



February 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 February 2011

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

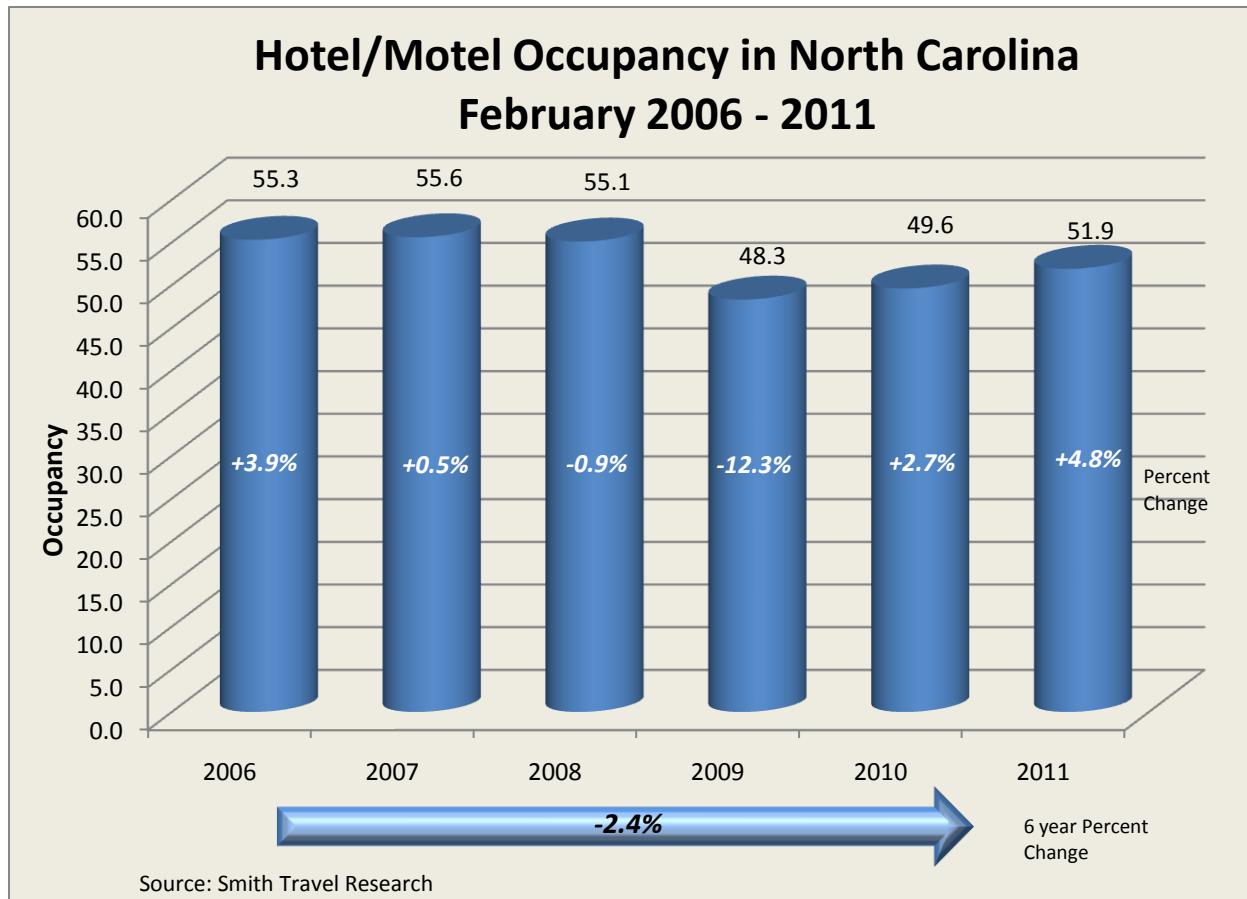


Chart 1 provides a comparison over a six year period to show the trend of occupancy in the state for the month of February. Occupancy for February 2011 was up nearly five percent from February 2010. This marked over one year of year-over-year positive occupancy growth. *Occupancy at the national level increased by just over five (+5.2%) percent in February 2011 from the previous year.*

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

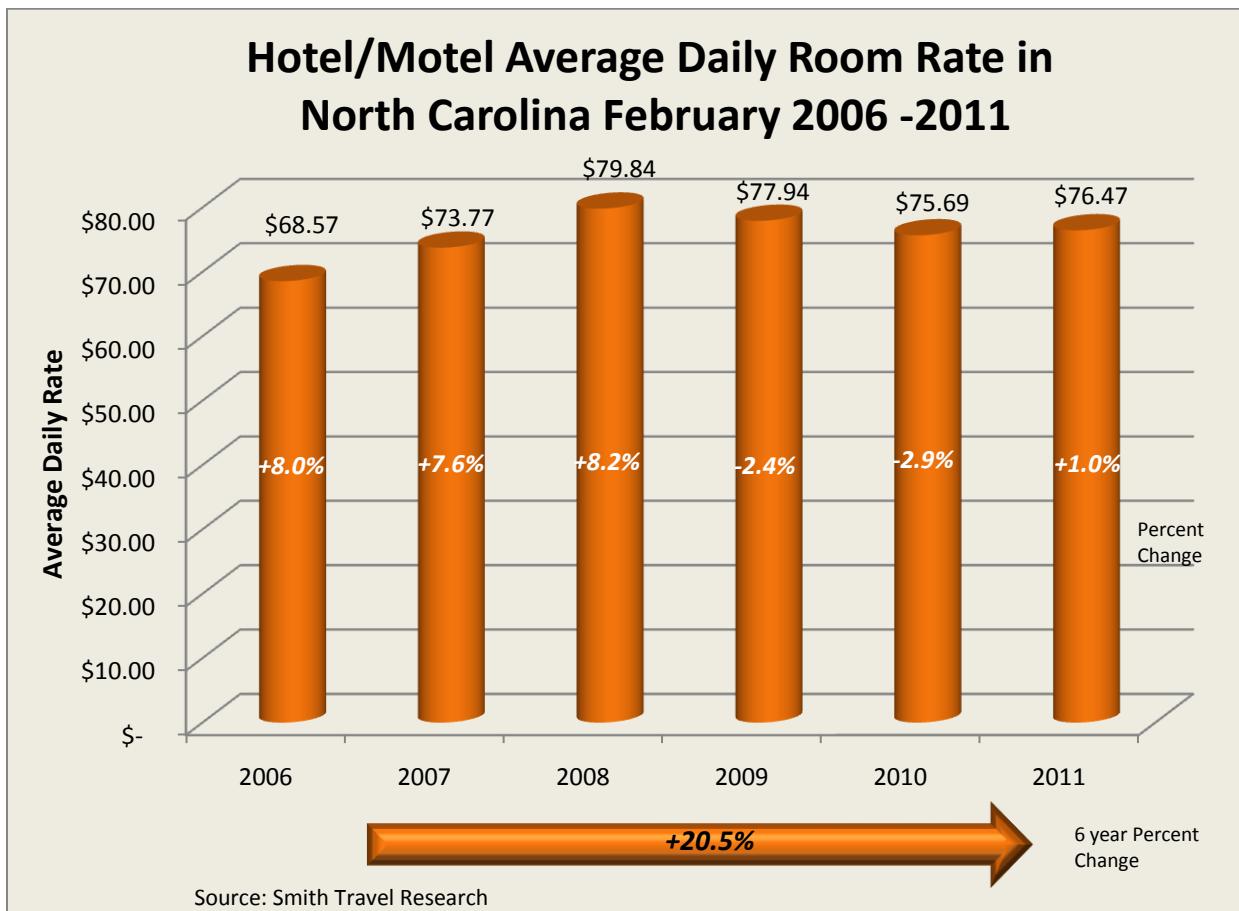
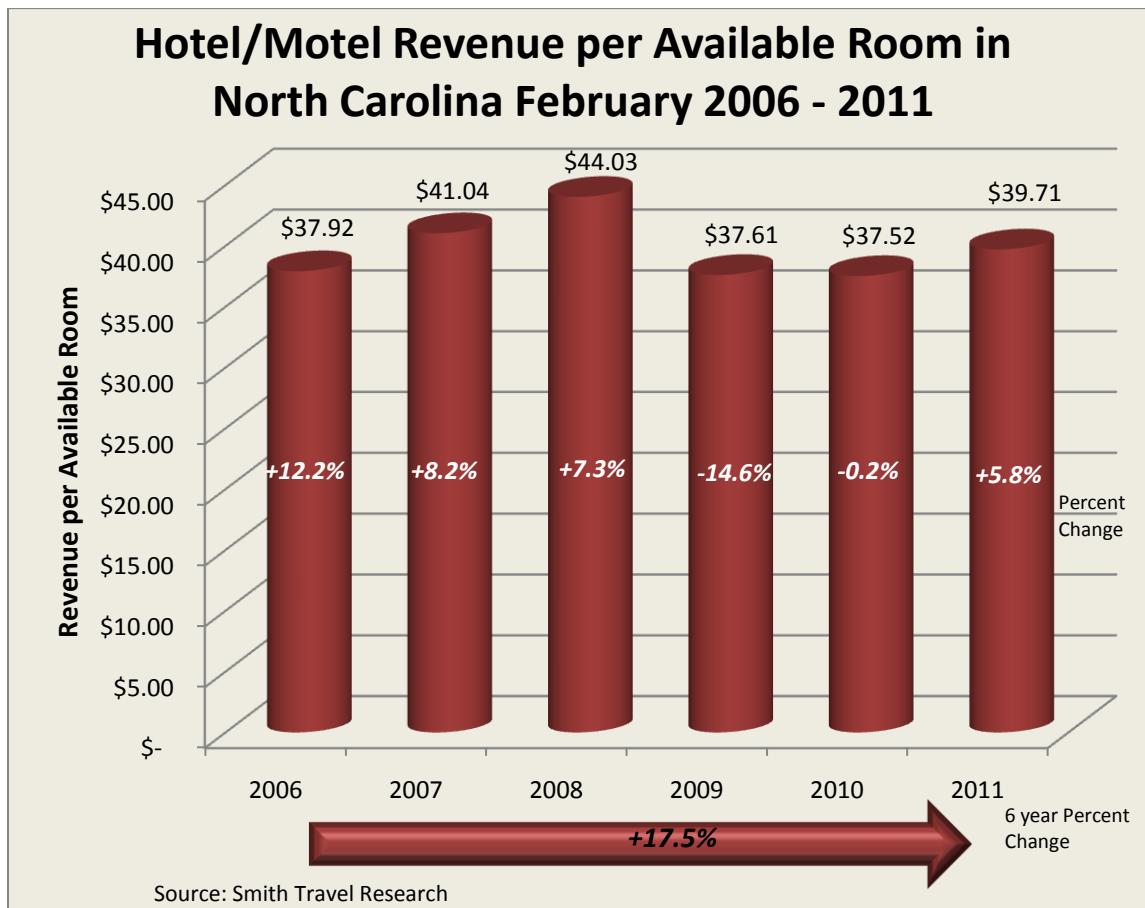


