



Louisiana Travel Pulse

Winter 2003-2004

The Louisiana Travel Pulse is a seasonal industry travel barometer designed to present recent trends in travel industry performance. This issue’s emphasis is on the **Winter 2003-2004** season (**December 2003 -February 2004**). Performance measures are primarily presented to show differences in levels from one year ago. However, much of the following data also illustrates the most recent twelve to eighteen-month trend as well. Some indicators also show comparisons of national and/or regional trends when data is available. The following Pulse has three primary parts. The first part shows statewide indicators for hotels, airports, visitor centers, riverboat gaming, parks, and attractions (pages 2-10). The second part of the Pulse contains a regional analysis of the **Winter** season using some of these same indicators (pages 11-12). The final element contains leading indicators (pages 13-14).

The Louisiana Travel Pulse is published quarterly by the Office of Tourism within the Louisiana Department of Culture, Recreation and Tourism. Any questions or issues concerning this Pulse should be directed to the Research Section, Louisiana Office of Tourism, Post Office Box 94291, Baton Rouge, Louisiana 70804-9291 or by calling 225-342-8100.

Winter 03-04 Performance At-A-Glance

- Hotel Occupancy Rate: +2.4%
- Hotel ADR: -3.1%
- Hotel Room Supply: +1.6%
- Hotel Room Demand: +4.7%
- State Visitor Center Visitors: -2.1%
- Riverboat Gaming Revenue: +0.8%
- Airport Enplanements: +5.7%
- State Parks Visitors: -6.3%
- Local Information Center Visitors: -0.9%
- Attractions Visitors: -8.6%

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Note: These Louisiana indicators show the percentage difference from Winter 02/03 to Winter 03/04.

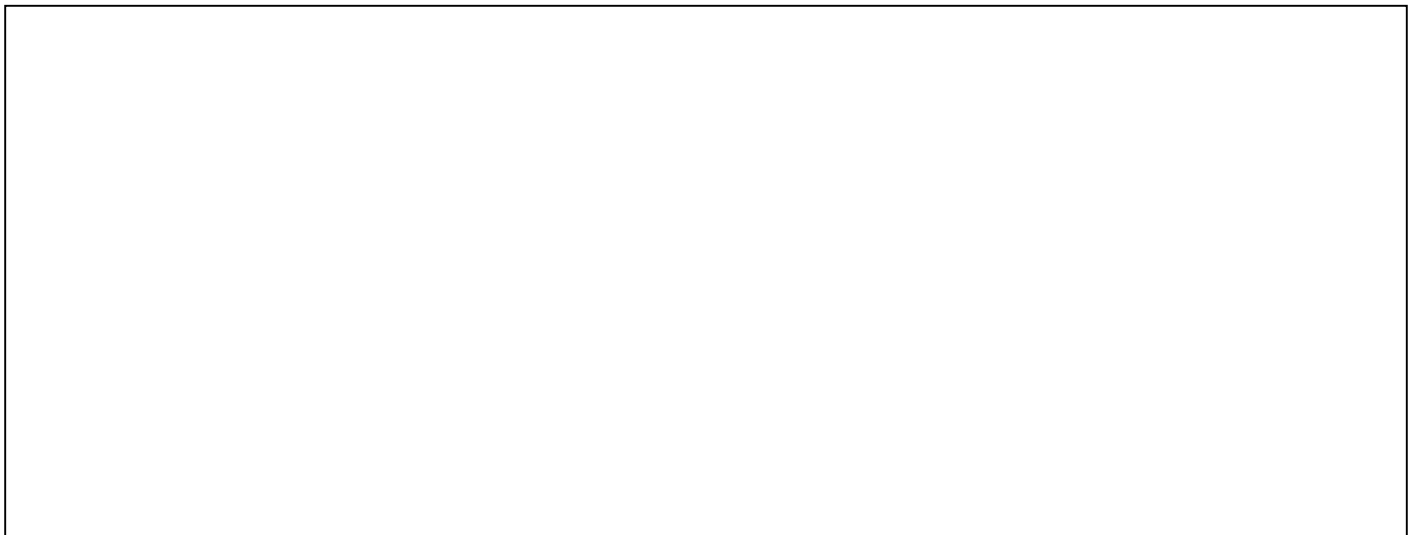
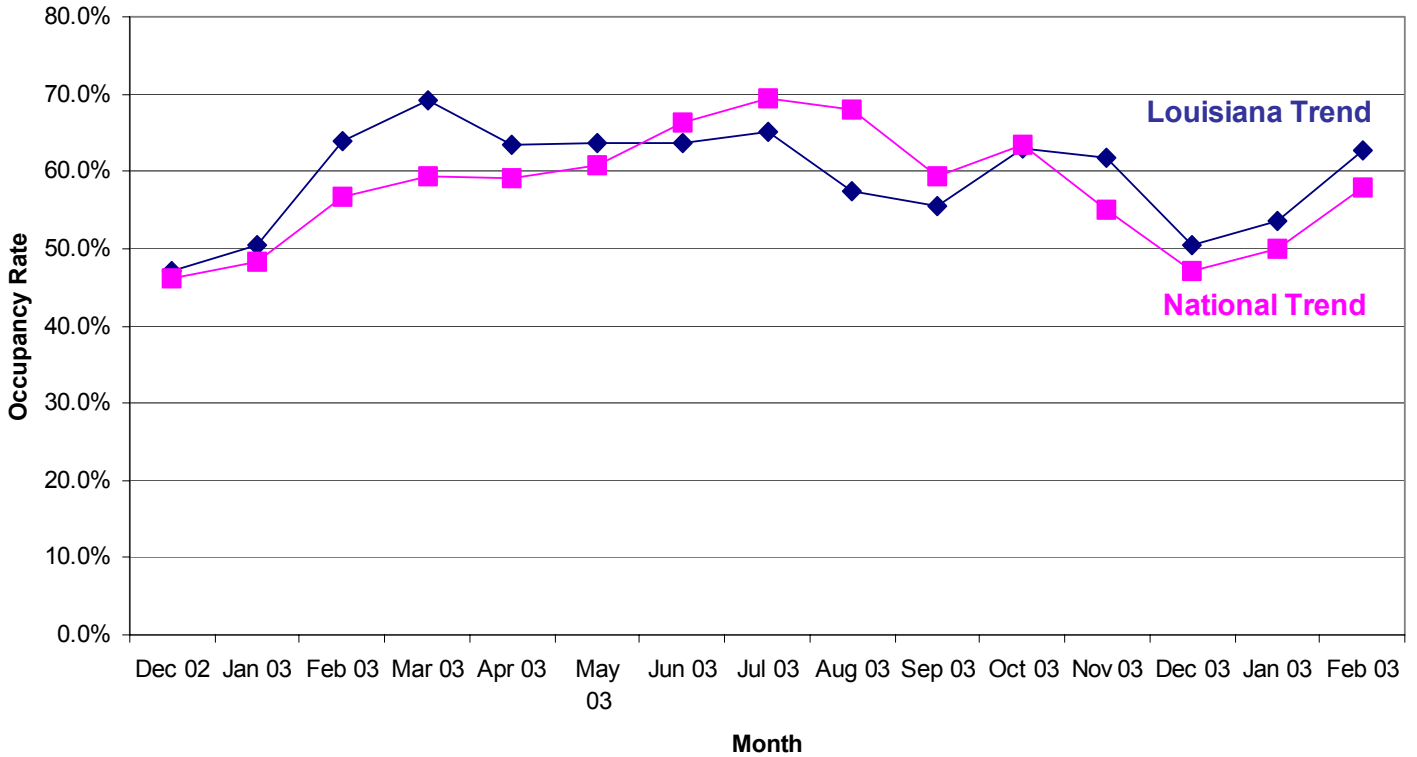
Factors Influencing Winter 2003-2004 Travel To Louisiana

