

# HTA REGULAR BOARD MEETING

Thursday, July 27, 2023

*Hō‘ike ‘Ikepili Noi‘i ‘Oihana Ho‘omāka‘ika‘i*

Presentation and Discussion of Current Market Insights and Conditions in Hawai‘i and Key Major Hawai‘i Tourism Markets, including the United States, Japan, Canada, Oceania, and Cruise

Jennifer Chun

Director of Tourism Research

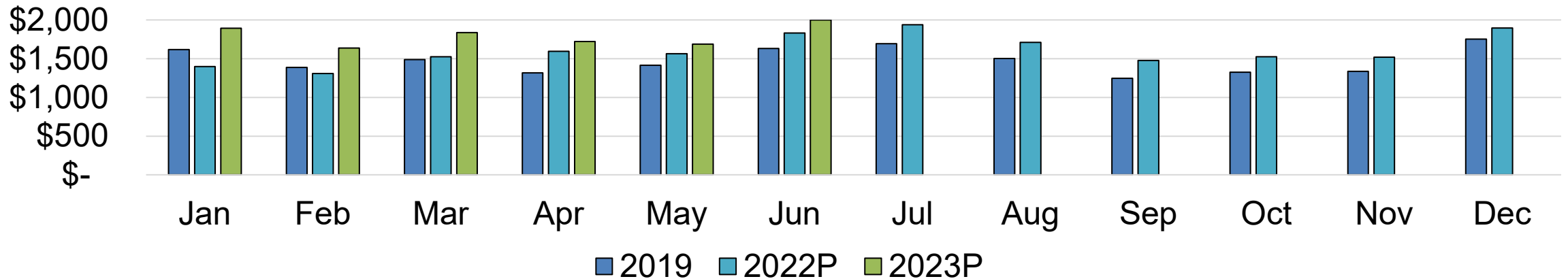
HAWAII TOURISM  
AUTHORITY

The logo for the Department of Business, Economic Development & Tourism (DBEDT) features a stylized blue wave icon to the left of the acronym 'DBEDT' in large, bold, white letters. Below the acronym, the text 'STATE OF HAWAII • DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM' is written in a smaller, white, sans-serif font.

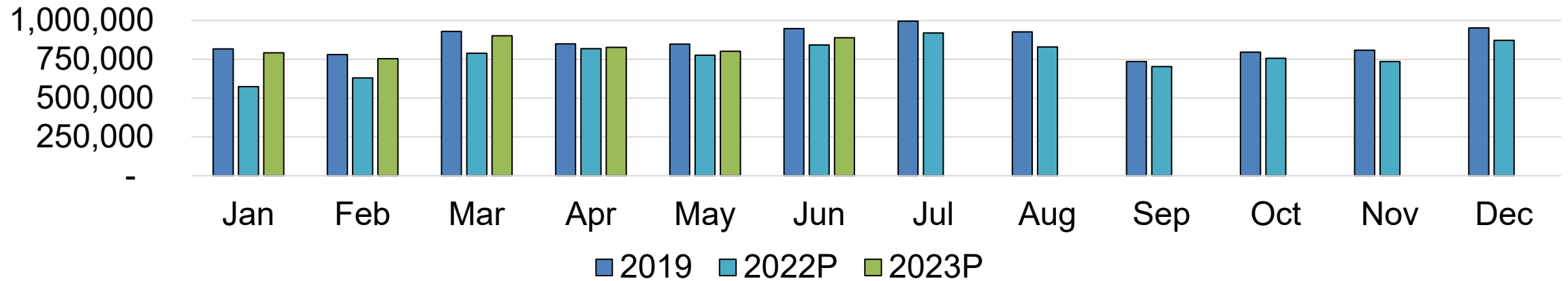
STATE OF HAWAII • DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

# June 2023 Highlights – Expenditures and Arrivals

## Monthly Visitor Expenditures (\$millions)



## Monthly Visitor Arrivals



Note: 2022 and 2023 figures are preliminary.

# June 2023 Highlights by Market

<b>EXPENDITURES (\$mil.)</b>	<b>2023P</b>	<b>2022P</b>	<b>2019</b>
TOTAL (AIR)	1,999.6	1,831.6	1,630.5
U.S. West	1,007.4	963.3	691.2
U.S. East	672.6	662.5	491.1
Japan	69.4	24.3	182.0
Canada	44.7	34.4	36.1
All Others	205.6	147.2	230.0

<b>PPPD SPENDING (\$)</b>	<b>2023P</b>	<b>2022P</b>	<b>2019</b>
TOTAL (AIR)	248.4	230.4	195.6
U.S. West	235.9	215.3	171.1
U.S. East	274.6	260.3	209.9
Japan	237.8	243.8	248.5
Canada	225.5	195.9	159.9
All Others	244.9	224.8	230.9

<b>VISITOR ARRIVALS</b>	<b>2023P</b>	<b>2022P</b>	<b>2019</b>
TOTAL (AIR)	886,038	841,809	946,373
U.S. West	487,370	498,358	452,958
U.S. East	247,299	249,684	240,223
Japan	46,753	11,940	126,592
Canada	19,237	15,634	19,172
All Others	85,379	66,193	107,428

<b>AVERAGE DAILY CENSUS</b>	<b>2023P</b>	<b>2022P</b>	<b>2019</b>
TOTAL (AIR)	268,328	264,942	277,805
U.S. West	142,367	149,109	134,664
U.S. East	81,649	84,835	77,986
Japan	9,725	3,319	24,419
Canada	6,608	5,856	7,526
All Others	27,980	21,823	33,211

Note: 2022 and 2023 figures are preliminary.

# June 2023 Highlights by Island

<b>EXPENDITURES (\$mil.)</b>	<b>2023P</b>	<b>2022P</b>	<b>2019</b>
O'ahu	848.9	787.9	738.1
Maui	619.4	549.8	477.1
Moloka'i	3.0	2.6	2.3
Lāna'i	13.5	12.8	11.1
Kaua'i	251.4	231.2	196.1
Hawai'i Island	263.4	247.2	205.8

<b>PPPD SPENDING (\$)</b>	<b>2023P</b>	<b>2022P</b>	<b>2019</b>
O'ahu	232.4	236.9	190.8
Maui	287.6	240.2	209.2
Moloka'i	150.6	134.8	116.3
Lāna'i	610.2	505.7	441.3
Kaua'i	257.7	222.6	198.1
Hawai'i Island	215.0	197.8	178.9

<b>VISITOR ARRIVALS</b>	<b>2023P</b>	<b>2022P</b>	<b>2019</b>
O'ahu	501,562	437,769	562,749
Maui	276,136	288,333	295,926
Moloka'i	3,816	3,549	5,776
Lāna'i	5,783	6,082	9,020
Kaua'i	129,905	133,517	134,790
Hawai'i Island	158,739	157,443	163,564

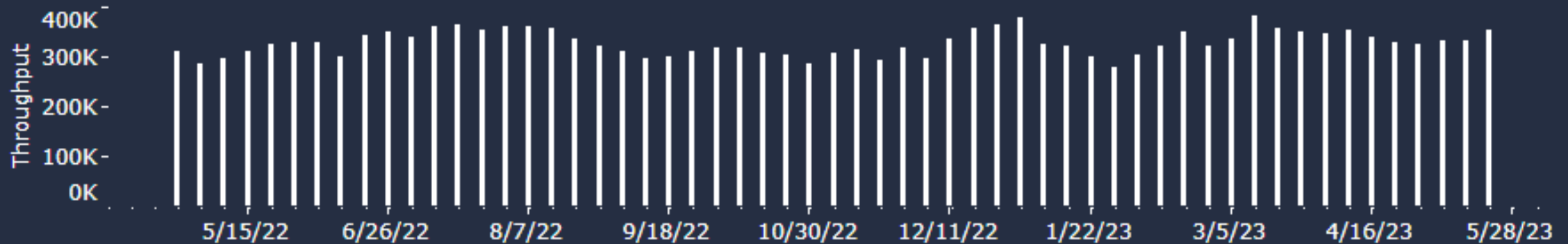
<b>AVERAGE DAILY CENSUS</b>	<b>2023P</b>	<b>2022P</b>	<b>2019</b>
O'ahu	121,778	110,855	128,968
Maui	71,790	76,288	76,008
Moloka'i	668	654	664
Lāna'i	737	846	840
Kaua'i	32,510	34,631	32,986
Hawai'i Island	40,845	41,669	38,338

Note: 2023 and 2022 figures are preliminary.

# June 2023 Highlights - Hawai'i Airport Throughput

## Throughput by Week

State: Hawaii; Airport: All



## Hawaii Airports

Throughput for the last 6 months, % change compared to 2019

	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23
Daniel K. Inouye International Airport	-11%	-6%	-8%	-6%	-2%	-5%
Kahului	-3%	6%	6%	12%	6%	0%
Ellison Onizuka Kona International Airport	-3%	8%	8%	11%	12%	8%
Lihue	1%	4%	7%	4%	9%	8%
Hilo International	12%	20%	14%	16%	15%	14%

Source: TSA by Tourism Economics

# June 2023 Highlights – Purpose of Trip

PURPOSE OF TRIP - % Total	Total by Air		US West		US East		Japan		Canada	
	2023P	2019	2023P	2019	2023P	2019	2023P	2019	2023P	2019
	<b>Pleasure (Net)</b>	85.1%	85.8%	86.3%	87.0%	82.8%	84.4%	80.7%	79.6%	90.7%
Honeymoon/Get Married	4.5%	6.4%	2.6%	2.8%	3.8%	4.4%	20.7%	21.3%	4.1%	5.3%
Honeymoon	4.0%	5.7%	2.1%	2.2%	3.3%	3.8%	20.0%	20.2%	4.0%	4.9%
Get Married	0.7%	1.1%	0.7%	0.7%	0.8%	0.8%	2.2%	3.4%	0.1%	0.7%
Pleasure/Vacation	81.2%	80.0%	84.1%	84.7%	79.6%	80.6%	61.4%	59.2%	86.9%	89.0%
<b>Mtgs/Conventions/Incentive</b>	3.1%	3.3%	2.0%	2.0%	3.4%	3.6%	10.6%	7.7%	2.5%	2.8%
Conventions	1.2%	1.3%	1.0%	1.1%	1.5%	1.9%	0.3%	1.0%	1.3%	1.6%
Corporate Meetings	0.6%	0.6%	0.6%	0.6%	0.9%	0.9%	0.6%	0.3%	0.6%	0.3%
Incentive	1.4%	1.5%	0.4%	0.4%	1.2%	0.9%	9.7%	6.7%	0.9%	1.0%
Other Business	2.2%	2.2%	2.4%	2.8%	2.7%	2.7%	0.6%	0.3%	0.8%	1.4%
Visit Friends/Rel.	10.0%	7.9%	10.5%	9.4%	11.3%	10.4%	2.8%	1.4%	2.8%	4.1%
Gov't/Military	1.6%	0.9%	1.0%	0.7%	2.3%	2.0%	0.1%	0.0%	0.2%	0.1%
Attend School	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%	0.1%	0.1%	0.4%
Sport Events	0.3%	0.7%	0.3%	0.8%	0.3%	0.4%	0.2%	0.1%	0.1%	1.2%
Other	4.0%	5.0%	3.3%	3.3%	4.2%	3.4%	10.5%	15.4%	5.8%	2.6%

Note: 2023 figures are preliminary.

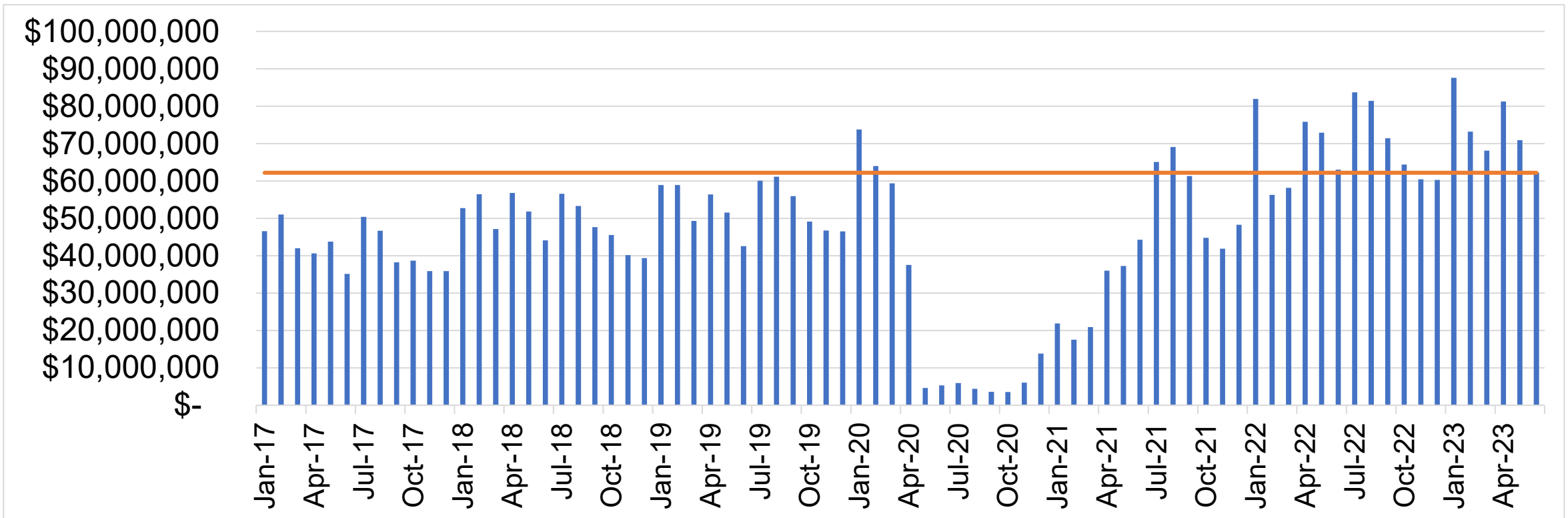
# June 2023 Highlights – Accommodation Choice

ACCOMMODATIONS - % Total	Total by Air		US West		US East		Japan		Canada	
	2023P	2019	2023P	2019	2023P	2019	2023P	2019	2023P	2019
Plan to stay in Hotel	57.9%	58.6%	52.1%	49.2%	59.7%	57.9%	77.3%	84.6%	54.6%	43.8%
Plan to stay in Condo	15.6%	17.2%	17.2%	19.7%	14.3%	15.3%	13.2%	11.6%	27.2%	32.5%
Plan to stay in Timeshare	9.3%	9.0%	11.1%	12.3%	8.3%	8.8%	9.9%	4.4%	3.8%	4.5%
Cruise Ship	1.3%	1.3%	0.6%	0.6%	3.1%	2.8%	0.1%	0.2%	0.4%	1.9%
Friends/Relatives	10.2%	8.7%	11.2%	10.3%	11.3%	10.9%	1.6%	1.1%	3.9%	5.3%
Bed & Breakfast	0.8%	1.0%	0.7%	0.9%	0.9%	1.1%	0.1%	0.3%	1.1%	2.7%
Rental House	11.2%	11.2%	12.2%	13.3%	12.4%	13.7%	0.2%	0.5%	16.2%	17.8%
Hostel	0.6%	0.6%	0.4%	0.5%	0.5%	0.5%	0.1%	0.1%	4.9%	3.4%
Camp Site, Beach	0.6%	0.5%	0.4%	0.4%	0.6%	0.6%	0.0%	0.1%	3.0%	3.0%
Private Room in Private Home**	1.0%	1.5%	0.9%	1.2%	0.8%	1.3%	0.2%	0.3%	1.4%	5.1%
Shared Room/Space in Private Home**	0.3%	0.5%	0.3%	0.4%	0.3%	0.5%	0.1%	0.2%	0.3%	0.8%
Other	2.0%	1.4%	2.0%	1.7%	2.3%	1.9%	0.1%	0.2%	1.4%	1.7%

Note: 2023 figures are preliminary.

# June 2023 Highlights - State TAT Collections

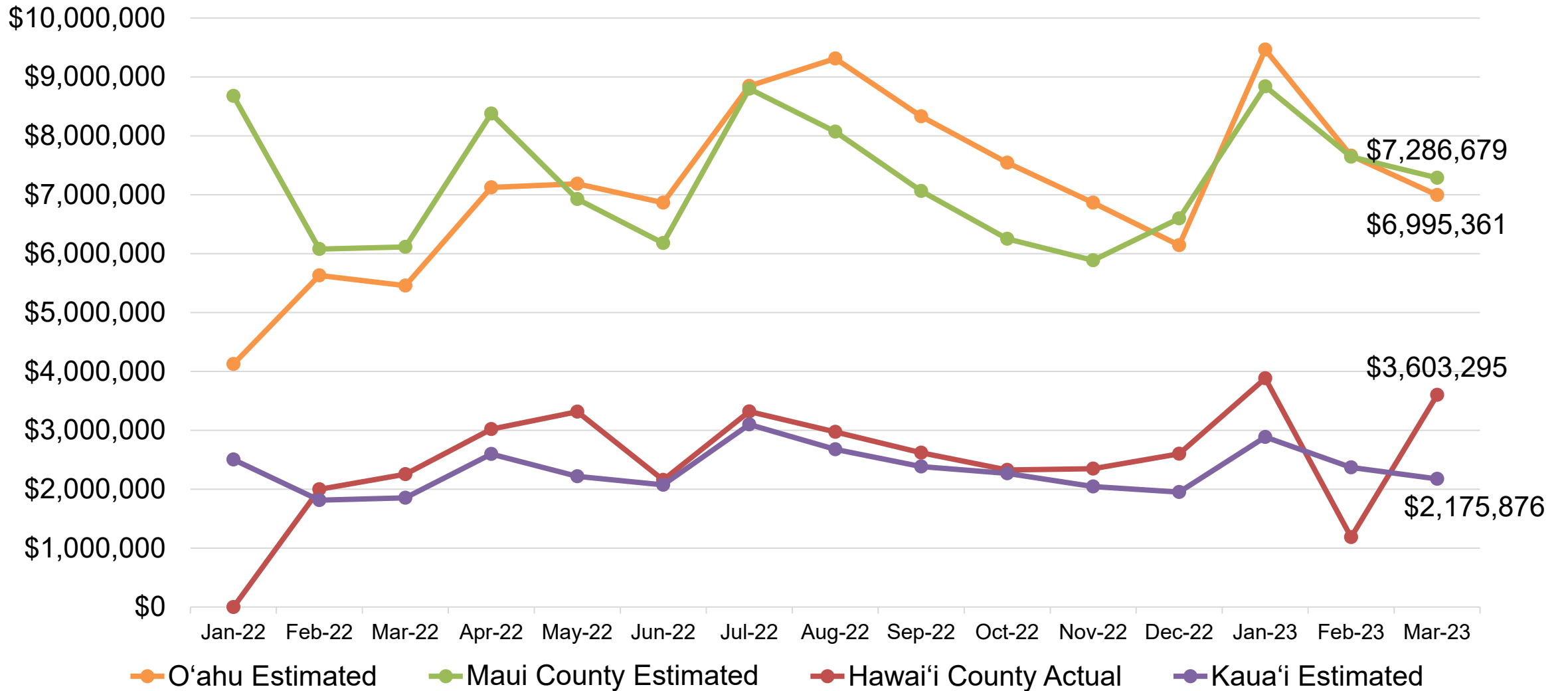
- Preliminary July 2023 TAT Collections: \$62.2 million
- Preliminary YTD Fiscal 23 TAT Collections: \$865.3 million (+17.1%)
- YTD Fiscal 22 TAT Collections: \$738.7 million (+\$126.6 million)



Source: Department of Taxation



# Estimated County TAT Collections



Source: Department of Taxation

# June 2023 Highlights - Lodging

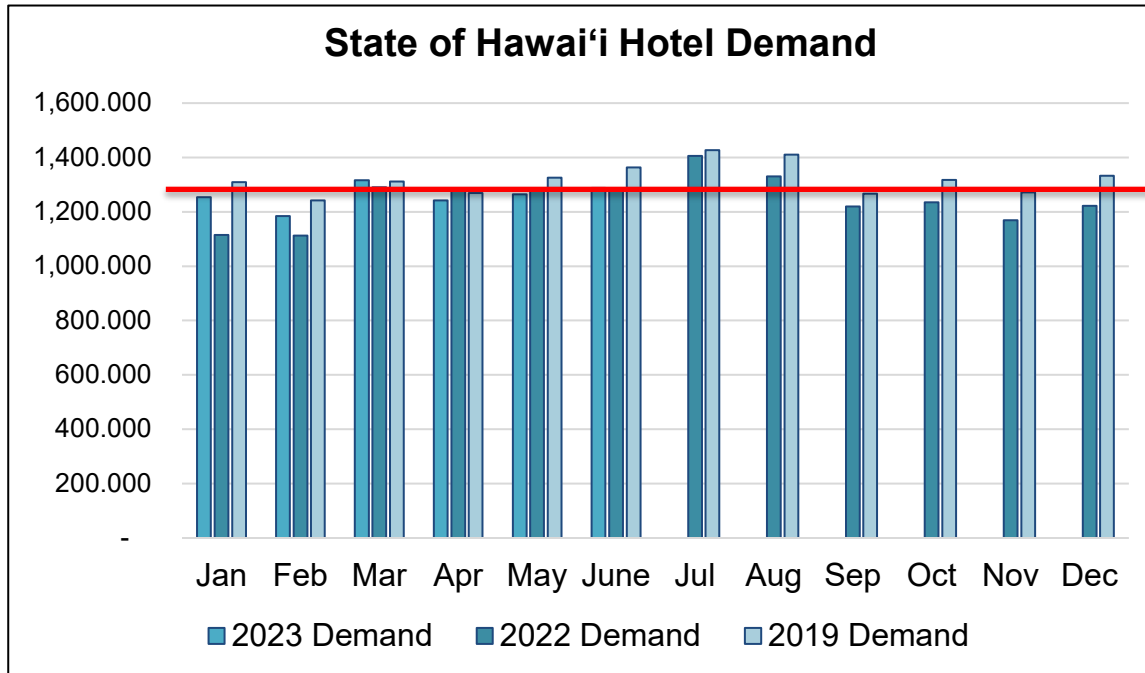
## State of Hawai'i Hotel Performance

	2023	2022	2019
Occupancy	76.7%	75.8%	83.9%
ADR	\$389	\$397	\$281
RevPAR	\$298	\$301	\$235

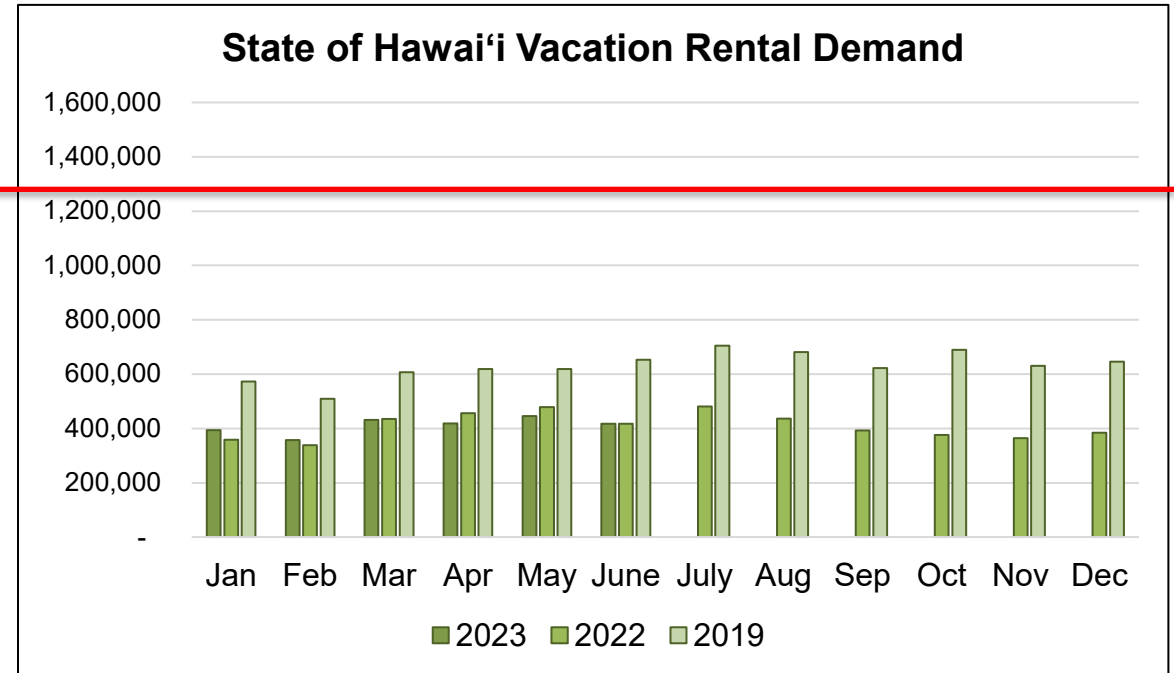
## State of Hawai'i Vacation Rental Performance

	2023	2022	2019
Occupancy	54.4%	69.6%	73.7%
ADR	\$303	\$295	\$203

### State of Hawai'i Hotel Demand



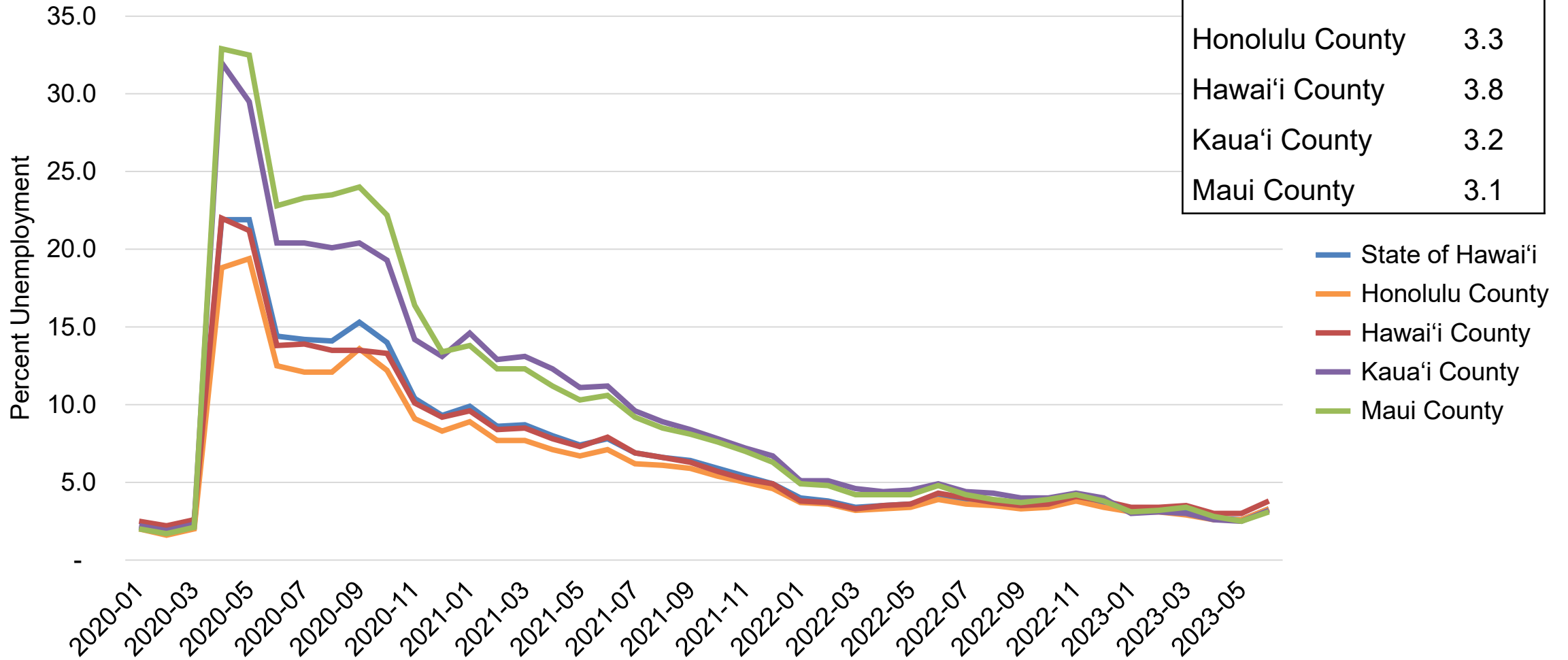
### State of Hawai'i Vacation Rental Demand



Source: STR, Inc. © Copyright 2023 Hawai'i Tourism Authority; Transparent Intelligence, Inc. © Copyright 2023 State of Hawai'i Department of Business, Economic Development & Tourism

