

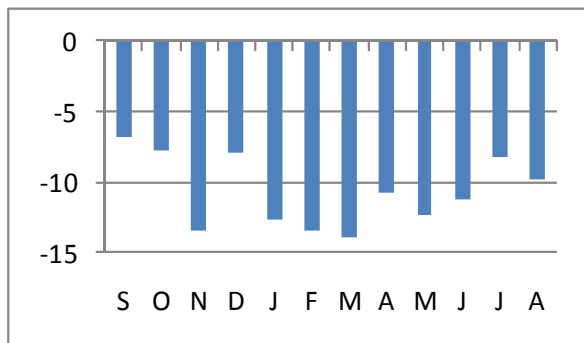


October 2009 California Travel and Tourism Commission Research Bulletin

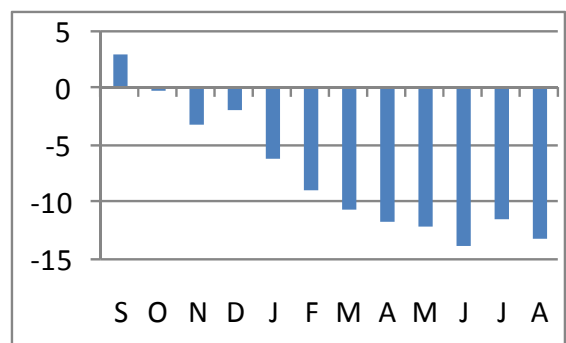
Sustainable Tourism – On October 1, CTTC hosted the first annual California Sustainable Tourism Summit at the Asilomar meeting facilities near Monterey. While related to eco-travel, cultural travel and geotourism, sustainable tourism is a more holistic term referring to travel that supports or sustains three things: the natural environment, social equitability and economic viability. The summit featured speakers from different segments of the tourism industry, who all talked about how they have implemented sustainable practices at their business facilities. It was produced as a result of growing recognition of and demand for responsible travel throughout the U.S. and the world. In July 2009 research by Ypartnership, 22% of U.S. respondents recognized the term “green travel” – up from 9% in 2007, and 57% recognized the term “carbon footprint” – up from 12%. And in research conducted by San Francisco State University in spring of this year, 83% of visitors to the California Welcome Center at Pier 39 in San Francisco stated that it is “imperative” for the travel industry to become more eco-friendly, with nearly two-thirds of visitors claiming to have made a personal commitment to undertake green practices in their own lives. Information on how to implement sustainable practices can be found in the [California Sustainable Tourism Handbook](#), and a list of resources and best practices is accessible at tourism.visitcalifornia.com/green.

California Lodging Report (click for full report) – California occupancy measured 67.9% in August, down 9.9% from last year. Year to date occupancy was down 11.5%. In August, room rates averaged \$112.41, off 13.2% from August 2008. Year to date, room rates are 11.2% lower than 2008. Early September data suggests similar rate declines than in August, but considerably smaller declines in occupancy.

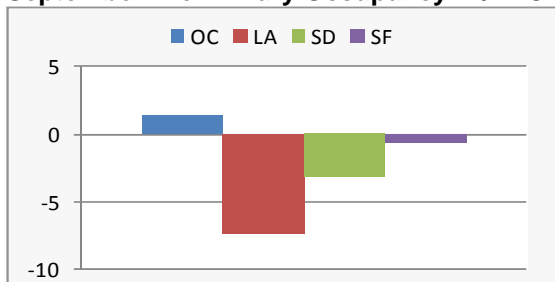
California Occupancy, Yr/Yr Chg.



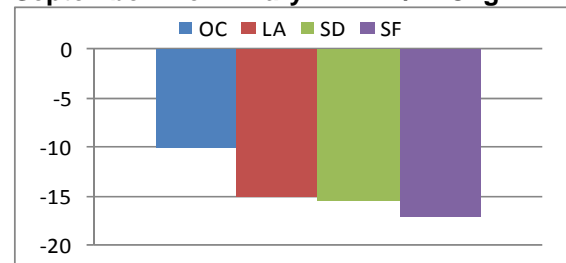
California Average Room Rates, Yr/Yr Chg.



September Preliminary Occupancy Yr/Yr Chg.

