



## 2012 Year End Report

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: 2012 Statewide Tourism Indicator Analysis

Chart 1 –Hotel/Motel Occupancy in North Carolina

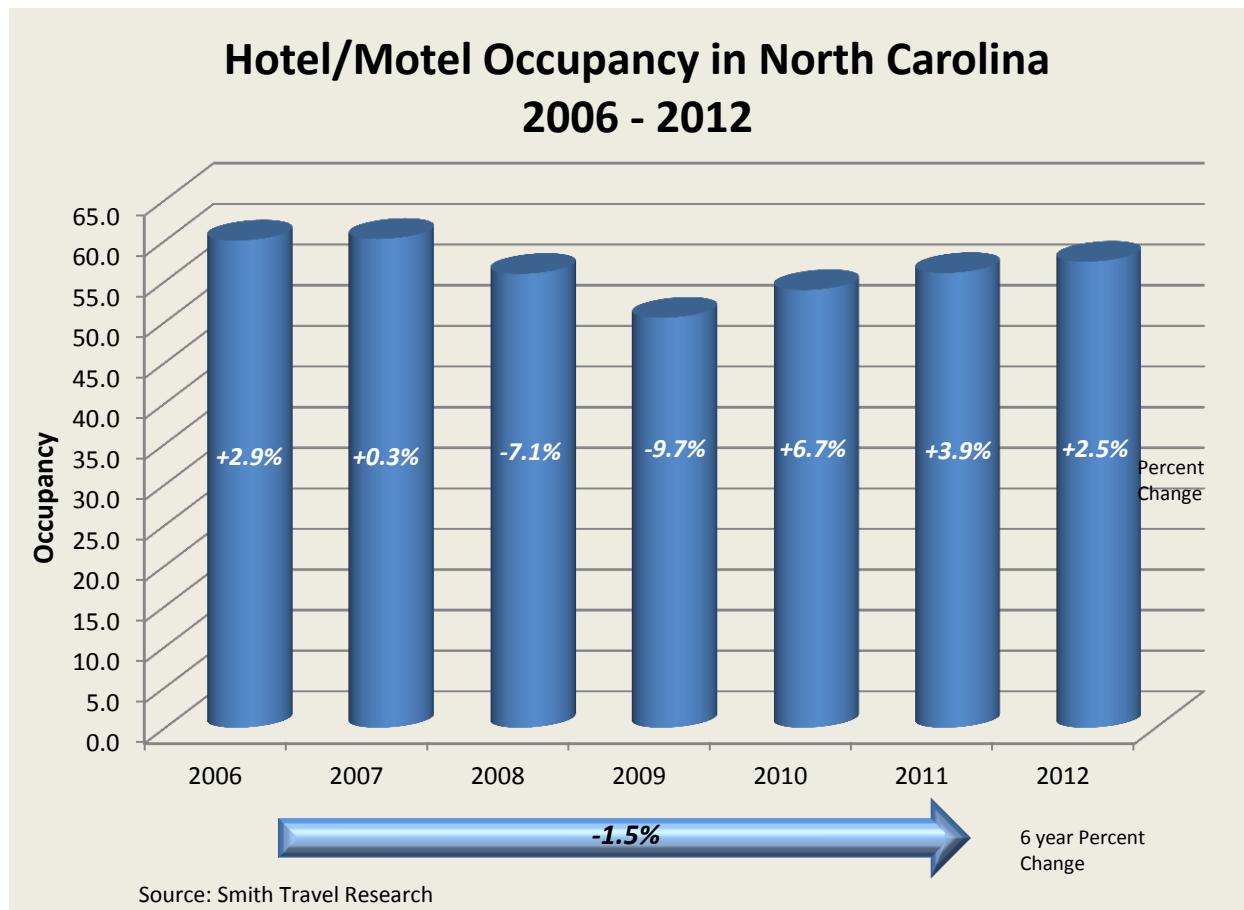


Chart 1 provides a comparison over a six year period to show the trend of occupancy. Occupancy in 2012 increased over two percent from 2011, though still not yet back to 2007 levels. *Occupancy at the national level also increased 2.5 percent in 2012.*

Chart 2 – Hotel/Motel Average Daily Room Rate in North Carolina

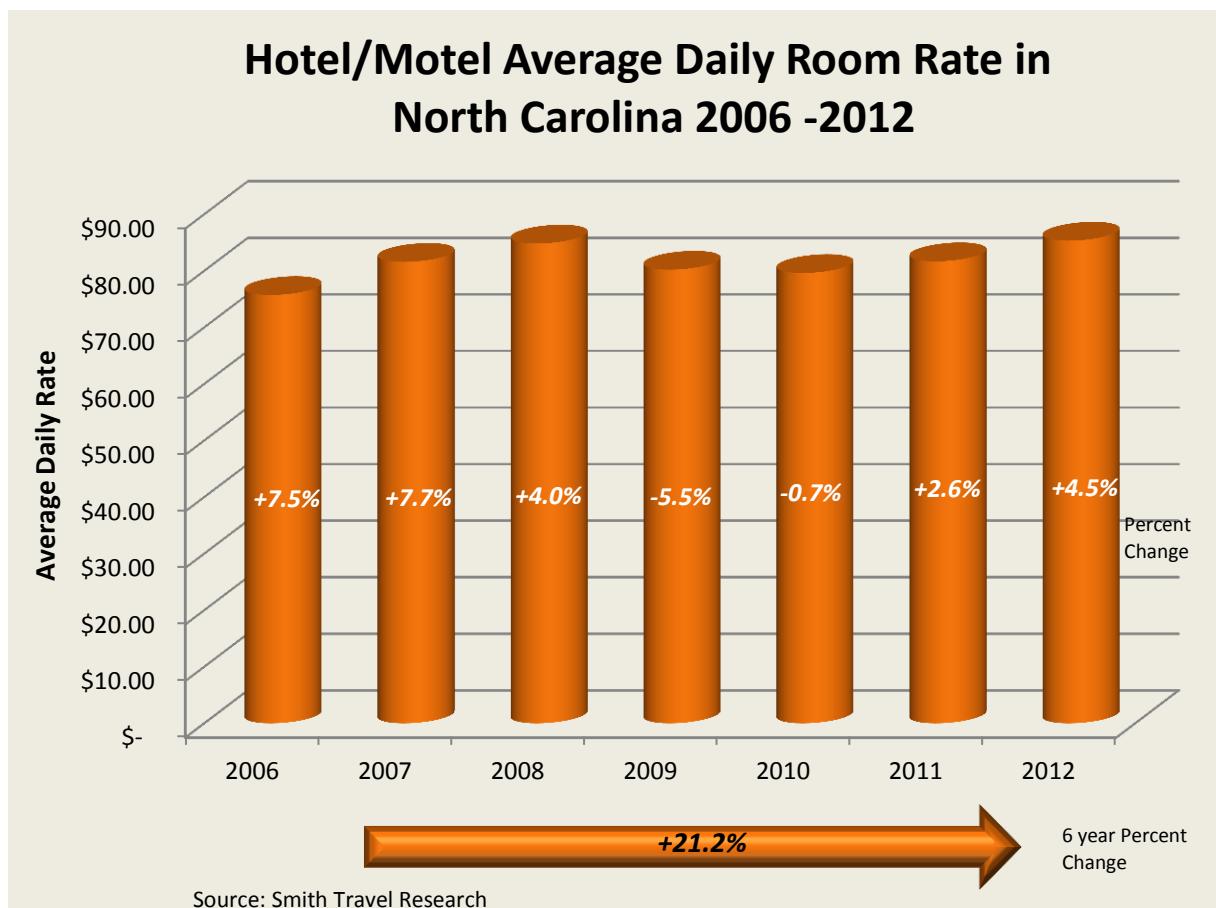
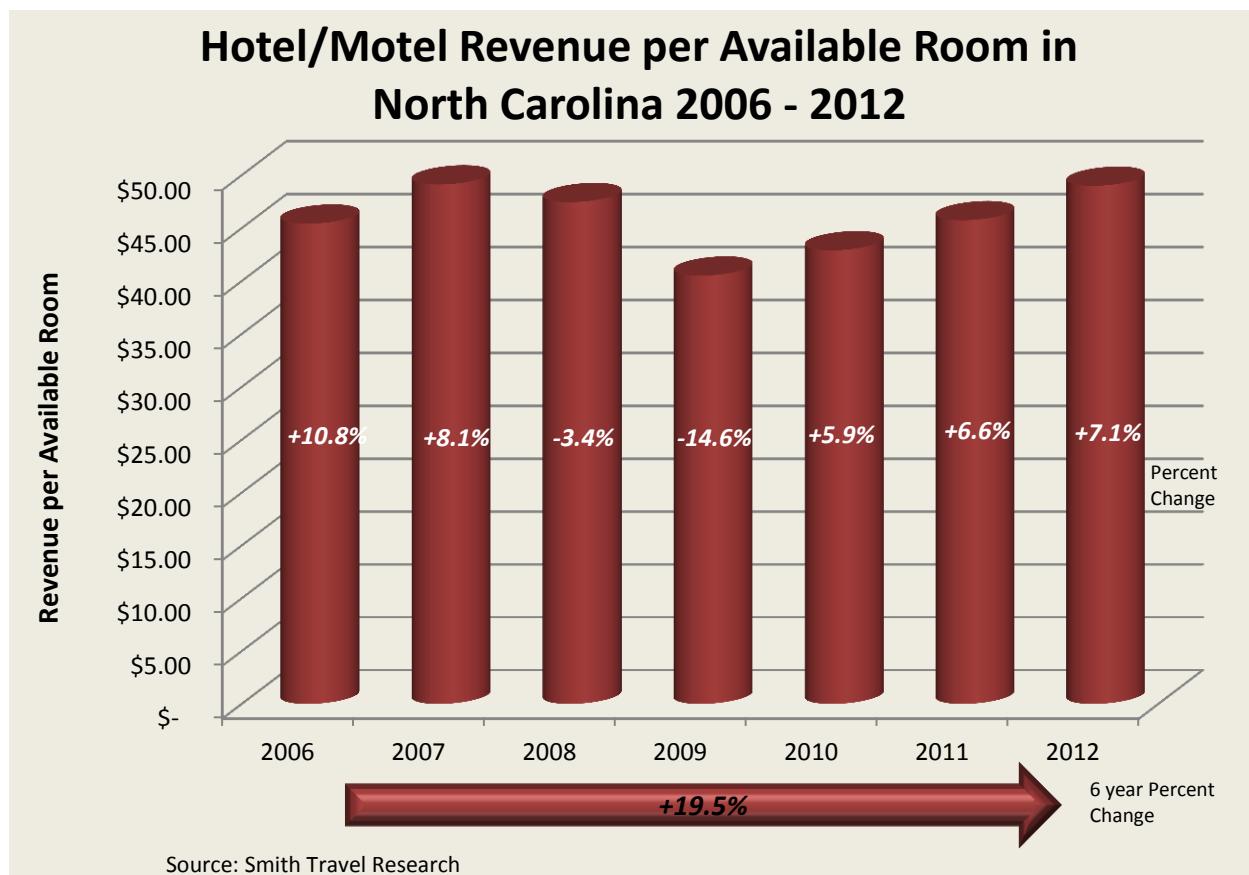


