



December 2009

Strategic tourism marketing and policy decisions depend on accurate, consistent tracking of business indicators such as lodging statistics, attraction and welcome center visitation, transportation statistics and more. The intent of the North Carolina Travel Tracker is to provide up-to-date and relevant tourism indicators for both the state and individual regions within the state. With data from the Travel Tracker, program areas and industry partners can strategically plan, implement and evaluate processes and programs.

The following report analyzes a variety of tourism indicators by 1) State, 2) the three geographic marketing regions (coastal, piedmont and mountain), and for some indicators 3) the seven economic development regions. As well as providing a review of the current state of business, the report provides a year-to-date analysis and comparisons to previous years where applicable.

With regards to the lodging data found in this report; while virtually every chain in the United States provides Smith Travel Research (STR) with data on almost all of their properties, there are still some hotels that don't submit data. However, every year STR examines listings and directories for information on hotels that don't provide data. STR calls each hotel in the database every year to obtain "published" rates for multiple categories. Based on this information all hotels are grouped - those that report data and those that don't - into groupings based off of price level and geographic proximity. They then estimate the non-respondents based on nearby hotels with similar price levels.

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Section 1: Statewide Tourism Indicator Analysis for December 2009

Chart 1 – Hotel/Motel Occupancy in North Carolina - December 2006 – 2009

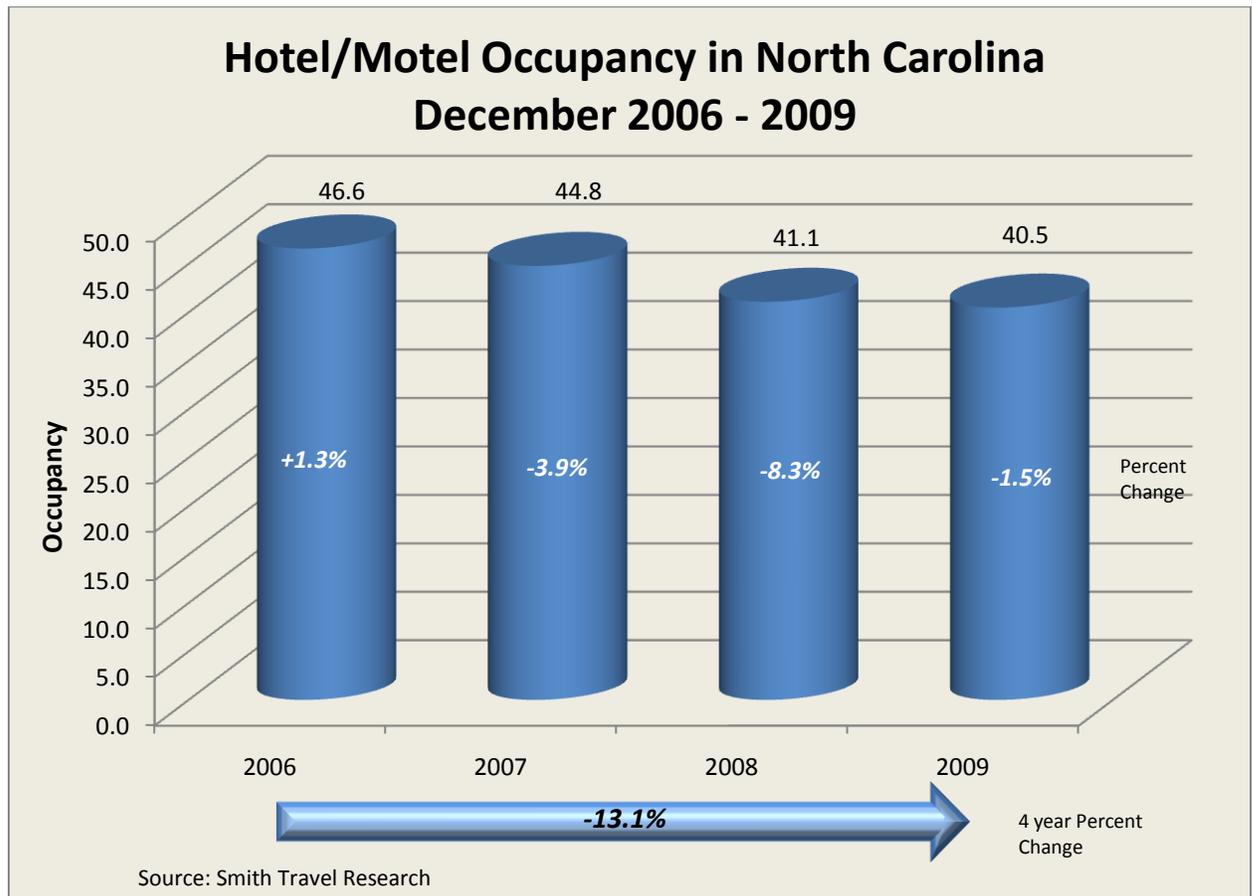


Chart 1 provides a comparison over a four year period to show the trend of occupancy in the state for the month of December. Occupancy for December 2009 declined -1.5% from December 2008. *Occupancy at the national level also experienced a decrease in December 2009. It was down -1.9% from the previous December.*

Chart 2 – Hotel/Motel Average Daily Room Rate in North Carolina - December 2006 – 2009

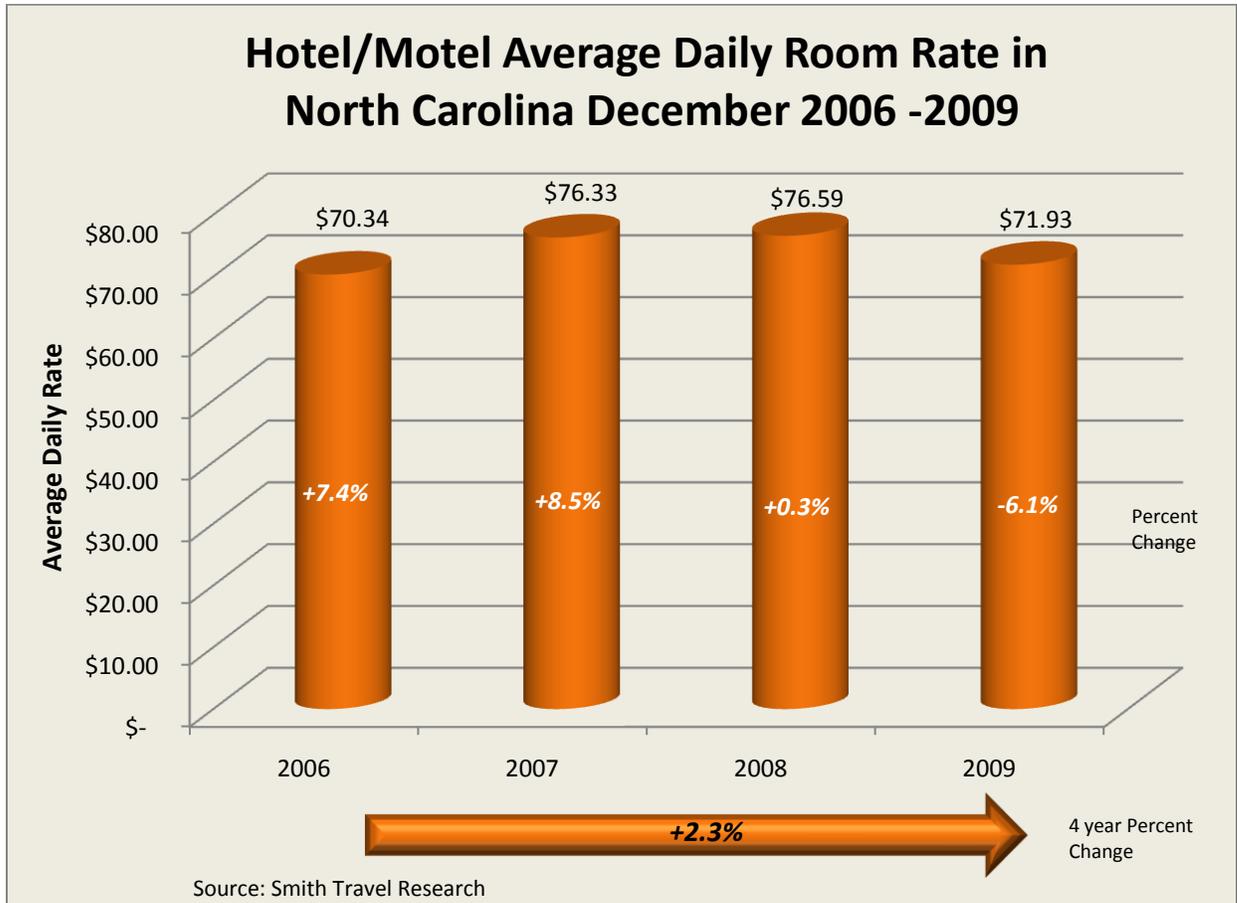
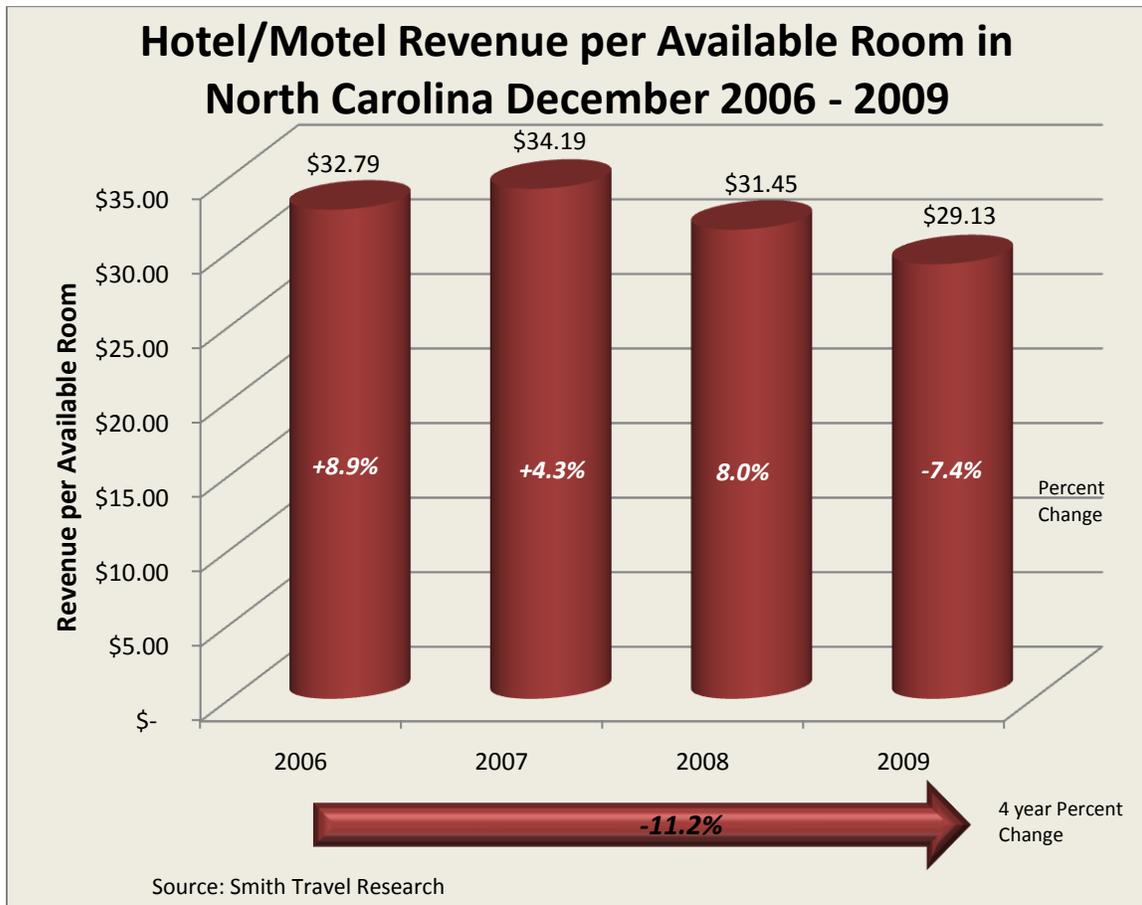


