



Louisiana Travel Pulse

Spring 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 **Spring 2003** season (**March-May 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 **Spring** 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.

Spring 2003 Performance At-A-Glance

- Hotel Occupancy Rate: -0.3%
- Hotel ADR: -0.2%
- Hotel Room Supply: +1.4%
- Hotel Room Demand: +1.8%
- State Visitor Center Visitors: -3.2%
- Gross Gaming Revenue: +1.1%
- Airport Enplanements: +0.1%
- State Parks Visitors: +8.0%
- Local Information Center Visitors: +5.6%
- Attractions Visitors: +3.8%

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

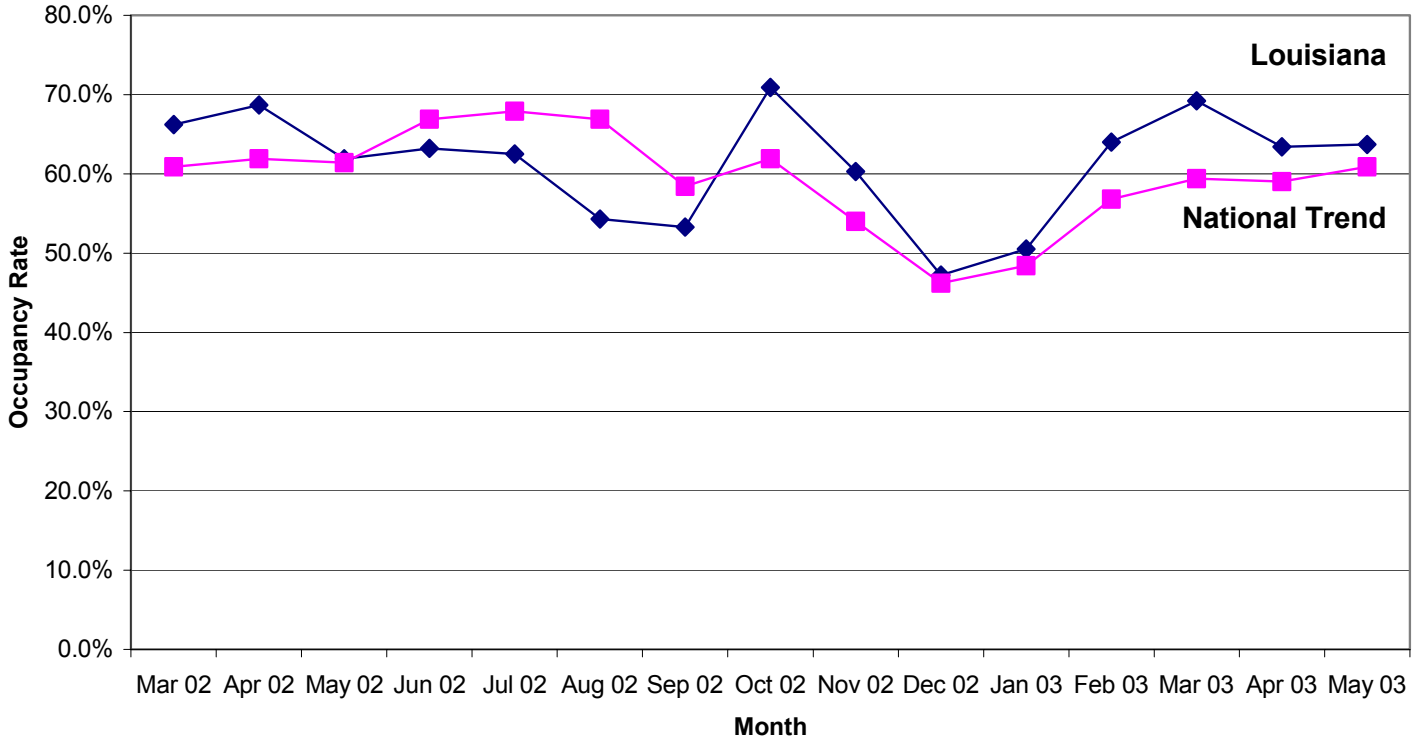
Factors Influencing Spring 2003 Travel To Louisiana

Iraq-U.S. war began March 20, 2003... Consumer confidence hits new low in March but rises in April and May due to an end of wartime hostilities... Economic slowdown continues to hamper travel industry... Domestic leisure destinations experience little or no increases from a year ago... International travel and business travel still declining in U.S.... SARS virus scare hampers international travel to some destinations... Travel by car on the rise even though record-high gasoline prices occurred during the Spring... The nation’s terror alert system waffles between “Elevated” and “High” risk of terrorist attacks... Carnival Cruise ship Conquest moves temporarily (18 weeks) to Mississippi in March due to high water levels on the Mississippi River... Smaller crowds than normal are experienced at N.O. Jazz and Heritage Festival... Louisiana continues to celebrate Louisiana Purchase Bicentennial.

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

1. Hotel Trends – Occupancy Rate

Spring 2003 – Occupancy Rate Trend



Spring 2003 Season

Louisiana hotel/motel occupancy: 65.4%

% difference from prior year: -0.3%

% difference from 5 years ago: -9.7%

U.S. hotel/motel occupancy: 59.8%

% difference from prior year: -2.6%

% difference from 5 years ago: -7.8%

The occupancy rate in Louisiana during the Spring 2003 was about the same as it was in the Spring 2002 but much lower than previous years when it ranged from 68% to 73%.

