traveltracker

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July 2012

Strategic tourism marketing and policy decisions depend on accurate, consistent tracking of business indicators such as lodging statistics, attraction and welcome center visitation, transportation statistics and more. The intent of the North Carolina Travel Tracker is to provide up-to-date and relevant tourism indicators for both the state and individual regions within the state. With data from the Travel Tracker, program areas and industry partners can strategically plan, implement and evaluate processes and programs.

The following report analyzes a variety of tourism indicators by 1) State, 2) the three geographic marketing regions (coastal, piedmont and mountain), and for some indicators 3) the seven economic development regions. As well as providing a review of the current state of business, the report provides a year-to-date analysis and comparisons to previous years where applicable.

With regards to the lodging data found in this report; while virtually every chain in the United States provides Smith Travel Research (STR) with data on almost all of their properties, there are still some hotels that don't submit data. However, every year STR examines listings and directories for information on hotels that don't provide data. STR calls each hotel in the database every year to obtain "published" rates for multiple categories. Based on this information all hotels are grouped - those that report data and those that don't - into groupings based off of price level and geographic proximity. They then estimate the non-respondents based on nearby hotels with similar price levels.

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Section 1: Statewide Tourism Indicator Analysis for July 2012

Chart 1 – Hotel/Motel Occupancy in North Carolina - July 2006 – 2012

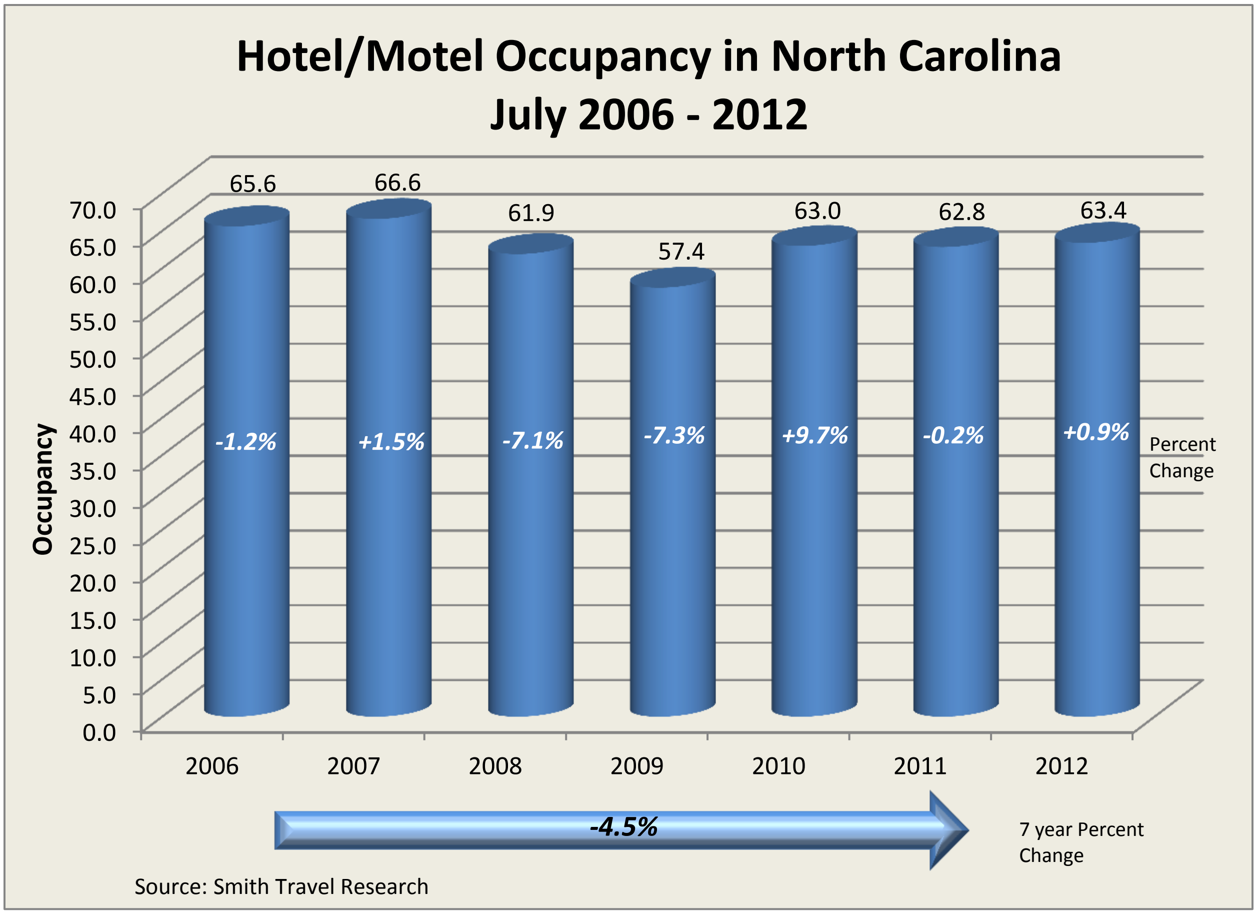


Chart 1 provides a comparison over a seven year period to show the trend of occupancy in the state for the month of July. Occupancy for July 2012 was up less than one percent from July 2011. *Occupancy at the national level increased by 0.5 percent in July 2012 from the previous year.*

Chart 2 – Hotel/Motel Average Daily Room Rate in North Carolina - July 2006 – 2012

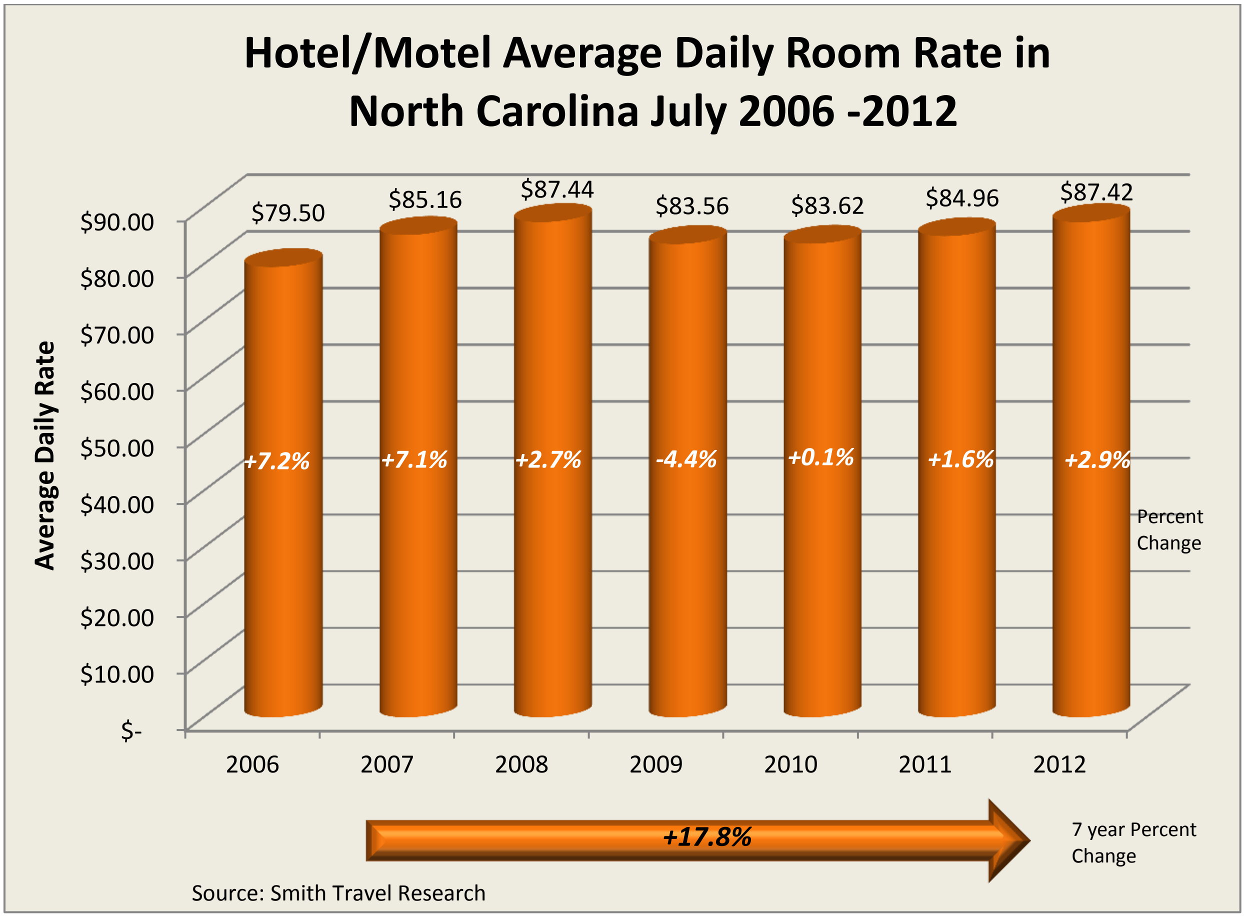
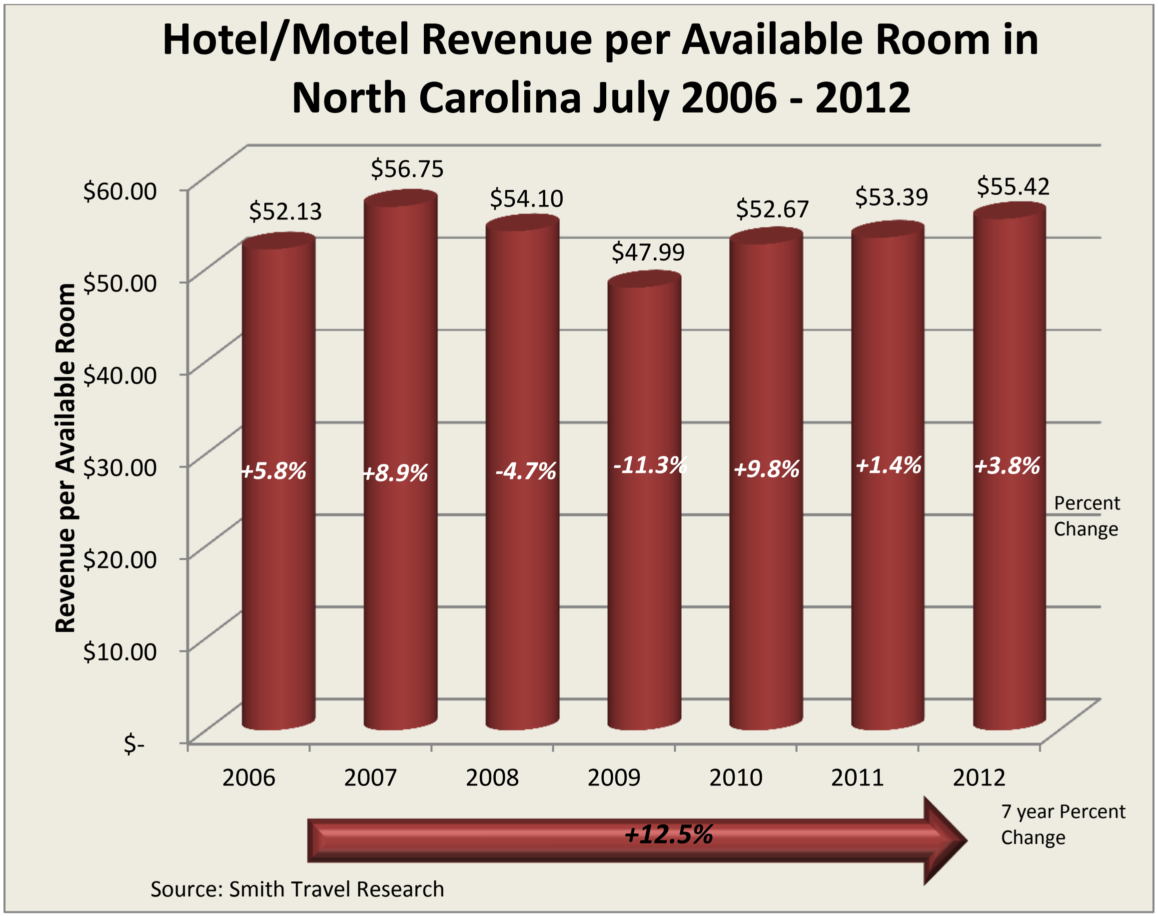


Chart 2 provides a comparison over a seven year period to show the trend of average daily room rate (ADR) in the state for the month of July. ADR increased nearly three percent in July, and is up over seventeen percent over the last seven years. *ADR at the national level was up 3.8% in July 2012 from the previous July.*

Chart 3 – Hotel/Motel Revenue per Available Room in North Carolina - July 2006 – 2012



In Chart 3 an analysis of Revenue per Available Room (RevPAR) is provided. RevPAR is an industry term that describes the revenue that a hotel earns on the basis of just the rooms available for a given night. In other words, rooms not available either due to renovation or other reasons are not included in this equation. Mathematically, RevPAR can be determined dividing total room revenue by rooms available (occupancy times average room rate will closely approximate RevPAR).

