

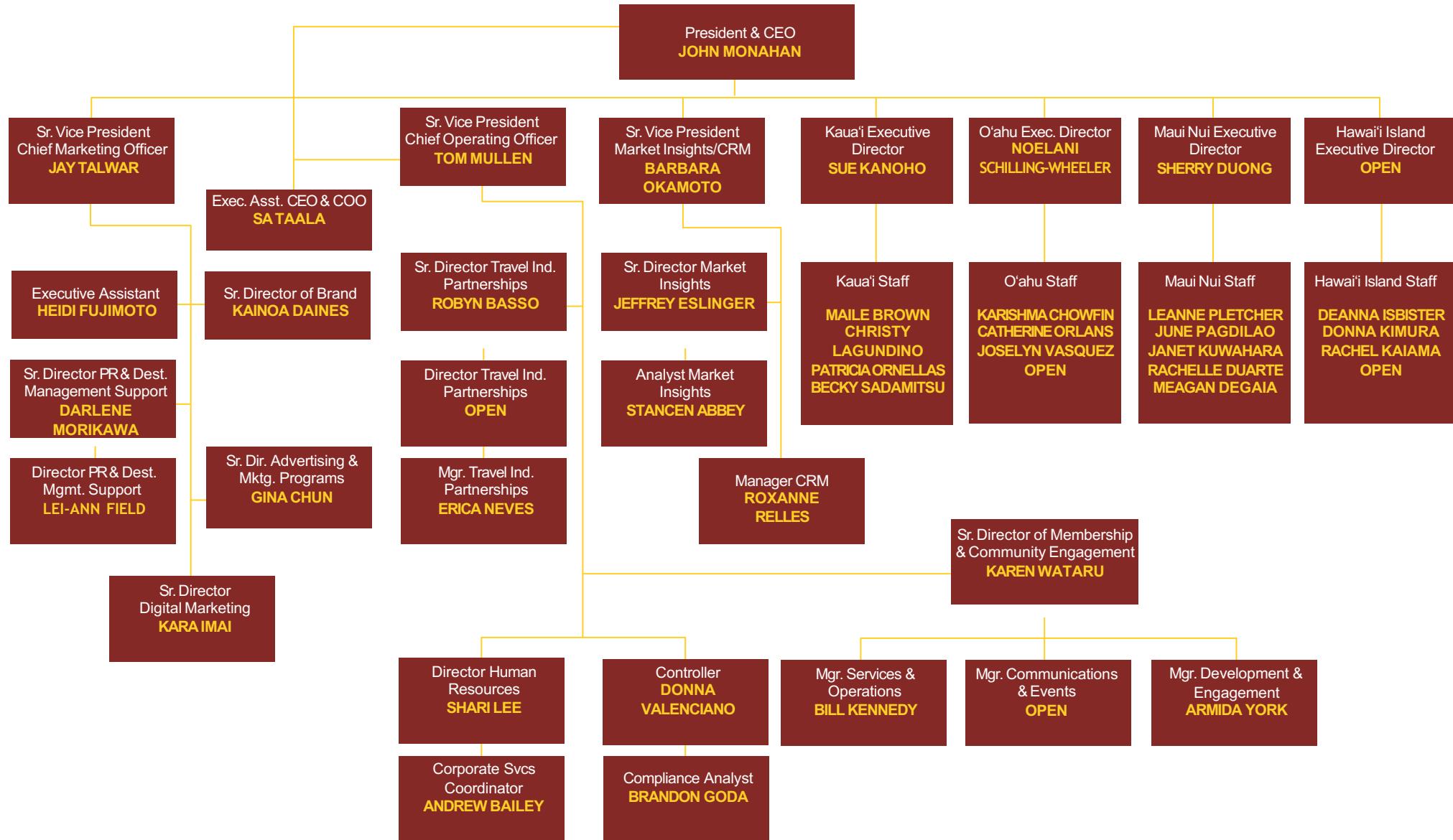


# **2023 HTUSA Market Update**

Jay Talwar

Chief Marketing Officer, Senior Vice President

# HAWAI'I TOURISM USA TEAM



# MARKET SITUATION

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# MARKET SITUATION

## GENERAL ECONOMY



- While the U.S. economy is in a mild recession, the strong dollar and accumulated personal savings have consumers in a financial position of strength.
- Staff shortages will continue to increase labor costs and be passed on to consumers.
- The overall outlook for U.S. travel to Hawai'i remains optimistic.
- Tourism remains a significant contributor to the economy of Hawai'i.



# MARKET SITUATION

## OUTBOUND TRAVEL / TRAVEL SENTIMENT

- Department of Business, Economic Development and Tourism (DBEDT) forecasts a 94.5 percent recovery in 2023.
- U.S. visitation to Hawai‘i is expected to remain high and remain the primary source market for 2023 and beyond.
- Leisure travel will benefit from ongoing flexibility afforded by remote work; 34% of U.S. leisure travelers plan to work while on a vacation.
- The increased cost for paid accommodations and other trip components continues to impact Hawai‘i’s value for the money proposition. The tension of these impacts has the potential to create a “book away from Hawai‘i” environment.



