

HTA REGULAR BOARD MEETING

Thursday, June 29, 2023

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

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

Jennifer Chun

Director of Tourism Research

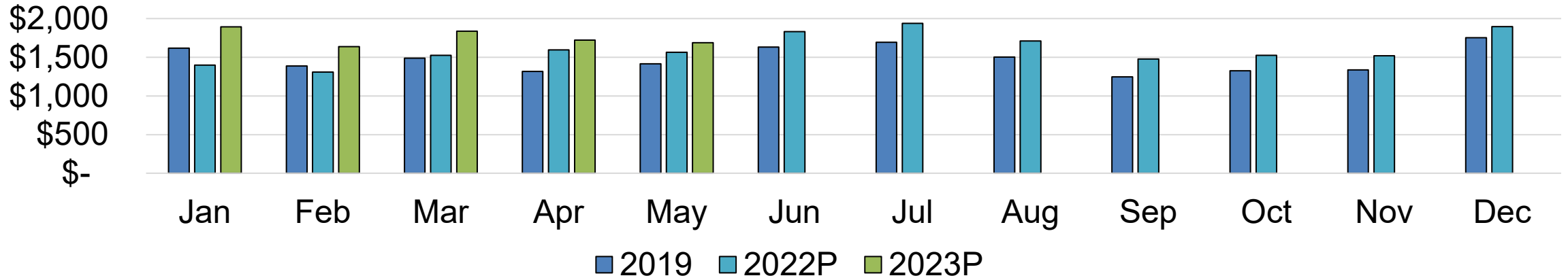
HAWAII TOURISM
AUTHORITY

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

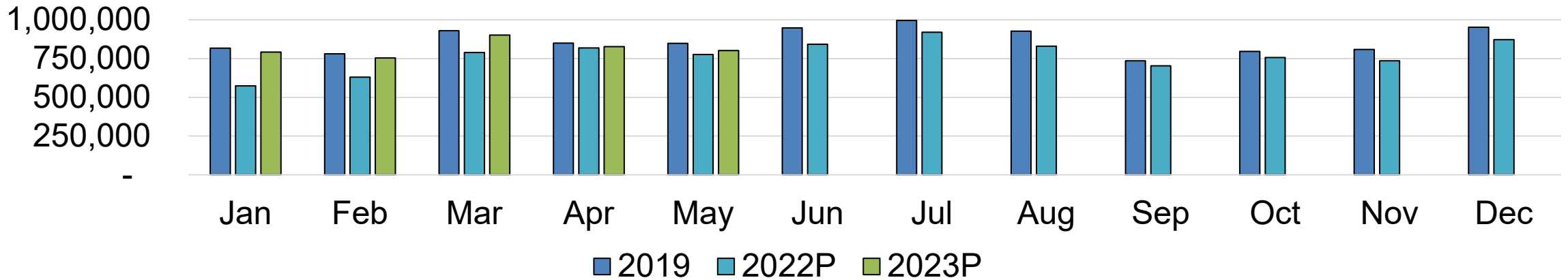
STATE OF HAWAII • DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

May 2023 Highlights – Expenditures and Arrivals

Monthly Visitor Expenditures (\$millions)



Monthly Visitor Arrivals



Note: 2022 and 2023 figures are preliminary.

May 2023 Highlights by Market

EXPENDITURES (\$mil.)	2023P	2022P	2019
TOTAL (AIR)	1,682.9	1,563.8	1,409.3
U.S. West	815.1	782.7	564.0
U.S. East	559.9	550.3	392.4
Japan	54.3	15.6	162.4
Canada	52.8	55.4	48.3
All Others	200.7	159.8	242.2

PPPD SPENDING (\$)	2023P	2022P	2019
TOTAL (AIR)	243.3	227.5	200.3
U.S. West	229.2	206.3	173.8
U.S. East	271.4	258.8	211.1
Japan	241.3	244.5	243.6
Canada	216.5	204.1	170.1
All Others	242.5	258.2	246.6

VISITOR ARRIVALS	2023P	2022P	2019
TOTAL (AIR)	790,494	774,144	836,058
U.S. West	431,983	453,989	387,844
U.S. East	217,981	222,144	199,344
Japan	34,141	7,167	113,226
Canada	23,179	25,320	26,424
All Others	83,210	65,523	109,220

AVERAGE DAILY CENSUS	2023P	2022P	2019
TOTAL (AIR)	223,097	221,727	226,963
U.S. West	114,696	122,358	104,660
U.S. East	66,557	68,587	59,951
Japan	7,266	2,054	21,507
Canada	7,873	8,762	9,163
All Others	26,705	19,967	31,683

Note: 2022 and 2023 figures are preliminary.

May 2023 Highlights by Island

EXPENDITURES (\$mil.)	2023P	2022P	2019
O'ahu	724.2	732.1	691.1
Maui	523.9	454.3	400.4
Moloka'i	3.4	3.4	3.3
Lāna'i	11.7	12.2	10.5
Kaua'i	207.1	177.3	149.9
Hawai'i Island	212.7	184.5	154.2

PPPD SPENDING (\$)	2023P	2022P	2019
O'ahu	222.2	243.5	203.4
Maui	289.7	238.5	213.9
Moloka'i	215.5	198.3	161.6
Lāna'i	517.9	521.7	479.6
Kaua'i	250.3	204.6	190.5
Hawai'i Island	216.2	174.8	164.4

VISITOR ARRIVALS	2023P	2022P	2019
O'ahu	451,991	416,091	508,088
Maui	240,407	247,280	251,665
Moloka'i	3,394	3,164	5,008
Lāna'i	6,560	5,688	6,580
Kaua'i	115,466	115,243	112,106
Hawai'i Island	136,306	139,953	139,696

AVERAGE DAILY CENSUS	2023P	2022P	2019
O'ahu	105,124	96,975	109,584
Maui	58,324	61,441	60,389
Moloka'i	504	553	654
Lāna'i	728	755	704
Kaua'i	26,686	27,950	25,376
Hawai'i Island	31,730	34,054	30,255

Note: 2023 and 2022 figures are preliminary.

May 2023 Highlights - Hawai'i Airport Throughput

Throughput by Week

State: Hawaii; Airport: All



Hawaii Airports

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

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

Source: TSA by Tourism Economics

May 2023 Highlights – Purpose of Trip

PURPOSE OF TRIP - % Total	Total by Air		US West		US East		Japan		Canada	
	2023P	2019	2023P	2019	2023P	2019	2023P	2019	2023P	2019
	Pleasure (Net)	82.7%	82.4%	83.0%	82.9%	79.5%	78.9%	87.1%	84.5%	89.5%
Honeymoon/Get Married	5.1%	6.2%	3.3%	3.7%	4.9%	5.1%	14.7%	13.8%	2.6%	3.6%
Honeymoon	4.5%	5.5%	2.6%	2.8%	4.3%	4.4%	13.9%	12.9%	2.3%	3.3%
Get Married	0.8%	1.2%	0.7%	1.1%	0.9%	1.0%	1.8%	2.2%	0.5%	0.5%
Pleasure/Vacation	78.2%	76.8%	80.3%	79.9%	75.3%	74.5%	73.8%	71.3%	87.4%	89.4%
Mtgs/Conventions/Incentive	3.7%	5.6%	2.7%	3.0%	5.1%	6.6%	6.2%	8.1%	3.6%	3.7%
Conventions	1.4%	2.4%	1.2%	1.3%	1.9%	2.7%	0.4%	2.4%	1.6%	2.1%
Corporate Meetings	1.0%	1.0%	0.8%	0.9%	1.4%	1.5%	0.5%	0.5%	0.7%	0.3%
Incentive	1.5%	2.3%	0.7%	0.8%	2.0%	2.7%	5.4%	5.3%	1.5%	1.4%
Other Business	2.7%	2.8%	2.9%	3.8%	3.1%	3.3%	0.6%	0.3%	1.8%	0.5%
Visit Friends/Rel.	11.1%	9.1%	12.2%	11.3%	12.3%	12.1%	2.9%	1.6%	5.1%	3.3%
Gov't/Military	1.3%	0.9%	1.0%	0.8%	2.3%	2.1%	0.0%	0.0%	0.1%	0.0%
Attend School	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.0%
Sport Events	0.6%	0.6%	0.3%	0.4%	0.3%	0.3%	0.6%	0.6%	1.8%	0.8%
Other	4.1%	5.0%	3.9%	4.2%	4.4%	4.6%	7.0%	9.5%	3.1%	3.1%

Note: 2023 figures are preliminary.

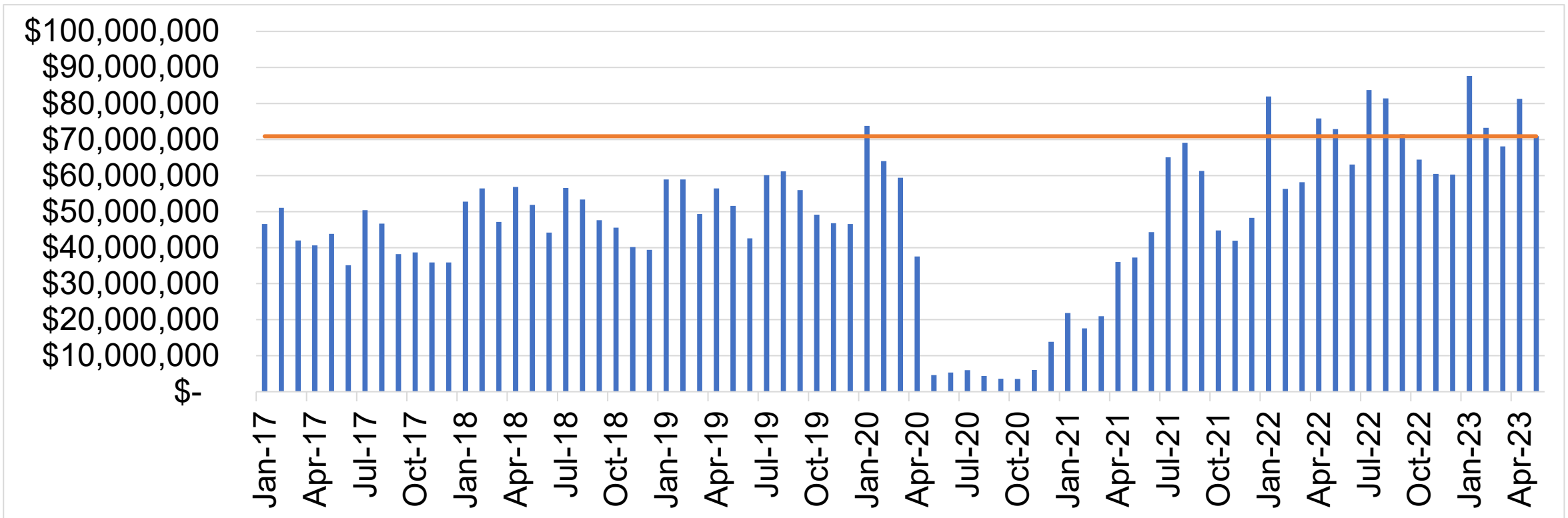
May 2023 Highlights – Accommodation Choice

ACCOMMODATIONS - % Total	Total by Air		US West		US East		Japan		Canada	
	2023P	2019	2023P	2019	2023P	2019	2023P	2019	2023P	2019
Plan to stay in Hotel	57.1%	59.4%	51.5%	49.2%	59.4%	57.6%	69.8%	81.2%	51.2%	48.7%
Plan to stay in Condo	15.0%	15.7%	16.7%	18.5%	13.0%	14.2%	17.0%	12.4%	24.7%	27.3%
Plan to stay in Timeshare	8.7%	8.7%	9.8%	10.6%	8.1%	8.8%	15.4%	8.2%	7.2%	9.2%
Cruise Ship	1.6%	1.7%	0.7%	0.7%	3.5%	3.9%	0.1%	0.1%	3.8%	4.0%
Friends/Relatives	11.6%	9.4%	12.7%	11.8%	12.3%	12.1%	2.0%	1.5%	7.5%	4.1%
Bed & Breakfast	0.9%	1.2%	0.9%	1.3%	1.0%	1.3%	0.1%	0.2%	1.3%	1.3%
Rental House	10.5%	10.2%	11.5%	12.8%	11.2%	11.9%	0.3%	0.4%	10.1%	13.3%
Hostel	0.8%	1.1%	0.6%	0.6%	0.7%	0.8%	0.2%	0.0%	2.9%	2.4%
Camp Site, Beach	0.7%	0.6%	0.6%	0.6%	0.6%	0.5%	0.1%	0.0%	3.2%	1.7%
Private Room in Private Home**	1.1%	1.7%	1.0%	1.5%	0.9%	1.6%	0.3%	0.5%	2.4%	2.3%
Shared Room/Space in Private Home**	0.3%	0.4%	0.4%	0.5%	0.3%	0.5%	0.2%	0.0%	0.2%	0.6%
Other	2.0%	1.7%	2.1%	2.0%	2.3%	2.1%	0.5%	1.1%	2.0%	1.7%

Note: 2023 figures are preliminary.

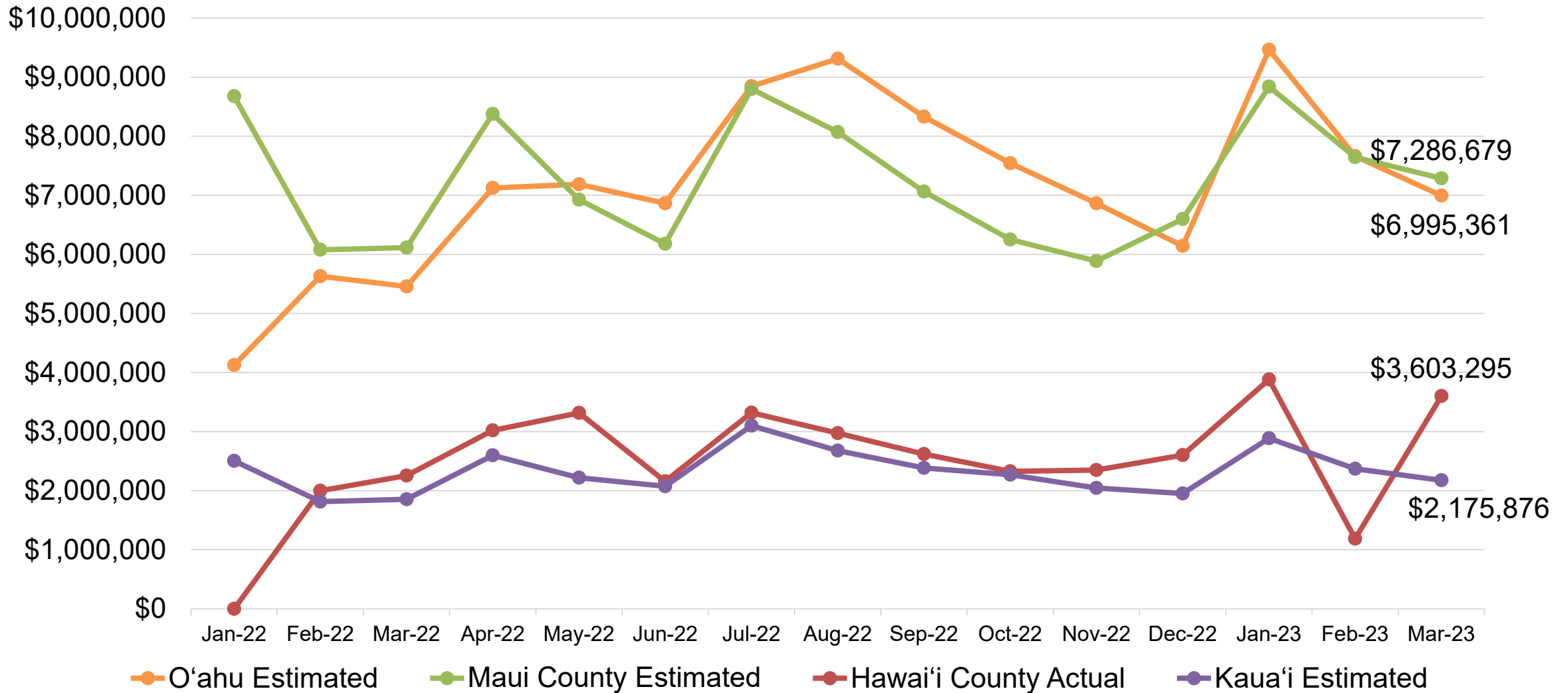
May 2023 Highlights - State TAT Collections

- Preliminary May 2023 TAT Collections: \$70.9 million
- Preliminary YTD Fiscal 23 TAT Collections: \$803.0 million (+18.9%)
- YTD Fiscal 22 TAT Collections: \$675.6 million (+\$64.4 million)



Source: Department of Taxation

Estimated County TAT Collections



Source: Department of Taxation

May 2023 Highlights - Lodging

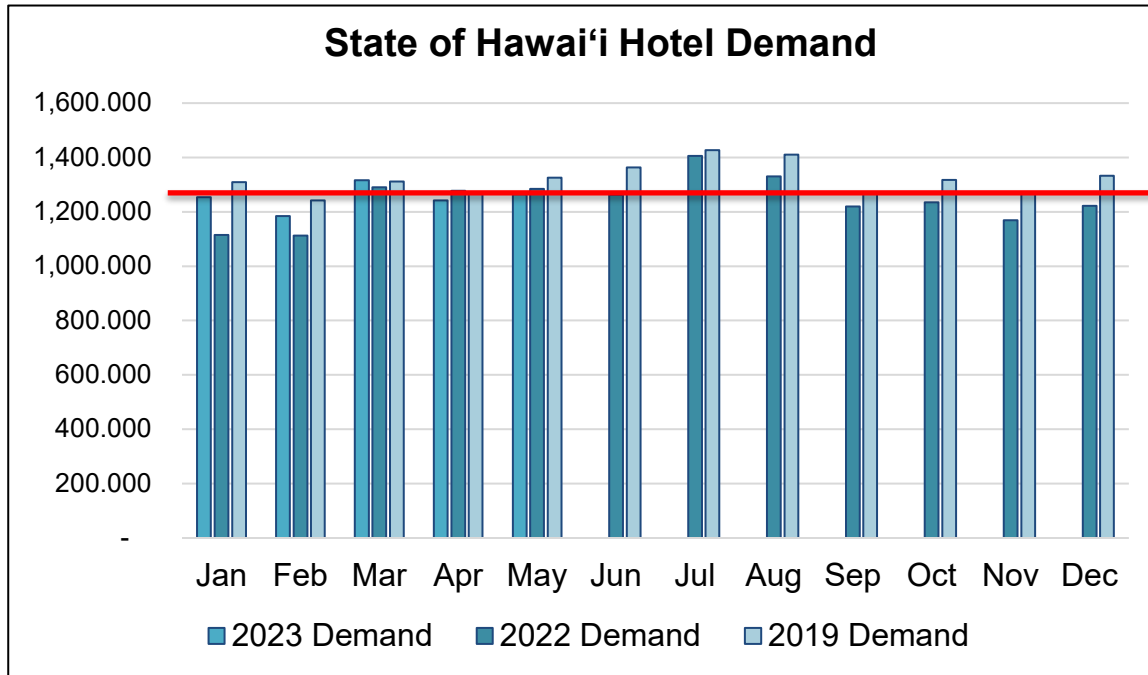
State of Hawai'i Hotel Performance

	2023	2022	2019
Occupancy	72.8%	73.7%	79.0%
ADR	\$347	\$342	\$255
RevPAR	\$253	\$252	\$202

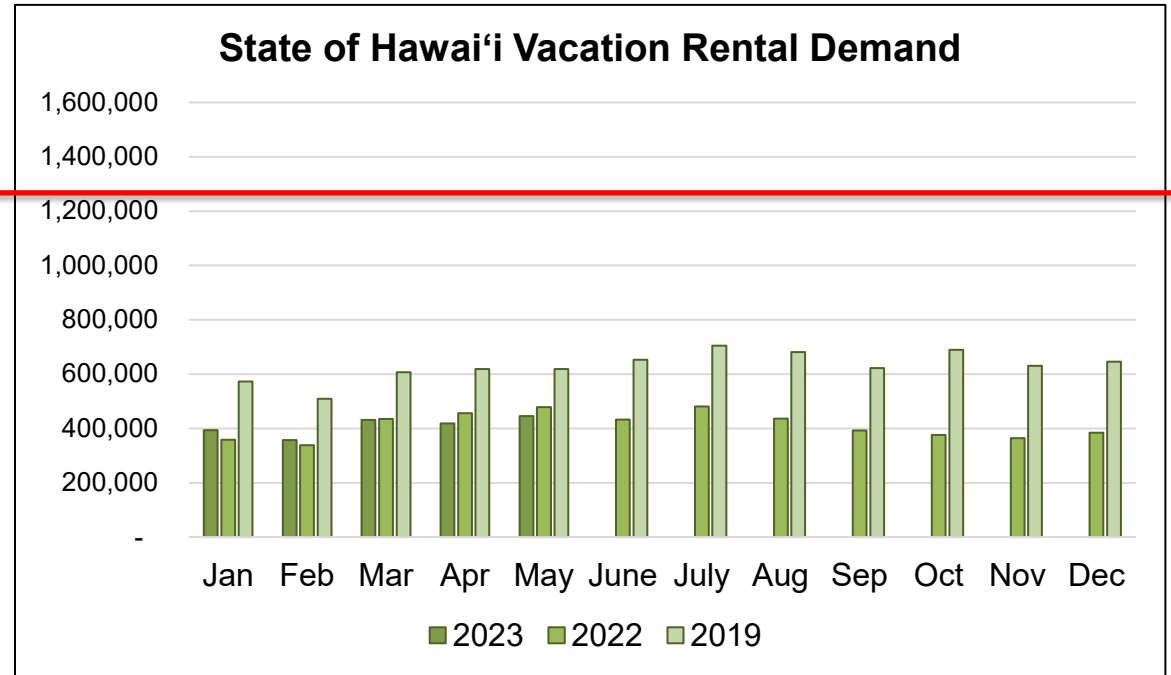
State of Hawai'i Vacation Rental Performance

