U.S. Fact Sheet

United States Overview

The U.S. West and U.S. East are Hawai'i's two largest source markets for visitors, with domestic air seats accounting for 68 percent of total seats to the state in 2017. U.S. West includes visitors who travel to the Hawaiian Islands from the 12 Pacific states west of the Rockies, and U.S. East includes all other states.

Interest in Hawai'i is expected to remain strong, although value continues to be a deciding factor. The HTA continues to work with Hawai'i Tourism U.S.A. to market and promote Hawai'i to reach the "avid travelers" and now the "avid explorers." In 2018, new activities occurring in the market include: 1) phase 2 of the New York City market activation involving out-of-home; digital, social, travel trade and influencer events; 2) evolution of the #LetHawaiiHappen campaign to 'Hawai'i Rooted,' a series of ten videos to be distributed on social media platforms; 3) use of 360 and Virtual Reality content for online marketing and training; 4) developing and refining tools and technology to reach meeting planners.

Year-to-Date February 2018 Quick Facts[1]

Visitor Expenditures:	$1.94 billion
Primary Purpose of Stay:	Pleasure (770,246) vs. MCI (70,791)
Average Length of Stay:	10.13 days
First Time Visitors:	23.6%
Repeat Visitors:	76.4%

U.S. West

U.S. WEST MMA (by Air)	2016	2017P	% Change 2017P vs 2016	2018 Forecast (Feb. 2018)	% Change 2017P vs 2018 Forecast	YTD Feb. 2018P	YTD Feb. 2017P	% change YTD
Visitor Expenditures* ($ Millions)	5,634.1	6,180.5	9.7%	6,418.9	3.9%	1,083.9	1,014.0	6.9%
Visitor Days	33,552,091	34,854,000	3.9%	35,847,965	2.9%	5,742,971	5,168,796	11.1%
Arrivals	3,664,150	3,843,208	4.9%	3,951,034	2.8%	598,173	528,185	13.3%
Per Person Per Day Spending* ($)	167.9	177.3	5.6%	179.1	1.0%	188.7	196.2	-3.8%
Per Person Per Trip Spending* ($)	1,537.6	1,608.2	4.6%	1,624.6	1.0%	1,812.0	1,919.8	-5.6%
Length of Stay (days)	9.16	9.07	-1.0%	9.07	0.0%	9.60	9.79	-1.9%

**Excludes supplemental business spending*

[1] 2016 visitor data are the final numbers and reflect data from the National Travel and Tourism Office and updated reports from airlines. 2017 and 2018 data are preliminary.

U.S. East

U.S. EAST MMA (by Air)	2016	2017P	% Change 2017P vs 2016	2018 Forecast (Feb. 2018)	% Change 2017P vs 2018 Forecast	YTD Feb. 2018P	YTD Feb. 2017P	% change YTD
Visitor Expenditures* ($ Millions)	3,889.4	4,258.0	9.5%	4,429.8	4.0%	860.5	791.2	8.8%
Visitor Days	19,283,520	20,158,777	4.5%	20,622,081	2.3%	3,910,768	3,771,327	3.7%
Arrivals	1,892,768	1,998,650	5.6%	2,045,257	2.3%	354,397	332,610	6.6%
Per Person Per Day Spending* ($)	201.7	211.2	4.7%	214.8	1.7%	220.0	209.8	4.9%
Per Person Per Trip Spending* ($)	2,054.9	2,130.4	3.7%	2,165.9	1.7%	2,428.0	2,378.8	2.1%
Length of Stay (days)	10.19	10.1	-1.0%	10.08	0.0%	11.0	11.3	-2.7%

**Excludes supplemental business spending*

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Market Summary

U.S. West

- In 2017, increased arrivals (+4.9% to 3,843,208 visitors) and higher daily spending (+5.6% to $177 per person) led to a 9.7% growth in visitor expenditures to $6.18 billion. Through the first two months of 2018, arrivals rose 13.3 percent to 598,173 visitors, supported by expanded air service to the neighbor islands. Despite lower daily spending (-3.8% to $188 per person), total U.S. West visitor expenditures rose 6.9 percent to $1.08 billion.
- Airlift: In 2017, the number of scheduled seats from U.S. West (+0.1%) were comparable to 2016. Through February 2018, the number of scheduled seats from U.S. West increased 13.7 percent, boosted by double-digit growth in seats from Denver (+48.3%), Los Angeles (+16.3%), Salt Lake City (+46.8%), San Francisco (+24.6%), San Jose (+18.4%) and Portland (+14.7%).

