# Louisiana Travel Pulse

**March 2007** — **Produced by the Louisiana Office of Tourism**

***Monthly Analysis* - January is traditionally one of the slowest months of the year for tourism in Louisiana. January 2007 was no different but there were some positive signs that tourism is improving and the rest of 2007 looks even more promising. Here are some examples:**

- **January survey results shows improvements in both the regional and national samples when travelers were asked about their intentions to travel to Louisiana in 12 months. (see Quarterly Trends)**
- **The number of hotels and rooms available in Louisiana is now over 90% of what existed prior to September 2005 (79,000+).**
- **For the 5th straight month the number of visitors to Louisiana's Welcome Centers, State Parks, and Jean Lafitte NHP were higher than last year's totals.**
- **The number of seats available at New Orleans International Airport had increased to over 13 thousand by the end of January, which is 60% more than was available a year ago.**

## Louisiana Tourism Trends

| Airport Trends | January | January | | (Benchmark) YTD | YTD | YTD | % +/- | % +/- |
|---|---|---|---|---|---|---|---|---|
| Airport Passenger Enplanements | 2007 | 2006 | % +/- | 2004 | 2006 | 2007 | 2006-2007 | 2004-2007 |
| Louisiana Metro Airports Total | 340,279 | 249,627 | 36.3% | 386,807 | 249,627 | 340,279 | 36.3% | -12.0% |
| New Orleans | 283,595 | 183,954 | 54.2% | 343,116 | 183,954 | 283,595 | 54.2% | -17.3% |
| Other Metro* | 56,684 | 65,673 | -13.7% | 43,691 | 65,673 | 56,684 | -13.7% | 29.7% |
| * Note: Includes Baton Rouge, Monroe, and Alexandria metropolitan airports. | | | | | | | | |
| **Louisiana Hotel/Motel Trends** | | | | | | | | |
| Rooms Sold | 1,338,292 | 1,671,895 | -20.0% | 1,279,477 | 1,671,895 | 1,338,292 | -20.0% | 4.6% |
| Room Supply | 2,258,784 | 2,118,354 | 6.6% | 2,388,643 | 2,118,354 | 2,258,784 | 6.6% | -5.4% |
| Occupancy Rate | 59.2% | 78.9% | -25.0% | 53.6% | 78.9% | 59.2% | -25.0% | 10.4% |
| Average Daily Rate | $89.65 | $97.00 | -7.6% | $81.85 | $97.00 | $89.65 | -7.6% | 9.5% |
| **Louisiana Gaming Indicators** | | | | | | | | |
| Riverboat AGR* | $136,147,370 | $169,307,727 | -24.4% | $135,233,251 | $169,307,727 | $136,147,370 | -16.2% | 30.8% |
| Non-Indian Land Based Casino GGR** | $31,971,227 | Casino Closed | 100.0% | $25,755,442 | Casino Closed | $31,971,227 | | 24.1% |
| Slots At Racetracks GGR*** | $28,796,852 | $34,350,851 | -16.2% | $22,010,056 | $34,350,851 | $28,796,852 | -16.2% | 30.8% |
| Total | $196,915,449 | $203,658,578 | -3.3% | $182,998,749 | $203,658,578 | $196,915,449 | -3.3% | 7.6% |
| *Adjusted Gross Revenue | | | | | | | | |
| **Gross Gaming Revenue from Harrah's New Orleans Casino | | | | | | | | |
| ***Initiated in 2/2002 at Delta Downs, 5/2003 at Louisiana Downs, and 12/2003 at Evangeline Downs | | | | | | | | |
| **State Welcome Center Visitors** | 91,100 | 75,659 | 20.4% | 100,667 | 75,659 | 91,100 | 20.4% | -9.5% |
| Notes: 1) I-20/Mound Welcome Center - operated out of a trailer most of 2005 due to renovation, 2) I-10/Vinton Welcome Center - closed tempoararily to the public due to Hurricane Rita, and 3) N.O. Welcome Center - operating on a restricted 5-day per week schedule following Katrina. | | | | | | | | |
| **Louisiana Parks Visitors** | | | | | | | | |
| Jean Lafitte NHP* | 35,363 | 18,526 | 90.9% | 38,532 | 18,526 | 35,363 | 90.9% | -8.2% |
| Louisiana State Parks and Historic Sites | 67,522 | 64,202 | 5.2% | 94,701 | 64,202 | 67,522 | 5.2% | -28.7% |
| * Recreational Visits | | | | | | | | |

