



Korea Fact Sheet

Korea Overview

HTA has contracted with Aviareps to provide marketing services in Korea. There is great opportunity to grow Hawai'i's share of the Korean travel market. A strong relationship between HTA and Hawai'i Tourism Korea (HTK) aims to grow the awareness and allure of our islands. HTK is focused on expanding airlift, increasing visitor expenditures, strengthening Hawai'i's presence in online and social media, and promoting the neighbor islands.

2017 Quick Facts¹

Visitor Expenditures:	\$525.3 million
Primary Purpose of Stay:	Pleasure (247,170) vs. MCI (6,910)
Average Length of Stay:	7.23 days
First Time Visitors:	82.1 %
Repeat Visitors:	17.9 %

	2015	2016	% Change 2016 vs 2015	2017 Forecast (Aug. 2017)	% Change 2016 vs 2017 Forecast	YTD Dec. 2017P	YTD Dec. 2016	% change YTD
Korea (by Air)								
Visitor Expenditures* (\$ Millions)	395.4	585.3	48.0%	508.0	-13.2%	525.3	585.3	-10.2%
Visitor Days	1,345,225	1,849,761	37.5%	1,773,846	-4.1%	1,869,227	1,849,761	1.1%
Arrivals	193,658	257,189	32.8%	244,741	-4.8%	258,398	257,189	0.5%
Per Person Per Day Spending* (\$)	293.9	316.4	7.7%	286.4	-9.5%	281.0	316.4	-11.2%
Per Person Per Trip Spending* (\$)	2,041.7	2,275.8	11.5%	2,075.8	-8.8%	2,033.0	2,275.8	-10.7%
Length of Stay (days)	6.95	7.19	3.5%	7.25	0.8%	7.23	7.19	0.6%

*Excludes supplemental business spending

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¹ 2016 visitor data are the final numbers and reflect data from the National Travel and Tourism Office and updated reports from airlines. 2017 data are preliminary.

Market Summary

- In 2016, Korean arrivals increased 32.8 percent compared to 2015 to 257,189 visitors. In 2017, arrivals (+0.5% to 258,398 visitors) were comparable to the previous year.
- For 2016, 98% of Korean visitors went to O‘ahu, while 19% went to Maui, 8% went to the Island of Hawai‘i and 3% went to Kaua‘i. In 2017, 98% of Korean visitors went to O‘ahu, while 17% went to Maui, 11% went to the Island of Hawai‘i and 4% went to Kaua‘i.
- In 2016, 46% of Korean visitors were true independent travelers (FIT). In 2017, 50% were FIT.
- For 2016, first time visitors comprised 82.2% of Korean visitors while 17.8% were repeat visitors. In 2017, first time visitors accounted for 82.1% of Korean visitors and 17.9% were repeat visitors.
- For 2016, there were 375,920 air seats from Seoul, which was a 26.2 percent increase from the prior year. In 2017, Seats from Seoul rose 2.2 percent compared to 2016.

Market Insights

- With a population of 50 million, Korea has 16 million outbound travelers. Approximately 1.5 million travel to the U.S., and 12% visit Hawai‘i. Korea Tourism Organization reported the number of Korean outbound travelers in December was 2,227,747, a year-on-year increase of 22.0%.
- South Korea's economy is expected to grow 2.7% this year according to the Korea Economic Research Institute (KERI).
- The average USD/WON exchange rate in December was 1079.64 won, a slight increase from the previous rate of 1,107.12 won in November. Fuel surcharges were imposed in December up to 34,800 won (\$32) for a round trip between Korea and the U.S.
- Asiana Airlines increased its Incheon/Honolulu service to daily this year from October 29 in time for Korea's high winter travel season. Over 6,000 seats were added to the flight supply.
- Nuclear assault threats against Guam have not deterred South Koreans from visiting the U.S. Western Pacific territory. Travel agents in South Korea and Guam say they have fielded lots of inquiries from South Koreans, who make up about 46% of visitors, but few have actually canceled their vacations, the Herald Business News and Guam’s Pacific Daily News reported.
- Research shows the female proportion of overseas travel has gradually increased since 2012 and ‘Active Seniors’ aged from 50 to 60 are the largest segment of outbound travel. The demand for themed package products is also rising.
- Korea’s social commerce TMON reported that Hawai‘i's popularity as a top family holiday destination has grown rapidly. The finding was based on data for 50,000 bookings made for the period September 2017 to March 2018. TMON noted Hawai‘i had jumped into the top 6 destinations' category in terms of ‘family trips & reservations,’ a five-fold gain from the previous year. The data also showed a rise in the popularity of long-distance travel destinations such as Hawai‘i, New York, and Western Europe for the upcoming Lunar New Year holidays (Feb 15-17). The trend is linked to lower fares offered by foreign airlines and increased demand for long-distance travel triggered by various marketing campaigns and TV shows.
- A three-party promotion with Hawaiian Airlines and Hertz Rent-a-Car was extended through February and invited more partner travel agents to maximize sales volume increases. The promotion targets the FIT/Family market to increase weekday arrivals to Hawai‘i. It involves 11 participating travel agents – Hana Tour, Tour Baksa, Web Tour, Online Tour, YB Tour, Interpark, Naeil Tour, KRT, Hawai‘i No.1, Gaja Hawai‘i and Blue Hawai‘i.

