



*KA HĀLĀWAI KŪMAU A KE KŌMIKE ALOWELO  
KE'ENA KULEANA HO'OKIPA O HAWAI'I*

**BRANDING STANDING COMMITTEE MEETING  
HAWAII TOURISM AUTHORITY**

*Po'akolu, 16 Nowemapa, 2022, 1:00 p.m.*  
**Wednesday, November 16, 2022 at 1:00 p.m.**

*Hālāwai Keleka'a'ike*  
**VIRTUAL MEETING**

*Hiki i ka lehulehu ke hālāwai pū ma o ka ZOOM.*  
**Webinar will be live streaming via ZOOM.**

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*Ma hope o ke kāinoa 'ana, e ho'ouna 'ia ka leka uila  
hō'oa iā'oe nona ka 'ikepili komo hālāwai.*  
**After registering, you will receive a confirmation email  
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***Papa Kumumana'o***  
**AGENDA**

1. *Ho'omaka a Pule*  
Call to Order and Pule
2. *Āpono i ka Mo'olelo o ka Hālāwai 28 Kepakemapa, 2022 a ke Kōmike Alowelo Kūmau*  
Approval of Minutes of the September 28, 2022 Branding Standing Committee Meeting
3. *Mo'olelo no ka Ho'okūkū Noi no lāpana, Kanakā, a me nā Wahi Mākeke Nui o Kina*  
Update on the RFPs for Japan, Canada and China Major Market Areas
4. *Hō'ike'ike a Kūkā na Jeffrey Eslinger no ka Hawai'i Airlift*  
Presentation and Discussion by Jeffrey Eslinger on Hawai'i Airlift Update



5. *Hō'ike'ike, Kūkā, a Hana e Hāpai 'ia ai ka 'Āpono 'ia o ka HTA Sports Program Strategy a Ho'okūkū Noi*  
Presentation, Discussion, and/or Action to Recommend Approval of the HTA Sports Program Strategy and Requests For Proposals
6. *Hō'ike'ike, Kūkā, a Hana e Hāpai 'ia ai ka 'Āpono 'ia o ka 2023 PGA "Aloha Swing" Activation Plan*  
Presentation, Discussion, and/or Action to Recommend Approval of the 2023 PGA "Aloha Swing" Activation Plan
7. *Hō'ike'ike, Kūkā, a Hana e Hāpai 'ia ai ka 'Āpono 'ia o ka 2022-2023 World Surf League Activation Plan*  
Presentation, Discussion, and/or Action to Recommend Approval of the 2022-2023 World Surf League Activation Plan
8. *Ho'oku'u*  
Adjournment

*\*\*\* 'Aha Ho'okō: Ua hiki i ka Papa Alaka'i ke mālama i kekahi hālāwai kūhelu i kū i ka Hawaii'i Revised Statutes (HRS) § 92-4. E mālama 'ia kēia hālāwai kūhelu nei ma lalo o ka § 92-5 (a)(4), § 92-5 (a)(8) and §201B-4(a)(2) no ka pono o ko ka Papa Alaka'i kūkā a ho'oholo 'ana i nā nīnūnē a nīnau i pili i ko ka Papa Alaka'i kuleana me ko ka Papa Alaka'i loio. He hālāwai kūhelu kēia i 'ole paulele 'ia ka 'ikepili a i mea ho'i e mālama kūpono ai i ko Hawaii'i 'ano, he wahi i kipa mau 'ia e nā malihini.*

**\*\*\* Executive Session:** The Board may conduct an executive session closed to the public pursuant to Hawaii'i Revised Statutes (HRS) § 92-4. The executive session will be conducted pursuant to HRS § 92-5 (a) (2), § 92-5 (a)(4), § 92-5 (a)(8) and §201B-4(a)(2) for the purpose of consulting with the board's attorney on questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities; to consider hiring and evaluation of officers or employees, where consideration of matters affecting privacy will be involved; and to discuss information that must be kept confidential to protect Hawaii'i's competitive advantage as a visitor destination.

*Ma lalo o ka māhele 531.5 o ka Budgetary Control Accounting Manual, Moku'āina 'o Hawaii'i, he māhele ka 'aina awakea o ka hālāwai. E mau ana ka hālāwai ma loko nō o ka 'ai 'ana, 'a'ole ho'i ia he wā ho'omalolo.*

Pursuant to Section 531.5, of the Budgetary Control Accounting Manual, State of Hawaii, lunch is served as an integral part of the meeting, while the meeting continues in session, and not during a break.



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David Y. Ige  
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*Kono 'ia ka lehulehu e nānā mai i ka hālāwai a ho'ouna mai i ka 'ōlelo hō'ike kākau 'ia no kēlā me kēia kumuhana i helu 'ia ma ka papa kumumana'o. Hiki ke ho'ouna mai i nā 'ōlelo hō'ike kākau 'ia ma mua o ka hālāwai iā [carole@gohta.net](mailto:carole@gohta.net) a i 'ole ho'ouna i ka leka i ke Ke'ena Kuleana Ho'okipa O Hawai'i, 1801 Kalakaua Avenue, Honolulu, HI 96815 - Attn: Carole Hagihara-Loo. Inā he lawelawe a mea like paha e pono ai ke kīnānā, e ho'oka'a'ike aku me Carole Hagihara-Loo ma (808)-973-2289 a ma ka leka uila: [carole@gohta.net](mailto:carole@gohta.net) e like me ka wikiwiki i hiki, 'a'ole ho'i a ma 'ō aku o ka 'ekolu lā ma mua o ka hālāwai. Inā 'ike 'ia he noi i ka lā ma mua o ka hālāwai, e ho'ā'o mākou e 'imi i ka lawelawe a mea like paha, 'a'ole na'e ho'i e hiki ke ho'ohiki 'ia ke kō o ua noi lā.*

*Ua noa pū kēia ho'olaha ma nā kino 'oko'a e la'a ke kope pa'i nui, Braille, a kope uila pū ma ke noi.*

Members of the public are invited to view the public meeting and provide written testimony on any agenda item. **Written testimony may be submitted prior to the meeting to the HTA by email to [carole@gohta.net](mailto:carole@gohta.net) or by postal mail to the Hawaii Tourism Authority, 1801 Kalākaua Avenue, Honolulu, HI 96815 - Attn: Carole Hagihara-Loo.** If you need an auxiliary aid/service or other accommodation due to a disability, contact Carole Hagihara-Loo at (808)973-2289 or by email: [carole@gohta.net](mailto:carole@gohta.net) as soon as possible, preferably no later than 3 days prior to the meeting. If a response is received the day before the meeting, we will try to obtain the auxiliary aid/service or accommodation, but we cannot guarantee that the request will be fulfilled.

*Upon request, this notice is available in alternative formats such as large print, Braille, or electronic copy.*

*E like nō me ka 'ōlelo a ke Kānāwai 220, e mālama ana ke Ke'ena Kuleana Ho'okipa o Hawai'i i kekahi wahi e hiki ai ka po'e o ka lehulehu ke noho a komo pū ma nā hālāwai ma o ka ho'ohana 'ana i ka 'enehana pāpaho (ICT). Aia ana kēia 'enehana pāpaho ma ka papahelu mua o ka lumi ho'okipa i mua o ke Ke'ena Kuleana Ho'okipa o Hawai'i ma ka Hale 'Aha. 'O 1801 Kalakaua Avenue, Honolulu, Hawaii, 96815 ka helu wahi.*

In accordance with Act 220, the Hawaii Tourism Authority will establish a remote viewing area for members of the public and board members to view and participate in meetings held using interactive conference technology (ICT). The ICT audiovisual connection will be located on the 1st Floor in the Lobby area fronting the Hawaii Tourism Authority at the Hawaii Convention Center at 1801 Kalakaua Avenue, Honolulu, Hawaii, 96815.

## **2**

Approval of Minutes of the  
September 28, 2022 Branding Standing Committee  
Meeting

**BRANDING STANDING  
COMMITTEE MEETING  
HAWAI'I TOURISM AUTHORITY  
Wednesday, September 28, 2022, at 1:00 p.m.**

**Virtual Meeting**

**MINUTES OF THE BRANDING STANDING COMMITTEE MEETING**

<b>MEMBERS PRESENT:</b>	Dylan Ching (Chair), Mike White (Vice-Chair), David Arakawa, James McCully, Ben Rafter
<b>MEMBER NOT PRESENT:</b>	Sig Zane
<b>HTA STAFF PRESENT:</b>	John De Fries, Kalani Ka'anā'anā, Marc Togashi, Maka Casson-Fisher, Ross Willkom, Carole Hagihara, Dede Howa, Iwalani Kahooohanohano, Ilihia Gionson, Irina De La Torre, Maile Carvalho, Yvonne Lam
<b>GUESTS:</b>	Kris Kam, Teri Orton, John Reyes
<b>LEGAL COUNSEL:</b>	Gregg Kinkley

**1. Call to Order and Pule**

Mr. Casson-Fisher did the roll call. All confirmed in attendance and that they were alone. Mr. Casson-Fisher welcomed special guests: Mr. Chris Kam, President and CEO of OmniTrak Group; Mr. John Reyes, Senior VP and Chief MCI sales officer from the Meet Hawai'i team; and Ms. Teri Orton Hawai'i, General Manager of Hawai'i Convention Center (HCC). Mr. Sig Zane was excused from the meeting.

Chair Ching called the meeting to order at 1:09 p.m.

Mr. Casson-Fisher did the opening protocol.

**2. Approval of Minutes of the June 15, 2022, Branding Standing Committee Meeting**

There were no questions or comments from members or attendees about the June 15 meeting minutes. Mr. Rafter made a motion to approve the minutes, and Chair Ching seconded. Mr. Casson-Fisher did the roll call, and the motion passed unanimously.

### **3. Presentation by Mr. Chris Kam on Results of the Marketing Effectiveness Survey**

Ms. Chun said the Marketing and Effectiveness Survey is not a measure of any specific campaign or looking at ROI, but is looking at what people value as they travel and their impression of Hawai'i. She said they have been doing the project for a few years, and it is one of the last Tourism Special Fund projects. It was supposed to finish during the pandemic, which is the study's first renewal. It is the fifth wave, and there is one more wave in the contract. It is a study of the U.S., Canada, Japan and Korea markets. She turned the floor over to Mr. Kam.

Mr. Kam shared the report. He spoke about the methodology and gave an overview. He said they spoke to 3,000 people online; 600 people were in each of the following regions: U.S. West, U.S. East, Canada, Japan, and Korea. They wanted to get an idea of what makes them travel and if they had seen Hawaiian marketing that impacted them in terms of travel. They fielded the study in January to March 2022, testing recall and awareness of marketing activities that were conducted in the second half of 2021, July to December 2021. He pointed out that the previous wave of research was conducted from January to March 2020 before the pandemic.

