



2021 BMP UPDATE

HTA MARKETING STANDING COMMITTEE MEETING 9.1.2021

Irene Lee

Korea Country Manager of Hawai'i Tourism Korea

MARKET SITUATION

MARKET SITUATION 1

Korea General Economy

- Forecasted Korean economic growth in 2021: 4.3% (recorded 3.9% growth in the first half)
- Currency exchange: USD 1 = KRW 1,173.50 (as of August 27; appreciated vs. LY)
- Korea's exports in July surged 30% to \$55.4 billion on-year, the highest figure in history

Korea COVID-19 cases (as of August 27, 2021)

- Total number of confirmed cases: 243,317
- Average no. of new daily confirmed cases past 1 week: 1,787
- Total number of vaccination: 1st shot - 27,727,639 (54%) / 2nd shot - 13,780,926 (27%)
- The government extended the Level 4 guidelines in Seoul metropolitan area until September 22 under which private gatherings of three or more people are banned after 6 p.m. in order to prevent the spread of variant virus.

MARKET SITUATION 2

Korea vaccination timeline

- Free vaccination to all citizens targeting reaching herd Immunity by November:
 - ✓ 70% of the total population will be vaccinated with at least first shot by September
 - ✓ Approximately 32 million people will be fully vaccinated and able to travel abroad from November

Travel Restrictions

- **Special travel advisory** for Koreans to avoid non-essential overseas trips **till September 13**
- **PCR negative test result mandatory for all arrivals:** from July 15, Korea requires a PCR negative test result taken in 72 hours prior to boarding regardless of nationality and vaccination status
- **Exemption from 14-day quarantine:** those who have been fully vaccinated in Korea 2 weeks prior to departure are exempted from the mandatory 14-day quarantine if tested negative and must undergo additional 2 PCR tests after arrival

MARKET SITUATION 3

Outbound market condition

- International flight operations in June: 43% increase YoY
- Passenger traffic in June: 35.5% increase YoY
- Number of Korean travelers to Hawai'i in first half of 2021: 2,429 pax (compared to 506 pax from the second half of 2020)
- Airlines are preparing to resume key international routes and sales & content marketing for overseas travel is resuming following the gradual travel demand recovery

Air seat synopsis

	Aug to Oct 2021	Nov 2021	Dec 2021	# of Seats Aircraft
Hawaiian Airlines (HA460)	3 flights/w	3 flights/w	3 flights/w	277 seats (A330)
Korean Air (KE053)	-	3 flights /w	5 flights /w	276 seats (A330) 368 seats (B747)
Asiana Airlines (OZ232)	-	3 flights/w	3 flights/w	311 seats (A350)

MARKET SITUATION 4

General Travel Sentiment

- Honeymooners are starting to make actual booking to destinations where quarantine is exempted such as Hawai'i and the Maldives departing this year
- Travel influencers are actively uploading new contents traveling to as far as Europe and U.S.