# MARKET SITUATION

## AIR SEAT SYNOPSIS

	# of SEATS 2019	# of SEATS 2022	# of SEATS 2023P	% Change 23/19	% Change 23/22
O'ahu	4,962,887	5,581,303	5,681,600	14.5%	1.8%
Maui	2,668,370	3,158,201	2,909,848	9.0%	-7.9%
Kona	1,104,675	1,312,548	1,291,286	16.9%	-1.6%
Kaua'i	962,986	1,147,751	1,002,118	4.1%	-12.7%
Hilo	47,872	47,433	1,162	-97.6%	-97.6%
Total	9,746,790	11,247,236	10,886,014	11.7%	-3.2%

# MARKET SITUATION

## BOOKING PACE



- Q'2 booking pace is flat vs. Q2 2022
  - Softness starting in May and through the summer.
- 2023 Holiday/Festive hotel reservations are pacing ahead of the 2022 season.
- Booking window is 121+ days out, but pick-up within 60 days is greater than prior year.
  - O'ahu booking window (120+ days) now exceeds that of the average for neighbor island booking (95+ days). This is counter to pre-COVID booking patterns.

# MARKET SITUATION

## DISTRIBUTION CHANNEL & LEAD TIME

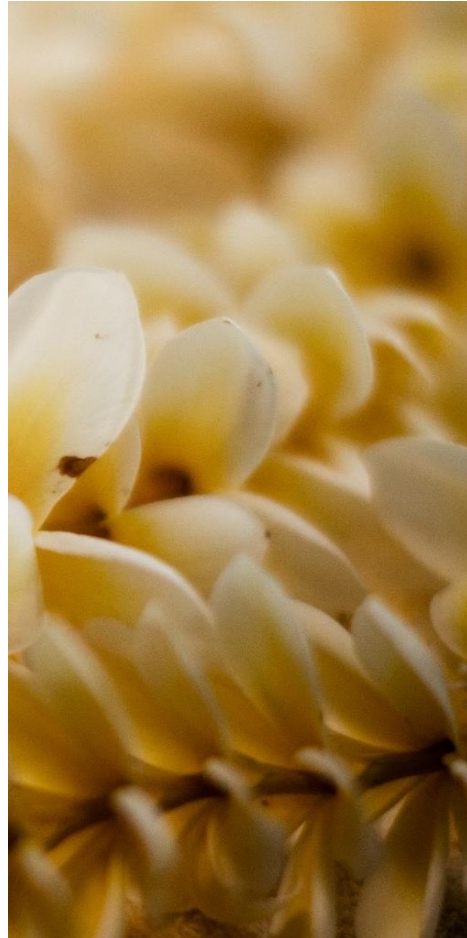


- Wholesalers report that Hawai'i is performing better than other domestic destinations, though international destinations are still performing better than Hawai'i.



# MARKET SITUATION

## COMPETITIVE LANDSCAPE



Tourism destinations around the globe are back marketing to U.S. travelers:

- For the first time since 2018, Tahiti will be in cities across the U.S. with consumer promotions and destination training.
- The Hong Kong Tourist Board is giving away 500,000 plane tickets.
- Utah now has a blend of destination management and destination marketing; encouraging travelers to explore Utah thoughtfully and safely, treating ecosystems and cultural sites with respect, and engaging with local communities.
- To counter past tourist party behavior, Bali's new campaign encourages travelers to "respect Balinese cultural customs".

# TARGET AUDIENCE

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CORE SEGMENT

**The Mindful  
Hawai'i Target  
Traveler**

SUB-SEGMENTS



**The Eco-Conscious**



**The Culturally  
Curious**



**The Service-Minded**



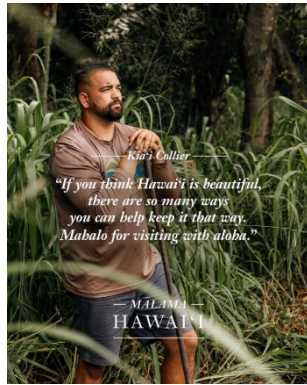
**The Unobtrusive  
Explorer**

# **CORE BRANDING MESSAGE**

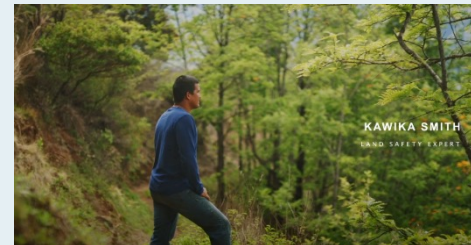
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# CORE BRANDING MESSAGE



**Mālama Hawai'i**



**Kuleana / Travel Tips**

# CORE BRANDING MESSAGE

## REACTION TO MĀLAMA HAWAI‘I MESSAGING

**Reaction to the videos was positive with important gains over last year.**

Compared to last year, more consumers agree that the Mālama videos show experiences they would want to do on vacation and enhance their interest in visiting.

80% said the videos make them feel that the people of Hawai‘i are welcoming – an increase of 5 points.