	2023	2022	2019
Occupancy	53.8%	69.4%	71.2%
ADR	\$292	\$284	\$196

State of Hawai'i Hotel Demand



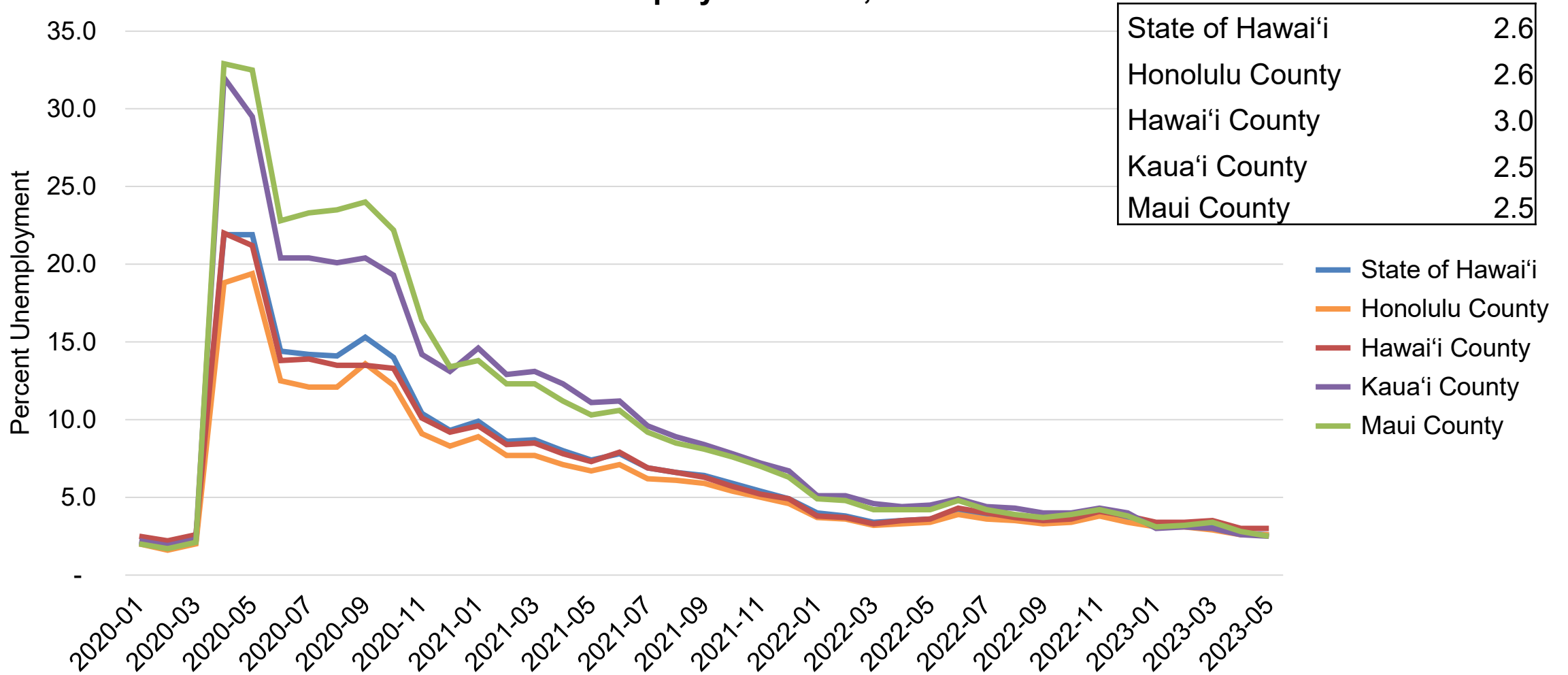
State of Hawai'i Vacation Rental Demand



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

May 2023 Highlights – Unemployment Rates

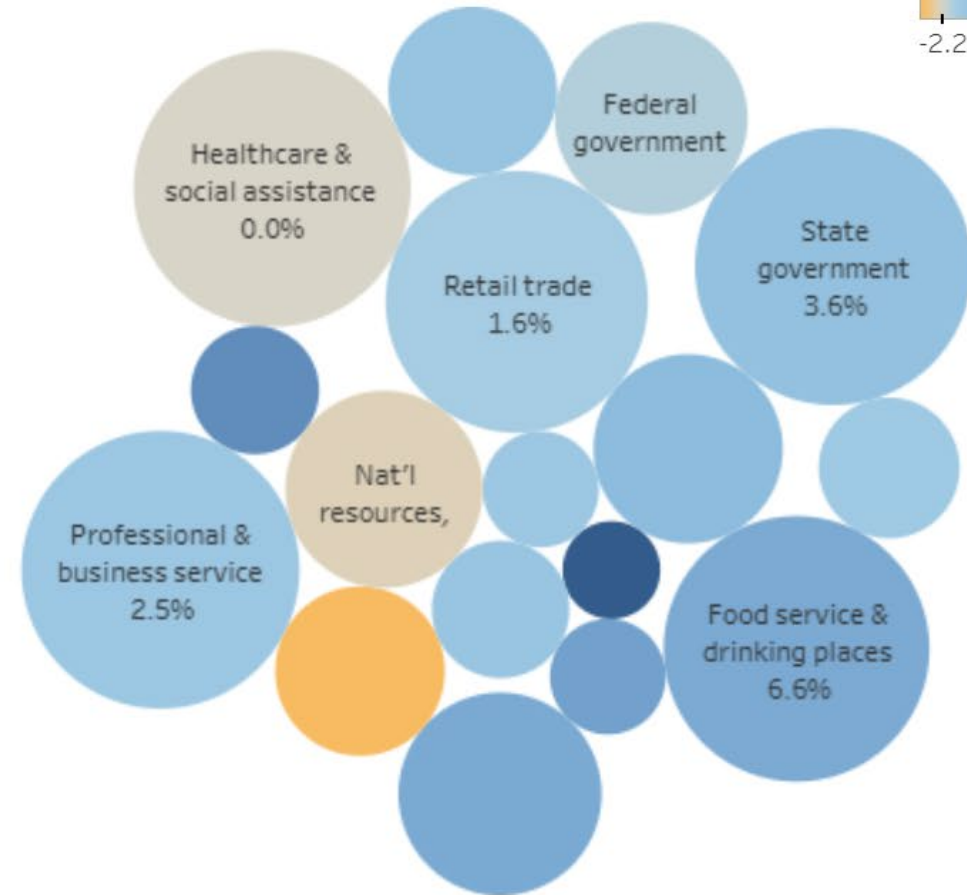
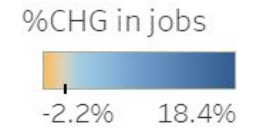
Unemployment Rate, Civilian



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

May 2023 Highlights – Jobs by Industry

	Jobs	CHG*	%CHG*
Total non-agriculture W&S jobs	633,500	18,700	3.0%
Nat'l resources, mining & construction	36,700	-100	-0.3%
Manufacturing	12,700	300	2.4%
Wholesale trade	17,800	500	2.9%
Retail trade	64,800	1,000	1.6%
Transportation, warehousing & utilities	33,800	1,400	4.3%
Information	9,000	1,400	18.4%
Financial activities	27,100	-600	-2.2%
Professional & business service	72,800	1,800	2.5%
Educational service	15,500	1,500	10.7%
Healthcare & social assistance	72,300	0	0.0%
Arts, entertainment & recreation	12,600	900	7.7%
Accommodation	38,900	2,400	6.6%
Food service & drinking places	66,600	4,100	6.6%
Other service	26,800	800	3.1%
Federal government	35,000	400	1.2%
State government	72,400	2,500	3.6%
Local government	18,700	400	2.2%



*Change from the same period of previous year

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

Scheduled Nonstop Seats to Hawai'i by Port Entry

May	Total			Domestic			International		
	2023	2022	2019	2023	2022	2019	2023	2022	2019
STATE	1,065,692	1,039,362	1,118,421	892,994	943,437	824,403	172,698	95,925	294,018
HONOLULU	635,963	554,458	699,144	471,194	469,166	424,455	164,769	85,292	274,689
KAHULUI	238,880	265,870	229,284	230,951	255,237	220,016	7,929	10,633	9,268
KONA	106,915	116,036	106,089	106,915	116,036	96,028	0	0	10,061
HILO	0	3,183	3,938	0	3,183	3,938	0	0	0
LIHU'E	83,934	99,815	79,966	83,934	99,815	79,966	0	0	0

June	Total			Domestic			International		
	2023	2022	2019	2023	2022	2019	2023	2022	2019
STATE	1,131,641	1,046,040	1,166,887	957,012	951,763	888,904	174,629	94,277	277,983
HONOLULU	662,350	527,203	691,994	497,663	441,650	431,658	164,687	85,553	260,336
KAHULUI	262,218	287,001	265,892	252,276	278,277	257,829	9,942	8,724	8,063
KONA	117,621	124,616	114,157	117,621	124,616	104,573	0	0	9,584
HILO	0	5,191	4,700	0	5,191	4,700	0	0	0
LIHU'E	89,452	102,029	90,144	89,452	102,029	90,144	0	0	0

Source: HTA/DBEDT READ analysis based on scheduled flights from Diio Mi flight schedules as of June 26, 2023, subject to change

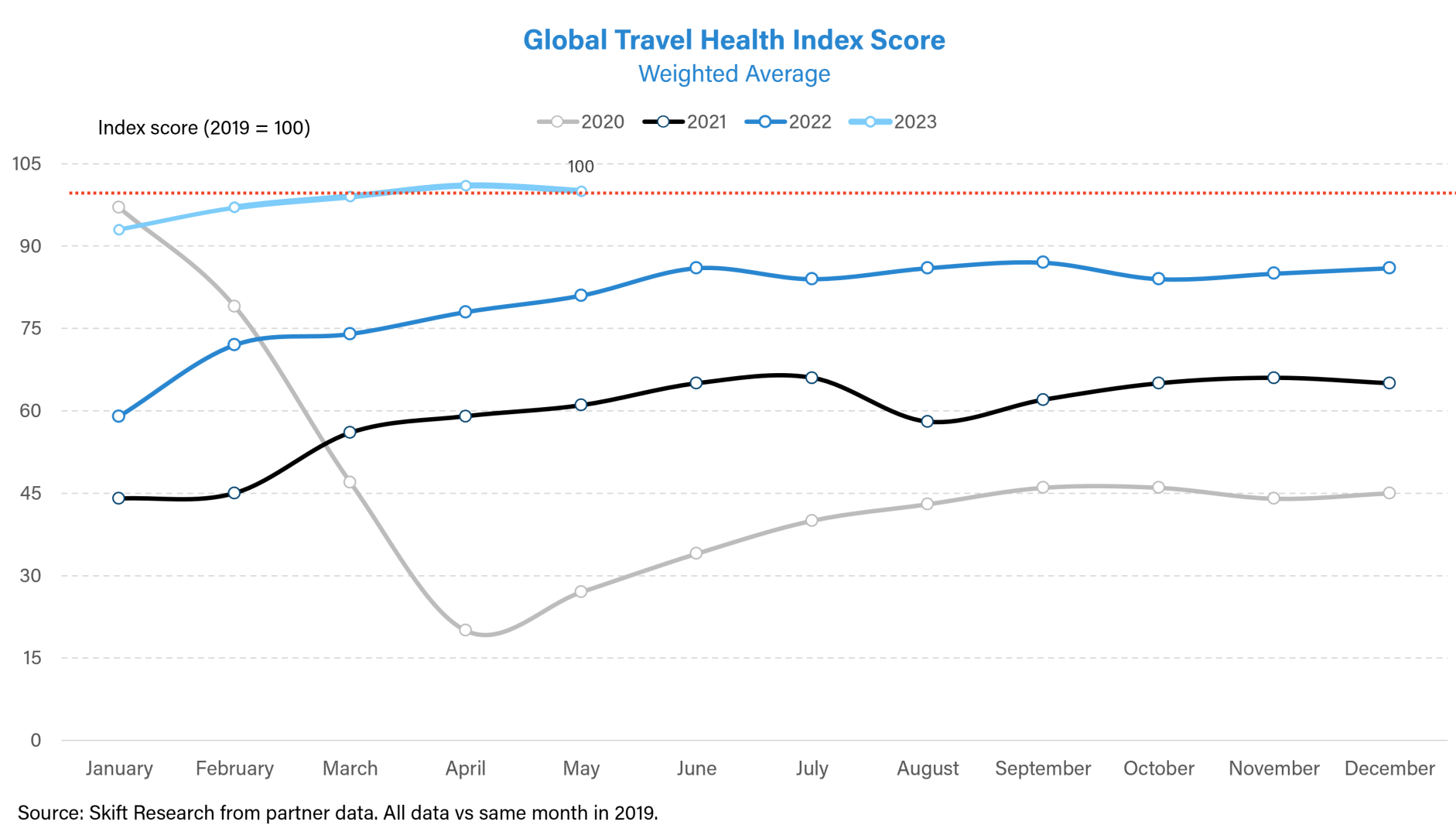
Scheduled Nonstop Seats to Hawai'i by Port Entry

July	Total			Domestic			International		
	2023	2022	2019	2023	2022	2019	2023	2022	2019
STATE	1,191,109	1,157,417	1,237,099	1,001,793	1,032,522	935,384	189,316	124,895	301,715
HONOLULU	697,862	614,267	736,331	520,572	500,005	452,553	177,290	114,262	283,778
KAHULUI	278,182	297,384	281,408	267,549	286,751	273,254	10,633	10,633	8,154
KONA	122,445	133,005	119,878	121,052	133,005	110,095	1,393	0	9,783
HILO	0	5,549	5,146	0	5,549	5,146	0	0	0
LIHU'E	92,620	107,212	94,336	92,620	107,212	94,336	0	0	0

August	Total			Domestic			International		
	2023	2022	2019	2023	2022	2019	2023	2022	2019
STATE	1,176,616	1,140,401	1,193,649	974,128	980,183	881,533	202,488	160,218	312,116
HONOLULU	700,075	622,268	737,103	510,807	475,270	443,146	189,268	146,998	293,957
KAHULUI	268,492	289,492	257,291	257,859	278,859	248,915	10,633	10,633	8,376
KONA	119,682	121,033	108,231	117,095	118,446	98,448	2,587	2,587	9,783
HILO	0	5,549	4,804	0	5,549	4,804	0	0	0
LIHU'E	88,367	102,059	86,220	88,367	102,059	86,220	0	0	0

Source: HTA/DBEDT READ analysis based on scheduled flights from Diio Mi flight schedules as of May 22, 2023, subject to change

Skift Travel Health Index May 2023 = 100

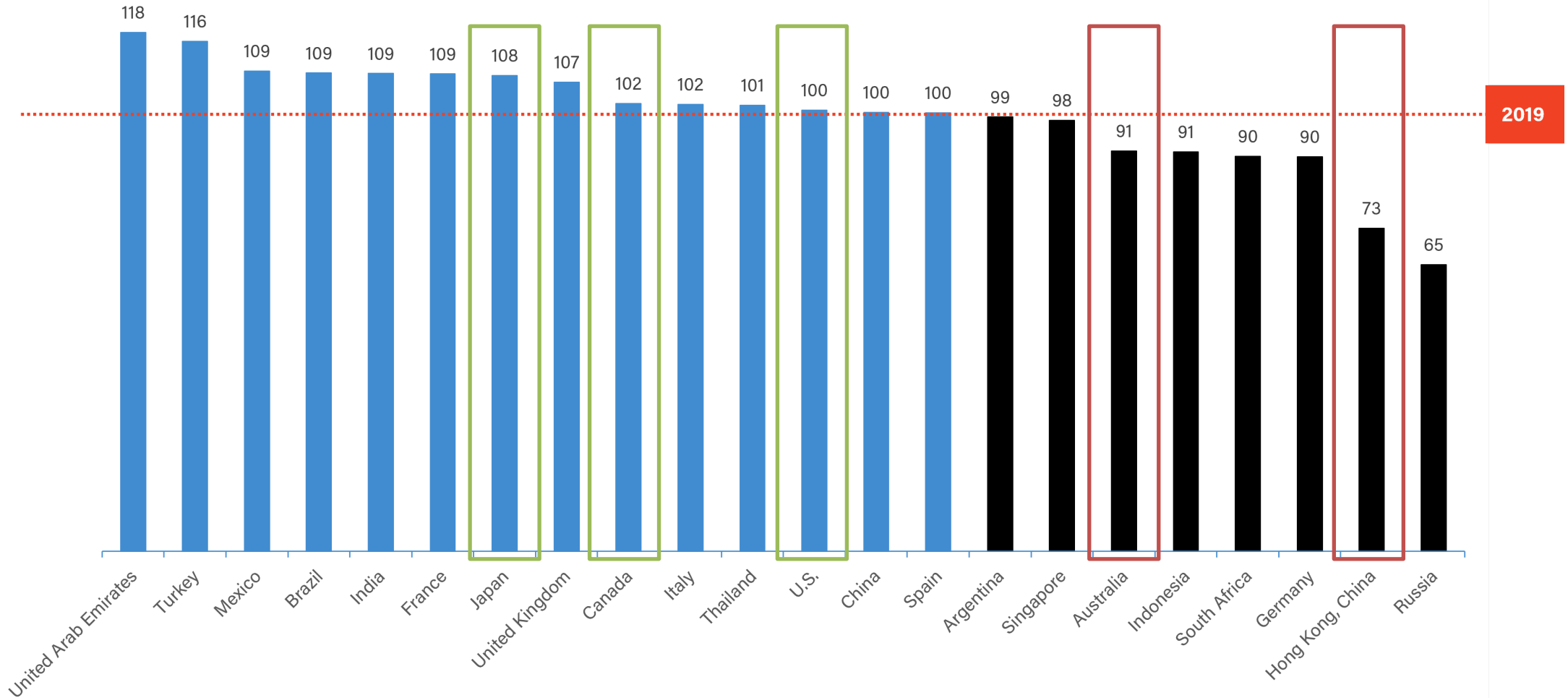


Source: Skift Research

Skift Travel Health Index by Country

Travel Health Index Scores May 2023

Relative to 2019



Source: Skift Research from partner data. All data vs same month in 2019.

National Travel Indicators

April, 2023

Compare to 2019



Travel Spending (Tourism Economics)

↗ **+3.6%**
April vs. 2019

↗ **+4.1%**
YTD vs. 2019



Air Passengers (TSA)

↗ **+0.2%**
April vs. 2019

↗ **+0.5%**
YTD vs. 2019



Overseas Arrivals (NTTO)

↘ **-27.4%**
April vs. 2019

↘ **-29.1%**
YTD vs. 2019



Hotel Demand (STR)

↘ **-1.6%**
April vs. 2019

↘ **-0.4%**
YTD vs. 2019



Short-term Rental Demand (AIRDNA)

↗ **+43.8%**
April vs. 2019

↗ **+41.2%**
YTD vs. 2019

Insights

In April, the volume of air passengers displayed a slight positive rebound relative to 2019, after underperforming in March.

However, overseas arrivals in April were 27% lower compared to the 2019 benchmark, a slight dip from the 25% drop in March.

Demand for hotel rooms witnessed a second consecutive monthly decrease in April, falling 2% below the 2019 levels.

Furthermore, group demand in the top 25 markets significantly fell in April, marking a 13% decrease from 2019.

Meanwhile, short-term rental demand saw an impressive 44% increase relative to its 2019 benchmark.

Travel Indicators

% change relative to same month vs. 2019

	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Travel Spending (Tourism Economics)	1%	2%	1%	-1%	7%	4%	3%	6%	4%	5%	4%	4%
Air Passengers (TSA)	-10%	-11%	-11%	-11%	-5%	-6%	-5%	-8%	0%	3%	-1%	0%
Overseas Arrivals (NTTO)	-43%	-41%	-35%	-35%	-34%	-30%	-33%	-29%	-33%	-31%	-25%	-27%
Hotel Demand (STR)	-2%	-2%	-3%	-5%	2%	-1%	-2%	1%	1%	1%	-1%	-2%
Top 25 Group Hotel Demand* (STR)	-15%	-6%	-13%	-10%	-3%	-2%	-5%	-5%	-14%	-11%	-3%	-13%
Short-term Rental Demand (AIRDNA)	29%	26%	22%	19%	29%	40%	31%	33%	39%	46%	37%	44%
National Park Visits (National Park Service)	-9%	-11%	-10%	-12%	-5%	2%	-2%	-1%	27%	11%	6%	-11%
Organic Web Sessions (Simpleview & Tempest)*	30%	26%	15%	15%	17%	24%	24%	18%	35%	33%	23%	23%

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



Hawaii Travel Indicators

April, 2023

Select a State
Hawaii

Reporting Period
Month

Compare to
2019

Hawaii Travel Impact

April, 2023

Travel Spending

\$2.55B

↗ +5.5% vs. 2019

Tax Revenue
(local & state)

\$155.5M

↗ +5.8% vs. 2019

U. S. Total Travel Impact

April, 2023

Travel Spending

\$101.33B

↗ +3.6% vs. 2019

Tax Revenue
(local & state)

\$6.9B

↗ +3.3% vs. 2019

Hawaii Travel Spending

	Travel Spending	vs. Prior Year	vs. 2019	Market Growth Index (US = 100)*
May-22	\$2.34B	↗ +35.9%	↘ -6.5%	92
Jun-22	\$2.31B	↗ +13.0%	↘ -9.8%	88
Jul-22	\$2.47B	↗ +11.0%	↘ -5.4%	94
Aug-22	\$2.32B	↗ +17.6%	↘ -9.0%	92
Sep-22	\$2.23B	↗ +49.7%	↘ -6.3%	87
Oct-22	\$2.25B	↗ +47.8%	↘ -9.1%	87
Nov-22	\$2.05B	↗ +32.0%	↘ -11.0%	87
Dec-22	\$2.06B	↗ +9.4%	↘ -11.2%	84
Jan-23	\$2.21B	↗ +24.0%	↗ +0.2%	97
Feb-23	\$2.19B	↗ +17.4%	↗ +0.5%	96
Mar-23	\$2.62B	↗ +12.8%	↗ +5.9%	102
Apr-23	\$2.55B	↗ +8.1%	↗ +5.5%	102

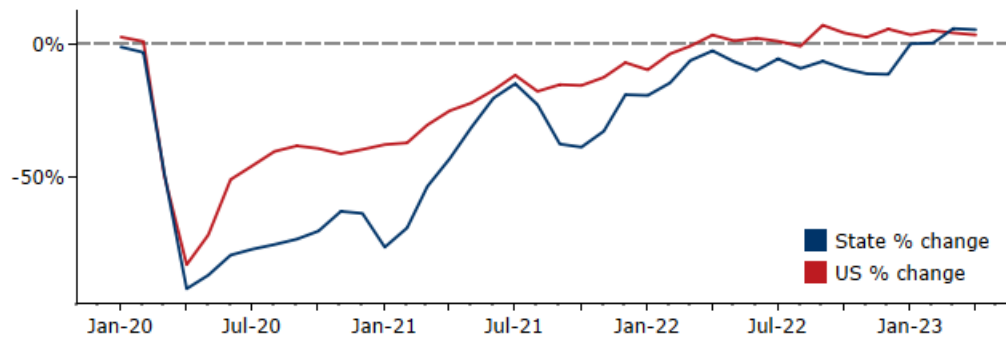
Source: Tourism Economics (Travel Spending)

* Market growth index indicates whether a state is performing better or worse than the national average relative to its pre-pandemic benchmark.

travel spending data is considered "preliminary" and subject to change based on available inputs. It is recommended for directional trend analysis, and revisions may occur as available.

Travel Spending (% change vs 2019)

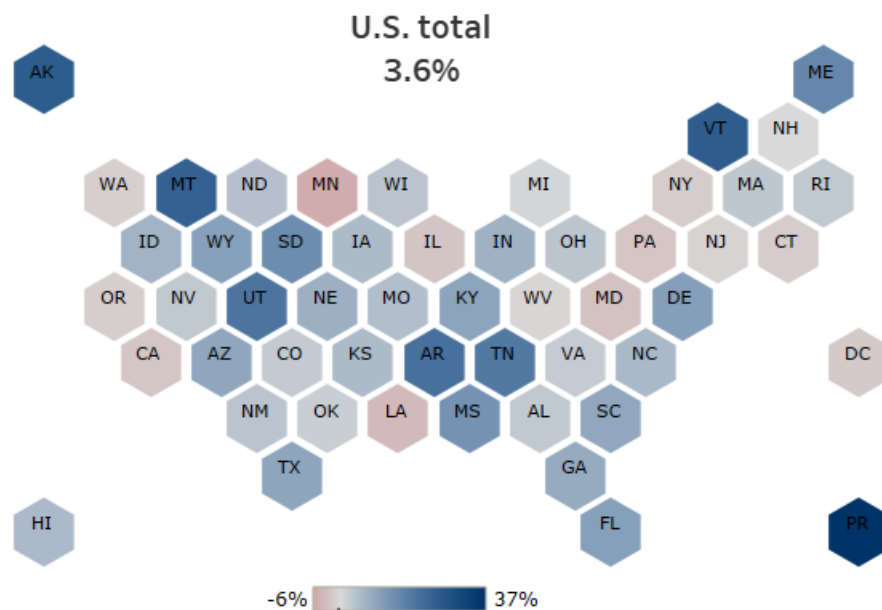
Hawaii vs U.S. total



Travel Spending by State

April, 2023 (Month), % change vs. 2019

Travel Spending



↗ +5.5%

April vs. 2019

Travel Spending
(Tourism Economics)



↗ +2.3%

April vs. 2019

Air Passengers
(Airline Data Inc; TSA)



↘ -4.7%

April vs. 2019

Hotel Demand
(STR)



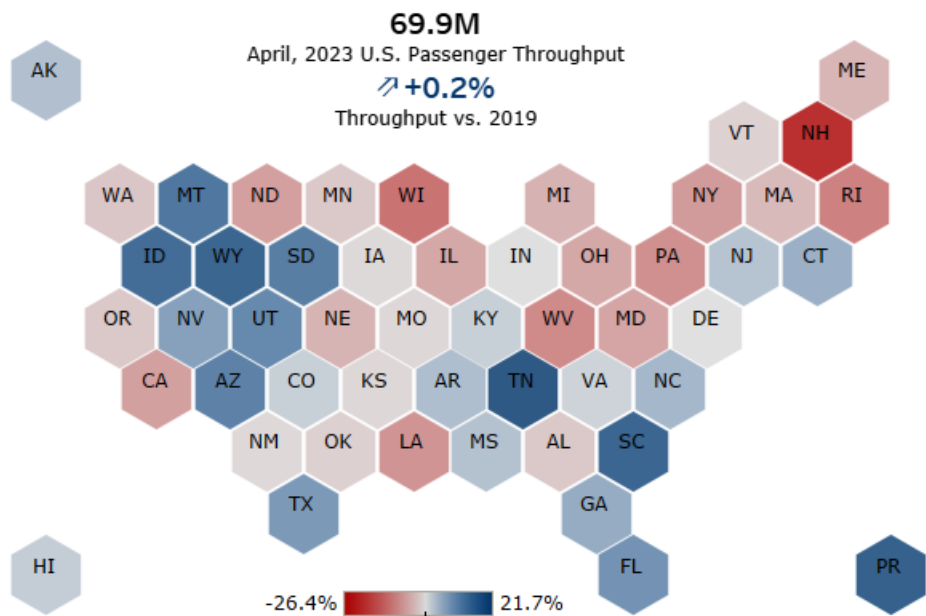
↘ -6.3%

April vs. 2019

L & H Jobs
(BLS)

