



May 2011

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 May 2011

Chart 1 – Hotel/Motel Occupancy in North Carolina - May 2006 – 2011

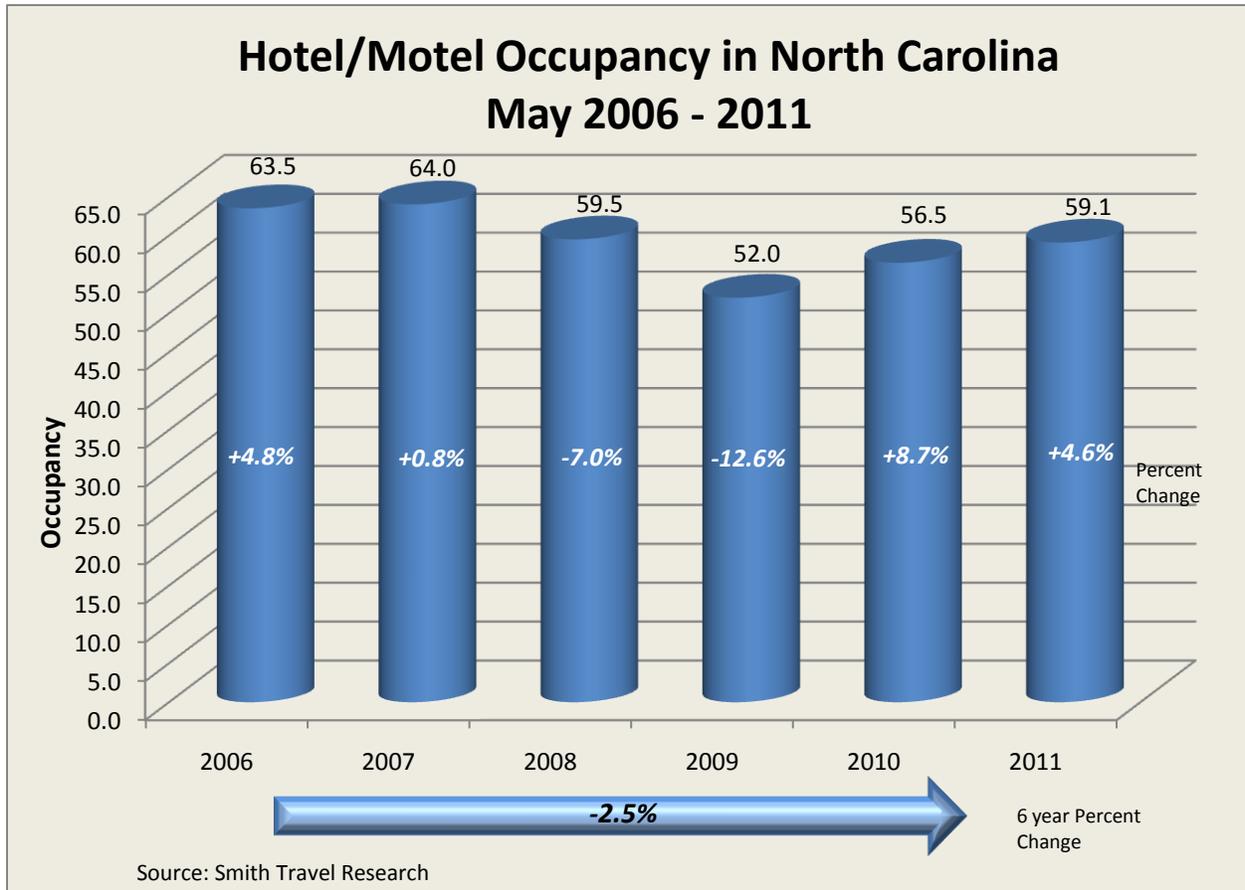


Chart 1 provides a comparison over a six year period to show the trend of occupancy in the state for the month of May. Occupancy for May 2011 was up nearly five percent from May 2010. *Occupancy at the national level increased by nearly five (+4.6%) percent in May 2011 from the previous year.*

Chart 2 – Hotel/Motel Average Daily Room Rate in North Carolina - May 2006 – 2011

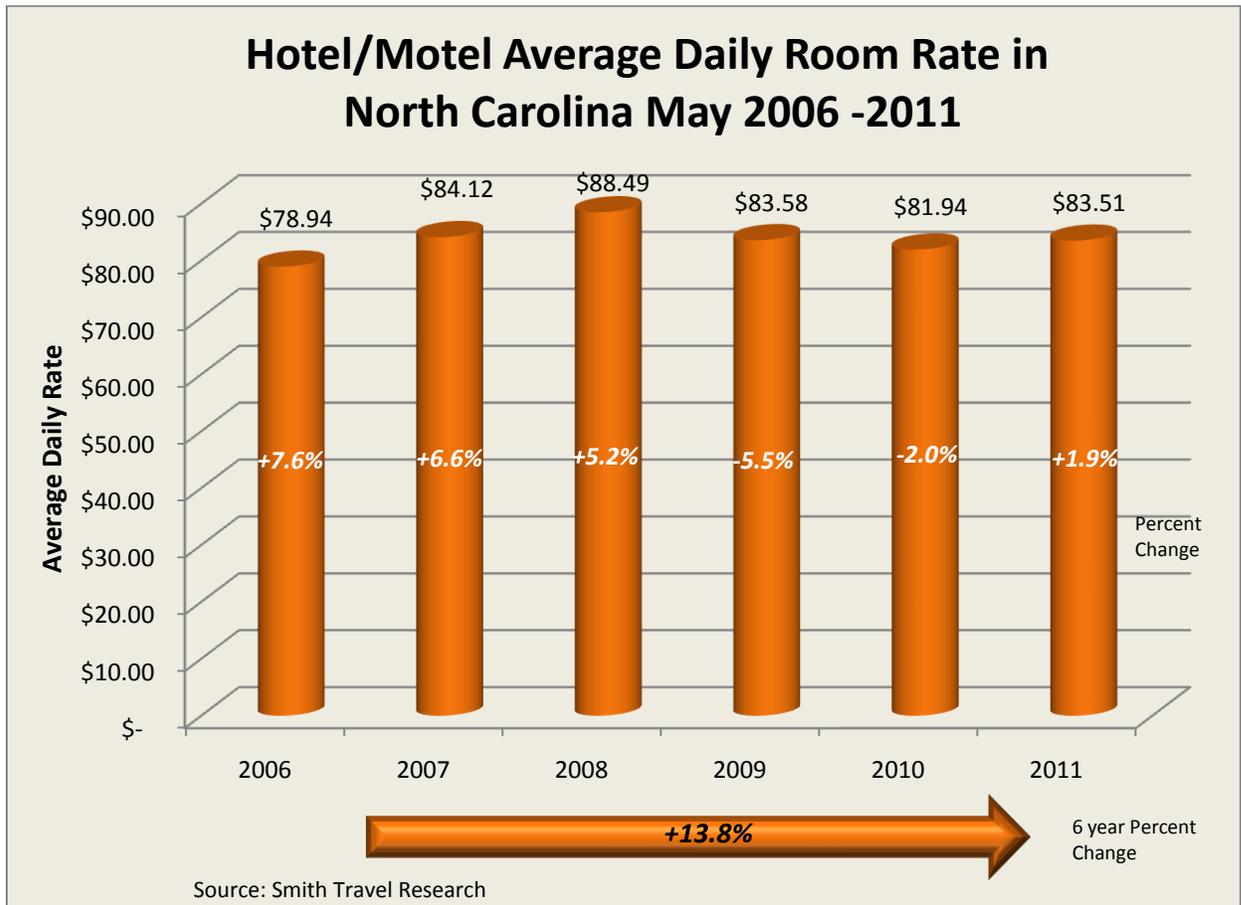
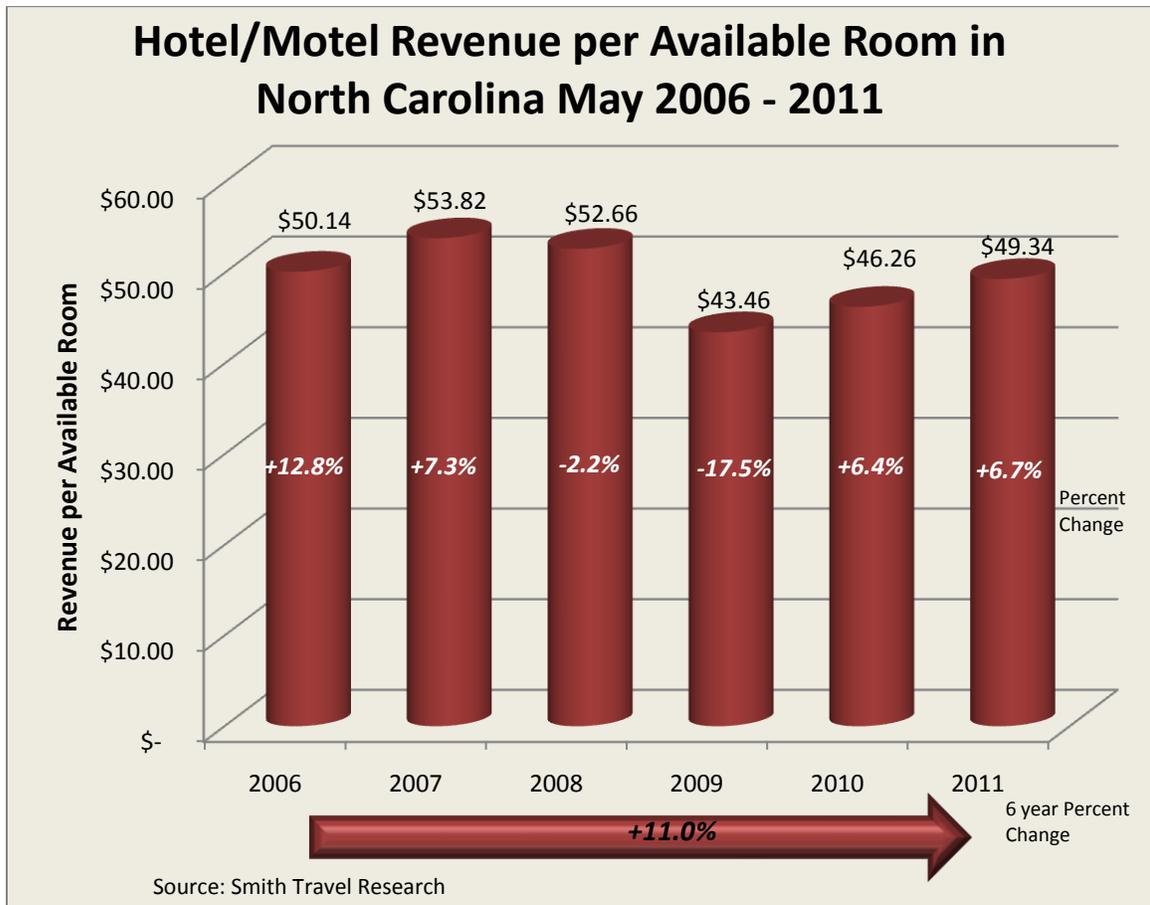


