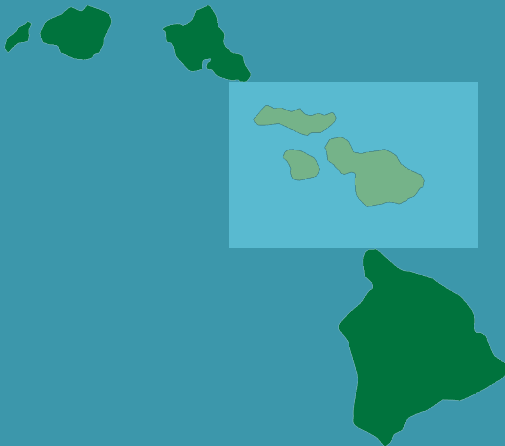


# MAUI COUNTY TOURISM INDUSTRY STRATEGIC PLAN 2017-2026

Volume 1: Maui  
County Tourism  
Overview and Plan



MAYOR'S OFFICE OF  
ECONOMIC  
DEVELOPMENT  
MAUI COUNTY

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## I. Executive Summary

This is the second countywide Tourism Strategic Plan (TSP) for the islands of Maui Nui (or Greater Maui – the inhabited islands of Maui, Moloka‘i, and Lāna‘i, plus Kaho‘olawe and other uninhabited islets).<sup>1</sup> The first was the *Maui County Tourism Strategic Plan 2006-15*, which provides a foundation for this updated version. That earlier Plan, along with three other county TSPs, was mandated and funded by the statewide Hawai‘i Tourism Authority (HTA). However, this update has been funded by the County’s Office of Economic Development (OED) through a grant to the Maui Visitors Bureau (MVB).

This new Maui TSP differs from the first primarily in aspiring to be a more targeted action plan, assigned responsibilities, and a more ambitious implementation and monitoring plan. It specifies Success Measures for each of the Plan’s objectives, to be updated in an annual report to be prepared by the MVB. However, while the MVB will have oversight and reporting responsibility, this TSP is predominantly an overall *Industry* plan, in which various tourism and business entities have expressed willingness to be Responsible Organizations for moving forward various Actions specified in the Plan. Some Actions will also be led by the County, with the hope that future mayors, department heads, and council members will continue to hold all parties accountable. Like the 2006-15 Plan, this is not a marketing plan, but has a larger focus on the well-being of the industry itself; the well-being of the community, culture, and environment on which the industry depends; and the proper balance among them.

The new TSP was slated to begin development in early 2016, but OED and community resources were diverted by the shutdown of Maui Island’s last sugarcane operation. The additional time permitted development of a very detailed analysis of *Maui Visitor Industry Data and Trends*, contained in Vol. II of this Plan.

As with the first Maui TSP, this Plan benefited greatly from (a) an Advisory Committee of industry stakeholders from all islands, and (b) additional stakeholder interviews on Maui and small-group meetings on Moloka‘i and Lāna‘i. However, final decisions on content were made by MVB, OED, and its contractors.

During the Plan development process, two inter-related “Guiding Principles” emerged:

1. *The visitor industry must become more active and collaborative in advocating for vital improvements, while still assuring adequate resources for marketing of Maui Nui’s primary economic engine.* Community frustration with various growth impacts (from tourism or other causes) – particularly traffic, but others as well – requires the industry to take a more visible “stewardship” role, while still maintaining resources and effective expertise in the crucial marketing functions needed to assure success.

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<sup>1</sup> Maui County is the local government entity administering all of Maui Nui, except for a small portion of Moloka‘i encompassing the former Hansen’s Disease outpost on the Kalaupapa Peninsula (which is technically “Kalawao County”). This document generally uses “Maui County” when referring to government. However, the two terms may be synonymous when referring to State government data that includes statistics on all three inhabited islands.

2. *A Strategic Plan can be most effective if it helps to start ongoing processes of improvement.* For some aspects of this TSP, such as marketing, it makes sense to identify definite actions with high probabilities of success. But for enhanced lobbying (as may be needed for highway improvements) or better communication with community and cultural groups, the key thing is to develop and maintain processes (working groups, conferences, etc.) that can try out various approaches over time.

This perspective emerged in part from the review of data and stakeholder input, which provided a sense of challenges and opportunities on each island.

### Maui Island

#### *Challenges*

- Surveys show the majority of Maui residents see more benefits than problems from the visitor industry, but the size of that majority has shrunk as the island's infrastructure and natural resources have been affected. Issues of cultural authenticity and sense of community also have been long-term challenges.
- Though average daily spending has recently increased, large drops in inflation-adjusted expenditures prior to the Great Recession mean long-term growth in visitor counts has outpaced growth in spending, reducing the industry's benefit-cost ratio. This is true statewide, but has particular resonance on an island where 1 in 4 people present on an average day are visitors.
- The long-term spending changes reflect more individual, Internet-based trip planning in Maui's traditional North American market, plus some shifts in market composition. Higher-spending visitors from Asia and Oceania are unlikely to come to Maui in large numbers unless and until Kahului Airport can receive direct flights from these areas.

#### *Opportunities*

- Maui has an extraordinarily strong reputation ("brand") as a leisure destination with great beauty, diverse attractions, and high quality resorts. Though always subject to improvement, its marketing efforts have proven effective and are well supported by the industry.
- Maximal economic benefits through higher average spending can best be achieved by marketing focused on visitors who stay in hotels and/or use package tours, as well as niche markets such as honeymooners and group business.
- Direct flights to Kahului Airport from core North American markets remain crucial. The number of seats to Kahului is at an all-time high, but there are still potential opportunities on the East Coast and other U.S. cities.
- Improved occupancies during shoulder season would provide stability to many tourism-related businesses and avoid seasonal employee layoffs.

### Moloka'i

Moloka'i's visitor plant now lacks conventional resort facilities and primarily consists of a mix of small condominium and "community-based" vacation rentals and B&Bs. Many – though certainly not all – residents would prefer to focus on vacationers from other Hawaiian islands, but they also accept out-of-state guests who have been educated on the island's desire to maintain a traditional rural lifestyle and the implications of that desire for limited tourism. The stakeholder meeting for this planning effort tended to attract supporters of the community-based model, and the group said it wants to keep meeting to find ways to gradually grow appropriate tourism that honors the Moloka'i lifestyle.

### Lānaʻi

Pūlama Lānaʻi and other companies owned by West Coast tech billionaire Larry Ellison are seeking to improve profitability of Lānaʻi operations through renovations making the two major properties even more upscale than before. This will hopefully improve job security for residents, but is a challenge for Lānaʻi City merchants whose previous best markets were guests at Kōʻele when it tended to attract a kamaʻāina market. However, as on Molokaʻi, the Lānaʻi stakeholder group for this effort (which included many merchants) was excited about holding ongoing meetings and starting to take more control over planning their future.

### Summary of Report and Plan Contents

Chapter II of this document describes the TSP development process in more detail, and Chapter III provides the background data and stakeholder perspectives at more length.

Chapter IV contains the actual Plan elements and contents, beginning with the Vision of ***“A visitor industry that successfully and proactively partners with other businesses, nonprofits, and government to balance the interests of community, culture, environment, and visitors.”*** The latter four elements – Community, Culture, Environment (both natural resources and physical infrastructure), and Visitors – provide the four pillars of the TSP, each with its own specified Strategic Direction, Goal, measurable Objectives, and a number of Actions (and one or more Responsible Organizations to oversee each).

**Community:** Strategic Direction - *We will convene frequent “talk-story” conversations with the community about the industry, including its benefits and costs.* Goal - *Our residents appreciate the economic benefits of the industry and work with the industry to maximize benefits and minimize challenges.* Objectives focus on survey measures of resident satisfaction, and Actions include both existing and new initiatives to interact more with the community.

**Culture:** Strategic Direction - *We will focus on expanding and enhancing authentic visitor experiences that foster appreciation of our Hawaiian culture as well as our multi-cultural heritage.* Goal - *Our culture and our history make up a key, authentic part of visitor experiences – and are in turn strengthened by tourism.* Objectives center on both visitor and resident satisfaction with cultural authenticity, and Actions emphasize development of more communication networks between cultural practitioners and the industry.

**Environment:** Strategic Direction - *We will increase efforts to minimize impacts on our natural environment as well as on our infrastructure, and to feature environmental quality in marketing and visitor experiences.* Goal - *The industry is a good steward of natural resources and infrastructure.* Objectives again focus on relevant measures of visitor/resident satisfaction (starting with traffic), and Actions include more effective industry lobbying for infrastructure improvement and new or improved communication mechanisms between the industry and environmental scientists, advocates, and conservation organizations.

**Visitors:** Strategic Direction - *We will continue to rely on our existing North American markets, but also explore sustainable strategies for attracting more international visitors.* Goal - *Visitors are well suited to each island’s appeal and are satisfied with their experiences. Visitors’ economic contributions are as strong as possible, given prevailing economic conditions for Maui Nui.* Objectives relate to visitor satisfaction, spending, and occupancy.

Actions include many ongoing initiatives of industry groups such as MVB or MHLA (Maui Hotel & Lodging Association), but also more social media monitoring and certification programs for customer service.

Through these four pillars, this plan calls for a much more proactive approach to managing Maui Nui's number one industry and sets forth accountability measures so that all stakeholders can evaluate the progress.

## II. Introduction and Background

This *Maui County Tourism Industry Strategic Plan (TSP)* for 2017-2027 is an updated version of the *Maui County Tourism Strategic Plan 2006-15*. The 2006-15 TSP provides an excellent foundation for this new TSP, and the new document preserves much of the framework – and at some points even the same language – as its predecessor. The new TSP differs primarily in:

- Reflecting changes in the visitor industry since the Great Recession of the late 2000s and experiences thereafter;
- Focusing primarily on what the private-sector visitor industry (MVB and its collaborators) can itself realistically achieve in the coming years;
- Serving as more of a targeted action plan, assigned responsibilities, and a more ambitious implementation and monitoring plan.

As with the previous TSP, the new plan reflects the collective feedback and input of Maui, Molokaʻi, and Lānaʻi residents, the visitor industry, state and county governments, cultural organizations, educational institutions, and many others in private and public sectors.

This TSP continues the previous plan’s philosophy that a healthy land nourishes healthy people. Stated in the Hawaiian language, “*Ola ka ʻĀina, Ola ke Kānaka – Healthy Land, Healthy People.*” When there is focus on the land and attention given to the people who live on Maui, Molokaʻi, and Lānaʻi, things will be *pono* or right.

The Maui County TSP represents a balanced approach – one that considers the desires of residents, interests of visitors, the protection and preservation of natural and cultural resources, and the economic needs of the county.

### A. Purpose of the Plan

This Maui County Tourism Strategic Plan:

- Reflects island knowledge and the desires of Maui, Molokaʻi, and Lānaʻi stakeholders, including visitor industry representatives, government officials, and community residents.
- Establishes an overall direction for all visitor industry stakeholders to move forward in a coordinated and complementary path.
- Can serve as a guide to county, state (including Hawaiʻi Tourism Authority), and federal government decision makers in developing policy, and in advocating for the allocation of resources to improve the visitor industry in Maui Nui.
- May be integrated with other plans and processes to create opportunities for partnerships.



## B. State and County Plans

In the previous planning cycle, a “State” TSP 2005-15 was generated by the Hawai‘i Tourism Authority, with goals and assumed responsibilities on the part of many different government and community groups. Various county plans (including the 2006-15 Maui TSP) were in the same mold, adding county-level specifics.

However, when the HTA developed its new *Hawai‘i Tourism Authority Five-Year Strategic Plan 2016*,<sup>2</sup> it recognized its previous plan was overly ambitious, in that the HTA actually had no authority over other agencies or organizations. Its previous list of goals and strategies was so comprehensive that it was closer to a “wish list” than to an effective plan for charting positive action. Therefore the new State-level plan applies to the HTA only, and it includes a trimmed-down list of goals and objectives.

The new Maui TSP in many ways follows suit, although it assumes that various private-sector groups in Maui Nui will be able to follow up on agreements to take action over time. Thus, it is primarily a Maui Tourism *Industry* Strategic Plan (for all the industry, not MVB alone). Although the Maui County government has played a vital role in funding this updated plan, it is understood that policies at both the County and State levels may change with new elected officials. This Plan includes statements about the sorts of public policies the industry would like to see, but it cannot bind government to follow.

## C. Development Process

Through his Office of Economic Development (OED), the Honorable Mayor Alan Arakawa provided funding for a new TSP to begin in 2016. However, the closing of Maui’s last sugar plantation diverted community resources and attention, and the only action in 2016 was a consultant analysis of *Maui Visitor Industry Data and Trends* (see Vol. II of this plan). In 2017, OED and MVB invited industry stakeholders to actively participate on a new Maui County TSP Advisory Committee and to help review key sections of the plan (Chapters III and IV). This committee was comprised of individuals representing a broad range of visitor industry stakeholder groups, including representatives from each of Maui Nui’s three inhabited islands – Maui, Moloka‘i, and Lāna‘i. In addition, further industry and community stakeholder input was obtained through various one-on-one or small-group interviews.

## D. Guiding Principles

Although not articulated at the outset, the development process produced the realization that the Plan is implicitly based on two underlying “**Guiding Principles:**”

1. *The visitor industry must become more active and collaborative in advocating for vital improvements, while still assuring adequate resources for marketing of Maui Nui’s primary economic engine.*

<sup>2</sup> [http://www.hawaiitourismauthority.org/default/assets/File/HTA15001-Strategic%20Plan\\_web.pdf](http://www.hawaiitourismauthority.org/default/assets/File/HTA15001-Strategic%20Plan_web.pdf) (as of March 2017). Unlike the previous plan, the 2016 document does not call for county-level TSPs.

As detailed in the following Chapter III, rising visitor counts in some ways reflect industry success but are also straining infrastructure and natural areas. There are also challenges in regard to community attitudes and cultural authenticity. If the industry is to meet all these challenges while retaining community good will and maintaining adequate public resources for marketing, it must “up its game” in terms of paying attention to issues of importance to the general public. That does not mean the visitor industry should assume responsibility for functions that have historically been carried out by government or nonprofit community groups. However, it must collaborate and communicate more effectively with those other sectors – and also within its own business constituency, in order to lobby successfully for improvements vital to the interests of both tourism and the wider community, such as highway capacity and traffic mitigation.

2. *A Strategic Plan can be most effective if it helps to start ongoing processes of improvement.*

From the beginning, the intention was to generate specific actions for follow-up, not just “wish-list” statements of desired outcomes with no clarity about how or by whom those outcomes would be created. However, a Strategic Plan is properly a long-term broad outline. If indicated action steps are too specific, they may fail to keep up with changing economic and social conditions. In line with the idea of a “more active and collaborative” industry, this TSP often focuses on generating new networks, new (or renewed) communication processes, even the possibility of new organizations or working groups. This is particularly the case for actions in the Goal areas of Community, Culture, and Environment, as laid out in Chapter IV. The Plan does include some proposed well-defined action steps, but it also proposes more open-ended *mechanisms* for developing and testing yet-to-be-defined actions. At this point, we do not always know the best solutions, and so the key thing is to create and maintain ways to keep looking for them.

## **E. Implementation Framework**

An ongoing oversight committee envisioned in the previous Maui TSP was never actually created. This plan calls on the MVB both to make an annual report and also to conduct two comprehensive reviews of the overall plan. Specifically, MVB is to (a) prepare an annual “report card” on success according to the metrics in this TSP; and (b) at a minimum, re-assemble its Advisory Committee – but preferably convene a half- or full-day conference of industry and related stakeholders – to review progress on Success Measures and issue Addenda to the plan on any major “course corrections” MVB would have overall responsibility for Plan implementation and tracking success measures. These more comprehensive reviews are targeted for 2020 and 2023.

### III. Overview of Tourism

#### A. State Level

##### 1. Historical Trends

The visitor industry has been an economic mainstay of Hawai'i since statehood in 1959. Both visitor counts and "real" (inflation-adjusted) total spending from all visitors grew at a near-exponential pace from the 1950s through the late 1980s. Real average daily spending per visitor grew more slowly in those early years but also hit historic highs in the late 1980s, reflecting the initial boom in higher-spending international (mostly Japanese) arrivals.

Thereafter, the statewide industry reached a more mature stage, and it has sometimes struggled. An increasing number of repeat visitors began relying less on expensive package tours and more on online direct bookings. Statewide hotel room inventory declined, and new lodging choices were more typically timeshare, condos, residential vacation rental units, or B&Bs. Visitor counts continued to rise at a somewhat slower rate, with occasional short dips reflecting recessions or international crises such as 9-11. However, real average daily spending started trending downward, then plummeted particularly sharply from 2003 to 2009. The latter year, 2009, marked the depths of the Great Recession for Hawai'i, when visitor counts also fell. Real total spending in 2009 fell to levels not experienced since the early 1980s.

Since the Great Recession, recovery in visitor *numbers* has significantly outpaced recovery in visitor *spending*. In 2016, the statewide average daily visitor census hit a record high of nearly 220,000 tourists in state on any given day. Real total spending was back to pre-Recession levels (about \$15.7B in 2015 dollars), but due more to those higher visitor counts than to growth in average spending. Real average daily spending enjoyed a modest boost around 2012 as a new wave of first-time visitors from Oceania and Asia came to Hawai'i (mostly to O'ahu), but by 2016 had again dropped almost back to the record low values of 2009.<sup>3</sup>

##### 2. Vital Issues Facing Hawai'i Tourism

Based on the information in Vol. II and in analysis for the latest HTA strategic plan, some of the most important statewide issues include:

- Finding a Sustainable Balance

Residents have said in community meetings that they welcome visitors, but first and foremost, the state needs to ensure Hawai'i remains a good place to live, that residents

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<sup>3</sup> See Vol. II for detailed charts underlying this discussion, which is based on historical records published over time by the Hawai'i State Dept. of Business, Economic Development, and Tourism (DBEDT) and more recently by the HTA. References to 2016 based on preliminary Monthly Visitor Statistics.

have a good quality of life. Growth in both visitor and resident population challenges infrastructure capacity, enjoyment of nature, and Hawai'i's unique blend of cultures, including authentic Native Hawaiian lifestyles. Declining visitor expenditures affect this search for "balance" because they suggest even more tourists could be needed just to maintain the same total level of tourism economic benefit.

- Growing Role of Technology

Individual travelers can now "do it themselves" much more readily, and travel experience suppliers are better able to target particular market segments and control inventories. Destination marketing requires a blend of traditional approaches and high technology. One 2017 Maui tourism stakeholder interviewed for this Plan noted, "Online booking is now a key marketing component, and about 50% to 80% of our marketing budget is for social media, online travel agencies, etc."