Chart 2 provides a comparison over a six year period to show the trend of average daily room rate (ADR) in the state. ADR in 2012 was at a record high, increasing 4.5 percent from 2011 and nearly one percent from the previous high set in 2008. Rates are expected to continue growth, though slower, into 2013 and 2014. *ADR at the national level was up 4.2 percent in 2012 from 2011.*

Chart 3 – Hotel/Motel Revenue per Available Room in North Carolina



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 seven year period to show the trend of RevPAR in the state. In 2012 RevPAR was up over seven percent from 2011, though still slightly below 2007 RevPAR. *RevPAR at the national level was up 6.8 percent in 2012 from 2011.*

Chart 4 – Hotel/Motel Room Demand in North Carolina

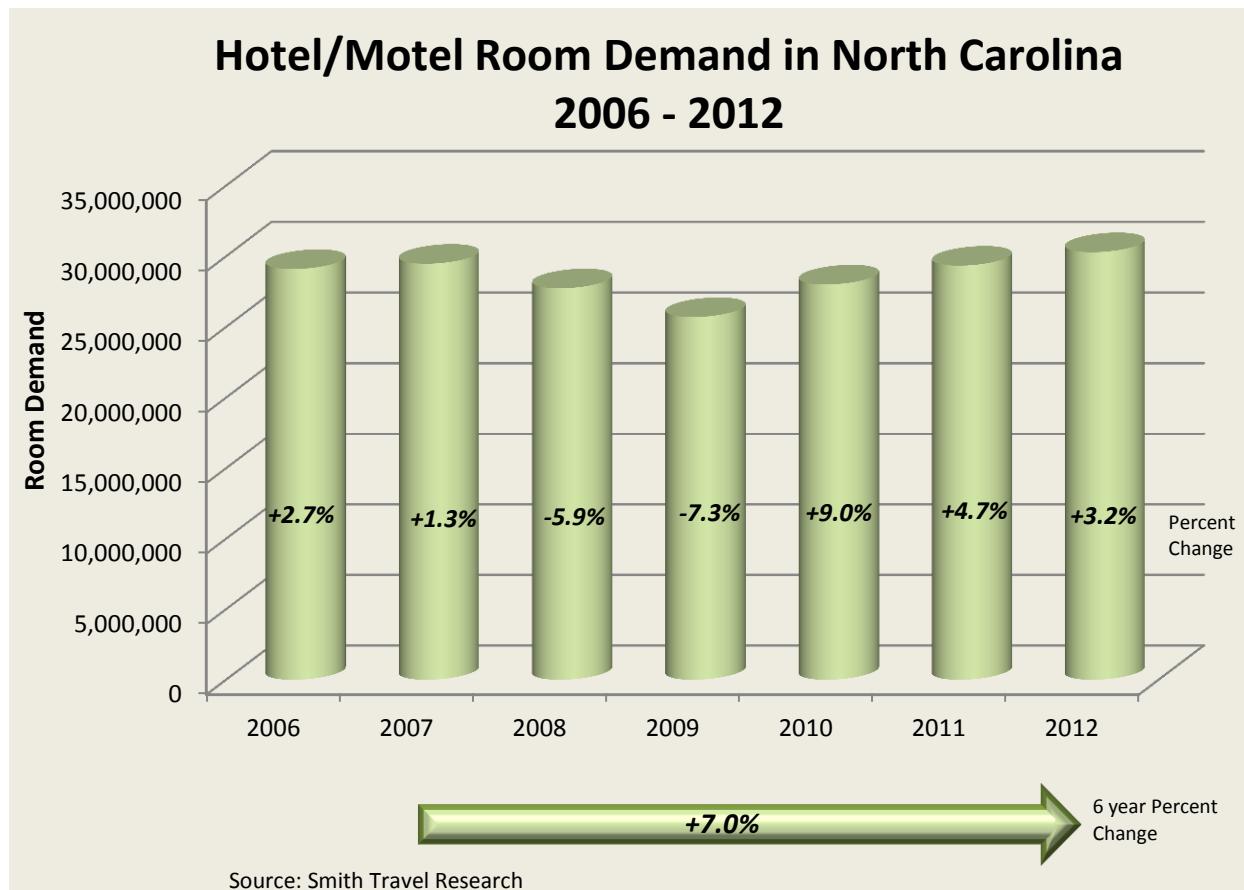


Chart 4 depicts hotel/motel demand from 2006 through 2012. Demand is the number of rooms sold excluding complimentary rooms. Room Demand for 2012 was up over three percent from 2011 and hit a record level. More than 30 million room nights were sold in 2012. *Room Demand at the national level saw an increase of 3.0 percent change in 2012 from the previous year.*

Chart 5 – North Carolina Lodging Statistics Monthly Percent Change 2008 – 2012

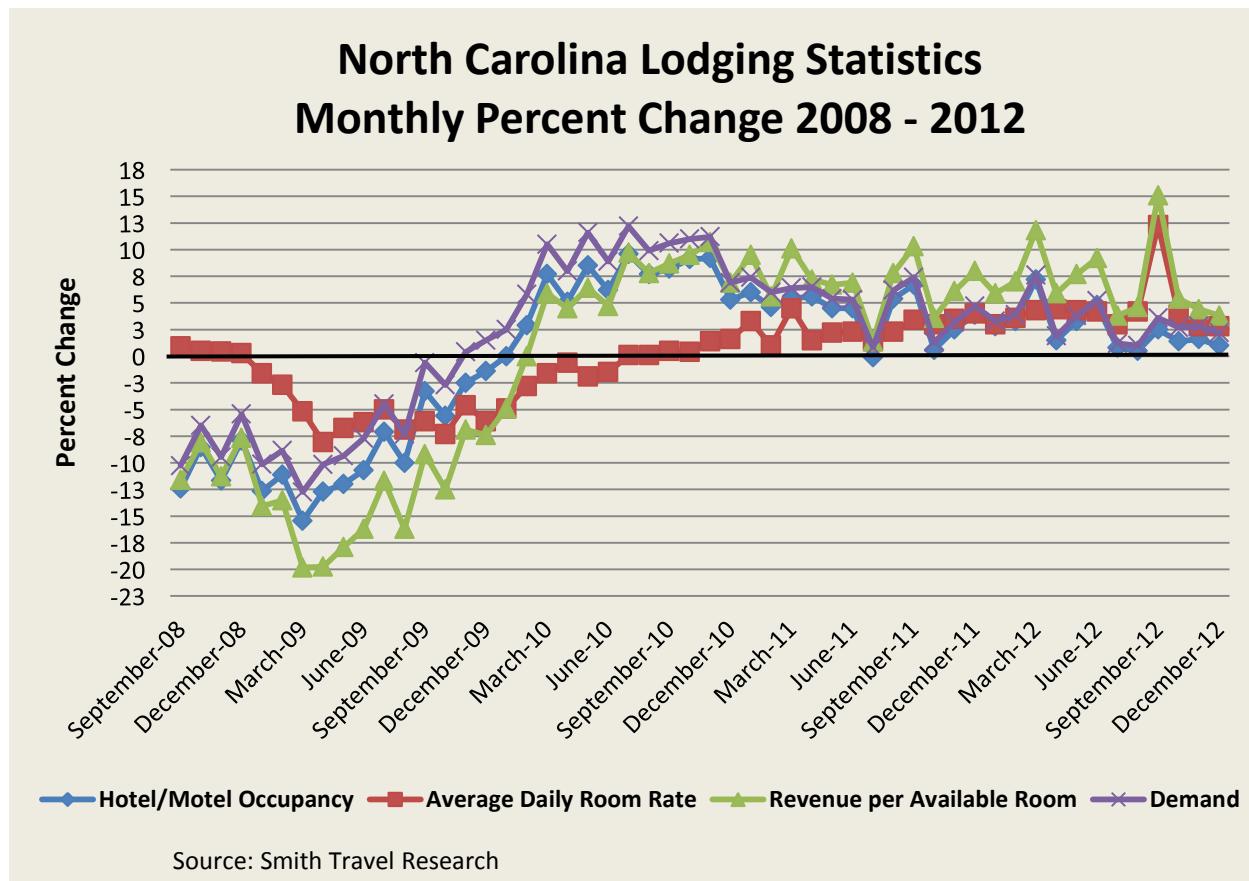


Chart 5 provides a monthly percent change for the four major lodging indicators. The chart allows for a 27 month trend-line analysis that clearly depicts that the major indicators are in recovery. Most indicators dropped to negative percent change in January 2009, and began to rebound a year later. All indicators in 2012 remained in positive growth.