Chart 2 provides a comparison over a six year period to show the trend of average daily room rate (ADR) in the state for the month of February. After peaking in February 2008, ADR decreased over five percent in the subsequent two years, but gained one percent back in February 2011. *ADR at the national level was up 2.5% in February 2010 from the previous February.*

Chart 3 – Hotel/Motel Revenue per Available Room in North Carolina - February 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 February. RevPAR was up 5.8% in February 2011, continuing the positive growth that began in the spring of 2010. *RevPAR at the national level was up 7.9% in February 2010 from the previous February.*

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

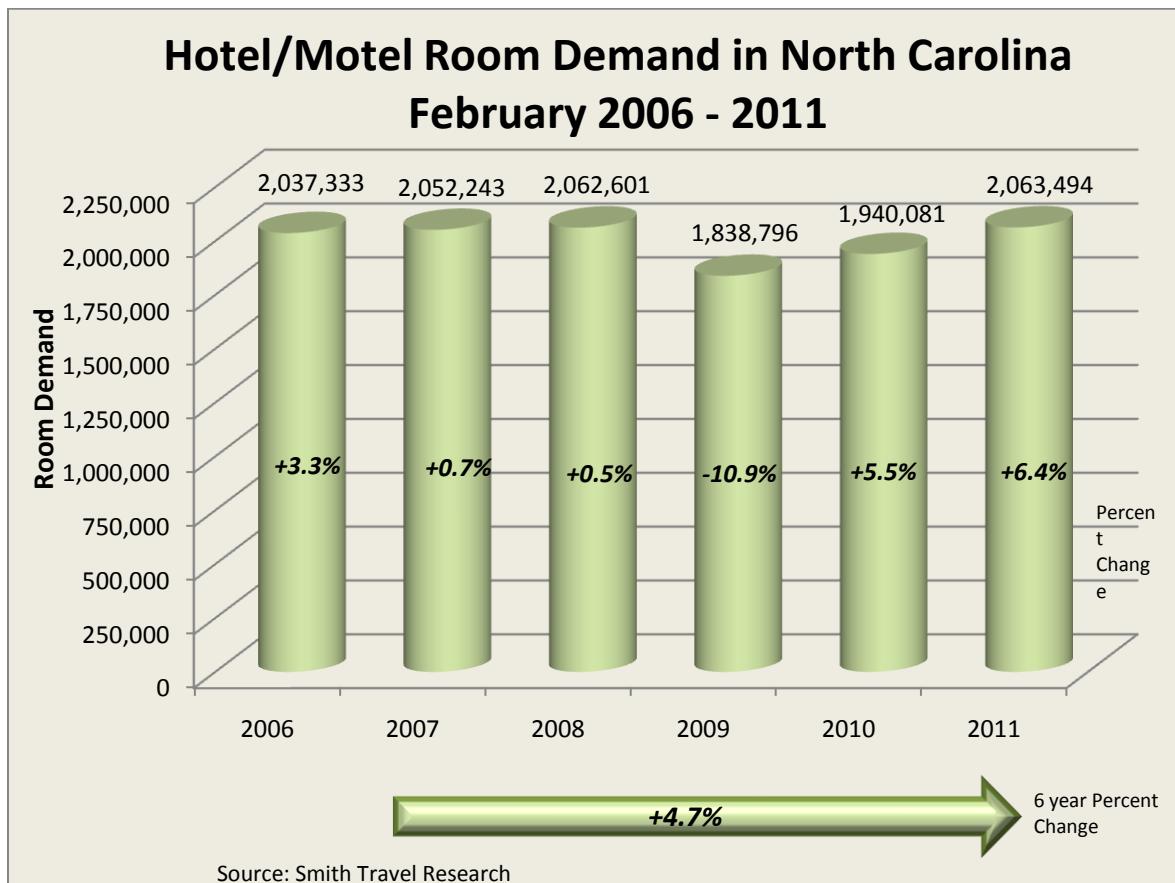


Chart 4 depicts hotel/motel demand for the month of February 2011 with comparisons to the previous five years. Demand is the number of rooms sold excluding complimentary rooms. Room demand for February was up over six percent from February 2010. *Room Demand at the national level saw an increase of 6.2% change in February 2011 from the previous February.*

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

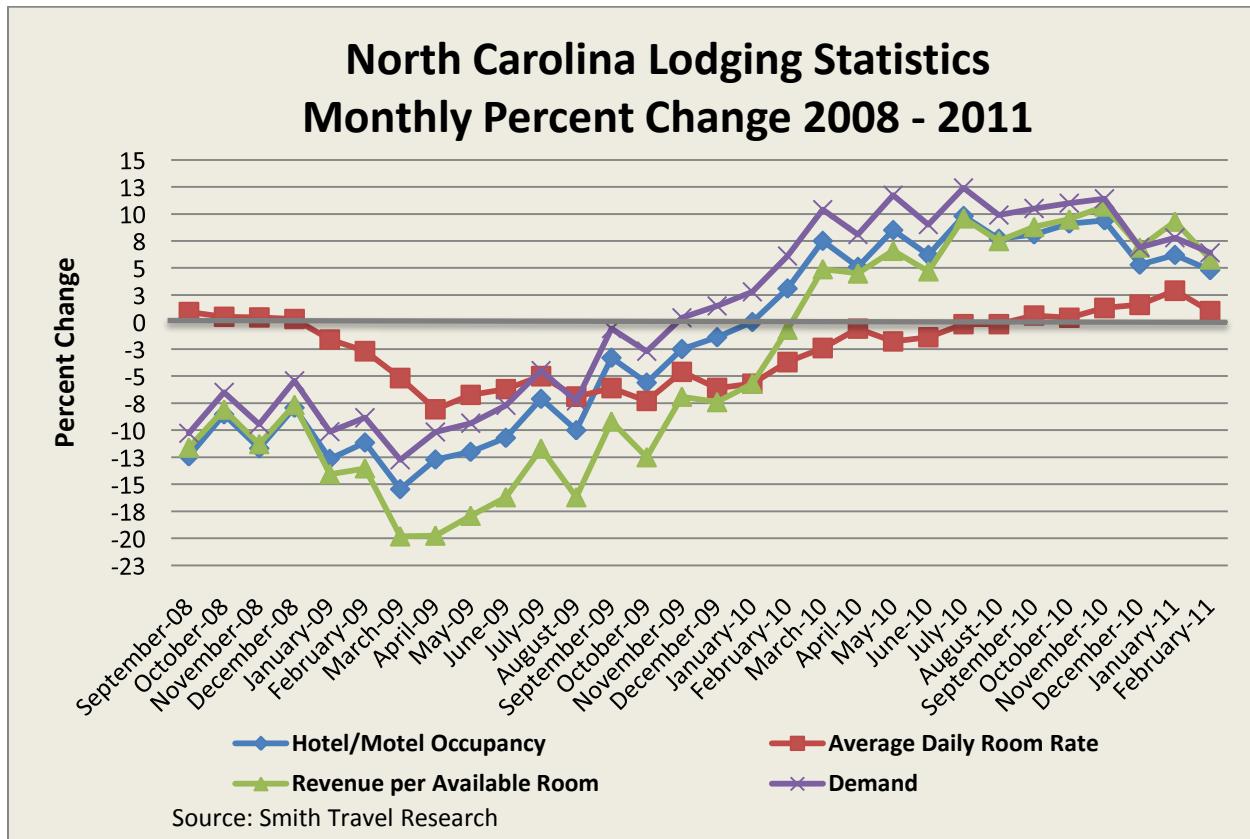


Chart 5 provides a monthly percent change for the four major lodging indicators. The chart allows for a 29 month trend-line analysis that clearly depicts that the major indicators have shown a steady positive change since early 2010, and are continuing in the near year. ADR, the last indicator to begin to rebound, remains in a growth phase with a 1.0% increase from last February.