2003 Performance (January-May)

Louisiana hotel/motel occupancy: 62.1%

% difference from prior year: -1.9%

% difference from 5 years ago: -11.4%

U.S. hotel/motel occupancy: 56.7%

% difference from prior year: -1.9%

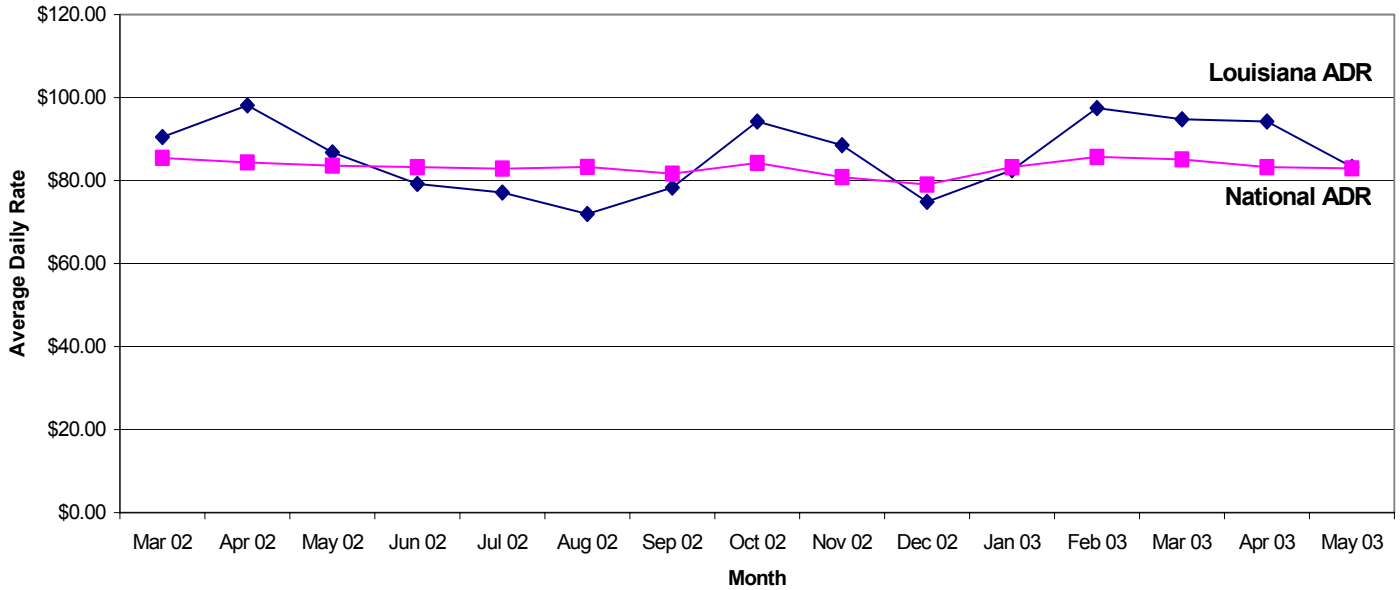
% difference from 5 years ago: -8.5%

Heading into the summer season, Louisiana's occupancy rate currently ranks fifth behind Arizona, Florida, Hawaii, and Nevada.

Source: Smith Travel Research

2. Hotel Trends – Average Daily Rate

Spring 2003 – Average Daily Rate Trend



Spring 2003 Season

Louisiana hotel/motel average daily rate: \$90.77

% difference from prior year: -0.2%

% difference from 5 years ago: +4.6%

U.S. hotel/motel average daily rate: \$83.77

% difference from prior year: -1.3%

% difference from 5 years ago: +6.4%

2003 Performance (January-May)

Louisiana hotel/motel average daily rate: \$90.55

% difference from prior year: -5.2%

% difference from 5 years ago: +4.5%

U.S. hotel/motel average daily rate: \$83.92

% difference from prior year: -0.8%

% difference from 5 years ago: +6.1%

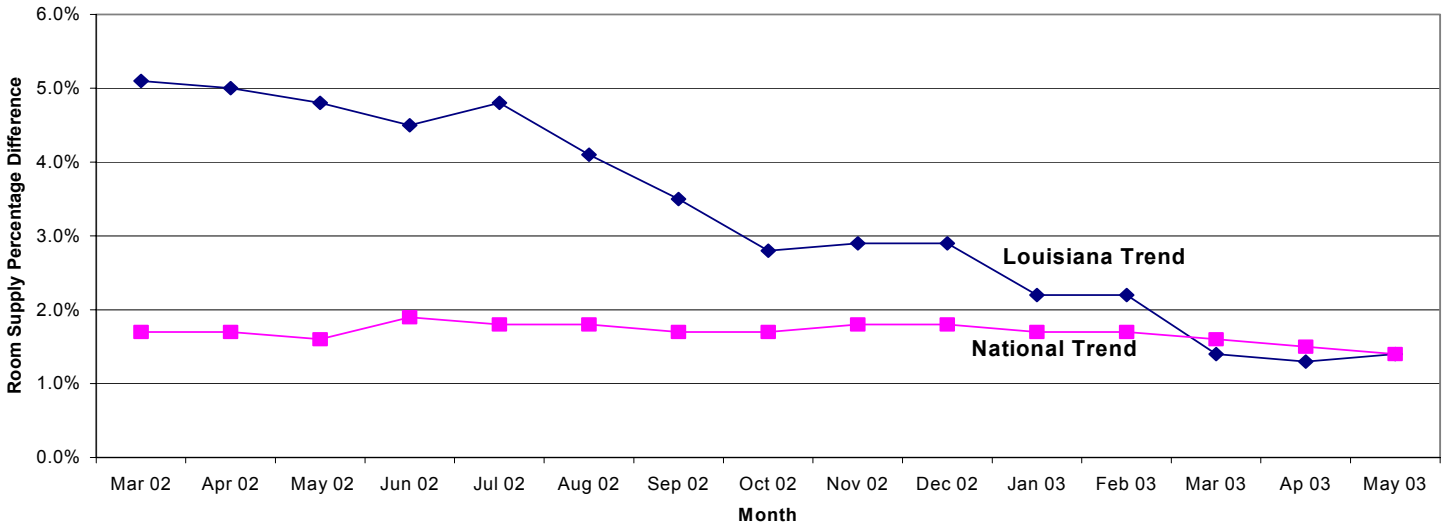
Source: Smith Travel Research

Second quarter average room rate fell 1.3 percent to \$82.87 and revenue per available room (REVPAR) --- the combination of occupancy and average room rate and a key industry productivity measure --- decreased 3.2 percent to \$51.31. In the first half of 2003, industry occupancy declined 1.5 percent to 58.3 percent versus same period prior year. Average room rate slipped 0.9 percent to \$83.59 and REVPAR was down 2.5 percent to \$48.70. Industry room supply increased 1.4 percent in the first half, down from 1.7 percent growth in the first half of 2002. Industry demand (room nights sold) declined 0.2 percent in 1H03 compared to a demand decrease of 2.0 percent in 1H02. Room revenue declined 1.1 percent in the first six months of 2003 to \$39 billion. In the month of June 2003, occupancy fell 0.5 percent to 66.3 percent while room rate slid 1.3 percent to \$82.50. June REVPAR fell 1.7 percent to \$54.70. "First half industry performance was negatively impacted by the war in Iraq and sluggish U.S. economic performance", said Mark Lomanno, President of Smith Travel Research. "Early indications point toward improved industry performance in July. If the economy strengthens in the second half, we believe full year 2003 industry occupancy could show positive growth for the first time since 2000", Lomanno added.