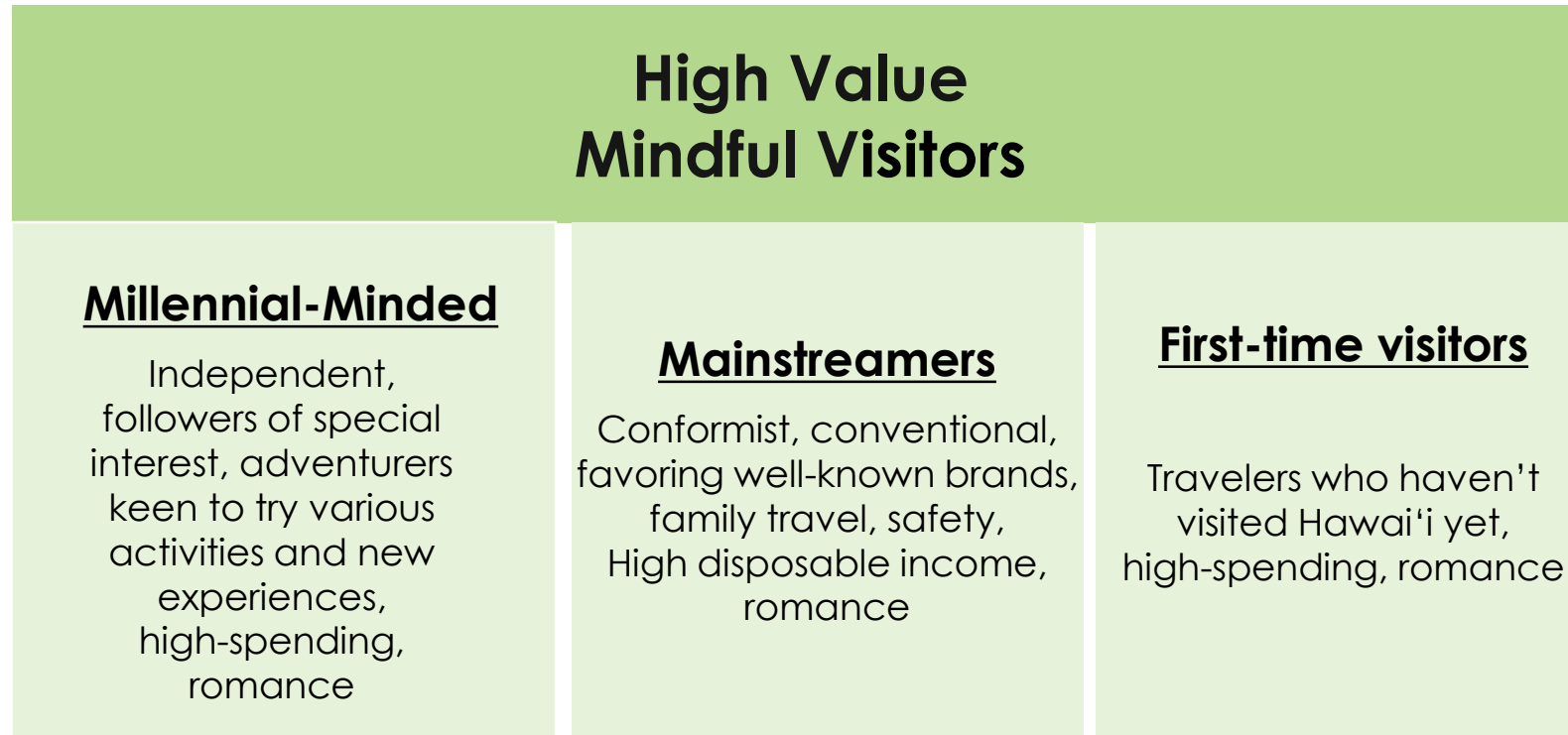
Competitive destinations

- **France** is allowing Korean travelers with PCR negative test result issued within 72 hours of departure. For fully vaccinated visitors, test result is not necessary.
- **Australia** launched its B2B online platform, Australia 365 On Demand, for industry partners for training and sharing information.