Visitor Statistics

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Distribution by Island

Korea (by Air)	2015	2016	% Change 2016 vs 2015	YTD Dec. 2017P	YTD Dec. 2016	% change YTD
O'ahu	189,159	252,467	33.5%	253,900	252,467	0.6%
Maui County	44,273	49,122	11.0%	45,259	49,122	-7.9%
...Maui	43,891	48,961	11.6%	44,857	48,961	-8.4%
...Moloka'i	419	827	97.3%	1,055	827	27.4%
...Lāna'i	533	594	11.4%	850	594	43.2%
Kaua'i	7,312	7,827	7.0%	10,646	7,827	36.0%
Island of Hawai'i	15,439	20,674	33.9%	27,554	20,674	33.3%

Airlift

DepCityName	2017					2016					%CHANGE				
	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual
Seoul	87,365	79,899	97,608	119,147	384,019	93,947	90,873	95,508	95,592	375,920	-7.0	-12.1	2.2	24.6	2.2

Source: Diio Mii airline schedules, updated December 2017.

Group vs. FIT; Leisure vs. Business

Korea (by Air)	2015	2016	% Change 2016 vs 2015	YTD Dec. 2017P	YTD Dec. 2016	% change YTD
Group vs FIT						
Group tour	32,105	35,237	9.8%	42,307	35,237	20.1%
True Independent	74,652	119,206	59.7%	128,478	119,206	7.8%
Leisure vs business						
Pleasure (Net)	181,827	244,910	34.7%	247,170	244,910	0.9%
MCI (Net)	7,270	6,172	-15.1%	6,910	6,172	12.0%
Convention/Conf.	4,556	3,410	-25.2%	2,726	3,410	-20.0%
Corp. Meetings	316	302	-4.3%	189	302	-37.4%
Incentive	2,519	2,502	-0.7%	4,160	2,502	66.3%

First Timers vs. Repeat Visitors

Korea (by Air)	2015	2016	% Change 2016 vs 2015	YTD Dec. 2017P	YTD Dec. 2016	% change YTD
1st timers (%)	82.6	82.2	-0.4	82.1	82.2	0.1
Repeaters (%)	17.4	17.8	0.4	17.9	17.8	-0.1

Tax Revenue

Korea (by Air)	2015	2016	% Change 2016 vs 2015	YTD Dec. 2017P	YTD Dec. 2016	% change YTD
State tax revenue generated* (\$ Millions)	44.68	68.32	52.9%	61.32	68.32	-10.2%

*State government tax revenue generated (direct, indirect, and induced)

Industry

Major Tour Operators

This list shows the current top 10 leisure tour operators in Korea.

- Hana Tour
- Mode Tour
- Interpark Tour
- Hanjin Travel
- Very Good Tour
- Red Cap Tour
- YB Tour
- Online Tour
- KRT Travel
- Honeymoon Resort

This list shows the current top 5 MCI TMC's in Korea.

- Hana Tour
- Mode Tour
- KRT Travel
- SM C&C (BT&I)
- Sharp Travel