Smith Travel Research, STR Second Quarter 2003 News Release, July 24, 2003

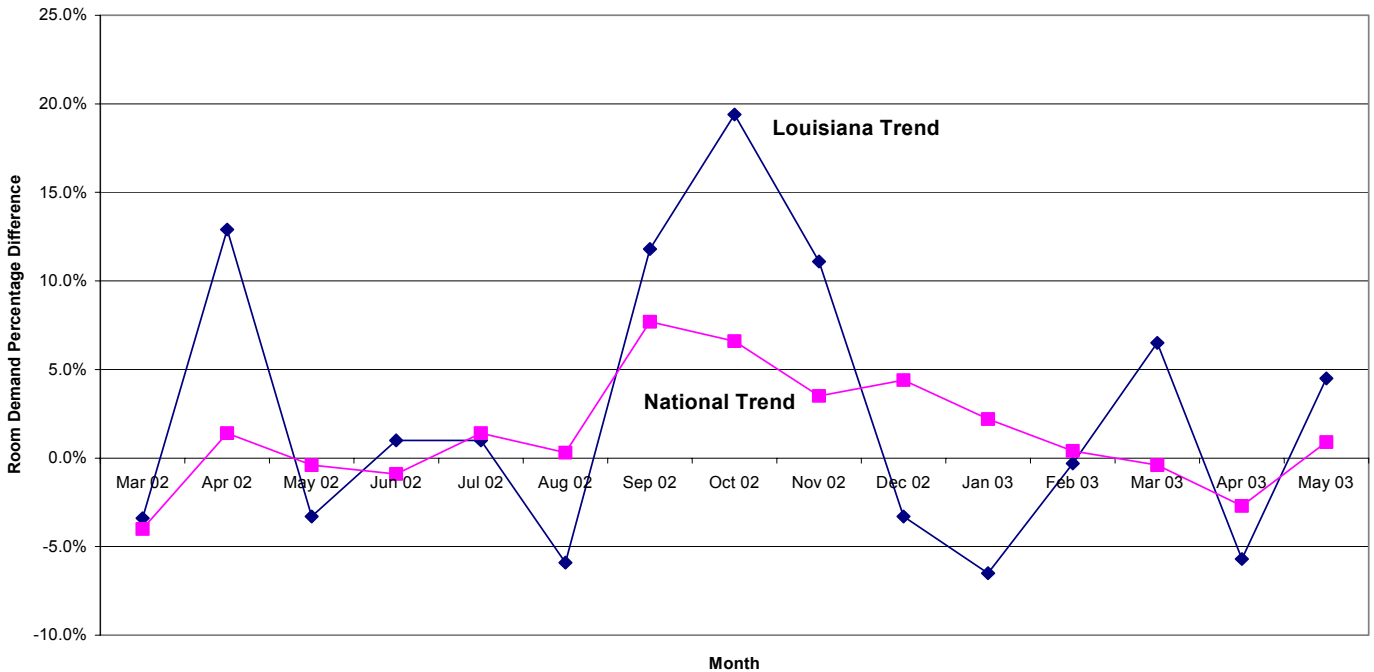
3. Hotel Trends – Room Supply

Spring 2003 – Room Supply Trend



4. Hotel Trends – Room Demand

Spring 2003 – Room Nights Sold Trend

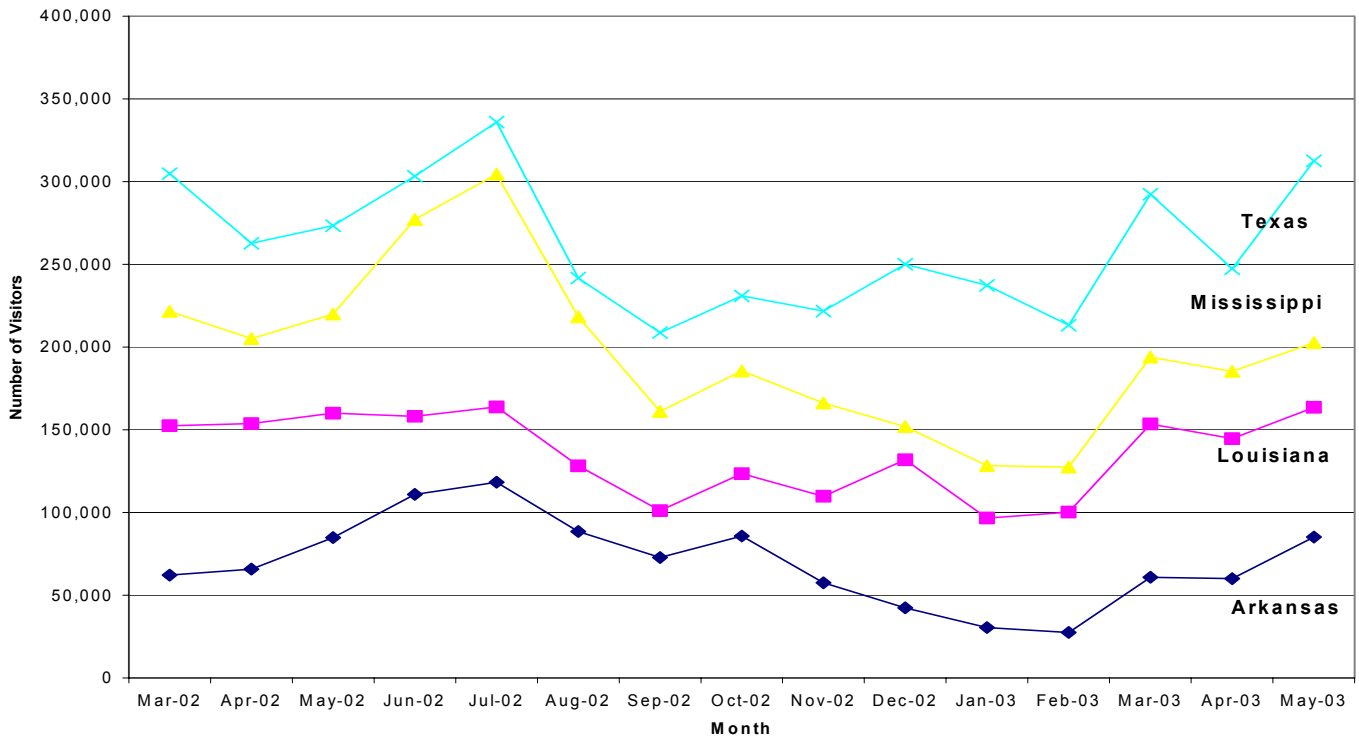


Number of hotel/motel properties in Louisiana – 667
 Number of hotel/motel rooms in Louisiana – 74,464

