November 2009

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.

Following is a guide to charts and graphs for this report:

Section 1: Statewide Tourism Indicator Analysis for November 2009

Chart 1 – Hotel/Motel Occupancy in North Carolina - November 2006 – 2009
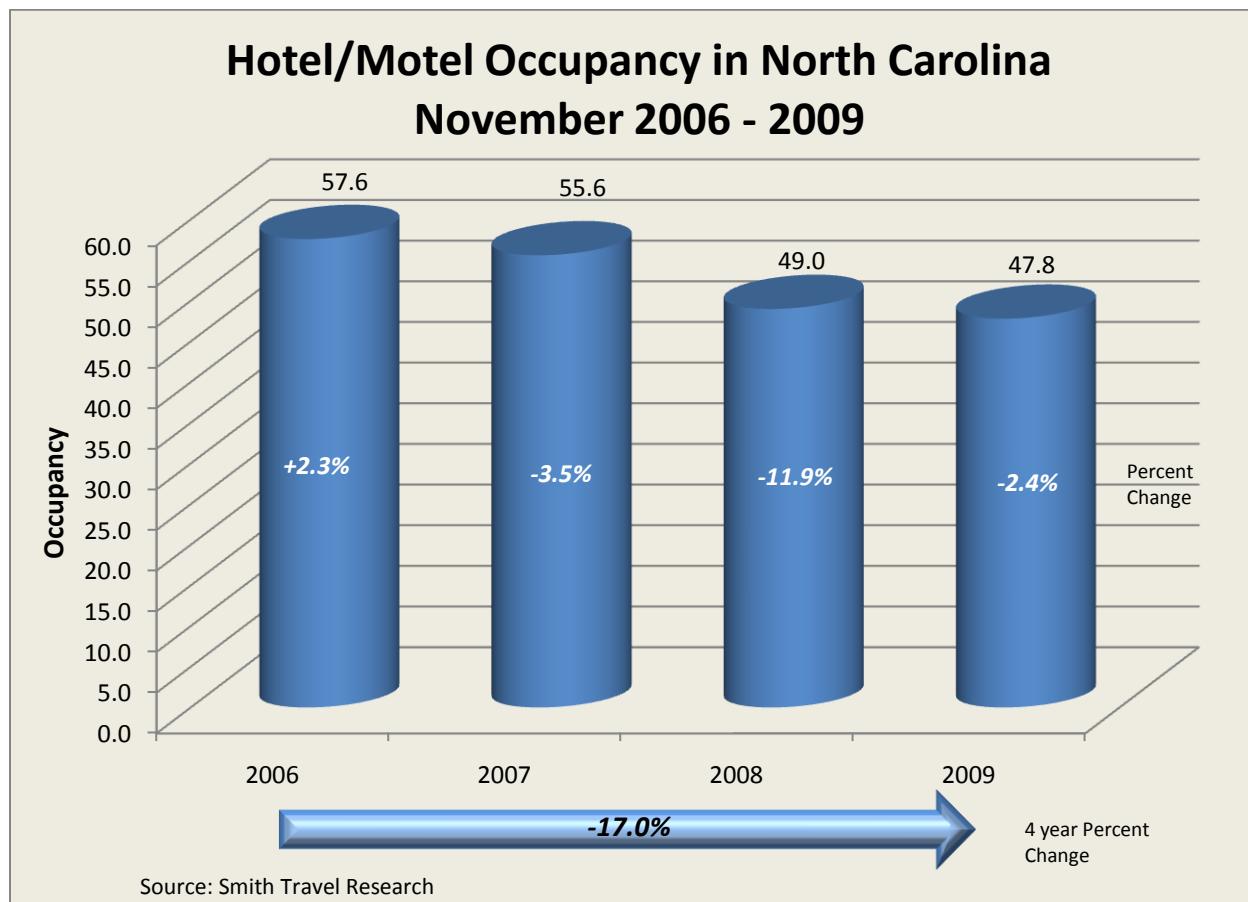
Chart 1 provides a comparison over a four year period to show the trend of occupancy in the state for the month of November. Occupancy for November 2009 declined -2.4% from November 2008. *Occupancy at the national level also experienced a decrease in November 2009. It was down –4.3% from the previous November.*

Hotel/Motel Average Daily Room Rate in North Carolina November 2006 -2009

$79.80

$74.52

$80.15

$76.47

Average Daily Rate

$90.00
$80.00
$70.00
$60.00
$50.00
$40.00
$30.00
$20.00
$10.00
$-

+7.5%

+7.1%

+0.4%

-4.6%

Percent Change

2006   2007   2008   2009

+2.6%

4 year Percent Change

Source: Smith Travel Research
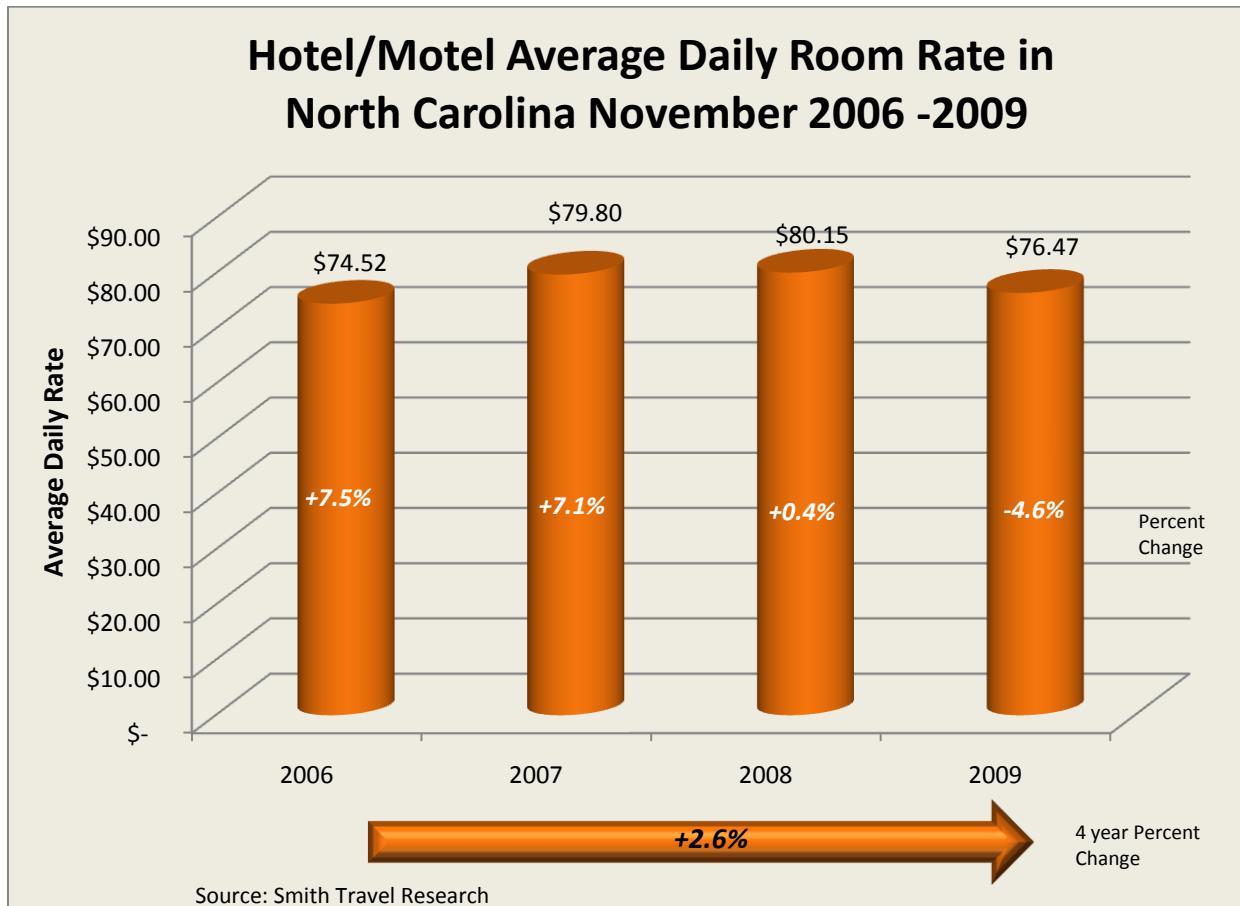
Chart 2 provides a comparison over a four year period to show the trend of average daily room rate (ADR) in the state for the month of November. The ADR for past years have shown increases however this November experienced a decline, bringing it below the 2007 rate. *ADR at the national level was down -8.3% in November 2009 from the previous November.*