## *National Tourism Trends*

| | January 2007 | January 2006 | % +/- | (Benchmark) YTD 2004 | YTD 2006 | YTD 2007 | % +/- 2006-2007 | % +/- 2004-2007 |
|---|---|---|---|---|---|---|---|---|
| **U.S. Hotel/Motel Trends** | | | | | | | | |
| Rooms Sold | | | -0.4% | | | | -0.4% | |
| Room Supply | | | 1.0% | | | | 1.0% | |
| Occupancy Rate | 52.8% | 53.6% | -1.4% | 49.9% | 53.6% | 52.8% | -1.4% | 5.8% |
| Average Daily Rate | $99.55 | $93.50 | 6.5% | $83.81 | $93.50 | $99.55 | 6.5% | 18.8% |
| **National Park Trends** | | | | | | | | |
| Recreational Visits (000) | 11,267 | 11,714 | 6.5% | 11,115 | 11,714 | 11,267 | -3.8% | 1.4% |
| **U.S. Consumer Confidence Index Trend** | | | | | | | | |
| Index (1985=100) | 110.3 | 106.8 | 3.3% | 97.7 | 106.8 | 110.3 | 3.3% | 12.9% |

(Sources: Louisiana Metropolitan Airports, Air Transport Association, Smith Travel Research, Louisiana State Police, Travel Industry Association of America, National Park Service, The Conference Board, and DCRT)

**Glossary**

**Enplanements** - a count of the number of passengers who board an airplane at one of Louisiana's metro airports.
**Average Daily Rate (ADR)** – Room revenue divided by rooms sold.
**Occupancy** – rooms sold divided by rooms available.
**Rooms available (Room Supply)** – The number of rooms times the number of days in the period.
**Room revenue** – total room revenue generated from the sale or rental of rooms.
**Rooms sold (Room Demand)** – The number of rooms sold (excludes complimentary rooms).
**Adjusted Gaming Revenue** - Net gains realized by a casino after payment of all cash paid out as losses to patrons.
**Welcome Center Visitors** - the number visitors who sign the register at Louisiana's 13 state welcome centers.
**Recreational Visits** - The entry of a person onto lands or waters administered by the NPS for recreational purposes

# Louisiana Travel Pulse

**March 2007** **Produced by the Louisiana Office of Tourism**

## *Other Louisiana Tourism Trends*

| Visitors | 3rd Quarter 2006 | 3rd Quarter 2005 | % +/- | YTD 2004 (Benchmark) | YTD 2005 | YTD 2006 | % +/- 2005-2006 | % +/- 2004-2006 |
|---|---|---|---|---|---|---|---|---|
| U.S. Resident Visitors To La.* | 6,200,000 | 4,700,000 | 31.9% | 17,597,000 | 16,801,000 | 12,300,000 | -26.8% | -30.1% |
| Canadian Resident Vis. To La.** | 17,100 | 21,000 | -18.6% | 80,300 | 91,400 | 48,400 | -47.0% | -39.7% |

* 2006 domestic estimates are preliminary and subject to change. Hurricane related recovery travel is not included in 2006 estimates.

** The source for Canadian visitor estimates is Statistics Canada.

### Intent To Visit Benchmarks

| MDRG Survey | January 2007 | August 2006 | % +/- | May 2006 | March 2006 | January 2006 |
|---|---|---|---|---|---|---|
| Regional Sample | 56.3% | 50.7% | 11.0% | 46.6% | 49.8% | 46.1% |
| National Sample | 33.9% | 31.5% | 7.6% | 30.8% | 30.5% | 35.6% |

| TNS Survey | Fall 2006 | Fall 2005 | % +/- | Spring 2006 | Spring 2005 |
|---|---|---|---|---|---|
| Regional Sample | 43.0% | 37.0% | 16.2% | 31.0% | 53.0% |
| National Sample | 13.0% | 13.0% | 0.0% | 11.0% | 21.0% |