Chart 6 – Statewide Visitation to Attractions

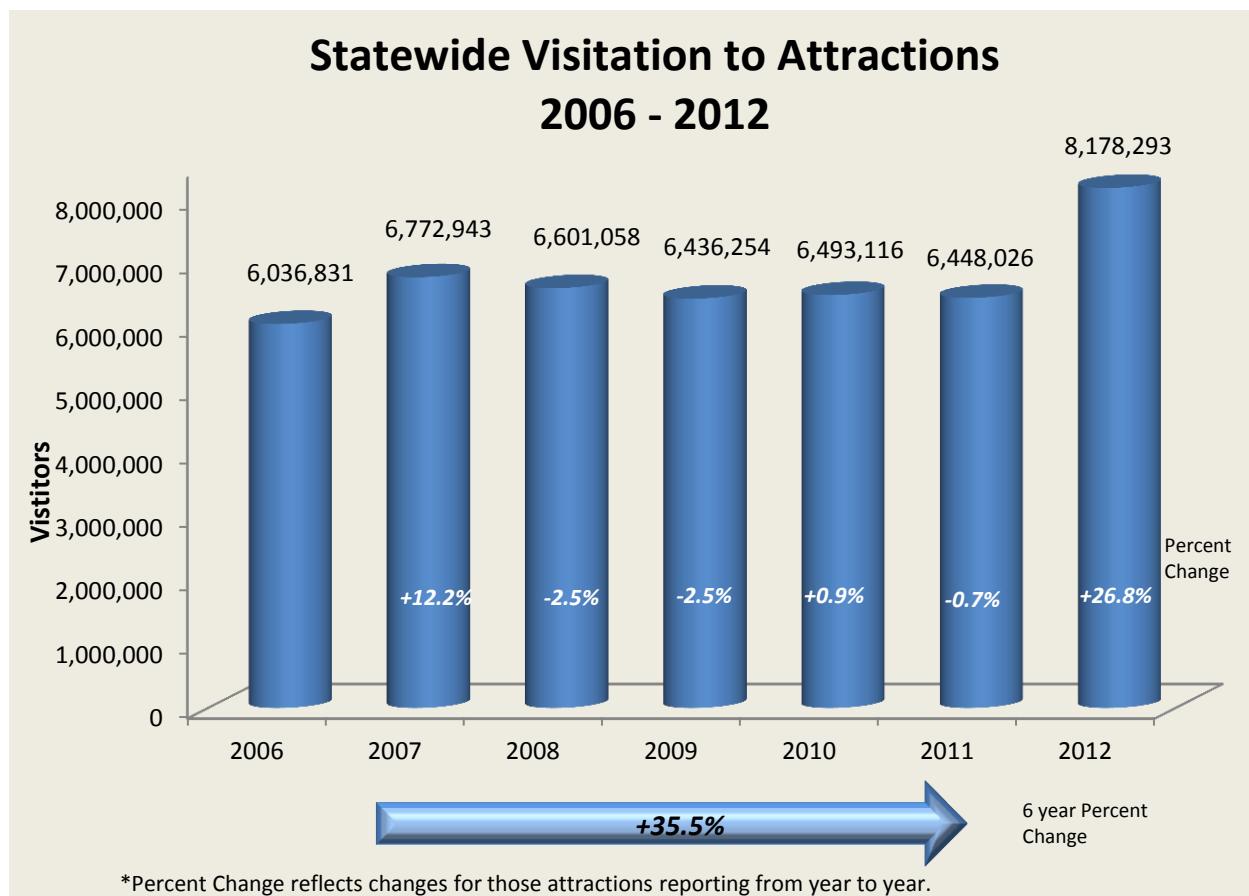


Chart 6 provides a status of the attractions industry in North Carolina for the last seven years. The numbers represent only a sample of North Carolina attractions that provide their attendance data, and are not intended to be considered a complete list of attractions. However, the wide variation of 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 that regularly report are not included in percent change calculations.

There was a healthy increase in attraction visitation from 2011 to 2012, though several attractions that underwent re-openings had an impact on this growth. The new wing of the North Carolina Museum of Natural Sciences opened in the spring, and has steadily increased visitation monthly. As well, renovations at Chimney Rock State Park were completed in late spring, increasing attendance there.

Chart 7 – Statewide Visitation to Attractions Monthly History 2006 – 2012

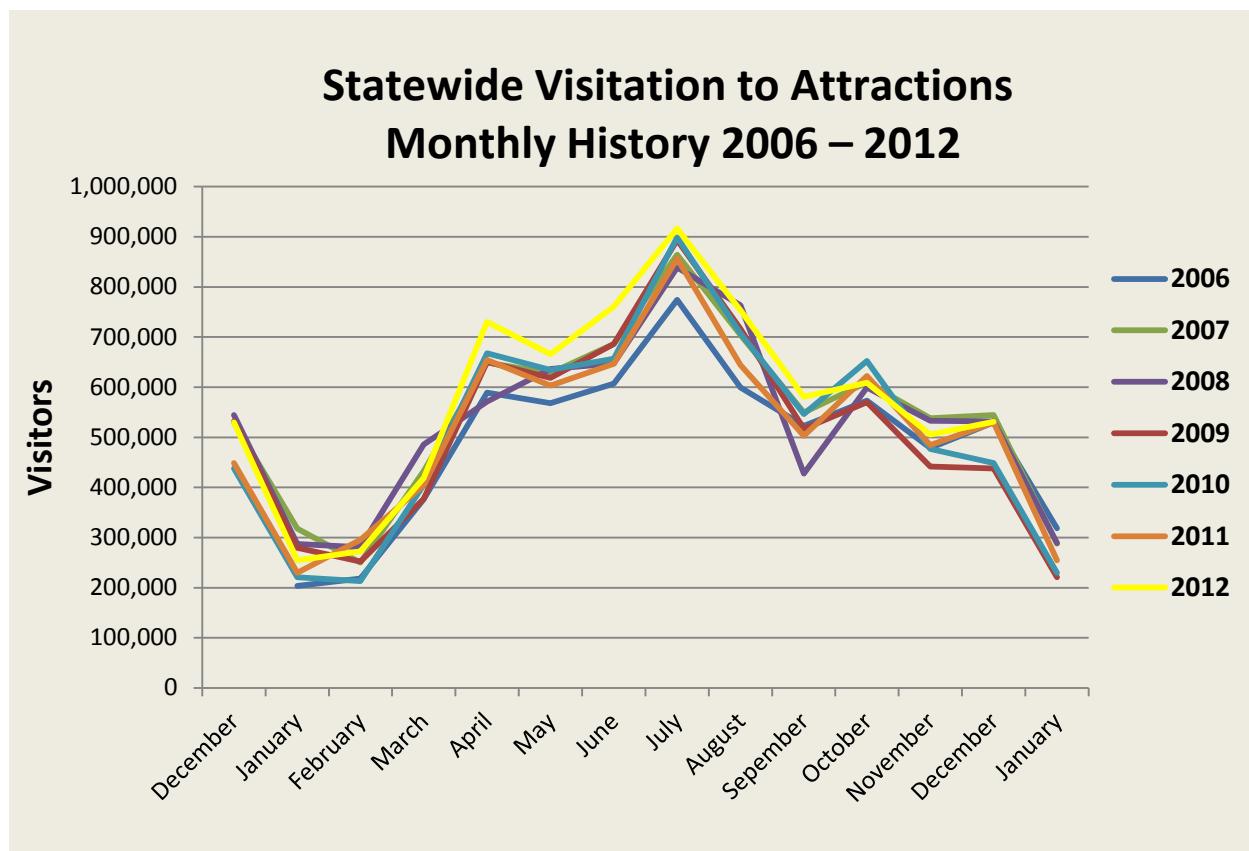


Chart 7 shows a monthly trend of attraction visitation for each of the last five years. This chart allows for a view of the ebb and flow of monthly attraction attendance, while also providing a look at how attendance compares to the same month of the previous years. Not surprisingly, the summer months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

Mild weather in the spring of 2012 helped attendance at statewide attractions.

Chart 8 – State Welcome Center and Local Visitor Center Attendance



Chart 8 provides annual 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

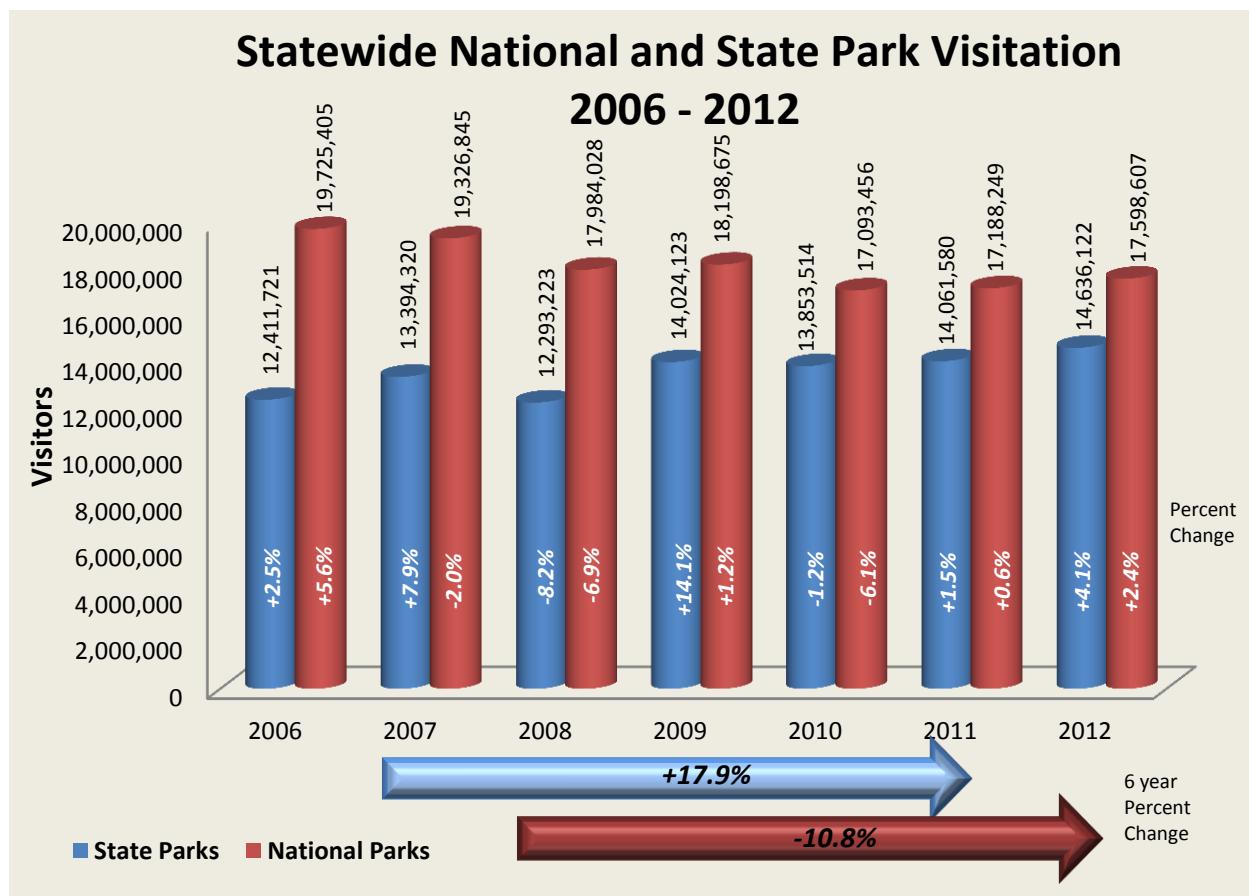
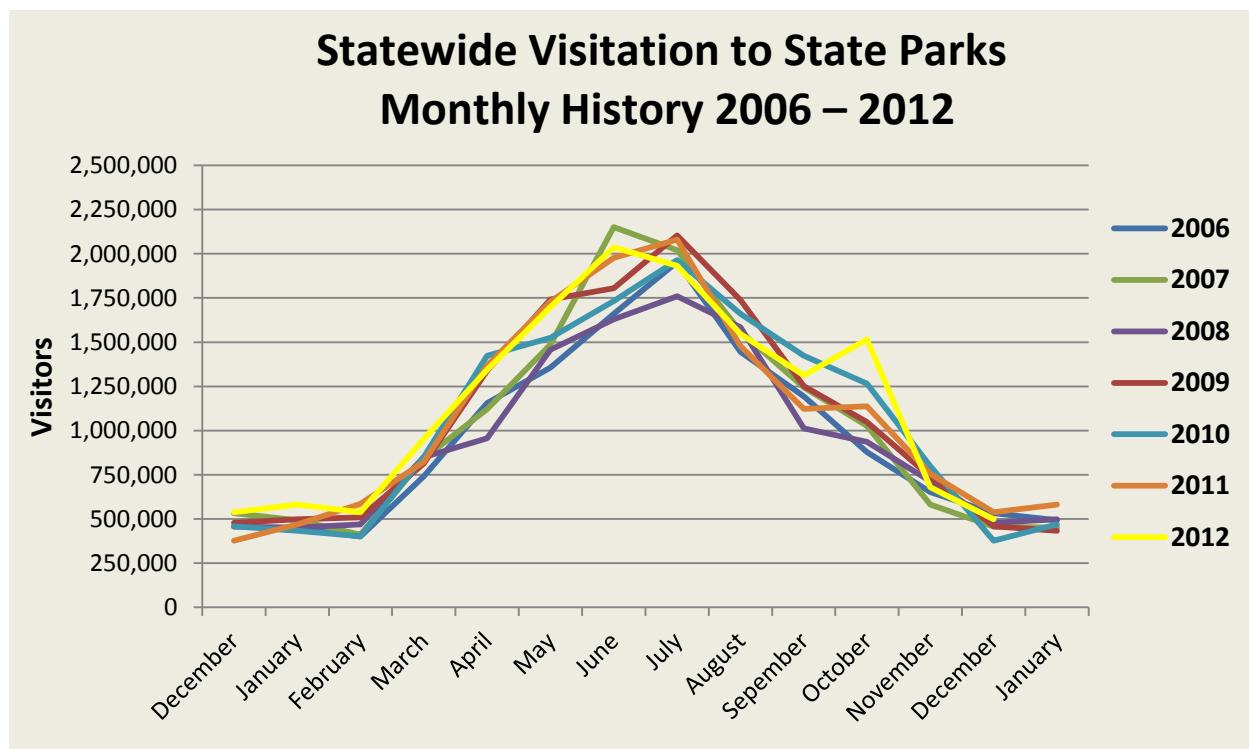


