



Louisiana Travel Pulse

Fall 2003

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 **Fall 2003** season (**September-November 2003**). 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 two primary parts. The first part shows statewide indicators for hotels, airports, visitor centers, riverboat gaming, parks, and attractions. The second part of the Pulse contains a regional analysis of the **Fall** season using some of these same indicators.

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.

Fall 2003 Performance At-A-Glance

- Hotel Occupancy Rate: -2.3%
- Hotel ADR: -1.2%
- Hotel Room Supply: +1.5%
- Hotel Room Demand: +1.3%
- State Visitor Center Visitors: +5.1%
- Riverboat Gaming Revenue: -3.6%
- Airport Enplanements: +5.0%
- State Parks Visitors: +24.5%
- Local Information Center Visitors: +27.2%
- Attractions Visitors: +11.4%

Table of Contents	
Hotel Occupancy Rate.....	Page 2
Hotel Average Daily Rate	Page 3
Hotel Room Supply.....	Page 4
Hotel Room Demand.....	Page 4
State Visitor Centers.....	Page 5
Riverboat Gaming	Page 6
Airport Traffic.....	Page 7
State and National Parks	Page 8
Local Information Centers.....	Page 9
Attractions	Page 10
Regional Trends	Page 11
Looking Ahead.....	Page 13

*Note: These Louisiana indicators show the percentage difference from **Fall 2002** to **Fall 2003**.*

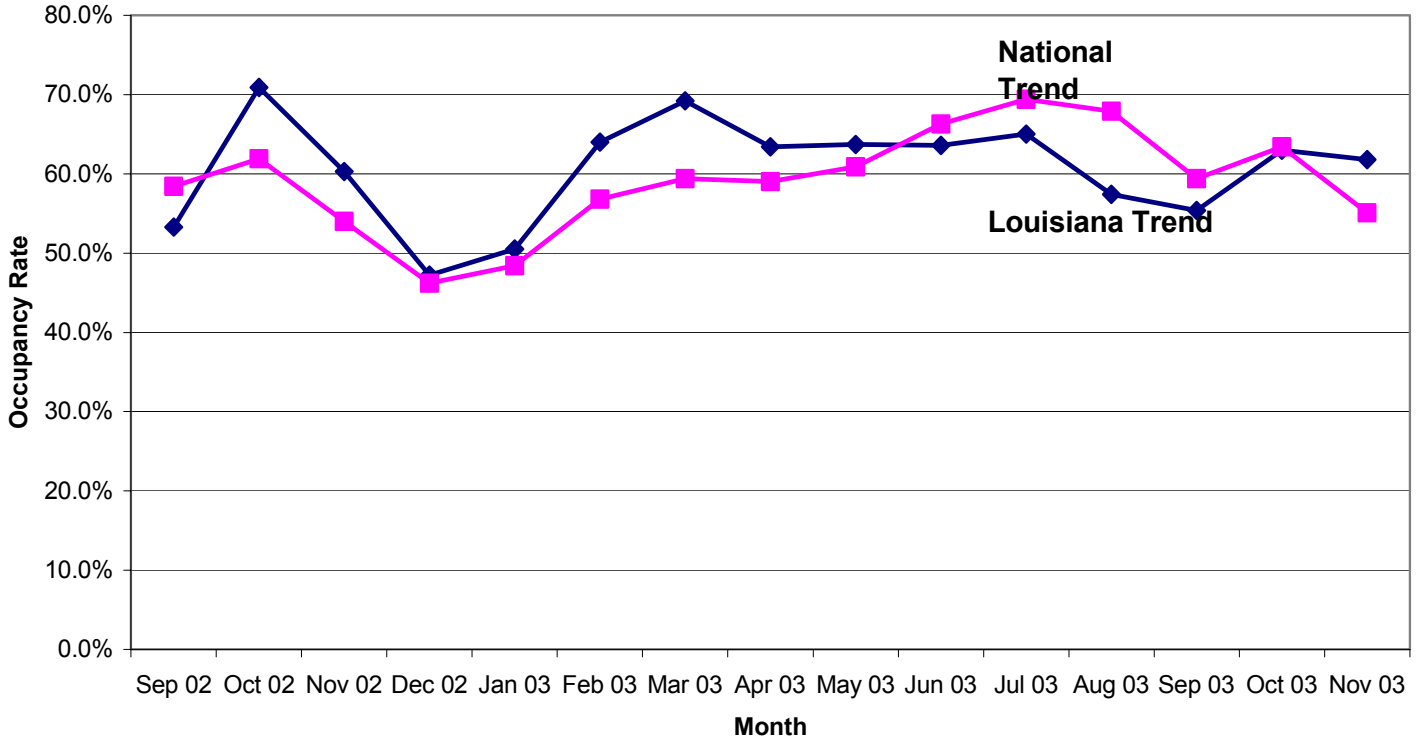
Factors Influencing **Fall 2003** Travel To Louisiana

Iraq-U.S. war aftermath continues to adversely affect overseas travel to the U.S... Overseas visitors to U.S. down 3.3 percent in 3rd Quarter 2003... TIA reports declines in market share for 16 overseas countries is expected for 2003... Fourth quarter and Fall season travel within the U.S. much better than expected... Nationwide consumer confidence and disposable income improves at the end of the year... Major domestic destinations like Las Vegas and Orlando experience very strong fourth quarter results... Fall weather conditions in Louisiana were much improved over 2002 when Louisiana experienced severe storms such as Hurricane Lily (which artificially increase hotel occupancy due to recovery efforts)... Louisiana Purchase exhibits in Alexandria, Baton Rouge, and New Orleans experience huge results.

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

1. Hotel Trends – Occupancy Rate

Fall 2003 – Occupancy Rate Trend



Fall 2003 Season

Louisiana hotel/motel occupancy: 60.1%
 % difference from prior year: -2.3%
 % difference from 5 years ago: -6.7%

U.S. hotel/motel occupancy: 59.3%
 % difference from prior year: +2.1%
 % difference from 5 years ago: -7.2%

2003 Performance (January-December)

Louisiana hotel/motel occupancy: 60.6%
 % difference from prior year: +0.2%
 % difference from 5 years ago: -6.9%

U.S. hotel/motel occupancy: 59.1%
 % difference from prior year: +0.2%
 % difference from 5 years ago: -6.6%