Notes: The results shown here are primarily taken from surveys in which the following question was asked of travelers: "How likely are you to take a trip to Louisiana during the next 12 months?" The choices are from 1 to 5 with 5 equals Extremely Likely and 1 equaling Not At All Likely. This is only a measurement of the attitude towards visiting La and should only be used as a gauge to measure a trend. This measurement is not used to estimate actual visitor volume.

| Hospitality Industry Employment | QTR 2006-2 Employment | QTR 2005-2 Employment | % +/- | QTR 2006-2 Units | QTR 2006-1 Units | QTR 2005-2 Units | % Change From Prev. Qtr. | % Change From Prev. Year |
|---|---|---|---|---|---|---|---|---|
| Arts, Entertainment, & Recreation | 41,020 | 47,822 | -14.2% | 1,539 | 1,520 | 1,538 | 1.2% | -0.1% |
| Accomodations and Food Services | 155,217 | 176,859 | -12.2% | 8,262 | 8,200 | 8,211 | 0.1% | -0.6% |
| Notes: Units or total units, referred to in the tables of this publication, represent the number of establishments in the industry. | | | | | | | | |

| Audubon Golf Trail | 4th Quarter 2006 | 4th Quarter 2005 | % +/- | YTD 2004 | YTD 2005 | YTD 2006 | % +/- 2005-2006 | % +/- 2004-2006 |
|---|---|---|---|---|---|---|---|---|
| Number of Rounds Played | 84,189 | 45,222 | 86.2% | 224,609 | 249,145 | 273,027 | 9.6% | 21.6% |
| Number of Courses Open | 12 | 9 | 33.3% | 9 | 9 | 12 | 33.3% | 33.3% |
| Notes: The TPC Louisiana reopened in July 2006;  AGT also added Black Bear Golf Course and Atchafalaya Course at Idlewild in 2006. | | | | | | | | |

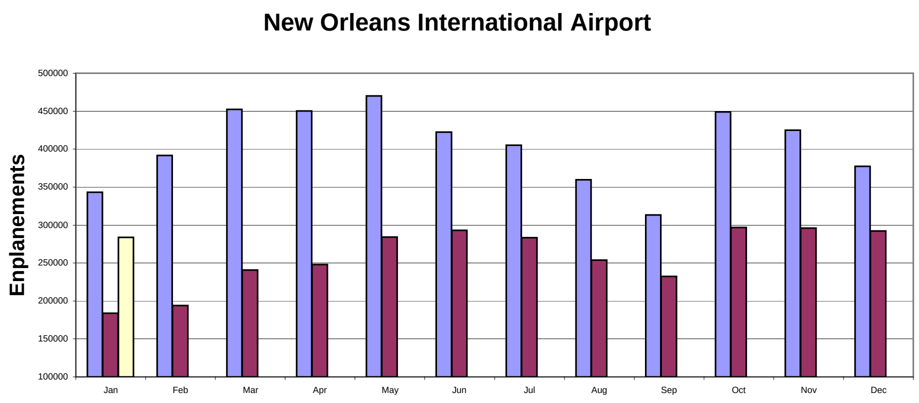
(Sources: University of New Orleans, Statistics Canada, La. Dept. of Labor, and DCRT.)