As with previous charts, Chart 3 shows a comparison over a seven year period to show the trend of RevPAR in the state for the month of July. RevPAR was up nearly four percent in July 2012, continuing the positive growth that began in the spring of 2010. *RevPAR at the national level was up 4.3% in July 2011 from the previous July.*

Chart 4 – Hotel/Motel Room Demand in North Carolina – July 2006 – 2012

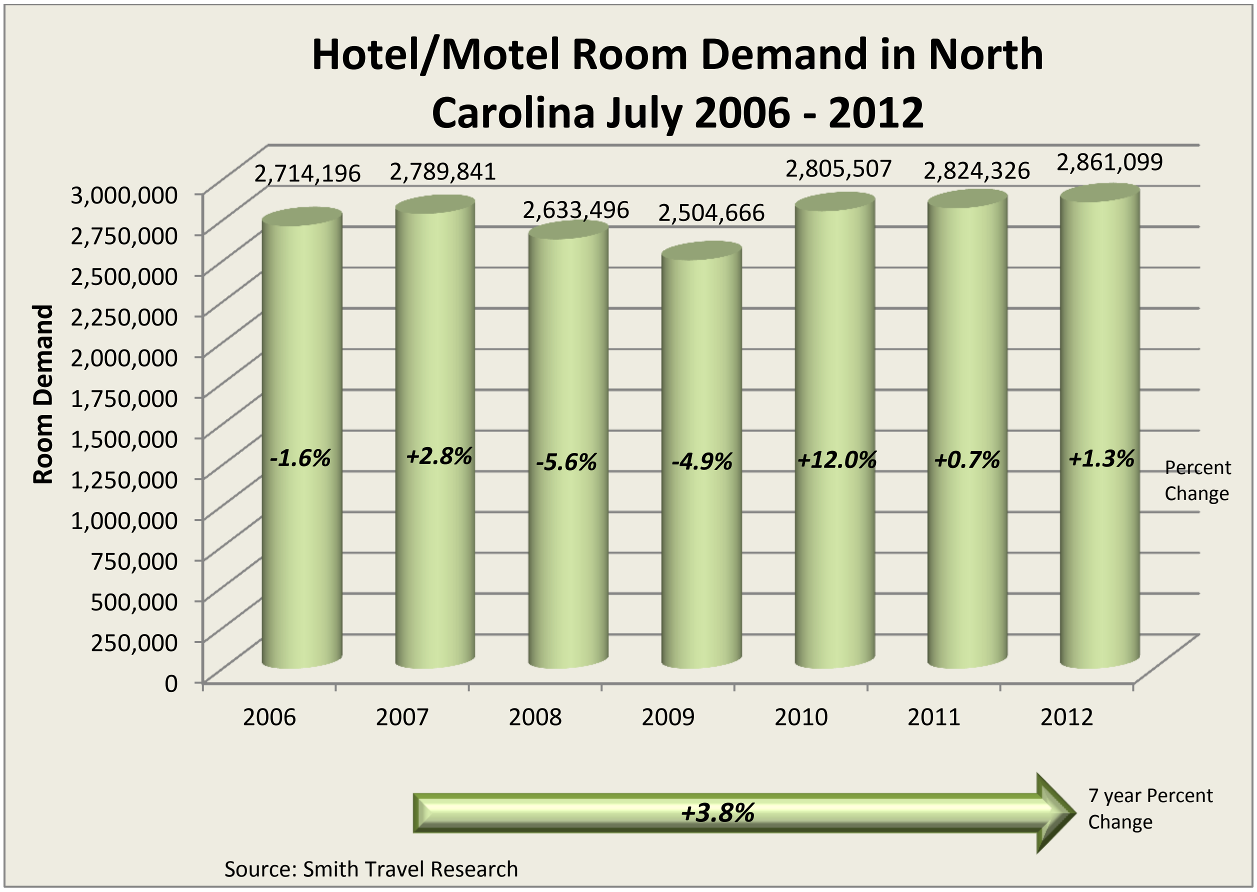


Chart 4 depicts hotel/motel demand for the month of July 2012 with comparisons to the previous six years. Demand is the number of rooms sold excluding complimentary rooms. Similar to June, room demand for July was at a record high this year with over 2.8 million rooms, up nearly over just over one percent from July 2011. *Room demand at the national level saw an increase of 1.0% change in July 2011 from the previous July.*

Chart 5 – North Carolina Lodging Statistics Monthly Percent Change 2008 – 2012

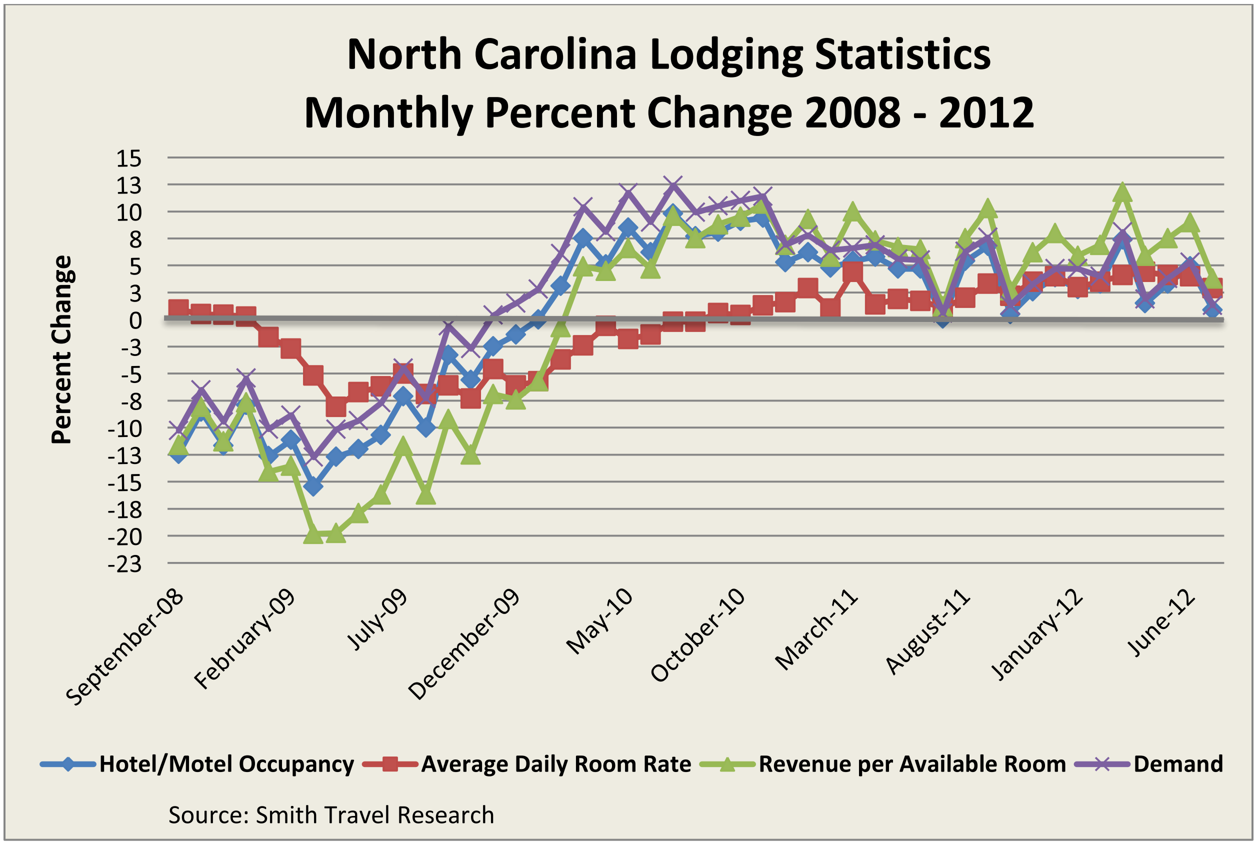


Chart 5 provides a monthly percent change for the four major lodging indicators. The chart allows for a three year trend-line analysis that clearly depicts that the major indicators have shown a steady positive change since early 2010 and still remain in the positive range.

Chart 6 – Statewide Visitation to Attractions – July 2006 – 2012

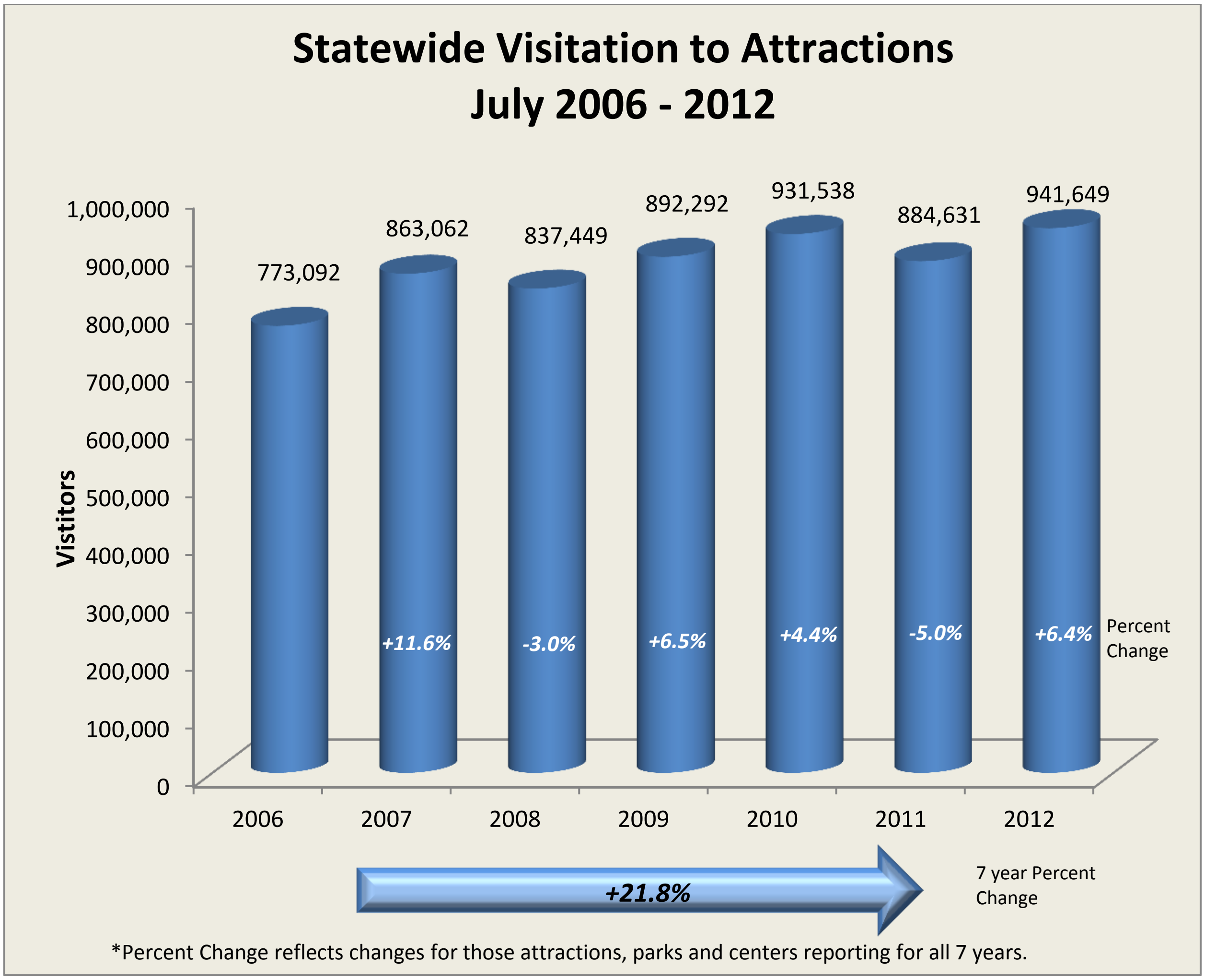


Chart 6 provides a status of the attractions industry in North Carolina for the month of July for the last seven years. The numbers represent only a sample of North Carolina attractions that provide their attendance data, and are not intended to be considered a complete list of attractions. However, the wide variation of type and location of the participating attractions allow for a valid aggregate trend analysis on a monthly basis, particularly when tracking percent change. Attractions for which older estimates have not been obtained are not included in percent change calculations to accurately allow for trend analysis.