Mr. Kam spoke about the key takeaways. In the wake of the pandemic, vacationers sought rest and relaxation and were less interested in new learning cultures. They wanted a break from their everyday lives. This was fueled in part by pent-up travel demand, and future travel interest in Hawai'i exceeded pre-pandemic levels. He said perception shifted in the minds of the travelers. What they saw is that unique scenery and authentic experiences remained strong. They started measuring new categories that rose to the top: residents and visitors following health and safety guidelines. They also saw increases in perceptions of Hawai'i being a place of great shopping and ease of access to, from, and within the state. He said they wanted to get into travelers' minds and find out the impact of Hawai'i's Integrative Marketing Campaign (IMC). Exposure to marketing campaigns boosts travel intentions for the state but also impacts travelers' minds. They saw that people aware of the marketing campaigns have a stronger perception of Hawai'i as a sustainable destination with intriguing history and culture.

He spoke about the U.S. market and mentioned some of the top reasons for them taking a vacation. He showed the slide to compare the waves. He said there was not much change, but there was a decline for a few reasons, namely experiencing other cultures, feeling alive and energetic, etc. Mr. Kam spoke about their reasons for taking vacations and their

attributes in the U.S. East and U.S. West. Safety and security were the biggest attribute. He said the things that make a great travel experience have weakened between pre-pandemic and post-pandemic. He spoke about the selection of the destinations for the travelers. For the U.S. West, Hawai'i is still at the top. For planning to visit in the next twelve months Hawai'i is also on the top of the list and increased from 31% to 42% from 2020 to 2022. For the U.S. East, Hawai'i is second on the list and is number three for planning to visit in the next twelve months, and increased from 15% in 2020 to 23% in 2022.

Mr. Kam spoke about the top destination attributes versus competitor destinations in U.S. West. In the top ten attributes, Hawai'i ranked highest among all ten of them. The U.S. East was similar in ranking, but Hawai'i ranked highest in eight attributes. He spoke about the marketing effect in the study. They found that 34% recalled advertising that was done in the second half of 2021, which was lower than the recall in 2019. He said that even though fewer people recalled the marketing, the lift in travel intentions was greater in the 2021 campaign. When they tested recall for travel intentions for 2021, 65% of those aware of the marketing said they were considering Hawai'i for their next vacation versus 47% who had not seen any marketing but would still be considering their next vacation in Hawai'i. Marketing created a lift of 11 points in 2019, and 18 points in 2021.

Mr. Kam spoke about the U.S. East being stable in terms of awareness. Impact of travel intentions had a 7-point gain in 2019 and a 9-point gain in 2021. He spoke about the data for the marketing impact on Hawai'i's destination attributes for the U.S. West and U.S. East. He compared the number people who were aware of the marketing versus those who were not. Those aware had a significant gain in perceptions of Hawai'i as having minimal crowds, good value for money, and great shopping. He said marketing increases the brand perceptions of the state.

Mr. Kam spoke about the importance rating for the U.S. West and U.S. East. The ratings were similar for both. It showed which attributes are Hawai'i's strengths, which have opportunities for improvement, and which they need to maintain.

Mr. Kam spoke about the reasons Canadians are taking vacations. Year-on-year there were a few increases and decreases. Regarding what Canadians are looking for when selecting a vacation destination, safety and security is their number one choice. Canadians considering Hawai'i for their next vacation rated 36% for 2020 versus 42% in 2022. Planning to visit in the next 12 months saw an increase from 13% in 2020 to 23% in 2022. Hawai'i ranked high on the top ten destination attributes versus competitive destinations, with Europe leading in 4 of the attributes. For awareness of the marketing campaigns 32% recall at least one element of the 2021 campaign versus 30% of the 2019 campaign. There was a lift in travel intentions, with 43% for those aware versus 32% for those not aware in 2019. In the 2021 campaign, there was a 12-point increase from 38% to 50%.

Mr. Kam spoke about the Japanese market. The number one factor for traveling was to feel alive and energetic. When selecting a destination, the top attribute was to have a place of relaxation to unwind and re-energize. Hawai'i was number one in being considered for the next overnight vacation, from 28% in 2020 to 37% in 2022. For those planning a visit in the next 12 months, Hawai'i was at number two, from 12% in 2020 to 18% in 2022. Hawai'i had seven out of the top ten attributes. Marketing awareness was 37% in 2019 and down to 32% in 2021. Japan was up 19 points for people aware of marketing. In 2021 they were up 22 points from 30% to 52% of those unaware to those aware of marketing.

Mr. Kam spoke about the Korea market. Top reason for vacationing is for rest and relaxation. Safety and security were number one when looking for a vacation destination. For overnight vacationing Hawai'i ranked 5<sup>th</sup>, and dropped from 39% in 2020 to 34% in 2022. For those planning to visit Hawai'i in the next 12 months, there was an increase from 22% in 2020 to 27% in 2022. Hawai'i had four of the ten destination attributes compared to the competitor destinations. For Korea, marketing awareness dropped from 70% in 2019 to 48% in 2021. Those able to recall the marketing rose from 31% to 42% in 2019 and 15% to 39% in 2021.

Mr. Kam spoke about sustainable travel. They are trying to attract travelers who travel responsibly and sustainably. As part of the survey, they also test attitudes towards sustainable travel. They see travelers in the U.S., Canada, Korea and Japan markets do have a significant sizeable sustainable segment within the markets that they can target.

Mr. Arakawa asked Mr. Kam to explain the lift and the relationship/correlation. Mr. Kam elaborated on the elements of the marketing campaigns and said they tested marketing recall about the different years. Mr. Ka'anā'anā elaborated on this and said that the people who saw the messaging had been positively impacted by it, and increased their consideration for traveling to Hawai'i. Mr. Arakawa asked Mr. Ka'anā'anā if this information was important for marketing dollars. Mr. Ka'anā'anā said it is important to understand visitors' attitudes, what's important to them and why they choose Hawai'i. He said it is different from the campaign effectiveness study they will be doing in the U.S. and Japan, which was recently contracted. It will focus more on actual travel due to the campaign, revenue tax dollars, incremental trips generated, etc. The MES study is a legacy title but more accurately helps the HTA understand the attitudes of potential travelers to Hawai'i. Ms. Chun said people were contacted two years after the survey was done to check if they visited Hawai'i. The people they contacted in 2020 would not have been able to come due to the pandemic. They modified the survey this time around. They will not know if the people who answered in this round of the survey will be visiting Hawai'i or not.

Mr. Arakawa said that since they will be doing an effectiveness study, they should decide to give this survey a different name, as there will be new legislators and government officials in December 2022 or January 2023, and they might compare the two studies which have the same title but have different data. Mr. Ka'anā'anā said they have the sixth wave and will



move to a different tool. The new Campaign Effectiveness Survey that was recently contracted for the U.S. and Japan markets will have that direct ROI component about incremental trips generated, incremental spending generated, etc.

Chair Ching acknowledged Sen. Wakai and Rep. Onishi on the call. Mr. Rafter asked about the Japanese respondents, who said they were already responsible. Mr. Ka'anā'anā said they were sensitive when talking to them about mālama. The Japanese respondents felt that they are responsible and respectful in their travel. Mr. Rafter suggested adjusting the campaign to be a thank you to Japan, followed by a few pointers that the HTA is doing in alignment. Mr. Ka'anā'anā said he would share that thought in the pre-proposal conference on Friday for the Japan MMA RFP. Mr. De Fries added that during the Japan Tourism Expo, one of the major travel companies HIS is taking the mālama campaign and embedding it as part of their organizational culture to include the wellbeing of their communities under the mālama entity, so he said the modification of the messaging is timely.

Frank Haas from the public asked why value for money was not part of the top ten attributes. He asked how Hawai'i ranked relative to other destinations about value for money. Mr. Kam said this was not a top attribute regarding what people think of Hawai'i. Good value for money rates as an attribute that is important in the traveler's mind. Hawai'i ranks below average. Mr. Kam said that between those who were aware of the marketing and those who were not aware of the marketing, that marketing makes a difference in improving people's perception of Hawai'i. There was a follow-up question concerning the Effectiveness Survey timeline, and when the study would be published. Mr. Ka'anā'anā said the Campaign Effectiveness Study would be for the 2023 campaign and will be published in Q1 of 2024.

#### **4. Presentation, Discussion, and/or Action to Recommend Approval of the HTA Sports Program Strategy and RFP**

Mr. Willkom spoke about this agenda item. The years were chosen because they align with the current end date of the HTAs Strategic Plan. The HTA staff has worked to find creative, innovative tactics that will help achieve the best ROI on sports spending. The HTA has traditionally evaluated sports sponsorships on a case-by-case basis. Each opportunity presented was looked at individually without the larger focused lens of an overarching strategy. This led to an inconsistent calendar of events with no uniform guidelines for selection and missed opportunities for symmetry of branding, community, and economic goals. Over the next three years, they have a work plan that will correct those oversights by identifying pillars of events and the desired outcomes. There will be a series of RFPs to seek event sponsorship opportunities that meet the HTA's sports partnership criteria. All proposals received will be thoroughly evaluated by the HTA and its strategic partners. Something new to be considered for the next couple of years is international partnerships. Hawai'i is a globally popular brand, and he said the partnership portfolio should reflect that.

The HTA wants to reach potential visitors where they live and align with the brands and teams they already have an affinity for. The HTA wants to find their passions and increase their consideration of visiting the island. Aligning the Hawaiian Islands with the most popular team in key source markets allows the HTA to stay front of mind for new and returning travelers. As the HTA looks at major market areas, they can define those sports specifically for each one. The overall strategy is still guided by the HTA's strategic goals, which the FY2022 Board laid out to enhance the brand awareness and marketing of the Hawaiian Islands, produce community benefits, and generate economic benefits.

Mr. Willkom said pillar one would be the marquee partnerships, which will all be separate RFPs for each pillar. Sponsorships in pillar one will directly or indirectly couple the Hawaiian islands with globally relevant, instantly recognizable properties. They will elevate the brand of Hawai'i and create economic benefits of over \$5 million and produce positive impacts in the communities whose natural resources they utilize. The HTA is committed to developing its support structure for collegiate and professional sporting teams seeking to hold tournaments, exhibitions, and other activities in Hawai'i, which can attract visitors to the islands and support the local economy. This requires a community engagement component as part of their proposal. The HTA will strategically prioritize international brands, golf sponsorship, and professional or collegiate teams in key domestic source markets.