Hotel/Motel Revenue per Available Room in North Carolina November 2006 - 2009

Source: Smith Travel Research
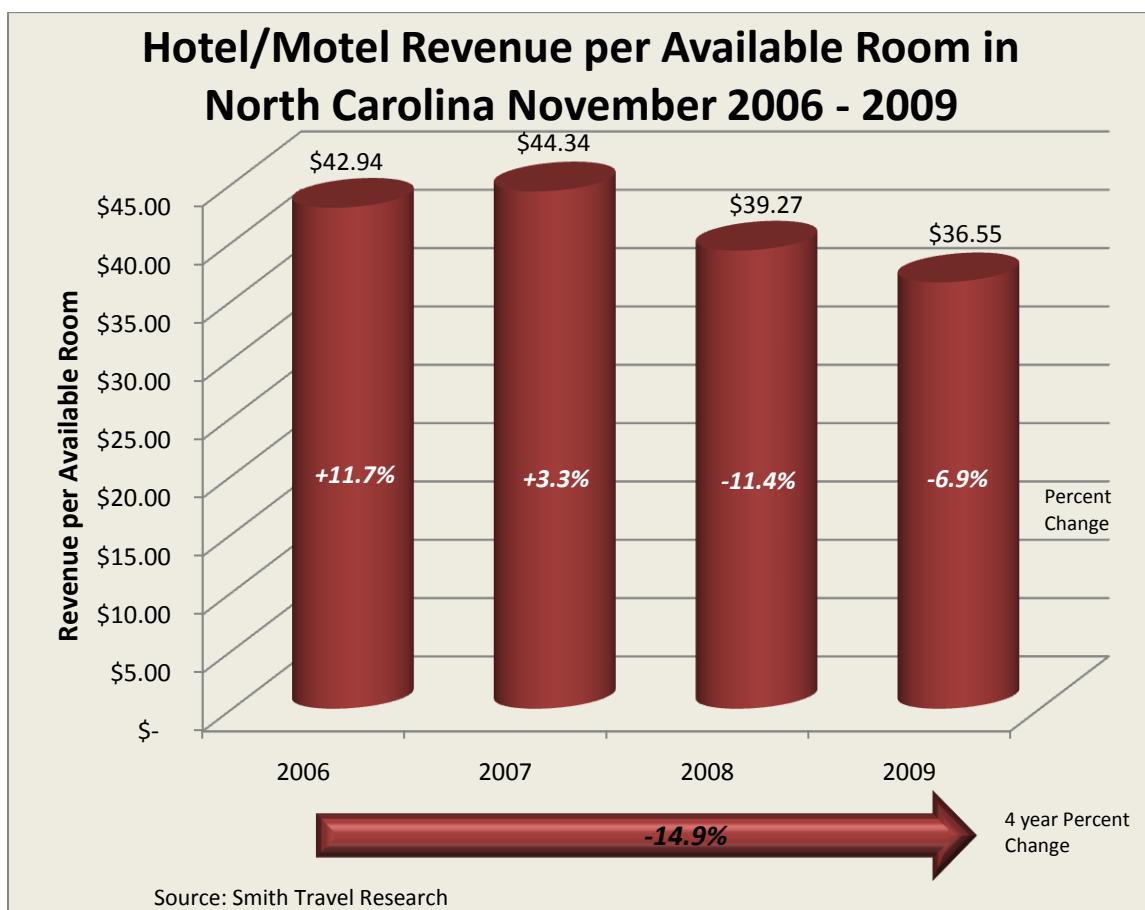
In Chart 3 an analysis of Revenue per Available Room (RevPAR) is provided. RevPAR is an industry term that describes the revenue that a hotel earns on the basis of just the rooms available for a given night. In other words, rooms not available either due to renovation or other reasons are not included 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 four year period to show the trend of RevPAR in the state for the month of November. As with the ADR, RevPar was down significantly for November 2009 relative to the previous year, and well below 2006 RevPAR. *RevPAR at the national level was down -12.3% in November 2009 from the previous November.*

Chart 4 – Hotel/Motel Room Demand in North Carolina - November 2006 – 2009

Hotel/Motel Room Demand in North Carolina November 2006 - 2009

Room Demand

- 2006: 2,310,224 — +2.3%
- 2007: 2,238,327 — -3.1%
- 2008: 2,020,395 — -9.7%
- 2009: 2,029,015 — +0.4%

Percent Change

4 year Percent Change: **-12.2%**

Source: Smith Travel Research
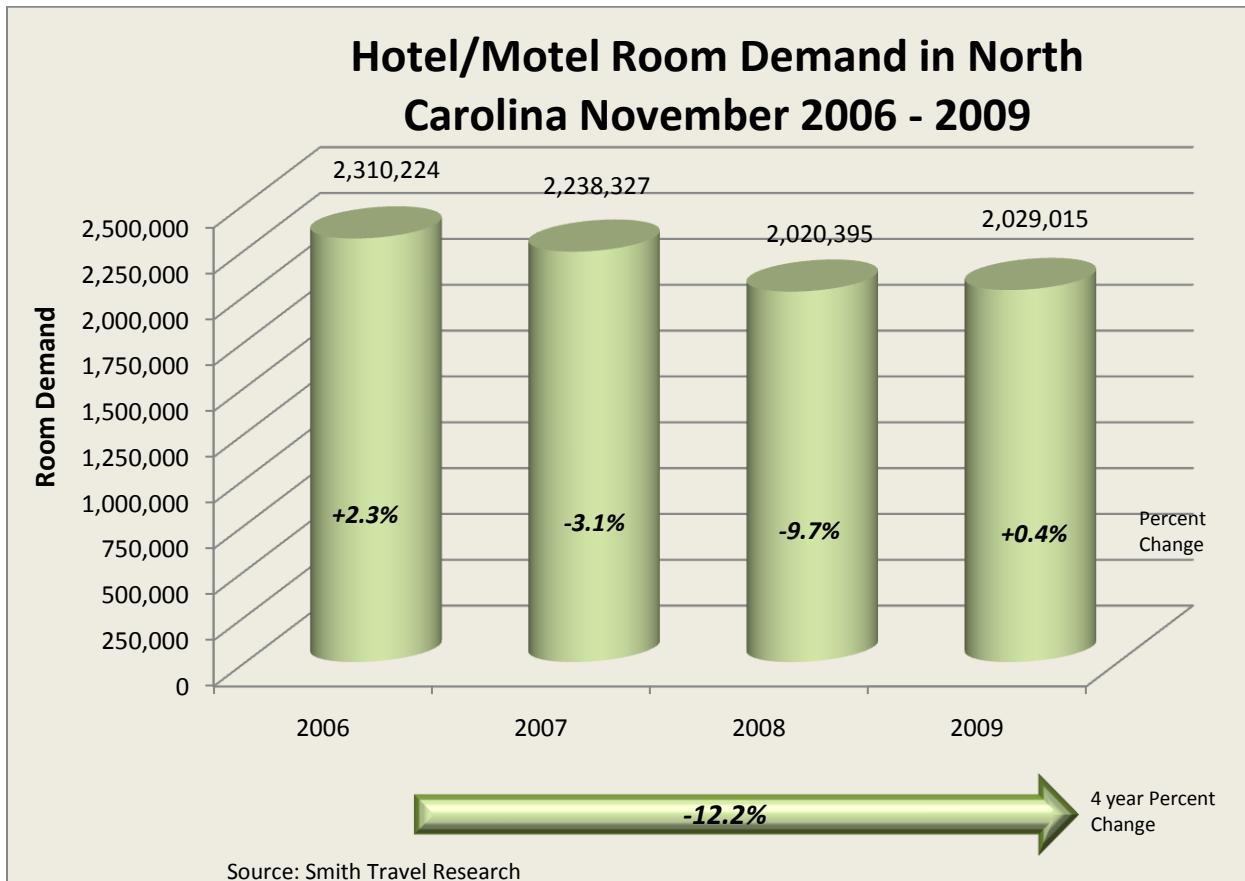
Chart 4 depicts hotel/motel demand for the month of November 2009 with comparisons to the previous three years. Demand is the number of rooms sold excluding complimentary rooms. Room Demand for November was up 0.4% from November 2008. *Room Demand at the national level saw a decline with a -1.3% change in November 2009 from the previous November.*

Chart 5 – North Carolina Lodging Statistics Monthly Percent Change 2008 – 2009

North Carolina Lodging Statistics
Monthly Percent Change 2008 - 2009

Source: Smith Travel Research
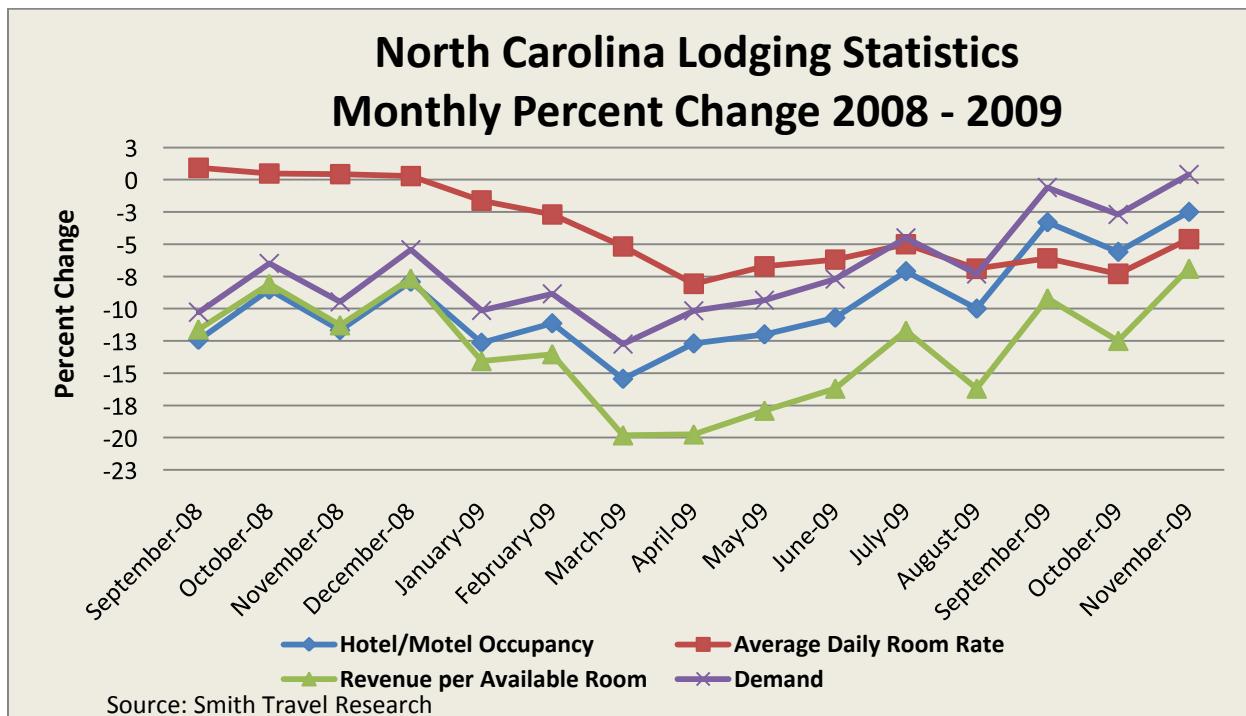
Chart 5 provides a monthly percent change for the four major lodging indicators. The chart allows for a 13 month trend-line analysis that clearly depicts that the major indicators show a steady negative change. All indicators have dropped to negative percent change since January of 2009, though demand finally reached positive percent change this month.

