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 March 2018 Quick Facts[1]

Visitor Expenditures:	$2.95 billion
Primary Purpose of Stay:	Pleasure (1,256,524) vs. MCI (97,269)
Average Length of Stay:	9.65 days
First Time Visitors:	24.6%
Repeat Visitors:	75.4%

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 Mar. 2018P	YTD Mar. 2017P	% change YTD
Visitor Expenditures* ($ Millions)	5,634.1	6,180.5	9.7%	6,418.9	3.9%	1,669.9	1,535.2	8.8%
Visitor Days	33,552,091	34,854,000	3.9%	35,847,965	2.9%	8,879,482	7,978,102	11.3%
Arrivals	3,664,150	3,843,208	4.9%	3,951,034	2.8%	962,462	848,432	13.4%
Per Person Per Day Spending* ($)	167.9	177.3	5.6%	179.1	1.0%	188.1	192.4	-2.3%
Per Person Per Trip Spending* ($)	1,537.6	1,608.2	4.6%	1,624.6	1.0%	1,735.1	1,809.5	-4.1%
Length of Stay (days)	9.16	9.07	-1.0%	9.07	0.0%	9.23	9.40	-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 Mar. 2018P	YTD Mar. 2017P	% change YTD
Visitor Expenditures* ($ Millions)	3,889.4	4,258.0	9.5%	4,429.8	4.0%	1,280.3	1,135.1	12.8%
Visitor Days	19,283,520	20,158,777	4.5%	20,622,081	2.3%	5,879,249	5,518,300	6.5%
Arrivals	1,892,768	1,998,650	5.6%	2,045,257	2.3%	567,495	517,888	9.6%
Per Person Per Day Spending* ($)	201.7	211.2	4.7%	214.8	1.7%	217.8	205.7	5.9%
Per Person Per Trip Spending* ($)	2,054.9	2,130.4	3.7%	2,165.9	1.7%	2,256.1	2,191.7	2.9%
Length of Stay (days)	10.19	10.1	-1.0%	10.08	0.0%	10.4	10.7	-2.8%

**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 March 2018, arrivals rose 13.4 percent to 962,462 visitors, supported by expanded air service to the neighbor islands. Growth in visitor arrivals offset lower daily spending (-2.3% to $188 per person) and contributed to an 8.8 percent gain in visitor expenditures to $1.67 billion.
- Airlift: In 2017, the number of scheduled seats from U.S. West (+0.1%) were comparable to 2016. Through March 2018, the number of scheduled seats from U.S. West increased 14.2 percent, boosted by double-digit growth in seats from Denver (+40.5%), Los Angeles (+18%), Portland (+18.5%), Salt Lake City (+49.5%), San Francisco (+23.7%) and San Jose (+21.6%).

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 March 2018, The U.S. East market reported a gain in visitor spending (+12.8% to $1.28 billion), boosted by increases in visitor arrivals (+9.6% to 567,495) and average daily spending (+5.9% to $218 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 March 2018 scheduled seats increased (+13.1%) compared to the first three months of 2017. Growth in seats from Chicago (+57.2%), Dallas (+25.6%), Houston (+5.8%), Newark (+13.9%) and Washington D.C. (+38%) offset fewer seats from New York City's John F. Kennedy International Airport (-32.2%).

Market Conditions

- The U.S. Consumer Confidence Index dropped to 127.7 in March 2018 (1980=100), a decrease of -2.3 points from where it stood the month prior. Sentiments towards both the present situation and future expectations declined, fueled by concerns about business conditions and the stock market, though it should be noted that the Index remains near its historical peak.
- The U.S. unemployment rate remained unchanged at 4.1 percent in February 2017. With that said, total employment rose by +784,000 and the labor force participation rate ticked up +0.3 points to 63.0 percent. All these factors point to the modest strengthening of a remarkably stable labor market.
- The U.S. Air Leisure Traveler Index decreased slightly in the first quarter of 2018, falling -1.6 points from the quarter prior to 120.8. Compared to the first quarter of 2017, however, the index is up an encouraging +3.7 points. The modest quarter-to-quarter decrease was influenced by a variety of factors, with flagging interest in travel and negative perceptions about safety being the most pronounced. Of note, the reported time available for travel remained mostly unchanged, while travelers' financial situations showed a slight improvement. Overall, though the index remains below the 2016 peak, current sentiments are still well above the historical norm.
- Air seats flown to Hawaiʻi are expected to continue the trend of significant growth in the three months ahead, driven by increased capacity from both the U.S. East and U.S. West MMAs. Nearly 2.4 million air seats are bound for Hawaiʻi from the U.S. mainland between April and June 2018, compared to just under 2.1 million last year.