Chart 2 provides a comparison over a six year period to show the trend of average daily room rate (ADR) in the state for the month of May. After peaking in April 2008, ADR decreased over seven percent in the subsequent two years, and gained nearly two percent back in May 2011. *ADR at the national level was up 4.0% in May 2011 from the previous May.*

Chart 3 – Hotel/Motel Revenue per Available Room in North Carolina - May 2006 – 2011



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 six year period to show the trend of RevPAR in the state for the month of May. RevPAR was up nearly seven percent (+6.7%) in May 2011, continuing the positive growth that began in the spring of 2010. *RevPAR at the national level was up 8.8% in May 2011 from the previous May.*

Chart 4 – Hotel/Motel Room Demand in North Carolina – May 2006 – 2011

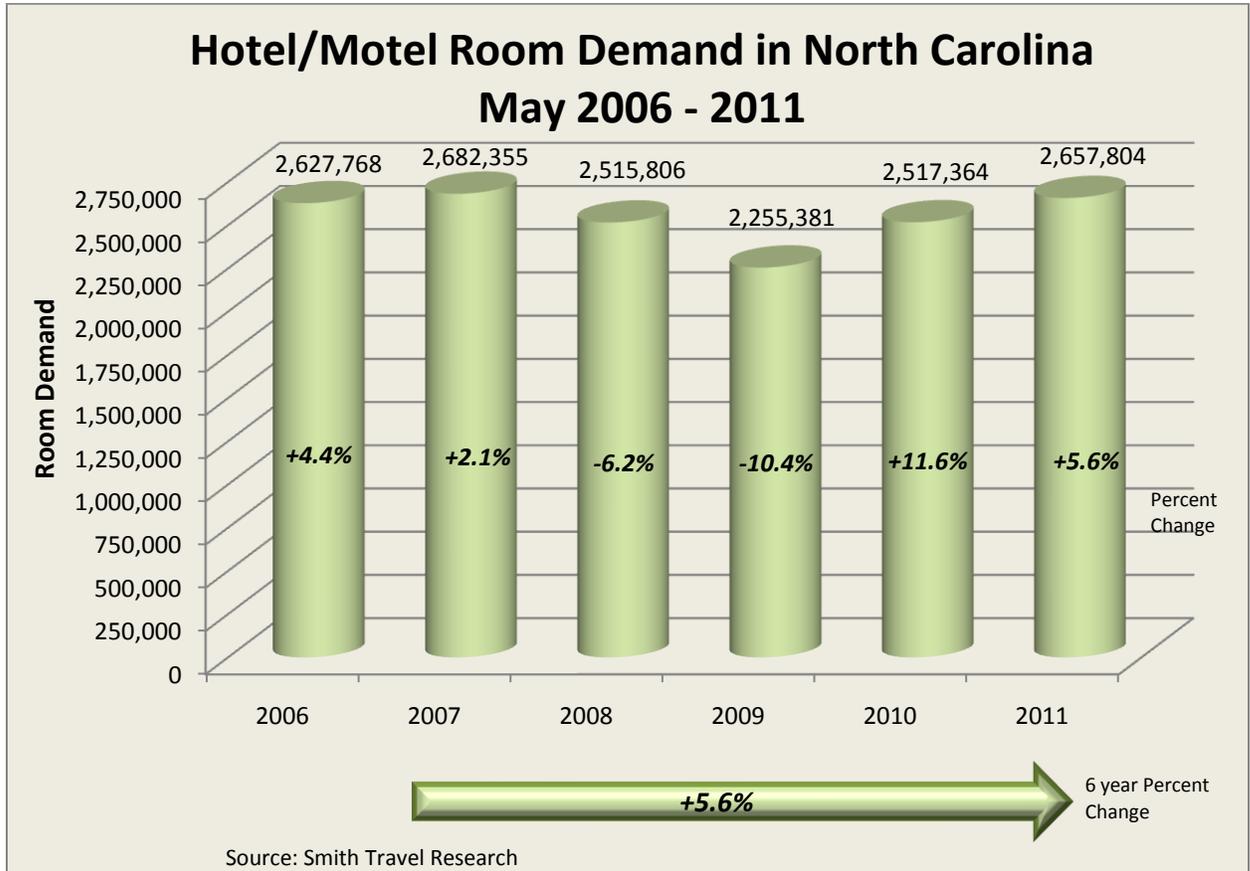


Chart 4 depicts hotel/motel demand for the month of May 2011 with comparisons to the previous five years. Demand is the number of rooms sold excluding complimentary rooms. Room demand for May was up over five percent from May 2010. *Room demand at the national level saw an increase of 5.4% change in May 2011 from the previous May.*

Chart 5 – North Carolina Lodging Statistics Monthly Percent Change 2008 – 2011

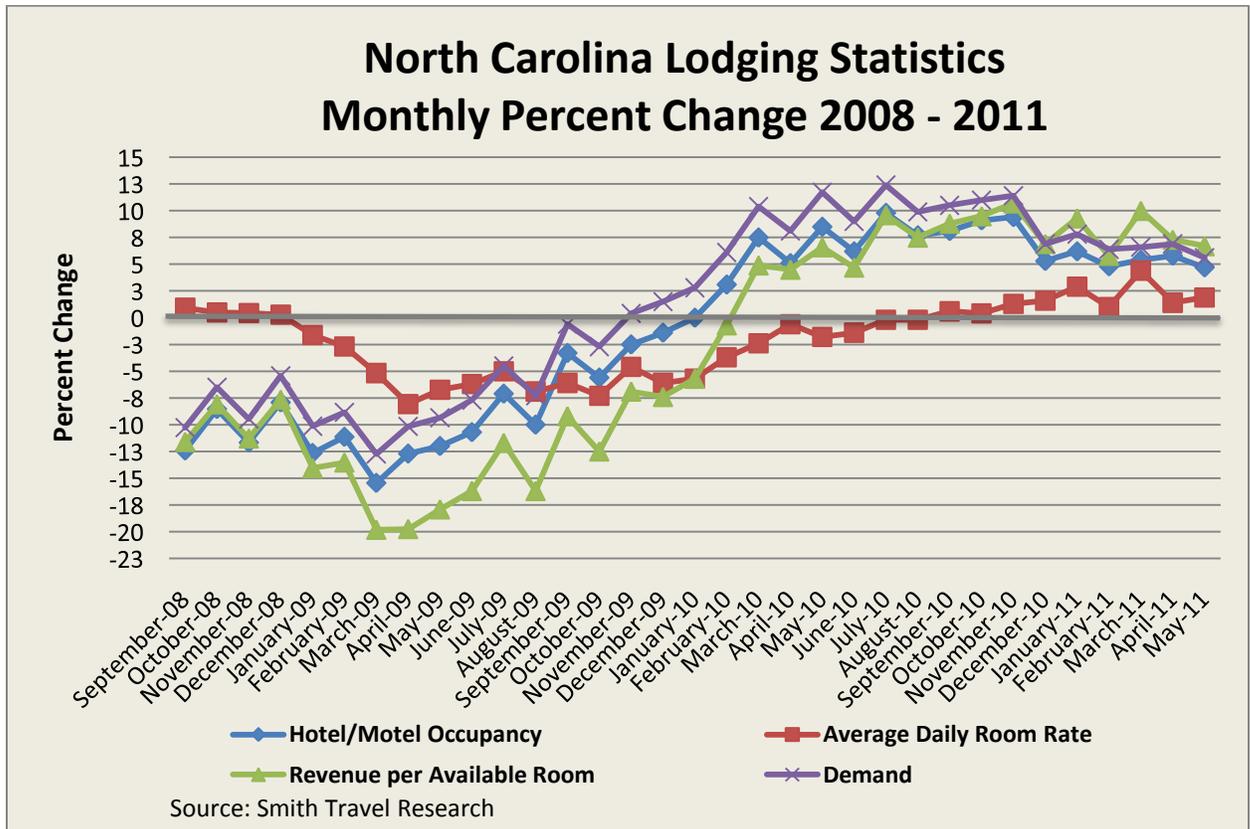


Chart 5 provides a monthly percent change for the four major lodging indicators. The chart allows for a 29 month trend-line analysis that clearly depicts that the major indicators have shown a steady positive change since early 2010, and are continuing in the near year. ADR, the last indicator to begin to rebound, remains in a growth phase with a 1.9% increase from last May.