April, 2023 Passenger Throughput by State

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



Passenger Throughput Trend Comparison

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

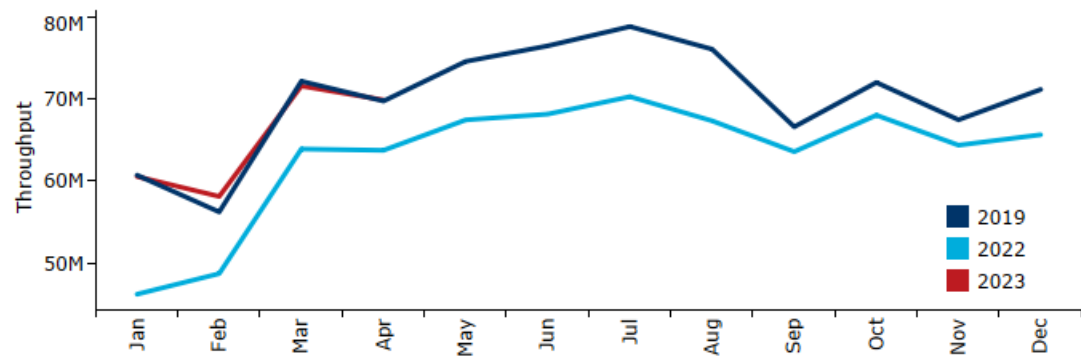
State/Territory Name
Multiple values

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

Legend: 80 (Red) to 124 (Blue)

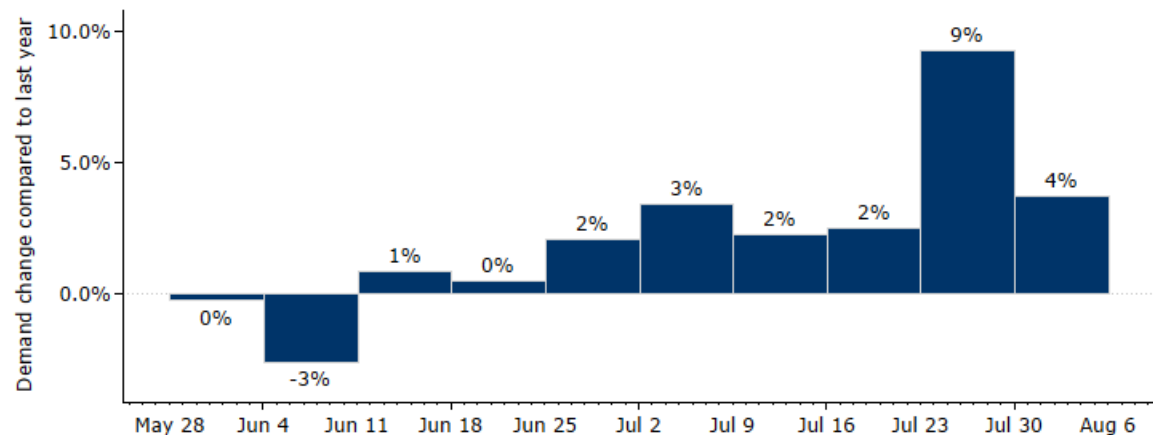
U.S. Monthly Passenger Throughput

All passengers (domestic + international)



U.S. Hotel Leisure Demand Pace

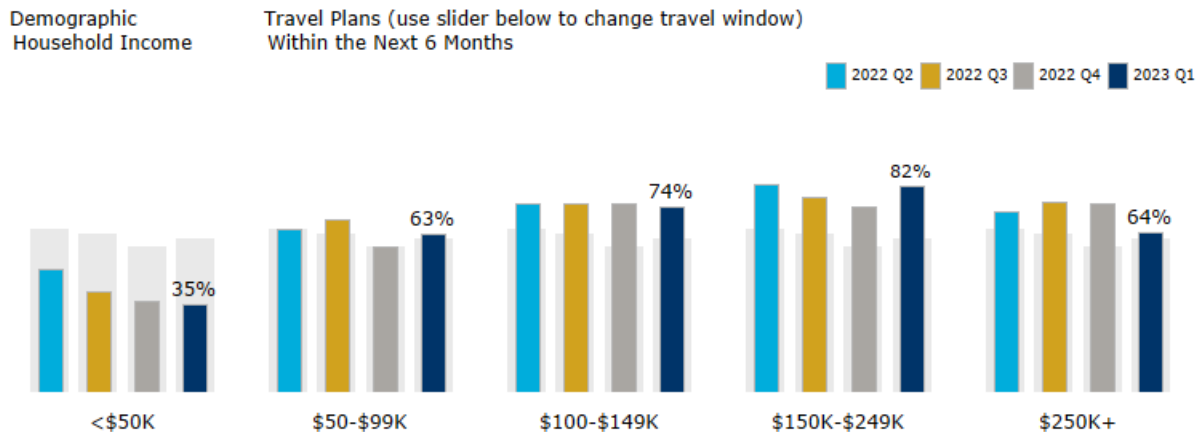
Leisure (include both leisure & business) hotel booking pace vs same time last year, as of 5/1/2023



Source: Amadeus

Planning Leisure Travel Within the Next 6 Months

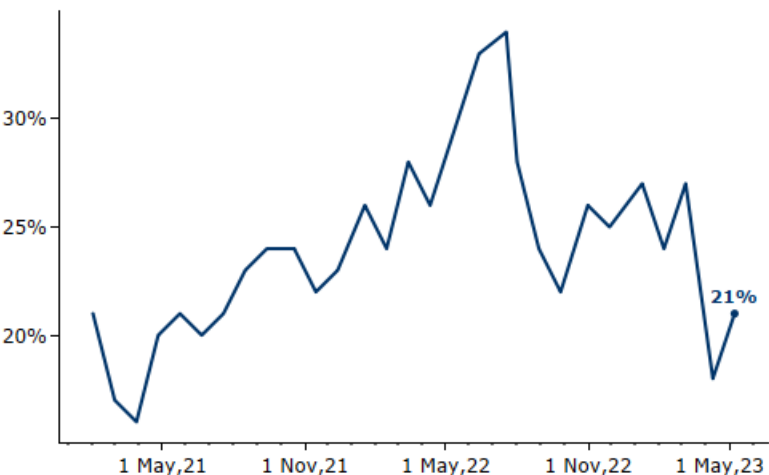
% of American Consumers



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

Consumer Travel Sentiment

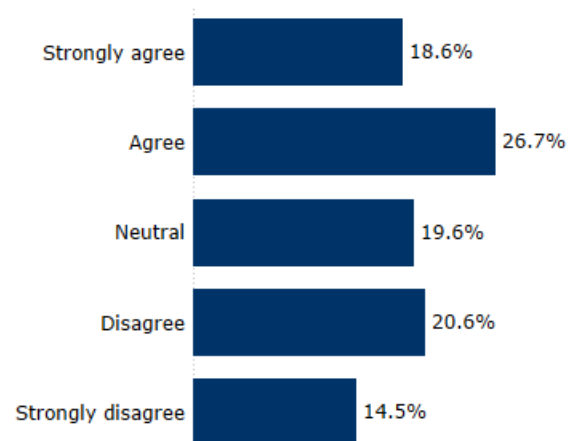
Transportation Cost Will Greatly Impact my Decision to Travel the Next ..



Source: Longwoods International

Consumer Travel Priorities

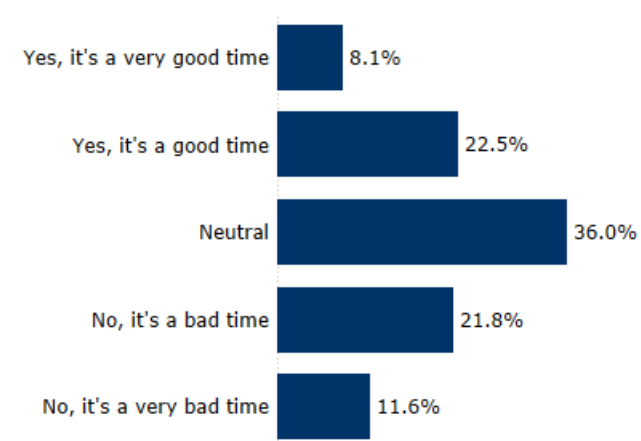
Have high travel prices kept you from traveling in the past month?



Source: Destination Analysts (As of April 2023)

Consumer Travel Priorities

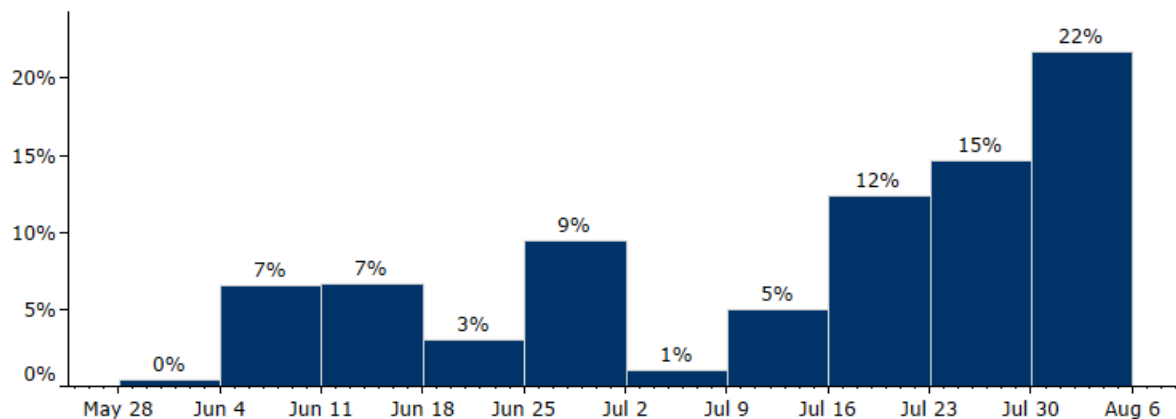
Do you feel now is a good or bad time for you to spend money on leisur..



Source: Destination Analysts (As of April 2023)

U.S. Hotel Business Demand Pace

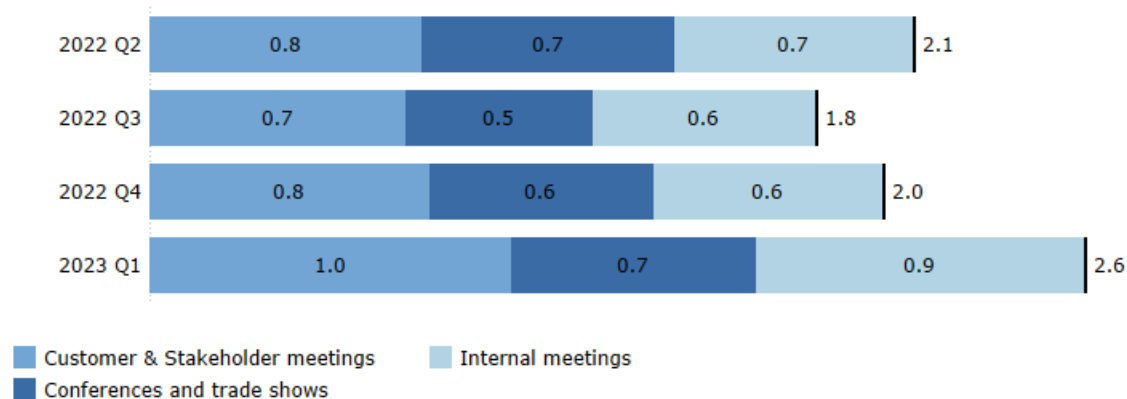
Business hotel booking pace vs same time last year, as of 5/1/2023



Source: Amadeus

Business Trip Count by Purpose of Trip

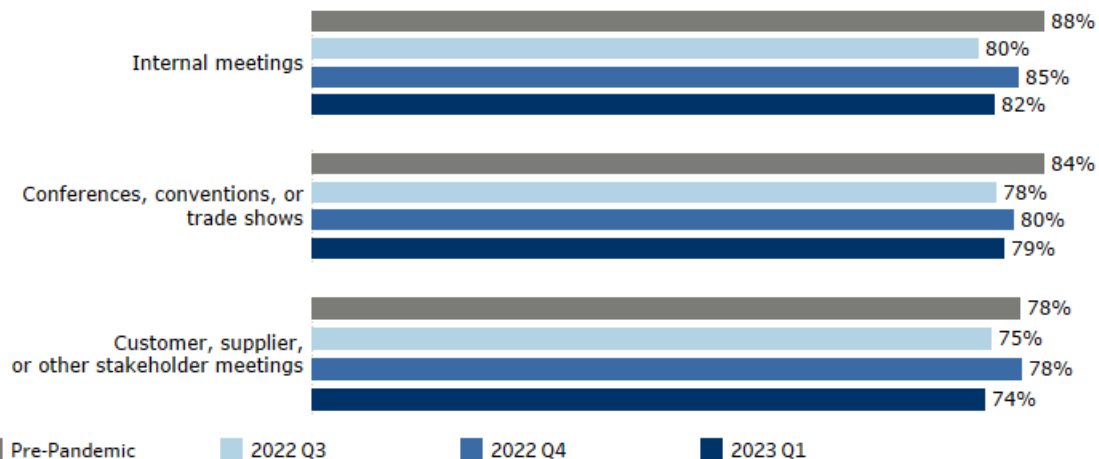
Business Travelers expected trips per month over the next 6-months, released May 2023



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

Business Travel Plans Next Six Months

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



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

Corporate Executive's Views on Business Travel

Share of corporate executives that agree, released May 2023



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

Insights

DMO/CVB group room nights contracted grew 2% relative to 2019 in April, its third consecutive positive month.

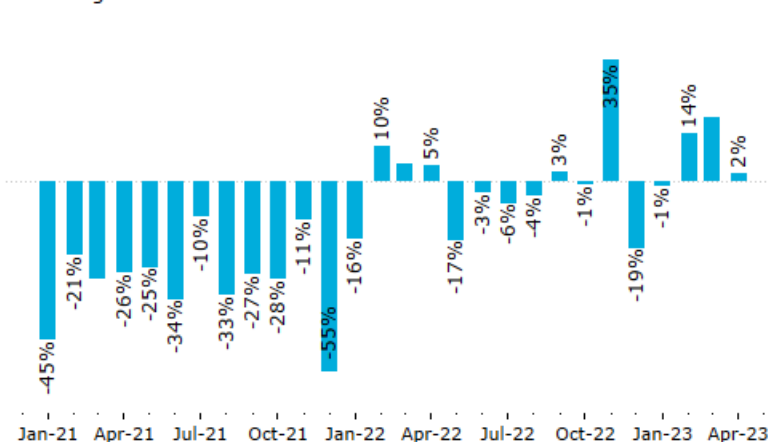
DMO/CVB pace for room nights on the books experienced modest gains for mid-2023, with both Q2 and Q3 improving by two percentage points to 16% and 25% below 2019 levels, respectively.

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

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

DMO/CVB Group Bookings

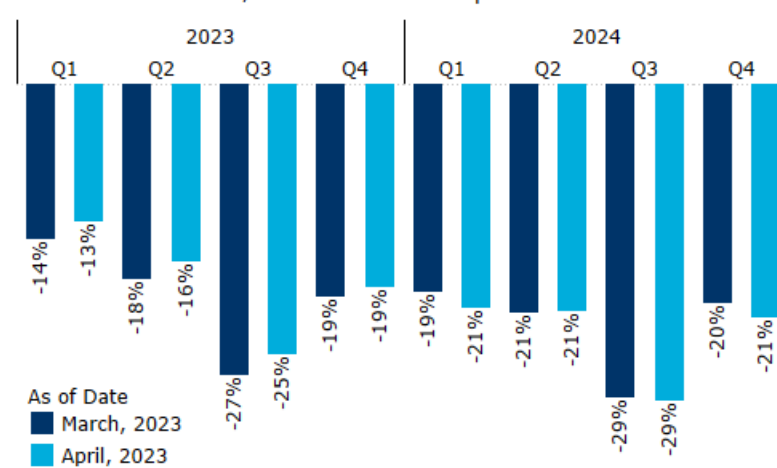
Hotel room nights contracted during most recent months
% change from 2019



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

DMO/CVB Room Nights on the Books

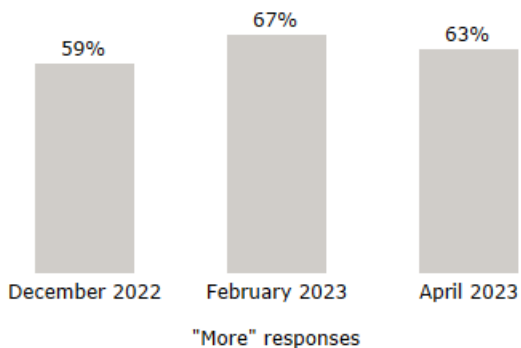
Pace for future dates, relative to the same period in 2019



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

Event Planner

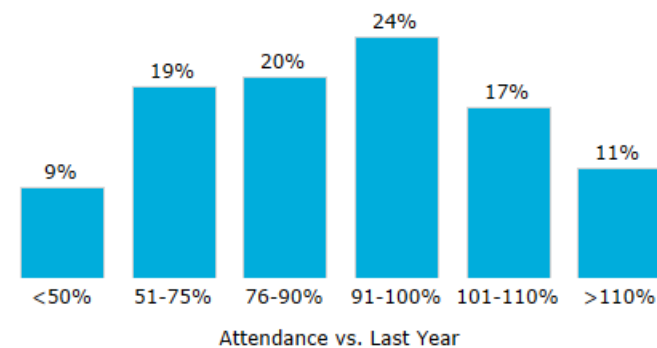
% Of meeting planners who expect to plan more in-person meetings in 2023 than in 2022



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

Event Attendees

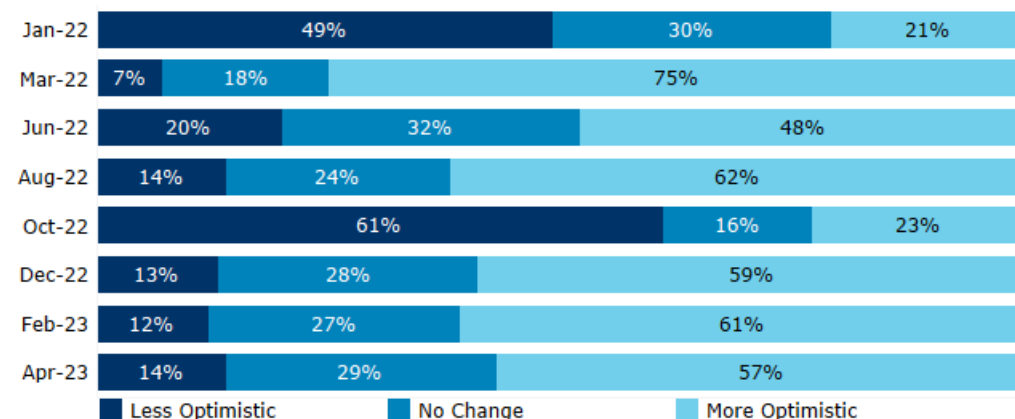
How many in-person attendees do you expect in 2023 for your average meetings vs your 2022 results?



As of April 2023

Meeting Planner Outlook

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



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

Insights

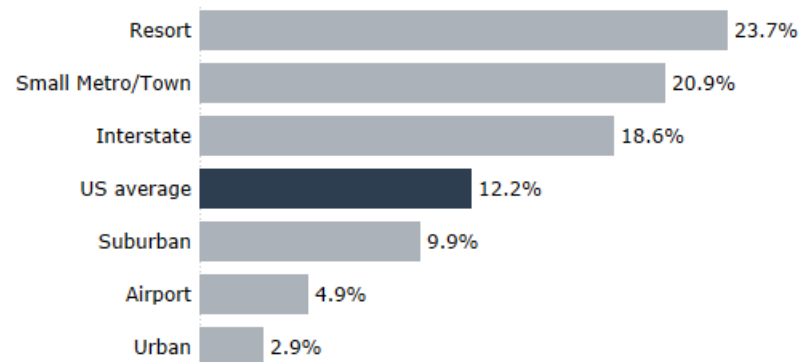
The updated forecast released in May by Tourism Economics and STR anticipates lodging demand growth will slow this year but remain positive on a year-over-year basis despite the mild recession as group events and international travelers return, and households continue to prioritize leisure travel.

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

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

U.S. Actual RevPAR Growth by Location

April 2023, % change relative to 2019



Source: STR

U.S. Hotel Forecast Summary

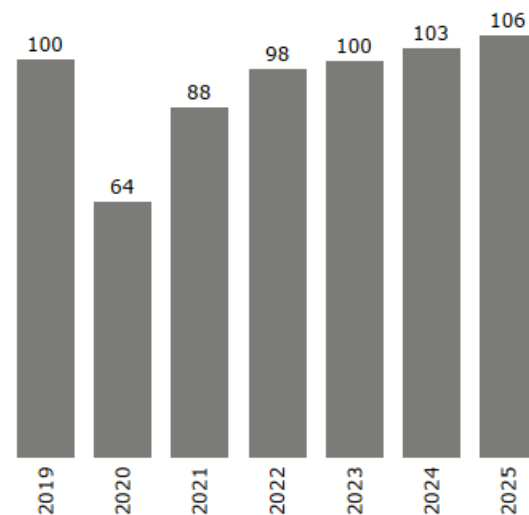
YOY % change, Forecast released May 2023

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

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

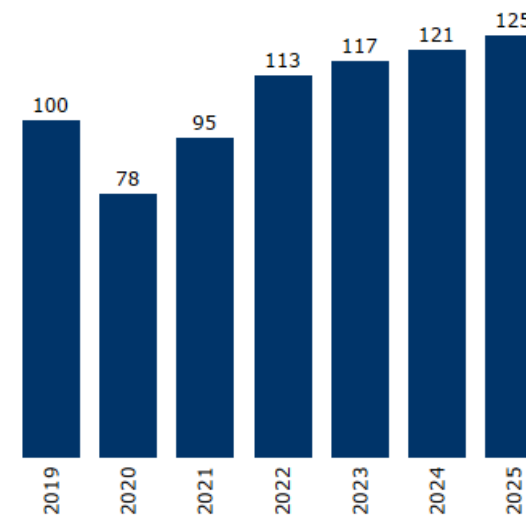
Occupancy Index

Index (2019 = 100)



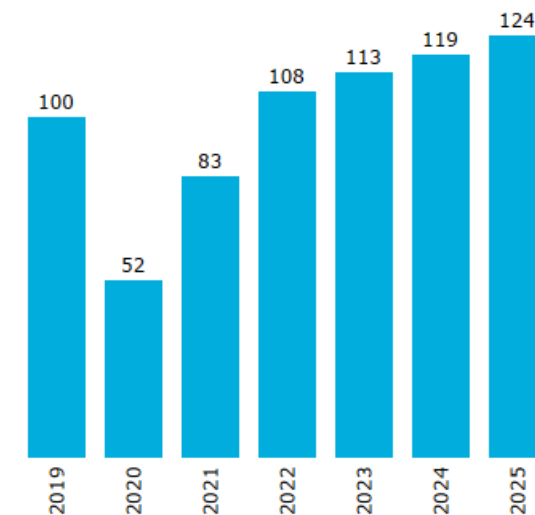
ADR Index

Index (2019 = 100)



RevPAR Index

Index (2019 = 100)



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

US Travel Association Forecast – Summer 2023

U.S. TRAVEL FORECAST - VOLUME

	ACTUAL				FORECAST			
	2019	2020	2021	2022	2023	2024	2025	2026
Total # of trips	2.40 B	1.60 B	2.04 B	2.30 B	2.39 B	2.49 B	2.58 B	2.64 B
Domestic person-trips	2.32 B	1.58 B	2.02 B	2.25 B	2.32 B	2.41 B	2.49 B	2.55 B
Leisure	1.85 B	1.40 B	1.77 B	1.88 B	1.91 B	1.97 B	2.02 B	2.06 B
Business	464 M	181 M	250 M	371 M	414 M	447 M	469 M	483 M
Auto	2.13 B	1.50 B	1.89 B	2.08 B	2.13 B	2.22 B	2.28 B	2.34 B
Air	189 M	79 M	131 M	174 M	188 M	197 M	204 M	207 M
International Arrivals	79.4 M	19.2 M	22.1 M	50.9 M	66.7 M	78.6 M	87.8 M	92.1 M
Canada	20.7 M	4.8 M	2.5 M	14.4 M	21.5 M	22.7 M	24.5 M	25.5 M
Mexico	18.3 M	6.8 M	10.4 M	12.5 M	15.0 M	18.3 M	20.5 M	21.6 M
Overseas	40.4 M	7.6 M	9.2 M	24.0 M	30.2 M	37.6 M	42.7 M	45.0 M