July attraction attendance was up six percent from 2011, and topped 2010 levels. July attraction attendance has increased over twenty percent since 2006.

Chart 7 – Statewide Visitation to Attractions Monthly History 2006 – 2012

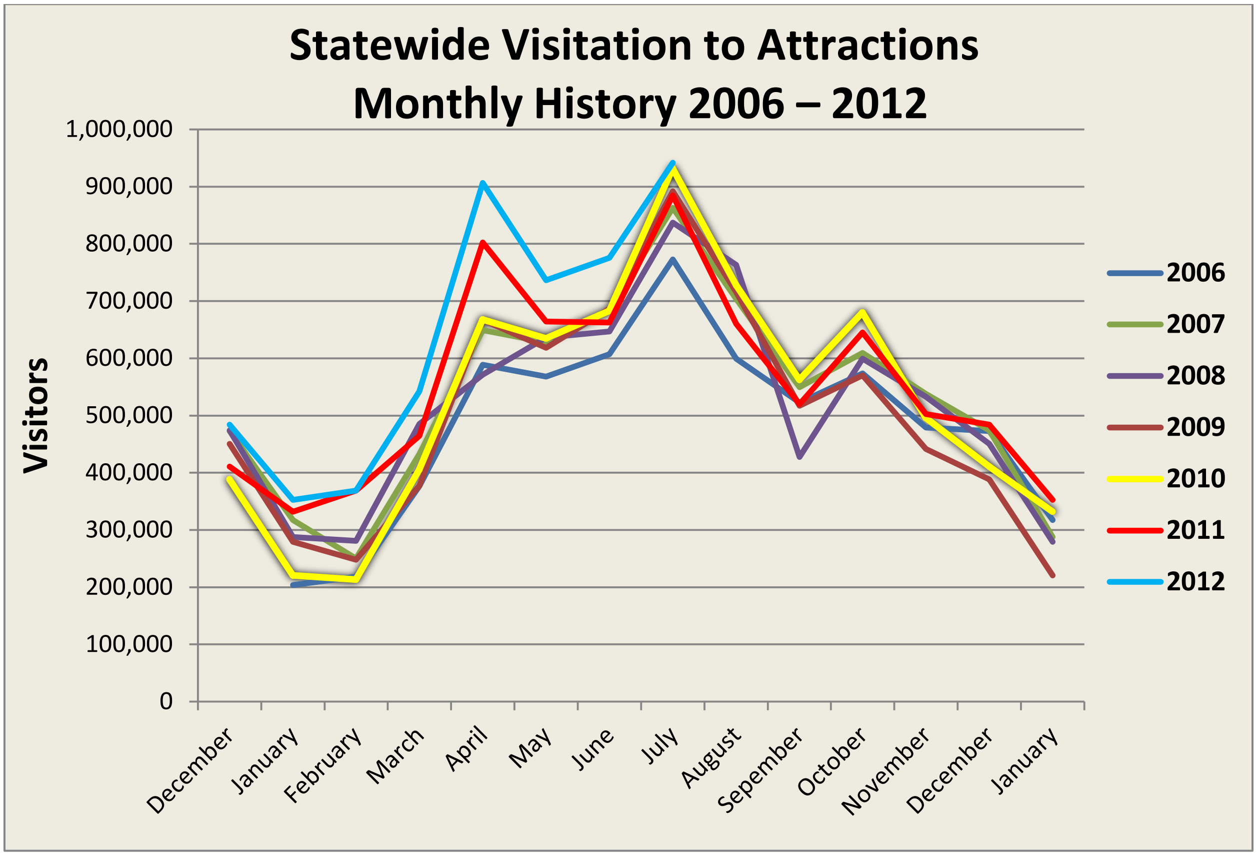


Chart 7 shows a monthly trend of attraction visitation for each of the last seven years. This chart allows for a view of the ebb and flow of monthly attraction attendance, while also providing a look at how attendance compares to the same month of the previous years. Not surprisingly, the winter months see lower visitation numbers at statewide attractions. However, it is helpful to view how visitation is allocated by month for strategic planning purposes.

Again, the numbers represent only a sample of North Carolina attractions that provide their attendance data, and are not intended to be considered a complete list of attractions. However, the wide variation of type and location of the participating attractions allow for a valid aggregate trend analysis on a monthly basis.

Chart 8 – State Welcome Center and Local Visitor Center Attendance - July 2006 – 2012

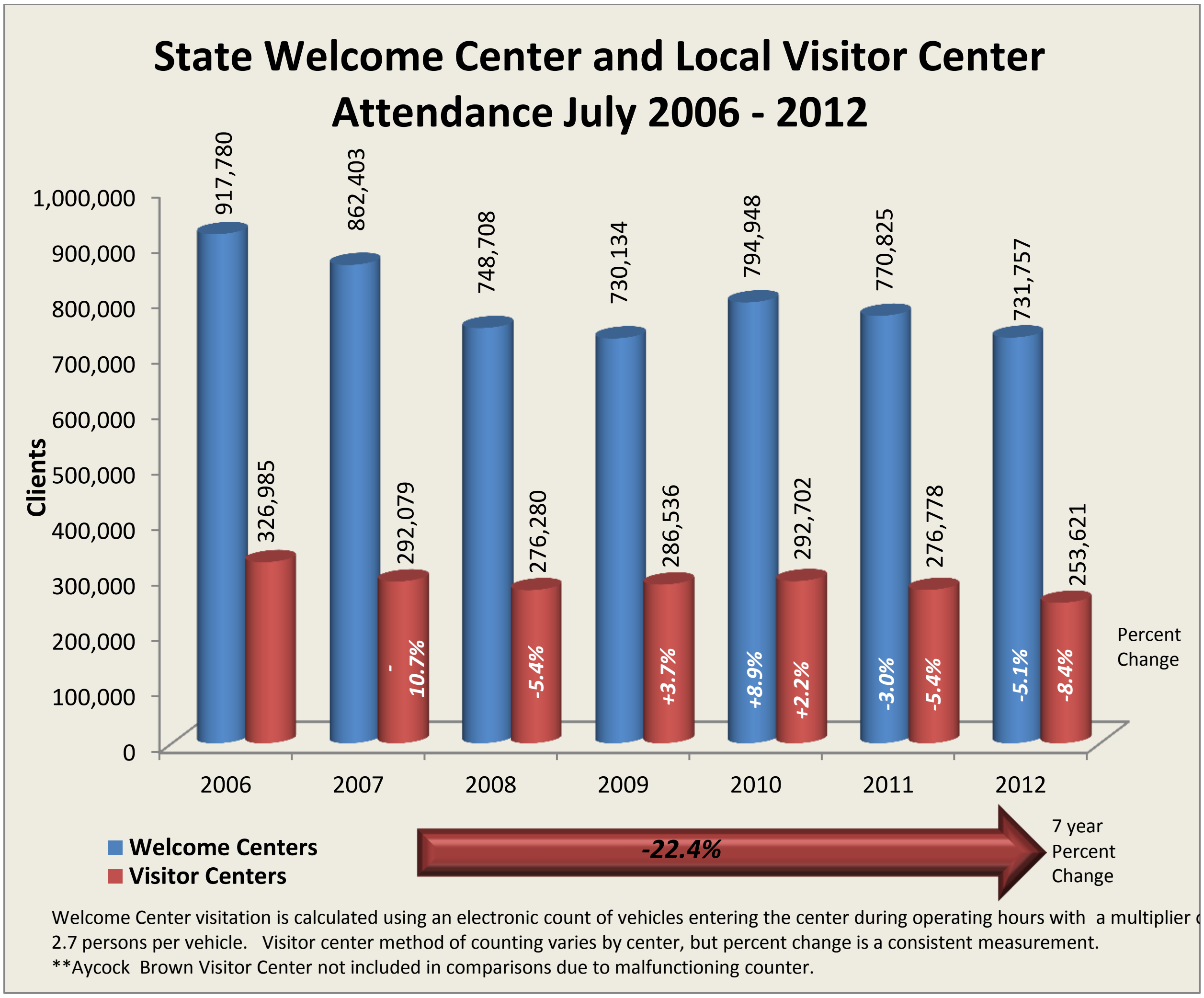


Chart 8 provides July visitation statistics for State Welcome Centers, as well as Local Visitor Centers throughout North Carolina. It should be noted that while there is a percent change indicated for welcome centers for 2007-2008 and 2008-2009, 2008 was the first year a percent change could accurately be provided. The NCDOT spent several years changing the counting mechanism at the state welcome centers making comparisons between years inaccurate from the time the DOT began installation until December 2008. Therefore, previous years' percent changes are not included in this particular chart.

July welcome center visitation was down five percent, while local visitor center visitation was down about eight percent.