# June 2023 Highlights – Unemployment Rates

**Unemployment Rate, Civilian**

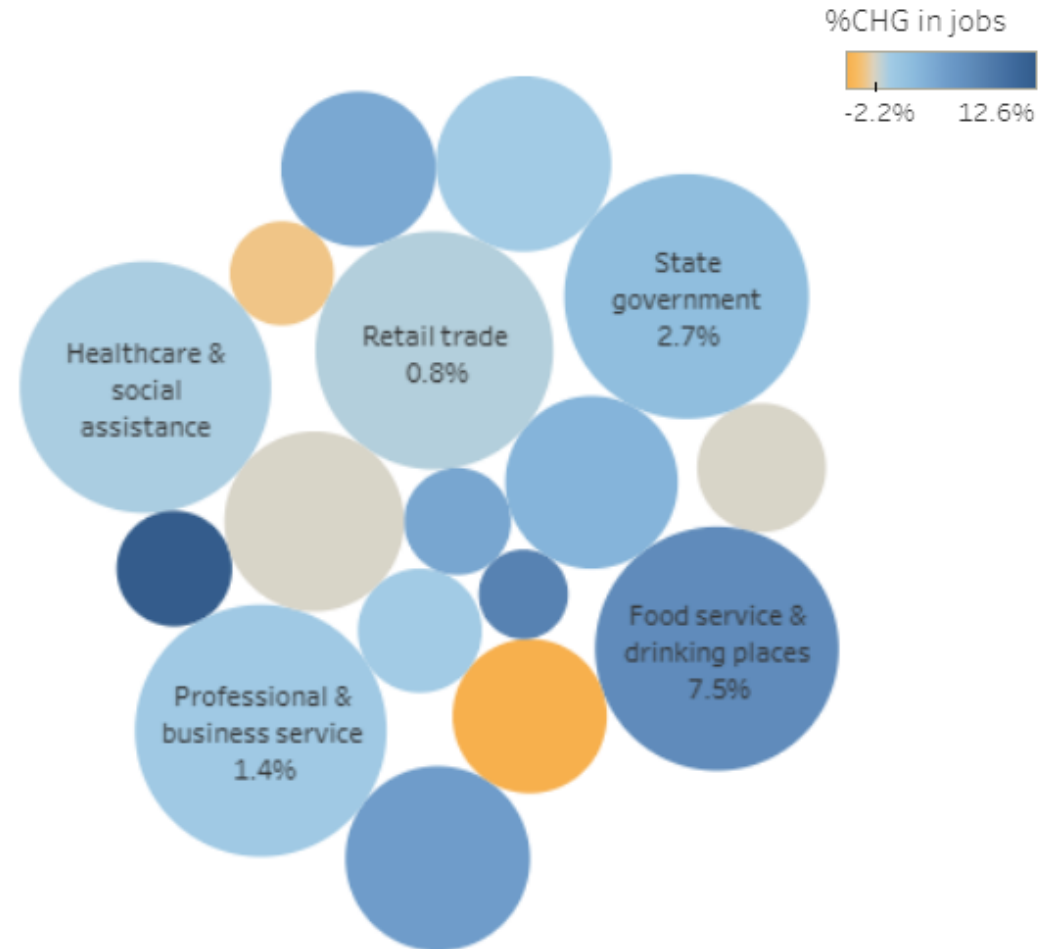


Compiled by Research & Economic Analysis Division, State of Hawai'i Department of Business, Economic Development and Tourism. Source: State of Hawai'i Dep. of Labor & Industrial Relations

# June 2023 Highlights – Jobs by Industry

	Jobs	CHG*	%CHG*
Total non-agriculture W&S jobs	629,000	16,000	2.6%
Nat'l resources, mining & construction	36,800	0	0.0%
Manufacturing	13,000	600	4.8%
Wholesale trade	17,500	200	1.2%
Retail trade	64,400	500	0.8%
Transportation, warehousing & utilities	33,900	1,200	3.7%
Information	9,100	700	8.3%
Financial activities	27,100	-600	-2.2%
Professional & business service	72,100	1,000	1.4%
Educational service	15,200	1,700	12.6%
Healthcare & social assistance	71,900	700	1.0%
Arts, entertainment & recreation	12,300	-100	-0.8%
Accommodation	38,800	2,100	5.7%
Food service & drinking places	67,600	4,700	7.5%
Other service	27,300	1,200	4.6%
Federal government	35,000	400	1.2%
State government	68,100	1,800	2.7%
Local government	18,900	0	0.0%

\*Change from the same period of previous year



Compiled by Research & Economic Analysis Division, State of Hawai'i Department of Business, Economic Development and Tourism. Source: State of Hawai'i Dep. of Labor & Industrial Relations

# Scheduled Nonstop Seats to Hawai'i by Port Entry

June	Total			Domestic			International		
	2023	2022	2019	2023	2022	2019	2023	2022	2019
STATE	1,114,054	1,049,608	1,182,276	941,399	954,848	903,624	172,655	94,760	278,652
HONOLULU	653,004	529,531	707,149	490,291	443,495	446,144	162,713	86,036	261,005
KAHULUI	257,952	287,701	266,126	248,010	278,977	258,063	9,942	8,724	8,063
KONA	117,084	124,791	114,157	117,084	124,791	104,573	0	0	9,584
HILO	0	5,191	4,700	0	5,191	4,700	0	0	0
LIHU'E	86,014	102,394	90,144	86,014	102,394	90,144	0	0	0

July	Total			Domestic			International		
	2023	2022	2019	2023	2022	2019	2023	2022	2019
STATE	1,191,187	1,157,417	1,237,099	1,001,868	1,032,522	935,384	189,319	124,895	301,715
HONOLULU	697,940	614,267	736,331	520,647	500,005	452,553	177,293	114,262	283,778
KAHULUI	278,182	297,384	281,408	267,549	286,751	273,254	10,633	10,633	8,154
KONA	122,445	133,005	119,878	121,052	133,005	110,095	1,393	0	9,783
HILO	0	5,549	5,146	0	5,549	5,146	0	0	0
LIHU'E	92,620	107,212	94,336	92,620	107,212	94,336	0	0	0

Source: HTA/DBEDT READ analysis based on scheduled flights from Diio Mi flight schedules as of July 17, 2023, subject to change

# Scheduled Nonstop Seats to Hawai'i by Port Entry

August	Total			Domestic			International		
	2023	2022	2019	2023	2022	2019	2023	2022	2019
<b>STATE</b>	1,176,523	1,140,401	1,193,649	974,069	980,183	881,533	202,454	160,218	312,116
<b>HONOLULU</b>	699,963	622,268	737,103	510,729	475,270	443,146	189,234	146,998	293,957
<b>KAHULUI</b>	268,511	289,492	257,291	257,878	278,859	248,915	10,633	10,633	8,376
<b>KONA</b>	119,682	121,033	108,231	117,095	118,446	98,448	2,587	2,587	9,783
<b>HILO</b>	0	5,549	4,804	0	5,549	4,804	0	0	0
<b>LIHU'E</b>	88,367	102,059	86,220	88,367	102,059	86,220	0	0	0

September	Total			Domestic			International		
	2023	2022	2019	2023	2022	2019	2023	2022	2019
<b>STATE</b>	1,044,754	956,197	1,006,133	856,097	811,836	711,307	188,657	144,361	294,826
<b>HONOLULU</b>	637,738	546,278	659,708	457,343	413,576	381,546	180,395	132,702	278,162
<b>KAHULUI</b>	228,250	227,166	204,791	219,988	218,094	197,711	8,262	9,072	7,080
<b>KONA</b>	101,395	93,560	74,540	101,395	90,973	64,956	0	2,587	9,584
<b>HILO</b>	0	4,117	3,486	0	4,117	3,486	0	0	0
<b>LIHU'E</b>	77,371	85,076	63,608	77,371	85,076	63,608	0	0	0

Source: HTA/DBEDT READ analysis based on scheduled flights from Diio Mi flight schedules as of July 17, 2023, subject to change

# Scheduled Non-Stop Seats By Country to Hawai'i

## 2019, 2023P as of July 21, 2023



	# of SEATS 2019	# of SEATS 2023P*	% Change 23/19
Australia	369,282	242,084	-34.4%
Canada	484,613	490,163	1.1%
China	116,539		
Cook Islands		6,237	
Fiji	8,414	11,900	41.4%
French Polynesia	18,718	14,456	-22.8%
Japan	1,999,204	1,122,877	-43.8%
Kiribati	6,848	5,950	-13.1%

Source: HVCB Analysis of Diio Mi

\* A seat scheduled is not a seat flown.

# Scheduled Non-Stop Seats By Country to Hawai'i

## 2019, 2023P as of July 21, 2023



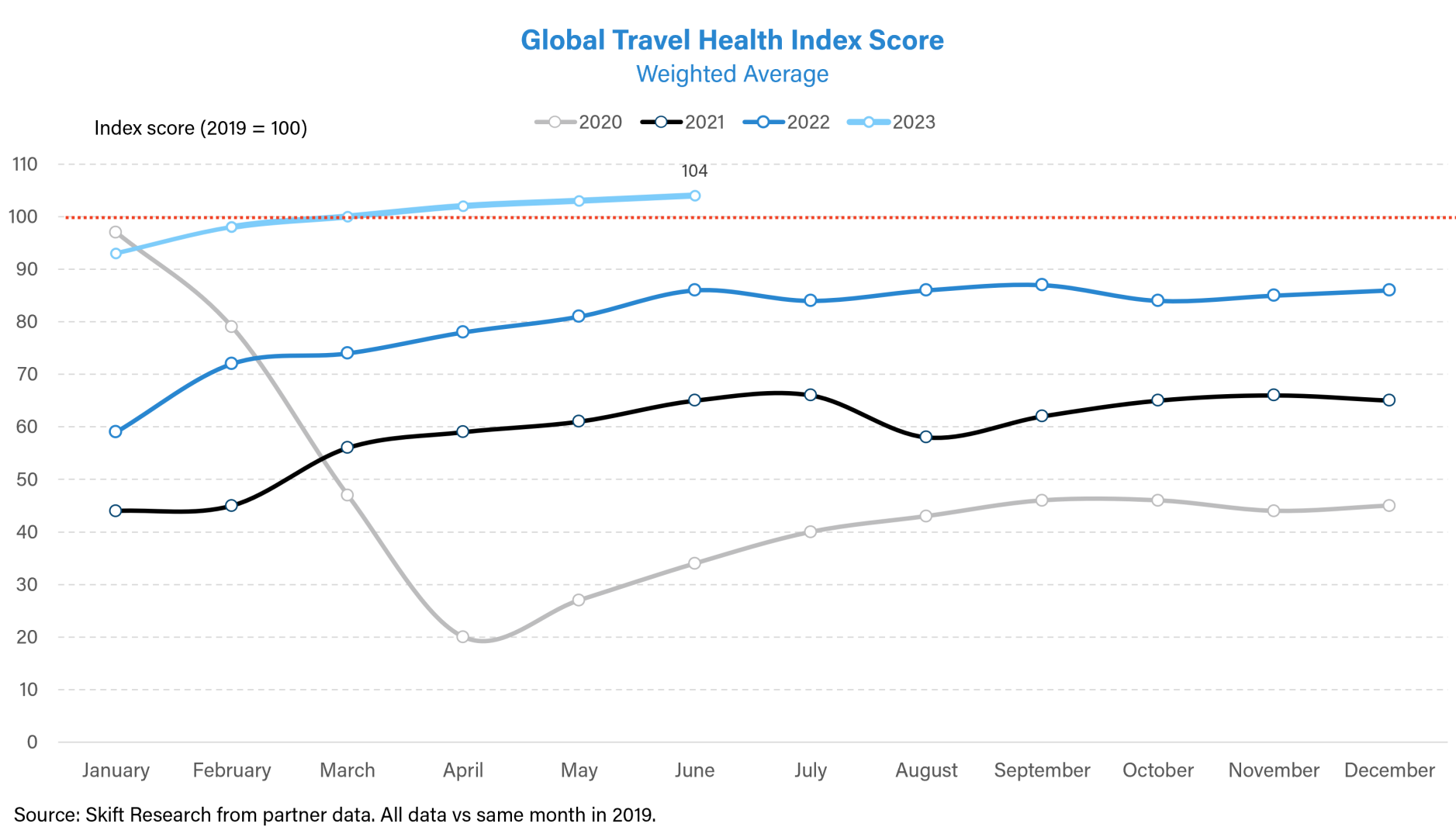
	# of SEATS 2019	# of SEATS 2023P*	% Change 23/19
Marshall Islands	34,448	29,714	-13.7%
New Zealand	125,300	93,815	-25.1%
Philippines	73,248	80,649	10.1%
South Korea	326,398	278,575	-14.7%
Taiwan	39,780		
United States	9,913,374	11,282,929	13.8%
Western Samoa	8,090	8,840	9.3%

Source: HVCB Analysis of Diio Mi

\* A seat scheduled is not a seat flown.

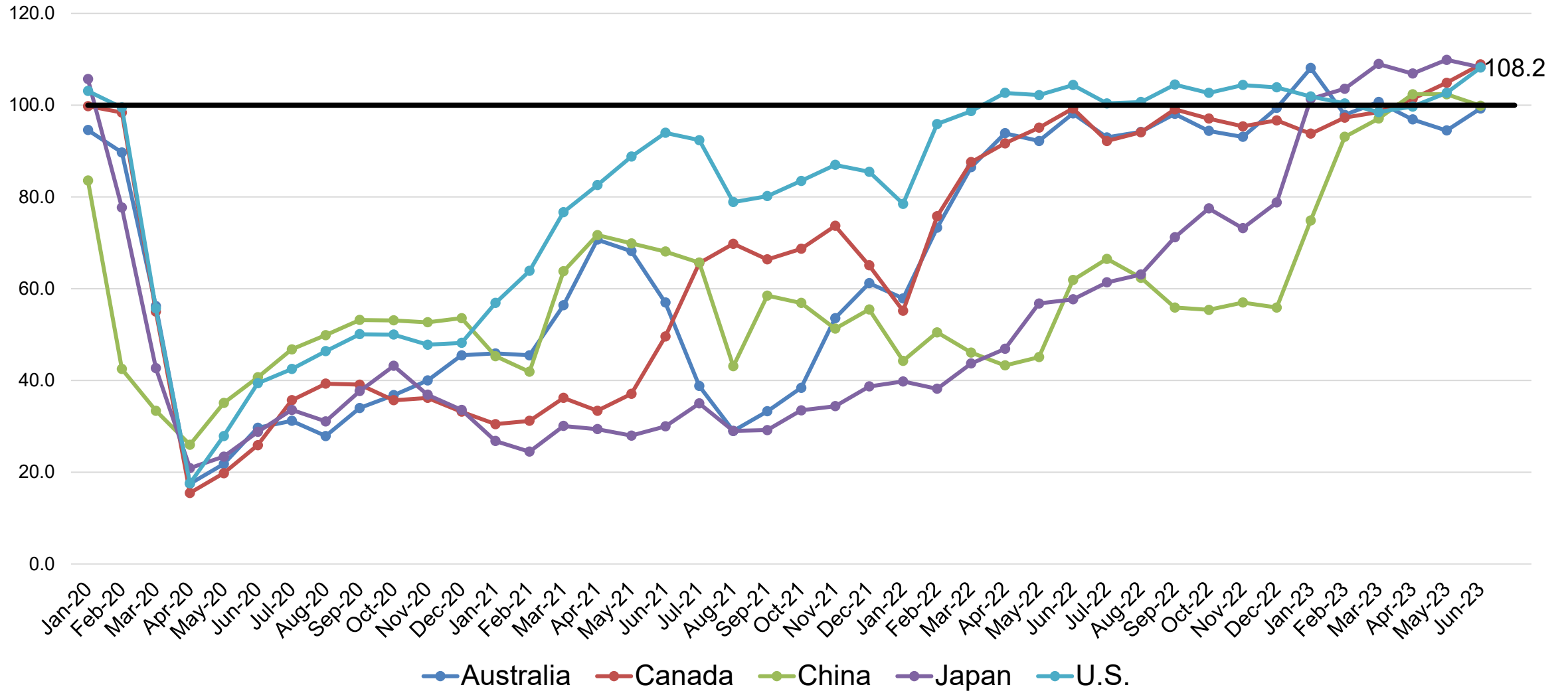


# Skift Travel Health Index June 2023 = 104



Source: Skift Research

# Skift Travel Health Index by Country



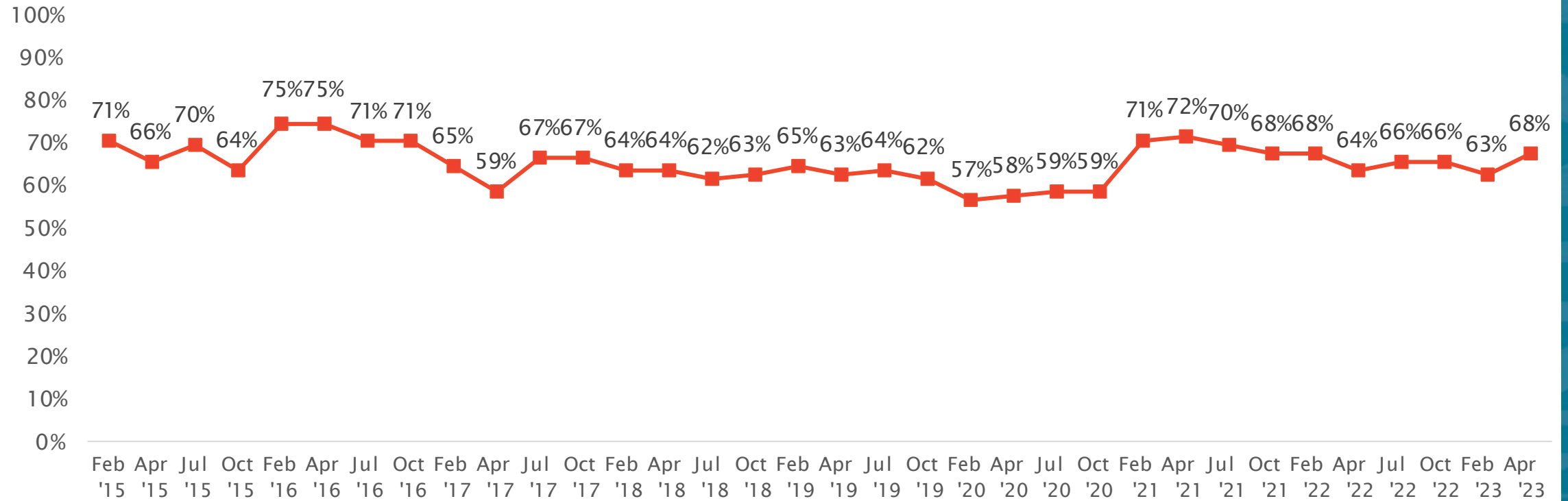
Source: Skift Research

# PORTRAIT OF AMERICAN TRAVELERS®

Summer 2023

# Interest in Visiting Hawaii is Up Significantly from April '22.

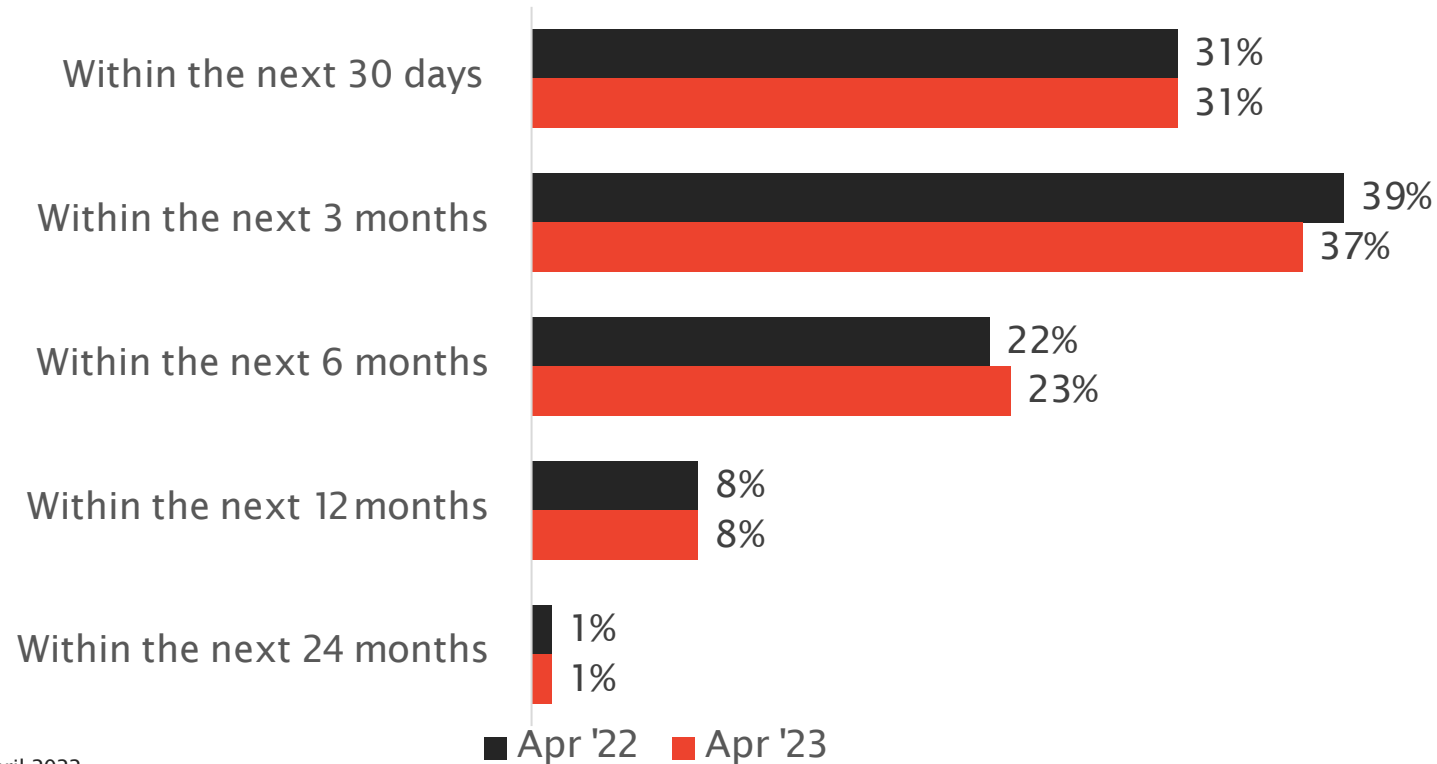
Interest in Visiting Hawaii Next 2 Years  
(Top 2 Box)



Source: MMGY Global's 2023 Portrait of American Travelers® "Summer Edition", Base: Air Travelers (n=1,750)

# Travel Intentions Are Similar To April '22

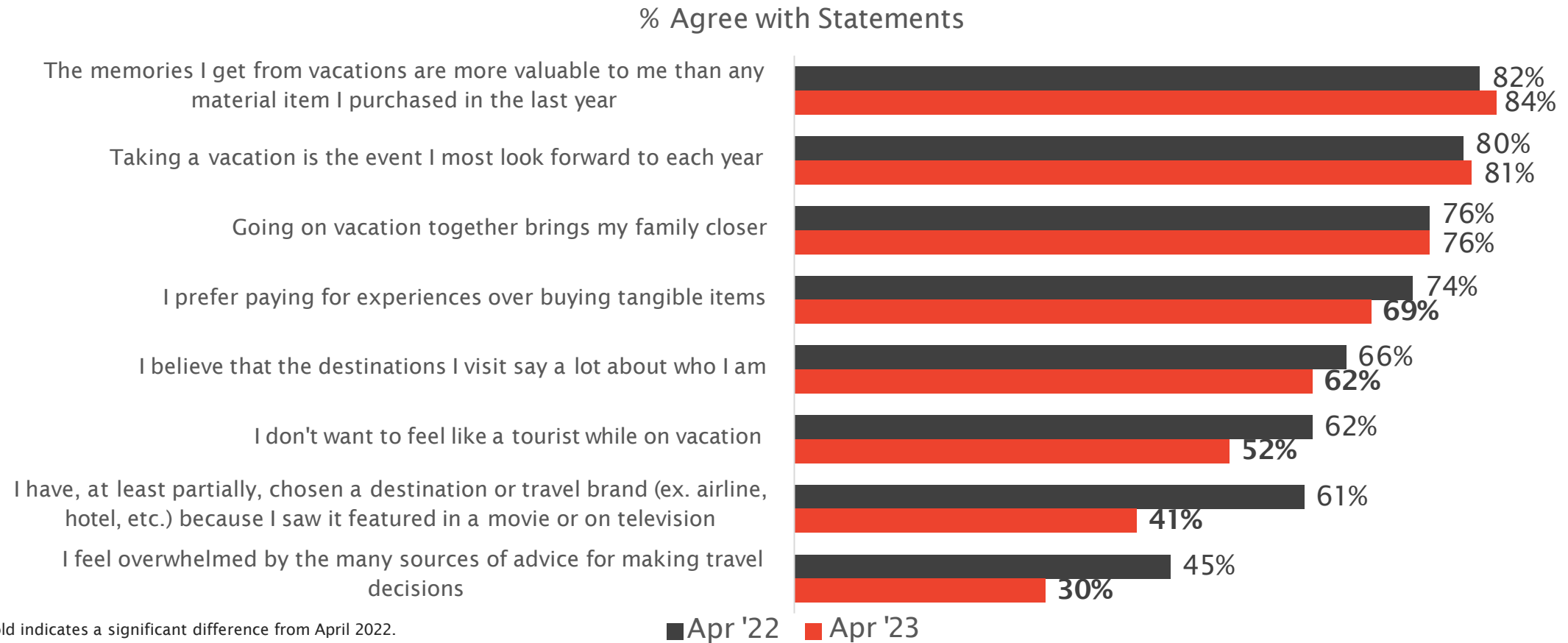
Expected Timing of Next Leisure Vacation



Data in bold indicates a significant difference from April 2022.

Source: MMGY Global's 2023 Portrait of American Travelers® "Summer Edition", Base: Likely to Visit Hawaii (n=708)

# Likely Hawaii Visitors Are Looking For Experiences and To Make Memories When on Vacation



Source: MMGY Global's 2023 Portrait of American Travelers® "Summer Edition" Base: Likely to Visit Hawaii (n=708)

Compared to April '22, significantly fewer likely Hawaii visitors plan to take a multigenerational trip in the next 12 months.

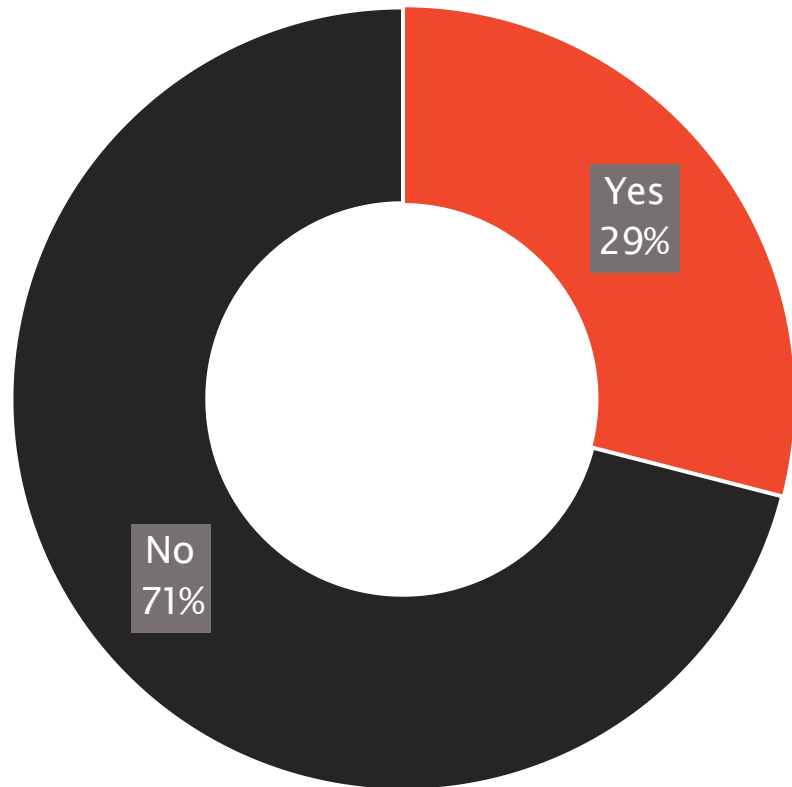


of likely Hawaii visitors plan to travel with three or more generations of your family in the next 12 months

Base: Likely to Visit Hawaii (n=708)  
Source: MMGY Global's 2023 *Portrait of American Travelers* "Summer Edition"

# The Cost to Visit Hawaii Continues To Be The Most Cited Deterrent To Visiting

Considered Visiting Hawaii But Changed Mind



Reasons For Not Visiting Hawaii – Among Those Who Changed Their Mind	Apr '22	Apr '23
Price of airfare	35%	<b>40%</b>
Price of a vacation package	30%	32%
Price of the hotel	25%	<b>32%</b>
The flight to Hawaii is too long	20%	23%
Better value at another destination	23%	22%
Concerns about COVID-19 variants	21%	20%
Not enough time to travel to Hawaii	11%	<b>18%</b>
Hawaii's COVID-19 travel restrictions	27%	<b>17%</b>
Hawaii is too crowded	10%	<b>13%</b>
Already been and want to try another destination	11%	12%
Local people are not friendly	9%	10%
Accommodations were not available	12%	9%
Not sure which island(s) in Hawaii to visit	11%	9%
Hurricanes and tropical storms hitting Hawaii	9%	9%
Hawaii is not unique enough	8%	7%
Not enough activities in Hawaii	8%	6%
Hawaii is not exotic enough	6%	6%

Data in bold indicates a significant difference from April 2022.

Source: MMGY Global's 2023 Portrait of American Travelers® "Summer Edition", Base: Air Travelers (n=1,750) & Travelers Who Changed Their Mind (n=508)



# Other Than Hawaii Destinations, Likely Hawaii Visitors Are Also Interested in Visiting Las Vegas and The Florida Keys

Top 20 Destinations of Interest	Apr '22	Apr '23
Island of Hawai'i	77%	<b>83%</b>
Honolulu, HI	79%	<b>82%</b>
Maui, HI	73%	<b>80%</b>
Kaua'i, HI	79%	78%
Lanai, HI	NA	69%
Las Vegas, NV	70%	<b>66%</b>
Florida Keys/Key West, FL	68%	<b>64%</b>
New York City, NY	62%	61%
San Diego, CA	63%	<b>59%</b>
Orlando, FL	59%	58%
San Francisco, CA	62%	<b>57%</b>
Miami, FL	57%	55%
Los Angeles, CA	61%	<b>52%</b>
New Orleans, LA	60%	<b>51%</b>
Tampa, FL/St. Peterburg/Clearwater, FL	58%	<b>51%</b>
Fort Lauderdale, FL	55%	<b>51%</b>
Napa Valley, CA	60%	<b>50%</b>
Palm Springs, CA	58%	<b>50%</b>
Niagara Falls, NY	50%	50%
Palm Beach, FL	55%	<b>50%</b>

Data in bold indicates a significant difference from April 2022.