Chart 9 depicts visitation to state and national parks in North Carolina for the last seven years. Both state and national parks experienced increases in 2012 from 2011, due in part to the mild winter weather. State park attendance has seen an almost eighteen percent increase in visitation since 2006.

Chart 10 – Statewide Visitation to State Parks Monthly History 2006 – 2012



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 – 2012

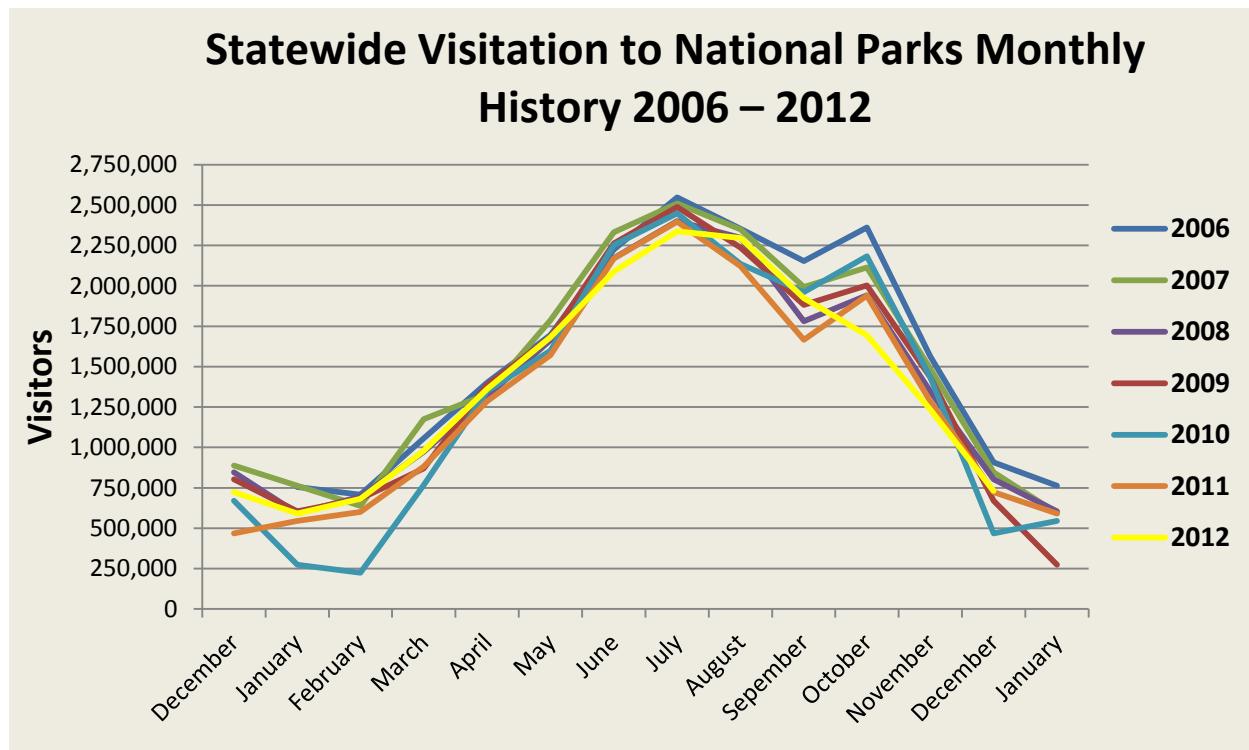


Chart 12 – Statewide Historic Site Visitation

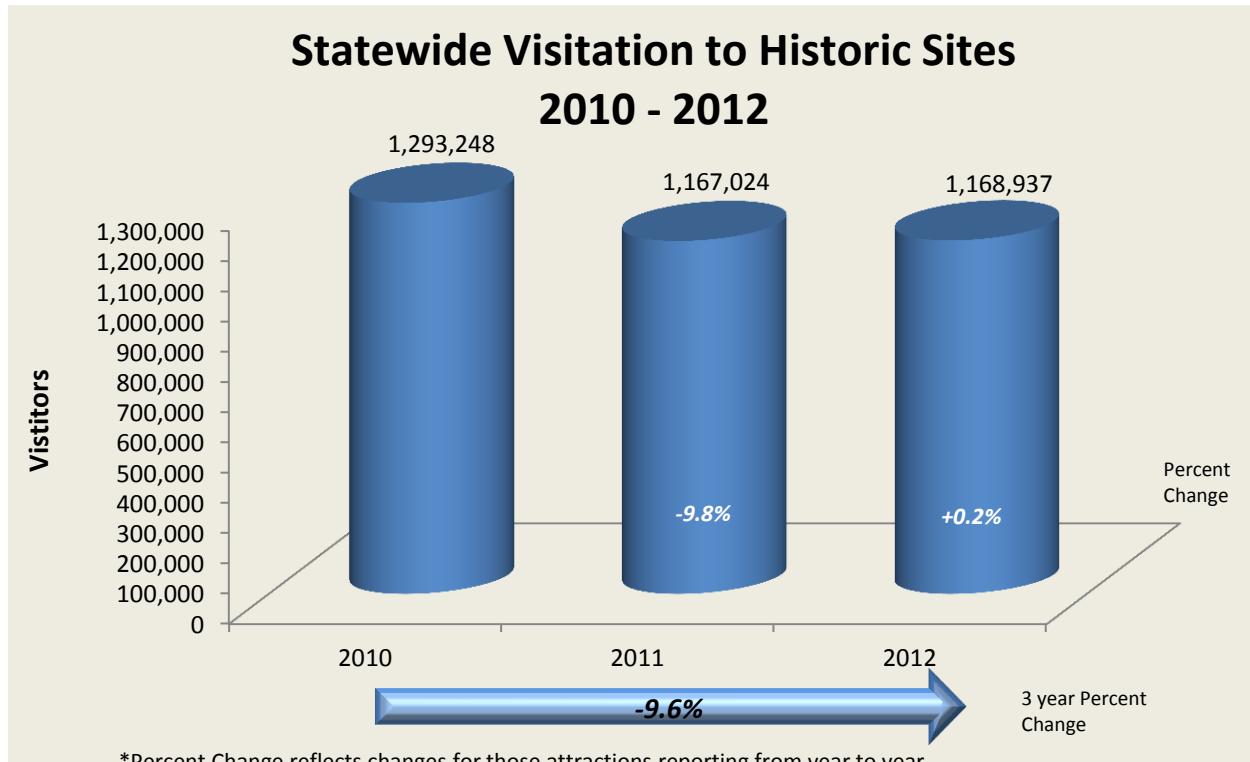


Chart 12 depicts visitation to State Historic Sites in North Carolina for the last three years. As this report has just begun tracking historic site visitation, more data is needed to determine the trend. However, visitation from 2011 was up slightly for statewide historic sites, and fared better during the second half of 2012.