Chart 6 – Statewide Visitation to Attractions - May 2006 – 2011

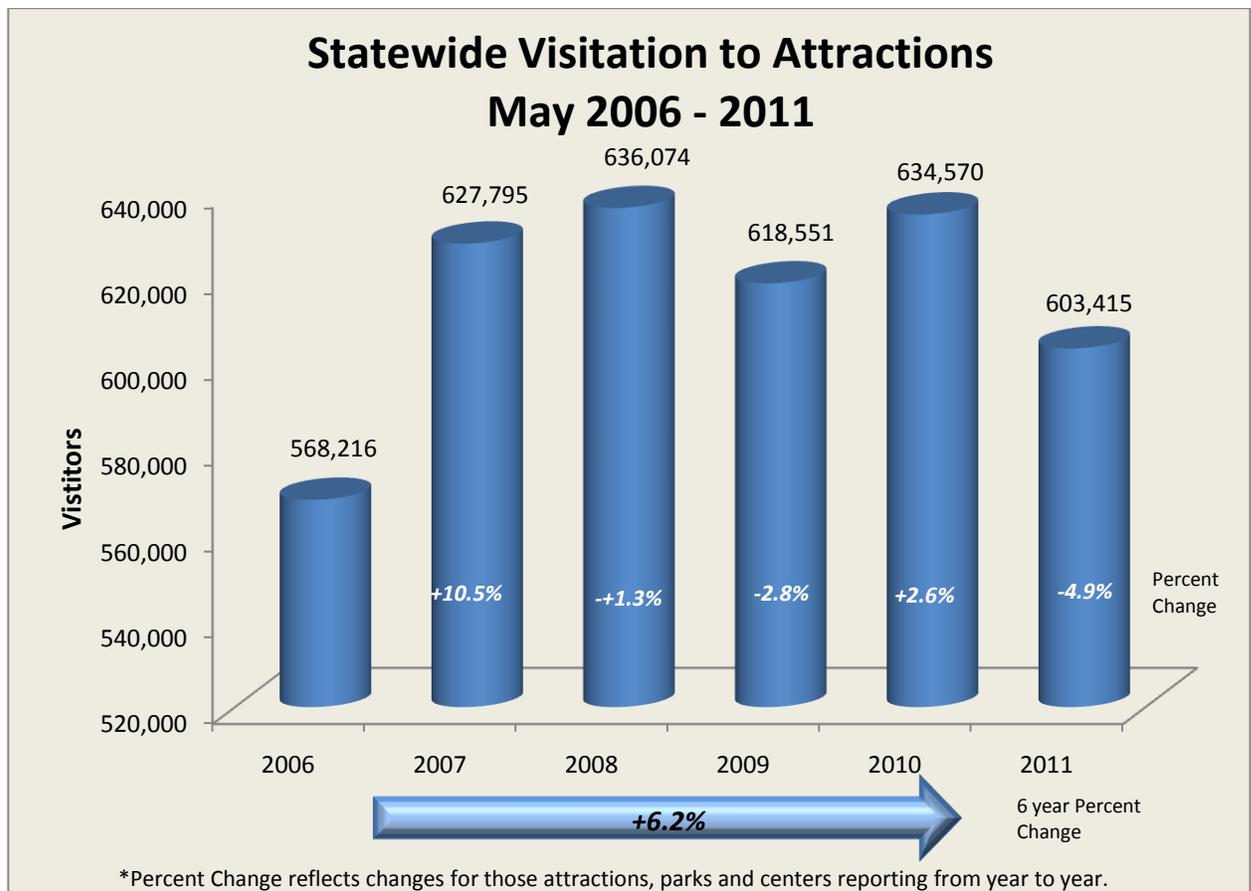


Chart 6 provides a status of the attractions industry in North Carolina for the month of May for the last six years. The numbers represent only a sample of North Carolina attractions that provide their attendance data, and are not intended to be considered a complete list of attractions. However, the 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 May 2010 to May 2011.

May showed a decrease for NC attraction attendance (-4.9%), but still a positive increase from 2006 (+6.2%).

Chart 7 – Statewide Visitation to Attractions Monthly History 2006 – 2011

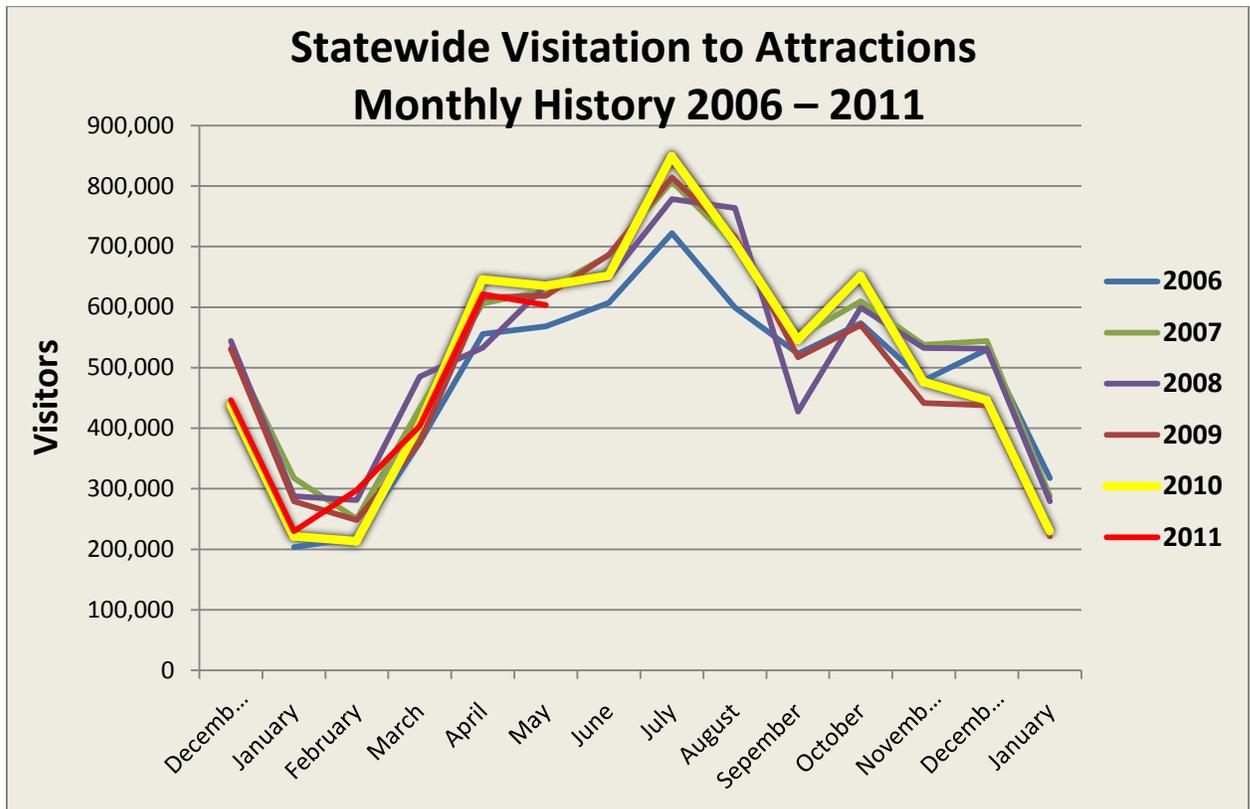


Chart 7 shows a monthly trend of attraction visitation for each of the last six years. This chart allows for a view of the ebb and flow of monthly attraction attendance, while also providing a look at how attendance compares to the same month of the previous years. Not surprisingly, the winter months see lower 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.

Chart 8 – State Welcome Center and Local Visitor Center Attendance - May 2006 – 2011

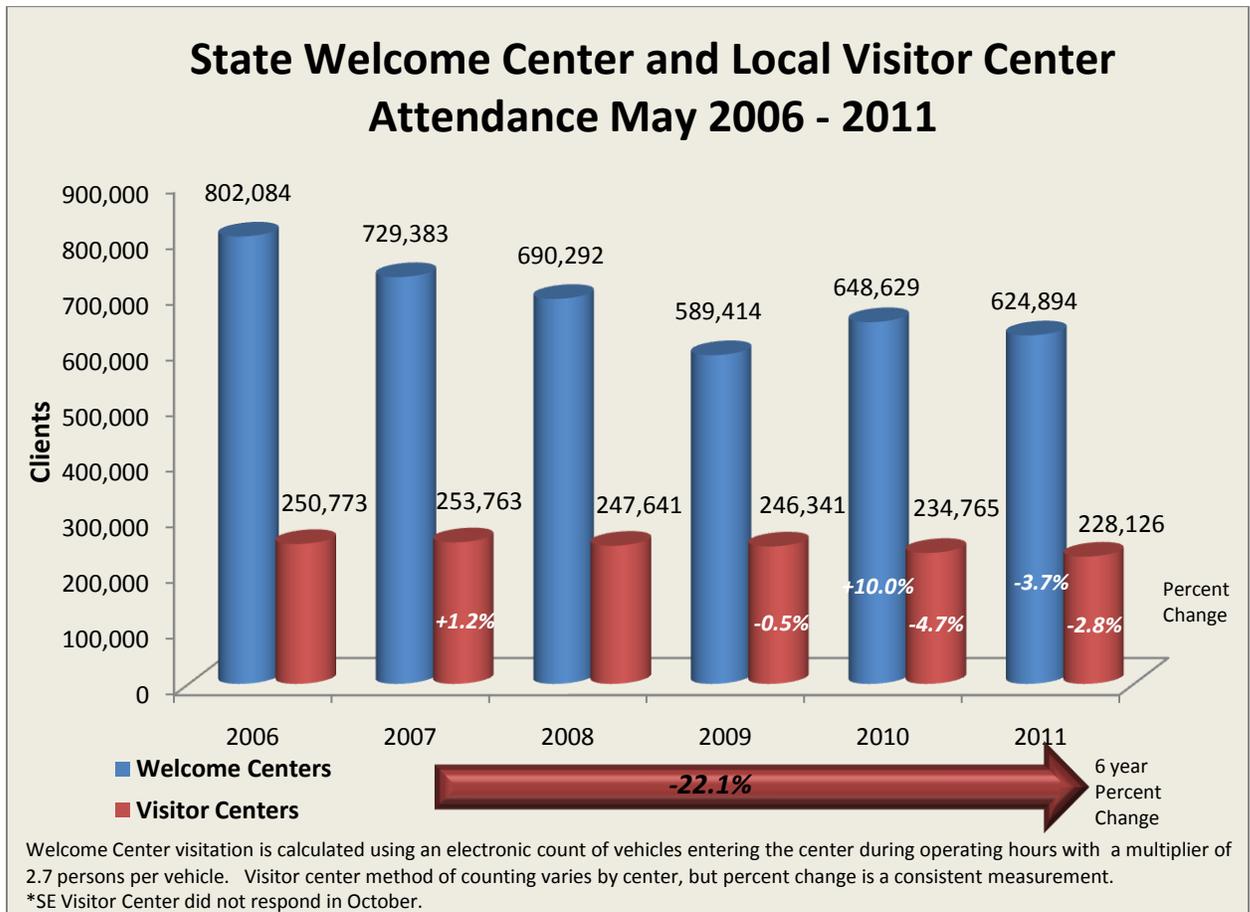


Chart 8 provides May visitation statistics for State Welcome Centers, as well as Local Visitor Centers throughout North Carolina. It should be noted that while there is a percent change indicated for welcome centers for 2007-2008 and 2008-2009, 2008 was the first year a percent change could accurately 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.

May numbers were down slightly for both welcome centers and visitor centers, though welcome center numbers were up six percent from May 2009.