Threat level raised on December 21, 2003 to “Code Orange” then lowered to “Code Yellow” on January 9, 2004...Weak U.S. dollar abroad helps attract more visitors to the U.S....Consumer confidence picks up in December and January but falls in February...TIA’s Traveler Index declined in the last quarter of 2003 but rose significantly in January/February 2004...Louisiana Purchase Campaign comes to an end and the Office of Tourism’s *Louisiana, The Restaurant* ad campaign begins...A successful Sugar Bowl and wet Mardi Gras season contribute somewhat...February record rainfall in La. prevented some outdoor activities and hampered some travel.

Previous copies of the Louisiana Travel Pulse are available on the web at: www.latour.lsu.edu

1. Hotel Trends – Occupancy Rate

Winter 2003/2004 – Occupancy Rate Trend

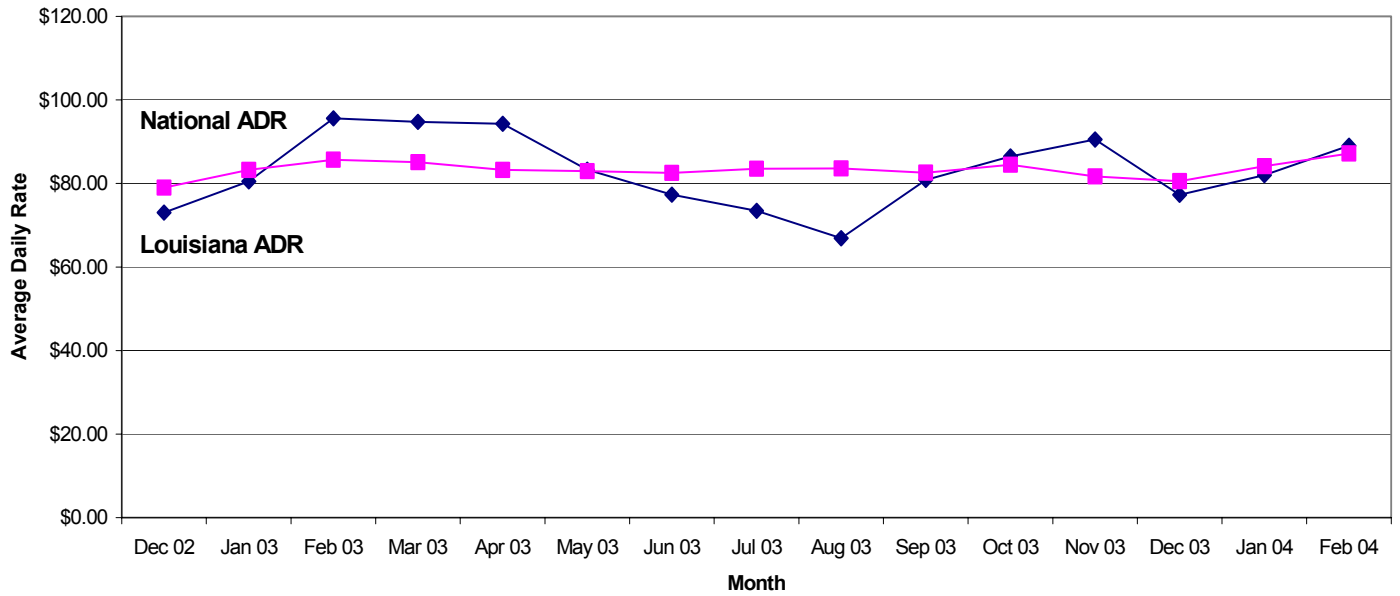


“Business travel improvement is noticeable in most areas of the country, but it still appears to be below the levels of 2000. As we’ve noted in prior newsletters, companies have learned that T&E costs can be controlled through 1) cuts in non-essential travel, 2) use of discount travel providers, 3) online purchasing cost efficiencies, and 4) greater use of non-travel communications tools.”

Source: *Travel Industry Indicators*, March 31, 2004, James V. Commisa, Jr., Travel Industry Analyst

