



Louisiana Travel Pulse

Summer 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 **Summer 2004** season (**June 2004 –August 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 **Summer** 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.

Summer 2004 Performance At-A-Glance

- Hotel Occupancy Rate: +1.6%
- Hotel ADR: +5.8%
- Hotel Room Supply: +2.8%
- Hotel Room Demand: +4.4%
- State Visitor Center Visitors: -6.0%
- Riverboat Gaming Revenue: -2.1%
- Airport Enplanements: +5.0%
- State Parks and Historic Sites Visitors: -9.9%
- Local Information Center Visitors: -1.4%
- Attractions Visitors: -5.1%

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Note: These Louisiana indicators show the percentage difference from Summer 2003 to Summer 2004.

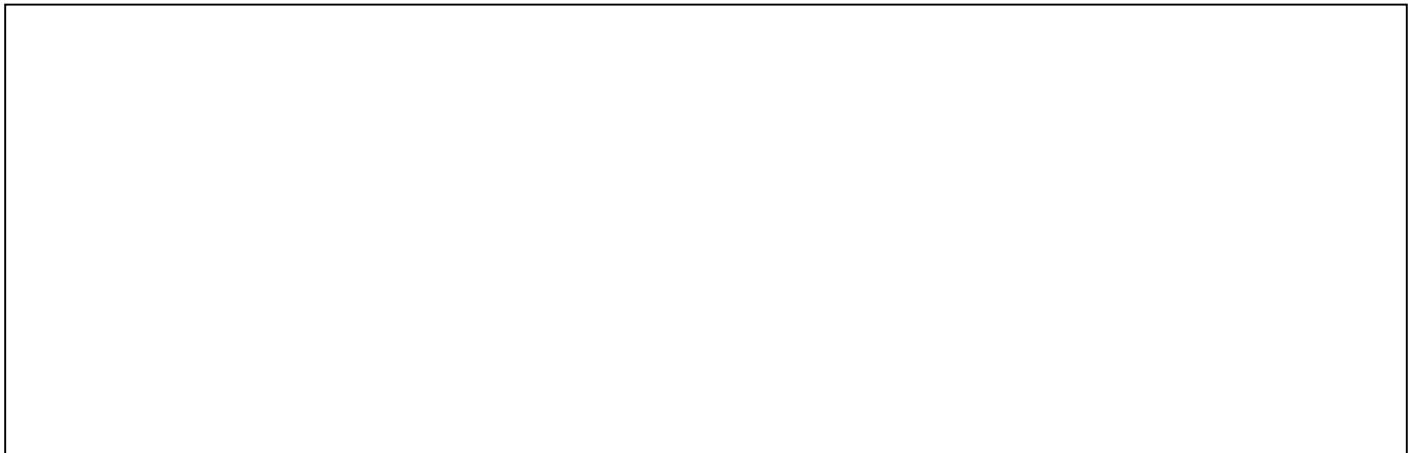
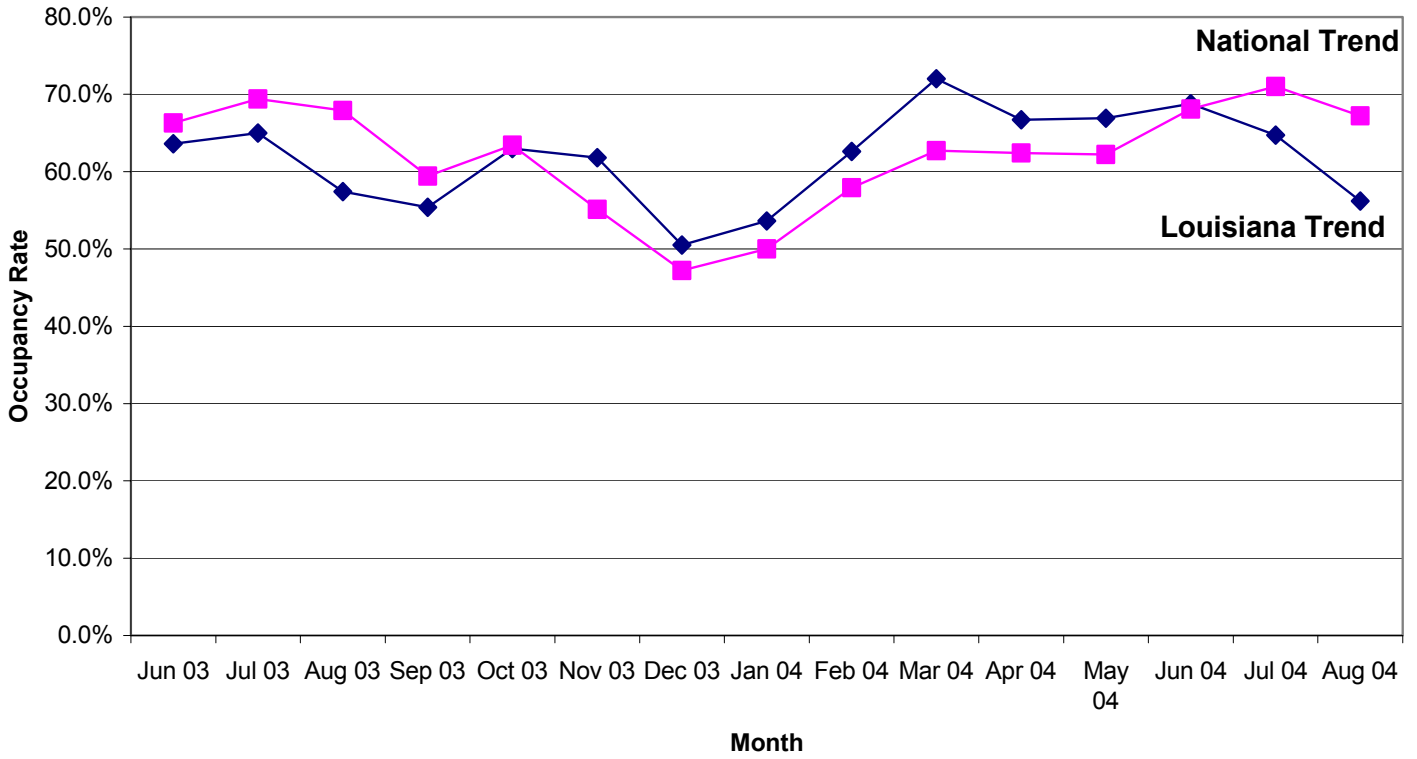
Factors Influencing Summer 2004 Travel To Louisiana