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

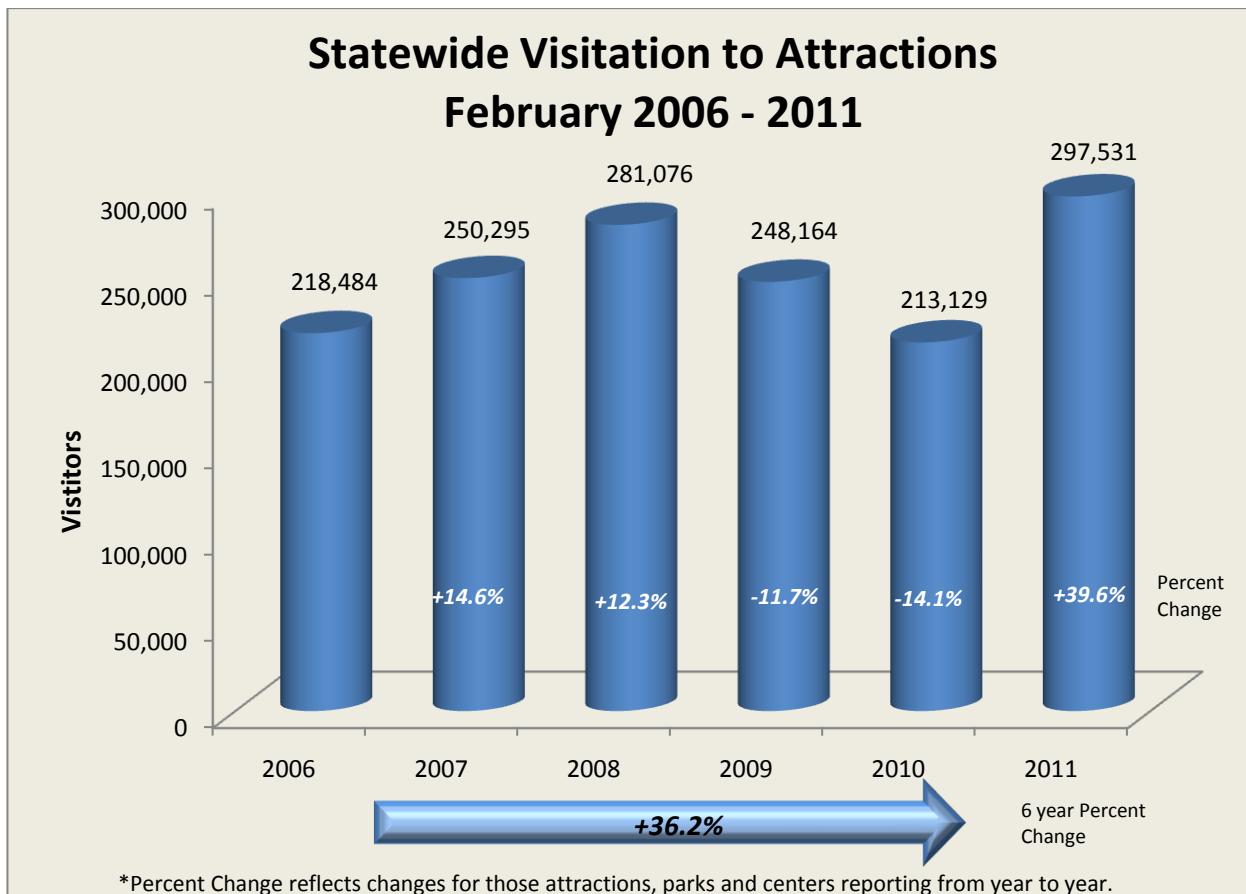


Chart 6 provides a status of the attractions industry in North Carolina for the month of February for the last six years. The numbers represent only a sample of North Carolina attractions that provide their attendance data, and are not intended to be considered a complete list of attractions. However,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

February was another positive month for NC attractions. February 2011 attraction attendance was the highest for February in the last six years.

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

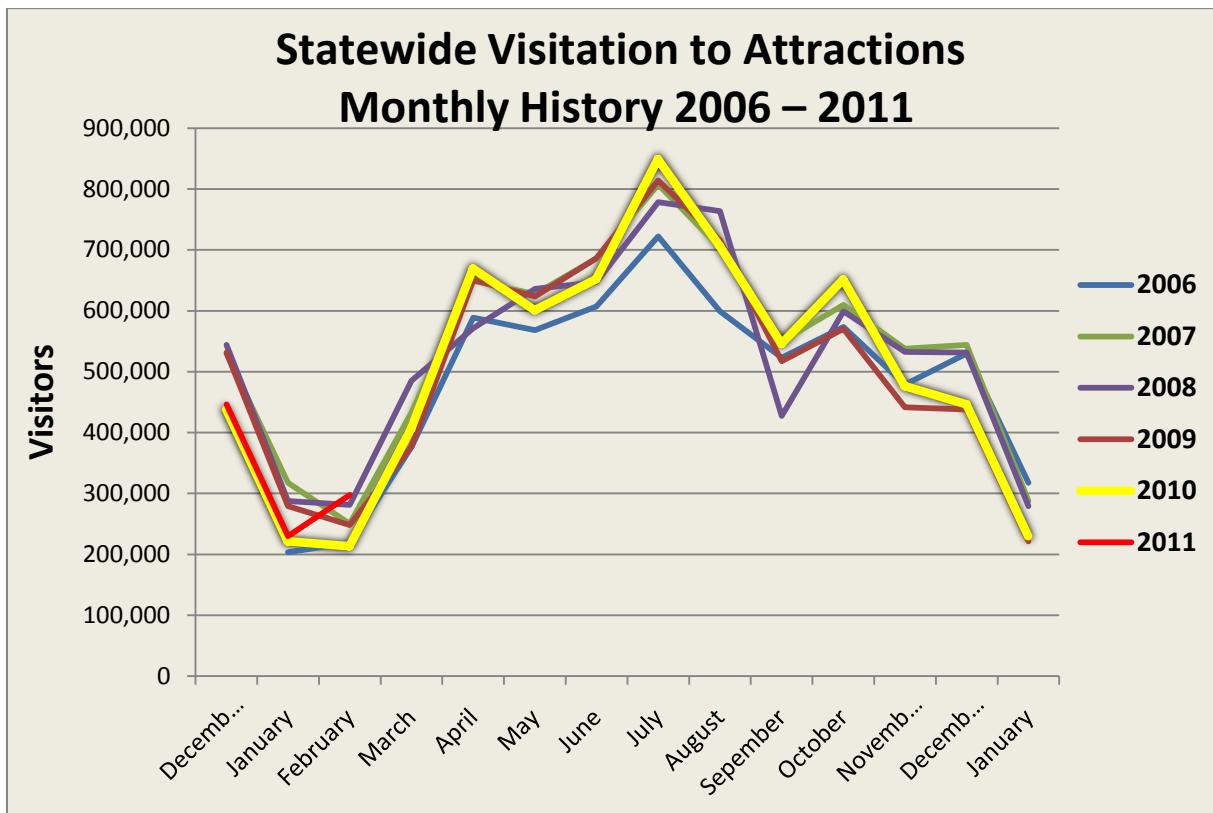


Chart 7 shows a monthly trend of attraction visitation for each of the last six years. This chart allows for a view of the ebb and flow of monthly attraction attendance, while also providing a look at how attendance compares to the same month of the previous years. Not surprisingly, the winter months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

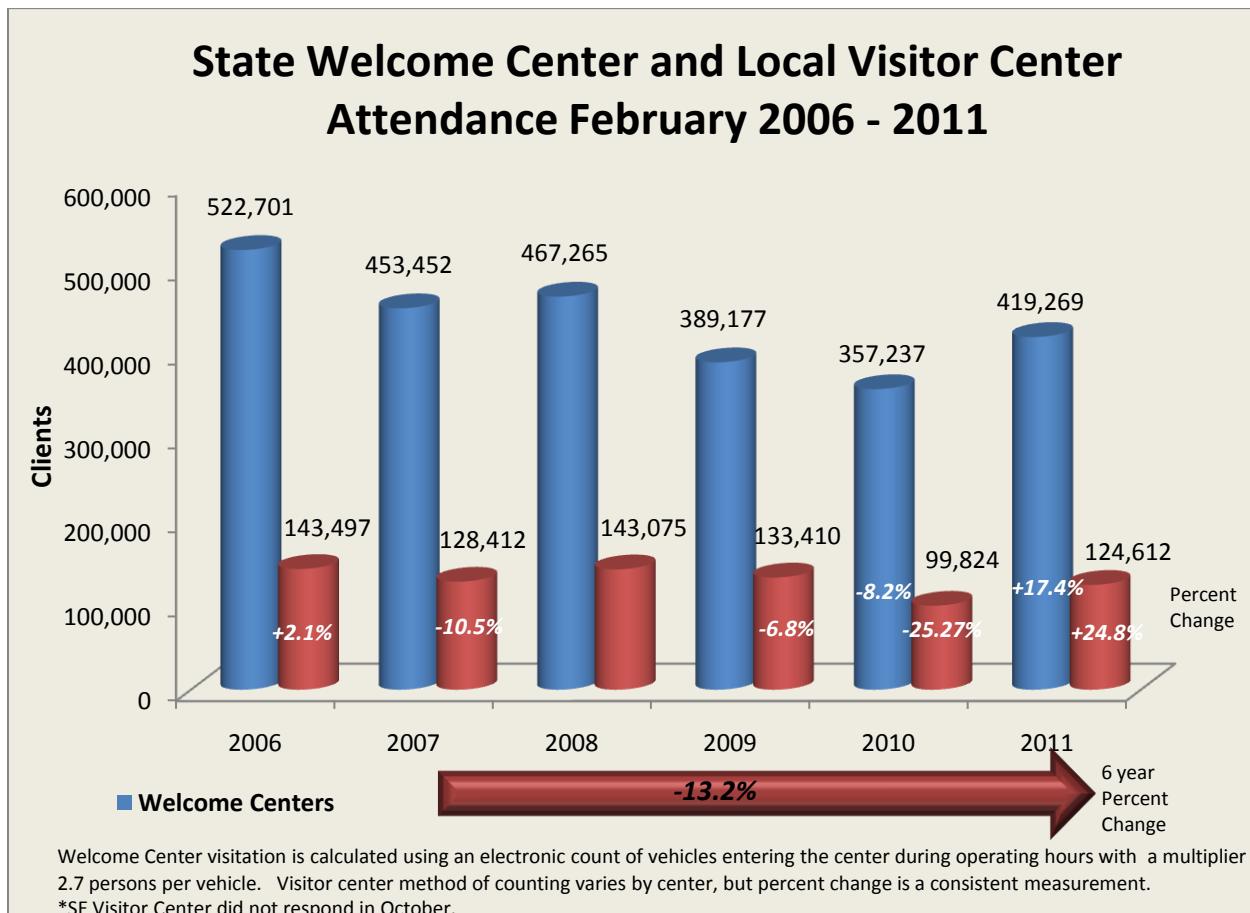


Chart 8 provides February visitation statistics for State Welcome Centers, as well as Local Visitor Centers throughout North Carolina. It should be noted that while there is a percent change indicated for welcome centers for 2007-2008 and 2008-2009, 2008 was the first year a percent change could accurately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

Both welcome centers and local visitor centers saw increased attendance from February 2010 to February 2011. It should be noted however, that the I-40 Welcome Center was closed in February 2010 as a result of the rock slide in western North Carolina.