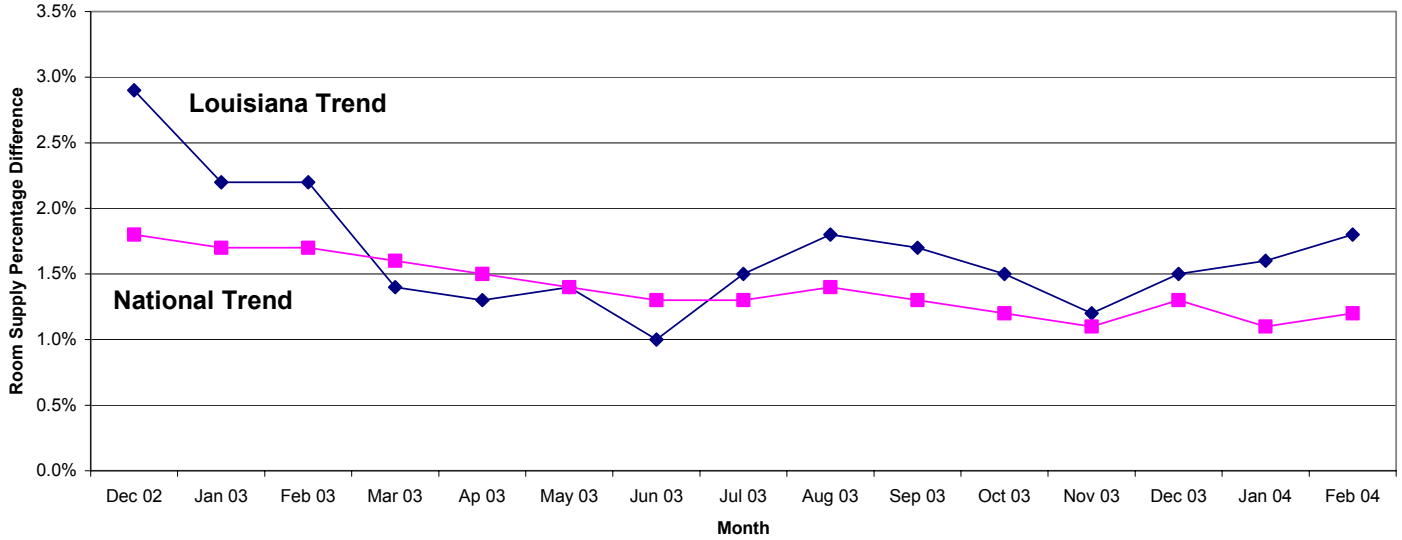
2. Hotel Trends – Average Daily Rate

Winter 2003/2004 – Average Daily Rate Trend



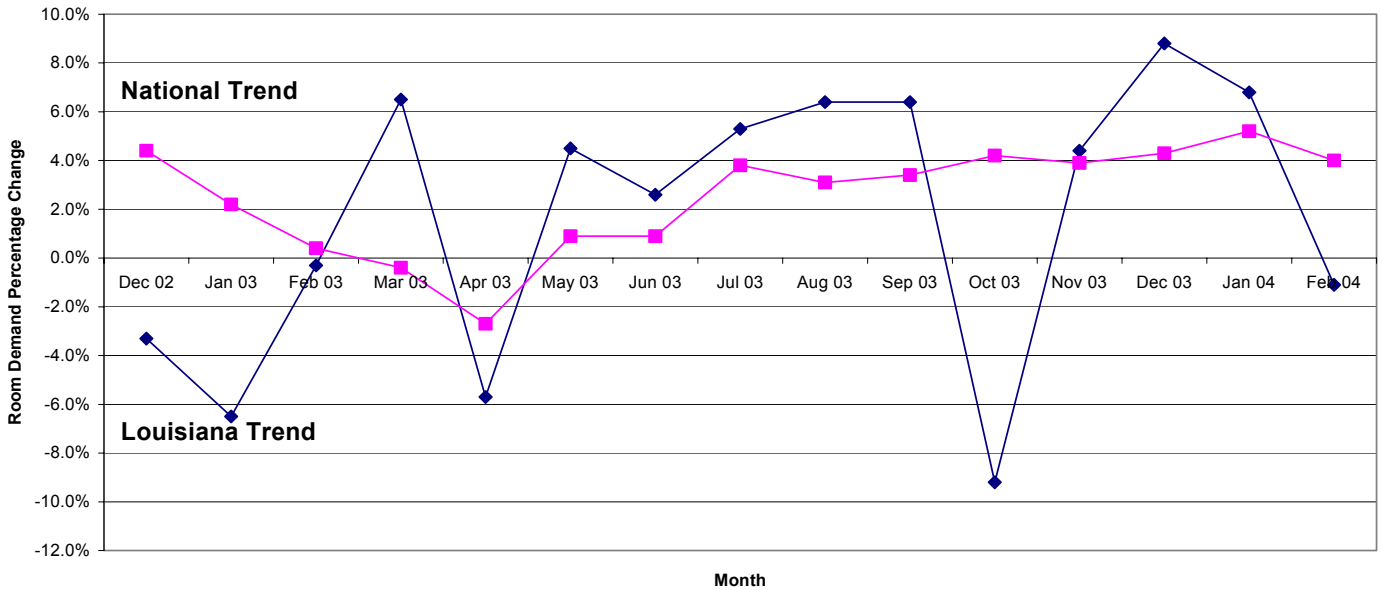
3. Hotel Trends – Room Supply

Winter 2003/2004 – Room Supply Trend



4. Hotel Trends – Room Demand

Winter 2003/2004 – Room Nights Sold Trend

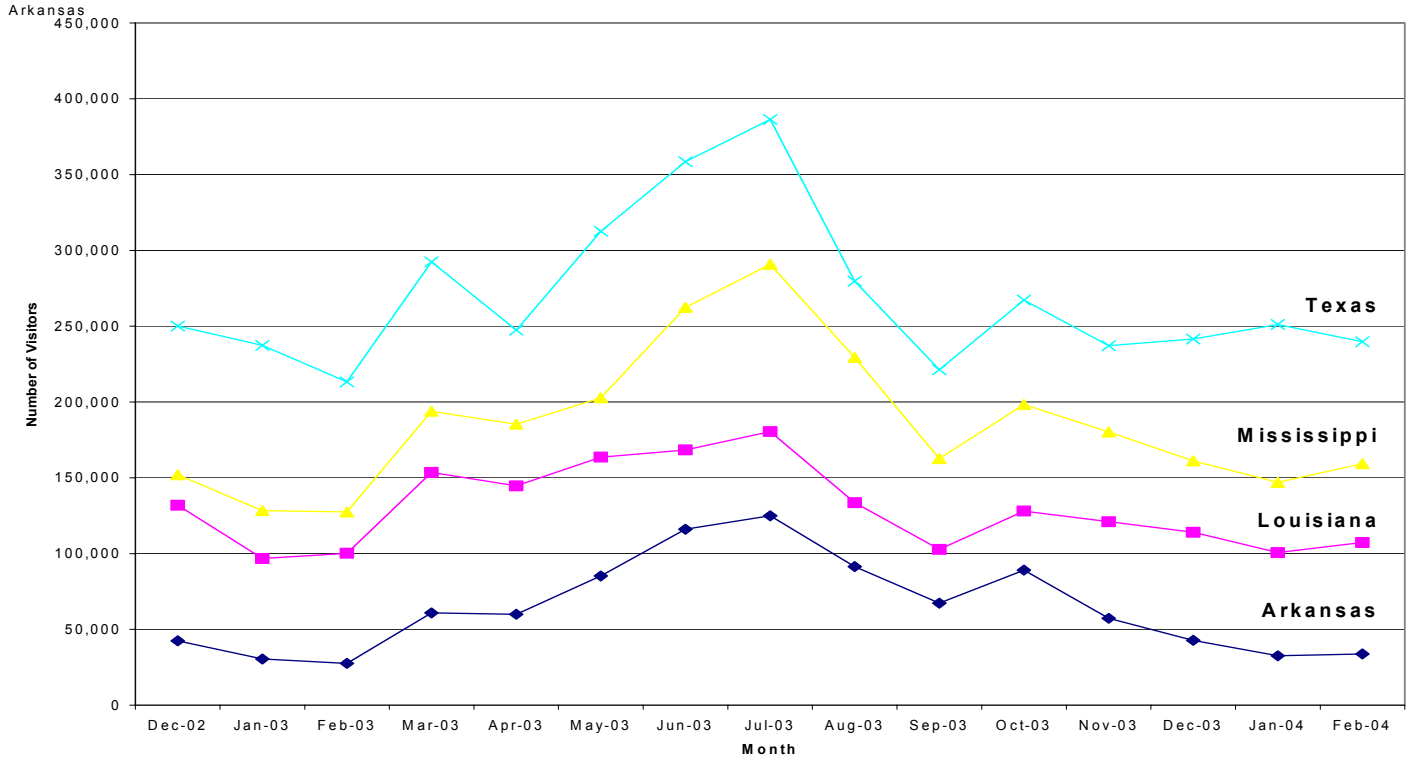


“In 2003, there were 103 major conventions and trade shows held at the Convention Center. Those events attracted a total of 545,509 attendees. The total economic impact of the Convention Center in 2003 was \$2.56 billion.”