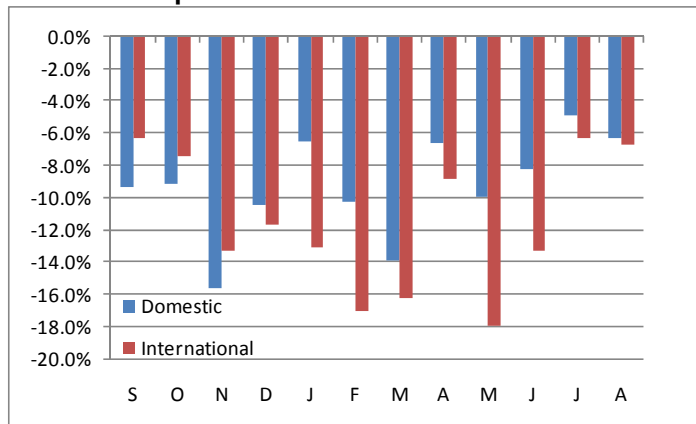


September Preliminary ADR Yr/Yr Chg.



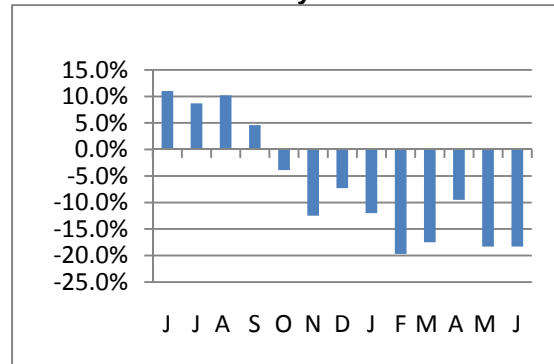
California Airport Passenger Traffic (click for full report) – Traffic at California airports declined 6.5% year over year in August, with domestic traffic off 6.3% and international off 6.7%. Overseas point-of-entry arrivals, a measure of foreign resident customs processing at California airports, were down 18% in June – and down 16% for the first six months of 2009 combined.

California Airport Traffic



Source: Individual airports, CTTC

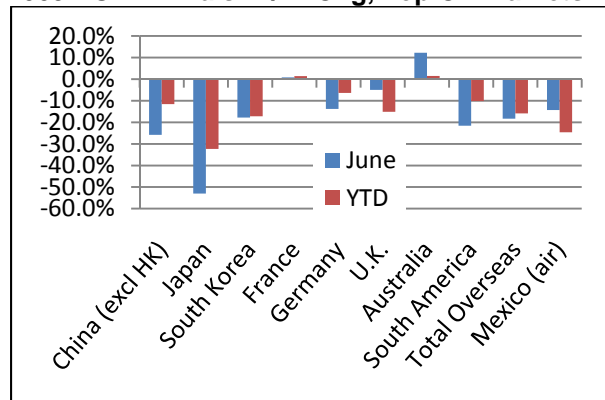
Overseas Point-of Entry Arrivals



Source: US Dept. of Commerce

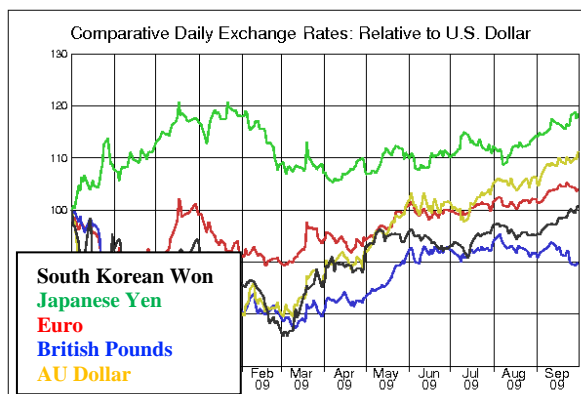
Overseas and Mexican Port of Entry Arrivals (click for full report) – In June, point-of-entry arrivals from all of California’s top overseas markets declined year over year with the exception of Australia (+12%), which has added service into LAX on V Australia and Delta, and France (+0.8%). The effects of the H1N1 outbreak continued to affect arrivals from China (-26%) and Japan (-53%). Currencies from most of California’s largest visitor origins gained in September vs. the U.S. dollar, though the British pound is down from a peak in early August.

2009 POE Arrivals Yr/Yr Chg, Top CA Markets



Source: US Dept. of Commerce

Currency Values, 12 Month Trend



Source: University of British Columbia

Outlook – Talk of “green shoots” and positive economic growth in the 3rd quarter is encouraging for travel, though the continued high rate of unemployment is reason to temper optimism. U.S. traveler intentions from August were “less bad” than earlier in the year, with 17% saying they would take fewer trips in the coming year – down from 28% in February. Economics are the main drivers for international demand, with hotel rates, airfares, and exchange rates topping the list of motivators for travel to the U.S. from California’s largest markets.

Detailed data reports are available at tourism.visitcalifornia.com/research.

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