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

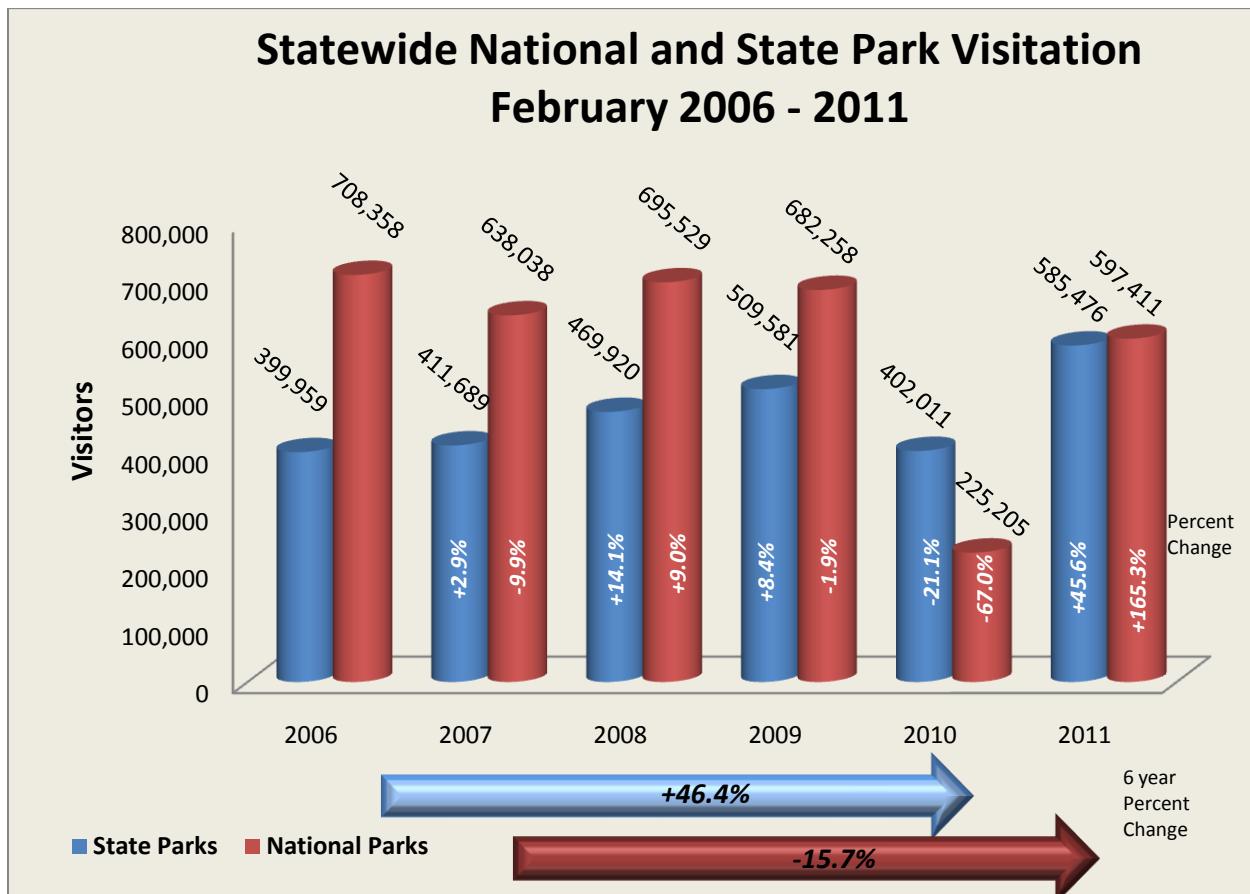
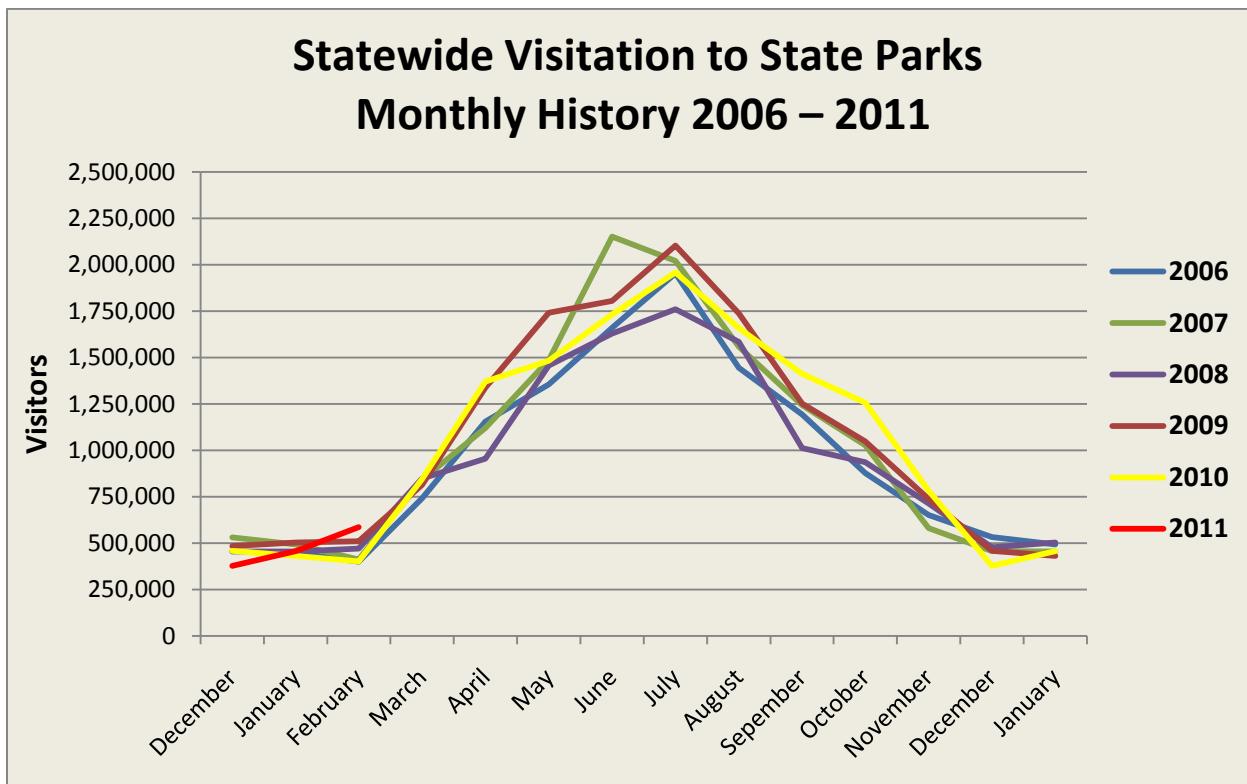


Chart 9 depicts visitation to state and national parks in North Carolina for the last six years months of February. Both state and national parks had substantial increases in February from the previous year. These increases can be partially attributed to the abundance of inclement weather North Carolina experienced during the winter of 2010. Examining a percent change from two years ago, attendance was still down slightly.