Chart 9 – Statewide National and State Park Visitation - May 2006 – 2011

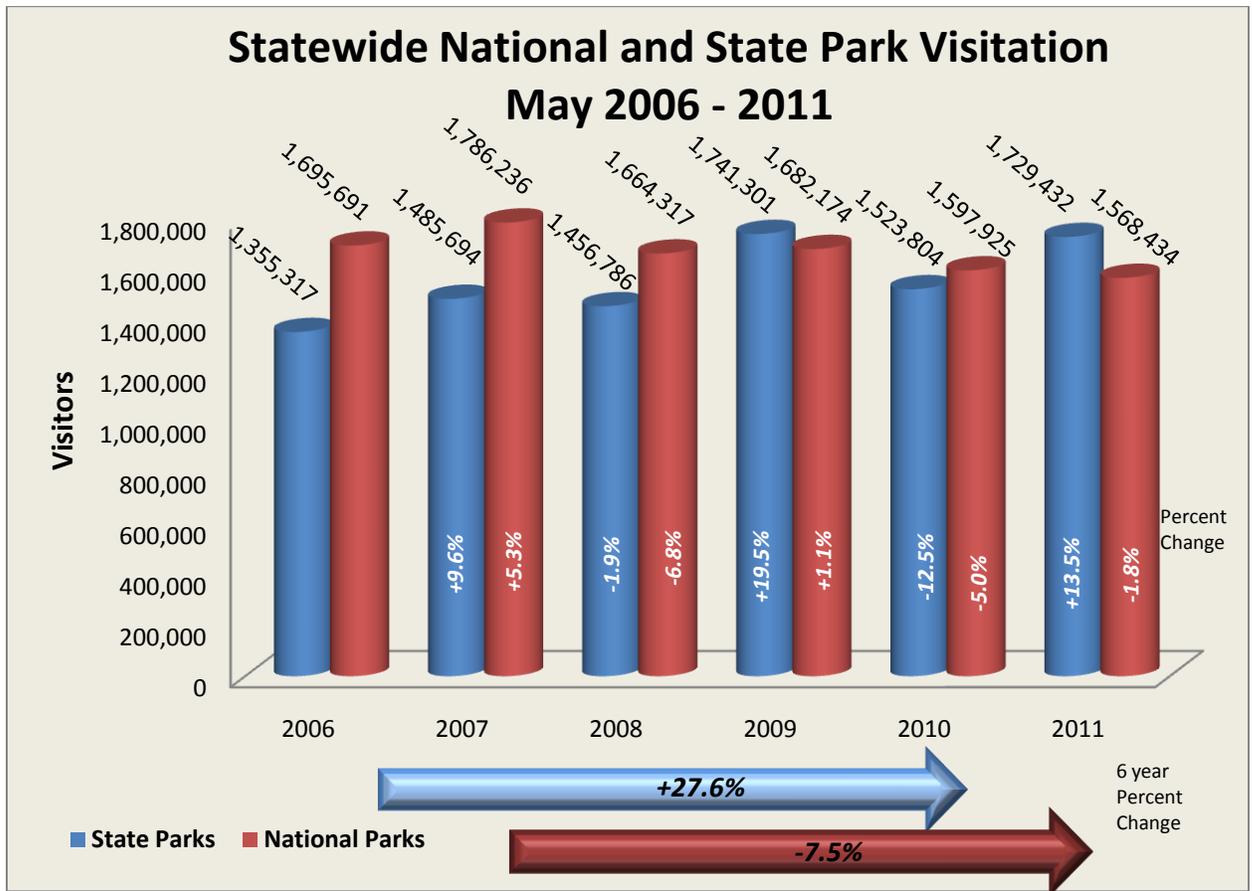
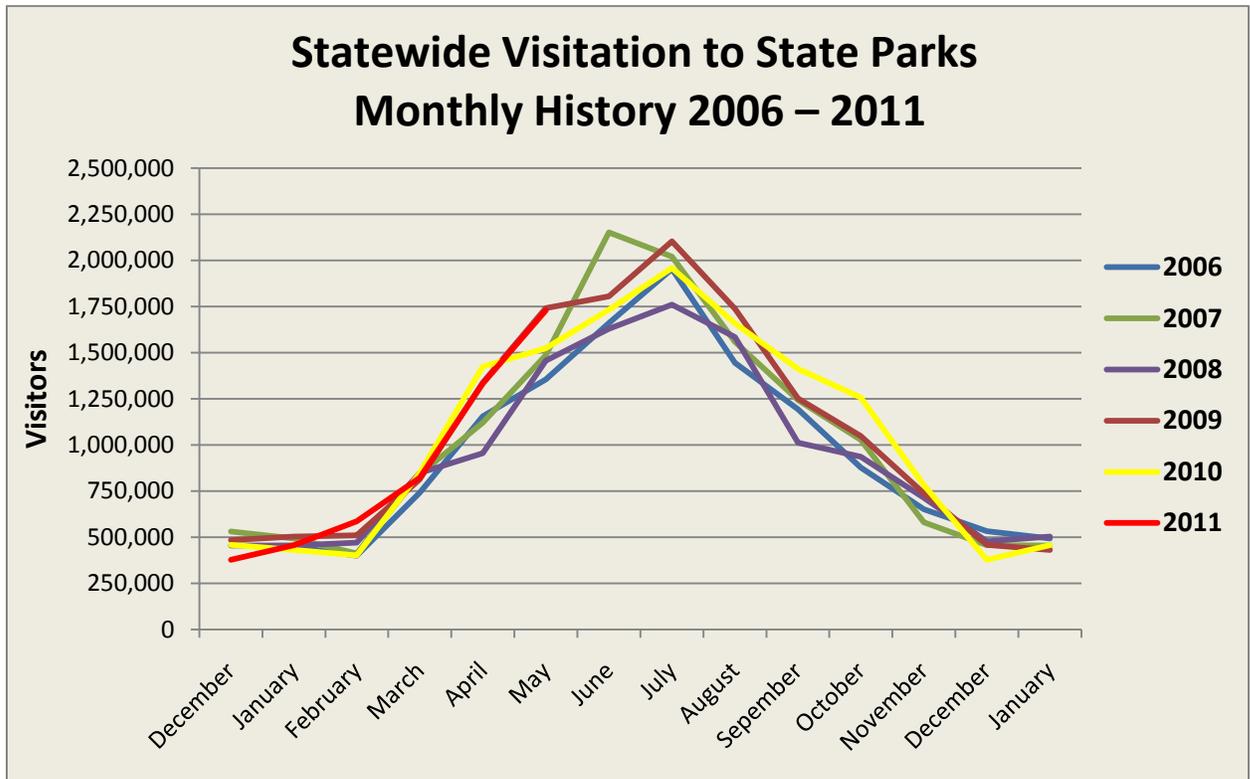


Chart 9 depicts visitation to state and national parks in North Carolina for the last six years months of May. While national park attendance had a decrease of just less than two percent in visitation in May, state park attendance in May had an increase of over thirteen percent from 2010.

Chart 10 – Statewide Visitation to State Parks Monthly History 2006 – 2011



Similar to Chart 7, Charts 10 and 11 provide a monthly trend of state and national park visitation for each of the last six 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 – 2011