- New Global Travel Markets – Opportunities and Risks

Although the United Nations World Tourism Organization predicts an average annual 3.3% growth through 2030 for international tourism (much of it from Asia and the Pacific), these lucrative new markets are also generating fierce competition for Hawai'i from new destinations. They may also be subject to high volatility in the face of changing exchange rates and international tensions. In early 2017, uncertainties about trade rules and relations from a new U.S. national administration have also materialized.

- Changes in Transportation Patterns and Technology

Within Hawai'i, the shutdown of Aloha Airlines has limited inter-island competition and airfares have risen. Externally, new fuel-efficient aircraft such as the Airbus 380 will open some long-haul markets, but many of these are being delivered to foreign carriers who may re-direct capacity to other destinations on short notice to pursue short-term opportunities. Cruise tourism to and within Hawai'i has declined greatly due to high labor expense for operations home-ported here and more lucrative opportunities for international operations home-ported elsewhere. Harbor capacity remains a potential barrier (including on Maui) for cruise tourism expansion should the local economics become more favorable in future.

- Growing Visitor Demand for "Experiences" and "Authenticity"

The global leisure travel market generally is more demanding of activities and attractions, not simply enjoying the ambience of a warm-weather destination. Hawai'i's repeat visitors seek more and more to see the "real Hawai'i," places off the beaten tourist track, leading them to a better appreciation of authentic culture but sometimes to the detriment of over-run neighborhoods or natural attractions that once were more for local people.

- The Search for "Value for the Money"

Hawai'i is an expensive place and a long journey. It offers key attributes such as safety, friendliness, cleanliness, etc. However, some HTA research suggests core markets (such as

North America and Japan) question whether there is sufficient “value for the money” spent. Because of distance and high business costs, Hawai‘i cannot compete based on price alone and thus must constantly seek to provide overall high levels of experiences/amenities to justify visitor cost.

- Change in Lodging Patterns within Hawai‘i

As previously noted, the profile of Hawai‘i accommodations has seen a shift away from full-service hotel development, toward more timeshares or toward vacation rentals and B&Bs available through Airbnb, VRBO, or similar internet-based booking services. Such units offer stable high occupancies (timeshare) and direct community expenditures (for residential-area vacation rentals and B&Bs), but attract somewhat lower-spending visitors and sometimes generate friction in the residential areas.

- Workforce Challenges

While tourism wages in Hawai‘i compares favorably to those in similar other destinations, they remain lower than those from other industries in a state with high cost of living. HTA-sponsored resident surveys show skepticism about quality of tourism jobs in regard to pay and potential for advancement, and (despite some recent recovery) jobcounts for traditional tourism jobs have tended downward over time – reflecting both increasing labor productivity and the end of significant growth in full-service (often unionized) hotels. Hoteliers also express concern over lack of (a) workforce experience with potential new international markets, (b) training in customer service and cultural values, and (c) future replacements for the aging and largely immigrant corps of housekeepers.

- Climate Change

This is coming more on the radar for the visitor industry, as it becomes apparent that associated severe weather and sea level rise could occur more quickly than previously expected. While serious impacts still seem unlikely by 2027, the time to begin long-term planning – particularly in regard to shoreline management issues – may have arrived.

- Resident Attitudes

Tourism depends deeply on a welcoming public, and all evidence indicates residents still have abundant Aloha Spirit toward individual visitors. However, there is growing ambivalence toward tourism as an industry, and frequent opposition to growth. Resident surveys show only a minority now believe tourism directly benefits themselves or their families, though few think it harms them overall. Tourism is not generally seen as “consistent with community values,” a finding that calls out for more research.

## B. Overview of Tourism on Maui, Moloka‘i, and Lāna‘i

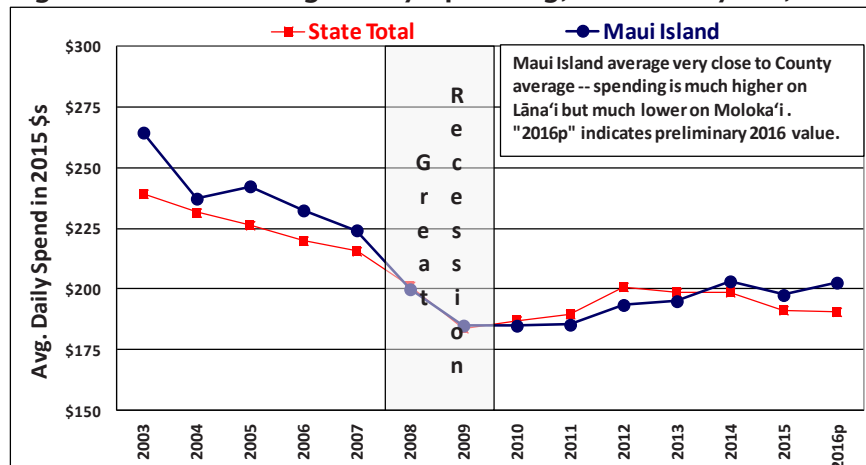
Maui Nui is comprised of three inhabited islands – Maui, Moloka‘i, and Lāna‘i – plus the small uninhabited island of Kaho‘olawe. Each island is unique and special in providing visitors with memorable experiences. Maui offers miles of beaches and marine resources, premiere resort communities, and Haleakalā, the largest dormant volcano in the world. On Lāna‘i, known as the most secluded island, visitors can experience a luxury resort, world-class diving, and a natural island environment. Moloka‘i, known as the Friendly Isle, provides visitors with opportunities to enjoy unique Hawaiian outdoor experiences and natural beauty, including the world’s highest sea cliffs, Hawai‘i’s longest waterfall, and the state’s largest white sand beach.

Visitors to Maui Nui can experience the Hawaiian culture and other diverse multi-cultural heritages, the aloha spirit, soft adventure, diverse activities, and an array of natural and historical sites. A major challenge and opportunity for Maui Nui is that the three islands offer different experiences that may appeal to different visitor segments.

### 1. Maui Nui Trends, Accommodations, and Workforce

More than 60% of Maui Island’s visitors now go only to Maui, not to other Hawaiian islands here, up from 45% in 1999.<sup>4</sup> However, recent changes in their *economic* behavior are the same sort of changes that have occurred for other Hawai‘i tourists. The trends for Maui visitor counts and expenditures largely parallel the basic statewide patterns described above – i.e., major declines during the Great Recession, and thereafter much faster recovery in visitor counts than in real (inflation-adjusted) spending. This reflects large drops in average daily spending *prior* to the Recession and only modest increases since, both statewide and on Maui (see Figure 1).

**Figure 1: Real Average Daily Spending, Arrivals by Air, State and Maui Island**

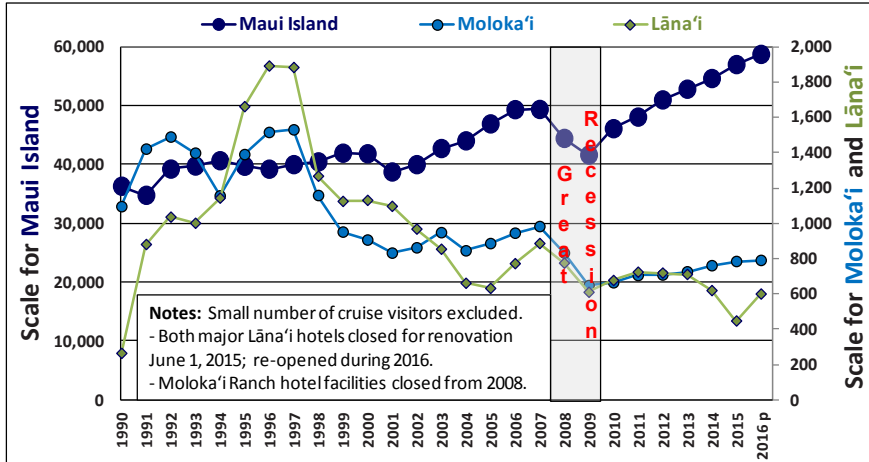


Source: Various HTA Annual Visitor Research Reports; Online Monthly Visitor Statistics for 2016p. Original dollar values adjusted to 2015 dollars using Honolulu CPI. (Same sources for later figures unless otherwise indicated.)

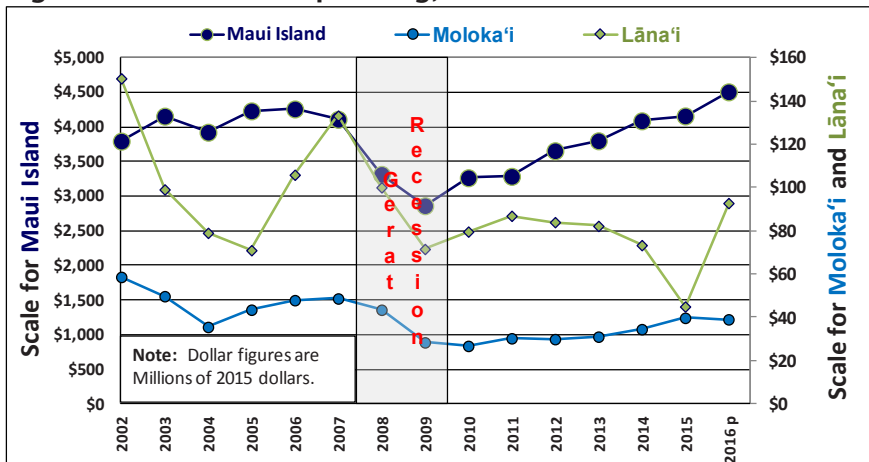
<sup>4</sup> Far fewer (typically 10%-15%) of visitors to Moloka‘i or Lāna‘i go just to each of those islands.

Consequently, Maui (Island and County both) have had record high visitor counts the past few years (Figure 2) but total expenditures by 2016 were back just to a little above that which was experienced before the Recession (Figure 3). As with the rest of the state, Maui faces the prospect of needing more visitors to keep the same level of overall economic benefit. Maui County has the state’s highest reliance on tourism, with 51% of its jobs falling into sectors directly associated with tourism.<sup>5</sup>

**Figure 2: Average Daily Visitor Census, Three Maui Nui Islands**



**Figure 3: Real Total Spending, Three Maui Nui Islands**



Note both figures above have two scales – one for Maui Island on left; the other for Moloka'i and Lāna'i on right. Island-specific average daily visitor census data are available for longer time period than are spending data.

While all types of visitors to Maui are welcome and valued, in light of the trend to lower average spending it is useful to note some of the factors most correlated on a statewide basis with average spending levels (see Vol. II):

- Geographic Origin (higher for U.S. East, Oceania, Japan, Other Asia);
- Lodging Type (higher for those who stay in Hotels);
- Trip Purpose (higher for some niche groups – Honeymoon, Business);
- Package Tour Status (higher spending for those who are on Package Tours).

<sup>5</sup> Personal communication, Hawai'i State Chief Economist Eugene Tian, Feb. 21, 2017.

Table 1 below contains the latest complete set of data (2015) on these factors. It shows O'ahu has a strong advantage over most or all Neighbor Islands, including Maui County, on the majority of these variables (some of which are inter-related – e.g., non-Canadian international visitors are more likely to come on package tours, stay in hotels, etc.).<sup>6</sup>

**Table 1: Comparing Islands and Counties on Factors Linked to Spending**

	Maui Island	Moloka'i	Lāna'i	Maui County	Hawai'i County	Kaua'i County	O'ahu	STATE TOTAL
<b>Bolded / Italicized categories below tend to spend more on average.</b>								
<b>Origin (Major Market Area) – Visitor Days</b>								
Total	20,798,172	285,991	162,933	21,247,096	11,463,840	8,954,641	36,420,503	78,086,081
U.S. West	51%	51%	47%	51%	49%	57%	31%	42%
<b>U.S. East</b>	<b>26%</b>	<b>28%</b>	<b>31%</b>	<b>26%</b>	<b>26%</b>	<b>27%</b>	<b>21%</b>	<b>24%</b>
<b>Japan</b>	<b>1%</b>	<b>1%</b>	<b>2%</b>	<b>1%</b>	<b>4%</b>	<b>1%</b>	<b>22%</b>	<b>11%</b>
Canada	14%	8%	7%	14%	9%	7%	5%	8%
<b>Oceania</b>	<b>2%</b>	<b>2%</b>	<b>4%</b>	<b>2%</b>	<b>2%</b>	<b>1%</b>	<b>9%</b>	<b>5%</b>
<b>Other Asia<sup>a</sup></b>	<b>1%</b>	<b>2%</b>	<b>3%</b>	<b>1%</b>	<b>2%</b>	<b>1%</b>	<b>6%</b>	<b>3%</b>
Europe, Latin America, Other <sup>b</sup>	6%	8%	7%	6%	8%	6%	7%	7%
<sup>a</sup> "Other Asia" = primarily China and Korea, but also Taiwan, Singapore, and Hong Kong								
<sup>b</sup> "Other" = countries not targeted by HTA, so could include some smaller Asian nations.								
<b>On Package Tours -- Visitor Arrivals</b>								
Total	2,540,162	64,767	58,390	2,663,319	1,514,973	1,173,752	5,339,912	10,691,956
<b>Package Tour</b>	<b>25%</b>	<b>26%</b>	<b>31%</b>	<b>25%</b>	<b>26%</b>	<b>21%</b>	<b>39%</b>	<b>32%</b>
Not	75%	74%	69%	75%	74%	79%	61%	68%
<b>Lodging Types -- Visitor Arrivals -- More Than One Type Possible, So Sum of Pcts. Exceeds 100%</b>								
Total	2,540,162	64,767	58,390	2,663,319	1,514,973	1,173,752	5,339,912	10,691,956
Hotel	55%	55%	61%	55%	59%	50%	74%	64%
<b>...Hotel Only</b>	<b>43%</b>	<b>34%</b>	<b>43%</b>	<b>42%</b>	<b>42%</b>	<b>32%</b>	<b>65%</b>	<b>53%</b>
Condo	29%	24%	19%	29%	18%	22%	10%	17%
...Condo Only	23%	15%	13%	22%	12%	15%	7%	12%
Timeshare	12%	9%	9%	12%	10%	19%	6%	9%
...Timeshare Only	9%	5%	6%	9%	7%	14%	4%	7%
Rental House	6%	12%	8%	7%	12%	13%	6%	8%
Bed & Breakfast	2%	4%	3%	2%	3%	2%	1%	2%
Cruise Ship	4%	9%	11%	5%	7%	9%	2%	4%
Friends or Relatives	6%	14%	10%	6%	10%	7%	10%	9%
Hostel, Camp Site	2%	5%	4%	2%	2%	2%	1%	2%
<b>Trip Purpose -- Visitor Arrivals -- Selected, So Sum of Pcts. Less Than 100%</b>								
Total	2,540,162	64,767	58,390	2,663,319	1,514,973	1,173,752	5,339,912	10,691,956
<b>Honeymoon/Wedding</b>	<b>7%</b>	<b>6%</b>	<b>7%</b>	<b>7%</b>	<b>6%</b>	<b>7%</b>	<b>10%</b>	<b>9%</b>
<b>All Business<sup>c</sup></b>	<b>8%</b>	<b>12%</b>	<b>12%</b>	<b>8%</b>	<b>9%</b>	<b>7%</b>	<b>9%</b>	<b>7%</b>
<sup>c</sup> Includes Meetings, Conventions, & Incentive (MC&I) plus Other Business								

Source: HTA, Annual Visitor Research Report 2015

Maui County's profile in the above table appears similar to that of the other two Neighbor Island counties, except that these two counties had more visitors staying in lodging types other than hotels or condos (i.e., timeshare, rental houses, cruise, etc.). Therefore, it may be useful to note some *trends* in these various factors, as well as for workforce issues.

<sup>6</sup> The table also shows these factors do not explain *all* inter-county differences in average visitor spending. Despite O'ahu's apparent advantage on these factors, Maui Island visitors' average daily spending in 2015 almost equaled the O'ahu average, and preliminary 2016 numbers for Maui were a bit higher than for O'ahu. The Maui "brand" has significant competitive value, allowing the higher room rates noted on the next page.



It is worth noting that most of the Maui County trends below have also been statewide trends, so may be hard to change without a statewide effort.

### ***Trends in Maui Nui Lodging***

Growing numbers of individually-owned and/or managed non-hotel visitor units have complicated the HTA's annual *Visitor Plant Inventory* counts, because it can be hard to tell from website searches where these units are and if a unit found on one website is or is not the same as one advertised on another site. As shown in Vol. II, about 8% of Maui Island visitors said they intended to stay in vacation houses or B&Bs as of 2015, twice the percentage of a decade ago, and this percentage is expected to keep climbing.

A special analysis by HTA for this Plan indicates that visitors who stay in "Rental Houses" (and the much smaller number in "Bed & Breakfasts") actually spend as much overall as those who stay in condominiums, though still well below spending for hotel tourists.

**Table 2: Total Average Spending Per Day by Lodging Type, 2016**

	Maui Isle	Moloka'i	Lāna'i	Kaua'i	Big Island	O'ahu
Hotel only (Subset of "Hotel")	\$ 264.77	\$ 183.91	\$ 450.55	\$ 233.13	\$223.19	\$ 228.97
Hotel	\$ 257.44	\$ 165.38	\$ 447.26	\$ 219.85	\$210.64	\$ 224.67
<b>Bed &amp; Breakfast</b>	<b>\$ 198.60</b>	<b>\$ 119.39</b>	<b>\$ 184.63</b>	<b>\$ 188.57</b>	<b>\$172.33</b>	<b>\$ 192.54</b>
Condo	\$ 178.70	\$ 99.62	\$ 265.58	\$ 165.39	\$156.72	\$ 172.59
<b>Rental House</b>	<b>\$ 175.99</b>	<b>\$ 130.48</b>	<b>\$ 191.84</b>	<b>\$ 184.90</b>	<b>\$165.17</b>	<b>\$ 160.70</b>
Condo only (Subset of "Condo")	\$ 175.84	\$ 97.17	\$ 258.66	\$ 164.94	\$156.71	\$ 168.35
Timeshare	\$ 144.75	\$ 81.77	\$ -	\$ 128.11	\$126.60	\$ 136.40
Timeshare Only (Subset "Timeshare")	\$ 136.68	\$ 80.35	\$ -	\$ 124.67	\$120.17	\$ 129.51
Private Room in Private Home	\$ 136.09	\$ 175.05	\$ 114.70	\$ 144.68	\$131.84	\$ 130.99
Hostel	\$ 117.62	\$ 168.33	\$ -	\$ 103.94	\$102.01	\$ 117.06
Camp Sites	\$ 108.15	\$ 115.05	\$ 89.20	\$ 133.22	\$ 99.05	\$ 118.17
Shared Room in Private Home	\$ 101.96	\$ 64.07	\$ 114.96	\$ 172.88	\$111.10	\$ 109.50
Friends & relatives	\$ 92.62	\$ 40.22	\$ 78.02	\$ 79.52	\$ 82.54	\$ 76.26
Other accomodation	\$ 138.02	\$ 123.08	\$ 70.30	\$ 121.63	\$116.52	\$ 112.28

Stippled rows and columns indicate small sample sizes – view these results with caution.