Chart 9 – Statewide National and State Park Visitation - July 2006 – 2012

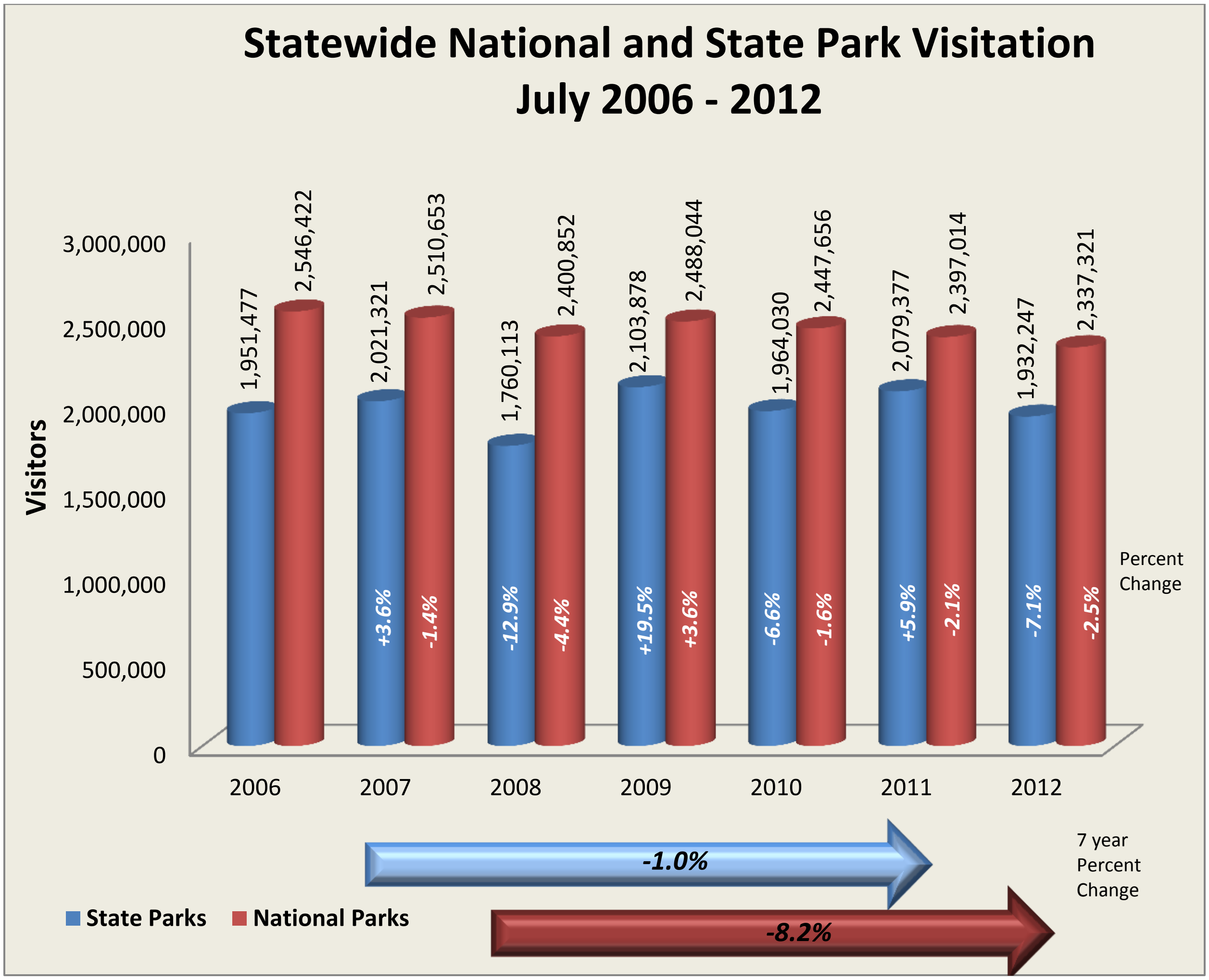
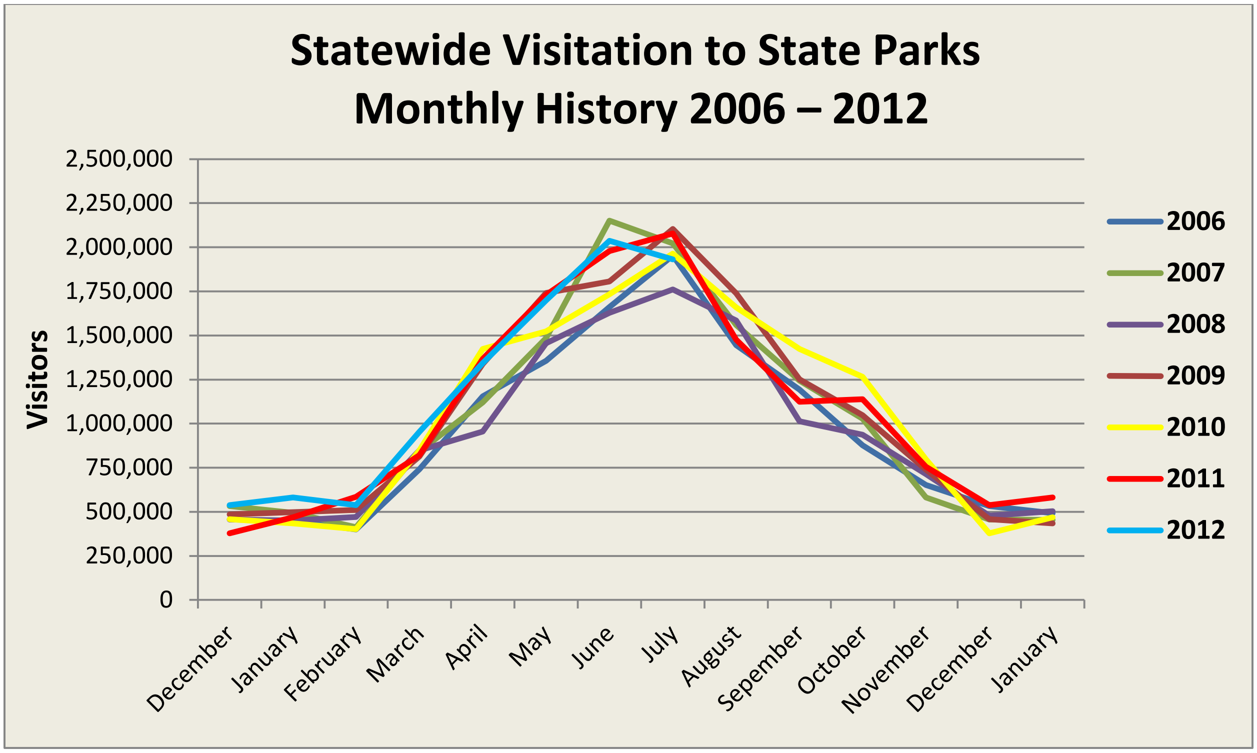


Chart 9 depicts visitation to state and national parks in North Carolina for the last seven years months of July. Both state and national park attendance was down from last July.

Chart 10 – Statewide Visitation to State Parks Monthly History 2006 – 2012



Similar to Chart 7, Charts 10 and 11 provide a monthly trend of state and national park visitation for each of the last seven years. These charts help monitor the flow of monthly attraction attendance, while also providing a look at how attendance compares to the same month of the previous years. It is important to note that there are many extraneous variables that can affect visitation at attractions, and particularly at outdoor attractions. Weather, temperature and holidays are variables that should be noted when viewing unusual highs or lows in attendance.

Chart 11 – Statewide Visitation to National Parks Monthly History 2006 – 2012

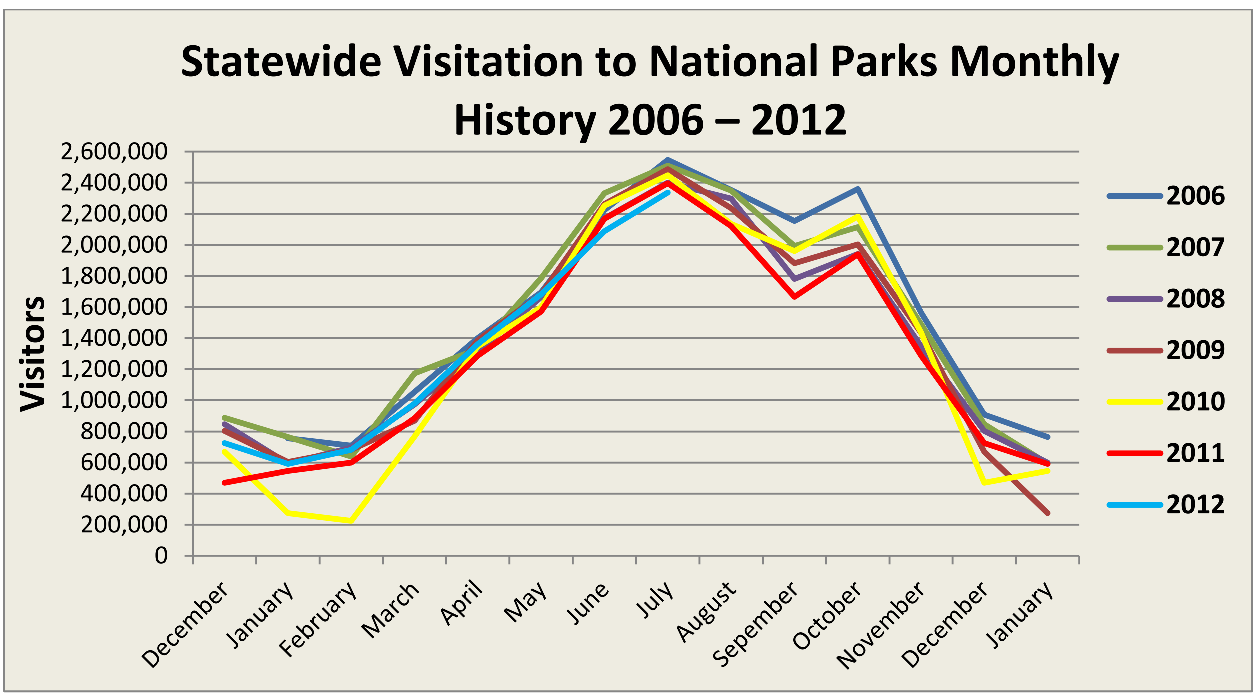


Chart 12 – Statewide Historic Sites Visitation - July 2009 – 2012

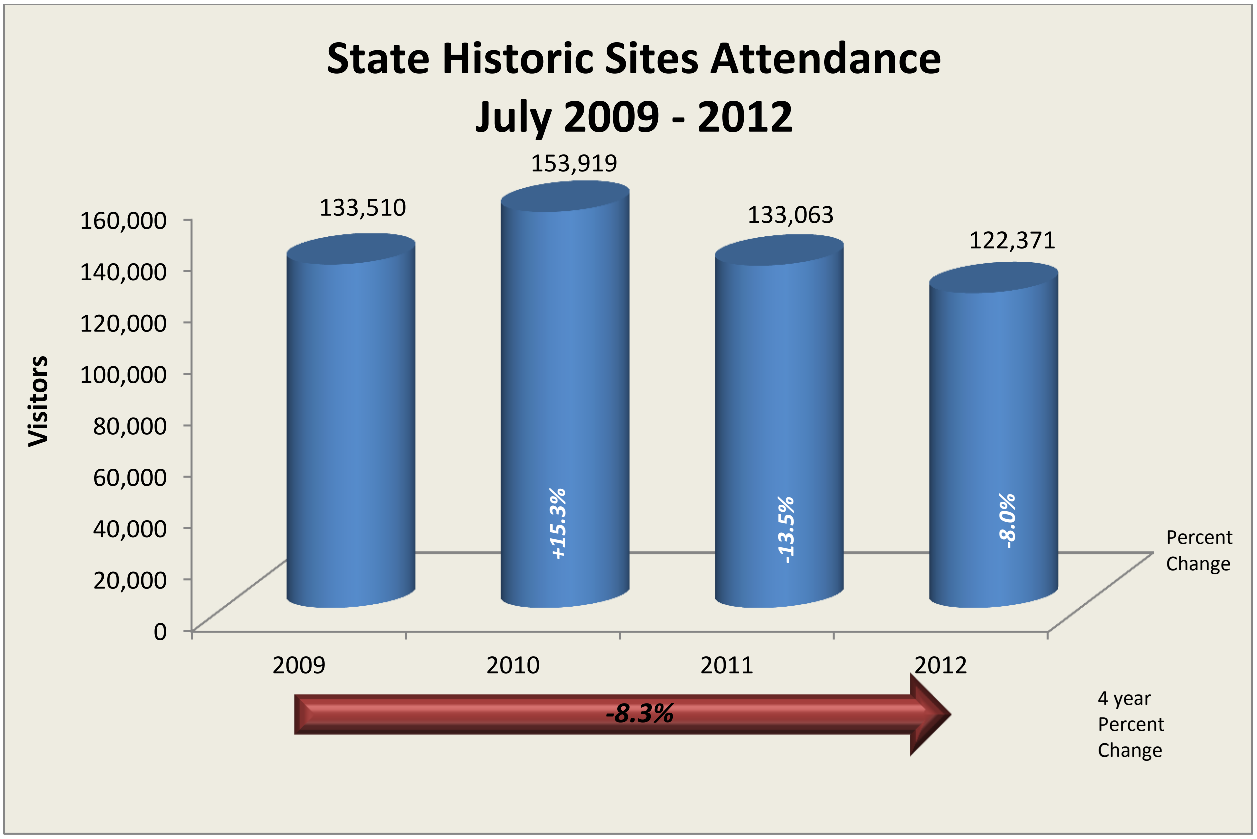


Chart 12 depicts visitation to State Historic Sites in North Carolina for the last four years of July. As this report has just begun tracking historic site visitation, more data is needed to determine if the decease is indicative of a trend.