Source: Smith Travel Research

5. State Information Center Visitors

Spring 2003 State Welcome Center Visitor Trend

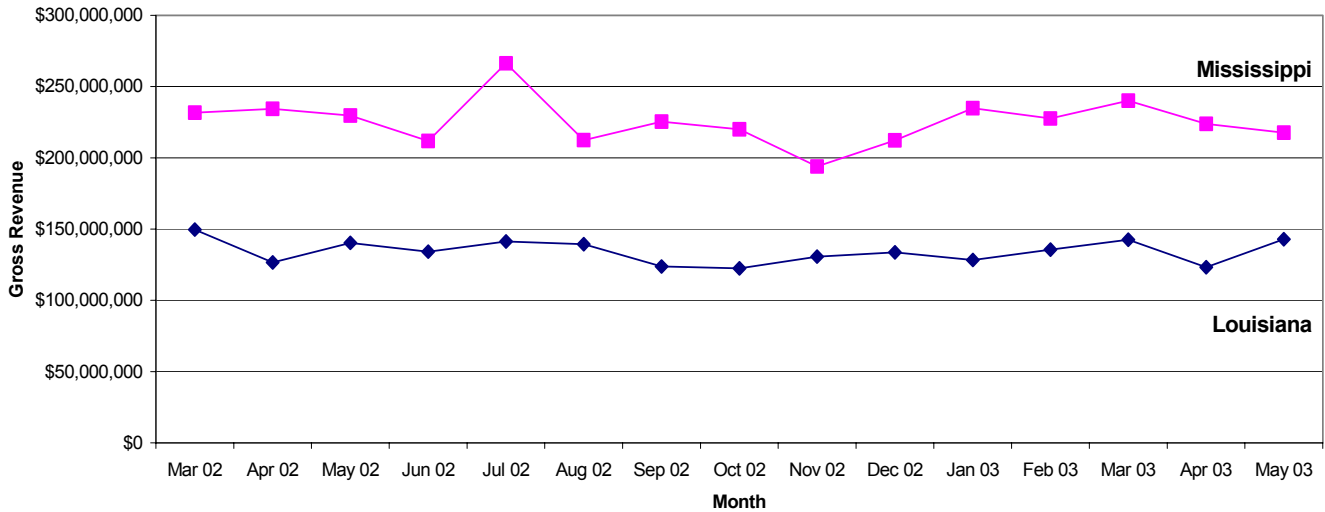


	Arkansas	Louisiana	Mississippi	Texas
Spring 2003 Trend*				
Number of Visitors	206,114	461,846	582,071	852,534
% difference from prior year	-3.2%	-1.0%	-10.0%	-6.6%
2003 Year-to-Date Trend (January thru May)				
Number of Visitors	264,211	658,828	838,006	1,303,197
% difference from prior year	-6.5%	-3.2%	-13.2%	-10.8%
*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				

Weekly U.S. Gas Prices – Spring 2003										
Month	Week	Price	Week	Price	Week	Price	Week	Price	Week	Price
March	3/3	\$1.87	3/10	\$1.89	3/17	\$1.91	3/24	\$1.87	3/31	\$1.84
April	4/7	\$1.82	3/14	\$1.79	4/21	\$1.77	4/28	\$1.75		
May	5/5	\$1.71	5/12	\$1.68	5/19	\$1.68	5/26	\$1.67		
Source: U.S. Department of Energy (http://www.eia.doe.gov/emeu/international/gas1.html)										

6. Riverboat Gaming

Spring 2003 – Gross Revenue Trend



	Louisiana	Mississippi
Spring 2003 Season		
Total Gross Revenue	\$408,804,652	\$681,474,273
% difference from prior year	-1.8%	-2.1%
% difference from 5 years ago	+15.8%	+4.8%
2003 Year-to-Date (January thru May)		
Total Gross Revenue	\$672,865,366	\$1,144,008,717
% difference from prior year	-1.9%	-2.7%
% difference from 5 years ago	+16.8%	10.2%
Sources: Louisiana State Police, and Mississippi State Tax Commission (http://www.mstc.state.ms.us/index.html)		

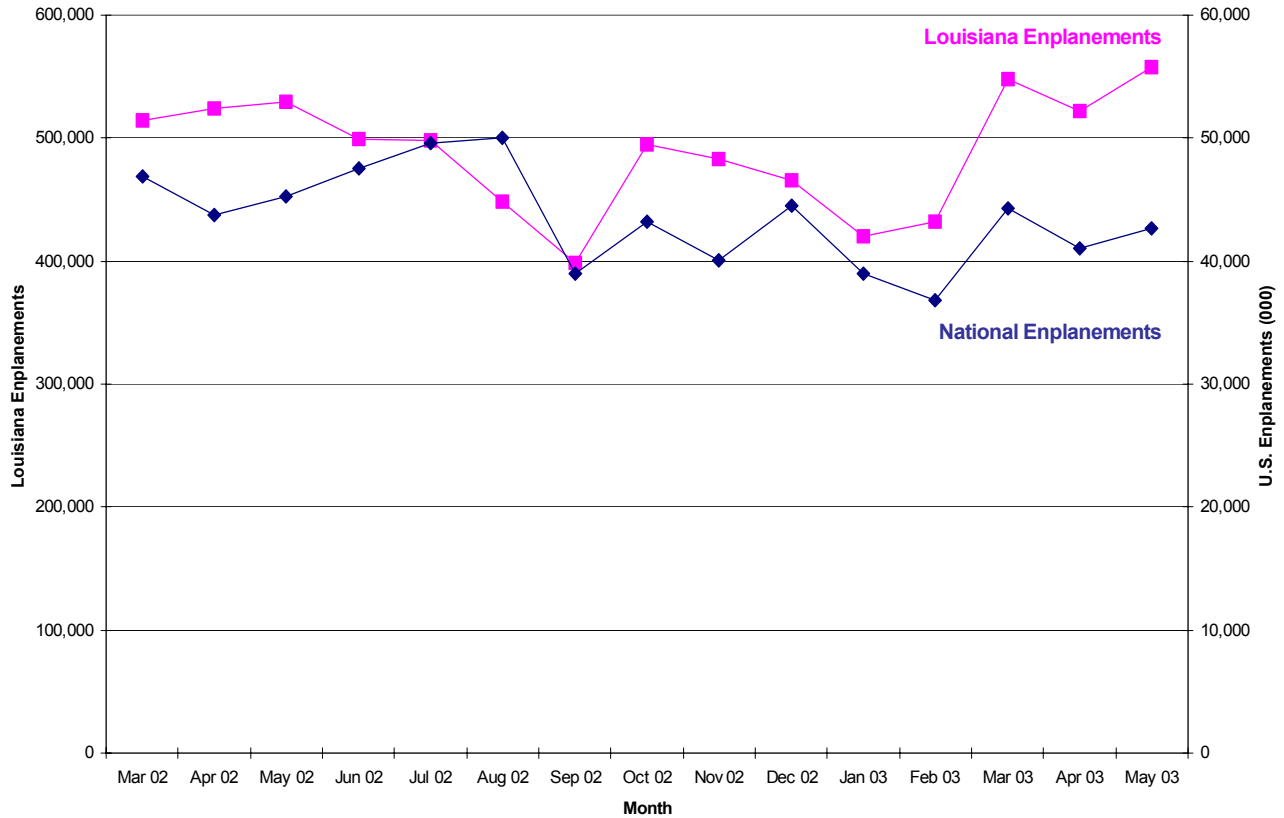
- The gross revenue for Louisiana’s land based casino in New Orleans for the Spring of 2003 was over \$71 million, 2.7% greater than the Spring 2002.
 - The total gross revenue for Louisiana’s riverboats, land-based casino, and racetrack slot machines for the Spring of 2003 was \$516 million, 1.1% greater than the Spring of 2002.
- Source: Louisiana Gaming Control Board (<http://www.dps.state.la.us/lgcb/welcome.html>)

“Prior to 1990, there were only two areas of the country that had casino gaming. Since then, 26 states have legalized some form of casino gaming. Mississippi is the only state that has succeeded in developing a destination gaming industry. According to MS Gaming Commission figures, over 75 percent of Mississippi casino visitors come from outside of the state.”