**Source:** Special HTA tabulation prepared for this report

Maui Nui's official 2016 total visitor unit count was 21,899 – 39% classified as Hotel, 24% as Vacation Rentals or B&Bs, 22% as Condo/Hotel, and 15% as Timeshares. Most were located in the Lahaina/Kapalua/Kā'anapali area (53%) or Wailea/Kīhei (40%). Moloka'i had just 182 units (1% of county total), most of them vacation rentals. Lāna'i for many years had 353 units, mostly in two luxury hotels, but after renovations and closure of one hotel, 2016's total island count was 252. Lāna'i and Maui Island units had the state's highest percentages of units commanding \$500/night or more (69% on Lāna'i and 56% on Maui).

Maui's number of Hotel units gradually fell for many years until the Great Recession, after which there has been a modest increase (and a flattening in the growth of timeshare units that had also been occurring). Condo/Hotel numbers have fallen even more greatly – which is potentially significant, as Maui Nui's visitor plant has long had the state's highest percentage of condo unit – although that may just mean that the same units were transferred from centralized booking to individually-managed internet booking arrangements. The comparison below (Table 3) illustrates these trends, and shows how

overall growth in total units has been tempered by long-term loss of units attracting the highest (Hotel) and second-highest (Condo/Hotel) spending types of visitors.

**Table 3: Maui County Total Visitor Unit Change, by Type and Island**

	2000		2009		2016		Difference 2000-2016	% Change, 2000-2016
	Number	% of Maui Cty	Number	% of Maui Cty	Number	% of Maui Cty		
State Total	71,506		75,188		79,092		7,586	10.6%
Maui Cty Total	18,270	100.0%	20,161	100.0%	21,899	100.0%	3,629	19.9%
Maui Isle Total	17,473	95.6%	19,455	96.5%	21,465	98.0%	3,992	22.8%
Moloka'i Total	429	2.3%	343	1.7%	182	0.8%	-247	-57.6%
Lāna'i Total	368	2.0%	353	1.8%	252	1.2% <sup>a</sup>	-116	-31.5%
<b><i>Maui County Lodging Types, arranged in rough order of average spending (higher spending first)</i></b> <sup>x</sup>								
Hotel	9,122	49.9%	7,528	37.3%	8,492	38.8%	-630	-6.9%
Condo/Hotel	7,147	39.1%	6,189	30.7%	4,390	20.0%	-2,757	-38.6%
Timeshare	836	4.6%	3,331	16.5%	3,167	14.5%	2,331	278.8%
Misc. <sup>b</sup>	712	3.9%	65	0.3%	87	0.4%	-625	-87.8%
VRUs/B&Bs <sup>c</sup>	453	2.5%	3,038	15.1%	5,763	26.3% <sup>d</sup>	5,310	1172.2%

<sup>x</sup> HTA published data for U.S. and Japan show this order for Hotel, Condo, and Timeshare, and low spending if stay with friends/family.  
<sup>a</sup> One Lāna'i hotel closed at time of 2016 count, both by end of year. <sup>b</sup> "Misc." = Hostel, apt.-hotel, other.  
<sup>c</sup> "VRUs/B&Bs" = Vacation rental units, bread-and-breakfasts <sup>d</sup> This number varies greatly in recent counts; was 3,660 in 2014.

Source: DBEDT and HTA, Visitor Plant Inventory 2000, 2009, 2016

Published occupancy figures apply to Hotel units only. They have been increasing the past few years, but Maui County's average 2015 occupancy of 74.%% was third of the four Hawai'i counties, behind O'ahu (85.3%) and Kaua'i (78.8%).<sup>7</sup> Statewide figures for early 2016 published by DBEDT were similar.

Future additions to the visitor plant inventory were noted in HTA's 2016 *Visitor Plant Inventory*, based on a Maui County Planning Dept. review of planned or proposed projects (i.e., not all will necessarily happen, and exact timing for most remains unknown). The list included a total of 626 traditional leisure Hotel units, 308 "Mixed Use" (often lower service) Hotel, 189 Condo/Hotel, 390 Timeshare, and 1,840 unspecified "Mixed Use" – plus a small number of B&Bs or rental homes "in review."

### ***Trends in Maui Nui Market Segments (Visitor Origin)***

As indicated in the earlier Table 1, Maui's core markets are from North America: U.S. West (west of Mississippi River), U.S. East, and Canada. Among these, the U.S. East visitors are relatively higher-spending; their numbers declined in the Great Recession, and recovery since has been slow. Maui instead has seen ongoing increases concentrated in the relatively lower-spending U.S. West and Canadian markets (though the Canadian build-up both statewide and in Maui started to fall back the last few years as exchange rates became less favorable).

Maui has seen some recent increases in the promising international markets of Oceania and "Other Asia" (mostly China and Korea), but absolute numbers remain small compared

<sup>7</sup> Smith Travel Research, Hospitality Advisors, LLC. Reproduced in *Annual Visitor Research Report 2015* (HTA).

to those on O‘ahu. Japanese numbers fell sharply *prior* to the Great Recession, and have since increased a bit but remain weak. (See following Table 4.)

**Table 4: Maui County Average Visitor Census Change, by MMA and Island**

	2000		2009		2015		Difference 2000-2015	% Change, 2000-2015
	Number	% of Maui Cty	Number	% of Maui Cty	Number	% of Maui Cty		
State Total	168,637		165,082		213,934		45,297	26.9%
Maui Cty Total	43,854	100.0%	42,864	100.0%	58,211	100.0%	14,357	32.7%
Maui Isle Total	41,819	95.4%	41,608	97.1%	56,981	97.9%	15,162	36.3%
Moloka‘i Total	905	2.1%	647	1.5%	784	1.3%	-121	-13.4%
Lāna‘i Total	1,130	2.6%	609	1.4%	446	0.8%	-684	-60.5%
<b>Major Market Areas (MMAs), arranged in rough order of average spending (lower spending first) <sup>a</sup></b>								
Canada	3,242	7.4%	5,063	11.8%	8,025	13.8%	4,782	147.5%
U.S. West	20,811	47.5%	22,212	51.8%	29,535	50.7%	8,724	41.9%
All Other	3,077	7.0%	2,689	6.3%	3,522	6.1%	446	14.5%
U.S. East	14,312	32.6%	11,830	27.6%	14,905	25.6%	593	4.1%
Oceania	238	0.5%	369	0.9%	959	1.6%	720	302.2%
Japan	1,905	4.3%	478	1.1%	595	1.0%	-1,309	-68.7%
Other Asia	269	0.6%	223	0.5%	671	1.2%	402	149.1%
<sup>a</sup> Order can change over time. Real avg. spending has declined for all North American MMAs but risen and fallen for international MMAs. See Vol. II for real average spending figures for these MMAs for selected years.								

**Source:** *Annual Visitor Research Report* 2000 (DBEDT), 2009 (HTA), and special HTA analysis for 2015.

### ***Trends in Selected Maui Nui Visitor Characteristics (Package Tour, Purpose)***

Package tour visitors fell sharply both before and after the Great Recession. Honey-mooners as a share of market have declined somewhat on Maui and most Neighbor Islands, with O‘ahu picking up market share.

MC&I business travelers also declined until the Recession, at which time they stabilized for a few years and have recently somewhat started to creep up again. (See following Table 5.)

**Table 5: Maui County Visitor Arrivals, by Selected Characteristics and Island**

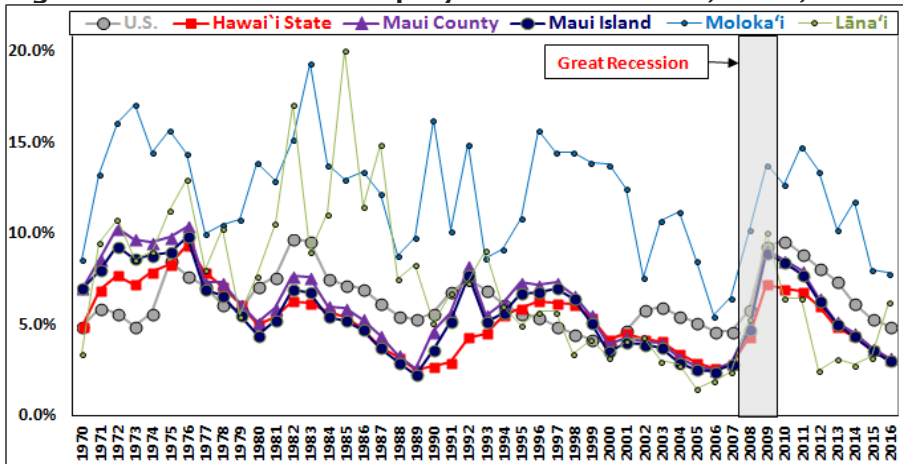
	2000		2009		2015		Difference 2000-2015	% Change, 2000-2015
	Number	% of Maui Cty	Number	% of Maui Cty	Number	% of Maui Cty		
State Total	6,948,595		6,420,448		8,563,018		1,614,423	23.2%
Maui Cty Total <sup>a</sup>	2,304,666	100.0%	1,932,357	100.0%	2,579,311	100.0%	274,645	11.9%
Maui Isle Total	2,246,253	97.5%	1,892,396	97.9%	2,540,162	98.5%	293,909	13.1%
Moloka‘i Total	64,559	2.8%	48,339	2.5%	64,767	2.5%	208	0.3%
Lāna‘i Total	87,662	3.8%	61,054	3.2%	58,390	2.3% <sup>b</sup>	-29,272	-33.4%
<b>Selected Visitor Characteristics (groups tending to higher average spending)</b>								
Package Tours	1,058,477	45.9%	551,664	28.5%	640,486	24.8%	-417,991	-39.5%
Honeymoon	N/A	N/A	134,797	7.0%	154,277	6.0%	N/A	N/A
MC&I	206,668	9.0%	109,485	5.7%	150,530	5.8%	-56,138	-27.2%
<sup>a</sup> Island figures sum to more than county total because of multiple islands visited within Maui County. <sup>b</sup> Low figure due to hotel closure.								

**Source:** *Annual Visitor Research Report* 2000 (DBEDT), 2009, and 2015 (HTA).

**Trends in Maui Nui Workforce Needs and Availability**

Workforce availability for tourism jobs – both in Maui and the state as a whole – is a cyclical issue, as Hawai‘i unemployment rates in recent decades have been below national ones in good times and have typically led to labor shortages at times of greatest need. (See Figure 4.)

**Figure 4: Historical Unemployment Rates: U.S., State, and Maui**



Source: Hawaii State Department of Labor and Industrial Relations (DLIR), Hawai‘i Workforce Infonet, "Labor Force, Employment and Unemployment for Hawaii in All Years" <https://www.hiwi.org/>, accessed March 2017.

Annual average 2016 unemployment rates of 3.2% for Maui County, 3.0% for Maui Island, 7.3% for Moloka‘i, and 5.0% for Lāna‘i (though Lāna‘i’s year-end rates were much lower following one hotel re-opening), continuing the downward trend. While labor supply is a recurring “problem” in prosperous times, Figure 4 also shows periods of declining unemployment rarely last much longer than this cycle has already gone. As of early 2017, national economic signals are mixed, with a soaring stock market but considerable uncertainty over policies of the new Trump Administration. Almost certainly, at least one recession and maybe two will occur during the time horizon for this plan, hopefully along with more positive periods in which labor availability is again an issue.

As with many industries, tourism may experience some decline in labor demand per visitor due to technology and other labor-saving practices. Evidence about whether and how much this is already happening is mixed. On the one hand, DLIR data on “Leisure/Hospitality” jobs over time show such jobs as a percentage of all wage/salary jobs have declined only very slightly on Maui since 1990.<sup>8</sup> On the other hand, DBEDT has long used its latest economic model to publish estimated total statewide jobs associated with tourism, and a review of back data show a 35% decline from 1997 to 2015 in estimated jobs as a percentage of all wage/salary jobs.<sup>9</sup>

<sup>8</sup> These percentages are charted in Vol. II, Figure 47.

<sup>9</sup> The latest DBEDT job estimates are in Table 7.32 of the *Hawai‘i State Data Book 2015*. (They were divided by Total Wage/Salary Jobs from Table 12.12 to derive these percentages.) Past Data Books must be consulted for estimates for earlier years. It should be noted that the DBEDT procedure differs from the DLIR one in that (a) it reports direct *and indirect* impacts; and (b) results are based on the latest State

However, to the extent that future growth in the industry may be concentrated more in “dispersed” tourism (scattered in homes and condos throughout the island) than in “concentrated” tourism (centered in designated resort areas), labor demand will shift from hotel and other visitor-specific operations to retail and restaurant businesses serving a mixed resident and tourist clientele in widely distributed locations. It is not yet clear how large or how rapid such a shift may prove to be.

## 2. Vital Issues for Maui Island

Maui is the second-largest visitor destination in Hawai‘i. Maui offers visitors a variety of experiences with a range of accommodations, natural beauty, a national park, a national marine sanctuary, and community-based activities, that include the historical whaling town of Lahaina and up-country Paniolo rodeos. This range of offerings has attracted a large number of visitors, and in fact, established a strong “Maui brand,” which is critical because of increasing competition. For at least 12 consecutive years in the 1990s and early 2000s, readers of Condé Nast Traveler and Travel and Leisure magazines voted Maui the “Best Island in the World.” In 2016 Maui dropped to #7 on the Travel and Leisure list. It regained the #1 spot on the Condé Nast list of “Best Islands in the U.S.” in 2016, after a few years with somewhat lower rankings, and it was still #1 in the world for Trip Advisor and the U.K. Independent. With this distinction, important issues must be addressed for Maui to retain its reputation, and to provide and maintain a product and service to meet visitor expectations.

### *Resident Concerns*

In surveys since 1988, Maui Island residents have long held mixed feelings about the visitor industry. In the two most recent available surveys,<sup>10</sup> compared to other counties, residents of Maui and Kaua‘i – the most tourism-affected islands in the state – had similar *high* agreement that “Tourism has been mostly good for self and family” (average values of about 6.75 to 6.90 on a 10-point scale) – but comparatively *low* agreement that “Tourism has brought more benefits than problems to this island” (6.30 to 6.60). Both in Maui and statewide, agreement with both of these core measures has been declining over time.

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*models* of the economy, while DLIR presents actual estimated job numbers each year. So each successive DBEDT model – based in large part on the latest U.S. Economic Census data – is indicating lower multiplier values (“ripple effects”) from tourism expenditures for jobs, household income, and total output (the latter indicating tourism accounts for less and less of the state’s GDP over the long term). There is one important exception – the DBEDT model indicates tourism is generating a slightly higher percentage of total State Tax Revenues in recent years than in the early 2000s.

<sup>10</sup> HTA, *Survey of Resident Sentiments on Tourism* 2014 and 2015. Available online at <http://www.hawaii-tourism-authority.org/research/reports/evaluation-performance-measures/>. HTA also provided the MVB with some special tabulations for selected core questions. A 2017 survey should be available in summer 2017. The 2014 and 2015 results cited here are actually for Maui County, but given population distributions that effectively means Maui Island.

The HTA has stopped asking about attitudes toward future visitor-oriented developments and has recently published county results only for some questions. In earlier years, however, Maui residents were among the state's residents most opposed to further hotel development. And in 2017 interviews for this report, many interviewees (who were predominantly visitor industry stakeholders) said residents question whether there should be continued growth because of issues cited below.

In 2015, about 27% of the people on Maui any given day were visitors, a percentage that has been steadily climbing since 2009 and is highest in the state (though only a little ahead of Kaua'i). The renewed post-Recession increases in visitor counts shown earlier in Figure 2 – along with attendant resident population increases – have exacerbated longstanding community problems, such as overcrowded roads, lack of affordable housing, and reduction in the quality of life. Particular sore points include extreme congestion on the Pali Highway (the single road between central and west Maui) and Pā'ia, which has only a single traffic light. A new Lahaina bypass on the Pali Highway appears only to have moved the main bottleneck down the road to Puamana. On both roads, traffic often backs up for several miles and can delay travelers at almost any time of the week for at least an hour, sometimes more. This not only irritates visitors and residents in general, but for visitor industry workers it also means longer commutes and effective lower wages due to travel costs and more time away from family.

Other resident concerns mentioned in the 2017 interviews include (a) sense of “encroachment,” as discussed in the following sub-section, and (b) perception of insufficient local training to permit workers to advance to higher-level executive/management jobs.

### ***Environment (Both Natural Resources and Man-Made)***

There is a reported sense of growing “encroachment” by visitors on traditionally “local” outdoor spaces and natural resources, as well as actual trespass onto private- or State-owned property. Some interviewees attributed this to a growing trend for “adventure tourism” (i.e., visitor experiences that are “off the beaten path,” non-standard, and not limited to resort areas), though this may simply reflect the natural inclination of repeat visitors to see more of the island and have different experiences. Nevertheless, residents sometimes express frustration at the growing numbers of visitors accessing favorite natural areas, and their own reduced ability to do the same because of overcrowding.

While traffic was the biggest infrastructure issue raised by the 2017 Maui interviewees, there were also strong concerns about other types of aging and/or poorly maintained infrastructure – particularly airports, harbors, roads, parks in general, and beach park restrooms in particular. Beach facilities were further criticized in terms of cleanliness and inadequate parking, benches and pavilions, water safety, and general security. A number of interviewees also said overdevelopment of open spaces may be leading to a reduction in Maui's natural appeal to visitors.

Coral reef bleaching – primarily from climate change but also sometimes attributed to local run-off and water pollution – was a major theme sounded by interviewees. Other concerns related to climate change included coastal flood/inundation due to rising sea levels and heightening extreme weather patterns (tropical storms, extended droughts,

etc.). Interviewees also questioned whether the County and the industry have developed sufficiently extensive natural disaster plans.

### ***Hawaiian Culture***

The Hawaiian culture, its people, and their history need to be protected and perpetuated to enhance the quality of life for residents and for the visitor experience. Hawaiian culture and natural resources are intertwined, and need to be preserved to maintain the uniqueness and health of the islands. Experiencing the Hawaiian culture is what makes Hawai'i distinct in comparison to other visitor destinations.