Chart 13 – Statewide Visitation to State Historic Sites History 2009 – 2012

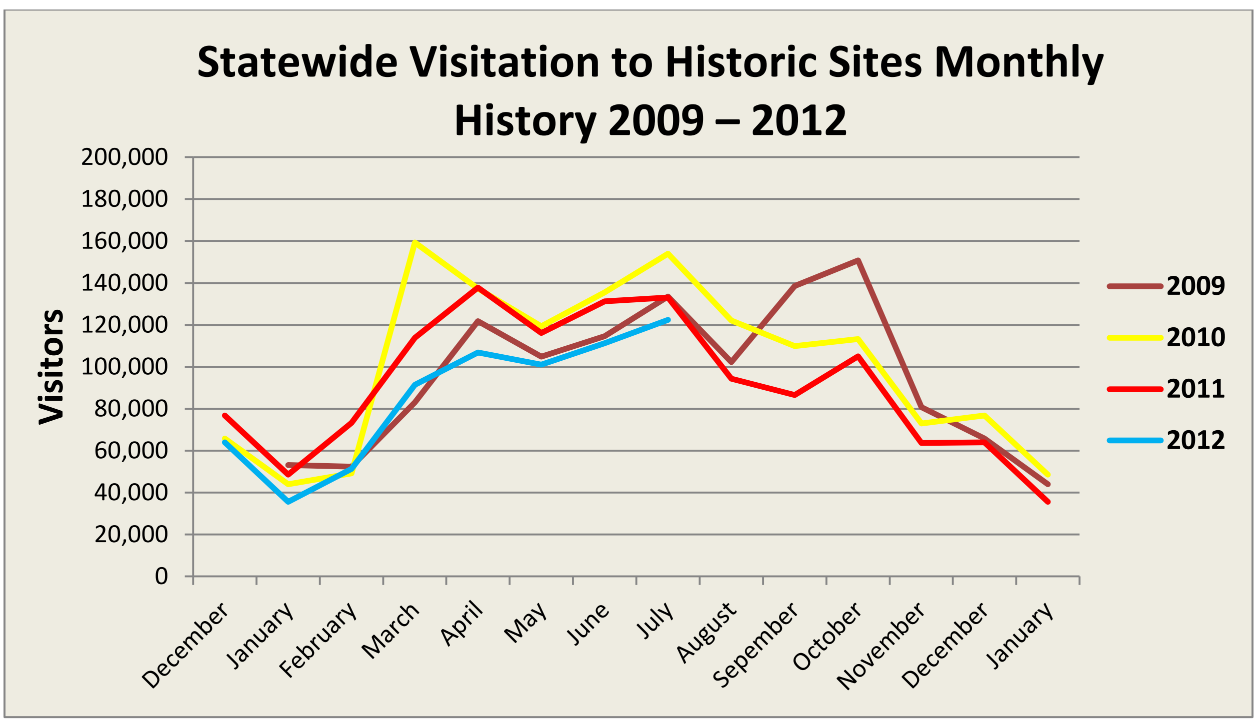


Chart 14 – Statewide Airport Arrivals and Departures - July 2006 – 20110

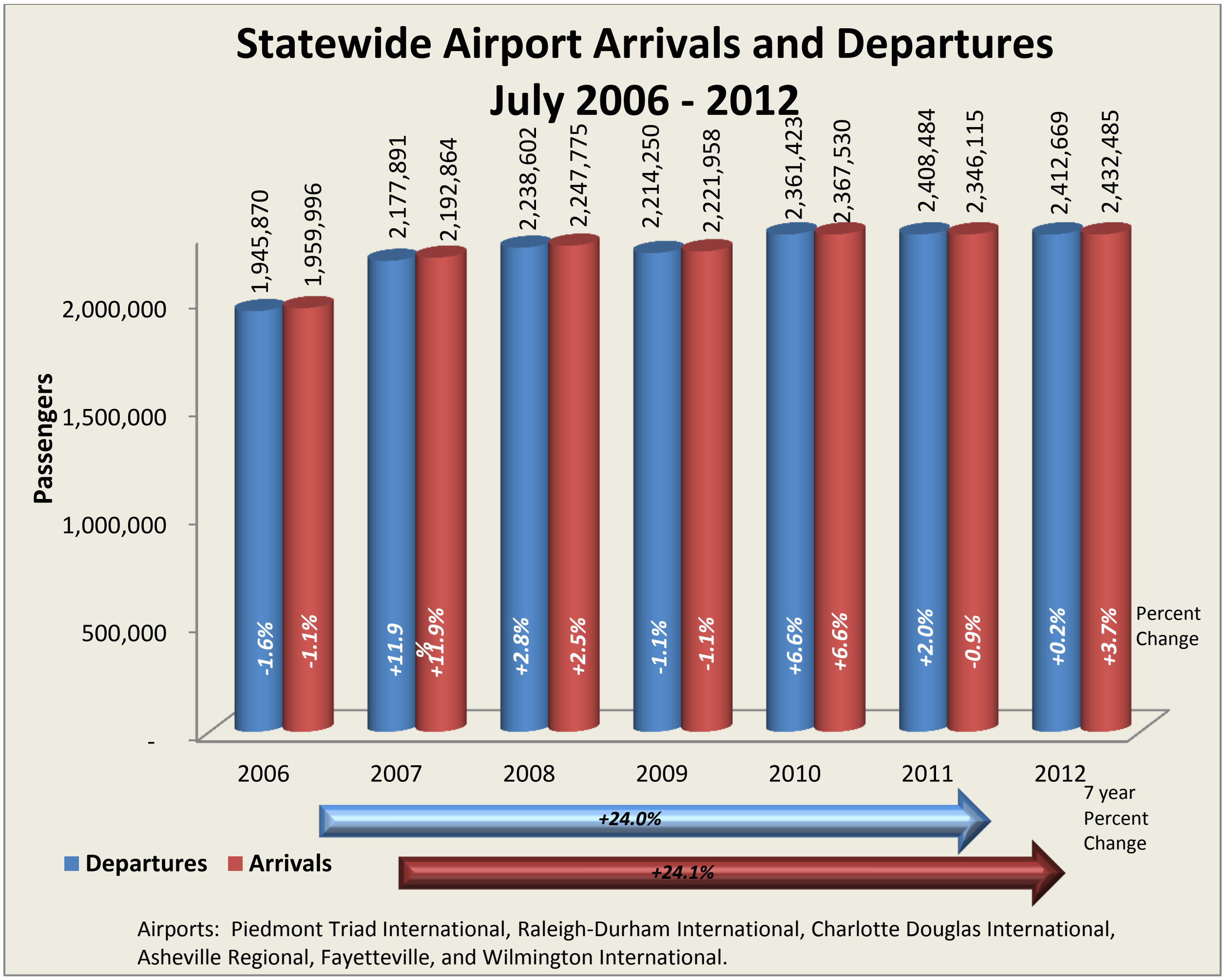


Chart 14 shows July airport arrivals and departures for each of the previous seven years. Departures were flat, but arrivals were up nearly four percent from July 2011 to 2012 and there has been a substantial seven-year increase in both for the month of July.

Chart 15 – Lower Atlantic Average Monthly Retail Gas Prices for Unleaded – July 2006 – 2012

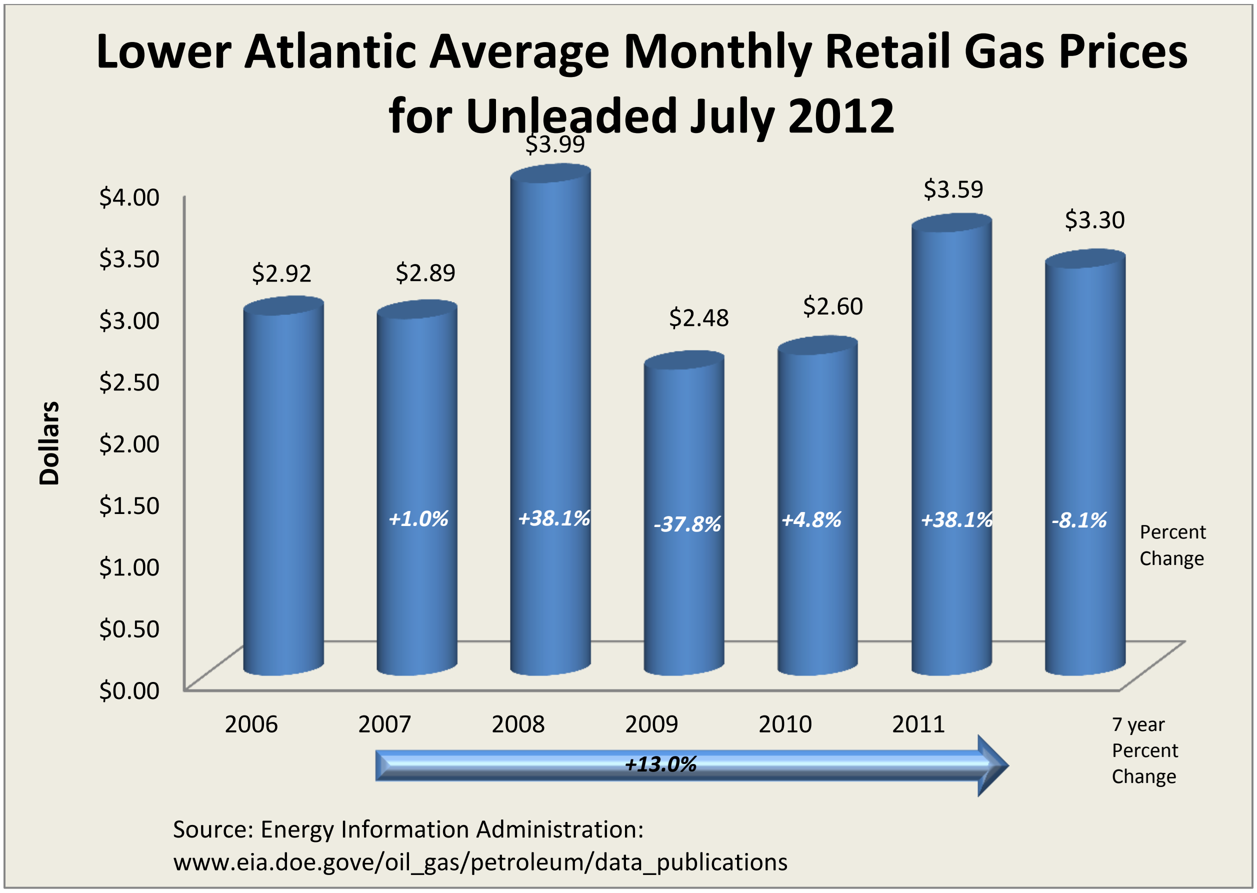


Chart 15 provides the average price per gallon of unleaded gasoline for July 2012 and the same month from the six previous years. The data provided above, when compared with other indicators such as attraction attendance and visitor spending data, can be very helpful in the analysis of general travel trends. Fuel prices in July 2012 were eight percent below last July, but still up thirteen percent over the last seven years.