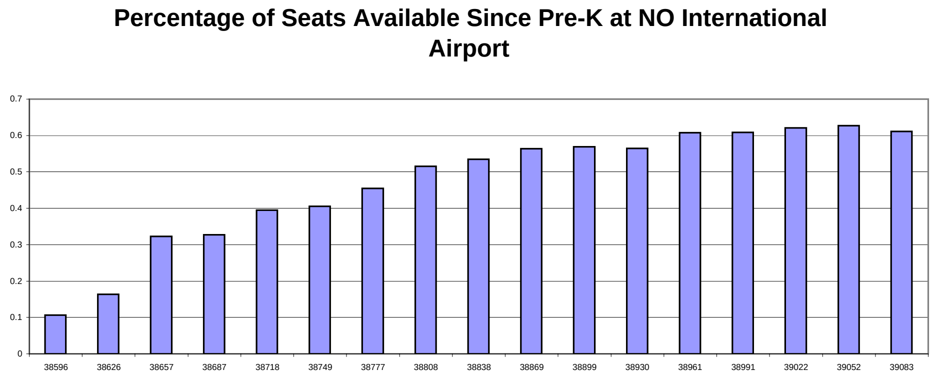
# Louisiana Travel Pulse

**March 2007** **Produced by the Louisiana Office of Tourism**

**Legend For All Graphs: 2004 = left bar (blue)(benchmark year), 2006 = middle bar (red), 2007 = right bar (yellow)**

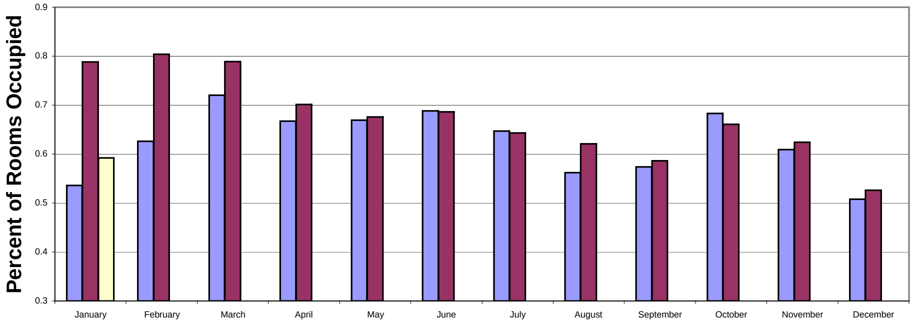
**Louisiana Airport Enplanements** - Traditional seasonal traffic patterns have slowed the growth in seat capacity at the New Orleans International Airport even though the number of enplanements in January were 54% higher than last year. Just like many other Louisiana tourism industry indicators, January is one of the slower months for traffic at Louisiana's airports. This trend is also true for airport traffic nationwide. Various airlines have plans to increase seat capacity and flights through the coming Spring and Summer months into New Orleans International Airport. This increase in capacity is in anticipation of increased visitor activity due to the New Orleans JazzFest, the return of the Essence Festival, increased cruise passengers, and other events.



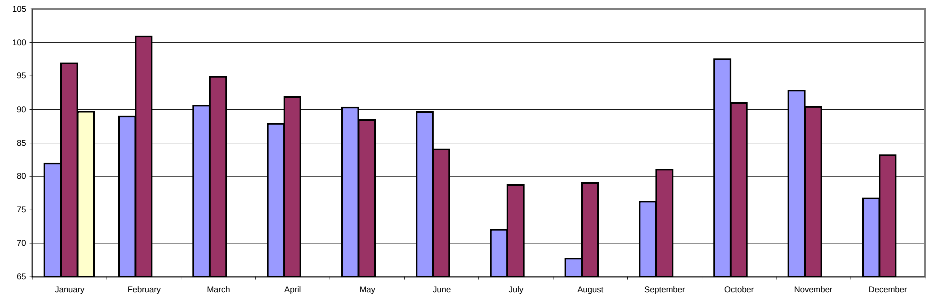



**Louisiana Lodging Trends** - The number of hotel-motel properties in Louisiana now number approximately 671, 93% of the 717 hotel-motel properties that existed prior to the 2005 hurricanes. The number of rooms available now number approximately 72,800, 91% of what was available in July 2005. The occupancy rate for those 72,800 rooms in January 2007 was 59.2% and totaled over 1.3 million room nights that month. Year-to-year comparisons for January show double digit declines for occupancy (-25%), RevPAR (-30.6%), and room nights sold (-20.0%). Declines for these indicators were experienced universally throughout every region of the state. While room rates statewide dropped by 7.6%, rates actually increased or experienced almost no change in most metro areas outside of New Orleans. Much of this decline is due to the reduction in the number of FEMA sponsored rooms for hurricane evacuees and the lack of business and leisure travelers to take their place. However, even with these declines in the last 12 months, hotel performance is still higher than the benchmark year of 2004.