Maui Island residents are concerned that the natural beauty of the island and historical sites be preserved and protected. Some visitors are not aware of proper protocol for historical sites, nor are they properly advised about Hawaiian history and use of language. Better education of visitors and residents is necessary to ensure the Hawaiian culture is preserved and protected. The last available HTA resident survey with published Maui results about tourism and Hawaiian culture was in 2012, when only about 10% of Maui residents (about the same as most other islands but Moloka'i) strongly agreed the visitor industry "presents Native Hawaiian culture authentically."<sup>11</sup>

In fact, "authenticity" was the most frequent culture-related theme in the 2017 Maui interviews – the need to avoid a "Hollywood version of Hawai'i" in marketing or on-island visitor experiences. A number of interviewees want to see more cultural practitioners at hotels or other visitor attractions, and others mentioned problems in identifying or accessing culturally knowledgeable individuals to advise or work with them. Some interviewees thought there has been a gradual replacement of local/Native Hawaiian workers in all levels of tourism employment with newcomers who are less familiar with local customs, culture, and unspoken social patterns. This leads to a chilling effect on business ability to offer authentic experiences and to a renewed need for cultural training of the workforce.

### ***Visitor Satisfaction***

Visitor satisfaction with Maui Island is high, but Kaua'i is a strong competitor. In 2012, the HTA's Visitor Satisfaction and Activity<sup>12</sup> survey question about overall island experience changed format slightly, making earlier years' results technically not comparable. Since then, for U.S. visitors, Kaua'i has consistently edged out Maui Island by a few percentage points for the highest percentage "excellent" rating. (The 2012-2015 average was 71% for Kaua'i vs. 68% for Maui, both well ahead of Hawai'i Island at 63% and O'ahu at 56%.) The average four-year Canadian "excellent" rating was 65% for both Maui and Kaua'i, a tie for first among the islands. For Oceania visitors in the same period, it was 64% for Kaua'i and 61% for Maui. Japanese visitors tend to give lower ratings to all islands, and they have lately ranked Maui slightly behind both Hawai'i Island and O'ahu, though a little ahead of

<sup>11</sup> HTA, *Survey of Resident Sentiments on Tourism 2012*. Available online at <http://www.hawaii-tourism-authority.org/research/reports/evaluation-performance-measures/>.

<sup>12</sup> HTA, *Visitor Satisfaction & Activity Reports, 2012 to 2015*, <http://www.hawaii-tourism-authority.org/research/reports/visitor-satisfaction/>

Kaua’i. No visitor satisfaction survey is currently taken among the “Other Asia” MMA visitors.

Specific threats to visitor satisfaction raised by 2017 Maui interviewees included traffic, previously mentioned infrastructure problems (parks, airport, etc.), need for more varied visitor activities, occasional customer service issues, and the rising costs of travel, lodging, food, and services as a hindrance to budget-oriented travelers.

**Planning for the Future**

The Maui County Planning Dept.’s vision for the island’s visitor industry is contained in the “Maui Island Plan” (adopted in late 2012, based on various studies done before and during the Great Recession), particularly the part of the “Economic Development” chapter devoted to Tourism.<sup>13</sup> This chapter emphasizes economic diversification first, but importance of tourism second.

**Table 6: County Planning Department, Maui Island Plan, Key Tourism Elements**

<b>GOAL: A healthy visitor industry that provides economic well-being with stable and diverse employment opportunities</b>	
<b>Objectives</b>	<b>Selected Policies<sup>a</sup></b>
<i>Increase the economic contribution of the visitor industry to the island's environmental well-being for the island's residents'</i>	Support the implementation of the Maui County TSP, when consistent with the [Maui Island Plan].
	Focus economic growth in the visitor industry through enhanced visitor experiences and an emphasis on attracting higher-spending.
	Diversify the tourism industry by supporting appropriate niche activities...
<i>Comprehensively manage future visitor-unit expansion.</i>	Mitigate the impact of tourism on the host culture, natural environment, and resident lifestyles.
	Manage impacts from transient vacation rentals, hotels, bed and breakfast units, timeshares, and resort condominiums on residential communities, public infrastructure, and community facilities.
	Discourage supplanting of existing island housing to visitor accommodations that may have a negative impact on long-term rental housing, price of housing, and price of land.
<i>Maximize residents' benefits from the visitor industry.</i>	Promote a desirable island population by striving to not exceed an island-wide visitor population of roughly 33 percent of the resident population.

<sup>a</sup> These are about half the policies, judgmentally selected for substance. The Plan also has various "Implementing Actions."

**3. Vital Issues for the Island of Moloka’i**

Moloka’i is a rural island, where the economy is primarily dependent on agriculture and tourism. In 2016, Moloka’i had approximately 790 visitors per day,<sup>14</sup> less than half its peak count from 1997, when the island had several operating hotels. (Conventional resort-based tourism has floundered on Moloka’i; the West End’s Kaluako’i hotel closed in 2000, and principal landowner Moloka’i Ranch shuttered its smaller, upscale Lodge and other recreational amenities in 2008 following a long dispute over a proposed vacation home development.) Assuming no loss in the 2010 population of 7,345 people (roughly what it was ten years before), Moloka’i had, on average, slightly less than one visitor for every ten

<sup>13</sup> Maui County Planning Dept., <http://www.co.maui.hi.us/DocumentCenter/View/84679>.

<sup>14</sup> Preliminary 2016 value from HTA Online Monthly Visitor Statistics.



residents per day, lowest in the state.<sup>15</sup> Molokaʻi historically has also had the state’s lowest average daily visitor spending, less than \$125/day (2015 dollars) the last two years.

Molokaʻi now primarily offers budget and standard levels of accommodations – mostly in condominiums and vacation rentals – and relatively few visitor attractions. Molokaʻi provides unique and cultural experiences, and is attractive to visitors looking for a true outdoor Hawaiʻi experience. The small community nature of Molokaʻi provides an opportunity for residents to take an active role in planning for tourism on-island.

### ***Resident Concerns***

In the 2000s, Molokaʻi residents expressed some of the state’s strongest concerns about tourism impacts and tourism growth. In more recent surveys, the HTA reported Molokaʻi-specific results only in 2012 (doing “Maui County” samples in other years). In 2012, Molokaʻi residents typically said they did not feel much affected by tourism (which had greatly receded), but they continued to express the state’s *least* agreement that tourism benefits exceeded problems (a 56% majority disagreed); that it generated well-paying jobs (just 19% strong satisfaction); that it helps sustain natural resources, parks, and cultural sites (11% strong satisfaction); or that it helps preserve Native Hawaiian culture and language (10%).<sup>16</sup>

In the community meeting held on the island, residents said they prefer to focus on kamaʻāina “visitors” from other islands, who often come on weekends for community-based events such as canoe races or Makahiki games. While there was agreement on the need to keep the numbers of visitors small in order to protect Molokaʻi’s traditional rural lifestyle, some of those present felt there was also a need to boost shoulder season and even peak-month “mid-week” numbers and to provide more lodging units (possibly including a renovated Kaluakoʻi hotel). However, others were content with a reliance on vacation rentals and B&BS, combined with possible small additional events such as school outings or organizational retreats (for which a re-opened Lodge was seen as a likely venue). There was a concern that the growth in vacation rentals requires some sort of coordinated network to maintain standards, perhaps jointly hire local cleaning services, and have proper information to answer visitor questions about the island.

### ***Hawaiian Culture and Environment***

These two topics are intertwined on Molokaʻi, where traditional culture is based on careful nurturing of natural resources, especially food supply from coastal gathering or terrestrial hunting. Hawaiian culture is not a matter of performances or displays, but the day-to-day routines and values that visitors encounter at community events or in guided activities such as ocean recreation or hikes.

As noted above, Molokaʻi residents in 2012 expressed strong doubts that tourism helps preserve Native Hawaiian culture. Additionally, in the same year only 1% of the Molokaʻi HTA survey sample strongly agreed tourism “presents Native Hawaiian culture

<sup>15</sup> U.S. Census population data reproduced in *Hawaiʻi State Data Book 2015*, Table 1.05.

<sup>16</sup> HTA, *Survey of Resident Sentiments on Tourism 2012*. Available online at <http://www.hawaii-tourism-authority.org/research/reports/evaluation-performance-measures/>.

authentically.”<sup>17</sup> However, at the focus group held for this report, residents were mostly content with the way culture automatically weaves into current small-scale Moloka‘i tourism. One complaint was the substitution in some visitor guides of modern nicknames for traditional Hawaiian place names (e.g., “Three-Mile Beach” for Papohaku Beach).

There was emphasis in this meeting on the need to educate visitors about limits on natural resources and on public access to many restricted parts of the island. In terms of man-made environment, residents felt restrooms in parks were inadequate for visitors, and they also expressed a desire to “clean up” Kaunakakai and add more trees and Native Hawaiian plants with botanical descriptions.

### ***Visitor Satisfaction***

Moloka‘i has long generated comparatively low visitor satisfaction ratings on the HTA survey question about overall island experience. For the 2012-2015 surveys, it averaged 58% “excellent,” slightly ahead of O‘ahu’s 6<sup>th</sup>-place 56%. However, for Canadian visitors, Moloka‘i ranked last at 52%, and for Oceania it stood at 51%, slightly ahead of Lāna‘i. Japanese visitors gave it an average 36%, tied with Lāna‘i.

For all or most attending the Moloka‘i community input focus group, the principal answer to the visitor satisfaction question involved educating visitors what to expect and crafting marketing messages to attract people who will know what to expect and appreciate the island as it is. This is the philosophy of the Moloka‘i Visitors Association (MVA). Some residents felt the visitor information function of the MVA could be extended for longer hours and perhaps be in a more prominent location, such as the airport. They also noted limited numbers of rental cars as an occasional visitor satisfaction issue.

### ***Planning for the Future***

The 2006 Moloka‘i Responsible Tourism Initiative remains perhaps the state’s best expressed visions for low-impact tourism, but little of that vision has been realized. The Moloka‘i Community Plan Update as of early 2017 was still under review by the Maui County Council and may not be approved until the end of the year. An August 2015 draft approved by the Moloka‘i Community Plan Advisory Committee included four tourism-specific economic development policies: (a) Support expansion of complementary tourism markets including kama‘āina, cultural, religious pilgrimage, eco, agricultural, sports, and hunting; (b) Support redevelopment of projects such as Kaluako‘i Hotel and the Moloka‘i Ranch Lodge; (c) Support the limited growth of permitted alternative lodging units – such as bed and breakfasts, small inns, and guest houses – that do not create an adverse impact on the neighborhood; and (d) Support increased enforcement of the County’s Short-Term Rental Home Ordinance to address the adverse impacts unpermitted rentals have on neighborhoods.

Those attending the 2017 focus group expressed a desire to stay in touch with one another and the MVA to keep generating ideas on how Moloka‘i can best pursue its vision of attracting a kama‘āina market and more visitors compatible with the island’s lifestyle.

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<sup>17</sup> *Ibid.*

#### 4. Vital Issues for the Island of Lānaʻi

The pineapple industry on Lānaʻi was phased out in the early 1990s, and was replaced by resort and real estate development, which drives the economy of Lānaʻi today.

Technology magnate Larry Ellison purchased almost all of Castle & Cooke’s stake in the island in 2012, and his Pūlama Lānaʻi, LLC thus manages approximately 98% of the island today. After both Four Seasons hotels (at Mānele and Kōʻele) were closed for renovations in 2015, the company decided to re-open only the Mānele Four Seasons property for traditional lodging purposes in early 2016. The Lodge at Kōʻele is to be converted to a world-class wellness regime/spa, at which guests will likely have longer stays (and more time spent in activities on the property) than was the case for the old Lodge.

Lānaʻi had an average visitor census (mix of resort guests and day trippers) of approximately 600 visitors per day in 2016,<sup>18</sup> a figure still slightly depressed by hotel closures – from 2004 to 2014 the visitor count in most years varied from 600 to 800, far down from the 1,900 per day figure during the 1996-97 peak after two new luxury hotels originally opened. With a resident population of only 3,135 in 2010 (roughly what it had been in 2000), Lānaʻi in 2016 averaged a little less than one visitor to every five residents each day.

Four Seasons guests are upscale travelers seeking a secluded resort experience. However, the island offers all visitors varied outdoor activities, including hiking, hunting, UTV rides, horseback riding, skeet shooting, various ocean activities, and a Jack Nicklaus-designed golf course at Mānele. Visitors to Lānaʻi spend more on this island than any other, with a preliminary 2016 estimate in excess of \$400 (in 2015 dollars), equal to a pre-Recession peak in 2007.<sup>19</sup>

##### ***Resident Concerns***

As with Molokaʻi, the only fairly recent resident survey with a published Lānaʻi sample (of just 50 people) was for 2012. That was the year when Larry Ellison first agreed to buy most of the island from Castle & Cooke, and Lānaʻi residents generally expressed attitudes toward tourism much the same as people on other islands. However, they did have the state’s highest level of strong agreement that tourism was good for self and family (33%) and also that “My island’s economy is too dependent on tourism” (51%).<sup>20</sup>

The community meeting held on Lānaʻi – comprised largely of Lānaʻi City business people and some Pūlama Lānaʻi and Four Seasons managers – surfaced generally positive feelings about improved communication with the new owners. However, there was also strong concern that visitors to Mānele (now even more upscale and with more limited shuttle service to town) are less likely to shop or dine in Lānaʻi City. There was substantial

<sup>18</sup> Preliminary 2016 value from HTA Online Monthly Visitor Statistics.

<sup>19</sup> *Ibid.* The 2016 figure reflects the first spending estimate for the new regime of renovated hotels.

<sup>20</sup> HTA, *Survey of Resident Sentiments on Tourism 2012*. Available online at <http://www.hawaii tourism authority.org/research/reports/evaluation-performance-measures/>.

discussion about ways to attract more day visitors, Mānele guests, and kamaʻāina vacationers to Lānaʻi City. With limited B&Bs and one small hotel, day trippers from Maui Island are also seen as a market opportunity to offer new products, services, and activities. The group talked about continuing to meet and explore ways to adjust to the new economy.

Those at the meeting also expressed some general concerns over the need for more air and ground transportation options, more affordable workforce housing, and more economic opportunities for the next generation. There was some anxiety over a reported perception among non-Lānaʻi residents that the island is now too expensive and not as welcoming to kamaʻāina residents. Some want to give Lānaʻi City a more distinct “brand” based on its mix of traditional plantation ambiance and up-to-date small-town recreational amenities, in order to attract the full range of likely visitors – Four Seasons guests, tourist day trippers, hunters, anyone seeking idyllic small-town retreats.

### ***Hawaiian Culture and Environment***

In the previous community meeting for the earlier *Maui County Tourism Strategic Plan (2006-2015)*, some residents were upset that visitors were not educated about proper Hawaiian cultural protocols for sacred sites such as Keahiakawelo and its natural surroundings. However, those present for the 2017 discussion felt significant progress had been made through actions such as (a) the establishment and strengthening of the Lānaʻi Culture & Heritage Center; and (b) development of a “Lānaʻi app” which, in combination with improved signage, informs visitors about cultural or natural attractions while also encouraging respectful behavior.

Lānaʻi City remains an excellent and living example of a traditional Hawaiian plantation community, and the business community felt this could be even more effectively promoted – perhaps even qualifying as a UNESCO World Heritage Site. There was also discussion about the need for further education of Mānele guests (most of them now first-time visitors to the island) about the town’s culture and history.

### ***Visitor Satisfaction***

Lānaʻi’s average 2012-2015 visitor satisfaction ratings, prior to the recent renovations, were middling with North American markets (U.S. 60%, 4<sup>th</sup> among six islands; Canada also 60%, 3<sup>rd</sup> among islands), but lower with some international markets (Oceania 45%, 6<sup>th</sup> among islands; Japan, 36%, tied with Molokaʻi for last place).

Residents at the 2017 community meeting thought some challenges to full visitor satisfaction on Lānaʻi include (1) lack of a visitor information center at the airport or in town, echoing a similar concern on Molokaʻi; (2) Dole Park restrooms sometimes closed in daytimes; (3) “exhausting” to get to Lānaʻi (limited air service, delays, etc.), so tired visitors may not seek out the full range of activities unless these have been pre-marketed; and (4) better understanding of the emerging Millennial Generation tastes and desires in travel.

### ***Planning for the Future***

Lānaʻi remains primarily a one-company town. The major responsibility for attracting future visitors will continue to rest primarily with Pūlama Lānaʻi but also with the business community. However, the County Planning Dept.'s updated Lānaʻi Community Plan, approved in 2016, says the island's economy is too dependent on tourism, particularly the luxury market, and also notes that limited transportation options restrict tourism and increase costs of goods and services for residents. It further identifies the "Limited pool of qualified and trained workers" as a key general business issue.

Some of the Community Plan's policies include: (a) Support growth of kamaʻāina tourism, cultural tourism, eco-tourism, agri-tourism, sports tourism, hunting tourism, and other alternative tourism ventures; (b) Support the growth of permitted B&Bs, small inns, guest houses, and other alternative lodging units; and (c) Advocate for Lānaʻi interests with shippers, airlines, and regulators. Among the Plan's various proposed actions is "Develop a tourism strategic plan to guide the diversification of Lānaʻi's tourism sector," with requested collaboration from MVB and Pūlama Lānaʻi.

## IV. Maui County Tourism Industry Strategic Plan

### A. Plan Assumptions

#### *Selected Assumptions Retained from 2006-2015 Tourism Strategic Plan*

- The quality of life for Maui, Molokaʻi, and Lānaʻi residents is important for all stakeholders, including the visitor industry. The visitor industry, together with other stakeholders, is committed to improving the quality of life for all residents. This plan recognizes there is an interrelationship between satisfied residents and satisfied visitors. If residents are happy, our visitors will be happy.
- The County of Maui is comprised of three very different inhabited islands. Maui Island represents a significantly larger share of visitors. However, the industry is also important to both Molokaʻi and Lānaʻi. Given that the primary target market for each island is significantly different, the three islands are addressed separately in different parts of the plan.
- The Hawaiian culture is what makes Maui, Lānaʻi, and Molokaʻi unique for both residents and visitors. This unique indigenous culture must be retained and perpetuated for future generations.
- The islands of Maui, Lānaʻi, and Molokaʻi offer unique experiences. Marketing should target visitors who are seeking the unique experiences each of these islands offers.
- The competition worldwide for visitors is increasing dramatically. Therefore, Maui, Lānaʻi, and Molokaʻi must continually provide a product that is unique relative to the global competition. To be differentiated from the competition, the islands need to strive for a level of quality that is appropriate for their target markets.
- The visitor industry, like all industries, is cyclical; therefore this plan must be flexible enough to adjust to cycles and unexpected occurrences. Flexibility may involve re-adjusting the target market to gain more visitors, or reacting quickly to recoup from a natural disaster.

#### *Key Additional Assumptions*

As explained in Chapter II, Section B, the HTA's experience with state-level tourism strategic plans led to this Plan's assumption that elected governments cannot be bound by documents such as this. Therefore, this is a Tourism *Industry* Strategic Plan, although actually encouraged and funded by the Maui County government. Ongoing involvement by the County would be highly desirable – but it cannot be mandated for future elected Administrations or County Council policy makers.