How much do you agree that the video...?	Average		Change
	2021	2022	
Shows the reasons I want to visit Hawai‘i	57%	64%	7%
Represents what I want to do on vacation	54%	60%	6%
Describes something I am interested in	61%	67%	6%
Makes me feel that the people of Hawai‘i will welcome me	75%	80%	5%
Helps me picture myself in Hawai‘i	66%	71%	4%
Makes me want to visit Hawai‘i	68%	72%	4%
Shows a side of Hawai‘i that is surprising or unexpected	68%	71%	3%
Fits with my image of Hawai‘i	72%	74%	2%
Makes me wonder what else Hawai‘i has to offer	71%	73%	2%
Makes me feel good about choosing to visit Hawai‘i	75%	77%	2%
Tells me something new about Hawai‘i	74%	76%	1%
Makes me think a vacation in Hawai‘i will be unique	75%	76%	1%

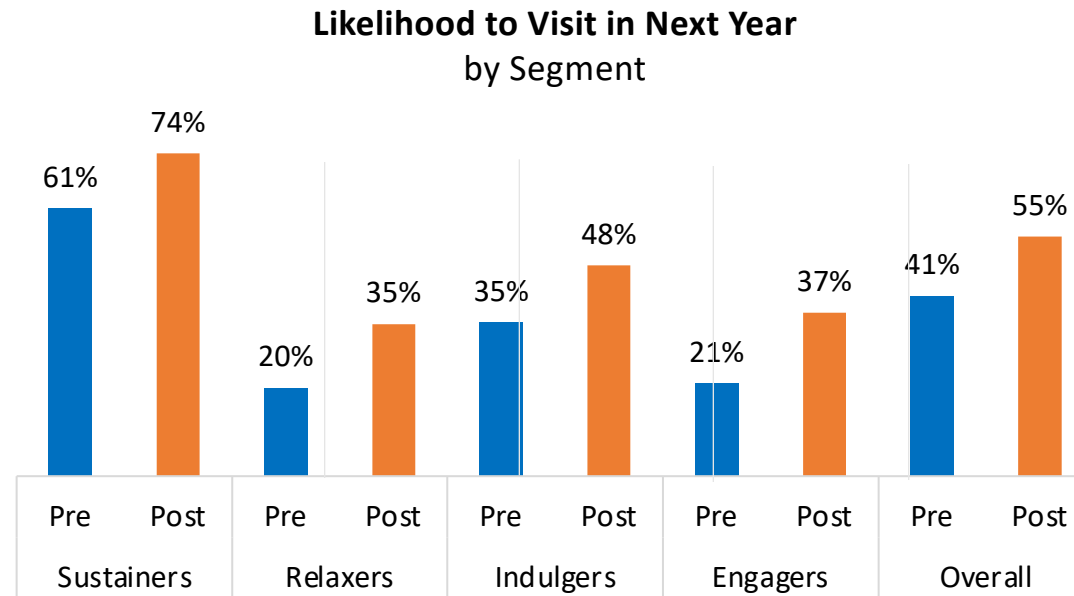
Source: SMARInsights, HTA Campaign Effectiveness Q1 Study

# CORE BRANDING MESSAGE

## IMPACT OF MĀLAMA HAWAI‘I VIDEOS

**Overall, likelihood to visit increased 14 points after viewing the videos.**

Sustainers are the most likely to visit and represent the core of the target market.



Calculated likelihood – 100% of already planning, 80% of very likely & 20% of somewhat likely