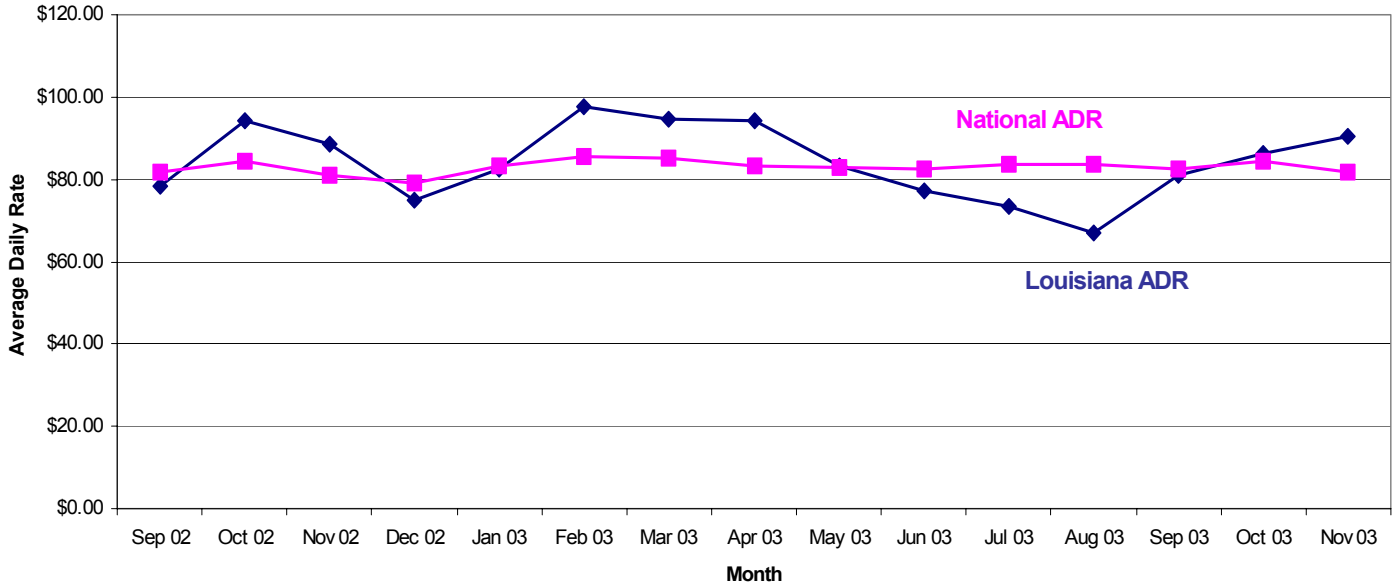
Source: Smith Travel Research

“Industry operating performance began to gain traction in the second half of 2003”, said Mark Lomanno, President of Smith Travel Research. “We expect this momentum to continue in 2004. Healthy demand growth combined with continued moderate room supply increases should strengthen occupancies and help operators increase room rates. Assuming continued improvement in the U.S. economy and no major terrorist attacks on U.S. soil, 2004 should be a good year for the lodging industry”, Lomanno added.

Source: Smith Travel Research, STR Lodging Review – 2003 Lodging Results, January 23, 2004

2. Hotel Trends – Average Daily Rate

Fall 2003 – Average Daily Rate Trend



Fall 2003 Season

Louisiana hotel/motel average daily rate: \$85.96

% difference from prior year: -1.2%

% difference from 5 years ago: -4.9%

U.S. hotel/motel average daily rate: \$82.93

% difference from prior year: +0.8%

% difference from 5 years ago: -1.1%

2003 Performance (January-December)

Louisiana hotel/motel average daily rate: \$83.43

% difference from prior year: -2.9%

% difference from 5 years ago: -3.9%

U.S. hotel/motel average daily rate: \$83.19

% difference from prior year: 0.0%

% difference from 5 years ago: +2.3%

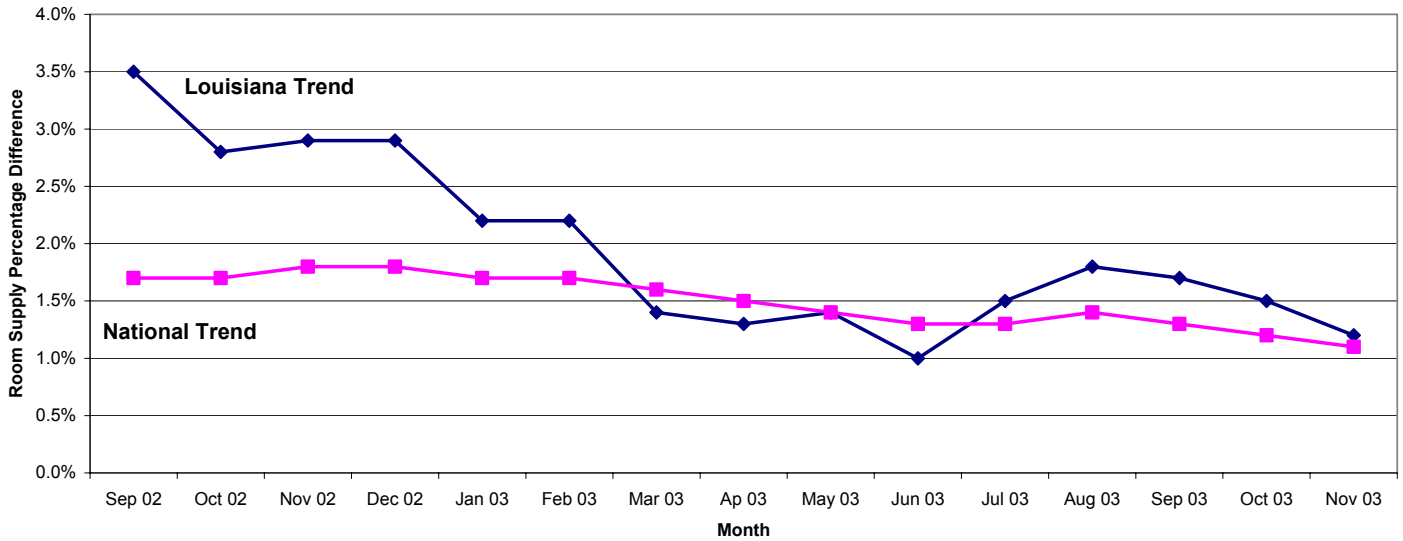
Source: Smith Travel Research

“Hotels located in the major cities in the New England/Mid-Atlantic, South Atlantic, and Mountain/Pacific regions of the U.S. are all projected to benefit from a healthy 8.9 percent increase in RevPAR in 2004. Conversely, hotels in the South Central and North Central regions are forecast to improve their RevPARs by 5.4 and 4.6 percent respectively.