Source: <http://www.mississippi-gaming.org.htm>

7. Airport Passenger Enplanements

Spring 2003 Enplanements Trend



Spring 2003 Season

Louisiana Airport Enplanements: 1,627,665

% difference from prior year: +0.1%

% difference from five years ago: -0.8%

U.S. Airport Enplanements: 128 million

% difference from prior year: -5.9%

% difference from five years ago: -12.6%

Louisiana's enplanements are approximately the same as last year's while the number of enplanements nationwide are down significantly. The war with Iraq was probably the main cause of this decline in nationwide enplanements.

2003 Performance (January-May)

Louisiana Airport Enplanements: 2,479,929

% difference from prior year: -1.4%

% difference from five years ago: -7.3%

U.S. Airport Enplanements: 203 million

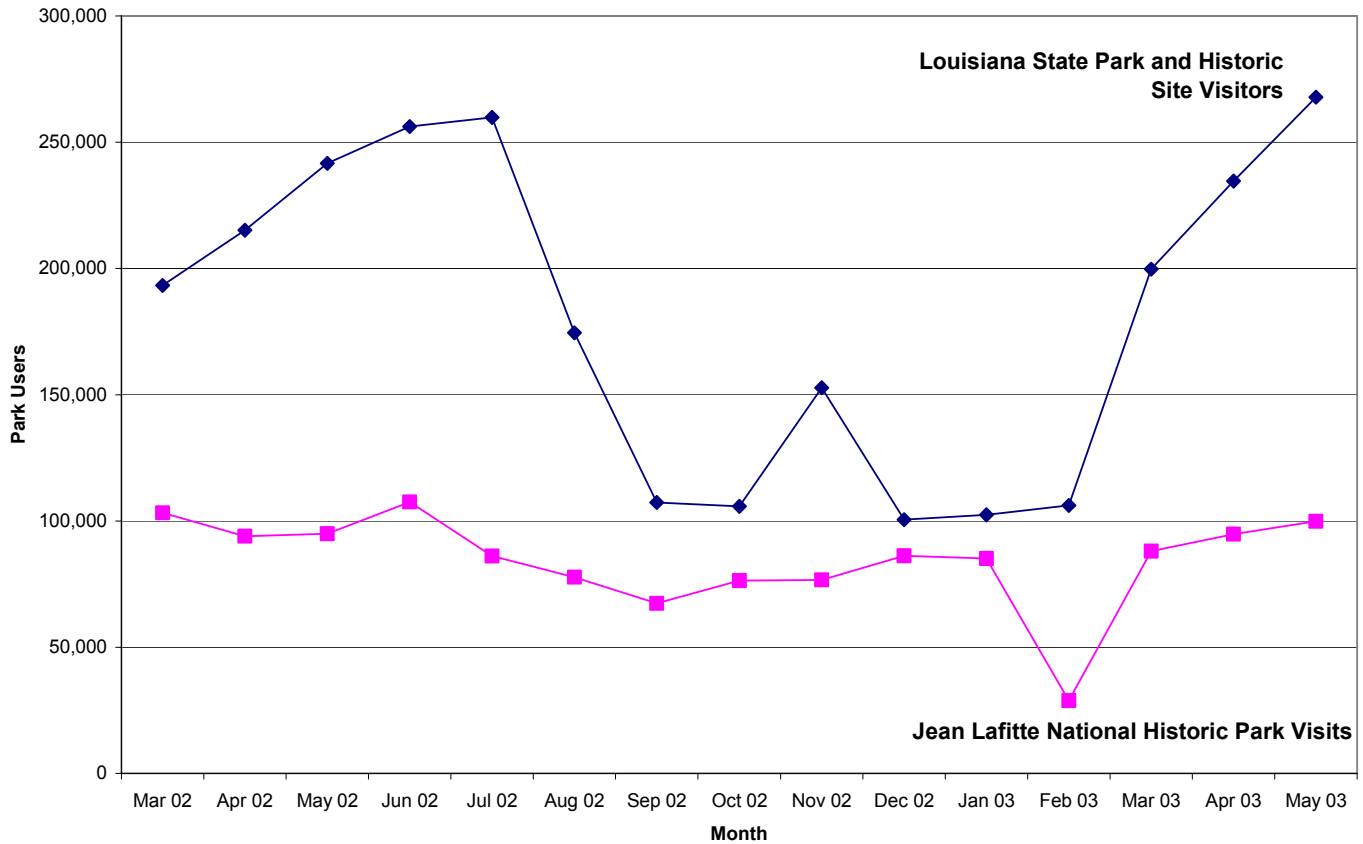
% difference from prior year: -3.4%

% difference from five years ago: -10.8%

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

8. State and National Park Visitors

Spring 2003 Park Visitors Trend



Spring 2003 Season

Louisiana State Parks and Historic Site Visitors: 702,260
 % difference from prior year: +8.0%

Jean Lafitte National Historical Park Visits: 282,729
 % difference from prior year: -3.2%

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

Louisiana State Parks and Historic Site Visitors: 910,883
 % difference from prior year: +4.1%

Jean Lafitte National Historical Park Visits: 396,641
 % difference from prior year: -16.5%