TARGET AUDIENCE

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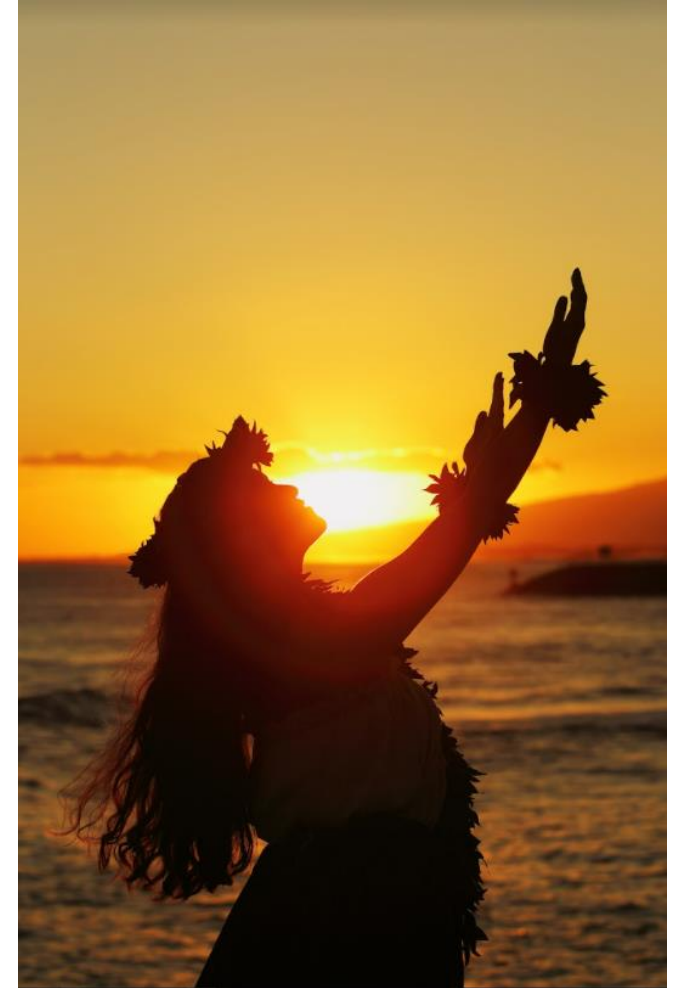
- Hawai'i Tourism Korea will target **high value mindful visitors** under the COVID-19 recovery stage along with four key strategic pillars
- Key geographic Area: Seoul and Busan



RECOVERY STRAGETY

CORE BRANDING MESSAGE

- Intensively implement Mālama Hawai'i message to both B2B and B2C market
- Promote Hawai'i as a sustainable destination to visit after October after getting vaccination



KEY RECOVERY STRATEGY

- ✓ Incorporate Mālama Hawai'i in all activities and utilize HTA assets in Korean market
- ✓ Deliver Hawai'i's 4 strategic pillars to Korean consumers
- ✓ Refresh the images of Hawai'i as a sustainable and clean destination
- ✓ Inspire the Korean travelers to Hawai'i and drive business to local communities
- ✓ Revitalize the market demand at the appropriate time with industry partners

KEY CAMPAIGNS/PROGRAMS

KEY CONSUMER PROGRAM 1

#StoriesofAloha Social Campaign (Influencer program)

- **Target:** FIT Travelers
- **Objective:** activate social media promotion to educate consumers on Mālama Hawai'i and also to remind of the Hawaiian Islands as the ideal travel destination for post COVID-19 era
- **Components:**
 - generate social buzz in partnership with sustainable consumer brands and influencers
 - inspire Korean travelers with Mini Aloha Report involving an influential correspondent living in the Hawaiian Islands
- **Timeline:** Q3 and Q4
- **Projected outcome:** social media value of \$1.2M (increase in the number of IG followers and engagement)
- **Budget:** \$30,000



KEY CONSUMER PROGRAM 2

Digital Recovery Consumer Co-op Campaign with Naver Travel+ (Digital marketing program)