PFK Consulting, *Quarterly Trends in the Hotel Industry—United States*, December, 2003

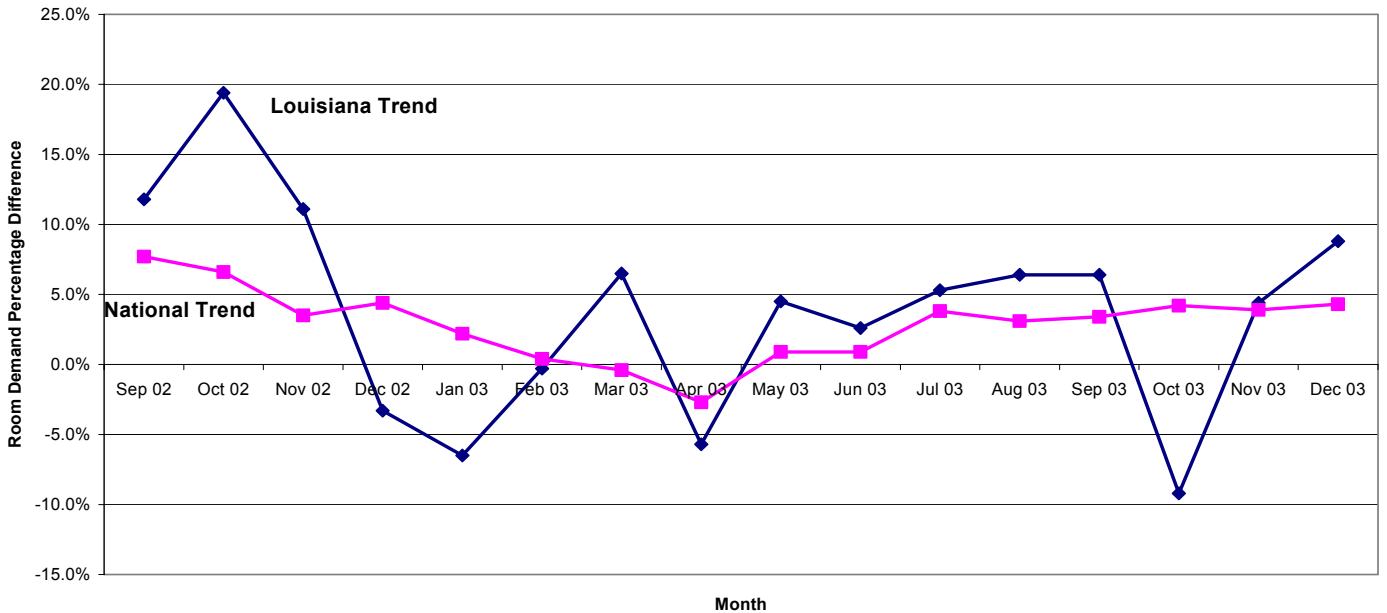
3. Hotel Trends – Room Supply

Fall 2003 – Room Supply Trend



4. Hotel Trends – Room Demand

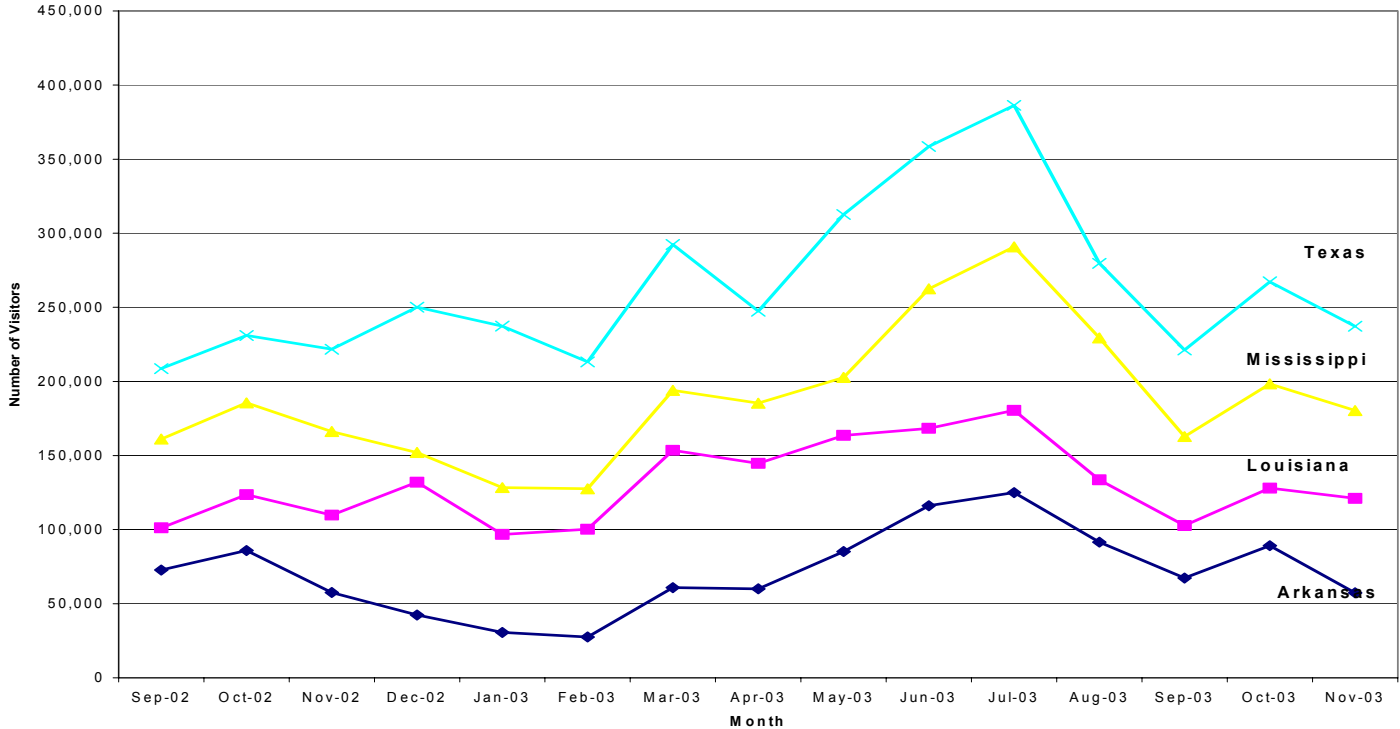
Fall 2003 – Room Nights Sold Trend



Year	2003	2002	2001
Number of hotel/motel properties in Louisiana	706	692	672
Number of hotel/motel rooms in Louisiana	76,709	75,612	73,792
Source: Smith Travel Research			

