



September 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 September 2011

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

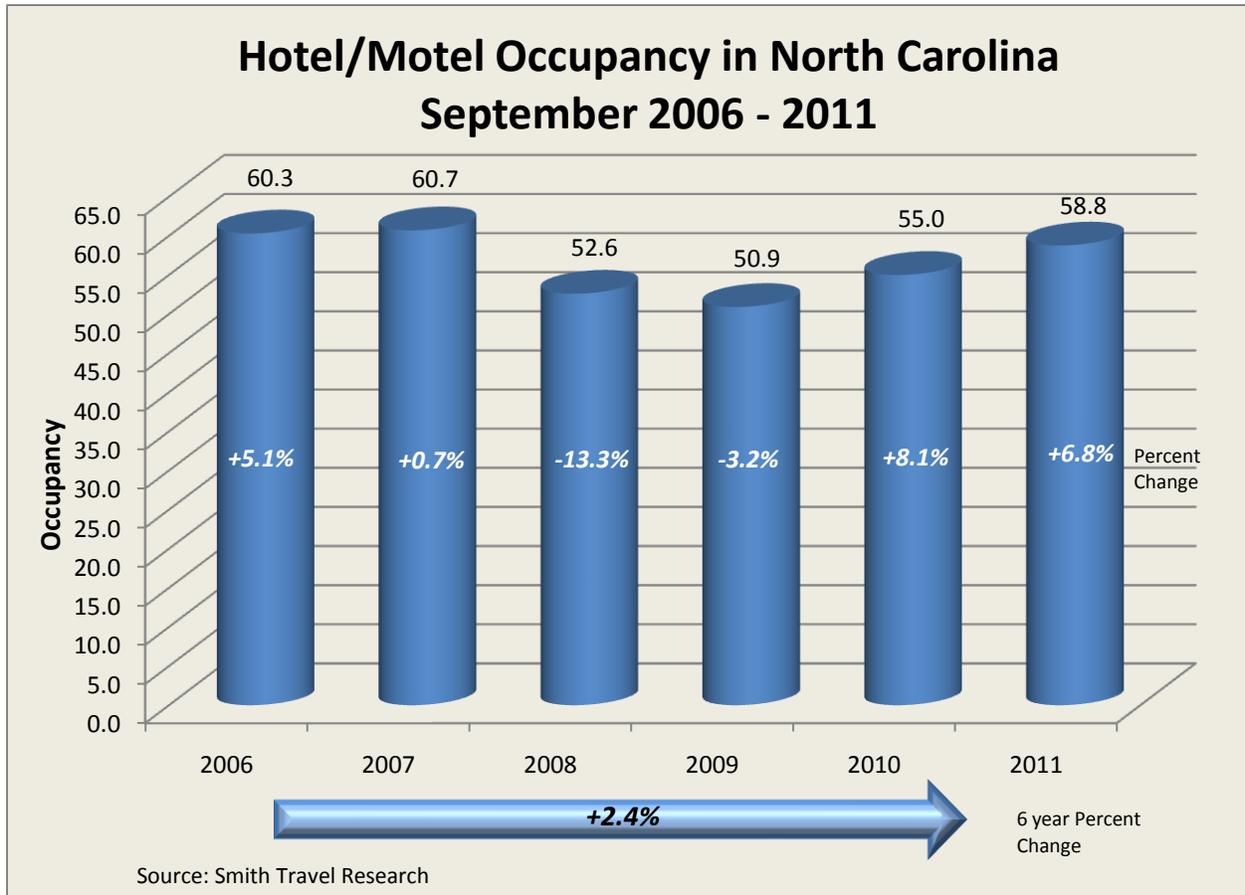


Chart 1 provides a comparison over a six year period to show the trend of occupancy in the state for the month of September. Occupancy for September 2011 was up nearly seven percent from September 2010. *Occupancy at the national level increased by nearly six (+5.7%) percent in September 2011 from the previous year.*

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

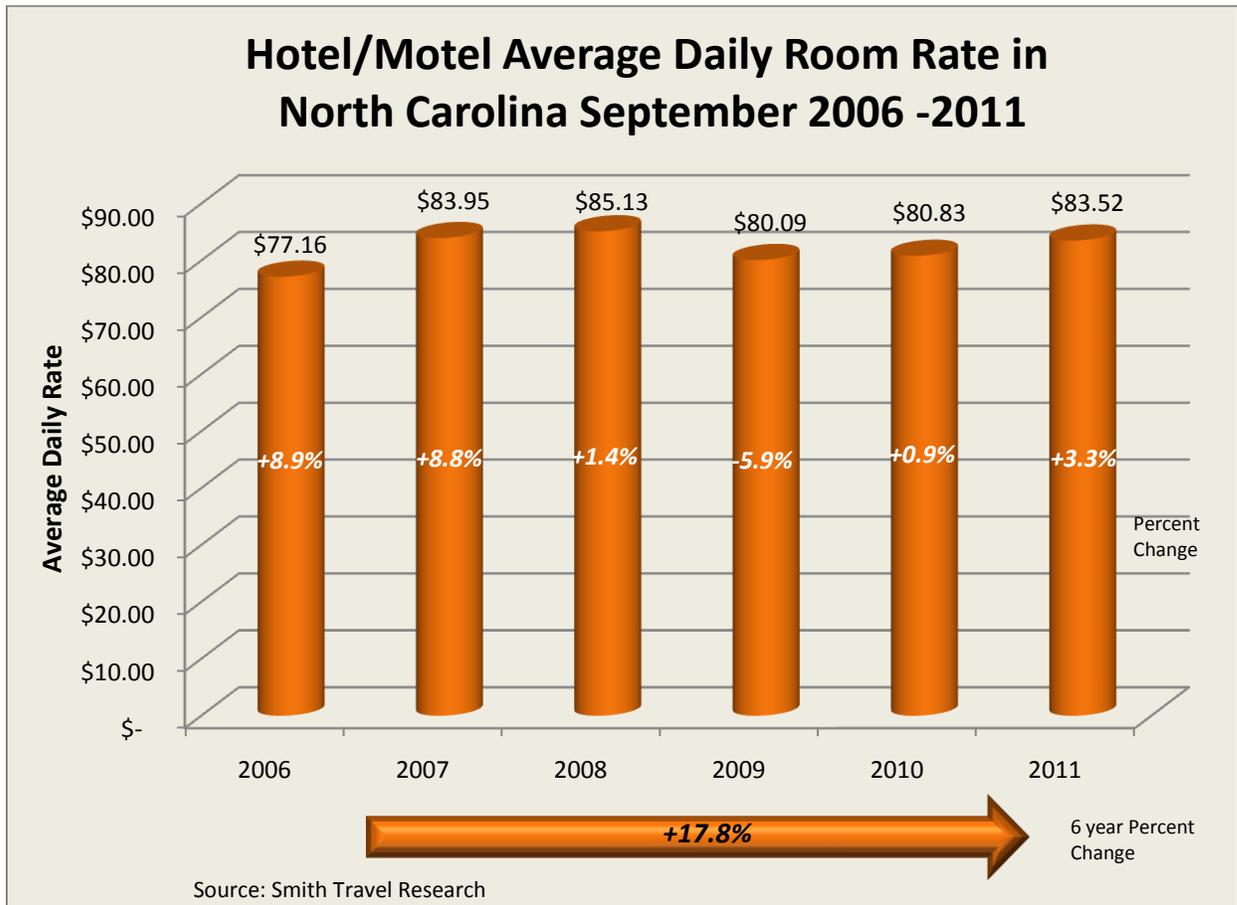
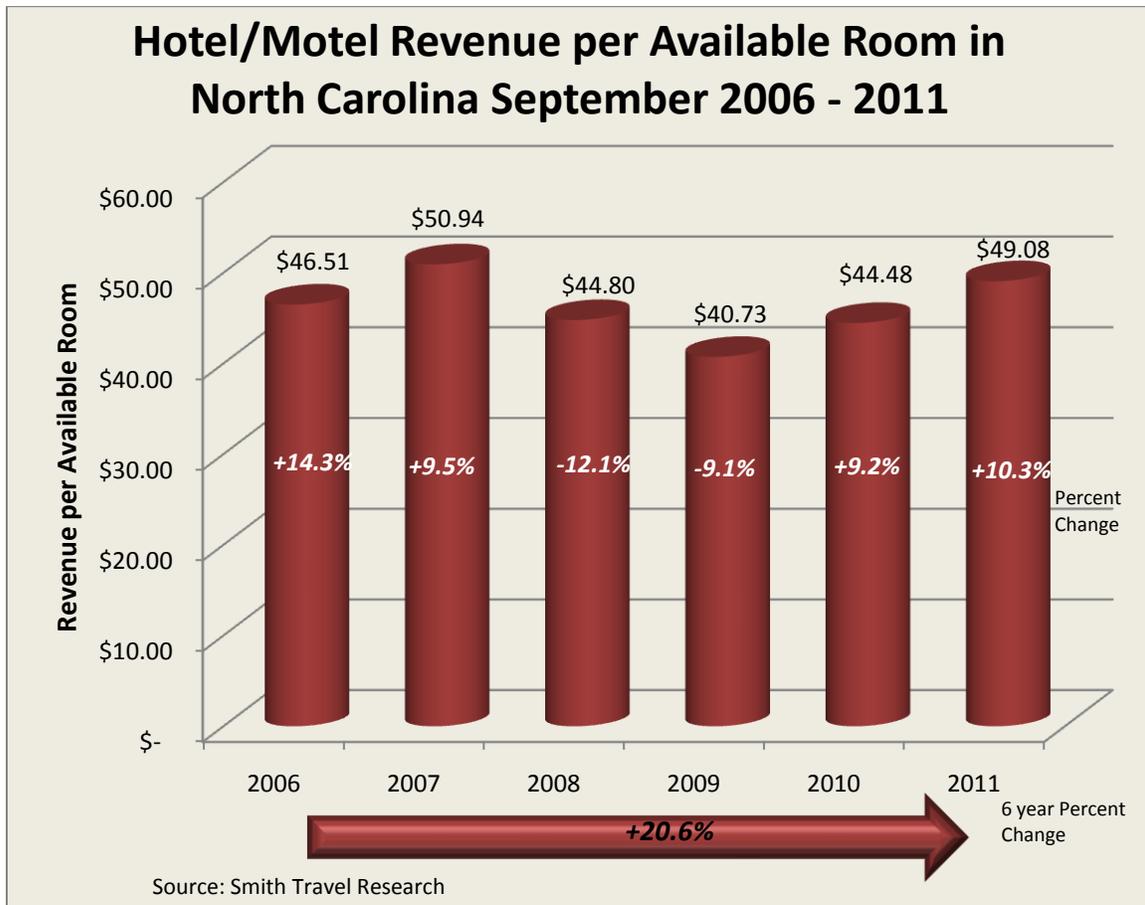