Pillar two is a signature partnership. The main goal is to draw visitors from outside the state to attend or participate in high-profile events. Mr. Willkom hopes that marquee partnerships will do that as well, but they are looking more to a branding aspect where it drives their future consideration. He wants these events to drive visitor arrivals. The signature partnership is designed to have a high level of Television, web, and print exposure in the major market areas and a significant economic impact. The HTA will still prioritize partnerships with College Football, College Basketball, and Professional Triathlons.

Pillar three is Hawai'i Authentic. Hawai'i Authentic events started in Hawai'i, across all islands. The events couple of traditional Hawaiian pursuits with existing brands and sponsors. The events will draw world-class athletes and connect with local residents. They will provide an opportunity for their communities to view up close the top performers in sports that many grew up participating in and are still active in today. He said Hawai'i should own the specific sports of surfing, beach volleyball tournaments, and canoe paddling races.

Pillar 4 is the community partnerships. The HTA wants to partner with sports events, activities, and competitions that perpetuate Hawaiian and local culture that are significant to the communities on a local level. These programs will attract state-wide, country-wide, and international competitors. The programs will raise awareness and understanding of Hawaii's unique sports history and culture through an authentic experience through those intersections and engagements and an economic gain for residents and local businesses. The

HTA may fund other existing programs, not just sports, but also rodeos, local surfing competitions, and local paddling competitions.

Mr. Willkom asked the Branding Standing Committee to vote on a recommendation on the strategy to the Board at the monthly regular board meeting, so they can start the work. Chair Ching asked what the difference between pillar three and pillar four is. Mr. Willkom said the Hawai'i Authentic is more like volleyball tournaments, professional surfing competitions, etc., and the Local Community Events will be more local, not necessarily partnering with a major brand or sports league. However, they still intend to fund the local communities. Chair Ching asked where it allows for soccer tournaments, etc., where they add Hawaiian Culture. Mr. Willkom said it would depend on the size and scope of the events and how many people they intend to partner with. Mr. White asked how the approach differs from how the RFPs were issued for sports programs. His understanding was that they used to consider each event as it came in with a sole source. He said it looked like a significant change. He asked Mr. Willkom to explain the difference.

Mr. Willkom said that the HTA had a procurement exemption a few years ago so that they could maneuver without the RFPs. They dealt with each event on a case-by-case basis. As they went to the new model, they had to issue the RFPs. Instead of issuing one large RFP for all the dollars available under the sports programs, where there would be a surfing competition playing in the same space as the PGA tour. These two different events had different goals, budgets, and ideas. They are now breaking it down into four pillars for the four RFPs. Mr. Ka'anā'anā said sports have always been covered by the Community Enrichment Program (CEP). The strategy attempts to get more specific about what the HTA is looking for and the impact they want to drive with the partnership and to segregate them as they compete for funds. On the Hawai'i Authentic side, Mr. Ka'anā'anā recognized in the broader Hawaiian islands brand that there are aspects unique to Hawai'i, namely surfing and canoe paddling, so they must set Hawai'i apart in these sports. He said it is not just about professional events but also local kids' events, etc., to support Hawai'i communities and structure procurement in a way to do so.

Mr. Kam said it was a good point to benefit the local athletes and local community and to feed them into the professional circuit. Mr. White liked the approach and asked if numbers were assigned to the overall budget and how it would be distributed into the four different pillars. Mr. Ka'anā'anā said they are waiting to hear about the FY2022 budget discussion in the BOD the following day. Once they know the total budget amount, they can come back with recommendations. Mr. White said it would be helpful to share with them how much funding was provided to sports in the past. Mr. Kam said Mr. Willkom and Mr. Ka'anā'anā had a good point regarding the different islands, as each island has unique events, so they must include that component. Mr. Ka'anā'anā said it is important to drive the right offers to the proper procurement.

Mr. Arakawa said it would be hard to get an exemption back if there are problems with the RFPs they are currently doing. He asked Mr. Willkom to explain what went wrong with the old sports RFP and how they are fixing it. He asked what they are doing internally to ensure that issue does not come up again. Mr. Ka'anā'anā said that the strategy was flawed in the initial attempt to get an RFP. They tried to put the total available funding out, and they did not give clearly defined benchmarks for people to know if they were qualified or not. He said they also erred on how the procurement was drafted because half the respondents did not submit the required documents. This resulted in a non-responsive rate of 50%, which caused them to think there was something technically wrong with the draft. It also gave them the opportunity to look at the strategy Mr. Willkom presented.

Mr. Arakawa asked if the RFP was the same as they did for all the sports marketing, but Mr. Ka'anā'anā said it was new. John White from the public asked if Hula and similar cultural events fall into sports marketing. Mr. Ka'anā'anā said Hulu does not belong there. If it were a larger event, it could belong in the Merrie Monarch Festival, which will be the Native Hawaiian Festivals and Events RFP.

Chair Ching asked if there would be four separate committees reviewing the RFPs. Mr. Ka'anā'anā said it would be more than that. The community level will be done by island as part of CEP. Signature will also have a separate committee. Hawai'i Authentic will use a surfing evaluation committee, canoe paddling advisory committee and a beach volleyball committee. So, it will be more than one per procurement.

Chair Ching said a bit of verbiage was missing on this vote, so he asked if they were ready to vote. Mr. Ka'anā'anā said they are happy to adjust according to their requests. Mr. Ka'anā'anā clarified that the procurement will be part of the CEP and will continue to have the CEP sports niche. Mr. Arakawa said he had the same concern as Chair Ching. He asked if there are certain types of events they chase or does the HTA wait for the events to approach them. Mr. Ka'anā'anā said as per 103D and the boundaries, it is their strategy to have the RFPs widely posted and shared to encourage offers to bid without crossing the favoritism line.

Mr. Arakawa said he did not mean anything under the table of favoritism but meant the first sentence of the RFP that says Hawai'i wants to own surfing or beach volleyball. Mr. Willkom spoke to his point and said that the HTA wants to engage with the GMTs and help define what teams and leagues are relevant in the major markets they draw from. They must think about when they make the marquee event partnerships. It is about forming a strategic partnership with teams where they are mutually beneficial but allow exposure to a specific potential visitor base. Mr. Arakawa said that it is all great, but Hawai'i does not own these sports, so asked if they are chasing those sports that are important to their community and children. Mr. Willkom said some are event-specific, but some will be for branding and

marketing partnerships in the teams' markets. A lot is based on the idea that they want to get into the local markets with a local team and form a branding partnership.

Chair Ching recommended having more discussions to get the details ironed out. Mr. White said his understanding was that it was a strategy outline to get a general sense of whether it was the right direction for the team to move in. Mr. Willkom said he intends to bring the idea of international partnerships and the four pillars to the committee and ask if they like the structure but not the specifics. Mr. Arakawa asked about making Hawai'i known for surfing or volleyball events. Mr. Willkom elaborated on the events.

Mr. Ka'anā'anā asked for extra time for him and Mr. Willkom to discuss more on this agenda item. He said he would build a framework regarding the technical specifications they will include in the RFPs for the various pillars. Mr. White said he liked that idea. Mr. Ka'anā'anā asked that they defer agenda item 4 in the meeting and also in the BOD meeting the following day. There were no questions from anyone.

#### **5. Update on the RFPs for Japan, Canada and China Major Market Areas**

Mr. Ka'anā'anā said they were able to release the RFP for the Japan MMA and will be working on Canada and China next. They wanted to ensure they had everything ready but did not hit their target of having all three issued in September. They will get the Canada and China RFP out next. The pre-proposal conference for the Japan MMA is on Friday at 3 p.m. They need to pre-register via the Zoom link. It is a requirement to attend the pre-proposal if anyone wants to bid on the procurement. There were no questions from anyone.

#### **6. Presentation and Discussion on the Hawai'i Convention Center and MCI Targets Review and Pace Report**

Ms. Orton gave the update for August 2022. She spoke about recent updates with sales marketing and events at the HCC. Recent events were a volleyball tournament in August 2022, and the Okinawan Festival, which was a huge success, with about 40,000, including staff. This event had a much larger attendance than anticipated.

She spoke about the Jurassic Empire dinosaur exhibit in exhibit hall 3. There were just over 2,000 attendees for the event.

She spoke about feedback from client Julian Nakanishi who had a basketball tournament for Division 2. There were about five or six teams from the mainland. He hopes to grow the volleyball tournament with the basketball tournament as well. The tournaments are usually in November and December when the HCC is quiet, so it is good filler business.

Ms. Orton spoke about definite city-wides for the FY2023, with a total of eight for the calendar year. More conferences are coming up in October and November, and then one in April 2023. The ROI on the groups is about \$9 million for the five events listed.

She spoke about upcoming local/city-wide events. They recently had a Hula Halau that celebrated their 20th anniversary in the ballroom, with about 1,200 attendees. They also had the World Class Wedding Expo, a repeat customer with a good turnout, with 3,150 attendees. The HCC also took part in the events and showed wedding packet offers. She said they got ten leads from the trade show and booked one wedding event, which was very successful for the HCC. She spoke about definite local businesses on the books. There are 24 events in October 2022. In November 2022, they have 16 events, some of which are two to three days long. For December 2022, there are 11 events, and they are welcoming back the Honolulu marathon celebrating its 50th anniversary, anticipating record numbers.

Mr. Arakawa asked about city-wides and if it is the usual amount. He asked if they are on the same pace as from 2015 to 2019, or the plan to get there. He asked what the usual mix is of local business and city-wides, and what it looks like for the future. Mr. Reyes said the information is in the presentation. Ms. Orton spoke about the mix. She said the HCC controls the calendar about local sales and the HCC within a twelve-to-thirteen-month period. Anything outside that Mr. Reyes and his team control the calendar for anything within five years, which is short-term business. Generally, the mix of business in the HCC is about a 70%-30% split on good years, with local business being the smaller of the split.

Mr. Reyes said for 2018, there were a total of 28 city-wides and 19 were MCI. The balance was local. For 2019 there were 39 events, where 22 were city-wide, and the balance was MCI and sports. Mr. Rafter asked if the broader pattern is that there are a lot of local events but very few events that bring people in from outside O'ahu or Hawai'i. He asked what progress has been made in restoring the balance they want where more money is coming from outside.

Mr. Reyes said he attended the August 2022 HTA's Board meeting and wanted to follow up on the details. Mr. Reyes said that when they speak of the global MCI team, they are involved in several sales efforts. They talk a lot about city-wide sales as they understand that the HCC is a state-owned asset, and the state legislators want that filled. For city-wide sales, there are three sellers. One of the key sellers resigned, so they are actively recruiting a replacement. He said they also have single property sales, which are about in-hotel meetings. They sell the destination, get the enquiry going, and work with individual hotels. Part of the new RFP was a global perspective, so they have an Asia/Oceania team focusing on city-wide and single property. Andrew Koh is the executive director. There are people placed in Japan, Korea, and Oceania. They have a service and support team. They had the director of client services resign for personal reasons. He wanted everyone to understand that they have a balanced approach to city-wide events.