Chart 2 provides a comparison over a four year period to show the trend of average daily room rate (ADR) in the state for the month of December. The ADR for past years have shown increases however this December experienced a decline, bringing it below the 2007 rate. *ADR at the national level was down -6.0% in December 2009 from the previous December.*

Chart 3 – Hotel/Motel Revenue per Available Room in North Carolina - December 2006 – 2009



In Chart 3 an analysis of Revenue per Available Room (RevPAR) is provided. RevPAR is an industry term that describes the revenue that a hotel earns on the basis of just the rooms available for a given night. In other words, rooms not available either due to renovation or other reasons are not included in this equation. Mathematically, RevPAR can be determined dividing total room revenue by rooms available (occupancy times average room rate will closely approximate RevPAR). As with previous charts, Chart 3 shows a comparison over a four year period to show the trend of RevPAR in the state for the month of December. As with the ADR, RevPar was down significantly for December 2009 relative to the previous year, and well below 2006 RevPAR. *RevPAR at the national level was down -7.8% in December 2009 from the previous December.*

Chart 4 – Hotel/Motel Room Demand in North Carolina - December 2006 – 2009



Chart 4 depicts hotel/motel demand for the month of December 2009 with comparisons to the previous three years. Demand is the number of rooms sold excluding complimentary rooms. Room Demand for December was up 1.5% from December 2008. *Room Demand at the national level saw a small increase of 1.1% change in December 2009 from the previous December.*

Chart 5 – North Carolina Lodging Statistics Monthly Percent Change 2008 – 2009

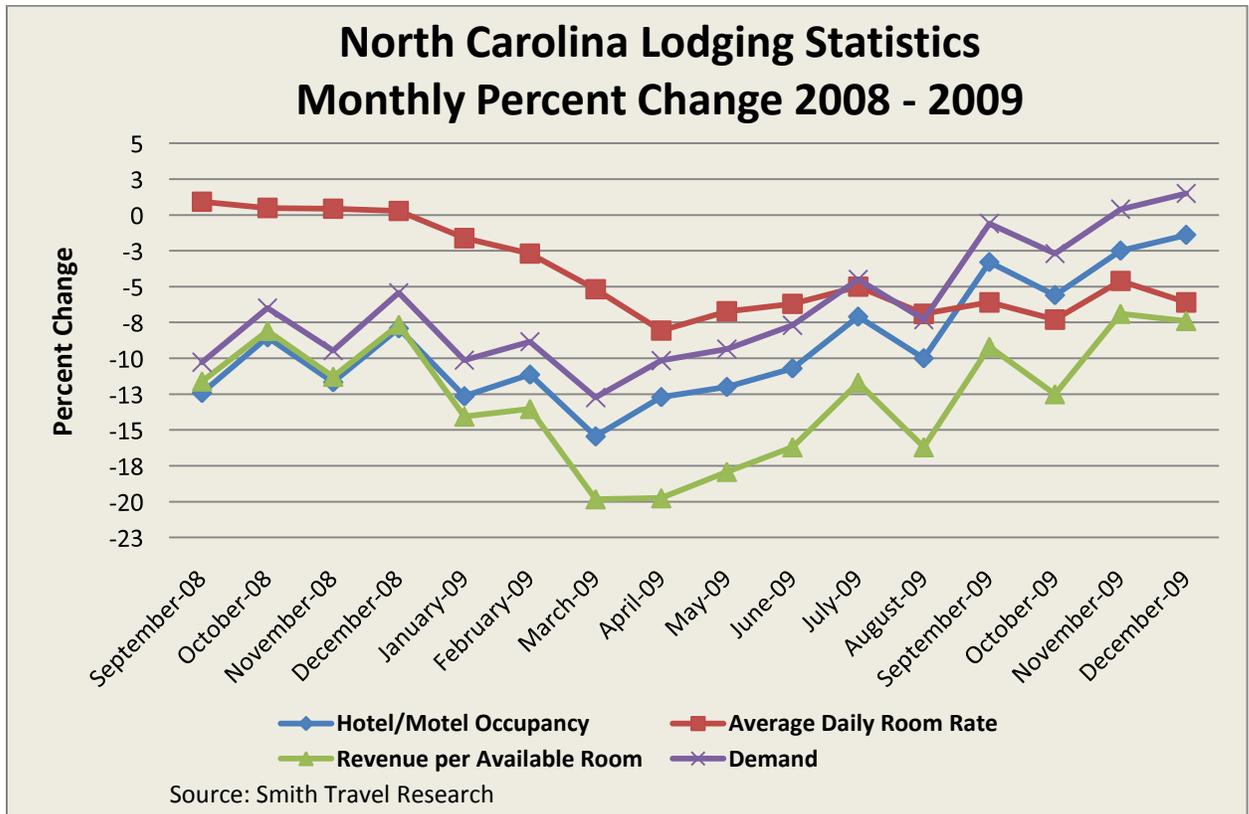


Chart 5 provides a monthly percent change for the four major lodging indicators. The chart allows for a 13 month trend-line analysis that clearly depicts that the major indicators show a steady negative change. Most indicators dropped to negative percent change since January 2009, though the last two months have shown positive percent change in demand.

Chart 6 – Statewide Visitation to Attractions - December 2006 – 2009

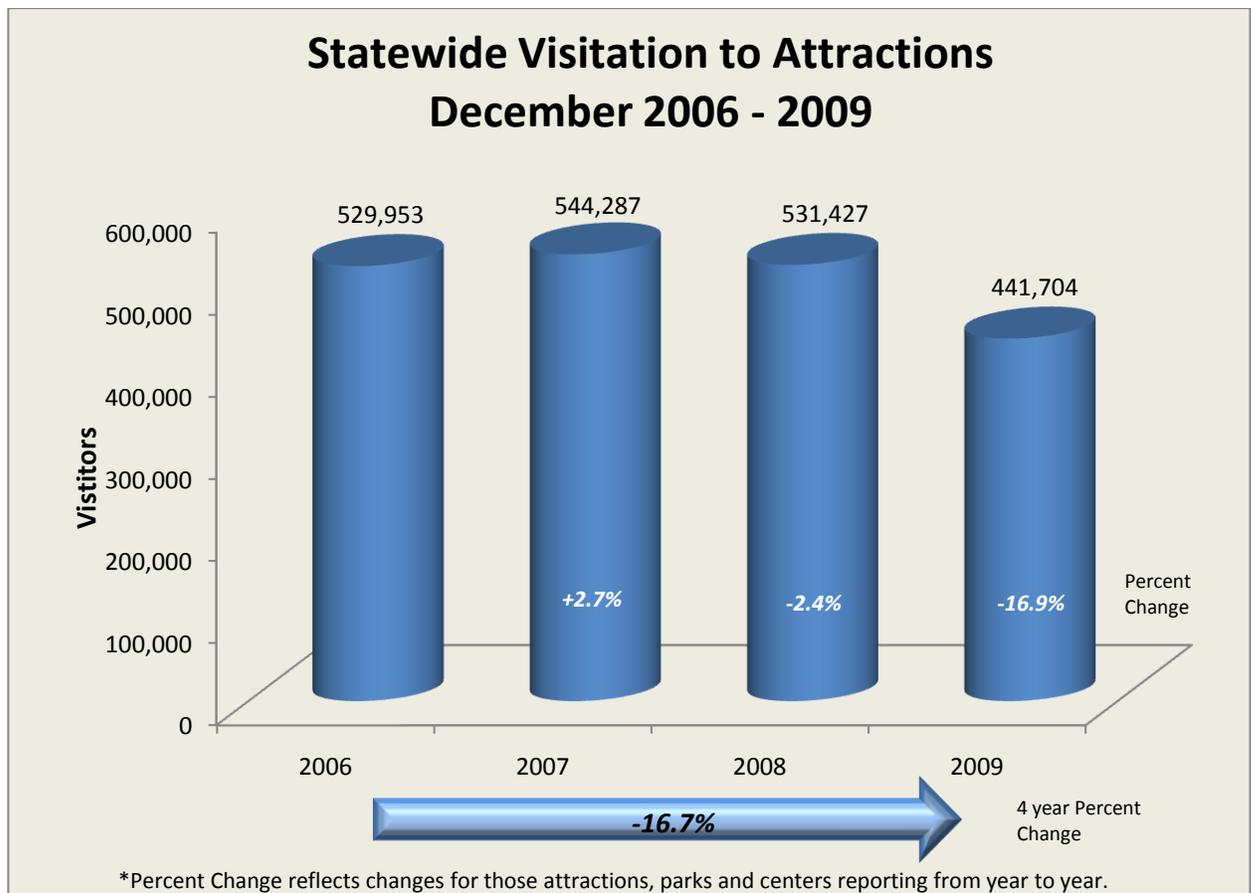


Chart 6 provides a status of the attractions industry in North Carolina for the month of November for the last four years. The numbers represent only a sample of North Carolina attractions that provide their attendance data, and are not intended to be considered a complete list of attractions. However, the wide variation of type and location of the participating attractions allow for a valid aggregate trend analysis on a monthly basis, particularly when tracking percent change. Missing values for attractions who regularly report have been estimated until visitation can be verified. These estimates are not included in percent change calculations from December 2008 to December 2009.

