

Summer Travel

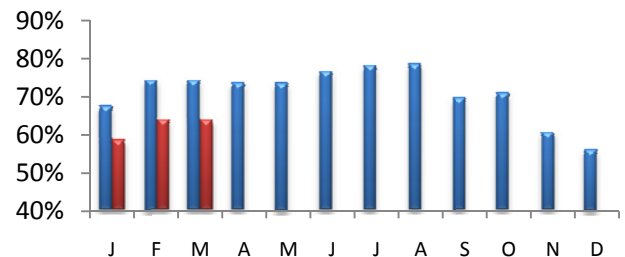
The April 2009 *travelhorizons*™ survey by the U.S. Travel Association and Ypartnership, a critical component of the summer travel forecast, shows that an estimated 54 percent of American households are planning to take at least one leisure trip this summer, compared to 50 percent at the same time last year. While Americans are still watching their travel budgets and other discretionary spending, more than half (51 percent) of these leisure travel planners expect to spend the same amount on their summer vacations this year. For the full story select this link: <http://www.tia.org/pressmedia/pressrec.asp?Item=968>

According to TNS Media, the first quarter of 2009 online hotel shopper volumes surged to an all-time high of 24.5 million monthly shoppers, outpacing the seasonally-strong third quarters of 2008 and 2007. In Q1 2009, aggregate hotel shopping bounced back growing a healthy 13% from the previous year. Emeka Ajene of TNS Media says, "If travel sellers put together the right combination of price and product, consumer demand will be there to snap it up."

Attracting travelers with promotions isn't an easy task. According to a TNS survey of likely promotions that attract travelers, income plays a part in the decision process. Income levels between \$30-\$75 look for lower cost deals while higher incomes, over \$75, chose "free upgrades" more often. Perhaps this is because they travel more and have a greater awareness of what upgrades can entail. Other "deals" that attract travelers are: Low flight costs, last minute cancels and all-inclusive packages.

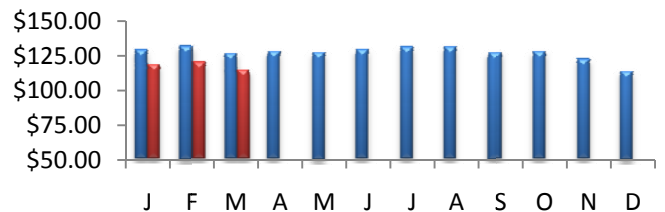
Countywide Hotel Occupancy

March's occupancy measured 64.0%, a decrease of -13.7% from last March's mark of 74.2%. The average occupancy for the top 25 markets was down -12.2%. Overall, US occupancy was also down for the month -11.6%.



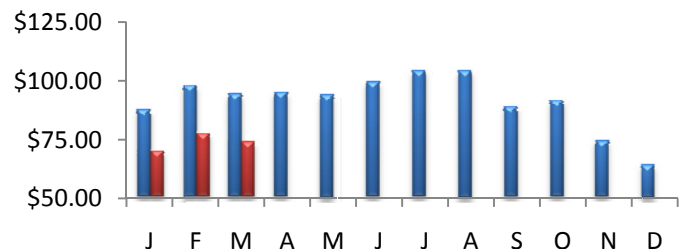
Average Daily Room Rate (ADR)

In March, county ADR went down by -9.3% over 2008 to reach \$115.51. The monthly change in room rates in the top 25 markets was -11.3%. US rates were down -9.6% for the month.



Revenue Per Available Room (RevPAR)

LA County RevPAR for the month of March was down -21.8% and finished the month at \$73.96. The RevPAR growth in the top 25 markets was down -22.2% for the month. The overall U.S RevPAR was down -20.0% for the month.



