AOT in Action

Welcome to AOT in Action, your weekly e-newsletter from the Arizona Office of Tourism (AOT).

A Message from Director Sherry Henry:

Good afternoon,

As the emerging visitor markets of China and Brazil continue to grow, AOT is expanding our marketing plans to include the awareness of Arizona as a world-class destination within both of these countries.

AOT representatives are currently in China now and will be in Brazil next month with plans to meet with key trade and media representatives to build relationships that are vital to our international marketing efforts. More information can be found in the ***AOT News*** section below.

In other news, the U.S. Travel Association has released an extremely informative report, Travel Means Jobs, touting how important the tourism is to communities nationwide by generating millions of jobs, billions in earnings and billions in tax revenue. You can find more information at www.ustravel.org.

And last, but certainly not least, we want to extend a heartfelt congratulations to Karen Churchard, executive director of the Arizona Centennial Commission, along with all the other winners of the Arizona Talent in Event Concepts (AzTEC) awards. Karen was the recipient of the **Big Kahuna** award and honored by AzTEC for organizing the signature events for Arizona's Centennial Celebration. Many other organizations were honored for their efforts as well. For a complete list, visit https://sites.google.com/site/aztecawardsprogram/past-winners.

Congratulations Karen!

Have a great week,

Sherry Henry
Director, Arizona Office of Tourism

AOT News

AOT Explores the Emerging Markets of China and Brazil

During the next few months, AOT representatives will be traveling to China and Brazil to begin learning about the emerging markets of China and Brazil.

Beginning this month, AOT will be traveling to China (Sept.) and Brazil (Oct.) on exploratory missions to launch trade and media efforts within these countries. AOT is thrilled to be building relationships with (1) trade representatives to develop product to Arizona and (2) media representatives to create awareness of our state as a vibrant destination and drive consumer demand.

The middle-class economies of both these markets have grown tremendously over the past few years and their travel activity is ever-increasing. According to the last research from U.S. Department of Commerce Office of Travel & Tourism Industries, visitation from China is up 42% YTD, while visitation from Brazil is up 18%.

After the preliminary work is completed and a scope of work has been developed, AOT will lead sales and media missions in China and Brazil to continue our promotional efforts to key trade and media contacts to develop a stronger presence and increase Arizona brand awareness. For any questions regarding AOT's trade and media efforts, please contact Mary at 602-364-3730 or via email at mrittmann@azot.gov.

Upcoming Events & Activities

Discover America Day - Canada
Date: October 2
Location: Toronto, ON

Arizona Showcase
Date: October 4
Location: Hermosillo, Sonora, Mexico

Brazil Exploratory Mission
Date: October 8 – 12
Location: Sao Paolo, Brazil

Industry News

US Travel Association hands over Marketing Outlook Forum to TTRA

The U.S. Travel Association announced today that it is handing over its Marketing Outlook Forum (MOF) conference to the Travel and Tourism Research Association (TTRA).

TTRA announced that it would rename the 37-year-old event the Global Travel Outlook Conference and will feature experts from the United States, Canada and Europe discussing current trends and issues that impact the industry. The new conference is slated for October 25-26 in Chicago.

"The Marketing Outlook Forum has long been a signature event for our industry, and we are pleased to entrust it to TTRA," said Roger Dow, president and CEO of the U.S.Travel Association. "TTRA's strong partnership with research and destination leaders assures that the latest travel insights will continue to be provided through this valuable conference."

This year, the 2012 conference program will be led by a steering committee chaired by Dr. Sheila Flanagan, Dublin Institute of Technology (Ireland) and chair of the board of TTRA, with support from Dr. Suzanne Cook, a senior advisor to the U.S. Travel Association and the longtime principal of the Marketing Outlook Forum.

More information on the event is available on the TTRA website at www.ttra.com. *(Travel Mole, Aug. 28)*

New MMGY Global Survey Finds Return of Pre-Recession Travel Habits

Leisure travelers are doing less of the things that characterized the economic hardship of recent years and are now adopting more behaviors that confirm the importance of travel in their emerging lifestyles, according to the new MMGY Global/Harrison Group 2012 Portrait of American Travelers, which surveys a nationally representative survey of 2,527 U.S. households.