Chart 13 – Statewide Visitation to State Historic Sites History 2009 – 2012

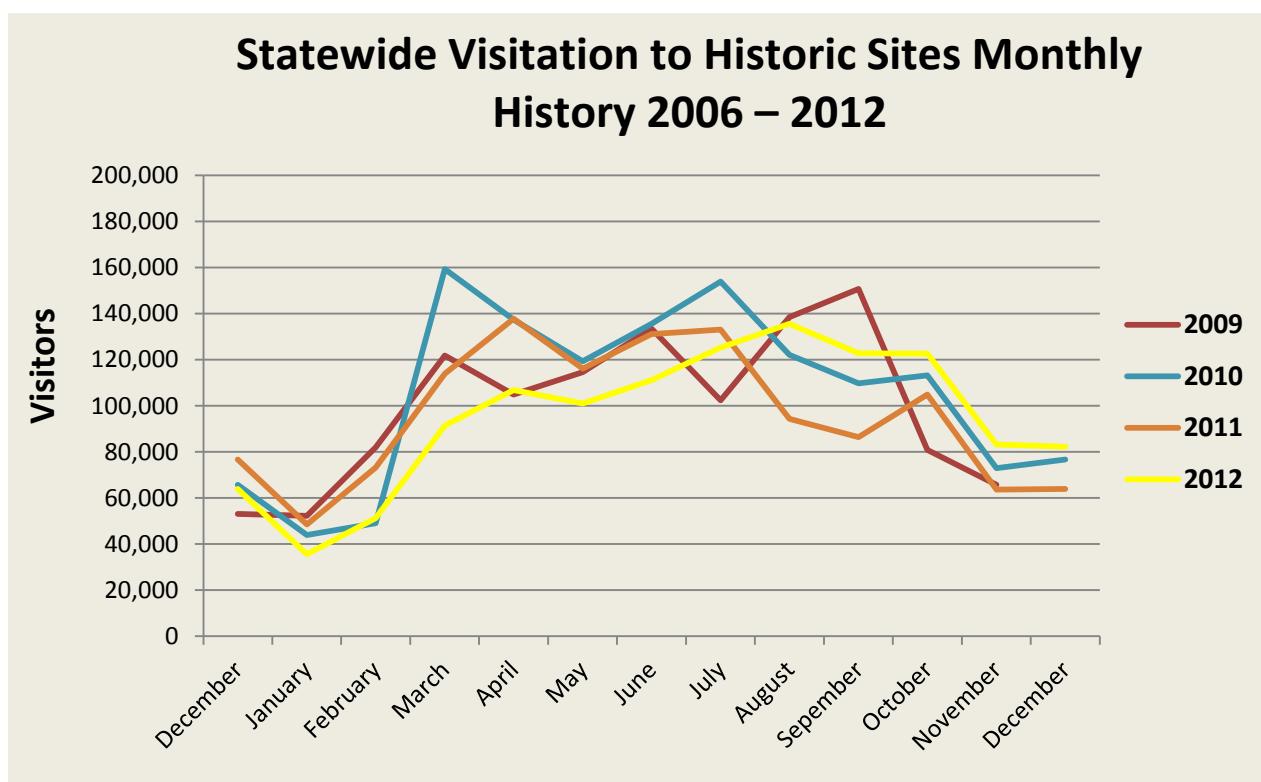


Chart 14 - Statewide Airport Arrivals and Departures

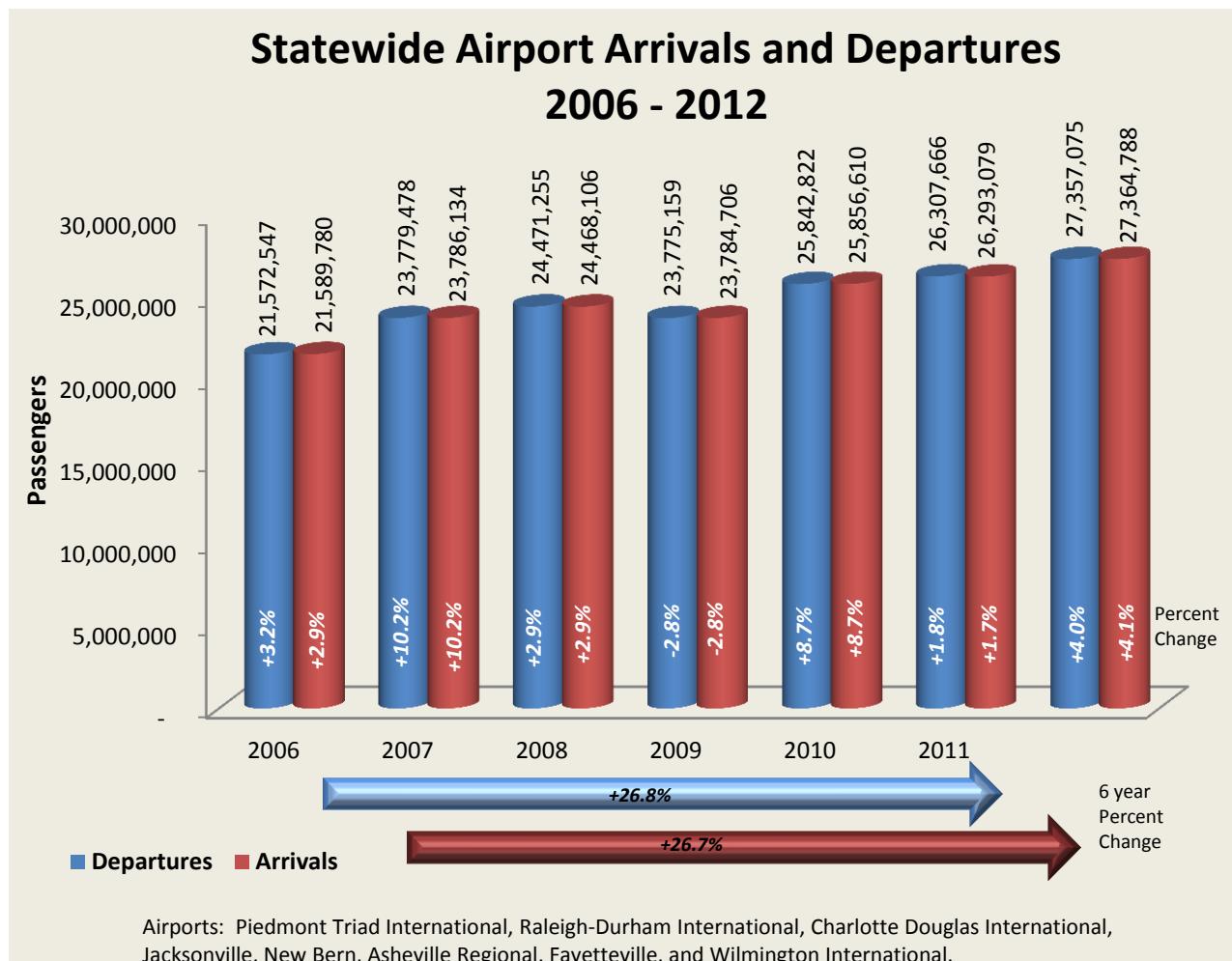


Chart 14 shows annual airport arrivals and departures for each of the previous seven years. The 2012 arrivals and departures data showed positive growth from 2011. In the last six years, air arrivals have increased over twenty-six percent statewide.

Chart 15 – Lower Atlantic Average Monthly Retail Gas Prices for Unleaded

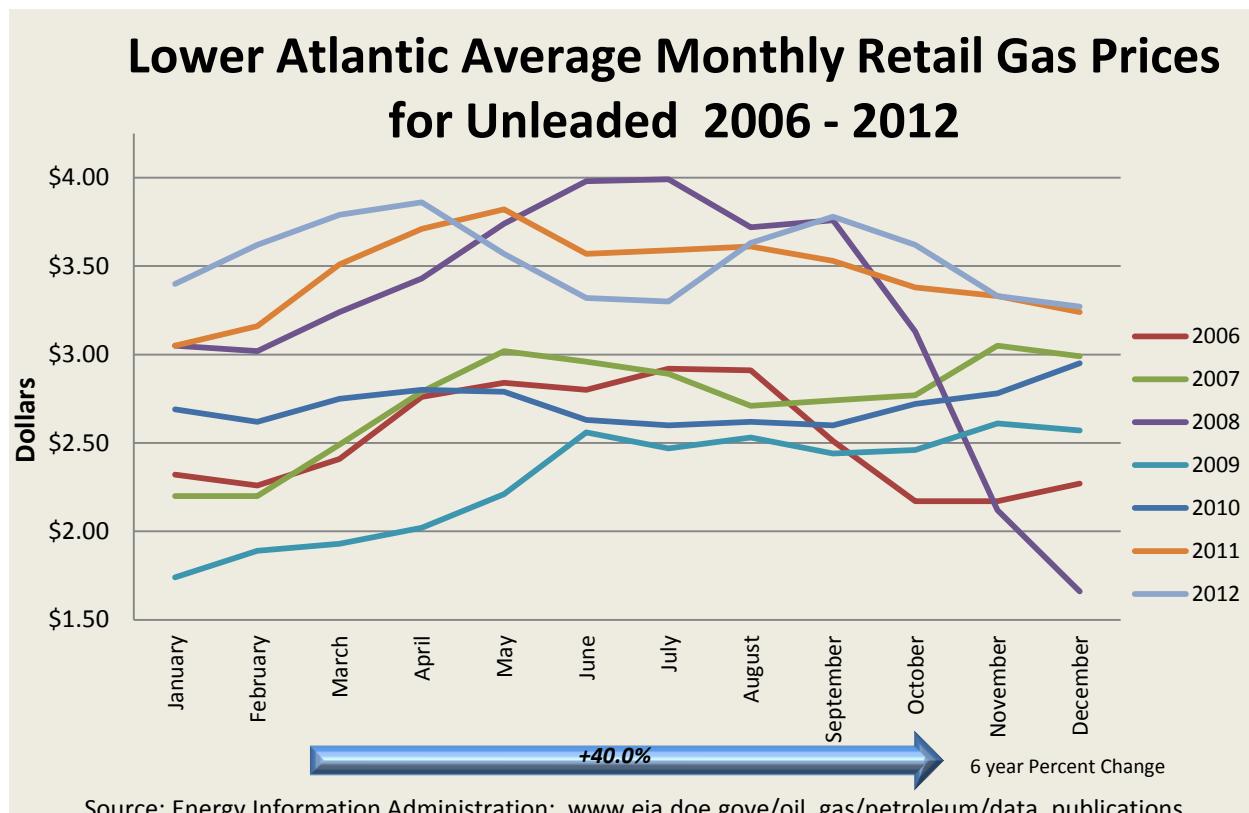


Chart 15 provides the monthly average price per gallon of unleaded gasoline for 2006 through 2012. The data provided above, when compared with other indicators such as attraction attendance and visitor spending data, can be very helpful in the analysis of general travel trends. As an annual average, fuel prices in 2012 were 2.4% percent higher than in 2011, the highest on record.