Source: US Travel Association

US Travel Association Forecast – Summer 2023

U.S. TRAVEL FORECAST - VOLUME, YOY % CHANGE

	ACTUAL				FORECAST			
	2019	2020	2021	2022	2023	2024	2025	2026
Total # of trips	1.7%	-33.2%	27.6%	12.7%	3.7%	4.3%	3.4%	2.4%
Domestic person-trips	1.8%	-31.8%	27.8%	11.4%	3.1%	3.9%	3.1%	2.3%
Leisure	1.9%	-24.5%	26.5%	6.2%	1.4%	3.1%	2.7%	2.1%
Business	1.1%	-60.9%	37.6%	48.6%	11.7%	7.8%	5.0%	3.0%
Auto	1.5%	-29.4%	25.7%	10.0%	2.7%	3.8%	3.1%	2.4%
Air	4.3%	-58.4%	67.0%	32.7%	7.6%	5.2%	3.4%	1.6%
International Arrivals	-0.4%	-75.8%	15.0%	130.2%	31.2%	17.8%	11.6%	5.0%
Canada	-3.5%	-76.8%	-47.4%	468.7%	49.8%	5.5%	7.7%	4.3%
Mexico	-0.3%	-62.9%	52.7%	20.6%	19.9%	22.0%	12.0%	5.2%
Overseas	1.3%	-81.2%	20.8%	161.1%	25.9%	24.6%	13.8%	5.2%

Source: US Travel Association

US Travel Association Forecast – Summer 2023

U.S. TRAVEL FORECAST - VOLUME, % OF 2019 LEVELS

	ACTUAL				FORECAST			
	2019	2020	2021	2022	2023	2024	2025	2026
Total # of trips	100%	67%	85%	96%	100%	104%	107%	110%
Domestic person-trips	100%	68%	87%	97%	100%	104%	107%	110%
Leisure	100%	76%	96%	101%	103%	106%	109%	111%
Business	100%	39%	54%	80%	89%	96%	101%	104%
Auto	100%	71%	89%	98%	100%	104%	107%	110%
Air	100%	42%	70%	92%	99%	104%	108%	110%
International Arrivals	100%	24%	28%	64%	84%	99%	110%	116%
Canada	100%	23%	12%	69%	104%	110%	118%	123%
Mexico	100%	37%	57%	68%	82%	100%	112%	118%
Overseas	100%	19%	23%	59%	75%	93%	106%	111%

Source: US Travel Association

US Travel Association Forecast – Summer 2023

U.S. TRAVEL FORECAST - SPENDING (ADJUSTED FOR INFLATION)*

	ACTUAL				FORECAST			
	2019	2020	2021	2022	2023	2024	2025	2026
Total Travel Spending	\$1.17 T	\$722 B	\$909 B	\$1.02 T	\$1.09 T	\$1.15 T	\$1.18 T	\$1.20 T
Leisure	\$867 B	\$622 B	\$787 B	\$799 B	\$839 B	\$878 B	\$897 B	\$921 B
Business	\$306 B	\$101 B	\$122 B	\$219 B	\$254 B	\$269 B	\$278 B	\$282 B
Domestic	\$992 B	\$682 B	\$868 B	\$918 B	\$960 B	\$989 B	\$1.01 T	\$1.02 T
Leisure	\$722 B	\$589 B	\$753 B	\$718 B	\$731 B	\$749 B	\$759 B	\$765 B
Business	\$270 B	\$93 B	\$115 B	\$201 B	\$229 B	\$239 B	\$248 B	\$252 B
Transient	\$157 B	\$63 B	\$81 B	\$122 B	\$134 B	\$140 B	\$146 B	\$148 B
Group	\$113 B	\$30 B	\$34 B	\$79 B	\$94 B	\$99 B	\$103 B	\$104 B
International**	\$181 B	\$41 B	\$41 B	\$99 B	\$133 B	\$158 B	\$168 B	\$185 B
Leisure	\$145 B	\$33 B	\$34 B	\$81 B	\$107 B	\$129 B	\$139 B	\$156 B
Business	\$36 B	\$8 B	\$7 B	\$18 B	\$25 B	\$29 B	\$29 B	\$30 B
Transient	\$22 B	\$5 B	\$5 B	\$13 B	\$16 B	\$18 B	\$18 B	\$18 B
Group	\$14 B	\$3 B	\$2 B	\$6 B	\$9 B	\$11 B	\$11 B	\$11 B

Source: US Travel Association

*All spending data is cited in “real” 2019 \$, deflated based on the Travel Price Index ** Includes general travel spending and passenger fares (does not include education/health/worker spending)

US Travel Association Forecast – Summer 2023

U.S. TRAVEL FORECAST - SPENDING, YOY % CHANGE (ADJUSTED FOR INFLATION)*

	ACTUAL				FORECAST			
	2019	2020	2021	2022	2023	2024	2025	2026
Total Travel Spending	0.9%	-38.4%	25.9%	11.9%	7.4%	5.0%	2.5%	2.4%
Leisure	0.6%	-28.3%	26.6%	1.5%	5.0%	4.8%	2.1%	2.7%
Business	1.7%	-67.0%	21.4%	78.9%	16.0%	5.7%	3.5%	1.6%
Domestic	1.9%	-31.3%	27.4%	5.8%	4.5%	3.0%	1.8%	1.1%
Leisure		-18.5%	27.9%	-4.7%	1.9%	2.5%	1.2%	0.9%
Business		-65.5%	24.2%	73.8%	14.0%	4.7%	3.7%	1.7%
Transient		-59.7%	29.0%	50.1%	10.1%	4.6%	3.8%	1.9%
Group		-73.5%	14.0%	130.6%	20.1%	4.9%	3.7%	1.4%
International**	-4.1%	-77.6%	0.8%	142.6%	33.7%	19.2%	6.4%	10.3%
Leisure		-77.4%	3.6%	138.5%	32.7%	20.1%	7.6%	12.3%
Business		-78.4%	-11.1%	162.4%	38.4%	15.2%	1.3%	0.7%
Transient		-77.5%	-6.6%	176.1%	26.9%	12.4%	0.6%	0.4%
Group		-79.8%	-18.6%	136.0%	64.4%	20.1%	2.5%	1.3%

Source: US Travel Association

*All spending data is cited in “real” 2019 \$, deflated based on the Travel Price Index ** Includes general travel spending and passenger fares (does not include education/health/worker spending)

US Travel Association Forecast – Summer 2023

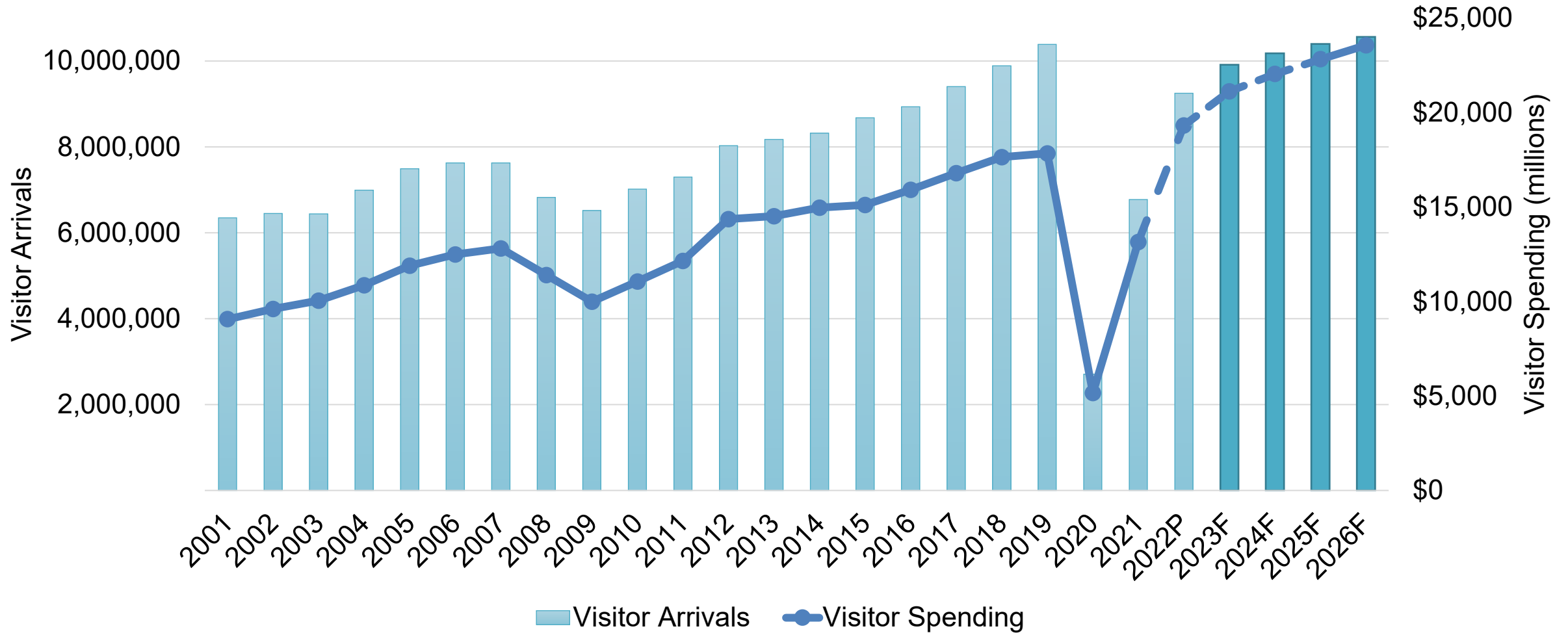
U.S. TRAVEL FORECAST - SPENDING, % OF 2019 LEVELS (ADJUSTED FOR INFLATION)*

	ACTUAL				FORECAST			
	2019	2020	2021	2022	2023	2024	2025	2026
Total Travel Spending	100%	62%	78%	87%	93%	98%	100%	103%
Leisure	100%	72%	91%	92%	97%	101%	104%	106%
Business	100%	33%	40%	71%	83%	88%	91%	92%
Domestic	100%	69%	88%	93%	97%	100%	102%	103%
Leisure	100%	82%	104%	99%	101%	104%	105%	106%
Business	100%	34%	43%	74%	85%	89%	92%	94%
Transient	100%	40%	52%	78%	86%	90%	93%	95%
Group	100%	26%	30%	70%	83%	88%	91%	92%
International**	100%	22%	23%	55%	73%	87%	93%	103%
Leisure	100%	23%	23%	56%	74%	89%	96%	108%
Business	100%	22%	19%	50%	70%	80%	81%	82%
Transient	100%	22%	21%	58%	74%	83%	83%	84%
Group	100%	20%	16%	39%	64%	76%	78%	79%

Source: US Travel Association

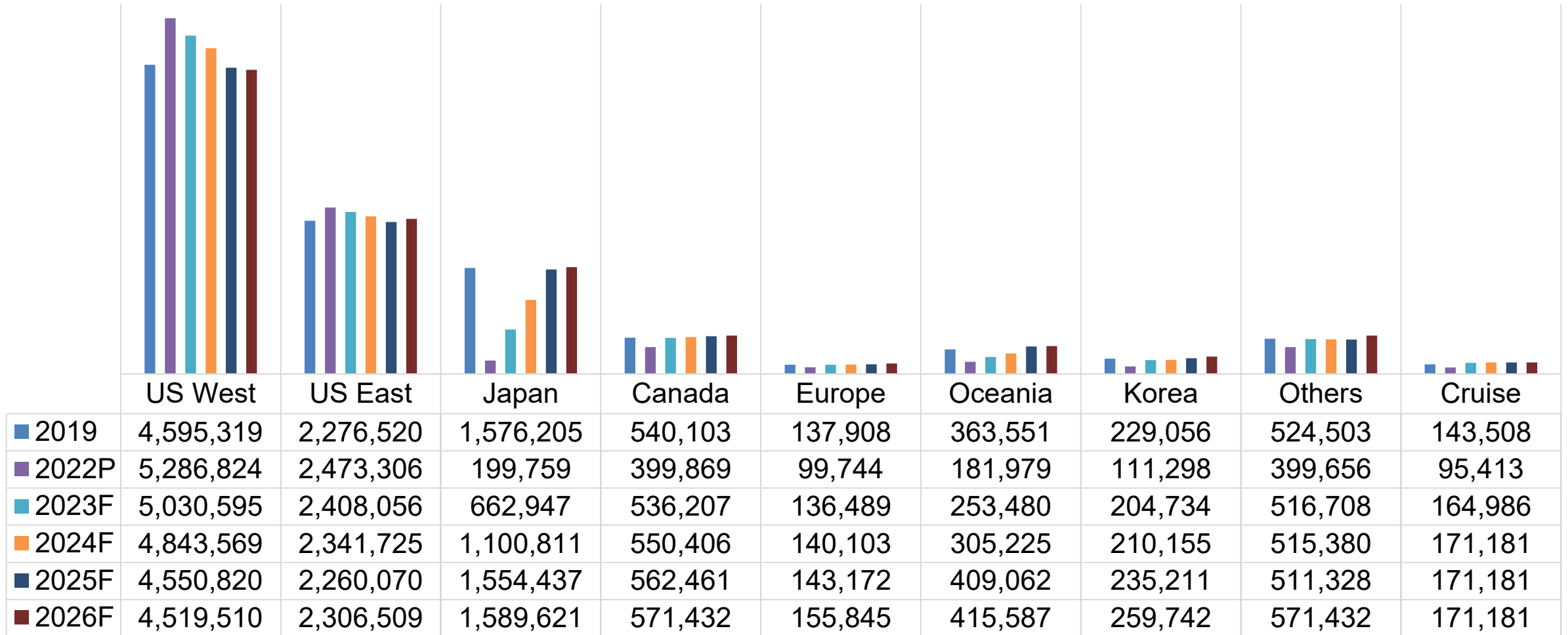
*All spending data is cited in “real” 2019 \$, deflated based on the Travel Price Index ** Includes general travel spending and passenger fares (does not include education/health/worker spending)

DBEDT Tourism Forecast



Source: DBEDT, Q2 2023 Forecast

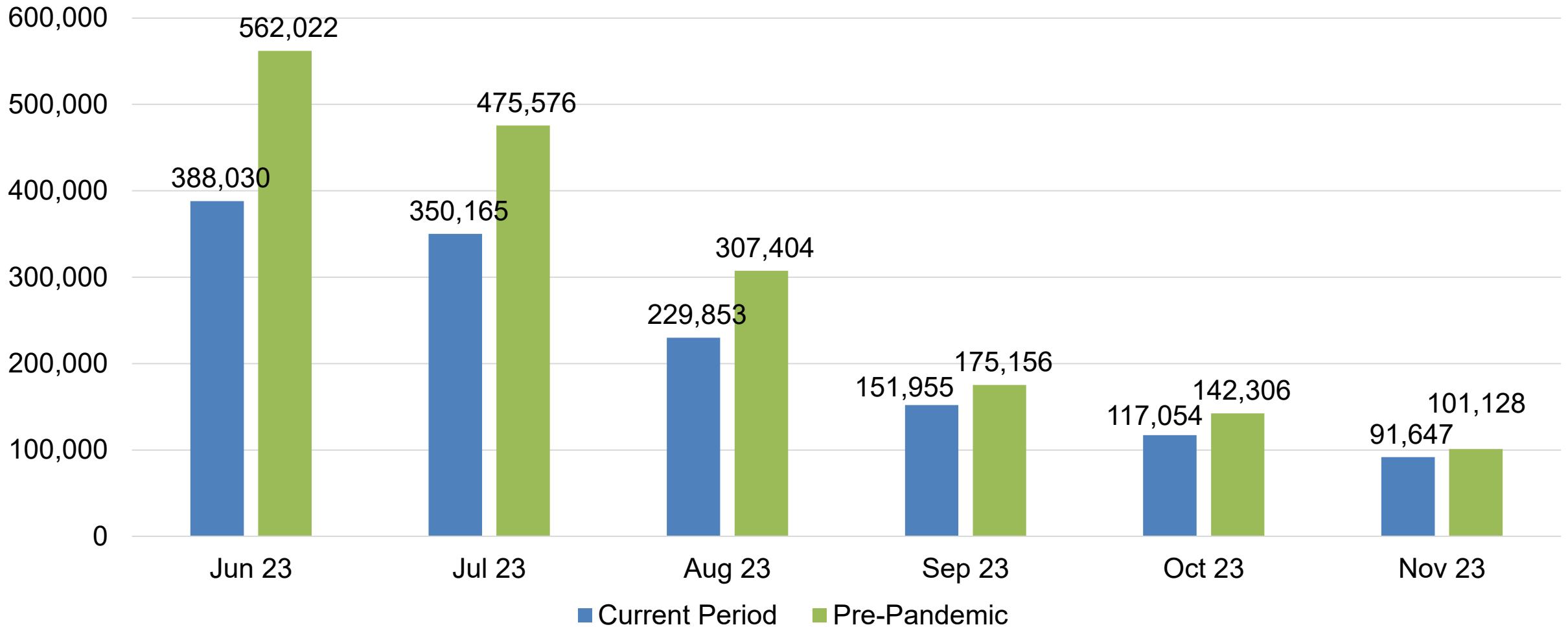
DBEDT Tourism Forecast



Source: DBEDT, Q2 2023 Forecast

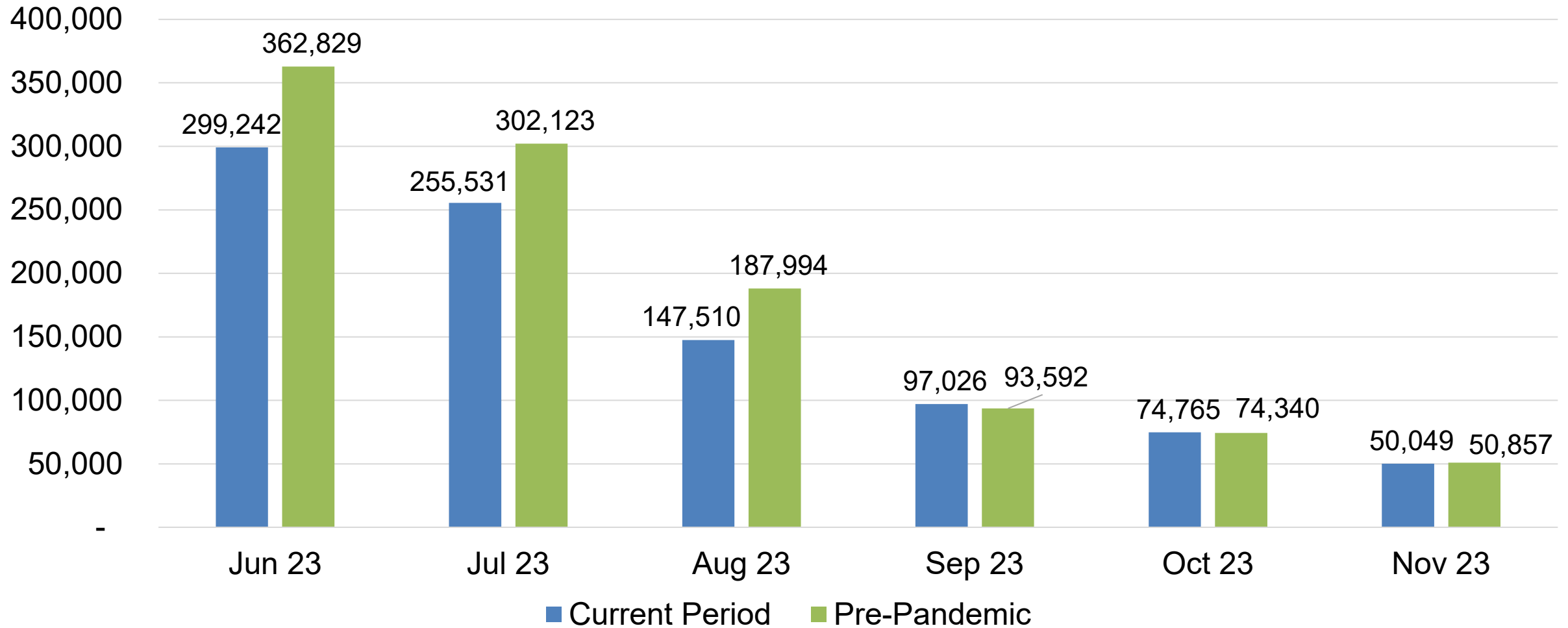
ARC/FORWARDKEYS DESTINATION GATEWAY AIR BOOKING TRENDS

Six Month Outlook: All Markets



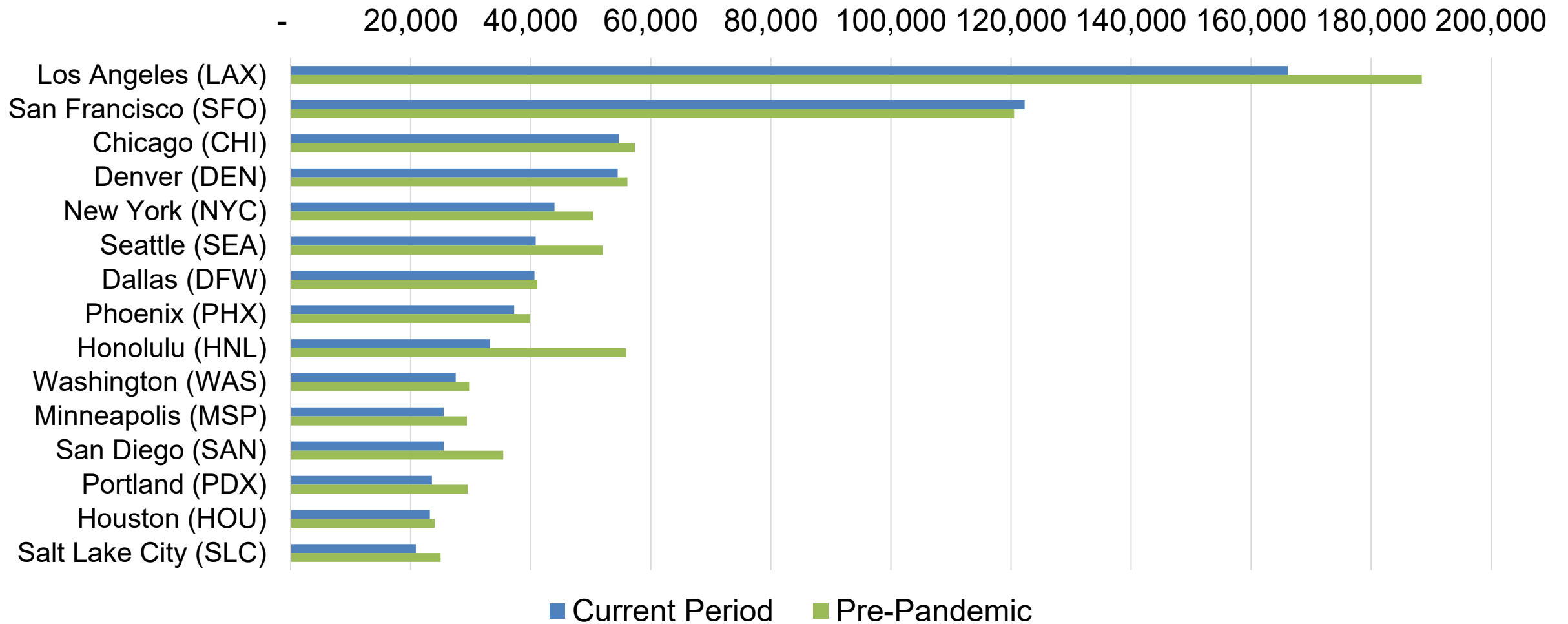
Source: ARC/ForwardKeys Destination Gateway