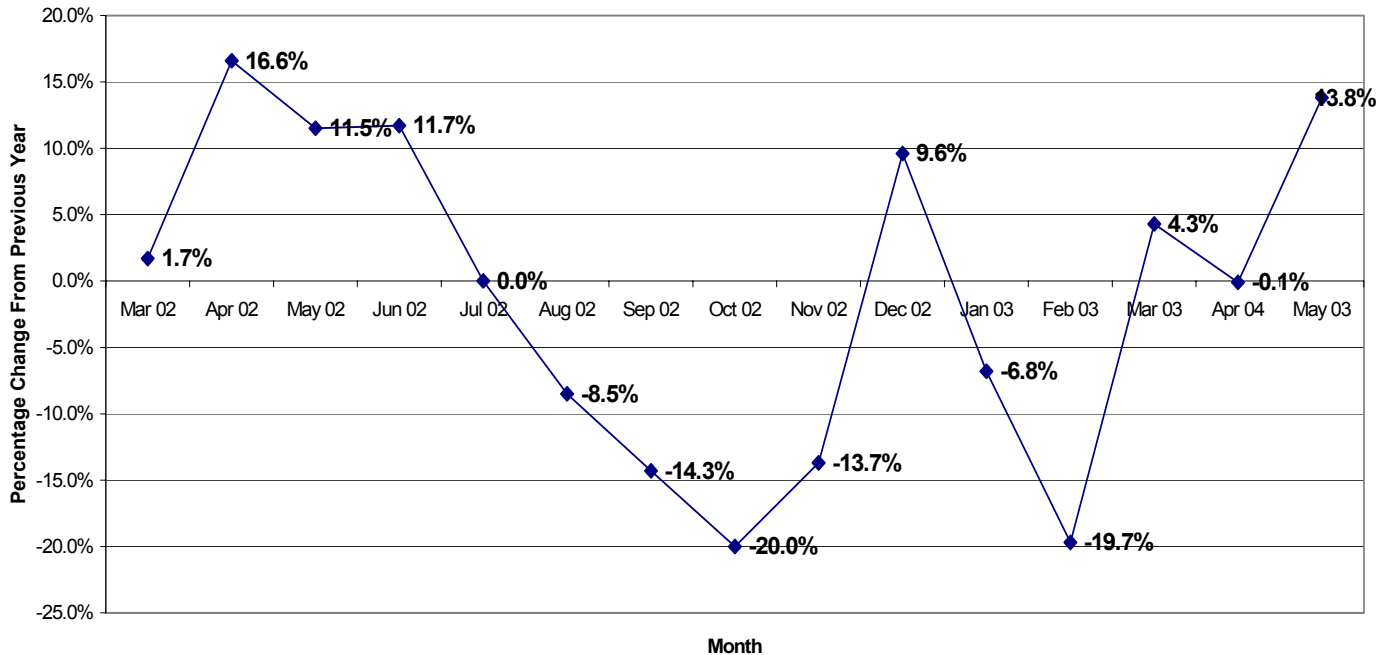
Source: Louisiana Office of State Parks, and the U.S. National Park Service (<http://www2.nature.nps.gov/stats/>)

“The Department of Homeland Security in consultation with the Homeland Security Council, has made the decision to raise the national threat level from an Elevated to High risk of terrorist attack or Level Orange.”

Source: White House Press Briefing, May 20, 2003.

9. Local Tourist Information Centers

Spring 2003 – Tourist Center Visitor Trend



Spring 2003 Season

Louisiana local tourist information center visitors: 201,295
 % difference from prior year: +5.6%

During the Spring season, 12 information centers reported increased visitor volume and 14 information centers recorded a decrease in visitors compared to the previous Winter season.

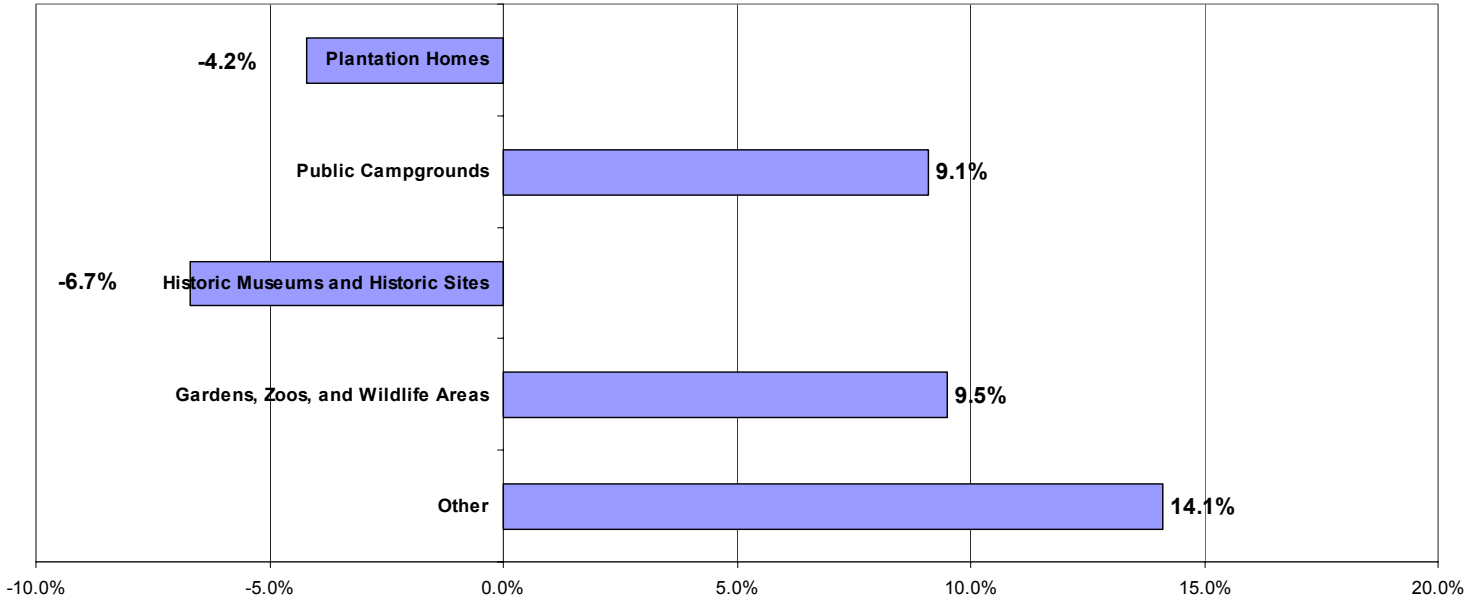
Source: Louisiana Office of Tourism. Local information center visitors are operated by municipal and parish tourist bureaus throughout Louisiana. Most use registration sheets to record the volume of visitors who enter the centers for travel information.

“Two-thirds (65 percent) of American adult travelers say they included a cultural, arts, heritage, or historic activity or event while on a trip of 50 miles or more, one-way, in the past year. This equates to 92.7 million cultural travelers. This is slightly higher than in 1998, when 61 percent of travelers claimed to have included a cultural, arts, heritage, or historic activity or event on a past-year trip. Visiting a historic site such as a building, battlefield, or historic community, remains as the most popular cultural activity with four in ten (43 percent) adult travelers participating in this activity while on a trip in the past year. Participation in this activity has remained fairly constant since 1998, when 41 percent of travelers claimed they visited historic sites.”