Legend:



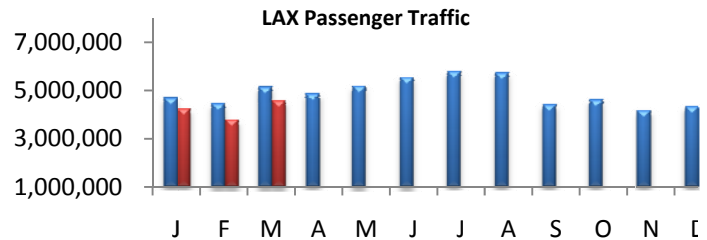
2008



2009

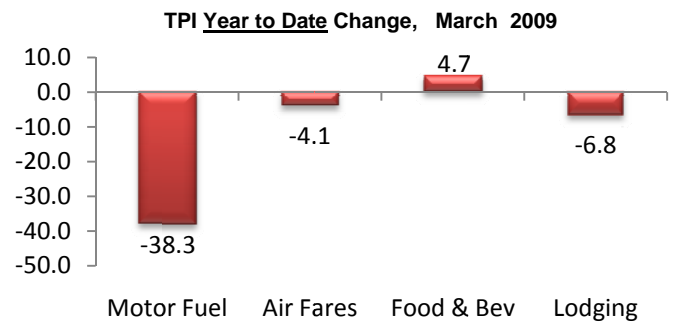
Airport Passenger Traffic

4.5 million Passengers passed through the gates of LAX in March, a decrease of -12.6% vs. last year. The domestic traffic at LAX dropped by -9.9%, while international traffic dropped by -19.5%. Passenger traffic at LA Ontario International also dropped year over year by 31.3% in March. The domestic traffic at LA/ONT was down by -31.5%, while international traffic was down -15.9%.



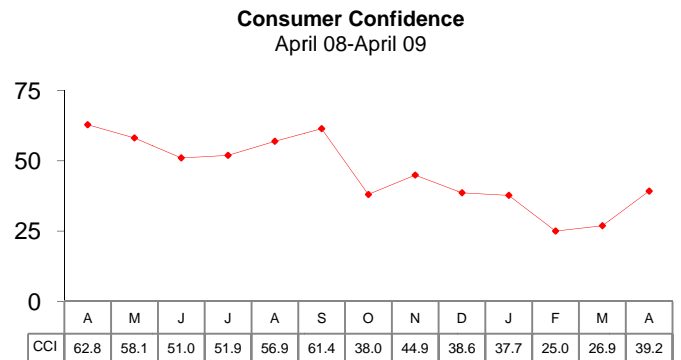
U.S. Travel Price Index

The TPI measured 8.1 percent lower in March than it did during the same month in 2008. Motor fuel prices were dropped down by -39.6% year over year, with airline fares dropped -7.7%. Food & beverage prices were up by 4.5% in March and lodging prices were down at -8.5%. The year-to-date changes (%) for four major tourism sectors are shown in the graph at the right.




U.S. Consumer Confidence


Compare to the month of February where consumer confidence index dropped down to all time low (25.0); the months of March and April The Index now stands at 39.2 (1985=100), up from 26.9 in March. According to Conference Board, the Present Situation Index increased to 23.7 from 21.9 last month. The Expectations Index rose to 49.5 from 30.2 in March. Says Lynn Franco, Director of The Conference Board Consumer Research Center: "Consumer Confidence rose in April to its highest reading in 2009, driven primarily by a significant improvement in the short-term outlook. The Present Situation Index posted a moderate gain, a sign that conditions have not deteriorated further, and may even moderately improve, in the second quarter. The sharp increase in the Expectations Index suggests that consumers believe the economy is nearing a bottom, however, this Index still remains well below levels associated with strong economic growth."



(Source: Conference board Website)

Legend:


2008


2009

Travel Pulse is a publication of LA INC. The Los Angeles Convention and Visitors Bureau. Data for *Travel Pulse* was obtained from Smith Travel Research, Los Angeles World Airports, CIC Research, The Conference Board, TIA and the U.S. Department of Labor. unless otherwise noted, all data pertain to Los Angeles County. For additional information regarding travel and tourism in Los Angeles, contact LA INC.'s Research Department at razmi@lainc.us