Source: MMGY Global's 2023 Portrait of American Travelers® "Summer Edition", Base: Likely to Visit Hawaii (n=708)

# National Travel Indicators

May, 2023

Compare to 2019



## Travel Spending (Tourism Economics)

↗ **+2.8%**  
May vs. 2019

↗ **+3.8%**  
YTD vs. 2019



## Air Passengers (TSA)

↘ **-0.5%**  
May vs. 2019

↗ **+0.3%**  
YTD vs. 2019



## Overseas Arrivals (NTTO)

↘ **-26.4%**  
May vs. 2019

↘ **-28.5%**  
YTD vs. 2019



## Hotel Demand (STR)

↘ **-2.4%**  
May vs. 2019

↘ **-0.9%**  
YTD vs. 2019



## Short-term Rental Demand (AIRDNA)

↗ **+44.0%**  
May vs. 2019

↗ **+41.9%**  
YTD vs. 2019

## Insights

Air passenger volume dipped back into negative territory relative to 2019 in May but remains positive year-to-date.

Overseas arrivals improved marginally in May, ticking up to 26% below its 2019 benchmark.

Hotel room demand posted its third consecutive month below its 2019 level for the first time since August 2022.

Group room demand within the top 25 markets declined 10% relative to 2019 in May, an improvement from the 13% decline in April.

Short-term rental demand continues to be a top-performing travel indicator, growing 44% relative to 2019 in May.

## Travel Indicators

% change relative to same month vs. 2019

	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Travel Spending (Tourism Economics)	2%	1%	-1%	7%	4%	3%	6%	4%	5%	4%	4%	3%
Air Passengers (TSA)	-10%	-11%	-11%	-5%	-6%	-5%	-8%	0%	3%	-1%	0%	-1%
Overseas Arrivals (NTTO)	-41%	-35%	-35%	-34%	-30%	-33%	-29%	-33%	-31%	-25%	-27%	-26%
Hotel Demand (STR)	-2%	-3%	-5%	2%	-1%	-2%	1%	1%	0%	-1%	-2%	-2%
Top 25 Group Hotel Demand* (STR)	-5%	-13%	-10%	-3%	-2%	-5%	-5%	-14%	-11%	-3%	-13%	-10%
Short-term Rental Demand (AIRDNA)	26%	22%	19%	29%	40%	31%	33%	39%	46%	37%	44%	44%
National Park Visits (National Park Service)	-11%	-10%	-12%	-5%	2%	-2%	-1%	26%	9%	4%	-12%	-11%
Organic Web Sessions (Simpleview & Tempest)*	26%	15%	15%	17%	24%	24%	18%	35%	33%	24%	23%	25%

\*data from 300+ U.S. DMO/CVB destination websites





Compare to 2019

## Insights

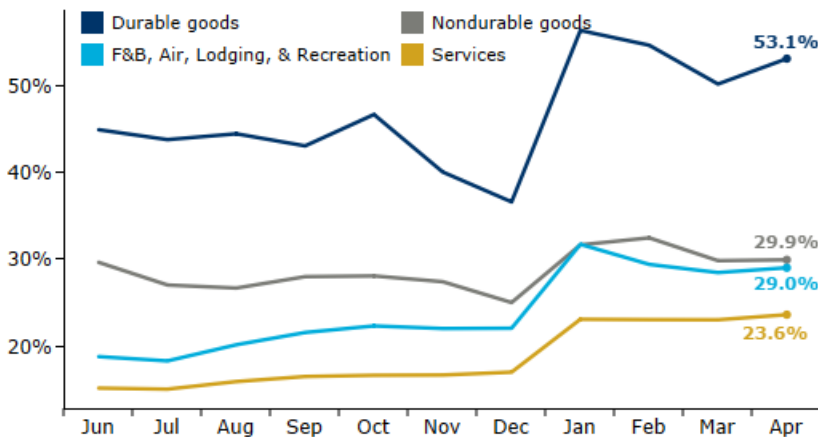
Consumer spending remains resilient, with retail sales rising in May due to broad-based gains. The labor market continues to support consumer spending, as job creation gained momentum during the same month. Although job losses and cooler wage gains are expected later this year, persistent labor shortages suggest that businesses are less likely to make substantial cuts to their workforce.

The Consumer Price Index (CPI) ticked up slightly to 18.8% above its 2019 level in May. Meanwhile, the Travel Price Index (TPI) eased to 18.7% above its 2019 level, falling below CPI inflation relative to 2019 for the first time since September 2022. The downward shift in TPI inflation over the past few months can be attributed to declining oil prices, transportation costs, and moderating lodging rates.

Inflation remains well above its pre-pandemic trend. Although weaker demand and reduced supply constraints are expected to push inflation lower by the end of 2023, services inflation has proven to be stubborn. Job losses, lower wage inflation, depleted excess savings, tighter credit standards, and elevated prices in the latter parts of the year are anticipated to cause consumers to pull back. However, as long as consumers continue to spend and the labor market remains tight, the onset of a recession will be delayed.

## Consumer Spending

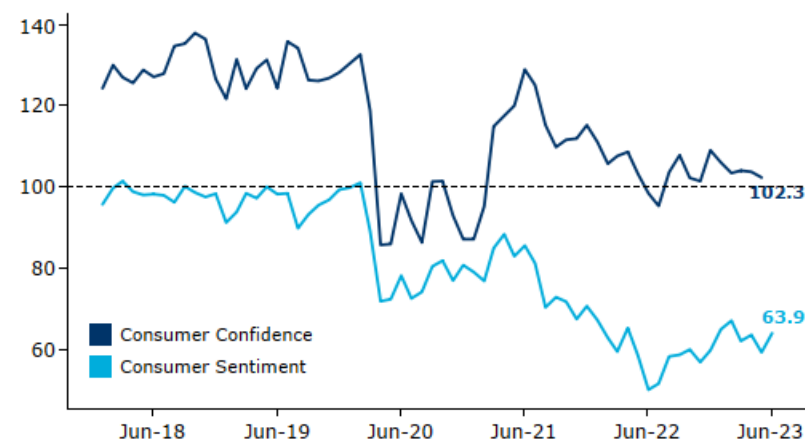
% change relative to same month vs. 2019, prior 12-month trend



Source: BEA

## Consumer Confidence & Sentiment Index

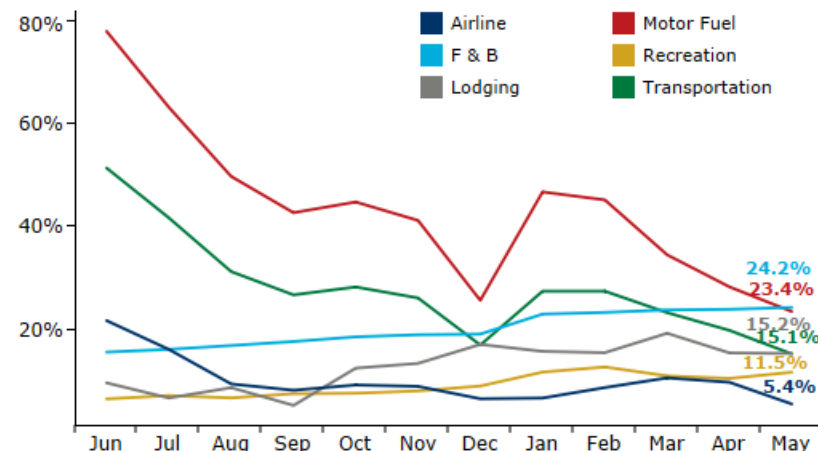
Index, 1985=100, prior 5-years



Source: Conference Board and University of Michigan

## Travel Price Index, Major Components

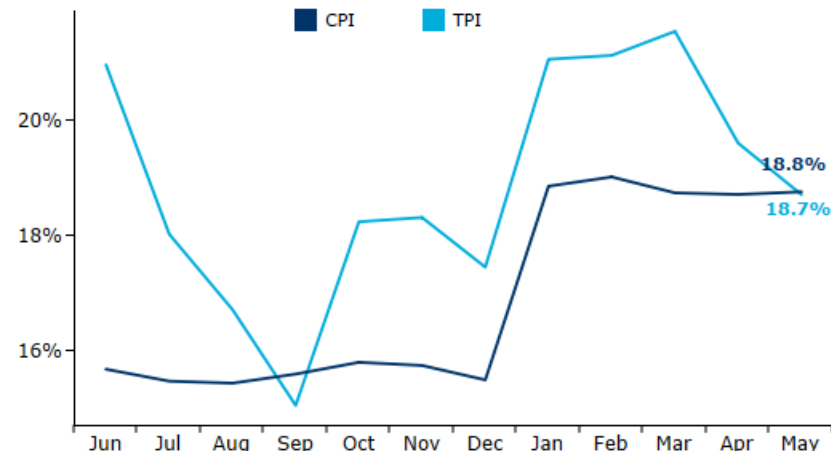
% change relative to same month vs. 2019, prior 12-month trend



Source: U.S. Travel Association

## Travel (TPI) and Consumer (CPI) Price Indices

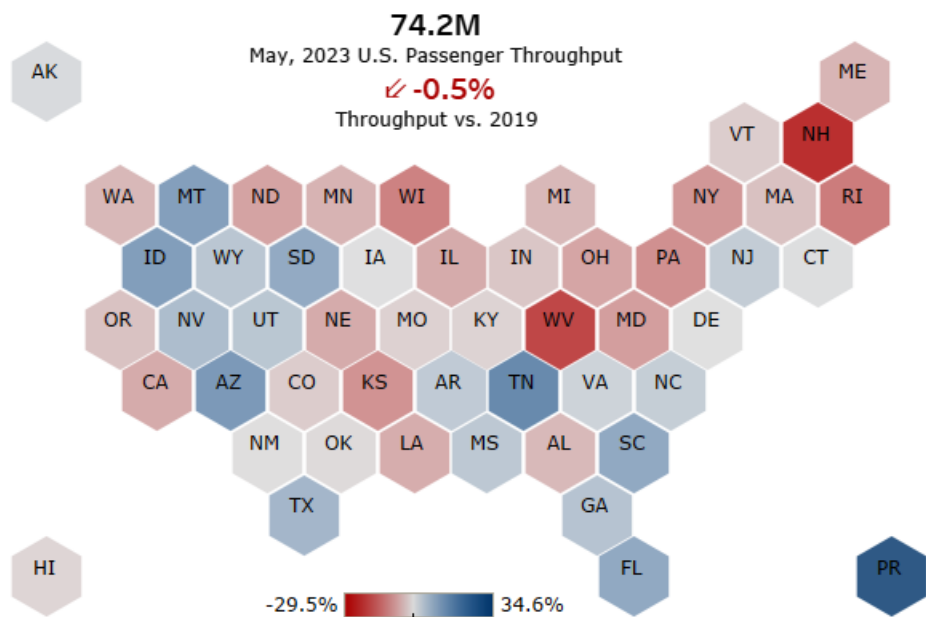
% change relative to same month vs. 2019, prior 12-months



Source: BLS (CPI); and U.S. Travel Association (TPI)

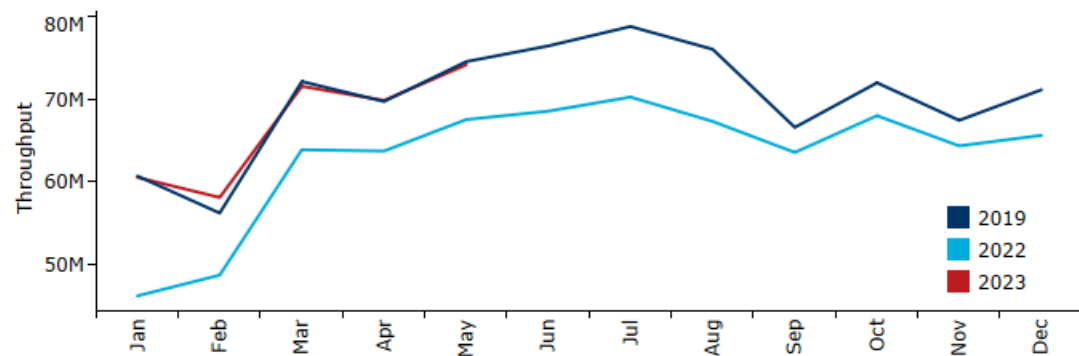
## May, 2023 Passenger Throughput by State

All passengers (domestic + international), % change vs. 2019



## U.S. Monthly Passenger Throughput

All passengers (domestic + international)



## Passenger Throughput Trend Comparison

All passengers (domestic + international), Index (2019=100)

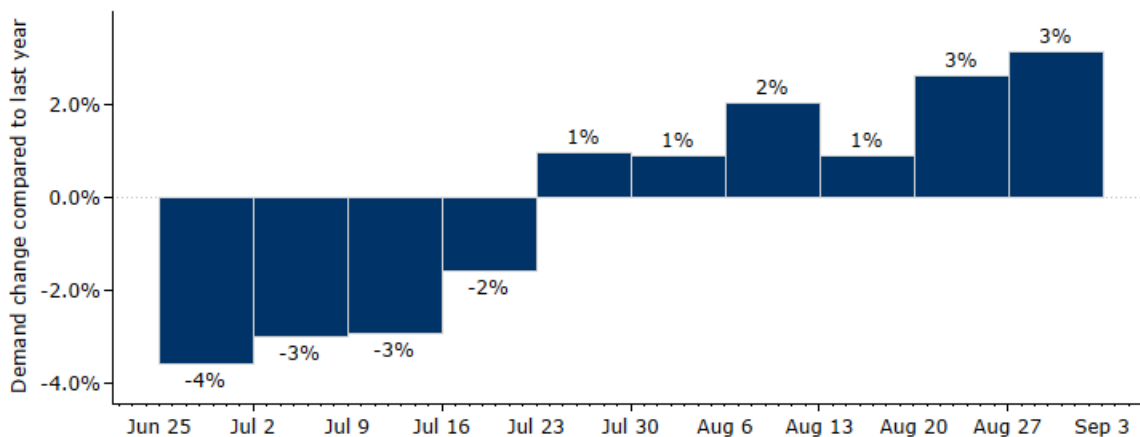
State/Territory Name  
Multiple values

	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23
Arizona	104	103	99	99	100	108	106	107	98	110	111	105	113	115
California	82	83	82	83	81	89	88	89	83	88	90	91	92	93
Colorado	94	91	89	88	89	96	97	98	93	101	104	102	102	97
Hawaii	94	90	86	91	91	96	96	94	95	99	98	101	102	98
Illinois	84	87	87	88	87	91	90	92	87	94	92	91	93	92
Indiana	91	88	85	86	87	91	91	93	86	99	99	98	100	96
Kentucky	88	85	86	88	86	92	89	92	88	97	100	99	102	98
Massachusetts	86	86	86	88	87	92	94	93	86	94	93	96	95	96
Michigan	86	85	83	83	84	88	86	90	83	93	96	92	94	94
Minnesota	83	80	80	80	80	83	86	92	84	95	91	92	97	94
Missouri	86	87	86	87	89	94	91	94	84	95	96	98	99	98
Montana	109	109	104	100	105	115	115	114	101	120	124	118	115	114
Nevada	98	100	97	101	99	102	108	103	101	106	110	108	108	107
New York	86	86	84	86	86	89	88	92	86	93	93	92	91	89
North Carolina	91	91	91	91	89	97	93	96	91	102	103	106	105	104
Oregon	90	88	85	82	82	90	90	92	81	94	96	95	97	96
South Dakota	108	99	98	101	99	102	105	104	90	119	114	117	114	111
Texas	99	100	96	97	97	106	104	105	100	107	108	107	109	108
Virginia	90	91	90	93	89	95	93	95	91	100	101	103	102	103
Washington	89	87	85	85	85	92	93	92	83	93	98	93	97	94
United States	91	91	90	89	89	95	94	95	92	100	103	99	100	99

Color scale: 80 (dark red) to 124 (dark blue)

## U.S. Hotel Leisure Demand Pace

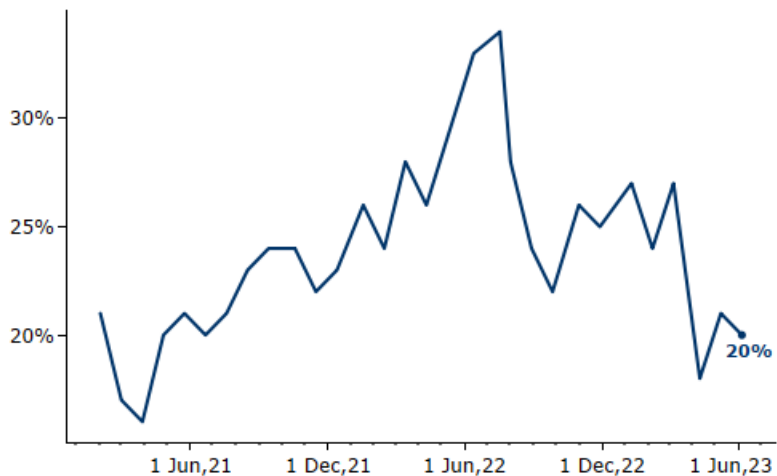
Leisure (include both leisure & business) hotel booking pace vs same time last year, as of 6/14/2023



Source: Amadeus

## Consumer Travel Sentiment

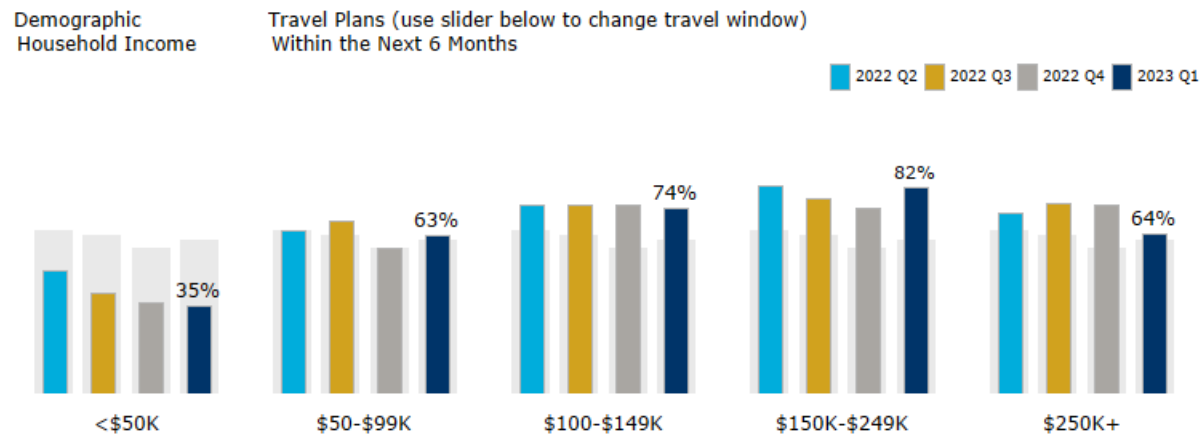
Transportation Cost Will Greatly Impact my Decision to Travel the Next ..



Source: Longwoods International

## Planning Leisure Travel Within the Next 6 Months

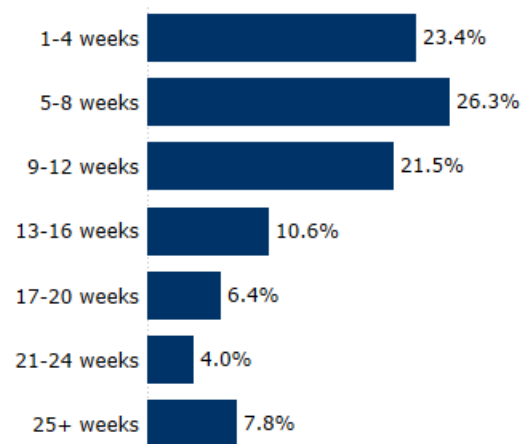
% of American Consumers



Source: MMGY Global's Portrait of American Travelers (released Q1 2023)

## Consumer Travel Priorities

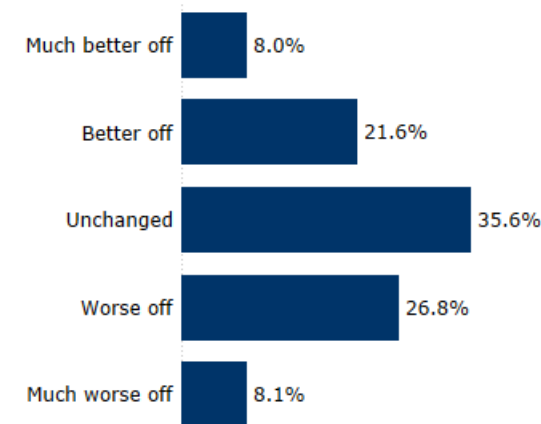
How many weeks in advance do you plan domestic trips of one week o..



Source: Destination Analysts (As of May 2023)

## Consumer Travel Priorities

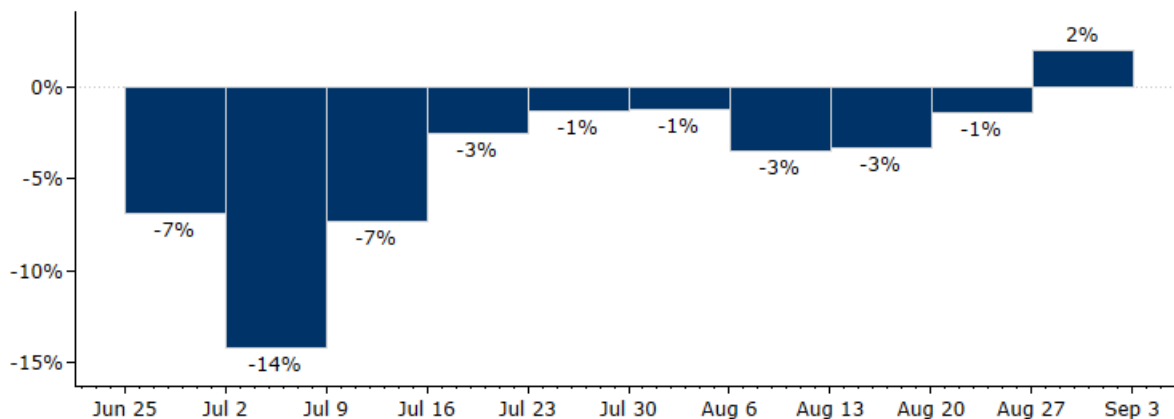
Are you worse or better off financially than you were a year ago?



Source: Destination Analysts (As of May 2023)

## U.S. Hotel Business Demand Pace

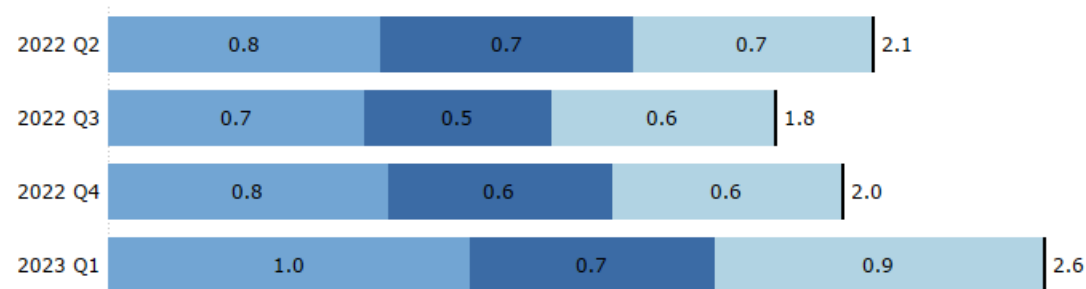
Business hotel booking pace vs same time last year, as of 6/14/2023



Source: Amadeus

## Business Trip Count by Purpose of Trip

Business Travelers expected trips per month over the next 6-months, released May 2023

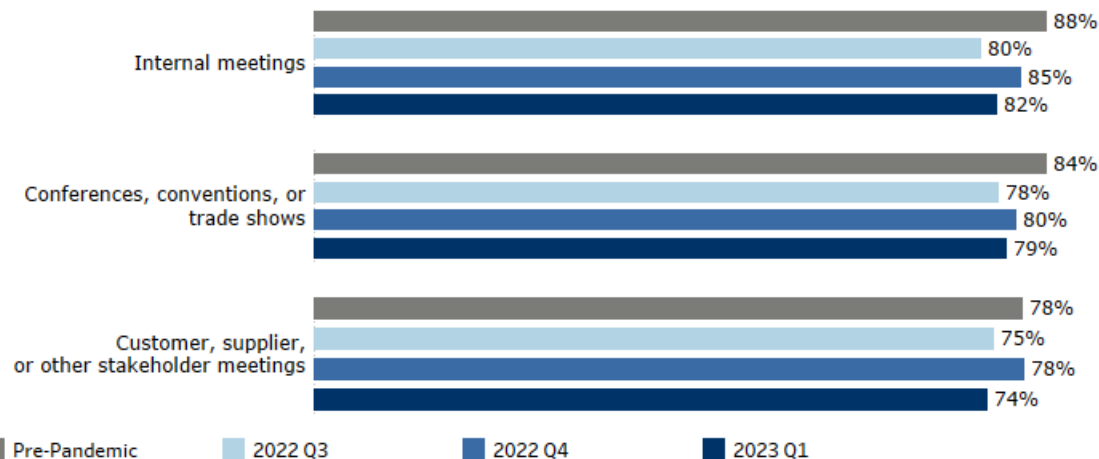


Customer & Stakeholder meetings Internal meetings  
Conferences and trade shows

Source: Tourism Economics; U.S. Travel Association; and J.D. Power

## Business Travel Plans Next Six Months

% share of respondents expecting to take at least one trip, released May 2023



Source: Tourism Economics; U.S. Travel Association; and J.D. Power

## Corporate Executive's Views on Business Travel

Share of corporate executives that agree, released May 2023



Source: Tourism Economics; U.S. Travel Association; and J.D. Power

## Insights

DMO/CVB group room nights contracted grew 18% relative to 2019 in May, marking its fourth consecutive positive month.

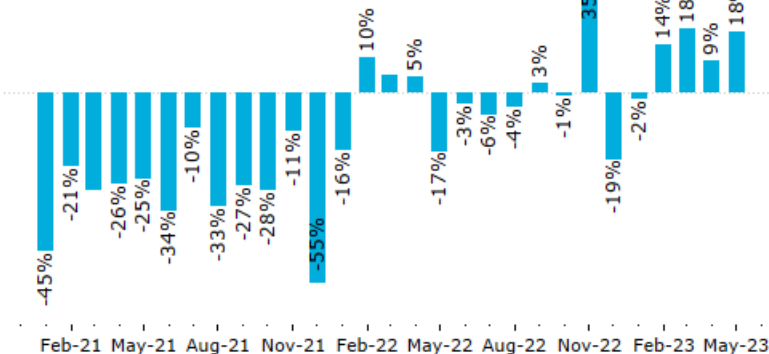
The DMO/CVB pace for room nights on the books experienced modest gains for mid-2023, with both Q2 and Q3 improving by two percentage points to 16% and 25% below 2019 levels, respectively.

Optimism among meeting planners slightly wavered in the April survey, with the share responding that they are more optimistic about the outlook for recovery declining to 57% from 61% in February.

Furthermore, the share of meeting planners expecting to plan more in-person meetings/events in 2023 compared to 2022 fell for the second consecutive time, dropping to 63% from 67% in February.

## DMO/CVB Group Bookings

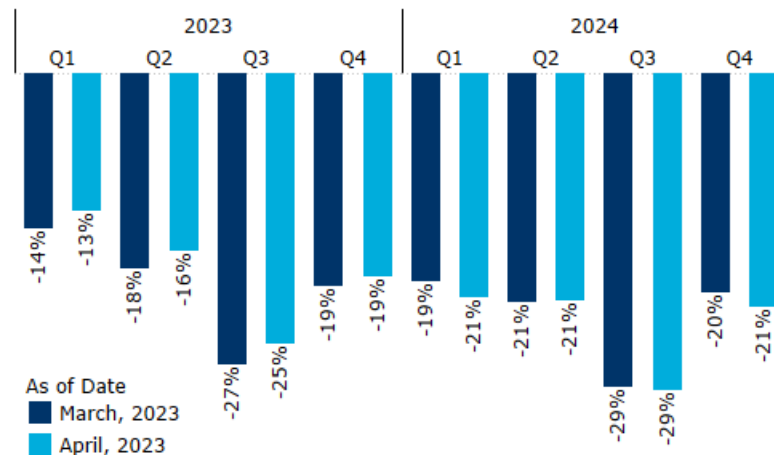
Hotel room nights contracted during most recent months  
% change from 2019



Source: Simpleview CRM (250+ U.S. DMOs)

## DMO/CVB Room Nights on the Books

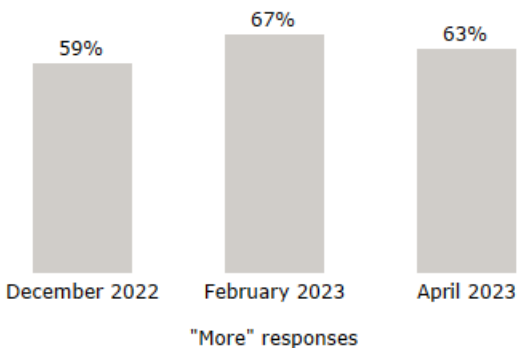
Pace for future dates, relative to the same period in 2019



Source: Simpleview CRM (250+ U.S. DMOs)

## Event Planner

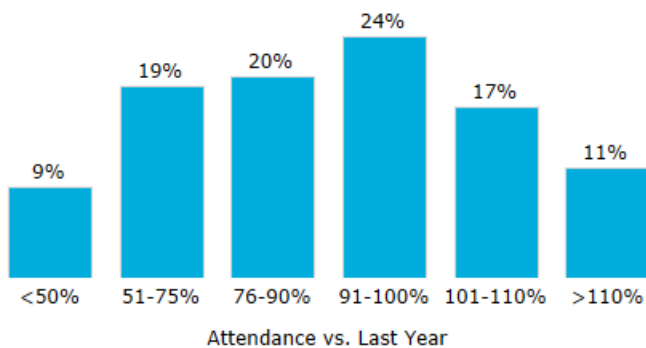
% Of meeting planners who expect to plan more in-person meetings in 2023 than in 2022



Source: Northstar Meetings Group and Cvent (Meetings industry PULSE survey), as of April 2023

## Event Attendees

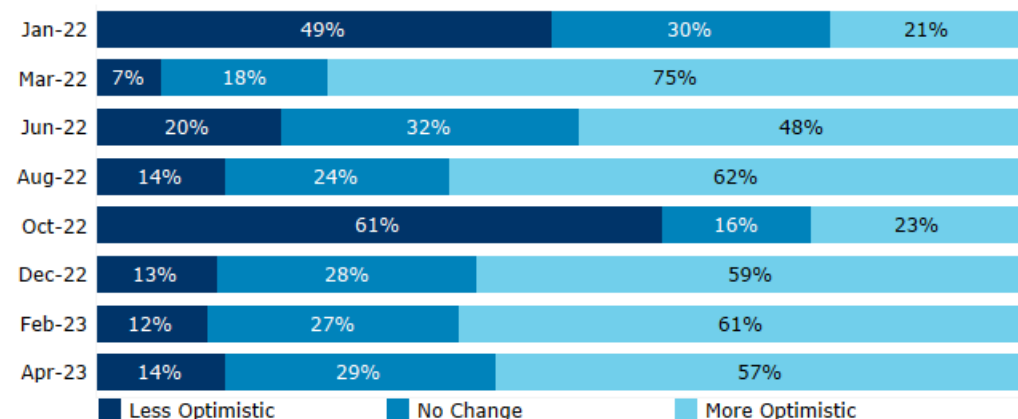
How many in-person attendees do you expect in 2023 for your average meetings vs your 2022 results?