5. State Information Center Visitors

Fall 2003 State Welcome Center Visitor Trend



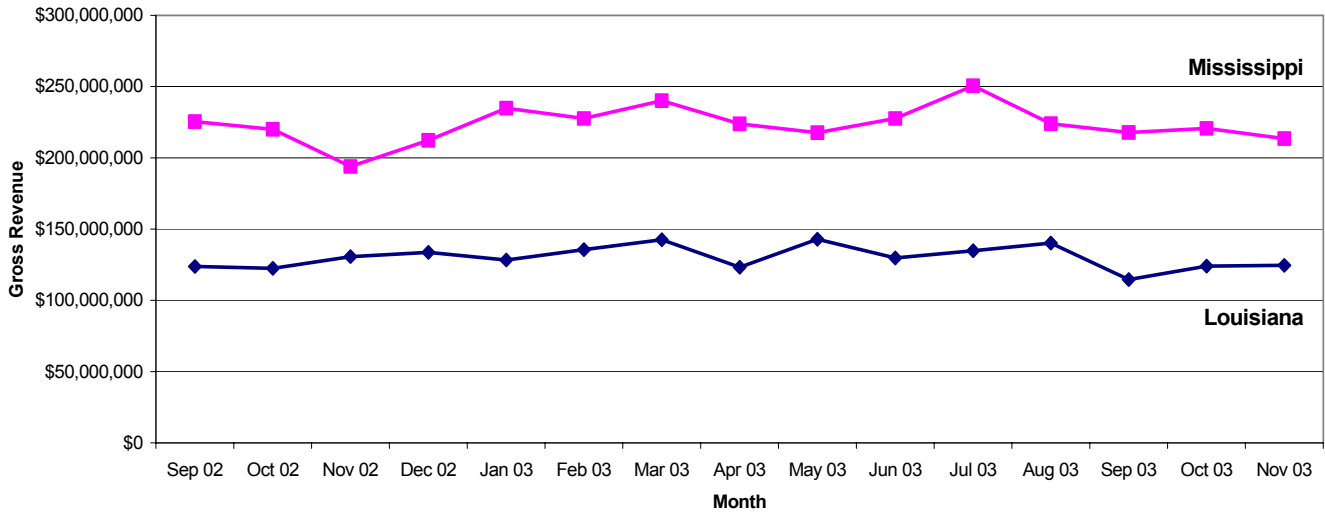
	Arkansas	Louisiana	Mississippi	Texas
Fall 2003 Trend*				
Number of Visitors	213,740	351,798	541,451	725,743
% difference from prior year	-1.1%	+5.1%	+5.6%	+9.7%
2003 Year-to-Date Trend (January thru December)				
Number of Visitors	853,275	1,607,107	2,323,356	3,295,084
% difference from prior year	-0.7%	+0.6%	-4.4%	+5.8%
*While each state uses a different method to calculate welcome center visitors, there have been no changes to the methods used over the last 15 months.				
Source: Louisiana Office of Tourism				

Travel Facts

- Louisiana's I-49 Welcome Center located just north of Alexandria was officially opened on December 14, 2003.
- Auto travel is an integral part of the U.S. travel industry with the vast majority, 79 percent, of U.S. domestic person-trips being taken by car, truck, camper/RV or rental car. It's a growing market, increasing 11 percent since 1994. But the impact of auto travel was really evident following the events of September 11th, with the share of auto person-trips increasing 2 percentage points in just one year. Auto travelers tend to stay closer-to-home, most often taking trips of just one or two nights and the majority tend to stay in a hotel.

6. Riverboat Gaming

Fall 2003 – Gross Revenue Trend



	Louisiana	Mississippi
Fall 2003 Season		
Total Gross Revenue	\$363,339,805	\$651,922,523
% difference from prior year	-3.6%	+2.0%
% difference from 5 years ago	+6.3%	+6.3%
2003 Year-to-Date (January thru December)		
Total Gross Revenue	\$1,566,421,405	\$2,701,713,787
% difference from prior year	-2.8%	-0.6%
% difference from 5 years ago	+12.5%	+7.4%
Sources: Louisiana State Police, and Mississippi State Tax Commission (http://www.mstc.state.ms.us/index.html)		

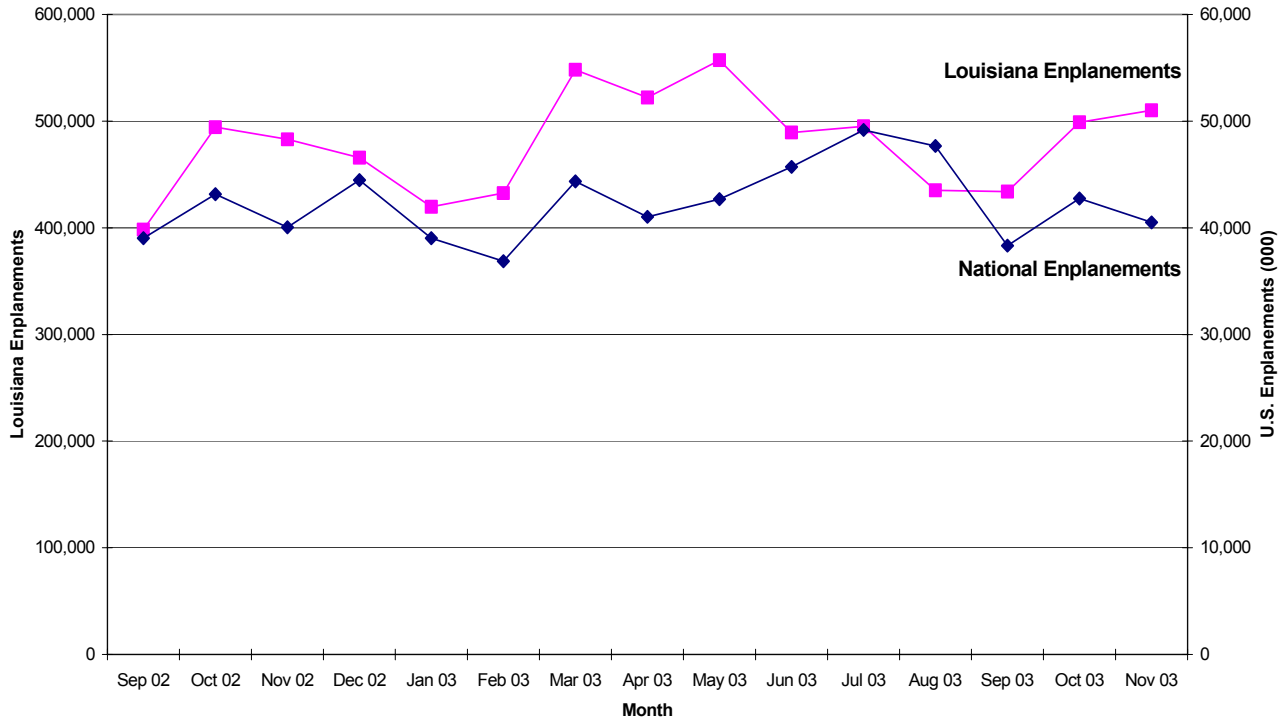
- The gross revenue for Louisiana’s land based casino in New Orleans for the Fall of 2003 was over \$68,438,667 million, 0.5% greater than the Fall 2002.
 - The total gross revenue for Louisiana’s riverboats, land-based casino, and racetrack slot machines for January through December 2003 was \$2,017,371,484, +0.8% greater than 2002.
- Source: Louisiana Gaming Control Board (<http://www.dps.state.la.us/lgcb/welcome.html>)