Chart 2 provides a comparison over a six year period to show the trend of average daily room rate (ADR) in the state for the month of September. After peaking in June 2008, ADR decreased about six percent the following year, but has gained over four percent back during the last two years. *ADR at the national level was up 4.0% in September 2011 from the previous September.*

Chart 3 – Hotel/Motel Revenue per Available Room in North Carolina - September 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 September. RevPAR was up over ten percent in September 2011, continuing the positive growth that began in the spring of 2010. *RevPAR at the national level was also up 10% in September 2011 from the previous September.*

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

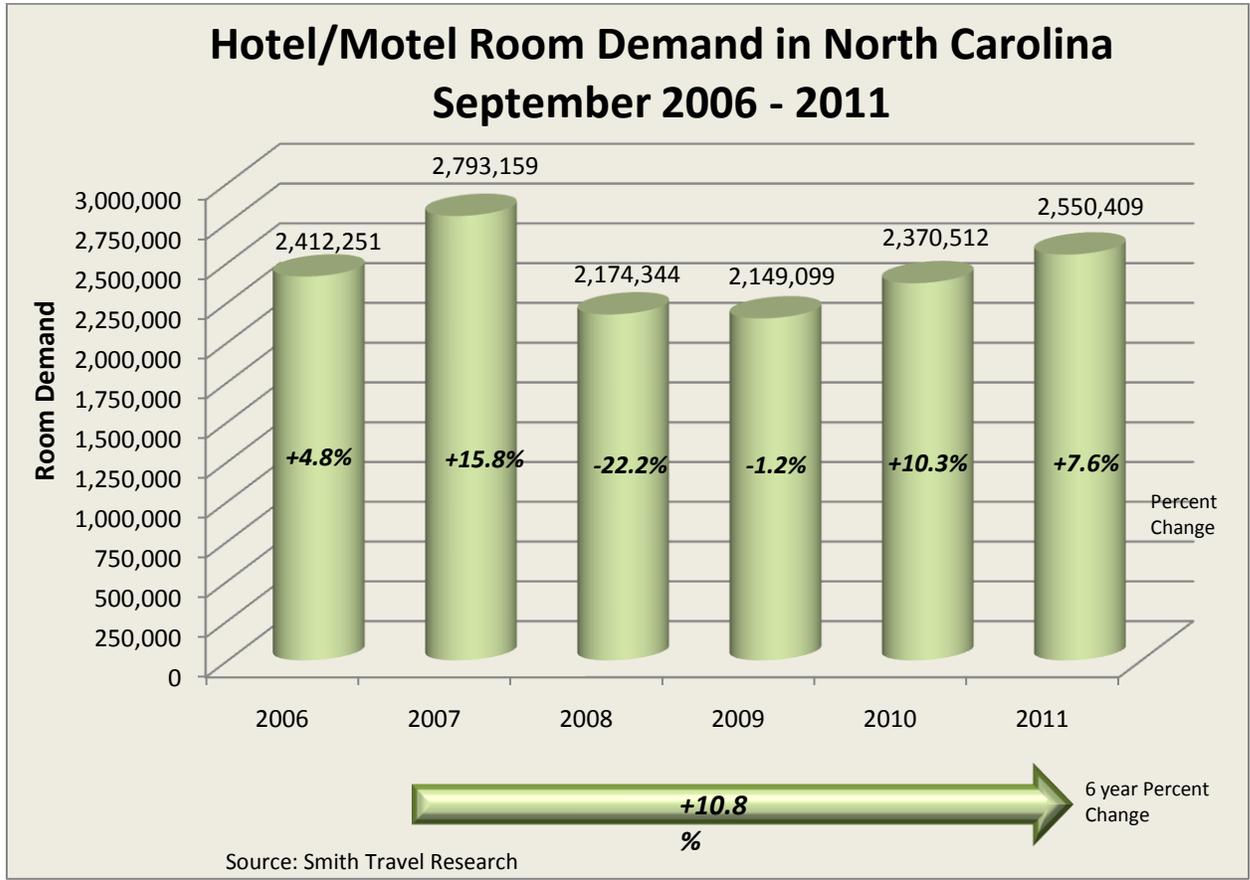


Chart 4 depicts hotel/motel demand for the month of September 2011 with comparisons to the previous five years. Demand is the number of rooms sold excluding complimentary rooms. Room demand for September was up over seven percent from September 2010. *Room demand at the national level saw an increase of 6.4% change in September 2011 from the previous September.*

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

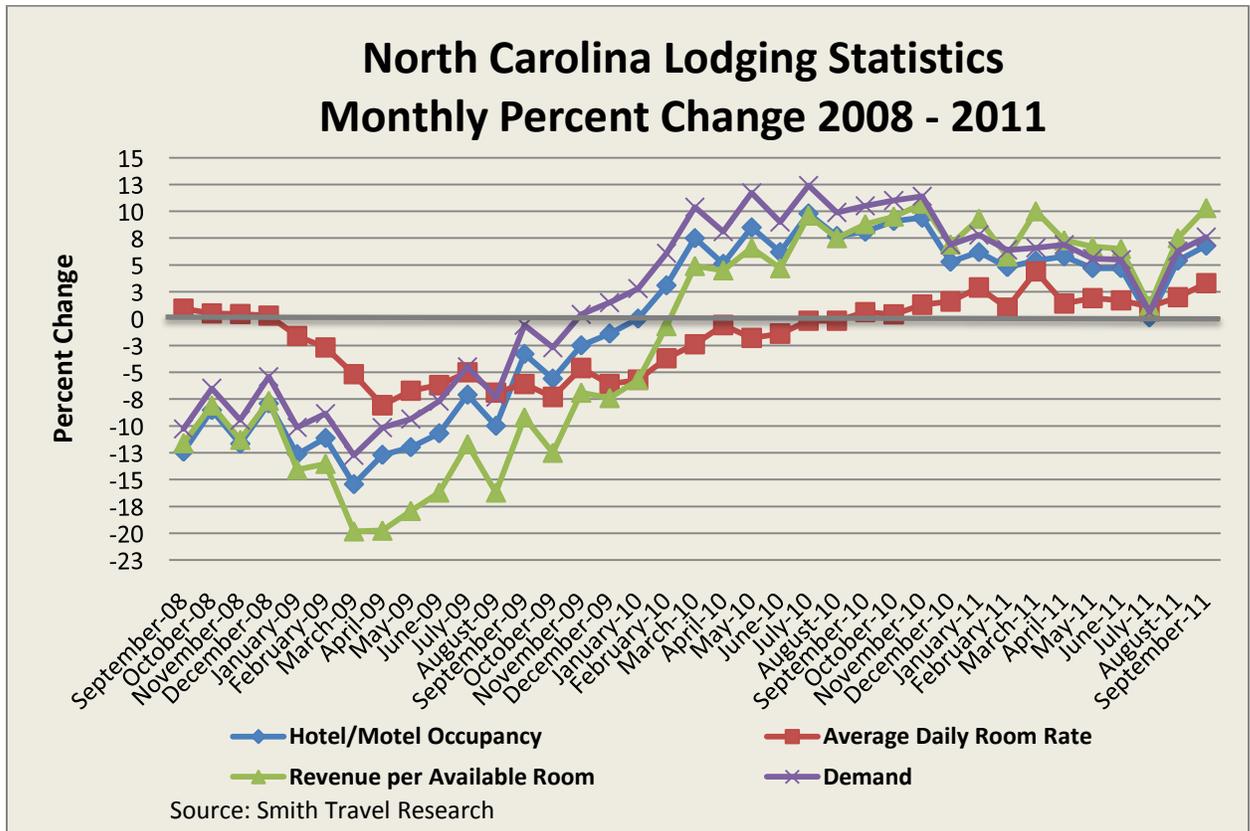


Chart 5 provides a monthly percent change for the four major lodging indicators. The chart allows for a 30 month trend-line analysis that clearly depicts that the major indicators have shown a steady positive change since early 2010, and are continuing into 2011. ADR growth, the last indicator to begin to rebound, remains slow, but is picking up with a 3.3% increase from last September.