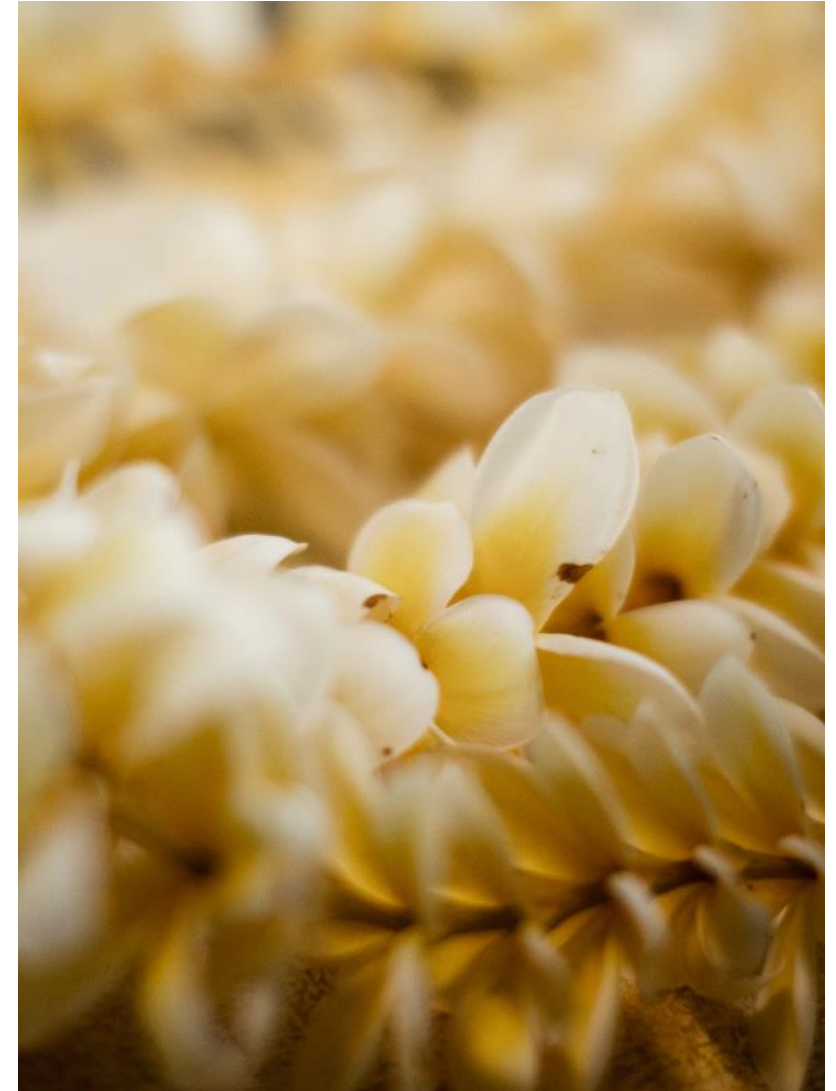
- **Target:** Potential travelers
- **Objective:** to publish series of Hawai'i content to educate consumers on Mālama Hawai'i
- **Components:** publish series of posts which embracing the theme of HTA's 4 strategic pillars and Mālama Hawai'i message
- **Timeline:** September to December
- **Projected outcome:** PR Value of \$600,000
- **Budget:** \$9,000



KEY TRADE PROGRAM 1

Travel trade education program

- **Target:** industry partners especially key travel agents
- **Objective:** execute an educational program designed to foster Korean travel agents who can better represent the authentic kuleana and Mālama Hawai'i
- **Components:** conduct a series of webinars in quarterly basis
- **Timeline:** September, December
- **Projected outcome:** 20 travel agencies to complete the program of the year
- **Budget:** \$10,000



