

Hawaii Cruise Visitor Industry

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for

**Hawaii Tourism Authority
Informational Meeting on Hawaii's Cruise Industry
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Cruise Industry Increases Worldwide

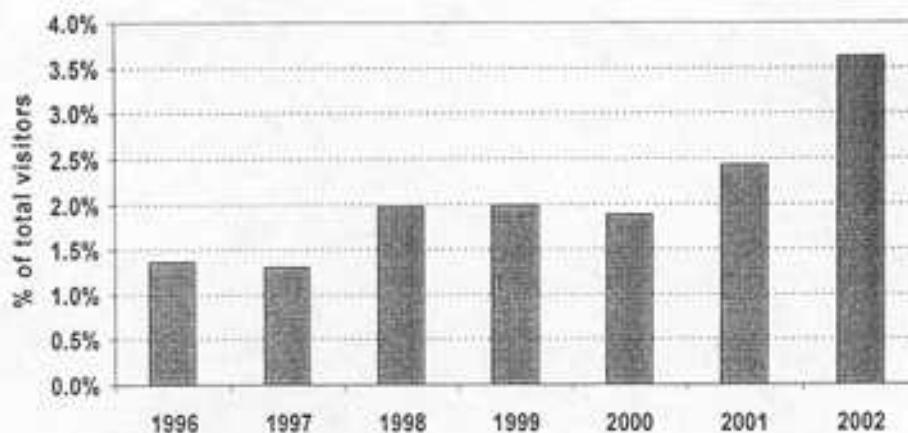
- 8.66 million passengers (7.6 million from North America) cruised on CLIA member lines in 2002
- 15.5% increase over 2001
- 14 new ships to sail in 2003
- Potential for 9.6 million passengers worldwide and 8.3 million from North America

Source: Bob Shank, Executive Director, Cruise Lines International Association

of cruise visitors increased dramatically beginning in 2001



Cruise market has accounted for more significant share of the visitor market



of cruise visitors is larger than 4th largest market in 2002

	2002	2001
Land Visitors		
U.S. West	2,486,914	2,372,070
U.S. East	1,582,563	1,588,164
Japan	1,483,121	1,528,564
Canada	189,890	216,948
Europe	111,275	126,020
Oceania	108,835	81,158
Cruise Visitors	235,027	158,886

There has been a shift to bigger ships and more tours per arrival*

	# of vessels	# of tours	Avg. pax
2000	25	94	1,427
2001	26	121	1,520
2002	27	133	1,869
2003**	28	126	1,889
2004**	29	175	1,702

* Included ships home ported in Hawaii

** Estimated

Cruise visitor surveys

- **Began with pilot study done by NWCA and DBEDT in 2000**
- **Done monthly since July 2001**
- **Covers all ships staying more than 2 nights**
- **Covers at least 10% of all cruise visitors**

Cruise visitor surveys (con't)

- **Cruise Economic Impact Study**
- **Cruise crewmember survey started April 2003**
- **Cruiselines survey started September 2003**
- **Harbor survey started October 2003**

Cruise visitor surveys: 2002

15 Vessels

121 Tours

142,348 Surveys Distributed

36,422 Surveys Returned

26% Overall Response Rate

The U.S. East is the largest market for cruise visitors.....

Visitor Composition by Major Market Areas: (2002)

	Cruise	Air
United States:	84.9%	63.7%
U.S. West	30.3%	38.9%
U.S. East	54.6%	24.8%
Canada	6.6%	3.0%
Europe	2.4%	1.7%
Other	6.1%	31.6%

Cruise visitors stay more than 2 additional days in Hawaii before or after their cruise

(2002)

Average length of stay in Hawaii (days):	7.00
Before cruise (days)	1.22
During cruise (days)	4.53
After cruise (days)	1.24

Cruise visitors are mainly leisure visitors

	(% of visitors)
Honeymoon	4.2%
Wedding	0.7%
Convention/Conference	0.9%
Business	1.6%
Visiting Friends & relatives	8.1%
Play Golf	2.8%
Leisure	83.6%

2002 data

61% of cruise visitors stay at hotels or other accommodation on their trip

<i>(2002)</i>	<i>(% of all cruise visitors)</i>
Cruise only	39.9%
Accommodation	61.2%
Hotel	58.7%
Condo,B&B, Timeshare	6.0%
Friends & relatives	2.0%
Other accommodation	2.0%