Mr. Reyes spoke about city-wide events and whom they are targeting, which goes to 2035. Medical, scientific, and technology groups like meeting at the HCC. They are a combination of association and corporate business. He said they have a goal and are thankful that the members recognize they are coming out of a pandemic, meaning that for calendar year of 2022, their definite room night goal was 67,450, and tentatives were 207,750. He said what they are doing to accelerate for the future is they are proposing that the 2023 goal goes up to 101,700 definite room nights and then an increase of tentatives of 240,000. There are no more city-wide events as it comes down to historical lead time and how long it takes to book a city-wide. To restore the balance of events from 2023-2027, look at everything they could book. Mr. Reyes and Chair Ching had a great conversation where they spoke about working in collaboration with the hotel community. Mr. Reyes said the definition of a city-wide now is 1,000 attendees utilizing two hotels. They will modify that, and the strategy will be meeting with Ms. Orton and the city-wide team on an ongoing basis about targeting the number of events by year and peak room nights. What they did at Meet Hawai'i is invest in an analytical platform. The reason for investing in the HCC is to identify several tentatives with a 50% chance for a booking of close to \$800 million. The critical things they need from the HTA, and Board is the news about the HCC roof getting out there, and that it needs repair. It will affect definites and tentatives, and a seller needs to be able to say with confidence that the roof is being addressed.

Ms. Orton concurred with Mr. Reyes. She said it is imperative that the roof gets fixed. Mr. Reyes said everything starts with sales. Prior to 2020, the movement of sales and marketing moved over to the HCC. In January 2020, he came on board and assumed the city-wide sales marketing. The traditional model for selling and marketing the HCC usually resides with the destination marketing organization. He said Ms. Orton was focused on events and booking business. Pre-COVID had five sellers in the marketplace, one client services, and two coordinators to support their sellers. During COVID they had the city-wide team because research showed that meeting business was not coming back until 2024. Single property sellers took over, and events were moved. In 2020 they had 20 city-wide events that only happened from January through March, and then they started getting cancellations. Currently, they have three post-COVID sellers, one client services and two coordinators. Two thirds of the team have been there one year or less, and now they also have an opening, so they understand that even with those circumstances, they have to move forward. He wanted to ensure everyone had a stance on the shift in sales.

Mr. Reyes said that prior to him coming on board the HVCB hired a company called 2 Synergize. He showed a slide from the study. He spoke about the question of lead time. Their optimal pieces of business are 1,000 rooms all the way up to 4,000. It takes about four years to book an optimal piece of business. For 4,000 peak room nights or more, it will take about nine years. For 2022, an optimal piece of business of 1,000 or more will land in 2026. So,

sellers handling the association market, which books out a lot farther, are going to their database and prospecting to see what groups are open for 2026 and beyond.

Mr. Reyes mentioned that even with the historical lead time, they are looking at booking everything in the short-term, as mentioned by Ms. Orton. He said placement is everything. Tier 1 which is 1,000 on peak is four to nine years. They will focus on 2023 - 2027 on tier two, which is 250 to 999 on peak and those that are less, so that might be an example of a hotel that needs additional space. He said the booking guidelines show they are looking for key variables, time of year, peak rooms, amount of exhibit space, and ensuring the inventory is controlled. He said what was good prior to him coming on board in 2019 and still stands is the way they rate groups. He spoke about the key to where they were going.

Mr. Reyes spoke to Mr. Arakawa's question and said through the study with 2 Synergize it was communicated by the hotel community that the best years were 2015 and 2018. Looking at the business mix between those years, it averages a total of 27 events per year. He said the way they will do that mix is book eleven tier 1 groups, eight tier 2, and eight tier 3. He said that is what they are growing towards. In reality, because of COVID, looking at 2023, there are eight groups: four tier 1's, two tier 2's and two tier 3's. Mr. Reyes and Ms. Orton went through the events and peak by year. They are telling the Branding Standing committee that, realistically, they will not do 27 events in 2023, but they believe they can do 12. They already have four in the tier 1 so they will accelerate and look at tier 3 and tier 2. If they can get a tier 1, they will go after it if available. Ms. Orton noted that the type of business is also as important as the number of business. Corporate pieces on the books are always willing to pay higher rates, spend more, and have a higher food and beverage spend. She said having a good mix of association and corporate is nice.

Mr. Reyes said he and Ms. Orton work as one team, although they are separate organizations. He said they have seven organizations representing 84,000 total room nights and 34,000 attendees, 5 were tentative, 2 were definite, and one of the tentatives was a corporate group, and they might book in 2024 with 1,600 people.

Mr. Reyes spoke to Ms. Orton's point about the opportunities they are looking for, being corporate, sports, or associations they can find. Their competition is primarily San Diego, San Francisco, Seattle, and Los Angeles. He said they are more in their exhibit space compared to Seattle.

Mr. Reyes spoke about the Futurepace report. On average, Meet Hawai'i has produced 300,000 definite room nights per year. Two-thirds of that are single property, and a third is city-wide. On average, the pace target is 103,041 room nights. Ms. Orton said Mr. Reyes must raise the number, and they are looking to do that moving forward. That means that in 2022 they should be at 78,951 definite room nights, and he is currently below that by 47%.



They hope to make an impact from 2023 in the future. In 2025 they are over pace. Mr. Reyes can address this with his sales team on an ongoing basis.

Mr. Reyes spoke about corporate groups. The global opportunities in Oceania were hoping to close on a 2023 city-wide booking. He spoke about long-term, which will be about associations. Asia has large incentive groups. For production, total tentative room nights were 198,000 for 2022 versus 94,000 in 2021. There is a positive trend in customers city-wide, and single property is starting to come back and book. The tentative room nights were only 18% below 2019 which is a year everyone is using for the benchmark. Total definite room nights are 52% ahead of 2019.

Mr. Reyes spoke about the opportunities. There are 132,454 potential room nights they will try convert. His team is focused on it, putting in a lot of effort. There is a strategy; they have a goal and need to be flexible. They will be looking at different tiers and have an idea of what is optimal, what the mix is, and how they are getting there.

Mr. Arakawa asked what the previous marketing person's experience was and if they will be able to find a similar marketing person to hire. He wondered if they were looking for someone with similar experience. Mr. Reyes said Ernie was one of the country's top sellers and was born in O'ahu. Beyond the roof problem, there was frustration about the support for tourism for his parent organization, so he was the best of the best. He and Ms. Orton spoke about getting someone similar on board. He has identified over eleven candidates and is feeling positive. Ms. Orton agreed with Mr. Reyes comments about getting an experienced candidate that can call on customers with whom they have established relationships for short-term business.

Mr. Rafter appreciated the focus on tier 1 and asked why they were not focusing more on tier 2 and tier 3. He also asked about the 38% of meetings from the mid-west and the 41% from the southeast, and if it was relevant to the HTA. He said there is a big difference in planning a 20,000-person conference if your headquarters are in New York versus San Francisco. He asked why all their resources are based out of Marilyn, Virginia, Illinois, versus San Francisco or Los Angeles. He asked why none of their resources are on the west coast.

Mr. Reyes said they would start working on tier 2 and tier 3. He said they have opportunities in the Midwest and east coast to focus on that. He said it could not be a corporate position, but it has to be a corporate association and sports, so they focus on the short-term, tier 2, and tier 3 on all markets. The person they are looking at for the position has to have the ability to book those tier 2's and tier 3's, which will be out of the west coast, where that position will be located. He said he and Ms. Orton have looked at contracting additional personnel. He said it comes down to money, \$4.5 million budget. He arrived in 2020 when it was \$7 million, and it got reduced. He is open to being creative on how they can deploy more salespeople.

Mr. Rafter asked how they are measuring performance for the city-wide salespeople. He said there is very little tier 1 production other than one year. Mr. Reyes said the contract with the HTA is two measurements, tentative room nights and definite room nights. 67,450 room nights, and the increase to 101,700 is a 40% increase, which points to the fact that they understand the sense of urgency and are raising goals to get business into the HCC. Mr. Rafter said the tier 1 salespeople have a difficult position, including the roof and wondered if they should lessen the focus on tier 1 and push tier 2. Mr. Reyes said it is important to communicate that the sellers in Chicago and Washington D.C. are not just focused on tier 1 but on anything and everything. Mr. Reyes said they are looking at what they can attain realistically.

There were no questions or comments from the community.

## **7. Adjournment**

Chair Ching asked for a motion to adjourn. Mr. Arakawa made a motion and Mr. White seconded. Mr. Casson-Fisher adjourned the meeting at 3:27 p.m.

Respectfully submitted,



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Sheillane Reyes  
Recorder

# **3**

Update on the RFPs for Japan, Canada and China  
Major Market Areas

# Update of Upcoming MMA Procurements

RFP	Target Issue Date	Notes
Canada MMA	November	Procurement document drafted
China MMA	November	Procurement document drafted
Korea MMA	N/A	Two one-year options; potential 12/31/24 end date
Oceania MMA	N/A	Base + two one-year options; potential 12/31/25 end date
HCC Management	December / January	Contract ends June 30, 2023

# 4

Presentation and Discussion by Jeffrey Eslinger on  
Hawai'i Airlift Update

**AIR SERVICE UPDATE**

**HAWAII TOURISM AUTHORITY**

**November 16, 2022**

**HAWAII TOURISM**<sup>™</sup>  
UNITED STATES



# Industry Overview

HAWAII TOURISM™  
UNITED STATES

# The airline Industry is in a unique position post-pandemic



**Labor shortages** including pilots, mechanics and ground staff have limited the ability to grow and have constrained day-to-day operations – not to mention the increased cost to airline P&L



**Fuel cost increases**, for some carriers > 100% higher versus pre-pandemic, are largely offsetting revenue performance



**Record revenues** driven by the recovery of leisure traffic and ongoing restoration of business travel demand; Yields (higher fares) are performing well; Transatlantic recovery is doing far better than Transpacific




# The airline Industry is in a unique position post-pandemic

## U.S. GULF COAST JET FUEL SPOT PRICE

\$USD per gallon



Source: U.S. Energy Information Administration; Ailevon Pacific Aviation Consulting analysis



# World Routes 2022 Update

HAWAII TOURISM™  
UNITED STATES


# World Routes 2022 - October 15-18<sup>th</sup>

## 16 Airline Meetings with 25 Representatives

Fiji Airways	Omni
JAL	Miat Mongolian
American	Sun Country
Air New Zealand	ANA
British Airways	Southwest
WestJet	Delta
Hawaiian	Air Asia X
Alaska	Qantas

