Enjoy Summer Boom
And prepare for slowdown to come

Visitor arrivals to Hawaii this summer continue to surge, according to data released this week by the State Department of Business, Economic Development and Tourism. In June, strong domestic travel more than offset a 10 percent drop in international travel, boosting total arrivals by 2.9 percent over last year.

Year to date, the numbers are similar, with increases to record levels in total arrivals, visitor days, and visitor spending. It has been an exceptional year with lots of job opportunity on all islands in all parts of our economy, along with excellent tax revenue for the state. It is proof once again that in Hawaii tourism is everybody’s business!

While we are enjoying the good times, we should not lose sight of the fact that business goes in cycles. Visitor arrivals, hotel occupancy, room rates, and job opportunities can go down and, in my lifetime, I have seen this happen any number of times.

Business Week reports in its August 7, 2006, issue that in Las Vegas there is evidence of the first signs of a national economic slowdown. Convention attendance is off 5 percent from last year. Business at high-end restaurants has declined. In Clark County, which includes Las Vegas, gaming revenues are up 10.4 percent over last year—but that represents a slowdown in the rate of growth, since last year they were up 14.1 percent over the year before that.

There is little that we at Outrigger and OHANA hotels can do to influence the national and international factors that tend to hold back travel, such as high oil prices, high airfares, and high interest rates. However, we can still influence our future by doing things that ensure that even when overall travel eventually slows, we will get the healthiest possible slice of the overall travel “pie.” We can do that by always showing our visitors the very best in hospitality whenever they stay at any of our properties throughout the Pacific.

Beginning from the moment a guest arrives at curbside and throughout his or her stay, members of our ‘ohana have many opportunities to make visitors feel truly welcome and at home. When guests go home happy, they spread “word of mouth,” which is the most powerful form of advertising. Their friends and relatives will be the next visitors to our properties, and some of them will come not only in good times, but even in bad times. Helping generate “word of mouth” is the best recipe for job security.

That’s why I want to extend special thanks to the team at the OHANA Islander Waikiki. They have done an exceptional job of taking care of guests while that property is undergoing extensive renovations in connection with the Waikiki Beach Walk™ project.

Likewise, kudos to the team at the Outrigger Reef where the Ocean Tower is currently shut down for a complete makeover of all rooms. Complaints have been few, and the remaining rooms are fully occupied; guest satisfaction is high.

When these renovations are completed and the shops and hotel rooms are open in Waikiki Beach Walk™, Outrigger and OHANA Hotels & Resorts will be positioned to remain a leader in Pacific hospitality, no matter the ups and downs the future holds in store.

Yes, Outrigger and OHANA is a great place to work and grow.