Chart 16 – North Carolina Average Temperature and Precipitation – July 2010 – 2012

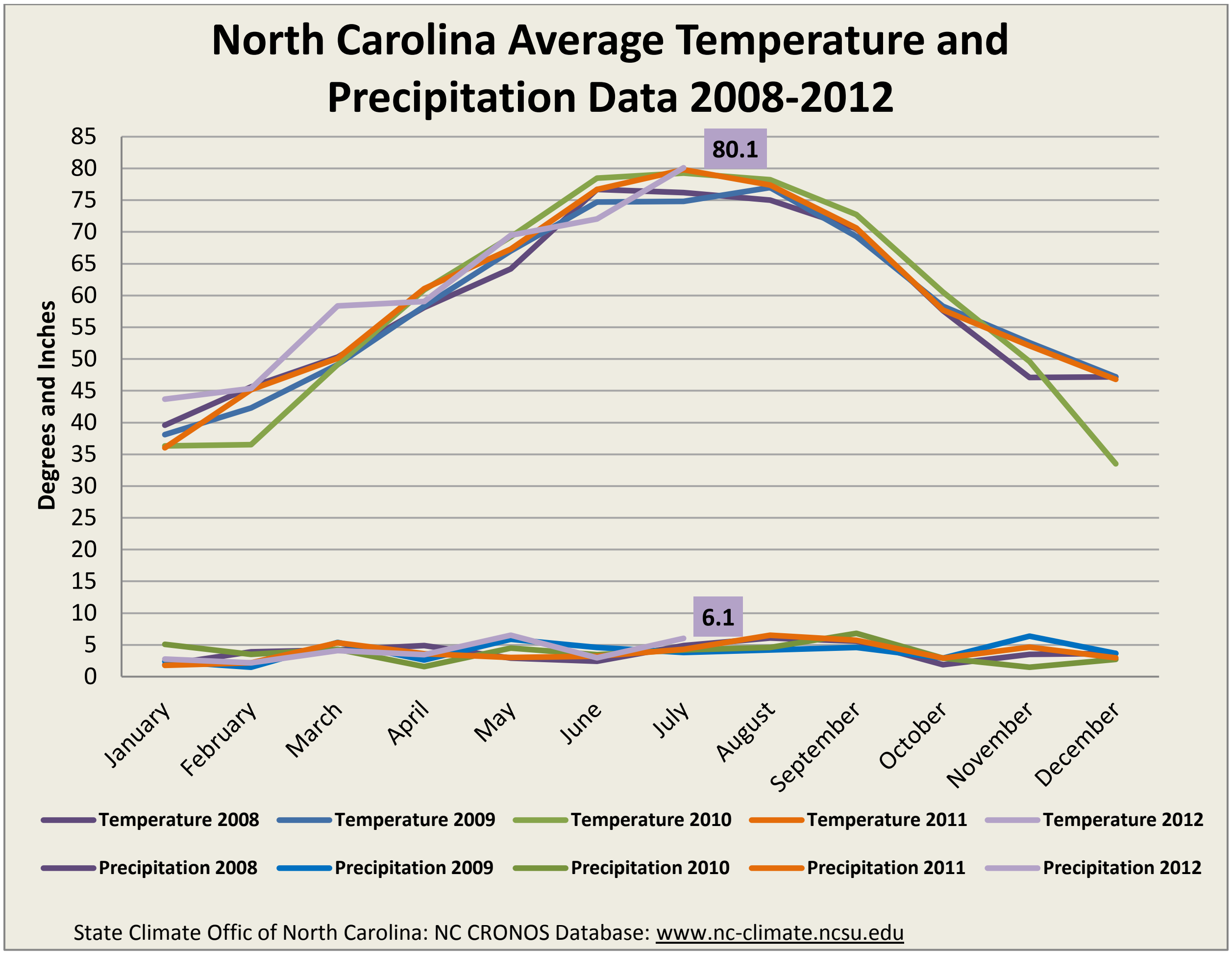


Chart 16 provides 48 months of air temperature and precipitation. This data, when analyzed together with gas price data and other tourism indicators, can be valuable in determining possible reasons for significant increases and/or decreases in indicators. For instance, greater than normal precipitation during a particular month can often help explain decreases in attendance at outdoor attractions.

The average temperature and precipitation for July were both higher than average, likely contributing to lower park and outdoor attraction attendance throughout the state for the month.

Section 2 – Geographic Marketing Region (Coastal/Piedmont/Mountain) Tourism Indicator Analysis for July 2012

Chart 17 – Hotel/Motel Statistics by Geographic Region - July 2012

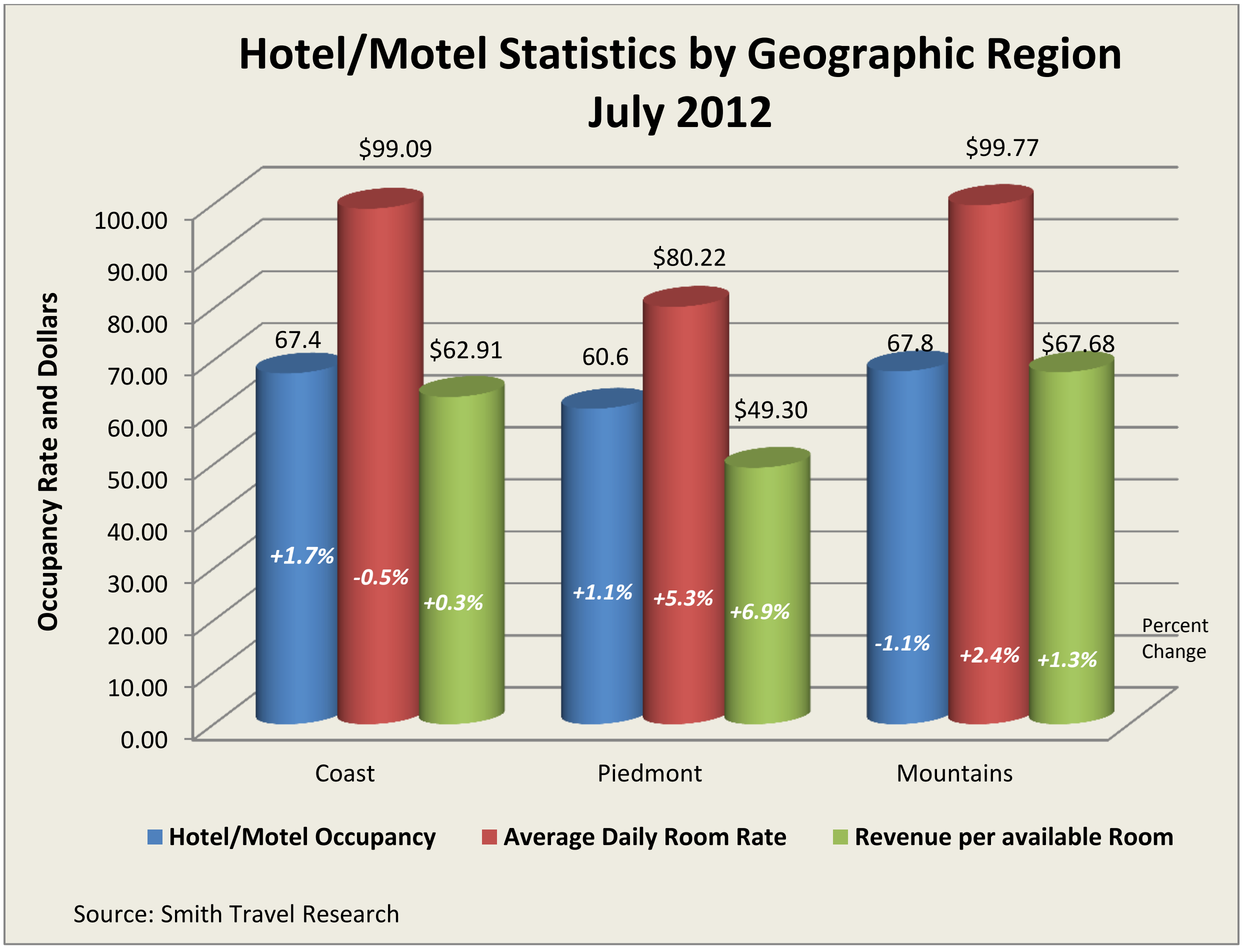


Chart 17 provides a one year comparison in lodging statistics for the three geographic marketing regions of North Carolina in July. Room rates in the Coastal Region were slightly less than last July, while occupancy in the Mountain Region was about one percent below last year.

Chart 18 – Hotel/Motel Room Demand by Geographic Region - July 2012

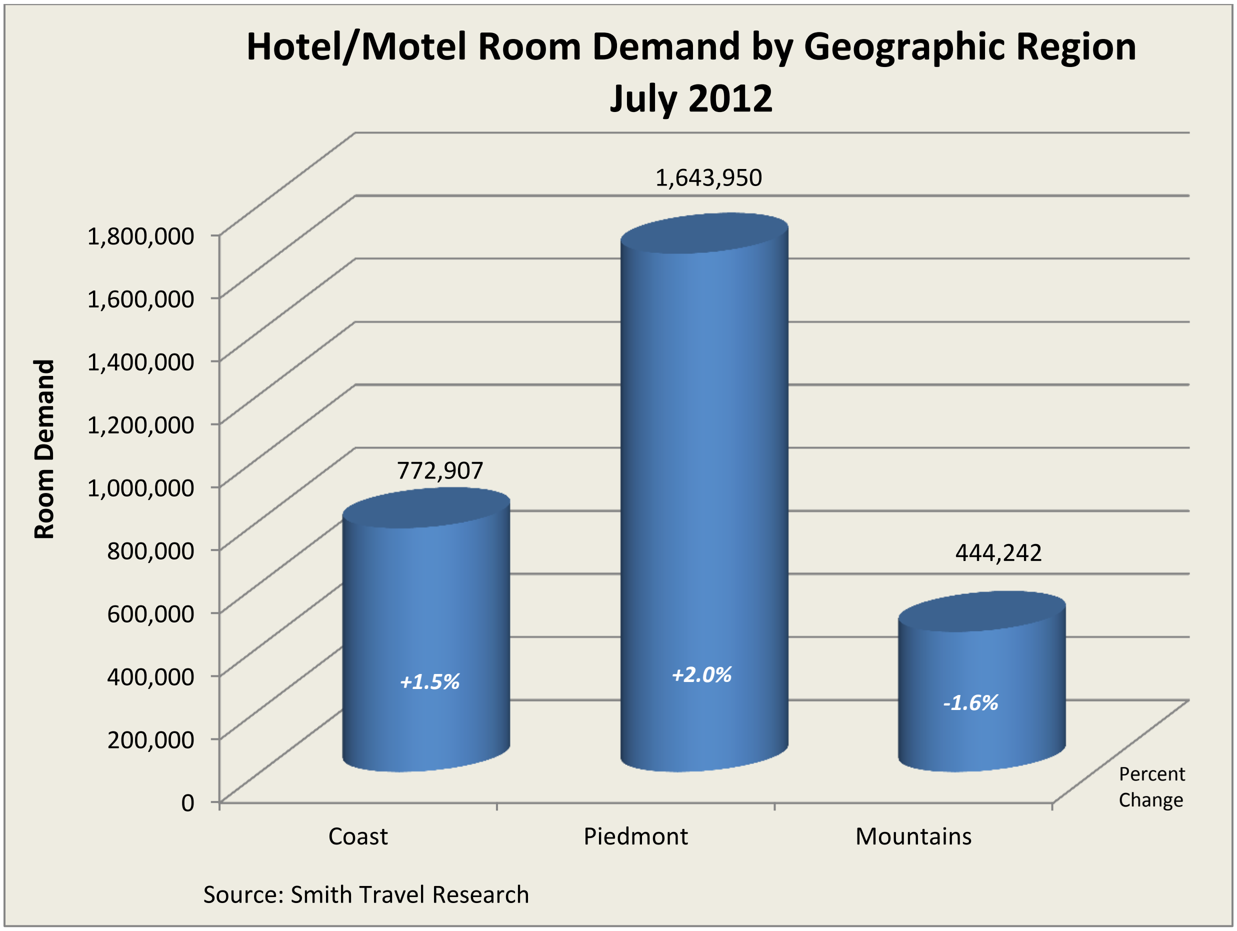


Chart 18 provides hotel/motel demand by geographic region for July 2012. Demand differs from occupancy in that it is the total number of rooms sold, not accounting for differences in room supply. The Coastal and Piedmont regions had positive increases in demand from July 2011 to July 2012, while the Mountain Region saw demand decrease about one percent from last year.

