



Korea Fact Sheet

Korea Overview

HTA has contracted with Aviareps to provide marketing services in Korea. Hawai'i Tourism Korea (HTK) aims to grow awareness for the Hawaiian Islands. HTK is focused on sustaining airlift, stimulating travel demand, increasing visitor expenditures, strengthening Hawai'i's presence in online and offline initiatives, and promoting visitation across the Hawaiian Islands.

January 2020 Quick Facts¹

Visitor Expenditures:	\$46.3 million
Primary Purpose of Stay:	Pleasure (20,374) vs. MCI (426)
Average Length of Stay:	8.38 days
First Time Visitors:	76.7%
Repeat Visitors:	23.3%

	2018	2019P	% Change 2019 vs 2018	2020* Forecast	% Change 2019 vs 2020 Forecast	YTD Jan. 2020P	YTD Jan. 2019P	% change YTD
Korea (by Air)								
Visitor Expenditures* (\$ Millions)	496.6	477.8	-3.8%	NA	NA	46.3	58.9	-21.3%
Visitor Days	1,698,940	1,722,496	1.4%	NA	NA	178,993	234,721	-23.7%
Arrivals	228,350	225,479	-1.3%	NA	NA	21,371	27,914	-23.4%
Per Person Per Day Spending* (\$)	292.3	277.4	-5.1%	NA	NA	258.8	250.8	3.2%
Per Person Per Trip Spending* (\$)	2,174.8	2,119.0	-2.6%	NA	NA	2,167.9	2,108.8	2.8%
Length of Stay (days)	7.44	7.64	2.7%	NA	NA	8.38	8.41	-0.4%

*Dept. of Business, Economic Development & Tourism (DBEDT) 2020 forecasts were not available at the time of report publication.

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¹ 2020 and 2019 visitor data are preliminary. 2018 visitor data are the final numbers and reflect updated airfare statistics from DIIO Mi Airline database, data from the National Travel and Tourism Office, and final passenger counts from Airline Traffic Summary reports.

Market Summary

- In 2019 a drop in visitor arrivals (-1.3% to 225,479 visitors) and lower daily spending (-5.1% to \$277 per person) resulted in a decrease in visitor spending (-3.8% to \$477.8 million) compared to 2018. In January 2020, fewer arrivals (-23.4% to 21,371) offset higher average daily spending (+3.2% to \$259 per person) and led to a decline in visitor spending (-21.3% to \$46.3 million) compared to January 2019.
- In 2019, 98.4 percent went to O‘ahu, 12.8 percent went to Maui, 11.1 percent went to the island of Hawai‘i, and 3.1 percent went to Kaua‘i. In January 2020, 98.6 percent went to O‘ahu, 9.7 percent went to Maui, 16.6 percent went to the island of Hawai‘i, and 2.9 percent went to Kaua‘i.
- In 2019, 58.8 percent made their own travel arrangements (True Independent). In January 2020, 61.7 percent were True Independent travelers.
- In 2019, first timers comprised 73.6 percent and 26.4 percent were repeaters. In January 2020, first timers accounted for 76.7 percent, and 23.3 percent were repeat visitors.
- In 2019, seats from Seoul declined (-7.0% to 326,398) compared to 2018. In January 2020, air seat capacity from Seoul decreased 8.4 percent from the previous year.

Market Insights

- The United Nations (UN) says South Korea's economy is likely to grow 2.3 percent in 2020 as the world's economy is expected to grow 2.5 percent. South Korea is forecast to experience a modest rebound rising from 2 percent in 2019 to 2.3 percent.
- The average USD/WON exchange rate in January 2020 was 1162.43 won, a slight decrease from the previous rate of 1172.45 won in December 2019. Fuel surcharges remained the same as in December since they were imposed in January 2020, up to 69,600 won (US\$59.77) for a round trip between Korea and the U.S.
- With a population of over 51 million, Korea Tourism Organization (KTO) reported the number of Korean outbound travelers in 2019 was 28,714,251 a year-on-year increase of 0.06 percent.
- Korean Air is currently operating two regular flights for ICN-HNL routes with KE051 (4-time weekly) & KE053 (daily). It reported the load factor of additional flight of KE051 and existing daily flight of KE053 reached 92 percent and 93 percent respectively in January 2020. The airlines have enjoyed growing travel demands to Hawai‘i for winter peak season right before the outbreak of COVID-19. Meanwhile, the additional flight of KE051 is scheduled to end on March 28, 2020 and it is highly likely to resume its operation in the second half of this year.
- Asiana Airlines decided to extend its daily services on the ICN-HNL route until the end of October 2020. It achieved load factor of 88 percent for OZ232 flight in January.
- Hawaiian Airlines that currently operates 5 times weekly on Sundays, Mondays, Thursdays, Fridays, and Saturdays will be replacing Thursdays of lowest load factor with comparably profitable Wednesdays, as the date of March 28, 2020.
- HTK continues to promote the individual Hawaiian Islands in efforts to increase island distribution by collaborating with key airline partners, tour operators, media and celebrities and influencers.