Chart 6 – Statewide Visitation to Attractions – September 2006 – 2011

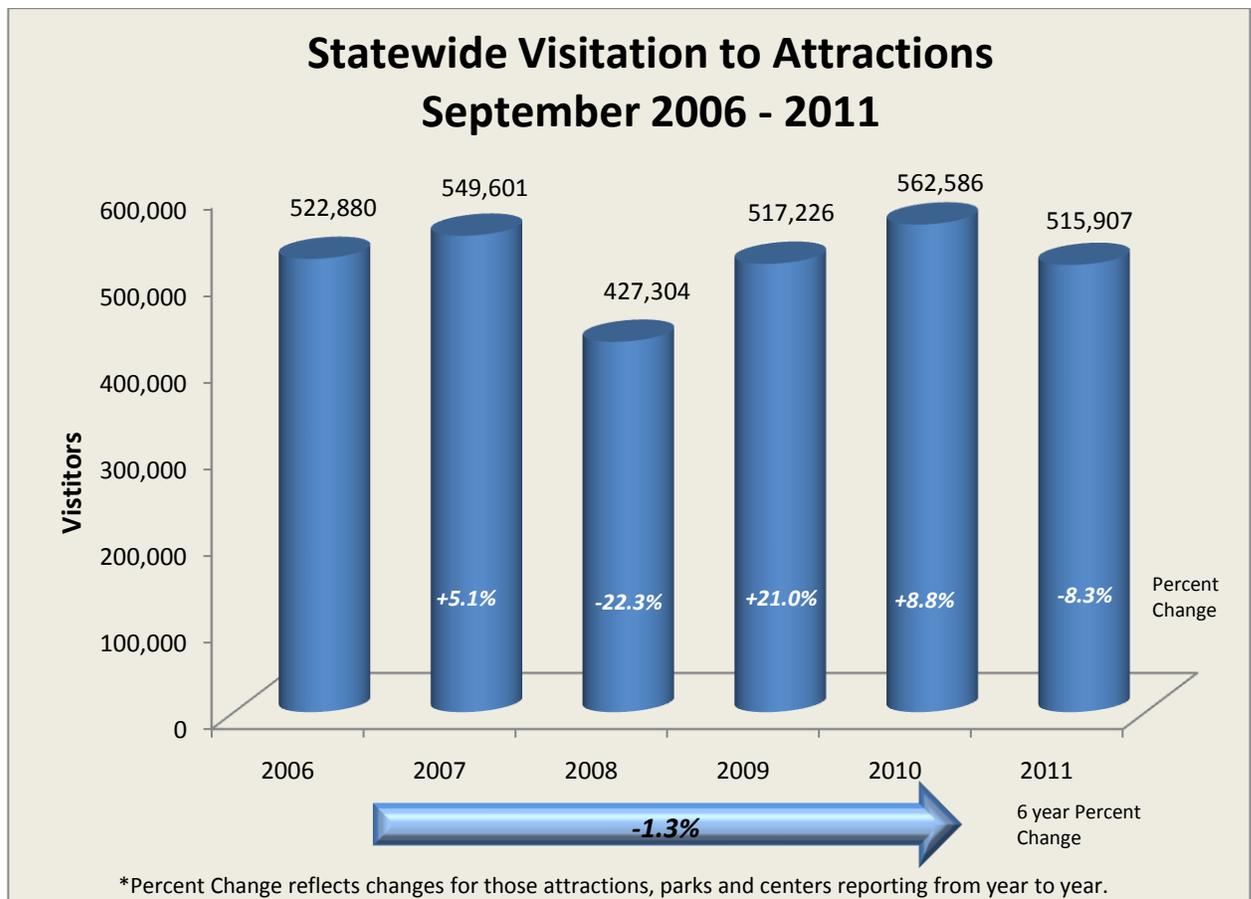


Chart 6 provides a status of the attractions industry in North Carolina for the month of September for the last six years. The numbers represent only a sample of North Carolina attractions that provide their attendance data, and are not intended to be considered a complete list of attractions. However,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

September showed a decrease for NC attraction attendance (-8.3%), and a small decrease from 2006 (-1.3%). Piedmont attractions noted that wet weather negatively affected their visitation numbers for the month.

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

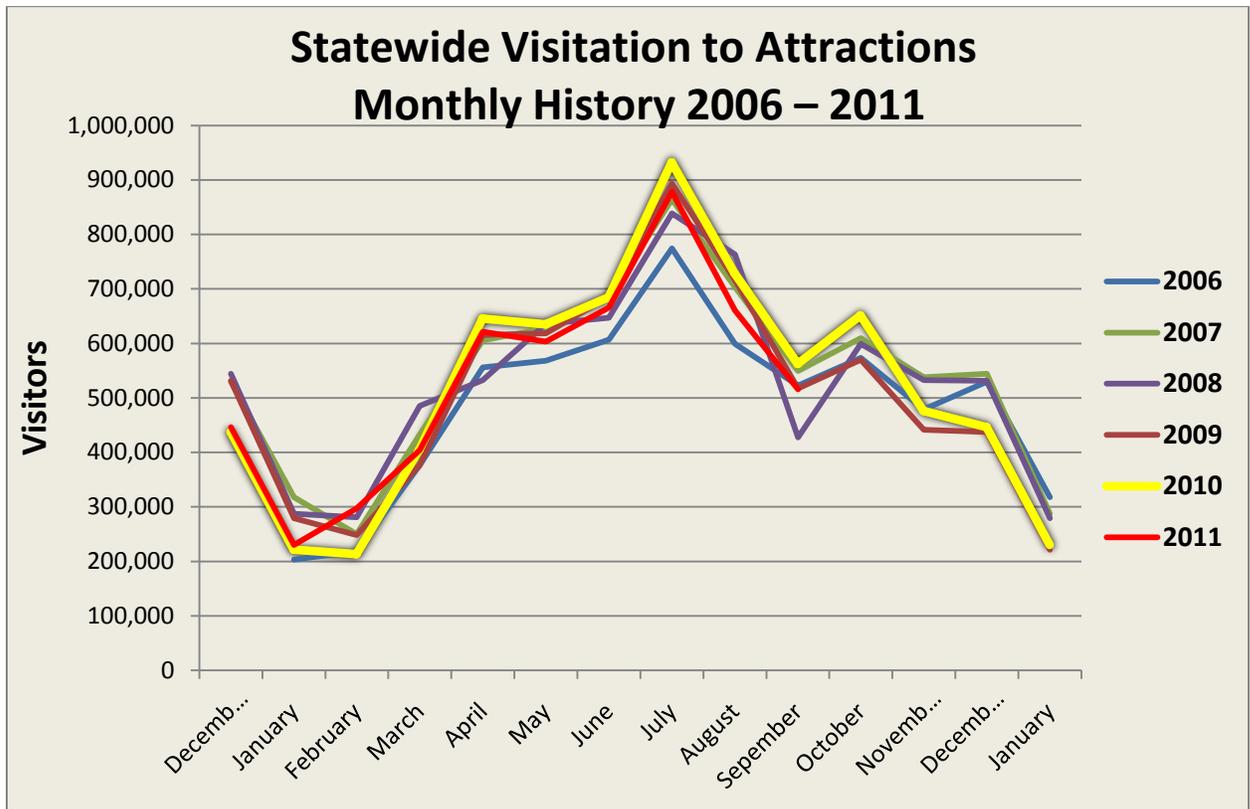


Chart 7 shows a monthly trend of attraction visitation for each of the last six years. This chart allows for a view of the ebb and flow of monthly attraction attendance, while also providing a look at how attendance compares to the same month of the previous years. Not surprisingly, the winter months 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 - September 2006 – 2011

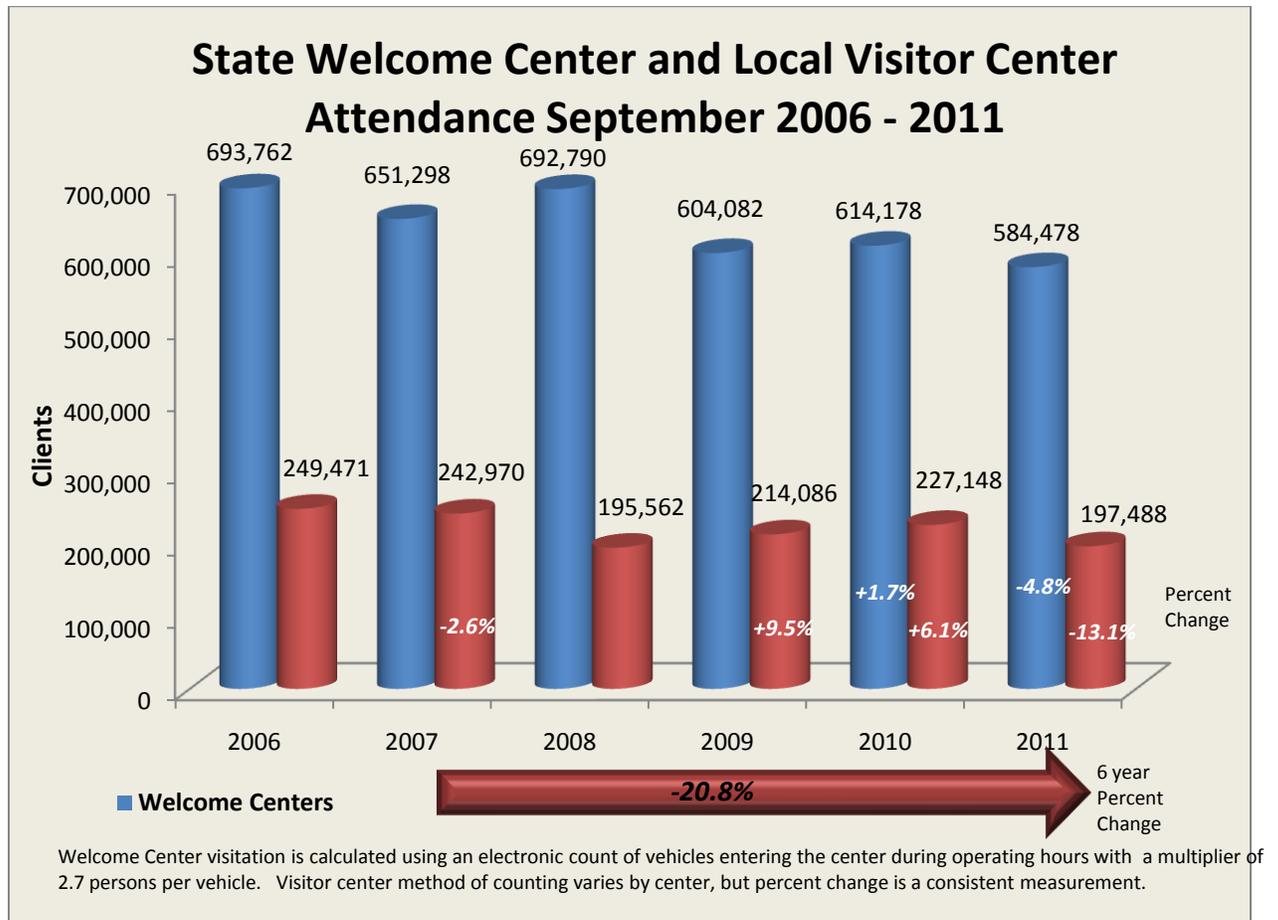


Chart 8 provides September visitation statistics for State Welcome Centers, as well as Local Visitor Centers throughout North Carolina. It should be noted that while there is a percent change indicated for welcome centers for 2007-2008 and 2008-2009, 2008 was the first year a percent change could accurately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

September numbers were down for both welcome and visitor centers.