Chart 6 – Statewide Visitation to Attractions - November 2006 – 2009

Statewide Visitation to Attractions
November 2006 - 2009

*Percent Change reflects changes for those attractions, parks and centers reporting from year to year.
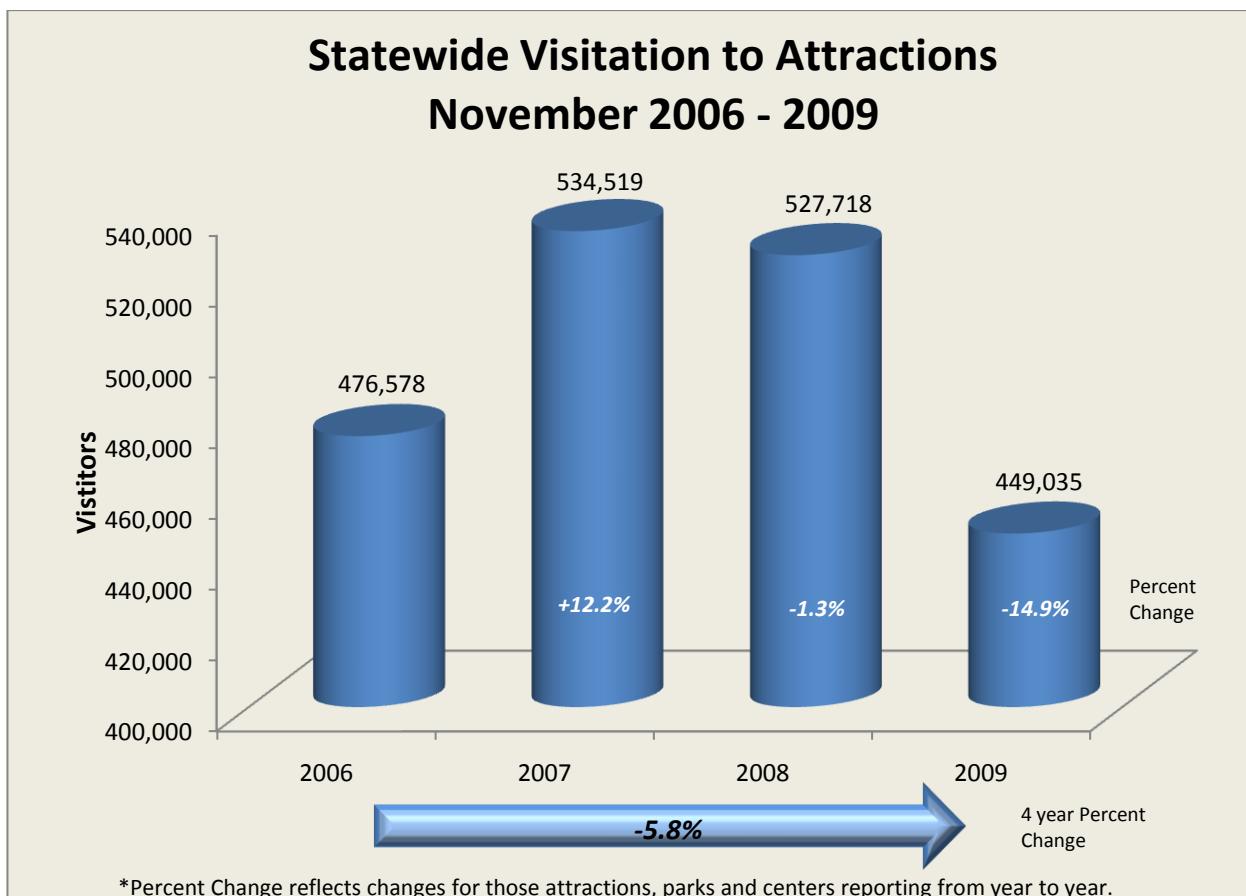
Chart 6 provides a status of the attractions industry in North Carolina for the month of November for the last four years. The numbers represent only a sample of North Carolina attractions that provide their attendance data, and are not intended to be considered a complete list of attractions. However, 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. Missing values for attractions who regularly report have been estimated until visitation can be verified. These estimates are not included in percent change calculations from November 2008 to November 2009.

There was a large decline in attraction visitation from November 2008 to November 2009, dropping numbers lower than 2006 levels for the month.

Statewide Visitation to Attractions Monthly History 2006 – 2009
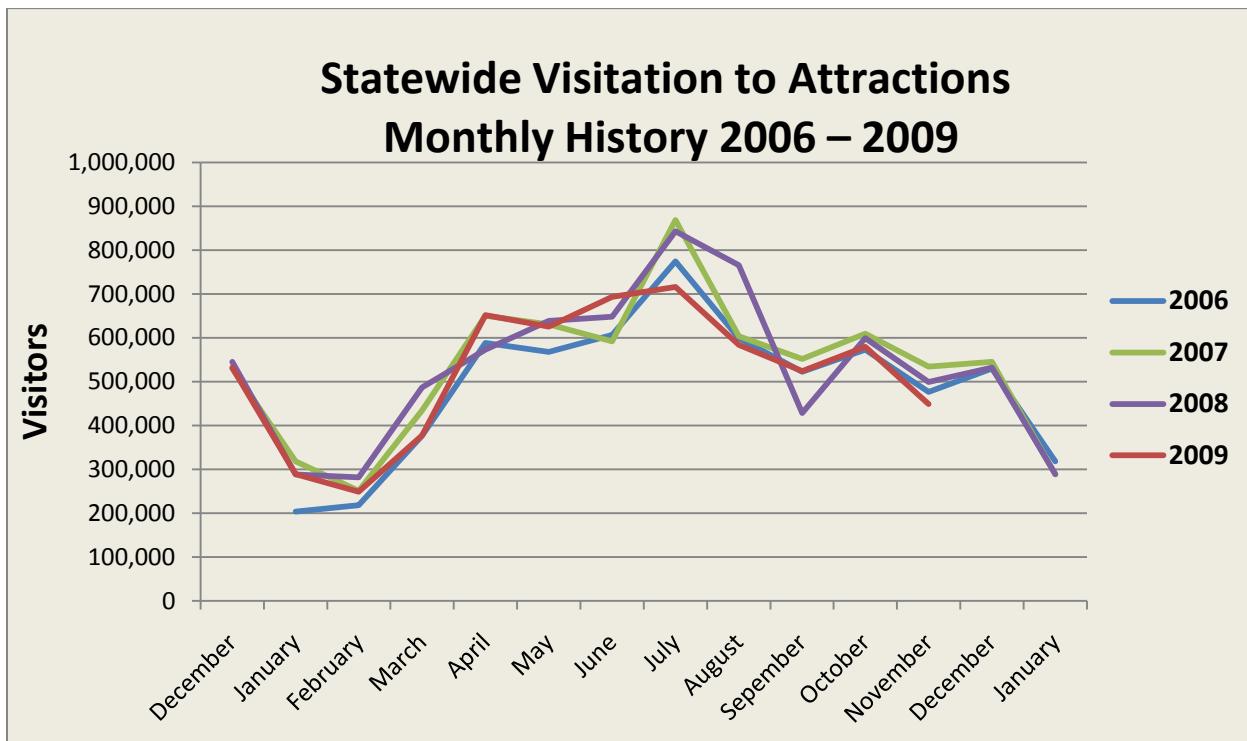
Chart 7 shows a monthly trend of attraction visitation for each of the last four years. This chart allows for a view of the ebb and flow of monthly attraction attendance, while also providing a look at how attendance compares to the same month of the previous years. Not surprisingly, the summer months see higher 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.

The November numbers dipped below the 2006 numbers for the first time since July.

State Welcome Center and Local Visitor Center Attendance November 2006 - 2009

Welcome Center visitation is calculated using an electronic count of vehicles entering the center during operating hours with a multiplier of 2.7 persons per vehicle. Visitor center method of counting varies by center, but percent change is a consistent measurement.
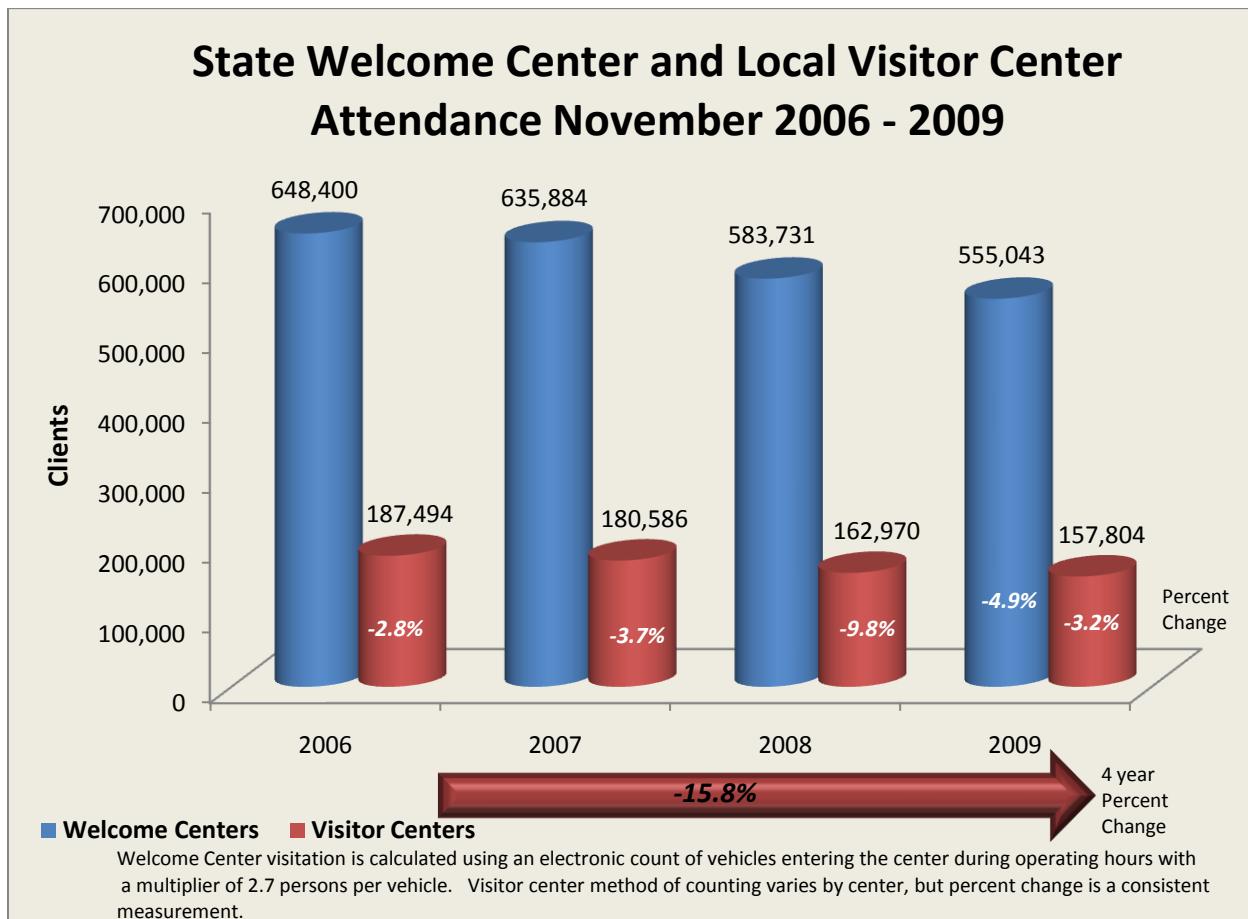
Chart 8 provides November visitation statistics for State Welcome Centers, as well as Local Visitor Centers throughout North Carolina. It should be noted that while there is a percent change indicated for welcome centers for 2007-2008 and 2008-2009, 2008 was the first year a percent change could accurately 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 October 2008. Therefore, previous years' percent changes are not included in this particular chart.