Source: *Executive Summary, Economic Impact Report 2003 – Ernest N. Morial Convention Center*, Timothy Ryan, University of New Orleans

5. State Information Center Visitors

Winter 2003/2004 State Welcome Center Visitor Trend

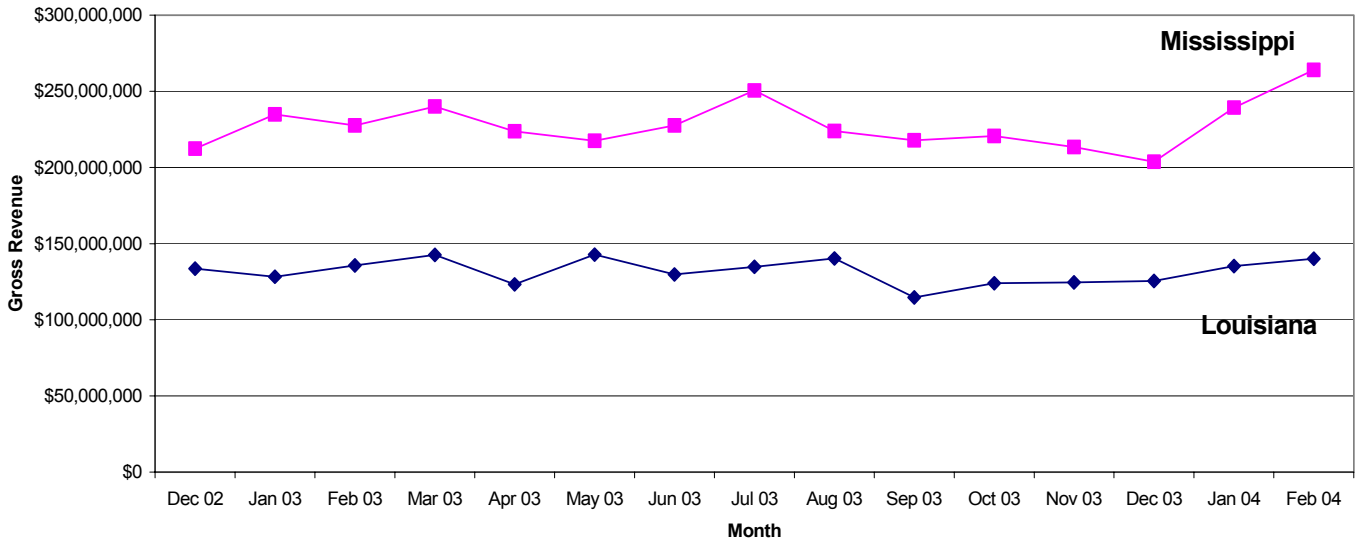


Travel Facts

- Louisiana's new I-49 Welcome Center located just north of Alexandria was officially opened on December 14, 2003.
- Louisiana's 2.1 percent decline in visitors during the Winter months was due to the closure of the Pearl River (Interstate 59) center during that time for renovations.
- Louisiana's new I-10 Atchafalaya Welcome Center will be open for business in June 2004.
- For the period from October 1, 2003 to December 31, 2003 the total economic impact of day-trippers/passers-through and overnight visitors was \$54 million of which \$11.6 million (21.5%) was attributable to information received at the Louisiana Welcome Centers, according to the analysis by the University of New Orleans of the Louisiana Welcome Center Visitor Diary.

6. Riverboat Gaming

Winter 2003/2004 – Gross Revenue Trend



	Louisiana	Mississippi
Winter 2003/2004 Season		
Total Gross Revenue	\$400,811,373	\$707,177,035
% difference from prior year	+0.8%	+4.8%
% difference from 5 years ago	+20.2%	+27.0%

Sources: Louisiana State Police, and Mississippi State Tax Commission (<http://www.mstc.state.ms.us/index.html>)

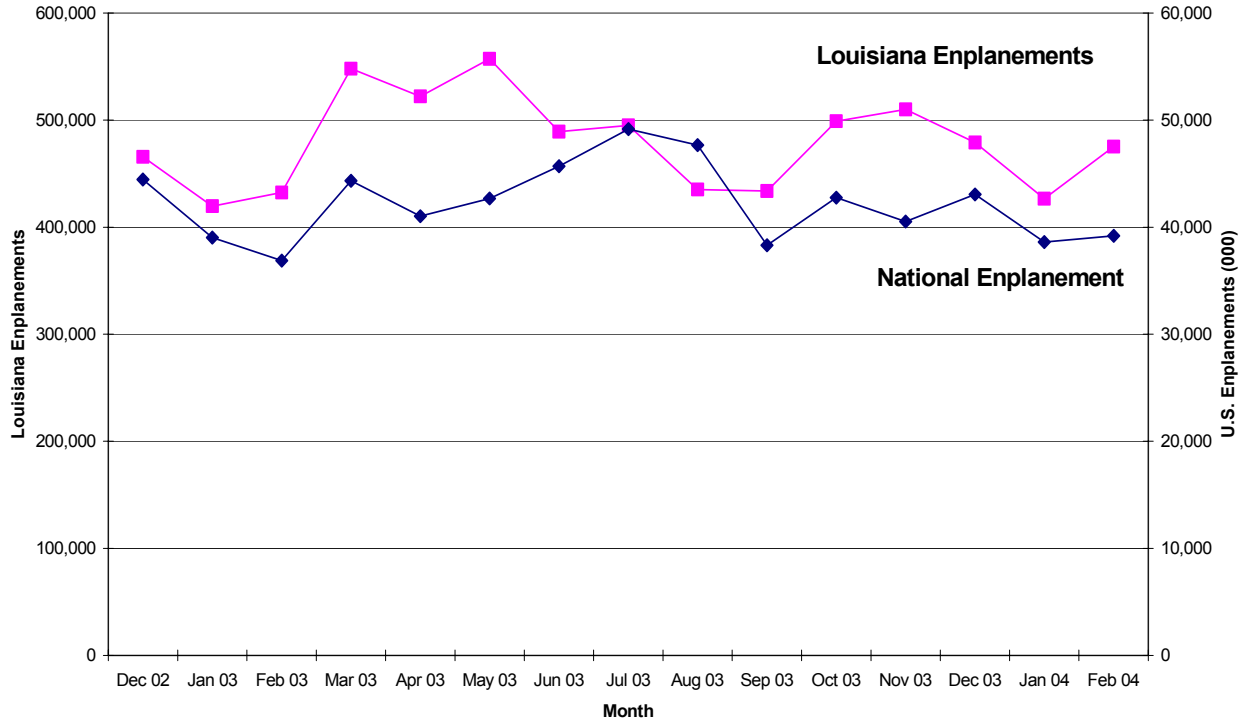
- The gross revenue for Louisiana’s land based casino in New Orleans for the Winter 2003/2004 was over \$75,684,905, 9.1% greater than the same period the year before.
 - The total gross revenue for Louisiana’s riverboats, land-based casino, and racetrack slot machines for the Winter 2003/2004 was \$538,852,934, 8.0% greater than the year before.
- Source: Louisiana Gaming Control Board (<http://www.dns.state.la.us/lgcb/welcome.html>)