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

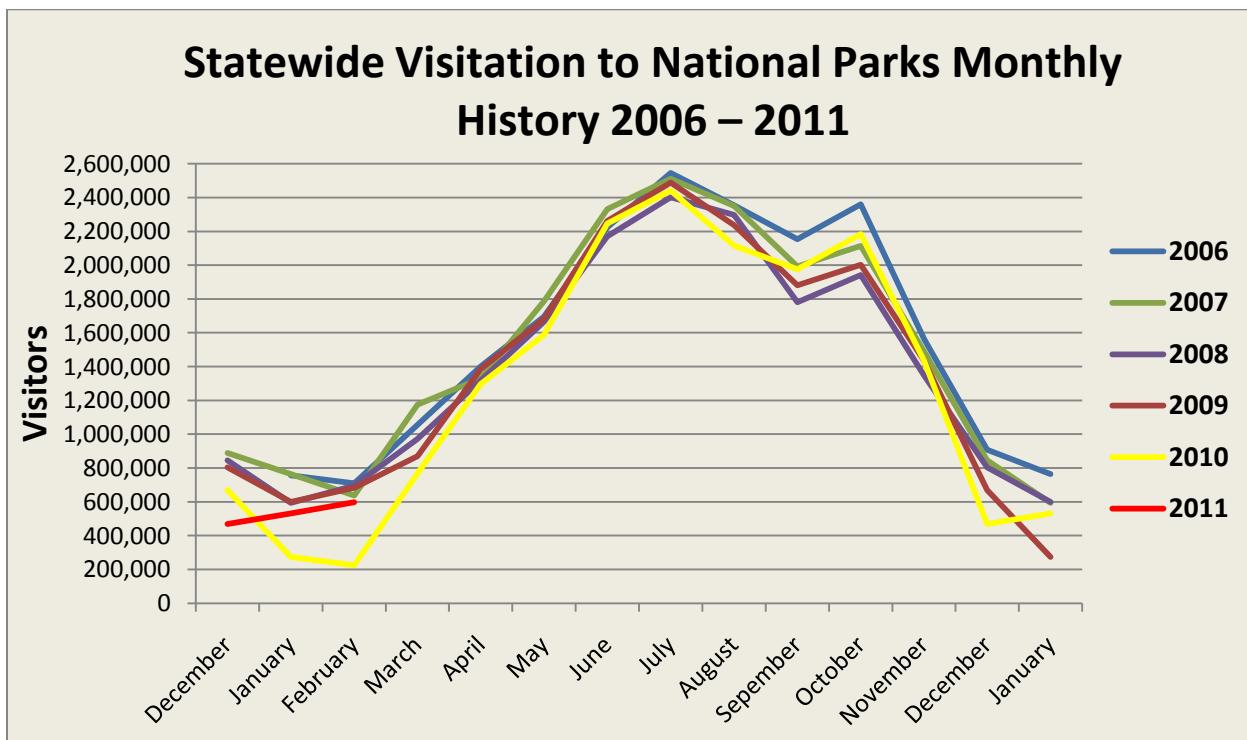


Chart 12 – Statewide Airport Arrivals and Departures - February 2006 – 2011

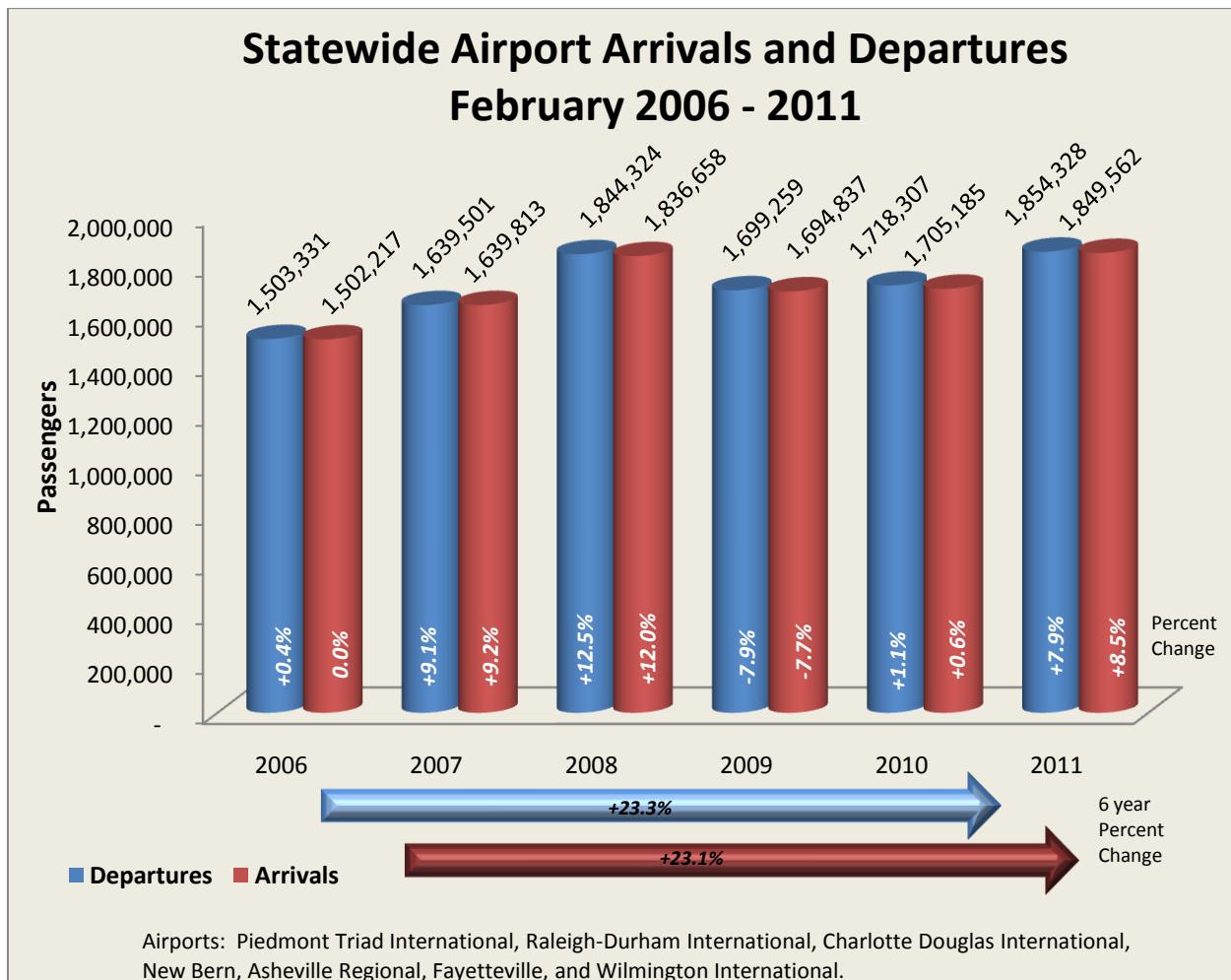


Chart 12 shows February airport arrivals and departures for each of the previous six years. The arrivals and departures approximately eight percent from last February, and there has been a substantial six-year increase in both for the month of February.

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

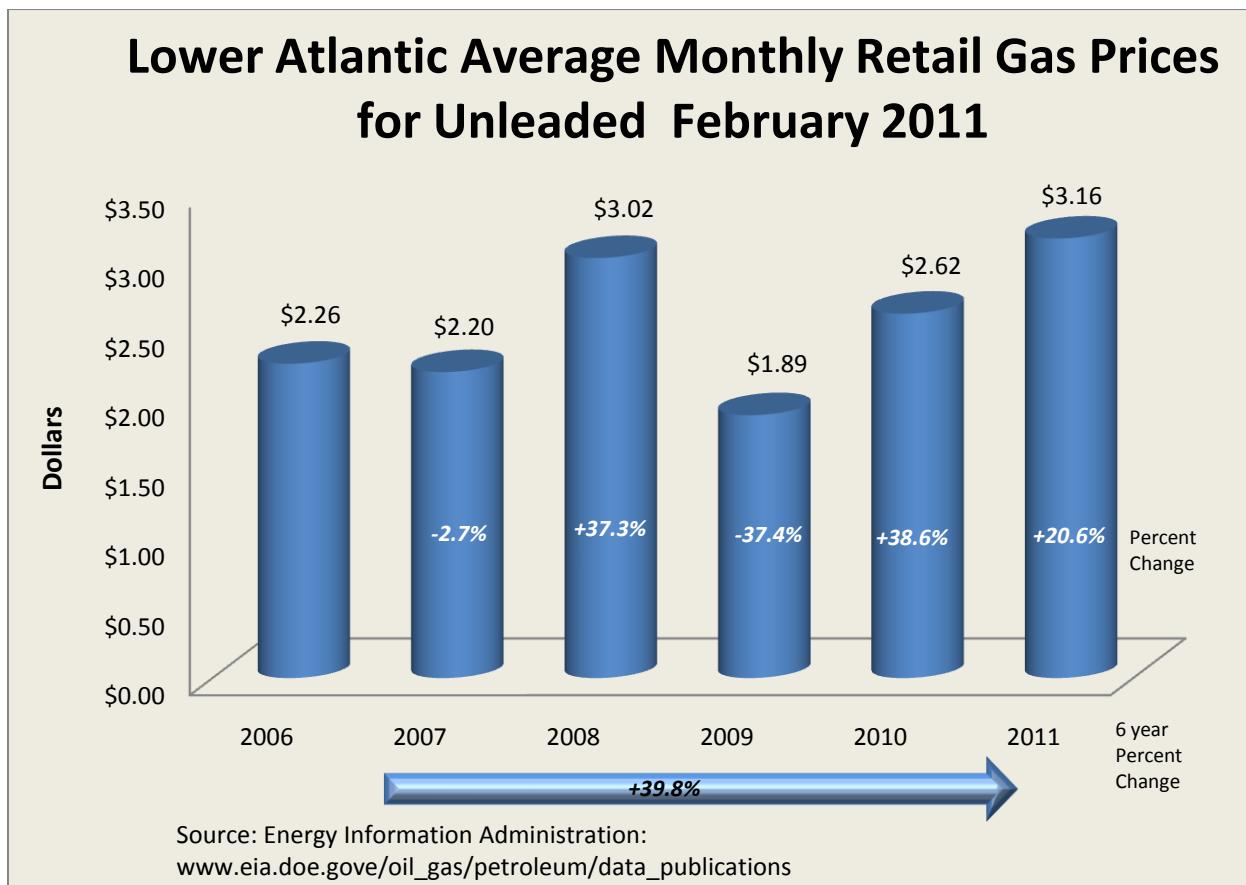


Chart 13 provides the average price per gallon of unleaded gasoline for February 2011 and the same month from the five previous years. The data provided above, when compared with other indicators such as attraction attendance and visitor spending data, can be very helpful in the analysis of general travel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