## 10 Airport Meetings with 17 Representatives

Metropolitan Washington Airport Authority  
Sydney Airport Corporation  
Melbourne Airport  
Atlanta Hartsfield Jackson  
Southwest  
DFW-Dallas- Fort Worth  
Oakland International  
LAX- Los Angeles World Airports  
Mactan-Cebu/Philippine Dept. of Tourism  
Vancouver International  
Ontario Airports



# Hawai'i Air Service Overview

(Historic and Forecasted)

HAWAII TOURISM™  
UNITED STATES

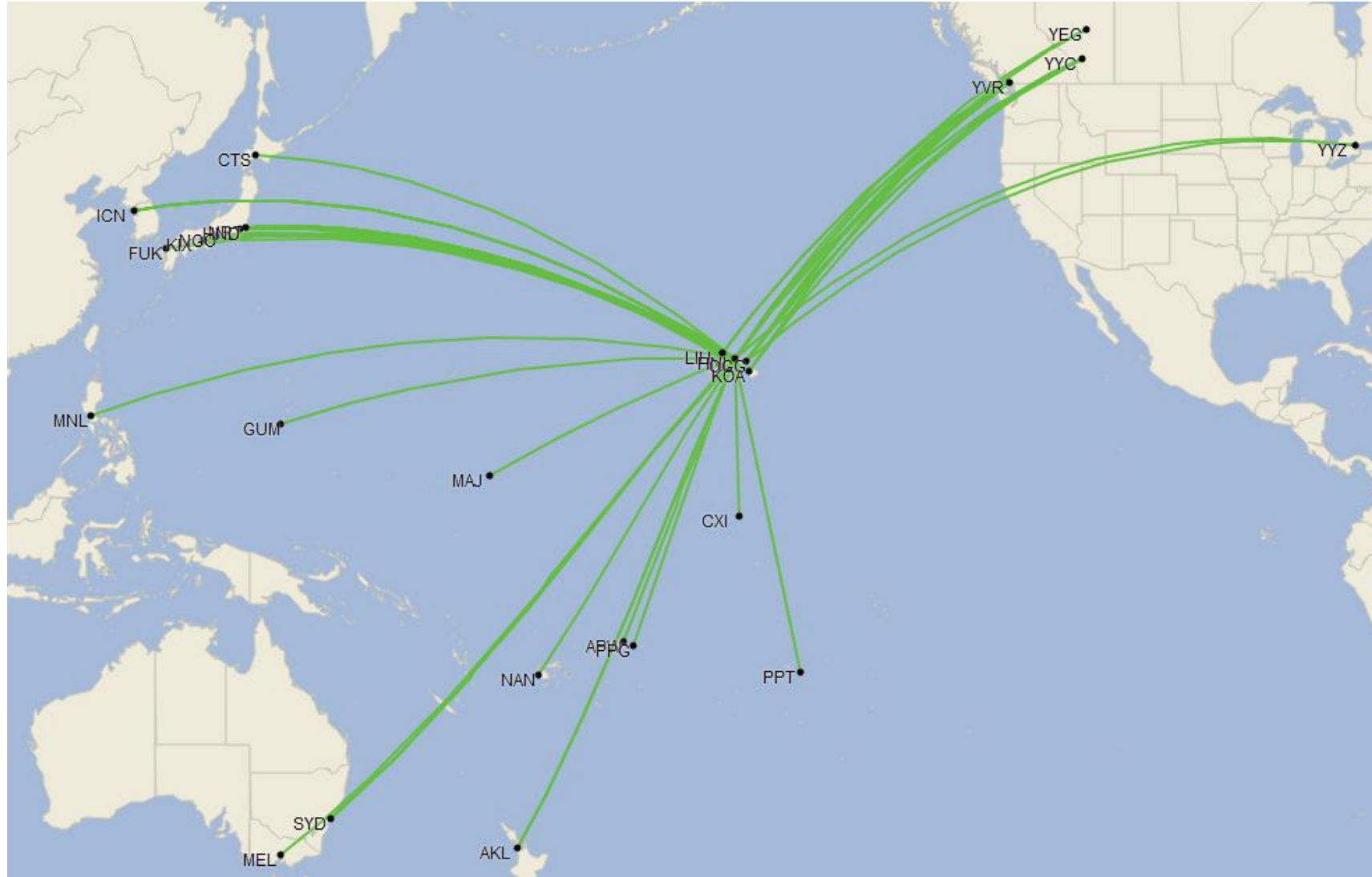
# Air Carriers to Hawai'i



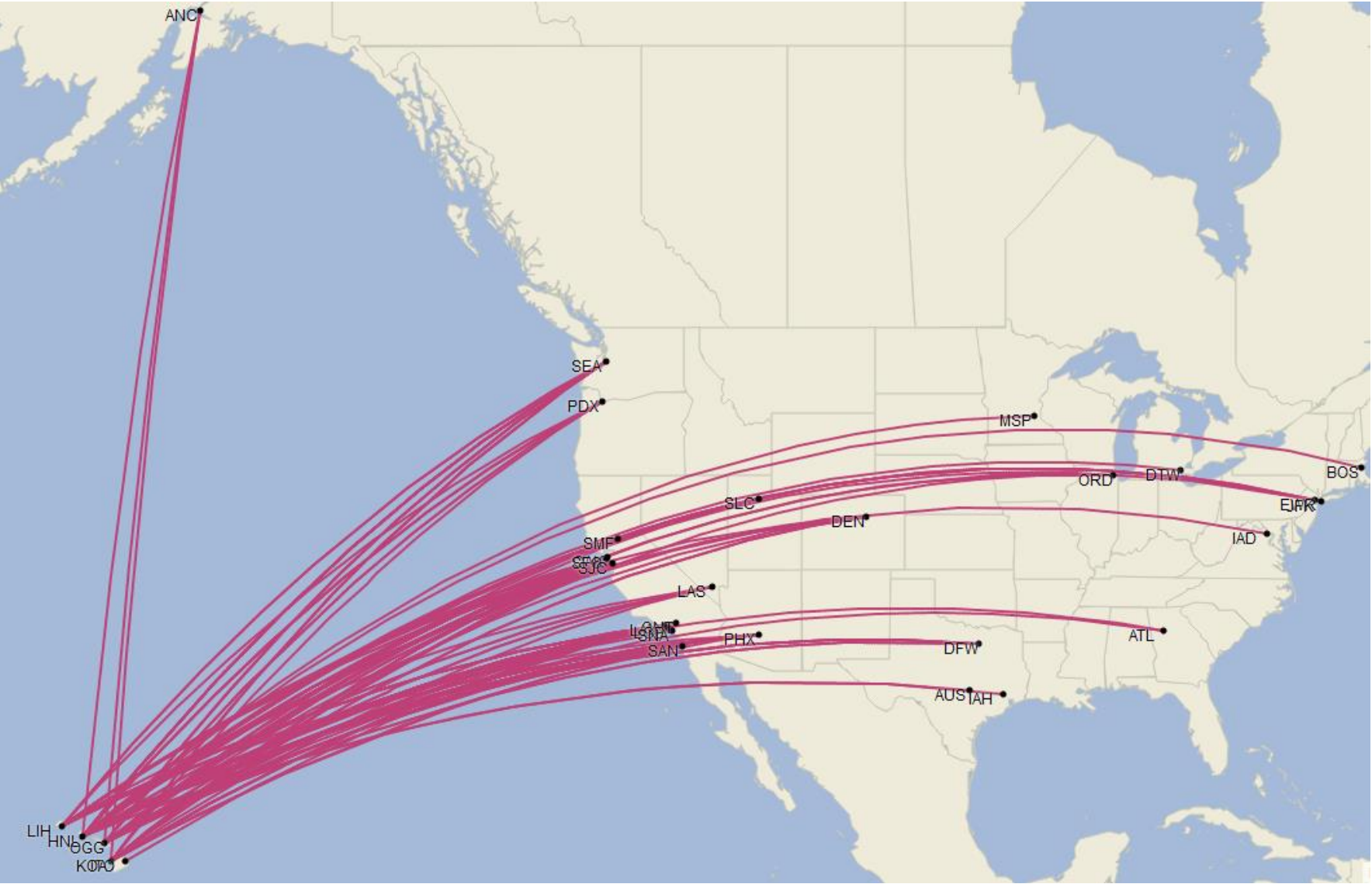
# 2022P Scheduled Non-Stop Seats into Hawai'i (all airports) by Airline

Airline	Seats	Flights
Hawaiian Airlines	3,045,940	12,784
United Airlines	2,862,864	12,304
Southwest Airlines	1,867,250	10,670
Alaska Airlines	1,526,112	9,206
American Airlines	1,300,182	5,980
Delta Air Lines	1,137,930	5,090
WestJet	260,826	1,353
Air Canada	226,389	1,120
Japan Airlines Co., Ltd.	183,833	886
Korean Air Lines	101,258	285
All Nippon Airways Co. Ltd.	93,394	305
Jetstar Airways	72,025	215
Qantas Airways Ltd.	64,152	216
Philippine Airlines	55,620	180
Asiana Airlines	52,419	175
ZIPAIR Tokyo Inc.	37,182	190
Air New Zealand Limited	23,404	80
Fiji Airways	11,318	67
<b>TOTAL</b>	<b>12,922,098</b>	<b>61,106</b>