As of April 2023

## Meeting Planner Outlook

How the outlook for recovery has changed among meeting planners the past six weeks



Source: Northstar Meetings Group and Cvent (Meetings industry PULSE survey), as of April 2023

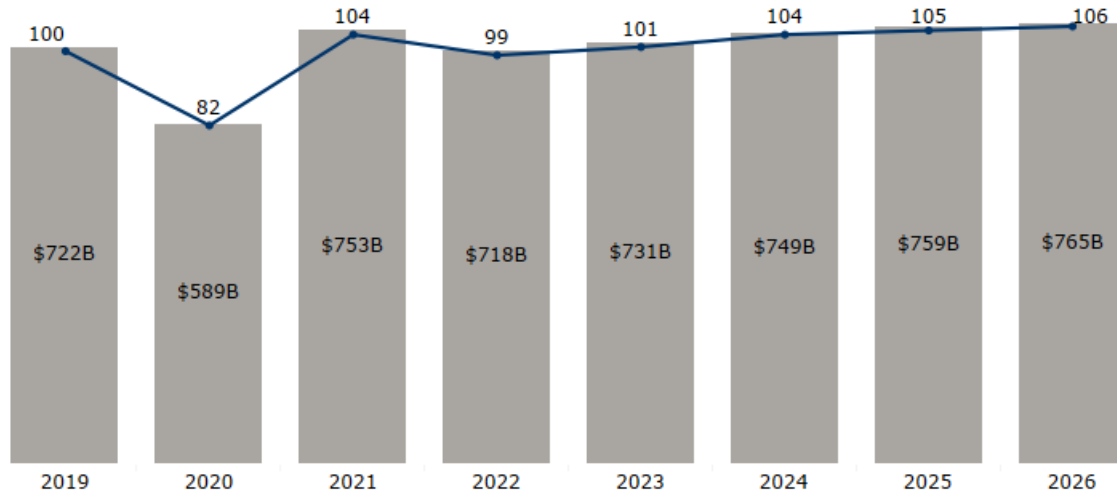


# Domestic Travel Forecast

Forecasted in June, 2023

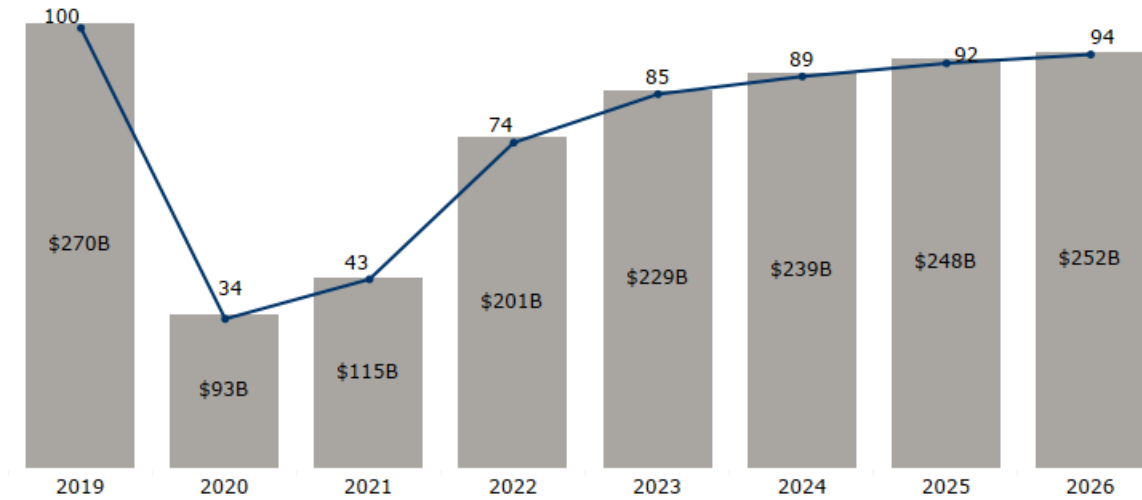
## Real Domestic Leisure Travel Spending

Forecasted recovery, relative to 2019 (index, 2019=100)



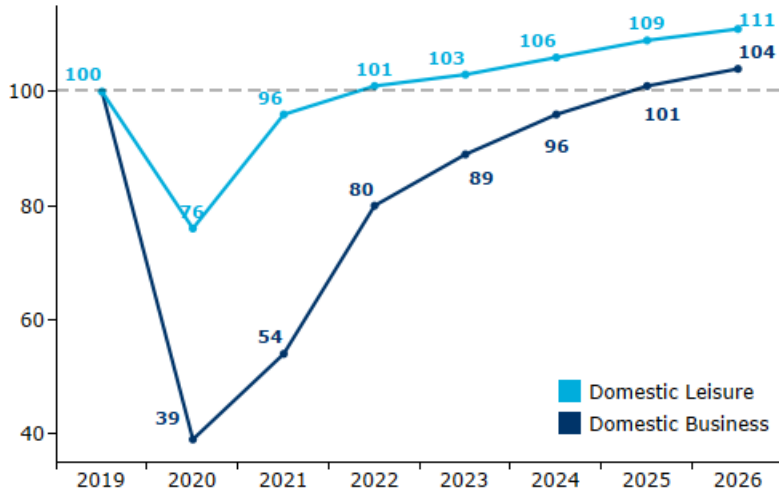
## Real Domestic Business Travel Spending

Forecasted recovery, relative to 2019 (index, 2019=100)



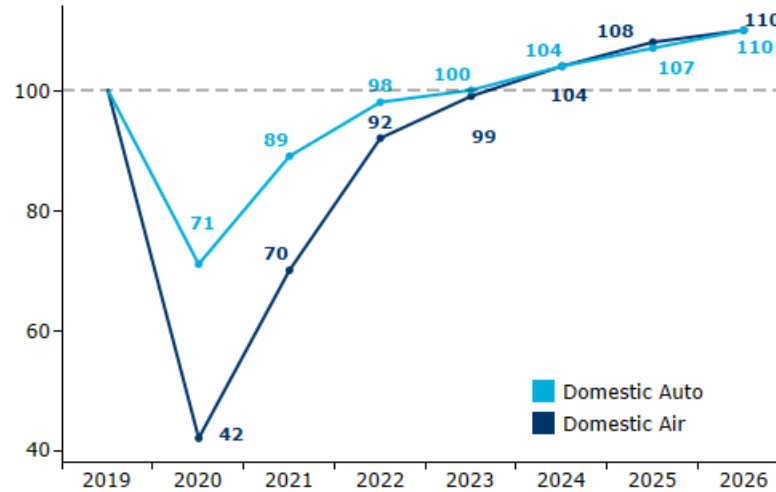
## Leisure vs. Business Travel Volume

Forecasted recovery, relative to 2019 (index, 2019=100)



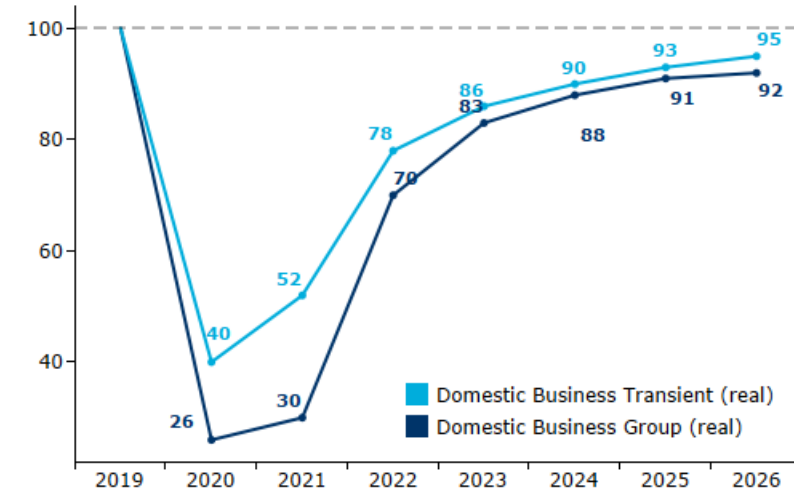
## Auto vs. Air Travel Volume

Forecasted recovery, relative to 2019 (index, 2019=100)



## Transient vs. Group Business Travel Spending

Forecasted recovery, relative to 2019 (index, 2019=100)

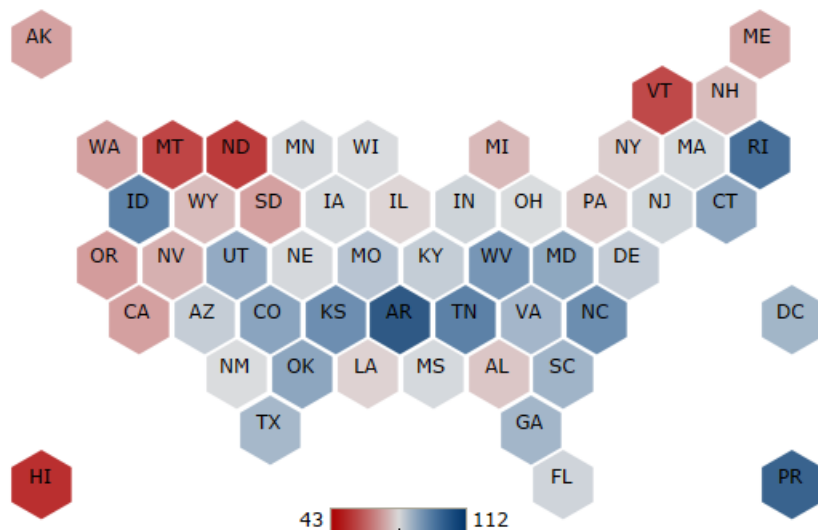


# International Inbound Travel

May, 2023

## Overseas Arrivals to U.S. by State (+PR)

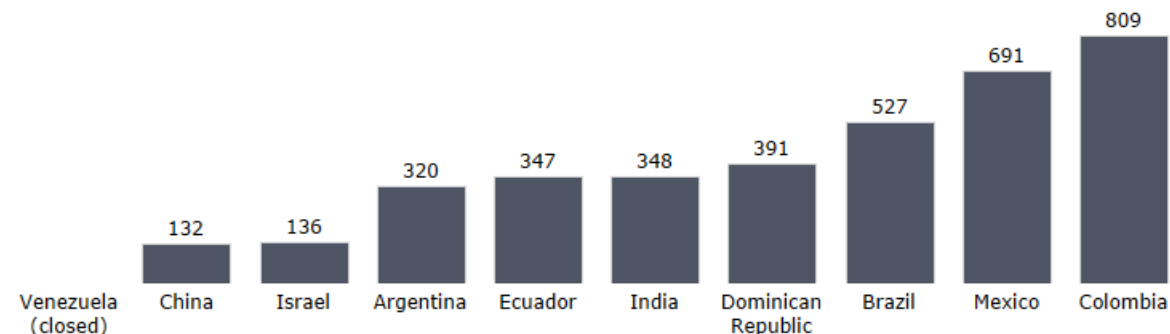
Visitor arrivals for May, 2023, Index (2019 = 100)



## Visa Interview Wait Times, Average Days

As of June 23, 2023

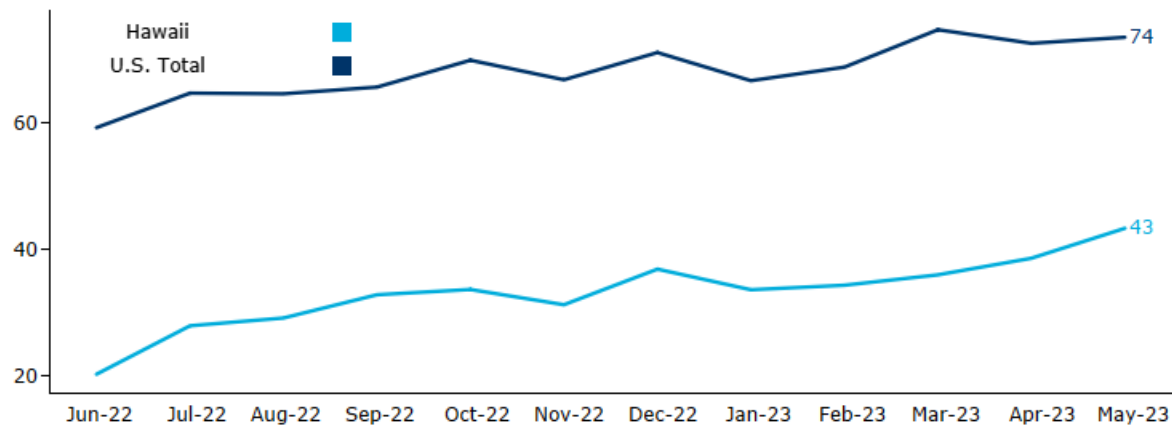
As of Date  
June 23, 2023



Top 10 inbound markets for tourist visa required countries. Weighted average by 2019 consulate visa issuance. Source: USTA

## Overseas Arrivals to U.S. Total & Hawaii

Visitor arrivals to U.S. Total & Hawaii, (Index 2019 = 100)



## International Arrivals to U.S. Total

Visitor arrivals to U.S. Total, (Index 2019 = 100)

Destination U.S. Total  
Origin Multiple values

	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23
Total Overseas	57	59	65	65	66	70	67	71	67	69	75	73	74
Brazil	58	58	65	65	69	73	68	69	60	63	61	72	71
Canada	74	66	71	74	83	97	98	89	115	111	104	104	
Canada (air)	79	74	81	99	109	115	115	114	137	126	129	125	
France	73	74	78	74	73	81	81	86	80	85	75	88	82
Germany	70	77	81	89	76	79	76	79	79	80	91	82	91
India	74	82	90	114	98	92	85	100	111	111	106	109	99
Mexico	70	75	71	79	78	71	70	63	80	73	71		
Mexico (air)	88	86	82	100	102	99	94	92	100	103	111	99	100
UK	74	70	79	80	77	82	80	86	80	81	89	73	77
China	8	10	11	20	16	19	24	27	19	20	35	35	34
Colombia	99	105	112	101	103	100	88	92	89	83	97	74	86
Dominican Republic	92	78	81	93	83	83	81	94	99	99	135	95	99

8 137

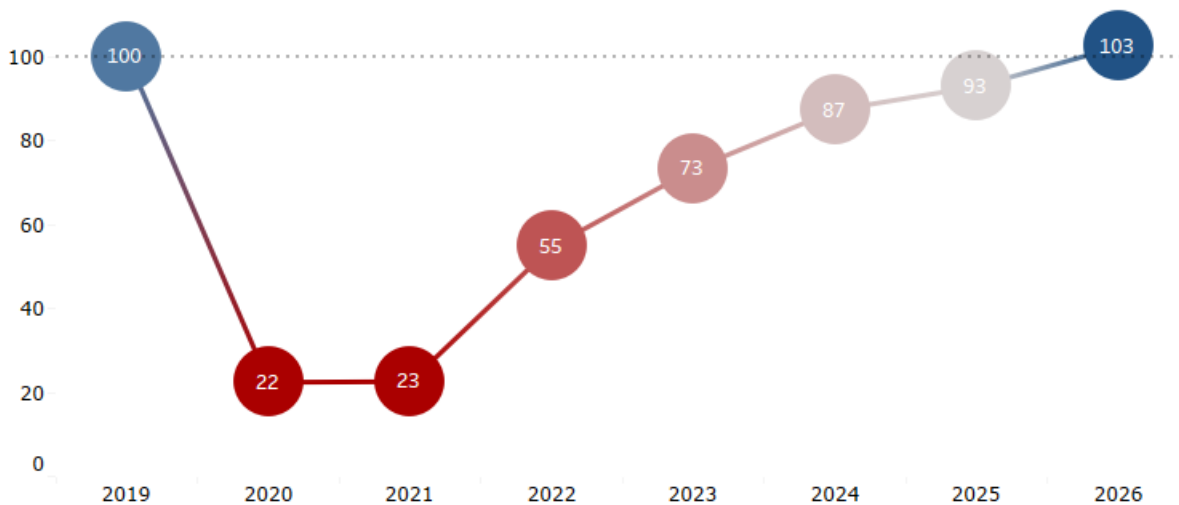
# International Visitor Forecast

Forecasted in June, 2023

## Total International Spending (real) in the U.S.

Forecasted recovery, relative to 2019 (index, 2019=100)

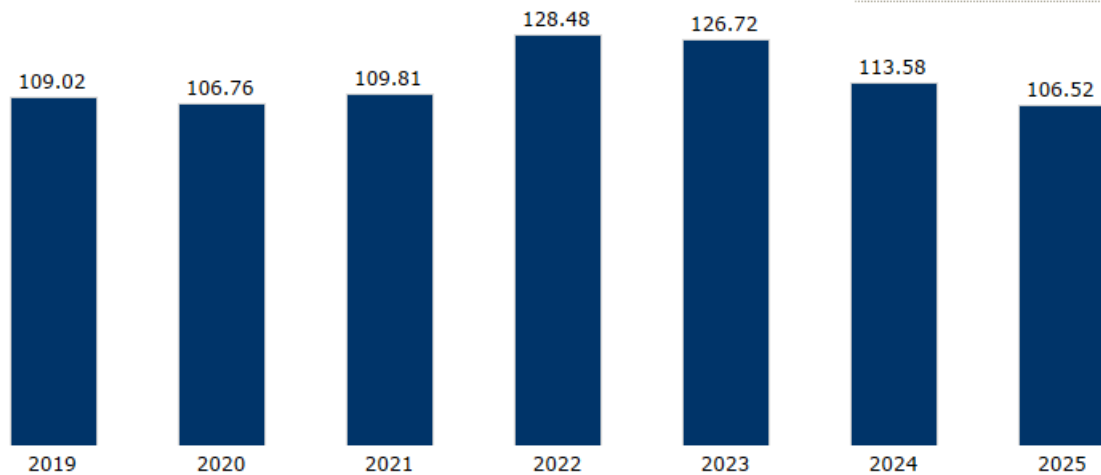
Indicator  
Spending (real)



## Exchange Rates

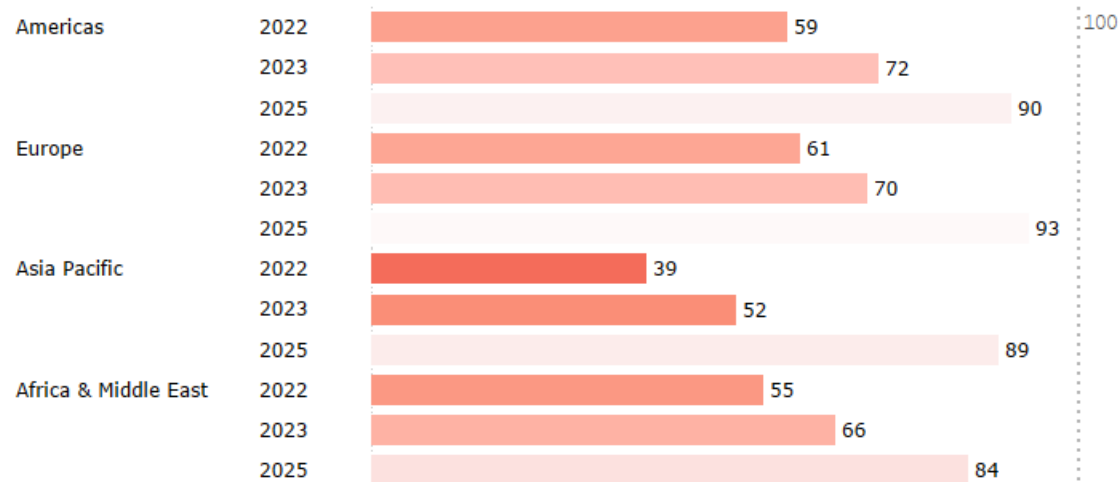
Forecasted exchange rate by year, Yen per US\$

Currency  
Yen per US\$



## International Spending (real) in the U.S. by World Region

Forecasted recovery for top-regions, relative to 2019 (index, 2019=100)



## International Spending (real) in the U.S.

Forecasted recovery for top-10 origin markets, relative to 2019 (index, 2019=100)

	2021	2022	2023	2024	2025
Canada	11	59	81	90	97
Mexico	52	55	70	80	89
United Kingdom	10	63	71	86	96
China	2	30	36	75	92
Japan	3	13	30	54	73
Brazil	10	51	61	74	84
Germany	11	59	66	79	92
Australia	3	42	60	74	88
France	12	62	73	84	92

## Insights

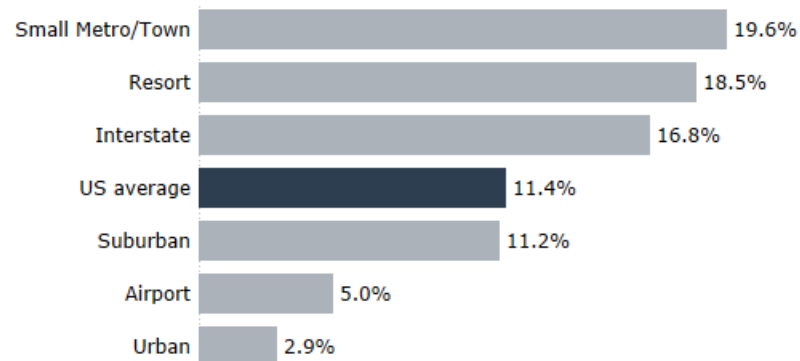
The updated forecast released in May by Tourism Economics and STR anticipates lodging demand growth will slow this year but remain positive on a year-over-year basis despite the mild recession as group events and international travelers return, and households continue to prioritize leisure travel.

US hotel demand is expected to recover to 0.4% below 2019 levels on an annual basis in 2023. Hotel average daily rate (ADR) is expected to recover to 17.4% ahead of 2019 levels in 2023. Real ADR, which is adjusted for inflation, is expected to average 2.0% below 2019 levels during 2023.

Overall, hotel RevPAR is expected to improve 5.0% in 2023, representing an upgrade from the prior forecast in January that anticipated 3.7% growth.

## U.S. Actual RevPAR Growth by Location

May 2023, % change relative to 2019



Source: STR

## U.S. Hotel Forecast Summary

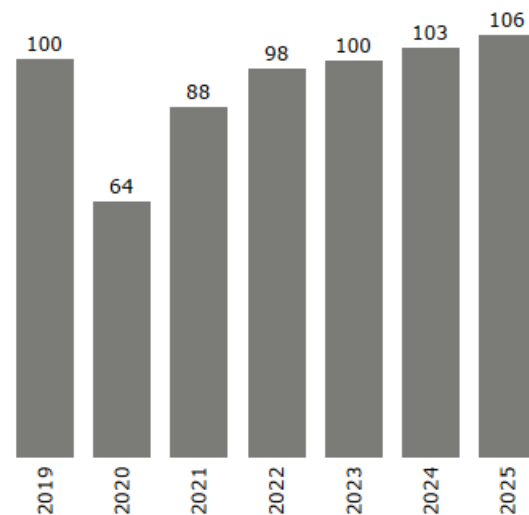
YOY % change, Forecast released May 2023

	2020	2021	2022	2023	2024	2025
Supply	-4.0%	4.9%	1.8%	0.6%	1.5%	1.8%
Occupancy	-33.4%	-12.7%	-4.9%	-3.6%	-2.1%	-0.8%
Demand	-36.0%	37.6%	10.9%	2.1%	3.0%	3.2%
ADR	-21.6%	20.7%	19.9%	3.5%	3.1%	3.3%
RevPAR	-47.8%	58.2%	30.6%	5.0%	4.6%	4.7%
RevPAR relative to 2019	-47.8%	-17.4%	7.9%	13.3%	18.5%	24.1%

Note: RevPAR reflects standard methodology  
Source: STR; Tourism Economics

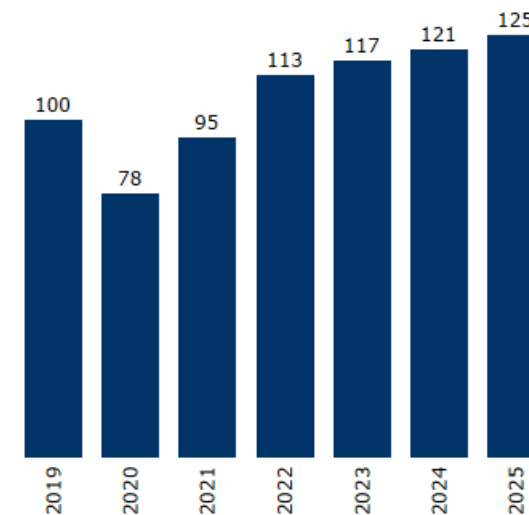
## Occupancy Index

Index (2019 = 100)



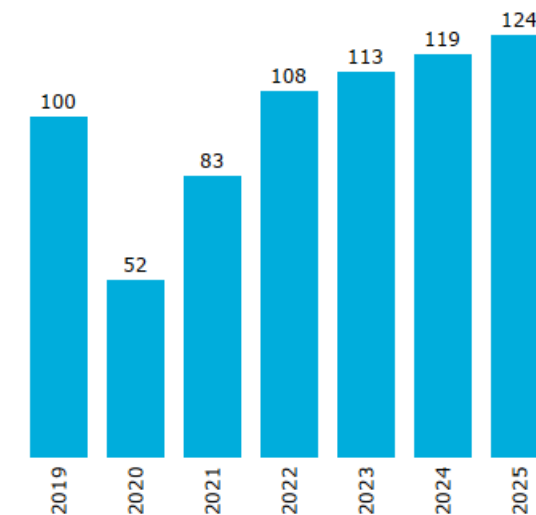
## ADR Index

Index (2019 = 100)



## RevPAR Index

Index (2019 = 100)



Note: RevPAR reflects standard methodology  
Source: STR; Tourism Economics

# STR Q1 2023 HOTEL PERFORMANCE FORECAST

# State of Hawai'i STR Hotel Performance Forecast

	Occupancy			ADR			RevPAR		
Year	%	Pct Point Change		\$	% Change		\$	% Change	
2019	80.4%	0.8%	▲	\$ 282.85	2.0%	▲	\$ 227.38	3.0%	▲
2020	36.6%	-43.8%	▼	\$ 269.10	-4.9%	▼	\$ 98.52	-56.7%	▼
2021	57.4%	20.8%	▲	\$ 324.22	20.5%	▲	\$ 186.11	88.9%	▲
2022	73.5%	16.1%	▲	\$ 371.28	14.5%	▲	\$ 273.04	46.7%	▲
2023F	75.9%	2.3%	▲	\$ 378.89	2.1%	▲	\$ 287.49	5.3%	▲

Source: STR, Inc. © Copyright 2023 Hawai'i Tourism Authority

# O'ahu STR Hotel Performance Forecast

Year	Occupancy			ADR			RevPAR		
	%	Pct Point Change		\$	% Change		\$	% Change	
2019	84.3%	-2.0%	▼	\$ 239.17	1.6%	▲	\$ 201.65	-0.7%	▼
2020	39.6%	-44.7%	▼	\$ 212.12	-11.3%	▼	\$ 84.06	-58.3%	▼
2021	55.7%	16.0%	▲	\$ 222.90	5.1%	▲	\$ 124.08	47.6%	▲
2022	75.6%	20.0%	▲	\$ 266.56	19.6%	▲	\$ 201.61	62.5%	▲
2023F	81.1%	5.4%	▲	\$ 282.31	5.9%	▲	\$ 228.88	13.5%	▲

Source: STR, Inc. © Copyright 2023 Hawai'i Tourism Authority

# Maui County STR Hotel Performance Forecast

Year	Occupancy			ADR			RevPAR		
	%	Pct Point Change		\$	% Change		\$	% Change	
2019	77.0%	2.6%	▲	\$ 398.22	3.3%	▲	\$ 306.72	6.9%	▲
2020	32.1%	-44.9%	▼	\$ 421.11	5.7%	▲	\$ 135.16	-55.9%	▼
2021	59.8%	27.7%	▲	\$ 513.66	22.0%	▲	\$ 307.39	127.4%	▲
2022	67.4%	7.6%	▲	\$ 603.67	17.5%	▲	\$ 406.92	32.4%	▲
2023F	68.6%	1.2%	▲	\$ 617.24	2.2%	▲	\$ 423.49	4.1%	▲