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

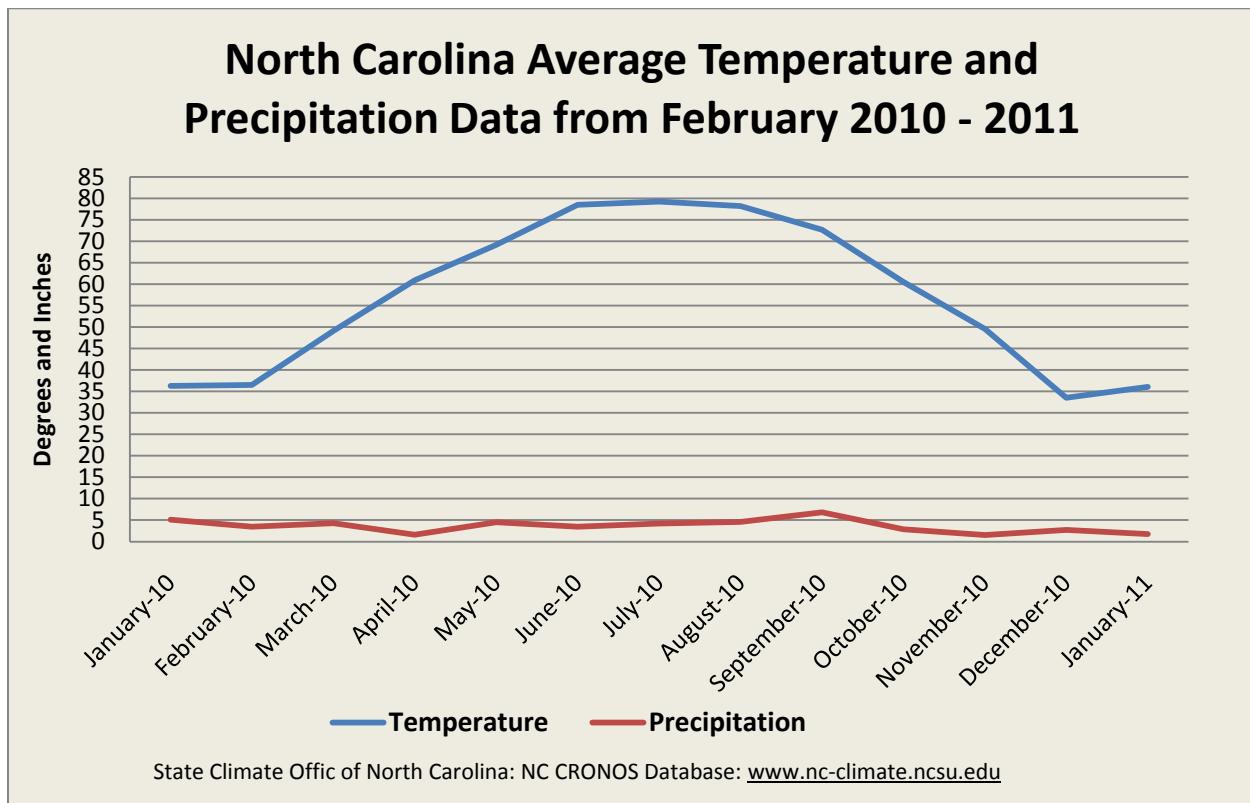


Chart 14 provides 13 months of air temperature and precipitation. This data, when analyzed together with gas price data and other tourism indicators, can be valuable in determining possible reasons for significant increases and/or decreases in indicators. For instance, greater than normal precipitation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

The temperature was nearly 10 degrees warmer in February 2011 than the previous winter, and there was about an inch less rain in 2011 as compared to 2010.

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

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

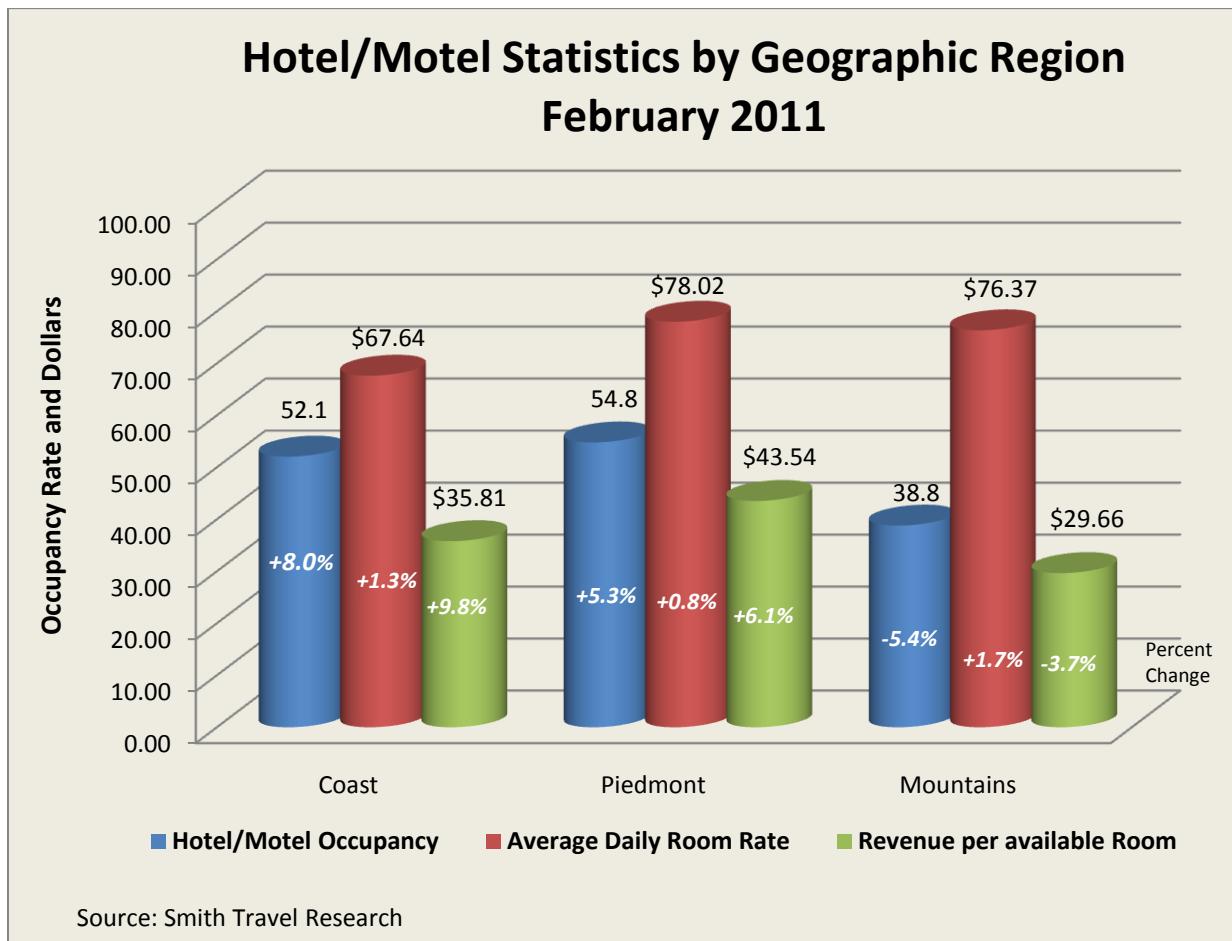


Chart 15 provides a one year comparison in lodging statistics for the three geographic marketing regions of North Carolina in February. All major indicators showed increases in the Coastal and Piedmont regions in February 2011 as compared to 2010; however the Mountain Region experienced decreases in occupancy and RevPAR as compared to last February.

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

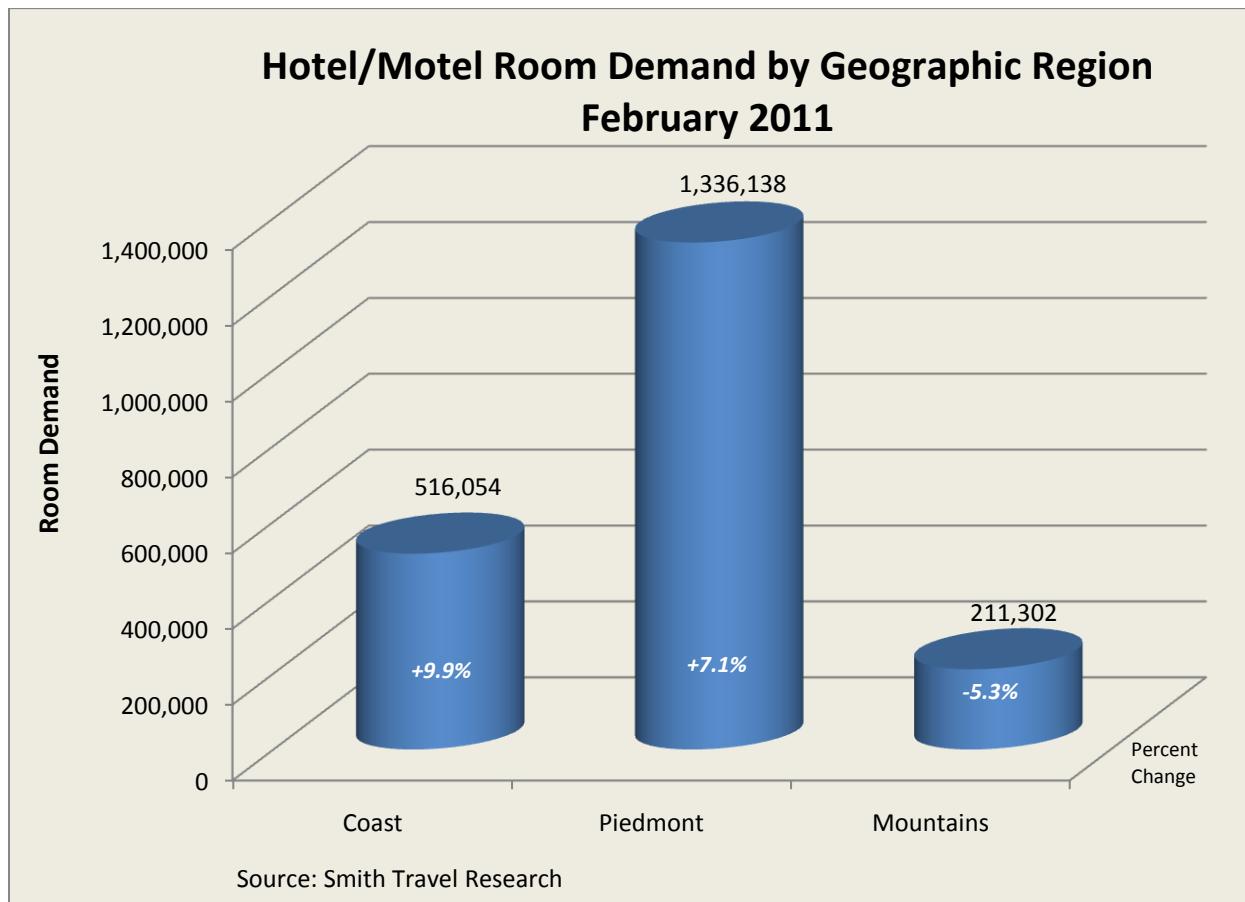


Chart 16 provides hotel/motel demand by geographic region for February 2011. Demand differs from occupancy in that it is the total number of rooms sold, not accounting for differences in room supply. The Coastal Region had demand growth of nearly ten percent from February 2010 to February 2011, with the Piedmont Region having strong growth of over seven percent. The Mountain Region however had a five percent decrease from 2010.