“Gaming operators had solid first quarter results, both in destination markets and regional sites. Harrah’s, with a network of regional sites, recorded a 5.8 percent revenue increase. Regional gaming sites should also do well this summer. As they expand in number and add a full range of hotel and resort amenities, they’re becoming real competition to non gaming destinations. A 2003 Harrah’s study shows 26 percent of U.S. adults now visit casino sites, with 300 million annual visits. These levels of visitation are surprisingly similar to that of the theme park industry. In a sense, casinos are becoming America’s theme parks. As the population ages, their growth rate is likely to accelerate, at the expense of youth oriented theme parks.

Source: *Travel Industry Indicators*, April 29, 2004, James V. Commisa, Jr., Travel Industry Analyst

7. Airport Passenger Enplanements

Winter 2003/2004 Enplanements Trend



Winter 2003/2004 Season

Louisiana Airport Enplanements: 1,381,234
 % difference from prior year: +5.7%
 % difference from five years ago: +1.3%

U.S. Airport Enplanements: 120.8 million
 % difference from prior year: +5.1%
 % difference from five years ago: -5.2%

Source: Louisiana Office of Tourism, and the Air Transport Association (<http://www.airlines.org/>)

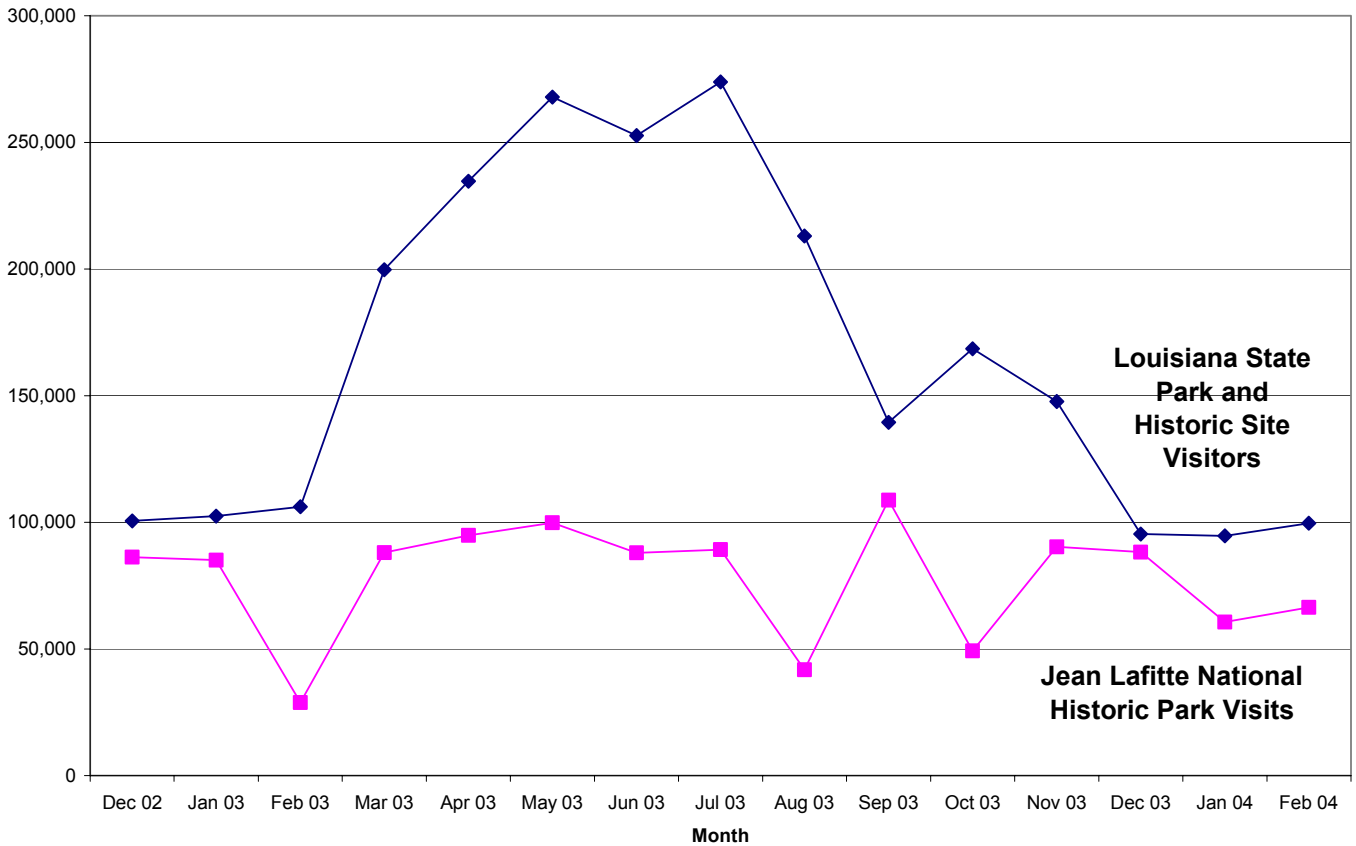
“ Domestic airline traffic appears to be the only early-year disappointment in an otherwise positive travel industry picture. January/February passenger enplanements were up a modest 1.6 percent versus a year ago. When adjusted for the extra Leap Year this year, traffic was essentially flat, and remains 10.6 percent below the benchmark year 2000. A new FAA report projects that 2000 passenger totals won’t be met for another year. That may be optimistic. Airline traffic weaknesses are largely in trips under 500 miles, where travelers can choose alternate modes and/or are reluctant to pay high fares for short trips.”

Source: *Travel Industry Indicators*, March 31, 2004, James V. Commisa, Jr., Travel Industry Analyst

On December 21, 2003 the U.S. Department of Homeland Security raised the national threat level from an Elevated to High risk of terrorist attack – or from Code Yellow to Code Orange. The national threat level was then lowered back to the Code Yellow level on January 9, 2004.
 According to the U.S. Department of Commerce, the number of international arrivals to the U.S. increased every month from October 2003 through February 2004, the latest month for which data is available.