KEY TRADE PROGRAM 2

Airline co-op

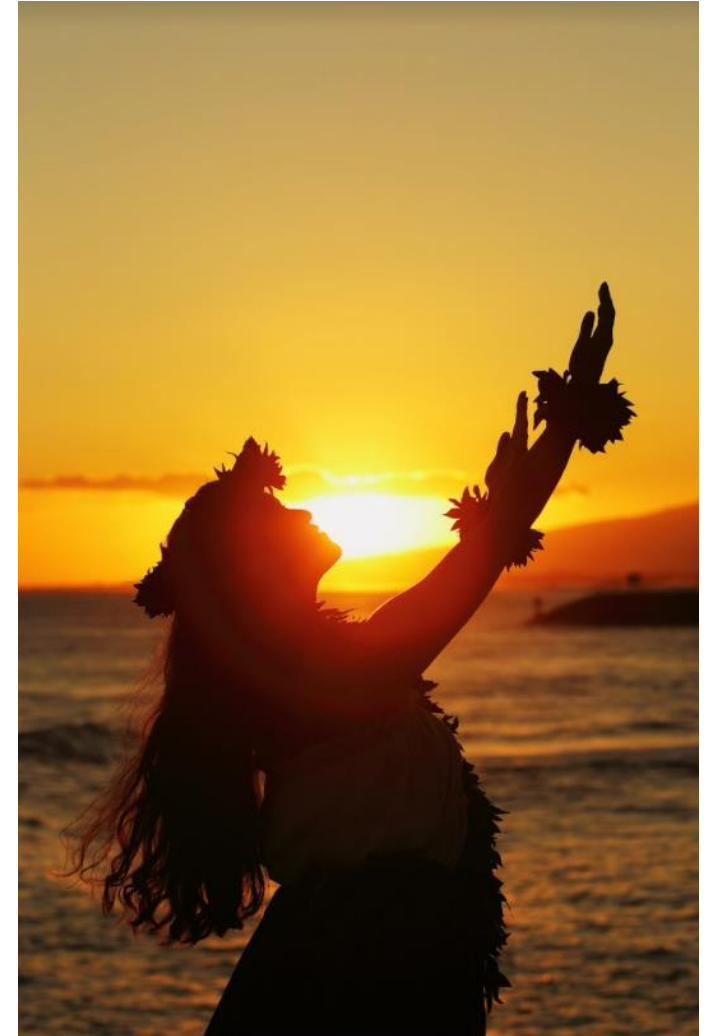
- **Target:** FIT / PKG consumers
- **Objective:**
 - deliver Mālama Hawai'i message to its consumers
 - boost ticket sales of ICN-HNL route in partnership with HA, KE and OZ
- **Components:** develop tailored consumer or sales promotion that fits each airlines target market
- **Timeline:** November & December
- **Projected outcome:** increase ticket sales of ICN-HNL route of respective airlines
- **Budget:** \$37,500



KEY TRADE PROGRAM 3

Regenerative tourism co-op promotion with major wholesalers and OTA

- **Target:** FIT / PKG consumers
- **Objective:** to position Hawai'i as a top of the mind destination for post pandemic period
- **Program components:**
 - inspire potential travelers to visit Hawaiian Islands delivering the message of Mālama Hawai'i
 - encourage major travel agencies to develop and sell Hawai'i tour products
- **Expected partners:** Key wholesalers and OTAs
- **Timeline:** November & December
- **Projected outcome:** develop Hawai'i FIT & PKG tour products
- **Budget:** \$33,500



KEY MCI PROGRAM 4

Meet Hawai'i 'Ohana Meeting

- **Target:** incentive groups
- **Objective:** to implement Mālama Hawai'i concept to major MCI partners and to position the Hawaiian Islands as the ideal travel destination for MCI business in post pandemic period
- **Components:** arrange sales meetings with key MCI partners including MCI specialized travel agencies and major corporates
- **Projected outcome:** meeting with minimum 15 partners
- **Timeline:** December
- **Budget:** \$2,500



PROPOSED BUDGET

PROPOSED BUDGET JULY – DECEMBER

	Annual Budget	Jan-Jun Actual	Bal for Jul-Dec	Jul	Aug	Sept	Oct	Nov	Dec
Fixed Costs	118,500	59,250	59,250	9,875	9,875	9,875	9,875	9,875	9,875
Program Budget	181,500	3,000	178,500	18,000	9,000	11,000	9,000	75,000	56,500
Total	300,000	61,845	238,155	27,875	18,875	20,875	18,875	84,875	66,375

PERFORMANCE MEASURES

UPDATED PERFORMANCE MEASURES

Category	Sub-category	Annual Target		Semi-Annual Target			
		2021		Jan - Jun		Jul - Dec	
		Updated	Previous	Updated	Previous	Updated	Previous
PR	Publicity Value	2,260,000	2,040,000	510,000	510,000	1,750,000	1,530,000
	Media FAM	1	-	-	-	1	-
Trade	Trade FAM	1	1			1	1
	Edu Sessions	5	5	2	2	3	3
Social Media	Impressions	40,635	37,800	18,900	18,900	21,735	18,900
	Fan Count	21,447	18,447	17,647	17,647	21,447	18,447
MCI	Edu Sessions	2	2		1	2	1
	Room Nights	-	400	-		-	400

MAHALO NUI LOA!

KAMSA-HAMIDA!