The annual survey reveals that while the average number of overnight leisure trips taken during the past year has remained essentially unchanged versus the previous year, the motivations underlying these getaways are evolving. “Trading down,” “staycations” and other cost-conscious travel behaviors that emerged during the Great Recession have waned, and the new findings bode well for a boost in 2013 travel spending thanks to a renewed interest in quality experiences that Americans deem “worth it.”

According to the MMGY Global/Harrison Group 2012 Portrait of American Travelers today’s travelers place a high value on the emotional power of travel. More than nine in 10 travelers agree, "The memories I get from my vacations make the trip worth it.” This and other emotional connections echo throughout the study, suggesting this sentiment is the primary reason for renewed interest in travel by consumers who endured years of having less money and time to do so.

Vacationers’ top goals for the coming year speak to this connection – they want to see more of the world and spend more time with family and friends (37 and 29 percent, respectively). In addition, 75 percent of leisure travelers agree, "Taking a vacation is the event I most look forward to each year," and fully half would even take a vacation by themselves to “get away from it all,” if given the opportunity.

Today's travelers also are more likely to trade up when then travel. More travelers prefer upscale hotels and resorts this year than last, with 26 percent of vacationers preferring luxury lodging versus just 15 percent in 2011, a statistically significant boost. Travelers also increasingly place a premium on the convenience associated with access to full hotel services: eight in 10 now prefer a full-service hotel or resort (with a restaurant), compared to 75 percent just two years ago.

Today's travelers also emphasize the experience versus the cost. Travelers in all annual household income groups now value "quality" over "savings." They are more willing to pay full price "as long as I am guaranteed the quality and service I deserve." In what the survey calls a surprising departure from the travel planning scenarios that prevailed during the recent recession, today's travelers choose the destination (34 percent) and type of trip (33 percent) first, before setting a budget (18 percent) and searching for deals (eight percent).

The number of travelers engaged in general cost-cutting shopping behaviors has also declined. Significantly fewer vacationers now wait for items to go on sale, purchase generic or less expensive brands, or maintain a membership in a travel rewards program. But perceived "value for the price" remains the most influential factor for nine out of 10 travelers when choosing lodging. The influence of "value" on hotel and resort selection has increased coincidental with a decline in the influence of "room rates," suggesting that travelers really do make a distinction between "price" and "value."

Today's travelers also focus more on family. "Togethering" vacations are on the rise in what remains an uncertain economy, with 43 percent of leisure travelers saying family getaways were the primary purpose of one or more leisure trips during the past year, compared to 40 percent just two years ago. This renewed familial focus has also given way to a significant boost in multigenerational travel – 23 percent of all active leisure travelers are now grandparents, and 37 percent of those took at least one vacation with their grandchildren during the past 12 months (compared to just 32 percent in 2011).

Travelers survey also changed the types of trips they took last year. More travelers enjoyed both trips focused on outdoor activities as well as city-based vacations last year, with each type of getaway reflecting a two percentage-point rise since 2011 (46 and 25 percent, respectively). While trips focused on outdoor activities rose in popularity, less-active general sightseeing vacations declined significantly, dropping from 29 percent in 2011 to just 26 percent today. Gambling vacations and trips to see sporting events also declined in popularity.

Travelers also showed a shift in destination interest. While the most popular U.S. states retained their appeal this year (California, Florida, Hawaii, New York and Alaska), the allure of several other domestic destinations has increased. States like Alaska, Hawaii, Arizona and Tennessee saw decreases in interest, while Louisiana, Michigan, Oregon and Washington, D.C., were the beneficiaries of increased interest.

Consistent with the preferences cited earlier, many destinations that feature outdoor recreation now enjoy a statistically significant rise in interest, such as mountain areas like Utah mountain resorts, Lake Tahoe (Calif. and Nev.), Gatlinburg (Tenn.), Pocono Mountains (Pa.), as well as coastal spots like the Mississippi and Florida Gulf Coasts, Atlantic City (N.J.), the Outer Banks (N.C.) and South Carolina shoreline. Other destinations with rising popularity are those that

offer unique visitor experiences such as historic Colonial Williamsburg (Va.) and St. Augustine (Fla.), wine-focused Napa Valley and Sonoma Valley (Calif.) and glitzy hotspot Las Vegas. International destinations with rising interest in visitation include Africa, the Middle East and Oceania (Australia, New Zealand and Pacific Islands, etc.). But fewer U.S. travelers are interested in international trips overall, dropping to nine percent of all leisure travelers today (versus 11 percent last year).