U.S. East

- In 2017, visitor arrivals (+5.6% to 1,998,650 visitors), daily spending (+4.7% to $211 per person) and visitor expenditures (+9.5% to $4.26 billion) all exceeded 2016. Through February 2018, The U.S. East market reported a gain in visitor spending (+8.8% to $860.5 million), boosted by increases in visitor arrivals (+6.6% to 354,397) and average daily spending (+4.9% to $220 per person).
- Airlift: In 2017, scheduled seats from U.S. East rose 9.2% which increased service from Chicago, Dallas, Houston Minneapolis and New York JFK. Through February 2018 scheduled seats increased (+10.2%) compared to the first two months of 2017. Growth in seats from Chicago (+54.2%), Dallas (+18%), Houston (+5.8%), Newark (+14.3%) and Washington D.C. (+12.5%) offset fewer seats from New York City's John F. Kennedy International Airport (-31.4%).

Market Conditions

- The U.S. Consumer Confidence Index rose for the second consecutive month in February 2018 to 130.8 (1980=100), an increase of +6.5 points from January's levels. This significant increase was driven by both satisfaction with current economic conditions and increased optimism about the short-term future of the economy.
- The U.S. labor market remained almost completely unchanged between the end of last year and January 2018. The unemployment rate has not shifted from 4.1 percent since October 2016. Likewise, other key indicators such as labor force participation rate and long-term unemployment have been stable.
- Between March and May 2018, U.S. airlift to Hawai‘i is expected to increase +15.8 percent compared to the same period in 2017, with strong growth being exhibited in both the U.S. East and U.S. West MMAs. Nearly 2.4 million air seats are bound for Hawai‘i from the U.S. mainland over the next three months, compared to less than 2.1 million last year.
    - Capacity from the U.S. West market is expected to increase +15.9 percent, with growth continuing to be driven by key gateways such as Denver (+50.9%), Portland (+36.1%), and San Francisco (+26.2%). This more than offsets the loss of capacity out of Las Vegas (-12.6%) and other smaller gateways.
    - Meanwhile, capacity from the U.S. East market will grow at a year-over-year rate of +15.1 percent from March to May. This growth is being fueled by significant expansion of air seats out of Chicago (+54.8%), Washington (+36.9%), and Dallas (+32.1%), though some gateways such as Minneapolis (-21.5%) and Atlanta (-11.9%) are continuing to shed capacity.

- In their second estimate of fourth quarter 2017 U.S. GDP Growth, the Bureau of Economic Analysis scaled back their initial take by -0.1 points to +2.5 percent. Overall, however, the analysis remains unchanged: economic fundamentals are strong, consumer spending surged in the later months of 2017, and the perceived slowdown was driven primarily by a bump in imports. With that said, there are some rising concerns about the future of the U.S. economy. The growing specter of inflation, unseen in more than a decade, has spooked some investors, while the potential of a “trade war” could stymie long-term economic progress.
- Low unemployment, relatively strong growth in real wages, and high consumer spending all indicate that the U.S. is primed for a strong travel season. Concerns do persist, however. U.S. travel overseas is booming despite the moderate strength of the U.S. dollar. While this may not be ideal for the U.S. domestic travel industry as a whole, Hawai‘i appears to be largely immune from its effect.

Visitor Statistics

U.S. West

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**Excludes supplemental business spending*

U.S. East

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Distribution by Island

U.S. West

U.S. WEST MMA (by Air)	2016	2017P	% Change 2017P vs 2016	YTD Feb. 2018P	YTD Feb. 2017P	% change YTD
O'ahu	1,569,790	1,639,271	4.4%	255,697	225,484	13.4%
Maui County	1,336,006	1,382,430	3.5%	202,775	180,204	12.5%
...Maui	1,313,895	1,360,832	3.6%	198,476	176,972	12.2%
...Moloka'i	24,975	22,562	-9.7%	4,037	3,829	5.4%
...Lāna'i	25,945	24,491	-5.6%	4,273	3,216	32.9%
Kaua'i	619,976	657,032	6.0%	99,567	86,935	14.5%
Island of Hawai'i	653,300	711,105	8.8%	120,067	110,001	9.2%