A strong Summer nationwide in 2004 reflects in some analyses a weak Summer of 2003...Final Summer travel figures for nationwide travel show an estimated 3.5 percent increase in domestic trip volume over the June-Labor Day season of last year...Consumer confidence increased in June and July but fell in August...Leading economic indicators are holding steady, and predictions are positive for the remainder of the year...A hurricane in Florida at the end of August could have had adverse effects on other southern destinations due to its unpredictable path... Nationwide auto travel was up slightly while air travel was up even higher due to the boost in low airfares available... Fuel prices hit record highs across the U.S.

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

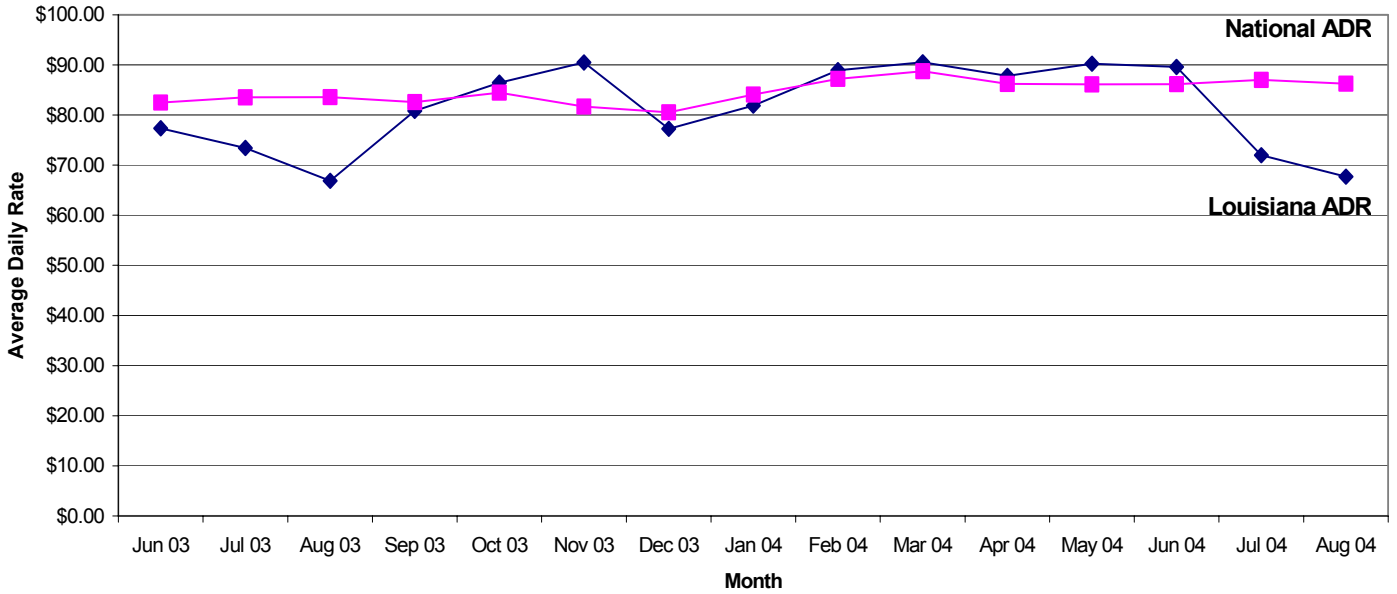
1. Hotel Trends – Occupancy Rate

Summer 2004 – Occupancy Rate Trend



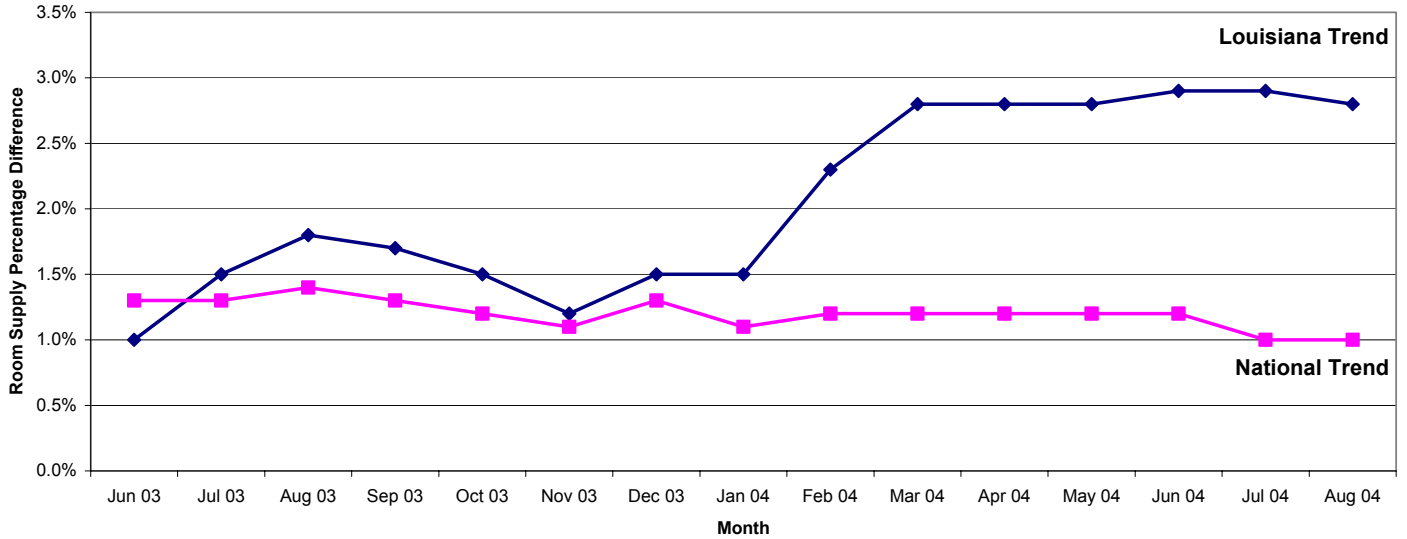
2. Hotel Trends – Average Daily Rate

Summer 2004 – Average Daily Rate Trend



3. Hotel Trends – Room Supply

Summer 2004 – Room Supply Trend