There was a large decline in attraction visitation from December 2008 to December 2009, dropping numbers lower than 2006 levels for the month. Inclement weather is most likely the reason for the drastic drop in attraction attendance from 2008 for the month.

Chart 7 – Statewide Visitation to Attractions Monthly History 2006 – 2009

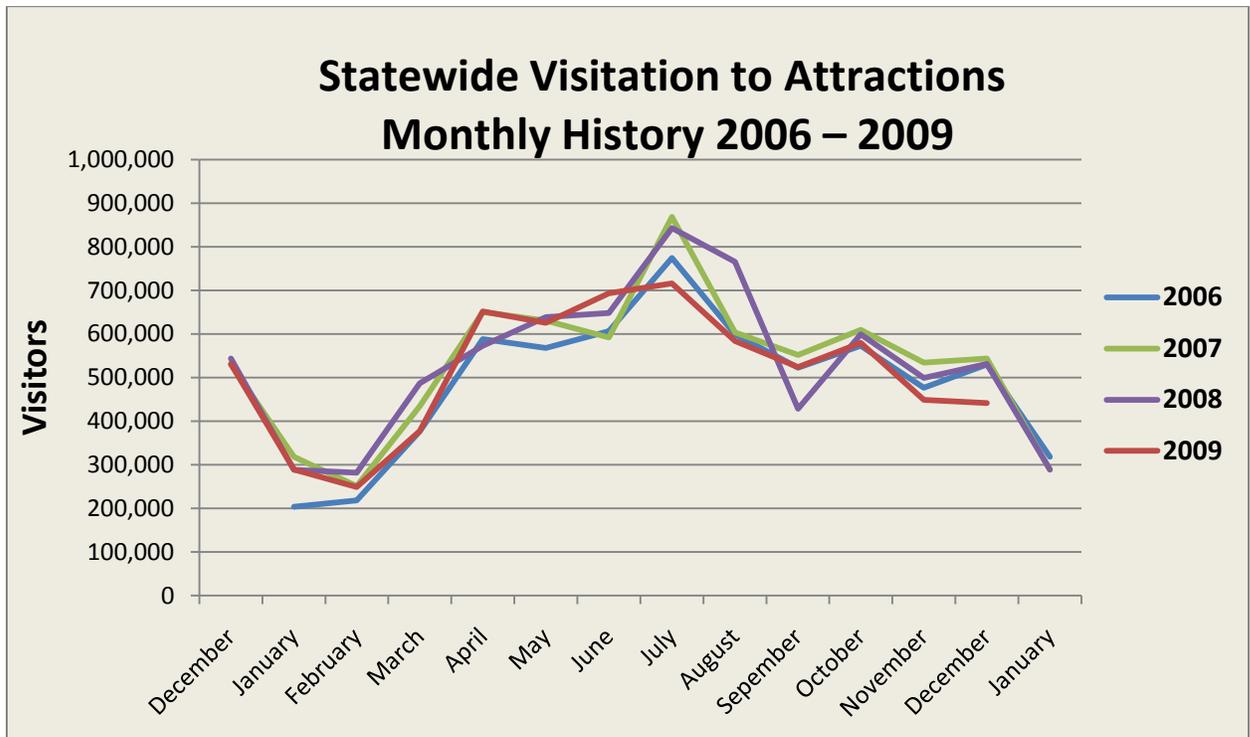


Chart 7 shows a monthly trend of attraction visitation for each of the last four years. This chart allows for a view of the ebb and flow of monthly attraction attendance, while also providing a look at how attendance compares to the same month of the previous years. Not surprisingly, the summer months see higher visitation numbers at statewide attractions. However, it is helpful to view how visitation is allocated by month for strategic planning purposes.

Again, the numbers represent only a sample of North Carolina attractions that provide their attendance data, and are not intended to be considered a complete list of attractions. However, the wide variation of type and location of the participating attractions allow for a valid aggregate trend analysis on a monthly basis.

Where attraction attendance usually increases slightly from November to December each year, the numerous days of inclement weather in December 2009 led to an uncharacteristic drop this year for the month of December.

Chart 8 – State Welcome Center and Local Visitor Center Attendance - December 2006 – 2009

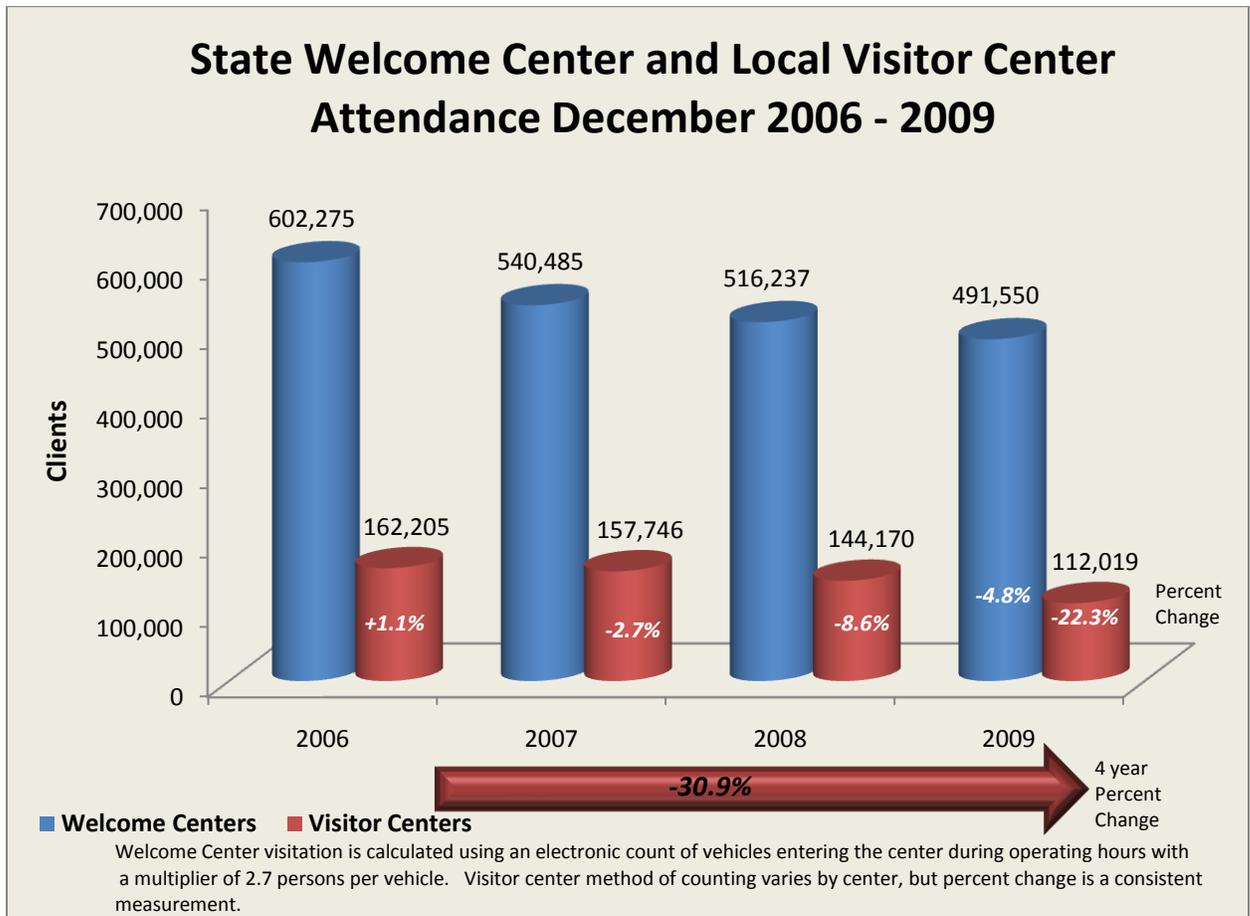


Chart 8 provides December visitation statistics for State Welcome Centers, as well as Local Visitor Centers throughout North Carolina. It should be noted that while there is a percent change indicated for welcome centers for 2007-2008 and 2008-2009, 2008 was the first year a percent change could accurately be provided. The NCDOT spent several years changing the counting mechanism at the state welcome centers making comparisons between years inaccurate from the time the DOT began installation until December 2008. Therefore, previous years' percent changes are not included in this particular chart.

