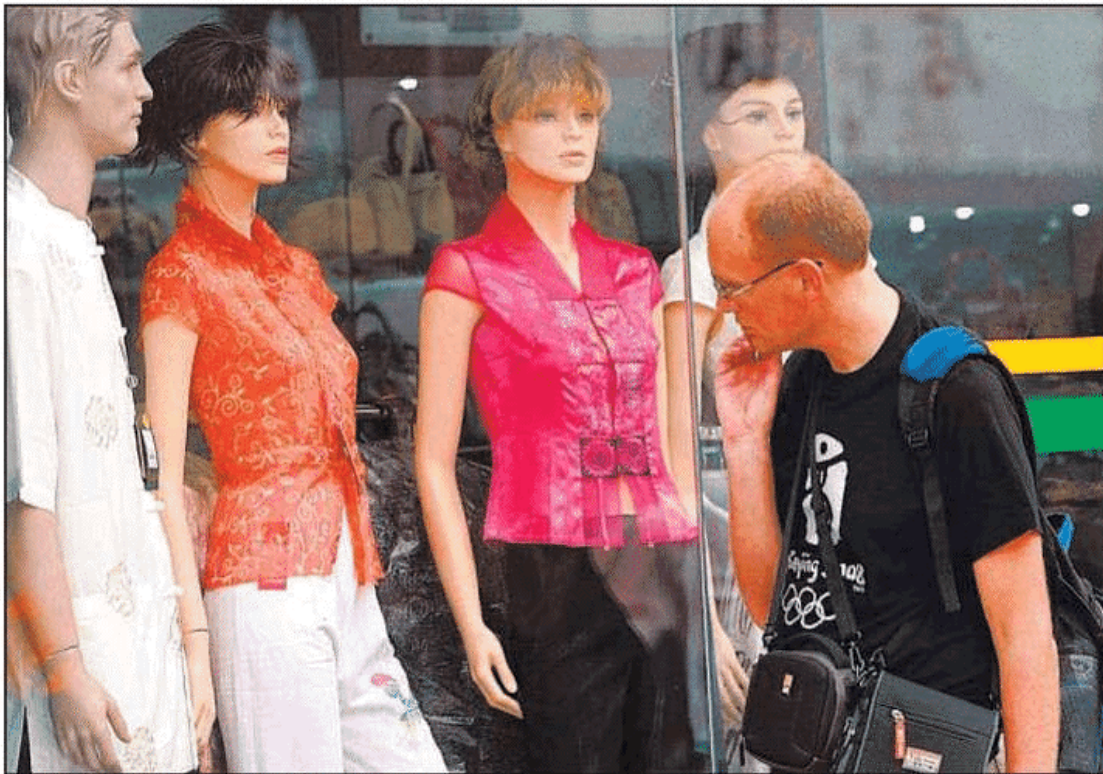


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**TAKING THE ROAD
LESS TRAVELED**



A Western tourist looked at Chinese clothing outside a shopping center in Beijing. Developing countries that are dollar-friendly are luring more travelers. Teh Eng Koon / AFP / Getty Images

Weaker dollar pushing tourists to try different destinations

By Penni Crabtree
STAFF WRITER

Kim Enz is the first to admit that, as a tourist, she's not exactly the intrepid explorer. But come February, she'll be a veritable Marco Polo — with shopping list.

That's because Enz's favorite tour operator, for the first time in a decade, eschewed Europe as the destination for a popular, all-women guided vacation trip and opted instead for the more dollar-friendly Shanghai.

"We used to always buy jewelry, clothes, handbags and shoes in Europe, but I haven't bought much in recent years because the prices are so high," said Enz, a San Diego County woman who has gone on the annual tour several times. "So it will be exciting to go to China and spend some of the money I haven't spent."

The declining value of the U.S. dollar, coupled with an uncertain economy, is transforming American travel habits and, with it, the travel industry—at least in the short-term, according to some tourism experts.

Many travel agencies and tour operators are seeking out and marketing new vacation spots in far-flung or less developed countries where the dollar stretches farther, or pushing trips within the United States. And increasing numbers of consumers are buying packaged tours and cruises as a way to control costs and take advantage of negotiated discounts.