Chart 19 – Visitation to Attractions, Parks and Historic Sites by Geographic Region – July 2012

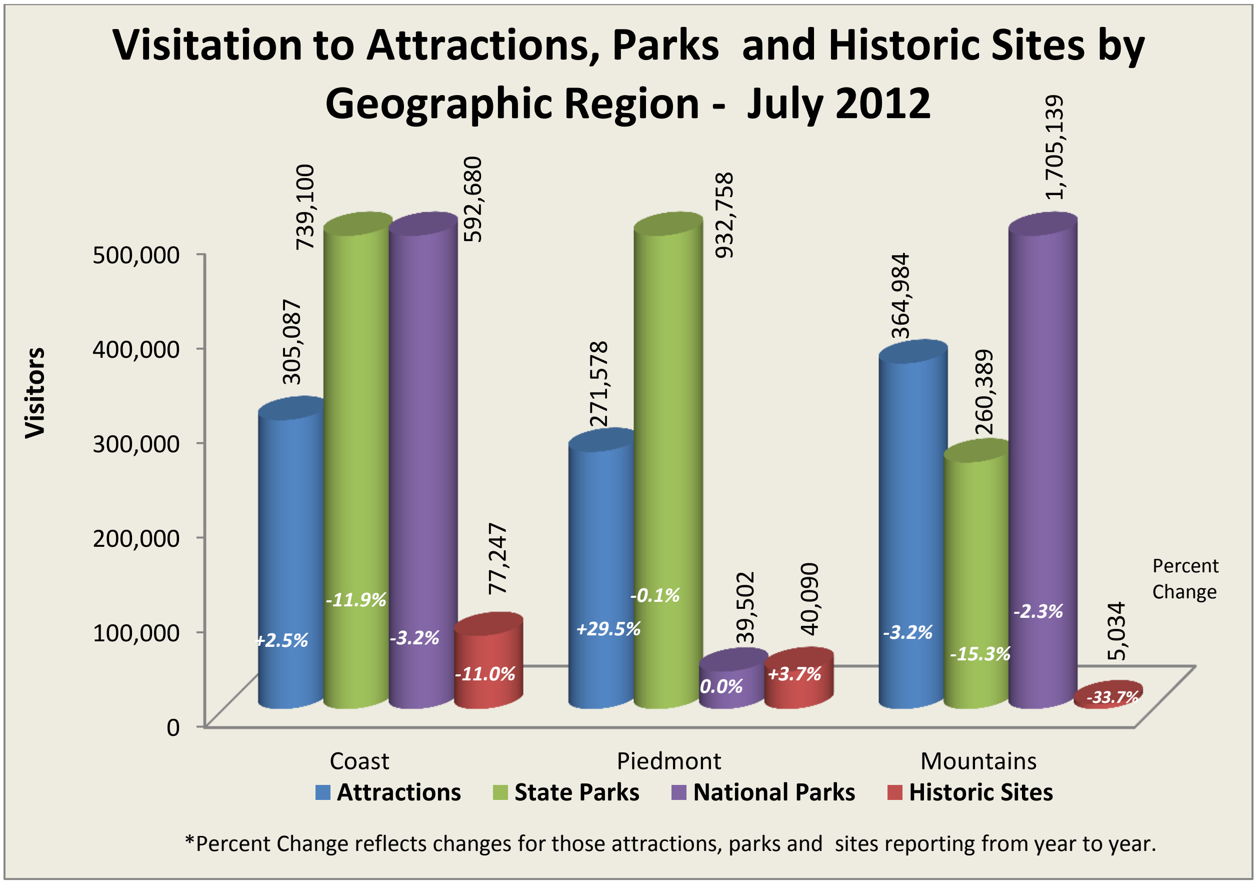


Chart 19 provides a look at the attractions industry in North Carolina in July 2012 by geographic region. As with the statewide numbers, the following data represents only a sample of North Carolina attractions that provide their attendance data, and are not intended to be considered a complete list of attractions. However, the wide variation of type and location of the participating attractions allow for a valid aggregate trend analysis on a monthly basis.

July attendance growth for attractions and parks varied by region. While attraction attendance was up in all three regions, it was most prominent in the Piedmont Region. Much of the increase can likely be attributable to increases at the Natural Science Museum in Raleigh due to the opening of the Nature Science Center. Presumably due to higher than average precipitation in July, national and state park decreased in each of the regions.

Chart 20 – State Welcome Center and Local Visitor Center Attendance by Geographic Region – July 2012

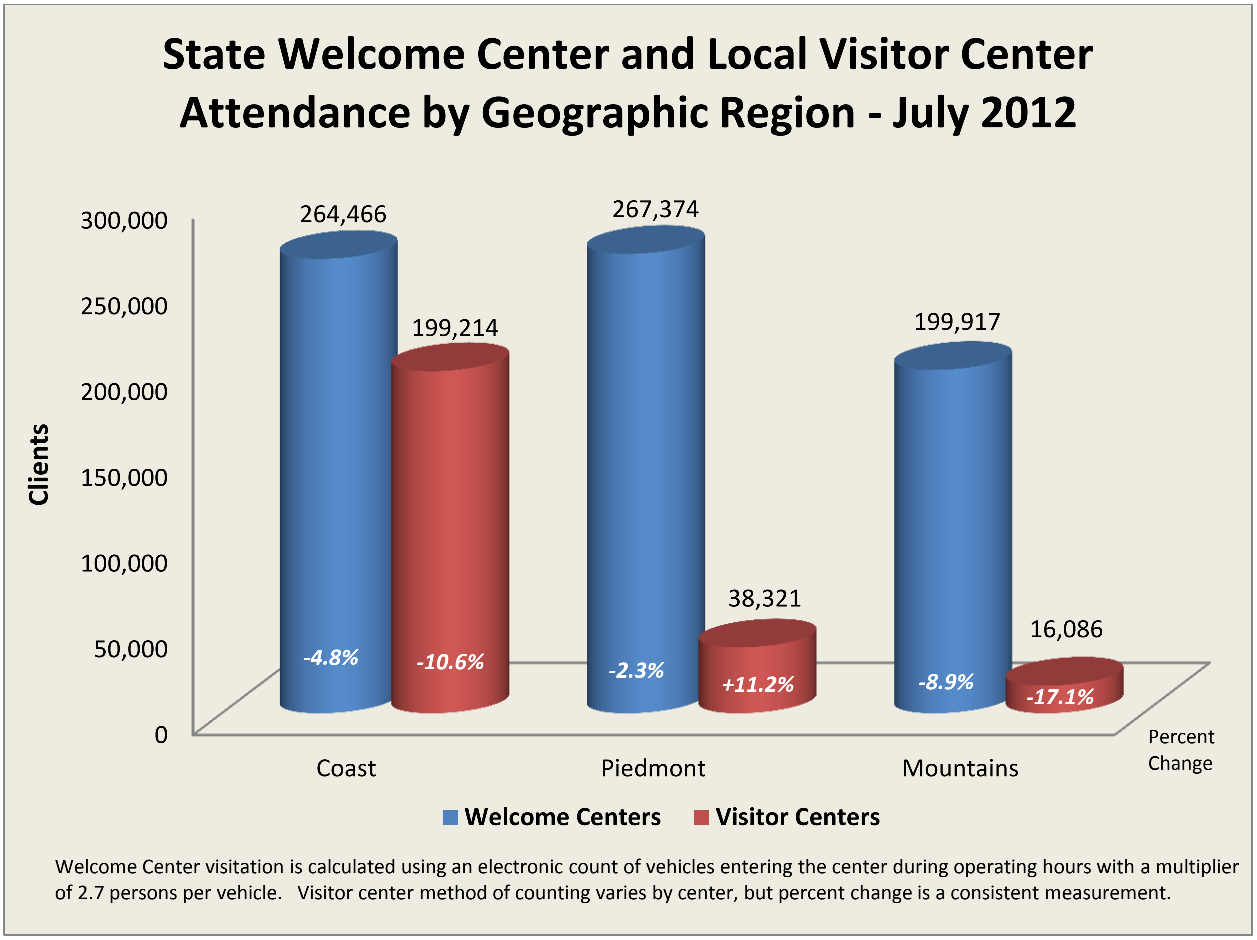


Chart 20 shows welcome center and visitor center attendance by geographic region and offers comparisons from July 2011. Welcome center and visitor center visitation decreased throughout the state during July with the exception of local visitor centers in the piedmont, which was up over eleven percent from last year.

Chart 21 – Airport Arrivals and Departures by Geographic Region – July 2012

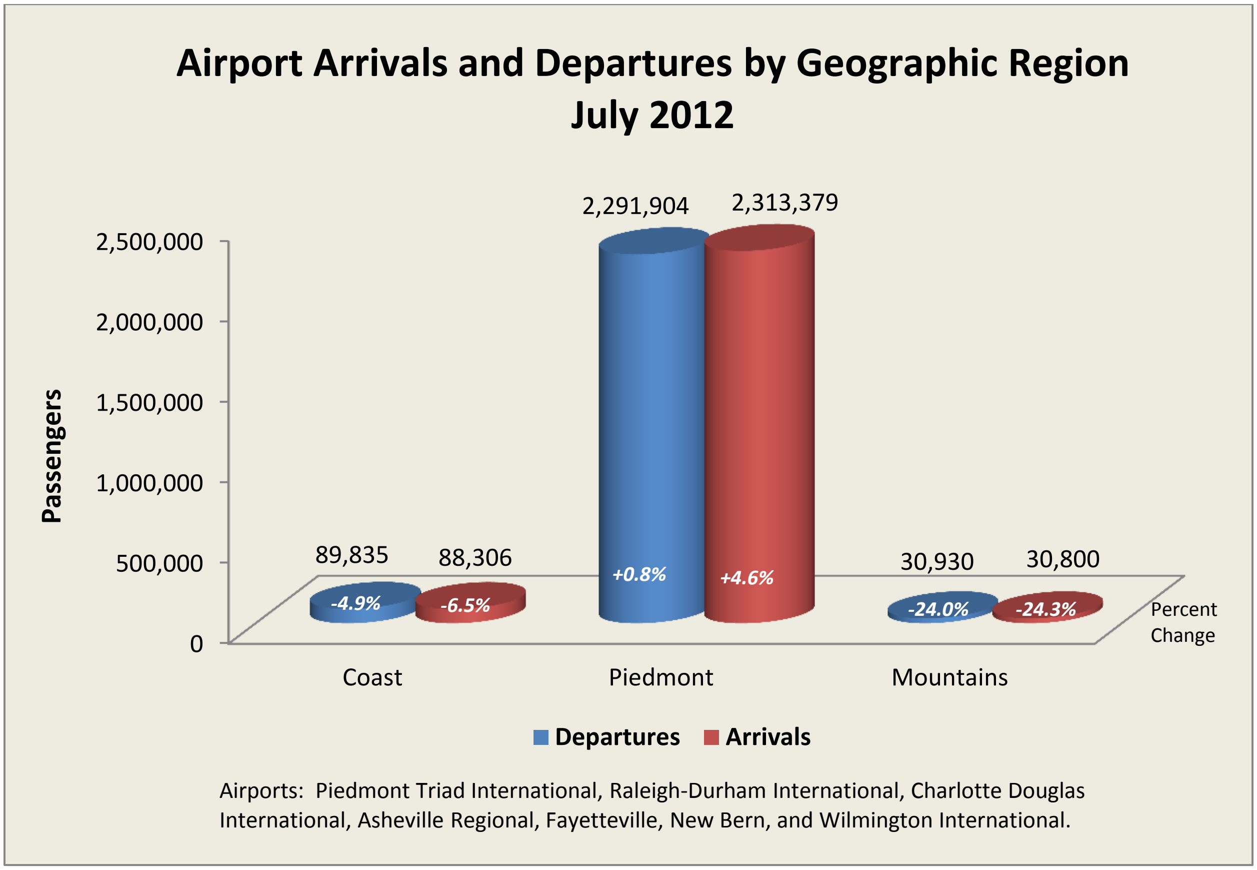


Chart 21 provides a breakdown of air travel statistics by geographic region. While the majority of air traffic is through the Piedmont Region, it is helpful to maintain a trend of other regional airport usage. The Coastal and Mountain regions showed decreases in arrivals and departures from July 2011 to 2012. The discontinuation of seasonal service is one explanation for the decreases in 2012. For instance in Asheville, seasonal service to Dallas, Ft. Walton Beach and Tampa were discontinued from 2011 to 2012.