# Non-Stop International Markets into Hawai'i (all airports)



# Non-Stop U.S. Markets into Hawai'i (all airports)



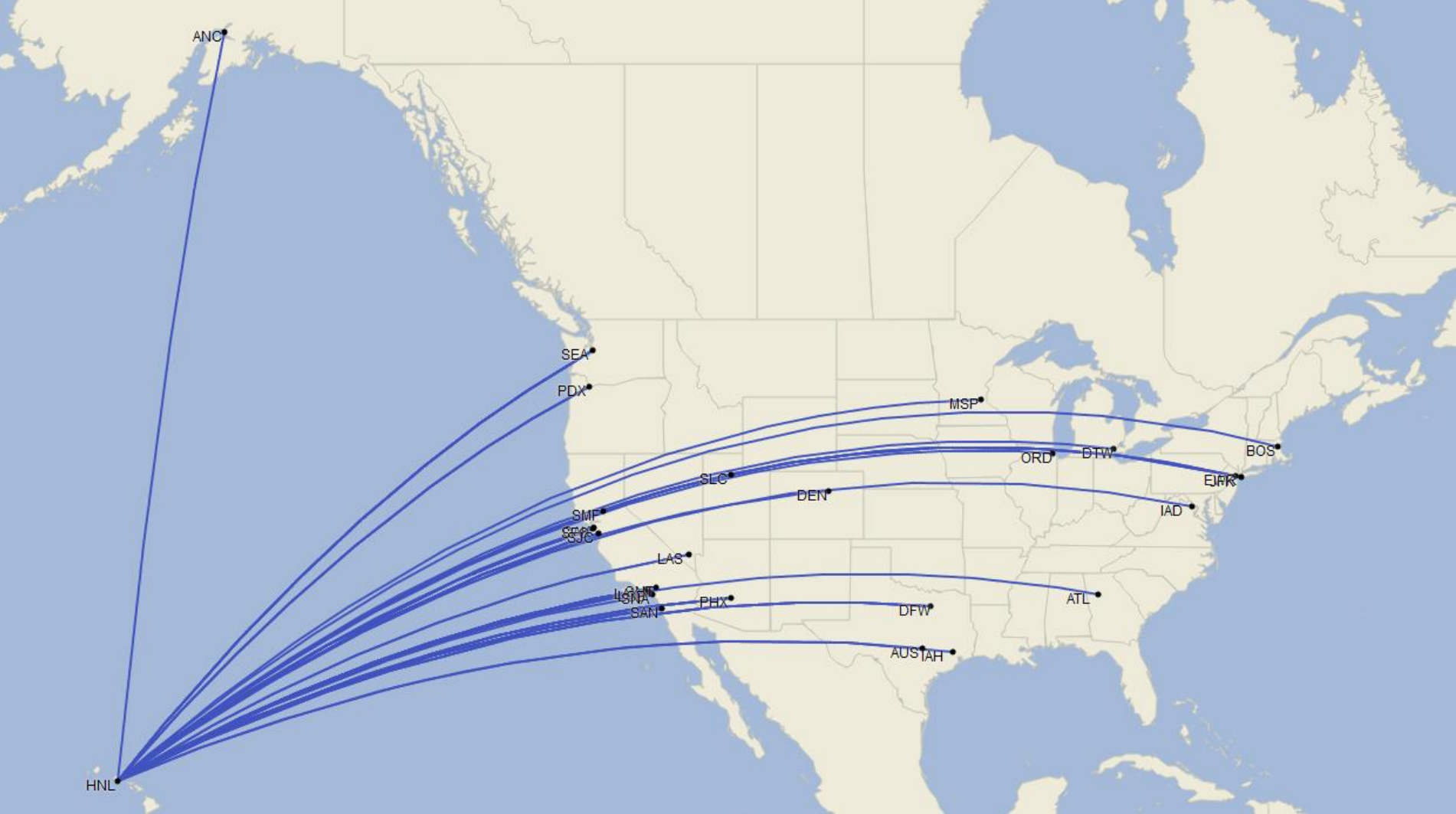


# Non-Stop Origins into Honolulu (HNL)

**Anchorage, AK, US**  
**Atlanta, GA, US**  
**Auckland, NZ**  
**Calgary, AB, CA**  
**Chicago-O'Hare, IL, US**  
**Dallas/Fort Worth, TX, US**  
**Denver, CO, US**  
**Detroit, MI, US**  
**Fukuoka, JP**  
**Guam, TR, US**  
**Houston-Intercontinental, TX, US**  
**Kiritimati, KI**  
**Las Vegas, NV, US**  
**Long Beach, CA, US**  
**Los Angeles, CA, US**  
**Majuro, MH**  
**Melbourne, VI, AU**  
**Minneapolis/St. Paul, MN, US**  
**Nagoya, JP**

**New York-JFK, NY, US**  
**Newark, NJ, US**  
**Oakland, CA, US**  
**Ontario, CA, US**  
**Osaka-Kansai, JP**  
**Phoenix, AZ, US**  
**Portland, OR, US**  
**Sacramento, CA, US**  
**Salt Lake City, UT, US**  
**San Diego, CA, US**  
**San Francisco, CA, US**  
**San Jose, CA, US**  
**Sapporo, JP**  
**Seattle, WA, US**  
**Seoul, KR**  
**Sydney, NS, AU**  
**Tokyo-Haneda, JP**  
**Tokyo-Narita, JP**  
**Vancouver, BC, CA**  
**Washington-Dulles, VA, US**

# Non-Stop U.S. Markets into Honolulu (HNL)





# Current Lift into Hawai'i

HAWAII TOURISM™  
UNITED STATES

# Scheduled Non-Stop U.S. Seats to Hawai'i January – December 2019, 2021, 2022P

**Preliminary as of 11/11/2022**

	# of SEATS 2019	# of SEATS 2021	# of SEATS 2022P*	% Change 22/19	% Change 22/21
O'ahu	4,962,887	5,192,872	5,579,118	12.4%	7.4%
Maui	2,668,370	3,194,004	3,158,069	18.4%	-1.1%
Kona	1,104,675	1,365,329	1,312,567	18.8%	-3.9%
Kaua'i	962,986	840,927	1,147,751	19.2%	36.5%
Hilo	47,872	38,935	47,433	-0.9%	21.8%
<b>Total</b>	<b>9,746,790</b>	<b>10,632,067</b>	<b>11,244,938</b>	<b>15.4%</b>	<b>5.8%</b>

\* A seat scheduled is not a seat flown.

# Scheduled Non-Stop U.S. Seats to Hawai'i January – June 2019, 2022, 2023P

**Preliminary as of 11/11/2022**

	# of SEATS Jan - June 2019	# of SEATS Jan - June 2022	# of SEATS Jan - June 2023P	% Change 23/19	% Change 23/22
O'ahu	2,413,284	2,808,974	2,861,046	18.6%	1.9%
Maui	1,275,965	1,620,331	1,558,623	22.2%	-3.8%
Kona	581,808	678,715	660,380	13.5%	-2.7%
Kaua'i	481,642	581,931	529,671	10.0%	-9.0%
Hilo	21,654	19,993	1,162	-94.6%	-94.2%
<b>Total</b>	<b>4,774,353</b>	<b>5,709,944</b>	<b>5,610,882</b>	<b>17.5%</b>	<b>-1.7%</b>

\* A seat scheduled is not a seat flown.

# Scheduled Non-Stop Seats By Country to Hawai'i 2019, 2022

Preliminary as of 11/11/2022

	# of SEATS 2019	# of SEATS 2022P*	% Change 22/19
Australia	369,282	206,511	-44.1%
Canada	484,613	490,467	1.2%
China	116,539		
Fiji	8,414	7,408	-12.0%
French Polynesia	18,718	14,734	-21.3%
Japan	1,999,204	Nov 11 Schedule 476,185 Sep 27 Schedule 557,371 Aug 31 Schedule 653,336	-76.2% -72.1% -67.3%
Kiribati	6,848	680	-90.1%

\* A seat scheduled is not a seat flown.

# Scheduled Non-Stop Seats By Country to Hawai'i 2019, 2022

Preliminary as of 11/11/2022



	# of SEATS 2019	# of SEATS 2022P*	% Change 22/19
Marshall Islands	34,448	15,106	-56.1%
New Zealand	125,300	45,088	-64.0%
Philippines	73,248	55,620	-24.1%
South Korea	326,398	217,617	-33.3%
Taiwan	39,780		
United States	9,913,374	11,244,938	13.4%
Western Samoa	8,090	3,230	-60.1%

\* A seat scheduled is not a seat flown.

# Scheduled Non-Stop Seats By Country to Hawai'i 2019, 2023P Through June

**Preliminary as of 11/11/2022**

	# of SEATS Jan – Jun 2019	# of SEATS Jan – Jun 2023P*	% Change 23/19
Australia	181,063	118,533	-34.5%
Canada	306,686	279,345	-8.9%
China	65,007		
Fiji	4,282	4,420	3.2%
French Polynesia	8,062	6,950	-13.8%
Japan	981,290	783,259	-20.2%
Kiribati	3,634	4,420	21.6%

\* A seat scheduled is not a seat flown.



# Scheduled Non-Stop Seats By Country to Hawai'i 2019, 2023P Through June

**Preliminary as of 11/11/2022**

	# of SEATS Jan – Jun 2019	# of SEATS Jan – Jun 2023P*	% Change 23/19
Marshall Islands	17,018	15,272	-10.3%
New Zealand	60,028	45,434	-24.3%
Philippines	37,095	39,861	7.5%
South Korea	159,338	156,770	-1.6%
Taiwan	18,666	12,546	-32.8%
United States	4,856,169	5,610,882	15.5%
Western Samoa	4,482	4,420	-1.4%

\* A seat scheduled is not a seat flown.

# Scheduled Non-Stop Seats from (U.S.) to Hawai'i October – December 2019, 2021, 2022 (Q4)

**Preliminary as of 11/11/2022**

	# of SEATS October 2019	# of SEATS October 2021	# of SEATS October 2022P	% Change 22/19	% Change 22/21	# of SEATS November 2019	# of SEATS November 2021	# of SEATS November 2022P	% Change 22/19	% Change 22/21	# of SEATS December 2019	# of SEATS December 2021	# of SEATS December 2022P	% Change 22/19	% Change 22/21
<b>O'ahu</b>	399,574	464,898	426,101	6.6%	-8.3%	395,176	462,322	444,291	12.4%	-3.9%	456,929	519,271	502,431	10.0%	-3.2%
<b>Maui</b>	211,816	277,397	220,067	3.9%	-20.7%	209,739	273,496	231,964	10.6%	-15.2%	250,970	306,191	272,925	8.7%	-10.9%
<b>Kona</b>	72,590	125,751	90,507	24.7%	-28.0%	78,213	121,964	88,212	12.8%	-27.7%	98,565	141,109	112,325	14.0%	-20.4%
<b>Kaua'i</b>	72,357	103,166	84,987	17.5%	-17.6%	77,342	100,263	85,895	11.1%	-14.3%	87,481	109,578	96,384	10.2%	-12.0%
<b>Hilo</b>	4,648	3,759	3,925	-15.6%	4.4%	3,818	4,296	3,818	0.0%	-11.1%	4,316	4,537	4,482	3.8%	-1.2%
<b>Total</b>	760,985	974,971	825,587	8.5%	-15.3%	764,288	962,341	854,180	11.8%	-11.2%	898,261	1,080,686	988,547	10.1%	-8.5%

