



HTA Airline Seat Capacity Outlook for First Quarter 2014

The Hawai‘i Tourism Authority (HTA), the state’s tourism agency, forecasts the continued growth of total scheduled nonstop air seats to Hawai‘i in the first quarter of 2014. The projection is based on flights appearing in Diio airline schedules as of December 2013.

Scheduled nonstop air seats into Hawai‘i are expected to rise 2.4 percent in the first quarter of 2014, demonstrating the continued growth in air seats experienced throughout 2013, which ended 5.4 percent above 2012. .

Growth in the first quarter from January through March 2014 is expected to be driven by an 8.1 percent increase in international capacity. Meanwhile, domestic air seats are expected to run slightly below (-0.5%) 2013 levels.

Outlook for Scheduled Nonstop Air Seats to Hawai‘i

	2014 Q1	2013 Q1	%Chge	2013F	2012	%Chge
TOTAL	2,754,102	2,690,206	2.4%	10,762,754	10,206,731	5.4%
Domestic	1,781,731	1,790,282	-0.5%	7,201,793	7,008,177	2.8%
US West	1,576,409	1,587,388	-0.7%	6,371,138	6,237,480	2.1%
US East	205,322	202,894	1.2%	830,655	770,697	7.8%
International	972,371	899,924	8.1%	3,560,961	3,198,554	11.3%
Japan	513,172	471,466	8.8%	2,028,424	1,871,915	8.4%
Canada	163,860	152,496	7.5%	368,125	362,878	1.4%
Other Asia	132,828	113,087	17.5%	463,946	388,674	19.4%
Oceania	98,457	90,863	8.4%	416,875	286,624	45.4%
Other	64,054	72,012	-11.1%	283,591	288,463	-1.7%

Source: Diio Mi

U.S. West

While scheduled seats from each of Hawai‘i’s top core gateway markets will rise (Los Angeles, +2.8%; San Francisco, +4.5%; Seattle, +1.9%), these gains are expected to be offset by capacity reductions from Oakland (-12.1%) and San Jose (-30.8%), along with the suspension of service in smaller markets operated by Allegiant during the first quarter of 2014 (i.e., Eugene, Fresno,

Phoenix-Mesa, Santa Maria and Stockton). As a result, U.S. West scheduled seat capacity is expected to end the first quarter just below prior year levels (-0.7%).

U.S. East

First quarter air seat capacity from the U.S. East market is expected to edge up 1.2 percent, as additional service from Chicago (+19.5%) and Houston (+39.1%) will offset reductions in capacity from Washington, D.C. (-52.3%) and New York (-17.8%).

Japan

Scheduled nonstop seats from Japan are expected to rise nearly nine percent (+8.8%) in the first quarter, boosted by Korean Air's Tokyo-Honolulu service (launched March 2013), along with Japan Airlines' upgrades to larger Boeing 777 aircrafts on a number of their Hawai'i flights. Notable year-over-year increases are expected from the Tokyo-Narita (+8.1%), Osaka (+10.9%) and Nagoya (+37.3%) markets.

Canada

Nonstop air seats from Canada to Hawai'i are expected to rise 7.5 percent in the first quarter of 2014, driven primarily by a 10.2 percent increase in seats from Vancouver.

Other Asia

Other Asia is expected to be Hawai'i's fastest growing region for scheduled air seats during the January through March 2014 period, boosted by the launch of three-times weekly nonstop Beijing-Honolulu flights by Air China, and the expansion of Shanghai-Honolulu service by China Eastern Airlines (+64.2%). The continuation of nonstop Taipei-Honolulu flights by China Airlines (launched June 2013) and Hawaiian Airlines (July 2013) will also contribute to the expected double-digit increase (+17.5%) in seats from the overall Other Asia market in the first quarter. Meanwhile, nonstop seats from South Korea are expected to decrease 15 percent in the first quarter.

Oceania

Oceania is projected to be Hawai'i's second fastest growing region for scheduled first quarter air seats, fueled by year-over-year increases in seats aboard Hawaiian Airlines' flights from Auckland (launched March 2013) and Jetstar Airways' flights from Melbourne (holiday seasonal service). Nonstop seats from the Oceania region are expected to grow 8.4 percent in the first quarter of 2014.

For more information about the Airline Seat Capacity Outlook or other research related reports, please contact:

Daniel Nāho‘opi‘i
Director of Tourism Research
Hawai‘i Tourism Authority
1801 Kalākaua Avenue, 1st Floor
Honolulu, Hawai‘i 96815
(808) 973-2264
www.hawaiitourismauthority.org/research
daniel@gohta.net