



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.

Year-to-date September 2020 Quick Facts ¹

Visitor Expenditures: NA (Not available)
 Primary Purpose of Stay: Pleasure (39,911) vs. MCI (748)
 Average Length of Stay: 8.61 days
 First Time Visitors: 75.6%
 Repeat Visitors: 24.4%

Korea (by Air)	2018	2019	% Change 2019 vs 2018	2020* Forecast	% Change 2019 vs 2020 Forecast	YTD Sep. 2020P	YTD Sep. 2019	% change YTD
Visitor Expenditures* (\$ Millions)	496.6	497.9	0.3%	NA	NA	NA	352.2	NA
Visitor Days	1,698,940	1,745,666	2.8%	NA	NA	359,948	1,293,565	-72.2%
Arrivals	228,350	229,056	0.3%	NA	NA	41,818	165,690	-74.8%
Average Daily Census	4,655	4,783	2.8%	NA	NA	1,314	4,738	-72.3%
Per Person Per Day Spending* (\$)	292.3	285.2	-2.4%	NA	NA	NA	272.3	NA
Per Person Per Trip Spending* (\$)	2,174.8	2,173.7	-0.1%	NA	NA	NA	2,125.9	NA
Length of Stay (days)	7.44	7.62	2.4%	NA	NA	8.61	7.81	10.3%

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

Contact Information

Hawai'i Tourism Authority: Minami Aoki, Market Manager
 Tel: (808) 973-2262
minami.aoki@gohta.net

Hawai'i Tourism Korea: Irene Lee, Korea Country Director
 Tel: 82 (2) 777-0033
llee@aviareps.com

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

Market Summary

Due to the COVID-19 pandemic, all passengers arriving from out-of-state during September were required to abide by a mandatory 14-day self-quarantine. Exemptions include travel for essential reasons like work or healthcare. The U.S. Centers for Disease Control and Prevention (CDC) also continued to enforce its “No Sail Order” on all cruise ships.

Korean citizens are allowed to visit the U.S. but must comply with state quarantine requirements. Residents returning to Korea will be tested on arrival for COVID-19 and subject to a mandatory 14-day quarantine.

In September, 65 visitors arrived from Korea, versus 17,456 visitors a year ago. Visitor spending data were not available.

- Through the first nine months of 2020, arrivals decreased 74.8 percent to 41,818 visitors. Visitor days declined 72.2 percent. The average daily census showed 1,314 visitors per day, a 72.3 percent drop compared to the first nine months of 2019.
- Through the first nine months of 2020, 98.5 percent of visitors went to O’ahu, 14.7 percent went to the island of Hawai’i, 10.0 percent went to Maui and 2.9 percent went to Kaua’i. Over half (58.0%) were True Independent travelers. First timers accounted for 75.6 percent, and 24.4 percent were repeat visitors.
- Through the first nine months of 2020, air capacity from Seoul decreased 70.8 percent from the previous year to 71,175 seats.
- In 2019, visitor spending rose slightly (+0.3%) to \$497.9 million. Visitor arrivals (+0.3% to 229,056 visitors) and visitor days (+2.8%) increased but daily spending (-2.4% to \$285 per person) decreased compared to 2018. The average daily census showed 4,783 visitors per day in 2019, an increase of 2.8 percent compared to 2018.
- In 2019, 98.4 percent of Korean visitors went to O’ahu, 12.8 percent went to Maui, 11.0 percent went to the island of Hawai’i, and 3.1 percent went to Kaua’i. Over half (58.8%) made their own travel arrangements (i.e., True Independent). First timers comprised 73.6 percent and 26.4 percent were repeaters.
- In 2019, seats from Seoul declined (-7.0% to 326,398) compared to 2018.

Market Conditions

- The Bank of Korea forecasts its 2020 GDP growth as negative 1.3 percent, factoring in the wave of COVID-19 infections. The Korea Development Institute (KDI), a state-owned think tank, forecast the Korean economy in 2020 as negative 1.1 percent, and Fitch and Ratings also forecasts Korea economy growth as negative 1.1 percent this year. OECD forecasts Korea’s GDP growth as 3.1 percent in 2021.
- South Korea’s exports rebounded in September, helped by increased shipments of chips and automobiles, as major trade partners gradually resumed their business activities amid the pandemic. Outbound shipments came to US\$48 billion last month, up 7.7 percent from \$44.6 billion a year earlier.