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

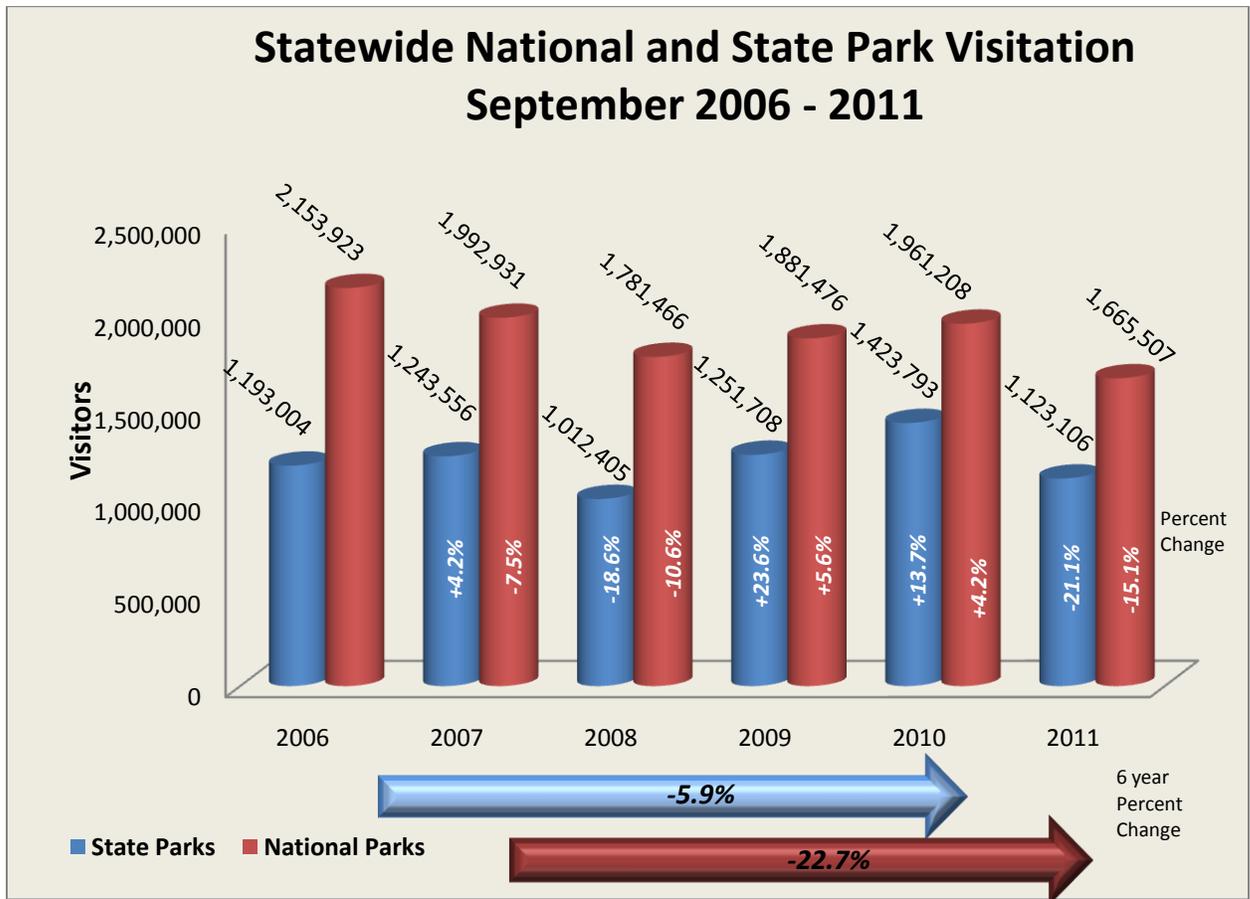
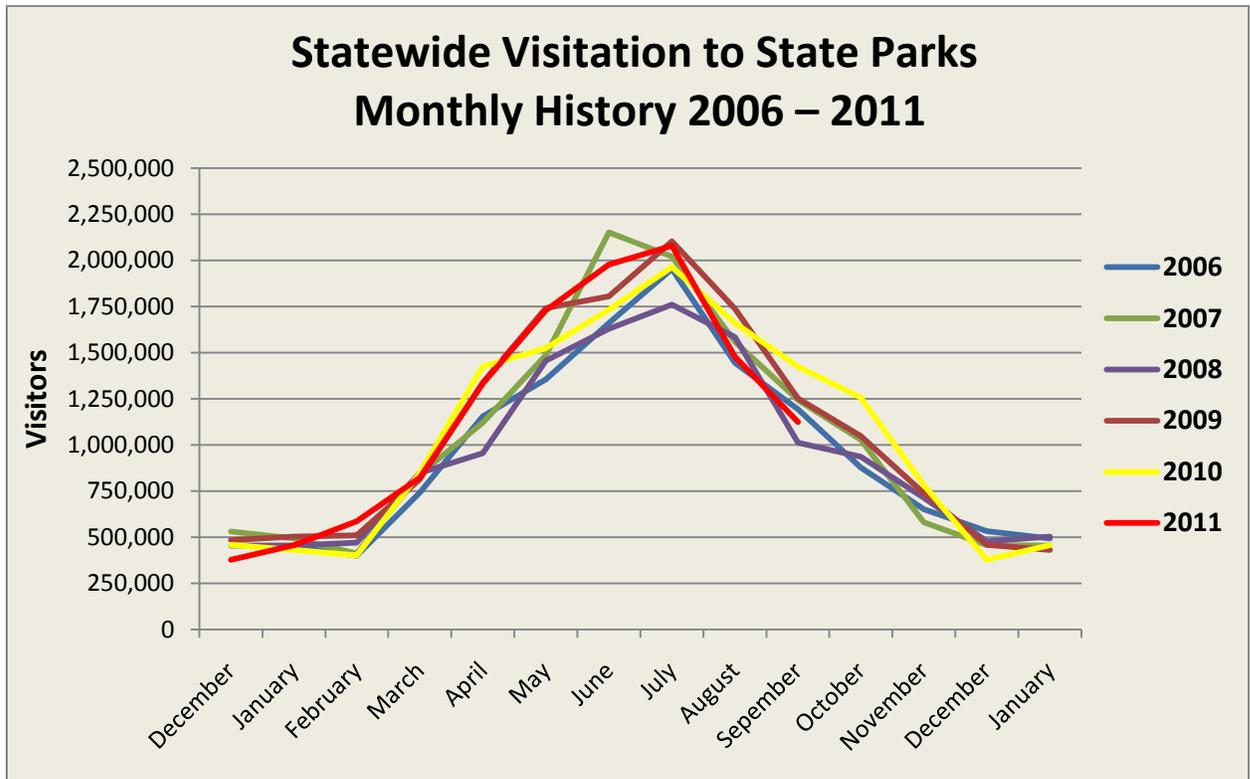


Chart 9 depicts visitation to state and national parks in North Carolina for the last six years months of September. Both national and state park attendance was down in September from last year.