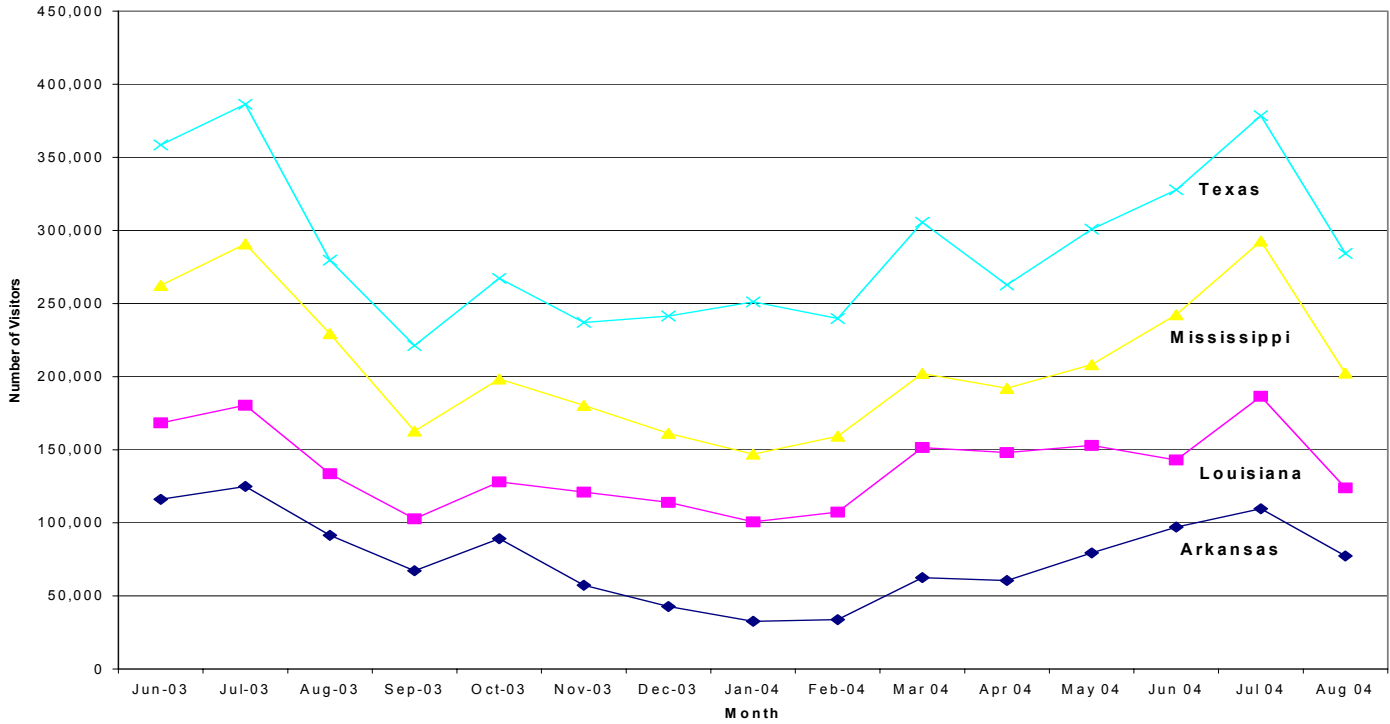
4. Hotel Trends – Room Demand

Summer 2004 – Room Nights Sold Trend



5. State Information Center Visitors

Summer 2004 State Welcome Center Visitor Trend

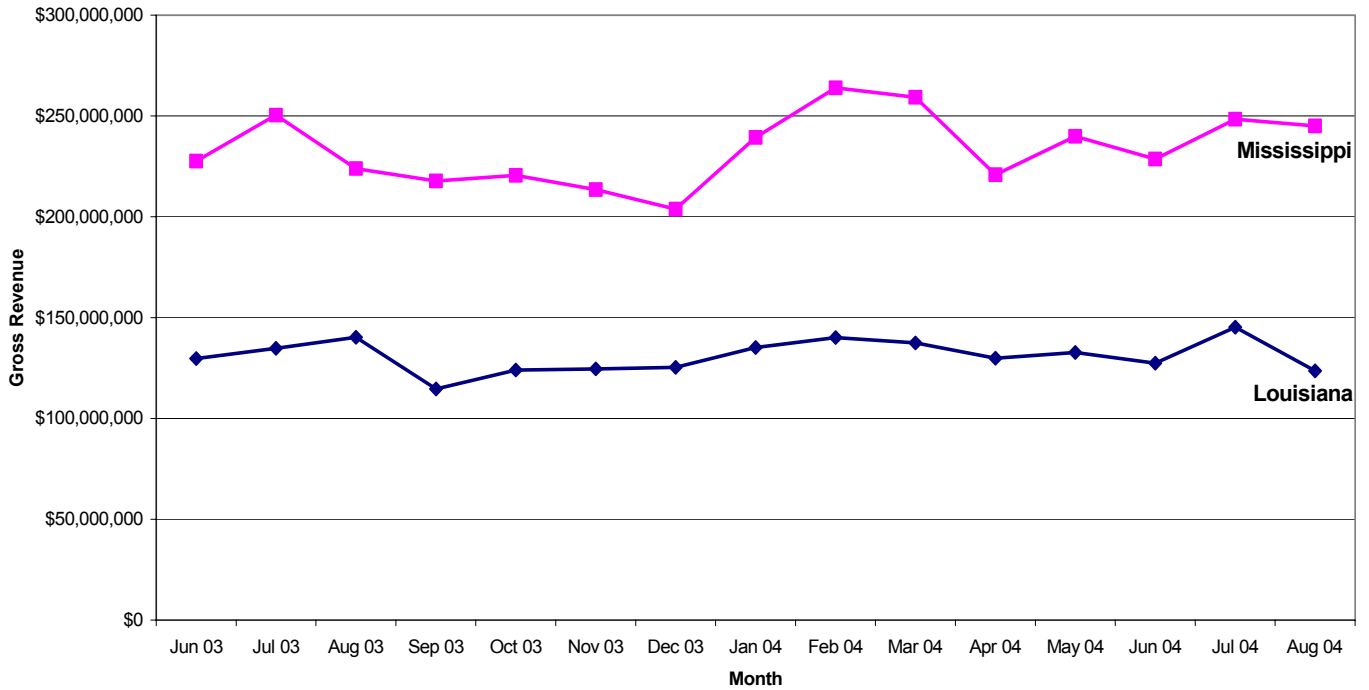


Travel Facts

- Louisiana's Pearl River Center located on I-59 was reopened in October, 2004 after total reconstruction of the original center.
- Louisiana is currently building a new Capitol Complex Welcome Center in Baton Rouge that will begin operating in early 2005.
- The newly built Texas Travel Information Center in Amarillo received the prestigious 2004 Mercury Award as the top Travel Information/Welcome Center Program in the nation during the annual Educational Seminar for Tourism Organizations (ESTO) conference held in August in Boston. The center also received the Brick Industry Association's 2003 Brick in Architect Award and has been featured in Texas Architect magazine.

6. Riverboat Gaming

Summer 2004 – Gross Revenue Trend



	Louisiana	Mississippi
Summer 2004 Season		
Total Gross Revenue	\$396,200,647	\$722,275,188