Source: *Americans for the Arts* (http://www.artsusa.org/issues/otherinterests/other_article.asp?id=350)

10. Attractions Visitors

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



Spring 2003 Season

The Louisiana Office of Tourism received visitor counts from 77 attractions across the state. Numbers were received from 5 plantation homes, 17 public campgrounds, 38 historical museums and historic sites, 5 gardens, zoos and wildlife areas, and 12 other attractions. The total number of visitors to these Louisiana attractions increased by 3.8% during the Spring 2003 Season (March-May) compared to the previous Spring season. As the numbers below indicate, while total attendance increased, the actual number of attractions with decreased attendance was more than the number with increased attendance. The reason for the difference is that some of the larger attractions had significant increases due to various reasons at each site. The opening of new exhibits, new special events, and special promotions can have a very positive effect on an attraction's attendance, which is what happened in some of these parks, museums, zoos, and historic sites.

	Spring 2003	Winter 2003	Fall 2002	Summer 2002	Spring 2002
Number of Sites w/increased attendance	34	29	32	38	41
Number of Sites w/decreased attendance	43	47	53	46	39
Percentage difference from previous year*	+3.8%	-10.6%	-13.1%	-1.2%	0.0%

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

10. Regional Trends - Spring

Greater New Orleans	2003	2002	% +/-
New Orleans International Airport			
Passenger Enplanements	1,262,571	1,277,821	-1.2%
New Orleans Hotel-Motel Occupancy Rate			
March	75.9%	70.1%	+8.3%
April	67.5%	74.0%	-8.8%
May	66.3%	61.9%	+7.1%
New Orleans Visitor Center	37,709	39,295	-4.0%
Slidell Visitor Center	109,570	103,022	+6.4%
Kentwood Visitor Center	37,846	36,663	+3.2%
Pearl River Center	43,157	48,194	-10.5%
Parks, Attractions, Museums	587,297	567,044	+3.6%

Plantation Country	2003	2002	% +/-
Baton Rouge Metro Airport Airport			
Passenger Enplanements	96,032	98,587	-2.6%
Baton Rouge Hotel/Motel Occupancy Rate			
March	65.6%	57.3%	+14.5%
April	63.6%	60.8%	+4.6%
May	62.3%	62.4%	-0.2%
State Capitol Visitor Center	61,583	58,620	+5.1%
St. Francisville Visitor Center	10,257	13,426	-23.6%
Parks, Attractions, & Museums	239,090	242,321	-1.3%

Cajun Country	2003	2002	% +/-
Lafayette Regional Airport			
Passenger Enplanements	39,503	41,908	-5.7%
Lake Charles Regional Airport			
Passenger Enplanements	11,413	11,427	-0.1%
Lafayette Hotel-Motel Occupancy Rate			
March	75.9%	68.5%	+10.8%
April	71.5%	73.7%	-3.0%
May	64.6%	68.3%	-5.4%

Lake Charles Hotel-Motel Occupancy Rate

March	63.1%	68.4%	-7.7%
April	58.7%	67.3%	-12.8%
May	66.7%	63.4%	+5.2%

Vinton Visitor Center.....	48,225	53,095	-9.2%
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Parks, Attractions, & Museums	330,384	309,803	+6.6%
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Crossroads	2003	2002	%+/-
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England International Airport

Passenger Enplanements.....	118,987	96,845	+22.9%
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Alexandria Hotel-Motel Occupancy Rate

March	53.8%	65.6%	-18.0%
April	57.5%	58.5%	-1.9%
May	57.3%	59.7%	-4.0%

Vidalia Visitor Center.....	6,412	6,847	-6.4%
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Parks, Attractions, & Museums	232,870	228,295	+2.0%
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Sportsman's Paradise	2003	2002	%+/-
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Shreveport Regional Airport

Passenger Enplanements.....	75,685	77,056	-1.8%
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Monroe Regional Airport

Passenger Enplanements.....	23,474	23,033	+1.9%
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Shreveport Hotel-Motel Occupancy Rate

March	64.8%	63.1%	+2.7%
April	57.6%	60.4%	-4.6%
May	64.9%	61.5%	+5.5%

Monroe Hotel-Motel Occupancy Rate

March	62.7%	70.5%	-11.1%
April	63.4%	70.9%	-10.6%
May	67.7%	67.1%	+0.9%

Greenwood Visitor Center	56,767	58,872	-3.6%
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Mound Visitor Center	50,320	48,291	+4.2%
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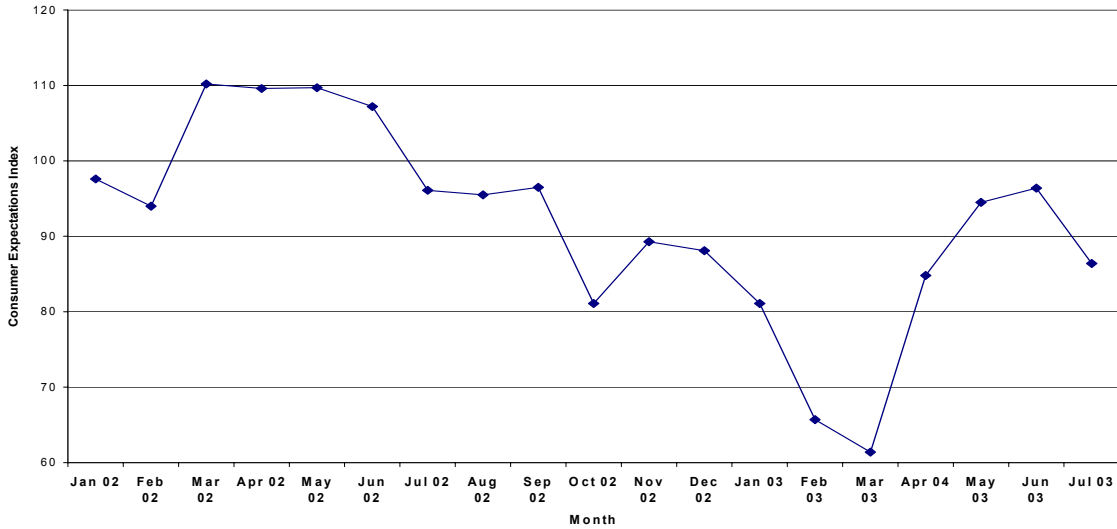
Parks, Attractions, and Museums.....	202,545	185,891	+9.0%
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Notes on Regional Trends: Hotel/Motel statistics are from Smith Travel Research, Inc.; all other figures are from the Office of Tourism. Park figures include both day-use and overnight visitors. 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