Chart 9 – Statewide National and State Park Visitation - December 2006 – 2009

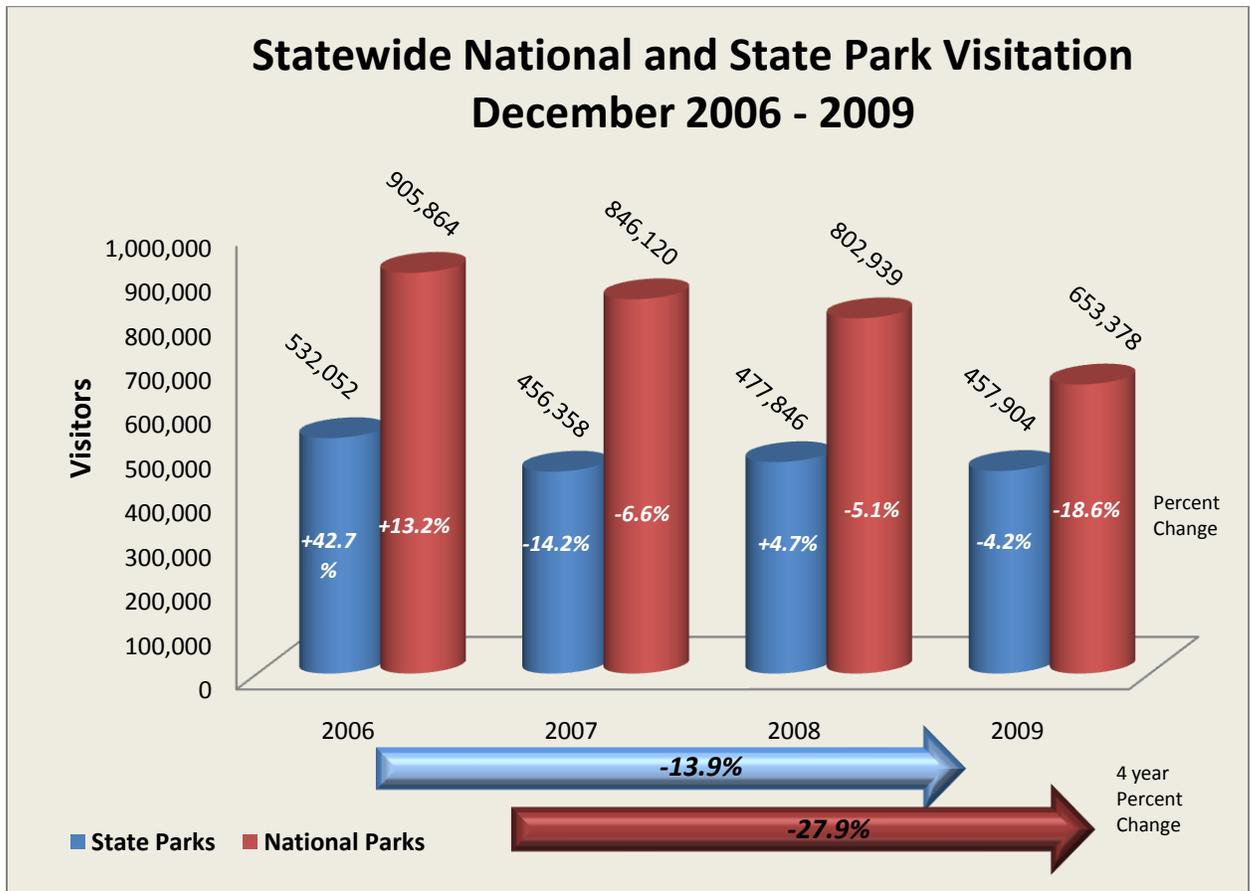
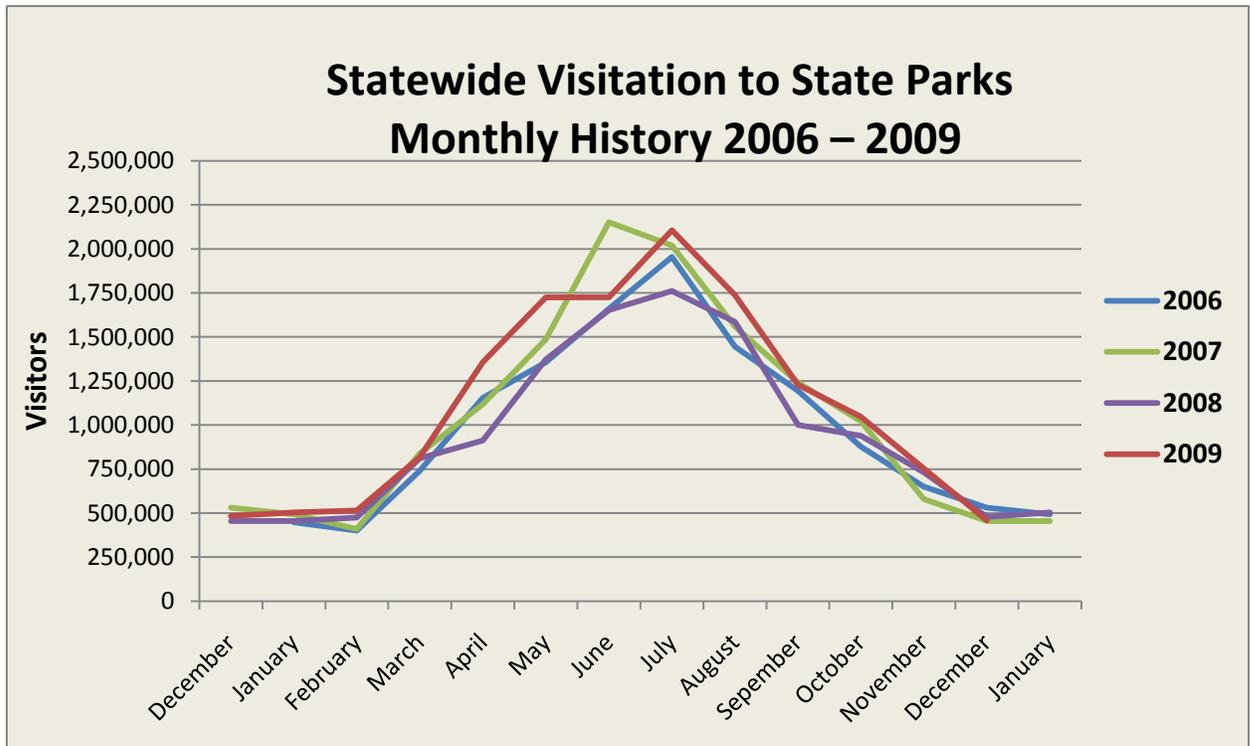


Chart 9 depicts visitation to state and national parks in North Carolina for the last four Decembers. Both state and national parks experienced decreases from December of 2008. As with attraction attendance, outdoor attractions suffer when the weather is bad, as it was in December, thus leading to large decreases for the month.

Chart 10 – Statewide Visitation to State Parks Monthly History 2006 – 2009



Similar to Chart 7, Charts 10 and 11 provide a monthly trend of state and national park visitation for each of the last four years. These charts help monitor the flow of monthly attraction attendance, while also providing a look at how attendance compares to the same month of the previous years. It is important to note that there are many extraneous variables that can affect visitation at attractions, and particularly at outdoor attractions. Weather, temperature and holidays are variables that should be noted when viewing unusual highs or lows in attendance.