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

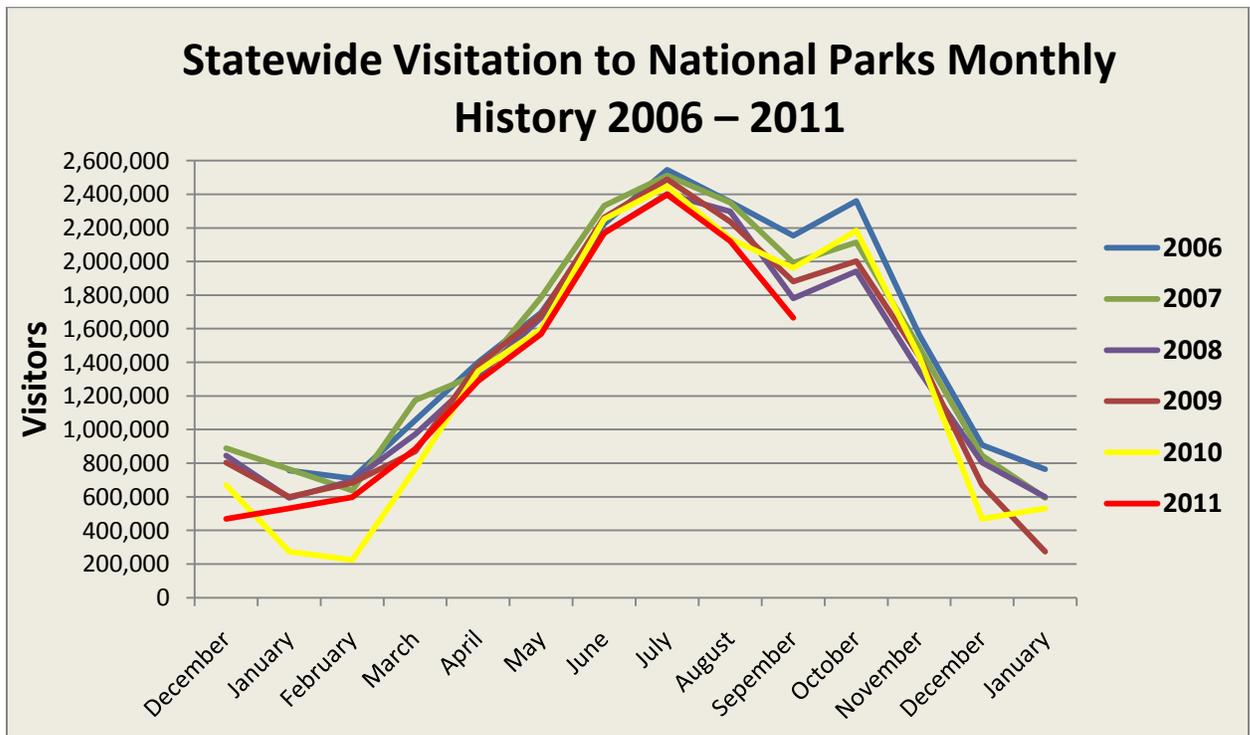


Chart 12 – Statewide Airport Arrivals and Departures - September 2006 – 2011

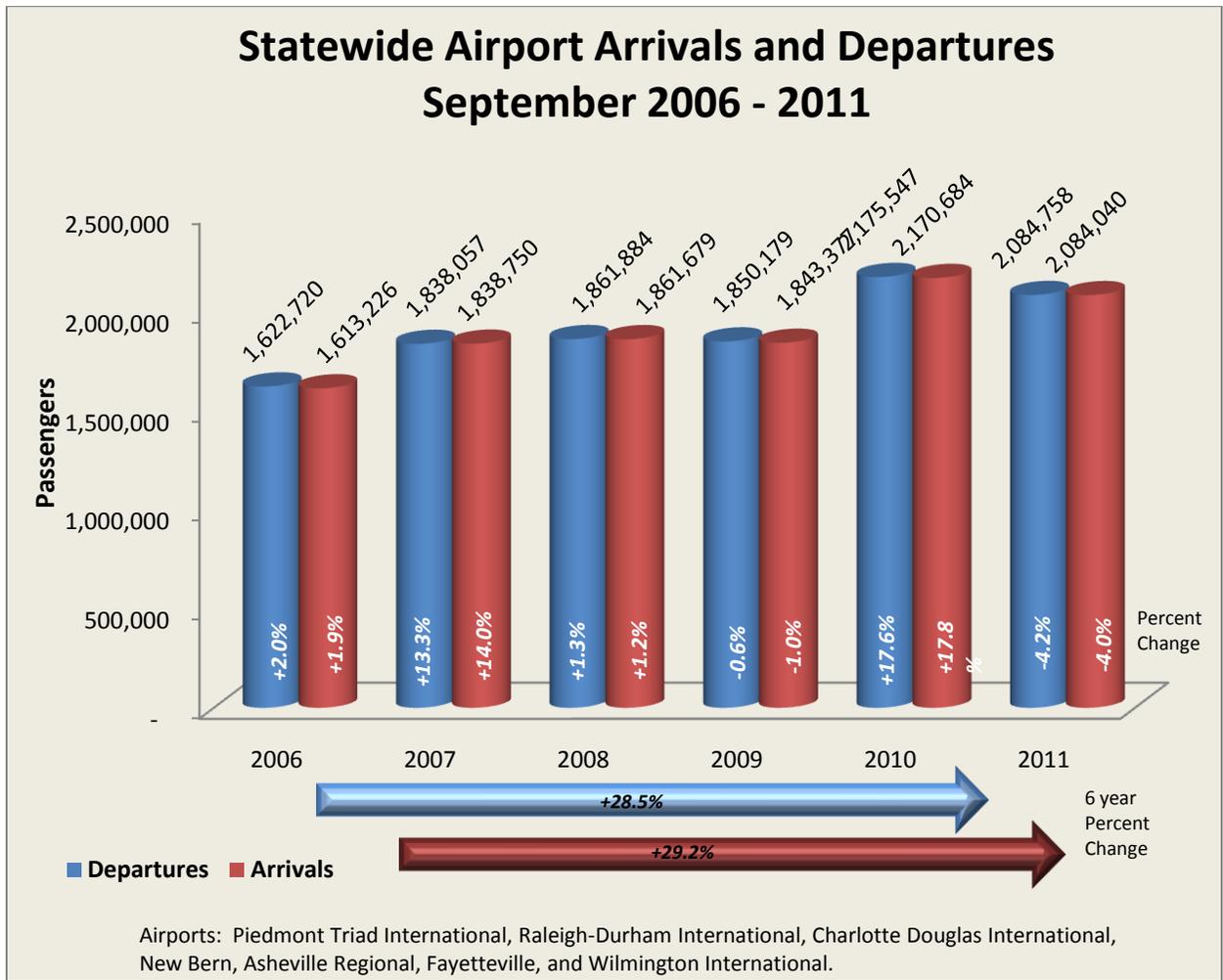


Chart 12 shows September airport arrivals and departures for each of the previous six years. Departures decreased about four percent from September 2010 to 2011, as did arrivals. There has been a substantial six-year increase in both for the month of September.

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

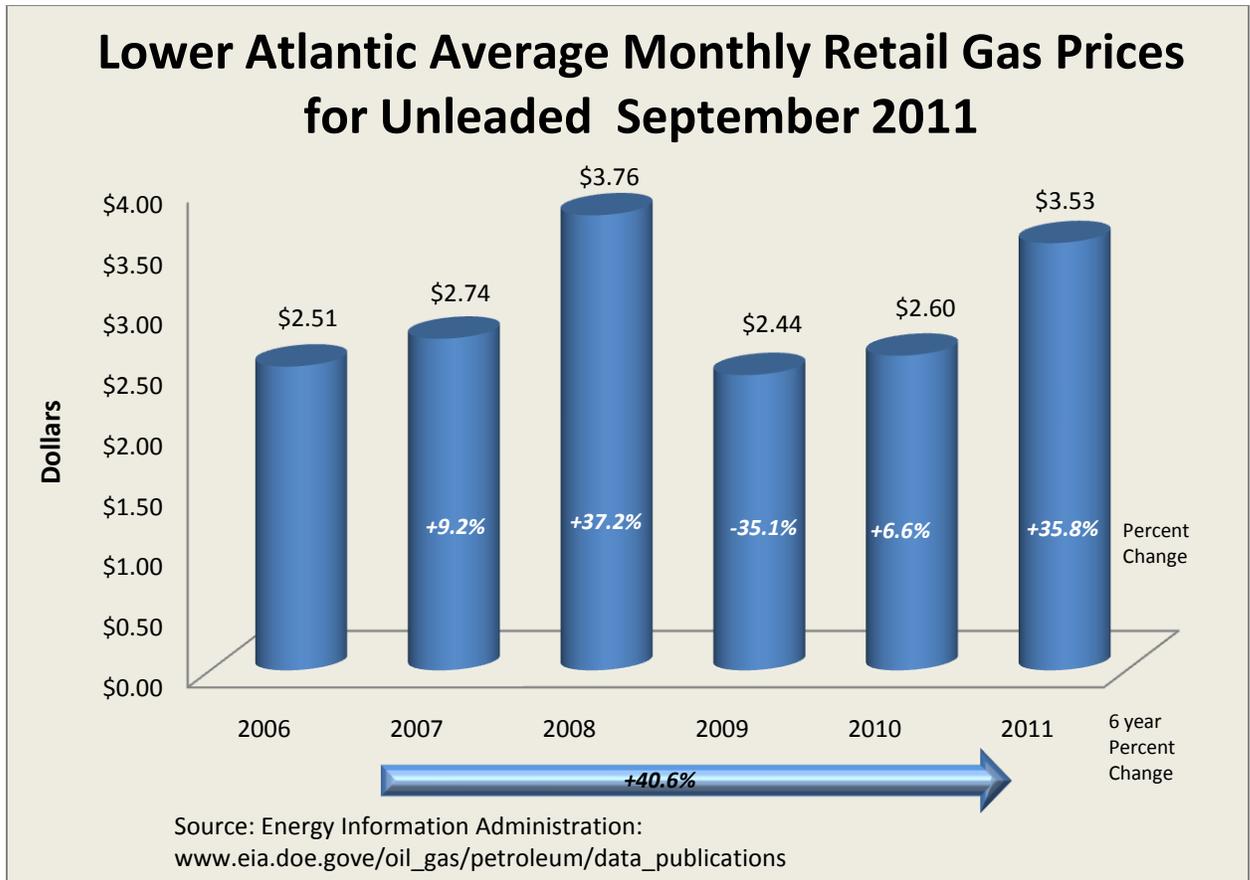


Chart 13 provides the average price per gallon of unleaded gasoline for September 2011 and the same month from the five previous years. The data provided above, when compared with other indicators such as attraction attendance and visitor spending data, can be very helpful in the analysis of general travel trends. Fuel prices in September 2011 were up nearly 36 percent from last September, though still less than in 2008.

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

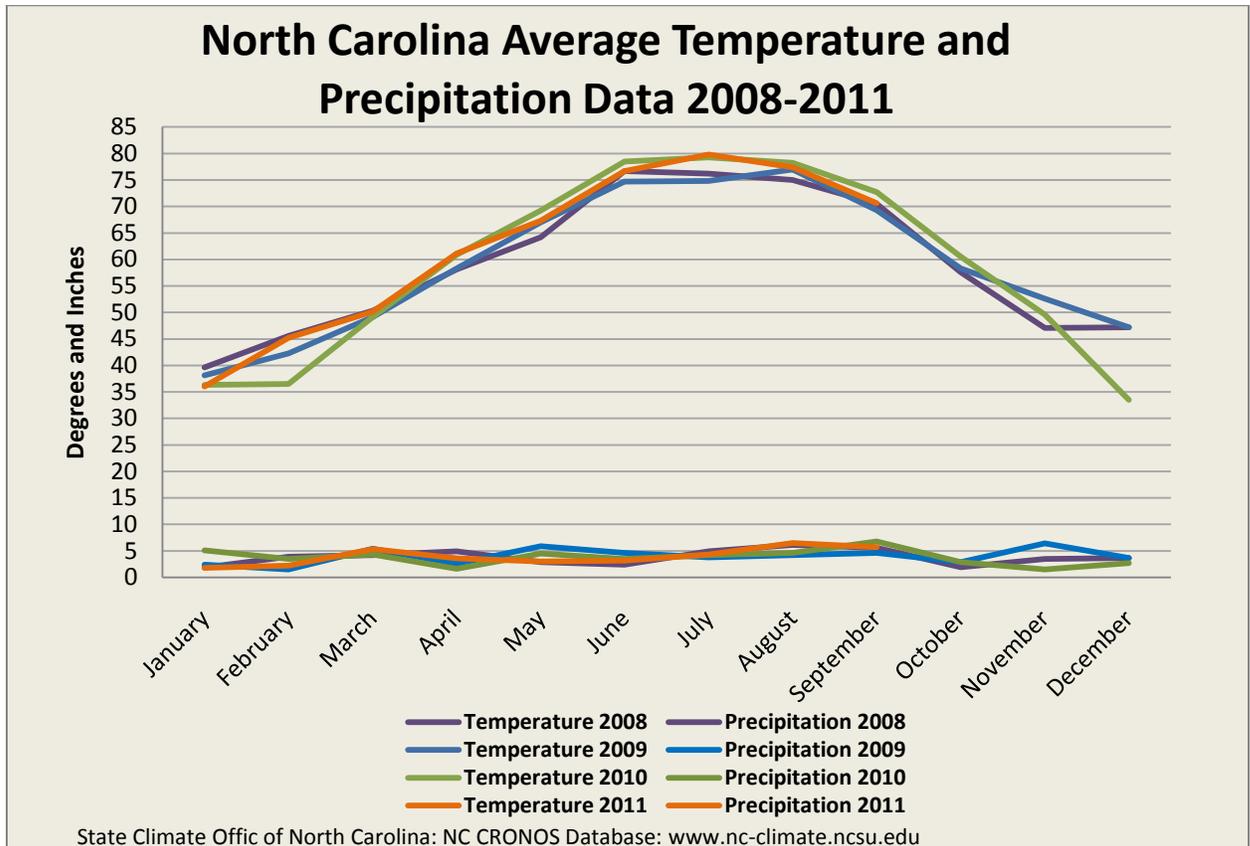


Chart 14 provides 13 months of air temperature and precipitation. This data, when analyzed together with gas price data and other tourism indicators, can be valuable in determining possible reasons for significant increases and/or decreases in indicators. For instance, greater than normal precipitation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

The average temperature was slightly less in September 2011 than in September 2010, and there was about an inch less rain in 2011.