*Seats Reflect Capacity Only – Not Load Factor*

# Scheduled Non-Stop Seats from (U.S.) to Hawai'i January – March 2019, 2022, 2023P (Q1)

**Preliminary as of 11/11/2022**

	# of SEATS January 2019	# of SEATS January 2022	# of SEATS January 2023P	% Change 23/19	% Change 23/22	# of SEATS February 2019	# of SEATS February 2022	# of SEATS February 2023P	% Change 23/19	% Change 23/22	# of SEATS March 2019	# of SEATS March 2022	# of SEATS March 2023P	% Change 23/19	% Change 23/22
O'ahu	388,968	469,980	493,488	26.9%	5.0%	345,670	430,417	442,079	27.9%	2.7%	422,760	509,436	496,876	17.5%	-2.5%
Maui	195,030	265,755	261,133	33.9%	-1.7%	173,414	245,022	234,517	35.2%	-4.3%	216,456	293,411	281,602	30.1%	-4.0%
Kona	97,410	108,555	107,808	10.7%	-0.7%	87,827	95,264	96,978	10.4%	1.8%	106,853	122,712	118,046	10.5%	-3.8%
Kaua'i	79,402	95,842	85,084	7.2%	-11.2%	69,797	81,696	73,480	5.3%	-10.1%	86,849	100,290	91,157	5.0%	-9.1%
Hilo	2,822	2,685	1,162	-58.8%	-56.7%	2,656	2,148		-100.0%	-100.0%	3,665	3,899		-100.0%	-100.0%
<b>Total</b>	<b>763,632</b>	<b>942,817</b>	<b>948,675</b>	<b>24.2%</b>	<b>0.6%</b>	<b>679,364</b>	<b>854,547</b>	<b>847,054</b>	<b>24.7%</b>	<b>-0.9%</b>	<b>836,583</b>	<b>1,029,748</b>	<b>987,681</b>	<b>18.1%</b>	<b>-4.1%</b>

*Seats Reflect Capacity Only – Not Load Factor*

# Scheduled Non-Stop Seats from (U.S.) to Hawai'i April – June 2019, 2022, 2023P (Q2)

**Preliminary as of 11/11/2022**

	# of SEATS April 2019	# of SEATS April 2022	# of SEATS April 2023P	% Change 23/19	% Change 23/22	# of SEATS May 2019	# of SEATS May 2022	# of SEATS May 2023P	% Change 23/19	% Change 23/22	# of SEATS June 2019	# of SEATS June 2022	# of SEATS June 2023P	% Change 23/19	% Change 23/22
<b>O'ahu</b>	395,313	483,304	473,722	19.8%	-2.0%	419,399	471,665	483,309	15.2%	2.5%	441,174	444,172	471,572	6.9%	6.2%
<b>Maui</b>	213,772	270,901	256,085	19.8%	-5.5%	219,464	261,329	263,842	20.2%	1.0%	257,829	283,913	261,444	1.4%	-7.9%
<b>Kona</b>	89,117	110,623	111,672	25.3%	0.9%	96,028	116,591	114,606	19.3%	-1.7%	104,573	124,970	111,270	6.4%	-11.0%
<b>Kaua'i</b>	75,484	97,861	91,813	21.6%	-6.2%	79,966	102,103	94,105	17.7%	-7.8%	90,144	104,139	94,032	4.3%	-9.7%
<b>Hilo</b>	3,873	2,887		-100.0%	-100.0%	3,938	3,183		-100.0%	-100.0%	4,700	5,191		-100.0%	-100.0%
<b>Total</b>	777,559	965,576	933,292	20.0%	-3.3%	818,795	954,871	955,862	16.7%	0.1%	898,420	962,385	938,318	4.4%	-2.5%

*Seats Reflect Capacity Only – Not Load Factor*



# MAHALO

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**HAWAII TOURISM**  
UNITED STATES

## **5**

Presentation, Discussion, and/or Action to Recommend  
Approval of the HTA Sports Program Strategy and  
Requests For Proposals

The cover page features a central white diamond shape with a thin white border, set against a light gray background. The background is decorated with four overlapping diamond shapes in the corners: blue in the top-left and bottom-right, and green in the top-right and bottom-left. The text is centered within the white diamond.

# HTA Sports Partnership Strategy 2023-2025

# Overview

HTAs approved Strategic Plan calls for Brand Marketing to *“Take the lead in protecting and enhancing Hawai‘i’s globally competitive brand in a way that is coordinated, authentic, and market-appropriate.”*

Over the next three years, HTA will take a more Partnership focused approach, rather than the traditional event strategy and will act as a branch of that tree and be guided by that directive. It will do so by clearly identifying pillars of partnerships and the metrics by which they will be evaluated. The reasoning behind this switch is that currently we do not have the facilities or the funding to compete for high-profile events as in years past.

HTA will issue two RFPs to seek event partnership opportunities that meet HTA's sports partnership criteria. All proposals received will be thoroughly evaluated by HTA and HTA's strategic partners. In certain cases, different form of procurement may be required.



# International Partnerships

HTA will incorporate more international partnerships to both broaden our portfolio, but also achieve our mandate to generate a positive economic return by reaching target visitors through their preexisting affinity for local-market leagues and teams. Aligning the Hawaiian Islands with the most popular team in our key source markets allows us to stay front of mind for new and return travelers. We have defined the sports in each MMA that have the highest cross-section of fans with the disposable income, interest in Hawai'i, and direct airline service to maximize our market penetration. We will also leverage current partnerships across all markets such as access to IP, Visitor Development Funds, and Events.

- Oceania – Rugby, Golf, Basketball
- Japan – Baseball, Golf, Tennis
- Korea – Golf, Baseball, Soccer
- China – Basketball, Golf, Olympic Sports
- Canada - Hockey (Vancouver, Alberta & Toronto) , Football, Golf

# HTA Sports Partnership Strategic Goals

- Enhance the brand awareness and marketing of the Hawaiian Islands
- Generate Community Benefits
- Produce Economic Benefits

*\*Adopted FY2022 by HTA Board*

# Pillar One – Marquee Partnerships

Partnerships in pillar one will directly couple the Hawaiian islands with globally relevant, instantly recognizable properties. These partnerships will elevate both the brand of Hawai'i worldwide as well as the partnering property and appeal to our defined target travelers.

HTA will strategically prioritize partnerships in the Marquee tier with International Brands and those located in our key domestic source markets. Due to the unique nature of these opportunities, they will be evaluated on a case-by-case basis outside of the standard RFP process.

## KPIs Measured:

- Direct Community benefit (camps, clinics, charitable donation etc.)
- Drive target- traveler consideration
- Increase Brand Affinity Internationally or across Targeted Domestic Markets
- Increase PPPD Spending as a Direct Result of Partnership

# Pillar One – Marquee Partnership Examples



# Pillar Two – Signature Partnership

The overarching purpose of a Signature Event is to draw visitors to the Hawaiian Islands from outside of the State to attend or participate in high profile events. Signature Events will be sports-based and allow for HTA to consider funding for a diverse group of applicants and are designed to have a high level of TV, digital, social and print exposure that highlight the state across multiple markets. Selection for funding will be done through RFP and scoring criteria will consist of the following:

## Evaluation Criteria:

- Total number of event-specific arrivals of at least 25% of event attendance
- Estimated Market Value of estimated PPPD & Total Economic Impact
- Estimated TV and Digital impressions
- Event takes place in-state
- Local execution vs. National promoter

# Pillar Two – Signature Partnership Examples



# Pillar 3 – Hawai'i Authentic

Hawai'i Authentic events consist only of **surfing, canoe paddling and beach volleyball**. Across all islands, these events will couple traditional Hawai'i pursuits with existing brands and sponsors. These events will not only draw world-class athletes but provide dedicated funding for local athletes to compete as well. They will offer the opportunity for our communities to view up-close the top performers in sports that many grew up participating in, while nurturing the future generation to carry on the pursuits. An RFP process will be used to evaluate potential offerors and will be based on the following criteria:

## Evaluation Criteria:

- Percent of Local involvement
- Community Benefits generated
- Outside Sponsorship funding
- Estimated Digital and Social Impressions

# Pillar 3 – Hawai'i Authentic Examples





# Community Partnership Success

- In 2022 HTA provided funding of \$2.9M for 86 events, festivals and nonprofit programs across Hawai'i through our Community Enrichment Program. The events are often highly attended by Hawaii's residents.
- Los Angeles Rams neighbor island youth clinics
- Los Angeles Clippers donation of an elementary school computer lab
- PGA Tour Charitable Donations of over \$2,000,000 in 2022

**MAHALO**

## **6**

Presentation, Discussion, and/or Action to  
Recommend Approval of the  
2023 PGA “Aloha Swing” Activation Plan



# “ALOHA SWING” 2023

# Executive Summary

- **Event Dates/Locations**
  - Sentry ToC, January 5-8 (Maui) Sony Open, January 12-15 (O‘ahu) Mitsubishi Electric Championship, January 19-21 (Island of Hawai‘i)
- **Total Amount Requested: \$1,800,000**
  - FY22 ARPA funds
- **Projected Economic ROI**
  - Projected \$118 Million for 2023 (DBEDT Calculator used)
  - HVCB and the Golf Channel estimate the media value for 2022 to be almost \$30 million in the US alone
- **Community Benefits Expected**
  - Proposal Deliverables sheet
- **Contract Term**
  - 1 year
- **Procurement Method**
  - Sole Source
    - Request Pending

# Executive Summary Continued

- Key Changes
  - Reactivation of the “Aloha Swing” handle from past years. Sentry ToC purse increased to \$15 Million (previously \$8.2M), previous year's tournament winners and all top 30 ranked players receive an invitation to play.
- Broadcast details
  - Each tournament and location in the Aloha Swing receives significant brand and media exposure. These professional sporting events serve as platforms to spotlight HTA initiatives that are integrated throughout each broadcast through:
    - Digital Distribution (ESPN+, social media, etc.)
    - Digital Coverage (PGA TOUR website and apps)
    - Brand exposure across digital and social channels on both PGA TOUR and tournament platforms
    - Domestic & global tune-in promotions and editorial segments
    - Tournament Communications and Publications (website, programs, and social media channels)
    - Substantial earned public relations exposure in news and sports coverage (local, national, etc.)