Six Month Outlook: United States



Source: ARC/ForwardKeys Destination Gateway

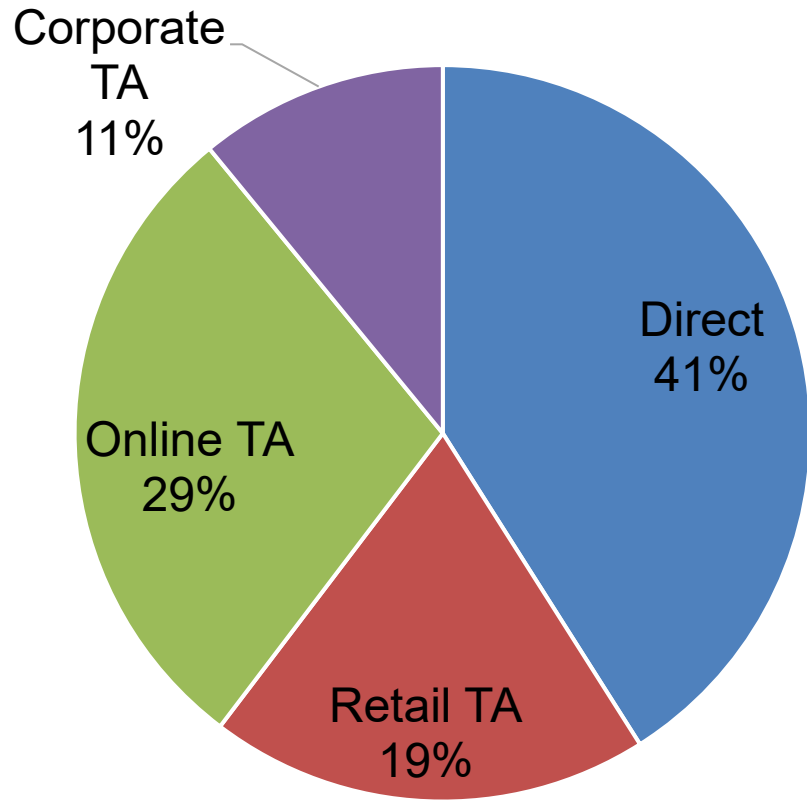
Trip Origins: United States



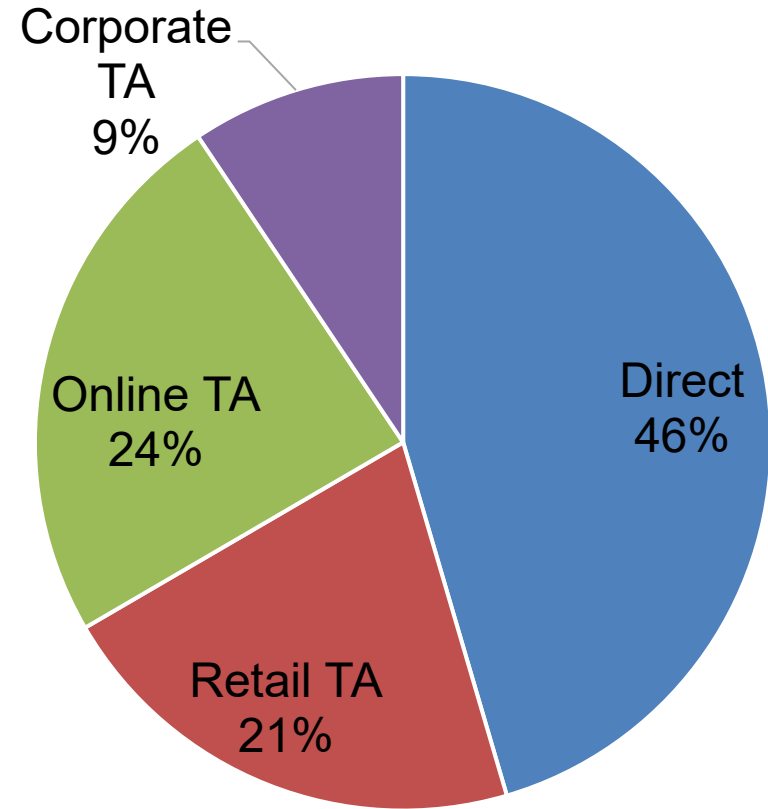
Source: ARC/ForwardKeys Destination Gateway

Distribution Channel: United States

Pre-Pandemic



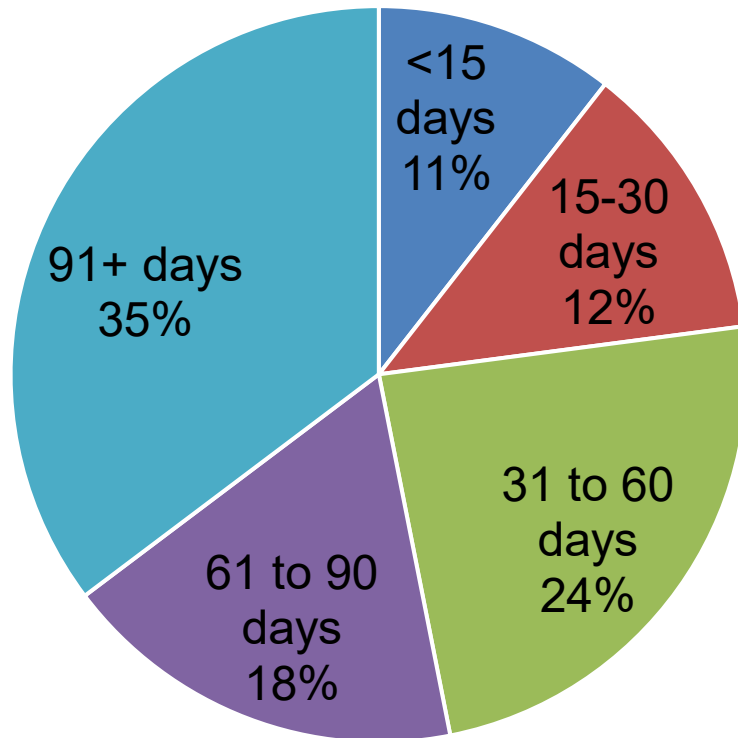
Current Period



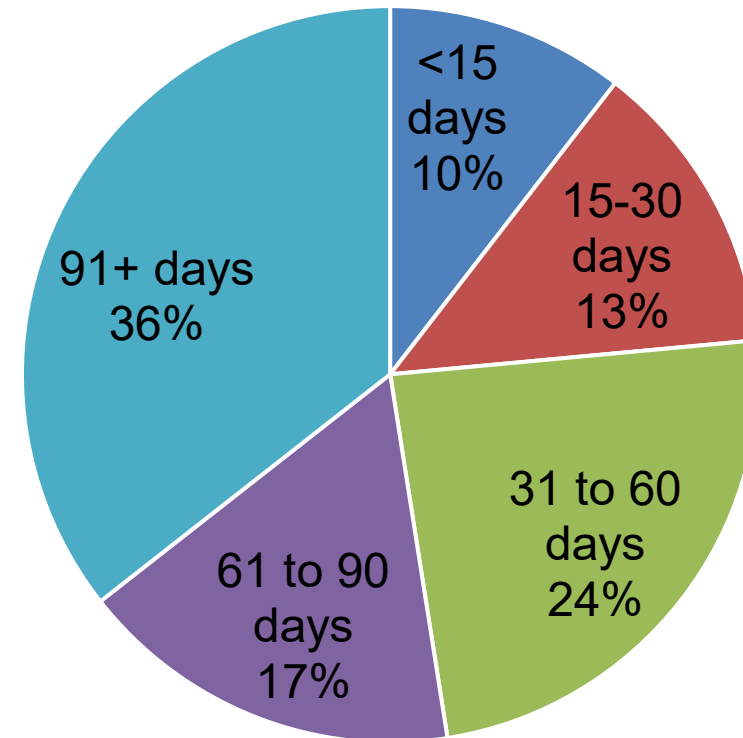
Source: ARC/ForwardKeys Destination Gateway

Lead Time: United States

Pre-Pandemic

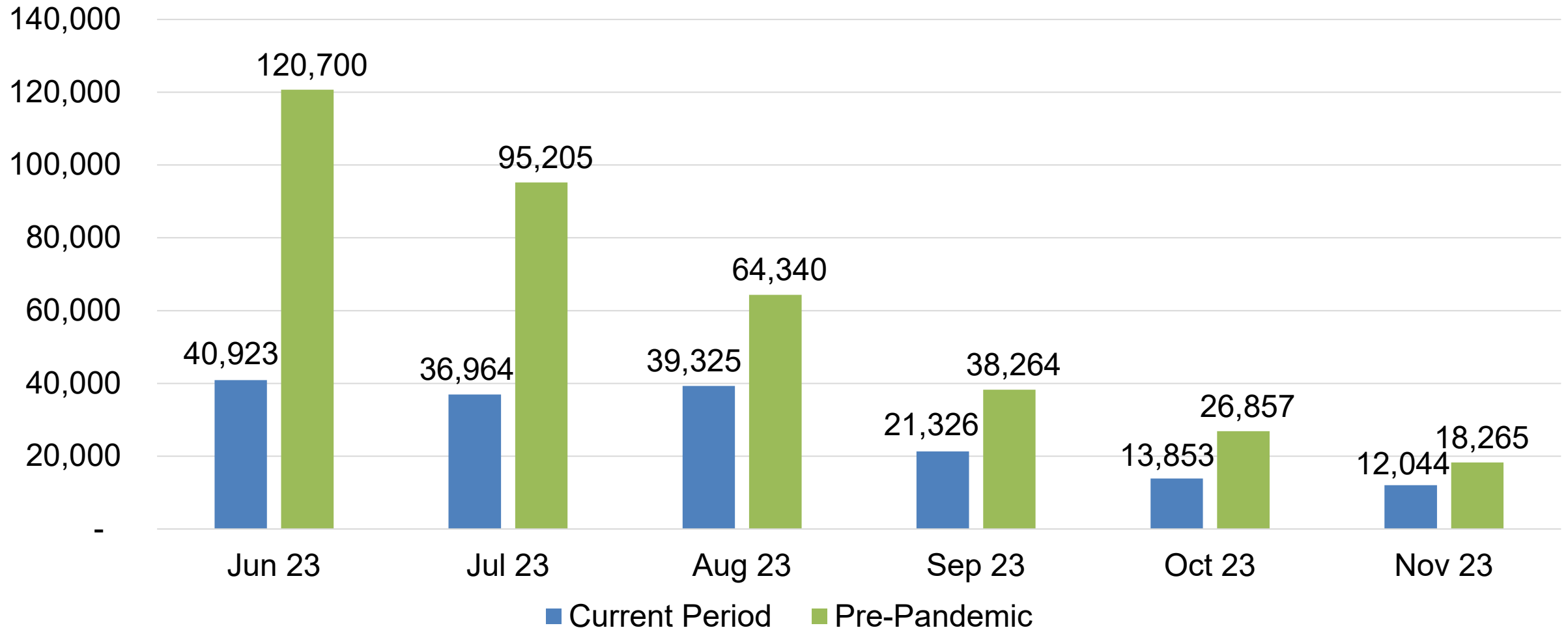


Current Period



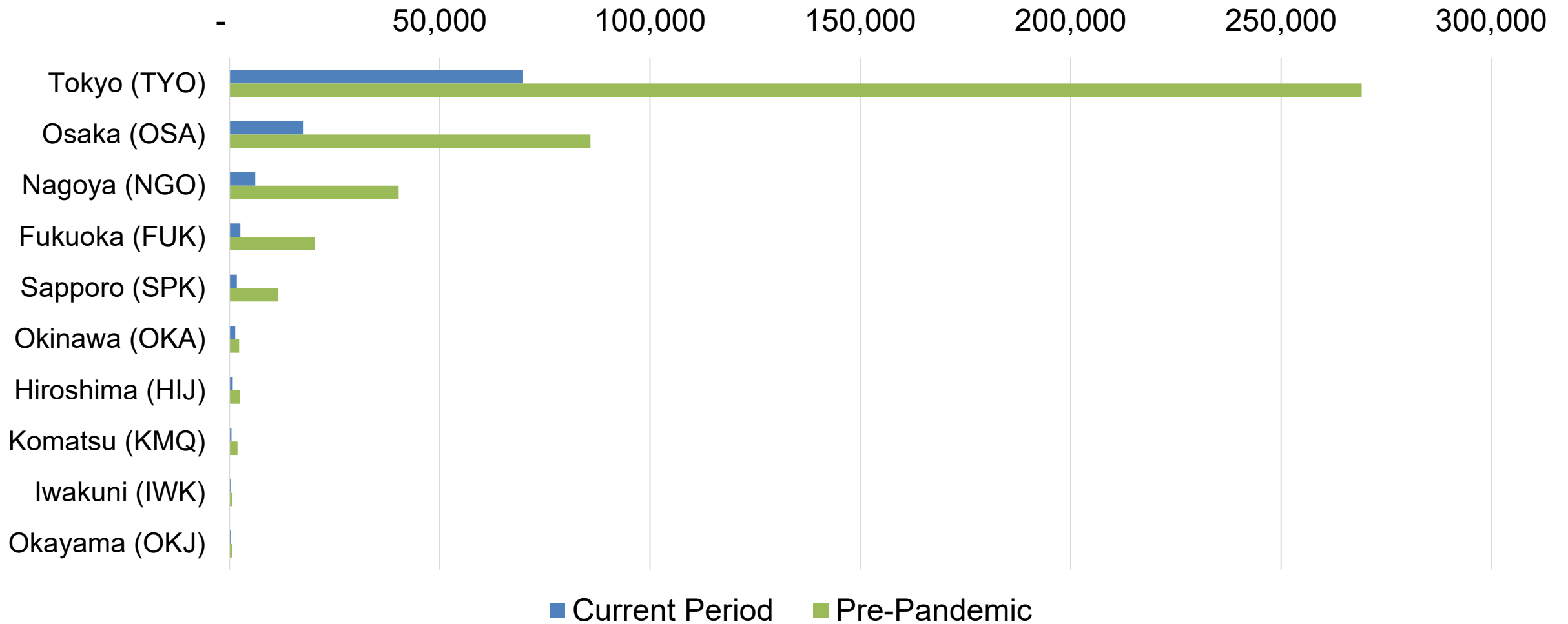
Source: ARC/ForwardKeys Destination Gateway

Six Month Outlook: Japan



Source: ARC/ForwardKeys Destination Gateway

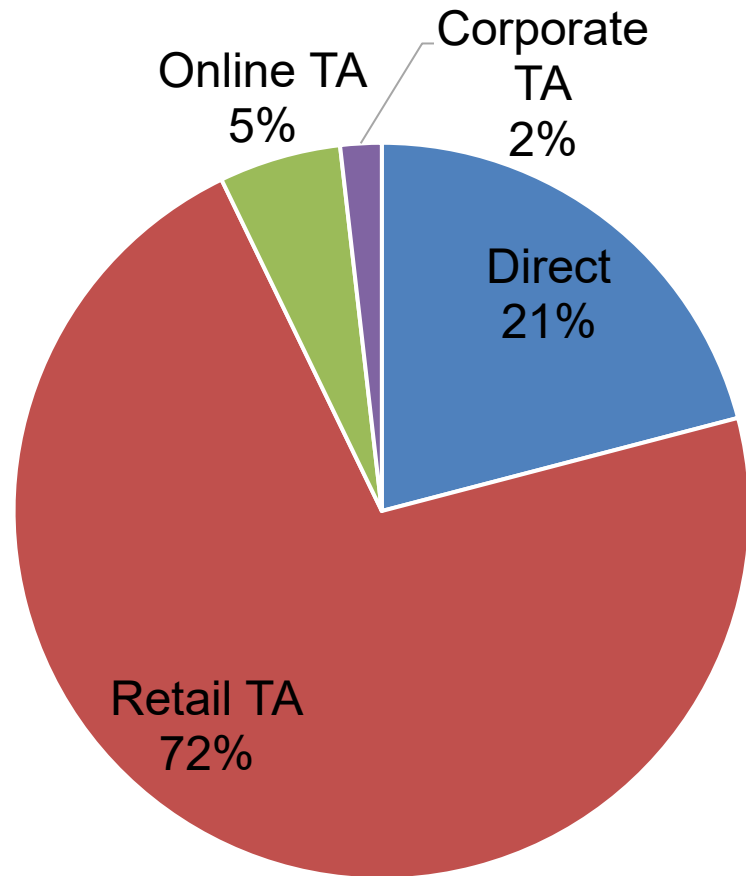
Trip Origins: Japan



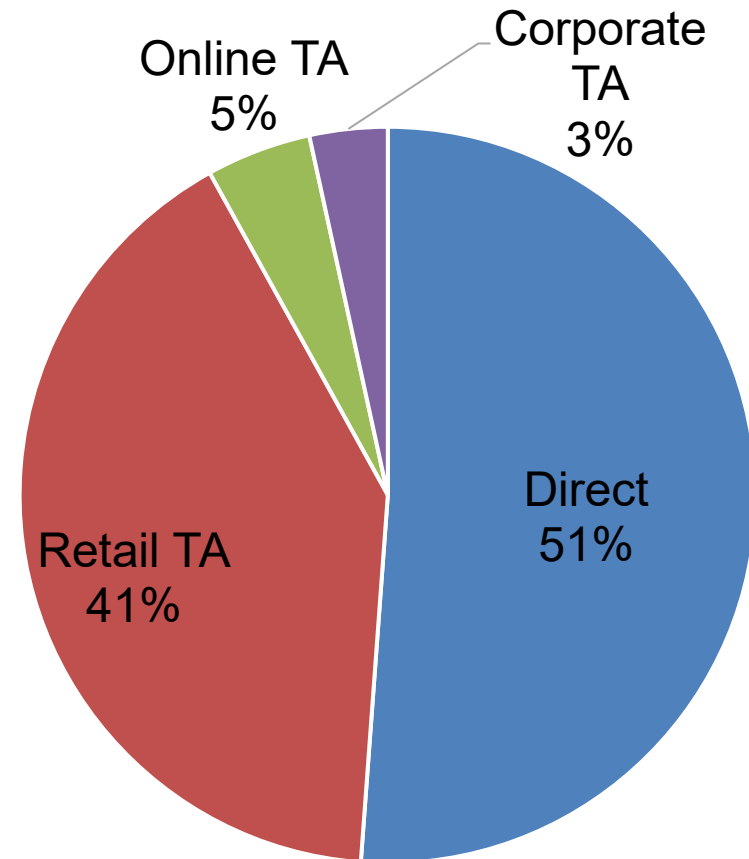
Source: ARC/ForwardKeys Destination Gateway

Distribution Channel: Japan

Pre-Pandemic



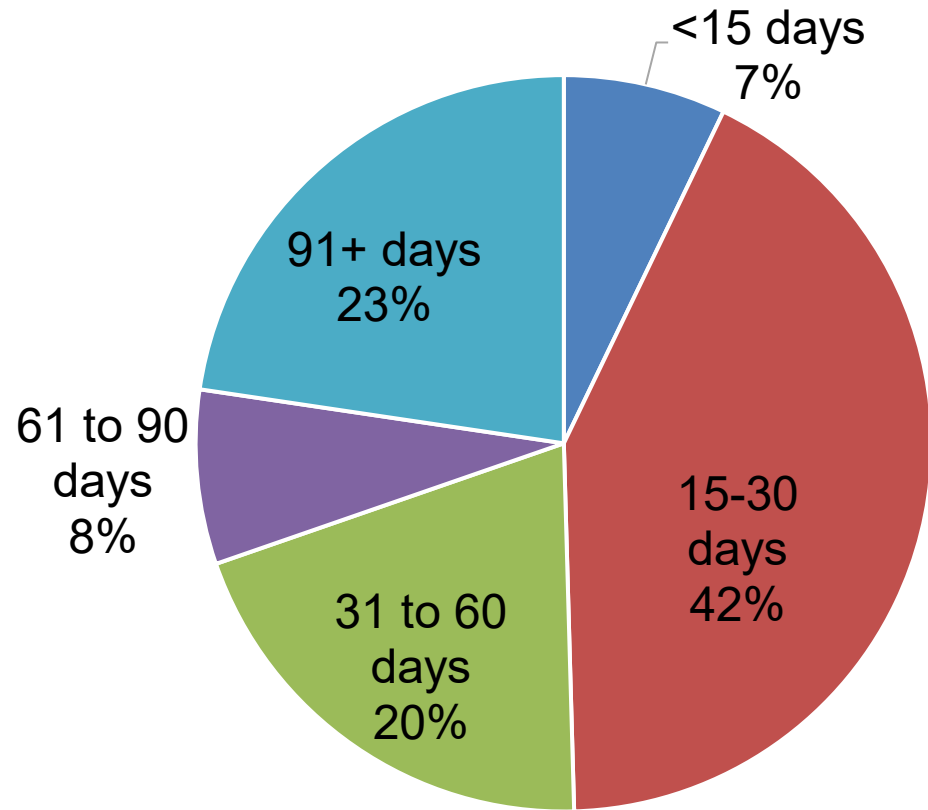
Current Period



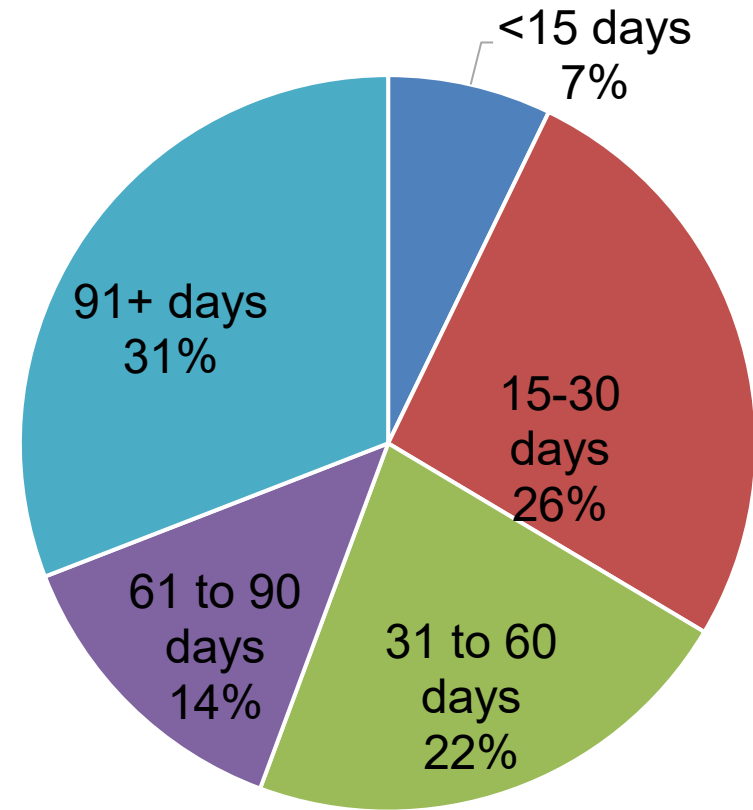
Source: ARC/ForwardKeys Destination Gateway