Source: STR, Inc. © Copyright 2023 Hawai'i Tourism Authority



# Hawai'i Island STR Hotel Performance Forecast

Year	Occupancy			ADR			RevPAR		
	%	Pct Point Change		\$	% Change		\$	% Change	
2019	77.5%	2.0%	▲	\$ 256.35	3.0%	▲	\$ 198.69	5.7%	▲
2020	39.5%	-38.1%	▼	\$ 246.83	-3.7%	▼	\$ 97.39	-51.0%	▼
2021	60.5%	21.1%	▲	\$ 345.42	39.9%	▲	\$ 209.02	114.6%	▲
2022	74.9%	14.4%	▲	\$ 400.10	15.8%	▲	\$ 299.71	43.4%	▲
2023F	76.6%	1.7%	▲	\$ 416.75	4.2%	▲	\$ 319.40	6.6%	▲

Source: STR, Inc. © Copyright 2023 Hawai'i Tourism Authority

# Kaua'i STR Hotel Performance Forecast

Year	Occupancy			ADR			RevPAR		
	%	Pct. Point Change		\$	% Change		\$	% Change	
2019	71.8%	-3.7%	▼	\$ 286.98	-2.0%	▼	\$ 206.16	-6.8%	▼
2020	32.3%	-39.6%	▼	\$ 265.19	-7.6%	▼	\$ 85.59	-58.5%	▼
2021	57.0%	24.7%	▲	\$ 322.08	21.5%	▲	\$ 183.49	114.4%	▲
2022	77.2%	20.2%	▲	\$ 393.56	22.2%	▲	\$ 303.77	65.6%	▲
2023F	73.3%	-3.9%	▼	\$ 422.22	7.3%	▲	\$ 309.40	1.9%	▲

Source: STR, Inc. © Copyright 2023 Hawai'i Tourism Authority

# Pacific Asia Travel Association

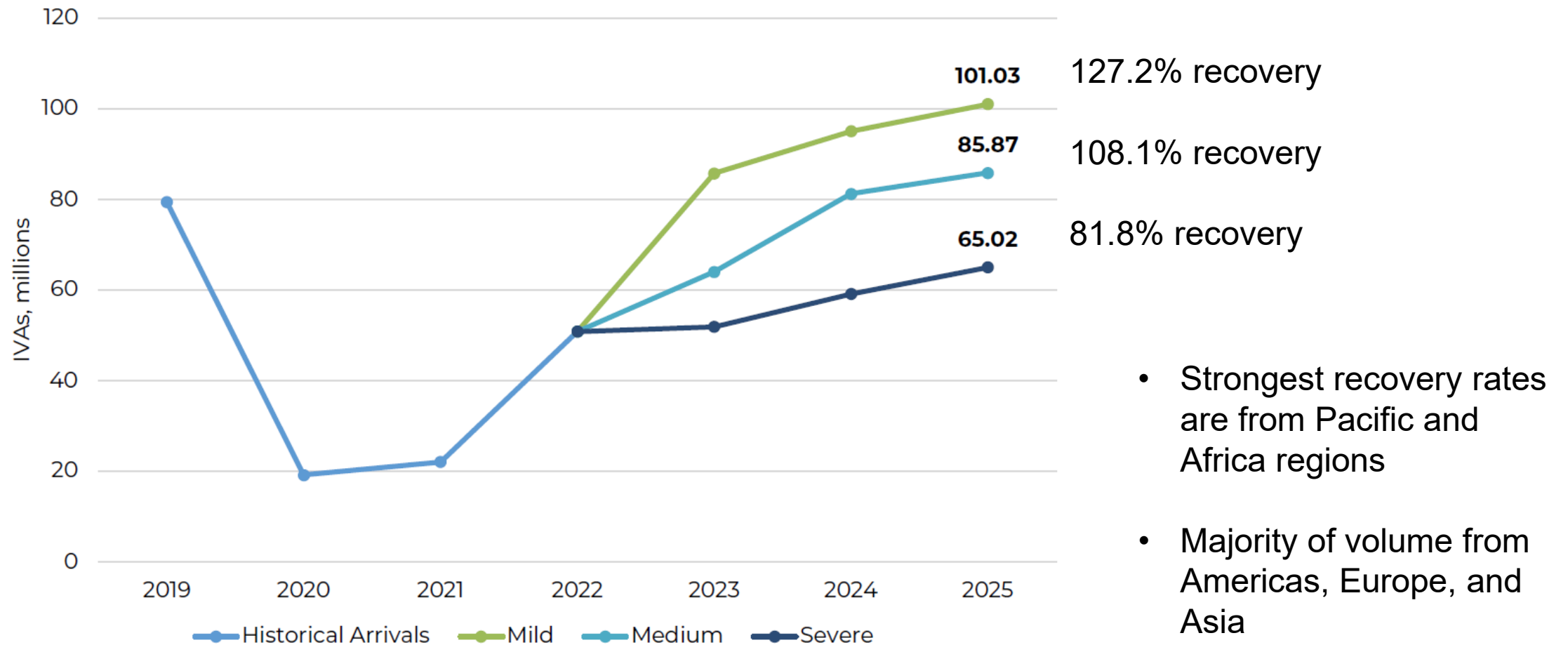
Forecasts of Asia Pacific  
International Visitor Arrivals  
2023 – 2025

## FORECASTS OF ASIA PACIFIC IVAs, 2023-2025



Notes: 1. IVAs = International visitor arrivals  
2. The data point for 2022 is under the medium scenario only. Forecasts have been rounded to one decimal place.

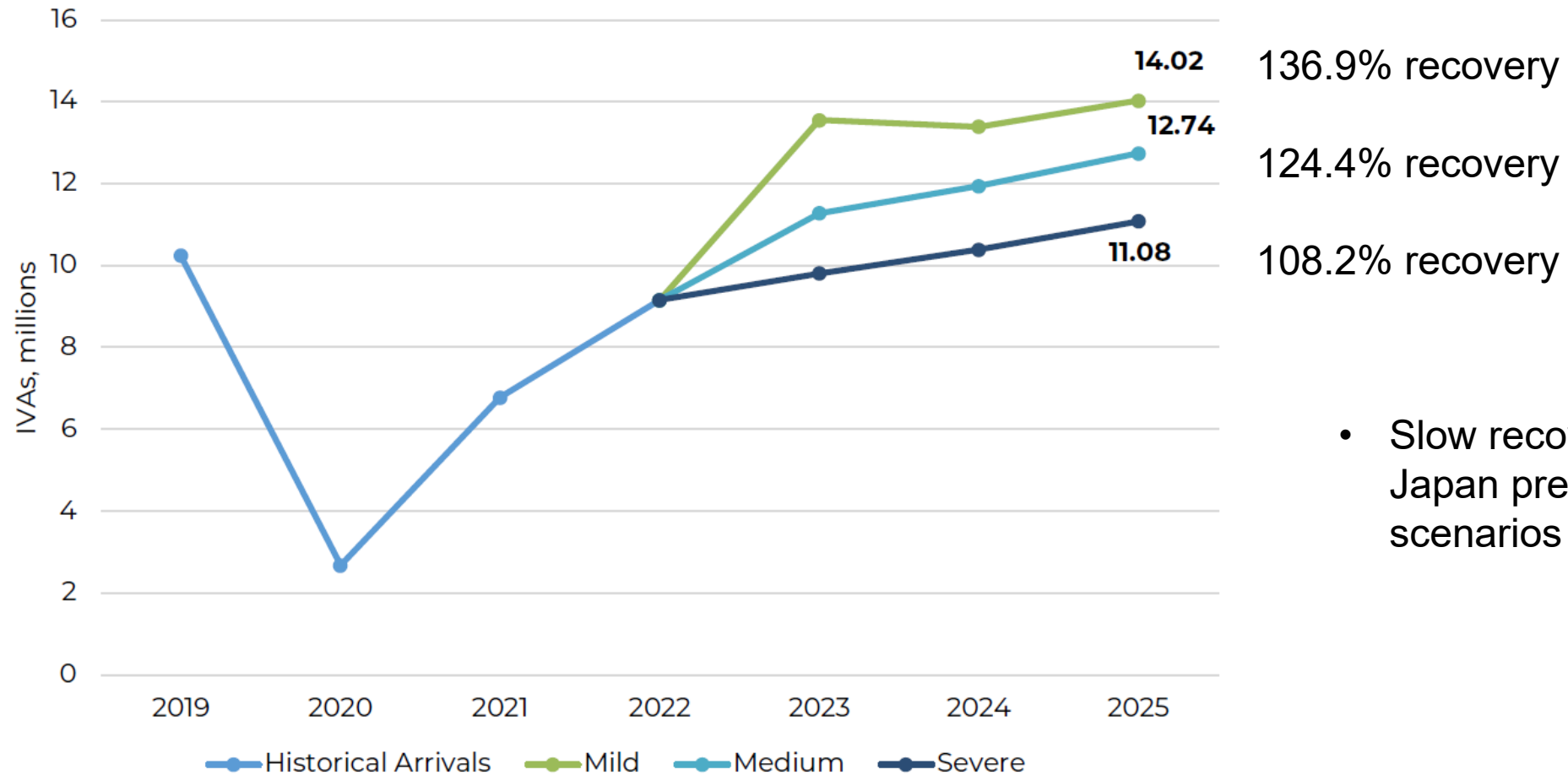
# Pacific Asia Travel Association Forecasts - USA



**Figure 2.1: USA – Visitor Arrival Forecasts 2019-2025, by Scenario**

Source: Pacific Asia Travel Association, Asia Pacific Destination Forecasts 2023-2025: USA

# Pacific Asia Travel Association Forecasts – Hawai‘i



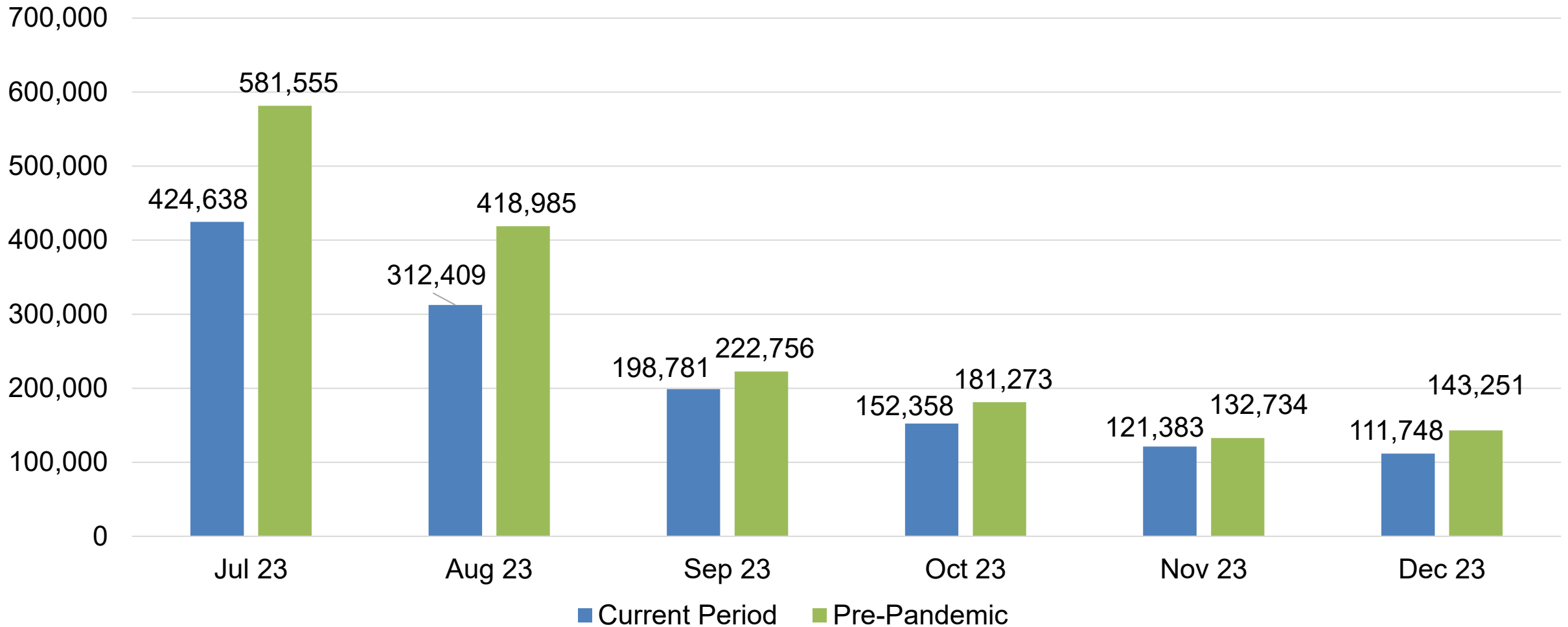
- Slow recovery from Japan predicted in all scenarios

**Figure 2.1: Hawaii – Visitor Arrival Forecasts 2019-2025, by Scenario**

Source: Pacific Asia Travel Association, Asia Pacific Destination Forecasts 2023-2025: Hawai‘i

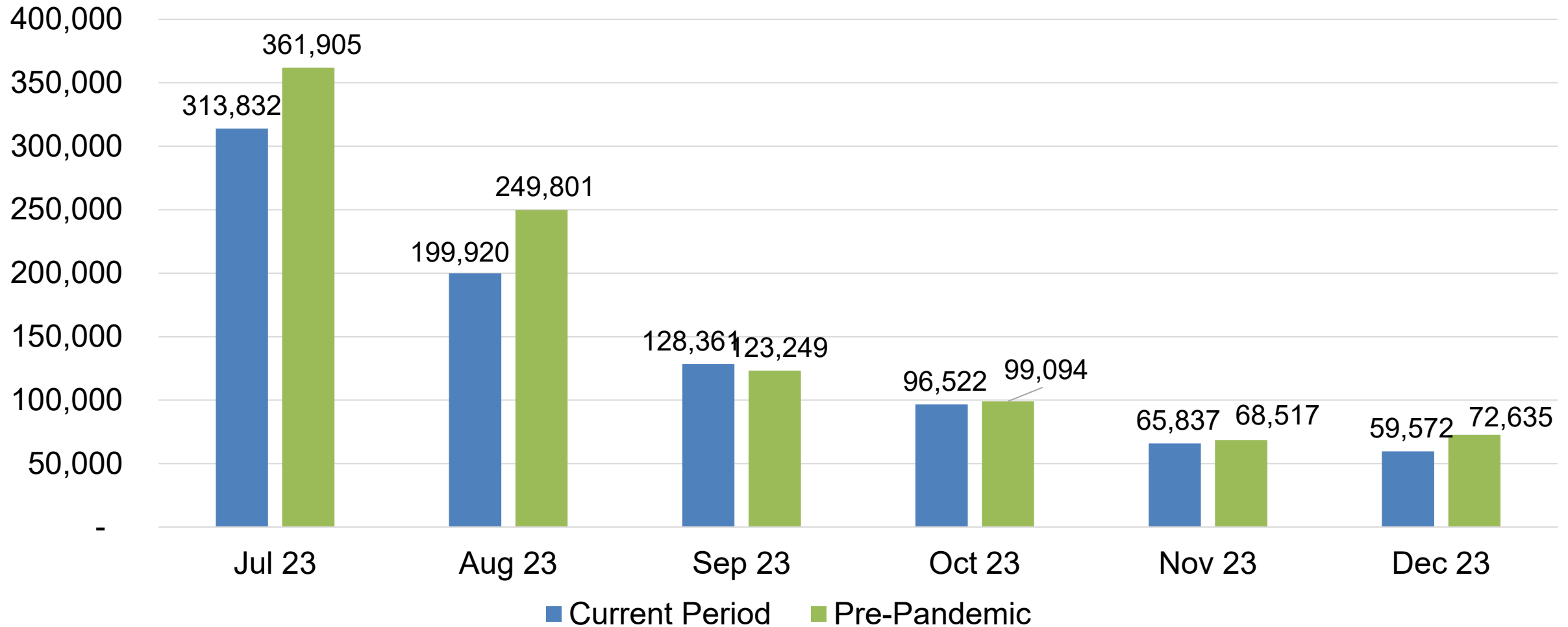
# ARC/FORWARDKEYS DESTINATION GATEWAY AIR BOOKING TRENDS

# Six Month Outlook: All Markets



Source: ARC/ForwardKeys Destination Gateway

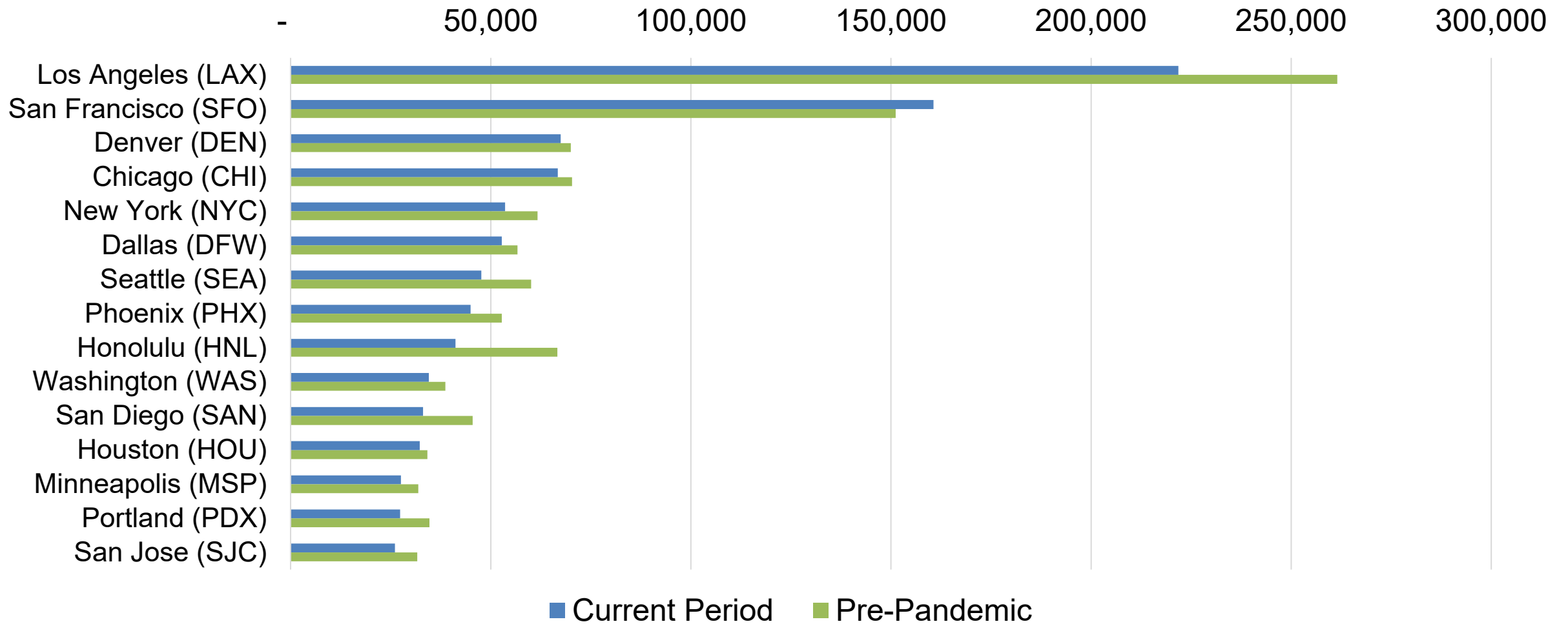
# Six Month Outlook: United States



Source: ARC/ForwardKeys Destination Gateway



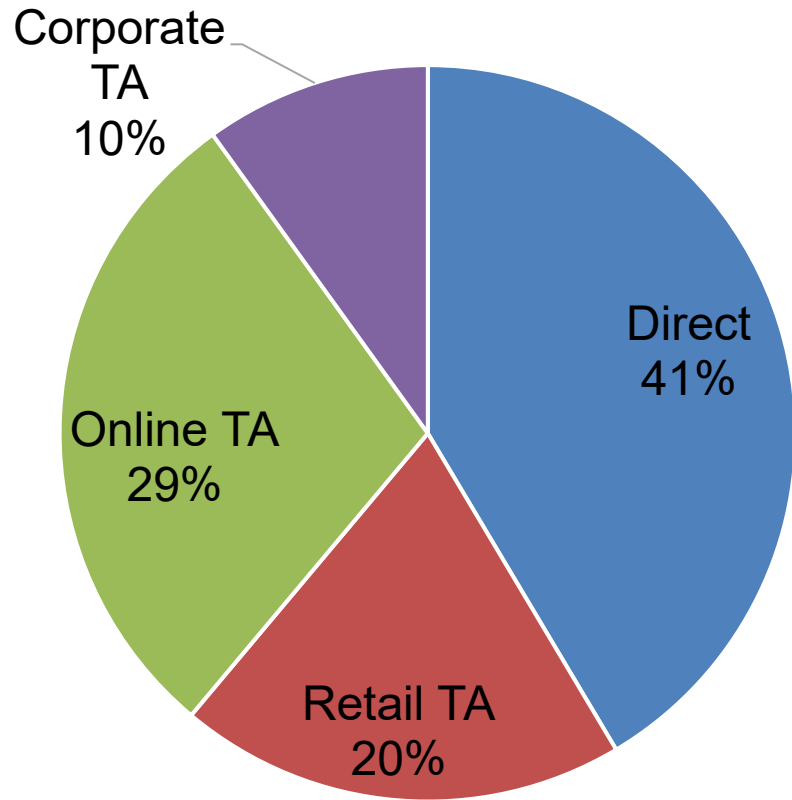
# Trip Origins: United States



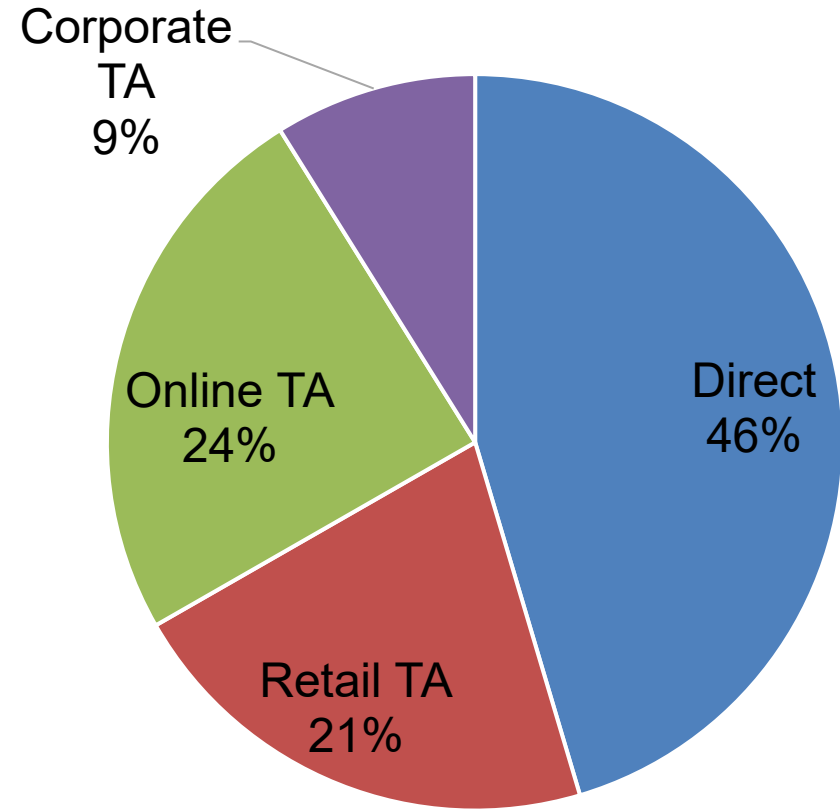
Source: ARC/ForwardKeys Destination Gateway

# Distribution Channel: United States

## Pre-Pandemic



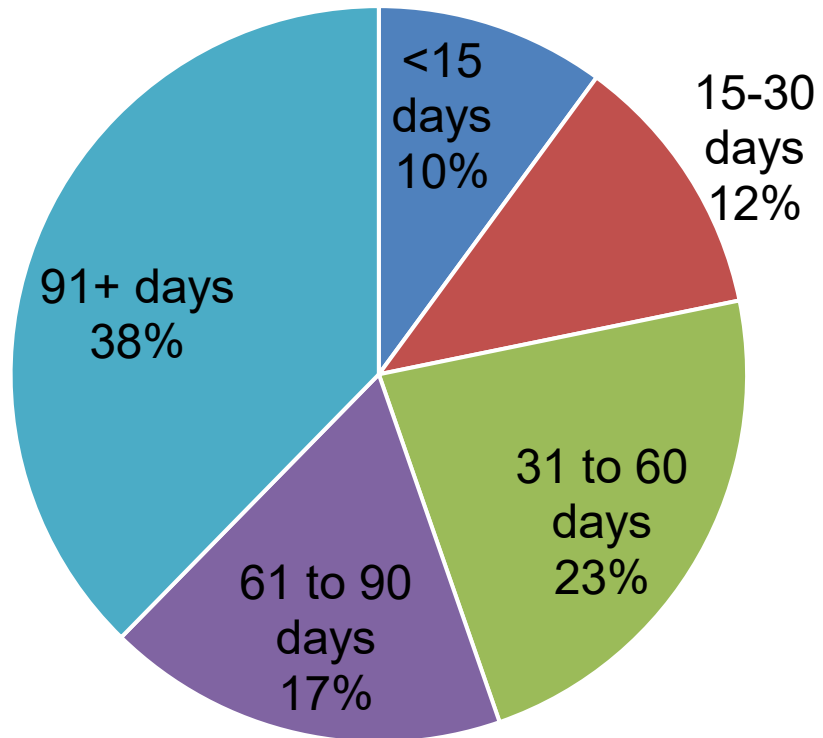
## Current Period



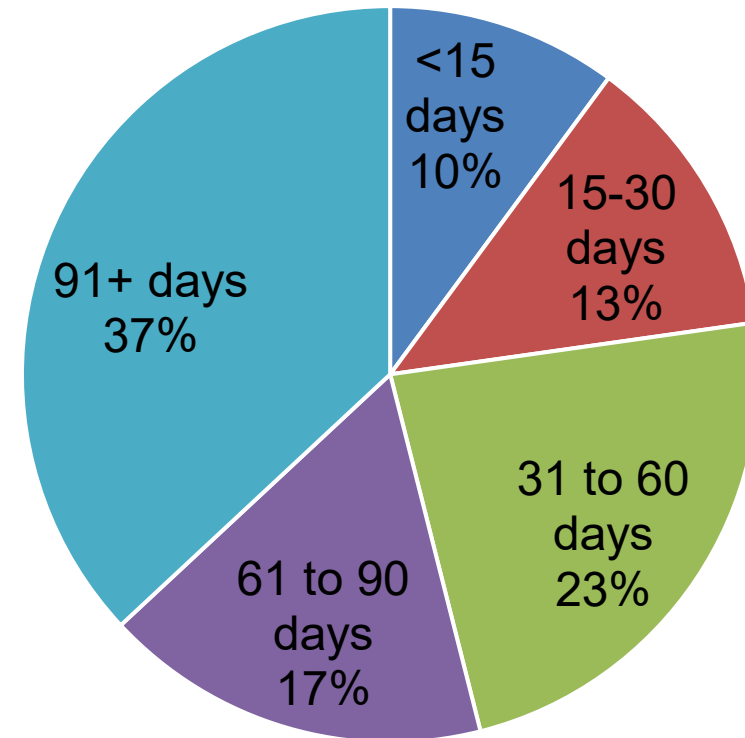
Source: ARC/ForwardKeys Destination Gateway