8. State and National Park Visitors

Winter 2003/2004 Park Visitors Trend



Winter 2003/2004 Season

Louisiana State Parks and Historic Site Visitors: 289,666
 % difference from prior year: -6.3%

Jean Lafitte National Historical Park Visits: 215,255
 % difference from prior year: +7.5%

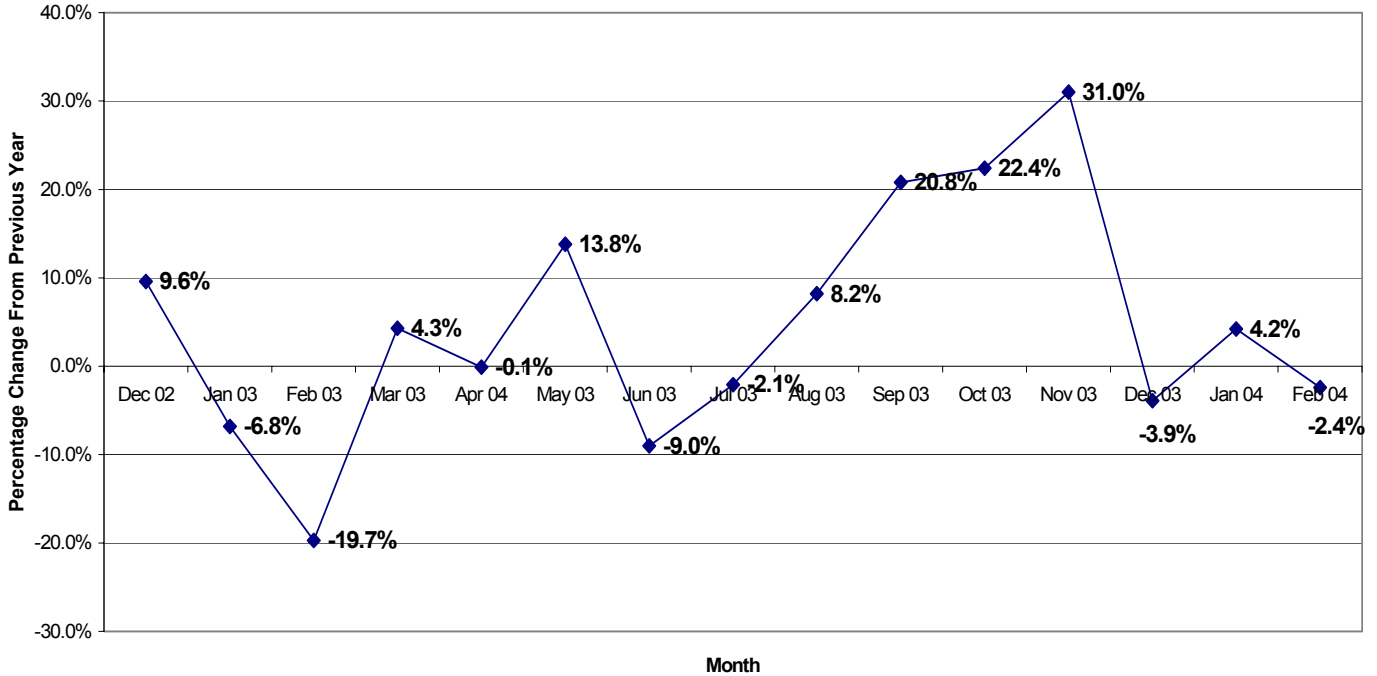
Source: Louisiana Office of State Parks, and the U.S. National Park Service (<http://www2.nature.nps.gov/stats/>)

“US leisure travel reached a record high in 2003; however, the share of leisure travel parties reporting visits to historic sites and National/State parks reached a 10-year low. Park visitation volume has increased slightly over the past decade, but the proportion of leisure travel parties visiting parks is down significantly. “With declining park budgets, maintenance problems, and park offerings remaining static while alternative destination activities expand, National/State parks are losing share among U.S. travelers”, said Doug Shifflet, President and CEO of D.K. Shifflet & Associates, Ltd, a leading travel research firm. National and State parks’ share of leisure visitation is down by 29% since 1994. Park activity participation, which peaked in 1995 at 9.0% of all leisure trips, has dropped to 6.4% in 2003. The share of leisure travel parties visiting historic sites has declined even more than parks (-47%) since 1994. The decline in historic site visitation share reached a new low in 2003 when only 5.6% of all leisure travel parties included a visit to an historic site.”

Source: *Client Direct Release – Historical Sites and Park Tourism Shares Decline*, April 29, 2004, D.K. Shifflet & Associates Ltd.

9. Local Tourist Information Centers

Winter 2003/2004 – Tourist Center Visitor Trend



Winter 2003/2004 Season

Louisiana local tourist information center visitors: 88,740
 Percentage difference from prior year: -0.9%

During the Winter season, 14 information centers reported increased visitor volume and 11 information centers recorded a decrease in visitors compared to the previous Winter season.

Source: Louisiana Office of Tourism. Local information center visitors are operated by municipal and parish tourist bureaus throughout Louisiana. Most use registration sheets to record the volume of visitors who enter the centers for travel information.

“Bill Langkopp, executive vice president of the Grater New Orleans Hotel and Lodging Association, said about 34,000 of the Crescent City’s 37,000 hotel rooms were occupied for Mardi Gras – a slight increase from last year. Louis Armstrong New Orleans International Airport in Kenner reported that air traffic for the final six days of Carnival 2004 edged out last year’s traffic by about 1 percent. Airport spokeswoman Michelle Duffourc said 99,000 people departed the airport between Friday and Wednesday, compared to 98,000 last year for the same time period.”

The Advocate, February 26, 2004, Joe Gayan, Jr.