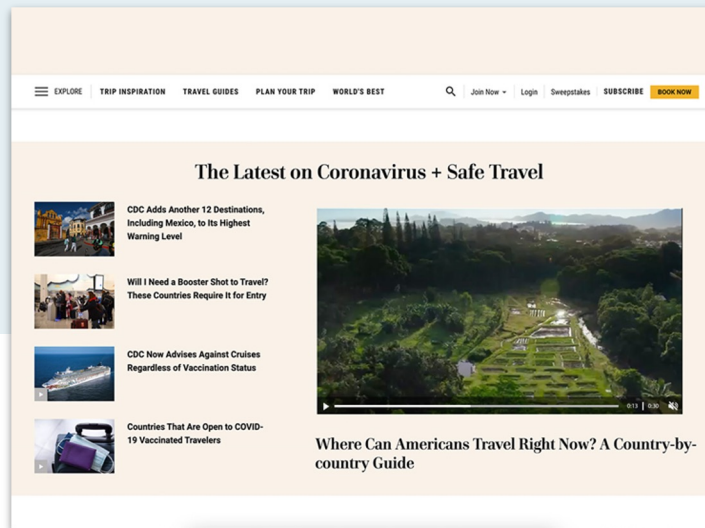
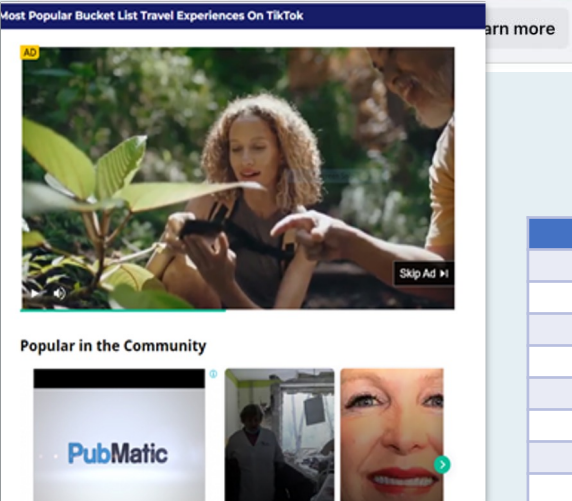
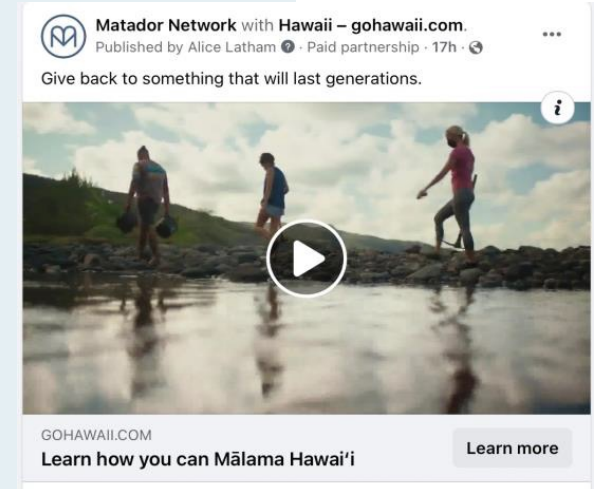
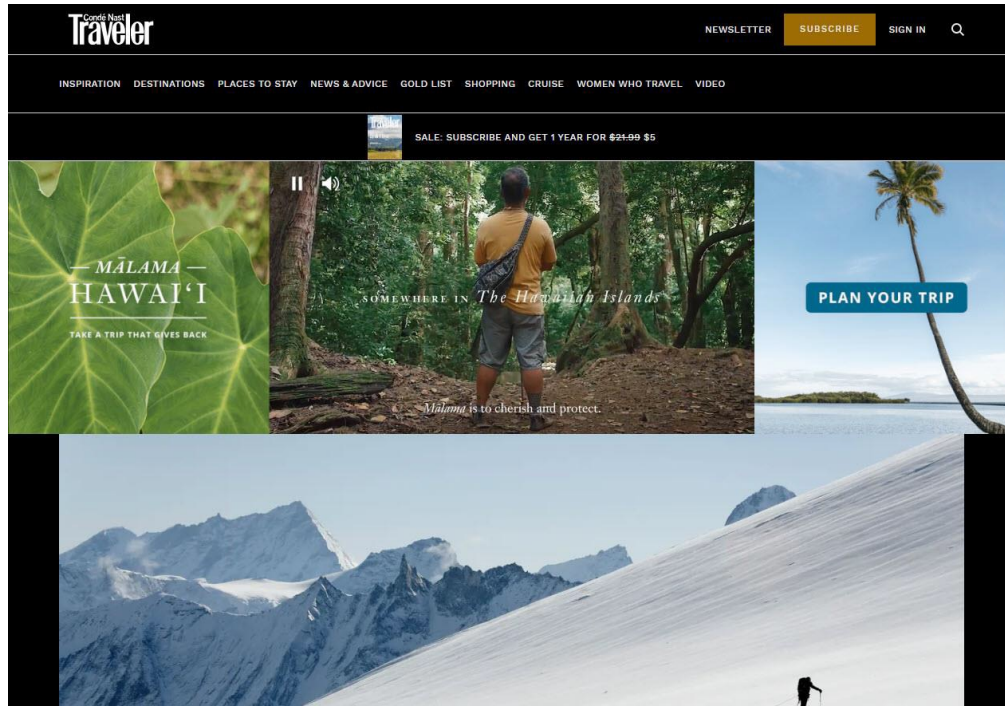
Source: SMARInsights, HTA Campaign Effectiveness Q1 Study

# **Q1 REVIEW**

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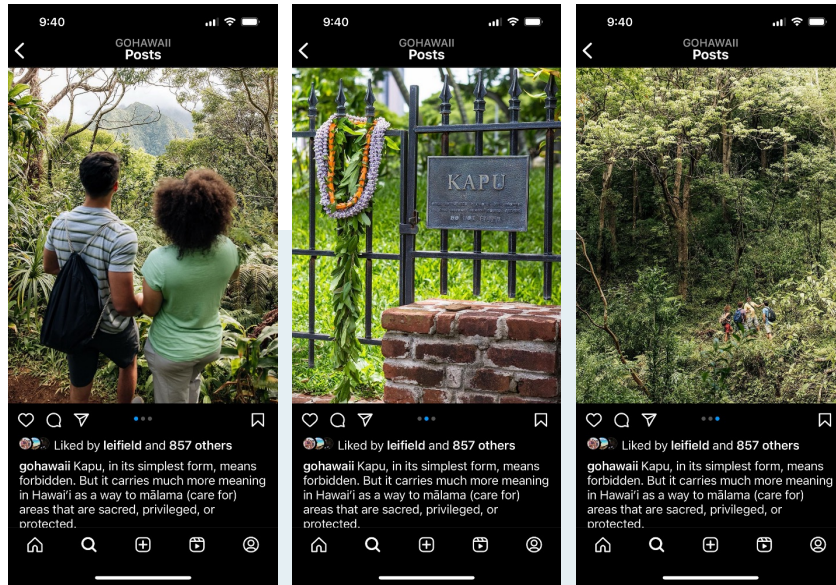