# Lead Time: United States

## Pre-Pandemic

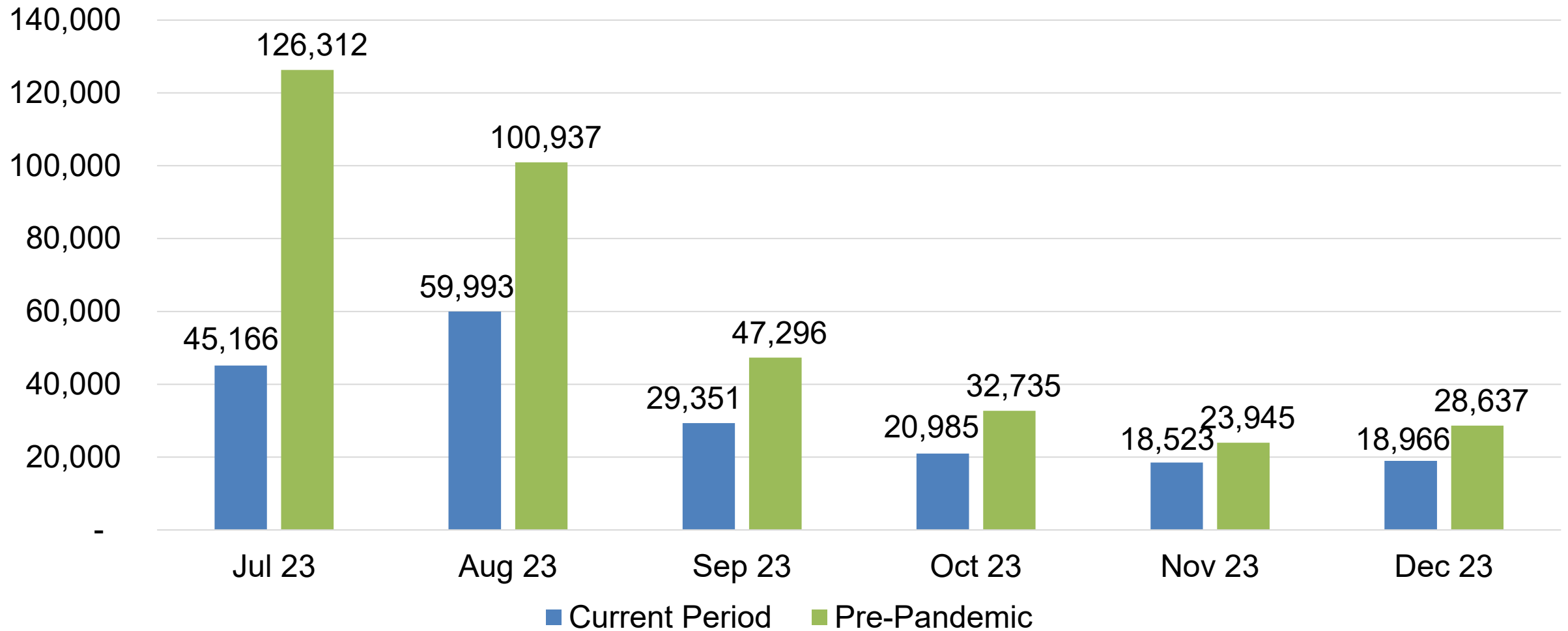


## Current Period



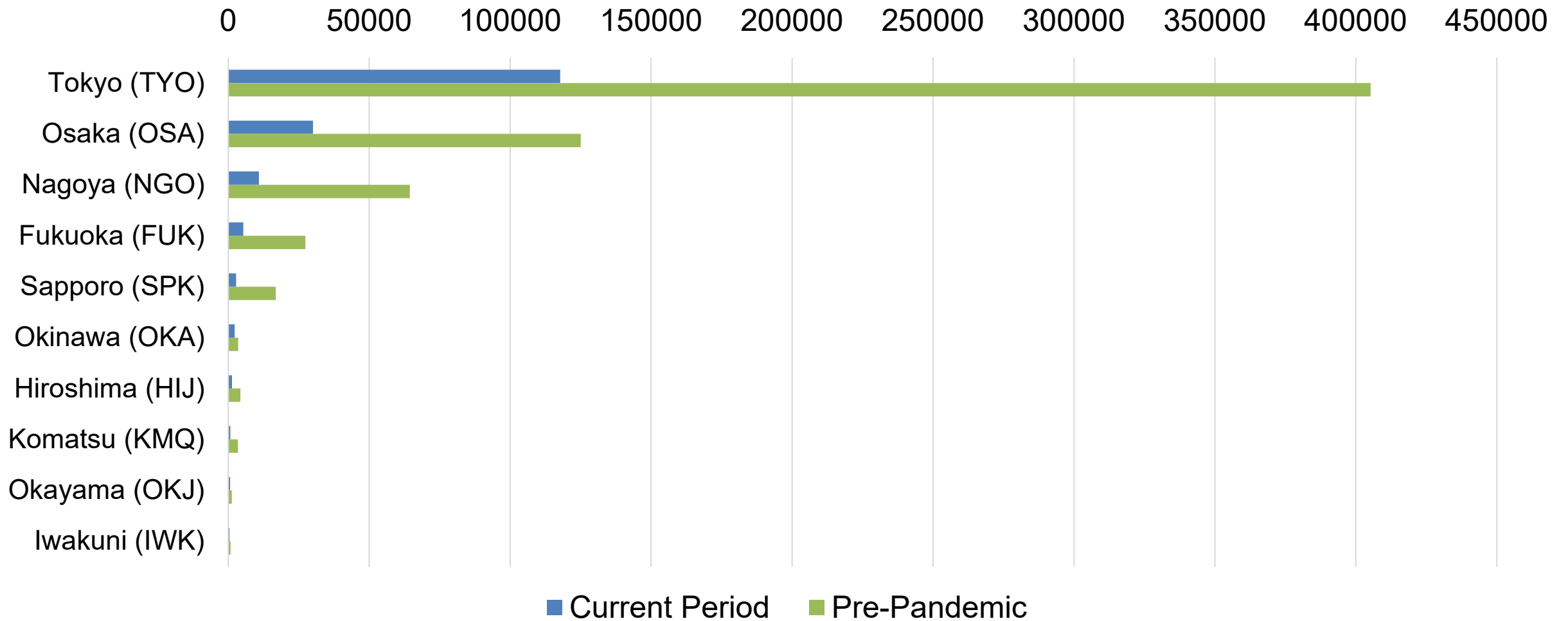
Source: ARC/ForwardKeys Destination Gateway

# Six Month Outlook: Japan



Source: ARC/ForwardKeys Destination Gateway

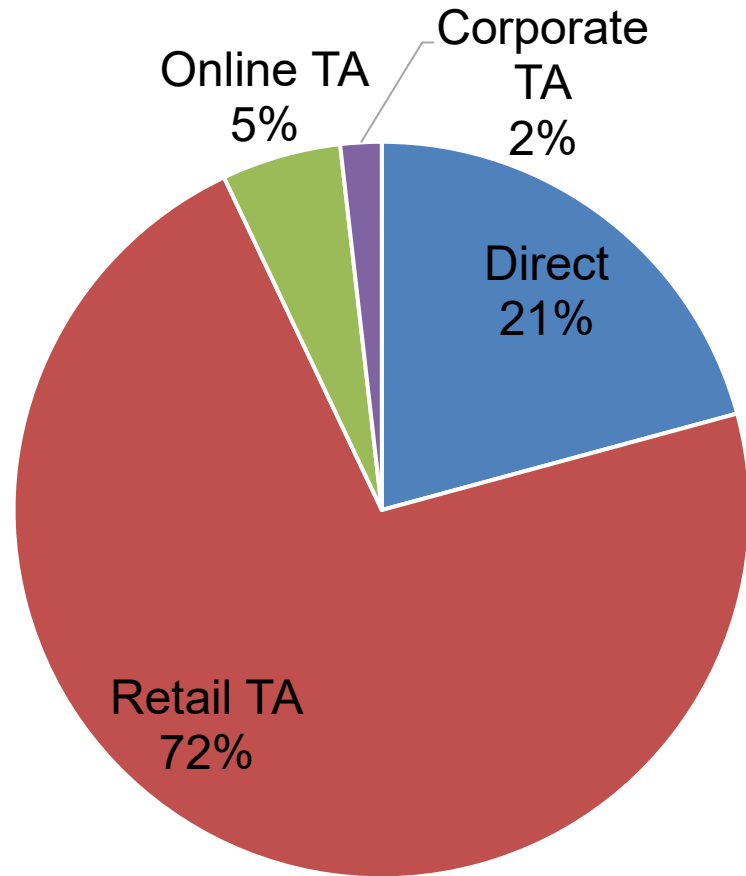
# Trip Origins: Japan



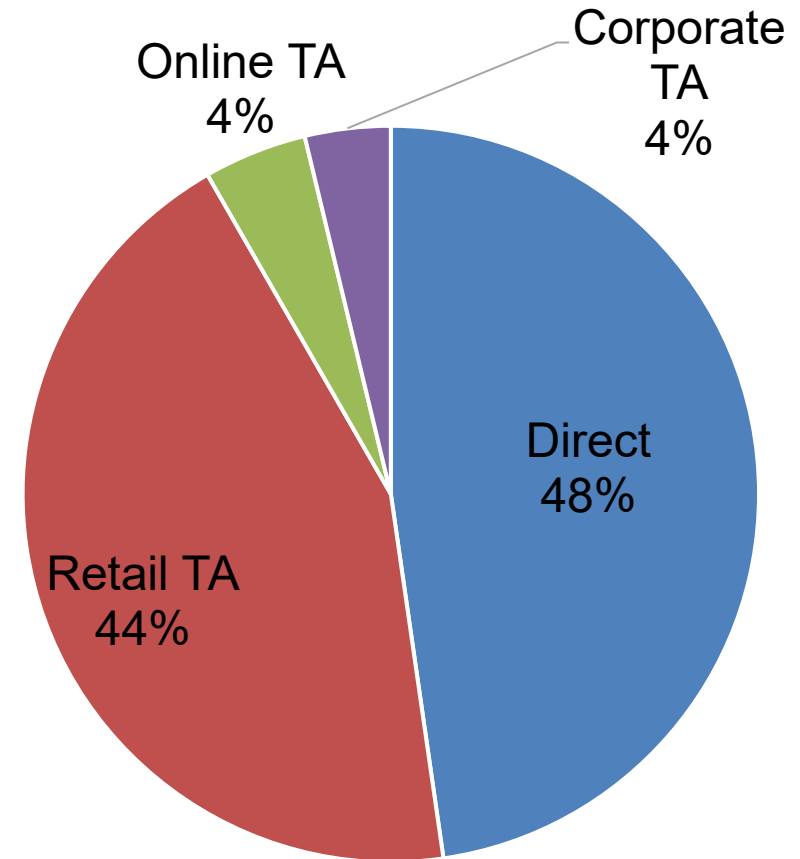
Source: ARC/ForwardKeys Destination Gateway

# Distribution Channel: Japan

## Pre-Pandemic



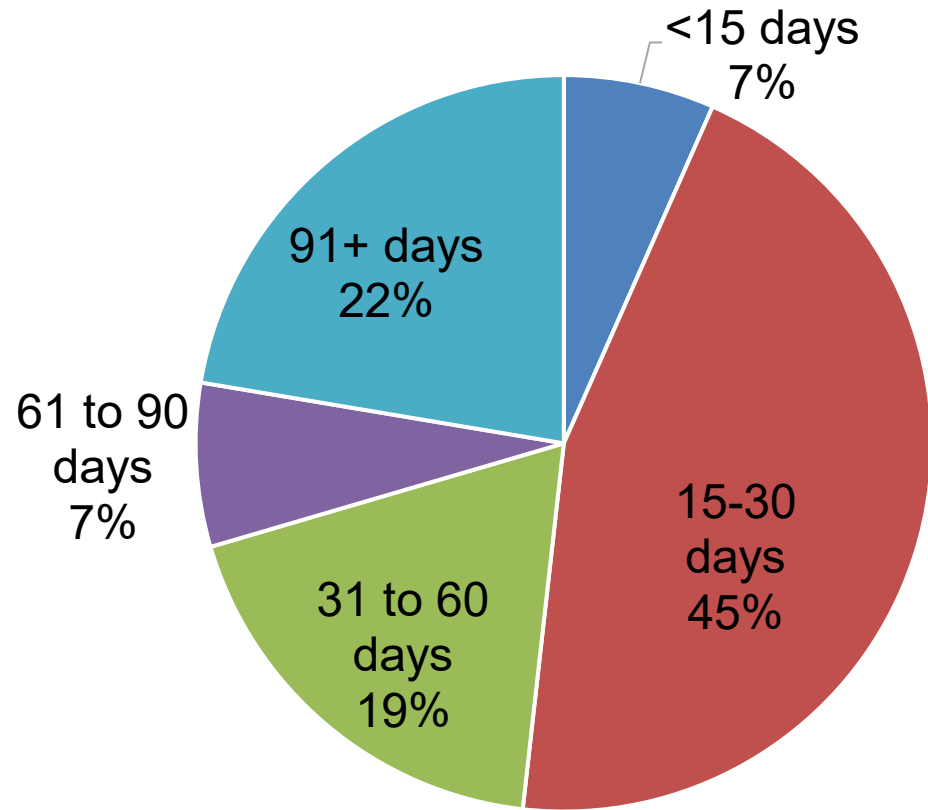
## Current Period



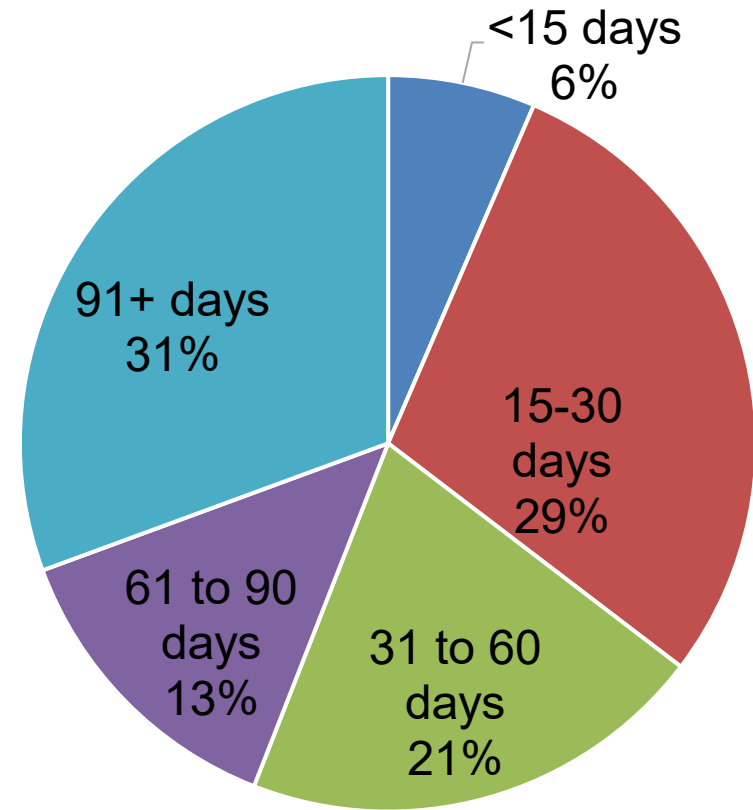
Source: ARC/ForwardKeys Destination Gateway

# Lead Time: Japan

## Pre-Pandemic

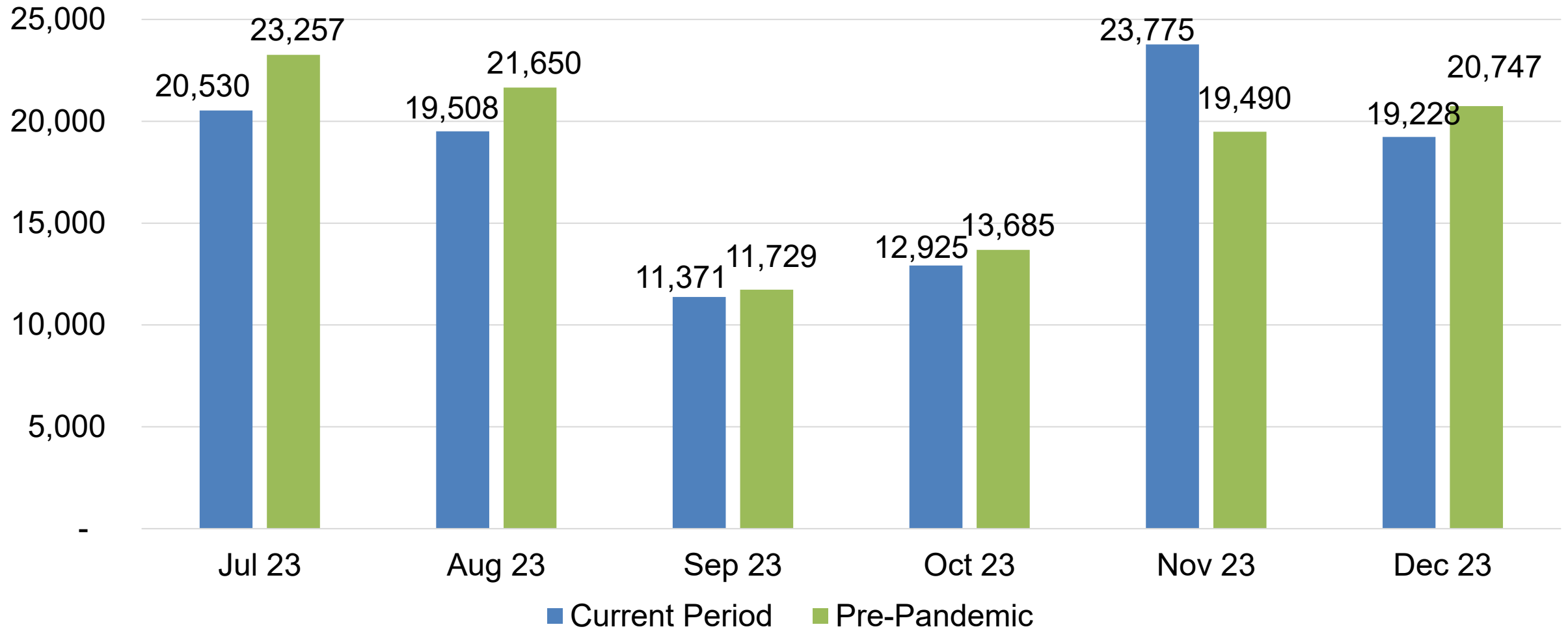


## Current Period



Source: ARC/ForwardKeys Destination Gateway

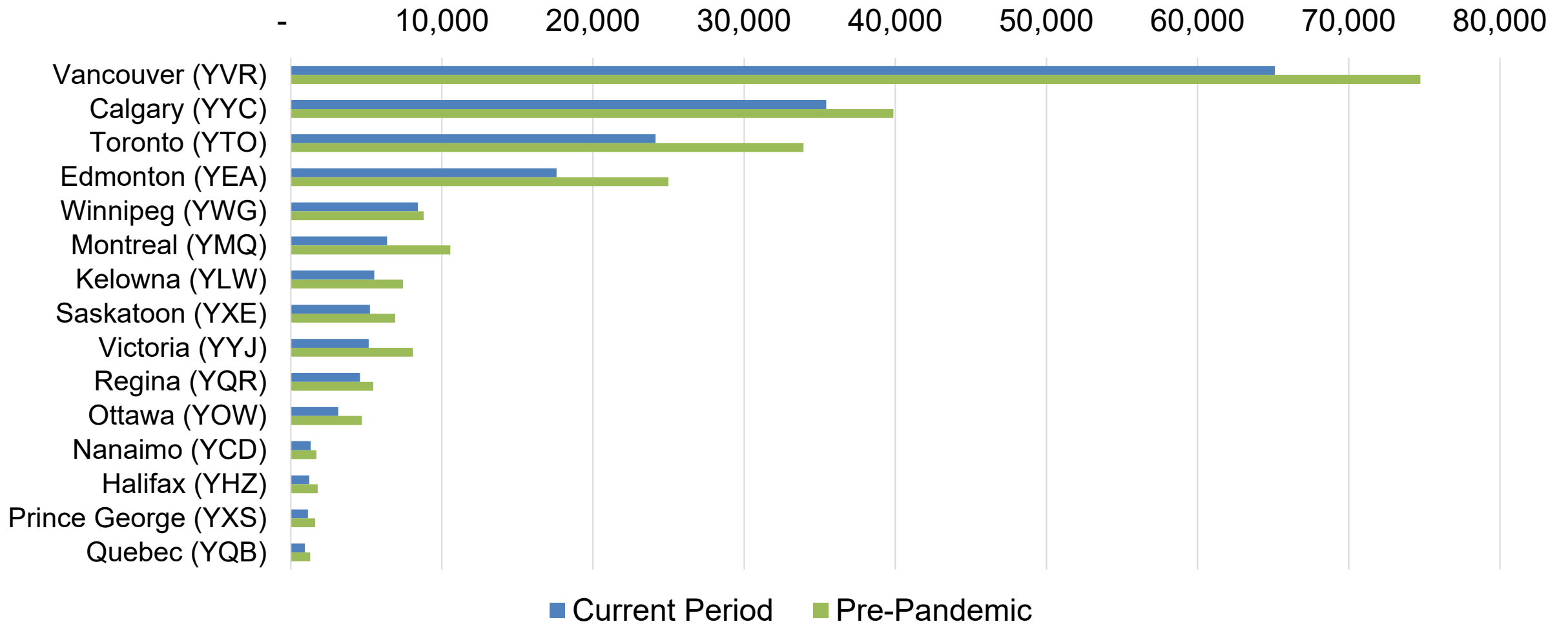
# Six Month Outlook: Canada



Source: ARC/ForwardKeys Destination Gateway



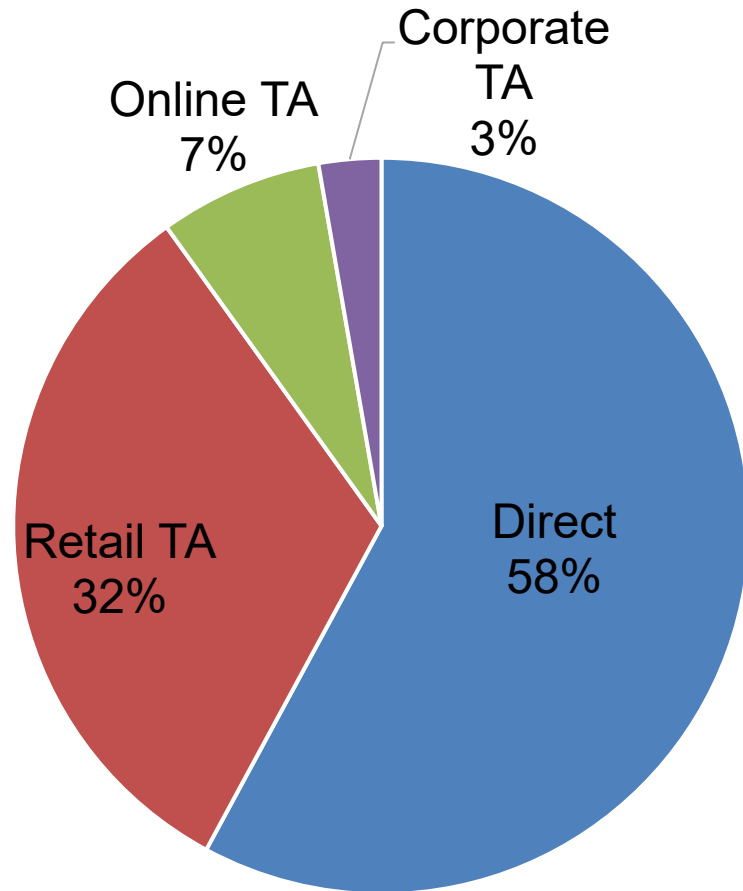
# Trip Origins: Canada



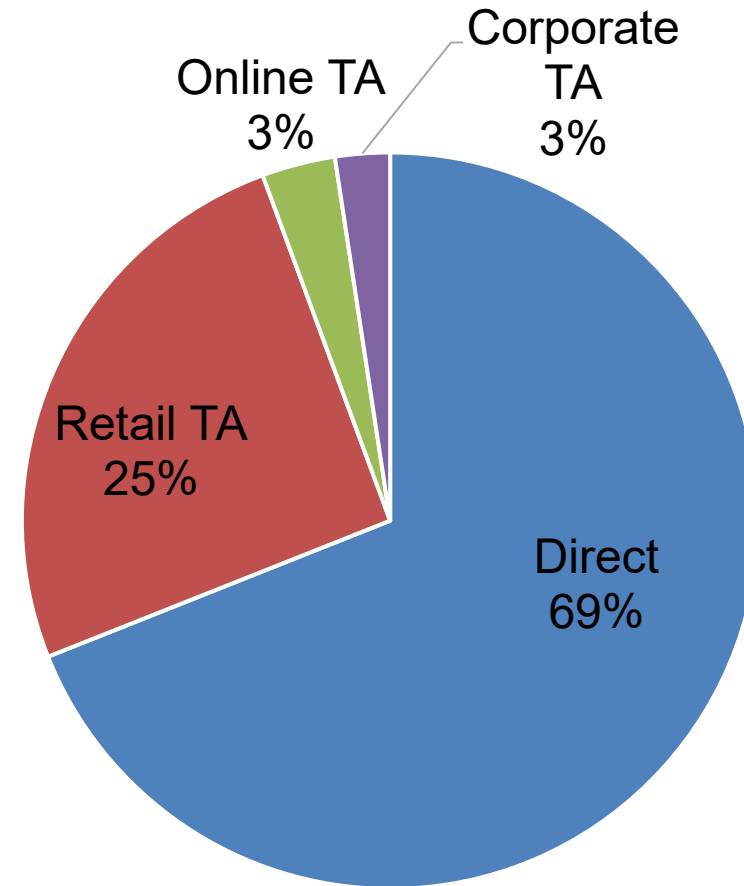
Source: ARC/ForwardKeys Destination Gateway

# Distribution Channel: Canada

## Pre-Pandemic



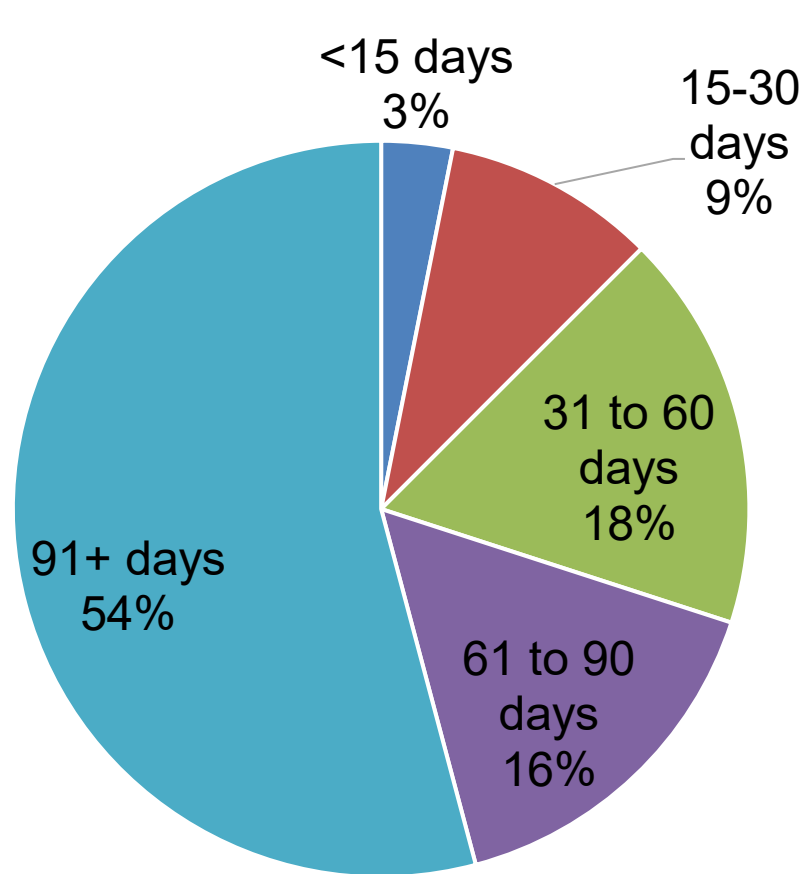
## Current Period



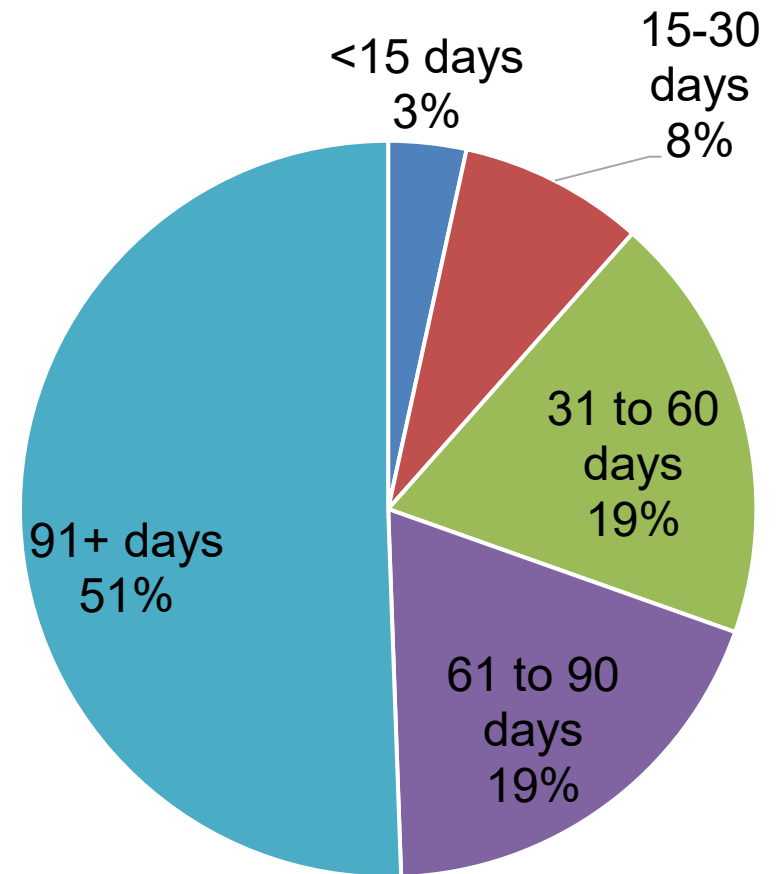
Source: ARC/ForwardKeys Destination Gateway