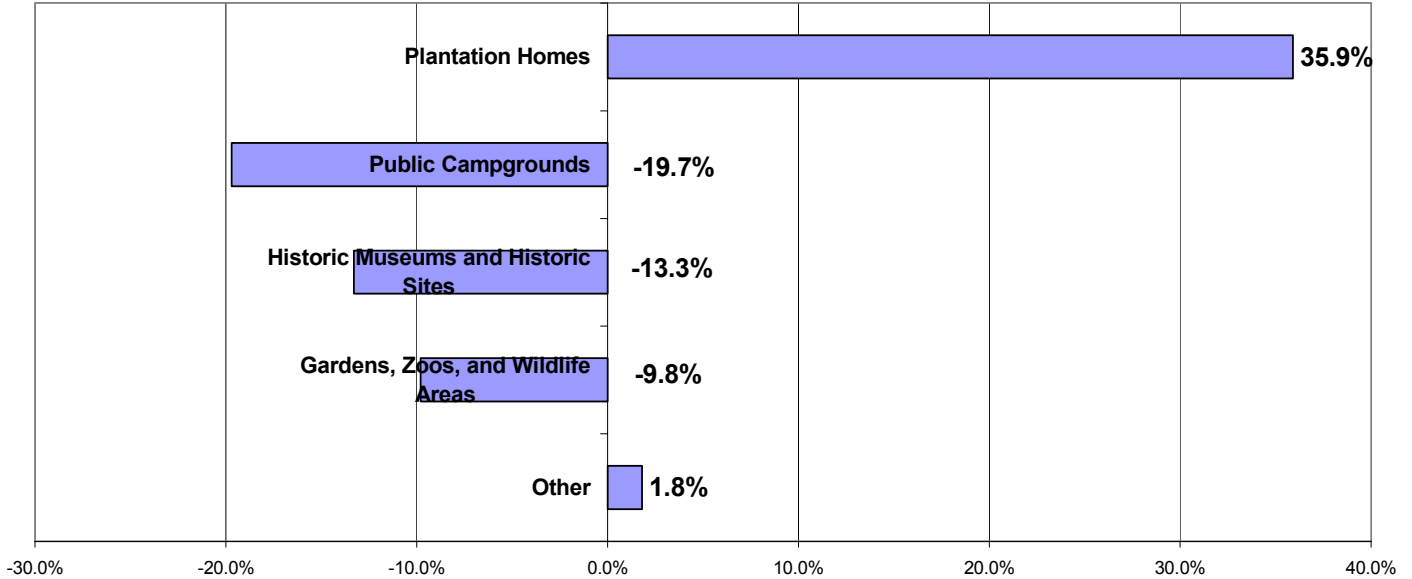
Weekly U.S. Gas Prices – January-February 2004

Month	Week	Price	Week	Price	Week	Price	Week	Price
January	1/5	\$1.70	1/12	\$1.75	1/19	\$1.79	1/26	\$1.81
February	2/2	\$1.81	2/9	\$1.83	2/16	\$1.84	2/23	\$1.87

Source: U.S. Department of Energy (<http://www.eia.doe.gov/emeu/international/gas1.html>)

10. Attractions Visitors

Winter 2003/2004 - Visitor Trend By Category
Percentage Change From Previous Year In The Number Of Visitors



	Winter 2004	Fall 2003	Summer 2003	Spring 2003	Winter 2003
Number of Sites w/increased attendance	40	55	29	34	29
Number of Sites w/decreased attendance	36	23	47	43	47
Percentage difference from previous year*	-8.6%	+11.4%	-5.4%	+3.8%	-10.6%

* Percentage difference in actual visitors recorded at all parks, museums, and attractions submitted to LOT.

10. Regional Trends - Winter

Greater New Orleans	2003/04	2002/03	% +/-
New Orleans International Airport			
Passenger Enplanements	1,119,225	1,047,890	+6.8%
New Orleans Hotel-Motel Occupancy Rate			
December	53.8%	47.7%	+12.8%
January	53.7%	52.0%	+3.3%
February	62.9%	69.1%	-9.0%
New Orleans Visitor Center	30,503	26,793	+13.8%
Slidell Visitor Center	87,199	83,169	+4.8%
Kentwood Visitor Center	32,066	26,410	+21.4%
Pearl River Center	(Note: In July 2003 the Pearl River Center closed indefinitely for renovations.)		
Parks, Attractions, Museums	447,607	533,206	-16.1%
Plantation Country	2003/04	2002/03	% +/-
Baton Rouge Metro Airport			
Passenger Enplanements	84,302	85,864	-1.8%
Baton Rouge Hotel/Motel Occupancy Rate			
December	46.8%	48.3%	-3.1%
January	54.1%	53.3%	+1.5%
February	62.7%	63.9%	-1.9%
State Capitol Visitor Center	21,994	22,741	-3.3%
St. Francisville Visitor Center	6,600	7,326	-9.9%
Parks, Attractions, & Museums	95,064	81,847	+16.1%
Cajun Country	2003/04	2002/03	% +/-
Lafayette Regional Airport			
Passenger Enplanements	39,421	34,774	+13.4%
Lake Charles Regional Airport			
Passenger Enplanements	10,467	9,741	+7.5%
Lafayette Hotel-Motel Occupancy Rate			
December	48.0%	56.1%	-14.4%
January	55.2%	54.1%	+2.0%
February	67.6%	63.5%	+6.5%

Lake Charles Hotel-Motel Occupancy Rate

December	46.8%	45.9	+2.0%
January	53.0%	50.3%	+5.4%
February	62.4%	60.9%	+2.5%

Vinton Visitor Center.....	49,185	39,724	+23.8%
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Parks, Attractions, & Museums	120,414	126,731	-5.0%
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Crossroads	2003/04	2002/03	%+/-
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England International Airport

Passenger Enplanements.....	27,922	30,125	-7.3%
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Alexandria Hotel-Motel Occupancy Rate

December	42.7%	41.9%	+1.9%
January	51.2%	45.8%	+11.8%
February	56.2%	50.3%	+11.7%

Vidalia Visitor Center.....	6,270	5,156	+21.6%
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Parks, Attractions, & Museums	44,275	41,515	+6.6%
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Sportsman's Paradise	2003	2002	%+/-
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Shreveport Regional Airport

Passenger Enplanements.....	74,042	73,449	+0.8%
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Monroe Regional Airport

Passenger Enplanements.....	25,846	24,441	+5.7%
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Shreveport Hotel-Motel Occupancy Rate

December	54.4%	50.3%	+8.2%
January	57.6%	51.6%	+11.6%
February	67.5%	65.1%	+3.7%

Monroe Hotel-Motel Occupancy Rate

December	47.4%	45.9%	+3.3%
January	51.8%	51.1%	+1.4%
February	57.1%	54.8%	+4.2%

Greenwood Visitor Center	47,241	47,178	+0.1%
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Mound Visitor Center	36,977	40,538	-8.8%
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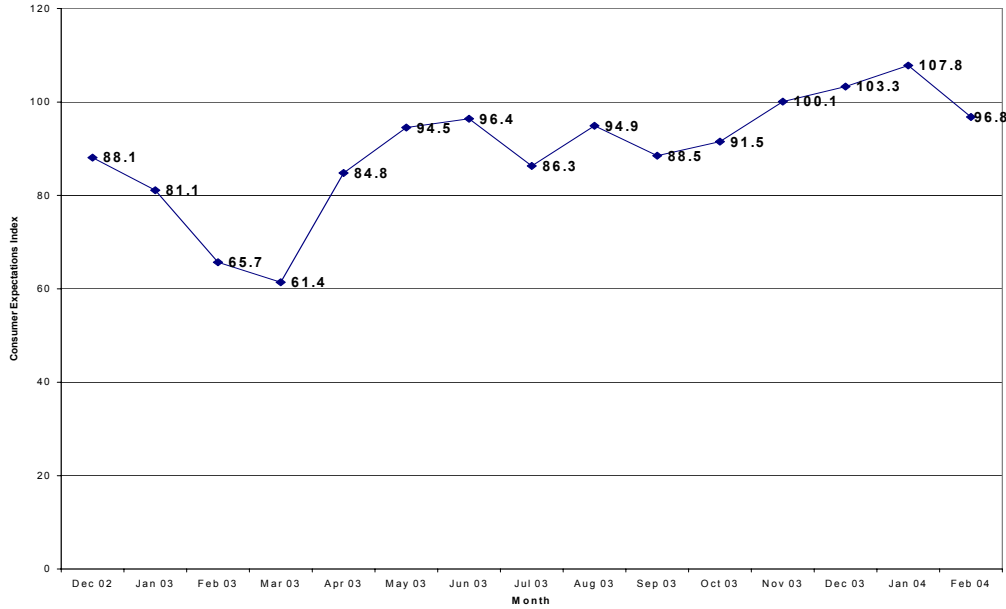
Parks, Attractions, and Museums.....	44,418	38,923	+14.1%
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Notes on Regional Trends: Hotel/Motel statistics are from Smith Travel Research, Inc.; all other figures are from the Office of Tourism. Park figures include both day-use and overnight visitors. Attendance at parks, attraction and museums are self-reported to the Office of Tourism and include many different methods of recording visitors/customers.