Chart 11 – Statewide Visitation to National Parks Monthly History 2006 – 2009

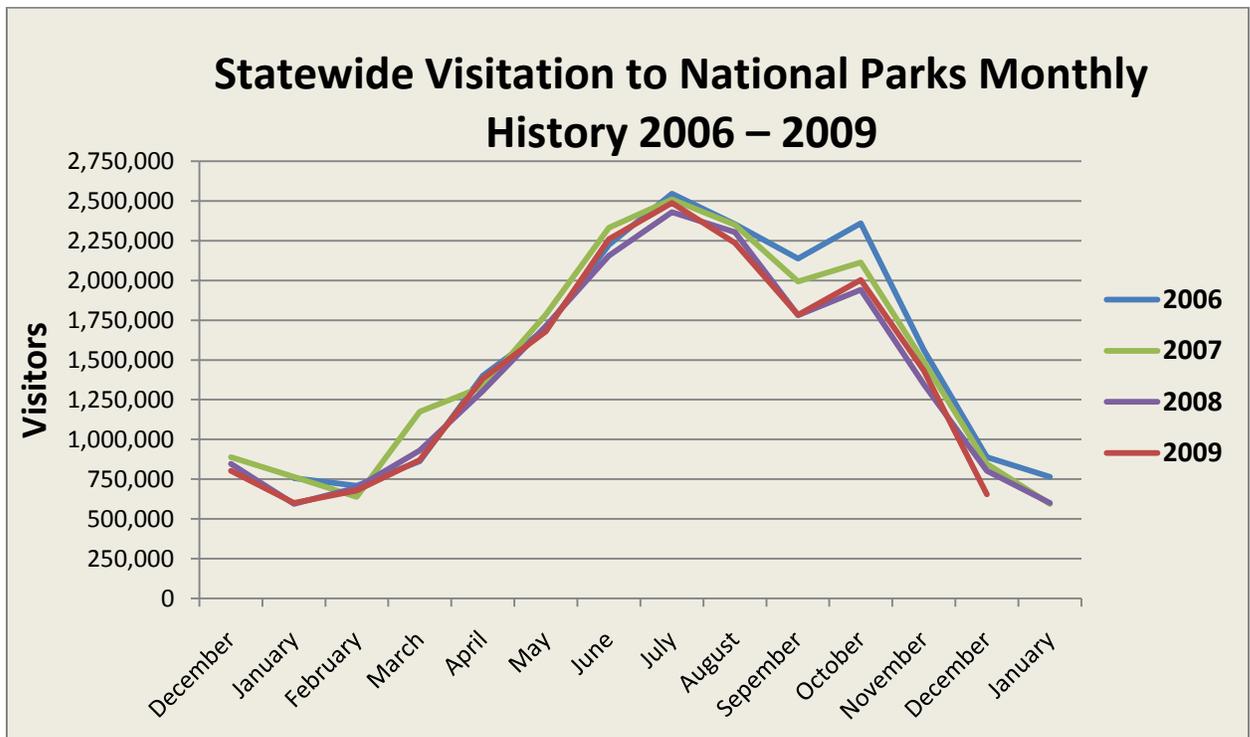


Chart 12 – Statewide Airport Arrivals and Departures - December 2006 – 2009

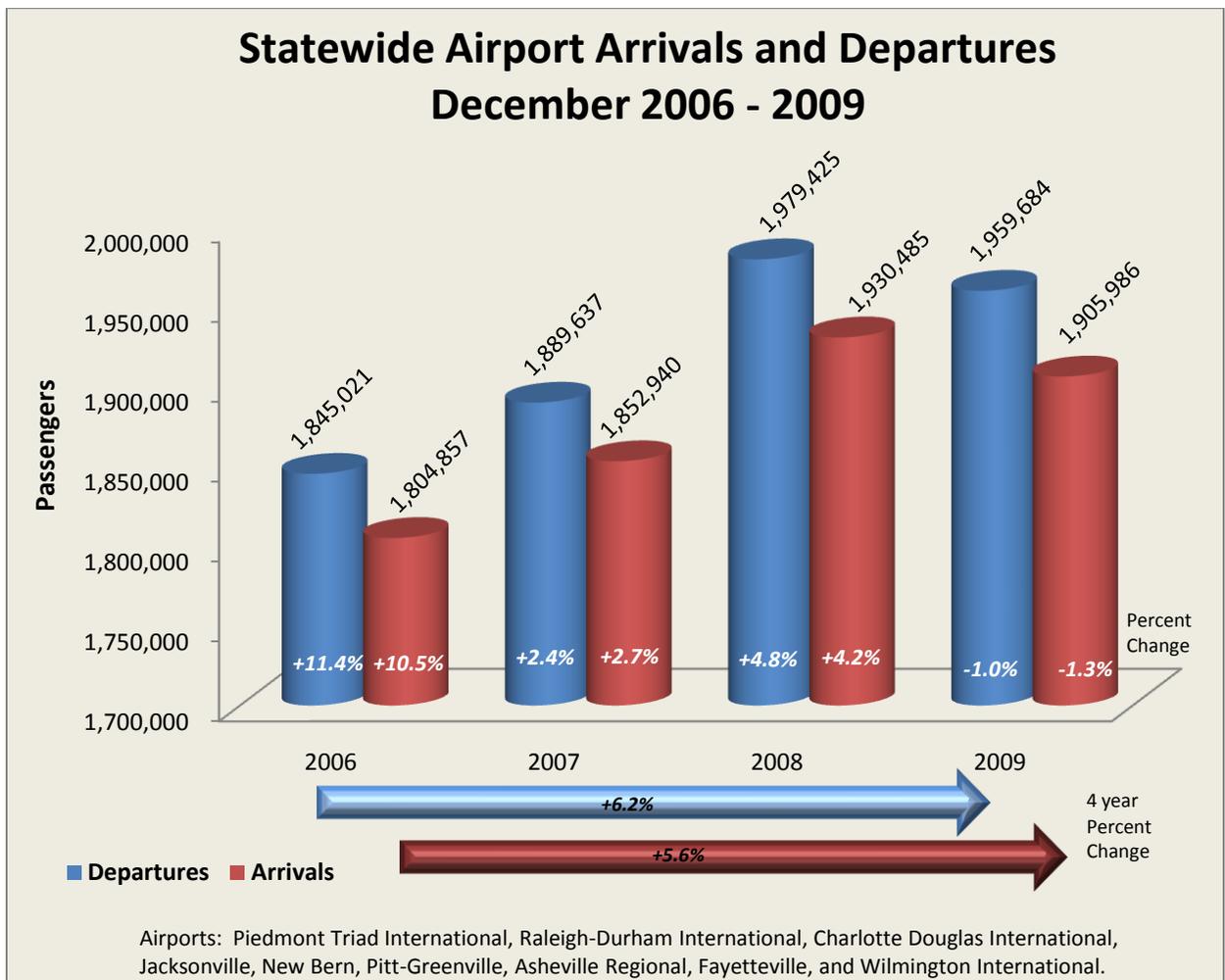


Chart 12 shows December airport arrivals and departures for each of the previous four years. The arrivals and departures data was at a slight decrease from last December, though there has been a positive four-year increase in both.

Chart 13 – Lower Atlantic Average Monthly Retail Gas Prices for Unleaded – December 2006 – 2009

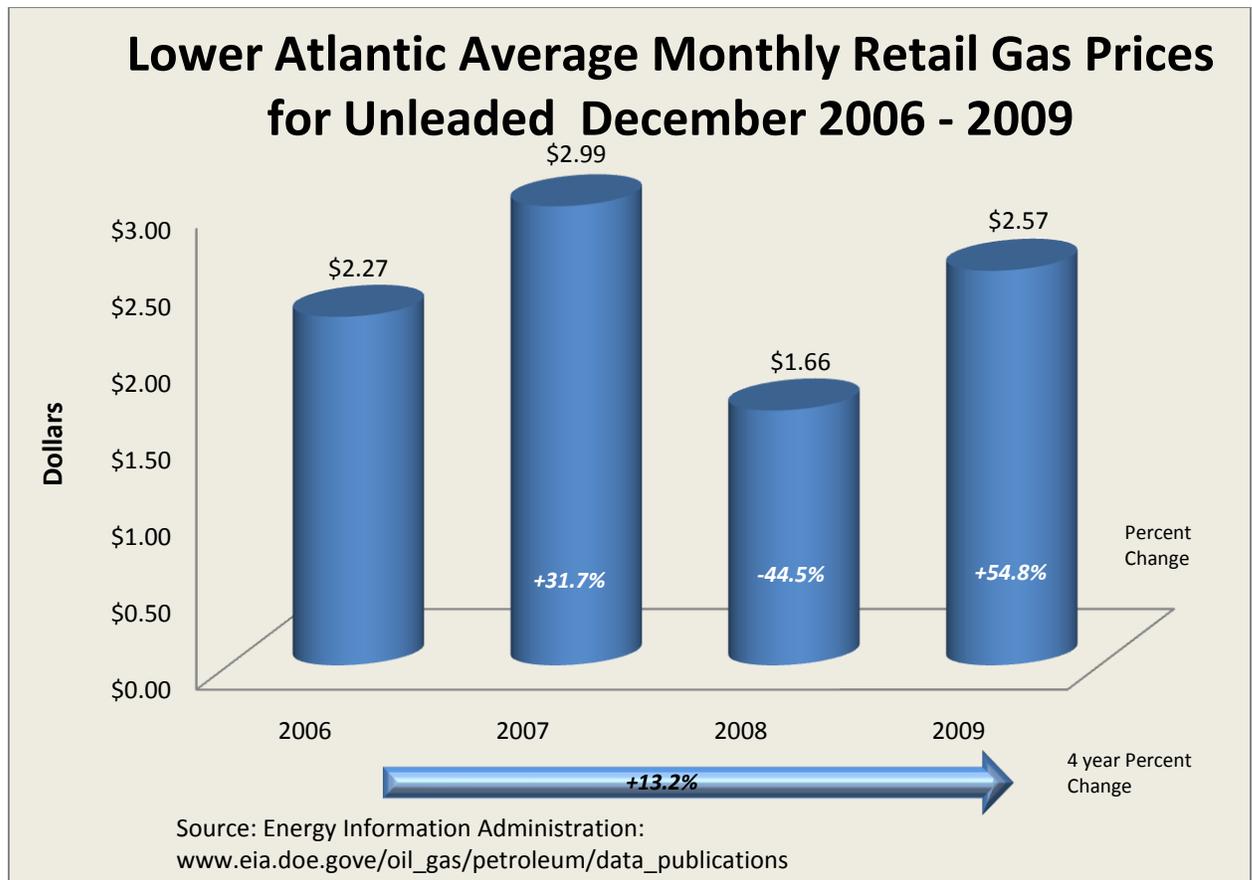


Chart 13 provides the average price per gallon of unleaded gasoline for December 2009 and the three previous Decembers. The data provided above, when compared with other indicators such as attraction attendance and visitor spending data, can be very helpful in the analysis of general travel trends. Fuel prices in December 2009 were up from last December, though still fourteen percent below 2007 prices.

Section 2 – Geographic Marketing Region (Coastal/Piedmont/Mountain) Tourism Indicator Analysis for December 2009

Chart 14 – Hotel/Motel Statistics by Geographic Region - December 2009

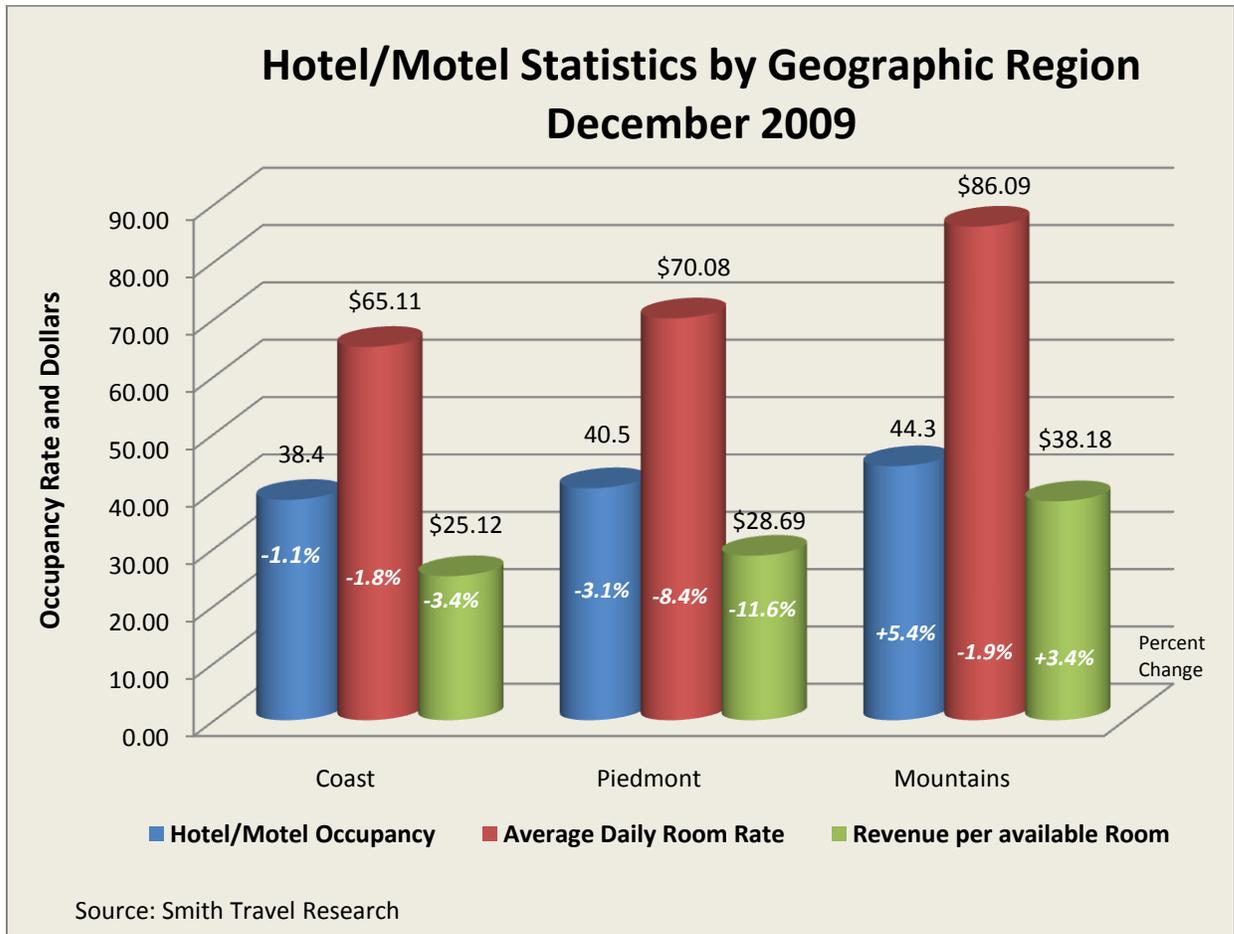


Chart 14 provides a one year comparison in lodging statistics for the three geographic marketing regions of North Carolina. Occupancy rate in 2009 decreased in the coastal and piedmont regions, but the mountains showed an increase of over five percent in December.