# Lead Time: Canada

## Pre-Pandemic

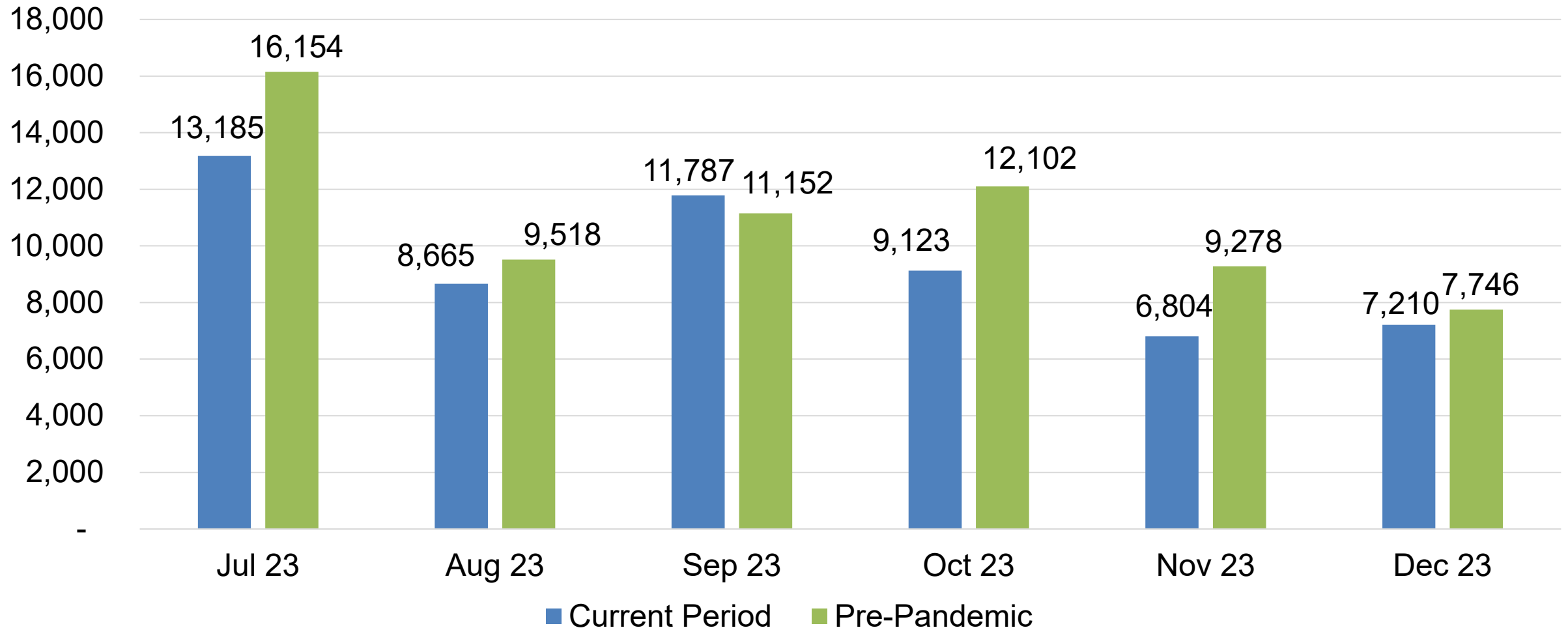


## Current Period



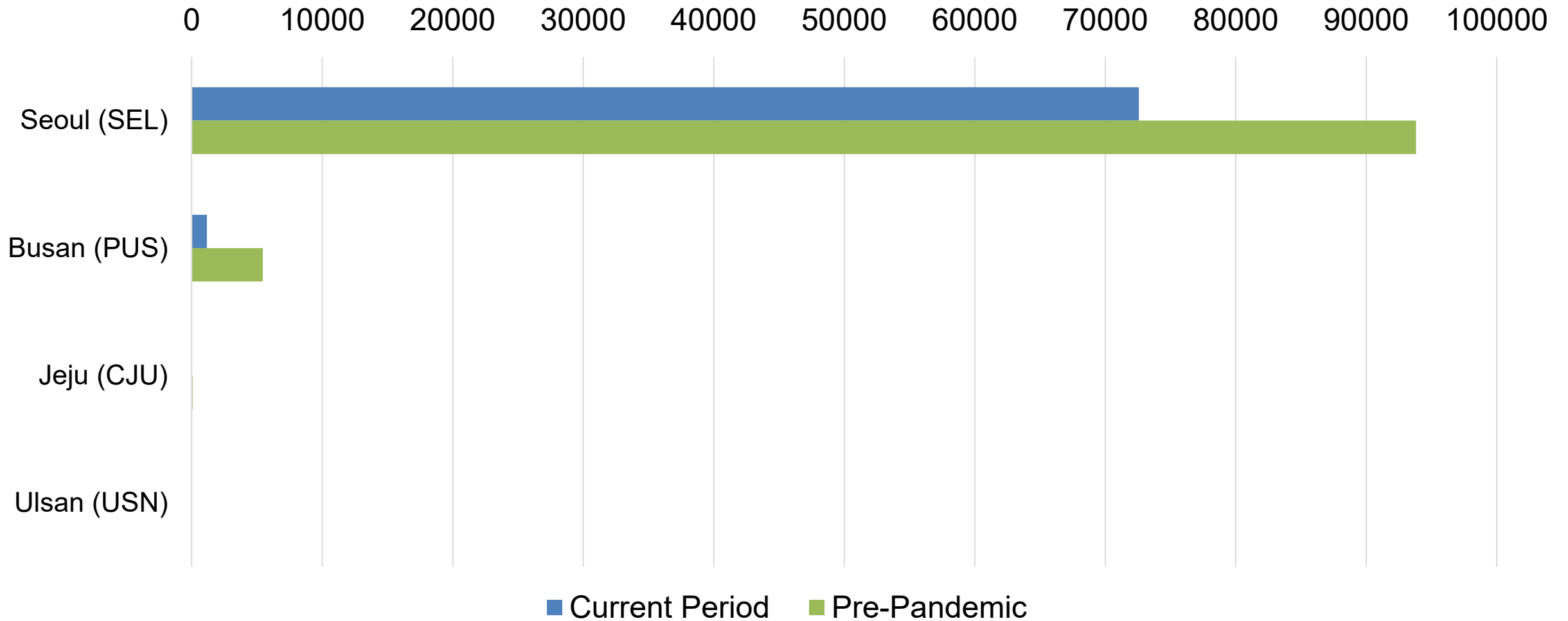
Source: ARC/ForwardKeys Destination Gateway

# Six Month Outlook: Korea



Source: ARC/ForwardKeys Destination Gateway

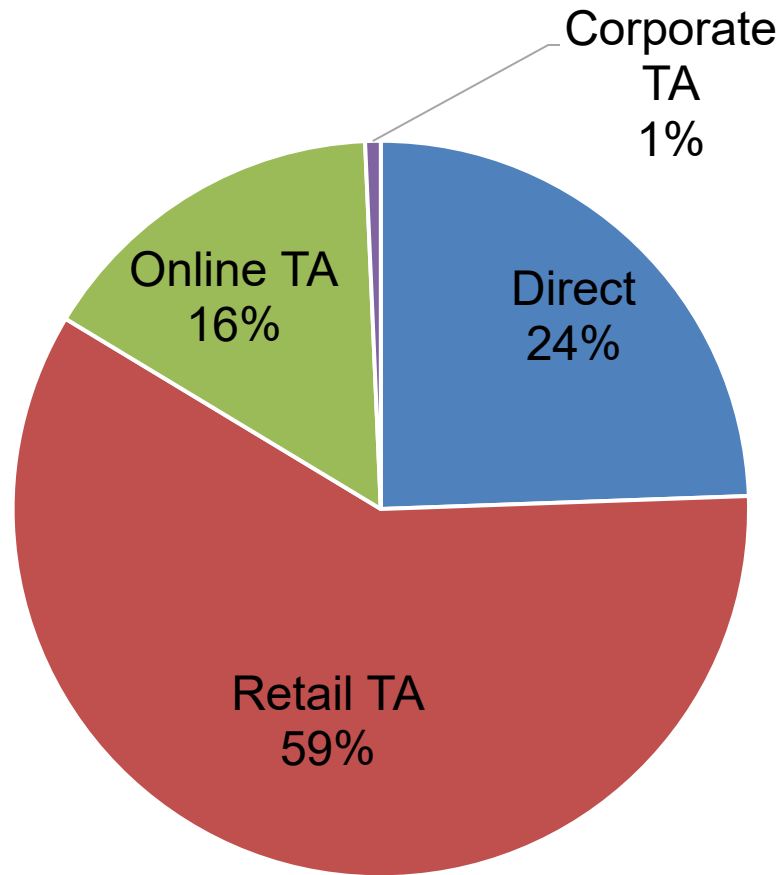
# Trip Origins: Korea



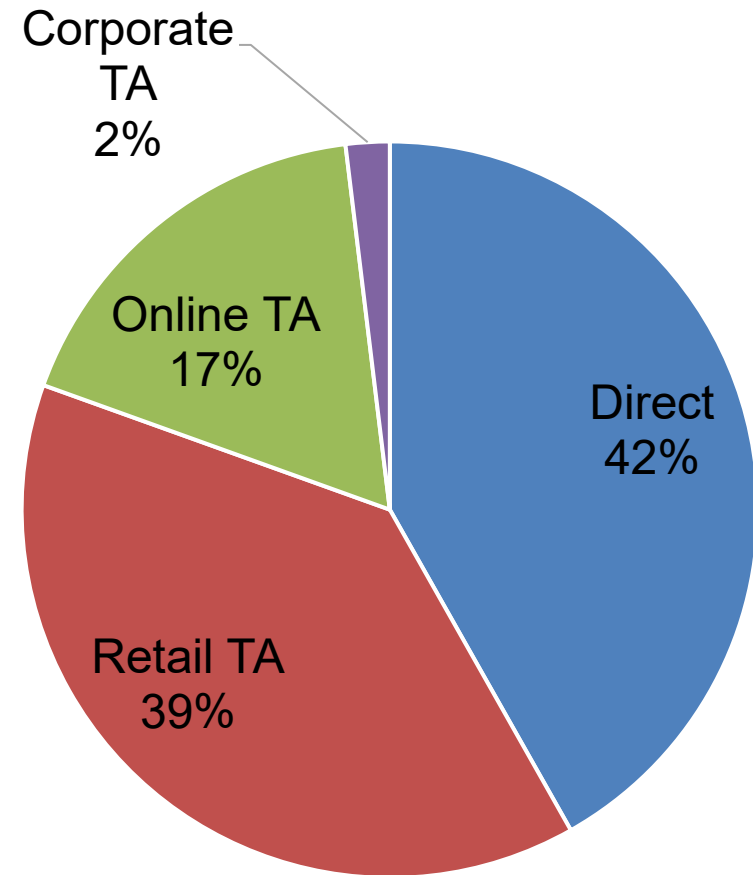
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# Distribution Channel: Korea

## Pre-Pandemic



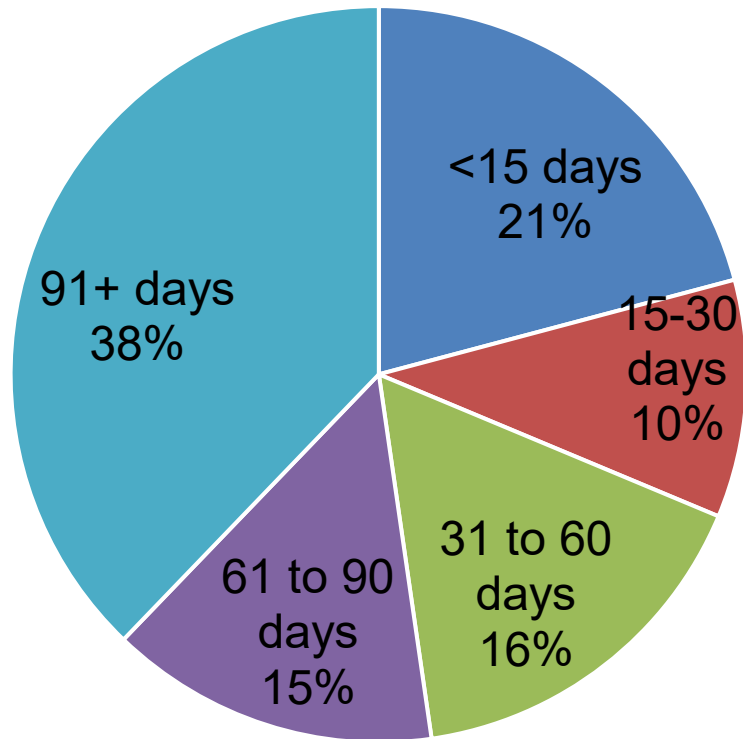
## Current Period



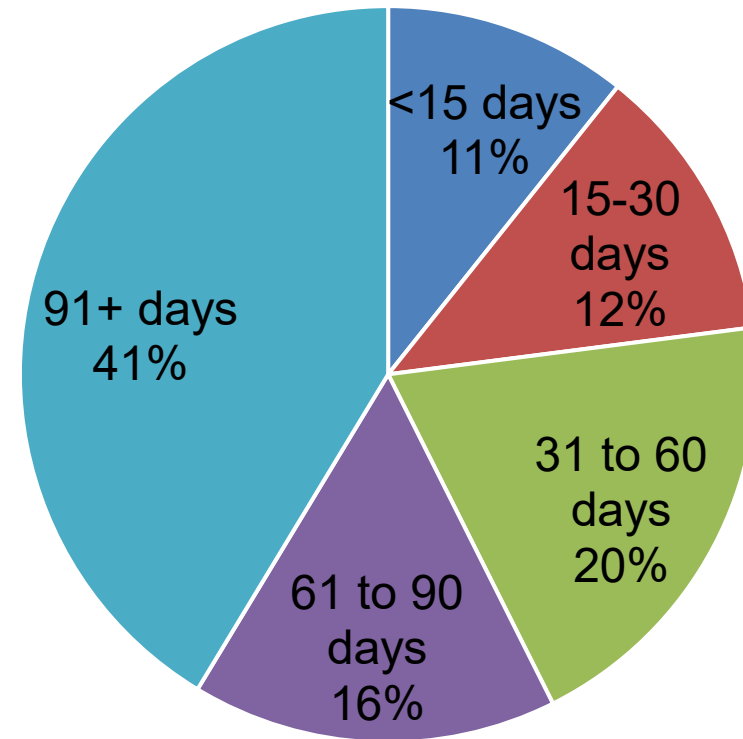
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# Lead Time: Korea

## Pre-Pandemic

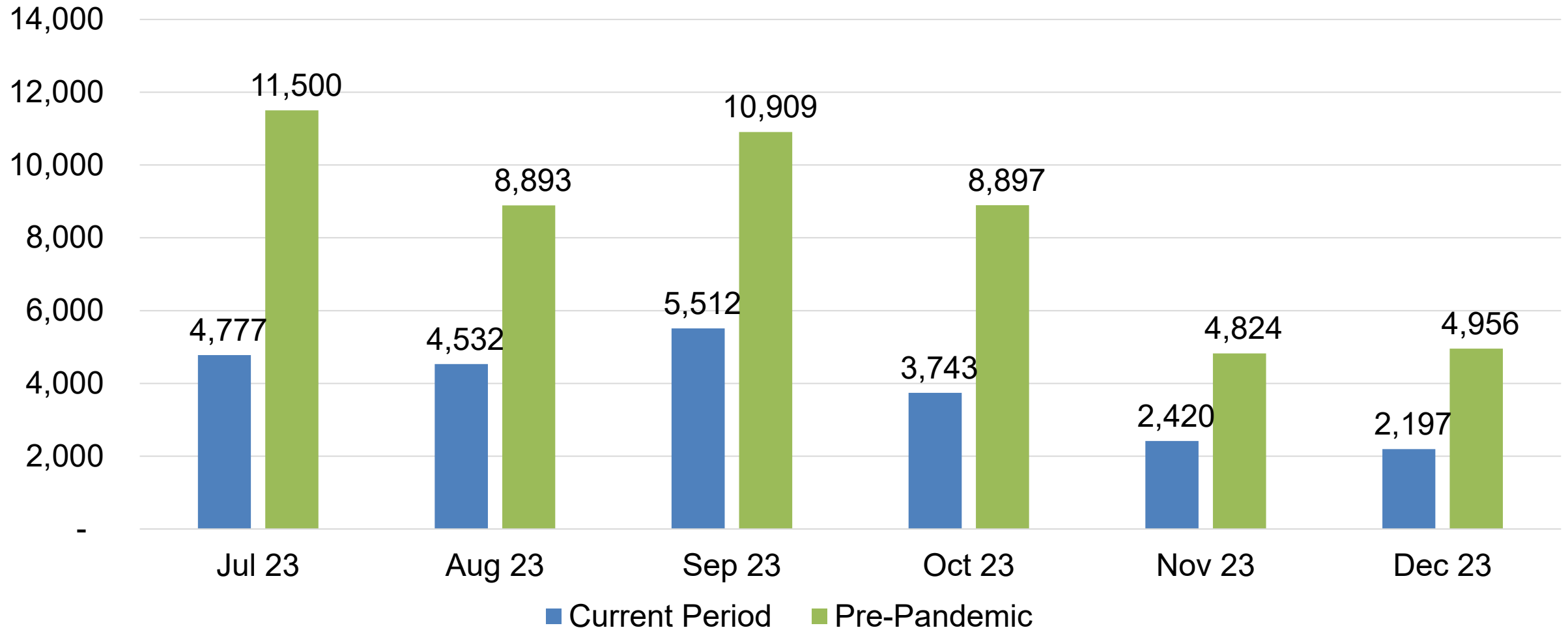


## Current Period



Source: ARC/ForwardKeys Destination Gateway

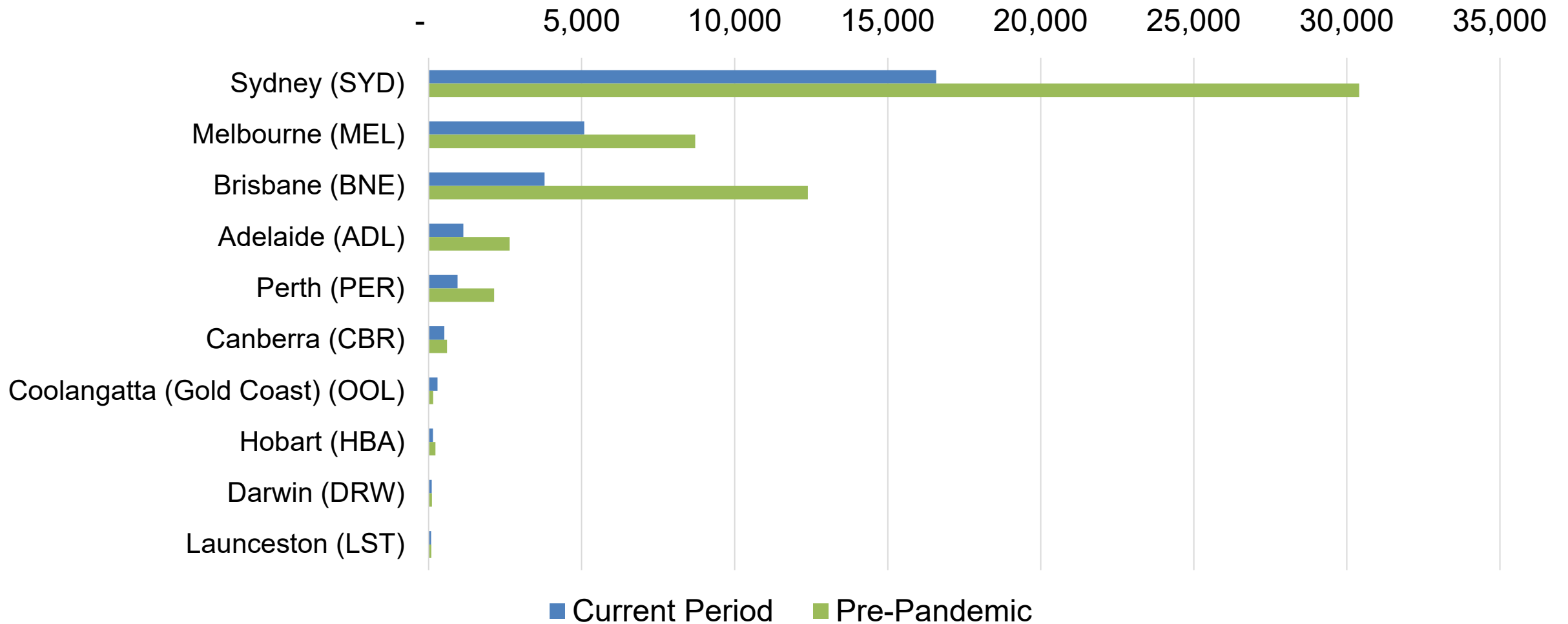
# Six Month Outlook: Australia



Source: ARC/ForwardKeys Destination Gateway



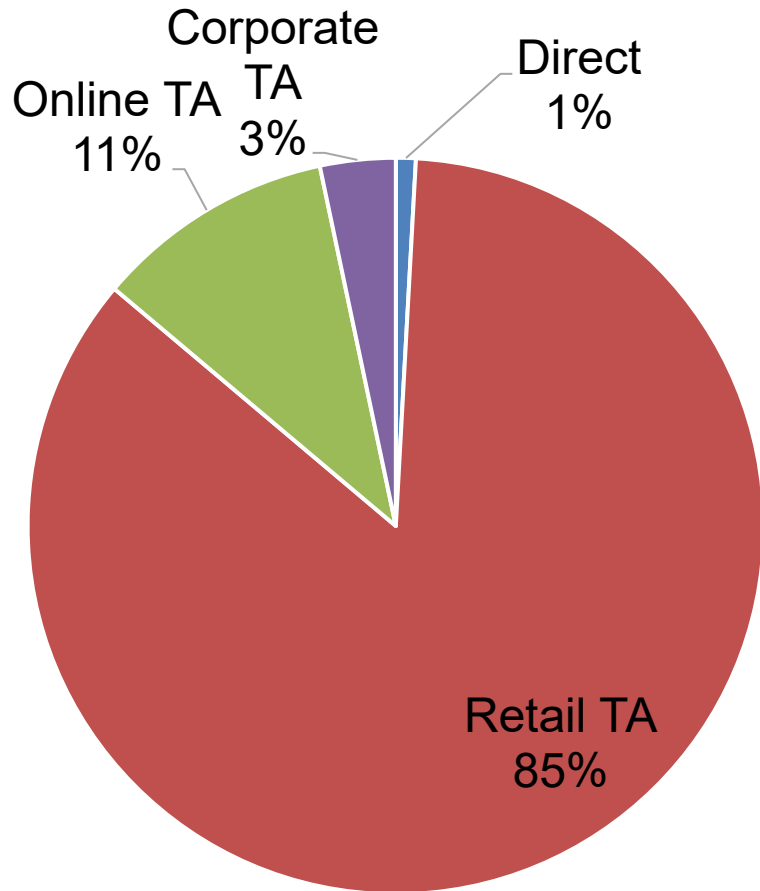
# Trip Origins: Australia



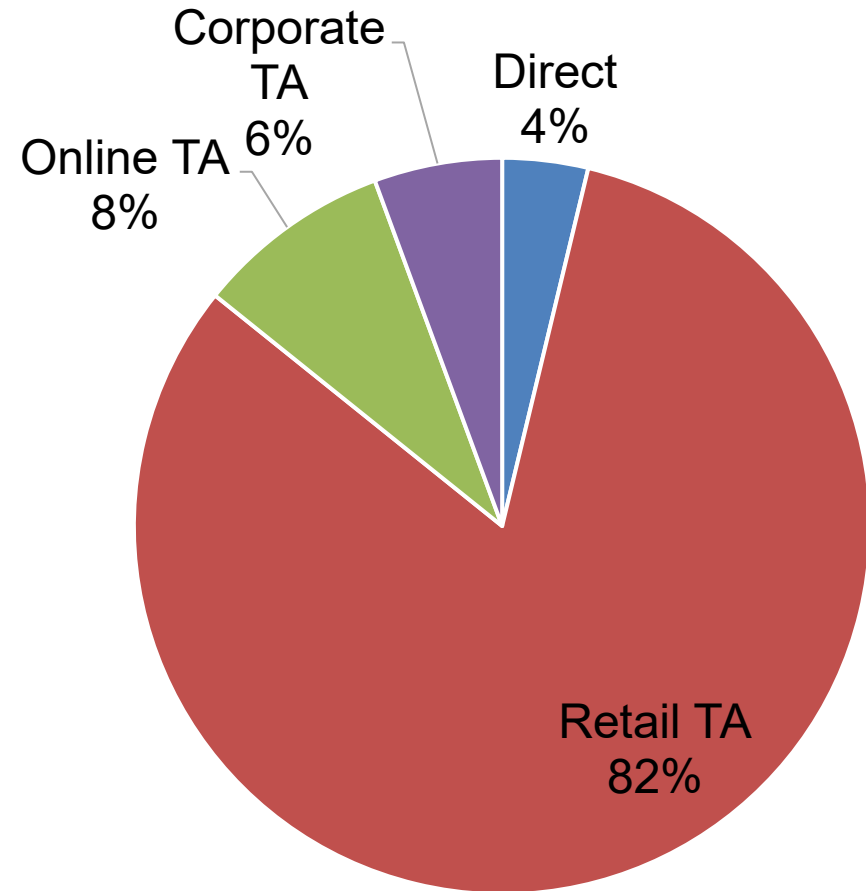
Source: ARC/ForwardKeys Destination Gateway

# Distribution Channel: Australia

## Pre-Pandemic



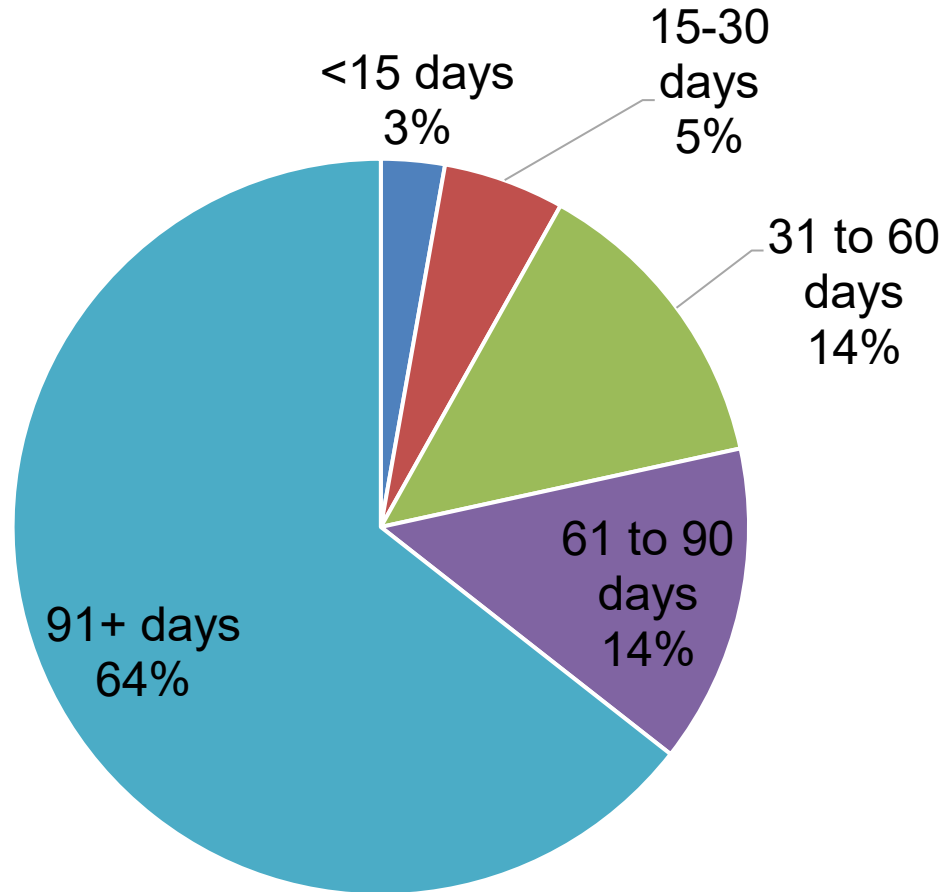
## Current Period



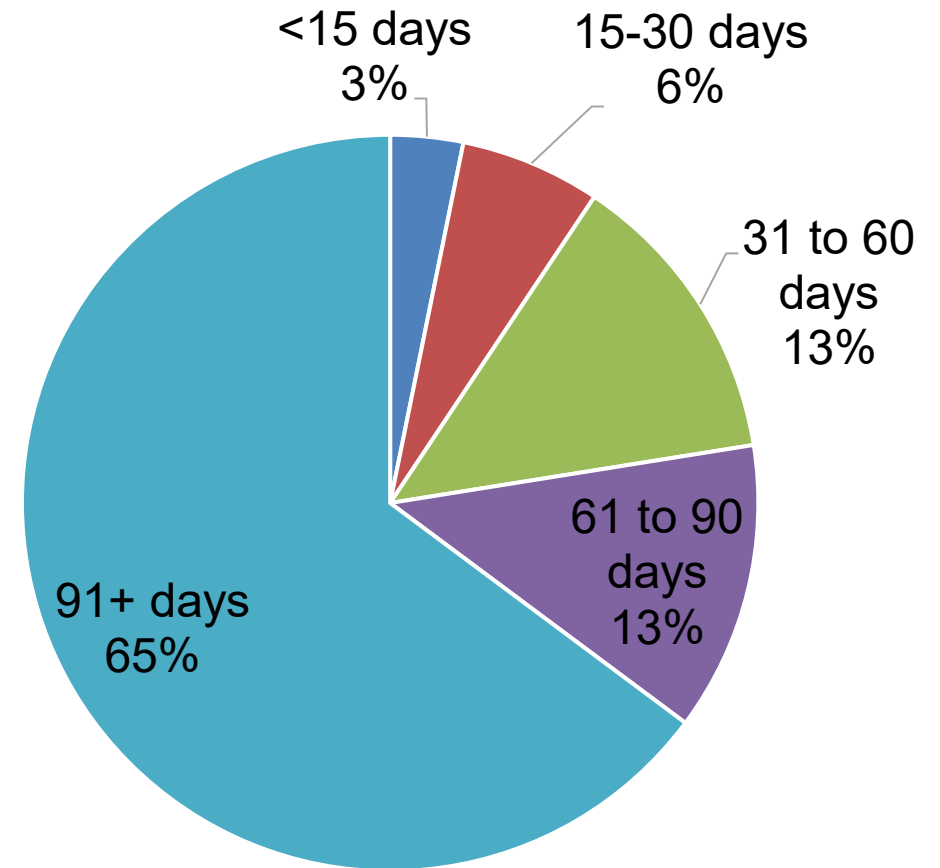
Source: ARC/ForwardKeys Destination Gateway