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

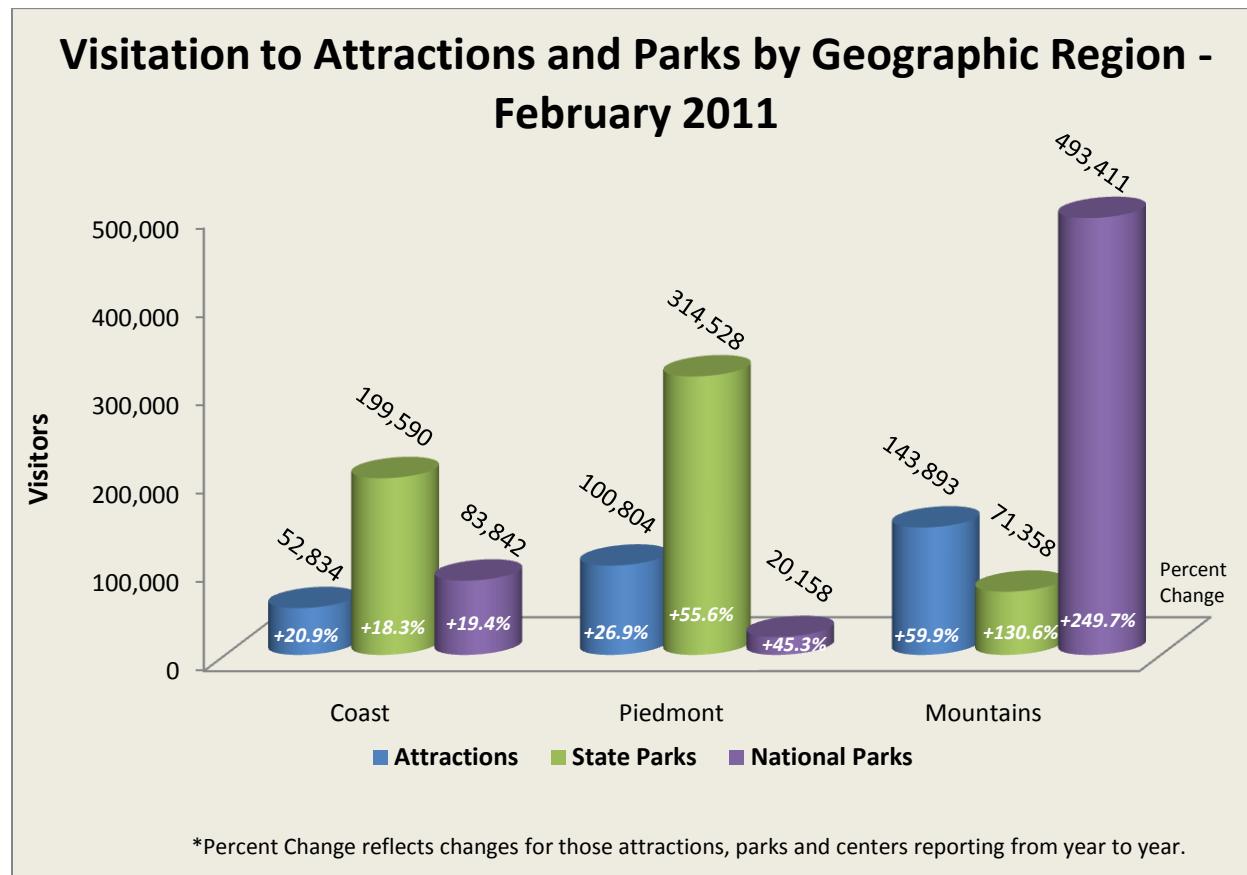


Chart 17 provides a look at the attractions industry in North Carolina in February 2011 by geographic region. As with the statewide numbers, the following data represents only a sample of North Carolina attractions that provide their attendance data, and are not intended to be considered a complete list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

Park and attraction attendance throughout the state showed large increases in all regions from 2010 to 2011, particularly in the Mountain Region. Attendance in the Mountain Region in 2010 was greatly (negatively) affected by the weather that winter, hence the substantial increase in February 2011.

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

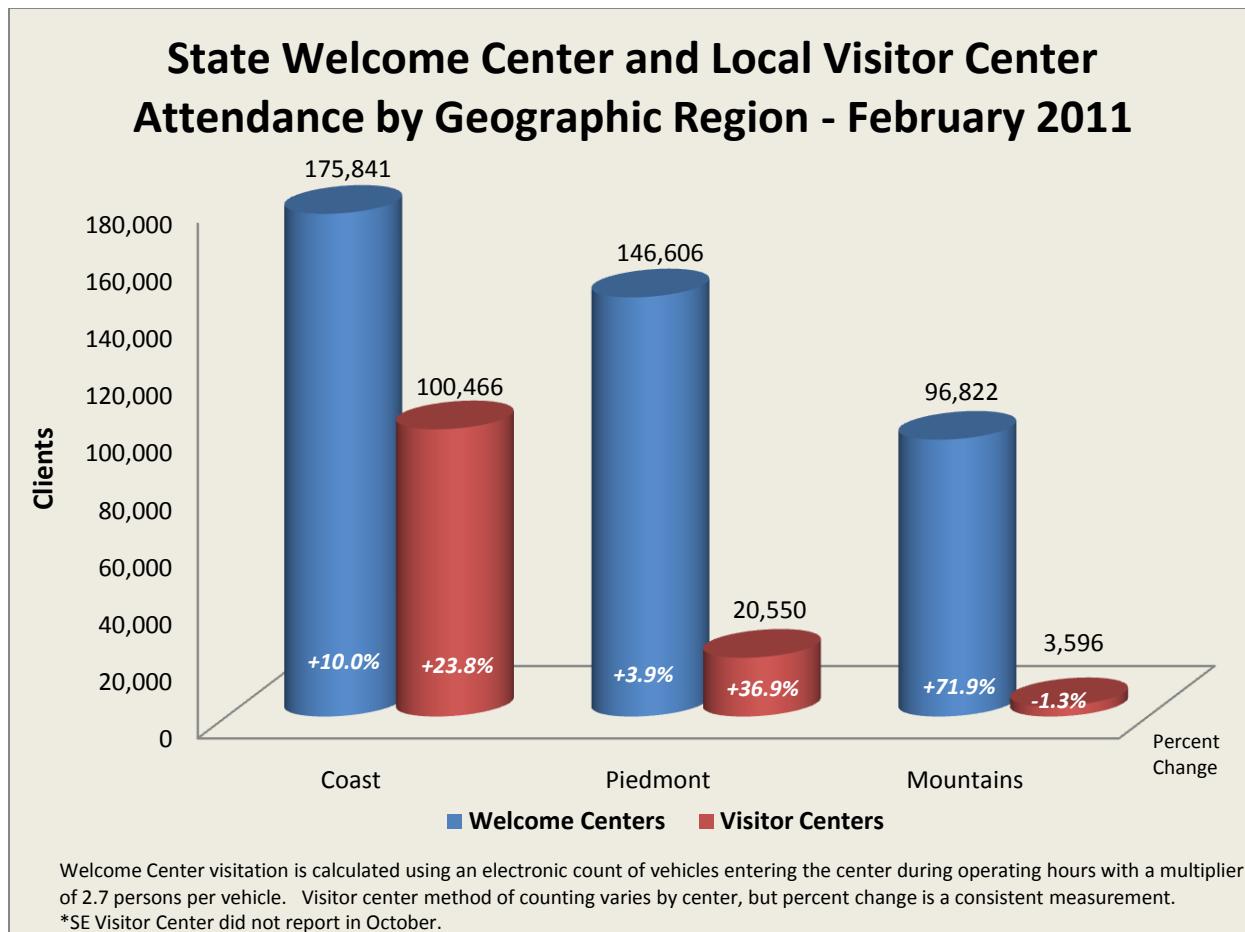


Chart 18 shows welcome center and visitor center attendance by geographic region and offers comparisons from February 2010. All three regions' welcome centers experienced increases from February 2010, though part of the increase in the Mountain Region can be explained by the reopening of the I-40 Welcome Center after the rock slide.