Furthermore, the previous (2006-2015) Maui County TSP laid out action steps but did not specify who would be responsible for taking the actions. Therefore, this new TSP assumes that it is appropriate and necessary to secure at least tentative commitments from

particular organizations to assume responsibility for galvanizing industry and community stakeholders to take action at appropriate times.

Together, these assumptions suggest a more targeted, less “comprehensive” – but hopefully more practical and realistic – TSP, one with more likelihood of producing actual real-world change.

## **B. Plan Structure and Logic**

This section explains the different elements of the Plan (which is presented in subsequent charts and text), as well as the purpose of each. The chosen Plan structure is similar to, but not identical with, the structure of the original 2006-2015 Maui County Tourism Strategic Plan. One important difference is the inclusion of chosen “Strategic Directions” (choices) that shape the nature of subsequent Goals, Objectives, and Actions.

### ***Guiding Principles and Vision***

In addition to the key Principles identified in Chapter II Section D, the tourism Vision for Maui Nui describes the ideal way tourism should interact with its stakeholders and present itself to the outside world as well. This Vision is what this Maui County TSP is striving to achieve.

### ***Strategic Directions***

A “strategic” plan needs to reflect broad overall critical choices among options facing the industry. The 2017 Advisory Committee considered various initial proposed decision points, and decided on four Strategic Directions that parallel four elements that the Committee also put in the Vision – Community, Culture, Environment, and Guests.

The following Plan includes decisions about what strategies *will* be implemented, but discussion included other possible directions. For example, the decision about how to approach “Community” included consideration and *rejection* of other possible approaches (e.g., focus on “educating” people about tourism benefits only, reacting to hot-button issues as they came up, etc.).

Strategic Directions reflect important decisions in theory, but they are just statements of “good intentions” unless further translated into general Goals, specific measurable Objectives, and clear Actions – along with responsible parties and milestones or measures to indicate actual progress.

### ***Goals***

Goals are incremental steps to the Vision being achieved. They are still broad and somewhat idealized end conditions – a direction in which to travel rather than a specific end destination. This Plan has one Goal for each of the four elements mentioned in the Vision and further articulated in the Strategic Directions: again, Community, Culture/Visitor Experiences, Environment, and Guests.

### ***Objectives and Related Success Measures***

For each Goal, there are several specific Objectives, which are more concrete and definite end conditions. If a Goal is “Visit the towns east of Wailuku,” then Objectives might include getting to Kahului, Pā‘ia, Ke‘anae, etc. There is some way to know if you have successfully reached your Objective. This TSP does not try to include all the Objectives that might be imagined for any particular Goal, but rather a limited number that seem achievable and for which somebody is at least tentatively willing to assume responsibility.

Success Measures – the ways of knowing if an Objective has been reached, or to what extent it has been reached – are of two types: (1) “Milestones” – something has been achieved, like being in downtown Pā‘ia; or (2) actual quantitative “Measures” – you drove 11 miles east from Wailuku, which is what it takes to get to (somewhere in) Pā‘ia.

### ***Actions, Related Performance Measures, and Related Responsible Organizations***

A plan does not just specify a destination, but also must say how you will get there (car? bus? bicycle?) and who will drive. So for each Objective, this TSP has a limited number of Actions, of two types:

- A “Targeted” Action is a very definite activity with a limited time span – somebody initiates the activity; it succeeds or not (hits the target or not); and that’s the end of it. On New Year’s Day, somebody organizes a caravan of cars from Wailuku for a group dinner in Pā‘ia, a special event. Targeted Actions are generally New Actions.
- An “Ongoing” Action recognizes that opportunities present themselves repeatedly – e.g., the Legislature meets annually, so lobbying is always possible. Or, to continue the travel example, at the end of every workday there’s a carpool going from Wailuku to Pā‘ia, and you can always ask your friend to give you a lift out there when you have a reason to go. Ongoing Actions are generally already in process, though they may evolve to have new features or new levels of effort.

“Performance” Measures (again, either milestones or quantitative measures) apply to Actions – how many cars did you pull into the caravan, or how many people did you ask for a lift, or did you at least call around to ask? These are indicators of *effort*, as opposed to the measures of *success* associated with actually meeting your Objective. But sometimes it’s important to show you’ve made the effort, or to know how much effort it took.

Finally, a plan does not just imagine a car will materialize to get you to Pā‘ia – it says who’s supplying the car, who’s driving. Without somebody behind the wheel, the plan does not get implemented. This is why the TSP indicates “Responsible Organizations.” As discussed later in the following Section J of this chapter, the MVB has overall oversight responsibility – it reminds the “drivers” that they said they would go to Pā‘ia by a certain date, and tries to find substitutes if for some reason they cannot or no longer wish to.



## C. The 2017-2026 Tourism Strategic Plan: Guiding Principles, Vision, Strategic Directions, Goals

Figure 5 on the following page shows the higher-level components of the TSP – Guiding Principles, Vision, Strategic Directions, and Goals, all aligned along the four elements of Community, Culture, Environment, and Guests. It should be noted that “Environment” includes both natural and man-made environment (i.e., infrastructure and urban design).

### *Guiding Principles*

The Plan begins with the two key “Guiding Principles” previously explained in Chapter II, Section C – a more active and collaborative tourism industry, and a search for new and/or continuing processes for achieving those vital improvements.

### *Vision*

*“A visitor industry that successfully and proactively partners with other businesses, nonprofits, and government to balance the interests of community, culture, environment, and visitors.”* While the Advisory Committee did not explicitly conclude that any one of the latter four elements should be considered more important than another, members did specify the order of wording, beginning with “Community.” The overall Vision is one of a Maui Nui tourism industry that has successfully implemented the Guiding Principles undergirding the Plan.

### *Strategic Directions*

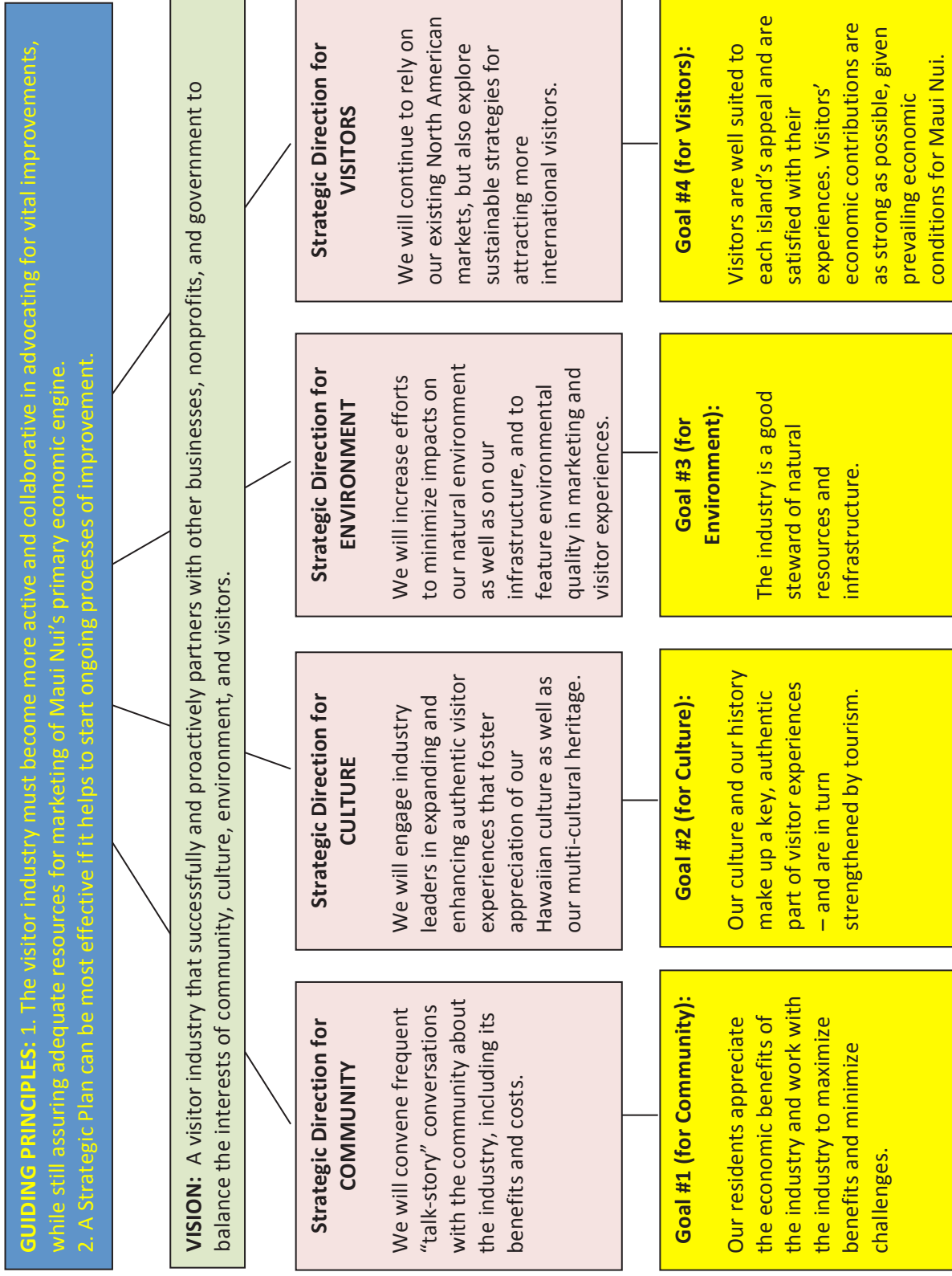
Taken together, the four specific “Strategic Directions” represent an overall choice for even more active industry attention to Community, Culture, and Environment (as well as traditional marketing to Guests) – a proactive and equal, rather than a reactive or controlling, relationship with the people and the *‘āina* of Maui Nui.

### *Goals*

The four Goals in Figure 5 are aspirational and general. Each one will serve as the basis for more specific Objectives, Actions, and various types of Measures in following sections of this chapter.

**Note on Goal Topics:** Three of the Goals named by the Advisory Community – Community, Culture, and Environment – are not traditional elements of Tourism Strategic Plans. It should be understood that selection of these Goals does not indicate the visitor industry – more than any other business or human activity – is “responsible” for, say, environmental quality. Rather, the industry *depends* for its success on a pristine environment, on an authentic and intriguing culture, and on a friendly and supportive community. So attending to the quality of these things is not only good citizenship, but enlightened self-interest as well.

Figure 5: Vision, Strategic Directions, and Goals for 2017-2026 Tourism Strategic Plan



## D. General Explanations about Charts Containing the Plan

Following sections take each Goal area – Community, Culture, Environment, and Visitors – and present Objectives, Measures, Actions, and Responsible Organizations for that Goal in charts (Figure 6 to Figure 9). A few points about these subsequent charts bear explanation.

### ***No Fixed Prioritization***

Objectives are shown with numbers and Actions with letters. These are simply for reference purposes and do not indicate prioritization (e.g., “Action A” is not necessarily the most critical Action). Priorities may emerge in practice, but they can also change over time.

### ***Actions May Serve Multiple Objectives (Even Multiple Goals)***

On each chart, a boxed line is drawn around all Actions. This is to indicate their *cumulative* effects have the potential to “move the needle” on some or all of the Objectives above and to help achieve the overall Goal. Just because certain Actions happen to visually fall below a particular Objective does not mean they apply specifically and only to that above Objective – i.e., there is no intended “silo” of Actions and Objectives.

In some cases, Actions aimed at achieving one Goal may also help with another Goal. One particular example is made explicit – “Ongoing Action A” (industry lobbying networks for infrastructure improvement) is the same for both “Community” (Figure 6) and “Environment” (Figure 8). Other examples are also possible, but the negative effects of highway congestion on both community satisfaction and quality of surroundings seemed so striking that the Advisory Committee wanted to stress the value of this Action for at least two Goals.

### ***Success Measures for Objectives Will Hopefully Be Available into the Future***

Selected measures were taken repeatedly in the past, and hopefully will be done the same way in the future to permit annual monitoring reports (see Section J). Many are questions in HTA resident or visitor surveys, and survey questions do sometimes change. The HTA has said it will try to continue to ask these questions as worded but cannot guarantee this.

### ***Identity and Commitment of Responsible Organizations***

Responsible Organizations are indicated for each Action by **bolded red font** in each chart, often by initials. Explanations are below. For reasons previously explained, private-sector groups were preferred as responsible groups but it was recognized that the County OED is sometimes most appropriate. All named organizations agreed on at least a tentative basis. In cases where more than two groups were suggested, a tentative lead is designated, with others noted as “partners.”

**A3H:** Activities & Attractions Assn. of Hawai‘i

**AOHT:** Academy of Hospitality & Tourism

**“Chambers”:** Unless a specific island Chamber is named, this refers to Chambers of Commerce for Maui, Moloka‘i, and Lāna‘i

**Maui Conservation Alliance**

**Maui Nui Marine Resource Council**

**MEDB:** Maui Economic Development Board

**MHLA:** Maui Hotel & Lodging Assn.

**MVB:** Maui Visitors Bureau

**OED:** Maui County Office of Economic Development

**Others:** Some groups are named but were not actually asked because they are likely contractors or have the Action as part of their mission –

**HVCB** (Hawai‘i Visitors & Convention Bureau);

**Maui County Planning Dept.**

**NOAA** National Oceanic and Atmospheric Administration;

**State DOH** (Hawai‘i State Dept. of Health);

**UH Maui** (Univ. of Hawai‘i Maui College)

## E. “Community:” Objectives, Measures, Actions, and Responsible Organizations

Consistent with the Strategic Direction and Goal language from Figure 5, the various components of Figure 6 on the next page have to do with enhancing community appreciation and satisfaction through a process that stresses mutual dialogue and partnerships. The industry believes its economic benefits are critical, but it understands that costs must also be acknowledged and addressed if the community is to listen to its message.

### *Objectives and Related Success Measures*

Specific Objectives involve generalized resident satisfaction, but also the specific topics of tourism’s consistency with “community values” and “opportunities to be involved” – both topics on which the industry has scored low on past surveys. The related Success Measures are future results for the indicated questions on the HTA’s “Resident Sentiment Survey,” which is typically conducted annually but sometimes skips a year. See Table 7 in following Section J for baseline historical measures for these survey items.

### *Actions and Responsible Organizations*

The industry is already heading or involved with various “Ongoing” Actions that should be maintained and strengthened. As previously indicated, one of the most critical is its lobbying network, with particular emphasis for purposes of this Goal on the topic of highway congestion. In Discussions for this Plan, a State Dept. of Transportation (DOT) official said the DOT can only count on one-third the funding required for needed highway capacity projects statewide – suggesting fierce competition among counties and the need for even more effective political action. The new Maui Metropolitan Planning Organization (MMPO) is focused on Maui County transportation planning, and represents an immediate opportunity for participation through its advisory committee structure.

Other valuable Ongoing Actions include the industry’s annual Charity Walk, its involvement in the search for affordable housing solutions, and its support for more effective County enforcement of laws/rules against illegal vacation rentals, which may contribute to less supply and thus less affordable housing for residents.

However, additional efforts are needed to meet the Community goal. Perhaps most significant would be a new visitor industry speakers bureau – tasked with both resident education on economic benefits and also careful listening and response to concerns about perceived tourism downsides. Because residents are often concerned with job quality and prospects for promotion, the Plan would have the County OED prepare a video on the full range of opportunities (again also acknowledging the full range of resident issues). OED is also asked to increase visitor industry participation in the Business Development Strategic Alliance.

OED, MHLA, and the various island Chambers of Commerce are the key Responsible Organizations for this package of Actions. Conceivably, this TSP vision of a “more active and collaborative” industry could give rise to other organizations or attract the participation of additional business or community groups – but for now these are the likely key actors.

Figure 6: Goal, Objectives, Measures, Actions, and Responsible Organizations for “Community”

**Goal #1 (for Community):** Our residents appreciate the economic benefits of the industry and work with the industry to maximize benefits and minimize challenges.

<p><b>Objective 1:</b> General resident satisfaction improving</p> <p><b>Success Measures:</b> Overall trend is flat or increasing for island/county HTA resident survey questions on –</p> <ul style="list-style-type: none"> <li>✓ “Tourism brings more benefits than problems”</li> <li>✓ “Tourism good for self/family”</li> </ul>	<p><b>Objective 2:</b> Community believes tourism consistent with island values</p> <p><b>Success Measures:</b> Significant increase in past low values on HTA resident survey question –</p> <ul style="list-style-type: none"> <li>✓ “Tourism is consistent with community values on this island”</li> </ul>	<p><b>Objective 3:</b> Community believes industry listens, willing to address issues raised</p> <p><b>Success Measures:</b> Significant increase in past low values on HTA resident survey question –</p> <ul style="list-style-type: none"> <li>✓ “Tourism provides opportunities for residents to be involved.”</li> </ul>
<p><b>Ongoing Action A:</b> Organize and support industry lobbying network for government funding of priority infrastructure needs – include a task force on traffic. <b>MHLA, Chambers of Commerce each island</b></p> <p><b>Performance Measures/Milestones:</b></p> <ul style="list-style-type: none"> <li>▪ Identification of priority projects, including studies of traffic impacts on visitor/worker/commercial socio-economic impacts</li> <li>▪ Development of industry notification list</li> <li>▪ Number of hearings and number of industry testimonies delivered, by project</li> </ul> <p><b>This Action applies to Goal 3 as well</b></p>	<p><b>Targeted (New) Action A:</b> Create visitor industry speakers’ bureau – intended to listen as well as educate – that will be active in community meetings/events (include diverse types of industry speakers, e.g., cultural, line level, mid-management) <b>Chambers of Commerce each island</b></p> <p><b>Performance Measures/Milestones:</b></p> <ul style="list-style-type: none"> <li>▪ Create bureau by end of Yr1</li> <li>▪ Thereafter, no. of meetings with speakers from, or arranged by, MVB or identified industry partners each year</li> <li>▪ Estimated combined audience attendance</li> <li>▪ Feedback forms after each meeting</li> </ul>	<p><b>Targeted (New) Action B:</b> Develop video(s) on full range of tourism employment opportunities for use by schools and organizations – also to acknowledge non-economic issues about tourism and the industry’s responses to these issues <b>OED (with partners: MHLA/AOHT)</b></p> <p><b>Performance Measures/Milestones:</b></p> <ul style="list-style-type: none"> <li>▪ Completion of initial video by end of 2018</li> <li>▪ Number of copies distributed to various schools and organizations</li> </ul>
<p><b>Ongoing Action B:</b> Industry-wide participation in key charity activities <b>MHLA</b></p> <p><b>Performance Measures/Milestones:</b></p> <ul style="list-style-type: none"> <li>▪ Estimated number of employees participating in each event by industry sector</li> <li>▪ Number of events per year generating coordinated industry involvement</li> <li>▪ Industry \$ contributions to charities (inflation-adjusted) other than Charity Walk</li> </ul>	<p><b>Ongoing Action C:</b> Continue advocacy for affordable workforce housing <b>MHLA (with partners: MEDB and Chambers of Commerce each island)</b></p> <p><b>Performance Measures/Milestones:</b></p> <ul style="list-style-type: none"> <li>▪ Number of industry testimonies each year</li> </ul>	<p><b>Targeted (New) Action D:</b> Meet annually with industry sectors to identify areas of mutual collaboration and benefit <b>MVB/MEDB</b></p> <p><b>Performance Measures/Milestones:</b></p> <ul style="list-style-type: none"> <li>▪ Initiate first meeting by early 2018</li> </ul>
<p><b>Ongoing Action D:</b> Advocate for sufficient resources to strictly enforce all laws and regulations regarding illegal transient vacation rentals <b>MHLA (w/ partners: Chambers, County Planning Dept., OED)</b></p> <p><b>Performance Measures/Milestones:</b></p> <ul style="list-style-type: none"> <li>▪ Falling number of complaints and numbers of illegal units</li> </ul>		

## F. “Culture:” Objectives, Measures, Actions, and Responsible Organizations

The following Figure 7 contains the various TSP elements related to Culture. This primarily refers to the indigenous host Native Hawaiian culture, for which “authenticity” in marketing and visitor experience is of critical concern to residents, visitors, and industry leaders alike. However, the islands’ post-Contact history and multi-cultural heritage is also included in the underlying strategic approach (as was articulated in Figure 5).

