



HTA Airline Seat Capacity Outlook for Third Quarter 2015

The Hawai'i Tourism Authority (HTA), the state's tourism agency, forecasts the continuing growth of total scheduled nonstop air seats to Hawai'i in the third quarter of 2015. The projection is based on flights appearing in Diio airline schedules as of June 2015.

Growth in scheduled air service to Hawai'i is expected to continue into the third quarter (+4.9%), with an increase in seats that would bring the capacity for the first three quarters of 2015 to a 6.6 percent increase compared to the same period last year. Growth from July through September 2015 is expected to be driven by increases from the U.S. (+5.0%), Japan (+3.0%) Canada (+30.0%) and Oceania (+13.2%) markets.

Outlook for Scheduled Nonstop Air Seats to Hawai'i

	2015 Q3 Forecast	2014 Q3	%Chge	2015 YTD thru Q3 Forecast	2014 YTD thru Q3	%Chge
TOTAL	3,025,100	2,883,402	4.9%	8,930,073	8,378,192	6.6%
Domestic	2,117,557	2,017,260	5.0%	6,159,917	5,649,594	9.0%
US West	1,875,517	1,791,508	4.7%	5,459,266	5,012,296	8.9%
US East	242,040	225,752	7.2%	700,651	637,298	9.9%
International	907,543	866,142	4.8%	2,770,156	2,728,598	1.5%
Japan	518,465	503,607	3.0%	1,476,317	1,528,132	-3.4%
Canada	57,776	44,431	30.0%	342,522	290,573	17.9%
Other Asia	129,214	137,785	-6.2%	355,377	397,130	-10.5%
Oceania	127,067	112,225	13.2%	371,979	315,678	17.8%
Other	75,021	68,094	10.2%	223,961	197,085	13.6%

Source: Diio Mi

U.S. West

Airlines are expected to add more than 84,000 scheduled seats to Hawai'i from the U.S. West market, with the largest increases in inbound seat inventory coming from Los Angeles (+1.8%), San Francisco (+19.8%) and Seattle (+16.4%). Overall, U.S. West scheduled seat capacity is expected to end the third quarter 4.7 percent above prior year levels.

U.S. East

Third quarter seat capacity from the U.S. East market is expected to increase 7.2 percent, with the largest gains in air seat inventories from Chicago (+28.3%; i.e., additional United Airlines flights to Maui) and Atlanta (+20.4%; i.e., Delta Air Lines' seasonal aircraft up gauge from an Airbus A330 to larger Boeing 747 service).

Japan

Scheduled nonstop seats from Japan are expected to post their first quarterly increase of 2015 during the third quarter (+3.0%). The increase in third quarter air capacity is driven primarily by rising seat counts from Tokyo Narita by All Nippon Airways (addition of a second daily flight), Delta Air Lines and Japan Airlines.

Canada

Nonstop air seats from Canada to Hawai'i are expected to rise 30.0 percent in the third quarter of 2015 - typically a slower period for Canadian visitor arrivals, which peak during the winter months. The increase in capacity during the third quarter is a result of the service change-over from Air Canada to Air Canada rouge for Vancouver-Honolulu/Kahului routes, which bring an increase in flights and a switch to higher-capacity aircrafts.

Other Asia

Following six years of nearly uninterrupted growth, scheduled air seats from Other Asia are expected to decrease 6.2 percent from July through September 2015. Although year-over-year capacity from Beijing is expected to rise (+20.6%), boosted by an increase in Air China service (from three to five weekly flights in July and August 2015); scheduled seats from Shanghai are expected to decrease slightly (-5.3%) during the third quarter. Meanwhile, scheduled seats from South Korea are expected to decrease 13.3 percent due to flight reductions by Korean Air.

Oceania

With a projected air seat increase of 13.2 percent, Oceania is expected to be Hawai'i's second fastest growing region for inbound third quarter capacity (second only to Canada). The largest increase in Oceania capacity is expected to come from Brisbane (+78.5%), fueled by the launch of Jetstar Airways flights and Hawaiian Airlines' switch from Boeing 767 to larger Airbus A330 aircrafts. Meanwhile, capacity increases from Jetstar Airways and Qantas are expected to generate a 7.6 percent rise in seats from Sydney.

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

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