Travelers today also use mobile media differently. The usage of tablets has exploded during the past two years. While less than one in 10 leisure travelers accessed the Internet through an iPad or tablet computer in 2011, this has increased nearly four-fold to 27 percent in 2012. When comparing the activities performed by leisure travelers on tablets versus smartphones, travelers now use tablets more frequently when comparing prices, making air travel, lodging reservations, or purchasing tickets to attractions and other activities. Smartphones are more likely to be used for activities on the go, such as finding nearby restaurants and shops, navigation, scanning QR codes, or using check-in features or apps such as Facebook Places and Foursquare.

Travelers today also exhibit a rise in optimism. U.S. travelers now embrace a more positive view of the world, no doubt another reason for their renewed interest in rediscovering the emotional benefits of travel. Specifically, many more leisure travelers now say they are extremely/very optimistic about “their own future,” “the future of their children,” “their jobs,” “their companies” and “the world in general” than just two years ago.

The MMGY Global/Harrison Group 2012 Portrait of American Travelers is a national survey of 2,527 U.S. households. The results provide a detailed examination of the impact of the current economic environment, social values and emerging media habits of Americans with an annual household income of $50,000 or more who have taken at least one overnight trip of 75 miles or more from home during the previous 12 months. *(Travel Pulse, Aug. 28)*

TripAdvisor Survey Finds Americans Traveling Despite Rising Gas Prices

TripAdvisor unveiled the results of its annual fall and Labor Day travel survey of more than 1,400 U.S. respondents. Eighty-five percent of travelers say they plan to take a leisure trip this autumn and 84 percent said rising gas prices will not affect their fall travel plans.

Thirty-four percent plan to spend more on fall travel than they did in 2011, while 42 percent plan to spend about the same amount and 12 percent plan to spend less than they did last year. Among those traveling, 61 percent plan to take more than one trip. Of those taking fall leisure trips, 72 percent are planning a hotel stay and 18 percent will rent a vacation home. Thirteen percent are taking international trips, 23 percent will travel both internationally and domestically, and 64 percent will take only domestic trips.

Seventy percent of travelers plan to travel by car for their autumn getaways. Among the 16 percent modifying travel plans due to higher prices at the pump, 51 percent are driving shorter distances and 46 percent are driving less often. With rising gas prices in mind, 27 percent are willing to drive 100-200 miles, 21 percent will go 200-300 miles, and 16 percent plan to drive over 500 miles.

The top five fall activities are view colorful fall foliage (39 percent), go wine tasting or visit a vineyard (26 percent), go to a state or county fair or fall festival (22 percent), attend a football game or collegiate homecoming (20 percent), go to a food festival (20 percent).

According to the survey, 27 percent are planning to travel this Labor Day weekend, up from 22 percent who traveled for the holiday last year. Among those traveling, 64 percent anticipate driving, and 31 percent will take to the skies. Of those traveling for Labor Day, 21 percent are planning an outdoor trip, 21 percent will take a beach trip, and 17 percent will go on a city escape.

Other findings of the survey include: 22 percent cite fewer crowds than in the summer as their top reason for fall travel, while 20 percent say they travel in the fall for the weather. Forty-two percent of fall leisure travelers will enjoy a city trip, 31 percent will take a cultural trip, and another 31 percent will head to the beach. *(Travel Pulse, Aug. 28)*

PwC: U.S. Lodging Recovery Remains Steady Amid Economic Uncertainty

Despite persistent economic uncertainty, an updated lodging forecast released by PwC U.S. anticipated revenue per available room (RevPAR) recovery in 2012 to remain intact, with slightly stronger gains in both demand and pricing than previously anticipated. Business and leisure travel continues to recover, with hotels experiencing solid demand and price gains in the second quarter, according to PwC, which based its estimates on quarterly econometric analysis of the lodging sector, using Smith Travel Research statistics and other data providers, and an updated macroeconomic forecast released from Macroeconomic Advisers, LLC. These recent gains, coupled with year-over-year improvement in group bookings currently in place for the balance of the year, off-set slowing related to the near-term weakness in economic fundamentals, the company said. As a result, U.S. RevPAR is now expected to increase 7.2 percent in 2012 and 5.6 percent in 2013.