U.S. East

U.S. EAST MMA (by Air)	2016	2017P	% Change 2017P vs 2016	YTD Feb. 2018P	YTD Feb. 2017P	% change YTD
O'ahu	1,107,818	1,151,547	3.9%	188,110	179,769	4.6%
Maui County	712,079	758,328	6.5%	136,376	126,502	7.8%
...Maui	700,281	747,691	6.8%	133,681	124,486	7.4%
...Moloka'i	15,028	15,130	0.7%	4,136	2,794	48.0%
...Lāna'i	20,340	19,864	-2.3%	4,968	3,225	54.0%
Kaua'i	356,523	385,279	8.1%	71,704	66,812	7.3%
Island of Hawai'i	418,011	468,658	12.1%	86,651	80,390	7.8%

Airlift

DepCity	2018					2017					% CHANGE				
	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual
US WEST	**1,962,151**	**2,108,606**	**2,131,837**	**1,981,984**	**8,184,578**	**1,717,254**	**1,837,080**	**1,943,012**	**1,837,388**	**7,334,734**	**14.3**	**14.8**	**9.7**	**7.9**	**11.6**
Anchorage	26,235	14,628	13,674	15,582	70,119	25,758	15,105	13,674	16,854	71,391	1.9	-3.2	0.0	-7.5	-1.8
Bellingham	10176	0		6519	16,695	10198	318		6598	17,114	-0.2	-100.0		-1.2	-2.4
Denver	78,390	79,261	80,132	80,132	317,915	55,803	51,654	52,585	45,318	205,360	40.5	53.4	52.4	76.8	54.8
Las Vegas	65,256	65,052	65,886	65,608	261,802	70,514	74,322	74,305	71,529	290,670	-7.5	-12.5	-11.3	-8.3	-9.9
Los Angeles	648,292	749,662	789,848	701,737	2,889,539	548,935	647,498	713,997	654,950	2,565,380	18.1	15.8	10.6	7.1	12.6
Oakland	80,677	109,052	112,357	93,912	395,998	84,571	104,810	116,431	92,789	398,601	-4.6	4.0	-3.5	1.2	-0.7
Phoenix	118,962	108,187	117,640	101,848	446,637	113,046	115,125	125,348	108,051	461,570	5.2	-6.0	-6.1	-5.7	-3.2
Portland	106,319	105,709	86,371	93,293	391,692	90,207	71,068	66,341	82,195	309,811	17.9	48.7	30.2	13.5	26.4
Sacramento	37,620	38,038	38,456	38,456	152,570	37,620	38,318	38,456	38,456	152,850	0.0	-0.7	0.0	0.0	-0.2
Salt Lake City	39,433	24,203	24,012	24,012	111,660	26,370	23,751	22,968	28,578	101,667	49.5	1.9	4.5	-16.0	9.8
San Diego	66,360	86,912	95,911	85,258	334,441	67,164	73,242	76,163	68,111	284,680	-1.2	18.7	25.9	25.2	17.5
San Francisco	349,049	386,135	388,087	365,303	1,488,574	282,082	308,568	338,976	319,203	1,248,829	23.7	25.1	14.5	14.4	19.2
San Jose	83,191	97,508	95,038	83,113	358,850	68,414	81,072	89,751	83,230	322,467	21.6	20.3	5.9	-0.1	11.3
Seattle	252,191	244,259	224,425	227,211	948,086	236,572	232,229	214,017	221,526	904,344	6.6	5.2	4.9	2.6	4.8
US EAST	**296,036**	**283,875**	**285,856**	**236,121**	**1,101,888**	**261,362**	**254,901**	**256,542**	**235,985**	**1,008,790**	**13.3**	**11.4**	**11.4**	**0.1**	**9.2**
Atlanta	26,041	22,386	22,632	25,687	96,746	26,370	26,663	26,956	26,956	106,945	-1.2	-16.0	-16.0	-4.7	-9.5
Chicago	56,784	56,784	57,512	57,512	228,592	36,120	37,456	36,764	41,860	152,200	57.2	51.6	56.4	37.4	50.2
Dallas	99,264	99,180	99,918	70,980	369,342	79,026	79,211	85,792	66,983	311,012	25.6	25.2	16.5	6.0	18.8
Houston	32,760	33,124	33,488	33,488	132,860	30,960	32,864	33,488	33,488	130,800	5.8	0.8	0.0	0.0	1.6
Minneapolis	24,565	16,063	13,560	0	54,188	24,612	22,561	12,306	13,476	72,955	-0.2	-28.8	10.2	100.0	-25.7
New York JFK	26,496	25,298	25,576	23,630	101,000	39,094	25,298	25,576	26,336	116,304	-32.2	0.0	0.0	-10.3	-13.2
Newark	21,780	19,698	19,688	19,688	80,854	19,130	19,474	19,688	21,480	79,772	13.9	1.2	0.0	-8.3	1.4
Washington D.C.	8,346	11,342	13,482	5,136	38,306	6,050	11,374	15,972	5,406	38,802	38.0	-0.3	-15.6	-5.0	-1.3