**Statewide National and State Park Visitation
November 2006 - 2009**
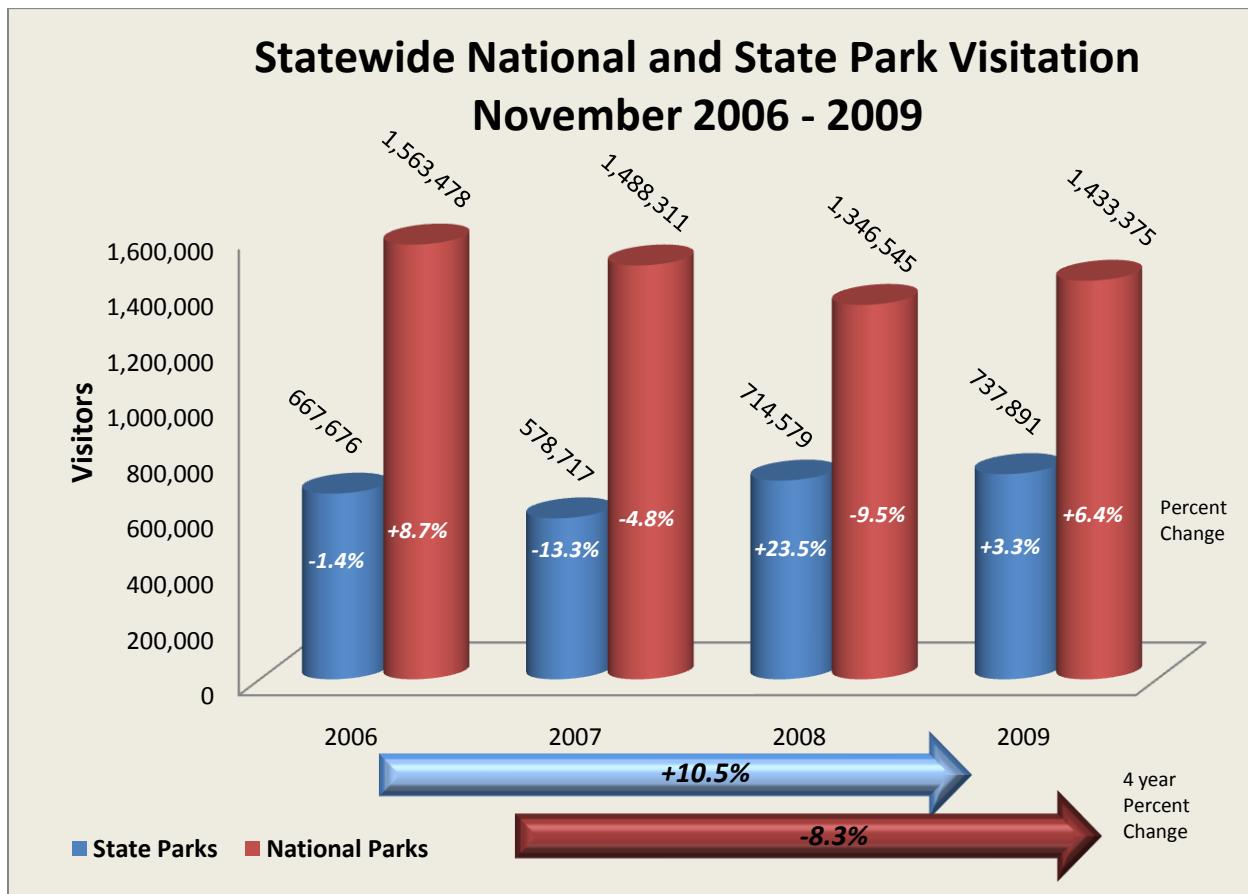
Chart 9 depicts visitation to state and national parks in North Carolina for the last four Novembers. While not as large of an increase as last year, state parks visitation has increased over the past year at a good rate. National parks attendance in the state also increased from 2008, which help to lessen the decline over the four year period.

Chart 10 – Statewide Visitation to State Parks Monthly History 2006 – 2009
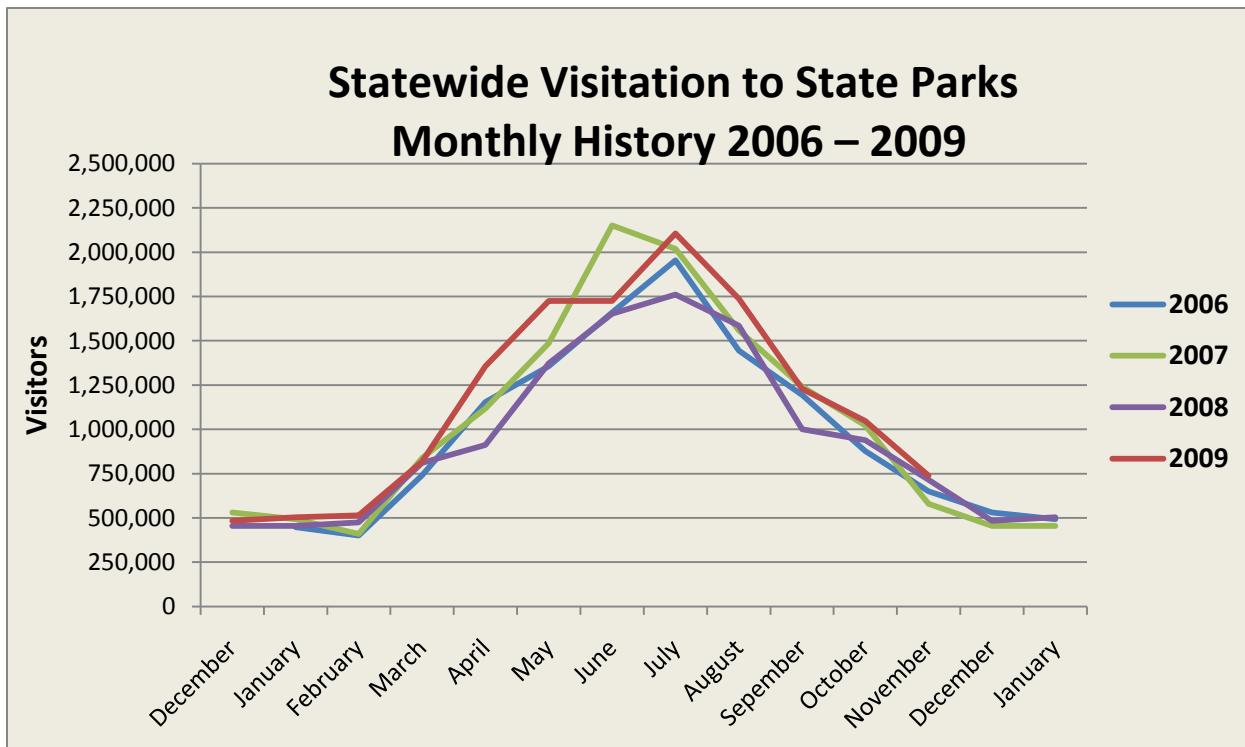
Similar to Chart 7, Charts 10 and 11 provide a monthly trend of state and national park visitation for each of the last four years. These charts help monitor the flow of monthly attraction attendance, while also providing a look at how attendance compares to the same month of the previous years. It is 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 – 2009
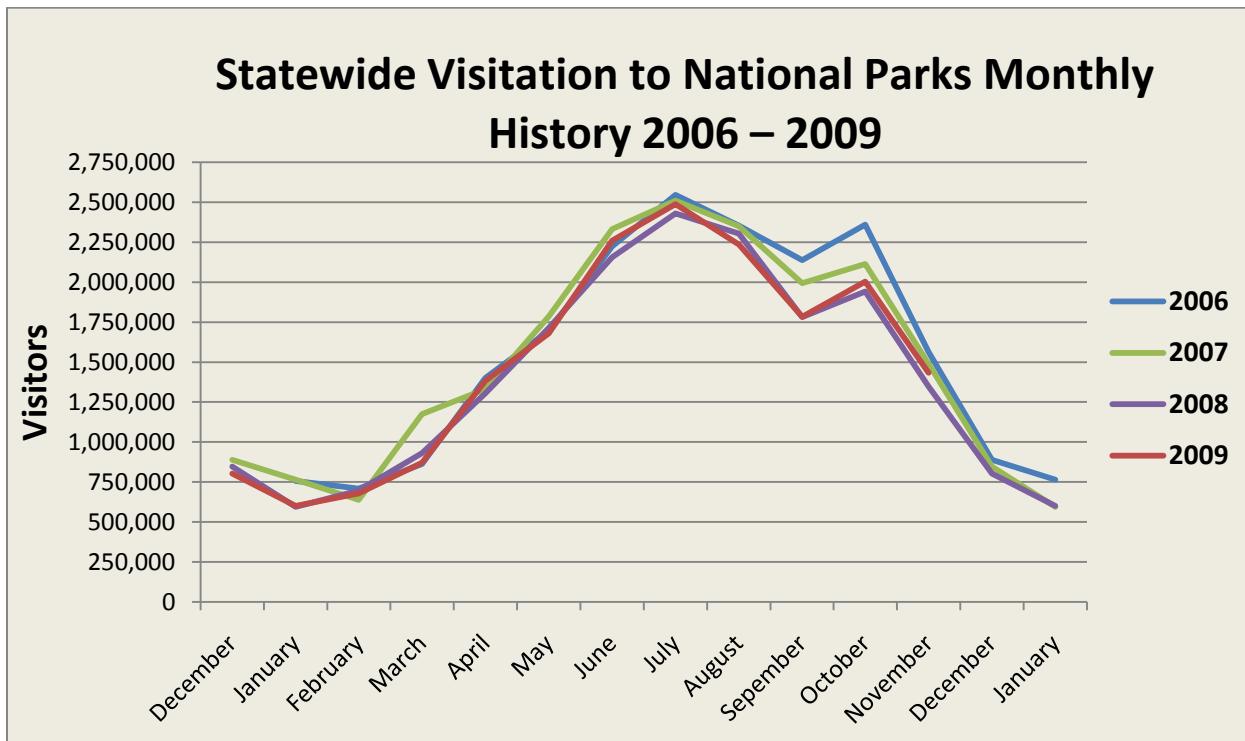
Chart 12 – Statewide Airport Arrivals and Departures - November 2006 – 2009