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

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

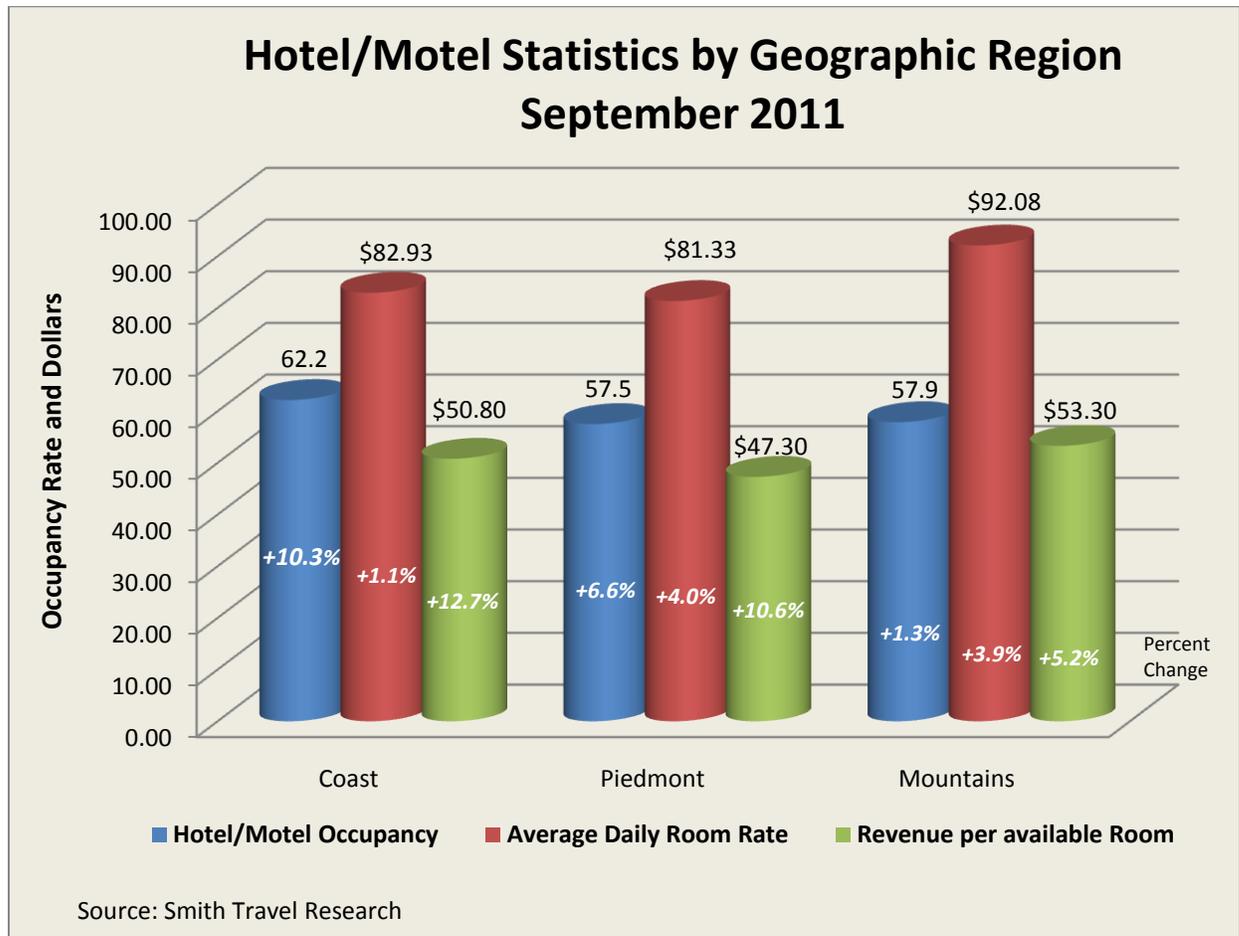


Chart 15 provides a one year comparison in lodging statistics for the three geographic marketing regions of North Carolina in September. Major indicators in all three regions showed positive data in September as compared to 2010. The Coastal Region, affected the most by Hurricane Irene in late August/early September, still saw increases in occupancy, ADR and RevPAR.

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

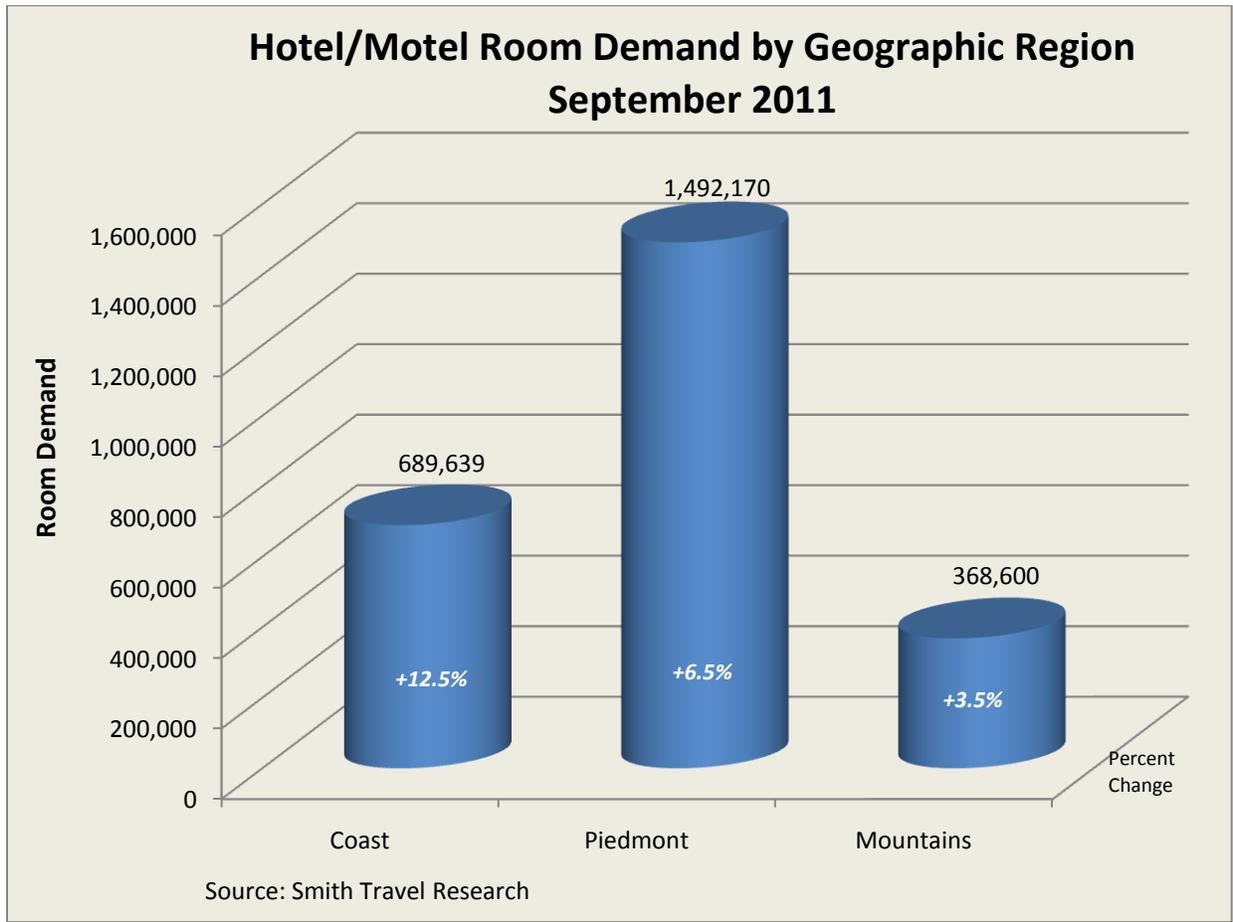


Chart 16 provides hotel/motel demand by geographic region for September 2011. Demand differs from occupancy in that it is the total number of rooms sold, not accounting for differences in room supply. The Coastal Region had demand growth of over twelve percent from September 2010 to September 2011. The Mountain and Piedmont regions also showed increased demand, but not as high as the Coastal Region.

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

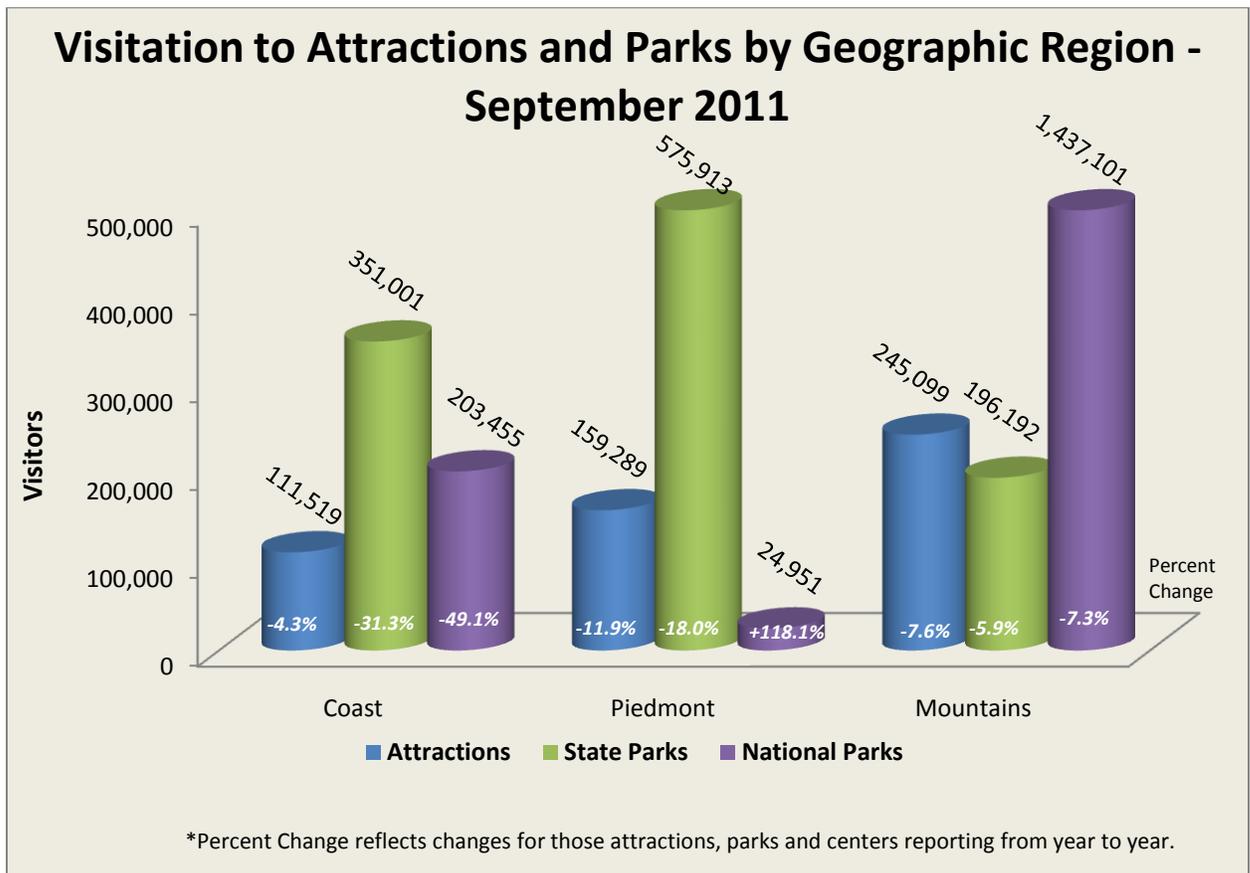


Chart 17 provides a look at the attractions industry in North Carolina in September 2011 by geographic region. As with the statewide numbers, the following data represents only a sample of North Carolina attractions that provide their attendance data, and are not intended to be considered a complete 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.