Lead Time: Japan

Pre-Pandemic

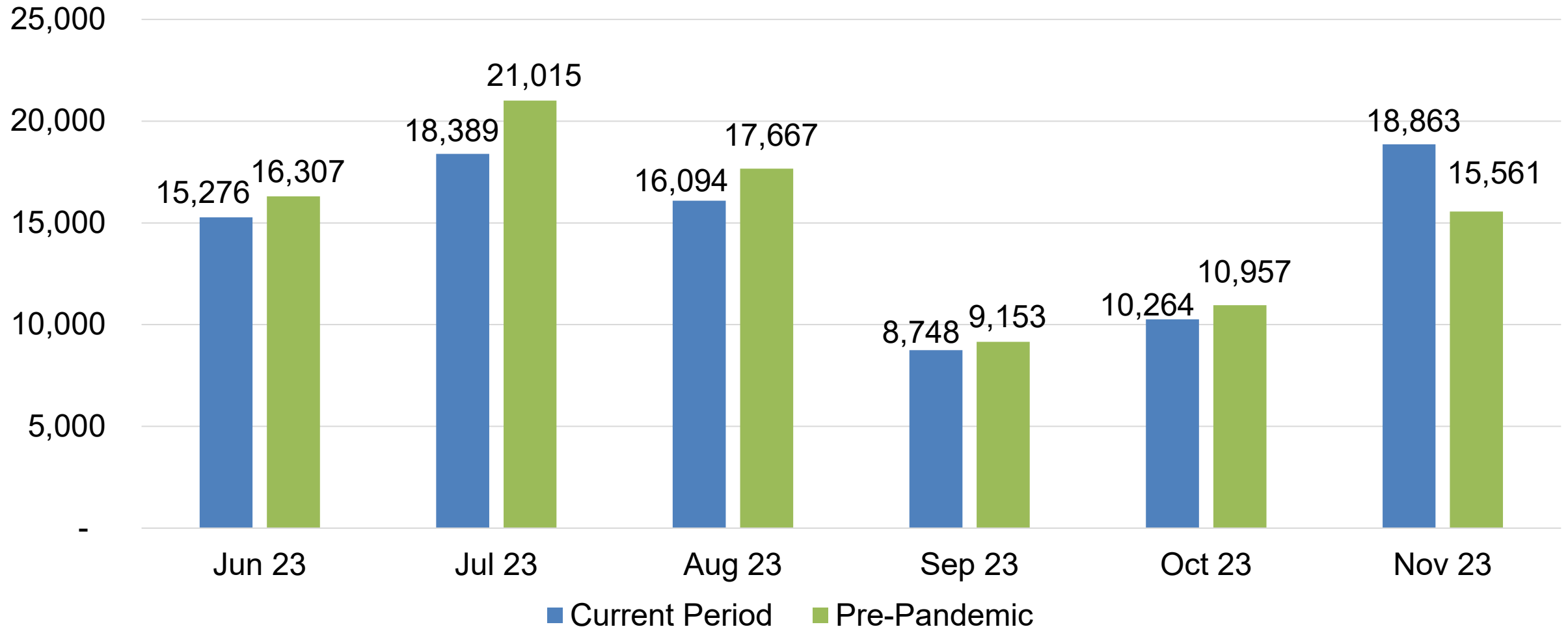


Current Period



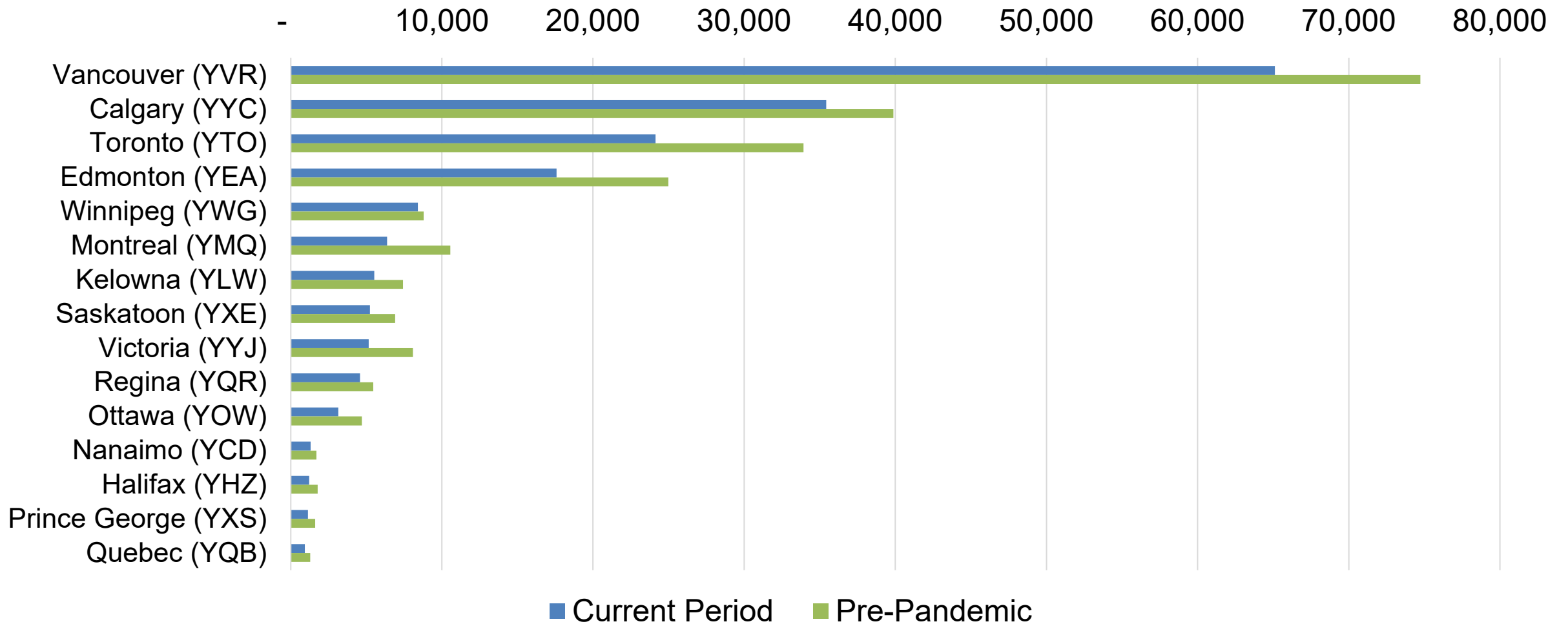
Source: ARC/ForwardKeys Destination Gateway

Six Month Outlook: Canada



Source: ARC/ForwardKeys Destination Gateway

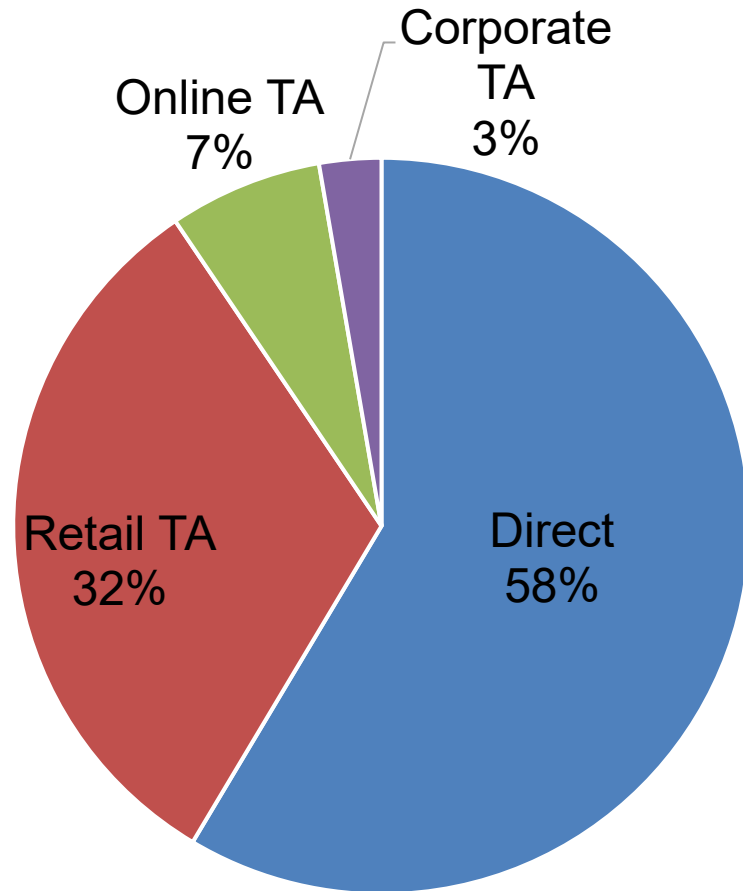
Trip Origins: Canada



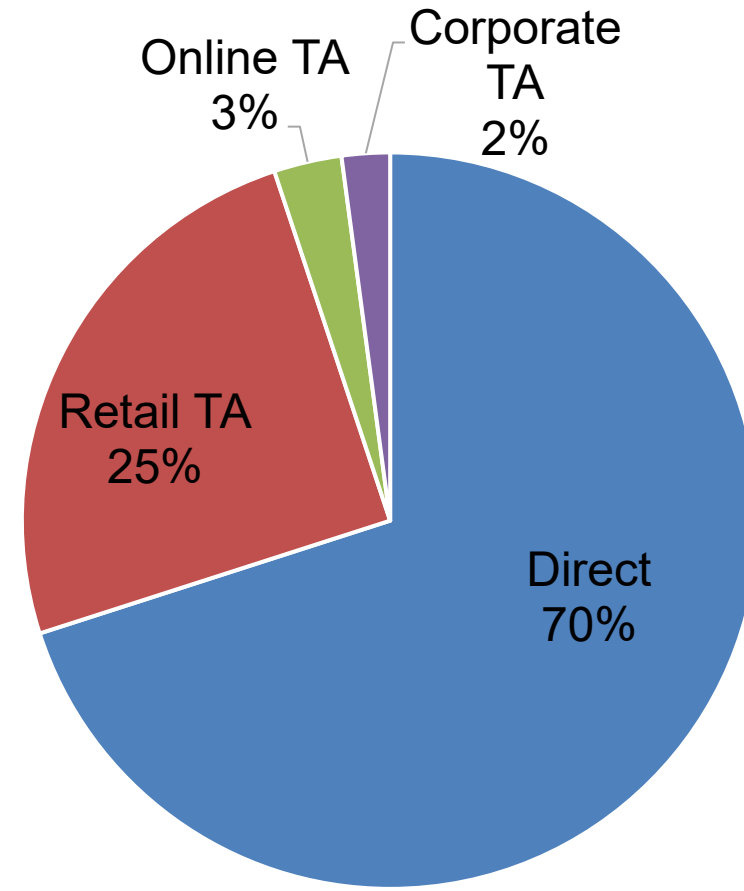
Source: ARC/ForwardKeys Destination Gateway

Distribution Channel: Canada

Pre-Pandemic



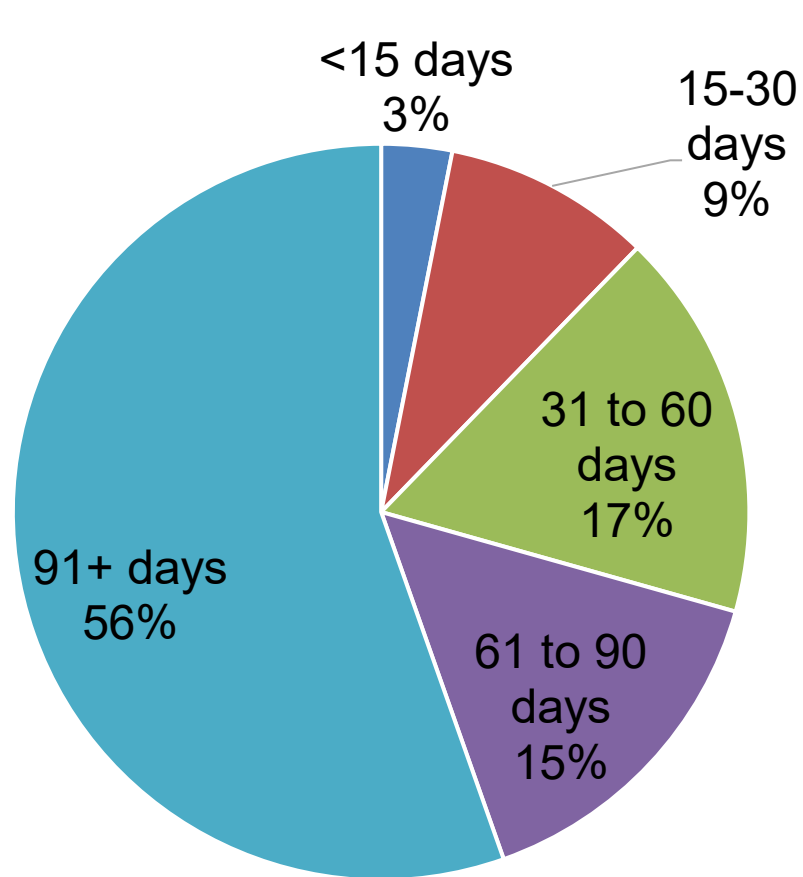
Current Period



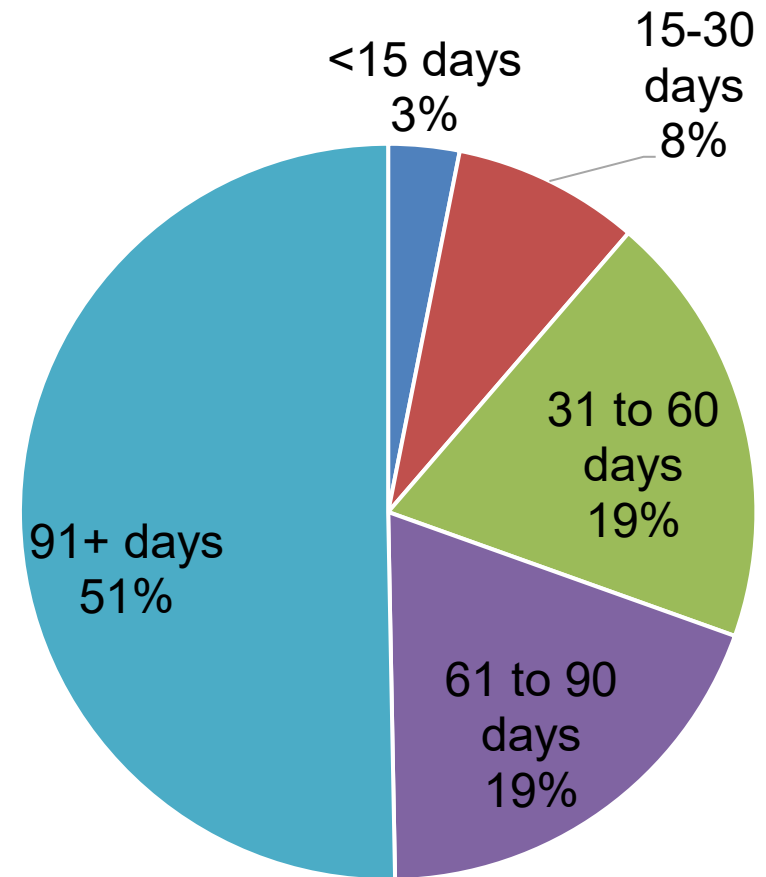
Source: ARC/ForwardKeys Destination Gateway

Lead Time: Canada

Pre-Pandemic

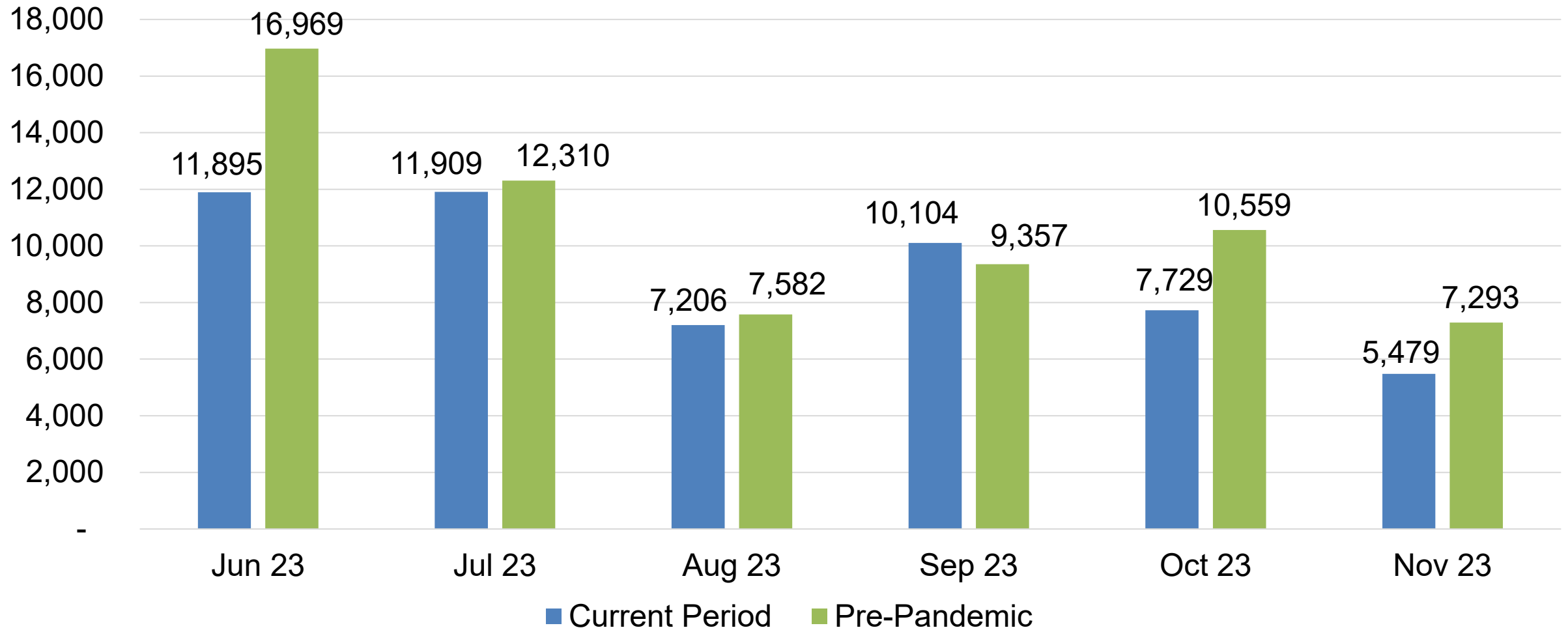


Current Period



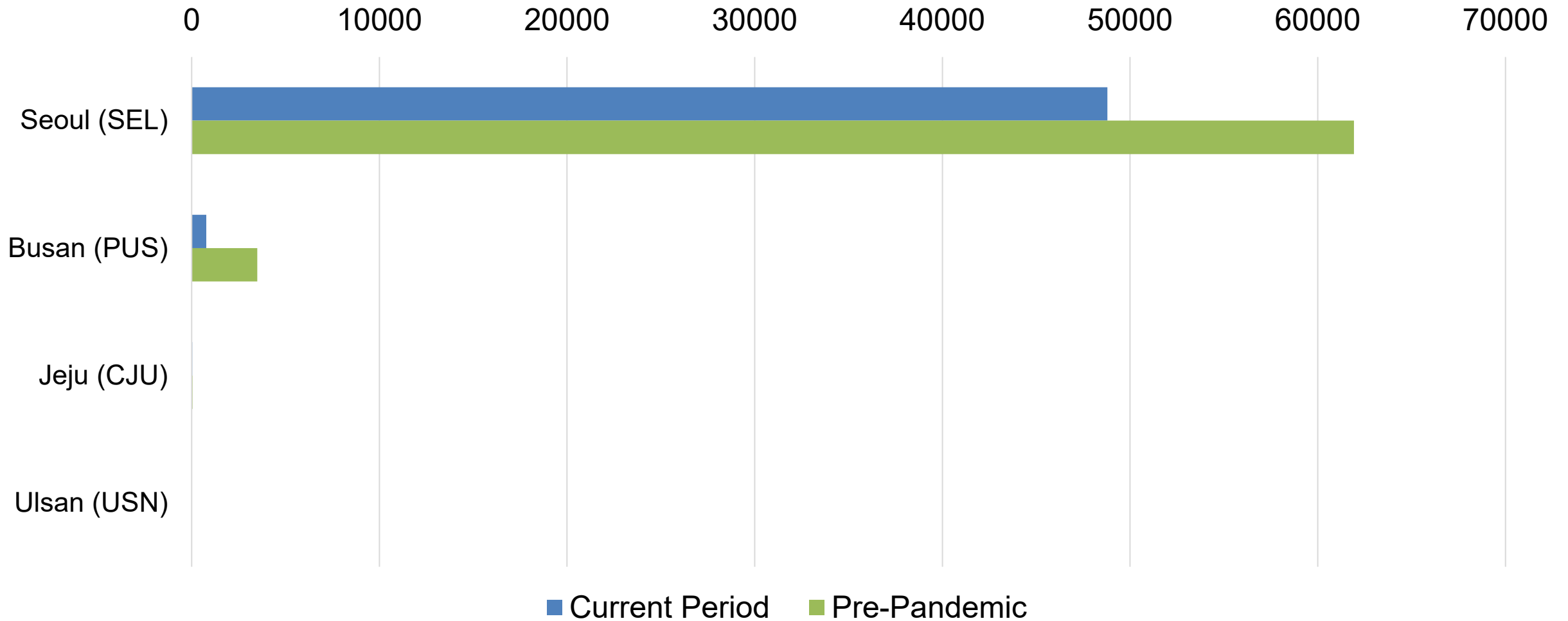
Source: ARC/ForwardKeys Destination Gateway

Six Month Outlook: Korea



Source: ARC/ForwardKeys Destination Gateway

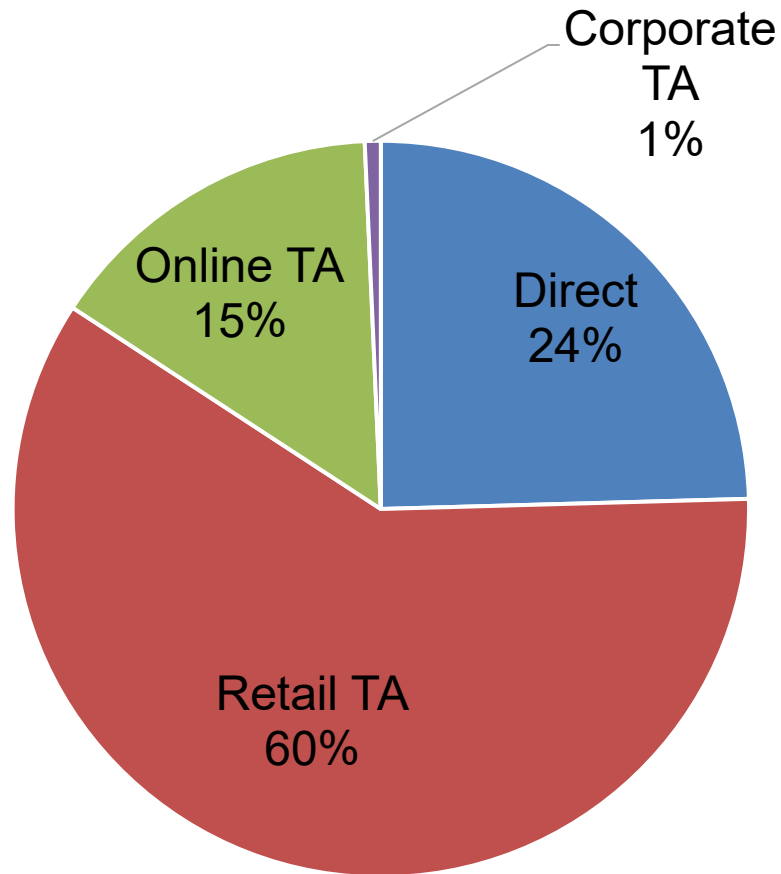
Trip Origins: Korea



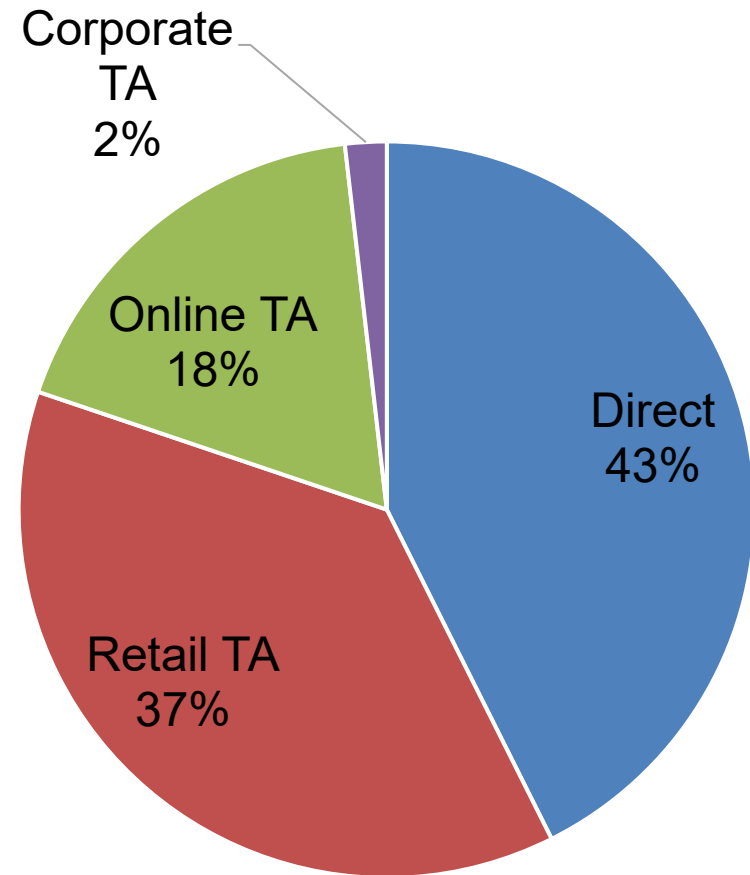
Source: ARC/ForwardKeys Destination Gateway