Macroeconomic Advisers' August outlook, meanwhile, predicted slower economic growth in 2012 than it previously anticipated, followed by gradual improvement next year, with real gross domestic product increasing 1.8 percent in 2012, followed by an increase of 3 percent in 2013, measured on a fourth quarter-over-fourth quarter basis.

"PwC continues to have an above-consensus outlook," said Scott D. Berman, principal and U.S. industry leader, hospitality & leisure, PwC. "With occupancy surpassing recent prior peak levels in the luxury, upper upscale, and upscale segments, the lodging recovery is intact."

PwC's outlook for RevPAR recovery reflected continued momentum in business travel, including gains in corporate meetings, as well as leisure travel growth that included greater volume from international visitors. Year-to-date RevPAR through July was 7.3 percent ahead of last year, according to the company. Although results for July were weaker (4.3 percent RevPAR growth), in part due to the timing of Independence Day and the start of Ramadan, preliminary results from Smith Travel Research for the first 18 days of August show an approximately 7.2 percent increase in RevPAR. Overall, PwC expects lodging demand in 2012 to increase 3 percent, which combined with still-restrained supply growth of 0.5 percent, is anticipated to boost occupancy levels to 61.5 percent, the highest since 2007.

Hotels spanning the spectrum of price tiers are benefiting from the recovery, with properties in the higher-priced segments expected to experience the strongest gains. Occupancy levels at hotels in the luxury, upper-upscale and upscale segments are expected to meet or exceed each segment's recent peak in 2007, PwC said. The company added that as stronger business travel and group activity returns to the higher-priced hotels, revenue management strategies are anticipated to drive increased pricing, resulting in a continuation of meaningful RevPAR gains. Hotels in the lower-priced segments, however, have not experienced as solid of a recovery in occupancy, but are still expected to see increased room rates as demand gradually strengthens. *(Travel Pulse, Aug. 28)*

Orange Sky Garners Wine Spectator 'Award of Excellence'

Talking Stick Resort, an enterprise of the Salt River Pima-Maricopa Indian Community, proudly announces that Orange Sky, its signature restaurant, has received Wine Spectator's Award of Excellence. This marks the second year the restaurant has been given this award for its extensive wine list.

"Recognition from Wine Spectator with an Award of Excellence is not something we take for granted,' said Lyle Bighorn, director of food and beverage for Talking Stick Resort. "Since winning last year, we have not rested our laurels; we instead have continued to diversify and add new wines to ensure that guests dining at Orange Sky have an amazing selection from which to choose."

Orange Sky will be honored in the magazine's Aug. 31 edition among other restaurants with menus offering at least 100 well-presented, appealing wine selections appropriate to their cuisine. Highly regarded among wine connoisseurs worldwide, Wine Spectator evaluates restaurant wine lists for one of three awards: Award of Excellence, Best of Award of Excellence and Grand Award. This year, only 3,795 restaurants from around the world received one of the awards from the publication.

To qualify for an award from Wine Spectator, the restaurant's wine list must present complete, accurate information, including vintages and appellations for all selections. Additionally, complete producer names and correct spellings are mandatory. The overall presentation of the wine list is considered as well.

The wine list at Orange Sky features a 275-bottle selection with 30 wines by the glass. A dramatic, glass wine room displays more than 100 of its white wine selections in a temperature controlled environment of 47 degrees, while red wines are stored at 62 degrees in hand-crafted, cedar wood wine racks that surround the Sommelier table. All of Orange Sky's wines are served in lead crystal glassware, appropriate to the varietal.

The 200-seat restaurant, on the 15th floor of Talking Stick Resort, features fresh seafood, aged steaks and just-harvested vegetables. With its 360-degree views of the valley's signature orange sunsets (and inspiration for its name), Orange Sky has a versatile menu that allows guests to eat light, mix and match and share plates, all depending of their appetites. For more restaurant information or reservations call (480) 850-8606 or visit www.talkingstickresort.com. *(Aug. 29)*

PKF Survey Forecasts Brighter Outlook for Hospitality Industry

Following on the heels of PwC's forecast of slightly stronger gains in hotel demand and pricing, another consulting firm released a report of a brightening hospitality picture. Despite tepid economic indicators, record numbers of guests continue to occupy U.S. hotel rooms, according to the September 2012 edition of Hotel Horizons published by PKF Hospitality Research, LLC (PKF-HR). The company is forecasting that on any given night in 2012 nearly 3 million of the nation's 4.8 million hotel rooms will be occupied. This is 5.6 percent greater than the levels of lodging demand accommodated in 2007, the year prior to the recession.