# Lead Time: Australia

## Pre-Pandemic

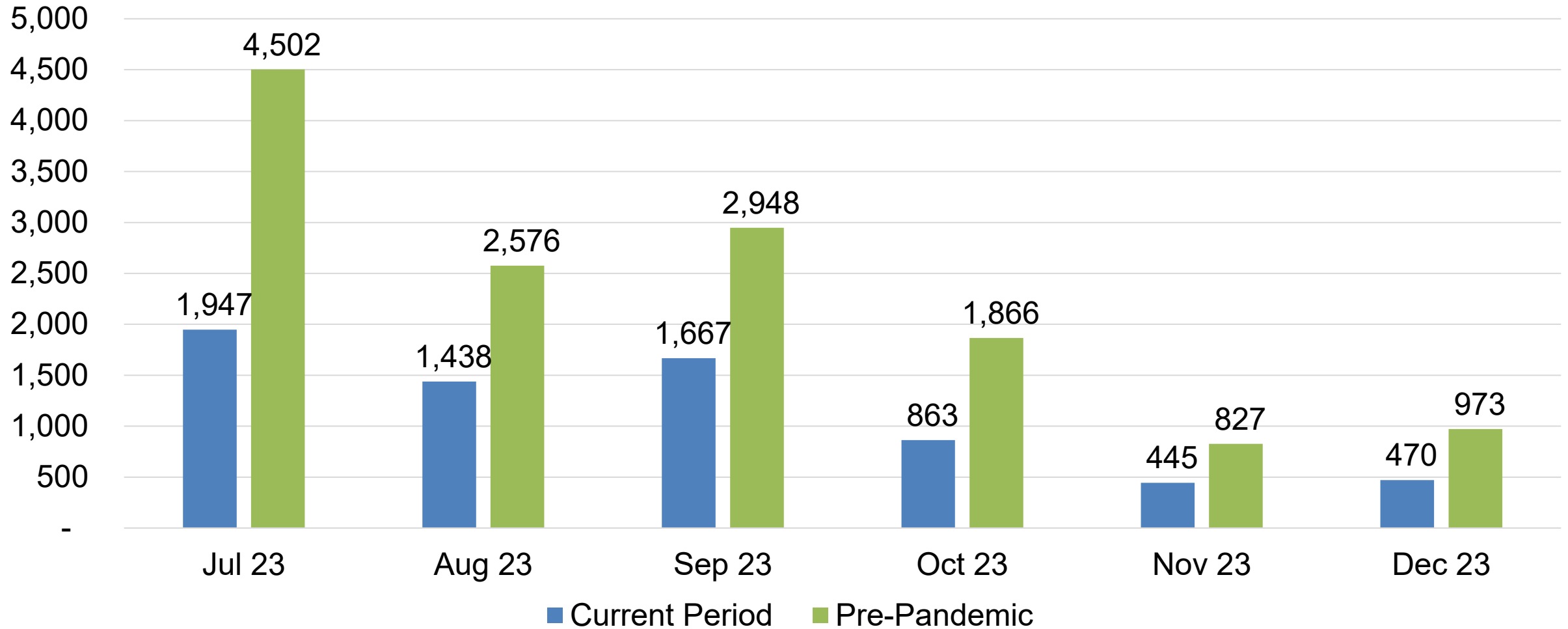


## Current Period



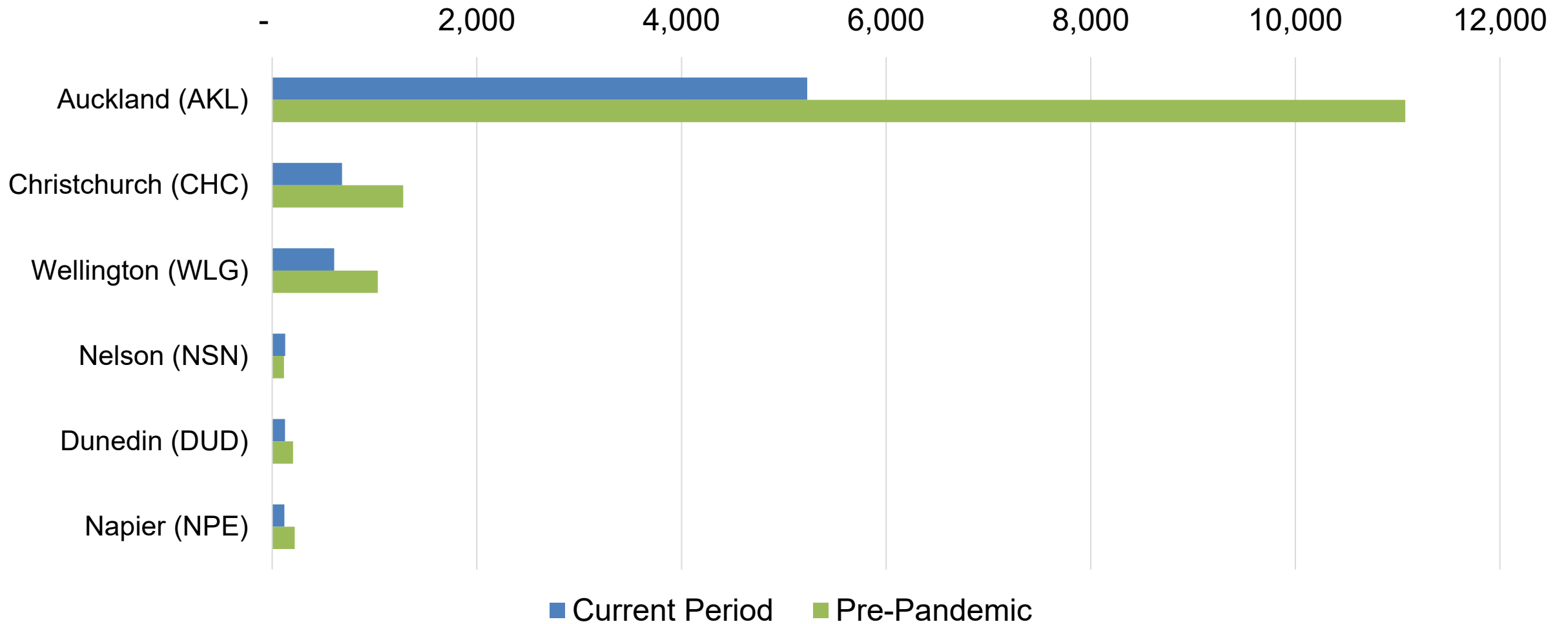
Source: ARC/ForwardKeys Destination Gateway

# Six Month Outlook: New Zealand



Source: ARC/ForwardKeys Destination Gateway

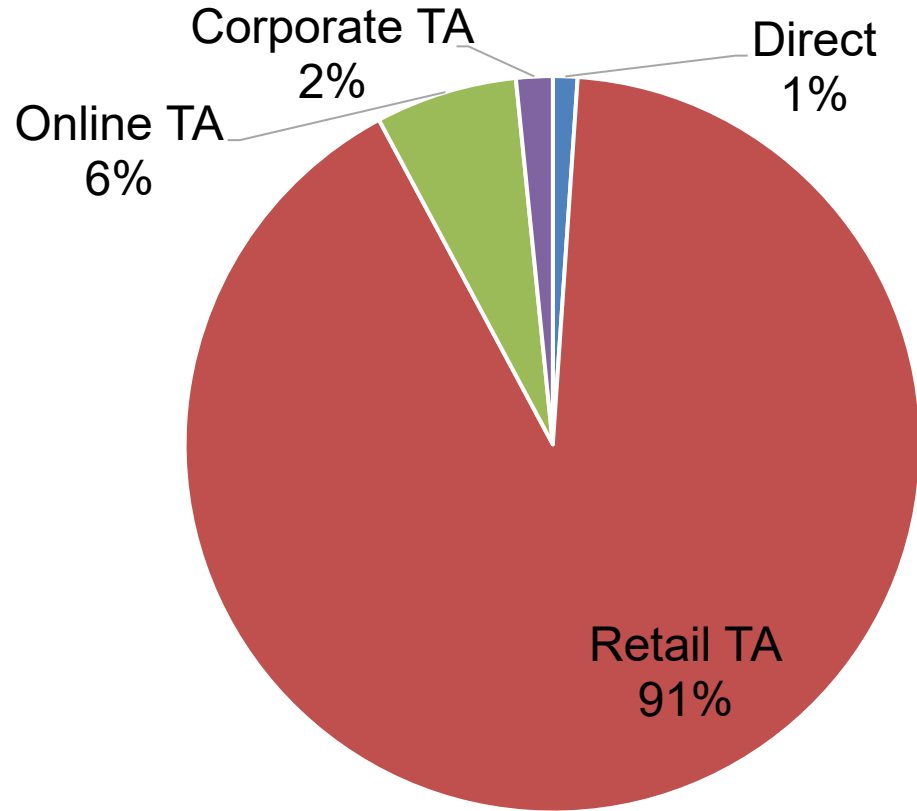
# Trip Origins: New Zealand



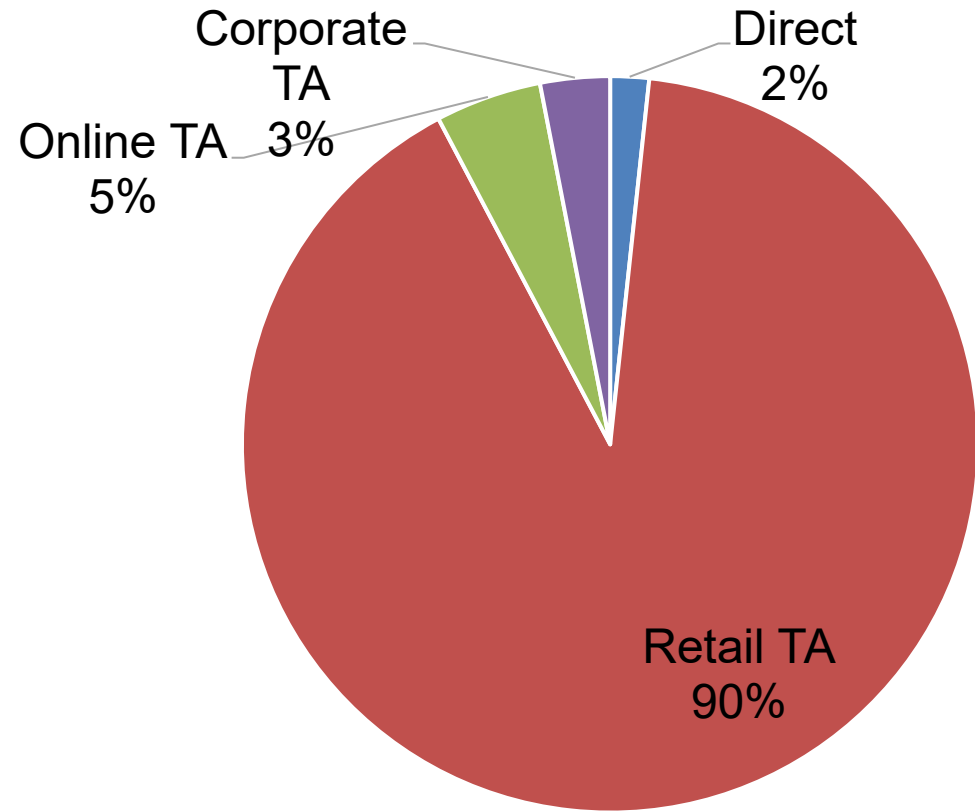
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# Distribution Channel: New Zealand

## Pre-Pandemic



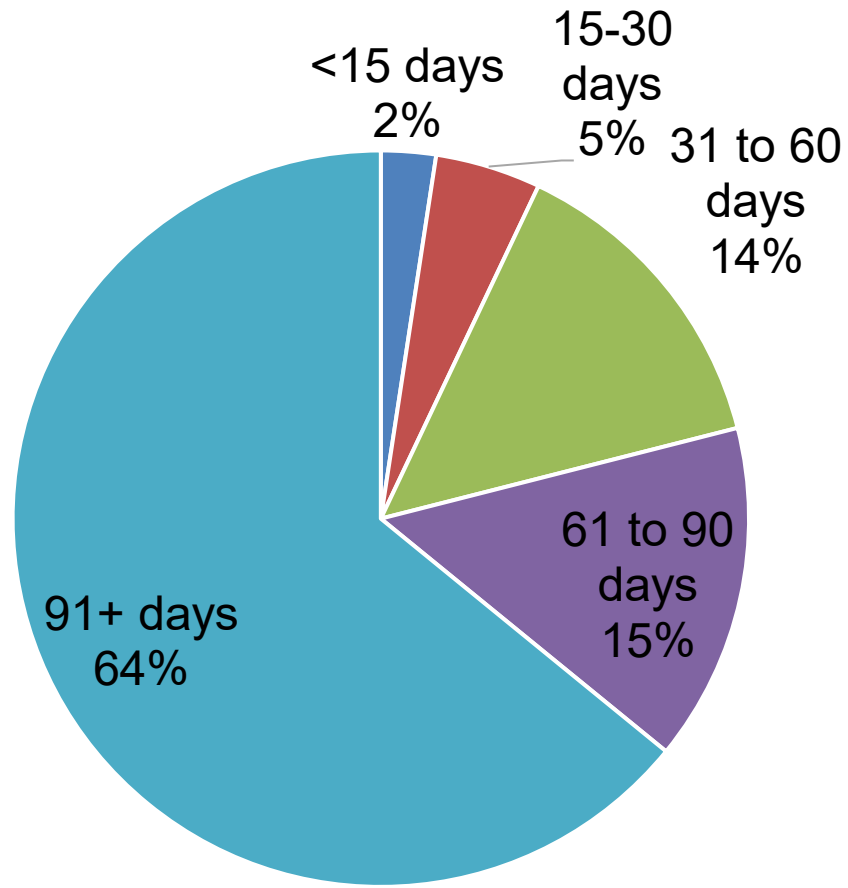
## Current Period



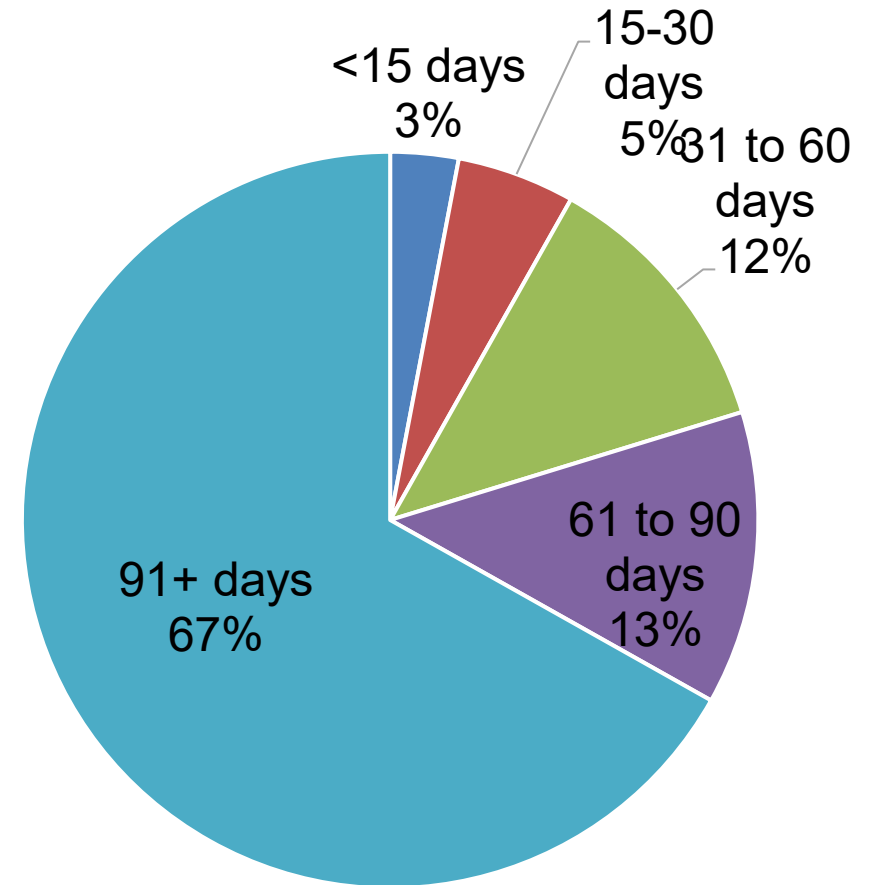
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# Lead Time: New Zealand

## Pre-Pandemic

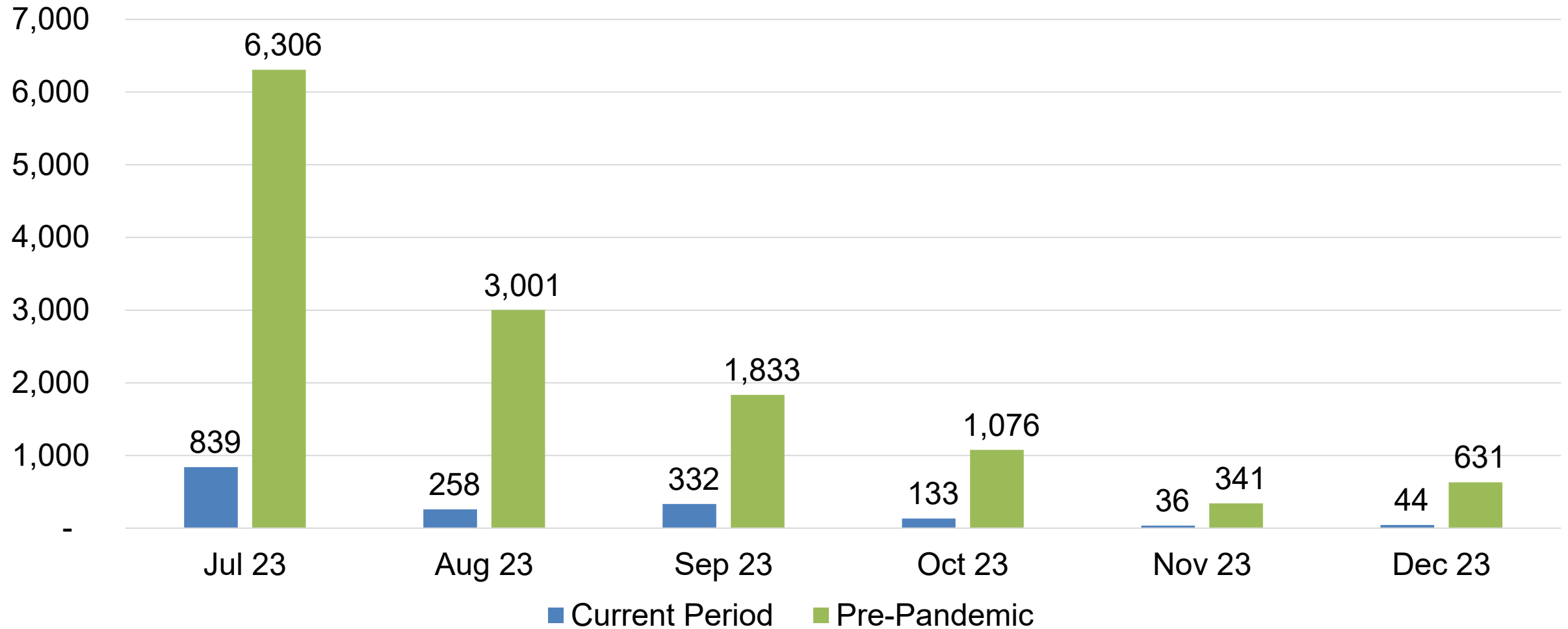


## Current Period



Source: ARC/ForwardKeys Destination Gateway

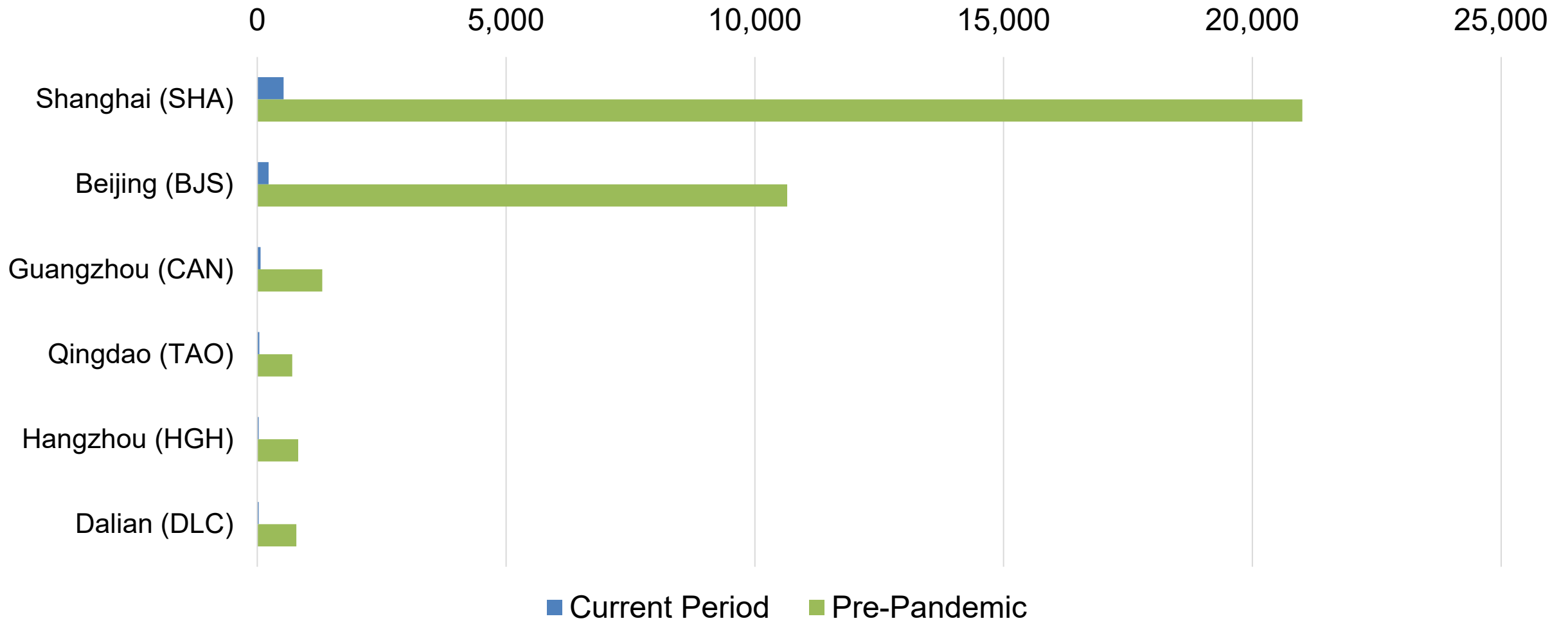
# Six Month Outlook: China



Source: ARC/ForwardKeys Destination Gateway



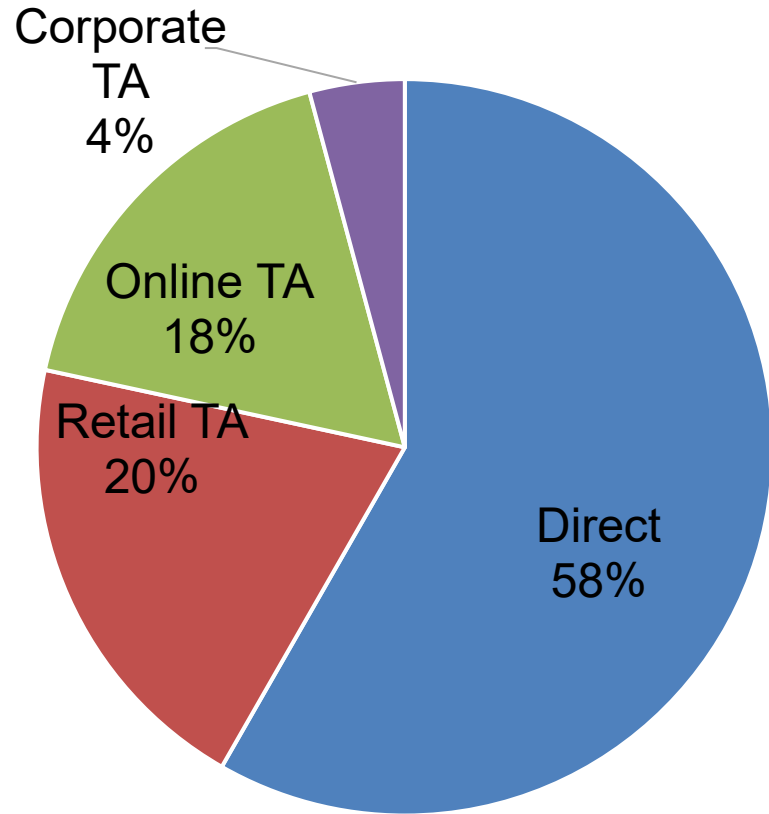
# Trip Origins: China



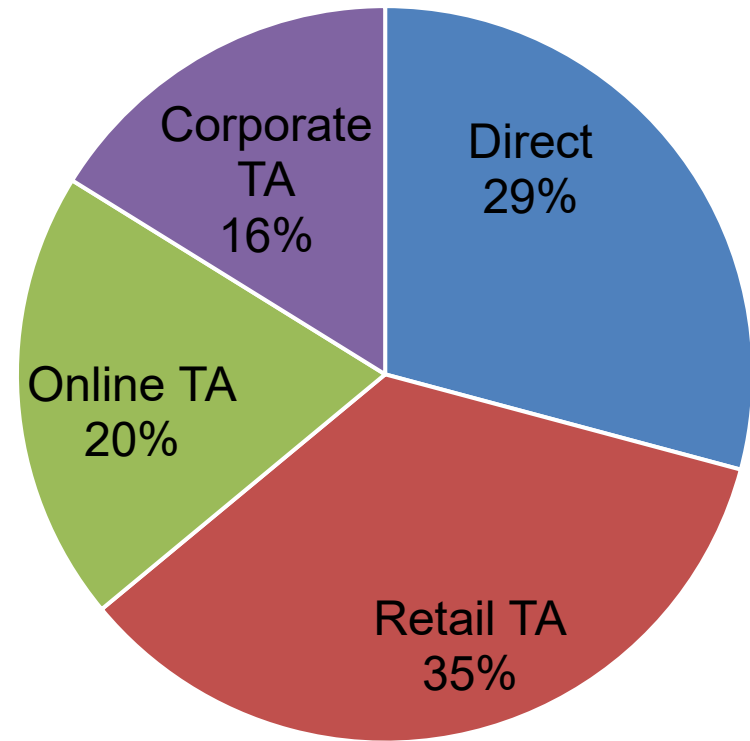
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# Distribution Channel: China

## Pre-Pandemic



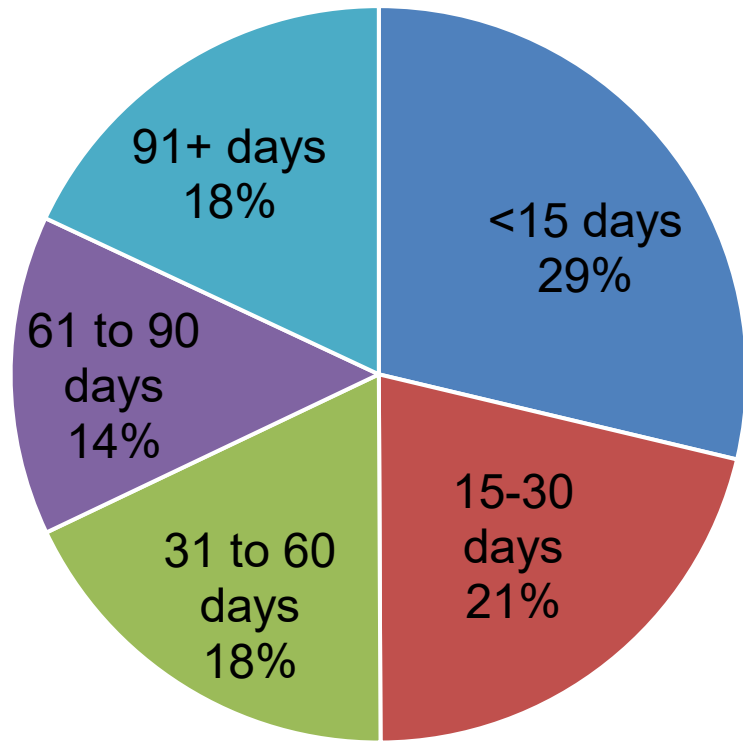
## Current Period



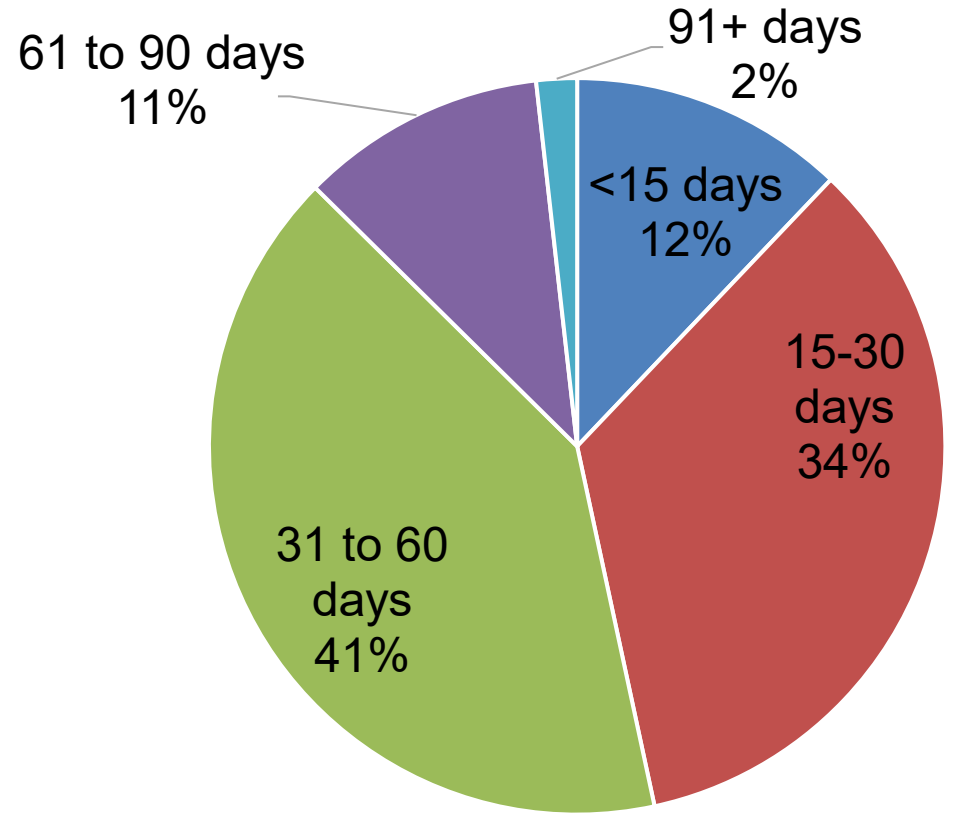
Source: ARC/ForwardKeys Destination Gateway

# Lead Time: China

## Pre-Pandemic



## Current Period



Source: ARC/ForwardKeys Destination Gateway

# MAHALO!