Statewide Airport Arrivals and Departures
November 2006 - 2009

Airports: Piedmont Triad International, Raleigh-Durham International, Charlotte Douglas International, Jacksonville, New Bern, Pitt-Greenville, Asheville Regional, Fayetteville, and Wilmington International.
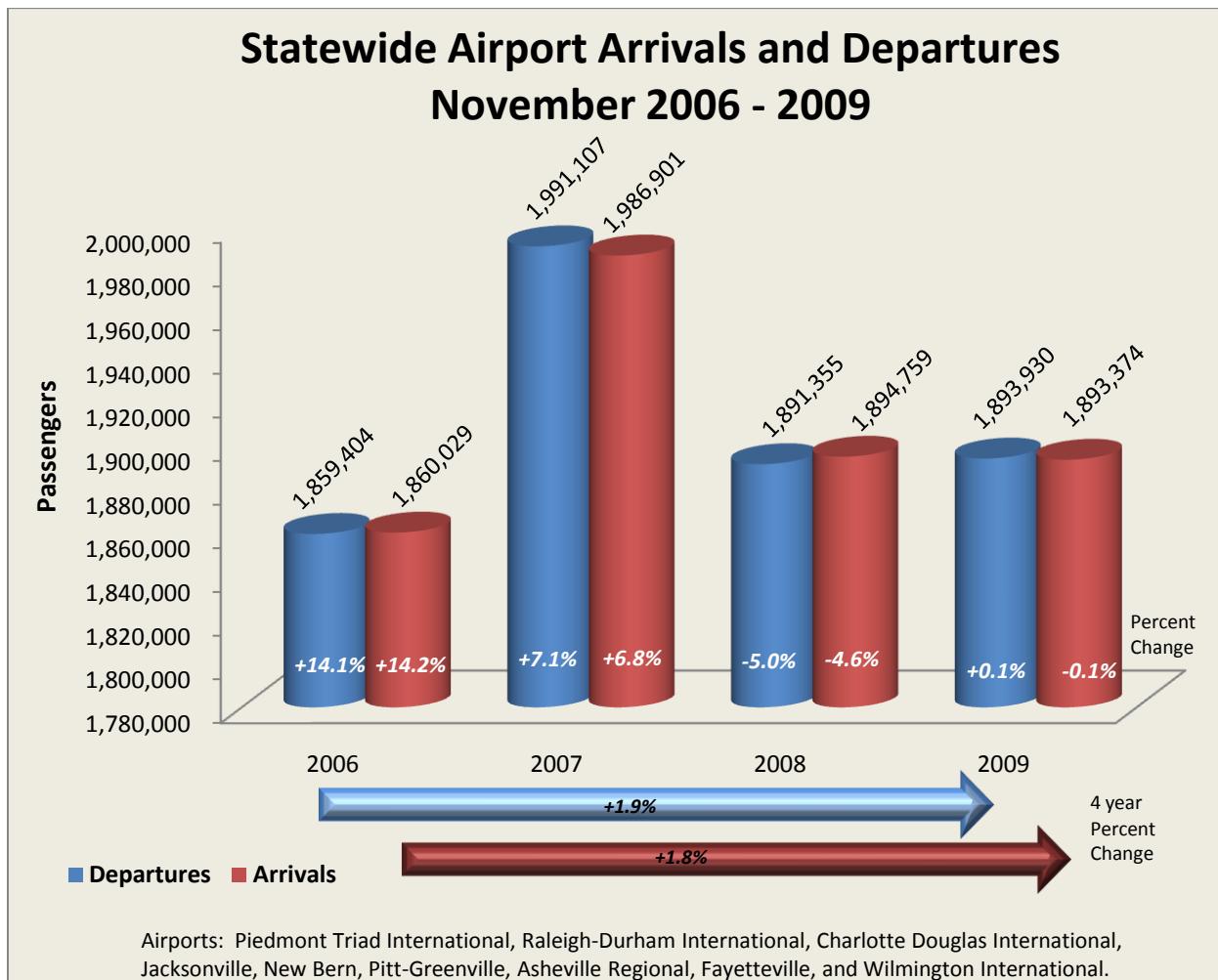
Chart 12 shows November airport arrivals and departures for each of the previous four years. The arrivals and departures data was fairly flat from last November. There has been a positive four-year increase in both.

Lower Atlantic Average Monthly Retail Gas Prices for Unleaded November 2006 - 2009

Dollars

$2.17	$3.05	$2.11	$2.61

Percent Change

+40.6%   -30.8%   +23.7%

2006   2007   2008   2009

4 year Percent Change

+20.3%

Source: Energy Information Administration:
www.eia.doe.gove/oil_gas/petroleum/data_publications
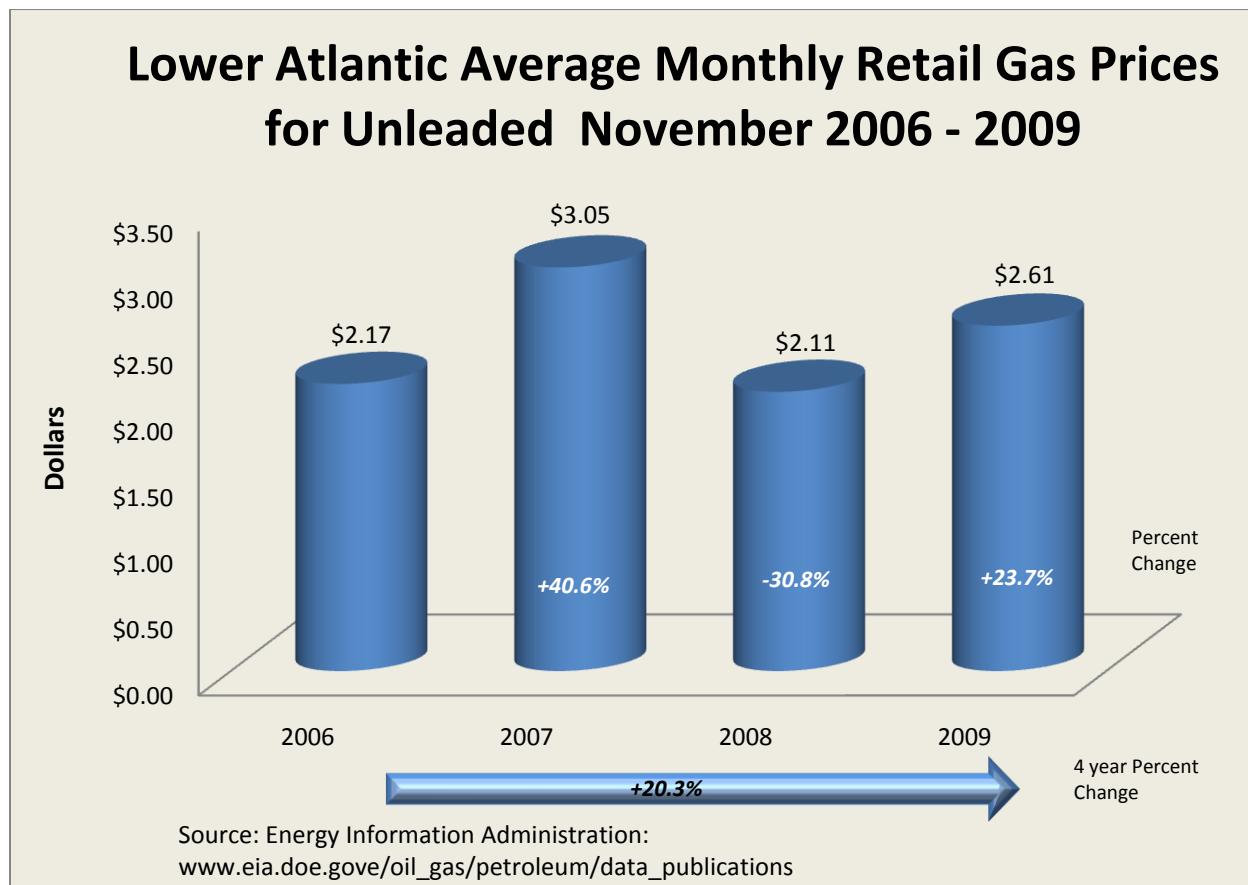
Chart 13 provides the average price per gallon of unleaded gasoline for November 2009 and the three previous Novembers. The data provided above, when compared with other indicators such as attraction attendance and visitor spending data, can be very helpful in the analysis of general travel trends. Fuel prices in November 2009 were up from last November, though still fourteen percent below 2007 prices.

North Carolina Averge Temperature and Precipitation Data from November 2008 - 2009