% difference from prior year	-2.1%	+2.9%
% difference from 5 years ago	+8.4%	+3.6%

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

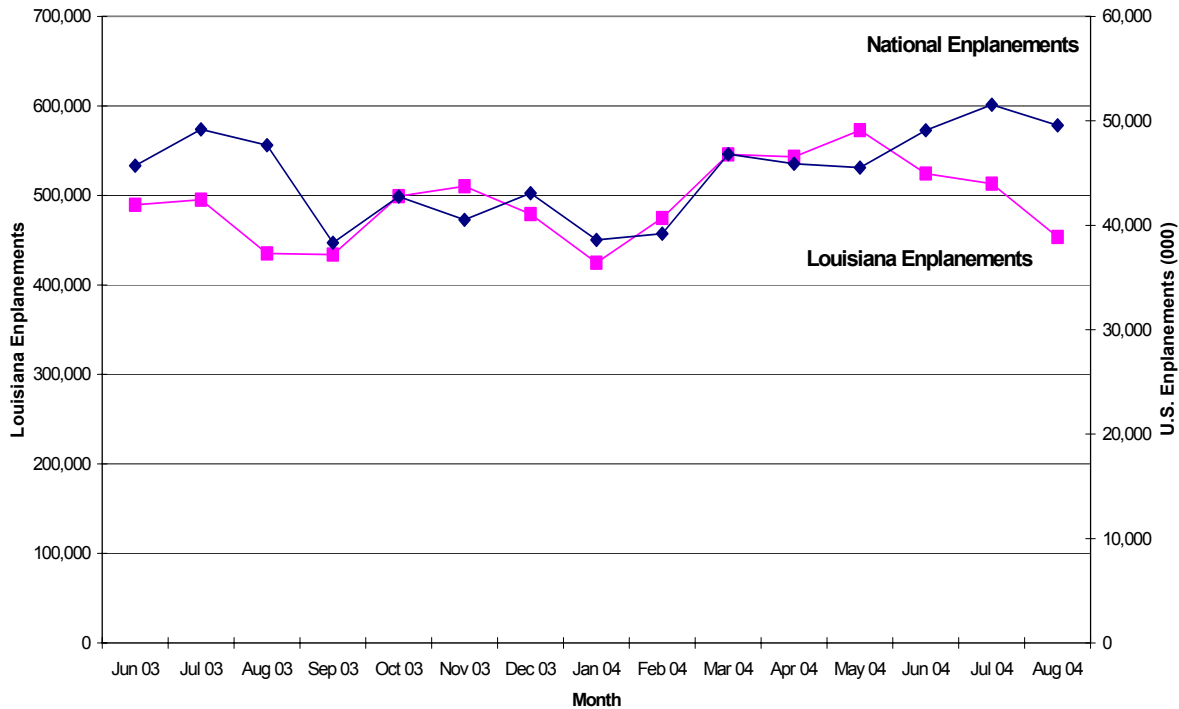
- The gross revenue for Louisiana’s land based casino in New Orleans for the Summer 2004 was over \$80,869,153, 12.6% greater than the same period the year before.
 - The total gross revenue for Louisiana’s riverboats, land-based casino, and racetrack slot machines for the Summer 2004 was \$550,396,397, 4.8% greater than the year before.
- Source: Louisiana Gaming Control Board (<http://www.dps.state.la.us/lgcb/welcome.html>)

“In 2002, the commercial casino industry provided more than 350,000 jobs in the United States, with wages and benefits totaling \$11 billion. An estimated 400,000 additional jobs are supported by casino industry spending. State and local governments nationwide received more than \$4 billion in casino tax revenue, which helped fund local infrastructure improvements, education, public safety, housing and health care, among other programs, and provided tax relief to local citizens.”