**Louisiana Hotel-Motel Occupancy Rate**

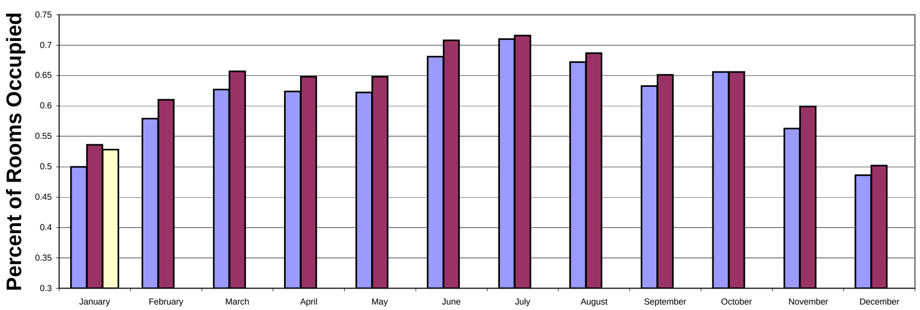



**Louisiana Average Daily Rate**

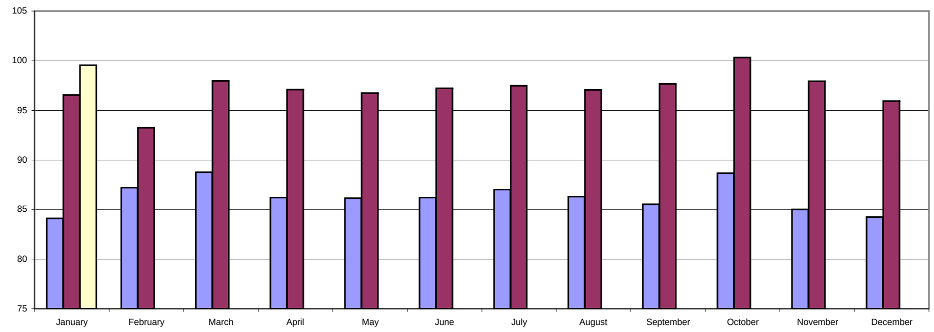



**U.S. Lodging Trends** - Full year 2006 industry occupancy was 63.4 percent, up 0.5 percent versus 2005. Average room rate increased 7.0 percent to $97.31 and revenue per available room (RevPAR) --- the combination of occupancy and average room rate and a key industry productivity measure --- gained 7.5 percent to $61.69. "The U.S. lodging industry turned in another strong performance in 2006", said Mark Lomanno, President of Smith Travel Research. "Industry RevPar growth was somewhat lower than the all-time high of 2005. However, since 2004, RevPar has grown nearly 24 percent – the strongest 3-year growth since STR began tracking hotel performance in 1987. We expect another good year in 2007. Room supply growth will likely increase but should remain below the long-term trend. Based on current economic expectations, demand growth should continue, with stronger numbers more likely in the second half. We believe full year 2007 industry RevPar growth should be in the 5.5 – 6.0 percent range".