11. Looking Ahead

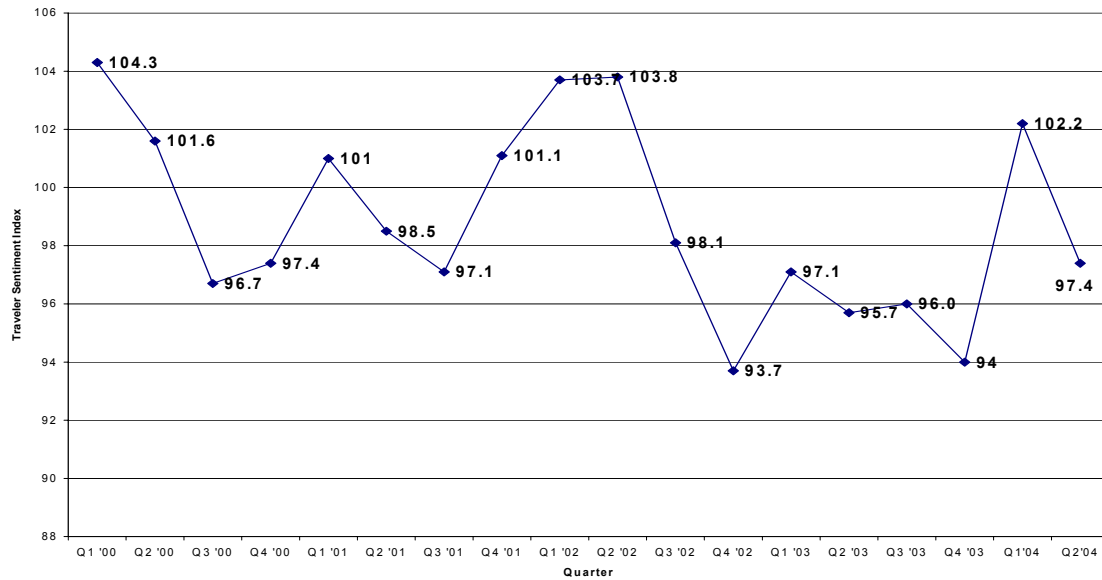
This section provides U.S. and Louisiana leading indicators which have predictive value for future tourism trends. They are called “leading” because their direction or magnitude historically “leads” the focus of our industry.

A. U.S. Consumer Expectations Index Trend*



*Note: The Consumer Expectations Index is a part of the Consumer Confidence Survey developed by The Conference Board. This index is a monthly measure of the public's confidence in the health of the U.S. economy. Industries that rely on the Survey for forecasting include manufacturers, retailers, banks, the Federal Reserve, and United States government agencies.

B. U.S. Traveler Sentiment Index Trend*



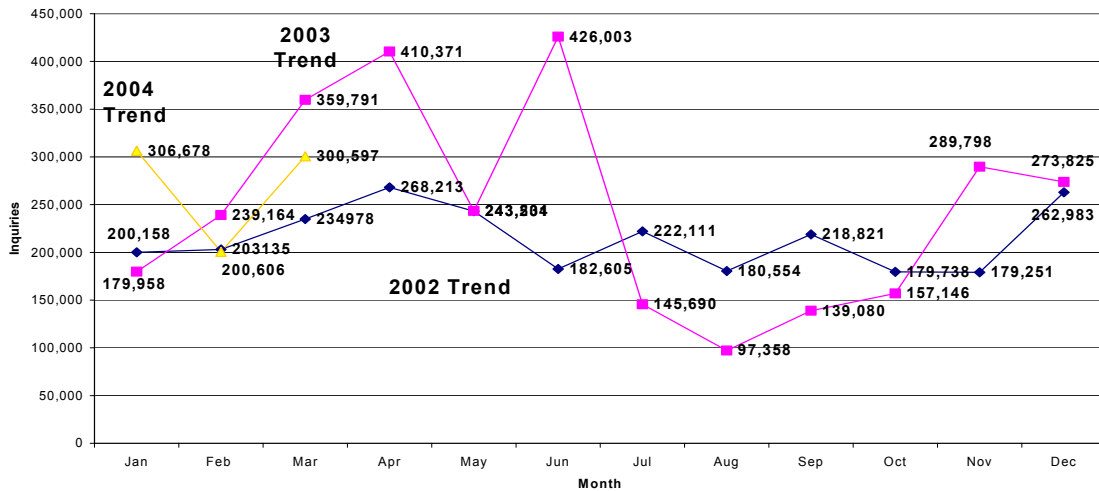
**Note: The Traveler Sentiment Index is conducted quarterly by the Travel Industry Association of America (TIA), and is based on responses of 1000 interviews with U.S. adults who have taken at least one trip in the past year. TIA began the Traveler Sentiment Index study in first quarter 2000 (January), which serves as the baseline period. In general, the Traveler Sentiment Index measures consumer interest in pleasure travel and their perceived ability to take pleasure trips.*

**C. 2004 Travel Forecasts for the United States
(% Change versus prior year)**

Indicator	2003 Preliminary	2004 Forecast
U.S. Resident Leisure Person Trips	+1.2%	+3.6%
International Visitors to U.S.	-3.7%	+5.3%
Total Travel Expenditures	+2.8%	+5.9%
Business Travel	-2.9%	+4.6%
Leisure Travel	+1.9%	+3.4%

(Sources: Travel Industry Association of America)

D. Louisiana Office of Tourism Inquiry Trend*



**Note: These monthly figures reflect the number of mail, telephone, e-mail and internet requests for the Louisiana Tour Guide. These figures also reflect the number of visits received by the Office of Tourism's website (louisianatravel.com) which contains all of the same information in the printed edition of the Tour Guide.*