Chart 15 – Hotel/Motel Room Demand by Geographic Region - December 2009

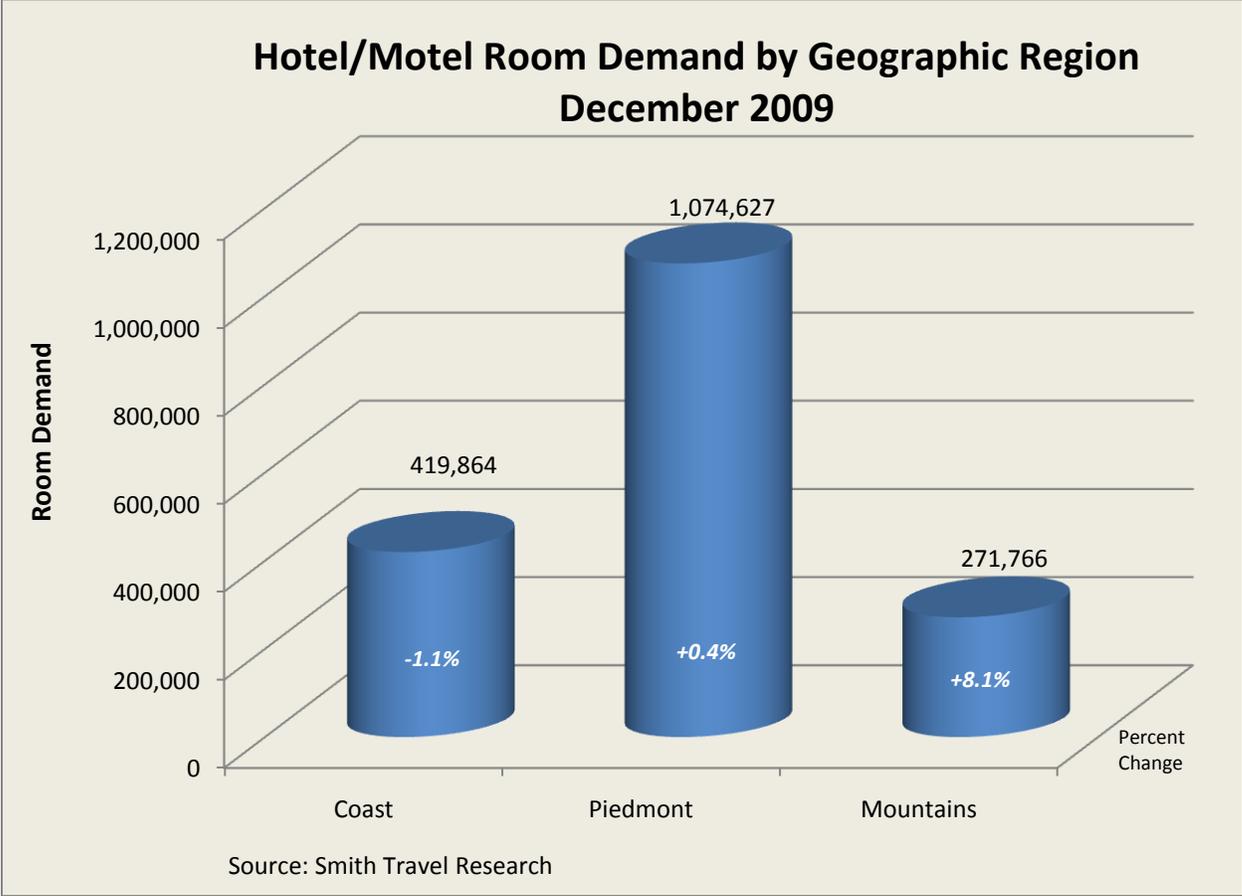


Chart 15 provides hotel/motel demand by geographic region for December 2009. Demand differs from occupancy in that it is the total number of rooms sold, not accounting for differences in room supply. The Piedmont Region experienced a slight positive percent change in demand from December 2008 to December 2009, and the Mountain Region had a healthy eight percent increase over the same time period.

Chart 16 – Visitation to Attractions and Parks by Geographic Region – December 2009

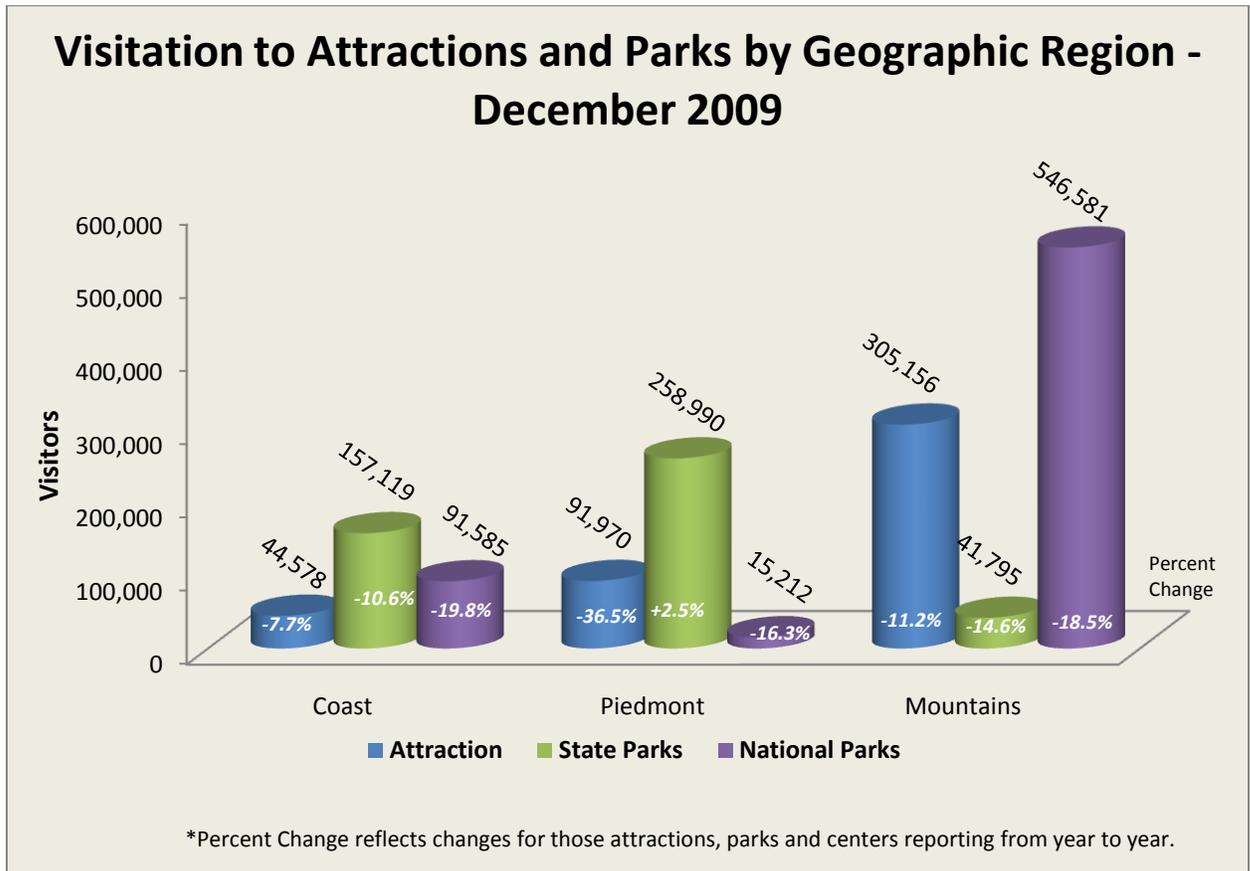


Chart 16 provides a look at the attractions industry in North Carolina in December 2009 by geographic region. As with the statewide numbers, the following data represents only a sample of North Carolina attractions that provide their attendance data, and are not intended to be considered a complete list of attractions. However, the wide variation of type and location of the participating attractions allow for a valid aggregate trend analysis on a monthly basis.

There was an decrease in visitation for parks and attractions in all regions in December, with the exception of state parks in the Piedmont Region.