State Climate Offic of North Carolina: NC CRONOS Database: www.nc-climate.ncsu.edu
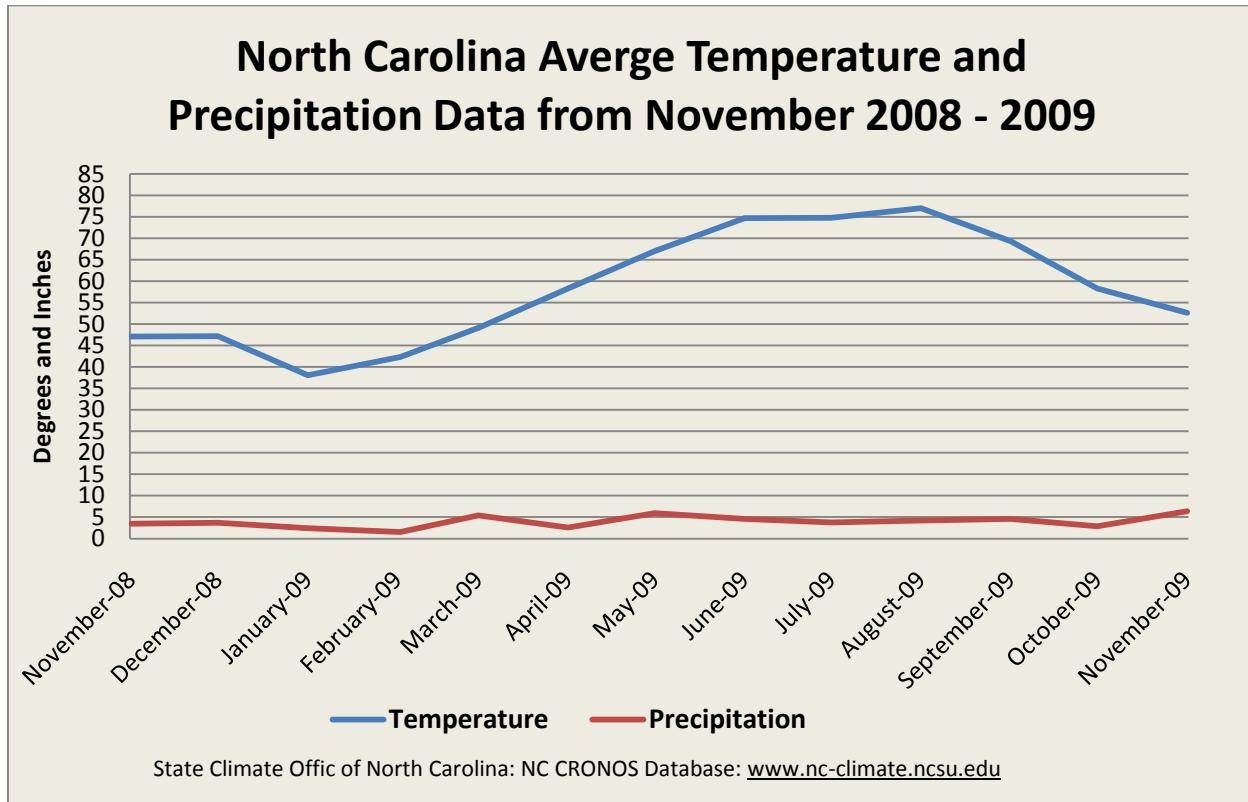
Chart 14 provides 13 months of air temperature and precipitation. This data, when analyzed together with gas price data and other tourism indicators, can be valuable in determining possible reasons for significant increases and/or decreases in indicators. For instance, greater than normal precipitation during a particular month can often help explain decreases in attendance at outdoor attractions. Though November 2009 had a higher average temperature, it had almost three inches more rain than last November, most likely contributing to the decrease in attraction attendance from the same time last year.

Section 2 – Geographic Marketing Region (Coastal/Piedmont/Mountain) Tourism Indicator Analysis for November 2009

Chart 15 – Hotel/Motel Statistics by Geographic Region - November 2009
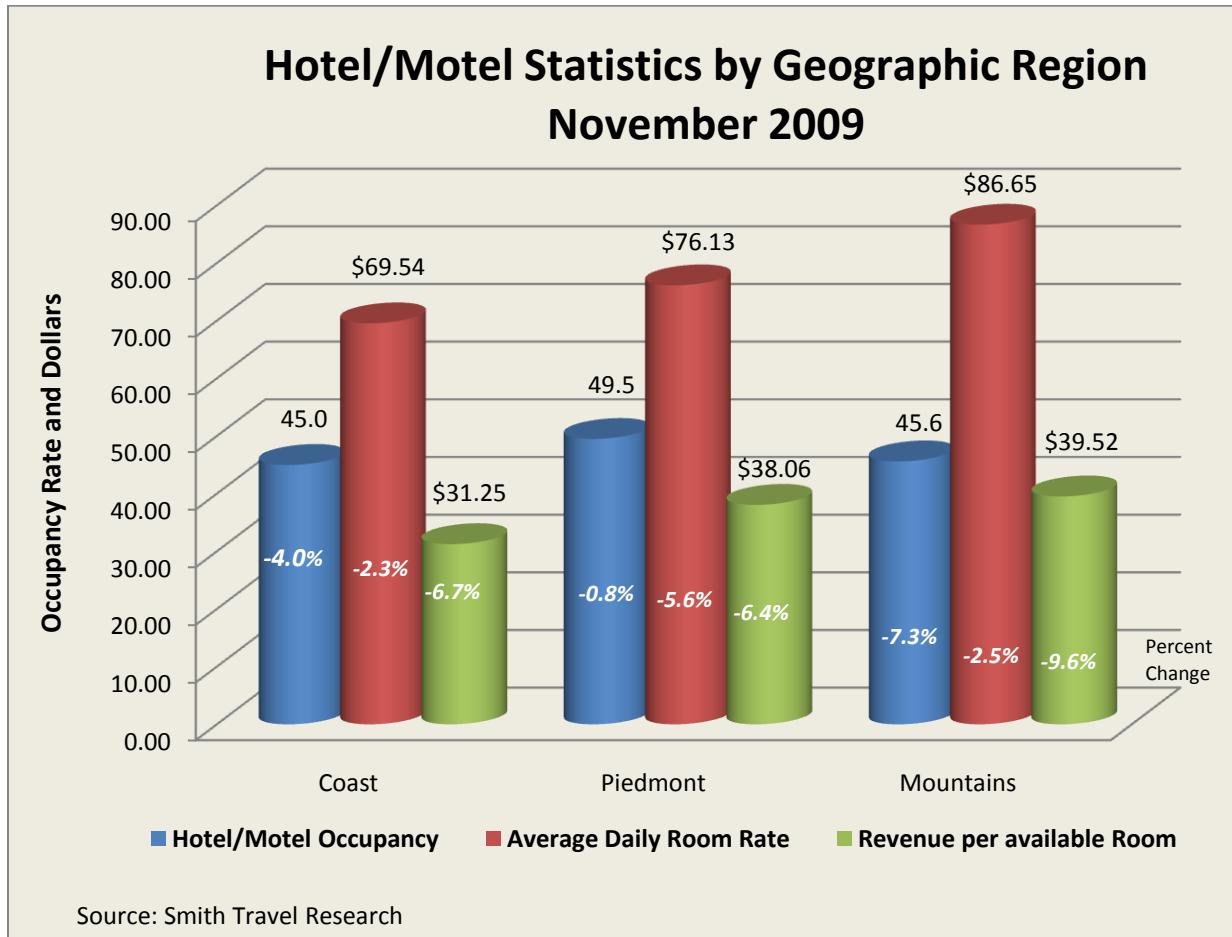
Chart 15 provides a one year comparison in lodging statistics for the three geographic marketing regions of North Carolina. Occupancy rate in 2009 decreased in all three regions, but the Mountains bore the brunt of the decrease in November.

Chart 16 – Hotel/Motel Room Demand by Geographic Region - November 2009

Hotel/Motel Room Demand by Geographic Region November 2009

Room Demand

1,268,397

482,358

278,260

-4.0%

+2.9%

-5.0%

Percent Change

1,400,000
1,200,000
1,000,000
800,000
600,000
400,000
200,000
0

Coast   Piedmont   Mountains

Source: Smith Travel Research
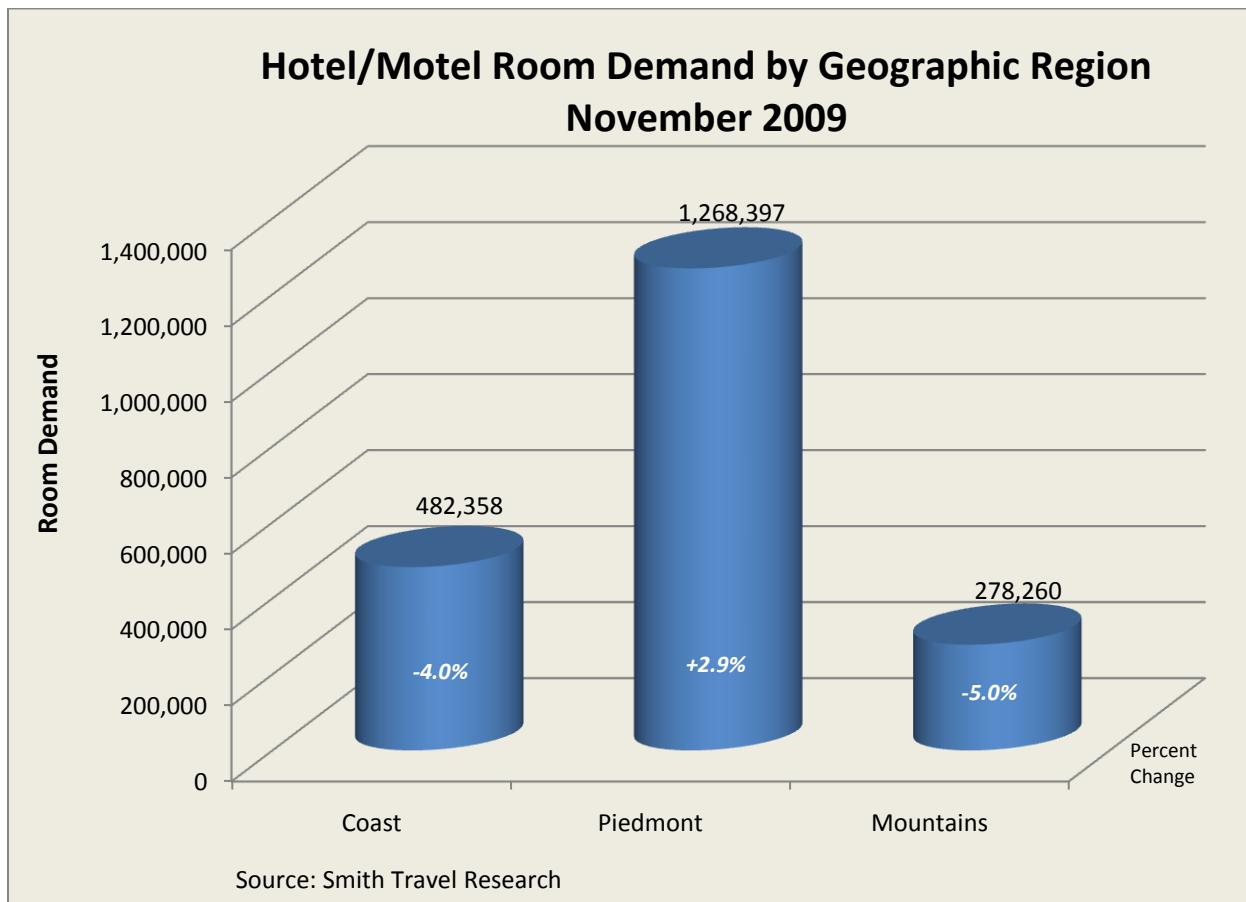
Chart 16 provides hotel/motel demand by geographic region for November 2009. Demand differs from occupancy in that it is the total number of rooms sold, not accounting for differences in room supply. The Piedmont Region experienced a positive percent change in demand from November 2008 to November 2009.