**U.S. Occupancy Rates**

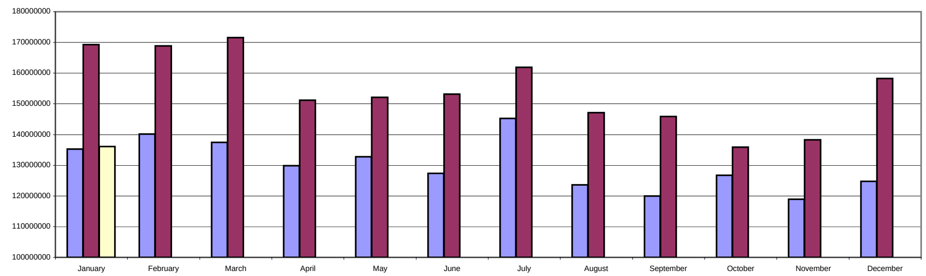


## U.S. Average Daily Rate



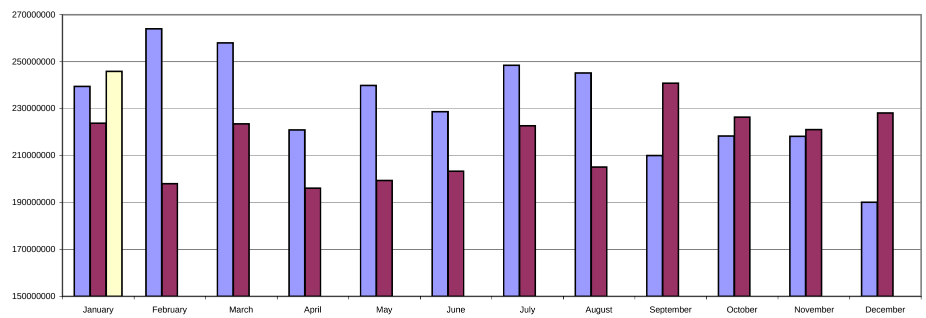

**Louisiana Gaming Indicator**s - For the fourth month in a row riverboat gaming revenue was below previous year's levels. The double digit drop in riverboat AGR was also the main factor why total gaming revenue in Louisiana dropped 3.3% in January, a trend which could continue the rest of the year if present conditions continue with the 12 current riverboat casinos in operation. However, January riverboat AGR of $130 million was only slightly higher than the amount recorded in January 2004. Current trends suggest that gaming revenue from Louisiana's riverboats, racinos, and sanctioned land-based casino will likely continue to be similar to that of 2004 rather than the boom received during the 12 months following the hurricanes of 2005.

## Louisiana Riverboat Adjusted Gross Revenue

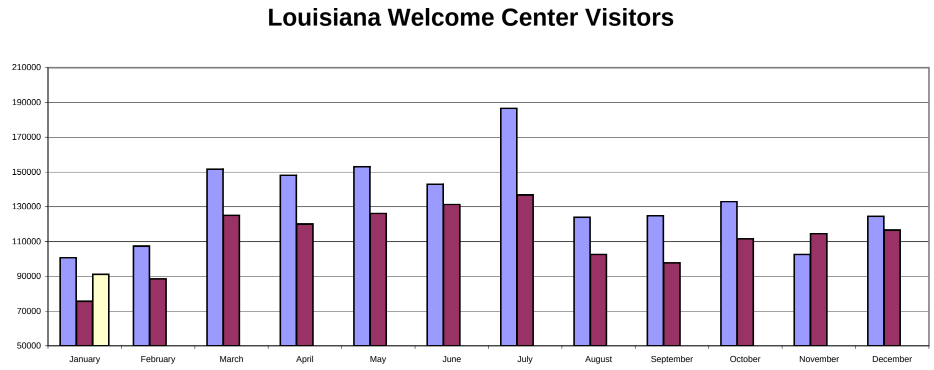



For the fifth straight month Mississippi's riverboat gaming revenue rose past the previous year's totals. This is indicative of the recovery of the Gulf coast casinos and will continue through the rest of the year as the Biloxi-Gulfport area rebuilds from Hurricane Katrina. It is likely that this trend will continue throughout the year and 2007 revenue will exceed that of 2004 when a record $2.77 billion was recorded.

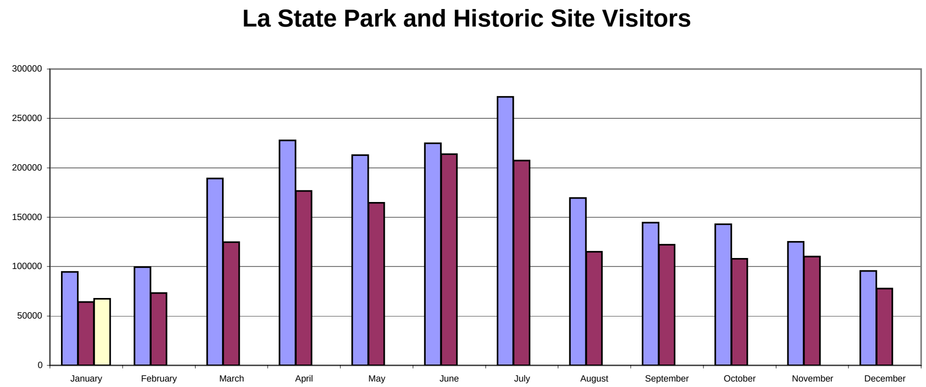
## Mississippi Riverboat Gross Gaming Revenue