Chart 17 – State Welcome Center and Local Visitor Center Attendance by Geographic Region – December 2009

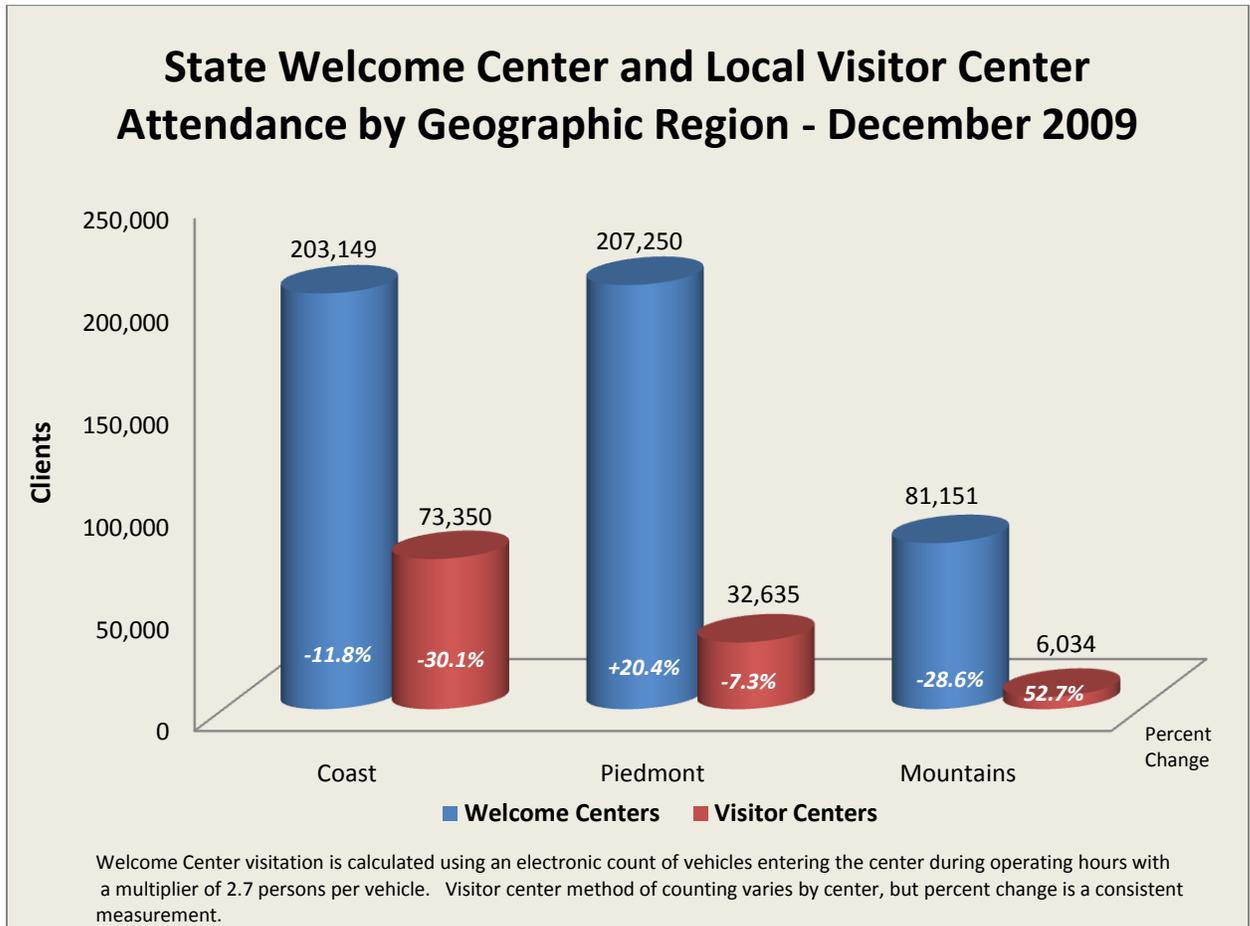


Chart 17 shows welcome center and visitor center attendance by geographic region and offers comparisons from December 2008. The Piedmont region experienced a healthy increase in welcome center numbers in December, while the visitor centers in the mountains and coast saw decreases. The Mountains decrease can be attributed to the rock slide near the NC/TN border that closed the I-40 West Welcome Center. However, mountain area local visitor centers saw large increases during the month, possibly due to re-routing of visitors from the closed I-40.

Chart 18 – Airport Arrivals and Departures by Geographic Region – December 2009

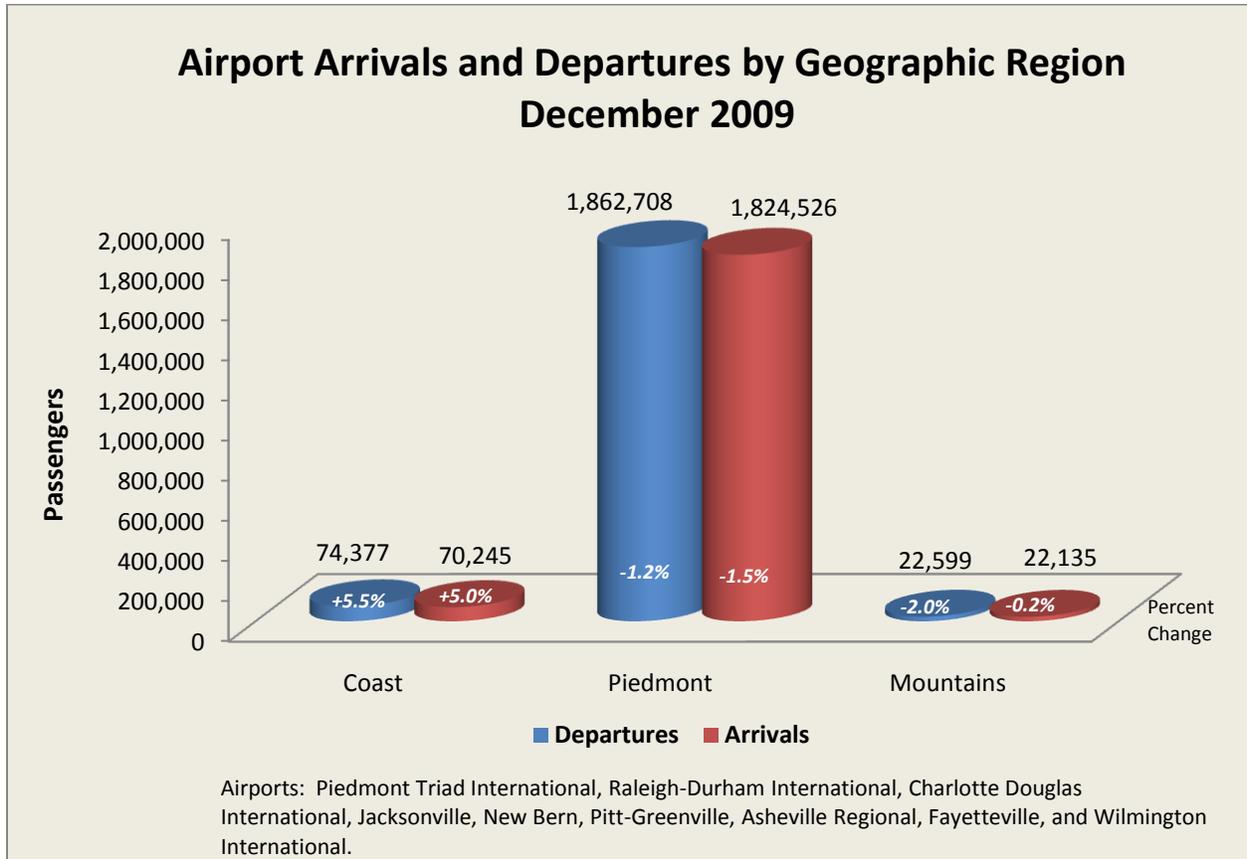


Chart 18 provides a breakdown of air travel statistics by geographic region. While the majority of air traffic is through the Piedmont Region, it is helpful to maintain a trend of other regional airport usage. The Coastal Region showed growth of five percent in air traffic during the month of December, while the other regions saw small decreases from last year.

Section 3: Economic Development Region Tourism Indicator Analysis – December 2009

The seven economic regions include:

- 1 – Northeast (Bertie, Camden, Chowan, Currituck, Gates, Halifax, Hertford, Northampton, Pasquotank, Perquimans, Beaufort, Dare, Hyde, Martin, Tyrrell, Washington).
- 2 – Eastern (Carteret, Craven, Jones, Onslow, Pamlico, Duplin, Edgecombe, Green, Lenoir, Nash, Pitt, Wayne, Wilson).
- 3 – Southeast (Brunswick, Columbus, New Hanover, Pender, Bladen, Cumberland, Hoke, Richmond, Robeson, Sampson, Scotland).
- 4 – Triangle (Franklin, Harnett, Johnston, Vance, Wake, Warren, Chatham, Durham, Granville, Lee, Moore, Orange, Person).
- 5 – Triad (Alamance, Caswell, Guilford, Montgomery, Randolph, Rockingham, Davidson, Davie, Forsyth, Stokes, Surry, Yadkin).
- 6 – Carolinas (Alexander, Catawba, Cleveland, Iredell, Rowan, Anson, Cabarrus, Gaston, Lincoln, Mecklenburg, Stanly, Union).
- 7 – Western (Alleghany, Ashe, Avery, Buncombe, Burke, Caldwell, Clay, Graham, Haywood, Henderson, Jackson, Macon, Madison, McDowell, Mitchell, Polk, Rutherford, Swain, Transylvania, Watauga, Wilkes, Yancey).