## Chart 16 – North Carolina Average Temperature and Total Precipitation

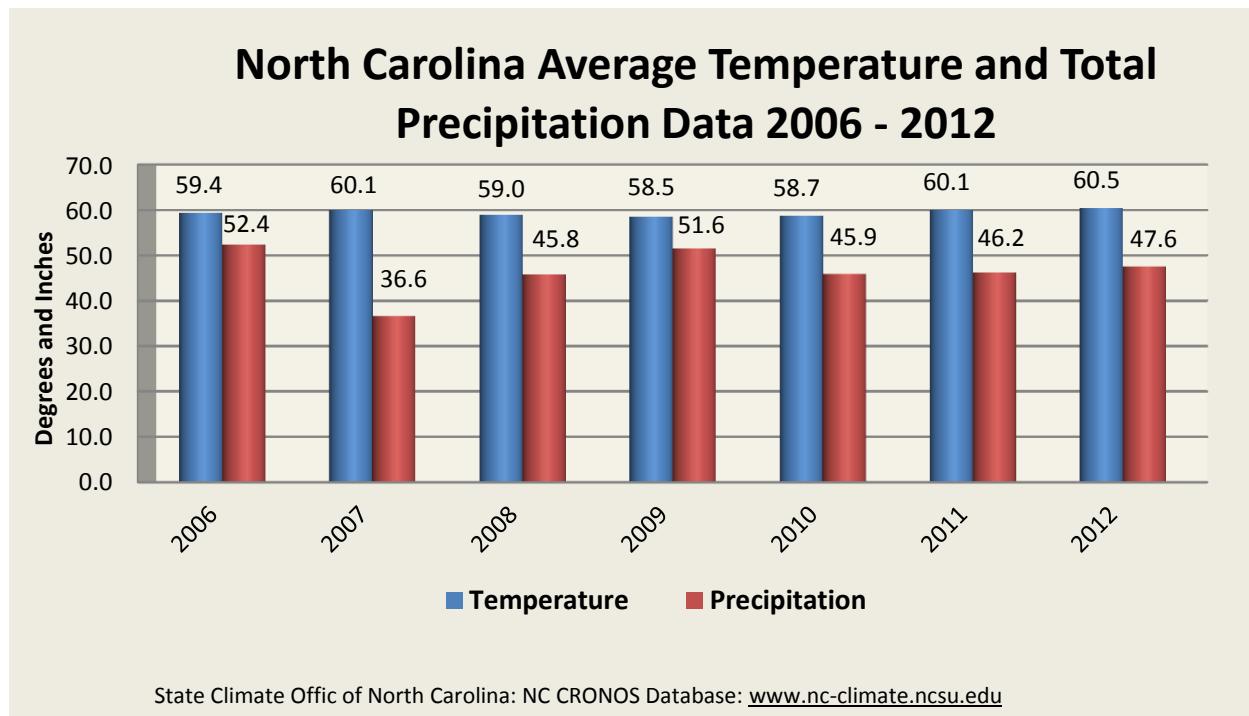


Chart 16 provides annual indicators of average air temperature and total precipitation. Though annual data of this sort does not change very much from year to year, the data, when analyzed together with gas price data and other tourism indicators, can be valuable in determining possible reasons for significant 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. 2012 was slightly warmer than 2011 with a higher total precipitation.

## Section 2 – Geographic Marketing Region (Coast/Piedmont/Mountain) Tourism Indicator Analysis

Chart 17 – Hotel/Motel Statistics by Geographic Region

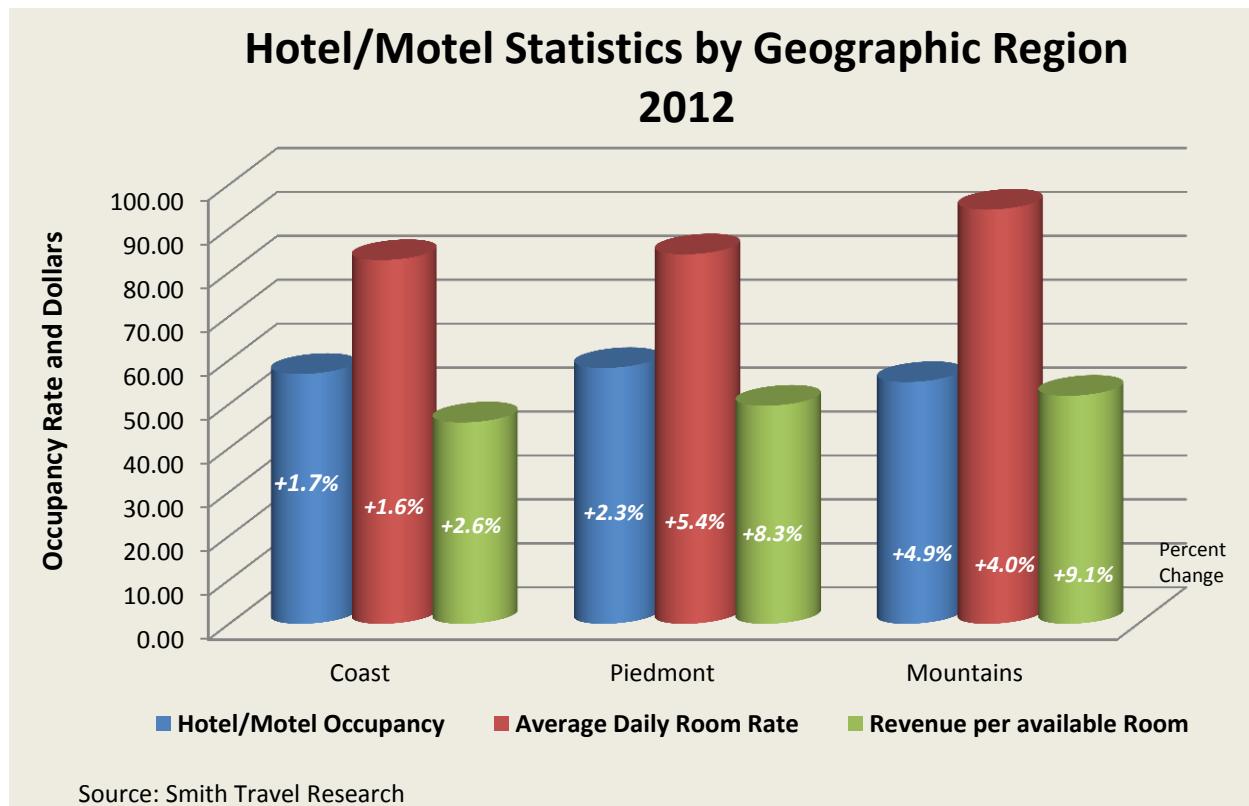


Chart 17 provides a one year comparison in lodging statistics for the three geographic marketing regions of North Carolina. All leading indicators showed positive growth in the three regions of the state in 2012 (from 2011), particularly the Mountain Region.

Chart 18 – Hotel/Motel Room Demand by Geographic Region

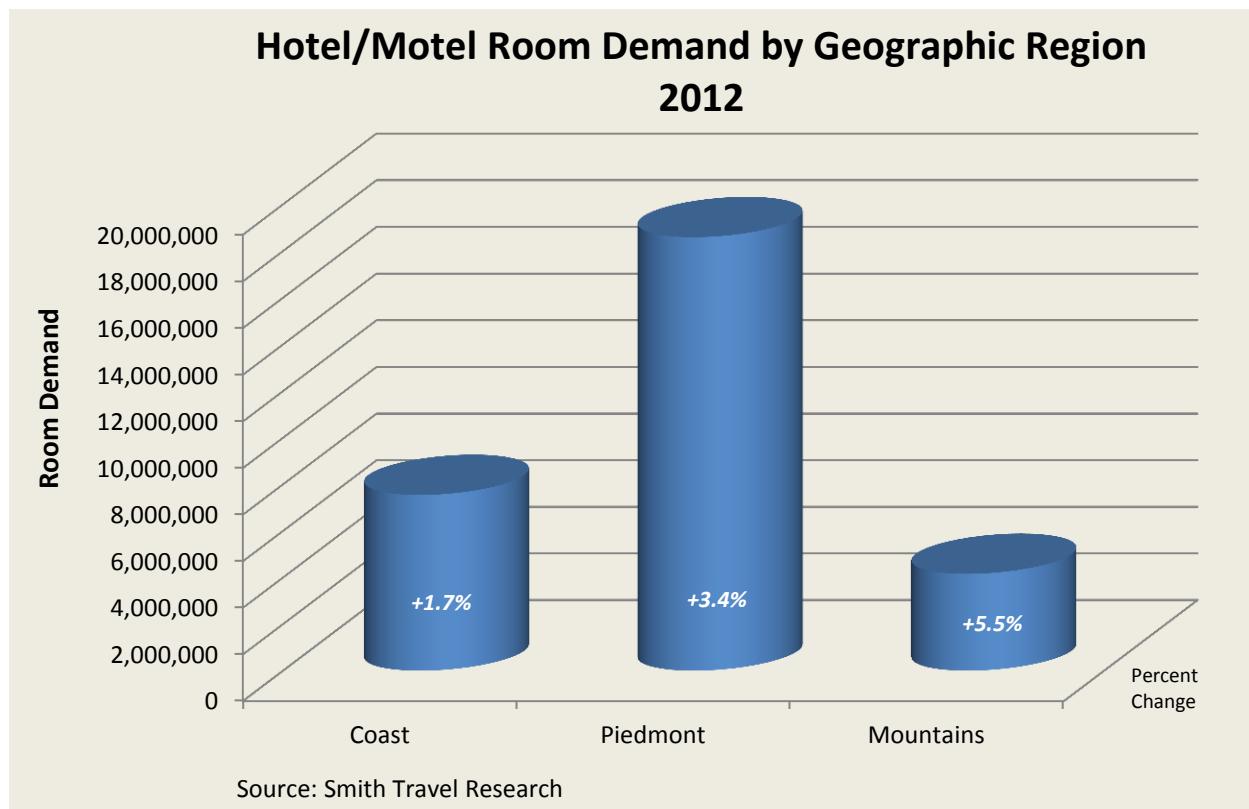


Chart 18 provides hotel/motel demand by geographic region for 2012. Demand differs from occupancy in that it is the total number of rooms sold, not accounting for differences in room supply. All three geographic regions showed positive demand growth from 2011 to 2012.

Chart 19 – Visitation to Attractions, Parks and Historic Sites by Geographic Region