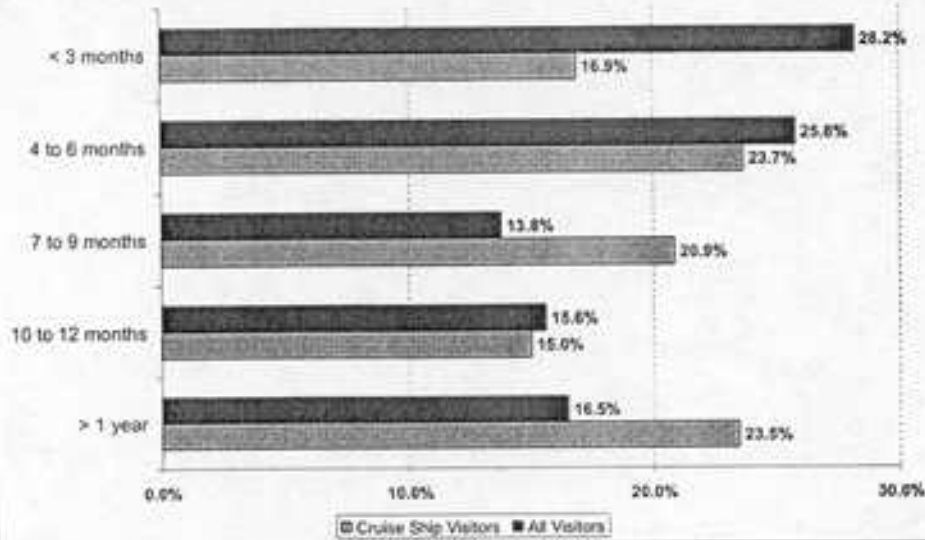
Cruise visitors are similar to air visitors in visitation status

First Time vs. Repeat Visitors

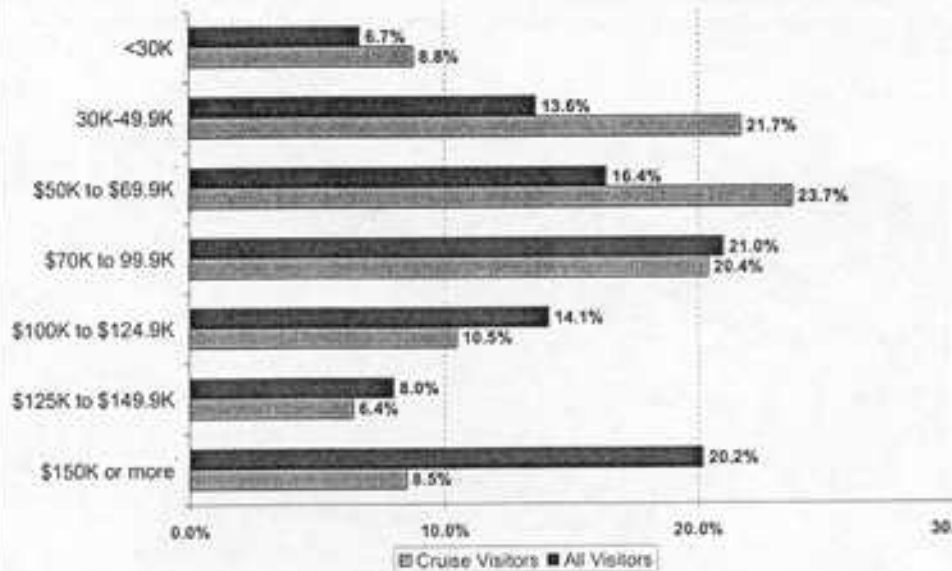
(2002)

	Cruise	Air
% of first timers	40.3%	37.7%
% of repeat visitors	59.7%	62.3%

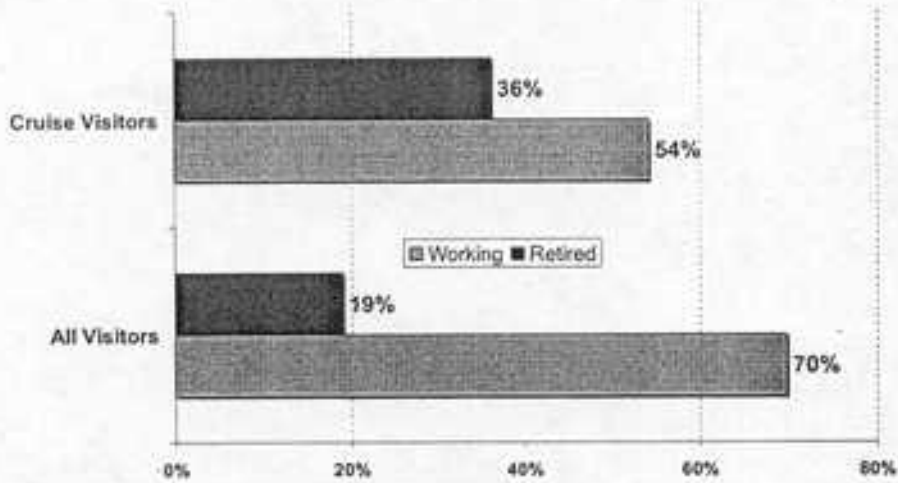
Cruise visitors have longer planning horizons?