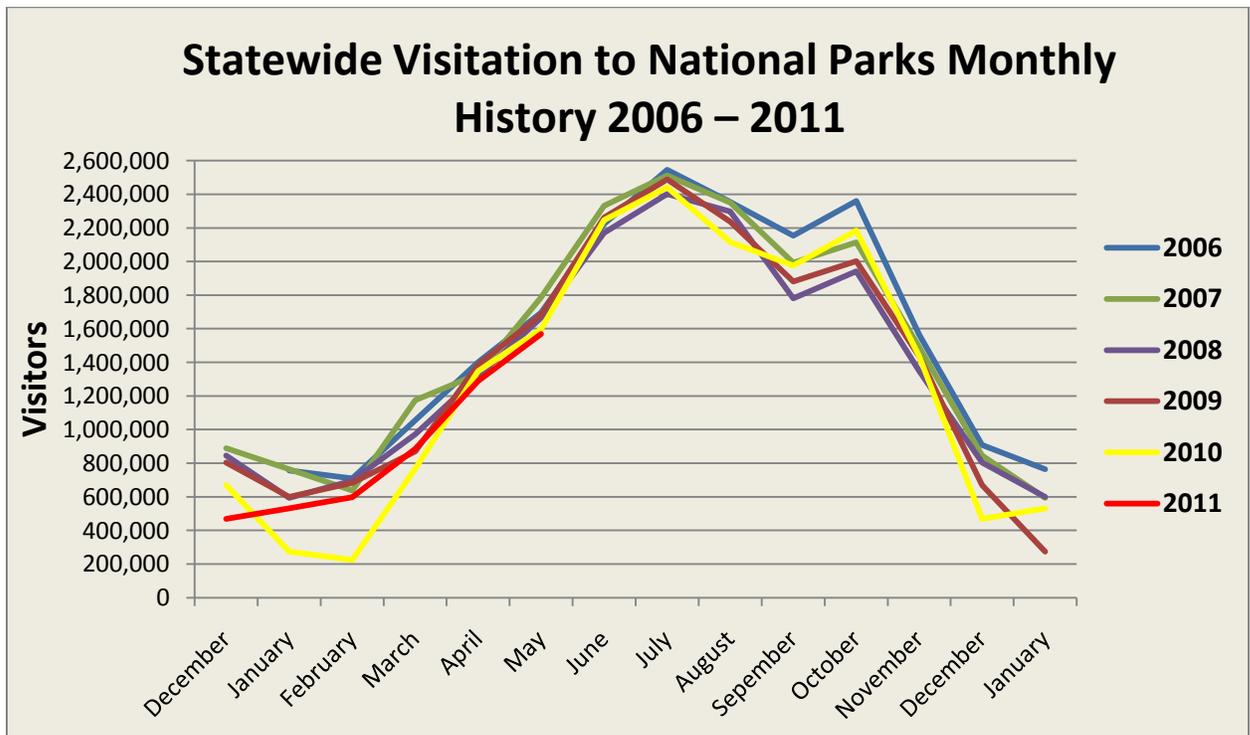


Chart 12 – Statewide Airport Arrivals and Departures - May 2006 – 2011

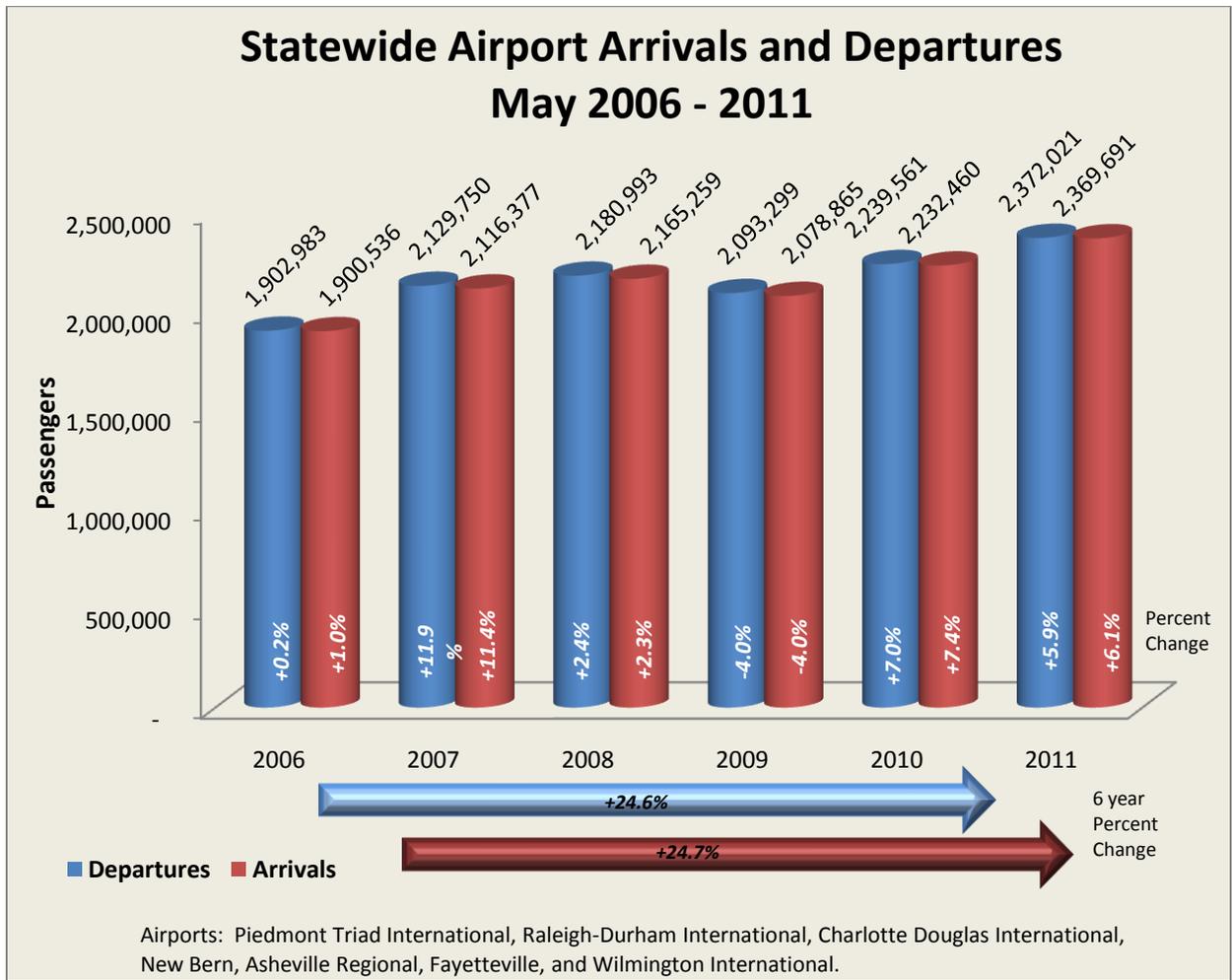


Chart 12 shows May airport arrivals and departures for each of the previous six years. The arrivals and departures grew six percent from last May, and there has been a substantial six-year increase in both for the month of May.

Chart 13 – Lower Atlantic Average Monthly Retail Gas Prices for Unleaded – May 2006 – 2011

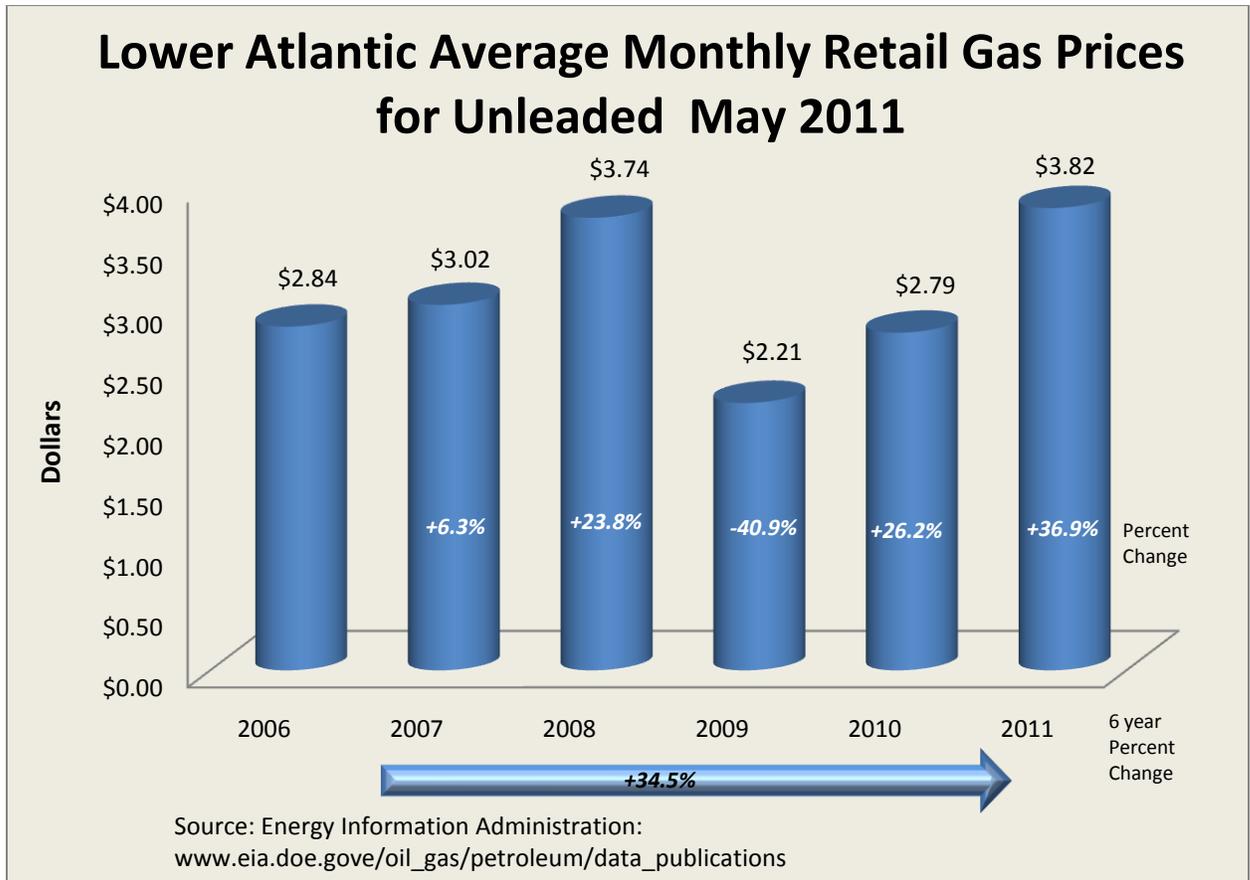


Chart 13 provides the average price per gallon of unleaded gasoline for May 2011 and the same month from the five previous years. The data provided above, when compared with other indicators such as attraction attendance and visitor spending data, can be very helpful in the analysis of general travel trends. Fuel prices in May 2011 surpassed 2008 levels, and were up nearly forty percent from last May.

Chart 14 – North Carolina Average Temperature and Precipitation – May 2010 – 2011

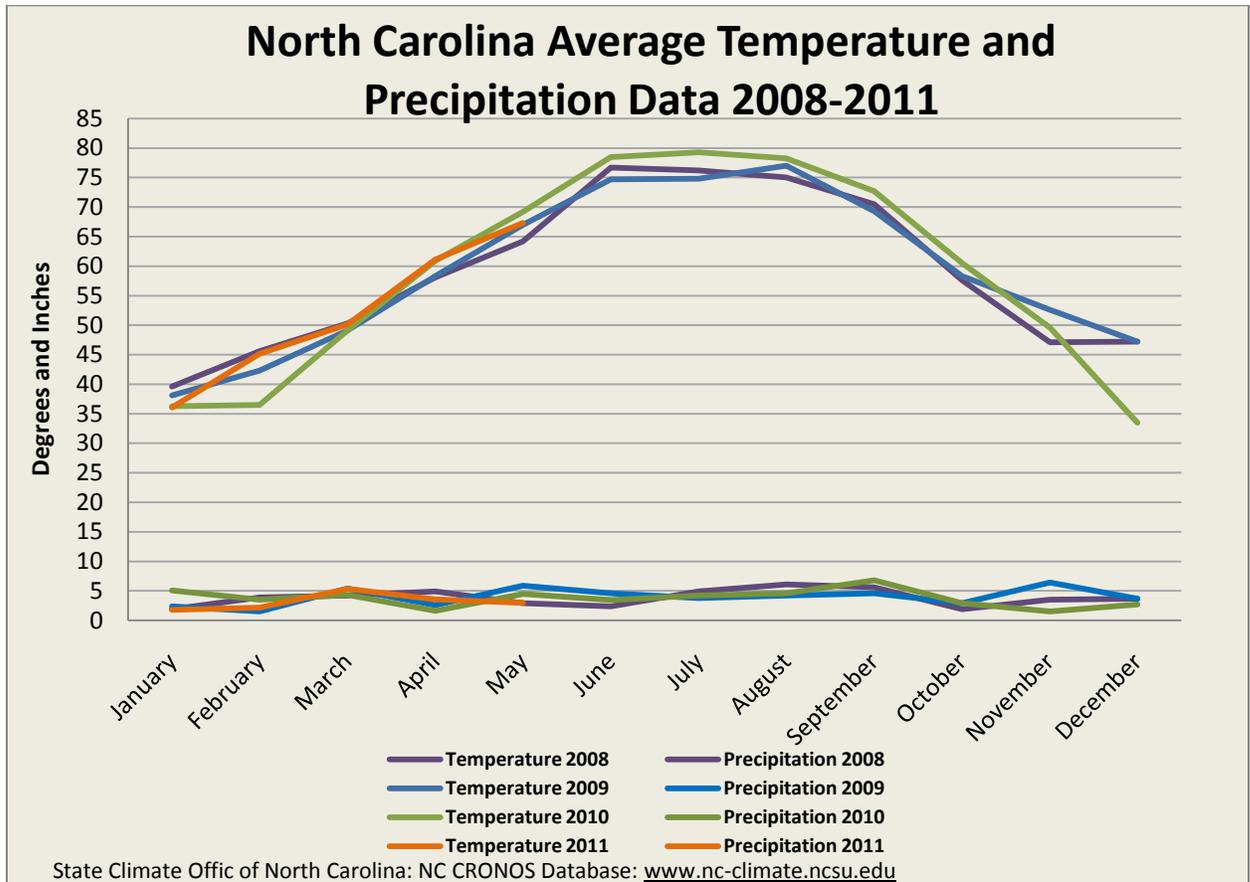


Chart 14 provides 13 months of air temperature and precipitation. This data, when analyzed together with gas price data and other tourism indicators, can be valuable in determining possible reasons for significant increases and/or decreases in indicators. For instance, greater than normal precipitation during a particular month can often help explain decreases in attendance at outdoor attractions.

The average temperature was down about two degrees in May 2011 from May 2010, and there were about two inches less rain in 2011 as compared to 2010.