- Capacity from the U.S. West market is supposed to increase by +13.1 percent, with Denver (+53.4%), Portland (+43.3%), and San Francisco (+24.0%) accounting for the largest percentage increases. A few lesser gateways such as Oakland (-13.5%) and Las Vegas (-12.5%) will see modest declines in air seats flown.
- Meanwhile, capacity from the U.S. East market will grow at a year-over-year rate of +12.4 percent from April to June. This growth is being fueled by significant expansion of air seats out of Chicago (+51.6%), Dallas (+25.2%), and Newark (+12.2%), though some gateways such as Minneapolis (-29.2%), and Atlanta (-13.8%) are continuing to shed capacity.

- Between a strong labor market, a stable U.S. dollar, and healthy economic growth, the macro conditions are set for continued success of the U.S. leisure travel market. Still, perceptions about the U.S. “not being open” for tourism business have translated into industry growth that may well be falling short of potential; while competitors such as Canada and the U.K. saw their travel industries grow +5.5 and +6.2 percent respectively in 2017, the U.S. market grew a relatively modest +2.3 percent.

Distribution by Island

U.S. West

U.S. WEST MMA (by Air)	2016	2017P	% Change 2017P vs 2016	YTD Mar. 2018P	YTD Mar. 2017P	% change YTD
O'ahu	1,569,790	1,639,271	4.4%	406,212	361,016	12.5%
Maui County	1,336,006	1,382,430	3.5%	327,227	293,585	11.5%
...Maui	1,313,895	1,360,832	3.6%	320,531	288,226	11.2%
...Moloka'i	24,975	22,562	-9.7%	6,132	5,838	5.0%
...Lāna'i	25,945	24,491	-5.6%	6,763	5,670	19.3%
Kaua'i	619,976	657,032	6.0%	163,444	137,311	19.0%
Island of Hawai'i	653,300	711,105	8.8%	190,444	174,064	9.4%

U.S. East

U.S. EAST MMA (by Air)	2016	2017P	% Change 2017P vs 2016	YTD Mar. 2018P	YTD Mar. 2017P	% change YTD
O'ahu	1,107,818	1,151,547	3.9%	304,150	282,834	7.5%
Maui County	712,079	758,328	6.5%	214,579	197,781	8.5%
...Maui	700,281	747,691	6.8%	210,376	194,697	8.1%
...Moloka'i	15,028	15,130	0.7%	5,658	4,138	36.7%
...Lāna'i	20,340	19,864	-2.3%	7,850	4,973	57.9%
Kaua'i	356,523	385,279	8.1%	110,763	99,658	11.1%
Island of Hawai'i	418,011	468,658	12.1%	134,443	120,796	11.3%

Airlift

Departure City	2018					2017					%CHANGE				
	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual
US WEST	**1,961,773**	**2,071,043**	**2,120,245**	**1,968,366**	**8,121,427**	**1,717,254**	**1,837,080**	**1,943,012**	**1,837,388**	**7,334,734**	**14.2**	**12.7**	**9.1**	**7.1**	**10.7**
Anchorage	26,235	14,628	14,952	17,478	73,293	25,758	15,105	13,674	16,854	71,391	1.9	-3.2	9.3	3.7	2.7
Bellingham	10,176	0	0	6,519	16,695	10,198	318	0	6,598	17,114	-0.2	-100.0	NA	-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	65,304	65,052	65,886	67,996	264,238	70,514	74,322	74,305	71,529	290,670	-7.4	-12.5	-11.3	-4.9	-9.1
Long Beach	0	5,670	17,388	17,388	40,446	0	0	0	0	0	NA	NA	NA	NA	NA
Los Angeles	647,820	730,111	757,194	656,306	2,791,431	548,935	647,498	713,997	654,950	2,565,380	18.0	12.8	6.1	0.2	8.8
Oakland	80,991	91,508	100,170	94,773	367,442	84,571	104,810	116,431	92,789	398,601	-4.2	-12.7	-14.0	2.1	-7.8
Phoenix	118,962	108,187	118,016	104,104	449,269	113,046	115,125	125,348	108,051	461,570	5.2	-6.0	-5.8	-3.7	-2.7
Portland	106,887	102,355	82,841	95,726	387,809	90,207	71,068	66,341	82,195	309,811	18.5	44.0	24.9	16.5	25.2
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	23,678	20,292	27,390	110,793	26,370	23,751	22,968	28,578	101,667	49.5	-0.3	-11.7	-4.2	9.0
San Diego	66,360	83,888	96,400	86,029	332,677	67,164	73,242	76,163	68,111	284,680	-1.2	14.5	26.6	26.3	16.9
San Francisco	348,943	382,975	387,532	354,360	1,473,810	282,082	308,568	338,976	319,203	1,248,829	23.7	24.1	14.3	11.0	18.0
San Jose	83,191	98,857	98,067	85,123	365,238	68,414	81,072	89,751	83,230	322,467	21.6	21.9	9.3	2.3	13.3
Seattle	251,461	246,835	242,919	236,586	977,801	236,572	232,229	214,017	221,526	904,344	6.3	6.3	13.5	6.8	8.1
US EAST	**295,707**	**286,114**	**281,065**	**235,289**	**1,098,175**	**261,362**	**254,901**	**256,542**	**235,985**	**1,008,790**	**13.1**	**12.2**	**9.6**	**-0.3**	**8.9**
Atlanta	26,041	22,971	22,632	25,687	97,331	26,370	26,663	26,956	26,956	106,945	-1.2	-13.8	-16.0	-4.7	-9.0
Chicago	56,784	56,784	52,052	41,860	207,480	36,120	37,456	36,764	41,860	152,200	57.2	51.6	41.6	0.0	36.3
Dallas	99,264	99,180	99,099	69,615	367,158	79,026	79,211	85,792	66,983	311,012	25.6	25.2	15.5	3.9	18.1
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	24,236	15,559	12,656	10,841	63,292	24,612	22,561	12,306	13,476	72,955	-1.5	-31.0	2.8	-19.6	-13.2
New York JFK	26,496	25,298	25,576	26,582	103,952	39,094	25,298	25,576	26,336	116,304	-32.2	0.0	0.0	0.9	-10.6
Newark	21,780	21,856	22,080	22,080	87,796	19,130	19,474	19,688	21,480	79,772	13.9	12.2	12.2	2.8	10.1
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 March 2018.