Source: American Gaming Association (http://www.americangaming.org/industry/faq_detail.cfv?id=1)

7. Airport Passenger Enplanements

Summer 2004 Enplanements Trend



Summer 2004 Season

Louisiana Airport Enplanements: 1,490,891

% difference from prior year: +5.0%

% difference from five years ago: -3.6%

U.S. Airport Enplanements: 150.2 million

% difference from prior year: +5.4%

% difference from five years ago: -8.2%

2004 Performance (January-August)

Louisiana Airport Enplanements: 4,063,531

% difference from prior year: +4.2%

% difference from 5 years ago: -2.7%

U.S. Airport Enplanements: 366.2 million

% difference from prior year: +5.7%

% difference from 5 years ago: -9.2%

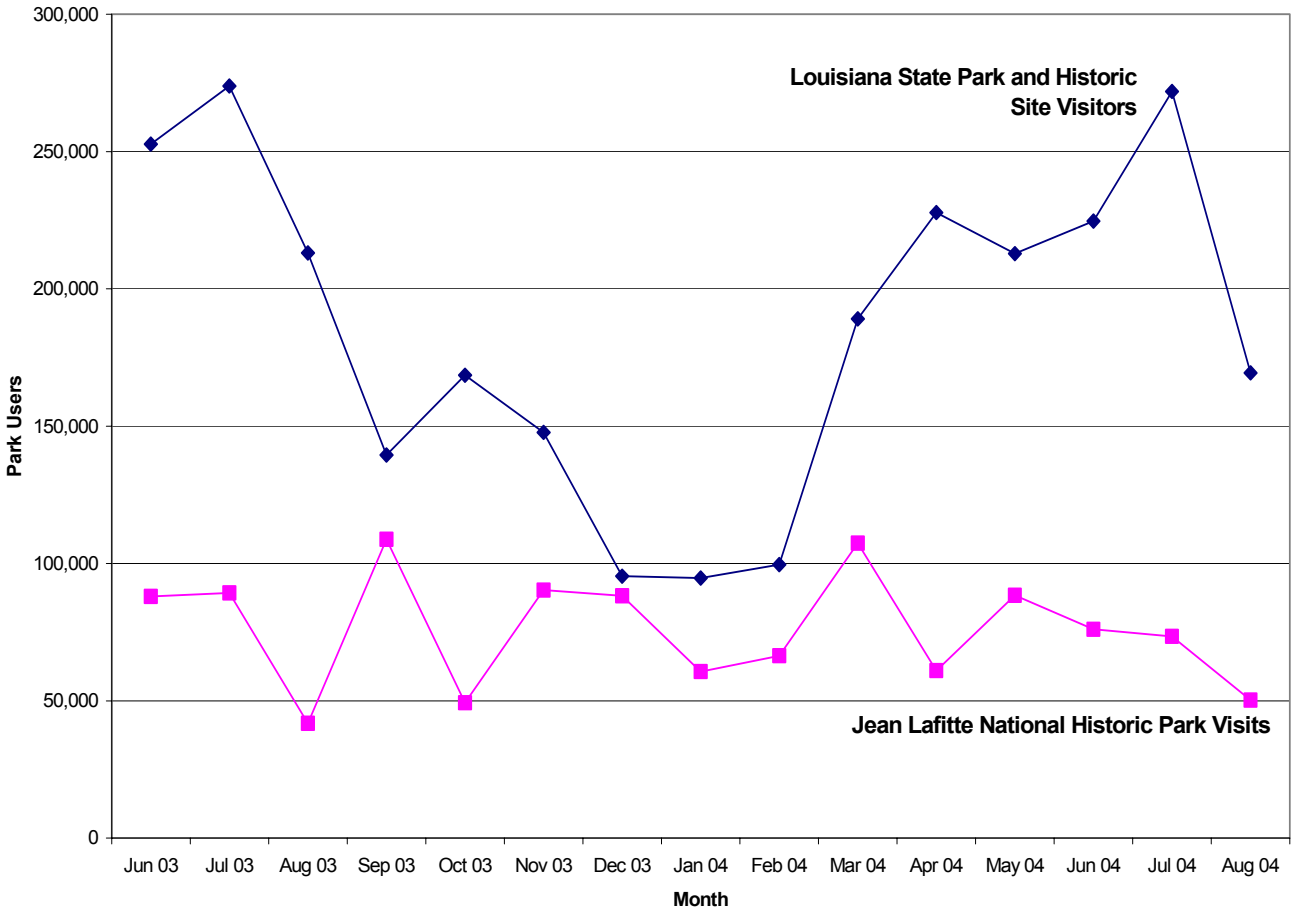
Source: Louisiana Office of Tourism, and the Air Transport Association (<http://www.airlines.org/>)

“Airline fares are the only area where there’s an absence of pricing power. The carriers have been unable to raise fares, nor even add temporary fuel surcharges. As we’ve pointed out previously, the discount carriers are setting the industry pricing levels. Airline fuel cost increases are adding to the woes of the major carriers. At midyear, with crude oil approaching \$50/barrel, the airlines were paying \$1.08/gallon for jet fuel, 41 percent above year ago. The carriers estimate that each dollar increase in crude cost translates to an added \$425 million/year increase in industry operating expense. For the airlines to break even, crude levels of \$31-\$33/barrel are necessary. Fuel typically represents 15 percent of an airline’s operating expense.”

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

8. State and National Park Visitors

Summer 2004 Park Visitors Trend



Summer 2004 Season

Louisiana State Parks and Historic Site Visitors: 665,955
 % difference from prior year: -9.9%

Jean Lafitte National Historical Park Visits: 199,732
 % difference from prior year: -8.8%