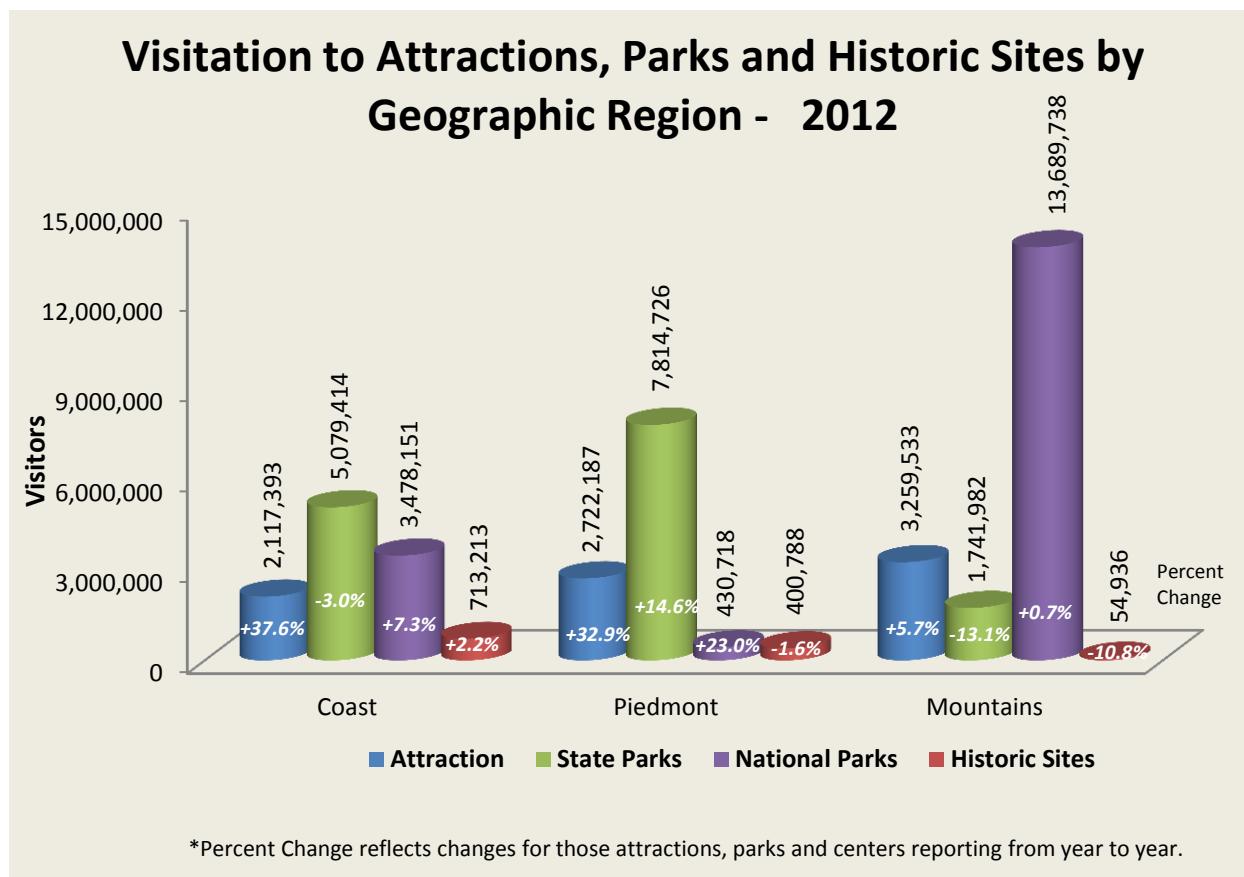


Chart 19 provides a look at the attractions industry in North Carolina in 2012 by geographic region. As with the statewide numbers, the following data represents only a sample of North Carolina attractions that provide their attendance data, and are not intended to be considered a complete list of attractions. However, the wide variation of type and location of the participating attractions allow for a valid aggregate trend analysis on a monthly basis.

It should be noted that national park attendance in the Piedmont Region only consists of one park, therefore should be analyzed with caution.

Chart 20 – State Welcome Center and Local Visitor Center Attendance by Geographic Region

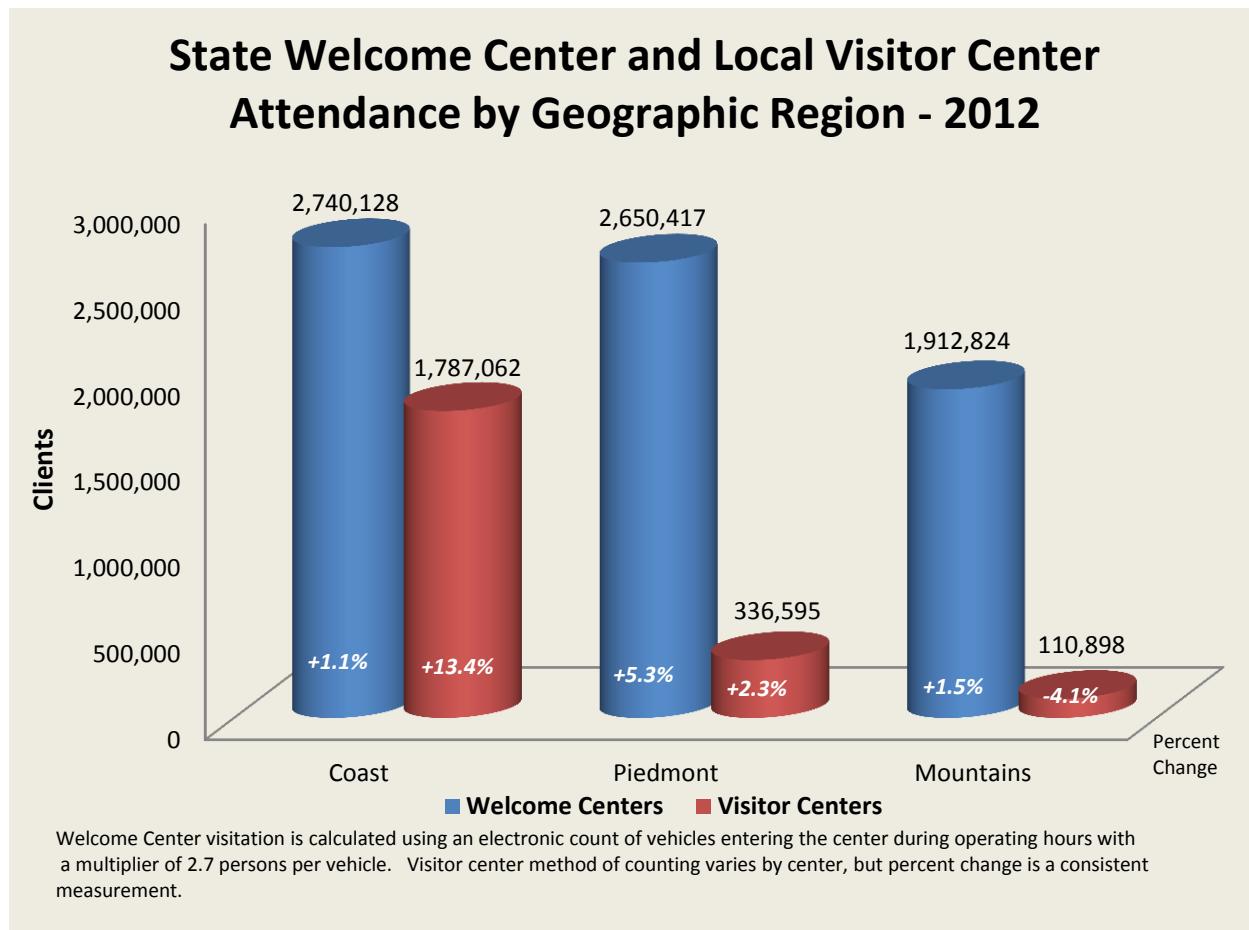


Chart 20 shows welcome center and visitor center attendance by geographic region. All three regions showed increases in welcome center visitation from 2011 to 2012.

Chart 21 – Airport Arrivals and Departures by Geographic Region

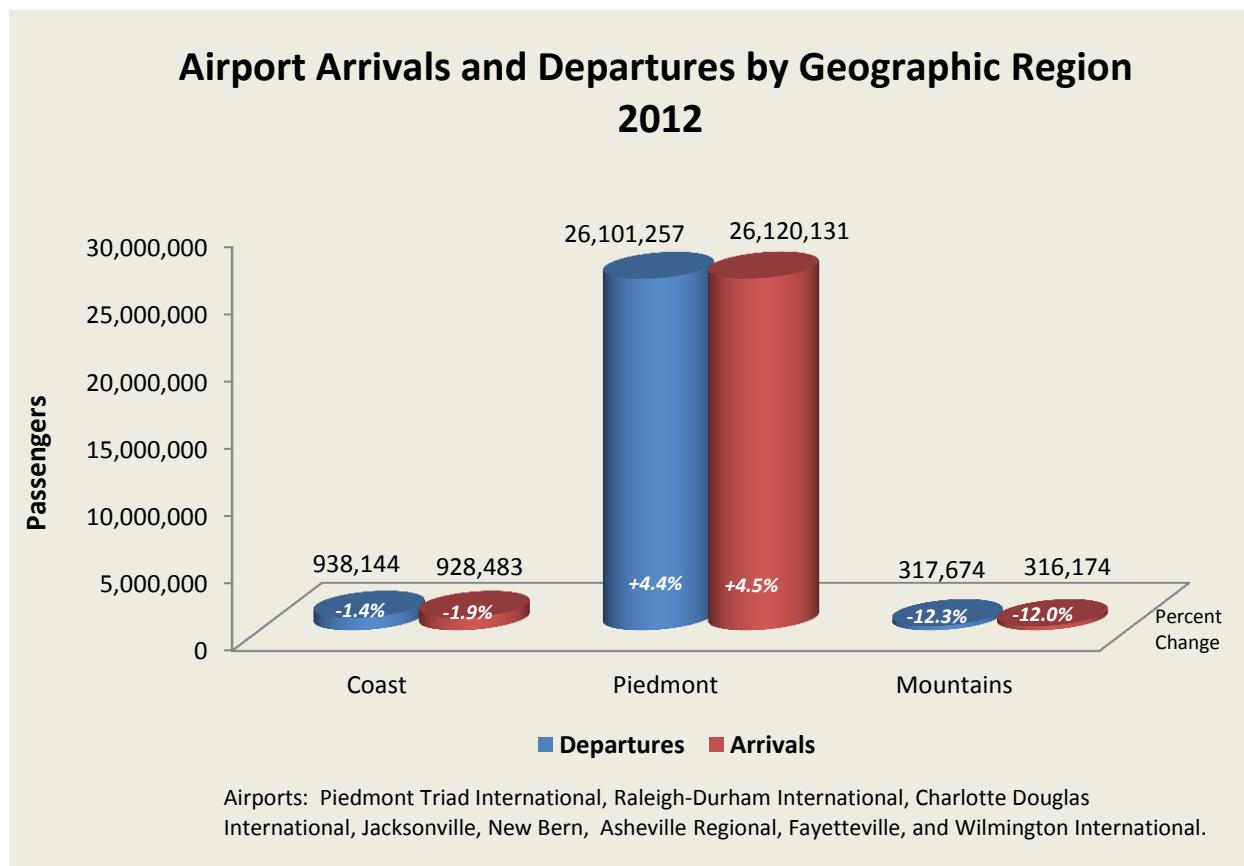


Chart 21 provides a breakdown of air travel statistics by geographic region. While the majority of air traffic is through the Piedmont Region, it is helpful to maintain a trend of other regional airport usage. The Piedmont Region showed positive growth in air traffic during 2012, while the other regions were down over the same time period. It should be noted that several discontinued flights out of Asheville in 2012 affected the percent change for the Mountain Region.

