



Korea Fact Sheet

Korea Overview

Aviareps Marketing Garden Holdings Ltd. is contracted by HTA for brand marketing management services in Korea. Korea is an important source market from Asia for Hawai'i. Affluent travelers from high-end market segments are primarily from the Seoul and Busan regions. Hawai'i continues to be a favored romance destination for Koreans. In 2021, the core branding message is Mālama Hawai'i and the marketing strategy to recover the Hawai'i travel market from the COVID-19 pandemic is to revitalize travel demand in collaboration with industry partners, accelerate booking pace in partnership with online booking platforms, and develop marketing co-ops with key airlines to stimulate resumption and growth in air services to Hawai'i.

Year-to-Date May 2021 Quick Facts^{1/}

Visitor Expenditures:	Not available
Primary Purpose of Stay:	Pleasure (1,056) vs. MCI (68)
Average Length of Stay:	25.10 days
First Time Visitors:	25.1%
Repeat Visitors:	74.9%

	2019	2020	% Change 2020 vs 2019	2021 Annual Forecast ^{2/}	YTD May 2021P	YTD May 2020P	% change YTD
Visitor Expenditures (\$ Millions)	497.9	89.8*	NA	127.0	N/A ^{3/}	89.8†	N/A
Visitor Days	1,745,666	367,516	-78.9%	456,698	42,846	348,453	-87.7%
Arrivals	229,056	42,179	-81.6%	55,102	1,707	41,650	-95.9%
Average Daily Census	4,783	1,004	-79.0%	1,251	284	2,292	-87.6%
Per Person Per Day Spending (\$)	285.2	259.5*	NA	278.2	N/A ^{3/}	259.5†	N/A
Per Person Per Trip Spending (\$)	2,173.7	2,158.9*	NA	2,305.7	N/A ^{3/}	2,158.9†	N/A
Length of Stay (days)	7.62	8.71	14.3%	8.29	25.10	8.37	200.0%

*2020 visitor spending data for Korea were from January – March 2020. Visitor surveys were not conducted from April-October 2020 due to COVID-19 restrictions. Data for November and December 2020 were not available due to limited samples.

^{1/}Year-to-date 2020 visitor spending statistics presented were from January-March 2020 only.

^{2/}Dept. of Business, Economic Development & Tourism (DBEDT) 2021 annual forecast (Quarter 1, 2021).

^{3/}Visitor spending data for January-May 2021 were not available due to limited samples.

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^{1/} 2021 and 2020 visitor data are preliminary. 2019 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

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In May 2021, the State's Safe Travels program was still underway, with most passengers arriving from out-of-state able to bypass the 10-day self-quarantine with a valid negative COVID-19 prior to departure. The counties of Hawai'i, Kaua'i, Maui and Kalawao (Moloka'i) also had a partial quarantine in place in May. The CDC enforced restrictions on cruise ships through a "Conditional Sail Order."

Effective May 5, 2021, travelers including returning Korean nationals, who completed full vaccination two weeks prior to departure and tested negative for COVID-19 were exempted from the mandatory 14-day quarantine.