# Q1 REVIEW MEDIA PLAN

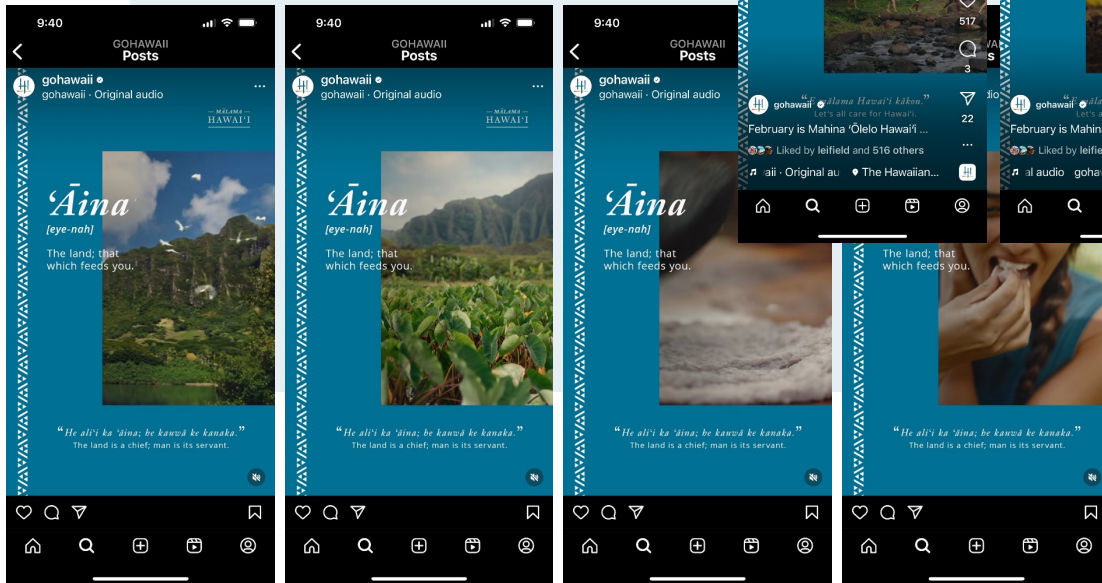
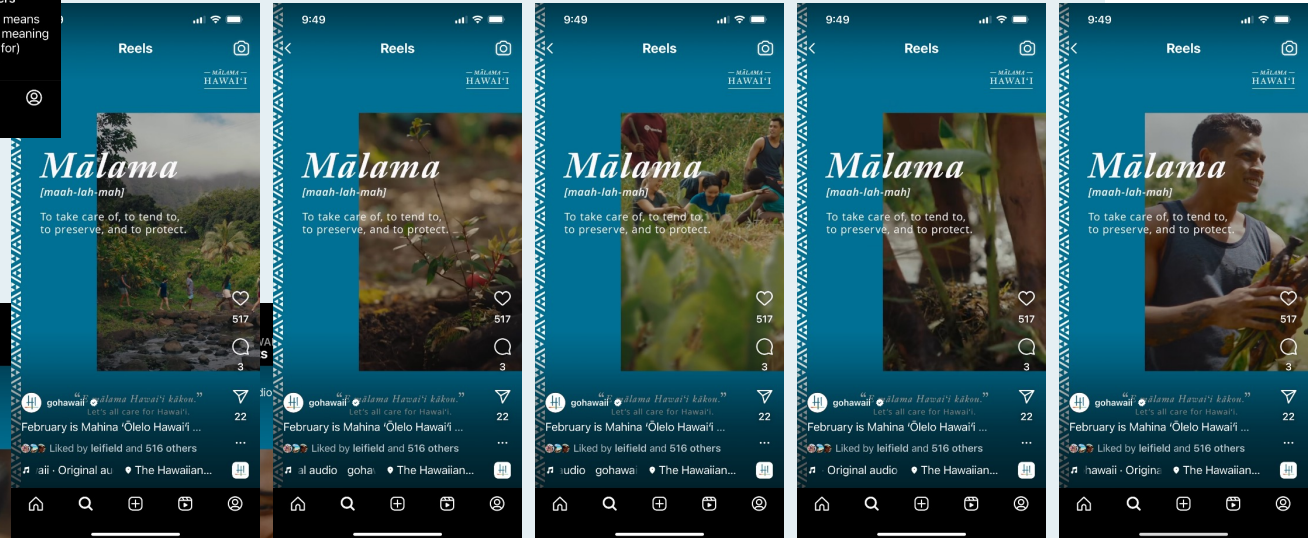


Partner	Impressions
Amazon	16,081,633
Hulu	15,182,432
Roku	16,326,531
LG	4,750,000
BuzzFeed	3,225,000
Conde Nast	7,400,000
Matador	3,000,000
Trip Advisor	6,410,256
Nativo	4,837,500
OMDp	6,028,571
Adtheorent	8,500,000
Tremor	5,425,000
Viant	5,000,000
Search	60,000