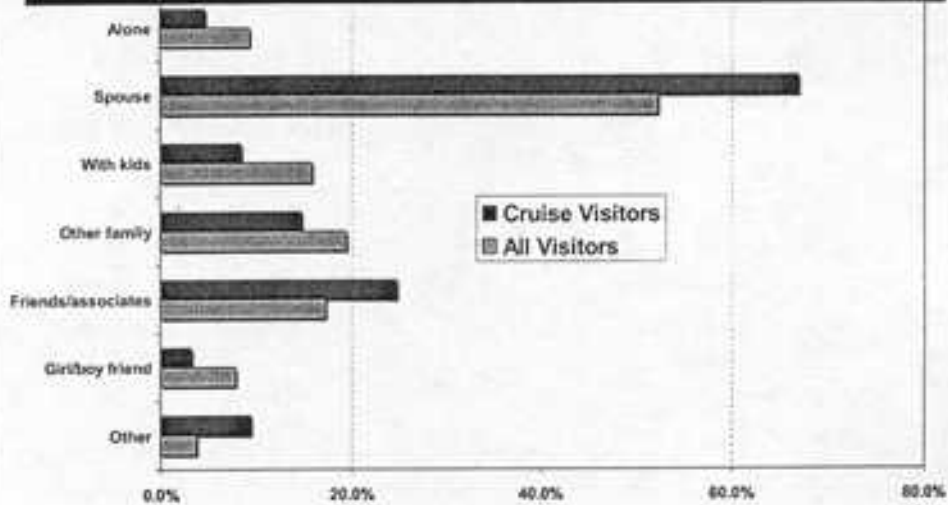
And lower annual household income



More cruise visitors are retired



Cruise visitors are largely married couples traveling together



**Per person per day spending by cruise
visitors (2002)**

	Visitors	
	Cruise	All
Total Lodging	\$20.05	\$53.76
Total Food & Beverage	\$13.71	\$33.45
Total Entertainment	\$4.08	8.51
Total Transportation	\$11.16	18.03
Total Shopping	\$16.42	30.96
All Other Expenses	\$12.90	20.44
Shore Tour Spending	\$20.39	na
Total Spending Per Person Per Day	\$98.70	\$165.15

**Per person per day spending by U.S. West
cruise visitors (2002)**

2002	U.S. West Visitors	
	Cruise	All
Total Lodging	\$16.93	\$51.34
Total Food and Beverage	\$13.03	\$31.46
Total Entertainment	\$3.62	\$8.90
Total Transportation	\$12.24	\$18.42
Total Shopping	\$15.67	\$20.09
All other Expenses	\$10.74	\$11.71
Shore Tour Spending	\$17.78	na
Total Spending Per Person Per Day	\$90.01	\$141.91

**Per person per day spending by U.S. East
cruise visitors (2002)**

2002	U.S. East Visitors	
	Cruise	All
Total Lodging	\$21.22	\$56.36
Total Food and Beverage	\$13.82	\$35.22
Total Entertainment	\$4.40	\$10.68
Total Transportation	\$10.96	\$21.27
Total Shopping	\$16.93	\$24.41
All other Expenses	\$14.20	\$15.05
Shore Tour Spending	\$23.56	na
Total Spending Per Person Per Day	\$105.08	\$162.99

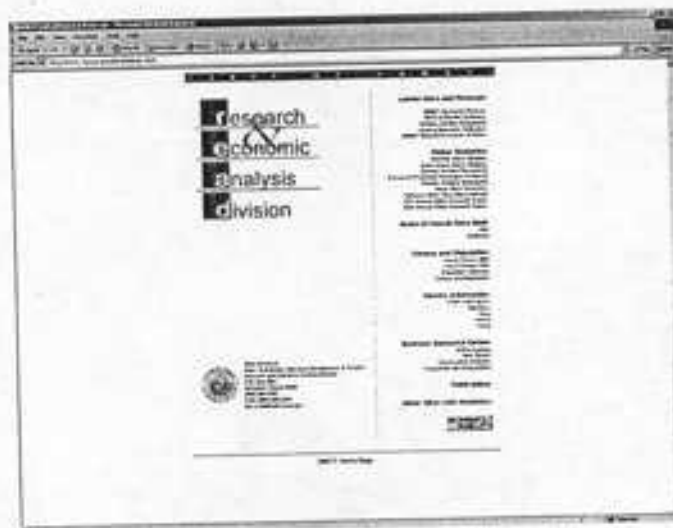
**Estimation of all cruise visitor
expenditures in Hawaii**

(2002)

Total cruise visitors:	235,027
Average length of stay (days):	7.00
Per person per day spending:	\$98.70
Total cruise visitor expenditures	\$162.4 mil

Cruise visitor total spending was less than the Canadian and European Markets

	2002
Total (\$mil)	9,993.8
U.S. West	3,563.9
U.S. East	2,784.2
Japan	2,042.2
Other	784.3
Canada	271.5
Europe	216.4
Supplemental business	287.3
Visitor arrivals by Cruise Ship	44.1



www.hawaii.gov/dbedt

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