National Park attendance (Guilford Battlefield) in the Piedmont had significant increase from September 2010 to 2011, though state park and attraction attendance increased. The Coastal Region suffered the most in terms of attendance at all parks and attractions, presumably due in part to the hurricane early in the month and the subsequent closures of the beaches.

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

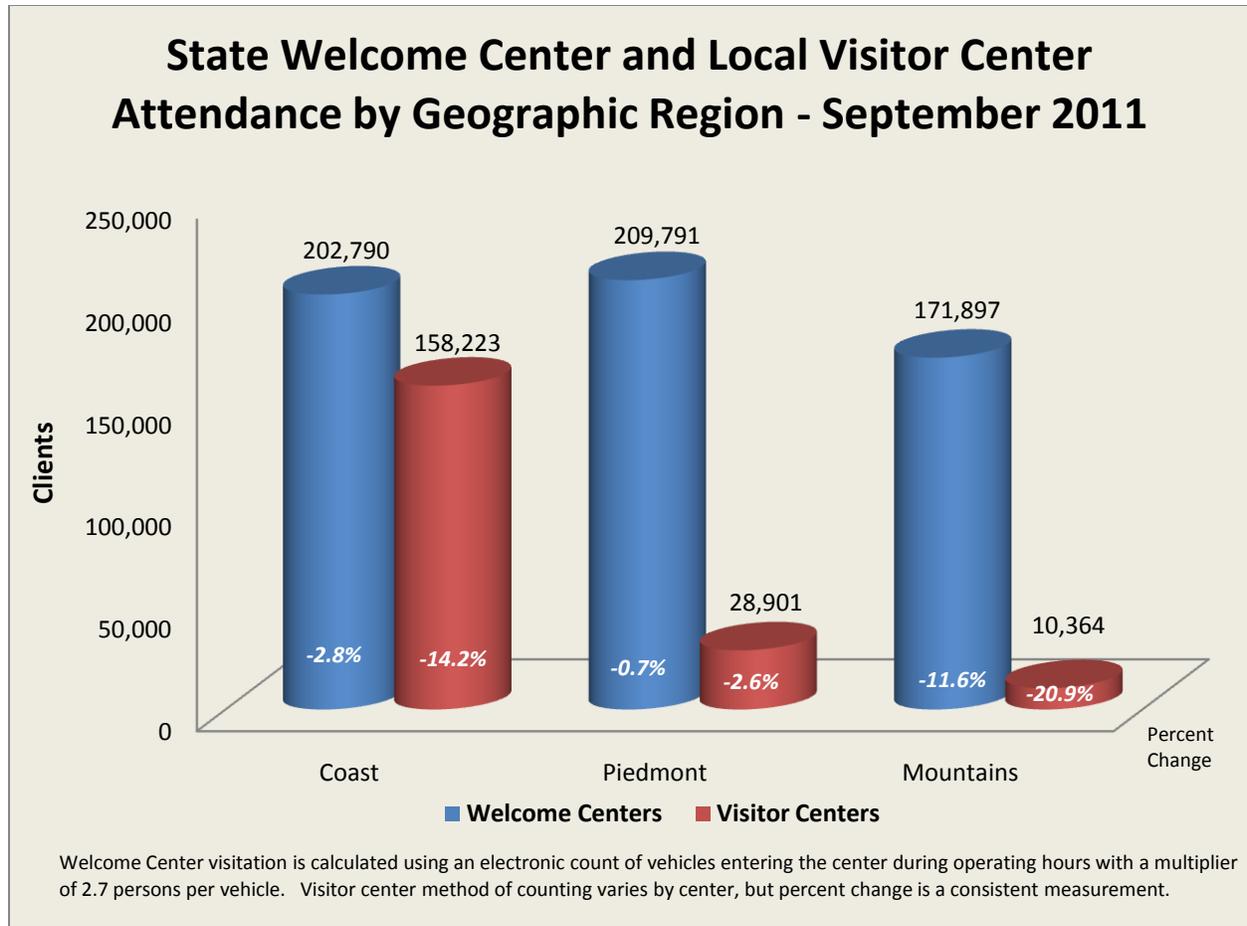


Chart 18 shows welcome center and visitor center attendance by geographic region and offers comparisons from September 2010. Centers in all three regions experienced decreases from September 2010, though the Piedmont Region was close to flat in welcome center attendance.

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

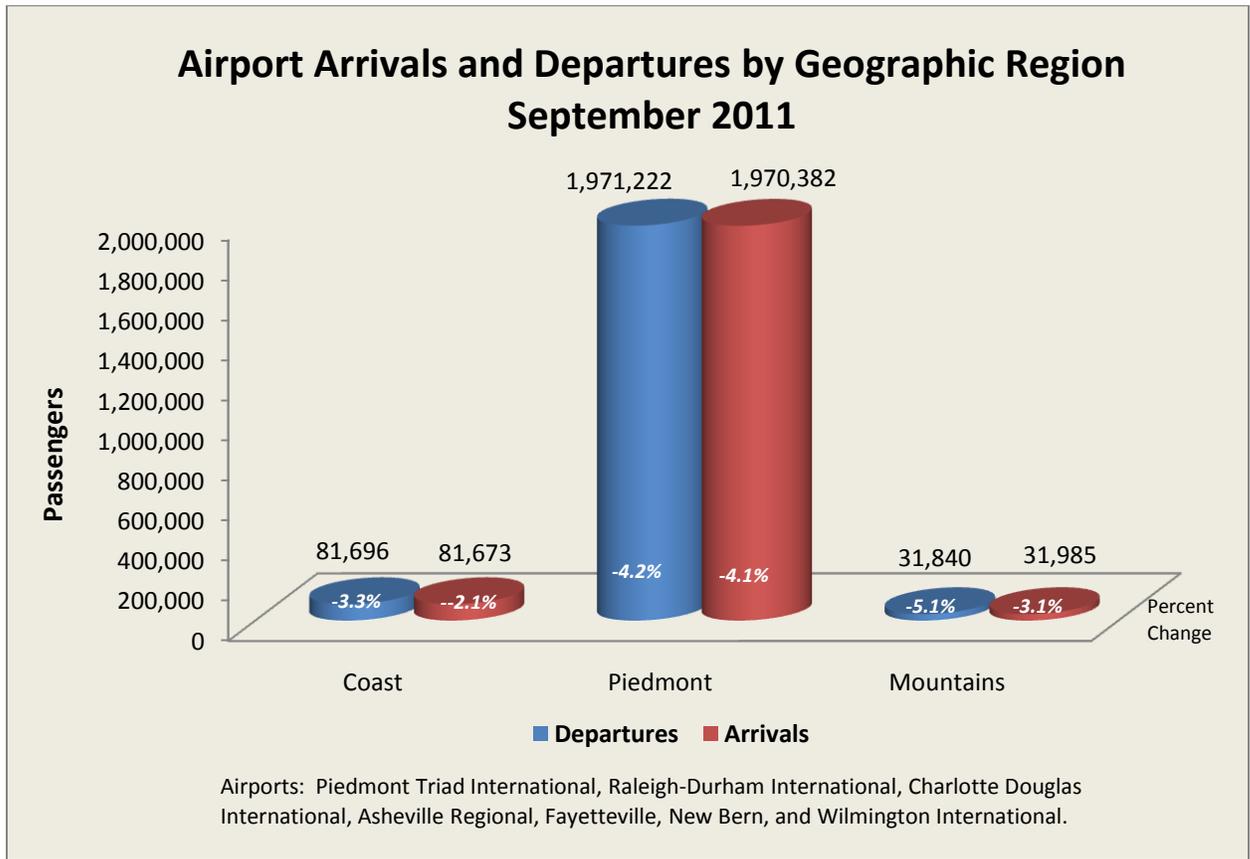


Chart 19 provides a breakdown of air travel statistics by geographic region. While the majority of air traffic is through the Piedmont Region, it is helpful to maintain a trend of other regional airport usage. All three regions showed declines during the month of September as compared to September 2010.