2004 Year-To-Date Performance (January-August)

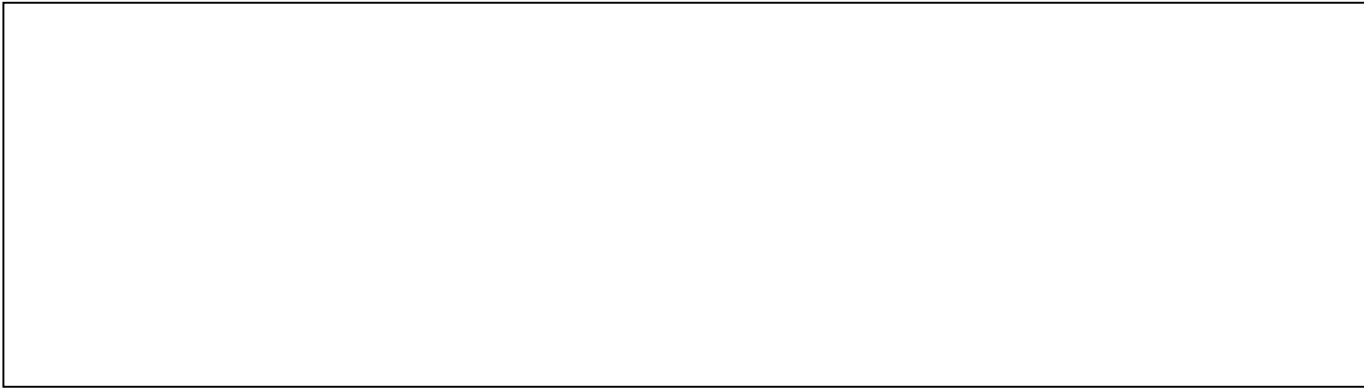
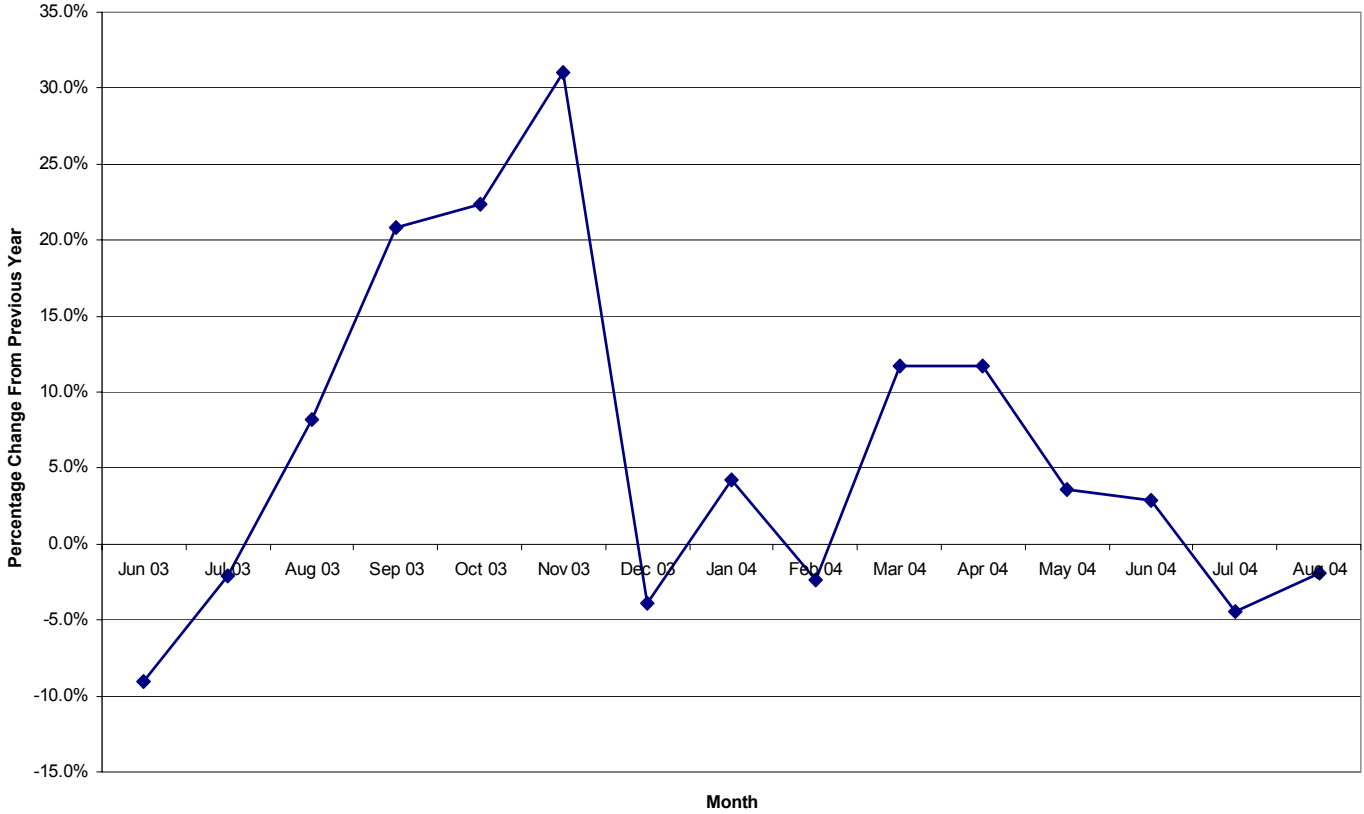
Louisiana State Parks and Historic Site Visitors: 1,490,010
 % difference from prior year: -9.7%

Jean Lafitte National Historical Park Visits: 583,462
 % difference from prior year: -5.2%

