

MAUI: TOURIST SPENDING DROPPED BY 7%



Hawaii Tourism Authority's preliminary Maui visitor statistics revealed a year-over-year decline of 7.1% in total visitor expenditures in the island in March to \$328.5 million due to lower daily spending as well as a slight reduction in the length of stay. Whereas daily spending fell 11.35 to \$179 per person, length of stay declined 1.15 to 9.45 days.

Terryl Vencl, executive director of Maui Visitors Bureau, said that the tourist arrivals to the island were leveling off after seeing double-digit growth in each month throughout last year. "The data for March and the first quarter reveal the facts. **This kind of growth is not sustainable,**" she said.

For March, visitor arrivals to Maui rose 3% to 221,568 on year-over-year basis. More visitors came from the Mainland West (up 5.1% to 96,465) and Canada (up 4.4% to 39,767), but the number of visitors from the Mainland East (down 3.1% to 58,625) and Japan (down 5.7% to 5,753) declined.

For the first quarter, Maui recorded the lowest visitor arrivals increase of 5% by air in the state to 617,052 when compared with arrivals for the same quarter last year. Total expenditures improved a modest 2.5% to \$1.1 billion on year-over-year basis. Visitor arrivals to Oahu rose 7%, Kauai increased 6.8% and Big Island improved 5.3% when compared with that for the same period in 2012.

In the first quarter, the average length of stay of visitors who arrived by air declined 2.1% to 8.65 days on year-over-year basis. The spending per visitor per trip dropped 2.4% to \$1,717.10 in the quarter.

Vencl said: "In addition to the level off, the impact of sequestration, an \$85 billion cut in federal spending for the year which became effective in March, may also have been experienced by the island. The spending cuts implemented through layoffs and furloughs have hit the Federal Aviation Administration and this could cause delays for air travelers."

Vencl did not give any explanation for the decline in visitor expenditure in March, but said that the visitor numbers remained strong. As regards the reduction in the average length of stay for the first quarter, she said that Maui's average of 9.45 days, including no-air arrivals, continued to be the highest in the state.

"The length of stay in Maui remained firm even during the worst times of the current recession because of what Maui has to offer to the visitors. Going forward, island should woo those first-time visitors who spend a lot," Vencl added.

The West Coast earns bread and butter for the island, but it is important to attract visitors from the eastern side of the Rocky Mountains and Asian markets such as South Korea, China, Japan, Australia and New Zealand.

As for the state, the visitor spending numbers were higher compared to the previous year's record with contributions of \$279 million and \$29 million to the economy and state coffers in taxes, respectively, according to Mike McCartney, tourism authority president and CEO.

Hawaii Tourism Authority noted that the average spending by visitors over the state was \$44 million per day during the first quarter and for Maui County it was \$12 million per day.

The visitor statistics for the state are as follows: Number of arrivals increased 7.1% to 2.1 million in the first quarter on year-on-year basis. Tourist spending rose 7.65 to \$3.9 billion.

In March, total spending rose 7.8% or \$91.8 million to \$1.3 billion when compared to that in March 2012. Whereas a 7.6% increase in total arrivals to 769,047 and a 3.3% rise in daily spending to \$183 per person supported the growth, a 3% decline in the length of stay to 8.93 days slightly offset the gains.

Statistics for other islands: Lanai recorded 2% decline in visitor expenditures (\$22.5 million) and 1.8% rise in visitor arrivals (19,693) in the first quarter and 14.2% improvement in expenditures (\$7.5 million) and 0.5% increase in arrivals (6,870) in March. Molokai recorded 22.6% increase in expenditures (\$9.8 million) and 2.7% increase in visitor arrivals (14,335) during the first three months and 70% increase in expenditures (\$2.3 million) and 4.3% increase in visitor arrivals (4,486) in March.

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