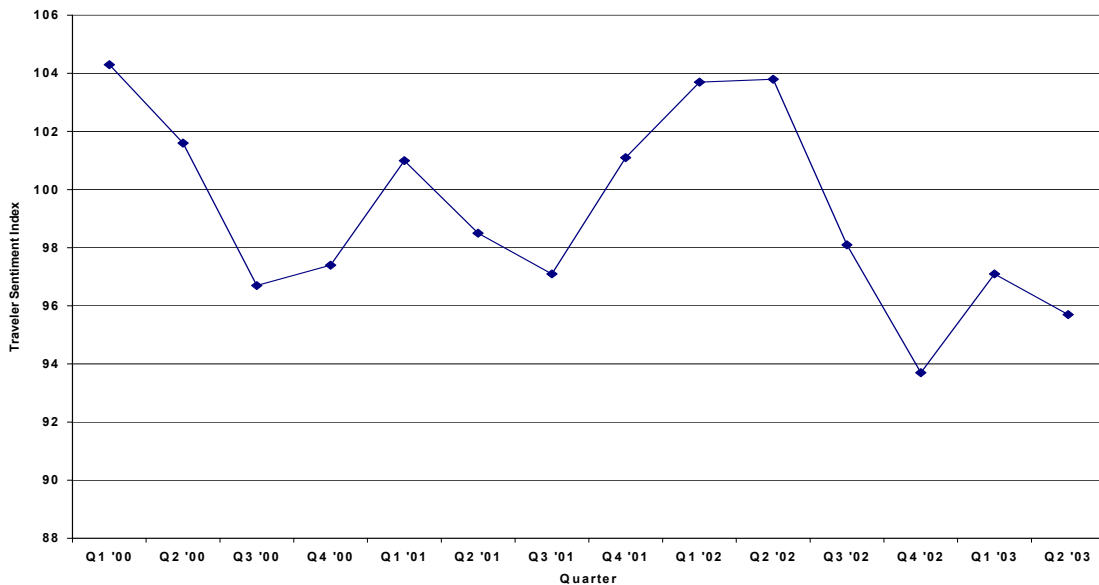
This section provides U.S. and Louisiana leading indicators which have predictive value for future tourism trends. They are called “leading” because their direction or magnitude historically “leads” the focus of our industry.

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*



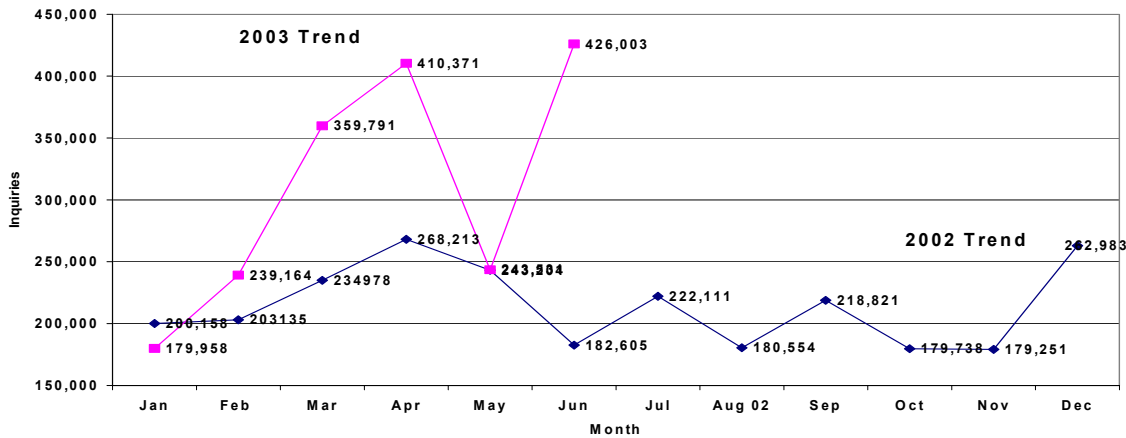
*Note: The Traveler Sentiment Index is conducted quarterly by the Travel Industry Association of America (TIA), and is based on responses of 1000 interviews with U.S. adults who have taken at least one trip in the past year. TIA began the Traveler Sentiment Index study in first quarter 2000 (January), 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. 2003 Travel Forecasts for the United States (% Change versus prior year)

Indicator	2001	2002	2003 Projection
U.S. Resident Person Trips	+2.0%	+0.3%	+1.9%
Overseas Visitors to U.S.	-13.7%	-12.4%	+1.5%
Enplanements	-6.3%	-0.2%	-1.7%
Hotel-Motel Room Nights Sold	-3.6%	+0.8%	+3.1%

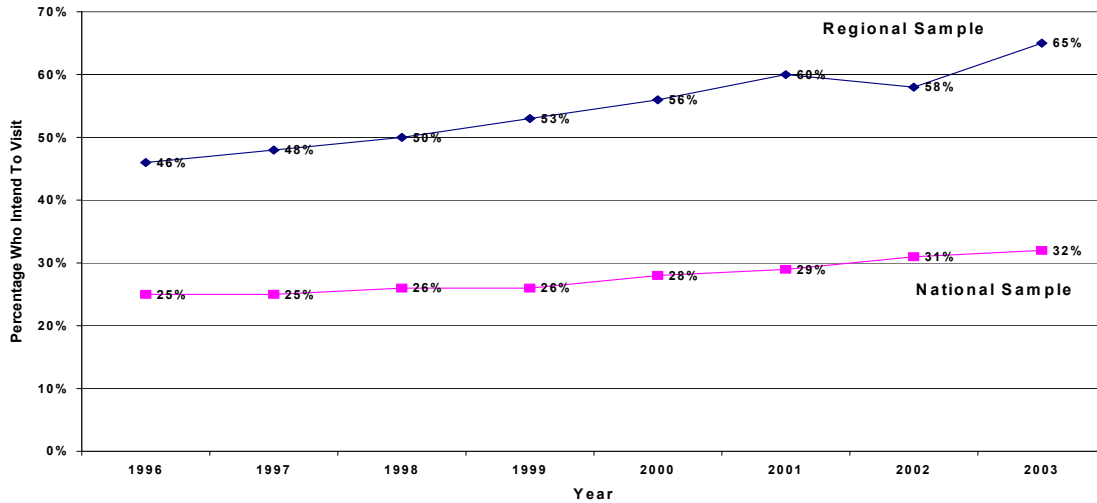
(Sources: Travel Industry Association of America, U.S. Department of Commerce, Air Transport Association, Smith Travel Research)

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.

E. Likely to Visit Louisiana*



*Note: For the past 13 years, The Marketing Workshop, Inc. has conducted an annual advertising awareness survey for the Louisiana Office of Tourism. The survey is conducted by telephone in May at the conclusion of the Spring ad campaign. One of the items the survey measures is the likelihood of visiting Louisiana over the next 24 months. The above graph shows the trend since 1996. The direction of the trend is the primary measurement tool here, and it provides an indication of interest to travel to Louisiana in the future.