Section 2 – Geographic Marketing Region (Coastal/Piedmont/Mountain) Tourism Indicator Analysis for May 2011

Chart 15 – Hotel/Motel Statistics by Geographic Region - May 2011

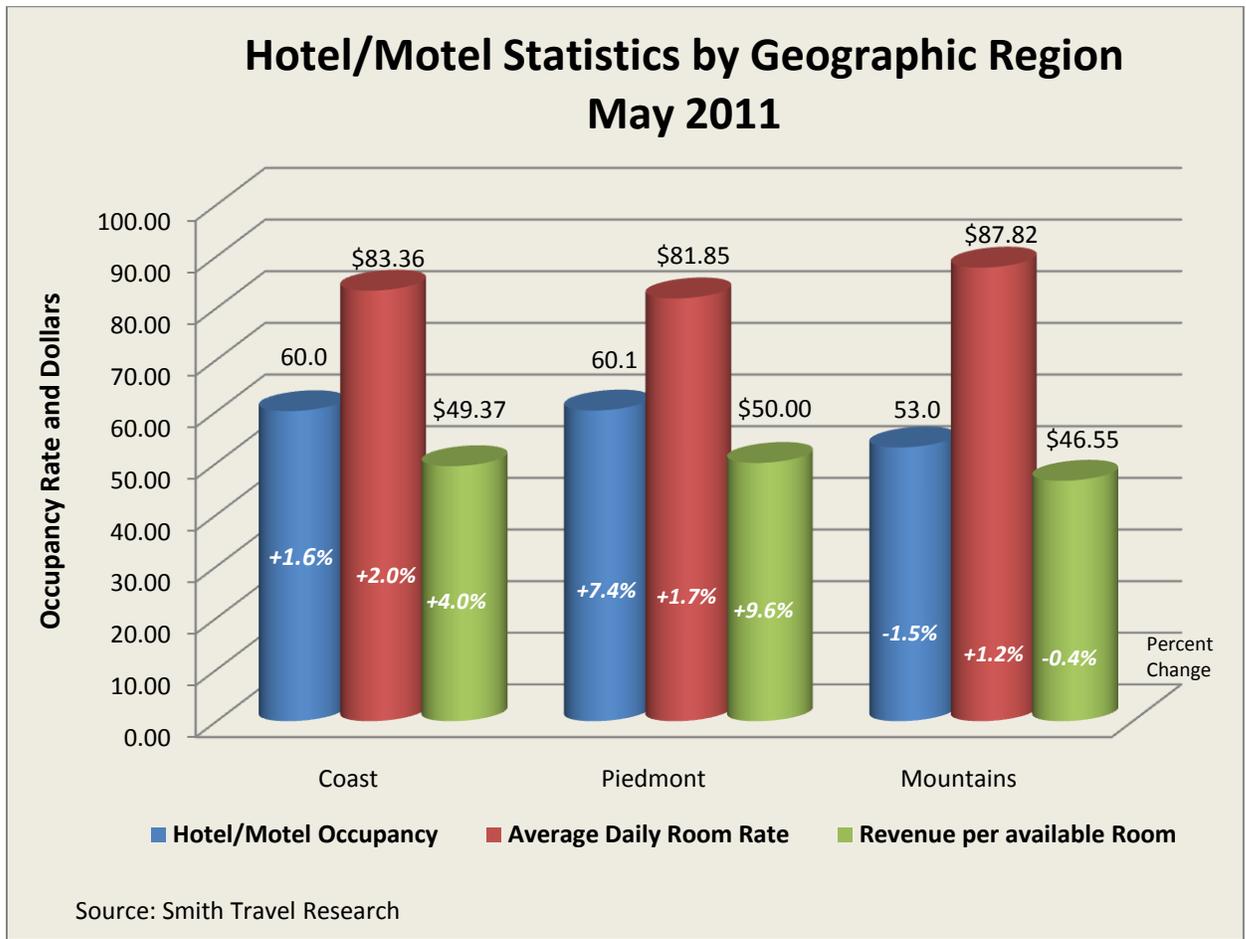


Chart 15 provides a one year comparison in lodging statistics for the three geographic marketing regions of North Carolina in May. Major indicators in the Coastal and Piedmont regions showed increases in May 2011 as compared to 2010, however occupancy in the Mountain Region was down just over one percent.

Chart 16 – Hotel/Motel Room Demand by Geographic Region - May 2011

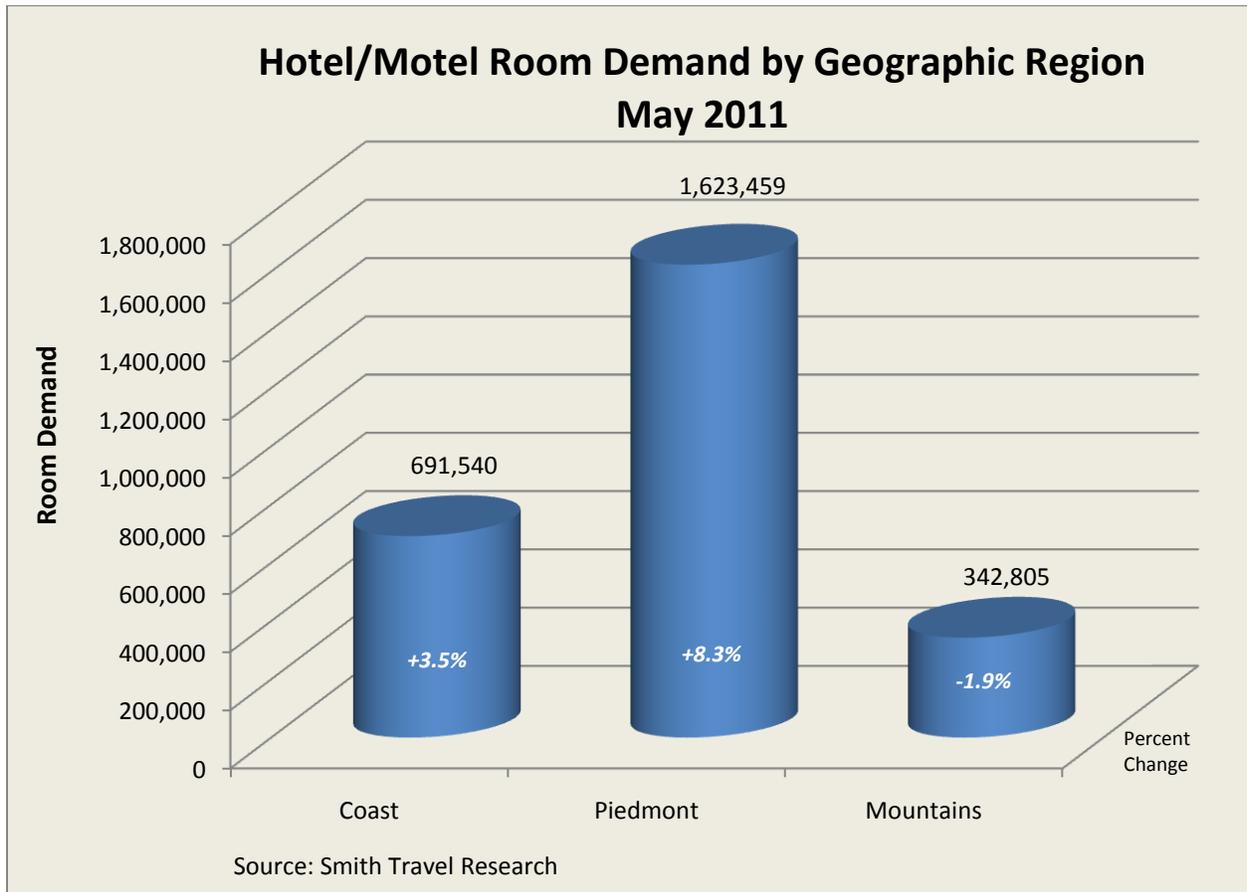


Chart 16 provides hotel/motel demand by geographic region for May 2011. Demand differs from occupancy in that it is the total number of rooms sold, not accounting for differences in room supply. The Piedmont Region had demand growth of over eight percent, and the Coastal Region had demand growth of three percent, from May 2010 to May 2011. The Mountain Region was down about two percent from last year.

Chart 17 – Visitation to Attractions and Parks by Geographic Region – May 2011

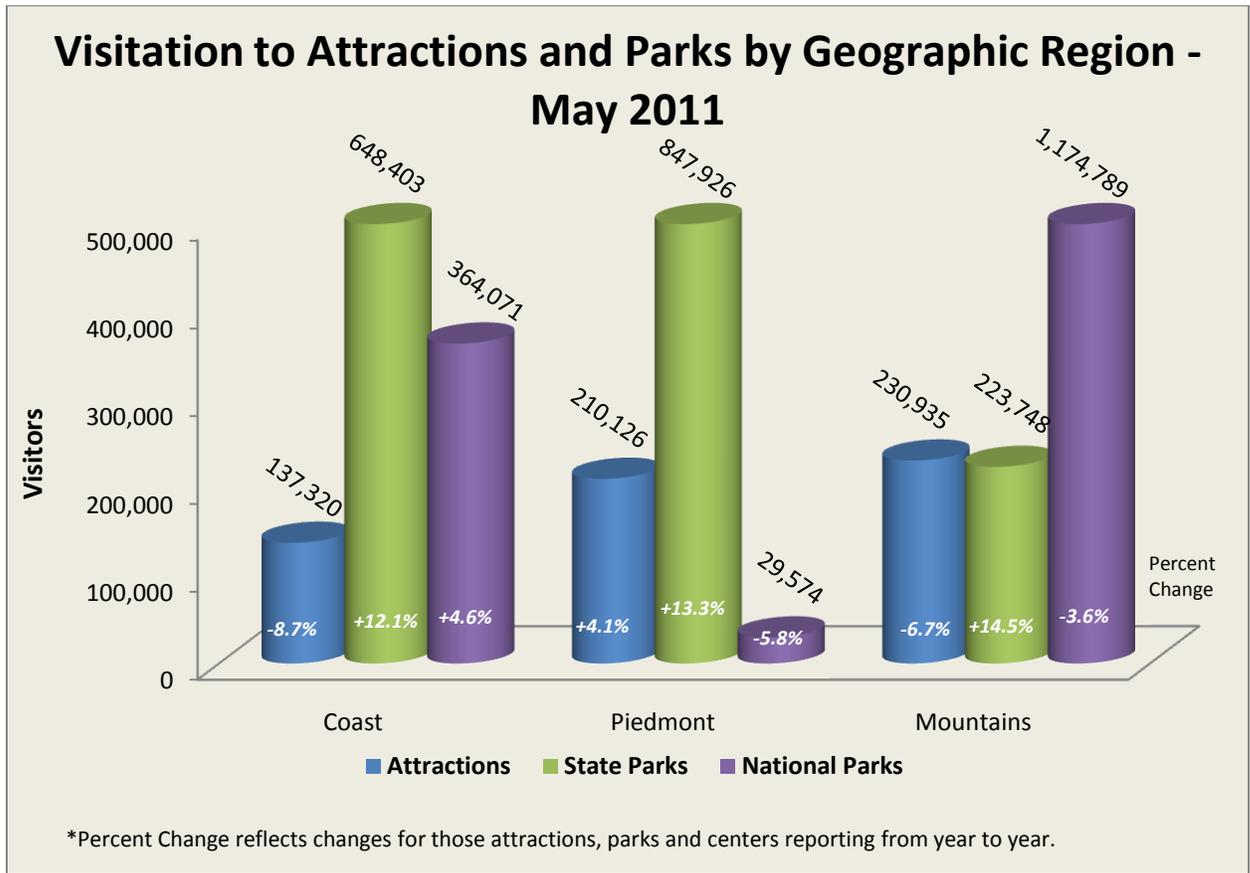


Chart 17 provides a look at the attractions industry in North Carolina in May 2011 by geographic region. As with the statewide numbers, the following data represents only a sample of North Carolina attractions that provide their attendance data, and are not intended to be considered a complete list of attractions. However, the wide variation of type and location of the participating attractions allow for a valid aggregate trend analysis on a monthly basis.