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

9. Local Tourist Information Centers

Summer 2004 – Tourist Center Visitor Trend

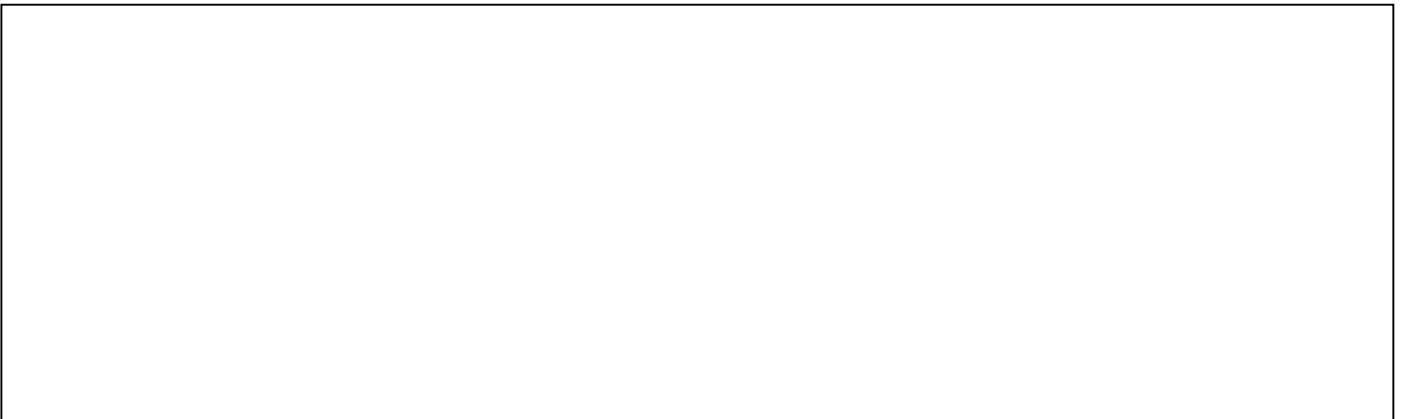
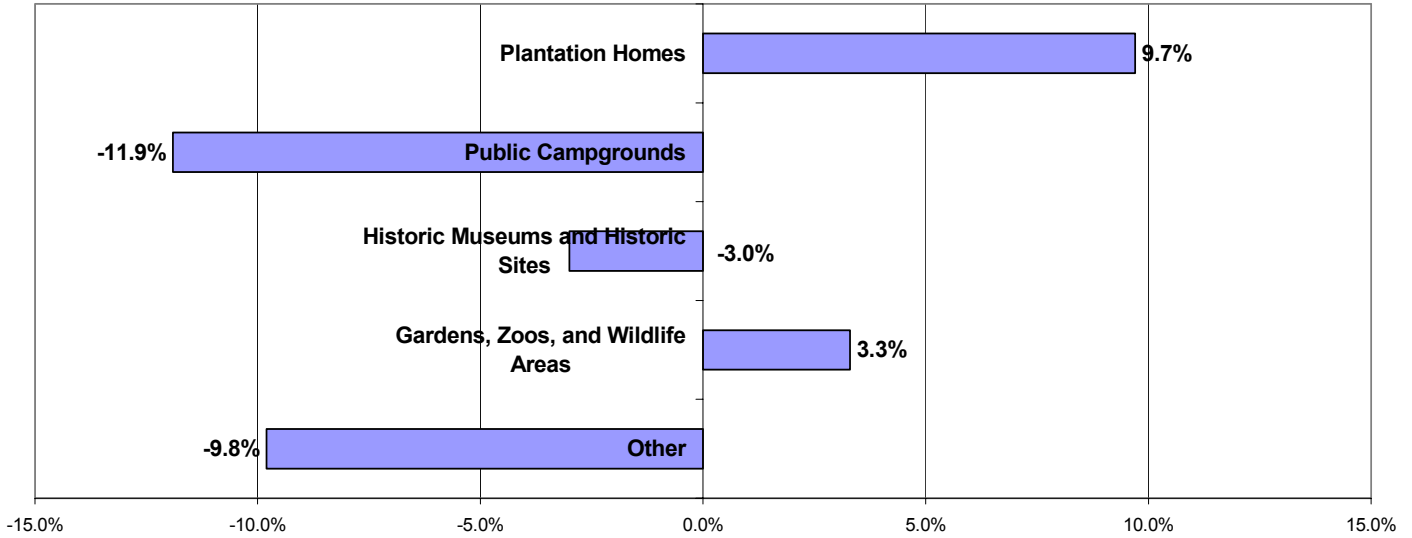


Month	January	February	March	April	May	June	July	Average
2004 (cents)	163.5	171.5	180.9	187.5	205.0	208.3	198.2	187.8
2003	155.7	168.6	179.1	170.4	158.7	155.8	156.7	163.6
Percent Difference	+5.0%	+1.7%	+1.0%	+10.0%	+29.2%	+33.7%	+26.5%	+14.8%

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

10. Attractions Visitors

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



	Summer 2004	Spring 2004	Winter 2004	Fall 2003	Summer 2003
Number of Sites w/increased attendance	24	33	40	55	29
Number of Sites w/decreased attendance	48	49	36	23	47
Percentage difference from previous year*	-5.1%	-7.4%	-8.6%	+11.4%	-5.4%

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

10. Regional Trends - Summer

Greater New Orleans	2004	2003	% +/-
New Orleans International Airport			
Passenger Enplanements	1,186,879	1,129,162	+5.1%
New Orleans Hotel-Motel Occupancy Rate			
June	71.2	63.6	+11.9%
July	60.7	64.7	-6.2%
August	52.8	55.3	-4.5%
New Orleans Visitor Center	30,522	31,104	-1.9%
Slidell Visitor Center	112,360	131,449	-14.5%
Kentwood Visitor Center	34,432	40,570	-15.1%
Pearl River Center	(Note: In July 2003 the Pearl River Center closed indefinitely for renovations.)		
Parks, Attractions, Museums	1,300,809	1,394,278	-6.7%
Plantation Country	2004	2003	% +/-
Baton Rouge Metro Airport			
Passenger Enplanements	95,586	90,258	+5.9%
Baton Rouge Hotel/Motel Occupancy Rate			
June	66.7%	64.2%	+3.9%
July	65.7%	62.2%	+5.6%
August	58.8%	57.1%	+3.0%
State Capitol Visitor Center	38,963	32,621	+19.4%
St. Francisville Visitor Center	9,400	9,421	-0.2%
Parks, Attractions, & Museums	148,530	139,450	+6.5%
Cajun Country	2004	2003	% +/-
Lafayette Regional Airport			
Passenger Enplanements	43,839	42,917	+2.1%
Lake Charles Regional Airport			
Passenger Enplanements	11,326	10,030	+12.9%
Lafayette Hotel-Motel Occupancy Rate			
June	65.4%	65.1%	+0.5%
July	61.5%	66.5%	-7.5%
August	60.5%	61.3%	-1.3%

Lake Charles Hotel-Motel Occupancy Rate			
June	67.2%	66.0%	+1.9%
July	71.3%	68.3%	+4.4%
August	56.5%	56.9%	-0.7%

Vinton Visitor Center	58,565	72,631	-19.4%
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Parks, Attractions, & Museums	225,452	236,124	-4.5%
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Crossroads	2004	2003	%+/-
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England International Airport			
Passenger Enplanements	31,261	26,448	+18.2%

Alexandria Hotel-Motel Occupancy Rate			
June	67.2%	66.0%	+1.8%
July	71.3%	68.3%	+4.4%
August	56.5%	56.9%	-0.7%

Vidalia Visitor Center	6,633	6,671	-0.6%
Boyce (I-49) Visitor Center	12,709	Opened December 2004	