"Lodging industry participants continue to be pleasantly surprised with the sustained levels of hotel room demand growth," said PKF-HR President R. Mark Woodworth. "Bucking all apparent economic trends, lodging has been a leading industry during this sluggish economic recovery," he said, adding that the current growth differs from past recovery periods when hotels typically lagged behind other industries.

"Our analysis of lodging performance the past three to four years reveals that history is not always the best predictor of future behavior," said Woodworth. "Historically, we could rely on changes in employment, income, and gross domestic product (GDP) to project the direction of lodging demand."

The rosier hotel picture comes with some caveats, according to PKF-HR. The company said some markets are lagging, and cautioned that the hotel industry is a "street corner business." Twelve markets across the country still are renting fewer rooms than they did prior to the recession. Lagging the most in accommodated demand are Tucson, Ariz.; West Palm Beach, Fla.; and Atlanta. Other cities are Albuquerque, N.M.; New Orleans; Sacramento, Calif.; Oahu, Hawaii; Phoenix; and Tampa, Fort Lauderdale, Orlando and Jacksonville, Fla.

The reasons why these 12 cities are lagging vary, according to PKF-HR. Tucson is a market dependent on group and leisure travelers, two segments that have trailed behind the growth in corporate demand. In the case of West Palm Beach, the surge in travel from South America that has supported hotels in southern Florida has yet to wend its north, the company said. "In Atlanta, weak employment, especially in the outlying suburban areas, has impeded the recovery of the lower-tier properties located in those sectors of the city," Woodworth noted.

Based on performance data through June of 2012, provided by Smith Travel Research (STR) and Moody's Analytics' July 2012 domestic economic forecast, PKF-HR now is forecasting that RevPAR in the U.S. will increase by 6.7 percent this year. (PwC predicted RevPAR predicted to increase to 7.2 percent in 2012 and 5.6 percent in 2013.)

The preceding RevPAR forecast is greater than the 5.8 percent RevPAR growth rate presented in the June 2012 edition of Hotel Horizons. "The main reason for the improved annual forecast is the stronger-than-expected performance of the market in the second quarter of the year," said Woodworth. During the second quarter of 2012, STR reported that the RevPAR for U.S. hotels grew at a pace of 7.9 percent, a full two percentage points greater than our forecast of 5.9 percent. "Robust demand growth was the primary reason for the superior gain in RevPAR," he said.

Despite the U.S. hotel market's strong performance during the first half of this year, PKF-HR believes that the pace of growth will moderate during the second half of the year. "We attribute

this modest slowdown to less favorable prior-year comparisons and greater uncertainty about the strength of the economy," said John B. (Jack) Corgel, the Robert C. Baker professor of real estate at the Cornell University School of Hotel Administration and senior advisor to PKF-HR. "Because market performance is getting better at an accelerated pace this year, we have trimmed our RevPAR estimates for 2013 to 6.2 percent, slightly below our previous estimate of 6.6 percent."

Along with its improved forecast for RevPAR, PKF-HR boosted its projections for growth in unit-level hotel profits (the net operating income achieved at an average hotel, as opposed to the overall profits of the entire lodging industry). PKF-HR is projecting unit-level net operating income (NOI) to increase by 12.6 percent in 2012, up from its June forecast of 9.3 percent.

Typically, hotel profit growth expectations are enhanced when average daily rate begins to drive revenue gains, the company said. In 2012, however, PKF-HR's increased outlook for RevPAR change is driven by the stronger than expected gains in occupancy. Historically, occupancy driven RevPAR gains would not lead to projections of significant improvement on the bottom-line, according to PKF-HR.