Section 3: Economic Development Region Tourism Indicator Analysis – September 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 - September 2011

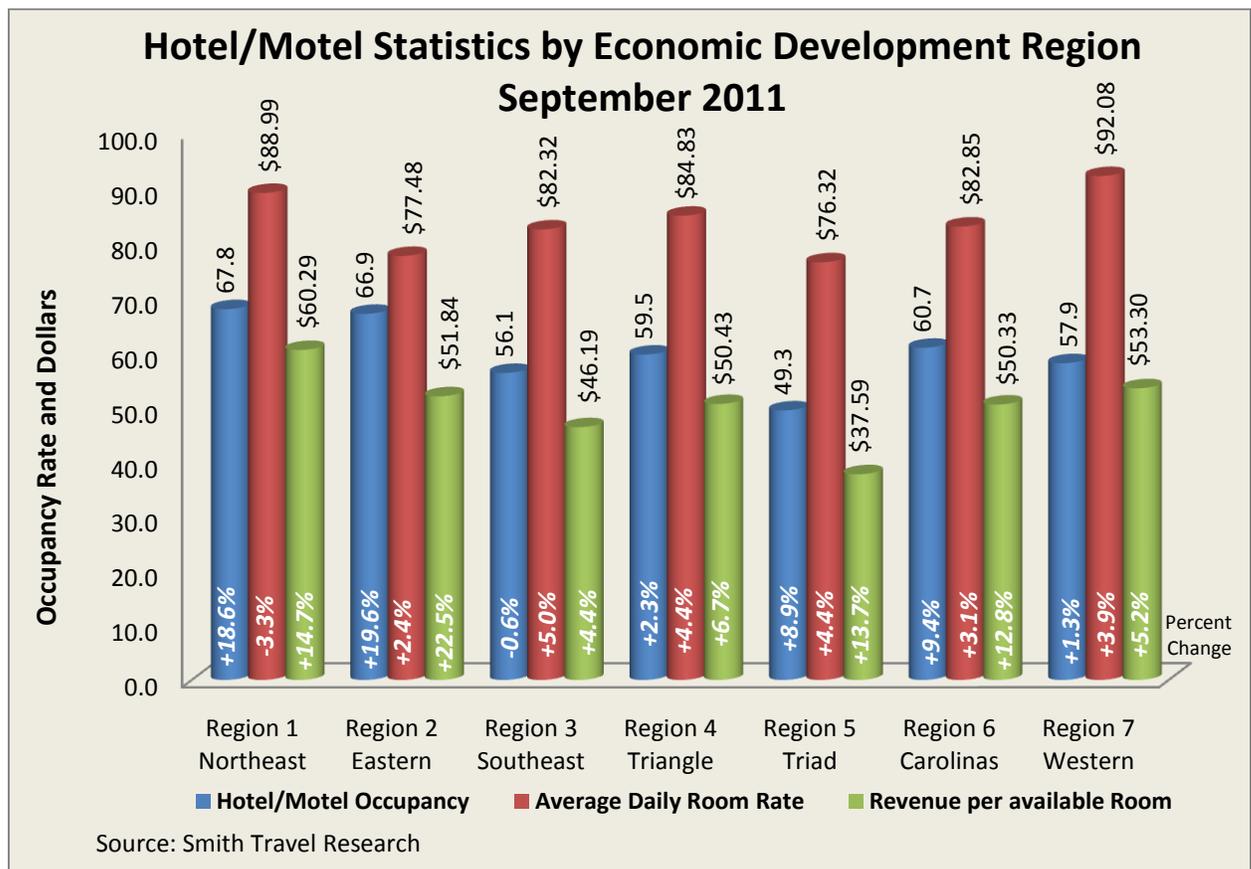


Chart 20 provides lodging indicators for September 2011 by economic development region. Also shown are percent changes from September 2010. This graph allows individual regions within the state to track indicators specific to their general destinations, while still being able to compare their data to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

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

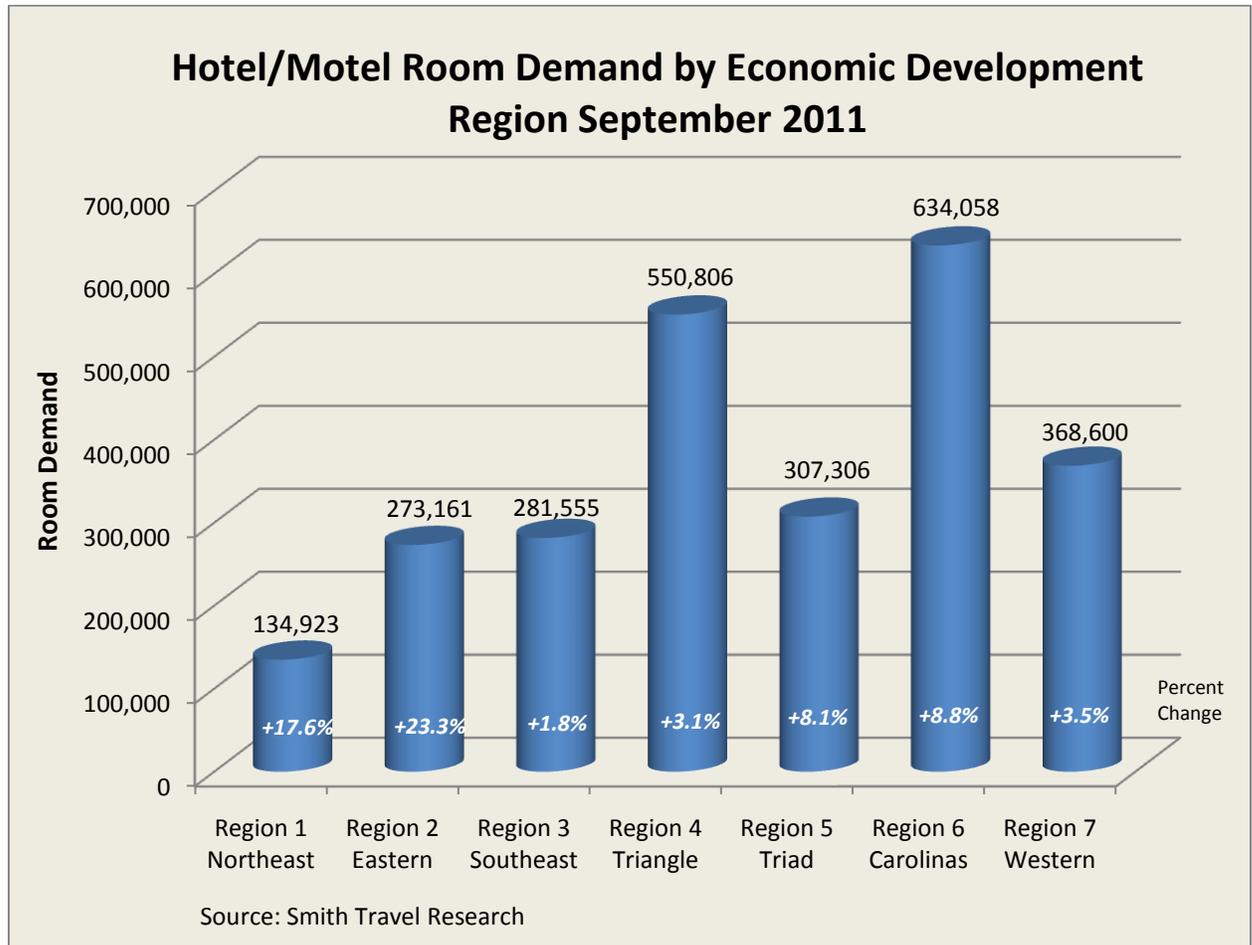


Chart 21 depicts hotel/motel demand for the month of September 2011 by economic development region. Demand is the number of rooms sold excluding complimentary rooms. All seven regions experienced increased demand from September 2010 to 2011.

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 – September 2011

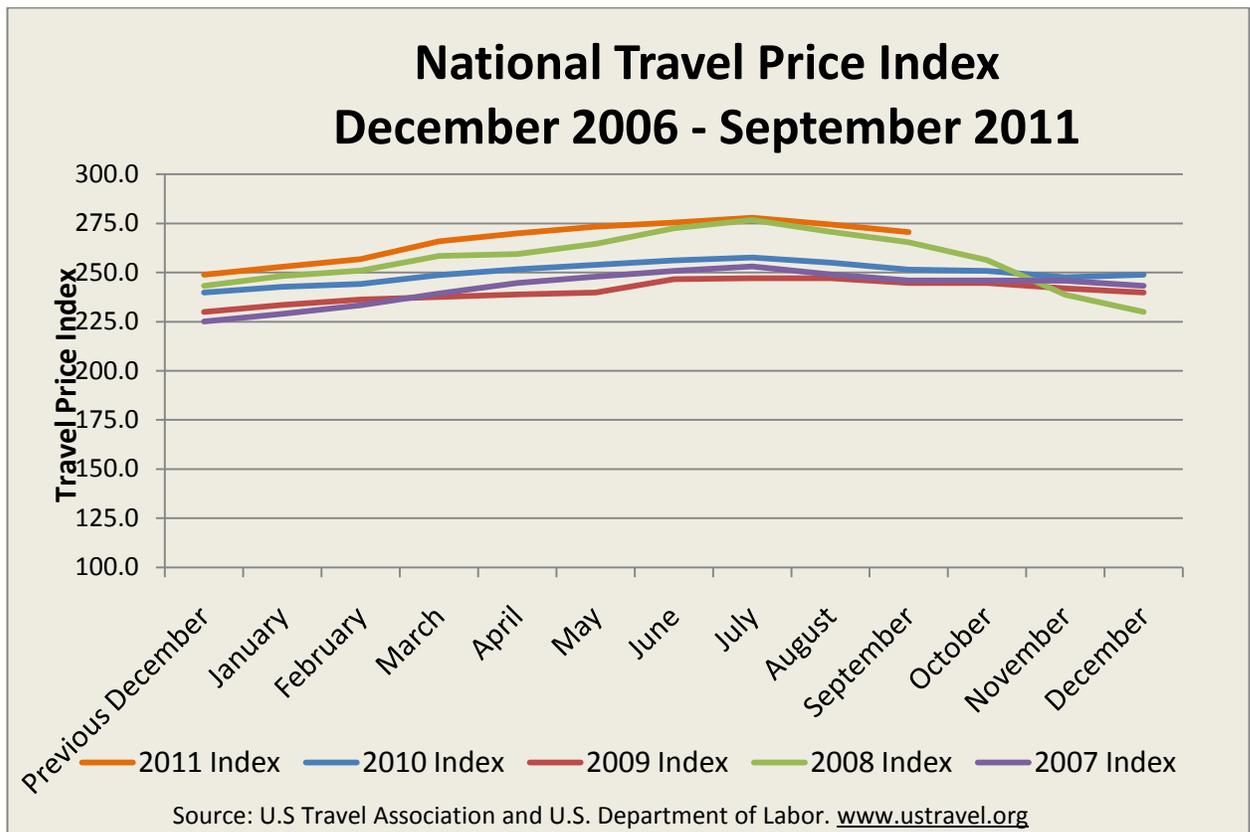


Chart 22 provides a five year trend of the National Travel Price Index (TPI). Steady growth was experienced through mid-2008; however in November 2008, it is clear that as the TPI fell below 2007 levels, the tourism industry began feeling the full effect of the recession. For most of 2009, the TPI remained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

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