# Q1 REVIEW SOCIAL MEDIA



## Mahina 'Ōlelo Hawai'i



## Mālama Hawai'i

Partner	Impressions
Facebook	116,484,325
Instagram	6,291,437
YouTube	27,999,786



# Q1 REVIEW PGA TOUR

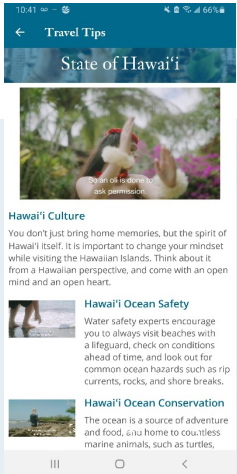
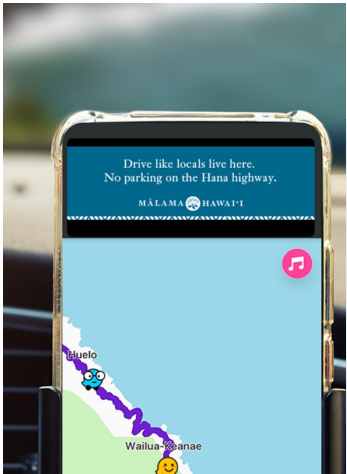


PGA Aloha Season - Morikawa



Partner	Impressions
Golf Channel	TBC
pgatour.com	727,273

# Q1 REVIEW KULEANA



- In-Flight
- Airport Messaging
- Hotel Shuttles
- Waze
- In-Room Video
- Social Media
- GoHawaii App

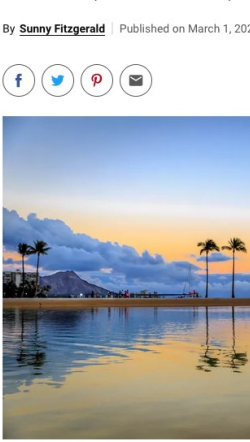
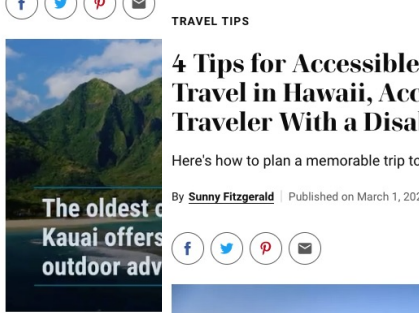
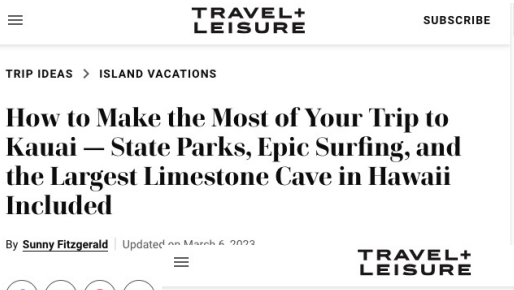
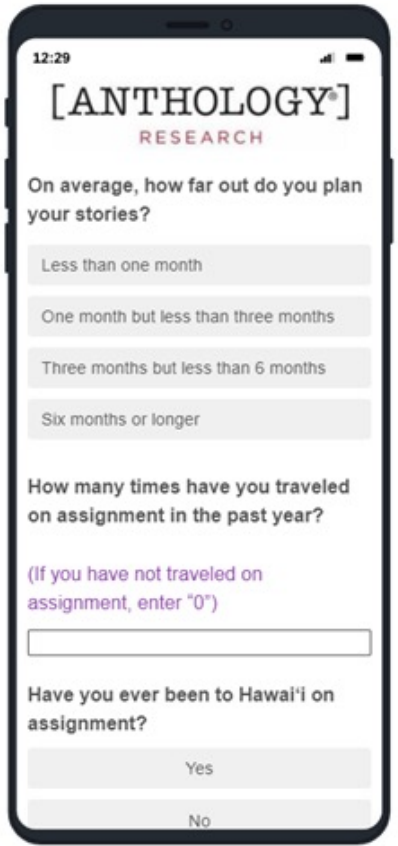
Partner	Impressions
NMG	498,409
Spectrum - OOH	3,241,174
Roberts	75,105
Spectrum - Digital	6,410,732
CCA/DKI Airport	3,822,296



# Q1 REVIEW PUBLIC RELATIONS

## Q1 Major Initiatives & Results

- Completed Media Research: Quantitative & Qualitative
  - Surveyed nearly 200 media
  - Presentations to Partners across the islands are forthcoming
- Travel + Leisure stories



Earned PR	Jan - Mar
Digital Publicity Value	\$35,914
Digital Impressions	40,839,553

PHOTO: MATT ANDERSON PHOTOGRAPHY/GETTY IMAGES



You're Invited!