"Just as history cannot explain the recent growth in lodging demand, it has failed as an indicator of changes in hotel profits," said Woodworth. "We continue to be impressed with the job management has done controlling expenses and converting the extra guest counts into profits. PKF-HR is forecasting unit-level profits to increase by 10.9 percent in 2013 and 16.1 percent in 2014. We expect cost controls will help convert future growth in revenue to double-digit growth in NOI." *(Travel Pulse, Aug. 29*)

Vacationers Are Active Social Sharers Via Facebook First

Expedia released the results of a study examining the mobile device habits of Americans during their summer travels. The data is supplemented with an infographic detailing the specific habits of travelers using mobile devices "on the go," based on Expedia's mobile booking data.

Expedia's survey, which was conducted online by Harris Interactive among more than 2,000 U.S. adults, of which 46% took a vacation this summer that included an overnight stay. The study looked at how adults in the United States utilized mobile devices and applications while traveling this summer. Among the findings:

- More than half of online adults (61%) own and use a smartphone, e-reader device or tablet device. There is also a distinct inverse relationship between standard mobile device usage and smartphone usage driven primarily by age. Younger online adults are significantly more likely to own and use a smartphone than their older counterparts, while older adults ages 55+ are significantly more likely to own and use a standard mobile phone than younger online adults.
- Memories and sharing socially are important to travelers connected with mobile devices. Eighty-six percent of online U.S. adults who had an overnight summer vacation took pictures while on their most recent summer vacation. Of those vacationers, 58% of them shared those pictures through social media during their most recent vacation.
- Vacationers are active social sharers via Facebook first. Fifty-four percent of online U.S. adults who took photos on their most recent vacation report sharing pictures on Facebook during their trip and 55% percent report sharing pictures after their most

recent vacations. Only 9% of report sharing pictures via Twitter during their trip, while 7% report sharing pictures via Twitter after their trip. Finally, 6% report sharing their pictures during their vacation via Instagram, while 7% report sharing their pictures after their vacation via Instagram. Overall and across all networks, 59% of online adults who took pictures on their most recent overnight vacation report sharing photos after their vacation, whereas 58% shared almost exclusively during their vacation.

- Road-trippers prefer non-mobile GPS while driving. With 63% of online adults who took a summer vacation including an overnight stay used a car this summer traveling via the open road, 52% of drivers had a smartphone and drove using GPS preferred on-dash GPS for navigating while only 37% preferred their smart phones.

In addition to the study conducted by Harris Interactive on behalf of Expedia, Expedia's mobile app team took a look at the booking habits and behaviors of Expedia.com® users. They found that mobile devices are becoming go to tools for the traveler on the go. Among the findings:

- Mobile helps travelers get a room. Close to 70% of users booking rooms through the Expedia Hotels mobile app or Expedia's mobile optimized site are looking for travel within a 24-hour period.
- Location and convenience trumps luxury. Most rooms booked via mobile are those at hotels with ratings between two and three stars (41.5% for 2-star properties and 37.25% for 3-star properties) and within a 10-mile radius of the customer's current location.
- Nine of the ten most popular destinations for hotels booked via mobile devices are in America. The top ten include (in order from least to most hotels booked) Paris, France; Chicago, IL; Orange County, CA; Miami, FL; San Francisco, CA; San Diego, CA; New York (Manhattan), NY; Orlando, FL; Los Angeles, CA; and Las Vegas, NV.
- The afternoon and weekends are hot times for mobile booking. Thirty-seven percent of flights and hotels are booked in the afternoon hours between 12:00 PM and 6:00 PM via mobile. Friday and Saturday are the most popular days to book via mobile.
- Love is in the air! One of the busiest mobile travel booking days of the first quarter of 2012 came the weekend right after Valentine's Day on February 18, 2012.

For more information on the study with Harris Interactive please visit and the Expedia On The Go infographic please visit the Expedia Media Room. *(Travel Industry Wire, Aug. 30)*

Survey says 40 Million Using Smartphones for Travel

A new study by comScore, Inc., a digital marketing intelligence firm, shows that nearly 40 million consumers used travel sites or apps from their smartphone in July 2012. Travel app/site users reached 37 percent of the smartphone population.

TripAdvisor Media Group led as the top travel destination for smartphone owners with an audience of 6.7 million visitors, while Expedia Inc. secured the #2 spot with nearly 6 million visitors. Southwest Airlines led as the top airline in the ranking reaching an audience of 4.1 million visitors, while Delta Airlines also ranked among the top 10 destinations with an audience of 2.1 million visitors.