### *Objectives and Related Success Measures*

Objectives and associated Success Measures involve both resident satisfaction with “authenticity” of cultural presentation by the industry ... and also visitor satisfaction with (and actual visitor participation in) cultural activities. Additionally, a more objective target is to have at least one certified cultural training program/specialist for each major resort property in Maui Nui. (Trainers might be either on staff or retainer basis.) See Table 8 in following Section J for baseline numbers for these success metrics.

### *Actions and Responsible Organizations*

Cultural trainings (primarily in larger hotels) have been ongoing for a long time, though not on a truly widespread or systematic, consistent basis. However, there is now a small core of trained Native Hawaiian cultural specialists at resorts throughout Maui Nui.

The basic thrust of the Culture component is for MHLA and MVB to help these specialists create their own ongoing organization – however formal or informal that group may want to be in its functioning. Following its formation, that group of existing specialists would work with MVB and OED to (a) develop standards for cultural activities in marketing and visitor experiences; (b) plan and implement a countywide conference on cultural issues in Maui tourism, including presentation of standards; and (c) reach out to, and collaborate with, UH Maui on re-establishing cultural training programs (also to be reviewed at the conferences) for the entire Maui Nui visitor industry.

Maui’s post-Contact history of whaling, ranching, and agriculture helped forge its current multi-cultural population, and there are many related observations and festivals that might be shared with visitors. The local government’s Maui County Calendar provides a starting point for publicizing these, though OED and/or MVB can hopefully help to develop the online or other communication network needed to make visitors more aware of it.

Figure 7: Goal, Objectives, Measures, Actions, and Responsible Organizations for “Culture”

**Goal #2 (for Culture):** Our culture and our history make up a key, authentic part of visitor experiences – and are in turn strengthened by tourism.

<p><b>Objective 1:</b> Every major resort property has at least one certified cultural training program/specialist  <b>Success Measures:</b> Number of properties with programs and specialists</p>	<p><b>Objective 2:</b> Visitor exposure to and satisfaction with culture increasing  <b>Success Measures:</b> Overall county trend is flat or increasing for HTA visitor activity survey question –                  ✓ “All Historical/Cultural/Arts” activity participation, for key Major Market Area visitors surveyed; and/or                  ✓ Ratings on “cultural activities”</p>	<p><b>Objective 3:</b> Residents’ belief in authenticity of Native Hawaiian tourism culture content is enhanced  <b>Success Measures:</b> Significant increase in past low values on HTA resident survey question –                  ✓ “Tourism currently presents Native Hawaiian culture in an authentic manner”</p>
<p><b>Targeted (New) Action A:</b> Establish cultural advisory group made up of hotel cultural specialists from all three islands as resource to general industry/community; utilize group in planning for Action B <b>MHLA, MVB</b>  <b>Performance Measures/Milestones:</b>                  ■ Establishment by end 2017                  ■ Document outreach to wider community                  ■ Number of inquiries/advice dispensed</p>	<p><b>Targeted (New) Action B:</b> Initiate a conference to discuss cultural standards in marketing and visitor experiences <b>MVB, OED</b>  <b>Performance Measures/Milestones:</b>                  ■ Cultural advisory group establishes standard by mid-2018                  ■ Conference planning begins by late 2018                  ■ Conference held by mid-2019                  ■ Feedback system developed by mid-2019</p>	<p><b>Targeted (New) Action C:</b> Collaborate with UH Maui to re-establish cultural training programs for Maui visitor industry <b>Future culture advisory group from Action A</b>  <b>Performance Measures/Milestones:</b>                  ■ Contact made with UH Maui by early 2018                  ■ Curriculum established by mid-2018                  ■ Program shared at conference in mid-2019 (Action B)                  ■ Once established, numbers of training and trainees per yr.</p>
<p><b>Ongoing Action A:</b> Support and promote multi-cultural events and festivals through Culture and Arts Grant, sponsorships, and publicity <b>OED (with partners: MHLA and MVB)</b>  <b>Performance Measures/Milestones:</b>                  ■ Number of festivals and cultural events on CalendarMaui.com</p>	<p><b>Targeted (New) Action D:</b> Establish a robust online calendar of multi-cultural and historical events available to visitors <b>OED (with partners: MVB, CalendarMaui.com)</b>  <b>Performance Measures/Milestones:</b>                  ■ Established by early 2018                  ■ Communication network with marketers, concierges, etc. to assure visitor access, by mid-2018                  ■ Number of events on calendar over time</p>	

## G. “Environment:” Objectives, Measures, Actions, and Responsible Organizations

Again, “Environment” refers both to natural resources and also to man-made (e.g., infrastructure) environment. While issues such as highway congestion may at first seem strange to include with natural settings, other things more clearly bridge the apparent gap – for example, beach parks, scenic overlooks, or infrastructure (drainage systems and sewage treatment outfalls) affecting ocean water quality.

Figure 8 shows the collection of Objectives, Measures, Actions, and Responsible Organizations that are envisioned to meet the Goal for Environment.

### *Objectives and Related Success Measures*

As with Culture, the Objectives for Environment involve subjective measures of resident and of visitor satisfaction, as well as objective measures. There are multiple aspects to Environment and so some of these metrics also have multiple parts – e.g., different objective measures for traffic, water quality, and coral reef health, and visitor satisfaction with different topics that fall under the overall “Environment” category. See Table 9 in following Section J for baseline measures.

### *Actions and Responsible Organizations*

All of Maui Nui, including its visitor industry, is deeply aware of the importance of environmental factors – this is a key reason people visit and live in the islands. There are already many industry initiatives that should be maintained and strengthened when possible, many “Ongoing Actions.” As previously mentioned in conjunction with Goal #1 on Community, the industry is involved in (but may need to further strengthen) lobbying on infrastructure issues, of which highway congestion currently ranks at the top of the list.

Additionally, MHLA’s Engineering Advisory Committee is deeply involved in sustainability practices at resorts, and greater public awareness of these initiatives would be helpful. And existing partnerships with community/environmental groups for things like (a) community work days for parks improvements, and (b) adding a central media hub for tourism-related environmental initiatives (e.g., volun-tourism) should also be maintained and strengthened. A3H, OED, MVB, and Chambers, along with MHLA, all have role to play.

However, there are also more ties that can be forged with community-based environmental groups and initiatives, and the Plan envisions two New Actions in which OED and conservation nonprofits would work with industry groups:

1. More vigorous information sharing on ocean water quality and coral reef health (both data and activities) with the industry, with the intent of improved information for tourists in their activities/experiences and in marketing to attract “green” visitors.
2. Periodic workshops and conferences to bring together the industry and environmental communities in a positive context of seeking more ways to help one another reach shared objectives.



Figure 8: Goal, Objectives, Measures, Actions, and Responsible Organizations for “Environment”

<p><b>Goal #3 (for Environment):</b> The industry is a good steward of natural resources and infrastructure.</p>	
<p><b>Objective 1:</b> Improvement in key problems for residents/visitors – traffic and ocean water quality  <b>Success Measures:</b> Positive trends in measures for –</p> <ul style="list-style-type: none"> <li>✓ Peak hour traffic wait times [get from MMPO; may be bus info]</li> <li>✓ Enterococci densities at Kihei, Wailea, Kama’ole Beach #1</li> <li>✓ [Coral reef preservation metrics – work w Ruth Gates of HIMB]</li> </ul>	<p><b>Objective 2:</b> Visitor satisfaction with environment and key infrastructure maintained/increased  <b>Success Measures:</b> Visitor surveys (by HTA or Maui group) show flat or increasing satisfaction ratings with –</p> <ul style="list-style-type: none"> <li>✓ Road conditions</li> <li>✓ Parks</li> <li>✓ Beaches</li> <li>✓ Public facilities</li> </ul>
<p><b>Objective 3:</b> Growing resident belief that tourism industry supports environmental protection  <b>Success Measures:</b> Overall county trend is flat or increasing for HTA resident survey question on –</p> <ul style="list-style-type: none"> <li>✓ “Tourism helps sustain Hawaii’s natural resources, parks, and cultural sites”</li> </ul>	<p><b>Ongoing Action A:</b> Organize and support industry lobbying network for government funding of priority infrastructure needs – include a task force on traffic <b>MHLA, Chambers of Commerce each island</b>  <b>Performance Measures/Milestones:</b></p> <ul style="list-style-type: none"> <li>▪ Identification of priority projects, including studies of traffic impacts on visitor/worker/commercial socio-economic impacts</li> <li>▪ Development of industry notification list</li> <li>▪ Number of hearings and number of industry testimonies delivered, by project</li> </ul> <p style="text-align: center;"><b><u>This Action applies to Goal 1 as well</u></b></p> <p><b>Ongoing Action C:</b> Continued fostering of MHLA Engineer Advisory Committee (EAC) on environmental/energy sustainability best practices at resorts <b>MHLA</b>  <b>Performance Measures/Milestones:</b></p> <ul style="list-style-type: none"> <li>▪ At least one annual press release on EAC actions/recommendations</li> </ul>
<p><b>Targeted (New) Action A:</b> Gather information on coral reef health and water quality; share with visitors and industry <b>OED’s Environmental Coordinator (with partners: Maui Nui Marine Resource Council, A3H, State DOH, National Oceanic &amp; Atmospheric Administration [NOAA])</b>  <b>Performance Measures/Milestones:</b></p> <ul style="list-style-type: none"> <li>▪ Initial planning meeting by start of 2018</li> <li>▪ Develop initial educational information by mid-2018</li> </ul>	<p><b>Ongoing Action B:</b> Support (financial and messaging) existing environmental organizations’ efforts via central media hub – e.g., calendar of volunteer opportunities <b>A3H (with partners: OED, MHLA)</b>  <b>Performance Measures/Milestones:</b></p> <ul style="list-style-type: none"> <li>▪ Initial planning meetings by fall 2017</li> <li>▪ Published central media hub by mid-2018</li> </ul> <p><b>Ongoing Action D:</b> Support existing community work days for parks improvement <b>MHLA (with partners: OED, MVB)</b>  <b>Performance Measures/Milestones:</b></p> <ul style="list-style-type: none"> <li>▪ Estimated number of employees participating in each event by industry sector</li> <li>▪ Number of events per year generating coordinated industry involvement</li> </ul> <p><b>Targeted (New) Action B:</b> Create periodic workshops/conference on environmental programs bringing together the visitor industry with environmental organizations from all three islands <b>OED Envtl. Coordinator (likely partners: MVB, Maui Conservation Alliance, NOAA)</b>  <b>Performance Measures/Milestones:</b></p> <ul style="list-style-type: none"> <li>▪ Initial planning meeting by start of 2018</li> <li>▪ First of periodic events to be held by mid-2018</li> </ul>

## H. “Visitors:” Objectives, Measures, Actions, and Responsible Organizations

This Goal area involves the traditional core of visitor industry strategic planning – marketing, visitor satisfaction, and maximizing benefits for the local economy and for the industry itself. Although the current TSP goes beyond this business focus, economic success remains the bedrock for everything else. Without it, the industry is hard pressed to contribute time or any form of resource to Community, Culture, and Environment.

Figure 9 contains the various elements – related to marketing, facilities, events, attractions, etc. – needed to maintain Maui’s historically high levels of visitor satisfaction and economic benefits.

### *Objectives and Related Success Measures*

The stated Objectives – and associated measures – involve traditional but meaningful success metrics: Visitor satisfaction, spending, and lodging occupancies. All are reasonably high as of 2017, and so the intent is as much to maintain as to increase them. Recent HTA island-specific visitor satisfaction questions have been limited to “overall experience,” but the Authority is considering changes that might in future allow other useful satisfaction measures in Figure 9 to be available by island. Similarly, occupancy data now are limited to hotels and timeshares, but if the HTA or other organizations in future collect/publish occupancy for other lodging types, those should also be tracked. Spending data must be adjusted for inflation to be meaningful over time, and it is also useful to compare with other counties – if factors such as a recession produce statewide setbacks, is Maui weathering the storm better or worse than the rest of Hawai’i? See Table 9 in following Section J for baseline measures related to this Goal.

### *Actions and Responsible Organizations*

This Goal area touches on the most mature and well-developed part of the TSP, and so most of the specified activities are “Ongoing Actions” handled by the MVB, sometimes with partners or associated organizations. In fact, the “Ongoing Actions” listed here are likely an incomplete list of existing initiatives, but were selected to reflect priorities that emerged from stakeholder input (Chapter III) and Advisory Committee discussions.

Consistent with the Strategic Direction in Figure 5 (which also reflects stakeholder and Advisory Committee input), Actions in Figure 9 assume a continued focus on traditional North American (U.S. and Canada) markets in the absence of an international airport, but supplemented by efforts to make it easier for international travelers to get to Maui Nui from Honolulu. Other Ongoing Actions touch on new events, airport improvements, incentive-group marketing, visitor safety, and disaster planning (including greater efforts to publicize what is being done in regard to such planning).

Proposed new Actions include additional visitor satisfaction monitoring by the MVB of overall Maui visitor satisfaction using the social media platforms now favored by many individual businesses, and County OED customer service training and satisfaction for visitor industry businesses other than hotels – restaurants, tour and transportation services, etc.

Figure 9: Goal, Objectives, Measures, Actions, and Responsible Organizations for “Visitors”

<p><b>Goal #4 (for Guests):</b> Visitors are well suited to each island’s appeal and are satisfied with their experiences. Visitors’ economic contributions are as strong as possible, given prevailing economic conditions for Maui Nui.</p>		
<p><b>Objective 1:</b> Visitor satisfaction maintained/increased  <b>Success Measures:</b> Overall US/Canadian trends are flat/increasing for island visitor satisfaction surveys –                  ✓ Overall island experience                  ✓ Exceeded expectations*                  ✓ Likely to recommend to others*                  * If these two available by island in future</p>	<p><b>Objective 2:</b> Inflation-adjusted visitor spending is maintained/increased  <b>Success Measures:</b> Overall trend is flat or increasing for island data –                  ✓ Total visitor spending for year                  ✓ Average daily visitor spending (compare with other counties, too)</p>	<p><b>Objective 3:</b> Maui County visitor unit occupancy is maintained/increased  <b>Success Measures:</b> Overall trend is flat or increasing for annual average occupancy (plus monthly data for “shoulder” seasons) –                  ✓ Hotel occupancy                  ✓ Timeshare occupancy                  (Add other lodging types if/when available)</p>
<p><b>Ongoing Action A:</b> Support for Visitor Aloha Society of Hawai‘i (VASH) <b>MVB</b> and A3H Hotline <b>A3H</b>  <b>Performance Measures/Milestones:</b>                  ■ Number of visitors served, each island                  ■ Inflation-adjusted funding levels at least hold steady; \$ per visitor served                  ■ Visitor surveys or other feedback on visitor satisfaction with Maui VASH program</p>	<p><b>Ongoing Action B:</b> New event development (sports, festivals, films) <b>MVB (with partners: HTA, HVCB, OED)</b>  <b>Performance Measures/Milestones:</b>                  ■ Number of new events                  ■ Visitor attendance at new events, and this number as % of attendance at all newly created events</p>	<p><b>Ongoing Action C:</b> Marketing outreach to higher income North American markets, especially for shoulder seasons <b>MVB</b>  <b>Performance Measures/Milestones:</b>                  ■ Increase in visitor counts from targeted areas following campaigns/outreach                  ■ Maintain/increase in air seats from these areas over next few years</p>
<p><b>Ongoing Action D:</b> Planning for disasters – procedures, recovery <b>MVB, MHLA and partners</b>  <b>Performance Measures/Milestones:</b>                  ■ No. of meetings w/ Civil Defense, Red Cross, similar agencies                  ■ Evidence of level/quality of information shared with industry (conferences, newsletters, etc.)</p>	<p><b>Ongoing Action E:</b> Lobby for airport improvements and beautification <b>MVB (with partners: OED, MHLA)</b>  <b>Performance Measures/Milestones:</b>                  ■ Number of hearings and number of industry testimonies delivered, by topic                  ■ Change in DOT budget for airport maintenance and improvements</p>	<p><b>Ongoing Action F:</b> Market Maui as preferred destination for meetings, conventions, and particularly for incentive business <b>MVB</b>  <b>Performance Measures/Milestones:</b>                  ■ Increase in MCI visitor counts                  ■ If available, increase in inflation-adjusted Maui visitor expenditures</p>
<p><b>Targeted (New) Action A:</b> Develop certification programs for hospitality/customer service (sectors beyond hotels) <b>OED</b>  <b>Performance Measures/Milestones:</b>                  ■ Put in place by end of 2018</p>	<p><b>Targeted (New) Action B:</b> Monitor reputation of Maui County across social media platforms (e.g., TripAdvisor, Hootsuite, etc.) <b>MVB</b>  <b>Performance Measures/Milestones:</b>                  ■ Initiate monitoring (by contract) in 2017                  ■ Develop annual report of changes/year</p>	<p><b>Ongoing Action G:</b> Advocate for greater ease of travel for international visitors from Honolulu or Kona to Maui <b>MVB</b>  <b>Performance Measures/Milestones:</b>                  ■ Annual Maui visitor-days from intl. markets                  ■ Annual Maui total dollars (inflation-adjusted) from international markets</p>

## I. Baseline Values for Success Measures

Each of the following tables (Table 7 to Table 10) provides available historical baseline measures for the Success Measures attached to the various Objectives for each Goal.