Distribution Channel: Korea

Pre-Pandemic



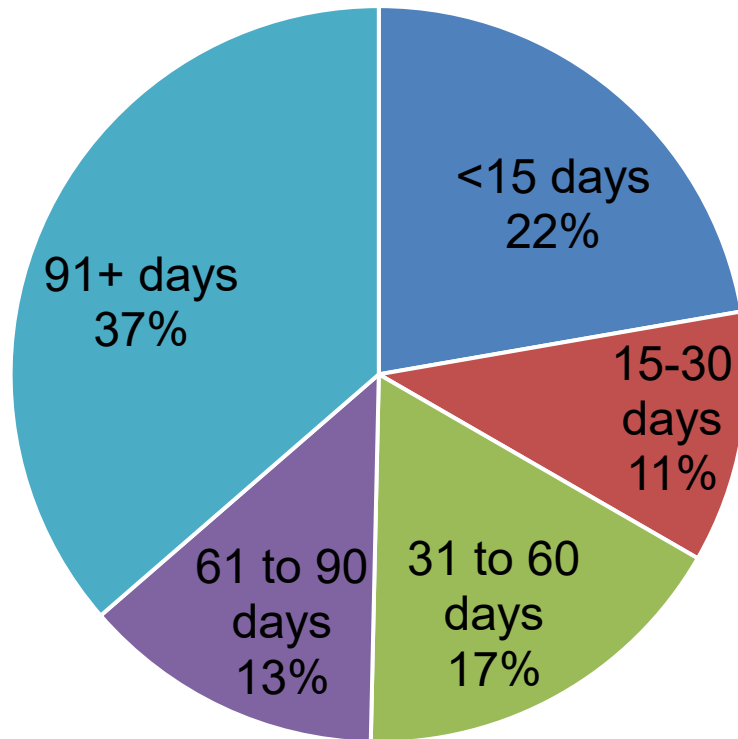
Current Period



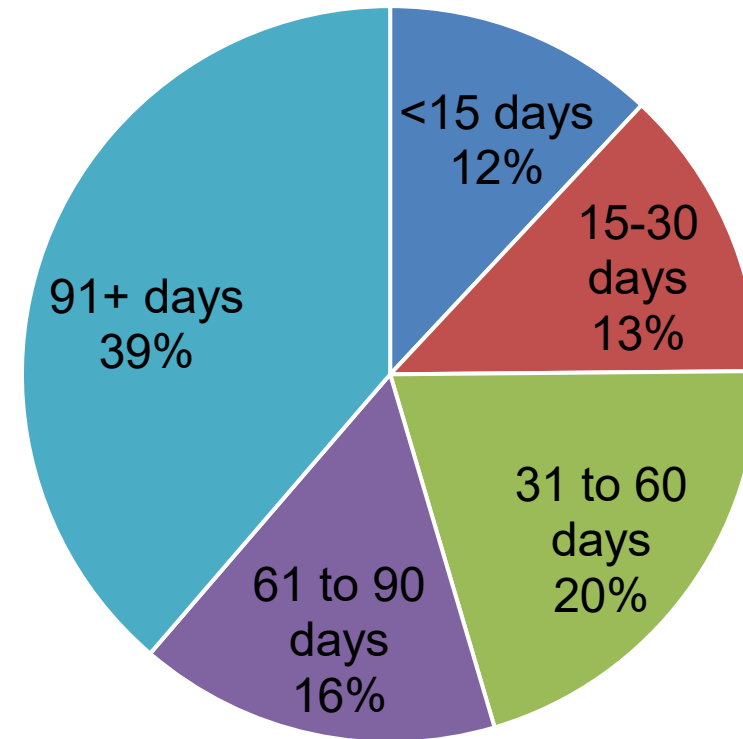
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Lead Time: Korea

Pre-Pandemic

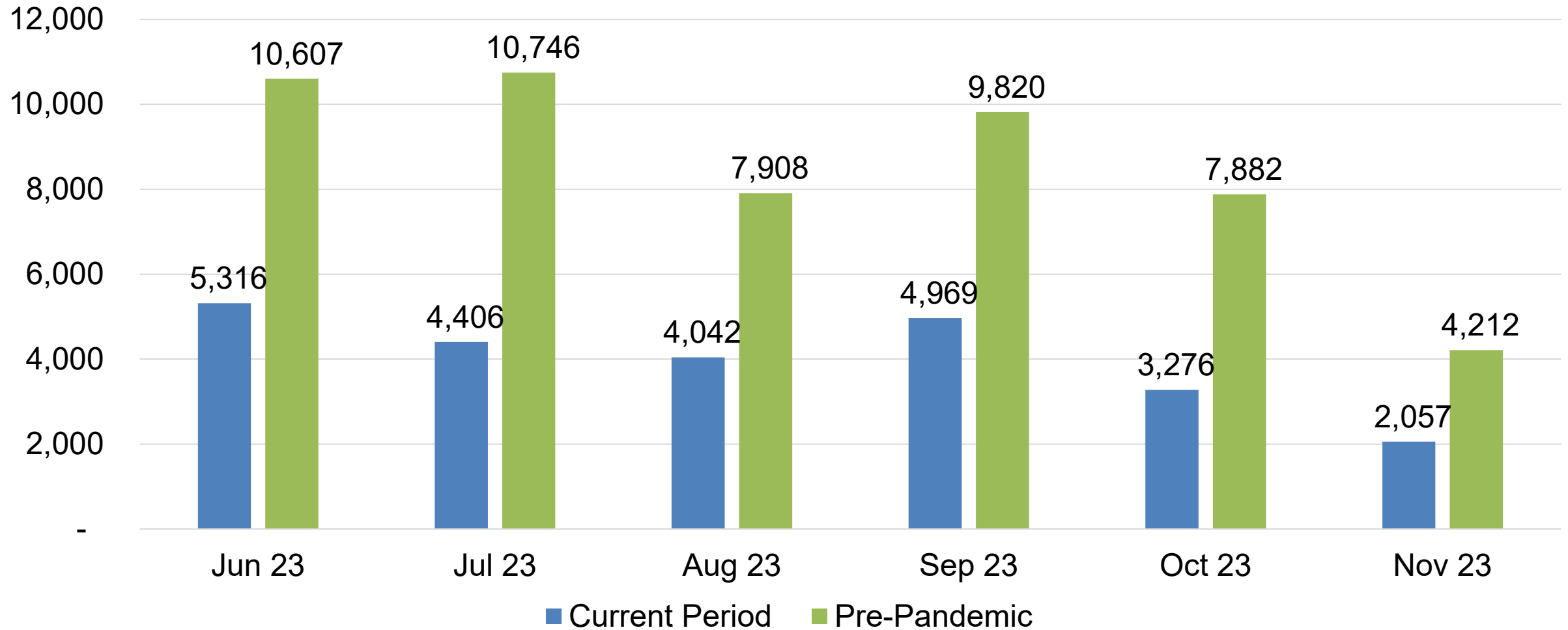


Current Period



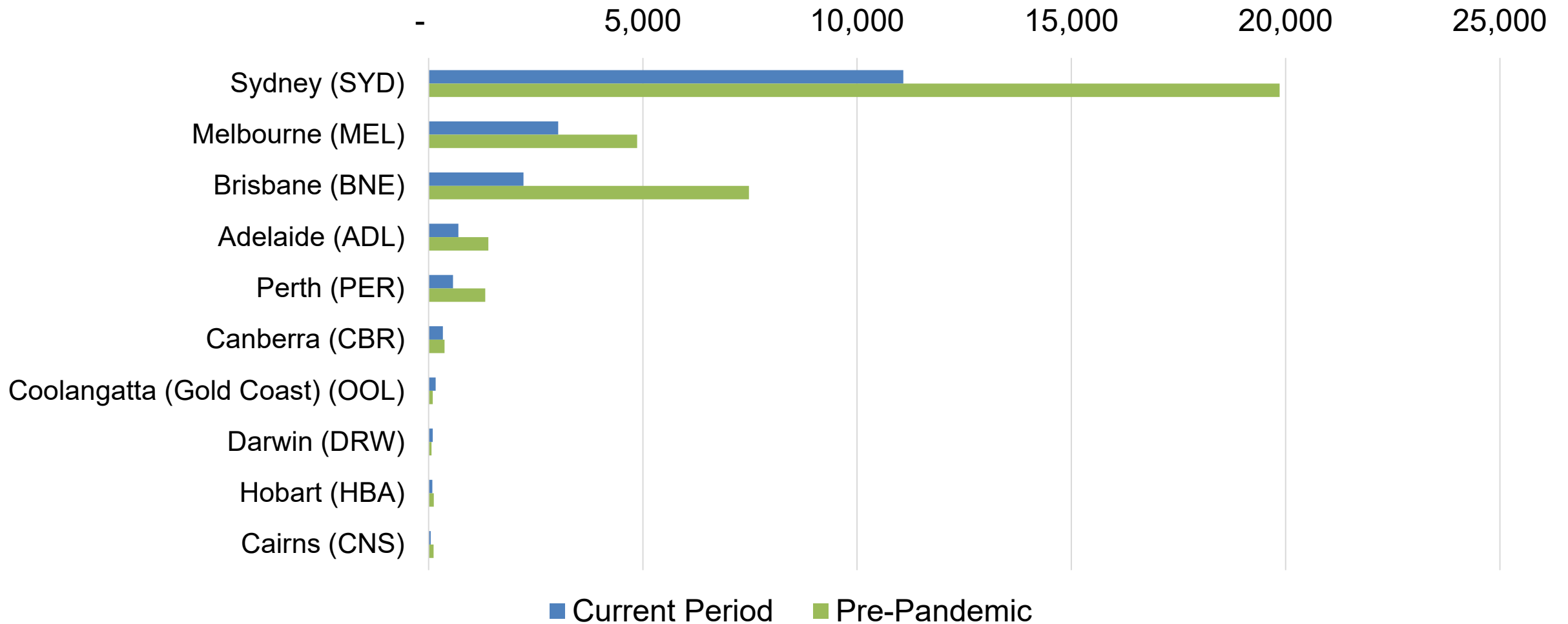
Source: ARC/ForwardKeys Destination Gateway

Six Month Outlook: Australia



Source: ARC/ForwardKeys Destination Gateway

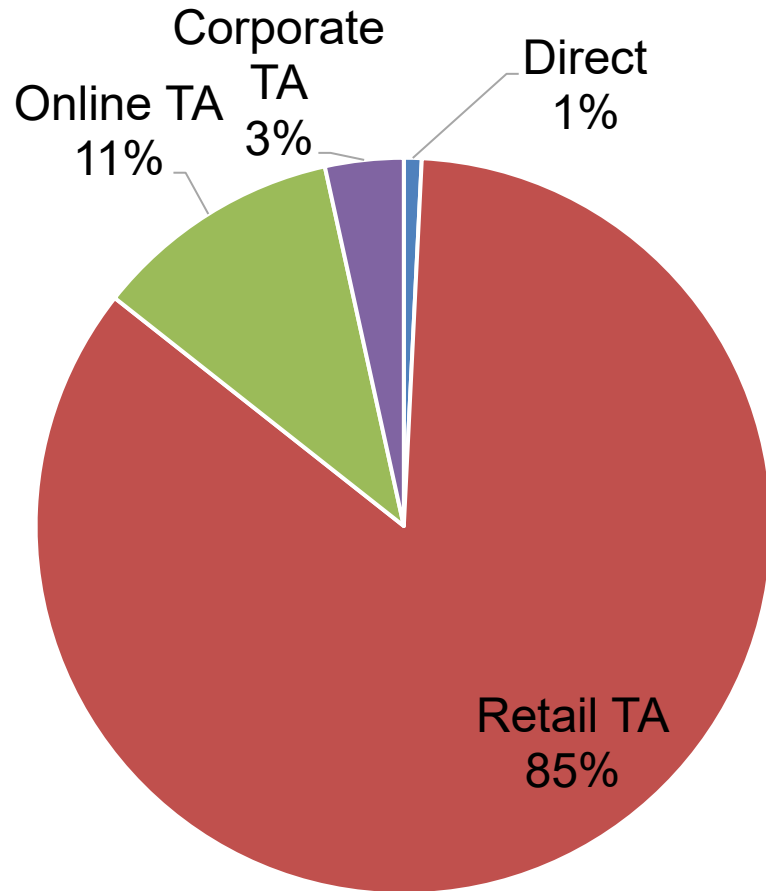
Trip Origins: Australia



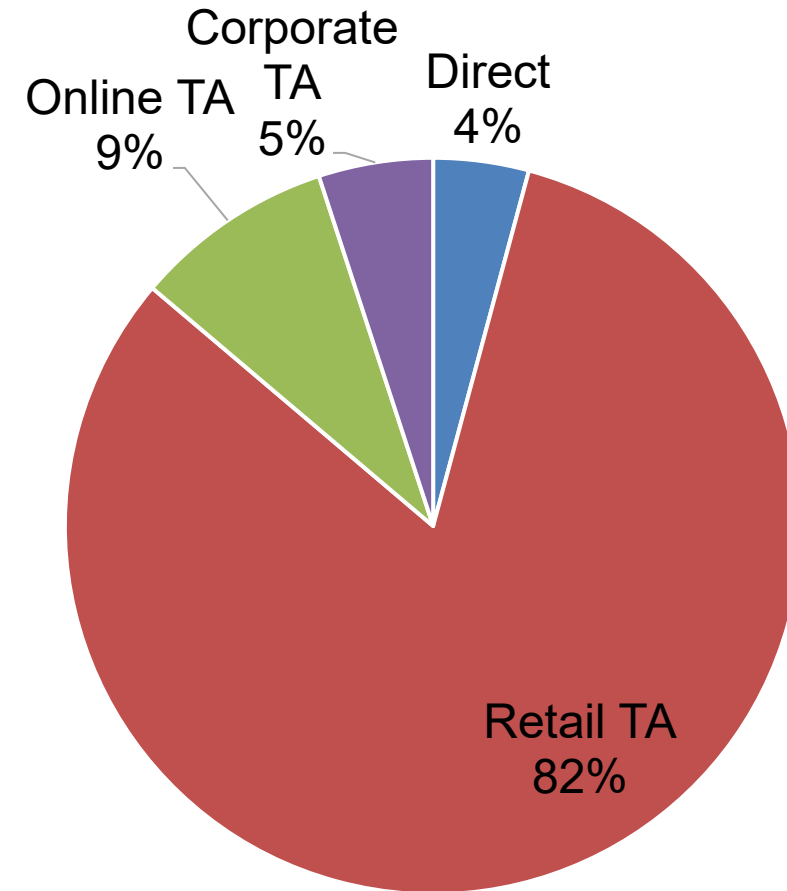
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Distribution Channel: Australia

Pre-Pandemic



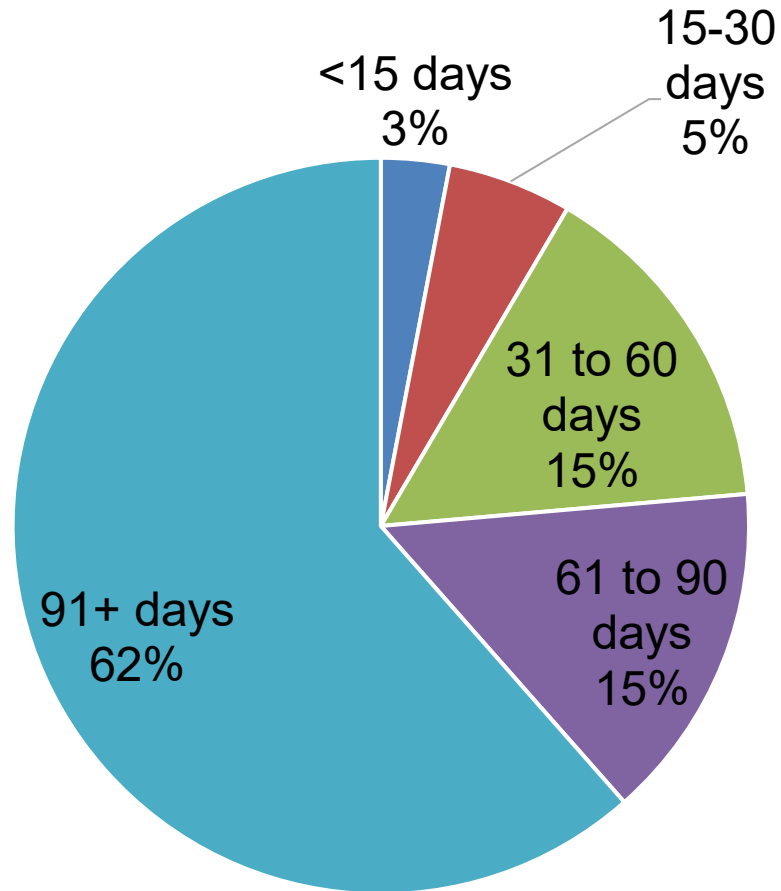
Current Period



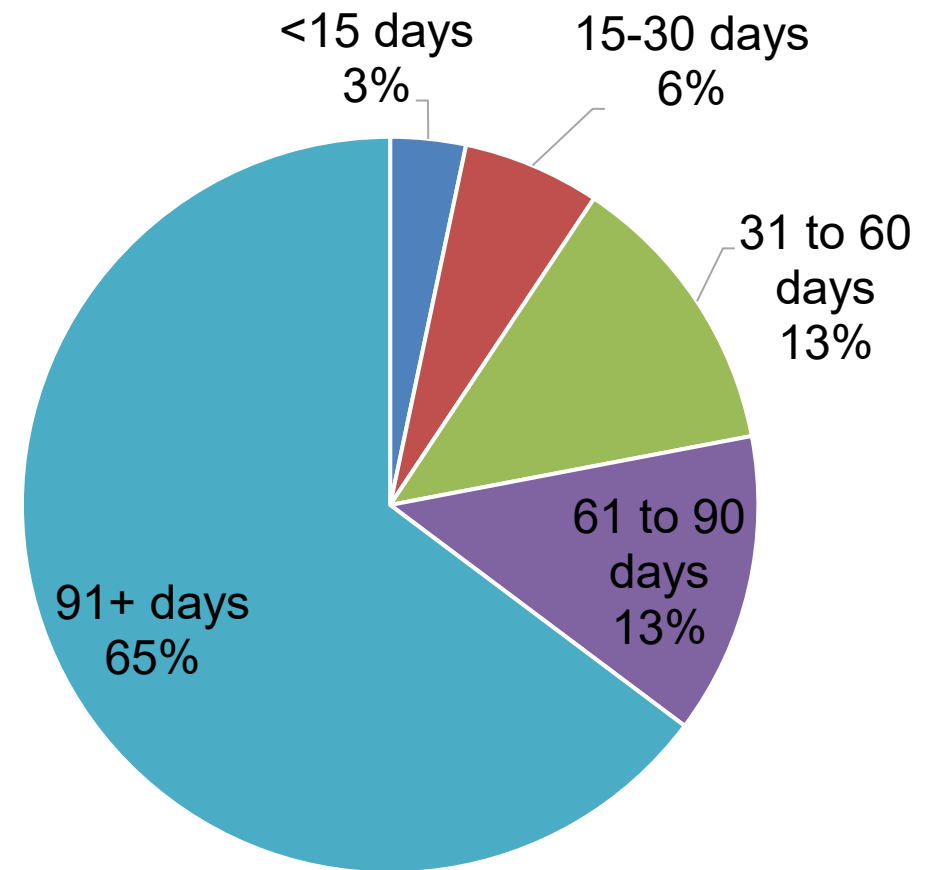
Source: ARC/ForwardKeys Destination Gateway

Lead Time: Australia

Pre-Pandemic

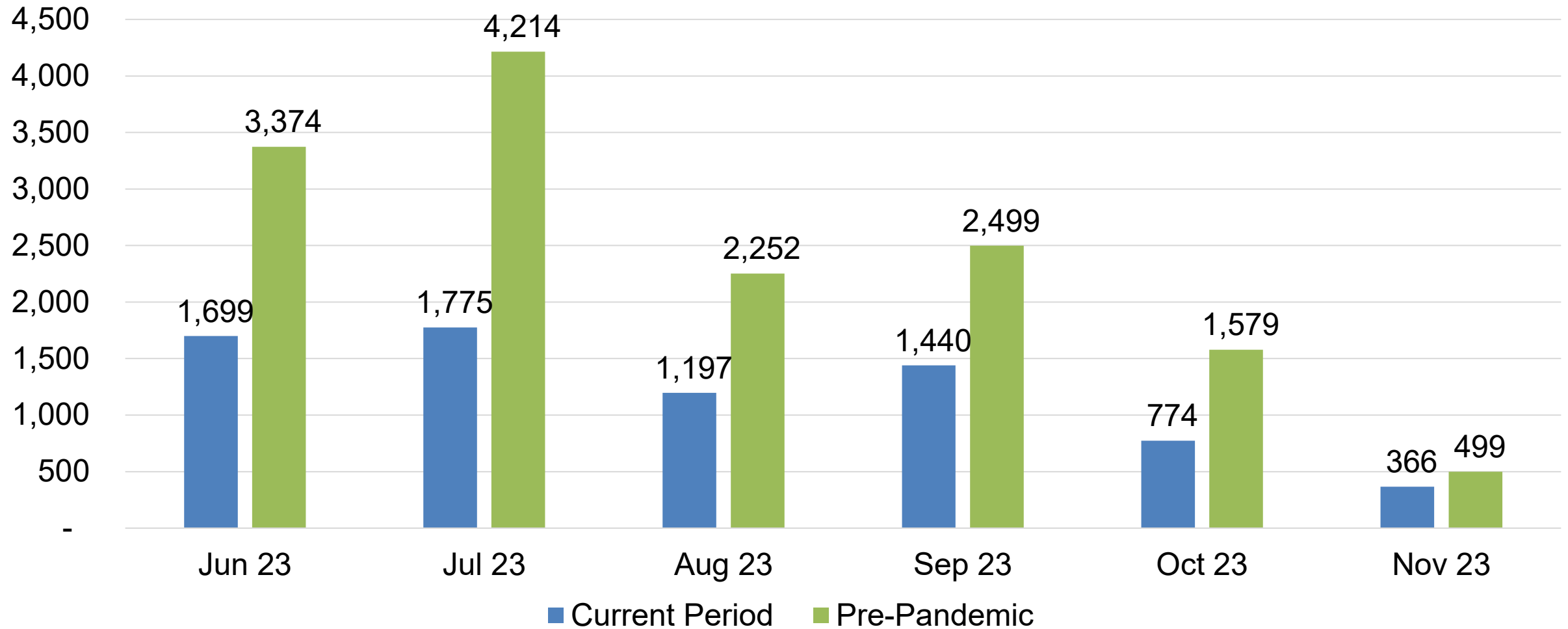


Current Period



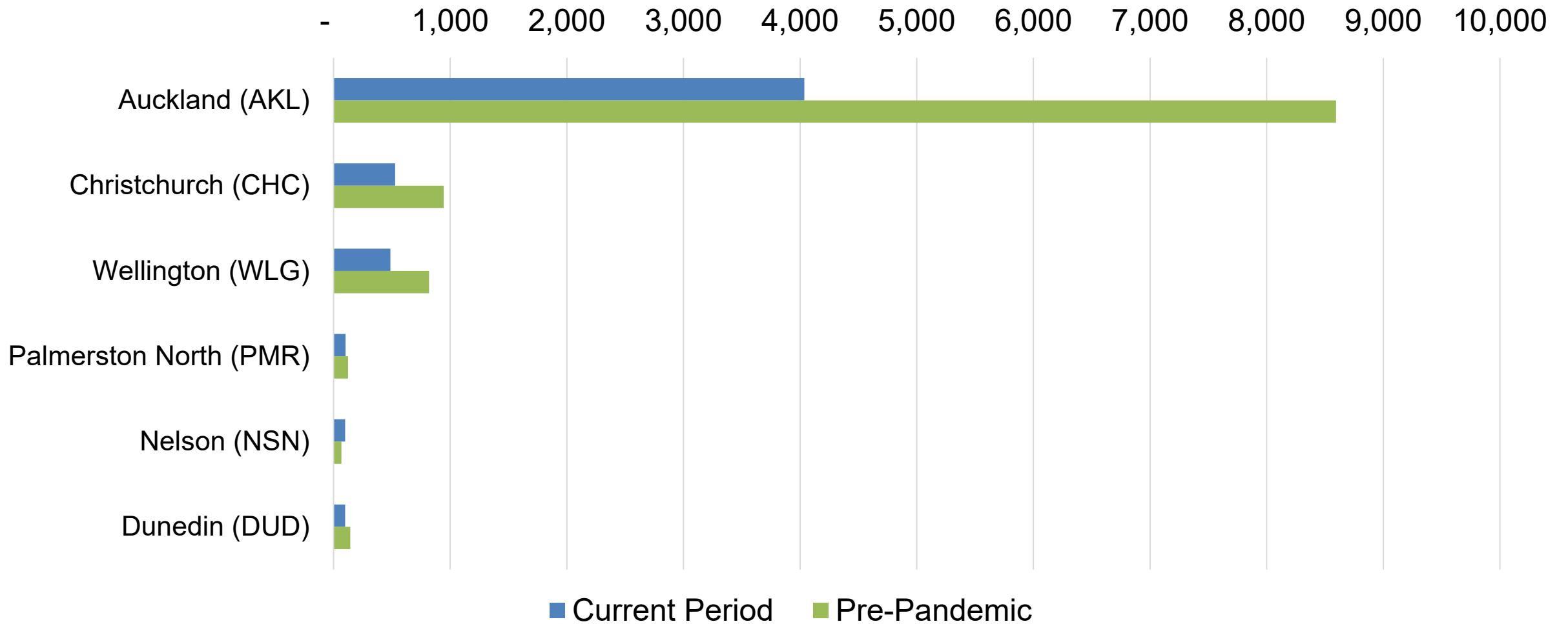
Source: ARC/ForwardKeys Destination Gateway