## 2022 Budget Actual Spend

Category	Amount
<b>Tournaments</b>	<b>\$1,500,000</b>
Sony Open in Hawai'i	\$650,000
Sentry Tournament of Champions	\$600,000
Mitsubishi Electric Championship at Hualālai	\$250,000
<b>PGA Tour Royalties</b>	<b>\$158,479</b>
<b>Other Costs</b>	<b>\$15,165</b>
<b>Visitor Development Fund</b>	<b>\$504,245</b>
<b>TOTAL</b>	<b>\$2,177,889</b>

## 2023 Budget Requested

Category	Amount
<b>Tournaments</b>	<b>\$1,500,000</b>
Sony Open in Hawai'i	\$650,000
Sentry Tournament of Champions	\$600,000
Mitsubishi Electric Championship at Hualālai	\$250,000
<b>PGA Tour Royalties</b>	<b>\$150,000</b>
<b>Visitor Development Fund</b>	<b>\$150,000</b>
<b>TOTAL</b>	<b>\$1,800,000</b>



# Brand Alignment & Extension

PGA TOUR's "Aloha Swing" includes the Sentry Tournament of Champions on Maui (PGA TOUR), Sony Open on O'ahu (PGA TOUR) and the legends of golf at the Mitsubishi Electric Championship on Hawai'i (PGA TOUR Champions). The overarching goals of each tournament are to provide charitable giving to its community, serve as a platform to showcase Hawai'i to the world as a premium vacation and golf destination, and be among the premier events on the PGA TOUR and PGA TOUR Champions schedule. In a sport where competitions are conducted outside in nature, professional golf serves as a powerful and effective vehicle to further promote Hawai'i as an idyllic setting through global marketing efforts that heavily feature its beauty, rich history, and cultural uniqueness.

Additionally, Each tournament works closely to align with HTA to authentically tell stories that celebrate Hawai'i's rich culture in each unique market. These cultural initiatives are ingrained in each tournament's playbook, which grow and evolve every year.

# New Global Approach

- Expansion of the Visitor Development Fund
  - Currently at \$506,745 with a \$2,500 increase yearly
  - Provides paid media in our key international source markets (Japan, Canada, Australia, South Korea, New Zealand, and China)
  - Synergy with players from those markets
  - Encourage visitation for the events
    - Goal of increasing nonresident attendance by 2%, noting max capacity for the events and tickets available.
  - Increase reach to golf-specific travelers in key source markets
    - High spend, golf travelers spend time on the course and not impacting communities
    - 46% of target demographic lists golf as important when considering a vacation destination
  - Leverage relationship with PGA to engage their strategic global partners

# Mālama Messaging Broadcast Reach

In partnership with HTA, the Aloha Swing tournaments showcase Hawai'i's powerful brand message through promoting sustainable tourism, integrating the Islands' culture, and highlighting each community's impact to a highly desirable international audience. Last year, these tournaments received over 157 broadcast hours domestically of coverage that spans the Golf Channel and NBC. In 2022, the PGA TOUR started a new partnership with ESPN+ as its OTT coverage provider, which gives tournaments more live coverage and feeds than ever before to over 20 Million subscribers. Internationally, PGA TOUR coverage is currently available to over 1 Billion households across 200+ countries and territories in 27 languages through 43 local broadcast partners.

# Community Engagement & Benefits

## Sentry Tournament of Champions

### •Charitable Funding

- Tournament supports several local Hawai'i charities, including Hale Makua, Ka Lima O Maui, Friends of the Children's Justice Center, J Walter Cameron Center, Maui United Way, Maui Food Bank, Lahainaluna High School Foundation, Maui Junior Golf and many other organizations.
- Tournament's Title Sponsor, Sentry, donated \$10,000 to local Maui schools and an additional \$200,000 to the Maui United Way, as well as a \$250,000 grant to Maui Food Bank. They also annually give four scholarships a year to Maui students to attend Hawai'i colleges to grow Maui's workforce and to keep talented students on the island.
- Aloha Friday is a weekly cultural tradition that encourages players to wear Aloha attire, where Sentry donated up to \$4,000 to local Maui charities for each participating player.
- Ohana Day highlights activities to help raise money for local schools and keep families engaged.
- **Community Support:**
- "Connected Communities" initiative that connects community leaders from Maui, the Hawaiian Islands, and Wisconsin to make a year-round positive and lasting impact by sharing and focusing their efforts on building community, developing the workforce, supporting basic human needs, and improving quality of life.
- Kama'āina and 'Ohana Day ticket opportunities for locals and families to affordably access the tournament including kids 15 and under getting in free.
- The tournament supports several events each year, including the Lahaina Town Action Committee, the Maui Arts League, the MACC and others.

# Community Engagement & Benefits

## Mitsubishi Electric Championship at Hualālai

### Charitable Funding:

- Each year MEC gives back to many local charitable organizations, including the Daniel R. Sayre Foundation, Big Island Junior Golf Association, Hawaii State Junior Golf Association, and Hualalai Ohana Foundation.
- Tournament generated funds and donated to support Pua Ka'ilima Cultural Surf Park to give unrestricted ocean access for local people and visitors.
- Partnership with Rotary Club of Kona with all contributions reinvested into Island of Hawai'i community projects including park makeovers and rejuvenation, purchase of mobile Kidney Stone diagnostic vans, "Keiki Vision" –administrate free eye exams and glasses for elementary and middle school students, annual student scholarships

### Community Support:

- Complimentary admission and parking to active military, veterans, youth 16 & under and Big Island Junior Golf Association members.
- KTA Super Stores Program –raised ~2,000 canned goods as a promotion for complimentary tournament access.
- Pro-Am at Nanea Golf Club–PGA TOUR Champions players pair with Big Island Junior Golfers
- Blessings in a Backpack -PGA Tour Champions Players, Spouses, Guests, And More Packed 500 Bags Of Food At The Mitsubishi Electric Championship in Hualālai, Hawai'i. All backpacks will go to local elementary school children who may be experiencing food insecurity.

# Community Engagement & Benefits

## Sony Open in Hawai'i

### Charitable Funding:

- Friend of Hawaii Charities serves as the host-organization for the tournament, whose year-long mission is to activate financial resources from the private sector, engage spirited volunteerism through the community and utilize natural resources of the state to produce sports and cultural events that generate funds for not-for-profit endeavors in Hawai'i benefiting its women, children, the elderly, and needy, primarily in the areas of intervention, health and education.
- Each year over 100 Hawaii non-profits receive funding from the Sony Open in Hawai'i.

### Community Support:

- 1,300 local volunteers participate and support the production of the tournament.
- College students and high school students are given first-hand experience to utilize skills and grow their resume through social media and public relations and support of an official sporting event.
- Complimentary admission open to the public on Monday and Tuesday, and extended all week long to military and dependents, and children under 15.

# Economic Benefits

To support Hawai'i's business sector and economy, numerous Hawai'i businesses, including operational, travel, service vendors, entertainers, restaurants, and chefs are contracted for the event. Each tournament brings a large constituent base to the islands for official tournament play that extends to exploration and excursions of the islands and culture. This includes but is not limited to; PGA TOUR and PGA TOUR Champions players and families, caddies, player agents, corporate sponsors, corporate sponsor guests, PGA TOUR employees, NBC/Golf Channel announcers and production, ESPN+ production crew, tournament operators.

Each year the Aloha Swing generates significant economic impact and support back to the state. As a result of conducting these tournaments in Hawai'i, these events generated over \$101 Million Dollars of revenue back to the local community in 2022. In 2023 and beyond, this number will increase as Sentry Tournament of Champions will be an Elevated Event with an increased field and additional production staff.



*'A'oha hana nui ke alu 'ia.*  
No task is too big when done together by all.



# **7**

Presentation, Discussion, and/or Action to  
Recommend Approval of the  
2022-2023 World Surf League Activation Plan

**2022-2023**  
**WORLD SURF LEAGUE**  
**ACTIVATION PLAN**

# Executive Summary

- Event Dates/Locations
  - HALEIWA CHALLENGER 11/26-12/7, WSL AWARDS 1/26, BILLABONG PRO PIPELINE & HURLEY PRO SUNSET 1/26, BOWL PRO REGIONAL 6/12-6/19
- Total Amount Requested:
  - \$100,000
- Community Benefits Expected
  - Coastal restoration projects, dune restoration, youth ocean clinics, high school mentorship program and North Shore capital improvements, 75% of subcontractors will be local
- Contract Term
  - Through FY23
- Procurement Method
  - Sole Source
    - Request Pending

# FY23 Budget Actual Spend

Category	Amount
<b>Events</b>	
Haleiwa Challenger	\$90,000
WSL Awards	Free
Billabong Pro Pipeline & Hurley Pro Sunset	Free
Bowls Pro Regional	Free
Working Media Dollars	\$10,000
<b>TOTAL</b>	<b>\$100,000</b>

# Brand Alignment & Extension

Hawai'i is the birthplace of surfing as both a cultural practice and a competitive sport. From Duke Kahanamoku to Carissa Moore, generations of ambassadors have shared Hawaiian culture, values and resources through surfing and surf competitions.

Surfers have travelled to Hawai'i since 1953 to compete, when the Waikiki Surf Club hosted the first international surf event.

The World Surf League (WSL) has governed professional surfing since 1976. Its kuleana is to showcase the best of surfing, Hawai'i, and Hawai'i surfers right here in the islands. Through local initiatives and global distribution platforms, the WSL and HTA will strive to meaningfully contribute to the perpetuation of surfing as both a distinctly Hawaiian tradition and thrilling modern-day competitive sport.

# Haleiwa Challenger Activation Details

- Presenting partner full category exclusivity (onsite/in media)
- Presenting partner logo integration into event title and graphics
- Included on select event marketing, editorial, and social posts (@wsl; 3.9M followers)
- Rights to use WSL IP
- Global press plan
- Logo placement on athletes' jerseys' sleeve
- Premium onsite activation space
- Custom broadcast integrations
- Onsite PA announcements on all competition days
- Third-party measurement (HookIt, Nielsen)

# WSL Awards Activation Details

- Listed as an "Official Partner"
- Logo integration into onsite branding (red carpet step-and-repeat, arrival banners, dinner program, et al.)
- Recognition/Mahalo during dinner program
- Gift bag inclusion to event attendees and/or select VIPs (World Champions)
- Three (3) invitations for Hawai'i Tourism Authority guests to attend

## Billabong Pro Pipeline & Hurley Pro Sunset Activation Details

- Official Partner category exclusivity
- Access to WSL IP
- Branding on We Are One Ocean website
- Recognition/Mahalo at We Are One Ocean activation
- Logo integration into onsite branding at Billabong Pro Pipeline and Hurley Pro Sunset events
- Social media
- Inclusion in all marketing materials
- Inclusion in global press release
- Custom broadcast integrations
- Onsite PA announcements on all competition days
- Third-party measurement (HookIt, Nielsen)



# Bowls Pro Regional Activation Details

- Official Partner full category exclusivity (onsite/in media)
- Logo integration into onsite branding
- Inclusion on select event marketing, editorial, and social posts ([@wsl.qs](https://www.instagram.com/wsl.qs); 105K followers)
- Rights to use WSL IP from the event
- Regional press plan
- Regional athlete ambassador integration
- Onsite PA announcements on all competition days
- Comprehensive post-event report



*'A'oha hana nui ke alu 'ia.*  
No task is too big when done together by all.