Chart 19 – Hotel/Motel Statistics by Economic Development Region - December 2009

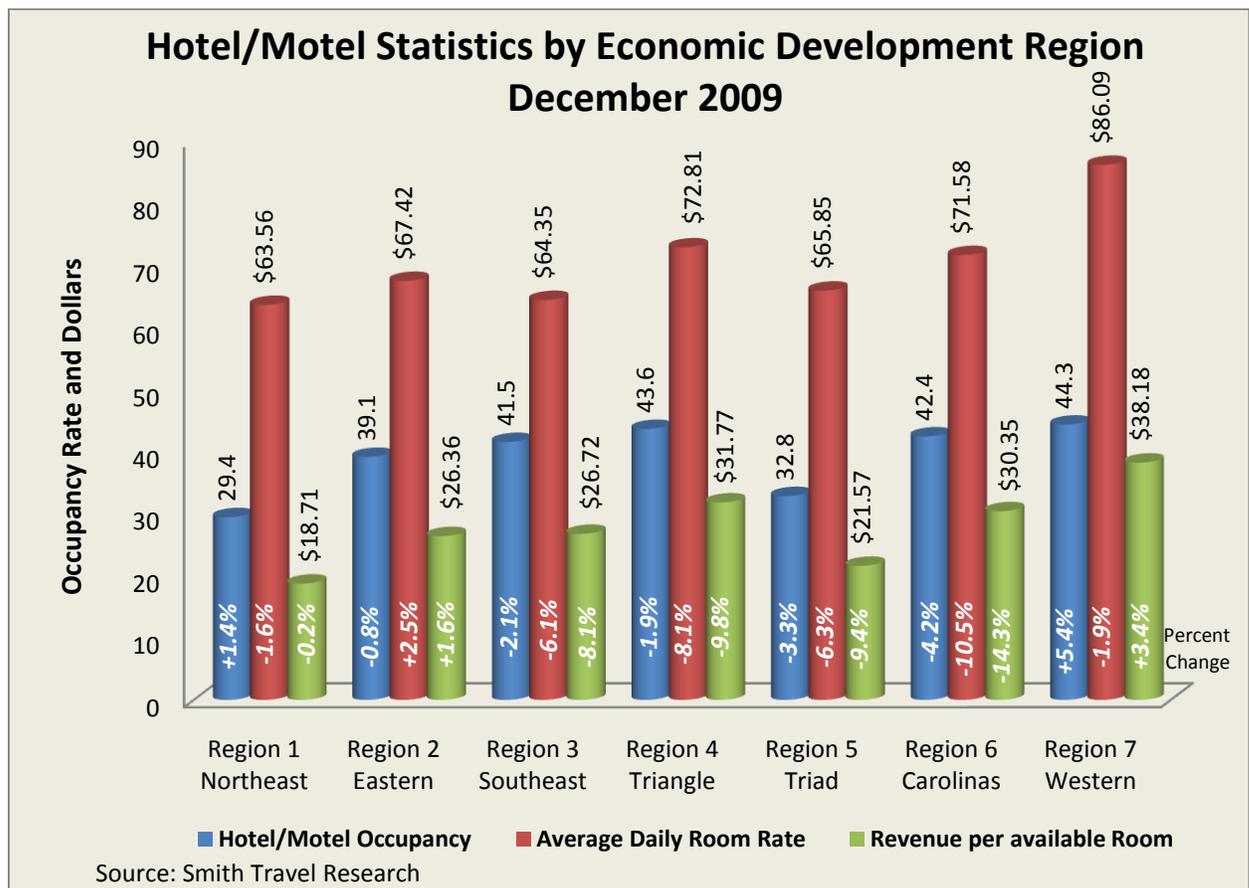


Chart 19 provides lodging indicators for December 2009 by economic development region. Also shown are percent changes from December 2008. This graph allows individual regions within the state to track indicators specific to their general destinations, while still being able to compare their data to the state data shown in Section 1.

Chart 20 – Hotel/Motel Room Demand by Economic Development Region - December 2009

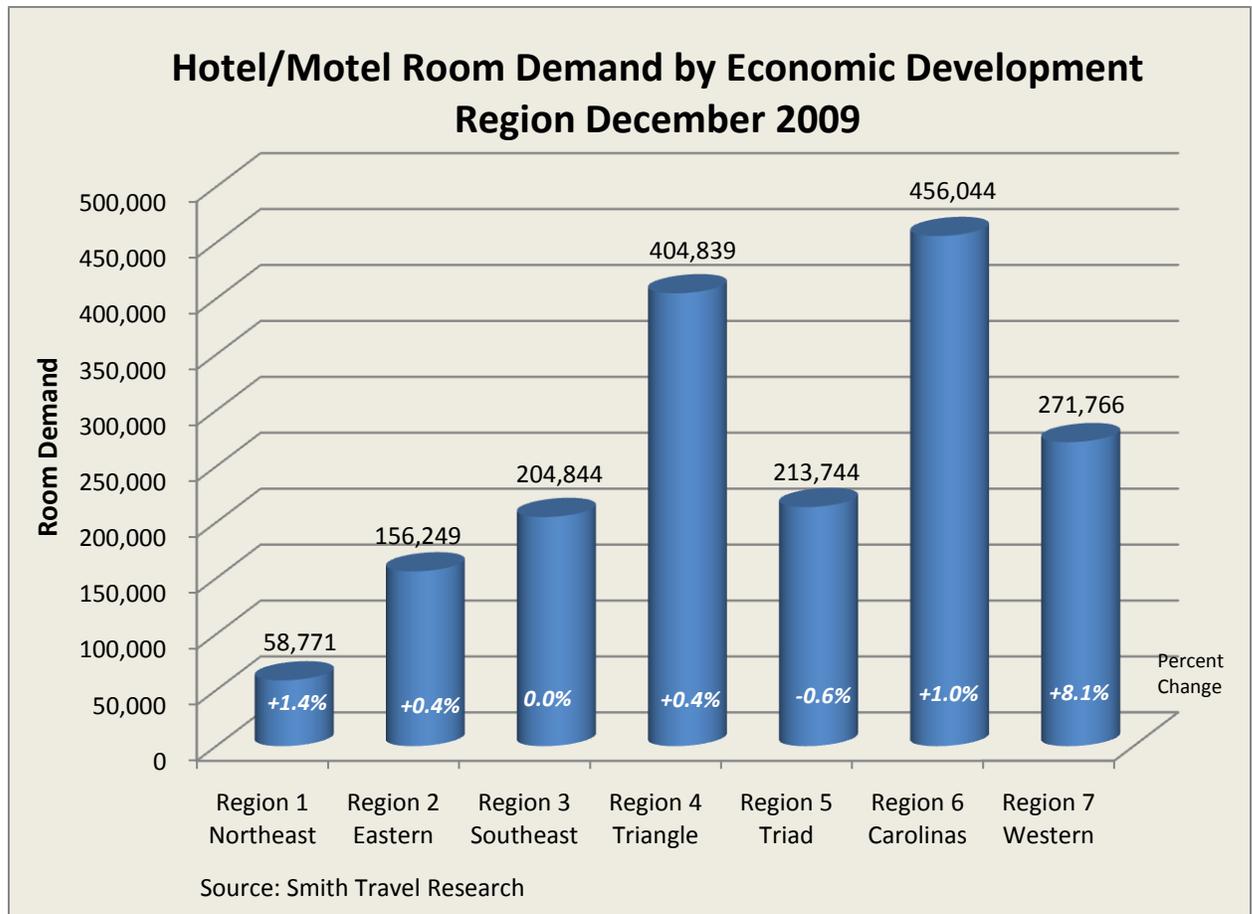


Chart 20 depicts hotel/motel demand for the month of December 2009 by economic development region. Demand is the number of rooms sold excluding complimentary rooms. All regions with the exception of the Triad Region showed increased demand from December 2008 to 2009, though that region was practically flat. The Western Region had a particularly positive (8.1%) increase in demand.

Section 4: National Travel Price Index

The Travel Price Index (TPI) measures the seasonally unadjusted inflation rate of the cost of travel away from home in the United States. The TPI is based on U.S. Department of Labor price data collected for the monthly Consumer Price Index (CPI). The TPI is released monthly and is directly comparable to the CPI.

Variables included in calculating the TPI:

Recreation Services	Food Away from Home	Airline Fares
Food and Beverage	Other Lodging (Include Hotel/Motel)	Intra-city Public Transportation
Alcohol Away From Home	Transportation	Motor Fuel
		Other Intercity Transportation

Chart 21 – National Travel Price Index December 2006 – December 2009

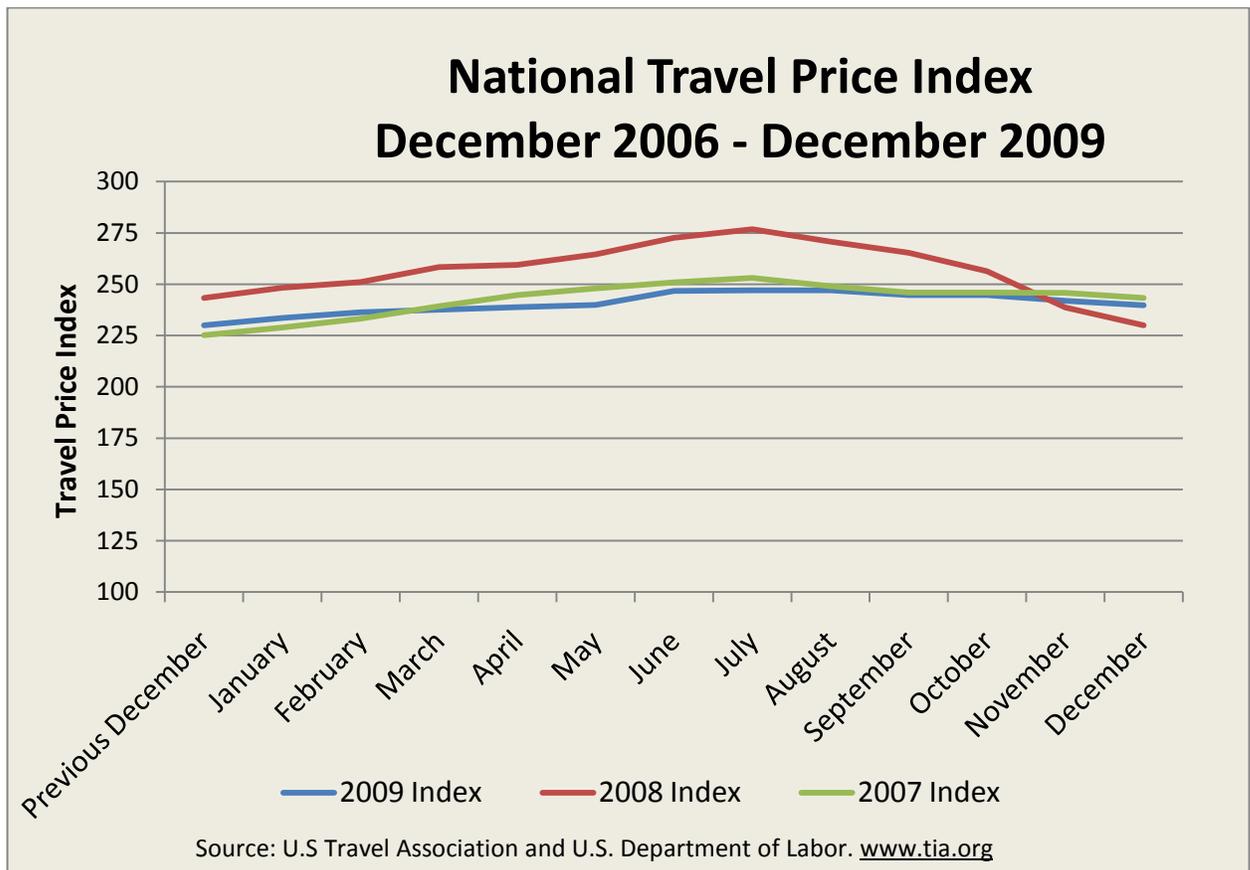


Chart 21 provides a two year trend of the National Travel Price Index (TPI). Steady growth was experienced through mid-2008; however in November 2008, it is clear that as the TPI fell below 2007 levels, the tourism industry began feeling the full effect of the recession. Into 2009, the TPI remained slightly below the 2007 level, though for the last two months of the year peaked above the 2008 index.