“Industry optimism for strong travel performance in the first half of 2004 is widespread, tied to expectations that we’ll see 4.0-4.5 percent GDP growth over this period, and that travel will parallel this growth. Also, prior-year comparison bases will be easy for our industry to beat. In the first half of 2003, there was no growth at all in domestic trip volume. International inbound/outbound travel was down 5 percent.”

Source: *Travel Industry Indicators*, January 30, 2004, James V. Commisa, Jr., Travel Industry Analyst

7. Airport Passenger Enplanements

Fall 2003 Enplanements Trend



Fall 2003 Season

Louisiana Airport Enplanements: 1,443,053

% difference from prior year: +5.0%

% difference from five years ago: -6.5%

U.S. Airport Enplanements: 121.6 million

% difference from prior year: -0.5%

% difference from five years ago: -14.4%

2003 Performance (January-November)

Louisiana Airport Enplanements: 5,342,621

% difference from prior year: +0.3%

% difference from five years ago: -5.1%

U.S. Airport Enplanements: 468.1 million

% difference from prior year: -2.6%

% difference from five years ago: -10.8%

Louisiana outperformed the nation during the Fall and for the full year. The downward trend which has afflicted air travel to Louisiana since 2001 has finally ended.

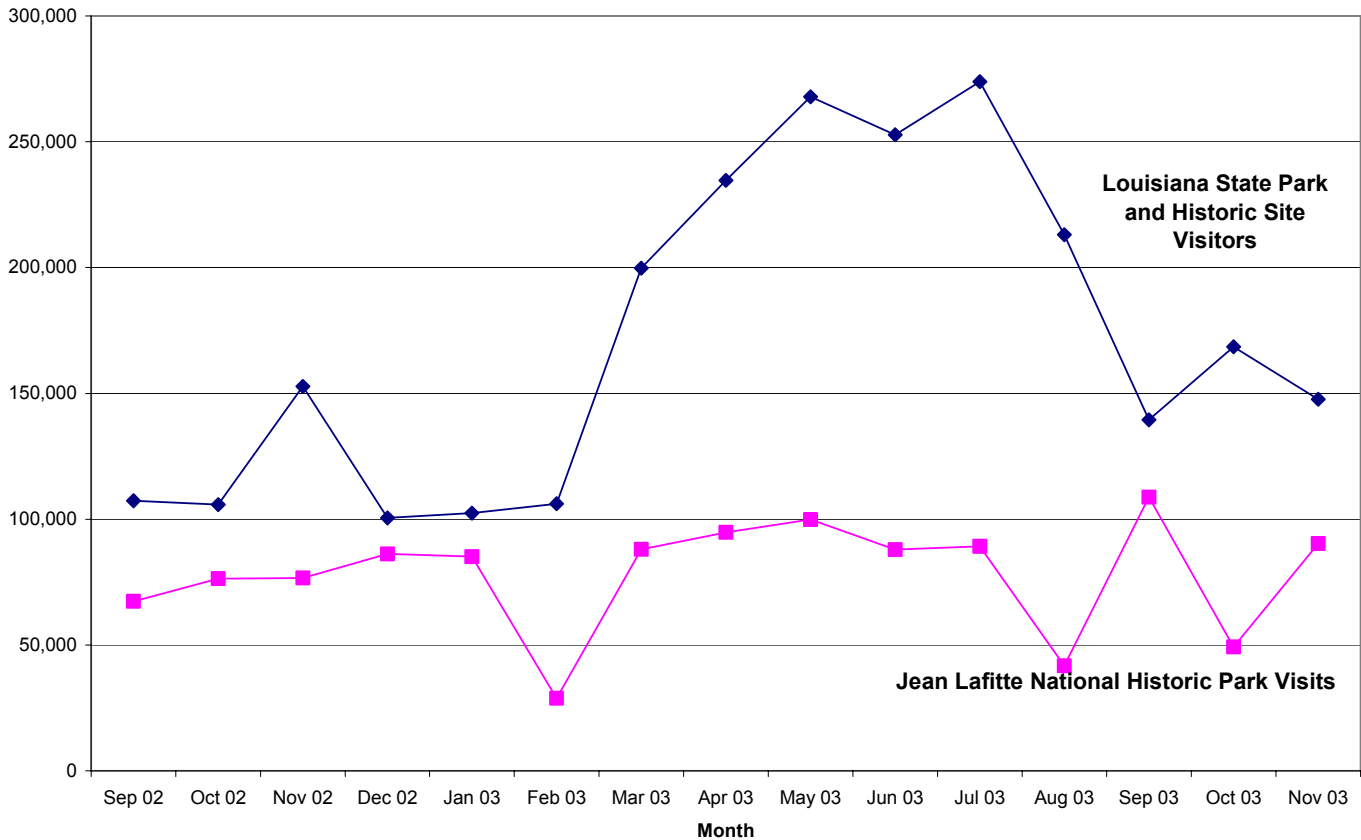
Source: Louisiana Office of Tourism, and the Air Transport Association (<http://www.airlines.org/>)

“Fourth quarter industry performance was the best of the year, with trip volume by all modes up by an estimated 4 percent over prior year levels. Somewhat disappointing, however, were domestic airline enplanements, down 1.5 percent. While this was better than what the airlines saw during the first three quarters of the year (-3.3%), this sector could have done better. For 2003, as a whole, domestic passenger counts were 2.8 percent below the levels of 2000 and 14.4 percent below those of the benchmark year 2000.