When available, historical data are provided back to 2009, to indicate whether there are trends that should be noted. The year 2009 was chosen as the starting point because it was the nadir for Hawai'i visitor industry performance during or right after the Great Recession, and a number of structural changes occurred in the industry around that time (see Vol. II).

And when available, annual data are provided through 2016. Some 2016 results, such as data from HTA's Resident Sentiment Survey and its Visitor Satisfaction & Activity Survey, will not be available until later in 2017, following completion of this Plan.

The annual "Monitoring and Reporting" system described in the following Section J is intended to add further numbers to this format as they become available.

Future Success Measure results published later in 2017 – and in some cases even during the next year or two, if they reflect data gathered in 2017 – should not be considered to be affected by implementation of the new TSP as there will not be sufficient time for Actions to be started and any effects to have been felt.

It is important to understand that ***it may be necessary to revise Success Measures over time***. Availability of data from local sources can change. Many of the metrics are from the HTA's surveys of resident satisfaction and of visitor satisfaction/activities, and these questions and/or survey formats are subject to change. Advances in measurement of Maui traffic congestion and marine environmental quality are on the horizon. In some cases, future metrics are assumed in this Plan based on what currently seem to be likely new data sources, but perhaps these will not be implemented after all. The important thing is to look for good substitute measures – not just let the list of measures dwindle – if the metrics set out here are not all available in consistent form over the lifetime of the Plan.

**Table 7: Baseline Metrics for Goal #1, “Community”**

Percentages are Maui County Strong Agreement (9 or 10 on 10-Point Scale)

	Prior to Adoption of Maui TSP 2017-26										After Maui TSP Implementation							
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
<b>Objective 1:</b> General resident satisfaction improving <i>Overall trend is flat or increasing for island/county HTA resident survey questions on –</i> "Tourism brings more benefits than problems" "Tourism good for self/family"	31%	41%		26%		18%	23%											
	33%	31%		39%		23%	28%											
	<b>Source:</b> HTA Resident Sentiment Survey, various years. Data from Maui County sample. No surveys in 2011 or 2013. Results for 2016 will be available in Fall 2017. <b>Notes:</b> Pcts are "Strong Agreement" (9 or 10 on 10-point agreement scale, with 10 meaning strongest agreement)																	
<b>Objective 2:</b> Community believes tourism consistent with island values <i>Significant increase in past low values on HTA resident survey question –</i> "Tourism is consistent with community values on this island"																		
				16%		9%	15%											
	<b>Source:</b> HTA Resident Sentiment Survey, various years. Data from Maui County sample. No surveys in 2011 or 2013. This question first asked in 2012. Results for 2016 will be available in Fall 2017. <b>Notes:</b> Pcts are "Strong Agreement" (9 or 10 on 10-point agreement scale, with 10 meaning strongest agreement)																	
<b>Objective 3:</b> Community believes industry listens, willing to address issues raised <i>Significant increase in past low values on HTA resident survey question –</i> "Tourism provides opportunities for residents to be involved"																		
							24%											
	<b>Source:</b> HTA Resident Sentiment Survey, various years. Data from Maui County sample. No surveys in 2011 or 2013. This question first asked in 2015. Results for 2016 will be available in Fall 2017. <b>Notes:</b> Pcts are "Strong Agreement" (9 or 10 on 10-point agreement scale, with 10 meaning strongest agreement)																	

Table 8: Baseline Metrics for Goal #2, “Culture”

	Prior to Adoption of Maui TSP 2017-26										After Maui TSP Implementation								
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
<p><b>Objective 1:</b> Every major resort property has at least one certified cultural training</p> <p><b>Success Measure:</b> Number of properties with programs and trainers</p>																			
<p><b>Source:</b> Makalapua Kanuha, Complex Director of Culture, Westin Kā'anapali Ocean Resort (KOR) Villas. If a formal cultural advisory group proposed in this TSP is created, it may provide numbers in future.</p> <p><b>Notes:</b> Properties as of most recent year: Kā'anapali Beach Hotel, Ritz, Montage Kapalua Bay, Sheraton Maui, Westin KOR, Westin Nanea, Grand Wailea, Lāna'i (Four Seasons). These are properties with full-time "Cultural Specialists," "Cultural Resource Advisors," or "Cultural Ambassadors."</p>																			
<p><b>Objective 2:</b> Visitor exposure to and satisfaction with culture increasing</p> <p><b>Success Measure(s):</b> Overall county trend is flat or increasing for HTA visitor activity survey questions -- participation, for key Major Market Areas</p> <ul style="list-style-type: none"> <li>- US Total for Maui Island</li> <li>- Canada for Maui Island</li> <li>- US Total for Moloka'i</li> <li>- Canada for Moloka'i</li> <li>- US Total for Lāna'i</li> <li>- Canada for Lāna'i</li> </ul>																			
<p><b>Source:</b> HTA Visitor Satisfaction &amp; Activity Survey, various years. Results for 2016 will be available in Fall 2017. (Results for 2009-11 not comparable due to different individual activity lists comprising "All Historical/Cultural/Arts" list.)</p> <p><b>Notes:</b> Data for other Major Market Areas -- Japan, Oceania, Europe, etc. -- based on very small samples, not reliable. Moloka'i and Lāna'i samples (even for US and Canada) are also small, and so results expectably fluctuate more by year.</p> <p><b>An HTA survey with this question is now expected to begin in 2018.</b></p>																			
<p>Satisfaction ratings on "cultural activities"</p> <ul style="list-style-type: none"> <li>- Maui Island</li> <li>- Moloka'i</li> <li>- Lāna'i</li> </ul>																			
<p><b>Source:</b> [Future HTA Survey -- not yet clear if this will be intercept or mail-out survey, or combined with Visitor Satisfaction &amp; Activity.]</p> <p><b>Notes:</b> [Must be determined in future if this survey sample will include all visitors to island, including non-English speakers.]</p>																			
<p><b>Objective 3:</b> Residents' belief in authenticity of Native Hawaiian tourism culture content is enhanced</p> <p><b>Success Measure:</b> Significant increase in past low values on HTA resident survey question -- "Tourism currently presents Native Hawaiian culture in an authentic manner"</p>																			
<p><b>Source:</b> HTA Resident Sentiment Survey, various years. Data from Maui County sample. No surveys in 2011 or 2013. This question first asked in 2012. Results for 2016 will be available in Fall 2017.</p> <p><b>Notes:</b> P.cts are "Strong Agreement" (9 or 10 on 10-point agreement scale, with 10 meaning strongest agreement)</p>																			

Table 9: Baseline Metrics for Goal #3, “Environment”

	Prior to Adoption of Maui TSP 2017-26										After Maui TSP Implementation							
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
<b>Objective 1:</b> Improvement in key problems for residents/visitors -- traffic and ocean water quality																		
<b>Success Measure(s):</b> Positive trends in measures for -- Traffic indicator (% bus on-time arrivals at Queen Ka'ahumanu Center for peak congestion months of Dec.-Feb.)																		
- Haiku Islander route (through Pā'ia)	96.4%	96.7%	94.6%	97.4%	89.8%	89.3%	87.0%	79.9%										
- Lahaina Islander route	97.6%	98.4%	98.2%	99.1%	98.2%	99.6%	98.9%	97.4%										
<b>Source:</b> Maui County Dept. of Transportation and Roberts Hawaii, compiled by Maui Metropolitan Planning Organization (MMPO).																		
<b>Notes:</b> MMPO may have more direct measures of traffic congestion in future years, in which case this bus information could be replaced or supplemented. The Dec.-Feb. period was selected because records indicate it is the most frustratingly congested part of the year -- especially for the Haiku route, which is affected by North Shore surf season. The "Dec." data come from previous year -- e.g., 2009 figure is weighted average for Dec. 2008, Jan. 2009, and Feb. 2009.																		
Enterococci densities at																		
- Kihei (South)	3.8	4.1	10.2	10.5	12.6	11.4	11.5	10.1										
- Wailea	3.2	2.8	5.7	10.6	10.4	10.2	10.5	9.4										
- Kama'ole Beach #1	3.3	3.0	5.8	10.1	11.8	10.7	10.9	9.3										
<b>Source:</b> Hawaii State Department of Health, Clean Water Branch, records. In DBEDT Hawaii State Data Book, Sec. 5, Tables on "Water Quality at Selected Public Beaches." 2015 and 2016 data from DOH special tabulation.																		
<b>Notes:</b> Enterococcus is an indicator of pathogens. Data above show geometric mean of number per 100 ml. Some of apparent increase over time may reflect better DOH sampling. Current (as of 2017) national level above which human health hazards exist is 35.0 per 100 ml, so increased levels as of 2017 still not problematic on average.																		
Coral reef health																		
Maui Fixed Station Coral Cover (higher=better)	24.8%	25.3%	26.4%	25.7%	24.5%	24.7%	26.6%	21.8%										
<b>Source:</b> Hawaii State Dept. of Land & Natural Resources, Division of Aquatic Resources (DAR), provided by DAR Biologist Russell Sparks.																		
<b>Notes:</b> Data represent mean coral cover, extracted from photo-transects at ten long-term monitoring sites around Maui Island. Selected shallow coral reef sites include locations with abundant coral. These sites are not necessarily indicative of typical cover for all Maui. However, it is likely that trends at those sites are broadly comparable to wider trends in Maui coral cover. No other Maui Nui islands have sites monitored frequently enough to be reliable.																		

(Baseline Metrics for “Environment,” Continued)

	Prior to Adoption of Maui TSP 2017-26						After Maui TSP Implementation											
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
<p><b>Objective 2:</b>                      Visitor satisfaction with environment and key infrastructure maintained/increased                      Visitor surveys (by HTA or Maui group) show flat or increasing visitor satisfaction with:</p>																		
<p>Success Measure:</p> <p>Road conditions - Maui Island                      Parks - Maui Island                      Beaches - Maui Island                      Public Facilities - Maui Island                      Road conditions - Moloka'i                      Parks - Moloka'i                      Beaches - Moloka'i                      Public Facilities - Moloka'i                      Road conditions - Lāna'i                      Parks - Lāna'i                      Beaches - Lāna'i                      Public Facilities - Lāna'i</p>																		
<p><b>Source:</b> [Future HTA Survey -- not yet clear if this will be intercept or mail-out survey, or combined with Visitor Satisfaction &amp; Activity.]  <b>Notes:</b> [Must be determined in future if this survey sample will include all visitors to island, including non-English speakers.]</p>																		
<p><b>Objective 3:</b>                      Growing resident belief that tourism industry supports environmental protection                      Overall county trend is flat or increasing for resident survey questions on --                      "Tourism helps sustain Hawai'i's natural resources, parks, and cultural sites"</p>																		
<p>Success Measure:</p>																		
<p><b>Source:</b> HTA Resident Sentiment Survey, various years. Data from Maui County sample. No surveys in 2011 or 2013. This question first asked in 2012. Results for 2016 will be available in Fall 2017.  <b>Notes:</b> Pcts are "Strong Agreement" (9 or 10 on 10-point agreement scale, with 10 meaning strongest agreement). In 2009 and 2010, a satisfaction question asking only about "sustaining natural resources" (not parks or cultural sites) produced similar results -- e.g., 13% Strong Agreement for Maui County in 2009.</p>																		



Table 10: Baseline Metrics for Goal #4, “Visitors”

	Prior to Adoption of Maui TSP 2017-26										After Maui TSP Implementation							
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
<b>Objective 1:</b> Visitor satisfaction maintained/increased Overall US/Canadian trends are flat/ increasing for island visitor satisfaction surveys --																		
Overall island experience (% Excellent)																		
- US Total for Maui Island					66%	67%	70%	71%										
- Canada for Maui Island					64%	66%	64%	67%										
- US Total for Moloka'i					59%	56%	61%	56%										
- Canada for Moloka'i					54%	48%	63%	42%										
- US Total for Lāna'i					65%	61%	60%	56%										
- Canada for Lāna'i					71%	64%	55%	50%										
<b>Source:</b> HTA Visitor Satisfaction & Activity Survey, various years. Results for 2016 will be available in Fall 2017. (Results for 2009-11 not comparable due to different response format.)																		
<b>Notes:</b> Data for other Major Market Areas -- Japan, Oceania, Europe, etc. -- based on very small samples, not reliable. Moloka'i and Lāna'i samples -- even for US and Canada -- also small, and so results expectably fluctuate more by year.																		
<b>An HTA survey probably containing this question is now expected to begin in 2018.</b>																		
Exceeded expectations																		
- Maui Island																		
- Moloka'i																		
- Lāna'i																		
Likely to recommend to others (% Very Likely)																		
- Maui Island																		
- Moloka'i																		
- Lāna'i																		
<b>An HTA survey probably containing this question is now expected to begin in 2018.</b>																		
<b>Source:</b> [Future HTA Survey -- not yet clear if this will be intercept or mail-out survey, or combined with Visitor Satisfaction & Activity.]																		
<b>Notes:</b> [Must be determined in future if this survey sample will include all visitors to island, including non-English speakers.]																		
<b>Objective 2:</b> Inflation-adjusted visitor spending is maintained/increased Overall trend is flat or increasing for island data --																		
Total visitor spending for year (\$Ms 2016)																		
- Maui Island	\$2,919	\$3,331	\$3,352	\$3,729	\$3,876	\$4,170	\$4,242	\$4,496										
- Moloka'i	\$29	\$27	\$31	\$31	\$32	\$35	\$41	\$38										
- Lāna'i	\$73	\$81	\$89	\$86	\$84	\$75	\$46	\$92										
Average daily visitor spending (\$s 2016)																		
- Maui Island	\$188.61	\$188.55	\$188.97	\$197.28	\$198.88	\$207.23	\$201.46	\$207.30										
- Moloka'i	\$120.45	\$130.11	\$118.63	\$116.48	\$118.91	\$125.98	\$120.31	\$113.38										
- Lāna'i	\$320.59	\$315.78	\$331.06	\$322.32	\$320.79	\$329.34	\$268.53	\$413.37										
- [Comparison: O'ahu]	\$197.09	\$200.03	\$209.24	\$227.50	\$219.30	\$215.75	\$206.25	\$196.16										
- [Comparison: Kaua'i]	\$168.90	\$177.98	\$168.29	\$167.98	\$170.58	\$169.92	\$176.28	\$181.25										
- [Comparison: Hawai'i County]	\$165.35	\$170.61	\$163.97	\$168.97	\$178.58	\$177.34	\$163.54	\$177.06										
<b>Source:</b> HTA Annual Visitor Research Reports (and special tabulations for Total Spending), various years. Most recent year shown may be preliminary estimates from Online Monthly Visitor Statistics, subject to change when Annual Report is published later in year.																		
<b>Notes:</b> Constant 2016 dollars are calculated using the Honolulu CPI-U (Consumer Price Index for All Items), the only inflation deflator for Hawai'i.																		

(Baseline Metrics for “Visitors,” Continued)

	Prior to Adoption of Maui TSP 2017-26										After Maui TSP Implementation							
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
<b>Objective 3:</b> Maui County visitor unit occupancy is maintained/increased <i>Overall trend is flat or increasing for annual average occupancy (plus monthly data for “shoulder” seasons)</i>																		
<b>Success Measure:</b> Hotel Occupancy, Maui County																		
- Annual average occupancy	59%	68%	70%	72%	72%	72%	74%											
- Shoulder occupancy May	54%	61%	61%	64%	66%	67%	72%											
- Shoulder occupancy September	53%	64%	66%	65%	64%	69%	68%											
<b>Source:</b> Smith Travel Research; Hospitality Advisors, LLC; reported in HTA Annual Visitor Research Reports . Results for 2016 will be available later in 2017.																		
<b>Notes:</b> “Shoulders” may cut across months, but data are published by month. May and September in recent years have reliably been Maui’s lowest occupancy months, though October has sometimes been almost as low as Sept. Peak month typically is February.																		
Timeshare Occupancy, Maui County																		
- Annual average occupancy																		
<b>Source:</b> HTA Timeshare Quarterly Report (Finals). Full year data available only from 2014.																		
<b>Notes:</b> Data are published by quarter, not monthly, so “shoulder season” info not available. Second quarter typically lowest. [No other lodging type occupancy data available as of 2017; should be added if available in future]																		

## J. Implementation and Monitoring

There are limits to the abilities of the visitor industry (Maui or statewide) or the government (Maui County or State of Hawai'i) to change the world. National and international shifts in technology, market forces, economic and political stability, exchange rates, and many other factors can thwart the best of intentions. Many past county and state TSPs have had little practical effect, beyond stating aspirations and values.

To increase the odds of some real-world outcomes, this TSP has included provisions for (1) *Implementation* – specified Responsible Organizations for each Action; and (2) *Monitoring* – Performance Measures suitable for an annual tracking and reporting system. The two are inter-related, because they work together to encourage accountability.

### ***Implementation – General Oversight***

The Maui Visitors Bureau is responsible for working with the partners that have been identified to implement the overall Plan. MVB should assure that action steps and outreach are being fulfilled according to expected schedule, and will convene partners as necessary to keep the Plan moving forward.

### ***Monitoring and Reporting***

Annual reports about progress toward Objectives and associated Success Measures will help keep the TSP visible and serve as incentive for Responsible Organizations to follow through on intended Actions. MVB will generate the annual report and disseminate to OED and MVB Board of Directors, and be available upon request. Many of the specified Success Measures were included in the Vol. 2 report on industry trends, and the consultant has committed to helping MVB set up a tracking system.

While the TSP includes Performance Measures for each Action, including these in the annual reports could be impractical. They may be useful, however, for any industry-wide conferences to review and update the Plan.

### ***Proposed Plan Review Sessions***

As part of Implementation, the Plan should be comprehensively reviewed at periodic intervals to see what amendments are needed due to changing conditions, availability of metrics, etc. The Advisory Committee recommended targeting late 2020 and again around 2023 for such review sessions. At those times, the MVB should at a minimum re-assemble its Advisory Committee, or (hopefully with OED or other County support) convene a half- or full-day conference of industry and related stakeholders to make “course corrections” as conditions dictate. It is likely that the most practical output from such gatherings would be a TSP Addendum that recognizes important historical changes and lists adjustments to Objectives, Actions, and Responsible Organizations.

## V. Appendices

### A. Acknowledgments

Mahalo to all involved in developing the Maui County Tourism Industry Strategic Plan 2017 – 2026. Thanks as well to all the stakeholders and interview or group discussion participants for your valuable insights. If we neglected to include your name on this list, we humbly apologize.