Parks, Attractions, & Museums	113,537	110,371	+2.9%
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Sportsman's Paradise	2004	2003	%+/-
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Shreveport Regional Airport			
Passenger Enplanements	90,414	85,596	+5.6%

Monroe Regional Airport			
Passenger Enplanements	31,586	27,571	+14.6%

Shreveport Hotel-Motel Occupancy Rate			
June	71.6%	67.8%	+5.6%
July	75.9%	71.9%	+5.6%
August	64.1%	66.7%	-3.9%

Monroe Hotel-Motel Occupancy Rate			
June	70.5%	72.5%	-2.8%
July	76.1%	69.8%	+9.0%
August	65.0%	62.6%	+3.8%

Greenwood Visitor Center	60,118	74,436	-19.2%
Mound Visitor Center	69,940	62,586	+11.8%

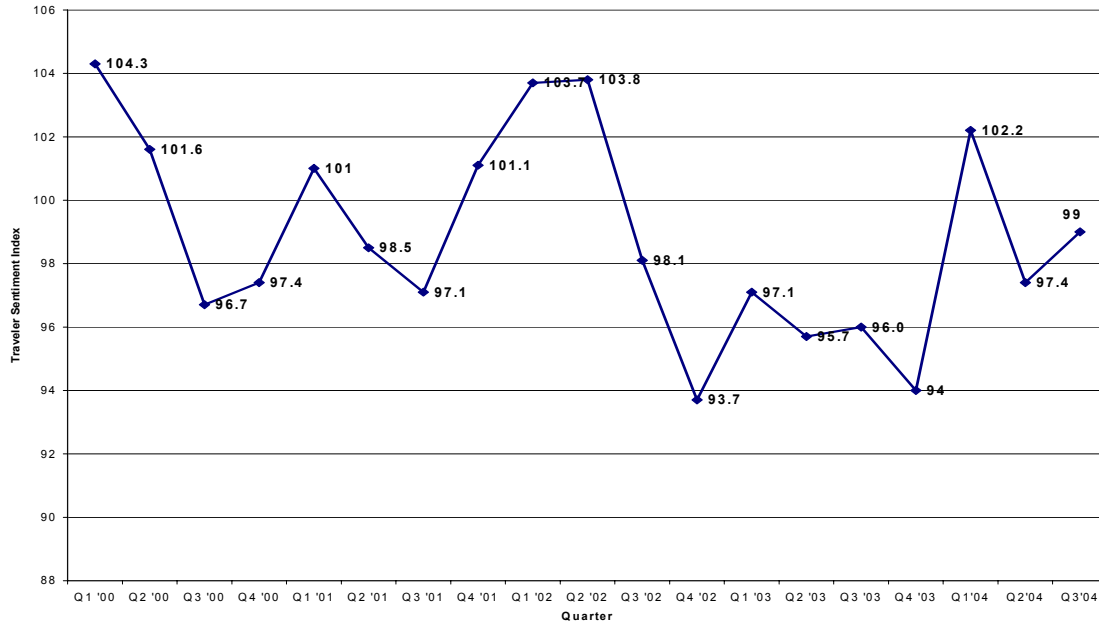
Parks, Attractions, and Museums	167,469	179,914	-6.9%
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Notes on Regional Trends: Hotel/Motel statistics are from Smith Travel Research, Inc.; all other figures are from the Office of Tourism. Park figures include both day-use and overnight visitors. 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

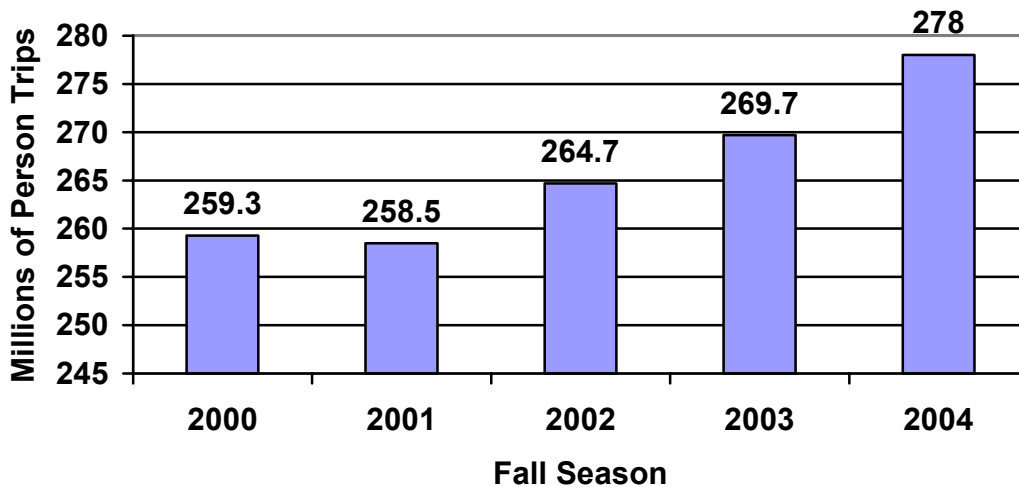
This section provides U.S. and Louisiana leading indicators which have predictive value for future tourism trends. They are called “leading” because their direction or magnitude historically “leads” the focus of our industry.

A. U.S. 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.*

B. U.S. Travel Expectations This Fall



**Note: Leisure travelers will be out in full force this fall as they take advantage of long weekends, fewer crowds at parks and attractions and a wide array of travel bargains. According to the Travel Industry Association, Americans plan on taking 278 million person-trips during September, October, and November 2004. This is a 3.1 percent increase over last fall.*

**C. Travel Forecasts for the United States for 2004 and 2005
(% Change versus prior year)**

Indicator	2004 Preliminary	2005 Forecast
U.S. Resident Leisure Person Trips	+3.0%	+2.0%
Leisure	+2.9%	+1.7%
Business	+4.0%	+3.6%
Auto	+2.9%	+2.0%
Air	+5.0%	+2.0%
Hotel Room Demand	+4.0%	+3.0%

(Sources: Travel Industry Association of America, ATA, Smith Travel Research)

**D. U.S. Annual Leisure Travel Will
Continue To Grow Slowly**