Source: *Travel Industry Indicators*, January 30, 2004, James V. Commisa, Jr., Travel Industry Analyst

8. State and National Park Visitors

Fall 2003 Park Visitors Trend



Fall 2003 Season

Louisiana State Parks and Historic Site Visitors: 455,679

% difference from prior year: +24.5%

Jean Lafitte National Historical Park Visits: 248,308

% difference from prior year: +12.7%

2003 Year-To-Date Performance (January-November)

Louisiana State Parks and Historic Site Visitors: 2,106,213

% difference from prior year: +3.7%

Jean Lafitte National Historical Park Visits: 863,901

% difference from prior year: -18.0%

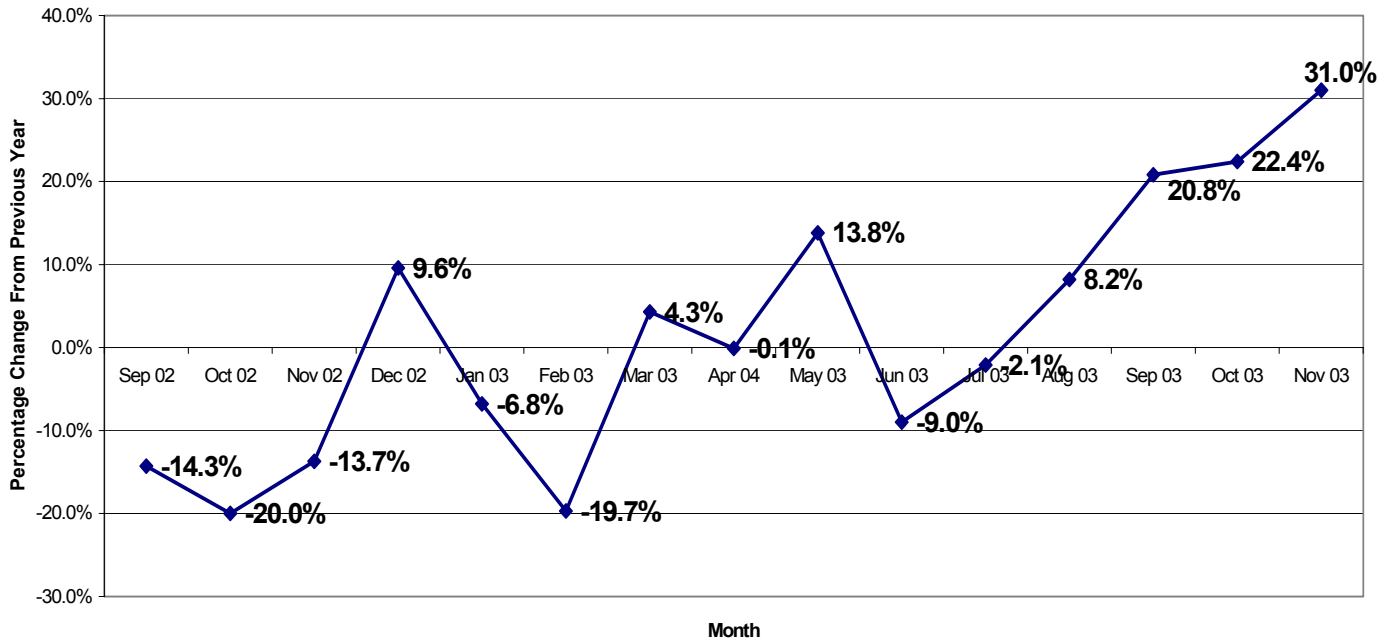
Source: Louisiana Office of State Parks, and the U.S. National Park Service (<http://www2.nature.nps.gov/stats/>)

“Fall leisure travel has continued to grow steadily over the years, and this year is no different, with Americans planning on taking a record 194.6 million person-trips in fall 2003. However, this growth has slowed somewhat, posting only a one percent increase over fall 2002, most likely due to the still-weak economy.”

Source: *TIA Travelometer: Fall Travel Increases Slightly*, November 2003, Travel Industry Association of America

9. Local Tourist Information Centers

Fall 2003 – Tourist Center Visitor Trend



Fall 2003 Season

Louisiana local tourist information center visitors: 120,521

% difference from prior year: +27.2%

During the Fall season, 20 information centers reported increased visitor volume and 7 information centers recorded a decrease in visitors compared to the previous Fall season.

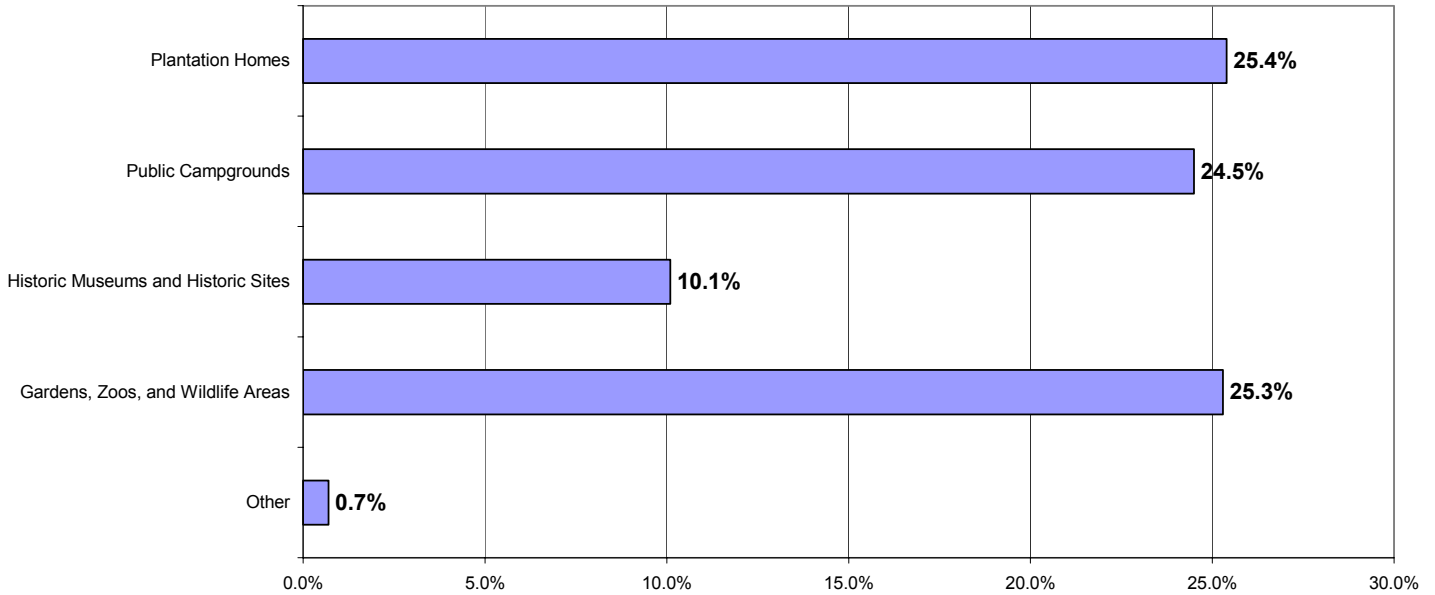
Source: Louisiana Office of Tourism. Local information center visitors are operated by municipal and parish tourist bureaus throughout Louisiana. Most use registration sheets to record the volume of visitors who enter the centers for travel information.