## Visitation to Attractions and Parks by Geographic Region - November 2009

Region	Attraction	State Parks	National Parks
Coast	61,858 (-13.1%)	238,438 (+2.5%)	190,496 (0.0%)
Piedmont	118,312 (-24.9%)	395,382 (-1.3%)	13,466 (-40.0%)
Mountains	268,865 (-10.1%)	104,071 (+27.7%)	1,229,413 (+8.5%)

Percent Change reflects changes for those attractions, parks and centers reporting from year to year.
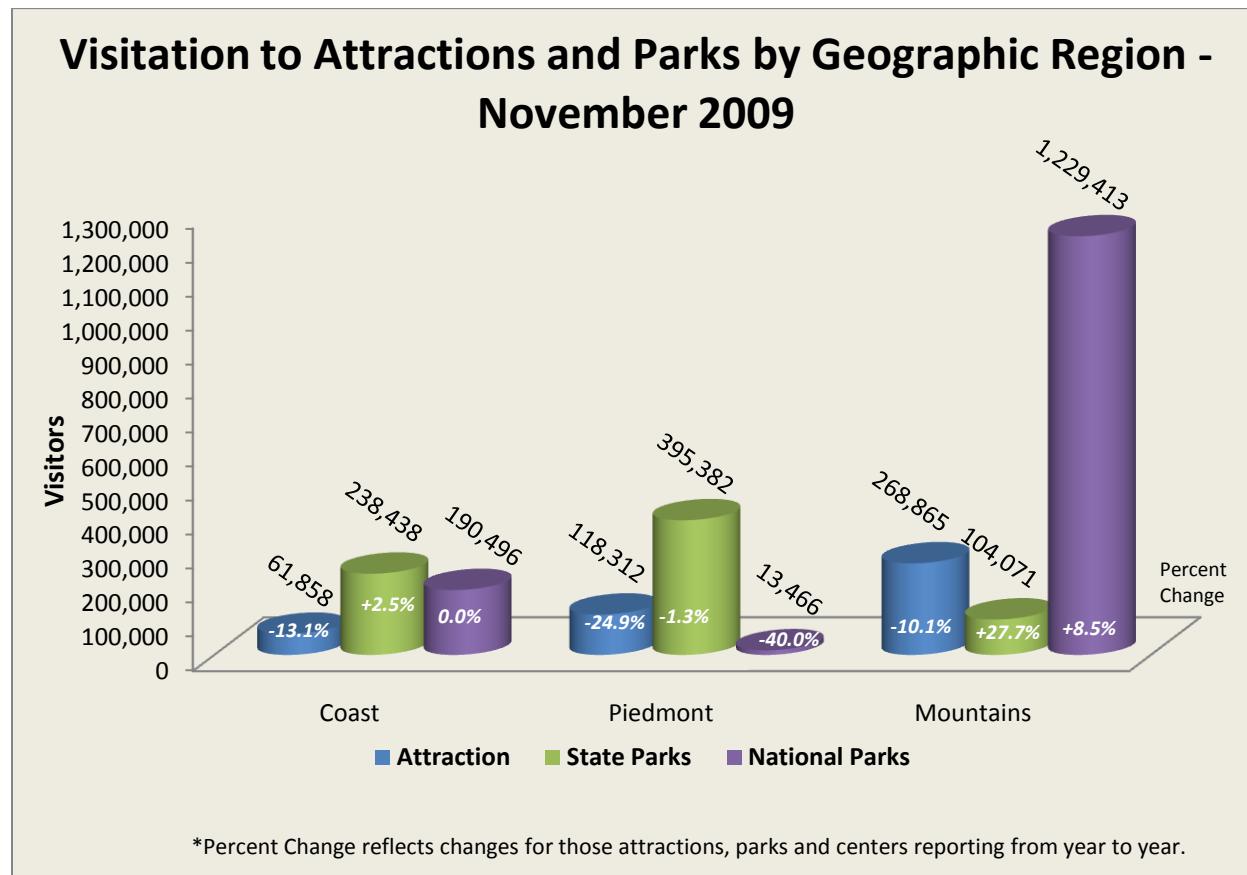
Chart 17 provides a look at the attractions industry in North Carolina in November 2009 by geographic region. As with the statewide numbers, the following data represents only a sample of North Carolina attractions that provide their attendance data, and are not intended to be considered a complete list 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.

There was an increase in visitation for state parks in the Mountain and Coastal regions in November, but attraction attendance declined in all regions.

State Welcome Center and Local Visitor Center Attendance by Geographic Region - November 2009

Welcome Center visitation is calculated using an electronic count of vehicles entering the center during operating hours with a multiplier of 2.7 persons per vehicle. Visitor center method of counting varies by center, but percent change is a consistent measurement.
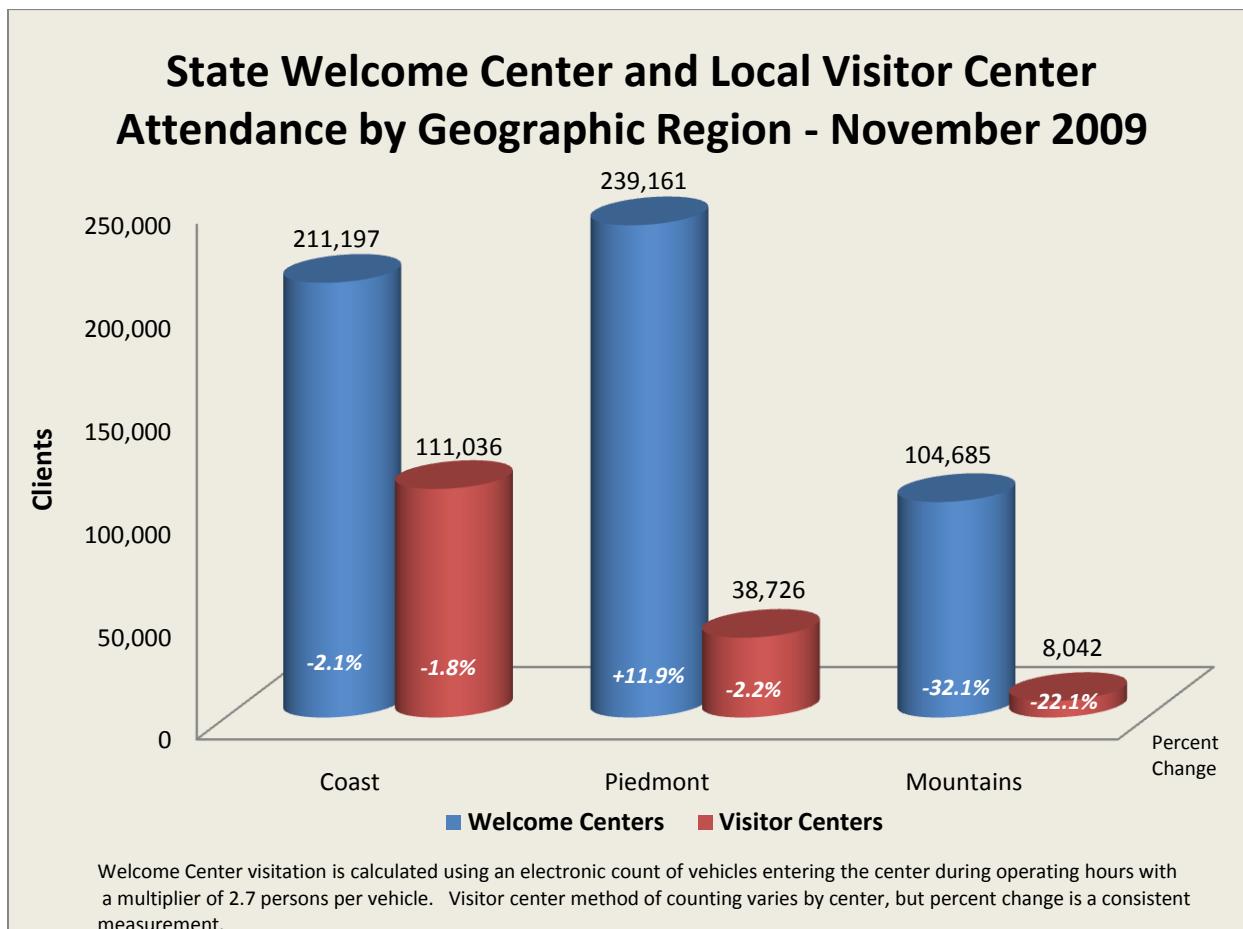
Chart 18 shows welcome center and visitor center attendance by geographic region and offers comparisons from November 2008. The Piedmont region experienced a healthy increase in welcome center numbers in November, while the visitor centers in the mountains and coast saw decreases. The Mountains decrease can be attributed to the rock slide near the NC/TN border that closed the I-40 West Welcome Center.

**Airport Arrivals and Departures by Geographic Region
November 2009**

Passengers

	Coast	Piedmont	Mountains
	71,076 (+4.7%)	1,798,837 (0.0%)	24,017 (-1.6%)
	70,810 (+3.6%)	1,799,357 (-0.2%)	23,207 (-1.8%)

