



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 December 2021 Quick Facts^{1/}

Visitor Expenditures:	\$49.1 million
Primary Purpose of Stay:	Pleasure (9,586) vs. MCI (386)
Average Length of Stay:	15.0 days
First Time Visitors:	54.1%
Repeat Visitors:	45.9%

Korea (by Air)	2019	2020	% Change 2020 vs 2019	2021 Annual Forecast ^{1/}	YTD Dec. 2021	YTD Dec. 2020	% Change YTD
Visitor Expenditures (\$ Millions)	497.9	NA	NA	49.0	49.1	NA	NA
Visitor Days	1,745,666	404,206	-76.8%	202,036	183,299	404,206	-54.7%
Arrivals	229,056	46,884	-79.5%	10,971	12,217	46,884	-73.9%
Average Daily Census	4,783	1,104	-76.9%	554	502	1,104	-54.5%
Per Person Per Day Spending (\$)	285.2	NA	NA	242.7	267.75	NA	NA
Per Person Per Trip Spending (\$)	2,173.7	NA	NA	4,470.0	4,017.3	NA	NA
Length of Stay (days)	7.62	8.62	13.1%	18.41	15.00	8.62	74.0%

NA= Comparative annual 2020 visitor spending statistics were not available, as the Departure Survey could not be conducted between April to October 2020 due to COVID-19 restrictions.

^{1/}Dept. of Business, Economic Development & Tourism (DBEDT) 2021 annual forecast (Quarter 4, 2021).

Contact Information

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

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Market Summary

In December 2021, domestic passengers could bypass the State's mandatory 10-day self-quarantine if they were fully vaccinated in the United States or with a valid negative COVID-19 NAAT test result from a Trusted Testing Partner prior to their departure through the Safe Travels program. Beginning December 6, passengers arriving on direct international flights were subjected to federal U.S. entry requirements which included proof of a negative COVID-19 viral test result taken within 24 hours of travel or documentation of having recovered from COVID-19 in the past 90 days, prior to their flight. The U.S. Centers for Disease Control and Prevention (CDC) continued to enforce restrictions on cruise ships through a "Conditional Sail Order", a phased approach for the resumption of passenger cruises to mitigate the risk of spreading COVID-19 onboard.

In December 2021, travelers coming from countries identified as high-risk due to the Omicron variant were banned from entering Korea. Travelers who were allowed into Korea were required to quarantine for 10 days, regardless of their vaccination status, and must take three PCR tests: one up to 72 hours before entry, one within one day after entry and one at the end of the quarantine.

- For all of 2021, 12,217 visitors arrived from Korea, of which 9,574 visitors came on international flights while 2,643 came on domestic flights. In comparison, there were 46,884 visitors (-73.9%) from Korea in 2020, versus 229,056 visitors (-94.7%) in 2019.
- There were 140 scheduled flights and 39,160 seats from Korea in 2021, compared to 238 flights and 72,287 seats in 2020, versus 1,027 flights and 326,398 seats in 2019.
- In 2020, arrivals fell 79.5 percent to 46,884 visitors. Visitor days declined 76.8 percent. The average daily census was 1,104 visitors, a 76.9 percent drop compared to 2019.
- In 2020, 98.4 percent of visitors went to O'ahu, 14.8 percent went to the island of Hawai'i, 10.0 percent went to Maui and 2.9 percent went to Kaua'i.
- 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 was 4,783 visitors 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

- **Economic Forecast:** Despite the delayed return to normalcy, economic think-tanks are keeping a positive outlook for Korea's economic growth in 2022. The Korean government forecasted its GDP growth in 2022 as 3.1 percent, the International Monetary Fund (IMF) as 3.3 percent, and the Organization for Economic Cooperation and Development (OECD) as 3.0 percent.
- **Export:** In December, total exports rose 18.3 percent to \$60.7 billion from a year earlier, marking a 14th straight month of growth. Imports jumped 37.4 percent to \$61.3 billion, resulting in a trade deficit of \$590 million. It was the first time for South Korea to report a monthly trade of more than \$120 billion.
- **Currency:** The average USD/WON exchange rate in December was KRW 1,163.95, slightly depreciated compared to the previous rate of 1,183.68 in November.
- **Vaccination:** As of December 31, South Korea has recorded 83 percent vaccination rate. Booster shot rate reached 35.9 percent.
- **Outbound Travel Sentiment:** According to a recent survey, 63 percent said they would definitely travel internationally in 2022. For travel reasons, 54 percent said that they were getting out of patience; expecting more stabilized situation (42%); and gained confidence in safe travel (22%).
- **Airlift:** Korean Air is operating 3 weekly flights for ICN-HNL route (KE053) and will increase to 5 weekly flights in January 2022. Asiana Airlines will resume operations from April 2022 and operate 3 times a week. Hawaiian Airlines is maintaining its weekly 3 flights and planning 4 flights from mid-January.

Distribution by Island

Korea (by Air)	2019	2020	% Change 2020 vs 2019	YTD Dec. 2021	YTD Dec. 2020	% Change YTD
O'ahu	225,488	46,133	-79.5%	11,196	46,133	-75.7%
Maui County	29,619	4,711	-84.1%	1,387	4,711	-70.6%
Maui	29,303	4,668	-84.1%	1,352	4,668	-71.0%
Moloka'i	846	71	-91.6%	36	71	-49.9%
Lāna'i	499	105	-78.9%	14	105	-86.9%
Kaua'i	7,191	1,361	-81.1%	342	1,361	-74.9%
Island of Hawai'i	25,273	6,923	-72.6%	1,372	6,923	-80.2%

Airlift: Scheduled Seats

Departure City	2021					2020					%CHANGE				
	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual
Seoul	3,614	6,950	10,008	18,588	39,160	70,957	218	0	1,112	72,287	-94.9	3088.1	NA	1571.6	-45.8

Source: DBEDT analysis based on scheduled Seats from Diio Mi flight schedules as of January 14, 2022, subject to change.

Group vs. True Independent; Leisure vs. Business

Korea (by Air)	2019	2020*	% Change 2020 vs 2019	YTD Dec. 2021	YTD Dec. 2020	% Change YTD
Group vs True Independent (Net)						
Group tour	35,289	NA	NA	817	NA	NA
True Independent (Net)	134,413	NA	NA	8,262	NA	NA
Leisure vs business						
Pleasure (Net)	218,691	44,623	-79.6%	9,586	44,623	-78.5%
MCI (Net)	5,574	840	-84.9%	386	840	-54.0%
Convention/Conf.	3,184	331	-89.6%	128	331	-61.4%
Corp. Meetings	232	23	-90.2%	111	23	389.4%
Incentive	2,183	487	-77.7%	155	487	-68.1%

NA = Visit Status/Travel Method data statistics were not available from May – October 2020 as a result of limited fielding due to COVID-19 restrictions.

First Timers vs. Repeat Visitors

Korea (by Air)	2019	2020*	% Change 2020 vs 2019	YTD Dec. 2021	YTD Dec. 2020	% Change YTD
1st timers (%)	73.7	NA	NA	54.1	NA	NA
Repeaters (%)	26.3	NA	NA	45.9	NA	NA

NA = Visit Status/Travel Method data statistics were not available from May – October 2020 as a result of limited fielding due to COVID-19 restrictions.

Tax Revenue

Korea (by Air)	2019	2020*	% Change 2020 vs 2019	YTD Dec. 2021	YTD Dec. 2020	% Change YTD
State tax revenue generated (\$ Millions) ^{2/}	58.12	NA	NA	5.73	NA	NA

^{2/}State government tax revenue generated (direct, indirect, and induced).