The Coastal Region saw increases in attendance at national and state parks, but decreased visitation at attractions. As well, state park attendance in the Piedmont and Mountain regions had positive growth from May 2010 to 2011.

Chart 18 – State Welcome Center and Local Visitor Center Attendance by Geographic Region – May 2011

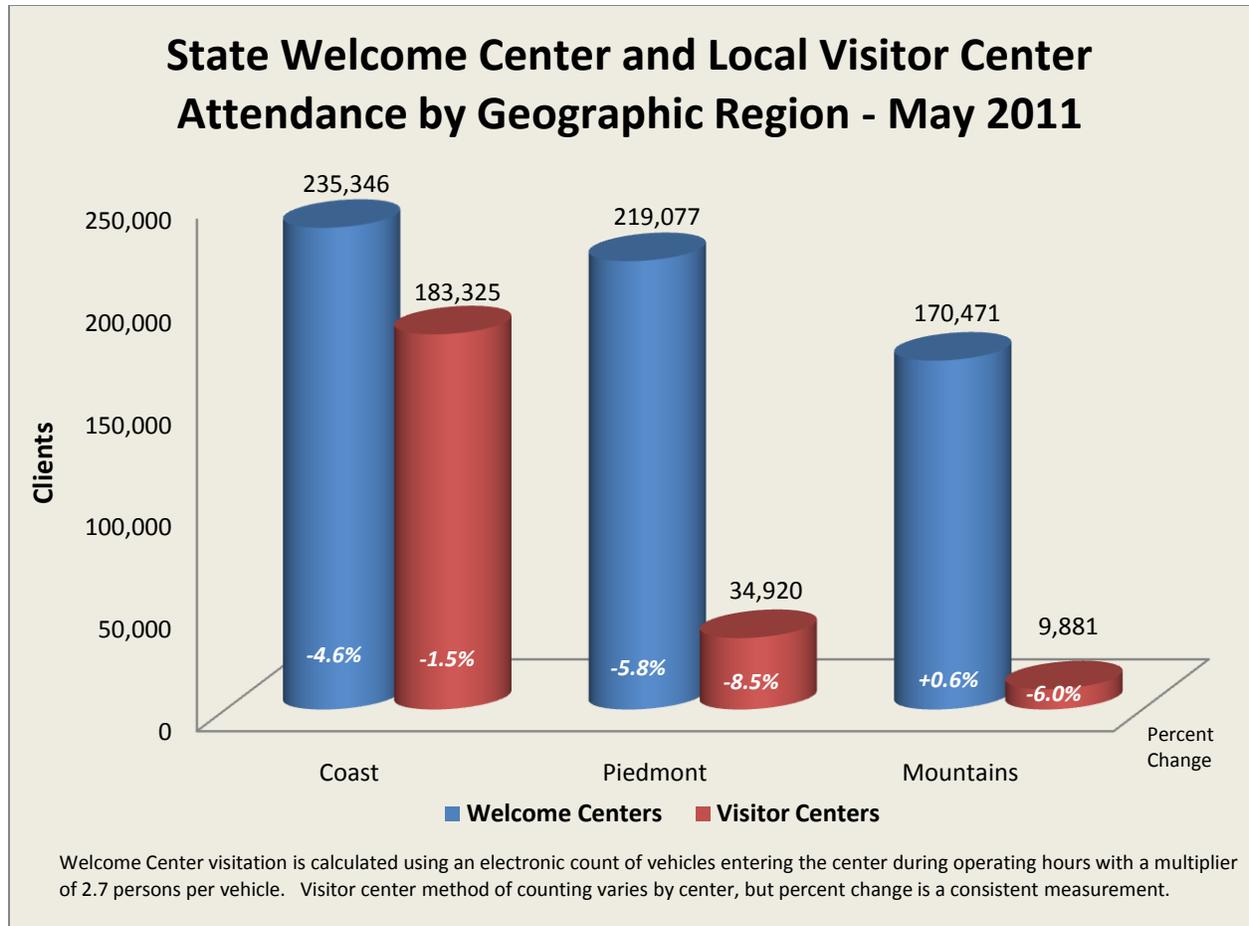


Chart 18 shows welcome center and visitor center attendance by geographic region and offers comparisons from May 2010. All three regions' visitor centers experienced decreases from May 2010, though Mountain Region welcome center attendance was up slightly from last May.

Chart 19 – Airport Arrivals and Departures by Geographic Region – May 2011

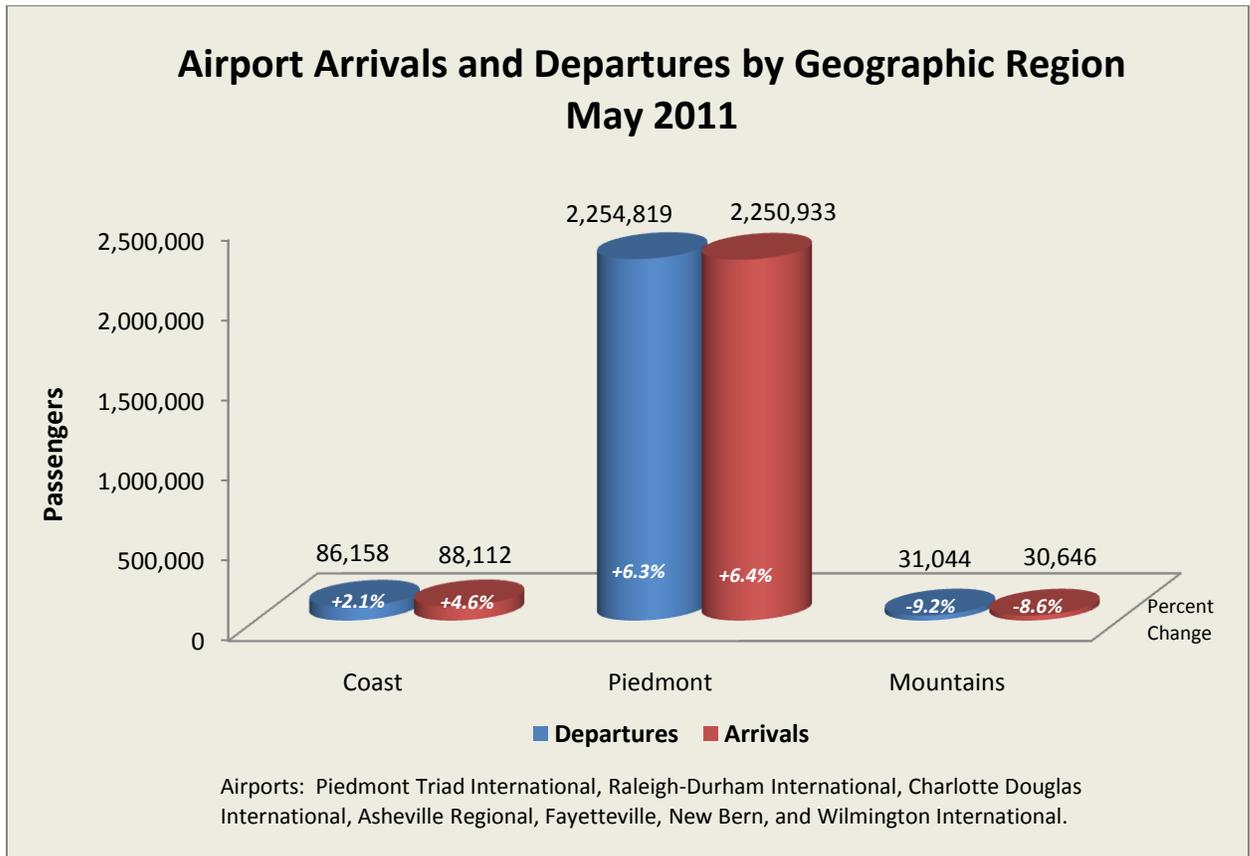


Chart 19 provides a breakdown of air travel statistics by geographic region. While the majority of air traffic is through the Piedmont Region, it is helpful to maintain a trend of other regional airport usage. The Mountain Region showed declines in growth during the month of May as compared to May 2010, though the Coastal and Piedmont regions experienced increases for the month.