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

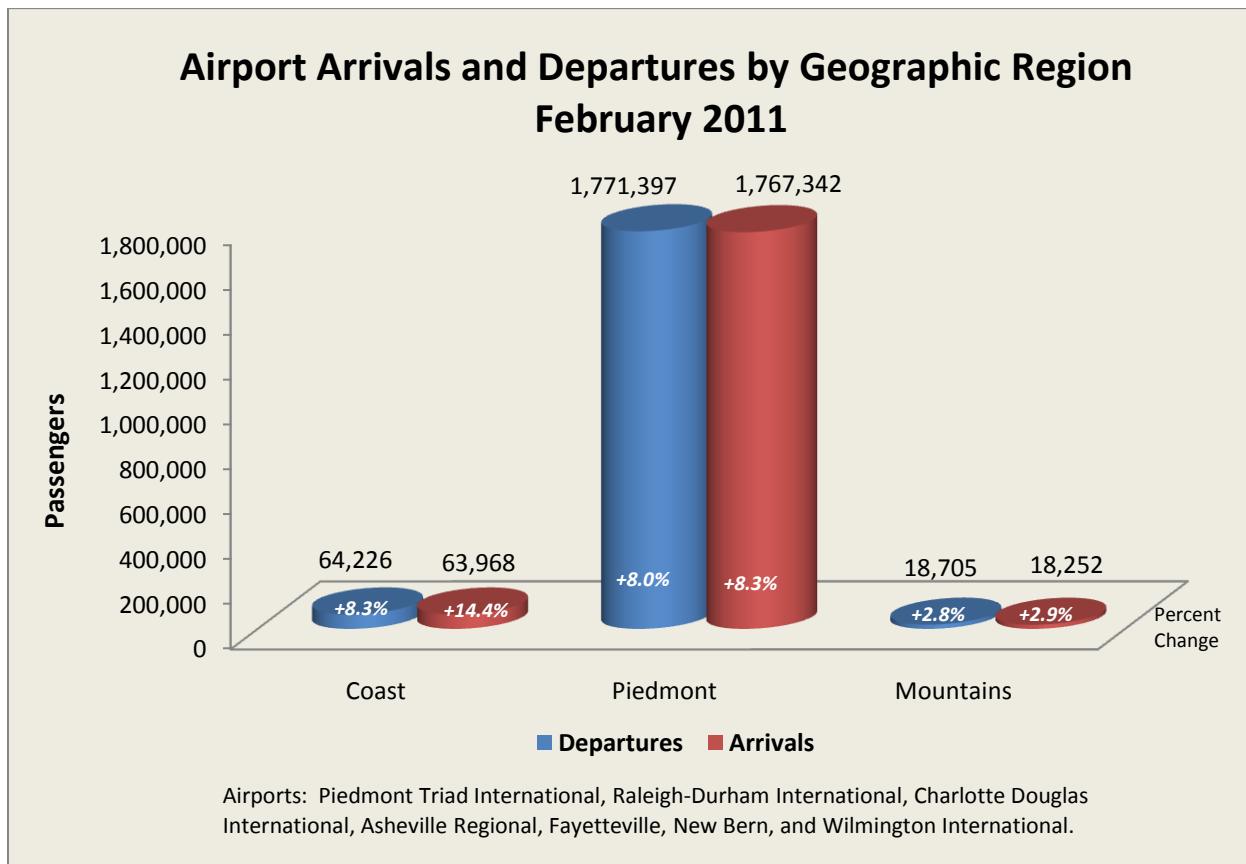


Chart 19 provides a breakdown of air travel statistics by geographic region. While the majority of air traffic is through the Piedmont Region, it is helpful to maintain a trend of other regional airport usage. The coastal and mountain regions showed steady growth during the month of February, as did the Piedmont Region.

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

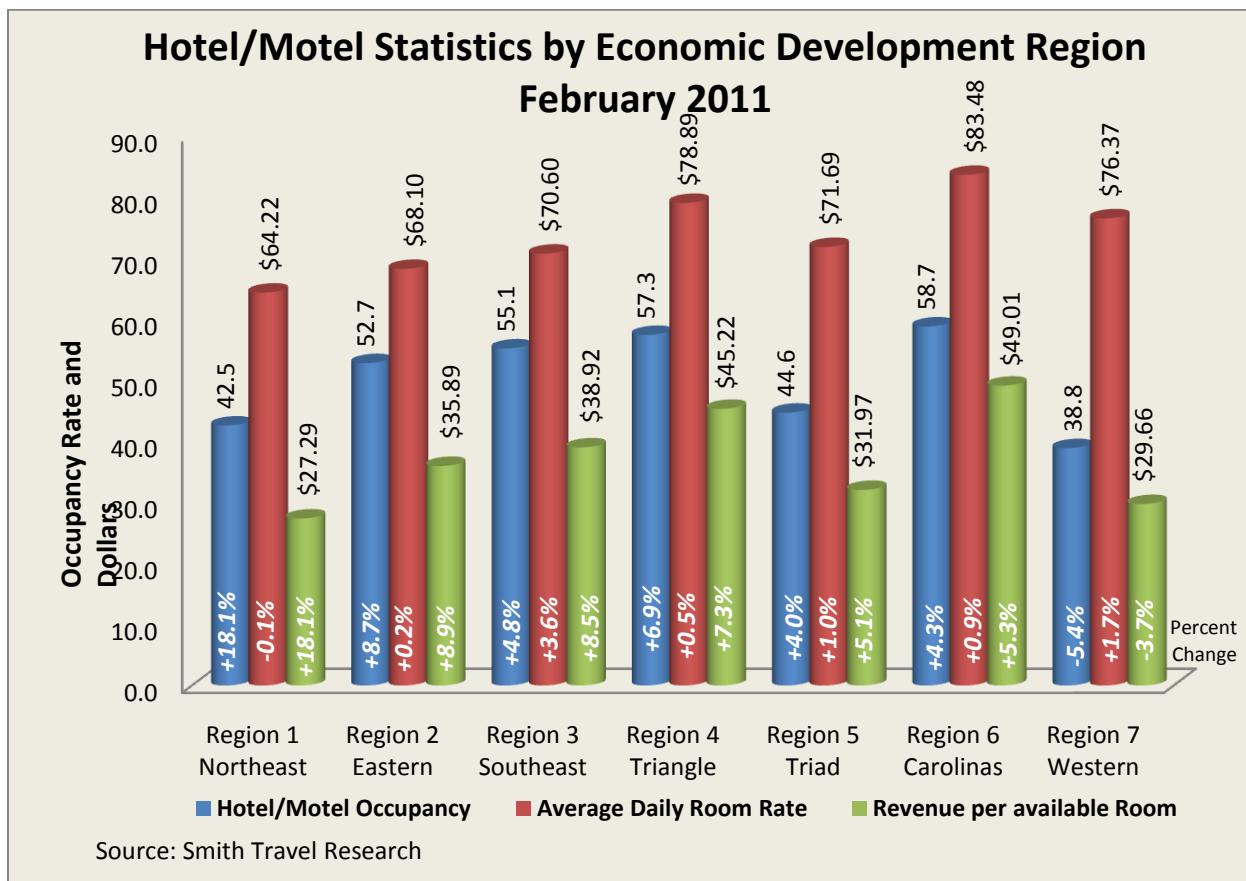


Chart 20 provides lodging indicators for February 2011 by economic development region. Also shown are percent changes from February 2010. This graph allows individual regions within the state to track indicators specific to their general destinations, while still being able to compare their data to the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

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

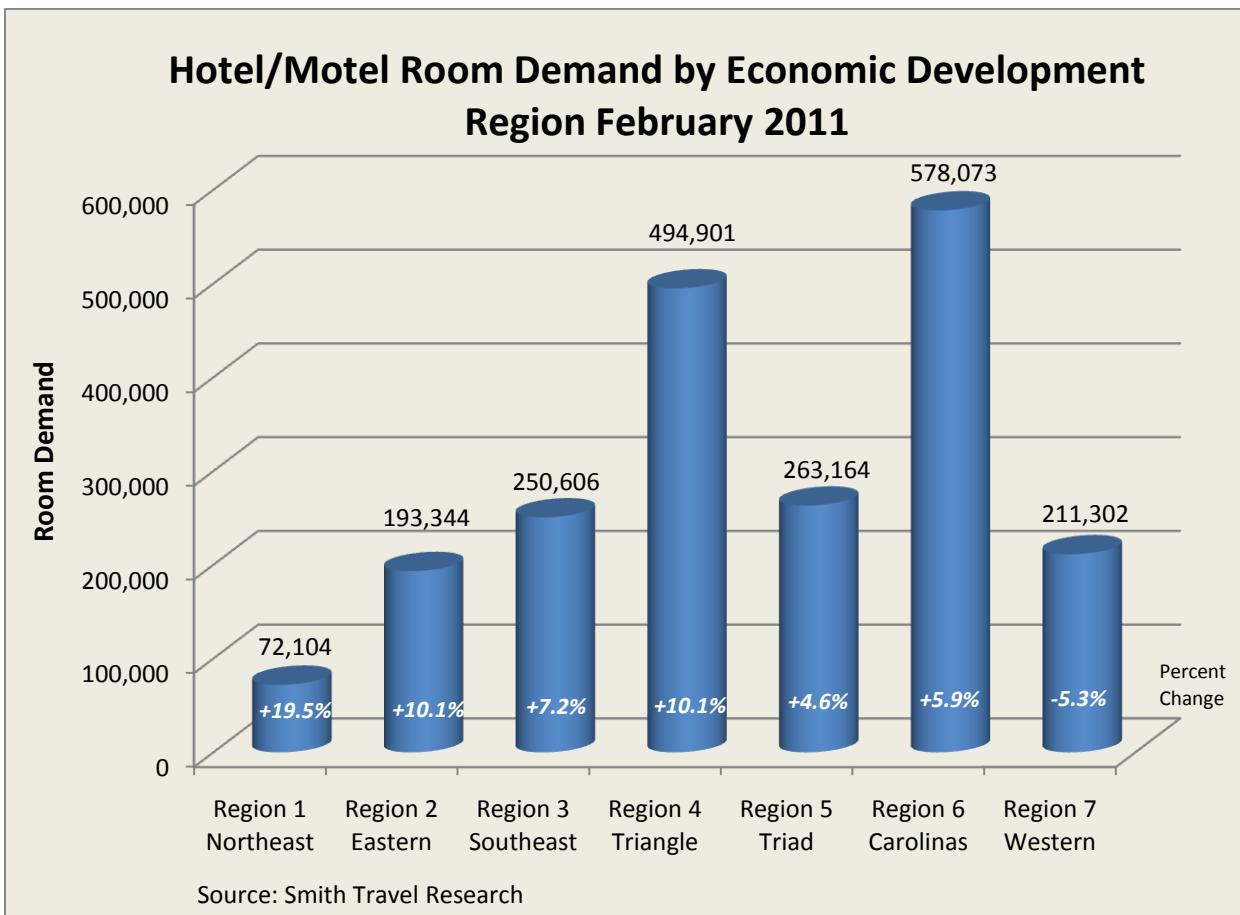


Chart 21 depicts hotel/motel demand for the month of February 2011 by economic development region. Demand is the number of rooms sold excluding complimentary rooms. All regions but the Western Region showed increased demand from February 2010 to 2011. The Northeast, Triangle and Eastern regions had increases of over ten percent in demand from February 2010 to February 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 and Beverage
Alcohol Away From Home

Food Away from Home
Other Lodging (Include Hotel/Motel)
Transportation

Airline Fares
Intra-city Public Transportation
Motor Fuel
Other Intercity Transportation

Chart 22 – National Travel Price Index December 2006 – February 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 February.

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

North Carolina Division of Tourism, Film and Sports Development

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