with increases in other household expenses.
- Gas prices may create trade-out from the economy lodging segment – e.g. low income households.

The U.S. Economy and Its Ramifications on Tourism by James F. Petrick, Ph.D., Texas A&M, cites numerous reports to try to sum up national travel sentiment and patterns:

- Trip modification has begun – shorter and closer to home (still traveling)
- TIA's travel price index is up 7.5% from last year
- Memorial Day driving down .9%
- 16% will take fewer trips in '08
- RV sales (predicted) 14% decline in '08
- Summer vacations are predicted to be down 7%
- AAA predicts only a 1 to 1.5% decline in travel this summer.
- 49% expect to spend less $ this summer
- 52% will spend more vacation time at home
- Air travel ($ + hassles); down 2.1% in March

California Hotel Occupancy and Room Rates (May 2008) – California hotel occupancy in May was down 2.1 percent from last year; however, with rates up 2.9 percent, room revenues were up 2.5 percent statewide. Monterey/Salinas, San Francisco/San Mateo and San Diego led the state in ADR, at $169.54, $153.11 and $145.40. Central valley areas and California Rural North are bearing the brunt of occupancy and Rev PAR declines. **Link to report at visitcalifornia.com.**



	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
2006/07	69.2	74.0	77.3	76.5	72.0	71.4	64.6	69.5	58.8	68.5	71.6	69.7	69.4
2007/08	69.6	75.3	76.5	77.3	70.3	71.9	65.1	69.3	58.1	66.5	69.0	68.1	68.0

Source: Smith Travel Research, CA Lodging Industry Performance, June 2008.

TIA LAUNCHES NATIONAL ATTRACTIONS BAROMETER - TIA's National Council of Attractions encourages all eligible attraction-based members to participate in the recently launched National Attractions Barometer. Developed in partnership with The George Washington University's International Institute of Tourism Studies, the Barometer represents the nation's only online platform that allows attractions the ability to monitor U.S. attendance trends by type of attraction, state, geographic region, or nationwide. It's easy to use, completely confidential, and, best of all, free. Attraction types to be included:

- Amusement (theme, water, family entertainment centers)
- Aquariums/Zoos/Wildlife Parks
- Casinos (casino resorts, non-hotel casinos, tribal)
- Cultural and Entertainment (dinner theatres/shows, dinner trains, festivals/fairs, performing arts,wineries/breweries/distilleries, wedding chapels)
- Historic (battlefields/military parks, churches/cemeteries, heritage areas, historic districts/towns, houses/farms, landmarks/monuments and memorials)
- Museums (anthropology/natural history, art, children's, history, living museums, science/technology/planetaria, specialized)
- Natural/Scenic (gardens/arboreta/botanical, byways/canals/parkways, caves/grottos/caverns, nature centers, parks—national, state and private)
- Sightseeing (air/flightseeing, boat, city tours, observation towers/decks and aerial trams, scenic railroads)
- Retail (shopping centers/malls, outlets/factory stores)

To begin benefiting from this exciting new tool, attraction representatives should visit www.NationalAttractionsBarometer.org .

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