Priceline.com secured the #4 spot with 3.5 million visitors while Travora Media, which includes Flightaware and Hotelplanner among other entities, ranked fifth with 2.5 million visitors. The

survey also found significant differences in travel app and site use between female and male smartphone users across travel brands.

Among OTA smartphone audiences, women represented a relatively greater proportion of all visitors. Compared to the total Travel category, females represented 14 percent more visitors to Expedia Inc., 12 percent more visitors to Kayak.com, and 22 percent more for Orbitz.

The most dramatic gender difference among OTAs was demonstrated by Travelocity where 65.9 percent of the brand's smartphone audience was female. Priceline was the only OTA among the top 15 properties where men accounted for the majority of visitors at 53.4 percent (the influence of the Negiotatior?).

Among top airline sites and apps, males accounted for nearly 3 in 4 visitors to Delta Airlines, while Southwest Airlines saw females account for 3 in 5 visitors. Hotel brands also saw men and women using smartphones differently. InterContinental Hotels Groups and Wyndham Worldwide saw women account for the majority of smartphone visitors, while Hilton saw men represent 66.8 percent of its smartphone audience. Among top hotel brands, Marriot saw the most even distribution of its audience between males and females. *(Travel Mole, Aug. 30)*

IATA Reports Slow Growth in Global Air Travel for July

The International Air Transport Association (IATA) released global traffic results for July showing slower growth in both air travel and freight, but with considerable variation by region and market. July passenger demand in aggregate was 3.4 percent higher than the same month last year, compared to a 6.3 percent increase in June and average growth of 6.5 percent over the first half of the year. This slowdown in travel growth is being driven largely by the recent fall in business confidence in many economies. July freight demand was 3.2 percent lower than it was in the same month last year. This is down from the 0.1 percent year-on-year growth rate of June. A large part of that decline was due to a comparison with a relatively strong July last year, but overall the trend in air freight is weak, in line with subdued world trade growth.

Airlines have responded to this slower growth environment by reducing the capacity added to markets, a move which has stabilized load factors at relatively high levels and provided some support for profitability in the face of high fuel prices. In July passenger capacity rose 3.6 percent, in line with the expansion of traffic, keeping the load factor at a relatively high 83.1 percent.

“The uncertain economic outlook is having a negative impact on demand for air transport,” said Tony Tyler, IATA’s director general and CEO. “The cargo business is 3.2 percent smaller than it was a year ago. And passenger markets -- with the exception of Africa, China-domestic and the Middle East -- saw demand fall from June to July. Overall passenger demand is still up 3.4 percent on the previous July. But the growth trend is clearly slowing. This, along with rising fuel prices is likely to make it a tough second half of the year.”

July international passenger demand was up 3.5 percent compared to the year-ago period, exactly in line with a 3.5 percent expansion in capacity. Load factors stood at 83.3 percent. The slowdown becomes evident when comparing to the previous month (June) when the year-on-year rate was 7.5 percent. Growth on average during the first half of the year was also 7.5 percent. The slowdown in international air travel growth has been concentrated in the past few

months, in line with the decline of business confidence. Weakness in some key domestic air travel markets has been evident for rather longer period. Only African and Middle Eastern carriers showed month-to-month growth. Carriers in all other regions reported aggregate declines for international demand for July compared to June.

European carriers recorded 4.8 percent growth (down from 7.3 percent in June) on international services compared to July 2011 with an average load factor of 85.7 percent. That was a relatively modest slowdown from the 6.5 percent average growth seen during the first half of the year. Despite the recession in many European home markets, airlines from the region have been able to sustain growth on long-haul markets to regions where economic growth is stronger.

North American airlines' international traffic fell 2.1 percent year-on-year in July (after rising 1.6 percent in June) in part owing to decisions to trim capacity, particularly on the North Atlantic market. Compared to June (the previous month), demand contracted by 1.3 percent. The load factor was 86.7 percent, the highest among all regions.

Asia-Pacific carriers saw demand growth of just 0.9 percent. This is a major slowdown from the 5.8 percent recorded in the June year-on-year comparison. Moreover, compared to the previous month (June 2012), demand contracted by 1.3 percent. European airlines appear to be benefiting more than Asia-Pacific airlines from the recently stronger trade flows from West to East, while the Middle Eastern airlines continue to offer strong competition on long-haul markets. The downward growth trend began in the second quarter of 2012 and has now continued into the third.