- HTK is in co-op with Lotte JTB to develop a Hawai'i Golf Promotion in conjunction with the Lotte LPGA Championship (April 15 to 18). It will launch new golf-specific Hawai'i package tour products that also offer tickets to the final round of the LPGA championship. It will also implement branding campaigns and advertising to showcase various signature golf courses on each island.
- HTK will implement integrated Sustainable Hawai'i campaigns in partnership with Asiana Airlines from February to March. The two-week promotion will pitch the Hawaiian Islands as all-time favorite destination, target the off-peak season between March and May and offer specially priced airfares for ICN-HNL flights.
- historical heritages utilizing the multiple media channels of OZ and HTK.
- HTK is coordinating a Digital Directors FAM that will invite three digital editors of key consumer magazines – Allure, Elle and Cosmopolitan – which operate their own influential social media channels and attract 3.6 million followers. The aim is to generate quality digital content about the Hawaiian Islands and massive AD value from follow-up social marketing campaigns.
- HTK will be in partnership with Korean Air's on online consumer marketing campaign as a part of Sustainable Hawaii Branding Campaign in the late February 2020.
- HTK is jointly working with Modetour to organize Meet Hawaii Corporate Event to be held in April.
- HTK will be rolling out Busan Market Activation program, which is consisted of airlines co-op, agents FAM and branding campaign.
- HTK will be kicking off certificate program Hawaii Specialist University targeting working levels of agents.

Distribution by Island

Korea (by Air)	2018	2019P	% Change 2019 vs 2018	YTD Jan. 2020P	YTD Jan. 2019P	% change YTD
O'ahu	222,760	221,949	-0.4%	21,075	27,560	-23.5%
Maui County	32,253	29,078	-9.8%	2,076	3,747	-44.6%
Maui	31,753	28,766	-9.4%	2,068	3,744	-44.8%
Moloka'i	788	819	4.1%	58	122	-52.0%
Lāna'i	664	495	-25.5%	60	124	-52.0%
Kaua'i	9,165	7,071	-22.9%	624	931	-33.0%
Island of Hawai'i	24,279	25,074	3.3%	3,554	5,135	-30.8%

Airlift

Departure City	2020					2019					%CHANGE				
	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual
Seoul	83,710	72,742	79,804	79,526	315,782	88,217	71,121	84,676	82,384	326,398	-5.1	2.3	-5.8	-3.5	-3.3

Source: Diio Mii airline schedules, updated February 26, 2020.

Group vs. True Independent; Leisure vs. Business

Korea (by Air)	2018	2019P	% Change 2019 vs 2018	YTD Jan. 2020P	YTD Jan. 2019P	% change YTD
Group vs True Independent (Net)						
Group tour	33,724	34,803	3.2%	3,447	4,940	-30.2%
True Independent (Net)	124,023	132,672	7.0%	13,192	16,652	-20.8%
Leisure vs business						
Pleasure (Net)	217,332	215,295	-0.9%	20,374	26,464	-23.0%
MCI (Net)	6,347	5,482	-13.6%	426	621	-31.3%
Convention/Conf.	3,771	3,155	-16.3%	243	470	-48.3%
Corp. Meetings	416	228	-45.3%	4	2	86.6%
Incentive	2,167	2,122	-2.1%	179	149	20.6%

First Timers vs. Repeat Visitors

Korea (by Air)	2018	2019P	% Change 2019 vs 2018	YTD Jan. 2020P	YTD Jan. 2019P	% change YTD
1st timers (%)	78.3	73.6	-4.7	76.7	70.4	6.3
Repeaters (%)	21.7	26.4	4.7	23.3	29.6	-6.3

Tax Revenue

Korea (by Air)	2018	2019P	% Change 2019 vs 2018	YTD Jan. 2020P	YTD Jan. 2019P	% change YTD
State tax revenue generated* (\$ Millions)	57.97	55.77	-3.8%	5.41	6.87	-21.3%

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