“In November, the U.S. welcomed 2.7 million international visitors, a seven percent increase over last year, marking the second consecutive month of positive growth in 2003. Year-to-date arrivals through November totaled 31.5 million visitors. The accumulated growth rate of inbound travel year-to-date now stands at less than negative five percent, a one basis point improvement from October. United Kingdom visitation increased by five percent in November, with 352,000 arrivals. This marked the ninth monthly increase this year. Year-to-date U.K. arrivals totaled 3.6 million, up over 3 percent. German travel to the U.S. exhibited strong growth, up 10 percent, for the month. Year-to-date arrivals passed the 1.0 million level and were down by one percent. Also, in November significant growth occurred in travel originating from Italy, Spain, Sweden, Australia and Brazil, with increases of 12 percent, 11 percent, 14 percent, 15 percent and 12 percent, respectively. On a year-to-date basis, arrivals from Italy were flat, from Spain were up four percent, from Sweden up two percent, from Australia down two percent, and down 17 percent from Brazil.”

Source: Office of Travel and Tourism Industries, U.S. Dept. of Commerce, January 28, 2004

10. Attractions Visitors

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



Fall 2003 Season

The Louisiana Office of Tourism received visitor counts from 78 attractions across the state. Numbers were received from 5 plantation homes, 19 public campgrounds, 34 historical museums and historic sites, 4 gardens, zoos and wildlife areas, and 16 other attractions. The total number of visitors to these Louisiana attractions increased by 11.4% during the Fall 2003 Season (September-November) compared to the previous Fall season. New exhibits, increased travel within the U.S. and to Louisiana, and more local traffic appears to have boosted visitors to Louisiana's attractions. Whatever the reason, most attractions increased attendance. (See below.)

	Fall 2003	Summer 2003	Spring 2003	Winter 2003	Fall 2002
Number of Sites w/increased attendance	55	29	34	29	32
Number of Sites w/decreased attendance	23	47	43	47	53
Percentage difference from previous year*	+11.4%	-5.4%	+3.8%	-10.6%	-13.1%

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

10. Regional Trends - Fall

Greater New Orleans	2003	2002	% +/-
New Orleans International Airport			
Passenger Enplanements.....	1,168,112.....	1,105,325.....	+5.7%
New Orleans Hotel-Motel Occupancy Rate			
September.....	57.7%.....	51.8%.....	+11.4%
October.....	65.6%.....	72.7%.....	-9.8%
November.....	68.9%.....	63.6%.....	+8.3%
New Orleans Visitor Center.....	29,375.....	24,290.....	+20.9%
Slidell Visitor Center.....	96,157.....	78,719.....	+22.2%
Kentwood Visitor Center.....	35,104.....	29,042.....	+20.9%
Pearl River Center.....	(Note: In July 2003 the Pearl River Center closed indefinitely for renovations.)		
Parks, Attractions, Museums.....	1,155,018.....	1,099,148.....	+5.1%

Plantation Country	2003	2002	% +/-
Baton Rouge Metro Airport			
Passenger Enplanements.....	92,788.....	97,142.....	-4.5%
Baton Rouge Hotel/Motel Occupancy Rate			
September.....	54.4%.....	59.1%.....	-8.0%
October.....	63.6%.....	73.0%.....	-12.9%
November.....	58.7%.....	61.6%.....	-4.7%
State Capitol Visitor Center.....	27,347.....	22,132.....	+23.6%
St. Francisville Visitor Center.....	10,313.....	10,635.....	-3.0%
Parks, Attractions, & Museums.....	177,657.....	130,431.....	+36.2%

Cajun Country	2003	2002	% +/-
Lafayette Regional Airport			
Passenger Enplanements.....	41,326.....	36,262.....	+14.0%
Lake Charles Regional Airport			
Passenger Enplanements.....	11,534.....	10,540.....	+9.4%
Lafayette Hotel-Motel Occupancy Rate			
September.....	57.0%.....	56.2%.....	+1.4%
October.....	65.7%.....	88.8%.....	-26.0%
November.....	56.2%.....	72.8%.....	-22.8%

Lake Charles Hotel-Motel Occupancy Rate

September	50.8%	54.2%	-6.3%
October.....	58.1%	71.1%	-18.3%
November.....	52.8%	54.6%	-3.3%

Vinton Visitor Center.....	46,273	39,602	+16.8%
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Parks, Attractions, & Museums	168,649	128,311	+31.4%
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Crossroads	2003	2002	%+/-
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England International Airport

Passenger Enplanements.....	24,505	26,789	-8.5%
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Alexandria Hotel-Motel Occupancy Rate

September	44.0%	44.9%	-2.0%
October.....	48.5%	61.1%	-20.6%
November.....	51.3%	51.2%	+0.2%

Vidalia Visitor Center.....	6,262	6,735	-7.0%
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Parks, Attractions, & Museums	79,222	68,947	+14.9%
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Sportsman's Paradise	2003	2002	%+/-
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Shreveport Regional Airport

Passenger Enplanements.....	78,583	75,240	+4.4%
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Monroe Regional Airport

Passenger Enplanements.....	26,205	22,931	+14.3%
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Shreveport Hotel-Motel Occupancy Rate

September	58.2%	57.8%	+0.7%
October.....	65.8%	63.1%	+4.3%
November.....	57.2%	54.3%	+5.3%

Monroe Hotel-Motel Occupancy Rate

September	59.7%	61.8%	-3.4%
October.....	60.2%	60.7%	-0.8%
November.....	56.5%	54.4%	+3.9%