Group vs. FIT; Leisure vs. Business

U.S. West

U.S. WEST MMA (by Air)	2016	2017P	% Change 2017P vs 2016	YTD Mar. 2018P	YTD Mar. 2017P	% change YTD
Group vs FIT						
Group tour	63,133	63,035	-0.2%	16,458	17,731	-7.2%
True Independent	2,983,359	3,144,908	5.4%	820,164	714,929	14.7%
Leisure vs business						
Pleasure (Net)	3,055,254	3,218,736	5.4%	799,719	692,341	15.5%
MCI (Net)	144,691	147,965	2.3%	48,970	49,036	-0.1%
Convention/Conf.	86,920	89,027	2.4%	30,331	30,604	-0.9%
Corp. Meetings	37,994	39,367	3.6%	11,831	12,051	-1.8%
Incentive	25,057	24,613	-1.8%	8,492	7,998	6.2%

U.S. East

U.S. EAST MMA (by Air)	2016	2017P	% Change 2017P vs 2016	YTD Mar. 2018P	YTD Mar. 2017P	% change YTD
Group vs FIT						
Group tour	84,623	80,272	-5.1%	25,760	25,335	1.7%
True Independent	1,471,734	1,570,315	6.7%	454,882	411,733	10.5%
Leisure vs business						
Pleasure (Net)	1,492,780	1,597,820	7.0%	456,804	407,764	12.0%
MCI (Net)	137,349	140,759	2.5%	48,299	51,157	-5.6%
Convention/Conf.	80,207	84,271	5.1%	30,250	33,005	-8.3%
Corp. Meetings	29,396	30,705	4.5%	9,558	10,205	-6.3%
Incentive	34,285	31,618	-7.8%	10,728	9,811	9.4%

First Timers vs. Repeat Visitors

U.S. West

U.S. WEST MMA (by Air)	2016	2017P	Change 2017P vs 2016	YTD Mar. 2018P	YTD Mar. 2017P	change YTD
1st timers (%)	19.0	19.1	0.0	17.2	17.3	-0.1
Repeaters (%)	81.0	80.9	0.0	82.8	82.7	0.1

U.S. East

U.S. EAST MMA (by Air)	2016	2017P	Change 2017P vs 2016	YTD Mar. 2018P	YTD Mar. 2017P	change YTD
1st timers (%)	41.5	41.9	0.4	37.1	37.4	-0.4
Repeaters (%)	58.5	58.1	-0.4	62.9	62.6	0.4

Tax Revenue

U.S. West

U.S. WEST MMA (by Air)	2016	2017P	% Change 2017P vs 2016	YTD Mar. 2018P	YTD Mar. 2017P	% change YTD
State tax revenue generated* ($ Millions)	657.65	721.43	9.7%	194.92	179.20	8.8%

**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 Mar. 2018P	YTD Mar. 2017P	% change YTD
State tax revenue generated* ($ Millions)	453.99	497.02	9.5%	149.45	132.49	12.8%

**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