Section 3: Economic Development Region Tourism Indicator Analysis – May 2011

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 20 – Hotel/Motel Statistics by Economic Development Region - May 2011

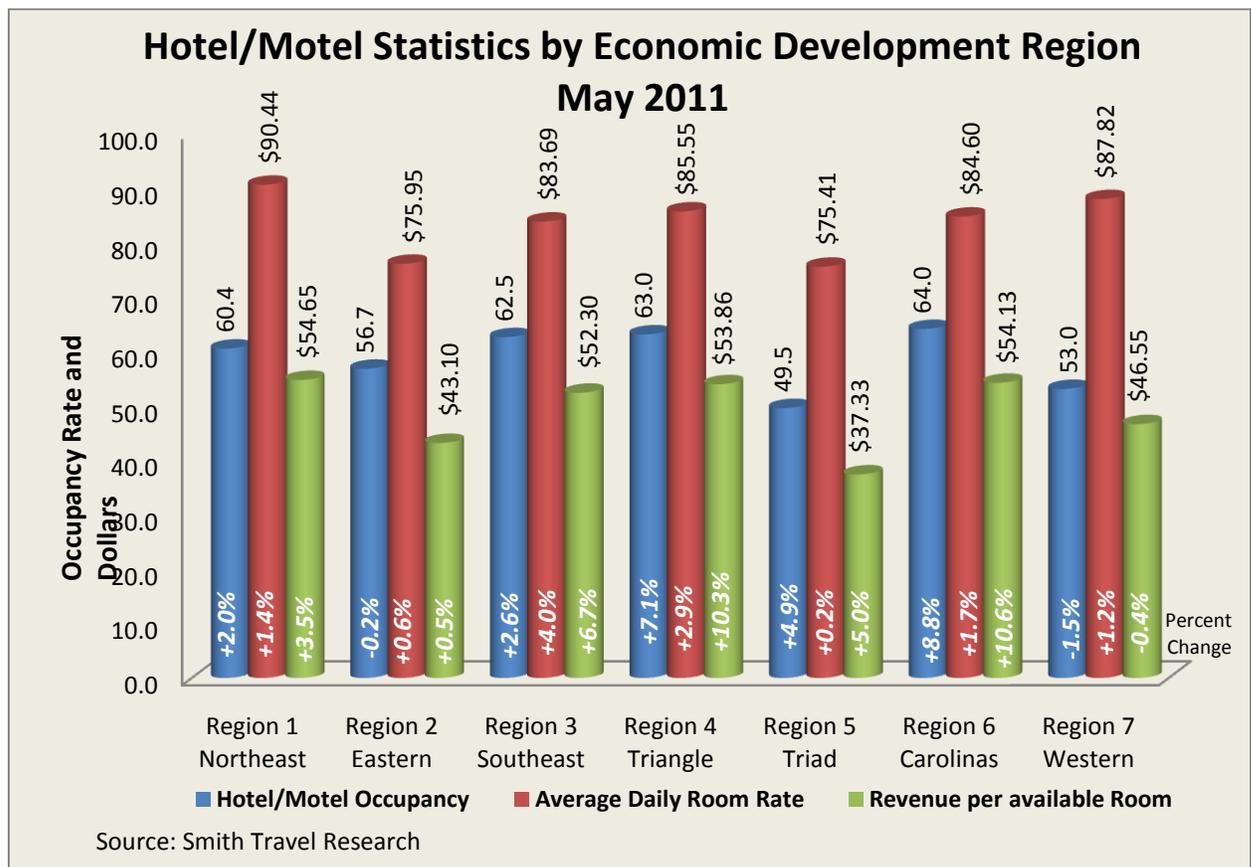


Chart 20 provides lodging indicators for May 2011 by economic development region. Also shown are percent changes from May 2010. This graph allows individual regions within the state to track indicators specific to their general destinations, while still being able to compare their data to the state data shown in Section 1.

Chart 21 – Hotel/Motel Room Demand by Economic Development Region - May 2011

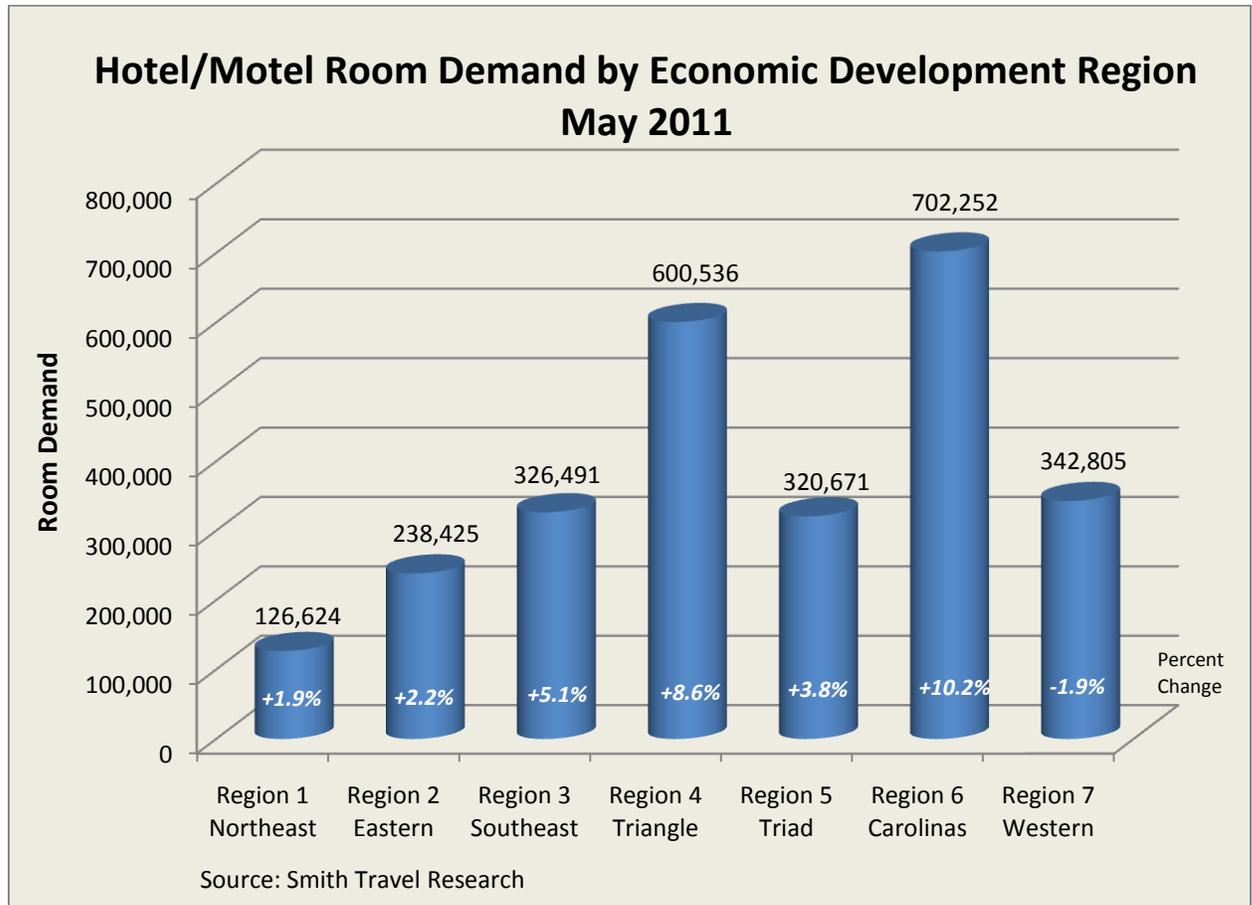


Chart 21 depicts hotel/motel demand for the month of May 2011 by economic development region. Demand is the number of rooms sold excluding complimentary rooms. All regions but the Western Region showed increased demand from May 2010 to 2011. The Carolinas Region had a double-digit increase in demand from May 2010 to May 2011.

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 22 – National Travel Price Index December 2006 – May 2011

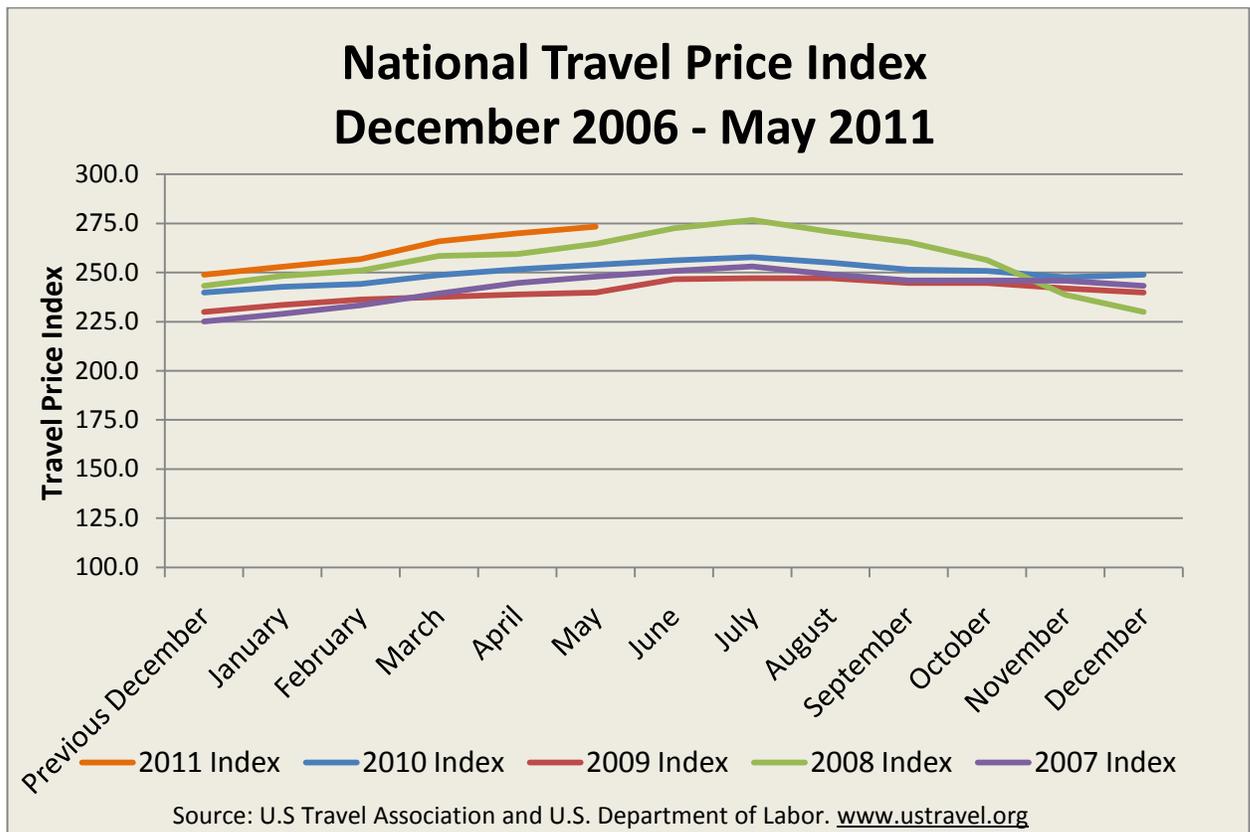


Chart 22 provides a five year trend of the National Travel Price Index (TPI). Steady growth was experienced through mid-2008; however in November 2008, it is clear that as the TPI fell below 2007 levels, the tourism industry began feeling the full effect of the recession. For most of 2009, the TPI remained slightly at or below the 2007 level. In December 2010, the TPI finally inched above the each of the previous Decembers from 2007, and has continued that year-over-year growth into May 2011.

*Hotel/Motel statistics are from Smith Travel Research, Inc.; all other figures are from the Division of Tourism.
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