Greenwood Visitor Center	52,521	48,350	+8.6%
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Mound Visitor Center	48,446	42,927	+12.9%
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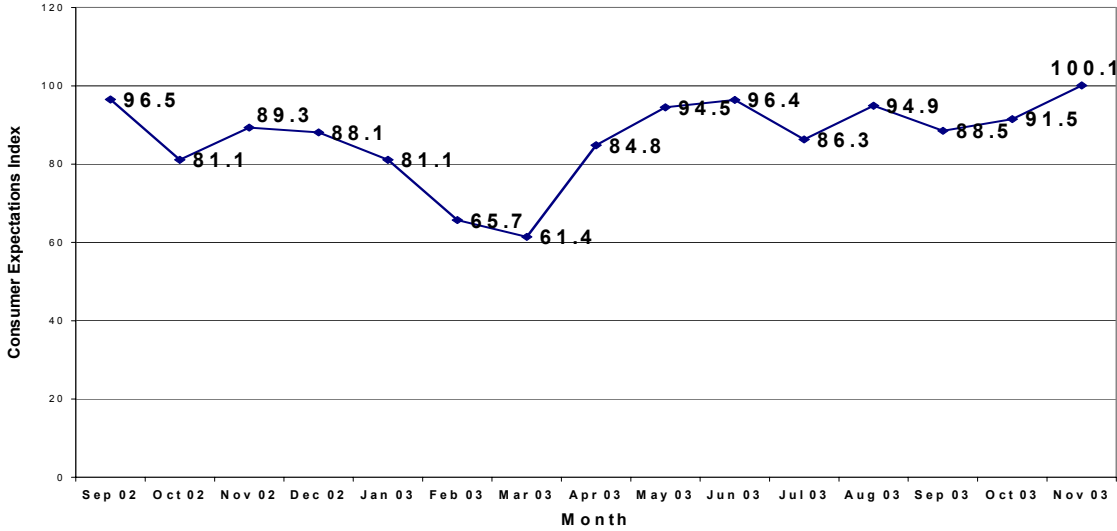
Parks, Attractions, and Museums.....	122,571	102,236	+19.9%
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Notes on Regional Trends: Hotel/Motel statistics are from Smith Travel Research, Inc.; all other figures are from the Office of Tourism. Park figures include both day-use and overnight visitors. 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

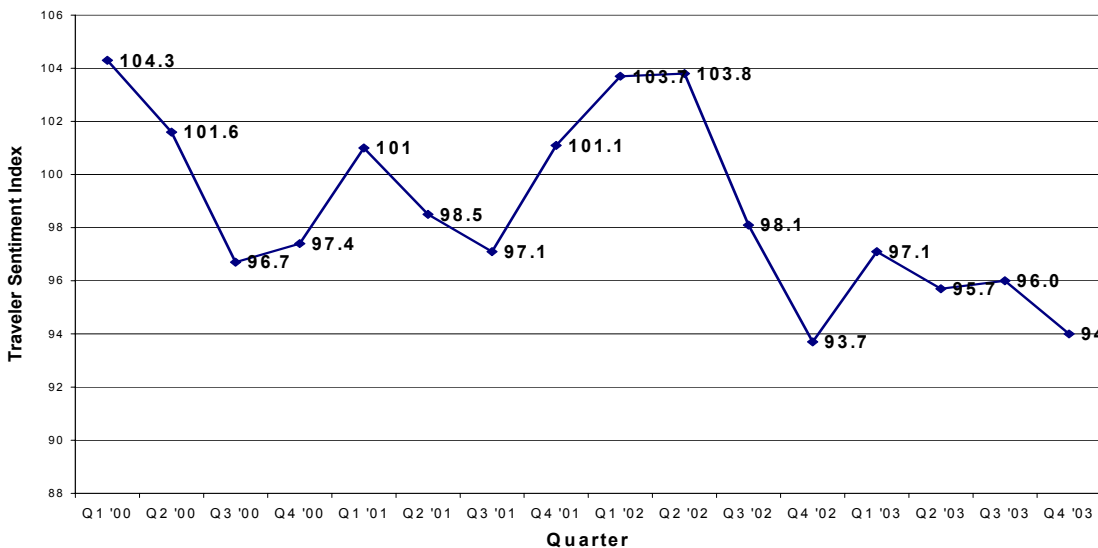
This section provides U.S. and Louisiana leading indicators which have predictive value for future tourism trends. They are called “leading” because their direction or magnitude historically “leads” the focus of our industry.

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.

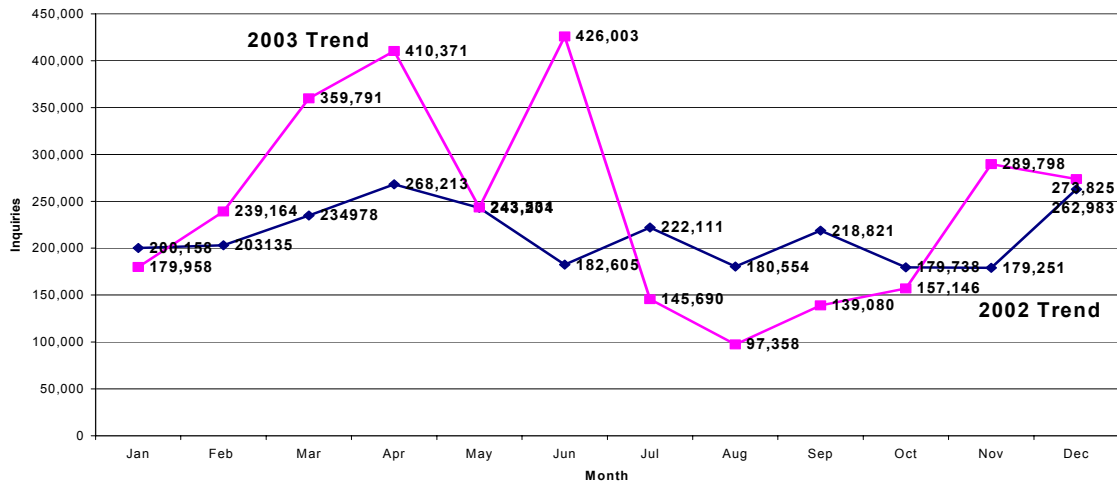
“Lead business travel indicators that we track are all positive. Fourth-quarter corporate profits, now being reported, will show a 15-20 percent increase over the prior year. Wall Street estimates are for double-digit gains again in 2004. Encouraging is the fact that increases in earnings are now coming from company revenue growth rather than cost cutting. Shouldn’t this mean a loosening of T&E budgets? And, capital spending, indicative of corporate growth expansion, and a willingness to spend, is also on the upswing. So what’s restraining a more robust rebound in business travel?”

Source: *Travel Industry Indicators*, January 30, 2003, James V. Cammisa, Jr., *Travel Industry Analyst*

“The latest UK Travel Barometer survey reported growth in bookings to the United States for fourth quarter 2003 and year-end 2003, and predicts strong growth in the first half of 2004. According to the U.S. Office of Travel and Tourism Industries, bookings for U.S. destinations included in the survey had an increase on average compared to year-end 2002. Travel demand for U.S. destinations included in the survey were all predicted to increase or be about the same compared to first quarter 2003.”

Source: *National Tour Association*, February 19, 2004, http://www.ntaonline.com/0,5978,1_895_0_51921,00.html

C. 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.