#### County of Maui

The Honorable Alan M. Arakawa, Mayor - County of Maui  
Teena Rasmussen, Economic Development Coordinator - Office of Economic Development  
Jaime Pa'a, Economic Development Specialist - Office of Economic Development

#### Maui County Tourism Industry Strategic Planning Advisory Committee

Corinne Arquero, Whalers Village  
Julie Bicoy, Moloka'i Visitors Association  
Kathleen Costello, Wailea Resort Association  
Toni Marie Davis, Activities & Attractions Association of Hawai'i (A3H)  
Sherry Duong, Maui Visitors Bureau  
Jennifer Hawkins, County of Maui – Moloka'i  
Kainoa Horajo, Grand Wailea Resort  
Robert Johnson, Travel Plaza Transportation  
Mike Jokovich, Andaz  
Makalapua Kanuha, Westin Nanea Ocean Villages  
Shelley Kekuna, Kā'anapali Beach Resort Association  
Oralani Koa, Westin Nanea Ocean Villages  
Tom Laidlaw, Roberts Hawai'i  
Greg Lundberg, Blue Hawaiian Helicopters  
Lynn McCrory, Pūlama Lāna'i  
Marvin Moniz, Kahului Airport  
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Scott Obley, Whaler's Condo  
Tokie Ogawa Sidney, County of Maui – OED  
Rob Parsons, County of Maui – OED  
Lisa Paulson, Maui Hotel & Lodging Association  
Keith Regan, County of Maui – Managing Director  
Jeanne Skog, Maui Economic Development Board (Ret.)  
Pamela Tumpap, Maui Chamber of Commerce  
Terry Vencl, Maui Visitors Bureau (Ret.)  
Art Vento, Maui Arts & Cultural Center

*Special thanks to Advisory Committee members Julie Bicoy and Lynn McCrory for assistance in arranging Moloka'i and Lāna'i input sessions.*

#### Special Data Analyses

Jennifer Chun and HTA Research Team  
Jim Dannemiller, SMS Research

John M. Knox & Associates Consultant Team

Sara Bolduc, research associate  
 Aja Kaikilani Kop, lead interviewer  
 John M. Knox, principal  
 Rocky L. M. Knox, recorder for Advisory Committee

Maui Consultant

Terryl Vencl

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Kathy Carroll	Dr. Lui Hokoana	Wailani Tanaka
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Kanoe Davis	Christy Manaba	Sherri Williams
Alberta deJetley	Ed Misaki	Matt Yamashita
Joshua DeSilva	Patrice Moynihan	

## B. Maui County Tourism Industry Strategic Plan Timeline and Key Events

- Jan. 2016** Initiation of contract with John M. Knox & Associates, Inc. (“JMK Associates”) for what was originally to be *Maui County Tourism Industry Strategic Plan, 2016-2025*. Work officially suspended in same month due to community focus on shutdown of Maui’s last remaining sugar plantation (need to plan for response).
- Mar. 2016- Nov. 2016** JMK Associates volunteers to use additional time to produce detailed analysis of *Maui Visitor Industry Data and Trends* (incorporated in report as Vol. 2), with annual data through 2015.
- Feb. 2017** As preliminary 2016 data becomes available, JMK Associates generates “Partial Update” of *Data and Trends* (also in Vol. 2).
- Mar. 2017** Formal work begins with development of draft Plan structure and selection of Advisory Committee members.
- Apr. 2017** Advisory Committee reviews/revises draft Vision and Strategic Directions.
- May 2017** Stakeholder individual interviews for Maui Island and small-group meetings on Moloka’i and Lāna’i. Initial development of draft Goals, Objectives, Success Measures for Objectives, Actions, and Performance Measures for Actions.
- June 2017** Advisory Committee review of initial Goals, Objectives, Actions, and Measures. Further development and refinement of same.
- July 2017** Advisory Committee final reviews and comments.
- Aug. 2017** Incorporate Advisory Committee input and finalize document.

## C. Maui County Stakeholder Input

### Community, Stakeholder Interviews, Online, and Written Comments

This is a condensed summary of issues and comments from the Maui Island individual interviewees and the Moloka'i and Lāna'i focus group members acknowledged as "Contributing Participants" in the foregoing Appendix A. Similar questions were posed on all three Maui Nui islands, but the dynamics of focus groups led to more concentrated discussion of some topics on Moloka'i and Lāna'i. Therefore, results will be summarized by island. Note that some topics recur and cut across topic categories.

#### **Acronyms/Abbreviations Used in This Appendix**

DLNR - (Hawai'i State) Dept. of Land & Natural Resources

HTA - Hawai'i Tourism Authority

MHLA - Maui Hotel/Lodging Assn.

MVB - Maui Visitors Bureau

NaHHA - Native Hawaiian Hospitality Assn.

TAT - Transient Accommodations Tax

UH - University of Hawai'i

VASH - Visitor Aloha Society of Hawai'i

VRBO – Vacation Rental by Owner

### **1. Maui Island**

#### **a. Ways Maui Visitor Industry Has Changed Since Last Tourism Strategic Plan Done**

- i. Growing visitor and industry use of digital media (Internet)
  - Lodging: Rise/expansion of Airbnb, VRBO, etc
  - Direct bookings by visitors for many businesses
  - Prominence of digital in industry marketing
  - Contributes to overcrowding at sites with limited capacity
- ii. Greater visitor numbers leading to more infrastructure issues, especially traffic congestion, and more resident frustration
- iii. More visitor emphasis on nature/culture (desire for "experiences," "adventure tourism," etc.)
- iv. More hotel ownership by private equity firms, leading to pressure for short-term return on investment (vs. long-term industry health)
- v. Changes in visitor income levels, spending
  - Traditional resorts more focused on upscale, luxury visitor
  - Other businesses report visitors more budget-conscious
- vi. Some parts of workforce aging; harder to find interested applicants
- vii. Shrinkage of Maui/Hawai'i cruise industry
- viii. HC&S shutdown on Maui, leading to questions about future use of land, impressions of what type of place Maui is

#### **b. Anticipated Future Changes and Major Challenges Over Next Decade for Tourism**

*(Although separate questions asked what changes will happen and then what "big choices" face the industry, most people responded to both questions in terms of what they perceive as significant issues and challenges.)*

- i. Need to protect integrity of place and address resident concerns about impacts of growing tourist counts (“carrying capacity” idea)
  - Infrastructure, traffic
  - Cultural authenticity/sensitivity, Native Hawaiian issues
  - Housing cost, homelessness
- ii. Potential to attract Asian markets: Mix of opinions, but more skepticism unless/until airport improved and internationalized
- iii. Airport issues for existing market (runway capacity, cleanliness, etc.)
- iv. Increasing competition
  - Continued, even smarter marketing; more digital targeting
  - Market research on target groups, emerging Millennial market
- v. Understanding/controlling vacation rental phenomenon, especially in residential areas
- vi. Protecting MVB funding; protecting/expanding County share of TAT
- vii. Need for more local island say in marketing decisions; State has too much control
- viii. Need to recruit young local residents into industry jobs with potential for promotion, managerial status
- ix. Ensuring safety (disaster, crime, food safety [rat lungworm disease])
- x. Preservation of open space, scenic quality

c. General Concerns of Average Resident/Worker – Who Should Address

- i. Traffic (especially Honoapiʻilani Hwy., Pāʻia area) and other infrastructure issues (parks often mentioned) – State and County, but concern over resource constraints and long regulatory process; possibility of joint public-private task force with industry
- ii. High housing costs, leading to long commutes, lowered worker morale, increased financial stress and other negative impacts
  - Sense that vacation rentals, B&Bs pushing up rents; need to have caps in residential areas
  - Government needs to subsidize affordable housing projects
- iii. Local sense of encroachment from adventure tourists on natural resources or recreational areas traditionally for residents; trespass onto private or State owned property ... some desire for MVB/HTA to modify marketing now felt to encourage this
- iv. Reduced “Aloha” due to above stressors – hotels (MHLA) could hold stress reduction training sessions for workers
- v. Need for more resident workforce opportunities at higher level; concern about wage levels vs. living costs – MHLA, employers, UH Maui College
- vi. Environmental challenges, including coastal erosion – industry (via task force?) can work on erosion with Surfrider Association, Maui Coastal Land Trust, Hawaiʻi Island Land Trust, Sierra Club

d. Visitor Satisfaction Needs/Issues – Who Should Address

- i. Traffic, highway congestion – responsibility as per above under “Resident/Worker” (Item 1[c-i])



- ii. Other infrastructure (cleanliness and optics in terms of appearance of beach parks, other parks, airport and harbors) – also felt to be govt. responsibility but might sometimes benefit from public-private approach, e.g., Adopt-a-Park program
- iii. Number and variety of visitor activities/amenities – often a market function but government regulation can complicate; private groups like Lahaina Town Action Committee might help
- iv. Customer service important; may need more in-service training – MHLA, UH Maui College
- v. Cost impacts on satisfaction – MVB and MHLA relay feedback to industry
- vi. Open space, scenic quality, natural resources – seen as govt. responsibility but concern over some agencies' ability to perform; Hawai'i Ecotourism Assn. may be a resource (certification programs)
- vii. Quality/authenticity of cultural experiences – unclear who is responsible but resources may include NaHHA, Kimokeo Foundation (for helping to keep cultural traditions alive in schools)
- viii. Visitor Safety – VASH at individual level, but govt. for disaster planning

e. Natural Environment Needs/Issues – Who Should Address

- i. Open space, scenic quality, natural resources – seen as govt. responsibility but concern over some agencies' ability to perform; Hawai'i Ecotourism Assn. may be a resource (certification programs)
- ii. "Encroachment" of visitors on natural areas; need for more focused visitor education, better signage, stricter enforcement – MVB for education; State DLNR for signage/enforcement
- iii. Impacts of climate change and run-off pollution on visitor resources, industry (especially coral reef bleaching, coastal erosion); general sense industry starting to "get serious" about planning but can do more (sunscreen ban, etc.) – many govt. and environmental groups, but stakeholders not clear how industry can best partner
- iv. Positive opportunities for Maui in marketing emphasis on natural resources, industry sustainability efforts (includes call by some for marketing to environmental "volun-tourists") – MVB, other marketing groups, MHLA
- v. Disaster planning (sense there is much left to do, perhaps lack of awareness of what is being done) – mostly govt. responsibility, but major resorts as well

f. Man-Made Environment Needs/Issues – Who Should Address

- i. Traffic, highway congestion – responsibility as per above under "Resident/Worker" (Item 1[c-i])
- ii. Beach park cleanliness (especially restrooms), appearance – govt. responsibility but might sometimes benefit from public-private approach, e.g., Adopt-a-Park program

- iii. Airport and harbors (both described by some as “Third World”) capacity and appearance – govt. (State Dept. of Transportation) responsibility but some calls for public-private task force
- iv. Concerns that overdevelopment in resort areas are impacting basic sense of place, scenic appeal – responsibility of County Planning Dept. but questions about whether industry might somehow get more regularly involved in planning decisions

g. Culture-Tourism Needs/Issues – Who Should Address

- i. Authenticity of cultural experiences (by far most frequently mentioned issue), a critical positive when done well but a negative if “Hollywood treatment” is applied – unclear who is responsible but resources may include NaHHA, Kimokeo Foundation
- ii. Uncertainty about who can advise on “authenticity” (need for reliably knowledgeable individuals and/or more practitioners) was an issue on its own for some
- iii. Gradual replacement of long-time Native Hawaiian or other “local” workers with newcomers in workforce, leading to less cultural knowledge/values – unclear who is responsible to address this
- iv. “Encroachment” of visitors on cultural/historic sites; need for more focused visitor education, better signage, stricter enforcement – MVB for education; State DLNR for signage/enforcement

h. Other Issues Not Fitting Topic Categories Discussed Above

*(Most things brought up here actually were also raised for above topics.)*

- i. Airport issues (including need for eventual international status)
- ii. Workforce/training issues – including higher-level jobs for locals
- iii. More affordable housing for local workers
- iv. Working with nonprofits on visitor benefit/issues awareness
- v. Create umbrella organization for visitor industry lobbying/action
- vi. Promote “volun-tourism” with HTA/MVB funds
- vii. Protect/expand county TAT share, sovereignty in marketing decisions
- viii. Ensure that visitors experience authentic Hawaiian hospitality

## 2. Lāna‘i

a. Ways Lāna‘i Visitor Industry Has Changed Since Last Tourism Strategic Plan Done

*(With a few exceptions, participants – many of whom were Lāna‘i City merchants – tended to focus more on Lāna‘i-specific changes being carried out by Ellison companies, rather than changes in the overall visitor industry itself.)*

- i. Digital/internet implications for marketing
- ii. Lāna‘i City merchants seeing smaller, different on-island market

- Loss of Kō‘ele traffic, which was largely kama‘āina repeat visitor, and anticipated new Kō‘ele spa will keep guests on-site more
- New Mānele Four Seasons guests largely first-time, likely to stay on-site at resort, especially with reduced on-island shuttle service
- Limited number of Lāna‘i lodging units (e.g., B&Bs, Hotel Lāna‘i) affordable to kama‘āina market targeted by merchants; belief many kama‘āina feel “shut out” by more upscale lodging prices
- Sense that Lāna‘i day visit potential not sufficiently marketed to tourists on Maui Island or other Hawaiian islands
- iii. Transportation barriers to island worsening – less airline, ferry access
- iv. Positive Lāna‘i City improvements/assets that could attract kama‘āina market looking for idyllic rural vacation
  - Re-opened community pool (new landscaping)
  - Re-opened movie theater (building improved)
  - Recreation (hunting, skeet shooting, golf, horseback riding, etc.)
  - Lāna‘i Culture and Heritage Center strengthened
  - Better signage for natural/cultural sites around island
  - Better working relationship with overall island owner/managers
  - Sense of opportunity, with proper “branding” and marketing

#### b. General Concerns of Average Resident/Worker

- i. Lack of affordable housing, leading to out-migration
- ii. Need for more jobs to retain young people after high school
- iii. Need more training for locals to qualify for higher-level hotel jobs

#### c. Visitor Satisfaction Needs/Issues

- i. Limited accessibility; visitors often exhausted upon arrival, in no mood for off-site shopping, activities
- ii. Need for more pre-arrival marketing of on-island opportunities (with hopes they will pre-book)
- iii. Dole Park restroom needs to be open during day

#### d. Environment Needs/Issues

*(Limited discussion in this particular session on either natural resources or man-made environment, in part due to time restrictions and emphasis on other topics)*

#### e. Culture-Tourism Needs/Issues

- i. Lāna‘i Culture and Heritage Center, plus improved signage and “Lāna‘i app” for phones, felt now to be doing good job on traditional Hawaiian sites
- ii. Authenticity remains critical issue
- iii. Plantation heritage and living culture of Lāna‘i City are assets that might be more emphasized in marketing the island
- iv. Need for cultural/historical education materials for Four Seasons clientele

- f. Potential Follow-Up Actions for Group (Initial Brainstorming)
  - i. Group to keep meeting on its own, to have identity independent of Pulama Lānaʻi; bring in Chamber of Commerce and Lānaʻi Today
  - ii. Rebrand town as irresistible upcountry experience, with free golf, pool, beach, hiking, health center courses etc – a Do-It-Yourself Lānaʻi; create an “Upcountry Club” offering these upcountry experiences
  - iii. Market Plantation Village history and town square as a unique experience
  - iv. Explore whether Lānaʻi might qualify as UNESCO world heritage site
  - v. Bring more concerts/events to Lānaʻi, with well-known performers/bands
  - vi. Use 5th Friday to attract Maui kamaʻāina market
  - vii. Activities desk with brochures, info, interactive TV’s at the airport; increased social media presence for Lānaʻi using things like tagging etc.
  - viii. Explore feasibility of another hotel priced to attract kamaʻāina visitors

### 3. Molokaʻi

- a. Ways Molokaʻi Visitor Industry Has Changed Since Last Tourism Strategic Plan Done

*(Note: Since the last Maui County Tourism Strategic Plan, Molokaʻi Ranch closed its Lodge and other traditional commercial tourism amenities. This group tended to focus on the fledgling “community-based” visitor activities occurring since then.)*

- i. Molokaʻi now focused on kamaʻāina “visitors” (interpret “tourist” as meaning out-of-state) who value Molokaʻi for what it is
  - ii. Inter-island canoe races are major draw, and number has increased
  - iii. Other events such as Makahiki games, rodeo continue as attractions
  - iv. School and large-family reunions also bring many welcome former residents
  - v. These tend to be weekend events and only in some months; need for balance with some small-scale mid-week activities and more year-round stability of cash flow to island (“retreats” for organizations from other islands suggested as one possibility)
  - vi. Slowly growing number of B&Bs or vacation rentals, though some of these marketed to people who don’t know what to expect on Molokaʻi or don’t maintain standards – need for some coordinated “housing bureau” to help with that and to hire on-island cleaners
- b. General Concerns of Average Resident/Worker
    - i. Keeping Molokaʻi small and rural – still fears that off-island visitors will want to move there
    - ii. More family-style lodging units needed for large reunion events
  - c. Visitor Satisfaction Needs/Issues
    - i. Visitor satisfaction depends on knowing what to expect on Molokaʻi – travel writers have been helpful, but need even more

efforts (possibilities: YouTube channel, show drone footage, use travel agents for individual education, etc.)

- ii. Need more prominent information center with extended hours, including or preferably at airport (or central Kaunakakai)
- iii. Limited rental cars on island (though some residents appreciate that)

#### d. Natural Environment Needs/Issues

- i. Moloka'i lifestyle depends on gathering limited natural resources, so more places inaccessible/protected here – difficulty in educating visitors why much of island is “off limits” to non-residents
- ii. Should develop standard short educational message about Moloka'i culture/environment to use in all marketing, perhaps coordinated with Moloka'i 'Ahā Kiole community process
- iii. Fly fishing a new island issue – some people walking on reefs or in front of people's homes or in local fishing grounds

#### e. Man-Made Environment Needs/Issues

- i. Restroom cleanliness at all state and county parks
- ii. Town could look better – possibility of resurrecting Main Street organization to get grants for improvements (but also reported community pushback on “Paint the Town” as too restrictive)
- iii. Need more native trees/plantings with botanical signage

#### f. Culture-Tourism Needs/Issues

- i. Residents live their culture, feel no need to “put on a show”
- ii. Authenticity is critical, so never want mass tourism – some concern about mid-week events that wouldn't attract resident audience or vendors
- iii. Consider more use of cultural tour wholesalers with good reputations
- iv. Some concern over use of English nicknames substituting for Hawaiian place names – e.g., “12-Mile Beach”
  - Discussion of island's proper place name: Many kūpuna say it is “Molokai” (no 'okina) and not “Moloka'i”
  - Note: We have retained the spelling of “Moloka'i” with an 'okina in this report to be consistent with current MVB style; it is possible this will change in future