Six Month Outlook: New Zealand



Source: ARC/ForwardKeys Destination Gateway

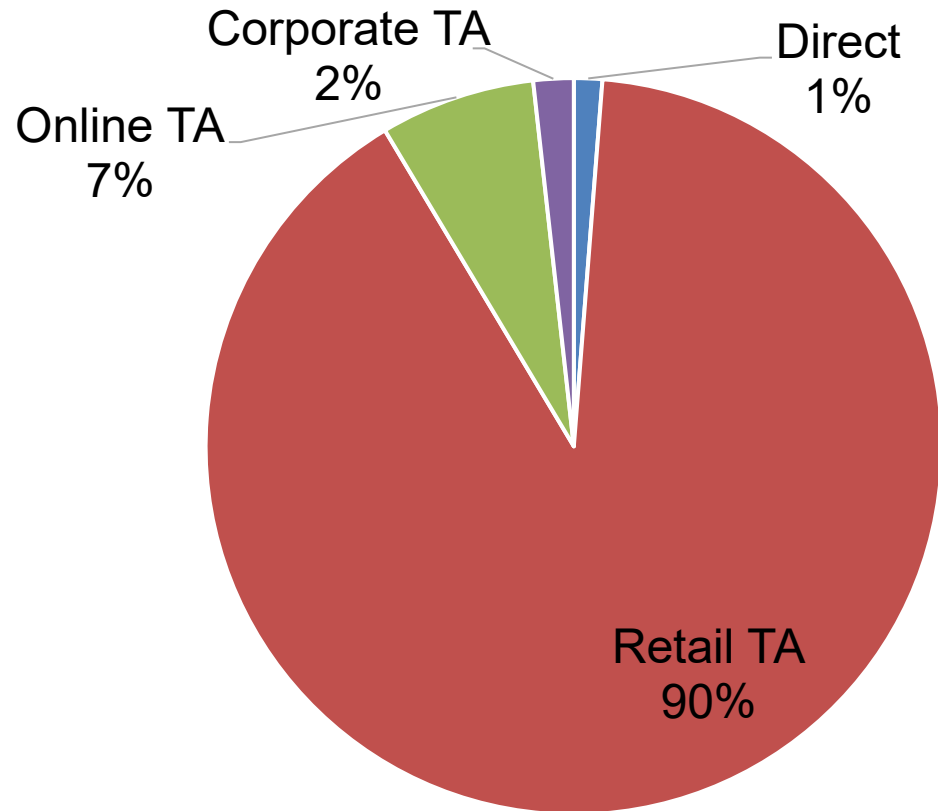
Trip Origins: New Zealand



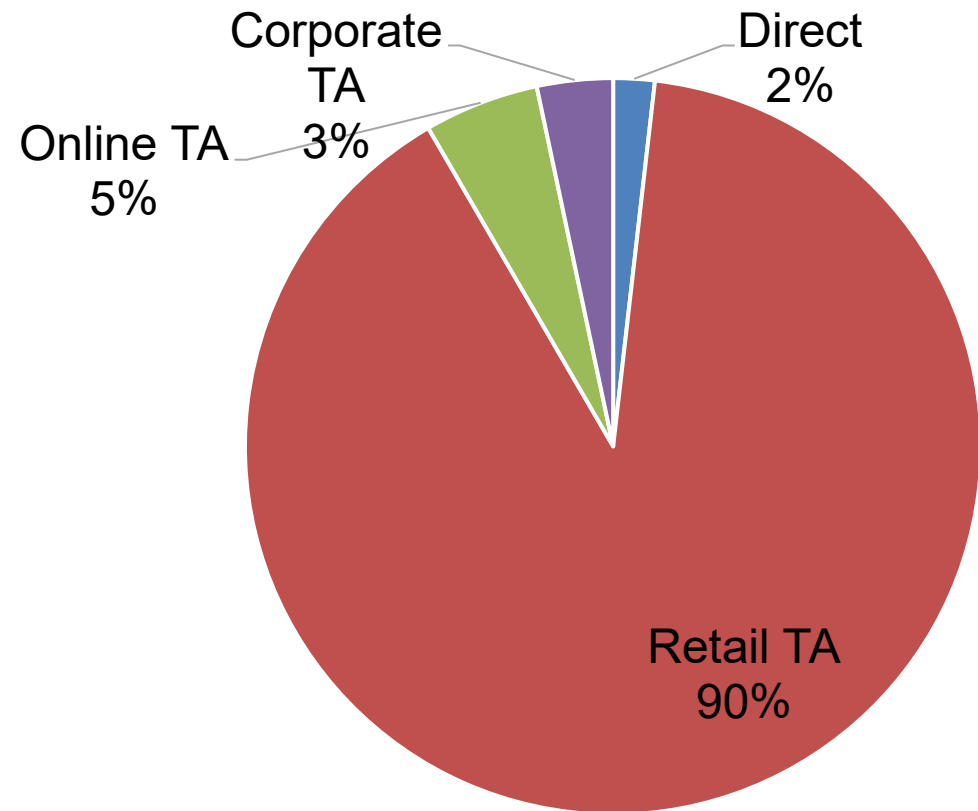
Source: ARC/ForwardKeys Destination Gateway

Distribution Channel: New Zealand

Pre-Pandemic



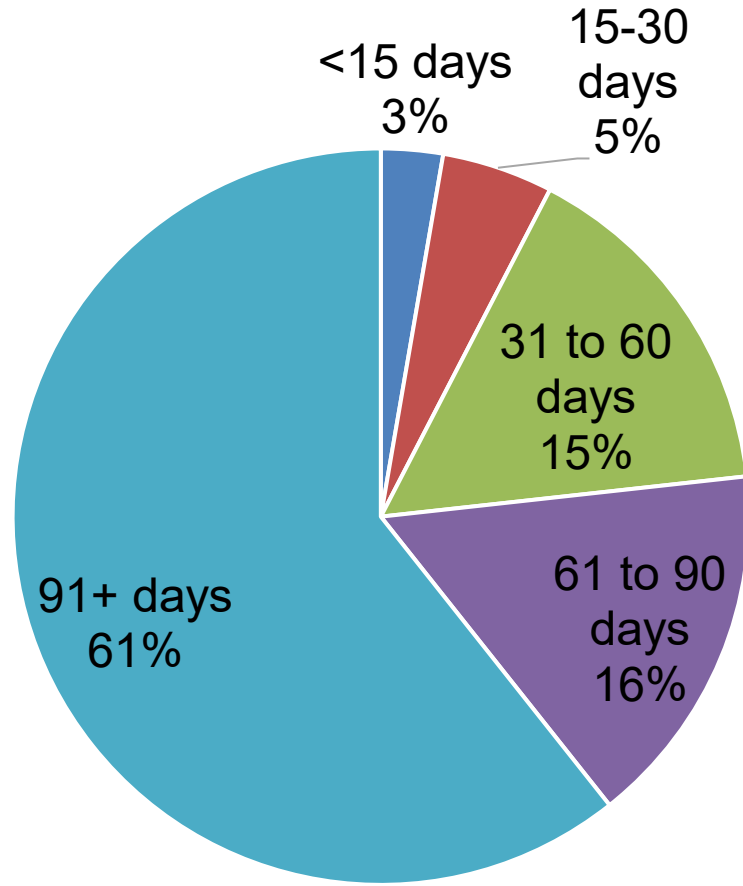
Current Period



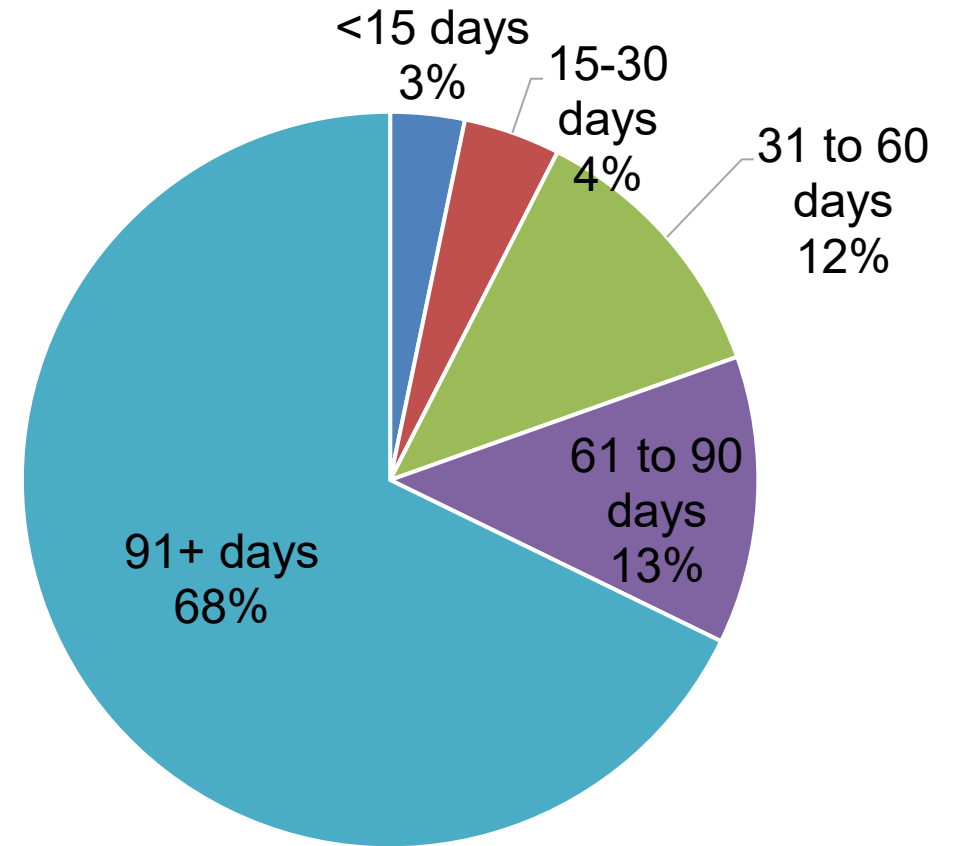
Source: ARC/ForwardKeys Destination Gateway

Lead Time: New Zealand

Pre-Pandemic

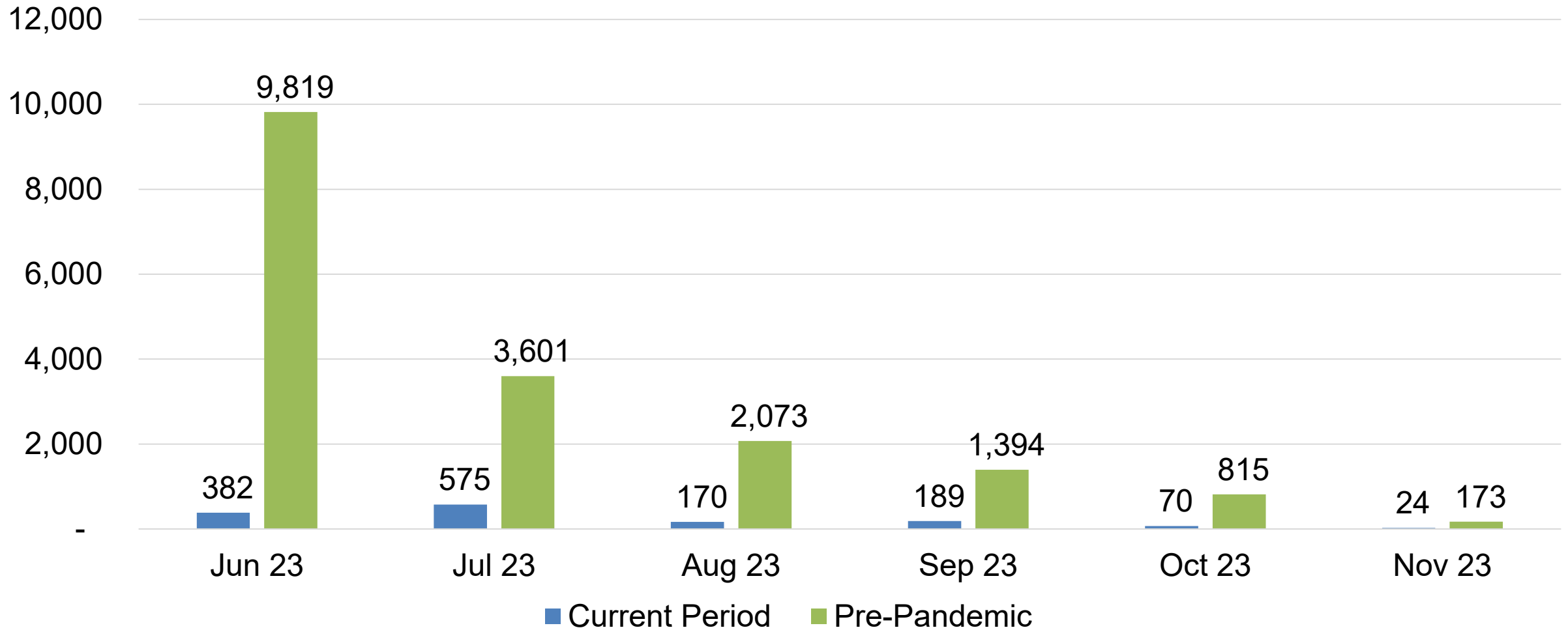


Current Period



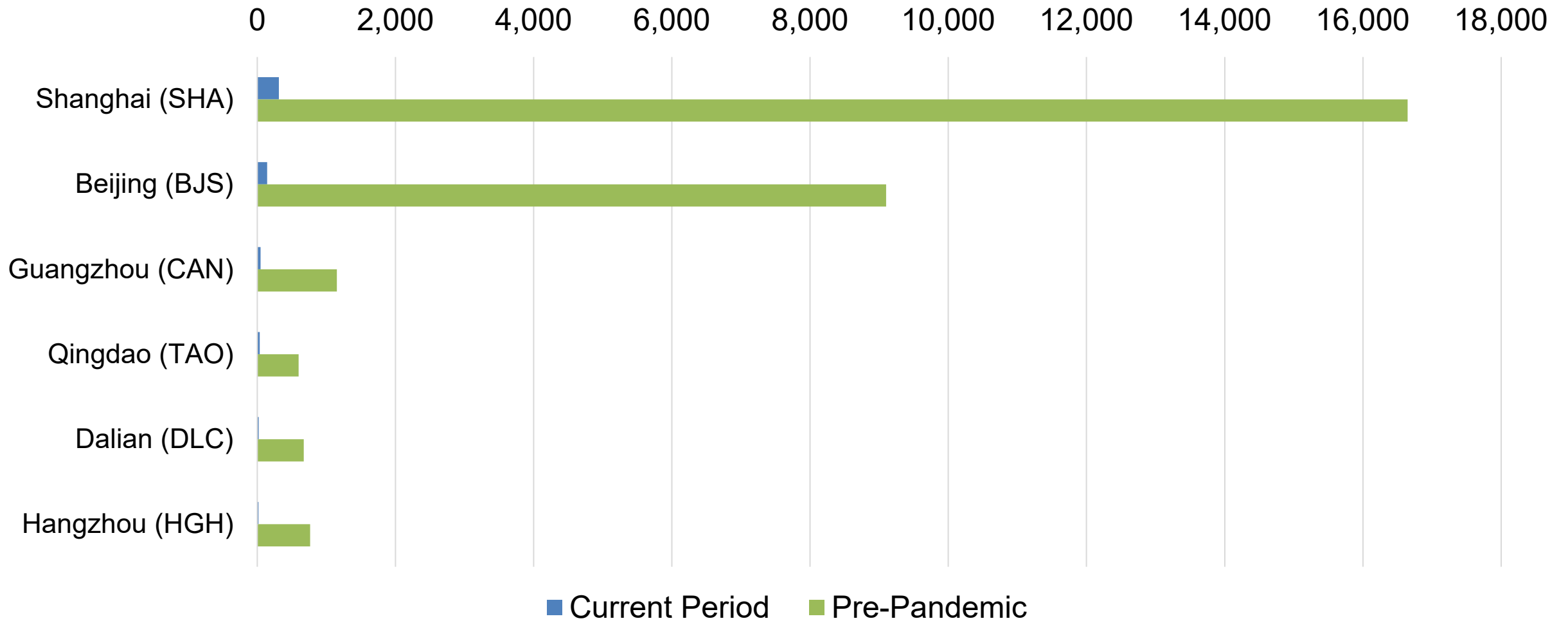
Source: ARC/ForwardKeys Destination Gateway

Six Month Outlook: China



Source: ARC/ForwardKeys Destination Gateway

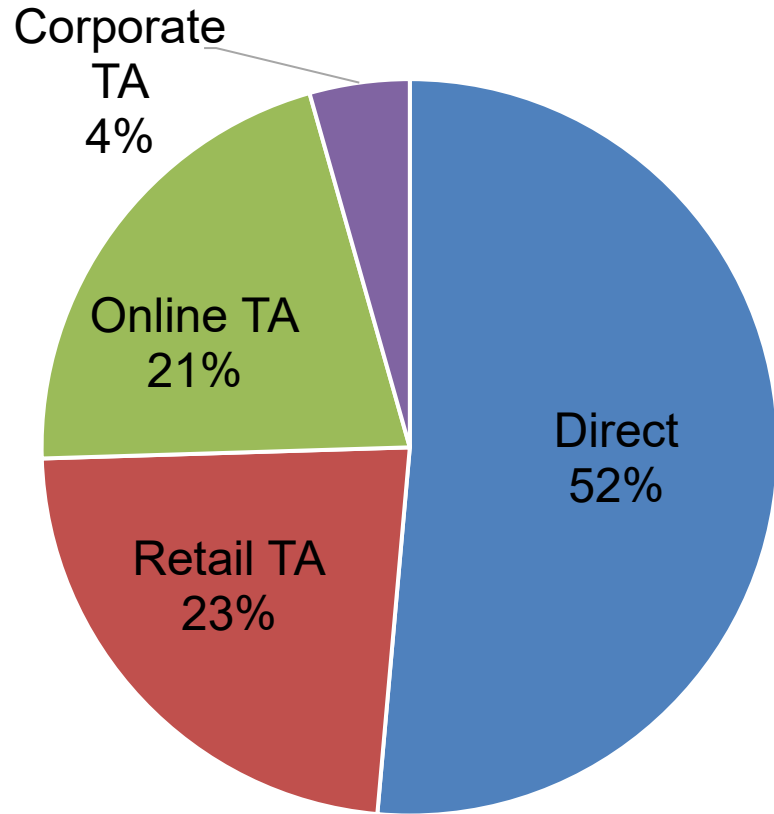
Trip Origins: China



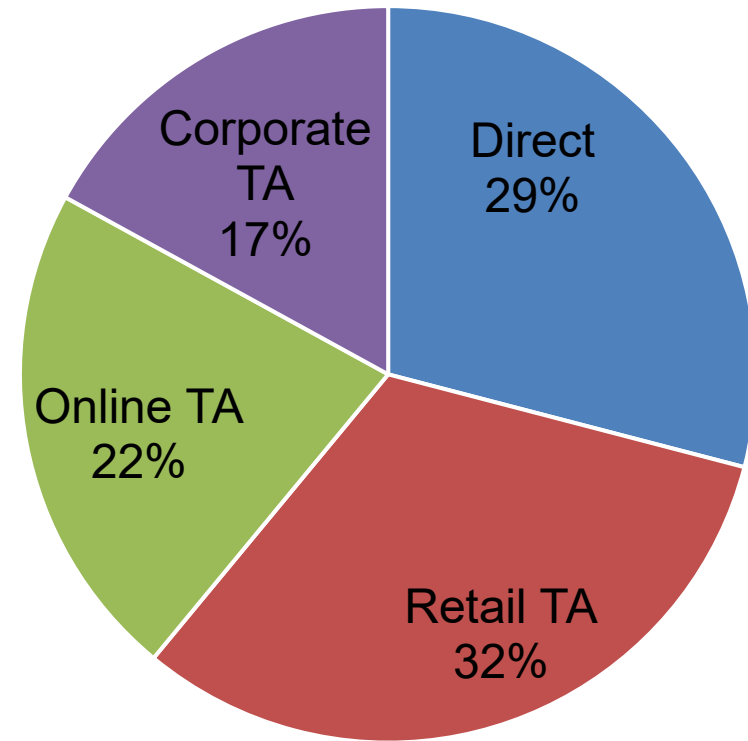
Source: ARC/ForwardKeys Destination Gateway

Distribution Channel: China

Pre-Pandemic



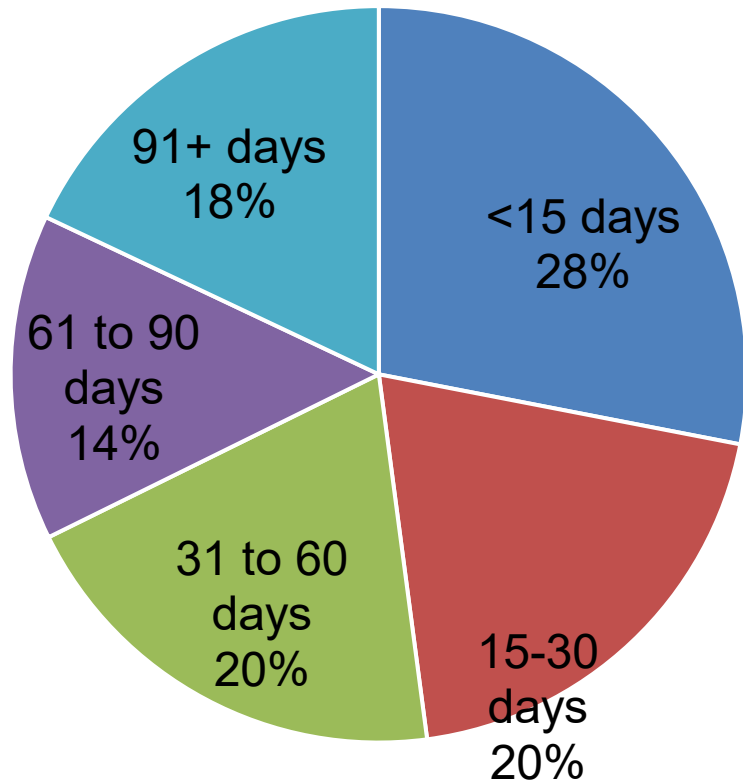
Current Period



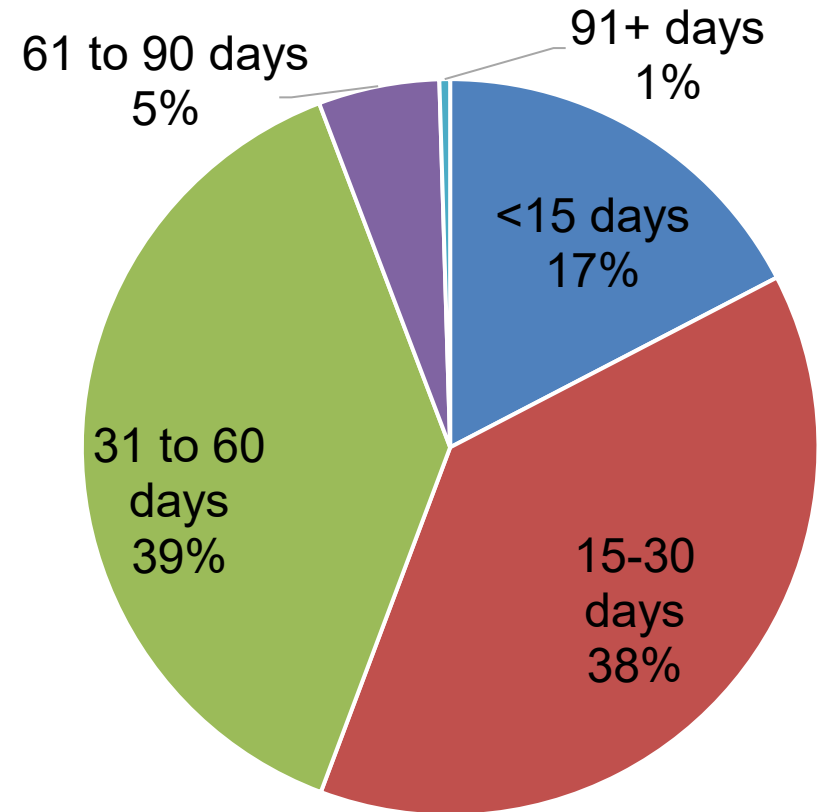
Source: ARC/ForwardKeys Destination Gateway

Lead Time: China

Pre-Pandemic



Current Period



Source: ARC/ForwardKeys Destination Gateway

MAHALO!