- Through the first five months of 2021, there were 1,707 visitors from Korea, compared to 41,650 visitors (-95.9%) in year-to-date 2020, versus 94,062 visitors (-98.2%) in year-to-date 2019.
- There were 30 scheduled flights and 8,340 seats from Korea during the first five months of 2021, compared to 234 flights and 71,175 seats in year-to-date 2020, versus 424 flights and 136,117 seats in year-to-date 2019.
- For all of 2020, arrivals fell 81.6 percent to 42,179 visitors. Visitor days declined 78.9 percent. The average daily census showed 1,004 visitors per day, a 79.0 percent drop compared to 2019.
- In 2020, 98.3 percent of visitors went to O'ahu, 14.6 percent went to the island of Hawai'i, 10.0 percent went to Maui and 2.9 percent went to Kaua'i. Over half (58.3%) were True Independent travelers. First timers accounted for 75.4 percent, and 24.6 percent were repeat visitors.
- In 2020, air capacity from Seoul decreased 77.9 percent from the previous year to 72,287 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 Korean government plans to introduce more relaxed guidelines from July 2021 to stimulate the economy as the vaccination rate increases. According to the eased measures, face masks will become optional outdoors from July for the vaccinated, and larger groups in public spaces.
- According to the Organization for Economic Cooperation and Development (OECD), the South Korean economy is forecasted to grow 3.8 percent this year due to the strong export growth and expansionary macroeconomic policy, ramping up its previous projection of 3.3 percent.
- Consumer sentiment of Korea rose to the highest level in almost three years in May 2021 as the country's economy is on a recovery path and vaccination is going well. The composite consumer sentiment index came in at 105.2 for May 2021, up 3 points from the previous month and the highest level since June 2018.
- South Korea reported the largest job growth in almost seven years in April. The job market is recovering from a yearlong slump caused by the pandemic, and it marked the second straight month of job additions.
- The average USD/WON exchange rate in May was 1,123.37 won, slightly depreciated from the previous rate of 1,118.02 won in April.
- Korean Air plans to operate three charter flights for ICN-HNL route during the Chuseok period in September 2021 and resume regular scheduled flights in coming November.
- Asiana Airlines plans to operate two charter flights for ICN-HNL route during Chuseok holiday.
- Hawaiian Airlines currently operates two weekly flights from ICN to HNL on every Friday and Sunday and plans to increase to 3 times a week starting August 1.

Distribution by Island

Korea (by Air)	2019	2020	% Change 2020 vs 2019	YTD May 2021P	YTD May 2020P	% change YTD
O'ahu	225,488	41,470	-81.6%	1,480	41,070	-96.4%
Maui County	29,619	4,267	-85.6%	165	4,209	-96.1%
Maui	29,303	4,224	-85.6%	160	4,166	-96.1%
Moloka'i	846	60	-93.0%	2	60	-96.5%
Lāna'i	499	94	-81.2%	6	94	-93.2%
Kaua'i	7,191	1,221	-83.0%	62	1,205	-94.9%
Island of Hawai'i	25,273	6,161	-75.6%	175	6,094	-97.1%

Airlift

Departure City	2021					2020					%CHANGE				
	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual
Seoul	3,614	7,228	14,456	79,804	105,102	70,957	218	0	1,112	72,287	-94.9	3,215.6	NA	7,076.6	45.4

Source: HTA analysis based on scheduled Seats from Diio Mi flight schedules as of May 25, 2021, subject to change.

Group vs. True Independent; Leisure vs. Business

Korea (by Air)	2019	2020P ^{4/}	% Change 2020 vs 2019	YTD May 2021P	YTD May 2020P	% change YTD
Group vs True Independent (Net)						
Group tour	35,289	6,960	-80.3%	14	6,946	-99.8%
True Independent (Net)	134,413	24,569	-81.7%	1,525	24,104	-93.7%
Leisure vs business						
Pleasure (Net)	218,691	40,091	-81.7%	1,056	39,891	-97.4%
MCI (Net)	5,574	749	-86.6%	68	747	-90.8%
Convention/Conf.	3,184	281	-91.2%	6	281	-97.8%
Corp. Meetings	232	23	-90.3%	27	20	32.8%
Incentive	2,183	446	-79.6%	35	446	-92.1%

^{4/}Beginning November 2020, certain categories reflect only domestic data (italicized) as international data were not available.

First Timers vs. Repeat Visitors

Korea (by Air)	2019	2020P ^{4/}	% Change 2020 vs 2019	YTD May 2021P ^{3/}	YTD May 2020	% change YTD
1st timers (%)	73.7	75.4	1.6	25.1	75.8	-50.7
Repeaters (%)	26.3	24.6	-1.6	74.9	24.2	50.7

^{4/}Beginning November 2020, certain categories reflect only domestic data (italicized) as international data were not available.

Tax Revenue

Korea (by Air)	2019	2020P	% Change 2020 vs 2019	YTD May 2021P	YTD May 2020P	% change YTD
State tax revenue generated ¹ (\$ Millions) ^{5/}	58.12	10.49 ^{6/}	NA	NA	10.49 ^{6/}	NA

^{5/}State government tax revenue generated (direct, indirect, and induced)

^{6/}2020 state tax revenue generated statistics were calculated based visitor spending data from January – March 2020 only. Visitor spending data for the rest of 2020 were not available.