## Section 3: Economic Development Region Tourism Indicator Analysis

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 22 – Hotel/Motel Statistics by Economic Development Region

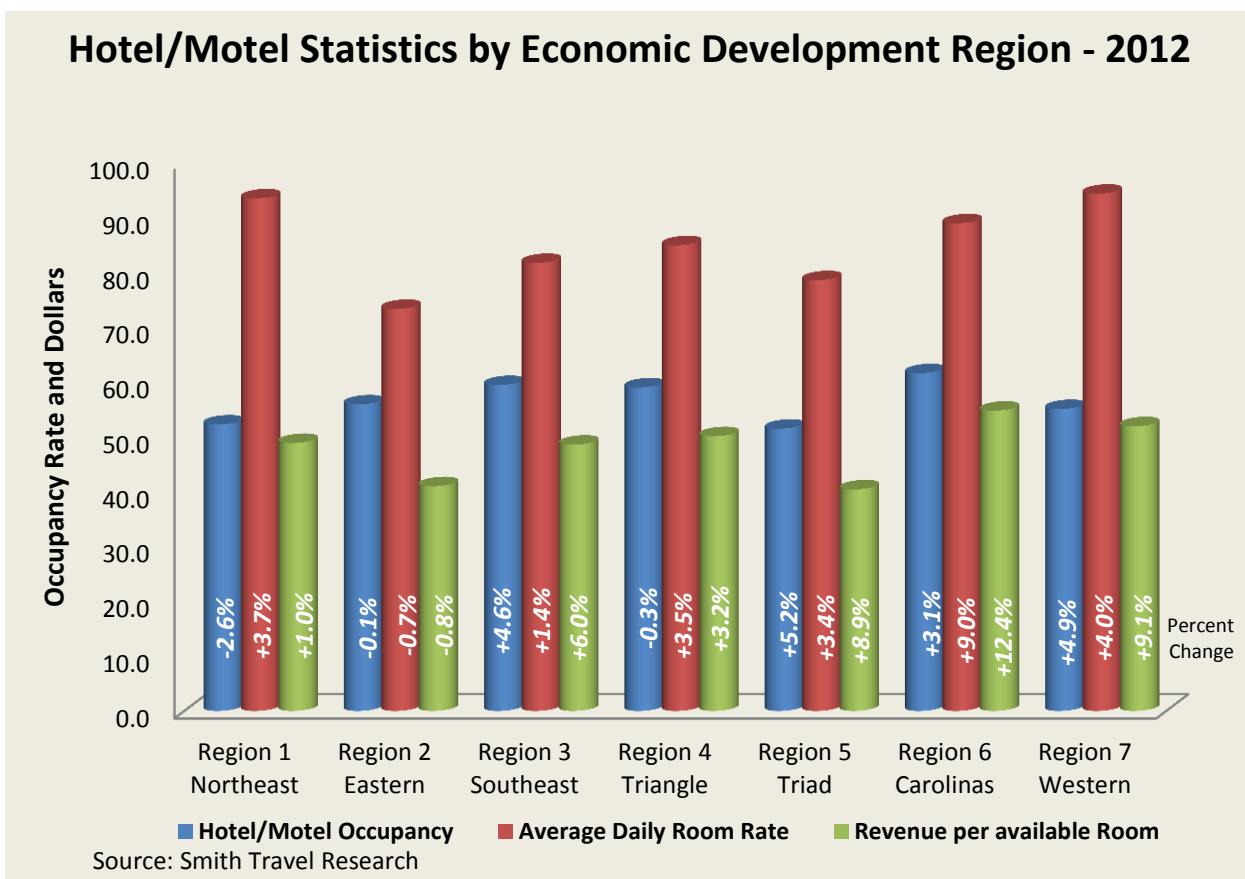


Chart 22 provides lodging indicators for 2012 by economic development region. Also shown are percent changes from 2011. This graph allows individual regions within the state to track indicators specific to their general destinations, while still being able to compare their data to the state data shown in Section 1.

Chart 23 – Hotel/Motel Room Demand by Economic Development Region

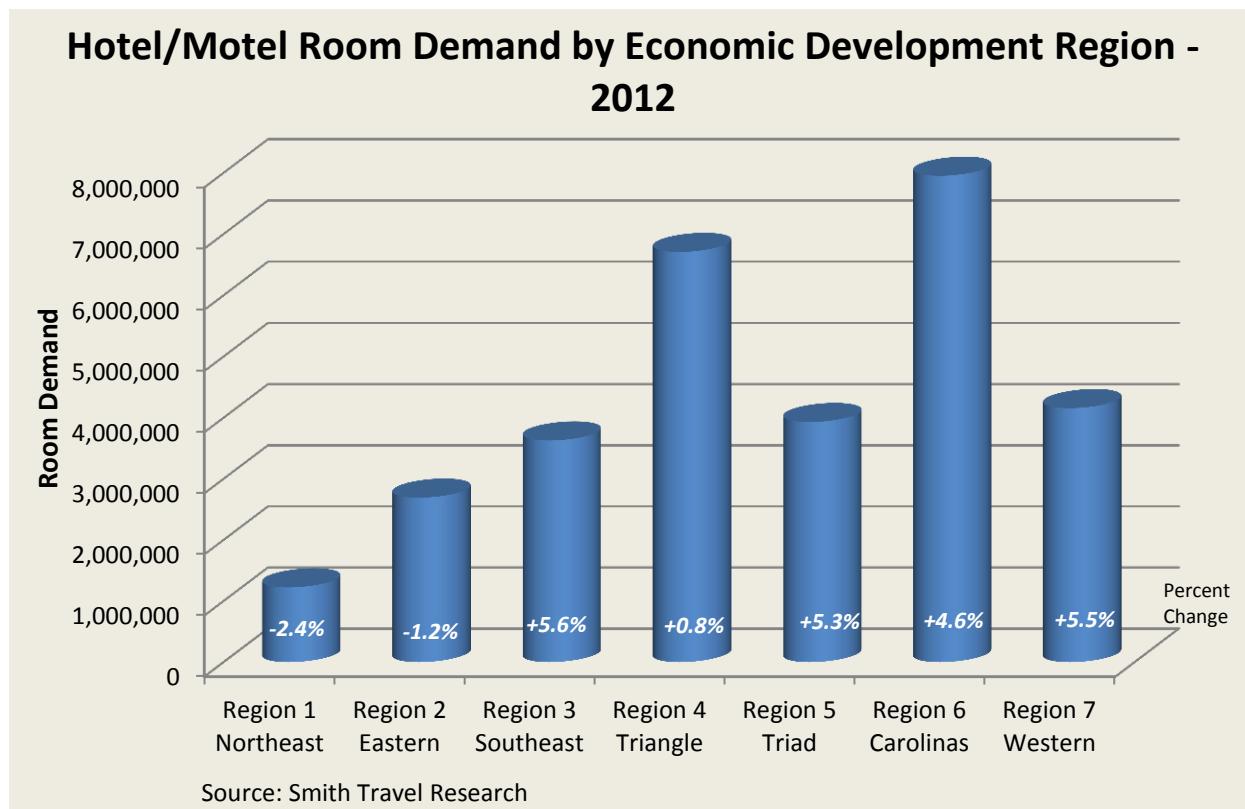


Chart 23 depicts hotel/motel demand for 2012 by economic development region. Demand is the number of rooms sold excluding complimentary rooms. Five of the six regions show increased demand from 2011 to 2012. The Northeast and Eastern regions had small decreases.

## 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

Chart 24 – National Travel Price Index

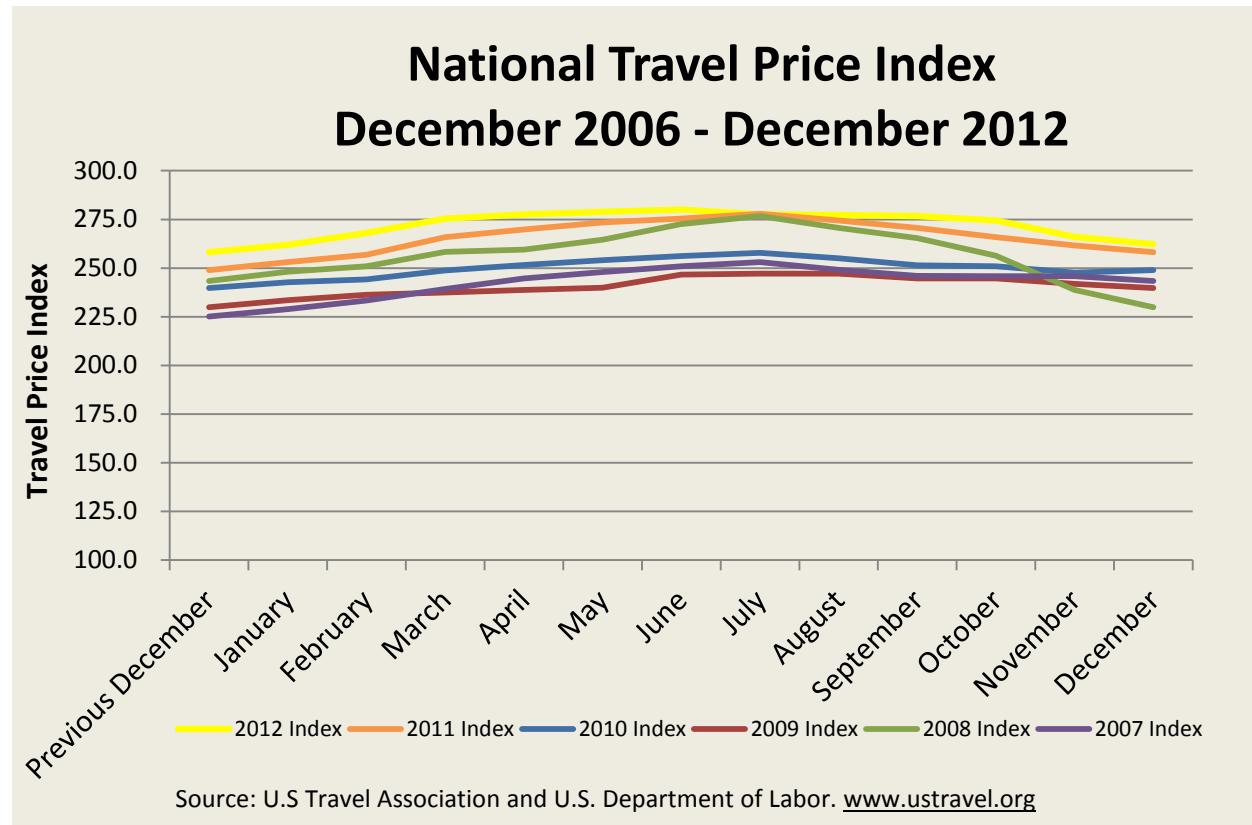


Chart 24 provides a five year trend of the National Travel Price Index (TPI). Steady growth was experienced through mid-2008; however in November 2008, it is clear that as the TPI fell below 2007 levels, the tourism industry began feeling the full effect of the recession. Into 2009, the TPI remained slightly below the 2007 level. 2010 and 2011 showed steady growth. 2012 continued the growth of the previous two years, as ADR picked up the pace after its slow start to recovery.