Section 3: Economic Development Region Tourism Indicator Analysis – July 2012

The seven economic regions include:

1 – Northeast (Bertie, Camden, Chowan, Currituck, Gates, Halifax, Hertford, Northampton, Pasquotank, Perquimans, Beaufort, Dare, Hyde, Martin, Tyrrell, Washington).
2 – Eastern (Carteret, Craven, Jones, Onslow, Pamlico, Duplin, Edgecombe, Green, Lenoir, Nash, Pitt, Wayne, Wilson).
3 – Southeast (Brunswick, Columbus, New Hanover, Pender, Bladen, Cumberland, Hoke, Richmond, Robeson, Sampson, Scotland).
4 – Triangle (Franklin, Harnett, Johnston, Vance, Wake, Warren, Chatham, Durham, Granville, Lee, Moore, Orange, Person).
5 – Triad (Alamance, Caswell, Guilford, Montgomery, Randolph, Rockingham, Davidson, Davie, Forsyth, Stokes, Surry, Yadkin).
6 – Carolinas (Alexander, Catawba, Cleveland, Iredell, Rowan, Anson, Cabarrus, Gaston, Lincoln, Mecklenburg, Stanly, Union).
7 – Western (Alleghany, Ashe, Avery, Buncombe, Burke, Caldwell, Clay, Graham, Haywood, Henderson, Jackson, Macon, Madison, McDowell, Mitchell, Polk, Rutherford, Swain, Transylvania, Watauga, Wilkes, Yancey).

Chart 22 – Hotel/Motel Statistics by Economic Development Region - July 2012

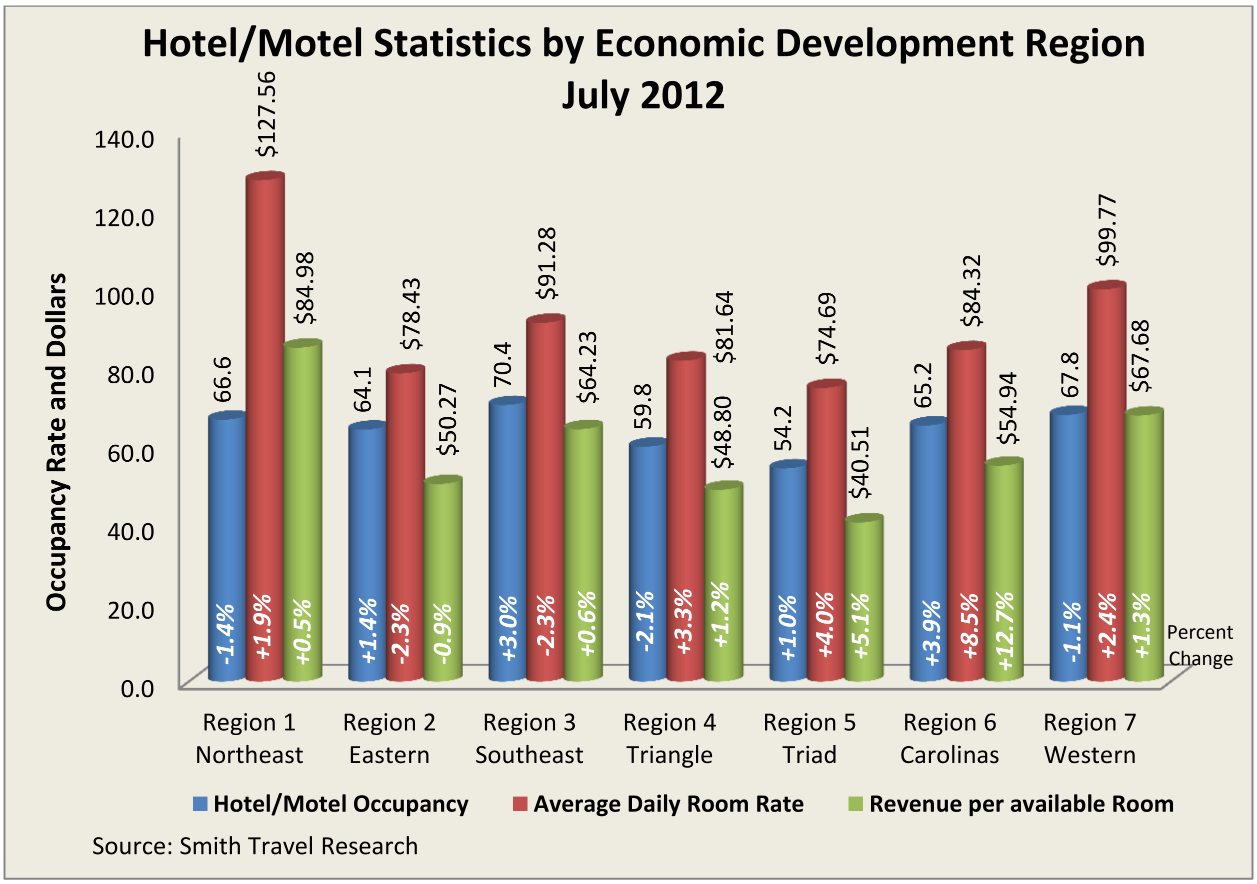


Chart 22 provides lodging indicators for July 2012 by economic development region. Also shown are percent changes from July 2011. This graph allows individual regions within the state to track indicators specific to their general destinations, while still being able to compare their data to the state data shown in Section 1.

Chart 23 – Hotel/Motel Room Demand by Economic Development Region - July 2012

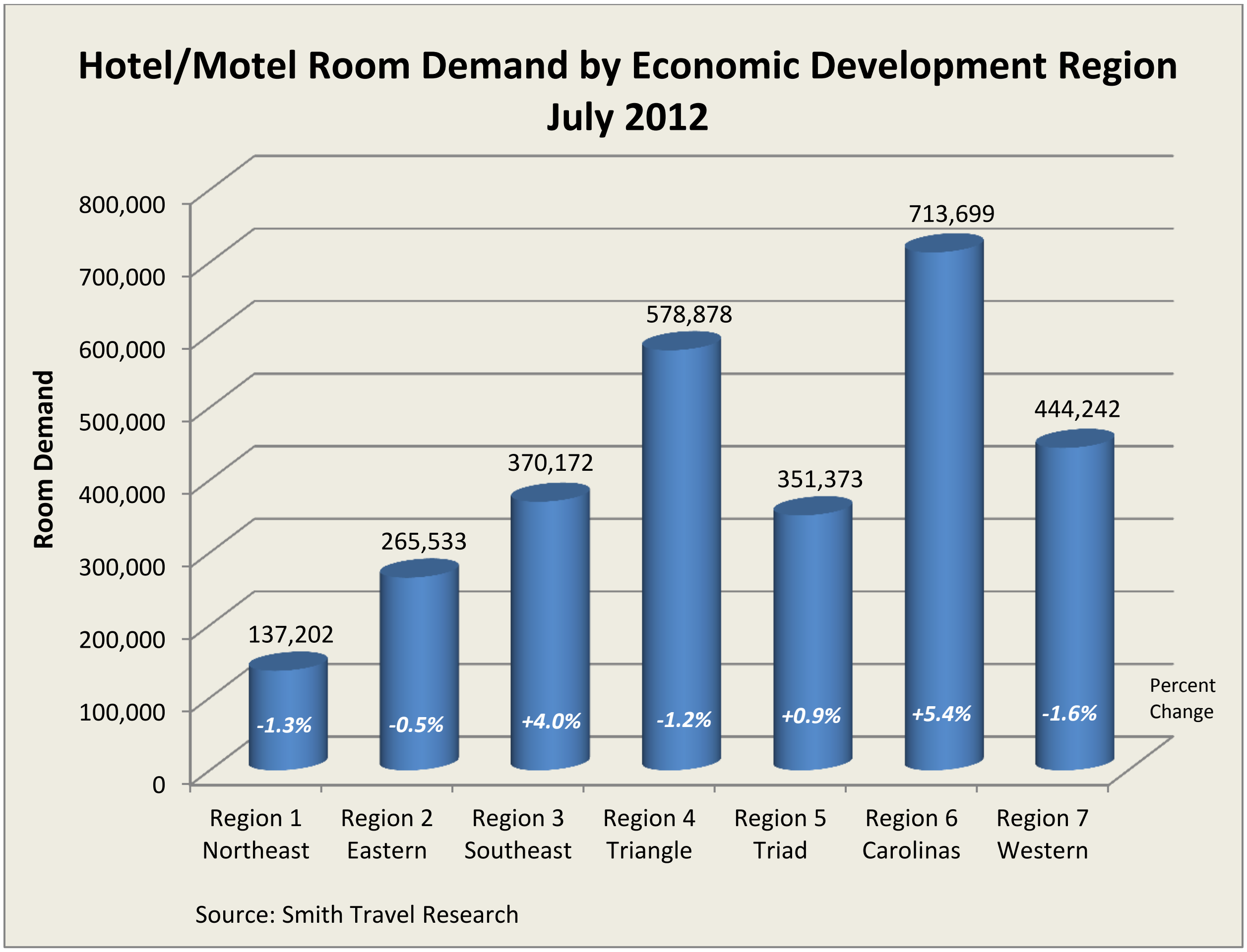


Chart 23 depicts hotel/motel demand for the month of July 2012 by economic development region. Demand is the number of rooms sold excluding complimentary rooms. Three of the seven regions experienced increased demand from July 2011 to 2012, particularly the Southeast and Carolinas regions.

Section 4: National Travel Price Index

The Travel Price Index (TPI) measures the seasonally unadjusted inflation rate of the cost of travel away from home in the United States. The TPI is based on U.S. Department of Labor price data collected for the monthly Consumer Price Index (CPI). The TPO is released monthly and is directly comparable to the CPI.

Variables included in calculating the TPI:

Recreation Services
Food and Beverage
Alcohol Away From Home
Food Away from Home
Other Lodging (Include Hotel/Motel)
Transportation
Airline Fares
Intra-city Public Transportation
Motor Fuel
Other Intercity Transportation

Chart 24 – National Travel Price Index December 2006 – July 2012

Chart 24 provides a five year trend of the National Travel Price Index (TPI). Steady growth was experienced through mid-2008; however in November 2008, it is clear that as the TPI fell below 2007 levels, the tourism industry began feeling the full effect of the recession. For most of 2009, the TPI remained slightly at or below the 2007 level. In December 2010, the TPI finally inched above the each of the previous Decembers from 2007, and continued that year-over-year growth into June 2011. Growth slowed during the summer months to be just barely above the TPI of July 2008, but has since moved to above all previous six years. 2012 has seen continued growth in travel prices overall, but July dipping slightly below last year.