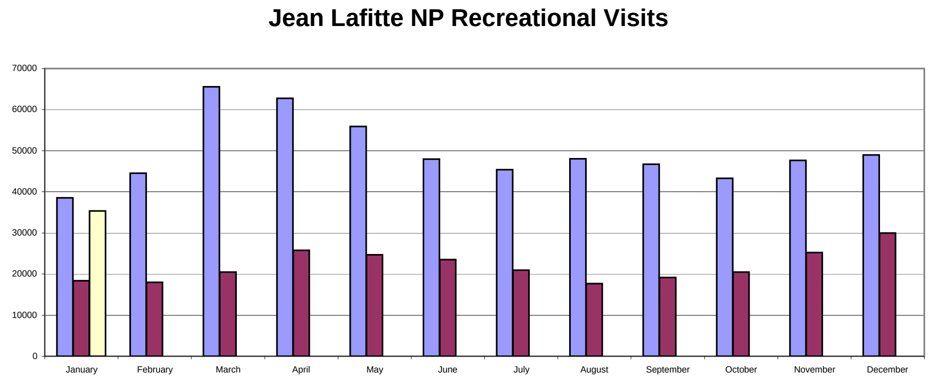
**State Welcome Center Visitors** - For the fifth straight month welcome center visitation increased over the same months of the previous year. This trend will likely continue until the Slidell Center is closed for renovation later this year. The Slidell Center has traditionally had the largest volume of traffic among all Louisiana welcome centers with over 250,000 annual visitors. Although plans are for a temporary center to be open during reconstruction of the main building, a much lower volume of visitor traffic is expected during those months of relocation. Until then, welcome center traffic is expected to steadily increase through the Spring months as more and more visitors come back to Louisiana.



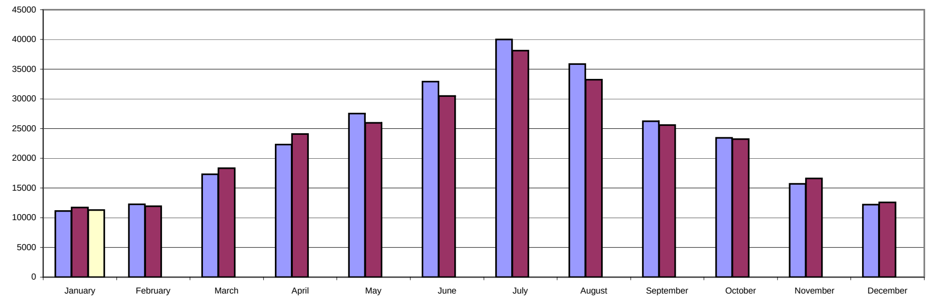

**Louisiana State Park Trends** - January is the lowest month of the year for visitors to Louisiana's State Parks and Historic sites, and there was very little difference between this year and last year in total visitation even though there were two additional state parks open this year (Sam Houston Jones and St. Bernard). Louisiana now has 19 state parks and 14 state historic sites open for business. Louisiana's seasonal visitation is similar to most park systems around the country where winter months are very slow and summer months experience peak usage. What was unusual was that 22 of the total 33 sites had lower visitor volumes this year compared to last year.




**Jean Lafitte NHP Trends** - Much like welcome centers and some other attractions, Jean Lafitte NHP experienced a fifth consecutive month of increased visitation as a result of recovery from the effects of the 2005 hurricanes. Since the units of the park are located primarily in southeast Louisiana, their attendance has suffered since September 2005. However, due to significant increases at units such as Barataria, Lafayette, and the French Quarter, January visitation was 91% higher than last year and only 8% less than the benchmark year of 2004. This is a very good sign that visitors are returning to southern Louisiana.



## National Park Service Visitors Nationwide




**U.S. Consumer Confidence Index Trend** - The Consumer Confidence Survey is based on a representative sample of 5,000 U.S. households. The monthly survey is conducted for The Conference Board by TNS. TNS is the world's largest custom research company. The Conference Board Consumer Confidence Index, which had improved in December, edged up slightly in January. The Index now stands at 110.3 (1985=100), up from 110.0 in December. "This month's slight increase in confidence was solely the result of an improvement in the Present Situation Index, fueled primarily by a more favorable job market," says Lynn Franco, Director of The Conference Board Consumer Research Center. "Looking ahead, however, consumers are not as optimistic as they were in December. All in all, the Index suggests a moderate improvement in the pace of growth in early 2007."

## U.S. Consumer Confidence Index