



Travel Trade Barometer



INTERNATIONAL
TRADE
ADMINISTRATION



U.S. TRAVEL
ASSOCIATION

California - United Kingdom 2009 S3 R1

California UNITED KINGDOM TRAVEL TRADE BAROMETER

California Destination Report for: Second quarter 2009;
and projected third and fourth quarter 2009 bookings

September 2009

A Travel Market Insights program, conducted in partnership with the U.S. Travel Association and the U.S. Department of Commerce/Office of Travel and Tourism Industries (OTTI).



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California Highlights

- Second quarter 2009 bookings to California from the United Kingdom decreased 4 to 9 percent on average.
- Trade projected third quarter 2009 bookings to be lower on average, compared to third quarter 2008.
- Fourth quarter 2009 bookings were projected to be lower on average, compared to last year.

United Kingdom Travel Trade Barometer 2009 S3												
Change in Bookings	2nd Qtr 2009				3rd Qtr 2009 (P)				4th Qtr 2009 (P)			
	AVE	↑	NC	↓	AVE	↑	NC	↓	AVE	↑	NC	↓
U.S.	Down 4-9%	11%	19%	69%	Lower	13%	25%	63%	Lower	17%	17%	63%
California	Down 4-9%	15%	4%	58%	Lower	4%	13%	67%	Lower	13%	17%	63%

(P) = Projected Bookings

AVE = Average

↑ = Increased

AS = About the same

↓ = Decreased

NC = No Change



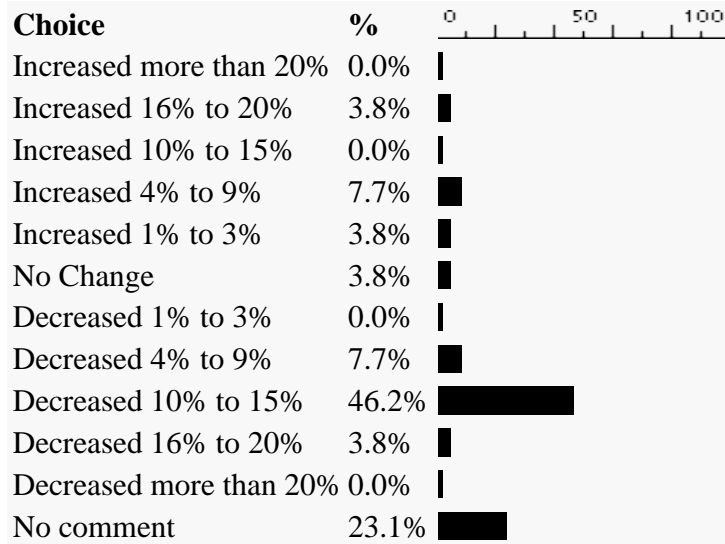
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California Second Quarter 2009 Bookings

- Bookings for California in second quarter 2009 contracted 4 to 9 percent, on average, compared to second quarter 2008.
- On the positive side, approximately 15% of the trade reported an increase in bookings. Only 4% reported bookings to be on par with last year. In contrast, a slight majority (58%) of trade reported a decrease in bookings. Most concerning, 46% of the trade reported bookings decreased more than 10 to 15 percent.
- By comparison, bookings to the U.S. were also reported to be down 4 to 9 percent. However, nearly seven in ten (69%) trade reported a decrease in bookings. Comparably, most major destinations included in the Barometer registered a decrease, other than one, and some registered a slightly slower rate of contraction on average compared to California.

California 2009 2nd Qtr Bookings





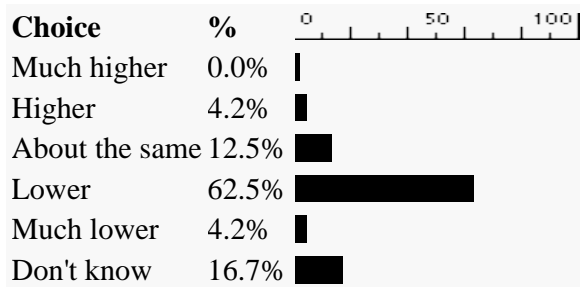
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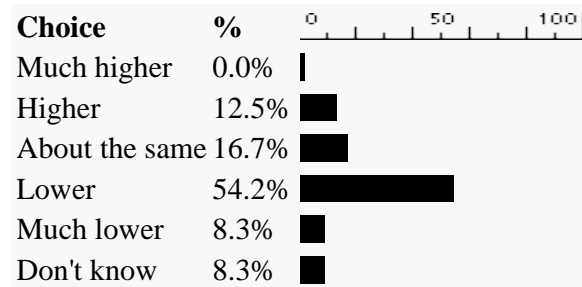
California Projected Third and Fourth Quarter 2009 Bookings

- Projected bookings to California for third quarter 2009 continued to decline. Only 4% of the trade projected bookings to be higher. Approximately 13% of the trade projected bookings to be on par with third quarter 2008. In contrast, the majority projected bookings to be lower (63%) and much lower (4%), compared to last year.
- California bookings were projected to continue to decline into the fourth quarter of 2009, on average. However, a small minority (13%) of trade projected bookings to be higher and approximately 17% of the trade projected bookings to be on par with 2008. In contrast, approximately six in ten (63%) respondents projected bookings to remain down in the fourth quarter, compared to last year.

Projected 3rd Qtr 2009 Bookings to California



Projected 4th Qtr 2009 Bookings to California





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“To what degree are the following factors likely to motivate or deter bookings to the United States in the next six months?”
(Rank by S3 2009)

UK Motivators and Deterrents for Travel to the United States	S1 2009				S2 2009				S3 2009			
	Average	Rank			Average	Rank			Average	Rank		
		Mot	Det	NI		Mot	Det	NI		Mot	Det	NI
Accommodation rates	3.8			NI	2.6	1			2.3	1		
Exchange rate to U.S. Dollar	5.5		6		3.1	3			2.9	2		
Airfare	3.5			NI	3.0	2			3.2	3		
Travel safety to the U.S.	3.3	1			3.7			NI	3.3	4		
Air capacity	3.8			NI	3.8			NI	3.3	5		
Environmental perception of the U.S. travel product	4.3			NI	4.0			NI	4.1			NI
Natural disasters in the U.S.	4.2			NI	4.3			NI	4.3			NI
Level of promotion by U.S. destinations and businesses	4.4			NI	3.5	4			4.4			NI
Global economy	6.3		1		6.5		1		6.1		1	
Level of promotion by other long-haul destinations	6.0		3		4.9		5		6.1		2	
Economy in the United Kingdom	6.3		2		6.0		2		5.8		3	
Visa processing time	5.3		9		4.4			NI	5.3		4	
Entry and exit requirements	5.5		7		5.3		4		5.3		5	
Requirement to implement ESTA	5.8		5		5.4		3		5.0		6	
Pandemic/epidemic; i.e. SARS, H1N1 Flu, etc.	NA				4.8		6		4.9		7	
Level of info. for consumer regarding entry requirements	5.4		8		4.5			NI	4.8		8	
Introduction of the Open Skies Agreement	3.4	2			NA				NA			
Requirement to collect 10 fingerprints	5.3		10		NA				NA			

Scale: 1 = strong motivator; 4 = no impact; 7 = strong deterrent

Mot = motivator; Det = deterrent; NI = no impact

NA = not available (discontinued or new)