March 28: Hawai'i Cultural Webinar  
*Ka Ho'oilina Ali'i, Hawai'i's Royal Heritage*

# Q1 REVIEW PUBLIC RELATIONS



Live from 'Iolani Palace  
*The Royal Residence  
of the Hawaiian Kingdom*

Tuesday, March 28  
1 p.m. EDT; 10 a.m. PDT; 7 a.m. HST  
[Register & Save the Date >>](#)

- 80 attendees
- Produced version to be distributed to full media list





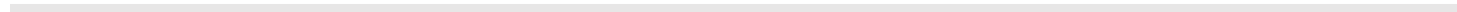
# Q1 REVIEW TRAVEL TRADE

## Q1 Major Initiatives & Results

- Exceeded Certification Targets by 72% with 3,188 Certifications Completed
- Conducted Educational Blitz in 4 key markets with 17 Partners Reaching 152 travel advisors
- Executed Travel Advisor Survey with over a 1,000 respondents providing insight regarding competitive destinations and resources



# **BMP UPDATE**



# BMP UPDATE

	2023		
	Apr	May	Jun
<b>Messaging</b>	Mālama Hawai'i - U.S. Continent Kuleana - In Hawai'i		
<b>Media</b>			
<b>Earned</b>			
Editorial Opportunities			
Media Visits			
Virtual Media Blitz			
<b>Social</b>			
Organic			
Paid			
<b>Advertising</b>			
Advanced TV			
Digital			
Search - Google			
Enewsletters			
Gohawaii.com			
<b>Travel Trade</b>			
Messaging - Travel Trade			
<b>Advertising</b>			
Trade Media			
<b>Consortia Programs</b>			
<b>Partnerships</b>			
Cooperative Opportunities - Industry Partners			

\*Flight dates pending plan / creative approval.

# BMP UPDATE PAID MEDIA



# BMP UPDATE SOCIAL MEDIA



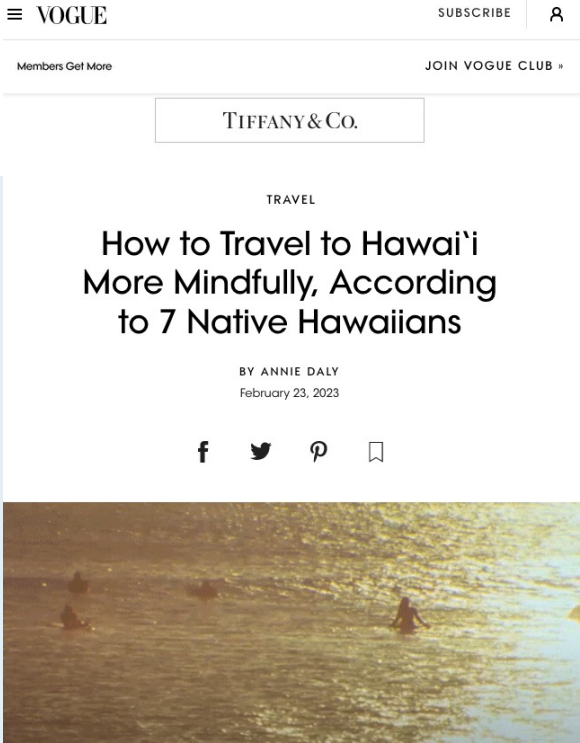


# BMP UPDATE

## PUBLIC RELATIONS

### Future Major Initiatives

- Media Education: Mālama messaging, regenerative tourism
- Virtual Media Blitz
  - Week of one-on-one appointments with 30-40 media from Hot 100 List
- PRSA Travel & Tourism Conference



2023 Section Conference

**Tales Between Two Lakes**  
June 20-23 • Madison, Wis.



# BMP UPDATE TRAVEL TRADE



## what is mālama?

Like so many words in the Hawaiian language, *mālama* has a number of different definitions. It can mean to take care of, to attend and cherish, to preserve and protect, and even to save. *Mālama* is a word that has been used to define our *kūlana* (responsibility) to the 'āina (land), its natural resources and each other for generations. *Mālama* is a *kūlana* that we also share with our guests who visit our home in Hawai'i.

"It's not only about change but about healing. I think that's a big part of our work. We're healing the land, we're healing the people, we're healing ourselves."

Nicole Lee,  
Aquaculture Restoration

### Future Major Initiatives

- Continue to update content and design of travel trade website
- Create a webinar library featuring presentations on Mālama Hawai'i, Hawaiian culture and individual island brands
- Develop "Know Before You Go" pieces for travel advisors and partners that highlight Mālama Hawai'i messaging and Kuleana travel tips