- Lotte department store which is country's largest department store franchise achieved its average daily sales increase by 11 percent during the fall regular sale period from September 25 to October 11, compared to last year's same period. Also, Shinsegae and Hyundai department store also saw their sales increase 14.3 percent and 9.3 percent respectively. In particular, the increase of sales from imported luxury goods was notable with 11 percent increase from Lotte and 30 percent from Shinsegae and Hyundai each. It can be analyzed that the funds to be used for overseas travel expenses have led to the consumption of luxury goods.
- The average USD/WON exchange rate in September was KRW 1,177.65 won, a slight decrease from the previous rate of 1,186.26 won in August.
- Ministry of Foreign Affairs extended the special travel advisory for Koreans to avoid non-essential overseas trips until October 18.
- The number of inbound and outbound travelers is on a steady recovery since April although the number still remains at a high rate of decline over 90 percent year-on-year. In July, the number of Koreans leaving the country increased 36 percent and the number of foreigners arriving did 65 percent from the previous month while both numbers were around 20 percent in June. This increase is due to the airlines resuming international flights operation and increasing the service frequency.
- Korean Air suspended its flight services on ICN-HNL route (KE053) and ICN-NRT-HNL route (KE001) till November 30, 2020.
- Asiana Airlines extended the flights service suspension of ICN-HNL route (OZ232) until November 30, 2020.
- Hawaiian Airlines has halted its flight service of ICN-HNL routes through November 30, 2020

Distribution by Island

Korea (by Air)	2018	2019	% Change 2019 vs 2018	YTD Sep. 2020P	YTD Sep. 2019	% change YTD
O'ahu	222,760	225,488	1.2%	41,189	163,084	-74.7%
Maui County	32,253	29,619	-8.2%	4,213	21,632	-80.5%
Maui	31,753	29,303	-7.7%	4,170	21,398	-80.5%
Moloka'i	788	846	7.4%	60	473	-87.4%
Lāna'i	664	499	-24.9%	94	460	-79.6%
Kaua'i	9,165	7,191	-21.5%	1,212	5,305	-77.1%
Island of Hawai'i	24,279	25,273	4.1%	6,133	20,142	-69.5%

Airlift

Departure City	2020					2019					%CHANGE				
	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual
Seoul	70,957	218	0	17,246	88,421	88,217	71,121	84,676	82,384	326,398	-19.6	-99.7	-100.0	-79.1	-72.9

Source: HTA analysis based on scheduled Seats from Diio Mi flight schedules as of October 27, 2020, subject to change.

Group vs. True Independent; Leisure vs. Business

Korea (by Air)	2018	2019	% Change 2019 vs 2018	YTD Sep. 2020P	YTD Sep. 2019	% change YTD
Group vs True Independent (Net)						
Group tour	33,724	35,289	4.6%	6,956	24,302	-71.4%
True Independent (Net)	124,023	134,413	8.4%	24,255	101,222	-76.0%
Leisure vs business						
Pleasure (Net)	217,332	218,691	0.6%	39,911	157,837	-74.7%
MCI (Net)	6,347	5,574	-12.2%	748	4,200	-82.2%
Convention/Conf.	3,771	3,184	-15.6%	281	2,648	-89.4%
Corp. Meetings	416	232	-44.4%	21	143	-85.0%
Incentive	2,167	2,183	0.7%	446	1,414	-68.5%

First Timers vs. Repeat Visitors

Korea (by Air)	2018	2019	% Change 2019 vs 2018	YTD Sep. 2020P	YTD Sep. 2019	% change YTD
1st timers (%)	78.3	73.7	-4.6	75.6	72.0	3.6
Repeaters (%)	21.7	26.3	4.6	24.4	28.0	-3.6

Tax Revenue

Korea (by Air)	2018	2019	% Change 2019 vs 2018	YTD Sep. 2020P	YTD Sep. 2019	% change YTD
State tax revenue generated* (\$ Millions)	57.97	58.12	0.3%	NA	41.12	NA

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