Latin American airlines posted growth of 5.7 percent, second highest among the regions. The load factor stood at 82 percent. The region's carriers, however, could not buck the slowdown trend, after average growth of 10.1 percent in the first half of the year. Recently key economies in the region, such as Brazil, have seen an interruption to economic growth, which has affected travel and freight.

Middle East carriers experienced the strongest traffic growth at 11.2 percent year-over-year, although this was surpassed by a 12.4 percent rise in capacity. Compared to June, traffic rose just 0.1 percent. The region's growth trends were impacted by Ramadan, which commenced in July this year.

African airlines' traffic climbed 5.2 percent year-on-year, below a 6.3 percent rise in capacity. Load factor was 73.1 percent, by far the lowest of any region. The continent's airlines have seen strong growth of 10.8 percent on average during the first half of the year. This has partly been a rebound from the Arab Spring, but also reflects the relative success of many African economies at present.

Domestic markets also experienced slow growth, continuing the trend that began early this year. In total, traffic rose 3.1 percent year-on year, down from 4.2 percent in June. However, the slowdown was not universal, with China and Brazil recording strong growth that was offset by weakness in India and Japan.

China's domestic market rebounded sharply from the slowdown earlier this year to post 9 percent demand growth in July, up from the 7.8 percent year-over-year growth seen in June. With capacity up 12.1 percent, load factor slipped to 84.1 percent from 86.5 percent last year.

Japan's domestic market rose just 4.2 percent versus the year-ago period and actually slipped 1 percent compared to June. Capacity rose 7.9 percent and load factor was the lowest for any market at 58.7 percent. Overall the market has contracted 4 percent this year and is 10 percent smaller than pre-earthquake levels.

U.S. traffic slipped 0.4 percent in July while capacity rose by 0.2 percent. Load factors dipped to 86.8 percent from 87.4 percent last year, still the highest among all the domestic markets. Brazil experienced the strongest growth after China, with traffic up 8.5 percent on a 3.0 percent rise in capacity. Load factor rose to 77.7 percent from 73.8 percent last July. However growth softened compared to June, declining 2.3 percent.

Indian domestic traffic fell 1.1 percent compared to a year ago, the worst performance for any market, reflecting the weakening economy among other factors. After expanding at 20 percent-plus rates through 2010 and early 2011, the Indian market stopped growing at the end of 2011. July capacity rose 2.1 percent, dropping the load factor to 69.6 percent from 71.8 percent last year.

Total passenger traffic market shares by region of carriers in terms of Revenue Passenger Kilometers are Europe 29.8 percent, Asia-Pacific 27.5 percent, North America 27.3 percent, Middle East 7.8 percent, Latin America 5.3 percent, and Africa 2.4 percent. Total freight traffic market shares by region of carriers in terms of FTK are: Asia-Pacific 39.4 percent, North America 22.7 percent, Europe 21.8 percent, Middle East 12.1 percent, Latin America 2.9 percent, Africa 1.3 percent. IATA represents some 240 airlines comprising 84 percent of global air traffic. *(Travel Pulse, Aug. 31)*

Jerome Makes Budget Travel's 10 coolest small towns in America 2012

Budget Travel logged 368,000 votes in our seventh annual contest to choose the best hometown escapes in America. This year's twist? A nail-biter of a finish that crashed our website (temporarily, of course!) and resulted in our first-ever tie for first place.

What's your idea of cool? How about a place where the local dump doubles as an art gallery. Or a town that's helped spawn a major foodie movement. A Gold Rush outpost with an unsung history of ethnic tolerance would certainly qualify, right? So, too, would a New York village where they make wine served at the White House--yet tastings at the winery are still free. How about two towns that wanted to win our seventh annual Coolest Small Towns contest so badly, they launched a last-minute voting frenzy that crashed our website. That wasn't so cool at the time, but now we love it --so much so that we declared those two towns co-Coolest. You know what else we love? All those places out there that are already clamoring to enter next year's contest.

SEE ALL OF THE TOWNS

Read more: http://www.foxnews.com/travel/2012/09/05/10-coolest-small-towns-in-america-2012/#ixzz25u4WAfzT *(Fox News, Sept. 5)*

Calendar of Events

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