# **PARTNERSHIP OPPORTUNITIES**

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# PARTNERSHIP OPPORTUNITIES

HVCB/ ISLAND CHAPTER	ACTIVITY	DESCRIPTION	DATE	LOCATION	COST	CONTACT
<b>CONSUMER</b>						
HVCB	Mālama Hawai'i Program	Visitors are encouraged to give back to the destination by participating in the Mālama Hawai'i Program. The U.S. brand media campaign call-to-action drives to <a href="http://gohawaii.com/malama">gohawaii.com/malama</a> , which lists volunteer opportunities and offers.	Ongoing	Kaua'i, O'ahu, Maui, Moloka'i, Lāna'i, Island of Hawai'i	\$0	Lei-Ann Field <a href="mailto:lfield@hvcb.org">lfield@hvcb.org</a>
HVCB, KVB, OVB, MVCB, IHVB	The Official Hawai'i Visitor Guidebooks: Experience Kaua'i Experience O'ahu Experience Maui, Molokai, Lāna'i Experience Hawai'i Island	The Hawai'i Visitor Guidebooks are the official post-arrival, island-specific guides for Kaua'i, O'ahu, Maui/Moloka'i/Lāna'i and Island of Hawai'i. They are published semi-annually in print and digital formats for use in-destination to promote local activities, dining, shopping, products and services. Distributed at airports and key strategic visitor locations on each island.	Semi-Annual	Kaua'i, O'ahu, Maui, Moloka'i, Lāna'i, Island of Hawai'i	Varies	HVCB Membership <a href="mailto:membership@hvcb.org">membership@hvcb.org</a>
HVCB	Enewsletter: Islands of Aloha Express	Consumer enewsletter offers partners an opportunity to reach up to 215,000 opted-in subscribers who have expressed an interest in traveling to the Hawaiian Islands. It includes stories about Hawai'i, festivals and events calendar, travel planning tips, and special offers.	Monthly	U.S.	Varies	HVCB Membership <a href="mailto:membership@hvcb.org">membership@hvcb.org</a>
<b>TRAVEL TRADE</b>						
KVB	Webinars	Webinars to promote mālama Kaua'i, unique island activities and provide destination updates.	Quarterly	U.S.	\$0	Maile Brown <a href="mailto:Maile@hvcb.org">Maile@hvcb.org</a>
OVB	"What's New On O'ahu" Destination Updates Webinars	Webinars highlighting updates and what's new on O'ahu.	Quarterly	U.S.	\$0	Karishma Chowfin <a href="mailto:karishma@visit-oahu.com">karishma@visit-oahu.com</a>
MVCB	Educational Webinars: Maui	Advisors receive Maui Nui destination updates, including resorts, activities, events and travel in and around Maui Nui and the Hawaiian Islands.	Quarterly	U.S.	\$0	June Pagdilao <a href="mailto:june@mauivb.com">june@mauivb.com</a>
IHVB	Island of Hawai'i Educational Webinars	Target top Hawai'i retail travel advisors and wholesale partners to share destination messaging and island of Hawai'i updates.	Quarterly	U.S.	\$0	Deanna Isbister <a href="mailto:disbister@hvcb.org">disbister@hvcb.org</a>

# PARTNERSHIP OPPORTUNITIES

HVCB/ ISLAND CHAPTER	ACTIVITY	DESCRIPTION	DATE	LOCATION	COST	CONTACT
<b>PUBLIC RELATIONS</b>						
HVCB, KVB, OVB, MVCB, IHVB	Individual Media Visits	HVCB and the Island Chapters work closely to coordinate multi-island and island-specific visits for qualified journalists, incorporating Mālama Hawai'i.  Partners contribute accommodations, activities, meals.	Ongoing	Kaua'i, O'ahu, Maui, Moloka'i, Lāna'i, Island of Hawai'i	In-Kind Support	HVCB: Lei-Ann Field <a href="mailto:lfield@hvcb.org">lfield@hvcb.org</a> KVB: Shere'e Quitevis <a href="mailto:sheree.quitevis@finnpartners.com">sheree.quitevis@finnpartners.com</a> OVB: Pua Sterling <a href="mailto:pua.sterling@finnpartners.com">pua.sterling@finnpartners.com</a> MVCB: Leanne Pletcher <a href="mailto:leanne@mauivb.com">leanne@mauivb.com</a> IHVB: Donna Kimura <a href="mailto:dkimura@hvcb.org">dkimura@hvcb.org</a>
HVCB, KVB, OVB, MVCB, IHVB	Virtual Media Blitz	HVCB and the Island Chapters coordinate appointments with key media via Zoom to share destination updates and promote Mālama Hawai'i and mindful travel.	May		\$0	HVCB: Lei-Ann Field <a href="mailto:lfield@hvcb.org">lfield@hvcb.org</a>
KVB	News Release: What's Blooming on the Garden Island	News release distributed on a quarterly basis to media, stakeholders and international contractors.	Quarterly	U.S	\$0	KVB: Shere'e Quitevis <a href="mailto:sheree.quitevis@finnpartners.com">sheree.quitevis@finnpartners.com</a>
OVB	Media eNewsletter: News, Updates and Aloha from O'ahu	Quarterly enewsletter sent to OVB media database with the latest information on industry updates. This is shared with HTA's Global Marketing Partners (GMTs) and adjusted for Travel Trade distribution.	Quarterly	U.S.	\$0	Pua Sterling <a href="mailto:pua.sterling@finnpartners.com">pua.sterling@finnpartners.com</a> Jacob Revells <a href="mailto:jacob.revells@finnpartners.com">jacob.revells@finnpartners.com</a>
MVCB	Enewsletter: Message from Maui Nui	Enewsletter sent to partners requesting the latest information on accommodations, restaurants and activities. Primary audience is travel media as well as industry partners.	Quarterly	U.S.	\$0	Leanne Pletcher <a href="mailto:leanne@mauivb.com">leanne@mauivb.com</a>
IHVB	Eblast: What's Sizzlin'	Themed email distributed to media, stakeholders, and global marketing partners. A copy of What's Sizzlin' also resides on the GoHawaii media site.	Distributed bi-monthly	U.S.	\$0	Donna Kimura <a href="mailto:dkimura@hvcb.org">dkimura@hvcb.org</a>

**MAHALO!**