Percent Change

■ Departures   ■ Arrivals

Airports: Piedmont Triad International, Raleigh-Durham International, Charlotte Douglas International, Jacksonville, New Bern, Asheville Regional, Fayetteville, and Wilmington International.
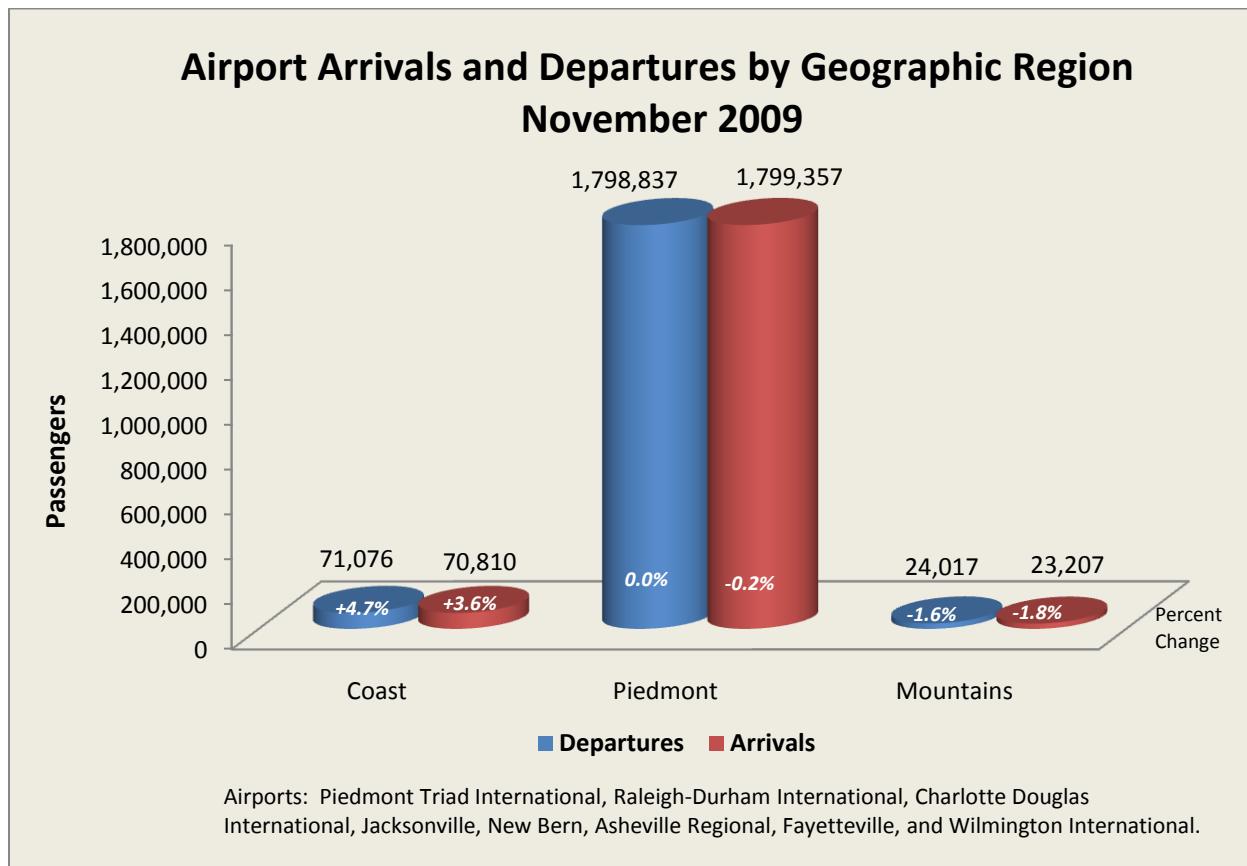
Chart 19 provides a breakdown of air travel statistics by geographic region. While the majority of air traffic is through the Piedmont Region, it is helpful to maintain a trend of other regional airport usage. The Piedmont Region did not experience any growth in air traffic during the month of November, while the Coastal saw increases from last year.

Section 3: Economic Development Region Tourism Indicator Analysis – November 2009

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 20 – Hotel/Motel Statistics by Economic Development Region - November 2009
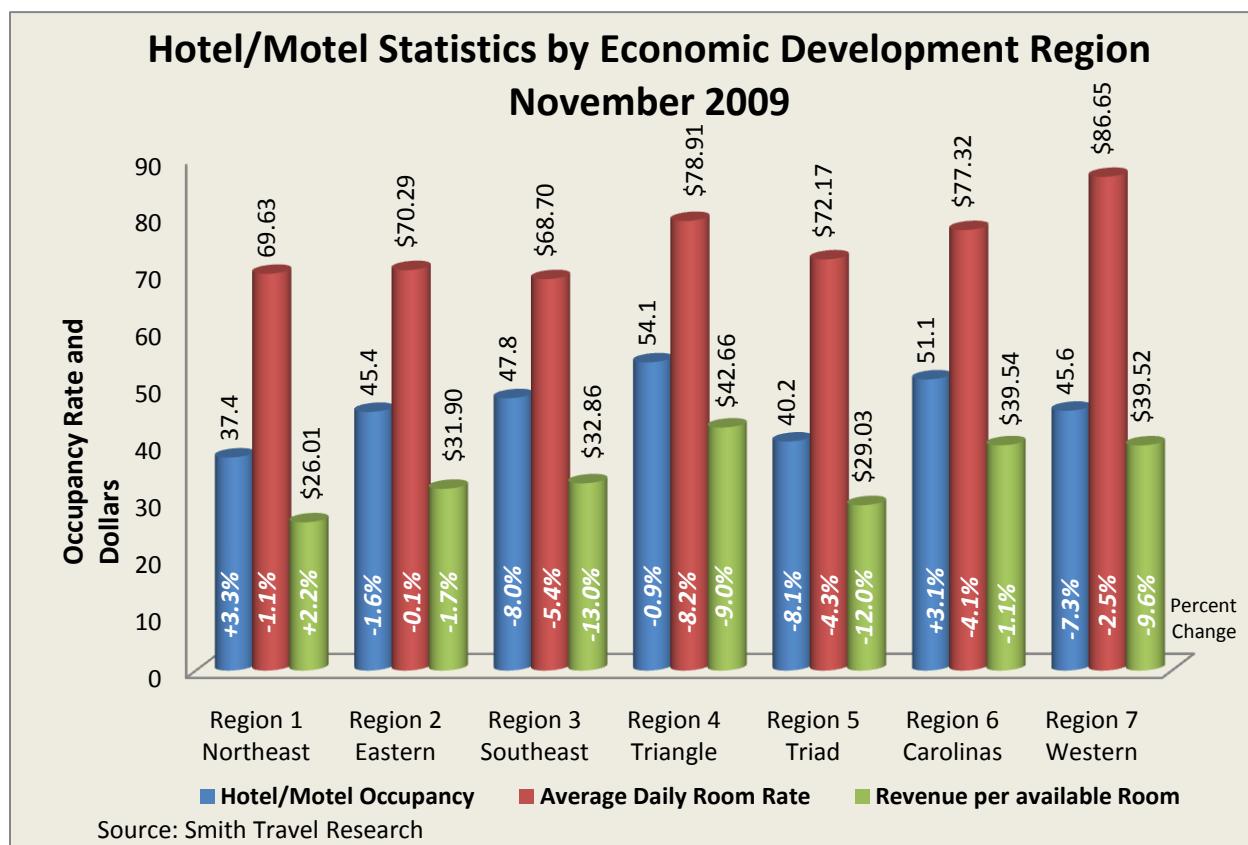

Chart 20 provides lodging indicators for November 2009 by economic development region. Also shown are percent changes from November 2008. This graph allows individual regions within the state to track indicators specific to their general destinations, while still being able to compare their data to the state data shown in Section 1.
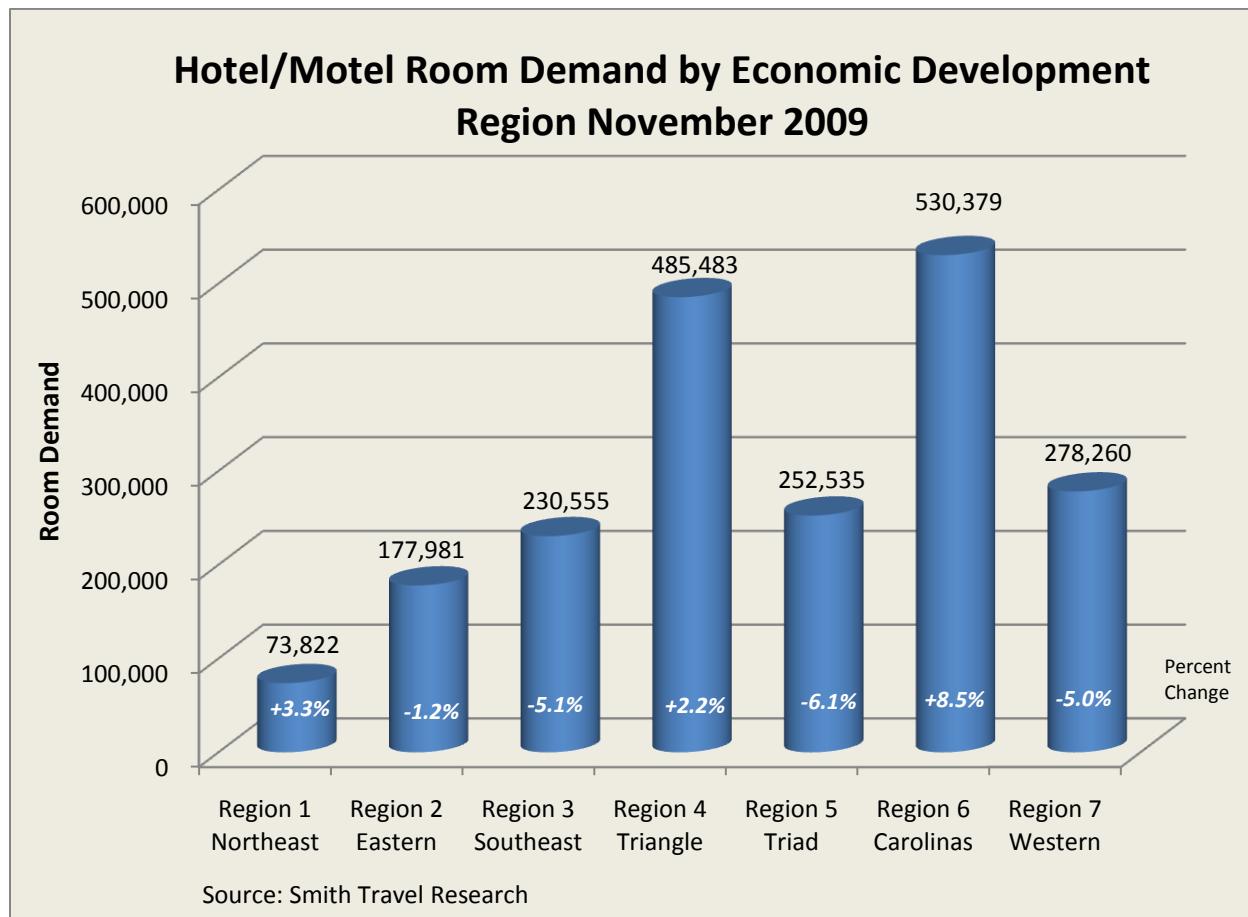
Chart 21 depicts hotel/motel demand for the month of November 2009 by economic development region. Demand is the number of rooms sold excluding complimentary rooms. The Carolinas, Northeast, and Triangle regions all showed growth in room demand from November 2008.

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

Chart 22 – National Travel Price Index December 2006 – November 2009

Chart 22 provides a two 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. Into 2009, the TPI remained well below the 2008 index level and remains slightly below the 2007 level. However, November the TPI inched just above the 2008 index.