The good news is that, despite the dollar doldrums, Americans don't appear to be curtailing travel so much as changing how they do it. According to one recent survey, 75 percent of Americans plan to spend at least as much on leisure travel in 2008 as they did this year.

Overall, about 93 percent of Americans have taken a leisure trip in the past year, with 16 percent taking four or more trips, according to the annual 2007 Travel Industry Survey by Deloitte & Touche.



Edward Piegza (left) of Classic Journeys talked with Vinay Sharda of Indo-Asia Tours, a New Delhi travel company. Classic Journeys is developing new vacation packages to India. Nadia Borowski Scott / U-T

The survey also found that 63 percent of Americans plan to travel during the holiday period that winds up in the new year.

"It's kind of strange, but at a time when the U.S. dollar has sunk to what it has, Americans seem to be traveling anyway," said National Tour Association Chairman Bob Hoelscher, whose trade group represents 600 U.S. tour operators and leisure industry suppliers. "I think travelers are looking for the best deals, and doing a lot more cruises and packaged trips, but all my colleagues in the industry are saying that they expect a good 2008."

Some tour operators are forging new excursions to dollar-friendly spots such as China, India and Eastern Europe, in addition to traditional Western European favorites.

Phyllis Dorfman, president of San Diego-based Rainbow Travel and Cruise, which put together the upcoming 2008 Shanghai tour, said she turned to Asia after the sticker shock of her most recent all-woman guided tour to Milan, Italy.

"The dollar was only valued at two-thirds of what it was," Dorfman said. "The clothes in Italy were really expensive, and you don't enjoy a salad, quiche and cup of coffee for \$50. You'd enjoy it for \$20, but not \$50."

Travelers who book their own vacations and business travel over the Internet are also taking the road less traveled, according to Travelocity, the popular online travel site.

For this holiday season, travel to both India and China is up more than 25 percent from last year, according to data on airline tickets booked through Travelocity from Dec. 14 through Jan. 1.

Mexico and the Caribbean—where airfares have held steady from last year—are also seeing a surge in tourism. And Guatemala, Panama, Brazil, Argentina and Peru have moved up on the destination spot.

In contrast, travel to Western Europe is down more than 4 percent, and London has fallen from its No. 34 spot as a top Christmas destination to the No. 41 spot.

"The unfavorable exchange rate is finally penetrating and influencing where people are going to go," said Genevieve Shaw Brown, senior editor of Travelocity. "There are several places that people are considering more than they did in the past, which is an indication that the dollar is on people's minds."

When travelers do choose Western Europe, an increasing number are booking prepaid cruises and packaged tours, said several travel agencies and tour operators. Edward Piegza, owner of Classic Journeys in San Diego, said his tour business was up 35 percent this year over 2006, and bookings for 2008 are surging.

"Savvy travelers are looking for ways to hedge European travel costs, and one way to do that is to look to tours that are fixed price and in dollars," said Piegza, who ran about 170 tours this year.

Classic Journeys' bread-and-butter remains Western Europe, where it conducts upscale walking tours and cooking tours in several countries, including England, Scotland, France and Italy. But Piegza said he is also scouting new locales that are both alluring to a new generation of "adventure" travelers and dollar-friendly.

In April, Classic Journeys will debut a new tour of Croatia's Istrian Peninsula, which has the look and feel of Tuscany, at a more moderate price, he said. New tours to India and Vietnam are also on the books.

Piegza said Western Europe will always remain a favorite for Americans, but for now the prices remain a little tough to swallow.

"One of our most popular tours is to England, with trips to London, the Cotswolds and Stonehenge, and it includes a traditional English tea," Piegza said. "I had to wire payment for the cream tea, and I did scratch my head and go, 'Wow.' It was \$76 per person—that's a lot of clotted cream."

For more information on Classic Journeys' Cultural Walking Adventures in 55 regions worldwide, contact Classic Journeys at 800-200-3887 or www.classicjourneys.com.