Source: Diio Mii airline schedules. Updated January 2018.

Group vs. FIT; Leisure vs. Business

U.S. West

U.S. WEST MMA (by Air)	2016	2017P	% Change 2017P vs 2016	YTD Feb. 2018P	YTD Feb. 2017P	% change YTD
Group vs FIT						
Group tour	63,133	63,035	-0.2%	9,690	10,109	-4.1%
True Independent	2,983,359	3,144,908	5.4%	514,464	449,619	14.4%
Leisure vs business						
Pleasure (Net)	3,055,254	3,218,736	5.4%	490,909	426,775	15.0%
MCI (Net)	144,691	147,965	2.3%	34,066	33,505	1.7%
Convention/Conf.	86,920	89,027	2.4%	22,271	22,080	0.9%
Corp. Meetings	37,994	39,367	3.6%	7,799	7,853	-0.7%
Incentive	25,057	24,613	-1.8%	5,122	4,491	14.0%

U.S. East

U.S. EAST MMA (by Air)	2016	2017P	% Change 2017P vs 2016	YTD Feb. 2018P	YTD Feb. 2017P	% change YTD
Group vs FIT						
Group tour	84,623	80,272	-5.1%	16,243	15,308	6.1%
True Independent	1,471,734	1,570,315	6.7%	286,390	268,018	6.9%
Leisure vs business						
Pleasure (Net)	1,492,780	1,597,820	7.0%	279,337	258,157	8.2%
MCI (Net)	137,349	140,759	2.5%	36,724	38,577	-4.8%
Convention/Conf.	80,207	84,271	5.1%	24,178	26,819	-9.8%
Corp. Meetings	29,396	30,705	4.5%	6,902	6,848	0.8%
Incentive	34,285	31,618	-7.8%	7,224	5,956	21.3%

First Timers vs. Repeat Visitors

U.S. West

U.S. WEST MMA (by Air)	2016	2017P	Change 2017P vs 2016	YTD Feb. 2018P	YTD Feb. 2017P	change YTD
1st timers (%)	19.0	19.1	0.0	16.4	16.6	-0.1
Repeaters (%)	81.0	80.9	0.0	83.6	83.4	0.1

U.S. East

U.S. EAST MMA (by Air)	2016	2017P	Change 2017P vs 2016	YTD Feb. 2018P	YTD Feb. 2017P	change YTD
1st timers (%)	41.5	41.9	0.4	35.8	36.0	-0.2
Repeaters (%)	58.5	58.1	-0.4	64.2	64.0	0.2

Tax Revenue

U.S. West

U.S. WEST MMA (by Air)	2016	2017P	% Change 2017P vs 2016	YTD Feb. 2018P	YTD Feb. 2017P	% change YTD
State tax revenue generated* ($ Millions)	657.65	721.43	9.7%	126.52	118.36	6.9%

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

U.S. East

U.S. EAST MMA (by Air)	2016	2017P	% Change 2017P vs 2016	YTD Feb. 2018P	YTD Feb. 2017P	% change YTD
State tax revenue generated* ($ Millions)	453.99	497.02	9.5%	100.44	92.35	8.8%

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

Industry

Major Tour Operators

Presently, the top 10 tour operators for The Hawaiian Islands, based on room night production reports and confirmation from in-market supplier partners, are:

- Expedia
- Costco Travel
- Liberty/GoGo (Flight Center USA)
- Pleasant Holidays
- Travelocity
- Blue Sky Tours
- Funjet Vacations
- MLT/Delta Vacations
- Classic Vacations
- United Vacations